

The Airline Encyclopedia

1909 — 2000



Myron J. Smith Jr.

The Airline Encyclopedia 1909–2000

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Servicing the American Overseas Airlines Boeing 377 Stratocruiser Flagship Europe (N90941). Originally named *Flagship Great Britain* upon delivery, the giant aircraft would become *Clipper America* when AOA was purchased by Pan American World Airways (1) late in 1950. American Airlines photo AA85-86-1. Courtesy American Airlines.

In memory of my father, Myron J. Smith Sr.,
and for Marion O. Smith, my mother, and Myron J. Smith III, my son.

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Foreword

Myron J. (“Jack”) Smith Jr. has earned a well-deserved reputation as the foremost bibliographer of his generation. Over the past quarter century, he has published over 60 volumes of annotated bibliographical studies that have been widely used by scholars in a variety of fields, especially business, military, pro sports, and aeronautical history.

Like other writers, I have leaned heavily on Professor Smith’s books in my own work. His fine volumes, *The Airline Bibliography: The Salem College Guide to Sources in English* (2 vols., 1985–1986) proved indispensable when I was editing the airline industry volume for *The Encyclopedia of American Business History and Biography* (Facts on File, 1992). His bibliography will be joined shortly by an updated guide, also from Scarecrow Press.

Smith, who along with other authors joined me in contributing articles to *The Airline Industry*, has also been responsible for a number of pictorial histories. His *Passenger Airliners of the United States*, covering the years from 1926–2000, is now in its fourth edition.

Smith’s latest project is his most ambitious effort to date and combines a love of information gathering with concise narrative. He has

compiled detailed operational and statistical profiles of more than 6,000 commercial air transport companies over the 91 years from 1909 into 2000. The research required for such a compilation can only be described as staggering. I have no doubts whatsoever that generations of aeronautical, business, and military historians will use this work as a fundamental reference tool. It will save researchers enormous amounts of time and effort to have the basic information on airlines so readily at hand.

Jack Smith has made an enormous contribution to scholarship. His indefatigable effort and unsurpassed skill in assembling *The Airline Encyclopedia, 1909-2000*, are deeply appreciated by all whose own works have or will rest upon this foundational endeavor.

William M. Leary
E. Merton Coulter Professor of History
University of Georgia

Acknowledgments

Many individuals, associations, airlines, libraries, and aircraft manufacturers were contacted or visited in the process of assembling this encyclopedia, work on which began over a decade ago at approximately the same time as my *The Airline Bibliography: The Salem College Guide to Sources in English*. Indeed, citations, press releases, and photographs for both works were initially obtained simultaneously. Following completion of the publications guide, this project has occupied much of the author's time ever since.

Almost everyone contacted over the years has responded in a gracious manner. For example, over two hundred airlines (several, such as Aeromech Airlines and the first Pan American World Airways, being no longer extant) provided information and photographs—many of them several times. All of the major fixed- and rotary-wing trade associations have also contributed facts and figures, while aircraft manufacturers have offered technical insight and photographs.

The growth in corporate information provided via the World Wide Web since 1995 has been, as noted, of immeasurable value. The development of e-mail has made correspondence regarding this project much simpler than has been the case for any of my other 66 books; a message to and from England, for example, which used to take weeks, now takes hours.

For their advice, assistance, or encouragement in the formulation, research, and completion of this endeavor, the following individuals and libraries are particularly and gratefully, if not alphabetically, acknowledged. Those organizations (extant or not) that provided photographs are acknowledged in the picture captions. This recognition of contributors does not, of course, necessarily translate into their endorsement, as any errors (and it is not possible for there not to be a few in a solo work as large as this one) remain the responsibility of the author alone.

If not specifically renamed below, I have recalled all of those people acknowledged in *TAB*, as well as in the four editions of my *Passenger Airlines of the United States*. This includes a huge cast of airline PR folks consulted earlier during this work's formative years, but who have now retired or moved on.

Mr. John Wegg, editor-in-chief, *Airways Magazine*
Mr. Nicholas A. Veronico, former managing editor, *Airliners Magazine*
Mr. Graham Warwick, North American editor, *Flight International*
Dr. R. E. G. Davies, curator of air transport for the Aeronautics Department, National Air and Space Museum, Washington, D.C.
Mr. Ian Harbison, editor, *Regional Airline World Magazine*
Ms. Kathleen Kocks and Mr. John Persinos, editors, *Rotor & Wing International*
Mr. Geoffrey Arend, La Guardia Airport, Flushing, New York
Mr. Bob Balay, reference books editor, *Choice Magazine*
Mr. Stan Cohen, Pictorial Histories Publishing Company, Missoula, Montana
Mr. Robert B. Lane, director, Air University Library, Maxwell AFB, Alabama

Mr. John Hanlin, director, Tri-State Regional Airport, Blountville, Tennessee
Mr. Scott Niswonger, chairman/CEO, LandAir Corp., Greeneville, Tennessee
Mr. Michael A. Roberts, senior vice president, Forward Air, Greeneville, Tennessee
Mr. Lewis Kunkel and Mr. Joe Tirone, VPs, Forward Air, Greeneville, Tennessee
Ms. Laurie Lincoln, Air Canada, Montreal, Canada
Mr. John M. Jones Sr., *The Greeneville Sun*, Greeneville, Tennessee
Mr. S. Wylie Milligan, Greeneville, Tennessee
Mr. Roy Thompson, Colorado Springs, Colorado
Mr. Larus Atlason, Civil Aviation Authority, Iceland
Mr. David J. Hodder, Brymon Airways
Mr. Joe G. Walker, Kent, Washington
Mr. Walter S. Coleman, president, Regional Airline Association
Mr. Malcolm Ginsberg, *Air and Business Travel News*
Mr. Martin Brennan, *Air Commerce Journal*
Mr. Jay Selman, writer
Hon. Jimmy Duncan (R-Tenn.), U.S. Congress, and his staff
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David Charlton, Airbus Industries of North America
Robert Takis, American Airlines
Library of Auburn University, Montgomery, Alabama
Library of Chattanooga State Technological Community College, Chattanooga, Tennessee
Library of East Tennessee State University, Johnson City, Tennessee
Library of Salem-Teikyo University, Salem, West Virginia
Library of the International Civil Aviation Organization, Montreal, Canada
Library of the National Air & Space Museum, Washington, D.C.
Library of Ohio State University, Columbus, Ohio
Library of Pennsylvania State University, State College, Pennsylvania
Library of the University of Tennessee, Knoxville, Tennessee
Library of the U.S. Department of Transportation, Washington, D.C.
Library of the Virginia Polytechnic Institute and State University, Blacksburg, Virginia

Special appreciation is reserved for Ms. Lisa Henderson Ray, research and statistics editor, and Mr. James P. Woolsey, recently retired senior editor and associate publisher, *Air Transport World*. Their long-standing support and assistance has been invaluable to the compilation of this, as well as earlier works.

I am also grateful to Mr. Jon Proctor, editor-in-chief of *Airliners*, who has provided many key insights and much data.

Dr. Norman Horrocks of Dalhousie University, Halifax, Nova Scotia, formerly editorial VP of Scarecrow Press, was instrumental in launching this project and has been a tower of aid and support. His successor at Scarecrow, Ms. Shirley Lambert, and her staff have given

every assistance and encouragement. Their collective patience with the growth of this project should be the stuff of publishing legends. The assistance, support, and encouragement brought to the conclusion of this project by production editor Kellie Hagan and copyeditor Bethany Easter has been a priceless joy.

Mr. Charles Tunstall, assistant professor of library science and public services at Tate Library, Tusculum College, provided interlibrary loan service.

Finally, a wave from the cockpit to Dr. Bill Leary, History Department, University of Georgia, for his splendid foreword.

Introduction

BACKGROUND AND SCOPE

In the beginning, aviation as a means of transport, especially for passengers, was considered wildly impractical. Critics and cynics derided the few who speculated positively on the concept and even Orville Wright was once heard to describe the chances of transatlantic flight as “a bare possibility.” As we all know, the developments of technology, stimulus from private plus national and international governmental sources, and the inspiration of some gifted individuals have brought, indeed wrought, a revolution in this aspect of world trade.

When it began nine decades ago, commercial air transport was little more than an experimental dream; for passengers, freight, mail, and express, the principal mode of delivery was by ground or water. The airlines¹ grew in response to their ability to provide speed of delivery for any or all type of person or goods. In many places such as the United States, air shipment of goods, i.e., mail, came before purposeful transport of people. Still, by the mid- to late 1920s, passenger air transport was a goal for carriers around the world. As the cowboy philosopher Will Rogers put it during the early 1930s, “if your time is worth anything, travel by air. If not, you might as well walk!”

In the period between the wars, substantial growth in passenger transport occurred. However, the business—often portrayed as romantic—remained primarily a subsidized service for the rich or those needing rapid delivery of high-priority goods or mail. Airport and air traffic control was primitive; crashes were common and usually every bit the center of media (newspaper) attention then as now. Still, demand for the air transport of passengers alone (excluding mail or cargo) rose gradually. It grew from a few thousand in the years just before and after World War I to 18.2 million in 1946, the first year in which the International Civil Aviation Organization (ICAO), an arm of the United Nations, reported world figures.

Following the Second World War, to which almost all of the world's airlines contributed support and from which nearly all benefited in terms of financial, operational, or technical advancement, the air transport industry blossomed in a burst of innovative activity. New concepts of delivery were put into practice, increasingly more-sophisticated equipment came on line, and government assistance, support, and regulation grew on both the national and international level. Marketing personnel worked overtime to make flying seem ever more glamorous for everyone.

As a result, the 1946 ICAO passenger figure had more than doubled by 1951 to 39.9 million and by 1956 had risen to 78 million. Commercial domestic and international flight achieved extraordinary expansion everywhere. By the end of the 1950s, airplanes, led by the introduction of jetliners, had largely replaced the ocean liner as the prime mode of transoceanic passenger transport. Over the next three decades, air travel within some geographical areas, such as the United States, had replaced large segments of public ground passenger transport for trips over a few hundred miles. The one hundred million (108 million) mark in passenger boardings was achieved in 1960 and hit 891 million in 1985.

Still, the industry since the 1960s, particularly in the U.S., has been subject to a period of almost-regular economic boom and bust, usually in parallel with fiscal recessions. Particularly difficult years were

1969–1974 (marked by excessive capacity), 1980–1982 (fallout from deregulation), and 1990–1994 (remembered for its overcapacity, value-conscious passengers, and erosion of airline balance sheets). Many airlines failed in these hard times, just as they had earlier in the Great Depression or in the late 1940s. Deregulation has taken a heavy toll; of all the scheduled U.S. passenger-service airlines that started up in the 14 years from 1978 to 1992, only two remained in existence as late as 1996.

The Asian economic crisis, which began on 1997 and lasted for several years, brought hardship and difficulties for carriers in that part of the world. Meanwhile, privatization in Canada and Europe has rewarded some scheduled airlines (Lufthansa, British Airways, and Air France), brought ruin to others (e.g., Canadian Airlines and over 100 start-ups in Russia), and spawned low-cost carriers that have sometimes been very successful (e.g., EasyJet, WestJet) and sometimes not (e.g., Debonair). The number of charter airlines has steadily declined during these years as that industry has consolidated.

Despite severe recessions, innovations in technology, administration, marketing, cooperation, and deregulation, as well as the end of colonial empires (including the Soviet Union), have propelled this progress along and increased demand for it. In 1997, 1,479,012,000 travelers flew worldwide. That figure in 1998 is 1,586,051,000. According to preliminary 1998 ICAO figures, total traffic thus remains level with a 1 percent increase, a sharp slowdown from the average 7 percent increase over the previous five years. The trend continued in 1999 as preliminary ICAO numbers dipped to 1,581,814,000.²

Today, still due largely to the speed it offers, commercial aviation is a major world industry. ICAO reported operating revenues of \$291 billion for 1997 and operating income, or profits, of \$16.3 billion for its represented states. The revenue line climbed to \$298.5 billion in 1998, with operating income up to \$16.5 billion. Net gain for the year totaled \$9.5 billion. Although revenues advanced by 3.7% in 1999 to \$306.5 billion, operating expenses led by fuel costs, soared 5.2% to \$294 billion. The operating profit fell to \$12.5 billion.

In 1997, the International Air Transport Association (IATA) also reported significant gain, showing earnings of \$5 billion for its members from their strictly international services, a figure down slightly from the all-time record of \$5.2 billion in earnings reported in 1995, but up from the \$3 billion of 1996. The final result after interest in 1998 totaled \$3.1 billion, but dropped significantly in 1999 to just \$1.9 billion.

Much of the income here celebrated remains dependent upon passenger revenues; airplanes simply cannot deliver bulk cargo in sufficiently profitable quantity as to replace railroads, trucks, barges, or super-tankers. Despite the best efforts of a number of all-cargo airlines over the years, only a few companies have been able to make a success of the air freight business. Still, post, express, and time-sensitive cargo provides important income for those (largely regional or niche) freighters that survive, as well as for the diversified or passenger companies, scheduled and unscheduled alike, that haul cargo to supplement income.³

As this book is completed, all doubt concerning the value of domestic and international air commerce has long since been removed. Having

grown and largely matured, the miracle of airborne mobility continues to receive its greatest tribute in this fact: millions of people around the globe simply use it daily and take it for granted. Like numerous of his other prophetic observations, Will Rogers' air transport assertion, right years ago, is still correct today.

Although there is some debate as to which was the world's first effective commercial airline, we have chosen to assign that honor to both DELAG (Die Deutsche Luftschiffahrt-Aktiengesellschaft, GmbH.) and the St. Petersburg-Tampa Airboat Line. Both contributed significant "firsts" to air transport history during the century's second decade, though each flew different kinds of equipment.⁴

Formed by Count Ferdinand von Zeppelin on November 16, 1909, DELAG's lighter-than-air ships carried over 34,000 passengers without injury between the major German cities between 1910 and November 1913. Briefly reborn in 1919, the company relaunched dirigible service between Friedrichshafen and Berlin on August 24, only to be shut down by the Allied Control Commission on December 1. In 103 flights between these dates, the lone airship *Bodensee* transported 2,400 passengers and 66,140 pounds of cargo.

Meanwhile, the Florida-based St. Petersburg-Tampa Airboat Line, which began four months of service on January 1, 1914, was the first scheduled airline to employ heavier-than-air planes. In addition, Paul Flanders' pioneering and also accident-free operation maintained the premier regularly scheduled freight/passenger service over a defined route, under an official (if local) government subsidy contract. Further attempts to provide these levels of service, dirigible or airplane, would not occur again until after the First World War. From 1919 on, airline growth and progress has been, if at first faltering, nevertheless, relentless.

As those companies now extant continue to grow, it was difficult for this author to quit an almost-daily effort to provide coverage. But then, an old story came to mind. Years ago, one Martial wrote to a friend concerning a volume then being prepared. It was suggested by the book's author that the tome be enlarged and more information included. The learned man replied that writer must call a halt, "otherwise, dear Avitus, there will be no book."

Given the time lag in the availability of traffic, financial, and other statistical or even operational data, 1999 is the last year for which detailed information was plentiful for operators worldwide. Most of the statistical information that would be available for inclusion was thus in the writer's computer by August 1, 2000. As certain events of importance occurring during the following first two quarters plus, including the launch of several new airlines (and failure of others), became known, they were reported. Following Martial's ancient advice, the cut-off date for coverage is the end of October 2000, with only the most important data added during the editing/indexing phase in the months thereafter.

The progress of events and developments must, as the result of our cut-off date, be left suspended. Numerous questions concerning specific carriers remain to be settled. Even as this work is being edited, several more new entrants are poised for takeoff here and abroad while others are on death's door and may fold—or, like a few others, find it possible to revive.

Will VASP Brazilian Airlines—Viacao Aerea Sao Paulo, S.A. and other South American carriers in a similar financial position—survive in the short-run? Will the airlines of the Caribbean be able to better coordinate their activities? Can equity partners be found for companies Eastern European flag carriers like MALEV Hungarian Airlines, Rt.? Will U.S. discount or niche carriers, like Vanguard Airlines or the fourth National Airlines, survive? Will there be additional consolidation among U.S. majors? How many Chinese and Russian airlines will merge and which ones will disappear or change their names? How will the further integration of Western Europe's in-house charter carriers proceed? North of the U.S. border, how will domestic Canadian competition flourish with the enlargement of Canada 3000 to say nothing of the merger of the Air Canada Connection partners into the super Air Canada Regional, Inc. What will the airlines scene be like in India or Indonesia in the next five years?

A whole list of additional queries just as germane (but based more on technical change, politics, economics and fuel distribution, or management on a wider scale) also need review. For example, will the continuing fuel-price crisis take a larger toll among the world's airlines? What will be the final impact of the coming of the regional jet on airline operations? Will additional airport capacity be forthcoming and will the "hub and spoke" concept continue? Will customer complaints concerning poor ground and cabin service, airliner seat size, and lost baggage be more successfully addressed in this century than it was in the one just concluded? What will be the additional impact of computers on operations and service? Will airline unions grow or decline in importance? Can ATC and other flight delay problems around the world, especially in the United States and Western Europe, be resolved in a manner satisfactory to passengers, governments, and airlines alike? How will changes in frequent flyer programs impact customers or airline yields? Can safety in the skies be improved as dramatically in northwest Asia or Africa as it has been in, say, Russia? Will the world's airlines continue to bind themselves together into alliances like Star or One World or combines like Grupo TACA?

PURPOSE AND ARRANGEMENT

The purpose of this book is not to retell, in overview and analysis, the story of the world's air transport industry. This has been done by others more adequately in their full-length studies.⁵ Brief biographies of airline companies have, in the past, appeared in aviation directories, either stand-alone books or insertions in magazines, such as the annual directory in *Flight International*. They have also appeared in corporation guides, such as Moody's *Transportation Manual* or the various Hoover handbooks.

This is, however, the first guide written to specifically provide detailed historical and in-depth year by year operational and statistical profiles for a significant number of the commercial air transport concerns extant worldwide during the past 90 years.

Thousands of flying concerns have been in operation through the last nine decades; regretfully, many more than we are able to cover. The majority of these have quickly come and gone, usually stimulated by some grand opportunity. For example, a huge number of surplus aircraft and trained airmen became available after the Second World War and were joined together in a hoped-for air transport revolution. The Civil Aeronautics Board (CAB) once estimated that 3,600 U.S. carriers were established in the three years after World War II. There were 30 private charter carriers in France in 1946 and *Flight* listed 70 independent companies flying in Britain in April 1949. All of these were mostly one-man operations that quickly died.

Rotary-wing airlines and air charter operations were growth innovations of the 1950s and 1960s. Only a few helicopter airlines currently exist, although many others provide lift in support of such commercial enterprises as the offshore energy industry and forestry. In some countries, civil helicopter operators are contracted to act as coast guard search-and-rescue units. Charter companies have had a tremendous failure rate; although many continue to be formed, many have also failed. The same is true of commuter airlines (now known as the regional airlines), which grew out of the air taxi industry in these years. Most of those surviving are now affiliated with larger, scheduled carriers, either as partners or as outright fully owned subsidiaries.

Another period of intense growth came in the late 1970s and 1980s, with airline deregulation, privatization, and liberalization. In the United States, following the Airline Deregulation Act of 1978, new entrants, many offering huge fare discounts to passengers, multiplied; in the fierce competition that followed, many of these also perished. Other regions have also seen similar growth; easyJet, Ltd. in the United Kingdom and Azzur Air, S.p.A. in Italy are recent examples.

Among the 6,100-plus companies that we do examine are pioneers such as DELAG and the St. Petersburg-Tampa Airboat Line. Also included are such defunct historic lines as North Central Airlines, Hunting-Clan Air Transport, Ltd., East African Airways Corporation, Pan American World Airways (1), or Canadian Pacific Air Lines, Ltd. In addition, we review

the stories, often in considerable detail, of contemporary major and regional passenger carriers, large and small, scheduled and unscheduled, around the world. Examples include American Airlines, Japan Air Lines Company, Ltd. (2), Mexicana Airlines, S.A. de C.V., Transaero Airlines, Britannia Airways, Ltd., Iraqi Airways, and SA Express (Pty.), Ltd.

Major freight lines such as FedEx and Nippon Cargo Airlines, Ltd. are included. Rotary-wing airlines such as New York Helicopter Corporation, or helicopter companies that provide on- or offshore passenger charters, carry cargo, save lives, fight fires, or harvest timber, such as Bristow Helicopters, Ltd. or Erickson Air Crane are listed as well. A number of passenger-oriented general aviation or executive transport concerns are also included. Even small, often short-lived charter operators based on fixed base operators (FBO) are noted as data permits.

Very few airline types are specifically excluded. Military air transport divisions, such as Military Airlift Command, or covert operations with no civil cover, like Air America, are generally not included. However, space is given to a few military units in foreign countries specifically tasked to transport civilians, such as TAME (Transportes Aereos Nacionales Ecuatorianos) operated by the Ecuadorian Air Force. Due to their number, dedicated air ambulance operators are excluded as are most, though not all, of the smaller helicopter and fixed-wing tour, crop-dusting, or bush operators.

Entries within *The Airline Encyclopedia, 1909-1999* are arranged alphabetically, from A to Z. Data enhancing the company profiles varies, being more complex for those larger concerns still viable at the time the work was finished. Corporate information for the very new is often spotty, sometimes consisting only of city/country location and start-up date. In addition to available traffic and financial information provided, every effort has been made to include information on the following points:

- Aircraft, routes, and services operated
- Associated personnel, both company and celebrity
- Alliances, pool, and interline services records
- Accidents and incidents
- Terrorism and in-flight crime
- Government service in war and peace, including covert operations
- Major sporting or political occasions (e.g., Olympic Games or political conventions)
- Natural disasters, such as hurricanes or earthquakes
- Literary or film references or production involvement
- Unusual anecdotes believed by the writer to have historical interest
- Literally thousands of different classes of service and special promotions have been offered over the years, some for only short periods of time; those believed to be of historical or other interest are noted, including many of those given specific names.

A primary consideration for an operator's inclusion here was the identification of a beginning date. To claim a company was active in a given decade (say the 1930s or 1950s) is too vague a reference to obtain a slot for the concern herein because it would prove very difficult, if not impossible, to build a start to finish chronological corporate biography. I am aware that critics will argue that a number of carriers have thus been omitted which deserved inclusion. If they will assist me in obtaining correct information, new profiles will be constructed for the next edition.

If a company is known to have ceased trading before the completion of this compilation, the airline is noted by its name, nationality, and date of operation. If an airline is still flying (or believed to be, without evidence to the contrary in hand), the directory data is much more extensive. For those carriers, we offer not only name, but, as available, address, telephone and fax numbers, Internet website addresses, two-letter IATA or three-letter ICAO codes, and year founded. Traffic and financial data, taken from government, international organization, industry, and regulatory reports are also provided as available.

Every effort has been made to properly identify aircraft employed by the various carriers. However, with all the selling, trading, and leasing of airliners over the years, this is a nearly impossible goal. Rather than provide generic model numbers (e.g., All Nippon Airways Company, Ltd. Boeing 747-400), we have attempted to be correct (e.g., ANA Boe-

ing 747-481). Where we have failed to be exactly correct (which can happen particularly with the advent of large-scale aircraft leasing), we assume the fault and await assistance from readers.

No effort is made to provide complete fleet lists; such data would require too much space and is available elsewhere in print and on the World Wide Web. I have been particularly impressed with the Herculean efforts made by William "Bill" Harris, who has given us a huge *Commercial Jet Aircraft Census* (<http://www.bird.ch/bharris>). This site allows one to choose census lists from Airbus, Boeing, McDonnell Douglas, or Lockheed; it also allows its users to review the latest "Jet Airliner Status Report," an updated "Jet Airliner Total Losses" list; or to review Harris's database by "Airline 2- & 3-Letter Codes."

A similar, though smaller undertaking is the online compilation of *Aeromoe's U.S. Airline Fleets* (<http://www.geocities.com/~aeromoe/airlines.html>).

In addition, Luxembourg native Marc Schaeffer has published a very helpful homepage that not only provides remarkably full coverage for the de Havilland Comet, but also provides significant detail for those who would keep up with jetliner acquisitions and disposals. Among the subpages available are listings for all Boeing jet orders/backlogs since 1955, orders/backlogs for all jet aircraft orders (regardless of manufacturer) since 1997, a census of the latest order cancellations, and a census of the latest leased jetliners. It is hoped that the helpful, current *Marc Schaeffer's Homepage* (<http://www.geocities.com/CapeCanaveral/Lab/8803>) will be maintained for years to come.

The names, official and otherwise, assigned to aircraft by manufacturers or operators are often given. The author is aware that this is a reference quagmire in that these names are changed often, may be used more than once, and are not an accurate tool for identification. Like the names of specific services, they are, however, colorful and, in the case of certain earlier airlines, such as Imperial Airways, Ltd., and even some modern lines, such as the second Pan American World Airways, add spice to the tale and are therefore employed as known.

For the most part, company portraits are presented under the most recent airline name, as well as predecessor identity. For example, today's British Airways traces its heritage back through British Overseas Airways Corporation (BOAC), British European Airways Corporation (BEA), the first British Airways and Imperial Airways, Ltd. to several small companies merged in 1924. There are a few cases (and BA is one of them) where the name has changed slightly, usually by virtue of privatization; in those cases, identified in the text, the previous name may be retained for the sake of consistency and orderly profile completion. Where there have been more than one company with the same name, these are entered chronologically and identified by number, e.g., Japan Air Lines Company, Ltd. (1) and Japan Air Lines Company, Ltd. (2).

Each profile receives individual chronological coverage. Company cross-referencing is provided throughout the text and within entries, where names of other covered carriers are shown in bold type in the same manner as specific years, e.g., 1997. As a textual aid, italics are employed for book and motion picture names, and names of specific aircraft. To save space, airlines are sometimes referred to within their profiles by abbreviations.

Appendixes

This work contains two appendixes: a list of Acronyms and Abbreviations used in this book, and a list of Research Sources pertaining to the airline industry. The abbreviations include international and governmental organizations and institutions, airline codes, airports, and measurements. The descriptive list of sources includes bibliographies, newspapers and journals, indices, handbook, book publishers, and Internet websites dealing with all aspects of the airline industry.

Indexes

Two indexes are included: Regional Index of Carriers, and Name and Subject Index. The Regional Index lists airlines profiled by nation. Be-

ginning with Africa and the Mideast, it proceeds to Asia and Oceania, moves on to Europe (including the CIS), then South America, and concludes with an accounting of the carriers of Canada and the United States.

The master Name and Subject Index is keyed to airlines and is designed to allow detailed entry into the “who” and “what” of the encyclopedia.

Serving as something of a “who’s who” or “who was who” of the airline scene, the Name and Subject Index covers individuals mentioned in the profiles. Among these are airline founders, chairmen, presidents, directors, vice presidents, and chief pilots. Other diverse personnel noted include transport ministers and other government officials (not excluding prime ministers, presidents, and dictators); aviation industry, union, association, and trade executives and representatives; sports, entertainment, and media celebrities; financiers, investors, and consultants; military, police, and intelligence officers; criminals, terrorists, and skyjackers; and average passengers.

The subject portion of the Name and Subject Index provides extensive coverage of such topics as skyjacking and fatal crashes. Information can also be found on other such relevant areas as: international incidents; bad landings/nonfatal ditchings; engine/propeller failures; turbulence and general weather related problems; near-misses; unusual in-flight events; crimes; ground fires and other difficulties; wars, crises, evacuations; hurricanes and floods; motion pictures and novels based on or depicting actual airlines; “firsts”; “records”; provinces and states of Canadian and U.S. based airlines; strikes/job related events; aircraft launch customers; named services; and manufacturing, legal and judicial, financial, government, and travel agencies sponsoring or otherwise involved in or with the airline industry.

While every effort has been made to ensure currency, a problem particularly difficult with some carriers beginning in the period 1999–2000, it is freely admitted that, for a lone-eagle author, the process of remaining up-to-date on a project this large and with its many entries developed into an art akin to that practiced by the circus plate-juggler. It is probable that a few dishes may have been dropped, particularly with regard to the dates of airline failures, and it is expected that critics and reviewers will gladly point these out.

NOTES

1. According to the U.S. Civil Aeronautics Board’s 1977 *Glossary of Air Transportation Terms*—a work that has outlived its issuing agency in

usefulness—an “airline” is a commonly used corporate name for what the law formally calls an “air carrier,” a term derived from the time when, in fact, the airlines were only regarded as mail carriers. Both terms are often interchangeably employed.

2. Early traffic figures are from ICAO reports. The 1997 data is taken from 673 airlines surveyed for the “World Airline Report 1997,” *Air Transport World* 35 (July 1998): 82. 1998 figures are provided for 696 airlines included in the “World Airline Report, 1998,” *Air Transport World* 36 (July 1999): 88. During these and other years, many hundreds of additional air taxi, unscheduled operators, and general aviation concerns not covered by the industry’s trade journal could yield another million plus passengers. The preliminary 1998 ICAO assessment comes from its December 23, 1998, PIO 15/98, available at <http://www.icao.org/icao/en/nr/pio9815.htm>.

3. “World Airline Report 1997,” *Air Transport World* 35 (July 1998): 57–58 and ICAO PIO 07/99, available at <http://www.icao.org/icao/en/nr/pio0799.htm>. Again, as with traffic figures, many small, corporate, or unscheduled operations are not included. Remarks concerning ground and water transport are based upon data provided in the 3d ed. of John J. Coyle, Edward J. Bardi, and Joseph L. Cavinato’s *Transportation*, published by West in 1990.

4. See the entries in Michael Taylor and David Mondey’s *The Guinness Book of Aircraft Records, Facts, and Feats* (New York: Canopy Books, 1992), 29–30, 33, 92.

5. Beginning with R. E. G. Davies’ definitive *A History of the World’s Airlines* originally authored in 1960 and reprinted (New York: AMS Press, 1983). Davies has also penned histories of airlines in the United States, Asia, and South America, as well as pictorial reviews of a number of noted companies. Of particular value as a complement for Davies and covering another geographical region is Ben R. Guttery’s *Encyclopedia of African Airlines* (Jefferson, N.C.: McFarland & Co., 1998). Of course, no airline encyclopedia would be complete without a nod toward John Stroud’s classic *Annals of British and Commonwealth Air Transport, 1919–1960* (London: Putnam, 1960).

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Company Profiles A–Z

A & M AVIATION: Clow International Airport, Plainfield, Illinois United States; Year Founded 1992. A. E. James establishes A & M at Plainfield, Illinois, in 1992. Charter and contract service flights are undertaken and continued with a fleet of 9 Cessna 172 Skyhawks, 2 Cessna Cutlasses, 2 Cessna 182 Skylanes, 1 Cessna 310, 1 Cessna 421, and 1 Cessna 402.

A-B-C AIRLINES: United States (1965–1966). A-B-C is organized at Ontario, California, in early 1965 to enter the state's busy commuter market. Employing Piper and Beech lightplanes, revenue services commence on March 31 linking the company's base with Fullerton and Los Angeles.

Unable to generate sufficient traffic to continue, the little entrant stops flying in 1966.

A SORIANO AVIATION: A Soriano Hangar, Andrews Ave., Pasay City, Metro Manila, 1300, Philippines, Phone 63 (2) 831-4207; Fax 63 (2) 833-3853; Year Founded 1996. This third-level operation is set up at Manila in 1996 to offer interisland-scheduled services. Capt. Ben Hur D Gomez is placed in charge and he begins and continues revenue flights with a fleet that comprises one each Beech CATPASS 200 (Super King Air 200 derivative), Dornier 228-200, and de Havilland Canada DHC-6-300 Twin Otter.

AAA AIR ENTERPRISES: United States, (1980–1985). Triple-A is established at Omaha, Nebraska, in 1980 to offer scheduled all-cargo services to regional destinations with a fleet of 3 Piper PA-31-310 Navajos, 5 Piper PA-32 Cherokee Sixes, and 1 Cessna 404 Titan. In 1981, the first full year of service, a total of 2.05 million FTKs are flown.

Operations continue apace in 1982–1985. On April 1 of the latter year, the company is sold to Aurora, Colorado-based **Mid-Continent Airlines**.

AAPSA (COMPANIA DE AVIACION AERONAVES DE PERU, S.A.). See AERONAVES DEL PERU, S.A.

AAT AIRLINES. See AIR SUNSHINE

AAXICO AIRLINES: United States (1945–1965). Howard Korth founds the irregular carrier American Air Export and Import Company at Miami in late 1945 to undertake all-cargo service, initially with a pair of Douglas C-47s (military DC-3s). Flights are undertaken throughout south Florida, the Caribbean, and Central America. The company, beginning in 1946, also serves as a parts and maintenance broker for Douglas aircraft under the name Aaxico Sales.

With help to the pilot via radio instructions from the USN base, a baby is born aboard an AAXICO aircraft on January 12, 1947; two days later, the child is named Aaxico and is given a lifetime pass.

No more life-or-death events occur during the first decade of operation; however, on at least one occasion, a single DC-3 is chartered to

carry the entire group of Miss America Pageant contestants to Atlantic City. Fittingly, the plane employed is temporarily named *The Miss America Special*. Following the acquisition of three Curtiss C-46 Commandos, the two Douglas transports are withdrawn.

Following the 1955 revocation of the permit of **U.S. Airlines**, Korth elects to take over the failed carrier's scheduled business.

A DC-3 freighter with two crew is lost at Pensacola on April 2; there are no survivors.

Employing Curtiss C-46s, the carrier undertakes scheduled services from New York to Atlanta, beginning on November 15, 1956 and changes its name on December 31.

All manner of common haulage is accomplished in 1957. A 12-year-old C-46F is purchased from **Slick Airways** on September 9.

The fleet in 1958 comprises a total of 37 aircraft, including 1 Douglas DC-4, 1 DC-6A, and 35 C-46s. In February, one of the latter is leased to California Airfreight.

While en route from San Francisco to Los Angeles on January 13, 1959, the California Airfreight C-46F with two crew crashes into 9,046-ft. high Panther Peak in Sequoia National Park. There are no survivors.

On July 1, the company gives up scheduled operations, which are not really paying off, after the CAB refuses to grant it a scheduled operating certificate as a result of a finding in the Irregular Air Carrier case.

A C-46A freighter with two crew is lost at Abilene's Dyess AFB on September 2; both pilots are killed.

Nonscheduled flights, too, prove an uncertain economic burden. Still, AAXICO successfully undertakes numerous MATS contract flights between domestic U.S. military facilities.

A C-46 crashes at Mobile, Alabama, on March 23, 1960, with both crewmen injured. On June 30, company officials sign the papers necessary to become a Logair contractor, servicing the U.S. military with its two dozen Curtiss freighters. It also begins to add over the next year a total of eight more DC-6As; as these arrive, upwards of 15 Commandos are leased to **Capitol Airways**, later **Capitol International Airways**. Pending a fitness examination, the FAA suspends Aaxico's operating certificate on December 20, 1961.

After finding the company no longer offers civilian service, the CAB terminates its civil freighting permit on October 9, 1962. On the other hand, the company is granted interim authority as a Supplemental Carrier. This will be followed by interim authorization for overseas charter work, awarded on April 1, 1963.

While taxiing at Sheppard AFB, Texas, on July 30–31, a C-46F hits an unmarked obstruction in a poorly lit ramp area and crashes.

A C-46F with two crew loses an engine near Great Falls, Montana, on August 14 and crashes 35 mi. ENE of Malmstrom AFB, Montana, while attempting to land (one dead).

Another C-46 is lost while attempting to make a single-engine landing at Las Vegas at September 23.

Chairman Korth soldiers on for the military in 1964. Another Commando is lost on January 1 when its landing gear collapses following the plane's touchdown at Hill AFB, Utah; injuries are slight. On May 1, the

DOD announces that, beginning in 1966, it will not contract with carriers that do not earn at least 30% of their income from certified commercial operations. As a direct result of this declaration, merger discussions begin in November with **Saturn Airways**.

While on a military contract cargo flight on April 23, 1965, Flight 1422A, a DC-6A with five crew, crashes into Mt. Rainier; there are no survivors.

Completing an all-cargo service from Tinker AFB at Oklahoma City on May 10, Flight 1416B, a DC-6A with three crew, hits trees while on final approach to Whiteman AFB, Missouri, and crashes; there are no survivors.

On November 1, following negotiations, founder Korth takes control of **Saturn Airways**, merging his operation into that supplemental while retaining its name in order to meet the DOD requirement. Aaxico Sales continues.

AB AIRLINES, LTD.: United Kingdom, (1993–1999). The new charter carrier Air Bristol, Ltd. is established at Filton Airport, Bristol, on February 8, 1993, but does not receive its operator's license until October 23. Chairman/CEO Brian Beal appoints cofounder Tony Auld as managing director, with Capt. Michael Bridge as chief pilot.

While the carrier awaits the outcome of a public enquiry, required as part of the licensing process, a workforce of 16 is assembled and the new entrant acquires two British Aerospace (BAC) 1-11-510EDs.

The jetliners are employed on licensing day to inaugurate a daily "Airbridge" shuttle service, on behalf of **British Airways, Ltd. (2)**, between Bristol and Toulouse. Passengers are primarily British Aerospace personnel en route to the Airbus Industrie headquarters.

Plans are made to launch scheduled services before the end of 1994 and, during the year, the company acquires two more 111s. Due to delay, charters only are flown through year's end, together with the Bristol-Toulouse shuttle. Over 70 European cities are visited as the company transports orchestras, football (soccer) teams, corporate customers, and rock bands.

Ownership is reformed in early 1995 as the Air Bristol Group is created, which permits continuation of Air Bristol as a trade name and formation of the new AB Airlines, Ltd. A new route is stretched from London (STN) to Belfast.

On December 7, under the trade name **AB Shannon**, the company inaugurates scheduled return services from London (LGW) to Shannon. The company's four BACs haul 81,258 passengers.

The workforce stands at 65 in 1996. As the result of increased competition on the Belfast route, it is discontinued in April. Passenger boardings for AB Airlines nearly double, surging to 144,884; group figures approach 250,000. Although operating revenues reach \$17.3 million, there is a \$1.3-million loss.

The airline population climbs to 90 in 1997. Daily roundtrips from London (LGW) to Lisbon commence on May 1. Orders are placed in December for eight Boeing Next Generation 737-700s. The request is valued at £250 million (\$400 million).

Service is inaugurated in December from London (LGW) to Berlin (Schoenefeld Airport), the latter route taken over from **Deutsche Lufthansa, A.G.** and **British Airways, Ltd. (2)** who had both dropped it earlier. At the end of the year, AB is the fifth largest operator of international flights from Gatwick Airport.

Customer bookings increase 43.4% to 177,000 and revenues jump 9.2% to \$18.8 million. A £2.2-million (\$3.5-million) loss is suffered.

Arrangements are completed during the first quarter of 1998 to replace one BAC with a pair of chartered B-737-300s. On April 23, an IPO of 35.6% of equity is floated on the London Stock Exchange. When the company goes public, £8.3 million (\$14 million) is raised to help fund the development of new and existing routes and to purchase aircraft. The company is now valued at £25 million.

On May 1, a new code-sharing agreement begins with **Aer Lingus Irish Airlines, Ltd.** The two partners link their frequent flyer programs and offer dual-designator service over two new AB Airlines return routes from Birmingham and London (LGW) to Shannon.

The first chartered B-737-33A arrives at London (LGW) on May 24. On May 27, Boeing Commercial Airplane Group confirms AB's order for six Next Generation B-737-700s, the first ordered by any U.K. airline.

In mid-June, a code-sharing agreement is signed with **Debonair Airways, Ltd.** Beginning on July 9, the two will share designators on AB's services from London (LGW) to Berlin, Lisbon, and Nice.

Delay is experienced during the summer when Ansett Worldwide Aviation Services is unable to deliver a pair of chartered B-737-300s on schedule. The service alterations involved will cost the carrier £1.9 million and forces AB to take legal action against the lessor.

It is reported on September 18 that the company, in anticipation of the Gatwick Airport slot selection committee meeting in October, has applied for slots to operate twice-daily B-767 service to New York (JFK) and Chicago (ORD) beginning the following March. If the goal is accomplished, the small regional will have taken a quantum leap into the major leagues of air transport. The company is also seeking to partner with a large European airline on routes to the Continent.

From this highpoint, things begin to slip later in the month. On September 25, **Virgin Express, Ltd.** announces creation of a Shannon-based subsidiary to be known as **Virgin Express (Ireland), Ltd.**

Tickets go on sale for the new operator at the introductory one-way price of £17 for twice-daily service between Shannon and London (STN).

On October 15, Chairman Beal accuses Richard Branson, Virgin Group chairman, of "doing a British Airways." Beal, who appeals the Virgin move to the European Commission, is concerned that it may be forced to pull out of services between the West of Ireland Airport and Stansted, and accuses his fellow airline boss of doing "exactly what Virgin accuses British Airways of."

As the result of new route startup costs and the aircraft delay, the carrier, for its first six months, suffers an operating loss of £2.6 million, against a £744,000 deficit in the same period a year earlier. Figures reported on October 30 show that the company has plunged £4.5 million into the red and by November 20, the carrier will show a £10.8-million operating loss on sales of £17.2 million.

The new **Virgin Express (Ireland), Ltd.** base is commissioned at Shannon on December 15, with B-737-300 services starting the next day.

Passenger boardings increase 72.3% to 305,000, while 11 million FTKs are also operated. Despite these positive traffic figures, the company suffers an operating loss of £10.6 million (\$17.4 million).

At the beginning of January 1999, AB launches U.S.-style Internet ticket auctions, the first of their kind in Europe. Bargains are to be held by passengers who have two days to spend at their destination. Among the first winners are an elderly who bid £12 and win two tickets to Shannon.

Also during the month, flights from London (STN) to Lisbon are terminated and the B-737-300 displaced is wet-leased to **Debonair Airways, Ltd.** for the next nine months. Although the thrice-daily roundtrips between London (LGW) and Shannon are maintained, the frequencies to Shannon from London (STN) and Birmingham are scrubbed.

A third B-737-300 is accepted at London (STN) from lessor Boullion Aviation on May 7. In severe financial distress, AB is now forced to streamline its operation or begin insolvency proceedings.

After securing a £500,000 down payment, AB, on May 21, concludes the sale to **Virgin Atlantic Airways, Ltd.** for £2 million of its seven weekly takeoff and seven weekly London (LGW) landing slots previously employed for services to Shannon (Ireland) and Nice (France).

The funding is a stopgap and is insufficient to resolve AB's upcoming capital problems. As a result, negotiations are begun with a third unnamed party concerning the airline's order for six Next Generation B-737-700s. The carrier's executives would be pleased to either sell the planes to the partner and lease them back or to sell to it its right to purchase and take delivery of the Boeings. If the talks fail, AB will cancel the request and attempt to obtain a refund on a portion of its deposits. As the press puts it when the matter is reported on May 25, the company is now in "very difficult trading conditions."

Over the next two months, AB plans a rights issue, designed to raise £2.2 million and suffers a setback when it must be cancelled. Pending

clarification of its financial status, trading in AB shares, which have gone as high as 95p and as low as 9p, is suspended on July 29.

On August 3, the carrier is placed into administrative receivership by the British High Court of Justice. Although its staff is paid and its routes are flown, the court-appointed joint administrators, Peter Copp and Geoff Kinlan from BDO Stoy Hayward, are required to find a buyer. If the company cannot be sold, it will be ordered liquidated. AB is the first of the new generation British no-frills carriers to fail.

Scheduled service from London (LGW) to Nice and Shannon is discontinued late in the month, although three "Baby Boeings" remain out on lease. The company's AOC and Operating License are suspended, though not revoked.

When no new owners step forward, the company is liquidated in October. AB is the first of the new generation British no-frills carriers to fail.

AB SHANNON, LTD. See **AB AIRLINES, LTD.**

ABA AIR, A.S.: Prague, Czech Republic, Year Founded 1997. ABA is established at Prague in early spring 1997 to offer scheduled and charter services to domestic locations. President Petr Bold launches flights with a single Let L-410.

ABA SWEDISH AIRLINES (AKTIEBOLAGET AEROTRANSPORT, A.B.): Sweden (1924–1951). Destined to become the largest of the prewar Scandinavian national airlines, ABA is formed at Stockholm by Adrian and Carl Florman on March 27, 1924. In cooperation with the Finnish pioneer **Aero O/Y**, shareholding is acquired by Junkers Flugzeugwerke, A.G., which provides a pair of F-13s on May 5. The new entrant launches Junkers F-13 passenger service from Stockholm to Helsinki on June 2.

The fleet is upgraded in early 1925 by the addition of four Junkers G.23s (license-built in Sweden by AB Flygindustrie), which are christened *Gotaland*, *Svealand*, *Skane*, and *Noorland*. The first of these trimotors, indeed, the first three-engine, all-metal monoplane in the world to enter commercial service, is delivered in May. It is employed to inaugurate operations to Malmo, Hamburg, Copenhagen, and Amsterdam on May 15 as part of a Scandinavia–London through service in cooperation with **Imperial Airways, Ltd.** As others of the type, which will serve as inspiration for the famous Ju-52/3m, become available, they fly to such destinations as Copenhagen and Berlin.

The single Junkers G-24 *Uppland*, convertible from wheels to floats, is received in 1926; it is used between Stockholm and Helsinki as a floatplane, and as a landplane on the route from Malmo to Amsterdam, via Hamburg. In 1927, a pair of Junkers W.33s and two W.34s are also acquired.

On June 18–19, 1928, an F-13, piloted by Bernard Liljelberg, flies from Stockholm to London (Croydon Airport), via Malmo, Hamburg, and Amsterdam, on the first experimental night airmail flight in Europe; the service is flown regularly in August and September.

ABA continues to emphasize international operations during the remainder of the prewar years.

ABA and **Aero O/Y** introduce the marketing name **Scandinavian Air Express** in 1930 to cover their Stockholm–Helsinki operations, the northern portion of which is flown by Aero O/Y. Joint summer night-airmail services are also inaugurated, Stockholm–Helsinki–Amsterdam.

The Fokker F-XII *Varmland* is delivered in early 1932 and begins operations on two routes out of Malmo—to Amsterdam and Berlin. The G-23 *Svealand* is lost on a night-airmail flight in August. During the fall of 1933, orders are placed for a pair of Northrop Deltas.

The first of the advanced American aircraft, the Delta 1C, is delivered in April 1934. Christened *Halland*, it is employed to undertake mail services from Stockholm to Paris. On the first flight, the aircraft completes its service in a record 4 hrs. 40 min., at an average speed of 198 mph. The second Delta, the 1E, arrives in mid-June; christened *Smland*, it enters regional mail service.

Less than a month later, on July 6, rudder flutter causes the *Smland* to crash at Almhut, in Smland; the two crew members success-

fully bail out. The Fokker F-VIII *Jamtland* is received in October and is placed into service on the Malmo to Gothenburg route. Plans to enter the Halland in the England–Australia MacRobertson Race during the month fall through and the Delta 1C is, instead, placed into regular scheduled passenger service from Malmo and Copenhagen to Gothenburg and Hanover.

In March 1935, a four-engine Fokker F-XXII is received; christened *Lappland*; it is placed in service on a route from Malmo to Amsterdam. After 1,218 flight hours, the *Lappland* is lost in a Malmo crash in June 1936 (one dead).

With the opening of the new Bromma Airport in early July, the **Scandinavian Air Express** services, flown in cooperation with **Aero O/Y** between Helsinki and Malmo are now extended to Stockholm.

A night airmail service is run London–Stockholm after July 27, in cooperation with **British Airways, Ltd. (1)**; ABA operates the Hanover–Stockholm sector, employing a Junkers Ju-86 equipped with U.S.-made Pratt & Whitney Hornet engines.

In January and April 1937, the carrier sells two of its Junkers Ju-52/3ms to **British Airways, Ltd. (1)**. In May, the Northrop Delta 1C *Halland* is sold to the famous English aviatrix Mrs. Beryl Markham. ABA, in July, becomes the second airline in Europe after **KLM Royal Dutch Airlines, N.V.** to take delivery of a Douglas DC-3, which is christened *Ornen (Eagle)*. Capt. K. G. Lindner employs the Douglas on August 17 to inaugurate Stockholm–London, via Amsterdam, **Scandinavian Air Express** service.

In March 1938, the carrier receives the Junkers Ju-86 *Svalan (The Swallow)*, which is placed into service on a night-airmail service between Stockholm and Hanover via Malmo. Later in the year, representatives from the governments of Sweden, Norway, and Denmark and their national airlines agree to pursue the idea of joint Bergen–New York flying boat service in cooperation with **Pan American Airways (PAA)**.

During 1939, a route is extended to Moscow. When war erupts in September, the carrier's fleet comprises 5 Junkers Ju-52/3ms, 2 Junkers W.33s, and 3 DC-3s. Shortly thereafter, the carrier obtains a Fokker F-XXII from **KLM Royal Dutch Airlines, N.V.** and a used F-VIII from **British Airways, Ltd. (1)**. A fourth DC-3 is acquired in November and is christened *Gladden*. Passenger boardings for the year will exceed 40,000.

The Douglas DC-2 *Haan* is purchased from **KLM (Royal Dutch Airlines, N.V.)** on January 13, 1940. Shortly thereafter, the American-built transport is acquired by Count Carl-Gustav von Rosen, who presents it as a gift to the Finnish Red Cross. The German invasions of Norway and Denmark in April cause the Swedish government to refuse ABA a subsidy to support any deal with **Pan American Airways (PAA)** and delays proposals for joint cooperation. The company's fifth DC-3, the *Gripen*, arrives on May 16.

The carrier is successful in providing neutral service to Allied and Axis countries alike early in the war. With five DC-3s now on hand, all clearly marked with the word "Sweden" in large letters on the sides of their fuselages, the company maintains flights to both Berlin and Moscow. In late June 1941 when Germany invades Russia, the Moscow service is suspended. The Berlin frequencies are maintained.

On March 27, 1942 direct Stockholm–Aberdeen (Dyce Airport) DC-3 courier services are initiated and proceed apace until June 21–22 when Luftwaffe night fighters down a pair of Douglas transports. The flights are resumed on August 15 and continue. Also in August, the old Fokker F-VIII *Jamtland*, which has flown 5,350 hours with ABA, is sold to the Royal Swedish Air Force.

When Marcus Wallenburg founds **Svensk Interkontinental Lufttrafik, A.B. (SILA)** at Stockholm on June 9, 1943, he has an agreement from ABA to concentrate on domestic and regional service, leaving long-haul flights to the new enterprise.

Tragedy strikes the U.K. courier service again during the year's second half. En route from Scotland to Stockholm on August 27, the DC-3 *Gladden*, with four crew and three passengers, is shot down; the *Gripen*, with four crew and 11 passengers, shares the same fate over Hallö, Sweden, on October 22, although in this instance there are two survivors.

Flights between the Sweden and the U.K. are now suspended. Representing the unborn consortium **SAS (Scandinavian Airlines System)**, Per Norlin orders 7, later 10, Douglas DC-4s on November 27.

In 1944, nine interned Boeing B-17 bombers are taken in hand and converted to civil status; it is tacitly agreed that the planes would eventually be given to and paid for equally by the three state airlines. Only the Swedish line is immediately able to claim it's three. Meanwhile, on January 17, German permission is received to resume Sweden-U.K. safe conduct flights. Service from Stockholm to Prestwick resumes on March 7, but is suspended on April 18. On April 25, Germany bars Stockholm-Copenhagen flights.

On June 20, **Deutsche Lufthansa, A.G. (DLH)** takes over ABA's continental traffic in order to prevent leaks by aircrews or passengers concerning Allied bombing damage in the Reich or the mood of the German people. In October, the Scottish courier terminus is switched to Prestwick in order to accommodate the converted B-17s now employed.

Stockholm-Helsinki service stops on March 5, 1945. Meanwhile, Berlin services continue until just before the German capitulation in May. Thereafter, the postponed negotiations between the three Scandinavian carriers and governments for the actual establishment of a joint consortium begin anew. On December 6, a converted B-17 crashes near Straegnaes (six dead).

Wearing ABA colors, the first Douglas DC-4 from the group ordered three years earlier arrives on May 1, 1946 and is christened *Nordan*. On July 31, the **SAS (Scandinavian Airlines System)** is formally established with Carl Florman signing the consortium constitution on behalf of ABA and Marcus Wallenberg for SILA. Capital shareholding in the new organization is divided by ratio between the companies with the ABA/SILA combined portion representing 3/7. The agreement establishes **Overseas SAS (Scandinavian Airlines System)** for operation of international flights; however, each partner will initially continue to provide domestic services.

Wearing large prints of the flags of the consortium nations, the Overseas SAS DC-4 *Nordan*, on September 16, inaugurates transatlantic roundtrips from Stockholm/Copenhagen to New York via Prestwick and Gander.

In 1947, route agreements for Swedish regional services are reached between ABA and SILA.

A DC-3F with five crew aboard crashes at Bulltofta Airport, Sweden, on August 9 (one dead). On October 26, a DC-4 with eight crew and 36 passengers, crashes on Mt. Hymettus, Greece, while on initial approach to Athens; there are no survivors.

Early in 1948, the company becomes the launch customer for the SAAB 90A-2 Scandia with an order for ten. On April 18, the regional operations of ABA and its two partners are combined into a European Division of **SAS (Scandinavian Airlines System)** and on July 1, ABA and SILA are fully amalgamated under the former's name. On the same date, the old Fokker F-XII *Varmland* is finally sold, to Svensk Flygtjanst, which loses it in a hangar fire in December.

On February 8, 1951, in a move made retroactive to October 1, 1950, the Overseas and European divisions are merged in a final consortium agreement. **SAS (Scandinavian Airlines System)** becomes the flag carrier of Denmark, Norway, and Sweden with the partner airlines now becoming the nonflying national holding companies.

ABACO AIR, LTD.: P. O. Box AB, Marsh Harbour International Airport, Abaco, 20492, Bahamas; Phone (242) 367-2266; Fax (242) 367-3256; <http://www.oil.net/abacoair>; Year Founded 1975. Abaco is established at Marsh Harbour, on the island of Abaco, in 1975, to offer charter services to the rest of the Bahamas, the Turks and Caico Islands, and to Florida. Revenue flights begin and continue with one (later three) Aero Commander 580 and a Britten-Norman BN-2 Islander. By 2000, the little company is the longest-continuing charter operator in the nation.

ABACUS AIR, GmbH.: Germany (1983-1985). Organized at Frankfurt in 1983, Abacus undertakes weekday-only scheduled flights from

Cologne to Amsterdam and Hanover with a Fairchild-Swearingen Metro II. The company also owns a Cessna Citation executive jet with which it undertakes passenger charters for industry. Unable to achieve viability, the carrier shuts down in 1985.

ABAKAN AVIA: Abakan Airport 8, Abakan, Krasnoyarsk Region, 662608, Russia; Phone 7 (39172) 50 722; Fax 7 (39172) 56-408; Code ABG; Year Founded 1993. This Russian start-up carrier is established at Abakan Airport in 1993 to offer regional services. Nikolay Z. Baranov is named managing director and he launches scheduled revenue flights with a mixed fleet that includes 1 each Antonov An-24, Ilyushin Il-76, Let L-410, Tupolev Tu-154B, and 2 Mil helicopters. **Khakasia Airlines**, founded at the same time, becomes an associate.

Operations continue apace in 1994 as the fleet is increased to include 11 more An-24s, 3 additional Il-76s, 11 more L-410s, 3 additional Tupolevs, 5 Mil Mi-8s, and 12 Mi-2s. Traffic figures are, again, not reported.

A Let 410UVP with 2 crew and 17 passengers, fails its takeoff from Krasnoyarsk on January 20, 1995, clipping some trees and crashing into a field (3 dead).

Flights continue without further incident in 1996-2000. During these years the company comes to concentrate on all-cargo operations. The Russian currency crisis late in the decade requires Abakan to reduce its fleet to just 3 Il-76Ts and 1 Tu-154B.

ABAKANSKOE AVIAPREDPRIATIE (ABAKAN AIR ENTERPRISE): Russia (1994-1997). A competitor to *Abakan Avia* is established at Abakan Airport in late 1994. Operations commence over a domestic route network with an unspecified number of Antonov An-24s, Tupolev Tu-154Bs, and Let L-410s.

Under the leadership of Director General B. M. Kochetov, flights continue in 1995-1997, during which years the fleet is increased to 5 An-24s, 2 Let 410s, 6 Tu-154Bs, plus 5 Mil Mi-8 and 10 Mi-2 helicopters. During the latter year, the company is renamed **Khakasia Airlines**.

ABC COMMUTER AIRWAYS, B.V. See ALM (ANTILLEAN AIRLINES, N.V.)

ABELAG AVIATION, S.A.: Building 28, Brussels National Airport B-1930, Belgium; Phone 32 2720; Fax 32 2721; Code AAB; Year Founded 1964. Originally established at Brussels as an FBO and light charter operation in 1964, Abelag becomes a member of the J.E.T. Europe air taxi marketing group in 1982. Andre Ganshof van der Meersch is named chairman-president. With an initial fleet comprising 2 Gates Learjet 35A Century 3s, 1 Gates Learjet 24D, 1 Cessna 441 Conquest, 1 Cessna 421, 1 Cessna 310, and 1 Cessna 210, the company undertakes passenger charters from the capital's National Airport and other airfields throughout the country.

The fleet is enhanced in 1983-1986 with the addition of 1 more Cessna 441, 1 Cessna 206, 1 Cessna 182, and 4 Cessna 150s.

Services continue throughout the remainder of the decade and, by 1999, the Brussels-based fleet includes 2 Cessna 500 Citation Is, 1 Cessna 441, 1 Dassault Falcon 50, 3 Learjet 35As, and 1 Learjet 24D.

A newly opened base (1996) with several transit executive jets is also maintained at Luxembourg.

ABERDEEN AIRWAYS, LTD. (1): United Kingdom (1934-1937). While building an airport to service Aberdeen, Scotland, Eric L. Gandar-Dower elects to build an airline as well; with £29,000 capital, he registers Aberdeen Airways, Ltd. at Edinburgh on January 2, 1934. Two de Havilland DH 84 Dragons are purchased; the one christened *Aberdonian* is lost in a Dyce crash on July 13.

On July 28, Gandar-Dower's Dyce Airport is opened and on September 10 his airline, employing a Short Scion purchased in July, launches its inaugural (demonstration) flight to Glasgow (Renfrew Airport). Beginning next day, daily Aberdeen-Glasgow (Renfrew) Scion service is

offered and the fleet is improved by the addition of a DH 84 Dragon; winter forces a service cut to twice weekly.

During the year, Gandar-Dower publishes his recollections of a flight from London to Madras, India, in a single-engine DH Puss Moth, *Amateur Adventure* (London: Rivch & Cowan).

Orkney Island Dragon flights are launched from Aberdeen on May 27, 1935, via Wick and Thurso to Orkney. Connecting with **North Eastern Airways, Ltd.** at the Scottish capital, Aberdeen Airways starts Aberdeen–Edinburgh service on June 11. The Orkney service is suspended on November 8. Gandar-Dower must invest considerable time and resources to offset determined new opposition to his carrier from the railroads, which temporarily force **North Eastern Airways, Ltd.** to stand down.

Thurso–Orkney operations are resumed on December 16. The Orkney service is extended to Shetland with a DH 89A Dragon Rapide flown by Capt. Eric Starling on June 2, 1936 and on November 2, the connection with North Eastern is reestablished when that carrier returns to service.

In March 1937, the carrier changes its name to **Allied Airways (Gandar Dower), Ltd.**

ABERDEEN AIRWAYS, LTD. (2): United Kingdom (1989–1992). Employing the name of Eric Gandar-Dower's historic airline of the 1930s, Scottish investors, using the assets of recently failed **Air Ecosse, Ltd.**, establish AAL-2 at Dyce in 1989. Managing Director Jim Bicker obtains a fleet comprising 2 Cessna 404 Titans, 4 Grumman G-159 Gulfstream Is, and 2 British Aerospace (HS) BAe 748-2As, the latter chartered from **Dan Air/Dan Air Services, Ltd.** Flights are inaugurated linking Edinburgh, Manchester, and the East Midlands. A total of 24,000 passengers are flown by year's end.

Airline employment in 1990 stands at 457, but economic difficulties cause a downturn that leads to bankruptcy. Through the year's first half, 21,495 passengers are transported.

In early January 1991, former **Royal Jordanian Airways** CEO Ali Ghandour and Jean Pierre Rozan, chairman of **Air Provence, S.A.**, combine to acquire the airline, which is then moved to East Midlands under the chairmanship of John Callaghan. Aberdeen emerges from bankruptcy in September. The fleet of the 75-employee carrier now includes 3 Gulfstream Is, 1 BAe (HS) 748-1A, and 2 BAe (HS) 748-2As. Passenger boardings increase to 24,356.

Scheduled service is inaugurated in May 1992 linking East Midlands with Edinburgh and Aberdeen. However, with its finances in shambles, Chairman Callaghan resigns in June when he is unable to reestablish the airline's profitability in hard economic circumstances. The second Aberdeen Airways is forced to close in November.

ABILENE AERO-LUBBOCK AERO: 2850 Airport Blvd., Abilene, Texas 79602, United States, Phone (915) 677-2601; Fax (915) 675-5432; <http://www.abileneaero.com>; Year Founded 1968. Abilene Aero is started by Ollie Higgins and Kent Waddell as a four-person FBO partnership at Butterfield Trail Airport near Abilene, Texas, in 1968. Almost immediately, the concern establishes an Abilene Aero Charter division and begins operating lightplane executive and small group passenger and express services. After three years of negotiations, the city of Abilene allows the concern to construct new facilities at Municipal Airport; these open for business on March 1, 1971. The company also becomes a Cessna sales and service center.

Chaparral Airlines is organized in August 1975 as the scheduled airline division; John Stevens is named president and is assigned to oversee 11 employees. The new commuter inaugurates scheduled Piper PA-31-310 Navajo (with two aircraft) service to Austin on September 15, 1976.

Also during the year, Abilene leases facilities at Sweetwater Airport where it operates a subsidiary FBO, Sweetwater Aero, for three years.

The Abilene facility is significantly increased during the early 1980s and, in 1985, the company reports \$5 million in sales.

Chaparral Airlines is purchased for \$5.7 million in cash by Dallas (DFW)-based **Metro Airlines** in August 1987. Abilene returns to charter and flight training air services.

The Texas Air Center facility is purchased in 1990 and, after extensive remodeling, begins operating as Lubbock Aero. In May 1992, the two FBOs are linked under their present name.

Joe Crawford is in charge of flight activities for the concern in 1998–2000 and oversees the on-demand operations of 1 each Beech Super King Air 200, King Air 100, Beech 58 Baron, Cessna 414A, and Beech A36 Bonanza.

ABITIBI HELICOPTERS, LTD.: P.O. Box 188, 341 Route 111, La Sarre, Quebec J9Z 2X5, Canada; Phone (819) 333-4047; Fax (819) 333-9894; Year Founded 1980. Abitibi is set up at La Sarre in 1980 to provide passenger and cargo charter flights and air ambulance services. By 2000, President Bertrand Perron employs and workforce of 80 and has revenues of C\$10 million per year. His fleet comprises 13 Eurocopter Astars, 1 each Bell 205 and Bell 207, 3 Bell 206B JetRangers, and 4 Bell 206L LongRangers.

ABLE AMERICAN JETS: 15707 Fairchild Drive, Hangar 6, St. Petersburg-Clearwater International Airport, Clearwater, Florida 34622, United States; Phone (813) 530-0091; Fax (813) 530-7787; <http://members.aol.com/ablejet/index.html>; <http://www.tenncom.com/ablejet>; Year Founded 1987. AA is set up at Clearwater, Florida, in 1987 to offer executive passenger charters; certification is received for flights throughout the U.S. and to Canada, Mexico, Europe, Central and South America, and the Caribbean.

Over the next decade, hubs are also established at Fort Pierce and Orlando in Florida, Nashville, Tennessee, and Manassas, Virginia. The workforce in 2000 includes 11 full-time and 4 part-time pilots.

The company flies 1 Learjet 25 from St. Petersburg/Clearwater and 1 each Learjet 25, Beech Super King Air 300, Piper PA-23 Aztec, and PA-31-310 Navajo from St. Lucie County International Airport at Fort Pierce. At Orlando, the company stations 1 each Beech Super King Air 200, Cessna 414 Chancellor, and Rockwell Aero Commander 500 while a Learjet 25 is based at Nashville and a Learjet 24 stands by at Manassas, Virginia.

ABOITIZ AIR: General Aviation Area, Manila Domestic Airport, Pasay City, Metro Manila, 1300, Philippines; Phone 63 (2) 831-1803; Fax 63 (2) 831-3978; Code BOI; Year Founded 1988. A subsidiary of the Manila-based Aboitiz Transport System, Aboitiz Air is formed on January 28, 1988 to provide all-cargo, scheduled services from the General Aviation Area of Manila Domestic Airport. Chairman Jon Ramon Aboitiz's carrier comes to possess a fleet comprising 2 Beech Twin Bonanzas, 1 Beech Super King Air 200, 2 Nihon YS-11Fs, and 2 Lockheed C-130A Hercules freighters.

Scheduled services are initiated late in the year to these destinations: Bacolod, Bukidnon, Butuan, Cebu, Cagayan de Oro, Cotabato, Davao, Dumaguete, Iligan, Iloilo, Ormoc, Ozamis, Roxas, Tacloban, Tagbilaran, and Zamboanga. Ad hoc regional charters are also undertaken. Over the next five years, two more Hercules are acquired; however, one is placed out of service in 1992, when two NAMC YS-11A-600s become available.

In 1993–1994, President Endika M. Aboitiz oversees a workforce of 353. The fleet in 1995 includes 2 Hercules cargo planes (1 out of service) and 6 YS-11As. The latter are employed on 24-hour Aboitiz Express services. One of the latter is withdrawn in 1996. Instead, the company leases all of the cargo space available in the bellies of the DC-9s operated by new entrant **Cebu Pacific Air**.

In August 1997, a joint-marketing agreement is signed with **Cebu Pacific Air** for domestic cargo operations. Flights continue apace in 1998.

Early in 1999, the company leases its YS-11As to **Asian Spirit**, which will employ them to open a new hub at Cebu on July 1. Although Aboitiz continues to utilize the cargo spaces, the Japanese-made turboprops now offer Asian Spirit passenger flights from Cebu to Naga, Cagayan de Oro, Tagbilaran, Butuan, Dipolog, Bacolod, and Catclan.

ABSIL AIR SERVICES (PTY.), LTD.: South Africa (1993–1996). Absil is established at Johannesburg in 1993 to provide domestic and regional charter passenger and executive services. Revenue flights commence with 1 de Havilland Canada DHC-6-300 Twin Otter and 1 Grumman G-159 Gulfstream I. Neither traffic or financial reports are available and the carrier escapes international notice after 1996.

ABU DHABI AIR SERVICES, LTD. See EMIRATES AIR SERVICES, LTD.

ABU DHABI AVIATION, LTD. See ABU DHABI HELICOPTERS, LTD. (2)

ABU DHABI HELICOPTERS, LTD.: P.O. Box 2723, Abu Dhabi, United Arab Emirates; Phone 971 (2) 449100; Fax 971 (2) 449081; Code AXU1; Year Founded 1976. This rotary-wing airline is formed on January 1, 1976; ownership is divided between public shareholders (70%) and the U.A.E. government (30%). Under the patronage of HH Sheikh Zayed bin Sultan Al Nahyan, president of UAE and ruler of Abu Dhabi, and HH Sheikh Khalifa bin Zayed Al Nahyan, Abu Dhabi's crown prince, the new concern will replace a contract operated by **Bristow Helicopters, Ltd.** since the establishment of the U.A.E. in 1971.

Equipped with a pair of Bell 206B JetRangers, the carrier undertakes international and domestic charter and contract passenger and cargo services from Al Bateen military airfield, near Abu Dhabi City, beginning in September. A luxurious, airline-like terminal will be built at this facility.

By 1982, the fleet is increased to include 7 JetRangers and 26 Bell 212s. During the year, the company is reformed by royal decree into a registered joint stock company, with shareholding divided between the government (30%) and the public (70%). In 1983, the company reports the operation of 39,000 flying hours by its helicopters.

Over the next decade, the company's traffic (a significant portion of which relates to the nation's Persian Gulf oil industry) skyrockets above 400,000 enplanements per year.

During the Iran–Iraq War, ADH is the largest supplier of helicopter support for the news media covering the conflict; the Associated Press, Cable News Network (CNN), and the American Broadcasting Company (ABC) are among company customers. At the same time, ADH helicopters also evacuate crews from tankers damaged in attacks by Iranian or Iraqi patrol boats or missiles.

In 1985, the company is authorized to fly both rotary- and fixed-wing aircraft. A \$6-million, three-year expansion of Abu Dhabi's facilities at Bateen Airport is begun; the project includes the construction of a new terminal, new offices, maintenance facilities, and a large hangar.

General Manager Sheik Ali Bin Saeed Al Shamsi's fleet has grown by 1991 to comprise 31 helicopters, including 26 Bell 212s and 5 Bell 206B JetRangers. Late in the year, the company receives its first fixed-wing contract, from one of the country's largest oil concerns. A total of 47 pilots and 58 mechanics are on the payroll at year's end.

On March 5, 1992, the company receives an award marking the completion of 400,000 hours flown by its Bell helicopters. With two de Havilland Canada DHC-6-300 Twin Otters leased from BAC Aircraft and a DHC-7-102, **Abu Dhabi Aviation, Ltd.** is formed during the year as a subsidiary to provide the fixed-wing oil industry support occasioned by the previous year's contract, plus other received.

Operations Manager George Tucker oversees the ordering of a Fokker F.27 in 1993 in place of the DASH-7. The purchase will not go through.

Domestic operations continue apace in 1994, at which time the fleet mix of new General Manager Mohamed Ibrahim al Mazroui and Operations Manager J. D. Railton includes 5 Bell 206B JetRangers, 26 Bell 212s, 2 Bell 412s, 2 DHC-6-300s, and the DASH-7.

Emirates Air Services, Ltd. is purchased in April and merged with the carrier's fixed-wing division in 1995. Abu Dhabi gains access to the large EAS base at Abu Dhabi International Airport, together with another DASH-7, 2 Twin Otters, and 1 Britten-Norman BN-2A Islander.

A pair of DHC-8s is acquired in 1996 to enhance oil field charters. They replace the DASH-7s.

By 1997–1998, the helicopter complement features 5 JetRangers, 5 Bell 412s, 23 Bell 212s, and 1 Kamov Ka-32, while the fixed-wing fleet numbers 2 (later 1) DHC-6-300s and 2 DHC-8-102s.

During the latter year, the company's rotary-wing fleet transports a monthly average of 4,700 passengers and 435 tons of freight from off-shore locations through Bateen Airport, while more than 11,300 passengers move between offshore locations.

Airline employment numbers 167 at the beginning of 1999. Planes are made to occupy a new state-of-the-art terminal at Abu Dhabi International Airport during September.

ABV AIRWAYS: Russia (1991–1994). ABV is established at Moscow in 1991, initially to provide charter passenger and cargo flights within Russia and to other countries in the C.I.S. With A. Avrutski as general director, revenue flights are inaugurated with aircraft leased from **Aeroflot Russian International Airlines (ARIA)**.

In 1992, regularly scheduled services are inaugurated linking Moscow and St. Petersburg. Avrutski's 1993 fleet includes 3 Tupolev Tu-134s and 4 Tu-154s. New scheduled frequencies are initiated to Khabarovsk, Kiev, Tblisi, and Kishinev. Flights cease in 1994.

ACADEMY AIRLINES: P.O. Box 693, Griffin, Georgia 30224, United States; Phone (770) 227-2000; Fax (770) 229-8991; Year Founded 1980. Robert McSwiggan founds Academy at Griffin, Georgia, in 1980, to operate all-cargo services from Griffin and Williamson to regional and local destinations under FAR 135 certification. Flights begin with a fleet that includes 4 Beech Barons, 2 Beech 18s, 3 Douglas DC-3s, and 1 DC-4.

Operations continue apace over the next 20 years. One DC-3s is still active at the start of the new millennium.

ACASA (AEROVIAS CARIARI, S.A.): Costa Rica (1968–1975). A gentleman named Cariari forms this commuter at Limon in 1968. Employing a Douglas DC-3, service is inaugurated to Rio Frio, Guapiles, and other area towns. During the early 1970s, the fleet grows to comprise 3 Douglas transports, 2 Beech 18s, and 1 Convair CV-240. In 1976, the company is taken over by **AVE (Aerovias del Valle, Ltda)**.

ACCESSAIR: Ruan Center 2, 601 Locust Street, Suite 330, Des Moines, Iowa 50304, United States; Phone (515) 247-2209; Fax (515) 247-2216; <http://www.accessair.com>; Code ACCA; Year Founded 1998. AccessAir is established at Moline, Illinois, in the fall of 1998 to offer scheduled discount passenger service to New York (LGA) from the heart of the Midwest. Roger Ferguson is president/CEO and he and a group of 230 employees, from an operational headquarters at Des Moines, Iowa, acquire a pair of Boeing 737-230As (first flown by **Deutsche Lufthansa, A.G.**) and begin the process of winning regulatory approvals from the FAA and DOT.

Financial support is provided by business interests in Illinois and Iowa. An attempt to gain support from companies in Colorado Springs, who lost heavily as a result of the transfer and demise of locally based **Western Pacific Airlines (Westpac)**, fails.

On January 29, 1999, the company issues a press release detailing the new entrant's schedule and price structure for the beginning of service, including introductory fares. The company website announces plans to shortly add service to Colorado Springs and Sioux City. **Northwest Airlines** indicates that it will match the new prices.

AccessAir now reaches an agreement with **United Airlines** and **Trans World Airlines (TWA)** under which the startup can exchange passengers and tickets with those carriers if it overbooks.

With FAA support, the certification process is completed on February 1. Following a ceremony, the inaugural service departs Des Moines, Iowa, on February 3 and flies to Moline, where another ribbon-cutting ceremony is held. At 6 p.m., the flight continues on to New York.

The first return service from the "Big Apple" to Moline and Des Moines occurs next day. Also on February 4, daily roundtrip flights commence from Des Moines to Los Angeles (LAX). Introductory \$99 one-way fares remain in place until March 4.

Claiming that it has removed its introductory fare, AccessAir complains to the DOT that Northwest has not increased prices and is maintaining them below competitive levels. It is, they suggest, engaged in predatory pricing. Also on March 5, **Delta Air Lines** and **Trans World Airlines (TWA)** begin to offer \$198 roundtrip fares on the Des Moines to Los Angeles route, matching AccessAir and Northwest.

Northwest responds on March 16, claiming that AccessAir has never discontinued the introductory fare and that it is still available. Northwest is, therefore, only maintaining a level playing field and has not set its fares below competitive level.

AccessAir again petitions the government for relief, seeking "fairness in the marketplace." It joins with several other small start-ups in holding a high-profile press conference in Washington, D.C., on March 26 concerning the competition issue. Coordinated by Edward Faberman, executive director of the Air Carrier Association of America, the trade group asks DOT and Congress to end the monopoly of terminal gates and other airport facilities by large airlines.

On April 14, AccessAir widens its complaint against the majors, asking the DOT, as well as the attorney general of Iowa, to investigate the alleged predatory behavior of TWA, Delta, and Northwest Airlines.

President/CEO Ferguson announces at the end of the month that his concern has leased two more B-737-200As from Pegasus Aviation and that they will arrive in Des Moines within a month or in early June at the latest. On May 5, it is announced that the company will begin stopping at Colorado Springs within 30 days.

On June 1, the carrier operates its first flight to Colorado Springs, from New York, stopping in Des Moines first. The new Colorado service continues on to Los Angeles.

Although flights continue during the remainder of the year, the new entrant runs into severe economic difficulty. When other carriers lower prices to compete, those initially flying on AccessAir desert in droves to the older airlines. As a result, the company is forced to cancel flights and suspend routes, angering many of those loyalists who remain. A change of leadership from president Ferguson to Rich Musal and a \$1 million loan from Polk County cannot stem a pending disaster.

On November 29, the airline shuts down and enters Chapter XI bankruptcy; its leaders vow to fly again within 30 days to avoid the risk of losing government certification. Some income is earned when a B-737-200A is chartered to fly the Carolina Hurricanes to their National Hockey League games.

On December 11, Milwaukee-based **Midwest Express Airlines** offers to take over and expand the carrier's New York route; three days later, San Francisco-based Pegasus Aviation goes to court asking for repossession of its two B-737-200As.

Arrangements are completed on December 18 for a \$1 million loan from the State of Iowa; Des Moines-based Ruan, Inc., one of the original airline investors, guarantees the arrangement. Indicating that Ruan would have too much control over the carrier, the U.S. bankruptcy judge rejects the loan plan on December 21; two days later, after the proposal is changed to satisfy his objections, the judge approves.

Enplanements for the year total 14,000. Estimated losses total \$30 million, with debts to unsecured creditors reaching \$11 million to 13 million.

Presidential candidate George W. Bush and the U.S. Marshalls Service charter the AccessAir jets during the first week of January 2000; the former needs a plane to ferry media and the latter to haul prisoners. The income provided barely covers the \$500,000-a-month Pegasus leases and does not, even when added to the state loan, provide sufficient income to allow a resumption of passenger service.

On January 22, company officials, having completed plans for roundtrips to Chicago (MDW) and a service agreement with **Midwest Express Airlines**, seek another \$6.5 million, in unguaranteed loans,

from the state. The chairman of the Iowa House Appropriations Committee quashes the idea five days later.

On February 3, airline leaders approach Polk County, the City of Des Moines, and the Iowa Dept. of Economic Development asking them to back the \$6.5 million request; otherwise, they warn, these investors could lose what they have already shared. Gov. Tom Visack indicates on February 5 that his administration will not buck the House and grant AccessAir a loan. The same day, Pegasus Aviation gains return of its Boeings.

Claiming that the Pegasus lease fee is far above market average, the airline voluntarily returns the two chartered Boeings on February 7.

Midwest Express Airlines, via Sen. Tom Harkin, comes forward on February 18 and offers to start flying to New York on June 1 if AccessAir is no longer viable. A federal attorney, on February 26, files a motion asking the bankruptcy court to order the airline's liquidation. On March 3, the FAA yanks the carrier's Des Moines-New York route authority and, by mutual agreement, president Musal resigns.

After a month in limbo, John Ruan 3rd, CEO of Ruan, Inc. who personally does not want to see AccessAir fold and higher local air fares return, steps forward on April 11 and, through his corporation, pumps \$900,000 into the moribund concern. Meanwhile, the business leader and his associates work on a new plan to present to the bankruptcy court. It is envisioned that the hometown airline, with Ruan as chairman, will become something of a "virtual airline," employing outside concerns to perform many operations. A management company will be hired to provide direction.

On May 20, the corporation agrees to provide the \$13 million the airline now says it needs to resume flying and, on May 24, the carrier receives court permission to borrow another \$500,000.

The government attorney withdraws his February 26 motion on June 2, clearing the way for AccessAir's revival. Still, on June 12, **Midwest Express Airlines** begins Des Moines-to-New York flights anyway. Unable to find a management concern willing to come in without first acquiring the airline's federal operating permit, the leadership portion of the "virtual" idea is shelved on June 22 and two employees are named as top management. Company training director and former Iowa Air National Guard 132nd Fighter Wing CO Donald Armington is appointed chief administrative officer while ops director Steve Wilson becomes COO.

On August 12, a revised operating plan is presented to the U.S. bankruptcy court under which the Ruan companies will own 85% of AccessAir. Although the \$20 million in investments made by such Des Moines area companies as MidAmerican Energy, Pioneer, Farm Bureau Life Insurance, the Principal Financial Group, AmerUs Group, and Ruan are gone, the plan calls for large creditors, including suppliers and some government agencies, to be repaid about 8 to 15 cents for each dollar of debt.

Six days later, chairman Ruan informs the *Des Moines Register* that regular passenger service to Chicago (MDW) should be resumed by the "new" AccessAir in mid-September. If all goes well, flights to Phoenix and Los Angeles will be offered in October, with Cedar Rapids coming on line in November. A community "kickoff," a public relations rollout, is held for local businessmen, politicians and the media on August 24.

During late summer and early fall, a contract is entered into with **American Trans Air** under which the Indianapolis-based major will provide ticketing and other services and reliable links to other cities, such as New York, Indianapolis, and Philadelphia, from its Chicago (MDW) hub. During the same time, the staff is rebuilt to 100.

On October 18, chairman Ruan announces that AccessAir will resume scheduled daily roundtrips to Chicago (MDW) on November 15. Offering introductory \$79 one way and \$158 roundtrip fares, Ruan asks the community for its support. Two days later, the *Des Moines Register*, which has provided excellent ongoing coverage of the carrier's travails, issues a ringing editorial endorsement: "Worth a second chance!"

Unhappily, the rebirth will fail and AccessAir will shut down on February 27, 2001.

ACE AERIAL SERVICE: 1571 South State St., Ukiah, California 95482, United States; Phone (707) 462-4527; Year Founded 1967. Max E. Hartley establishes AAS at Ukiah in 1967 to serve as an FBO, with attached charter service and flight school. Thirty-three years later, the small company continues to operate nonscheduled flights employing 1 Bellanca Citabria, 2 Cessna 150s, 1 C-182, and several Pipers, including a PA-31-350 Navajo Chieftain. Revenues reach \$200,000 per year.

ACE FREIGHTERS (AVIATION CHARTER ENTERPRISES, LTD.): United Kingdom (1962–1966). Formed as a charter operator in September 1962, Aviation Charter Enterprises, Ltd., operating under the marketing title ACE Freighters, begins revenue service on March 1, 1964 with a Lockheed L-749A charter flight from London (LGW) to the Mideast. During the summer, two Douglas DC-4Fs are acquired to fly Ministry of Defence contracts to the Middle and Far East. In November, the carrier purchases all four of **South African Airways (Pty.), Ltd.**'s L-749As; however, only one can be made airworthy enough to gain certification.

During 1965, two additional L-749As are purchased from **Britannia Airways, Ltd.** with a third leased, and these enter service with the other two to such destinations as Malta, Cyprus, Aden, El Adem, and Singapore. On March 8, 1966, a damaged Constellation makes a successful belly landing at Aden, but it is quickly repaired. During the spring the two DC-4s are withdrawn. Additional charters are flown; however, they are insufficient in number and return to prevent cessation of operations on September 14.

ACE-TRANSVALAIR, S.A.: France (1988–1993). Organized at Rungis Cedex in 1988, A-T initiates passenger and cargo charters around the nation with a fleet that comprises 1 Beech King Air 90A, 1 Cessna 421B, 2 Cessna Citation IIs, 3 Fairchild Hiller FH-227Bs, 2 Fokker F-27Js, and 1 Douglas DC-3.

Services are maintained into the 1990s, but when the company encounters stiff financial reversals in 1992, it cannot recover and closes down in 1993.

ACERCA S.A.: Venezuela (1992–1993). Acerca is established at Caracas in 1992 to offer passenger charters to regional destinations. Revenue operations commence with a single Douglas DC-9-31. Unfortunately, the carrier is unable to achieve viability in a year of recession and must shut its doors before its first birthday.

ACES COLOMBIA (AEROLINEAS CENTRALES DE COLOMBIA, S.A.): Calle 49, No. 50-21 Piso 34, Edificio del Cafe, Medellin 6503, Colombia; Phone (57-4) 251-7500; (57-4) 511-4111; Fax (57-4) 251-1677; (54-4) 251-3473; <http://www.acescolombia.com>; Code VX; Year Founded 1971. Alvaro Arango and members of the Coulson family form ACES at Manizales in August 1971. The shareholders will later be known as the Federacion Cafeteros (United Coffee Growers Cooperative). After acquisition of 3 Saunders ST-27s and 1 de Havilland DH 114 Heron (painted in an all-red livery), the operator begins regularly scheduled return flight services to Medellin and Bogota on February 1, 1972.

One Fokker-Fairchild FH-227A is acquired in 1974 and 3 de Havilland Canada DHC-6-200 Twin Otters join the fleet in September 1975. The livery is now changed to white and orange and the company transports a total of 100,000 passengers on the year.

Operations continue apace in 1976. Just after landing at Medellin after a February 29 domestic service, a lone gunman seizes a Saunders ST-27, but releases the 15 passengers. The crew is held hostage as a demand is made for \$300,000. Police attack the aircraft and kill the pirate.

On July 12, 1977, an FH-227B is purchased from the American carrier **Ozark Airlines**.

In 1978, the second level route network includes stops at not only Bogota and Medellin, but Cali, Quibdo, Turbo, Apartado, Chigorodo,

Monteria, Buenaventura, Guapi, and Ibagne. Light charters are carried out with a new Cessna 206. Expansion continues apace through the end of the decade and into the 1980s, with 17 additional DHC-6-300s and 2 more FH-227Bs acquired during the period.

Additional destinations added include: Acandi, Arboletes, Armenia, Bahia Solano, Barrancabermeja, Barranquilla, Bucaramanga, Cargana, Cartagena, Caucasia, Condoto, Cucuta, El Bagre, Ipiales, Montelibano, Nare, Necocli, Nuqui, Ocana, Otu, Pereira, Puerto Berrio, San Jose del Guaviare, Tolu, Tumaco, Urrao, Villavicencio, and Yopai.

Having been found unsatisfactory, the FH-227s are removed in 1979, with one passing to the Swedish airline **Malmö, A.B.** Airline employment in 1980 totals 800 and the fleet comprises 16 DHC-6s and 2 Boeing 727-25s, the latter chartered from **Eastern Air Lines**. The new jetliners help customer bookings jump to 432,000.

A third trijet arrives from Eastern in 1981. A DHC-6-300 with 2 crew and 11 passengers crashes into a hill at Sanantero on December 18; there are no survivors.

Passenger boardings this year are 782,173.

A DHC-6-300 with 2 crew and 20 passengers crashes into a mountain near Quetame on November 30, 1982; there are no survivors.

Enplanements this year reach are 1,259,938.

In 1983, three more Canadian turboprops are added, but passenger bookings slip to 1,041,214.

Reflecting the continuing downturn, the staff is cut 0.4% in 1984 to 772. B-727-25 flights are started to Miami (MIA). Cargo traffic declines by the same percentage as workers, 0.4%, to 2.48 million FTKs, while passenger boardings plunge 12% to 929,656.

A DHC-6-300 with 2 crew and 21 passengers crashes into the mountains at Cerro el Plateado, Colombia, on January 23, 1985; there are no survivors.

Another DHC-6-300 is set afire during a riot that grips El Bagre, Colombia, on February 27.

On October 27, 4 gunmen take over a Twin Otter with 20 passengers en route from El Bagre to Medellin and commit robbery; the de Havilland is then diverted to Amalfi, from whence the bandits flee.

En route from Bogota on April 27, 1986, a DHC-6-300, with 2 crew and 11 passengers, crashes into an 8,500-ft. mountain 8 mi. from Tame; there are no survivors.

In 1987, charters are inaugurated to the Caribbean islands. The last Saunders ST-27 is retired during the latter year and is replaced with a pair of Fokker-Fairchild F-27Js.

By 1988, enplanements total 1,116,162 and the net profit is \$626,000. Company employment stands at 875 in 1989 and the fleet now includes 3 B-727-100s (1 each Dash-25, Dash-27, and Dash-46), 11 Twin Otters, and 2 F-27Js.

Costa Rican officials seize the hijacker of the B-727-25 and his 4 accomplices at San Jose Airport on January 31 after the pirates had doused 1 of the plane's 118 passenger with gasoline and threatened to set the Boeing afire.

Passenger boardings swell 5.3% to 1,178,629 and freight rises 15.5% to 57.15 million FTKs. Revenues are up 42% to \$33.1 million and costs are low enough to allow an operating profit of \$2.87 million and a net gain of \$768,000.

In 1990, the carrier is operating some 4,640 flights each month to 41 Colombian destinations from its main hubs at Cali, Bogota, Medellin, and Miami. Orders are placed for four Avions de Transport Regional ATR42-320s.

In 1991, the company owns 1 B-727-25 and 9 DHC-6-300s; the remainder of the fleet is leased: 1 each B-727-27 and B-727-46, 1 Avions de Transport Regional ATR42-320, 2 F-27Js, and 2 leased DHC-6-300s.

Just after it is deplaned at Otu, Colombia, on February 18, guerrillas seize an empty DHC-6-300 and set it afire.

During the year, Colombian President Cesar Gaviria, a champion of free markets, permits domestic airline liberalization. The national civil aviation department, AeroCivil, approves new airlines and awards new

routes, while dropping its policing of ticket prices. Consequently, ACES begins to grow.

Enplanements total 850,247 through September; additionally, 21.66 million FTKs are flown during the same period.

Two more chartered ATR42-300s arrive in 1992, along with 2 B-727-C3s and 8 DHC-6-300s, allowing sale of the B-727-25. International service begins on July 1 and daily flights are started between Bogota and Medellin to Miami. Two more ATR42-320s arrive during the fall. Although traffic figures are not available, the company reports a \$1.7-million operating surplus on revenues of \$54.9 million.

In 1993, President Jorge Restrepo oversees a workforce of 1,025 and his fleet includes 1 each leased B-727-27, B-727-46, B-727-2A1A, and B-727-227A, 2 B-727-C3s, 3 ATR42-320s, and 10 DHC-6-300s. The fourth ATR42-320 arrives in July and replaces Twin Otters on routes from Bogota to Pereira and Monteria and from Medellin to Cucuta.

Other destinations also visited include: Acandi, Apartado, Bahia Solano, Barrancabermeja, Barranquilla, Cali, Capurgana, Cartagena, Cauca, Chigordo, El Bagre, Manizales, Miami, Nare, Necocli, Ocana, Otu, Puerta Berrio, Quibdo, San Andres Island, Turbo, and Urrao.

Late in the year, 34-year-old Juan Emilio Posada, who holds an MBA from Pace University in New York, is named president/CEO.

Enplanements are reported for the first six months and show passenger boardings of 623,505. Freight traffic is 5.3 million FTKs.

Airline employment is increased to 1,125 in 1994. The chartered fleet is expanded by the addition of a B-727-35 and a B-727-277A. The company joins the "Latin Pass" frequent flyer program and ACES is appointed a mail carrier by the government.

Although the government of new President Ernesto Samper is more conservative, it cannot put the liberalization genie back in the bottle. Domestic airlines, including ACES, continues to add capacity, start new routes, and cut fares or engage in fare wars.

Enplanements for the year total 1,246,464 and there are profits: \$40.07 million (operating) and \$3.1 million (net).

The workforce grows by 7.6% in 1995 to 1,645. ACES is the first domestic airline to pull back from the competitive forces unleashed by liberalization, if only slightly, by dropping two unprofitable routes at the insistence of President Posada.

By year's end, the carrier operates 180 daily departures—more than any other Colombian airline—and accounts for 18% of all passenger traffic.

The company's 24 aircraft transport a total of 1,780,662 passengers, a 0.5% increase. Cargo traffic falls 4.8% to 59.58 million FTKs. Revenues inch up 1.4% to \$122.67 million while costs can only manage a 0.9% boost, to \$81.65 million. Consequently, operating gain advances to \$41.01 million. Net profit is cut in half to \$1.42 million. The figures for operating gain are later adjusted downward to \$1.49 million.

The number of workers is increased by 9.7% in 1996 to 1,804 and orders are outstanding for 8 Airbus Industrie A320s. In January, a B-737-C3 is leased for 38 months from CIT Group.

In February, Flight 500, a company B-727, one of seven jetliners stacked up in the corridor above Bimini on approach to Miami (MIA), receives instructions from ATC to remain level at 26,000 feet. Instead the pilot, having misunderstood instructions, turns right and descends into the path of an oncoming USN P-3 Orion below. ATC quickly radios the offending pilot and a midair disaster is averted by just four miles (40 seconds).

Just after takeoff from Medellin on November 30, Flight 148, a DHC-6-300 with 2 crew and 13 passengers, makes a left turn near Padre Amaya mountain in order that the captain might view his farm; the aircraft stalls and crashes into the mountain while trying to clear it (14 dead).

Customer bookings soar 14.2% to 2,122,558, while 90.97 million FTKs are operated, a 4.6% increase. Operating income surges 38.8% to \$170.28 million and expenses are up only 35.4% to \$164.11 million. Operating profit jumps to \$6.16 million and a \$3.62-million net gain is reported.

In January 1997, an order is placed for 4 Airbus Industrie A320-233s, with options taken on 4 more.

In March, it is announced that the company's owners Federacion Cafeteros (54%), Flota Mercante Grancolombiana, S.A. (44%), and others will seek to increase the company's capital base by selling 30% of the carrier's stock.

A code-sharing agreement is signed with **Mexicana Airlines, S.A.** in May covering cargo and passenger service on a route from Colombia to Santiago. A dramatic new livery is introduced on the company's B-727-277A.

On October 3, a code-share pact is entered into with **Air France**.

Also during the month, dual-designator service begins with **Continental Airlines** over return routes from Bogota and Quito to Houston and Newark.

The company becomes the first Airbus operator in Colombia on November 22 when it accepts delivery of the first two of four A320-233s it has on order. The jetliners arrive from France painted in the company's new color scheme. At year's end, the Federacion Cafeteros places ACES up for sale.

Enplanements this year total 1,547,220. Revenues increase by 18.9% to \$147 million. Unhappily, the net gain slides to \$3.1 million.

During January-February 1998, as international investor interest in Colombia declines in the face of its poor economy, company officials elect to reduce from 30% to 20% the equity stake it will sell to foreigners. The share sale is completed at the end of March with 19% being taken by **Continental Airlines**.

Passenger boardings increase 3.6% to 1.6 million, while cargo traffic jumps 30.4% to 8,000 FTKs. Revenues total \$160 million.

Airline employment in 1999 stands at 1,999. Late in the year, the U.S. FAA recertifies Colombia's airline safety. Meanwhile, the company has now become the second largest in the country, with a 24.9% domestic market share. Passenger boardings accelerate 7.9% to 2,121,000 and operating revenues jump 15.8% to \$155,319,000.

Airline employment stands at 1,800 at the beginning of 2000, a 10% decline over the past 12 months.

During the first quarter, the signature of Colombian painter/sculptor Fernando Botero is painted on the fuselage of an A320-233 christened *Medellin Ciudad de Botero*.

As a result of Colombia's recertification, the U.S. and Colombian regulatory agencies, in late spring, agree to an increase in the number of flights between the two nations. In June, ACES is allocated seven frequencies, four of which will begin this year and three in 2001.

Two Avions de Transport Aerien ATR42-520s join the fleet on June 7 and are assigned to the routes connecting Bogota with Armenia, Manizales, and Pereira. By September, 3 ATR72-212s, previously operated by **Continental Express**, have also been acquired.

A letter of intent is signed with **Delta Air Lines** on October 5 under which the two carriers will explore joint cooperation and code-sharing.

ACM AIR CHARTER, GmbH: Baden Airport, Hangar D415, Rheinmuenster, D-77836, Germany; Phone 49 7229 30220; Fax 49 7229 302211; Year Founded 1993. Certified to offer both worldwide and domestic passenger charters, ACM is set up at Baden Airport in 1993. Executive and small group flights are duly continued into 2000 with 2 Cessna 650 Citation IIIs and 1 Beech Super King Air 200.

ACM AVIATION: 1475 Airport Blvd., San Jose, California 95110, United States; Phone (408) 286-3832; Fax (408) 286-1629; Year Founded 1981. ACM is set up at San Jose in 1981 to offer worldwide executive passenger charters. Operations begin from the company's facility at the southeast corner of the airfield and grow in success over the next 16 years.

In 1998-2000, charter coordinator Mark Williams is able to book customers onto a large fleet, which includes 2 Learjet 60s and Canadair 601 Challengers plus 1 each Dassault Falcon 900B, Cessna 650 Citation III, C-501 Citation I/SP, Learjet 36A Century III, and Beech Super King Air 350.

ACORI (AERO COSTA RICA, S.A.): Costa Rica (1992–1997). ACORI is established at San Jose by former employees of **LACSA (Lineas Aereas Costarricenses, S.A.)** in 1992 to offer regional scheduled services. Hernan Gomez is named executive president and he acquires two, leased Boeing 727-227As. Revenue flights commence in May linking the company's base with Miami.

Operations continue in 1993 and 2 B-737-2L9As are chartered in 1994 to replace the trijets, which have proven to be too large. During these years, Calixto Chaves becomes president and the workforce is increased to 120.

In the spring of 1995, the subsidiary **Halisa Air, S.A.** is formed to operate between Ft. Lauderdale, Florida, and Port au Prince, Haiti, a destination from which a UN embargo against travel has recently been lifted. The parent provides a subleased B-737-2L9A painted in HA colors and markings. Sales total \$25 million per year.

Flights continue in 1996–1997. Unable to maintain economic viability, the carrier shuts its doors in November of the latter year.

ACS OF CANADA. See **AIR CHARTER SYSTEMS, LTD.**

ACSA (AEROCARGO S.A. de C.V.): Mexico (1950–1977). Capt. Carlos Cervantes Perez forms this all-cargo carrier at La Paz in 1950 to fly fish from La Paz to California, via Tijuana. Services begin with a converted Douglas B-18 bomber and a Curtiss C-46. Additionally, passengers are flown to Bahia Tortugas and Isla de Cedros.

These operations are maintained during the 1950s with little change except for the addition of more Commando transports. In 1959, upon the collapse of **Tigres Voladores**, ACSA takes over that line's special service of transporting home those Mexicans deported from the U.S.

In 1963, the company flies nearly 2,000 tons of fish. A Lockheed L-188AF is acquired late in the 1960s and service is started from Tijuana via Ensenada/La Paz to Merida, the longest route in the country. Later, in 1967, the Lockheed is replaced by a DC-6A. Operations cease in 1977.

ACTION AIRLINES: P.O. Box 117, East Haddam, Connecticut 06423, United States; Phone (860) 448-1646; Fax (868) 446-0130, Code XQ; Year Founded 1979. John A. Rutledge forms Action at Groton/New London Airport in Connecticut in 1979 to offer on-demand and seasonal air taxi flights to Block Island, Fisher's Island, East Hampton, and Atlantic City. The fleet comprises 1 Piper PA-34 Seneca, 3 PA-32 Cherokee Sixes, 1 PA-31-350 Navajo Chieftain, and 1 PA-28 Cherokee.

Operations continue into the 1980s and, in 1984, year-round, daily, scheduled frequencies are initiated to Fisher's Island. Little heralded, services are maintained throughout the remainder of the decade. In 1990–1991, the fleet comprises 3 Navajo Chieftains and 3 Senecas.

Two years later, in 1993, there are 4 Navajo Chieftains, 2 Senecas, and 2 Cherokee Sixes. Flights continue to link the company's base with East Hampton, L.I. and New York (LGA). President Rutledge withdraws the Cherokee Sixes in 1994.

Operations continue apace in 1995–1998. During the latter year, President Rutledge's concern flies 3 Navajo Chieftains, 3 Senecas, 1 Cherokee Six, and 1 Cessna 172. It is understood that flights continue without change thereafter; exact information is, however, unavailable.

ACTION AVIATION, LTD.: Box 5898, Whitehorse, Yukon Territories, Y1A 5L6, Canada; Phone (403) 633-3343; Fax (403) 667-4765; Year Founded 1990. Action is established at Whitehorse in 1990 to operate charter passenger and cargo flights into bush locations throughout the Yukon Territories. Employing de Havilland Canada DHC-3 Otters and Cessna 180/185 aircraft, the company will link its main facility with satellite bases developed over the next 10 years at Atlin, Bunwash, Mayo, Ross River, and Watson Lake.

ACTIVE AERO GROUP: 2064 D Street, East Side, Willow Run Airport, Belleville, Michigan, 48111, United States; Phone (313) 483-

9430; Fax (313) 483-1023; <http://www.activeaero.com>; Year Founded 1979. AAC is established at Willow Run Airport in 1979 to offer charter and contract cargo shipments throughout the U.S. and Canada. Revenue operations, primarily involving the transport of automobile parts, commence with a fleet of Beech 18s and Cessna 310s.

Over the next three decades, Active grows and prospers; among its special activities is the transport of hazardous materials. It occasionally suffers losses. For example: on April 21, 1986, a Cessna 310 crashes at Lincoln, Rhode Island, killing its pilot; on February 18, 1987, a Beech 18 stalls on takeoff from Quincy, Illinois, and crashes, killing its two-man crew; and on March 9, 1989, another Beech 18, which has not been de-iced, crashes while taking off from Covington, Kentucky, killing its pilot.

Early in the 1990s, the company enters into a period of significant growth, adding jet equipment. By 1998, the carrier's fleet includes 25 DC-8-50Fs, 7 DC-8-62Fs, 7 DC-9-15Fs, and 15 Falcon 20s. It is understood that flights continue without change thereafter; exact information is, however, unavailable.

AD ASTRA AERO, A.G.: Switzerland (1919–1931). In April, June, and September 1919, three Swiss air transport companies are founded to offer sight-seeing and charter flights; these are, respectively: Zurich-based **Aero-Gesellschaft Comte., Mittelholzer and Co.**; **Avion Tourisme S.A.** of Geneva; and the Zurich concern of **Frick & Co.** Equipment employed includes Macchi M.3s and Kondor E-IIAs. On December 15, Frick & Co. is reformed and renamed Ad Astra Aero, S.A.; it is capitalized at SFr 300,000.

Ad Astra's board of directors authorizes the carrier to assemble a fleet and to purchase its competitors in 1920. A contract is signed with Claudius Dornier for delivery of his all-metal G-1 monoplane flying boat. Aero-Gesellschaft Comte., Mittelholzer and Co. is, in February, the first of the other airlines to be acquired, followed by Avion Tourisme S.A. in April. Following a publicity tour to Sweden and Holland, the advanced G-1, seen as a threat, is broken up on April 25 by order of the Allied Control Commission.

Meanwhile, the amalgamated Swiss carrier, based at Zurich and now formally known as Swiss Air Transport Company Ad Astra Aero, Avion Tourisme, Ltd., is capitalized at SFr 600,000. Walter Mittelholzer is appointed general manager and he builds a fleet that comprises two Dornier Komets, a Dornier C-II Dephine, and the first of four Junkers F-13s, the *Drossel*. In 4,699 flights made during this first year of operations, the carrier's seven pilots transport 7,384 passengers.

Operations continue apace during 1921 as the fleet is enlarged by the addition of 7 Macchi-Nieuports, 3 German LVGs, and 5 Savoia flying boats.

On June 1, 1922 the *Drossel* inaugurates the company's first scheduled international service with a flight from Geneva to Zurich via Nuremberg. Meanwhile, as competition has stiffens between the German airline combines **Deutsche Aero Lloyd, A.G. (DAL)** and **Junkers Luftverkehr, A.G.** the latter reaches out to locate domestic and foreign members for a countering confederation.

On May 14, 1923, the **Trans-Europa Union** is formed; simultaneously, Junkers assumes a 50% interest in Ad Astra Aero, bringing it into the group. Three more F-13s are provided and named *Specht*, *Dohie*, and *Star*. The next day, the carrier's Nuremberg stop is transferred to Munich, allowing connection with express trains and the Austrian airline **Osterreichische Luftverkehrs, A.G. (OLAG)**.

Participation in Junker's integrated route system continues during the next several years with the fleet upgraded by the addition of 4 Junkers G.23s in 1925. When, on January 6, 1926, DAL and Junkers Luftverkehr merge to form **Deutsche Luft Hansa, A.G. (DLH)**, Ad Astra Aero continues independent of German control. Flying a company Komet Merkur, Walter Mittelholzer makes a 100-hour flying time aerial survey flight Zurich–Cape Town between December 7, 1926 and February 21, 1927.

During the remainder of the decade, competition and some coordination is maintained with **Basler Luftverkehrs, A.G. (Balair)**. In 1928–1929, Ad Astra, in cooperation with **Deutsche Luft Hansa, A.G.**

(DLH), undertakes joint but economically unsuccessful operations from Zurich to Berlin, Frankfurt, and Munich. This is the first European "express service" and, operated in 5 hours with a Dornier Merkur, it is, at 425 miles, the longest nonstop route in Europe at the time. Several financially successful charters are undertaken with newly acquired Fokker F-VII/3ms.

During 1930, the last year of full operation, approximately 5,000 passengers are carried. Having operated at a deficit every year since 1920, Ad Astra General Manager Mittelholzer is able to successfully negotiate a union with his Balair counterpart and friend, Balz Zimmerman. On March 21, 1931, Ad Astra and Balair are merged to create **Swissair, A.G. (Swiss Air Transport)**.

ADA AIR (ADALBANAIR): Hoxhe Vokrri 4, Tirana, Albania; Phone 355 (42) 33421; Fax 355 (42) 32589; Code ZY; Year Founded 1992. Adalbanair is established at Tirana on February 3, 1992 as an Albanian-state operation funded entirely by French investors. A single Embraer EMB-110P2 Bandeirante is purchased and employed to inaugurate revenue flights to Bari in the fall. A second Brazilian turboprop is acquired at year's end and is assigned to provide charter services.

In 1993, general director Marie Annick Bonmarin oversees a workforce of 22 as one Bandeirante is withdrawn. Services are enhanced during 1994 by the introduction of a Fokker F.27 Friendship.

Flights continue in 1995–2000. In these years, Ilir Zeka becomes director general and the Fokker is withdrawn in favor of leased Russian-made equipment: 3 Tupolev Tu-134s and 2 Yakovlev Yak-40s, the latter chartered from **Hemus Air** in Bulgaria.

International service is maintained from Tirana to Bari, Corfu, Athens, and Skopje.

ADASTRA AIRWAYS (PTY.), LTD.: Australia (1934–1957). Adastra is formed at Sydney on February 5, 1934. Equipped with a de Havilland DH 80 Puss Moth and a DH 83 Fox Moth, it inaugurates two subsidized and two unsubsidized frequencies each week via the southern New South Wales coastal communities, Sydney-Bega, on February 15. As a result of the European war, the company suspends operations in early 1940.

Services are resumed along the coast following World War II and draw little attention until June 24, 1957, when a Lockheed Hudson, converted to civil Model 14 standard, crashes while on approach to Horn Island, off Queensland (six dead). The company folds shortly thereafter.

ADC AIRLINES (AVIATION DEVELOPMENT COMPANY, LTD.): 84 Opebi Road, P.O. Box 6392, Ikeja, Lagos, Nigeria; Phone 234 (1) 496-5750; Fax 234 (1) 497-0086; Code ADK; Year Founded 1984. The Aviation Development Company is founded at Lagos in 1984 to prepare the way for a new airline to offer regional and international charter and inclusive-tour flights. That carrier is formed in 1987 and is named ADC Airlines.

Late in the decade, arrangements are completed with GPA Group in Ireland for the lease of several jetliners. These include 2 British Aerospace BAe (BAC) 1-11-203Aes, 1 BAe (BAC) 1-11-414EG (all 3 were first flown by **Braniff International Airways**), and 1 Lockheed L-1011 TriStar 1, all of which are delivered between December 1990 and April 1991.

Revenue flights commence from Lagos to the domestic destinations of Benin City, Calabar, Enugu, Jos, Kaduna, Kano, Owerri, and Port Harcourt.

During the spring of 1992, ADC becomes the first local service airline to have its shares traded on the Nigerian Stock Exchange.

Three chartered Douglas DC-9-31s, first flown by **Eastern Air Lines**, are acquired in October and enter service over additional routes in West Africa. Regional destinations served now include Accra, Banjul, Conakry, Freetown, and Monrovia.

Although traffic figures are not available, it is reported that the airline records a profit of \$496,000 on revenues of \$7.1 million.

Operations continue apace in 1993. Unable to acquire European routes from **Nigeria Airways, Ltd.**, the company now uses the traffic rights of foreign countries to supplement earnings and obtain foreign exchange. The company joins in the formation of **ADC Liberia** and earns a \$2.8-million profit.

The 49% stake in the Liberian airline allows the Nigerian independent to lease it one of its DC-9-31s in early 1994 and participate in a code-sharing agreement on twice-weekly flights from Lagos to Monrovia, on to Freetown and Banjul and from Conakry in Guinea and Lagos.

In March, the fleet of Chairman/CEO Capt. Augustine I. Okon and Managing Director Capt. Mfon E. Udom is upgraded by the addition of a Boeing 707-338C Stratoliner freighter. Previously operated by **Burlington Air Express**, it is now repainted at Shannon in the company's new blue and red livery, complete with a feather logo. It takes over the Lagos to London (LHR), via Ostend, all-cargo service previously operated with Stratoliners chartered for short periods.

Just after landing long at Monrovia following an August 18 service from Freetown, a DC-9-31, with 11 crew and 74 passengers, overruns the runway and slides down a 20-ft. embankment into a ditch, catching fire. All aboard are safely evacuated without injuries before the Douglas is burnt out.

The fleet grows again in 1995 as 3 B-727-231s, first flown by **Trans World Airlines (TWA)**, arrive from Texas.

While landing at Monrovia on July 26 after a service from Accra and Lagos, a DC-9-31 with 9 crew and 82 passengers, suffers the collapse of its main landing gear; the plane skids to a stop 1,600-ft. beyond its touchdown point. There are no fatalities.

An Avions de Transport Regional ATR42-320 is delivered in December.

While on initial approach to Lagos on a November 7, 1996, service from Port Harcourt, Flight 086, a B-727-231 with 9 crew and 134 passengers, is told by ATC to delay its descent in order to allow an ELF Petroleum bizjet to pass below it. Meanwhile, a Triax aircraft, en route from Lagos to Enugu, is also in the area, flying without ATC contact. After ATC grants permission for the ADC trijet to descend, the aircraft's TCAS alarm sounds and, to avoid a head-on collision with the Triax plane, quick evasive action is taken. During the maneuver, the Boeing rolls excessively and the pilot loses control. Within 16 sec., the jetliner's speed increases from 280 kt. to the speed of sound and it plunges into a jungle near Imota, Nigeria, and disintegrates. There are no survivors.

In January 1997, company executives join those from **Bellview Airlines, Ltd.** and plan a unilateral fare hike of 200% on domestic routes. They are forced to abandon this plan after the aviation ministry threatens to ground their aircraft if they implement the tariff increases.

In February, officials from ADC and Bellview again propose a gigantic fare increase of 100%; it is approved by the government and instituted on March 17.

Just after landing at Calabar on a July 29 service from Lagos, a BAC 1-11-203AE, with 6 crew and 49 passengers, overshoots the runway and continues 1,500 m. into the scrub area beyond, where it stops with an engine on fire (1 dead).

ADC resumes its weekly Saturday flight service to the Liberian capital of Monrovia on August 30, four years after the flight was stopped because of the closing of Robertsville International Airport due to the civil war.

Simon Tumba reports in the November issue of *Airline Business* that the airline industry in Nigeria is on the verge of collapse, with only 10 aircraft from 8 carriers left to provide domestic services for 90 million people.

By the year's tenth month, ADC has only one operational B-727-231, while **Kabo Air** has two. **Bellview Airlines** can fly only one DC-9. **Nigeria Airways, Ltd.** and several small operators fly the remaining six. All call upon the government to politically and financially guarantee a restructuring of the industry.

Flights continue in 1998–1999. During these years, airline employment reaches 474 and the operational fleet is grown to include 1 each B-7-7-320C, BAC 1-11-414EG, and 2 B-727-231s.

The Federal High Court of Nigeria orders the airline, on July 6, 2000, to pay \$361,000 to the relatives of two crewmen lost in the crash of their aircraft on November 7, 1996.

ADC LIBERIA (AVIATION DEVELOPMENT COMPANY-LIBERIA, INC.): Liberia (1993–1996). ADC Liberia is established at Monrovia in 1993 with private money, including a 49% investment from **ADC Airlines, Ltd.** A Douglas DC-9-31 is subleased from the Nigerian minority partner, with whom a code-sharing agreement is also signed.

Revenue services are inaugurated linking the capital twice weekly with Lagos, Freetown, and Banjul and with Conakry in Guinea. Civil war leads to a suspension of service.

ADDISON AVIATION SERVICES: 4584 Claire Chennault Drive, Addison Airport, Dallas, Texas 75248, United States; Phone (972) 248-1707; Fax (972) 380-2344; Year Founded 1988. Kenneth Donaldson sets up AAS at Addison Airport in 1988 to offer all-cargo charters throughout the U.S., Canada, Mexico, the Caribbean, and South America.

Over the next decade, hubs are established at Tijuana, Denver, and El Paso. In 2000, Donaldson operates 1 Dassault Falcon 20 from Tijuana and another Falcon (along with 6 Learjet 25s) from Denver. One Learjet 25 is based at El Paso while, from the home base at Addison Airport, another Learjet freighter, a Dash-24B, is flown, together with 3 Falcon 20s.

ADELAIDE AIRWAYS (PTY.), LTD.: Australia (1935–1936). The Orient Steam Navigation Company and Adelaide Steamship Company jointly form Adelaide on November 29, 1935 to fly the mail to various points outside the South Australian capital.

Employing a Shorts Scion, twice-weekly service is started from Adelaide to Mount Gambier and Melbourne; on November 30, a Monospar ST.25, christened *Boyana*, begins twice-weekly flights from Adelaide to Port Lincoln. The *Boyana* undertakes a twice-weekly frequency from Adelaide to Broken Hill on November 19. By year's end the fleet comprises 2 Shorts Scions, the *Boyana*, and 2 de Havilland DH 89 Dragon Rapides, the *Monana* and *Moongana*.

Flights from Adelaide to Kangaroo Island begin on February 17, 1936. On July 1, the carrier is one of four merged to form **ANA (Australian National Airlines [Pty.], Ltd.)**. It is allowed, however, to retain its previous identity for a brief amalgamation period. Simultaneously, the carrier takes over the services and assets of **West Australian Airways (Pty.), Ltd.** The Adelaide–Broken Hill route started in 1935 is extended to Melbourne on August 3 and the carrier is officially and finally merged into ANA on November 2.

ADEN AIRWAYS, LTD.: Aden/South Yemen (1949–1968). To assume responsibility for the local Red Sea areas previously served from Cairo, **British Overseas Airways Corporation (BOAC)** forms this wholly owned subsidiary on March 7, 1949, capitalizing it at £225,000. With British-registered Douglas DC-3s acquired from the parent, Aden inaugurates service on October 1 to Mukalla, Addis Ababa, and Nairobi.

In January 1950, Aden is allocated its own registration prefix and the carrier receives six DC-3s; on February 1, these are employed to start routes to Asmara, Khartoum, Hargeisa, Mogadishu, Djibouti, Riyan, Mukeiras, Port Sudan, and Cairo. On March 3, a group of U.S. tourists is stranded at Luxor during a company dispute with Egypt.

Aden–Bahrain flights begin on April 25, 1951 and weekly Aden–Qatn/Church service is started during the summer. In late August, the Bahrain route is cancelled so as to avoid duplication with **Cyprus Airways, Ltd.** Two Avro Ansons are added to the fleet in 1952 and, when **British Overseas Airways Corporation (BOAC)** begins London–Aden Hermes IV services on February 4, 1953, Aden Airways is contracted to fly the Cairo–Aden sector with its DC-3s.

Aden–Ataq DC-3 flights are launched during the summer of 1955. In 1956, several additional routes are opened from Aden to Nisab (Febru-

ary 19), Randha and Riyan (February 20), Beihan (February 21), and Diredawa (April 30). The Cairo service is suspended on November 1 due to the crisis in the Suez.

Weekly DC-3 operations begin in 1957 to Lodar and Mukefras (June 6), Hargeisa, Mogadishu, and Mombasa (September 22), and Salalah, Sharjah and Bahrain (September 27). The Addis Ababa route is closed on June 7 and the Nairobi service is suspended on September 22. Aden–Mahfid weekly DC-3 flights commence on April 15, 1959.

The first of 3 ex-**British Overseas Airways Corporation (BOAC)** Canadair C-4 Argonauts delivered on the year arrives in Aden on February 18, 1960 and is placed on the weekly Bahrain service on February 28. Orders are placed for 3 Hawker Siddeley HS 748s on April 26. The second C-4 Argonaut is delivered on April 30 (the same day DC-3 service is suspended to Nairobi) and is placed on the Cairo route on May 2. Argonaut service to Nairobi begins on May 4 and the third C-4 Argonaut is received on July 15.

The previously flown routes are maintained and frequencies now expanded as the 3 HS 748s enter service. An agreement for pooled services with **East African Airways Corporation (EAAC)** is signed during the fourth quarter of 1961.

Having purchased a set number of seats and cargo space, EAAC Comets begin stopping at Aden in early January 1962. The route between Nairobi and Aden is offered four times a week: once each by EAAC Comet and Canadair and twice by Aden's own C-4 Argonauts.

During April 1963, planning starts for a pooled service, with **East African Airways Corporation (EAAC)** and **Air India, Ltd.**, from East Africa to India. Details are worked out and an agreement between the three companies is signed on August 14, taking effect on September 1.

Three Vickers Viscount 760s, previously leased to **Malayan Airways, Ltd.**, are transferred to AA in September. Argonaut flights begin to Cairo and Mombasa during 1964–1965.

On November 22, 1966, a DC-3, with 3 crew and 27 passengers, en route from Meifah to Aden, suddenly disintegrates at 6,000 feet and crashes 130 miles east of Aden; there are no survivors. Investigators will later determine that the disaster has been caused by an explosive charge smuggled onto the plane in hand luggage.

An Argonaut is blown up at Aden, presumably by Arab terrorists, later the same day. After 18 years of operation, the carrier, now involved in internal strife and with increasing labor costs, suspends operations on June 30, 1967. In 1968, Aden becomes the People's Republic of Yemen and the **British Overseas Airways Corporation (BOAC)** connection is terminated.

ADES (AEROLINEAS DEL ESTE, S.A.): Colombia (1990–1995). With a base at Aeropuerto Vanguardia, Villavicencio, ADES is formed in 1990 to provide scheduled passenger and cargo services to small towns nearby. Charter and contract service flights are also undertaken by President Hugo Rodriguez Munoz's company with a fleet that grows to comprise 5 Cessna 208 Caravan Is, 1 Douglas C-47B (military DC-3), and 1 Curtiss C-46F Commando.

En route on a nonscheduled service from Villavicencio on May 15, 1991, the C-47B, with 3 crew and 11 passengers, crashes at La Poyatta; there is one survivor.

Flights continue apace in 1992–1994; however, by 1994, the Caravans have been replaced by 5 Cessna 206s.

While on initial approach to Cerro San Jeronimo on an all-cargo service from Mitu on May 9, 1995, the C-46F, with 4 crew and 5 passengers, crashes into a hill in bad weather; there are no survivors.

Without heavy equipment and facing crash-related lawsuits, the company ceases operations shortly thereafter.

ADIRONDACK AIRLINES: United States (1991). This small regional is established at Glens Falls, New York, in late spring 1991. After a Piper PA-31-350 Navajo Chieftain is obtained, the company begins flying a route in June linking its base with Newark to the south and Rutland, Vermont, to the north. It has not, however, bothered to seek the ap-

appropriate government or airport certifications and is soon in deep trouble. Operations cease in December.

ADLAIR AVIATION, LTD.: Box 2046; Yellowknife, Northwest Territories X1A 2R3, Canada; Phone (403) 873-5161; Fax (403) 873-8475. Adlair is set up at Yellowknife in 1983 to offer charter flights throughout the central Arctic area of the nation, originally from a base at Cambridge. Revenue services commence with 1 each Beech King Air 100 and de Havilland DHC-3 Otter.

Nonscheduled operations continue apace for the next thirteen years. In late 1996, Adlair, under the direction of President/General Manager Paul Lasench, begins to offer scheduled commuter frequencies with a DHC-6-200.

It is understood that flight continue without change during the remainder of the decade; exact information is, however, unavailable.

ADMAS AIR SERVICE, S.C.: Ethiopia (1975–1995). When the government of Ethiopia nationalizes the country's lightplane operations in May 1975, Admas emerges as the single entity for light charters (executive and tourist), survey and agricultural work, and government and contract services. The fleet comes to comprise some 20 aircraft of mixed types, including Cessna, Pipers, and Aero Commanders.

Airline employment during the 1980s hovers around 90. Operations are severely interrupted by the civil war at decade's end. Once the fighting ends, services resume and, in 1993, Operations Manager Armide Merid oversees the work of 1 Aero Commander 600, 1 Pilatus Porter, and 2 Piper PA-23 Aztecs.

Flights are terminated at the end of 1994 and the company is turned over to **Ethiopian Airlines, S.C.** in early 1995.

ADRIA AERO LLOYD, S.p.A. See ALA LITTORIA, S.p.A.; SOCIETA AREA MEDITERRANEA, S.p.A.:

ADRIA AIRWAYS (ADRIA AVIOPROMET)(1): Yugoslavia (1961–1968). This carrier is formed by the Yugoslav government in March 1961 to provide charter and inclusive-tour services. Flight operations begin in March 1962 with 4 ex-KLM (Royal Dutch Airlines, N.V.) Douglas DC-6Bs purchased with a grant from the government of Slovenia. In 1963–1967, destinations are developed throughout the Middle East, Southern Europe, and North Africa. In 1968, the airline is reorganized and made part of the Interexport trading organization and renamed **Inex Adria Airways (Inex Adria Aviopromet)**. Orders are placed for jet equipment.

ADRIA AIRWAYS (ADRIA AVIOPROMET) (2): Kuzmiceva 7, Ljubljana 1000, Slovenia; Phone 386 (61) 133 4336; Fax 386 (61) 323 356; <http://www.adria.si>; Code JP; Year Founded 1986. In May 1986, Adria is separated from the Interexport trading organization and returns to its original name and private business. President Janez Kocijancic's fleet now includes 4 McDonnell Douglas MD-82s, 1 MD-81, 2 Douglas DC-9-51s, 2 DC-9-32s, and 2 de Havilland Canada DHC-7-102s. During the year employment climbs by 13.1% to 749.

Enplanements jump 14.5% to 1,450,413 as freight traffic rises 19.5% to 3.6 million FTKs. Revenues climb 21.9% to \$98.6 million as expenses move upward only 13.3% to \$85.7 million. Operating profit swells to \$12.9 million and net gain is up to \$2.78 million.

Airline employment rises 12% in 1987 to 839. Bimonthly Belgrade to Tel Aviv flights begin on December 1.

Although passenger boardings climb 19.6% to 1,733,594, cargo plunges 43.9% to 2.02 million FTKs. Revenues ascend 17.4% to \$115.8 million, expenses grow 11.8% to \$95.9 million, and the operating profit is \$19.9 million. A net \$9.4-million profit is earned.

The workforce is increased another 10.8% in 1988 to 930 and the fleet is increased by the addition of another DC-9-32. Orders are placed for 5 Airbus Industrie A320-231s.

Customer bookings fall 18.5% to 1,412,700 and freight is down by 39% to 1.22 million FTKs.

The payroll grows by 4.2% in 1989 to 922 as the first A320-231 joins the fleet in May and enters service on behalf of the company's main tour operators. It is the first of its type to be equipped with IAE V2500 engines. In celebration, the airline adopts a new corporate logo and livery.

A joint venture is entered into with **Air France** in June on a route from Ljubljana to Paris. During the fall, a DC-9-32 is leased to **ZAS Airline of Egypt, S.A.E.**, which employs it to fly charters between Aswan and Abu Simbel during the winter holiday season.

Passenger boardings decline another 14.7% to 1,204,966 while freight drops 29.1% to 868,000 FTKs. Revenues total \$123.3 million and profits of \$27.65 million (operating) and \$1.8 million (net) are generated.

Company employment grows a slight 1% in 1990 to 931 as two more A320-231s join the fleet, which now also includes 4 MD-82s, 1 MD-81, 3 DC-9-32s, 1 DC-9-33CF, and 2 DASH-7-102s.

Customer bookings rally and grow by 21.4% to 1,462,619 while freight increases 50% to 1.3 million FTKs. Although revenues climb 3% to \$134.7 million, expenses skyrocket 41.2%, leaving an operating loss of \$10.97 million and a net loss of \$14.2 million.

The payroll is cut 5.7% in 1991 to 878 and the fleet now includes: 3 A320-231s, 2 of which are placed into storage; 2 out-of-service DHC-7-102s; 2 DC-9-32s; 1 out-of-service DC-9-33CF; 1 MD-81; 4 MD-82s; and 1 Gates Learjet 35A. The outbreak of the June civil war in Slovenia is disastrous. An estimated \$100 million in damages are incurred in July when a pair of Yugoslav Air Force fighter planes attack the company base at Ljubljana Airport. Damaged, to one degree or another, are 1 each A320, DC-9, 2 DASH-7s, the hangar, operations building, storage facilities, and technical base.

The carrier virtually collapses during the summer. On October 25, the Federal Secretariat of Transport and Communications of the Yugoslav federal government orders Adria grounded and its license suspended because of the civil war. Company officials claim that the move is politically motivated and is designed to close down "the national carrier of an independent country," Slovenia.

Passenger boardings prior to cessation are down 52.3% to 697,053 while freight falls 6.6% to 1.21 million FTKs. Revenues decline 35.5% to \$86.9 million and with expenses higher, a \$29-million operating loss is suffered.

The workforce grows 2.5% in 1992 to 900 as the carrier is officially designated the national "Airline of Slovenia." On January 16, its license to fly is restored by the new government and operations resume.

The Yugoslav civil war continues to adversely impact the airline as its customer bookings plunge 52% to 333,228. Freight traffic does, however, grow 13% to 1.88 million FTKs. Expenses exceed income and there are losses: \$24.05 million (operating) and \$55.31 million (net).

In 1993, the new president, Peter Grasek, oversees an employee population of 693, down 5.6% from the previous year. The fleet now includes 3 Airbus Industrie A320-231s that are leased to **Cretan Airlines, S.A.** in Greece, 4 MD-82s, 2 each DC-9-32s and DHC-7-102s, and 1 each DC-9-33CF, MD-81, and Learjet 35A. From its base at Ljubljana, the company undertakes scheduled passenger and cargo flights to London, Manchester, Moscow, Paris, Rome, Skopje, Split, Tirana, Vienna, and Zurich.

Some charter flights are also undertaken and, in October, the company begins code-sharing with **Deutsche Lufthansa, A.G.** on the route from its base to Frankfurt.

Passenger boardings increase by 29.4% to 431,143 while freight skyrockets 94.4% to 3.7 million FTKs. Revenues swell 32.9% to \$90 million, but expenses are up 16.2% to \$107.25 million. Still, the operating loss is cut to \$16.58 million and the net loss declines to \$32.62 million.

The workforce is cut another 1.4% in 1994 to 683. During the year, new routes are extended from Ljubljana to Copenhagen and from Tirana to Istanbul. Plans are made to begin, during the next 12 months, flights from Ljubljana to Prague and Barcelona.

Customer bookings accelerate 17.2% to 505,399 while cargo declines 4.8% to 3.54 million FTKs. With expenses down 0.2%, but revenues up 9.2% to \$99 million, Adria is able to reduce its operating loss to \$7.96 million and its net downturn to \$9.09 million.

Fourteen employees are hired in **1995**, an increase of 2.1% in the personnel staff. New flights begin as planned from Ljubljana to Prague and Barcelona, as well as to Amsterdam. In December, an agreement is signed with **Deutsche Lufthansa, A.G.** that provides for joint ground handling, shared passenger lounges, and code-sharing on services from Ljubljana to Munich.

Passenger boardings move ahead by 8.5% to 547,511 while freight recovers, growing by 3% to 3.65 million FTKs. Operating revenues inch up 2.5% to \$101.52 million, but costs are also higher, by 1.2%, to \$108.19 million. The operating loss is shrunk to \$6.67 million and the net loss falls to \$7.83 million.

The workforce is cut back by 7.9% in **1996** to 642 and the fleet now includes the 3 A320-231s, 2 each DHC-7-102s and DC-9-32s, and 1 Learjet 35. Flights begin to Tel Aviv.

Although enplanements soar 8.5% to 594,148, cargo traffic is level at 3.64 million FTKs. Unfortunately there are losses yet again: \$6.1 million (operating) and \$12.6 million (net).

Airline employment falls another 8.3% in **1997** to 593. A pair of Canadair CRJ-200LRs is purchased in February, while an option on a third is also taken. The value of the two firm orders is \$43 million.

Several new routes are introduced and these help passenger boardings to climb 5.7% to 628,565. Freight is down again, dipping 5.6% to 3.57 million FTKs. Revenues dip 1.4% to \$93.98 million, but expenses also decline, falling 7.8% to \$93.5 million. Although the operating profit is just \$471,674, there is a \$1.4-million net gain.

The firmly ordered Canadairs are delivered in January and February **1998**. The option is also taken up at this time and the third CRJ-200LR arrives in November.

Enplanements for the year accelerate 10% to 693,000, but cargo traffic falls another 3% to 3.45 million FTKs. Revenues of \$110.8 million are generated and a \$3.3-million net profit is posted.

A NATO bombing campaign is undertaken against Yugoslavia, beginning on March 24, **1999**, in an effort to force that government to change its policies toward the ethnic Albanians in the province of Kosovo. While Operation Allied Force continues, Adria is unable to operate to Belgrade or, initially, into Bosnia.

With the beginning of the summer schedule on March 28, flights to London and Paris become daily, while frequencies to Amsterdam and Copenhagen become thrice weekly. A bus service, operated on a route from Brnik Airport to Ljubljana and back, is upgraded the same day.

At an April 12 Ljubljana news conference, CEO Grasek tells reporters that the continuing Kosovo crisis has depressed the airline's income by \$51,000 per day. An expected decision on whether or not to purchase a fourth Canadair CRJ-200LR from Bombardier must consequently be postponed until June 1.

Flights to Sarajevo resume on April 19, while on April 24, a new weekly roundtrip route is opened to Dublin. Wednesday roundtrips commence on May 12 from Ljubljana to Kristianstad, in southern Sweden.

The weekly service to Tel Aviv becomes twice weekly on June 30 through the addition of a Saturday seasonal roundtrip, which will continue to be offered through September 29.

A CRJ200LR is chartered from **Air Littoral, S.A.** in July for use until a follow-on order for another Canadair can be placed in late September.

Service from Ljubljana to Tirana, halted during the Kosovo crisis, is resumed at the end of October.

During the year, customer bookings accelerate 12.6% to 780,000 and freight climbs 20.2% to 4.15 million FTKs. Revenues are up 3% to \$99.53 million, while costs slide 1.1% to \$94.48 million. The operating gain surges to \$5.05 million and there is a \$71,000 net profit.

Airline employment stands at 578 at the start of **2000**, a 1.2% decline. Following a two-year route suspension, A320-231 roundtrips are resumed on May 26 between Ljubljana and Rome.

When **British Airways, Ltd. (2)** withdraws from its London to Ljubljana route in October, Adria is left as the sole carrier flying to the Slovenian capital from the U.K.

ADRIA AVIOPROMET. See **ADRIA AIRWAYS (1); ADRIA AIRWAYS (2)**

ADSA (AEROLINEAS DOMINICANAS, S.A.): Dominican Republic, (1974–1982). ADSA is formed at Santo Domingo on February 24, **1974**. Having acquired a pair of Martin 4-0-4s and a Douglas DC-3, it undertakes passenger and cargo charter services, beginning in August, to local and regional destinations in the Caribbean and Central America. Scheduled flights are also initiated between Santiago and San Juan, Puerto Rico. The company changes its name to **Dominair (Aerolineas Dominicanas, S.A.)** in **1981**.

ADSA (AEROVIAS DARIENITAS, S.A.): Panama (1960–1990). This air taxi operation is formed at Panama City in **1960** to offer charter and on demand flights with several two small Cessnas.

During the late **1960s**, the company acquires a Douglas DC-3 and begins scheduled third-level passenger services throughout the provinces of Darien and San Blas in the eastern part of the nation.

The commuter's network grows during the **1970s** and **1980s** to include the following destinations served from Panama City's Paitill Airport: Achutupo, Caledonia, Carti, Corazon de Jesus, El Porvenir, El Real, Garachine, Jacque, La Palma, Mamitupo, Mulatupo, Nargana, Playton Chico, Puerto Obaldia, Rio Alzucar, Rio Sidras, Rio Tigre, Sambu, San Ignacio de Tupile, Santa Fe, Tubuala, Ustupo, and Yavisa.

During these years, the fleet is altered; the DC-3 is replaced by 3 Britten-Norman BN-2 Islanders. Operations cease with the American invasion in early **1990**.

ADT AVIATION, LTD. See **AIR HANSON, LTD.**

ADVANCE AIR CHARTER, LTD.: Canada (1993–1995). AAC is set up at Calgary in Alberta in **1993** to offer worldwide passenger and inclusive-tour charters. Revenue services commence and continue with 1 each leased Douglas DC-8-52 and DC-8-62.

The company, which does not hold rights to the U.S., makes four flights in May **1994** from Honolulu to Kwajalein and Majuro on behalf of **Air Marshall Islands**. On October 15 the carrier is fined \$4,000 by the U.S. DOT; in response, the Canadian line pleads that its flights were made on behalf of a certified carrier. DOT maintains the fine, but promises to drop half of it if no further violations are recorded during the next 12 months. Traffic does not live up to expectations and the DC-8-52 is withdrawn at year's end.

The company does not get a chance to prove itself to the American regulators because it shuts down in **1995**.

ADVANCED AIRLINES (PTY.), LTD. See **AVDEV AIRLINES OF AUSTRALIA (PTY.), LTD.**

ADVANTAGE AIRLINES: United States (1992). Advantage is established at Portland, Oregon, in the spring of **1992** as a nonaligned division of **Rocky Mountain Helicopters**, one of the nation's largest providers of aviation support services and a specialist in rotary-wing emergency air medical transport. Employing reconditioned Fairchild Metro IIIs, the independent, under the direction of Vice President/General Manager Michael Lowry, launches five roundtrips daily between Portland and Eugene on May 18, along with four roundtrips daily between Portland and Medford and Portland and Pasco.

As a result of the airline fare wars, the company is unable to achieve economic viability and—less than six months after services are begun—it is forced to shut its doors.

AE COLOMBIA (AEROLINEAS ESPECIALES DE COLOMBIA, S.A.): Colombia (1980–1985). AE Colombia is established at Bogota in 1980 to provide passenger and cargo charter services from the capital. The initial fleet comprises 1 Piper PA-31-350 Navajo Chieftain, 1 Beech King Air 90, 2 Beech 18s, 1 Cessna 185, and 2 Cessna 180s. Shortly after its founding, the third-level carrier receives government support to introduce scheduled services for the Llanos del Yari region and the islands of Providencia and San Andres.

Traffic does not generate sufficient revenues to exceed expenses and the airline stops flying in 1985.

AEBAL (AEROLINEAS DE BALEARES, S.A.): Spanair, S.A., Aeropuerto de Palma, Apdo 50086/07000, Palma de Mallorca, Spain; Phone (971) 745020; Fax (971) 492557; <http://www.spanair.com>; Code JK; Year Founded 2000. AeBal is established at Palma de Mallorca in April 2000 to provide regional services on behalf of its parent, Spanair, S.A. Originally, several names are considered for the enterprise, including Spanair Link and Air Balaer. Gerardo Diaz is appointed president and orders are placed with Boeing for 3 717-200s.

The first 2 717-2CMs are received on June 22 and 29. Christened *Formentor* and *Espalmador*, they are employed, using the Spanair code, to launch revenue services on July 4. Competing directly with the BAe ATP turboprops operated by **Canarias Regional, S.A.'s** "Air Europa Express" and the Fokker 50 Iberia Regional service of **Air Nostrum, S.A.**, the Boeings fly thrice-daily roundtrips from Palma to Menorca and to Ibiza and twice-daily from Palma to both Balencia and Alicante.

The third B-717-2CM arrives on August 4.

AECA AIRLINES. See **AEROSERVICIOS ECUATORIANOS, S.A.**

AEGEAN AVIATION, S.A.: 572 Vouliagmenis Ave., Athens, 16451, Greece; Phone 01 996 81 81; Fax 01 995 75 98; <http://server.traveling.gr/aegean-aviation>; Year Founded 1977. Aegean Aviation is originally established as an FBO at Athens Airport in 1977, with charter flights occasionally operated. On February 17, 1992, Aegean becomes the first independent Greek airline to be issued an air operator's license by the Ministry of Transport.

By 1998, Aegean has been purchased into the TH. Vassilakis Group of companies, led by Theodoros Vassilakis. Capitalization exceeds \$6.5 million.

Executive passenger and express services are a major component of the director Nick Kovfovdakis's company's business. A total of eight full-time and four part-time pilots are on staff and the fleet includes 1 each Learjet 55 Longhorn, Learjet 35A Century 3, and Piper PA-31-350 Navajo Chieftain.

In addition to the operation of flight services (including medical air charter), the company continues to operate the only specialized fixed-wing business and general aviation maintenance unit in Greece.

At the end of February 1999, Aegean places an order for two Avro RJ100s while simultaneously dispatching several pilots to the U.K. for training. The planes are required to launch scheduled flights in the recently deregulated Greek market.

A third RJ100 is requested on April 7. The first two jetliners arrive on April 30, with the third expected in September.

Beginning in June, scheduled service is launched from Athens to Thessalonika, Heraklion, Corfu, Chania, and Rhodes.

Following receipt of a third AVRO RJ100 in September, an order is placed for a fourth, to be delivered before year's end.

In December, the carrier absorbs competing **Air Greece, S.A.**, creating the largest privately owned airline in Greece, and the second largest after **Olympic Airways, S.A.** The Minoan Lines, previously Air Greece's majority owner, is now a minority 28% shareholder in the surviving line.

Integration of Air Greece continues into 2000. Although the unprofitable Air Greece routes to Germany are dropped, the combined 10-plane fleet still operates 62 daily services to 12 destinations. Much of the first quarter is taken up in the preparation of a corporate strategic plan.

An order is placed in March for 2 more AVRO RJ100s to supplement the 4 already in service, while a concentrated effort is made to sell 2 former Air Greece Fokker 100s. Air Greece is fully integrated by the end of May.

The 2 AVROs ordered in March are on hand by July, bringing the total for the type to 6.

AEOL: Russia (1993–1994). Aeol is formed at Moscow in 1993 to offer charter all-cargo services to other nations in the CIS as well as Europe. P. P. Stepin is named general director and revenue flights commence with a single Ilyushin Il-76. Operations continue for less than a year.

AER AIRLINES (AEROTRANSPORTES ENTRE RIOS, S.A.): Argentina (1962–1982). AER Airlines is formed at Buenos Aires in 1962 to offer all-cargo charter services with a pair of Canadair CL-44Ds. During the next decade, flights, which come to emphasize the transport of livestock, are undertaken from Ezeiza Airport to Lima, Panama, Miami, New York, Montevideo, Asuncion, São Paulo, Rio de Janeiro, and Caracas. A former **KLM (Royal Dutch Airlines, N.V.)** Lockheed L-749 freighter, along with 1 Curtiss C-46 Commando, are obtained in 1964; before the decade's end, 4 L-1049s also arrive.

A third swing-tail, Canadian-built freighter joins the fleet in 1973 and a total of 34 million FTKs are flown in 1974. The high cost of fuel forces cancellation of services to Europe and Africa and temporary withdrawal of the new Canadair received just the year before. The Commando is also retired.

Airline employment in 1975 stands at 120. Cargo accelerates 15% to 40 million FTKs. Consequently, plans are made to resume operations to the markets suspended in 1974 and an order is placed for a Douglas DC-8-63CF.

A Canadair CC-106 with 5 crew and 5 passengers fails its takeoff from Miami on September 27, overruns the runway, and crashes into the west bank of a canal 960-ft. away (6 dead).

Services continue apace in 1976–1981 and in 1982 Chairman Carlos Martinez Guerrero's company is merged into **TAR (Transporte Aereos Rioplatense, S.A.)**.

AER ARANN (KILROE AIR IRELAND, LTD.): Connemara Airport, Caislean, Connemara, County Galway, Ireland; Phone 353 (91) 593 034; Fax 353 (91) 593 238; <http://www.aerarann.ie>; Code RE; Year Founded 1970. Former captain of **Aer Lingus Irish Airlines, Ltd.** Bill Wallace convinces a group of local Oranmore businessmen to form the charter/commuter operation Aer Arann in 1970, with him as CEO/chief pilot. Flying the company's single Britten-Norman BN-2 Islander, Wallace initiates revenue services in July linking Shannon with the Aran islands of Inishmore and Inishmaan. Later, the company changes its base of operations from Oranmore to Galway.

Regular service is started from Dublin to the Channel Islands in 1973 as the fleet is improved by the addition of three more BN-2s. In September 1974, thrice-weekly service is initiated to Glasgow. Two of the four Islanders are damaged in accidents in Ireland in October 1975 and the company temporarily ceases operations. However, resumption of commuter services to the Aran Islands is soon thereafter resumed, along with regional charters.

In 1976–1977, Col. Charles Blair, accompanied by his wife, actress Maureen O'Hara, employs his famous **Antilles Air Boats** Short S-25 Sandringham flying boat *Southern Cross* on summer-only flights among the Aran islands. In 1978–1987, the regional's scheduled frequencies are maintained and charters are flown to as many as 31 different destinations in Britain and Europe. General Manager Christopher Ryan's fleet is upgraded to include 2 Islanders and 1 Embraer EMB-110. During these years, the company becomes an associate of the U.K. commuter carrier **Air Kilroe, Ltd.**

David P. Browne is named general manager in 1988 and the Ban-deirante is withdrawn, to be replaced in 1989 with a Piper PA-23 Aztec. Operations continue apace in 1990–1992.

In 1993, President Timothy Kilroe, who is also CEO of **Air Kilroe, Ltd.**, oversees an Irish workforce of 20 and a fleet that includes 2 Islanders and the Piper PA-23 Aztec. Services are maintained in 1994–1997 and destinations visited from the base at Connemara Airport continue to include Inishmore, Inishmaan, and Inisheer. The Aztec is withdrawn.

Early in 1998, a contract is signed with the board of Donegal Airport Company to provide, with the assistance of **Aer Lingus Irish Airlines, Ltd.**, EU essential Air Service flights to and from Donegal. A British Aerospace BAe Jetstream 31 is leased from Manchester-based **Air Kilroe, Ltd.** and is employed to inaugurate the new service, Aer Arann Express, on March 2. General Manager Bob Laird's division is subsequently established as a free-standing subsidiary.

Over the next two years, the main line continues to operate Islander flights to Serves Aran.

AER ARAN EXPRESS, LTD.: International House, Dublin, Ireland; Phone 353 (1) 814 5240; Fax 353 (1) 814 5250; http://www.aerarann.ie; Code RE; Year Founded 1998. Early in 1998, a contract is signed by **Aer Arann: Kilroe Air Ireland, Ltd.** with the board of Donegal Airport Company to provide, with the assistance of **Aer Lingus Irish Airlines, Ltd.**, EU essential Air Service flights to and from Donegal. A British Aerospace BAe Jetstream 31 is leased from Manchester-based **Air Kilroe, Ltd.** and is employed to inaugurate the new service on March 2.

GM Bob Laird's division is subsequently established as a free-standing subsidiary, with headquarters at Dublin. In addition to scheduled services to Donegal and Sligo, the carrier also undertakes replacement flights for **Manx Airlines, Ltd.** (2).

A Shorts 330 is employed to launch expanded services on July 1, 2000. On August 15, the company seeks funding to operate routes from Dublin to both Kerry and Galway when they are given up by **Aer Lingus Irish Airlines, Ltd.** in January. A Shorts 360-300 is leased from **Flying Enterprise, A.B.** on August 20.

As planning for expanded services from Dublin continue, arrangements are completed on September 18 for the purchase of two ex-**Continental Express** ATR42-320s.

The twice-weekly route between Dublin and Sheffield City, abandoned by **British Regional Airlines, Ltd.**, is taken over on October 30.

AER KAVANGO (PTY.), LTD.: Botswana (1994–1995). Anthony Baker establishes this third-level operation at Maun in 1994 to provide scheduled passenger and cargo flights to local destinations. Revenue flights begin with a fleet comprised of 3 Cessna 206s, 1 Cessna 210, and 2 Pilatus Britten-Norman PBN-2 Islanders. Operations cease in 1995.

AER LINGUS COMMUTER (AERLINTE EIREANN TIO-RANTA, LTD.): P.O. Box 180, Dublin Airport, County Dublin, Ireland; Phone (353) 1-705-33-60; Fax (353) 1-705-64-95; http://www.aerlingus.ir; Code EI; Year Founded 1983. Under the direction of Projects Manager Garry Cullen (who will become Aer Lingus Group CEO in 1998), Aer Lingus Commuter is established in May 1983 as an experimental division of the national flag line **Aer Lingus Irish Airlines, Ltd.** Equipped with two Shorts 360s, the new entrant inaugurates scheduled Ireland–U.K. service from a hub at Dublin. It also flies to local Irish destinations. Two more 360s are delivered in 1984, followed by a fifth in 1985. E. C. Murphy is appointed CEO in July.

Flights to Bristol, Edinburgh, and the East Midlands continue in 1986. In 1987 the 50-employee carrier adds Jersey and Rennes as destinations. The fleet's 5 Shorts 360s and 1 Shorts 330 transport a total of 195,000 passengers.

In 1988, Ray Wilson is named chief executive and Liverpool, Leeds, Cork, and Ronaldsway join the route network. In October, orders are placed for a pair of Fokker 50s. Enplanements total 195,000. Service to Sligo and Shannon is opened in 1989 and the fleet is enhanced in March by the addition of the first Fokker F-50.

Three more F-50s and a sixth Shorts 360 arrive in 1990 as the company begins flying to Kerry and Waterford. Two 360s are withdrawn in the fall and returned to their lessor, **Maersk Air, A.S.**

In early 1991, the Shorts are replaced by 2 more Fokker F-50s. The fleet now includes 6 F-50s and 1 out-of-service Shorts 360. Orders are placed in January for 4 SAAB 340Bs, which arrive, beginning with the *St. Eithne*, and enter service during June and August. They will be employed to develop the carrier's traditionally thin routes from Dublin to the U.K. destinations of Bristol and East Midlands.

The last Shorts is withdrawn at the beginning of October. In the seven years that the carrier has employed this type, the Shorts have transported 1.5-million passengers.

In 1992, Conor McCarthy becomes CEO and his fleet is enhanced with two more SAAB 340Bs. Airline employment reaches 220 and new service is initiated to Brussels. McCarthy's fleet in 1993 includes 4 SAABs and 6 Fokker 50s. U.K. destinations served by the regional include Bristol, Bradford, East Midlands, Edinburgh, Glasgow, Leeds, Newcastle, and Birmingham. Brussels and Dusseldorf are also visited. Henceforth, financial and traffic figures are reported with those of its parent, Aer Lingus Group.

Eithne McManus becomes CEO in 1994, by which time the company's SAABs have well-developed domestic services in Ireland, serving Galway, Kerry County, Shannon and Sligo in the west and Cork in the south. Routes are also operated to the U.K. communities of Birmingham, Edinburgh, Glasgow, Leeds/Bradford, Manchester, Newcastle, Bristol, and East Midlands. On weekends, daily direct service is offered from Cork to Manchester.

To keep pace with the parent's enhanced transatlantic services built around introduction into service of A330-301s, the feeder begins to heavily promote its Dublin hub. Passengers en route to America are encouraged to forsake London and, traveling from an airport in the western half of the U.K., come to Ireland on a Fokker or SAAB flight timed to coincide with Airbus departures. Late in the year, plans are made to replace the Swedish-made turboprops the following year with larger aircraft and the British Aerospace BAe 146-300 is selected. The year's marketing strategy appears to work, as enplanements increase dramatically, reaching 500,000 on the year for the first time.

The fleet at the beginning of 1995 includes 4 SAAB 340s and 6 Fokker 50s. On behalf of its subsidiary, **Aer Lingus Irish Airlines, Ltd.** announces the lease of 3 BAe 146-300s from Asset Management Organization on April 3. The first of the regional jets enters service on April 23 from Dublin to Manchester and Birmingham.

The two remaining jetliners are delivered between May and June and, during the latter month, enter service on routes from Dublin to Glasgow, Bristol, and Edinburgh, as well as the network that reaches from Dublin to Cork and Shannon. The SAABs are now removed. A total of 26,000 scheduled departures are made during the year and enplanements reach 1,150,000.

During the spring of 1996, a fourth BAe 146-300 is leased for five years and enters service on the company's regional routes.

Customer bookings accelerate to 1,241,080 made in 25,538 scheduled departures.

Destinations visited in 1997 include Amsterdam, Belfast, Birmingham, Bristol, Brussels, Copenhagen, Cork, Dublin, Dusseldorf, Edinburgh, Frankfurt, Galway, Glasgow, Kerry County, Knock, London (LHR and STN), Manchester, Newcastle, Paris, Rome (Fiumicino), Shannon, and Zurich.

On July 15, a new Ir £2-million departures facility is opened at Dublin Airport that caters exclusively to commuter customers. The new area, with its 16 check-in desks, is being developed in order that the Aer Lingus parent may employ the old central terminal building as a dedicated boarding area. A new departure lounge and eight new boarding gates will be added during the remainder of the year and in early 1998.

The fiftieth anniversaries of service to Glasgow and London are celebrated on July 19 and August 1, respectively. The company now provides over 600 weekly departures.

Enplanements for the year reach 1,475,541 on 26,998 scheduled departures.

Service continues in 1998. Seamus Kearney is now CEO and his fleet includes 2 BAe 146-200s, 5 BAe 146-300s, and 7 Fokker 50s. Late in the year, arrangements are completed for the lease of another BAe 146-200 on a temporary basis from **Flightline, Ltd.**

Formerly operated by **Jersey European Airways, Ltd.**, a sixth BAe 146-300 is delivered to the carrier in March 1999. The new acquisition is employed to expand capacity on regional services to the U.K. where jet demand is high.

Leases on three other Dash-300s already in service are extended.

The **Flightline, Ltd.** BAe 146-200 is returned in mid-month and, repainted in Team Lufthansa colors, begins operating replacement services for **Lufthansa CityLine, GmbH.** between London and Dusseldorf.

Four-times-weekday (reduced on weekends) BAe 146-300 return service from Dublin to London (LCY) begins on November 1. The new flights compete with those offered by **CityJet, Ltd.**

The carrier's 2 BAe 146-200s are retired on July 10, 2000. They are replaced by 2 BAe 146-300s purchased from **KLMuk, Ltd.**

AER LINGUS IRISH AIRLINES, LTD.: Head Office Block, P.O. Box 180, Dublin Airport, Ireland; Phone 353 (1) 705-222; Fax 353 (1) 705-3832; <http://www.aerlingus.ie>; Code EIR; Year Founded 1936. As an interim measure until a government holding company can be formed, **Blackpool and West Coast Air Services, Ltd.**, an associate of the London-based air taxi/charter operator **Olley Air Services, Ltd.**, puts forward the capital necessary to form Aer Lingus Teoranta or ALT. (Air Fleets, Ltd.). The word "Lingus," a word that does not exist in Gaelic, is a corruption for commercial purposes of "Loingias." The prospective Irish national carrier is registered as a private company at Dublin on May 22, 1936. **Blackpool and West Coast Air Services, Ltd.** provides a de Havilland DH 84, which is christened *Iolar* (*Eagle*). Daily flights commence on May 27 from Dublin's Baldonnel Airport to Whitchurch Airport at Bristol with the *Iolar* (*Eagle*), piloted by O. E. Armstrong. The same day, **Blackpool and West Coast Air Services, Ltd.** launches a frequency from Liverpool to Dublin via the Isle of Man under the marketing title "Irish Sea Airways." Thrice-weekly Dublin-Isle of Man Dragon service starts on May 30.

During the high summer, a DH 86B is acquired and, on September 14, the *Eire*, as it is known, extends the Bristol daily route to London (Croydon Airport); the *Iolar* begins Dublin-Liverpool via Isle of Man daily service the same day. The Liverpool operation ceases on October 24. A total of 892 passengers are carried during the first six months of revenue service.

On April 5, 1937, the government holding company Aer Rianta Teoranta is formed at Dublin. Capitalized at Ir £500,000, it is authorized to operate international services. With mail and in continued cooperation with **Blackpool and West Coast Air Services, Ltd.** as **Irish Seas Airways, Ltd.**, the new DH 89A *Iolar II* inaugurates Isle of Man seasonal service on May 14. Frequencies on the Dublin-Liverpool route are increased to thrice daily while two roundtrips are offered to London, one via Bristol. During the year, Aer Lingus Teoranta becomes known simply as Aer Lingus to most passengers.

The Isle of Man flights halt for the winter on September 4 while, also in September, the British **Irish Seas Airways, Ltd.** partner **Blackpool and West Coast Air Services, Ltd.** is purchased and merged into **Isle of Man Air Services, Ltd.** On November 2, the British **Irish Seas Airways, Ltd.** portion of the operation is reformed as a separate company and named **West Coast Air Services, Ltd.** Enplanements for the first full year are 2,908.

In February 1938, the first Aer Lingus aircraft, *Iolar*, is acquired by the British company **Great Western and Southern Airlines, Ltd.** On June 4, seasonal Dublin-Isle of Man services are resumed and continue until September 19. Bookings nearly double, up to 3,810.

Aer Lingus services are suspended briefly on the outbreak of war, September 3, 1939, but DH 86 Dublin-Liverpool flights resume on Oc-

tober 28. When they do, railroad schedules initially permit one-day journeys from Dublin to London. The fleet is strengthened during the year by the addition of two Lockheed L-14s and orders are placed for two Douglas DC-3s. Despite the service halt, boardings accelerate to 5,002.

On January 19, 1940, company headquarters and flight operations are transferred from Baldonnel aerodrome to Dublin's new Collinstown Airport. Flights from Dublin to Liverpool are suspended between month's end and the middle of February and, when they resume, the British terminus is changed to Manchester. With insufficient need existing, a Dragon Rapide is sold while a DH 86B is damaged in a hard landing in March.

The first Douglas DC-3 is delivered on April 20. Assembled by Fokker technicians at Duerne airfield, Antwerp, and flown in via London it is christened *St. Senan*. After crew familiarization, the new Douglas is placed in service on the Liverpool route on May 7. The second DC-3 cannot be provided to Fokker for assembly when Holland is overrun three days later so is, instead, sold to **Pan American Airways (PAA)**. The Lockheeds are now withdrawn and sold to an Australian source.

Meanwhile, the **Irish Seas Airways, Ltd.** operation is allowed to continue as **West Coast Air Services, Ltd.** and becomes a member of the wartime British domestic air service coordinating body, Allied Airways Joint Committee. The Liverpool terminus is transferred to Manchester on August 3. The year's enplanements are 5,507.

As the German assault on Great Britain intensifies, London service during late 1940 and all of 1941 becomes and remains sporadic. In addition, the *St. Senan* is slightly damaged while landing at Barton airfield, near Manchester, on April 19. The Douglas is dismantled and shipped back to Ireland by sea. Although the original *Iolar* is shot down by German fighters off the southwest coast of England near the Scilly Islands, the DH 86B damaged the previous March is returned to service in October. Bookings in the 12 months dip to 5,297.

Dublin-Shannon operations are conducted between August 12 and October 30, helping 1942 enplanements climb to 6,168. Meanwhile, on November 16, the English terminus is switched from Manchester back to Liverpool. In 1943, bookings grow to 6,537. On April 14, 1944, the British government halts the carrier's U.K. service as a pre-Normandy invasion security measure; service is resumed on September 8. As a result of the service suspension, boardings drop to 5,601 for the year.

The DC-3 London route is reopened on November 9, 1945 and, in cooperation with **West Coast Air Services, Ltd.**, London (Croydon)-Dublin Avro XIX flights begin on December 3. Also in December, the first three female flight attendants report for duty and the first of nine more DC-3s to arrive in the next six months begin to join the fleet. Bookings skyrocket to 21,630.

On April 5, 1946, a bilateral air agreement is reached between the Republic of Ireland and the United Kingdom, giving the carrier exclusivity over England-Eire service. The same day, the carrier's shareholding is reorganized: the Irish government acquires 60% control (via Aer Rianta Teoranta), with **British European Airways Corporation (BEA)** and **British Overseas Airways Corporation (BOAC)** holding 30% and 10% respectively. The DC-3 Shannon service, operated briefly in 1942, is restarted on May 8.

Dublin-Paris DC-3 operations commence on June 17.

The first DC-3, *St. Senan* (acquired in 1940) with 4 crew and 15 passengers, is destroyed in a forced landing at Tullyglass, County Clare, on June 18; there are no fatalities.

Bought out, **West Coast Air Services, Ltd.** on June 29 formally turns over all operations to Aer Lingus, which on July 1 takes over all scheduled Ireland-U.K. service (4 DC-3 frequencies to London and 5 frequencies to Liverpool, 3 DH 86 and 2 DC-3). The London terminus is switched from Croydon Airport to Northolt Airport on October 1 and, later in the month, seven Vickers Vikings are ordered.

Enplanements for the year are 76,304. On revenues of Ir £377,345, expenses are Ir £516,821, leaving an operating loss of Ir £139,476.

The year 1947 begins with an international move. On February 26, **Aerlinite Eireann Teoranta (Irish International Airlines, Ltd.)** is formed to operate North Atlantic services; orders are placed for five

Lockheed L-749As at Ir £250,000 per aircraft. The *St. Ronan*, first of seven Vickers-Armstrong Vikings to arrive during the year, is delivered on June 4 and is employed to inaugurate new Dublin–Amsterdam, via Manchester, service on July 9. It is followed by the *St. Senan* on June 12. New DC-3 routes are extended to Belfast/Glasgow (July 29), to London (August 1), and to Brussels (August 8).

The first three L-749As (*St. Brendan*, *St. Patrick*, and *St. Bridget*) are delivered on September 17 (having flown across the Atlantic in formation) and are placed on the newly opened London–Rome through services on November 2 and 12, respectively. The three Constellations are placed on the Dublin–London route on November 3. Despite successful route-proving flights, the decision of the Irish government to reject the carrier's international license application results in the withdrawal of the Constellations (now five in number) on December 16; plans for the launch of New York services on *St. Patrick's Day* next are cancelled.

Bookings for the year are 156,532. Revenues accelerate to Ir £892,314 but expenses skyrocket to Ir £1,504,746, leaving an operating loss of Ir £612,432.

Unable to participate on the international scene, the five parked Aerlinte Eireann L-749As are sold for a profit of Ir £65,000 each (Ir £1,575,000 total) to **British Overseas Airways Corporation (BOAC)** in February 1948; still, the year's boardings grow to 156,349. Two Airspeed AS.65 Consuls are placed in service in April, but are both found unsatisfactory and are sold within a year. The last of the Constellations to be delivered to the British state carrier is the *St. Patrick*, which is transferred on June 15 and the Vikings, also having been unsatisfactory, are removed, beginning with the *St. Senan*, which is passed to the Egyptian carrier **Misrair, S.A.E.** on November 18.

Bookings are 160,892 and although traffic falls, the operating loss does as well, down to minus Ir £163,070.

Daily Birmingham DC-3 flights are inaugurated in May 1949 and Jersey operations are launched in June; enplanements rise to 199,023. This year's operating loss is only Ir £29,313. Low-cost DC-3 "Starflight" services are begun on the London route on June 13, 1950 and help to achieve carriage of 221,542 passengers on the year.

Dublin–Manchester night-airmail service is launched on March 12–13, 1951 and thrice-weekly DC-3 operations to Liverpool, Birmingham, and Glasgow begin in October. In December, Aer Lingus becomes the second airline in the world to order the Vickers Viscount turboprop, committing itself to four V-707s.

Enplanements reach 269,220. On revenues of Ir £1,302,052, expenses are Ir £1,292,032, leaving the carrier with its first operating profit, Ir £10,020.

The Irish line's first fatal accident occurs on January 10, 1952 when the DC-3 *St. Kevin*, with 3 crew and 20 passengers, crashes into 2,860-ft. Moel (Mount) Siabod, Wales, in bad weather; there are no survivors.

Aer Lingus launches Dublin–Edinburgh/Cardiff DC-3 services on April 22 and June 13, respectively. A fleet of Bristol 170 Mk. 1 freighters is acquired during the summer, at about the same time **British European Airways Corporation (BEA)** acquires the 10% shareholding of **British Overseas Airways Corporation (BOAC)**.

With an Irish government license finally in hand, Aerlinte Eireann reaches an agreement in November with **Seaboard and Western Airlines** for the chartering of DC-4s and Lockheed L-1049Cs with which to start transatlantic operations. A total of 289,380 passengers are transported.

A DC-3, with 3 crew and 22 passengers, suffers double engine failure due to fuel exhaustion and makes a forced landing at Spennall, U.K., on January 1, 1953; although the aircraft must be written off, there are no fatalities.

Unhappily, permission for Aerlinte Eireann to land in the U.S. is delayed by the American CAB, which will not grant permission for more than two years; the Irish carrier's international service to North America is set back another five years. Bookings, nevertheless, push upward to 300,859.

The year 1954 is the year of the Viscount. The carrier's first two Vickers V-707s (*St. Patrick* and *St. Brigid*) are delivered on March 5; the airline becomes the world's third to offer turboprop flights when the two are

placed in service on the London route on April 11. On May 14, DC-3 Dinard–Lourdes service is inaugurated; service to the holy site, with aircraft equipped for stretchers, soon proves very popular. A DC-3 with 24 aboard crash-lands safely on Guernsey Island on September 18.

Enplanements this year are 342,765. The Lourdes route is extended to Barcelona on May 24 and 1955 boardings jump to 402,225.

Orders are placed in March 1956 for 3 (later 7) Viscount 808s and, in June, orders are offered for 5 (later 7) Fokker F.27-100s. The ALT/BEA bilateral is revised on September 1 with the British carrier reducing its shareholding to 10% (and receiving Dublin access in April 1957) while granting the Irish airline Fifth Freedom rights to cross Britain on certain routes to the Continent. Bookings for the year accelerate to 457,609 and the largest operating profit of the decade (Ir £158,548) is earned.

The first three V-808s (*Gall*, *Charles Montagu Doughty*, and *St. Patrick*) are received in late March 1957. V-808 London, Amsterdam, and Dusseldorf service begins on April 14, followed on April 15 by a Brussels–Frankfurt am Main route. The company's three-millionth passenger is carried on May 2, and on May 25 Viscounts are placed on the Lourdes–Barcelona run. On June 27, the big turboprops begin flights to Zurich and Rome. Despite this expansion, bookings dip to 441,363.

In January 1958, the American CAB finally grants permission for U.S. flights tied to the launch of transatlantic economy fares approved by IATA and two L-1049Hs are leased from **Seaboard and Western Airlines**.

With a VIP run on April 24, Aerlinte Eireann is at last able to inaugurate transatlantic operations as the *Padraig* (*St. Patrick*) begins thrice-weekly Dublin/Shannon to New York/Boston roundtrip service.

The inaugural flight, seen off by Prime Minister Eamonn DeValera, is not without incident as the chartered Super Constellation, with New York Mayor Robert Wagner, his wife, and other VIPs, has engine trouble and must make an emergency landing at Gander, Newfoundland, delaying the Dublin arrival until April 27. The return flight arrives at New York City on April 28 with Wagner welcoming Irish Deputy Prime Minister LeMass and Dublin Lord Mayor Carroll. Speeches and parades mark the occasion.

With the start of regularly scheduled, 10–13-hr., thrice-weekly roundtrips to North America on April 28, the services of Aer Lingus and Aerlinte Eireann are integrated under the common marketing name of Aer Lingus-Irish International Airlines, Ltd.; however, separate financial records are maintained. The transatlantic service is offered daily beginning in June and, in October, Boston is added as a stop.

The world's first Dutch-built Fokker F.27-100s (as opposed to the slightly earlier models built by Fairchild under license in the U.S.) *Fionntan* (*St. Fintan*) and *Fearghal* (*St. Fergal*) are delivered on November 19. Aer Lingus becomes the first European operator of the soon-to-be popular turboprop when the two begin Glasgow–Liverpool service on December 15. The year's boardings rebound from 1957 and jump to 500,574.

Irish International orders three Boeing B-707-048 jetliners on March 11, 1959. The Viscount 808 route to Dusseldorf is extended to Copenhagen on April 14 and the Lourdes service is extended to Lisbon on June 4. Meanwhile, on May 15 and in cooperation with **Silver City Airways, Ltd.**, DC-3 flights to Blackpool are started. Enplanements this year climb to 552,723.

The title Aer Lingus-Irish International Airlines, Ltd. comes into use by both carriers on January 1, 1960. Company pilots strike between March 15 and 28. On May 31, daily Shannon–Liverpool Viscount 808 operations are inaugurated, while twice-weekly DC-3 flights to Cherbourg begin on June 3. Aerlinte Eireann on November 18 takes delivery of its first B-707-048 *Padraig* (*St. Patrick*), during a month in which the five-millionth transatlantic passenger is boarded. Following a blessing from the Archbishop of Seattle, the *Padraig* is taken to Tucson, Arizona, for crew training.

The Gander–Shannon leg of the *Padraig's* December 1 New York proving flight is made in a record 3 hrs. 9 min. The *Padraig* launches scheduled flights on December 14 from Dublin and Shannon to Boston. Passengers aboard Ireland's premier all-jet flights receive either "Golden Shamrock" (first class) or "Silver Shamrock" (economy class) service.

Regular Shannon/Dublin–New York Boeing service is launched on April 14, **1961** and during the 12 months, scheduled service is inaugurated to Cork, Dublin, London, Bristol, Cardiff, Birmingham, Paris, Lourdes, Barcelona, and Jersey. All three Constellations are returned to **Seaboard and Western Airlines** and the fleet now includes 3 B-707-048s (*Padraig*, plus *Brighid* and *Breandan*), 7 Viscount 808s, 7 Fokker F.27-100s, and 5 DC-3s. During the fourth quarter, **BKS Air Transport, Ltd.** suspends its vehicle ferry service from Liverpool to Dublin, requiring the Irish government to step in and ask Aer Lingus to take it over.

In **1962**, the combined Aer Lingus and Aerlinte Eireann fleet includes one more Viscount and one less Boeing. A Ir £700,000 order is placed with Aviation Traders, Ltd. in August for the conversion of two Douglas DC-4s into ATL-98 Carvairs. Modifications commence in September. During the year, the government refuses to allow the carrier to purchase three Sud-Est Caravelle jetliners.

On January 9, **1963**, the B-707-48 *St. Patrick* is chartered to fly to Melbourne with Australian passengers stranded at Malta by the damaged cruise ship *Canberra*. The first ATL-98 Carvair, the *St. Aibhe* (*St. Albert*), is delivered to the company on March 14 and begins a few weeks of proving flights and crew training. Dublin–Bristol car ferry service is launched five times per week in early April. The second ATL-98 Carvair, the *St. Jariath* (*St. Jarlath*), arrives on April 29.

Three others follow the initial vehicle ferry route: thirteen-per-week Dublin–Liverpool (May 8), four-per-week Cork–Bristol (May 12), and two-per-week Dublin–Cherbourg (June 15). Meanwhile, on May 3, orders are placed for BAC 1-11-208s, which will be promoted as Shamrock Jets.

Meanwhile, on May 23, a Viscount 808 loses a door during a flight over the North Sea, but is able to land safely. During their first season of operations, the two Carvairs fly 4,324 vehicles and 12,532 passengers. Traffic is so good that a third ATL-98 is requested at year's end, while the first two are returned to their British builder during the winter for modifications that will allow the transport of racing horses.

The third Carvair, the *St. Senan*, is added to the fleet on April 23, **1964**. Combined freight and passenger services are launched from Dublin to Liverpool and Glasgow, while a night-airmail frequency is initiated from Manchester to Dublin. The first B-707-348, *St. Lorcan O'Tauthall*, is delivered to Dublin on June 10 as orders are made for four British Aircraft Corporation BAC-1-11-208ALs. The new Boeing is soon in transatlantic service.

ALT and Aerlinte Eireann, working under the common marketing name of Aer Lingus-Irish International Airlines, Ltd., fly 1,065,000 passengers over European and North Atlantic routes with a fleet of 24 passenger aircraft. With the Carvairs now taking over all cargo work, including the transport of 5,101 cars, the last two DC-3s are phased out. The Aer Lingus employee population stands at 4,192 and revenues of US \$42,804,000 are earned.

Aerlinte Eireann employs 490 people in **1965** and flies 137,156 passengers over the North Atlantic in its fleet of four B-707-348s. ALT receives the first of four BAC-1-11-208ALs in May; christened *St. Mel*, it enters service on the Dublin–Paris via Cork route on June 3.

The following month, new service is started to Manchester from Cork and Shannon. With the introduction of sea ferries on the Irish Sea, the number of ATL-98 vehicle ferry flights is reduced.

The B-720B *St. Brendan* is leased to **Braniff International Airways** for a year; while serving with the U.S. carrier, it will wear its upper fuselage painted in lemon yellow with its horizontals, wing, and engines left in bare metal finish.

In January **1966**, the *St. Mel* flies the Glasgow Celtic soccer team Prestwick–Tbilisi, via Copenhagen and Moscow. Also during the year, the F.27s are retired and are replaced by seven Viscount 803s purchased from **KLM (Royal Dutch Airlines, N.V.)**.

On May 9, an order is placed for two Boeing 737s. On the same day, twice-weekly service is inaugurated to Montreal and Chicago. The last Carvair cargo run is undertaken between Dublin and Liverpool/Manchester–Dublin on October 31, after which the company's ATL-98s

are placed into storage. When Renfrew Airport is closed, operations are transferred to the new Glasgow Airport.

The carrier joins with **LOT Polish Airlines** on January 22, **1967** to announce weekly roundtrip service from Poland to North America; Irish International will fly the transatlantic leg, connecting with LOT at Shannon. Also in January a new route is started from Dublin to Brussels/Munich. On May 29, Dublin–Madrid Viscount flights begin. The uneconomical Carvair service is ended and the three aircraft are sold.

Orders are now placed for two Boeing 747-100s, receipt is taken of two more B-707-348Cs and 201,163 travelers are flown over the transatlantic routes during the year.

A Vickers Viscount 803 *Oscar Fox*, with three crew, on a June 22 training flight from Dublin, suddenly enters into a vertical dive from low altitude and crashes 2 mi. N of Ashbourne; there are no survivors.

Having suffered a flare-out in bad weather while on final approach to Bristol from a Dublin service on September 21, a Vickers Viscount 808, with 4 crew and 17 passengers, makes a wheels-up landing; there are no fatalities but the plane must be written off from damages sustained.

Also in 1967, the 15 ViscounTS and 4 BAC-1-11-208ALs of ALT transport 1,128,454 passengers to and from European destinations.

1968 sees ALT and Aerlinte Eireann, the components of Aer Lingus-Irish International Airlines, Ltd., integrated. Also, on January 10, the three stored ATL-98 Carvairs are sold to **Eastern Provincial Airways, Ltd.** for CS\$500,000.

Flight 712, the Vickers Viscount 803 *St. Phelim*, en route from Cork to London and piloted by Capt. Barney O'Beirne, mysteriously crashes into the Irish Sea on March 24 with 4 crew and 57 passengers, 1.7 nm. off Tuskar Rock and 80 km. from the Wexford Coast. There are no survivors. Over the next 30 years, a variety of theories will be floated to explain the tragedy, most involving the possibility that the aircraft was struck by a missile or drone involved in British Ministry of Defence tests. The controversial accident is described by Dermot Walsh in his *Tragedy at Tuskar Rock* (Dublin, Ireland: Mercier Press, 1983).

Later in the spring, a \$4.6-million contract is signed for a new IBM computer and related communications systems. **Irish Helicopters, Ltd.** is formed as a wholly owned subsidiary, offering charter services from bases in Cork and Dublin.

New offices are opened in New York, Amsterdam, and Johannesburg, and new services are inaugurated Belfast–New York and Shannon–Dusseldorf. A B-707-348, wearing company livery and **Luxair, S.A.** stickers, is leased to the South African charter operator **Trek Airways (Pty.), Ltd.** for a year and enters service from Johannesburg on October 22.

Total emplanements rise to 1,340,349 and revenues reach \$57.69 million.

The ASTRAL computerized reservations system comes online at Dublin in early **1969**. In April, the amalgamated Irish International Airlines leases a B-707-348C to **Trans-Caribbean Airlines** and its first new B-737-248, which is christened *St. Albert*, arrives; four more 737-248s will be delivered, one-per-month from September to December. Meanwhile, on May 25, new services are announced from Shannon to Chicago. The first B-747-148 is delivered on December 15, **1970**; christened *Padriag* (*St. Patrick*), it spends the remainder of the year on training duties. Meanwhile, the carrier's other 28 airplanes fly 1,521,420 passengers.

The second B-747-148 arrives on March 18, **1971** and is named *St. Colmcille*. On April 1, the *St. Patrick* opens Dublin/Shannon–New York Jumbojet service. Effective April 19, Shannon–Dublin flights are suspended for financial reasons; however, Dublin–Shannon flights commence in May.

En route from New York to Shannon on July 16, a B-747-148 is forced to make an emergency landing at Boston because of a bomb hoax; one J. Berry is arrested by police next day for allegedly threatening to blow up the Jumbojet unless he is paid a \$50,000 ransom.

The tragedy of civil unrest in Ulster has a depressing effect on traffic. International passenger boardings drop 8% and domestic 9%, with total emplanements dipping to 1,409,000.

Revenues and emplanements drop even further in **1972**. Although the workforce remains at 5,567, bookings are down 8% to 1,296,280.

A Jumbojet takes Irish Prime Minister Lynch to New York on January 4, 1973 for a five-day visit to the U.S. and discussions with President Richard M. Nixon on trade matters, including Dublin landing rights. The number of employees increases to 5,662. With the carrier enjoying renewed profitability, CEO Michael Daragan retires. Passenger boardings rise 7% to 1,359,280 and freight traffic climbs 8%.

David M. Kennedy becomes CEO on January 1, 1974. Emphasis is now switched from North Atlantic operations to European service, and the carrier begins operating under the marketing name **Aer Lingus Irish Airlines, Ltd.** One B-747-148 is leased to **Air Siam, Ltd.** and one, partially, to **East African Airways Corporation**. Dublin–Geneva service is started on April 1.

Passenger enplanements dip 4% as the Jumbojets are removed, but freight traffic rises 2%. Airline employment reaches 5,859.

The workforce in 1975 totals 5,775 as Dublin–Liverpool–London coach/air service is inaugurated. To provide contract services to other carriers, the subsidiary **Guinness Peat Aviation** is established while the aircraft maintenance/component overhaul division of Aviation Traders (Engineering), Ltd., is acquired and renamed Airmotive Ireland, Ltd. New diversified interests include a second golf course at Foxhills in England and part ownership in the Dunfey Hotels group. A special tour is undertaken from New York and Boston to Ireland and Rome on October 12 to coincide with the canonization of Blessed Oliver Plunkett.

Passenger boardings rise 3% to 1,339,000, but freight is down a significant 22% to 67.6 million FTKs.

A total of 38 employees are laid off in 1976 or not replaced and, on April 1, a B-747-148 is chartered to **British Airways, Ltd. (2)**. A ninth B-737-200 is delivered and new passenger service is inaugurated on the following routes: Dublin–Geneva–Milan; Cork–Shannon–Dusseldorf; Shannon–Paris; and Shannon–Dublin–Frankfurt. B-707-348B/C freighter service begins on the New York–Boston–Shannon–London route.

During the year, senior pilot Aidan A. Quigley publishes his memoirs, *A Place in the Sky: The Story of an Irish Airline* (Cork: Mercier Press); he will follow the book up with a second title, *Green Is My Sky* (Dublin: Avoca Publications, 1983).

Passenger boardings for the year climb 6% to 1,892,000 and cargo traffic accelerates 8%.

Enplanements drop significantly in 1977, to 1,502,120, but rebound by 6% in 1978 to 1,598,000 as the two leased B-747s return to service. A strike by clerical workers on March 15 of the latter year disrupts the company's flights. A B-747-148 is chartered to **British Caledonian Airways, Ltd. (BCAL)** on October 28.

With the delivery of a third Jumbojet, a B-747-44 purchased second hand from **Deutsche Lufthansa, A.G.** on January 5, 1979 and christened *Ciaran (St. Kieran)*, the Irish carrier's fleet at decade's end also includes 3 B-707-348B/Cs, 13 B-737-248s, and the 4 BAC-1-11-208ALs first acquired in 1965.

The Jumbojet out on lease to **British Caledonian Airways, Ltd. (BCAL)** is returned in February. It will be employed on September 29 to bring Pope John Paul II from Rome to Dublin; three days later it flies the pontiff from Shannon to Boston.

Cargo traffic for the year climbs 15% and passenger boardings are up 12% to 1,783,000.

The workforce in 1980 stands at 6,949. Ireland to Chicago service is discontinued on November 1. The deepening world recession brings a traffic decline as bookings fall 8% to 1,636,000. Freight traffic is down to 86.98 million FTKs causing the three B-707-348B/C freighters to be sold.

The employee population falls 3.2% in 1981 to 6,676. Airmotive, Ltd., Ireland's new engine overhaul facility at Dublin, is opened and "Executive-Class" B-737-248 service is introduced. The company's hostelry subsidiary Dunfey's, Ltd. purchases two U.S.-owned Irish hotels.

A defrocked Trappist monk, Laurence James Downey, showing bottles of gasoline, commandeers Flight 164, a B-737-248 with 118 passengers en route from Dublin to London, on May 2 and diverts it to Le Touquet, France. There, French antiterrorist police, who covertly board the Boeing, take the pirate into custody.

Also in May, the B-747-148 out on charter to **British Airways, Ltd. (2)** is returned. Passenger enplanements are up 11.4% to 2,399,000, but cargo is down again, by 3%, to 85.53 million FTKs.

In 1982 the roller-coaster world economy forces a dip in the number of travelers carried, down to 2,379,906.

The workforce is reduced 5.3% in 1983 to 6,238. The local service division **Aer Lingus Commuter, Ltd.** is formed and, outfitted with four Shorts 360s, begins flights across the Irish Sea to the U.K.

The sad traffic figures continue to roll in as passenger boardings decline 7% to 2,224,968. Freight is, however, a bright spot, increasing 20% to 91.56 million FTKs. The first financial figures become available; on the year, an operating loss of \$13.7 million and a net loss of \$1.7 million, respectively, are recorded.

The payroll is cut another 5% in 1984, to 5,800. Future CEO Gary Cullen is seconded to **LIAT (1974), Ltd.**, where he will spend the next three years as commercial manager.

Enplanements continue to fall, dipping 6.2% to 2,212,963. Cargo figures are not released. Revenues for the state carrier are \$457 million; operating and net profits of \$20 and \$8.5 million, respectively, are recorded.

Employment falls another 1.7% in 1985 to 5,700. Two boys from Dublin reported missing on August 18 turn up at New York (JFK) and tell police that they stowed away on an **Air India, Ltd.** flight from their home city; they are returned aboard the next Aer Lingus return frequency.

The steep decline in passenger boardings slows significantly, off only 0.48% to 1,829,000. Freight, however, drops 16.86%. On total revenues of \$322.7 million, a \$5.9-million operating profit is realized.

The carrier marks its fiftieth birthday in 1986.

On final approach to East Midlands Airport on a January 31 service from Dublin, a Shorts 360-100, with 2 crew and 33 passengers, suffers a roll to the left and collides with power lines and trees before coming to a stop 3.5 km. short of the runway; there are no fatalities.

A general decline in North Atlantic traffic damages business to a point where it is not reported. Still, two domestic routes are inaugurated and orders are placed for a pair of B-737-348s.

The Irish minister for transport and tourism, James Mitchell, commissions a study concerning *Financing Operations for the Aer Lingus Group*.

The year's overall enplanements rise dramatically, to 2,224,402, and there are profits: \$11.43 million (operating) and \$16.59 million (net).

Airline employment in 1987 stands at 5,500 and the Aviation Traders (Engineering), Ltd. subsidiary is sold to Cambridge, England-based Qualitair Engineering, Ltd. When **Royal Jordanian Airlines** withdraws its management contract from **Sierra Leone Airlines**, that African flag carrier must suspend operations. In September, the government, unable to locate another nation willing to assume a management contract for its air service, contracts with Aer Lingus to provide international flights from Freetown on its behalf.

The two B-737-348s join the fleet in December and enter service on the Dublin to London route, over which competition with new entrant **Ryanair, Ltd.** has intensified.

Customer bookings jump 12% to 2,527,729 while cargo ascends 4% to 83.7 million FTKs. Again gains are reported: \$6.98 million (operating) and \$16.3 million (net).

The workforce is decreased by 12.7% in 1988 to 4,800. Orders are placed for 4 B-737-548s and 2 B-737-448s and, at the end of March, service is initiated from a new Manchester hub to Copenhagen, Hamburg, Zurich, and Milan and between Dublin and London (STN).

President/CEO David Kennedy retires in May and Assistant CEO-Commercial Cathal Mullan is named his successor, effective in November.

The carrier's 39-unit Omni Hotels Group in North America is sold in July to World International, Ltd. and The Wharf, Ltd. of Hong Kong for \$135 million.

Enplanements grow by 32.4% to 3,346,403 while freight jumps 22.8% to 102.81 million FTKs. Revenues ascend 9.4% to \$422 and with costs down, operating income surges to \$ 17.95 million. Net gain is

\$30.45 million. Aer Lingus Group earns profits of \$55.72 million (operating) and \$52.9 million (net).

The payroll grows by 24.4% in 1989 to 5,970 and the fleet now includes 27 jetliners: 4 BAC-1-11-200s, 2 B-737-348s, 3 B-747-100s, and 14 B-737-200s. A joint overnight cargo service begins in March in co-operation with **Deutsche Lufthansa, A.G.**; employing German B-737Fs, flights are undertaken between Frankfurt and Birmingham, England. Also in March, a Lockheed L-1011-50 is leased from **American Trans Air**; the plane wears ATA colors only slightly modified (white shamrock on green background) on the tail above the center engine and Irish titles.

In April, following an eight-year absence, the Irish carrier resumes flights to Chicago, its third U.S. gateway city. During the month, it also wins a \$3-million contract to overhaul a **Qantas Airways (Pty.), Ltd.** Jumbojet, a project that will require seven weeks.

In a June speech, CEO Mullan criticizes the high cost of maintaining services between Dublin and London. The first of four B-737-448s arrives in September; the remaining three will be delivered by the end of the year.

The B-747-44 *Ciaran* (St. Kieran), painted in full **LanChile Airlines (Linea Aerea Nacioanl Chile, S.A.)** colors, is leased to the Santiago-based flag carrier on December 1. For the high summer season in South America, the Jumbojet is placed on the services from Santiago to Miami and New York and to Los Angeles.

Passenger boardings leap upward 21% to 4,037,956 and freight rises 15% to 118.57 million FTKs. Aer Lingus Group sees its revenues accelerate 17% to \$846 million and its expenses jump 17.5% to \$781.6 million. Operating income is \$18.7 million and net gain reaches \$36.09 million.

Company employment is increased by 9.8% in 1990 to 6,556. Construction begins in January on a new \$52-million maintenance hangar at the Dublin base. The *Ciaran* (St. Kieran) returns from Santiago on March 5.

TEAM Aer Lingus is organized as a new subsidiary to manage and operate the facility. To cut costs, on November 27 the company announces a yearlong deferral of its planned startup of Dublin-Los Angeles service. The first B-737-548 arrives in December, at which time the carrier becomes the first owner/operator of all three new versions of the "Baby Boeing."

Customer bookings are up only 5%, to 4,260,000, but cargo jumps 9% to 128.7 million FTKs. A \$31.52-million net gain is registered atop a \$14.43-million operating net.

The payroll is cut 10% in 1991 to 5,900 and the fleet now includes: 1 B-737-248, 2 B-737-281s, 1 B-737-2E1A, 1 leased B-737-2S3A, 2 each B-737-248As and B-737-248Cs, 1 B-737-248A/C, 2 B-737-348s, 5 B-737-448, 5 B-737-548s, 1 B-747-130, 2 B-747-148s, and 2 B-767-3Y0ERs, which are leased to **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**. In January, 4 SAAB 340Bs are ordered for the commuter subsidiary.

Prime Minister Charles Haughey cuts the ribbon to open the new \$60-million TEAM Aer Lingus Dublin maintenance hangar in May. Weekly service begins in early August from Cork to Amsterdam. Later in the month, the two B-747-148s are sold to Global Aircraft Leasing (of the Cayman Islands) for \$38 million and are then chartered back for five years.

Recession and the Persian Gulf crisis forces passenger traffic down 1.2% to 4,019,600. Freight falls 10.1% to 115 million FTKs. There is a net loss of \$64.4 million.

A sixth B-737-448 and three B-747-548s are acquired in 1992. In January, an agreement is announced with new **Byelorussian Airlines** under which the two carriers will operate a joint service from Minsk to New York via Shannon; the Irish airline will fly the Ireland to North America segment. The Aeromexico lease ends; one B-767-3Y0ER is withdrawn and the second is chartered to **Air Aruba**. In March, the competition directorate of the European Economic Commission fines the carrier for its refusal to grant reciprocal ticketing rights to **British Midland Airways, Ltd.** on the Dublin-London route.

TEAM Aer Lingus opens a \$9.3-million B-747 maintenance hangar and stores facility at Dublin in July. As fiscal difficulties worsen, the carrier suspends services to Paris and Amsterdam via Manchester in the fall, as well as its route from Dublin to London (LGW). When the Irish government of Prime Minister Albert Reynolds collapses in November, pressures to privatize the carrier subside.

After ten years on the board of directors (two five-year terms), Desmond Traynor now resigns.

A block-space agreement is signed with **Sabena Belgian World Airlines, S.A.** for space aboard Belgian aircraft flying between Dublin and Brussels.

Customer bookings inch up 1.8% to 4,344,544 while cargo drops 4.8% to 110.2 million FTKs. Recession smashes into the carrier for a second straight year, forcing another huge financial loss exceeding \$60 million.

In 1993, facing the questionable survival of his company in light of recession and government indifference, CEO Cathal Mullan resigns in March. Chairman Bernard Cahill, elevated to the position of executive chairman, wins permission to restructure the airline. The search now begins for a partner to work with the company's maintenance arm, TEAM Aer Lingus.

During the same month, an interline traffic agreement is signed with **Air Ukraine** and enables the two carriers to sell tickets on each other's services; this pact is followed by two others covering sales on computerized reservations systems and sales representation.

Chairman Cahill and the new CEO for passenger services, Peter Owen, oversee an employee population of 6,556 and a leased fleet that includes 10 B-737-548s, 6 B-737-448s, 2 each B-747-148s, B-767-3Y0ERs, B-737-248Cs, B-737-348s, and B-737-248As, and 1 B-737-248CA. Owned is a B-747-130, and owned but out of service are 1 each B-737-248, B-737-281, B-737-2E1A.

Destinations from Dublin include Amsterdam, Birmingham, Boston, Bristol, Brussels, Copenhagen, Cork, Connaught, Dusseldorf, East Midlands, Edinburgh, Frankfurt, Glasgow, Jersey, Kerry County, Knock, Leeds/Bradford, London (LHR), Madrid, Manchester, Milan, Newcastle, New York, Paris, Rome, Shannon, Sligo, and Zurich. From Cork, green-liveried aircraft fly to Amsterdam, Dublin, London, Manchester, Paris, and Rennes, and from Shannon they reach Boston, Dublin, Dusseldorf, London, New York, and Paris. From Manchester, frequencies are stretched to Cork, Copenhagen, and Zurich.

In April, a B-737-548 is leased from International Lease Finance Corporation; it is the one hundredth "Baby Boeing" delivered to ILFC. CEO-Passenger Services Peter Owen is named overall CEO at a May press conference, with Lawrence Stanley as director of subsidiaries. Chairman Cahill also reports that Donal Downing, CEO-airline services and a 34-year veteran, will retire at the end of July.

A survival plan for the struggling, state-owned carrier entitled "Strategy for the Future" is approved by the government on July 7. It calls for the elimination of 1,500 jobs, sale of the company's Copthorne hotel chain, elimination of the Shannon stop on the New York run, and a government infusion of Ir £250 million (US \$260 million) to ease the \$750-million debt. This Air Companies Act also changes the ancient coexistence of the operating subsidiaries.

Aer Lingus Group now holds the share of two operating airline companies, Aer Lingus (intra-European services) and Aer Lingus Shannon (the former Aerlinte Eireann, the restructured transatlantic flying arm), plus various nonflying subsidiaries. Gilbey's of Ireland CEO Gary McGann now becomes Aer Lingus Group chief executive with Bernie Cahill remaining executive chairman. Gary Cullen, a 25-year company veteran, becomes operations director and general manager for cargo.

Aer Lingus unions are strongly opposed and on October 10 they are told that the carrier will take whatever measures are necessary if accommodation is not reached on the vital cost cuts by October 31. Also in October, the company contracts with **Hunting Cargo Airlines, Ltd.** to operate some of its European freighter services.

On November 26, workers approve the radical revamping program and on December 21, the European Union approves the government's

plan to pump Ir £175 million, or some \$248 million, into the ailing airline. A series of stringent conditions for the aid's use are applied, including no further government aid, no fleet expansion, and the creation of separate subsidiaries for specific purposes.

The package will be challenged in court by low-fare competitor **Ryanair, Ltd.**

During the year, an alliance is entered into with **British Airways, Ltd. (2)** covering general sales agency, cargo cooperation, and connections onto Aer Lingus flights to Dublin. Passenger and cargo numbers are not immediately revealed, although it is known that revenue passenger miles are down by 6.1% to 4.3 billion. Revenues total \$715 million and expenses are \$793.7 million. As a result, the operating loss is \$75.2 million and the net loss is \$17.2 million.

In early 1994, the company receives the European Union-approved government subsidy of \$260 million to tide it over while Chairman Cahill launches his restructuring plan. In response to Aer Lingus pressure in March, the Dublin government lifts its longstanding rule that all flights to and from Dublin must also stop at Shannon. Consequently, on April 9 nonstop Dublin to New York flights begin, with an elimination of the previous—almost historic—Shannon stop.

The first plank in the platform of the future is placement onto its transatlantic routes on May 16 of the first of three, leased Airbus Industrie A330-301s, the *St. Flannan*. The jetliner is the first of its type by any carrier to inaugurate service on that route. Upgraded in-flight services for "Premier-Class" and standard-class passengers, as well as revised ticketing facilities are also put into place.

The three remaining Jumbojets are withdrawn from service by the end of summer. The company also begins to promote Dublin over Shannon as a faster and more convenient hub alternative to London for passengers traveling from the U.K. to Boston and New York and transatlantic departures are timed with services of the feeding subsidiary, **Aer Lingus Commuter, Ltd.** After an initial negative vote by its 1,300 members in early October, the craft workers' union two weeks later votes to accept the Labour Court's compromise ruling; in return for leaner work rules and less pay, TEAM Aer Lingus promises to recall 500 laid off workers as soon as business improves.

An era ends when the last two B-737-248As and single B-737-248CA are withdrawn. In November, the EU reviews its 1993 decision and agrees to a capacity increase on U.K. routes (excluding those to London) to 3.8-million seats. Late in the year, plans are announced by Aer Lingus Group to privatize its **Irish Helicopters, Ltd.** subsidiary through its sale.

Enplanements drop further this year, down to 3,949,578, and financial figures released for the group show revenues of \$2.36 billion. Although the airline shows an operating gain of \$52.52 million, it takes a huge \$194.34-million net loss.

The workforce stands at 5,900 in 1995 as business does in fact begin to improve. As a result of new emphasis on Dublin, the number of passengers employing the "Premier Class" service to New York grows 52% in a year. It is announced on April 3 that three British Aerospace BAe 146-300s have been requested from Asset Management Organization; the chartered BAes arrive in mid-May and June and are turned over to **Aer Lingus Commuter (Aerlinite Eireann Tioranta, Ltd.)**.

On July 28, **Bristow Helicopters, Ltd.** of the U.K. takes a 51% stake in **Irish Helicopters, Ltd.** while **Petroleum Helicopters** of Louisiana purchases the remaining 49% interest, the maximum allowed for foreign ownership under EU rules. The combined price is \$8 million. The rotary-wing carrier is allowed to retain its identity and current management team.

A controversial government bailout program is started for Aer Lingus Group. Meanwhile, the company accepts a loss in gross revenue when it sells its Cophorne hotel chain. In October, the Irish line, employing its own aircraft, begins to code-share over the route from Dublin to Amsterdam.

Passenger boardings jump 11.5% to 4,462,800 while freight climbs 4.8% to 107.07 million FTKs. Operating revenues advance by 4.5% to \$1.11 billion and costs are \$1.04 billion. As a result, the operating profit swells to \$68.55 million, later adjusted downward to \$65 mil-

lion, and a net gain of \$23.74 million is posted, a huge turn around from the previous year's loss.

The government infusion into Aer Lingus Group continues in 1996. On February 14, a new color scheme is unveiled for company aircraft. Fuselage bottoms to the windowline are white, a green cheatline covers the windowline, and fuselage tops are a light blue. The color of the tail shamrock changes from white to green.

In March, the **Caledonian Airways, Ltd.** L-1011-100 *Loch Fyne* is leased for the summer. The Lockheed is given Aer Lingus titles and has its tail painted kelly green with a light green shamrock; however, the remainder of the fuselage retains its navy blue bottom and white top.

A third U.S. gateway is added when service is begun to Chicago. A code-sharing program is started with **Delta Air Lines** in May that provides daily flights from New York (JFK) to Dublin and Shannon. Enplanements climb 6% to 4.8 million and revenues top \$1.23 billion. With expenses of \$1.16 billion, the operating profit grows to \$67.6 million and net gain nearly triples to \$65.8 million.

Airline employment is increased by 7.8% in 1997 to 5,510. At the beginning of the year, director of operations Garry Cullen is named the airline's COO over 59 other applicants.

The *Loch Fyne* is again leased in March for the summer. At the same time, a B-737-548 is chartered to **Nordeste Linhas Aereas Regionais, S.A.** of Brazil. A fourth U.S. gateway is opened at Newark (EWR) at the beginning of the summer season in March. The seasonal destination is programmed to become year-round later.

Also at this time, the company introduces a "Discover Ireland" program that allows tourists to visit and stay in selected Ireland, U.K., and European cities to which it flies.

To offset service lost to Ireland as the result of the abrupt cancellation of a code-sharing pact between **Continental Airlines** and **World Airways**, the *Loch Fyne* inaugurates six-times-a-week, summer-only return service on May 15 between Shannon and Newark (EWR), New Jersey.

Also in May, a block-seat arrangement is made with **Finnair O/Y** for flights from Dublin–Stockholm–Helsinki. During the spring and summer, a search is undertaken for a major (read U.S.) code-sharing partner.

A330-301 transatlantic operations are increased to 56 flights per week on July 1. Also in July, the airline enters into new contract negotiations with its critical unions.

The fiftieth anniversary of Dublin to Glasgow service is celebrated on July 29. Two days later, the fiftieth anniversary of Shannon to London service is also celebrated. All customers traveling those routes on those days receive commemorative gifts.

In August, after a highly competitive series of presentations by several firms, Aer Lingus chooses the advertising agency Irish International to create its new brand promotions.

Two-for-one fares are offered on flights to Dublin from Chicago, Boston, and New York between November 15 and December 14.

Also in November, orders are placed with Airbus Industrie for a pair of A310-200s powered by CFM56 engines for delivery in early 1999.

Customer bookings jump 10.9% to 5,270,000, while cargo does almost twice as well, rising 19.6% to 122 million FTKs. Revenues total Ir £802.3 million and pretax profits jump 10% to Ir £65.5 million. However, costs associated with the troubled TEAM Aer Lingus maintenance operation leave the carrier with a Ir £65.2-million net loss.

It is announced on February 10, 1998, that this year's "Discover Ireland" program for summer vacationers will be expanded and made more flexible. Arrangements are completed with **World Airways** for the wet lease of a McDonnell Douglas MD-11 to supplement the Irish carrier's fleet during the upcoming summer season.

"Premier Service" business class thrice-weekly A330-301 return flights commence from Dublin and Shannon to Newark (EWR) on March 1. The service, first introduced on a summer-only basis in 1997, is now year-round. A pair of BAe 146-200s, previously operated by **Atlantic Southeast Airlines**, is leased from BAe AMJ later in March.

A now-personalized and bitter industrial action between baggage handlers and the management of **Ryanair, Ltd.** reaches its zenith. Service,

Industrial, Professional and Technical Union (SIPTU) members at Ryanair, Aer Lingus, and **CityJet, Ltd.**—thousands of workers in total—vote not to cross the picket lines of Ryanair baggage handlers. The action forces the cancellation of almost all flights by Irish carriers on March 7 and the closure of the Dublin Airport.

Ironically, by March 8 many Ryanair services are operating smoothly, while the state carrier, from whence most of the supporting demonstrators originate, is practically shut down. Thousands of passengers are inconvenienced and the conflict is covered extensively by the electronic media. After five hours of tense emergency talks at government buildings led by the prime minister and other top government officials, as well as opposition politicians and trade union leaders, both **Ryanair, Ltd.** CEO O'Leary and the SIPTU agree to a five-point formula that will ensure an orderly resumption of work.

"Appearances," the company's first new corporate advertising campaign, is launched on March 17, St. Patrick's Day, with 60-sec. TV spots on RTE 1, Network 2, UTV, and Channel 4. Over the next two years, Ir £2.2 million is spent on production and media to complete the campaign. Also on St. Patrick's Day, the airline takes the opportunity to introduce new male and female flight crew and cabin crew uniforms.

With the beginning of the summer season, flights from Belfast to New York are increased from three each week to four. Additional capacity allows the company to offer 120,000 seats to the U.S. this year at one-way prices ranging from Ir £319 (New York/Boston) to Ir £449 (West Coast).

Frequencies on the A330-301 roundtrip service to Newark (EWR) become daily in early April.

It is reported by *The Irish Times* on April 17 that since the Dublin Airport disruption of March 7-8, Aer Lingus has received over 1,000 claims and expects to pay in excess of Ir £1 million to settle them.

The fortieth anniversary of New York service is celebrated on April 28; Chairman Cahill describes the inaugural flight as a "groundbreaking."

On May 1, a new code-sharing agreement begins with **AB Airlines, Ltd.** The two partners link their frequent flyer programs and promise to offer dual-designator service over two new **AB Airlines, Ltd.** return routes from Birmingham and London (LGW) to Shannon.

The MD-11 operated by **World Airways** in Aer Lingus livery simultaneously enters service, operating return passenger service between New York (JFK) and Shannon six times per week, with flights extended to Belfast.

The first of two A321-211s to be chartered from ILFC arrives at Dublin on May 11 and is christened *St. Fergus*. The same day it is announced that a \$700-million deal has been completed with Airbus Industrie in which the state carrier will lease and buy 11 more aircraft over the next 5 years. The new equipment will replace B-737s on the Dublin to London (LHR) route.

Airline Chairman Cahill is named executive chairman of Aer Lingus Group on May 21, succeeding Group CEO McGann who has become a senior manager with the Jefferson Smurfit Group.

On May 22, the carrier introduces daily return service from Boston to Birmingham, England, via Shannon. The company now offers 200 daily flights to 30 cities in the U.S., Ireland, Britain, and Europe. The dual-designator agreement with **AB Airlines, Ltd.** takes also takes effect on May 22 with AB aircraft flying to and from Shannon.

As the result of a due diligence process begun by Denmark's FLS Industries, A.S. for the purchase of the airline's maintenance arm, TEAM Aer Lingus, the company during the month offers to buy out the job guarantees of TEAM's 1,500 workers. The workers vote not to accept and FLS halts its takeover activities.

Delta Air Lines begins nonstop block-seat, dual-designator return service with Aer Lingus between Newark and Shannon on June 1, employing the Irish line's A330-301s. During the month, airline officials stress that they can no longer afford to operate TEAM Aer Lingus and, unless a purchaser is found, the unit will be shut down.

Voting a second time on July 6, TEAM Aer Lingus workers overwhelmingly agree to allow the airline to purchase their job guarantees for a collective Ir £54.6 million (\$77.7 million). Within weeks, FLS will complete its Ir £25-million acquisition.

The number of A330-301 roundtrip flights to Chicago is doubled on July 14 to six-per-week.

Effective July 19, customers purchasing transatlantic tickets with their American Express cards are awarded a free onward ticket from Ireland to 17 cities in Europe, which may be visited between September 15 and November 15.

It is announced on September 1 that, effective June 1999, the company will fly thrice-weekly roundtrips between Dublin and Los Angeles.

On September 8, the Irish Cabinet gives the airline permission to seek a strategic airline partner. Deputy Prime Minister Mary Harney meets with airline executives the next day to discuss possible future developments and their schedule.

The challenge by **Ryanair, Ltd.** to the 1993 state-aid package is lost in mid-September when the European Court of First Instance rules that Aer Lingus has in fact adhered to all of the conditions laid down for receipt of the \$259 million in assistance. Receipt of the ruling allows the Irish government to authorize the carrier to being a search for a U.S. alliance partner.

On August 31, the carrier announces that it has ordered an A330-202 which, beginning in June 1999, will be employed to open a fifth U.S. gateway—Los Angeles. The addition will increase Aer Lingus's transatlantic capacity by another 20%. The A330 request is part of an Ir £250-million (\$350-million) order that also includes 6 A321s and 6 A320s.

Aer Lingus Group Executive Chairman Cahill on September 25 announces the promotion of COO Cullen to CEO, effective October 1.

On November 9, the contract with **World Airways** for the wet-leased MD-11 is renewed. The wide-body will continue its transatlantic passenger services through the holiday season and into January, as well as between May and October 1999. At the same time, a B-737-448 is chartered to **Ryan International Airlines**; Ryan will operate the aircraft for Trans Global Tours on winter season package tour vacation flights from Minneapolis (MSP) to Florida and Las Vegas.

In December, the airline reports to the government that it has spoken with every major U.S. carrier, including **Trans World Airlines (TWA)**, as part of its search for a strategic partner.

Customer bookings accelerate 9.9% to 5.5 million, while freight traffic rises 6.2% to 129.65 million FTKs. Turnover climbs 12.4% to Ir £901 million (\$1.2 billion) and pretax profits jump 13.7% to Ir £52.4 million (\$75.13 million).

In addition to the MD-11, the fleet in 1999 includes 5 A330-301s and 2 A321-211s, along with 2 B-737-248As, 6 B-737-448s, and 10 B-737-548s. Four more A321-211s will be received from ILFC by the end of the year.

Not convinced that Flight 712, the *St. Phelim*, was lost through aircraft failure back in March 1968, Ms. Mary O'Rourke, the republic's public enterprise minister, reopens the case of the disaster with British Ambassador Dame Veronica Sutherland on January 12.

Ralph Riegel of the *Irish Independent* surveys the on-going fare war between Aer Lingus and **Ryanair, Ltd.** on March 15. With existing fares already as low as Ir £9.99 one-way from Dublin to London or Ir £129 for a return for two to Paris, both airlines are preparing to step up their campaigns by fall as they undertake a fleet upgrade worth a combined Ir £715 million (\$1 billion).

The two carriers are preparing to complete contracts with rival manufacturers Boeing and Airbus, which are, themselves, engaged in a price war covering the 38 new jetliners the 2 Irish airlines will be receiving. Having already taken delivery of the four new ILFC Airbuses, the carrier awaits the larger A330 and the start of U.S. West Coast flights.

While on the second leg of a March 30 A330-301 service from Shannon to Chicago (ORD) via Dublin Irishman James Connors becomes verbally abusive because of a delay in bringing the service cart. After threatening crew and passengers and suggesting he will open the aircraft's doors, the captain orders the man handcuffed at the rear of the plane. After the Airbus arrives at Chicago, Connors is arrested and taken before a federal magistrate the next day.

At a Dublin press conference called on April 15 to report the previous year's economic returns, Chairman Cahill informs reporters that Aer

Lingus will deliver a report to the government by month's end that will suggest which of several possible strategic partners the carrier may choose. After conversations with **United Airlines**, **Trans World Airlines (TWA)**, **Delta Air Lines**, and other major carriers, discussions have also been held with representatives from all four of the world's big airline alliances.

The Irish Times reports on April 23 that the Irish public enterprises minister, Ms. Mary O'Rourke, has expressed reservations concerning particularly the equity proposals of **American Airlines** and **British Airways, Ltd. (2)**.

CEO Cullen and Strategic Director Larry Stanley, representing the considered opinion of the airline's management, ask the Aer Lingus board on the morning of April 29 to join the "OneWorld" airline alliance, headed by **British Airways, Ltd. (2)** and **American Airlines**. Both the U.K. and U.S. majors, with whom Aer Lingus will have direct marketing agreements, have agreed to sponsor the Irish line's membership in the multi-airline grouping. The board accepts this recommendation, which is passed along to Ms. O'Rourke, public enterprise minister.

The Irish Times, in reporting the move later in the day, indicates that one or both of the major alliance partners may take a small equity stake (5% to 10%) valued at approximately Ir £60 million, with company employees also gaining shares. Completion of the alliance arrangement will clear the way for a public offering of Aer Lingus stock which, in turn, would raise the funds needed for future growth and expansion.

British Airways, Ltd. (2), reacting for "OneWorld" to the Irish line's announcement, expresses its pleasure, but notes that definitive arrangements must still be completed both with itself and **American Airlines** before entrance into the multi-airline group can be accomplished.

On April 30, the *Irish Independent* reveals that Ms. O'Rourke gave her preliminary approval to the strategic alliance plan the previous evening, as had a group of the airline's unions. The latter also express fear that Aer Lingus management is placing too much emphasis on getting partners who are willing to purchase shareholding. The airline staff, which already has a 5% stake, largely wishes to remain state-employed.

A spokesperson for Ms. O'Rourke indicates that a government decision will be officially announced within six weeks to two months. The New York-based investment firm Solomon Smith Barney acts as auditor for the proceedings. If, as expected, approval is provided, Aer Lingus officials will finalize the "OneWorld" contract.

It is announced in London later in the day that, given developments, Aer Lingus and **Delta Air Lines**, a member of the Star Alliance (a "OneWorld" rival), are ending their code-sharing relationship.

World Airline News reports on May 7 that the Irish government has put out indications that it may, in fact, go ahead and fully privatize the airline, rather than remaining an equity shareholder.

On May 14, having been unable to recover from the loss of its London (LHR) ground handling contract with **Deutsche Lufthansa, A.G.** to **British Midland Airways, Ltd.** a year earlier, Aer Lingus announces that it has placed its entire handling unit at the British aerodrome up for sale. The sell-off impacts all 1,000 Aer Lingus workers at Heathrow Airport, including baggage handlers, check-in staff, and engineers.

The chartered A330-202 is delivered in mid-May; christened *Mella/St. Mella*, it is employed to inaugurate thrice-weekly nonstop service from Los Angeles to Dublin and on to Shannon return service on May 28.

On July 22, Minister of Public Enterprise O'Rourke informs CEO Cullen that the carrier has won clearance to join "'OneWorld'." On the other hand, she also notes that the Irish government is ruling out sale of an equity stake in Aer Lingus to the alliance partners. Instead, the funding gaps anticipated over the next year or so will probably be offset by an initial public offering.

At the beginning of the winter holiday schedule at the end of October, the company charts the B-737-448 *St. Caimin* to **Ryan International Airlines** of the U.S., which operates it on behalf of Apple Vacations. The Baby Boeing wears the Irish line's colors, with Apple Vacation titles (Ryan is not visibly mentioned).

Alliance agreements are signed with **British Airways, Ltd. (2)** and **American Airlines** on November 25 and the carrier officially files papers to join "OneWorld" on December 2. The run up toward privatization, which has continued this year, results in a new and welcome December 14 government floating announcement.

Overall customer bookings accelerate 13% to 6,528,000 while cargo rises 6% to 137.99 million FTKs. The following September 27 the airline reveals that sales for the year have risen to 1.13 billion euros. Higher fuel prices and competition from low-cost airlines conversely force profits to fall 30% to 51.9 million euros.

Airline employment at the beginning of 2000 stands at 6,133, a 9.1% boost over the previous 12 months. All operations in London are transferred in January from Gatwick Airport to Stansted.

After 35 years with the carrier, Aer Lingus Group CEO Gary Cullen suddenly resigns on February 9 for personal reasons. Chairman Cahill reluctantly accepts Cullen's withdrawal, names deputy CEO Lawrence Stanley as interim chief, and begins the search for a new leader.

Not quite a formal alliance partner, Aer Lingus begins code-sharing with **British Airways, Ltd. (2)** on March 15 as part of the wider program that will include reciprocal frequent flyer programs, passenger lounges, and smoother passenger transitions. New direct service to Munich and Stockholm commences on March 23.

With the start of the summer season on March 26, an MD-11, operated under an ACMI contract with **World Airways**, again flies from Shannon to New York (JFK) six times a week. Five-times-a-week B-737-548 roundtrips are simultaneously launched from Dublin to Stockholm and Munich.

Also, the carrier's EI code is added to **CityFlyer Express, Ltd.** flights between London (LGW) and Dublin and on **British Airways, Ltd. (2)** services from London (LHR) to Berlin, Bologna, Budapest, Copenhagen, Munich, Nice, Prague, Venice, and Vienna.

Employing one of the Swiss carrier's MD-83s, Aer Lingus also begins to code-share on daily **Crossair, Ltd.** return flights between Zurich and Dublin.

Also on March 26, the EI code is placed on **CityFlyer Express, Ltd.** flights from London (LGW) and Dublin and on **British Airways, Ltd. (2)** frequencies from London (LHR) and Berlin, Bologna, Copenhagen, Munich, Nice, Vienna, and Venice.

With its Apple Vacations titles painted out, the *St. Caimin* returns to Ireland via Goose Bay at the beginning of May. The second A330-202 arrives on May 12 and is christened *St. Laurence O'Toole*; it will enable the carrier to boost to daily its Los Angeles service.

The Irish flag carrier becomes a full "OneWorld" member on May 31.

Its delivery long delayed, the first of 4 A320-214s arrives on June 22 and is christened *St. Schira*.

On July 4, Minister O'Rourke announces that her department has commissioned an independent study of the controversial 1968 Viscount accident near Tuskar Rock. For some time it has been alleged that key maintenance records missing earlier have been located and covered-up.

Following his July 5 appointment, Michael Foley, President/CEO of Heineken USA, becomes group CEO on September 1.

The company's sixth U.S. gateway is inaugurated on September 6 with thrice-weekly A330-202 roundtrip flights from Shannon and Dublin to Baltimore (BWI).

Aer Lingus pilots, represented by the Irish Airline Pilots Association, refuse to work overtime on their days off, beginning in early October, unless they collectively receive pay parity with other "OneWorld" flyers; the company indicates it cannot afford the higher rates. This exchange marks a new beginning of significant labor unrest for the airline.

For the first time in 22 years, an industrial action causes the carrier to cancel some services; over 200 flights must be scrubbed on October 16 as the result of a 2-hour strike by the airline's baggage handlers.

The company is completely shut down on October 17 when members of IMPACT, the union representing the cabin crews, walk off the job. Over 200 flights must be cancelled and more than 20,000 passengers are affected. The next day, Aer Lingus managers agree to meet with union officials to discuss outstanding issues.

On November 19, the clerical workers' union, SIPTU, warns that it will stage a four-hour work stoppage on October 27. Increased pressure is applied when Public Enterprise Minister Mary O'Rourke indicates that the company's privatization plans cannot proceed until all Aer Lingus industrial disputes are resolved.

When the 4,000 SIPTU members go out at Dublin, Cork, and Shannon on October 27, 35 of the carrier's 260 flights must be cancelled, including almost all domestic service and its 14 flights to London (LHR/LGW/LCY), Manchester, Edinburgh, and Birmingham. Many others are delayed. The union's leaders simultaneously announce that a 24-hr. strike will be staged on November 3. It will follow a 24-hr. strike planned by catering staff for November 2.

AER LINGUS IRISH AIRLINES, P.L.C. See **AER LINGUS IRISH AIRLINES, LTD.**

AER LINGUS SHANNON. See **AER LINGUS IRISH AIRLINES, LTD.**

AER TURAS TEORANTA (IRISH CARGO AIRLINES, LTD.): Corballis Park, Dublin Airport, Ireland; Phone 353 (1) 844-4691; Fax 353 (1) 844-6049; Code ATT; Year Founded 1963. Following the summer 1962's joyriding flights offered at Dublin Airport by the owners of a de Havilland DH 89A Dragon Rapide, it is decided to begin formal charter operations. Among the first operations undertaken is the September 1963 carriage of members of the Irish Society of Aviation Enthusiasts to Belfast. Ad hoc operations cease in September 1964. During the winter the company is reorganized and in January 1965 the DC-3 is replaced by a retired **Air France** DC-4, christened *Romeo Sierra*. Passenger and freight charters resume in June.

To make up for the July loss of a Vickers Viscount, **Cambrian Airways, Ltd.** contracts with Aer Turas for use of its DC-4. This, plus a newly purchased ex-military C-54 and crew, complete the British carrier's chartered and scheduled flights out of Cardiff and Liverpool during the remainder of the year and the next.

This contract exposes the Irish carrier to potential customers who provide additional business when it purchases two Bristol 170 Freighters, christened *Papa Charlie* and *Papa Mike*, in 1966. These undertake a variety of charters, including livestock and racehorses, and flights are completed as far off as Copenhagen, Rome, and Singapore. Another ex-military C-54, christened *Monarch of Munster*, is added in December.

During 1967-1968, the Bristols are employed to transport cargo, under contract to **Aer Lingus Irish Airlines, Ltd.**, to London (LHR), Manchester, Birmingham, Bristol, and Liverpool.

While on final approach to Dublin on a cargo service from Prestwick on June 12 of the former year, Flight 612, the Bristol 170 Mk. 31E *Papa Mike* with two crew, bounces several times on touchdown and attempts to go around. While banking, the left wing hits an apartment building, causing the aircraft to crash; there are no survivors.

The fleet is upgraded in early 1969 when four DC-7CFs are acquired from **KLM (Royal Dutch Airlines, N.V.)**. Two of the Douglas freighters are immediately resold; however, two, christened *City of Dublin* and *City of Limerick*, are placed in service from Shannon flying racehorses and other cargo to destinations in the U.K., Italy, France, and Ireland. Two C-54s are sold during the year. In 1970, DC-7CF all-cargo charters are flown to New York and Caracas. The *City of Limerick* is sold in April followed by the *City of Dublin* in August 1971.

The aging Bristol 170 *Papa Charlie* is sold to the small French airline **Transportes Aeriens Reunis, S.A.** in 1972. An Argosy freighter, *The Consortium*, is leased from **Transair, Ltd.** to fly thoroughbred charters Ireland-France during the summer; unsatisfactory, the aircraft is returned to its Canadian owner in September. Another DC-7CF is acquired in November; it, too, is christened *City of Limerick*. The company DC-4 flies UN relief flights in India and Pakistan under charter to the High Commissioner for Refugees in 1973.

The main gear tires of the DC-7CF *City of Limerick*, with 5 crew and 6 passengers, burst upon landing at London (CTN) on March 3, 1974,

forcing the plane to overrun the runway and plunge down a bank, coming to rest on soft ground. There are no fatalities, but the aircraft is wrecked.

To replace the DC-7CF, the carrier in April leases a Bristol Britannia 307F from **Monarch Airlines, Ltd.**; christened *City of Dublin*, it enters service on May 29. During the remainder of the year, the Bristol flies livestock and cargo charters from Dublin to destinations in the U.K., Italy, Africa, Chile.

During 1975, the Britannia and DC-4 fly numerous "tramp" charter operations in Europe, the Middle East, and Africa; the company fleet is upgraded in September by the addition of an ex-RAF Britannia 253F, christened *City of Cork*.

Operations continue apace in 1976-1979. Planning to initiate return cargo services from Lisbon to Luanda in 1978, the new Portuguese carrier Eurafric, S.A. is unable to begin services. The Bristol Britannia 235 that it had acquired for operations is, instead, leased to Aer Turas.

In 1980, the state carrier **Aer Lingus Irish Airlines, Ltd.** purchases 54% shareholding and, in 1982, a Douglas DC-8-63CF is leased from **Car-golux Airlines International, S.A.** It is purchased from the Luxembourg-based freight operator in 1984, the same year **Aer Lingus Irish Airlines, Ltd.** increases to 75%. At the same time, the carrier enters into a long-term contract with **Saudia (Saudi Arabian Airlines)** and begins flying that company's all-cargo service with its DC-8-63CF from Riyadh, Jeddah, and Dharan to Brussels, Addis Ababa, and Khartoum.

Meanwhile, airline employment grows to 50 and the fleet is improved; the DC-4 and DC-7s are retired and replaced with a Canadair CL-44D-4, which is committed to the needs of **Aer Lingus Irish Airlines, Ltd.** In January 1986, the former CL-44D-4 is exchanged for another of the same type.

Operations continue with little change in 1987-1988 as special emphasis is placed upon the transport of livestock. Destinations throughout Europe and the Middle East are served, with the occasional flight to Asia, Africa, or North America.

By 1989, the fleet includes the CL-44D-4, which is sold to **Heavylift Cargo Airlines, Ltd.** in May, and the DC-8-63CF. The Eurafric, S.A. Britannia is withdrawn.

In 1990, the original DC-8-63CF remains dedicated to **Saudia (Saudi Arabian Airlines)**, but two new DC-8-63Fs are acquired. This arrangement is maintained in 1991-1992. In 1993, Chairman B. Wheatley and President/CEO P. J. Cousins oversee a workforce of 70.

The company is sold in a management buy-out during 1994 and J. J. Harnett becomes the new chairman; President/CEO P. J. Cousins remains in office. One of the DC-8-63CFs is sold to Miami-based Aerolease late in the year and is then passed to **Air Transport International**. Ad hoc scheduled cargo flights continue to be made in 1995-1996, largely on behalf of **Saudia (Saudi Arabian Airlines)**.

The fleet is increased in early 1997 by the addition of a Lockheed L-1011-385-1 TriStar 1. In late March, it is chartered for the summer to **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Painted in the full livery of the Spanish major, the Irish aircraft is the first of its type to fly with Iberia and enters charter service from Madrid to the Canary Islands.

Freight service, with an emphasis on livestock transport, continues in 1998-1999. The Lockheed TriStar is chartered to **Air Scandic, Ltd.** during the summer of the latter year.

AEREA TESEO, S.p.A.: Italy (1947-1948). The Societa Aeronautica Italiana forms this carrier at Florence on June 2, 1947. Employing ex-military Douglas C-47s upgraded to DC-3 civil standard, the company stretches two routes from Florence: to Catania via Rome and to Milan via Bologna. A service is also opened between Rome and Madrid via Barcelona.

As is the case for several other postwar Italian independents, Aerea Teso is not successful. Early in 1948, it is taken over by a competitor, **Salpanavi, S.p.A.**

AERIAL TOURS, LTD. See **DOUGLAS AIRWAYS, LTD.**

AERIAL TRAFFIC COMPANY, A.G. See AERO ASSOCIATION LUCERNE

AERIAL TRANSIT COMPANY: United States (1984–1994). ATC is established by Charles A. Lawson at Miami (MIA) in late 1984 to provide scheduled all-cargo services to destinations in the southeast U.S. and Latin America, especially Mexico and Central America.

Outfitted with 1 Curtiss C-46A and 3 Douglas DC-6As, the 38-employee company begins revenue services in early 1985. A total of 7.3 million FTKs are flown by late December. Revenues total \$2.49 million, costs are held to \$2.42 million, and operating income of \$66,000 is achieved. Net gain is an identical \$66,000.

Three workers are dismissed in 1986; however, cargo climbs 10.8% to 8.13 million FTKs. Revenues ascend 3.1% to \$2.57 million, expenses jump 7.3% to \$2.6 million, and the operating loss is \$31,980. Net profit, on the other hand, rises to \$140,447.

Two new employees are hired in 1987 and the fleet is increased by the addition of two DC-6BFs, which replace the Curtiss Commandos. Freight swells by 10.3% to 8.97 million FTKs. Although revenues advance by 13.2% to \$2.9 million, costs, up 16.4% to \$3.03 million, again exceed income. The operating loss accelerates to \$121,314.

The payroll increases by 24.3% in 1988 to 46 and the fleet now includes 3 DC-6As and 2 DC-6BFs.

Cargo advances by 37.4% to 11.3 million FTKs. Revenues increase 50.2% to \$4.369 million, but expenses climb 44.2% to exactly the same figure. There is neither operating nor net gain or loss.

Another DC-6B joins the fleet in 1989 and helps to push freight traffic up by 14.1% to 12.89 million FTKs. Revenues climb 24.1% to \$5.42 million, but costs jump 33.1% to \$5.81 million. The resulting losses, both operating and net, are \$395,000 each.

The 80-employee company has a dismal 1990. While climbing away from Guatemala City on May 4 a DC-6BF with 3 crew loses power and crashes; all aboard the freighter are killed, along with 16 people on the ground.

Cargo falls 18.6% to 11.23 million FTKs.

The workforce is cut by 42.5% in 1991 to 46 and 1 DC-6B is withdrawn. Freight traffic is down again, by 51.1%, to 5.21 million FTKs.

Recession cuts deeply into the Miami-based cargo operator's 1992 business. Cargo plunges 34.9% to 3.38 million FTKs. Although revenues total \$6.47 million, expenses lead to losses: \$275,909 (operating) and \$335,539 (net).

The two-plane airline suffers a horrific 1993 as freight free falls downward 73.8% to only 887,680 FTKs. It releases no figures and goes out of business in 1994.

AERIAL TRANSPORT COMPANY OF SIAM, LTD.: Thailand (1930–1941). After nine years of successful pioneering domestic flights by the Royal Aeronautical Air Service of the Siam Army, the monarch of Siam orders creation of a civil national airline and release of the military for defense matters.

After consultations with a series of experts (including several from KLM (Royal Dutch Airlines, N.V.), which agrees to make a stop at Bangkok), and former U.S. Assistant Postmaster General Otto Praeger, the minister of finance forms the Aerial Transport Company of Siam, Ltd. at Bangkok on July 7, 1930. The government's fiscal department controls the new, largely paper, company for a year until it can be taken over by officials from the office of HRH Prince Purachatra, Minister of Commerce and Communications, on July 13, 1931.

Equipped with four de Havilland DH 80A Puss Moths, ATCS inaugurates twice-weekly revenue services on August 24 from the railhead at Nakhon Rachasima north of Bangkok over the previous routes of the Army service. Stops include Roi-Et, Ubon Rachasima, Khonkaen, Udorn, and Nong Khai.

Services continue to grow during the next decade. Working in cooperation with the nation's railways, the small airline suffers only one fatal accident, the loss of a Puss Moth with all aboard on June 22, 1933.

The aircraft is replaced with a Fairchild Model 24 cabin plane, which foreshadows the arrival of six Fairchild Model 24Js in late 1938 into early 1939.

The new American-made aircraft inaugurate flights over three new routes during the company's final three years. These include service from Surat Thani to the future tourist center, the island of Phuket, as well as flights from Khon Kaen to Vientiane in Laos and from Nakhon Sawan to Chiangmai via Tak.

When Japan militarily invades Southeast Asia after December 7, 1941, ATCS ends. In just over nine years of operations, the carrier has transported a total of 700 passengers, 18,000 kg. of freight, and 130,000 kg. of mail.

AERIE AIRLINES: United States (1971–1979). Aerie is established by Clyde Cook at Clarksville, Tennessee, in the spring of 1971 to provide scheduled daily roundtrips to Nashville and Chattanooga. Employing first 1 and then 2 Beech 18s, revenue frequencies are inaugurated in August, with passengers largely consisting of soldiers of the 101st Airborne Division stationed at nearby Ft. Campbell, Kentucky.

Services continue apace over the next three years, during which period the company initiates roundtrip frequencies to Cincinnati, Bowling Green, Louisville, and Paris, Tennessee.

For lack of traffic, the Paris, Bowling Green, and Cincinnati stops are deleted in 1974, the same year the commuter's headquarters are transferred to Nashville. With the introduction of Cessna 402Cs later in the year, the route network is expanded to Louisville and Owensboro, Kentucky, and to Evansville, Indiana.

A major growth of services occurs in 1975 as flights are initiated to Knoxville and the Tri-Cities and the Evansville stop is extended to St. Louis. To handle this growth the fleet is increased by the addition of a C-310 and a Douglas DC-3.

During the Bicentennial celebrations late in the year and through 1976, the Douglas transport is heavily marketed, with emphasis placed on nostalgia flights. The route between Nashville and Knoxville is particularly successful as Aerie records its greatest successes.

The company continues operations, but increasingly faces losses as frequent changes in its timetable confuse would-be passengers and other costs mount. In July 1978, Tennessee Airways begins flying, using Embraer EMB-110 Bandeirante turboprops in direct and immediately successful competition. Under these circumstances, Aerie cannot survive and is forced to close its doors in early 1979.

AERIS, S.A.: Aeroport de Toulouse Blagnac, 1-BP 44, Blagnac, F-31702, France; Phone 33 (5) 61 16 76 00; Fax 33 (5) 61 16 76 99; Code SH; Year Founded 2000. Rising fuel prices, falling traffic, and bad weather negatively impact the finances of Air Toulouse International, S.A. The replacement services previously operated for other airlines are dropped as the airline concentrates exclusively on holiday charters. With 51% backing from French investors Charles-Henri Rossignol and Jean-Francois Felix, together with a 49% stake by the U.S. fund investor DSP Partners, the 20-year-old airline is reformed in January 2000 and renamed. Charles Rossignol becomes managing director; however, Francois Hersen is retained as president.

Employing a pair of wet-leased Boeing 737-336Es in new colors, which replace its single Dash-200, the reformed carrier now performs charters and subcharters for other European operators. A B-737-3Y0, previously operated by Air Holland (Charter), B.V., is delivered in early March.

AERLINTE EIREANN. See AER LINGUS IRISH AIRLINES, LTD.

AERMEDITERRANEA (LINEE AEREE MEDITERRANEE, S.p.A.): Italy (1981–1985). Organized at Rome on March 20, 1981 to take over the routes of failed Itavia (Aerolinee Itavia S.p.A.), this subsidiary of Alitalia (Linee Aeree Italiani, S.p.A.) is owned by the Italian government through its flag line, Aero Trasporti Italiani, S.p.A.

(ATI) (97%) and private interests (3%). The fleet comprises 8 Douglas DC-9-32s transferred over from **Alitalia (Linee Aeree Italiani, S.p.A.)**. On July 1, the new entrant inaugurates scheduled passenger over a route from Rome to Lamezia Terme. Additionally, the company undertakes tour and inclusive-tour charters to various destinations in North Africa, Europe, and the Middle East. Passenger boardings for the first six months total 185,195.

Airline employment in 1982 stands at 380. Additional scheduled destinations now served include Alghero, Bologna, Catania, Milan, Naples, Palermo, Pisa, and Rome. Passenger enplanements jump to 571,968. Bookings climb again in 1983, up to 701,136, as the employee population rises by six workers.

The workforce is cut 1.5% in 1984 to 382. The company receives U.S. permission to launch passenger charter flights to America's East Coast. Late in the year, plans are announced to merge Aeromediterranea into **Aero Transporti Italiani, S.p.A. (ATI)**.

Customer bookings for the year, meanwhile, accelerate 4.5% to 947,000, while freight bounces upward by 12.6% to 1.97 million FTKs. The amalgamation is completed in 1985.

AERO, LTD.: United States (1919–1922). Organized at New York City on July 26, 1919, Aero, Ltd. begins passenger charter flights to Atlantic City in August, employing a pair of war surplus, Aeromarine 50 flying boats. At a September sale of surplus USN equipment, Aero, Ltd. purchases 5 Curtiss HS-2Ls. Bids are placed on 10 more. A number of pilots are recruited, including George Gay, Harry Rogers, Sidney Schroeder, George Cobb, S. A. "Al" Cheesman, and C. A. "Duke" Schiller, who will become famous later, along with Cheesman, as one of Canada's best-known bush flyers.

Following ratification of the 18th Amendment and the introduction of nationwide Prohibition, Aero's operations are transferred to Miami in January 1920. From there, the navy and grey-colored HS-2Ls reportedly make some 40 flights, transporting passengers to liquor-legal Havana and Nassau, in the first regularly scheduled, postwar North American air service.

During the summer, the HS-2Ls are transferred to New York City to fly nonscheduled charters to Atlantic City, Newport, and other New England destinations in competition with the new air transport division of the Aeromarine Plane & Motor Corporation. As is the case with **America Trans-Oceanic Company (A.T.O)** and its successors, **PBA (Provincetown-Boston Airline)** and **Naples Airlines** 35 years later, the winter-south/summer-north schedule becomes a pattern. When the first traffic figures are released in October, they show the transport of 4,500 revenue passengers.

Aero, Ltd. continues service in 1921–1922. In late March 1922, an HS-2L en route to Bimini from Miami crashes; five passengers are killed and the resulting adverse publicity forces the charter operator to cease operations.

AERO AFRICAINE (COMPAGNIE AERO AFRICAINE, S.A.): Algeria (1945–1952). A subsidiary of Societe Africaine des Transportes Tropicaux (SATT), a surface transport group formed in 1933 to link the Mediterranean to French Equatorial Africa by road and rail over the Sahara Desert, Aero Africaine is formed at Algiers in the summer of 1945.

Employing a fleet of 9 war-surplus Lockheed Lodestars, the carrier undertakes weekly services in Algeria, together with 6 monthly roundtrips from that city to the capitals of French West Africa and French Equatorial Africa. The operation is continued until 1952.

AERO AIR: 2050 N.E. 25th Ave, Hillsboro, Oregon 97124, United States; Phone (503) 640-3711; Fax (503) 681-6514; Year Founded 1935. Aero Air is the FBO at Portland–Hillsboro Airport established in 1935. During the next 62 years, the company also undertakes passenger and cargo flights with land-based and amphibious aircraft and helicopters. By 2000, the fleet includes 1 each Grumman G-1159A Gulfstream III, Dassault Falcon 10, Grumman G-21 Goose, and Eurocopter AS-355F Twinstar.

AERO AMIGO. See **AERO FELIZ, S.A.**

AERO ANDES, S.A.: Lavalle 548, SF B, Buenos Aires, 1047, Argentina; Phone 54 (1) 478-1955; Fax 54 (1) 372-8097; Year Founded 1997. AA is established by Cesar Fabre at Buenos Aires in 1997 to offer domestic and regional passenger services. Revenue flights begin and continue with a single Let L-410UVP.

AERO ASAHI, LTD. See **ASAHI AIR LINES COMPANY, LTD.**

AERO ASIA INTERNATIONAL, LTD.: 43-J, Block-6, PECHS, Karachi, 75400, Pakistan, Phone 92 (21) 435 980; Fax 92 (21) 455 569; http://www.aeroasia.net; Code E4; Year Founded 1993. With financial backing from the textile-trading-chemical concern Tabani Corporation, Ltd., AAIL is established at Karachi on May 6, 1993 to offer both passenger and cargo scheduled services. Former **Pakistan International Airlines Corporation (PIA)** executive Ashfaq A. Jan is appointed CEO and is provided with 4 Rombac (BAC) 1-11-561RCs wet-leased from **Tarom (Transporturile Aeriene Romane, S.A.)**. Revenue operations commence on May 6 and link the company's base twice daily with Faisalabad, Islamabad, Lahore, Multan, and Peshawar. Traffic and financial figures are not available.

The fleet is increased to 6 BACs in 1994, along with a Boeing 707-320C, also chartered from **Tarom (Transporturile Aeriene Romane, S.A.)**. Flight deck crews consist of 35 Romanian captains and 15 Pakistani first officers, with all cabin crews Pakistani. By government decree, a money-losing service is initiated to Pasni, a small community on the Arabian Sea in Sindh Province. At year's end, plans are made for a courier service, which will be introduced as "Aero Asia Express." Neither traffic nor financial results are released for the first complete year; however, fiscal losses are reportedly sustained.

Overnight BAC 1-11 "Aero Asia Express" services are inaugurated in June 1995 between all of the nation's major cities. In preparation for future services into the Central Asian republics of the former Soviet Union, a BAC 1-11 undertakes a proving flight on August 22 between Karachi and Bishkek, capital of Kyrgyzstan.

Dedicated "Aero Asia Express" services commence in February 1996 between Lahore and Islamabad and passenger services are inaugurated from Karachi-Multan onto Lahore.

Destinations visited in 1997–2000 include Bishkek, Multan, Lahore, Faisalabad, Islamabad, Pasni, and Peshawar. The largest private airline in Pakistan becomes a member of the SABRE computerized reservations system's global seat distribution system on August 1 of the former year.

The company now operates 26 daily flights to 7 destinations in Pakistan as well as Dubai.

AERO ASSOCIATION LUCERNE: Switzerland (1910–1914). AAL, established at its namesake city on February 10, 1910, is the next-oldest airline in the world, after the German airship company **Deutsche Luftschiffahrt Aktien Gesellschaft (DELAG)**. Itself not an operator, AAL, wishing to contribute to the stimulation of the local tourist trade, signs a contract with the French Societe Aeronautique Astra (SAA), based at Billancourt and Paris, for the provision of services in Switzerland by its subsidiary **Compagnie Generale Transaerienne, S.A., (CGT)**. Capitalization is acquired through a public float, with the municipality of Lucerne taking 250 shares.

On March 14, construction is begun on an airship hangar on the left bank of Lake Lucerne at Tribschennmoos, which is completed and turned over to AAL on July 14. Meanwhile, a nonrigid airship is designed by SAA Director Henri Kapferer and built for AAL by the Paris-based balloon manufacturer Surcouf; christened *Ville de Pau*, it is test flown on April 2. Once the maiden voyage is finished, the vessel is disassembled and shipped by rail to Switzerland; it is named *Ville de Lucerne* in ceremonies on June 21.

Pre-inaugural ceremonies occur before the Tribschennmoos hangar on the morning of July 24. Following speeches and the world premier

performance of a new march, *Propeller Klange: Luzerner Luftschiff-Marsch*, the *Ville de Lucerne*, under the command of Henri Kapferer, lifts off for a 24-minute flight. Daily pleasure trips and excursions are flown under the command of CGT Chief Pilot Maurice Herbster over the lake until the middle of August, when the airship's envelope becomes too weak to permit service with any loads.

Repaired with a new envelope from Paris, the *Ville de Lucerne* resumes operations on September 23. A week later, on September 30, the airship flies the 50-km. distance to Zurich in the first link between the two cities. AAL's first season ends on October 9. Despite the late summer downtime, the company is able to mount 66 flights in 30 days, transporting a total of 235 passengers.

AAL and the SAA sign a new operating contract in early 1911. Although enhanced services are envisioned, they will not occur. Still, the *Ville de Lucerne* begins its summer flying season on June 21, making a total of 41 flights before its envelope again fails on July 17. While the airship awaits repairs, Herbster undertakes 42 flight-seeing trips, employing one each Wright and Farman biplanes launched from the hangar entrance. The summer season ends in September without the *Ville de Lucerne* having resumed operations.

Early in 1912, AAL also signs a contract with the **Aerial Traffic Company, A.G.** of Berlin, Germany, to operate a summer airship service employing Maj. August von Parseval's semirigid PL VI. Equipped with a special electrical illumination system. It allows electrical displays to be shown on its envelope, somewhat in the manner of a modern Goodyear blimp. Because the Bavarian officer's airship will not be available until late August, AAL and SAA again offer airplane flights. Capt. Herbster's Farman and Wright biplanes are supplemented by a Voisin service offered by the Mulhausen-based company **Aviatik**.

From August 26 until September 25, the PL VI makes 24 flights in 21 days, carrying 160 passengers over 870 km. The planes of CGT and the Aviatik Company transport an additional 250 flight-seers in 93 trips.

With the increasing availability of fixed-wing aircraft and fiscal downturn in the airship service, AAL turns completely to aircraft to operate its 1913 season. Planes from both CGT and the **Aviatik Company** are again in operation over Lake Lucerne, with the highlight being an unsuccessful series of attempts to get a large Voisin floatplane, the *Icarus*, airborne. Meanwhile, the empty airship hangar is engaged by other local organizations. During the July–September period, a total of 250 flights are made, carrying 406 tourists.

The final season of 1914 begins on July 5 with a large air show. The outbreak of the First World War in August causes the company to cease flight operations immediately. In five years of service, the company, via its subcontractors, has flown a total of 883 passengers on flights almost evenly divided between airships (441) and aircraft (442). Still, the AAL remains alive on paper. Officers now rent out their hangar annually to the defense department until it is sold for SFr 10,000 on April 30, 1921.

With a settlement of SFr 126,709 upon its creditors, the AAL closes its doors on February 16, 1922; final liquidation of the last assets occurs on January 11, 1923.

AERO B VENEZUELA, S.A.: Venezuela (1976–1983). The charter carrier Aero B is formed at Caracas on April 29, 1976. Two Convair CV-340s are purchased from **AVENSA (Aerovias Venezolanas, S.A.)** in October 1977, allowing the airline to inaugurate nonscheduled all-cargo and passenger flights within Venezuela and the surrounding region on April 20, 1978.

In 1979–1981 the Convairs are replaced by 4 DC-6A freighters and 2 DC-6B passenger aircraft. Rising fuel costs and a lack of traffic in a sluggish national and international economy forces Aero B to cease flying in early 1983.

AERO BELAU: Palau (1980–1986). To provide scheduled commuter flights for citizens of Palau in the western Caroline Islands, AB is formed at Koror in the summer of 1982. The initial fleet comprises a

single Cessna 207 and daily revenue services are inaugurated on October 1 to Angaur via Peleliu.

Orders are placed for a Britten-Norman BN-2 Islander and in 1983–1984, flights are undertaken to Kayangel, Melekeok, and Ngeremlengui. Unable to retain its viability for lack of traffic, the carrier is forced to shut its doors in 1986.

AERO BENGAL, LTD.: Dhaka, Bangladesh; Year Founded 1995. Privately held AB is established at Dhaka in July 1995 to offer non-scheduled services to local destinations. It has the distinct honor of being the first private airline founded in Bangladesh.

Flights commence during the summer with a pair of Chinese-made Harbin Y-12s.

Service continues in 1996–1999, although the company during the latter year begins to fade in the face of competition from the nation's two newer airlines, **Air Parabat, Ltd.** and **GMB Airlines, Ltd.**

AERO CALIFORNIA SERVICIOS AEREOS, S.A. de C.V.: Apartado Postal 555, Hidalgo 316, La Paz, Baja California Sur, 23000, Mexico; Phone 52 (112) 26-655; Fax 52 (112) 539-93; Code JR; Year Founded 1982. Originally established in 1960 as a nonscheduled air taxi concern by the Arechiga family employing Beech 18s, Aero California is reorganized at La Paz in the Baja California peninsula in June 1982 to provide scheduled flights to destinations in western Mexico. Equipped with a fleet comprising 1 Aero Commander, 1 Convair CV-340, 4 Douglas DC-3s, 1 Beech 18, 1 Cessna 402, 2 Cessna 206s, and miscellaneous other Cessna single-engine types, the carrier inaugurates flights linking its base with the following stops: Cabo San Lucas, Guadalajara, Guaymas, Hermosillo, Loreto, Los Mochis, Mulege, Santa Rosalita, and Tijuana.

Operations continue apace in 1983–1985. While on initial approach to Los Mochis on a service from Villa Constitucion on January 29, 1986, a DC-3 with 3 crew and 18 passengers, goes below minimum altitude and is required to go aground. The crew attempts to land in fog at Las Lomitas, a small, unused private airport, but crashes in the process. There are no survivors.

Painted in a colorful new livery, the first Douglas DC-9-15 is added in 1988, replacing a DC-3, and Tucson becomes a market in 1989.

By 1990, General Manager Raul Arechiga Espinoza has acquired 3 additional DC-9-15s. A national carrier in 1991, Aero California, S.A. flies 10 DC-9-15s from Mexico City to points in northwest Mexico. It also begins a penetration of the North American market, flying travelers from Phoenix, San Diego, and Los Angeles to the resorts at La Paz, Mazatlan, and Puerto Vallarta.

The Convair and DC-3s are retired in 1992 and, in 1993, the 4 Dash-14s and 6 Dash-15s are all leased; no flight equipment is owned directly. GM Espinoza oversees a workforce that totals 916 as both scheduled and charter flights are continued.

Two chartered DC-9-32s are acquired in 1994. At the end of April, the company joins with several other regionals and **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)** in a merger of support services designed to make the carriers more competitive with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and **Mexicana Airlines, S.A. de C.V.** Under the arrangement, the carriers share reservation systems, maintenance facilities, ticketing, airport facilities, hangars, and work crews.

The last Cessna and Beech 18 are retired in 1995. Services continue apace with a fleet of 11 DC-9-14/15s and 5 DC-9-32s as the decade draws to a close. Destinations visited include Aguascalientes, Ciudad Juárez, Ciudad Obregón, Ciudad Victoria, Colima, Culiacán, Guadalajara, Hermosillo, Loretto, Los Angeles, Los Mochis, La Paz, Manzanillo, Matamoros, Mazatlán, Mexico City, Monterrey, Puebla, San Diego, Torreón, Tijuana, and Tucson.

In 1996–1997, airline employment stands at 1,800 and the company undertakes 120 daily flights to 25 domestic points, plus Los Angeles, Dallas, Tucson, and Fort Worth.

The carrier begins code-sharing with **American Airlines** on January 5, 1998. The AA code is placed on Aero California transborder flights from Los Angeles to Culiacán, Durango, Hermosillo, La Paz, and Torreón and from Tucson to Hermosillo.

Dual-designator flights with **American Airlines** expanded on April 20. The U.S. major places its code on the Mexican line's flights from Los Angeles to Loretto, Tijuana, and Manzanillo. Aero California continues to seek government approval to place its "JR" code on American services from Mexico to U.S. gateways and beyond.

Service is maintained in 1999–2000.

AERO CARDAL AIR SERVICES, LTDA.: Avienda Jose Arrieta 7808, Correo Central, Casilla 9630, La Reima, Santiago, Chile; Phone 56 (2) 279-3535; Fax 56 (2) 279-4272; <http://www.turismochile.cl/aerocardal>; Code CD; Year Founded 1989. Alex Casasepere founds ACASL at Santiago in 1989 to offer nonscheduled charter services tailored to the requirements of customers, many of whom are executives. Ricardo Espinosa is named operations director and a staff of 25 is recruited. The fixed- and rotary-wing fleet will come to include 1 each Cessna Citation II, Cessna Conquest II, Fairchild Dornier 228-200, Bell 206 Long-Ranger, and Messerschmit Boelkow BO-105.

Revenue flights begin and continue throughout Chile and to destinations in both South and North America in an effort to satisfy an increasing Chilean demand for air transportation to domestic destinations not visited by scheduled airlines. Over the next six years, the company flies a wide variety of passengers, from ambassadors and government representatives to officials and senior executives of such corporations as Exxon, BHP, Shell, and the American Oil Company.

In addition to passenger transport, the company also operates air ambulance flights, geology explorations, topographic surveys, and aerial photography. Employing a Boelkow BO-105 helicopter, it also assists the electric industry in hanging power lines.

The fixed-wing fleet in 1998–2000 includes 1 each Cessna 550 Citation II, a C-441 Conquest, a Dornier 228-100, and a Piper PA-34 Seneca.

AERO CARGA, S.A. de C.V.: Mexico (1950–1975). Aero Carga is established at Aeropuerto El Cipres at Ensenada, Mexico, in 1950 to fly all-cargo services to and from Mexico City on a partially scheduled basis. Revenue flights commence with a pair of Curtiss C-46 Commando freighters. Another Commando will be added during the next decade.

Operations continue without significant change until 1967, when the company transfers its base to Tijuana and adds roundtrip passenger services to Mérida with a pair of Douglas DC-6s. Cargo work ceases in 1969 with the sale of the Commandos. Flights continue until 1975.

AERO CARIBBEAN OF CUBA: Calle 23, No. 113, Vedado, Havana, Cuba; Phone 53 (7) 337-096; Fax 53 (7) 335-016; <http://www.cubaweb.cu/aerocari/haerocai.html>; Code CR; Year Founded 1985. This government-controlled company is formed late in 1985 to offer international charter services. The initial fleet comprises 1 Douglas DC-8-53, 1 Bristol Britannia 318, and 1 Antonov An-26. Services expand during the remainder of the decade and both domestic and South American destinations are serviced.

By the early 1990s, the fleet of President Ing Jorge Falcon's Havana-based carrier has been expanded to include 6 An-26s, 4 Ilyushin Il-18Ds, 3 Douglas DC-3s (the only 3 operational U.S. aircraft on the island), and 3 Yakovlev Yak 40s.

Operating a chess players' charter from Havana to Puerto Plata on November 15, 1992, an Il-18D with 6 crew and 28 passengers, fails to follow ATC orders for a missed approach and crashes into a mountain near Puerto Plata at the 1,845-ft. level and explodes; there are no survivors.

En route from Havana to Baradero on December 29, an An-26 with 53 passengers is diverted to Miami. There, all but five of the aircraft's occupants seek political asylum. The five and their aircraft are allowed to return to Cuba next day.

The number of aircraft is cutback due to both the world and Cuban recessions and in 1993, President Julian Alvarez Infiesta's fleet comprises 4 An-26s, 3 DC-3s, and 1 Yak-40. The fleet is increased in 1994 by the addition of 2 Yak 40s and 3 Ilyushin Il-18s.

Services continue in 1995–1998. On October 19 of the latter year, a new weekly roundtrip service is inaugurated between Havana and Guatemala City.

More foreign tourists ride the aging Russian equipment as the new millennium begins.

AERO CHACO (LINEAS AEREAS CHAQUENAS, S.A.): Argentina (1958–1986). Aero Chaco is founded at Resistencia, in Chaco Province, in late 1958. Capitalization is provided by the Aero Club of Chaco and the provincial government, with the latter eventually holding 99% of all shares. The initial fleet comprises 2 de Havilland Canada DHC-2 Beavers, which are used for demonstration flights to local destinations during the remainder of the year.

In early 1959, preparations for scheduled services are undertaken, including the acquisition of 3 DHC-6-100 Twin Otters. Revenue flights begin in on September 18 over a route to Presidencia Roque Saenz Pena. By year's end, the third-level operation has qualified for a subsidy from the national government.

During the 1960s and 1970s, services are maintained linking the base with Psadas, Ighazu, Santa Fe, Cordoba, Salta, Jujuy, La Roja, San Juan, and Mendoza.

Although financial backing is now also provided by the state governments of Santa Fe, Misiones, and Formosa, there are few operational or equipment changes (save the 1968 addition of 3 de Havilland Canada DHC-6-100 Twin Otters) until 1978 when a pair of Fairchild Hiller FH-227Bs are purchased in Brazil and the Twin Otters are sold to the Argentine Air Force.

In 1981, General Manager Ing. Jose Antonio Dimarco's airline employs 140 workers. Enplanements total 16,656. Increased costs (led by fuel) and fluctuating traffic levels, together with the costs of preparations to expand into 16 states of northern Argentina, cause significant financial distress beginning in 1982. In that year, passenger bookings fall to only 9,423.

By the time revived boarding totals (13,750) for 1983 can be announced, deterioration has set in, as demonstrated by a suspension of services to Jujuy and San Juan in 1984. Early in 1985, the carrier is renamed **ALFA (Aerolinea Federal Argentina, S.A.)**.

AERO CHARTA DARTA, S.A.: Aeroport de Paris, Le Bourget, France; Phone 33 (01) 48 62 54 54; Fax 33 (01) 48 62 41 43; <http://www.w3i.com/eng/transport/avion/DARTA.htm>; <http://altern.com/darta>; Year Founded 1971. ACD is established at Paris (LBG) in 1971 to provide executive and small group passenger series for French and foreign companies, travel and transport professionals, press and television bureaus, VIPs, and tourists.

Services begin from Toussus Le Noble Airport in 1983 and Lognes–Emerainville Airport in 1990. By 1998–2000, the Learjet operator also offers services from Toulouse.

AERO CHARTER: 18369 Edison Ave., Suite 100, Chesterfield, Missouri 63005, United States; Phone (314) 537-0005; Fax (314) 537-9291; <http://www.aerocharter.com>; Year Founded 1965. Aero Charter is established at Spirit of St. Louis Airport in 1965 to offer local ad hoc charters in the St. Louis area. Over the next 35 years, the company becomes a significant executive and small group operator and, by 2000, it employs 10 full-time and five part-time pilots. The company houses 2 each North American NA-265-65 Sabreliners and Beech 58 Barons, plus 1 each Beech Super King Air 200 and Piper PA-31-350 Navajo Chief-tain at its Missouri facility. It also bases 1 Sabreliner at Detroit (DTT) and 2 others at Cleveland Hopkins Airport.

AERO CHARTER, LTD. See BKS AIR TRANSPORT, LTD.

AERO CHASQUI, S.A.: Peru (1989–1991). AC is established at Lima in 1989 to offer domestic third-level services with 1 each Pilatus-Britten-Norman PBN-2T Islander and CASA C-212-200 Aviocar. Successful on the local level, the airline leases 1 each Boeing 727-27 and B-727-162 in 1990, employing them to inaugurate regional flights.

This expansion, unfortunately, occurs during a time of recession and as a result, the company is unable to generate traffic and income sufficient to continue beyond July 1991.

AERO COACH AVIATION INTERNATIONAL: United States (1981–1992). ACAI is founded at Ft. Lauderdale, Florida, in May 1981 to offer charter flights to West Palm Beach and to Georgetown in the Bahamas. Cessna 402 service begins in the fall. Three Embraer EMB-110 Bandeirantes are acquired in late 1982 and are employed to inaugurate regularly scheduled third-level frequencies in early 1983. New daily roundtrip destinations added include Gainesville and Miami, Florida, and North Eleuthers and Treasure Cay in the Bahamas.

Passenger enplanements for the year are 45,059.

Operations continue apace in 1984, and in 1985 the 60-employee small regional enplaners a total of 45,267 passengers. During these two years, frequencies are initiated to Bimini and Marsh Harbour.

By 1986, President T. P. Cartier's company has replaced its Brazilian-made commuter liners with a total of 9 Cessna 402s. Passenger boardings jump 25% to 60,356. Twelve additional Cessna 402s are purchased throughout 1987, bringing the fleet total to 23. Customer bookings increase 69.7% to 102,451.

Airline employment stands at 60 in 1988 as a 24th Cessna 402 is acquired. Passenger boardings balloon 24.8% to 127,878.

The workforce is increased by 150% in 1989 to 150 and the number of Cessna 402s grows to 33.

Despite these preparations, customer bookings advance only 1.7% to 130,092.

There is no change in either the number of workers or aircraft in 1990; however, passenger boardings, due largely to recession, plunge by 9% to 105,318.

Two Cessna 402s are withdrawn in 1991 as prelude to the company's collapse in 1992.

AERO COMMUTER AIRLINES: United States (1967–1969). Established at Long Beach, California, in the fall of 1967, ACA orders 8 de Havilland DHC-6-100 Twin Otters. It is quickly acquired by San Diego-based Westgate-California Corporation, which, in December, also takes over the assets of **Catalina Air Lines**, formerly **Avalon Air Transport**, and **Los Angeles Airways**. With the first of the Canadian turboprops, the carrier inaugurates scheduled services in December linking its base with Los Angeles and Catalina Island.

The following year, 1968, the route network grows to include stops at Burbank, Bakersfield, Palmdale, Apple Valley, Palm Springs, Fullerton, Santa Ana, Oceanside, and San Diego. The remainder of the Twin Otters enter service. Meanwhile negotiations are conducted throughout the year with **Skymark**, **Cable Commuter**, and **Golden West** which, in March 1969, merge to form the nation's largest third-level operation, **Golden West Airlines**.

AERO CONDOR, S.A.: Juan de Arona 781, San Isidro, Lima 27, Peru; Phone 51 (14) 425663; Fax 51 (14) 429487; <http://www.ascinsa.com/AEROCONDOR>; Code P2; Year Founded 1975. AC is formed at Lima in early 1975 to offer domestic passenger and charter flights. A fleet is established which includes 1 Beech King Air 90, 1 Beech B80 Queen Air, and such single-engine equipment as 2 Britten-Norman BN-2A Islanders, 1 Cessna 402C, 4 Cessna 172s, and 1 Piper PA-23 Aztec. Nonscheduled services are begun on September 10 to Puerto Maldonado, Nazca, Cuzco, Ica and other towns.

Services are maintained throughout the remainder of the decade and during the 1980s. Airline employment exceeds 80 workers and passenger boardings average 20,000 per year. The fleet is upgraded by the addition of 3 more King Airs. The company during this decade becomes well known for offering sight-seeing flights over Peru's famous Nazca lines.

President Carlos Palacin acquires 2 Fairchild Metro IIIs for his fleet in 1992. Flights continue in 1993–1995, with a third Metro III arriving during the latter year.

A Cessna 208 Caravan I is purchased in 1996. Service is maintained without incident in 1997–1998.

During February 1999, a code-sharing arrangement is entered into with **Aeroflot Russian International Airlines (ARIA)**. Under its terms, the company is able to provide its customers with twice-weekly return flights from Lima to Havana aboard the Russian carrier's Il-96s.

AERO CONTINENTE, S.A.: Avenue Jose Pardo 651, Lima 18, Peru; Phone 51 (14) 242-4260; Fax 51 (14) 444-5014; <http://www.aerocontinente.com.pe>; Code N6; Year Founded 1992. AC is established by Fernando Zevallos Gonzales at Tarapoto City on January 4, 1992 to offer nonscheduled passenger charters for companies dedicated to energy exploration in the northeast zone of the country, particularly Occidental Petroleum Corporation of Peru. Revenue flights commence on May 25 with a single leased Boeing 737-204. Business is sufficient to allow the carrier to purchase a B-737-281 in 1993.

A significant fleet expansion occurs in 1994; added by lease are 3 B-727-22s and 1 B-727-51 and, by purchase, 1 B-737-222 and B-737-247. Routes and services are expanded accordingly, with scheduled flights begun under the direction of President Fernando Zevallos.

Another B-747-247 is leased in 1995. A Fokker F.27 is also acquired for domestic charters. During the year the government of Peru, convinced that the U.S. all-cargo airline **Fine Air** is involved in arms smuggling, bans it from making future flights into Lima. The move will have an impact on AC several years hence.

In 1996, a Fokker F.28-1000 Fellowship is purchased and 3 Boeings are leased to the Argentine charter operator **Dinar Lineas Aereas, S.A.** These include the B-727-22, the B-737-281, and 1 of the B-737-247s.

Having received intelligence that the airline has been operating its aircraft with "unsafe engines," the U.S. Embassy in Lima prohibits all U.S. mission personnel from flying the airline as of August 23. Peruvian Transport Minister Elsa Carrera informs the media that the decision is "temporary" and that all engines in the fleet will be overhauled within 15–20 days, according to guidelines of the U.S. FAA.

Operations continue apace in 1997. Plans are made to lease a Lockheed L-1011 TriStar 1 are shelved after the Lima government, which is in the process of granting permission for the inauguration of daily U.S. flight, refuses to approve the airline's use of the wide-body jetliner. Although that larger aircraft is not acquired, the company, during the spring of 1998, introduces a new color scheme. All of its 1996 safety concerns have, by now, been addressed.

Following the signing of a new bilateral air agreement between Peru and the U.S., Aero Continente, in July 1998, is designated the nation's second international airline when it is given authority to operate daily B-727-22 return service between Lima and Miami. President Gonzales had originally sought 21 weekly frequencies and appeals the grant of only seven from new Transport Minister Antonio Paucar Carbajal. Meanwhile, noting that the B-727s on hand cannot fly nonstop to Florida and require a refueling visit to another Latin country, probably Panama, the airline delays.

A new color scheme is introduced, but it cannot hide yet another problem: the fact that Peru has been listed by the U.S. FAA as a Category I country in terms of safety concerns. At this point, rather than attempt to gain approval to compete with its own narrow-bodies, Aero Continente seeks an alliance with a U.S. carrier. **Continental Airlines**, which lost to **Delta Air Lines** in the race for a partnership with **AeroPeru (Empresa Transporte de Aereos de Peru, S.A.)**, is the most likely candidate, but neither airline ever confirms talking to the other.

Meanwhile, during the summer, **Fine Air** moves to block the application by AC for U.S. authority to operate from Lima to Miami, asking that the U.S. DOT deny service until Peru allows Fine to resume services suspended earlier over the arms shipments. Even though the U.S. Drug Enforcement Agency is no longer investigating, Fine also revives allegations of drug trafficking by AC's former

owner, Fernando Zevallos Gonzales. The Peruvian line hires an attorney in Washington, D.C., to press its requests, which remain on hold at DOT through the end of the year.

Following the economic collapse of **AeroPeru (Empresa Transportes de Aereos de Peru, S.A.)** on March 10, 1999, AC becomes the nation's largest remaining airline. It is reported in the next day's issue of Lima's *El Comercio* that ticket prices at the now leading national carrier have doubled overnight.

When AeroPeru halts its domestic services on March 14, Aero Continente takes over the flag carrier's more important domestic routes, including that to Peru's top tourist destination of Cuzco.

Following the June 5 decision of **Continental Airlines** not to take an equity stake in AeroPeru, the Peruvian government, on June 25, grants permission for Aero Continente, the nation's largest remaining domestic airline, to fly routes to the U.S., Brazil, Chile, Argentina, Venezuela, Mexico, Ecuador, and Panama.

The FAA in Washington grants special exemption authority, but demands that all flights by Peruvian carriers into the U.S. henceforth be made in wet-leased aircraft only. Although Lima protests that the requirement is illegal under the 1998 bilateral, it remains in place; the American regulators do, however, promise a new safety inspection. For its part, Aero Continente demands that the U.S. justify its wet-lease order; it receives no response.

Employing a Boeing 757-28A wet-leased from **Air 2000, Ltd.**, the carrier initiates daily roundtrips from Lima to Miami on November 17; the aircraft, which appears in the basic colors of the charter carrier with Aero Continente titles, has been chartered through April.

Plans by the FAA to return to Peru for a review of the country's safety improvements are put on hold in the spring of 2000 as Peru holds a controversial presidential election. The results draw international protest and the U.S. State Department threatens sanctions.

The **Air 2000, Ltd.** B-757-28A is returned on April 29 and is replaced on the Miami-Panama City route with a **Falcon Air Express** B-727-200.

Continuing concern over the technical fitness of Peru's airlines heightens and perhaps explains why Aero Continente has, by June, still not received a response to its 1999 request. An attempt to register via its new Aero Continente Chile, S.A. (Chile is a Category I country) subsidiary is initially rebuffed by the FAA. After returning the **Falcon Air Express** Boeing, the airline, on July 1, suspends its U.S. service. The controversy over the election continues throughout the summer, leading to the resignation of the nation's president on September 16.

In something of a surprise, the U.S. Department of Transportation, on October 6, authorizes the Chilean subsidiary to operate the desired Miami flights.

AERO CONTINENTE CHILE, S.A.: Marchant Pereira 357, Santiago, Chile; Phone 204 2424; Fax 209 2358; Code C7; Year Founded 1999. This subsidiary of **Aero Continente, S.A.** is established at Santiago in the fourth quarter of 1999 to offer domestic scheduled passenger services. Ownership is divided between local groups (51%) and the Peruvian airline (49%), which provides three Boeing 737-201As.

Revenue services commence on May 18, 2000, over routes to Arica, Iquique, and Antofagasta. During this time, Aero Continente, which is banned from flying into the U.S. due to Peru's Category II safety rating, attempts to register itself in the U.S. under its subsidiary's name. The effort is rebuffed by the U.S. Federal Aviation Administration and a B-737-300 acquired for the route is unemployed.

In June, flights are started from Santiago to Concepcion and plans are announced for the initiation of service to Antofagasta.

The U.S. Department of Transportation on October 16 grants the company permission to operate into Miami. Santiago-Miami B-767-219ER return service is launched on November 17.

AERO CONTRACTORS OF NIGERIA, LTD.: Murtaia Mohammed Airport, PMB 21090, Ikeja, Lagos, Nigeria; Phone 234 (1) 901 400; Fax 234 (1) 467-1973; Code NU; Year Founded 1959. An affiliate of the Dutch operator **Schreiner Airways, B.V.** (which holds 97% of all common shares), ACofN is established at Lagos in 1959 to provided

nonscheduled passenger and charter freight operations, as well as contract service flights, throughout the nation (primarily in support of National Petroleum) and West Africa. W. Van Houtert is general manager and revenue flights commence to 16 destinations with 6 Piper PA-23 Aztecs.

Cornelius Reichgeld becomes general manager in 1965, during which year the company also becomes the nation's Beech and de Havilland dealer.

The fleet is thereby enhanced by the addition of 1 DH 104 Dove I, a Dornier Do 28A-1, 3 de Havilland Canada DHC-3 Otters (which are assigned to antismuggling patrols on behalf of the government), and 1 DHC-2 Beaver.

Daily scheduled passenger and cargo services begin toward the end of the year and into 1966 from Lagos to Warri and Port Harcourt. ACofN is now the only scheduled operator in the country other than the state airline **Nigeria Airways, Ltd.**

Early in 1967, a contract is received from **Nigeria Airways, Ltd.** to operate a thrice-daily return service over the Lagos to Port Harcourt route ACofN had opened earlier. Unhappily, before this route can be started, Nigeria rebels briefly seize five of the company's aircraft.

The fleet that eventually begins the flag carrier's replacement service comes to comprise not only the Aztecs, Dornier, Dove, and Beaver operated earlier, but 3 DHC-6-300 Twin Otters.

Flights continue throughout the 1970s and, by the middle of the 1980s, the company is operating 4 de Havilland Canada DHC-6-100 Twin Otters, 2 Piper PA-31-310 Navajos, 2 British Aerospace BAe (HS) 125 executive jets, 1 Beech King Air 90, and 10 Aerospatiale Alouette III and Dauphin helicopters. Most of these are leased from Schreiner.

Operations continue apace over the remainder of the decade. In 1989 the rotary-wing fleet includes 4 each Aerospatiale SA-316B Alouette IIIs and SA-365N Dauphin 2s, the latter leased from Schreiner; 2 SA-365Cs, also chartered from the Dutch operator; and 2 each SA-319B Alouette IIIs and SA-355F Ecureuil 2s devoted exclusively to National Petroleum. The fixed-wing flight equipment comprises 4 BAe (HS) 125s (1 of which is chartered exclusively by National Petroleum), 6 DHC-6-300s, and 1 leased Dornier 228-200.

Three more Twin Otters are leased in 1990, along with a Dornier 228-100. Following a successful 1991, the 4 SA-316Bs are withdrawn in 1992, as 1 more DHC-6-300 is acquired. A fifth Dauphin 2 is purchased in 1993. During these years, Oteri Holdings acquires shareholding and Chief Michael Olorogun Ibru becomes general manager.

The workforce totals 300 in 1994 and the fleet now includes 3 BAe (HS) 125s, 10 Twin Otters, 10 Eurocopter Dauphins, and 1 Fokker F.27 Friendship. Coming in from Lagos on a contract flight for Shell Development Company on September 13, a Twin Otter with 5 passengers crashes at Abuja Airport; there are 2 fatalities.

The fleet is increased in 1995 by the addition of another BAe (HS) 125; however, the Fokker and 3 Twin Otters are withdrawn, along with 2 Dauphins, which are replaced by a pair of Eurocopter AS-355F Ecureuil IIs.

One more Twin Otter is acquired in 1996-1997, along with a DHC-8-102. As they have been since the beginning of the decade, these Canadian-built aircraft are leased from **Schreiner Airways, B.V.**

The carrier's emphasis continues to be oil industry support and third-party aircraft operations, although daily roundtrip de Havilland frequencies are continued from Lagos to Warri and Port Harcourt.

Arriving from Port Harcourt on February 1 of the former year, a Twin Otter with 14 passengers is destroyed by a bad landing at Warri; there are no fatalities.

Flights continue in 1998-2000 and airline employment reaches 408. The fleet now includes 1 each DHC-8-102, DHC-8-311, 8 DHC-6-300s, 2 AS-355Fs, 10 AS-365N2s, and a Hawker 800 bizjet. Scheduled flights continue to be operated to Warri and Port Harcourt.

AERO COSTA RICA, S.A. See ACORI (AERO COSTA RICA, S.A.)

AERO COSTA SOL, S.A.: Aeropuerto Juan Santamaria, Hangar 2 Aljuela, 782-4050, Costa Rica; Phone (506) 441-1444; Fax (506) 441-2671; Year Founded 1996. Alvaro Xamora Herrera sets up ACS at

Aljuela in 1996 to offer scheduled third-level domestic services. Revenue flights commence and continue with a single Let L-410UVP Turbolet.

AERO COZUMEL, S.A. de C.V.: Apartado Postal 322, Aeropuerto International Cozumel, Quintana Roo, 77600, Mexico; Phone 52 (987) 20503; Fax 52 (987) 20877; <http://www.aerocaribe.com.mx>; Code AZ; Year Founded 1978. Fernando Barbachano, onetime **Aeromaya, S.A. de C.V.** partner, and Nassin Joaquin Ibarra found this third-level carrier at Isla Cozumel, in the state of Quintana Roo, during the summer of 1978. Equipped with 3 Britten-Norman BN-2 Islanders and 3 BN-2A Trislanders, the company begins scheduled high-frequency service on November 20, linking the Isla de Cozumel with the Caribbean coastal towns of Cancún, Playa del Carmen, Chichen Itza, Tulum, and Ciudad Chetumal.

By 1984 Barbachano has retired and Ibarra is managing director; the fleet has been altered to include 4 Trislanders, 1 Islander, and 1 Fokker F.27 Friendship. Daily shuttle flights are made between Cozumel and Cancún/Playa del Carmen; Chichen Itza and Tulum are now charter destinations. Service is started to Havana in 1987; the fleet this year comprises 3 Trislanders and the Friendship.

Service is conducted without incident in 1988. A chartered Britten-Norman BN-2A Trislander with 2 crew and 17 passengers makes a forced landing at Chichen Itza on May 5, 1989 (6 dead).

In 1990, newly privatized **Mexicana Airlines, S.A. de C.V.** acquires all of the commuter's shares in order to strengthen its coverage in the southeastern part of the country. As a result, Managing Director Nassim Joaquin Ibarra's carrier joins the **Mexicana Airlines, S.A. de C.V.** commuter network "Mexicana Inter."

In 1992–1993, AC sells one Trislander and acquires another F.27. The employee population during the latter year stands at 90. Two more Friendships arrive in 1994 and services continue apace in 1995–1996. During the latter year, **Mexicana Airlines, S.A. de C.V.** and its "Mexicana Inter" interests are purchased by the holding company CINTRA, S.A. de C.V., which also owns **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**.

Jaime Tamariz becomes managing director in 1997. In 1998–2000, AC continues its close link with fellow "Mexicana Inter" partner **Aerovias Caribe, S.A. de C.V. (Aerocaribe)**. Between them, they cover 15 cities in the Mayan World area and a total of 28 destinations. The two companies also share a homepage on the World Wide Web.

AERO-DIENST, GmbH: Flughafenstr 100, Nuremberg 10, D-90411, Germany; Phone 49 (411) 520 120; Fax 49 (411) 520 1216; Year Founded 1968. This privately owned executive charter operation, based at Nuremberg, begins lightplane operations on September 1, 1966. International passenger and cargo charters are also undertaken. In 1982, the carrier joins the JET Europe air taxi marketing group and by mid-decade, airline employment reaches 100. The fleet in 1984 comprises 4 Gates Learjet 55s, 4 Gates Learjet 35As, 2 Bell 222 helicopters and 1 Bell 206L LongRanger.

Bernhard Jokilschke is managing director in 1986 and company services are maintained through the remainder of the decade and into the 1990s. During these years, the carrier also becomes a Bell helicopter maintenance and sales operator and, by 1994, Managing Director Peter Czech is also flying a significant number of Bell 206B JetRangers. Executive charters continue to be flown through the remainder of the decade with a fleet of 5 Learjet 35As, 2 Learjet 55s, and 2 Learjet 60s.

AERO-DYNE AIRLINES: United States (1965–1985). Aero-Dyne is set up at Renton, Washington, in 1965 to offer passenger and cargo charters and contract service flights throughout the U.S. and Canada. General freight and hazardous materials become a specialization. Additionally, other diversified operations are undertaken, ranging from flight training to aircraft maintenance to aerial agricultural application of seeds and weed-killers.

The fleet grows in the 1970s to include both small aircraft, such as Cessna 150Fs, and large aircraft, such as a Convair CV-580 and Douglas DC-3s. During the early 1980s, two additional DC-3s are acquired,

along with a DC-6. Due to over expansion, the company is unable to finance its activities and is forced to cease operating in 1985.

AERO ESLAVA, S.A. de C.V.: Mexico (1992–1994). Aero Eslava, a longtime maintenance and overhaul concern at Mexico City Airport, establishes a flight division in 1992 to provide passenger charter flights to holiday destinations. Revenue operations begin and continue with 1 each Fokker F.27 Friendship and British Aerospace (Vickers) Viscount 745D.

While descending during a positioning flight from Puebla to Mexico City on July 27, the Vickers Viscount 745D with 4 crew crashes into a mountain 30 km. E of its destination; there are no survivors.

Although flights continue in 1993, the company, unable to maintain economic viability with just the Fokker, is forced to shut down in 1994.

AERO-EXPRESS R.T.: Hungary (1923–1924). Local Budapest interests, supported by a Junkers Flugzeugwerke, A.G. representative, forms this carrier on January 1, 1923, equipping it with two F-13s christened *Ente* and *Strauss*. Meanwhile, as competition stiffens with **Deutscher Aero Lloyd, A.G., Junkers Luftverkehr, A.G.** reaches out to locate members for a countering confederation. On May 14, the Trans-Europa Union is formed; simultaneously, Junkers assumes a financial interest in Aero-Express, bringing it into the group.

The aircraft are employed in June to begin pleasure flights from the Hungarian capital to Lake Balaton. On July 15, service is opened Budapest–Vienna, where it can connect with an Austrian Junkers affiliate, **Oesterreichische Luftverkehrs, A.G. (OLAG)**.

The carrier ceases operations in 1924 when the Hungarian government grants exclusive national rights to the new state carrier **Malert**.

AERO ESPRESSO ITALIANA, S.p.A. (AEI). See SOCIETA ANONIMA AERO ESPRESSO ITALIAN, S.p.A. (AEI)

AERO FELIZ, S.A. de C.V. Mexico (1990–1991). Aero Feliz, originally known as **Aero Amigo**, is set up at Mexico City in the spring of 1990 to operate scheduled passenger and cargo services to regional destinations. A single leased B-737-281, first delivered to **All Nippon Airways Company, Ltd.**, is acquired; christened *Vicente Guerrero*, it is employed to inaugurate daily revenue frequencies during the summer. The traffic generated during the fall is insufficient to justify operations far into 1991.

AERO FIESTA MEXICANA, S.A. de C.V.: Mexico (1994–1995). AFM is established at Mexico City late in 1994 to operate regional passenger charters. Operations commence with a single leased Boeing 737-275, formerly operated by **Inter-America, S.A.**, over routes to Acapulco, Cancún, and Puerto Vallarta. Unable to achieve viability, the company folds the following year.

AERO FRANCE INTERNATIONAL, S.A.: France (1990–1995). AFI is established at Paris in 1990 to offer regional passenger charter services with a pair of Aerospatiale (Sud) Caravelle XBs leased from Europe Aero Service. One Caravelle is withdrawn in 1991. Operations continue apace in 1992–1994, but cease in 1995.

AERO FREIGHT: El Paso International Airport, El Paso, Texas 79925, United States; Phone (915) 772-3273; Fax (915) 772-9243; Year Founded 1979. AF is set up at El Paso in 1979 to offer both passenger and cargo charters. Over the next 20 years, people will be flown all over North America; however, cargo is originally transported in the Texas–Northern Mexico area.

By 1998–2000, the company employs two full-time and two part-time pilots. It bases 1 Douglas DC-3 freighter at El Paso, along with 1 each Learjet 25 and Piper PA-31-350 Navajo Chieftain.

AERO GERAL, LTDA.: Brazil (1942–1953). Founded to provide services in the Amazon region, AG is formed at Manaus on February 10, 1942. Authorized to inaugurate scheduled services, the new entrant is unable to find a suitable aircraft; the only plane available is a Monocoupe 90A. Consequently, after flying a few charters, AG closes down in 1944.

The moribund operation is purchased and reorganized by F. A. McLaren and a partner in January 1947; unable to compete with **Panair do Brazil, S.A.** in the Amazon area, McLaren receives permission to transfer his carrier up to Natal. Simultaneously, a route permit is received for a scheduled coastal route. Five ex-military Consolidated PBV-5A Catalinas are purchased, and are employed in March to initiate flights from Rio de Janeiro–Natal. The route is stretched to Santos in May.

The Rio–Santos route is flown without significant fanfare over the next four years; the fleet is upgraded by the addition of 2 Douglas DC-3s and 1 Curtiss C-46 Commando freighter. Tragedy strikes on June 2, 1951, when a Catalina is lost in a crash with all aboard.

Unable to continue profitably thereafter, AG is purchased by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** in May 1952, and subsequently absorbed into the larger carrier in July 1953.

AERO GUADALAJARA, S.A. de C.V.: Mexico (1991–1994). Established at Guadalajara by two families in the ground express/trucking business during the spring of 1991, AG inaugurates regional scheduled passenger services with a pair of Grumman G-159 Gulfstream IIs. Destinations initially visited include Monterrey, Tampico, Puerto Vallarta, and San Luis de Potosi.

In 1993, the company withdraws from scheduled services to offer only charters. Like the previous schedule, these, too, are unprofitable and the company shuts its doors in 1994.

AERO INTERNATIONAL AIRLINES: United States (1982–1984). In late 1982, Homestead, Florida-based **Bahamas Caribbean Airlines** is reformed and takes this name. Equipped with 1 each Britten-Norman BN-2A Trislander, BN-2 Islander, Beech 18, and Piper PA-34 Seneca, and 2 Cessna 402s, the company continues to provide on-demand air taxi services, linking its base with Ft. Lauderdale, Miami, Marathon, Marco Island, Freeport, and Bimini. Additional destinations served include Orlando, Tampa, Ft. Pierce, and Titusville.

Operations continue apace in 1983 and, in late 1984, the small regional, having elected to inaugurate scheduled services, is renamed **Air South (3)**.

AERO KUZNETSK NOVOKUZNETSK AIRLINE: Russia (1952–1999). A child of the West Siberian Regional Air Traffic Department, this carrier traces its heritage back to the Novokuznetsky United Air Traffic Unit established in 1952. In 1991, the aerial unit is renamed Novokuznetskoe Avia State Enterprise and, in 1993, the current title is chosen.

Anatoli V. Postnikov is CEO, with Boris I. Kalintsev as general director. One of hundreds of airlines to become independent after the collapse of **Aeroflot Soviet Airlines**, this company, based at Novokuznetsk Airport, employs a total of 1,442, including 300 aircrew. A fleet is assembled that includes 9 Tupolov Tu-154B/Ms, 5 Antonov An-24s, 5 An-26s, 9 Mil Mi-2 helicopters, and 10 Mi-8s.

Scheduled services are undertaken to the domestic points of Anapa, Krasnodar, Moscow, Soshi, St. Petersburg, Novosibirsk, and Nishnevartovsk. International flights are made to Ankara, Antalya, Athens, Burgas, Barcelona, Fujairah, Istanbul, Larnaca, Malaga, Seoul, and Sharjah. Charters are also operated.

Traffic figures are released to the West for the first time in 1994 and show enplanements of 305,447. Passenger boardings inch up 0.7% in 1995 to 307,600 while freight rises 6.7% to 9.6 million FTKs.

Flights continue in 1996–1999; the fleet now includes 5 each An-24s and An-26s, 10 Mil Mi-8s, and 9 each Mil Mi-2s and Tu-154Bs. Principal destinations served are Istanbul, Krasnodar, Moscow, and Novosibirsk. During the spring of 1999, the carrier, unable to cover its bills, is forced into bankruptcy and must surrender most of its leased aircraft. One of Western Siberia's last independent airlines, Aero Kuznetsk cannot be reorganized or salvaged and is sold on September 17 to cover its debts.

AERO LEASING GENEVE, S.A. (ALG): P.O. Box 310, Geneva Airport, Geneva, CH-1215, Switzerland; Phone 22-717-0000; Fax 22-717-0100; Code FP; Year Founded 1966. ALG is organized at Geneva Airport as a privately owned aircraft leasing operation in 1966.

In 1968, the company begins lightplane passenger and cargo charters around the country. By the end of the decade, the 75-employee carrier possesses a fleet comprising 3 Dassault Falcon 20s, 2 Gates Learjet 55s, 1 Gates Learjet 35, 1 Gates Learjet 24, and 3 Piper PA-31T Cheyennes.

Traffic growth is steady; for example, 7,489 passengers are carried in 1980 and 8,477 in 1982. In the latter year, ALG becomes a member of the JET Europe executive aircraft-marketing consortium.

Air ambulance, air taxi, and charter operations continue in 1983–1985. Traffic figures are no longer provided. In 1986, Managing Director Ernest Saxer's company has increased the number of its Dassaults to 4, by adding a Falcon 10.

Operations continue throughout the remainder of the 1980s and into the 1990s. By 1998–2000, Managing Director Saxer's fleet includes 2 Douglas DC-9s, 3 Falcon 900s and Falcon 50s, 7 Falcon 20s, 4 Falcon 10s, 1 Learjet 55, 2 Learjet 36s, 6 Learjet 35s, 2 Learjet 31s, 2 Canadair Challenger 601s, 2 Cessna Citation IIs, 3 Yakovlev Yak-40s, and 1 Beech King Air 100.

AERO LEASING ITALIANA, S.p.A. (ALI): Via Gregorio Allegri 20, I-00198, Italy; Year Founded 1982. Organized at Ciampino Airport in Rome in 1982, ALI operates executive jet charter flights as a member of the JET Europe air taxi marketing consortium. President G. Giovannetti and General Manager E. Pulidori possess a fleet that comprises 2 Dassault Falcon 20s and 1 Gates Learjet 35.

Air ambulance and air taxi work continues apace over the next 18 years.

AERO LEASING UKRAINE: Kiev-Borispol Airport, Kiev, 252135, Ukraine; Phone 044-216-26-71; Fax 044-216-26-78; Year Founded 1989. ALU is founded at Kiev in 1989 as a subsidiary of the German executive charter operator **Aeroleasing Deutschland, GmbH**. Alexander Gerkin is appointed station manager and begins and continues flights with a single Dassault 20 leased from the parent.

Flights continue over the next decade, by which time Director Gerkin's fleet has been doubled to 2 Falcon 20s.

AERO LICHT: Russia (1991–1995). One of a number of new, privately owned airlines, AL is established at Moscow in 1991 as a joint venture between **Aeroflot Russian International Airlines (ARIA)** and Israeli businessman Yaacov Nimrodi to provide a vehicle dedicated to the transport of Jewish immigrants to Tel Aviv.

Flights continue in 1992–1994 with 15 Ilyushin Il-86s leased from the Russian carrier, but cease in 1995.

AERO LLOYD, S.A.: Chile (1991–1995). Francisco Bartolu forms this passenger charter and air taxi service at Antofagasta in 1991. Revenue operations commence and continue with 1 Cessna 337 and 2 Piper PA-31-310 Navajos. By 1994, 3 more Navajos have been acquired, 1 of which is a PA-31-350 Navajo Chieftain. The company folds in late 1995 as a result of the world airline recession.

AERO LLOYD FLUGREISEN, GmbH. & CO.: Lessingstrasse 7-9, Postfach 2029, Oberurser, D-61440, Germany; Phone 49 (6171) 641-1; Fax 49 (6171) 641 129; <http://www.aerolloyd.de>; Code YP; Year Founded 1980. Privately owned ALF is established at Frankfurt on December 20, 1980 as successor to another concern of the same name, founded in 1979, which went out of business for mysterious reasons on December 5.

After assembling a fleet of 3 Sud-Est SE-210 Caravelle XRs, the company inaugurates passenger charter flights on April 1, 1981. Specializing in tour operations on behalf of travel organizations, including the Air Travel Market, ALF undertakes services to Europe, North Africa, and the Middle East with a fleet that in May 1982 also receives 3 Douglas DC-9-32s.

Operations continue apace in 1983–1985 and passenger enplanements average 300,000 per year. A McDonnell Douglas MD-83 is acquired in March 1986, with another arriving in 1987. Orders are placed for 5 MD-83s and 4 MD-87s. On October 31, 1988, the carrier begins offering

low-cost scheduled domestic services in competition with **Deutsche Lufthansa, A.G.** Major shareholding is held by Air Charter Market (52.25%) and Jan Klimitz (42.7%); orders are placed for MD-11s.

The 457-employee operator owns or leases a fleet of 11 aircraft in **1989**: 3 Caravelles, 3 MD-83s, 3 DC-9-32s, and 2 MD-87s. Munich to London (LGW) scheduled flights begin on December 1.

Overall enplanements for the year total 1.35 million, including 44,000 scheduled.

The workforce in **1990** totals 740 and work begins on a \$10.7-million headquarters building at Oberursel, near Frankfurt. Construction is also started on a new maintenance hangar at Munich 2 Airport.

Full-year scheduled figures show that a total of 231,147 passengers are transported.

Airline employment stands at 650 in **1991** and the fleet now includes 3 leased DC-9-32s, 6 owned and 7 leased MD-83s, and 4 MD-87s. Paris and Zurich join the scheduled network. Scheduled passenger boardings climb 15.3% to 266,605. Income exceeds expenses and the operating profit is \$149.94 million. There is a \$9.87-million net loss.

The workforce grows by 4.9% in **1992** to 886. In March, Senior General Manager Reinhard Kipke's Aero Lloyd is taken over by **Deutsche Lufthansa, A.G.** The new subsidiary suspends its last scheduled route, Frankfurt to Berlin, in April and returns to charter work.

Destinations visited from Berlin, Dusseldorf, Frankfurt, Hamburg are primarily the Mediterranean and Canary Island holiday resorts. Overall enplanements slide 5.2% to 1,143,699 and revenues decline 6.4% to \$341.14 million. Expenses fall 11.7% to \$189.53 million and the operating surplus totals \$151.6 million. The net gain is \$1.63 million.

In **1993**, Senior General Manager Kipke and General Manager Walter Schneider oversee a workforce of 950. The lease on the DC-9-32s is allowed to expire late in the year; however, an Avions de Transport Regional ATR42-300 is provided.

A total of 2,239,200 passengers are flown on the year and a \$7-million loss is suffered.

Airline employment decreases to 850 in **1994** and the fleet now includes 2 MD-82s leased from **Adria Airways**, 13 chartered MD-83s, 2 of which are subleased to the Mexican airline **Allegro Air, S.A.**, and 4 owned MD-87s.

Passenger boardings swell 17.4% to 2.7 million and revenues increase 13% to \$610 million. A net \$5-million profit is reported.

There is no change in the workforce during **1995**, the fifteenth anniversary year. Orders remain outstanding for 6 A320-232s and 7 A321-100s.

Customer bookings total 1,245,000 and revenues are \$431.8 million. A net gain of \$4.1 million is posted.

The workforce remains at 850 in **1996** and the owned fleet comprises 6 MD-83s and 1 MD-87; operated under charter are 6 MD-87s and 2 each MD-82s and MD-87s. The first A320-232 arrives in January wearing the carrier's new color scheme. The 1994 subleases to or from **Adria** and **Allegro** remain in place. Enplanements jump 5.9% to 1,319,400.

With the addition of 5 more A320-232s, all of the MD-87s are retired in **1997**. Thirty minutes into a service from Munich to Cairo on November 4, the left engine of an MD-83 catches fire; on-board equipment extinguishes the blaze and the aircraft makes a safe emergency landing back at its point of origin.

Also in November, the company unveils a "logojet" MD-83, painted in the sponsored-style first pioneered by the U.S. carrier **Western Pacific Airlines (Westpac)**. The inaugural unit serves as a flying billboard for Trigema, with titles proclaiming the carrier "Deutschlands grosster T-shirts- und Tennis-Bekleidungs-Hersteller" (Germany's largest manufacturer of T-shirts and tennis wear).

Passenger boardings this year skyrocket 108.9% to 2,756,000.

Airline employment grows by 28% to 1,340 in **1998**.

Taking off from Frankfurt for Palma de Mallorca on September 2, an MD-83 suffers an explosion of the tires on its left main landing gear, rubber from which is ingested in the left engine, which is subsequently put out of commission. A safe emergency landing is made and no injuries are reported.

Customer bookings dip 1.5% to 2.71 million.

A cooperative agreement is signed between ALF and **Arkia Israel Airlines, Ltd.** on January 24, **1999**, under which the two will jointly market charter flights and lease aircraft. The partnership is the first for Arkia with a European airline.

With the beginning of the summer holiday season at the end of March **2000**, new charters to Rome are started from Berlin, Dusseldorf, Hanover, and Munich. Frequencies to Tel Aviv are also doubled.

AERO LLOYD WARSCHAU, S.A.: Poland (1922–1925). During the summer of **1922**, Lloyd Ostflug, GmbH. CEO Gotthard Sachsenberg and Danziger Luftpost, GmbH. chief Erich Milch undertake further efforts to expand eastward. In Poland, the two enter into discussions with the Fanto and Polnaft oil companies, which agree to participate in the formation at Danzig of a Polish airline, Aero Lloyd Warschau, S.A.

Under terms of the July pact, the oil companies will provide fuel, Junkers Flugzeugwerke, A.G. will supply F-13s, and Danziger Luftpost will provide ground support and operational management. The new Polish company signs a contract for the eventual purchase of 14 F-13s. Revenue services commence in September over a route from Danzig to Warsaw and L'viv.

The company's route system is expanded during the summer of **1923** from Warsaw to Kraków and Poznan. Operations continue apace until March **1925** when the Polish government takes over the company, renaming it **Polska Linea Aerolot, S.A.**

AERO-MITLA, S.A. de C.V.: 4/a Martire de Tacubaya, 401 Oaxaca, Oaxaca, 68000, Mexico; Phone 52 (91) 951591; Year Founded 1996. Ricardo Yanez and Jorge Arturo Yanez Torres set up Aero-Mitla at Oaxaca in **1966** to provide regularly scheduled all-cargo services to domestic destinations. Revenue flights begin and continue with a single Douglas DC-3.

AERO NIGER, S.A.: Niger (1961–1966). H. F. Baffert establishes this air taxi concern at Niamey in **1961** to provide services throughout the newly independent country. A base is also set up at Zinder and revenue flights begin with 2 Jodel D.140 Mousquetaires.

The state-owned airline **Air Niger, S.A.** takes over the company in **1966**.

AERO-NORD, A.S. See INTERNORD, A.B.

AERO O/Y: Finland (1923–1947). Having received promises of technical support from the German aircraft builder Junkers Flugzeugwerke, A.G., Consul Bruno Otto Lucander (CEO of the Estonian carrier **Aeronaut, A.S.**) and associates sign a charter establishing Aero O/Y on September 12, **1923**. The company is registered on October 9 and at shareholders' meeting on November 1, the decision is taken to appoint Lucander as general manager and to begin operations. Additional startup capital is pledged on December 12.

The carrier's first aircraft, a Junkers F-13 with interchangeable skis and floats, is delivered on March 14, **1924**. Service is inaugurated on March 20—a mail flight from Helsinki to Tallinn.

In cooperation with the new operator **ABA Swedish Airlines, A.B.**, a route is extended from Helsinki to Stockholm on June 2. The first Finnish pilot, Gunnar Lihr, is hired during the summer, bringing airline employment to seven. A total of 269 passengers are carried on the year.

During the summer of **1925**, technical support from Junkers is lost following formation of the German airline **Deutsche Luft Hansa, A.G. (DLH)**. During the year, 833 sight-seeing, charter flights are made.

With a government loan, a float-equipped Junkers G-24 is purchased; delivered on June 4, **1926**, it is placed in summer-only service on the Stockholm frequency. The loan is actually a subsidy, which will be continued annually thereafter.

Aero O/Y joins the International Air Traffic Association (forerunner of today's IATA) in **1927**. During the spring, CEO Lucander and several

journalists make the company's first around-Finland flight. The Turku-Ruissalo air harbor is opened in May and Turku-Stockholm service is begun.

In June 1928 Gunnar Lihr, flying the F-13, rescues a crewman from the Italian airship *Italia*, downed north of Spitzbergen.

The company introduces summer season charters from Stockholm to Mariehamn on the Åland Islands. Also during the summer, the carrier begins night-airmail flights. During these nocturnal services, all Finnish post, including letters, postcards, and postal orders, are initially flown by air without special charge.

Pilot Lihr locates the wrecked Norwegian ship *Bratvaag* in 1929. Founder Lucander dies in August and is succeeded by Gunnar Stihle. Finnish investors buy out the last remaining Junkers interest in the company. By year's end, the fleet includes 4 F-13s and 1 G-24.

Aero O/Y and **ABA Swedish Airlines, A.B.** introduce the marketing name "Scandinavian Air Express" in 1930 to cover their Stockholm-Helsinki operations, the northern portion of which is flown by Aero O/Y. Joint summer night-airmail services are also inaugurated, Stockholm-Helsinki-Amsterdam.

The first of five ordered Junkers Ju-52/3ms is delivered in late spring 1932 and is placed on the Helsinki-Stockholm route on July 1. The other 4 are delivered over the next 10 years. The G-24 is retired in 1935 and in September of that year, Finland's first civil airport, Turku-Artukainen, is opened.

With the opening of the new Bromma Airport in early July 1936, the "Scandinavian Air Express" services, flown in cooperation with **Aero O/Y**, between Helsinki and Malmö are now extended on to Stockholm. The last Junkers F-13 Helsinki-Stockholm seaplane service is flown on December 15, as Aero O/Y's operations are transferred to newly finished Helsinki Malmi Airport.

The first of two DeHavilland DH 89A Dragon Rapides is received in early 1937, allowing the offering of domestic service. On May 1, these British aircraft open routes from Helsinki to Vilpuri and Tampere.

The second DH 89A is delivered in 1938 and the Vilpuri route is extended to Imatra and the Tampere segment to Vassa.

During the summer, same-day "Arctic Air Express" service is introduced over a route from Helsinki to Petsamo, via Tampere, Vaasa, Oulu, and Kemi.

The Tallinn international route is lengthened, via Riga and Kaunas, to Berlin. Two Focke-Wulf FW-200 Condors are ordered in October for delivery the following autumn.

In the spring of 1939, the northern domestic route is extended to Oulu and Kemi. In October, all Finnish civil aviation is subjected to military control. Upon the outbreak of the Winter War on November 30, the Finnish Air Force takes over Aero O/Y's two DH 89As. The Ju-52/3ms are transferred from Helsinki to Bassa in December, and service to Stockholm is maintained. Delivery of the FW-200s is cancelled and the carrier is forced to withdraw from transatlantic negotiations with the other Scandinavian countries.

With the war with Russia over in 1940, Helsinki service to Tallinn is restarted on April 2 and to Stockholm on April 3.

A "Lapland Express" is begun on June 2 over a route Helsinki-Tampere, Vassa, Kokkola, Oulu, Kemi, Rovaniemi, Sodankylä, and Petsamo. A Soviet fighter plane near Kar, Estonia, shoots down a Ju-52/3m with nine passengers on June 20; there are no survivors.

Mariehamn is added to that network in October.

During the last week of March 1941, 2 Douglas DC-2s, which had belonged to the Czech carrier **CLS Czechoslovak Airlines**, are obtained from **Deutsche Lufthansa, A.G. (DLH)**; these are delivered in April and, christened *Voima* and *Sisu*, enter service on June 1.

The Russo-Finnish Continuation War erupts on June 25. Once again, Aero O/Y's fleet is subjected to military control; operations are shifted from Helsinki and Turku to Pori. At some point during the year, the airline receives the former **Deutsche Lufthansa, A.G. (DLH)** Junkers Ju-52/3m *Th. Schopwinkel*.

In 1942-1943, flights continue over essential routes to Rovaniemi, Stockholm, and Berlin. The last of the 5 ordered Ju-52/3ms is delivered

during the former year, while the *Voima* and *Sisu* are taken over by the Finnish Air Force. The Continuation War ends on September 19, 1944.

With Malmi Airport under jurisdiction of the Allied Control Commission (ACC), the carrier's surviving aircraft are transferred to Hyvinkää. Service from Hyvinkää-Stockholm, via Turku and Mariehamn, is launched in January 1945. This service is banned by the ACC on March 2 and Aero O/Y is required to stand down. Domestic operations resume on August 13, but Managing Director Stahle is forced to resign in December.

Domestic flights continue in 1946 under the leadership of Acting Managing Directors C. J. Ehrnrooth and Uolevi Raade. The government acquires 70% majority of the company's stock, leaving the remaining 30% in private hands. The state purchases 8 war surplus Douglas C-47s, 5 of which are converted to civil DC-3 standard by Fokker in the Netherlands. The first DC-3 arrives at Helsinki on October 19.

In January 1947, the 7 additional DC-3s purchased by the Ministry of Communications and Public Works the previous year are received; all have been converted to civil standard. These begin domestic flights in May, the same month the airline's administration is reorganized and the name **Finnish Air Lines O/Y** replaces the pioneering Aero O/Y.

AERO PACIFICO, S.A. de C.V.: Mexico (1989-1992). AP is organized at La Paz in 1989 to fly all-cargo services around the region employing a single Boeing C-97G Stratofreighter. The dramatic increase in fuel costs following Iraq's August 1990 invasion of Kuwait puts the one-plane operation out of business.

The Stratofreighter is repainted at Tucson, Arizona, in October 1992, but the company suspends operations in December.

AERO PORTUGUESA (SOCIEDADE AERO PORTUGUEZA, S.A.): Portugal (1934-1953). This carrier is formed at Lisbon in June 1934 with controlling interest taken and assistance provided by **Air France**. With chartered French aircraft, a service is opened to Tangier on October 20. A pair of Wibault 283.T12s are acquired from the French state airline at decade's end and employed to stretch the Tangier leg to Casablanca.

By 1942, only one Wibault remains in flying condition and, there being no spare parts available from France, operations are suspended. In the spring of 1943, the French surrender one-half of their shares to a Lisbon shipping company, allowing the carrier to become Portuguese controlled. Thrice-weekly flights to Casablanca resume on January 12, 1944 with a new Lockheed Lodestar; after V-E Day, the Tangier route is resumed.

There is no further expansion and the airline slides downhill toward its April 1953 shutdown.

AERO REPUBLICA, S.A.: CRA-10, No. 27-51, Ofc 303, Terminal Aereo Simon de Bolívar Apto Eldorado, Bogotá DC, Colombia; Phone 57 (1) 342-7221; Fax 57 (1) 283-1680; Code P5; Year Founded 1992. During 1991, Colombian President Cesar Gaviria, a champion of free markets, permits domestic airline liberalization. The national civil aviation department, AeroCivil, approves new airlines and awards new routes, while dropping its policing of ticket prices.

Founded at Bogotá on November 23, 1992, AR's major shareholder is the Promotora de Inversiones Superior, S.A. Alfonso Avila is named president/CEO, with Juan Manuel Pulido as vice president-operations. Unlike its established rivals, the start-up will have the cost advantage of operating without trade unions.

The new entrant, the nation's first new airline in a quarter century, inaugurates scheduled domestic passenger and cargo services on June 19, 1993, with a single leased Boeing 727-46, first delivered to **Japan Air Lines Company, Ltd. (2)**. Leticia joins the route network in October.

Traffic figures are released for only the second and third quarters and show enplanements of 61,397 and a total of 1.1 million FTKs are flown.

Although the new government of President Ernesto Samper is more conservative in 1994, it cannot put the liberalization genie back in the bottle. Domestic airlines, including ACES Colombia, continue to add capacity, start new routes, and cut fares or engage in fare wars.

AR adds flights to Aruba and seeks traffic rights to Orlando.

The carrier is able to expand in **1995–1999**, becoming Colombia's third largest domestic carrier. Its workforce grows to 186 and the fleet includes 2 Boeing trimotors, 5 Douglas DC-9-32s, and 3 DC-9-31s. A second hub is established at Cali and destinations visited from it and Bogota include Aruba, Barranquilla, Cartagena, La Habana, Leticia, Medellin, Monteria, San Andres, and Santa Marta. Traffic and financial figures are not available.

Late in 1999, the U.S. FAA recertifies Colombia's airline safety. Enplanements total 749,000 and 2.32 million FTKs are operated.

As a result of the recertification, the U.S. and Colombian regulatory agencies, in late spring of **2000**, agree to an increase in the number of flights between the two nations. In June, Aero Republica is granted rights to operate its first international route, promptly beginning return charters, four to five per week, to Orlando.

AERO RETARDANT. *See* **PACIFIC ALASKA AIRLINES**

AERO SAFARI, S.A. de C.V.: Mexico (1961–1966). Captain Roberto Fierro forms AS at Cozumel in **1961** to begin offering Beech single-engine service for tourists from that town to Mujeres, plus destinations in Quintana Roo and Yucatan.

Local competitor Aero Taxi purchases and merges Aero Safari in early 1965; once integrated under the latter's name, new owner Fernando Barbachano's little airline begins scheduled services on October 24, flying from Cozumel to Tulum, Isla Mujeres, and Chetumal.

Permission to fly a regularly scheduled route from Merida to Tuxpan is obtained from the government in August **1966**, at which point Barbachano leases a Hawker Siddeley HS 748 from **COPA (Compania Panamena de Aviacion, S.A.)** of Panama.

In September, the Mexican government approves of an exchange of equipment and services between Aero Safari and Manuel Gomez Mendez's newly incorporated **Servicio Aereo Gomez Mendez, S.A. de C.V.** Finding themselves compatible, Barbachano and Gomez Mendez fly to London, conduct negotiations, and then combine their operations on November 1 into a new carrier, **Aeromaya, S.A. de C.V.**

AERO SAHARA, S.A.: France (1950–1962). With bases at Tunis and Algiers, AS is established in France in **1950** to provide charter service in support of the French energy industry. Revenue flights commence with 2 de Havilland DH-89A Dragon Rapides and 4 Norduyn Norsemen.

Flights taking petroleum workers into North Africa continue during the remainder of the decade. During these years, the fleet is increased by the addition of 1 Vickers Viking I and 1 DH-114 Heron 1B.

In the late **1950s**, the company becomes a Dornier distributor. In the process, it assigns to its in-house operation 5 Dornier 27As. Service continues until the independence of Algeria in **1962**.

AERO SANTA, S.A.: Apartado 1429, Lima, 100, Peru; Phone 51 (14) 469 756; Fax 51 (14) 469 428; Code UJ; Year Founded 1994. As is established at Lima in January **1994** to provide regional and domestic charters. Traffic figures are reported through September and show bookings of 205,728. The company barely survives its first anniversary.

Achieving a measure of viability in **1995–1996**, the company begins to expand and adds 1 each B-737-200A and B-727-200A. Traffic figures are provided for the first quarter of **1997** and show enplanements of 50,316. Flights continue into the new millennium.

AERO SERVICE, S.A.: Avenue Amilcar Cabral, BP 1115, Brazzaville, Republic of the Congo; Phone 242 (83) 06 65; Fax 242 (83) 09 47; Code BF; Year Founded 1962. As is established at Brazzaville in **1962** as the air transport department of a frozen food company. Charter services to regional and domestic destinations commence in **1964** and continue apace through the late **1980s** and into the **1990s**.

By **1993–1994**, the onetime division has been reformed into the airline subsidiary of TAG Light Aviation. C. H. Grisbaum is president and

employs a workforce of 52. His fleet comprises 2 CASA C-212-DF722s, 1 C-212-CB13, 2 Cessna 402s, and 1 each Cessna 182, Cessna 206U, Cessna 172, Grumman G2, and Swearingen SA-227AC Metro.

From bases at Brazzaville and Pointe Noire, scheduled and ad hoc passenger and charter flights are offered to Dolisie, Nkayi, Impfondo, Ouessou, Makabana, Owando, Libreville, Zanaga, Port Gentil, Kinshasa, Nuanda, Cabinda, Luanda, and Soyo.

Operations continue apace in **1995–2000**, during which years, the fleet is enhanced by the addition of a single, leased Aero International (Regional) ATR42-320.

AERO SERVICIOS-TRANS CARIBBEAN AIRLINES, S.A.: Honduras (1958–1986). Aero Servicios is formed at Tegucigalpa in **1958**. Equipped with a fleet that comes to comprise a total of 2 Piper Aztecs, 1 Piper Apache, 2 Cessna 190s, and 1 Cessna 185, the 10-man carrier undertakes and continues charter work throughout the nation and to nearby countries.

Flights continue in **1959–1993**, during which years the company also operates a Convair CV-440. Services are suspended in December of the latter year.

AERO SOUTHWEST: United States (1975). As is set up at Altus, Oklahoma, in **1975** to provide scheduled air taxi flights to Oklahoma City. Although Cessna 206 roundtrips are duly inaugurated, they cannot be maintained beyond year's end.

AERO TAXI (1): 6028 Cessna Dr., Rockford, Illinois 61109, United States; Phone (815) 963-4444; Fax (815) 963-8885; Year Founded 1969. The FBO Aero Taxi is established by Bruce Swisher at Rockford, Illinois, **1969**; ad hoc cargo charters are also flown throughout North America. Over the next 30 years, Swisher will employ five full-time and six part-time pilots. In **2000**, it bases 2 Dassault Falcon 20s and 2 Mitsubishi Mu-2s at Rockford. It also keeps 1 Beech 18H at the Illinois facility while 1 Beech 18S is stationed at Huntsville, Alabama.

AERO TAXI (2): 110 Old Churchman's Road, New Castle, Delaware 19720, United States; Phone (302) 328-3430; Fax (302) 328-5615; Year Founded 1988. FBO Aero Taxi is set up at New Castle County Airport in **1988** and, over the next decade, also offers a significant variety of both passenger and cargo charters. By **2000**, President Dirk Dinkeloo employs six full-time and five part-time pilots. At the Delaware base are stationed 2 each IAI-1124 Westwind Is and Cessna 310s, along with 1 each Cessna 310R, Beech 18, and Beech 35 Bonanza. Another C-310R passenger aircraft is also maintained at Williamsport-Lycoming County Airport in Pennsylvania.

AERO TAXI (3). *See* **AERO SAFARI, S.A. de C.V.**

AERO TAXI DEL VIZCAINO, S.A. de C.V.: Mexico (1993–1996). This new Mexican third-level carrier is established in **1993** to provide regional passenger and cargo flights. Revenue operations commence and continue with a single leased Fairchild-Swearingen Metro II. Operations continue into **1996**.

AERO TAXI JACAREPAGUA, LTDA.: Av. Ayton Senna, 2541 Aeroporto de Jacarepagua, Barra da Tijura, RJ, 22775-000, Brazil; Phone 55 (21) 325-5301; Fax 55 (21) 325-5301; Year Founded 1996. Patrick M. M. Valansi, David G. M. Hetzei, and Clodoaldo Da Silva Santos set up ATJ at Barra da Tijura in **1996** to offer regularly scheduled, third-level passenger services to domestic destinations. Revenue flights begin and continue with a single Embraer EMB-110 Bandeirante.

AERO TAXIS (COMPANHIA AERO TAXIS, S.A.): Angola (1961–1966). Aero Taxis is set up at Luanda in 1961 to provide on-demand passenger and air cargo services throughout the country with 2 Stinson Voyagers.

The company proves so successful that it is able to increase its fleet and services during the remaining five years of its existence. Acquired

are 1 de Havilland Canada DHC-3 Otter (that is soon sold) plus 1 Piper PA-23 Aztec (christened *Lt. Col. Carloto Castro*) and 2 PA-24 Comanches (*Dembos* and *Uige*).

AERO TONALA, S.A. de C.V.: Mexico (1993–1995). During the late spring of 1993, the air taxi operator Aero Tonalá is contracted by the travel group Magnicharters to offer regional passenger charters on its behalf. In hopes of expanding its presence into the national airline scene, Aero Tonalá leases a Boeing 727-230, first flown by **Deutsche Lufthansa, A.G.**, as an upgrade to its fleet, which already owns 1 Gates Learjet 25D, 1 Learjet 35A, and 1 Fairchild-Swearingen Metro II.

The Boeing commences tour flights to various historic sites and regional cities in August. Unable to achieve airline viability, the company must halt these services in January 1994 and return its big jetliner to its lessor. Operations with the smaller planes continue into 1995 when the company shuts down.

AERO TRADES WESTERN, LTD.: Canada (1974–1984). ATW is established at Winnipeg's airport in 1974 to offer both charter and scheduled services. In addition to a fleet of ex-Canadian Forces Douglas C-47s (military DC-3s), the company offers scheduled flights with a de Havilland Canada DHC-6 Twin Otter. The first commercially appointed DC-3 arrives in 1976. In 1978, the DHC and DC-3 are sold when a Convair CV-640 is purchased from **Pacific Western Airlines, Ltd.** The fleet is simultaneously enhanced by the addition of a DC-4.

The four-engine Douglas transport is lost in a crash at Thompson on June 1, 1979 and it is replaced by another aircraft; two more DC-4s purchased in 1980 are dedicated to all-cargo service. One of these is written off following an accident on December 2, 1981. The CV-640 is sold to **Worldways Canada, Ltd.** in 1983. At this point, the carrier is in significant financial difficulty as the result of a recession-caused traffic downturn. Unable to revive, it agrees to be taken over by Warton, Ontario-based **Soundair, Ltd.**, later **Soundair Express, Ltd.**, in late 1984.

AERO TRANS COLOMBIA DE CARGO: United States (1993–1994). ATCC is established at Miami in 1993 to provide all-cargo services to Bogotá. Revenue operations commence with a single Douglas DC-8-54F, but end within a year.

AERO TRANSPORT, S.A.: France (1922). This short-lived airline is formed at Paris in early 1920. Equipped with Sopwith biplanes and working with the Swiss Ecole-Aéro, it inaugurates every-five-days service between Paris and Geneva on July 1. Operations cease following the summer season.

AERO TRANSPORT FLUGBETRIEBSGESELLSCHAFT, GmbH.: Austria (1962–1964). ATF is established at Vienna in the early spring of 1962 to offer air holiday charter and inclusive-tour flights to destinations throughout Europe. A Lockheed L-049 Constellation is purchased from **Trans World Airlines (TWA)** and employed to launch nonscheduled services during the early summer.

At the beginning of 1963, an L-749A is purchased from **Skyways, Ltd.** along with another L-749A previously operated by the huge U.S. **Transocean Air Lines (TAL)**. In late fall, following the close of the summer tourist season, the Constellations are again allowed to fly worldwide charters. In November, one of the aircraft is impounded at Djibouti, French Somaliland, after French authorities find it is transporting arms for Yemeni Royalists fighting Egypt.

Although the Lockheed held in Africa is eventually released, difficulties continue to plague the carrier, most of a financial nature. Just after the holiday season begins in 1964, one of the L-749As is impounded at Vienna's Schwechat Airport to cover corporate debt. Unable to raise funds enough to free its plane or to continue, ATF folds.

AERO TRANSPORTES. See ATSA (LINEAS TRANSCONTINENTALES DE AERO-TRANSPORTES, S.A.)

AERO TRANSPORTI ITALIANI, S.p.A. (ATI LINEE AEREE NAZIONALI): Italy (1963–1994). Organized at Naples on December 13, 1963 as successor to **Societal Aerea Mediterranea, S.p.A.** and as a domestic subsidiary of **Alitalia, S.p.A.**, the new entrant undertakes scheduled services on June 3, 1964 with a fleet of 3 Fokker F.27-200 Friendships. Emphasis is placed on an increase of air transport frequencies to the Mediterranean islands and southern mainland area and, in July 1966, flights also commence to Libya on behalf of **Libyan Arab Airlines**.

While approaching Reggio de Calabria from Rome on May 25, 1969, an F.27-600 with 5 crew and 31 passengers strikes a wall at the edge of the South Agata River that causes the aircraft to crash (1 dead).

The first DC-9-32 joins the fleet on July 24.

As a result of the addition of jetliners, services are expanded and, in 1970–1971, the company is operating a scheduled "Aerobus" service linking 30 cities. Additionally, and with aircraft from the parent, the company undertakes inclusive-tour charters to destinations in North Africa and Europe.

The carrier's Fokkers are involved in two fatal accidents during 1972. En route from Rome with 3 crew and 15 passengers on April 16, an F.27-200 crashes at Amaseno during a thunderstorm; there are no survivors.

On October 6, an F.27-200 en route from Trieste to Bari with 3 crew and 7 passengers, is hijacked by one of the customers, who demands L200 million in ransom and a flight to Cairo. The aircraft returns to Trieste, where the other passengers are released and the crew escapes. Police open fire on the aircraft and upon storming it early the next morning find the young pirate dead.

En route from Naples to Bari on October 20, an F.27-200 with 3 crew and 24 passengers, crashes into a hill at Poggiorsini; there are no survivors.

By 1977, Chairman Carlo Bernini's company employs 1,550 workers and owns a fleet comprising 16 Douglas DC-9-32s and 5 F.27s. Enplanements are 2,488,082.

Passenger boardings decline by 2.9% in 1978 to 2,417,962 and freight traffic is down by 6.2% to 5.5 million FTKs.

The workforce in 1979 totals 1,669. While en route from Milan to Cagliari on September 14, a DC-9-32 on landing approach with 4 crew and 27 passengers, crashes into a 2,000-ft. mountain near Sarroch, Sardinia; there are no survivors.

The decline in traffic continues as customer bookings fall 13.3% to 2,096,583 and cargo drops 30% to 3.8 million FTKs.

Employment is increased by 19.3% in 1980 to 1,991. Enplanements rebound 6.3% to 2,228,000 while freight declines another 6.8% to 3.09 million FTKs.

The workforce is reduced by 3.1% in 1981 to 1,929. In March, ATI and **Alitalia, S.p.A.** form a new domestic airline, **Aeromediterranea, S.p.A.**, with the former taking a minority interest. Enplanements total 2,794,583, a boost of 25.4%, while cargo rises 13% to 4 million FTKs.

In 1982–1983, the fleet is increased to 21 DC-9-32s. Destinations now scheduled include: Alghero, Ancona, Bari, Bergamo, Bologna, Brindisi, Cagliari, Catania, Genoa, Lampedusa, Milan, Naples, Palermo, Pantelleria, Pescara, Pisa, Reggio Calabria, Rome, Trapani, Trieste, Turin, and Venice. Bookings increase by 10.7% to 3,050,000 in 1982, while cargo climbs 5.6% to 4.3 million FTKs. In 1983, passenger boardings increase 3.4% to 3,200,288 as freight jumps 8.3% to 4,604. At the close of these two years, the workforce numbers 2,000.

In 1984, the 2,000-employee company enjoys a 2.4% spurt in passenger boardings to 3,276,937 as cargo accelerates 14.8% to 1.41 billion FTKs. ATI is merged with **Aeromediterranea, S.p.A.** under the ATI banner in the late summer of 1985. Twelve DC-9-30s are transferred to the enlarged domestic airline from **Alitalia, S.p.A.**, while orders are placed for a fleet of Avions de Transport Regional ATR42-312s. The older networks of the two companies are combined, while a number of domestic routes are also turned over by the major.

Passenger boardings jump 30.7% to 4,284,000; however, the workforce is actually decreased by 3.8% to 1,924.

The workforce grows by 14.4% in **1986** as the carrier flies as a subsidiary of **Alitalia, S.p.A.**

Customer bookings rise 3.3% to 4,584,976 and freight bounces upward by 13.3% to 8.75 million FTKs.

Airline employment is increased again in **1987**, up 7.5% to 2,365.

Routes served now include Florence–Milan and Rome, Bologna to Milan and Naples, and Turin to Zurich, the latter on behalf of **Alitalia, S.p.A.**

En route from Milan on October 15, an ATR42-312 with 3 crew and 34 passengers begins to roll violently and the pilot loses control. The turboprop crashes into 700-m.-high Mount Crezzo and there are no survivors. Icing is suspected as a cause of the disaster.

Passenger boardings climb 11.3% to 5,103,534 while cargo moves along a positive 8.2% to 9.47 million FTKs.

The fleet in **1988** includes 17 DC-9-30s, 12 MD-82s, 6 ATR42s, and 4 leased DC-9-32s. Orders are outstanding for 11 more ATR42-312s. Customer bookings increase by 4.8% to 5,347,264; however, cargo is down by 4.8% to 8.07 million FTKs.

Nicola Quarta is chairman in **1989**, with Gaetano Galia as managing director. Three additional ATR42-312s arrive as operations continue apace.

Traffic figures are only available for the first four months of **1990**. These show that a total of 1,995,885 passengers and 3.27 million FTKs are flown. As additional jetliners are received, plans are made to withdraw the ATR42-312s.

Atitech, S.p.A. is established on December 4 and on December 12 the subsidiary **Avianova, S.p.A.** takes over **Aliblu, S.p.A.** Total income reaches 8.18 million lire.

Fleet revitalization in **1991** shows an equipment list of 1 ATR42-312, 9 leased DC-9-32s, 13 MD-82s, and 13 owned and 2 leased MD-83s. A 6% minority interest is taken in Alisurance, S.R.L. The last turboprop is withdrawn in **1992** as 10 more MD-83s are delivered. Minority 41% shareholding in Atitech, S.p.A. is sold to **Alitalia, S.p.A.**

In **1993**, Managing Director Galia oversees a workforce of 2,900. One DC-9-32 is removed as the number of leased MD-83s is increased by 12. From Alghero, flights are made to Genoa, Pisa, and Turin; from Florence, to Naples and Rome; from Trapani to Pantelleria and Palermo; from Pantelleria to Palermo; from Genoa to Naples and Catania. Other destinations include Bari, Cagliari, Milan, and Venice. Enplanements total 4.9 million.

Scheduled and charter operations continue apace in **1994** as the number of MD-80s reaches 39, along with 11 DC-9-32s. Operations cease before year's end.

AERO TRANSPORTS ERNOUL, S.A.: France (1919–1922). A small pioneer, ATE is formed at Toulouse during the summer of **1919**. Toward the end of the year, it stretches two routes from its base: to Bordeaux via Agen and to Montpellier via Narbonne and Beziers.

The enterprise cannot be maintained beyond **1922**.

AERO TROPICAL, S.A.: Angola (1994–1996). AT is set up at Luanda by Adao Campos in **1994** to provide regional all-cargo services. Revenue flights commence with one each Antonov An-12B and An-32B, both leased from Moldavia.

Destinations visited during the remainder of the year and **1995** include Benguela, Cabinda, Kuito, Luena, Menongue, Namibe, and N'Giva.

The An-12B with eight passengers crashes at Lucapa on February 27, **1996**; there are no survivors. The company closes its doors by spring.

AERO T.Z. (AERO-KOMUNIKACJA POWIETRZNA, S.A.): Poland (1925–1929). In the spring of **1925**, the Poznan-based Association of Polish Airmen purchases several Farman F-70s and establishes its own airline, Aero T.Z. Initial service is launched during the summer from the carrier's base to Warsaw via Lodz. This route is subsequently extended to Brno, Czechoslovakia.

On January 1, **1929**, the government takes control of Aero T.Z. and its rival, **Aerolot, S.A.**, and consolidates the two into the state carrier **LOT Polish Airlines, S.A.**

AERO UNION. See **DEUTSCHER AERO LLOYD A.G.**

AERO UNION: Chico Municipal Airport, Chico, California, United States; Phone 1 (916) 896-3014; Fax 1 (916) 896-3099; http://www.aerounion.com; Code XAU1 Year Founded 1959. AU is established at Chico, California, in **1959** to undertake contract and charter freight and aerial tanker services for forest fire control. Operations commence with Douglas DC-4s.

Flights continue apace throughout the **1960s–1970s** and by **1985** the fleet includes 8 DC-4s and a Boeing 377 Stratocruiser, plus light aircraft.

Largely unheralded, President Dale Newton's airline employs a workforce of 150 in **1994** and flies 7 DC-4s, 2 Piper PA-32 Cherokees, and a number of former military aircraft, including 12 Lockheed PV2 Neptunes and 5 P-3 Orions. Operations continue.

Flights continue in **1995–1998**. During these years, Victor E. Alvistur becomes president.

Airline employment stands at 200 at the beginning of **1999**. The fleet now includes 2 DC-4s, 4 PV2s, 7 P-3s, 2 Piper PA-32-300 Cherokee Sixes, and 1 each PA-23 Aztec and PA-39 Twin Comanche.

AERO URUGUAY, S.A.: Uruguay (1977–1991). The Luxembourg-based all-cargo airline **Cargolux Airlines International, S.A.** joins with Montevideo businessmen led by the former director of civil aviation, Colonel Atilio Bonelli (who becomes chairman), to create this ad hoc and split-charter operation at the Uruguayan capital in **1977**. Employing a leased Canadair CL-44D, the 24-man carrier, operated by Cargolux under a three-year management contract, inaugurates flights from Carrasco Airport to San Juan on November 12.

During the first half of **1978**, a Boeing 707-331C is purchased used from the American carrier **Trans World Airlines (TWA)**. On October 9, the owned aircraft is employed to initiate international cargo charters to European, Caribbean, South American and North American destinations. A Douglas DC-8-63CF is acquired within a year of startup as an increased variety of cargos are flown to a larger number of destinations in **1979–1981**. In June **1982**, the carrier is forced to suspend operations.

Aero Uruguay, S.A. remains dormant until **1986** when it resumes flying a chartered DC-8-55F. Following the bankruptcy of **ARCO (Aerolineas Colonia, S.A.)** in the spring of **1987**, the company purchases a former **Horizon Air** Fokker Fairchild F-27A Friendship, which is employed in the Colonia–Buenos Aires passenger market.

At the end of the decade, the Douglas freighter is replaced with 2 leased Boeings, 1 707-321C, and 1 707-351C. Unable to make a profit for a second time, the company suspends operations for good late in **1991**.

AERO VIRGIN ISLANDS: United States (1977–1991). AVI is formed by Joseph Cranston at St. Thomas, U.S. Virgin Islands, early in the first quarter of **1977** to offer scheduled passenger, mail, and charter services to San Juan, St. Croix, and St. Thomas. Ownership is divided between private interests (92%), public interests (6%), and the government (2%). A fleet of 5 Douglas DC-3s is assembled, 3 by lease from **Air BVI, Ltd.**, and President Reuben B. Wheatley's carrier inaugurates daily roundtrip flights on March 4.

As the result of fuel mismanagement, both engines of a DC-3 quit 12 mi. off Luquilla, Puerto Rico, on January 2, **1978**; the plane is ditched (and lost), but there are no fatalities.

Operations continue apace and without significant change or incident during the remainder of the decade and into the 1980s.

Enplanements by **1983** total 79,000, but dip to 76,154 in **1984**.

A major expansion is undertaken in **1985** as the payroll grows 80.4% to 101 and the fleet adds another DC-3. Passenger boardings jump 51.7% to 157,667. Airline employment grows an additional 39.5% in **1986** to 113 as customer bookings rise 3.7% to 158,104.

The workforce is increased by 7.1% in **1987** to 121 and orders are placed for 3 Martin 4-0-4s. Although service to St. Croix is dropped at year's end, enplanements for the year rise to 167,000. In **1988–1989**, the fleet is upgraded by the addition of a Martin 4-0-4. A number of aircraft

are destroyed or damaged when Hurricane Hugo wrecks the company base on September 17 of the latter year. Services must be cut back in 1990 and, when combined with the effects of recession, the move will prove fatal. The carrier is forced to shut its doors in 1991.

AERO VOLGA CONCERN: Russia (1992–2000). Based at Samara, some 700 km. SE of Moscow, AVC is split off from **Aeroflot Soviet Airlines** in 1992 to serve as the enlarged parent operating company for 11 small former Aeroflot departments in the region and surrounding districts of Saratov, Nizhni Novgorod, Ulyanovsk, Penza, Orenburg, Tchevashiya, Mordoviya, and Mari-el. Under the leadership of Director General Boris Komonov, Samara's airport, Kurumoch, is upgraded for international flights; previously, all services had to operate through an approved gateway—Moscow, Kiev, or Tashkent.

Revenue operations are continued over the combined previous routes with a large cast-off Soviet fleet of more than 130 aircraft—plus a number of helicopters—including 20 Tupolev Tu-154s, 20 Tu-134s, 15 Yakovlev Yak-42s, 10 Yak-40s, 50 Antonov An-24s, 10 Let 410s, and about 10 Ilyushin Il-76 freighters. The average age of this fleet is about 75% of design life. AVC handles about 8% of all Russian traffic for the year; charter business increases with a total of 2,837 flights, in addition to 2,810 business charters. Enplanements for the year total 4,817,218.

From this point on, the situation darkens. Fuel prices grow by 172% in 1993, overhaul costs by 60%, and other costs by 30% or more. Although fares are increased by 24%, the hike covers just 60% of the avgas bill. As the year ends, frequencies are cut nearly in half.

Passenger boardings during the 12 months decline by 34.5% to 3,581,610, while freight traffic is off 28.1% to 542 million FTKs.

Traffic continues to decline in 1994 and, consequently, the fleet is rationalized; many aircraft are parked. Director General Komonov operates 11 Tu-154/154Ms, 4 Il-76s, 2 Yak-42s, and an undisclosed number of Tu-134s and Yak-40s. The company, without success, begins to actively seek business partners or joint ventures for commercial services. Customer bookings fall 28.9% during the year to 2,547,000, while cargo slides 12.4% to 475 million FTKs.

Flights continue in 1995–1998, during which years Alexandr F. Kozlov becomes director general and the fleet is reduced to just 4 Tu-154Ms, 1 Yak-40, and 1 Yak-42. Destinations visited during the latter year include Bologna, Brussels, Cologne, Dresden, Dusseldorf, Florence, Frankfurt, Gothenburg, Graz, Hamburg, Hanover, Innsbruck, Klagenfurt, Kosice, Leipzig, Linz, Munich, Nuremberg, Oslo, Paris, Salzburg, Stuttgart, Venice, Vienna, and Zurich.

Under the leadership of new Director General Victor Tchomov, AVC enters into merger discussions with cross-town competitor **Samara Airlines (Samara Avialinii)** during 1999. Although government objections are raised, they are overcome by October 21. The final union of the two airlines under the **Samara Airlines (Samara Avialinii)** name occurs on February 14, 2000. Samara gains 2 Tu-154Ms from a once-huge fleet and all AVC employees retain their jobs.

AERO ZAMBIA, LTD.: Zambia 1994–2000. After the demise of the then-national airline **Zambia Airways Corporation**, AZL is established at Lusaka on May 21, 1994 to provide scheduled international and regional passenger and cargo services. F. David Tokoph is appointed chairman and managing director. Domestic and regional routes are applied for and a B-737-222 is leased from the El Paso, Texas, firm of Aviation Consultants.

On December 3, ZAC is liquidated and its entire 1,200-person staff is dismissed. The government does not step in to cover the carrier's \$100-million debt. Rather, it nominates AZL as the new flag carrier and assigns to it all of the defunct airline's rights. AZL accepts the challenge and hires its own staff of 170.

Flights from Lusaka to Ndola commence on March 27, 1995. AZL is the first Zambian private concern to operate an in-country commercial flight since the nationalization of the country's air transport industry a quarter of a century before.

Although neither traffic nor financial data will be released for this year or for the next two, the carrier continues to grow. Marketing and code-sharing alliances are formed with **Air France**, **Air Seychelles**, **Air Namibia**, **Air Malawi**, **Air Tanzania**, **Air Zimbabwe**, **British Airways, Ltd.** (2), **Egyptair, S.A.E.**, **Ghana Airways**, **Inter Air**, **Kenya Airways**, **KLM (Royal Dutch Airlines)**, **Lesotho Airways**, **South African Airways (Pty.) Ltd.**, **Qantas Airways (Pty.) Ltd.**, **Virgin Atlantic Airways, Ltd.**, and **Yanda Airlines**.

Employment is increased to a total of 170 and 1 more B-737-202C and B-727-25F are leased. Service is undertaken to all domestic points, as well as Dar es Salaam, Nairobi, Harare, Johannesburg, Dubai, Luanda, Kinshasa, Bujumbura, Gaborone, and Kilgali, although flights to the last three places ceases in 1997. Plans are made to lease wide-body aircraft and inaugurate new services to Entebbe and London as soon as the route applications are approved.

In late May, a standoff arises between the company and **Kenya Airways** over flight schedules and landing rights between the two countries. On June 8, Zambian President Chiluba meets with a Kenyan government delegation led by Transport and Communications Minister Wilson Ayah and thereafter orders a lifting of suspensions imposed upon Kenya flights to Lusaka in exchange for a similar lift of a ban on his airline's flights to Nairobi.

Pointing out that **Kenya Airways** has not, however, acted in good faith with AZL to find a more equitable mode of sharing passenger traffic, Zambian Transport Minister Suresh Desai and AZL Managing Director Yowondewossen Mengishu announce on June 11 that differences have not been resolved nor landing rights reinstated.

A code-sharing agreement is reached with **Air Zimbabwe Corporation** on September 13; under its terms, the Harare-based flag carrier will introduce a fifth weekly flight to London on November 1, via Lusaka.

Flights continue in 1998. A company B-727-25F is destroyed on the ground at Asmara on June 5 when Ethiopian forces attack Yohannes IV Airport.

Thousands of dollars disappear from company coffers in early October. Two employees who have fled the company are alleged to have taken upwards of \$150,000.

Because South Africa has removed certain authorizations for service into the airspace of war-torn Angola, **TAAG Angola Airlines, S.A.** begins flying a B-707-382C in full AZL colors and logo on thrice-weekly all-cargo roundtrips from Luanda to Johannesburg.

During the fall, the company's winter schedule is published on the World Wide Web. Effective November 1, AZL flies thrice weekly to Johannesburg, Harare, and Gaborone plus twice weekly to Nairobi. Return flights to Ndola are made four times a week.

Airline employment stands at 250 at the beginning of 1999. Although Mr. Tokoph remains chairman, he is now joined by joint Managing Directors Yowondewossen Mengishu and Alessandro Sangué.

When the **TAAG Angola Airlines, S.A.** subterfuge is discovered on February 9, AZL requests that the pirated livery be removed. Also during February, AZL itself is accused of operating illegal flights in Angola through a subsidiary named Greco.

On March 5, Communications and Transport Minister David Saviye suspends the airline's operating permit for alleged flaws in its operational conduct. A list of possible illegalities is provided, including charges that the carrier may have brought unregistered aircraft into Zambia wearing the company's livery. The matter is turned over to a special tribunal, which will hold an inquiry into the situation. Chairman/Managing Director Tokoph denies Saviye's assertions, claiming them to arise from a desire on the part of the government to put his private operation out of business.

Charges and countercharges continue. On April 8, the *Times of Zambia* reports that the South African Civil Aviation Authority is conducting an inquiry into the airline's activities. If it is found to have broken regulations as minister Saviye has indicated, its authority to land in South Africa will be terminated.

The matter remains under review. Later in the month, AZL loses the right to operate the Johannesburg to Lusaka route on Fridays. The airline

petitions a court that grants an injunction against the transfer of the service to **South African Airways (Pty.), Ltd.** The injunction is later dissolved, but AZL is granted another stay of execution. This time SAA challenges and, on April 27, again according to the *Times of Zambia*, Zambian Supreme Court Judge Weston Muzyamba rules on the matter in chambers. The stay would no longer remain in place and the entire case will be heard *inter-parte* at a later date.

AEROAMERICA: United States (1974–1982). This third-level operator is organized at Seattle in 1974 to offer scheduled intrastate passenger and cargo services to Spokane. In addition, President A. Joel Eisenberg's company also establishes a base at West Berlin's Tegel Airport from which to additionally undertake long-range contract service and freight charters to destinations in the Middle East and Africa and inclusive-tour passenger charters to Turkey, the Canary Islands, and Ireland. Revenue operations commence with a fleet of 3 Boeing 707-320s and 7 B-720-27s, the latter previously operated by **Braniff International Airways**.

By 1978, the carrier's workforce totals 280 and the fleet comprises 4 707-320s, 8 B-720-27s, and 1 Aero Commander. Scheduled authority is received in August, and is employed to initiate new services from Seattle, east to Spokane and west to Honolulu.

The FAA finds the company in violation of assorted regulations, primarily commercial, during 1979 and withdraws first its scheduled authority and then all operating permission.

Unable to operate, the company's certification is withdrawn by the government in June 1980. In October, a group headed by Michael Falconer purchases the carrier and the B-707-320s are all withdrawn.

In the summer of 1981, the company is reorganized and all flight equipment but one B-720-27 is withdrawn. In June, the aircraft is rented by a television studio and repainted, on one side only, to resemble Air Force One for the movie *Jacqueline Bouvier Kennedy*, starring Jaclyn Smith.

Operating from Boeing Field in Seattle, Aeroamerica relaunches passenger charter flights in October, this time only as far as Reno, Nevada, on behalf of an Ohio-based travel club. Although government certification is regained, the new approach fails and the company shuts its doors in early 1982.

AEROANDINA (LINEA AEREA ANDINA, S.A.): Chile (1979–1982). Aeroandina is formed at Santiago in the fall of 1979. After obtaining a single Convair CV-600, the new third-level entrant begins flying to Concepcion and La Serena in January 1980. This service is maintained through the 1981, being upgraded in the fall of that year with a Douglas DC-9-14 leased from the Spanish charter carrier **Spantax S.A. (Transportes Aereos)**.

Unable to remain economically viable in the face of higher fuel prices and a world recession, the company is liquidated in 1982.

AEROBRAZIL CARGO (AEROBRAZIL SERVICIOS AEREOS, S.A.). See **TRANSBRASIL AIRLINES, S.A. (LINHAS AEREAS)**

AEROCANCUN (AERONAUTICA DE CANCUN, S.A. de C.V.): Ave. Kukulkan 29, Esq Cemzontie, Zona Hotelera, Cancun (Quintano Roo), 77500, Mexico; Phone 52 (988) 32475; Fax 52 (988) 32588; Code RE; Year Founded 1989. Aerocancun is formed in October 1989 to offer international charter flights. Orders are placed for 4 new Airbus Industrie A310-324s. A McDonnell Douglas MD-83, its fuselage painted all white and its tail green, is leased and employed in the late spring of 1990 to inaugurate revenue services from Cancun to Washington, D.C., Philadelphia, New York, Detroit, Cincinnati, Bangor, Columbus, and Baltimore.

The fleet is enhanced by the delivery of 2 more chartered MD-83s in 1991, which allow the initiation of new routes to the cities of São Paulo, Saint Martin, Basel, Frankfurt, and Cologne. In August, nonstop MD-83 service is opened to Oakland, California, from Cancun, Cozumel, Puerto Valarta, and Cabo San Lucas. When the company applies to the U.S. DOT for additional charter rights, the authorization is opposed by **Key**

Airlines and American Trans Air, which charge that Aerocancun, in violation of the U.S.–Mexico air agreement, is actually a Spanish concern owned by Madrid-based Oasis International Group, S.A. The first A310-324 arrives in November and is employed to begin charter work to and from European cities.

In 1992, another MD-83 is leased, even as the second A310-324 is delivered in April. The challenge to the company's charter rights in the U.S. is dismissed by DOT later in the year. Destinations visited in 1993 now include Calgary, Toronto, Basel, Cologne, Frankfurt, Baltimore, Bangor, Columbus, Denver, Detroit, Cincinnati, New York, Oakland, Philadelphia, Washington, Saint Martin, São Paulo, and Buenos Aires. The final 2 A310-324s are delivered in January and May, respectively, allowing return of the MD-83s.

Enplanements for the year total 241,200.

Airline employment is boosted by 66.9% in 1994 to 174 as an A300-622R joins the fleet. New routes are inaugurated to Frankfurt, São Paulo, and Buenos Aires and plans are made to inaugurate services to Spain, Austria, France, and the Dominican Republic.

Customer bookings decline 20.6% to 200,000.

Flights continue in 1995–2000, during which years the workforce at President Javier Maranon's carrier is increased to 215. Continuing poor traffic returns cancel plans for European services and all but one of the A310-324s plus the MD-83 are returned in favor of a chartered Douglas DC-10-30.

AEROCARIBE, S.A. de C.V. See **AEROVIAS CARIBE, S.A. de C.V.**

AEROCESAR (AEROVIAS DEL CESAR, S.A.): Colombia (1968–1985). Dr. Alfonso Sanchez Lopez founds the air taxi **TAC (Transportes Aereos del Cesar, S.A.)** at Valledupar, in El Cesar Province, in 1968 to provide nonscheduled passenger and cargo flights to small surrounding towns.

In 1970, the company purchases a Fokker F-27A license built in Maryland by Fairchild, from **Aloha Airlines** and also inaugurates scheduled service from Valledupar to Bogota.

Operations continue apace in 1971. Flight 772, the F-27A with 4 crew and 15 passengers, disappears on February 5, 1972 while on a service from Bogota to Valledupar. The wreckage is found three days later and there are no survivors.

Douglas DC-3s take over the service in 1973–1974. During the latter year, 3 more F-27As join the fleet.

Following reorganization in 1975, the major stockholders are Lopez, Gustavo de Greiff, Orlando Cote, and Alvaro Araujo. The carrier's name is changed and new livery is adopted. In addition, two Vickers Viscount 837s, purchased from **Austrian Airlines, A.G.**, are placed in service as scheduled flights are inaugurated to Barranquilla and Medellin.

Having come on the market, 3 Sud-Est Caravelle VIRs previously operated by **Aviacion y Comercio, S.A. (AVIACO)** are ordered, the first of which arrives in October 1976. By 1977–1979, airline employment totals 144 and the fleet includes 3 Caravelles, 2 Viscounts, and 3 F-27As. A stop at Maicao has also been added to the route network.

Just after takeoff from Riohacha, Guajira, on December 21, 1980, on the continuation of a service from Rio Hacha to Medellin, a Caravelle VIR, with 7 crew and 63 passengers, crashes 25 km. S of its point of origin; there are no survivors. The crash investigation will reveal the explosion of a substance, believed to be nitroglycerine, in the plane's rear lavatory and the loss of hydraulic control. No person or group is ever charged with a crime.

In 1981–1982, the route network is increased by the addition of services to Armenia, Cali, Cucuta, El Banco, and Villavicencio. Simultaneously, increased fuel prices and the world economic recession conspire, along with heavy domestic competition, to lower traffic and bring financial loss. Flight operations are suspended in the spring of 1983.

The carrier is reorganized in 1984. The fleet is altered to comprise only 3 Fokker F-27As and services are restarted; however, the comeback is unsuccessful and the airline declares final bankruptcy in 1985.

AEROCHAGO AIRLINES, S.A.: Zona de Carga, Aeropuerto Internacional Americas, Santo Domingo, Dominican Republic; Phone 1 (809) 549-0709; Fax 1 (809) 549-0708; Code G3; Year Founded 1973. Aerotours Dominicana, S.A. is established at Santo Domingo in 1973. Equipped with a Lockheed L-1049H Super Constellation, the operator undertakes nonscheduled passenger flights to destinations in Mexico, Central America, and nations in the Caribbean.

The company is reorganized and renamed in 1983. The product emphasis now changes to all-cargo and contract services. During the remainder of the decade, the fleet is altered, first by the addition of 1 Lockheed L-749A Constellation formerly operated by **Trans World Airlines (TWA)**, and then by the acquisition of 1 Convair CV-240, 1 Douglas DC-6A, and 1 DC-7CF. At this point, the company is the last revenue operator of both the early and late model Constellation.

Operations continue apace into the 1990s.

A Lockheed C-121J Super Constellation freighter with five crew is destroyed in a landing accident at Santo Domingo on June 13, 1990. Service is maintained without incident in 1991.

Just after takeoff from Ft. Lauderdale on November 6, 1992, on an all-cargo service to Dania Beach, the No. 4 engine of a DC-7CF with 3 crew and 2 passengers, fails; the aircraft is ditched 140 m. offshore and is lost, although all aboard are rescued.

In 1993, General Manager Jacques Cohen's fleet includes 1 CV-600, 1 DC-6A, and 1 replacement DC-7CF. In addition to Caribbean cargo charters, the company also undertakes services on behalf of the Mexican airline **Aeromar (Transportes Aeromar S.A. de C.V.)**.

Following the failure of its No. 4 engine on takeoff, the DC-7CF with 3 crew runs off the runway at Santo Domingo; although the freighter is badly damaged, there are no fatalities.

Flights continued during the remainder of the decade. Pedro Rodriguez becomes general manager following his predecessor's election as president. Airline employment reaches 225 and a number of flights are subcontracted out to **Agro Air International Dominicana**.

AEROCHILE, S.A.: Chile (1996). AeroChile is established at Santiago in the spring of 1996 to offer scheduled passenger services from the capital city to Arica. A Boeing 737-222, first flown by **United Airlines**, is acquired and service is inaugurated in early June. Unable to achieve viability, the company shuts down again by the end of July.

AEROCOMBI, S.A. See HELISWISS, LTD.

AEROCONDOR (AEROVIAS CONDOR DE COLOMBIA, LTDA.): Colombia (1955–1978). Former **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** pilots led by Louis Donado and Juan Millon found **Aerovias Condor de Colombia, S.A.** at Barranquilla on February 3, 1955. After assembling a fleet of Curtiss C-46s, all-cargo service is inaugurated to Bogota on October 7.

Freight-only flights are also inaugurated to the Colombian cities of Cali, Medellin, Cartagena, and Pereira during 1956–1959 and Douglas DC-4s are added to the fleet late in the latter year.

DC-4 passenger frequencies are inaugurated over the carrier's major routes on January 12, 1960. The four-engine Douglas transports also undertake charter services, on behalf of the energy industry, to San Juan, Miami, San Antonio, and New Orleans. In 1962, a service is opened to San Andres.

Having obtained 2 DC-6Bs and traffic rights from the U.S. and Colombia governments, thrice-weekly all-cargo operations are started to Miami in February 1963 from Barranquilla, Medellin, and Bogota. When **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** purchases the failed **SAM (Sociedad Aeronautica de Medellin, S.A.)** in September, **Aerovias Condor, S.A.** mounts an unsuccessful challenge to the takeover.

Passengers are carried on the Miami run, beginning in 1964; new routes are opened in 1965 to Curacao, Aruba, and to Miami via San Andres.

Local services in northeast Colombia are assumed in 1966 following the collapse of **Taxader (Taxi Aereo de Santander, S.A.)**, but these are soon passed on to an air taxi operator as the decision is taken to concentrate on trunk and Miami services.

On April 29, an order is placed for a BAC 1-11-400, the first for the British short-haul jet placed by a South American carrier. Despite positive reports on the aircraft by company pilots, Aerocondor will allow the order to lapse and the plane will never be delivered.

Coming in from Miami, a chartered L-1649A with 7 crew and 52 passengers, crashes while on final approach to Bogota on December 18 (17 dead).

The landing gear of a C-46D, with three crew aboard, collapses while the aircraft is on its takeoff roll from Bogota on March 4, 1967; although the aircraft must later be written off, there are no fatalities.

En route from Barranquilla to Bogota on May 29, a DC-4 with 22 passengers is subjected to an explosion in its rear fuselage, which results in a large hole. No injuries are reported and the aircraft is able to land safely at its destination. It will later be determined that the blast has been caused by a time bomb.

On August 6, a DC-4, with 78 aboard and en route from Barranquilla to the island of San Andres, is hijacked by 4 Colombians and an Ecuadorian who force it to land in Havana. There the pirates seek asylum after drawing media attention to a Marxist Latin American solidarity conference being hosted in the Cuban capital. The Cubans release the aircraft and its passengers, protect the hijackers, and bill Aerocondor for landing fees and aircraft maintenance. The company pays the bill on August 21 in order to "keep good relations."

A major marketing campaign is undertaken in 1969 to herald the arrival of the year's first Lockheed L-188A, the former *Flagship Cincinnati*, purchased from **American Airlines**. The turboprop, sporting the carrier's new livery, is delivered in April and placed into service on the Miami route on May 1.

On May 15 on a domestic flight from Barranquilla to San Andres Island, a gunman forces a DC-4 with 47 passengers to divert to Cuba.

The last piston engine DC-6B is retired in late 1970 as the fifth L-188A, the former **American Airlines Flagship Cincinnati**, is placed in service. A competitive battle now rages with **SAM Colombia Airlines, S.A.**, a reformed subsidiary of **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**.

By January 1971, 5 L-188As are in service. Enplanements for the year total 265,780.

The workforce reaches 718 in 1972. The fleet now comprises 4 C-46s, 5 Electras, and 1 Beech Twin Bonanza; it is significantly strengthened by the arrival of the company's first jetliner, a Boeing 720B, purchased from **American Airlines**. During the year, the airline, in a marketing move, shortens its name to **Aerocondor** and adopts a new logo and livery that features a stylized orange bird figure. An understanding is also arrived at with **SAM Colombia Airlines, S.A.** for schedule coordination so as to avoid cutthroat competition. Freight traffic is up 10% and passenger boardings rise 3% to 274,800.

In 1973, a new route is opened between Miami and the Colombian island of San Andres.

Just after takeoff from Bogota on August 27, an L-188A, with 6 crew and 36 passengers, smashes into El Cable hill; there are no survivors.

Operations continue apace in 1974. A Canadair CC-106 freighter with five crew strikes a pine tree while taking off from Medellin on February 22, 1975 and, completely losing control, crashes into a mountain 1200 m. from the airport; there are no survivors.

On July 10, just after takeoff from Bogota for a flight to Barranquilla, an L-188AF with four crew veers right and then sinks back, landing on top of a parked **Aerocosta International, S.A.** DC-6F on the ground. Both aircraft catch fire and are destroyed, with two men on the Lockheed killed.

Two L-188As are sold to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, one each in November and December.

Enplanements for the latter year reach 327,666.

Airline employment is increased by 13% in 1976 to 1,100. Another L-188AF joins the fleet, along with 2 Boeing 707-123Fs, reconfigured from aircraft first flown by **American Airlines**. New service is inaugurated from Miami to Port au Prince. The passenger models of the Electra are all sold to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** by the end of the year and the last remaining Commandos are retired.

Passenger boardings increase 28% to 455,092 and freight traffic skyrockets 122% to 76.9 million FTKs.

Faced with increased competition and rising financial difficulties in 1977, the carrier's traffic shrinks and its financial resources begin to decline. Still, it maintains scheduled passenger and cargo services between Bogota and Barranquilla, Medellin, Cali, Cartagena, San Andres, Pereira, Aruba, Curacao, Santo Domingo, and Miami. President Saul Pertuz Jimeno's workforce grows by 200 and the fleet now includes 2 Boeing 707-123Fs, 1 B-707-120B, 2 B-720Bs, 2 L-188As, and 1 L-188AF freighter.

The company now becomes the first in South America to order the Airbus Industrie A300B4, which is received in December.

Overextended and unprofitable, Aerocondor soldiers on in 1978–1979, even though its Airbus flagship is repossessed by its manufacturer at the end of the 1979. Now the biggest airline in Colombia after **AVIANCA**, Aerocondor is able to stay in the air until June 1981, when it suddenly collapses. In Miami and throughout Colombia, all company aircraft and assets are immediately seized for payment of debts.

AEROCONDOR TRANSPORTE AEREOS, S.A. See ATA (AEROCONDOR TRANSPORTE AEREOS, S.A.)

AEROCOR (AEROLINEAS CORDILLERA, S.A.): Chile (1980–1988). Aerocor is organized at Coyhaique in 1980 to provide local passenger and cargo services in southern Chile along the border with Argentina. Equipped with a Douglas DC-3 and an Australian-made GAF Nomad N-22, the third-level operator undertakes flights to Puerto Aisen, Balmaceda, Chile Chico, Cochrane, Niriguao, Rio Cisnes and other small communities in Aisen province.

In mid-decade, another DC-3 and a Piper Navajo are added to the fleet. Unable to remain viable in an increasingly sluggish economy, the company stops flying in 1988.

AEROCOSTA INTERNATIONAL, LTDA.: Colombia (1966–1976). This all-freight carrier is formed at Barranquilla in 1966. Scheduled services are initiated in June 1967 to the major Colombian cities of Bogota, Cartagena, Cali, and Medellin, as well as Margarita Island, Aruba, and Panama in the Caribbean plus Miami. An exceptionally large propeller fleet is assembled, comprising 6 Douglas DC-6As, 4 Curtiss C-46s, 4 Lockheed L-188 Electras, and 1 DC-7F.

The U.S. CAB grants the company a foreign air carrier permit in February 1969. The certificate allows Aerocosta to undertake scheduled roundtrip flights two months later between Barranquilla, San Andres, and Miami. During the summer, a route is opened from San Andres to Panama City. A DC-6B is purchased in 1970 for use as a freighter on the U.S. and Panamanian sectors.

By 1971, Aerocosta has changed the emphasis of its nonpassenger business. Having taken a 40% stake in the flower-growing concern Floramerica, S.A., the carrier eliminates haulage of many more traditional charter items in favor of transporting large shipments of fresh flowers north.

The last C-46 is withdrawn in 1975. Just after takeoff from Bogota for a flight to Barranquilla on July 10, an L-188AF of **Aerocondor (Aerovias Condor de Colombia, Ltda.)** with four crew veers right and then sinks back, landing on top of a parked Aerocosta International DC-6F on the ground. Both aircraft catch fire and are destroyed, with two men on the Lockheed killed.

Against significant competition, the overextended carrier suffers terminal financial reversal and must shut down in 1976.

AERODINOS, S.A.: Bolivia (1992–1994). Aerodinos is established at La Paz in 1992 to offer charter passenger and cargo flights, air taxi, and some express services. Revenue operations commence with a pair of Fairchild Metro IIIs. Recession forces deletion of one aircraft in 1993 and operations cease in 1994.

AERODYNAMICS: 6544 Highland Road, Waterford, Michigan 48327, United States; Phone (248) 666-3500; Fax (248) 666-5382; Year Founded 1959. Aerodynamics is established in 1959 as a full-service FBO in Michigan at the Pontiac Airport. During the following decades, the company constructs four large hangars west of the control tower and also undertakes worldwide FAR Part 135 charters.

Airline employment stands at 22 in 2000 and the fleet based at Oakland–Pontiac Airport includes 2 Beech 400A Beechjets and 1 each Grumman G-1159 Gulfstream II, G-1159A Gulfstream III, Mitsubishi Mu-300 Diamond IA, Beech Super King Air 200, Beech Super King Air 300, and Swearingen SW-227TT Merlin 300. Additionally, an Mu-300 Diamond IA is stationed at Rochester, New York.

AEROEL AIRWAYS, LTD.: P.O. Box 40, Ben Gurion International Airport, Tel Aviv, 70100, Israel; Phone 972 (3) 5362 580; Fax 972 (3) 5362 331; <http://www.aeroelairways.co.il>; Code ROL; Year Founded 1992. Chim Nir, Comecina-J. P. Rozan, Michael Weinstein, Rephael Harlev Alliances, and El Al Israel Airlines, Ltd. combine to register this regional and international passenger carrier in November 1992. Shareholder Harlev is appointed chairman, with investor Weinstein as president/CEO.

Employing two Bombardier DHC-8-311s and 3 Grumman Gulfstream Is, the company inaugurates services to Israeli and other Mideast destinations in September 1993.

Orders are placed for two Boeing 737-200s as flights continue in 1994–1997. Enplanements reach 20,000 by 1997. Two B-737-258As become available from El Al and are employed in early 1998 to inaugurate charters to Greece, Cyprus, and Turkey. Enplanements for the year total 55,000.

Airline employment at the beginning of 1999 stands at 86, a 166.7% increase over the previous year.

AEROEXO (TRANSPORTES AEREOS EJECUTIVOS, S.A. de C.V.): P.O. Box 473, Ave. Humberto Lobo No. 660, Col del Valle, San Nicholas Garza Garcia, 66220, Mexico; Phone 53 (83) 389-300; Fax 53 (83) 338-1889; Code SX; Year Founded 1992. Aero Ejecutivos is founded as the airline division of an executive jet/air taxi operation at Monterrey in 1992 to provide charter passenger and cargo flights, as well as executive services, to domestic and regional destinations. Revenue operations commence with 3 Boeing 727-225s, 2 B-727-21s, and 1 B-727-25.

Business is good and encourages the addition of further leased capacity in 1993: 8 B-727-276As, formerly flown by **Ansett Australia (Pty.), Ltd.**, and 2 B-727-235s. The marketing name is changed to Aeroexo.

During 1994, President Ing Humberto Lobo's growing regional purchases **AVIASCA (Consorcio Aviacsa, S.A. de C.V.)**, but allows it to continue operating as a separate company.

During a climb from Dallas (DFW) on April 3, 1995, a fire warning sounds for the No. 1 engine of a B-727-276A. An emergency is declared and the plane returns and makes a one-engine-out landing. During the evacuation that follows, 2 of the 160 persons aboard receive slight injuries.

Flights continue in 1996–1998, during which years the fleet is reformed to include 3 B-727-225s, 2 B-727-235s, and 1 B-727-25. Principal markets are now Mexico City, Guadalajara, Tijuana, and Monterrey. Enplanements during the latter year total 97,000.

Airline employment at the beginning of 1999 stands at 350. Customer bookings fall to 68,000.

AEROEXPRESO BOGOTA, LTDA.: Apdo. Aereo 6781, Bogota, Colombia; Phone (571) 211-8100; Fax (571) 212-8952; Year Founded 1978. Aeroexpreso is established at Bogota in 1978 and of-

fers fixed- and rotary-wing passenger and cargo charters, as well as flight training, construction support, survey, external load, and energy exploration flights.

Twenty-two years later, in 2000, President James G. Leaver oversees a workforce of 40 and enjoys annual revenues of \$18 million. His fleet comprises 2 Beech Super King Air 200s, 1 Learjet 35A, 7 Bell 212s, and 4 Eurocopter BO-105CBSS.

AEROEXPRESS JOINT STOCK COMPANY: Hungary (1922–1926). AJSC is set up at Budapest in late 1922. Outfitted with 2 float-equipped Junkers F-13s, the company begins revenue flights early in 1923 flying from the Danube River to Vienna. Summer-season flights continue until 1926.

AEROEXPRESSCRUISE. See AVIA EXPRESS CRUISE

AEROEXPRESSO DE LA FRONTERA, LTDA.: Bucarmanga, Colombia; Year Founded 1994. Aeroexpresso is organized at Bucarmanga in 1994 to offer all-cargo and express services. Revenue flights commence with 1 Cessna 208 Caravan I and 2 Cessna 208B Caravan IIs. Operations continue without change in 1995–1998.

AEROEXUTIVOS, S.A.: Brazil (1994). This new air taxi service is established at Guarulhos Airport at São Paulo in February 1994. Equipped with a pair of Cessna Citations, the company begins flying to destinations within 600-km. of its base. A joint marketing agreement is signed with VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.) in March. Under its terms, the small operator provides feed to the major at Guarulhos. No further information is available.

AEROFLEX CORPORATION: United States (1958–1968). Aeroflex is created at Andover, New Jersey, in late fall 1958 to provide daily passenger air shuttle flights to New York (LGA). Beech 18 round-trips commence on December 2 and are maintained for a decade.

AEROFLOT-DON: Sholokova Prospekti 272, Rostov-on-Don, 344009, Russia; Phone 7 (8632) 52 50; Fax 7 (8632) 52 05 67; Code D9; Year Founded 2000. Aeroflot Russian International Airlines (ARIA) purchases a 51% majority stake in Donavia (Donskie Avialinii) on July 26, 2000, and renames the carrier. Pavel Douznikov remains director general of the 2,100-employee company, which operates a fleet of 5 Antonov An-12s, 8 Tupolev Tu-134As, and 15 Tu-154Bs. Under the new partnership, the two carriers engage in code-sharing, as well as joint maintenance, ground handling, and service activities.

Aeroflot-Don continues to offer scheduled passenger and charter services, as well as Mideast charters. Destinations visited include Dubai, Dusseldorf, Ekaterinburg, Irkutsk, Istanbul, Khabarovsk, Krasnoyarsk, Larnaca, Moscow, Omsk, Rostov, St. Petersburg, Tashkent, Tel Aviv, Tyumen, Vladivostok, and Yerevan.

AEROFLOT-PERM: Aeroport Boishoe Savino, Perm, 614078, Russia; Phone 7 (3422) 284 325; Fax 7 (3422) 274 492; Code 9D; Year Founded 2000. On October 1, 2000, executives of Aeroflot Russian International Airlines (ARIA) announce the creation of a new airline, Aeroflot-Perm, which incorporates Perm State Air Enterprise: Permskoe Gosudartsvennoe A/P. Under the new partnership, the two carriers engage in code-sharing, as well as joint maintenance, ground-handling, and service activities.

The reformed 1,000-employee carrier continues to operate a fleet that includes three Antonov An-24Bs, three An-26s, four Tupolev Tu-134As, five Tu-154Bs, one Tu-204-100, and a Yakovlev Yak-40. Aeroflot-Perm flies the regional services from Perm previously flown by both companies. Scheduled destinations include: Adler/Sochi, Anapa, Antalya, Baku, Bourgas, Chisinau, Ekaterinburg, Frankfurt, Krasnodar, Larnaca, Mineralnye Vody, Moscow, Samara, St. Petersburg, Tashkent, Varna, and Yerevan.

AEROFLOT RUSSIAN INTERNATIONAL AIRLINES (ARIA): 37a Leningradsky Prospekt, Building 9, Moscow, 125167, Russia; Phone 7 (095) 155 66 41; Fax 7 (095) 155 66 47; <http://www.aeroflot.ru>; <http://www.aeroflot.org>; <http://aeroflot.russianet.ru>; <http://www.seanet.com/bazar/aeroflot/aeroflot.html>; Code SU; Year Founded 1992. Prior to the breakup of the U.S.S.R., commercial aviation is controlled by the Ministry of Civil Aviation (MCA), which acts as the head office of the 34 units of Aeroflot Soviet Airlines. Each unit has its own operational and technical staff, with almost all of the commercial workers staffed in a division called the International Commercial Division of Civil Aviation, the MKU. Its staff of about 600 is minute when compared to the 600,000-plus that work in the divisions of Aeroflot.

In early 1992, the Interrepublic Aviation Committee (Mezhgosudoiakhrenniy Avitsionniy Komitet or MAK) of the Commonwealth of Independent States (CIS), under Dr. Tatiana Anodina, begins to dismantle Aeroflot Soviet Airlines, now officially known as PKO Aeroflot Soviet Airlines.

En route from Agdam to Shusha on January 28, a Mil Mi-8 helicopter with 47 passengers is hit by a surface-to-air guided missile, explodes, and crashes 10 km. S of Stepanakert, Azerbaijan. There are no survivors. The disaster results in the highest death toll ever recorded in a commercial rotary-wing accident.

Through February, the former monolithic carrier is split into 69 independent operators from CIS's independent republics. Additionally, some of these are reformed former Soviet directorates, which are now semi-autonomous divisions and will be covered separately: Arkhangelski Avia Konzern; Baikalavia Bashkir Airlines; Central Regions Civil Aviation Department; Domodedovo; Far East Aviation Corporation; Government Air Services; Kaliningrad Aviation Division; Kazair; Kirgistan Airlines; Komiavia; Krasnoyarskavia; Magadan Avia Konzern; West Air Department; Orbi-Gerogian Airlines; Siberian Airlines; Southern Airlines; Tartarstan Airlines; Tyumenaviatrans; Urals Civil Aviation Department; Vnukovskie Avialinii; and Yakutaviatrans. Information will prove difficult to obtain in some cases and when the government in 1994 enacts a new tax on passenger numbers, many carriers will simply stop reporting their traffic figures, leaving any such numbers mere estimates. Many of these names will disappear over the next five years.

The international commercial department, or MKU, with its 600-person staff from the old Aeroflot is attached to the international division of Aeroflot, formerly called the Central Department of International Air Services (CUMVS). The two units are joined in Aeroflot PKO, which controls Aeroflot Russian International Airways and the granting of international licenses on behalf of the Russian central government.

These international airline assets and the old Aeroflot international commercial directorate are merged at Moscow's Sheremetyevo Airport in February and renamed Aeroflot Russian International Airlines (ARIA); the charter subdivisions, Moscow Airways, Gold Star Airways, and Russky Vityaz are included and they will be the focus under this heading. Also received are the superseded international division's aircraft, engines and spares, 20,000-person staff, ground facilities, ticket offices, a number of hotels, and other operations. The 12 members of the CIS, together with the republics of Latvia and Estonia, agree to pay fixed fees to the reformed carrier to maintain their international flights.

The brand name of Aeroflot Soviet Airlines is transformed into ARIA. The Russian government also transfers all of the former's rights and obligations to Aeroflot RIA, which became its legal successor with regard to all intergovernmental bilateral agreements on air transport services signed by the Russian Federation and the former USSR, and those signed by Aeroflot with foreign airlines. Aeroflot RIA becomes the only officially designated flag carrier of the Russian Federation and this designation will receive international recognition in a special memorandum signed with IATA at the end of the year.

The company is headed by a board led by the old directorate's chief, Vladimir V. Potapov, and Vladimir M. Tikhonov, once in charge of the Central Department's International Commercial Division. Other members

of the board include Dr. Anodina, representatives of the CIS states and the city of Moscow, and officials from the State Committee for Foreign Relations of the Russian Republic and the Air Transport Department of the Russian Republic's Ministry of Transportation.

There are, initially, three subsidiary flight organizations. Moscow Airways, a passenger charter operation, is outfitted with Ilyushin Il-76s, and Gold Star Airways is given Tupolev Tu-154s with instructions to visit those locations their type frequented in the days of the old directorate. Russky Vityaz is an all-cargo effort, into which is concentrated all Il-76s. These so-called "sister companies" will not be successful and will be submerged within the major during the next year. One other concern, **Rossiia Air Company**, is established to provide government VIP flights; its fleet will include the presidential jetliner.

An Mi-26 with 50 passengers is shot down over Kelbadzhar, Armenia, on March 3 by Azeri rebels (14 dead).

An An-30 with 5 crew and 5 passengers crashes near Yakutia, Russia, on March 22; there are no survivors.

A Moscow-Bombay-Harare route is opened on March 25. Just after takeoff from Stepanakert, Azerbaijan, on a scheduled service to Yerevan, Armenia, on March 27, a Yak-40 with 3 crew and 30 passengers is hit by a surface-to-air missile. Although 10 people are injured, the aircraft is able to make a safe emergency landing back at its point of origin.

Direct Moscow-Anchorage-San Francisco Ilyushin Il-62M flights commence on March 29 and on the same day a weekly service is inaugurated from Tokyo (NRT) to Madrid (continuing to Copenhagen) via Moscow.

Weekly frequencies commence on May 1 between Moscow and San Francisco via Anchorage, while Moscow to Chicago via Shannon service begins on May 15.

Having arrived at Moscow's Vnukovo Airport on June 8 on a service from Groany and continuing to Turkey, a Tu-154B-2 is subjected to a hijack attempt by a lone man armed with a gun. Before he can solidify his hold over the aircraft, he is killed by a security guard.

A Tu-154B-1 is destroyed in a ground accident at Bratsk, Russia, on June 19; there are no fatalities.

In early July, the new era in Russian commercial aviation is fully demonstrated when the first of 5 ordered Airbus Industrie A310-308s are delivered, painted in the carrier's new livery.

An An-12 with 34 passengers crashes near Nakhichevan, Azerbaijan, on July 14 and catches fire (29 dead).

A Tu-154B with 8 crew and 16 passengers fails its takeoff from Tbilisi on July 20, overruns the runway, crashes into a localizer building, overturns, and descends into a ravine; all aboard are killed, along with 4 people on the ground.

Later in the month, a marketing agreement is signed with **Challenge Air Cargo**; under its terms, the two airlines agree to feed each other's routes between Europe and Latin America, via Miami.

Hong Kong from Moscow direct A310-308 service begins on August 15. On August 27, a Tu-154M coming in from Mineralni Vody with 82 aboard, crashes while on its landing approach to Ivanovo; there are no survivors. Also on August 27, an Il-76 is destroyed in a ground incident at Kabul.

An An-24B with 4 crew and 46 passengers fails its takeoff from Guryev, Kazakhstan, on September 2; the plane comes around for an emergency landing, but descends too quickly and after touchdown slides 418 m. on half-retracted landing gear; although the aircraft is destroyed, there are no fatalities.

Another Tu-154M, chartered by the International Red Cross, flies 68 injured Bosnian refugees from Banj to London (STN) on September 15; they are deplaned and taken for medical treatment.

While on a test flight from Kiev on October 13, an An-124-100 with nine crew crashes into a forest (eight dead).

Late in the month, a third A310-308 is delivered; christened *Tchajkovsky*, it is the first to display the carrier's new double-headed eagle logo.

An Il-62M is destroyed on the ground at Moscow's Domodedovo Airport on October 16. On October 30, an Antonov An-8 freighter crashes 2 km. from Chita, in southern Siberia; the five crew and nine passengers

are killed and the cargo of three automobiles and two tons of fish and canned goods is destroyed.

An An-22A with 33 passengers crashes near Tver on November 11; there are no survivors.

Also in late fall, a control tower in Rostov-on-Don in southern Russia goes dark because the airport has not paid its electricity bill. Several planes circle above—including an aircraft carrying President Boris Yeltsin. Catastrophe is averted when a high-ranking security aide reportedly orders the power restored.

ARIA is fully privatized as of December 1. The airline, exclusively Russian, now demands that the carriers of the other republics in the CIS remove the name of Aeroflot from their new carriers.

The Il-96-300 is certified on December 29.

Overall passenger boardings for the year plunge 51.3% to 62,627,000 (all but 2.62 million being domestic) and freight declines 35.8% to 2.35 billion FTKs. Still, the company's annual report will claim the successful completion of 45,318 international flights and an after-tax profit of \$120 million.

In 1993, chairman Potapov oversees a workforce of 14,076, up 6.6% over the previous year. The fleet now includes 4 A310-308s, 28 Il-62Ms, 19 Il-86s and the same number of Il-76s, 23 Tupolev Tu-154Ms, 4 Tu-154Bs, 3 Tu-154Cs and 8 Tu-134A-3s. Smaller types are also flown, bringing the fleet total to 117, excluding over 4,500 helicopters and specialized lightplanes.

Orders are outstanding for Boeing 767-300ERs, an A310-308, Tu-204s, and Il-96-300s.

The hammer-and-sickle livery of the "old" Aeroflot remains, as company officials are unable to agree upon new coloring. Operating for 60 years as the Soviet Civil Aviation Ministry (CMUVS), Aeroflot is now, finally, recognized by the U.S. government as a business and not a foreign mission of the Communist government.

Also during the month, the Russian government issues a decree ordering that all of the airports owned by ARIA are to be privatized and upgraded.

On February 20, armed with hand grenades, an Azerbaijani man accompanied by his family hijacks a Tu-154 with 80 aboard in an effort to fly them to the U.S. Proceeding via Tallinn, Estonia, the jetliner arrives in Stockholm, where the man surrenders.

Also in February, the carrier joins with the Olympia-Reisen travel agency to market twice-weekly charter flights from Hanover, Germany, to Alma-Ata, in Kazakhstan. In March, scheduled service is inaugurated from St. Petersburg to London (STN).

In addition to domestic services, both charter and scheduled, the company also visits these foreign destinations from Moscow: Abu Dhabi, Accra, Addis Ababa, Aden, Algiers, Amman, Amsterdam, Anchorage, Ankara, Antananarivo, Athens, Baghdad, Bamako, Bangkok, Barcelona, Basel, Beijing, Beirut, Belgrade, Bombay, Bratislava, Brazzaville, Brussels, Bucharest, Budapest, Buenos Aires, Bujumbura, Cairo, Calcutta, Casablanca, Chicago, Cologne/Bonn, Colombo, Conakry, Copenhagen, Cotonou, Dakar, Damascus, Dar es Salaam, Delhi, Djibouti, Douala, Dresden, Dubai, Dublin, Dusseldorf, Frankfurt, Entebbe/Kampala, Karachi, Kathmandu, Kiev, Kigali, Kingston, Kuala Lumpur, Kuwait, Larnaca, Leipzig, Lima, Lisbon, Lome, London, Luanda, Lusaka, Luxembourg, Lyublyna, Madrid, Malta, Managua, Marseilles, Mexico City, Miami, Milan, Montevideo, Montreal, Munich, Nagoya, Nairobi, New York, Oslo, Ouagadougou, Paris, Phnom Penh, Prague, Rio de Janeiro, Rome, Sal, Saloniki, San Francisco, Sana'a, Santiago, Seoul, Shanghai, Shannon, Sharjah, Singapore, Sofia, Stockholm, Tehran, Tel Aviv, Tokyo, Tripoli, Tunis, Ulan Bator, Venice, Vienna, Vientiane, Warsaw, Washington, Zagreb, and Zurich.

From Kiev, Aeroflot flies to Frankfurt, Milan, and New York; it operates from Khabarovsk to San Francisco, from Magadan to Anchorage, and from Irkutsk to Niigata, Shenian, and Ulan Bator. New passenger routes are introduced from Moscow to Sydney, Panama City, Barbados, and Johannesburg while new all-cargo frequencies begin to Beijing, Dubai, and Sharjah.

Service becomes notoriously bad and corrupt while safety questions arise. Mechanical breakdowns become common and fuel shortages ground hundreds of flights. Still, Vitaly Rzhevski's Ulyanovsk-based VAU GA, Higher College of Training for Civil Aviation, remains a model of efficiency. The government now requires that the facility, which had become largely a conversion school for pilots as well as a training base for engineers, technicians, and ATC controllers, undertake all civil aviation training for the nation.

In the first of two aerial operations of the week (the second will involve **Air Ukraine**), the Odessa-based Schlepper gang, having received \$5,000 per head, contracts with the carrier (also in need of hard currency) on April 6 to transport a planeload of Asian refugees into Germany. Next day, a Tu-154 arrives at Frankfurt Airport and deplanes 123 Indians and Pakistanis who immediately demand sanctuary.

A company Mi-8, transporting the 13-person "Transsiberian" expedition from Nadym in west Siberia, crashes on the coast of the Chukchi Sea near the Arctic Circle on May 12; 10 people aboard are killed, including 2 French journalists and a Swiss.

The first 2 of 6 ordered Il-96-300s are received from the production factory in Voronezh (VASO) during the spring and are briefly placed into service as Flight 315 on the Moscow-New York (JFK) service in June. Enthusiastic Aeroflot crews will help the new Il-96-300 type overcome its initial problems.

In July, riot police must be called to Vnukovo Airport at Moscow to disperse some 350 angry passengers who have been waiting four days for a flight. Financial director Vladimir Tikhonov is appointed managing director in July; however, appointment of the tough manager must be reversed when the staff at Sheremetyevo Airport threatens to strike as a result.

While landing at Grozny after a December 25 service from Moscow, the nosegear of a Tu-154B-1 with 7 crew and 165 passengers, collapses; although the aircraft is damaged there are no fatalities.

On December 26, a chartered Antonov An-26 cargo plane, illegally carrying passengers, crashes in fog at the Armenian city of Gyumiei and explodes (35 dead). Examiners later report that two poorly secured automobiles filled with loaded gasoline cans, together with the carry-on gas cans of passengers, are responsible for the dive and blast. Political problems and increased ticket prices cause domestic enplanements to drop to 40 million.

Statistics for the year show total deaths in company accidents five times greater than in 1987. International customer bookings recover, however, from their free fall and accelerate by 19.3% to 3,111,530. Cargo traffic swells 15.2% to 1.65 billion FTKs. Profits are reported up by a full 20% to \$171 million.

The workforce totals 14,838 in 1994. A Tu-154, with 124 aboard, crashes at Irkutsk on January 3; there are no survivors and 1 additional person is killed on the ground. Pilot error is again cited when examiners report that the plane's captain had ignored warnings about his power plants, only to have an engine catch fire in midair causing the accident.

Just after takeoff from Voronezh on a January 19 all-cargo service, an An-22 with 7 crew and 3 passengers, suffers control difficulties and must make a forced landing, through trees, near the village of Antonovo (7 dead).

Late in January, service is inaugurated to Jerusalem's Atarot Airport; under pressure from the Arab League, the new frequency is halted on February 1. Two weeks later, an Il-62M is grounded at Harare, Zimbabwe, after **Air Zimbabwe Corporation** refuses to provide it with any services until \$1 million in backdated airport fees is paid. The money is received on February 21 and the airliner is returned empty to Russia.

While practicing touch-and-go landings at Delhi on March 8, the B-737-2U4 of **Sahara India Airlines, Ltd.** crashes into a parked Ilyushin Il-86 being prepared for departure to Moscow, killing all four of the private Indian carrier's crew plus four people on the ground.

The airline is forced to halt some nonstop flights to the U.S. on March 15 after American authorities ban its new Ilyushin Il-96-300 jetliners pending the fitting of anticollision devices required for operation in the U.S.

Flight 593, an A310-308 piloted by Capt. Yaroslav Kudrinski en route from Moscow to Hong Kong, crashes into a remote Siberian forest near Novokuznetsk (2,000 mi. E of Moscow) on March 23 with its nose slightly up and wings level, killing all 75 aboard, including 23 foreigners.

A total of five major air transport accidents are suffered by the airline during the first quarter, 50% of all scheduled air transport crashes worldwide. Also in March, a new alliance with Cyprus Airways, Ltd. allows for twice-weekly service on a route from Moscow to Larnaca.

On April 5, Russian aviation officials, working with experts from the U.S. NTSB, report that cockpit recordings recovered from the "black boxes" show that the pilot of the fatal March 23 flight was teaching his children how to fly. One or more youngsters in the pilot's seat accidentally disengaged the automatic controls and sent the jet into its fatal and unrecoverable dive from 33,000 feet.

With permission achieved from Japan's Ministry of Transport, an Aeroflot An-24 in mid-month launches twice-weekly service between Yujino-Sakhalinsk on Sakhalin Island and Hakodate on Hokkaido Island. On April 18, the International Airline Passengers Association begins advising its members not to fly on Russian carriers; through month's end, 195 people have been killed in Aeroflot accidents and crashes since January 1.

While preparing to land at Arkhangelsk on May 4, the crew of a Tu-134, with 62 aboard, discovers, when their landing gear only partially extends, that hydraulic fluid has been lost. To make up the difference, Capt. Georg Yelisayev directs that the remaining supply of lemonade from the galley be poured into the system, enabling the plane to make a safe emergency landing; although the Tupolev runs off the runway when its undercarriage collapses, no injuries are reported.

Some 50 Russian airline pilots picket the Russian parliament on May 16 on the eve of a threatened strike to protest deteriorating work conditions and unenforced safety regulations. The flyers carry banners reading: "Russian Passengers, You are the Most Courageous in the World!" On May 18, the pilots suspend their threatened strike action, promising to resume negotiations with the government.

On June 1, employing the Il-96M prototype, the company inaugurates twice-weekly nonstop passenger and cargo roundtrips from Moscow to Seattle. Three Il-76s are chartered by the United Nations and, on June 22, begin flying helicopters and vehicles to Bangui, capital of the Central African Republic, in support of the international body's intervention in the Rwanda crisis.

A pair of B-767-3Y0ERs are delivered on June 30 under lease from GE Capital Aviation Services and, later in the summer, becomes the first Russian airline company to use the craft, putting them into service on its routes to the East and West Coasts of the U.S.

On June 20, it is announced that the government will sell off up to 49% shareholding to its employees during the weeks ahead. Current workers and retired Aeroflot personnel will each be allowed to purchase up to 42 shares at 1,700 rubles (85 cents) each; a total of 1,071,333 shares will be offered and an analysis shows that 49% of the airline is worth only \$926,000! As an added twist, workers will be required to pay for at least half of their investment with privatization vouchers, which will have to be employed before the nationwide voucher program ends on July 1.

Gennady Zaitsev becomes chairman, with Oleg Kachanov as deputy chairman on July 1. Formerly financial director, Vladimir Tikhonov is again appointed managing director on July 1, succeeding Vladimir Potapov. In mid-month, a pool agreement is entered into with **LOT Polish Airlines, S.A.** covering flights from Moscow to Warsaw.

Daily Tu-154M or Tu-134 service is inaugurated on July 25 from Sheremetyevo-1 Airport at Moscow to Riga, Vilnius, and Kiev and thrice-weekly roundtrips commence from the same point of origin to Tallin and Baku.

Growing concerns over Russian air safety lead the U.S. State Department, during the last week of July, to ban all but "absolutely necessary" travel on Russian carriers.

Service to the breakaway republic of Chechnya is suspended on August 8.

On September 6, Georgian security forces defuse a bomb placed aboard a company aircraft due to fly from Tbilisi to Moscow. Former Georgian Defense Minister Georgi Karkarashvili's name appears on the passenger manifest.

While flying between Baku and Perm on September 15, a Tu-134 with 50 passengers is captured by 3 gunmen, who demand that the aircraft be diverted to Norway. The pirates surrender to police when the aircraft lands at Oslo.

En route from Krasnoyarsk to Tura on September 26, a Yak-40 crashes outside Vanavara, inside the autonomous region of Evenki in central Siberia (26 dead).

When an Il-62M transporting Special Envoy Vitaly Churkin lands at Belgrade's Surcin Airport on October 6, it is the first aircraft in two years to be permitted to complete an international flight to the capital of the shrunken Yugoslavia.

On October 17, a joint Russian-American report is issued that states that safety standards on Russian airlines will soon fail to meet international standards unless the Moscow government takes swift action to retrain personnel and improve its supervision. As the report demonstrates that carriers authorized to fly internationally meet higher standards, the U.S. travel ban on Aeroflot is lifted.

Eight days later, on October 25, a lone hijacker armed with a grenade takes 16 people hostage aboard an airliner in the southern republic of Dagestan; after the captives escape next day, commandos storm the plane and the pirate commits suicide. Meanwhile, on October 28, a would-be hijacker is taken in hand at Moscow airport. Two air disasters occur on the same day, October 30. En route from Sakhalin to Yermolino in the Kaluga region, an An-12 with 21 passengers crashes while preparing to land at Ust-Ilimsk in central Siberia for refueling; there are no survivors. Attempting to make an emergency landing near Batagay in northern Siberia the same morning, an An-2, with 14 aboard, crashes (5 dead).

An Il-96-300 makes the aircraft type's first flight to Rio de Janeiro on November 3. It will replace the Il-62M on the route. In its first U.S. visit, the Il-96-300 prototype arrives at Washington, D.C.'s Andrews AFB on November 6 with a Russian trade delegation. The Il-96-300 has suffered reliability difficulties with its PS-90A engines during the past two years; persistence of the Aeroflot team and those from Ilyushin and Perm Motors will eliminate shortcomings that have resulted in the new aircraft's daily utilization averaging only four hours per day.

During the year, the international division begins to fly trial domestic routes and plans to open an international hub at Shannon in Ireland in the new year. Negotiations with the Irish government to that end are underway.

A company Tu-134A is hijacked to Tallinn, Estonia, on November 24; the air pirate, Vladimir Bashko, releases his 61 hostages and surrenders to police.

Passenger boardings remain level at 3.1 million and freight traffic declines by 12.3% to 1.45 billion FTKs. A net \$160-million profit is reported.

A total of 13,362 workers is employed in 1995, a 5.3% increase, and the fleet now includes 4 leased A310-308s and 2 B-767-3Y0ERs plus 112 Russian types, including Il-62Ms, Il-76s, Il-86s, Il-96s, Tu-134As, Tu-154B/Ms, an a Tu-204 chartered from Orel Avia. Two A310-324s and a DC-10-30F will be leased during the year.

The international division undertakes its initial regularly scheduled domestic services during the first quarter. In mid-March, Managing Director Tikhonov publicly warns his government against allowing foreign companies, specifically **Deutsche Lufthansa, A.G.** and **British Airways, Ltd. (2)**, to begin competition on Russian domestic routes, noting that competition with them on international routes is already having a negative impact on the company's balance sheets. He also criticizes joint ventures made earlier with foreign carriers, including the leasing of Western aircraft and the plan to reengineer the Il-86 with Western engines.

Several new directors are appointed late in the first quarter; among them is Oleg Syromolotov, deputy head of the FSK, successor agency to the KGB. It will remain to be seen if the FSK will have the same covert relationship with the airline that its predecessor had.

Also in March, nonstop B-767-3Y0ER roundtrips are started between Moscow and New York (JFK). In April, service is started from Khabarovsk to Aomori and from Vladivostok to Toyama.

Under a pact signed with the Irish government and Aer Rianta on January 12, work begins in May on a new transit terminal at Shannon, Ireland. The project assumes that several Il-62s will be permanently held in the new terminal to support ARIA's international flights. At the same time, Shannon becomes a company hub from which passengers brought into Ireland by other CIS carriers are offered onward connections to destinations in the Western Hemisphere.

Also during May, a cargo-only Tu-204C makes its first commercial flight from Moscow to Bangkok. The type will soon complete its tests with Aeroflot and be returned to its manufacturer that will, in turn, lease the aircraft to **Vnukovo Airlines**.

Meanwhile, service is also launched from St. Petersburg to Pafos.

A cooperative pact is signed between ARIA and **Belavia (Belarusian Airlines)** at the beginning of June. It is designed to allow the establishment of common rates for air transport services and the use of tickets for transit flights acquired in either Russia or Belarus. Within a month, Aeroflot offices in Russia will act as Belavia agents, selling tickets on flights of the new partner. Also during June, commercial flights commence from Moscow to Nitsa.

A strategic agreement is signed with **Vnukovskie Avialinii** in mid-June that provides for cooperation and coordination of commercial policy. Aeroflot will be able to employ VA's aircraft while Vnukovskie will be able to interline passengers on to Aeroflot international services.

Being unable to maintain a pair of A310-324s that it has leased, **Sakhalinskiye Avia Trassy** transfers them to ARIA toward the end of the month; as part of the transfer, ARIA agrees to employ the aircraft on flights to Yakutsk, a capital of the Sakha republic (formerly Yakutia).

En route from Athens to Moscow on July 5, the pilot of a Tu-154M with 104 passengers is informed by ATC that a bomb threat has been received; the aircraft makes an emergency landing at Salonika, but no explosives are found.

In mid-month, 20 Il-76TDs are sent back to the Ilyushin aviation complex to receive new PS-90 engines that are designed to allow 12-15% fuel-savings. The first modernized aircraft is completed in August.

Airline management's earlier concern and admonishment is not well received; however, the appointment of former Soviet Air Force Commander-in-Chief Marshal Yevgeny Shaposhnikov as ARIA's new managing director on October 14 proves more of a surprise than the displacement of the incumbent Tikhonov. The action occurs as the administration of President Yeltsin restructures ARIA's corporate structure, dissolving the board of governors and replacing it with a new governing body with representatives from seven state agencies. Nikolai Glushkov, a business associate of tycoon Boris Berezovsky, is named deputy managing director and chief financial officer.

Through his role as presidential representative at Rosvooruzhenie, Russia's state-owned arms dealer, the new managing director, who was briefly military commander of the CIS before transferring into Yeltsin's security council as secretary in 1993, is the only one of the original board members to survive the purge.

One week after taking office, Marshal Shaposhnikov promises a shake-up that should bring benefits to passengers using Sheremetyevo-2 Airport. Two new routes are announced: Moscow-St. Petersburg and Moscow-Novosibirsk, two of the most competitive within Russia. Both routes will fly out of Sheremetyevo, saving transit passengers the exhausting and inadequately served trek to Vnukovo Airport on the other side of Moscow.

Also during October, service is inaugurated from Moscow to Shannon via Bratislava and from Ulan Ude to Ulan Bator. Simultaneously, all-cargo DC-10-30F flights are launched from Moscow to Seoul and from Seoul to Moscow via Frankfurt.

Just after landing at Rostov-on-Don on October 31 after an all-cargo service from Ulyanovsk, an Il-76TD with nine crew and two passengers, overruns the runway by 360 m.; there are no injuries reported.

Employing Il-62Ms, ARIA launches twice-weekly roundtrips on November 1 between Moscow and Lima, Peru, via Miami.

A Tu-154 with 97 aboard disappears on December 7 during a flight from Sakhalin Island and Khabarovsk on the mainland. Its wreckage is discovered by a helicopter pilot in the mountains near the Pacific coast on December 18; there are no survivors. Meanwhile, on December 9, a Tu-154 encounters engine problems while coming into Moscow's Sheremetyevo-2 Airport after a flight from Paris; the aircraft is diverted to Sheremetyevo-1 and lands without incident.

Also in December, a strategic alliance is entered into with **Mexicana Airlines, S.A.** that will allow Aeroflot passengers to transfer onto Mexican flights to Mexico, Colombia, and countries in Central America.

In addition, Il-62M roundtrip service is started from Moscow to Novosibirsk, while flights are also begun from Moscow to St. Petersburg and from Khabarovsk to Alma Ata.

Customer bookings jump 16.2% to 3.47 million while cargo is up by 6.7% to 503 million FTKs. ARIA is now responsible for 60% of international air service provided by all of Russia's air companies.

Airline employment is decreased by 5.1% in 1996 to 15,000 and the fleet now includes 9 big Western jetliners: 4 A310-308s, 2 A310-324s, 2 B-767-3Y0ERs, and 1 DC-10-30F. Two Antonov An-124-100 Ruslan freighters are leased from the Moscow-based cargo airline Ayaks Cargo Airlines, which does not have a license to operate them. Aeroflot will provide the crews. The company now operates 40 weekly departures to destinations in the CIS and Baltic states, as well as its other world markets.

Following an early January visit by Prime Minister Viktor Chernomyrdin, it is announced in Washington, D.C. that the Import-Export Bank will lend Russia \$1-billion dollars. This will finance 80 Pratt & Whitney engines and Rockwell Collins avionics suites needed for completion of the Ilyushin IL-96M, 10 of which would be leased by the builder to ARIA. In addition to repayment terms, the loan agreement also allows banks to repossess the jetliners if Aeroflot defaults on any of its outstanding U.S. loans.

A bomb explodes in front of the Aeroflot office at Istanbul on April 29-30. The attack is in retaliation for the previous week's death of Chechen independence leader Dzhokhar Dudayev in a Russian air raid. Agreement is reached with a European consortium on May 11 for the lease of 4 A310-308s; the 183-seat chartered transports arrive at Moscow in June.

Meanwhile, in May, Managing Director Marshal Shaposhnikov, at the urging of his deputy, Glushkov, sends orders to the heads of the airline's 153 foreign offices ordering them to turn over 80% of their foreign currency income to Andava, S.A. The two-year-old Lausanne, Switzerland-based financial concern will now serve as the airline's foreign treasury center, performing the functions earlier handled by Aeroflot's Center for International Payments, and receiving a 3.125% commission on all funds handled for the carrier. As Paul Klebnikov will report in his March 22, 1999, *Forbes* article, "The Day They Raided Aeroflot," Berezovsky and Glushkov between them own 71% of Andava, with Andre & Cie holding a 21% stake. The Andava relationship is published nowhere in the airline's reports or releases for stockholders.

About this time, Aeroflot signs a contract with another Berezovsky, Glushkov, and Andre & Cie concern, Forus Services, S.A., also headquartered in Lausanne. Forus will act as a financial consultant and serve as an intermediary with Western banks. It also assists in the establishment of the Obedinenny Bank—this Moscow financial institution becomes Aeroflot's domestic repository.

Andava now also signs a contract with a Moscow-based subsidiary, Finansovaya Obedinennaya Kompaniya (United Finance Corporation) to pay some of the carrier's foreign invoices via Grangeland Holdings, Ltd., another financial concern held by unknown shareholders with no physical address or telephone number, just a Dublin, Ireland, post office box. Under this arrangement, Grangeland's payments are considered loans (30% annual \$ interest) to United Finance, which passes this cost back to Aeroflot (65% annual R interest). At the end of these transactions, Aeroflot's annual interest rate is 90% in dollar terms.

The Andava-Grangeland business practice is one of many similar commercial arrangements established across the nation that cause the Russian Central Bank to attempt enforcement of stringent rules on the repatriation of foreign exchange revenues. On July 5, the bankers demur when Aeroflot applies for a license that would exempt it from these rules it is already secretly violating.

Yuri Tishechkin, a passenger who is also a thief with \$6,000 in his pockets, delays a Moscow-bound B-767-3Y0ER on the ground at New York (JFK) for four hours on July 16. When he finally surrenders, no bomb is found and he is taken off the plane to be charged with grand larceny. Next day, an anonymous caller reports that another Russian airliner has been targeted. Police, FBI agents, and airport security search the aircraft, but find no explosives.

Also in July, an arrangement is made with **Transaero Airlines**, which will provide for code-sharing, flight-schedule coordination, and joint fleet planning. At the same time, new engine maintenance and repair facilities are opened at Sheremetyevo-1 Airport at Moscow.

During the summer, Birmingham, England-based air cargo broker Aviation Consultants, Ltd. arranges for the Ruslan freighters to operate eight outsize flights on its behalf.

While on final approach to Turin on an October 8 flight from Moscow, Flight 9981, an An-124-100 with 23 crew and leased by Ajax for the purpose of obtaining a shipment of Ferrari automobiles to fly on to Sharjah and Brunei, is unable to complete its landing. The giant aircraft attempts to go around in light rain, but instead strikes trees and houses in the village of San Francesco al Camp, N of the runway, before crashing. Two crewmen are killed, along with two people on the ground.

Beginning in late October, Il-62s on the thrice-weekly Moscow to Washington service are replaced by larger A310-324s. During November, firm orders are placed for 20 Il-96Ms.

In November, only one weekly service is flown, but with the beginning of the winter schedule in December, the number is boosted back up to two.

Following the publication of Paul Klebnikov's article "Godfather of the Kremlin?" in the December 30 issue of *Forbes*, the reporter and the magazine are both sued for libel in London by the story's subject, Mr. Berezovsky.

Enplanements surge 32.1% to 4,128,660 and 487.14 million FTKs are operated, a 6.7% increase. Although a \$58.8-million operating loss is suffered, there is a net profit of \$55.5 million. It will later be reported that the United Finance Corporation has paid \$139 million of the airline's bills this year and that Aeroflot has actually lost \$82 million.

The workforce is cut another 0.4% in 1997 to 14,315. Early in the year, a code-sharing agreement is signed with **Aerolineas Argentinas, S.A.** covering service over a route from Buenos Aires-Moscow-Buenos Aires. On January 15, a marketing alliance is signed with **Continental Airlines**, under which the state-owned Russian carrier guarantees the sale of half of the seats on a code-sharing service for five years.

On February 19, the carrier signs a \$9-million contract with Norway's largest fish exporter, Hallvard Leroy, A.S., to transport \$2.5-million worth of salmon over the next year from the Russian Far East to Japan. Delivery time using ARIA planes will be cut from 3-5 days to 18 hrs.

In March, the company becomes a public joint stock (public limited) company; although the government retains 51% majority shareholding, 49% is sold to employees. Russian President Boris Yeltsin appoints his son-in-law, Valery Okulov, 44, to be acting managing director of the national carrier. A former Aeroflot navigator and the husband of Yeltsin's eldest daughter, Yelena, Okulov was previously first deputy to the outgoing Aeroflot chief and was in charge of the carrier's operations management and organization department. It will later be suggested that the idea for Okulov's appointment has come from the family friend, financier Berezovsky. At the same time, Gennady Zaitsev, director of the Russian Federal Aviation Service, is re-elected chairman of a nine-member board of directors.

A new Russian Air Code is enacted on April 1; it contains definitions of "state aviation" and "civil aviation," without dividing either aircraft

or operators under the latter term according to the types of service offered. Consequently, business carriers, scheduled carriers, and charter airlines will all receive the same treatment under the law.

The agreement with **LOT Polish Airlines, S.A.** is upgraded in April and provides for code-sharing over a route from St. Petersburg to Warsaw. That same month, concerned with the growing activity within Russia of foreign airlines, ARIA announces a program to strengthen its position in the nation's various regions. It will begin with flights into Nizhni Novgorod, where **Deutsche Lufthansa, A.G.** has recently begun service.

On May 1, a \$440-million order is placed with Boeing for 10 B-737-4M0s to be delivered beginning in April 1998. The thirtieth anniversary of the carrier's Flight Attendant Service is now celebrated. Since the changeover from Soviet control, the quality of the airline's 25,000 flight attendants has improved dramatically. The profession is no longer predominantly female and even married couples are trained into the service.

Also during May, the Russian Central Bank, which has been stalling, issues a license exempting the airline from the financial institution's stringent rules on foreign exchange revenue repatriation.

Acting Managing Director Okulov is elected permanent managing director on May 30.

Thrice-weekly Tu-154M return service is inaugurated on June 1 from Moscow to the ancient city of Chimkent, in Kazakhstan.

It is reported in the *St. Petersburg Times* on June 16 that the value of company stock has risen from \$30 on December 31 to \$112 on June 1; the carrier's market value has jumped from \$63 million to \$350 million. Analysts are unable to determine whether investors are coming to appreciate an undervalued company or if a mystery investor is attempting to take over the national flag carrier. In an interview with the paper, CEO Okulov indicates that he is attempting to stop employees from selling off their 49% stake in the carrier, although 14% to 15% has already been turned over to outside speculators.

Thrice-weekly Tu-134A return service is launched on June 17 from Sheremetyevo-1 Airport at Moscow to Dnepropetrovsk; the city is the third in the Ukraine to be visited after Kiev and Simferopol. A310-324 charters from Moscow to Toronto commence on June 20.

Beginning on June 22 and continuing through July 6, passengers are offered Aeroflot roundtrip tickets to any destination in the world, excluding Russia and the CIS, for \$222. During the promotion period, 3,623 of the inexpensive tickets are sold, with the most popular destinations being Bangkok, Hanoi, Dusseldorf, Frankfurt, and Rio de Janeiro.

On June 28, it is announced that ARIA is preparing to sell a 10% stake on the American market to raise funds for fleet renewal. Simultaneously, it also lobbies the Moscow government to keep protectionist air rights restrictions in place, which is directly opposed to the "open skies" approach of the U.S. government.

At the beginning of July, Aeroflot flies to 13 destinations in Russia, former Soviet republics grouped in the CIS and the Baltic states.

A second weekly Tu-154M return service is introduced on July 1 between Moscow and Tehran. The same day, DC-10-30F all-cargo flights are started from Luxembourg to Tokyo, via Moscow; the return service from Tokyo stops at Moscow before proceeding on to Frankfurt and then repositioning to Luxembourg.

Also on July 1, the carrier, which has long held a worldwide reputation for its poor food and service, initiates its first Western multimedia advertising campaign; adopting the humorous approach, it chooses for itself the image of a flying elephant.

The solid and steady gray beast will be employed in an effort to convince the flying public that the former uncaring, monopolistic carrier has become a friendly, safe, speedy, reliable, and modern airline. The elephant campaign, which includes television commercials filmed in London and shown around Europe and Russia, uses the slogan "Lyogok na Pod'yom" ("Fast to Take Off") and also includes the unveiling of Aeroflot's first frequent flyer program and a \$222 ticket-to-anywhere promotion.

On July 6, the \$222 ticket promotion is extended to Germany until October 25, while a new \$300 roundtrip fare is offered from Novosibirsk to German cities.

Russian customs officials at Sheremetyevo-1 seize two kilograms of cocaine from a Croatian citizen who arrived on a July 11 service from Frankfurt; the man is detained for trial.

An earlier agreement to purchase 50 Tu-214s, 15 Tu-330s, and 20 Tu-334s from the KAPO Gorbunova aviation enterprise (Kazan, Tartarstan, Russia) is spurned on July 12 when ARIA refuses to sign the formal contract. The airline considers the Tu-214s offered to it to be of low quality and too expensive. It also lets it be known that it has lost interest in the Tu-330/-334s, as yet not tested. The Tatar government had taken a \$534-million loan from the Menatep Bank in Moscow to finance production of 30 Tu-214s and their engines for the carrier, which had agreed to take them and pay for them in installments through 2005. All is not lost as KAPO and ARIA set up a working group to come up with a new arrangement.

On July 19, Russia and the airline celebrate the sixtieth anniversary of the nonstop flight of Comrade Gromov's ANT-25 from Moscow to San Jacinto, California.

On the same day, and continuing through September 18, Thursday-only roundtrips are launched from Moscow to Dubai, via Istanbul. The service is primarily for the benefit of Russian citizens flying to the Turkish capital, as well as Arab tourists coming to Russia from Dubai.

Three class II-62M roundtrips from Sheremetyevo-1 are inaugurated on July 29 to Vladivostok, the Far Eastern port city.

Also during July, the carrier launches scheduled Tu-154 flights from Moscow to Arkhangelsk and Murmansk in the Russian Arctic. It is later noted that, through the first six months of the year, \$82 million of Aeroflot's foreign invoices have been paid via the United Finance Corporation and Grangeland Holdings, Ltd.

After nine years of repair, Runway #1 at Sheremetyevo-1 Airport at Moscow is reopened toward the end of the month. Costing R 250 million, the new runway replaces one that had been in service for 25 years. It is the only runway in Russia capable of accommodating any type of aircraft around the clock, regardless of weather.

During the summer, dual-designator flights are begun with **MALEV Hungarian Airlines, Rt.** over routes from Moscow to Budapest.

Having for some time suffered a poor return on the twice-weekly route from Moscow to Phnom Penh, the company seizes the chance to end it on August 1 when fighting breaks out in Cambodia between forces loyal to different political parties.

Flights from Petropavlovsk to Moscow commence on August 2. Twice-weekly Tu-154 roundtrips commence on August 4 between Moscow and Kaliningrad. They are also started between Moscow and Murmansk, with both Tu-134As and Tu-154Ms.

On August 15, the airline begins flying four times a week between Moscow and Tallinn, the capital of Estonia, operating Tupolev Tu-134 jets belonging to private Estonian carrier **Estonian Air, A.S.** Regular passenger service from Moscow to Petropavlovsk-Kamchatskiy in the Russian Far East and from Moscow to Kaliningrad, the Russian enclave on the Baltic Sea, begins in late August.

The new code-sharing pact with **Continental Airlines** takes effect on August 30 when the American carrier launches daily DC-10-30ER flights from Newark to Sheremetyevo-1 Airport at Moscow. The 4,668-mile nonstop trip requires 10 hrs. 30 min. flying time. Employing tickets purchased in Russia, passengers may connect to 157 U.S. cities served by Continental.

Company aircraft are depicted in the action-comedy movie *Jackie Chan's First Strike*. The Golden Harvest/New Line Cinema film, in which the carrier has its name in the credits, is the first significant Western entertainment film for which the "new" Aeroflot provides assistance.

Daily roundtrip Tu-154M flights commence on September 1 between Moscow and Rostov-on-Don.

Despite a 1993 air transport agreement between Russia and the U.S., Russian civil aviation officials disallow joint flights between **United Airlines** and **Deutsche Lufthansa, A.G.** to Moscow, and disapprove

United's application to use a recently established air route over the territory of the Russian Far East. In retaliation, the American major petitions the U.S. DOT on September 9 to ban Aeroflot landings in Washington, D.C., Chicago, and San Francisco. Aeroflot's service to Los Angeles is curtailed.

Just after takeoff from New Delhi for the continuation of a September 10 service from Singapore to Moscow, the crew of an A310-324 reports technical problems; the Airbus makes an emergency landing at Indira Gandhi International Airport and no injuries are reported.

The company celebrates 35 years of operations in Ghana with a brief ceremony at the Kotoka International Airport in Accra on September 12 following the arrival of the Il-18 with the same crew (with the exception of the captain) that had made the original flight on September 11, 1962. Russian and Ghana officials offer remarks and each member of the crew is presented with a carved wooden map of the country.

The value of company stock, which has hovered between \$140 and \$150 per share this summer, reach \$146 a share and begin to gather value, shooting upward from this day.

Also on September 12, a five-year agreement is signed with GE Capital Aviation Services for the lease of a pair of A310-324s previously employed by Dutch and Spanish charter operators.

The company and **Sakhalinskiye Avia Trassy** jointly agree on September 13 that ARIA will stop its use of the two A310s leased earlier and will return them to the Sakha republic.

On September 15, the Aeroflot's managing director joins with Director Mark Veron from **Air France** in signing a strategic alliance agreement at Moscow. The two airlines will coordinate services through their Moscow and Paris hubs and begin code-sharing. Aeroflot views the pact as a way to improve its chances in the growing competition being waged with **Deutsche Lufthansa, A.G.**

Under terms of the new pact with **Air France**, ARIA, on September 17, begins weekly roundtrip, Il-76TD, all-cargo services from Moscow to Paris.

When the acquisition of 17 new Il-96Ms is delayed, the company, on September 19, enters into an agreement with ILFC for the charter of a pair of B-777-2Q8s. To operate them, 16 Russian flight crews are dispatched to Seattle for preparation.

The airline also enters into discussions with Tupolev and the Kazan Aircraft Production factory concerning the possible purchase of three dozen Tu-214s.

In an effort to compete with ARIA, **Vnukovo Airlines**, on September 25, increases the number of its daily departures from Moscow to fifteen.

Late in the month, the carrier signs an agreement with Inkombank aimed at improving the management of the airline's financial resources. The pact will also provide Aeroflot access to the company's resources as the commercial bank invests in the carrier's projects.

On October 1, ARIA's economics director, Igor Desyatnichenko, holds a press conference to review flight equipment developments. For the first time, the media learns of the B-777 order, which is confirmed along with the earlier requests for Il-96Ms, A310s, and B-737s. The company, he confirms, continues to fly 12-13 of its Il-62Ms on long-haul services within the CIS.

Since September, the value of company stock has shot up 26% to close at \$184 per share on October 6. A few more dollars will be earned before the following year's financial crisis and recession assault the entire Russian economy.

Also in October, the new executive passenger charter subsidiary Aeroflot Plus begins revenue service with a pair of refurbished Tu-134As. A total of 490 weekly flights are offered when the winter schedule is published this month.

When the winter schedule begins on October 26, frequencies are increased on flights to Prague, Rome, Geneva, Milan, Kiev, Berlin, Baku, San Francisco, Havana, and Tokyo. The carrier also launches new frequencies to Arkhangelsk, Rostov-on-Don, Murmansk, Bryansk, Dnepropetrovsk, Petropavlovsk-Kamchatskiy, Vladivostok, Kaliningrad, and Chimgent.

Nonstop weekly Il-96 roundtrips are simultaneously resumed from Moscow to Los Angeles; the flight to California requires 12 hrs. 55 min. and is timed to connect with Aeroflot flights from Yerevan and Kiev.

Two chartered A310-324s enter service late in the month. One is employed to inaugurate weekly service on October 30 from Moscow to Johannesburg via Tunis.

Starting on December 22, Aeroflot offers free flights to Moscow from ten Russian cities for passengers connecting with international Aeroflot flights out of the capital. The cities involved are St. Petersburg, Arkhangelsk, Murmansk, Kaliningrad, Rostov-on-Don, Bryansk, Petropavlovsk, Vladivostok, Khabarovsk, and Novosibirsk.

Customer bookings climb 2.4% to 3,904,165 and cargo traffic inches up 1.1% to 545.3 million FTKs. Operating revenues jump 9.8% to \$1.4 billion while expenses rise 1.4% to \$1.35 billion. This year there is an operating profit (\$47 million) and a \$34.4-million net gain (later adjusted downward to \$12 million). It will be reported in the spring of 1999 that there has been, in fact, a loss of \$93 million.

At the beginning of 1998, ARIA is the 23rd largest airline in the world in terms of fleet size. Its deputy managing director, Nikolai Glushkov, now voluntarily resigns. Meanwhile, the workforce stands at approximately 14,000, down 500 staff positions, predominantly older employees pensioned off under a special allocation from the Aeroflot-Garant retirement fund.

During the last week of January, arrangements are completed with ILFC for the seven-year charter of two new B-777-2Q8 IGWs. Upon their arrival, the world's largest twin-jets will replace B-767-3Y0ERs and A310-300s on intercontinental flights. Company officials anticipate that the aircraft will give it a competitive edge against both **Delta Air Lines** and **British Airways, Ltd. (2)**, which employ B-767s on their Moscow services. The new aircraft will receive contract maintenance support from Lufthansa Technik, A.G.

Delayed due to lack of equipment, ARIA launches its new service from Moscow to Nizhni Novgorod on April 9, the seventy-fifth anniversary of Russian civil aviation.

On March 10, a suspected short circuit causes a fire aboard an Il-62 that is being prepared for its departure from Vladivostok to Seattle. The passengers, including Governor Yevgeny Nazdratenko, will make their flight when the airline is repaired next day.

During the first quarter, Russian Federal Aviation Service Director General/Aeroflot Chairman Zaitsev places the finishing touches upon an ambitious \$750-million plan to modernize the nation's commercial aviation. The blueprint, announced just prior to March 23 when President Yeltsin dismisses his entire cabinet, contains a number of progressive points.

The nation's 315 airlines will be integrated into 5-8 national carriers, the number of regional airlines will be cut to 24, and some 65 small local airlines will be allowed to continue. The regional and local service companies will be required to perform "social" flights to unprofitable points.

Zaitsev's document also indicates that the monopolistic relationships between airlines and airports will end and that the number of federally supported aerodromes will be reduced; all will become joint stock (limited) carriers within a year. Finally, the civil fleet will be upgraded; leases will be employed by those unable to purchase Western-built transports.

The new summer schedule is unveiled on March 24 and the number of weekly services is increased to 672, 500 of which begin or end in Moscow. Frequencies are increased to Prague, Rome, Milan, Lisbon, and Brussels and a new route is inaugurated to Omsk.

The Il-96T, a cargo version of the Il-96-300 passenger plane, is certified on March 31. ARIA will receive three of the type.

At the end of April, service is started to the Russian cities of Anapa, Sochi, and Krasnodar.

The first 2 of 6 new, chartered B-737-4M0s arrives in May. It is delivered in a new color scheme, the eleventh applied to a fleet unit in the past six years. The new livery, which will be painted on the new

B-737/777s as they are delivered, is based on the winning idea chosen from submissions by ten Russian artists; the winning idea comes from the wife of one of the airline's directors.

A company official in Angola is released from prison on bail on May 29 after being held for 26 days on charges of illegal currency manipulations. The executive's counsel indicates that the Aeroflot man had been "framed" by Russian government officials for pursuing a claim against a security company after the airline's local office was raided at the beginning of the month.

Also during the spring, Aeroflot approaches Andre & Cie, part owners of Andava, S.A., seeking an increase in a syndicated \$17-million loan received earlier in order that the airline might resolve a cash flow problem.

The first B-777-2Q8 IGW is delivered on June 23 and flies to Moscow, where it arrives next day with a cargo of medical supplies for local hospitals. The new ship enters daily service on the carrier's Moscow-New York route at the beginning of July. The only one of its type in service in Russia, the wide-body also flies from Moscow to London twice weekly.

Following the failure of the airline to make progress payments, Perm Motors stops work on its engine repair contract with ARIA at the beginning of July. It is reported on July 20 that half of the debt has been paid and that the two concerns are working together to draft a new agreement.

Weekly roundtrip passenger service is inaugurated between Moscow and Amman in early August. At this point, the company has 7 Il-96-300s in service.

A joint commission led by U.S. Vice President Albert Gore and Russian Prime Minister Viktor Chernomyrdin on August 17 announces that the U.S. Export-Import Bank will provide two-thirds of the \$1.5 funding that Aeroflot requires for the purchase of 20 Il-96s from the Voronezh Aviation Plant. The Russian government will guarantee the arrangement.

Russian air transport, like other elements of the economy, encounters rocky times after the government devalues the ruble in mid-August. Airlines begin to fix their own rates, pegging tariffs to both rubles and U.S. dollars. On August 26, ARIA fixes its domestic rates at R 6.26/\$ and its international ticket prices at R 8.253/\$, even though the official Central Bank exchange rate is R 7.86/\$. ARIA begins to trim its hard currency spending by revising its in-flight meals, replacing imported foods with Russian-made or prepared foods.

Daily Tu-154 service is inaugurated on September 6 from Samara, in the Volga region, to Berlin via Moscow's Sheremetyevo-2 Airport.

Also on September 6, Aeroflot officially informs **Transaero Airlines** of the termination of their agreement for joint commercial activities, effective October 6, and on mutual financial claims on December 6.

Simultaneously, a **Cathay Pacific Airways (Pty.), Ltd.** A340-342 with 260 passengers and en route from Zurich to Hong Kong, narrowly avoids a midair collision with the inaugural Tu-154 Berlin passenger liner over Samara. Turbulence eddies in the wake of the Tupolev jolt the Airbus, causing its onboard warning system to sound. ATC on the ground does not inform the Hong Kong crew that the Tu-154 is close; however, its commander later radios an apology. Cathay officials report the incident in writing to both Russian and Hong Kong aviation authorities.

Facing the press on September 10, Managing Director Olukov refuses to confirm or deny the midair incident. He does, however, note that safety conditions for the first eight months of the year in Russian civil aviation, particularly for ARIA, are much better than in the previous three years "in all objective parameters."

At the same time, Olukov reports that the national carrier has set up a seven-person crisis committee, which has been charged with generating measures to keep the carrier efficient and financially stable amid Russia's economic crisis. Other responsibilities of the group will include: revision of ARIA's arrangements with banks, suppliers, and other airlines; planning changed or enhanced services to Scandinavia, Japan, India, and the U.K.; the launching of additional charter services; public relations, especially with passengers; and the establishment of measures to hold the company together as a corporation and to provide social protections for its employees.

Circumstances with the Russian economy having made operations there unprofitable, **Alaska Airlines**, also on September 10, suspends its weekly winter service to Magadan, Khabarovsk, Vladivostok, Petropavlovsk, and Yuzhno-Sakhalinsk.

The country's economic crisis continues to worsen in September, with the ruble now trading at more than 16 to the dollar, up from August. As a result, ARIA is now forced to sharply increase its economy-class fares on many busy domestic routes, although in dollars many are now cheaper than before the crisis. Examples of the increase from Moscow are: to Bryansk (115 rubles to 260); to Nizhniy Novgorod (230 to 435); and to Yekaterinburg (from 730 to 1,150).

On September 14, Aeroflot goes to court in Moscow to file a claim against **Transaero Airlines** for R 4.6 million, following it up a week later with another R 4.6-million claim (for maintenance and service charges) and a request that Transaero's bank accounts be frozen. Transaero replies with a countersuit seeking R 15.2 million.

Analysts picture the court claims as an attempt by financial magnate Boris Berezovsky to take control of Transaero and, with the help of key executives at Aeroflot alleged to be loyal to him, to merge the two airlines into a supercarrier. Behind-the-scenes opposition from Managing Director Okulov now begins to simmer.

The Russian Federal Aviation Service reports at the end of September that, for the period since the beginning of the fiscal crisis in August, the number of citizens traveling domestically in Russia has dropped 30%, while the number of those traveling abroad has fallen by 70%. There is also a 40% drop in the number of incoming tourists.

Despite the crisis, a successful meeting is held with 25 Western bankers and creditors at the beginning of October. The airline is successful in securing enough credit facilities to cover lease payments and thereby avoid any need to return aircraft or alter the fleet renewal program.

The second B-777-2Q8 IGW arrives on October 12; the next day it begins thrice-weekly return service from Moscow to Beijing, as well as four-per-week flights to and from London. Plans are announced to operate long-haul charters with the new plane to Bangkok during the winter holiday season.

Also during the month, the company completes installation of a \$1.1-million Unisys Customer Loyalty System (CLS). This computer application allows ARIA to establish and maintain a tailored frequent flyer program.

The itinerary of the winter schedule on October 25 reflects the country's worsening economic crisis. In order to cut costs, the company reduces the number of its weekly flights from 700 to 525 and begins to reduce the number of countries served from 85 to 73.

Scheduled service is suspended to Rio de Janeiro, São Paulo, Buenos Aires, Johannesburg, Lagos, Mauritius, and Jakarta. A weekly service is added from Moscow to Lima via Havana, while service is restored between Moscow and Nairobi. Flights are added on the Moscow-Dhaka route and new services are started from Moscow to Karachi via Dubai, along with thrice-daily nonstop roundtrips between Moscow and Istanbul.

The company's two B-777-2Q8 IGWs are assigned to fly the company's daily nonstop routes from Moscow to New York, Beijing, and Bangkok. Meanwhile, B-767-3Y0ERs replace Il-96-300s on the nonstop Moscow to Los Angeles service. There is no change in the number of scheduled flights to Russian and former Soviet destinations.

Weekly nonstop return service is launched on October 26 linking Yuzhno and Vladivostok with Anchorage, Alaska.

On October 29, in an effort to win passengers, Aeroflot begins offering special \$260 roundtrip tickets to and from the U.S.; customers must, however, agree to randomly selected departure dates.

On November 1, it is announced that a planned 5% stock issue at the end of the year must be postponed because of unfavorable conditions in the world's stock markets.

After landing at Anchorage on November 11 following a service from New York (JFK), Flight 221, an **Asiana Airlines** B-747-48EC with 18 crew and 220 passengers, begins to taxi over an icy ramp area towards

its gate. As the plane reaches N-6 and begins to turn left, it continues straight ahead, with the nosewheels sliding sideways. The left, outboard engine of the Jumbojet strikes the left wingtip of ARIA Flight 853, an Ilyushin Il-62M with a crew of 11 and a contract cleaner aboard preparing for departure to San Francisco. The Boeing's left wingtip then strikes the Ilyushin's vertical stabilizer. Except for a sprained wrist claimed by the cleaner, no other injuries are reported. The captain of the Korean 747 immediately orders all four engines shut down and the passengers are disembarked using air stairs. Immediately after the collision, the Russian crew and cleaner, after turning off all power, also exit their aircraft.

Excluding the December 16–January 17 Christmas period, Aeroflot, on November 17, reduces business class fares by 30% through March 31.

On December 1, the Moscow court makes a ruling in the suits brought by Aeroflot and **Transaero Airlines** against one another. As a balance of the mutual claims, Aeroflot is directed to pay Transaero R 3 million (\$176,000).

The Aeroflot Tour Group Company is established in Moscow on December 18 by six major Russian travel concerns: Akademservis, Inna-Tour, Interpuls, Lanta Tour, BegemOT, and Talisman Travel. As part of the arrangement, the airline agrees to grant the new concern reduced fares on flights that it operates.

While in Amman late in the month for discussions with Lebanese officials concerning the inauguration of additional frequencies to Beirut, Africa/Mideast Division Director Yuri Vasilenko is approached by executives of **Iraqi Airways** seeking a renewal of flights by their carrier between Baghdad and Russia. Support is sought for a lifting of the UN air embargo.

It is announced at the end of the year that, in response to Russia's economic crisis, Aeroflot has shut down 25% of its 700 routes, including unprofitable flights to airports in Latin America, Africa, and even Dublin. On the other hand, the daily utilization rate per operable Il-96-300 is increased to 14.6 hrs. This remarkable improvement in the mechanical fortunes of the new aircraft type results in 6 of Aeroflot's 7 Il-96-300s being on hand for service every day.

Passenger boardings during the 12 months advance 14% to 4.45 million, even as freight traffic drops 6.3% to 507.9 million FTKs. A total of 84,600 tons of mail and cargo are transported, a 12,000-ton decline. A net profit of \$15.3 million is reported.

ARIA is the fourth largest airline in the world at the beginning of 1999. Two more B-737-4M0s are delivered on January 6, and enter service next day on the airline's routes from Moscow to Munich, London, and Rome. The 2 little Boeings bring to 23 the number of foreign-made aircraft in Aeroflot's fleet, one-fifth of the total.

On January 14, Russian President Boris Yeltsin decrees that Vladimir Potyomkin and Vladimir Tasun will receive Orders of Honor for their contributions to the development of Russian civil aviation. The former is an advisor to Aeroflot's managing director while the latter heads the Federal Aviation Service's West Siberian territorial department.

It will be revealed within two weeks that Russian prosecutors from the office of Prosecutor General Yuri Skuratov, on January 18, have begun a criminal investigation into exchange control infringements and abuse of influence by "a number of Aeroflot officials."

As the result of Russia's ongoing economic crisis, the U.S. Export-Import Bank on January 26 delays its organization of the financing pledged to Aeroflot in August for Il-96 funding and, according to a statement from the National Reserve Bank in Moscow, halts organizing funding. The U.S. institution has not refused to continue, but has suspended its aid because the Russian government, which will guarantee the arrangement, has had major problems of late in meeting its obligation to foreign creditors. Contacts between the National Reserve Bank and the U.S. Export-Import Bank leave no doubt that the agreement will only go forward if ongoing negotiations with the International Monetary Fund are successful.

Thrice-weekly Tu-154M roundtrips commence on January 18 between Moscow and Nizhnevartovsk. A similar service from Moscow to Krasnoyarsk will begin on January 31.

In response to a request from the International Red Cross and the Red Crescent Society, an Il-76TD on January 25 transports 42 tons of hu-

manitarian relief medical supplies over 9,000 km. from Bilund, Denmark, to P'yongyang. Over the next week, company Ilyushins will deliver four additional shipments to the capital of North Korea.

When alleged problems are found in their cargo department by internal auditors, Managing Director Okulov suspends two senior executives on February 3. The men are not only held partially responsible for the downturn in 1998 freight traffic, but are also accused of illegal activities. On top of this, they are also supposedly connected to LoboVAZ, the principal business vehicle of billionaire tycoon and Yeltsin family friend Berezovsky.

The Financial Times reports on February 4 that the company has undertaken a wide-ranging restructuring of its management committee, cutting its membership down from 20 to 15. At the same time, the post of director general is created; as first deputy managing director, the new officer will insure vertical control over daily operational activities. In addition, the director general will oversee cash flow and the company's 1,500-plus sales agents.

In addition, it will end its relationship with Andava, S.A., a concern that has handled the airline's foreign hard-currency earnings since 1996 and is linked to Mr. Berezovsky and Aeroflot-Tour, a package holiday company also alleged to have ties to Berezovsky.

For the second straight day, Russian prosecutors under Nikolai Volkov, accompanied by elite commandos in fatigues and ski masks, search offices and seize documents not only at the airline, but at companies linked to Aeroflot that have had dealings with Berezovsky or his former Aeroflot contacts. Principal among these is the NFQ advertising and publishing company that prints Aeroflot's in-flight magazine.

The Associated Press will report a few days later that the crackdown has allegedly been ordered by Russian Prime Minister Yevgeny Primakov. Prosecutors will inform reporter Paul Klebnikov that they are checking into the murky airline-financier relationship for evidence of tax evasion, fraud, and embezzlement. In a statement put out late in the day, Berezovsky denies any association with the sacked executives or Andava, S.A.

Managing Director Okulov reveals figures for the previous year's passenger and cargo traffic (see above) on February 8 and notes that, despite the country's financial crisis, the airline has generated an unspecified "small but definite profit."

Just after landing at Moscow on February 10, the tail of the **ARIA Rossiya Air Company** Il-96 returning President Yeltsin from the funeral of King Hussein at Amman, Jordan, strikes the wing of the **Alitalia, S.p.A.** MD-80, which has just brought Italian Prime Minister Massimo D'Alema to the Russian capital for talks. No injuries are reported aboard either aircraft, although the Italian plane sustains a cracked fuselage and is thus damaged to a point where a replacement aircraft will be sent.

On February 12, a memorandum of agreement is signed with **British Airways, Ltd. (2)** concerning the establishment of a strategic commercial alliance. The document, reflecting negotiations carried out in secret since the fall of the previous year, paves the way for the creation of specific marketing and other cooperative measures.

In an article published by *The New York Times* during the day, reporter Celestine Bohlen tells of the growing conflict between Prime Minister Primakov and financier Berezovsky that has now sucked in Aeroflot's managing director, Okulov. To add to the story, details of audio recordings, recently published by the *Moskovsky Komsomolets*, suggest that Berezovsky is a modern-day Rasputin, who not only influences the Yeltsin family but has for sometime been attempting to arrange a behind-the-scenes merger of both Aeroflot and **Transaero Airlines**.

The article reveals that, as a result of the airline maneuvering, Managing Director Okulov himself has "declared open war" on his onetime benefactor and begins the battle by terminating the two Berezovsky-associated executives. Other opening shots include the restructuring of the management committee and disassociation from the Swiss-based Andava concern—which is said to be diverting funds rather than consolidating them—and Aeroflot-Tour.

After an investigation determines that **Rossiia Air Company's** ground services had improperly directed Italian Prime Minister

D'Alema's transport on February 8, Prime Minister Primakov on February 18 personally fires that division's manager, Vladimir Kachnov.

Okulov holds a press conference on February 15 to discuss improvements in ARIA's fleet and management. He notes that negotiations for the acquisition of Tu-204/214s and Il-114 have been postponed, while the U.S. Export-Import Bank has informed him of its intention to withdraw from the Il-96M/T program. The only Il-96T so far completed has been tested, Okulov reveals, but has been returned to the factory for modifications. Delivery of the first operational aircraft for ARIA trials has been postponed until at least the end of the year.

Also during February, a code-sharing arrangement is entered into with **Aero Condor, S.A.** Under its terms, the company is able to provide the Peruvian line's customers with twice-weekly Il-96 return flights from Lima to Havana.

A man arriving at Sheremetyevo Airport on the company's March 8 service from Peru runs afoul of Russian customs. He is found to have in his possession a total of 3 monkeys, 1 parrot, and 28 lizards. Another 5 monkeys, 1 parrot, and 1 lizard died en route.

On March 13, Blue Bell, Pennsylvania-based Unisys Corporation and ARIA announce an agreement under which the Russian airline is employing the Unisys Customer Loyalty System as the core of its first frequent flyer program, "Bonus." Alexander Filippov, program director, informs the press that possession of a first-class loyalty program is another important step in the company's quest to become a major modern airline.

On March 21, in an effort to offset a downturn in domestic passenger boardings, Sales Manager Nikolai Ivanenko begins a series of meetings with foreign officials in Moscow designed to help increase foreign tourists. The first conference, attended by the ambassador of Thailand, is designed to boost load factors on the company's flights from Moscow and Vladivostok to Bangkok.

As the European diplomatic situation with regard to the Yugoslav question darkens, Prime Minister Primakov is en route to the U.S. on March 23 for discussions with President Clinton on other matters. Just after refueling in Iceland, the prime minister learns from Vice President Gore that NATO will begin a military campaign against Serbian military targets to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo. The Russian leader orders his **Rossiia Air Company** Il-96M to return to Moscow.

On March 24, in anticipation of air strikes by NATO countries, Aeroflot halts all scheduled service into Belgrade and redirects this service to Budapest. In making the announcement, a spokesman indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo begins. NATO also closes Bosnian airspace, halting flights to Sarajevo, Mostar, and Banja Luka for three weeks.

The Russian Prosecutor General's Office informs reporters on March 26 that Aeroflot offices have been searched again earlier in the day as part of the government's probe of the airline's foreign contracts. Aeroflot refuses to say whether prosecutors have seized any documents.

ARIA goes over to its summer schedule on March 28, at which point it offers flights to 150 cities in 79 countries around the world. Next day, an Aeroflot aircraft carries former Prime Minister Yegor Gaidar and two other former high-level Russian government executives on an unofficial diplomatic mission to Belgrade; they are only able to see lower-ranking Yugoslav officials.

At the direction of President Yeltsin and accompanied by Foreign Minister Igor Ivano, Defense Minister Igor Sergeyev, and other top-level delegates, Prime Minister Primakov, aboard a **Rossiia Air Company** Il-96, flies to Belgrade on March 30 for discussions with Yugoslav President Slobodan Milosevic. There is some hope that Russia, a traditional Serbian ally, might be able to bring a resolution of the Kosovo crisis. Six hours later, the Russians return home, their peace mission a failure.

Service to Belgrade remains halted on March 31 and for the duration of the NATO's Operation Allied Force bombing campaign. Flights to south-central and southeastern Europe experience delays of 30–60 minutes due to airspace closure.

Aeroflot reports on April 1 that it has lost \$300,000 in revenues because of the Kosovo crisis. The losses have come from frequent delays caused by military traffic in the Mediterranean and Balkans areas as well as by the suspension of all flights to Yugoslavia and some services to Macedonia and Croatia.

New weekly B-767-3Y0ER roundtrips begin on April 2 from St. Petersburg to San Francisco. Four days later, B-767-3Y0ER Tuesday return flights commence from St. Petersburg to Tokyo (NRT).

Saturday-only A310-324 roundtrip service begins on April 3 from Moscow to Kathmandu, Nepal.

On April 4, Russian prosecutors communicate with the office of Swiss federal prosecutor Carla del Ponte and ask for assistance in determining the connection of financier Berezovsky to the Swiss concern Andava as well as a legal review of Andava activities.

The Russian Prosecutor General's Office issues a warrant on April 5 for the arrest of Aeroflot's former deputy managing director, Gloschkov. When asked about the man by the press, Managing Director Okulov indicates that he "has no knowledge of his current whereabouts."

Early in the month, after weeks of power struggles between Prime Minister Primakov and financier Berezovsky, an arrest warrant is issued by Prosecutor General Skuratov for the latter, who is at his residence in the French Alps on business. The extraordinary measure is justified on the basis that Berezovsky has refused to answer several subpoenas in recent months or to testify concerning a suspected Swiss company he has established that has illegally transferred \$250 million in hard currency earnings from Aeroflot.

The matter becomes even more confusing when, at approximately the same time, President Yeltsin issues an order suspending Skuratov on moral grounds after the release of a videotape showing a man bearing a strong likeness to Skuratov having sex with two women identified as prostitutes. Investigators begin to look into the story behind the tapes and, meanwhile, Skuratov, who portrays himself as a fearless anticorruption crusader, is locked out of his office.

During the second week of April, financier Berezovsky indicates that he will return to face the charges against him and thus Deputy Prosecutor General Mikhail Katyshev, running the investigation as Skuratov battles Yeltsin for his political life, cancels the warrant. Berezovsky returns to Moscow from Nice on April 18 prepared to testify the next day.

Avoiding a session with Katyshev's prosecutors, Berezovsky checks into Moscow's Central Clinical Hospital on April 19. Investigators, led by Nikolai Volkov, indicate that they will wait for the financier's condition to improve before proceeding with their questioning.

Itar-Tass reports on April 22 that the former deputy managing director, Glushkov, sought on an April 5 warrant, is in Israel. It is also learned that Glushkov's lawyer, Anatoly Kucherena, has not, as in the Berezovsky case, pressed investigators to have the warrant cancelled.

Also on April 22, the Federation Council, the upper house of parliament that has the ultimate authority over Prosecutor General Skuratov's fate, refuses to approve Yeltsin's dismissal order. Next day, the Russian president continues his efforts to oust Skuratov, who in turn makes plans to appeal to the court system concerning Yeltsin's continued obstruction. Simultaneously, the Federation Council appoints a panel to look into the prosecutor's charges of high-level corruption involving Berezovsky and the Swiss company Mabetex, which is charged with making kickbacks to others besides those involved in the Aeroflot query.

Financier Berezovsky leaves his hospital room on April 26 to answer prosecutors' questions. He is allowed to go free several hours later after signing a pledge that he will not depart Moscow. According to his lawyer, Genri Reznik, Berezovsky, although pleading his innocence is simultaneously and officially charged with money laundering, unlawful entrepreneurship, and engagement in private business activities while in government service (he had recently resigned as executive secretary of the CIS).

The last of 10 B-737-4M0s is received under lease on April 30.

On May 1, twice-weekly service is resumed between Moscow and São Paulo while daily roundtrips commence between Moscow and Ekaterinburg in the Urals.

As part of his airline's continuing effort to find domestic partners and to develop its presence in the Russian Far East, Managing Director Okulov travels to Khabarovsk on May 7. There, a strategic agreement is signed with the managing director of **DAK Far Eastern Aviation (Khabarovsk United Air Detachment-Dalavia)**, Pavel Sevastyanov. Under terms of the arrangement, the two will soon begin to jointly operate their fleet and ground facilities, create a common pool of spare parts, jointly stockpile kerosene fuel, and jointly train both flight and ground personnel.

Prime Minister Primakov is dismissed on May 10, as the Russian duma begins to debate impeachment charges against President Yeltsin. Next day, Nikolai Volkov of the Public Prosecutor's Office cancels an outstanding warrant for the former deputy managing director, Glushkov, who has agreed through his attorney to return to Moscow for questioning concerning his role in the Aeroflot financial scandal.

An additional B-767-3Y0ER roundtrip is added on May 28 between Moscow and New York (JFK), which is routed via St. Petersburg. The new stop brings to 20 the number of weekly ARIA flights serving St. Petersburg.

Moscow to Belgrade flights resume on July 14 four times a week employing a Tu-154M. This resumption of a previously suspended route is delayed two days as Hungarian aviation officials are late in providing the necessary authority.

Weekly direct service is resumed on July 15 between Moscow and Skopje.

Investigator Nikolai Volkov travels to Zurich on August 30 to meet with Swiss prosecutor del Ponte for a review of the checks into Andava activities made in the period after April.

On October 16, Russian investigators accuse Berezovsky and Glushkov and ex-Aeroflot official, now **Vnukovo Airlines** CEO, Alexander Krasnenker, of taking \$400 million of the airline's profits and \$200 million in air traffic fees, which are hidden in Swiss companies and then laundered.

Weekly A310-324 roundtrips are started on November 5 from Washington, D.C. (IAD) to the company's mini-hub at Shannon, Ireland. Chief Investigator Volkov, on November 8, drops his case against Berezovsky, but continues his probe of Glushkov and **Vnukovo Airlines** CEO Krasnenker.

A code-sharing agreement is signed with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** on November 19. Under its terms, the Russian line is able to place its designator on Cubana flights into Latin America.

The carrier joins the Cargo Network Services, also in November, and begins to use the IATA operation's CASS airline freight billing system.

After months of negotiation, Aeroflot, on December 1, signs an agreement with Ilyushin Finance for the delivery of 6 Il-96-300s, beginning in 2001. With four new B-767-36NERS added during the year, the company has added only two domestic destinations (Moscow to Samara and to Nizhnevartovsk).

Passenger bookings rise 3.5% during the year to 4.6 million, or 21.5% of all Russian traffic; unhappily, they fall by 8% on international routes. Although Airbus and Boeing aircraft make up 22.4% of the fleet, they account for 56.7% of the carrier's total aerial work.

Revenues plunge 15.2% to \$1.190 billion, with costs up to \$1.191 billion. There is a \$1.7-million operating loss, but a net gain of \$1.1 million. Market capitalization is approximately \$215 million or just a third of its 1997 market peak.

Airline employment stands at 14,050 at the beginning of 2000, a tiny 0.2% increase over the past 12 months. Among the world's top 25 airlines at the beginning of the new millennium, Aeroflot has the 24th largest fleet.

As 2000 begins, the effort to root out corruption and inefficiency continues. In order to establish transparent cash flow management, the carrier's global banking business is now awarded to Chase Manhattan Corp.

A comprehensive agreement is signed with **Belavia (Belorussian Airlines)** on January 26. Under its terms, the two carriers will undertake return code-sharing passenger flights from Russia to Belarus and from

Belarus to Siberia, the Mideast, and Southeast Asia via Moscow, as well as on Aeroflot cargo services to Belorussian cities. The two also plan to establish joint hubs at Moscow and Minsk.

A code-sharing agreement is signed with **Airzena Georgian Airlines** on February 1 allowing for joint service over the Moscow-Tbilisi route, as well as combined maintenance and service activities. A strategic compact is also signed with **BAL Bashkiri Airlines** on February 25 covering joint flights and services.

Daily B-737-4M0 nonstop roundtrips begin on March 1 between Moscow and Ufa.

Aeroflot sponsored air carrier consolidation continues as a new strategic alliance is signed with **Air Kazakhstan** Group on March 15 and with **Armenian Airlines** on March 17. All four of these first-quarter deals are similar to the Belavia arrangement of January 26.

After Spanish charter operators claim that they are not given equal rights in operating tour flights into Russia, the Spanish government, on March 31, bans Russian flights, including those by ARIA. A number of Russian passengers are thus stranded at Tenerife. Representatives from both countries will review and resolve matters in Madrid on April 12. Meanwhile, Aeroflot is permitted to send an Il-86 on April 2 to retrieve its Tenerife customers.

During the first week of April, the Russian and Bulgarian governments sign an air traffic agreement; although **Balkan Bulgarian Airlines** and Aeroflot will continue to operate scheduled flights between principal cities, the Moscow-based charter operator, **Avia Express Cruise**, will be allowed to launch scheduled flights to the Bulgarian holiday resorts. Service to Miami and Jakarta is discontinued on April 26.

Having shown little interest in increasing the number of its frequencies to Bulgaria under terms of the new Russo-Bulgarian air traffic agreement signed three weeks earlier, Aeroflot gives way on April 29 to the charter operator **Avia Express Cruise**. AEC now launches its first scheduled frequencies, thrice-weekly flights from Moscow to the Bulgarian holiday resorts of Varna and Burgas.

With the assistance of the U.S.-based McKinsey & Co. consultants hired the previous October, new deputy CEO for finance Alexander Zurabov, quietly appointed the previous summer, is able to unveil a new corporate strategic plan on May 1. The plan, which is to be implemented over the next two to three years, includes increased profitability, optimized resources via internal restructuring, fleet and route rationalization, additional domestic code-sharing, and an end of its lingering Soviet image—including the long-dead boast of being able to fly to every corner of the globe. Arrangements are announced for entry by 2003 into the new "SkyTeam" alliance being built by **Air France** and **Delta Air Lines** as well as a design for a new international terminal at Moscow—Sheremetyevo 3, which is needed as part of the group's joining requirement. Construction groundbreaking for the \$300-million project is scheduled for February.

The plan starts with the beginning of the summer timetable, which features 450 scheduled weekly flights, 50 fewer than in 1998. Although service to Jakarta and Miami has been withdrawn, a new Il-96 service from Moscow to Shanghai is introduced. Domestic flights begin from Moscow to Ufa, Kav Min Vody, and Perm.

Nickolai Shipil replaces Yuri Lengaro as DG of the **VIP Rossiya Air Company** on May 17.

Under a new dual-designator pact with **Perm State Air Enterprise**, also known as Perm Airlines, Aeroflot launches daily return service on June 7 from Moscow to Perm.

On June 24, the board of directors meets to clarify whether the government of President Vladimir V. Putin will support CEO Okulov or media and oil oligarch Boris Berezovsky, who has once again moved into the picture by nominating new board candidates. Leaders of the airline's trade unions also seek the CEO's replacement. Okulov, who has two more years on his contract, is triumphant, being reelected director general. Transport Minister Sergei Frank is reelected chairman and new members include CFO Zurabov and for the first time, a foreigner, Unifund manager and U.S. citizen David Herne, who represents overseas shareholders.

The next day, the airline complains to IATA that the U.S. is breaking international law by banning smoking on all flights into and out of America. At the same time, the carrier's trade union leaders go to court seeking to overturn the board's decision not to consider Okulov's replacement.

In early July, the case against Berezovsky is reinstated and he is once more examined by prosecutors about the possible \$600-million embezzlement. Protesting President Putin's tactics against himself and other moguls, such as media baron Vladimir Gusinsky, Berezovsky, in a final break with the new Russian leadership, resigns his seat in the Duma at mid-month, forfeiting the immunity the post had provided.

Weekly Il-62 roundtrips commence on July 17 from Irkutsk to Shenyang, China.

Pricewaterhouse Coopers, hired for an audit by the Lausanne-based Forus Services, reports on July 25 that it has found no evidence of a Berezovsky-led funneling of funds into the Swiss company. The next day, a 51% stake is purchased in **Donavia (Donskie Avialinii)**, which is renamed **Aeroflot-Don**.

Delhi-Moscow service is suspended by **Air India, Ltd.** on August 1; a week later, it signs a code-sharing agreement with ARIA, which will market 75 blocked seats for the carrier on each of three weekly dual designator flights it operates to India.

On August 10, the government, in a further effort to reform the Russian civil aviation system and more tightly integrate it with the remainder of the nation's transport system, renames the Federal Service of Air Transport (FSVT) the State Service of Civil Aviation (GSGA). Amidst media speculation that Aeroflot is behind the appointment, Aleksandr Neradko, the FSVT safety department head, is named to succeed Vladimir Andreyev as the new agency director. Neradko indicates that the GSGA will exercise stricter control over airline safety and passenger service, but will maintain deregulation, except in predatory practice cases.

In mid-August, Chief Prosecutor Volkov is dismissed after sending an unauthorized invitation to a Swiss prosecutor to bring more documents to Moscow in the Berezovsky embezzlement matter.

The draft 2001 budget received by the Duma on August 31 indicates that the government will reduce further (but by no specified amount) its Aeroflot holdings.

Thrice-weekly Tu-154 roundtrips start on September 4 between Moscow and Chelyabinsk.

On September 12, Aeroflot announces that it had flown 613,900 passengers in August, a new single month post-Soviet record, with seat occupancy jumping to 74.8%, a 10-year high. Deputy Director General Nikolai Kuznetsov also reports that passenger boardings since January are up 8.5%, cargo is ahead by 22.4%, and operating revenues are up 16% to \$700 million. Still, it is recognized that privatization may not come anytime soon.

Two days later the airline opens negotiations with Iraq concerning the resumption of service to Baghdad in October, authorized by President Putin the previous month. The UN, U.S., and U.K. maintain that such flights would be a violation of the sanctions on Iraq imposed after the Gulf War.

On September 28, weekly Tu-154M charter service is opened between Moscow and Tel Aviv.

A memorandum of agreement is signed by CEO Okulov with **Iraqi Airways** President Maamoon Muhetdin on October 1 calling for the restoration of air service to Baghdad at an unspecified future date. At the same time, it is announced that a new airline, Aeroflot-Perm, will be created; incorporating **Perm State Air Enterprise (Permskoe Gosudartstvennoe A/P)**, the new carrier will operate the regional services from Perm previously flown by both companies.

On October 4, the board of directors approves a global depository receipts (GDR) issue on 20% of the airline; the move is viewed as a way to increase the liquidity of Aeroflot's shares by having them listed on foreign stock exchanges. The initial listing on the London Stock Exchange is to occur by the end of the year.

It is announced on October 7 that the company office at Nairobi, Kenya, closed in December 1998, will be reopened by year's end in order to explore the East African regional market.

Company officials meet at Moscow with representatives of **Air France** on October 12-13 to discuss future alliance possibilities. Judging by the success of the talks, it is anticipated that negotiations for an entry by Aeroflot into the "SkyTeam" alliance will be completed by 2003 as hoped.

Unsuccessful in his attempt to influence the airline's direction and still under a cloud, Boris Berezovsky is again questioned at the prosecutor general's office in Moscow on October 17; the hour-long conversation reveals nothing new and the businessman leaves dismissing the continuing probe as a political witch-hunt. Two days later, the Moscow regional court postpones until December 8 a further hearing on a suit seeking the director general's replacement, which was brought by trade union leaders against the board in June.

In anticipation of competition from smaller private carriers over the Moscow to Murmansk route, the company announces on October 20 that, as of the end of March, it will replace the Tupolevs employed on that service with Boeing 737-4M0s. Seven days later, executives, led by Director General Okulov, hold a news conference to promote the new winter schedule, which will offer 535 weekly flights and boost profits during the first quarter by an anticipated \$32 million.

A **Rossiya Air Company** Tu-154M en route from Moscow to Ankara on October 28 carrying Prime Minister Mikhail Kasyanov, is forced to make an emergency landing at the Turkish capital after an onboard fire alarm is activated.

At the beginning of the winter schedule on October 29, A310-324s replace Il-62s on the Moscow-Vladivostok route and B-767-3Y0ers on the Moscow-Toronto route, which now includes Montreal. Direct service to Lisbon and São Paulo is cancelled and the number of charter flights is increased from 1999's 234 to 500-600.

To help improve its market share against **Transaero Airlines**, Aeroflot, on October 30, replaces the Tu-154Ms employed on the Moscow to Nizhnevartovsk route with B-737-4M0s. The next day, the company's first office is opened at Nizhnevartovsk.

Also on November 1, Deputy Prosecutor General Vladimir Kolmogorov informs *Itar-Tass* that new documents he has received from Switzerland indicate that Berezovsky and Krasnenker are guilty of funneling hundreds of millions of dollars in Aeroflot profits to Swiss firms. Both men, along with media mogul Vladimir Gusinsky, wanted in a separate matter, are ordered to turn themselves in for questioning later in the month.

In accordance with a memorandum of agreement signed the previous month in Moscow, Aeroflot opens a representative office in Baghdad on November 15; **Iraqi Airways** simultaneously opens a similar office in the Russian capital.

Service from Moscow to Bahrain is resumed in December.

AEROFLOT PLUS. See AEROFLOT RUSSIAN INTERNATIONAL AIRLINES (ARIA)

AEROFLOT SOVIET AIRLINES (GRAZDANSKI VOZDUSHNIY FLOT): U.S.S.R. (1932-1992). As the result of resolutions made at the 17th Congress of the All-Soviet Communist Party in early 1932, it is decided that the existing state carrier should be reorganized, expanded, and upgraded. On February 25, all Russian civil aviation comes under the control of the Chief Directorate of the Civil Air Fleet or Glavnoe Upravlenie Grazhdanskogo Vozdushnogo Flota. On March 25, the previous state airline, **Dobroflot**, is renamed Airline Administration Aeroflot or Upravlenie Vozdushnykh Soobshchenii Aeroflot, but it becomes known popularly by its trading name, **Aeroflot Soviet Airlines**.

Dobroflot Director General B. I. Baranov continues in office for the remainder of the year. Previous routes and services are maintained. The Soviet-German international service, **Deutsche-Russische Luft-**

verkehrs, A.G. (Dereluft) is not affected; however, Aeroflot now becomes the Russian partner in that particular multinational enterprise. In the Far East north of Vladivostok during these 12 months, a multi-stop network is finished, linking Khabarovsk with Okha on Sakhalin Island. Late in the year, the airline requests a large number of Tupolev ANT-6s, known in their military version as the TB-3 bomber, as well as the civil G-2.

Flying a Kalinin K-5, A. I. Petrov flies the Tbilisi-Moscow route non-stop in one day for the first time on June 25, 1933. Piloted by A. S. Demchenko, the first of five new Savoia S-55P flying boats acquired for the Far Eastern division, departs Saesto Calende, Italy, for Sevastopol and will fly via Brindisi, Athens, Constantinople, and Odessa. The company fails to fulfill its goals as laid out by the First Five-Year Plan. Consequently, in July, a Political Directorate is established (under N. S. Berezin), alongside the geographical subdivisions. I. S. Unshlikht now succeeds B. I. Baranov as director general.

On August 1, scheduled one-day Moscow to Tbilisi K-5 service begins. Inspired by the Lockheed Orion, the first three Neman KhAI-1s are delivered later in the month and in September. During September, the Red Air Force finally agrees to allow the airline six G-2s, the civil version of the TB-3 bomber. Having reached Vladivostok from Sevastopol via Khabarovsk, Demchenko's new S-55P makes a proving flight, between September 26 and October 16, from Vladivostok to Petropavlovsk, via Sakhalin.

On December 15, a Kalinin K-5 completes the airline's transcontinental route, having flown from Irkutsk along the Trans-Siberian Railroad to Vladivostok, making thirteen stops along the way. Also, in the Far East during the year, five new Italian-made Savoia-Marchetti S-55P flying boats are placed in service. These begin weeklong summer multi-stop flights north around the Sea of Okhotsk from Khabarovsk to Petropavlovsk. Meanwhile, Aeroflot is also given responsibility for agricultural and survey work, as well as air transport. During the year, 61 Kalinin K-5s enter service, bringing the total in Aeroflot service to 131.

Progress in the latter area is rapid and by the close of 1934 routes encompass the width and breadth of the Soviet Union, although those to the east still primarily follow the transcontinental railway. Several examples of the Kharkov Aviation Institute's KhAI-1 are reportedly placed into service on a Moscow to Tbilisi express service.

The trading organization Amtorg purchases two Consolidated Model 17AF Fleetsters from **Pacific-Alaska Airways**, a subsidiary of **Pan American Airways (PAA)** on February 22 for use in a search for the wrecked icebreaker *Chelyuskin*. Repainted in **Aviaarktika** colors, the two are turned over to pilots M. T. Slepnev and S. A. Levanevsky at Nome on March 24. En route to Siberia on March 29, the latter pilot crashes his aircraft at Kolyuchin Bay. Slepnev's aircraft departs Nome on April 2 and is able to participate in the rescue mission.

On September 7, a special Central Asia unit is established under A. E. Golovanov and is equipped with three Tupolev ANT-6/G-2s; the first two of the refurbished ex-military TB-3 bombers arrives at Ashkhabad from Moscow ten days later, followed by the third at month's end. During the fourth quarter, the three planes haul 1,000 passengers and 1,400 tons of cargo. Their type is one of the first in Aeroflot service to employ female flight attendants.

The Laville ZIG-1 prototype of a twin-engine, low-wing monoplane transport designed by Frenchman Andre Laville is initially test flown at Moscow in the spring of 1935. On August 6, the first DC-2 is delivered, via the trading organization Amtorg, for evaluation and designer Boris Lisunov is sent to study for two years at the Douglas Aircraft Company plant in Santa Monica, California. An ANT-9, on August 31, opens the first Aeroflot international route to the West on a return service to Prague.

One of the five Savoia S-55Ps operating in the Far East is written off following a September crash. In the fall, I. F. Tkachev succeeds I. S. Unshlikht as director general and, in October, it is reported that the carrier has 90 of its principal airliner, the Kalinin K-5, in service, along with 48 Tupolev ANT-9s, 8 new Neman KhAI-1s and 95 Putilov Stal'-2s; 5 G-2s

are also in use in Siberia, Central Asia, and Transcaucasia. The ZIG-1 prototype is lost in a November 29 Moscow test (five dead); a second prototype will be more successful. During the year, the VAU GA, Higher College of Training for Civil Aviation, is established at Bataisk.

A total of 111,000 passengers and 11,000 tons of mail/freight are transported on the year.

By 1936, Aeroflot's administrative structure has grown to include 12 regional districts across the country: Azov-Black Sea, Caucasus, Central Asia, East Siberia, Far East, Moscow, North, Trans-Caucasus, Ukraine, Ural, Volga, and West Siberia. The new VAU GA is now transferred to Minerainie Voda.

Completed in February, the only Tupolev ANT-37bis (DB-2B) is turned over to the airline and christened *Rodina*. The DC-2 acquired the previous year makes several demonstration flights over Moscow on May 6; it is then dispatched on a roundtrip proving flight to Tbilisi and back. Upon its return, the American transport, together with two ANT-9s, open a new Moscow-Prague route on May 31. Also in May, regular Neman KhAI-1 service begins over the route from Moscow to Simferopol.

A Moscow-Minsk K-5 connection is opened on July 7. The first Antonov ANT-35 (PS-35) makes its maiden flight on August 26 and in September undertakes a record-breaking Moscow-Leningrad-Moscow flight in 3 hrs. 38 min. Meanwhile, on August 31, a new Moscow to Prague route is begun followed by a service to Sofia. During the year, a small number of Zavod Imenya Gorkova ZIG-1s or PS-89s are introduced on a route from Moscow to Simferopol, via Kharkov. The first Douglas DC-3 is delivered, via Cherbourg, during the last week of November.

The partners agree in early 1937 that the **Deutsche-Russische Luftverkehrs, A.G. (Dereluft)** arrangement should end; however, negotiations with **Deutsche Lufthansa, A.G.** (the German partner) are delayed. Aeroflot's DC-2 is chartered by the joint carrier during the first quarter and three Consolidated Model 28-2 Catalina flying boats are ordered from the U.S. on February 28. Although the paperwork is not finished, **Deutsche-Russische Luftverkehrs, A.G. (Deruluft)** concludes its operations on March 31 and a direct Aeroflot multistop service to Berlin is now opened.

Piloting a K-5, A. Mureev flies from Leningrad to Moscow on May 5 in a record 3 hrs. 35 min. Another DC-3, one of 11 completed units to be acquired by August, arrives at Stockholm on June 27 and, on July 1, it joins two Antonov ANT-35s in launching regularly scheduled service on a new Moscow to Stockholm, via Riga, route. The Scandinavian service is reciprocal with **ABA Swedish Airlines, A.B.** On July 4, three newly converted G-2s (military TB-3s transformed to 14-passenger civil transports) enter service on a route from Moscow to Tashkent. Fifteen days later, an Administration for International Routes is set up.

The carrier's only DC-2 is lost in a crash in Romania on August 6. Following the August 12 disappearance of the Tupolev DB-A flown by Soviet airmen Levanevsky and Levchenko during their polar flight to the U.S., Amtorg, the Russian trading organization, purchases an available Consolidated Model 28-1 Catalina on August 18 to assist in a search. Christened *Guba*, the plane makes several search flights before being dismantled and shipped to New York by rail for transport to Leningrad by sea.

Later in the year, a "flying doctor" service of sorts is established as Aeroflot assumes responsibility for undertaking all air ambulance and medical supply work. The first of seven ZIG-1 (PS-89) 12-passenger transports is accepted and enters regularly scheduled service over the route from Moscow to Simferopol on October 20. In the same month, designer Andrei N. Tupolev is arrested and becomes a "non-person." Consequently, his initials are removed from all of his designs and replaced with those of the State Aircraft Plant or Aircraft Production Company (Passazhirskii Samolet), with the ANT-9 transport, for example, quickly reborn as the PS-9 and the ANT-35 as the PS-35.

Built to Soviet specification as a pattern aircraft for license manufacture, the Martin M-156 (PS-30) Clipper is test flown in November. A slightly larger sister to the flying boats employed by **Pan American Airways (PAA)**, the aircraft is flown to New York at year's end. During the

year, the company transports a total of 211,000 passengers, 36,000 tons of freight, and 9,000 tons of mail.

Vasily S. Molokov succeeds L. F. Tkachev as director general in 1938. Disassembled, the Martin 156 flying boat is shipped to Russia on the S. S. *Southlure*, which departs New York on January 20. Parts for two more Clippers are also supplied. The four Catalinas arrive early in the year, assembled, and provided to **Aviaarktika** in the north under the designation MP-7. A license is now received that allows manufacture of the Douglas DC-3 in Russia under the name PS-84 and, during the spring, a ZIG-1 (PS-89), piloted by S. Fokanov, makes a roundtrip flight across 11 Soviet republics.

Service is inaugurated to Cluj and Bucharest (Romania) and, on August 18, Director General Molokov, speaking at an "Aviation Day" meeting at Moscow, remarks on the previous year's accomplishments. The next day, August 19, a PS-35 makes a forced landing near Stockholm. During the summer, a Polikarpov PR-5 and a ZIG-1 (PS-89) conduct a proving flight from Moscow to Irkutsk and back.

A third assembled DC-3 joins the earlier unit and the PS-35s on the Moscow-Riga-Stockholm frequency beginning in September. Moscow-Kiev PS-35 flights commence on November 16 and, late in the month, service is launched from Kiev to Mineral'nye Vody, via Rostov-on-Don. The Stockholm route is closed in December and the PS-35s are withdrawn from it.

In 1939, Aeroflot starts a new route to Sofia (Bulgaria) while the first PS-84 is test flown near Moscow in January-February. When the Stockholm route is reopened in May, two U.S.-made DC-3s are employed. Others of the thirteen American units to be received during the year fly from Moscow to Tbilisi, Ashabad, and Alma Ata and three are designated to launch a new route from Moscow to Baku, via Stalingrad. Five PS-35s commence service from Moscow to Simferopol during the spring. Since 1934, the number of civil TB-3s, known as G-2s, in company service has increased to 72, with many being employed as freighters.

As a result of the August Russo-German nonaggression pact, Soviet Red Army forces roll into Poland on September 17. Two **LOT Polish Airlines, S.A.** Lockheed Model 10A Electras are captured and turned over to Aeroflot. Later, on December 6, a joint air service is started with the Chinese; named **Hamiata (Sino-Soviet Aviation Corporation)** after its principal destinations, the line hosts flights between Alma Ata (now Almaty, Kazakhstan) and Hami, via Urumchi. Also during the month, a number of special units are created to support the Red Air Force in the Winter War with Finland. In the past four years, the number of Kalinin K-5s available has been reduced from 90 to just 33; however, 45 ANT-9s (PS-9s) remain on strength and three PS-30 Martin Clippers are on strength in the Far East.

Indigenously built PS-84s begin to supplant the ANT-9 in commercial service during 1940. On January 8, one makes a proving flight over the former Deruluft route to Berlin; regular flights over the route commence on January 21. In cooperation with **ABA Swedish Airlines, A.B.**, flights begin to Moscow from Stockholm, via Riga and Velikie Luki and, on March 14, a DC-3 proving flight is made from Moscow to Sofia.

On May 6, the giant, six-engine ANT-20bis (PS-124) is placed into service on a route from Moscow to Mineral'nye Vody while, next day, scheduled Kalinin K-5 flights commence from Kiev to Lvov in occupied Poland. PS-35s are assigned to the Lvov service on May 15 and to a new route from Moscow to Odessa. By July, five DC-3s are employed on the Stockholm-Moscow service.

Flown by A. Ovechkin and N. Derkunsy, a PS-30 Martin Clipper on July 8 inaugurates a new route from Khabarovsk to Petropavlovsk. Meanwhile, a single, small amphibian, the Schavrov Sch-7, is introduced to service communities along the Volga River between Saratov and Astrakhan. When Estonia is invaded in September, two Junkers Ju-52/3ms and a Lockheed Model 14H Super Electra are taken over; Latvia yields two de Havilland DH 89 Dragon Rapides, which also enter service.

The new Baltic directorate is established on October 29 and an MP-7 Catalina is provided to the Irkutsk directorate in December. The fleet

now includes 26 DC-3/PS-84s, but only 1 PS-30 Martin Clipper is still available.

A total of 359,000 passengers and 45,000 tons of mail/freight are transported on the year over the airline's 90,906-mile unduplicated route system. The work of the carrier's pilots is detailed in the Mosfilm motion picture *Workdays*.

The Moscow-Stockholm route is not closed for this winter and, in January 1941, a sixth DC-3/PS-84 is assigned to the joint service with **ABA Swedish Airlines, A.B.** The **Deutsche-Russische Luftverkehrs, A.G. (Dereluft)** partnership is formally terminated on March 22. Germany invades on June 21 and all air routes west of Moscow are suspended, although those in the east continue. A DC-3/PS-84 from Stockholm is the last airliner to officially fly into Russian airspace this day. The airline is now placed directly under the People's Commissariat for Defense and the Commander of the Red Army. Ever after, its organizational structure will be rigidly militaristic.

Between June 23-27, Aeroflot Soviet Airlines is divided into six Aviation Groups for Special Purposes (Aviagruppy Osobogo Naznacheniya-AGON GVF) based at Moscow, Kiev, Kharkov, Baltic, Belorussia, and the Southwest. Polar hero/Director General Molokov is made a major general and is placed in charge of military air transport. From Aeroflot are created air units, subordinate units, and detachments that are gradually entered into the organization of the Front air forces.

At the same time, Bykovo, Baltic, Black Sea, and Northern AGONs are set up to support the Soviet Navy. The VAU GA, Higher College of Training for Civil Aviation is evacuated from Mineral'nye Vody to Tashkent and is assigned to train military pilots.

On July 9, all AGON airline personnel are drafted into the military. Later, on July 27, a Moscow AGON PS-84 is attacked by German Me-109s while evacuating wounded from the front. As the plane spins out of control, flight engineer I. S. Bulkin is able to assume control from his comatose pilot and bring the heavily damaged plane to a safe landing. The 30 PS-84s of the Moscow AGON are ordered, as of September 20, to commence a regular supply run into besieged Leningrad.

On September 22, an Aeroflot unit drops paratroops behind enemy lines in cooperation with the Black Sea Fleet air force as part of a counterattack against German troops besieging Odessa. The Leningrad airlift begins on October 10 and is strongly resisted by the Luftwaffe. En route from the city five days later with a group of 38 women and children, the PS-84 piloted by I. N. Ovsyannikov is one of 12 intercepted by Nazi Messerschmitts. Ovsyannikov is wounded and his plane badly damaged; however, the hero flyer is able to land his burning aircraft on the shore of Lake Ladoga where most of its passengers escape.

Also in October, the Moscow AGON formed from Aeroflot and units of the Long-Range Bomber Force bring arms and men in from the regions of Teykovo and Yaroslavl. In three days, some 5,500 men and thirteen tons of supplies are delivered in support of the Bryansk Front, mostly by 30 PS-84s.

In 1941, during the fall-winter Battle of Moscow, the aircraft of Aeroflot fly 32,730 sorties in direct support of Russian forces, including the transport of 49,822 troops and 1,365 tons of supplies. In the Far East, the five Savoia-Marchetti S-55Ps are retired from the Petropavlovsk service. During the fall, many factories are moved from Moscow to a line behind the Ural Mountains. Among these is the Passazhirskii Samolet Plant No. 84, which is relocated to Tashkent, where the Aviation Production Company will be named in honor of V. P. Ckalov and through 1945, will turn out a staggering 6,157 DC-3/PS-84s.

Between October 10 and December 25, the Moscow AGON flies 6,235 tons of supplies into besieged Leningrad and evacuates 50,000 people, including 13,208 wounded soldiers. Having been formed six months earlier, a North Caucasian AGON, to which all remaining Kalinin K-5s have been assigned, is responsible in November for the evacuation of over 1,000 wounded from Rostov-on-Don. It is recorded on December 31 that, since the outbreak of war, Aeroflot has lost 67 of its 177 PS-84s, including 42 to direct Luftwaffe action. In addition, the two Baltic-directorate Ju-52/3ms are destroyed.

All commercial services are suspended in **1942**, except for the Siberian route and the Arctic services of **Aviaarktika**. In the Far East, the last PS-30 Martin Clipper completes almost two years of service on a route from Vladivostok to Petropavlovsk, via Khabarovsk.

On January 3-4, those Aeroflot units attached to the Western Front are assigned to drop paratroops behind enemy lines near Medyn. The first PS-84 is delivered from the Lisunov factory (which had been moved to Tashkent the previous autumn) on January 7. From January 18 to 31, some 3,600 paratroops are placed behind German lines in the Moscow area and during February, the entire 4th Parachute Corps, some 10,000 soldiers, are dropped in the enemy's rear.

F. A. Astakhov now succeeds Vasily S. Molokov as director general and, later in the year, the Aeroflot elements in the Red Air Force are formed into two official units: the First Transport Aviation Group and the Special Communications Aviation Group. Beginning in May, all Aeroflot aircraft not painted in national livery and markings are so colored. Between June 21 and July 1, the airline makes 229 relief flights into the beleaguered Crimean city of Sevastopol at night; 218 tons of supplies are brought in and 2,162 persons, including 1,542 wounded, are removed. Also in July, the MP-7 Catalina, known as the *Guba* before its transfer to the Red Navy, is shot down by a German U-boat at Novaya Zemlya.

During the defensive phase of the Battle of Stalingrad beginning in August, air groups of Aeroflot and some AFLRO units transport military personnel, materiel, ammunition, and food to the ground troops and evacuate the wounded to the rear. In September, in honor of its production supervisor, the Soviet government orders all of its PS-84s (DC-3s) redesignated Lisunov Li-2s. In November, it is reported that, since July 1941, Aeroflot-manned Po-2s have rescued 580,000 individuals from the areas overrun by German troops, including 150,000 wounded soldiers. In the same period, Aeroflot units have flown 58,000 sorties in support of partisans, including 4,645 that involve landing behind enemy lines. During 1942 alone, the onetime civilian carrier transports more than 38,000 men and 6,400 tons of supplies.

At the end of February **1943**, it is announced that, during the Battle of Stalingrad, Aeroflot units had flown more than 46,000 sorties, carrying out over 31,000 soldiers and delivering 2,587 tons of military cargo. The Soviet official history of the air war reports that hundreds of flyers, engineers, navigators, and mechanics were given orders and medals as a result. Fifteen Polikarpov Po-2-equipped Aeroflot units are now created; known as Detached Aviation Regiments, these perform air ambulance and communications directly in support of frontline divisions. During the year, the first of 700 Douglas C-47s (military DC-3s) are received from Alaska via the Lend Lease Act and, as PS-84s, are assigned to a newly formed First Detached Aviation Division for service on the Central Front. They are joined by upwards of 80 Junkers Ju-52/3ms captured and repaired following the Battle of Stalingrad. During the year, Aeroflot units transport more than 390,000 men to the Fronts and to the partisans and more than 29,000 tons of varied cargo. For courage displayed in battle, the 2nd, 6th, and 7th Air Regiments are created guards units.

In the Far East during **1944**, three Consolidated Catalina flying boats (license built as the GST MP-7) are placed in service, allowing withdrawal of the SP-30. Meanwhile, the Aeroflot-manned units of the Red Air Force continue their operations in the West. During January-February, the transport air regiments of Aeroflot operating in the Leningrad area are able to deliver 278 tons of equipment and 383 personnel to the partisans, while evacuating 740 men, including 592 seriously wounded guerrillas. Later in the spring, during the battle for the Karelian Isthmus, the 40th and 52nd Transport Regiments are able to complete 5,700 sorties, transport 6,100 soldiers, a large tonnage of supplies, and evacuate 2,503 wounded.

Meanwhile, during the White Russian operation conducted between July 5 and August 29, Aeroflot transport regiments fly 35,000 sorties and carry in excess of 43,000 men. The First Transport Aviation Group becomes the 10th Guards Aviation Division, one of six frontline transport groups created since 1942 to be transformed into

Guards Aviation Divisions. On November 5, scheduled services are resumed to Bucharest and Sofia.

On March 6, **1945**, the carrier reestablishes the prewar **LOT Polish Airlines**, equipping it with Li-2s. An Li-2, piloted by A. Taimetov, gains the honor of being the Soviet aircraft chosen to fly the German surrender documents to Moscow on May 9. Following this V-E Day flight, Aeroflot statisticians report that, since 1941, the airline has transported 2.3-million passengers (including 330,000 wounded) and 400,000 tons of supplies in 4.5-million hours of flight time. In terms just of support to partisans operating in the German rear, Aeroflot units have made more than 109,000 sorties, including 13,000 that ended in landings on airfields and landing strips held by guerrilla units. Over 17,000 tons of ammunition, guns, food, radio transmitters, medicine, mail, etc. are flown in and 83,000 people, mostly wounded, are evacuated.

Partial domestic commercial service is resumed late in the year. The VAU GA, Higher College of Training for Civil Aviation, is tasked with training the pilots required to fly Li-2s for Aeroflot's regional departments.

Hereafter, Aeroflot, widely regarded in the West as a civilian airline, will, in fact, retain its military links. Most of its personnel will hold reserve or former military status, its director general will be a marshal in the Soviet Air Force, and most of its transports will continue to be designed and configured for military as well as civil purposes. In time of crisis, the entire fleet will be instantly at the disposal of the military.

Meanwhile, beginning in August, scheduled services are resumed to Prague, Warsaw, Vienna, and Berlin. Douglas DC-3s, Junkers Ju-52/3ms, and support are provided allowing the reformation of **CSA Czechoslovak Airlines** on September 14. Late in the year, the first of five fifty-fifty partnerships are entered into with the governments involved to reconstruct national airlines. The first such company established is **TARS** in Romania, set up as successor to the prewar **Lares**.

Under the fourth Five-Year Plan in **1946**, Aeroflot is directed to reconstruct and to restore and then expand its pre-1941 network to 108,740 unduplicated miles, initially with Li-2s. A fleet of 15 Lend-Lease Douglas C-47s (Li-2s) and 3 captured Ju-52/3ms is turned over to the airline at Yakutsk by the Red Air Force and on March 1 is formed into the all-freight 14th Cargo Aircraft Group for use in support of further Siberian development. Scheduled flights are undertaken to Belgrade and Budapest.

On March 29, **Maszvoiet** is established at Budapest with Soviet technicians and Li-2s as successor to the prewar **Malert**. Air Marshal Fastakov announces Aeroflot's expansion and modernization program at an April 8 civil aviation conference held at Moscow. **Malert** services begin on October 15 with Russian-supplied Li-2s and Po-2s.

Li-2 Moscow-Helsinki service is launched on November 25. The joint-stock **Justa** is set up at Belgrade (Yugoslavia) late in the year as successor to the prewar **Aeropot**.

An Li-2 with 24 passengers is lost near Meshed, Iran, on December 4.

An additional joint partnership, B.V.S., is established at Sofia (Bulgaria) in early **1947** as successor to the prewar **Aeropot**. G. G. Baidukov succeeds F. A. Astakhov as director general. Employing Li-2s, service begins in April; the same month, Justa undertakes Li-2 operations. B.V.S. commences domestic flights on June 29 with Soviet supplied Li-2s and Ju-52/3ms. The first Soviet postwar transport, the Ilyushin Il-12, enters limited Aeroflot service during the summer.

The Yugoslav-Soviet split in **1948** ends Aeroflot technical advice and partnership in Marshal Tito's nation; however, the Communist coup in Czechoslovakia places Soviet aeronautical technicians into **CSA Czechoslovak Airlines**. Full-scale Il-12 services commence in late spring, beginning with a flight from Moscow to Tashkent on May 25. On September 23, the carrier begins ice reconnaissance flights as well as responsibility for forest-fire patrol and fire-fighting ("water-bombing") operations. The Antonov An-2 biplane enters Aeroflot service late in the year and it remains in Russian service as this book goes to press.

G. F. Baidukov is succeeded by S. F. Zhavaronkov as director general in **1949**. Large numbers of An-2s now begin to join the fleet, serving as

a light transport, agricultural and meteorological workhorse, air ambulance, forest fire patrol, and water-bomber aircraft. An-2 support for the fishing industry also begins with over-water school reporting.

Some 200 Il-12s are now in service. Soviet domestic and East Block routes and frequencies are now expanded dramatically as new equipment becomes available. The VAU GA, Higher College of Training for Civil Aviation, is transferred from Tashkent to Ulyanovsk.

During 1950, the route network is stretched to 186,720 miles. Il-12s now make the nine-stop Moscow to Vladivostok run in 33 hrs. A total of 1.6-million passengers and 181,500 tons of mail/freight are transported. Additionally, 8.5-million acres of agricultural lands receive attention.

Operations continue apace in 1951. On March 26, 1952, it is reported that over 70 are killed when an Il-12 from Odessa collides with a military transport after landing at Tula Airport in the nation's worst postwar air disaster to date.

In February 1953, Joseph Stalin, who has personally approved all major transport aircraft designs for decades, is shown the plans for the Tu-104 jetliner by Academician Tupolev; the adaptation of the Tu-16 Badger bomber will be the last aircraft approved by the Soviet dictator prior to his death.

En route to the Soviet Union from Lushun, China, on July 27, an Il-12 with 6 crew and 15 passengers is, unexplainably, located flying in an easterly direction, 35 mi. NE of Kanggye, North Korea, by patrolling USAF F-86 Sabres. Believing the airliner to be a transport "assigned to Communist Air Forces in China," the fighters make one firing pass, causing the engines to burst into flame. The Ilyushin explodes and disintegrates, falling to earth in pieces. There are no survivors.

Mil Mi-1s, the first Soviet helicopters, join the fleet in May 1954 and are assigned to agricultural and air ambulance duties. On September 5, an agreement is signed with SAS (Scandinavian Airlines System) and Air France for Moscow to Stockholm and Moscow to Paris services. The Ilyushin Il-14P enters service on November 30, and thereafter is employed to inaugurate services to Stockholm and Paris.

Two fatal crashes are suffered during the last three days of the year; one near Moscow on December 29 (45 dead) and one following a take-off failure from Irkutsk on December 31 (17 dead).

Il-14 flights to Peking (now Beijing) commence on January 1, 1955. Kiev to Tirana flights are started on February 1. The Tupolev Tu-104G *Krasnyi Shapochka* (Little Red Riding Hood) is flown in the Tushino Aviation Day event on July 3 by test pilot Yu. Alaskeyev; meanwhile, Aeroflot Capt. A. K. Starikov begins training flight crews for the new jetliner. The *Little Red Riding Hood* is, in fact, a demilitarized Tu-16G operated as *Grazhdanskiy/Civil*. En route from Stalingrad to Moscow on August 6, an Il-12, with 25 aboard, including a ten-woman Norwegian parliamentary delegation, crashes while landing at Voronezh, Ukraine; next day, the Russian government apologizes to Norway and offers to pay indemnities. On August 15 service is inaugurated to the central Asian city of Karaganda.

A Moscow to Vienna Il-14 frequency begins on September 10. In exchange for a Helsinki-Moscow route for Finnair, Aeroflot is able to launch thrice-weekly flights to Finland on November 15. During the fall-winter season, Il-12 flight time on the Moscow-Irkutsk, via Sverdlovsk/Novosibirsk, is cut to 24 hrs. 35 min.

Designed to provide pilots with turbojet operating experience, the Il-20 (a civil version of the Il-28 bomber) is introduced by Aeroflot in February 1956. Employed to fly matrices from Moscow to Novosibirsk, via Sverdlovsk, it will allow newspapers to be published in those cities at the same time as those in the nation's capital. The first Russian passenger jetliner, the Tupolev Tu-104, flies a VIP Moscow to London (LHR) service on March 22. On August 24, the carrier signs an agreement with Pan American World Airways (1) whereby each company will honor the other's passenger tickets and cargo documents.

Only the second in the world to enter regular airline service (after the de Havilland Comet), the Tu-104 begins scheduled Moscow-Irkutsk, via Omsk, operations on September 15. This, the world's first sustained (short-haul) jetliner service, requires seven hours to complete the route

instead of the 17 hrs. 50 min. previously needed by the carrier's Il-14s. On October 12, Prague becomes the first foreign capital to be regularly served by Tu-104, followed by Peking in December. Meanwhile, beginning on October 18, one of the new jetliners flies from Moscow to Rangoon, via Tashkent and New Delhi.

P. F. Shigarev succeeds S. F. Zhavaronkov as director general in early 1957. Piloted by Ya. I. Vernikov and V. P. Vazin, the first An-10 Ukraina turboprop, a stretch of the twin-engine, piston-powered An-8, makes its maiden flight on March 7. Moscow-Sverdlovsk-Novosibirsk Tu-104 service is inaugurated on June 12. The second forthcoming new Aeroflot airliner of the year is initially test flown on July 4, the four-engine Ilyushin Il-18 turboprop piloted by V. K. Kokkinski.

Inbound from Riga to Copenhagen in dense fog on August 14, an Il-14P with 5 crew and 18 passengers, crashes into a factory chimney at Copenhagen, Denmark, and spins into the harbor; there are no survivors.

The first Tu-104A is unveiled on September 4 when a unit, transporting a group of Soviet delegates to a UN session, arrives at Wrightstown/McGuire AFB, New York, following a 21 hr. 54 min. flight from Moscow, via Goose Bay. On September 14, the foreign minister and his staff arrive at New York aboard a Tu-104A, following an 18 hr. 30 min.-flight from Moscow, via Goose Bay. A Moscow-Petropavlovsk-Kamchatskiy Tu-104A proving flight is undertaken on October 24.

An Il-14P with 5 crew and 16 passengers must be written off following a bad landing at Helsinki on December 3; there are no fatalities. On December 7, Tu-104s open regularly scheduled service to Copenhagen.

The Irkutsk service is stretched to Khabarovsk in January 1958.

En route from Moscow to Peking (now Beijing) on February 19, a Tu-104G runs out of fuel and crashes 1,500 m. short of the runway at Sovosteevka; there is no information on casualties.

The first Tu-114A arrives at Tokyo (HAD) in a demonstration flight on April 12. Tu-104 service from Moscow to Brussels, via East Berlin, begins on June 2, followed by inaugural flights via the East German capital to Amsterdam on July 26 and Paris on August 1. Seventeen days later, Moscow-Tashkent-New Delhi Tu-104 flights are started.

A Tu-104A with 64 passengers crashes near Chita in a thunderstorm on August 25; there are no survivors.

The pilot of a Tu-104A with 79 passengers loses control of his jetliner at 10,000 meters over Kanash, Chuvashskaya A.S.S.R., on an October 17 flight from Omsk and crashes; there are no survivors. This is the first fatal accident reported concerning the Soviet jetliner; indeed, the Russians are quiet on the subject and all information reported on the accident comes from the Communist Chinese, who note that 16 of their citizens from a cultural mission are among the dead.

The Mil Mi-4 becomes the first helicopter to enter scheduled service in the U.S.S.R. beginning on November 13, flying a Simferopol-Yalta route. A Tu-104 arrives in Cairo on December 4 to inaugurate twice-weekly services to Moscow, via Tirana, next day.

Direct Tu-104 service Moscow-Vladivostok begins on January 8, 1959 followed by Tu-104A flights from the Soviet capital to P'yongyang, North Korea, via Irkutsk and Chita, on March 3. Ye now succeed P. F. Shigarev as director general F. Loginov.

Regularly scheduled Adler-Sochi Mi-4 rotary wing flights begin on April 1, followed by flights linking Adler Airport to Gagra, Khosta, Lazarevskaya, and Gelendzhik. The Tu-104B enters domestic service on April 15 over the Moscow-Leningrad sector. The Il-18 turboprop is first introduced on the Moscow-Alma Ata and Moscow-Adler/Sochi routes on April 20, following by two days the introduction of the new Tu-104B on a direct Moscow-Leningrad frequency.

On May 15, two new domestic services are inaugurated: Moscow-Kiev and Moscow-Petropavlovsk-Kamchatskiy. The following day, Moscow to London, via Copenhagen, Tu-104A flights begin. On May 17, a new Antonov An-10 conducts a proving flight from Kiev to Moscow, Tbilisi, Adler, Kharkov, and Kiev. On May 21, a long Leningrad-Sverdlovsk-Novosibirsk-Irkutsk-Vladivostok Tu-104 frequency is introduced. The same day, a Tu-114 flies 4,200 miles non-stop from Moscow to Khabarovsk.

A new Tu-114 turboprop, the largest commercial airliner of its day, makes a proving flight from Moscow to Tirana on June 2. Irkutsk-Yakutsk Tu-104 service is launched on June 15 while, simultaneously, Alma Ata to Rostov, via Tashkent and Baku, Il-18 flights. Later in the month, An-10 turboprops begin cargo services in the Ukraine, the Arctic, and in western Siberia. On June 28, a Tu-114 undertakes an 11-hr. 6-min. proving flight from Moscow to New York nonstop.

Il-18s initiate two new routes on July 1: Moscow-Ashkhabad and Tashkent-Adler/Sochi, via Baku. Tu-104Bs begin flying from Moscow to Kiev on July 7. A Tu-114 flies from New York City to Moscow nonstop on July 14 in a record 9 hrs. 48 min. On July 22, an An-10 begins regularly scheduled operations over a route from Moscow to Adler; a second An-10 simultaneously launches flights from Kiev to Simferopol.

Moscow-Khabarovsk, via Sverdlovsk and Novosibirsk, Tu-104 flights commence on August 1; the next day Il-18s first begin flying from Moscow-Frunze. Premier Nikita Khrushchev and his party fly the Tu-114 prototype to New York (IDL) in September, making the 5,611 mile journey from Moscow in 11 hrs. 5 min.

On October 12, Tu-104s are withdrawn from the Moscow to London route for the winter and are replaced with Il-18s. Premier Khrushchev and other Soviet VIPs inspect the carrier's new rotary-wing unit at the Kremlin on November 12.

An Antonov An-10 with 40 passengers is lost on approach to Lvov in the Ukraine on November 16; there are no survivors.

As the first passenger, Khrushchev inaugurates Mi-4 shuttle flights from Vnukovo Airport to the Kremlin on November 17. An Il-14 with 29 aboard disappears on December 13 while en route from Tashkent to Kabul; wreckage will later be found on a mountain and there are no survivors. An An-10 makes a proving flight to New York on December 24.

On January 3, 1960, *Aviaarkitika* is renamed **Polyarnaya Aviatsiya (Polar Aviation)**. Moscow-Bucharest-Sofia Il-18 flights begin two days later followed by Il-18 service to Krasnoyarsk and Yakutsk on January 6. On January 20, the search for the Il-14 lost en route to Kabul in December is officially abandoned.

An improved An-10A enters service on February 1 on a flight from Moscow to Rostov. Three days later, Aeroflot assumes all functions of Polyarnaya Aviatsiya. On February 20, Tu-104B flights are initiated between Moscow and Simferopol. On February 20, Moscow-Krasnoyarsk service begins. An Antonov An-10 with 32 passengers crashes while on approach to Lvov on February 26; there are no survivors.

On March 2, the turboprops initiate service from Moscow to Dushanbe; the same day, Mi-4s begin a helicopter shuttle between Baku and the oil drilling sites on Neftune Kamne island offshore. Another Tu-114 proving flight is made on March 10, Moscow-Khabarovsk and return.

Four new Il-18 routes are opened in April: to Prague and Cairo (April 1), to Kiev and Vienna (April 10), and to Norilsk (April 12). Meanwhile, An-10s, transferred to the north earlier, commence all-cargo services on behalf of the Aeroflot division, formerly **Polyarnaya Aviatsiya**.

An Il-18 crashes while on final approach to Sverdlovsk on April 27; there is no information on casualties.

On June 1, the turboprops start flying to Riga from Moscow. Simultaneously, the number of Moscow-Leningrad daily frequencies is increased to 15. Mi-4 helicopter flights begin to link Moscow Central Air Terminal and Sheremetyevo Airport on July 20.

An Il-18B, with 8 crew and 27 passengers, suffers an in-flight fire that forces it to crash near Kiev on August 17; there are no survivors.

While transporting 46 passengers including Uganda National Party Secretary Kale and his party from Cairo to Moscow to witness the Francis Gary Powers trial, another Il-18 crashes near Moscow on August 21; there are no survivors.

The same day, a couple attempts to take over a domestic flight, but are thwarted when wounded members of the crew are able to overpower them.

Also during August, An-10s inaugurate a Great Circle route from Moscow to Khabarovsk, via Syktyvkar, Noril'sk, and Yakutsk.

A Tu-104A with three crew crashes while on approach to Ust-Orda on October 21; there are no survivors.

Mi-4s begin connecting Bykovo and Ynukovo Airports with themselves and with Moscow on November 1. Il-18s replace Tu-104s on the London route on November 1.

On December 20, a Moscow-Tiksi-Magadan Il-18 proving flight is flown. An Il-18 is lost after failing its takeoff from Ul'yanovsk on December 28; there is no other information.

At year's end, Aeroflot retains its rank as the world's largest single-unit airline (**United Air Lines** in the U.S. is the largest non-state company) as enplanements total 13 million.

Moscow-Tiksi-Magadan scheduled Il-18 flights commence on January 10, 1961. A Tu-104A overshoots the runway on landing at Vladivostok on February 1; although the aircraft must be written off, there are no fatalities.

Il-18P turboprop service from Leningrad to Krasnoyarsk started on February 3.

Following double engine failure, a fully loaded Tu-104B crashes while making an emergency landing on frozen water on March 13; five persons are reported killed.

A Tu-114 with 170 passengers makes a final proving flight from Moscow to Khabarovsk on March 17. Also in March, Antonov An-10s are in service between Moscow and Dnepropetrovsk, Donetsk, Chisinau, Kharkov, Krasnodar, Kuibyshev, Lwow, Mineral'nyye Vody, Norilsk, Odessa, Rostov, Syktyvkar, and Zaparozhe and from Khabarovsk to Magadan.

Moscow to Kabul service is resumed on April 3. Regular Tu-114 service on the Moscow-Khabarovsk route begins on April 24. Also in April, Irkutsk to Yakutsk An-10 flights begin. On May 15, two new services are inaugurated from Moscow: to Kuybyshev and to Mineral'nyye.

In June, Minsk to Leningrad An-10 services start. During the summer, Il-18s open three new services: Moscow to Yerevan (July 1), Karaganda east and west to Alma Ata and Moscow (August 15), and Moscow-Anadyr (August 17).

A Tu-104B with 85 passengers strikes an approach light in heavy rain during its final approach to Odessa on July 10 and crashes (1 dead).

Later in the month, scheduled Mil Mi-4P helicopter flights begin in the Crimea and between all of Moscow's airports, including the newest at Domodedovo.

On August 10, newly delivered Mi-6s begin operations in Turkmenistan. A Tu-104A is destroyed as the result of a heavy landing at Tashkent on September 17; no injuries or fatalities are reported.

An airline pilot foils three Armenian hijackers over Armenia on October 15, killing one and capturing the other two; after a trial, the two surviving would-be pirates will be executed in June 1962.

A Tu-104B strikes an antenna while on initial approach to Vladivostok on November 2; an engine fails, causing the pilot to carry out an emergency landing in a field. No deaths are reported.

An-10 Kiev to Minsk flights begin in November followed by frequencies in early December from Novosibirsk to Sochi.

Rates are cut by 15% on some routes as of December 1. On December 25, ten days after departing Moscow, a specially equipped Il-18 and an An-12 becomes the first airliners to land in Antarctica, arriving at the Soviet research station Mirnyy, via Tashkent, New Delhi, Rangoon, Jakarta, Darwin, Sydney, Christchurch, and McMurdo (the U.S. Antarctic station).

Having appealed for assistance in reintegration of the breakaway province of Katanga first to the UN, President Patrice Lumumba of the Democratic Republic of the Congo now turns to the Soviet Union. Moscow dispatches 10-15 Ilyushin Il-14s, with their Aeroflot titles painted over in favor of hastily applied Congolese markings.

These join five DC-3s requisitioned from **Air Congo** in transporting 1,000 Congolese National Army troops on December 31 to Luluabourg, capital of Kasai province, from where they are trucked toward Katanga, where their drive is halted by rebel forces.

The Congolese civil war will intensify during the remainder of the year and into 1962, particularly after the death of Lumumba.

On January 11, **1962** a Moscow-Adler proving flight is made by the new Tupolev Tu-124. An An-10A with 13 passengers fails its takeoff from Batataevka, Ukraine, on January 27; there are no survivors. On January 31, a Tu-104A initiates service from Moscow to Jakarta, via Tashkent, New Delhi, and Rangoon.

A Tu-114 proving flight is made Moscow-Vladavostok on February 2. The same day, after a 32,800-mile roundtrip, the Antarctica-flown Il-18D and An-12 return to Moscow. The last new Il-14 service is introduced by a stretched Il-14M (M = Modifikatsiya) over a route from Syktyvkar to Sverdlovsk on February 28. Moscow-East Berlin flights by Tu-104As begin on April 4. Later in the month, the first production Antonov An-24 is delivered to the Ukrainian Directorate base at Kiev.

Il-18 Moscow-Astrakhan flights begin on May 3. Il-18s begin flying from Moscow to Leninabad and Semipalatinsk on May 15, followed by introduction of a service from Krasnoyarsk to Adler/Sochi on June 2. When an engine fails, a Tu-104B with five crew crashes into a mountain near Sofia, Bulgaria, on June 4; there are no survivors.

On June 11, Mi-4 helicopters begin a scheduled service between Lvov and Truskavets. An An-10A is lost under unknown circumstances near Sochi, Russia, on June 27.

Two days before the end of the month, multistop Moscow-Khartoum Il-18 frequencies are opened. After the crew loses control, a Tu-104A with 84 passengers crashes near Krasnoyarsk on June 30; there are no survivors.

An Il-14M with 14 passengers crashes near Tashkent on July 7; there are no survivors.

On July 22, a Tu-114 returns to Moscow after a flight to Havana, via Guinea, in preparation for regular Moscow-Havana service. Six days later, a Moscow to Paris flight is delayed as Italian Dr. Meloni is returned to Moscow following his refusal to surrender photographs taken aboard his airliner.

An An-24 fails its takeoff from Ternopol, Ukraine, on July 29; there is no information on casualties.

All-cargo An-24 Kiev-Nikolayev-Kherson flights also begin in July followed by a passenger proving flight from Kiev to Krasnodar in September.

Suffering severe post-takeoff vibration, a Tu-104A with 86 passengers crashes near Khabarovsk on September 2; there are no survivors. On September 5, Moscow-Kemerovo Il-18 service begins, followed by Moscow-Accra, via Belgrade, Rabat, and Conakry Il-18 flights on September 11.

The first scheduled flight by a turbofan-powered airliner is made on October 2 by a Tu-124 over the route Moscow-Tallin (Estonia).

While on a maintenance test flight from Moscow's Sheremetyevo Airport on October 25, a Tu-104B with ten crew crashes; there are no survivors.

An-24s begin regularly scheduled service on October 31 with a flight from Kiev to Kherson. In November-December, three new Tu-104 domestic routes are opened: Ul'yanovsk (November 10); Gorky (December 1); and Vilnyus (December 25).

On January 1, **1963**, three additional internal routes are started by Tu-124s: Moscow-Mineralnyye Vody, Moscow-Stavropol, and Rostov-Simferopol. Regularly scheduled weekly Tu-114 flights commence on January 7 from Moscow to Havana, via Murmansk. A reduction in capacity will be required on the new over-water service until an intermediate stop in Africa can be set up. On January 18, Moscow-Chelyabinsk Il-18 service is initiated.

Aeroflot inaugurates its first long-haul, over-water service on February 7-8 as a Tu-114 flies 5,328 miles Moscow-Havana, via Murmansk.

An An-10 is lost at Syktyvkar, Russia, on February 8; ten people are reported killed. Three new Il-18 services are introduced in February, two in April, and three in May: Yerevan to Tashkent (February 6); Moscow to Arkhangelsk (February 25); Leningrad to Arkhangelsk and Murmansk (February 27); Chelyabinsk to Adler/Sochi (April 2); Riga to Gorky and Sverdlovsk (April 5); Riga to Novosibirsk (May 14); Moscow to Ulan Bator (May 20); and Moscow to Damascus (May 23).

New Delhi from Moscow Tu-114 frequencies begin on March 25, replacing those previously offered by Tu-104s and Il-18s. An An-12 is lost during takeoff from Magadan on April 2, while an Il-18 is lost at Kazan two days later; casualty reports are not provided for either loss.

A Tu-104B stalls while on approach to Leningrad on May 18 and crashes; there is no information on deaths or injuries. Moscow-Stockholm Tu-104 flights begin during late spring. On June 27, Moscow to Conakry (Guinea) Tu-114 service is inaugurated and then stretched across the Atlantic to Havana.

Having arrived from Moscow on July 13 en route to Peking, a Tu-104B with 32 passengers crashes short of the runway while on final approach to an intermediate stop at Irkutsk; there are no survivors. A Tu-104 crashes near Irkutsk on July 15 while en route from Peking to Albania (7 dead).

Il-18s initiate new Moscow-Bamako flights on August 12 followed by Moscow to Gudauta service on August 15. On August 16, Moscow-Kazan Tu-124 service is inaugurated.

When its undercarriage fails to retract following takeoff from Tallin on August 21, a Tu-104B with 7 crew and 45 passengers must, because of fog, divert to Leningrad. As the jetliner approaches, an engine quits 13 mi. out from the airport; the second fails shortly thereafter. The pilot consequently ditches the Tupolev in the 300 m.-wide River Neva. Everyone remains aboard as the floating aircraft is towed ashore and no injuries are reported.

In September, the An-24 begins operations on a Moscow-Voronezh/Saratov route. The carrier, on October 7, signs a reciprocal service agreement with **Pakistan International Airlines Corporation (PIA)**, which becomes the first foreign line to be given landing rights in Moscow and permission to continue its flights through the U.S.S.R. to other countries. Tu-124s open two new foreign services on November 2, to Helsinki and Stockholm. A Moscow-Karachi preservice flight is made on November 20.

On December 1, nonstop Moscow-Chelyabinsk Tu-104 service is inaugurated; the same day An-24s are placed on the Moscow-Saratov run and Il-18s begin flying from Moscow to Gorky and Murmansk. Moscow-Karachi flights begin on December 5. On December 7, Il-18 service is launched from Moscow to Tselinograd. An An-10 is lost under unknown circumstances at Kirensk, Russia, the same day.

The Mil Mi-8 transport helicopter enters commercial service during the year.

On January 21, **1964**, Kuybyshev-Krasnodar Tu-124 flights begin. Moscow-Cheboksary An-24 service starts on February 5 followed by Moscow-Belgrade-Algiers Il-18 service on February 21. On March 14, Il-18s undertake their first flights from Moscow to Colombo (Ceylon), via Tashkent and Karachi. Moscow-Warsaw Tu-124 service is launched on April 1. Tunis is served from Moscow beginning on May 8. Tu-104s begin flying to Kutaisi from Moscow on May 15, the same day five new Il-18 routes are opened: Moscow-Yuzhno-Sakhalinsk; Leningrad-Yuzhno-Sakhalinsk; Moscow-Blagovesh-Chensk; Moscow-Gudauta; and Moscow-Zaporozhye.

A Tu-104B overshoots the runway on its second attempt to land in heavy rain at Novosibirsk on June 9; there is no information on casualties.

Three new An-24 frequencies are inaugurated from Moscow on June 10: to Gudauta, to Kursk, and to Tula. Five days later, a new Moscow to Vladivostok, via Petropavlovsk and Kamchatskiy, Tu-104 service is initiated. Il-18 Moscow-Sukhumi flights commence on July 1 followed by turboprop services from Moscow to Damascus and Baghdad (July 16) and from Moscow to Nicosia (July 21).

An Il-18 is destroyed as the result of a bad landing at Magadan on August 3; there is no information on possible casualties. On August 24, Moscow to Makhachkala An-24 frequencies are opened.

During the summer, Antonov An-2s offer daily flights from Moscow to Bryansk, Kasimov, Novomoskovsk, and Tula and twice daily to Vladimir.

An Il-18B is lost near Yuzhno-Sakhalinsk on September 2; no further details are available.

An-24 services are also launched from Krasnoyarsk to Kyzyl (September 6) and Moscow to Grozny, via Voronezh, Volgograd, and Elista (October 28). An Il-18B with 4 crew and 29 passengers crashes into Mt. Avala, Yugoslavia, on October 19; there are no survivors.

On November 1, Moscow-Tehran service is inaugurated. Tu-104B flights from Moscow to Ulyanovsk, via Sukhumi and Moscow, are started on November 15, the same day Tu-124 frequencies are begun from Moscow to Adler/Sochi and Moscow to Minsk and Il-18 service is introduced to Volgograd from Moscow. On November 16, Il-18 Tashkent-Nukus flights begin while Moscow-Nukus service begins on December 1.

The STOL-capable An-14A enters domestic service during 1965. On January 7, Frankfurt to Moscow reciprocal service is agreed upon, but its initiation is delayed when the U.S. exercises its prerogative against it under terms of the 1956 treaty on West German sovereignty. A Tu-114 bound for Havana with 66 aboard makes an emergency landing at New York (JFK) on January 15 after running low on fuel. The plane is refueled and resumes its journey after the U.S. State Department provides clearances and three USAF officers go aboard to act as navigational aides. The three Americans are feted in Havana by the Swiss ambassador before returning to the U.S. on January 17.

In February, Moscow-Belgrade Tu-124 flights commence. On February 16, Il-18 Moscow-Perm frequencies are started followed by frequencies from Frunze to Krasnoyarsk on March 1. Meanwhile, on February 22, the first Antonov An-22 cargo aircraft, powered by 12 turboprop engines, makes its maiden flight. The next day, February 23, a reciprocal service agreement is signed with **Alitalia, S.p.A.**; Rome to Moscow flights begin two days later.

A Tu-104 with 25 passengers fails its takeoff from Kuybyshev on March 8 and crashes; there are no survivors. Brazzaville becomes an announced destination on March 17. An An-24 crashes on final approach to Hanty-Manssyensk, Russia, on March 20; there is no information on casualties.

On April 15, the Ukraine Directorate inaugurates the first Tu-104D service over a route from Moscow to Odessa. Moscow-Rome, via Zagreb, flights begin on April 20. The last Il-12 passenger route, Zaporozhye-Moscow, via Kharkov and Simferopol, route is closed in May.

Moscow-Donetsk service begins on May 15. On May 21, Moscow-Petrozavodsk Tu-124 frequencies are opened. Two new Ilyushin turboprop routes are started in June: Arkhangelsk-Kiev-Odessa (June 1) and Moscow-Beirut (June 28). During the summer, Tu-104Ds begin flying from Odessa from Leningrad while Tu-104Bs launch Kiev to Prague flights. The Konakry Tu-114 route is stretched down to Accra on August 19.

A Chita to Moscow Tu-104 frequency is opened on October 12. On October 27, the Berlin, or "Six-Pool," Agreement is signed by Poland, Czechoslovakia, Rumania, Hungary, Bulgaria, East Germany pledging mutual support and dependence upon Soviet equipment.

A Tu-104B with 34 passengers is lost at Murmansk on November 11; there are no survivors.

Late in the year, a 13-month old experimental Mi-4 airmail service between the main post office in central Moscow and the outlying airports is discontinued. Enplanements of 36 million are reported for the year.

An-12 freighter operations commence in February 1966. The first Il-62 proving flight, Moscow to Khabarovsk, is made on February 2. While taking off from Moscow's Sheremetyevo Airport on February 17 on Aeroflot's inaugural flight to Brazzaville in the Congo, an Il-114B with 13 crew and 8 passengers, collides with a snowbank and catches fire; there are no survivors.

Tu-104 Leningrad-London direct flights commence on April 7.

Moscow-Tokyo Tu-114 proving flight is made on August 11. Later in the month, three men attempt to hijack a domestic service, wounding a passenger in the process, before being overwhelmed by the flight crew. The aircraft makes a safe emergency landing at Batumi, Georgia.

An Il-18 fails its takeoff from Archangelsk on August 27; there are no details announced on casualties.

The first of five Yakovlev Yak-40 trijets makes its maiden flight on October 21 and, on November 4, Tu-114s inaugurate an 11½-hr. 4,568-mile Moscow-Montreal service, via Murmansk. The flights to Canada are made under a reciprocal agreement with **Air Canada, Ltd.** During fall-winter, Moscow-Tashkent Tu-114 flight service is launched.

An Il-18 fails its takeoff from Alma Ata on November 22; there is no information on casualties. An An-24 crashes on December 30 while going around after a missed landing at Liepaya, Latvia; there is no information on casualties.

Passenger boardings for the year rise to 48 million.

Company airliners, as of January 5, 1967, alter the Moscow-New Delhi route so as to avoid flying over the People's Republic of China. An An-12 fails its takeoff from Novosibirsk on January 14 and crashes; there are no details on casualties.

On January 20, the governments of the Soviet Union and Japan sign an agreement under which **Japan Air Lines Company, Ltd. (2)** will be allowed to fly to various European destinations via Moscow. The deal requires the use of Soviet aircraft and cockpit crews.

Seven days later, the airline receives permission to fly over Scandinavia, in return for Moscow's allowing **SAS (Scandinavian Airlines System)** to fly over Siberia.

On March 1, Il-62 Moscow to Khabarovsk all-cargo service is launched. An An-12 crashes on takeoff from Salekhard, Russia, on March 3; no other information is available. Moscow to Novosibirsk and Khabarovsk Il-62 passenger flights begin on March 10.

An Il-18B is lost under unknown circumstances at Domodedovo Airport at Moscow on April 6.

In cooperation with **Japan Air Lines Company, Ltd. (2)**, a joint, 4,563-mile "Great Circle" route Moscow-Tokyo, via Siberia, Tu-114 return service is inaugurated on April 17. Aeroflot flight crew pilot the aircraft while JAL cabin crew service passengers. The Tupolevs employed wear JAL's tsuru (crane) logo and name on their lower forward fuselages.

An An-12 is lost at Blagoveschensk on June 4 under unknown circumstances. Twice-weekly Moscow-Montreal flights are undertaken in June and July for Expo '67 tourists.

A Moscow-Montreal Il-62 proving flight is undertaken on July 11 and is followed by nonstop Moscow-Tashkent Il-62 frequencies on July 14. On July 31, Moscow-Zurich Tu-104A service is inaugurated, via Warsaw.

Regularly-scheduled Moscow-Stockholm flights begin on September 12 with the new Tu-134. Two days later, Moscow-Vienna, via Kiev, Tu-134 frequencies are opened. On September 15, the new Il-62 enters regularly scheduled, long-haul service on a 9-hrs. 50-min., 6,000-mile transatlantic run to Montreal via Shannon and Gander. The flight cuts an hour and a half off normally scheduled time. Next day, Tu-134s begin flying to Warsaw from Moscow. The first Yak-40 enters service on September 30.

On October 2, direct Moscow-Warsaw Tu-134 service is inaugurated. Il-62s begin flying to Rome (October 9) and Paris (October 14) and replace Tu-104s and Il-18s on New Delhi flights as of October 17.

An Il-18B hits a mountain and crashes near Sverdlovsk on November 16 (130 dead) and December 18 is launch day for direct Moscow-Zurich Tu-134 flights. An An-24B crashes 350-m. short of the runway while landing at Voronezh on December 31; there is no information on casualties.

During the year, Mi-2 helicopters are received for passenger, agricultural, and air ambulance flights. Enplanements of 55 million for the year are claimed.

The Aeroflot Service Department is established during the year and is made responsible for training flight attendants and others involved in passenger services. The quality of its graduates will become the stuff of legend over the next 30 years.

The first sustained service from Moscow to East African destinations are undertaken on January 1, 1968 as weekly Il-62 Moscow-Mogadishu/Dar es Salaam flights begin.

An An-24B is lost at Olyomkinsk, Russia, on January 6, followed by an Il-18B on final approach to Karaganda, Kazakhstan, on January 9; there is no further information on either accident.

Weekly service is inaugurated from Moscow to the UAR and Yemen on January 15. An An-12 crash-lands at Magansk, Russia, on January 29.

Two more planes are lost within a week in February. An An-24 with two crew hits a building while landing at Baghdad and crashes on February 19. On February 24, an Il-18 fails its takeoff from Donetsk. Just five days later, another Il-18D goes down, 160 km. from Bratsk, while, on March 7, a Tu-104 crashes on takeoff from Volgograd (one dead).

Leningrad to Amsterdam, via Stockholm, Tu-104A service is launched on April 3; the next day, Tu-104Bs begin flying from Leningrad to London, via Copenhagen.

An Il-18 is lost on a training flight from Domodedovo Airport at Moscow on April 22.

In cooperation with **Air France**, regularly scheduled and reciprocal Leningrad-Paris flights begin on May 15. Moscow-Ankara flights begin on May 20. A large number of frequencies are added from Leningrad to Prague in June.

A Moscow-Cairo-Aden route is opened on July 4. Regularly scheduled Il-62 Moscow-New York, via Shannon/Gander, service is inaugurated on July 15.

An An-12 is lost at Mirny on August 8; no other details are available.

Also during August, the carrier covertly fly KGB agents into Prague to make preparations for the Warsaw Pact occupation of Czechoslovakia on August 21, ending the reform program of that nation's government.

On September 30, the short-haul Yak-40 joins the fleet.

An An-24 is lost at Mery, Uzbekistan, on October 6. Il-62 service to Alma Ata is started on October 17. An Il-18 is lost near Krasnoyarsk on October 20. Dakar becomes a destination from Moscow on October 31.

An An-12 crashes while on approach to Lensk, Russia, on November 2. On November 21, direct Moscow-Bratislava service is begun. The Tu-144 SST makes its maiden flight on December 31, two months ahead of the Anglo-French Concorde.

A total of 62-million passengers are carried to 47 countries during the year.

Antonov An-26s join the fleet beginning in **1969**. An An-24V fails its takeoff from Alma Ata on March 24; there is no information on casualties.

Moscow-Oslo flights begin on April 1, followed next day by the inauguration of services to Entebbe, via Cairo.

A Tu-104B is destroyed as the result of a bad landing at Irkutsk on April 28. A Moscow-Tashkent-New Delhi-Singapore route is opened on May 24.

On June 1, Il-62s succeed Tu-114s on the joint service with **Japan Air Lines Company, Ltd. (2)**. Two days later, on Flight 3794—an Il-14 en route from Leningrad to Tallin—there is an attempted hijacking by two armed men and a woman. Although shots are fired toward the cockpit, the crew is able to land at their destination, at which point the bandits shoot it out with police. One pirate is killed, while the man and woman are eventually taken in hand and given prison terms of 11 years for the man and 13 for the woman.

An An-12 is destroyed as the result of a bad landing at Mirny on June 25.

An An-24 fails its takeoff from Preobazhenka, Ukraine, on August 3; there are no other details on this accident. An An-12 crashes 13 km. from Novosibirsk on August 12; again, there is no crash information.

En route from the Black Sea resort area to Moscow on August 26, an Il-18D with 112 aboard crashes and burns at Vnukovo Airport, Moscow (16 dead).

An Il-18 is destroyed as the result of a bad landing at Yakutsk, Russia, on September 10; there is no other information. Two days later, an An-10 is destroyed in a bad landing at Mirny, while on September 13, an An-24V crashes while on final approach to Nizhnevartovsk, Russia.

On November 1, Aeroflot inaugurates its premier service into Central Africa, Moscow to Bangui. An An-12 is lost in an accident 15 km. from Anderma, Russia, on November 13. An An-12 crashes 13 km. from Khantanga on December 6.

Boris P. Bugaev becomes Minister of U.S.S.R. Civil Aviation and director general in **1970**.

An An-24 with 34 passengers crashes into a hill 40 km. from Batagai, Russia, on January 28; there are no survivors. The next day, a Tu-104 with 11 passengers crashes while on approach to the airport at Murmansk; again, there are no survivors.

An Il-18 with 92 passengers strikes a mountain 32 km. from Samarkand, Uzbekistan, on February 6; there are no survivors. An An-12V is destroyed when it lands short of the runway at Beryzovo on February 26; there are no fatalities.

In cooperation with **Japan Air Lines Company, Ltd. (2)**, 14 hr. 40 min. Paris-Moscow-Tokyo "Great Circle" flights begin on March 29. The service is the first Aeroflot-JAL pooled service to be operated employing the Japanese line's aircraft (DC-8-62s) and flight crews, with Aeroflot cabin crew, as well as Il-62s with Japanese cabin crews.

Istanbul and Amman are served from Moscow for the first time beginning on April 1. Also on April 1, an An-24V with 45 passengers crashes at Novosibirsk after colliding with a weather balloon.

A Moscow-Cairo-Aden-Nairobi route is opened next day. Tu-104 flights begin to Geneva from Moscow, via Warsaw, on April 3; simultaneously, multistop flights result in the initiation of Moscow-Kuala Lumpur service.

While on a training flight from Chisinau, Moldova, on May 15, an An-10 with 11 passengers loses control and crashes; there are no survivors.

Following the same arrangement as that instituted on March 29, twice-weekly London-Moscow-Tokyo service is inaugurated on June 2.

An Il-18 fails its takeoff from Samarkand, Uzbekistan, on June 5 and crashes; there is no information regarding casualties.

Having departed Reykjavik on July 18 for a flight from Moscow to Peru with relief supplies on July 18, an An-22 with 8 crew and 15 passengers disappears over the North Atlantic between Keflavik and Halifax, N.S. Nothing more of its fate is known.

Moscow to Tripoli direct flights begin on July 31.

An An-10A suffers an in-flight fire and crash-lands at Chisinau, Moldova, on August 8 (one dead). An Il-18 is destroyed as the result of a bad landing at Yuzkno-Sakhalinsk on August 23; there is no information on casualties.

Control is lost of a Tu-124 with 37 passengers and it crashes near Dnepropetrovsk, Ukraine, on September 2; there are no survivors. The next day, a Yakovlev Yak-40 with 22 passengers makes a forced landing 70 km. from Leningrad; this time, there are no fatalities.

In the fall, the improved Tu-134A is delivered. An An-12B fails its takeoff from Kammeniy Cape, Russia, on October 1 and crashes (8 dead).

Service is started to Vientiane from Moscow, via Bombay, also on October 1, followed by Moscow to Hanoi flights on October 15, via Tashkent, either Karachi or New Delhi, and Calcutta.

On October 15, armed with rifles and grenades, Proinas Branzikas and his 14-year-old son, both Soviet Lithuanians, hijack an An-24V with 51 passengers on a domestic flight from Batumi to Sochi. They force it to land at Trebizond, Turkey, after killing stewardess N. Kurchenko and seriously wounding the pilot and copilot. Both pirates seek political asylum, which is denied, and both spend two years in prison before being granted entrance visas to the U.S.

An Il-18B is destroyed by a bad landing at Simferopol, Ukraine, on October 16; there is no information on possible casualties.

Following the first successful skyjacking of a Soviet passenger airliner to a foreign country, Turkey allows all but four persons (the pilots and hijackers) to return to Russia aboard a second specially dispatched Aeroflot aircraft on October 17. A fresh flight crew returns the stolen plane undamaged.

Soviet students N. Ginlov and V. Pozdeyev hijack a Let-200 Morave with 4 aboard and en route from Kerch to Krasnodar. After blindfolding and trussing the pilot, the two manage to land the craft in Sinop, Turkey, on October 27. The pirates of the second successful Aeroflot aerial abduction within two weeks seek political asylum.

En route from Vilnius to Palanga on November 13, an Il-14 is subjected to a takeover attempt by a drunken married couple, who are quickly overpowered by the plane's other passengers. The two are tried

and given harsh sentences; the husband is sentenced to death and his wife to three years. As a result of world media and political pressure, the death sentence will be commuted to 15 years in the Gulag.

On November 21 a Turkish court rules that the two Soviet students held at Sinop have committed a political offense and not a crime and rules that they may not be extradited back to the U.S.S.R. This judgement will be ignored and the two will be returned; tried, they will receive prison terms of 10 and 12 years, respectively.

On December 11, ten new routes are opened to the central Asian republic of Kazakhstan. With its engines on fire, an An-22 freighter with 17 crew attempts to make an emergency landing at Panargh, Pakistan, on December 19, but crashes; there are no survivors.

An Il-18 with 3 crew and 90 passengers crashes on takeoff from Leningrad on December 31; again, there are no survivors. A total of 75-million passengers are carried during the year, three times more than **United Air Lines**, the world's second largest carrier.

Enplanements total 77.9 million in 1971. Service is believed to be maintained to some 3,500 communities within the U.S.S.R. plus major overseas cities on a route network of at last 350,000 unduplicated miles.

En route from Leningrad to Erivan on January 8, an Il-18 crashes during its takeoff from Smolny Airport (90 dead). An An-12B crashes while on final approach to Surgut, Russia, on January 22 (13 dead).

An An-24B is lost during a training flight from Moscow on March 31; there is no information on casualties. On the same day, an An-10 with 64 passengers, crashes while on approach to the airport at Boroshilovgrad, Ukraine; this time there are no survivors.

A Tu-134 overshoots the runway while landing at Moscow on April 10; there is no information on any casualties.

Also in April, and continuing through November, a joint venture route is opened with **KLM (Royal Dutch Airlines, N.V.)** from Moscow to Amsterdam, via Zurich. The weekly service is flown by four Soviet Il-62Ms wearing small KLM titles below the main Aeroflot titles on their fuselages in much the same fashion as the joint markings shared with **Japan Air Lines Company, Ltd. (2)**.

An An-12B is destroyed as the result of a bad landing at Batagai, Russia, on May 25; there is no information on any casualties.

A new joint return cargo service is opened with **Japan Air Lines Company, Ltd. (2)** on May 28 between Khabarovsk and Tokyo. The Soviet carrier initially flies its Tu-134s from the Russian Far Eastern provincial capital to Tokyo while JAL operates Boeing 727-46Fs from Japan to Russia. Again, the aircraft involved wear joint markings.

An An-24B crashes at Ulan Ude, Russia, on June 1; there is no information on any casualties. Passengers are able to fly the Japan route after June 2.

A Tu-104B with 97 aboard crashes at Irkutsk on July 25; there are no survivors. A Yak-40 is destroyed at Moskva-Bykova on July 28; there is no information on casualties. Next day, a chartered An-12V with seven crew is destroyed when it overshoots the runway at Calcutta during a rainstorm; there are, however, no fatalities.

On August 11, a Tu-104 fails its takeoff from Irkutsk Airport on a domestic flight and crashes (97 dead).

A Tu-104B with 2 crew and 18 passengers fails its takeoff from Moscow on October 10 and crashes; there are no survivors. Two days later, an An-10 is destroyed as the result of a bad landing at Chisinau, Moldova.

On November 2, Moscow-Bangkok service is launched.

The middle week of November is operationally disastrous. On November 11, an An-24V with 47 passengers crashes while attempting to go around at Vinnistira, Ukraine; there are no survivors. Two days later, another An-24 strikes a cable while on approach to Kerch, Ukraine, and crashes (5 dead). On November 15, an An-24RV with 4 crew and 18 passengers, crashes while on approach to Bucharest; this time there are no fatalities.

An An-24 with 57 passengers crashes while on approach to Saratov on December 1; there are no survivors. The first Let L-410s begin joining the fleet late in the year as partial replacement for aging An-2 "Annuchiks."

Flights to Frankfurt, from Moscow via East Berlin, begin on February 4, 1972. On February 9, the new Tu-154 enters service on a Moscow-Minrealnye Vady route.

An An-12B overruns the runway while landing at Vorkuta on February 16. An An-24 crashes on approach to Lipetsk on February 22; there is no information concerning casualties. Another An-24 crashes on approach to Mineralnye Vodny on February 27; again, there is no additional information.

During a fifth landing attempt at Omsk on March 19, a Tu-104B crashes short of the runway; there is no information regarding any casualties. Copenhagen is added as a destination on the joint "Great Circle" route service with **Japan Air Lines Company, Ltd. (2)** as of April 3.

A Yak-40 with 18 passengers crashes while on approach to Bratsk on May 4; there are no survivors.

An An-10 with 108 passengers crashes while on approach to Kharkov, Ukraine, on June 18; there are no survivors. The disaster will lead to the retirement of the An-10 type.

An Il-18D crashes in heavy fog while landing at Archangelsk on August 26; there is no information concerning possible casualties. Four days later, another Il-18D with 101 passengers suffers an in-flight fire and crashes in flames at Magnitogorsk; there are no survivors.

On September 4, 100 travelers on a Tehran-London-New York flight are stranded in Moscow by Aeroflot because of overbooking; they are denied permission by the airline to shift to other carriers, although flights depart with empty seats.

En route to Moscow on October 2, an Il-18B with 108 passengers crashes near Sochi; there are no survivors.

On October 13, in the worst Aeroflot air disaster to date and the second tragedy within two weeks, an Il-62 with 10 crew and 163 passengers, leased for an Intourist charter from Paris to Moscow, crashes in heavy rain three miles from Moscow's Sheremetyevo Airport during its third landing attempt; there are no survivors.

An An-24B crashes while on final approach to Kursk on November 4.

The same day, Il-62 service is inaugurated to Santiago de Chile, via Rabat, Havana, and Lima.

An An-12 crashes while on final approach to Vorkuta, Russia, on November 21.

Passenger boardings for the year climb 5% to 82 million while freight traffic is up by 5.2%.

An An-24B crashes 90 km. from Perm on January 21, 1973; there are no other details.

The carrier opens an office on New York's 5th Avenue on February 4.

An An-12 is destroyed as the result of a bad landing at Anderma, Russia, on February 17. On February 19, a Tu-154 with 13 crew and 87 passengers coming into Prague from Moscow, mysteriously crashes 467 m. short of the runway (66 dead). Wind shear is initially suspected as the accident cause; however, examination of the wreckage will reveal a jammed stabilizer.

On February 24, an Il-18B with 79 passengers spins out of control and crashes near Leninabad, Tajikistan; there are no survivors. Four days later, a Yak-40 with 32 passengers falls back on the runway during takeoff from Semipalatinsk, Kazakhstan, and crashes; there are no survivors.

Direct Moscow-Leipzig service is inaugurated on April 1. The same day, after numerous requests by nonsmokers, Aeroflot bans smoking on all flights of less than three hours duration.

On April 23, having attempted and failed to divert a Tu-104 with 80 passengers en route from Leningrad to Moscow to Stockholm, a hijacker determines that the pilot is, in fact, landing at another Leningrad airport. He sets off an explosive device that kills him and the plane's flight engineer. The copilot is able to safely land the aircraft, which had been rocked by the blast at an altitude of 500 ft.

A Tu-154 crashes after its spoiler activates on takeoff from Moscow on May 7; there are no fatalities. An Il-18B with 61 passengers crashes near Semipalatinsk, Kazakhstan, on May 11; there are no survivors.

En route from Moscow to Chita, RSFSR, on May 18, a would-be hijacker triggers the world's first air catastrophe resulting from a

skyjacking as a result either of a gun battle with security guards or the explosion of the pirate's bomb. At an altitude of 30,000-ft., a Tu-104A with 81 passengers is ripped apart and crashes in southern Siberia; there are no survivors and among the victims is a Major General Seroshtan.

Moscow-Zagreb flights begin on May 31 and a new Moscow-Athens frequency follows on June 2.

While on a demonstration flight at the Paris Air Show on June 3, a Tu-144 SST, piloted by Capt. Mikhail Kozlov and with five other crew, makes a low pass over Runway 6 of Le Bourget Airport and then enters a steep climb. During the climb the left canard-wing separates, strikes the wing and punctures the fuel tank. The SST crashes in flames into the village of Goussainville, killing all aboard, plus eight people on the ground.

Kiev-Marseilles Tu-154 flights commence on June 7, the same day Moscow to Milan, via Zagreb service begins. Khabarovsk-Nilgata flights begin on June 15.

A Tu-134A with 7 crew and 77 passengers, fails its takeoff from Amman on June 30 for a flight to Beirut and crashes into a house; two on the aircraft are killed as are seven people on the ground.

En route from Moscow to Hanoi, via Tashkent, on July 8, an Il-18 is subjected to a hijacking attempt by a man claiming to have a bomb and demanding that the intermediate stop be eliminated. Hiding in a lavatory, the man is tricked into believing that the plane has flown to Afghanistan for refueling. Once the plane is on the ground, he emerges only to find police waiting for him—in Tashkent. Arrested and removed, the man will be examined, found mentally deficient, and sent to a psychiatric institution.

A Tu-124 with engine problems fails its takeoff from Kuybishev, Russia, on July 9 and crashes (two dead).

On July 26, an obviously demented passenger rushes into the cockpit of an Il-24, en route from Vilnius to Palanga, and hits the pilot over the head with a heavy screwdriver, demanding to be flown to Sweden. Quickly overpowered by other crew members, he, like the man at Tashkent earlier in the month, will also end up in a mental facility.

The elevator of a Yak-40 locks just after its takeoff from Archangelsk on August 8, causing the aircraft to crash (one dead). Due to engine problems, an An-24 with 64 passengers fails its takeoff from Baku, Azerbaijan, on August 18 and crashes (56 dead).

A Tu-104B with 108 passengers fails its climb away from Sverdlovsk on September 30 and crashes; there are no survivors.

An An-12 with ten passengers strikes a hill while going around at Magadan on October 2; there are no survivors.

When the Yom Kippur War drags into a conflict of attrition after October 9, 20 company An-22s and Il-76s are dispatched from the Ukraine to Cairo with munitions and AAA missiles.

Coming in on final approach from Tbilisi on October 13, a Tu-104B with 28 passengers crashes at Domodedovo Airport, Moscow; there are no survivors.

En route from Moscow to Bryansk on November 2, Flight 19, a Yak-40 with 30 passengers is captured by four armed men, who wound the flight engineer and a passenger during the takeover. The aircraft lands at Moscow's Vnukovo Airport to pick up a \$500,000 ransom demanded by the quartet, where they are surprised by security police who storm the plane. One assailant is mortally wounded, another commits suicide, and the other two are captured.

A Tu-124 overruns the runway while landing at Kazan on November 20; there are no fatalities.

The wing of a Tu-104B with 72 passengers touches the ground during the plane's landing at Moscow's Domodedovo Airport on December 7, causing the jetliner to crash short of the runway (13 dead).

A Tu-124 with 51 passengers mysteriously falls 18,000 ft. into the ground near Vilnius on December 16; there are no survivors.

A Yak-40 is destroyed as the result of a heavy landing at Yerevan, Armenia, on December 21; there is no report on casualties. A Tu-124 with 17 passengers fails its climb away from Lvov, Ukraine, on December 23 and crashes; there is no information concerning any casualties.

Also during the month, 29 An-12s transport cargo in connection with the UN airlift to the Mideast.

All An-10s are retired by the end of the year; they are either sold or scrapped, except one preserved near Leningrad. A decree is now issued requiring that the VAU GA, Higher College of Training for Civil Aviation, become the center for flight training for all Comecon countries.

Bookings rise 7.3% to 87,986,000.

An An-24 with 24 passengers crashes while on final approach to Mukachevo, Ukraine, on January 6, 1974; there are no survivors.

Another An-24 with four crew crash-lands two km. from Rostov while on its January 25 final approach; there are no survivors.

The first nonstop flight between Moscow and Peking is made on February 4. During the same month, following a night in Moscow's Lefortovo prison, dissident author Alexander Solzhenitsyn is taken to the airport, placed into first-class seating aboard a Tu-134A, and sent to Frankfurt, where he will begin his banishment.

Flying via Shannon and Gander, Il-62 Moscow-Washington, D.C. flights commence on April 5. The same day, Frankfurt becomes a destination on the joint "Great Circle" route service operated with **Japan Air Lines Company, Ltd. (2)**.

An engine fire causes a Yak-40 to crash just after takeoff from Kazan, Russia, on April 9; there is no information concerning possible casualties. A suspected bird strike causes an Il-18D with 115 passengers to lose power on its No. 4 engine about 15 m. off the ground following takeoff from Tashkent on April 24; the aircraft crashes (1 dead).

While climbing away from Leningrad on April 27, an Il-18B with 10 crew and 108 passengers suffers an in-flight fire and crashes two miles from the end of the runway; there are no survivors.

An An-12V, which has caught fire in-flight, makes an emergency landing at Polar Station SP-22 in northern Russia on May 1 and catches fire before the landing roll is completed (one dead).

A Yak-40 crashes after an aborted takeoff from Rostov on May 2 (one dead). An Il-18 crashes while landing at Ivano, Ukraine, on May 9; there is no information concerning possible casualties.

Moscow-Hamburg, via East Berlin, service is inaugurated on May 16. A Yak-40 crashes on approach to Kiev on May 23 (29 dead).

Moscow to Ljubijana flights commence on June 20. The improved Il-62M enters service on the Havana and Washington, D.C. runs later in the year; however, service to Santiago de Chile is suspended following the overthrow of the Marxist Allende government.

While on final approach to Enisseysk, Russia, on October 18, an An-12B crashes 2 km. short of the runway (one dead).

Ndjamena from Cairo and Moscow becomes a destination in November. A Tu-104B overruns the runway while landing at Chita, Russia, on November 5; no injuries are reported.

A locked elevator causes a Yak-40 to overshoot the runway while on takeoff from Bukhara, Russia, on December 14 (seven dead).

An An-2 crashes near Sam Neua, Laos, on January 16, 1975; all 12 aboard are killed.

A Yak-40 rotates at a too-low speed and crashes upon takeoff from Zaporozhye, Ukraine, on January 28; there is no information on casualties.

An Il-18D crashes near Voronezh on March 6; there are no other details. An An-24 crashes while on final approach to Poltava, Ukraine, on April 28; there are no other details.

During the spring, a new blue and white livery is unveiled; an An-12B flying the weekly all-cargo service from Moscow to Paris is the first to display it. Moscow to Luxembourg, via East Berlin, flights commence on July 2.

While going around at Batumi, Georgia, on July 15, a Yak-40 with 41 passengers crashes into a mountain; there are no survivors.

A Yak-40 with 23 passengers crash-lands at Krasnovodsk, Turkmenistan in bad weather on August 15; there is no information concerning any possible casualties.

A Tu-104B is destroyed as the result of a heavy landing at Novosibirsk on August 30; there is no information concerning possible injuries or deaths.

Twice-monthly service is started from Murmansk to Longyearbyen, the world's most northerly public airport in Spitzbergen (Norway), on September 10.

An engine of a Yak-40, on approach to Kirov on October 6, suddenly catches fire, causing the plane to crash; there is no information on casualties.

A Yak-40 with 6 passengers crashes into a building while on final approach to Novogrod on October 22; all aboard are killed, plus five people in the building.

Moscow to Bamako, Mali, service is started on November 7.

While on descent for Sukhumi, Georgia, on November 17, an An-24 with 38 passengers strikes a hill 62 km. from the runway; there are no survivors.

An An-24 with 19 passengers strikes a hill near Kharkov on November 20; there are no survivors.

A new Tu-144 launches the world's first SST all-cargo service, Moscow-Alma Ata, on December 26.

A Tu-124 with 4 crew and 83 passengers explodes in midair just after takeoff from Moscow's Vnukovo Airport for Brest on January 3, 1976, and crashes into houses near the aerodrome; there are no survivors.

An An-24 crashes while on approach to Rshevka, Russia, on January 13; there is no information concerning casualties.

While on a scheduled January 26 domestic service, an assailant, attempting to flee the U.S.S.R. to avoid punishment for a crime spree, takes over Flight 614, an Il-62, using signal rockets as his weapons. Demanding to be flown out of the country, the plot is thwarted when the pilot, instead, lands at Moscow, where the pirate is taken in hand by police. Tried, the man receives a ten-year prison sentence.

During a training flight on January 31 an Il-18B with six crew crashes at Frunze, Krgyzstan; there are no survivors.

A Tu-104A with 24 passengers fails its takeoff from Irkutsk on February 9 and crashes; there are no survivors.

While on approach to Yerevan, Armenia, on March 5, an Il-18D with 11 crew and 109 passengers suffers pressurization failure and crashes; all aboard are killed, plus 7 other persons on the ground.

An An-24V is destroyed at Saratov, Russia, on March 10 as the result of a heavy landing and runway overrun; there is no information regarding possible casualties.

Moscow-Dakar-Bissau flights begin on April 4. Joint **Japan Air Lines Company, Ltd. (2)**-Aeroflot Moscow to Tokyo Tu-114 trans-Siberian service is inaugurated on April 17. Next day, Luanda becomes a destination from Moscow.

An An-24V with 52 passengers crashes at Chernigov, Ukraine, on May 15; there are no survivors.

A Tu-154A with 4 crew and 42 passengers strikes high ground while climbing away from Malabo, Guinea, on June 1; there are no survivors. Service to Shannon (Ireland) via Stockholm begins in May with Moscow-Larnaka flights beginning on June 18.

Giant Ilyushin Il-76T freighters begin to join the fleet during the summer. Moscow, via Zagreb, to Madrid flights are inaugurated on July 16. Overloaded by 5 tons, a Tu-104A fails its takeoff from Chita, Russia, on July 17 and crashes; there are no fatalities.

On July 27, a U.S. federal grand jury indicts the airline for offering illegal rebates to travel agents of approximately 50% on its tickets sold for Paris to Washington flights; as the tickets were not sold in America, General Manager Stanislav Gordievsky claims the indictment is invalid.

An An-24B crashes short of the runway at Guryev, Kazakhstan, on August 13; there is no information concerning any possible casualties.

Another An-24 with 52 passengers collides in midair near Sochi on September 6 with a Yak-40 with 38 passengers; both aircraft crash and there are no survivors.

An Il-18B crashes while landing in bad weather at Tashkent, Uzbekistan, on October 30; there is no information concerning any possible casualties. In October, orderly retirement of the Tu-114 begins.

With inbound traffic diverted due to severe weather, a Tu-104B with 5 crew and 67 passengers still takes off from Moscow's Sheremetyevo

Airport on November 28; the jetliner fails its climb and crashes 18 mi. from the end of the runway. There are no survivors.

A Moscow-Tunis-Casablanca route is opened on December 2.

Out of fuel, a Yak-40 crashes near Armavir, Russia, on December 7; there is no information concerning any possible casualties.

While on a December 16 training flight, a Yak-40 with five crew enters into a spin and crashes at Zaporozhye, Ukraine; there are no survivors.

An An-24B with 55 passengers crashes in fog near Kiev on December 17 (48 dead). Later in the day, a Yak-40 with 7 passengers fails its initial climb away from Ust-Kut, Russia, and crashes into a tree line; there are no survivors.

While orbiting at 1,000-ft. to burn up fuel after an engine failure and before making an emergency-landing attempt at Alma Ata on January 13, 1977, a Tu-104A with 96 passengers from Novosibirsk explodes in midair; there are no survivors.

Cargo and mail Tu-114 SST flights commence on February 2 between Moscow and Khabarovsk. Coming in from Tashkent on February 15, an Il-18B with 77 passengers aborts its landing at Mineralnyye Vody and crashes near the airport; there are no survivors.

A Yak-40 with 27 passengers crashes near Zhadanov, Russia, in fog on March 30 (8 dead).

Without explanation, service to Kinshasa from Moscow is cancelled on April 1. Service to Munich, via East Berlin, from Moscow begins on April 3, followed by flights to Dubrovnik and Sal Island beginning two days later. Later in the month, Kano is served from Moscow and Cairo.

Vasily Sosnovsky commandeers an An-24 with 23 while on a May 26 domestic flight from Riga to Daugavpils, and diverts it to Stockholm, where he seeks political asylum. The man who has completed the first successful hijacking of a Soviet airliner since 1970 will, in fact, later tried by a Swedish court and sentenced to 4½ years in prison.

On May 27, after a flight from Moscow and Frankfurt, an Il-62 with 9 crew and 61 passengers rips through a row of plantation power lines, catches fire, and crashes 1/2 mile from Havana Airport while attempting to make an emergency landing. There are two survivors aboard the aircraft, but one person is also killed on the ground.

On June 9, the Havana route is stretched westward to Mexico City. En route from Tallin to Kaliningrad on June 17, a Yak-40 is skyjacked by a single assailant, claiming to have a liquid explosive; the aircraft is diverted to Ventspils, Latvia, where the man is overpowered and arrested. Also in June, Aeroflot orders 200 new 120-seat Yakovlev Yak-42s.

At mid-year, the VAU GA, Higher College of Training for Civil Aviation, is enlarged with a new technical base. It is also tasked with training engineers, technicians, and ATC controllers.

Aleksandr Zagirnyak and Gennadi Sekuzhko, using only an unworkable grenade, hijack a Tu-134 with 72 aboard during a July 10 domestic flight from Petrozavodsk to Leningrad. They force the pilots to fly to Helsinki, where seven hostages are released with a request for a smaller plane to take the pirates to Sweden. The hijackers surrender to police the next day, after the last three of their hostages escape by simply walking off the plane. The skyjackers will be extradited back to the U.S.S.R. where they will be tried and given prison terms of eight and 15 years, respectively.

An An-24 with 7 passengers crashes at sea off Kirovograd, Ukraine, on July 8 (6 dead). A Moscow-Cairo-Aden-Antananarivo route is opened on July 12. Direct Moscow-Addis Ababa flights begin on July 20.

Moscow-Alma Ata nonstop Tu-144D SST passenger flights begin on November 1; a full load of 140 passengers is carried over the 2,190-mile route in 1 hr., 55 min. Five of the next six flights over the route will have to be cancelled. Antonov An-32s begin to join the fleet during the year, while An-72s enter service in December.

An Il-18 with 109 aboard skids off the snow-covered runway at Belgrade Airport during its takeoff for Moscow on December 3; no injuries are reported.

An An-24 with 17 passengers crashes at Tarko-Saley, Russia, on December 9; there are no survivors.

The Il-76T enters Moscow-Tokyo all-cargo service on April 5, 1978.

A Yak-40 stalls on takeoff from Aldan, Russia, on April 8 and crashes; there is no information on possible casualties.

Flying from Palanga to Tallinn on April 9, a Yak-40 is subjected to a hijack attempt by a lone assailant, who spills gasoline in the passenger cabin and threatens to set it off with his pistol unless he is flown to Sweden. The plane diverts to Pyarnu, Estonia, where the skyjacker is overpowered. Upon examination, he will be found mentally unstable and will be sent to a psychiatric facility.

While en route from Ashkhabad to Mineral'nyye Vody on May 1, a lone gunman attempts to take over an Il-18, but is shot dead by the copilot.

A Tu-154B with 134 passengers crashes at Pochinok, Russia, on May 19 (4 dead).

On May 23, a Tu-144D, attempting an emergency landing because of an in-flight fire, crashes near Ramenskoye and all SST Moscow-Alma Ata passenger operations are halted on June 1 after 51 flights. For the Soviets, there will be no more supersonic operations. En route from Moscow to Hanoi on June 16, an Il-62 overshoots the runway during its scheduled landing at Bombay; no injuries are reported. During the summer, all international passenger aircraft have the word's "Official Olympic Airline" painted above their windowlines.

A Yak-40 makes a belly landing at Tbilisi, Georgia, on October 2; there are no fatalities. Another Yak-40 with 38 passengers suffers an engine failure upon takeoff from Sverdlovsk on October 7 and crashes; there are no survivors.

An An-24V with 26 passengers crashes into the Gulf of Sivash, Ukraine, on October 23; there are no survivors.

Flying between Leningrad and Murmansk on October 31, a Tu-134 is taken over by a lone gunman, who threatens to blow it up unless he is flown to Norway. The Tupolev, instead, lands at Petrozavodsk, where the skyjacker is arrested. The man will be tried and given a six-year prison sentence.

On November 9, an armed passenger fires shots into the cockpit of an An-24 he has just entered, while it is on a scheduled flight from Krasnodar to Baku; although the flight engineer is wounded, the crew manages to lock the pirate into the baggage compartment, where he commits suicide.

Next day, another man, claiming to have an explosive device, hijacks an An-24 as it flies between Kharkov and Sukhumi and demands to be flown to Turkey. The aircraft, instead, puts down at Batumi, Georgia, where the assailant is captured. Upon conviction, the perpetrator is sentenced to prison for eight years.

Would-be hijacker E. M. Makhayev is shot and killed by Soviet guards while trying to pirate an An-24 during a domestic flight near the Turkey-Iran border on November 15.

An An-26 fails its takeoff from Cherskiy, Russia, on December 9 and crashes (five dead). An An-24 crashes while making a single-engine approach to Samarkand, Uzbekistan, on December 19 (five dead).

A total of 97.8-million passengers (95.4% domestic) are carried, 14.5% of the entire passenger air transport in the world.

Following the failure of its No. 1 engine, an Il-14 with seven passengers crashes at Moldezhnaya, Antarctica, on January 2, 1979 (three dead).

An An-24B with 13 passengers crashes near Minsk, Belorussia, on January 15; there are no survivors. Three days later, a Let L-410M with three aboard crashes near Belogrod, Russia; again, there are no survivors.

En route from Oslo to Moscow, via Stockholm, on February 27, a Tu-154 with 60 passengers is taken over by two men and two women, armed with a Molotov cocktail. The pirates are overpowered by their fellow passengers and security guards just before the jetliner lands at its Swedish intermediate stop. Turned over to local police, the quartet will be tried and sentenced to prison terms ranging from 18 to 36 months.

The world's largest airline suffers four accidents within nine days in mid-March, at least two of which are fatal. On the 17th, a Tu-104B with 90 passengers fails its climb away from Moscow's Vnukovo Airport for Odessa and crashes; there are no survivors. A Yak-40 crashes at Chardzhov, Turkmeinistan, on March 20 after entering into the wake tur-

bulence caused by a Mil Mi-6 helicopter; there is no information on casualties, if any. On March 22, a Tu-134 undershoots the runway while landing at Liepaya, Latvia (four dead); an An-26 crashes while on approach to Baykity, Russia, on March 25, with no more details on the accident.

On April 1, Leningrad-Gdansk service is started. Also on the first day of the month, Flight 546, a Yak-40 with 40 passengers and en route from Odessa to Kutaisi, via Simferopol, is hijacked just after takeoff from its intermediate stop. The two assailants demand that the jetliner fly to Turkey, but, being unarmed, the men are quickly overpowered. They will be tried and given prison terms of five and seven years, respectively. Later in April, Kinshasa becomes a Moscow-started destination.

An Il-18D crashes after an aborted takeoff from Sochi-Adler on May 10; there is no information concerning any possible casualties.

Because of a brake failure, a Tu-134A overruns the runway at Ufa after landing on May 19 and catches fire; there are no fatalities.

While practicing touch-and-goes at Tumen, Russia, on May 31, a Tu-134A crashes when its landing gear collapses; there are no serious injuries.

A Moscow-Tashkent-New Delhi-Calcutta-Rangoon-Ho Chi Minh City route is opened on June 1. An agreement is signed between the U.S.S.R. Ministry of Aviation and Aer Rianta, Ltd., the airport authority at Shannon, Ireland, in July; under terms of the arrangement, the airport will build oil tanks and store fuel oil for use by Aeroflot on its long-haul, transatlantic services.

While on approach to Leningrad on August 3, a L-410M with 14 passengers suffers an engine failure and crashes; there are no survivors.

Two Tu-134As, one with 84 passengers and the other with 94, collide in midair near Donetsk, Ukraine, on August 11 and crash; there are no survivors from either jetliner. Among the victims are players and officials of an entire soccer team.

An An-12V with 16 passengers crashes into a forest at Enniseysk, Russia, on August 23 (11 dead). The pilot of a Tu-124 with 63 passengers loses control after an inadvertent flap extension at 27,000-ft. and his aircraft crashes on August 31; there are no survivors.

An An-24 with 43 passengers crashes at Anderma, Russia, on September 3 (40 dead).

On September 24, the Il-86 begins service on the Moscow-Mineralnye Vody route. The Hanoi route is stretched to Phnom Penh on October 12.

A fire aboard the merchant ship *Olyenok* off Denmark on October 30 results in the destruction of one each crated An-2 and Il-14.

Il-62 service to Kingston (Jamaica) from Moscow, via Shannon and Havana begins on November 5. Three passengers aboard a Yak-40 are killed when the plane crashes while on approach to Volgoda on November 16.

Aeroflot aircraft covertly fly KGB agents into Kabul to help make preparations for a Russian incursion. In December, the airline provides lift for the Soviet invasion of Afghanistan. Roughly half of the carrier's domestic schedule is temporarily cancelled as the aircraft are employed to fly military troops to Kabul. Following the initiation of the Afghan invasion, the U.S. withdraws Aeroflot authority to land in New York. Retirement of the Tu-104, Tu-114, and Tu-124 fleet is completed during the year.

Enplanements are up to 101,931,000.

In support of the Russian advance into Afghanistan, Aeroflot, in early 1980, opens an air bridge roundtrip service between Tashkent and Kabul. Il-76s fly in all of the capital city's supplies, dropping flares upon their approach to ward off AAA or surface-to-air missiles. **Pan American World Airways (1)** crews that service Aeroflot airliners at New York (JFK) walk off their jobs for six hours after the arrival of Soviet ambassador Anatoly Dobrynin on January 18 to protest the Soviet invasion of Afghanistan. The walkout, ironically, has no impact on Aeroflot, but does delay several Pan Am flights.

An Aeroflot flight to Moscow is delayed over two hours at Washington, D.C. (IAD) on January 22 when Teamsters Union workers refuse to process passengers and baggage in another protest of the Afghan invasion. On January 29, Aeroflot cancels its Moscow-Washington flight for

lack of passengers. The next day, the FBI announces that an investigation has found that tampering was responsible for a loss of radar data about an Aeroflot jetliner bringing ambassador Dobrynin to New York two weeks earlier. During that time, the PATCO union had announced its objections to providing guidance to either Soviet or Iranian carriers.

Because unionized baggage handlers and other ground service personnel at New York refuse to service Aeroflot aircraft, the New York Port Authority instructs an Il-62 with 78 aboard, to divert to Washington, D.C. (IAD) on February 3; the aircraft ignores these instructions and lands at New York (JFK) anyway. The plane's passengers are detained for an hour before instructions from Secretary of State Cyrus Vance allows them to be processed.

Next day, the NYPA reports that it has an agreement with Aeroflot and the U.S. State Department under which the airline will suspend all of its New York flights until Pan Am can arrange for baggage handling and other basic services. Despite the agreement with the NYPA, an Il-62 with 145 aboard, including 122 athletes and others headed for the Lake Placid Winter Olympics, lands at JFK on February 10. NYPA director Cesar B. Pattarini orders the craft quarantined until the State Department orders its release an hour and 41 minutes later at which point it is allowed to takeoff for Washington-Dulles.

Retirement of the Il-18 fleet now begins in accordance with the directives contained in a new five-year economic plan for the state carrier. A specially equipped Il-18D, flying via a new African route of Aden and Maputo, arrives at the Soviet Antarctic research station Molodezhnaya on February 13 after a four-day flight. On February 16, the U.S. State Department reports the inking of another agreement under which the Soviet airline will avoid New York.

Three days later, the Antarctica Il-18D returns to Moscow, via Maputo, Djibouti, Cairo, and Odessa, arriving on February 23, the same day on which the NYPA gives a Soviet jetliner with 48 diplomats aboard, special permission to land in New York. Thereafter Il-18D flights to Soviet South Pole outposts will be made annually.

A Tu-154A is destroyed as the result of a bad landing at Orenburg, Russia, on March 1.

En route from Baku to Yerevan on March 20, Flight 6647, a Tu-134 with 60 passengers is taken over by a lone assailant, who demands to be flown to Turkey. The pirate is overwhelmed by his fellow passengers and, when the aircraft arrives at its destination, is turned over to local police. Given a trial, the perpetrator will be sentenced to eight years in prison.

An An-24B crashes on takeoff from Krasny, Russia, on April 14 (two dead). Another An-24B crashes on takeoff from Moscow's Bykova Airport on April 18; there is no further information on the accident.

Moscow-Douala flights begin on May 6. Suffering from an in-flight fire that has broken out just after takeoff from Moscow's Vnukovo Airport on June 2, an An-22 returns to the airport and makes a safe crash landing without gear or flaps; no injuries are reported.

An Il-18 crashes near Moscow on June 6 after suffering an engine fire; no other details are available on this accident. A Yak-40 with 29 passengers crashes in the mountains while on approach to Dushanbe, Tajikistan, on June 12; there are no survivors. The Havana service is extended southwest to Managua on June 22.

With a dedicated fuel storage facility ready at Shannon to dispense avgas, the first Aeroflot flight to use the new allocation arrives at the Irish airport on July 3.

Wind shear forces a Tu-154B-2 with 163 passengers to crash at Alma Ata, Kazakhstan, on July 7; there are no survivors. This is the second worst accident in Soviet civil aviation history to date.

The engines of a Yak-40 flameout on approach to Archangelsk on July 18 and the plane crash-lands; there are no fatalities.

A Tu-154B-2 is destroyed as the result of a heavy landing at Chita on August 8; there are no fatalities.

Automated air traffic control systems are now introduced at Rostov, Pulkovo, and Moscow, along with new passenger terminals at Moscow, Rostov, Yerevan, Frunze, and Tallinn. In connection with the Olympic

Games, the carrier makes certain that a large number of modern amenities are installed at the nation's major new international terminal, Moscow's Sheremetyevo II.

During the fall, the Yak 42 begins operations between Moscow, Krasnodar, and Nalchinsk and on September 23, an air traffic controller is dismissed at New York (JFK) for the radar data tampering incident in January. A new Five-Year Plan is introduced with emphasis on fleet modernization; additional Il-86s, Il-76s, Yak 42s, An-28s, and Let L-410s are ordered.

An An-12V with 6 passengers strikes a hill near Kabul on October 28; there are no survivors.

The Ukraine Liberation Front claims responsibility for fire bombing Aeroflot offices at Luxembourg on November 12 and, also in November, new Yak-42s join the fleet, initiating scheduled flights to Kostroma from Moscow and Helsinki from Leningrad.

On December 26, Il-86 Moscow-Tashkent service is inaugurated. Next day, two Cuban passengers attempt to flee an Aeroflot airliner during a stopover in Lisbon; one is dragged back aboard by crew members, but the other, identified as Julian Garcia Alonso, is granted a 4-day visa by Portuguese authorities as his request for asylum is analyzed. Freight traffic accelerates 6.4% and passenger boardings rise 1.8% to 103.8 million.

A Tu-134A is destroyed on landing at Sochi on January 6, 1981, due to the failure of its brakes and subsequent crash; there are no fatalities.

A Tu-104 with 73 passengers crashes 20 km. N of Leningrad on its February 7 takeoff; there are no survivors from the last recorded Tu-104 accident. Among the victims are several high-ranking Soviet Navy officers.

Iosif Mendelevich, who attempted to hijack an airliner ten years before, is freed from a Soviet labor camp on February 18 and flown to Israel.

An An-24RT crashes while on final approach to Kursk on March 8; there is no information concerning any possible casualties.

Service to Freetown, via Dakar, from Moscow begins on April 6 and is stretched to Monrovia on April 20.

A Tu-154A is destroyed as the result of a bad landing at Bratsk on June 13; there are no fatalities. Due to overheated brakes, a Tu-134A crashes while landing at Simferopol on June 28; there is no information concerning possible injuries or deaths.

With about 20 of the type on hand, most of which have been employed on internal services, Aeroflot launches the first Il-86 international flights, from Moscow to East Berlin, on July 3.

An An-24 with 32 passengers collides in midair over Zavitsinsk, Russia, on August 24, with a Soviet Air Force Tu-16; 31 people aboard the airliner die.

A Yak-40 with 33 passengers collides with an Mi-8 helicopter over Zheleznogorsk, Russia, on September 18; there are no survivors.

A Tu-154B-2 with 167 passengers crashes at Norilsk on November 16 (99 dead).

On November 19, the carrier reports that striking Canadian air traffic controllers are responsible for two Aeroflot flights making unauthorized diversions to Washington, D.C. over a southern New England route a week earlier. Jay Tuck, in his *High-Tech Espionage: How the KGB Smuggles NATO's Strategic Secrets to Moscow* (St. Martin's Press, 1987) will contend that the November 8 overflights were purposeful aerial reconnaissance missions over the Groton naval base and General Dynamics Triton submarine-building shipyards in Connecticut that were designed to appear accidental.

An An-26 lands short of the runway at Enniseysk, Russia, on December 23 (two dead).

As a result of the declaration of martial law in Poland, President Reagan terminates Aeroflot landing rights in New York and Washington, D.C. on December 30. Bookings for the year jump to 108 million.

An L-410M with 18 passengers crashes into a hill near Gelendzhik, Russia, on January 7, 1982; there are no survivors.

Suffering from fuel exhaustion, a Yak-40 with three crew makes a belly landing at Shevchenko, Kazakhstan, on January 16; there are no fatalities.

An An-12 with seven passengers crashes at Urengoy, Russia, on April 24; there are no fatalities.

Malta is the year's first new destination, reached directly from Moscow, while a Moscow-Cairo-Aden-Bujumbura route is opened on May 28.

A Yak-40 with 35 passengers overruns the runway while landing at Dnepropetrovsk, Ukraine, on May 31; there are no fatalities.

A Yak-42 with 8 crew and 124 passengers suffers a structural failure and crashes at Mozyr, Belorussia, on June 28; there are no survivors.

En route from Murmansk to Leningrad on July 3, Flight 8690, a Tu-154 with 60 aboard, is taken over by a passenger, who has sent to the cockpit a note demanding a 250,000-ruble ransom. He is taken in hand by security guards and arrested.

While on its initial climb away from Moscow's Sheremetyevo Airport on July 6, Flight 411, an Il-62M with 8 crew and 82 passengers, suffers an uncontained engine failure and crashes 10 km. W of the runway; there are no survivors.

The world's largest airline loses three airliners in one day on August 14. While taking off from Sukhumi, Georgia, an L-410M collides with a Tu-134A; both aircraft are damaged beyond repair and 11 passengers are killed on the Let. An in-flight fire causes a Yak-40 to crash at Kazan (4 dead).

A Yak-40 with 34 passengers crashes in bad weather at Zeya, Russia, on August 29 (3 dead).

An Il-62M with 11 crew and 66 passengers fails to stop after landing at Luxembourg on September 29, swerves to the right, strikes a building, and continues over a ravine (14 dead).

While flying from Novosibirsk to Odessa on November 7, an An-24 is captured by three air pirates, injuring the flight engineer and a passenger during the takeover. The aircraft is diverted to Turkey, where the perpetrators seek political asylum. Tried by a Turkish court, they are sent to prison for terms ranging in length from eight to nine years.

An An-24 makes a forced landing at Sakanskoe, Ukraine, on December 16. An An-26 with 16 passengers crashes on takeoff from Rostov on December 23; there are no survivors.

The first huge Antonov An-124-100 Condor freighter is test flown on December 26.

Enplanements for the year total 107,977,800.

Moscow-Dakar-Buenos Aires Il-62 service is started on February 1, 1983.

An L-410M with six passengers crashes into a hill at Poty, Georgia, on March 29; there are no survivors.

An An-26 overruns the runway while landing at Minsk, Belorussia, on April 14; there are no fatalities.

En route from Nalchik on April 19, a Yak-40 with 4 crew and 17 passengers becomes disoriented in clouds and crashes into a mountain at Leninakan, Armenia; there are no survivors.

The fuel storage contract between the U.S.S.R. Ministry of Aviation and the Irish airport authority Aer Rianta is renewed in May. The partners agree on a barter system that will allow authorities at Shannon to sell some of the Soviet fuel to other airlines, paying in the hard currency Moscow so badly needs.

Flight 2113, a Tu-134A en route from Moscow to Tallinn on July 12, is taken over by two men who show an alleged bomb (which is, in fact, a disguised tape recorder) and threaten to blow up the plane if they are not flown out of the country. The pilot, instead, covertly puts down at a military airfield, where soldiers kill one pirate and wound the other.

Overloaded, a Yak-40 fails takeoff from Omsukchan, Russia, on August 25 and overruns the end of the runway; there are no fatalities, although the aircraft is damaged.

A Tu-134A with 90 passengers strikes a mountain while on approach to Alma Ata on August 30; there are no survivors.

Following the Soviet destruction of **Korean Airlines/Korean Air (KAL)** Flight 007 on September 1, all Aeroflot offices in the U.S. are closed. Aeroflot also loses its landing privileges at Montreal for 60 days, beginning on September 6; certain stranded Soviet citizens in Halifax, N.S., are allowed a one-flight exception.

Travelers from around the world line up at ticket offices in Moscow on September 15 in search of new routes home as western restrictions on flights in and out of the Soviet Union go into full effect. Aeroflot begins to refuse to honor tickets issued by U.S. airlines and suggests it may extend its action to other carriers boycotting Russia.

The same day, the governors of New York and New Jersey announce that the Il-62, carrying foreign minister Andrei A. Gromyko and other Soviet delegates to the opening of the United Nations session, will be denied landing authorizations at either New York (JFK) or Newark (EWR) airports.

An L-410M overruns the runway at Kransk, Russia, on October 19; no injuries are reported.

Among the first nations to act after the downing of KAL 007, Canada announces on November 5 that it will not extend its 60-day ban on Aeroflot flights.

A group of seven Georgians (including three women) hijack Flight 6833, a Tu-134A en route from Tbilisi to Batumi on November 18, and attempt to divert it toward Turkey. A gun battle erupts in which the flight engineer, a stewardess, and two passengers are killed, together with two hijackers. A third commits suicide before the plane can be landed back at Tbilisi. The four remaining pirates, who have been captured and secured, are turned over to police; they will be tried and executed.

An An-24 with 49 passengers crashes in bad weather at Lenhukonskoye, Russia, on December 24 (44 dead).

Cargo traffic accelerates 8.4% during the year to 2.64 billion FTKs and passenger boardings jump 1.2% to 109,483,000.

On January 15, 1984, Zaire suspends landing rights for Aeroflot after a January 11 bomb explodes in Kinshasa Airport. Minister Boris P. Bugayev charges, on February 25, that the U.S. and its allies are waging a "war" against Aeroflot through sanctions and other provocations, including President Reagan's landing ban.

An An-24 crashes while landing at Izhevsk, Russia, on January 28 (four dead).

An An-12 is shot down by rebels at Cuenca Sul, Angola, on February 11.

On April 13, in an incident similar to that of November 8, 1981, a Tu-134, en route from Bucharest to Marseilles, despite radio calls from ATC, strays off its flight plan to fly in restricted airspace over the French naval base at Toulon. There, a nuclear submarine is under repair and the aircraft carrier *Foch* is receiving a secret NATO navigation system. When French diplomats complain, the Soviets write the diversion off to "bad luck" on Friday the 13th.

An L-410M is damaged beyond repair on landing at Chulman, Russia, on July 4; there are no fatalities. An An-26 overruns the runway while landing at Krasnoselkap, Russia, on July 24; there are no fatalities.

En route from Karachi to Tashkent on August 5, an An-12BP with 9 crew and 15 passengers loses all power in a hailstorm and crashes near Nawabshah, Pakistan; there are no survivors.

After landing at Omsk following a service from Krasnodar on October 11, a Tu-154B-1 with 175 passengers collides with a snowplow and explodes; all four workers on the ground are killed, along with 174 people on the jetliner.

On October 15, an Il-86 with 279 passengers en route from Tashkent to Moscow is forced to make an emergency landing in Aktyubinsk because of a structural failure in its wing.

A L-410M crashes near Kostroma, Russia, on December 4 (ten dead).

A Tu-154B-2 with 110 passengers suffers an engine fire during takeoff from Krasnoyarsk on December 23 and crashes; there are no survivors. The first two upgraded Tu-154Ms are delivered to the fleet on December 24.

A Let 410UVP makes a forced landing 76 km. from Astrakhan, Russia, on December 29; there are no fatalities.

Passenger traffic grows 2.8%, translating into 112.6-million people flown; freight climbs 3.9% to 2.75 billion FTKs. Total revenues are reported for the first time: \$617 million.

The fleet in 1985 is believed to comprise some 2,566 aircraft, including 75 Il-18s, 70 Il-62s, 100 Il-62Ms, 50 Il-76s, 75 Il-86s, 350 Tu-134s,

400 Tu-154s, 150 An-12s, 500 An-24s, 100 An-26s, 40 An-30s, 500 Yak 40s, 50 Yak 42s, and 400 L-410s, plus helicopters.

A Tu-134A with 80 aboard fails its takeoff from Minsk, Belorussia, for a service to Leningrad on February 1 and crashes; there is no information concerning any possible casualties.

A Tu-134A with 71 passengers and a Soviet Air Force An-26 with a crew of eight collide in midair over Lvov, Ukraine, on May 3; both aircraft crash and there are no survivors from either.

While en route from Karshi to Leningrad, via Ufa, a Tu-154B-2 with 9 crew and 191 passengers crashes near Uch-Kuduk, Uzbekistan, on July 10; there are no survivors. The tragedy is one of the few airline disasters reported by *Pravda* during the Soviet years.

Also in July, Vitaly Rzhnevski is named director of the VAV GA, Higher College of Training for Civil Aviation.

Piloted by Vladimir Terski and Alexander Galunenko, an An-124-100, on July 26, becomes the world's champion aerial lifter when it hauls to 35,269 ft. a payload of 377,474 pounds or 53% more than the maximum weight record then held by the USAF Lockheed C-5 Galaxy.

A Yak-40 with 4 crew and 10 passengers hits a mountain near Kutayissi, Georgia, just after takeoff on October 11; there are no survivors. A Let 410M crashes at Ust'Maya, Russia on October 14; there is no information concerning possible casualties.

Few details are immediately released by either Soviet or Chinese sources when an An-24 with 44 passengers en route from Yakutsk to Irkutsk, is hijacked to Gannan, Manchuria, by its copilot on December 19. Two days later, China reports that the plane, its crew members (minus the copilot), and all of the passengers have returned to the U.S.S.R. It will be learned, years later, that the perpetrator is tried by a Chinese court and sentenced to eight years in prison.

In terms of the number of passengers flown and fleet size, Aeroflot continues to rank first among world airlines; it is second in terms of freight hauled. The number of employees or detailed financial data has never been made known, nor have most operations and achievements. Many failures and accidents continue to be shrouded in secrecy.

Passenger boardings for the year advance 2.5% to 112,484,000 (3.5-million international) and freight is up 2.7% to 2.81 billion FTKs.

The workforce stands at 500,000 in 1986 and the first Antonov An-124-100 Condor, the world's second largest aircraft, enters service in January.

An An-26 crashes near Saransk, Russia, on February 6 (six dead).

Between February 18 and March 4, a specially equipped Ilyushin Il-76TD flies to and from the Russian scientific stations at Novolazarevskaya and Molodezhnaya in the Antarctic.

Fuel exhaustion causes an Il-14 with 6 aboard to crash 150 mi. from Mirny, Antarctica, on February 28; there are no survivors.

While on initial approach to Bugulma, Russia, on March 2, an An-24 with 4 crew and 34 passengers suffers the loss of its No. 1 engine, which causes the aircraft to crash; there are no survivors.

A Yak-40 crashes at Kazan on April 18; there is no information concerning any possible casualties.

Beginning on April 26, the day of the disaster, Aeroflot Mi-6 and Mi-8 helicopters, plus An-24s, fly inspection missions over the area affected by radiation from the nuclear accident at Chernobyl, Ukraine.

Four-times-per-week Il-62 and Il-62M New York and Washington, D.C. service to Moscow is resumed on April 27. The same day, Aeroflot Mi-8s, flown by pilots trained for fire fighting, begin precision bulk form chemical drops over the Chernobyl reactor area in an effort to halt flames and keep contaminated dirt from spreading.

Heavy-lift Mi-6s drop sand, lead, and boron on the cracked reactor. Debris, smoke, and the reactor chimney all pose hazards for the pilots; they, in turn, are assisted by ground controllers, who help them time their approach paths and instruct crews on exactly when to drop their loads. The Mi-6s are unable to hover and loads are dropped at speeds of 60 km/h; with only seconds to complete their missions, these Aeroflot missions achieve only a 50% success rate.

Still, until Soviet Air Force Mi-26s are able to take over the task in strength on May 3, the Aeroflot craft provide the initial defense. Thereafter, a process is developed that allows the civil pilots to drop their loads in support of the principal military effort. Through May 13, when the helicopter blitz is concluded, only one machine is lost when it is hit by the swinging arm of a crane and crashes, killing its entire crew. Many other crews are contaminated and all of the helicopters involved, civil and military, will be destroyed and buried. A total of 5,000 tons of chemicals are dropped on the nuclear plant during the two weeks.

A Yak-40 with five crew is lost on a test flight near Hanty, Russia, on May 17 after engine repairs; there are no survivors. A Tu-154B-2 is destroyed as the result of a bad landing at Moscow's Sheremetyevo Airport on May 21; there are no fatalities.

Engine vibration and insufficient thrust causes the pilot of a Tu-134A with 5 other crew and 53 passengers to abort takeoff from Penza on June 22; the aircraft rolls off the end of the runway (1 dead).

When baggage in the rear cargo hold ignites during a scheduled July 7 service, a Tu-134A with 8 crew and 86 passengers makes a forced landing into a forest near Syktyvkar, Russia (54 dead).

It is revealed during the summer that a Tu-134A has crashed (60 dead) because its captain has attempted to land with paper taped across his window to show his skill; the pilot is sentenced to 15 years in prison. It is not certain whether the July 7 tragedy is the subject of the report.

Following a bloody crime spree by three armed gunmen at Ufa on September 20 during which two policemen are killed, two proceed to the airport and capture a Tu-134A, which has stopped at this intermediate point during a scheduled service from Kiev to Nizhnevartovsk. Two passengers are killed during the takeover; the aircraft is quickly surrounded by police. After 12 hours of discussions, one assailant is taken in hand and one is killed by police. The third gunman, who had not participated in the hijack attempt, is also jailed. Although the fate of the two skyjackers is not known, Soviet justice in such cases has previously been severe.

A new New York office is opened in early October. Coming in from a service from Yekaterinburg on October 20, a Tu-134A with 7 crew and 87 passengers makes a very hard landing at Kuybyshev and bounces, leaving the runway and breaking up before catching fire (70 dead).

A Yak-40 crashes while on final approach to Moscow on December 7; there is no information concerning any possible casualties.

While on final approach in fog to Berlin's Schoenefeld Airport after a flight from Minsk on December 12, a Tu-134A with 9 crew and 73 passengers crashes in woods near the aerodrome (70 dead). Among the victims are members of a school group.

An L-410UVP crashes at Chernenko, Russia, on December 31; there is no information concerning any possible casualties.

Customer bookings rise 3.1% to 115,727,000 and cargo is level with the previous year.

Caught in the wake vortex of the Il-76 taking off ahead of it on January 6, 1987, a Yak-40 with 4 crew and 5 passengers banks sharply to the left just after takeoff from Tashkent, strikes the ground, and breaks up, catching fire; there are no survivors.

Another Yak-40 fails its takeoff from Leningrad on January 25; there is no information concerning any possible casualties.

An An-26 fails its initial climb away from Khost, Afghanistan, on February 9 and crashes; all 36 aboard are killed.

While on descent toward Alma Ata, Kazakhstan, on March 6, an An-26 freighter with 9 crew, strikes a mountain 56 km. from its destination; there are no survivors.

En route from Moscow to Havana on March 19, an Il-62 skids off the runway as it lands at Gander, Newfoundland; no injuries are reported. The very same day, two Il-86s encounter dense fog while landing at the same point; both touch down, depart, and touch down again and, although no one aboard either plane is hurt, both sustain sufficient damage to ground them.

In April, Il-86s are introduced on the thrice-weekly Moscow to Singapore, via Delhi/Bombay, route.

Wearing Aeroflot livery, an Antonov An-124-100, the world's largest civilian transport, makes a closed-circuit, 12,524-mile, 25 hr., 30 min. record-breaking circumnavigation of the country May 6-7.

An An-26 crashes at Khandyga, Russia, on May 23; there is no information concerning any possible casualties.

An. N. Volkov succeeds Boris P. Bugaev as director general during the spring.

A Yak-40 with 5 crew and 24 passengers overruns the runway while landing at Berdiansk, Ukraine, in heavy rain on June 19. The aircraft strikes obstacles and catches fire (8 dead).

Moscow, via East Berlin and London, to Manchester service begins on July 26.

En route from Minsk to Rostov on September 13, a Tu-134 is subjected to a hijack attempt by a lone assailant. When the aircraft lands at its destination, which the pirate believes is somewhere else, he is taken in hand by security police. Upon examination, he will be found mentally unstable and will be sent to a psychiatric facility.

A Let 410MU crashes upon takeoff from Yakutsk-Magan, Russia, on September 24; there is no information concerning any possible casualties.

During the early fall, the relationship between the U.S.S.R. Ministry of Aviation and the Irish airport authority Aer Rianta is deepened when the Soviets contract to have Aeroflot aircraft repainted and refurbished at a special facility the Irish agree to construct.

A Let 410UVP is damaged beyond repair as the result of a bad landing at Saratov on October 18.

Enplanements climb 2.2% to 118,305,000 (114.75-million passengers are booked on domestic flights) and freight zooms upward by 6.7% to 2.82 billion FTKs.

In the final year before the national political storm, the airline of the Soviet Union cuts its workforce by 20% in 1988, to 400,000. During January, an effort is sought to gain permission to fly from Moscow to São Paulo, via Paris.

Against regulations, the copilot of a Tu-154B-1 with 5 other crew and 137 passengers is given the opportunity to land this flight at Krasnovodsk on January 18; the aircraft lands heavily and breaks up (11 dead).

While on initial climb away from Nizhnevartovsk on January 24, a chartered Yak-40 with 4 crew and 27 passengers loses power, stalls, collides with several obstacles, and breaks up (27 dead).

A Tu-134 with 51 aboard crashes on landing at Surgut on February 27; there are no survivors.

At Irkutsk on March 8, a woman and seven of her ten sons board Flight 3739, a Tu-154B-2 that is scheduled to fly, via Kugan, to Leningrad with 77 other passengers. They remove weapons hidden in their musical instrument cases and demand to be flown to London. Soviet troops storm the plane and five pirates die in the shoot-out, along with three passengers and a flight attendant. A total of 35 others are wounded. The surviving participants in this "family hijacking" will be sentenced to long prison terms.

A passenger aboard Flight 38422, a Tu-134 en route from Frunze to Moscow on March 30, sends a note to the cockpit demanding that the aircraft be diverted to Istanbul. When confronted, the man claims the note is a "joke," but security police, who arrest the prankster when the aircraft arrives at its destination, does not view the incident that way.

While on descent to Bagdadin in bad weather from an April 19 flight from Muyu, a Let 410UVP with 2 crew and 15 passengers crashes into a hill near its destination; there are no survivors.

Direct Moscow-New York flights commence on May 14. In June, the Irish paint hangar opens at Shannon and Aeroflot begins to have its Tu-154s and Il-62s repainted there on a regular basis.

An An-24 is lost at Khabarovsk on July 8; there is no additional information concerning the accident.

At this point, the International Commercial Division of Civil Aviation is established to liberalize the company's domestic operation. Financial independence is given to the carrier's 30+ regional branches, which are

largely spun off with their own aircraft and the freedom to expand on their own as best as they can.

While on final approach to Irkutsk on an August 18 service from Kirensk, a Let L-410MU with 2 crew and 2 passengers descends into trees on the slope of a 700-m. mountain; the plane breaks up, catches fire, and there are no survivors.

A Tu-154B-2 with 10 crew and 158 passengers is destroyed as the result of a bad landing at Aleppo, Syria, on September 24; there are no fatalities.

Redesigned from the Il-86, the first Il-96-300 makes its maiden flight on September 28; Aeroflot has placed an order for 60 of the giant airliners, including those intended for Western service, which will be powered by Pratt and Whitney engines.

While on initial approach to Batagai on an all-cargo service from Tiksi on the night of October 4, an An-12BP with six crew deviates from its track and crashes into a mountain; there are no survivors.

It is announced in November that the carrier has chosen SITA's Gabriel computer reservation system for the handling of its worldwide passenger reservations and the same firms Loadstar system for passenger check-in, seat allocation, and boarding pass printing at Moscow's Sheremetyevo Airport. During the same month, the French government rejects a protest from Aeroflot over the creation of **Euroberlin France, S.A.**, which the Russians see as an illegal attempt by **Air France** and its partner, **Deutsche Lufthansa, A.G.**, to allow the West German's access to the air corridors linking West Germany with Berlin via East Germany.

After being held hostage at Ordzhonikidze for 24 hours, a busload of Soviet school children are released by their kidnappers on December 2 and are given a ransom of two-million rubles and a flight to Israel aboard a company Il-76T. Next day, the hijackers are returned to Russia aboard two Aeroflot planes, escorted by a team of 19 investigators and doctors sent to Israel to effect their return. The men will be tried and given prison terms of 18 or 19 years.

A Let 410UVP with 2 crew and 8 passengers crashes while on final approach to Kodinsk, Russia, on December 7 (6 dead).

A chartered Il-76T with 9 crew and 69 passengers crashes near Leninakan, Armenia, on December 11; there are no survivors.

The world's largest airliner, the An-225 Mirya, makes its maiden flight on December 21.

Aeroflot now visits approximately 3,500 domestic stations, along with 126 destinations in 98 foreign countries. The carrier's 2,442 aircraft transport 124.2-million passengers during the year, a 5% overall increase; of that total, 3,815,000 (3.2% of the total) fly on international services.

This one airline alone carries almost 12% of the world's air travelers. Despite this impressive fact, the difficulty in obtaining tickets is so severe that at least 15-million passengers must be turned away. Cargo is down by 3.8% to 2.72 billion FTKs and a net profit of 2.5 billion rubles (\$4 billion U.S.) is reported.

In 1989, the world's largest airline employs 400,000 workers and operates a fleet of 2,442 aircraft.

An An-12V is lost at Sverdlovsk on January 13; there is no additional information on the accident.

Designed for medium-haul service, the premier Tupolev Tu-204-100 makes its maiden flight on January 2. It is announced, on January 17, that the carrier will join with Marriott Corporation in a joint venture to supply about 10,000 meals-per-day to Aeroflot passengers.

Later in the month, the megacarrier signs a joint venture agreement with the French Accor group, owner of Novotel, to build a large hotel near Moscow's Sheremetyevo Airport; with completion scheduled for 1991, shareholding is divided between Aeroflot (66.5%), Accor (13.5%), and banks (20%).

En route from Arkhangelsk to Odessa on January 20, a Tu-134 is captured by a lone assailant, who demands to be taken to Bucharest. When the aircraft arrives at its original destination, the pirate is detained.

The next day, an An-24, preparing for a service to Kiev, is taken over on the ground at Ivano-Frankovsk, Ukraine, by a lone gunman

displaying a bottle of gasoline and a cigarette lighter. The would-be pirate is captured by police, but upon examination, the man is found to be mentally unstable and is dispatched to a psychiatric facility.

While en route from Astrakhan to Baku on March 30, a Tu-134 is hijacked by a lone assailant, who claims to have an explosive and who demands to be flown to either Pakistan or Nepal. The aircraft visits neither, instead landing at its scheduled destination, where the pirate is taken in hand by security personnel.

Also in March, Boris Y. Paniokov, first deputy minister of civil aviation, reports at a Moscow press conference that Aeroflot had 16 accidents the previous year, resulting in 85 deaths.

In April-May, a new alliance is signed with **Deutsche Lufthansa, A.G.** providing for cooperation on the expansion of Moscow's Sheremetyevo Airport.

The number of Moscow-New York frequencies is increased from five- to eight-per-week, beginning on June 15; also in June, the company begins a series of charter flights from Hokkaido and the south Sakhalin Island city of Juzhno to allow Japanese to pay respect to deceased family members.

In early July, in cooperation with **Austrian Airlines, A.G.** and **All-Nippon Airways Company, Ltd. (ANA)**, joint twice-weekly service, employing the Austrian A310-324, is inaugurated from Vienna to Tokyo, via Moscow.

On July 19, while on an ice observation flight from Cape Schmidt over the Eastern Siberian Sea, the left wing of an An-26 with 6 crew and 4 passengers strikes coastal cliffs, causing the aircraft to crash on Talovrow Island; there are no survivors.

Alma Ata-Urumchi flights begin in August. An L-410UVP is damaged beyond repair in a forced landing near Labinsk, Russia, on August 28; there are no fatalities.

A hydraulics failure causes a Yak-40 to make a forced wheels-up landing at Manas, Russia, on September 2; there are no fatalities.

Also in September, employing Il-76Ts and in cooperation with **Pan American World Airways (1)**, joint all-cargo service is started from New York to Moscow, via Shannon and Amsterdam.

An An-32 is lost at Chernigovsk, Ukraine, on October 1 (nine dead). An An-24 with 51 passengers is lost at Stepanogorsk, Russia, on October 4; there are no fatalities.

The second fatal accident of the month occurs on October 18 when a chartered Il-76MD with 57 passengers crashes into the Caspian Sea; there are no survivors.

While on an October 20 all-cargo service from Ul'yanovsk, an Il-76TD with 10 crew and 15 passengers descends below minimum altitude and crashes into a mountain near Leninakan, Armenia; there are no survivors.

The flights begun in August-September are followed by the start of service from Khabarovsk to Harbin on October 29. Also in October, the company offers first- and business-class passengers complimentary limousine transfer service between Sheremetyevo Airport and the Ukraine Hotel in downtown Moscow, where the first night's stay is also free. In addition, a free roundtrip ticket is offered to either Leningrad or Kiev for first-time passengers in those fare structures.

As the Lithuanian division begins its efforts to secede from the united Aeroflot, plans are made to streamline the pioneer's infrastructure by carving off certain divisions that will form independent regional carriers along the model established by **CAAC (The General Administration of Civil Aviation of China)**. In addition, efforts are made to establish cooperative operational and marketing agreements with Western airlines, including **Pan American World Airways (1)**.

The first use of the giant An-124-100 cargo aircraft in North America begins during the second week of November. Two Aeroflot-owned aircraft, retained by the Canadair Aerospace Group and flown by Antonov Design Bureau pilots, begin flying A330/340 components from Montreal's Mirabel International Airport to Aerospatiale's St. Nazaire facility in France.

The string of fatal crashes continues with haze and snow the cause of a well-documented fatal accident on November 21. On final approach to

Sovietsky on a service from Perm, an An-24 with 6 crew and 36 passengers veers to the right and strikes the ground to the right of the runway (34 dead).

Later in the year, a new Moscow-Shanghai route is opened, continuing on to Seoul. During December, a letter of intent is signed covering the purchase of five A310-300s, with options on five more.

Although 18-million potential customers are turned away, the huge operator still manages to increase its enplanements by 5.6% to 132,051,000. Freight traffic dips a slight 0.2% to 2.76 billion FTKs. The company reports to IATA that its international service has brought in \$1.9 billion in revenues. There is an operating profit of \$594.2 million and a net gain of \$19.4 million.

First deputy civil aviation minister Paniokov succeeds A. N. Volkov as director general in early 1990.

En route from Tyumen to Ufa on January 13, a Tu-134A with 6 crew and 65 passengers suffers the in-flight failure of both engines; a forced landing is made in a Ural mountains field 3 km. from Pervouralsk, Russia (27 dead).

On January 24, actual orders are placed for five Airbus Industrie A310-300s for delivery beginning late the following year; Aeroflot is launch customer for the 361,600 maximum-gross-takeoff-weight version. The world's largest airline now embarks on major route expansion and, also in January, weekly Moscow-Tel Aviv flights begin, in cooperation with **El Al Israel Airlines, Ltd.**

On March 26, Moscow-Zagreb-Barcelona flights begin. While on initial approach to Kabul on a March 27 service from Kokand, an Il-76MD with 9 crew and 2 passengers is warned off the landing by ATC; although the aircraft withdraws its flaps and gear, the approach continues, at which point the plane stalls and crashes. There are no survivors.

New frequencies to Cologne, via East Berlin, are launched on March 30. Also during the spring, weekly Il-76 roundtrip all-cargo services begin from London (STN) to Vladivostok.

In April and in accordance with the previous year's alliance, a joint company is established with **Deutsche Lufthansa, A.G.** for the expansion and modernization of Moscow's Sheremetyevo 1 Airport. In addition, **Deutsche Lufthansa, A.G.** signs a contract to maintain Aeroflot's A310-300s after their delivery.

Later in the month, an interline agreement is signed with **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** and, as a result, the Soviet carrier begins to link Lima with Havana, with connections to Moscow. Also in May, joint return flights begin with **Garuda Indonesia** aboard Russian airliners flying between Jakarta and Moscow. During June-August the company will be plagued by hijackers.

While landing at Ken Keyak, Kazakhstan, after a service from Krasnodar on June 2, an An-24 with 4 crew and 29 passengers bounces hard three times; after the third bounce, the nosewheel breaks off and the aircraft overruns the runway by 83 m., catching fire. All aboard are safely evacuated.

A Tu-154 with 121 aboard and en route from Minsk to Murmansk is hijacked on June 6 by teenager Dimitri Semyonov. Carrying a fake grenade and speaking of his displeasure concerning life in the Soviet Union, he forces the craft to land at an airport north of Stockholm where he surrenders to Swedish authorities.

While on final approach to Kabul on June 12 an Il-76MD with ten crew is hit by a Stinger AA missile; two engines are shut down and the aircraft makes a forced belly landing on an unpaved runway. The decision, although undoubtedly correct, to land in such a fashion kills everyone aboard.

A Russian-speaking hijacker forces a Tu-154, flying from Tallinn to Lvov, to land in Helsinki on June 19 when he threatens the crew with what they believe to be a bomb. This pirate is returned to the U.S.S.R., where he will be tried and sentenced to jail for four years.

Murmansk-Rovaniemi service is started on June 25. Employing a fake grenade, a passenger skyjacks a Tu-154 en route from Lvov to Leningrad on June 30, forcing it to divert to Stockholm. He will later

be extradited back to the U.S.S.R., where he will be tried and sent to prison for three years.

Also on June 30, while landing at Yakutsk following a service from Moscow, an Il-62M with 10 crew and 99 passengers overruns the runway; the pilot had accidentally set the No. 1 and No. 4 engines for take-off thrust instead of reverse. There are no fatalities.

En route from Leningrad to Lvov on July 5, a Tu-154 is hijacked to Sweden by a lone pirate seeking to avoid the military draft. He will be tried and sentenced to four years in a Swedish prison. Five days later, another Tu-154 is taken over just after its departure from Leningrad for Murmansk. The perpetrator is overpowered by the crew and returns to its point of origin, where he is turned over to police. After his trial, the man will be sent to prison for eight years.

Semyonov, the teenaged hijacker, is extradited back to Moscow on July 17 and is the first hijacker ever returned to the Soviet Union from Sweden. He will be tried and given a four-year prison term.

On July 28, another teen, threatening the occupants with what he claims is a vial of poison gas, takes over a Tu-154 flying between Krasnodar and Krasnoyarsk. The aircraft lands at Orenburg, where the young man's vial is found to be a fake and he is captured.

As the result of a premature descent, a Yak-40 en route from Yerevan with 3 crew and 43 passengers strikes a cloud-covered 2,520 m.-hill 22 km. from Stepanakert, Azerbaijan, on August 1; there are no survivors.

The wreck of an An-24 carrying 30 people from Armenia is found in the disputed territory of Nagorno-Karabakh on August 2; there are no survivors. The same day, Kuwait is invaded by Iraq.

Eleven Soviet convicts overpower their three guards on a Tu-154's scheduled service from Neryungri to Yakutsk on August 19 and divert the captured airliner to Karachi, where they surrender to Pakistani security forces.

In one of the first major East-West joint aviation ventures, the Swiss freight operator **Metro Cargo, A.G.** is established at Lugano in August. Private Swiss investors associated with Metropolitan Aviation, also based at Lugano, join with the Siberian directorate of Aeroflot to provide international cargo charters.

Mario Calmai is named chairman with Shimon Lahav as managing director; they begin revenue services employing eight Ilyushin Il-76s and an Antonov An-12 contributed by the Soviets. Operational services for the new entrant are provided by Zurich-based **Jet Aviation Business Jets, A.G.** under a contract that requires Metro to pay for each flight in advance.

While landing at Pavlodar, Kazakhstan, on September 9, a Yak 40 with 4 crew and 18 passengers strikes another aircraft; although both planes are damaged, there are no fatalities.

While on final approach to Sverdlovsk on September 14, a Yak-42D with 4 crew and 124 passengers strikes a line of trees 1,700 m. short of the runway and breaks up (4 dead).

An **Air Foyle, Ltd.** Antonov An-124-100 makes eight contract flights from Kuwait during September, evacuating 3,600 Bangladeshis. In October, a fuel shortage in Havana causes the carrier to briefly consider moving its Latin American hub to Miami.

On October 8, Aeroflot enters into ultimately unsuccessful discussions with **Eastern Air Lines** concerning the possible purchase or lease of thirteen Eastern wide-bodies for \$150 million.

An An-8 freighter with 4 crew and 6 passengers crashes while on final approach to Novosibirsk on October 10 (9 dead). A Let 410UVP crashes while landing at Odessa on October 12; there is no information on any possible casualties.

Discussions are begun with **British Airways, Ltd. (2)** on October 13 concerning the possible creation of a joint-venture international airline to be known as **Air Russia**.

An An-26 crashes at Nyurba, Russia, on November 2; there is no information on any possible casualties.

En route to Prague on November 17 a Tu-154M with six crew suffers an in-flight fire and must make a forced landing near Velichovsky; although the freighter is damaged beyond repair, there are no fatalities.

The nosegear of a Tu-154B-1 with 171 passengers fails during take-off from Kutayissi, Georgia, on November 20; a safe emergency landing is executed at the point of origin.

Having landed too far down the runway at Yakutsk, Siberia, on November 21, an Il-62 with 10 crew and 99 passengers is unable to stop before running off the runway and into a ravine, breaking off its wings and undercarriage. Although the aircraft is damaged beyond repair, no deaths or serious injuries are reported.

Following a tailwind landing at Diskon, Russia, on November 30, a Yak-40 with 4 crew and 31 passengers overruns the runway and falls into a gully; although the aircraft is damaged beyond repair, there are no fatalities.

Also in November, Il-86 service is opened from a second gateway to the U.S.; weekly roundtrip flights to New York are now also offered from Leningrad's Pulkovo International Airport.

An An-26 is destroyed as the result of a bad landing at Ufa on December 3. There is no information regarding any possible casualties.

An An-24B with 4 crew and 39 passengers is damaged beyond repair as the result of a hard landing at Shakhtyorsk, Russia, on December 14; there are no fatalities.

Late in the year, marketing agreements are signed with **Finnair O/Y** and **Austrian Airlines, A.G.** The latter provides for code-sharing on the Vienna-St. Petersburg route.

Passenger boardings for the year increase 4.2% to 137,741,700, but freight actually declines by 3.1% to 2.67 billion FTKs.

Alexander A. Larin succeeds Boris Ye. Paniokov as director general in early 1991. A fourth weekly Il-86 frequency is inaugurated on January 7 between Moscow and New York; simultaneously, cargo service to the "Big Apple" begins with a dedicated Il-76 freighter.

On January 21, Bulgarian police overpower the hijacker of an Il-62 with 159 aboard after Turkey denies it permission to land, thereby requiring it to make an emergency landing at Burgas.

On March 3, a lone hijacker takes over an An-24 on the ground at Leningrad; unable to get the pilot to fly him to Sweden, the man releases all of his hostages and then pulls the pin on the grenade he is holding, committing suicide.

While on a domestic service to Kaliningrad on March 28, a Tu-134 is subjected to a takeover attempt by a lone assailant, who is unarmed. The flight crew immediately captures the perpetrator, ties him up, and puts him into the baggage compartment, where he will remain until the aircraft lands and he can be turned over to police.

Moscow-Gothenburg flights begin on March 31 and Kathmandu becomes a Moscow destination on April 5. Moscow-Shanghai direct service begins in mid-April and, flying via Gander, Il-62Ms inaugurate Moscow-Miami service on April 28, the same day on which they launch twice-weekly flights from Washington to Moscow, via Shannon.

Three assailants take over a Tu-154 on the ground at Barnaul on April 29; it is flown to Moscow's Domodedovo Airport, where the trio is arrested as it steps off the aircraft.

Before it opens service to the Soviet Far East, **Alaska Airlines**, in April, begins to train thirteen Aeroflot ticket agents in customer service at Seattle-Tacoma International Airport. The Soviets will graduate at the end of May and return to Magadan and Khabarovsk, where they will serve Alaska customers during their summer visits.

The first Aeroflot service to a U.S. West Coast city begins on May 19, when an Il-62M lands at San Francisco from Khabarovsk, having flown via Anchorage. Operations of the joint Swiss-Soviet carrier **Metro Cargo, A.G.** have continued without incident until May. During the month, Metro Cargo delays its payments to **Jet Aviation Business Jets, A.G.**, as well as its aircraft lease payments to Aeroflot.

A Tu-154B-1 with 6 crew and 172 passengers lands hard at Leningrad on May 23 following a service from Sukhumi; the right landing gear collapses and the aircraft breaks up. Thirteen aboard the jetliner are killed, along with two people on the ground.

At the beginning of June, the Soviets, owed \$7 million, request that the authorities in Canton Ticino freeze Metro Cargo's bank accounts.

Unfunded, Metro Cargo suspends operations, while a criminal investigation is simultaneously launched. **Alaska Airlines** now begins thrice-weekly service to Magadan and Khabarovsk.

With Metro Cargo finished, the Soviets turn to **Jet Aviation Business Jets, A.G.** to establish another joint operation, Jet Air Cargo, A.G., which will lease and employ, briefly, three Il-76s.

Murmansk-Kirkenes flights begin on June 4.

An An-24 with ten passengers fails its climb away from St. Petersburg on June 26 and crashes into the Gulf of Finland; there are no survivors.

On July 1, the company joins with the Ministry of Civil Aviation and the Ilyushin design bureau to purchase 100 G.E./Sneema CFM-56-5 engines for 22 Il-86s; the deal is worth \$750 million. It is now reported that, during the past five years, Aeroflot has added 121 new routes, primarily to the Far North, the Far East and the Tyumen region in Siberia, where much of Soviet oil is extracted. Considerable fuel, in short supply, is used to serve these routes, and as a result Aeroflot was forced to cut back on more profitable freight traffic.

Later in the year, Leningrad to New York and Kiev to New York flights begin. Additional new destinations visited from Moscow include Barcelona, Basel, Miami, Venice, Nagoya, Montevideo. Service is started linking Khabarovsk with Irkusk (Niigat) and Kiev with Milan, New York, and Irkusk (Shenian). A number of unprofitable routes to Africa and Southeast Asia are dropped.

An L-410UVP is lost on takeoff from Polina on August 21; there is no information concerning any possible fatalities. Six days later another L-410UVP is lost 42 km. from Guriev, Kazakhstan. Again, there are no casualty figures.

A cooperative agreement is signed with **Air France** during August. Under its terms, the two flag carriers agree to collaborate on the establishment of a commissariat, as well as the construction and operation of a cargo facility at Leningrad's Pulkowo Airport. The French will work to boost Aeroflot's operations out of Kiev, and the two will together build and operate international-class hotels at Leningrad and Moscow.

A coup against the central government fails during the month; although it has no impact on Aeroflot Soviet Airlines or flight operations into the nation, it will help lead to the disintegration of the country and its airline. During the last week of August, the Aviation Leasing Group delivers a Douglas DC-8-61 to the carrier's Armenian regional department, which has plans to open weekly roundtrip flights from Yerevan to New York, via Shannon.

An all-cargo interline agreement is signed with **USAir** and comes into effect on September 23. A similar arrangement is made with **Delta Air Lines** providing for block space and code-sharing on the route from Moscow to New York.

An An-12BP with 16 passengers crashes at Khatanga, Russia, also on September 23 (1 dead).

A Yak 40 with 4 crew and 30 passengers crashes into a mountainous area 12 nm. from Makhachkala, Russia, on November 7; there are no survivors.

Nationalists from the Chechen-Ingush region hijack a plane to Ankara, Turkey on November 9, and later to Grozny, the region's capital, to protest the Russian crackdown on the autonomous region.

As the U.S.S.R. falls apart, representatives from the 15 republics meet to discuss a variety of problems and one result is the establishment of the Interrepublic Aviation Committee (Mezhgosudoiavrenniy Avitsionniy Komitet or MAK), under Dr. Tatiana Anodina.

The airline releases a devastating self-critique on December 19, which paints a picture of worsening safety and shortages. During the year, there are 252 deaths resulting from three dozen crashes (most, as before, unreported in the West) and 40% of the fleet remains grounded for lack of fuel or spare parts. The accident rate is up from the 27 of 1990 (194 dead). The breakup of the Soviet Union also has a devastating impact upon traffic figures, which are only reported through September. These show customer bookings down 6.3% to 99,910,700 and cargo off by 7.8% to 1.92 billion FTKs.

On November 15, AEVT Aeroflot, the Association of the Air Transport Exploiters, which is made up of air transport companies, takes over some international operations.

An An-12 with 6 crew and 14 passengers crashes at Anderma, Russia, in bad weather on November 16; there are no survivors.

While on final approach to Bugulma, Russia, on a service from Nizhnevartovsk on November 26, an An-24 with 4 crew and 37 passengers attempts to go around after a missed landing. The aircraft crashes 800 m. short of the runway as the result of stabilizer icing and there are no survivors.

The short-lived body AEVT is replaced in December by PKO Aeroflot Soviet Airlines. PKO, which means production and commercial organization, is made up of representatives from several Soviet ministries with civil aviation interests and meets under the auspices of the airline's International Commercial Division or MKU.

Employing an Il-76 under lease, the trading company WTL International begins scheduled weekly air cargo service in January 1992 between Moscow's Sheremetyevo Airport and New York (JFK). On January 1, prices in Russia are deregulated and company fares rise anywhere from 300% to 2,400%.

Early in the year, the CIS begins to dismantle Aeroflot, the international unit of which is now renamed **Aeroflot Russian International Airlines (ARIA)** and flies under licenses held by the Central Department for International Air Services (CUMVS). A variety of government-owned and private carriers are born, including several formed from former Aeroflot district divisions as independent operators in the CIS independent republics. The MAK, with responsibility for licensure, certifies 69 airlines for operation, including 33 separate and largely autonomous Aeroflot divisions.

AEROGAL, S.A. See **AEROLINEAS GALAPAGOS, S.A.**

AEROGAVIOTA: Avenida 47, No. 2814. Reparto Koltzy, Havana, Cuba; Phone 53 (7) 81-3068; Fax 53 (7) 33-2621; Code GTV; Year Founded 1994. The state-owned Aerogaviota is established at Havana in 1994 to offer regional and domestic passenger and cargo charters. Revenue flights begin, and continue, with a fleet that comes to comprise 13 Antonov An-26s, 8 An-26Bs, 1 An-30, and 4 Yakovlev Yak-40s.

AEROGENESIS AVIATION: 659 Eden Road, Mason, Michigan 48854, United States; Phone (800) 669-7305; Fax (517) 676-4863; Year Founded 1990. Aerogenesis is established in 1990 to offer passenger charters from four Michigan airports. By 2000, the company employs ten full-time and three part-time pilots. One each Beech King Air 90 and Beech Super King Air 200 are flown from Alpena County Regional Airport and a Beech King Air 90 is flown from Jackson County-Reynolds Field.

At Lansing, the company maintains one each Super King Air 200, Beech 58 Baron, Beech A36 Bonanza, and Piper PA-31-350 Navajo Chieftain. The smallest element of the fleet, a Super King Air 200, is stationed at Oakland-Pontiac Airport.

AEROGLOBO, S.A.: Poland (1991-1996). Aeroglobo is established at Warsaw in 1991 to offer charter and cargo flights to destinations throughout Eastern Europe. Revenue flights commence with a fleet made up of 4 Let L-410UVPs and 3 PZL-Mielec An-28s (Antonov aircraft built under license in Poland). Operations continue into 1996.

AEROGOLFO, S.A.: Colombia (1994-1996). Aeroglofo is set up at Bogota in 1994 to offer regional and domestic passenger charters. Revenue operations commence with 1 each Convair CV-580, Aerospatiale (Sud-Est) SE-210 Caravelle XB3, and 1 Caravelle XB1R. By 1996, the fleet is reduced to just the Caravelle XB3.

AEROGULF SERVICES, LTD.: Box 10586, Dubai International Airport, Dubai, United Arab Emirates; Phone 971 (4) 823157;

Fax 971 (4) 823028; Year Founded 1977. ASL is established in the UAE in 1977 to provide offshore helicopter passenger and contract service flights, as well as internal service and international flights. Operations commence with two Bell 206B JetRangers. All aircraft are, and will continue to be, maintained in prefabricated structures at Dubai's international airport.

Operations continue apace over the remainder of the decade and into the 1980s. Contracts for offshore assistance are accepted from Dubai Petroleum Company, Crescent Petroleum Company, and Dubai Gas Company. During the Iran-Iraq War in mid-decade, company BO-105s fly in harm's way. Under fire from Iranian gunboats, they evacuate a gas complex and, during July-August 1987, over 1,000 tanker landings are accomplished, during which 1,800 crewmen are evacuated.

By 1988, General Manager John Kirk's fleet includes 5 JetRangers, 3 MBB BO-105s, and 3 Bell 212s. Services continue with little change into the 1990s and a total of 24 pilots are on staff in 1992-1996. During 1997-2000, the fleet includes 5 JetRangers, 3 Bell 212s, and 3 BO-105s as had been in service a decade earlier.

AEROKIZNETSK. See **AERO KUZNETSK NOVOKUZNETSK AIRLINE**

AEROLATIN (AEROLINEAS LATINAS, S.A.): Centro Comercial Ciudad Tamanaco, 1a Etapa 3er Piso, #315, Caracas, Venezuela; Phone 58 (2) 959-1884; Fax 58 (2) 993-6378; Code LT; Year Founded 1989. This all-cargo airline is established at Caracas on September 28, 1989; shareholders include Maria Engina Martinez Capriles (67%) and the French carrier **Euralair International Airlines, S.A.** (32%). Santiago Mesta is named president/CEO. A fleet is assembled comprising 1 Boeing 707-315F and 1 B-727-100F. Weekly flights are undertaken to four destinations in the U.S., two in Mexico, two in Brazil, three in Europe, and two in Canada. Panama, Nicaragua, Trinidad, and Cuba are also visited weekly.

Operations continue apace in 1990-1992, although flights to Miami are withdrawn. In 1993, chief shareholder Capriles is CEO/president with Mesta as finance officer. The fleet now includes 2 B-727-200s, 2 B-727-100Fs, and 1 Douglas DC-8-54F. From Caracas, weekly flights are made from Caracas to Trinidad, Cuba, Nicaragua, Panama, Mexico City, Europe, and Canada. More frequencies are offered from Caracas to Rio de Janeiro and Iguazu Falls while replacement services are provided for other carriers in Central and South America.

Employing the B-727-100 leased from new entrant Aricsa Jet Cargo, S.A., also of Caracas, service is resumed to Miami in 1994.

Although it is understood that flights continue without change during the remainder of the decade, exact information is, however, unavailable.

AEROLEASING DEUTSCHLAND, GmbH.: Flughafen Hamburg, Hamburg, D-26501, Germany; Year Founded 1965. Aeroleasing is originally set up at Hamburg in 1965 as an executive passenger and charter operation. Thirty-five years later, the company is a worldwide concern with bases on two continents. The carrier's subsidiaries include Aeroleasing Ukraine at Kiev, **Jet Leasing Belgium, NV** at Brussels, and **Aeroleasing Far East (Pty.), Ltd.** at Singapore. The German operator also maintains bases at Berlin's Tempelhof Airport, as well as Geneva, Switzerland.

The European fleet now includes 4 each Dassault Falcon 50s and Learjet 35A Century 3s, 2 each Falcon 20s and Falcon 10s, and 1 each Dassault 900B, Learjet 31, Learjet 36, Learjet 55 Longhorn, Yakovlev Yak-40, and Canadair Challenger 601.

AEROLEASING FAR EAST (PTY.), LTD.: Singapore Seletar Airport, Singapore, Year Founded 1989. This subsidiary of **Aeroleasing Deutschland, GmbH.** is set up at Singapore in 1989, originally as an FBO. Mr. Yip is managing director; he begins and continues an executive passenger service throughout Southeast Asia with a Learjet 35A chartered from the parent.

AEROLIFT INTERNATIONAL (PTY.), LTD.: 19 Keppel Road, Jit Poh Building 11-05, Singapore 208, Singapore; Phone 65 225 7871; Fax 65 225 7687; Year Founded 1990. AI is established at Singapore in August 1990 to provide rotary-wing support to energy development in the jungles of Papua New Guinea. Patrick Lloyd is appointed managing director and revenue services are under begun under contract to Chevron Oil, Mobil Oil, BP, and Shell Oil with a pair of Russian-made Kamov Ka-32s chartered from **Aeroflot Soviet Airlines**.

In January 1991, the AI fleet is expanded by the addition of three more loaned Kamovs and a Mil 26. In April, four more Ka-32s are leased, entering service on behalf of Amoco Oil in Myanmar (Burma). While the Soviet helicopters provide heavy lift, workers are transported to and from worksites by Bell 212s.

During the remainder of the year, the company flies a total of 6,000 hours.

Operations continue apace with little fanfare in 1992-1994. The fleet includes 1 each Bell 212, Bell 206L LongRanger, Bell 206B JetRanger, 4 Ka-32s, and 3 Mi-26s.

In 1995-2000, General Director Dick Anderson's fleet is increased by the addition of 3 Bell 212s, 5 LongRangers, 3 JetRangers, and 7 Ka-32s.

AEROLIFT PHILIPPINES: 4th Floor, Jaka II Building, 150 Legaspi Village, Makato, Metro Manila, Philippines; Phone 63 (2) 843-4605; Fax 63 (2) 819-0385; Code LFT; Year Founded 1982. Created by Capt. Benjamin Solis in 1982 to provide interisland charter services to seldom-visited destinations, the air taxi Aerolift Philippines is reformed at Manila in August 1988 to offer scheduled commuter flights. The reform is made possible by a government ruling that overturns the forced 1974 nationalization of **Philippine Air Lines (PAL)**.

Capitalization is increased to six-million Philippine pesos (PP 6 million) in September as the Cebu Beechcraft dealer Miguel Campos acquires a 30% stake. A new Beech 1900 is promptly ordered. The new aircraft arrives in mid-December and allows the first scheduled revenue flight to be completed on Christmas Eve, between Cebu's Luhag Airport and Manila.

Managing Director Solis' fleet at the beginning of 1989 comprises 2 de Havilland Canada DHC-6-300s, 1 Dornier 228-212, 2 Pilatus-Britten-Norman BN-2 Islanders, and 1 Beech 1900C. The government grants the new entrant authority on August 10 to visit two dozen domestic points from Manila. Shares are now sold to the U.S.-venture capital company Hambrecht & Quist.

Plans are laid in 1990 for the acquisition of a Boeing 737-200C with which to begin domestic flights; however, financing proves difficult.

While on its initial climb away from Manila on May 18, the Beech 1900C with 2 crew and 19 passengers suffers an engine failure and crashes into a residential area; all aboard the turboprop are killed, along with four people on the ground.

Also in May, nonscheduled passenger flights commence from Manila and Cebu to Hong Kong, Malaysia, Singapore, and Japan. The inaugural fleet, meanwhile, transports a total of 80,000 charter passengers in 1991.

After a lengthy court battle, the third-level carrier receives government approval in early 1992 to offer scheduled services. These frequencies are introduced linking the Manila base with Boracay, Busuanga, and El Nido. Enplanements total 17,822, a major disappointment.

The workforce is cut 42% in 1993 to 29 and the fleet comprises just 1 Twin Otter and 1 Beech King Air 90. Passenger boardings decline 35.5% to 13,153. Revenues plunge 27% to \$1.04 million and with costs high, there are losses: \$183,406 (operating) and \$190,925 (net).

A pair of Fokker F27-500 Friendships is acquired by Managing Director Solis in 1994. Flights continue during the remainder of the decade.

AEROLIK AIRLINE: Ulitsa Yunatov 18, Moscow, 125083, Russia; Phone 7 (095) 214 8828; Fax 7 (095) 212-1037; Code AKR; Year Founded 1994. Aerolik is established at Moscow in 1994 to provide domestic charter operations. Alexander A. Leonev is appointed general director and revenue operations begin with a single Yakovlev Yak-40.

Flights continue during **1995–2000**, during which years the fleet is increased by the addition of 2 more Yak-40s, 1 Ilyushin Il-18, and 1 Tupolev Tu-154M.

AEROLINEAS ABAROA, LTDA.: Bolivia (1962–1972). AA is founded at La Paz in **1962** to operate nonscheduled all-cargo services around the country. A lightplane and Douglas DC-3 fleet is employed to begin revenue services.

En route from Caranavi to La Paz on December 8, **1964**, a chartered DC-3 with 4 crew and 13 passengers suddenly disintegrates and crashes near Tripuani in the Andes Mountains at an altitude of 14,000 ft. Investigators will suggest that the cause of the tragedy is an explosion of a “criminal origin,” and although a suicide-for-insurance plot is suspected, no one is ever indicted.

The fleet is augmented with 2 Curtiss C-46 Commandos in October **1966**, which are employed through November **1968**. The carrier shuts down during the energy crisis in **1972**.

AEROLINEAS AMANCER, S.A. de C.V.: Calle C. Hangar 6; Toluca Airport; Toluca, 50200, Mexico; Phone 52 (72) 731 220; Fax 52 (72) 172 885; Year Founded 1990. Certified to fly executive charters from Central America to Canada, Amancer is established at Toluca Airport in **1990**. Ten years later, flights are still undertaken with a single Learjet 24.

AEROLINEAS ARGENTINAS, S.A.: Bouchard 547, 1106 Buenos Aires, Argentina; Phone (54-1) 317-300; Fax (54-1) 317-3596; http://www.aerolineas.com.ar; Code AR; Year Founded 1949. This new state corporation is formed on May 3, **1949** at Buenos Aires. A division of the Ministry of Transport, which has provided capitalization, Aerolineas Argentinas is a merger of four independents: **Aeroposta Argentina, S.A.**; **ALFA (Aviacion del Litoral Fluvial Argentino, S.A.)**; **FAMA (Flota Aerea Mercante Argentina, S.A.)**; and **ZONDA (Zonas Oeste y Norte de Aerolineas, S.A.)**. Routes, aircraft, and personnel of the merger partners are amalgamated, if not integrated, during the remainder of the year, with the unified carrier appearing in December.

Integration efforts continue in **1950**. Ten ex-FAMA (**Flota Aerea Mercante Argentina, S.A.**) Douglas DC-4s join the fleet along with 6 DC-6s; the latter begin service to New York on March 21.

A DC-3 must be written off following an accident at Buenos Aires' Pistarini Airport on June 12; there are no fatalities.

A DC-6 begins a New York to Buenos Aires via Trinidad proving flight on September 13. The four-ship fleet of new Convair CV-240s ordered by **ZONDA (Zonas Oeste y Norte de Aerlineas, S.A.)** is also delivered in September. Christened *Yapeyu*, *Uspallata*, *San Lorenzo*, and *Chacabuco*, they are placed on routes to Santiago de Chile, Cordoba, and Mendoza.

The route network is fully integrated as of December 7. Three Avro Yorks ordered by merger partner **FAMA (Flota Aerea Mercante Argentina, S.A.)** are received late in the year; undesired, they are returned to their British manufacturer. Other aircraft obtained from merger partners during the year include: 33 DC-3s (2 ALFA, 6 FAMA, 17 ZONDA, and 5 Aeroposta Argentina); 4 former-ALFA S.25 Sandringhams; 1 former ALFA Beech 18S, and 1 ex-FAMA Cessna UC-78A. Two DC-6s are received from **United Air Lines** and an S.25 Sandringham is purchased from **SAS (Scandinavian Airlines System)**.

The ex-ZONDA DC-3 *Puntano* with 5 crew and 13 passengers and en route from Mar del Plata to Buenos Aires, crashes near Cobo on December 30 (17 dead).

During the year the carrier's Andean condor emblem is designed by Rodolfo Pena.

The former **Aeroposta Argentina, S.A.** DC-3 *Yagan* with 4 crew and 16 passengers fails its climb from Rio Grande on a March 26, **1951**, service to Ushuaia and crashes; 11 people aboard the aircraft are killed, along with two on the ground.

A DC-3 crashes at Jujuy, Argentina, on June 3; although the plane must be written off, there are no fatalities.

Two Shorts S.25 Sunderland 5s, the *Uruguay* and *Rio de la Plata*, join the five S.25s already in the fleet in maintaining flying boat service to Montevideo.

In April **1952**, the carrier's administration is transferred to the National Transportation Corporation, which is charged with running all of the nation's air, rail, and road communications. A month later, Aerolineas Argentinas joins IATA.

In cooperation with Bolivia's **LAB (Lloyd Aereo Boliviano, S.A.)**, DC-4 flights begin to Santa Cruz in early **1953**.

An ex-FAMA C-54A with 7 crew and 34 passengers is lost 12 miles north of the city while on initial approach to Cordova on June 17; although the aircraft is damaged beyond repair, there are no fatalities.

As the result of an improper initial approach, the former **Aeroposta Argentina, S.A.** DC-3 *Quilmas* with 4 crew and 21 passengers strikes a mountain near Sierra del Vilgo, in La Rioja Province, on April 23, **1954**; there are no survivors.

On June 26, the government launches an investigation of the carrier's management, seeking proof of fraud allegations.

While on a scheduled service from Cordoba on October 16, a CV-240 with 5 crew and 32 passengers is caught in a storm and suffers uncontained loss of altitude from 600 m. up. Although the aircraft is destroyed when it strikes the ground SSW of Capilla del Senor, there are no fatalities.

In April **1955**, DC-6 service is inaugurated to La Paz. While climbing away from Rio Chaco, Argentina, on May 20, the former **ZONDA (Zonas Oeste y Norte de Aerolineas Argentinas, S.A.)** DC-3 *Coya*, a freighter with 4 crew and 1 passenger, suffers propeller failure, loses height and crashes; although the aircraft must be written off, there are no fatalities.

The Peron dictatorship ends on September 16.

A government decree on July 12, **1956** ends the carrier's monopoly over national air transport. Having descended below the MDA, the former **ZONDA (Zonas Oeste y Norte de Aerolineas Argentinas, S.A.)** DC-3 *Ibabe* with 4 crew and 14 passengers crashes and burns near Rio Cuarto four days later; there are no survivors.

A new government decree in **1957** defines the manner of state airline control.

On January 11, a DC-4 with 33 aboard crashes shortly after takeoff from Buenos Aires (12 dead). Another DC-4 crashes near Bolivar, southwest of Buenos Aires, on August 12 (62 dead) and the third four-engine Douglas of the year, which once belonged to **United Air Lines**, crashes 25 km. SE of Bolivar on December 8 (62 dead). A Short Sandringham flying boat with eight aboard fails its takeoff from Buenos Aires on December 31 and crashes; there are no survivors.

Following the installation of the democratically elected government administration of Dr. A. Frondisi in February **1958**, the carrier's entire leadership is forced to resign in May, at which point Col. Guiraldes becomes president. Orders are placed for six de Havilland DH 106 Comet 4s.

A DC-6 with 6 crew and 16 passengers is lost off Ilha Grande Beach, Brazil, on June 10; there are no fatalities.

Late in the year, Guiraldes is succeeded by Brig. Gen. Miguel Moragues. Orders are placed for 10 Fairchild F-27s; the request will be cancelled within two years because financing does not materialize.

The first jetliner for Aerolineas Argentinas, a Comet 4, is delivered on March 2, **1959**; christened *Las Tree Marias*, it is employed to open South America's first indigenous commercial jet service on April 16 from Buenos Aires to Santiago de Chile and on to New York. An unnamed ex-FAMA (**Flota Aerea Mercante Argentina, S.A.**) DC-3 with 4 crew and 6 passengers is lost in a crash on May 15 following its takeoff from Mar del Plata; there are no survivors.

Four days later, a Comet 4 inaugurates the first regularly scheduled turbojet airliner service from South America to the U.K., flying from Buenos Aires to London. As additional Comet 4s are received, they

commence frequencies on June 7 from Buenos Aires to Rome, Frankfurt, and Paris, via Rio de Janeiro, Recife, and Port of Spain.

The ex-ZONDA (**Zonas Oeste y Norte de Aerolineas Argentinas, S.A.**) DC-3 *Tierra del Fuego* with 3 crew and 7 passengers is lost at Santiago del Estado, Argentina, on July 24; there are no fatalities.

Diverted to Asuncion, the Comet 4 *Lucero del Alba* with 6 crew and 44 passengers and en route from Buenos Aires to New York, crashes on August 26 during its final approach (2 dead).

On September 4, New York to Buenos Aires flights are cut from three to two weekly as a result of the Asuncion disaster.

Having lost hydraulic fluid, a CV-240 with 6 crew and 26 passengers must make an emergency landing in a vineyard near Mendoza, Argentina, on December 12; there are no fatalities.

All flights are cancelled between January 27 and February 5, 1960, because of a workers' slowdown.

As the result of a bad landing at Ezeiza Airport, Buenos Aires, after a training flight on February 20, the DH 106 Comet 4 *Cruz del Sur* must be written off; none of its six-person crew are fatalities.

Buenos Aires to New York service is temporarily curtailed on March 3. On March 10, all flights are again halted, as pilots strike to protest the punishment of six colleagues accused of safety violations.

As the result of a violent storm, a DC-6 with 6 crew and 25 passengers and en route from Asuncion to Buenos Aires, explodes in midair and crashes 12 km. ENE of Salto (Uruguay) on September 7; there are no survivors.

On September 30, the carrier cancels its Havana stops on the New York to Buenos Aires runs now fully restored. In terms of passenger kilometers flown during the year, the carrier now ranks as the largest airline in Latin America.

An operating permit for New York is received from the U.S. CAB in January 1961. On March 16, orders are placed for nine Avro (later Hawker Siddeley, then British Aerospace or BAe) 748s, followed by an August request for three (later four) Sud-Est SE-210 Caravelle VINs. Meanwhile, on June 9, the carrier is struck after suspending 5,600 workers for their continuing slowdowns.

On July 19, a DC-6 with 7 crew and 60 passengers crashes near Azul; there are no survivors.

The DH 106 Comet 4 *Arco Iris* with 12 crew and 40 passengers crashes 4 mi. from Viracopos Airport, São Paulo, on November 23 just after takeoff for New York. Again there are no survivors. The public outcry and political repercussions within Argentina over these accidents forces President Moraguez to resign.

The first Avro 748, the second production unit, is delivered in January 1962; christened *Ciudad de Bahia Blanca*, it begins Pointe del Estes-Bahia Blanca service on April 2. AA thus gains the distinction of introducing the "Budgie," as it will be nicknamed, into commercial service. Meanwhile, the first Caravelle VIN is received in March; named *Aldebaran*, it launches flights from Buenos Aires to San Carlos de Basiloche on April 1. The company promotes both new aircraft types in new print and television advertising; however, the addition of the presence is criticized by the Association Argentina de Aeronavegantes, the flight attendants union.

All Avro 748s are ordered flown at low altitude on September 2, pending a probe into the death of stewardess Olga Gomez, who fell to her death when the plane door blew off on August 30 flight hours earlier a second 748 also lost its door. During a September 4 test flight to attempt to isolate the problem, an Avro technician nearly falls from his aircraft when its door locking system fails.

Airline and manufacturing representatives order the entire Avro fleet grounded on September 7 and the Convairs, awaiting sale, are returned to duty. The political difficulties that now ensue between airline officials and government bureaucrats attempting to place blame reach a point where, on October 16, CEO Moragues is dismissed. Having been modified, the Avro 748s are gradually returned to service after November 1.

The last Short S.25s are retired at year's end, the CV-240s are sold to the Paraguayan Air Force, and the first Comet 4C is delivered and named *President Kennedy*.

The fleet in 1963 now comprises 14 DC-3s, 6 DC-4s, 3 DC-6s, 3 Comet 4s, 4 Hawker Siddeley HS 748s (Avro having become the Avro Whitworth Division of Hawker Siddeley), and 3 SE-210s. A dispute with IATA leads to the carrier's resignation from that international body on June 7.

Flight 527/03, an SE-210 Caravelle VIN with 7 crew and 63 passengers crashes while on final approach to Cordoba on July 3; there are no fatalities.

A DC-3 with 3 crew and 27 passengers crashes near Zarate on January 9, 1964 (28 dead). A Comet 4C is received in May, the same month the CAB grants traffic rights to Miami. Brig. Gen. Guillermo Zinny (Ret.) becomes chairman in June. Enplanements for the year total 717,661.

Airline employment in 1965 is 5,921. The 40-aircraft fleet is altered as 5 DC-3s are replaced by 8 HS 748s. On February 5, orders are placed for 4 Boeing 707-387Bs. Comet 4 service to Miami via Lima begins in April. On October 6, the company rejoins IATA. Passenger boardings rise 1.3% to 727,113.

A government change in June 1966 brings another shift in the carrier's administration, this one headed by Brig. Gen. Arnaldo Tesselhoff (Ret.).

On September 28, to publicize Argentina's long-standing claim to the Islas Malvinas (Falkland Islands), 18 Argentine nationalists hijack the DC-4 *Benjamin Matienzo* (which had been delivered new to **Santa Fe Skyways** of the U.S. 20 years earlier as the *Sky Chief Pueblo*) en route from Buenos Aires to Rio Gallegos. The hijackers force the pilot to fly to Stanley to hand out propaganda leaflets. The whole group will be extradited back to Argentina and its members will receive prison terms ranging from three to five years.

The first B-707-387B is delivered in November and is placed in service on the New York run on December 15.

On August 8, 1967, a B-707-387B, operated jointly with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, inaugurates 6,462-mile nonstop service from Buenos Aires to Madrid, the world's longest nonstop scheduled frequency. The B-707-387Bs take over the long-haul routes to Europe and eliminate the Dakar stop; the Comet 4s are transferred to regional service. In December, two Nihon YS-11As are put on the holiday routes from Buenos Aires to Mar de Plata and Punta del Este.

The CAB is approached, in 1968, for a West Coast route. Once it is granted, B-707-387B service to Los Angeles, via Lima, Bogota, and Mexico City, begins in April 1969. Tokyo flights are inaugurated on June 15.

An HS-748-B1 with 4 crew and 35 passengers is destroyed as the result of a bad landing at Bahia Blanca on July 15; there are no fatalities.

While on domestic flights on October 8, a company aircraft and a **Cruzeiro do Sul, S.A.** airliner are both hijacked to Havana. Four armed men capture the Aerolineas Argentinas B-707-387B with 67 passengers during a domestic service from Belem to Manaus.

While on night approach to the airport at La Pampa on November 27, a HS-748-1A with 4 crew and 24 passengers lands 3 km. short of the runway, skids 200 m., strikes a fence, and comes to rest in a wheat paddock; there are no fatalities.

Orders are placed in 1970 for six B-737-287s. An HS-748-1A with 4 crew and 33 passengers suddenly turns over and dives into the ground 35 km. S of Corrientes on February 4 at a speed of 400 km/hr.; there are no survivors.

A man and a pregnant woman force a Comet 4 with 68 passengers and en route from Cordoba to Tucuman, to fly to Cuba on March 24. Technical problems cause a stop at Lima and the flight is not concluded until next day.

En route from Salta to Buenos Aires on July 28, a new B-737-287 with 32 passengers is taken over by a hijacker armed with two pistols, who allows the plane to stop at Cordoba on its way to Cuba to drop off half of the passengers. In the air again, the "Baby Boeing" encounters a snowstorm over the Andes and must return to Cordoba. There the pirate surrenders to police.

An Hs-748-1A is destroyed as the result of a bad landing at Sarmiento, Argentina, on December 19; there are no fatalities.

A new government brings yet another shift in air transport policy in 1971, by which year all of the DC-3s, DC-4s, and DC-6s have been withdrawn. Six more B-737-287Bs are requested. Gen. Roberto M. Levinston, suspected organizer of an ill-fated Argentine coup, hijacks a B-707-387B on October 10 and attempts to force the aircraft crew to fly it to a military base where rebel forces hope to mass in resistance; Levinston never gets off the ground.

Buenos Aires-Lima-Los Angeles flights commence on May 19, 1972. As the B-737-287Bs enter service, the turboprops are retired.

In partnership with **South African Airways (Pty.), Ltd.**, a Rio de Janeiro to Johannesburg weekly roundtrip service begins on November 6.

On December 1, an arrangement is reached between the state carrier and **Austral Airlines (Austral Lineas Aereas, S.A.)** concerning the division and pooling of efforts on the domestic scene.

Again in cooperation with **South African Airways (Pty.), Ltd.**, twice-monthly Rio de Janeiro to Cape Town service is begun on April 2, 1973. On May 6, nonstop flights begin to Miami. Claiming to be a member of the People's Revolutionary Army, B. J. Mazor commandeers a B-737-287B with 74 passengers during a July 4 domestic flight, and orders it to fly to Havana, via Santiago de Chile, Lima, and Panama City. The little Boeing arrives home on July 7. The various stops are made not only for fuel, but to give the Argentine government opportunities (which it will not take) to meet the pirate's demand that it provide \$250,000 to Argentine medical agencies.

En route from Buenos Aires to Salta on October 20, a B-737-287B with 49 passengers is captured by four pirates, who divert it to Cuba, landing first at Yacuiba, Bolivia. Most of the passengers are allowed to deplane at Yacuiba and, after promise of free passage to Cuba, the hijackers free the rest and surrender on October 22.

When Juan Peron returns from exile, the carrier, in December, receives another new management team, with Juan Carlos Pellegrini as director general and Gen. Cesar Murelio Guasco as president. The workforce is now 7,136. Enplanements are up 2% to 1.35 million, but a net loss of \$7.3 million is suffered.

The all-jet fleet achieved in 1974 includes 8 B-707-387Bs, 12 B-737-287Bs, 5 HS 748s, and 3 Fokker F.28-1000s. Orders are now placed for B-747-287Bs. A Jumbojet is leased from **Pan American World Airways (1)** and employed to inaugurate nine-flights-per-week New York to Buenos Aires roundtrip service in late spring, followed by a weekly frequency to Madrid introduced during the summer, as the longest nonstop scheduled service in the world. The total number of trips between New York and the Argentine capital increases from 16- to 19-per-week. Revenue passenger kilometers increase 35.3% and a \$135,000 profit is posted.

In January 1975, orders are placed for two more B-747-287Bs and three more F.28-1000s replace the five HS-748s. Service is started to Caracas in April. A new marketing effort is undertaken, including the introduction of new aircraft livery and cabin interiors and hostess uniforms. Plans are made to introduce another Jumbojet, formerly flown by **Delta Air Lines**, and leased from Boeing.

Domestic and international flights are cancelled on September 1 because of a strike by flight and ground crews. The strike leads to cancellation of plans to charter the ex-**Delta Air Lines** B-747-132, which is sent to **China Airlines, Ltd.** instead.

Just after service is reintroduced, guerrillas hijack a B-737-287B on October 5 en route from Buenos Aires to Corrientes, and fly it first to Formosa, where the passengers are released. The little Boeing is then ordered to a remote airfield at Rafaela, hundreds of miles south of the capital, where the pirates escape.

An F.28-1000 with 4 crew and 56 passengers crashes while on final approach to Concordia on November 15; no fatalities are reported.

An ordered B-747-287B is placed into storage at Seattle for a year.

The workforce in 1976 is 8,219. One more F.28-1000 is placed in service and the first owned B-747-287B is delivered on December 16.

A total of 2,117,000 passengers are carried on the year and the number of freight FTKs flown is 94.61 million.

Jumbojet flights from Buenos Aires to Madrid, Rome, and Frankfurt start on January 5, 1977. A B-707-387B with 61 aboard, stalls at 200-feet just after takeoff from New York (JFK) on January 14; the jetliner is able to recover and does not crash. An additional B-747-287B is received later in the year as orders are placed for B-727-287s, the first of which enters revenue service in December.

Three B-727-287s are received in 1978 (the last in December) as bookings climb to 2,250,000. The fleet in 1979 includes 4 B-747-287Bs, 8 B-707-387B/Cs, 13 B-737-287Bs, and 4 B-727-287s plus 3 F.28-1000s. The three new Jumbojets enter service on January 13 and on October 11 and 26, respectively; one of these machines is the four hundredth Jumbojet delivered.

At New York (JFK) on May 11, flight dispatchers, clerical workers, and passenger service agents, all members of the Transport Workers Union of America, go out on strike. The job action continues until October 5, when it is settled by a mediated agreement.

Passenger boardings for the year jump 24.6% to 3 million.

The company's 30th anniversary is celebrated in 1980. The fleet is increased by the addition of 1 F.28-4000 and 4 B-727-287s. While en route from Mar del Plata to Buenos Aires on June 30, a B-737-287B with 60 passengers is taken over by a lone gunman, who demands a ransom and a flight to Mexico. After the plane lands at its intended destination, the captain is able to talk the perpetrator into surrendering.

In September, a B-747SP-27 is acquired from **Braniff International Airways**. It is followed into service on November 18 by another B-747-287B.

On February 25, 1981, a B-707-387B with 58 passengers narrowly misses hitting one of the towers of the World Trade Center while flying 1,500 feet lower than its assigned altitude toward New York (JFK). Disaster is averted by a quick warning from ATC to the plane's pilot, Capt. Jorge Fernandez.

B-707-387B charter flights across Antarctica from Buenos Aires to Auckland, N.Z. begin in April, followed by regularly scheduled Jumbojet service on September 6. At Auckland, Aerolineas Argentinas passengers are able to connect with **Qantas Airways (Pty.), Ltd.** flights to Sydney.

Having turned to avoid other traffic, an L-749A freighter with 3 crew and 2 passengers strikes the sea while on final approach to St. Thomas on October 26 (3 dead).

Another B-747-287B is, meanwhile, acquired on August 21 and bookings increase to 3.7 million.

Airline employment in 1982 is 9,835 and a seventh B-747-287B is delivered on January 23. Upon the outbreak of the Falklands/Malvinas Islands war in April, the services to New Zealand are suspended and Buenos Aires to London flights are cancelled.

Traffic begins a slide ending with a total for the year of 3,066,000 bookings. A total of 214.85 million FTKs are operated. Despite downturn, the sixth consecutive profitable year is recorded.

The workforce in 1983 is down by only thirteen. The carrier's fortunes change radically as a result of the effects of the Malvinas conflict, indebtedness, runaway national inflation, and the world recession. In July, a Jumbojet is leased to **The Flying Tiger Line**. In December, Dr. Horacio Domingorena becomes chairman with Osvaldo Gimenez as general manager.

Passenger boardings rise 2.8% to 3,150,000 and 162.05 million FTKs are flown. The operating profit of the previous six years turns into a loss of \$74 million.

The employee population is increased 4.9% in 1984 to 10,303 and routes are opened to Panama and Punta Arenas and Antofagasta (Chile). The B-727-287 Bogota route is extended to Miami and one B-747-287C is leased to **The Flying Tiger Line**. On the domestic scene, a second hub is opened 400 miles northwest of Buenos Aires at Cordoba.

A bomb is found aboard a B-747-287B on June 8, just hours before the former president, Isabel Martinez de Peron, is scheduled to board it in Buenos Aires for her return to Spain; Peron departs on a different

aircraft. "Executive-Class" business-class service is introduced in August in the upper deck of its Jumbojets.

Passenger boardings jump 18% to 3,821,000. The operating profit is \$1.6 million, but the net loss is \$71.1 million.

The workforce is cut 0.3% in 1985 to 10,276. One B-707-387C is retired. Although cargo traffic is up 5.8% to 175.2 million FTKs, boardings dip 8.1% to 3,512,000. Revenues jump 32.8% to \$540.7 million and expenses 37.6% to \$558 million; the losses are \$17.2 million (operating) and \$9.7 million (net).

A B-707-387C freighter with 4 crew and 1 passenger, overruns the runway while landing at Buenos Aires on January 27, 1986, and collides with a hill 200 m. beyond it; there are no fatalities.

Ground handling joint ventures are signed with **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)** and **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)** in early spring; the former calls for joint operations on the Montevideo-Buenos Aires shuttle.

The carrier suffers a difficult 26-day pilot strike in midyear and, consequently, enplanements slide to 3,391,070. For the year, airline-related activities lose \$126 million, despite \$85 million in government subsidies.

Airline employment in 1987 stands at 10,323. Weekly B-747-287B Buenos Aires to Auckland, N.Z. transpolar flights are resumed on July 18 and, during the fall, two short pilot strikes, totaling 36 hours, advertise a demand for higher wages.

In December, an agreement is signed with the government to reduce the airline's operational shortfall by 50%. International services to Montreal, Panama, and Amsterdam are cancelled.

Passenger boardings for the year climb 13.1% to 3,902,266. On revenues of \$600 million, a total of \$9 million is lost.

Airline employment is increased a slight 0.9% in 1988 to 10,372 and the fleet now includes 1 B-707-387C, 12 B-737s, 7 B-727s, 1 B-747SP-27, 1 F.28-4000, and 3 F.28-1000s. As part of its attempt to play a larger role in the world air transport business, **SAS (Scandinavian Airlines System)** makes an effort in March-April to acquire 49% shareholding in the Argentine flag carrier.

As part of the "pre-contract," the Stockholm-based major and Aerolineas Argentinas agree to conduct a feasibility study while awaiting the approval of the government. In exchange for assuming the airline's debt, Argentina would immediately receive cash for 20% interest, with an option to purchase up to 36% more within three years. SAS would receive seats on the board of directors and, under contract, provide general administrative and operational support.

After landing at Ushuaia following a September 26 service from Rio Grande, a B-737-287 with 6 crew and 56 passengers veers off the runway, ripping off its engines and collapsing its landing gear before sliding down a slope into water 2 m. deep. Although the aircraft is damaged beyond repair, there are no fatalities.

It is announced, also in September, that, since 1986, the company has lost \$1 million to an employee theft ring that has sold B-727/737 spare parts.

In December, President Eduardo Gonzalez del Solar opens talks with **Alitalia, S.p.A.** concerning the possibility of the Italian flag carrier joining the bid of **SAS (Scandinavian Airlines System)** to acquire shareholding; simultaneously, the government submits the Scandinavian proposal to the Argentine congress for approval. Customer bookings decline 4.1% to 3,705,713; however, cargo moves ahead by 2.2% to 185.7 million FTKs.

Company employment is level in 1989. The partnership initiative with the Scandinavians will be derailed by Argentine political events in January; rather than suffer a legislative defeat, the government, in the person of Public Works Minister Rodolfo Terrango, cancels the proposed arrangement.

During the summer, the company begins to significantly increase the amount of third party maintenance work it undertakes for foreign airlines. In August, a second weekly frequency is started from Buenos Aires to New York. The Auckland service is extended to Sydney in September; on return from Australia, the flight path is direct to Buenos Aires.

Later in the month, an operating/marketing and cooperative agreement is signed with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)**. Under terms of the pact, the two promise to avoid fare wars, offer to expand the earlier agreement covering each others' ground handling needs in their countries, and to undertake joint flight-service training and market-development activities.

Beginning December 8, the carrier offers six weekly departures each from New York and Miami to Buenos Aires, along with four weekly flights from Los Angeles. The polar service is doubled to two weekly flights as of December 12. The amount of third party maintenance work completed this year increases 26% to \$13.2 million. Among the airline's customers are **Air France, S.A.**; **Austral Airlines (Austral Lineas Aereas, S.A.)**; **Eastern Air Lines**, **Ecuadoriana Airlines, S.A.**; **Swissair, A.G.**; **KLM (Royal Dutch Airlines, N.V.)**; and **Pluna (Primera Uruguayas de Navegacion Aerea, S.A.)**.

Passenger boardings fall another 2.8% to 3,603,401. Freight climbs again, by 7.1%, to 198.89 million FTKs. Revenues total \$719 million.

The number of employees is increased by 3.4% in 1990 to 10,726 and the fleet now includes 34 aircraft.

An F.28-4000 with 5 crew and 85 passengers lands fast on a slick runway at Villa Gesell on January 5 after a service from Buenos Aires; the jetliner overruns the runway by 90 m, ending up in a muddy field. In the process, the nosegear collapses and a part of the wing, together with the right main landing gear, is sheared off; the plane catches fire and is burnt out. No fatalities are reported.

The company's only B-747SP-27 is sold to **Air Mauritius, S.A.** in January and regains the B-747-287C out on lease to **The Flying Tiger Line**.

Plans are made in February for partial privatization and a valuation of assets is set at \$623 million, of which 85% will be sold to private investors, 10% to employees, and 5% will be retained. Scheduled service to London is also resumed during the month; as Argentina and the U.K. still do not have diplomatic relations, the twice-weekly roundtrips are operated under temporary agreements.

On April 30, the company begins receiving privatization bids, promising to name a winner on June 28. In May-June, the country's economic condition forces the company to slash fares on some routes as much as 50%. During the latter month, the Mexican government grants the carrier fifth freedom rights between Lima and Mexico City on its current service from Buenos Aires to Los Angeles and removes equipment and capacity restrictions.

The equity announcement is, however, delayed for two weeks on July 1 as two of the four bidders request additional time to better prepare and present their offers. At this point, groups led by **American Airlines**, **Alitalia, S.p.A.**, and **KLM (Royal Dutch Airlines, N.V.)** withdraw, claiming insufficient time to complete their bids. Just before the winning bid is announced, a federal judge upholds a challenge to the privatization that appears to derail the process; however, the Argentine Supreme Court rules that the sale can go through.

The government agrees on July 19 to sell majority 85% shareholding to a consortium headed by the Spanish airline **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for an estimated \$260 million in cash and \$2.01 billion in debt paper; a down payment of \$220 million is required. The government retains a 5% interest, 10% are sold to employees, and the other partners are local Argentine businessmen and **Cielos del Sur**, the holding company that oversees **Austral Airlines (Austral Lineas Aereas, S.A.)**. As work begins on the transfer, there are significant changes in the owner's share participation.

First, Credit Suisse pulls out of its pledge to lend the partners \$54 million, reportedly because terms of the loan are not met. Consequently, **Cielos del Sur** is forced to contribute six of its jetliners as collateral in that amount. Control of the financially distressed state carrier is allowed to pass to the Iberian group on November 22.

Amadeo Rivas, an official of **Cielos del Sur**, is named president, with **Aviacion y Comercio, S.A. (Aviaco)** President Manuel Esteve as executive vice president/CEO. Also in November, a comprehensive market-

ing agreement and joint frequent flyer plan is established with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

Customer bookings continue to decline throughout the year, falling 8.2% to 3,306,919, while cargo drops 1.8% to 195.32 million FTKs.

The fleet in 1991 includes 1 each B-707-387B and B-707-321C, 7 B-727-287As, 1 B-727-2M7A, 4 B-737-287s, 5 B-737-287As, 6 B-747-283B/Cs, 1 leased B-747-283B/C, and 3 Fokker F.28-1000s. Orders are placed for 4, later 6, McDonnell Douglas MD-88s. The Spanish-led coalition is unable to pay \$260 million in cash and \$2 billion in foreign-debt paper due in February, having so far retired only 60% of the required foreign debt and put forward no cash. Iberia works throughout the first and second quarters to secure funding to support the takeover.

By May, the carrier has increased its shareholding to 30% by paying the government \$142.5 million in foreign debt title in addition to the funds paid the previous year. In addition, the Spanish group pledges to retire \$800 million in debt title in May and another \$800 million in June; in return for which, the Argentines agree to also turn over 70% majority interest in the domestic carrier **Austral Airlines (Austral Lineas Aereas, S.A.)**.

A joint strategic plan for the two Argentine airlines is designed during the summer. By fall, the shareholders are **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** (30%), Spanish banks (19%), Argentina (43%), and private Argentine investors (8%). Through June, enplanements total 1,389,662. A new arrangement is reached with the Iberian group in August; the formula calls for a reduction in the amount of foreign debt that the Spanish must retire; however, \$171 million is added to AA's balance sheet. The particulars are completed in September.

The employee population in 1992 stands at 7,000 as the first four MD-88s and a leased MD-83 are delivered and the B-707-321C is withdrawn.

A B-747-287B with 336 aboard, comes into Los Angeles on February 20 from Buenos Aires, via Lima, Peru. After arriving, it is found that 65 aboard have cholera, possibly contracted in Peru where it is rampant. One passenger dies and three must be hospitalized as a result of the disease. Accusations as to cause between Argentina and Peru result in the carrier's halting service to Lima between March and May.

During the spring, maintenance problems lead to widespread delays. Statistics are released for the first six months and show passenger boardings up 25.7% to 1,870,339. Freight during the same period declines 14.7% to 80.92 million FTKs.

A major new problem erupts in July when the government and company employees refuse to sign off on the first financial statement presented by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Argentine legislators charge the group with asset stripping, bad management, and fraud, leading police to raid the airline's headquarters in search of incriminating evidence. In an effort to end the controversy, a new shareholding agreement (effective October 1) is signed in August between the Argentine government and the Iberian-led consortium; it includes the reinstatement of 775 redundant employees. The privatization is the first in Argentine history.

While taking off from San Luis on a November 20 service to Cordoba, a tire on the right main landing gear of a B-737-287C with 6 crew and 107 passengers explodes. The pilot elects to abort, but cannot control the aircraft, which runs off the right side of the runway, careens into a ditch, and catches fire. All aboard are safely evacuated; however, the Boeing is burnt out.

Effective by December, the Iberian arrangement calls for the government to increase its shareholding from 5% to 33% by purchasing 28% of the stake held by private Argentine investors.

Widespread industrial disputes occur during December. Pilots refuse to takeoff on several occasions, claiming that proper maintenance has not been performed on their aircraft. Domestic and international flights are both affected.

Revenues for the year as a whole total \$919.2 million, but expenses are more and cause losses: \$33.3 million (operating) and \$190.4 million (net). The political furor caused by the losses continues.

In 1993, President Riva oversees a workforce of 7,000 and a fleet that includes 1 B-707-387B, 7 B-727-287As, 1 B-727-2M7A, 4 B-737-287s, 5 B-737-287As, 1 B-737-387C, 6 B-747-287Bs, 3 F.28-1000s, and 1 MD-83, which is leased to **Austral Airlines (Austral Lineas Aereas, S.A.)**. Three of the Boeing tri-motors are leased from **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

International routes visited from Buenos Aires include: Madrid, Rome, Zurich, Frankfurt, Paris, London, Los Angeles, Mexico City, Miami, New York, Montreal, Toronto, Rio de Janeiro, São Paulo, Montevideo, Caracas, Lima, Santiago, Guayaquil, Bogota, Porto Alegre, Florianopolis, Punta del Este, Auckland, and Sydney. A full network of unprofitable domestic routes is maintained, but consideration is given to dropping the Miami hub. A code-sharing and freight cooperation pact is initiated with **LADECO Chilean Airlines, S.A.** covering the Santiago-Buenos Aires-Miami route.

After leading the company through the troubled **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** takeover, President Riva resigns in May; he is succeeded by local citizen and Iberian appointee Manuel Moran. The Spanish flag carrier also seconds marketing, finance, commercial, and maintenance directors to the company and assists Aerolineas Argentinas to join the Amadeus computer reservation system (CRS). A new strategic plan is developed with special attention paid to route rationalization.

During the summer, the fleet is increased by the addition of 6 MD-88s and 1 B-747-2L5B leased from **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)**. In October, **VIASA (Venezuelan International Airways, S.A.)** becomes the carrier's exclusive general sales agent in Colombia. During the same month, the company completes a \$172-million public offering of 5.21% certificates of participation in its 12-year notes; the sale, guaranteed by the U.S. Export-Import Bank, will be applied to the purchase of new aircraft.

Customer bookings through November are off another 10.9% to 3,056,908, but cargo climbs 8.6% to 159.7 million FTKs. Late in the month, the government rejects an Iberian request for a contribution of \$215 million to a \$500-million capital pool it is assembling for the reinvigoration of the carrier.

Airline employment is boosted 27.1% in 1994 to 8,900, with a total of 38 Iberian managers now working at Aerolineas Argentinas headquarters. Early in January, the Argentine government is approached by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, which seeks a contribution for a \$500 capital injection planned for the revitalization of the airline. Argentine leaders refuse the request, specifying in February that it will, however, allow private and foreign investors to acquire a majority stake in the carrier without altering its flag-carrier status.

The Spanish flag carrier reaches an apparent agreement with Argentina and the Spanish banks in early March, under which the foreign partners unilaterally begin to inject the \$500 million in capital and increase their shareholding to 85%. Further, state-owned capital would be transferred as payment for a \$700-million debt Aerolineas Argentinas owes **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. At the same time, a comprehensive marketing alliance is signed and a joint frequent flyer plan is developed.

Unhappily, the pact appears to unravel when the government grants domestic trunk-route rights to small local carriers, hedging on legal and political guarantees that the state carrier would retain its flag carrier status. Even though the Argentine pilots' union makes a \$110-million pledge to acquire the government's 28% stake, the Madrid-based major rejects the agreement. Meanwhile, **VIASA (Venezuelan International Airways, S.A.)** begins to code-share with the company on the route from Buenos Aires to Caracas.

The company begins to drop the most unprofitable of its local services while arrangements are made with **Delta Air Lines** in the spring to acquire three A310-324s for use on routes to the U.S. The off-again, on-again arrangement with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** is on again twice in April. A lower court challenge to the

first renewed agreement is overturned by a higher court. The second time accord is reached, the deal is enhanced by the abolition, at the request of the Spaniards, of the Argentine Air Force's profitable monopoly on ground-handling at the country's airports.

Traffic is reported through June and shows passenger boardings up 24% to 1,964,695, while freight is ahead by 26.9% to 103.01 million FTKs.

Overhauled by **Air France** at its facility at Paris (ORY), the first A310-324 is delivered in August. In September, Argentina and the U.S. sign a memorandum of consultation ending a capacity and traffic rights disagreement. Under its terms, the company is granted rights into San Juan.

During the month, it also begins flying its A310-324s from nonstop Buenos Aires' Ezeiza Airport to New York (JFK). The 5,000 nm. service is the longest flown by any carrier operating the A310.

In February 1995, a block-space arrangement is reached with **Malaysia Airlines (MAS)** covering flights from Buenos Aires to Kuala Lumpur, Johannesburg, and Cape Town. Enplanements through May total 1,628,598.

In a further effort to win European Union approval for a state bailout, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces, during the last week of November, that it is planning to sell its entire 83% stake in Aerolineas Argentinas. It is hoped that most of the company would be sold to a consortium of American banks; however, any sale would have no effect on the operating and marketing alliances in place between the two national carriers.

In December, twice-weekly, block-seat, code-sharing flights begin with **Ansett Australia (Pty.), Ltd.** on the Australian carrier's trans-Tasman service from Sydney to Auckland aboard an Ansett B-747-377; the flights are planned to connect with the Argentine major's flights to and from Buenos Aires.

The workforce stands at 7,000 in 1996. A contract is entered into with **AV Atlantic** in March. The Argentine major establishes a small hub at Miami (MIA) and the U.S. carrier agrees to base there a B-727-23, painted in modified Aerolineas Argentinas colors, to provide alternate-day connecting flights to New York (JFK), Montreal (YUL), Toronto, Mexico City, Punta Cana, and St. Martin. Flights commence on April 15.

Again, figures are reported for the first five months; during this period, the company's 33 aircraft transport a total of 1,732,551, a 6% increase. Cargo declines 3% as 74.62 million FTKs are operated.

On July 1, a code-sharing agreement is signed with **National Airlines, S.A.** of Chile. Under the pact, passengers will be able to cross the two airlines' networks on one ticket and with just one check-in. Additionally, the companies will jointly promote products and services, institute tariff agreements, cooperate in aircraft maintenance, and begin common catering services.

Later in the year, the company agrees to code-share with **TAM-Mercosur (Transportes Aereos del Mercosur, S.A.)** on TAM's daily Buenos Aires-Asuncion services; 50% of the seats on every flight are reserved for AA.

Revenues this year reach \$1.03 billion, but costs climb to \$1.09 billion. There is an operating loss of \$63.9 million and a net downturn of \$66 million.

The employee population is reduced by 25.9% in 1997 to 5,184. Electronic ticketing is introduced in January in a number of markets served from Buenos Aires. Early in the year, a code-sharing agreement is signed with **Aeroflot Russian International Airlines (ARIA)** covering flights from Buenos Aires to Moscow to Buenos Aires.

Andes Holding, S.A., the parent of **Austral Airlines, S.A.** and Aerolineas Argentinas, which is held by Bankers Trust, Teneo, and Merrill Lynch, announces in February that it will consider offering for sale its total shareholding in both airlines (an 89% stake in the former and a 63.5% stake in the latter). Although no official announcement is made, **VASP Brazilian Airlines (Viacao Aerea São Paulo, S.A.)** quietly places a \$300-million bid.

EU Joint Aviation Authority is received on March 11 to repair at Ezeiza Airport in Argentina the engines and components of European flag airlines. Aerolineas Argentinas becomes the first Latin American based company to provide such services.

A wide-ranging, new strategic partnership between **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and **American Airlines** is tentatively concluded at the end of July. Under its terms, AMR Corp. would acquire a 10% stake in Iberia's owner, SEPI, which also controls Aerolineas Argentinas and **Austral, S.A.** and Andes Holdings, which owns Interinvest, the holding company for the two Argentine airlines. It will also lead an effort to find additional investors who will purchase up to 35% additional Interinvest shareholding from Andes. In addition, Iberia and American will begin to share codes on flights from Spain to the U.S. and link their frequent flyer programs.

In South America, **American Airlines** establishes reciprocal frequent flyer arrangements with both Aerolineas Argentinas and **Austral, S.A.** and code-shares on certain of their internal routes. Meanwhile, the U.S. major's almost-partner **British Airways, Ltd. (2)** and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent-flyer program linkage and code-sharing on routes between Madrid and London.

Significant opposition quickly materializes from **Continental Airlines** and **United Airlines**, which fear not only an AA-BA linkup, but also the potential domination of Latin American routes by the Dallas-based megacARRIER.

"Latin Liberation," an article by John Waggoner, in the online edition of *Air Cargo World*, reports that, in September, the cargo of a company freighter is seized at Ezeiza Airport in Buenos Aires. In something of a mistake, the 85-ton cargo of rifle parts, though legally exported, are pulled over because they are en route from Brazil to Venezuela, via Argentina—a mysterious roundabout trip. The mystery is soon resolved; Aerolineas Argentinas, having won the freight contract over **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, has elected to make a stop in Argentina. Customs officials, however, had not forgotten a similar triangular shipment made the previous year through Venezuela to Ecuador, which was illegal.

Electronic ticketing is further promoted during the fall and is advertised by a B-737-287 that wears the phone number for the service in billboard-sized titles on both sides of its fuselage.

On October 15, ATC in Bariloche mistakenly and simultaneously authorizes a company B-737-287A to land while a USAF C-5 Galaxy, carrying equipment and personnel in support of President Clinton's visit, is taking off. The two jets come within 1,600 feet of colliding.

On November 4, the cargo division of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** deploys four extra freighters to the Netherlands, boosting its total to ten, from Madrid in an effort to defeat the road blockade established by French truckers at the borders. In a normal week, Iberia operates six freighter flights from Madrid to Maastricht Aachen Airport. Two of these are operated by Aerolineas Argentinas and are routed, via Madrid, on to Buenos Aires.

Also in November, the unprofitable Buenos Aires to Los Angeles return service is suspended for 180 days. Aerolineas Argentinas places increased emphasis on its flights to Miami and New York, where its passengers can connect with new partner **American Airlines**. In December, AMR, the parent of **American Airlines**, executes the formal agreements with SEPI and Andes Holdings, subject to approval by the U.S. Justice Department.

Passenger boardings for the year slide 2.4% to 793,000, while cargo climbs 18.4% to 103.77 million FTKs. Revenues total \$998.2 million, but expenses are \$1 billion; consequently, there is an operating loss of \$5.8 million, which is still an improvement on the previous year. Additionally, a small \$2.8-million net profit is earned.

At the beginning of 1998, the fleet includes 32 aircraft, of which 50% are Stage III certified; this number includes 16 B-737, 7 B-747-200s, 2 A310s, and 7 MD-80s.

In January, AMR Corporation, parent of **American Airlines**, signs a final agreement to purchase 8.5% of the Argentine flag line through a 10% buy-in to the holding company Interinvest.

During the first quarter, two B-747-287Bs receive special World Cup decals and the slogan "Aerolineas, Mas Argentina Que Nunca" (Aerolineas, More Argentina Than Ever) printed along the fuselage cheatline.

The company in April negotiates a wide-ranging strategic alliance with **Qantas Airways (Pty.), Ltd.** The pact will include dual-designator flights from South America to Australia.

A new five-year business plan, dependent upon the **American Airlines** stockholding, is unveiled in June. It includes a \$2-billion investment in regional jets and an increase in the number of nonstop frequencies to Europe.

The U.S. Department of Justice (DOJ) clears the AMR investment in Andes Holding on July 8. The flight schedule is altered, also at the beginning of the month, to include new international services. Daily nonstop B-747-287B roundtrips are launched from Buenos Aires to New York. Four weekly direct A310-324 return flights are started from Buenos Aires to Caracas, while three to Caracas, via Bogota, are also launched.

Four-times-a-week roundtrips are resumed from Buenos Aires to Mexico City, while the schedule to Madrid now includes daily service from Buenos Aires, via San Pablo, plus four weekly nonstops to the Spanish capital.

On September 24, it is reported that a shareholder vote to confirm the new ownership structure has been postponed "for administrative reasons" until October 24. At that point, the arrangement receives assent.

AMR completes its purchase of a 10% stake in Interinvest on November 3 and thereby gains 8.5% ownership of Aerolineas Argentinas and 9% of its regional affiliate **Austral Airlines, S.A.** Although U.S. DOJ regulators rule that neither **American Airlines** nor its parent may take any direct control over either carrier, that matter is mooted when Aerolineas Argentinas appoints its new management team.

American's former managing director for Argentina, Diego J. Cousino, becomes CEO, with its former managing director of international planning, C. David Cush, as COO. The two quickly replace most of the carrier's senior management, which had been put in place by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

A \$120-million, ten-year contract for its information technology functions is signed by the airline on November 17 with the SABRE Group. The contract also calls for the SABRE group to provide specialized information technology services to **Austral Airlines, S.A.**

Just before Christmas, an order is placed for 12 Airbus A340s, including six A340-600s for delivery beginning in 2002. Plans are announced for the retirement of the airline's B-747-287Bs over the next four years. A new business plan is unveiled, which will allow Aerolineas Argentinas to fly new routes to Europe, Australia and New Zealand, and provide additional domestic service in the Mercosur region with regional jets.

Passenger boardings during the 12 months drop 2.6% to 4.11 million. On the plus side, freight traffic accelerates 12% to 215.56 million FTKs.

By the beginning of 1999, airline employment has been reduced by 5.2% to 4,913. An MD-88 is damaged beyond repair in a Buenos Aires hangar fire on February 24.

Taking a leaf from the commuter airline book of its U.S. partner, Aerolineas Argentinas sets up its own regional affiliate on March 15. Employing British Aerospace BAe Jetstream 32EPs, the new **AeroVIP, S.A.** launches *Aerolineas Argentina Express* flights from Cordoba.

La Nacion reports on April 21 that the carrier has completed a \$1.7-billion investment in the lease of the 12 A340s and that it has contracted with CTO-Auckland to relaunch the company logo. The Spanish government holding company SEPI (Sociedad Estatal de Participaciones Industriales) continues to seek buyers for the 80% stake in the Interinvest concern Andes Holdings. Airline officials await the \$200-million capital injection slated for June, while making plans to phase down the **Austral Airlines, S.A.** tradename to internal flights.

Xavier de Irala, of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, informs reporters during a May 7 news conference that his company has no objection to the possibility that **LanChile Airlines (Linea Aerea Nacioanl Chile, S.A.)** may purchase a stake in Aerolineas Argentinas or that **American Airlines** may seek to increase its shareholding. Indeed, conversations are underway to determine if collaboration with the Chilean line in this regard might be arranged.

COO Cush reviews future plans in the May 12 issue of *Flight International*. The company will complete a \$200-million recapitalization by the end of the month in order that its parent, Interinvest, can be sold off in June and that Aerolineas Argentinas might merge with its sister, **Austral Airlines, S.A.** in July. There are, apparently, some problems in coming together with the second part of the package and so the amalgamation of the two carriers will be delayed from 60 to 90 days.

On May 19, the Argentine government postpones August talks with the U.S. on a new aviation trade agreement in order to accommodate the schedules of its officials involved. The move disappoints the U.S. Department of State, which lets it be known that the code-sharing pact between Aerolineas Argentinas and **American Airlines** will not be approved without a new liberal aviation agreement.

A pair of leased ex-**Philippine Airlines (PAL)** A340-313s arrive in early June, making Aerolineas Argentinas the first Latin operator of the long-range type. Under terms of a three-way code-sharing agreement signed with Aerolineas and **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)**, **South African Airways (Pty.), Ltd.** introduces twice-weekly nonstop roundtrips on July 8 between Johannesburg and São Paulo. Also in July, four former **Philippine Airlines** A340-242s are chartered from Airbus Industrie.

A new phased "Open Skies" agreement is signed by Argentina and the U.S. in September. It is clearly noted by the Argentine government that, for it to take effect on schedule a year hence, **American Airlines**, per its original investment agreement, must successfully restructure its 10% ownership of the flag carrier by December 31. No new owners have been found by year's end and ownership remains unchanged. On other matters of reorganization, AA, despite improvements in systems and fleet and the absorption of **Austral Lineas Aereas, S.A.**, has also largely struck out. The concerned new government of Pres. Fernando de la Rúa takes office in December.

Overall, passenger boardings during the 12 months fall 5.1% to 3,979,000 and freight plunges 11.2% to 214,433,000 FTKs. It will be reported that the carrier has lost \$125 million net on a \$1 billion turnover. The company debt now stands at \$874 million.

The thrice-weekly A340-242 roundtrip service between Buenos Aires and Rome is doubled to six weekly return flights on January 2, 2000.

As the result of the failure to locate new investors, SEPI, the Spanish holding company, agrees in February to take over total management of Aerolineas and to continue its funding via the subsidiary Interinvest. Aerolineas arranges to implement a SEPI-created rescue and restructuring plan. Although AMR, like Iberia, will retain its 10% stake, David Cush, the executive seconded to Aerolineas as COO, is replaced by an Argentinian and is now recalled to **American Airlines**, where he becomes VP-int'l planning and alliances.

New Infrastructure Minister Nicolas Gallo announces on February 3 that Argentina will delay implementation of the "Open Skies" pact with the U.S. unless capital restructuring of Aerolineas has been completed. In March-April, the Argentine pilots' union APLA undertakes negotiations with the Inter American Development Plan on its own efforts to secure sufficient funding for a 51% buyout. The organization, meanwhile, voices its strong opposition to any implementation of the "Open Skies" agreement.

On May 15, the Argentine Transport Ministry confirms that 32 company aircraft have been grounded by the courts over unpaid tax bills.

Drafts of the SEPI restructuring plan circulate in Argentina during late May and early June. The document envisions an airline of six divisions controlled by a new holding company, Grupo Aereo Argentino.

Additionally, an RIF of 20%–25% (1,500 jobs) through early and incentive retirements will be required plus 20% wage cuts and a \$650 million injection of new capital: \$240.8 from SEPI, \$32.5 million from the Argentine government, \$65.3 million from company employees, \$55.2 million from **American Airlines**, and \$256.2 million from Merrill Lynch and Bankers Trust.

These measures are widely attacked as “unfair” by the nation’s president, Fernando de la Rúa, other members of his government, and numerous unions (including all seven of the airline groups), who also fault **Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.** for earlier alleged mismanagement contributing to the company’s \$900 million debt. SEPI warns on June 26 that, unless the plan is approved, the airline will be bankrupt in a month.

Daily flights between Buenos Aires and Bogota are suspended on July 1.

Despite the spat of negativity, company shareholders approve the SEPI plan at the end of July. Unions, if not pacified, are victorious at the political level when the national Congress legislates a seat for them on the airline’s board of directors.

SEPI agrees on July 31 to loan Aerolineas \$208.5 million to keep it afloat until the airline’s stockholders can meet on September 15.

Employing an A340-242, the company inaugurates new thrice weekly roundtrips on September 2 between Buenos Aires and Los Angeles, via Lima.

Still attempting to save jobs and avoid paycuts, members of the Association of Technical Aeronautical Personnel offer to purchase the airline on September 5.

On October 13, SEPI and the government of Argentina reach an accord on future financing for the carrier and its **Austral Lineas Aereas, S.A.** subsidiary. The Spanish holding company agrees to invest another \$650 million while Argentine authorities pledge to provide whatever amount is required to maintain the nation’s 5% stake. On the other hand, significant additional cost-cutting remains to be implemented and three of the carriers’ six employee unions, fearing job cuts/salary reductions, are already on record as being against the terms of this bailout.

AEROLINEAS ARGENTINAS EXPRESS. *See* **AEROVIP, S.A.**

AEROLINEAS BONANZA, S.A. de C.V. *See* **AEROVIAS CARIBE, S.A. de C.V.**

AEROLINEAS CARGUERAS, S.A.: Aeropuerto Eldorado, Entrada Catam Int 26, Bogota, Colombia; Phone 57 (1) 413-5007; Fax 57 (1) 413-5183; Code VS; Year Founded 1995. **Aerovias Especiales de Carga, S.A.** is renamed in 1995; however, its business continues as before. Under the direction of General Manager Juan C. Ospina, the workforce grows to 20 and the fleet comprises 2 Boeing 727Fs and 1 Convair CV-580.

In 1998–2000, the company undertakes scheduled and ad hoc cargo charters to points around the globe, including Athens, Boston, Hong Kong, Johannesburg, London (LHR and LGW), Los Angeles, Manchester (England), Miami, New York (JFK), Newark (EWR), Orlando, San Francisco, Tokyo, and Washington, D.C. (IAD).

AEROLINEAS CARRERAS TRANSPORTES AEREOS, S.A.: Argentina (1959–1968). Buenos Aires-based Aerolineas Carreras is established by Jose M. Carreras in 1959 to offer nonscheduled, all-cargo services, initially with a single Curtiss C-46 Commando. During the next five years, the fleet is increased by the addition of four more Commandos.

In the fall of 1963, the company is awarded a foreign air operator’s certificate by the U.S. CAB and acquires a Lockheed L-749A Constellation. Beginning in July 1964, the Connie begins scheduled flights to Miami and these are maintained until the four-engine transport is impounded at Montevideo, Uruguay, in April 1967. Curtiss cargo services are maintained until Carreras goes out of business the following year.

AEROLINEAS CENTRALES DE COLOMBIA, S.A. *See* **ACES COLOMBIA (AEROLINEAS CENTRALES DE COLOMBIA, S.A.)**

AEROLINEAS CONDOR, S.A.: Ecuador (1978–1985). This third-level carrier is formed at Simon Bolivar Airport at Guayaquil on January 3, 1978. A year is spent in obtaining sufficient backing and choosing a fleet, which comes to comprise 1 Fokker F.27, 1 Cessna 402, and 1 Cessna 337. Regularly scheduled services are inaugurated on March 12, 1979, linking Guayaquil and Ambato with Loja and also with Quito and Tulcan in the north.

In 1981, a de Havilland Canada DHC-4 Caribou is acquired for contract freight services. Increased fuel prices and the world economic recession when combined with competition by other Ecuadorian airlines leads to several years of economic losses for the carrier; as a result, it is forced to shut down in 1985.

AEROLINEAS CUAHONTE, S.A. de C.V.: Mexico (1992–1995). AC is established at Aeropuerto de Uruapan in 1992 to offer scheduled third-level services to small destinations in Michoacan state. Revenue flights commence and continue with a fleet consisting of 2 Cessna 402s, 1 Cessna 206, and 1 Cessna 210. A Fairchild Swearingen Metro II is acquired in 1993.

While trying to land at Uruapan in bad weather on June 13, 1994, the Metro II with 2 crew and 7 passengers strikes high ground and explodes; there are no survivors.

Unable to maintain viability after the accident, the small operator closes down in 1995.

AEROLINEAS DE LA FRONTERA S.A. de C.V.: Mexico (1961–1968). This small third-level carrier is formed at Ciudad Acuna in 1961 as **Aerovias Hidalgo, S.A. de C.V.** Single-engine service is flown in the states of Hidalgo, Puebla, and Veracruz; the company changes its name about 1963. Operations cease in 1968.

AEROLINEAS DEL ESTE, S.A.: Colombia (1992–1994). ADE is established at Medellin in 1992 to provide nonscheduled passenger and cargo charters throughout the country. Revenue operations commence and continue with five Cessna 206s and a Douglas DC-3. Unable to maintain viability, the company folds two years later.

AEROLINEAS DEL PACIFICO, S.A. de C.V.: Mexico (1962–1985). Founded at La Paz in Baja California, on December 12, 1962, this commuter begins scheduled service with a Douglas DC-3 across the Sea of Cortés to Los Mochis early in 1963. In the mid-1960s, the carrier acquires a second DC-3.

The company is forced by poor financial returns to suspend scheduled service in 1970. During the next eight years, the company is revived and regular flights are now also inaugurated to Chihuahua and Sinaloa.

By 1978, General Manager Casas Bernard’s company employs 30 workers. The economic downturn of the early 1980s and rising fuel bills once again force the airline to drop scheduled operations in 1982; charter and contract service flights are thereafter maintained throughout the nation until operations cease in 1985.

AEROLINEAS ESPECIALES DE COLOMBIA, S.A. *See* **AE COLOMBIA, S.A.**

AEROLINEAS GALAPAGOS, S.A.: P.O. Box 17-01-2444, Quito, Ecuador; Phone 593 (2) 441-950; Fax 593 (2) 430-487; Year Founded 1992. A new entrant, Aerolineas Galapagos or Aerogal, also known to North American passengers as **Galapagos Airlines**, is formed at Quito in late 1992 to provide scheduled passenger and cargo flights to the Galapagos Islands. Carlos Serrano is named general manager and a fleet of 3 Dornier 228-212s is assembled.

Revenue flight operations commence early in 1993 and a pair of Fokker F-27Fs are acquired in 1994–1996.

Following a too fast landing at Chachoan, Ecuador, on October 28, 1997, an FH-227D with eight passengers attempts a go-around, but stalls and flies into a ravine. There are no fatalities.

A replacement Fairchild-Hiller FH-227D is acquired in early 1998. Service is maintained in 1999–2000.

AEROLINEAS INI Y COMPANIA, S.A.: Argentina (1957–1964). A new international airline is founded at Buenos Aires in 1957; prominent Argentine industrialist Jose Ini, after whom the carrier is named, holds 73% majority ownership. After nearly three years of waiting and preparation, during which a fleet of Douglas DC-4s is assembled and American permits are obtained, the carrier is able to start flying to the U.S. To compete with **Pan American-Grace Airways (PANAGRA)** and other carriers scrambling for market share in western South America, it is decided that the operation will feature a deep discount fare structure.

The initial DC-4 service to Miami occurs in January 1960, via Santiago de Chile, Antofagasta, Lima, Guayaquil, and Panama. On July 1, company policy is changed; Aerolineas Ini joins the IATA and begins to honor its code of internationally agreed upon tariffs.

During the summer, the fleet is upgraded by the addition of new DC-6s and in September, the route network is revised: Cordoba is added and Santiago de Chile and Guayaquil are dropped. Services are maintained over the single route through 1963.

Unable to successfully compete with **Aerolineas Argentinas, S.A.**, **Pan American-Grace Airways (PANAGRA)** or other aggressive carriers working a finite market, Aerolineas Ini continues to lose money (\$300,000 in 1963). The company suspends operations during the summer of 1964, turns its Florida route over to the nation's flag line, and on November 23 resigns from IATA and closes down.

AEROLINEAS INTERNACIONALES, S.A. de C.V.: Blvd. Vincente Buerro, No. 46, Col Lomas de la Selva, Cuernavaca, Morelos, 62270, Mexico; Phone 52 (5) 543-1223; Fax 52 (5) 536-1549; <http://www.iwm.com.mx/aerint.html>; Code N2; Year Founded 1994. AI is established at Mexico City in the spring of 1994 to operate regional scheduled passenger service. A pair of B-727-23s formerly operated by **American Airlines** and now painted in a green and silver livery are obtained and flights commence on May 26 linking the company's base with Guadalajara, Tijuana, Hermosillo, and Cuernavaca. Charters are also undertaken to Cancún and Acapulco.

A B-727-223 and 3 B-727-223As are purchased during the fall.

Services continue apace in 1995 and in 1996 a Douglas DC-9-14 is acquired. Destinations visited in 1997–2000 include Acapulco, Cuernavaca, Culiacan, Guadalajara, Hermosillo, Monterrey, Reynosa, and Tijuana.

AEROLINEAS LATINAS, S.A. See AEROLATIN, S.A.

AEROLINEAS LEON, S.A. See AEROLINEAS REPUBLICA, S.A.

AEROLINEAS LITORAL, S.A. de C.V. See AEROLITORAL (SERVICIOS AEREOS LITORAL, S.A. de C.V.)

AEROLINEAS MEDELLIN, S.A.: Colombia (1976–1979). Gilberto Villa Olarte forms this all-cargo carrier at Medellin in 1976 to take over the failed **Aerotabo (Transportes Aereos de Bolivar, S.A.)**. Three unmodified, ex-military Douglas C-54s are acquired and scheduled services are undertaken linking Medellin with Bogota and other Colombian cities.

The increase in aviation fuel prices and increased competition from larger carriers conspire against Olarte's specialized operation and the carrier stops flying within three years of its startup.

AEROLINEAS MEXICANAS, S.A. de C.V.: Mexico (1955–1960). Following **Aeronaves de Mexico, S.A. de C.V.**'s 1955 integration of **Aerovias Reforma, S.A. de C.V.**, Ruben Ruiz Alcantara, with his fuel bills paid by a \$2,000 investment by U.S. citizens, forms this carrier to

operate Reforma's routes. On May 12, 1956 even before the carrier can fly its first service, **Aeronaves de Mexico, S.A. de C.V.**, at government assistance, purchases majority control of the operation for its low-fare potential.

An immediate loan of 4.5-million pesos is provided, along with ten Aeronaves pilots to fly two ex-Reforma DC-3s now also transferred. During the summer, the initial flights commence to Zihuatanejo and in December, a no-frills, discount frequency is inaugurated from Mexico City, via San Luis Potosi, to the U.S. border town of Piedras Negras.

A DC-4 is acquired in autumn 1957 and on April 28, 1958, it is employed to launch "Fiesta Flight" low fare service directly from the capital city to Matamoros. The fleet is increased to 2 DC-4s and 5 DC-3s in 1959 and in order to concentrate fully on the Matamoros route, Piedras Negras flights are suspended in late 1960. During the summer, the company undertakes a major, 10,000-hour DC-3 overhaul, the first completed in Mexico. In September, **Aeronaves de Mexico, S.A. de C.V.** purchases total control, paying Ruben Alcantara an additional 2-million pesos.

AEROLINEAS MUNDO, S.A. See AMSA (AEROLINEAS MUNDO, S.A.)

AEROLINEAS NACIONALES, S.A.: Costa Rica (1958–1959). Formed in association with the Mexican operator **Tigres Voladores, S.A. de C.V.** in early 1958, AN will operate passenger and cargo services within Costa Rica and throughout the Caribbean for a year with a fleet of 4 Curtiss C-46 Commandoes.

A Curtiss C-46D with two crew is forced down by rebels 35 miles from Havana on March 30; although the aircraft is damaged beyond repair, there are no fatalities.

En route from San Jose on June 1, 1959, a C-46 with 50 passengers is attacked by Nicaraguan Air Force fighters and shot down; there are no survivors. Another C-46A is lost at La Sabena, Costa Rica, on July 10; there are no descriptive details.

When Tigres is shut down later in the year, so too is Aerolineas Nacionales.

AEROLINEAS NACIONALES DEL ECUADOR, S.A. See ANDES (AEROLINEAS NACIONALES DEL ECUADOR, S.A.)

AEROLINEAS PACIFICO ATLANTICO, S.A. See AEROPERLAS (AEROLINEAS PACIFICO ATLANTICO, S.A.)

AEROLINEAS PARAGUAYAS, S.A. See ARPA (AEROLINEAS PARAGUAYAS, S.A.)

AEROLINEAS PERUANAS, S.A. See APSA (AEROLINEAS PERUANAS, S.A.)

AEROLINEAS REGIONAL DE CENTRO, S.A. See ASERCA (AEROLINEAS REGIONAL DE CENTRO, S.A.)

AEROLINEAS REPUBLICA, S.A. de C.V.: Mexico (1980–1985). This third-level carrier is formed as **Aerolineas Leon, S.A. de C.V.** at Mexico City on July 1, 1980. The remainder of the year is taken up with organization and the purchase of a fleet that comprises 2 Convair CV-440s, 1 CV-340, and 1 Cessna 402.

Regularly scheduled commuter flights commence in early 1981 over three routes from the capital city to Morelia-Uruapan-Lazaro Cardenas; Puerto Escondido-Oaxaca; and Saltillo. Charter services are also undertaken.

Orders are placed in 1982 for two Convair CV-580s. Rising fuel costs and weak traffic in a poor economy cause Chairman Arnoldo Murillo's carrier, now renamed Aerolineas Republica, S.A., to deteriorate, both in service and income.

By 1983, the fleet comprises only the 2 CV-440s and the CV-580 order is shelved. Unable to maintain viability in the face of financial losses, the airline shuts its doors in 1985.

AEROLINEAS SUD PACIFICO. See **SERVICIOS AEREOS DE MICHOACAN**

AEROLINEAS TAO, S.A.: Colombia (1962–1974). Taxi Aereo Opita, S.A. is reformed at Neiva in 1962 and renamed. It begins scheduled lightplane passenger and cargo revenue services to domestic destinations. Flights commence with several ex-military Douglas C-47Ds, roughly converted to DC-3 civil standard.

A C-47D with 5 crew and 25 passengers crashes near Boqueron, Colombia, on November 8, 1965; there are no survivors.

Unheralded flight operations continue until 1968 when the company introduces a pair of Vickers Viscount 785D turboprops, retired by **Alitalia, S.p.A.** the previous year. Two more Dash-785Ds arrive from Italy in 1969, but one is held out of service for spare parts.

Following a nonfatal 1971 accident, a new wing is fitted to the damaged Viscount.

On July 18, 1972, Flight 511, a Viscount 785D with 51 passengers en route from San Andres Island to Bogota via Cartagena, is nearly destroyed when a berserk passenger storms into the cockpit and shoots both the pilot and copilot. Although the gunman is overpowered by other crew members and passengers, the captain is killed. Bleeding badly, the first pilot is able to make a safe emergency landing at the intermediate stop, where the assailant is handed over to police.

En route from Neiva to Bogota on August 25, one of the British-built turboprops with 30 passengers is commandeered by four gunmen, who order it flown to Cuba.

A Vickers Viscount 785D is destroyed as the result of a bad landing at Bogota on June 7, 1973; there are no fatalities.

Following the in-flight detachment of the left tailplane and elevator, Flight 514, another Viscount 785D with 6 crew and 38 passengers en route from Bucaramanga to Cucuta on June 8, 1974, crashes at Monte San Isidoro; there are no survivors.

The company is shut down and the two surviving Vickers are placed into storage at Bogota.

An attempt is made to relaunch the carrier in 1975–1976, but is unsuccessful.

AEROLINEAS URUGUAYAS, S.A.: Aeropuerto Internacional de Carrasco, Terminal de Carga, Of 1, Canelones, Uruguay; Phone 598 (2) 614 833; Fax 598 (2) 202 298; Code AUO; Year Founded 1990. Set up at Montevideo in 1990, AU inaugurates scheduled, third-level passenger and cargo services to various Uruguayan destinations as well as those across the Rio de la Plata in Argentina. Long-haul freight charters and contract services are also flown, including a regular, but non-scheduled, all-cargo flight from its Montevideo base to Miami, via Asuncion with a single B-707-331C.

The Stratofreighter operates a number of flights between Montevideo and Frankfurt in 1991 under contract to **Lufthansa Cargo Airlines, Ltd.** The Florida route is suspended in 1992 in light of poor financial return.

In 1993, the fleet of President Roberto Meyer's airline comprises 1 Fokker F-27J Friendship and 1 Boeing 707-331C. One Fairchild Hiller FH-227B is acquired in 1994. Business begins to improve late in the 1994.

As the world airline economy improves in 1995, the carrier is given an oral exemption by the Uruguayan government and is allowed to renew its expired long-haul certificate. Irregular frequencies to Asuncion and Miami resume and additional ad hoc charters are also undertaken. Operations continue apace during the remainder of the decade.

AEROLINEAS VEGAS, S.A. de C.V.: Mexico (1952–1969). Gustavo Rodriguez Vega forms a nonscheduled carrier at Puebla in 1952 and receives the multistop route concession from that town to the Pacific coast once held by **LAGOSA (Lineas Aereas Guerrero-Oaxaca, S.A. de C.V.)**. In 1953, a scheduled passenger route is also obtained allowing service from Acapulco to Oaxaca. All of these services are flown by unconverted ex-military C-39s (DC-2s) and C-47s (DC-3s).

The Oaxaca route is extended to Puebla in 1955 and with Acapulco forms a triangle that is now marketed as an "El Suriano" ("The Man from the South") frequency.

During the late 1950's, the Acapulco route is extended down to Merida and most of the former **LAGOSA (Lineas Aereas Guerrero-Oaxaca, S.A. de C.V.)** stops (long nicknamed "the chicken route") are dropped. The Vegas operation continues with little change through the 1960s.

State-owned **Aeronaves de Mexico, S.A. de C.V.** forms an affiliate, "Aeronaves Alimentadoras" ("Feeder Airline"), in 1968 to take charge of Mexico's third-level airline situation. Unable to compete, an unwilling Gustavo Vega sells his carrier to the government in the spring of 1969.

AEROLINEE ITAVIA, S.p.A.: Italy (1958–1981). Formed at Rome in April 1958, this carrier inaugurates services in July 1959. Flights are suspended in 1961, but are resumed in May 1962 following company reorganization. Aldo Davenzani becomes major shareholder in 1965 and assumes the role of both chairman and president.

Scheduled passenger services are continued throughout the remainder of the decade and through the 1970s. Destinations visited from Rome and Bologna in 1978–1979 include Crotone, Milan, Turin, Catania, Palermo, Treviso, Cagliari, Pisa, Bergamo, and Lamezia. Additionally, Milan is linked with Ancona and Pescara.

Passenger and cargo charters are also flown and come to account for a third of the carrier's business. The Aerolinee Itavia fleet comprises 1 Douglas DC-9-50, 2 DC-9-10s, 5 Fokker F.28s, and 1 Cessna 402. Rising expenses (led by increased fuel prices) and world recession, lead to the company's failure in 1981.

AEROLIT AIR COMPANY (AEROLIT AVIAKOMPANIYA): Russia (1993–1995). Aerolit is founded at St. Petersburg in 1993 to offer general charter cargo services. V. M. Kostylev is named general director and he begins revenue operations with a fleet of 5 Antonov An-32s. Two An-32s are withdrawn in 1994 and operations cease in 1995.

AEROLITORAL (SERVICIOS AEROS LITORAL, S.A. de C.V.): Carretera Miguel Aleman Km 22, 8, Apodaca (Nuevo Leon), 66600, Mexico; Phone 52 (83) 861 584; Fax 52 (83) 386 2235; http://www.aerolitoral.com; Code 2Z; Year Founded 1989. Filipo D'Plana founds **Aerolineas Litoral (Servicios Aereos Litoral S.A. de C.V.)**, better known as Litoral, at Santo Domingo in the Dominican Republic in August 1989. Although company headquarters are on the island, the fleet, which comes to comprise 1 Curtiss C-46 Commando and 2 Lockheed L-1049G freighters, is based at Vera Cruz, Mexico. All-cargo flights are now undertaken to Nuevo Laredo, Tampico, Minatitlan, and Villahermosa.

Company headquarters are moved to Vera Cruz in early 1990 from where Litoral flies forth to provide regional services with a fleet of 4 NAMC YS-11As. On December 1, the company is purchased from D'Plana by **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and becomes the subsidiary **Aerolitoral, S.A. de C.V.** Juan A. Gonzales is named president.

During the first full year of passenger service, the company transports a total of 61,601 passengers and earns revenues of \$4.88 million. An \$859,441 operating profit is generated.

Airline employment is decreased 23.3% in 1991 to 92. The Curtiss and Lockheed freighters are sold and replaced with a fleet of 10 Fairchild Metro IIIs and, for cargo, 1 of the Nihon YS-11Aa. Aeromexico (2) purchases majority interest in April and, using the major's flight numbers, its only commuter inaugurates regional services early in the year from Monterrey–Tampico, Tampico–Vera Cruz, Vera Cruz–Minatitlan/Posa Rica, Minatitlan–Villahermosa, and Villahermosa–Ciudad del Carmen. During the remainder of the year, orders are placed, via the new parent, for 18 Metro 23s.

In 1992–1993, services are started from Monterrey to Aguascalientes, Leon, San Antonio, and Torrejon. Although two more Japanese-made

Nihons are purchased, they are later taken out of service. During **1994**, President Gonzalez's fleet includes 10 Metroliners, 1 Metro 23, and 3 YS-11As and airline employment stands at 130.

Flights continue in **1995–1996**. Enplanements in the latter year total 750,000. During the summer of **1997**, six SAAB 340Bs are ordered. The first two are delivered in mid-December. Passenger boardings increase to 793,000.

The four additional SAAB 340Bs are added in **1998**. In October, daily roundtrip service is inaugurated from Chihuahua to Dallas (DFW) in Texas.

Also during the fourth quarter, a new collective bargaining agreement is successfully negotiated with the carrier's pilots.

During early **1999**, the company, now one of Mexico's largest regional carriers, expands its coverage to Mexican resorts by operating from Guadalajara to Acapulco and from Leon and Aguascalientes to Puerto Vallarta. In addition, a second daily roundtrip is launched from Chihuahua to Dallas (DFW).

The airline's president, Carlos Trevino, is on hand on July 20 when daily flights are inaugurated from Dallas (DFW) to Piedras Negras, with continuing service to Torreon.

Another SAAB 340B is added to the fleet during the first quarter of **2000**. Three Metros are withdrawn.

AEROLLOYD IGUASSU, S.A.: Brazil (1933–1939). The German-oriented firm of Mate Leao founds this small subsidiary at the Parana state capital of Curitiba in early **1933**. After obtaining two Klemm Kl-31As, the company receives its government permit on June 30 and almost a month later, on July 20, inaugurates four-times-per-week flights to São Paulo. A Klemm is lost in a December crash.

Three Stinson SR Reliants are now obtained from the U.S. and route expansion occurs into the state of Santa Catarina, first to Joinville in **1934** and then Florianopolis in **1935**.

The early third-level operation is never economically viable and, as a result, it is sold to **VASP Brazilian Airlines (Viacao Aerea São Paulo, S.A.)** on October 28, **1939**.

AEROLOT, S.A.: Poland (1925–1929). On May 9, **1925**, local Polish interests purchase control of the Warsaw-based **Aero Lloyd Warschau, S.A.**, a Junkers affiliate formed in 1922. Employing 14 F-13s purchased by the predecessor organization, the new owners, officially known as Polska Linia Aerolot, S.A., having reformed their prize, maintains the previous routes, while adding additional domestic stops.

In **1927**, a Junkers G-23W floatplane is acquired and used to launch Puch to Copenhagen flights. Simultaneously, a new route is begun from Warsaw to Vienna, via either Krakow or Katowice. Pilots strike for higher wages on July 4, **1928**. On January 1, **1929**, the government takes control of Aerolot and its rival, **Aero T.Z., S.A.**, and consolidates them into the state carrier **LOT Polish Airlines, S.A.**

AEROLYON, S.A.: BP 138, Lyon-Satolas, Lyon, F-69124, France; Phone 33 (4) 722 27300; Fax 33 (4) 722 27310; Code 4Q; Year Founded 1996. Aerolyon is founded by Nouvelles Frontiers in the late fall of **1996** to offer scheduled long-haul passenger services. Chicon is named managing director and is provided with a workforce of 110 and a Douglas DC-10-30. In alliance with **Corsair, S.A.**, the aircraft launches return service on December 13 from Lyon, Marseilles, Nantes, and Toulouse to Pointe-a-Pitre, in the French West Indies, and St. Denis de la Reunion.

During **1997–1999** a second DC-10-30 is also employed. A total of 200,000 passengers are carried in the latter year.

AEROMAR AIRLINES (TRANSPORTES AEROMAR, S.A. de C.V.): Terminal de Aviacion General, Hangar 7, Zona "E", Col Federal, Mexico DF, 15620, Mexico; Phone 52 (5) 627 0205; Fax 52 (5) 758 1303; <http://www.aeromar-air.com>; Code VW; Year Founded 1987. This third-level independent carrier is formed by a group of private investors at Toluca Airport, west of Mexico City, in January **1987**.

The Grupo Aeromar, S.A. de C.V. holding company includes as its major shareholders Dr. Zvi Katz Kenner, Marcos Katz Halpern, seven members of the Autrey-Maza family, and Asistencia Empresarial Especializada, S.A., a subsidiary of the nation's largest television company, Televisa. Juan Ignacio Steta is general director.

An Avions de Transport Regional ATR42-320 is leased and a code-sharing arrangement is negotiated with **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)**. Scheduled passenger/cargo revenue flights commence in November from Toluca (45 miles west of Mexico City) to Acapulco.

When Aeromexico (1) goes bankrupt in April **1988** and ceases operations temporarily, the national government requests Aeromar to step in and keep up regional flights under its new integrated air service program, "Esquema Rector del Sistema Nacional de Transporte Aereo." The base of operations is transferred to Mexico City, two more ATR42-320s are acquired, and flights commence from Mexico City to Ciudad Victoria, Colimas, Lazaro Gardenas, Morelia, Poza Rica, Salinas Cruz, and Urvapan.

In February **1989**, the Ministry of Communications and Transportation allows the carrier to increase its fares, which, like those offered by other regionals, has been kept artificially low since startup of the new federal air service program. In April, the company moves its maintenance facility to Mexico City from Toluca.

Operations continue apace in **1990**, the year in which the Mexican airline industry is deregulated. Although many cut-rate competitors spring up, they quickly fail for lack of capitalization or poor service.

In April **1991**, the company's route network is restructured to concentrate on a network of "hub and spoke" routes from Mexico City. The fleet now includes 5 ATR42-320s, 1 of which is leased to **Trans States Airlines** in the U.S. The company in August becomes only the third Mexican airline, after the nation's two majors, to obtain a repair station certificate from the U.S. FAA. In September, a second hub is established at Guadalajara.

A code-sharing agreement is signed with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** in April **1992**. International service begins in December with the inauguration of scheduled roundtrips from San Luis Potosi to San Antonio, Texas. By **1993**, airline employment is 300 and President Juan Ignacio Steta's fleet has been increased by the addition of another ATR42-320; two earlier machines are leased out to **Executive Air Charter**. A code-sharing pact is signed with **Mexicana Airlines, S.A. de C.V.** in July.

In **1994**, the company becomes a launch customer for the ATR42-500, ordering two, with three options. In addition, two more ATR42-320s are leased from **TAT European Airlines, S.A.** A code-sharing agreement is reached with **United Airlines** in June, linking the American major's flights from Chicago and Denver with Aeromar's route from San Antonio to San Luis Potosi.

The regional becomes the American major's General Sales Agent (GSA) in central and northern Mexico, with new joint-sales offices opened at San Luis Potosi and Monterrey. In December, the Mexican peso is devalued; Aeromar is able to absorb losses and continue to build market share.

In January **1995**, company management institutes a new cost-cutting plan. At the same time, new routes are started from Mexico City to Huatulco and Manzanillo.

The economic crisis set off by the peso devaluation deepens in March as load factors plunge to just 30%. Rather than lay off employees under a plan that would see up to half the staff laid off, the company is able to convince its workers to accept a plan to take 20% pay cuts.

Meanwhile, flights are suspended on three unprofitable routes. In August, the financial picture brightens as one ATR is sold and leased back, thereby generating additional operating cash. Two ATR42-520s are delivered in November and the dual-designator pact with **United Airlines** is expanded to cover the regional's entire Mexican network.

As a result of a significant come-back during the second half of the year, all staff are returned to full salary at the end of December and even given a 10% bonus.

Enplanements total 290,034.

The workforce is increased by 3.8% in **1996** to 545 and the fleet now includes 6 ATR42-320s and 2 ATR42-520s. The latter enter service during the first quarter as new or expanded services are introduced. Twice-weekly flights commence from Puerto Vallarta to San Antonio, while five-times-per-week frequencies begin to the Alamo from Guadalajara and service to San Antonio from Monterrey becomes daily. A connection via Mexico City is dropped on one new daily direct service from Monterrey to Puebla.

Customer bookings soar 22.4% to 373,754 and revenues reach \$36.26. With expenses of \$30.82 million, there is an operating gain of \$5.44 million.

The company celebrates its tenth anniversary throughout **1997**. The fleet is increased by the addition of 2 ATR42-310s. At the end of the year, a \$90-million order is placed for 2 additional ATR42-520s, with options taken on 4 more. Plans are announced for the initiation of four-times-per-day roundtrips from Mexico City to Puebla. Enplanements total 452,364.

Flights continue apace in **1998**. Customer boardings accelerate 10% to 506,000.

The ATR42-520s are delivered during the first half of **1999**. The new aircraft are employed during the summer to launch the first-ever daily roundtrips to San Cristobal de las Casas, in the mountains of the southern state of Chiapas. On September 1, service begins to Zacatecas, followed by Comitán at year's end.

Passenger bookings accelerate 8.6% to 549,000 while cargo traffic jumps 11.4% to 904,000 FTKs.

Airline employment stands at 700 at the beginning of **2000**, a 14.8% increase during the previous 12 months.

Negotiations are undertaken with Ernesto Martens during the summer and, by early September, agreement has nearly been reached under which the Autrey family would sell a 10%–20% stake for a figure in excess of \$12 million.

AEROMAR INTERNATIONAL, C. por A.: Virgilio Diaz Ordóñez No. 7, Urbanización Fernandez, Aeropuerto Internacional Las Américas, Santo Domingo, Dominican Republic; Code BQ; Year Founded 1962. Raymundo Polanco at Santo Domingo establishes Aeromar in **1962** as an airfreight forwarder and all-cargo carrier. Revenue flights to Miami, San Juan, and St. Thomas commence with a fleet which, by **1968**, comprises 9 Curtiss C-46 Commandos. Although the Curtiss fleet shrinks to 4 by **1972**, it is increased to 6 by **1973**.

While climbing away from the Dominican Republic on April 25, a C-46 with four crew loses its right engine and ditches into the Bay of Boca; although the aircraft sinks, there are no fatalities.

Unable to earn profits in face of the world energy crisis, the company suspends operations in **1974**.

The company is revitalized during the late **1970s** and equipped with a fleet comprising 2 Douglas DC-8-54Fs, 1 DC-8-33F, and 2 Boeing 720s. In addition to charter and contract service flights, the company undertakes scheduled freight flights from the capital's international airport to Port au Prince, Haiti, Miami, and New York.

In **1983**, the airline seeks permission of the American government to launch scheduled passenger and cargo flights to its U.S. destinations. Unable to realize this goal, the airline operation is liquidated in the midst of political difficulties in **1987**. Airfreight forwarding activities are, however, maintained.

Although consideration is given to the reestablishment of flight operations in the early **1990s**, these plans evaporate in **1993** when the U.S. FAA bans all airlines of the Dominican Republic from landing in the U.S. due to safety concerns. Thereafter, Aeromar contracts its services with other cargo airlines, including the Miami-based **Fine Air**. By the middle of the decade, the company, under President Jaime Polanco, has become the largest airfreight forwarder located between the Dominican Republic and the U.S.

Under contract to Aeromar and en route to Santo Domingo with 40 tons of fabric for Dockers and Slates brand men's pants, Flight

101A, a **Fine Air** DC-8-61 with three crew and a security guard on board, crashes just after takeoff into an empty lot a quarter of a mile W of Miami (MIA) on August 7, **1997**. Wreckage smashes into a warehouse and retail complex; there are no survivors. In addition, a motorist, Renato Alvarez, is killed.

On August 14, the *Miami Herald* runs an exposé in which several former Aeromar employees complain that Aeromar workers had routinely overloaded or incorrectly loaded Fine's airplanes, while former Fine workers claim that airline keeps two sets of books and prepares false manifests. Both companies deny the charges.

NTSB investigators will focus their probe of the crash on the manner in which Aeromar employees loaded and secured the 16 cargo pallets placed aboard the aircraft.

Enplanements for the year total 452,364.

Employing a fleet of B-727-200As, Aeromar inaugurates scheduled passenger services in **1998** from Santo Domingo to Miami. The number of passenger flights per week reaches 11 by fall, together with seven cargo services.

In September, Hurricane Georges devastates the Dominican Republic and other points in the Caribbean. Aeromar quickly becomes an active participant in the Dominican relief effort, carrying tons of supplies to residents of the stricken nation.

Famed Seattle Mariners shortstop and Dominican resident Alex Rodriguez headlines a special Flight 201 for relief donors from Miami to Santo Domingo on December 12. Personnel riding the charity flight will also attend the "Dominican Republic Hurricane Relief Concert starring Gloria Estefan."

Passenger boardings accelerate 10.1% to 506,000. Freight traffic jumps 12.1% to 81.09 million FTKs.

Airline employment at the beginning of **1999** stands at 610.

As a result of its involvement in the 1997 crash of a **Fine Air Services** DC-8 at Miami, Aeromar is linked with the U.S. carrier in filed lawsuits pursued during the year. During the legal proceedings that follow, prosecutors point out that Aeromar, a company half owned by Fine, is no longer a real airline because it has no employees, and conducts no day-to-day business. Fine, it is charged, charters its own aircraft and flight crews to its own partnership.

On March 27, **2000**, Aeromar and Fine accept a guilty plea agreement to five charges of obstruction in connection with the disaster. Fine and Aeromar are the first airlines to be tried and convicted of criminal charges stemming from a fatal air crash.

The two are collectively fined \$5 million, \$1.5 million of which will be paid by Aeromar; despite earlier history, Aeromar is prohibited from calling itself an airline.

On April 17, **Allegro Air: Lineas Aereas de Allegro, S.A. de C.V.** begins flying one of its recently hushkitted all-white Boeing 727-200As from Santo Domingo to Miami on behalf of Aeromar. Under court requirement, the carrier erases its titles from the leased Allegro Air trijet on June 12; the Aeromar logo is left on the plane's tail.

With approval from the U.S. Attorney's office in Miami, Aeromar and Fine install compliance officers in August to monitor a court-mandated safety program.

AEROMARINE AIRWAYS: United States (1920–1924). Having established his Aeromarine Plane & Motor Corporation at Raritan Bay, Keyport, New Jersey, to build USN training planes during World War I, New York Cadillac dealer Inglis M. Uppercue is hard pressed to find business for his 16-building factory after the November 1918 Armistice. Convinced that a major commercial market for civilian aircraft can be developed, Uppercue, in late 1919, begins to convert surplus Felixstowe/Curtiss F-5L flying boats into Curtiss Type 75 Aeromarine Cruisers, the nation's first production passenger planes or "flying limousines."

Unable to find airline customers for his aircraft during a time of recession, Uppercue forms a subsidiary air transport division, the Aeromarine Sightseeing & Navigation Company, in the spring of **1920**, to offer demonstrations. The first aircraft is christened *Santa Maria* at the

Columbia Yacht Club by New Jersey's Governor Edward I. Edwards on June 22; it is rumored that the executive uses a bottle of real champagne for the ceremony, an illegal commodity under Prohibition. Those aircraft that Uppercue will employ in his commercial operations will be painted white with black markings; later, all will have their tails finished in black and gives the planes their collective nickname of "the black-tailed fleet."

During the summer, the Type 75-equipped charter operator provides nonscheduled, but regular, services between New York City and the holiday destinations of Newport, Southampton, and Atlantic City. In October, Aeromarine purchases financially distressed **Florida West Indies Airways** of Key West, holder of the nation's premier foreign airmail contract (FAM-1).

The new subsidiary division is named Aeromarine West Indies Airways; Inglis Uppercue is chairman with Albert Tilt named president. Plans are made to honor the U.S. Post Office's original route concession. A pair of Type 75s, the *Santa Marine* and the *Pinta*, are dispatched from New York to Key West on October 23. These begin twice-daily return mail flights, timed to coincide with train arrivals and departures, to Havana on November 1. Among the pilots is former naval aviator Edwin C. Musick, who will later gain fame with **Pan American Airways (PAA)**. The flyers hold their own inaugural ceremony before departure, breaking small bottles (of spirits?) held against the bows with small hammers in order not to damage the fragile wooden hulls.

This service, which requires 2.5 hrs. flying time each way, is initially offered for a six-month period. During this time, the carrier is renamed Aeromarine Airways and Charles F. Redden is named president. Four more Type 75s, including the *Columbus*, *Nina*, *Mendoza*, and *Ponce de Leon*, join the two already committed; however, the *Nina* is torn loose from her moorings during a Havana storm and destroyed. She will be replaced by the *Balboa*. In an unsuccessful communications experiment designed to get around the problem of not carrying heavy and unreliable radios, carrier pidgeons are released from in-flight aircraft; most do not reach their destinations.

Charters are flown to a variety of local destinations, including the British island of Bimini, West Palm Beach, and Miami. Many of these are covert rum-running liquor flights organized by pilot Musick and company mechanic Johnny Donohue. In the half-year, a total of 1,100 passengers (at \$75 per head) and 171-plus tons of mail are carried.

On May 1, 1921, at the close of the winter tourist season, Aeromarine concludes its Florida operations, drops the second part of its name to become simply Aeromarine Airways, returns its mail contract, and places four aircraft into storage until next season. One, the *Santa Maria*, flown by Capt. Musick, undertakes a sensational 7,000-mile, multistop demonstration flight beginning on May 9 from Key West to New York and on to Toronto, Buffalo, Detroit, Chicago, New Orleans, and back to Key West, plus a variety of stops in between. Demonstration flights are provided at each stop; at Chicago, Musick's ship participates in the city's Pageant of Progress. Passengers, while flying 2,000 feet above the Windy City, are able to view the silent film *Howdy Chicago!* Meanwhile, newly converted Curtiss HS-2Ls become available and are placed into service flying charters from New York to Atlantic City and New England destinations.

A second promotional tour is undertaken, beginning on July 7, by Durston G. Richardson in the HS-2L *Biltmore*. Departing New York north along the Hudson River, he flies a 7,490-mile, 102-hour (flying time) Great Lakes circumnavigation, landing along the way at over 100 stops bordering Lakes George, Champlain, Ontario, Erie, Huron, and Michigan. His tour completed without incident, Richardson arrives back at New York City on September 21, where he receives the Glidden Trophy for establishing a new distance record for seaplanes. Meanwhile, Capt. Musick, flying in the New York-New Jersey area, recruits his friend Bert R. J. "Fish" Hassell to join him in secret night rum-running flights.

In his autobiography, *Fish Hassell: A Viking with Wings* (Bend, Ore.: Maverick Publications, 1987), the recruit admits his pleasure that "Aeromarine and Musick wanted a good pilot for the job."

Next day, the Aeromarine Type 75 *Santa Maria* inaugurates semi-monthly, two-day *High-Ball Express* flights from New York to Havana via Atlantic City, Beaufort, South Carolina, Miami, and Key West; the 19-hr., \$250 service covers 1,521 miles. At the close of the summer season on October 27, which also marks the end of the first year's service, Aeromarine officials report that company aircraft have flown over 95,000 miles in 12 months, carrying 6,814 passengers without injury.

In late October, the Type 75 and HS-2L fleet is reassembled in south Florida for a second tourist season, flying from Miami and Key West. The service is offered bimonthly on an irregular basis. Regularly scheduled daily Key West-Havana and Miami-Nassau services—the former over the still-subsidized route pioneered by **Florida-West Indies Airways**—are initiated on November 1. The former route covers 105 miles one way and requires two hours plus a tariff of \$50 per head (a \$25 tariff reduction from the previous season); the latter is a new service, flown over 185 miles in three hours at \$85 per person or \$150 roundtrip. The company's advertising reads: "Breakfast in Miami, Lunch in Nassau, and Dinner at Miami—All in the Same Day." Charters and covert rum-running flights are again undertaken. When the winter season ends on May 1, 1922, company books show that a total of 2,399 passengers have been carried in 755 flights.

Prior to the start of the 1922 summer season, the airline is divided into three geographically based divisions. The Southern Division is charged with providing transport to Havana, Bimini, and Nassau, plus charters. Following the conclusion of the tourist season on May 1, the Southern Division goes into hiatus while its carrier's Type 75s are transferred to Cleveland, where a new Great Lakes Division is established.

The New York or Eastern Division will undertake the regularly scheduled services to Atlantic City and those down to Florida during the winter tourist season, as well as flights into New England and various charter operations. A carnival and air show is staged at New York City to inaugurate this year's summer season. Local and foreign civil and military dignitaries are on hand to witness the cruiser *Mendoza* make a record-breaking (if entirely unsafe) flight during which 27 passengers are flown aboard the 14-seat seaplane. In early June, two-day "HighBall Express" flights commence from Manhattan to Havana, via intermediate stops. Through September, the New York unit makes 807 flights and hauls 2,380 customers.

Beginning on June 17 from the Cleveland lakefront, the Curtisses of the Great Lakes Division undertake "90 Minute Line" roundtrip flights across Lake Erie to Detroit. The service nickname is chosen as a reflection of the 90 minutes required to transverse the unsubsidized 95 miles between cities, each passenger paying \$25 one way. The daily offering proves so successful that a second daily frequency is laid on. Charters are also undertaken and, upon demand, flights are occasionally arranged from New York to Detroit, via Albany, Montreal, Buffalo, and Cleveland. The most noteworthy of these occurs on August 22 when the new cruiser *Buckeye*, piloted by Capt. Musick, transports a Ford Model-T automobile to Cleveland from the "Motor City."

In the three inaugural months of operation ending on September 17, the Ohio-based unit carries 1,839 passengers and 2,574 pounds of freight, including the car. The initial work of the Great Lakes Division is completed on October 1, at which point it becomes inactive and its aircraft are transferred down to Florida, from whence winter offshore flights are resumed under jurisdiction of the Southern Division.

Having obtained a renewal of the Key West-Havana mail contract, operations by the Florida unit resume in an atmosphere of optimism. In November, President Uppercue is able to announce that his pioneer carrier has transported a total of 20,000 passengers since its startup without a single mishap. Bookings continue to be successfully recruited through the Christmas-New Year's season. Disaster strikes in early 1923. On January 13, the Type 75 *Columbus* is forced down by engine failure 20 miles from Havana. Four of the seven passengers awaiting rescue atop the hull, including two children, are swept overboard by high waves and lost. Later in the month, a severe storm pounds Havana harbor, sinking the Type 75 *Ponce de Leon*. Neither

flying boat is replaced as costs rise above traffic or subsidy-generated income. Adverse publicity hurts bookings.

Owner Uppercue continues to support Aeromarine Airways and the Eastern and Great Lakes Divisions reopen summer services. Traffic figures in the east are weak and the New York Division is closed down in mid-July. The Great Lakes operation proves quite popular with passengers however, and it is retained; a total of 5,000 customers are safely flown by the time that unit stops operating in the fall. Still, the airline is financially draining upon its manufacturing parent, which has failed to neither sell a single converted flying boat nor receive significant business from the government. Unable to accept additional losses, the Southern and Eastern Divisions cease operations in December.

On January 17, 1924, Aeromarine Airways is sold for an undisclosed amount to the Florida Railroad and Steamship Company, owned by Barron G. Collier and Associates. An effort is made to relaunch the enterprise; new capital is found and the company name is changed to Aeromarine Airways Corporation of New Jersey. Planned well before the takeover, the new owners enjoy the positive press generated by the *Morro Castle II*, the first metal-hulled flying boat designed and built in the U.S. In what will be remembered as the first practical passenger-carrying commercial flight between the U.S. and Puerto Rico, the all-metal flying boat departs New York for San Juan on January 16. It arrives at San Juan on March 4 via the "Highball Express" route, extended from Florida with stops in Cuba and Santo Domingo. During the remainder of March, the *Morro Castle II* retraces its stops back to New York.

Meanwhile, no sustained passenger service results from the Collier acquisition and, without warning, airmail subsidies are withdrawn by both the U.S. and Cuban governments. The pioneer's story ends on May 1 with the final scheduled flight from Miami to Nassau. Over 30,000 passengers have been flown over a million passenger-miles with only one fatal accident in three-and-a-half years and, for awhile at least, Aeromarine is the largest civil flying boat operator in the world. Interestingly enough, its pilots may also have been among the best anywhere: if any of them involved in the illegal rum-running activities had been caught, the entire company might have been forfeit.

AEROMARITIME, S.A.: France (1935–1944). With the purpose of providing air transport between West Africa and Equatorial Africa, the shipping concern Compagnie des Chargeurs Reunis, S.A. organizes this carrier in spring 1935. Francis Fabre is named chairman of the new airline.

On July 7, a Caudron Pelican is employed to inaugurate service over a route between Cotonou (Dahomey) and the Niger Territory town of Niamey. As soon as two Caudron Goelands become available, they replace the Pelican. In need of amphibious aircraft, an order is sent to the U.S. for three Sikorsky S-43s.

The premier Sikorsky is sent crated to Marseilles by ship, arriving on July 8, 1936. It is assembled at the southern French city, tested, and then flown down to Dakar. Entering service in late December, it inaugurates same-day, 650-km. roundtrip service from Dakar to Conakry. Two additional S-43s are ordered at year's end.

The Cotonou leg is stretched to Dakar on March 1, 1937, via Konakry, Monrovia, and Abidjan. On May 17, with the second two Sikorsky S-43s on hand, the Dakar stop is stretched down to Pointe Noire with stops en route at Takoradi, Douala, and Libreville.

The fourth Sikorsky is delivered in December.

The last S-43 arrives in March 1939. In September, the Governor of Sierra Leone arranges for the carrier to fly mail from Freetown to Dakar for movement on to Europe via **Air France**. The beginning of World War II effectively ends the company's pioneering work.

On February 24, 1944, the Free French government's **Reseau Aerien Militaire Francais** and **Lignes Aeriens Militaires** are joined with Aeromaritime and placed under the centralized authority of **Directions des Transports Aeriens**. The West African operator will not reemerge as an independent.

AEROMARITIME INTERNATIONAL (COMPAGNIE AEROMARITIME D'AFFRETEMENT, S.A.): France (1966–1991). Aeromaritime is organized in 1966 as a subsidiary of **UTA French Airlines, S.A.** to operate passenger and charter flights. Revenue services commence in 1967 employing Douglas DC-6s, DC-8s, and Sud-Est SE-210 Caravelles leased from the parent.

In January 1971, Aeromaritime obtains a contract with the European Airbus consortium to operate its two Aero Spacelines AS-201 Super Guppys (converted outsized Boeing 377 Stratocruisers) in the transport of A300B and Concorde components between various assembly plants.

Services continue over the next seven years and in 1978, President Antonie Veil's company employs ten workers. In 1980–1986, a total of four Super Guppys are offering "Airbus Skylink" flights between factories in France, West Germany, Spain, and the U.K. Plans are now made for the eventual operation of regular passenger group charters.

Late in the 1980s, the company begins to emphasize and undertake passenger charters and inclusive-tour flights to European destinations, many on behalf of Nouvelles Frontiers. As a result, the company begins to assemble its own fleet and in 1988, it comprises 6 Boeing 737-300s, 1 B-747-200, 2 B-767-200ERs, and 1 Douglas DC-10-30. Operations begin to Reunion and the Antilles during the year and enplanements reach 334,000.

Operations continue apace in 1989–1990 and the fleet includes 6 Boeing 737-300s, 1 B-737-400, 1 B-747-200, 1 B-747-300, and 2 B-767-200ERs. A total of 431 employees work at President M. Boutbien's carrier. Unable to maintain viability, the carrier ceases operations in 1991.

AEROMAS, S.A.: Belgium (1946–1949). Aeromas is established in 1946 at Leopoldville in the Congo as a subsidiary of the Belgian owned trucking company Messageries Automobiles du Sankuru, S.A. Non-scheduled revenue services are provided throughout the colony over the next three years with a fleet of 3 Caudron C-440 Goelands and 2 de Havilland DH 82 Tiger Moths.

When **Sabena Belgian World Airlines, S.A.** is, by government decree, given exclusive rights to operate all services to and within the Congo on April 6, 1949, MAS grounds its aerial division.

AEROMAYA, S.A. de C.V.: Mexico (1966–1969). In September 1966, the Mexican government authorizes Fernando Barbachano's **Aero Safari, S.A. de C.V.** and Manuel Gomez Mendez's **Servicio Aereo Gomez Mendez, S.A. de C.V.** to interchange services and equipment at Tuxpan. Finding themselves compatible, the two owners fly to London, conduct negotiations, and on November 1 announce the amalgamation of their two airlines into one, Aeromaya, S.A.

The two partners serve as co-general managers, with Gomez Mendez concentrating on operations and Barbachano dealing with promotions, finance, and government relations; the combined company boasts a fleet of 4 Douglas DC-3s and 2 Hawker Siddeley HS 748s. On December 12, HS 748 service is inaugurated, via Tuxpan, from Mexico City to Merida. DC-3 Mexico City–Guanajuato–Guadalajara flights commence on December 20.

Barbachano and Gomez Mendez negotiate a route exchange with state-owned **Aeronaves de Mexico, S.A. de C.V.** CEO Jorge Perez y Bouras in May 1967. As a result, Aeromaya obtains access to Acapulco in exchange for its route into Merida. On June 1, the company is struck by its unions in a job action that will last four months.

Despite this setback, the process of building a trunk line continues in 1968 as Barbachano and Gomez Mendez attempt to peel concessions away from Mexicana Airlines and other independent carriers. During the year, the company is incorporated; however, the state airline now forms "Aeronaves Alimentadoras" ("Feeder Airline") to break the upstart.

On October 6, an armed woman with two children in tow hijacks an HS 748 with 17 aboard during a domestic flight from the island of Cozumel to Merida, and forces it to fly to Cuba; the plane returns later in the day.

Early in 1969, the entire company route network west of Mexico City (excepting the single Mexico City–Tuxpan service) is suspended as traf-

fic downturns and financial difficulties begin to pile up. Aeromaya ceases flying on May 10 and enters receivership; its aircraft are all grounded by government order. Aeronaves Alimentadoras and another **Aeronaves de Mexico, S.A. de C.V.** associate, **SAE (Servicios Aereos Especiales, S.A. de C.V.)**, now carve up the former competitor's concessions.

AEROMECH AIRLINES: United States (1964–1983). Having operated a small FBO at Morgantown Airport since 1947, Angelo C. Koukoulis moves his family to Clarksburg, West Virginia, in 1951 to open a larger aviation enterprise, Aeromech. Aside from aircraft services, sales, and flight training, charter and air taxi flights become an important segment of his business. Koukoulis acquires a Cessna 310 in 1959 to service local corporate airlift requirements. In 1964, when the runway at Clarksburg Airport is temporarily closed for repairs (thereby forcing curtailment of flights by the larger planes of **Lake Central Airlines**), Aeromech provides regularly scheduled Cessna service to Pittsburgh, Pa. Three years later, in 1968, with **Lake Central Airlines** failing to meet community air transport needs, Koukoulis resumes full-scale regular, albeit nonscheduled, service.

Aeromech Airlines, as the company flight division becomes known, joins the Allegheny Commuter network in November 1971, simultaneously receiving the first of six Beech 99s it will acquire over the next half-dozen years. Scheduled passenger and freight services are now provided not only to and from Pittsburgh, but to Morgantown, Charleston, Parkersburg, and Elkins, West Virginia, plus Washington, D.C. (DCA). Operations continue apace in 1972–1973 and by 1974 enplanements are 89,380.

Airline employment is 75 in 1975 and the fleet now includes 4 Beech 99s. The carrier is awarded the U.S. mail contract for the Charleston–Pittsburgh via Parkersburg/Clarksburg route. New corporate identification is now unveiled, including a new logo, and increased advertising and marketing activities are begun. During the year, Aeromech enters into a unique degree-granting cooperative aviation program with nearby Salem College.

Passenger boardings jump 18% to 109,000.

The workforce is increased 18% in 1976 to 99. Scheduled service is launched from Beckley and Bluefield, West Virginia, to Pittsburgh, via Clarksburg and Morgantown. A truck fleet is acquired as supplement to the carrier's airfreight business. A new flight dispatch department is created and a computerized reservation system is installed. Customer bookings accelerate 7% to 116,540 and cargo is up by 24% to 1.94 million FTKs.

By 1977, the company's fleet has grown to 5 Beech 99s and Akron-Canton has been added to the route network. Carriage of the 500,000th passenger (cumulative) is celebrated in June.

Enplanements this year total 136,354.

The number of employees is increased by 20.4% in 1978 to 130.

Following passage of the Airline Deregulation Act in 1978, the privately held commuter, like many other small regionals, embarks on an ambitious, often hectic, expansion program designed to fill service gaps and take advantage of opportunities created by the federal legislation.

Sizeable increases in schedule frequencies to the company's nine markets are ordered as Aeromech replaces Allegheny on the Clarksburg–Morgantown–Washington route. The sixth Beech 99 is acquired as are two de Havilland Canada DHC-6 Twin Otters. Passenger bookings accelerate 6.8% to 145,648, as the 750,000 customer (cumulative) is enplaned. Freight traffic grows faster, rising 30% to 790,000 FTKs.

When Allegheny withdraws from Morgantown and Clarksburg in 1979, Aeromech becomes the sole scheduled airline to connect those two stations with Pittsburgh. Orders are placed for six British Aerospace BAe Jetstream 31s (which will not be delivered) and a novel self-ticketing facility is opened at Greater Pittsburgh Airport.

Traffic this year rises 9.5% to 159,000 and further plans are made to modernize the fleet.

The year 1980 is a banner one for the Clarksburg-based small regional as it departs from the Allegheny system, electing to fly under its own name as an independent operator. Withdrawal from the commuter pact

means that Aeromech is formed to provide all of the services formerly delivered by the union, including reservations, market planning, station handling, and accounting.

The Koukoulis family airline becomes the tenth tenant carrier at Greater Pittsburgh Airport and inaugurates operations on the following routes: Akron/Canton–Pittsburgh; Parkersburg/Marietta–Pittsburgh; and Bluefield/Princeton, West Virginia–Roanoke. Airline employment reaches 190. As far as many are concerned, however, the highlight of the year is in the area of fleet replacement.

After beginning the disposal of its Beech 99s and having leased its Twin Otters to **Air Illinois**, Aeromech, with certain inducements from the manufacturer, becomes the American launch customer for the new 19-passenger Brazilian commuter, the Embraer EMB-110P1 Bandeirante, five of which are initially placed on the line. Author Smith and Gary S. McAllister of the Salem College Aviation program are among those given complimentary introductory flights aboard the new turboprops.

Passenger boardings jump 16% to 185,585 and the company transports its one-millionth passenger; cargo is off by 34% to 495,638 pounds.

In 1981, the workforce grows to 240 and five more Bandeirantes are delivered to Koukoulis, who also places orders for six successor aircraft, the EMB-120 Brasilia. Three new cities—Columbus, Ohio, Greensboro, North Carolina, and Huntington, West Virginia—are added to the route system. Unhappily, the PATCO air traffic controllers' strike has a dramatic and negative impact on Aeromech as the FAA curbs traffic into Pittsburgh and Washington (two of Aeromech's most vital destinations) during the fall and causes costly restrictions on company operations. Despite cash flow problems, overall passenger traffic for the year on 71 daily flights increases 3% to 191,148; freight climbs 5.7% to 524,000 pounds.

The Brasilia order is cancelled in 1982 as the problems of 1981 force the carrier to stand pat with its fleet of 10 EMB-110Ps and 5 Beech 99s. Seemingly undismayed, management boosts the payroll 15% to 238 employees and launches services on four new routes: Akron/Canton–Columbus; Cincinnati–Pittsburgh; Harrisburg–Pittsburgh; and Baltimore (BWI)–Pittsburgh.

Passenger traffic at 191,964 passengers boarded remains virtually level (0.4% gain); however, cargo accelerates a welcome 25.6% to 658,000 pounds.

Aeromech never fully recovers from the effects of the 1981 PATCO job action and despite its route expansions in that year and in 1982, costs rise and traffic falls off. During the first nine months of 1983, Angelo Koukoulis seeks ways to save his life's work while sadly watching passenger boardings fall off 15% to 125,223. Finally, on October 1, it is announced that the Mountain State's only indigenous scheduled carrier will merge with Cleveland-based **Wright Airlines** to create a 21-city route system across eight states.

At this point, a number of pilots must find other positions. Among them is Capt. Stuart Updike Jr., who, in August 1997, will receive the Airline Pilot Association's Presidential Citation for Outstanding Service.

AEROMEGA, LTD.: Hangar One, Stapleford Aerodrome, Stapleford Tawney, Essex, England, RM4 1RL, United Kingdom; Phone 1708-688361; Fax 1708-688566; Year Founded 1979. Aeromega is set up at Stapleford in 1979 to provide passenger taxi/charter flights, aerial surveying and photography, and maintenance/overhaul.

By 2000, Managing Director Christopher D. Pemberton oversees a workforce and his company generates £1.9 million annually. The fleet includes 4 Aerospatiale AS-355Fs, 1 Bell 206B JetRanger, and 3 Bell 206L LongRangers.

AEROMEXEXPRESS, S.A. de C.V.: Ave Texcoco s/n, Esq. Tahel, Mexico City, DF, 15620, Mexico; Phone 52 (5) 237 0266; Fax 52 (5) 237 0232; Code QQ; Year Founded 1994. Established on January 13, 1994 as the cargo subsidiary of **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, this autonomous airline begins operations on June 9, employing one each leased Boeing 727-2K5F and B-727-2Q6F. Javier

Elizalde Valdez is named president and general manager and he will recruit a workforce that reaches 1,195.

Operations continue apace over many of the parent's routes without change in **1995–1996**. During these years, however, the company opens its own cargo terminal and warehouses, as well as four branch offices in Mexico City. Directly or indirectly, it comes to provide services from 40 terminals in Mexico, 19 in the U.S., 2 in Europe, 3 in Central America, and 10 in South America.

During takeoff from Dallas-Fort Worth International Airport on March 10, **1997** on a flight to Mexico City, the carrier's B-727-2K5F loses its No. 3 main wheel; the plane makes a safe emergency landing back at its point of origin and none of the four crewmen aboard are injured.

In September, labor problems with the company's Mexican pilots for a curtailment in cargo flights to all five U.S. destinations, as well as many Latin points.

Service is resumed in early February **1998**. The company begins to rebuild its U.S. presence, flying first to Los Angeles and then to Miami, Chicago, and Dallas. During the third quarter, B-727F all-cargo flights between Mexico City and Dallas (DFW) are doubled to twice weekly.

During the year, the company opens new destinations in the Far East and becomes the main carrier of asparagus from Peru to the Orient.

Flights continue in **1999–2000**.

AEROMEXICO (1) (AERONAVES DE MEXICO, S.A. de C.V.): Mexico (1972–1988). On January 1, **1972**, *Aeronaves de Mexico, S.A. de C.V.* adopts the new marketing name Aeromexico and introduces new red and black aircraft livery. The fleet at this point comprises 2 leased Douglas DC-8-63s, 4 DC-8-51s, 10 DC-9-10s, 5 Hawker Siddeley HS 748s, and 8 de Havilland Canada DHC-6s. Airline employment stands at 4,326.

During the year, impressive per diem aircraft utilization figures are recorded: 12.25 hrs. for the DC-8-63s; 10.23 hrs. for the DC-8-51s, and 9.44 hrs. for the DC-9-10s. Although orders are placed for two DC-10-30s in June, the government temporarily blocks the requisition. Passenger boardings rise 19.64% to 1,844,000, and freight traffic increases 23.46%.

The employee population in **1973** numbers 4,975. The DC-10-30 orders are allowed, as well as requests for DC-9-30s. In the spring, HS 748/DHC-6 service is begun to the Cancún/Ixtapa resort areas.

On initial approach to Puerto Vallarta from Houston on June 20, a DC-9-15 with 5 crew and 22 passengers crashes 32 km. SE of the runway; there are no survivors.

A total of 1,941,072 passengers are carried on the year while cargo traffic is level.

The employee population in **1974** is 4,975. The first DC-9-30 is received in February and begins service on March 1. On April 1, the first DC-10-30 is delivered; christened *Ciudad de Mexico*, it begins service on the Mexico City–Madrid route on May 1. The second DC-10-30 also arrives and is placed on the Acapulco/Mexico City to New York run on June 1.

Passenger boardings increase 25.8% to 2,616,000, while freight is up a slight 1.9%.

The fleet in **1975** now includes 2 DC-10-30s, 2 DC-8-63s, 5 DC-8-51s, 6 DC-9-30s, 10 DC-9-10s, 8 DHC-6s, and 3 HS 748s. In August, DC-9-10s replace HS 748s/DHC-6s in providing service from Miami, Houston, and Mexico City to Cancún and Ixtapa. In September, during a Mexican government protest against the excesses of the tottering Franco regime in Spain, Madrid service is suspended. The Philadelphia stop is withdrawn from the New York route late in the year. Passenger bookings advance 23.6% to 3,233,775, while cargo climbs 28.9%.

The workforce in **1976** is now 6,613. One additional DC-9-30 is delivered as an order is placed for another DC-10-30. A route is started to Buenos Aires, via Bogota/Lima, and service is resumed to Madrid.

A DC-9-15 overruns the runway after landing at Leon, Mexico, on September 2; no injuries are reported.

Freight is up 10.7% and passenger traffic climbs 13%, resulting in the carriage of 3,652,819 passengers.

Following the change in national government, Pedro Vasquez Colmenareas in January **1977** succeeds Raymundo Cano as director general. As an economy measure, the DC-10-30 is withdrawn from the New York service and is placed, instead, on the Mexico City to Guadalajara/Tijuana routes; the wide-body is replaced on June 24 by DC-8-51s offering "Margarita Service." DC-9-10 service is launched in July to San Jose del Cabo/Manzanillo in Baja California as one additional DC-9-30 joins the fleet.

A strike by airline ground workers halts services on November 7 and, as a result, bookings fall to 3,566,230.

Airline employment is reduced 2.5% in **1978** to 6,503. Unduplicated route mileage is now 55,071. The fleet now includes 2 DC-10-30s, 5 DC-9-51s, 7 DC-9-30s, and 9 DC-9-10/15s.

While en route from Torreon to Mexico City on May 16, a DC-9-10 is subjected to a rather weak hijacking effort. Two men hand a stewardess a note claiming that they have explosives and are demanding "social justice" for themselves. When the jetliner lands at its destination, police are called aboard and the men accompany them off the plane without incident.

During the summer, the DC-10-30 is restored to the New York route; European frequencies are increased to five-per-week, but the Buenos Aires route is withdrawn.

Passenger enplanements increase 11% to 4,007,000, while freight climbs 19.7%.

Ship One, the first DC-8-21, is leased from F.B. Ayer in March **1979**. On September 24, orders are placed for two DC-10-15s. On Christmas Day, the first nonstop direct service is inaugurated from Mexico City/Guadalajara to Los Angeles. A DC-10-30 and its occupants are lost in a crash at Luxembourg on November 11. Passenger boardings jump 15% to 4,607,183, and cargo drops 1.2%.

Airline employment is reduced by 1.7% in **1980** to 6,656. On January 2, special three-month extra-low fares are initiated on the new Los Angeles direct route. Nominated as a candidate for governor of the State of Oaxaca, Director General Colmenareas is now succeeded by Enrique M. Loaeza Tovar. Orders are placed for 8 DC-9-80s.

Freight rebounds, up 3%, while passenger bookings accelerate 12.1% to 5,168,968. Profits are reported: \$26 million (operating) and \$21.4 million (net).

The fleet is increased in **1981** through the addition of 2 DC-10-15s and 3 DC-9-80s. A DC-9-32 with 6 crew and 60 passengers makes a hard landing at Chihuahua on July 27, bounces up and then strikes the ground, breaking the fuselage, which catches on fire (30 dead).

Due to decompression, a DC-9-32 with 6 crew and 18 passengers is forced to make an emergency descent over Sierra de Guerro on November 8 and crashes into a mountain slope near Mexico City; there are no survivors.

Maintenance bases are decentralized during the year. Passenger boardings grow 7.2% to 5,538,514, but cargo dips 3.1% to 57 million FTKs. Total revenues are up 12.5% to \$443 million, but expenses, especially fuel costs, jump 19.8% to \$440.5 million; the operating profit is down to \$2.5 million and a net loss of \$25 million is suffered.

As the world and national recession deepens and brings inflation and peso devaluation, the outgoing Lopez Portillo government in **1982** attempts to nationalize the competing *Mexicana Airlines, S.A. de C.V.* After taking 54% of its stock, on July 29 it appoints Aeromexico President Tovar as director general of a combined carrier. Integration and coordination proves extremely difficult.

The new Miguel de la Madrid government scraps the merger plan in December and Tovar returns to Aeromexico. One more DC-9-80 is placed in service during the year and the Ayer-leased DC-8-21 is withdrawn.

Freight is off 8.7% and enplanements are down to 5,455,584. Both operating and net losses are reported.

The employee population in **1983** is reduced 0.9% to 10,703. On-board services are improved and first-class service is introduced on international flights.

En route from Mexico City to Miami via Merida on June 24, a DC-9-30 with 60 passengers is subjected to a takeover attempt by an assailant

demanding a flight to Havana. While the Douglas is on the ground refueling at Merida, a police officer disguised as a mechanic is able to gain access to the aircraft and captures the pirate.

Passenger boardings climb 8.8% to 5,981,957, but cargo declines another 1.3% to 50.8 million FTKs. On revenues of \$276 million, an operating profit of \$20.4 million is reported; however, a net \$18-million loss is taken. The first Aeromexico will never again have a profitable year.

The workforce is increased 4.9% in 1984 to 10,803. The fleet now comprises 3 DC-10-30s, 2 DC-10-15s, 5 DC-8-51s, 7 DC-9-80s, 17 DC-9-30s, and 8 DC-9-10s.

While on approach to Los Angeles (LAX) on January 10, a DC-9-30 with 32 passengers encounters wake turbulence from a **Trans World Airlines (TWA)** Lockheed L-1011 TriStar 1 which is six miles ahead; four Aeromexico passengers receive minor injuries.

While en route from Mexico City to Miami on July 24, a DC-8-51 with 144 passengers encounters clear air turbulence at a point 50 miles W of Key West; nine persons are injured, one seriously.

Passenger boardings rise 3.6% to 6,194,900 and freight soars 29.7% to 70.95 million FTKs.

Airline employment in 1985 stands at 11,578, a 1% dip. The last ordered DC-9-80s are placed in service. Cargo climbs 24.4% to 88.29 million FTKs and passenger boardings increase 7.2% to 6,644,000.

The payroll grows by 7% in 1986 as the carrier adds three DC-8-62s and retires a DC-9-51. Orders remain outstanding for two McDonnell Douglas MD-82s. Service is started to Atlanta and Montreal during the spring-summer.

While on initial approach to Los Angeles (LAX) from Tijuana on August 31, Flight 498, a DC-9-32 with 6 crew and 58 passengers collides with a Piper Archer with three aboard. In addition to the 67 deaths on the two aircraft, another 12 people are killed when the airliner plunges into a quiet residential neighborhood, destroying ten houses and damaging seven more. The disaster is reviewed by Peter Garrison in his "L.A. Danger Zone: Was the Collision between the Archer and DC-9 Inevitable?" in *Flying*, CXIII (November 1986), 90-94.

Customer bookings for the year fall 8.9% to 6,053,000 and freight declines by 17.5% to 72.89 million FTKs. Revenues are \$241.12 million, costs are \$275.38 million, and the operating loss is \$34.26 million. The net loss is even worse: \$38.1 million. The employee population continues to rise in 1987, by 7.2% to 12,524. Fleet modernization continues as 1 DC-8-51 is withdrawn and plans are made to dispose of the 3 remaining DC-8-51s and 8 DC-9-15s.

Passengers aboard a DC-10-30, en route from Mexico City to New York on January 23, but which cannot land because of snow, unsuccessfully insist on being allowed to remain in the U.S. when the plane makes a refueling stop in Houston en route back to the Mexican capital.

A number of longstanding, but unprofitable, routes are closed, including those to Panama City, Caracas, and Bogota. Severe currency fluctuations continue to have a significant impact and plans are made to sell eight DC-9-15s and five DC-8-51s and dismiss 165 pilots.

Passenger boardings drop again, down 4.1% to 5,802,939, but cargo rallies, and moves ahead by 5.7% to 77 million FTKs. Revenues advance to \$274.7 million, but expenses are again high and there are losses: \$7.37 million (operating) and \$47.7 million (net).

En route from Tijuana to Mexico City on January 4, 1988, Flight 179, a DC-9-32 with 119 passengers is taken over by a lone assailant claiming to have explosives and demanding to be flown to Brownsville, Texas. The man surrenders as the aircraft refuels at Monterrey; he will commit suicide while in police custody.

The fiscal situation at Aeromexico is critical during the first quarter. The pilots' union, ASPA, makes an unsuccessful bid to purchase 100% shareholding, but receives no response from the government. SNTTAM, the union for the ground workers, at first proposes to work overtime at no pay if the aircraft are not sold; however, the airline proceeds with its plans.

With Mexican law prohibiting a company from selling its assets during a strike, SNTTAM begins a job action on April 12. Three days later, the carrier declares bankruptcy, a state confirmed by a judge on April 18. The government orders the airline closed. The company will be re-

formed by bureaucratic action in the fall and renamed **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**.

AEROMEXICO (2) (AEROVIAS DE MEXICO, S.A. de C.V.): Paseo de la Reforma 445, Col Cuauhtemac, Mexico City, DF 06500, Mexico; Phone (52-5) 327-4000; <http://www.wotw.com/aeromexico>; <http://www.imparcial.com.mx/publicidad/aeromex/aeromexico.htm>; Code AM; Year Founded 1988. Following a four-day strike by ground personnel in mid-April 1988, the "old" **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)**, shuts down and declares bankruptcy. The government orders it closed in May. In the fall, after several months planning, a "new" Aeromexico (2), Aerovias de Mexico, S.A. de C.V., is born of bureaucratic action. Ownership of this holding company, with the privatized Aeromexico the principal subsidiary, is divided between Icaro Transportes Group (55%), the Mexican ALPA (25%), and the Banconer Bank (20%), which together invest some \$193.8 million.

All but 424 pilots from the previous entity are rehired (two dozen of those fired are able to sign on with **Singapore Airlines, Ltd.**); however, only 3,600 employees (a small percentage of the previous total) are reemployed. Services are resumed on October 1 over former routes to 31 Mexican and U.S. destinations, with an all-McDonnell Douglas fleet of 15 DC-9-32s, 8 MD-82s, 3 DC-10-30s, and 2 DC-10-15s. All of these aircraft are purchased from the assets of the previous Aeromexico, which are then sold and chartered back from a leasing firm. A total of 876,437 passengers and 915,000 FTKs of freight are flown during the fourth quarter.

Company employment grows 24.6% in 1989 to 4,683 and 3 MD-88s join the fleet. Made possible by a recent \$3.5-billion U.S. government loan, the government of Mexico allows 65% privatization; the shareholding being taken by a consortium of Mexican companies. Services are inaugurated to Madrid and Paris, thrice weekly, via Miami. A third DC-10-30 arrives in November and, in December, a DC-9-82 arriving at Los Angeles is the first jetliner to publicly display the company's new red and dark blue livery.

Passenger boardings skyrocket to 4,348,318 and freight climbs to 6.14 million FTKs. Revenues total \$366 million and costs allow an operating profit of \$4.6 million and net gain of \$2.6 million.

The employee population is increased by 18% in 1990 to 5,524 as, in March, a contract is signed with Polaris for the ten-year lease of up to ten MD-88s, the first five of which soon enter service. Also in March, 50% shareholding is acquired in the telecommunications company, SERTEL. A contract is signed with IBM for an upgrade of the carrier's CRS while a technical support agreement is signed with **Deutsche Lufthansa, A.G.** By fall, a total of 140 flights are made each day. On December 1, the Vera Cruz-based regional **Aerolineas Litoral, S.A. de C.V.** is purchased and moved to Monterrey to feed the major from American destinations under the name **Aerolitoral (Servicios Aereos Litoral, S.A. de C.V.)**. On behalf of its new subsidiary, Aeromexico (2) orders nine Fairchild Metro IIIs.

Meanwhile, the year's customer bookings jump 26% to 5,478,604 and cargo climbs an almost unbelievable 368.8% to 28.91 million FTKs. Revenues ascend 46% to \$567.5 million, but expenses are higher. As a result, there is an operating loss of \$1.9 million and net gain slides to \$800,000.

The payroll grows 17.4% in 1991 to 6,484 and the leased fleet now includes 2 B-767-284ERs, 2 B-767-283ERs, 15 DC-9-32s, 10 each MD-82s and MD-88s, 2 DC-10-15s, and 4 DC-10-30s.

In February, a \$100-million order is placed with Fairchild for 27 Metro IIIs and Metro 23s to be delivered through 1993. Upon receipt, they will be turned over to **Aerolitoral (Servicios Aereos Litoral, S.A. de C.V.)**. In March, a \$1.2 billion order is placed for ten B-757s and eight B-767s, the first Boeing order received from the carrier.

The last of ten MD-88s is delivered in June. The government deregulates the Mexican airline industry in July, a move that allows the carrier to initiate services to Rome, Frankfurt, Tampico, and Veracruz.

In August, daily nonstop flights begin from Mexico City and Cancún to New Orleans. A frequency is stretched from New Orleans in October to Merida, in the Yucatan.

Impressive figures are reported in November: a dispatch rate of 97%, a 60% increase in sales, and departures of 220 flights each day, 60 out of Mexico City. Passenger boardings ascend 13.6% to a record 6,225,481 while freight skyrockets 99.9% to 57.79 million FTKs. Revenues climb 21.1% to \$690.6 million, but expenses are higher and the operating loss is \$500,000. There is a \$1-million net profit.

The employee population is increased a slight 0.2% in 1992 to 6,500 as the number of MD-82s grows to 12, plus the addition of two each MD-83s and MD-87s, one DC-9-32, two DC-9-31s, and one B-767-3Y0ER. On June 1, the carrier enters into a code-sharing agreement with Phoenix-based **America West Airlines**. The pact will permit frequent flyer partnerships between the two airlines and code-sharing on the route from Mexico City to Phoenix.

A cost-cutting program is announced in September; designed to save \$3 million, it aims to reduce fuel, leasing, labor, and maintenance costs. Simultaneously, plans are noted for an expansion of charter flights into the U.S. and Canada and a lease is signed with ILFC for the charter of six B-757s, beginning the next spring. The parent Aerovias de Mexico holding company establishes Universidad de Aerovias, a corporate university; the first of its kind in Latin America, it provides training for airline and travel agency personnel.

Customer bookings jump 15.3% to 7,177,021 while cargo rises an equal 15% to 66.47 million FTKs. Revenues jump 22.5% to \$1.02 billion; however, expenses force an \$18.5-million operating loss. A net loss of \$52.3 million, the first since the 1988 rebirth, is attributed to a capacity glut. Parent Aeronaves de Mexico also has a downturn, suffering an operating loss of \$22.7 million and a net loss of \$56.6 million.

In 1993, Chairman/CEO Gerardo de Prevoisin Legorereta's company continues an effort to rationalize its fleet and fares. The carrier joins with longtime competitor **Mexicana Airlines, S.A. de C.V.** on February 17 to announce an agreement on the strengthening of previous alliances, but no merger; the boards of the two pledge cooperation in the areas of maintenance, purchasing, training, and cargo. Ten days later, on February 26, a majority 54.7% stake is acquired in Mexicana. The shares are acquired from the Falcon Corporation for \$110 million in stock and cash.

A strategic marketing alliance is signed with **Air France** on March 28. Under its terms, the two companies agree to increase the number of nonstop flights between the capital cities of their nations and to join in joint marketing, cargo, and ground handling activities. The Mexican airline is allowed to relocate its operations from Paris' older airport (ORY) to its newest (CDG).

When the first two of six newly leased B-757-2Q8s are received in April, they are provided to the charter subsidiary **AeroMextour, S.A. de C.V.**; parent Aeromexico now changes that operating name to **Aeromonterrey, S.A. de C.V. (2)**. Charter flights will continue, as before, between North American cities and Mexico's resort communities.

Also in April, the company begins to expand deeper into South America by purchasing 47% near-majority shareholding in **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** for \$54 million. Its winning bid is shared with the Peruvian government, which retains a 20% stake; private Peruvian investors hold 23% and employees are allowed a 10% interest.

Aeromexico (2), Mexicana, and AeroPeru now form the "Alas de America" alliance, which calls for joint FFP, training, marketing, advertising, scheduling, and cargo. Joint ground-handling pacts are made and Aeromexico (2) begins code-sharing with AeroPeru over a route from Mexico City to São Paulo via Lima.

In May, the Mexican government approves the alliance under which a 55% interest is acquired in Mexicana. Markets now served include: Acapulco, Albuquerque, Agusalientes, Buenos Aires, Cancún, Chihuahua, Ciudad Juarez, Ciudad Obregon, Culiacan, Durango, Frankfurt, Guadalajara, Guaymas, Hermosillo, Houston, Istapa, La Paz, Larado, Leon-Guanajuato, Los Angeles, Los Mochis, Madrid, Manzanillo, Matamoros, Mazatland, McAllen, Merida, Mexico City, Miami, Monclova, Monterrey, Morelia, New Orleans, New York (JFK), Oaxaca, Paris (ORY), Puerto Vallarta, Queretaro, San Antonio, San Diego, San

Louis Potosi, Tampico, Tapachula, Tijuana, Torrem, Tucson, Urtapan, Vera Cruz, and Villahermosa.

A tentative agreement is signed with the pilots' union in June. On August 3, preliminary agreement is reached with **Delta Air Lines** for implementation of a strategic alliance; under its terms, the two majors will share flight information, CRS data, frequent flyer programs, training, maintenance, and passenger bookings, as well as coordinate vacation programs and schedules.

On September 10, Augusto Bojorquez, president of the Mexican Association of Travel Agents (Asociacion Mexicana de Agencias de Viajes), files a complaint with the Secretaria de Comunicaciones y Transporte charging that Aeromexico (2) and Mexicana are putting pressure on his members to give preference to those airlines when issuing tickets or selling promotional packages. There is great concern among members of the travel and hotel community, as well as other airline competitors, that the two large carriers will gain a monopoly over the Mexican domestic airline market.

Also in September, AeroMexico (2) begins to code-share with Mexicana on routes from Miami to Mexico City, Cancún, and Merida and from Mexico City to Huatulco and Acapulco.

A similar agreement will be signed with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)**. The official one-year labor contract is signed with the company's pilots in October, giving them a 7.5% salary increase. Initiated two years earlier, the company's new frequent flyer program, the first in Mexico, now has 410,000 members.

Passenger boardings for the year rise 6.3% to 7,628,925 while freight does three times better, accelerating by 18.5% to 78.77 million FTKs. Revenues total \$1.09 billion, but expenses are \$1.1 billion. As a result, the operating loss is \$10.52 million and the operating loss is \$38.62 million. Consolidated revenues for the parent holding company jump 71.5% to \$1.9 billion, but costs exceed this income to produce an operating loss of \$47.7 million. The net loss is \$80.3 million.

The workforce stands at 6,500 in 1994 as the company enters into a joint frequent flyer plan with AeroPeru in January. Two B-757-23As belonging to **Aeromonterrey, S.A. de C.V. (2)** are now leased to the Peruvian carrier.

Alleging that the company has violated a collective-bargaining contract, members of the pilots union Asociacion Sindical de Pilotos Aviadores vote in late February to stage a strike at the end of March.

At the beginning of the second quarter, Aeromexico enters into a code-sharing/frequent flyer program agreement with **Japan Air Lines Company, Ltd. (2)** for the Mexico City to Tokyo (NRT) route.

At the end of April, several small regionals join with **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)** in a merger of support services designed to make the carriers more competitive with Aeromexico and Mexicana. Under the arrangement, the carriers share reservation systems, maintenance facilities, ticketing, airport facilities, hangars, and work crews. An enhanced code-sharing and frequent flyer program partnership with **Delta Air Lines** is announced on June 24.

Financial losses remain heavy, with the carrier losing \$44 million in the second quarter alone, and the airline is late with its aircraft lease payments. Chairman Geraldo de Provisin Legorereta resigns on September 5 and is succeeded by Jose Luis Lamosas Portilla, an insurance executive and member of the board of directors. Later in the month, the AeroMextour charter subsidiary is closed down.

The significant alliance with **Delta Air Lines** begins in September. Under its terms, the Mexican line is able to enjoy code-sharing and block-space on flights from Mexico City to six U.S. destinations: from Dallas (DFW) to Ixtapa; from Los Angeles to four Mexican destinations; from Cancún to Dallas (DFW) and Atlanta; and code-sharing on Delta flights beyond Delta's Atlanta, Dallas (DFW), and Los Angeles hubs. In addition, intra-Mexican code-shares are offered through Mexico City to five points.

It is reported in October that, after emptying his office and purging his computer files, former CEO de Prevoisin has left Mexico and, at the same time, it is acknowledged that an additional \$50 million in company

liabilities have been uncovered and cannot be paid. As creditors and lenders make plans to take over the airline, Mexico issues an arrest warrant for the talented and once highly regarded local entrepreneur.

AeroMexExpress, S.A. de C.V. begins operating subsidiary all-cargo services in November. The enticing messages put forth in company advertising are largely disregarded in December as the nation, plagued by assassination, a rebellion in the state of Chiapas, and a shaky economy, devalues its peso.

Customer bookings increase 12% this year to 8,524,218, while cargo slides 1% to 77.99 million FTKs. Revenues total \$814 million, expenses are \$789 million, and the operating profit is \$4 million. Write-offs of investments in Mexicana and Aeroperu together with huge exchange losses from peso devaluation and alleged fraud by its former CEO leave the airline with a gigantic \$453-million net loss.

Airline employment in 1995 stands at 5,355, a 9.8% decline, while the fleet is reduced by 2 MD-82s and 3 DC-10s. The company and Mexicana are now run by a consortium of banks, while the nation slides into a severe six-month recession, having a horrendous impact upon traffic levels. It is revealed early in August that former Chairman de Provisin Legorereta, who has been formally accused in court of embezzling \$72 million, further contributed to his company's decline the previous year by making an \$8-million donation to the country's ruling political party.

On August 14, the government approves the financial revamping plans put forward for Aeromexico (2) and Mexicana, with the provision that the group of banks controlling the two companies be split up within three years. After a jury trial confirms that its ATC system was at fault for the 1986 Cerritos, California, disaster, the U.S. FAA is ordered on October 7 to pay \$3 million to the family of Aeromexico pilot Arturo Prom, killed in the crash.

A comprehensive code-sharing agreement is signed with **Air France** on November 28 that provides for more flights and easier connections between Mexico City and Paris than were possible under the 1993 accord. In addition, a terminal will be shared at Paris (CDG).

A major modernization is undertaken on the company's reservations and automations systems in December through a ten-year contract with EDS. The outside firm will not only manage and operate billing, inventory control, airport documentation, automatic ticket printing, various reports, and reservations, but will implement a new reservations system, to be called Aztec 2000.

During the year, marketing agreements are also signed with **Delta Air Lines**, **Japan Air Lines Company, Ltd. (2)**, **British Airways, Ltd. (2)**, and **America West Airlines**.

Enplanements fall 18.4% to 6,790,753, but cargo jumps 13.2% to 87.51 million FTKs. Operating revenues inch up 0.8% to \$814.04 million and costs drop by 3.7% to \$789.98 million. Operating gains climb to \$24.05 million and the giant net loss is cut to \$22.78 million.

The workforce is increased by 3% in 1996 to 5,518. On March 18, the "Alas de America" strategic agreement with Mexicana is expanded as the Mexican airline begins dual-designator flights from Lima to Buenos Aires and from Santiago to Bogota.

The fiscal picture soon begins to brighten as the possibility of effective restructuring approaches reality; recently appointed CEO Fernando Flores and the board of directors are able to negotiate new loans and other financial agreements.

The arrangements will be handled by a new financial corporation, CINTRA, S.A. de C.V., led by banker Ernesto Martens, who has been retained by several banks to put a new package together. Government approval for CINTRA's restructuring approach receives government approval on June 4.

On June 28, CINTRA, S.A. de C.V. offers to exchange Series A CINTRA shares for those of Aeromexico (2); as a result, CINTRA receives 99.95% of the carrier's outstanding share capital. In essence, the nation's banks trade \$1 billion for most of the carrier's equity. A new management concern Servicios Corporativos CINTRA is established to oversee changes. On October 22, Aeromexico (2) will cease to be a publicly traded company in Mexico.

Customer bookings this year inch up 1% to 6,855,947, but freight drops 2.1% to 85.65 million FTKs. Revenues total \$839.4 million and costs are kept at \$778.1 million. Consequently, there is an operating gain of \$61.3 million and a net profit of \$303 million.

In February 1997, the carrier begins code-sharing with **United Airlines** on flights between Mexico City and Miami.

The "World Partners" relationship with **Delta Air Lines** is expanded in mid-March with additional dual-designator flights from Guadalajara and Mexico City to Los Angeles. The American major now begins to code-share on Aeromexico flights five times per week from Cancún to Atlanta and four times per week from Cancún to Dallas (DFW).

The Delta pact is expanded further in April, with additional services from Leon to Los Angeles, Cancún to New York, and Puerto Vallarta to Los Angeles.

A marketing agreement is signed with **Swissair, A.G.** on August 6. Under the arrangement, the two majors will, beginning in ten days, share codes on a new daily Swissair roundtrip service from Zurich to Mexico City, via New York (JFK).

At the beginning of the winter schedule in October, Atlanta is visited on the westbound leg of the Swissair code-share.

Passenger boardings for the year accelerate 9.7% to 7,520,095, while freight rises 5.4% to 90.30 FTKs. Revenues this year total \$1.12 billion, while costs are at \$1 billion. The operating profit accelerates to \$114.7 million, while net gain falls to \$95.4 million.

The fleet at the beginning of 1998 includes 59 aircraft, of which 71.2% are Stage III certified; this number includes 17 DC-9-32s, 6 B-757-2Q8s, 4 B-767s, 1 DC-10-30, and 31 MD-80s. The workforce totals 6,101.

Two new nonstop weekly roundtrips are introduced in January from Mexico City to São Paulo.

The code-sharing agreement with **Air France** first signed in 1992 is renewed on February 10; the extension will take effect on April 1. Over the next two months, the number of weekly dual-designator services between Paris and Mexico City will be increased from 10 to 12 and later to 14, or twice daily.

Also in February, an agreement is concluded with ILFC for the 77-month charter of a B-767-3Q8ER, which will be delivered in November.

On March 10, plans are announced for an expanded five-year strategic marketing agreement with **Delta Air Lines**; the new pact will include code-sharing on additional flights between Mexico and the U.S.

Twice-weekly DC-9-32 return flights from Cancún to Dallas (DFW) begin on April 1.

Early in the second quarter, the carrier receives a leased B-767-3Y0ER that is christened *El Espiritu del 88* in honor of the company's tenth anniversary. It is placed into service on routes from Mexico City to Santiago de Chile.

Unhappy with their wages and working conditions, 1,033 members of the Asociacion Sindical de Sobrecargos de Aviacion de Mexico, or ASSA (Association of Flight Attendants), go on strike on May 31. The next day, acting under a "requisita" (government seizure of property) clause of the national constitution, Mexican President Ernesto Zedillo orders the government to take over control of the airline, requiring the flight attendants to return to work, and reopens negotiations. Many remain out and the company's 300 nonunionized flight attendants are unable to fill the breach, leaving planes to depart with fewer cabin-crew members.

Progress is made on salary-increase issues (the union wants 19% more; the airline has been offering 18%), but working conditions and benefits remain a major obstacle to a settlement.

Meanwhile, the new marketing phrase "Expect It" is utilized during the first week of the month as the capstone to a new advertising campaign designed to combat the Latin stereotype of *mañana*, by stressing the airline's on-time performance.

Daily nonstop MD-80 return service is started on July 1 between Guadalajara and Ciudad Juarez.

Under the March pact, dual-designator service begins with **Delta Air Lines** on September 1 aboard Aeromexico's thrice-daily MD-82 roundtrips between Monterrey and Atlanta.

Although the ASSA strike is settled, the AFA files a formal petition with the U.S. National Administrative Office, under terms of the North American Agreement on Labor Cooperation, accusing the Mexican government of deliberately, and in violation of law, intervening in a strike by the unionized Aeromexico flight attendants. The complaint is accepted in mid-month and filed as NAO Submission 9801.

The carrier's tenth anniversary is officially celebrated on October 2.

The carrier's existing code-share service with **Delta Air Lines**, connecting Atlanta and Cancún, is increased on October 25 from four-times-a-week to daily, nonstop flights on Aeromexico's B-757-2Q8s. Twice-daily dual-designator service with **Delta Air Lines** between Dallas (DFW) and Cancún is introduced on November 17.

The leased B-767-3Q8ER arrives in December.

Enplanements for the year are up 3.8% to 7,816,000, while FTKs rise an equal percentage, to 93.81 million. Sales of P 22.21 billion (\$2.38 billion) are generated by the CINTRA parent holding company.

Expenses are such as to allow profits of \$140.14 million (operating) and \$43.98 million (net).

Airline employment stands at 6,467 at the beginning of 1999, an increase of 17.2%. The fleet includes 63 aircraft, 5 more than in the previous year.

All flights between Mexico and the U.S. become nonsmoking on January 15.

The Peruvian business daily *El Comercio* reports on January 20 that both **Delta Air Lines** and Aeromexico (2) have decided against investing in a restructuring of AeroPeru. The plan will require a capital injection of \$10 million within the next ten days to keep the Peruvian line's operations going without interruption. The two North American majors end the consortium they had established to operate AeroPeru and begin an effort to unload their shares.

In a major development announced on February 12, **American Airlines** signs a letter of intention with AeroPeru that will allow it to acquire a major stake in the airline. The U.S. major begins due diligence to establish AeroPeru's financial situation preparatory to determining actual shareholding. AeroPeru's current shareholders, CINTRA of Mexico (35%) and **Delta Air Lines** (35%) will, if the arrangement proceeds, divest themselves of their shares.

On February 16, Mexico's Federal Competition Commission (CFC) begins an investigation of the airline holding company CINTRA after a pilots' union accuses its president, Ernesto Martens, of favoring growth in one of the company's airlines to the detriment of the others via the transfer of shares, routes, and aircraft. The flyers describe the practice as a "predatory action." The claim is followed by an unflattering CFC report describing CINTRA's first three years.

Two days later, on February 18, trading of the shares in CINTRA is suspended on the Mexican Stock Exchange. The action comes in the wake of a CINTRA request that the government investigate an unauthorized release of its 1998 earnings figures to the media.

The Mexican government announces on February 24 that it is postponing any decision on whether or not to break-up CINTRA. The case must be studied further by the CFC.

The Ministry of Transport and Communications (SCT) weighs into the CINTRA controversy on March 8. Deputy Transport Minister Aaron Dychter informs Reuters, Ltd. that SCT wishes CINTRA to be maintained as a "whole company," though "not necessarily a monopoly," in order that it might compete with larger foreign air carriers. Dychter also points out that SCT has received few complaints about CINTRA's alleged monopolistic practices from its smaller domestic competitors.

Having completed its review of AeroPeru's finances, **American Airlines** informs the airline on March 8 that it will not, after all, take an equity stake or provide fresh capital. The news is catastrophic as the airline, caught by increased regional competition amidst a regional financial crisis, is left without sufficient cash to continue paying for fuel and other services.

Although a handover to Indecopi, a government agency that handles bankruptcies, does not occur as suggested, AeroPeru, on March 10, does

cease international operations, but indicates it will continue domestic flights until March 14. While on a tour in the north of the country, Peru's president, Alberto Fujimori, indicates that his government may help re-float the flagship airline and inject capital into it, but only if AeroPeru can reach a deal to reschedule its debts.

As the crisis unfolds, neither CINTRA nor **Delta Air Lines**, which continue as shareholders, offer comment. An ultimately unsuccessful effort will also be made by AeroPeru to recruit **Continental Airlines** as an equity partner. Meanwhile, on March 11, the president of AeroPeru informs Dow Jones that, during the 60 days it is down, international air tickets already purchased will be honored by **Delta Air Lines**.

When AeroPeru halts its domestic services on March 14, **Aero Continente, S.A.** takes over the flag carrier's more important domestic routes, including that to Peru's top tourist destination of Cuzco.

It is reported in the March 15 edition of the Mexican publication *El Financiero* that Peruvian authorities have begun an investigation into a possible case of criminal corruption against two former ministers and other functionaries of the Fujimoro government. According to Mexican sources, these people have misused the funds generated by the privatization of AeroPeru in such a fashion as to have cost Aeromexico \$72 million.

With the beginning of the summer schedule on March 28, an MD-87 is employed to replace the MD-82 previously employed on the dual-designator service with **Delta Air Lines** between Monterrey and Atlanta.

It is reported by *InfoLatina, S.A. de C.V.* on March 30 that CINTRA has announced its intention to condone part of the AeroPeru debt.

The MD-83 employed on a daily return service between Mexico City and Los Angeles is replaced with a B-757-2Q8, while MD-82s replace DC-9-32s on the company's thrice-daily roundtrips between Guadalajara and Monterrey. A second daily MD-82 roundtrip is added between Mexico City and Tijuana while a 13th MD-80 return service is launched from Mexico City to Monterrey.

On April 1, Aeromexico becomes the first Latin American airline to introduce international electronic ticketing. The service becomes available to passengers traveling from Mexico City to Atlanta, Dallas (DFW), Houston, Los Angeles, Miami, New Orleans, New York (JFK), Orlando, Phoenix, and San Diego.

Arriving at Mexico City from Paris on April 13, the B-767-3Q8ER, piloted by Capt. German Lanoy and with 121 passengers completes the carrier's one-millionth flight.

CINTRA, the holding company for Aeromexico and Mexicana, announces on April 26 that it will be investing approximately \$76 million in hush kits for its Boeing 727 fleet, in order that its units may continue flying into the U.S.

Also, the parent begins to negotiate with four U.S. banks for a \$140-million bridge loan to cover a \$134-million June loan payment to Mexico's export development bank, Bancomext, and the financial group Grupo Financiero Inbursa.

CINTA and the union representing flight attendants at both Aeromexico (2) and Mexicana reach agreement on May 19. The 1,500 workers will receive a 17.5% salary increase and a 4.5% benefits package boost, retroactive to May 1.

Guillermo Turincio, CINTRA CFO, informs Reuters, Ltd. on May 20 that, despite a negative report from the Federal Competition Commission, the holding company will receive government approval for its existence during a special meeting of the government economic cabinet in June.

The ruling does not come without a fight. On June 21, Federal Competition Commission head Fernando Sanchez Ugarte strongly criticizes CINTRA and again urges the government, on antitrust grounds, to separate Aeromexico (2) and **Mexicana Airlines, S.A. de C.V.**

Also during the sixth month, the company revises its aircraft livery, this time showing more bare metal fuselage skin and a lower cheatline. The first jetliner to receive the new color scheme is a B-757-23A.

Charged with embezzling millions of dollars from the airline, former chairman Gerardo de Prevosin is extradited back to Mexico from

Switzerland in September to stand trial. As the year ends, delivery is taken on a B-757-2J9 previously owned by **Far Eastern Air Transport Corporation**.

Customer bookings accelerate 11% to 8,672,000, but freight dips 3% to 90.9 million FTKs.

The 6,431 members of the workforce reporting on January 1, 2000 represent a slight 0.4% staff increase made during the previous 12 months. Weekend MD-87 roundtrips between Cozumel and Atlanta, code-shared with **Delta Air Lines**, are inaugurated on January 8.

On March 9, Delta also begins to code-share on the carrier's twice-weekly B-757-2J9 return service from Mexico City to Chicago (ORD). The carrier and **Air France** begin code-sharing on March 25 between Cancun and Miami and between Monterrey and Atlanta.

On April 20, daily MD-88 roundtrips are launched from Guaymas and La Paz, Mexico, to Los Angeles. On April 23, **Delta Air Lines** begins to code-share on Aeromexico's new twice-weekly MD-88 service from Los Angeles to La Paz, via Guaymas. Seasonal (through June 20) MD-87 charters begin on April 27 from Mexico City to Orlando.

Negotiations between the company and its flight attendants union continue throughout the spring. Having reached an impasse, the cabin workers declare a strike on June 1. The Mexican government, in turn, seizes the paralyzed carrier. Talks begin again as the attendants return to their jobs and a special government-appointed administrator oversees the contract talks.

Las Vegas becomes the company's 11th scheduled destination later in the day when MD-87 roundtrips commence from Hermosillo.

In mid-month, both sides in the flight attendant dispute reach an accord which nets the union members a 12% wage increase plus other increased benefits. On June 15, four-times-a-day roundtrips are inaugurated between Merida and Atlanta.

A year after **Air France** and **Delta Air Lines** announce plans to create a global alliance, the new group, which also includes Aeromexico and **Korean Airlines**, is officially named *SkyTeam* in July. Together, the partners offer 6,402 daily flights to 451 cities in 98 nations.

Delta Air Lines starts or renews its code-share on August 1, placing its DL designator on AM flights from Mexico City to Ciudad Obregon, Durango, Los Mochis, Torreon, and Acapulco.

On August 15, the carrier's AM designator is placed on **Air France** flights from Paris to Lyon, Nice, and Toulouse. The company also code-shares with **Comair** and **Atlantic Southeast Airlines** on their new September 1 services from DFW and Atlanta to Mexico City, Puebla, and Monterrey. Code-sharing with **Delta Air Lines**, Aeromexico also begins two new MD-87 roundtrips to Atlanta from Mexico City and one new return service from Puebla to DFW.

MD-82 roundtrips, also shared with the Atlanta-based U.S. major, are initiated from Merida to Atlanta on October 2, four times a day.

On October 3, the Federal antitrust agency rules that Aeromexico and **Mexicana Airlines, S.A. de C.V.** must be fully separated prior to their planned sale, a move which will break up their holding company, CINTRA, which itself can then be sold. Next day, Gustavo Castillo, head of the corporate asset division of Mexico's deposit insurance agency IPAB which owns 51% of CINTRA, indicates that both airlines will be put on the market early in 2001.

Just arrived from Mexico City, Flight 250, a DC-9-31 with five crew and 83 passengers, skids off the end of the runway while landing at Reynosa on October 6 in rain caused by Tropical Storm Keith. The plane crashes through several houses before it ends up in a canal with the fuselage split into several pieces; no one aboard is killed, though five are hospitalized. Six people walking along the canal are, however, hit and killed.

Weekend-only MD-82 roundtrips are launched on October 8 from Acapulco to Atlanta, via Monterrey.

The company's unionized employees, and those from **Mexicana Airlines, S.A. de C.V.** (23,000 strong), reject on October 9 the proposal that CINTRA be broken up and sold, thereby privatizing both airlines. To prevent a crippling strike, the airline, on October 13, grants its ground workers a 12% pay increase.

AEROMEXTOUR, S.A. de C.V. See **AEROMONTERREY, S.A. de C.V. (2)**

AEROMINAS, S.A. See **AEROVIAS LAS MINAS, S.A.**

AEROMONTERREY, S.A. de C.V. (1): Mexico (1991–1994). This new entrant is created at Garza Garcia, Nuevo Leon in the spring of 1991 to offer regional services as a member of the **Mexicana Airlines, S.A. de C.V.** commuter network *Mexicana Inter*. Managing Director Jaime Valenzuel's fleet comprises 4 Fokker F.27 Friendships and these provide feed, beginning on July 1, to the major at Monterrey. Competition with the **Aeromexico (2)** (**Aerovias de Mexico, S.A. de C.V.**) affiliate **Aerolitoral (Servicios Aereos Litoral, S.A. de C.V.)** continues in 1992.

Airline employment in 1993 stands at 150. Approval is received during the spring of 1994 for the lease of two B-757-23As with which to operate charters to the U.S. The aircraft were originally intended for the **Aeromexico (2)** (**Aerovias de Mexico, S.A. de C.V.**) subsidiary **AeroMextour, S.A. de C.V.** When **Aeromexico (2)** (**Aerovias de Mexico, S.A. de C.V.**) takes control of **Mexicana Airlines, S.A. de C.V.** at the end of the year, Aeromonterrey, S.A. de C.V. (1) is closed down and its assets are transferred to **Aerovias Caribe, S.A. de C.V.**

AEROMONTERREY, S.A. de C.V. (2). See **AEROMEXICO (2)** (**AEROVIAS DE MEXICO, S.A. de C.V.**)

AEROMORELOS, S.A. de C.V.: Dr. Gustavo Gomez Azacarante 200-6; Col Lomas de la Selva, Cuernavaca, Morelos, 62270, Mexico; Phone 52 (73) 172310; Fax 52 (73) 172320; Code MRL; Year Founded 1995. Carlos Ruiz Venegas sets up Aeromorelos at Morelos in 1995 to offer regularly scheduled domestic passenger services. Revenue flights begin and continue with a single Fokker F.27 Friendship.

AEROMOST: Russia (1994–1996). Aeromost is established at Moscow in 1994 to offer ad hoc all-cargo charter services to Europe and the CIS. P. O. Stepin is appointed general manager and he inaugurates flights with a single Ilyushin Il-76. Operations cease in 1996.

AERON INTERNATIONAL AIRWAYS: United States (1983–1989). AI is established at Newburgh, New York, in late 1983 to offer all-cargo charter and contract service flights throughout North America. Employing two Canadair CL-44Ds, the 45-employee carrier inaugurates scheduled services in early 1984. By late December, Aeron has operated a total of 10.14 million FTKs. After receipt of a third Canadair CL-44D, this figure jumps 44.4% in 1985 to 18.25 million FTKs.

Airline employment rises 50% in 1986 to 60 as company headquarters are moved from the old Fairchild Aircraft manufacturing plant to Hagerstown in Maryland. Now able to perform its own maintenance, the freighter adds a fourth swing-tail CL-44D and enjoys a 21.1% traffic increase to 26.82 million FTKs.

Cargo declines a slight 0.2% in 1987 to 26.06 million FTKs.

The Old Line carrier has a terrible 1988. Traffic plunges by 82.5% to 4.57 million FTKs and revenues are but \$2.25 million. An operating loss of \$1.2 million is suffered along with a net downturn of \$1.08 million. Unable to sustain these losses, the carrier shuts down in early 1989.

AERONAUT, A.S.: Estonia (1921–1928). With assistance from Denmark and Sweden, the German carrier **Lloyd Luftverkehr Sablatnig, GmbH.**, together with **Dansk Luftexpress, S.A.**, forms the carrier **Latvijas Gaisa Satikmes, A.S.** on July 21, 1921 to provide transport across the Gulf of Finland. The first service is undertaken with a fleet of 5 Sablatnig P-IIIs during the summer of 1922.

When **Deutscher Aero Lloyd, A.G.** is formed in February 1923, control of the carrier is purchased by **Junkers Luftverkehr, A.G.** The new owner equips the carrier with three F-13s, christened *Schwan*, *Biene*, and *Steinschatzter*. Subsidized services to Ternaui and Dorpat are now offered.

As competition stiffens with **Deutscher Aero Lloyd, A.G.**, Junkers Luftverkehr reaches out to locate members for a countering confederation. On October 22, **1923**, the Ost-Europa Union is formed; simultaneously, Junkers assumes an interest in **Aeronaut, A.S.**, bringing it into the group. Company official Bruno Otto Lucander becomes CEO.

This arrangement allows passengers to fly a member of the Junkers line from Berlin to Reval. When **Deutsche Luft Hansa, A.G. (DLH)** is formed on January 6, **1926**, the former Ost-Europa Union member continues independently; it finally ceases operations in **1928**.

AERONAUTICAL SERVICES: United States (1973–1992). Daniel Weber establishes AS in **1973** to offer charter passenger and freight services, initially with a single Cessna 206. The company's principal business soon becomes the servicing of a countywide contract with United Parcel Service (UPS). Operations grow as flights are provided between Friday Harbor and destinations on Stuart Island, San Juan Island, Decatur Island, Blakely Island, Shaw Island, and Lopez Island, as well as Bayview Airport, near Burlington, Washington.

The fleet is increased over the next decade to also include 1 Cessna 207 and 3 de Havilland Canada DHC-3 Otters. In **1986**, UPS invites Weber to fulfill a contract between Long Beach, California, and Catalina Island. A branch is quickly established in southern California and **Catalina Flying Boats** is purchased as the operational subsidiary; Beech 18s undertake the service.

Operations continue apace until October 2, **1992**. On this date, President Weber, flying a Beech Bonanza with three passengers suffers engine failure and crashes shortly after takeoff from Bayview Airport; there are no survivors. The company is liquidated shortly thereafter.

AERONAVALE, S.A.: France (1921–1926). In early **1921**, this operator is born to provide flights between southern France and French North Africa, via Corsica. Donnet Denhaut amphibious aircraft are obtained, but the route, beginning at Antibes, cannot be stretched beyond Ajaccio.

Air Union takes over the airline in **1926**.

AERONAVES ALIMENTADORAS. See AEROMEXICO (1) (AERONAVES DE MEXICO, S.A. de C.V.)

AERONAVES DE MEXICO, S.A. de C.V.: Mexico (1934–1971). Ramon and Manuel Gonzalez, employing a mixed fleet that includes 1 Verville 104C, 1 Fokker Model 8 Super Universal, 1 Ryan B-1 Brougham, and 3 Bellanca CH-200 Pacemakers, begin operating an experimental Mexico City–Acapulco route and receive a government permit for their company on May 15, **1934**.

During the summer, industrialist Antonio Diaz Lombardo purchases majority control. A Stinson SR Reliant is purchased and (flown by Lloyd P. Clavenger) is employed to inaugurate scheduled Mexico City–Acapulco service on September 14. The carrier is officially incorporated on November 7, being capitalized at 120,000 pesos.

Flights continue without change or incident in **1935–1936**. When the Mexican government seizes four Boeing 247Ds en route to Spanish republican forces in March **1937**, the Seattle-built aircraft are immediately put up for sale to help satisfy the loyalists' war debts. The airliners are acquired by Capt. Juan Jose Sixto del Rio, who in turn sells them to CMA.

The fleet is expanded in 1938 by only one aircraft, a Beech 17R Staggerwing; passenger traffic increases, but only the original route is flown. Through the Combustibles concern, Lombardo, on September 12, **1940** (effective on September 18), sells 40% interest in the carrier to **Pan American Airways (PAA)**, which raises capitalization to 500,000 pesos and has Carlos Ramos named general manager.

Transportes Aereos del Pacifico, S.A. de C.V. (founded in 1935), with its coastal routes and fleet (including one Sikorsky S-38), is purchased in **1941** and merged. On September 30, two Pan Am-supplied Boeing 247Ds begin daily service on the Mexico City–Acapulco route.

Three WACO cabin biplanes join the fleet in **1942** and following the death of Enrique Zarate, **Servicios Aereos Zarate, S.A. de C.V.**

(founded in 1935), its routes and equipment, are acquired and renamed **Aeronaves de Michoacan, S.A. de C.V.**

Taxi Aereo de Oaxaca, S.A. de C.V. (founded in 1938) is taken over in **1943**; an experimental route is opened from Mexico City to Nautla. The fleet is enlarged in **1944** through the addition of 8 Avro Anson IVs/Vs, several of which are transferred to the Aeronaves de Michoacan subsidiary. Later in the year, a Vera Cruz–Puerto Mexico route is acquired along with its operator, **Lineas Aereas Jesus Sarabia, S.A. de C.V.** (founded in 1933).

A Boeing 247D is transferred to the **Aeronaves de Michoacan, S.A. de C.V.** subsidiary in **1945**. Although the Mexico City–Vera Cruz service is maintained, the permits for the feeder routes of the former **Lineas Aereas Jesus Sarabia, S.A. de C.V.** are allowed to lapse. A Douglas C-39 (military DC-2) converted to civil standard joins the main fleet in the spring of **1946**. On June 26, capitalization is raised to 2.25-million pesos. The first of eight ordered DC-3s are delivered in September and is placed in service on the Mexico City–Acapulco route.

The Mexico City–Vera Cruz feeder service is dropped early in **1947** as a northern route is extended to Nogales, via Tepic and the Pacific coast. The last of eight new DC-3s enters service in **1948** while the first of three ordered DC-4s joins the fleet in November **1949**. Guadalajara is added to the coastal network in **1950**, although direct service from Mexico City is prohibited.

Mexican President Miguel Aleman seeks to undermine the **Pan American World Airways (1)** influence in **1951**, works to increase government holding in AM at the expense of the American carrier, and seeks to create a government-owned national airline capable of offering both domestic and international service.

A purchasing group headed by President Aleman buys **Lineas Aereas Mexicanas, S.A. de C.V.** (founded in 1934) from its American owner, **United Air Lines**, on July 22, **1952** for \$1.23 million. Mexican interests acquire 60% controlling interest in AM and the routes of the two carriers and their schedules are now integrated. The fleet includes a variety of aircraft, including B-247Ds, DC-3s, and DC-4s. Also controlled are the routes in the north central part of the country. Aleman's term as Mexican president ends.

The AM/LAMSA merger is completed on July 17, **1953** when the group, headed by ex-president Aleman, acquires another 19% interest in the former, thereby reducing **Pan American World Airway's** shareholding to a distinctly minor 21%. Carlos Ramos is named general manager of the amalgamated carrier. Another airline, **Aerovias Reforma, S.A. de C.V.** (founded in 1945), is purchased and merged on October 16.

The AR merger is completed early in **1954**; the fleet of 12 DC-3s and routes in northwest Mexico are added to Aeronave's growing network. A DC-3 with 3 crew and 15 passengers crashes into Friars Peak, in the Salinas Mountains on March 26, after being waved off from a Monterey landing because of a dust storm; there are no survivors.

The succeeding government dismisses Aleman's plan for a state-owned airline and emphasis is now placed on improving the larger airline's domestic service. To this end, four pressurized Convair CV-340s are purchased; christened *Ciudad de Mexico*, *Ciudad de Puerto de Acapulco*, *Ciudad de Guadalajara*, and *Ciudad de Tijuana*, they are placed in service over the main routes as DC-3 replacements and DC-4 supplements.

Route consolidation ensues in **1955**, along with increased cooperation with the larger carrier, **Mexicana Airlines, S.A. de C.V.** At government instigation, majority control is taken in the smaller **Aerolineas Mexicanas, S.A. de C.V.** (founded in 1955) on May 12, **1956** for its low-fare route potential; in December, the wholly owned subsidiary opens a Mexico City–Piedras Negras route with DC-3s.

To compete with new **Mexicana Airlines, S.A. de C.V.** DC-7Cs, the carrier leases two Lockheed L-049s in the spring of **1957** for its Tijuana route. On May 31, orders are placed for two British-made Bristol Britannia 302s. Under a new Mexico-U.S. bilateral air agreement, AM, on June 15, receives routes to New York and Washington, D.C. and five days later obtains CAB certification for service to the two American destinations.

In September, the carrier receives its first British turboprop, which is christened *Tenochtitlan* (it is also known later as either *Acapulco* or *Montezuma*). L-049 service is inaugurated to New York on December 16 with the Britannia 302 being placed on the route two days later. The second Britannia 302 is received at month's end and is named *Tzinzuntzan*.

L-049/Britannia 302 service to Washington, D.C. starts in January 1958. Negotiations (eventually unfruitful) are begun in March for the purchase of **Aerovias Guest, S.A. de C.V.** (founded in 1946). The **Aerolineas Mexicanas, S.A. de C.V.** subsidiary inaugurates low-fare DC-4 "Fiesta Flights" from Mexico City to Matamoros via San Luis Potosi on April 28. The subsidiary, its routes and fleet of six DC-3s, will be fully purchased (for two-million pesos) in September, but will also be allowed to retain its separate identity.

The main fleet is now enlarged by four L-749s, formerly flown by **Air India, Ltd.** One of these with 7 crew and 38 passengers is lost 16 kilometers east of Guadalajara on June 2; there are no survivors.

The second Britannia 302 is leased to **Mexicana Airlines, S.A. de C.V.**, allowing the competitor to start a Mexico City to Los Angeles route on November 21. Five days later, **Pan American World Airways (1)** shareholding is reduced again, down to 11%. The L-049s are both retired at year's end.

A strike paralyzes the carrier in January 1959, forcing cancellation of merger talks with **Aerovias Guest, S.A. de C.V.** The government moves to save the airline, purchasing all capital stock (via National Financiers, S.A.) in April and taking official ownership on July 28. Ing. Jorge Perez y Bouras is named director general of the nationalized company and capitalization is increased by 100-million pesos.

As DC-4, CV-340, and L-749 replacements, 12 DC-6s are now purchased from **Aerovias Guest, S.A. de C.V.** minority owner **SAS (Scandinavian Airlines System)**; an order is placed for a DC-8-21 in July.

Following a three-week transitional training course for Mexican pilots at Bromma Airport, Stockholm, the first six DC-6s arrive at Mexico City in December. At the same time, the carrier's old logo is replaced with a new Aztec Eagle Warrior, the image of which begins to appear on both sides of the forward fuselage and the tails of all aircraft.

The first DC-6 is commissioned in a ceremony at Acapulco on January 16, 1960, presided over by Mexican transport secretary Walter C. Buchanan. Three more DC-6s arrive in March and, in July, the type initiates flights from Mexico City to Tucson, via Guadalajara, Culiacan, Ciudad Obregon, and Hermosillo.

The Douglas jetliner, originally scheduled for acquisition by **Eastern Air Lines**, is delivered on November 15 and is christened *20 de Noviembre*. During the year, the DC-6s enter service and replacement is begun for the DC-4s, CV-340s, and L-749s.

DC-8-21 services from Mexico City to New York begin on January 18, 1961. While taking off from Idlewild in a snowstorm for the return flight the next day, Flight 401, the Douglas jetliner with 9 crew and 97 passengers, aborts and careens off its runway. It explodes in a swamp (5 dead) and before coming to rest the plane hits a car on a nearby road, severely injuring a woman driver.

In February, the carrier joins in an equipment consortium with **Aerovias Guest, S.A. de C.V.** and **Mexicana Airlines, S.A. de C.V.** and, in March, three additional DC-6s join the fleet. In May, **SAS (Scandinavian Airlines System)** pulls out of **Aerovias Guest, S.A. de C.V.** and that airline's route system is now absorbed by AM. Routes are also opened to Tucson, via Hermosillo, on June 30 and San Antonio, via Mazatlan, Monterrey, and Torreón. Seven DC-8-51s are ordered in the fall.

The route network of the bankrupt **Lineas Aereas del Pacifico, S.A. de C.V.** is acquired in February 1962. In April, service is begun to Montreal with a leased **Sabena (Belgian World Airlines, S.A.)** Boeing 707-329B. Routes are opened to Los Angeles from La Paz in June and Tijuana in September.

Meanwhile, in August, Nacional Financiers S.A. purchases 87.8% of the stock of **Aerovias Guest, S.A. de C.V.**, merging the acquisition and taking over its routes. The seven DC-8-51s are received during the year

and six are named: *Chapultepec*, *Tenochtitlan*, *Chapultepec*, *Puebla*, *Jalisco*, and *Guanajuato*.

In late winter 1963, DC-8-51 service is launched to Panama, Bogota, Miami, and Caracas over the old **Aerovias Guest, S.A. de C.V.** routes, followed by Paris and Madrid in April. DC-6 flights commence in July from Mexico City to Los Angeles, via Acapulco and La Paz.

A route dispute with **Mexicana Airlines, S.A. de C.V.** is settled by the government on August 14; the carrier owned by the state has its Tijuana service continued, but is forced out of San Antonio.

On April 23, 1964, orders are placed for two U.S. SSTs, which will never be built. Bogota and Guatemala service is withdrawn in the spring, but Miami is added in June as a stop on the European routes. The American CAB, which had granted that right, also awards Fifth Freedom rights to pick up European-bound passengers at that Florida city.

On July 27, Canada recognizes the transfer of the old **Aerovias Guest, S.A. de C.V.** route to Windsor and allows Toronto to join the carrier's network. Nonstop Mexico City to Tijuana DC-6 flights start on August 14, followed in September by nonstop DC-6 service from Mexico City to Ciudad Juarez. Another U.S. grant, for Detroit, is given in late fall and DC-8-51 service to the "Motor City" begins on December 17.

The employee population in 1965 stands at 2,929. The fleet now comprises 2 DC-3s in C-47 configuration, 10 DC-3s, 11 DC-6s, 3 DC-8-51s, and 2 Britannia 302s. One of the Bristol Britannia 302s with 9 crew and 73 passengers is destroyed at Tijuana on July 9 as the result of a bad landing; there are no fatalities.

On November 6, 3,000 workers strike the company; the government names an official to intervene and maintain operations. On November 20, orders are placed for DC-9-10s. Enplanements for the year total 847,164.

On April 1, 1966, the Madrid route is extended to Rome and, on May 6, the Tucson route is stretched to Phoenix. During the year, two DC-8-51s are lost in one each fatal and nonfatal crashes. The first goes down 15 mi. from Acapulco on August 13 during a training flight, killing its six-man crew.

All 10 crew and 99 passengers are safe as the second makes a forced landing into Lake Texcoco, near Mexico City, toward the end of a December 14 flight from New York. Also in December and as the result of a route exchange with newly formed **Aeromaya, S.A. de C.V.**, a frequency is opened to Merida.

During December, four DC-6s are withdrawn and passed to **SAESA (Servicios Aereos Especiales, S.A. de C.V.)**.

Three propeller airliners are lost in nonfatal crashes in 1967. In April, a pooling arrangement is entered into with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**; the deal will lead to the consolidation of the daily Mexico City-Madrid service. The first DC-9-10s are delivered at Tijuana on May 29.

Having lost an engine on takeoff from La Paz on June 12, a DC-3 with four crew attempts to return to the airport, but crashes instead into a residential area; three aboard the aircraft are killed along with two people on the ground.

The DC-6 *Chimalpopoca* operates the carrier's last piston-engine service on March 4, 1968.

On October 28, "Aeronaves Alimentadoras" or "Feeder Airlines" is created to bring stability to the nation's third level routes; one-third interest is taken by AM, Nacional Aerea, and private sources. Employing a fleet of 8 Piper PA-31-310 Navajos and 2 de Havilland Canada DHC-6-100s, the new operation begins service on November 19.

In a pool arrangement with the Venezuelan carrier **VIASA (Venezolana Internacional de Aviacion, S.A.)**, service is resumed to Panama and Caracas on March 31, 1969; the Madrid route is extended from Miami to Paris on April 2. The routes of **Aeromaya, S.A. de C.V.** west of Mexico City are acquired by the newly created AM associate Aeronaves Alimentadoras in April, becoming the **Aeronaves del Sur** division; the same month, a route is opened Tijuana-Merida, via Ciudad Juarez and Monterrey.

Following the total collapse of **Aeromaya, S.A. de C.V.** on May 10, the remainder of its network is acquired by the associate **SAESA (Servicios**

Aereos Especiales, S.A. de C.V.) on May 22. Meanwhile, a number of small third-level carriers and their routes are absorbed by "Aeronaves Alimentadoras," including not only Aeronaves del Sur, but **Aerolineas del Pacifico** (which becomes Aeronaves del Oeste); **Aerovias Rojas (Aeronaves del Centro)**; and through a transfer of certain of the national's routes, Aeronaves del Este. Following the acquisition of **Aerolineas Vegas, S.A. de C.V.** (founded in 1952), direct Los Angeles to Cozumel via Acapulco/Oaxaca/Merida flights begin on August 5.

In January 1970, the feeder **Aeronaves del Oeste** is split, creating Aeronaves del Norte; a month later, the independent Aeronaves del Mayab, S.A. de C.V. is added to the "Aeronaves Alimentadoras" compact. The Merida-Tijuana route is extended to Los Angeles in April and **SAESA (Servicios Aereos Especiales, S.A. de C.V.)** is merged.

En route from Acapulco on July 25, a DC-9-10 with 27 passengers is hijacked by four men, armed with pistols and bombs, and forced to fly to Cuba. Philadelphia becomes an occasional stop on the New York route in late fall.

When the carrier is unable to sell the four DC-6s that had been returned with SAESA, they are turned over, during the fall, to the Fuerza Aerea Mexicana (Mexican Air Force) for use as military transports.

In February-March 1971, three DC-8-63s are leased from **Trans-International Airlines**. The Mexico City to New York frequency becomes daily on August 1. Severe financial losses incurred by the "Aeronaves Alimentadoras" system lead to the resignation of director general Jorge Perez y Bouras on September 7; he is succeeded by Ing. Raymun do Cano, who sets out to establish a new corporate image.

"Aeronaves Alimentadoras" is now disbanded and enplanements for the year total 1,481,838. On January 1, 1972, the carrier adopts the new marketing name **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)** and introduces new red and black aircraft livery.

AERONAVES DE MICHOCAN, S.A. de C.V.: Mexico (1948-1951). In association with Antonio Diaz Lombardo, Carlos Cortez is allowed in 1948 to take over those routes of the former **Servicios Aereos Zarate, S.A. de C.V.** not desired by its new owner **Aeronaves de Mexico, S.A.** Employing Avro Ansons, Cortez's operation, registered as **Aerovias Michoacan-Guerrero, S.A. de C.V.**, flies to various destinations in the two states identified in its title. Late in the year, the company acquires Zarate's three Boeing 247Ds and is renamed **Aeronaves de Michoacan, S.A. de C.V.**, a title employed by **Servicios Aereos Zarate, S.A. de C.V.** in its last days.

Just after purchasing a DC-3 from **Aeronaves de Mexico, S.A. de C.V.** in October 1949, Cortez is killed in an automobile crash. When his brother and widow find themselves unable to successfully run the company, they sell it to **Lineas Aereas Picho, S.A. de C.V.** in 1951.

AERONAVES DE PUERTO RICO: United States (1982-1983). APR is established at San Juan in the fall of 1982 to offer scheduled services linking its base and Aguadilla with New York. A Boeing 707 is acquired and revenue flights commence in December. Operations are suddenly suspended in February 1983 as the company, unable to generate traffic during a recession, cannot meet its obligations.

AERONAVES DEL CENTRO, S.A.: Avenida Francisco de Miranda, Edificio Tecoteca, PH-Terraza, Los Palos Grandes, Caracas 1062, Venezuela; Code AG; Year Founded 1980. This third-level carrier is formed at Valencia in early 1980 to offer commuter frequencies in the northern part of the nation. A fleet of three Shorts 330s is assembled and daily or near-daily scheduled services begin during the summer. These link Valencia with Maracaibo, Barquisimeto, Maracay, Barcelona, Puerto Ordaz, Valledel la Pascua, Caracas, and the vacation island of Margarite.

One Shorts 330 is withdrawn in 1985 and is replaced by a Fokker F.28 jetliner in 1987. The carrier encounters significant financial difficulties at the end of the decade and, by 1993-1994, only one Shorts 330 remains in service. That situation remains unchanged during the remainder of the decade.

AERONAVES DEL PERU, S.A.: Jr Jose Calvez 711, Lima 18, 1429, Peru; Phone 51 (14) 476 488; Fax 51 (14) 479 558; Code XX; Year Founded 1965. When APSA (**Compania de Aviacion Aeronaves de Peru, S.A.**) is organized at Lima in November 1965, it is not immediately licensed for scheduled operations. Following a four-year wait, during which time it elects, while flying charter services with three Douglas DC-6s, to be known by its marketing name of Aeronaves del Peru (AP), the carrier is designated by the government in 1969 as an all-cargo carrier suitable for the route to the U.S.

A Douglas DC-7CF is acquired and charter flights to Miami are started in early 1970. In June, AP receives the green light for scheduled service to Miami when the U.S. CAB grants it a foreign air carrier permit.

The company is reorganized in 1971, with the Zanetti family purchasing 58.8% majority shareholding. Shortly thereafter, twice-weekly flights commence from Lima to Miami via Iquitos and Pucallpa. Two Canadair CL-44s join the Douglas freighter in 1975.

AP maintains its international route over the next decade; although frequencies change, the all-cargo services offered do not. Profits grow and the fleet is upgraded by introduction of 2 Douglas jet freighters, 1 DC-8-43F purchased from **Alitalia, S.p.A.** in 1978, and 1 DC-8-33F.

Operations continue apace in 1979, but in 1980, both Jet Traders are lost.

En route from Lima to Mexico City on August 1, the DC-8-43F with seven crew crashes into a mountain at Cerro Lilio, Mexico (three dead). The DC-8-33F with four crew crashes into the jungle while on final approach to Iquitos on September 12; there are no survivors.

Leased units and the original propeller equipment is flown in 1981. In April 1982, the carrier pays \$4 million to purchase 59% control of financially troubled pioneer carrier **Faucett Peruvian Airlines, S.A.** The lost Italian airliner is replaced by a DC-8-61. A DC-8-55F is acquired in 1983. Without a current bilateral agreement, operations between the U.S. and Peru are suspended between 1984 and 1987. A total of 20.14 million FTKs of freight are flown during the latter year, partially with the help of the DC-8-54F *Santa Elena* placed into service during the fourth quarter.

Following the resumption of services in 1988, the employee population of President Alfredo Zanetti's specialized airline grows to 150 and the fleet is upgraded by the addition of two more DC-8-55Fs. Despite all of the positive news, cargo drops 11.9% to 18 million FTKs.

Traffic is down again in 1989 as freight declines by a whopping 58.8% to 8.67 million FTKs.

Operations continue apace in 1990-1991. The DC-8-54F is withdrawn from service in 1992 and is replaced by a pair of leased Boeing 707-351Cs Stratoliners formerly operated by **Northwest Airlines**. Statistics are released for the first eight months of the year and show a total of 13.01 million FTKs of freight flown.

In 1993, President Alfredo Zanetti oversees a workforce of 65 and continues to provide regularly scheduled international all-cargo flights from Lima to Miami, with occasional stops at Iquitos. With business beginning to improve in 1994, a DC-8-61F is acquired. The fleet is rationalized in 1995 as the Stratoliners are parked at Lima.

Airline employment does not change during 1996-2000; however, the Boeings are returned to service.

AERONAVES OAXACA, S.A. See LAUMSA (LINEAS AEREAS MEXICANAS UNIDAS, S.A.)

AERONEFTEKHIM A.K.: Russia (1994-1996). Another new, small independent airline established in 1994, General Director R. K. Idiatulin's Aeroneftekhim begins general domestic charter flights from Ulitsa Kommunisticheskaya UFA with a single Yakovlev Yak-40. Flights cease in 1996.

AERONICA (AEROLINEAS NICARAGUENSES, S.A.): P.O. Box 3688, Contiguo Aeroport International, Managua, Nicaragua; Phone 505 (2) 664 226; Fax 505 (2) 660 083; Code RL; Year Founded

1981. On August 31, **1981**, **Lanica (Lineas Aereas de Nicaragua, S.A.)** ceases operations upon demand of the Sandanista government's Ministry of Transportation, which declares the company legally bankrupt. The government, with assets confiscated from **Lanica (Lineas Aereas de Nicaragua, S.A.)**, establishes Aeronika on November 26; among the aircraft taken over are a Douglas DC-6B, a DC-6BF, two Boeing 727-76s, and a B-727-25 just purchased from **Eastern Air Lines** on August 28 and delivered on September 2.

These, together with a second DC-6BF, a second DC-6B, the DC-3 *Pancasan*, and three Curtiss C-46s (*The Prinzipolka*, *The Wanki*, and *The Kukra Hill*), are all painted white and then wrapped in a rainbow scheme of green, blue, red, orange, and light blue. Aeronika, "the Rainbow Airline," begins international service to Mexico City on the last day of November.

On December 12, a bomb damages Flight 527, the B-727-25, which is on the ground at Mexico City, preparing to continue a scheduled service with 117 persons to San Salvador from Managua. Three crew aboard and three baggage handlers just outside the aircraft are injured.

Another B-727-25 is acquired under a long term lease from **Eastern Air Lines** on December 28, allowing a resumption of service on December 30; the same day, flights are also started to San Jose and Panama City.

Despite the U.S.-backed Contra war, in January **1982** the CAB grants Aeronika permission to begin flying into Miami from Managua. Meanwhile, in response to an outstanding appeal for international aid by the national government, a B-720B is donated to the airline by **Olympic Airways, S.A.** of Greece on February 25. With the B-727-25 damaged at Mexico City now repaired and returned to service as the *Xolotian (Lake Managua)*, the unit leased from **Eastern Air Lines** is returned on March 2. The Boeing 720B initiates the Florida service.

While on a May 10 domestic service, a C-46 with two crew is taken over by two armed men, who order the aircraft diverted to Limon, Costa Rica, where they seek and receive political asylum. The Curtiss is released.

A pair of Casa C-212-200 Aviocars (one of which is later named *Rana Kay*) are delivered in March and May **1983**, respectively, and are employed to enhance domestic services. Before the unnamed unit can receive its moniker, it is lost in a Managua accident on June 29. Its wreckage is simply piled next to a Sandino Airport maintenance hanger.

Also in June, and in direct reply to Nicaragua's expulsion of three U.S. diplomats, the U.S. CAB, acting in response to a request from the Department of State, revokes the company's charter rights to America. Six Los Angeles-Managua charters are also cancelled. The C-46 *Wanki* is sold on September 13.

Late in **1984**, orders are placed for two Fokker F.27-100s. At this point, the Sandanista-Contra war places a severe strain on Aeronika.

Unfavorable weather and failure of the crew to ensure proper function of an auxiliary ferry fuel system bring about the crash of the first F.27-100, en route from Holland to Nicaragua with five crew, 150 nm. W of Kulusuk, Greenland, on April 20, **1985** (two dead).

Financing promised for the second aircraft does not materialize and it is later sold in Sudan. The same month, a DC-6BF is withdrawn from service.

As a result of an executive order from President Ronald Reagan, the airline loses its Managua to Miami scheduled service on May 7 and, along with it, some 40% of its revenues. Additionally, a U.S. embargo creates a spare parts problem for the carrier's fleet that will force the company to turn to Cuba and the Soviet bloc for airline support.

Operations continue on a limited domestic and regional basis during **1986**. While on the ground at Managua on June 6, preparing for a service to El Salvador, Flight 726, the B-727-25, is taken over by a lone gunman. He will hold the crew and passengers hostage until talked into surrendering by police.

Service is maintained in **1987**. During the year only two international routes are operated: to Mexico City via San Salvador, and to Panama City via San Jose.

On December 21, the No. 3 engine of a DC-6BF en route from Managua with six crew suddenly separates from the wing as the No. 4 engine catches fire; the fire is extinguished and the aircraft attempts to return to its point of origin. Despite the jettisoning of the cargo, the aircraft must ditch in a river, where it sinks. There are no fatalities and Contra surface-to-air missiles are blamed for the loss.

The C-46s *The Prinzipolka* and *The Kukra Hill* are withdrawn from service in **1988**. En route from Panama City to Managua, the last DC-6BF crashes near Puerto Limon on May 24 (six dead). With the B-720B out of service, the fleet now begins to be upgraded by the addition of Soviet equipment. The first of two Antonov An-26s subleased from the government (which had received four from Moscow) is delivered on September 18.

Boardings for the year total 87,000.

As the result of the continuing U.S. embargo, the government in early **1989** turns to the Soviet Union for additional civil equipment and now purchases two Antonov An-32 turboprops. The second leased An-26s is received on February 3. The first An-32 is delivered in March, with the second following on April 15. The two are christened *Pan Casan* and *Zinica*, respectively, and are assigned to both domestic passenger/cargo services and the route to Panama.

On June 20, the B-720B is traded in on a **Cyprus Airways, Ltd.** B-707-123B, which is overhauled and painted at the Copesa facility in Costa Rica. The Soviets present a 142-seat Tupolev Tu-154M to President Daniel Ortega on December 21 for use as a presidential aircraft; Ortega, who continues to fly aboard on chartered **Interflug DDR Airlines** Ilyushin Il-62s, turns the aircraft over to Aeronika, which christens it *The Momotombo*. Late in the month, the plane's **Aeroflot Soviet Airlines** crew flies the new jetliner to Mexico City where its Nicaraguan crews can be trained.

The Tu-154M is placed into service in **1990** along with the refurbished B-707-123B, which is christened *The Colcipoica*. A grass fire set by local campesinos near the airport on April 16 goes out of control and destroys one of the two leased An-26s. As the result of a letter of understanding, the carrier is able to resume limited scheduled service to the U.S. in September with five weekly flights between Managua City and Miami.

Recession and political change affect the carrier in **1991**, bringing retirement of the Ilyushin and remaining An-26.

During the replenishment of oxygen supplies aboard a B-727-25 on the ground at Managua on November 10, one of the canisters, which is leaking, ignites, causing an explosion that destroys the trijet and kills the two crewmen aboard.

The fleet in **1992** comprises 1 Douglas DC-6B, 1 DC-3, 1 CASA C-212-200, and the 2 An-32s. Airline employment at President/General Manager Julio Rocha's flag carrier stands at 450 in **1993**. Services are provided from Managua to Mexico City, San Salvador, San Jose, Panama City, and Miami.

When Aerovias las Americas, S.A. is set-up at Panama City in **1994** to provide regional passenger and cargo charters, it begins revenue flights with two An-32s leased from Aeronika.

Operations continue apace in **1995**. In **1996-1999**, the company operates one each Tu-154M, two An-32s (still on lease), and the CASA C-212-200.

AERONIKA AIRLINE: Russia (1994-1996). Aeronika is established at Kaluga in the Kaluzhekoi Region in **1994** to offer domestic charter services. A. V. Semdyanov is appointed general director and he begins revenue flights with an all-Antonov fleet of An-12s, -24s, and -26s.

While on final approach in bad weather to Ust Ilmsk on an October 29 all-cargo service from Yushno, an An-12BP with 7 crew and 16 passengers stalls and crashes 2,100 m. short of the runway; there are no survivors.

Flights continue in **1995**, but cease in **1996**.

AERONOR-CHILE (AERO NORTE-SUR, S.A.): Chile (1977–1988). This third-level operator is founded by COPESA (Consortio Periodístico de Chile, S.A.) at Santiago in September 1977 to provide regular services into the northern part of the nation. German Pico Dominguez is named chairman and president. After assembling a fleet of three previously employed Fairchild F-27As, the new entrant first begins scheduled cargo service to Copiapo, via La Serena and Vallenar in March 1978.

An F-27A freighter with 3 crew and 2 passengers fails its takeoff from Iquique on April 20, 1979, sliding 750 m. down the runway; although the aircraft is badly damaged, there are no serious injuries.

By 1981, the fleet of General Manager Oscar Erlandsen's 70-man airline has been upgraded by the addition of 3 Fairchild Hiller FH-227Js and 1 Piper PA-31-310 Navajo. Scheduled daily and weekly passenger flights are undertaken from the capital to La Serena, El Salvador, Antofagasta, Calama, Iquique, and Arica.

While on final approach to La Serena after a service from Santiago on December 9, 1982, Flight 304, an F-27A with 4 crew and 42 passengers, suddenly banks right and slams into the ground 2,000 m. short of the runway, bursting into flame; there are no survivors. The tragedy will be blamed on a total loss of power to the left engine.

Service deteriorates during the mid-1980s and Calama, El Salvador, and the Copiapo cargo runs are dropped. One FH-227J is withdrawn, to be replaced by a Rockwell Commander 680. Unable to remain profitable in an increasingly less-prosperous economy, Dominguez's carrier is closed down in November 1988.

AERONORTE (EMPRESA DE TRANSPORTES AEREOS NORTE DO BRASIL, S.A.): Brazil (1949–1961). The feeder airline Aeronorte is set up at São Luis, in Maranhao State, in the fall of 1949, receiving government permission to startup services on December 30. Most of 1950 is taken up with organization and the creation of a fleet, which eventually comes to comprise 3 British-made Percival Princes and 3 Lockheed Model 10A Electras, the latter purchased from VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.). Scheduled flights begin in December; destinations in the northeast part of the country include Salvador, Recife, Fortaleza, Carolina, and Belem.

In 1951, a Beech Bonanza is purchased and a Junkers Ju-52/3m is leased from VASP Brazilian Airlines (Viacao Aerea São Paulo, S.A.); services continue through 1952 (when a Lockheed Model 12A is acquired from Aerovias Brasil, S.A.) and into 1953, with crashes claiming most of the fleet. During the latter year, Aeronorte is purchased by Aerovias Brasil, S.A., which allows its new subsidiary to operate under its previous identity.

Also in 1953, the first of ten Douglas DC-3s join the fleet as well as six leased, French-made Nord 1203 Norecrin II four-seaters.

When Aerovias Brasil, S.A. is purchased by REAL, S.A. on September 10, 1954, Aeronorte is taken over as well, but is allowed to retain its identity and operate as a consortium partner until REAL, S.A. is acquired by VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.) in 1961. Only four new aircraft are acquired during these years, all Curtiss C-46As obtained in 1957.

AEROPE, S.A.: Aerodrome de Pontoise, Boissy L'Aillerie, 95650, France; Phone 33 (1) 30 32 60 72; Fax 33 (1) 30 32 18 60; Year Founded 1988. Aerope is set up as the FBO at Pontoise Airport in 1988. Over the next twelve years the company also undertakes a significant amount of passenger charter work employing a mixed fleet that comes to comprise 1 each Beech King Air 90, Super King Air 200, and Cessna 335, plus 1 each Eurocopter AS-350 Astar and Bell 206B JetRanger.

AEROPELICAN AIR SERVICES (PTY.), LTD.: P.O. Box 226, 864-872 Pacific Highway, Belmont, New South Wales, 2280, Australia; Phone 61 (49) 450 988; Fax 61 (49) 458 824; Code AN; Year Founded 1971. Aeropelican Intercity Commuter Air Service (Pty.), Ltd. is formed at Belmont, New South Wales, in May 1971. Equipped with four

de Havilland Canada DHC-6-120 Twin Otters, the new commuter begins daily, high frequency passenger flights between Belmont/South Newcastle and Sydney. The single-route is maintained (charters are also available) for a decade. The highlight of the 1970s is the introduction into service on December 16, 1975 of the first production GAF Nomad N.22.

In July 1980, Masling Aviation and Engineering, Ltd. assume 80% majority shareholding and the carrier adopts its present name. By 1981, a total of six Twin Otters are in service and passenger boardings reach 107,589. Company traffic figures hover between 80,000 and 100,000 for the remainder of the decade. Additional destinations added include Mascot.

Traffic and financial figures become available in 1991 and show that, in 1990, the company has hauled 83,990 passengers and 90,383 pounds of cargo. Revenues total \$A 5.51 million, expenses are \$A 4.24 million, and the net profit is \$A 1.26 million.

General manager Trevor England's fleet is reduced to 4 DHC-6-300 Twin Otters in 1991 and these maintain the same route as that started 20 years earlier, flying 81 frequencies each week. Enplanements total 84,000 as revenue climbs \$A 400,000 to \$A 5.91 million. Costs swell to \$A 1.62 million and net gain reaches \$A 1.62 million.

Passenger boardings climb 4.4% in 1992 to 86,864. Revenues slip to \$A 5.83 million and expenses advance to \$A 4.53 million. Net gain falls to \$A 1.3 million. Airline employment in 1993 stands at 40–45 and General Manager England's carrier is flying four DHC-6-320 Twin Otters. The company is now a subsidiary of TNT Australia & News Corporation, Ltd. Enplanements total 90,385.

In 1994, traffic figures are up again, climbing 3.9% to 94,054.

The workforce in 1995 is exactly 43 and the fleet remains unchanged. Unhappily, as a result of increasing competition, the Newcastle-based regional suffers a traffic decline, with bookings down by 9.8% to 83,000.

Three employees are either laid off or retire in 1996, a 4.8% decline.

Enplanements move ahead by 3.3% to 83,556. The workforce is increased by 5% in 1997 to 42, while passenger boardings inch up 1.7% to 85,034.

Flights continue without significant change in 1998. Customer bookings advance 3.5% to 88,000.

By the start of 1999, the workforce has been reduced by 4.8% to 40.

AEROPERLAS (AEROLINEAS PACIFICO-ATLANTICO, S.A.): P.O. Box 6-3596, El Dorado, Panama City, Panama; Phone (507) 263-5363; Fax (507) 223-0606; <http://www.tacaregional.com/aeroperlas>; Code WL; Year Founded 1970. Founded as AeroPerlas (Aerolineas Islas de las Perlas, S.A.) at Panama City in 1970 to offer flights to the western part of the nation, government-owned AeroPerlas begins scheduled DC-3 passenger service from the "downtown" Paitilla Airport to Bocas del Toro, David, and especially to the resorts on Contadora island.

By 1979, the Douglas transport has been replaced by a fleet comprising 2 Britten-Norman BN-2 and 3 de Havilland Canada DHC-6. In 1981, one Islander is sold and replaced by a fourth Twin Otter. The employee population is 92 and a total of 178,543 passengers are transported; boardings reach 187,101 in 1982.

The last BN-2 is replaced in 1984 and destinations in 1985–1986 include: Bocas del Toro, Changuinola, Colon, Contadora Island, David, and San Miguel.

The carrier is sold to its president, Raul Espinosa, in 1987, who, in turn, names Raul Artas as general manager. Airline employment by decade's end rises to 70 and the fleet comprises 2 Twin Otters and 1 new Embraer EMB-110P.

Operations continue apace in 1988–1992, though not without one fatal accident. While climbing away from Panama City on April 18, 1990, a DHC-6-200 with 3 crew and 19 passengers suffers the loss of the No. 2 engine; the turboprop is unable to recover and descends into the sea (20 dead).

In 1993, the workforce stands at 70 as two DHC-6-300s and a Swearingen Merlin IIB are acquired. Markets served include Bocas del Toro,

Changuinola, Contadora, Colon, David, Paitila Airport at Panama City, San Miguel, and Tocumen. In 1994, a Beech 99 is leased from the Canadian regional **Ken Borek Air, Ltd.**

Operations continue apace in 1995. During the summer of 1996, the carrier purchases four Shorts 360-300s from AMR Eagle. The aircraft had previously been operated by **Executive Airlines** in Puerto Rico and South Florida. Payment is made in the form of a stock transfer; AMR Eagle, the commuter subsidiary of **American Airlines**, now gains a 20% equity interest in the airline. AeroPerlas also takes over its local competitor Alas Chiricana (Compania Alas Chiricana, S.A.).

The workforce stands at 270 in 1997, as George F. Novey becomes chairman/president, with Eduardo Stagg as general manager/COO. Three additional **Executive Airlines** Shorts 360-300s enter service and service is initiated to Bahia Pinas, Chitre, El Real, Garachine, Jaque, La Palma, Sambu, and Santiago. Flights continue in 1998 and into 1999.

While en route from Panama City to Puerto Obaldia on March 17, 2000, a DHC-6-300 with two crew and eight passengers, crashes into the mountains 12.5 nm. from its destination; there are no survivors.

Those aboard another Twin Otter are more fortunate on September 6 when the aircraft crashes while landing at Rio Sidra in Panama following a service from Albrook. Although no injuries are reported, the aircraft must be written off.

AEROPERU (EMPRESA DE TRANSPORTES AEREOS DE PERU, S.A.): Peru (1973–2000). This national flag carrier is formed by the Andean state on May 22, 1973 to absorb the Air Force's existing **SATCO (Servicio Aereo de Transportes Comerciales)** and to assume the services previously provided by **Aerolineas Peruanas, S.A.**, which had ceased trading in 1971. Domestic flights, with three ex-SATCO Fokker F.28-1000s and two F.27-600s, begin on July 28.

In May 1974, a Boeing 727-22 is purchased from **United Airlines**, allowing the startup of nonstop service from Lima to Cuzeo, Arequipa, Chiclayo, and Iquitos. Two DC-8-51s, leased from **VIASA (Venezolana Internacional de Aviacion, S.A.)** and **Air Jamaica, Ltd.** begin charter services to the U.S. (previously approved for SATCO). On July 26, U.S. rights are granted for scheduled operations to Miami and Los Angeles. A third DC-8-51 is obtained on charter from **KLM (Royal Dutch Airlines, N.V.)** and routes are opened to Buenos Aires, Santiago de Chile, and Guayaquil on July 29 and are extended to Miami on September 16.

On February 1, 1975, in an effort to increase bookings for its airline, the Peruvian military government orders **Braniff International Airways** to reduce its flights from Lima to Miami by 50%. Following the successful resolution of the diplomatic flap with Washington that results over these reciprocal Lima rights, AeroPeru is authorized to launch additional DC-8-51 services to the U.S. Through flights begin on October 4 from Rio de Janeiro and São Paulo to Los Angeles via Lima and Mexico City.

Another B-727-22 is acquired in 1976. Employing the DC-8-43 *San Martin de Porres*, the carrier joins its rival, **Aviacion Aeronaves de Peru, S.A.** (founded in 1965) in operating an all-cargo service. Orders are placed in 1977 for two Lockheed L-1011 TriStars and enplanements total 814,644.

A B-727-130 is purchased from Deutsche Lufthansa, A.G. early in 1978. Originally owned by **Pacific Southwest Airlines (PSA)** and converted for over-water use, an L-1011 TriStar is leased to the carrier by Lockheed in late November; it is employed to inaugurate Lima to New York service via Miami on December 15.

President Frank Tweddle now oversees a workforce of 1,440 and a fleet that includes not only the Lockheed, but 3 DC-8-50s, 1 each B-727-22 and B-727-130, 3 Fokker F.28-1000s, and 2 F.27-600s.

Passenger boardings for the year dip 2.6% to 794,828, but freight traffic jumps 16.7%. A second TriStar is placed in service in 1979. Passenger bookings climb 18.6% to 941,900 and freight increases by 21.1%.

Lockheed service continues in 1980, but traffic remains level. Panama service is withdrawn and Miami frequencies are decreased. In terms of passenger kilometers flown, AeroPeru now ranks as the twelfth

largest airline in Latin America. The carrier is privatized on July 24, 1981. Service is withdrawn from São Paul and Rio de Janeiro, and bookings are down to 924,000. Increased fuel prices and the world economic downturn result in a \$16.2-million net loss.

The employee population in 1982 stands at 1,489. Unable to maintain the TriStar service in the face of accelerating costs, the Lockheeds are returned to their manufacturer, leaving the New York service to be maintained with four DC-8-62s chartered from **Alitalia, S.p.A.** and **SAS (Scandinavian Airlines System)**.

Services are reopened to São Paul and Rio de Janeiro, and Miami frequencies are increased.

Passenger boardings dip 2% to 906,014; cargo is also down 8.7% to 47.14 million FTKs. Revenues drop 4.2% to \$51.9 million, but expenses are down 22.2% to \$33.2 million; profits are \$18.7 million (operating) and \$17.6 million (net).

The workforce is increased 13.3% in 1983 to 1,687. The fleet now includes 4 DC-8-62s, 3 B-727-22s, 3 F.28-1000s, and 2 F.27-600s. International flights are inaugurated from Talara and Arequipa and Lima to Panama service is resumed.

Passenger boardings rise 4.5% to 946,528 and cargo is up by 10% to 110 million FTKs.

Airline employment decreases 12.6% in 1984 to 1,474. One more B-727-22 is added to the fleet. Normal direct Lima to New York and Miami service is suspended in May, pending resolution of U.S.–Peru traffic discussions; to maintain linkage, AeroPeru initiates service to Kingston, with **Air Jamaica, Ltd. (2)** providing connecting flights to Miami.

Passenger boardings dip 1.7% to 930,100, but freight climbs a slight 0.3% to 109.98 million FTKs. Revenues are \$78.6 million, but the operating loss is \$4 million.

The employee population is cut another 16.4% in 1985 to 1,681. The fleet includes 4 DC-8-62s, 3 B-727-22s, and 3 F.28s; service to America remains suspended.

Passenger boardings decline another 2.6% to 906,228 and cargo is off 8.6% to 100.48 million FTKs. Revenues drop 11.8% to \$77.5 million, but expenses fall 22.4% to \$71.4 million, providing an operating profit of \$5.4 million. Another net loss is suffered, but, as in the years 1983–1984, the exact amount is not disclosed.

The payroll decline is reversed in 1986 as the number of workers increases by 16.4% to 1,957. Service to the U.S. remains suspended for most of the year; however, on December 16, the U.S. and Peru sign a new bilateral air agreement, which calls for the resumption of multistop Lima to Miami service.

Customer bookings grow by 23.6% to 1,119,917 and freight jumps 26% to 126.57 million FTKs.

Despite a good 1987, the employee population is cut 28.5% to 1,400. After a two-year bilateral dispute between the U.S. and Peru is settled, the company is allowed to resume flights to America.

Six-times-per-week nonstop Lima to Miami DC-8-62 flights are restarted on June 12.

Passenger boardings jump 23% to 1,377,289 and cargo climbs 16.3% to 147.18 million FTKs.

The payroll grows 3.6% in 1988 to 2,088 and the fleet now includes 10 aircraft: 3 B-727-22s, 5 DC-8-62s, and 2 Fokker F.28-1000s.

On October 25, just 44 seconds after takeoff from Juliaca, in the Peruvian Andes, an F.28-1000, Flight 771 en route to Arequipa with 4 crew and 65 passengers, explodes in midair and impacts terrain 2,500 m. beyond the end of the runway (12 dead).

Company pilots now claim that the nation's failing economy is causing the government to starve the airline; safety becomes a public concern.

Customer bookings drop by 11.8% to 1,179,887 and cargo does worse, falling by 15.3% to 13.61 million FTKs. Revenues drop 19.2% to \$95 million and costs are up, guaranteeing an operating loss of \$2.35 million and net downturn of \$7.27 million.

Company employment falls 19.2% in 1989 as the flag carrier suffers another difficult year. Carlos Morales Andrade is appointed president, but finds that half of the fleet's ten aircraft are grounded for lack of spare

parts and maintenance. It is necessary to lease a B-767-204 from U.K.-based **Britannia Airways, Ltd.** between January 31 and May 15.

The airline is now out of cash, owes \$9 million to the Peruvian government, and suffers from a lack of direction. In an effort to resume a growth pattern, the airline cuts the number of its outside maintenance contracts from 11 to 3 and is able to have its fleet back in full operation by July.

Still, passenger boardings this year decline 28.1% to 848,073. Freight, however, rallies, climbing by 10.7% to 15.07 million FTKs. The workforce in 1990 stands at 1,687. In March, the company begins negotiations for the replacement of its aging fleet and, in April, an interline agreement is signed with **Aeroflot Soviet Airlines**, which begins to connect Lima to Havana, with continuation to Moscow.

Company pilots stage a four-day strike in May, claiming that nine of the ten aircraft are unsafe due to poor maintenance; the job action strands 2,300 passengers and ends when the government threatens to replace the strikers with military flyers. During the summer, a DC-8-63 is acquired from Aerolease.

Through August, enplanements are up 23.7% to 663,596. Freight resumes its downward thrust, falling 3.5% to 9.33 million FTKs.

The payroll grows by 18.6% in 1991 to 2,000 and the fleet now includes 1 each B-727-29, B-727-30C, and B-727-193, 3 DC-8-62s (one is out of service), 1 leased DC-8-63, and 4 owned and 1 chartered McDonnell Douglas MD-83s.

In mid-December, the U.S. DOT approves a joint service to Miami flown by this carrier in cooperation with **Faucett Peruvian Airlines, S.A.** Recession strikes hard at the Peruvian carrier.

Passenger boardings for the year as a whole decline 25.2% to 674,976 while cargo drops 8% to 12.63 million FTKs.

The carrier continues to suffer in 1992 and is forced to reduce its workforce by 40% to 1,199. The MD-83s are withdrawn in favor of two Fokker F.28-1000s. Statistics are only released for the first five months of the recessionary year and show customer bookings down 25% to 202,297 over the same period a year earlier. Cargo is off by 12.2% to 3.97 million FTKs. Rival **Faucett Peruvian Airlines, S.A.**, together with the Naviera Santa shipping line, purchase 70% shareholding in December for \$41 million.

In January 1993, the Peruvian government declares the Faucett purchase null and void because the winning bid does not meet certain unspecified requirements.

A new sale is held in April and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, seeking to expand deeper into South America, acquires 47% near-majority shareholding in the Peruvian airline for \$54 million. The new owner shares its prize with private Peruvian investors (23%), airline employees (10%), and the government, which retains 20% shareholding. Together with **Mexicana Airlines, S.A. de C.V.**, which it also controls, Aeromexico (2) and its two partners now form the "Alas de America" alliance that will provide for code-sharing flights, as well as joint FFP, training, marketing, cargo, scheduling, advertising, and ground-handling. The agreement now allows Aeromexico (2) to begin code-sharing flights on a route from Mexico City to São Paulo via Lima.

CEO/General Manager Jean-Marie Sertillanger oversees a workforce of 2,000. A DC-10-15, *Senior de Sipan*, and two B-727-264As from the Mexicana fleet are transferred to AeroPeru, allowing it to resume services in July.

Domestic markets served from Lima include Arequipa, Chyiclayo, Cuzco, Iquitos, Juliaca, Puerto Maldonado, Quito, Piura Tacna, and Trujillo. International flights are made to Bogota, Buenos Aires, Caracas, Guayaquil, La Paz, Mexico City, Panama City, Rio de Janeiro, Santa Cruz, Santiago Comodoro, and São Paulo. In September, the company begins code-sharing flights with Mexicana over a route from Cancún to Buenos Aires via Lima. In return, the two share codes on certain internal flights within Mexico and Peru.

AeroPeru signs a joint frequent flyer plan pact with Aeromexico (2) in January 1994. During the first quarter, seven more aircraft are chartered, including two DC-10-15s and two B-757-23As from Mexicana and one each B-727-2B7A and B-727-217A leased from Polaris Aircraft Ser-

vices. Operations continue to be coordinated with the Mexicans, who are faced with a series of fiscal and operational problems at the end of the year, culminating with devaluation of their country's peso in December.

The workforce stands at 1,100 in 1995. With Mexico in a severe recession during the first half of the year, new initiatives involving AeroPeru are put off. Aeromexico (2) flounders as two CEOs come and go. Through August, the company's ten jetliners transport a total of 733,230 passengers. In November, U.S. FAA officials point out that the country's civil aviation agency does not comply with the safety standards established by ICAO.

The fiscal situation for the carrier begins to improve somewhat at the beginning of 1996 as its Mexican owners find a way to handle their own major financial problems and the possibility of effective restructuring approaches reality. Recently appointed joint Chairman/CEO Fernando Flores and the board of directors are able to negotiate new loans and other financial agreements that will capitalize the airlines' outstanding debts.

On March 18, the "Alas de America" strategic agreement with Mexicana is expanded as the Mexican airline begins dual-designator flights from Lima to Buenos Aires and from Santiago to Bogota.

The financial arrangements, meanwhile, will be handled by a new financial corporation, CINTRA, S.A. de C.V., led by banker Ernesto Martens, who has been retained by several banks to put a new package together. Government approval for the CINTRA's restructuring approach receives Mexican government approval on June 4.

On June 28, CINTRA, S.A. de C.V. offers to exchange Series A CINTRA shares for those of the airlines, including AeroPeru; as a result, CINTRA receives 99.95% of the carrier's outstanding share capital. In essence, Mexico's banks trade \$1 billion for most of the carriers' equity. A new management concern Servicios Corporativos CINTRA is established to oversee changes.

Just after takeoff from Lima on an October 2 service to Santiago, Flight 603, a B-757-23A with 9 crew and 61 passengers plunges into the Pacific Ocean off Pasamayo, some 45 mi. WNW of the aerodrome, killing all aboard. The Peruvian Navy locates the wreckage in deep water on October 14. NBC News reports on November 5 that the crash has been attributed to maintenance workers, who mistakenly left tape-and-paper covers on the plane's three left-side static ports (sensors) to protect them while they washed and polished the plane. Safety experts from the U.S. NTSB, who have also investigated the crash evidence, reinforce this view on November 15.

A new code-sharing agreement is signed with **Pan American World Airways (2)** in December that provides for code-sharing on flights from Lima to New York (JFK) via Miami.

A marketing agreement is entered into during January 1997 with **TAM-Mercosur (Transportes Aereos del Mercosur, S.A.)**. Under its terms, the two will offer dual-designator flights between Lima and Asuncion.

Following a bidding match with **Continental Airlines, Delta Air Lines** is able, on March 10, to acquire a 35% stake in the airline.

Additionally, the two sign a memorandum of understanding under which the two will enter into a ten-year marketing agreement. Delta will also be represented on the AeroPeru board of directors.

Flights continue during the remainder of the year and into the next.

Having been taken into custody for alleged negligence in their maintenance work that led to the crash of Flight 603 in 1996, five maintenance workers are put on trial. On January 20, 1998, four are declared innocent; one is convicted and sentenced to two years in prison.

On September 1 the government suspends more than 250 international flights operated by AeroPeru because of the airline's failure to operate them.

Late in the year, the company enters into a code-sharing agreement with **Servivensa, S.A.** for joint operations over the route from Caracas to Lima. The Venezuelan airline provides a B-737-2D3A painted in a dark blue, white, and aqua livery with titles for both companies. The "Alianza Andinas" ("Andes Alliance") is one of the shortest dual-designator pacts in history. Following its conclusion in December, the Boeing is returned to Servivensa.

Enplanements during the year total 1.2 million.

The Peruvian business daily *El Comercio* reports on January 20, 1999, that both **Delta Air Lines** and Aeromexico (2) have decided against investing in a restructuring of AeroPeru. The plan requires a capital injection of \$10 million within the next ten days to guarantee uninterrupted operations on the Peruvian line. The two North American majors end the consortium they had established to operate AeroPeru and begin an effort to unload their shares.

In a major development announced on February 12, **American Airlines** signs a letter of intent with AeroPeru that will allow it to acquire a major stake in the airline. The U.S. major begins due diligence to establish AeroPeru's financial situation preparatory to determining actual shareholding. AeroPeru's current shareholders, CINTRA of Mexico (35%) and **Delta Air Lines** (35%) will, if the arrangement proceeds, divest themselves of their shares.

Having completed its review of AeroPeru's finances, **American Airlines** informs the airline on March 8 that it will not, after all, take an equity stake or provide fresh capital. The news is catastrophic as the airline, caught by increased regional competition amidst a regional financial crisis, is left without sufficient cash to continue paying for fuel and other services.

Unions, representing the carrier's 1,500 employees, hold rallies on March 9, but are unable to prevent an announcement by company officials in late afternoon that Peru's oldest carrier will shut down for 60 days. It is noted at a press conference that the closing will be temporary, in order to allow the airline to refinance its \$174-million debt. It is further reported that AeroPeru is close to restructuring \$90 million of this debt with foreign investors.

Union representatives at a separate news conference indicate that they, too, have a plan to refinance the company's debts, but provide no details. In the confusion of events, another source, identified only as being from within the airline, indicates that at 12:01 a.m. on March 10, AeroPeru will be turned over to Indecopi, a government agency that handles bankruptcies. Its \$50-million in assets would be employed to pay outstanding debts and, hopefully, the government would find a way to restart AeroPeru's operations at a later date.

Although the handover does not occur as suggested, AeroPeru, on March 10, does cease international operations and files for bankruptcy. It also indicates it will continue domestic flights until March 14. While on a tour in the north of the country, Peru's president, Alberto Fujimori, indicates that his government may help refloat the flagship airline and inject capital into it, but only if AeroPeru can reach a deal to reschedule its debts.

As the crisis unfolds, neither CINTRA nor **Delta Air Lines**, which continue as shareholders, offer comment. On March 11, the president of AeroPeru informs Dow Jones that, during the 60 days it is down, international air tickets already purchased will be honored by Delta Air Lines.

When AeroPeru halts its domestic services on March 14, **Aero Continente, S.A.** takes over the flag carrier's more important domestic routes, including that to Peru's top tourist destination of Cuzco.

It is reported in the March 15 edition of the Mexican publication *El Financiero* that Peruvian authorities have begun an investigation into a possible case of criminal corruption against two former ministers and other functionaries of the Fujimori government. According to Mexican sources, these people have misused the funds generated by the privatization of AeroPeru in such a fashion as to have cost Aeromexico (2) \$72 million.

El Comercio reports on March 17 that the airline has been able to reschedule as much as \$100 million of its \$174-million debt. It is reported by *InfoLatina, S.A. de C.V.* on March 30 that CINTRA has announced its *intention to condone* part of the AeroPeru debt.

Lawyers for the company on April 21 file a bankruptcy petition with the U.S. Bankruptcy Court for the Southern District of Florida at Miami in order to protect AeroPeru's assets in the U.S. The lawyers begin to collect all U.S. receivables for the airline, which continues

its discussions with investors and is close to restructuring more than half of its debt.

On May 1, the Peruvian Indecopi officially declares AeroPeru to be insolvent and calls a May 17 debt-holder's meeting, at which time a decision will be taken on restructuring the airline or selling its assets. It is simultaneously announced that the Mexican CINTRA group has agreed to forgive all or part of the \$54 million in debts that it is owed.

Chairman Jaan Albrecht informs reporters at the International Airline CEO Conference at Key Biscayne, Florida, on May 3 that his carrier may be forced into liquidation on May 17 if it is unable to present a viable business plan and equity arrangements as demanded by President Fujimori. The Peruvian government is under pressure to grant operating permits to other companies to fly its routes and, in that event, there will be no AeroPeru revival.

On May 11, *El Comercio* notes that the carrier has completed negotiations with **Continental Airlines** on a plan in which the U.S. company will take a 49% stake in exchange for a significant equity investment. As part of the arrangement, however, Continental asks the Peruvian government to grant it exclusive rights to AeroPeru's long-haul routes. It is simultaneously reported that AeroPeru has reduced its debts from \$174 million to \$70 million.

The next day, it is reported by *Gestión* that the debt is actually down to \$40 million. Given the possible Continental interest, President Fujimori now extends his May 17 deadline for the submission of a reorganization plan to June 1.

The restructuring concept is officially presented on schedule and lays out the manner in which AeroPeru will process its \$174-million debt. It is also noted that the fine points of a compact with **Continental Airlines** have nearly been worked out.

President Roberto Abusada is very relieved to announce the final details of his airline's restructuring plan at a press conference on June 2. Under the new agreement, **Continental Airlines**, which is just about to complete its due diligence, tentatively promises to assume a 49%, \$30-million equity stake. Creditors take on 30% of the shares, with the remainder split between employees (5%) and an independent institution set up by the Peruvian government (16%). Domestic service is to be resumed on June 22, with international flights re-starting in September.

The whole restructuring plan comes unglued on June 17 when **Continental Airlines** informs President Fujimori and AeroPeru officials that, having completed its survey, it, like **American Airlines**, is abandoning its interest.

The creditor's committee of the defunct carrier formally votes in August to liquidate the airline. Some of its international routes have already been assigned to **Aero Continente, S.A.** Minority shareholders are able, however, to win a stay and are allowed to prepare one last emergency restructuring plan.

The last-ditch reorganizational concept is presented to the creditors in January 2000, but is rejected. The original AeroPeru is finally thereafter liquidated.

It is reported in the December 2000 issue of *Airways* that a reorganized AeroPeru, using the marketing titles of La Linea Aerea de Bandera, has leased a pair of B-737-200s and is preparing to resume domestic services.

AEROPESCA (AEROVIAS DE LA PESCA Y COLONIZACION DEL SURESTE COLOMBIANO, S.A.): Colombia (1960–1982). Aeropesca is formed at Bogota on October 14, 1960 as a specialized freight charter operation. Employing Consolidated PBY-5A Catalinas, the company hauls fish from the Amazon River town of Leticia, at the very southern tip of the country, to the nation's capital. It also flies various charters on demand.

A Curtiss C-46 Commando is placed into service in July 1964, the first of some nine machines the company will operate (usually between one and four at a time). Catalina flights, meanwhile, continue and on November 4, 1965, a PBY-5A with six aboard disappears over the southeastern part of the country.

While on a flight from Bogota on July 11, 1966, a C-46D with eight crew goes missing in the area of Cero el Planchon; there are no survivors.

Service continues with but one further incident in 1967–1970.

An overloaded C-46D with three crew fails its takeoff from Bogota on February 13, 1969, and makes a forced landing a mile beyond the runway; although the aircraft must be written off due to damages, there are no fatalities.

In September 1971, after having purchased several Vickers Viscount 745s, the carrier initiates scheduled services from Bogota to Popayan and Pasto in the south. These destinations are quickly followed by the addition of flights to Cali, Medellin, Cucuta, and Barranquilla.

Over the next seven years, the fleet of CEO Mario Sarmiento Boada's company comes to comprise 5 Viscounts and 2 C-46s. Additional passenger and cargo stops are added at Neiva and Ipiales.

The most exciting incident occurs on January 21, 1974, when Jore Raimundo Tapia Canon hijacks a Viscount en route from Pasto to Popayan with 43 passengers and orders it to Cuba via Cali and Barranquilla. At Cali, 22 passengers are allowed to deplane.

Flights continue in 1975–1978. On August 14 of the latter year, a C-46F with 3 crew and 15 passengers crashes into a mountain at Tota in bad weather; there are no survivors.

Passenger traffic builds steadily throughout 1979–1981, reaching 74,193, without incident, during 1981 year. Two events stand out in 1981: En route from Florencia to Neiva on August 27, a Vickers Viscount 745D with 6 crew and 44 passengers crashes into Mt. Santa Elena; there are no survivors. On October 21, two men and two women hijack a C-46F to Colombia's Guajira Peninsula; negotiations for the release of five company employees taken captive will take a month.

En route from Villavicencio to Bogota in stormy weather on March 26, 1982, a Vickers Viscount 745D with 6 crew and 21 passengers crashes into a 7,700-ft. mountain near Queate; there are no survivors.

Bookings slip to 51,124 as the carrier, planning expansion, is reorganized in December and changes its name to **Intercontinental de Aviacion, S.A. (Intercontinental Colombia)**.

AEROPESCA (SERVICIOS AEREOS AEROPESCA, S.A.): Chile (1991–1996). Aeropesca is established by Francisco Guzman at Iquique in 1991 to offer passenger and cargo charters and air taxi flights on a regional basis. Revenue services commence and continue with 14 Cessna 337s, 1 Piper PA-31-310 Navajo, and 2 Grumman Gulfstream 500s. Raul Zarate Moreno is president in 1994. Operations cease in 1996.

AEROPONIENTE (AEROVIAS DE PONIENTE, S.A. de C.V.): Mexico (1994–1996). In 1994, Aeroponiente begins regional third-level service from the city of its namesake with a fleet of ten Fairchild Metro III/23s. Unable to attain economic viability, the company shuts down within two years.

AEROPORIKE METAPHORE ELLADOS, S.A. See TAE GREEK NATIONAL AIRLINES, S.A.

AEROPOSTA, S.A.: Argentina (1992–1994). Aeroposta is established at Buenos Aires in the summer 1992 to provide all-cargo charter flights and contract services to destinations both domestic and international. The name is chosen specifically out of respect for the 1949 **Aerolineas Argentinas, S.A.** merger partner. Revenue operations from Buenos Aires to Miami commence in October with one each leased Boeing 747-121C and B-747-122C, previously flown by **Pan American World Airways (1)**, plus an owned Fairchild Hiller FH-227B. The recessionary year is not a good time to begin nonscheduled services in South America and the company suffers large, but undisclosed, losses.

In April 1993, General Electric Credit Corporation ends its lease for the Jumbojets; the B-747-121C is sent to Nigeria for a month to operate Hadj flights on behalf of **Kabo Air, Ltd.** Local operations are maintained with the American-made turboprop.

Upon its return from Africa in June, the B-747-121 returns on lease from GECC; once the *Clipper Juan T. Trippe*, it is now named *Juan T.*

Trippe. Unhappily, the Jumbojet is, within weeks, retained at Miami when a fuel company places a \$279,887.16-lien on the aircraft for unpaid bills. GECC eventually settles the account, reclaims the aircraft, and sends it to Portland, Oregon, and later to San Bernardino International Airport (formerly Norton AFB) California, for storage.

Once again, Aeroposta is reduced to operating just a Fairchild turboprop. Insufficient revenues can be generated and the operator folds at the end of 1994.

AEROPOSTA ARGENTINA, S.A.: Argentina (1927–1949). AA is formed at Buenos Aires on September 5, 1927 as a subsidiary of the famed French international mail line **Aeropostale (1) (Compagnie Generale Aeropostale, S.A.)**. Board members include both French and Argentine officials and famed French pilot Paul Vachet is made director general. The Argentine carrier takes up all of 1928 with preparations for service. On September 14, the government of Paraguay provides a mail contract.

Flying a Latecoere 25 provided by **Aeropostale (1) (Compagnie Generale Aeropostale, S.A.)**, Vachet inaugurates AA's twice-weekly scheduled service to Asuncion on January 13, 1929 via Monte Cuceros and Posadas. Following the route proving flights of another famed Aeropostale pilot, Antoine de Saint Exupéry, the Argentine subsidiary is able to launch regularly scheduled flights on November 1 from Bahia Blanca to Comodore Rivadavia, via San Antonio Oeste and Trelew.

Following additional exploratory flights, Saint Exupéry, flying a new Latecoere 28 with **Aeropostale (1) (Compagnie Generale Aeropostale, S.A.)** President Marcel Bouilloux-Lafont as passenger, opens regular AA service from Comodore Rivadavia south to Rio Gallegos on April 2, 1930, via Puerto Deseado, San Julian, and Santa Cruz. Six more Late 25s and a Potez 25A.2 are transferred to the subsidiary from its parent during the remainder of the year.

Aeropostale (1) (Compagnie Generale Aeropostale, S.A.) is forced into liquidation in France on March 31, 1931, leaving its South American subsidiaries without the company's support. On April 17, the Asuncion service is suspended. Without income, AA "rents" its assets to the national government on September 29, which renames its temporary acquisition Aeroposta Nacional. Under direction of the Post Office, the Bahia Blanca–Rio Gallegos route is kept open as of October 2.

The Post Office operation ends on March 31, 1932; during its service time, a total of 208 passengers in addition to mail, are transported. On May 31, the government, in cooperation with the French department handling the liquidation of Aeropostale, reactivates the onetime junior airline partner as a private commercial company, AA.

A special fuel allowance together with a temporary monthly subsidy is provided from June 1 to December 31; meanwhile, Rio Gallegos flights continue much as before. On March 24, 1933, the government grants the carrier an exclusive ten-year route concession and a monthly 180,000-peso subsidy.

The Patagonian operation continues in 1934 and 1935; in November of the latter year, the route is initially, although not regularly, extended from Rio Gallegos to Rio Grande, the main town on the island of Tierra del Fuego. During the year, 7 ex-Aeropostale Latecoere 28s are delivered.

All French interest in the carrier are purchased from **Air France** in 1936 and it becomes a fully Argentine company. A Poetz 29-2 is obtained at the same time. During the year Dr. Ernesto Pueyrredon takes a personal interest in the airline and on February 1, 1937 the commercial conglomerate bearing his name purchases the airline, allowing him to become president.

The government subsidy is continued and on October 14, AA begins to receive five Junkers Ju-52/3ms, courtesy of a cooperative arrangement with **Deutsche Lufthansa, A.G. (DLH)**. These now allow full, regularly scheduled service on the Patagonian run (even as far south as Rio Grande) and transfer of the northern terminus of that route from Bahia Blanca to Quilmes, a Buenos Aires suburb, where international connections can be made.

Services are maintained in **1938–1945** with little change. In February of the latter year, the operations of **Servicio Aereo Territorial de Santa Cruz, S.A.** are taken over.

On April 12, **1946**, the Argentine government decides to create a number of airline mixed-stock companies and, later in the year, an ex-USAFAF UC-78 joins the fleet.

On February 13, **1947**, AA is reorganized for the fifth time in its history, becoming a joint-stock company (20% government ownership, 80% Pueyrredon). Meanwhile during the month, the first of six Douglas DC-3s are delivered. The government now allocates regional airline routes within the country in an effort to coordinate air transport operations; spheres of influence are created and Aeroposta receives Zones I and II (roughly the southern half of the country below a line gradually descending southwest to the Chilean border from Buenos Aires).

Two new routes are opened on May 15: Buenos Aires to Bariloche/Esquel; on Tierra del Fuego, the southernmost terminus is transferred to Ushuaia from Rio Grande. Additionally, the carrier is granted international traffic rights to serve the Chilean cities of Pilmaitiquen and Punta Arenas.

The DC-3 order is finished in **1948** and on May 3, **1949**, following the government's decision to create a single state airline, the company is one of four airlines merged to form **Aerolineas Argentinas, S.A.**

AEROPOSTAL AIRLINES, S.A. See LAV VENEZUELAN AIRLINES (LINEA AEROPOSTAL VENEZOLANA, S.A.)

AEROPOSTALE (1) (COMPAGNIE GENERALE AEROPOSTALE, S.A.): France (1918–1931). No exact date for this company's registration has been found; however, its history can be traced to December 25, **1918**. On that date, Pierre-George Latecoere flies as a passenger on a proving flight from Toulouse to Barcelona via Perpignan in a Salmson 2-A.2 piloted by M. Cornement.

On March 19, **1919**, M. Lemitre, piloting a Brueguet 14 with Latecoere as passenger, flies Toulouse–Barcelona–Alicante and on March 20 the flight is continued Malaga–Rabat–Casablanca. With them the two men carry a signed contract authorizing the establishment of an airmail service between France and North Africa. The men return to Toulouse prepared to promote the Societe des Lignes Aeriennes Latecoere.

On September 1, the airmail operation is inaugurated by Didier Daurer, who flies several mail sacks to Rabat (Morocco) via Alicante, Malaga, and Tangier in a Brueguet 14. By October, six aircraft are flying regularly scheduled service, although equipment failures make successful route completions somewhat sporadic. Additional fall flights are laid on from Alicante–Algiers/Oran.

In April **1920**, service is extended to Casablanca. "The Line"—as Latecoere's enterprise has become known—is renamed Compagnie Generale d'Enterprises Aeronautiques, S.A. (CGEA) on April 21, **1921**; however, the earlier nickname will be unofficially retained for several additional years.

The company is officially incorporated on April 11, **1922**. The mail route is extended via Casablanca–Oran (by way of Rabat and Fez) connection on October 4. In October, Pelletier d'Oley flies his Brueguet 14 nonstop on several stages Paris–Casablanca and Casablanca–Tunis.

In May **1923**, pilots make an extensive route proving flight between Casablanca and Dakar. The fleet at year's end is made up of 79 Breguet 14s. In early **1924**, Toulouse to Oran via Alicante and Marseilles to Perpignan services are inaugurated. In November, Latecoere dispatches a team to Rio de Janeiro comprised of two board members plus pilots and mechanics and three Breguet 14s. These are to plan and prove the company's provision of air transport to South America.

The company's chief pilot, Paul Vachet, leads all three Breguet 14s on a Rio to Buenos Aires mail/newspaper proving flight; two of the three aircraft complete the six-stop mission within 36 hours on January 14–16. Vachet leads his two surviving aircraft on a pioneering three-stop Buenos Aires–Recife test on February 5 and a roundtrip Buenos Aires–Recife–Buenos Aires exploration on March 6–8.

In the spring of **1925**, the Brazilian government grants permission for a CGEA airmail service. Meanwhile, regular Casablanca to Dakar service is inaugurated on June 2 via Agadir, Cap Juby, Villa Cisneros, Port Etienne, and St. Louis. Among the aircraft employed are ten Latecoere 15 trimotors and a number of single-engine Latecoere 17s, based at Toulouse and Casablanca. In

Rio de Janeiro on December 3, Pierre Latecoere meets French industrialist Marcel Bouilloux-Lafont, who begins to invest in "The Line." In addition to Latecoere types, the fleet now owns at least 106 Breguet 14s, making the carrier one of the largest airlines in the world.

During **1926**, two pilots, Erafle and Gourp, are forced down in the Sahara and killed by Tuareg tribesmen. Late in the year, Antonine de Saint Exupéry is employed to fly the Toulouse–Casablanca route. By this time, the company's fleet includes the single Latecoere 21 flying boat, employed on the Marseilles–Algiers segment.

In January **1927**, Latecoere, Bouilloux-Lafont, and Argentine aviator Vincente Almonacid win a mail concession from Argentine President Alvear. During the spring, Saint Exupéry is employed as manager of the Cape Juby post, on the Rio de Oro coast; he will enjoy great success in calming the natives and winning their support for CGEA. On March 9, the Brazilian government formally agrees to a company mail service. Bouilloux-Lafont spends FF 30 million to purchase control of CGEA on April 11; Latecoere retires to Toulouse to build the land planes and flying boats he will sell his former carrier.

The new owner renames the carrier **Aeropostale** on April 30, invests \$1.5 million in development, and sends personnel, aircraft, etc., to Brazil. Details of the mail contract are negotiated with Argentina in June and in September the subsidiary **Aeroposta Argentina, S.A.** is created. On November 14, chief pilot Jean Mermoz inaugurates a coastal mail route from Natal–Buenos Aires. By year's end, 25 one-way mail flights (including four passengers) are completed.

By early **1928**, the company is prepared to undertake expanded operations; the fleet now includes 2 Breguet 14 mail planes, 2 Latecoere 17s, and 9 Latecoere 25 mail/passenger aircraft. Employing six leased, ex-French Navy destroyers (one of which is named *Air France III*), Paris–Buenos Aires flight service begins on March 1, with the ships carrying the mail over the Central Atlantic, Dakar–Natal. The Brazilian government reconfirms the Aeropostale concession on March 7, making annual renewals henceforth.

From April 16, Jean Mermoz begins night flights from Rio de Janeiro and Buenos Aires and on April 28, he flies a Latecoere 26 nonstop from Rio de Janeiro to Buenos Aires. Later in the year, mail contracts are negotiated with Chile and Paraguay and subsidiary airlines created. Eight Latecoere 32 flying boats begin taking over the Marseilles to Algiers service. During the year, the General Post Office, which has been subsidizing the transport of British airmail via "The Line," makes its highest annual payment: £28,000.

Flying a Latecoere 25, the subsidiary's chief pilot Paul Vachet, on January 13, **1929** inaugurates twice-weekly flights from Buenos Aires via Monte Caseros/Posadas to Asuncion, Paraguay. On February 28, Jean Mermoz and two passengers in a Latecoere 25, mount a trans-Andean proving flight from Buenos Aires–Santiago via Mendoza. A mail contract is signed with Venezuela on July 3 and Paul Vachet, flying a Latecoere 26, spends the remainder of the year surveying internal routes.

On July 15, Mermoz, flying a new Potez 25, inaugurates the weekly Buenos Aires to Santiago mail service. Meanwhile, in early summer, writer-pilot Saint Exupéry is assigned to Argentina and personally undertakes the exploration of possible new routes from Bahia Blanca into Patagonia, almost as far south as the Straits of Magellan. On November 29, four-stop service is launched from Bahia Blanca to Comodoro Rivadavia. A mail contract with Venezuela is also obtained during the year and a subsidiary airline created.

Early in **1930**, a proving flight is made from Santiago to La Paz, Bolivia. Simultaneously, scheduled weekly services are opened in Venezuela; flights are made from Caracas (Maracay)–Maracaibo and Caracas (Maracay)–Ciudad Bolivar/Guasipati/Tumeremo. On February 14, the

Brazilian subsidiary Companhia Aeropostal Brasileira, S.A. is formed. On April 2, flying a new Latecoere 28-3, Saint Exupéry extends the Argentine route, with three intermediate stops, from Comodore Rivadavia to Rio Gallegos, the southernmost scheduled destination in the world; his only passenger is Aeropostale (1) President Bouilloux-Lafont.

Piloted by Jean Mermoz and Jen Dabry, with mechanic Gimie, the new Latecoere Late 28-3, christened *Comte de la Vaulx*, departs St. Louis, Senegal on May 12, landing at Natal 21 hrs. 15 min. later. Mail that had left Paris on May 11 is thus successfully delivered to Buenos Aires by May 14—only four days time. Toward the end of the year, four specially designed mail ships replace the ex-destroyers. Mail contracts are acquired from Peru and Bolivia; subsidiary companies are built in those two countries, allowing a Potez 25 connection from Arica, Chile to La Paz on October 2, via Tacna, Peru.

On January 9, 1931, the Venezuela service is extended from Ciudad Bolivar to Trinidad. The French government now refuses to renew Aeropostale's subsidy and an overextended Bouilloux-Lafont declares bankruptcy on March 31. At that point, "The Line" is the world's largest airline with operations in nine South American countries. A caretaker commission is appointed to maintain the mail service. In South America, service between Buenos Aires and Asuncion is suspended on April 17, from Arica to La Paz in May and from Buenos Aires to Santiago in June.

During the remainder of the year and for most of two thereafter, the once proud carrier decays, accepting rents and joint ownership arrangements from and with its South American subsidiaries. In 1931, Saint Exupéry's nonfiction novel *Vol de Nuit (Night Flight)* is published to critical acclaim. The book, together with two later tales, *Wind, Sand and Stars* (1939) and *Flight to Arras* (1942), will be published as a combined work, *Airman's Odyssey*, by the New York firm of Reynal & Hitchcock in 1942. The American motion picture studio MGM purchases the film rights to *Night Flight*.

The highlight of this period is a January 13–14 1933 transatlantic flight from St. Louis (Senegal) to Natal (Brazil) made in 14 hrs. 27 min. by the Couzinet 70 *Arc-en-Ciel (Rainbow)*, piloted by Jean Mermoz. MGM's screen version of *Night Flight* appears, starring John Barrymore and Clark Gable. The film, like the book, is well received. In 1994, Stacy Schiff will publish what many consider to be the definitive biography of the flying author, *Saint Exupéry* (New York: Knopf), while also providing much insight into Aeropostale's operations.

On August 30, the remnants of Aeropostale (1) are absorbed the newly created SCELA, immediate predecessor of **Air France**.

AEROPOSTALE (2) (L'AEROPOSTALE/ SOCIETE DE EXPLOITATION AEROPOSTALE, S.A.): BP 10454, Roissy-Charles de Gaulle International Airport, F-95708, France; Phone 33 (1) 43 62 1400; Fax 33 (1) 48 62 80; Year Founded 1990. Originally constituted in 1987 as the **Interceil Service, S.A.**, this Group **Air France** all-cargo carrier is reformed at Paris (CDG) in 1990 to operate on behalf of the French post office system. Christened in honor of the pioneer-era carrier, ownership is divided between **Air France**, **Air Inter**, Sofipost, and **TAT European Airlines, S.A.**

Martin Vial is appointed chairman/CEO and revenue operations are undertaken with a fleet that includes 6 shared Boeing 737-200Fs, 6 B-737-300Fs, and 1 B-737-300, plus 15 Fokker F.27-500s previously leased by **Air France** for operation in support of La Poste air-mail requirements.

The Fokkers are removed in 1991 as the first former **Aeromaritime/UTA, S.A.** B-737-300QC "quick change" jetliners enter service. After midnight each night, after performing its passenger service on behalf of **Air Inter**, **TAT European Airlines, S.A.**, or **Air France**, a plane, in a 20-min. task, is converted into a freighter by removing the seats. On behalf of La Poste, up to 18 tons of mail and journals/newspapers are loaded and, before dawn, flown from Paris to mail depots at Toulouse, Marseilles, Bordeaux, Mulhouse, Lyon, Nantes, and Strasbourg.

Night-airmail and daytime-passenger flights continue apace in 1992–1994 and daytime-passenger charters are introduced. The fleet is altered

to include 10 chartered B-737-200QCs, 3 B-737-300QCs, and 5 B-737-300s. La Poste, late in the year, also introduces all-cargo TGV high-speed trains to carry mail.

Enplanements total 1.04 million and a total of 96,000 metric tons of mail is flown.

Chairman Vial undertakes an aggressive plan to increase business during 1995. A B-737-3Y0QC and a B-737-33AQC are leased from **Monarch Airlines, Ltd.** and two B-727-200Fs are delivered in early May. By the end of the third quarter, all of its aircraft are equipped with the Avaero Stage 3 noise compliance kits that will allow them to continue operating 48 flights per night into Paris from around the country. Despite competition from the three dedicated TGV trains, the company's operation is largely responsible for the ability of La Poste to guarantee next-day delivery of first-class mail.

Passenger boardings climb to 1.3 million and mail to 105,000 metric tons.

In 1996, the company operates a fleet of 15 B-737-300QCs, 4 B-737-200s, and 2 B-727-200s. During the night, the company operates 16 domestic mail routes; during the day, its QC "Baby Boeings" offer services on behalf of **Air Inter Europe, S.A.** Plans are announced in late June for the acquisition of additional freight aircraft. During the fall, a code-sharing agreement is signed with **TNT Express Worldwide** under which Aeropostale contracts to transport freight nightly from Paris to Cologne.

Enplanements for the year total 1.35 million and 117-million metric tons of mail and cargo are transported.

In 1997, La Poste remains the carrier's largest single customer, while the postal service's Chronopost subsidiary is also accommodated. Every night, Aeropostale's planes flying from Paris to regional airports deliver 600,000 newspapers, 15,000 small packages, and 6-million first-class letters.

During the first half year, on-time performance is improved by 97.6%, furthering the postal service's goal of next-day mail delivery throughout France. Discussions are begun with the postal services of neighboring companies concerning partnership alliances.

Revenues total \$183 million while a \$580,000 net profit is enjoyed.

During the spring of 1998, plans are announced for the acquisition of 3 A300B4F all-cargo aircraft, with which to replace its B-727Fs, plus 4 cargo-configured Avions de Transport Regional ATR72s.

Revenues dip to \$182 million, while net gain falls to \$133 million.

The first two ATR72-202s, previously operated by **Trans Asia Airways, Ltd.**, are delivered during the summer of 1999 and initiate freighter services from Paris (CDG). Two Airbus freighters are in service by September, with a third wet-leased from **Channel Express (Air Services), Ltd.** Meanwhile, planning has been undertaken for a possible combination of the freight express requirements of La Post and **Air France Cargo**. Still Air France continues to provide over 150 pilots to operate the joint venture's 15 B-737-300QCs.

At a January 2000 news conference, **Air France** officials indicate that they will gradually pull out of their 50% stake in Aeropostale (2). Reaction by the other 50% stakeholder, Sofipost, a subsidiary of the French post office La Poste, is to dismantle the operation altogether; in September, La Poste will sign a comprehensive cooperative agreement with **Federal Express**.

It is announced on June 13 that the major has purchased full equity in Aeropostale (2) and will soon merge it into its own cargo operation. In early July, the entire B-737 fleet must be grounded after cracks are discovered in a cargo door of one ship during a routine maintenance check.

To help cover commitments, a British Aerospace Bae 146-200QC is wet-leased from **Air Jet, S.A.** On September 22, two B-737-3H6Fs, previously flown by **Malaysia Airlines, Ltd. (MAS)** are chartered from Aviacargo Leasing.

On December 1, **Air France** relinquishes its 50% stake to Sofipost, a subsidiary of the French state mail service, La Poste. Although, for historic reasons, if no other, the major retains rights to the old Aeropostale brand, it turns over the company headquarters and all of the dedicated aircraft to the new **Europe Air Post, S.A.**

AEROPUT (DRUSTRO ZA VAZDUSNI SAOBRAĆAJ): Yugoslavia (1927–1941). With government backing, Aeroput is formed at Belgrade in May 1927. Having acquired four French-guilt Poetz 29s, it inaugurates service on February 15, 1928 over a route from the capital to Zagreb. Two years later, in 1930, and after agreement is reached with the Greek authorities, a route is stretched to Salonika.

In 1931, when the carrier begins flying to Vienna, its fleet comprises 5 aircraft, including 2 Fokker F-VIIs. During the remainder of the 1930s, Aeroput concentrates upon the provision of domestic frequencies and does not extend any additional foreign service. In these years, the fleet is upgraded through the purchase of a wide mix of foreign equipment.

Only one indigenous aircraft is employed, the Mitrovich M.M.S.3, designed by the carrier's technical director Milenko Mitrovich in 1936. Largely unknown, the aircraft has only 66 flight hours in its logbook when it is withdrawn in 1938. In 1939, the flight equipment inventory includes: 2 Caudron C-448s Goelands from France, 2 de Havilland DH 89A Dragon Rapides and 2 Spartan Cruisers from England, and 4 Lockheed Model 10 Electras from America.

All operations cease following the German invasion in May 1941.

AEROQUETZAL, S.A.: Guatemala (1990–1993). Aeroquetzal is formed at Guatemala City in 1990 to provide scheduled, regional passenger, and cargo services, particularly in connection with archaeological sites. Revenue flights to Flores and other destinations commence with a Convair CV-580, which is replaced by year's end with a Douglas DC-9-15.

Unable to maintain viability during a difficult, recessionary 1992, the company is forced to shut down in the spring of 1993.

AEROREGIONAL, S.A.: Chile (1987–1994). Aeroregional is established at Puerto Montt in the fall 1987 to provide third-level passenger and cargo flights around the country. Outfitted with a fleet of 2 Fokker F-27Fs, 2 Cessna 402s, and 1 each Cessna 206 and 421, revenue operations commence late in the year. A total of 27,125 passengers are transported in 1988, along with 186,000 FTKs.

The small regional enjoys a pleasant 1989 as its passenger boardings climb by 8.7% to 29,492. Through April of 1990, customer bookings are off 18.7% to 9,933. Although operations continue apace in 1991–1992, no statistics are released.

In 1993, General Manager Patricia Eliot's fleet includes the 2 Fokker F-27Fs, 1 Cessna 206, 1 Cessna 421, and 2 Cessna 402s.

Flights cease in 1994.

AEROREPUBLICA COLOMBIA, S.A.: CRA 10, No. 27-51, Ofc. 303, Bogotá, Colombia; Phone 57 (1) 342-7221; Fax 57 (1) 283-1680; Code P5; Year Founded 1993. Owned by the Promotora de Inversiones Superior, Aerorepublica Colombia is established at Bogotá in 1993 and is the first new airline to be formed in the nation in 25 years. Alfonso Avila Velanda is named CEO and his concern is outfitted with a fleet that includes 5 Douglas DC-9-32s, 2 DC-9-31s and 2 Boeing 727-46s. Scheduled service is inaugurated linking the cities of Bogotá, Barranquilla, Buenos Aires, Cali, Caracas, Leticia, Lima, Medellín, Panama City, Quito, and San Jose.

In 1997, plans are announced for the start of services to the U.S., but these have yet to begin.

At beginning of the new millennium, Colombia's third largest airline has increased its Douglas fleet to 8 and employs 186 workers.

AEROSANTA, S.A.: Chile (1987–1990). Aerosanta provides scheduled air taxi flights in the Santiago de Chile area beginning in late 1987. A total of 3,782 passengers are transported during 1988, the first full year. Operations cease in 1990.

AEROSERVICE KAZAKHSTAN AVIAKOMPANIA: Algabassakaya 2A, Alma-Ata, Almaty, Kazakhstan; Phone 7 (3272) 366 926; Fax 7 (3272) 529 345; Code AV; Year Founded 1991. Aeroservice is es-

tablished in 1991 to offer domestic all-cargo and express charters. Sabit Makhanov is appointed director general and he begins revenue services with a mixed fleet of Antonov An-2s and Kamov KA-26s.

Flights continue in 1992–1998, during which years the company extends its route network. The fleet is altered to include 6 Tupolev Tu-134As, 5 each An-12s and Tu-154Ms, 3 Ilyushin Il-76Ds, and 1 Yakovlev Yak-42.

Destinations visited include Arauca, Armenia, Aruba, Barranquilla, Bogota, Bucaramanga, Buenos Aires, Cali, Cartagena, Cucuta, Curacao, Frankfurt, Havana, Lima, London (LHR), Los Angeles, Madrid, Manizales, Medellín, Mexico City, Miami, Montego Bay, Newark (EWR), New York (JFK), Pasto, Pereira, Popayan, Rio de Janeiro, San Andres Island, Santa Marta, Santiago, São Paulo, Tumaco, and Valledupar.

The Russian currency fiasco and rising fuel prices have a devastating impact on the company. By 1999–2000 its fleet has been reduced to just 1 An-26B and 2 Tu-154Bs.

AEROSERVICIO PARRAGUE, LTDA.: Aeropuerto Los Cerillos, Casilla 86, Santiago, Chile; Phone 2 557 2904; Fax 2 557 2904; Year Founded 1959. R. Parrague establishes his company at Santiago in 1959 to offer general passenger and cargo services. Revenue operations commence with a single Consolidated PBY-5A Catalina.

A second Catalina is acquired in 1960 and the company continues to offer air taxi and charter flights, including frequent trips to Easter Island and Tahiti.

The first PBY is converted into a water bomber in 1970 as the carrier elects to enter the infant Chilean aerial forest fire-fighting business. During the remainder of the decade and beyond, the company acquires two more Catalina waterbombers, at which point forest fire control becomes the carrier's principal enterprise.

Still, charter work is continued. Passengers are flown with one each Cessna 182 and C-152, as well as a Eurocopter BO-105 helicopter. Cargo is transported aboard a Douglas C-47B.

By 2000, Parrague's company employs 15 workers and enjoys annual sales of \$700,000.

AEROSERVICIOS CARABOBO, S.A. See ASERCA (AEROLINEAS REGIONAL DE CENTRO, S.A.)

AEROSERVICIOS ECUATORIANOS, S.A. (AECA AIRLINES, S.A.): Apartado 4113, Guayaquil, Ecuador; Code 2A; Year Founded 1980. AECA is formed as a charter carrier at Guayaquil in December 1980. Equipped with a Douglas DC-8-55F, a Canadair CL-44D, and four Cessna single-engine lightplanes, the company inaugurates international and domestic passenger and cargo charters in early 1981. In mid-year, multistop Douglas freighter operations link Guayaquil/Quito with Miami. Services remain unchanged.

Just after landing at Quito from Miami on September 18, 1984, the four-man crew of Flight 767-103, a DC-8-55F, are visited aboard their aircraft by members of the Ecuadorean Federation of Aircrews, who wish to discuss a pending strike. Following departure of the delegation and after consultation with management, the four elect not to participate in the job action and to depart for Guayaquil, their next stop, as quickly as possible. To hasten departure, the aircraft is towed to runway, with the engines started during the tow; pre-takeoff checks are not carried out and a 0.05deg horizontal stabilizer nose-up is thus undetected.

The aircraft barely makes it off the runway before descending, hitting the wooden structure of the ILS aerial and crashing into houses, destroying 25. All aboard the freighter are killed, along with 49 other persons on the ground.

Unable to maintain its viability on the international scene, AECA sells its DC-8 and CL-44 in 1988 and concentrates on short-range local operations surrounding the capital city. Contract services are also undertaken by President Alfredo Franco del Monaco's fleet, which by 1993 comprises 2 Cessna 402s, 1 Cessna 310, and 1 Douglas DC-3.

With the economic situation improved in late **1994**, the company elects to reenter the Florida freight market and places into service 1 Boeing 707-321B, 1 B-707-321C, and 1 B-727-23F, the latter leased.

Flights continue in **1995–2000**, although the DC-3 is withdrawn.

AEROSIERRA DE DURANGO, S.A. de C.V.: Mexico (1990–1993). Founded at Durango in **1990**, President Fernando Nunez's carrier offers scheduled passenger and cargo services to surrounding states as well as various small stops in Durango state. Charters and contract services are also undertaken with a fleet comprising four Japanese-made NAAC YS-11-100s.

Unable to maintain its viability, the carrier is forced to cease flying in early **1993**.

AEROSMITH AVIATION: 500 Sally Ride Dr., Concord, California, 94520, United States, Phone (510) 686-6060; Fax (510) 686-6517; Year Founded 1991. Aerosmith is set up by its president, Michael A. Smith, at Buchanan Field in Concord, California, **1991**, to offer passenger charters, which the company is certified to fly anywhere from Alaska to Central America. Operations continue with 1 Beech Super King Air 200 and 2 King Air 90s.

AEROSTAR: United States (1979–1984). Aerostar is organized at New Orleans in July **1979** as a subsidiary of the tour promoter, Professional Travel. Flight operations do not begin immediately. Early in **1981**, three Boeing 727-100s are acquired and employed to commence passenger charters from Atlanta on June 19 to such destinations as Las Vegas and Mexico.

A total of 132,000 passengers are transported by December 31. Revenues total \$2.27 million while expenses are held to \$1.87 million. Profits, unusual in a startup operation, are generated: \$401,000 (operating) and \$171,000 net.

During **1982**, the first full year, the nonscheduled operation is unable to generate as many bookings for the entire year than it had during its first six months. After only two years in operation, the company declares bankruptcy in July **1983**; however, it continues flying until its three Boeings are repossessed in September.

Early in **1984**, after new owners take over, operations are resumed, again with a single B-727-100. In May, Aerostar is purchased again, this time by Atlanta-based Flight International Group, which plans to establish its own charter business. For several months, while the latter awaits government approval for a merger, Aerostar is able to continue to offer charters under its own name. Late in the year, with DOT approval, Aerostar is renamed **Flight International Airlines**.

AEROSUCRE COLOMBIA (AEROSUCRE, S.A.): Terminal de Carga, Aeropuerto Ernesto Cortissoz, Barranquilla, AA23, Colombia; Phone 57 (58) 423 002; Fax 57 (58) 471 635; Code KR; Year Founded 1975. Captain Jorge Juan Carlos Solano Recio sets up this all-freight airline at Barranquilla in early **1975**. Employing a fleet of unmodified, ex-military freighters, including 4 Curtiss C-46s, 1 Douglas C-47 and 1 C-54, regularly scheduled services are inaugurated to Bogota and San Andres Island as well as Curacao and Aruba in the Netherlands Antilles.

A DC-6 is also leased for several months during **1976**.

En route to Aruba on September 24, a C-46D disappears; although no wreckage is ever found, it is presumed that the freighter and its two crew members have crashed at sea.

During the remainder of the decade and into the **1980s**, routes are opened to four additional domestic destinations: Cali, Cartagena, Medellin, and Pereira. The employee population grows to 65 and all of the previously owned American freighters are replaced by 2 Handley Page Dart-Herald 401s in **1981**. The former **British Air Ferries, Ltd.** turboprops are followed into service during **1982** by a pair of Sud-Est SE-210 Caravelle XIRs acquired from a Spanish operator.

Flights continue in **1983–1986**. There are two hull losses during these years.

En route from Barranquilla to Bogota on March 13, 1984, a C-46A with 4 crew and 2 passengers is forced by control problems to return to its point of origin, where it crashes on the runway while landing (4 dead).

As the result of "elevator stiffness," the takeoff of an SE 210 Caravelle XIR from Arauca is aborted on November 27, 1986; the aircraft runs off the end of the runway and over a drainage ditch. Although the French-made freighter must be written off, there are no fatalities.

Flights continue without incident in **1987–1988**.

Just after takeoff from Barranquilla on April 26, **1989**, an SE-210 Caravelle XIR freighter with five crew loses height and crashes into a row of houses; all aboard are killed, along with two people on the ground.

The second fatal crash of the year occurs on November 5 when a Dart Herald 401 freighter with 3 crew and 3 passengers crashes into a mountainside in dark and heavy rain near Chaparral, Colombia; again, there are no survivors.

The previous routes and services are maintained, frequencies are increased, and new routes are opened to additional Caribbean destinations during **1990**. Worldwide charters are also flown and transport of freight is increased by the addition of two DC-6BFs.

While holding in the Malambo area on June 20, **1991**, awaiting a weather change after a service from Barranquilla, one of the DC-6BFs with 18 passengers runs out of fuel and crashes (2 dead).

The main landing gear of an SE-210 Caravelle XIR collapses during takeoff on August 9, causing the jet freighter to veer off the runway and crash; although the aircraft must be written off, there are no fatalities.

In **1992–1998**, the fleet, earlier reduced by 1 Dart-Herald, comprises, in addition to the Caravelles, 1 Boeing 727-21, B-727-59, and B-727-23F, all 3 of which have been purchased from **AVIANCA Colombia Airlines, S.A.** The company mission remains unchanged. Cargo traffic during the latter year totals 29.57 million FTKs. That figure nearly doubles in **1999** as 43.88 million FTKs are operated. Airline employment stands at 257 as the new millennium begins.

AEROSUN INTERNATIONAL AIRLINES: United States (1981–1983). On November 15, **1981**, Clearwater, Florida-based **Red Carpet Flying Service, dba Red Carpet Airlines** is renamed. In addition to charter flights, the reborn operator inaugurates scheduled passenger and cargo services linking its base with Key West and with Grand Cayman and Cayman Brac in the Cayman Islands. Daily roundtrip operations, undertaken with a fleet comprising 1 Douglas DC-3 and 2 Convair CV-440 Metropolitans, continue until a downturn in traffic and financial difficulties caused by the recession force closure in early **1983**.

AEROSUR BOLIVIANO (COMPANIA BOLIVIANA DE AERO PRIVADO, S.A.): Calle Colon Esq Av Irala, Santa Cruz, Santa Cruz de la Sierra, 3104, Bolivia; Phone 591 (3) 364 446; Fax 591 (3) 365 246; Code 5L; Year Founded 1992. A third-level carrier founded at Santa Cruz de la Sierra in April **1992**, President Carlos Gonzalez-Weise's regional scheduled company takes advantage of national airline deregulation by combining several charter operations. It begins to offer regularly advertised domestic frequencies on August 24 with a fleet of 8 Fairchild-Swearingen Metro IIIs. Aerosur receives two, leased British Aerospace BAe 146-100s late in the year.

Eight-times-per-day scheduled services are inaugurated in January **1993** from Santa Cruz de la Sierra to Cochabamba and La Paz. The fleet is increased during the year by the addition of a Let 410 and another Metro III.

Markets served grow to include: Camiri, Cobija, Cochabamba, Concepcion, Guayaramerin, La Paz, La Pedrera, Magdalena, Potosi, Puerto Suarez, Riberalta, San Borja, San Ignacio de Velasco, San Joaquin, San Javier, San Jose, Santa Ana, Santa Cruz Viru Viru, Sucre, Tarija, Trinidad, and Yacuiba.

At year's end and into January **1994**, the company acquires two Fairchild Metro 23s and three more Let 410s. The new U.S.-made aircraft and their predecessors now begin hub-and-spoke flights from Santa

Cruz. Employing a newly leased B-727-214 formerly operated by **Pan American World Airways (1)**, international operations are launched during June to destinations in Argentina, Chile, and Brazil. Enplanements for the year reach 550,000.

Operations continue apace in **1995**. During the year, the company becomes the first in its region to introduce first- and business-class services on domestic flights. In September **1996**, three former **Skywest Airlines** Metro IIIs are purchased from the aircraft manufacturer Embraer.

Oscar Alcocer is president in **1997-1999** and his workforce totals 398. Two more Boeing trimotors are acquired and annual revenues exceed \$24 million.

Enplanements reach 347,000 in **1999** and 665,000 FTKs are operated. The workforce of the country's largest domestic operator stands at 430 at the beginning of **2000**.

A perceived threat to the carrier's viability by new entrant **TAM-Bolivia, S.A.**, 49% owned by the Brazilian carrier and given a Bolivian government operating permit in May 2000, brings a strike by the AeroSur unions in June. In late July, as the TAM carrier prepares to launch Fokker 100 domestic services in August, the government opens a review of the nation's airline situation. Suggestions are made that the two carriers merge or that an unspecified amount of AeroSur stock be sold to TAM-Bolivia.

AEROSVIT AIRLINES: 58A Shevchenko Blvd., Kiev, Ukraine; Phone (044) 246-5070; Fax (044) 246-5073; http://www.aerosvit.com; Code VV; Year Founded 1994. Aerosvit is founded at Kiev during the first quarter of **1994** to offer charter service to Mediterranean destinations. Employing an Antonov An-24 and a Tupolev Tu-154, flights are started from the city's Boryspil International Airport in April to Tel Aviv, Odessa, Thessaloniki, and Athens.

A dry-leased Boeing 737-2Q8A is acquired in October and is employed to introduce thrice-weekly roundtrips to Tel Aviv; a single non-stop roundtrip to Moscow also begins.

Between April and July **1995**, weekly charters are launched from Simferopol to Gannover. In August, weekly flights begin from Kiev to Almaty, along with twice-weekly roundtrips to Ashgabad and Riga. Regularly scheduled flights from Kiev to Tel Aviv and to Thessaloniki via Odessa commence in December, along with connecting flights Dnipropetrovsk-Kiev-Tel Aviv.

Weekly flights begin in February **1996** from Dnipropetrovsk to Tel Aviv, along with connecting flights Donetsk-Kiev-Tel Aviv. Frequencies from Kiev to Riga are boosted to three in March, while weekly B-737-2Q8A roundtrips are introduced in April from Kiev to Ekaterinburg. Tu-154 return service is started in May from Simferopol to Tel Aviv. A second leased B-737-2Q8A is now acquired.

An-24 roundtrips are launched in February **1997** from Kiev to Kharkov, followed by An-24 return flights from Kiev to Lviv in March. The number of weekly roundtrips from Kiev to Tel Aviv is increased to four in April. In May, Kiev-Simferopol and Simferopol to Moscow return service is started, along with daily B-737-2Q8A roundtrips between Kiev and Moscow.

Under terms of a new code-sharing agreement with **Olympic Airways, S.A.**, a flight from Kiev to Heraklion in Greece begins in June, while in July twice-weekly return flights are undertaken from Kiev to Malta and Ekaterinburg. Boeing 737-2Q8A roundtrip service from Simferopol to Tel Aviv commences in October.

The number of B-737-2Q8A return flights from Kiev to Heraklion is boosted to two per week in August **1998**, while roundtrips from Kiev to Tel Aviv are boosted to five per week. In the three years since 1996, the company has transported 420,000 passengers.

An owned B-737-2Q8A is acquired during the first quarter of **1999** and inaugurates the company's new weekly return service from Kiev to Hurgada.

In May, thrice-weekly return flights from Kiev to St. Petersburg are introduced as is four-times-a-week roundtrips from Kiev to Budapest, the latter a dual-designator service with **Malev Hungarian Airlines**.

Also during the month, new weekly roundtrips are introduced between Kiev and Antalia, while frequencies from Kiev to Lyiv are boosted to six per week and to Larnaca to four per week.

Under a code-sharing agreement with **Air Baltic Corporation, S.A.**, weekly roundtrips are launched in June from Kiev to Stockholm via Riga. The number of weekly roundtrips from Simferopol to Tel Aviv jump to two in July.

Enplanements for the year total 200,000.

One of the leased B-737-2Q8As is returned in February **2000** and replaced with a B-737-3Q8A. Code-sharing agreements are signed with **Balkan Bulgarian Airlines** and **Aeroflot Russian International Airlines (ARIA)**. Under terms of the pact, new twice-weekly return service is started from Kiev to Sofia in April.

Also during the spring, the number of weekly roundtrips between Kiev and Moscow are increased, via the Aeroflot pact, to 12, while weekly return services from Kiev to Budapest grows to 10.

In addition to 20 destinations in 13 nations and within the Ukraine, the company plans the introduction of regular direct flights during the summer to Helsinki.

A code-sharing agreement is signed with **Estonian Air, A.S.** on October 1 under which the two will jointly sell tickets for the Tallin to Kiev route that Estonian Air B-737-5Q8s fly thrice weekly.

AEROSWEET AIRLINES: 58-A Schevchenko Blvd., Kiev, 252032, Ukraine; Phone 380 (44) 220 1614; Fax 380 (44) 221 8707; http://www.aerosweet.com; Code VV; Year Founded 1994. Aerosweet is established at Kiev in **1994** to provide scheduled international services from the Ukraine to destinations in the Middle East, Eastern Mediterranean, Central Asia, the Baltic region, and the CIS. The company name is a combination of aero and a play on the Ukrainian word "swit," which means "world."

Shareholding is divided between local investors and an Israeli company, Caspi Aviation, Ltd. Revenue flights commence with a pair of Boeing 737-200s. They wear the national colors of pale blue and yellow.

Flights continue in **1995-1996**. During these years, the company joins IATA. From Kiev, it regularly flies to Tel Aviv, Larnaca, Athens, Thessaloniki, Ekaterinbourg, Riga, Almaty, Akmol, Ashkabat, Lvov, Kharkov, and Simferopol.

Tel Aviv is also served from Odessa and Simferopol, while frequencies are also offered to Moscow from the second-named point.

Charter flights to Heraklion (Crete) and Malta begin in the spring of **1997**. Simultaneously, twice-weekly roundtrip service is inaugurated from Kiev to St. Petersburg, via Moscow. The new route is flown in direct competition with St. Petersburg-based **Aviation Enterprise Pulkovo (Pulkovo Airlines)**.

Frequencies must be cut back somewhat during the summer as one B-737-200 must be taken off line. A third "Baby Boeing" is received in October and, on November 1, all flights become nonsmoking.

Due to engine problems, Flight 241, a B-737-200A with 8 crew and 62 passengers and en route from Kiev to Thessaloniki, stops at Odessa on December 17 to change planes. When all are aboard, the Yak-42 departs south and, because of heavy traffic, is put into a holding pattern near Salonika. At this point, the aircraft disappears. A massive search is undertaken, during which a Greek Air Force C-130 Hercules with five crew, crashes, killing all aboard. Wreckage from the Russian aircraft is found on December 20 near Mount Olympus and there are no survivors.

Enplanements for the year total 157,423.

Flights continue without fanfare in **1998**. Passenger boardings drop 8.1% to 135,000.

A total of 145,000 passenger are carried in **1999**, while 548,000 FTKs are also operated. Two B-737s, one each Dash-35B and Dash-3Q8, are leased during the year.

During the first quarter of **2000**, the number of B-737-200 weekly roundtrip frequencies from Kiev to Moscow are increased from seven to 10.

On August 9, a Greek court orders Lvov Airlines to pay \$1.6 million to the relatives to two people killed in December 1997 when the Yak-42 they had chartered to Aerosweet crashed on approach to Thessaloniki.

Aerosweet takes delivery of its first Boeing 737-300 on September 1.

AEROTABO (TRANSPORTES AEREOS DE BOLIVAR, S.A.). See **AEROLINEAS MEDELLIN, S.A.**

AEROTACA AEROTAXI CASANARE (AEROTRANSPORTES CASANARE, LTDA.): **Aeropuerto El Dorado, Entrada 1, Bogota, Colombia; Phone 57 (1) 413 9884; Fax 57 (1) 413 5256; Code AT; Year Founded 1965.** Aerotaca is established by the Urdaneta family at Bogota in early 1965 to serve as an FBO and maintenance concern. A charter/air taxi division is also established to provide on-demand passenger and freight services. Flight operations are started and continued with lightplanes as well as several de Havilland Canada DHC Twin Otters.

While descending to Vereda el Salitre on a service from El Yopal on June 11, 1989, a DHC-6-300 with 2 crew and 20 passengers crashes into a hill (6 dead). Nonscheduled flights are maintained without further incident in 1990–1991.

A scheduled airline division is created in 1992 in order that regularly offered commuter services might be provided. The company enterprise continues to be operated under the chairmanship of Antonio Urdaneta.

Revenue operations by General Manager Alejandro Salamanca's third-level airline commence with the three leased de Havilland Canada DHC-6-300 Twin Otters previously employed for charters. Markets served include Arauca, Cimitarra, El Yopal, Malaga, Sabana de Torres, Santa Posa, Sogamoso, Tame, and Villanueva.

En route from Bogota to Bucaramanga on May 16, a Twin Otter with 16 passengers is taken over by armed hijackers, who kill three security guards and toss their bodies out of a door. The aircraft is forced to land at Fortul, where the remaining passengers are released. The Canadian-built turboprop then takes off—and vanishes.

In 1993, airline employment stands at 128 and the fleet is increased by the addition of 1 each Beech King Air 90 and Fairchild Hiller FH-227D.

While on approach to El Yopal on a June 6 all-cargo service from Bogota, a DHC-6-300 with two crew smashes into a 3,000-ft, cloud-covered hill 5 km. from the runway; there are no survivors.

One Twin Otter is withdrawn in 1994 as a Cessna 206 is received and an Embraer EMB-120 Brasilia is ordered. A new route is stretched to Yutamena and Mauricio Hoyas becomes the new general manager.

Operations continue apace in 1995–1998. During these years, Rafael Urdaneta becomes general manager, the workforce grows to 135, and hubs are opened at Bucaramanga and El Yopal. Additional destinations visited include Monterrey, Orocué, Puerto Berrio, Saravena, Velasquez, and San Jose del Guaviare.

The Brasilia is not received, being replaced instead with a leased SAAB 340B first flown by **Aer Lingus Commuter, Ltd.**, the regional subsidiary of **Aer Lingus Irish Airlines, Ltd.**

While en route from Bucaramanga to Malaga on April 8, 1999, a DHC-6-300 with 2 crew and 3 passengers crashes into a fog-shrouded La Caida hill near its destination; there are no survivors.

Two Beech 1900Cs are leased from Raytheon Aircraft Company during the first week of January 2000. Upon delivery, they are employed on regional services to Colombian cities.

AEROTAL COLOMBIA (AEROLINEAS TERRITORIALES DE COLOMBIA, S.A.): Colombia (1971–1983). **TAL (Taxi Aereo Lianero, S.A.)** is formed at Bogota in 1971 to offer nonscheduled DC-3 passenger and freight service to various nearby towns. The company is reorganized in 1975, changes its name to Aerotal Colombia, and initiates scheduled passenger services with its fleet of two DC-3s and a newly received DC-4. Orders are now placed for jetliners as major expansion begins.

A fleet of 4 Sud-Est Caravelle VIRs is purchased from **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** and is employed in 1976–1979 to inaugurate trunk service between all of Colombia's major cities from its base at Villavicencio. Three are delivered in 1977 and the fourth in 1978; they join a fleet which also includes 1 DC-4, 2 DC-3s, 2 Cessna 206s, and 1 Pilatus Porter.

A Sud-Est SE-210 Caravelle VIR with 6 crew and 51 passengers suffers the loss of its hydraulic systems soon after takeoff from Bogota on July 20, 1979. The aircraft is able to return to its point of origin and make a successful emergency landing, during which it leaves the runway and comes to a stop in a canal. Although the aircraft must be written off, there are no fatalities.

While being tested at Bogota on January 24, 1980, a DC-3 with four crew suffers engine failure and crashes; there are no survivors.

Later in the spring, a Boeing 707-331C is purchased from **Trans World Airlines (TWA)** and is employed to begin all-cargo freight services to Miami and the Caribbean.

The Stratofreighter with 3 crew and 1 passenger encounters heavy rain while on final approach to Bogota on December 20 and crashes, catching fire; all aboard safely evacuate.

By 1981, the route network includes stops at Barranquilla, Bogota, Bucaramanga, Cali, Cartagena, Cucuta, Medellin, Pasto, Pereira, San Andres Island, and Santa Marta.

The fleet is revised in 1982 as the Caravelles are replaced by three Boeing 727-021s; another B-707-331C freighter is also acquired.

On January 7, a lone assailant takes over a B-727-021 en route from Santa Marta to Barranquilla, and orders the release from prison of his brother, convicted of hijacking four years earlier. The man is captured by his fellow passengers and, when the plane arrives at his destination, is handed over to police. Tried, he is sentenced to prison and joins his brother.

Before the changeover is completed, M-19 guerrillas hijack a Caravelle with 128 aboard on January 27 and force it to fly to Cali, where they release 47 hostages. The plane then crashes into an army truck during its attempted takeoff and the pirates threaten to blow up their captives and the damaged aircraft if not given another. After exchanging the remaining hostages for an escape plane next morning, the guerrillas fly to Cuba via the Colombian resort island of San Andres aboard a corporate jet.

A DC-3 with 22 aboard crashes near Quetame, Colombia, during a rainstorm on December 1; there are no survivors.

Increased fuel prices and the world economic recession having conspired to lower traffic and financial rewards since 1979, the carrier is forced to suspend flight operations and declare bankruptcy in 1983.

Although plans are made to reorganize and attempt to resume services in 1984, they do not come to fruition. In the aftermath of the bankruptcy and subsequent litigation, several aircraft are simply left to rot on the runway of the former company base.

AEROTAXI STOCK LEASING COMPANY: 9 Pilot Street, St. Petersburg, 196210, Russia; Phone 7 (812) 178275; Fax 7 (812) 1272771; Year Founded 1996. ASLC is established by Anatoli A. Khvostovski at St. Petersburg in 1996 to offer executive and small group passenger charters. Revenue flights begin and continue with a single Yakovlev Yak-40D.

AEROTAXI SUD, S.p.A. See **SAGITTAIR, S.p.A.**

AEROTEC AIRWAYS, GmbH. & CO., K.G.: Flughafen, Friedensstrasse 113, Rothenburg, D-02929, Germany; Phone 49 35891 45600; Fax 49 35891 45839; Year Founded 1996. Aerotec is set up at Rothenburg in 1996 as the European dealer for the Czech aircraft manufacturer LET. Four Let 410s are delivered and are employed to operate regional flights within Germany, including executive and freight services. Also flown are one each Beech King Air 90 and a Piper PA-34 Seneca II. A Cessna 550 Citation II is, meanwhile, stationed at Saar-

brucken Airport to operate charters from that point as well. Flights continue **1997–2000**.

AEROTOURS DOMINICANA, S.A. *See* **AEROCHAGO AIRLINES, S.A.**

AEROTRANSIT: United States (1979–1980). Aerotransit is set up at Beverly, Massachusetts, in **1979** to provide daily air taxi shuttle flights to New York (LGA). Although Beech B-80 Queenaire roundtrips are duly inaugurated, fuel costs and recession force the airline out of business in **1980**.

AEROTRANSPORTES CASANARE, S.A. *See* **AEROTACA AEROTAXI CASANARE (AEROTRANSPORTES CASANARE, S.A.)**

AEROTRANSPORTES LITORAL ARGENTINA, S.A. *See* **AUSTRAL AIRLINES (AUSTRAL LINEAS AEREAS, S.A.)**

AEROTRANSPORTES MAS DE CARGA, S.A. de C.V. *See* **MAS AIR, S.A. de C.V.**

AEROTRON, S.A. de C.V.: General Aviation, Puerto Vallarta International Airport, Puerto Vallarta, Mexico; Phone 52 (322) 1 19 21; Fax 52 (322) 1 17 93; <http://www.hypermex.com/htmlads/artn.htm>; Year Founded 1990. Aerotron is set up as an FBO and charter operation by Enrique Tron at Aeropuerto Internacional, Puerto Vallarta, in **1990**. Tron arranges that Eduardo Legopreta become chairman as he remains president.

Fourteen employees are recruited, and a Learjet 35A is purchased. A total of 1,440 passengers are transported on the year and revenues are \$327,524. The net loss is \$257,424.

Passenger boardings decline to 940 in **1991**; however, revenues jump to \$1.55 million and produce a \$789,907 net profit. The reverse occurs in **1992** as customer bookings rise to 1,200 and revenues are cut in half to \$758,662. There is a net \$41,338 loss. The fleet in **1993** includes 1 each Learjet 35A, Learjet 25D, Fairchild-Swearingen Metro II, and 1 Boeing 727-230, which is leased. Service is maintained during the remainder of the decade.

AEROTUY, C.A. (LINEA TURISTICA AEROTUY): Boulevard Sabana Grande, Ed G Sabana, Caracas 1010A, Venezuela; Phone 1 (814) 329-5301; Fax 1 (814) 328-5306; <http://www.tuy.com/aerotuy.htm>; Code TU; Year Founded 1990. Aerotuy is established at Caracas in **1990** to offer nonscheduled, third-level international, domestic, and regional services. Peter Bottome is named president and he begins revenue services with 4 Dornier 228-212s and 6 de Havilland Canada DHC-6-300 Twin Otters. Destinations visited in **1991–1993** from Caracas and Porlamar include Canaima, Kavac, Los Roques, Maturin, Grenada, and Tobago; charters are flown to national parks in Venezuela. Operations continue in **1994** with a fleet now made up of 7 Dorniers.

The fleet is significantly altered in **1995–1999**. Gone are the Twin Otters and 3 Dorniers, replaced by 3 DHC-7s, 1 Beech 1900, and 4 Cessna 208 Caravan Is.

AEROVIAS, S.A. (1): Brazil (1944–1949). Aerovias is formed in Minas Gerais State in late **1944**. Most of **1945** is spent searching out a fleet, which comes to comprise 1 each Stinson SM-8 Junior and Stinson SR-8 Reliant, as well as a 12-year-old Fiat G-2 trimotor. The latter, the only one of its type in existence, is purchased from **Varig Brazilian Airline (Viacao Aerea Rio-Grandeuse, S.A.)**, which had obtained it from **Avio Linee Italiane, S.p.A.** three years earlier. Services to local destinations begin in November.

Service is maintained during **1946–1949** and the fleet is upgraded by the addition of 2 Douglas DC-2s and 2 C-39s (military DC-2s); however, traffic revenues are insufficient to overcome debt and by the latter year the situation is so grave that the airline is forced to stop flying.

AEROVIAS, S.A. (2): Guatemala (1977–1993). Aerovias is established at Guatemala City's Aeropuerto La Aurora in the fall of **1977** to offer scheduled and charter all-cargo service. Employing a Piper PA-31-310 Navajo, President Arturo Pellecer's 60-man airline inaugurates flights to Flores, Belize, and the Mexican community of Chetunul.

The first of a fleet of three Handley Page 200 Dart Heralds is received in **1984**. The Heralds are followed into service in **1985** by a leased Sud-Est SE-210 Caravelle III.

Just after takeoff from Guatemala City on January 18, **1986**, the chartered Caravelle III with 6 crew and 81 passengers crashes into a hill 5 mi. from Flores; there are no survivors.

Services are maintained through the remainder of the decade and in **1989** the fleet includes 3 Heralds and 1 Douglas DC-6A. Permission is sought to inaugurate passenger and cargo flights to Houston, Miami, and Los Angeles with a wet-leased Boeing 707-320C.

While American authority is awaited in **1990**, Herald operations continue. A Lockheed L-188C Electra, first flown by **Garuda Indonesia**, is acquired from **Transafrik, S.A.** in **1991** as turboprop combi flights to Miami are initiated.

Two of the Heralds go out of service in **1992** and are replaced with a Boeing 727-76. In **1993**, President Arturo Pellecer's fleet also includes another Piper Navajo and a Beech 80. In deep financial difficulty, however, the carrier must shut down toward year's end.

AEROVIAS AMAZONAS, S.A.: Peru (1961–1965). Founded at Bogota in April **1961** to offer international charter service, this operator purchases three Curtiss C-46 Commandos. Flights are started late in the year along a single route stretching from Iquitos to Miami via Quito, Bogota, and Panama City. The usual cargos are tropical fish and exotic fauna.

The fleet begins to grow to a total of seven Commandos (not all operated simultaneously), but the company is forced by poor economic return and stiff competition to cease flying in **1965**, only four years after startup.

AEROVIAS ARGENTINAS, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

AEROVIAS AZTECA, S.A. de C.V.: Mexico (1944–1945). Mexico's second attempt at an all-cargo airline is formed in Mexico City in late **1944**; ownership is 58% American and 42% Mexican. With two Budd Conestogas, the carrier initiates weekly multistop service in March **1945** from the capital up to Mexicali.

There is insufficient demand for this service, however, and the company ceases flying before the end of the year.

AEROVIAS BRASIL. *See* **EMPRESA DE TRANSPORTES AEROVIAS BRASIL, S.A.**

AEROVIAS CARIARI, S.A.: Costa Rica (1968–1979). AC is set up at Limon in **1968** to provide domestic passenger service to San Jose and other points employing a pair of Douglas DC-3s. Operations continue for another decade, during which years the fleet is increased with the addition of a single Convair CV-440.

AEROVIAS CARIBE, S.A. de C.V.: Coba Ave. No. 5, Local B1, Plaza America, Cancún, Quintana Roo, 77500, Mexico; Phone 52 (98) 842-000; Fax 52 (98) 841-364; <http://www.aerocaribe.com.mx>; Code QA; Year Founded 1973. Set up at Mexico City in **1973**, this second-level airline is initially and briefly known as **Aerolineas Bonanza, S.A. de C.V.** Equipped with 1 Convair CV-440 and 2 CV-340s, the carrier initiates international flights to Guatemala and Belize as well as domestic services to the Yucatan peninsula cities of Chichen, Itza, Tulum, Villahermosa, Cozumel Island, and Isla Mujeres.

In **1974**, the base is moved to Cancún, which is rapidly developing into a top-ranked resort community. The company name is changed and

services are maintained throughout the **1970s**. It is during this period that the company also becomes known as Aerocaribe.

In **1981** an Embraer EMB-110P1 is added to the fleet. During the **1982–1983**, the company continues to fly scheduled passenger services between resort, archaeological, and commercial points throughout the state of Yucatan and into the territory of Quintana Roo. As a result of traffic dips, the fleet is downsized in **1984** to comprise 1 CV-440, 1 CV-340, and the Bandeirante.

Regional services are started late in the decade and, by **1988**, General Manager Jaime Valenzuela Tamariz has sold the EMB-110 and replaced it with (in addition to the Convairs) 2 Fokker F-27F/Js and 2 Fairchild Hiller FH-227B/Ds. Airline employment, meanwhile, grows to 345.

The Convairs are sold in **1989–1990**. On August 23, 1990 the company is purchased by **Mexicana Airlines, S.A. de C.V.** It is assigned to the commuter network “Mexicana Inter” with the task of feeding the major at Cancún. Four more Fokkers, two additional FH-227s, and a pair of Pilatus-Britten-Norman BN-2A Trislanders are acquired by President Raul Arechiga Espinoza during **1991–1992**.

In **1993**, General Manager Tamariz oversees a workforce of 200. Markets served include Acapulco, Cancún, Chetumal, Cozumel, Flores, Huatulco, Merida, Minatitlan, Oaxaca, Puerto Escondido, Tuxtla Gutierrez, Vera Cruz, and Villahermosa.

A Douglas DC-9-15F is put into service during **1994** linking Cancún with Merida, Villahermosa, Tuxtla Guierrez, and Oaxaca.

Flights continue in **1995–1996**. During these years, the company becomes closely affiliated with **Aero Cozumel, S.A. de C.V.**

Also in 1996, **Mexicana Airlines, S.A. de C.V.** and its “Mexicana Inter” interests are purchased by the holding company CINTRA, S.A. de C.V., which also owns **Aeromexico (2) (Aerovías de Mexico, S.A. de C.V.)**.

A major expansion of services occurs on October 29, **1997**. New routes are started to the Chiapas cities of Tuxtla Gutierrez, San Cristobal de las Casas, and Palenque, as well as Mexico City and the Guatemalan community of Tikal.

In **1998**, the carrier places orders with British Aerospace Asset Management for the charter of five BAe Jetstream 32EPs with which to replace its FH-227s. The company will be the first in Mexico to operate the British-made turboprop.

At the end of the year, the company is accused of cancelling 463 scheduled flights in the State of Chiapas during the previous 12 months, causing economic loss to the local economy.

On January 28, **1999**, Aerocaribe, in an open letter to the state government published by the media, denies the cancellation claims.

Aerovías Caribe continues its close link with fellow “Mexicana Inter” partner **Aero Cozumel, S.A. de C.V.** The two companies share a homepage on the World Wide Web.

The four BAe Jetstream 32EPs are in service by the end of the first quarter.

In November, twice-daily nonstop roundtrips are started from Cancún to Chetumal. A specialist in providing lift for Mayan World visitors, the company transports over 500,000 passengers on the year.

Daily nonstop roundtrips begin on February 3, **2000**, from Cancún to San Pedro, Honduras, providing a link to Copan, the archaeological jewel of Honduras.

While enroute from Tuxtla Gutierrez to Villahermosa via Ocosingo on July 7, Flight 7831, a BAe Jetstream 32EP with 2 crew and 17 passengers, encounters bad weather and changes course; the plane crashes into mountainous terrain 37 mi. SE of its final destination and there are no survivors.

New service is launched in July from Guadalajara to Oaxaca, Acapulco, and Havana, the latter via Cancún. Monterrey to Havana via Cancún frequencies also begin.

DC-9 roundtrips are inaugurated on November 1 between Monterrey and Cancún and, beginning on November 15, between Guadalajara and Cancún.

AEROVIAS CENTRALES, S.A. de C.V.: Mexico (1932–1935). Following the February 9, **1932** failure of the late Theodore Hull’s **CAT (Corporacion de Aeronautica de Transportes, S.A. de C.V.)**, **Pan American Airways (PAA)** moves on February 26 to establish a subsidiary, Aerovías Centrales, with which to acquire, operate, and build upon CAT’s assets. A fleet of 4 Fokker F-10As and 2 Fairchild 71s is provided. Dismissing the central portion of the newly acquired network, Juan Trippe’s operation concentrates on the Pacific coast, while retaining the Torreón–Durango–Mazatlan segments; Ford 5-ATs are introduced on November 12.

In March **1933**, a five-stop coastal route is opened Mazatlan–Ciudad Obregon; this run is extended, via Hermosillo, to Nogales in mid-year. The only Northrop Delta 1B is delivered on August 20 and enters Pacific Coast service.

To meet competition from Walter Varig’s **LAO (Lineas Aereas Occidentales, S.A. de C.V.)**, Aerovías Centrales, in April **1934**, employs the first of five P.A.A.-supplied Lockheed Model 10Cs to open Los Angeles–Mexico City same-day service. The American carrier also delivers a Consolidated Fleetster; however, the original Northrop Delta 1B is lost in a fire on May 5.

When LAO goes out of business in January **1935**, P.A.A. quickly acquires its Tapachula route. Refusing to bow to a government rule that all airlines operating as Mexican must have Mexican flight crews, P.A.A. dissolves Aerovías Centrales on December 18, selling its fleet to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**.

AEROVIAS COLOMBIANAS, S.A. See **ARCA COLOMBIA (AEROVIAS COLOMBIANAS, S.A.)**

AEROVIAS CONDOR, S.A.: Bolivia (1958–1966). Condor is set up as a La Paz-based air taxi in **1958**, flying passengers and freight to local destinations with a Cessna 182. In 1960, the company purchases a Curtiss C-46 Commando with which to undertake nonscheduled, all-cargo flights on behalf of energy concerns.

During the spring of **1966**, the company leases its big plane to **LAB (Lloyd Aero Boliviano, S.A.)**. The aircraft is lost in a crash during August and, as a result of this catastrophe, the company goes out of business in September.

AEROVIAS CONDOR DE COLOMBIA, LTDA. See **AEROCONDOR (AEROVIAS CONDOR DE COLOMBIA, LTDA.)**

AEROVIAS CONTRERAS, S.A. de C.V.: Mexico (1947–1955). Tijuana import-export businessman Manuel Contreras sets up this airline in **1947** to concentrate on the dual business of hauling passengers and cargo in and north of Baja California. Employing an ex-U.S. Army Air Forces C-46A Commando christened *Ensenada*, a local route is begun to Ensenada, Mexicali, and San Felipe. The following year another Curtiss is acquired and the route network is stretched to La Paz.

From **1950**, passenger traffic shrinks and is finally passed to **Aeronaves de Mexico, S.A. de C.V.**; cargo traffic, however, rises during the Korean War period (especially in the transport of fish from La Paz to California, via Tijuana).

While on approach to San Diego on August 18, **1953**, the *Ensenada* with two crew crashes into the mountains E of the city; there are no survivors.

Following the disaster, business declines to a point where the company ceases operations in **1955**.

AEROVIAS DAP, S.A.: Casilla 406, Punta Arenas, Chile; Phone 56 (61) 22 33 40; Fax 56 (61) 22 16 93; Code X8; Year Founded 1980. Members of the Pevcevic family, including father Andres and sons Domingo Andres and Alexander, desiring air service into Puntas Arenas, form Aerovías DAP on November 1, **1980**; the DAP initials stand for principal shareholder Domingo Andres, although his father and younger brother are shareholders. When **Brymon Airways, Ltd.** of the U.K.

elects not to take delivery of a de Havilland Canada DHC-6-300, it is sold to the Pevcevic and is employed to begin scheduled service a week later, still in Brymon colors, to Puerto Williams.

Frequencies in **1981–1983** are three per week during the October to March summer season and weekly during winter; on November 8, twice-daily flights are offered across the Magellan Straits to Porvenir. In addition to the scheduled frequencies, charters are undertaken to the oil drilling centers of Cerro Sombrero, Punta Catalina, and Posesion on behalf of the Chilean national oil corporation ENAP (Empresa Nacional de Petroles).

An international service is inaugurated to Rio Gallegos in October **1984** and a Piper PA-31-310 Navajo is purchased from the Chilean Navy in September **1985**. Because of an exorbitant insurance rate, the Rio Gallegos route is suspended in February **1986**. The fleet is upgraded during the year to include 1 DHC-6-300, 2 Cessna 402Cs, and 2 Beech King Air 90s.

Scheduled third-level passenger, cargo and mail service to the region surrounding the base at Punta Arenas is maintained in **1987**, along with passenger and cargo charters and contract services flights. A total of 22,074 passengers are transported in this the first year in which traffic figures are reported. Customer bookings decline by 33% in **1988** to 16,597. Passenger boardings recover somewhat in **1989**, increasing by 2.5% to 17,010.

Traffic resumes its downward journey in **1990**, falling 12.5% to 14,870 passengers flown. Statistics are only reported for the first eight months of **1991**, but these show customer bookings up 14.5% to 11,089 while cargo rises 50% to 12,000 FTKs.

The fleet in **1992** includes 1 each Beech King Air 90, King Air 100, and DHC-6-300. Passenger boardings increase by 14.7% to 20,252 while freight figures are not shared. During the first nine months of **1993**, customer bookings decline by 9% to 14,056.

Airline employment is increased by 25% in **1994** to 40 as passenger traffic improves. Again, through September, bookings rise 14.8% to 20,147.

Timed to begin with the southern hemisphere summer season, starting in October **1995**, DAP runs services on the busy route between Punta Arenas and Santiago, the Chilean capital with a single B-727-23 leased from CS Aviation in New York.

Toward year's end, an agreement is signed with **British Airways, Ltd. (2)** that provides that passengers and cargo moving between the UK and the Falkland Islands can travel with BA from London to Santiago, and connect there for the twice-weekly DAP flight to Fort William via Punta Arenas.

The carrier's eight aircraft transport a total of 27,670 passengers—a dramatic 21.1% increase.

Problems begin in April **1996** when DAP starts to encounter difficulties in matching revenues with monthly operating lease costs. This situation is not helped by the relatively high fuel costs associated with flying the 727 on the three-hour journey between Punta Arenas and Santiago. In addition, the other airlines flying between Santiago and Punta Arenas begin a price war, although they will eventually have to pay antidumping fines after DAP successfully takes them to court.

Still, overall customer bookings skyrocket this year, climbing 76.7% to 48,878.

The fleet of President Domingo Andres Pivcevic in **1997** includes 2 leased Boeing 727-23s, plus an owned fleet of 1 each DHC-6-300s, Beech King Air 100, and Beech King Air 90, plus 3 Eurocopter AS-355F Ecureuil IIs.

The B-727-23 leasing contract comes up and there are two options—to renew for a couple of years or exercise the termination clause. At the beginning of the low season at the end of March, the Boeings are returned.

DAP pulls out of the Santiago to Punta Arenas market on April 1; however, the two Boeings will be chartered again and the carrier will return when the new high season begins in October.

Passenger boardings fall 5.5% to 46,212.

Partial year enplanements are reported in **1999**. At the beginning of **2000** there are 40 employees.

AEROVIAS DARIENTAS, S.A. See ADSA (AEROVIAS DARIENTAS, S.A.)

AEROVIAS DE GUATEMALA, S.A.: Guatemala (1940–1945). Aerovias de Guatemala, S.A. is formed by **Pan American Airways (PAA)** at Guatemala City on October 11, **1940** for the express purpose of competing with Lowell Yerex's subsidiary **Compania Nacional TACA de Guatemala, S.A.** The American major subscribes 40% of the capitalization and Alfred Denby, the American owner of the nation's largest meat packing business, is appointed general manager. A Lockheed L-14 and two Ford 5-ATs are delivered, allowing service to start on November 7.

The largely one-sided competition ends on January 1, **1941** when the Guatemalan dictator withdraws Yerex's route certificates. **Pan American Airways (PAA)** turns over the Ford Tri-Motor 5-AT-74 in May for use as a chicle freighter.

On April 15, **1942**, following a change in government and Denby's replacement and withdrawal (actually, an escape) to the U.S., PAA shareholding is reduced to 20%. During the summer, two Douglas DC-2s are placed in service. On November 30, **1945**, the company is sold to the new state airline **AVIATECA (Compania Guatemalteca de Aviacion, S.A.)**.

AEROVIAS DE INTEGRACION REGIONAL, S.A. See AIRES (AEROVIAS DE INTEGRACION REGIONAL, S.A.)

AEROVIAS DE MEXICO, S.A. de C.V. See AEROMEXICO (2) (AEROVIAS DE MEXICO, S.A. de C.V.)

AEROVIAS DEL CENTRO, S.A. de C.V.: Mexico (1962–1969). This third level operator is organized at Izucar de Matamoros in the state of Puebla in **1962** and offers single-engine service to various small destinations within that state, as well as in the states of Oaxaca and Guerrero. Financial difficulties force the company to cease flying in **1969**.

AEROVIAS DEL SUR, S.A. de C.V.: Mexico (1959–1969). Formed at Mexico City in **1959**, this commuter offers Piper service from the capital to the towns of Ciudad Altamirano, Arcelia, and Morelia. Economic difficulties in the late **1960s** bring an end to operations in **1969**.

AEROVIAS ECUATORIANAS, S.A. See AREA (AEROVIAS ECUATORIANAS, S.A.)

AEROVIAS ESPECIALES DE CARGA, S.A. (AVESCA COLOMBIA): Colombia (1990–1995). This special cargo airline is established at Bogota in **1990** to provide charter and contract service flights to local and regional destinations. Revenue operations commence with a single Convair CV-580, followed by a second in **1991**.

The carrier enters the jet freighter age in **1992** with the introduction of one each Boeing 727-25 and B-727-41. The Convairs are retired in **1993** and are succeeded by a B-727-95. The company is renamed Aero-lineas Cargueras, S.A. in **1995**.

AEROVIAS GUEST, S.A. de C.V.: Mexico (1946–1962). Created at Mexico City on June 25, **1946** to offer transatlantic services to Europe, Aerovias Guest, S.A. is capitalized at 5-million pesos; although Mexican citizens hold 63% shareholding, the largest single investor is American financier Winston Guest, after whom the company is named.

A Douglas DC-4 is acquired in the fall of **1947** and, on January 8, **1948**, service is inaugurated Mexico City to Madrid via Miami (service stop only), Bermuda, the Azores, and Lisbon. Seven more DC-4s

are delivered throughout the year and three Lockheed L-749 Constellations are ordered. The first of the latter arrives on July 1 and, seven days later, is employed to fly Mexican competitors to the London Olympic Games.

Proving impossible to resolve the U.S.–Mexico bilateral impasse, Guest is unable to acquire its remaining Lockheeds. After only four months of operation, the first L-749 is sold to **Air France** in January 1949. Separate route certification is also received allowing flights to and from Miami, which are marketed as “Route of the Sun” frequencies. An additional DC-4 is acquired in 1950.

With the Madrid run proving unprofitable, the number of flights to the Spanish capital are reduced during the summer of 1951 and suspended altogether at year’s end; however, the Miami services become successful discount frequencies. Mexico City–Panama City direct flights begin in October 1954.

Meanwhile, the low-fare Miami operation has proven so viable as to require additional capacity; two ex-USAF Fairchild C-82A Packet freighters are obtained and, on November 10, 1955, the DC-4s are replaced by two Lockheed L-749s purchased from **Qantas Empire Airways (Pty.), Ltd.** These are employed to get around the difficulties caused by lack of a U.S.–Mexican bilateral by opening a route from Mexico City to Windsor, Ontario (just across the border from Detroit).

A DC-4 with 5 crew and 20 passengers en route from Panama to Mexico City on November 15, 1956, crashes near Salina Grande, Nicaragua; there are no survivors.

Flights are now started to Caracas, Panama, and Guatemala; however, the unprofitable Windsor route is suspended on September 13, 1957. The fleet is now enhanced by the addition of two ex-military Fairchild C-82A freighters. The Panama City service is extended to Caracas in April 1958.

SAS (Scandinavian Airlines System) purchases 42% shareholding in Aerovias Guest on February 20, 1959, effectively taking control. The Nordic major provides three DC-6s, which open service from Mexico City to Paris, flying via Miami, Bermuda, Santa Maria in the Azores, Lisbon, and Madrid, the latter point representing a restart of service to the Spanish capital.

A DC-4 crashes while en route to Hermosillo on April 17 (26 dead); USN rescuers find the wreck on a beach near Bahio do Kino and among the victims is a baby born during the flight. The Mexican independent’s fleet is strengthened by the transfer of three Douglas DC-6s and these reinstate flights to Madrid (with a route extension on to Paris) on April 18.

In May 1960, the L-749s step up the number of weekly Miami flights to 11 while 3 L-1049Gs, underemployed by **Thai Airways, Ltd.**, are acquired and employed to upgrade transatlantic and Central American frequencies to thrice weekly.

Following an agreement with **Mexicana Airlines, S.A. de C.V.**, two **SAS (Scandinavian Airlines System)** wet-leased de Havilland DH 106 Comet 4s are introduced on the Madrid/Paris services on March 1, 1961. Two months later, having spent Skr 70 million in two years, the Scandinavians prepare to withdraw. In August 1962, Nacional Financiera purchases 87.8% shareholding and turns the carrier over to **Aeronaves de Mexico, S.A. de C.V.** for absorption into the state airline.

AEROVIAS HALCON, S.A. (1): Argentina (1958–1961). The first Aerovias Halcon is established at Buenos Aires in the late summer of 1958 to operate all-cargo services to Miami. Irregularly scheduled flights commence in October with a single Curtiss C-46 Commando and continue until 1961.

AEROVIAS HALCON, S.A. (2): Argentina (1964–1970). Originally formed as Transportes Aereos Mirleni, S.A. at Buenos Aires in the spring of 1961, this Argentine carrier inaugurates Curtiss C-46 Commando all-cargo services beginning in June. A Douglas DC-4 is acquired in 1962.

The onetime owners of **Aerovias Halcon, S.A. (1)** purchase control of the company in March 1964 and rename it. At this point, Halcon begins flying southward from Buenos Aires to destinations in Patagonia. A second Curtiss is acquired early in the following year, allowing the inauguration of scheduled services. Gradually over the next three years, a network of 21 markets is established; it will be flown until the carrier shuts its doors in 1970.

AEROVIAS HIDALGO. See **AEROLINEAS DE LA FRONTERA, S.A. de C.V.**

AEROVIAS INTERNACIONALES DE MEXICO, S.A. See **AEROVIAS REFORMA, S.A.**

AEROVIAS LAS AMERICANS, S.A.: Panama City Panama; Year Founded 1994. Aerovias las Americans, S.A. is set-up at Panama City in 1994 to provide regional passenger and cargo charters. Revenue flights commence with two Antonov An-32s leased from **Aeronica (Aerolineas Nicaraguenses, S.A.)**. Operations continue apace in 1995–1998, with a third An-32 acquired by the latter year.

AEROVIAS LAS MINAS, S.A.: P.O. Box 687, Cochabamba, Bolivia; Year Founded 1964. This charter and contract services carrier, sometimes also known as Aerominas, is formed at Cochabamba in 1964 to offer domestic and regional flights. Abraham Prada Luizaga is named general manager. Services are begun with a 30-man workforce and a fleet of 3 Curtiss C-46s.

During the next quarter century, ad hoc cargo flights are continued with a series of some 14 Commandos—replaced as they are lost—and several Douglas DC-6As, which are also often superseded. For example, when a C-46A with three crew crashes at Trinidad, Bolivia, on October 19, 1975, killing all aboard, the plane and crew are replaced by 1976.

In 1977, a C-118A (a military DC-6A) with three crew, is destroyed on the ground at La China on October 6 by an engine fire; all three men are able to escape. There is no information on when or if the carrier has ceased operations.

AEROVIAS LATINO AMERICANOS, S.A. See **ALASA (AEROVIAS LATINO AMERICANOS, S.A.); TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

AEROVIAS MICHOACAN-GUERRERO, S.A. de C.V. See **AERONAVES DE MICHOACAN. S.A. de C.V.**

AEROVIAS NACIONAL DE COSTA RICA, S.A. See **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

AEROVIAS NACIONALES, S.A. (MACAYA): Costa Rica (1934–1940). After returning home from the U.S. on October 5, 1933 with a new Curtiss Robin christened *Espiritu Tico*, Roman Macaya, enjoying the backing of Guanacaste province, founds AN-Macaya on January 20, 1934. Although unable to win government subsidy, Macaya begins flying regularly scheduled services out of San Juan on July 3 using the Robin and a new Curtiss Kingbird. Later in the year, the company takes delivery of a Stinson Model U, purchased from William Randolph Hearst.

On May 30, 1935, Macaya and Eric Murray, CEO of rival **ENTA (Empresa Nacional de Transportes Aereos, S.A.)**, agree to rationalize their services, avoiding unnecessary route duplication and offering a unified fare structure. AN-Macaya, in 1936–1937, is flying to a variety of destinations, including Tempisque, Santa Cruz, Liberia, Nicoya, Puntarenas, Ciudad Quesada, San Ramon, San Jose, Limon, San Isidro de el General, Buenos Aires, and Puerto Cortes.

The *Espiritu Tico*, leased to **EDAC (Empresa de Aerotransportes Costarricenses, S.A.)**, is destroyed in a crash on September 7 of the former year. In addition to the Model U, the fleet grows to also include a number of Travel Air 6000s.

During **1938–1939**, the large domestic network is maintained. The Ford Tri-Motor 5-AT-19 is purchased from **Mulzer Flying Services** of Columbus, Ohio, in March of the latter year. It is followed by a second Tri-Motor, the Ford 5-AT-78, which arrives on October 1; purchased from the Phillips Petroleum Company for \$5,000, it is remembered for its outsized and nonstandard balloon tires. In these years, Eric Murray and Roman Macaya lay plans to sell out to Lowell Yerex's Honduran carrier **TACA (Transportes Aereos Centros Americanos, S.A.)**, which begins flying into San Jose on October 20 of the latter year.

The first outward step is taken on January 16, **1940** when **ENTA (Empresa Nacional de Transportes Aereos, S.A.)** and AN-Macaya are merged into **Aerovias Nacionales de Costa Rica, S.A.**

On June 20, the government cancels the airmail contracts held by the Murray/Macaya operation, but on October 20, **TACA (Transportes Aereos Centro Americanos, S.A.)** absorbs the newly amalgamated carrier as **Compania Nacional TACA de Costa Rica, S.A.** and receives the government mail subsidies formerly held by the two independents.

AEROVIAS NACIONALES DE COLOMBIA, S.A. See **AVIANCA COLOMBIAN AIRLINES (AEROVIAS NACIONALES DE COLOMBIA, S.A.)**

AEROVIAS NACIONALES TACA DE COSTA RICA, S.A. See **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

AEROVIAS OAXAQUENAS, S.A. de C.V.: Armenta y Lopez 209, 68000, Oaxaca, Mexico; Phone 52 (95) 63833; Fax 52 (95) 63824; Year Founded 1990. Established at Oaxaca in **1990**, Oaxaquenas undertakes scheduled passenger and cargo services to regional south Mexican destinations, including the capital of Mexico City. President Carlos Hampshire's fleet begins with a Fokker F-27A/F leased from the American carrier **Airlift International**.

Over the next ten years, it grows to also comprise two Douglas DC-3s and a Cessna 310.

AEROVIAS PARAGUAYAS, S.A. See **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

AEROVIAS Q, S.A.: Cuba (1945–1961). Aerovias Q is established at Havana on September 28, **1945**; however, it will require almost a year before operations can commence. During this period, a Douglas DC-3 is purchased and eventually, in September **1946**, nonscheduled flights commence to the holiday location of Nuevo Girona, on the Isle of Pines.

With the addition of several more DC-3s and the first of a fleet of Curtiss C-46 Commandos (which will eventually number eight, though not all flown simultaneously), service is inaugurated to Key West, Florida, on February 24, **1947**. It is followed by the introduction of flights to Merida and Veracruz on July 1, **1949**.

The Mexican flights end in **1951**; however, service to West Palm Beach, Florida, begins on June 1, **1952**.

Operations between Cuba and Florida and to the Isle of Pines continue throughout the remainder of the decade even as a DC-4 joins the fleet. When Fidel Castro takes over the country in January **1959**, international services are suspended.

En route from Havana to the Island of Pines on April 16, a C-46 with 22 passengers is taken over by three hijackers, who force it to divert to Miami.

The company continues to fly in **1960**. En route from Havana to the Island of Pines on October 29, a C-46 with 38 passengers is commandeered

by nine men. There is gunplay during which a security guard is killed and three others are wounded before the plane is diverted to Key West.

While on a December 8 domestic service, five people attempt to take over another Commando. This time, another gun battle erupts, which leaves one person dead and four wounded. A successful crash landing is made at Cienfuegos.

On June 27, **1961**, plans are announced to hand over the airline's routes and remaining aircraft (four C-46s and the DC-4) to **Empresa Consolidada Cubana de Aviacion**. This does not immediately occur before another bloody act of piracy. En route from Havana to the Island of Pines on August 9, the pilot and two other persons are shot to death aboard a C-46 and six others are wounded during an attempted hijacking; the copilot crash-lands the Commando near its point of origin.

AEROVIAS QUISQUEYANA, C. por A.: Dominican Republic (1962–1980). **Aerovias Nacional Quisqueyana, C. por A.** is formed as a subsidiary by Basna Air Services at Santo Domingo in **1962** to offer all-cargo charter services with two Douglas DC-3s and a Lockheed L-049 Constellation. At the instance of **Dominicana (Compania Dominicana de Aviacion, S.A.)**, the state carrier, the word "Nacional" is removed from the company title on August 13, **1963**.

Two Curtiss C-46 Commandos are acquired in **1964** and two L-1049Cs are added to the fleet in **1967**. A Boeing 707-320, purchased from **JAT Yugoslav Airlines**, is employed during the late **1960s**.

On January 26, **1971**, a lone gunman attempts to take over a Super Constellation with 74 passengers en route from Santo Domingo to San Juan, but is overpowered by the crew and turned over to police upon the L-1049C's landing.

Cargo charters are flown around the Caribbean during the **1970s**; although plans to operate all-cargo flights to Miami are not realized. Scheduled passenger services are also operated from Santo Domingo to San Juan, P.R. employing a leased Martin 4-0-4.

In **1979** the L-049 is sold to TRADO for spare parts. Increased fuel prices and the adverse impact of the world financial situation upon smaller operators conspire to force the airline out of business in **1980**.

AEROVIAS RAMALES COLOMBIANAS. See **AVIANCA COLOMBIAN AIRLINES (AEROVIAS NACIONALES DE COLOMBIA, S.A.)**

AEROVIAS REFORMA, S.A. de C.V.: Mexico (1946–1955). Ricardo "Rico" Pani, owner of Mexico City's Reforma Hotel, founds **Aerovias Internacionales de Mexico, S.A. de C.V.** in 1945. Equipped with several DC-3s, the new entrant initiates services from Guadalajara to Ensenada, in Baja California. Early in **1946**, the carrier is renamed **Aerovias Reforma, S.A.** and throughout the year it begins receiving the first of thirteen Douglas DC-3s.

A year later, in January **1947**, the northern end of the route is extended up to Tijuana. With both his airline and hotel businesses experiencing financial difficulties, Pani sells the former to Carlos Oriani, owner of **GPA (Golfo y Pacifico Aerotransportes, S.A. de C.V.)**, on February 7. Oriani's first action is to add an Avro Anson 12 purchased from the U.K.'s RAF.

In **1948**, Oriani also purchases Carlos Panini's **Servicios Aereos Panini, S.A. de C.V.** for 1.5-million pesos. The three airlines, with their important route certificates, are now merged into one under the **Aerovias Reforma** banner, with Golfo Managing Director Ruben Ruiz Alcantara named managing director of the enlarged operation. The fleet now comprises DC-3s, DC-2s, Boeing 247Ds, and a single Avro Anson IV.

Service is maintained over the northwest Mexican network until October 16, **1953**, when the company is sold to **Aeronaves de Mexico, S.A. de C.V.** It is fully integrated in **1955**.

AEROVIAS SUD AMERICANA. See **ASA (AEROVIAS SUD AMERICANA, INC.)**

AEROVIAS VENEZOLANAS, S.A. See **AVENSA (AEROVIAS VENEZOLANAS, S.A.)**

AEROVIAS VENEZUELA EUROPA, S.A. See **THE FLYING TIGER LINE**

AEROVIP, S.A.: Ricardo Rojas, Buenos Aires, 1001, Argentina; Phone 54 (11) 43 6954; Fax 54 (11) 43 7080; Year Founded 1999. AeroVIP, S.A. is established at Cordoba on March 15, 1999 as the premier "Aerolineas Argentinas Express" carrier. Employing 3 British Aerospace BAe Jetstream 32EPs, it undertakes regional flights on behalf of the major beginning on June 23.

During the next 18 months, a second hub is set up at Buenos Aires Ezeiza International Airport and 3 more Jetstreams join the fleet.

AESA AIRLINES (AEROLINEAS EL SALVADOR, S.A.): El Salvador (1982–1988). AESA is set up at San Salvador on March 4, 1960, to offer scheduled all-cargo flights to Miami. Shareholding is divided between LANICA (45%) and local investors (55%). Under the direction of LANICA General Manager E. S. Moreira, weekly nonscheduled service to the south Florida airport begins in August with a single Curtiss C-46 Commando. The northbound cargo comprises frozen shrimp; general merchandise is flown south. A foreign air carrier certificate, good for three years, is acquired from the U.S. CAB in May 1961 and regularly scheduled flights to Florida, along with international charters, now commence.

The C-46 is lost in a crash during takeoff in Miami on February 13, 1965, but is replaced with several DC-6Bs, including one acquired as late as 1975. These aircraft take over not only the Florida service, but provide ad hoc international freighter charters.

Two DC-6Bs remain in service in the early 1980s and, in 1983, the CAB approves company plans to offer passenger flights to Miami.

The award is part of a process of continuous U.S. government recertification.

Low-key flights continue until the middle of 1988. A DC-6BF with two crew fails its initial climb away from Miami on June 29 and crashes; although the wreck must be written off, there are no fatalities. Within weeks, the company shuts its doors.

AFFRETAIR (PTY.), LTD. (1): Southern Rhodesia (1965–1979). Formed at Salisbury in 1965, Affretair (1) provides ad hoc and contract passenger and cargo charter flights to and from African points and to Europe with 2 former **Pan American World Airways (1)** Douglas DC-7CFs and 1 de Havilland DH-114 Heron 1B. During 1972, a DC-8-55F Jet Trader, christened *Situtunga*, is acquired.

Due to its Rhodesian government connection, the carrier comes under United Nations sanctions in 1973, but, due to covert assistance from the outside, is able to fly on. A second DC-8-55F, the *Captain Jack Malloch* is purchased from **Air Gabon Cargo, S.A.** in 1975; a Canadair CL-44D is also acquired.

British Minister of State Lord Goronywy-Roberts, in a complaint to the UN in 1976, charges nine nations with breaking the sanctions against the Rhodesian airline and reports that, since 1973, the U.K. has made three representations about the airline to the UN commission charged with implementing the world body's sanctions. The *Situtunga* is leased to **Air Gabon Cargo, S.A.** in 1977.

The British protest is largely ignored until early December 1978 when an example is made of the American carrier **United Airlines**. Charged with having covertly trained the Rhodesian airline's air crews since 1974 in violation of UN and U.S. sanctions against Rhodesia, the major pleads guilty and pays a \$10,000 fine. More importantly for Affretair (1), United is forced to stop its assistance.

Following the "Lancaster House Conference" of 1979 in which Rhodesia is declared a republic and becomes Zimbabwe, the outlaw carrier is forced to cease operations.

AFFRETAIR (PTY.), LTD. (2): P.O. Box 655, Harare International Airport, Harare, Zimbabwe; Phone 263 (5) 575 000; Fax 263 (5) 575 011; <http://www.sunshinecity.net/affretair>; Code ZL; Year Founded 1980. In-country assets of **Air Gabon Cargo, S.A.** and those of defunct **Affretair, Ltd. (1)** are acquired by the newly independent government of Zimbabwe in 1980. These are reformed at Harare as Affretair, Ltd. (2), the all-cargo subsidiary of **Air Zimbabwe, Ltd.** With the Douglas DC-8-55Fs *Situtunga* and *Captain Jack Malloch* available, regularly appointed charter and contract services flights are undertaken by the carrier to a variety of European destinations, including Basel and Amsterdam.

On February 18, 1982, the former **Affretair, Ltd. (1)** Canadair CL-44D is lost in an accident at Harare.

Operations continue apace during the remainder of the decade. In November 1987, twice-weekly DC-8-55F service is initiated between Harare and Amsterdam via Libreville; one flight also stops at Johannesburg. Revenues total \$28 million and allow a \$500,000 profit. At decade's end, this service is halted.

Weekly service from Harare to Amsterdam (Schiphol Airport) is resumed in November 1990. In September 1991, Managing Director Godfrey T. Manhambara's 265-employee company inaugurates Douglas DC-3 all-cargo flights to and from neighboring countries, feeding its European jet route. The airline transports a total of 55.27 million FTKs of freight, an 8.9% boost over the previous year.

It is announced in January 1992 that the company will be merged with **Air Zimbabwe, Ltd.**, but the takeover does not occur. The first new turboprop fleet addition is made when a leased DC-8-71F is acquired from GPA Group, Ltd. in June. Scheduled flights are introduced.

Routes operated include Harare to Johannesburg; Harare to London (LGW) via Kano and Amsterdam; London (LGW) to Harare via Kano/Lagos and Lilongwe; and London (LGW) to Harare via Cairo and Dar es Salaam.

Airline employment stands at 250 in 1993. In February, Airbridge International, Inc. is appointed as the company's commercial representative in Canada and the U.S.

Freight traffic for the year jumps 44.5% to 75.8 million FTKs.

The fleet in 1994 includes 1 DC-8-71F and 2 DC-8-55Fs. The company begins to play a larger role in the transport-end of the nation's horticultural industry, providing lift to Europe for a variety of products, most especially including fresh flowers.

During 1995, the carrier continues to actively engage in airfreight forwarding and its all-cargo business becomes largely charter. Weekly service is maintained from Harare to Singapore, and to Gaborone, Dar es Salaam, Cairo, Kano, and Lagos. Four-times-per-week the Jet Traders fly to London via Amsterdam; twice-weekly return flights to Zimbabwe stop at Lusaka or Lilongwe.

The DC-8-71F is withdrawn in early 1996. Just after landing at Harare on January 28 on an all-cargo service from Johannesburg, the DC-8-55F *Situtunga* with five crew overruns the wet runway and suffers the collapse of its nose landing gear. No injuries are reported.

To assist horticultural producers to maintain the desired cold chain and quality, the company builds a state-of-the-art coldroom facility at Harare; the capacity of the new facility is 100 tons.

In 1997, the carrier's remaining DC-8-55F, the *Captain Jack Malloch*, visits markets at Amsterdam, Cairo, Dar es Salaam, Johannesburg, Kano, Lagos, Lilongwe, and London (LGW). In September, a strategic alliance is signed with **DHL Worldwide Express**.

Flights continue in 1998–1999. The company operates on behalf of DHL employing Boeing 727F leased from the express operator on services thrice weekly to Lusaka, twice weekly to Lilongwe, daily except Saturday, to Johannesburg, and weekly to Luanda. A DC-8-73F is employed to fly roundtrips between Harare and Brussels five times a week.

Airline employment grows to 282 at the start of 2000. Although service is maintained, the political uncertainty within the nation during the first half of the year, coupled with fuel shortages, leads to significant fiscal difficulties.

AFISA (AEROFLETES INTERNATIONALES, S.A.): Panama (1966–1972). AFISA is set up at Panama City in 1966 to operate all-cargo charters to Miami. Following receipt of a foreign air carrier permit from the U.S. CAB, revenue flights commence with a pair of Curtiss C-46 Commandos. One more Curtiss is acquired during the next two years.

Flights continue apace into the early 1970s and the fleet is increased by the addition of a Douglas DC-6 and a Lockheed L-1049H Super Constellation, as well as several more Curtiss freighters. The company is grounded in November 1972 when both its Panamanian and U.S. operating certificates are withdrawn.

AFRICA CHARTER AIRLINES (PTY.), LTD.: P.O. Box 2720, Wilro Park, 1731, South Africa; Phone 27 (11) 764-3082; Fax 27 (11) 768-0236; <http://www.iweb.co.za/africa>; Year Founded 1997. ACA is established at Johannesburg in 1997 to offer passenger and small group charters to local and international destinations. Products offered include corporate and incentive getaways, family holidays, flight-seeing, and trips to sport training camps. All-cargo services are flown, along with specialized group charters. The fleet includes 1 each Learjet 35, Boeing 727-100, British Aerospace BAe (HS) 748, 1 Aero International (Regional) ATR42-320, and 1 Douglas DC-3.

AFRICAN AIR CHARTER, S.A.: Zaire (1976–1996). AAC is formed at Kinshasa in 1976 to operate all-cargo services throughout the continent. The initial fleet comprises 1 Boeing 707-320C and 1 Douglas DC-6A. A variety of destinations is visited during the next two decades and the fleet is altered during the 1980s to include 1 each Aerospatiale (Sud-Est) SE-210 Caravelle VIN, Douglas DC-8-53F freighter, 1 DC-6, 1 DC-4, 1 DC-3, and a number of helicopters.

A number of Russian-made aircraft are leased during these years, including 1 each Antonov An-32, An-26, and An-2, plus Mil helicopters.

On April 21, 1988, the DC-3 freighter with two crew fails its takeoff from Quelimane, Mozambique, and crashes; there are no survivors. It will be suggested that aircraft may have been shot down.

The rotary-wing aircraft also suffer a number of crashes between this year and 1990, causing helicopter services to be suspended during the latter year. The company's Caravelle is placed out of service in 1990.

CEO Jean-Claude Adriaansen obtains two B-720Bs in 1991, at which time the Douglas freighter is withdrawn. Cargo is now flown by the B-707-320C as operations continue.

While landing on an airstrip at Mogadishu lighted only by the headlights of some trucks stationed at the end of the runway, a leased An-32 with 6 crew and 7 passengers veers to the left and crashes on July 3, 1992 (1 dead).

On April 1, 1995, the An-2, while positioning for a service, crashes, killing its pilot.

A wet-leased Antonov An-32 freighter crashes into a crowded market in the center of Kinshasa on January 8, 1996, killing 298 people, mostly women and children. Four of the five Russian crew members of the plane survive and an angry crowd attempts to lynch them, before they are rescued and taken into custody by police. A judicial inquiry is started by the state prosecutor's office to determine the cause of the crash, which will be laid to overloading.

In April, the U.S. government charts the carrier's two inactive Russian helicopters to open a regular shuttle service to fly foreigners being evacuated from neighboring Liberia. The service in Sierra Leone, between Lundi Airport and Freetown, is ended in late June because of safety concerns over the helicopters.

African Air Charter becomes a victim of the crash and of the nation's civil war.

AFRICAN AIRLINES INTERNATIONAL, LTD.: P.O. Box 74772, Nairobi, Kenya; Phone 254 (2) 501 319; Fax 254 (2) 506 101; Code AI; Year Founded 1987. African Express Airways, Ltd. is set up at Mombassa in 1986 to offer tourist flights from London, Munich, Milan, and Zurich. Before services can be inaugurated, this competitor for

African Safari Airways, Ltd., owned by pilots and engineers from Kenya, Tanzania, and Uganda, is renamed in 1987. Capt. Musa Hassan Bulhan continues as CEO and 2 Boeing 707 Stratoliners are acquired by his 65-employee concern.

One is the leased former **Pan American World Airways (1)** B-707-321B *Clipper Western Continent*, while the second is the owned B-707-330B christened *Mandera*. Nonscheduled passenger and charter services are undertaken linking European destinations with holiday locations in East Africa.

Operations continue apace in 1988–1989 and in 1990 the B-707-321C freighter *Garissa* is chartered from Accra-based Continental Cargo & Trade Services, which begins a regular all-cargo service from Kenya to Belgium.

In 1991–1994, CEO Capt. Bulhan oversees a workforce of 42 and four Stratoliners, including the newly arrived B-707-330B *Isiolo*, acquired from **Seagreen Air Transport, Ltd.** During the latter year, the *Garissa* is leased to **Royal Jordanian Airline** for six months. In addition to Europe, visits are made to Berbera/Hargeisa, Entebbe, Jeddah, Kano, Kigali, Mogadishu, Nairobi, Sharjah, Tehran, and Zanzibar.

When the *Garissa* returns from Amman in January 1995, it is overhauled and, during the process, is converted into a freighter and renamed *Tayma*. Thereafter, that aircraft is based in Belgium. One of its principal services is a weekly roundtrip from Ostend to Keflavik in an exchange of Kenyan vegetables for fresh salmon.

The fleet in 1996 is unchanged, although the unnamed former PAWA-1 B-707-321B is out of service. Early in the year, company headquarters are transferred to Jomo Kenyatta Airport at Nairobi.

A B-707-351C is acquired in 1997 and the company now provides services to Europe, as well as Djibouti, Entebbe, Jeddah, Kano, Kigale, Kinshasa, Lagos, Mogadishu, Sharjah, and Tehran.

The company becomes a pawn in the international sanctions movement against Burundian strongman Major Pierre Buyoya, implemented by several African states the previous July. On July 17, the latest company Boeing flies from Nairobi to Bujumbura, over Tanzania. In accordance with the multinational sanctions agreement, the foreign ministry in Dar es Salaam consequently bans the company from any further flights to Burundi through Tanzanian airspace.

AAI next seeks permission to fly a route from Nairobi to Bukavu in the Democratic Republic of the Congo, via Tanzania. The very first flight is made not to Bukavu, but back to Bujumbura. When they learn of this duplicity, furious officials in Tanzania ban the company from their nation's skies altogether on September 6. On September 11, Kenyan President Moi, in a speech at Amagoro in Teso District, requests that the carrier make no further sanction-busting flights into Burundi.

A birthday party is provided for the 30-year-old *Tayma* on November 14.

Flights continue in 1998–2000, during which time airline employment reaches 160. The *Tayma* soldiers on as the airline's sole aircraft.

AFRICAN CARGO AIRWAYS, LTD.: Kenya (1973–1981). ACA is formed in 1973 as the all-cargo subsidiary of **African Safari Airways, Ltd.** M. A. Jackson is named managing director and initial airline employment is 32. A Bristol Britannia 300F freighter is obtained and revenue flight operations are undertaken to various destinations in Africa, Europe, and the Middle East beginning in April 1974.

The freight business is not ultimately profitable and the subsidiary is placed into receivership in 1981.

AFRICAN EXPRESS AIRWAYS, LTD. See AFRICAN AIRLINES INTERNATIONAL, LTD.

AFRICAN INTERNATIONAL AIRWAYS, LTD.: P.O. Box 2117, Mbabane, Swaziland; Phone 44 (1293) 544 706; Fax 44 (1293) 615 800; Code AI; Year Founded 1985. An all-cargo operation, AIA is formed at Mbabane in August 1985. Shareholding is divided between Intavia, Ltd. (which receives a management contract), UK Airline Management Support, and P. J. M. Corbin. During the remainder of the

decade, branch offices are established at Crawley, Sussex, in the UK and in Kempton Park, South Africa.

The company operates a single Douglas DC-8-54F on replacement cargo services for **Alitalia, S.p.A.**; it is sold to **Flash Airlines, Ltd.** in Nigeria during 1987. A replacement DC-8-54F is acquired the same year.

After obtaining a second leased DC-8-54F from **Connie Kalitta Services** in May 1990, Managing Director T. M. Longmore's concern begins long-haul revenue services to European, African, and Middle Eastern destinations.

An office is opened in London in 1991 and B. J. Keay and A. J. Stocks are sent to manage it.

A third chartered DC-8-54F is placed into service during 1992 followed by a DC-8-55F in 1994. International charters continue as the 40-employee company comes to specialize in the provision of supplemental contract capacity to scheduled carriers, with emphasis on the Italian flag carrier **Alitalia, S.p.A.**

The DC-8-55F is withdrawn in 1995 and, in 1996, a Boeing 707-330C is chartered from **Seagreen Air Transport, Ltd.** Operations continue in 1997-2000. During these years, the Stratofreighter is withdrawn and flights are conducted with the DC-8-54F and DC-8-55F.

AFRICAN JOINT AIR SERVICE, LTD. See **ALLIANCE AIR, LTD.**

AFRICAN SAFARI AIRWAYS, LTD. P.O. Box 81443, Mombasa, Kenya; Phone 254 (11) 485 522; Fax 254 (11) 485 909; Code QS; Year Founded 1967. Affiliated with African Tourist Development Company and African Safari Lodges, ASI is formed at Nairobi in December 1967. A main office is opened in Basel, Switzerland. Equipped with Bristol Britannia turboprop equipment, the carrier inaugurates its inclusive-tour services with a flight from Zurich to Mombasa.

Additional holiday safari packages are undertaken from Europe to the game parks of East Africa beginning in 1968. In an effort to cash in on freight possibilities, an all-cargo subsidiary, **African Cargo Airways, Ltd.**, is established in 1973. Passenger charters to East Africa are maintained throughout the 1970s.

In 1978, Managing Director C. Mboijana's 50-employee carrier obtains its first jetliner, a Douglas DC-8-33, from **KLM (Royal Dutch Airlines, N.V.)**. The all-cargo operation stops in 1981. During the early 1980s, ASI becomes affiliated with the African Safari Club, a travel agency formed in 1982 that markets holiday packages to Africa and the Seychelles. It also enters into an affiliation with **Seychelles International Airways, Ltd.**, which also flies tour group jet charters on behalf of African Safari Club with a DC-8-63.

The company acquires a DC-8-63 on March 24. Little known except by tourists, the nonscheduled operation continues apace throughout the remainder of the decade. When **Seychelles International Airways, Ltd.** fails in July 1986, ASI purchases one of its DC-8-63s.

In 1988-1989, plans are made to replace the Douglas transports early in the 1990s. They are, however, retained.

In 1990, General Manager K. J. Rudin's company is flying two DC-8-63s between Kenya and Basel, Switzerland.

Air Starline, Ltd. is established at Basel in November as a privately owned subsidiary and Frederick Hofer is named managing director of the new worldwide charter airline. A workforce of 60 is recruited and revenue operations commence with a single Douglas DC-8-63H. The Douglas displays an all-white paint scheme with ASA titles and a tail painted in a zebra pattern. Flights by both companies continue apace in 1991-1992.

A DC-10-30 is leased from **KLM (Royal Dutch Airlines, N.V.)** and joins the **Air Starline, Ltd.** fleet late in the latter year. In January 1993, the subsidiary carrier is folded into its parent; however, certain services continue to be offered under the Air Starline marketing name.

The Air Starline DC-8-63H is sold to **Airborne Express** in January 1994. The Douglas wide-body is retained during the remainder of the

year and into 2000. It continues to offer roundtrip charters to Kenya from Basel, Berlin, Dusseldorf, Frankfurt, Milan, Munich, Vienna, and Zurich.

AFRICAN WEST AIR, S.A.: Senegal (1993-1994). AWA is established at Dakar in the summer of 1993 to offer international charter flights linking the company's base with Amsterdam, Lisbon, and Rio de Janeiro. Managing director J. P. Piedade begins revenue operations with a single Boeing 757-27B leased from **Air Holland Charter, N.V.** Services cease in 1994.

AFRICARGO AIRLINES (PTY.), LTD. See **TRANSOCEANIC AIRWAYS (PTY.), LTD.**

AFRIMEX, LTD.: Nigeria (1993-1994). Formed at Lagos in late 1993 to take over declining **Belair**, Afrimex acquires the former's order for a Dornier 328-100, adding it to its own request for three of the German manufacturers Do 228-110 turboprops. The merger is completed in March 1994. Thereafter, information on the carrier is unavailable, although charters may continue to be offered.

AFS AIRLINES: United States (1981-1984). Arcata Flying Service is established at Arcata, California, in the fall of 1981 to offer scheduled passenger and cargo commuter services in California and Oregon. A fleet of 4 Piper PA-31-310 Navajos is assembled and revenue operations commence on December 7 linking Eureka/Arcata with Oakland, Portland, Redding, and Sacramento. Another Golden State third level casualty of recession, AFS stops flying in mid-1984.

AGDERFLY, A.S.: Norway (1990-1991). Agderfly is established at Oslo in 1990 to fly charters and a single scheduled route. Revenue flights begin with a single Dornier 228-201.

Unable to achieve and maintain traffic or economic viability in a time of recession, the small operator closes down and files for bankruptcy in December 1991.

AGENCE ET MESSENGERS AERIENNES DU ZAIRE, S.A.: Zaire (1969-1978). AMAZ is set up in late 1969 to provide air taxi and charter flights and to take over a number of routes previously operated by **Cogear, S.A.**

In 1970 the owned fleet includes 3 Britten-Norman BN-2 Islanders, 1 DC-3, and 1 Piper PA-23 Aztec. In addition, 2 Aztecs, 1 DC-3, 6 Beech C-45s, 1 de Havilland DH 114 Heron, and 3 PA-25 Pawnees are operated under charter.

Authority is received to inaugurate scheduled services to points not generally served or served well by Air Zaire, S.A. Among the destinations visited are Kinshasa, Lubumbashi, Kananga, and Goma.

As frequencies are increased during the remainder of the decade, the fleet is increased by the addition of 1 Hawker Siddeley HS-125 bizjet, 1 DC-3, 4 DC-4s, and 2 Bristol Britannia 253s.

Service is suspended in 1978 and not restarted.

AGRAFLUG. See **INTERFLUG DDR AIRLINES, mGH.**

AGRO AIR INTERNATIONAL (AGRO MARKETING): United States (1975-1992). When in the early 1970s South Florida produce grower and broker Jacob Frank "Sonny" Fine tires of moving his produce by commercial airlines from Latin American growing fields to the U.S., he acquires a used DC-8F to transport it on his own. Having decided that there is more money to be made in moving vegetables than growing them, he abandons the international agriculture growing business in 1975 and establishes Agro Marketing, later Agro Air International, at Pompano Beach to lease aircraft to produce brokers and foreign cargo companies. The affiliated Agro Air Associates will later be established to handle aircraft maintenance.

As reported by associate and personal pilot Richard Smith in the *Miami Herald* on August 12, 1997, over the next decade, Fine grows his airline by purchasing inexpensive (\$250,000) old DC-8 cargo planes. These do not meet federal noise abatement standards or other points, so Fine repairs them and puts "hush kits" on them, and sells or, more commonly, wet-leases them for a profit.

Indeed, it will later be charged that, on numerous occasions, Agro not only charters its aircraft and crews to South American cargo operations, but also makes their clients' business decisions as a kind of shadow management. Under these arrangements (which amount to the registration of U.S.-owned aircraft in foreign countries), all the leasing airlines need do to collect income is lend the use of their licenses. Fine also undertakes cargo contract service flights with aircraft of his own.

During the early 1980s, son Barry, a graduate of the University of Florida law school, joins his father's business. In 1985, the fleet includes 1 Douglas DC-8-33F and 2 Boeing KC-97G Stratofreighters. During these years and later, Agro is subject to FAA investigations. The government is concerned that the company's leasing arrangements with several Latin American airlines amount to a skirting of U.S. regulations for the establishment, maintenance, and, most importantly, safety inspection of charter operations.

In July 1987, one of the KC-97Gs, transporting a load of prize jumping horses for a Mexican equestrian team, crashes just after take-off from Mexico City Airport onto a busy highway. A total of 54 people are killed, along with all the horses. Investigators will later report that the over-loaded aircraft was employing the wrong grade of fuel. It will also note that loading documents have been filled out in Miami even before the consignment is received in Mexico. The company's questionable leasing practices with South American carriers end after this tragedy.

In 1988–1990, the fleet is increased to 4 DC-8Fs. Meanwhile, in 1989, the Fines purchase Portland Meadows racetrack in Oregon. After two losing seasons, they declare it bankrupt in 1991.

Also in 1991, the company refuses to testify before a U.S. Congressional committee investigating the charter industry. The Fines protest that their concern is not an airline and does not control foreign carriers. Still, the DOT develops information that Agro is improperly providing freighter crews to third parties. Agro agrees to pay a \$100,000 fine and halt the practice.

In 1992, the Fines sell Agro Air International to Dominican-based interests. In its place, they establish a new carrier, **Fine Air**.

AGRO AIR INTERNATIONAL DOMINICANA: P.O. Box 524236, Miami, Florida 33152, United States; Phone 1 (305) 942-4910; Fax 1 (305) 871-3379; Year Founded 1992. Agro Air is established in 1992, with headquarters in Santo Domingo and principal base at Miami, to operate all-cargo charters between the two cities and to other ad hoc destinations in the Caribbean and South America. It is successor organization to **Agro Air International**, which has been sold by J. Frank Fine who has transferred his interests to Miami and started **Fine Air**.

Revenue operations commence and continue with a fleet that includes 1 Boeing 720, 2 Douglas DC-8-54Fs, and 2 ex-USAF Boeing KC-97G Stratofreighters.

Flights continue during the remainder of the decade. During these years, the company completely renews its fleet, replacing its previous aircraft with 1 Lockheed L-1011 TriStar 500F and 3 DC-8-60Fs. Customers include **Aerochago Airlines, S.A., ALAS de Transport Internacional, S.A.,** and **BWIA West Indies Airways, Ltd.**

AGROLET: Czechoslovakia (1951–1969). Agrolet is established at Prague's Ruzyně Airport in 1951 as an associate of the state carrier **CSA (Czechoslovak Airlines)**. Aerial agricultural work is inaugurated with Antonov An-2s and other small aircraft on behalf of farmers throughout the nation.

After expanding through a number of organizational changes over the next 15 years, Agrolet transfers its base of operations to Ivanka Airport in Bratislava in 1965. Operations continue for this hub until July 1, 1969, when the carrier is reformed into the independent **SlovAir**.

AGSA (AVIACION GENERAL, S.A.): Panama (1948–1961). This air taxi is formed at Santiago in 1948 to offer on-demand and charter flights to destinations inland of that town. Employing Piper aircraft, the company also contracts to transport native Indian laborers from San Blas coastal villages to Colon.

Operations remain unchanged until they cease in 1961.

AIA (ARISTA INTERNATIONAL AIRLINES). See **ARISTA INTERNATIONAL AIRLINES**

AIGLE AZUR, S.A. See **SOCIETE AIGLE AZUR, S.A.**

AIGLE AZUR EXTREME ORIENT AIRLINES, S.A.: France/Vietnam (1954–1974). A subsidiary of the French independent airline **Societe Aigle Azur, S.A. (SAA)**, AAEO is established at Saigon in late 1954 to support the air transport requirements of the new Republic of Vietnam (South Vietnam) government. The carrier is equipped with three former **Trans World Airlines (TWA)** Boeing 307 Stratoliners, *Navajo*, *Apache*, and *Cherokee*, the first two also being subleased to **Air Laos, S.A.**, which SAA had helped to form with aid from **Air France**. AAEO also receives the use of several Curtiss C-46 Commandos and Douglas DC-3s from the Moroccan division of SAA.

For the remainder of the year and over the next five, the old Boeings provide troop transport flights in support of the Saigon government's requirements in the Indochina conflict with its northern neighbor.

In 1955, SAA is acquired by and merged into **Union Aeromarine de Transport, S.A.**; however, its Vietnamese offspring retains its independence. During 1955–1956, AAEO's Stratoliners fly a variety of charters throughout the southeastern Asia region on behalf of the company while maintaining its **Air Laos, S.A.** service.

The former **Pan American World Airways (1)** B-307 *Clipper Rainbow* is purchased from **AREA (Aerovias Ecuatorianas, S.A.)** on March 19, 1957. Late in 1959, much of the business of AAEO is completed and most of the Stratoliners are sold to another French independent, **Air-nautic Airlines, S.A.**

A chartered B-307 with 4 crew and 28 passengers fails its climb from Tan Son Nhut Airport at Saigon on May 22, 1961; although the historic airliner must be written off, there are no fatalities.

In 1964, Airnautic Airlines, S.A. becomes committed to the International Control Commission's **Compagnie Internationale de Transports Civils Aeriens** and the Boeing 307s launch a decade of dangerous service flying diplomatic/government passengers 18-times-per-week between the war-torn capitals of North and South Vietnam, Cambodia, and Laos.

The ex-*Clipper Rainbow* is lost at Saigon on August 1, 1966 while attempting a three-engine landing. Following the Indochina cease-fire on January 23, 1973, the work of the CITC gradually winds down. When the CITC contract is completed in mid-1974, the old aircraft are placed with the charter operator **Royal Air Laos, S.A.**

AIGLE AZUR TRANSPORT AERIENS (COMPAGNIE DE TRANSPORT AERIENS, S.A.): Aeroport de Paris Pontoise-BP 24, Cergy Pontoise CEDEX, F-95301, France; Phone 33 (1) 30 31 30 51; Fax 33 (1) 30 32 28 28; Code Z1; Year Founded 1987. Paris-based **Lucas Aigle Azur, S.A.** is reorganized and renamed in 1987. Previous emphasis on air ambulance, air taxi, and air charter operations is replaced by a new attention to scheduled regional services. Managing director Jean Denis' fleet remains the same; 4 Beech Super King Air 200s, 1 Beech King Air 90, and 1 Embraer EMB-110 Bandeirante continue to ply back and forth between Deauville and London (LGW) while air taxi

flights run between Paris (ORY) and Carcassonne. Operations continue apace in **1988–1989**.

Two Dassault Falcon 20s and a SAAB 340A join the fleet in **1990** to support new scheduled services to Pontoise. Rouen joins the route system and two Super King Air 200s are withdrawn in **1991**. In **1992**, Sylvain Chevanne is named managing director. In **1993**, another Dassault is acquired, a Falcon 10, along with a second EMB-110; the 340A is leased to **Industrie Air Charter, S.A.**

Chairman Jean Denis and Managing Director Chevanne oversee a workforce of 35 in **1994** and a fleet that includes 1 each SAAB 340A, EMB-110P1 Bandeirante, and EMB-110P2, plus 2 each Dassault Falcon 20s and Beech King Air 200s.

The EMB-110P2 is withdrawn in the spring of **1995** and a Boeing 737-229A is acquired in its place. The jetliner is almost immediately leased to **Corse Air International (Corsair), S.A.**, which is owned by the tour operator Nouvelles Frontières, S.A.

Sylvania Chevanne becomes managing director in **1996** and operations continue apace in **1997–2000**. During these years, the original “Baby Boeing” also flies for Westair, S.A., while a B-737-2K5A is also acquired.

AIR ACTIVITIES: United States (1955–1958). AA is set up by Duane Strand at Fargo, North Dakota, in **1955** to provide scheduled passenger and cargo air taxi flights to Minot via Bismarck. Aero Commander 500B services are maintained until the company goes out of business in **1958**.

AIR AFFAIRES AFRIQUE, S.A.: BP 1325, Douala, Cameroon; Phone (237) 422 977; Fax (237) 429 903; Code 6R; Year Founded 1978. Founded at Douala in **1978**, Chairman Byron Byron-Exaroos and General Manager Joseph Barla Ekwe’s new entrant provides charter and contract services in Cameroon, Chad, and Gabon. The initial fleet comprises 1 Cessna 310, 2 Cessna 402s, and 2 Cessna 404s.

By the end of the **1980s**, the company has received an air transport license, which allows it to begin regularly scheduled services.

The Cessna 310 is withdrawn in **1990** and is replaced by an Aerospatiale (Nord) 262. Although traffic figures are not provided, company officials note that \$3.2 million in revenues are earned and provide a \$50,000 net profit.

An Aerospatiale SN-601 Corvette is acquired in **1991**, during which year a \$50,000 loss is suffered on revenues of \$3.3 million. The same revenue figure is reported in **1992**.

Flights continue apace in **1993–2000**, during which years the Corvette, C-310, and one C-402 are retired and employment reaches 75. In addition, a Bombardier DHC-8-311 is employed to operate scheduled and charter domestic and regional services on behalf of **Cameroon Airlines, S.A.**

AIR AFFAIRES GABON, S.A.: BP 3962, Libreville, Gabon; Phone 241 732513; Fax 241 734995; Code AG; Year Founded 1975. Private interests (55%) and the government (45%) form this carrier at Libreville on January 1, **1975**. After assembling a fleet of lightplanes, passenger and cargo charters are undertaken throughout the country beginning in late spring. Within three years, the fleet has been increased by the addition of 3 Fairchild F.27 Friendships, 1 Transall C-160, 1 de Havilland Canada DHC-6-100 Twin Otter, 2 Beech King Air 90s, 7 Beech 55 Barons, and 4 Beech B80 Queen Airs.

During the remainder of the decade and into the **1980s**, the 90-employee company begins nonscheduled regional services. In the mid-**1980s**, the fleet is remodeled; gone are the Fokkers, replaced by 2 Embraer EMB-110 Bandeirantes, 1 Gates Learjet 35A, 1 Hawker Siddeley HS 125, and 3 Aerospatiale SA-315 Lama helicopters.

Scheduled services are added linking the capital with Franceville and other local destinations. By **1988**, General Manager Denis Bompard’s fleet comprises 10 Beech King Air 200s, 2 Bandeirantes, 2 Beech 99s, and 4 Beech Barons.

R. Bellanger becomes managing director in **1990**. The fleet is reduced as 8 King Airs are sold in **1991–1992**. The flight equipment mix in **1993–1994** includes 2 Barons, 1 Bandeirante, and 2 King Air 90s.

Operations continue apace in **1995–2000**, but again the fleet is changed. Gone are the Barons and 1 King Air 90, replaced by 1 King Air 100 and 1 British Aerospace BAe (HS) 125-800 Hawker executive jet.

AIRAFRIQUE, S.A. (1): France (1937–1941). On September 1, **1937**, the government-sponsored **Regie Air Afrique (RAF)** is upgraded by merging into it **Compagnie Transafricaine d’Aviation, S.A.** (founded in 1934) and **Lignes Aeriennes Nord-Africaines, S.A.**, which had been formed by Colonel Genain in 1932 to fly Algiers–Oran; Genain is named managing director of the new AA-1. The new entity receives a total corporate makeover, with new livery, uniforms, appointments, and a winged griffin logo

Employing the aircraft of the merger partners (including a Farman 190, two Poetz 56s, and seven Caudron Goelands), the new company flies their combined multistop routes from Algiers to Madagascar. At Madagascar it assumes the Elisabethville to Tananarive segment via Broken Hill, Tete, Queilimane, Mozambique, and Maintirano, including the over-water route of the new domestic-only **Service de L’Aeronautique Civile, S.A.**, formerly **Regie Malgache, S.A.** (founded 1934).

Links to Marseilles and Paris are also maintained, together with routes to Oran and Tunis; Gao via El Golea and Aoulef; from Gao to Dakar via Timbuctou, Mopti, Segou, and Bamako; from Gao to Niamey and Cotonou; from Gao to Bangui via Zinder, Fort Lamy, and Fort Archambault; from Bangui to Elisabethville via Lisala, Bumba, Basoko, Stanleyville, Kindu, Kabolo, and Bukama; and from Bangui to Pointe-Noire via Coquilhatville and Brazzaville.

In **1938**, new Bloch 220s (the *Scorpion*, *Sirius*, *Ville de Paris*, and *Ville de Tananarive*) are placed in service over the long route. During the summer, the Poetz 661 *Ville de Bamako* undergoes 100 hours of endurance testing over the route from Algiers to Tananarive.

Flights continue apace in **1939**, but not without cost. The *Scorpion* and *Sirius* are lost in accidents in January and February, respectively. Orders are placed for six each Lockheed L-14s and L-18s, with the former delivered one per month beginning in December. The order for the L-18s is not filled because of World War II, which had started in September.

Following the German blitz into France in May **1940**, the service is disrupted; after the June armistice, the *Ville de Bamako* is used as a liaison aircraft.

On February 21, **1941**, the Vichy government creates a new state-sponsored airline, **Reseau Aerien Francais**. The remaining assets of **Air France**, together with those of **Air Bleu, S.A.** and AA-1 are taken over and merged, the three carriers thus disappearing from the list of world airlines. Ironically, **Reseau Aerien Francais** is taken over by **Deutsche Luft Hansa, A.G. (DLH)** in late **1942**.

AIR AFRIQUE (2) (SOCIETE AERIENNE AFRICAINE MULTINATIONALE, S.A.): BP 3927, 3 Avenue Joseph Anoma, Abidjan 01, Ivory Coast; Phone 225 20 30 00; Fax 225 20 30 05; http://www.airafrique-airlines.com; Code RK; Year Founded 1961. At the first conference of newly independent Francophone states at Abidjan on October 26, 1960, President Felix Houphouet Boigny of the Ivory Coast recommends creation of a consortium airline, to be guided by the major French airlines. The idea catches on with all of the participants except Ghana, Guinea, and Mali, which have chosen the Soviet Union to help them create their national airlines.

After approximately three months of negotiations, Benin, Burkina Faso/Upper Volta, Central African Republic, Ivory Coast, Niger, Mauritania, Senegal, Togo, plus Gabon and Cameroon, agree to come together and contribute 6% of the FFfr 500-million capitalization necessary for startup. **Air France** and **Union Aeromarine de Transport, S.A. (UAT)**, set up the private company Societe Pour le Developpement du

Transport Aerien en Afrique (Sodetraf), as their tool in the new enterprise, which will finance its own 34% stake.

The private and national contributors establish a Survey Committee at Dakar on January 20 and charge it with writing a corporate constitution and ironing out financial, operational, and support details, which is completed by February 4. This unique multinational carrier, which has been modeled on the consortium concept pioneered by **SAS (Scandinavian Airlines System)**, is officially established through a treaty signed at Yaounde, Cameroon, on March 28, 1961.

The company holds its first board meeting at Abidjan on June 26. Cheikh Fal, formerly transport minister of Senegal, is named the first chairman and president, while a senior UTA official is named deputy president/COO. Approval of the company constitution quickly follows.

A formal compact is signed with Sodetraf on July 13; the arrangement brings in the necessary support from **Air France** and **Union Aeromarine de Transport, S.A. (UAT)**, which are already undertaking domestic and regional services in the formerly French states of equatorial and West Africa.

Four DC-4s (brought to civil standard from military C-54As) from the former and two DC-6s (which are conducting these flights) from the latter are immediately leased and repainted. Actually, repainting is too ambitious a term. In what will become a usual practice for some years, stickers bearing AA-2 titles are simply applied on the fuselage sides of the leased aircraft.

After August 1, the Douglas transports continue their previous services under the AA-2 code. The DC-6s also fly from Dakar to Chad.

Air France is also contracted to provide ground handling at Paris and agrees to a management contract with the African airline and to oversee the joint management of a freight return pool on its African network.

On October 16, the carrier begins international services from Dakar, Abidjan, Brazzaville, Port Etienne, and Douala to Paris via Bordeaux and Marseilles, employing a Lockheed L-1649A Starliner and several L-1049Cs leased from **Air France** and an L-749A Constellation chartered from **Royal Air Maroc, S.A.**

Three days later, flights are inaugurated from Paris and Nice to Douala, Libreville, and Port-Gentil.

The first jet service is inaugurated on January 5, 1962 with a pair of DC-8-33s chartered from **Union Aeromarine de Transport, S.A. (UAT)**. The roundtrip route chosen is from Paris to Brazzaville via Marseilles and Douala. Two more L-1649As are chartered from **Air France** on April 18, replacing the L-1049Cs.

On June 1, the company joins IATA. With 80% financing arranged by the U.S. Import-Export Bank, a \$15-million order is placed in December for two Douglas DC-8-53s, to be delivered in 1963 and 1964.

Cheikh Fal's contract is renewed on January 4, 1963. During the first and into the second quarters, routes and frequencies are expanded; Bordeaux, Lyons, Marseilles, Nice, Geneva, Zurich, Rome, and Las Palmas join the network.

On May 5, a DC-6B with 7 crew and 48 passengers en route to Nigeria, crashes halfway up the side of 13,000-foot Mount Cameroon, near Doala; there are no survivors. The young carrier, at the beginning of the month, sponsors its first Hadj charter services to Mecca for Muslim pilgrims.

The two Starliners, leased the previous year and most recently employed on the Hadj, are returned to **Air France** on May 28 and June 7, respectively.

The first DC-8-53 is delivered at Long Beach in October and is christened *Abidjan*; its initial flight takes it via Washington, D.C., to its namesake city. After a welcoming ceremony, the aircraft is sent to the **UTA French Airlines, S.A.** shops at Paris (ORY) for an interior makeover. Once this upgrade is completed, the jetliner enters service on November 1 over the route from the French capital to the Ivory Coast.

Ownership is simultaneously revised. The member national governments acquire 72% interest, with Sodetraf holding the remaining 28%. An alliance is signed between AA-2 and **Air France**, under which the

two agree to coordinate schedules and offer joint through-fares, as well as undertake a joint catering venture in Dakar and Abidjan.

At the same time, the ground handling contract is revised to ensure greater African participation, while the airline and **UTA French Airlines, S.A.** turn over all interest in the Douglas propeller aircraft previously operated under lease. The stickers are now removed and full company colors are applied to them.

The fleet on January 1, 1964 comprises 1 owned DC-8-53, DC-3, 3 DC-4s, 4 DC-6s, plus the 2 chartered DC-8-33s. The second DC-8-53 arrives on January 12 and is named *Brazzaville*; it enters service from its namesake community to Marseilles beginning on January 25.

Traffic rights to Tel Aviv, Israel, are received on April 20; permission is received four days later from the U.S. CAB for service to New York from six member states.

In addition, a compact is entered into with **Ghana Airways, Ltd.**, flag carrier of a nonmember state. Under its terms, the multinational airline will be able to inaugurate services into Robertsfield and Freetown. **Ghana Airways, Ltd.** is able to launch its own route from Dakar to Accra via Robertsfield, Freetown, Conakry, and Bathurst.

After a two-year lease, the **Royal Air Maroc** L-749A is returned at year's end. Revenues for the year total \$42 million.

Togo seeks admission to the consortium in 1965, which it receives on a provisional basis for three years. Orders are placed for two Sud-Est SE-210 Caravelle XIRs.

Robertsfield becomes a stop, on April 1, on the service from Dakar to Paris via Geneva.

Pan American World Airways (1) begins weekly roundtrip service on April 18 from New York City to Douala, Abidjan, Cotonou, Robertsfield, and Dakar under a "blocked space" pact with AA-2. Under this arrangement, the African company is given the right to reserve 35-45 seats and a portion of the cargo and mail space on each PAWA-1 flight. Pan Am employs a B-707-321C that it has, briefly, named *Clipper Antelope of Africa*.

With air cargo carried in passenger plane bellies contributing significant income, a DC-8F, which may be entirely dedicated to freight service, is requested in July. Another DC-8 passenger plane is also ordered. By the end of the year, all of the consortium capitals, except Nouakchott and Bangui, have jet service.

A total of 278,692 passengers are carried on the year and revenues increase 7.1% to \$45 million.

The DC-8F enters service in 1966 as the company begins to withdraw its DC-6s. At this point, AA-2 takes over the **Air France** and **UTA French Airlines, S.A.** maintenance facilities at Dakar, Douala, and Abidjan. The consortium carrier now handles all but the most difficult maintenance tasks for itself and, under contract, for several other African airlines and air forces as well.

A pair of DC-4s is sold in 1967 to help pay for the two Caravelles, the first of which makes its maiden flight on April 21. Both of the new machines are delivered to this launch customer during the summer.

SE-210 Caravelle XIR service is inaugurated from Dakar on August 5. Destinations visited by the twin-engine French jetliners include Abidjan, Accra, Bamako, Bangui, Bobo Dioulasso, Brazzaville, Casablanca, Conakry, Cotonou, Douala, Freetown, Lagos, Las Palmas, Lome, Niamey, Nouakchott, and Ouagadougou.

Enplanements total 295,487.

Togo formally joins the consortium on January 1, 1968, and purchases a 6% stake from Sodetraf. With the arrival of the third DC-8, a Dash-33 christened *Dakar*, the two DC-8-33s leased from **Air France** are returned. An even larger Douglas transport, a DC-8-63CF, is ordered, along with a pair of Japanese-made turboprops.

Passenger bookings for the year reach 306,000 and accelerate to 341,119 in 1969.

As part of a new plan to diversify into the booming tourism market, the airline, on March 12, 1970, purchases majority control (51%) of the Societe de Developpement Hotelier & Touristique en Afrique de l'Ouest, S.A. A pair of Nihon NAMC YS-11As is acquired for

regional/domestic services from Japan and, in December, the DC-8-63CF is delivered and christened *Ndjamena*.

Freight traffic rises 9.3% while passenger traffic jumps 12% to 387,635.

Routes in 1971 now extend to France, Italy, and Switzerland. In January, the DC-8-63CF, flying from Dakar, launches the carrier's first New York service with an owned aircraft, flying weekly from Abidjan.

One of the last DC-4s, a freighter with two crew and a passenger, lands two-and-a-half miles short of the runway at Fort Archambault on February 28; although the aircraft must be written off, there are no fatalities.

Almost a decade old, the consortium begins to suffer from some dissension during the year. Dissatisfied that few from his country are in top AA-2 management positions or that Douala, the most heavily visited capital, does not host corporate headquarters, Cameroon President Ahmadou Ahidjo announces in March that his country will pull out of the consortium. Ahidjo sponsors the creation of his nation's own carrier, **Cameroon Airlines, S.A.** on July 26.

Following suit, Central African Republic President Jean Bedel Bokassa also announces that his country will quit AA-2 and set up an Air Centrafrique; this threat does not, however, materialize.

Cameroon, on the other hand, proceeds to withdraw from the consortium in September; ironically, the archives of its national library at Douala contain the only formal, deposited copy of the AA-2 start-up treaty. The remaining partners rearrange the consortium's shareholding; each state assumes a 6.54% stake, while the Sodetraf shareholding drops further (28%).

A third SE-210 Caravelle XIR is delivered as orders are placed for two DC-10-30s and two DC-8-55Fs. The remaining DC-6s and DC-4s are retired.

The employee population in 1972 stands at 3,453. The fleet now comprises 1 DC-3, 1 DC-8-33, 2 DC-8-53s, 1 DC-8-55F, 2 DC-8-63s, 2 YS-11As, and 3 SE-210s. The YS-11As are withdrawn early in the year and are sold to **Air Ivoire (Societe Ivoirienne de Transport Aeriens, S.A.)**.

Following the examples of the Central African Republic and Cameroon, Chad, in February, also threatens to quit the airline group, claiming that it should receive better treatment. The threat turns out to be a bluff, as Chad remains. Later in the year, one of the DC-8-55Fs enters service.

Passenger boardings this year soar 20.6% to 445,000.

The workforce stands at 3,646 in 1973. AA-2 comes on line with the **Air France** Alpha 3 computer reservation system (CRS) at the beginning of the year.

The first wide-body, a DC-10-30 christened *Libreville*, is delivered on February 28; on March 13, the big Douglas begins thrice-weekly roundtrips from Abidjan to Paris, with stops, depending on service, at Cotonou, Dakar, Nouakchott, Niamey, Bangui, Brazzaville, Fort Lamy, Bordeaux, and Marseilles.

Later in the month, DC-8-63CF service is inaugurated from Abidjan to Paris via Cotonou, Dakar, Fort Lamy, Bordeaux, and Marseilles. During the fourth quarter, an SE-210 Caravelle XR is purchased from **Alia Royal Jordanian Airlines**.

Enplanements, due largely to the energy crisis, fall to 353,430.

In January 1974, Acoussou Koffi succeeds retiring Cheikf Fal as chairman and president. Airline employment is now 3,886 as another DC-8-55F is delivered and the Alia Caravelle enters service.

For improved communications purposes, the Abidjan head office is linked directly to Paris by satellite hookup, along with Rome and Geneva.

Passenger boardings climb 4.2% to 369,000 and freight grows 30.3%.

The workforce is increased to 4,160 in 1975. Routes are extended from Gabon to Italy and a third DC-8-55F joins the fleet. A second DC-10-20, the *Cotonou*, is received in June, but is immediately leased to **Thai Airways International, Ltd. (THAI)** for a year.

Freight traffic is up 8.7% and passenger bookings surge 11% to 429,000.

The employee population jumps 11% in 1976 to 4,551. Having returned from Thailand in May, the DC-10-30 *Cotonou* is placed in service in June. Passenger traffic climbs 10.2% to 472,826 and cargo traffic rises 10.6%.

Gabon departs the consortium in 1977, requiring another fiscal reorganization. A third DC-10-30 is ordered as customer boardings swell to 487,800.

President Acoussou Koffi and his assistants place orders in 1978 for a Boeing 747-200 freighter and three Airbus Industrie A300B2 passenger airliners. Freight is up 4.5% and passenger boardings grow 10% to 542,000.

Capitalization stands at FFfr 5.8 million in 1979 and will be increased by FFfr 2 million annually hereafter. Passenger bookings grow 10.3% to 597,678, but freight drops 1.1%.

One aircraft is sold in 1980, reducing the fleet to 12 aircraft. A B-747-2S4F is delivered on October 3; christened *Lome*, the two-tone green and white Jumbojet begins roundtrip all-cargo operations from Abidjan to Paris in November.

Freight traffic increases 9.2% to 200.14 million FTKs, while enplanements advance 5.6% to 631,000.

Airline employment in 1981 stands at 5,161. The third DC-10-30, christened *Niamey*, and the three A300B2s all enter service. The management structure is revised to provide for three African deputy presidents; A. Ddiaye, F. Konate, and E. Ebouka-Babackas fill the slot previously held by a **UTA French Airlines, S.A.** executive.

Passenger boardings climb 6.2% to 699,945 and freight traffic advances by 9.9% to 220 million FTKs.

Bookings dip to 697,132 in 1982 as the downturn in world economic fortunes and rises in price are felt. Income totals FFfr 102.8 million and allows a FFfr 68.6-million profit, a 19.2% increase over the previous year.

The traffic downturn continues in 1983, forcing the sale of the three SE-210s and the two DC-8-63s. Capitalization now stands at FFfr 13.8 million and two B-727-2H9s are leased, long term, from **JAT (Yugoslav Airlines)** as replacements for the sold units. Auxence Ickonge is named chairman/president designate in October.

Passenger boardings this year remain level at 697,661.

Airline employment stands at 5,238 in 1984. Not flexible enough to meet the carrier's requirements, the B-747-2S4F Jumbojet *Lome* is withdrawn on March 1 and leased to **National Airlines**; the same day, the American company subleases the plane to **Saudia (Saudi Arabian Airlines)**. On August 1, the *Lome* is sold to **Korean Airlines/Korean Air, Ltd. (KAL)**.

Passenger traffic declines another 0.8% during the year to 692,000 and a net loss of \$860,000 is suffered.

The workforce is reduced 1.9% in 1985 to 5,619 and the fleet is standardized to 1 DC-8-55F, 3 DC-10-30s, and 2 B-727-2H9s. The inactive B-747-2S4F remains grounded. To overcome a shortage of available Douglas wide-body pilots and flight engineers available to it, the carrier, in late spring, recruits crews from **JAT (Yugoslav Airlines)**, while leasing one of its DC-10-30s to the Yugoslav carrier. Abidjan-New York via Dakar, DC-10-30 frequencies are stepped up to two per week, beginning on June 25. Services are also offered to 22 African nations as well as Bordeaux, Nice, Paris, Geneva, Zurich, Rome, Las Palmas, and Jeddah.

Chairman/CEO Koffi is succeeded on July 1 by Auxence Ickonga. In October, in cooperation with **Ethiopian Airlines, S.C.** and employing that carrier's B-767-260, service from Addis Ababa to Abidjan is increased from two flights each week to four. Later in the month, Koudjoulou Dogo, a citizen of Togo, is named the new director general.

Passenger boardings recover after three years of decline, rising 9.4% to 757,323; freight accelerates 4.5% to 191.34 million FTKs.

Early in 1986, the staff is cut by a further 10%, or 500 workers. Business-class service is introduced and a massive worldwide sales

promotion campaign begins. In late spring, company officials undertake negotiations with airline officials from Guinea and Mali, who are anxious to have the multinational take over the long-haul flights of both **Air Guinee, S.A.** and **Air Mali, S.A.** In August, a B-707F is acquired. In addition, two more B-727-2H9s are leased from **JAT (Yugoslav Airlines)**.

In light of the huge debt collectively owed the airline by a number of member governments, the company statutes are modified by the French and African shareholders in December to allow greater flexibility in meeting competition in the Africa-Europe market. Enplanements for the year total 70,863.

The Boeing tri-motor contract with **JAT (Yugoslav Airlines)** is terminated in February 1987. During the spring, new technical facilities are dedicated at Dakar's Yoff Airport; these enable the carrier to gradually become less dependent upon **UTA French Airlines** for technical support. As of April, the carrier is owed over \$100 million by the French-speaking African nations that constitute its main shareholders; neither Chad nor Mauritania has made contributions in a decade. Still, the company is able to acquire a B-737-33A, under lease from **Aeromaritime International, S.A.**, with which to replace the Yugoslav units.

Lebanese terrorist Hussein Ali Mohammed Hariri seizes Flight 56, a DC-10-30 with 163 passengers and en route from Brazzaville in the Congo via Rome to Paris on July 24. He diverts it to Geneva, where he demands the release of two brothers held in West Germany for the 1985 murder of US Navy Petty Officer Robert Stethem aboard TWA Flight 847. On the tarmac at Cointrin Airport, the gunman kills a French passenger and critically wounds a steward before the cabin crew is able to overwhelm and subdue him. An emergency evacuation is ordered, during which 30 passengers are injured. Hariri will be tried and given a life sentence.

As of September 1, the carrier is owed \$42.3 million for the year by its African government stockholders and has bank overdrafts in excess of \$18.3 million. The 4,990-employee consortium airline transports, through November, a total of 64,421 passengers, a boost of 10% over the same period a year earlier.

In January 1988, AA-2 reconsiders its decision to extend its New York route on to Montreal in accordance with recently authorized rights granted by the Canadian government.

In August, the company signs an agreement with **Atlanta Icelandic Airlines, H.F.** for the wet lease of its B-707-320 for use on the African carrier's annual Hadj flights from various west- and central African countries.

Chairman/President Ickonga resigns in October and, in November, the French government's Caisse Central de Cooperation Economique, an agency that provides aid to foreign governments and institutions, asks its director, Yves Roland-Billecort, through a personal appeal from the French Prime Minister, to take over supervision of the airline's management. Pierre Arnaud and Jean-Pierre Vizzanova are named deputy presidents.

The French government now agrees to provide the funds necessary to keep AA-2 going, subject to the effective implementation of a program Roland-Billecort will develop.

The carrier's enplanements for the year are level; freight, however, declines by 2.2% to 14.6 million FTKs. The company reports a profit of 14.4 billion French African francs.

The fleet in 1989 includes 3 A300B4-203s, 3 DC-10-30s, 1 B-737-33A, 1 B-707F, and 1 DC-8-63F. As of January, on-time performance is just 28%. In March, when Roland-Billecort and his management team takes office (letting go all but two members of the carrier's top management, all Africans), it is announced that AA-2 will receive an initial \$12 million from the French government, under a program aimed at stabilizing the multinational's financial situation.

In exchange, it is required that the multinational agree to lay off up to 2,000 employees. In addition, the member nations agree to reduce the traffic rights of foreign airlines into their countries in an effort to

increase market share for the consortium company. At least one country, Italy, reacts severely; it temporarily prohibits the airline from flying into Rome.

The **Atlanta Icelandic Airlines, H.F.** wet-leased B-707-320 begins the transport of Hadj pilgrims in May. Passengers are picked up from and returned to Bamako in Mali, Nouakchott in Mauritania, Conakry in Guinea, Abidjan in Ivory Coast, Libreville in Gabon, and Brazzaville in the Congo.

When the cost-cutting program is implemented in June, 1,600 of the carrier's 5,600 employees are laid off. As part of the reorganization, the number of airline departments is reduced from 50 to 29 and the number of sections from 181 to 50.

The technical base at Brazzaville, Congo, is closed in July and in August it is announced that the company will receive French government aid funds of \$83 million, in addition to \$31 million in loans. There are four major components in this financing program: a \$94-million direct subsidy; a \$35-million decade-long loan at 1% interest; \$37 million through bank credit rescheduling; and a \$35-million long-term loan.

At the same time, Roland-Billecort's team cuts off credit to member governments for tickets and transport documents and embarks on a campaign to increase capitalization from \$49 million to \$84 million. Funds are made available to member governments to subscribe to the campaign.

During the fall, service is started to Agadez, Niger. Under pressure from the Congo government, the Brazzaville base closure is halted in November. A series of low-fare charters are offered to Paris in early December for those wishing to shop for Christmas.

For the year, a profit of 366.6 million French African francs (\$1.3 million) is generated, down significantly from the previous year.

In addition to the reduction of competition from foreign airlines, AA-2 in 1990 elects to increase its capacity and then to fill it with effective marketing and promotion. During the winter season, seats are increased by 40.6% through the process of increasing frequencies and taking a long-term lease on a Lockheed L-1011 TriStar 1 from **American Trans-Air** and a B-737-300 from **Aeromaritime International, S.A.** A B-707-3K1C is also chartered from **TAROM (Transporturile Aeriene Romane, S.A.)**. The three DC-10-30s receive new interiors by Concorde decorator Guatier Delaye and service is launched to Brussels. An office is opened at New York and frequencies to that destination are increased during the summer.

In August-September, capitalization is increased from 5.8 trillion French-African francs to 13.8 trillion. The French Sodegraf company does not participate in the increase, so its interest in the multinational slips from 28% to 21.01%. By fall, on-time performance has risen to 66% and weekly flights commence on December 10, linking Bamako and Abidjan with Lyon in France. The profit drops to \$580,000.

In 1991, airline employment is 4,500; of these, Senegal and Ivory Coast supply 800 each, followed by Benin and Burkina Faso with about 400 each, and the remainder coming from the Central African Republic and Mauritania. Following the conclusion of Operation Desert Storm, service to Jeddah and Rome is resumed in the spring. The fleet now includes 3 A300B4s, 1 B-707-3K1C Stratoliner wet-leased from **TAROM (Transporturile Aeriene Romane, S.A.)**, and 3 DC-10-30s. Orders are outstanding for 3 A310-304s; however, the first is delivered under charter in June.

During the first nine months of the year, a total of 868,156 passengers and 12.39 million FTKs of freight is flown. In October, a marketing alliance is signed with **Swissair, A.G.**, which provides for code-sharing on the route from Abidjan to Zurich via Dakar and Geneva. Also during the month, the Romanian Stratoliner begins flying all-cargo services from Dakar to Ostend.

Plans are made for a new charter subsidiary, "Air Afrique Charter." For the year, a total of 133 roundtrip charters are flown, which provide \$10 million in revenues. Still, income barely exceeds expenses and allows an operating profit of just \$727,000.

The payroll is cut a slight 0.2% at President/Director General Roland-Billecort's multinational carrier in **1992** to 4,210 and the fleet is increased in January by the addition of 2 leased A310-304s, another **TAROM (Transportuile Aeriens Romane, S.A.)** B-707-3K1C, and 1 Antonov An-12 freighter chartered from **Balkan Bulgarian Airlines**.

A multinational negotiation committee is established to work out bilateral agreements between the consortium and other countries. In April, **Air Ivoire (Societe Ivoirienne de Transport Aeriens, S.A.)** launches a weekly Fokker 100 replacement service, on behalf of AA-2, from Abidjan to Togo and the Congo.

The A300B4s are sold at mid-year and, in August, it is announced that, as a result of an increase in capitalization by two African international banks and a French financing institute, the stake of the 11 national governments holding shares will be reduced from 79% to 52% interest.

In October, new weekly routes are opened to Johannesburg from Brazzaville and Kinshasa. A marketing alliance is entered into with **South African Airways (Pty.), Ltd.** in November; under its terms, the two companies agree to code-share the route from Abidjan to Johannesburg via Brazzaville. During the year, Mali joins the consortium.

Customer bookings for the year as a whole accelerate 9.9% to 712,923, but cargo falls 3.4% to 167.82 million FTKs. Revenues inch up 1.6% to \$486.3 million and expenses rise 1.5% to \$486.28 million. The resulting operating surplus is \$1.01 million.

Airline employment is increased by 16.4% in **1993** to 4,900 and the fleet now includes 3 A300B4-203s, 4 A310-304s, 2 B-707-3K1Cs leased from **TAROM (Transportuile Aeriens Romane, S.A.)**, the Balkan An-12, 1 Fokker 100 leased from **Air Ivoire, S.A.**; and 3 DC-10-30s. One of the latter is chartered out to **AOM French Airlines, S.A.**, which subleases it to **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**

While landing at Abidjan on January 15 after a service from Cotonou, Flight 153, one of the Romanian B-707-3K1C freighters with six crew, undershoots the runway and its main landing gear collapses; although the Stratofreighter is damaged beyond repair, there are no fatalities.

In cooperation with **South African Airways (Pty.), Ltd.**, the new route is opened to Johannesburg during the first quarter; Nice joins the European network at the same time. Civil unrest in Togo and Congo proves costly, as do political difficulties in Mali and Niger, along with the closing of the southern tourist area of Senegal.

Late in the year, the member nations (Benin, Burkina Faso, Central African Republic, Chad, Congo, Ivory Coast, Mali, Mauritania, Niger, Senegal, and Togo) pledge to join the government of France in beginning a FFr 361-million (\$62-million) restructuring.

Passenger boardings inch up 0.8% to 718,952 while freight does much better, climbing 6.7% to 171.2 million FTKs. The year's operating loss is \$29 million and the net downturn is \$13 million.

In February **1994**, a marketing agreement is signed with **Gambia Airways, Ltd.**; under its terms, "block space" and code-sharing will take place on the Banjul-London route. The multimillion restructuring of the company's finances also begins during the first quarter. Under its terms, each of the 11 owner governments will subscribe FFr 10 million and France will provide FFr 8 million plus 90 million from that government's Development Agency. The French government will guarantee loans covering 80% of the member states' contribution. Private investors will contribute an additional FFr 153 million.

Despite the recapitalization, the devaluation of the CFA franc during the year doubles the airline's costs.

In early June, service is inaugurated from Accra to London (LGW) via Abidjan. At mid-year, the heads of the member states renew Roland-Billecort's contracts for another five years. When the Central African Republic's franc currency is devalued by 50%, the carrier's debt burden significantly increases.

Arrangements are completed with ILFC in December for the charter of two A300B4-605Rs, which will be delivered during the following

spring. Also during December, **DHL Worldwide Express** purchases a board seat and a 3% stake for \$3 million.

Enplanements total 792,244 and revenues for the year jump 13% to \$440 million; however, expenses accelerate 15.6% to \$450.56 million. Still, there is a \$10.56-million operating loss and a net loss of \$3.64 million.

The workforce stands at 4,330 in **1995**. In March, the company begins a code-sharing service with **TAP Air Portugal, S.A.** over a route from Lisbon to Abidjan. Also in March, the first A300-600R is received; the second arrives in April.

Unprofitable routes to several European cities are closed, including London, Marseilles, Geneva, and Nice. The first A300-600R is received and replaces DC-10-30s on higher-density routes.

A memorandum of understanding is signed with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** in April that calls for joint planning for future services. In December, an agreement is signed with **Air Algerie, S.A.** concerning long-term planning for a joint-venture project.

While landing on the wet runway at N'Djamena, Chad, after an all-cargo service from Paris on August 17, the second Romanian B-707-3K1C, with six crew, overruns the runway and suffers the collapse of its left main landing gear. There are no fatalities.

Two additional Stratoliner freighters are leased from **DAS Air Cargo, Ltd.** for two years.

The multinational carrier enjoys a good traffic year as bookings climb 7.3% to 854,632 and freight jumps 8.4% to 174.3 million FTKs.

The fleet in **1996** includes 6 chartered A310-304s, 3 A300B4-203s, 2 A300B4-605Rs, 2 DC-10-30s (1 of which is chartered in January to **AOM French Airlines, S.A.**), 2 B-707-3K1Cs leased from **TAROM (Transportuile Aeriens Romane, S.A.)**, 1 B-737-2Q5CA chartered from **Lina Congo (Lignes Nationales Aeriennes Congolaises, S.A.)** and 2 B-707-320Cs leased from **DAS Air Cargo, Ltd.**

In April, the airline begins to code-share with **Middle East Airlines (2), S.A.L.** on a route from Abidjan to São Paulo.

Having been unable to reshape the company's sad financial history, Managing Director Roland-Billecort is replaced (officially, on a temporary basis) in June by Pierre Arnaud and Yves Boudot. The search begins for a new chairman.

Unhappily, the African management of the company makes disparaging remarks concerning AA-2's links to France, its non-African shareholders, and most particularly concerning Roland-Billecort. When he learns of these comments, **Air France** Chairman Christian Blanc abruptly decides that his carrier should distance itself from the Africans.

At the end of the year, in the wake of terrorist activities, the company stops flying to Paris for security reasons. Instead, it redirects its French service to Lyons.

Enplanements total 827,500 and 50,000 metric tons of cargo are transported. Although operating revenues total \$398 million, a net \$35-million loss must be reported, atop an operating downturn of \$39.1 million.

Early in **1997**, a plan is put forward (delayed as it turns out) to sell (and lease back) the entire aircraft fleet to a special-interest company established by all of the members plus the Dakar-based Asecna African Flight Safety Association.

In ceremonies at Niamey, Niger, on February 18, former **Air Mauritius, Ltd.** Chairman/Managing Director Sir Harry K. Tirvengadam becomes managing director of AA-2.

Flight 816, a B-737-242C with 116 passengers, aborts its takeoff from Douala on August 3 following the explosion of a main landing gear tire; the aircraft skids off the runway into the bush and is engulfed in smoke. All aboard are safely evacuated before the little Boeing is burnt out.

The civil war in the Congo Republic has an impact on carrier traffic during the four months of its duration.

In September, representatives of the 11 consortium member nations seek an appointment in Paris to ask for French government aid to help

with the consortium carrier's finances. No invitation is forthcoming. Frequencies to Malabo and Abu Dhabi are inaugurated in October.

A B-737-3Q8, subleased from **TEA-Basel, Ltd.**, is delivered in December; the same month, a fourth, weekly roundtrip begins to New York (JFK).

Enplanements total 938,232. It is also reported that there are losses of \$21.78 million (operating) and \$10.99 million (net).

Airline employment in 1998 stands at 4,159. During the spring, new service is initiated from Abidjan to Casablanca. Unable to come up with payments, the financially distressed carrier has its four A310-304s seized by their lessors during the first week of July. The action forces AA-2 executives to feverishly cobble together a workable flight schedule that can be accommodated with its now significantly smaller fleet. They also meet with bankers in an effort to gain the financing required to reclaim the aircraft.

Conflict resumes in the Democratic Republic of the Congo during the summer, again impacting traffic. Meanwhile, the company's major creditors—Credit Lyonnais, Dresden Bank, and Midland Bank—make plans to sell the repossessed aircraft as the airline has been unable to obtain the funding necessary to continue their charter. A special fund established by AA-2 for the purpose falls short by \$1.7 million as five of the 11 member states fail to make a contribution.

During a ministerial-level meeting at Bamako, Mali, in August, a call for help is made to the French government for assistance in helping to keep AA-2 from foundering. Finally, in mid-September, the French government agrees to see the representatives who had sought an appointment to discuss possible aid the previous year.

Discussions are held with **Air France** concerning a strategic marketing alliance. On October 1, Credit Lyonnais underwriters allegedly give the airline's executives an October 15 deadline to clear debts around a \$50-million loan before it can begin to discuss restructuring of the principal, estimated debt of \$305 million. AA-2 denies this assertion on October 6, claiming that it hopes for a political solution to its financial crisis.

At the time of the Credit Lyonnais deadline, the carrier's current national owners, which hold 70.4% shareholding, agree to cut that figure down to 51% by expanded privatization. The creditors arrange a Paris court hearing on March 3 of the next year, where repayment of debt arrears owned on four Airbus airliners will be demanded.

Faced with the very real possibility that AA-2 may go under, thereby opening its routes to competition from non-African international air carriers, **Air France** decides that the Pan-African airline's situation requires a more active presence. Although it does not plan an immediate equity presence, the November issue of *Airline Business* in its cover story reports that the French flag carrier will now manage AA-2.

Passenger boardings accelerate 5.8% to 996,000, but freight traffic falls 11.5% to 148,768 FTKs. Revenues climb 0.3% to \$431.87 million while costs fall 8.5% to \$413.56 million. There is an operating profit of \$18.11 million and a net gain of \$16.51 million.

Managing Director Tirvengadam resigns for health reasons on January 29, 1999.

Although maligned in some circles, Sir Henry had been able to institute tight cost controls, while increasing the use of the fleet so as to boost income.

In anticipation of the March 3 court date in Paris with Credit Lyonnais, transport and finance ministers from the 11 Francophone countries of Africa that hold stakes in AA-2 meet at Abidjan, Ivory Coast, on February 27 to discuss the airline's future. Although they put off until a second meeting at Abidjan on March 30 the selection of a new managing director, they do agree on new ways of finding cash for a debt rescue and for the establishment of another concern to manage the debt.

AA-2 will sell its shareholding in the Montreal-based, international telephone company, SITA, and in Abidjan Catering. The proceeds will then be lent to the member states and used by them as funding with

which to assist in making payment for the establishment of a separate company. The \$11.5-million stake will allow the new concern to takeover the multinational airline's debt and to lease out the four Airbus aircraft, the purchase of which has put AA-2 into most of its debt.

In addition, the member states will ask the multinational air safety agency ASECNA at its March 10 Gabon meeting to make a sizeable contribution that will get the debt-handling company off the ground.

At Abidjan, the ministers also discuss ground handling in member states, which is currently contracted to AA-2. No decisions concerning that agenda item are reached.

During the last week of February, announcements are made that frequencies will be increased from Abidjan to New York (JFK) and from Abidjan to Johannesburg just as soon as new leased B-767-300ERs are acquired.

The court hearing organized by Credit Lyonnais and the airline's other creditors duly opens on March 3, but is adjourned after opening arguments are completed a day later.

Ministers from the 11 Francophone African countries that own shares in the airline meet at Ouagadougou, Burkina Faso, in mid-April and name the Senegalese protege of former CEO Roland-Billecort, Pape Sow Thiam, the new Managing Director. Many of the company's workers, who detested the **Air France** official, are displeased and the appointment is vehemently denounced by Bamba Bakary, secretary general of the AA-2 workers union, in a speech at Abidjan on April 17.

Two of the four A310-304s are leased by Credit Lyonnais in May to Cairo-based **Midwest Airlines, S.A.E.**

Also in May, due to an intensification in the sporadic conflict near Brazzaville (Congo Republic) between government forces and those led by former prime minister Bernard Kolelas, the carrier suspends its thrice-weekly flights into Maya-Maya Airport. Instead, it increases service to Pointe-Noire, the country's southern business capital.

Calm is sufficiently restored by July 29 to permit a weekly service to be operated to Brazzaville from Paris via Cotonou, Benin.

The sublease of a B-767-3Q8ER chartered from **Air Europe, S.p.A.** is extended on November 4.

In March 2000, a cooperative agreement is signed with **Air Gabon, S.A.**, **Cameroon Airlines, S.A.**, and **Air Madagascar, S.A.** Under its terms, the four will provide joint handling, coordinate schedules, and purchase common equipment.

Two A330-223s are leased from ILFC during the first quarter; until they arrive, the carrier leases a B-767-35HER from **Air Europe, S.p.A.**

It is reported at the end of June that the fiscally stressed carrier has accepted in principle an offer of additional assistance from **Air France**. The company's stake in **Air Mauritanie (2) (Societe d'Economic Mixte Air Mauritanie, S.A.)** is increased from 20% to 32% on July 1.

Wearing a new blue and white livery, the first A330-200 is received from ILFC on October 2. Service from Abidjan to Lisbon ends on October 29.

AIR ALBA, LTD.: See **HIGHLAND AIRWAYS, LTD. (2)**

AIR ALBATROSS, LTD.: **New Zealand (1981–1986).** Established to seek rights to a subsidized Chatham Island air link, AAL is formed at Wellington in the summer of 1981. A fleet comprising two Swearingen Metro IIs and two Cessna 402s is assembled and forty employees are hired. When the government delays its support decision, the company elects to implement other available routes, beginning service on November 9 to Nelson.

A total of 641 passengers are carried in the first month.

Providing regularly scheduled flights over Cook Strait to both Nelson and Blenheim in 1982–1983, the carrier sees its traffic double from 16,903 to 31,204. A frequency to Auckland is initiated in March 1984.

Unable to maintain its viability in the increasingly competitive and expensive New Zealand air transport skies of **1985–1986**, the carrier is forced to shut its doors late in 1986.

AIR ALBERTA, LTD.: Canada (1985–1986). Air Alberta is established at Edmonton Municipal Airport in the summer of **1985**. Two Embraer EMB-110P-1s are acquired and revenue services are inaugurated in October linking the company's base with Calgary via Red Deer. After only five months of service, the carrier stops flying on February 3, **1986**.

AIR ALFA HAVYOLLARI VE TIC A.S.: Turkey (1992–2000). Air Alfa is established at Istanbul in **1992** to operate domestic charter services. Revenue operations commence with one each Airbus Industrie A300B4 and Boeing 737-230, both of which are leased.

Operations continue apace in **1993–1996**. During these years, a pallet deal is signed with **KLM Royal Dutch Airlines, N.V.** that provides for service from Amsterdam to Istanbul and Izmir.

While on the ground at Istanbul on May 17, 1996, the cabin of the A300B4 catches fire, causing the plane to be totally burnt out.

During the summer of **1997**, a pair of Airbus A321-131s, previously operated by **BWIA International Airlines, Ltd.**, is leased and enters service on European holiday routes.

Destinations now include Amsterdam, Ankara, Antalya, Basel, Düsseldorf, Frankfurt, Hamburg, Izmir, Munich, and Zurich.

In January **1998**, an A320-131 is chartered from ILFC for five years. With Hasim Bayram as chairman, service is quietly maintained in **1999** and until July 1, **2000**, when the carrier is renamed **Alfa Airlines, A.S.**

AIR ALGERIE (SOCIETE NATIONALE DE TRANSPORT ET DE TRAVAIL AERIEN, S.A.): 1 Place Maurice Audin, Algiers, Algeria; Phone 213 (3) 644 822; Fax 213 (3) 610 553; Code AH; Year Founded 1946. **Compagnie Generale de Transport Aerien, S.A. (CGTA)** is formed late in **1946** to provide nonscheduled service from Algeria to destinations in France. Nonscheduled flight operations are inaugurated in **1947**. Within three years, the fleet includes 11 Douglas C-47s/DC-3s and scheduled services are inaugurated linking Algiers with Basel, Bône, Geneva, Marseilles, Paris, Philippeville, and Toulouse.

A C-47A with three crew is lost at Paris (ORY) on December 12.

Several Breguet Deux Ponts 761s are evaluated during the early **1950s** for possible use as cargo aircraft. In the spring of **1952** the fleet is increased through the addition of three Sud-Ouest SO-30P Bretnages.

Compagnie Air Transport, S.A. (founded 1947) is acquired in April **1953** and the amalgamated carrier is renamed Air Algerie (2) (**Compagnie Generale de Transport Aeriens, S.A.**) on May 22. Ownership remains private and comprises a number of different shareholders, including the shipping lines **Compagnie Generale Transatlantique, S.A.** and **Compagnie de Navigation de Mixte, S.A.**, which hold 98% of the stock between them.

In **1954–1958**, routes and frequencies are increased within Algeria and to Paris, Marseilles, and Toulouse. The government of France divides the French-scheduled, cross-Mediterranean route segments between **Air France** (54%) and Air Algerie, with the latter holding a virtual monopoly on Algerian domestic service now dramatically improved. Additionally, seasonal charters are operated from Algiers to Ajaccio in Corsica, as well as to Clermont, Montpellier, and Perpignan.

During these years, the fleet includes 2 chartered Lockheed L-749A Constellations, 6 DC-4s leased from **Air France**, 3 DC-3s, and 3 Nord 2501 Noratlas. Orders are placed for 5 Sud Est SE-210 Caravelles.

An L-749A fails its takeoff from Algiers on December 17 of the latter year and must make a forced landing; although the plane is destroyed, there are no fatalities.

The former **KLM (Royal Dutch Airlines, N.V.) DC-4 Limburg** is purchased on June 22, **1959**. Four additional DC-4s are acquired and the carrier's first jetliner, an SE-210 Caravelle III, is delivered in late December.

Algeria–Paris SE-210 daily return services are inaugurated on January 12, **1960**. As more jetliners arrive, the number of routes is increased, including, in March, a twice-weekly service from Bône to Paris. At the beginning of the second quarter, Caravelle service is inaugurated, four-times-a-week, from Oran to Paris, while the Algiers–Paris service is upgraded to 13 weekly roundtrips.

On May 19, a Caravelle III arriving from North Africa with 37 aboard collides with a Stampe biplane near Paris (ORY). The jetliner lands safely with one fatality; the small craft's pilot and passenger are killed instantly.

Two more Caravelle Is are in service by summer, allowing the DC-4s to become freighters. Although the other two requested jetliners will be accepted, both will be quickly sold.

Services are extended to additional North African and European destinations in the decade after **1961** as the airline becomes Algeria's flag carrier following the country's independence from France in early 1962. Ownership is redistributed three times during these years. Initially, the Algerian government takes a 20% stake, leaving the previous shipping company owners with 52%. Additional owners are Delegation Nationale (20%), **Air France** (28%), and others (2%).

On April 26, **1962**, OAS terrorists blow up an L-749A leased from **Air France** in its hangar at Maison Blanche Airport, Algiers. There are no casualties.

In March **1963**, the government share is boosted to 51% as additional shareholding is purchased from the shipping concerns. Khelifa Laroussi is managing director and airline employment reaches 1,300.

A DC-3 is lost at Hassi Messaoud under unknown circumstances on May 22.

The last L-749A is returned to Paris at the end of the year.

An Ilyushin Il-18 is purchased from the Soviet Union in April **1964**.

A C-54A is lost at Dar el Beida, Algeria, on June 11, **1965**; there are no fatalities.

Four Convair CV-440s are purchased from **Deutsche Lufthansa, A.G.** in **1966**.

On April 11, **1967**, the onetime **KLM (Royal Dutch Airlines, N.V.) DC-4 Limburg** with 6 crew and 33 passengers, crashes while landing at Tamanrasset, in the Sahara, during a domestic flight; there are no survivors.

Additional destinations visited during the 1960s include the Balearic Islands, Bulgaria, Egypt, Germany, Italy, Ivory Coast, Spain, Switzerland, the U.S.S.R., and Yugoslavia. A significant number of charters are also operated (20% of all services are nonscheduled in 1968).

The CV-440s acquired in 1966 are converted into CV-640s during **1968**.

In **1969**, shareholding is divided between the Algerian government (83%) and **Air France** (17%).

En route to Paris on July 26, an SE-210 Caravelle VIN with 7 crew and 30 passengers suffers a fire in an electrical compartment. The aircraft crashes in flames while trying to execute an emergency landing at Biskra, Algeria (33 dead).

En route from Paris to Hassi Messaoud with 37 aboard, including 30 oil technicians, a chartered Caravelle III crashes in the desert on July 26, **1970**, 200 mi. S of Algiers near Biskra (35 dead).

En route from Annaba to Algiers on August 30, a CV-640 is taken over by three armed Algerian men and ordered to fly to Albania. A refueling stop is made at Cagliari, Sardinia, where the passengers are allowed to deplane. Albanian officials refuse landing permission and the turboprop is finally permitted to alight at Belgrade, Yugoslavia, where the pirates receive political asylum.

In **1971**, the route network expands into the Middle East. The fleet now includes 5 Caravelles, 3 Convair CV-640s, and several DC-3s.

The Algerian government takes full fiscal control of the carrier in **1972**. It is renamed **Air Algerie (Societe Nationale de Transporte et de Travail Aerien, S.A.)**. The fleet is strengthened by the delivery of two Boeing 727-2D6As (christened *Hoggar* and *Tassili*) and a pair of 737-2D6As (unnamed). Late in the year, the orderly retirement of the

SE-210s begins as they are replaced on international routes by the new Boeings.

An SE-210 Caravelle III is damaged beyond repair as the result of a bad landing at Alger-Houari Boumediene, Algeria, on September 23, 1973; there are no fatalities.

Ait Messaoudene now becomes managing director and enplanements for the year total 982,737.

Airline employment reaches 3,400 in 1974. The small carrier Societe de Travail Aerien, S.A. is taken over and merged. The fleet now includes 6 B-727-2D6As (including the newly received *Lalla Khedidja*, *Djebel Amour*, *Mont du Ksall*, and *Mont du Tessala*), 3 SE-210s, 4 CV-640s, and 5 Nord 262s. A DC-8-63CF is wet-leased from **World Airways** in April and is employed to fly Muslim pilgrims on Hadj pilgrimage flights to Saudi Arabia.

Four Airbus Industrie A300B2s are leased and placed in service to help handle increased passenger demand. Late in the year, new services begin to Dakar and Nouadhibou (Mauritania).

Bookings rise 18% to pass the one million mark for the first time (1,197,045), including 735,185 on international routes.

The workforce in 1975 totals 4,617 and the fleet is increased by the addition of four B-737-2D6As, which are christened *Atlas Saharien*, *Oasis*, *Saoura*, and *Monts des Ouleds Neils*.

World Airways aircraft are again wet-leased for Hadj flights; this year, the Algerian supplemental carrier employs its new B-747-273 on the service.

The carrier joins the **Air France** Alpha 3 computer reservations system. New routes are opened to Karachi and to Oran and Lyon. Customer bookings accelerate 17.9% to 1,689,333 while a total of 134.3 million FTKs of cargo are transported.

A CV-640 is written off at Djanet on May 2, 1976. During the remainder of the year and through 1979, scheduled passenger and cargo flights are undertaken in Africa, the Middle East, and to 13 European destinations. Airline employment at Director General Mohamed Bouzada's carrier stands at 4,500 in the latter year. The fleet now includes 6 Boeing 727-2D6As, 10 B-737-2D6/2D6As, 3 B-737-2D6CAs, 4 Convair CV-640s, 5 Nord 262s, and 15 Beech B80 Queen Airls. There are losses.

A CV-640 is lost under unknown circumstances at Djanet on May 2, 1976 and written off.

Having descended too low while on initial approach to Bechar, Algeria, on January 24, 1979, a Nord 262A with 3 crew and 20 passengers crashes 15 km. from the runway (14 dead).

During 1980-1983, the fleet grows to include 16 B-737-2D6/2D6As, 11 B-727-2D6As, and 2 A310-203s, plus 3 Lockheed L-100-30 Hercules freighters. An all-cargo division is established in 1981. The Hercules transports are assigned to it and undertake scheduled flights to and between Algiers, Oran, Constantine, and Annaba.

In these years, the company twice experiments with the use of **Jumbojets**. On October 3 of the former year, a B-747-130 is leased from **Aer Lingus Irish Airlines, Ltd.**; still in the green colors of the Irish carrier, it is placed into service in December but is returned in March 1980.

At this point, a B-747-273C is chartered from **World Airways** and, for a year it flies in the North African carrier's bright red and white livery. Passenger boardings average 1.8 million per year.

In 1984, scheduled passenger and cargo services are provided to North and West Africa, the Middle East, and 13 European destinations. The subsidiary **Lignes Interieures Algeriennes/Inter Air Services** is formed to provide scheduled domestic flights with a fleet of nine Fokker F.27-400Ms, supplemented by the parent's Boeings. Enplanements in 1985 total 2,246,000 and cargo is up 45.61%.

Operations continue apace in 1986-1987. During February of the latter year, the company is able to terminate its contract with the French company Sogerma and begin its own A310 maintenance.

El Hadj Haroussine becomes CEO in January 1988 and, in June, two A310-203s are leased from **Libyan Arab Airlines**. These wide-bodies

not only operate on the annual Hadj flights to Mecca, but also offer scheduled services from Algiers to Paris, Jeddah, Cairo, and Damascus.

Based on CPARS 2, the company's computerized reservations system, CASBAH (Computerized Algerian System for Booking Aviation and Hotels), is hooked up in August.

Enplanements for the year reach 3,624,534, revenues total \$106.7 million, and an \$11.7-million net loss is suffered.

Airline employment is increased 0.7% in 1989 to 8,863 and the fleet includes 14 B-737-2D6/2D6As, 11 B-727-2D6As, 2 A310-203s, 8 F.27-400Ms, 2 B-737-2D6CAs, and 3 L-382Gs, with the latter five employed as freighters. Orders are placed for 3 B-767-3D6s.

On August 1, an L-382G with four crew is damaged beyond repair while making an emergency landing at Tamanrasset, near the Hoggar Mountains in the central Sahara; there are no fatalities.

Passenger boardings jump 6% to 3,862,270 and freight is level.

Work begins in the spring of 1990 on a four-year, \$90-million technical base at Algiers. The first of three B-767-3D6As is delivered in June; it commences four-times-per-day return services between Algiers and Paris (ORY).

Two Algerian army deserters, protesting against a government effort to limit fundamentalist Muslim activity in Tunisia, hijack a B-727-2D6A with 46 passengers and 6 crew en route from Ghardaria to Algiers on December 28, and hold their captives hostage at Annaba for two days before surrendering.

In 1991, Director General Haroussine el Hadj oversees a workforce of 8,900 and operates a fleet of 42 aircraft to 34 destinations. The fleet is reduced by two Hercules freighters.

Protesting election results, a lone assailant takes over a company B-737-2D6A while it is on a March 31 domestic service from Bechar to Algiers; having made his statement, the perpetrator surrenders when the little Boeing arrives at its destination.

An F.27-400M with 20 passengers makes a hard landing at In Guezam on July 25, causing the nosegear to collapse; there are no injuries reported.

In November, it is reported that the company will suffer a loss of \$46 million for the year and, consequently, the airline's top management is dismissed by the government.

A total of 3,088,292 passengers are transported, along with 22.86 million FTKs of freight.

The fleet in 1992 includes 4 A310-203s, 1 of which is chartered from and assigned to provide scheduled flights for **Libyan Arab Airlines** and 2 of which are in storage; 2 B-727-2D6s; 9 B-727-2D6As; 10 B-737-2D6As; 3 each B-737-2T4As, B-737-2D6CAs, and B-767-3D6s; 8 F.27-400Ms, 1 of which is out of service; and 2 L-382Gs.

The route network now includes 60 destinations throughout Europe, the Mideast, and Africa.

Customer bookings ascend 4.91% to 3,551,101, but cargo declines 16.9% to 20.23 million FTKs.

The workforce is chopped a substantial 30.3% at Director General Chakib Belleili's carrier in 1993 to 6,200. A second chartered A310-203 is dedicated to providing service for **Libyan Arab Airlines**. In addition to offering frequencies to 24 destinations throughout North and West Africa, the company also flies to France, Belgium, Spain, Italy, Greece, Austria, the U.K., Germany, Egypt, Switzerland, the CIS, the Czech Republic, Bulgaria, and the Middle East.

Operating statistics are provided through October and show that passenger boardings are down 8.4% to 2,800,172. Conversely, freight moves ahead by 5.6% to 17.42 million FTKs.

The workforce is increased by 43.5% in 1994 to 8,900. On February 28, three Algerian police officers hijack a B-727-2D6A with 131 aboard to southern Spain. In November, the company signs a £3.5-million contract with the Oxford Air Training School of the U.K. for the *ab initio* training of its pilots.

An F.27-400M, en route from Algiers to Ouargla on November 13, is taken over by three assailants, who order the aircraft to fly to Majorca, Spain. There the perpetrators surrender, seeking political asylum.

On December 21, en route from Amsterdam to Coventry where it will pick up its cargo, Flight 702P, the B-737-2D6C *Oasis* with five crew, is diverted to East Midlands Airport due to bad weather. While on approach to the second point, the little Boeing descends below minimum altitude, strikes an electricity pylon in dense fog, hits the roofs of two houses on the "Middle Ride," rolls and crashes into trees at Willenhall Wood, 2.5 mi. from the aerodrome. All five aboard are killed, including a British veterinarian and an agriculture ministry civil servant.

Following the recent decision of British ferry companies not to transport live cattle after lobbying by animal rights campaigners, the plane had been chartered by a British company, Phoenix Aviation, to transport livestock to the Continent.

Traffic is up as enplanements increase by 15.5% to 2.95 million while freight rises 40% to 22.05 million FTKs. Revenues for the year total \$402.65 million, but operating expenses reach \$412.63 million. Consequently, a \$9.97-million operating loss is suffered.

There is no change in the number of employees working for Air Algerie in 1995. However, as the result of the previous December hijacking of an **Air France** jetliner by Algerian terrorists, the company is banned from operations at Paris (CDG). In April, an agreement is reached with **Air Afrique, S.A.** to begin discussions on planned joint ventures.

The ban on Paris service takes effect on June 1.

The year's results are mixed: passenger boardings jump 7.3% to 3,616,692, but freight is down 24.2% to 9,758,000 million FTKs.

The workforce is increased by 4.3% in 1996 to 9,286 and the fleet now includes 3 B-767-3D6s, 4 A310-203s, including 2 leased from the Libyans, 9 B-727-2D6As, 2 B-727-2D6s, 10 B-737-2D6As, 3 B-737-2T4As, 2 B-737-2D6CAs, 8 F.27-400Ms, 1 of which is out of service, and 2 Lockheed L-382G Hercules freighters. Two of the Airbuses are leased to **Royal Jordanian Airlines**.

Engine problems force a B-737-2D6C with 6 crew and 100 passengers to abort takeoff from Tiencen on an August 2 service to Algiers. The little Boeing overruns the runway by 40 m. and loses its nose gear; there are no fatalities.

Enplanements dip 1.7% to 3,215,237 and cargo plunges 22.4% to 14.82 million FTKs.

Airline employment falls by 5.2% in 1997 to 8,800. Early in the year, an alliance is initiated with **Royal Air Maroc** that will cover joint purchasing and long-haul services. The company begins joint insurance purchasing with **Tunisair, S.A.**

On April 25, the carrier is allowed to re-open its ticket and check-in counter at Paris (CDG) and resume flight operations to and from it. The move brings protests from several international carriers, including **British Airways, Ltd. (2)**.

The British major, whose check-in counter is next to the Algerians, requests a transfer to Orly Airport and goes to court to obtain its wish. Hearings are recessed on April 30.

On May 7, the legal battle over BA's request to move to Orly Airport to get away from the Air Algerie's check-in counter is resumed before a French high court. BA continues to argue that Air Algerie's security is insufficient, while French authorities continue to refuse the airport transfer request.

To help cover a rise in fuel prices, international fares are increased by 30% on October 10.

Traffic figures are reported through October and show passenger boardings up a slight 0.7% to 2,928,000 while freight inches up 3.8% to 13.89 million FTKs.

In early July 1998, a \$460-million order is placed with Boeing for ten Next Generation B-737s, including seven Dash-800s and three Dash-600s.

Company employees stage a job action on October 5, forcing the cancellation of most domestic and international flights from Algiers Airport. The carrier's pilots, technicians, and airport workers are concerned over unconfirmed company plans to restructure and reduce the 9,000-member workforce by a third. The strike continues, and striking staff

cause 40 planes to be grounded on October 12 after the airline fails to begin scheduled negotiations.

Under a government rule that service organizations must perform to 30% capacity during labor disputes, the airline is allowed by its striking staff to operate 14 flights on October 14. Pressure has been placed on the union. The job action is concluded on October 28 without resolution; however, management does acknowledge existence of restructuring possibilities.

Management and labor are unable to reach any accommodation during the next six weeks and so, on December 6, the airline staff goes on strike again, this time indefinitely. All of the carrier's planes are grounded.

Passenger boardings slide 3.9% to 1.88 million, while freight traffic accelerates 11.1% to 9.49 million FTKs.

Just after landing at Constantine's Ain el Bey Airport after a February 1, 1999, service from Paris (CDG), a B-737-2D6A with 99 passengers, skids off the pavement and overturns. Although the aircraft is damaged beyond repair, no casualties are reported.

Striking air traffic controllers shut down Houari Boumedienne International Airport at Algiers between March 9 and March 13.

A B-737-4Q8 is subleased from **Pegasus Airlines, A.O.** in February 2000 to operate European and regional services.

A pair of Beech 1900Ds are acquired at the beginning of April for use on domestic routes while a **Royal Brunei Airlines** B-767-33AER is subchartered for long-haul international services.

Twice-weekly B-737-4Q8 return service is inaugurated on May 18 from Algiers to Milan.

The company's first new B-737-8Q8 is received on August 3.

Having received approval from the U N Sanctions Committee, the company, at the beginning of October, flies 10 tons of humanitarian aid—food, medical, and education supplies—to Baghdad, Iraq.

AIR ALLIANCE, INC.: Canada (1988–1999). A joint venture between **Air Canada, Ltd.** (75%) and the Deluce family, owners of **Air Ontario, Inc.** (25%), AAI is established at Sainte-Foy's Jean-Lesage International Airport in January 1988 to provide third-level commuter feed for the major in Quebec. Employing three de Havilland Canada DHC-8-102s chartered from **Air Ontario, Inc.** and painted in the major's red, white, and grey livery, new President/CEO Gilles Fillaireault's carrier begins scheduled "Air Canada Connector" passenger service on March 27. Flights originate from Montreal (YUL) to Quebec City and Ottawa, to Ottawa direct, and to Saguenay and Bagotville. In June, Montreal is the terminus for a new service to Rouyn, Val d'Or, and Sept Iles.

In addition to the lease of a fourth **Air Ontario, Inc.** Dash-8, the company receives its first owned DHC-8-102 in January 1989. Together, the two inaugurate flights from Montreal (Mirabel) to Quebec City and allow the addition of Wabush to the route system.

In June, twice-weekday DHC-8 nonstop schedules are introduced from Montreal (Mirabel) to Boston.

By March 31, 1990, the carrier has nine DHC-8-102s in service. Eight are leased, including five from **Air Ontario, Inc.**, one from **Air Manitoba, Ltd.**, and one from **AirBC, Ltd.**

Enplanements for the year total 459,759. With income exceeding costs, profits are generated: C\$6.2 million (operating) and C\$3.6 million (net).

Company employment is increased by 28.4% in 1991 to 321 as three more owned machines are acquired, allowing the return of the **AirBC, Ltd.** aircraft; the number leased from **Air Ontario, Inc.** is increased by two. In January, a commercial agreement, including joint fares and scheduling, is signed with **Air Creebec, Ltd.** under which the latter will feed **Air Atlantic, Ltd.**'s Val d'Or hub. International services are inaugurated from Montreal to Boston and from Toronto to Hartford.

Passenger boardings jump 9.1% to 505,785 and revenues ascend 22.9% to C\$59.6 million. The operating profit grows to C\$8.2 million and net gain reaches C\$4.3 million.

Ten of the fifteen DHC-8-102s in the fleet are leased in **1992**, including nine from **Air Ontario, Inc.** and one from **Air Manitoba, Ltd.** Flights are started by the "Air Canada Connector" partner from Quebec City to Newark. Traffic and financial data is now ordinarily consolidated into and reported with that of **Air Canada, Ltd.**

One DHC-8-102 is withdrawn in **1993**. Airline employment stands at 300 and among the 14 destinations served are Boston, New York, and Montreal. Enplanements for the year total 338,490.

President/CEO Robert Perrault's fleet in early **1994** includes 10 DHC-8-102s, 7 of which are leased—1 from **Air Manitoba, Ltd.**, 1 from **Air Nova, Inc.**, and 4 from **Air Ontario, Inc.**

As the result of **Air Canada, Ltd.**'s January corporate makeover, AAI spends the remainder of the year having the color schemes of its aircraft changed to match.

Overall bookings during the 12 months swell to 376,041.

Another DHC-8-102 joins the fleet in **1995** and the route network is extended to Philadelphia and Hartford. Scheduled departures reach 33,795 and enplanements for the year total 348,506.

The "Air Canada Connector" partner places a US\$25-million order for five Beech 1900Ds, plus five options, in March **1996**. Three of the new turboprops enter service between June and September. Scheduled departures are 36,000 and customer bookings accelerate to 365,000.

The remainder of the Beech order is received in **1997**. Destinations visited now include Bagotville, Baie Comeau, Gaspe, Hartford, Mont Joli, Newark (EWR), Ottawa, Port Menier, Sept-Iles, Toronto, Val D'Or, and Wabush.

On January 10, the company's pilots join their 900 colleagues from the other "Air Canada Connector" carriers in a strike over merged seniority lists. The company operates with replacement workers and charter aircraft, but many flights must be cancelled.

The job action ends on March 1 following a marathon 24-hr. negotiating session in a downtown Quebec City hotel. It is decided to leave it to the Canada Labor Relations Board to decide whether Air Canada is to be considered a common employer of both regional and **Air Canada, Ltd.** pilots.

On March 11, after months of negotiation, the company's pilots ratify a new 4-year contract with **Air Canada, Ltd.** Initially tentative, the pact, providing increased benefits and income, is approved by 88% of the eligible flyers voting in a special election.

Pilots for the four "Air Canada Connector" airlines begin to return to work on March 10.

As a result of the job action, passenger boardings plunge 19.5% to 294,000 and 220,000 FTKs are operated.

Airline employment stands at 325 in **1998** and the fleet includes 6 DHC-8-102s and 5 Beech 1900Ds.

On June 19, **Air Canada, Ltd.** places this regional partner up for sale. No interested parties will ever be found.

When pilots strike **Air Canada, Ltd.** on September 2, AAI continues flying. It does, however, add two extra daily return flights to the three already operated between Montreal and Ottawa.

Two days later company pilots vote by a large majority against undertaking any initiative with the potential to buy their airline.

Executives from AAI and **Air Nova, Inc.** jointly announce on November 12 that the two carriers will consolidate both operations into one new **Air Nova, Inc.** early in 1999. The company will be based in Halifax and Quebec City and will initially continue independent branding. The consolidated DHC-8-100 and BAe 146 service will operate under the brand name Air Nova, while the Beech 1900D service will retain the AAI name; independent liveries based on the aircraft types will be maintained for recognition purposes. The companies will work diligently together over the next few months toward full implementation of the merger; in the interim, there will be no immediate changes in the services provided by either.

Affected union pilots from both carriers begin to negotiate simultaneously with management from AAI and **Air Nova, Inc.** concerning new contracts.

The new agreements between the pilots and management at both AAI and **Air Nova, Inc.** are ratified on February 26, **1999**.

The consolidation with **Air Nova, Inc.** is officially completed on March 12. Hoping to gain greater flexibility and productivity in terms of fleet utilization, the enlarged **Air Nova, Inc.** projects 1999 revenues of almost C \$300 million. Schedule improvements for customers throughout Atlantic Canada and Quebec are implemented on April 5.

AIR ALMA, LTD.: P.O. Box 577, 100 St. Joseph Alma, Quebec G8B 5W1, Canada; Phone (418) 668-30466; Fax (418) 668-7711; <http://www.airalma.com>; Code 4L; Year; Founded 1959. Metropolitan Air Services, Ltd. is established at Alma, Quebec (230 miles north of Montreal) in late **1959** by a group of businessmen, led by Roland Simard, to offer an outfitting service for hunters and fishermen and, occasionally, to rent planes for chartered flights. Renamed Alma Flying Service, Ltd. in **1960**, the company begins flight operations with a pair of Found FBA-2C floatplanes.

The market expands so quickly that two other aircraft are acquired in **1962–1963** to help meet demand. A helicopter division, Lake St. John Helicopters, Ltd., is created in **1968**.

During the remainder of the decade and into the **1970s**, flights are undertaken with 1 Piper PA-31-310 Navajo, 1 de Havilland DHC-2 Beaver, and 1 each Bell 205 and Bell 206L LongRanger. In **1972**, the company is renamed **Alma Air Service, Ltd.** The company base is linked with Robertval and Montreal on weekdays and, on weekends, charter work continues.

Chairman Simard, in **1980**, is able to gain board support for the creation of an airline to offer scheduled return service from Alma to Montreal (YUL). With a route permit from the Canadian Transport Ministry, a Cessna 404 Titan is acquired and revenue flights commence.

With Jacques Simard as general manager, the fleet, in **1981**, is upgraded by the addition of a second Titan. The following year scheduled service is initiated to the Lac St-Jean-Saguenay region of Quebec and traffic is assured through the remainder of the decade by a growing forestry and aluminum industry, as well as continuing charters.

The first Embraer EMB-110P Bandeirante is acquired in **1987** as scheduled links are opened to Robertval; 2 more of the type are acquired and the fleet in **1989** includes 3 Bandeirantes, 2 Titans, 1 Navajo, 2 Bell LongRangers, 1 Fairchild Hiller FH-1100, and 1 Found Bros. FBA-2C floatplane.

The carrier's markets in **1990** include Quebec City, Montreal, Alma, Robertval, and Saguenay. The recession of the early 1990s briefly makes a victim of this company, which shuts its doors for reorganization in early **1991**. Reorganized and refinanced, Air Alma becomes a member of the **Canadian Airlines International, Ltd.** "Canadian Partner" commuter network.

In June **1992**, the Simard airline replaces **InterCanadian Airlines, Ltd.** twice-daily service between Montreal and Chibougamau; in **1993**, the company adds a Learjet 24A for executive flights.

Service continues apace in **1994**, the first year for which traffic figures are available. Enplanements for the 12 months total 14,447, but a C\$30,000 operating loss is suffered. There is, however, a C\$100,000 net gain.

Airline employment is increased by 9.1% in **1995** to 30 to help take care of the inauguration of new services to Montreal via Charlevoix.

Passenger boardings accelerate 14.9% to 17,011 and operating revenues jump 23.3% to C\$3.7 million. Costs climb 20.7% to C\$3.5 million, leaving welcome profits of C\$200,000 (operating) and C\$100,000 (net).

The workforce is more than doubled in **1996**, reaching 75 employees. The fleet now includes 3 Bandeirantes, 1 Navajo, 1 Titan, and 1 Learjet 24A. The rotary-wing division operates 1 LongRanger, 1 Bell 222, and 1 Bell 412. Enplanements reach 20,000.

Even though the carrier opens a website on the Internet, specific information concerning it becomes more difficult to obtain. The website reveals that, in **1997**, ticket counters are maintained at Alma, Montreal, Bagotville, and Chibougamau-Chapais.

In June 1998, a base is opened at the Chute Des Passes Airport in order to increase air service to that point from Alma and Montreal. Service is quietly maintained in 1999.

After several months of study, executives from Air Alma, **PropAir, Inc.**, and **Air Satellite, Inc.** approach Quebec Finance Minister Bernard Landry on October 25, 2000 and request \$84 million to help them merge into a larger regional. If the arrangement can be concluded, the new airline, to be named Air Quebec, Inc., will form a credible alternative to **Air Nova, Inc.**, the **Air Canada, Ltd.** regional feeder that enjoys the majority of local market share.

AIR ALPES, LTD.: Aéroport de Sion, Sion, CH01951, Switzerland; Year Founded 1996. Air Alpes is established by its CEO, Philippe Horowicz, at Sion in February 1996 to offer European charter services. In July, the company orders an Aero International (Regional) ATR42-320.

The first of its type to be certified in Switzerland, the ATR42-320 is delivered in April 1997. It is employed to inaugurate nonscheduled service during May to Gerona, Ibiza, Palermo, Tunis, and other Mediterranean holiday destinations. With the advent of the winter season, the aircraft is shifted north to fly skiers into the Valais Valley.

AIR ALPES, S.A.: France (1961–1980). Air Alpes is organized in 1961 to offer air taxi flights to small airports in the French Alpine region. After eight years of ad hoc lightplane operations, the company begins scheduled operations in 1969.

A Beech 99 is destroyed as the result of a bad landing at Chambéry, France, on January 15, 1970; there are no fatalities.

Over the next decade, Air Alpes forms a large network of regularly scheduled domestic stops within France and Corsica. A number of scheduled replacement frequencies are also flown on behalf of **Air France**. In addition, international flights are undertaken to Dusseldorf from Grenoble and Metz and to London from Nancy and Colmar.

Operations continue apace during the early 1970s with a fleet that grows to include 5 Aerospatiale SN-601 Corvettes, 8 Beech 99s, 2 de Havilland Canada DHC-6 Twin Otters, and 1 Cessna 441. The former, placed into service in September 1974, are the first of their type to see airline service. The small commuters **Air Champagne-Ardenne, S.A.** and **Air Limousin, S.A.** are purchased and merged in 1975. Enplanements for the year are 204,541.

Airline employment in 1976 stands at 261. In cooperation with three other regionals, Paris operations are grouped into a new entity, Trans Air Regions. Meanwhile, the carrier becomes general sales agent in France (outside Paris) for **Pan American World Airways (1)**, **AVIANCA Colombian Airlines (Aerovías Colombianas, Ltda.)**, and the Inter-Continental Hotel chain.

A number of unprofitable routes are suspended and seven aircraft are withdrawn and put up for sale: 2 Corvettes, 2 Beech 99s, 2 Twin Otters, and the Cessna. They are partially replaced by a newly received Fokker F.27. The entire fleet receives new livery. Orders are placed for 4 DHC-7s. Passenger boardings jump 10.9% to 229,563.

In 1977, majority ownership is acquired by local chambers of commerce (30%), the Ziegler family (20%), private interests (10%), and the Saudi-backed financial group TAG-International (38%).

In 1978, Chairman Charles James' carrier employs 260 workers and Managing Director Philippe Boyer's fleet comprises 4 Fokker F.27s, 3 Aerospatiale SN-61 Corvettes, 6 Beech 99s, and 4 de Havilland DHC-6 Twin Otters.

A Beech 99 is lost at Clermont on February 16; no other details concerning the accident are available.

In 1979, the carrier is acquired by the large independent **TAT (Touraine Air Transport, S.A.)**, which allows it to operate as a subsidiary under its old name.

The workforce in 1980 totals 207 and the fleet includes 1 Fokker F.28, 2 F.27-600s, 3 Fairchild Hiller FH-227Bs, 5 Beech 99s, and 2 de Havilland

land Canada DHC-6 Twin Otters. Enplanements total 259,000 and operating income reaches \$109 million. With expenses of \$114.5 million, the carrier suffers a \$5.5-million operating loss and operations cease.

AIR ALPS, GmbH. See AIR ENGIADINA, LTD.

AIR ALSACE, S.A.: France (1962–1980). Organized at Aerodrome de Colmar-Houssen by local businessmen and their chamber of commerce in 1962, Air Alsace undertakes 12 years of air taxi services. Scheduled services begin in June 1974 and over the next four years grow over a significant route network. In addition to domestic destinations, aircraft also fly regional services from Colmar, Strasbourg, Belfort, and Mulhouse. Replacement services are also offered on behalf of **Air France** and are initiated from Strasbourg to Rome, Brussels, Amsterdam, and Cologne, as well as from Lille to Strasbourg, Milan, and London (LHR).

In January 1975, the commuter **Air Vosges, S.A.** is purchased and merged. President Jean Risser now has a workforce of 117 in 1976–1977 and his fleet comprises 3 VFW 614s, 1 Nord 262, 4 Aerospatiale SN-601 Corvettes, 1 Piper PA-31-310 Navajo, 4 Piper Aztecs, and 1 Cessna 310. Enplanements in the latter year total 85,960.

Airline employment grows by 9.6% in 1978 to 126. A Fokker F.28 is acquired in early spring and employed in April to inaugurate replacement flights for **Air France** from Strasbourg to London (LHW) and Milan. Passenger boardings jump 38.6% to 140,000.

The number of workers is increased by 5% in 1979 to 127. Orders are placed for two more F.28s and two F.27s. Summer service is inaugurated to Toulon, on the Cote d'Azur. Customer bookings decline 6.4% to 132,000. The first F.27 is delivered in April 1980, and later in the year the company is taken over by the large independent **TAT (Touraine Air Transport, S.A.)**.

AIR AMBULANCE CARE: St. Petersburg-Clearwater Airport Clearwater, Florida 33762, United States; Phone (813) 530-7972; Fax (813) 530-9136; Year Founded 1983. AAC is established at St. Petersburg-Clearwater Airport in 1983 to provide fixed-wing international transport for critically ill patients. Under the leadership of its medical director, Dr. Kenneth Kreye, this unique operator continues to make life-saving flights into 2000, employing during one each specially-equipped Learjet 24, Learjet 25, and Cessna 414 Chancellor.

AIR AMERICA (1): United States (1979–1990). Air Specialties is formed at Dearborn, Michigan, in 1979 to offer charter passenger flights to various destinations from Detroit (DTT). Permission is sought from the CAB.

Although worldwide charter authority is received from the government in early 1982, the company remains a concept for a number of years to come. During the first several years of the 1980s, company officials propose to operate scheduled flights. Startup plans are announced and discussions of destinations to be served with Boeing 727s or McDonnell Douglas DC-10s range from Orlando and New York to Mexico and the Bahamas.

Early in 1984, the CAB charges Air Specialties with the promotion of scheduled services for which it holds no authority. Later in the year, the regulatory body, in one of its last actions, recommends that the paper airline not receive scheduled rights. In addition, it urges cancellation of its unexercised charter rights.

During the changeover of responsibility for U.S. commercial aviation from the CAB to the DOT, the Air America controversy temporarily disappears. Plans continue to be announced and postponed and company headquarters are transferred to Los Angeles (Marina de Rey). There the corporate identity is changed to Total Air. It is suggested that operations might begin during the fourth quarter.

With two chartered Lockheed L-1011 TriStar 1s, Total Air inaugurates passenger tour flights in October to destinations throughout the

U.S., Canada, and the Caribbean, carrying a total of 49,000 passengers. The flying life of the company is considerably shorter than the startup period; financially unable to continue, it shuts down in early 1985.

Having failed to start and continue for better than seven years, the carrier becomes target in early 1986 of a DOT effort to revoke its certificate. However, before that move can be realized, Total Air is purchased by an investment group headed by Zev Melamid and is again renamed. Intentionally or not taking the name of the onetime CIA proprietary airline, this Air America, which has since acquired three leased Lockheed L-1011 TriStar 1s from International Air Leases, finally begins flying charters from U.S. mainland cities to Hawaii. A total of 398,610 passengers are transported on the year.

With services to world destinations as well as Mexico and Las Vegas now operated regularly, the large regional enplanes a total of 515,000 travelers in 1987, a 22.6% increase. Freight, which is also flown, increases 182.6% to 1.75 million FTKs. Revenues advance to \$57.2 million, but expenses are higher. As a result, Air America suffers losses of \$3.5 million (operating) and \$24,000 (net).

Passenger boardings are down 20.6% in 1988 to 409,000, even though the company has added a fourth TriStar and inaugurated scheduled services from Los Angeles to Honolulu. Revenues, too, are down, by 0.5%, to \$56.91 million. Expenses decline 2.6% to \$59.12 million and produce an operating loss of \$2.23 million. The net loss is \$2.78 million.

In January 1989, the company is purchased by a newly formed California holding company, Aerion Transport Services. The Los Angeles-based carrier now begins weekly scheduled through-plane L-1011 service from California to Hawaii and American Samoa. The company again seeks Chapter XI protection in October. Customer bookings fall another 13.4% to 354,152. The new owners, unwilling to take a financial bath, close the carrier down at the end of December, with the last flights completed on January 9, 1990.

Yet another investment group, this one headed by **Rosenbaum Aviation** founder William Rosenbaum, steps forward to purchase the carrier in February. Before the transaction can be completed, the FAA's enforcement division reports the company guilty of various maintenance and safety violations. Consequently, its certificate is retired in March.

AIR AMERICA (2). See **SOUTHEAST SKYWAYS; WINGS OF ALASKA**

AIR AMERICA JET CHARTER: 9000 Randolph St., Houston, Texas 77061, United States; Phone (713) 640-2900; Fax (713) 640-2193; Year Founded 1981. AAJC is set up at Houston in 1981, to operate executive, express, and ambulance services from Texas to Mexico and Colombia. Flights continue for the next 16 years, and, by 2000, operations director Dan Jacobs oversees the work of 11 full-time and six part-time pilots. Owned are one each Learjet 25 and Piper Pa-31-350 Navajo Chieftain.

AIR ANATOLIA, A.S.: Florya Cad, Ozgen Sok, No. 6 Senlikkoy, Istanbul 34810, Turkey; Phone 90 (212) 624-0757; Fax 90 (212) 624-241; http://www.airanatolia.com.tr; Code TD; Year Founded 1996. Air Anatolia is established as an international passenger charter carrier at Istanbul in 1996. Founder/Chairman Mehmet Hasancebi names Abdulkadir Kolot as his managing director and together the two acquire a fleet of two, later three, Airbus Industrie A300B4s. Revenue flights are inaugurated to and from Amsterdam, Maastricht, Eindhoven, Dusseldorf, Munich, and Berlin.

Flights are offered during the remainder of the year and into 1997. The company also provides subservice and subcharter operations for other airlines.

There is a change in ownership in February 1998, at which point airline employment is increased from 120 to 270. A McDonnell Douglas MD-88 is acquired in November.

The fleet at the beginning of 1999 includes 1 A300B2-1C, 1 MD-88, and 3 A300B4-200s. A second MD-88 enters service in April.

Flights continue in 2000 and the fleet is enhanced during the spring and summer by the addition of a pair of Boeing 737-4Q8s chartered for five years from IFLC.

AIR AND SEA CHARTER: 3250 Airflite Way, Long Beach, California 90807, United States; Phone (310) 378-1411; Fax (310) 378-2111; Year Founded 1996. Air & Sea is established at Long Beach Daugherty Field in 1996 to offer passenger charters throughout the Western U.S., Mexico, and Canada. Flights are undertaken with a single Learjet 35A.

AIR ANDAMAN, LTD.: 87 Nailert Building, 4th Floor, Sukhumvit Road, Bangkok 10110, Thailand; Phone (662) 251 4905; Fax (662) 655 2378; http://www.airandaman.com; Year Founded 2000. Air Andaman is established by a group of Thai businessmen at Phuket in the summer of 2000 to offer scheduled third-level service linking that city with holiday points in the southern peninsula. Real estate and leisure industry executive Atichart Athakravisunthorn is named president, with former airline official Pratheep Boonprasom and Airport Authority of Thailand specialist Banchar Patrasuwan as vice presidents.

Boonprasom is given the task of finding aircraft. Initially, attempts are made to wet-lease a pair of British Aerospace Jetstream 32EPs from BAe Systems' Australian division, but these efforts fail. A Brisbane source for Fairchild Metro IIIs also turns up dry. A U.S. broker is reached concerning an Embraer EMB-120 Brasilia, but arrangements also cannot be completed. Negotiations are renewed on the Jetstreams and they are secured in mid-October.

On October 28, ten daily return flights are launched from Phuket to Krabi, 3 to Nakorn Si Thammarat, and 2 to Ranong and Chumporn. Additionally, thrice-weekly roundtrips are also inaugurated to the Myanmar capital of Yangon.

AIR ANGLIA, LTD.: United Kingdom (1970-1980). Air Anglia, Ltd. is created by James Crampton and L. G. "Orville" Wright at Norwich Airport, Norfolk, on August 1, 1970 following the merger of three air taxi operations, **RigAir, Ltd., Anglian Air Charter, Ltd., and Norfolk Airways, Ltd.** Financial backing is provided by the Norwich Union Insurance Group (25%), while Crampton and Wright hold 37.5% shareholding each.

The initial fleet comprises 1 Auster J5G Autocar, 3 Cessnas, 3 Piper PA-23 Aztecs, and RigAir's ex-military Douglas C-47 (military DC-3). In December, a Britten-Norman BN-2 Islander is added; it launches the company's first scheduled service with a route from Norwich-Edinburgh/Aberdeen.

Two more ex-military C-47s and two Piper PA30 Twin Comanches are acquired in 1971 and on June 29, a second scheduled operation is undertaken by the Islander and Aztecs from Norwich-Liverpool and Manchester. Daily C-47 flights Norwich-Amsterdam begin on December 6. Another C-47 is added. During the winter, the Douglas transports are employed to fly the Norwich soccer team and its supporters on weekend charters to various U.K. cities. Enplanements since startup total 23,000.

In association with **Intra Airways, Ltd.**, thrice-weekly Norwich-Jersey via Cambridge, service is started on May 10, 1972. During May, a Fokker F.27-200 is acquired by lease from its manufacturer; christened *Phil*, it is placed in service on the Amsterdam route and is the first of its type to serve with any U.K. airline. During the summer, weekend Norwich-Rotterdam flights are offered while Teesside/Newcastle are added as stops on the Aberdeen route. Aztec/Twin Comanche connecting flights are also provided Cambridge-Norwich. *Phil* is transferred to the Norwich-Aberdeen route on September 6. At the end of summer due to financial and seasonal considerations, services to

Jersey, Liverpool, and Manchester are suspended. A Fokker F.27-400 is leased from its manufacturer in December and the year's passenger traffic accelerates to 48,000.

The second Friendship, christened *Bess*, is introduced in April 1973, allowing retirement of two C-47s. The remaining two Douglas transports are booked for oil industry charter work, cargo flights to Amsterdam, and in scheduled flights to Jersey, which are now no longer flown in association with **Intra Airways, Ltd.**, which has acquired a Cambridge-Jersey route. F.27 Hull-Norwich-Jersey scheduled passenger operations begin on April 21. By summer, the carrier's route network has been extended throughout eastern and southern England and on to Stavanger and Amsterdam. Bookings reach 75,000.

Two more Fokkers are added in May-June 1974, bringing the company's fleet total to 4 Fokker F.27s, 2 Douglas DC-3s, and 3 Piper PA-23s. In June, a new service is launched from Aberdeen-Norwich via Edinburgh/Leeds. Piper Aztec twice-daily Norwich-Birmingham service is initiated on November 11. A total of 100,000 passengers are boarded and the workforce grows to 189.

The employee population reaches 350 in 1975. A Handley Page Herald 214 is leased from **British Midland Airways, Ltd.** in March and employed to launch Hull-Jersey service on April 19. Meanwhile, twice-daily weekday Edinburgh-Amsterdam flights begin on April 1; on April 7, F.27 Hull-Amsterdam operations commence from the new airport at Humberside. Late in the month, a long F.27 Aberdeen-Jersey route is inaugurated.

The two C-47s remain busy flying cargo during the summer, but are sold in October-November. Twice-weekly Norwich to Stavanger service begins on October 27 as Jersey summer service is suspended. In early November, two used Piper PA-31-310 Navajos are acquired and placed on the Norwich-Birmingham route. An Armstrong-Whitworth Argosy 102 freighter is leased from Field Aircraft Services on December 6.

Passenger boardings rise 97.3% to 197,000. During the year one more F.27 and 3 more PA-23s are acquired.

A route is extended from Leeds to Amsterdam in 1976 and the company becomes the first Fellowship operator in the U.K. when Fokker's F.28-1000 prototype enters service. Enplanements jump 92% to 250,000.

Airline employment rises to 450. Edinburgh to Paris plus Norwich to London (LHW) service is inaugurated in 1977.

The carrier becomes a subsidiary of British Air Transport Holdings in October 1978; the giant holding company takes 85% shareholding, leaving Crampton and Wright with 5% each. The F.28-1000 is returned to its manufacturer in July 1979. In August of 1980, Air Anglia is one of four small regionals merged to form **Air U.K., Ltd.**

AIR ANGUILLA: Box 2547, Cyril E. King Airport, St. Thomas, Virgin Islands 00801, United States; Phone (340) 776-5789; Fax (340) 777-8585; <http://www.air-anguilla.com>; Year Founded 1976. Despite being named in honor of a British Virgin Island destination, AA is founded at St. Thomas, U.S. Virgin Islands, in the spring of 1976 to offer scheduled passenger and cargo flights linking its base with Anguilla, St. Kitts, St. Martin, and Beef Island, the latter at Tortola, British Virgin Islands. Daily roundtrip revenue services commence on May 15.

Operations continue apace during the next decade, during which time the fleet comes to comprise 1 Britten-Norman BN-2 Islander and 1 Piper PA-23 Aztec and employment reaches 10.

President Robert Franklin's fleet in 1985-1987 grows to include not only the Islander and Aztec, but also a de Havilland Canada DHC-6-200. A second DHC-6-200 is added in 1991 and, in 1992, a second Islander is acquired.

Flights continue in 1993-2000. During these years, the route network grows to 19 Caribbean destinations. The Twin Otters are replaced with a pair of Cessna 402s.

AIR ANGUILLA, LTD.: Anguilla (1992-1995). AAL is formed at Anguilla in the Leeward Islands in 1992 to offer scheduled interisland flights. CEO Gilles Filiatreault and President Restormel Franklin's fleet

includes one each Pilatus Britten-Norman PBN-2 Islander and de Havilland Canada DHC-6-300 Twin Otter.

Operations continue apace and by the end of 1994, the company has acquired one more Islander and another Twin Otter. Still, business is such that the carrier fails in 1995.

AIR ANTARES, S.A.: 44A Ficusului, Sector 1, Bucharest, 70544, Romania; Phone 40 (1) 665-7181; Fax 40 (1) 312-8563; Code TF; Year Founded 1991. Air Antares is established at Bucharest in 1991 to provide domestic passenger charter services. A workforce of 25 is recruited by Managing Director Simion Dascalu and two Beech 1900Cs are acquired. Revenue flights commence to Cluj, Constanza, Oradea, and Timisorara.

During 1994, one of the Airliners is replaced with a Beech 1900D; a Pilatus-Britten-Norman PBN-2 Islander is also acquired.

Scheduled services begin in March 1995 and continue to the four previous nonscheduled destinations.

AIR ANTILLES, S.A.: French West Indies (1954-1978). Antilles Air Services, S.A. is established as an air taxi operation at Aeroport du Raizet, Abymes, Pointe-a-Pitre on Guadeloupe in 1954. Scheduled Cessna services are inaugurated in 1957 from Basse Terre to the island of Marie Galante. As traffic demands increase, the fleet is upgraded through the addition of two Douglas DC-3s.

The company is renamed Air Antilles, S.A. in 1964. The workforce totals 15 and enplanements are 6,860. In 1965, the workforce totals 15. A Beech 18 is acquired, bringing the fleet total to three aircraft. Passenger boardings skyrocket by 70% to 22,866.

The workforce remains unchanged, and in 1967 bookings (level the previous year) decline slightly to 22,540. Passenger boardings climb 13% in 1968 to 25,785. Operations continue apace during the remainder of the decade and into the next, growing slowly.

The fleet in 1973 includes 2 DC-3s and 1 Piper PA-23 Apache. Enplanements are 78,000. The employee population in 1974 is 23. Passenger boardings increase by 2.5% to 80,000 while FTKs flown grows by 29% to 5.72 million.

During 1975-1976, airline employment grows to 30 and a Britten-Norman BN-2 Islander are acquired. Flights from Basse Terre to Fort de France and St. Barthelemy are launched on July 26, 1977. Resulting economic reversals cause the carrier to cease flying in March 1978.

AIR AQUITAINE, S.A.: France (1991-1992). Air Aquitaine is founded at Limoges in 1991 to offer scheduled commuter services to destinations in southern France. President Pierre Berruyer's fleet begins revenue flights with two Beech King Air 90s. Operations continue less than a year.

AIR ARCHIPELA, S.A.: BP 6019, Faaa International Airport, Paapeete, French Polynesia; Phone 689 81 30 30; Fax 689 86 42 69; Code RHL; Year Founded 1995. In 1995, a charter subsidiary of **Air Moorea, S.A.** is set up by that company's chairman, Marcel Galenon, on Tahiti to offer on-demand flights to all destinations in French Polynesia. Francois Martin is named managing director of the new concern and is given a workforce of six and one each Cessna 441 Conquest and Beech Super King Air 200. Flights continue into the new millennium.

AIR ARKANSAS: United States (1976-1977). Air Arkansas is formed at Eldorado in the late fall of 1976 to provide scheduled passenger and cargo services. Employing a Cessna 402 and a Beech Turbo 18, the commuter inaugurates daily roundtrips on November 1, linking its base with Shreveport via Little Rock. Unable to achieve economic viability, Air Arkansas, which also trades as **Arkansas Airlines**, shuts its doors in April 1977.

AIR ARUBA, N.V.: Aruba (1986-2000). Created in September 1986 as the ground-handling agent at Reina Beatrix International Airport

by a group of private investors, with support from the Aruban government, this company begins planning in **1987** for the inauguration of scheduled regional flights to Curacao and Bonaire the following year. **Air Holland, N.V.** now acquires an interest and signs a technical and managerial contract.

The company is completely privatized in April **1988**, four months before its first service. Employing a fleet of three Japanese-made NAMC YS-11A turboprops, Air Aruba, B.V. inaugurates thrice-daily flights between the "ABC" islands of Aruba, Bonaire, and Curacao beginning on August 18. Service is opened in November to Valencia, Venezuela; St. Martin, and Santo Domingo. Frequencies are initiated to Maracaibo and Las Piedras in Venezuela and to Santo Domingo in the Dominican Republic in **1989**.

In cooperation with **Air Holland, N.V.**, the new national airline acquires a Boeing 757-23A under sublease from **Inter European Airways, S.A.** in April **1990** and uses it to launch scheduled daily nonstop service to Miami and, in June, to the Brazilian city of São Paulo. In July, the company acquires two Embraer EMB-120 Brasílias to replace the YS-11As and upgrade its regional service.

On December 1, a B-737-3M8 is leased from **Trans-European Airways, S.A.** to replace the B-757 Miami service, and the B-757-23A begins nonstop five-times-per-week service to Newark, thus gaining for its passengers access to New York City, an important commercial center. A second "Baby Boeing" 737 begins jet flights the same day between Aruba, Caracas, and St. Martin.

In January **1991**, thrice-weekly B-737-3M8 service is started from Aruba to Santo Domingo. Later in the month, five-times-per-week Aruba to Newark flights begin, along with daily service to Miami. A B-767-3Y0ER, leased from **Air Holland, N.V.**, arrives in the spring and on May 2 is employed to launch Aruba to Amsterdam flights, which continue to Cologne.

Beginning in May and continuing through December 13, the airline offers free airfare, food, and lodging to children traveling with their parents from the U.S. to the islands. When **Air Holland, N.V.** fails in the fall, the relationship between the two companies is ended; the Dutch Boeing is replaced by a B-767-204ER chartered from the U.K. independent, **Britannia Airways, Ltd.**

In mid-January **1992**, the British wide-body is employed to inaugurate scheduled service between Aruba and São Paulo/Buenos Aires. During the spring, the reservation office is expanded and reservation equipment is upgraded; an office is opened in Amsterdam.

Chairman A. R. Arenda and members of his 250-man staff, including President C. O. Yrausquin, continue to lease a mixed fleet comprising 1 Boeing B-757-23A, 1 B-767-204ER, 1 McDonnell Douglas MD-83, 2 MD-88s, 1 Embraer EMB-120 Brasília, and 4 NAMC YS-11A freighters. Destinations visited now include Newark, São Paulo, Miami, Bonaire, Curacao, Caracas, Medellin, and Bogota.

On October 11, the company converts from Corda to Shares (System One) for its reservations system. During the year, the Boeing 737s are replaced by leased McDonnell Douglas twin-jets. All of this expansion requires new investment in computerized reservations, marketing, and other infrastructure.

In May **1993**, the Aruban government assumes majority ownership, taking over control of the carrier's restructuring and refinancing. The B-757-23A and B-767-204ER are replaced with a single leased B-727 and a DC-9-31 chartered from International Airlines Support Group. Nonstop flights to Baltimore (BWI) commence on November 6. Enplanements this year total 289,815.

Only the Brasília, the DC-9-31, two MD-88s, and one YS-11A freighter remain in service during **1994**. In November, a strategic alliance is signed with **KLM (Royal Dutch Airlines, N.V.)**; the deal calls for joint flights between Aruba and Amsterdam and planning for the extension of cooperation in other areas. Passenger boardings swell 10.2% to 322,733.

Airline employment stands at 250 in **1995**. Orders are placed for two MD-83s and a Douglas DC-9-32 is acquired. Markets visited in-

clude Bonaire, Curacao, Brazil, Venezuela, Colombia, plus the U.S. communities of Miami, Tampa, Baltimore, and Newark. In May, a code-sharing agreement is signed with **USAir**. At this point, the company begins to concentrate on service to the U.S., abandoning its previous emphasis on Europe.

Code-sharing arrangements are also entered into with **Surinam Airways** and with **AVIANCA (Aerovias Nacionales de Colombia, S.A.)** and **SAM (Sociedad Aeronautica de Medellin, S.A.)**. The company's four aircraft transport a total of 418,576 passengers during the year, a significant increase of 29.7%.

The workforce is increased to 370 in **1996** and the fleet now includes 2 MD-88s, 1 MD-83, and 1 DC-9-32.

Flying on behalf of Hamilton-Miller, twice-weekly DC-9-51 charters are flown to Aruba from Detroit (DTT) via Pittsburgh.

Twice-weekly DC-9-51 roundtrips commence on June 15 between Aruba and Houston. Employing a leased B-727-200A, the company operates a summer charter service from Atlanta on behalf of Vacation Express.

During the year, the company—by sheer bad luck—loses six engines to foreign object damage; repair costs will run to \$2 million. The invoice so depletes the airline's cash reserves that its fuel supplier imposes credit limits, thereby increasing the carrier's avgas bills. Customer bookings inch up 0.6% to 421,035.

The employee population is slashed by 19% in **1997** to 300. Having continued to lose money since the state infusion four years earlier, in February the Aruban government must choose between two options: 1) shut down the airline and turn its business over to the leading foreign carrier serving Aruba, **American Airlines**; or 2) bring in new management and capital. The latter path is chosen. Former Exxon executive Henri Coffi is appointed president/CEO and is given a mandate to rebuild the carrier. At the same time, it is recognized that the parliament must authorize \$10–\$12 million in basic equity funding.

The investment leaves Air Aruba 90% government-owned; the remaining 10% stake is held by 45 private shareholders. In November, the decision is taken to halt services to São Paulo/Buenos Aires, due to intense competition from various charter operators.

In search of engines for the MD-83s, the company agrees to lease several from **American Airlines**. These are duly delivered to Miami and installed in a company jetliner. When Air Aruba is late with funds for the PW JT8D-200s, they are ordered returned in April; one of the MD-83s in town from service is seized, stripped of its engines, and parked. Lesson learned, Air Aruba rapidly makes arrangements to come forward with the necessary financing.

While en route from Aruba to Newark (EWR) on July 9, an MD-88 is diverted to Baltimore (BWI) in order that police might board the aircraft and keep passengers, angered by their long wait to board, from getting into the cockpit to voice their complaints to the pilot.

Despite his best efforts, the new CEO is unable to remedy the chaos he finds and resigns at the end of the year. Passenger boardings fall 6.7% to 392,722.

During the first quarter of **1998**, a new plan is put in place for partial privatization under the direction of a task force appointed by the government. In June, bids are received from four interested parties.

It is announced on June 29 that the tender process for the privatization of Air Aruba has been successfully completed. The task force charged with overseeing the AA privatization unanimously decides to recommend the tender of **ASERCA (Aerolineas Regional de Centro, C.A.)** to the government and Parliament of Aruba just as soon as approval can be obtained from Air Aruba's shareholders. That action is completed on July 9.

ASERCA Chairman Simeon Garcia now becomes president of Air Aruba, N.V. A strategic marketing agreement between the airline and its new partner is signed with **Continental Airlines** on September 18. The pact will lead to code-sharing on CA flights between the U.S. and Venezuela and on ASERCA flights to domestic Venezuelan destinations beyond Caracas. It will also allow CA to code-share on CA services from

Houston to Aruba and on Air Aruba flights from Aruba and New York/Newark, Miami and Tampa. Customers will be able to earn CA "One-Pass" frequent flyer miles aboard flights of either of the Latin carriers.

On October 28, the Air Aruba Reprivatization Task Force announces the formal and final closing on the participation and restructuring agreement between Air Aruba, the Legal Entity Aruba, and ASERCA Group. ASERCA Group is now officially the largest shareholder in Air Aruba with a 70% stake. Within days, the financial restructuring of the airline and the work of the Task Force are completed and the airline is able to continue operating on its own financial strength.

ASERCA Group leases a pair of Boeing MD-90-30s from Hwa-Hsia Leasing, Ltd. of Taiwan on November 19. Retained by ASERCA for use in Latin America, it is the first new aircraft delivered to a Venezuelan airline in more than a decade. The other is subleased to Air Aruba, which will employ it on its North American routes. A third MD-90-30, which is also slated for Air Aruba, will be delivered before the beginning of 1999.

MD-90-30 flights are inaugurated on December 10 from Caracas, Venezuela, to Miami via Aruba, and from Aruba to Newark direct. On December 31, MD-90-30 roundtrips are started from Aruba to Philadelphia via Baltimore (BWI).

Customer bookings this year fall 34.9% to 256,000.

By the start of 1999, airline employment has been reduced by 16.7% to 250. Weekend MD-90-30 flights from Aruba to Newark start on July 1. The year's customer bookings surge 44.3% to 369,000.

Daily roundtrips to Ft. Lauderdale and Orlando are launched on July 1, 2000.

Without a code-sharing agreement with a major carrier, Air Aruba is unable to compete with the large U.S. airlines flying into the Caribbean. Increasing costs force the return of 3 MD-90-30s to their owners.

Unable to maintain its viability after its MD-88 is withdrawn for required maintenance, the airline, already in severe fiscal difficulty, is shut down on October 23 after the Aruba government withdraws its operating certificate. The U.S. FAA also revokes the carrier's 402 authority to fly to the U.S.

AIR ASIA SDN. BHD.: Level 6, Wisma HICOM, No. 2, Jaian U1/8, Off Persaran Kerjaya, Shah Alam, 40000, Malaysia; Phone (03) 202 7999; Fax (03) 202 7997; <http://www.airasia.com>; Code AK; Year Founded 1993. AASB is established on December 20, 1993 as a joint venture between Hicom Heavy Industries Bhd. (85%) and Mofaz Air Sqn. Bhd. (15%) to complement the national carrier Malaysia Airlines, Ltd. on thin routes. The concern is delayed for three years in its plans to start flying.

With a staff of 165, AASB finally inaugurates nonscheduled regional passenger charters in October 1996 with a single Boeing 737-3Y0. Destinations visited include Kuala Lumpur, Selangor, Perak, Penang, Kelantan, Kedah, Sabah, Sarawak, and Terengganu. Meanwhile, the short-lived subsidiary **Pacific Eagle Airways**, begins flying on November 17.

A leased B737-36N enters service in January 1997. **Pacific Eagle** folds during the spring. Permission is sought—and denied—from the government in 1998 to operate international services from Abdul Aziz Airport at Kuala Lumpur.

Airline employment stands at 210 at the beginning of 1999. Between mid-February and April, a pair of **World Airways** MD-11s is wet-leased to fly Hadj pilgrims between Kuala Lumpur and Jeddah, Saudi Arabia.

For the 2000 Hadj season, Air Asia wet-leases 3 Boeing 747-212s from **Tower Air**. The arrangement is over by the time Tower stops all scheduled service on May 1.

AIR ASIATIC, LTD.: India (1990–1991). Air Asiatic is established as a large air taxi at Madras in late 1990. Employing a single leased Boeing 737-222, the company inaugurates daily service to Bombay (now Mumbai) in January 1991 and four-times-per-week service from Bombay to Cochin.

As service proceeds, the airline comes to disagree with International Air Leases over the terms of its B-737 charter while Chairman Dr. K. C. G.

Verhese and Vice Chairman Thomas George fight over control of the company. Unable to achieve viability under these circumstances, the carrier fails in August, after having transported a total of 40,000 passengers.

AIR ASIE, S.A.: France (1929–1931). During the years from 1921 to 1925, the French military in Indochina, under the direction of Commandant Glaize, begins efforts to establish an air transport system. On January 10 of the former year, an aircraft transports the colonial governor on a demonstration flight from Hanoi to Saigon, taking a small load of mail back on the return. Thereafter, a number of landing fields are prepared at some 60 locations.

The roots of Air Asie, S.A. is set up in 1926 as small plane mail operations are undertaken by the military from the Cambodian town of Kratie over to Savannakhet in Laos. Irregular services continue. In December, the Societe Indochinoise d'Etudes d'Aviation Commerciale et Postale (SIEACP) is set up at Saigon under Glaize to begin planning a commercial air service.

Planning without flights continues for the next 18 months. On July 1, 1928, SIEACP is reformed into the Societe d'Etudes et d'Enterprises Aeriennes en Indochine et en Extreme Orient (SEAIE). Unlike the previous planning organization, SEAIE now receives significant support from French concerns, including Societe d'Aviation Louis Breguet, Banque Franco-Chinoise, Compagnie des Messageries Maritimes, Banque de l'Indochine, and Compagnie du Canal de Suez.

These organizations make it possible for SEAIE to make two proving flights from Nha Trang to Hanoi via Tourane, in mid-June 1929. In September, SEAIE is reformed into an operational enterprise under the name Air Asie, S.A. Equipped with a pair of Potez 32s and given an official French government mail contract, the new carrier inaugurates flights in December between Saigon and Bangkok.

The fleet is improved in 1930 by the addition of 2 more Potez 32s and 1 Liore et Olivier LeO 198. On January 1, 1931, the company is taken over by **Air Orient, S.A.**

AIR ASSOCIATES, INC.: United States (1972). Set up to provide scheduled passenger and cargo commuter flights, Air Associates inaugurates services on February 25, 1972. The company's Cessna light-planes fly roundtrips between the company's base at Wichita, Kansas, and Springfield, Missouri, via Parsons and Joplin. Unable to comply with government regulations, the little carrier's operating certificate is revoked by the FAA on December 24.

AIR ATLANTA: United States (1981–1987). Founded by Oppenheimer & Co. Vice President Michael R. Hollis in May 1981, this new business-oriented entrant gains CAB operating authority a year later. Capitalization is provided by Equitable Life Assurance Co., Aetna Life Insurance Co., and the country's largest minority-owned insurance concern, North Carolina Mutual Life Insurance Company; Hollis is CEO and five former United Airlines Boeing 727-122s are acquired.

The five Boeings launch nonstop service on February 1, 1984 on routes from Atlanta to Memphis and New York. Company schedules to New York (JFK) which, under a code-sharing agreement, connect with those of **Pan American World Airways (1)** become known as "Air Atlanta/Pan Am Express." Other markets served include Miami, begun in April, and during the winter ski season, Gunnison, Colorado. The privately held carrier, the first airline largely owned by African Americans, refuses to make its traffic figures public.

The fleet in 1985 comprises eight B-727-122s. An agreement is signed with **Delta Air Lines** in March for full joint ticketing and baggage handling. Early in April, freight service is added and later that month, a new route is opened to New York (LGA).

Operations continue apace in 1986, but, by summer, losses total an estimated \$35 million. The CSX Corporation steps forward to provide the funding necessary to sustain operations and to charter a pair of B-727-222s. Twice-daily nonstop service from Atlanta to Washington, D.C. (DCA) begins in October. In November, thrice-daily roundtrip flights

are inaugurated from Atlanta to New Orleans and twice-daily roundtrips start to Detroit. One B-727-122 is withdrawn and Air Atlanta by December offers first-class service at coach fares to nine eastern cities; major competitors answer with "super coach fares." Although passenger boarding figures are not released, it is known that 470-million revenue passenger miles are flown during the year.

In January 1987, Chairman Michael Hollis is introduced to Robert P. Ritereiser, E. F. Hutton president, by comedian Bill Cosby; subsequently, Hutton loans the niche carrier \$3.5 million. New frequencies are introduced to Atlanta in April; however, President/COO Harry A. Kimbriel Jr. simultaneously resigns.

Two last-ditch initiatives are now undertaken to save the failing company. **KLM (Royal Dutch Airlines, N.V.)**, a partner of **Northwest Airlines**, agrees to acquire a 25% stake if another carrier will do the same; none do. A plan is conceived to save funds and re-equip by selling the B-727-122s to **Federal Express** for freighters and thereafter acquire smaller B-737s. This scheme is also not realized.

Due to low overall passenger loads and the carrier's inability to arrange further capitalization, operations end in a Chapter XI bankruptcy filing on April 3, 1987.

AIR ATLANTA ICELANDIC, H.F.: Atlanta House, P.O. Box 80, 270 Mosfellsbaer, Iceland; Phone 354 (1) 667 700; Fax 354 (1) 667 766; <http://www.atlanta.is>; Code CC; Year Founded 1991. In financial difficulty, **Atlanta Icelandic Airlines, H.F.** is reformed in the fall of 1991 and renamed. Reborn at Mosfellsbaer under the direction of the owner/managing director, Capt. Arngrimur Johannsson, and Chairman Thora Johannsson, the carrier resumes all-cargo services to its previous north European destinations, as well as the capital namesake in the U.S. state of Georgia. The privately owned AAI fleet is enhanced and now includes 1 leased Boeing 737-291A, 1 each B-737-205C and B-737-210C that are employed as freighters, and 1 Lockheed L-1011 TriStar 1, which is quickly leased to **Kabo Air, Ltd.** of Nigeria.

In April 1992, a B-737-222 is wet-leased to **Lao Aviation**. Between June and September, company aircraft are chartered to operate airlift flights from Nigeria and France to Yugoslavia on behalf of the United Nations. In December, the B-737-291A and B-737-205C are subleased to **Bouraq Indonesian Airlines**.

In 1993, the Johannssons oversee a workforce of 309. A sales office is opened at Hamburg in March and in April three chartered B-747-1D1s are acquired, the first of their type to be registered in Iceland. They are immediately subleased to **Saudia (Saudi Arabian Airlines)** for use on Hadj pilgrimage flights.

In May, the company enters Iceland's charter market by signing a contract with Samvinnuferdir Travel, the country's largest independent tour operator. Passenger charters are now inaugurated and destinations visited will include Akureyri, Alicante, Cologne, Dublin, Frankfurt, Hamburg, Linz, Munich, Palma de Mallorca, Reykjavik, and Stuttgart.

Wet-leased scheduled flights are continued by the B-737-210C on behalf of **German Cargo Airlines, GmbH**. A new company facility is opened at London (LHW) in July. Certification is received from the U.S. FAA in October; charters to the U.S. will now be allowed.

The fleet is revised in 1994 to include 1 each L-1011-100 TriStar 1, B-737-210C, B-737-291A, B-737-2X6AC, and 3 chartered B-747-1D1s. Two of the latter are subleased for Hadj charters in April to the Nigerian operator **Kabo Air, Ltd.** The TriStar, B-737-291A, and B-737-2X6AC are leased to **Tunisair, S.A.** in May for scheduled passenger flights. The B-737-291A is returned in July and is sent out on sublease to **Qatar Airways, Ltd.**

The B-737-230C is chartered from **Lufthansa Cargo Airlines, A.G.** in 1995. The B-747-1D1 not on sublease to **Saudia (Saudi Arabian Airlines)** for this year's Hadj is replaced by one each B-747-123 and B-747-133. The B-737-291A is wet-leased to **Istanbul Airlines, A.O.** in May.

Two former **Cathay Pacific Airways (Pty.), Ltd.** Lockheed L-1011-1 TriStars are acquired under charter, one of which is leased to **Monarch**

Airlines, Ltd. for that carrier's summer inclusive tour operations. The second is employed in June to inaugurate the first scheduled passenger services to Berlin from Keflavik. Jumbojet charters on behalf of Samvinnuferdir Travel begin in October from Keflavik to Nassau.

The leased TriStar fleet is dramatically increased in 1996, growing to 7 aircraft, including 5 L-1011-1s and 1 each L-1011-50 and L-101-100. In addition, a B-747-236B is also chartered. An L-1011-1 is subleased to the new Swedish charter operator **Blue Scandinavia, A.B.** and a B-737-266A is chartered in January to **Air Philippines (2)**.

Arrangements for this year's wet lease of Jumbojets for Hadj flights is made with **Air India, Ltd.**, which inaugurates charters from the subcontinent to Jeddah in April. In May, the company begins flying inclusive tours on behalf of the U.K. tour operator Gold Crest.

The company's most unusual charter occurs in June. A wedding party (bride and groom, family, relatives, friends, the pastor, and a band) leases a TriStar that takes its group aloft over the Arctic Circle where the ceremony, witnessed by the jetliner's crew, takes place.

The carrier's B-747-1D1, B-737-291A, and two TriStar 1s are leased to **Olympic Airways, S. A.** in September to fly eligible voters of all parties back to Greece for parliamentary elections. Having returned from this service, the Jumbojet and TriStars are leased to **Saudi Arabian Airlines** in December. The contract will be renewed the following year.

In January 1997, a major contract is signed with **Saudi Arabian Airlines**. Under its terms, the Icelandic operator wet-leases four B-747s painted in Saudi colors to the Jeddah-based international operator and stations 300 personnel at the Saudi carrier's base to provide support.

Hadj flights on behalf of **Saudi Arabian Airlines** and **Air India, Ltd.** begin in April. The new British charter operator **Peach Air, Ltd.** wet-leases a pair of L-1011-1s with which to launch operations in May.

A TriStar is chartered to the Egyptian government in June to operate that country's Teachers Movement. During the summer, teachers from the provinces are flown to Cairo for their annual vacation. The Saudi contract ends in August; the B-747s and most of the support personnel return to Iceland.

When **Blue Scandinavia, A.B.** ends TriStar operations on October 31, its AAI aircraft is returned. Principal destinations now visited include Cologne, Jeddah, Keflavik, London, Manchester, and Subic Bay.

On November 3, an ACMI contract is signed with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** under which the Icelandic line will operate twelve roundtrip charters from Madrid to Tenerife during the winter holiday season.

On behalf of the Swedish lottery game "Bingo-lotto," the airline, employing one of its TriStars, flies 350 lucky winners on an around-the-world tour during November.

Flights continue in 1998, as do wet-lease operations. On February 18, two retired L-1011-100s are purchased from **Trans World Airlines (TWA)**. One will be used for spare parts; its engines are transferred to Abu Dhabi where they are exchanged for those aboard the second plane, which is checked at the Abu Dhabi Aviation maintenance facility. The new aircraft is in service by May.

On October 23, the U.K. CAA orders a suspension of the company's British operating permit as it investigates charges that AAI is using an out-of-service B-747 for spare parts—uninspected spare parts. Following discussions with the Civil Aviation Administration of Iceland, the CAA agrees to lift the ban on October 28 after an agreement is reached for inspection of the parts before their installation.

On behalf of the Swedish lottery game "Bingo-lotto," the airline, employing one of its TriStars, again flies 350 lucky winners on an around-the-world tour during November.

At the end of the year, arrangements are completed with **Caledonian Airways, Ltd.**, under which the British tour operator will wet-lease four L-1011s during the 1999 summer season (May 1–October 31).

Just after the annual Hadj charters are completed, Magnus G. Thorstenn becomes CEO in April. Also during the month, 2 B-747-267Cs are chartered from **Cathay Pacific Airways (Pty.), Ltd.** They are joined by the 4 Caledonian TriStars.

An Icelandic bank purchases a 20% equity stake in the airline during September and planning begins for a public float of the company at the end of the next year.

During the fourth quarter, the last B-737 is sold; simultaneously, the fleet, now all wide-body, acquires 3 B-737-300s.

The largest Hadj operation in company history is carried out in February–April 2000. Operating on behalf of **Saudi Arabian Airlines, Air India, Ltd.**, and **Air Afrique, S.A.**, 12 company Jumbojets transport Muslim pilgrims to Mecca from India, Pakistan, Indonesia, and various African countries and then take them home. Nearly 1,000 of the airline's personnel are dedicated to the project.

Upon completion of the Hadj, an L-1011 is wet-leased on April 12 for six months to **Monarch Airlines, Ltd.**

As the year continues, additional capacity is leased to **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, **THY Turkish Airlines (Turk Hava Yollari, A.O.)**, and made available to fly tourists for Samvinn Travel Iceland and the U.K.-based Excel Travel, Ltd.

AIR ATLANTIC: United States (1976). Air Atlantic is established at Danvers, Massachusetts, in 1976 to provide scheduled air taxi services to regional destinations. Employing a pair of Beech B-80 Queenaires, daily roundtrips are inaugurated linking Boston with Manchester, New Hampshire, to the north and Syracuse, New York, via Utica, to the west. Frequencies are maintained for only a few months.

AIR ATLANTIC, LTD.: Canada (1985–1998). As his St. John's, Newfoundland-based **Sealand Helicopter, Ltd.** operation begun a decade earlier continues, that company's CEO, Craig Dobbin, late in 1985, forms the new regional carrier AAL to succeed **Air Maritime, Ltd.**, which has been acquired by **Canadian Pacific Airlines, Ltd. (CPAL)** as the result of its purchase of **Eastern Provincial Airways, Ltd. (EPA)**. Shareholders include CPAL (20%), businessman Neil Cohoon, senior manager of the new carrier, and Dobbin himself, who also acts as CEO/chairman. Former EPA chairman and president, Keith Miller, is appointed president of the new Canadian Pacific [commuter] Partner and although the service base will remain at Sealand's St. John's facilities, a new operating base is established at Halifax.

Two de Havilland Canada DHC-7s are acquired and are employed on February 28, 1986 to inaugurate scheduled passenger service from Halifax to Moncton, Fredericton, St. John, and Charlottetown and from St. John's to Deer Lake and Stephenville. Orders are now placed for four (later additional) DHC-8-102s.

In May, a third Dash 7 is purchased and flights begin to Sydney and Charlottetown from Halifax, followed by frequencies to Moncton and Iles de Madeleine in July. Once all these routes are in operation, **Air Maritime, Ltd.** is completely absorbed. The first DHC-8-102 is delivered in August and enters service on the Newfoundland runs. Halifax–Yarmouth flights begin in October, along with a Moncton–Charlottetown connection.

The CPA involvement is initially cloudy in December as the major is acquired by **Pacific Western Airways, Ltd. (PWA)**; however, the commuter soldiers on as a commuter partner of the new **Canadian Airlines International, Ltd.** It will feed passengers to the major at Halifax, St. John's, and Montreal under the leadership of Dobbin and new president Neal J. Jackman. A second Dash 8 also arrives in December.

A third DHC-8-102 is received in January 1987 and a fourth in February, the same month in which a Dash 7 is sold to **Time Air, Ltd.** The route network now comprises 11 locations in the Atlantic provinces and the Magdalen Islands in the Gulf of St. Lawrence. The first international service is started in August from St. John's to Boston. Another DHC-7 is sold, to **Markair**, in September and a fifth DHC-8-102 is delivered in December. Enplanements total 200,000.

The final DHC-7 is sold to **Rocky Mountain Airways** in January 1988. Four more DHC-8-102s are delivered during the year, one each in March, June, October, and November. The Canadian Airlines partner boards 350,000 passengers during the year.

Airline employment is increased a whopping 59.3% in 1989 to 470. Another DHC-8-102 arrives in January allowing initiation, in February, of services from Quebec City to Halifax and St. John. Delivery of the 11th Dash 8-102 in March allows the company to begin scheduled frequencies to the Maine cities of Bangor and Portland. Four additional DHC-8-102s arrive during the year's three remaining quarters and orders are placed for three British Aerospace BAe 146-200s. Passenger boardings leap upward by 33.3% to 500,000.

In 1990, the fleet comprises 15 DHC-8-102s. Orders are placed with British Aerospace Assets Management-Jets for 3 BAe 146-200s and 2 DHC-8-301s. Two of the former arrive during late spring and are placed into service, beginning in June–July, to Gander, Stephenville, Charlottetown, Halifax, Montreal, Moncton, and Ottawa. Although the three BAe jetliners are in service (under lease) in 1991, the company reports neither traffic nor financial progress, a bad sign in a recessionary year. The three British-made jetliners do, however, enter service.

Economic difficulties cause the company to cancel its order for DHC-8-301s in 1992 and to reduce its DHC-8-108 fleet by two. Airline employment in 1993 stands at 512. Canadian destinations visited include Churchill Falls, Deer Lake, Gander, Goose Bay, St. John's, Stephenville, Wabush/Labrador City, Halifax, Sydney, Charlottetown, Prince Edward Island, Chatham, Charlo, Fredericton, Moncton, Saint John, Iles de la Madeleine, Montreal, Quebec City, Ottawa. International flights are also made to Boston, Massachusetts.

Early in 1994, Chairman/CEO Craig L. Dobbin and President/COO Albert Chappell place orders for ten British Aerospace BAe Jetstream 41s even as the BAe 146-200s are, at least temporarily, withdrawn. Unable to continue due to fiscal difficulties, the Canadian Partner files for bankruptcy reorganization in May, continuing to operate as efforts are made to reform and refinance.

The reorganized company, beginning at the end of March 1995, adds five J-41s to its fleet as it replaces its Dash-8-102s. The BAe 146-200s are returned to service in July and are employed to begin replacing **Canadian Airlines International, Ltd.** B-737s on the route from Halifax to St. John's, which the major now turns over to its affiliate. Traffic figures are, again, not available this year.

The diversified Halifax-based IMP Group International, Ltd. acquires the carrier on February 21, 1996, along with the last of the CAI flights in and out of St. John's. Kenneth C. Rowe is now chairman/CEO.

Other destinations now visited include Boston, Charlottetown, Catham, Churchill, Deer Lake, Fredericton, Gander, Goose Bay, Halifax, Moncton, Montreal, Ottawa, Quebec City, Stephenville, Wabush, and Yarmouth.

On October 30, AAL files a petition with the U.S. DOT asking it to defer issuance of authority to the startup **Air Atlantic Dominicana, C. por A.** because of a dispute over the new entrant's trade name. Both sides file statements and, on November 26, the DOT decides that there is insufficient conflict between the two names to block issuance of a foreign air transport certificate.

Enplanements reach 600,000.

Five more J-41s are acquired in early 1997. During the first week of April, the three BAe 146-200s, under lease since 1990, are purchased for C\$21 million from British Aerospace Assets Management-Jets, together with a C\$2-million package of spare parts.

Service continues apace at the beginning of 1998. On August 27, it is announced that the carrier will terminate its commercial agreement with **Canadian Airlines International, Ltd.** on October 24 and cease all scheduled flight operations. Only half of the carrier's 118 pilots will be taken on by **Inter-Canadian Airlines, Ltd.**, which will assume the carrier's routes next day. After that date, IMP Group International, Ltd., which owns the airline, maintains the company's operating certificate and studies the viability of undertaking nonscheduled flights over the winter season.

When AAL shuts its doors after its last flight on Saturday October 24, Chairman/CEO Rowe places a letter in the major newspapers of Atlantic Canada thanking employees and customers and wishing Inter-Canadian

success. Two weeks later, IMP Group will purchase **Air 500, Ltd.**, a charter operation based at Toronto.

AIR ATLANTIC, S.A.: San Diego No. 13, Portal 1-2A, Gran Canaria, E-35200, Spain; Phone 34 (92) 868-0190; Fax 34 (92) 868-3365; <http://www.airatlantic.com>; Code RCU; Year Founded 1994. The company is set up at Bilbao in 1994 to provide charter cargo and express service. Revenue flights commence with a pair of Cessna 406 Caravan IIs.

Operations continue apace in 1995. In July 1996, a new Fairchild Metro 23 is delivered and immediately begins service from a base at Gran Canaria. Flights continue in 1997-2000, during which years the fleet also receives a Fairchild Dornier Metro III.

AIR ATLANTIC AIRLINES: United States (1978-1982). A division of Penn's Cave Aviation, Russell E. Schleiden's FBO at Centre Hall, Pennsylvania, this commuter operation is established at Philadelphia in the spring of 1978 to fly scheduled daily roundtrip passenger services to State College, Altoona, and Pittsburgh and scheduled freight services to Pittsburgh and Baltimore.

President and founder Schleiden assembles a fleet of 5 Piper PA-31-350 Navajo Chieftains, 2 Cessna 402s, and 3 Piper PA-34 Senecas. These inaugurate revenue frequencies on May 1. Operations continue throughout the remainder of the decade, and into the next. The company cannot survive the higher fuel costs and cash flow difficulties caused by ATC problems resulting from the summer 1981 PATCO air traffic controller's strike. Operations stop on January 9, 1982.

AIR ATLANTIC DOMINICA, C. por A.: 27 de Febrero Esq., Tiradentes Apto.205, Plaza Merengue, Santo Domingo, Dominican Republic; Code LU; Year Founded 1996. AAD is established at Santo Domingo in September 1996 to provide charter and scheduled international air transportation of persons, property, and mail from the Dominican Republic to New York, Miami, Panama, Caracas, Lisbon, Madrid, Paris, Rome, Frankfurt, London, Havana, San Juan, and the Netherlands Antilles. A fleet of Boeing 727-200Fs is acquired and permission to begin service to the U.S. is sought.

On October 30, the **Canadian Airlines International, Ltd.** affiliate **Air Atlantic, Ltd.** files a petition with the U.S. DOT asking it not to grant authority to AAD because it is not legally entitled to use the trade name "Air Atlantic." The DOT invites both sides to provide briefings on the issue and, on November 21, rules in favor of the new entrant, granting it authority to operate from Santo Domingo to San Juan, Miami, and New York (JFK) on both a scheduled and charter basis.

Revenue flights duly commence and continue.

AIR ATLANTIC URUGUAY, S.A.: Rio Branco 1358, Montevideo, Of 804, Uruguay; Phone 598 (2) 928 529; Fax 598 (2) 928 530; Year Founded 1997. AAU is set up at Montevideo in 1997 to offer non-scheduled charters to domestic and regional destinations. Revenue operations commence with a pair of Fokker F.27 Friendships.

AIR ATLANTIQUE, LTD.: Coventry Airport, Coventry, England, CV8 3AZ, United Kingdom; Phone 44 (1203) 307 566; Fax 44 (1203) 639 037; Code NL; Year Founded 1969. Originally founded in 1969, this carrier is folded into Chairman Michael Collett's **Atlantic Air Transport, Ltd.** in 1993 as its passenger airline division. Faced with the problem of too many confusing units, Collett, in March 1998, announces a new corporate realignment.

The previous all-cargo and passenger units will be immediately combined into **Atlantic Airlines, Ltd.** At the same time, all non-airline activities will operate under the Air Atlantique moniker. The most visible of these activities is Air Atlantique Historic Flight, formed the year before. The company's Douglas DC-3s, together with a Scottish Aviation Twin Pioneer, are its major flight equipment, while special services, air-show appearances, and historic preservation activities are its specialty.

AIR ATLANTIQUE, S.A.: France (1991-1996). Jacques Mosse establishes Air Atlantique, S.A. at the Aerodrome de la Rochelle-Laheu in 1991 to offer regional passenger and cargo services. Revenue flights commence and continue with a fleet that includes 1 Beech King Air 200, 1 Beech King Air 90, 3 Embraer EMB-110P2 Bandeirantes, and 1 Piper PA-31-350 Navajo Chieftain. Orders are placed for an Avions de Transport Regional ATR42-300, which enters service in 1992.

Through September 1993, enplanements total 10,062. Plans are made in 1994 for the acquisition of a Beech 1900D the following year, with which to open a new scheduled route from La Rochelle to Toulouse via Poitiers; however, a second ATR42-300 will be received instead. Operations cease in 1996.

AIR ATLANTIS, S.A.: Portugal (1985-1994). To take advantage of the world's discovery of Portugal as a holiday destination, Air Atlantis is formed in early 1985 as the wholly owned charter subsidiary of **TAP-Air Portugal, S.A.** Employing three Boeing 727-200s and two B-727-100s leased from the parent, the carrier inaugurates operations on June 1. The company undertakes a full schedule of year-round tour and other passenger charters to destinations in Belgium, Austria, the Canary Islands, Holland, Italy, Ireland, the U.K., Spain, Scandinavia, Switzerland, France, Germany, and the North African cities of Tunis and Cairo. Ad hoc charters are also undertaken.

Enplanements for the year total 524,211.

Passenger boardings leap upward by 48% in 1986 to 550,641 as revenues of \$56.86 million are generated. Replacement of the B-727s with B-737-200s begins in 1987. Enplanements for the year decline to 527,528.

Although the employee population grows by 11.1% in 1988 to 200, customer bookings decline another 8.1% to 488,000. Revenues total \$59.3 million and profits of \$3.6 million (operating) and \$2.5 million (net) are generated.

Airline employment is increased by 3% in 1989 to 240 and the fleet now includes 1 B-737-3K2, 3 B-737-230As, and 3 B-727-200s. Orders are outstanding for 2 more B-737-3K9s, shares are acquired in 3 Portuguese tour operators, and a new catering firm is set up.

Passenger boardings grow 12.9% to 551,338.

President Manuel Norton's workforce grows 46.7% to 352 and his B-737-2K9s, leased from **Bavaria Fluggesellschaft, GmbH.** are, in turn, subleased to **South African Airways (Pty.), Ltd.** for a year. Customer bookings inch up 0.7% to 555,285.

The payroll is cut 30.4% in 1991 to 245 and the fleet now includes 2 B-737-2K9As leased from **Bavaria Fluggesellschaft, GmbH.**, 1 B-737-230A, 1 B-737-3K2 leased from **Transavia Airlines, N.V.**, and 3 B-737-3K9s leased from **Bavaria Fluggesellschaft, GmbH.** Orders are outstanding for 3 B-737-3Q8s. Charter service begins to Tunis and Cairo.

Passenger boardings jump 5.1% to 583,502.

Airline employment is increased a substantial 42.9% in 1992 to 350 and another Dash-300 chartered from the same German carrier is obtained.

Customer bookings through September are up 28.1% to 618,000.

In 1993, President Norton oversees a workforce of 350 and a fleet of 3 B-737-200s and 5 B-737-300s, with a sixth Dash-300 on order. Over 40 cities are now regularly visited in the U.K., Ireland, Austria, Germany, Switzerland, Belgium, France, Holland, Italy, Finland, Scandinavia, Tunis, Cairo, Turkey, and Morocco and from these, customers are taken to Portugal's main resort areas.

Unfortunately, the company, in providing these services, accumulates exceptionally heavy losses. As a result, it is absorbed into its parent company during 1994.

AIR ATLAS (COMPAGNIE CHERIFIENNE DE L'AIR, S.A.): France (1946-1953). Air Atlas is formed at Rabat on October 9, 1946, to offer services from Morocco to Algeria and southern France. With a fleet of ten former Luftwaffe Junkers Ju-52 trimotors, revenue flights commence in November to Algiers, Oran, Perpignan, Toulouse, and

Valencia. From Perpignan, a railroad connection to Paris allows through service to the French capital to be completed in under a day.

The fleet is increased in **1947** by the addition of five Nord NC-702 Martinets. The company encounters financial problems late in the year, which are largely solved by the sale of an equity stake to **Air France**.

The French flag carrier provides Atlas with six Douglas DC-3s in **1948**. These replace the Junkers and most of the Martinets. Through the remainder of the year and in **1949** service is offered over two principal routes: Tangier to Perpignan via Rabat, Meknes, Fez, Oujda, and Oran; and from Agadir to Algiers via Marrakech, Casablanca, and Rabat.

In mid-**1950**, the French government grants authority for Air Atlas to provide both domestic services within Morocco and to continue its flights to Algeria and France. Banking on this pledge, orders are placed for three Bloch 161 Languedocs.

In cooperation with **Air France**, Languedoc service from Casablanca to Marseilles and Bordeaux commence in **1951**. DC-3 domestic destinations include Agadir, Casablanca, Fez, Marrakech, Meknes, Oujda, Rabat, and Tangier.

Flights continue in **1952** but, on June 28, **1953**, Atlas joins with **Air Maroc (Societe Avia Maroc Ligne Aerienne, S.A.)** to form **Air Maroc (Compagnie Cheriffienne de Transport Aeriens, S.A.)**.

AIR ATONABEE, LTD.: Canada (1971–1984). Founded at Peterborough, Ontario, as **Otonabee Airways, Ltd.** in **1971**, this small charter operator begins third-level commuter scheduled flights between Toronto Island Airport and Montreal via Peterborough and Kingston, in **1975**.

Following the failure of the Saunders aircraft manufacturing concern, Otonabee purchases it, together with all available ST-27s and ST-28s (stretched de Havilland DH 104 Doves with Pratt & Whitney of Canada PT-6 turboprop engines), with an idea, never realized, to reopen production. The new aircraft outfit the fleet. Flights to Kingston end late in the decade and the carrier, now operating as **Otonabee Airways/Air Atonabee**, inserts Ottawa into its route system.

The corporate image is changed in **1979** by new businessman/owner Joe Csumrik, at which time **Air Atonabee, Ltd.** becomes the operating title and two routes are legitimized: Toronto Island–Ottawa via Peterborough and Toronto Island–Montreal (YUL). A few of the latter flights also stop at Peterborough on demand. The commuter steadily loses money in **1980–1983** and is put up for sale, together with its most valuable asset, a license to operate from Toronto Island Airport.

In March **1984**, the ailing carrier is purchased by former **Nordair, Ltd./Quebecair, Ltd.** Vice President Victor Pappalardo. Its headquarters are moved to Toronto and the corporate image is changed once more; livery and logos are introduced for an operation henceforth to be known as **City Express, Ltd.**

AIR AUSTRAL, S.A. (LA COMPAGNIE FRANCAISE DE L'OCEAN INDIEN): Aerogare de Gilot, P.O. Box 611, St. Denis, F-97473, Reunion; Phone 262 931 010; Fax 262 292 895; <http://www.air-austral.com>; Code UU; Year Founded 1990. The former **Air France** subsidiary **Air Reunion, S.A.** is renamed **Air Austral** on October 26, **1990**. The French flag carrier still retains 34% minority interest, with Sematira (Reunion Regional and General Councils) having 34%, and miscellaneous shareholders 32%.

In addition to the predecessor's fleet of 1 Piper PA-31-310 Navajo, 1 British Aerospace BAe (HS) 748-B2, and 1 Fokker F.28-1000C, leased from TAT (**French Regional Airlines, S.A.**), Chairman R. Cagourgue and President Gerard Etheve's 65-employee carrier is provided with 1 Avions de Transport Regional ATR42-300 and 1 Boeing 737-53A.

It now maintains scheduled regional passenger services linking St. Denis with Tamstave (Madagascar) and Dzaoudzi (Comores Islands). Charter flights and inclusive-tour services are also undertaken and, in November, a marketing agreement with **Air Madagascar (Societe National Malagache de Transports, S.A.)** is inaugurated. Under its terms, the two agree to code-share on the route from St. Denis to Tamstave and on joint passenger and freight handling.

Enplanements total 20,033. Expenses exceed income and losses are suffered: \$625,000 (operating) and \$865,000 (net).

Company employment is increased by 9.2% in **1991** to 71 as service is started from Reunion to Johannesburg, Nairobi, Noroni, and Najunga. The government completes improvements to the runway at Pamandzi Airport at Mayotte.

Passenger boardings climb 24.6% to 26,570 and freight traffic is up 18.5% to 526,000 FTKs. Revenues rise 26.8% to \$14.7 million. Although the operating loss grows to \$650,000, a net \$1.1-million profit is generated.

Service is launched from Mayotte to Nairobi in **1992**. Passenger boardings climb to 53,350 and revenues swell to FM116,000. Expenses reach FM114,000.

Operations continue in **1993** as Chairman/CEO Etheve oversees an employee population of 65 and services linking Reunion with Antananarivo, Comores, Dzaoudzi, Johannesburg, and Maurice; Toamasina in Madagascar with Dzaoudzi and Mahajanga; and Dzaoudzi with Mahajanga and Nairobi. In November, a full code-sharing arrangement is entered into with **Air Madagascar (Societe National Malagache de Transports, S.A.)**; under its terms, the two carriers agree to code-share on routes from Antananarivo to Reunion, Singapore, and Mauritius.

Under its own flag, the company in **1994** begins service from Reunion to Mauritius. Cooperation begins with **Air Mauritius, Ltd.**

In December, a purchased B-737-33A is placed into service and the F.28-1000C is returned.

Enplanements for the year total 160,000 and there are profits: \$69,000 operating and \$1.48 million net.

The workforce is increased by 16.1% in **1995** to 130 and a second B-737-33A joins the fleet during the first quarter. It is employed to inaugurate flights from St. Denis to Mauritius, Johannesburg, Nairobi, and the Madagascar community of Antananarivo.

Seychelles is added in October as a point on a new Mayotte–Reunion–Seychelles–Mayotte–Reunion route.

Traffic grows; passenger boardings increase by 15.9% to 214,400, while freight increases 21.8% to 990,000 FTKs. Flying in the face of the industry depression of the early 1990s, Air Austral is again profitable, as it has been every year since its formation.

Revenues increase 16.9% to \$39.3 million, while expenses climb 13.6% to \$38,122,000. The operating profit jumps to \$1,178,000 while net gain reaches \$1,997,000.

In April **1996**, the carrier begins pooling flights with **Air Mauritius, Ltd.**, **Air Madagascar (Societe National Malagache de Transports, S.A.)**, and **Air France** on flights from Reunion to Mauritius and Antananarivo. President Etheve becomes chairman of the supervisory board, with Paul Verges named president.

A third B-737-300 joins the fleet in **1997**; this unit is a Quick Change (QC) model. Flights commence from Reunion to Harare via Moroni. Service is inaugurated in December **1998** between St. Pierre, in the south of Reunion Island, and Mauritius. Capitalization now stands at FFr 10.8 million.

Airline employment in **1999** stands at 200.

Ordered the previous December, a new ATR72-520 is received on August 1, **2000** and enters service over routes from Pierrefonds to Mauritius and Madagascar.

The weekly roundtrip service between Reunion Island and Harare, Zimbabwe, is suspended on September 19.

AIR AUSTRIA. See **AUSTRIAN AIRLINES (OSTERREICHISCHE LUFTVERKEHRS A.G.)**

AIR BAFFIN, LTD.: Canada (1989–1996). Air Baffin is established by President Jeff Mahoney at Iqaluit, Northwest Territories, in **1989** to provide charter and bush flights. The only local carrier in the eastern Arctic, it is also the only to be entirely owned by the Inuit. Three years later, in May **1992**, scheduled service is inaugurated linking the company's base with Broughton Island, Cape Dorset, and Pangnirtung.

In 1993, Mahoney oversees a workforce of 14 and a fleet that includes 1 each Piper PA-31-310 Navajo, PA-31-350 Navajo Chieftain, Cessna 337 Skymaster, and Cessna 206 Stationair. A second Chieftain is acquired in 1994. Operations continue apace in 1995 and in late 1996 the carrier is renamed **Air Nunavut, Ltd.**

AIR BAHAMA, LTD.: Bahamas (1968–1982). English financier Norman Ricketts establishes **Air Bahama (International), Ltd.** at Nassau on July 22, 1968. Employing a leased Boeing 707, the company inaugurates discount transatlantic flights to Luxembourg. As the result of an October 1968 agreement with Hekla Holdings, Ltd., a subsidiary of **Loftheidir, H.F./Icelandic Airlines**, the company is taken over by the Icelandic airline in August 1969 and renamed **International Air Bahama, Ltd.**

Sigurður Helgasson is named CEO and two Douglas DC-8-63s are painted in new livery and sent to Nassau. Services are now offered in conjunction with the new owner's already well-known, low cost route from Luxembourg to New York via Iceland. Airline employment in 1976 is 67; during the year the name is changed to **Air Bahama, Ltd.** Flights cease in 1982.

AIR BAHIA: United States (1979–1980). Air Bahia is set up at San Diego, California, in the summer of 1979 to provide scheduled passenger and cargo services. Employing a Piper PA-31-310 Navajo and Britten-Norman BN-2 Islander, the commuter launches revenue flights on August 18 linking its base with Los Angeles, El Centro, and destinations in Baja California, some of which are visited as charters.

Operations continue apace until the carrier goes out of business on December 14, 1980.

AIR BALTIC CORPORATION, S.A.: Riga Airport, Kalku 15, Riga, LV-1050, Latvia; Phone 371 (7) 207 069; Fax 371 (7) 207 369; <http://www.airbaltic.lv>; Code BT; Year Founded 1995. Following the failures of **Baltic International Airlines** and **Latavio**, the national government in July 1995 elects to back a new flag carrier. ABC is established at Riga on August 29, with shareholding provided by the Latvian state (51%), **SAS (Scandinavian Airlines System)** (29%), Swedfund (6.2%), IO: The Investment Fund for Central and Eastern Europe (6.2%), and **Baltic International USA** (8.02%). Initial share capital of \$12 million is available from these partners, together with an additional \$14 million from Latvian and Nordic investment banks.

Recently retired SAS Executive Vice President/COO Kjell Fredheim is named president/CEO and recruits a workforce of 187. SAS seconds Katalina Forsman over from Stockholm to act as the carrier's SVP/CFO. Plans to operate either a fleet of two Boeing 727s (leased from **Baltic International USA**) or four former SAS Douglas DC-9-21s fall through. Instead, a dry-leased SAAB 340 is found and a British Aerospace BAe 146-200 is wet-leased from **Manx Airlines, Ltd. (2) (Manx Airlines Europe, Ltd.).**

Daily revenue flights (some flown dual-designator with SAS) commence on October 1 to from Riga to Copenhagen to Frankfurt to Riga to London (LHW) to Copenhagen to Riga. A number of these flights are made in cooperation with SAS.

The company's inability to settle outstanding claims by **Aeroflot Russian International Airline** prevents it from gaining traffic rights to Moscow. Orders are placed for three Avro RJ70s, all of which have previously been flown by **Business Express, Ltd.**

Airline employment stands at 190 in 1996. The first Avro RJ70 is received in January and is christened *Vidzeme*. It is followed by two more during the first quarter. The three replace the BAe. Minsk, Stockholm, Tallin, Vilnius, and Warsaw join the route network, along with an SAS dual-designator service from Riga to Copenhagen and Geneva. Enplanements total 104,849.

Enplanements for the first full year of service total 106,341.

The workforce is increased by 11.2% during 1997 to 208. The company now operates a SAAB 340 and three Avro RJ70s from Riga to

Copenhagen, Frankfurt, Helsinki, Kiev, London, Minsk, Moscow, Stockholm, St. Petersburg, Tallinn, Vilnius, and Warsaw.

Several services are operated in cooperation with **SAS (Scandinavian Airlines System)** and **Deutsche Lufthansa, A.G.**

Passenger boardings increase 30.8% to 151,515.

Flights continue apace in 1998. On May 19, a code-sharing agreement is signed with **Lithuanian Airlines, A.S.**

President/CEO Fredheim departs to establish **Britannia Airways, A.B.** in Sweden as its first managing director.

Customer bookings accelerate 16.4% to 176,000.

By the start of 1999, airline employment has been increased by 32.7% to 276.

Baltic International USA sells its 8.02% stake in ABC to **SAS (Scandinavian Airlines System)** on January 18, for \$2,144,333.

Dual-designator roundtrip flights with **Aerosvit Airlines** commence in June from Stockholm to Kiev via Riga.

With the approval SAS, Senior Vice President-Marketing Kristian Kircheiner succeeds Rudi Schwab as president/CEO on August 13. Ten days later it is announced that Latvian competition authorities are investigating Air Baltic and **Transaero Airlines** over a price-fixing scheme.

On December 1, the Latvian government announces that it will sell a minority stake and thereby privatize ABC.

Passenger bookings rise 10.3% to 194,000 and 342,000 FTKs are operated. Although operating revenues of \$14 million are generated, costs and other incidentals force a \$3-million net loss.

The workforce stands at 276 as 2000 begins. To stem an anticipated \$1.2-million loss for the year, unprofitable routes from Riga to Minsk, Warsaw, Prague, and Moscow are closed during the summer.

As part of the airline's integration into the SAS network, **SAS (Scandinavian Airlines System)**, at the beginning of the winter schedule on October 29, cancels its own Stockholm to Riga service and turns the route over to Air Baltic. It now becomes the only carrier flying directly between the two cities and to meet demand, frequencies are increased from 78 to 94 every week.

AIR BANGUI (COMPAGNIE CENTREE AFRICAINE, S.A.): Central African Republic (1966–1981). Air Bangui is established by the government at Bangui in the spring of 1966 to offer charter operations in the former French colony, which had received its independence in 1960. In the fall, the company is reformed, with **Air Afrique, S.A.** and **UTA (French Airlines, S.A.)** both taking minority shareholding. The latter also is given a management contract.

The new owners outfit the line with a Douglas DC-3, which is employed in October to launch scheduled services from Bangui to Berberati. Flights to Bambari, Birao, and Bouar also begin before year's end.

A Beech 58 Baron is acquired in July 1967 and is used to start new services from Bangui to Bangassou and to Bakouma. Enplanements by the end of 1968 total 4,206.

Service continues apace in 1969–1971. During the latter year, the government, displeased with its service from **Air Afrique, S.A.**, threatens to withdraw from the multinational airline consortium. While negotiations are undertaken, plans are made to upgrade Air Bangui into a flag carrier and, toward that end, a DC-4 is purchased.

Although the nation is able to reach agreement with **Air Afrique, S.A.** and does not withdraw, it does use its DC-4 and DC-3 to operate expanded services. Destinations visited during the 1970s include Bakouma, Bambari, Bangassou, Bangui, Birao, Bouar, Bria, Carnot, Gounda, Kawadja, Koumbala, M'Boki, Ndele, Ouadda, Ouanda Djalle, Rafat, and Zemba. Toward the end of the decade, the fleet is enhanced by the delivery of an **Aérospatiale (Sud Est) SE-210 Caravelle III**.

Unable to continue in the face of the world energy crisis, the company shuts its doors in early 1981.

AIR BEEF (PTY.), LTD. See **ANA (AUSTRALIAN NATIONAL AIRLINES, [PTY.], LTD.); ANSETT AIRLINES OF AUSTRALIA (PTY.), LTD.**

AIR BELFAST, LTD.: United Kingdom (1995–1996). In an attempt to gain advantage from the peace initiative in Northern Ireland, Air Belfast, Ltd. is established at Filton Airport, Bristol, England, on February 22, 1995. Brian Beal is appointed managing director and is provided with a pair of British Aerospace (BAC) 1-11-200s. These commence five weekday roundtrips linking London (STN) with Belfast on March 1; only two fares are available: \$107.64 one way and \$109.20 return.

The 70-worker carrier is unable to achieve viability and shuts its doors in March 1996.

AIR BELGIUM INTERNATIONAL, S.A.: Belgium (1979–2000). Organized at Brussels on May 3, 1979, this privately owned charter carrier is initially known as **Abelag Airways, S.A.**; revenue flights commence in June with a pair of Boeing 737-200s. The corporate identity, livery, logo, and name are changed to Air Belgium International, S.A. in 1980. Sun International, S.A. remains the major shareholder.

Over the next decade, the company, specializing in international tour group services, operates flights between Brussels and the holiday areas of southern Europe, especially those in France, Yugoslavia, Italy, Greece, and Spain; the Mediterranean; North Africa; the Canary Islands; and Madeira. In addition, a night Brussels–Madrid night cargo charter service is maintained on behalf of DHL.

A new B-737-46B joins the fleet in 1988, followed by a B-757-23AER in 1989.

In 1990, Chairman R. Vanmoerkerke and General Manager Johan Dekker oversee a workforce of 55, which operates a Boeing 737-46B and a B-757-23AER.

Enplanements total 385,400. Revenues total BFr 1.42 million and there is a net loss of BFr 60,000.

Air Belgium International initiates scheduled services on November 26, 1991 over a route to Palma. To handle increased capacity, a B-737-4Q8 is leased.

Passenger boardings reach 420,000, including 30,000 on scheduled flights. Revenues move to BFr 1.73 million and net gain is BFr 87,000.

The workforce is increased by 58.2% in 1992 to 87. Miami and Punta Cana are added to the carrier's list of tour destinations while scheduled flights are started to Alicante, Faro, Funchal, Malaga, Las Palmas, and Tenerife.

Enplanements rise 26.6% to 436,700 (50,000 scheduled), but revenues slip to BFr 1.37 million. Net profit is down to BFr 84,000.

Chairman Vanmoerkerke and General Manager Dekker oversee a workforce of 55 in 1993, down 36.8%. Ft. Lauderdale, Florida, and Bangor, Maine, are added as destinations.

Passenger boardings plunge by 54.2% to 200,000. Customer bookings decline again during 1994, falling by 13.5% to 173,100.

Enjoying its part of the upswing in the fortune of the world's airlines in 1995, this company increases its staff to 100. Enplanements increase by 6.3% to 425,000 and revenues grow 4% to \$42.9 million.

A B-737-3Q8QC is acquired at the beginning of the 1996 summer schedule. In the fall, it is leased to **European Air Transport, S.A.** for the winter. The B-757-23AER enters a long-term lease with **Sunway Airlines, A.B.** of Sweden. Heavy, although initially undisclosed losses, are suffered and, at years end, Sun International seeks a buyer for its 65% stake.

Passenger boardings are cut in half, dropping to 209,935. There is an operating profit of just \$700,000 and a net loss of \$700,000.

The workforce stands at 93 in 1997. The publicly offered majority stake is acquired by U.K.-based **Airtours International, Ltd.** Managers are appointed by the new owners and company aircraft are repainted in Airtours colors.

Customer bookings inch up 1.3% to 212,700. Although revenues are down 2.9% to \$33.4 million, expenses plunge 7.9% to \$31.1 million. The operating profit jumps to \$2.3 million and there is a net gain of \$600,000.

In 1998, the carrier's Boeings, sporting new livery, visit Ajaccio, Alicante, Almeria, Antalya, Araxos, Arrecife, Athens, Brindisi, Catania, Corfu, Djerba, Faro, Fuerteventura, Gerona, Heraklion, Ibiza,

Izmir, Las Palmas, Malaga, Monastir, Oibia, Palma de Mallorca, Reus, Tenerife, and Volos.

West European Leisure Group, a subsidiary of Airtours, the British organization that owns **Airtours International, Ltd.**, acquires the Sobelair 35% stake on April 23, 1999.

Flights continue apace during the remainder of the year. Two Airbus Industrie A320-211s arrive under lease from the new parent.

During the spring of 2000, officials at **Airtours International Airlines, Ltd.** reach the conclusion that, given the highly price-competitive package tour business in Northwest Europe, this subsidiary will not be profitable.

In July, it is announced that the company will be shut down on November 1. Much of the carrier's business had come from the tour operator Sun Air, which is itself in fiscal difficulty. Air Belgium's management team in Brussels unsuccessfully attempts a buyout as a closure alternative.

One of the company's 2 A320-211s operates its last service, from Alicante to Brussels, on October 15. It is ferried to Manchester, England, the next day; there it will be readied for its transfer to **Premiair, A.S.** The second aircraft completes a similar flight at month's end and is likewise sent to Premiair. Leased for a decade, the lone B-737-46B is returned.

As scheduled, Air Belgium shuts down on November 1.

AIR BENIN (SOCIETE NATIONALE DES TRANSPORTS AERIENS DU BENIN, S.A.): Benin (1978–1982). Air Benin is established at Cotonou in April 1978. The initiation of revenue services is delayed almost a year while the proper personnel and aircraft (a Fokker F.27 and a de Havilland Canada DHC-6 Twin Otter) are obtained. Scheduled flights commence in March 1979 linking the capital with Djougou, Kandi, Natitingou, Parakou, and Save. Enplanements for 1980, the first full year of service, total 3,458.

Recession-related and fuel cost expenses play havoc with the carrier in 1981. Passenger boardings fall 28.8% to 2,685 while freight traffic is down a huge 90.3% to 12,000 FTKs. As a result, the workforce must be slashed 11.9% to 37. In April 1982, the government merges **ENB (Escadrière Nationale du Benin)** and Air Benin to form **TAB (Transports Aériens du Benin)**.

AIR BERLIN. *see* **AIR FLORIDA**

AIR BERLIN, GmbH. & CO. LUFTVERKEHRS, K.G.: Flughafen Tegel, 1000 Berlin 51, D-13406, Germany; Phone 49 (30) 4101 2781; Fax 49 (30) 413 2003; <http://www.airberlin.com>; Code AB; Year Founded 1978. No relation to the Air Berlin commuter acquired by Air Florida. Air Berlin USA is organized at Tegel Airport, West Berlin, on July 11, 1978 as a wholly owned subsidiary of Leico, an Oregon-based land and timber concern. Employing a U.S.-registered Boeing 707-331B first flown by **Trans World Airlines (TWA)**, the carrier begins inclusive-tour charter flights on behalf of German tour operators in April 1979.

On October 22, 1980, company officials elect to attempt scheduled service, offering return passenger flights from Berlin to Orlando via Brussels. The experiment ceases in October 1983. At this point, the B-707-320B is traded in for a B-737-200.

During the remainder of the decade, Air Berlin performs strictly as a charter operator, flying from Berlin to holiday areas in western and southern Europe, the Canary Islands, and North Africa.

In 1990, Chairman Leonard Lundgren and President/General Manager Kim Lundgren possess a fleet comprising 1 each leased B-737-4K5 and B-737-4Y0. On October 3, Germany is reunited.

Operations continue apace in 1991 and, as the result of German reunification, Air Berlin becomes a completely German company, no longer restricted to Berlin-only departures.

In 1992, a second B-737-4Y0 is delivered under charter and orders are placed for two B-737-46Js. To help promote the city's bid for the 2000 Summer Olympic Games, the aircraft receive "Berlin 2000" titles and a decal of the city's smiling bear logo.

In **1993**, the workforce stands at 90. The leased fleet includes 3 B-737-4Y0s and 1 each B-737-4K5 and B-737-46J. When Berlin loses its Olympic bid to Australia, the smiling bear logo on one jetliner is, before its removal, worn for a brief time with a frown.

Enplanements for the year total just under 500,000.

The fleet is increased in **1994** by 1 B-737-46J. Passenger boardings skyrocket 109.5% to 1,047,600.

Another, though less spectacular, traffic year is enjoyed in **1995** as customer bookings accelerate 9.6% to 1,147,700. The staff is increased by a whopping 125% to 190.

The workforce is increased 19.7% in **1996** to 228 in order to help the company accommodate increased growth.

Enplanements soar 20.8% to 1,450,000 and revenues climb 18.9% to \$296 million.

Airline employment grows another 17.5% in **1997** to 350. Passenger boardings accelerate 17.2% to 1,650,000.

Options for two B-737-800s are converted into firm orders in June **1998**, while options are taken on two more. The deal is worth \$425 million and provides for initial deliveries early in 2000.

Late in the year, a shuttle service is established to transport vacationers from Berlin to Mallorca. In addition, a homepage is opened on the World Wide Web.

Customer bookings climb 21.8% to 2.01 million.

By the start of **1999**, airline employment has been increased by 34.3% to 470 and the company's results for the year are nothing less than spectacular. Customer bookings increase 50% to 3,000,000. Revenues jump 39.5% to \$308 million.

The workforce during the previous 12 months has grown by 112.8% and stands at 1,000 as **2000** begins. During the first quarter, a B-737-8Q8 is subleased from Sabre Airways, Ltd.

AIR BEST DE PUERTO RICO: United States (1971–1973). Air Best de Puerto Rico is established at Isla Verde, San Juan, Puerto Rico, in **1971** to provide scheduled air taxi services to St. Thomas, in the American Virgin Islands. Daily Britten-Norman BN-2 Islander roundtrips are duly inaugurated and are sustained into **1973**.

AIR BISSAU (TRANSPORTES AEREOS DA GUINE BISSAU, S.A.): Baixa Postal 111, Aeroporto Osvaldo Vieira, Bissau, Guinea-Bissau; Phone 245 201 277; Fax 245 251 536; Code YZ; Year Founded 1995. The national airline of Guinea-Bissau, **LIA (Linhas Aereas da Guinea-Bissau, S.A.)**, receives a corporate makeover in **1995**. Capt. Eduardo Pinto Lopes remains as managing director and continues to oversee a workforce of 110.

Scheduled domestic passenger and cargo services continue to be provided by a fleet of 1 each Dornier 228-200, British Aerospace BAe (HS) 748-B2, and Fokker F.27-100 Friendship.

In **1996–2000**, the company joins with **TACV (Transportes Aereos de Cabo Verde, S.A.)** to provide joint services employing the partner's equipment. Under this arrangement, the two fly weekly roundtrips from Bissau to Lisbon, employing TACV's Boeing 757-2Q8. Similarly, weekly roundtrips are offered from Bissau to Dakar, employing TACV's Aero International (Regional) ATR42-320.

AIR BLEU, S.A.: France (1935–1946). Air Bleu is formed at Paris in **1935** to provide quick feed of mail from **Air France** flights to regional distribution points. With Caudron Simmonds, the domestic letter/express service is initiated from Le Bourget to the regional capitals of Pau, Perpignan, Grenoble, and Nice (with stops along each route).

This arrangement is maintained with 14 French-built aircraft until February 21, **1941**, when Vichy officials, in the process of downsizing **Air France**, rename the carrier **Reseau Postal**, and place it under the new **Reseau Aerien Francais**.

Following V-E Day in **1945**, the Reseau Postal function is joined with several other airline operations on June 26 in the **Reseau des Lignes Aeriennes Francaises**. On January 1, **1946**, RLAF is reborn as **Societe Nationale Air France**.

AIR BOSNA, S.A.: Cemalasa 6/III, Sarajevo, 71000, Bosnia and Herzegovina; Phone 71 667953; Fax 71 650794; http://www.air-bosna.ba; Code JA; Year Founded 1994. Despite wartime conditions, Air Bosna is established as a public enterprise company on May 15, **1994**; shareholding is divided between the government of the Republic of Bosnia and Herzegovina (51%) and Energoinvest Holding-Energoinvest (49%). The new national airline is registered at Sarajevo on August 12 under terms of a ruling of the High Court.

Prof. Dr. Sefkija Cekic is appointed president of the management board, with Omer Kulic as managing director and Mustafa Eminovic as commercial manager. A small staff is appointed and revenue flights, emphasizing business service only, is launched with a single Cessna 512 Citation II.

During the next four years, land is acquired at Sarajevo Airport, where offices and three hangars are located. Various equipment and transport assets for handling aircraft, passengers, luggage, and cargo are acquired and a staff of 111 is employed.

The fleet is enhanced by the addition of a Yakovlev Yak-42D and the company begins to participate in the Amadeus and Galileo computerized reservations systems. When the Yak-42D arrives from Istanbul on August 15, **1996**, it has the honor of completing the first scheduled service into Sarajevo in four years.

Unable to diplomatically persuade the government of Yugoslavia to change its policy toward the ethnic Albanians in its Kosovo province, NATO closes Balkan airspace and launches a bombing campaign, Operation Allied Force, on March 24, **1999**. Grounded for a month, Air Bosna is not able to resume flights until April 24; it will report a \$317,000 loss for the period.

Once it is able to recommence operations, the airline makes rapid progress. An Avions de Transport Aerien ATR42-520 is acquired and code-sharing agreements are signed with **Malev Hungarian Airlines, Croatia Airlines, Austrian Airlines, A.G., Adria Airways (Adria Aviopromet) (2), and THY Turkish Airlines (Turk Hava Yollari, A.O.)**. Dual designator discussions also occur with **Finnair, O/Y and KLM (Royal Dutch Airlines, N.V.)**.

During the year, 62,689 passengers are transported to 10 regional destinations.

On February 1, **2000**, Managing Director Kulic places firm orders (with two options) with Airbus Industrie for a pair of A319-100s. The small jetliners will assist the flag carrier in further development of its European route network, where emphasis will be placed on serving those cities hosting the highest number of refugees.

Yak-42D Sunday-only roundtrips are started on June 18 between Sarajevo and Oslo.

AIR BOTNIA O/Y: P1, 168, Vantaa, RN-01531, Finland; Phone 358 (9) 870 2530; Fax 358 (9) 822 491; http://www.scandinavian-airlines.com; Code KF; Year Founded 1988. Air Botnia is organized at Vantaa in **1988** with Heikki Pakari as managing director. A fleet comprising 1 Cessna 402C and 2 Embraer EMB-110P1 Bandeirantes is assembled and third-level scheduled revenue flights begin to Helsinki, Ivalo, Jyväskylä, Oulu, Rovaniemi, Seinäjoki, Sodankylä, and Ylivieska.

Operations continue apace in **1989–1992**. During the fall of the latter year, a new British Aerospace BAe Jetstream 31 is ordered.

The new Jetstream 31 is delivered under lease in April **1993**; it will become the first of its type to be operated in Finland. Based at Jyväskylä, it flies to Helsinki, Ivalo, Mikkeli, Oulu, and Rovaniemi.

Managing Director Hannu Rapanen's fleet is altered in **1994** to include 2 Bandeirantes, the Jetstream 31, and 2 newly added Jetstream 32EPs. An EMB-110P1A is added in **1995**.

Heikki Jolula becomes chairman in **1996**, with Karl Hohti as Managing Director. Orders are placed for another Jetstream 32 and a Boeing 737-400. Destinations now visited include Enonfjeld, Jyväskylä, Kuopio, Lappeenranta, Mikkeli, Oulu, Pori, Rovaniemi, Savonlinna, Seinäjoki, Sodankylä, Tampere, Tuku, Vaasa, and Varkaus.

Enplanements for the year total 107,800.

Airline employment in 1997 stands at 50. During the spring, a former **American Eagle** Jetstream 32EP is acquired under charter.

Under terms of an agreement signed in the spring, Managing Director Hohti retires on October 15 and is succeeded by **Britannia Airways, A.B.** Managing Director Kjell Fredheim, who had once served as executive vice president/COO of SAS.

Enplanements for the year total 117,120.

Airline employment stands at 45 in 1998 and the fleet now includes 5 BAe Jetstream 32EPs and 4 SAAB 340s.

All of the airline's shares are purchased by **SAS (Scandinavian Airlines System)** in January.

During the spring, a decision is taken to upgrade the fleet and to replace the turboprops with jetliners. Arrangements are completed for the charter of three Fokker F.28-4000s from **SAS (Scandinavian Airlines System)**, with the first, *Paijanne*, entering service in April.

Customer bookings during the 12 months fall 11.2% to 96,000.

By the beginning of 1999, the company workforce has been cut back 10% to 45.

The company now changes its profile from that of a small domestic airline into a growing Nordic regional. Flights from Helsinki to Vaasa, Kuopio, Mikkeli, and Lappeenranta are suspended on October 31; on November 1, new twice-daily return service is inaugurated from Turku, Finland, to Copenhagen and thrice daily from Oulu, Finland, to Stockholm. Capacity for the new operations is provided by the addition of 5 more Fokker F.28-4000s and 5 SAAB 340s.

Customer bookings during the 12 months skyrocket 99.8% to 192,000.

Airline employment at the beginning of 2000 is 150, a spectacular 233.3% increase. Thrice-weekly F.28-4000 roundtrips begin on May 1 from Helsinki to London (STN) via Bergen.

Svenneric Persson is named president/CEO in July and on September 29 orders are placed for 5 AVRO RJ85s, with which to replace the ex-SAS F.28-4000s in the new year.

The seasonal Bergen to London (STN) service becomes twice-daily on October 29.

AIR BOTSWANA CORPORATION, LTD.: Head Office Building, Sir Seretse Khama Airport, P.O. Box 92, Gaborone, Botswana; Phone 267 352 812; Fax 267 375 408; Code BP; Year Founded 1972. To succeed **Botswana National Airways** (1966–1969) and **Botswana Airways Corp.** (1970–1971), this carrier is formed at Gaborone by presidential decree on July 2, 1972. The government-backed Botswana Development Corp., the major controlling interest, enters into a long-term contract with South Africa-based (but Botswana registered) Air Services Botswana (Pty.), Ltd., to operate aircraft on its behalf. Flight operations commence on August 1 with a single leased Fokker F.27 Friendship.

Between 1973–1980, international service is flown over a route Gaborone–Manzini, Johannesburg, and Salisbury while domestic services are provided to Selebi Phikwe, Mann, and Francistown. Chairman R. C. Stephens and Managing Director S. G. Choppin build a fleet comprising one Vickers Viscount 754, a Hawker Siddeley HS 748, and a Douglas DC-3.

After eight years, Air Services Botswana (Pty.), Ltd. for financial reasons, elects not to renew its operational contract. The Botswana Development Corp., on July 1, 1981, enters into a six-year services/management contract with **British Airways, Ltd. (2)**. Flight services with two F.27s leased from Air Botswana Holdings (the carrier's new parent company) begin anew in October.

Charles Pollock becomes general manager on January 1, 1982 and a maintenance contract is entered into with South African-based **Safair Freighters (Pty.), Ltd.**

Enplanements for the year total 46,734. Financial losses are suffered: \$365,326 (operating) and \$426,670 (net).

The employee population is increased 7.3% in 1983 to 133. **Air Botswana Cargo, Ltd.** is formed as a subsidiary to offer long-haul freight charter services with a leased Lockheed L-100-30 Hercules freighter. When **South African Airways (Pty.), Ltd.** withdraws from

the Johannesburg to Gaborone route, **Air Botswana (Pty.), Ltd.** increases its roundtrip frequencies to the Cape city to 17 per week.

Passenger bookings accelerate 7.6% during the 12 months to 50,262, while freight traffic grows 47.4% to 115,000 FTKs. Although revenues are up by 20.1% to \$4.9 million, expenses rise faster, by 23.3%, to \$5.5 million. Consequently, red ink flows again in the form of a \$513,595 operating loss and a net \$581,006 downturn.

Late in 1984, a new Dornier 228-200 joins the fleet; it is flown and maintained under contract with Gaborone-based Kalahart Air Services. A contract is also arranged with **Okavango Air Services** to provide Cessna 402 flights over light and taxi routes on demand. The workforce grows to 131 and bookings reach 54,554.

Weekly frequencies to Johannesburg are increased to 17 during 1985. Other destinations visited from Gaborone include Francistown, Harare, Lusaka, Manzini, Maseru, Maun, Selebi-Phikwe, and Victoria Falls.

During the spring of 1986, negotiations are held with officials of **British Caledonian Airways, Ltd. (BCAL)** aimed at having the British operator undertake long-haul flights from Gaborone and London as well as between the Botswana capital and certain regional African destinations.

As a result, **Air Botswana (Pty.), Ltd.** establishes a blocked-space arrangement for the Lusaka-Gaborone sector of the British airline's London-Lusaka-Gaborone route, one which will be maintained when BCAL is taken over by **British Airways, Ltd. (2)**. In November, retired **SAS (Scandinavian Airlines System)** executive Juney Dillenbeck is appointed general manager, succeeding Charles Pollock, who returns to **British Airways, Ltd. (2)**.

Enplanements total 23,265 and an operating loss of \$1 million is suffered.

The employee population grows by a whopping 53.3% in 1987 to 230 and the fleet now includes 2 F.27s and 1 Dornier 228-100. Orders are placed for 3 Avions de Transport Regional ATR42-300s. In February, **Air Botswana (Pty.), Ltd.** ends its contract for Fokker maintenance in South Africa, transferring its maintenance to **Kalahari Air Services & Charters (Pty.), Ltd.** in Gaborone.

Passenger boardings for the year jump 5.3% to 49,500 and revenues advance to \$10.3 million. Costs, however, swell 34.9% to \$10.9 million. The operating loss swells to \$1.6 million and the net loss is \$2.9 million. During the past five years, the company has lost a total of \$3 million.

The workforce is increased again in 1988, by 34.6% to 284 and the fleet is temporarily increased when an F.27 is leased from **Lesotho Airways, Ltd.** and a BAe (BAC) 1-11-524 is chartered from **Air Malawi, Ltd.** With financial losses high, the company is taken over by the government of Botswana on April 1 and A. V. Lionjanga becomes chairman; at the same time, the government begins an investment of \$50 million in equity and loan finance. The first of three ordered ATR42-320s arrives in July, followed by a second in October. Late in the year, an order is placed for a British Aerospace BAe 146-100.

Customer bookings drop 4% to 57,718, but cargo increase 40.7% to 121,000 FTKs. Revenues decline by 4.7% to \$14.1 million and expenses fall 13% to \$14.3 million. The operating loss is \$225,000 and the net downturn is by \$2 million.

Airline employment rises 17.3% in 1989 to 333. Meanwhile, in May, General Manager D. Keith Petch retires and is succeeded by Deputy General Manager Brian Pocock, a former executive of **Air Malawi, Ltd.** A number of collaborative and joint venture arrangements are now made with other African carriers for improved regional services. Of the most immediate importance is a cooperative program with **Air Zimbabwe, Ltd.** that will allow for the BAe's maintenance in Harare.

At the same time, operational activities are transferred to Gaborone. The BAe 146-100 arrives in November and enters service in December, introducing the company's first business-class seating on a joint-venture route with **Air Zimbabwe, Ltd.** between Gaborone and Harare, five times a week.

Other flights now operated by the company's turboprops include a twice-weekly route from Maun to Johannesburg, a twice-weekly service from Gaborone to Nairobi, a twice-weekly run from Maun to Victoria Falls, and weekly flights to Manzini and Maseru.

Simultaneously, the Dornier 228-100 is turned over to Gaborone-based **Kalahari Air Services & Charters (Pty.), Ltd.**, which crews and maintains it on behalf of Air Botswana (Pty.), Ltd. and flies it almost exclusively for an organization that is building a soda-ash factory in the northeastern part of the country.

Passenger boardings bound upward 40.8% to 82,141 and freight skyrockets 105.6% to 368,000 FTKs. Revenues drop to \$9.57 million, expenses are \$10.3 million, and the operating loss is \$705,978. A \$1.6-million net loss is suffered.

Company employment is increased by 24.6% in 1990 to 415. Former General Manager Petch becomes general manager of **Namib Air, Ltd.** in January.

In an effort to keep its less-traveled routes alive, the carrier creates the subsidiary Southern Links, also in January, in order to take over its existing joint ventures with neighboring regionals and to establish new ones, as well as to take advantage of nonscheduled opportunities.

The following month, the carrier puts its F.27s up for sale and cancels its order for a third ATR42-302, electing to request a second BAe 146-100 instead. The BAC 1-11-524 is returned to **Air Malawi, Ltd.** and, beginning in March, the company introduces a wide range of domestic promotional fares, including special rates for youth and senior citizens.

During the spring and in cooperation with **TAAG Angola Airlines, Air Botswana (Pty.), Ltd.** signs an agreement with **UTA French Airlines, S.A.** concerning the transport of cargo over the Luanda-Gaborone sector of the European company's new Paris-Luanda-Gaborone route.

At the same time, the cooperative agreement with **Air Zimbabwe, Ltd.** is expanded to include operations, such as the undertaking of domestic flights on behalf of the northeastern neighbor. In addition, a cooperative agreement is signed with **LAM Mozambique Airlines**; the Air Botswana (Pty.), Ltd. BAe 146 flies certain LAM domestic services and is based at Maputo one day each weekend.

Customer bookings continue their upward path, by 23.3%, to 101,255 and 3.07 million FTKs are also flown. Revenues ascend 23.5% to \$18.9 million, and expenses are lower, causing an operating profit of \$153,357. The net loss jumps to \$1.7 million.

The payroll climbs again in 1991, by 9.4%, to 454 and the second BAe 146-100 is acquired in January. In March, a weekly service is inaugurated from Gaborone to Windhoek, Namibia, while twice-weekly flights commence from Gaborone to Dar es Salaam, one of which is flown via Lilongwe, Malawi. A number of marketing alliances are established with other African carriers and, in December, the carrier moves from its downtown Gaborone headquarters to new purpose-built offices at Sir Seretse Khama Airport.

Passenger boardings this year rise 7.5% to 109,113 and freight is up by a whopping 189.6% to 8.69 million FTKs. Revenues increase 11% to \$18 million, but expenses shoot up 18.8% and bring an operating loss of \$1.1 million.

The workforce is sliced by 3.3% in 1992 to 439 and the fleet now includes 2 BAe 146-100s, 2 ATR42-320s, and 1 Dornier 228-100. General Manager Brian Pocock continues building alliances that he hopes can be combined into a network that can provide joint long-haul services.

Under an arrangement with **Uganda Airlines, Ltd.**, the carrier inaugurates twice-weekly service in April from Gaborone to Entebbe via Nairobi; the Nairobi to Entebbe sector is operated on behalf of UA. On behalf of **LAM (Linha Aerea de Mocambique, S.A.)**, Air Botswana operates weekend domestic services in Mozambique.

Customer bookings accelerate 8.7% to 111,166 and cargo jumps 31.5% to 560,000 FTKs. Revenues swell to \$22.8 million and allow an operating profit of \$2.4 million. The net loss is \$2.3 million.

As the financial picture further darkens later in 1993, the fleet is altered. Gone by September are the BAe 146-100s and Dornier, replaced by one each Embraer EMB-110P1 Bandeirante and BAe Jetstream 31.

The workforce now stands at 360 and the routes to Dar es Salaam and Lilongwe are suspended. Service is continued, however, linking Gaborone with Harare, Johannesburg, Lusaka, Manzini, Nairobi, Victoria Falls, and Windhoek. Traffic figures are not provided.

The workforce totals 420 in 1994 and a third ATR42-300 is ordered. Having held the post on an acting basis since June, Joshua B. Galeforolwe succeeds Capt. Pocock as managing director in September. The Southern Links subsidiary, an unsuccessful experiment, is folded back into the parent. Enplanements for the year total 100,519, while FTKs are 479,000.

A BAe 146-100 is returned to service in 1995 as customer bookings rise to a total of 22,465.

Airline employment stands at 360 in 1996 and the fleet now includes the 2 ATR42-320s and 1 BAe 146-100. Routes are initiated to the Okavango Delta, Chober National Park, and Victoria Falls from Johannesburg and Gaborone. Flight frequencies to Maun and Kasane is increased. Enplanements dip 1.7% to 22,090.

There is no change in the workforce during 1997. It is reported in March that losses taken during the 1993-1996 period are being trimmed. Renewed emphasis is placed upon customer services. In September, the BAe 146-100 is leased via Fortis Aviation, to **Air Zimbabwe, Ltd.** It is replaced with a third ATR42-320.

Passenger boardings are reported through November and show an increase of 12.2% to 107,932.

Destinations visited from Gaborone in 1998 include Francistown, Harare, Johannesburg, Luanda, Lusaka, Maputo, Maseru, Maun, Nairobi, Victoria Falls, and Windhoek. Customer bookings for the 12 months accelerate 14.5% to 124,000.

The workforce at the beginning of 1999 totals 300.

A catastrophic suicide puts the airline at least temporarily out of business on October 11. Having been grounded for medical reasons, a disgruntled company captain, Chris Phatswe, sneaks aboard one of the ATR42-320s at Gaborone early on the morning in question and takes off without authorization. Informing ATC that he is going to kill himself, the man flies over the airport for two hours, performs a pair of loops, and then makes a 200-kn. dive into the concern's other two ATR42-320s, parked together on the apron. All three planes and the pilot are destroyed in the resulting explosion and fire.

The company's BAe 146-100, which had been returned from lease to **Air Zimbabwe, Ltd.**, and which is grounded with technical problems, is put up for sale in the early fall.

Employing three replacement ATR42-520s delivered on December 10, Air Botswana is able to resume its disrupted operations three days later with five daily roundtrips between Gaborone and Johannesburg. Toward month's end, new weekly return flights are started to Francistown and Maun.

An agreement is signed with **Kenya Airways, Ltd.** on January 26, 2000, calling for the resumption of service between Gaborone and Nairobi within several months. In March, thrice-weekly Fokker F.27F cargo flights are launched from Gaborone to Johannesburg.

A contract is signed with International Finance Corporation in April; under its terms, this arm of the World Bank will help the airline prepare for privatization. The first step is preparation of a strategic options report.

During the last two weeks of May, 6 of the company's 13 pilots resign over safety concerns, with a 7th fired for incompetence; additional flyers are sought from Ethiopia and Zimbabwe.

Chairperson Mmapula Modise, in the company's annual report released in July, has the pleasure of informing her government superiors that the insurance proceeds received from the October tragedy are actually responsible for over 70% of the net profit during the accounting year. Had the accident not occurred, the net profit, on a P 90-million turnover, would have been P 23.89 million instead of the P68.7 million banked.

In August, an ATR72-212, previously operated by **Continental Express**, is leased from its manufacturer.

AIR BRAS D'OR, LTD.: Canada (1986-1987). Established at Sydney, Nova Scotia, during the summer of 1986, this third level commuter is an associate of **Air Dale, Ltd.** Obtaining a pair of de Havilland Canada DHC-6 Twin Otters, the carrier inaugurates scheduled services on September 22, linking its base with Digby, Port Hawkesbury, Halifax, Fredericton, St. Leonard, Charlo, and Charlottetown.

The Port Hawkesbury stop is suspended in February 1987 as the company encounters financial reversal. So significant does the flow of red ink become that Air Bras d'Or, Ltd. is forced out of business on July 17.

AIR BRAZEAU, LTD. See QUEBEC AVIATION, LTD.

AIR BRAZIL, S.A.: Brazil (1991). Following the government's partial liberalization of the national airline industry, Air Brazil is established at Rio de Janeiro in April 1991. Majority ownership is held by **Lider Taxi Aereo, S.A.** in partnership with São Paulo-based TNT SAVA, S.A., a **TNT Worldwide Express** unit. A fleet of 3 British Aerospace BAe 146-200s is assembled.

Hoping to become the first carrier to place jetliners on the "Air Bridge" to São Paulo, the company is unable to get them into operation before competitors **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)**, **VASP Brazilian Airlines (Viacao Aerea Sao Paul, S.A.)**, and **Transbrasil, S.A. (Linhae Aereae)**, which had been operating Lockheed L-188A Electras.

Still, the company inaugurates its eight daily roundtrips over the route on July 20. **Lider Taxi Aereo, S.A.**, seeing that the new entrant's one potential advantage has been lost, abandons its new entrant in December, returning the BAes to their manufacturer.

AIR BREMEN, GmbH.: Germany (1989–1990). AB is formed at Bremen Airport in the spring of 1989 to offer regional commuter service. Former **KLM (Royal Dutch Airlines, N.V.)** executive Augustinus Boots is named managing director and his initial fleet comprises two, later four, SAAB 340As. Scheduled services are inaugurated from Bremen to London (STN), Paris, Copenhagen, Vienna, Osnabruck, Brussels, and Amsterdam. A total of 25,000 passengers are flown on the year.

During the first six months of 1990, discussions are held with the Dutch flag carrier concerning a possible capital investment and cooperative agreement. The negotiations fail in early July when **KLM (Royal Dutch Airlines, N.V.)** elects to take shareholding in the larger French regional **Air Littoral, S.A.** and an effort to interest **Hapag Lloyd** is also unsuccessful. A code-sharing agreement is signed with **American Airlines** in early August and provides for the connection of the U.S. major's flights from Chicago and New York with AB's service to Brussels.

AA's first code-sharing agreement with a European carrier comes too late to help AB achieve fiscal viability. Faced by higher fuel bills in the wake of the Mideast crisis, the City of Bremen and Sweden's Salenia refuse, on August 22, to provide the capital necessary to keep the airline going.

Adolph Horn is appointed receiver and the regional is forced to close in October after a \$10-million rescue plan, involving a subsidiary of the former East German carrier **Interflug DDR Airlines**, collapses.

AIR BRETAGNE SERVICE, S.A.: France (1990–1991). Organized at Bais in 1990, this small commuter names Joseph Jeuland as general manager and assembles a fleet comprising 2 Beech King Air 100s and 1 Piper Cheyenne II. Revenue services are launched to regional destinations; however, insufficient return is earned to justify continuance and the service ceases in 1991.

AIR BRIDGE CARRIERS, LTD. (ABC): United Kingdom (1972–1992). Armstrong-Whitworth Argosy 102 lessor Field Aircraft Services founds this charter subsidiary in August 1972 in order to find employment for the three Argosys left idle upon the collapse of **Sagittair, Ltd.** The three freighters return to service when ABC is created by the Hunting Group in November and transport flowers and produce between East Midlands Airport and the islands of Jersey and Guernsey.

One Argosy is sold in April 1974, being replaced by a Vickers Viscount 808. Freight charters are mounted to Scotland and Europe, including Zagreb.

The Viscount is converted to "combi" status in February 1975 and undertakes Lydd-Beauvais replacement service for **Dan-Air/Dan-Air**

Services, Ltd.'s coach-air operation. A major contract is initiated with Rolls Royce to fly engine parts to and from Germany and Italy. During 1976–1978, Managing Director J. D. Capstick's carrier has a 50-employee workforce and a fleet comprising 3 Argosy 102s, 1 Vickers Vanguard V953C Merchantman, and 2 Handley Page Herald.

During the next 15 years, the Argosy fleet is reduced, first to two machines, and then none; however, the company flotilla is increased by the addition of six Merchantmen freighters. Additional destinations are found in Europe, Africa, and the Middle East and the company becomes a subsidiary of Hunting Associated Industries. The employee population averages 130 and some 20,000 tons of freight are transported annually.

An AW-650 Argosy 102 with two crew, is damaged beyond repair as the result of the collapse of the right main landing gear during the freighter's Belfast landing on April 17, 1982; there are no injuries.

During the late 1980s, the carrier begins to emphasize European carriage and comes to restrict its operations to 15 Continental destinations in 10 countries. The company now becomes an EC pioneer in the delivery of overnight express parcels, accepting contracts from both **Federal Express** and **United Parcel Service (UPS)**.

The 6 Merchantmen increase freight traffic during the first nine months of 1988 by 48.3% to 12.8 million FTKs. A Lockheed L-188C is leased from a U.S. concern late in the year for use as a freighter.

The workforce is increased by 50% in 1989 to 180. The fleet, too, is changed. Half of the Merchantmen are withdrawn and are replaced by a combination of 6 Lockheed L-188C Electras and 1 Boeing 737-200QC, the company's first jetliner. Traffic is level at 12.98 million FTKs.

Company employment is cut 11.1% in 1990 to 160. Cargo tumbles 12.6% to 11.34 million FTKs, due largely to the uncertain political situation following Iraq's August invasion of Kuwait.

Operations continue apace in 1991 and in 1992 Chairman G. H. Williams and Managing Director M. P. Timpson employ 185 workers.

In September, the company is renamed **Hunting Cargo Airlines, Ltd.**

AIR BRISTOL, LTD. See AB AIRLINES, LTD.

AIR BROUSSE, S.A.: Belgian Congo/Congo (1955–1967). Privately owned Air Brousse is established at Leopoldville in March 1955 to provide charter and scheduled services, including feeder flights on behalf of **Sabena Belgian World Airlines, S.A.**

Revenue flights commence to a number of points, including Lulua-bourg, employing a fleet that includes 4 Piper PA-23 Aztecs, 2 PA-23 Apaches, 7 Beech 18s, and 5 de Havilland DH 89A Dragon Rapides.

Services continue apace until June 30, 1967, when the concern is taken over by **Air Congo, S.A. (2)**.

AIR BURKINA, S.A.: Avenue Loudun, Siege Social, P.O. Box 1459, Ouagadougou, 307676, Burkina Faso; Phone 226 30 6144; Fax 226 30 6144; Code 2J; Year Founded 1985. The state airline **Air Volta, S.A.** is renamed **Air Burkina, S.A.** in 1985 to better honor the name of its nation, Burkina Faso, known before its 1984 independence as Upper Volta. The predecessor carrier's Fokker F.28-4000, de Havilland Canada DHC-6 Twin Otter, and Embraer EMB-110P2 Bandeirante are pressed into service on the old regional and domestic routes.

In need of less capacity, the Fellowship jetliner is traded to Fokker in May for an F.27 Friendship. Domestic destinations visited include Bobo Dioulasso, Dori, Sebba, Gorom, Diapaga, Bogande, Fada, and Pama. The Fokker links the capital of Ouagadougou with Abidjan, Bouake, Cotonou, Lome, Niamey, and Bamako.

Little change is seen in Managing Director H. Kere's operation until October 8, 1988. That day a DHC-6-300 fails its takeoff from Dori; although the Twin Otter is badly damaged in the subsequent forced landing, there are no fatalities.

In 1989, Managing Director Kere is replaced by Bintou Sanogoh. Flights to Accra cease. Sanogoh is succeeded by Paul Antoine Ganem-tore in 1990, who retires the Twin Otter.

Kere is back in charge by 1993 and his fleet includes the F.27 and Bandeirante. A domestic route is flown from Ouagadougou to Bobo

Dioulasso and international destinations include Cotonou and Lome, Brazzaville, Bamako, and the Ivory Coast cities of Abidjan and Bouake.

A Fokker F.28-4000 is reacquired in **1994** and operations continue in **1995–1998**. During these years, Mathieu K. Bouda becomes Managing Director and airline employment reaches 75. The fleet now comprises the Fokker Fellowship, the Bandeirante, and a de Havilland Canada DHC-6-300 Twin Otter.

A delegation led by Parliamentary Minister Cyrille Goungounke is aboard the F.28-4000 when it resumes twice-weekly flights to Accra on February 26, **1999**.

It is reported in early 2000 that Air Continental, S.A., which has continued its low-key, nearly invisible Ivory Coast service over the past two years, has been given an ex-Burkina Faso air force Nord 262C with which to operate between Ougadougou and Bobo Dioulasso on behalf of Air Burkina.

AIR BURUNDI (SOCIETE DE TRANSPORT AERIEN DU BURUNDI, S.A.): BP 2460, 40 Ave. du Commerce, Bujumbura, Burundi; Phone 257 (2) 224 609; Fax 257 (2) 23 452; Code PBU; Year Founded 1971. Created at Bujumbura in April **1971**, this state carrier is initially known as **Societe de Transport Aerien du Burundi, S.A. (STAB)**. Revenue services are started over a route to Gitega in early summer employing two Douglas DC-3s. The present title is adopted in June **1975**.

During the remainder of the decade, the carrier maintains its growing domestic network and undertakes agricultural flights. In **1978**, the carrier obtains a Sud SE-210 Caravelle III wet-leased from **Air Afrique, S.A.**, which is employed to inaugurate scheduled passenger services to Kigoma and Kalemie.

In the **1980s**, the fleet is increased by the addition of two de Havilland Canada DHC-6-300 Twin Otters. The international services are dropped; however, the Canadian turboprops are able to maintain twice-weekly flights to Kigali (Rwanda). In July, **1986**, Lt. Col. Libere Nahimana is named CEO. In **1988**, Managing Director G. Mugabo's Twin Otters also begin service to Kalemie and Kirundo. A Cessna 210 is acquired in **1989**.

Operations continue apace in **1990–1991** and in **1992**, the fleet includes 1 each Beech 1900C and Caravelle III, plus 2 DHC-6-300s, 1 of which is leased to Zaire's **Virunga Air Charter, S.A.** Destinations now visited from Bujumbura include Goma, Kalemie, Harare, Kigoma, Kigali, Lusaka, Kilimanjaro, and Nairobi. The French-made jetliner is withdrawn in **1993–1994**, with new President Kagari Cyprien and Managing Director Isaac Gafuero now overseeing a workforce of 87.

Operations continue without change in **1995**. In a July **1996** coup d'état by Maj. Pierre Buyoya, regional African nations place an economic and transportation embargo on the country. The allied measure effectively grounds the airline. During the remainder of the year and in **1997–1998**, transport at all levels in Burundi is paralyzed. A shortage of imported goods develops and exports dry up.

With political pressure easing, the leaders of East Africa lift their embargo of Burundi on January 25, **1999**. On February 1, Air Burundi is permitted to resume flights to Rwanda, Kenya, and Uganda with its Beech 1900C.

AIR BUSINESS, A.S.: Denmark (1980–1988). Organized at Esbjerg Airport as a division of Alkair, S.A., Air Business undertakes scheduled, international passenger commuter flights over routes to Stavanger and Thisted. In the spring of **1983**, the carrier is acquired by **Maersk Air, A.S.**, which operates it as a subsidiary.

In **1984–1985**, the carrier's two Shorts 360s and single Embraer EMB-110 Bandeirante also undertake replacement flights for its parent to Aarhus and certain Danish cities.

A third Shorts 360 joins Managing Director Jan Goffredsen's fleet in **1986**. Services are maintained in **1987** and in **1988** the company is reformed as **Maersk Commuter, I.S.**

AIR BVI (AIR BRITISH VIRGIN ISLANDS, LTD.): British Virgin Islands (1971–1995). Air British Virgin Islands, Ltd. is founded at

Beef Island Airport, Tortola, in June **1971** as the national airline of the British Virgin Islands. Equipped with four Britten-Norman BN-2 Islanders, the company, following six months of charter operations, begins scheduled flights from Beef Island Airport in July **1972**.

Services are undertaken to Virgin Gorda, San Juan, St. Croix, and Antigua. The fleet is increased in **1975** by the addition of 4 Douglas DC-3s. Shareholding is reorganized in **1976** and the marketing name is changed to Air BVI; ownership is taken by local businessmen, a charitable trust (Air BVI Trust), and company employees.

During **1977–1985**, the fleet is upgraded by the addition of another DC-3, 1 de Havilland Canada DHC-6, and 1 Hawker Siddeley HS 748, the latter chartered from **Dan-Air/Dan-Air Services, Ltd.** Airline employment grows to 90 and additional destinations include St. Martin and St. Kitts.

In **1986–1991**, the workforce grows to 120. Additional stops are made at Dominica, Anguilla, and La Romans. CEO Elihu Rhymer's fleet is upgraded to comprise 3 British Aerospace BAe (HS) 748-B2s (2 of which are leased from **Dan-Air/Dan-Air Services, Ltd.** and the third acquired from **Air Malawi, Ltd.**) and 3 Islanders.

Having great difficulty in maintaining viability in a time of recession, the company reduces its fleet in **1992** to 1 BAe (HS) 748-B2 and leases 1 Shorts 330. In **1993**, President Rhymer oversees a workforce of 120. The fleet is now increased by the addition of 3 Pilatus Britten-Norman PBN-2 Islanders.

The Shorts 330 with 3 crew and 27 passengers, aborts its takeoff from Tortola on May 6 and overruns the runway into the ocean; there are no fatalities, but the turboprop is lost.

The expansion is overly optimistic and poor traffic forces withdrawal in **1994** of one of the new Islanders added the previous year. Flights cease in June **1995**.

AIR CAIRO, S.A.E.: Export Centre, Cairo International Airport, Helipolis, Cairo, Egypt; Phone 20 (2) 267 1456; Fax 20 (2) 267 0683; Year Founded 1997. Ibrahim Kamei establishes Air Cairo in **1997** to provide lift for holiday passengers visiting Egypt from Europe, Asia, and Africa. Revenue flights begin, and continue, with a fleet that includes 2 Tu-204-120s and 1 Tu-204-120C. The first airline outside of Russia to introduce the new Tupolev jetliners, the carrier may better known for its airplanes than its tours.

AIR CALEDONIE (SOCIETE CALEDONIENNE DE TRANSPORTS AERIENS, S.A.): BP 212, Aerodrome de Magenta, Noumea, 98-800, New Caledonia; Phone 687 25 23 39; Fax 687 25 03 00; http://www.air-caledonie.nc; Code TY; Year Founded 1955. With a base at Noumea's Aerodrome de Magenta, **Societe Caledonienne de Transports Aeriens, S.A.** is renamed Air Caledonie in **1968**. Reorganized, shareholding is divided between local government (76.3%) and private interests (23.7%). The fleet is upgraded to include Cessna 310s and Britten-Norman BN-2 Islanders. Scheduled services are maintained, linking Noumea with Mueo Kone, Koumac, Belep, Houailou, and Touhu in New Caledonia and Mare, Tiga, and Lifu in the Loyalty Islands.

During the early **1970s**, the fleet is upgraded to include de Havilland Canada DHC-6-300 Twin Otters and the airline also undertakes a regularly scheduled shuttle on behalf of **UTA French Airlines, S.A.** between the islands of Wallis and Futuna. Enplanements in **1973** are 80,754.

Airline employment in **1974** stands at 95 and the fleet comprises 3 Twin Otters and 3 Britten-Norman BN-2A Trislanders. Passenger boardings accelerate 4% to 84,119 while freight traffic is level at 151,000 FTKs.

Three more employees are hired in **1975** and a new terminal is opened at New Caledonia's Magenta Airport. The twentieth anniversary is celebrated in September and, as a result, the carrier's half-dozen planes all receive new livery. Passenger bookings jump 6% to 87,331.

The employee population is reduced by 4.1% in **1976** to 93. Several unprofitable routes are abandoned as passenger boardings rise 9% to 99,368. Freight grows 5% to 1.36 million FTKs.

A fourth Twin Otter is acquired in 1977. Operations continue apace during the remainder of the decade and into the early 1980s, with traffic growing steadily.

Enplanements total 119,956 in 1981 and climb each of the following two years: 1982, 133,511 and 1983, 135,299. Following the creation of **Air Caledonie International, S.A.** during the latter year, the company begins to concentrate exclusively on domestic flights.

One of the Islanders is replaced in 1984 by two more Twin Otters as orders are placed for two Aerospatiale-Aeritalia ATR42s. Enplanements in 1985 total 129,000.

The workforce totals 115 in 1986 and the fleet includes 3 DHC-6-300 Twin Otters. The first ATR42-300 is placed into service during the year, as orders remain outstanding for a second. Passenger boardings jump 11% to 145,000.

Enplanements in 1987 dip to 139,958. Although the company enjoys net income of \$1.3 million, there is an operating loss of \$1.36 million.

Airline employment is increased by 7.4% in 1988 to 130 and the fleet now includes 2 ATR42-300s and 3 Twin Otters.

Passenger boardings swell 15.1% to 164,850 and cargo is up by 2.2% to 163,148 FTKs. Revenues ascend 28.7% to \$7.6 million and an operating profit of \$261,546 is generated. There is, however, a \$279,700 net loss.

Customer bookings dip in 1989 to 160,000 as financial difficulties arise.

In 1990, Managing Director Christian Liaudel's fleet comprises the same 2 European turboprops and 3 Canadian-built Twin Otters. Orders are placed for 2 Dornier 228-202s. Enplanements climb to 200,000. Although an operating loss of \$2 million is suffered, there is a net profit of \$19,454.

The workforce is increased by 1.5% in 1991 to 208 as the Dorniers are delivered.

Passenger boardings rise 5.9% to 244,733 and freight climbs 8.6% to 3.46 million FTKs. Revenues fall 5.8% to \$18.5 million and with costs higher, losses are suffered: \$4.9 million (operating) and \$5.5 million (net).

The last two Twin Otters are replaced in 1992 and the fleet now includes 2 ATR42-300s, 1 of which is leased, and 2 Dornier 228-202s. Orders are outstanding for a Dornier 328.

In 1993, Chairman Guy Mennesson oversees a workforce of 194. Destinations visited from Magenta include Belep Island, Isle of Pines, Kone, Koumac, Lifou, Mare, Ouvea, Tiga, and Touho.

The first Dornier 328-100 enters service in 1994, along with a third ATR42-300. Flights continue without change in 1995-1997.

Service is maintained in 1998-1999. Enplanements in the former year total 280,000, a 0.6% increase over 1997. Freight traffic inches up 1% to 4.16 million FTKs. On revenues of \$26.89 million, a \$282,000 operating profit is gained. There is also a \$468,000 net profit.

Passenger boardings accelerate by 4.6% in 1999 to 293,000 while cargo rises 5.7% to 4.39 million FTKs. Revenues of \$22.15 million are generated and costs are \$22.09 million. Although the operating profit falls to \$57 million, the previous year's net loss is turned into a \$185-million net gain.

AIR CALEDONIE INTERNATIONAL, S.A. (ACI): New Caledonia (1983-1997). ACI is formed at Noumea, New Caledonia, on September 1, 1983 to provide scheduled, regional passenger and cargo service between the South Pacific islands of New Caledonia, Vanuatu, Fiji, Wallis, and Futuna, as well as Australia. Shareholding is split between public (34%) and private (66%) interests. Fifty employees are hired and the initial fleet comprises a single leased Boeing 727-200, although arrangements are made to lease a **Qantas Airways (Pty.), Ltd.** B-747 on occasion. A scheduled frequency is opened on December 2, Noumea to Melbourne.

During 1984, the fleet is enhanced by the addition of 1 Britten-Norman BN-2 Islander, 4 de Havilland Canada DHC-6-300 Twin Otters, and 1 Cessna 310P, all of which are committed to short-haul services.

Enplanements for the first full year of service total 133,905. Profit totals are \$163,331 (operating) and \$72,866 (net). Passenger boardings dip 2.4% in 1985 to 130,767 and freight drops by 2% to 149,000 FTKs. Rev-

enues jump 12.7% to \$6.58 million as expenses grow 12.3% to \$6.37 million. The operating profit is \$207,290 while the net profit is \$407,290.

Air Caledonie International employment stands at 85 in 1987 as customer bookings accelerate 20.2% to 52,083. Managing Director Dany Famin's carrier adds 23 personnel in 1988, plus a number of destinations, including Auckland, Sydney, Brisbane, Port Vila, Nadi, and Papeete. The Boeing trijet is replaced by a leased B-737-33A.

Passenger boardings rise 22% to 62,120 and freight climbs 6.6% to 322,000 FTKs. Revenues jump 25.5% to \$11.2 million.

Airline employment is increased by 25% in 1989 to 135. Bookings through September are up to 55,234 while freight moves to 91,000 FTKs. A \$1.28-million net loss is suffered.

The workforce grows another 17.3% in 1990 to 149 as new Managing Director Alain Ballereau oversees inauguration of a new scheduled service to Melbourne. A de Havilland Canada DHC-6-300 Twin Otter is also acquired.

Passenger boardings for the entire year jump 14.1% to 106,420. Revenues of \$19.8 million exceed expenses and allow operating income of \$4.06 million and a net profit of \$274,400.

The payroll climbs another 2.7% in 1991 to 153. Although customer bookings slide 1.6% to 99,782, revenues increase 17.3% to \$23.2 million. Costs are not kept down and, as a result, there is an operating loss of \$704,000. A net profit of \$639,310 is earned.

One more employee is hired in 1992 as operations continue with the Twin Otter and leased B-737-33A.

Passenger boardings ascend 2.1% to 101,915 while freight falls 4.9% to 846,000 FTKs. Revenues inch up 1.6% to \$23.6 million and the operating loss is \$751,000. The net profit dips to \$549,000.

In 1993, Managing Director Ballereau oversees a workforce of 159, up 1.9% over the previous year. Markets visited from Noumea include Auckland, Brisbane, Melbourne, Sydney, Port Vila, Nadi, Wallis Island, and Papeete.

Customer bookings climb 3.9% to 86,536 while cargo ascends 2.5% to 1.53 million FTKs. Revenues slip up by 3.7% to \$24.4 million. The operating loss increases to \$780,290 while there is a small net profit of \$19,467.

The employee population is increased by 6.9% in 1994 to 170, but the fleet is unchanged.

Passenger boardings dip 0.1% to 86,033, but freight is up a strong 9.8% to 1.68 million FTKs. Revenues also slide 0.1% to \$24.4 million, but expenses increase by 3.2% to \$25.98 million. Consequently, the operating loss is \$1.58 million; however, a net \$173,270 profit is reported.

The workforce grows by another 20.6% in 1995 to 205. The worldwide recovery being enjoyed by the airline industry makes its way to Noumea and this carrier shows renewed growth.

Customer bookings accelerate 24.2% to 106,817 while cargo skyrockets 192.8% to 4,931,000 FTKs.

Airline employment is reduced 7.8% in 1996 to 189. Using its own aircraft, Air Caledonie International inaugurates a code-sharing service with **Air Pacific** in July over a route from Nan to Papeete. The carrier's two aircraft transport a total 110,685, a 3.6% increase. Additionally, 3.52 million FTKs are operated, a drop of 28.6%.

On January 1, 1997, the carrier completely changes its identity, becoming **Aircalin, S.A.**

AIR CALIFORNIA: United States (1965-1981). Launched in mid-December 1965 by a group of investors led by Bill Myers and William L. Pereira, Air California is granted a California operating certificate in September 1966. A fleet of 4 Lockheed L-188As is purchased from **American Airlines** and is employed by the intrastate to begin five daily return trips between Orange County Airport (Los Angeles) and San Francisco beginning on January 16, 1967.

Frequencies are increased to seven per day on April 1 and the fleet is enhanced by the addition of 2 leased Douglas DC-9-30 jetliners. Routes are expanded to Oakland and San Jose on October 23.

Enplanements for the year total 300,000.

On June 11, 1968, the carrier is granted a new route from Ontario to Oakland. The DC-9s are now replaced by the first of six ordered Boeing 737-293s. During the fall, the four Electras are sold to an aircraft leasing concern and then chartered back into service.

A new frequency is opened on December 3 to San Jose and Oakland from Burbank.

With 600,758 passenger boardings during the year, the airline becomes one of the quickest startups in pre-deregulation U.S. commercial aviation history. However, startup and expansion costs result in a \$1-million loss on revenues of \$6.65 million.

The fleet in 1969 reaches 6 B-737-293s and the withdrawal of the Electras begins in March.

Although the company challenges **Pacific Southwest Airlines (PSA)** only on the routes from Burbank to San Jose and Oakland, a bitter fare war is fought with the intrastate rival. California's population boom encourages the rivalry.

Passenger traffic and revenues continue upward; customer bookings total 831,690.

The employee population grows 10% during 1970 to 500 and the fleet includes 7 aircraft.

In January, **Pacific Southwest Airlines (PSA)** moves to take over Air California. Following five months of hearings before the public utilities commission, PSA declares its merger attempt a failure and withdraws.

Westgate-California Corporation obtains controlling financial interest in June. Also during the month, an L-188C, first operated by **Northwest Airlines**, is dry-leased for charter work, principally on behalf of the San Diego Padres major league baseball team.

Customer bookings decline 4.3% to 799,702, but 237,403 freight ton-miles are flown, an increase of 8.2%.

Westgate-California refinances the carrier in 1971 and enplanements grow to 856,653.

The employee population in 1972 numbers 558. When Westgate-California moves to take over **Pacific Southwest Airlines (PSA)**, the DOJ halts the effort by threatening to file an antitrust suit against the corporation.

Passenger boardings jump 20.9% to 1,083,000 and 550,000 freight ton-miles are flown, a remarkable 40.8% gain. As a result of this activity, the company records its first real profit, a trend that will continue for eight years.

Three new employees are hired in 1973. In order to allow more students to visit more sites, a special fare "Students Unlimited" service is inaugurated. New routes are opened from San Diego to San Jose and from Ontario to Sacramento. By December, the intrastate is number one in the latter market in terms of passengers boarded.

Customer bookings accelerate 19.9% to 1,307,000 while the number of freight ton-miles flown rise a remarkable 109.7% to 854,000. The net profit exceeds \$2 million.

The workforce is 620 in 1974 and the fleet includes 7 B-737-293s and 1 L-188C. Frederick R. Davis, named vice president of marketing, immediately undertakes a new advertising campaign promoting the company as the "easiest" method of getting anywhere in the Golden State. The maintenance base is transferred across the bay from San Francisco to Oakland and new corporate headquarters are occupied at Orange County Airport.

Destinations now visited include San Diego, Palm Springs, Ontario, Monterey, Fresno, San Jose, San Francisco, Oakland, and Sacramento. Late in the year, a B-737-293 is leased to **Aloha Airlines**.

Still an intrastate operation, Air California originates 1.4-million enplanements, an increase of 10.4%. Cargo traffic is up a minor 1% as 945,000 FTKs are flown.

Seventy-eight new employees are hired in 1975. In the face of competition from larger carriers, AC continues to make headway. Service to Lake Tahoe, undertaken exclusively by turboprops, is initiated in February. Frequencies to Monterey are also started during the first quarter. The fleet is increased by the addition of another B-737-293 and a Lockheed L-188A Electra, which is dedicated to the Lake Tahoe route.

Passenger bookings accelerate 9.8% to 1,584,000 and 1.37 million FTKs are flown, a rise of 45.9%.

The workforce is increased 12.3% in 1976 to 784. The **Qantas Airways (Pty.), Ltd.** L-188Cs *Pacific Electra* and *Pacific Explorer* are acquired in June and August, respectively, and frequencies to Lake Tahoe are increased. Computerized ticketing is achieved by the intrastate.

Customer bookings jump 22.8% to 1,844,894 while cargo is up by 20% to 818,064 FTKs.

Permanent state certification for Lake Tahoe is granted to President Robert W. Clifford's carrier early in 1977. The fleet grows to include 10 B-737-293s, plus the 4 L-188A/Cs. Westgate-California acquires full ownership in October.

Enplanements for the year are 2,214,030.

The number of employees grows by 12.2% in 1978 to 1,150. Following passage of the Airline Deregulation Act, the intrastate extends operations to Reno; service to the Nevada community allows the carrier break into the ranks of the interstates.

Traffic increases 9% to 2,433,420 passengers carried, while cargo accelerates 11% to 4.2-million ton kilometers.

The workforce is boosted 26.1% in 1979 to 1,450. The fleet's last three Electras are phased out and sold to **Mandala Airlines**, making it an all-jet airline, and orders are placed for four McDonnell Douglas DC-9-80s (MD-80s). CAB certification is received and interline agreements are completed with all major U.S. carriers. A scheduled interstate route is inaugurated to Las Vegas in November.

Passenger boardings rise 20.1% to 2,920,000. Revenues total \$98.11 million and expenses are \$96.85 million. The happy imbalance results in an operating profit of \$1.26 million and net gain of \$1.34 million.

The employee population is boosted 27.3% in 1980 to 2,100. Frequencies to Portland, Oregon, are started in March and passenger charters are started to Mexico. Joseph R. O'Gorman is named vice president of operations and the first two MD-80s are delivered during the fall. Following adoption of the CAB's new classification scheme, Air California is re-rated as a national carrier, based upon its income.

Passenger traffic accelerates by 4.8% to 2,997,000. Revenues jump 61.89% to \$158.83 million while costs climb only to \$146.66 million. Consequently, a \$2.13-million operating profit is realized, along with a \$9.88-million net profit.

The number of workers is increased by 4.8% in 1981 to 2,200.

Flight 336, a B-737-293 with 5 crew and 105 passengers, is destroyed as the result of a bad landing at John Wayne Orange County Airport, Santa Ana, on February 17 following a flight from San Jose; there are no fatalities.

A bidding war with **Air Florida** for control of the carrier is resolved in May when William Lyon and George L. Argyros purchase the company from Westgate-California Corporation for \$61.5 million. The new owners immediately change the name of their prize to **AirCal** and adopt a new corporate identification program.

AIR CALYPSO, LTD.: Barbados (1973-1977). The former **Barbados Intercontinental Airways, Ltd.**, largest charter airline in the Caribbean, is reformed in 1973 and renamed. The workforce totals 51 and the fleet includes just 2 aircraft, both Convair CV-440 Metropolitans. Orders are placed for a pair of Soviet-built Yakalov Yak-40s. Charters continue to be offered to destinations in South America and a new series of one-day Inclusive-Tour Charters (ITCs) are opened to various Caribbean vacation resorts. In all, 22,000 passengers are flown.

In 1974, the company takes delivery of the two Yak-40 airliners and begins scheduled interisland service. Construction of a large maintenance facility is also begun. Operations cease in 1977.

AIR CALYPSO, S.A.: Aeroport du Raizel, Abymes, Guadeloupe, F-97139, French West Indies; Phone 590 89 27 91; Fax 590 93 73 14; <http://www.air-calypso.gp>; Code KLY; Year Founded 1997. Air Calypso is established at Guadeloupe in the fall of 1997 to offer regularly scheduled passenger services from its Pointe-à-Pitre base to Martinique

and St. Martin. Simon Hayot is named general manager; he recruits a staff of 84, acquires a pair of Shorts 360-300s, and launches flights on December 9.

Service, including various charters, is maintained into the new millennium.

AIR CAMBODGE, S.A.: Cambodia (1970–1975). Renamed Air Cambodge, S.A. after the fall of Prince Sihanouk and the monarchy in March 1970, the former **Royal Air Cambodge, S.A. (1)** now provides often-intermittent flights. The fleet at the end of the year includes several Douglas DC-3s, 1 DC-4, 1 DC-6, 1 DC-6B, 1 Convair CV-440, 1 Britten Norman BN-2 Islander, 1 Ilyushin Il-14 received as a gift from China the previous year, and most important of all, 1 Sud Est SE-210 Caravelle III jetliner.

Pride of the mixed-fleet, the Caravelle III is destroyed on the ground at Phnom Penh on January 22, 1971 during a guerrilla attack. It will be replaced with a similar unit, which is employed to restart services to Bangkok suspended a decade earlier. On October 2, 1972, a DC-3 is hit by mortar fire at Kampot (nine dead).

En route from Svay Rieng to Phnom Penh on May 19, 1973, a DC-3 with two crew and nine passengers is hit by ground fire shortly after departure from its point of origin and crashes 130 km. SE of its destination. There are no survivors.

A CV-440 is destroyed in a rocket attack on Phnom Penh Airport on June 10.

With a fleet of 12 aircraft, including 3 DC-4s, several DC-3s, 1 Convair CV-440, and 1 Sud-Est SE-210 Caravelle III, many of which are leased from **China Airlines, Ltd. (CAL)** and the Singapore-based **Southeast Asia Air Transport (SEAAT)**, Air Cambodge, S.A. transports 134,850 passengers during the year, a high water total in annual enplanements. A significant amount of freight is also hauled, some of it by an ATL-98 Carvair acquired via an SEAAT lease from **Ansett Airlines of Australia (Pty.), Ltd.** during the spring.

Airline employment in 1974 is 350. The ravages of political uprisings devastate traffic. Aircraft flying from Phnom Penh are employed to visit such outlying communities as Kompong Chhnang, Battambang, or Khompong Thom. These flights allow fresh food to enter the isolated capital city while permitting rice, much of it arriving as foreign aid from America, to be distributed to the country's outposts.

On June 24, the Carvair crashes while taking off from Battambang (19 dead). An extreme left-wing Communist faction, the Khmer Rouge, now enters the Second Indochina War, turning the fighting in Cambodia into a particularly vicious civil war.

En route from Phnom Penh to Hong Kong on November 28, a DC-4 freighter with three crew is shot down near An Loc, 100 km. N of Saigon; there are no survivors.

Passenger boardings decline 55% to 87,000. Still, with 9.98 million FTKs flown, freight traffic is up by a full 16%.

The problems of war and continuing Communist successes make operations considerably more difficult for the airline as 1975 begins. Khmer Rouge gunners begin an intensive shelling of the capital city on January 1, destroying several company DC-3s on the ground. On January 15, a CV-440, descending to Phnom Penh, is hit by a "friendly fire" 105-mm. howitzer shell; although the Metropolitan is able to land safely, a young girl is dead and 19 other passenger are injured.

Following the defeat and overthrow of the government by the Khmer Rouge in April, the carrier ceases operations altogether. Several of its aircraft are abandoned, including the wrecked Carvair.

AIR CAMELOT, LTD.: United Kingdom (1986–1987). Bristol-based **Aviation West, Ltd.** changes its name to Air Camelot, Ltd. late in 1986. Early in 1987, Managing Director G. S. Mimms changes his fleet to an all-Trislander operation as his Aerospatiale helicopters and Pilatus-Britten-Norman BN-2 Islander are traded in for three more Pilatus-Britten-Norman BN IIIs.

Services continue to the previous destinations of Alderney, Bournemouth, Cherbourg, and Exeter; however, the summer season does

not prove sufficiently lucrative to cover mounting expenses and as a result, the small third-level carrier is forced to stop trading late in the year.

AIR CAMEROON (SOCIETE ANONYME DES AVIONS MEYER ET COMPAGNIE, S.A.): Cameroon (1953–1971). Cameroon is established by Meyer & Company, S.A. at Douala in July 1953 as successor organization to the earlier **Regie Air Cameroun, S.A.** Douglas DC-3 cargo and charter operations are undertaken over the next two years within the former French Cameroons and to adjacent nations. Two Curtiss C-46 Commandos are acquired from **Air Maroc, S.A.** in 1955 and are employed on the company's all-cargo routes to Yaounde and Fort Lamy, the latter point in Chad. Flights continue without significant fanfare during the remainder of the decade.

The fleet is increased during the first half of the 1960s in order to provide for the initiation of scheduled services; a C-46 arrives in 1960, a DC-4 in 1961, a DC-3 and a replacement DC-4 in 1964, and another DC-4 in 1965. Scheduled thrice-weekly DC-4 services link Douala with Yaounde and Fort Lamy, while the DC-3 handles flights to eight domestic points.

Three aircraft are also lost during this period. A C-46F is lost at Bangui, Cameroon, on April 27, 1961; no other details are available. The new DC-4 with four crew and one passenger fails its initial climb from Douala on June 13 of the same year and crashes; there are no survivors. A C-46A with three crew and one passenger is lost at Garoua on February 3, 1965; again, there are no survivors.

Following the 1965 loss in an accident of one Curtiss freighter, a second is withdrawn in 1966.

In 1967–1969, freight and passenger services continue and a Lockheed L-1049 is acquired. The Constellation and several DC-4s now undertake flights to the Central African Republic, Chad, the Congo Republic, Gabon, Spanish Guinea, and Zaire. The last C-46 is withdrawn in 1970.

When Cameroon withdraws from **Air Afrique, S.A.** and announces plans to establish its own **Cameroon Airlines, S.A.**, the government, in March 1971, also dissolves Air Cameroon, in order to pass its routes and assets along to the new entity.

AIR CANADA, LTD.: P.O. Box 14000, St. Laurent, Montreal, Quebec H4Y 1H4, Canada; Phone (514) 422-5000; Fax (514) 422-5893; <http://www.aircanada.ca>; Code AC; Year Founded 1964. In 1964, Bill C-2 passes the Canadian Parliament authorizing the state-owned carrier to drop its previous title, **Trans-Canada Air Lines, Ltd.**, in favor of the present name, effective next January 1. Reasoning behind the change centers on the need for a more proper reflection of the nation's bilingual nature, as well as the growth of the company into a major international airline.

The wings of a Vickers Viscount 757 with 3 crew and 41 passengers, are damaged as the result of the loss of power in two engines while landing at Toronto on June 13; there are no injuries reported.

Meanwhile, delivery is taken of the 15th and 16th Douglas DC-8-43s and an earlier order for DC-9s is expanded from six to eight. Four Vickers Viscount 724s are sold, two to **Air Inter, S.A.** The workforce totals 11,670 and some employees sport new uniforms designed by Michel Robichaud.

A record 4,189,349 passengers are carried 3.15 billion passenger miles. Freight traffic climbs 29%, with express gaining 17% and mail 14%. Revenues total C\$213.9 million and the net profit is C\$1.4 million.

The changeover to the new name, Air Canada, Ltd., plus accompanying introduction of new livery, logo, uniforms, etc. is completed in January 1965. Airline employment is now 12,709 and the 78-aircraft fleet comprises 16 DC-8-43s, 23 Vickers Vikings 952s, and 39 Viscount 757s, with orders outstanding for 2 DC-8-53s, 4 DC-8-61s, 6 DC-9-15s, and 12 DC-9-32s.

A third Viscount 724 is sold to **Air Inter, S.A.** and daily nonstop DC-8-43 service is inaugurated from Montreal to Paris and Dusseldorf. Routes are also extended from Toronto to Freeport/Grand Bahama Island and from Halifax to Bermuda.

Passenger boardings jump 13% to 4,750,000 and cargo rises 36%, with mail up 10% and express 27%. Total revenues grow 13% to C\$250 million.

Following the conclusion of a new bilateral air agreement between Canada and the U.S. in 1966, DC-8-43 services are inaugurated to Miami from Montreal and Toronto. The first six DC-9-32s are placed in service to destinations throughout the Prairies, in the Atlantic Provinces, and in April (beginning with the first aircraft received in March), from Montreal to New York. On November 1, the carrier becomes the first in North America to launch routine scheduled service to Moscow. The route is flown from Montreal via Copenhagen.

Three days later, **Aeroflot Soviet Airlines** begins a reciprocal Moscow–Montreal Tupolev Tu-114 service. Seeking the same 30% wage increase given to Montreal stevedores the previous spring, IAM members strike the carrier on November 15, shutting the company down. Agreement is reached on November 25 giving the members a 20% salary increase over 2½ years. During the year, a Vanguard 952 is converted into a Cargoliner or 952(F) (minus a freight door) by the expedient of removing its seats.

A total of 4,951,440 passengers are carried on the year.

The workforce is increased to 15,823 in 1967. Delivery position is taken for four Anglo-French Concorde and six U.S. SSTs, none of which will ever be delivered. However, six more DC-9-32s arrive.

On March 27, a new Canadian air policy is promulgated. Internationally, AC is designated to service the U.K., West/North/South Europe, the U.S. and Caribbean; domestically, **CP Air, Ltd.**, which has also received international routes, is allowed to increase to 25% of transcontinental capacity, thus creating a two main-line operation.

A DC-8-54F, with three crew, during a May 19 a training flight, crashes at Uplands, Ontario, near Ottawa; there are no survivors. Four DC-8-61s are placed in service, beginning on September 13, launching Toronto–Los Angeles flights.

Passenger boardings soar 25% to 6,348,000 and cargo is up 15%; mail alone grows by 11%.

The employee population grows in 1968 to 16,656. The carrier now serves 61 destinations and operates 15 daily transcontinental flights. Veteran 20-year President/CEO Gordon McGregor retires on May 31 and the first DC-8-53 joins the fleet on August 13, followed by two more on August 30 and October 16, respectively. Meanwhile, delivery is taken on 19 DC-9-32s. Phaseout is ordered for the Vanguards and Viscounts and orders are placed for 3 Boeing 747-133s for 1971 delivery.

En route from Moncton, New Brunswick, to Toronto on September 11, a Viscount 724 is hijacked to Montreal by a U.S. citizen seeking political asylum. The man will be arrested by the RCMP, tried, and sent to prison. Upon his release from jail in 1971, he will be deported to the U.S., where he will again be arrested, tried, and sent to prison—this time for a Texas bank robbery committed a month before his Canadian assault and for which the statute of limitations has yet to expire.

Three DC-9-14s are withdrawn and sold to **Southern Airways and Trans-Texas Airlines**. Joining with the Jamaican government, AC forms **Air Jamaica, Ltd.**, takes a 27% interest, and provides managerial and technical assistance.

Deputy Transport Minister John R. Baldwin succeeds the legendary McGregor as president on December 15, the same day Yves Pratte is named chairman/CEO. Also in December, the company becomes the first non-U.S. airline to order the Lockheed TriStar 1, placing an order with the British concern Air Holdings, Ltd. for 10 L-1011s, plus nine options. Deliveries are scheduled to begin in 1972.

Passenger bookings accelerate 10% to 6,468,856 and freight skyrocket 42%. Revenues total C\$358.94 million.

New cargo terminals are completed at London and Winnipeg in 1969 and the Toronto terminal is doubled in size. A total of 13 Vickers Vanguard 952s are withdrawn during the year while the first of 13 DC-8-63s arrives at Montreal on February 16.

Having returned to Sept Iles Airport on April 7 with a fire in No. 2 engine, control of a Vickers Viscount 757 with 4 crew and 17 passengers is lost during the evacuation phase when the brakes fail (1 dead).

Also in April, **Air Jamaica, Ltd.** begins service to New York and Miami, employing two former AC DC-9-32s purchased in March. During the month, new uniforms designed by Leo Chavalier of Montreal are introduced.

The IAM chapter strikes between April 20 and May 19 and, on July 12, the carrier grants a 15% raise in wages in benefits for its stewardesses and pursers. A new computerized reservation system, RE-SERVE II, is switched on at Montreal and Toronto later in the year.

Enplanements during the 12 months total 6,329,250, down from 1968.

The workforce in 1970 stands at 17,447. On May 1, in cooperation with **CSA (Czechoslovak Airlines)**, service is inaugurated to Prague, the carrier's eleventh European gateway.

Having returned to the air after a heavy landing at Toronto on July 5—during which the No. 4 engine is torn away from its mounting—a DC-8-63 with 9 crew and 100 passengers suffers the loss of its right wing while attempting to go around. A result of a possible fuel tank explosion, the aircraft crashes in flames into a nearby field; there are no survivors.

Orderly retirement of the Vanguards and Viscounts continues. Internally, two new branches are established at the head office, and a series of regional administrative and sales centers are established systemwide. North Atlantic schedules are boosted from 59 to 70.

Passenger traffic jumps 13% as 7,275,000 passengers are flown; cargo climbs 24.6%. A net loss of C\$1 million is suffered.

The first of five ordered B-747-133s to be delivered during the year arrives on February 11, 1971; it is followed by the receipt of a second on March 18. The inaugural Jumbojet is placed into service on the Vancouver–Toronto service in April, while the second begins flying Toronto–London routes in June. The third B-747-133 arrives on June 24 and in July flights commence from Montreal to Frankfurt via Toronto and Paris; it is aboard this service that the carrier shows its first in-flight 16-mm. motion pictures.

Although options for the Concorde remain alive, the last Vanguard 952 passenger service is completed in October. Eight more of those types are withdrawn during the year.

On November 12, an IRA gunman named Peter J. Cini, brandishing a pistol and dynamite, hijacks Flight 812, a DC-8-53 en route from Vancouver to Montreal with 153 passengers. He forces it to land in Great Falls, Montana, and Calgary, Alberta, after demanding safe passage to Ireland and C\$1.5 million in ransom. Cini is paid an undisclosed amount (later acknowledged to be approximately C\$50,000) and given a requested parachute. As Cini dons the chute for an announced exit out of a side door, the plane's pilot using the butt of a fire ax knocks him unconscious. Seriously injured, the pirate is turned over to police after the Douglas lands at Calgary.

Cini will be tried and given a life prison sentence. Although unsuccessful, he is, ironically, the first to attempt a parachute robbery from a jetliner, beating the infamous "D. B. Cooper" to that distinction by ten days.

The second skyjacking within two weeks occurs on November 24 when a gunman kidnaps a stewardess and takes her aboard Flight 807, a DC-8-63 that is preparing to depart Frankfurt for Montreal. The hijacker demands the release of the Czech prisoners who had captured a Slov Air flight on June 8 and diverted it to West Germany. While threatening to detonate an explosive device, the pirate is shot and killed by a police marksman.

The airline is subjected to another skyjacking on Boxing Day, December 26. A lone gunman who has boarded at Thunder Bay takes over Flight 932, a DC-9-32 with 89 other passengers and en route to Toronto, and orders it to Cuba.

Enplanements accelerate to 7,436,000 and a net C\$1.666-million profit is announced.

Airline employment is increased in 1972 to 18,259 and the route network now includes some 78,000 unduplicated miles. The fleet includes 3 Jumbojets, 38 DC-8s, and 47 DC-9s, 1 of latter newly converted into a freighter. An arrangement is made with **Continental Airlines** for the purchase of 8 DC-9-15s. The first of these are now received

and on April 30 are used to inaugurate "Rapidair" shuttle service, with up to 50 daily frequencies, between Montreal and Toronto. The last Vanguard 952(F), employed as a Cargoliner freighter, is withdrawn in May.

During the summer, a multitiered "Explore Canada" fare is introduced to encourage travel within the nation. In July, the Concorde operations are cancelled. During the year, one-third interest is taken in **Wardair Canada, Ltd.** and services of RESERVEC II are leased to **Pacific Western Airlines, Ltd.**

V. Widars hijacks a DC-8-61 at Frankfurt Airport on November 24 and holds a stewardess hostage aboard for 24 hours before being fatally shot by a West German police sniper.

Passenger bookings climb to 8,359,000 (up 12%) and a net C\$8.6-million profit is earned.

Airline employment in 1973 exceeds 20,000. The first of six L-1011 TriStar 1s to be delivered on the year arrives at Toronto on January 14; it is introduced into revenue service on March 15 on the Toronto-Vancouver route. As the others become available, they begin flying to Edmonton, Calgary, Winnipeg, Montreal, Halifax, and St. John's. Two others, owned by the leasing firm Haas-Turner, will be shared with **Eastern Air Lines** for five years, flying for the American carrier in winter and the Canadian during the summer.

Orders are placed for five B-727-233s and four DC-9-32s. Two more B-747-133s are delivered on May 13 and 13, respectively, and machinists stage a strike at Vancouver, Edmonton and Calgary between June 5 and 19.

Flight 890, a DC-8-53 being prepared for a service to Zurich, catches fire while refueling at Toronto on June 21 and is destroyed; two maintenance workers are injured.

The decision is now taken to abandon certain secondary European markets and to concentrate on the gateways. Late in the year, Transport Minister Jean Marchand reveals a new air policy dividing world air routes between AC and **CP Air, Ltd.** AC receives rights to Colombia, Venezuela, and the three former Guianas in South America; all of Africa, save Morocco, Tunisia, and Algeria; North, Central, and Eastern Europe, save Holland; and Lebanon, India, China, and Pakistan.

Meanwhile, Prime Minister Trudeau's government concludes a major new bilateral agreement with the U.S. that opens up 15 American destinations. President John Baldwin retires on December 15 and is succeeded by Ralph T. Vaughan. The in-flight *en Route* magazine is started during the year.

Passenger bookings accelerate 22% to a record 10.3 million, but the profit falls to C\$6.1 million, due largely to increased fuel costs.

The workforce rises to 21,216 in 1974. In April, the last Viscount 757 is retired. A fifth B-747-133, four L-1011-1s, five B-727-233s, and four DC-9-32s are delivered, the latter two types being placed on the Toronto-Montreal "Rapidair" route. Also in April, the carrier provides the manpower and management to launch a two-year STOL demonstration service, "Air Transit," linking Montreal and Ottawa with de Havilland DHC-6s. The cost of the operation is paid by a C\$20-million Ministry of Transport grant.

Meanwhile, new routes are opened to Munich and to two U.S. destinations: Edmonton/Calgary-San Francisco and Quebec City, Calgary, and Winnipeg-New York. C\$10-million worth of computer equipment is purchased from Honeywell, Ltd. on June 18 and on August 1 the carrier designated the 2nd and 4th cabins aboard its wide-bodied jetliners exclusively for nonsmokers. Nearly 50% of the seats aboard its DC-8-s, DC-9s, and soon-to-be-delivered B-727-233s are already banned to smokers. In the fall, three DC-8-43s are leased to **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**; in addition, training contracts are signed with the Cuban carrier.

In something of a footnote to the year, designer Chavalier again outfits carrier employees with new uniforms.

Although freight traffic is off 2%, enplanements during the 12 months increase 8% to 10,515,000.

The workforce is cut to 10,589 in 1975 and nine new B-727-233s are deployed throughout the year. The first Jumbojet "Combi" and the 250th

B-747 constructed, a Dash-233C, is delivered on March 7 and, in April, the carrier's first new non-U.S./Europe routes in five years are opened to Guadeloupe and Martinique. Additionally, Prince Edward Island and Dallas (DFW) are added to the route network. The airline's on-time performance is now the best in North America. Daily service is initiated from Toronto to Dallas (DFW) and Houston on July 1. Internally, the carrier's management faces a spring-fall parliamentary inquiry over its business practices.

The first DC-8, a Dash 43, is sold on October 1; its purchaser is the U.S. FAA, which will employ it for destruction tests. Chairman/CEO Yves Pratte resigns on November 27 amid charges that the carrier offered Lebanese cabinet minister Souren Khanamerian C\$500,000 annually in free first-class travel for his help in obtaining landing rights at Beirut; he is succeeded, on an interim basis, by CNR Chairman Pierre Taschereau on December 1. On December 8, the parliamentary report, clearing the company of charges of illegality, is tabled in the House of Commons.

Cargo for the year dips 2.6% and passenger bookings fall 1.2% to 10,394,000. Revenues total C\$957.2 million and expenses are C\$917.9 million, leaving a C\$39.3-million operating profit, but a C\$13.1-million net loss.

Airline employment in 1976 is reduced another 2% to 20,556. President Vaughan quits early in the year. On February 16, Claude I. Taylor becomes president/CEO. Meanwhile, the all-jet fleet now includes 6 Jumbojets, 12 Lockheed L-1011-1s, 14 B-727-233s, 8 DC-9-15s, 44 DC-9-32s, 1 DC-9-32F, 8 DC-8-43s, 2 DC-8-53s, 6 DC-8-54s, 7 DC-8-61s, and 12 DC-8-63s.

While on lease with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**, a DC-8-43 is lost in a midair collision while on a training flight. In April, in addition to leasing DC-8s to **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**, services are begun to Havana; routes are also opened Calgary-Chicago and Toronto-Boston. The successful "Air Transit" STOL experiment ends on April 30 while "Night Coach Excursion" fares are initiated on flights to Florida and Freeport in May.

A nine-day pilots' walkout ends on June 29, following the government's decision to re-examine its proposal to require the use of the French language by air traffic controllers at Quebec City Airport. A simultaneous ten-day air traffic controllers (ATC) strike shuts down operations.

On October 29, Transport Minister Otto Lang introduces Bill C-17, the Air Canada Act, into Parliament. Also in October, another DC-8-43 on lease to **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** is destroyed, this one in a landing accident. Acting Chairman Taschereau is confirmed permanently in his post in December.

Freight increases 6%, but passenger boardings fall again, down 0.3% to 10.3 million. Revenues exceed C\$1 billion for the first time, but a third straight year of financial deficit is also recorded.

Bill C-17 becomes law in 1977. It removes the carrier from Canadian National Railroad jurisdiction and allows the formation of a holding company for purposes of diversification. The changeover is the high-light of the fortieth anniversary year.

A DC-9-32F is sold to **Southern Airways** and four DC-9-15s are sold to **Air Florida**. Additionally, four DC-8-41s are sold or leased, including one to **Air Jamaica, Ltd.** and one to **Air Ceylon, Ltd.** along with a DC-8-42. Three L-1011 TriStar 1s are converted to L-1011-100 status. When **Air Ceylon, Ltd.** runs into fiscal problems in the fall, its Douglas is returned.

A total of 12,263,304 passengers are carried and a net profit of C\$17.2 million is posted.

The employee population is increased 2.5% in 1978 to 20,900. The number of L-1011s is reduced to 10 (7 Dash-1s and 3 Dash-100s), DC-9-15s to 3, and DC-9-32s to 43 as an ex-**United Airlines** B-727QC is added. Orders remain outstanding for 1 B-747-233C, 13 B-727-233s, and 2 B-727QCs.

In February, the carrier is reorganized and recapitalized under terms of the Air Canada Act of 1977, now receiving assent. All of the capital

stock is repatriated from the former parent company, the Canadian National Railway Co. and is vested in the Canadian government.

A number of low-cost domestic-incentive fares and several cargo service innovations are successfully introduced and, during the year, Chairman Taschereau retires and is succeeded by Bryce Mackasey. A B-747-133 with 301 aboard, makes an emergency landing at London (LHR) on April 26 after an engine fire. A small package service, Airvelope, is introduced by the B-727QC in May to 17 cities.

Following a blown tire while on takeoff from Toronto on June 26, Flight 189, a DC-9-32 with 5 crew and 102 passengers, aborts its departure, but overruns the runway and comes to rest in a ravine (2 dead).

In July, 84% controlling interest is taken in the regional **Nordair, Ltd.** Union and government opposition prevents a full merger and the new acquisition will be operated as a subsidiary until its sale in 1984. A B-747-133 with 370 aboard, including the Duke of Edinburgh, finally departs for the U.K. from Vancouver on August 13 after mechanical problems cause two takeoff attempts to be aborted.

The company reaches a settlement with its machinists on September 4, ending a ten-day job action. During the fall, a practice of chartering DC-8-63s for Hadj flights to Saudi Arabia begins.

A one-day shutdown during the summer has no impact upon passenger boardings, which accelerate 2.3% to 12,552,000, or cargo, that jumps 11.4%. Total unduplicated route mileage is now 87,191. Revenues climb 11.4% to C\$1.137 billion and expenses are C\$1.064 billion, allowing an operating profit of C\$72.7 million and a net profit of C\$40.9 million.

Pierre Taschereau comes out of retirement early in 1979 to again assume the company's chairmanship; a second B-747-233C is delivered on January 31. Two ex-**United Airlines** B-727QCs are delivered in the spring and, together with the plane delivered in 1978, are dedicated to a new small-package express "Courier Service." An interchange agreement is made with **Federal Express** for linkage of the two companies' express services at Chicago, and later Vancouver, Winnipeg, and Toronto. Meanwhile, the second B-747-233C joins the fleet.

A ten-year, C\$3.5-billion fleet renewal program is launched with orders for 12 B-767-233s and 9 L-1011-500s. Service also begins to New York's La Guardia Airport (in addition to JFK), and routes are inaugurated from Edmonton/Winnipeg-Chicago; from Montreal-Los Angeles; and from Toronto-San Francisco. In twice-weekly round trips, AC DC-8-63s transport Vietnamese refugees to Canada, flying from Kuala Lumpur to Edmonton/Montreal via Tokyo and Vancouver.

En route to Yarmouth from Boston on September 17, a DC-9-32 with 5 crew and 37 passengers loses its rear door and tail cone; it returns safely to Boston. Inspections, occasioned by a U.S. FAA alert bulletin, will reveal bulkhead cracks on 33 of 119 DC-9-32s in service.

During the year, senior pilot Capt. George Lothian publishes his recollections of three decades service to AC and TCA, *Flight Deck: Memories of an Airline Pilot* (Toronto: McGraw Hill Ryerson).

Freight jumps 15.6% and passenger boardings balloon 14.6% to 12,618,834. Revenues explode upward by 20.6% to C\$1.9 billion and a record C\$65.9-million net profit is achieved.

Six B-727-233s are placed in service during 1980 and the first DC-8-63 is converted to freighter status in March. Vietnamese refugee flights continue and a new charter service to Reno for gamblers is started. Other new charter destinations initiated include Luton, Prestwick, London, Birmingham, Manchester, Newcastle, Frankfurt, Cardiff, and Belfast.

As the result of engines idling too slowly, a B-747-233C with 403 aboard loses power in three of the engines while preparing to land at Toronto on June 8; the landing is, however, made safely and without injury to anyone. DC-8-54F Toronto-Caracas cargo flights are undertaken on behalf of General Motors throughout the year and, by August 15, the entire DC-8-40 and -53 fleet has been withdrawn.

In September-November, two DC-8-63s are leased to **Royal Air Maroc** for Hadj pilgrimage flights while an L-1011-100 is chartered for two years to **Air Lanka, Ltd.** About the same time, the last three DC-9-15s are sold to **Air Florida**. During the year, 11-million hot meals and snacks are served on company flights.

Although freight is off 3.5%, passenger bookings increase a slight 1.6% to 13 million. Revenues are up 19.5% to C\$2 billion, but expenses, led by increased fuel costs, jump 21.6% to C\$1.8 billion. The operating profit drops 10.9% to C\$75.6 million and the net profit falls to C\$48.8 million.

Rene Amyot becomes chairman in early 1981. The 6 L-1011-500s plus 3 more B-727-233s join the fleet. "Connoisseur Class" is initiated for business passengers, while the major new charter program is expanded, destinations for which include Los Angeles, Ft. Lauderdale, Honolulu, Las Vegas, Cancun, Ixtapa, St. Lucia, and San Juan.

A "no frills" B-747-233 service is inaugurated from Vancouver to Toronto. Computer and maintenance facilities at Winnipeg are upgraded and a variety of corporate cost-cutting and energy-conservation measures are adopted.

A jetliner captain reports a near miss with a **New York Air** passenger plane over New York on August 3; the U.S. FAA denies the incident is linked to the PATCO air traffic controllers' strike.

A Jumbojet is chartered to **Royal Air Maroc** for September-November Hadj flights and, in October, three B-727QCs are sold to **Interstate Airlines**. A DC-9-32 is sold to **Pacific Southwest Airlines (PSA)** in November and an L-1011-100 is leased to **Air Lanka, Ltd.** on December 31.

Cargo grows 3.5% on the year, but passenger enplanements dip 4.6% to 12.5 million. Revenues decline 11.1% to C\$1.88 billion and expenses spurt 13.4%, leaving an operating profit of C\$56 million and a net profit of C\$32 million.

Airline employment is cut 3.1% in 1982 to 22,612. The effects of the world economic recession are still felt. In January, the company receives the 1981 "Technology Management Award" from *Air Transport World* magazine.

The center wing fuel tank explodes aboard a DC-9-32 that is undergoing maintenance at Montreal on June 2; although the plane is destroyed, there are no personnel injuries.

"Connoisseur Class" is now available on most domestic and international flights. During the year, five DC-8-54Fs and three DC-8-61s are sold, and two DC-8-63s are converted to Dash-73CFs. The first two B-767-233s are delivered late in the fall while the L-1011-100 leased to **Air Lanka, Ltd.** is returned at year's end.

Passenger boardings fall 9.5% to 11,362,000 and freight is off by 4.8%. Revenues drop 9.6% to C\$1.6 billion while expenses grow 6.9% to C\$1.9 billion. The operating loss is C\$20.1 million and the net loss (the first since 1976) is C\$25.4 million (which would have been C\$49 million, except for a fuel credit and a revision in aircraft depreciation schedules).

The workforce is reduced another 7.3% in 1983 to 21,600 as stringent cost-reduction measures are increased in severity. On February 14, the first two B-767-233s are introduced on the transcontinental routes; four additional "mini-jumbos" are received during the rest of the year and are placed in service to other North American destinations. Internationally, service is resumed to Dusseldorf.

A B-747-133 is leased to the California-based operator **Air National**, which employs it to operate summer-schedule passenger charters to Europe. The remaining passenger-configured DC-8s are retired and the DC-8-63s employed as freighters are reengineered into Dash-73CFs with CFM56 engines. The reengineering work is started in-house at Montreal (YUL).

During the spring, an interline agreement is reached with **United Airlines** for the connection of small package services at Chicago. On May 12, a DC-9-32, on its second landing attempt, skids off a snow-covered runway at Regina; there are no injuries. Also in May, a two-year period of aircraft interior refurbishing is completed aboard the DC-9 fleet.

As the result of a faulty restroom motor that starts a fire at the rear of the aircraft, the cabin and cockpit of Flight 797, a DC-9-32 with 5 crew and 41 passengers and en route to Toronto from Dallas (DFW) on June 2, fills with smoke. The aircraft also suffers electrical failures that knock out critical navigation instruments. Captain Donald Cameron and Copilot/first officer Claude Ouimet are guided to an emergency crash landing at Greater Cincinnati Airport at Covington, Kentucky by traffic

controller Gregory Karam. An emergency landing is made on Runway 27L, but the airport fire services are unable to put out the fire, which guts the fuselage and kills (primarily by smoke inhalation) 23 passengers before they can be evacuated; among the victims is George Curtis Mathis Jr., chairman of the Curtis Mathis Corporation.

Another DC-9-32 with 72 aboard lands safely at Hamilton, Bermuda, on June 12, after crew members put out a fire in a lavatory towel bin. One man is treated for smoke inhalation and, after interrogation, is charged with starting the fire.

On July 23, as the result of two mistakes in figuring the fuel supply of the airline's first aircraft to use metric measurements, Flight 174, a B-767-233, runs out of gas 150 miles east of Winnipeg; a glide is made to a safe emergency landing at RCAF Gimli, Manitoba. The incident will be told in 1989 by William and Marilyn M. Hoffer in their *Freefall* (New York: St. Martin's Press) and, with certain liberties, in the 1995 William Devane motion picture *Falling from the Sky: Flight 174*.

Also in mid-year, Chairman Amyot is succeeded on an interim basis by Geno F. Francolini.

On September 9, a DC-8-61 is leased to the Syrian Government for use by **Syrian Arab Airlines**, prior to its transfer to Ireland's Guinness Peat Aviation for sale back to the Syrians. Upon their attempted departure for Ireland on September 12, the plane is seized and not returned to AC until November 28. At that point, the Canadians put the aircraft into storage. Also in September, a DC-9-32 overshoots the end of the runway at Rouyn-Noranda; simultaneously, a contract is signed with **Alaska Airlines** for the overhaul of 12 B-727s.

Flight 965, a Lockheed L-1011 with 161 passengers, hits severe air turbulence while flying over South Carolina on November 24 and suddenly drops 500 feet; 27 people aboard are injured, none seriously. Also in November, corporate headquarters are moved into the new Place Air Canada in Montreal. The **Air National** Jumbojet is returned during the month; it will be put up for sale the following spring.

A yearlong campaign is completed during the third quarter to consolidate the reservations/sales facilities at New York, Chicago, Los Angeles, and Miami into one at the former location. The last two World War II pilots, Gordon Jones and Michael Furgala, retire in December and, operating under the 75-min. rule, B-767-233 over-water flights commence from Toronto to Bermuda. Also during the year, a DC-9-32 is sold to **Pacific Southwest Airlines (PSA)**.

Passenger traffic for the year falls another 7.9% as 10,500,000 passengers are flown; cargo is up 9.5% to 638 million FTKs. Revenues dip 0.3% to C\$1.792 billion, but expenses drop 2.6% to C\$1.777 billion, allowing an operating profit of C\$22.1 million. The net C\$2.8-million profit represents a C\$28-million turnaround from 1982.

The employee population is increased 1.2% in 1984 to 21,847. In January, the New York City destination is shifted to LGA from JFK. Six additional B-767-233s (including two ERs equipped for over-water flight) join the fleet, completing the renewal program begun in 1979. The carrier sells 13 aircraft—six DC-8-54Fs, four DC-8-61s, two B-727-233s, and a B-747-133.

In March, a contract is signed with Cammacorp to reengine DC-8s. Vigorous new marketing campaigns, including a frequent flyer program, are undertaken as service is extended to Munich and Geneva and plans are laid for expansion into the Far East.

New summer charter destinations include Rome, Venice, Lisbon, Shannon, Belfast, Dublin, Amsterdam, Belgrade, Zagreb, and Malaga. Unduplicated miles in the global route network now total 195,367. On June 1, President/CEO Taylor becomes the first full-time employee ever elevated to the chairmanship of the company; Pierre J. Jeannot succeeds him as president.

In July, **Nordair, Ltd.** is sold to Innocan, Inc. During the summer B-767-233s are introduced on the nonstop daily flights between New York (LGA) and Vancouver via Calgary route.

Two DC-8-61s fly Montreal-Toronto "Rapidair" flights in July–September, replacing the DC-9-32s and B-727-233s chartered by opposing political parties during the federal election campaign.

In September, an AC L-1011-500 flies Pope John Paul II back to Rome following his Canadian visit and two L-1011-1s are leased to **Gulf Air, Ltd.** for three years. During October–November, Air Canada Cargo Express, which has been serving London and Frankfurt for two years, switches its hub to Brussels.

In December, a DC-8-63 awaiting reengining is sold to **LAP (Lineas Aereas Paraguayas, S.A.)**. During the year, one of the carrier's original Lockheed Model 10A Electras is reacquired; it will be restored to airworthy condition. The "Aeroplan" frequent flyer incentive plan is activated.

Passenger boardings jump 7.6% to 11,312,000, and freight climbs 11.4%. Revenues advance 8.8% to C\$1.84 billion as expenses grow only 8.2%. Operating income rises to C\$30.6 million and the net profit increases sevenfold to C\$20.1 million.

The workforce grows 1.3% in 1985 to 22,134. On January 1, a new management structure becomes effective. Gone are the six geographic regions, replaced by only two—Canada and International. The deregulation of the Canadian airline industry still leads to low passenger growth and, even worse, overcapacity. Management now begins to prepare for privatization. L-1011-500 service is launched from Toronto to Bombay (now Mumbai) and Singapore via London, on April 15 with Toronto–St. Louis following later. Flights to Houston and Cleveland cease. Six reengineed DC-8-73s are placed on all-cargo routes; an increased emphasis upon freight operations results in the carrier leasing two B-707-320s and two DC-8Fs. A B-727-233 is sold to **Federal Express** and a B-747-133 is sold to **National Airlines**.

Two B-767-233s are leased from Citibank for a 15-year period and frequencies on the nonstop Toronto–Vancouver and Toronto–Winnipeg B-767-233 routes are increased to five per day. Meanwhile, under the 120-min. rule, transatlantic B-767-233ER flights commence in May from Halifax to London. Late in the year, B-747 charters are initiated to Honolulu, Port-au-Prince, and St. Lucia.

A three-week work stoppage by passenger agents in May and a six-week flight attendant strike in August–September are damaging and when combined with the effects of deregulation cause passenger boardings to dip 0.8% to 11,222,000.

Unaffected, freight climbs 6.7%, thanks largely to express mail and the new Dash-73s. Revenues grow 8.9% to C\$1.95 billion, but expenses accelerate 10.7% to cut the operating profit to C\$1.15 million; the net profit of 1984 this year becomes a C\$14.8-million loss. Still, the carrier retains its ranking in the top 25 of all world airlines. It is 22nd in terms of passengers carried, 15th in fleet size, and 13th in freight carried, total number of employees, and operating revenue.

A hiring freeze is continued in 1986 as legislation designed to liberalize government regulation of the transportation sector does not succeed in Parliament. Still, management will spend the year preparing for the eventuality.

In January, airborne air-to-ground telephones are introduced aboard the B-767-233s. At the same time, all-cargo service is launched from Brussels to Bombay via Bahrain. The company is designated to receive the 1985 "Passenger Service Award" from *Air Transport World* magazine.

"Executive Class" is introduced on the same aircraft types in February and on March 12 the last three DC-8-63s are sold. In April, B-767-233 service begins to Manchester (England), bringing the carrier's total of world destinations to 63.

Meanwhile, on March 11, three Aerospatiale AS-350B Ecureuil helicopters of the Ranger Helicopter Division of **Maple Leaf Helicopters Canada, Ltd.** begin 34-per-day connecting flights between AC's gates at Pearson International Airport and the downtown Toronto heliport at Cherry Beach.

In June, the airline is reorganized once more, for the third time in six years. In essence, the corporate structure is divided into two parts: the airline and all ancillary activities, e.g., computer services, subsidiaries, investments, etc. The major assumes 49% interest in **Air Nova, Inc.** in July.

In August, a marketing agreement is concluded with the U.S. carrier **Pacific Southwest Airlines (PSA)** (swallowed by **USAir** in December),

calling for the coordination of schedules to Los Angeles and San Francisco. Similar plans are also established with **Cathay Pacific Airways (Pty.), Ltd.**, **Air New Zealand, Ltd.**, and **Malev** of Hungary. Simultaneously, a DC-8-73 cargo route is opened from Brussels to San Francisco via Toronto, as a seventh DC-8F is acquired.

In September, the Bangkok cargo route is extended to Singapore and the uneconomical Toronto-Dallas (DFW) service is suspended. In the fall, three B-727-233s are sold to **Federal Express** and negotiations are begun for the lease of three B-747-233Cs. The weekly Edmonton-Ottawa direct B-727-233 service is dropped and the airline announces its intention to suspend the transborder Yarmouth/St. John's-Boston frequency. During the fall, the flag carrier elects to emulate another American trend by forming a code-sharing commuter network, "Air Canada Connector".

In October, the carrier purchases majority control of both **Air Ontario, Inc.** and **Austin Airways, Ltd.** In November-December, newly formed **Air Nova, Inc.** and Vancouver-based **AirBC, Ltd.** are also acquired. It will eventually become common practice to incorporate the traffic and financial results of these subsidiaries with those of the parent. In November, the company begins refurbishing 26 B-727-233s in order to extend its "Executive Class" service to additional North American routes. Winter services are initiated by the B-747-233Cs from Toronto-Puerto Plata (Dominican Republic) and by L-1011-500s from Montreal-Santo Domingo; both operations are weekly. During the year, two L-1011-1s are leased to **Air Lanka, Ltd.**

Passenger bookings rise a slight 1% in these 12 months to 11.3 million while, largely as a result of the success of the "Express Air Canada Cargo Service," freight rises 8.8% to 848 million FTKs. Revenues rise 4% to C\$2.2 billion, expenses are up only 1.4%, and the operating profit is a record C\$101 million. Net gain reaches C\$32 million.

An eighth DC-8-73F is acquired just after New Year's 1987. Twenty of the remaining 35 DC-9s are sold to Citibank for \$200 and then leased back for eight to ten years. The income is used to order four B-767-233ERs. In January, the carrier assumes 75% shareholding in **Air Ontario, Inc.** while, in early February, it takes 85% control of **AirBC, Ltd.**

On February 18, the line becomes the first Canadian carrier to provide scheduled service to Thailand when it begins DC-8-73F all-cargo roundtrip flights from Toronto to Bangkok via Brussels and Dubai. All but 25% shareholding is taken in **Air Alliance, Inc.** on March 18.

The fiftieth anniversary is celebrated in April. Also in April, the flag line launches twice-weekly L-1011-500 service to Vienna, its 64th destination via Frankfurt. A four-month experiment is launched on April 25 banning all smoking on flights out of the New York area to Toronto/Montreal as well as on half of the services from Vancouver to Calgary/Edmonton. Thrice-daily nonstop flights begin from Newark to Toronto in May.

Seasonal nonstop Newark to Calgary service starts on June 21. Unable to generate sufficient traffic, the airport-downtown **Maple Leaf Helicopters Canada, Ltd.** connecting service is discontinued on June 27. The carrier joins with **Canadian Airlines International, Ltd.**, also in June, to merge their respective computer reservation systems and form Gemini Group Automated Distribution Systems. At the same time, the airline takes 65% control in Express Messenger Systems and Northern Express Messenger Systems.

A B-747-238B is purchased from **Qantas Airways (Pty.), Ltd.** on July 14 and Gelco Express, Ltd., a subsidiary of Gelco Corporation, is purchased in August. On September 5, it is reported that a survey shows 96% support for the no-smoking ban. A redivision of global responsibilities with **Canadian Airlines, Ltd.** occurs during the fall. Henceforth, AC has rights to Asia, the Middle East, Africa, the Caribbean and Venezuela, northern (except Russia and Scandinavia) and southern Europe.

In one of the strangest reasons given for a hijacking yet, James Barrett Drake takes over a B-767-233ER (which has just deplaned its passengers following a scheduled service from Toronto) at San Francisco for three hours on November 7 in order, he says, to win FBI protection

from the Mafia. Upon examination, it is determined that Drake is mentally unstable and is sent to a psychiatric facility.

A strike by machinist union members (8,000 of the carrier's total workforce) shuts the carrier down from November 28 to mid-December. Following the work stoppage, the winter charter season begins with flights to England, Scotland, France, and Ireland. The strike causes overall passenger traffic for the year to fall slightly, by 2.7% to 11,000,000 passengers. Freight, however, avoids a negative report, growing a slight 0.7% to 854 million FTKs. Revenues ascend 8.5% to C\$2.5 billion, expenses rise 9.7% to C\$2.4 billion, and the operating profit drops to C\$83 million. Net profit, on the other hand, climbs to C\$37 million.

The Canadian airline industry is largely deregulated early in 1988, at the same time a 75% interest is taken in the newly established commuter airline **Air Alliance, Inc.** The workforce is increased by 5.1% to 22,638 and a C\$1.5-billion order is now placed for 34 Airbus Industrie A320s to replace the B-727-233 fleet. On January 11, the former **Qantas Airways (Pty.), Ltd.** B-747-238C *Sale* is purchased.

During the first quarter, "Nutricuisine" in-flight meal service is added for health-conscious business-class travelers. On April 12, the government announces the airline's privatization plan; a total of 45% shareholding is to be sold. The report results in a political furor throughout the nation, with some critics accusing Prime Minister Brian Mulroney of selling "the family silver," and others scoring the plan because the state will still retain majority control. On May 30, 90% interest is taken in **Northwest Territorial Airways, Ltd. (NWT Air, Ltd.)**.

Beginning in June and during the summer months, weekly nonstop flights are operated from Newark to Halifax and Calgary. Starting in July and running through September 3, the airline operates daily nonstop service between Chicago and Calgary, complementing the existing one-stop route flown via Winnipeg. Approval of the company's sale is given by the House of Commons in the Canada Business Corporation Act, also in July.

The Air Canada Public Participation Act comes into effect on August 16, providing for a public offering of company stock. The airline, on August 25, stops flying under the provisions of the Air Canada Act, 1977, but continues pursuant to articles of continuation in the Canada Business Corporation Act.

Also during August, a new livery is adopted and three B-747-433s are ordered for 1990-1991 delivery. In addition to the daily Chicago-Calgary via Winnipeg service, nonstop Chicago to Calgary flights are initiated.

AC begins its first scheduled service to South America in September with twice-weekly frequencies from Toronto and Montreal to Caracas, Venezuela. Simultaneously, a fourth nonstop flight is added from Chicago to Toronto. At the same time, the famous maple leaf logo is enlarged, a burgundy stripe is added to the side of aircraft alongside the previous red stripe, and the words "Air Canada" begins to appear in lower case.

Despite the heated earlier debate, the company's first private offering, C\$8 per share, is completed on October 13. The highly successful action distributes 30.8 million common shares and brings in C\$234 million. Three weekly roundtrip frequencies are inaugurated on October 31 from Toronto and Montreal to Lisbon and Madrid. Also in October, the popular "Nutricuisine" in-flight meal service is extended to also include first-class ticket holders.

In October-November, one DC-8-63AF is sold to **Evergreen International Airlines** and another is delivered to **Airborne Express**. A blocked space agreement is signed with **Royal Jordanian Airlines** in November under which the Mideast carrier allocates seats to the Canadian airline on its new twice-weekly service from Amman to Montreal. Service to Santo Domingo ceases on December 16.

Passenger boardings climb 8.2% on the year to 11,900,000 and freight rises 3.4% to 883 thousand FTKs. Revenues advance 9.4% to C\$2.9 billion and with expenses held in check, the operating profit is a record C\$98 million. Net gain reaches C\$80.6 million.

Airline employment grows by 2.5% in 1989 to 23,211 and the fleet now includes 2 B-747-233BCs, 1 B-747-238C, 3 B-747-133s, 8 L-1011-1/100s, 6 L-1011-500s, 4 B-767-233ERs, 17 B-767-233s, 33 B-727-233s, 36 DC-9-30s, and 6 DC-8-73Fs. Orders are outstanding for 3 B-767-233ERs, 3 B-747-433s, and 38 A320s.

A new "customer care" service improvement strategy is implemented in January and, in cooperation with the City of Montreal's "Big on Life" tourist promotion packages, the airline introduces a C\$171 roundtrip Chicago-Montreal fare. In addition, members of the Aeroplan frequent flyer program are, through February 28, awarded quadruple mileage on all nonstop and direct flights between Toronto-Ottawa-Montreal, Winnipeg-Calgary-Edmonton-Vancouver, and between Toronto/Montreal and London. Plan members also begin to receive mileage points when they stay at Radisson hotels in the U.S. and Caribbean.

During February, an eight-year unsecured, floating rate \$400-million credit facility is obtained in Europe from a financing syndicate lead by the Bank of Montreal Capital Markets, Ltd.; proceeds will be employed to help finance new aircraft purchases. A Toronto to Nice service begins on March 17 and, also in March, the overnight division of Gelco Express, Ltd. and certain other assets are sold to Purolator Courier, Ltd. in exchange for 22% equity in Purolator.

On April 3, twice-daily Newark to Montreal DC-9-30 flights start. Thrice-weekly B-767-233ER service is inaugurated from Toronto to Zagreb, Yugoslavia via Zurich, in May. Simultaneously, twice-weekly L-1011-500 flights commence from Toronto to Birmingham, England via either Glasgow or Manchester. Revamped "Executive Class" business-class service is now introduced on the transatlantic routes. Later in the month, L-1011-500 twice-weekly scheduled service is inaugurated from Toronto/Montreal to Athens.

C\$60.5 million is raised in late spring through a private placement via Citicorp (Switzerland), of 100 million SFr 5% notes. For four months, beginning on June 19, increased summer service is added from Newark and Boston to Toronto and Halifax or Calgary, while a third frequency is laid on to Athens. Also in June, late night deep discount nonstop roundtrips are offered daily (except Tuesday and Wednesday) between Toronto and San Francisco.

Between July 1 and September 3, a 60% discount "summer seat sale" is offered on certain flights from Los Angeles to Calgary. All shareholding in Guinness Peat Aviation Group (336,424 shares) is sold for C\$218.8 million following completion of the carrier's full privatization on July 19. A second public offering, of C\$12 per share, is simultaneously made of the Government of Canada's 57% common shareholding. Upon its completion, the company is transformed into a public corporation from its former crown corporation status. (Although the "Ltd." of the airline's title is now dropped in official literature and correspondence, it is retained here for consistency and cross-referencing.)

Also in July, "Executive Class" is launched on the company's daily B-727-233 frequencies from Chicago to Winnipeg, Calgary, and Vancouver; the upgraded business-class service includes better meals and complimentary wine and liquor.

In August-September, the company begins to offer its senior citizen discount program to U.S. citizens as well as Canadian. Daily L-1011-500 flights are inaugurated to Ft. Lauderdale from Montreal/Toronto in October; however, on October 27, the thrice-weekly Newark to Halifax flights are cut back to two. Two days later, the airline also begins six-times-per-week, all-economy flights over the routes.

Early in November, Finnair O/Y joins the carrier's "Aeroplan" frequent flyer program; AC passengers employing the Nordic carrier are able to win frequent flyer miles from North America to Helsinki. In November, weekly frequencies are introduced to the company's first scheduled South American country, Venezuela. Weekly nonstops are flown between Toronto and Caracas and between Toronto and Porlamar, Margarita Island. Further, daily weekend service is initiated from Newark to Toronto, complementing the twice-daily weekday frequencies; a fourth daily nonstop is added from Newark to Toronto.

Customer bookings rise 2% this year to 13,616,109 and cargo climbs 1.1% to 782.5 million FTKs. Revenues ascend 7.3% to C\$3.1 billion, but costs drop the operating profit to C\$92 million. Based largely on the income derived from the GPA Group sale, the net profit reaches a record C\$125.2 million.

The payroll is cut 0.6% in 1990 to 23,109 and the fleet now includes 106 jetliners. In terms of employment and fleet size, the corporation now ranks 19th largest in the world. In January, the state carrier sells 37% of its interest (326,000 shares) in GPA Group for C\$212 million (C\$650 per share), for an after-tax profit of C\$111 million. A total of 554,000 shares or 9.3% interest, worth C\$360 million, are retained, making the Canadian airline the third largest investor in the Irish leasing firm.

"Chicago Class" service is introduced during February for roundtrip travel between Toronto and Chicago (ORD). A blocked-space agreement is signed with Air Jamaica, Ltd. in March under the terms of which the Canadian carrier agrees to operate all scheduled roundtrip services between Canada and Montego Bay/Kingston and the Jamaican airline agrees to purchase a predetermined number of seats aboard those flights.

The year is very bumpy, despite the introduction of a new A320-200 and "Executive Class" "flex-meals." In April, the "Nutricuisine" in-flight meal program is expanded for business-class passengers. In June, weekly flights are inaugurated from Toronto to Dusseldorf, from Vancouver to London, and from Halifax to Glasgow, as well as 15-times-per-week service from Toronto to London and twice-weekly visits from Winnipeg/Ottawa to London.

Also during the second quarter, a quantity of drugs is found at London (LHR) following the departure of an AC flight. When the aircraft in question next returns, it is seized by the British Customs and Excise office and declared forfeit; a C\$90,000 fine must be paid to secure its release and a lawsuit is filed.

A code-sharing agreement is inaugurated with Cathay Pacific Airways (Pty.), Ltd. on July 1 under which the Hong Kong company purchases blocks of seats on the Canadian line's flights between Vancouver and Toronto, thereby extending its route from Hong Kong into eastern Canada. B-727-233 "Executive Class" service is introduced on one of the carrier's four daily Toronto-Newark roundtrips.

Later in the month, the carrier announces that it will sell its eight L-1011-100s before year's end and its six L-1011-500s over the next several years. President/CEO Pierre Jeannot resigns unexpectedly at month's end, leaving Chairman Claude Taylor to occupy those offices while a search is made for a new leader.

Early in August, construction begins on a new C\$67-million training center at Montreal (YUL). The lawsuit in the U.K. is settled in favor of the government; the Court of Appeal rules that customs agents may seize any vehicle employed to carry drugs even if the carrier is unaware of their presence.

Following Iraq's August invasion of Kuwait, and as a result of the deepening recession, AC begins to restructure in October. Cost reduction measures include the lay off of 2,900 employees, fewer departures, relocation of headquarters to Dorval Airport and sale of the former downtown Montreal location, sale of the EnRoute credit card operation as well as three B-747-433s and a DC-8F. In addition, services are suspended to Athens, Geneva, Lisbon, Madrid, Singapore, and Bombay. Meanwhile, all flights between North America and Europe, as of October 1, are smoke-free while smoking, cut 25%, is allowed only on the London-Singapore via Bombay, route. The last L-1011-100 is withdrawn from service in November and placed into storage at Marana, Arizona.

En route from Montreal (YUL), to London (LHR) on December 11, an L-1011-500 over Manchester, England, suffers a localized rupture of its rear pressure bulkhead as the result of fatigue cracks; although there is cabin depressurization and emergency descent, no injuries are reported and the aircraft lands without incident.

The 51% investment in Air Nova, Inc. held by Atlantis Investments is purchased, also in December. Late in the month, a comprehensive alliance is signed with Air New Zealand, Ltd., providing for joint

marketing, code-sharing, and frequent flyer plan coordination on 15 weekly flights between Canada and New Zealand and Fiji.

Passenger boardings for the year dip 1.7% to 11.8 million, but freight is up 8.4% to 942 million FTKs. Revenues climb 8% to C\$3.4 billion and the operating loss worsens to C\$9.5 million. The net loss is C\$64.2 million. In terms of passengers, freight, and revenues, AC now ranks 21st, 24th, and 14th in the world, respectively.

Company employment is cut 10.9% in 1991 to 20,593 and the carrier begins to send its displaced L-1011 TriStars to the Arizona desert for storage until they can be sold or scrapped. In early January, the carrier becomes the first smoke-free international airline. The remaining 51% shareholding in **Air Nova, Inc.** is acquired on January 25 (for C\$12), with the prize now undertaking "Air Canada Connector" services.

Beginning in March and continuing through August 31, special fares are offered for spouses of passengers flying full-fare economy class. To mark the fiftieth anniversary of New York service on May 10, the carrier flies its restored Lockheed Model 10A Electra from Toronto to New York (LGA); along as honored passenger is the flight attendant on the 1941 inaugural flight, Georgia Ingram Jackson.

A code-sharing agreement is signed with **Air India, Ltd.** and, consequently, twice-weekly flights begin on June 1 from Toronto to Bombay via London and Delhi. During the summer, three B-747-433Cs, which the airline has been attempting unsuccessfully to sell, are delivered. Place Air Canada is sold to Hydro-Quebec and Regional Airline Holdings is established.

In September, an agreement in principle is signed for the creation of a strategic alliance with **USAir**; the pact would cover operational, marketing, investment, and technical activities. At the same time, a code-sharing agreement is also signed with **Sabena Belgian World Airlines, S.A.**; under its terms, the Canadian carrier purchases blocks of seats on the Belgian line's thrice-weekly nonstop roundtrips between Brussels and Montreal and allows its passengers to win frequent flyer miles.

In October, a fifth nonstop Chicago to New York frequency is opened. Due to continuing losses, the government postpones open-skies talks with the U.S.; these will not be completed for another three years. The search for a new president/CEO continues throughout the year; however, in November, **Finnair O/Y** drops out of the airline's frequent flyer program.

The company also parks eight L-1011s and continues its efforts to sell the three newly delivered Dash-433C Jumbojets. The decision is also taken to move out of the Montreal headquarters and transfer operations to offices at the Air Canada Technical Base at Dorval (YUL).

On November 22, the company takes over the remaining shares of Northern Express Messenger Systems, Ltd. in exchange for a reduction of 27% in its interest in Express Messenger Systems, effective back to September 1. On December 30, AC exchanges its 100% interest in Northern Express Messenger Systems, Ltd. for class-B preferred shares in the new Dynamex Express, into which NEMS has been merged.

The world recession attacks the carrier, forcing customer bookings down 16.1% to 9.9 million. Freight traffic descends by 14.9% to 801.5 million FTKs. Revenues drop 9.4% to C\$3.06 billion, expenses decline 4% to C\$3.18 billion, and the operating loss is C\$169 million. Net profit falls by C\$184 million.

The workforce is cut 5.6% in 1992 to 19,448. "Executive Class" business-class service is introduced during February on all flights between Canada and the U.S. regardless of aircraft type. Hollis L. Harris, pushed out of **Continental Airlines** the previous fall, is appointed vice chairman, president, and CEO in the early spring and, on April 30, Executive Vice President/COO Leo Desrochers takes early retirement. At the same time, the company is reorganized; five senior management positions are eliminated and six new divisions are created. To save C\$20 million, it is announced that 250 management positions and 100 administrative/technical support slots will be eliminated by July.

In an effort to fly its way out of the previous year's downturn, the company boosts the number of North American frequencies while starting new services to Brussels, Lyon, and Berlin. Fifth Freedom rights are

gained to Nice via London (LHR). Also in April, two more marketing alliances are created, one each with **Finnair O/Y** and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. The former provides for block space flights on the Toronto to Helsinki route while the latter offers code-sharing on services from Toronto and Montreal to Madrid.

The three unsold B-747-433s are now placed into service on the routes to London/Paris and to Los Angeles and a daily Jumbojet service is initiated from London to western Canada. In addition to the employee RIF, the carrier begins to negotiate 5% across-the-board salary/benefit cuts with all of its unions. Interested in purchasing the international routes of competing **Canadian Airlines International, Ltd.**, AC protests discussions held between that carrier and **American Airlines**.

An alliance is sealed with **Air France** on September 24 designed to increase the number of flights between the two countries and to extend each other's global reach. Under its terms, the two will coordinate schedules, code-share, share terminals at Paris (CDG) and Toronto, join frequent flyer programs, and offer each other reciprocal ground handling at destinations at Paris, Toronto, and points where only one serves.

In late October, it is announced that the former **Trans-Canada Airlines, Ltd.** and PWA Corp., parent of **Canadian Airlines International, Ltd.**, will merge. Under the "premerger" deal, which remains subject to shareholder, government, and regulatory approval, a holding company will be created in which shareholders of both companies will receive one common share of stock for each share held in the predecessor firms, with AC stockholders owning 60% and PWA 40%. A board will be created consisting of an equal number of directors from each airline and it is hoped that merger-related layoffs can be kept below 6,000. At the same time, delivery of four B-767-333ERs is delayed by a year.

A strategic code-sharing alliance is formed with **United Airlines**, effective October 25, to provide interconnections for passengers between such U.S. gateways as Denver, San Francisco, and Los Angeles, and such Canadian cities as Montreal, Toronto, Winnipeg, and Calgary. The agreement also includes joint participation in each carrier's frequent flyer programs, joint marketing, cargo, and tour programs, and, where possible, joint scheduling.

A similar deal is entered into with **Swissair, A.G.** during the month that allows joint frequent flyer participation, exchange of flight attendants, schedule coordination, and code-sharing on flights from Montreal to Zurich and Geneva/Vancouver and Calgary to Zurich during the summer, and Toronto to Zurich.

Concerned over the size of the debt load it might be assuming, the carrier announces on November 5 that its board has rejected management's effort to merge **Canadian Airlines International, Ltd.** Also in November, an agreement is signed between the Canadian carrier, the U.S. investment group Air Partners I.P., and **Continental Airlines**. Under its terms, majority control of the American major will be purchased for \$310 million in debt securities and \$140 million in equity. Naturally, a marketing alliance is part of the new partnership.

In late December, onetime almost-partner **Canadian Airlines International, Ltd.** files a C\$1-billion suit against AC, charging it with trying to put it out of business with predatory pricing. Simultaneously, 14 items are now offered duty-free on the one-hour flights from New York to Toronto or Montreal.

Customer bookings, despite a fare war with U.S. carriers on the North Atlantic, are level at 9.9 million. Cargo slips 3.1% to 776.72 million FTKs. Revenues plunge to C\$2.61 billion, but expenses are higher and cause losses: C\$109.8 million (operating) and C\$343.9 million (net).

Airline employment is decreased 7.4% in 1993 to 18,000. Claude I. Taylor becomes honorary board chairman in January; the real chairmanship passes to CEO Harris. In the spring, five DC-8-73s are sold to **DHL Airways**, the U.S. division of **DHL Worldwide Express**. In mid-April, the report of continuing first quarter losses brings a management shakeup; released are CFO John Rickets and Vice President-Human Resources J. C. Tennant, while Vice President of Operations C. H. Simpson takes early retirement. Formerly Vice President of Marketing Jean-Jacques Bourgeault is appointed Executive Vice President/COO.

On April 22, a government regulator, adopts the company's position and refuses to allow **Canadian Airlines International, Ltd.** to walk away from its Gemini CRS partnership and join the **American Airlines** SABRE system. Six days later, the joint acquisition with Air Partners allows **Continental Airlines** to emerge from bankruptcy. Under terms of the takeover, the Canadian airline is allowed to own 28.7% of the major's stock on an undiluted basis, but, to comply with U.S. law, it is required to have voting control of only 24.3%. The Canadian carrier completes investment of C\$107 (US\$85) million for this holding. Deliveries to the American cargo carrier's Cincinnati hub will begin in September.

At the same time, the flag carrier makes a major offer to **Canadian Airlines International, Ltd.**, which is rejected. If the arrangement had been completed, it would have provided the rival with a cash infusion of C\$200 million (\$150.9 million) and an assumption of C\$800 million (\$603.6 million) in debt and lease obligations in exchange for CAI's international routes and eight jetliners, leaving the rival a domestic-only company. In August, orders are placed with Bombardier Regional Aircraft for two dozen Canadair CRJ100s, with 24 options.

In June, a new B-767-333ER is wet-leased to **Polynesian Airlines, Ltd.**

Meanwhile, the carrier continues an aggressive cost containment program and completes its investment and comprehensive marketing arrangement with **Continental Airlines**. The alliance will bring about connections for AC passengers through Continental's hubs at Cleveland, Newark, and Houston, reciprocal ground-handling, general sales services, maintenance cooperation, joint purchasing, inventory sharing, and participation in frequent flyer programs.

Also in September, an agreement is signed with **Korean Airlines/Korean Air (KAL)** providing for code-sharing and freight block space on flights from Toronto to Vancouver and Seoul. New routes are initiated to New Delhi and Houston and orders are placed for six A340-300s, to be employed on future Pacific services.

The Canadian Supreme Court denies the airline, and its CRS partners, permission to appeal a July Federal Appeals Court ruling that the permits the Canadian Competition Tribunal (CCT) authority to release **Canadian Airlines International, Ltd.** from its Gemini hosting agreement. The CCT orders dissolution of Gemini, effective within a year.

As the result of surveys showing that 70% of its passengers still believe the company is owned by the government, the airline introduces a new corporate image on December 1, using its aircraft to illustrate the privatization. Beginning with a B-747-133, the new aircraft color scheme comprises a white fuselage with bold titles and, most strikingly, an evergreen tail so dark as to be almost black adorned with a shaded, realistic maple leaf.

A December stock sale nets C\$250 million (\$188 million). Meditated talks with PWA Corp. to end the Gemini issue end in impasse and a second AC takeover offer to **Canadian Airlines International, Ltd.** is also rejected. The Montreal-based major now joins Gemini and Covia in appealing the CCT's November ruling to the Federal Appeals Court.

Passenger boardings for the year drop another 4% to 9.5 million and freight figures are not revealed. Revenues increase by 3% to C\$2.72 billion, costs decline 3.4% to C\$2.66 billion, and an operating profit of C\$54.6 million is generated. The net loss is cut to C\$231.4 million.

The workforce is increased by 2.3% in 1994 to 18,422. On January 16, AC drops its opposition to **Canadian Airline International, Ltd.**'s withdrawal from the Gemini CRS as part of its own effort to reach an accommodation with **American Airlines**. Meanwhile, it joins with Gemini, Covia, and PWA Corporation in negotiations aimed at ending their business differences. The government of Canada now designates AC as its flag line to the new Kansai International Airport in Japan, set to open on September 4.

Beginning in late January, the entire fleet is given the new paint scheme as a part of regular paint maintenance programs; tails of aircraft are painted in an evergreen shade as backing for a large natural-looking maple leaf. "Air Canada Connector" partners will also change their color schemes.

AC, Covia, and Gemini sign a settlement agreement with PWA Corp. in February that will allow **Canadian Airlines International, Ltd.** and AMR Corp. to join forces two months hence. The last DC-8-73F flight is completed from London to Toronto on March 29, as AC becomes the last of the original DC-8 operators to retire the Douglas jetliner.

In March, the Gemini Partnership is taken over completely and plans are made to form a new corporate structure to replace it. The Brussels Air Canada Cargo Express hub is closed. Having discovered a need for additional capacity for the summer schedule, the carrier, in something of a surprise, recalls three L-1011 TriStars from Arizona and, upgraded and painted in the new livery, they re-enter service.

The last of five DC-8-73s is delivered to the Cincinnati hub of **DHL Airways** in April. During the same month, a subsidiary of IBM Canada, Ltd., Advantis Canada, takes over the computer and telecommunications network formerly operated by the carrier and Gemini CRS. The IBM unit will host AC's international reservations systems and deliver all information systems requirements. A new company, Galileo Canada, Inc. is formed as a subsidiary of the airline to take over Gemini's CRS business.

A B-767-333ER, wet-leased to **Polynesian Airlines, Ltd.**, is returned on April 15; an operational success, the wide-body, at \$2-million-per-month, is too expensive for the small carrier to operate.

During the second week of May, Chairman Harris signs a letter of intent to lease 25 A319s, beginning in December 1996; the arrangement will make the Canadian flag carrier the largest operator of Airbus equipment in North America. The manufacturer, meanwhile, agrees to arrange 100% third-party financing of the deal off the airline's balance sheet.

Employing **Korean Airlines/Korean Air (KAL)** aircraft under terms of the alliance signed the previous September, flights to Seoul (the carrier's first transpacific market) begins from Toronto via Vancouver in May. The newly implemented pact also allows the two airlines to exchange seats and cargo pallets on flights between the two nations. Over a four-month period beginning later in the month, first and business-classes are combined into premium "Executive First" service.

The A319 contract is signed on June 10. Also in June, an alliance is signed with **British Midland Airways, Ltd.** that provides for code-sharing flights from Halifax, Montreal, Ottawa, St. Johns, Toronto, Vancouver, and Winnipeg through London (LHR) to Belfast, Edinburgh, Teeside, Leeds/Bradford, and Glasgow.

The Gemini CRS partnership with **Canadian Airlines International, Ltd.** is dissolved on July 1 and replaced by a new one with Galileo Canada. Summer seasonal frequencies are undertaken from Vancouver to Calgary, Glasgow, and Paris and in September, regularly scheduled operations commence to Osaka (KIX) from Toronto via Vancouver. Advantis Canada becomes operational on July 29. Deliveries of the Canadair CRJ100 Regional Jet begin in September and will continue at the rate of one per month.

In October, the company establishes a general sales agency in Canada for **ANA (All Nippon Airways Company, Ltd.)**. Discussions between the two companies will continue, aimed at the development of a strategic alliance that will include code-sharing, joint marketing, and reciprocal frequent flyer club participation.

Employing the first pair of 24 Canadair CRJ100s to be delivered, the company inaugurates four-times-per-weekday nonstop roundtrips between Ottawa and Newark in November.

In December, Transport Canada rules that AC will not be allowed to serve Hong Kong as a "second carrier." Arrangements are completed during the month for the three-year charter of two A340-313s from ILFC to be delivered in June.

During the year, the company takes over the remaining 25% interest in **Air Ontario, Inc., Air Alliance, Inc.**, and Wingco Leasing; the package price is C\$25 million.

Customer bookings swell by 4% to 9.9 million, while revenues jump 11.8% to C\$2.85 billion. Expenses rise only 2.2% to C\$2.68 billion and allow a pretax gain of C\$173.24 million. A net C\$91.5 million is earned.

Employment grows by 6.2% in 1995 to 19,559 and the fleet is increased by the acquisition of 3 B-767-333ERs and 12 CRJ100s.

On February 10, 600 employees picket Prime Minister Jean Chretien to protest Transport Canada's December refusal to allow their company "second carrier" status to serve Hong Kong.

Under a new bilateral "open skies" agreement signed between Ottawa and Washington in February, on March 10 AC and **Canadian Airlines International, Ltd.** are allocated a total of 24 new landing slots at New York (LGA) and Chicago (ORD) by Transport Canada. A total of 32 new routes into the U.S. will be started.

The same day as the U.S. decision is announced, the government agency also reverses its December "second carrier" decision and establishes new criteria for such airline designations on international routes. AC now becomes eligible to start Hong Kong flights even as **Canadian Airlines International, Ltd.** receives authority for other Asian destinations, plus Germany.

Called in by CALPA to settle a dispute, a Canadian Dept. of Labor arbitrator rules that the 250 most junior company pilots should be merged into the list of pilots maintained for AC's five regional subsidiaries. This ruling, together with introduction of the Canadair Regional Jet that has occasioned it, will have a dramatic political impact on politics within the pilots' union.

Thrice-daily CRJ100 nonstop roundtrips commence on May 1 between Ottawa and Washington, D.C. (IAD). The company, which has previously only been offering charter flights to Ft. Lauderdale-Hollywood International Airport, inaugurates scheduled nonstops on June 3 from Toronto to that Florida destination four times per week.

On June 19, thrice-daily CRJ100 nonstop roundtrips commence from Montreal to Washington, D.C. (DCA) and five-times-per-day CRJ100 nonstop roundtrips commence to the same destination from Toronto.

The first of two orders for eight Airbus Industrie A340-313s join the fleet under charter from ILFC and, on June 20, the company undertakes its first flights to the Middle East with the initiation of twice-weekly Toronto to Tel Aviv B-767-333ER roundtrips. Flights employing the A340-313s are also inaugurated to Hong Kong.

On June 26, it is announced that the carrier will add eight more daily flights to the U.S. as part of its expanding alliance with **Continental Airlines**. Such nonstop Continental routes as Vancouver to Newark and Houston will seamlessly open to the Canadian carrier's passengers while AC will provide 26 daily flights to Continental.

On September 29, all warrants held AC for future purchase of **Continental Airlines** common stock are purchased by the American major for US\$50.5 million, giving the Canadian carrier a significant third quarter gain. The warrant sale does not affect the northern airline's ownership of 18.5% of Continental's outstanding stock or its voting rights stake of 23.8%.

The carrier now becomes indirectly involved in a major political uproar. On November 18, the Canadian Justice Department asks Swiss authorities for information to support allegations of "criminal activities" carried out by former Prime Minister Brian Mulroney, who has allegedly received illegal payments for putting pressure on the AC board in 1988 to purchase Airbus equipment. Mulroney unequivocally denies all charges of impropriety on November 19 as his lawyer prepares to file a C\$37-million suit against the government of Prime Minister Chretien and the RCMP.

Also during the month, and in cooperation with **Cathay Pacific Airways (Pty.), Ltd.**, which supplies the aircraft, regularly scheduled return cargo service is inaugurated between Hong Kong and Toronto, with a technical stop at Anchorage.

During the last week of November, company pilots vote to depart the Canadian ALPA and form their own Air Canada Pilots Association in final reaction to the March pilot list arbitration.

To celebrate its status as the official carrier of the new Toronto Raptors NBA professional basketball team, the company unveils an A320-211 on December 4 painted in a special color scheme in honor of the organization.

Also in December, a company B-747-433C inaugurates thrice-weekly nonstop, roundtrip passenger frequencies between Toronto and Hong

Kong. Former winter charter routes to the warmer parts of the U.S. become scheduled; included are routes from Halifax to Orlando; Montreal to West Palm Beach and Miami; Toronto to Orlando, West Palm Beach, Ft. Lauderdale, Tampa, Miami and Las Vegas; Winnipeg to Orlando; and from Vancouver to Maui and Honolulu.

On December 29, Flight 837, a B-747-433C with 191 passengers and en route to Seoul from Vancouver and Hong Kong, is denied permission to enter South Korean air space and is escorted out of it by KAF jet fighters. The Jumbojet flies to Japan where it is determined that an electronic ATC flight plan filing error has caused the incident.

Also during December, the company's 1,700 pilots, dissatisfied with the manner in which the Canadian ALPA has handled the matter of merging seniority lists between the major and its regional subsidiaries, vote 75-25 to quit the union and form an in-house bargaining unit of their own.

Passenger boardings accelerate 9.1% to 10.8 million while freight is up 11.7% to 1.03 billion FTKs. Revenues jump 12% to C\$2.29 billion and expenses are up 8.8% to C\$2.3 billion. Operating profit grows to C\$200.75 million; however, there is a large C\$142.13-million net loss, later adjusted into a C\$45.26-million gain.

Airline employment stands at 19,868 in 1996, a 2% increase. Nonstop daily return service is inaugurated on January 8 between Toronto and Philadelphia. In addition, the company inaugurates A340-313 roundtrips from Vancouver to Osaka. A new wardrobe is introduced for 16,000 employees on January 29. A press release notes that the new clothing has required the following from 20 different Canadian manufacturers: 485,600 ft. of fabric, 500,000 buttons, 119,700 zippers, and 108,780 AC maple-leaf emblems.

A total of 17 CRJ100s are in service by the first week of February and, during the month, the type is employed to inaugurate new roundtrip frequencies from Toronto to Nashville and Raleigh/Durham. A state-of-the-art business center is opened at Toronto on February 15.

Robert A. Milton becomes Executive Vice President/COO on March 6.

Matched wherever possible by **Canadian Airlines International, Ltd.**, AC expands its "Rapidair" and other shuttle services at the beginning of the summer schedule on March 7. From Toronto, 44 daily "Rapidair" flights are undertaken to Montreal, with another 17 flown from Montreal to Toronto's Island Airport; also from Toronto, 32 "Rapidair" frequencies are undertaken to Ottawa along with 14 non-"Rapidair" flights. At the same time, 29 daily "Rapidair" frequencies are inaugurated between Calgary and Vancouver; a total of 30 non-"Rapidair" flights are made from Calgary to Edmonton and seven from Edmonton to Vancouver.

A code-sharing alliance is signed with **Deutsche Lufthansa, A.G.** on March 22, in which the two national airlines will also share airport lounges and frequent flyer programs and code-share on 84 flights each week across the North Atlantic and on DLH flights through Frankfurt to other German destinations.

During the month, a fourth weekly nonstop flight begins from Toronto to Hong Kong. At month's end, the carrier begins to code-share on **Swissair, A.G.**-operated flights from Montreal to Zurich, complementing its own flights from Toronto to Zurich.

Ticketless travel is extended across Western Canada on April 1. The carrier on April 22 begins to reduce down to 4% the 24% stake in **Continental Airlines** purchased in 1993. The sale will bring a gain of C\$94 million. Ticketless travel is introduced in Ontario on April 23.

A new management team takes office on May 14 as Chairman/CEO Hollis Harris retires and is succeeded as CEO by Lamar Durrett. The first company flight into the new Vancouver Airport international terminal building is completed on the same day. Ticketless travel is extended coast-to-coast on May 7. A new call center is opened in New Brunswick on May 23 while a state-of-the-art business center and new lounges are opened at Vancouver Airport on May 31.

Also during the month, 13 new nonstop frequencies, representing a total of 134 new weekly scheduled flights, are inaugurated from Canada to the U.S.; the aircraft employed include CRJ100s, DC-9s, A320s, and B-767s. Routes flown include Vancouver to Denver, Los Angeles, and

San Francisco; Calgary to Denver and Houston; and Toronto to Washington, D.C. (IAD), Denver, Las Vegas, Orlando, Ft. Myers, Ft. Lauderdale, and West Palm Beach; and Montreal to Orlando.

When the summer European travel season begins on June 1, AC introduces new nonstop B-767-333ER weekday frequencies from Toronto to Frankfurt and Zurich, from Toronto to Manchester, and thrice-weekly from Montreal to Brussels, the only service from Canada to Belgium. In total, 121 weekly roundtrips are offered—a 15% increase over the previous summer.

The same day, Canadair CRJ100s enter service on the company's 17 daily Calgary to Edmonton "Rapidair" roundtrip services. Frequencies on the Toronto-Nashville route are increased on June 7.

Transatlantic service under the new German accord commences on June 15. Also during the month, twice-daily CRJ100 roundtrips commence from Toronto to Kansas City. The marketing alliance with **All Nippon Airways Company, Ltd.** is extended on June 25. Next day, a state-of-the-art business center and rooftop lounge are opened at Montreal (YUL).

When the newest CRJ100 arrives and is placed into service on the Edmonton-Calgary "Rapidair" service, it sports the image of a female runner and special "Go Canada" and "Go Atlanta" subtitles under the window-lines of the forward fuselage on one side and "On Y Va Canada" and "Canada" titles, plus a male runner, on the other side.

On July 1, COO Milton notes that, since the start of the "open skies" accord with the U.S. 18 months earlier, 33 new routes have been opened south of the border with only three unprofitable. The new services have been so successful that the company has been forced to put off the retirement of 15 DC-9s.

John F. Fraser is elected chairman on July 10. Two days later, the carrier begins code-sharing with **Deutsche Lufthansa, A.G.** on flights from Toronto, Calgary, and Vancouver to Athens and Prague. Following the conclusion of the Atlanta Olympics on July 19, the carrier paints one of its B-767-233s with a likeness of Gold Medal winner Donovan Bailey, giving it a gold stripe and titles that read "Flying With the Best/A La Hauteur Des Meilleurs."

Code-sharing flights commence with **All Nippon Airways Company, Ltd.** on August 1 over a route from Vancouver to Osaka (KIX). The last of two dozen Canadair CRJ100s enters service during the summer.

Customers are on September 3 are offered free accommodations at more than 350 European Countryside Hotels. During the last week of September, the carrier begins overhauling its Executive Class seating on its A320s.

Building upon the arrangements both companies already have with **Deutsche Lufthansa, A.G.** and **United Airlines**, the company signs a strategic partnership agreement with **SAS (Scandinavian Airlines System)** on October 1. Under terms of the pact, which will take effect next April, the two agree to code-share flights, coordinate schedules, passenger, and ground services, and link their frequent flyer programs.

The new fall scheduled is introduced on September 30. Highlights include the addition of daily nonstops from Edmonton to Ottawa; an increase from three to four weekly flights from Vancouver to Maui; an increase from two to three daily roundtrips from Toronto to Houston; an increase from four to five daily Montreal to Boston roundtrips; and the introduction of DC-9s on the four-times-per-day Toronto to Philadelphia service.

Nonstop roundtrips from Edmonton and Calgary to London are increased from two to four each week and from 13 to 15 each week between Toronto and London. Three new weekly nonstops commence between Toronto and Manchester, while frequencies between St. Johns and London grow from four each week to five.

Four new weekly roundtrips are initiated from Vancouver, Calgary, and Toronto to Frankfurt, all flown dual-designator by **Deutsche Lufthansa, A.G.** A340-313 flights from Toronto to Tel Aviv are increased from two to three per week while frequencies from Vancouver to Hong Kong grow by two flights each week with one more roundtrip added between Vancouver and Osaka.

Nonstop daily roundtrips from Toronto to Raleigh-Durham, N.C. commence on November 18. During the summer and fall, the major handles contract negotiations with the Canadian ALPA on behalf of its four principal "Air Canada Connector" partners. Unhappily, discussions break down on December 4. The first of 35 A319-114s is delivered on December 11; AC will become the first North American airline to operate the type. Nonstop RJ100s are introduced to Dallas (DFW) on December 19.

Enplanements inch up 2.6% to 12.6 million and these figures also represent a 9% boost in the passenger traffic of the "Air Canada Connector" partners. Operating income advances 8.3% to C\$3.56 billion and expenses jump 10.2% to C\$3.4 billion. Operating gain drops to C\$150.5 million, but the after-tax profit surges to C\$108.77 million (later adjusted down to C\$104.3 million).

The workforce grows by 6.5% in 1997 to 21,200. AC places its premier A319-114s into service on January 1 over its routes from Toronto to New York (LGA) and Boston. On January 2, CALPA warns that pilots flying 700 daily "Air Canada Connector" flights to 70 destinations in Canada and the U.S. will strike on January 10 if there is no new labor agreement.

Former Prime Minister Mulroney reaches an out-of-court settlement on January 5, the eve of an unprecedented trial on libel charges against the government. Charging that his reputation has been permanently damaged by the previous year's bribery charges, the ex-leader, who has maintained his innocence in the face of intense media attention, receives C\$36.5 million. In addition, the next day he receives the formal public apologies of the Canadian Government and the RCMP.

On January 10, the 900 "Air Canada Connector" pilots join in a strike over merged seniority lists. The company operates with replacement workers and charter aircraft, but many flights must be cancelled.

Also during the first quarter, the company's fleet of Canadair Regional Jets is expanded to 26, following the quick order and receipt of two new aircraft.

The job action by the "Air Canada Connector" pilots ends on March 1 following a marathon 24-hr. negotiating session in a downtown Quebec City hotel. It is decided to leave it to Canada Labor Relations Board to decide whether AC is to be considered a common employer of both regional and AC pilots.

Twice-daily A319-114 nonstop roundtrips to Dallas (DFW) from Toronto commence on March 3.

After weeks of negotiation, the "Air Canada Connector" regional pilots, between March 9 and 11, ratify a new 4-year contract with AC. Initially tentative, the pact, providing increased benefits and income, will be approved by 88% of the eligible flyers voting in a special election.

Pilots for the four "Air Canada Connector" airlines begin to return to work on March 10, although flight attendants at **Air Ontario, Inc.** remain on strike. The strike has cost the major approximately C\$16 million.

Nonstop roundtrips begin daily to Charlotte, North Carolina, on April 5 and a new preclearance pact is signed between the U.S. and Canada on April 9, the same day in which the company wins a contract to maintain the A320 fleet of **America West Airlines** at Winnipeg.

On April 14, a new Internet-based reservation product is unveiled.

The company's summer schedule is announced on April 23. Immediate features include thrice-daily CRJ100 roundtrips from Winnipeg to Thunder Bay and 10-times-per-day, each way departures from Vancouver and Toronto for Toronto and Vancouver. Nonstop A319-114 Toronto-Seattle daily roundtrips begin on April 24.

Also during the month, the company begins a review of its entire regional airline arrangement and determines to put Yellowknife-based **Northwest Territorial Airways/NWT Air** up for sale, even though it had not been affected by the strike. The examination is prompted not only by the pilots' action but also by the entrance onto the scene of the new discount carriers **Vistajet, Ltd.** and **Greyhound Air, Ltd.**

Daily A319-114 roundtrips from Toronto to Phoenix begin on May 5. This is the first and only scheduled nonstop service between Eastern Canada and the southwestern U.S. city.

With considerable fanfare on May 14, AC joins with its marketing partners **Deutsche Lufthansa, A.G., SAS (Scandinavian Airlines System), Thai Airways International, Ltd. (THAI), and United Airlines** in an enhanced joint venture marketing partnership to be called "Star Alliance." The new consortium, seen in some quarters as a counter to the proposed **British Airways, Ltd. (2)-American Airlines** arrangement, will stitch together the operational and marketing efforts of all five airlines.

Employees of the five will be able to share ticket offices and airport services, purchase supplies jointly, and contribute to joint promotional and advertising campaigns to be handled by the New York firm of Young & Rubicam Advertising, which is given a \$25-million budget to publicize unified efforts. Travelers on any of the carriers will be able to accumulate and cash in frequent flyer mileage from any of the five. **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)** will join the group in October.

While company leaders are celebrating the new alliance in a grand Frankfurt ceremony, aircraft from two of the partners are involved in a minor ground collision at London (LHR). An AC B-747-433 and a **United Airlines** B-777-222 scrape wings while both are taxiing to a holding point prior to takeoff. Both aircraft are inspected and although the 777 sustains significant damage, the Canadian Jumbojet, which has only superficial and easily repairable damage to one of its winglets, is cleared to depart for Toronto three hours later.

The company on May 20 announces its intention to sell Galileo Canada. Seven days later on May 28 a short-term deal is signed with **Cathay Pacific Airways (Pty.), Ltd.** Under terms of the arrangement, the Hong-Kong based major will wet-lease an AC A340-313 for a few flights at the end of May and beginning of June as its own A340 fleet is being modified. The wet lease commences with Cathay's May 29 return service from Toronto to Hong Kong. The last wet-leased flight is operated on June 4.

Two new nonstop roundtrips are introduced on June 14 between Vancouver and Zurich. Service from Vancouver to Seoul is increased on June 15 to four per week while four new B-767-333ER nonstops, flown in cooperation with **Deutsche Lufthansa, A.G.**, commence the same day between Vancouver and Frankfurt. The number of nonstop roundtrips to Tel Aviv from Toronto is increased from four to five per week as of June 16, while twice-weekly roundtrips simultaneously commence from Montreal to Frankfurt via Halifax. A new weekly nonstop roundtrip is launched on June 17 from Calgary to Seoul, while new thrice-weekly services from Toronto to Osaka (KIX) begin the same day. The latter is the first transpacific nonstop service from Toronto.

The subsidiary **NWT Air, Ltd.** is sold to **First Air, Ltd.** on June 19. The number of Montreal to California links is boosted on June 27 with the start of new nonstop Saturday and Sunday service to San Francisco. Weekend roundtrip nonstops commence on June 28 between San Francisco and Montreal.

Beginning on July 15, U.S.-bound company passengers from Ottawa Airport are able to clear U.S. Customs and Immigration there before boarding their flights. Three days later, the company sponsors the Montreal Dragon Boat Race Festival. Galileo International is sold on July 30 for C\$44 million.

During the month, a pair of DC-9-32s is sold to the Philippine operator **Cebu Pacific Air**. As part of the purchase price, AC agrees to paint the aircraft in a colorful yellow-and-white livery, completed with palm tree decals.

On August 1, orders worth US\$1.4 billion are placed with Airbus Industrie for eight A330s/A340s. Options are placed on 20 A330/A340s, including 5 A340-500/600s. When deliveries are completed in August 2000, the new planes will replace six B-757s and two leased A340s.

Company employees reach out to Manitoba flood victims on August 22 and volunteer to rebuild a community center. At about the same time, the carrier joins with "Star Alliance" partner **SAS (Scan-**

dinavian Airlines System) in expanding their relationship; eight Canadian cities are now linked to two each in Norway, Denmark, and Sweden.

On August 26, the carrier takes delivery of its 14th A319-114. In honor of the carrier's sixtieth anniversary (which will be celebrated on September 1), the "baby bus" arrives on August 26 wearing the original **Trans-Canada Airways, Ltd.** livery, plus a small display of logos worn over the years.

A Cyber Ticket Office is opened on the Internet on September 5. Early on the morning of September 12, an agreement is reached with the failing London, Ontario-based **Vistajet, Ltd.** to take on its previously ticketed passengers; the pact clears the way for the start-up to cease operations a minute before midnight.

Thrice-daily A319-114 services to Dallas (DFW) morning, noon, and night begin on September 29 as a month of sixtieth-anniversary celebrations come to a close.

The company code-shares on **Air New Zealand, Ltd.** flights, beginning on October 8, from Auckland via Honolulu to Vancouver and from Auckland via Honolulu and Los Angeles to Toronto.

CRJ100 service begins from Toronto to Cleveland on October 20, seven times per day. The company announces its new winter schedule on October 26; it features 250 more flights per week than a year earlier, an overall capacity increase of 10.7 per cent.

The domestic highlight in introduction of a new on-the-hour daily shuttle service from Toronto to Ottawa.

A second daily frequency to Phoenix begins on October 27 while Toronto to Pittsburgh Canadair RJ roundtrips are simultaneously introduced, four-times-daily. The carrier and **Air New Zealand, Ltd.** extend their partnership on October 30 and launch a reciprocal frequent flyer program. At the same time, the leases on the two chartered A340-313s are extended through June 2000.

On November 1, **Continental Airlines** moves out of AC's Terminal 2 in Toronto, making room for "Star Alliance" partner, **United Airlines**. Simultaneously, AC transfers from Continental's Newark terminal to United's.

Four-times-per-day CRJ100 frequencies begin to and from Cincinnati on November 10. Thrice-daily Canadair RJ nonstops from Toronto to Milwaukee begin on November 17. The next day AC and Ingle Health launch Snowbird Travel Insurance. On November 24, the company repays its fuel tax rebates and reinstates its income tax losses.

Also during the month, orders are placed for five A330-300s and three A340-300s. The former will be powered by \$450-million worth of Rolls-Royce Trent 700 engines.

Fast Track service is introduced at Vancouver on December 2. It is announced on December 3 that readers of Business Traveler International have chosen AC as the "Best Airline for Travel to Canada".

On December 9, AC launches a DM 2000-million Eurobond via an international syndicate of banks led by Bayerische Landesbank of Munich. With a seven-year maturity, the bonds will be traded publicly on the Frankfurt and Munich exchanges.

While on approach to Fredericton, New Brunswick, on a December 16 service from Toronto, Flight 646, a CRJ100ER with 3 crew and 39 passengers, loses power and makes a forced landing, veers off the runway and speeds across a field until it collides with trees. Although there are no fatalities, 35 passengers are taken to the hospital, from which 27 are soon released with minor injuries.

In honor of the 1998 Winter Olympics in Japan, a company A340-313 is given Nagano '98 subtitles and the image of a downhill skier; it is placed on routes from Toronto to the Far East at year's end.

Customer bookings ascend 7.6% to 14 million, while cargo jumps 14.3% to 895 million FTKs. All of the company's fiscal documents reveal new financial records. Operating revenues rise 14% to C\$3.9 billion, while expenses are up 12% to C\$3.54 billion. The operating profit reaches C\$257.6 million and a C\$298.8-million net gain is celebrated.

At the beginning of 1998, AC is the 14th largest airline in the world in terms of net profit, 15th in fleet size, 17th in number of employees,

18th in operating profit, 20th in operating income, and 23rd in passenger boardings.

The fleet at the beginning of the year includes 151, of which 84.8% are Stage III certified; this number includes 23 DC-9s, 9 B-747s, 29 B-767s, 23 A319s, 34 A320s, 8 A340s, and 25 CRJs.

Help is offered on January 13 to Quebec and Ontario ice storm victims and their families.

The carrier joins with "Star Alliance" partners **United Airlines** and **Deutsche Lufthansa, A.G.** in early February to announce that the three will set up a joint venture, "Airliance," to trade aircraft parts. On February 25, the carrier announces that it will begin the first non-stop transcontinental scheduled service between Atlantic Canada and Alberta.

On March 27, while taxiing for takeoff from Chicago (ORD) to Winnipeg with 5 crew and 27 passengers, Flight 833's DC-9-32 engine ignition switch catches fire in the cockpit. The blaze is immediately extinguished and no injuries are reported during the subsequent emergency evacuation.

The carrier's contract with the Air Canada Pilots Association expires on April 1. Negotiations for a new agreement continue.

Also this day, the company offers seven weekly flights between Halifax and London (LHR), including two nonstops and five one-stops via St. John's. A340-313s and B-767-333ERs are employed.

On April 3, having cleared AC Flight 703, an A319-114, to takeoff from Runway 31 of New York (LGA) and **USAirways** Flight 920, a DC-9-30, to land on R-22, ATC realizes the Airbus might not have sufficient time to clear the intersection of R-22. The **USAirways** Douglas is directed to execute a go around and the AC Airbus is directed to turn right. The Canadian jetliner rejects the ATC direction and maintains its heading, while the U.S. plane banks left to avoid it, flying under and behind the A319. Flight 703 proceeds on course while Flight 920 circles and lands. The **USAirways** captain estimates that his aircraft had flown within 75-ft. horizontally and 85-ft. vertically of the AC plane; ATC puts the separation at just 20-ft. The near miss is not revealed to the public until June.

The daily A319-114 route, from Calgary to St. Johns via Halifax, is opened on April 5. Also at the beginning of the second quarter, a **Sky-service, Ltd.** B-727-231 begins wet-lease operations on behalf of Sport Hawk International Airlines, a new Canadian charter concern, which has won a contract to fly the Toronto Raptors, the local NBA team previously flown by AC.

B-767-333ER nonstops are begun from Ottawa to London on Saturdays and Sundays beginning on April 10.

In a holdover rule from the time it was a crown corporation, AC continues to be required to provide bilingual service on flights to and from Montreal, Moncton, and Ottawa. In mid-April, commissioner Victor Goldbloom, head of the Office of Official Languages, files suit against the major and its affiliates after the agency received 24 complaints, primarily against **Air Ontario, Inc.**, that flight attendants on the three routes fail to serve passengers in both official languages. AC, which treats its regionals as separate entities, refuses to acknowledge the complaints, referring them to its subsidiaries.

The carrier announces on April 16 that its customers are now required to remain buckled in whenever they are seated from takeoff through landing. The new seatbelt rule is the first for an airline in Canada.

As the "Star Alliance" nears its first anniversary, a B-767-333ER is painted in the livery of all partners. Beginning on May 1, the wide-body is employed to initiate nonstop, daily dual-designator service, with **Deutsche Lufthansa, A.G.**, between Montreal and Frankfurt. The German airline sells seats on the flight as part of a block-seat purchase arrangement.

The B-767-333ER nonstop weekend roundtrip service from Ottawa to London is increased to three times per week on May 3 and will become daily on June 1. Twice-weekly B-767-333ER roundtrips are launched between Montreal and Tel Aviv on May 19. The new Israel service complements that offered from Toronto five times a week.

Beginning on May 23, the company and **Finnair O/Y** renew their bi-weekly code-share service from Toronto to Helsinki. Also in May, an A340-313 arrives under charter from ILFC.

An application by the carrier and **Air China International Corporation** to code-share over routes from Canada to China is rejected by Canada Transport Agency during the last week of May. CTA, some years earlier, had designated China as a single-market country and assigned Canadian service to it to **Canadian Airlines International, Ltd.**

Flights to and from India are suspended on June 1. Also during June, a seven-year lease agreement is concluded with ILFC for the use of an A340-3Q8 beginning in February 1999.

Twice-weekly nonstop B-767-333ER roundtrips commence on June 5 between Halifax and Frankfurt. As with the weekly flights from both Montreal, these are dual-designator services operated with **Deutsche Lufthansa, A.G.**

On June 17, an "Air Canada Connector" contract, effective in September, is signed with North Bay, Ontario-based **Voyageur Airways, Ltd.** The pact will allow expansion of the company commuter network into new markets in southern Ontario and the northeast U.S.

A new Maple Leaf lounge is opened at Calgary on June 22; space is provided to offer 85 customers a Xerox Business Center and a bistro area.

A block-seat code-sharing pact with **Royal Jordanian Airlines** takes effect on July 2. The Canadian company purchases space on the Jordanian company's four weekly roundtrips between London (LHR) and Amman, while Royal Jordanian sells seats on AC flights from Heathrow to Montreal and Toronto.

Daily nonstop A319-114 return service is launched on July 13 between Toronto and San Jose, California, the only such service between the two cities. On August 13, the carrier and its regional subsidiary **AirBC, Ltd.** unveil a realignment of their operations within western Canada. By the judicious reworking of schedules, the major will be able to save C\$50 million annually, while transferring two A320-211s, one A319-114, and five CRJs to more profitable segments of the route network.

Negotiations between the carrier and the Air Canada Pilots Association end without resolution on August 18. Although the company remains open to the restart of discussions, members of union Chairman Jean-Marc Belanger's group begin to openly discuss a job action.

On August 26, the Minister of Labor informs representatives from both the pilots group and the airline that they are released from the federal government's conciliation process. Having agreed to retain an outside mediator, former Judge George Adams, both sides in the labor dispute resume negotiations on August 27 with the aim of a settlement or a strike by midnight on September 1. In order to minimize inconvenience to customers in the event of a pilot job action, the carrier now begins to waive change fees on all tickets purchased for travel between September 2-6.

Discussions between management and labor continue on August 28 and, for the first time, both sides meet face-to-face in the presence of mediator Adams. Uniformed pilots carrying placards, meanwhile, undertake informational picketing of the airports at Montreal, Toronto, Winnipeg, and Vancouver.

Talks between management and labor are broken off late on the evening of September 1 without a negotiated settlement. Consequently, at 12:01 a.m. September 2, the carrier is grounded as its 2,100 pilots begin their job action, the first in the 61-year history of Air Canada. The AC pilots association has a C\$1.2-billion strike fund in cash and lines of credit with which to weather the situation. The company's four regional airline affiliates are not affected by the strike; all four continue to fly their scheduled routes, adjusting to meet traveler demand on their routes.

As is the case with the **Northwest Airlines** strike in the U.S., a number of other carriers provide accommodation for displaced AC passengers. Chief among these is **Canadian Airlines International, Ltd.**, **Canadian Regional Airlines, Ltd.**, and CAI's domestic partners, as well as **United Airlines** and **Delta Air Lines**. All accept AC tickets, space-permitting, and without penalty or service charge. In addition, CAI responds to the increase in passenger and cargo demand by adding

flights wherever possible, including the eastern and western triangle cities and flights from Toronto to both Halifax and Vancouver.

By September 3, a quarter of the company's fleet—41 aircraft—is parked at airports outside of the country, including 20 in the U.S., 2 in Japan, and 19 in Europe, primarily at Manchester and London. Layoff notices are sent to 14,000 employees (60% of the workforce). Customer call centers at Toronto, Montreal, and Tampa remain open and service agents at airports remain on duty. Per-day losses are expected to total somewhere between C\$13 million and C\$19 million.

In an effort to rescue people stranded by the pilots' strike, AC wet-leases aircraft from **Royal Aviation, Ltd., First Air, Ltd., Skyservice, Ltd., and Corsair, S.A.** to move people over the next week. Corsair, the French charter line, provides a B-747-206B to fly the important Paris-Canada flights. In addition, a DC-10-30F is wet-leased from **Gemini Air Cargo** in the U.S. to provide freight charters to London and Frankfurt on September 5–7 on behalf of its key freight forwarder supporters.

In the Caribbean during the job action, **British West Indies Airways, Ltd. (2) (BWIA)**, and **American Airlines**, among others, accept AC tickets on a space-available basis for Canadian nationals and other visitors stranded in Trinidad and on other regional islands.

Contract negotiations between management and the pilots unions resume on September 8. The pilots continue to seek a 12% pay raise over two years; AC offers a 9% boost.

Late on the evening of September 10, the two sides in the job action come to a tentative agreement on the 9% figure; the ratification process begins next day.

With the strike over and the pact agreed upon, the carrier resumes service at mid-day on September 14 with over 150 flights, primarily to domestic and transborder destinations. Service is phased on over the next three days, with 300 flights on September 15 and the full schedule of 650 daily services restored by September 17.

With sufficient Beech 1900Ds on hand and a new marketing name chosen, **Air Connexion, Voyager Airways, Ltd.**, on behalf of AC, prepares to inaugurate nonstop roundtrips on September 20. The first city pair selected for visits is Toronto and Syracuse, with four daily nonstop roundtrips offered during the week and three nonstop roundtrips on both Saturday and Sunday. Unhappily, the new service is cancelled before it is started.

An arrangement for the inauguration of dual-designator service with **Air New Zealand, Ltd.** within a week is signed at Montreal on October 2. Future plans are made for daily service between Toronto and Auckland via Los Angeles and Honolulu.

Twice-daily nonstop CRJ100ER roundtrips begin on October 5 between Montreal and Washington, D.C. (IAD). These new frequencies complement the thrice-daily nonstop roundtrips currently offered between Montreal and Washington, D.C. (DCA). The same day, the western route realignment with **AirBC, Ltd.** takes effect.

Having suspended operations into India for four months, flights to New Delhi from Vancouver via London commence four-times-a-week on October 5. Connections are available to major destinations in Canada, including Toronto, Montreal, Ottawa, Edmonton, and Calgary.

The carrier, together with **United Airlines**, announces plans on October 6 to expand their code-share alliance in stages throughout the month of October, thereby resulting in the placement of the Canadian major's "AC" code on more than 600 UA flights throughout the United Airlines domestic system. The action is the largest single expansion made by United with one of its alliance partners.

Thrice-weekly dual-designator service is inaugurated with **Air New Zealand, Ltd.** on October 8 over a shared route from Vancouver to Auckland via Honolulu. The Canadian major flies the Vancouver to Honolulu leg with its B-767-333ER while Air New Zealand handles the Honolulu to Auckland segment with a B-767-319ER. Each airline sells seats on the other carrier on a code-share basis and both airlines offer customers one-stop check-in, baggage ticketing, and a bypass of U.S. customs and immigration checks.

Also on October 8, the first phase of the enhanced UA-AC alliance takes place on flights out of **United Airlines'** Denver hub.

The flight attendants' union begins negotiations with management on October 21 concerning a new contract.

The second phase of the enhanced UA-AC alliance takes place on flights out of Chicago (ORD) on October 22.

Daily nonstop DC-9-32 roundtrips begin on October 26 between Toronto and New Orleans. AC is the first airline to offer scheduled flights between the two cities. Simultaneously, thrice-daily nonstop CRJ roundtrips commence between Ottawa and New York (LGA).

The third phase of the enhanced UA-AC alliance takes place on flights out of United Airlines' hubs at Los Angeles and San Francisco on October 29.

Also during the month, the company's three B-747-133s are retired; their airframes are sold to **Evergreen International Airlines** and their engines to Pratt & Whitney.

The number of daily CRJ roundtrips between Newark and Ottawa are reduced from four to three on November 2. Still, these flights complement the three new return flights recently introduced from Ottawa to New York (LGA) and gives the company six daily nonstop roundtrips into the New York area from the Canadian capital.

While en route from Toronto to Phoenix on November 24, the flight crew of an A320-211 with 105 passengers smells fumes in the cabin. An emergency is declared and the Airbus returns to Toronto, where it lands without incident or injury. It will be determined that the fumes causing the non-event were caused by traces of oil in an air conditioning unit.

On December 8, the carrier reendorses **Emery Worldwide** as its primary carrier to move the airline's engine parts and maintenance materials between the U.S. and Canada. Under the new three-year contract, which also applies to the "Air Canada Connector" carriers, Emery will continue to transport shipments from AC's 2,500 suppliers in the U.S. to its facilities in Canada and from its Canadian depots to its 42 stations throughout the U.S.

The next day, ticketless travel is introduced on company routes from North America to London (LHR).

In a joint announcement on December 16, AC and **SAS (Scandinavian Airlines System)** reveal that they will commence nonstop dual-designator air service five times a week between Toronto and Copenhagen. Flights on the new route—the only scheduled, nonstop service linking Canada and Scandinavia—will be operated by AC B-767-233ERs.

A memorandum of understanding is signed with **Singapore Airlines, Ltd.** on December 22 for the creation of a strategic alliance. Although arrangements will not be completed until March, it is anticipated that the pact will cover code-share services, frequent flyer programs, network and schedule development, through check-in, reciprocal use of airport lounges, joint promotions and marketing.

Passenger boardings this year increase by 5.7% overall to 14.8 million, but cargo traffic is down 7% to 1.21 billion FTKs.

As a result of unfavorable currency fluctuations, bad weather, and the strike, AC's revenues are down 0.7% to C\$4 billion. Expenses are up 3.7% to C\$3.91 billion and there is a C\$97-million operating profit. Still, a net loss of C\$11 million must be reported.

Severe winter storms and heavy snows disrupt air services at Toronto between January 2 and January 6, 1999; many customers are inconvenienced and the airline is forced to waive change fees on discount tickets for travel booked out of that airport during the storm-related disruption.

On January 4, following an assessment of the Canada-Taiwan market carried out during the fall, Transport Minister David Collenette names AC as the nation's second air carrier to Taipei.

Another horrific winter storm assaults Toronto on the evening of January 14, forcing the airline and many others to cancel departures. Additional manpower is laid on at Montreal, Calgary, and Vancouver to accommodate customer inquiries. Blizzard conditions continue at Toronto the next day forcing many carriers to cancel departures. The situation returns to normal by January 17.

On January 25, AC receives the 1998 "Passenger Service Award" from *Air Transport World* magazine. Anticipating a softening of demand

in the Indian market, the carrier announces on January 28 that it will suspend service to New Delhi, India, between June 1 and September 30.

On February 6, Flight 754, an A320-211 with 6 crew and 89 passengers en route from San Francisco to Toronto, and **Federal Express (FedEx)** Flight 1020, a FedEx DC-10-30F with 3 crew en route from Newark to Oakland, sustain no damage or injuries while surviving a near miss 40 mi. N of Lincoln, Nebraska. The aircraft come within one-mile horizontal and 600-ft. vertical of each other.

A leased A340-3Q8 enters service in February. It is confirmed in mid-month that the company is in discussion with Calgary-based **WestJet Airlines, Ltd.** concerning a non-equity strategic commercial agreement, which may include code-sharing.

Electronic ticketing service is expanded on February 23 to include Bermuda.

On February 27, as it is on its takeoff roll from Calgary to Vancouver, Flight 185, an A319-114 with 112 passengers, is ordered at the last minute by ATC to abort its takeoff in order to avoid a collision with a small plane taking off from another runway without clearance. The AC jetliner is able to halt 1.5 km. from the intersection of the second runway without incident. It requires an hour for the aircraft brakes to cool down and for a safety inspection to be made, after which the Airbus departs for British Columbia.

The threat of another major Toronto snowstorm on the morning of March 3 causes the airline to cancel 45 of its 130 scheduled short-haul departures from Pearson International Airport. "Rapidair" frequencies from Montreal to Ottawa are maintained, but at a reduced number.

On March 15, the carrier and **Royal Jordanian Airlines** announce plans to extend their successful dual designator service between Canada and Amman from March 28 until October 30.

The new service with **Royal Jordanian Airlines** begins as advertised on March 28 and features five flights a week from Toronto and Montreal to Amman via London (LHR). Under the agreement, AC offers customers originating from Canada economy class seats on Royal Jordanian flights from London (LHR) to Amman. Conversely, Royal Jordanian customers have access to "Hospitality Class" seats on AC flights from London (LHR) to Montreal and Toronto. Coordinated schedules ensure fast, convenient, same-terminal connections at Heathrow Airport.

Just after takeoff from Shanghai on April 15 with 68 tons of cargo on a service to Seoul, a **Korean Airlines/Korean Air (KAL)** MD-11F with three crew grazes a building and crashes into a construction site 10 km. SW of its point of departure. All aboard the aircraft are killed, along with five people on the ground; 30 others on the ground are injured. The media, in covering the accident, notes that, including 269 who died when KAL 007 was shot down in 1983, more than 700 people have died in KAL crashes during the past two decades.

On April 16, **Delta Air Lines** suspends its code-sharing agreement with KAL and immediately contacts its customers booked on KAL-operated flights to assist them in making alternative travel arrangements. The suspension will remain in effect until Delta has completed a thorough review of KAL operations. AC follows suit.

Also on April 16, representative for the airline's Canadian-based customer service and sales agents, the Canadian Auto Workers, ratifies a three-year pact with the airline.

On April 19, following an announcement by Jamaican Finance Minister Omar Davies that taxes on diesel, gasoline, and fuels would be increased by 30%, demonstrations on the island flare up and rage into full-scale civil unrest. AC, joined by **British Airways, Ltd. (2)**, **BWIA (British West Indies Airways, Ltd.) (2)**, and **American Airlines**, are forced to cancel services to Jamaica on April 20. Calm is restored on Jamaica on April 21, following three-days of deadly protest, arson attacks, and clashes between demonstrators and police that leave seven dead. AC resumes its services to Kingston next day.

In cooperation with "Star Alliance" partner **SAS (Scandinavian Airlines System)**, five-times-a-week dual-designator service is inaugurated on May 1 between Toronto and Copenhagen. The flights are operated by the Canadian line's B-767-233ERs.

A comprehensive code-sharing alliance is entered into with **Mexicana Airlines, S.A. de C.V.** on April 29 and is formalized on May 3. The frequent flyer programs of the two majors are quickly linked.

President/CEO Durrett informs shareholders at the airline's annual meeting on May 5 that profits are disappointing. To help cut costs, the company will defer delivery of two A330s and park nine of its DC-9s. Service to Denver, Chicago, and Washington, D.C., will be increased.

At the conclusion of the annual meeting, CEO Durrett reports that talks will shortly be resumed with **WestJet Airlines, Ltd.** concerning a cost-cutting, code-sharing strategic alliance. *The Edmonton Journal* reports on May 6 that the major is "keen to ink" a deal in order to help it begin to make money on short-haul routes in the western part of the nation, money previously lost to WestJet's low-cost service.

The board of directors announces new executive appointments on May 12. Former President/CEO Durrett becomes vice chairman/CEO, while former Executive Vice President/COO Robert A. Milton becomes president/COO.

On May 13, under terms of the new code-sharing agreement with Mexicana, AC and its Mexican partner begin code-sharing on Toronto and Montreal services, thereby linking AC's network to Mexicana's hub in Mexico City.

Daily nonstop A319-114 roundtrips from Calgary to Chicago (ORD) begin on May 17. The new flights are offered as code-shares with **United Airlines**.

The company's multimillion-dollar contract with Goodyear Tire & Rubber for the outfitting of its 157-plane fleet with aviation tires is extended on May 20 to the year 2003.

On May 21 AC begins offering its customers the option of electronic ticketing on flights to and from Frankfurt.

The Council for Business and the Arts in Canada on May 26 names Chairman Fraser as the 1999 recipient of its Edmond C. Bovey Award for leadership in support of the arts.

On June 2, AC launches nonstop services, on a dual-designator basis, to Mexico City three times per week on **Mexicana Airlines, S.A. de C.V.**-operated nonstops between both Toronto and Montreal and Mexico City.

Dual-designator service is inaugurated with **SAS (Scandinavian Airlines System)** on June 10, five-times-a-week from Canada to Helsinki via Copenhagen. Beginning on June 15, Air Canada's code is placed on the daily flights of **Deutsche Lufthansa, A.G.** between Frankfurt and Bucharest.

Daily nonstop A319-114 return service is started on June 22 from Toronto to San Diego. Air Canada is now the only carrier offering daily nonstop service between the southern California city and eastern Canada.

The same day, contract talks between the carrier and the airline division of the Canadian Union of Public Employees, which represents its 5,100 flight attendants, break off, just three days after resuming. A July 7 strike date is set.

Canadian Airlines, Ltd. CEO Kevin Benson informs his company's annual meeting at Calgary on June 29 that their carrier has been in discussions, requested by the government, with Air Canada concerning the possibility of dividing the two carrier's weak domestic routes rather than competing over them. Although no agreements are reached, discussions are scheduled to resume in October.

Beginning on July 1, Air Canada and **Mexicana Airlines, S.A. de C.V.** further expand their pact. Air Canada places its code upon Mexicana-operated flights to and from Guadalajara, Cancun, Acapulco, and Puerto Vallarta, while Mexicana code-shares on Air Canada-operated services to and from Winnipeg, Quebec City, Vancouver, and Calgary.

Also on July 1, the Canadian Labor minister appoints two mediators to help negotiators from Air Canada and its flight attendants reach an accord. Talks resume as the airline begins to post information on its website for passengers who may be inconvenienced in the event of a job action.

Key issues in the contract dispute continue to involve pension benefits and health/safety concerns, rather than wages. No resolution can be

found and, on July 5, flight attendants are polled and vote by 89.2% to reject the carrier's latest offer.

The continuing threat of a strike causes many Air Canada passengers to rebook flights, change to other airlines, or cancel their travel plans. Just minutes before the strike deadline passes, the parties agree on a new three-year contract that avoids a systemwide shutdown.

In July, following a C\$17.8-million second quarter loss (C\$124 million for the first half), **Canadian Airlines, Ltd.** announces plans to cut passenger capacity by 7%, using smaller aircraft rather than DC-10s in a number of markets. Although voices are raised for government assistance, ministers in Ottawa make it known that none will be forthcoming.

Daily nonstop A319-114 roundtrips commence on August 3 between Ottawa and Washington, D.C. (DCA)

It announced on August 6 that CEO Durrett will retire on August 31. President/COO Milton will succeed him as CEO. Milton will be the third executive from the U.S. state of Georgia, after Hollis and Durrett, to lead the Canadian flag carrier.

Other possibilities now surface to keep **Canadian Airlines, Ltd.** aloft. At a news conference on August 13, Transport Minister David Collette and Industry Minister John Manley announce an Order-in-Council, pursuant to Section 47 of the Canada Transportation Act. The edict will relax competition rules for 90 days in order to allow CP and Air Canada to discuss a possible corporate restructuring plan. Over the next several days the outcome of such a plan is speculated in the press to range from domestic route sharing, to a takeover of CP international routes by Air Canada, to a full-blown merger with the Montreal-based major, the survivor.

On August 23, Air Canada, which simultaneously hires external financial advisors, offers to purchase CP's profitable international routes, along with certain associated assets and liabilities, and to offer CP passengers code-sharing opportunities on its international routes. The arrangement guarantees transfer of CP personnel associated with international operations, liquidity, and continued maintenance of company headquarters at Calgary. Competition on domestic routes would be maintained. The exact monetary terms are kept confidential. Canadian rejects the bid within hours of its receipt, fearing that its acceptance would reduce it to a domestic-only airline.

The stakes are raised once again on August 24. After some days of speculation in the Canadian press, Gerald Schwartz, CEO of Toronto-based Onex Corporation (a buy-out specialist who also operates Lantic Sugar, Ltd. and the airline-catering company Sky Chefs), comes forward with an ambitious plan to purchase and merge both airlines. Indeed, an accommodation is quickly gained with and approved by **Canadian Airlines, Ltd.**, under which Onex would purchase it.

Under the Onex scheme, valued at C\$5.7 billion (US\$3.81 billion), a new concern, AirCo, would be created. Shareholders in **Canadian Airlines, Ltd.** are to be paid C\$2 cash or 0.2424 common share of AirCo for each of their common stock. Stockholders in Air Canada, when given the chance, will be offered C\$8.25 cash or one AirCo share for each of their common stocks. Retaining the name Air Canada, the enlarged Canadian operator would retain headquarters in Montreal.

For its part, Onex, according to Schwartz, will invest C\$1.2 billion in AirCo. Of this amount, the corporation will invest C\$475 million, including C\$225 million financed by a loan from AMR Corporation, parent of **American Airlines**, while AMR itself will put in C\$275 million in AirCo equity and convertible debt. In addition, both concerns will join together in investing a further C\$250 million in AirCo debts and warrants. When the paperwork is finished, Onex will own a 31% stake, AMR 14.9%, and public shareholders a majority of 54%. Key to this venture will be a shift of the reformed Air Canada away from its membership in the "Star Alliance" and into the AA-dominated "OneWorld" international grouping. AA would also provide computerized reservation and accounting systems for the single carrier. Efficiencies would be gained by the elimination of 5,000 jobs, as well as such other cost-cutting measures as route consolidations.

The offer is to be sent to both airlines by certified mail within two weeks and will expire on November 8, at which time it is anticipated that Air Canada will have held a stockholders meeting to vote on the proposal.

The Onex bid, viewed as "unsolicited" and "below-market" in value, is not welcome at Air Canada, which officially says so in a press release on August 27. Meanwhile, Air Canada President/CEO Robert Milton, in a message to employees also on August 24, indicates that other bids and counter-offers may be expected. Initial responses from shareholders and analysts are surprise and caution.

Figuratively speaking, the stadium is filled in anticipation when the contest, on August 25, begins to take on the trappings of the first international alliance duel. Speaking on behalf of the "Star Alliance," **Deutsche Lufthansa, A.G.** announces that the grouping will do everything reasonable to maintain the presence of Air Canada "in the team for the sake of our customers and fair competition."

At midday on August 26, the three airlines involved plus Onex agree on one point: they will exercise a vow of silence until their business is completed.

On August 31, the Air Canada board of directors adopts and announces a shareholder rights plan, which is designed to give the carrier time, beyond November 8, to consider alternatives. Under the plan's "poison pill" provisions, should any bidder not approved by the company board attempt a takeover (by purchasing more than 10% of Air Canada's common stock), shareholders will receive one share of new stock for each one they already own, thereby diluting the bidder's airline stake. The directors also call for a special shareholders meeting on January 7 to consider proposals, a move immediately protested by Onex, which files suit in court to force a meeting on or before November 8.

Analysts immediately express concern that the Air Canada move will delay a buyout long enough for **Canadian Airlines, Ltd.** to go bankrupt, at which point there will be nothing left of Onex Corporation to merge. The present Air Canada will remain intact, and CP assets, particularly long-haul routes, will be available for purchase. Both national political parties, the ruling Liberal and the opposition Reform, now enter the picture, debating the merits of extending the 90-day waiver of competition rules.

Self-service bilingual check-in kiosks are introduced in the "Rapid-Air" departure lounges at Toronto and Ottawa on September 1.

The Canadian Transport Ministry indicates, on September 2, that it will not grant an extension of the 90-day limit. Simultaneously, the leadership of the IAM indicates that its 18,500 members at the two major airlines and airline service companies will stage an illegal strike on September 27 unless Ottawa guarantees no jobs will be lost in an Onex deal.

On September 11, the carrier begins code-sharing on **Mexicana Airlines, S.A. de C.V.** flights from Mexico City to Guadalajara, Cancún, Ixtapa, and Puerto Vallarta and from Los Angeles to Guadalajara.

A new code-sharing agreement with **Comair** that begins on October 7 allows connections for passengers traveling to 18 U.S. cities. On October 18, daily CRJ roundtrips are launched from Halifax to Washington, D.C. (IAD).

A Quebec court rules on November 6, on a case filed by Air Canada, that the hostile takeover bid by Onex Corporation, which is supported by **Canadian Airlines, Ltd.** and **American Airlines**, violates the 10% individual limit rule on Air Canada share ownership. The stipulation had originally been written into Air Canada's 1988 privatization document to guarantee diverse ownership. Having been proven wrong in the assumption that the government would quickly change the provision, Onex Chairman Schwartz is forced to end his acquisition attempt.

Air Canada now makes a C\$92-million offer to take over Canadian, but this move is resisted by Canadian CEO Kevin Benson, who is receiving credits from **American Airlines**, which really does not want to lose its "OneWorld" partner. Analysts, including Transport Minister Collette, now predict that Canadian will soon be acquired by its rival and planning for Canada's post-merger skies begins.

In a vivid demonstration of the ability of the "Star Alliance" to make a difference in local communities, Air Canada and SAS (**Scandinavian**

Airlines System) sign a 14-month agreement later in November. Under this pact, AC will complete C\$10 million in cabin reconfiguration work on SAS's B-767-300 fleet in its Canadian shops.

With continuing support and assistance from the other "Star Alliance" carriers, especially financial help from **Deutsche Lufthansa, A.G.** and **United Airlines**, Air Canada has put together its own \$760-million recapitalization plan for company stockholders and makes a successful C\$92-million (\$63-million) counteroffer for Canadian. The drama reaches a high point on December 4 when the **Canadian Airlines, Ltd.** board of directors accept the Air Canada tender.

On December 23, Canadian stockholders agree to sell their outstanding shares; the same day, an agreement is facilitated with **American Airlines** under which the Dallas-based major will sell its Canadian shares to AC for \$59 million.

Customer bookings this year climb 2.7% to 15,200,000 and cargo rises 3.6% to 1.25 billion FTKs. Operating revenues jump 9.7% to \$4.48 billion, while costs are up only 3.8% to \$4.13 billion. The operating profit more than doubles to \$346.21 million as the previous year's strike-induced net loss becomes a \$146.6-million gain.

Airline employment stands at 22,991 at the start of 2000, a 0.7% increase. Among the world's top 25 airlines at the beginning of the new millennium, AC is 23rd in passengers, 19th in operating revenues and number of employees, 15th in operating profit and fleet size, and 22nd in net gain.

Acquisition of the **American Airlines** and **Canadian Airlines, Ltd.** shares by Air Canada occurs on January 4. Having gained control of Canadian, the work of actually integrating it while overseeing the restructuring of its huge debt now begins.

Also on the table is the question of affiliated regional airlines. With the previous year's consolidation of **Air Nova** and **Air Alliance** having proven successful, a review of the additional opportunities to be derived from a further consolidation with **Air Ontario** and **AirBC, Ltd.** has been undertaken. On January 20, it is announced that the process of consolidating **Air Nova**, **Air Ontario**, and **AirBC, Ltd.** would begin immediately under the leadership of former **Air Nova** CEO Joseph Randall. It is anticipated that the integration process, which will be facilitated by representatives of the three lines, will require a number of months. In the interim, the three will continue operations under their original names. The federal Competition Bureau simultaneously orders the sale of the **Canadian Airlines, Ltd.** subsidiary **Canadian Regional Airlines, Ltd.**, but grants permission for its integration into the Air Canada commuter network if it is not sold by August 30.

In a joint ceremony at Toronto on February 9, 60 AC and CAI employees roll out the first Canadian jetliner to be painted in modified AC colors. The reliveried B-767-375ER wears Canadian titles, with the famous goose logo shown in smaller format behind the titles.

Seconded over from Air Canada, its executive vice president, Paul Brotto, succeeds Kevin Benson as **Canadian Airlines, Ltd.** chief operating officer on February 29; Benson remains a Canadian board member. The new AC executive vice president, effective April 1, is Calin Rovinescu, the Montreal lawyer who helped win the crucial November 6 court ruling.

On March 14, **American Airlines** confirms that it has received word that **Canadian Airlines, Ltd.** will depart the "OneWorld" alliance on June 1. Air Canada, its new owner as of December, is a member of the rival "Star Alliance."

With Transport Ministry authority, AC, beginning on April 2, is able to operate its own jetliner over the previous Canadian routes from Toronto and Vancouver to Mexico City. Simultaneously, the frequency from Toronto to São Paulo becomes daily. Transborder frequencies from Montreal to Miami, Ottawa to Chicago (ORD), Toronto to San Francisco, and Winnipeg to Chicago (ORD) are all increased.

On April 3, new daily A319-114 roundtrips are started from Montreal to Denver, while frequencies from Toronto to Las Vegas become daily. Simultaneously, a daily roundtrip is introduced from Toronto to Victoria and the carrier begins to code-share on **Canadian Airlines, Ltd.** flights

from Edmonton to Los Angeles and Montreal. Domestic frequencies are boosted on routes from Vancouver to both Regina and Saskatoon.

By April 15, Canadian has reached agreement with 90% of its aircraft creditors concerning the restructuring of its debt towards aircraft leases. The Canadian reorganization plan receives internal approval on April 21 and is forwarded to an Alberta court for approval on April 24.

Introduced on April 2, the A340-313 code-shared flights with **All Nippon Airways Company, Ltd. (ANA)** between Toronto and Tokyo (NRT) become daily on April 25.

Daily frequencies from Toronto to Hong Kong via Vancouver begin on May 1 and thereby double twice weekly the existing service to Hong Kong from Vancouver. Daily direct nonstop flights from Toronto to Hong Kong begin next day.

AC and Canadian announce on May 19 that the two will end their code-sharing arrangements with **American Airlines** on or before October 1. Canadian and American had been partners for a decade. Only five days later, Air Canada signs a code-sharing pact with **Delta Air Lines** that will come into effect on October 29. Despite Delta's membership in the **Air France**-led "SkyTrek" alliance, the new arrangement will not impact Air Canada's "Star Alliance" tie.

June 5 is a busy day as Canadian departs Terminal 3 at Toronto and begins to consolidate with AC into Terminals 1 and 2. Simultaneously, the AC Toronto to Milan route becomes daily year-round as does the route from Vancouver to Mexico City.

The same day, AC launches daily block-seat, code-sharing flights with **Deutsche Lufthansa, A.G.** between Toronto and Munich with its B-767-233ERs. It also initiates new dual designator A319-114 or CRJ service with **United Airlines** from Vancouver to Denver and Washington, D.C. (IAD), from Montreal to Philadelphia, and from Toronto to Austin and Ontario, California.

A new daily roundtrip is launched between Halifax and Vancouver and domestic frequencies are increased from Winnipeg to Halifax, Montreal, and Ottawa and from Toronto to Moncton, Regina, St. John's, and Saskatoon. Hourly service is boosted to 15 daily roundtrips between Toronto and Calgary and to 17 daily roundtrips between Toronto and Vancouver.

On June 19, daily A319-114 return flights are inaugurated between Toronto and Kelowna, British Columbia. Daily B-767-233ER roundtrips begin the next day between Toronto and Amsterdam.

Contract talks between Air Canada and the 2,200-member Air Canada Pilots Association continue during the spring and into summer. On June 26, 95% of the flyers vote in favor of a strike.

The Vancouver-Seoul service becomes daily on July 1 and new daily service from Toronto to Sydney via Honolulu begins on July 3. One of the aircraft chosen to operate the route is the repainted B-767-375ER unveiled on February 9, the use of which symbolically allows a continuation of the merger partner's 51 years of Australian service. The same day, new daily B-767-233ER roundtrips start from Toronto to Amsterdam.

Financial restructuring of Canadian is completed on July 4, on which date CEO Milton announces the reorganization of Air Canada into five main divisions. In anticipation of the completion of the two airlines' integration at the end of the year, the pair jointly indicates the next day that the Canadian Plus loyalty program will be merged into Air Canada's Aeroplan on January 1.

Canadian Airlines, Ltd., on July 7, becomes an indirect, but wholly owned subsidiary. At this point, AC is actually permitted to place Canadian's **Canadian Regional Airlines, Ltd.** subsidiary up for sale.

In its annual ranking published in the July 24 issue, *Aviation Week & Space Technology* names Air Canada the "best managed major airline in North America." Halifax lawyer Bruce Outhouse is named by the government on July 25 to mediate the pilot dispute. Due to a shortage of pilots, 49 flights must be cancelled on July 30-31.

As is the case with many U.S. carriers, Air Canada has suffered a huge number of delays and other problems this year that have led to a downturn in perceived service and an increase in passenger complaints. CEO Milton addresses these concerns at the beginning of August,

promising a complete turnabout in 180 days. Improvements will come through changes at several airports, particularly Toronto, and the addition of 2,000 employees. It is also hoped that the pilot situation will be resolved shortly.

After weeks of negotiation, talks between the airline and the ACPA pilot's union are broken off on August 18; the threat of a job action over the Labor Day holiday becomes a real possibility.

During the month, the three regionals, **AirBC, Ltd.**, **Air Nova**, and **Air Ontario** take a major step towards their consolidation into a single unit when a head office for a joint carrier is established in Halifax and a western hub at Calgary. Having failed to find a buyer, Air Canada is permitted to take over **Canadian Regional Airlines, Ltd.** on August 30 and add that feeder into its regional airline consolidation process. When the integration process is completed at year's end, it is anticipated that the (as yet) unnamed airline will be one of the largest regional airlines in the world, with over 5,000 employees and some 135 aircraft, mostly Dash-8 turboprops.

An important foreign blessing of the majors' merger is received on August 31. The British Competition Commission, ruling in response to complaints from other airlines (including **Air France** and Canadian's former "OneWorld" partner **British Airways, Ltd.**) approves the takeover and agrees to allow Air Canada to retain all of its important London (LHR) landing slots.

The threat of a pilot strike is averted on September 1 when a mediator's recommendations on a new four-year contract are accepted. However, Air Canada is still left with the troublesome duty of integrating its pilot seniority list with the 1,200 ALPA-represented pilots at Canadian Airlines, Ltd. Weak performance forces cancellation of the new Toronto–Ontario, California route a week later.

On September 10, **CanJet Airlines, Ltd.** Chairman Kenneth Rowe files a complaint with the federal Competition Bureau alleging that Air Canada, is engaged in predatory pricing tactics against CanJet on the five new Eastern Canada routes it had initiated on September 5.

The federal Competition Bureau on October 17 orders Air Canada to stop selling special discount fares on the five CanJet routes in Eastern Canada—Halifax to Ottawa, St. John's, and Montreal and Windsor to Ottawa and Toronto. Commissioner of Competition Konrad von Finckenstein issues the temporary, but renewable, order on the grounds that CanJet would otherwise "likely be eliminated" from the routes. The first of its kind issued by the Bureau since Parliament amended the Competition Act earlier in the year, the order allows Bureau officials time to examine CanJet's charges. Air Canada immediately challenges the ruling.

Company pilots approve their new contract on September 28, eliminating any possibility of strike.

Technical problems prevent conversion of **Canadian Airlines, Ltd.** to the Air Canada reservations system as scheduled on October 1; the use of two different systems continues to cause problems for passengers.

When the winter schedule, coordinated with **Canadian Airlines, Ltd.**, begins on October 29, the two add new B-737-375ER roundtrips from Vancouver to New York (JFK); also added are increased frequencies from Halifax–St. John's–London and Toronto–Rome. Nine additional domestic nonstop services begin next day, while flights are boosted from Halifax to both Newark and Washington, D.C. (IAD). Additionally, the AC A319-114 daily return route between Toronto and Phoenix is doubled.

The code-sharing arrangement now also begins with **Delta Air Lines**; the two share designators on each other's transborder flights from Canadian points to the U.S. hubs at Atlanta, Cincinnati, Dallas (DFW), and Salt Lake City.

Another strategic pact also takes effect, this one with **Singapore Airlines, Ltd.** Under its terms, AC places its code on the Asian line's daily return service from Singapore to London (LHR) and on its thrice-weekly roundtrips from Singapore to Copenhagen.

Daily nonstop A319-114 return flights from Vancouver to New York (JFK) begins on October 30; it will be code-shared with **United Airlines** starting on November 9.

New B-737-375ER flights, coordinated with **Canadian Airlines, Ltd.**, begin on November 21 from Vancouver to Shanghai and on December 10 from Calgary to Honolulu.

AIR CANADA CONNECTOR. See **AIR ALLIANCE, INC.**; **AIRBC, LTD.**; **AIR NOVA, INC.**; **AIR ONTARIO, INC.**; **AIR SATELLITE, LTD.**; **AIR TORONTO, LTD.**; **NWT AIR (NORTH-WEST TERRITORIAL AIRWAYS, LTD.)**; **VOYAGEUR AIRWAYS, LTD.**

AIR CAPE (PTY.), LTD.: South Africa (1962–1988). Having determined that his corporate aircraft was under utilized, Clifford Harris obtains a charter license from the South African government on August 10, 1962. **Air Cape (Pty.), Ltd.** is now formed at Malan Airport, Cape Town, as the airline operating subsidiary of Clifford Harris Engineering Group.

Maintenance and air taxi work is undertaken as the company initiates on-demand flights on February 9, 1963. The inaugural fleet includes 1 Beech Bonanza and 1 Beech 50 Twin Bonanza, with 1 Beech 58 Baron added before year's end.

Permission sought earlier to operate charters to and along the West Coast are denied by the government in 1964. Still, a Cessna 210 and de Havilland DH 104 Dove 1 are acquired. The charter business steadily improves and, in 1965, the fleet is further enhanced through the delivery of a Cessna 310, a Piper PA-310 Twin Comanche, and most importantly, a Douglas DC-3. P. E. Stableford becomes general manager at the end of the year.

Scheduled service is initiated in 1967–1968, some of it in replacement of **South African Airways (Pty.), Ltd. (SAA)** flights. The fleet grows through the addition of 1 Beech 99, 2 PA-28 Cherokee, 1 PA-32 Cherokee Six, and 1 Cessna 172.

Employing first the Beech 99 on a thrice-weekly basis and then, as ridership improves, five more DC-3s, scheduled roundtrip passenger and cargo services are, in pool with SAA, flown six times a week along an eastern coastal route that links Cape Town with Oudtshoorn, George, Plettenberg Bay, Grahamstown, Queenstown, Port Elizabeth, Walvis Bay, and East London.

These charter, scheduled, and contract service operations continue until March 31, 1969, when responsibility for the independent's activities is assumed by **South African Airways (Pty.), Ltd.** During 1970, South African Marine Corporation (Pty.), Ltd. (Safmarine) assumes a 50% stake. J. Lourens becomes general manager in 1971.

Flights continue in 1972–1974 as daily roundtrips commence from Port Elizabeth and Bloemfontein and from Cape Town to Beaufort West.

A Hawker Siddeley HS 748 is purchased from the French airline **Rousseau Aviation, S.A.** in early 1975. S.A. Marine Corporation (Pty.), Ltd. purchases complete control in 1977.

In 1978, Chairman D. W. Thorpe's company possesses three of the Douglas transports and the HS 748. Airline employment is 80.

A Walvis Bay to Cape Town service is subcontracted from **Namib Air (Pty.), Ltd.**, and in October 1980, the route is acquired in its entirety, along with a leased (later purchased) Convair CV-580 with which to operate it. The Convair replaces one DC-3, and a Britten-Norman BN-2 Islander.

In 1982, the company takes over the former **Namib Air (Pty.), Ltd.** service linking Alexander Bay and Cape Town with Walvis Bay in Namibia. At the same time, the company employs a Partenavia Observer 87 on behalf of the South African Coast Guard.

During the next five years, and despite the appointment of Jonathan Hemp as general manager, service begins to deteriorate in the face of world isolation and domestic unrest. By 1987, General Manager Hemp's carrier has replaced its DC-3s and Convair with a Swearingen Merlin IV and a Partenavia P-68B. The company is purchased by the government-owned **Safair Freighters (Pty.), Ltd.** in August 1988 and absorbed.

AIR CAPITOL, S.p.A.: Italy (1991–1993). Air Capitol is established at Rome in the spring of 1991 to offer scheduled commuter service to

Cuneo. Giuseppe Cillapaco is named chairman, with Eugenio Ainnella as president. A fleet of 3 Aero Commander 690Bs and 1 Cessna 414 is assembled and revenue services begin during the summer.

Enplanements in 1992, the first full year of service, total 2,437. In great financial difficulty and unable to achieve economic viability, the new entrant closes its doors in 1993.

AIR CARAIBES, S.A. (1) (CARAIBES AIR TRANSPORT): French West Indies (1987–1999). Originally established as an air taxi at Aeroport de Fort de France, Martinique, in 1987, CEO Jean-Paul Dubeuil's concern will grow to offer eastern Caribbean scheduled passenger flights as well. By the time the company shuts down in 1999, it is operating 1 each Britten-Norman BN-2 Islander, Cessna 208B Grand Caravan, and de Havilland Canada DHC-6-300. Three Dornier 228-212s are also operated.

AIR CARAIBES, S.A. (2): Aeroport du Raizet, Immeuble Le Caducet, Abymes, 97139, Guadeloupe, French West Indies; Phone 05 96 51 17 27; <http://www.air-caraibbes-charter.com>; Code TX; Year Founded 2000. In order to create a larger carrier in fact as well as an alliance, the small airlines of the French Caribbean, which had been flying the Antilles under the umbrella of Caraibenne des Transports Aeriens, are merged into SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe) during July 2000.

The surviving partner, controlled by 70% majority owner Groupe Dubreuil—which had previously owned the French carrier **Regional Airlines, S.A.**—is then renamed **Air Caraibes, S.A. (2)**. The SATA fleet is enhanced by the addition of the former **Air Saint Martin, S.A.** Dornier 228-202 and Beech 1900D, the **Air Martinique, S.A.** ATR42-320s and Dornier 228-202s, and the **Air Saint Barthelemy, S.A.** 228-201 and de Havilland Canada DHC-6-300. The enlarged airline maintains the local service routes of three previous independents. It also retains the **Islands-flug, H.F.** B-737-200A, previously chartered for Caraibenne des Transports Aeriens, and employs it to operate daily roundtrips from Fort-de-France and Pointe-à-Pitre to Miami via Port-au-Prince, Haiti.

During August, arrangements are completed for the lease of 2 Embraer ERJ-145 Express Jets from **Regional Airlines, S.A.**, with the first due to arrive in December. The following month, a former SATA ATR72-200 becomes the first company aircraft to show the merged line's new livery.

AIR CARAIBES EXPLOITATIONS, S.A.: French West Indies (1987–2000). Based at Aeroport de Raizet at Abymes and capitalized at FFfr 0.3 million, Air Caraibes is founded in 1987 to provide scheduled flights in the Guadeloupe island region. President Simon Hayot's third-level operation begins service in mid-year with a fleet comprising 2 Cessna 208 Caravan Is, 1 de Havilland Canada DHC-6-300, and 2 Beech Super King Air 200s. Scheduled routes are operated on behalf of **Air Guadeloupe, S.A.** from Pointe à Pitre to Les Saintes and La Desirade; many ad hoc charters are also flown.

Operations continue apace during the remainder of the decade and into the 1990s. A pair of Cessna 208 Caravan Is and two Pilatus Britten-Norman PBN-2 Islanders are acquired in 1991–1992 and, in 1993–1994 the fleet is increased by the addition of 2 Dornier 228-202s and 1 leased 228-201. Flights continue without change during the remainder of the decade.

In order to create a larger carrier, the small airlines of the French Caribbean, including this unit, are merged into **SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe)** during July 2000. The surviving partner is then renamed **Air Caraibes, S.A.(2)**.

AIR CARGO, LTD.: P.O. Box 89, Lilongwe, Malawi; Phone 760311; Fax 760198; Year Founded 1991. Registered in January 1991, this all-cargo subsidiary of **Air Malawi, Ltd.** initiates services to Africa with a fleet made up of 1 Douglas DC-8-55F and 1 DC-8-54F. Chairman J. Davenport and CEO M. C. Kruger employ 25 workers. Regional destinations visited from Lilongwe include Kano, Lagos, Accra, and Harare.

In January 1993, weekly international roundtrips commence from Lilongwe to London (LGW) and Amsterdam. It is understood that services continue without change during the remainder of the decade; exact information is, however, unavailable.

AIR CARGO CARRIERS: 4984 South Howell Ave., Milwaukee, Wisconsin 53207, United States; Phone (414) 482-1711; Fax (414) 482-2038; <http://www.aircar.com>; Code UN; Year Founded 1986. ACC is founded in Milwaukee in 1986 to offer replacement cargo services for major carriers to non-trunk population centers in Canada, the U.S., and the Caribbean. President James Germek's begins revenue services with 4 Shorts SC-7 Skyvans.

The first Shorts 330-100 is acquired in 1990 and by 1994, the airline, which has established its own central maintenance facility at Milwaukee, employs 22 people.

Beginning in 1995, larger Shorts 360-300 freighters are acquired and the company expands rapidly to become, by 2000, the largest owner and operator of Shorts aircraft in the world. The fleet now includes 7 330-100s and 3 360-300s, all of which have been converted from passenger configuration to cargo with expanded cargo doors and strengthened floors.

The company also positions itself to become a provider of a full range of services to other Shorts operators. A large spares inventory is maintained and pilot and mechanic training is provided both for ACC's own personnel and under contract to others.

AIR CARGO EGYPT (INTERNATIONAL AIR CARGO CORPORATION, LTD.): Egypt (1977–1985). Registered in Cairo in April 1977, this all-freight carrier is equipped with a single Boeing 707-320C and begins revenue service in July. Cargo charter and contract service flights are undertaken between Egypt, North Africa, Europe, the Middle East, and Asia. Business deteriorates during the world recession in the early to mid 1980s, forcing the company to stop flying in 1985.

AIR CARGO ENTERPRISES: United States (1979–1984). Harry T. Show Jr. forms ACE at McAllen, Texas, in 1979 to operate scheduled all-cargo services to Honolulu with two Douglas DC-4Fs. A total of 31,316 freight FTKs are operated by December 31. The four-engine piston-powered freighters increase their cargo haulage in 1980 to 33,818 FTKs, a 7.8% gain.

Operations continue apace until 1984 when the company shuts its doors.

AIR CARGO EXPRESS (1): Ft. Wayne International Airport, 11142 W. Perimeter Road, Fort Wayne, Indiana 46809, United States; Phone (219) 747-1963; Fax (219) 747-1967; Year Founded 1983. ACX is set up at Fort Wayne in 1983 to provide all-cargo charters and high-priority express flights throughout North and Central America. Operations continue and, by 2000, the company is operating three Learjet 24 freighters, plus one each Beech 18 and Mitsubishi Mu-2.

AIR CARGO EXPRESS (2). See TATONDUK AIR SERVICE

AIR CARGO TRANSPORT CORPORATION: United States (1945–1948). Established at Newark, New Jersey, in late 1945, ACTC is one of many all-cargo carriers created by World War II veterans. Employing war-surplus Curtiss C-46s, the company undertakes ad hoc transcontinental charters for two years before closing down in 1948.

AIR CARIBBEAN: United States (1975–1979). Owned by Old South Air Service, AC is founded at Isla Verde, San Juan, Puerto Rico, in the late fall of 1975 to offer daily roundtrip scheduled services to St. Thomas in the U.S. Virgin Islands. Operations begin in December with a fleet of 5 Douglas DC-3s and during 1976, a comprehensive schedule of over 70 flights each day is developed, with Aguadilla, Mayaguez, and Ponce also served as destinations.

Enplanements reach 82,908 in 1977. The carrier's 10 DC-3s assist passenger boardings in accelerating a whopping 63.1% in 1978 to 195,226. Rising fuel prices and economic downturn force the third-level carrier to shut its doors in 1979.

AIR CARIBBEAN, LTD.: Trinidad and Tobago (1991–2000). ACL is established at Port-of-Spain on November 26, 1991 to provide scheduled passenger services between Trinidad and Tobago and to offer charters across the southern Caribbean region. Ownership is equally divided between Medishi Investments and Luxsam Holdings, but revenue operations do not immediately begin.

Captain Erik Mowser is appointed managing director and, early in 1993, he recruits a workforce of 120 and orders a fleet of 2 NAMC YS-11A-500s and 1 YS-11A-600 freighter, all of which are quickly modified at Hamilton Aircraft, Tucson, Arizona, and are delivered in July. Revenue operations commence on August 8 over an "air bridge" route from Trinidad to Tobago.

Fifteen new employees are hired in 1994 as a fourth Japanese-made turboprop is placed into service. Late in the year, a marketing agreement, effective the following spring, is signed with **British West Indies Airways, Ltd. (2) (BWIA)**.

In 1995–1996, Capt. Mowser remains as managing director, with Leslie "Lucky" Samaroo as executive chairman and CFO. Following the privatization of BWIA in February of the former year, its Vice President-Marketing/sales Nelson Tom Yew is recruited to Air Caribbean to serve as general manager.

The company continues its shuttle service, as well as ad hoc charters to Grenada, Barbados, St. Vincent, and St. Lucia. Two more YS-11A-500s join the fleet.

In March 1997, a homepage is opened on the World Wide Web.

Twice-daily roundtrip turboprop service is introduced during July from Barbados to Port of Spain and Georgetown.

On December 3, **LIAT (1974), Ltd.** takes over the twice-daily "air bridge" roundtrip service between Trinidad and Tobago previously operated by **British West Indies Airways, Ltd. (2) (BWIA)**. The move is contested in court by ACL, the designated "air bridge" carrier.

With the expansion of the company's schedule in early 1998, orders are placed for three Boeing 737-200As. The first of these enters service on August 11, replacing the turboprop service from Barbados to Port of Spain.

It is simultaneously reported that, in the five years of "air bridge" service between Trinidad and Tobago, the airline has moved nearly two million passengers with a 90% on-time performance factor.

On June 18, Justice Fyrd Hosein grants the ACL request and orders **LIAT (1974), Ltd.** to halt flights on behalf of **British West Indies Airways, Ltd. (2) (BWIA)** over the Trinidad to Tobago "air bridge." BWIA and LIAT, in turn, appeal Hosein's decision to the court of appeals. On July 1, that high court overturns Judge Hosein's finding and permits BWIA and LIAT to return to the "air bridge" effective August 31.

On August 20, ACL Executive Chairman Samaroo and General Manager Nelson Tom Yew meet in a "peace conference" at the Red House at Port-of-Spain with **British West Indies Airways, Ltd. (2) (BWIA)** Chairman Lawrence Duprey and CEO Conrad Aleong. The session, brokered by TT Works and Transport Minister Senator Sadiq Baksh, is designed to create an atmosphere under which previous operational differences between the two carriers might be resolved. During the meeting, Baksh expresses a hope that BWIA will fly more services over the "air bridge" while ACL might be designated a national air carrier, which will allow it to expand its regional and international activities.

During the last weekend in August, the carrier operates its first jet charters; the B-737-2H4A transports over 100 representatives of the West Indies Biscuit Company from Barbados to Port-of-Spain and members of the Trinidad Cement Sports Club from Port-of-Spain to Bridgetown.

A new B-737-2H4A route is inaugurated on September 1 between Port-of-Spain and Georgetown. The new jet service complements the

current turboprop flights, increasing to two the number of daily roundtrips between the two points.

The YS-11A-500 route system is expanded into the wider Caribbean, with new stops added in Venezuela and Guyana.

Hurricane Georges wreaks havoc on Antigua and St. Kitts. On September 26, two YS-11A-500s, loaded with relief supplies (primarily medical equipment and medicine) undertake a "mercy flight" to the two destinations.

A second daily B-737-2H4A roundtrip is started on September 28 between Port-of-Spain and Georgetown.

Two more B-737-200As arrive in November. At this point, daily scheduled jetliner flights are initiated to Grenada and St. Lucia, while frequencies to Guyana and Barbados are increased.

The government of Trinidad and Tobago grants ACL national carrier status on December 16 and authorizes it to apply to any government it wishes (so long as a bilateral air agreement with it is in place) for authority to undertake air service operations.

As part of the celebration surrounding the company's status elevation, Chairman Samaroo informs reporters from *The Broad Street Journal* that ACL expects to begin twice-daily roundtrips to Miami by February and Caracas by March. It is hoped that, by July, the company will also be flying to Jamaica and Suriname with B-737-200As and New York with a larger B-757-200s or B-767-200s.

In his end-of-the-year message covered by *The Trinidad Express* on December 30, ACL's chairman indicates that employment will be increased by 75 workers to 300 during 1999 and that a "modern international computerized reservations system incorporating the latest technology" will be in place by April. The turboprop fleet will be retired and replaced with B-737s on Caribbean routes while a B-757-200 will be obtained with which to launch flights to New York (JFK) and Toronto by July.

During January and February 1999, ACL presses ahead with its expansion plans, including installation of the new computerized reservations system. Preparations are underway for the receipt of two more leased B-737-200As and a recruiting campaign has begun for the employment of cockpit and cabin crews. Inauguration of flights to Miami (MIA) is pushed back first to April and then to May.

Following acceptance by the Guyanese carrier of an offer by local interest to take equity control of **Guyana Airways Corporation, ACL**, on March 1, withdraws its privatization bid. The Trinidad carrier now begins to place specific media advertisements seeking pilots.

As a result of confusion over a schedule change, 12 people are left behind on May 9 when a B-737-2T5A departs Trinidad for Barbados. All are provided free accommodations and are able to fly out the next day. The *Trinidad Express* reports the incident on May 11 and notes General Manager Yew's denial that the stranded customers were badly treated.

General Manager Yew resigns on June 30 and, on July 14, is reappointed a general manager at **British West Indies Airways, Ltd. (2) (BWIA)**.

Chairman Samaroo takes on the general manager's duties and the remainder of the year is spent in planning for a new route to Miami, which will, hopefully, be inaugurated shortly after the beginning of the millennium. With financing from First Citizens Bank, orders are placed for a pair of refurbished Boeing 737-200As; upwards of \$10 million is also committed to meet U.S. Federal Aviation Administration requirements.

The carrier receives U.S. DOT authorization for Florida service on January 13, 2000. Four-times-a-week, low-cost roundtrips are launched on January 26, with daily flights beginning on February 2. Special fares for Carnival are introduced on February 14.

Due to expire on March 8, the carrier's Trinidad-Tobago "airbridge" license is renewed on February 26. Despite competition from **British West Indies Airways, Ltd. (2) (BWIA)**, the company continues to maintain an 80% exclusivity arrangement for market share.

Twice-daily return service to Miami starts on March 31.

Amid dismissed rumors that the new route is not paying, Chairman Samaroo announces on July 6 that, in order to fund fleet and route

expansion, a 49% stake is now available for sale. Not only is the equity stake not taken up, but the company now also finds itself, silently, in great financial distress. After it is unable to honor a TT\$100-million (US\$15.87-million) debt to the First Citizens Bank of Trinidad on October 23, it is placed into receivership. Flights are suspended as a bank official takes possession and 350 employees are suddenly put out of work. That executive, Victor Herde, informs the laid off employees on October 30 that the airline also owes their pension fund TT\$1.2 million (US\$190,440).

By November 6, several Trinidad and Tobago government agencies are conducting investigations into the causes of the debacle.

AIR CARIBE INTERNATIONAL: United States (1983–1991). ACI is set up at San Juan, Puerto Rico, in 1983 to offer scheduled passenger and cargo flights linking its base with the Virgin Islands and Dominica. President Robert Murray assembles a fleet of Piper PA-23 Aztecs that are employed to inaugurate nonstop weekday flights to Cane Field Airport in Dominica plus the Virgin Island destinations of St. Thomas and St. Croix.

Operations continue apace during 1984–1987. The company is reorganized in 1988 and flies from San Juan's Luis Munoz Marin Airport with four newly acquired Piper PA-31-310 Navajos. While seeking a major code-sharing partner, the small regional transports a total of 6,000 passengers on the year.

Operations continue apace in 1989–1990, but the company is unable to survive recession and folds in 1991.

AIR CAROLINA: United States (1977–1980). AC is established by William E. Smith at Florence, South Carolina, in 1977 to succeed **Florence Airlines** and to provide scheduled commuter service to Hickory, Charlotte, and Augusta employing a mixed fleet of Pipers (4 PA-31-310 Navajos, 1 PA-31-350 Navajo Chieftain, 1 PA-34 Seneca, and 1 PA-23 Aztec) plus 1 Britten-Norman BN-2 Islander. Bookings for the first year are 20,969. They will increase by 21.5% in 1978 to 26,711. Freight, on the other hand, will drop a full 50% to 31,590 pounds carried.

The workforce is increased by 9.5% in 1979 to 46. The fleet now includes 2 Navajo Chieftains, 1 Navajo, and the Islander. Passenger boardings jump 10.9% to 30,000, while freight declines another 13.6% to 27,000 pounds. The company is purchased by and merged into **Atlantis Airlines** in September 1980.

AIR CARRIERS, LTD.: Southern Rhodesia (1946–1960). Coleman Myers establishes AC at Salisbury in 1946 to provide passenger charters, primarily for those wishing to visit Victoria Falls and other bush destinations. Employing a mix of British and U.S. lightplanes, the company visits Bulawayo, Livingstone, and Lusaka, while flying tourists over the falls and areas of big game population.

On behalf of the government of Bechuanaland, a weekly scheduled service is offered from Bulawayo and Mgamiland. A subsidiary, Bechuanaland Protectorate Air Service, Ltd. is formed to operate this route under contract.

The company's aerial capacity is significantly increased in 1956 by the addition of several Piper PA-23 Apaches. Operations continue apace until December 1960, when Air Carriers is merged with several other small companies to form **United Air Carriers, Ltd.**

AIR CASTLE: 501 Santa Monica Blvd., Suite 703, Santa Monica, California 90401, United States; Phone (800) 354-4481; Fax (310) 899-5259; Year Founded 1982. Air Castle is set up as an FBO at Santa Monica Municipal Airport in 1982. Over the next 15 years, it also moves into the local and transcontinental executive passenger charter business.

In 2000, the company has one each IAI 1124 Westwind I, Canadair CL-600 Challenger, Cessna 500 Citation I, and Piper PA-34 Seneca II at Santa Monica. Further north in the Golden State, the company also flies a Challenger from San Francisco. Air Castle also bases a Challenger and a Westwind in New Jersey.

AIR CATALINA. See CATALINA SEAPLANES (1)

AIR CAVREL, LTD.: Manston Airport, Ramsgate, Kent, England CT12 5BL, United Kingdom; Phone 44 (0) 1843 822884; Fax 44 (0) 1843 822433; Code ACL; Year Founded 1997. Air Cavrel is established by Richard R. Le Lion at Manston in late 1997 to offer international and regional cargo services. Christopher D. Leach of parent Air Charter Service is chairman, with Le Lion as managing director. A workforce of eight is recruited and a pair of Shorts 330-200s is acquired. Revenue flights commence in early 1998 and continue.

AIR CENTER HELICOPTERS: #40 Sub Base, Suite 203, St. Thomas, Virgin Islands 00802, United States; Phone (809) 775-7335 Fax (809) 774-7133; Year Founded 1986. Air Center is set up at St. Thomas in 1986 to provide rotary-wing passenger charters around the Virgin Islands and Puerto Rico. Flights continue over the next decade, and by 2000 the company is operating two Bell 206B JetRangers, a 206L LongRanger, and a Bell 412. Air Center has also expanded to the U.S. mainland, where it bases one each LongRanger and Bell 412 at Fort Worth.

AIR CENTRAL (1): United States (1972–1973). AC-1 is established at Minneapolis (MSP) during the first quarter of 1972 to fly scheduled passenger and cargo services to Detroit Lakes via Park Rapids. Cessna lightplane revenue flights commence in March, but due to the energy crisis, cannot be maintained beyond 1973.

AIR CENTRAL (2): United States (1978–1979). The second Air Central is set up at Enid, Oklahoma, in 1978 to provide scheduled passenger and cargo services to the two major airports at Dallas, Texas (DFW and DAL). Employing a Piper PA-31-310 Navajo, the company inaugurates daily roundtrips via Oklahoma City, Tulsa, and Amarillo, in June.

Unable to maintain economic viability, the commuter suspends scheduled flights in 1979. It is purchased by **Trans-Central Airlines** in June 1980 and merged.

AIR CENTRAL (3): United States (1979–1980). AC-3 is established at Harlingen, Texas, in 1979 to operate regularly scheduled passenger and cargo services to such other Lone Star cities as San Antonio, Corpus Christi, and McAllen. An all-Cessna fleet is assembled, including a number of -207s, -310Rs, and -402s.

In early 1980, service is extended to Laredo and down to Monterey, Mexico. Late in the year, the carrier is reformed into **Trans-Central Airlines**.

AIR CENTRAL, LTD.: New Zealand (1974–1982). J. W. Gardiner forms ACL at Napier in the spring of 1974 to offer charter and non-scheduled services to destinations on both the North and South Islands. Scheduled services are undertaken in August from Napier to Gisborne, Hamilton, Tauranga, Rotorua, Auckland, Taupo, New Plymouth, and Palmerston North. Airline employment grows to 20 and the fleet comprises 3 Cessna 402s and 2 Japanese-built Mitsubishi MU-2Bs.

Unable to absorb the losses caused by increased fuel prices in the early 1980s, the carrier ceases operations in the fall of 1982. A number of its former routes are acquired by **Eagle Airways, Ltd.**

AIR CESS, LTD.: P.O. Box 26595, Sharjah, United Arab Emirates; Phone 971 (6) 581 413; Fax 971 (6) 229 204; Code ACS; Year Founded 1994. Air Cess is established at Monrovia, Liberia, in 1994 to provide cargo services throughout Africa and the Mideast. Operations commence late in the year and continue in 1995 with a fleet that includes 4 Antonov An-12s and 1 each An-24T, An-24RV, Ilyushin Il-18D, and Boeing 707-323C.

Aircraft livery features an all white fuselage with Air Cess titles below the cockpit while two stylized SSs are painted on each side of a light blue tail.

Late in **1996**, the company is transferred to the United Arab Emirates where President Ronald De Smet and General Manager Viktor Butt operate the Il-18D, three An-12s, and two An-24s.

Operations continue apace in **1997–2000**, during which years General Manager Butt takes over ownership of the company. His smartly liveried aircraft can now often be found transferring cargo into Africa and the Commonwealth of Independent States from Sharjah in the United Arab Emirates.

AIR CEYLON, LTD. (ACL): Sri Lanka (1948–1978). During August **1948**, the former British crown colony of Ceylon is granted dominion status. Consequently, in August, **Ceylon Airways, Ltd.** is renamed ACL; however, it continues as the marketing name for the Air Transport Branch of the government's Directorate of Civil Aviation.

Revenue flights around the island and to southern India are provided by four Douglas DC-3s acquired from **Air India, Ltd.** They are named *Viharamaha Devi*, *Sita Devi*, *Sri Lanka Devi* and *Sunethra Devi*. Service is inaugurated to Bombay (now Mumbai), Karachi, and Trincomalee. One of the DC-3s transports significant Buddhist relics to Burma (now Myanmar) where they are placed on display.

In early **1949**, the government initiates a contract with Ivan Holyman's **ANA (Australian National Airlines [Pty.], Ltd.)** to fly Colombo to London and Singapore services. Australian W. W. Doyale becomes ACL's board chairman while ANA's Capt. Peter Gibbes moves to Colombo to become the carrier's operations manager.

Christened *Ratmadana* and *Laxapana*, two leased DC-4s painted in AC livery are delivered and offer flights from Colombo to Trichinopoly and from Colombo to Bombay and Karachi. The orders placed for two Lockheed L-749A Constellations are cancelled.

The DC-3 *Sunethra Devi* is involved in a landing accident at Trichinopoly in December; damages to the aircraft are so bad as to require that the aircraft be written off.

The two chartered ANA DC-4s commence London to Sydney flights on January 28, **1950** via Rome, Lydda (Tel Aviv), Karachi, Bombay, Colombo, Singapore, and Jakarta. ANA also undertakes to train Singapore aircrew. On May 1, **1951**, ACL is reformed and official incorporated; the Ceylonese government assumes 51% shareholding and ANA 49%. A de Havilland DH 89A Dragon Rapide is acquired during the fall and inaugurates domestic flights from Colombo to Trincomalee via Minneriya and Amparai.

Due to financial difficulties and technologically advanced—and unanswerable—competition from **British Overseas Airways Corporation (BOAC)** and **Trans World Airlines (TWA)**, services to London and Sydney are suspended in October **1953**. Other flights continue through **1954** and **1955** and, in November of the latter year, the shareholding for failing ANA is purchased by **KLM (Royal Dutch Airlines, N.V.)**. Several KLM officials now join the ACL board as the ANA members depart.

On February 11, **1956**, a Lockheed L-749A is wet-leased from the Dutch flag line and christened *Mahadevi*. Flown by a Dutch crew, but painted in ACL livery, the Constellation inaugurates weekly Colombo–Amsterdam *Sapphire* service on February 17 via Bombay, Karachi, Bahrain, Cairo, Rome, and London. The *Mahadevi* begins weekly Colombo to Bangkok flights on April 26.

The Colombo to Bangkok route is suspended on April 18, **1957** and replaced with a weekly L-749A frequency to Singapore. Four-times-per-week Colombo–Ampari/Jaffna DC-3 services are started on November 1. In November **1958**, the *Mahadevi* is returned to the Dutch and is replaced by a leased Dutch L-1049G, the *Isotoop*. **KLM (Royal Dutch Airlines, N.V.)** reduces its stake in ACL to 24% in January **1959**. The Super Constellation is given Sinhalese registration during the same month and is christened *Soma Devi*.

On November 1, **1960** a Lockheed L-188 Electra, acquired via the Dutch airline, replaces the Super Constellation on the Colombo–Amsterdam *Sapphire* run and is the carrier's first turboprop airliner. Operations continue apace in **1961**.

The relationship with **KLM (Royal Dutch Airlines, N.V.)** ends on March 30, **1962**, when ACL signs a technical and commercial contract with **British Overseas Airways Corporation (BOAC)**. The Dutch Electra returns to Amsterdam and the Singapore routes are flown under charter by the British line's de Havilland Comet 4s.

The route is from Katunayake Airport at Colombo to London via Karachi, Cairo, and Rome, and to Singapore via Kuala Lumpur.

The jetliners are not, however, painted in ACL colors, but wear peel-off AC stickers, which can be removed as each aircraft is required for BOAC services. The crews of the wet-leased Comet 4s do include one Ceylonese stewardess each.

In August, a pool agreement is signed with **Indian Airlines Corporation (IAC)** for joint operational services to regional destinations; IAC promises to provide maintenance and support services. Domestic routes are expanded in **1963** as service is started to Batticaloa, Amparai, and Anuradhapura. A DC-3 survey flight is conducted to and from the Maldiv Islands.

In **1964**, the carrier reduces fares on its domestic routes, thereby generating a substantial traffic boost. A Hawker Siddeley HS 748 is received during October and placed into IAC joint-service on November 7 over routes from Colombo to Bombay and Madras. Extensions to other Oriental destinations are considered by management. The workforce totals 244 and enplanements are 42,000.

A Nord 262 turboprop is ordered in **1965** and a year later, in **1966**, the workforce totals 584 and enplanements are 71,223.

A Nord 262A is delivered from France in **1967** and replaces the DC-3 *Viharamaha Devi* on domestic routes. Almost from its first revenue flight, the Turbomeca Bastan engines of the French turboprop proves unreliable. An order is placed for a Hawker Siddeley Trident 1E and arrangements are made for **Pakistan International Airlines Corporation (PIA)** to maintain it at Karachi.

The fleet now comprises the Nord, plus two DC-3s and the HS 748. Passenger boardings accelerate 13.2% to 82,053 while revenues are reported to be up a full 10%.

A total of 87,068 passengers are originated in **1968** as airline employment reaches 596. The company's first jetliner, the Trident 1E, is received on July 19, **1969**. The following month it is used in association with BOAC to develop tourist flights connecting its base with Madras, Bombay, New Delhi, Karachi, Bangkok, and Singapore. During the year, a new headquarters is occupied at Katunayake Airport and the Nord 262 is sold. Enplanements for the year total 78,474.

The workforce in **1970** is 676. A new board of management is seated, headed by Chairman Sam H. Silva with members V. Karalasingham and I. P. C. Mendis. In November, the carrier announces its decision to terminate its commercial relationship with **British Overseas Airways Corporation (BOAC)** and to enter into a new affiliation with **UTA French Airlines, S.A.**

Passenger boardings this year climb 25% to 104,631 and freight is level.

The BOAC commercial pact is officially terminated on March 31, **1971**, although technical arrangements continue. The British line's contract allows it to put wet-leased Vickers Armstrong VC10s onto ACL's trunk routes. In April during an insurrection by armed Sinhalese youth, the government requisitions the Trident 1E to fly in munitions from Cairo and Singapore.

The new commercial pact with **UTA French Airlines, S.A.** begins on September 27.

Employing a Douglas DC-8-33 painted in ACL colors, UTA on April 6, **1972**, inaugurates service on behalf of AC on its own new route Paris to Jakarta via Colombo, begun the previous November 1. Although the cockpit crew is French, the aircraft utilizes a completely Sri Lankan cabin crew.

On May 22, Ceylon becomes the Democratic Socialist Republic of Sri Lanka.

Operations continue apace in **1973–1974**. A used Canadian Avro 748 is purchased in **1975**.

In February 1976, an agreement is signed with **UTA French Airlines, S.A.** under which ACL will come to own the Douglas jetliner. When it arrives at Colombo's Katunayake Airport, the aircraft has been flown for the first time by an all ACL crew; principals involved include Capt. George Ferdinand and First Officer K. Don Freeman.

On March 20, the Trident 1E charter route from Colombo to the Persian Gulf destination of Sharjah becomes regularly scheduled. The remaining DC-3s are now given to the Air Force, while the French Douglas jetliner is actually turned over on September 30.

On October 30, ACL agrees to take over operation of failing **Air Siam, Ltd.**'s DC-10-30 services to Europe, using the Douglas wide-body it had leased from **KLM (Royal Dutch Airlines, N.V.)**. The Air Force's Padwan "Paddy" Mendis is named chairman on December 15. The British, Indian, and French relationships are ended.

When **KLM (Royal Dutch Airlines, N.V.)** repossesses its DC-10-30 from **Air Siam, Ltd.** on January 17, 1977, the ACL arrangement ends and **Air Siam, Ltd.** is permanently grounded. In February, ACL leases a Boeing 720B from the U.S. and a DC-8-41 from **Air Canada, Ltd.**

A new service to Paris is inaugurated in July, but traffic is insufficient to justify continuing it beyond September. Meanwhile, as the Tamil Eelam separatist struggle begins in August, Capt. Ferdinand takes a planeload of refugees aboard the DC-8-33 and flies them from Colombo to Palaly Airport, Kankasanturai (Jaffna).

The Canadian charter is terminated and, on December 7, all services to Europe are suspended. The B-720B is also returned and the DC-8-33 is temporarily impounded in Europe for nonpayment of fuel bills. In November, the government contracts with **British Airways, Ltd. (2)** to operate a Vickers VC10, leased from **Gulf Air**, over a route from Colombo to London.

At the beginning of 1978, the Trident 1E continues flying from Colombo to Bombay and Madras, while the two Avro 748s continue domestic services.

The government now undertakes an investigation into charges of corruption at the airline and places blame for deficiencies upon Chairman Mendis. To succeed ACL, which ceases trading at government request on March 31, and to spur tourism, President J. R. Jayawaidene specifically orders the creation of a national airline.

Without official status, ACL will be allowed to operate its Trident and Avros until the new entity actually begins services during the fourth quarter of the following year.

While the pilot and first officer are inspecting their HS 748-2A on the ground at Colombo on September 7, a loud explosion rips through the center of the fuselage causing a fire that destroys the aircraft. No injuries are reported to the two men going through the pre-departure checklist, but the aircraft is completely destroyed. Terrorism is suspected.

With seven-year tax free status, **Air Lanka, Ltd.** is formed at Colombo on January 10, 1979 by combining the assets of **Sri Lanka Airways, Ltd.** and **Sri Lanka International, Ltd.**, which had been formed the previous January and had begun operations in April.

AIR CHAMPAGNE-ARDENNES, S.A. See **AIR ALPES, S.A.**

AIR CHANGAN. See **CHANGAN AIRLINES.**

AIR CHAPARRAL: United States (1980–1983). Organized at Reno in 1980, AC begins scheduled commuter services on August 4 to Las Vegas, Winnemucca, Elko, Ely, and Tonopah with a fleet of 5 Fairchild Swearingen Metro IIs and 20 Cessna 402s. In October, the company purchases California-based **Inland Empire Airlines** and its four Metro IIs, operating them henceforth as a subsidiary.

On March 31, 1981, during the amalgamation process with IEA, AC drops its Nevada passenger services, preferring to work its subsidiary's California routes to Burbank, Fresno, Los Angeles, Ontario, Sacramento, San Francisco, Visalia, and Merced while offering all-cargo flights to the Nevada towns of Reno, Winnemucca, Hawthorne,

Tonopah, and Las Vegas. Passenger boardings for the year total 53,320 and orders are placed for two SAAB-Fairchild SF340s.

Even though the SF340s are not delivered, operations continue apace in 1982, although cash flow and traffic difficulties bring substantial financial reversal. Early in 1983, the company files for Chapter XI bankruptcy; the **Inland Empire Airlines** subsidiary maintains California flights until mid-year.

AIR CHARTER (SOCIETE AERIENNE FRANCAISE D'AFFRETEMENT, S.A.): France (1966–1998). Organized at Paris on February 7, 1966 as a wholly owned subsidiary of **Air France**, SAFA (IATA Code SF) is commissioned to provide charter- and inclusive-tour services. Operations to European and Mediterranean holiday destinations are started in July with Sud-Est SE-210 Caravelles chartered from the parent. In 1970, the carrier is renamed Air Charter International, S.A. and two years later, in 1972, the first B-727-100 is acquired. Eight years later, in 1978, President Pierre Labadje's fleet comprises 2 Boeing 727-200s and 6 Caravelle XBs. **Air Inter, S.A.** is now allowed to take 20% shareholding.

During the remainder of the decade and into the 1980s, traffic for the 33-employee company increases steadily. A total of 700,300 are flown in 1981, 860,000 in 1982, and 963,000 in 1983. During the latter year, the airline, already flying to points throughout Europe, the Middle East, North Africa, and the Canary Islands, begins transatlantic group charter flights from Paris to New York City using Boeing 747s leased from **Air France**.

ACI's fleet in 1984 comprises 4 Boeing 727-200s. Five Caravelle XBs are leased along with three Boeing 737-200s. A total of 1.8 million passengers are transported during the year. The company name is now changed to Air Charter, S.A. During the next decade, the number of French departure points increases to 35 and the main destinations become Canada, Egypt, Tunisia, Turkey, and the U.S.

Another B-737-200 leased jetliner is acquired in 1985; however, bookings remain level. Enplanements for the 41-employee carrier total 1,777,600. Significant holiday competition in Aegean and Mediterranean markets causes customer bookings to drop 11.1% in 1986 to 1.6 million.

The fleet in 1987 comprises 5 B-727-200s and 1 B-737-200; during the year, 2 more B-727-200s are purchased from **Air France**. Passenger boardings recover to rise 12.5% to 1.8 million and pretax profits climb by 50% to \$10.4 million.

Airline employment grows by 6.8% in 1988 to 47 and the fleet is increased by the addition of another A300B4 and, during the spring, by two more B-737-200s. Camille Allaz is named president and director general in May.

While on a low pass along the runway at Basel-Mulhouse Airport on June 26, Flight 296C, an **Air France** A320-111 with 6 crew and 130 passengers, as a demonstration on behalf of the Mulhouse Flying Club, fails its initial climb. Upon reaching an altitude of 100 feet, the brand new Airbus descends into trees at the end of the runway, continues into a forest, and catches fire (3 dead).

Customer bookings pass the two-million mark in annual boardings (2,030,000) and revenues advance 13.6% to \$250 million. In addition to its own operations, the company continues to fly a B-747 Jumbojet and three A300B4s on behalf of its **Air France/Air Inter** owners.

Operations continue apace in 1989–1990 and, in 1991, Chairman Rodolphe Frantz and President Philippe Hache have 53 employees and operate a mixed fleet of owned and leased aircraft. These include 2 A300B4s, 1 each B-727-214 and B-727-228, 2 each leased B-727-228As and B-727-2X3s, 3 B-737-2A1s leased from **Euralair**, 1 B-737-2K5, 1 B-737-2L9A, and B-737-2Q8, all chartered from **Europe Aero Service, S.A.**, and 1 each B-737-2S3A, B-737-228A, B-737-2A9C, B-737-210C, B-737-4B3 leased from **Air France**, and B-737-53A chartered from Europe Aero Service.

Holiday flights continue in 1992 and in 1993 Chairman Jean-Jacques Ravey oversees a workforce of 53. Principal destinations visited from

some 35 French airports continue to be Egypt, Greece, Israel, Italy, Morocco, Senegal, Spain, Tunisia, Turkey, and the U.S. The fleet in 1994 includes 3 each A320-211s chartered from **Air France**, in addition to 2 each leased A300B4-203s, B-727-2X3As and B-737-2K5As, plus 1 each B-737-2Q8A, B-737-228A, and B-737-53A.

The older "Baby Boeings" are replaced in 1995-1997 with three A320-212s (including one leased from **Air France**). Otherwise, charter flights to the Mediterranean, Europe, and North Africa continue as before.

Early in 1998, an A320-212 is leased to Land Rover, Ltd.; painted in a basic white livery with a blue title and given titles noting the company's new Freelander vehicle, the plane undertakes a European promotional tour.

With this subsidiary unable to generate profit in the face of low-cost competition, parent **Air France** announces in February that Air Charter will be closed down within two months. Two of the competing airlines, **AOM French Airlines, S.A.** and **STAR Europe, S.A.**, begin to make arrangements to take over the bulk of its business.

AIR CHARTER, LTD./CHANNEL AIR SERVICE, LTD.: United Kingdom (1947-1963). Freddie Laker forms this new airline at Croyden in January 1947. Employing a de Havilland DH 84 and a DH 89A, he launches passenger and cargo charters in March. Simultaneously, the Bovingdon-based maintenance organization, Aviation Traders, Ltd., is started. The Air Charter fleet is increased by 1 additional DH 89A and 2 Miles M.65 Geminis by year's end.

In 1948-1949, Aviation Traders acquires, refurbishes, and resells a variety of war surplus aircraft, including the BOAC fleet of 12 Handley Page Haltons. The latter are leased to **Bond Air Services, Ltd.** for operations during the Berlin Airlift. Following the airlift, Aviation Traders is moved to Southend. Meanwhile, a general depression in charter circles forces Air Charter, Ltd. to cease flying in 1950; the Dragon Rapides and Geminis are withdrawn and sold.

Early in 1951, Aviation Traders acquires **Surrey Flying Services, Ltd.** and its Avro 685 York; the new subsidiary restarts passenger/freight charters in May. During the year, the fleet is increased by two Yorks, christened *New Era* and *New Venture*, and an Avro 688 Tudor. In November, a second carrier, Blackbushe-based **Fairflight, Ltd.**, is purchased, together with its two Tudors and one Avro Lincoln. Fairflight's Berlin-Hamburg cargo route is assumed.

An Avro 685 York I with three crew and seven passengers is lost near Hamburg on March 11, 1952; although the plane must be written off, there are no fatalities.

In July, **Surrey Flying Services, Ltd.** and Fairflight, Ltd. are merged under the Air Charter banner, with the restarted former operation based at Stansted. By September, the carrier's internal German services have multiplied and it is flying four daily roundtrip flights England-West Berlin. The Avro 685 York *New Era* is destroyed in a Hamburg crash on March 3; on November 27, the York *New Venture* is lost in a crash at Lyneham.

A Bristol 170 Mk. 31 is placed in service in February 1953. A significant number of Tudors are acquired throughout the year and converted by Aviation Traders to Superfreighter status.

On February 4, 1954, a second Bristol 170 Mk. 31 joins the fleet, followed ten days later by the first Avro Superfreighter, which begins service Stansted-Hamburg. As additional Avros become available, they are employed to launch overseas contract flights on behalf of the Ministry of Defence, plus "Colonial Coach" commercial service to Idris/Lagos. Irregular Southend-Calais Bristol 170 car ferry flights begin on September 1.

The first Douglas DC-4, actually an ex-military C-54, christened *Atlanta*, arrives at Southend in February 1955. The first Bristol 170 Mk. 32 joins the fleet in March; christened *Valiant*, it will be joined by another, the *Vigilant*, in early April, at which time a ferry division is organized. On April 14, regularly scheduled Southend-Calais Bristol 170 vehicle and passenger services commence; the route is extended to Ostend on October 17. Another ex-military C-54 is acquired in December and named *Jason*.

Cross-channel, German, worldwide contract and *Colonial Coach* services are maintained in 1956. In August, DC-4s commence a troop-carrying contract Southend-Cyprus. The car ferry route is extended to Rotterdam on October 1, as a coach air service; passengers take a bus from London to Soundend, fly Southend-Ostend, and take a bus from Ostend into Brussels. During the year, a total of 8,500 cars are flown Southend-Calais. Two more Bristol 170 Mk. 32 freighters, the *Venture* and *Valour*, join the fleet in December.

On June 6, 1957, the carrier enters into a joint Southend-Ostend car ferry service with **Sabena Belgian World Airlines, S.A.**, employing Air Charter's Bristol Freighters, including the new Mk. 32s *Viceroy* and *Versatile*. Frequencies on the route are boosted from 6 per day in June to 12 per day in July. Cargo services to West Berlin end; however, Ministry of Defence Tudor flights to Australia and the Far East continue.

A newly received Bristol Britannia 307 departs Stansted on February 5, 1958 on the first leg of a 26,180-mile, multistop charter flight around the world via Australia; the aircraft joins a second Britannia 307 in beginning troop-carrying flights from Stansted on a regular basis on September 12. Meanwhile, the Bristol Mk. 31 *Vanguard* is converted to Mk. 32 status in March and assigned to the ferry service. A total of 13,000 vehicles and 63,727 passengers are flown over the Southend-Calais/Ostend routes during the year. Towards Christmas, merger talks begin with rival **Airwork, Ltd.**

Air Charter becomes an **Airwork, Ltd.** subsidiary on January 1, 1959 as Laker joins the latter's board of directors while retaining his Air Charter managing directorship. Although the new partner is allowed to operate under its previous name, its crews and ground staff are rationalized. On January 27, the Avro 688 Super Trader *El Alamein* with six crew fails its takeoff from Brindisi on January 27 and crashes (two dead). The disaster leads to plans for the retirement of the entire Tudor fleet.

Also in January, Laker meets with A. C. Leftley, chief designer at Aviation Traders, Ltd., and asks him to create a new car ferry freighter with which to replace the Bristols.

In February, the Air Charter vehicle ferry division at Southend is reorganized into a new subsidiary airline, **Channel Air Bridge, Ltd.**, to which the Bristol 170 Mk. 31s and Mk. 32s are all transferred. A DC-4 and a Mk. 32 Bristol commence new no-passport vehicle/passenger flights Southend-Calais on March 10. DC-4s begin to replace Tudors on the Australian service on April 16.

The *Zephyr*, another Super Trader with 12 crew, flies into Mt. Suphan, Turkey, on April 23; there are no survivors.

Meanwhile, a second Britannia 307 is received in late March and is placed in service to Lisbon on May 27.

Simultaneously, Channel Air Bridge, Ltd. applies to the ATLB to begin operating vehicle-ferry flights from Southend to Bremen, Dijon, Dusseldorf, Lyon, Strasbourg, Tours, and Paris (LBG). On June 16, a Tudor 4B arrives at Stansted from Lisbon on the world's last commercial flight by this aircraft type, which is thereafter retired. At year's end, the fleet includes 2 Bristol Britannia 307s, 3 DC-4s, 2 Bristol 170 Mk. 31s and 8 Mk. 32s.

A final ex-military C-54 is added to the fleet in March 1960. On July 1, Air Charter, Ltd. becomes part of **British United Airways, Ltd. (BUA)**; Laker becomes managing director of the new carrier. Channel Air Bridge, Ltd. is allowed to continue operations under its own identity. In October, an old C-54 is turned over to Aviation Traders, Ltd. for conversion into the first of ten extended vehicle ferries.

The first Aviation Traders ATL-98 Carvair ("car-via-air"), a heavily-modified DC-4 with a long, bulbous forward fuselage and side-swinging nose that can accommodate 22 passengers aft and 5 automobiles forward, is rolled out at Southend Airport on June 17, 1961 and makes its maiden flight later in the day. An extensive 156-hr. test schedule is now undertaken.

The first ATL-98 Carvair is turned over to Channel Air Bridge, Ltd. on February 16 and, in ceremonies, is christened *Golden Gate Bridge* by the wife of the Swiss ambassador to the U.K. Employing this first of 21 units, Channel Air Bridge inaugurates its first charter, free for

VIPs, later that day on a route from Southend to Ostend. Revenue flights commence next day when a cargo of new automobiles is flown to Malaga, Spain. Scheduled Carvair services are launched on March 1 over a route to Rotterdam.

In 1963, BUA sells its **Channel Air Bridge, Ltd.** subsidiary and its fleet and its new owners merge it with **Silver City Airways, Ltd.** to form **British United Air Ferries, Ltd.**

AIR CHARTER (CHRISTCHURCH), LTD.: New Zealand (1992–1993). Peter Maguire establishes this small charter operation at Christchurch in 1992. Passenger and cargo revenue flights, both fixed- and rotary-wing, commence with a fleet that includes 1 Cessna 172, 1 Piper PA-32 Cherokee Six, 1 Robinson R.22, 1 McDonnell Douglas MD-500, and 1 Bell 206.

No information is available after 1993.

AIR CHARTER (SCOTLAND), LTD.: United Kingdom (1965–1985). Air Charter (Scotland), Ltd. is founded at Glasgow in October 1965 by former **Assistair, Ltd.** managing director and chief pilot, Geoffrey Rosenbloom. A Piper PA-23 Aztec is acquired and employed to launch on-demand charter flights in support of the oil industry to such Scottish towns as Aberdeen, Newcastle, Edinburgh, and Sumburgh as well as several Scandinavian destinations.

The fixed-wing fleet (mostly Piper Aztecs) of competing **Burnthills Aviation, Ltd.** is acquired in April 1983, by which time Rosenbloom's operation has become heavily involved in such ancillary FBO activities as sales, ground handling/support, and engineering.

The fleet grows to include 4 Piper PA-31-350 Navajo Chieftains and 3 Aztecs and destinations for charters move beyond the U.K. to Europe and the Middle East. Operations cease in 1985.

AIR CHARTER BOTSWANA (PTY.), LTD.: Box 41276, Gaborone, Botswana; Phone 351804; Fax 312015; Year Founded 1984. Also known as Kalahari Air Services & Charters (Pty.), Ltd., ACB is set up as an FBO at Gaborone in 1984. In addition to maintenance and flight training activities, J. T. Morrison's concern also provides executive and small group passenger charters employing a Cessna 206 and two Beech 58 Barons. Service continues apace in 1985–1986.

In February 1987, **Air Botswana (Pty.), Ltd.** ends its contract for Fokker maintenance in South Africa, transferring its maintenance to KAS&C. at Gaborone.

Pleased with its KAS&C relationship, **Air Botswana (Pty.), Ltd.** turns over its Dornier 228-100 to the small operator in 1989, which crews and maintains it on behalf of the flag carrier and flies it almost exclusively for an organization that is building a soda-ash factory in the northeastern part of the country.

The Dornier is operated on behalf of **Air Botswana (Pty.), Ltd.** until 1993, when it is returned. Thereafter, KAS&C concentrates on its core maintenance and charter business, the latter under the marketing name Air Charter Botswana (Pty.), Ltd. The fleet is increased over the next five years to include 4 Barons, 1 Cessna 210, 2 Piper PA-31-350 Navajo Chieftains, and 1 Beech Super King Air 200.

N. M. Fitzgerald is managing director in 1997 and a turnover of P 6 million is reported. It is understood that flights continue without change during the remainder of the decade; exact information is, however, not available.

AIR CHARTER ONE: 3980 Airport Road, P.O. Box 11, Boca Raton, Florida 33431, United States; Phone (561) 750-6200; Fax (561) 750-6111; Year Founded 1995. This independent charter operator is set up at Boca Raton, Florida, in 1995 to operate passenger flights to destinations in the Caribbean, Florida and the Southern U.S., and Mexico.

Operations continue during the remainder of the decade with 1 each Piper PA-31-350 Navajo Chieftain and a PA-34 Seneca.

AIR CHARTER SERVICE, S.A.: Zaire (1980–1996). Kinshasa-based **Air Charter Service, S.A.** is established in 1980 to provide do-

mestic and international charter services. The initial fleet comprises 2 British-made Trident 3Bs purchased from **British Airways, Ltd.** (2); 2 more are acquired from the same source in 1985. In 1986, 3 Vickers Viscount 808Cs are acquired from **Scibe Airlift**. Flights are expanded throughout the continent during the decade and early 1990s.

In 1992, Managing Director Tshimbombo Makuna's 250-employee carrier operates one Boeing 707-420, three B-720Fs, two Viscount 808Cs, and a Viscount 757C. One B-720B is removed in 1993–1994 and the fleet is increased by the addition of 1 B-707-320F, 1 B-727-41, 1 B-727-46, and 3 Lockheed L-188ACs. An office is opened in London under Syed Nagvi.

The fleet in 1995 includes 2 Electras, 2 Viscount 808Cs, and 1 each Viscount 757, B-707-123B, B-707-321F (now out of service), B-707-366C, B-720-22, B-727-41, B-727-46 (out of service), and B-727-214, which is leased out to **Puntavia** at Djibouti.

Civil war embroils the country in 1996. During the year, the active fleet is reduced to include the 2 Electras, 3 Viscounts, 1 B-707-123B, 1 B-720-22, 1 B-727-30 (which replaces the earlier Dash-41 and Dash-46), and the B-727-214. Towards year's end, the concern becomes **New ACS, S.A.**

AIR CHARTER SERVICES: United States (1968–1969). ACS is set up at Riverside, California, during the summer of 1968 to offer scheduled passenger and cargo flights to small local destinations. Beech Bonanza revenue flights commence on September 23, but do not last a year.

AIR CHARTER SYSTEMS, LTD.: 780 Magenta Blvd., Farnham, Quebec J2N 1B8, Canada; Phone (514) 293-3656; Fax (514) 293-5169; Code EF; Year Founded 1986. ACS of Canada is established at Quebec's Mirabel Airport in June 1986 to offer worldwide cargo charter flights. Operating under the name World Wide Air Charter Transport System, the company's three executives, Edward C. C. Peagram, Richard Mullarkey, and William Shufflebotham, obtain a Douglas DC-8-55F with which to inaugurate revenue services in late November.

A second DC-8-55F is received in January 1987. Together, the two operate a variety of ad hoc nonscheduled freight services from Canada to points all over the globe. Especially sought are contracts for transport of goods from seasonal markets and livestock shipments. In addition, many shipments are flown as subcontract work; for example, in December 1988, a cargo flight is operated from Montreal to Saudi Arabia via Malta, on behalf of **Saudia (Saudi Arabian Airlines)**.

A third DC-8-55F is delivered to the carrier in September 1989. The first Douglas freighter is sold to Connie Kalitta's **American International Airways** in late 1992 with the second delivered to the same company early in 1993.

Operations continue with the remaining aircraft and 60 workers are employed in 1994. The last owned Douglas freighter is sold to **MK Air Cargo, Ltd.** of the U.K. in 1995 as President Peagram's company elects to continue its ad hoc all-cargo business in 1996–2000 with leased aircraft.

During these years, Peagram becomes chairman, with Paul Gobeil as president. Airline employment grows to 181 and among the destinations most commonly served are Vancouver, Los Angeles, Hong Kong, and Ho Chi Minh City.

AIR CHARTERS: 150 Fred Wehran Dr., Teterboro, New Jersey 07608, United States; Phone (201) 288-9000; Fax (201) 288-2749; Year Founded 1981. This independent charter operation is established at Teterboro Airport in 1981 to operate on-demand passenger flights from Canada to Central America. By 2000, the company employs 12 full-time and six part-time pilots and operates one each Learjet 35A, Learjet 25, Beech King Air 100, King Air 90, and Beech 58 Baron.

AIR CHATHAMS, LTD.: P.O. Box 52, Chatham Islands, 8030, New Zealand; Phone 64 (3) 306-0209; Fax 64 (3) 305-0208; Code CV; Year Founded 1986. Air Chathams is set up by Craig P. Emery at Karewa Airport in the Chatham Islands, 400 miles off the east coast

of New Guinea, in **1986**, with the closest additional inhabited locale being Pitt Island 12 miles further inland. CEO Emery, who is also chief pilot, undertakes services with a Cessna 206 Stationair linking Pitt and Chatham.

The company grows over the next decade until, by **1995**, its fleet includes 1 Beech B-80 Queen Air, 1 Beech 99, and 1 Fairchild Metro III. With the Queen Air committed to the Pitt Island run, the larger aircraft fly twice-weekly roundtrips to Christchurch and three times per week to Wellington, the latter route being increased to five times per week during the summer. In December, a Convair CV-580 is purchased in Canada.

The new Convair arrives in New Zealand in May **1996** after refurbishment at **Kelowna Flightcraft, Ltd.** in British Columbia.

Following workup and pilot training, the CV-580 enters service on September 1 flying the Chatham to Wellington service. Operations continue apace.

In early **1997**, the carrier begins accepting charter and tour bookings for December 31, 1999.

Service is maintained without change into the new millennium.

AIR CHICO: United States (1980–1982). Dennis Heckerson founds AC at Chico, California, in the late spring of **1980** to offer scheduled passenger and cargo services with one each Beech 95 Travelair and Cessna 441. Revenue flights commence on June 2 linking the company's base with Redding, San Francisco, and San Jose.

Operations continue apace until the effects of the **1981** PATCO air traffic controllers' strike forces the company into fiscal problems that lead to its termination in early **1982**.

AIR CHILE. See **ALA (SOCIEDAD DE TRANSPORTES AEREOS, S.A.)**

AIR CHINA INTERNATIONAL CORPORATION: P.O. Box 644, Capital International Airport, Beijing 100621, China; Phone (86-10) 463-4672; <http://www.airchina.com>; Code CA; Year Founded 1988. On July 1, **1988**, the Chinese government's decides to form the operating divisions of **CAAC (The General Administration of Civil Aviation of China)** into separate airlines. The international line, or Beijing Division, based at Beijing's Capital International Airport, is renamed Air China International Corporation—later just Air China—on July 4 and capitalized at \$234 million.

Veteran pilot and the division's chief administrator, Xu Bai Ling, is appointed president and CEO. Previous services are maintained with a fleet that includes 4 Antonov An-24s, 4 Xian Y-7s (license-built An-24s), 3 B-747-2J6Cs, 1 B-747-2J6F, 4 Tridents, 4 B-747SPs, 4 B-767-2J6ERs, 3 B-737-2T4As, 2 B-737-33As, 6 B-707-3J6Cs, and 4 British Aerospace BAe 146-100s. Orders are outstanding for 2 B-737-300s, 15 McDonnell Douglas MD-82s, 3 B-757-200s, and 3 B-747-400s.

The carrier's weekly Beijing to Moscow B-767-2J6C service is extended in August to Stockholm; a reciprocal service is initiated by **SAS (Scandinavian Airlines System)**.

Traffic figures are not released. Profits for the year total \$12.5 million, which is exactly the same amount as that earned by all divisions of the parent a year earlier.

In June **1989**, the carrier joins with **Deutsche Lufthansa, A.G.** to sign a 15-year agreement for the creation of the joint venture company, Ameco-Beijing. Based on CAAC's former Soviet maintenance operation, Aircraft Maintenance and Engineering Corporation, it is to develop a maintenance and overhaul base at the Chinese capital for engines and airframes; ownership is divided 60-40 in favor of the Chinese partners. The Chinese provide their large, but outdated, maintenance complex at Beijing, stocks of spare parts, and 3,750 employees; the German flag carrier invests \$37.6 million.

B-707-3J6C service between Lhasa and Nepal is suspended in November. En route from Beijing to New York on December 16, Flight 981, a B-747-2J6C with 223 passengers, is hijacked by a dissident. After South Korea rejects a request for landing, the plane is allowed to

divert to the southern Japanese city of Fukuoka, where the pirate falls—or is pushed—from the aircraft doorway when it opens. Japanese authorities promise to extradite the man back to China as soon as he recovers from his extensive injuries.

Enplanements for the first full year of separate operation total 1,860,661 (613,422 international) and a \$106-million net profit is generated.

The 3 B-747-4J6Cs arrive in early **1990** and join a fleet which, during the year, will come to comprise the 3 B-747-2J6Cs, 4 B-747SPs, 6 B-767-2J6ERs, 3 B-737-2T4As, 2 B-737-33As, 5 B-707-3J6Cs, 4 BAe 146-100s, 4 An-24s, and 4 Y-7s.

Flights to Katmandu, Nepal, are resumed in March.

A HS 121 Trident 2E with 5 crew and 102 passengers lands far down the Guilin Airport runway while landing on March 22 and slides off into soft ground; there are no fatalities.

The Chinese dissident, who had pirated a Jumbojet to Fukuoka the previous December 16, is returned to Beijing on April 1.

The first wide-body pure freighter, a B-747-2J6F, is delivered in late October. During the fall, the carrier brings in many of the foreign travelers arriving to view the Asian Games. In November, a joint cargo service is launched with **Deutsche Lufthansa, A.G.** over a route from Beijing to Frankfurt via Dubai.

Employment in **1991** stands at 6,000, including 691 cockpit crew members. Operations continue apace following the January inauguration of weekly service from Beijing and Shanghai to Los Angeles and San Francisco. Plans are made in May to turn over the Shanghai to L.A. route to **China Eastern Airlines Company, Ltd.** Flights to Bucharest begin in the summer; later, it will be reported by CAAC that almost 12% of ACIC's flights for the year's first half have been delayed, with 44% of those late starts caused by human error.

During August, two new routes are inaugurated that include fifth freedom segments: Beijing to Osaka via Shanghai and Beijing to Jakarta via Xiamen. The Indonesian service is suspended in September due to visa difficulties between China and Indonesia, but is resumed within the month. Also in October, weekly roundtrips begin between Beijing and Cairo via Dubai.

Late in the year, a new \$56-million training center is occupied at Beijing; much of the training program to be conducted there will be supervised by personnel under contract from **Singapore Airlines, Ltd.** Revenues for the year are \$554 million and allow a \$115-million profit.

The first of three B-747-4J6s is delivered in March **1992**. Orders are placed for a variety of aircraft; two more Y-7s and a B-737-33A are added late in the year. During the first quarter, a new Unisys 2200/633 mainframe is installed at the main Beijing computer facility, allowing significant improvement in the airline's computer reservation system. On April 1, ACIC joins with China International Travel Service to form the joint venture charter subsidiary **China Tourism Airline Company**. With initial capitalization of \$4.5 million, the new company's ownership is divided between the international airline (60%) and the government's CITS (40%).

Equipped with two, leased BAe 146-100s, domestic passenger flights to the grottos in Gansu Province and Shanxi are inaugurated. Also in April, a "block space" agreement is signed with **Finnair O/Y** covering a route from Beijing to Helsinki. Located some 20 km. from Beijing, the carrier's new \$7.4-million air cargo center is occupied in May.

In June, ACIC inaugurates weekly B-767-2J6ER service from Beijing to Vienna via Karachi. Cairo and Madrid also join the route network, as does Copenhagen. Frequencies to London, Paris, and Rome are increased.

As of July 1, the carrier operates a network comprising 37 destinations in 27 countries, in addition to Hong Kong service from Beijing, Dalian, and Tianjin. The company averages 110 international departures each week.

Also maintained is a domestic network, inherited from CAAC, that includes 50 destinations and 308 weekly flights. During the year, frequencies will be added linking Tianjin to Shenzhen, Fuzhou, and Xian.

A new hub is built at the former community and the carrier's two B-737-33As are based there.

At an August luncheon in New York cosponsored by the airline and the Bankers Trust Company, President Xu Bai Ling signs a major financing agreement with a syndicate of 15 international banks for fleet expansion. In addition to BTC, lead managers in the pact also include Bank of Tokyo, Banque Nationale Paris, Dresdner Bank, Westdeutsche Landsbank, and Bank of China Trust and Consultancy Company.

The following month, Ameco, the three-year-old joint venture aircraft maintenance company operated with **Deutsche Lufthansa, A.G.** reports a \$20.9-million profit, a 100% increase over the previous year. The airline's overall net profit is \$100 million.

In **1993**, the workforce is 8,620 and the fleet includes 4 BAe 146-100s, 2 B-707-3J6Cs, 3 B-737-2T4As, 3 B-737-33As, 11 B-737-3J6s, 3 B-747-2J6BCs, 1 B-747-2J6F, 3 B-747-4J6s, 3 B-747-4J6Cs, 3 B-747SP-J6s, 1 B-74SP-27, 6 B-767-2J6ERs, 2 B-767-3J6s, 2 Lockheed L-382G Hercules freighters, 3 Y-7s, and 3 Y-7-100s.

All of the Jumbojets are outfitted with Inmarsat satellite terminals and five withdrawn Stratoliners are shifted to the Tianjin hub; the remaining two are employed only as freighters. From a hub at Hohhot, Mongolia, the company continues to operate a pair of Antonov An-24s and nine Y-5 utility/agricultural aircraft.

A frequency is established linking the capital with Copenhagen. During the year, the carrier is one of the three ex-CAAC divisions (along with **China Eastern Airlines Company, Ltd.** and **China Southern Airlines Company, Ltd.**) granted the status of independent "aviation group." In addition to reporting its own statistics, the airline is now allowed to acquire its own aircraft and to shape its finances, including authority to float shares on the new Chinese stock exchanges.

En route to Beijing from Jakarta with 142 aboard on August 10, a B-767-2J6ER is hijacked to Taiwan by wool vendor Shi Yuebo, who surrenders after the plane lands in Taipei. The plane is returned to the mainland and the pirate is given political asylum in the form of a nine-year prison term.

In September, **Evergreen International Airline** complains to the U.S. DOT that the Chinese airline has threatened its Chinese customers with retaliatory actions if they ship with the American carrier; in October, the DOT terminates ACIC's all-cargo operating rights to the U.S.

Also in October, a \$65.5-million wide-body aircraft hangar is opened by the Sino-German subsidiary Ameco. German investment in Ameco now stands at \$178 million and is **Deutsche Lufthansa, A.G.**'s largest foreign investment. Another Jumbojet is hijacked to Taipei on November 8 by 26-year-old Wang Zhuihua. During the year, cargo services are started to Los Angeles and Copenhagen.

Yin-Wen Long, former director of the East China division of CAAC, becomes the airline's new president in February **1994**. A contract is signed with **Deutsche Lufthansa, A.G.** on March 30 for the training of 76 former Chinese Air Force pilots as commercial B-737 pilots in classes to be held at the German airline's U.S. flying school. The first ex-military flyers arrive at the Phoenix, Arizona-based facility in April for the special 4½-month program. Operations continue apace for the remainder of the year as the workforce reaches 14,000 passengers. Two branches are now administered in Tianjin and Inner Mongolia and, in addition to the head office, regional offices are maintained in Shanghai, Guangzhou, Shenzhen, Xiamen, Dalian, and Xian. Although traffic figures are not provided, revenue results are happily reported.

The registered capital is 1.5-billion RMB, general assets total 13.9 billion RMB, and revenues reach \$1.04 billion. With operating expenses of only \$732.89 million, the carrier generates an operating profit of \$315.28 million and a net gain of \$36.05 million.

The fleet in **1995** includes a mix of American, British, Russian, and Chinese aircraft. Among the owned units are 10 B-737-3J6s, 4 each B-747-4J6s and BAe 146-100s, 3 each B-737-33A, B-747-2J6BCs, B-747SP-J6s, Xian Y-7s, and Y-7100s, and 2 B-747SP-J6s, 1 each B-747-2J6BC, An-24B and An-24RV. Chartered equipment includes 4 B-737-3J6s and B-767-2J6ERs, 1 B-737-33A, 3 B-747-4J6Cs and

B-767-3J6s, 2 B-747-2J6BCs, B-767-2J6ERs, and B-747SPJ6s, as well as 1 B-747-2J6F, B-747SP-27, and B-747-4J6.

A series of strategic alliance and marketing arrangements are entered into this year. In January, the carrier agrees to share revenues with **Korean Airlines/Korean Air (KAL)** on a return service from Beijing to Seoul. Simultaneously, the same kind of pact is signed with Asiana Airlines for services between Beijing and Seoul plus Pusan.

During the summer, the airline begins to cooperate with **Austrian Airlines, A.G.** on a service from Vienna to Beijing, plus two extensions from Beijing to Shanghai. ACIC in July is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas; beginning in August, it will offer double boarding passes to customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection.

Enplanements for the year total 6,475,731. There is no financial data available.

Airline employment stands at 14,000 in **1996**. At the end of January, officials from **CAAC (The General Administration of Civil Aviation of China)**, inform the Orient Airline Association that it will not support the applications for membership of its three largest airlines, ACIC, **China Southern Airlines Company, Ltd.**, and **China Eastern Airlines Company, Ltd.** Rather, they insist that **China National Aviation Co. (CNAC-2)** be the first admitted.

On April 26, an alliance is signed with **Northwest Airlines** under which both will steer passengers to the other's flights. The pact, the first between a PRC airline and a major foreign carrier, will also include joint airport facilities, ground handling, and linkage of frequent flyer programs.

ACIC Executive Vice President Wang Jiwu joins Consul General Huang Dongbi at Detroit (DTT) on May 1 for ceremonies marking the inauguration of thrice-weekly **Northwest Airlines** B-747 nonstop roundtrips from Detroit to Beijing. The frequencies are the first to be flown directly from the mainland of the U.S. to China.

The carrier has an exhibit in the CAAC pavilion at "Airshow China '96," the PRC's first international airshow, which is held at Zhuhai Airport (30 miles west of Hong Kong) on November 5-10. In December, a \$510-million order is placed with Boeing for three B-747-4J6s.

Passenger boardings move ahead by 3.4% to 6,678,765 and cargo moves up 4.8% to 767.62 million FTKs. Revenues total \$1.37 billion and there is a net profit of \$32.1 million.

The workforce is boosted 17.9% during **1997** to 16,500. During the first week of January, a \$383-million order is placed with Boeing for two B-747-4J6Cs. On January 29, a B-747-4J6C skids off the runway at New York (JFK) as it is taxiing shortly after touchdown; no injuries are reported.

At a Beijing signing ceremony during the last week of March attended by U.S. Vice President Al Gore and Chinese Premier Li Peng, ACIC officially requisitions five B-777-4J6s valued at \$685 million.

Plans are made to initiate a direct service from Hong Kong to London in mid-July following the Chinese takeover of the British crown colony.

Although customer bookings dip 2.2% to 6,533,932, FTKs jump 20.6% to 925.86 million. Financial data is not available.

President Yin-Wen Long's fleet at the beginning of **1998** includes 53 all-Stage III aircraft: 18 B-737-3J6s, 8 older B-747-2J6/3J6s, 10 B-747-4J6s, 10 B-767-2J6/3J6ERs, 3 Airbus A340-313Xs, and 4 BAe 146s.

On May 22, the carrier expands its alliance with **Northwest Airlines** to include the American major's associates **Continental Airlines**, **America West Airlines**, and **Alaska Airlines**. All four will link their frequent flyer programs, coordinate schedules, offer joint marketing and maintenance where appropriate, share lounges, and plan for code-sharing. ACIC now introduces its "Air China Club" frequent flyer program, modeled on that of **Northwest Airlines**.

An application by the carrier and **Air Canada, Ltd.** to code-share over routes from China to Canada is rejected by Canada Transport Agency during the last week of May. CTA, some years earlier, had designated China as a single-market country and assigned Canadian service to **Canadian Airlines International, Ltd.**

While en route from Beijing to Kunming on October 28, Flight 905, a B-737-3J6 with 104 passengers, is hijacked to Taiwan by its pilot, Yuan Bin, who also brings over his wife Xu Mei. The skyjacking is the 13th diversion of a PRC airliner to Taiwan completed since April 1993 and the first to involve a crew member. The skyjacking is regarded as an embarrassment for the government of Taiwan, which is attempting to improve its relations with Beijing. Premier Vincent Siew, and prosecutors consequently indicate that the pair will be given harsh prison sentences; however, they will not be returned to the PRC.

The *Wenhui Daily* reports on November 12, in an article digested by Reuters, Ltd. for the Internet, that 24 passengers on the unscheduled October 28 flight to Taipei have written to ACIC demanding compensation. Although the little Boeing had been returned to Shanghai the same day, the upset passengers claim that the company did not send representatives out to the airport to assist them after the plane's landing. ACIC, the letter reads, "should have consoled customers to reduce the damage to the airline's reputation after the hijacking. Instead, it placed priority on investigating an internal problem." Whether the two dozen signatories receive any money is unknown.

Passenger boardings this year total 6.37 million, while 1.18 billion FTKs are operated.

Early in January 1999, ACIC, which has lost upwards of \$25 million the previous year, receives a new president, succeeding the retiring Yin Wen Long. **China Eastern Airlines Company, Ltd.** Chairman/CEO Wang Lian, once vice minister of the CAAC, receives the prestigious post.

In a joint service with ACIC, **Lufthansa Cargo, A.G.**, on January 15, inaugurates weekly roundtrip all-cargo flights between Frankfurt and Shanghai employing one of its MD-11Fs. These direct freight flights are upgraded to twice weekly in March.

The CEOs of **KLM (Royal Dutch Airlines, N.V.)**, **Northwest Airlines**, and **Alitalia, S.p.A.** meet with ACIC officials in Beijing on February 23 to discuss bringing the Chinese carrier into their global alliance.

The Xinhua News Agency reports on February 24 that ACIC leads the world with a safe flying record that stretches back 44 years.

In an effort to build customer loyalty, the "Air China Club" frequent flyer program is extended to domestic flights, beginning on March 18.

Just after landing at Chicago (ORD) early on the morning of April 2, after a service from New York (JFK), Flight 9018, a company B-747-4J6C freighter with eight crew, exits its runway onto a taxiway, but makes a wrong turn, ending up back on the runway. At the same time, Flight 36, a **Korean Airlines/Korean Air (KAL) B-747-4B5** with 22 crew and 357 passengers, is rolling down the same runway toward take-off for Seoul. The Korean jetliner lifts up and passes over the nose of the Chinese 747, missing it by just under 50-ft.

Several Hong Kong morning newspapers report on July 9 that PRC officials may force the merger of Air China International with **China Southern Airlines Company, Ltd.** The report had first been carried in the British industry magazine *Flight International*. The confusion causes the Hong Kong stock exchange to temporarily suspend trading in CSA shares. Later in the day, the restructuring office of **CAAC (The General Administration of Civil Aviation of China)** issues a statement denying plans to forcibly amalgamate the two companies.

Following up on the *Flight International* and local newspaper reports, executives at China Southern confirm on July 13 that preliminary discussions have been held with **Air China International Corporation** concerning a possible merger or partnership sometime in the future. Analysts suggest a merger might be difficult.

In August ceremonies at Renton, Washington, the company takes delivery of the first of 11 B-737-8J6s. During the fall, CAAC executive, aviation media types, and various airline employees join in a wide-ranging, but ultimately empty discussion, concerning the possible merger of Air China with **China Southern Airlines Company, Ltd.** *Flight International* reports on October 13 that the discussions have broken down due to CSA concern over the financial shape of Air China.

Overall passenger boardings climb 4% to 6.63 million as cargo traffic accelerates 38.2% to 1.64 billion FTKs. The booking figure is third in China behind CSA and **China Eastern Airlines Company, Ltd.**

Airline employment in 2000 is up an impressive 80% to 15,000.

Among the world's top 25 airlines at the beginning of the new millennium, Air China is 23rd in terms of FTKs. It now visits 89 destinations, including 49 in China and 7 in Europe. More importantly, it is the only major Chinese airline with a perfect safety record, having reported no accidents since 1955.

On March 9, the U.S. Export-Import Bank approves a \$365-million financing package under which ACI will enter into a contract with Boeing for the purchase of 1 B-747-4J6, 2 B-777-2J6s, and 2 B-737-8J6s to be delivered between April and June.

Flights from Beijing to Pusan are resumed on March 27. On April 11, the carrier begins to code-share on the twice-weekly flights from Detroit to Shanghai made by **Northwest Airlines**.

During the spring, the carrier further attempts to rationalize its fleet, which still has too many large aircraft. Two B-747s are sold and a fifth is converted into a freighter; a B-737-8J6 is added in April and plans are announced for the purchase of 15 additional medium-sized jetliners over the next 5 years.

Twice-weekly B-747-4J6 roundtrips begin on July 6 from Beijing to Auckland via Shanghai and Sydney.

In response to a fatal June 22 **Xian Airlines Y-7-100C** crash, the CAAC delivers a major reorganization plan to the China State Council in late July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around Air China International, **China Eastern Airlines Company, Ltd.**, and **China Southern Airlines Company, Ltd.**

Merger discussions with **China Southern Airlines Company, Ltd.**, broken off earlier, have been resumed and quietly concluded during the year. However, it is reported on October 2 that a merger proposal submitted by the two to the CAAC has been rejected on the grounds that the resultant carrier would be too large.

A new code-sharing agreement is signed with **Deutsche Lufthansa, A.G.** on October 9; it becomes effective 20 days later on the routes from Shanghai and Beijing to Frankfurt. Air China is also able to place its designator on DLH flights beyond Frankfurt to Hamburg, Berlin, and Munich.

On October 18, the business daily *Handelsblatt* reports that the carrier and DLH have fallen out over their aircraft maintenance joint venture, Ameco. The disagreement centers around long-term expansion strategy, with the Chinese said to be less interested in growth in services to foreign carriers and more concerned with the upkeep of its own fleet.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Air China, increase fares on November 5.

AIR CITY, A.G.: Switzerland (1990-1991). Air City is established at Lugano in 1990 to provide holiday and inclusive tour flights to Mediterranean and European resort destinations. Ownership is divided between Metropolitan Aviation (77%) and private investors. A workforce of 20 is recruited and flights begin with a pair of Aerospaiale (Sud Est) SE-210 Caravelle VIRs.

The company has had the misfortune of starting up during the Gulf crisis, which not only limits its winter destinations but also imposes extremely high fuel costs. As a result, the company is unable to achieve economic viability and is forced to shut its doors in May 1991.

AIR CLUB INTERNATIONAL, LTD.: 11905 Cargo Road A-3, Suite 205, Montreal International Airport, Mirabel, Quebec J7N 1H1, Canada; Phone (514) 476-3555; Fax (514) 476-0504; Code HB; Year Founded 1993. ACI is established at Montreal in May of 1993 to offer long-haul passenger and inclusive-tour charters. Startup capital of C\$8 million is provided by a mix of 20 private investors, financial concerns, and tour operators.

Guy Dulude is chairman, with Claude Levesque as president/CEO and a workforce of 185 is recruited. A Boeing 747-212B is acquired

from **Nationair, Ltd.** along with a former **Delta Air Lines** Airbus Industrie A310-324. The latter is employed on June 17, 1994, to commence revenue services, with a charter from Quebec's principal city to Toulouse, France.

During the remainder of the summer and fall, hubs are also established at Calgary, Toronto, and Vancouver and, from them, flights are added to Paris, Nice, and Bordeaux, Acapulco, Amsterdam, Athens, Barcelona, Belfast, Brussels, Cardiff, Ft. Lauderdale, Frankfurt, Glasgow, Honolulu, London, Lyon, Manchester, Margarita, Marseilles, Nantes, Newcastle, Port-au-Prince, Puerto Plata, Puerto Vallarta, Tel Aviv, Toulouse, Varadero, Vienna, and Venice.

Another ex-**Delta Air Lines** A310-324 is chartered and plans are made to acquire a third. Enplanements total 200,000.

Airline employment grows to 350 during the remainder of the decade the fleet is increased by the addition of another Jumbojet and 3 more A310-324s.

AIR COLORADO: United States (1980–1982). Air Colorado is formed by Donald Pearce and Robert Friedman at Englewood, Colorado, on March 1, 1980. Known initially as **Tamarac Aviation**, this third-level operator commences operations with a Cessna 414 and a Cessna 206, providing a link between Aspen and Grand Junction. In July, the corporate identity is changed to Air Colorado.

Significant financial reversal is suffered following the 1981 PATCO air traffic controllers' strike and subsequent ATC restrictions, forcing the company into bankruptcy early in 1982.

AIR COLUMBUS (TRANSPORTE AEREO NAO REGULAR, S.A.): Portugal (1989–1994). Air Columbus, Portugal's first independent airline, is established at Aeroporto do Funchal, Madeira, Portugal, in the early fall of 1989 to offer passenger charters. With Rifaat Morsi as president, ownership is divided between Portuguese hotel/tour companies and the Danish charter carrier **Sterling Airways, A.S.** The latter not only provides financial backing, but operational support as well. A Sterling Boeing 737-33A is chartered and employed to begin revenue services in October.

Destinations visited from Lisbon, Funchal (Madeira), and Faro include Austria, France, Ireland, Spain, Switzerland, and the U.K. A second B-737-33A is also obtained from **Sterling Airways, A.S.** and, during the winter charter season, flies between Madeira to Boston, New York, and Toronto. A mix of Portuguese and Scandinavian flight and cabin crews operate the flights.

The most important customers for the airline are German and charter flights to the holiday locations are undertaken from Munich, Nuremberg, and Stuttgart. A chartered B-727-2J4 arrives in the summer of 1990 and an engineering base is established at Funchal. In 1991, orders are placed for three more B-737-300s and two B-757-200s. Operations continue apace in 1992; however, the collapse of **Sterling Airways, A.S.** in 1993 creates a pall.

The fleet of Chairman Henrique Abrantes and Managing Director Capt. Ole Nor-Jensen in 1994 includes a pair of leased B-737-33As and flights continue without much change. As the result of murky circumstances involving fraud, the company is forced to shut its doors in December.

AIR COMMERCE, LTD.: United Kingdom (1934–1950). ACL is formed by British and Foreign Aviation, Ltd. on December 1, 1934; initial shareholding is £1,000. Flight operations do not, however, commence until 1938 when a de Havilland DH 89A Dragon Rapide is acquired and employed to initiate scheduled service over a route from Liverpool to the Isle of Man via London (Croydon)/Belfast.

A de Havilland DH 90 Dragon Fly is added to the fleet in May 1939; however, after the carrier suspends operations on September 3 (following the declaration of war on Germany and the suspension of U.K. civil flying), it is sold in March 1940. A second available Dragon Rapide is purchased in November.

Following V-E Day in May 1945, the company resumes revenue service. On January 1, 1946 its original DH 89A is lost in a crash in County

Down. The company is purchased by **Olley Air Services, Ltd.** in December, but is allowed to continue operating under its previous identity.

Upon the activation of **British European Airways Corporation (BEA)** on February 1, 1947, ACL is one of several small independents whose scheduled routes are taken over by the new state carrier. Employing Olley aircraft, the carrier remains alive as a charter operation until 1950.

AIR COMMUTER, LTD.: United Kingdom (1969–1984). This small charter operator is formed at Coventry in late 1969. Equipped with a single de Havilland DH 104 Dove 1, AC begins an executive charter for Richard, Johnson and Nephew, Ltd. in January 1970. Late in the year, the company undertakes executive flights for Tyler Aviation from the latter's base at Norwich. During the next two years, ad hoc charters are undertaken from Coventry to various destinations both within the U.K. and in northern France and Holland.

The company's fleet is enhanced by delivery of a Piper PA-34 Seneca, in November 1973, which is employed to mount air taxi flights into the British Midlands. The Dove is sold during 1974.

Later in the decade, the company is granted a scheduled route from Coventry to Paris, which is flown daily with a purchased Hawker Siddeley HS 748. In May 1984, the carrier is renamed **Venture Airways, Ltd.**; however, world economic conditions force the operator to cease flying late in the year.

AIR COMMUTER AIRLINES (1): United States (1967–1968). Established by Arthur King and F. Jerome Tone at Cleveland's Burke Lakefront Airport in late spring 1967, ACA-1 is equipped with a single de Havilland Canada DHC-6-100 Twin Otter and four Cessna 402s. These begin scheduled third-level flights on June 28 linking the company's base with Columbus, Dayton, Findlay, and Lima. During the remainder of the year and into the next, three more Twin Otters join the fleet, allowing the number of flights to be increased to 200 per day.

Early in 1968, passenger flights begin across Lake Erie to Detroit (DET). Also, a scheduled night cargo service is inaugurated from Cleveland to Detroit, Columbus, Dayton, Findlay, Lima, and Youngstown. On March 4, the carrier is taken over by competing **Wright Airlines**.

AIR COMMUTER AIRLINES (2): United States (1968–1970). ACA-2 is set up by Norman Anderson at Grand Island, Nebraska, in the early fall of 1968 to provide scheduled daily roundtrips to and from Omaha. Employing Piper lightplanes, Anderson initiates revenue flights on October 4 and is able to maintain them until 1970.

AIR COMMUTING: United States (1947–1948). Air Commuting, Inc. is established at New York City in the spring of 1947 to provide air taxi services from Manhattan to a number of points on Long Island. A Grumman G-73 Mallard is acquired and services are inaugurated on June 9.

Operations continue apace during the remainder of the year and into 1948. The little amphibious carrier cannot, however, achieve economic viability and is forced to shut down on June 30 after only 230 hrs. of flight. The Mallard is sold to Texaco, Inc.

AIR COMORES, S.A. (1): Comoros (1963–1974). AC-1 is formed at Moroni in 1963 to fly nonscheduled interisland charters in the French colony. Revenue flights commence between the four islands with one each Piper Apache and Piper Aztec.

Two de Havilland DH 114 Heron 1Bs are acquired from **UTA (French Airlines, S.A.)** in 1966 and are employed to significantly enhance services. Leadership is provided by CEO Yves le Bret, who also arranges the acquisition of two Douglas DC-3s and two DC-4s.

During the remainder of the year and in 1967, Moroni is linked to Anjouan, Dzaoudzi, Grande Comore, Mayotte, and Moheli. A twice-weekly service is also inaugurated to Dar es Salaam.

A DH-114 Heron 1B with a pilot and 15 passengers bounces upon landing at Moroni on January 27, 1968, lifts off again and plunges first into rocks and then into the sea; there are no survivors.

Service continues without incident thereafter, with the fleet enhanced by the acquisition of two Nord 262s. The first AC-1 shuts its doors in 1974 as the Comoro Islands prepare to receive their independence from France.

AIR COMORES, S.A. (2) (SOCIETE NATIONALE DES TRANSPORTS AERIENS, S.A.): Comoros (1975–1995). Upon the nation's independence, this new entrant takes over the private carrier on July 6, 1975. Ownership is held by **Air France** (51%) and the Comoros government (49%), with A. A. Pigeat as managing director. With a fleet of 4 Douglas DC-4s provided by the French flag line, scheduled passenger and cargo services are undertaken linking the island capital with the archipelago cities of Anjouan, Dzaoudzi, and Moheli. International flights are started to Dar es Salaam, Mombasa, Antananarivo, and Majunga. The **Air France** shares are purchased by the government in April 1977.

The carrier is downsized somewhat during the remainder of the decade. Most of the international service is withdrawn and the DC-4s are replaced with a single Fokker F.27-200. Flights do continue to Majunga in the Malagasy Republic.

Airline employment at General Manager Djamaï Eddine Ahmed's company in the middle 1980s is approximately 75 and passenger enplanements average some 25,000 per year.

A significant capacity increase occurs in 1985 as a Boeing 737-244A is wet-leased from **South African Airways (Pty.), Ltd.** The "Baby Boeing," repainted in AC-2 colors, is used to operate services to Cape Town, Zanzibar, Mombasa from Moheli.

In mid-1986, the carrier begins participation under contract in the **Air France** Alpha 3 computerized reservations system. Three DC-4s are again briefly operated late in the decade.

Operations continue apace in the 1990s and the DC-4s become permanent equipment. In a time of recession, the leased B-737-244A proves to offer too much lift and is returned to South Africa in 1992. In 1993, General Manager Ahmed oversees a workforce of 85 and a fleet of 3 DC-4s and 1 Fokker F.27-400. Services continue to be operated to Anjouan, Dzaoudzi, and Moheli in the Comoro Archipelago.

By 1994–1995, AC-2 is laboring under significant debt and a growing inability to generate sufficient income to make necessary payments. The carrier stops flying in September of the latter year and is liquidated by November.

AIR CONGO, S.A. (1): Belgian Congo (1945–1949). AC-1 is formed in 1945 as a small bush operator and the air operating division of the trucking firm Chemins de Fer du Congo Supérieur aux Grands Lacs Africains, S.A., based at Albertville in the western part of the country.

Between 1945 and 1947, it provides on-demand services to various destinations in the Belgian colony. On April 6 of the latter year, the light-planes previously employed are supplemented with a pair of Avro XIXs.

Two de Havilland DH 104 Doves are acquired in February 1948. In April, these, together with the Avros, launch scheduled services. Destinations visited once or twice a week include Kabalo, Kongolo, Kasongo, Kindu, Stanleyville, Buta, Costermansville, Goma, Elisabethville, Mitwaba, and Manono.

When **Sabena Belgian World Airlines, S.A.** is granted exclusive rights to all scheduled transport in the Congo in April 1949, it also takes over AC-1, its routes and assets, running it as the subsidiary **Compagnie Congolaise de Transports Aériens, S.A.** until June 1961.

AIR CONGO, S.A. (2): Congo (1961–1971). With assistance from **JAT (Yugoslav Airlines)**, begun the previous August 10, and with a protocol agreement with **Sabena Belgian World Airlines, S.A.** signed in January 1961, AC-2 is reborn on June 6 as the national airline of the democratic Congo. The airline is officially reconstituted and incorporated on June 28, with ownership divided between the Congo government (65%), **Sobelair, S.A.** (5%), **Air Brousse, S.A.** (5%), and **Sabena** (30%).

AC-2 begins operations on June 29, receiving authority to operate all of the nation's domestic and international services. The Belgian flag line

is now able to halt the internal services in the now-independent nation that had been provided by its subsidiary, **Compagnie Congolaise de Transports Aériens, S.A.** It now begins a six-year contract to training the new entrant's personnel.

On September 17, one of the **Starways, Ltd.** DC-4s, which had been leased to **Sabena Belgian World Airlines, S.A.** in the spring, is destroyed on the ground at Kamina Airport, Congo, by Katangan fighter aircraft. The other is now turned over to AC-2.

Having first appealed to the UN for assistance in the reintegration of the break-away province of Katanga, President Patrice Lumumba now turns to the Soviet Union. Moscow dispatches 10–15 Ilyushin Il-14s, with their **Aeroflot Soviet Airlines** titles painted over in favor of hastily applied Congolese markings. These join five DC-3s requisitioned from AC-2 in transporting 1,000 Congolese National Army troops on December 31 to Luluabourg, capital of Kasai province, from where they are trucked toward Katanga, where their drive is halted by rebel forces.

The Congolese civil war will intensify during the remainder of the year and into 1962, particularly after the death of Lumumba.

The first jet service occurs almost a year later as a B-707-329 leased from the Belgian flag carrier begins flights from Leopoldville to Brussels in March 1963. During the remainder of the year, negotiations are carried out for the implementation of joint services with other airlines.

In January 1964, an agreement is signed with **UTA French Airlines, S.A.** Under its terms, the French carrier operates a joint DC-8 service with AC-2 over a route from Leopoldville to Paris via Douala. In June, the chartered Sabena Boeing adds a stop at Paris on its weekly service from Leopoldville to Brussels.

Feeder routes are expanded in October with the addition of four Beech 58 Barons. At the beginning of November, joint service is launched with **Zambia Airways, S.A.** over a return route from Elisabethville to Ndola. The Congolese fly the service on Fridays and the Zambians on Thursdays. While taking off from Stanleyville on November 30, a chartered DC-4 with 15 passengers is hit by rebel bullets and crashes (7 dead).

Including 16 on charter, the company by 1965 is operating a total of 46 aircraft: 1 leased B-707-329, 15 Beech 18s, 2 Curtiss C-46s, 11 Douglas DC-3s, 9 DC-4s, 3 DC-6s, and 5 Pipers. Orders are outstanding for another Beech and another Boeing jetliner. Enplanements for the year total 303,917.

After years in an acrimonious relationship, **Sabena Belgian World Airlines, S.A.** and AC-2 abruptly end their relationship in 1966 as the result of a political coup in the Congo late in 1965. Most of Sabena's property and funds in the Congo are seized and its landing rights at Elisabethville, now Lubumbashi, are cancelled.

Ownership is now divided between the Congolese government (70%), the Institut National Sécurité Sociale (8%), and other local interests (22%).

The Sabena interest is cancelled as is the year remaining on the training contract; only the shared Brussels service remains. H. Sangara becomes president and places a £3-million order for two Sud Est SE-210 Caravelle IIRs.

Airline employment stands at 3,357 at the beginning of 1967. On May 12, a British Aircraft Corporation BAC 111-320L is leased from **Laker Airways, Ltd.** for a year. The weekly Brussels service, shared with **Sabena Belgian World Airlines, S.A.** for years, ends in June, with the BAC and a DC-6 now providing regional links to Burundi, Uganda, Kenya, Angola, and Nigeria. The joint venture with **Zambia Airways, Ltd.** is maintained.

In addition to long-haul services, AC-2 also maintains a 26-point domestic network with DC-3s and DC-4s, while Beech 18s fly to 27 small and bush communities. To improve these services, the company now places an order with Fokker for 10 F.27-600 turboprops.

The first Caravelle is delivered in October and, at the beginning of November, enters service with the BAC and DC-6 on regional routes. Destinations visited by the trio from Kinshasa include Lagos, Fort-Lamy, Bangui, Dar es Salaam, Entebbe, Nairobi, Lusaka, and Goma. The DC-6 also flies twice weekly between Kinshasa and Lubumbashi.

A DC-8-33, leased from **Braniff International Airways**, is delivered on November 25; in a new livery, it prominently flies the company's European services four times a week from Lubumbashi and Kinshasa to Brussels and either Paris or Rome.

Operations continue apace in 1968 as the Laker BAC is returned. A DC-3 is lost at N'Djili on August 18.

In 1969, the company enters into a joint venture with **Pan American World Airways (1)**, which provides management and fleet support. Fourteen personnel, including new Director General Francis J. Swayze, are posted to AC-2 to serve under President Lumumba.

A leased C-46 with 3 crew and 42 passengers crashes into the Congo River while circling for a landing at Kinshasa on April 16; there are no survivors.

A DC-3 is lost under unknown circumstances on February 15, 1970. Shortly thereafter, 2 DC-8-33s are leased from Pan Am, replacing the earlier aircraft. The fleet now also includes 1 Caravelle IIR, 3 DC-6s, 8 DC-4s, 7 DC-3s, and 8 F.27-600s.

Following creation of the republic of Zaire in October 1971, the airline becomes **Air Zaire, S.A.**

AIR CONGO (BRAZZAVILLE), S.A.: Congo (1961–1965). **Compagnie Congolaise de Transports Aeriens, S.A.** is reformed at Point-Noire, becoming the major, if privately owned, carrier of the newly democratic Congo on June 28, 1961 under the name Air Congo. **UTA French Airlines, S.A.** holds 30% minority shareholding and provides management and technical support.

Several routes formerly operated by **Air Afrique, S.A.** are acquired in 1963 and the company's two Douglas DC-3 transports and a DC-4 now fly a triangle-shaped route network from Brazzaville to Point-Noire to the Gabonese city of Moanda. To avoid continuing confusion with **Air Congo (2)**, the company is reformed, with new capitalization, on March 16, 1964, and renamed.

The government buys out the French share in 1965 and provides a new corporate identity for its national carrier, renaming it **Lina Congo (Lignes Nationales Aeriennes Congolaise, S.A.)** in order to avoid lingering misidentification with **Air Congo (2)**.

AIR CONNEXION. See **AIR CANADA, LTD.; VOYAGEUR AIRWAYS, LTD.**

AIR CONTINENTAL, S.A. See **AIR IVOIRE, S.A.**

AIR CONTRACTORS, LTD.: United Kingdom (1946–1949). RAF Group Captain P. H. Maxwell founds this ad hoc charter company at Woodley aerodrome on May 15, 1946. Holding a freight contract with the Miles Aircraft Company, Maxwell is provided with the prototype Miles M.57 Aerovan 1 with which to launch his business. Five M.57 Aerovan 2s are acquired throughout the remainder of the year and one is lost in a crash at Copenhagen on October 29. Meanwhile, cargo charters are flown to various destinations in the U.K. and Europe.

A second Aerovan 2 is lost in a crash at Cherbourg on January 12, 1947; however, it is replaced during the month by the company's first Douglas DC-3, actually an ex-military C-47A. The airline now moves to larger Blackbushe aerodrome. Aircraft additions through the year include two Aerovan 4s, a Bristol 170 Mk. 31 freighter, two more C-47As, and a Miles M.65 Gemini 1A.

Operations include livestock flights to Europe, Africa, and the Middle East, the transfer of 150 British tourists from Paris to Blackbushe (June 14–15) during a French rail strike, and participation in the India-Pakistan refugee exchange. During the latter duty, the company's three Dakotas are all engaged, flying 6,000 people over 105,000 miles.

Early in 1948, the base of operations is transferred again, this time to Bovingdon. Livestock and produce charters are undertaken. The company is one of the first British independents to participate, beginning on August 4, in the Berlin airlift. All three C-47s are committed, flying 1,376 tons in 386 sorties, before their withdrawal on November 10.

The end of the German flights sees hard times befall the company and by December, the remaining fleet has been sold off, with most of the heavy units going to **Skyways, Ltd.** The few remaining Aerovan 2s are unable to generate sufficient business and the carrier is forced to cease trading in January 1949.

AIR CONTRACTORS (IRELAND), LTD.: The Plaza, New Street Swords, Dublin, Ireland; Phone 353 (0) 1 812 1900; Fax 353 (0) 1 812 1919; <http://www.aircontractors.com>; Code AG; Year Founded 1998. In order to concentrate on its oil and defense business, Hunting, PLC, in late June 1998 sells its subsidiary airline Hunting Cargo Airlines, Ltd. to a consortium consisting of **Safair (Pty.), Ltd.** and **Compagnie Maritime Belge, S.A.** for \$14.7 million. The new owners, led by Chairman Ludvig Criel and CEO High Flynn, transfer the airline to Ireland and register it under this new name. Hunting, meanwhile, negotiates the separate sale of its 5 remaining L-188CFs.

With a fleet of 8 hush-kitted Boeing 727-200s and 5 Airbus Industrie A300B4-203Fs, the reborn carrier resumes flying shortly before Christmas. Over the next three years, it undertakes regular and ad hoc charters throughout Europe and the Modest, with emphasis on the transport of overnight parcels under contract to **United Parcel Service (UPS)** and **Federal Express (FedEx)**.

AIR CORBIERE, LTD.: United Kingdom (1991–1993). Organized at Coventry in early 1991 as part of the Atlantic Group, this passenger-carrying regional assembles a leased fleet comprising 1 Fairchild Metro III, 1 Cessna 402C, and 2 Cessna 406 Caravan IIs. Daily revenue services are undertaken in June linking Coventry and Gloucester and Jersey and Guernsey.

A year later, in June 1992, Chairman Michael J. H. Collett and Managing Director W. J. Foden employ 24 workers. Daily flights begin between Swansea, Jersey, and Guernsey. Twice-daily Jersey, Guernsey, and Liverpool operations commence in July.

Passenger traffic at **Air Atlantique, Ltd.**'s sister carrier does not measure up to expectations and, with it unable to maintain viability, Chairman Collett shuts the airline down in April 1993 and returns its aircraft to their lessor. Air Atlantique is now broken into two subsidiaries: **Atlantic Airways, Ltd.** and **Atlantic Cargo, Ltd.** Activities of both are covered under the entry for **Atlantic Air Transport, Ltd.**

AIR CORTEZ (AIR CORTEZ INTERNATIONAL): United States (1976–1987). William Schlick and P. S. Promotions form Air Cortez at Ontario, California, in late 1976. After assembling a fleet of 2 Beech 18s, 1 Cessna 414, and 2 Cessna 182s, the third-level entrant undertakes regularly scheduled passenger/express flights to Las Vegas on January 1, 1977. Additionally, scheduled service is also initiated to the Mexican cities of Guaymas, Mulege, and Loreto and charter flights are made to various destinations in Baja California.

Operations continue apace in 1978–1979. In 1980–1981, the fleet comprises 3 Beech 18s and 2 Cessna 402s. Orders are placed for 3 Fokker F-27As. Beginning in April 1982, the carrier inaugurates scheduled flights from Las Vegas to Arizona's Grand Canyon with the first Fokker F-27A, newly received.

In 1983, the company receives two more Fokkers, but in early 1984, suspends its scheduled international services from Ontario and San Diego to Guaymas, Mulege, and Loreto to concentrate on expanding its network into the U.S. southwest.

In 1985–1986, additional frequencies and destinations are opened and the fleet is upgraded by the addition of two more F-27As; the smaller Beeches and Cessnas are now retired. Operations cease in 1987, due largely to financial difficulties brought on by overexpansion.

AIR COURIERS, LTD.: United Kingdom (1938–1967). P. W. Griffith forms ACL as a FBO at London (Croydon) in 1938; however, operations are suspended upon the outbreak of war in September 1939. After V-E Day in 1945, the company resumes its prewar operations,

adding a charter division in late **1947**. Equipped with a fleet comprising 2 Percival Proctor 1s, 1 Proctor 3, 1 Short Scion Junior, and 1 de Havilland DH 89A Dragon Rapide, Griffith's enterprise starts ad hoc passenger/cargo flights, sight-seeing, and aerial photography charters from March **1948**.

During the next 12 years, ACL continues its on demand operations, especially in summers, while the parent firm rebuilds aircraft, overhauls engines, etc. When Croydon is closed in **1959**, the company is moved to Biggin Hill, where the three remaining Dragon Rapides are sold in **1960**.

In April **1961**, a Piper PA-23 Apache 160 is acquired to resume charter flights to smaller U.K. airports. ACL is purchased by and merged into **Transglobe Airways, Ltd.** in July **1967**.

AIR CREEBEC, LTD.: P.O. Box 430, 101-7th St., Val d'Or, Quebec J9P 4P4, Canada; Phone (819) 825-8355; Fax (819) 825-0885; http://111.aircreebec.ca; Code YN; Year Founded 1981. Late in **1981**, William ("Chief Billy") Diamond, leader of the Cree Indians, founds ACL, in association with **Austin Airways, Ltd.**, employing C\$225 million in funds supplied by the Quebec government, which has recently negotiated permission from the Crees for the construction of a hydro-electric project near the James Bay.

Routes in the western part of Quebec province are turned over by **Austin Airways, Ltd.** in the spring of **1982** and Douglas DC-3 service is started on July 5 linking Val d'Or, Matagami, Rupert House, Eastmain, Paint Hills, Fort George, and Great Whale Lake. Two de Havilland DHC-6-200s, in the company's orange, yellow, and black livery are acquired later in the year.

During **1983-1985**, the fleet is increased by the addition of 1 Hawker Siddeley HS 748 and 1 de Havilland Canada DHC-6-300. Airline employment grows to 23 and the route network features eight stops. During the latter, Diamond's people take over the ACL interest and assume 100% control.

In August **1986**, another DHC-6-300 is ordered. Applications are made in the fall for the inauguration of services to Sanikiluaq, Rouryn, Noranda, and Quebec City. Two HS 748s are purchased from **Austin Airways, Ltd.** in **1987**. In **1988**, as part of a major expansion, 4 more join the fleet from **Air Ontario, Inc.**, along with 2 Beech 99s, in the C\$16-million acquisition of that carrier's routes to smaller communities in the northern part of the province.

During a fifth attempt to land in bad weather at Waskaganish on December 3, an HS 748-2A freighter with three crew crashes short of the runway; although the aircraft is damaged beyond repair, there are no fatalities.

Enplanements for the year total 30,000 and revenues of C\$8 million are generated.

General Manager James A. Morrison's fleet in **1989** comprises 2 HS 748s, 2 Cessna 402s, and 1 DHC-6-300. Destinations visited now include La Grande, Matagami, Eastmain, Wemindji, Chisasibi, Chibougamau, Nemiscau, Rupert House, Timmins, Kapuskasing, Moosonee, Peawanuk, Attawapistat, Ft. Albany, Pickle Lake, and Kaschechewan.

The DHC-6-300 is replaced in early **1990** by a DHC-8-100 while 6 more HS 748s join the fleet, together with 2 Beech King Air 200s. In December, commercial agreements, including joint fares and scheduling, are signed with **Air Alliance, Inc.** and **Air Ontario, Inc.**

A second DHC-8-100 is received in **1991**. Plans are made to expand the route system deeper into the Quebec side of Hudson Bay. Meanwhile, the commercial agreements with **Air Alliance, Inc.** and **Air Ontario, Inc.** are implemented, with ACL providing feeder service to the former's hub at Val d'Or and the latter's at Timmins.

Just after takeoff from Quebec City Airport on November 29, the right engines of an HS 748-2A with 3 crew and 32 passengers explodes; the aircraft makes a successful forced landing at Riviere au Saumon and there are no fatalities.

Destinations served in **1992** from the Val d'Or hub include Great Whale, Kaschechewan, Port Albany, Attawapistat, Peawanuk, Kapuskasing, Timmins, Rupert House, Nemiscau, Chibougamau, Chisasibi, Wemindji, East-

main, Matagami, La Grande, Montreal, and Moosonee. A DHC-8-300 is ordered and, in anticipation of its arrival, a DHC-8-100 is withdrawn.

In **1993**, President Albert Diamond and General Manager David Bertrand oversee a workforce of 166. The fleet in **1994** includes 6 BAe (HS) 748-2As, and 1 each 748-2, DHC-8-314, DHC-8-101, and Beech Super King Air 200. Orders are placed for a pair of Beech 1900Ds. The Beech 1900Ds are introduced in early **1995** and are the first of their type operated in Canada. Service to 20 points is maintained in **1996**.

To replace air service lost with the closure of **Norontair, Ltd.** in **1995**, the Ontario Northland Transportation Commission on July 1, **1997** provides C\$150,000 per year for two years to nine northeastern communities in the province. The funds will be employed by the cities to fund replacement flights. ACL receives C\$450,000 from Hearst, Kapuskasing, and Timmins to link those communities with Quebec City. Flights commence in mid-month and continue, along with other services, into **2000**.

AIR CRUISES: United States (1928-1932). AC is set up at Detroit, Michigan, in the spring of **1928** to provide passenger and express flights to Chicago and Cleveland via intermediate stops. The company's aircraft, the Ford Tri-Motor 4-AT-21, is delivered on June 22 and, with pilot Perry Hunter at the controls, enters revenue service.

While landing at Chicago on November 2, **1929**, the Tri-Motor crashes; although no one is injured, minor damages are sustained to the aircraft. Operations continue until May 29, **1931**, when the Ford is sold to **Belle Fourche Air Lines** of Belle Fourche, South Dakota. That airline cannot succeed in a time of recession and, on June 17, **1932**, returns its Tri-Motor to AC, which in turn fails shortly thereafter.

AIR CRUISING AUSTRALIA (PTY.), LTD.: 405 Ross Smith Ave., Kingston Smith Airport, Mascot, New South Wales 2020, Australia; Phone 61 (2) 9693 2233; Fax 61 (2) 9669 6064; http://www.broflo.com.au/aca.html; Year Founded 1994. Based at Mascot, Australia, **Charter Cruise Air, Ltd.** is renamed in **1994**. Managing Director G. Garrett's 20-employee firm continues to provide scheduled flights and air cruises to various points in Australia with one each Fokker F.27-100 and F.27-500.

In December, the F.27-100 is leased to **Air Niugini (Pty.), Ltd.**

Operations continue apace in **1995-2000**. During these years, the F.27-500 is replaced with a British Aerospace BAe Jetstream 31.

AIR DABIA, S.A.: The Gambia (1996-1999). Established at Banjul in **1996**, AD begins, and continues, both scheduled and charter passenger and cargo services. The fleet within two years comprises 2 Boeing 727-200s, 1 B-747-100, 3 Fokker F.27-100s, 2 F.28-1000s, and 1 British Aerospace BAe 125-700 executive jet.

On July 15, **1999**, the Gambian government grounds the company's Boeings because the company owes \$5 million in unpaid landing charges at Banjul Airport.

AIR DALE, LTD.: Canada (1974-1995). Established by Robert Dale at Sault Ste. Marie in **1974**, ADL is equipped with an ex-Millardair, Ltd. Douglas DC-3, which is employed to inaugurate revenue charter services, both passenger and cargo. Another DC-3 joins the fleet in **1976**, followed by a C-117 (ex-USN DC-3) in **1982**. An air ambulance service is initiated under contract to the Ontario provincial government.

Early in the **1980s**, the carrier, employing five leased DHC-6-300s, begins flying replacement services for Norontair, Ltd. These connect the company base with Kirkland Lake, Earlton, North Bay, Chapleau, Sudbury, Timmins, Elliot Lake, Thunder Bay, Terrace Bay, Geraldton, Hom-payne, and Wawa.

In October **1984**, **Norontair, Ltd.** receives the world's first production-model DHC-8-101; christened *Py Davoud*, it is leased to ADL and employed to fly replacement flights to Elliot Lake, Sudbury, Timmins, and Kapuskasing. A second DHC-8-101 is delivered in January **1985**; named *Jim C. Bell*, it, too, is chartered to ADL.

The *Py Davoud* is seriously damaged when it lands short of the Sault Ste. Marie Airport runway on February 2, 1986. The associated carrier **Air Bras d'Or, Ltd.** begins operations on September 22. The *Py Davoud* is repaired and returned to service in 1987. Following the sale of the two DHC-8s to **Air Ontario, Inc.**, the company continues to fly three DHC-6s for **Norontair, Ltd.** The associate **Air Bras d'Or, Ltd.** ceases operations on July 17.

President Peter Dymant's fleet in 1988–1991 comprises 2 DC-3s plus 4 DHC-6-300s and another 2 DHC-8-100s leased from Norontair. Daily service continues to be provided to 21 northern Ontario communities with some 1,000 passengers boarded per year.

A fourth leased DHC-6-300 is received in 1992. Airline employment in 1993 totals 60. Two of the leased Twin Otters are withdrawn. In 1994, ADL flies five DHC-6-300s and one each DHC-8-101 and DHC-8-102. Operations cease in 1995.

AIR DIRECT AIRWAYS: Boire Field, 125 Perimeter Road 4E, Nashua, New Hampshire 03063, United States; Phone 603-882-5606; <http://www.air-direct-airways.com>; Year Founded 1990. Air Direct is established at Tew-Mac Airport at Tewksbury, Massachusetts, in June 1990 to provide on-demand charter service throughout New England and upstate New York. Certified by the FAA in May 1991, the company transfers to Nashua when Tew-Mac is closed.

In addition to on-demand service with Piper Aztecs, the company provides aircraft maintenance and operates an FAA-approved flight and ground school. The company is recertified in 1997 and operations continue without incident thereafter.

AIR DISPATCH, LTD.: United Kingdom (1934–1940). Air Dispatch, Ltd., is formed at London on July 9, 1934 to operate as “**Inner Circle Airlines**.” Initial capitalization is a nominal £100 and the managing director is the Hon. Mrs. Victor Bruce. Employing two de Havilland DH 84 Dragons and an Avro 642, the company operates a daily passenger/freight service from London (Croydon)–Paris during July–September 1935 as well as weekend flights from London (Croydon) to Le Touquet.

During the summer of 1936, regularly scheduled weekday services are offered from London (Croydon)–Plymouth via Portsmouth, Bournemouth, and Tourquay; the Plymouth stop is operated only on weekends. **Commercial Air Hire, Ltd.** is acquired and in November, services are initiated from London–Plymouth via the resort areas of the south coast. Neither routes nor services change significantly over the next three years.

On September 3, 1939, war is declared on Germany and all civil flying ceases. Although a unit in the government's 1939 National Air Communications, the company elects not to participate in the state-run domestic route coordinating board (**Associated Airways Joint Committee**) formed on May 5, 1940 and ceases trading.

AIR DJIBOUTI, S.A. (RED SEA AIRLINES): P.O. Box 505, Rue Marchand, Djibouti City, Djibouti; Phone 253 (35) 67 23; Fax 253 (35) 67 34; Code DY; Year Founded 1963. B. Astroud, a Madagascar air taxi/ambulance operator, forms this company in April 1963 to provide nonscheduled charter flights in what is known as French Somaliland. Service to Dikhil, Obock, and Tadjoura begins a year later in April 1964 with two Beech 18s and one each de Havilland DH 89A Dragon Rapide and Bristol 170 Mk. 21.

A Douglas DC-3 is acquired at the beginning of 1965 and is employed to launch regional flights from Dire Dawa to Aden, Addis Ababa, and Taiz. These routes prove so successful that Astroud purchases five more DC-3s from **Middle East Airlines, S.A.L. (1)** in 1966.

In 1967, airline employment totals 80 and the fleet comprises 6 Douglas DC-3s, 1 Beech 18, and 1 Beech 23. Enplanements are 12,580.

Operations continue apace in 1968–1969. Having lost both of its engines after flying into a flock of cranes on July 23 of the latter year, a DC-3 with two crew and two passengers crash-lands nine miles W. of

Khor Ambadu, Djibouti, on July 23; there are no fatalities. In 1970, the company acquires a DC-6.

In July 1971, French-backed **Air Somali, S.A.** purchases majority control of the company from its founder, but following reorganization, the carrier emerges still with the AD title. In 1972, service is started to Asmara and Hargeisa.

A “Red Sea Day” tourism package is sold from the company's Paris office during 1973 and helps to boost overall passenger traffic by 12% to 24,000. Airline employment at this point stands at 181.

With the addition of a second DC-6 in 1974, the fleet now totals 2 of that type and 2 DC-3s, plus 1 Piper PA-32 Cherokee. Flights begin to Mogadishu. Enplanements total 17,700.

The workforce is doubled in 1975 to 294. Services are halted to Sana'a and Nairobi. The DC-6s and DC-3s are withdrawn and replaced by two de Havilland Canada DHC-6-200 Twin Otters and a Piper PA-32. Customer bookings accelerate 41% to 30,000, but cargo is off by 24%.

The employee population grows by 2% in 1976 to 300. Passenger traffic increases by 40% as 41,826 passengers are transported.

Following the independence of Somaliland on June 27, 1977, shareholding is reorganized. Ownership is divided between the Djibouti government (36.3%), **Air France** (32.29%), and Compagnie des Messageries Maritimes (11.14%); banks and private interests, including founder Astroud, retain or obtain the remaining shares. The French flag carrier is awarded a management and support contract and assigns Guy Bertruc to act as director general for Chairman Mohamed Djama Elabe's new state airline.

Scheduled passenger and freight services are maintained over a previously flown domestic network while international flights serve Aden, Taiz, Hodeidah, and Hargelas. In association with **Air France** and employing French aircraft, flights are also undertaken to Addis Ababa, Jeddah, and Cairo.

On October 17, two gunmen push their way aboard a company Twin Otter at Tadjoura and open fire; the pilot and a passenger are killed and several other customers are hurt before the shooters flee.

Airline employment in 1978 stands at 375 and the fleet consists of 2 Twin Otters and 1 Piper Cherokee Six.

In 1980, the ownership pattern is changed again. This time the government assumes 90.41% control with Air France retaining just an 8.02% interest (and its management contract) and private interests reduced to only 1.57%.

Transavia Holland, N.V. now begins to fly one of its B-737-200s on behalf of the carrier under contract. The jetliner is leased in 1981 and is employed on the **Air France** joint service. New routes, in addition to those regional international flights previously made, are opened to Paris, Rome, Dire Dawa, Doha, Hargeisa, Nairobi, and Sana'a.

Dahir Issa becomes DG in 1982 as the company descends into bankruptcy. Issa is fired and replaced by Hassan Gouled Aptidon. A B-727-200 is acquired at the beginning of 1983, but is sold to a Florida concern a year later. The company emerges, just barely, from bankruptcy at this point.

In 1985, a second B-737-200 is chartered, this one a Dash-229A from **Sobclair, N.V. (Societe Belge de Transports par Air, S.A.)**. On August 17, 1986, two South Yemeni jet fighters intercept a B-737-200 over the Red Sea and force it to land in southern Yemen, where security forces search it for opponents of the regime. After this embarrassing incident, Chairman Elabe resigns. He is succeeded by A. R. Awaleh, who brings in T. Issa as director general. Marc Jaunatre will shortly thereafter arrive from France to succeed Issa.

There are no further incidents in 1987–1988 and, during these years, several de Havilland Canada DHC-8-301s are acquired to operate domestic and some regional services. A Douglas DC-9-32 is leased from **JAT (Yugoslav Airlines)** for the period. Employment during the latter year stands at 154.

After ten years of experience under **Air France** tutelage, AD obtains its own B-737-200 in 1989. Marc Jaunatre replaces the last French director general, Paul Botbol. In January 1990, the carrier again declares

bankruptcy. At this point, the B-737-200, which is owned, is replaced by a Douglas DC-9-32 leased from **JAT (Yugoslav Airlines)**.

Due to losses, reported by nonofficial sources as \$11 million, the carrier ceases operations in April 1991. The Sobelair B-737-229A is returned and other assets are liquidated.

Plans are announced in June 1998 for a relaunch of the airline; employing a leased Airbus Industrie A310-200, the initial service is flown from Djibouti to Paris in July.

Following the outbreak of civil war in the Congo on August 2, business plans between **Air Zimbabwe Corporation** and **Uganda Airlines Corporation (UAC)** become strained. In September, the former demands the return of an aircraft it has been leasing to the latter. At this point, a new joint service the two are planning to operate from Harare to Dubai is put on hold.

Faced with loss of a needed route, UAC executives meet with executives from the reborn AD. The two sides agree that they will launch joint flights, employing the A310-200, from Entebbe to Dubai early in 1999.

At the same time, Air Djibouti operates scheduled flights to Addis Ababa, Asmara, Cairo, Dar es Salaam, Jeddah, Johannesburg, Karachi, Khartoum, Mogadishu, Mombasa, Muscat, Nairobi, Rome, and Taiz.

The airline operates invisibly at the opening of the new millennium. On May 10, 2000, the Transport Ministry of Somalia, for security reasons, bans the company from flying into its country after Djibouti aircraft have allegedly made unauthorized and clandestine visits to remote airfields.

AIR DOLOMITI, S.p.A.: Via Aquileia 45, Aeroporto de Trieste, Ronchi dei Legionari, I-34077, Italy; Phone 39 (481) 477 711; Fax 39 (481) 474 540; <http://www.airdolomiti.it>; Code EN; Year Founded 1991. This small regional is formed at Trieste in January 1989. Orders are placed in early 1990 for three de Havilland Canada DHC-8-100s; however, in August, the order is switched to three Dash 8-300s. The first arrives on September, but the startup of operations is delayed by the Mideast situation.

It is late January 1991 when President Alcide Leali's first DHC-8-300 begins service between Trieste and Genoa. The second Canadian-made turboprop arrives in March and inaugurates AD's flights from Trieste to Venice and Turin while the third aircraft is delivered in June and begins flying to Geneva.

A total of 25,000 passengers are transported and revenues are \$4.86 million.

Airline employment stands at 50 in 1992. Flights begin in November from Verona to Budapest, Munich, Prague, and Florence. Customer bookings climb to 68,329.

In 1993, the workforce is unchanged; however, the new hub at Verona continues to be strengthened. Passenger boardings swell 58% to 97,633.

During the spring of 1994, AD becomes the European launch customer for the Avions de Propulsion Regional ATR42-520. Two of the advanced turboprops are ordered, along with four, later five, ATR42-320s. Wearing a new color scheme, these five enter service later in the year, replacing the Canadian-made turboprops. Customer bookings swell 35.1% to 132,000 and a total of 54.8 million FTKs are flown.

Airline employment stands at 90 in 1995. The first ATR42-520 joins the fleet during the spring. Enplanements are reported through April and show an increased of 46% over the same time a year earlier, a total of 52,000 passengers.

The workforce is unchanged in 1996. Under a marketing alliance with **Deutsche Lufthansa, A.G.**, the regional operates Lufthansa Partner services not only within Italy, but to Basel, Munich, and Barcelona as well. Meanwhile, the second ATR42-520 is delivered at the end of October and a new hub is established at Munich. A code-sharing agreement is also entered into with **Crossair, Ltd.** and joint flights are inaugurated from Basel to Rome.

Customer bookings ascend 13% to 282,000 and revenues bounce upward 29% to \$44 million. Revenues of \$8.8 million are earned and a net \$764,705 profit is reported, the airline's first net gain ever.

Airline employment is increased by 28.4% in 1997 to 253. During the first quarter, the alliance with **Deutsche Lufthansa, A.G.** is deepened to where nearly 90% of company services will be operated as Team Lufthansa. Destinations visited include Barcelona, Basel, Cagliari, Genoa, Munich, Olbia, Parma, Rome, Trieste, Turin, Venice, and Verona.

On April 1, the German and Italian partners inaugurate daily return frequencies from Genoa to Paris; these are followed, on April 30, with daily service to the French capital from Verona.

By July 1, the compact with the German major accounts for 137 of the regional's 156 daily departures and two of every three passengers carried. The same day, AD orders three ATR72-210s and an ATR42-520 from Aero International (Regional).

The latter arrives in mid-August wearing the sponsored yellow and black "logoprop" livery of the Italian fashion house Fendi. Lucky flight attendants aboard the turboprop wear Fendi separates.

Passenger boardings increase 30.7% to 379,395 while revenues are boosted 33.9% to \$64.99 million. Expenses climb 28.7% to \$62.3 million. The operating profit jumps to \$2.69 million while a \$2.61-million net profit is celebrated.

Flights continue apace in 1998. During the year, seven special "Settimocielo" in-flight events are organized to celebrate special dates and anniversaries, local traditions, and new routes in line with the carrier's dedication to promoting Italian style and taste in Europe.

"All the Eggs of Easter" is the first "Settimocielo" event celebrated between April 7-13. It is followed by "The Marches: From the Apennines to the Sea" in June; "Capri: A Settimocielo Island" in July; and "San Daniele Festival" in August.

"Relaxed Flying Seminars" are offered for people anxious or worried about air travel. The first occurs in Verona on September 26-27, followed by a second session, in Trieste, on October 24-25.

AD unveils its homepage on the World Wide Web in October, the same month in which the fifth Settimocielo event, "Elixir of Vinegar," occurs. "The Magic of the Dolomites" is the Settimocielo event for November and is followed by "It's Christmas" in December.

Customer bookings jump 47.9% to 548,000, while revenues jump to \$88 million.

By the beginning of 1999, airline employment has been boosted 20.9% to 306.

During September, a 26% stake in the carrier is sold to **Deutsche Lufthansa**.

A pair of Fokker 100s are wet-leased from **Alpi Eagles, S.p.A.** in October and are put on the routes from Venice, Turin, and Verona to Munich, Paris, and Barcelona. Additionally, the domestic fleet is increased through the addition of 2 ATR42-520s and 2 ATR72-520s. Daily Fokker roundtrips start on October 31 between Venice and Dusseldorf.

Overall customer boardings are up a welcome 28.5% to 581,000, while revenues advance by 18% to \$94.89 million.

The workforce at the start of 2000 totals 332, an 8.4% increase over the past year. A new corporate identity is unveiled during the first quarter; aircraft are now painted in a more formal blue and gray color scheme.

Fokker 100 return service from Pisa to Zurich begins on March 31.

A fifth ATR72-520 arrives on May 5; it is the 600th of its type manufactured. Daily ATR42-520 return service starts on May 15 from Trieste to Bergamo. The next day, a firm order is sent to Bombardier Aerospace for 3 Canadair CRJ200LRs to be delivered at the end of the year.

As the carrier continues to provide Team Lufthansa service, it requires additional capacity. Three additional ATR42-520s are ordered in June for delivery in the fourth quarter. Also in June, seasonal service is started from Trieste to Olbia and Tortoli that runs through September.

AIR EAST: United States (1970-1974). B. F. McKinney establishes AE at Johnstown, Pennsylvania, during the summer of 1970 and accepts an Allegheny Commuter contract to provide scheduled daily roundtrips to Pittsburgh and Altoona. Employing a Beech 99 and a de Havilland DH 104 Dove, the commuter inaugurates revenue flights on October 25.

Services continue apace throughout the remainder of the year and **1971–1973**.

While on final approach to Johnstown after a January 6, **1974**, flight from Pittsburgh, a Beech 99A with 2 crew and 15 passengers crashes short of the Cambria County Airport runway (12 dead). Fallout from the disaster results in the company's sale to Clark Aviation and the cessation of operations in April.

AIR EAST AFRICA, LTD.: P.O. Box 24406, Nairobi, Kenya; Phone 254 (2) 216745; Fax 254 (2) 716191; <http://www.globalaid.co.uk>; Year Founded 1993. Former Kenya Airways, Ltd. Managing Director Joseph Nyagah establishes AEA at Nairobi Airport in the summer of 1993. The former CEO sees a need for all-cargo services when **Lufthansa Cargo Airlines, A.G. (LCA)** halts its operations to various nearby regional capitals and elects to only fly in and out of Nairobi.

Employing a B-727-230F chartered from **Deutsche Lufthansa, A.G.**, the new all-cargo carrier inaugurates service for LCA in September. Former **Kenya Airways, Ltd.** Captain Chris Kariuki is appointed operations and technical director early in **1994**, while Brendan Donohoe, who had been seconded to **Kenya Airways, Ltd.** by **Aer Lingus Irish Airlines, Ltd.**, joins as chief financial officer.

During these years and in **1995–2000**, the company's trijet is busy not only on behalf of LCA, but also operates a number of charters for other customers. These include the Kenyan government, the United Nations (for which it becomes a major operator to the airport at strife-torn Kigali, Rwanda), and on behalf of private companies. The transport of goods from Sharjah and Dubai to Kenya becomes an important source of income.

To support its aerial operations, AEA also constructs storage and other facilities on a two-acre plot at Nairobi Airport's cargo center. An Israeli security concern provides protection not only for the Boeing, but for transit cargo as well.

AIR EAST AIRLINES: United States (1979–1980). William Blamey and Edward Davis set up Air East Airlines at Westfield, Massachusetts, in **1979** to provide daily passenger and cargo services to New York (LGA) via Hartford, Connecticut. Although Piper PA-31-350 Navajo Chieftain services are inaugurated in September, recession and high fuel costs force the new operator out of business in **1980**.

AIR EASTLAND, LTD. See **EAST COAST COMMUTER AIRLINES, LTD.**

AIR ECOSSE, LTD.: United Kingdom (1977–1988). **Fairflight Charters, Ltd.** associate AEL is formed at Aberdeen, Scotland, in June **1977** to provide ad hoc air charters in support of the North Sea oil industry. Scheduled commuter services begin on July 1, **1979** with a fleet of Embraer EMB-110P1 Bandeirantes. Destinations include Aberdeen, Carlisle, Dundee, East Midlands, Edinburgh, Glasgow, Isle of Man, London (LHR), Manchester, Prestwick, and Wick.

Next day, the company joins the Royal Mail program known as "Spokes from Speke," flying two Bandeirantes each night from Edinburgh and Glasgow to the sorting hub at Liverpool (Speke Airport) and back to the two Scottish cities for distribution.

Enplanements advance steadily, reaching 51,653 in **1981** and 64,000 in **1982**.

Just after landing at Flotta on a service from Aberdeen on April 20, **1983**, wind lifts the left wing of a DHC-6-300 with 2 crew and 10 passengers. When in reaction the right wing touches the ground, the plane cartwheels off the runway and through a fence, coming to rest with both wings detached; there are no fatalities.

Enplanements for the year climb to 74,243.

The fleet is upgraded in **1984** by the gradual retirement of several Bandeirantes in favor of five Shorts 330/360 equipment. One of the two new Shorts 360s received is employed to service a Datapost contract from the Royal Mail Postal Service. Painted in the RMPS's scarlet and gold livery, the aircraft makes overnight delivery of urgent express

packages within the U.K. and to the Continent. In late fall, service to Belfast, Dublin, and Liverpool is suspended.

Chairman Michael Butler's company adds extensive air ambulance, cargo, and charter operations in **1985**; his fleet now comprises 2 EMB-110Ps, 4 Shorts 330s, and 2 Shorts 360s. The fleet is radically altered in **1986** as the Bandeirantes and 360s are withdrawn and a fifth Shorts 330 is purchased.

A significant decline in passenger traffic, caused by a decline in lift requirements from the North Sea oil industry, triggers such a drop in traffic and income that, by spring **1987**, AEL is forced to suspend flights and seek protection from the courts. A bankruptcy judge appoints a new interim administration to oversee reorganization.

In **1988**, the 330s are retired in favor of three Dornier 228-200s. The reorganization process, however, fails and the company shuts its doors. It will be reborn in **1989** as **Aberdeen Airways, Ltd.**

AIR ENGIADINA, LTD.: Flugplatzstr 11, Berne Airport, Bern-Belp, CH-3123, Switzerland; Phone 41 (319) 960-1211; Fax 41 (319) 960-1217; <http://www.klmalps.ch>; Code RQ; Year Founded 1987. Organized at Samedan/St. Moritz in the Engiadina region of Switzerland with SFr 4 million shareholding during the first quarter of **1987**, this small regional is outfitted with a single British Aerospace BAe Jetstream 31. Scheduled services linking its base with Zurich commence on April 22. Flights connecting Zurich with Erfurt commence in January **1988** and, by **1989**, the single Jetstream 31 has generated sufficient business to require President Dr. W. J. Zinsli to open a route from Zurich to Eindhoven.

Although a Mitsubishi Mu-2B-60 Marquise is placed on line during the first weeks of **1990**, the company encounters regulatory problems with Swiss aviation authorities. Also in significant financial difficulty, the little operator stops flying at the end of January. A new investor, Zurich-based charter and air taxi Air Material, A.G., takes over and under direction of its president, Dietmar Leitgeb, who becomes managing director, invests SFr 1.5 million and resumes the Zurich–Eindhoven route.

Jetstream 31 flights continue apace in **1991** and orders are placed for two Dornier 328-110s.

In May **1992**, frequencies are initiated from Berne to Munich. Introduction of the new service brings corporate recapitalization, up from SFr 0.5 million to SFr 4.8 million. A Dornier 228-200 is leased from Lugano-based **Sunshine Aviation** and is employed to begin a twice-weekly route from Zurich to Erfurt, capital of the state of Thuringia in the former East Germany. Simultaneously, an order is placed for a Dornier 328. At year's end, frequencies on the routes to Munich and Eindhoven are doubled. Enplanements total 13,651.

In **1993**, the company employs a workforce of 17 and possesses a fleet comprising 1 British Aerospace BAe Jetstream 31, 1 Dornier 228-200, and 1 Mitsubishi Mu-2B-60. Destinations visited include Zurich, Antwerp, Eindhoven, and in the winter season, St. Moritz. Service from Zurich to Brno, Czech Republic, is introduced on September 9, followed by flights to Erfurt in the former German Democratic Republic.

On October 21, the first production Dornier 328-110 is turned over in ceremonies at the Oberpfaffenhofen plant of Deutsche Aerospace. Ten days later, on October 31, Jetstream 31 flights commence, linking Berne with Vienna in the first-ever air link between the Swiss and Austrian capitals. Following the delivery flight to Berne, the new SFr 13-million Dornier 328-110, the company's largest single investment to date, enters service in December linking that Swiss city daily with Munich and Vienna. Enplanements total 21,000, but expansion costs bring a loss of SFr 470,000.

The employee population is increased to 40—a whopping 185.7%—in **1994**, as a second Dornier 328-110 enters service over a new route from Bern to Amsterdam and London (LCY). Share capital is boosted by another SFr 2.4 million. Late in the year, the company merges with **Sunshine Aviation**, with the combined carrier operating under the AEL name. Plans are made for the acquisition of a third German turboprop, which will be employed during the new year to launch scheduled passenger services to Frankfurt and London (LCY).

Passenger boardings increase 147.5% to 40,586.

Operations continue apace in **1995**. With the beginning of the summer schedule in late March, frequencies are introduced from Berne to Frankfurt and frequencies are increased on the route to Amsterdam and London. Charters from Switzerland to Elba are instituted for several months, beginning in May, and a fourth Dornier 328-110 arrives on October 27. Enplanements for the year more than double, rising to 84,204.

The workforce stands at 100 in **1996** and the owned fleet now includes 1 Jetstream 31 and 4 Dornier 328-110s. Two additional leased Dorniers enter service in the fall (allowing removal of the Jetstream 31) and two remain on order.

Enplanements ascend to 104,208 and profits show an increase: \$2.7 million (operating) and \$10,000 (net).

Airline employment is increased by 21.6% in **1997** to 124 and share capital is now SFr 16.2 million. Several new routes are introduced.

Passenger boardings to accelerate 26.7% to 133,000. Although operating revenues increase by 18.2% to \$26 million, expenses leap ahead by 37.8% to \$26.6 million. Consequently, the previous year's operating gain is turned into a \$600,000 loss. There is a net loss of \$800,000.

Destinations visited in **1998** include Amsterdam, Berne, Brno, Dublin, Eindhoven, Elba, Frankfurt, London, Manchester, Munich, Reus, Vienna, and Zurich.

On April 23, daily roundtrips begin between Berne and Dusseldorf Express Airport, along with thrice-weekly frequencies from Berne to Dublin. Saturday roundtrips commence on May 16 from Zurich to the Italian island of Pantelleria, along with additional daily frequencies to Manchester and Munich.

Saturday roundtrips start on May 23 between Berne and Montpellier, while frequencies between Berne and Geneva are increased.

At the end of the year, Managing Director Leitgeb founds a new subsidiary, **Air Alps, GmbH.**, at Innsbruck. Ownership in the new regional is shared between Leitgeb (51%) and AEL (49%). Plans are made to begin revenue flights with a pair of Fairchild Dornier 328-110s.

Customer bookings accelerate 7.6% to 144,000.

By the beginning of **1999**, airline employment has been cut by 11.3% to 110.

During April, a new marketing agreement is entered into by AEL and Air Alps, GmbH. with **KLM (Royal Dutch Airlines, N.V.)**. Under its terms, the two small companies, with their six Dorniers, become part of the Dutch major's global route network. Together, the two are renamed **KLM Alps, GmbH.** and repaint their aircraft in a modified version of the major's light blue and white livery. Small individual company titles are worn on the port side of aircraft fuselages, below the silver cheat-lines forward.

On May 1, KLM Alps, GmbH. inaugurates thrice-daily roundtrips between Bern, Innsbruck, Salzburg, and Amsterdam. The new concern replaces **Tyrolean Airways, A.G.** on the service.

On September 16, **Northwest Airlines** begins to code-share on company roundtrips from Bern to Amsterdam.

The year's customer bookings plunge 11.6% to 127,000.

The workforce at the start of **2000** totals 140, a 27.2% boost over the previous 12 months.

On March 26, frequencies on the new Dornier 328-110 route from Geneva to Venice via Milan are boosted from four every week to six. **Crossair, Ltd.** now begins to code-share on the company's twice-daily Dornier 328-110 return flights from Geneva to Toulouse and Marseilles.

By May 22, the entire Air Engiadina fleet has been repainted in KLM Alps, GmbH. colors. Five days later, seasonal 328-100 roundtrips are started to Klagenfurt from Cologne, Hamburg, and Munich.

A new Fairchild Dornier 328-110 is received in Air Engiadina livery on July 18.

Having previously ordered 3 Fairchild 428JEs, KLM Alps, GmbH. officials are disappointed in mid-August when the manufacturer, citing high costs, indicates that it will not build the jetliner. Airline officials indicate that they will wait until 2001 before making a decision on another type.

AIR ENTERPRISES: United States (1966–1967). Established at Huntington, West Virginia, in early **1966**, Air Enterprises, owned by O. M. Pierce, steps forward to operate as a third-level associate of Cleveland-based **TAG Airlines**. Employing a Piper PA-23 Aztec, the carrier inaugurates daily roundtrip scheduled flights to Columbus, Ohio, via Portsmouth, on February 10.

When TAG Airlines suspends services over a number of routes in the early fall of **1967**, Air Enterprises elects to alter its affiliation and strike out as an independent. On October 3, the company is reformed and renamed **Tyme Airlines**.

AIR ENTERPRISES, LTD.: United Kingdom (1947–1953). The three Carr brothers, Henry, Arthur, and Francis, join Thomas Hudson in forming this independent at London (Croydon) on April 25, **1947**. Employing an Airspeed AS.65 Consul and a Percival Proctor 1, revenue charter services are initiated in May. In December, a second Consul and a de Havilland DH 89A Dragon Rapide, christened *The Shanklin Flyer*, are acquired.

In the spring of **1948**, the company is named a domestic associate of **British European Airways Corporation (BEA)** and with additional Dragon Rapides, begins flying London–Southampton–Sandown summer operations in July–September. These summer services are also flown during **1949** and **1950**. In **1951**, scheduled services are inaugurated over the Isle of Man route from London as well as over a new route to Jersey.

Services continue apace in **1952**. The DH 89A *Ventnor Flyer* is destroyed in a crash on the Isle of Islay on April 19. In October, a Percival P.50 Prince is added to fly on behalf of Standard Motor Company; this aircraft is badly damaged in a forced landing on February 6, **1953**. A final summer season is flown with four Airspeed Consuls, the last Dragon Rapide (the company's first DH 89A of 1947) having been sold in April. At the season's conclusion, the company is shut down.

AIR ERITREA, S.A.: Eritrea (1993–1994). The new national flag carrier of Eritrea is established as Asmara in May **1993**. Operations commence and continue with a single Boeing 707-320C. As a result of political problems, the company fails within a year.

AIR ESPANA, S.A. See **AIR EUROPA, S.A.**

AIR EUROPA, S.A.: Gran Via Asima 23, Palma de Mallorca, Balears, 07009, Spain; Phone 34 (71) 17 81 11; Fax 34 (71) 17 81 86; <http://www.air-europa.com>; Code UX; Year Founded 1986. Organized at Palma de Mallorca in June **1986** as **Air Espana, S.A.**, initial ownership of this Spanish charter operator is divided between two Spanish banks, including the Bank of Bilbao, (75%) and the Spanish tour operator Iberiojet (25%). The line specializes in inclusive-tour flights between north and west Europe and the resort locations of the Canary and Balearic Islands.

Operations commence on November 21 with five leased B-737-3Q8s, and the first service is flown from London (LGW) to the company base at Palma de Mallorca.

Although boarding figures are not released, it is reported that a total of 951.5-million revenue passenger kilometers are flown in **1987**.

The workforce is increased a huge 90.8% in **1988** to 702 and the fleet includes 4 B-757-236s and 5 B-737-3Q8s, with 8 additional B-757-236s on order.

Weekly B-757-236 flights commence to New York, helping passenger boardings to skyrocket 177.8% to 1,953,277. Revenues of \$92.2 million produce operating income of \$12.1 million and net gain of \$4.6 million.

The payroll grows another 18.8% in **1989** to 830 as two more B-737-3Q8s join the fleet. Early in January, the carrier becomes a partner in the Airlines of Europe group when **Air Europe, Ltd.** purchases 33% shareholding for £500,000. B-757-236 frequencies to New York are increased

to four-per-week as new routes are stretched to the Dominican Republic and Cancún. Working with members of the Airlines of Europe group, flights are initiated to Scandinavia via Germany and Italy.

Customer bookings continue to march upward, by 17.2%, to 2,288,592 and revenues reach \$176.5 million, a 73% increase. Operating income moves down to \$2.5 million and net profit is \$3.2 million.

Company employment is cut 8.6% in 1990 to 759. Flights begin to Bangkok and Brazil.

Due largely to the terrorism scare that occurs in the wake of Iraq's August invasion of Kuwait, passenger boardings fall 11.8% to 2,020,000. Revenues, on the other hand, increase by 57.1% to \$269.3 million. Expenses also rally and there is an \$8.6-million operating loss. Net profit falls all the way to \$377,918.

The payroll in 1991 grows to 830 and the all-leased fleet now includes 2 B-737-3L9s, 1 each B-737-3S3 and B-737-375, 3 B-737-3Y0s, and 4 B-757-236s. Flights begin from Madrid and Barcelona to Delhi and Varadero. Following the collapse of the International Leisure Group (ILG) in March, additional banks and a number of tour operators, led by Juan Jose Hidalgo, purchase its 25% shareholding; Hidalgo becomes the airline's new chairman.

Customer bookings increase 5.8% to 2,138,362, but revenues fall 8.6% to \$207.5 million. Still, expenses are down and a \$4.85-million operating profit is earned. The net profit is \$2.24 million.

The workforce is increased by 14.3% in 1992 to 641 and one more B-737-3Y0 is acquired. Chairman Hidalgo and the bank consortium rearrange shareholding, acquiring 73% ownership; the remaining 27% is taken by the private Spanish travel company Politours, S.A. Scheduled service continues along with long-haul ad hoc charters to New York, Santo Domingo, Salvador de Bahia, Istanbul, Halifax, Havana, Cancún, Delhi, Cairo, and Bangkok.

Enplanements swell 12% to 2,326,365 and revenues recover to rise 14% to \$249.99 million. Expenses advance 15.9% to \$247.07 million, leaving an operating surplus of \$2.92 million. Net gain is cut in half to \$1.08 million.

In 1993, Chairman Hidalgo and Director General Jose Perez Lopez are employing 790 workers and possess a fleet comprising 7 Boeing 737-300s and 4 B-757-236ERs. Shareholding changes again, with 92% of the company's equity passing to the Hidalgo family, with the remainder held by private investor Gil Herminio.

Scheduled services begin on November 1, including a flight from Madrid to the Canary Islands.

The employee population is increased to 850 in 1994 and the leased fleet now includes 4 each B-757-236s and B-737-3Y0s, 2 each B-737-3L9s, B-737-3Q8s, and B-737-4Q8s, plus 1 each B-737-375 and B-737-4Y0. Shuttle flights between Madrid and Barcelona begin on January 31 and, in cooperation with the French airline **Euralair, S.A.**, four-times-per-day Madrid to Paris roundtrip service is inaugurated in November. Also during this month, scheduled domestic routes are initiated from Madrid to Bilbao and Alicante.

A total of 3,436,000 passengers are flown on inclusive-tours.

Forty-nine new employees are hired in 1995, a huge 85% increase that brings the workforce total to 899. Passenger boardings jump 25.8% to 4,323,000. Profits are generated: \$16 million (operating) and \$10 million (net).

Now often more commonly known as "Air Espana," this company's workforce is reduced by 6.1% in 1996 to 1,820. In February, the Viajes Falcon travel agency and the tour operator Travelplan, which are both subsidiaries of the Hidalgo family enterprise, begin to act as the airline's exclusive operators.

On October 1, a 50% stake is taken in the new Tenerife-based **Canarias Regional, S.A.**, the company's first franchise partner. Under terms of the agreement, CR's British Aerospace BAe ATPs, in modified Air Europa livery, begin flying deep-discount "Air Europa Express" services in November between Palma, Mallorca, and Madrid.

Enplanements accelerate 26.7% to 5,478,000 and revenues shoot up 36.5% to \$550,000. With expenses of \$535 million, the operating profit

declines by a million dollars to \$15 million. Net profit, however, grows by \$3 million to \$13 million.

Airline employment is increased by 22.3% in 1997 to 2,225. The company now offers scheduled services from Madrid to seven domestic locations.

It also offers charters from Spain, Great Britain, Scandinavia, and other points in western Europe to the Canary Islands, Mallorca, Bangkok, Cancún, Delhi, Halifax, Havana, New York, and Santo Domingo.

Following complaints from a consumers' group and local authorities in the Balearic and Canary Islands, the Spanish government, on April 28, begins a price-fixing investigation of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and two of its rivals. Antitrust authorities in the Ministry of Finance begin to review an arrangement between the flag carrier and **Spanair, S.A.** and Air Europa, which has seen them end a yearlong price war while increasing fares an almost equal 10% on all Spanish domestic routes and dropping promotional fares.

The Spanish pilots union, SEPLA, concerned that modernization and cost-cutting plans afoot at Spain's airlines might badly impact its members, stage a one-hour strike at the end of October as a symbolic protest again them.

Subject to government approval, a code-sharing agreement is signed with **Trans World Airlines (TWA)** in November. When its terms come into effect in early 1998, Air Europa will add its code to TWA flights from Madrid and Barcelona to New York (JFK) and allow the major to place its code on its services to Palma and Malaga from Madrid and Barcelona. The two companies will also link their frequent flyer programs, coordinate marketing, and offer one-stop check-in.

En route to Bodo, Norway, on December 17, a company B-737-4Y0 is mistakenly vectored by ATC to the same 35,000-ft. flight level near Trondheim as an **SAS (Scandinavian Airlines System)** MD-82 en route from Tromso to Oslo; the near miss that occurs is safely resolved.

Passenger boardings jump 15.9% to 6,339,651.

A franchise agreement, similar to those signed by **British Airways, Ltd. (2)** and **Deutsche Lufthansa, A.G.** with smaller regional carriers, is signed with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** in January 1998. Under terms of the arrangement, Iberia will take over 11 of the carrier's 34 aircraft (also employing their crews) and operate them under wet-leases out of Air Europa's Spanish airport slots.

A mechanical delay at Tenerife on February 10 causes a B-737-4Q8 flight to arrive at Aberdeen, Scotland, at 10:10 p.m. local time, just 50 min. before the airport is due to close under a controversial curfew. The little Boeing is speedily refueled and 148 passengers for the return flight, most of who have been waiting since that morning, are boarded. The plane takes off at 10:55 p.m.

During the spring, the company designates two of its B-737-3Y0s as "logo jets" in the manner of the defunct **Western Pacific Airlines (Westpac)**. One promotes the Andalusia tourist area including Costa del Sol, while the other promotes Volare Martini, with the famous Martini man painted behind the wing.

A code-sharing agreement is also signed with **Trans World Airlines (TWA)**.

In May, a B-737-4Q8 arrives under a four-year charter from ILFC.

Repainted in Iberia livery, two wet-leased Air Europa B-767-3Y0s enter service in May over the flag carrier's routes from Madrid to Chicago, San Jose (Costa Rica), and Rio de Janeiro.

The British Broadcasting Corporation (BBC) will report early the following year that, according to data compiled by the Air Transport Users Council, 30.79% of the flights made by the charter airline during the summer are more than an hour late. The number of late services is the highest for any European nonscheduled airline, with an average delay of 57.54 min.

In response to strong demand from the British market, the company, with the beginning of its winter schedule in October, inaugurates roundtrips between Madrid (Barajas Airport) and London (STN) on Mondays, Wednesdays, Fridays, and Sundays.

Customer bookings plunge 23.6% to 4.89 million.

By the beginning of 1999, airline employment has been cut back 10.7% to 1,802.

When the Air Transport Users Council's report on the previous summer's on-time performance is released on February 19, Air Europa, unlike **Britannia Airways, Ltd.**, refuses to acknowledge that the information is correct.

When **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces in late April that it will soon be cutting scheduled flights in an effort to relieve congestion at Spanish airports, Air Europa, on April 26 announces that it has no intention to do so. Rather, it will proceed with its expansion plans.

The Palma-London (LGW) route operated by **Futura International Airways, S.A.** is taken over on October 31.

In honor of the millennium, the carrier, on December 16, unveils a new corporate image and livery.

Subject to appeal, the carrier, together with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and **Spanair, S.A.** are fined a total of \$865,000, also in December, by the Tribunal de Defensa de la Competencia. Spain's fair-competition agency has found the three guilty of collusion in the termination of a 1997 price war.

Overall customer bookings this year jump 15.8% to 7.4 million while operating revenues are up 2.6% to \$463.11 million.

The workforce stands at 1,920 as 2000 begins, a 6.5% increase.

A B-737-3Y0 is returned during the first quarter; it will be repainted and leased to **Aeris, S.A.** The first aircraft to wear the new company color scheme unveiled in December is a Next Generation B-737-85P, delivered on April 13. Also during April, the carrier quietly joins the Northwest/KLM-sponsored "Wings" alliance.

Saturday roundtrips begin on April 29 from Zurich to Alicante, Palma de Mallorca, and Santiago de Compostels and from Geneva to Ibiza and Palma de Mallorca.

Mainline pilots vote on May 5 not to fly for **Canarias Regional, S.A.**, which provides "Air Europa Express" services. The last of the Next Generation B-737-85Ps arrives on May 14.

The new B-767-3Q8ER leased from ILFC arrives at Palma de Mallorca on May 23 also wearing the revised livery. On May 31, it transports Real Madrid C.F. soccer fans to Paris where their heroes will play Valencia C.F. in the Champions League final—the first time two Spanish teams have been involved in the big game.

Alitalia, S.p.A. begins to code-share on company Spanish routes on September 6. Late in the month, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** makes a bid to takeover Air Europa. Arrangements for the merger are completed, subject to government approval, on October 6. The Spanish newspaper *El Pais* reports on October 26 that Sociedad Estatal de Participaciones Industriales, Iberia's majority owner, has yet to approve the amalgamation and, even assuming it does, the final outcome will depend on the Spanish and EU antitrust authorities.

Officials from Air Europa and Iberia publicly confirm the merger talks on November 4, noting that they have set a 45-day limit on negotiations.

AIR EUROPA EXPRESS. See **CANARIAS REGIONAL AIR, S.A.**

AIR EUROPE, LTD.: United Kingdom (1978–1991). Created to provide international package tour jet flights to Mediterranean holiday locations, AEL is formed by Harry Goodman on July 18, 1978 as a subsidiary of his travel-oriented holding company, Intasun Leisure Group, Ltd. It is initially known as **Inter-European Airways, Ltd.** Renamed in early 1979, Air Europe, Ltd. acquires three Japanese-financed Boeing 737-2S3s. Charter flights commence from the London (LGW) base on May 4.

On the year, the new carrier flies 322,000 travelers. Revenues total \$16.5 million and expenses are \$12.5 million; the operating profit is \$4 million and the net profit is \$2.4 million.

The workforce is increased by 50% in 1980 to 282 and two more B-737-200s are delivered. Emphasis is placed on the development of traffic from Manchester and other British regional points. An aircraft

cross-leasing arrangement is entered into with **Air Florida** and the carrier becomes the first British airline authorized to transport mail on inclusive-tour charter flights.

Enplanements are more than doubled with 708,000 transported aboard five B-737-2S3s; the increase is actually 119.9%. Revenues of \$52 million are earned and expenses of \$42.1 million incurred; the operating and net profits are, respectively, \$9.9 million and \$7.4 million.

The employee population grows by 15% in 1981 to 324 and an additional B-737-2S3 is acquired. New markets are entered in the Mediterranean and a line engineering organization is established at Gatwick Airport.

Passenger boardings surge 42%, passing the 1-million mark in annual bookings for the first time (1,018,000); two-and-a-half tons of cargo are also transported.

The workforce grows to 425 in 1982 as yet another B-737-2S3 joins the fleet. Enplanements rise 24% to 1,264,000.

By 1983, airline employment has reached 500. On April 6, the company takes delivery of its first B-757-236, becoming one of the first charter carriers to receive the advanced single-aisle Boeing; it is immediately leased to **British Airways, Ltd. (2)**. The year's passenger total is 1,446,000, a 14% increase.

A second B-757-236 is placed in service in 1984. British government approval is received to launch scheduled flights to Spain and other southern European destinations. With a downturn in the charter market, arrangements are made to sell three of the small Boeings to Guinness Peat Aviation, Ltd.

With the addition of a third B-757-236 in 1985, the three B-737-2S3s are sold. In addition to its 32 charter destinations around the Mediterranean as far east as Israel, the company inaugurates scheduled service to Palma, on the Spanish island of Majorca, during May. In September, \$100 million in orders are placed for four 737-300s and scheduled flights commence from London (LGW) to Gibraltar on November 1.

Air Europa, S.A., a new Spanish charter operator, sells 25% of its stock to AEL in June 1986.

In November, a B-737-3S3 is leased from the ILFC for delivery six months later; the five-year package will cost the carrier \$15 million. Permission is sought to begin operations from London (LGW) during the following November.

Enplanement figures for the year are not released.

In 1987, the workforce is increased to 750. In February, orders are placed with ILFC for 10 additional jetliners, 5 B-757s and 5 B-737-400s, several of which are to be supplied to **Air Europa, S.A.**

In May, the carrier receives authority to operate scheduled services to Brussels, Paris, Frankfurt, Amsterdam, Munich, Geneva, and Copenhagen. Scheduled flights begin to Paris and Brussels in June, following delivery in May of the B-737-3S3, and from Manchester.

Further European scheduled services are put on hold in September as the result of an announcement from **British Airways, Ltd. (2)** that it will be taking over its largest independent competitor, **British Caledonian Airways, Ltd. (BCAL)**. It is initially believed in corporate headquarters that BA will so dominate the gates at London (LGW and LHR) that AE will be unable to compete.

Also in September, Air Europe enters into a lease agreement with Qualitair Aviation, Ltd., at London (STN), for the utilization of the latter's new \$34-million aircraft maintenance facility.

Twenty-five members of the company's management team now purchase all shares of the airline's ordinary back from its London City investors for \$265 million. Convertible shares are held by several financial institutions, including General Assurance and Bankers Trust and Legal.

Although boarding numbers are again withheld, it is noted that a total of 3.37-billion revenue passenger kilometers are flown, a 54.9% increase.

The workforce is increased by 66.7% in 1988 to 1,200 and the fleet now includes 9 B-757-236s, 12 B-737-3S3s, and 4 leased B-737-3S3s. Chairman Goodman's carrier inaugurates scheduled service on

the London to Paris route during March. In protest of mandated high airfares on the route, the airline begins a promotion refunding \$25 on every \$150 ticket purchased.

Orders are placed in April for 8 B-737-4S3s, 20 B-757-236s, and 7 Fokker 100s. In November, business-class service is introduced, along with a new corporate identity, which features new aircraft liveries.

In December, in anticipation of a single European market in 1992, the carrier's owners, International Leisure Group, form a Dutch-based pan-European holding company, Airlines of Europe. Plans are made to link up a number of airlines in different countries under a common Air Europe moniker.

A total of 1.5-million charter and 500,000 scheduled passengers are flown on the year as revenues jump to \$390 million. The operating profit is \$22 million.

The payroll balloons 57.9% in 1989 to 1,806 as the first four Fokker 100s enter service. Early in January, Airlines of Europe reaches agreement with **Air Europa, S.A.**, which now joins the ILG consortium; ownership in the Spanish airline is divided between the Bank of Bilbao (49%), the Spanish tour operator Iberiojet (26%), and AEL (25%).

A \$1.8-billion order is placed in February for six Rolls Royce powered McDonnell Douglas MD-11s. In April, flights commence from London (LGW) to Malta, with frequencies reaching four roundtrips each week in May and daily in July. Meanwhile, in May, weekly roundtrips are introduced to Malta from Manchester.

In July, the company joins the Galileo computer reservations system (CRS). Five additional new markets are also entered from London (LGW): Stockholm, Copenhagen, Oslo, Rome, and Dusseldorf while flights also begin to Malta from Manchester. Employing a B-747-200 leased from **Tower Air**, charters are undertaken to North America, the Indian Ocean region, and the Far East. When **KLM (Royal Dutch Airlines, N.V.)** cancels its Fokker 100 order, AEL, which has 11 of its own awaiting delivery, is able to obtain four early from the ALM leasing group. Fokker agrees to provide the pilots for the six-month start-up period and, thus, AEL initiates Fokker 100 service over its European route network on December 4.

Passenger boardings for the year leap upward by 30.9% to 3,537,734 while freight climbs 42.5% to 535.23 million FTKs. The Air Leisure Group, of which AEL is the key Airlines of Europe group subsidiary, reports revenues of \$1.16 billion and an operating profit of \$56.8 million.

Company employment is increased by 18.6% in 1990 to 2,142 and the fleet includes 6 B-757-236s and 12 B-737-3S3/4S3s. A total of 150 scheduled departures each week are flown from Gatwick Airport, with 4 more from Manchester. In June, the European Commission rules that **Deutsche Lufthansa, A.G.** should abandon its tactics designed to discourage the carrier's low fares on its London-Munich route. The first owned Fokker 100 arrives in October and the carrier now claims to be the U.K.'s second largest scheduled carrier.

Customer bookings for the year ascend 4.6% to 3,700,000 (including two million vacations).

Blaming the Gulf war, high interest rates, recession, its own debt load, and the collapse of Omni Holdings, its largest shareholder, the International Leisure Group and flagship airline suddenly suspends service on March 8, 1991 and files for bankruptcy, citing net liabilities of £300 million (\$555 million) and contingent liabilities, primarily for booked vacations, of £250 million (\$460 million). Upwards of 25,000 U.K. passengers are stranded; however, all are returned by other airlines under a £63-million (\$116-million) bond previously posted by ILG with the Tour Operators Study Group. Of the 10,000 scheduled service passengers, only those who paid with credit cards can avoid becoming unsecured creditors.

The Italian member of the Air Europe group, **Air Europe, S.p.A.**, attempts to purchase the enterprise and keep it going, but is unsuccessful. An unofficial homepage can be found on the World Wide Web at http://our.world.compuserve.com/homepages/martin_andrews/ae.htm.

AIR EUROPE, S.p.A.: Via Carlo No. 3, Gallarate, Varese, 21013, Italy; Phone 39 (331) 772 111; Fax 39 (331) 713 801; <http://www.>

aireurope.it; Code PE; Year Founded 1989. Organized at Gallarate on December 15, 1989 as a unit in the Airlines of Europe group of the International Leisure Group, the company is also known as **Air Europe Italy**. Major shareholding is held by **Air Europe, Ltd.** (33%) and three Italian investors (66%), the Fiat Group, Carlo Scognamiglio, and Lupo Rattazzi. The latter is appointed chairman and the new pan-European airline receives its first Boeing 757-236ER. It undertakes inclusive-tour charter flights on behalf of Alpitour—Italy's largest tour operator—to destinations in north, south, and west Europe, the Canary and Balearic Islands, and North Africa, just in time for the winter charter season.

Chairman Rattazzi and Managing Director Antonello Isabella oversee a workforce of 250 in 1990 and obtain a second B-757-236ER. Enplanements for the first full year of operations total 200,000 and revenues are 92 billion lire.

When the International Leisure Group and its British linchpin in the Airlines of Europe consortium, **Air Europe, Ltd.**, fail in March 1991, the Italian member is not only strong enough to survive on its own, but makes an effort (unsuccessfully) to acquire the British airline and keep it going.

The Italian concern continues with strong minority ownership by The Netherlands-based holding company Tegel and, in October, enters into a variety of agreements with **Alitalia, S.p.A.** Company aircraft begin to fly wet-lease replacement on the flag carrier's route from Milan to Mauritius via Rome. In addition, the company agrees to provide temporary capacity and to pool various insurance policies and fuel acquisition arrangements.

This year's passenger boardings climb slightly to 208,137. Revenues increase to 160 billion lire.

Two B-767-35HERs are acquired in 1992 as customer bookings decline 5.6% to 197,100. Revenues jump to 205 billion lire.

In 1993, Managing Director Isabella oversees a workforce of 300 and a leased fleet of 2 B-757-236ERs and 1 B-767-330ER. Passenger boardings climb 15.9% to 228,500.

Unhappily, the company suffers a traffic downturn in 1994 as customer bookings fall 20.2% to 182,400.

The workforce is increased by 53.3% in 1995 to 460 as the Italian operator turns its traffic picture completely around. Another B-767, a Dash-352ER, is received under a six-year charter from ILFC, during July.

Passenger boardings skyrocket 208.7% to 563,000. The Italian charter carrier enjoys another good year in 1996 as enplanements jump 32.3% to 744,700.

Airline employment grows 12.2% in 1997 to 511. A leased B-767-3Q8ER arrives from ILFC in May. Scheduled service is inaugurated on December 18 between Milan and Havana.

Passenger boardings increase 6.7% to 794,400. Revenues decline to \$230 million while the operating profit improves to \$16.16 million. A \$199,000 net profit is reported.

Scheduled frequencies are initiated in January 1998 from Milan to Mauritius. Plans are made to undertake scheduled flights to Baku, Katmandu, and Mogadishu. In May, arrangements are completed with ILFC for the charter of two B-777-2Q8s for a decade; the aircraft will be delivered in July and October 1999.

During the summer, a route concession application is filed with the U.S. DOT for service between Rome and the U.S. Plans are also announced for the inauguration of a scheduled domestic network during the second quarter of 1999 linking Milan with six destinations in southern Italy.

In late October, service is started to Havana and Montego Bay.

After some negotiation, SAirGroup, parent of **Swissair, A.G.**, takes the maximum permitted stake in the company on November 1 through the purchase of 49.9% of the Dutch-based holding company Tegel.

Customer bookings accelerate 13.7% to 890,000 even as revenues drop 2.2% to \$224.65 million. Expenses dip 0.9% to \$211.78 million and leave an operating profit of \$12.86 million. Net gain climbs to \$438,000.

Airline employment stands at 627 at the beginning of **1999**, a 19.4% increase.

Plans are now announced by SAirGroup for the creation of a large European Leisure Group, which will include not only **LTU International Airways, GmbH**, but the **Swissair, A.G.** subsidiary **Balair/CTA**; **Sabena Belgian World Airline, S.A.**'s subsidiary **Sobelair, S.A.**; **Crossair, Ltd.**; **Air Europe**; and **Volare, S.p.A.** The new arrangement, under the direction of project leader Stefan Helsing, is designed to be part of an integrated network built around the already existing "Atlantic Excellence" and "QualiFlyer" alliances.

Plans are now advanced for the initiation of scheduled competition within Italy with **Alitalia, S.p.A.**, **Air One, S.p.A.**, and **Meridiana, S.p.A.** Five used A320s are acquired and are employed to launch return flights on May 15 from Milan to Catania, Naples.

At **Swissair, A.G.** urging, **Air Europe** becomes the tenth member of the "QualiFlyer" group on May 20.

Arrangements are completed with ILFC in June for the lease of two B-777-2Q8s. The first is delivered in ceremonies at Everett, Washington, on July 21. Following workup, the new aircraft, the first of its type to be operated by an Italian airline, will be employed on routes to Cuba, Mexico, the Dominican Republic, Mauritius, and Male.

The carrier's first transatlantic service is inaugurated on June 19 with six-times-per-week B-767-3Q8ER roundtrips to New York (JFK) from both Venice and Pisa.

On October 25, the company's second B-777-2Q8 becomes the first of its type to touch down at St. Martin; it has replaced the carrier's B-767-352ERs on the weekly roundtrip from Milan. The sublease of a B-767-3Q8ER out on charter to **Air Afrique, S.A. (2)** is extended on November 4.

Bologna to Havana service is discontinued on December 10.

Passenger boardings inch up 1.1% during the year to 900,000 as revenues of \$211.6 million are generated.

Airline employment is 829 as **2000** begins, an increase of 32.2% over the previous 12 months. A code-sharing agreement is signed with **Air Mauritius, Ltd.** on March 10 for flights between Mauritius and both Rome and Milan. For its part, AE assigns a B-777-2Q8 to this new schedule.

Employing both a B-767-3Q8ER and a B-777-2Q8, the company begins dual designator service with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** on April 6 from Rome to Cayo Largo, Havana, and Santiago de Cuba and on April 22 from Milan to the same three destinations.

Just after takeoff from Catania on an April 26 service to Milan, an A320-214 with 141 passengers aboard passes into a cloud of burning ash from erupting Mt. Etna; a resultant cracked cockpit window requires an immediate emergency landing back at Catania.

On July 12, a merger agreement is signed with **Volare Airlines, S.p.A.** Plans are made to merge the carriers at a Venice hub into an (as yet) unnamed airline under the umbrella of the Volare Group, which is 49.9% owned by SAirGroup.

A code-sharing agreement is signed with **Deutsche Lufthansa, A.G.** on October 6; effective October 29, it covers all Air One domestic flights and the DLH routes from Germany to Rome.

AIR EUROPE EXPRESS, LTD.: United Kingdom (1988–1991). International Leisure Group, Ltd. acquires both **Guernsey Airlines, Ltd.** and **Connectair, Ltd.** in **1988**, merging them to form Air Europe Express, Ltd., one of its Airlines of Europe group, in February **1989**. Bradley W. Burgess is named managing director and the new entrant is outfitted with two Shorts 330s and two Shorts 360s. The previous **Connectair, Ltd.** routes are undertaken linking London (LGW) with Antwerp, Rotterdam, Manchester, and Dusseldorf. Four Fokker 100s previously scheduled for delivery to **KLM (Royal Dutch Airlines, N.V.)** are acquired in November and are placed on the European routes as of December 4.

Enplanements for the year total 212,100.

The 330s are removed in **1990** and replaced by five more Shorts 360s. The Channel Islands of Guernsey and Jersey are now added to the route network.

The regional is integrated into **Air Europe, Ltd.** just before its demise in March **1991**. Newly created **Euroworld Airways, Ltd.** negotiates purchase of the regional's assets and hires many of its personnel.

AIR EUROPE ITALY. See **AIR EUROPE, S.p.A.**

AIR EUROPE SCANDINAVIA, A.S.: Norway (1989–1991). **Norway Airlines, A.S.** is taken over by the International Leisure Group in **1989**, becoming one of its Airlines of Europe subsidiaries under this new moniker. Operations are undertaken with a pair of leased Boeing 737-3S3s. When ILG and **Air Europe, Ltd.** collapse in March **1991**, this company follows suit.

AIR EVASION (AIRE D'EVASIONS, S.A.): France (1993–1994). The charter operator Air Evasion is established in early **1993** to provide nonscheduled passenger flights and inclusive-tours to destinations in both Europe and North America. Operations commence at the end of February with a single Douglas DC-8-73 formerly operated by **AOM French Airlines, S.A.** Unable to achieve viability the company fails in early **1994**.

AIR EXCELLENCE (PTY.), LTD.: P.O. Box 81768, Doornpoon, 0017, South Africa; Phone 27 12 547 2996; Fax 27 82 892 3007; http://www.tip.co.za/airexcellence; Year Founded 1978. Originally established as Lowveld Helicopters (Pty.), Ltd. at Nelspruit in Mpumalanga in **1978**, Air Excellence (Pty.), Ltd. is reformed in **1989**, renamed, and transferred to Johannesburg. Over the next decade, the company continues to offer executive and VIP transport, but now also begins to concentrate on the tourist trade. Managing Director Sean B. McMurray oversees a nine-person workforce and enjoys revenues of R 6 million. His fleet comprises 4 Bell 206B JetRangers, 2 Bell 206L LongRangers, and 2 Beech King Air 100s.

AIR EXEC: United States (1973–1975). Air Exec is established at Ocean City, Maryland, in **1973** to provide scheduled passenger services linking the resort city to Washington's National Airport, Philadelphia, and Baltimore. Although daily de Havilland DHC-6-200 Twin Otter roundtrips are duly inaugurated, they are only sustained for two years.

AIR EXECUTIVE AIRLINES: United States (1968–1969). Equipped with a Beech B-80 Queenaire, AEA inaugurates scheduled air taxi flights in **1968** linking its St. Louis base with small communities in Illinois, Indiana, and Ohio. Operations cease in **1969**.

AIR EXECUTIVE NORWAY-BUSY BEE, A.S.: Norway (1972–1980). Oslo-based **Busy Bee Air Services, A.S.**, the charter subsidiary of **Braathens SAFE, A.S.** is reorganized in **1972** and receives the upgraded title of Air Executive Norway-Busy Bee, A.S. Managing Director Hans A. Grotterad employs a small workforce of 30–35 and operates a fleet of 3 Fokker F.27s and 3 Shorts 330s.

Flights around northern Europe as well as contract service flights for the Norwegian Armed Forces are continued until **1980** when the carrier is renamed **Busy Bee of Norway, A.S.**

AIR EXEL, S.A.: France (1990–1992). Organized at Paris (ORY) Airport in early **1990**, Air Exel, S.A. is one of several European regional airlines created by a consortium made up of Esquelle Holdings, Alpha-lines, and AeroLeasing. The remainder of the year is taken up with acquiring a fleet of four Embraer EMB-120 Brasílias.

As the result of a partnership agreement with the Chambre de Commerce et d'Industrie de Drome Ardeche, the company launches thrice-weekday Brasilia roundtrips over a single Orly-Valence route in January **1991**. By year's end, a total of 25,000 passengers are flown.

Unable to achieve economic viability in a time of recession, the carrier gives up its Valence route and shuts down on January 31, **1992**.

AIR EXEL BELGIUM, S.A.: Belgium (1989–1991). Esquelle Holdings, Alphalines, and AeroLeasing form a consortium in early **1989** to establish four European regional airlines. With 26% shareholding subscribed by **Trans-European Airways, S.A.**, Air Exel (Belgium) is set up at Liege in the spring and immediately orders two SAAB 340BQCs. Paul Dewandre is appointed managing director and plans are made to inaugurate revenue services in October; these are delayed when aircraft delivery dates slip.

With the first 340BQC in hand by late June **1990**, Air Excel Belgium is able to inaugurate flights to Paris in July. The second turboprop arrives later in the year. An Embraer EMB-120 Brasilia arrives in **1991**, along with intensive competition from the state carrier **Sabena (Belgian World Airlines, S.A.)**. In need of recapitalization following the collapse of **Trans-European Airways, S.A.** in November, the original partners reduce their stake, leaving 55% ownership uncovered. Unable to find additional investment, the regional shuts its doors in mid-December.

AIR EXEL COMMUTER, C.V.: The Netherlands (1992–1998). The two-year-old Dutch commuter **Air Exel Netherlands, C.V.** is renamed in July **1992**. In **1993**, managing director Roberto Stinga employs 35 workers and operates two Embraer EMB-120 Brasilias. In October, routes are opened to Paris, Berlin, and Munich. Other destinations visited from the company's base at Maastricht Airport include London (STN) and Amsterdam.

Service continues in **1994** and enplanements in **1995** total 80,477. There are profits: \$1.46 million (operating) and \$978,000 (net).

The workforce is increased by 17.1% in 1996 to 41 and passenger boardings soar 16.5% to 96,379. Revenues ascend 8.6% to \$9.88 million while expenses grow 10.8% to \$7.24 million. The operating gain increases to \$1.88 million and net gain reaches \$1.57 million.

Late in **1996**, orders are placed with Aero International (Regional) for three ATR42-320s.

All three of the new ATRs are delivered in March **1997**. They are employed to initiate new frequencies from Maastricht to Amsterdam and from Eindhoven to Paris (CDG) and London (LHR). At the same time, a company EMB-120 Brasilia is the first aircraft from a member carrier to display the new livery of the European Regional Airline Association.

Later in the spring, new service is launched to Hamburg. Airline employment at year's end totals 75.

As part of the parent's move to integrate the services of its feeders, the company is renamed **KLM Exel, C.V.** in January **1998**.

AIR EXEL FRANCE, S.A.: France (1989–1992). Air Exel (France) is one of four European regional airlines established in the spring of **1989** by a consortium made up of Esquelle Holdings, Alphalines, and AeroLeasing. Formed at Aeroport Lyons Satolas to undertake scheduled daily commuter flights to Paris with a fleet of two Embraer EMB-120 Brasilias, the partner is the first to inaugurate services. Later in the year, flights are also undertaken from Lyon to Liege/Luxembourg, from Lille to Milan/Geneva, and from Paris to Liege.

General Manager Jean Luc Nugues adds a third Brasilia in **1990**, but is succeeded in his post in **1991** by Jean Charles Bemberg. On January 1, **1992**, the company is joined with **Airlec, S.A.** and **Air Vendee, S.A.**, to form **Regional Airlines, S.A.**

AIR EXEL GERMANY, GmbH.: Germany (1989–1992). One of several European regional airlines established in the spring of **1989** by a consortium of Esquelle Holdings, Alphalines, and AeroLeasing, AEG begins service as a medevac contractor operating a Piper Cheyenne. Operations cease in **1992**.

AIR EXEL NETHERLANDS, C.V.: Netherlands (1990–1992). Organized at Maastricht Airport on May 1, **1990**, Air Exel Netherlands is the last of several European regional airlines to be created by a consor-

tium made up of Esquelle Holdings, Alphalines, and AeroLeasing. Chairman Roberto Stinga, with 49% minority shareholding, acquires an Embraer EMB-120 Brasilia, which is employed to inaugurate service between its base and Amsterdam (Schiphol) in June **1991**. A second Brasilia is acquired late in the year.

Three-times-per-day flights are started to London (STN) on February 10, **1992**. During the month, three more Brasilias are acquired from the assets of failed **Air Exel, S.A.** Later, the Maastricht–Amsterdam frequency is increased from four to six daily roundtrips. In July, the carrier is renamed **Air Exel Commuter, C.V.**

AIR EXEL U.K.: United Kingdom (1989–1992). AEUK is one of several European regional airlines to be formed in the spring of **1989** by a consortium made up of Esquelle Holdings, AeroLeasing, and Alphalines; Charles Bemberg is named president. Following the receipt of two Embraer EMB-120 Brasilias, more than a year will elapse before services are inaugurated as the new entrant tries—and fails—to win rights to serve Rotterdam and Antwerp.

Flights finally commence on January 17, **1991** from London (CTN) to Brussels, with Edinburgh following in February. Initially, these are charter rather than scheduled as emphasis is placed upon on-demand services. Scheduled flights commence in February with a Brasilia dry-leased from **Luxair, S.A.** In March, the downturn in the economy leads to the cancellation of plans for a service to Paris.

Operations cease in **1992**.

AIR EXPRESS (PTY.), LTD.: Australia (1952–1980). This all-cargo airline is formed at Melbourne in **1952** as a subsidiary of Air Express (Holdings), Pty., Ltd. Services are undertaken throughout the nation, with emphasis on flights to Tasmania, employing Bristol Freighters. Repair, overhaul, and maintenance work is also provided to other small carriers.

A Bristol 170 Mk. 21E with two crew aboard crashes 6 km. off Cape Paterson (Australia) on May 10, **1975**; there are no survivors.

In **1978**, Chairman W. S. Astling's fleet comprises 2 Douglas DC-4s and 2 Bristol 170 Mk. 31s. The company is unable to survive the great oil crisis of **1979** and folds in **1980**.

AIR EXPRESS CORPORATION: United States (1932–1933). Philip H. Philbin establishes AEC at Denver in the fall of **1932** to offer fast, transcontinental air express service employing Lockheed Orions specially converted into freighters. Service is inaugurated in December.

The company flies through the first quarter of **1933**, becoming not only a pioneer in air cargo, but among the first airlines attempting to fly live lobsters from New York to California. When the carrier folds as a victim of the depression at the end of March, its multistop daily coast-to-coast flights average some 17 hours.

AIR EXPRESS I NORRKOPING, A.B.: Sweden (1996–2000). AEIN is set up by principle shareholder Thomas Sjo at Norrkoping, Sweden in early **1996** to operate domestic third-level passenger and cargo services. Managing Director Barbro Holmquist's initial fleet comprises 2 Beech King Air 200s, 1 King Air 300, and 2 Embraer EMB-120 Bandeirantes. Orders are placed for a pair of Beech 1900Ds during the summer and, until the new aircraft can be delivered in the fall, a leased C Model is operated. It will be retained.

The fleet is altered in **1997**. All of the King Airs and Bandeirantes are withdrawn and services are provided by the three Beech 1900Ds.

Destinations visited in **1998** include Stockholm, Visby Linkoping, Goteborg, Helsingfors, and Riga. On October 2, **Skyways, A.B.** purchases the company from Thomas Sjo, intending to maintain the Air Express identity and expand its route network so as to more effectively feed the new parent at Stockholm. Enplanements for the year total 45,000 and operating income of SKr 55 million is generated.

Flights continue in **1999** with the Skyway acquisition process completed on May 12. Further route integration continues during the remainder of the year and into the new millennium.

One October 1, 2000, Air Express is combined with **Highland Air, A.B.** and **Airborne of Sweden, A.B.** to form Hultsfred-based **Skyways Regional, A.B.**

AIR EXPRESS INTERNATIONAL AIRLINES: United States (1979–1980). AEIA is founded in the spring of 1979 as a wholly owned subsidiary of the freight shipment firm Air Express International Corporation. All-cargo revenue services commence with three Canadair CL-44Ds on April 23 to such U.S. and European destinations as Atlanta, Chicago, Dallas (DFW), New York (JFK), Orlando, London (STN), and Manchester.

Freight traffic in 1983 totals 11.54 million FTKs. That amount grows by 17.9% in 1984 to 14.06 million. In 1985, cargo traffic falls 13.4% to 19.5 million FTKs.

During these years, domestic flights are handled by Lockheed L-188Fs and those to the U.K. by Canadair CL-44Ds. Weekday operations continue and the fleet is upgraded with Boeing 737-100 freighters. Unable to weather a growing recession, the company shuts its doors in 1988.

AIR FACILITIES (PTY.), LTD.: Albury Airport, P.O. Box 675, Albury, New South Wales, 2640, Australia; Code FZ; Year Founded 1995. Privately held Air Facilities is established at Albury in late 1995 to provide third-level service to Canberra. Operations begin and continue with a fleet that grows to include 3 Piper PA-31-350 Navajo Chieftains and 1 Cessna 310.

AIR FAISAL, LTD.: United Kingdom (1976–1979). AF is established at London (CTN) to provide all-cargo services to the Mideast and India. Employing a single Bristol Britannia 253F previously operated by the RAF, the company undertakes flights to Bombay, Calcutta, and New Delhi prior to its closure.

AIR FECTEAU, LTD. See QUEBECAIR, LTD.

AIR FERRIES: United States (1930–1933). With Vern Gorst as a director, Air Ferries is established at Alameda, California, by Joseph J. Tynan Jr. on February 1, 1930 to fly passengers across San Francisco Bay to Vallejo and Oakland. Equipped with three Loeing C-2 Air Yachts purchased from Gorst, Loening Aeronautical Engineering Corporation's West Coast distributor, the shuttle operation begins scheduled service on February 11.

Per his amphibian sales contract, Gorst operates the company for its first 45 days and when it is operating efficiently, turns it over to Tynan. The six-minute flights (with two-minute turnarounds) reach a frequency of 38 every day each way and net a total of 60,000 bookings (at \$1.50) during the next 11 months. Since July, AF has flown 9,700 passengers and 2.5 tons of air express across the Bay.

There has been only one accident. On June 1, a Loening hits a tugboat during takeoff from Oakland and crashes into the Bay; one of six passengers is seriously injured. On December 31, the company ceases operations for the winter. Flights resume in the spring of 1931 and continue.

In March 1932, another aviation entrepreneur, Walter T. Varney, owner of **Varney Speed Lines Air Service**, purchases the carrier, which by now has reduced its frequencies to two dozen per day. Varney replaces the Loenings with three Sikorsky S-39s and reduces fares to \$1 while offering limousine service to connecting points. Services continue until the failure of Varney's landplane operation in the summer of 1933.

AIR FERRY, LTD.: United Kingdom (1962–1968). Former **Air Kruse, Ltd.** owner Hugh Kennard, in association with Leroy Tours, establishes AFL as an inclusive-tour charter operation at Manston Airport in July 1962. Leroy Tours owner Lewis Leroy is named chairman while Kennard becomes managing director.

Two Vickers Viking 610s and an ex-military Douglas C-54 are delivered in February 1963 and employed to begin holiday flights beginning on March 30. Group charters are flown to some 20 European destina-

tions during the summer, while a scheduled service is offered to Le Touquet/Ostend. When the first season ends on October 20, records show 120,000 enplanements in seven months.

The fleet is increased by the addition of 3 more Vikings and 2 more C-47s (converted like the first to civil DC-4 standard) and these reopen tour flying in April 1964. In October, the company is purchased by Air Holdings and Kennard departs.

During 1965, AFL begins flying vehicle ferry service to Le Touquet with leased Bristol 170 freighters. In the last three days of December, two Aviation Traders, Ltd. ATL-98 Carvairs are chartered from **British United Air Ferries, Ltd.** and, together with two DC-4s, are used to ferry supplies from Dar-es-Salaam in Tanzania to Lusaka in Zambia after Rhodesia unilaterally declares its independence. Two Douglas DC-6As are purchased from BUAFL at this time.

The BUAFL Carvairs are returned in March and June 1966, at which time AFL's inclusive-tour services resume along with freight flights to Germany flown on behalf of **British European Airways Corporation (BEA)**. BEA reclaims the German operations in 1967 and the company returns to inclusive-tour work.

The year is a physical and fiscal disaster as two DC-4s are lost; the first is destroyed at Frankfurt on January 21 while the second hits Mount Canigou in the Pyrennes near Perpignan on June 3, killing all 88 aboard. Another C-54B is leased from Lloyd International in late June.

In January 1968, two Vickers Viscount 812s are leased from **Channel Airways, Ltd.** and join the DC-4s in a new inclusive-tour season beginning in March. This is the final season as Air Holdings closes down the carrier on October 31, returning the Viscounts, selling off all other aircraft, and transferring all tour responsibilities to **British United Airways, Ltd.**

AIR FIJI, LTD.: 185 Victoria Parade, Suva, Fiji; Phone (679) 315 055; Fax (679) 300 771; <http://www.airfiji.net>; <http://www.pacificislands.com/airlines/fiji.html>; Code PC; Year Founded 1995. Kelton Investment reforms **Fiji Air, Ltd.** in February 1995, giving it an entirely new corporate makeover. The fleet, which comprises 2 each de Havilland Canada DHC-6-300 Twin Otters and Embraer EMB-110 Bandeirantes plus 1 each Beech 58 Baron, Harbin Y-12, and Pilatus-Britten-Norman PBN-2 Islander, is given an entirely new livery.

By 1998–1999, airline employment at Fiji's largest domestic carrier stands at 150. During these years, the fleet is increased by the addition of two more Y-12s and Islanders and another Bandeirante.

Fifteen destinations are visited from bases at Suva and Nadi, including Bureta, Kandarua, Lakeba, Levuka, Malololai, Tavenuni, and Vanuabalavu.

While en route from Suva to Nadi on July 24 of the latter year, Flight 121, an EMB-110, with 2 crew and 15 passengers, crashes into a mountainside; there are no survivors.

By the spring of 2000, the lost Bandeirante has been replaced with an EMB-120 Brasilia. That aircraft launches a thrice-weekly service to Tonga on May 1.

Political problems in the islands dramatically impact tourism during the summer. Rebel gunmen seize two pilots from their aircraft on the ground at Savusavu Airport on July 27; the village chief of Naibalabale intervenes and obtains their release next day.

AIR 500, LTD.: Person International Airport, 2450 Derry Road East, Hangar 7, Mississauga, Ontario L5S 1B2, Canada; Phone (905) 673-0800; Fax (905) 673-1657; <http://www.innotech-execaire.com>; Year Founded 1986. Air 500 is established at Toronto in January 1986 to provide executive and small group passenger charters throughout eastern Canada and the U.S., as well as to the Caribbean. Over the next 12 years, the largely corporate operator will come to employ 20 workers and fly a mixed fleet of bizjet and turboprop aircraft. A 3,150-sq.-ft. hangar will be constructed at company headquarters at the Toronto aerodrome.

Diversified Halifax-based IMP Group International, Ltd., less than two weeks after shutting down its unprofitable **Air Atlantic, Ltd.**

regional airline subsidiary, purchases Air 500 on November 6, **1998**. IMP President/CEO Stephen Plummer indicates that the company might be expected to grow during the year ahead.

Although it is unknown as to exactly what that growth becomes, the IMP Group does not remain inactive for long. To take advantage of new air transport possibilities occasioned by the official bankruptcy of **InterCanadian, Ltd.**, as well as the **Air Canada, Ltd.** takeover of **Canadian Airlines, Ltd.**, it announces plans in February **2000** to begin a competing low-fare jet passenger service. Shortly thereafter **CanJet Airlines, Ltd.** takes to the skies.

AIR FLEETS INTERNATIONAL: United States (1980). AFI is set up at New York in early **1980** to operate domestic and international passenger charters. A Douglas DC-8-31 is leased from **Overseas National Airlines** and is employed, beginning in March, to offer tour flights to Orlando, Freeport (Bahamas), and Tel Aviv. Having neglected to pay its insurance premiums, the carrier is grounded on July 22. It will not restart.

AIR FLORIDA: United States (1971-1984). Air Florida, founded by Eli Timoner, begins operations in September **1971** as a scheduled, intrastate carrier. A pair of Boeing 707-321s is purchased from **Pan American World Airways (1)** and revenue operations commence on September 28, **1972**, as AF begins thrice-daily, roundtrip, low-cost flights from Miami to Orlando to St. Petersburg. At year's end, the company employs 74 and has boarded 27,000 passengers.

Gainesville becomes a destination in **1973**. A fleet of three Lockheed L-188C Electras is purchased from **Northwest Airlines** on March 13 to replace the gas-guzzling Stratoliners.

Operations continue apace in **1974-1975**.

New routes are started to Jacksonville and Tallahassee in **1976**. Despite the addition of a leased B-727-100, competition from **Eastern Air Lines** and **National Airlines** proves severe. Passenger boardings total 191,600, but losses for the year come to \$2.1 million.

The fleet is altered once again in **1977** as the Electras are replaced by 2 Convair CV-440s and 4 Douglas DC-3s. In July, leadership is transferred to former **Braniff International Airways** chairman, C. Edward Acker, who becomes chairman/CEO. Founder Eli Timoner continues on as treasurer.

The financially weak airline is resuscitated via a \$2-million transfusion by Cincinnati investor Carl Lindner. Orders are placed for five DC-9-15s from **Air Canada, Ltd.** and four Boeing 737-222s, from **Braniff International Airways**, which begin delivery in the fall. Withdrawal of the Electras is completed by August.

During the winter season, which begins in October, the first of the newly delivered DC-9-15s is leased to **Cayman Airways, Ltd.**

Enplanement totals fall to 176,314. On income of \$4.74 million, a net \$2.61-million loss is taken.

The Miami-based intrastate airline, newly recapitalized, begins a meteoric rise in **1978**, the year of the Airline Deregulation Act and of the firm's first profit. Airline employment is increased by 50.4% to 630. It now rapidly adopts a green and blue livery, acquires its first two Boeing 737-222s, and launches interstate (to Washington, D.C.) and international (the Bahamas) service.

The DC-9-15 with Cayman Airways, Ltd. is returned in March and four more Douglas DC-9-15s arrive in late fall. In December, Air Florida takes over the Key West-based commuter **Air Sunshine** and initiates DC-9-15 flights, with the first of eight units received from **Air Canada, Ltd.**, over its Florida Key routes. As the result of this acquisition and other moves, the number of stops on the route network jump from 6 to 17.

Passenger boardings skyrocket 78% during the 12 months to 635,943. Revenues balloon 255.8% to \$16.88 million and expenses are \$16.56 million. This slight imbalance results in an operating profit of \$313,000 and net gain of \$132,000.

The workforce is significantly increased in **1979**, this time by 106% to 1,127. The newly certified carrier withdraws its Convairs and DC-3s

and adds two more jetliners. A rapid and orderly expansion into new markets begins: to St. Croix in January; to Marsh Harbour and Treasure Cay, plus Philadelphia, in February; to New York City in April; to Toledo in June; to Houston and the Turks and Caicos Islands in July.

In November, plans are announced to begin charters from a number of European cities to Miami next year. Air Florida also acquires the commuter **Air Berlin** and even makes an offer to take over local service carrier, **Piedmont Airlines**. Customer bookings jump a spectacular 102.1% to 1,285,000.

Revenues skyrocket 255.7% to \$60.04 million and expenses are held to \$56.08 million. The operating profit is \$3.96 million, leaving a net profit of \$3.38 million, a 1,462.9% boost. The new income will be employed to negotiate a loan from the InterFirst Bank of Dallas, to order B-737-222s, and to acquire shareholding in **Piedmont Airlines**.

Air Florida, in **1980**, increases its reach across the Atlantic and southward. An FAA aircraft purchase guarantee initially established to assist small airlines allows Chairman Acker the \$82 million necessary to further expand his fleet (primarily by lease) by 18 ex-**United Airlines** B-737-222s, 3 DC-9-15s, and a former **Fuglelag Islands (2)-Icelandair** DC-10-30, which is received on March 28.

On April 9, the company wins CAB approval to launch U.S. to Europe service and it thereafter originates over 100 DC-10-30 charter flights, beginning on May 1, to Miami from the European cities of London, Zurich, Amsterdam, Dublin, Manchester, Brussels, and Paris.

A \$17-million contract is signed with Arthur Frommer International on May 27 to provide charter programs from New York to the Caribbean and South America. As a result, new service is opened to additional Caribbean cities and Central American destinations, including Montego Bay and Kingston, Port-au-Prince, San Pedro Sula, Tegucigalpa, Puerto Plata, Santo Domingo.

Another innovation of the year is the establishment of a limited code-sharing Air Florida Commuter network, in which contracted commuters provide feed to certain hubs, primarily in Florida. The first former **United Airlines** B-737-222, previously known as the *City of Raleigh-Durham*, is delivered on July 28.

On August 10 a hijacker carrying a box containing a bar of soap that he passes off as a bomb, commandeers Flight 4, a B-737-222 with 34 aboard and en route from Miami to Key West, and diverts it to Havana.

Seven Cubans hijack Flight 707, a B-737-222 with 74 aboard on August 13 and, by threatening to ignite a bottle of gasoline smuggled aboard, force it to fly to Havana. All are sent to prison in Cuba.

The third hijacking attempt in a week fails on August 17 when three Cuban refugees, with gasoline-filled bottles concealed in their clothing, are seized by FBI agents at Miami as they are about to board a B-737-222 flight from Miami to Key West.

A chartered DC-3, with 34 aboard, crashes into the Atlantic Ocean off Freeport, Bahamas, on September 14; there are no survivors. On September 22, Air Florida signs a \$140-million, four-year contract with the British tour operator Intasun, Ltd., to provide 13 weekly roundtrips between the U.K. and the Sunshine State. Charters to Shannon, Ireland, also begin.

With a 75-min. FAA exemption, the carrier begins B-737-222 flights in December from New York (JFK) to Rock Sound and Freeport in the Bahamas and Puerto Plata, Dominican Republic.

Customer bookings for the year accelerate 55.6% to 1,839,000. Revenues ascend 156% to \$114.3 million; profits are \$5.1 million (operating) and \$667,000 (net), the latter a 110% boost.

The employee population increases 47.9% in **1981** to 2,656 as the fast pace of progress continues. Additional flights are added to the new markets of Boston, Chicago, Costa Rica, El Salvador, London, Amsterdam, Newark, and Shannon. En route from New York to Miami on March 17, a DC-9-15 is diverted to Charleston, South Carolina, because of a passenger's bomb threat; no bomb is found and the hoaxer is arrested. Westchester County, New York, to Chicago B-727-222 flights begin on April 27. In May, another public stock offering is made that nets \$40 million.

Original investor Lindner now sells out, making a significant profit. The fleet now comprises 30 leased aircraft, with 11 on order. However, despite low fares, nonunion labor, and various investments, it begins to suffer financial difficulties as costs increase. B-737-222 flights commence from White Plains, New York, to Bermuda on June 18. Also in June, as interest rates climb toward 20%, Air Florida finds itself badly leveraged; its debt stands at \$188 million, which is 3.7 times the \$50 million in available equity.

The company announces, on September 17, its plans to eliminate service to Houston, Dallas (DFW), Savannah, and Charleston, South Carolina, as it increases flights to the northeast in an attempt to meet "demands" caused by the PATCO air traffic controllers' strike. A DC-10-30 is involved in an accident at Miami (MIA) on September 22. Also in September, Chairman Acker shocks the company by departing for the chairmanship of equally troubled **Pan American World Airways (1)**. Eli Timoner becomes both chairman and president, assuming complete control and ordering certain cutbacks.

The following month, Acker dumps 450,000 Air Florida shares, earning \$4,387,500. Others in the market follow during the year's last quarter, which contains a glimpse of the future as losses begin to pile up. A DC-9-15 is leased to the California-based charter operator **Air National**, which employs it to fly cargo for Purolator Courier under contract.

Enplanements for the year rise 47% to a total of 1,714,000 while freight traffic is up by a spectacular 508.2% to 4.63 million FTKs. A \$12.07-million operating loss is reported, due largely to a loss of traffic occasioned by the PATCO air traffic controllers' strike and subsequent ATC restrictions, on revenues of \$302.96 million; the net loss is \$4.12 million.

The workforce is reduced by 30.8% in 1982 to 1,800 as the company's tailspin gathers speed; much of the year, almost from the start, is one of disaster and internal retrenchment. It begins well enough with a novel marketing campaign, begun on January 11, to offer S & H Green Stamps on its intrastate routes between 11 Florida cities. The good start ends two days later.

On January 13, Flight 90, en route to Ft. Lauderdale begins its initial climb from Washington, D.C. (DCA). The B-737-222, once known as **United Airlines' City of Raleigh-Durham**, with 5 crew and 74 passengers is already 1 hr. 45 min. late due to heavy snowfall. The ice-covered aircraft reaches an altitude of 200-300 feet. There it stalls and begins to descend, striking the 14th St. Bridge and 7 automobiles crossing it. While breaking apart, the plane tears away 41 ft. of the bridge wall and 97 ft. of railing and plunges into the frigid Potomac River. Seventy-four are killed, not including four in vehicles on the bridge and Arland D. Williams, who dies attempting to save crash victims. Media accessibility to the disaster scene brings significant adverse publicity.

On February 2 boatlift veteran and homesick Cuban Sergio Ortega Rojas hijacks Flight 710, a B-737-222 with 77 aboard en route from Miami to Key West, to Havana, where he is taken into custody. Rojas will receive a 12-year Cuban prison term.

Another Cuban, Jesus Villa Munoz fires on two Miami (MIA) gate agents and police after he unsuccessfully attempts to board a Key West-scheduled B-737-222 in a February 16 skyjacking attempt; he is disarmed and arrested.

Pushing ahead in an effort to get past the fallout from the first two months, the company undertakes a number of charter programs throughout Europe and new services from Miami to Scandinavia and Guatemala. **American Airlines** VPO Donald J. Lloyd-Jones is recruited in June to become the carrier's new president/COO. In July, following Chairman Timoner's stroke, he is named CEO as well.

A B-737-222 with 12 aboard is hijacked to Cuba on July 22 by two men during a flight from Miami to Key West. Cost-cutting measures are now required to be placed into high gear. The fleet is downsized: 5 leased B-737-222s are returned and orders for 5 others are cancelled. The following aircraft are withdrawn and sold: 5 B-727-222s, 6 B-737-222s, 1 B-737-122, and 3 DC-10-30s. Five more B-737-222s and a Douglas DC-10-30 are obtained, with orders outstanding for 3 B-757-222s.

Customer bookings, which do reflect something of a recovery late in the year, plunge 14.6% to 2,384,472. Cargo, however, increases 50% to 6.95 million FTKs. What money is made comes primarily from freight and charter boardings and not scheduled service. Revenues drop 7% to \$281.77 million, but expenses jump to \$315.24 million. Losses continue to mount. The operating loss skyrockets to \$33.48 million while the net loss advances to a staggering \$93.4 million.

The struggling national manages to cut its financial losses significantly in 1983. A DC-9-15 is leased to the Boston-based sports charter operator **All Star Airlines** in March while, in the spring, the ill Eli Timoner resigns his chairmanship. Additionally, the route system is restructured. Services to London and Amsterdam are eliminated, the last DC-10-30 is sold and, in Europe, remaining services are subcontracted to wet-lease operators, such as **Rich International Airways**.

In Florida, a major market, the company, emphasizing its Miami hub, employs its B-737-222s to inaugurate flights to the Virgin Islands, as well as to Cleveland, Columbus, Detroit, Indianapolis, and Chicago (MDW).

En route from Ft. Lauderdale to Tampa on July 7, a B-737-222 with 47 passengers is hijacked to Cuba by a man who displays an explosive device that he has taken out of his athletic bag.

The short segment intrastate routes are all turned over to Air Florida Commuter partners. Former Chairman C. Edward Acker and his **Pan American World Airways (1)** officials launch a fare war in late spring, one that soon has an effect. In the fall, 10 of 27 jetliners are removed from service, although orders are retained for three B-757-222s, which will never be delivered.

A B-727-222 leaving Chicago (MDW) on November 25 is forced to turn around and land after a sea gull is sucked into one of its engines, shutting it down; no injuries are reported. A second DC-9-15 is chartered to **All Star Airlines** during the month.

Passenger boardings fall again this year, by 22.2%, to 1,854,279. Revenues are off by the same percentage, 22.59%, to \$218.12 million, but costs, even though down 27.23%, are still \$229.41 million. The operating loss "improves" to \$11.28 million and the net loss is cut in half to \$39.22 million. These figures show that cost cutting will not be enough to save the carrier.

Airline employment in 1984 stands at 1,200 and 10 B-737-222s fly to 35 destinations. The battle to keep Air Florida aloft is lost, however, when continuing financial reversals and creditors force it to declare bankruptcy on July 3. Although a plan is floated that will have the company taken over by **Northeastern International Airlines**, the ruined carrier's assets are eventually purchased by **Midway Airlines (1)**, which puts the B-737-222s back into limited operation on October 15 under the name **Midway Express**.

On March 13, 1985, the 14th Street Bridge in Washington, D.C. is officially dedicated as the Arland D. Williams Memorial Bridge in honor of the man who sacrificed his life saving victims of the 1982 disaster. Later in the spring, **Midway Airlines (1)** receives DOT approval to complete the purchase of remaining assets by the July 1 deadline set by the U.S. Bankruptcy Court. On July 24, these are duly received in exchange for \$5 million and 200,000 shares of common stock.

AIR FLORIDA COMMUTER NETWORK. See **AIR MIAMI**; **AIR SUNSHINE (1)**; **CENTRAL AIRWAYS**; **FINAIR EXPRESS**; **FLORIDA AIRLINES**; **GULL AIR**; **MARCO ISLAND AIRWAYS**; **NATIONAL COMMUTER AIRLINES**; **POMPANO AIRWAYS**; **SKYWAYS OF OCALA**; **SOUTHERN EXPRESS AIRLINES**.

AIR FOYLE, LTD.: Halcyon House, London Luton Airport, Luton, Bedfordshire, England LU2 9LU, United Kingdom; Phone 44 (1582) 419 792; Fax 44 (1582) 480 958; <http://www.airfoyle.co.uk>; Code GS; Year Founded 1978. AFL is organized at London (CTN) by onetime bookseller and tax advisor W. R. C. "Chris" Foyle in 1978 to undertake charter and air tour flights throughout western Europe. Initial equipment consists of a Piper PA-31-310 Navajo and a Piper PA-23 Aztec. The company operates primarily light operations

and night express flights until formation of the multinational **TNT Express Worldwide** in 1989.

AFL is contracted by TNT to operate two British Aerospace BAe 146-200QTs on night freight services as its U.K. associate. Third party charters are allowed during daylight hours and on weekends. Meanwhile, an associate company, Air Foyle Executive, Ltd. (AFEL) is formed to operate the carrier's lightplanes. Authority is sought for the inauguration of scheduled services and the carrier becomes the general sales agent (GSA) in Europe, North America, and the Gulf region for the Kiev-based Antonov Design Bureau.

In September 1990, the company signs a five-year agreement with the Kiev-based Antonov Design Bureau and begins to operate three wet-leased An-124-100 Ruslan freighters on worldwide services requiring heavy or outsize loads. The first two Russian aircraft, wet-leased with Soviet crews, enter service during the month as Canada and the U.S. grant joint permissions to both the Russian manufacturer and the British cargo line.

One An-124-100 undertakes emergency relief work between Amman and Dakar. The other undertakes eight relief flights from Amman evacuating 3,600 Bangladeshis who had escaped Kuwait. In addition, a charter agreement is signed with **Cargolux Airlines International, S.A.** for weekly Antonov all-cargo flights between Luxembourg and Singapore. After three trial flights, regular flights commence on September 22. Meanwhile, **TNT Express Worldwide** increases its contract, requiring acquisition of another BAe 146-200QT and two BAe 146-300QTs. Through the month, an An-124-100, in eight flights on behalf of **Aeroflot Soviet Airlines**, evacuates 3,600 Bangladeshis from Kuwait.

Chairman/Managing Director Foyle employs a workforce of 135 in 1991 and operates a fleet which, in addition to the Antonovs, comes to comprise 4 BAe-146-300QTs, 3 BAe-146-200QTs, 1 Lockheed L-100-30 Hercules, 1 Beech Super King Air 200, 1 BAe Jetstream 31, 1 Piper PA-31-350 Navajo Chieftain, and 1 Bell 206B JetRanger helicopter. A record air cargo movement is made January 10-14 when an An-124-100 Ruslan transports three 53-ton transformers from Barcelona to Noumea, New Caledonia.

During the spring, three An-124-100s operate charter flights to the Persian Gulf and Asia on behalf of **Cargolux Airlines International, S.A.**

By December, approximately 30 charters employing An-124-100s have been flown from the U.S., including 19 from Chicago to Kuwait.

Destinations visited under **TNT Express Worldwide** contract in 1992 include Prestwick, Liverpool, Cologne, Birmingham, Belfast, London (STN), Genoa, Billund, Oslo, Gothenburg, and Stockholm. In the spring, an An-124-100 flies a 40-ton tracked mine clearance vehicle on a 16-ton trailer to Namibia, from whence it will complete its journey to southern Angola. During early summer, the U.S. FAA discovers that civil certification has not been issued for the An-124-100 and orders a suspension of the type's flights to the U.S.

With certification issues resolved with the FAA on October 13, the giant transport is cleared to resume transatlantic flights. In November, an An-124-100 flies a mission in support of the USAF, transporting Lorol Space and Range Systems' Transportable Vehicle Checkout Facility (TVCF) from California to the Seychelles Islands.

Two more An-124-100s are placed into service in 1993. A Boeing 737-300 is leased and employed to begin passenger flights on behalf of the U.K. tour operator Sunseeker Leisure, Ltd. Meanwhile, the AFEL flies only the Jetstream 31 and is soon folded into a new subsidiary, Air Foyle Charter Airlines, Ltd. (AFCAL), established to operate the Sunseeker Leisure, Ltd. flights. AFL becomes worldwide GSA for the Antonov Design Bureau in early September, at which time it also begins to operate An-12 and An-22 freighters.

Also, on September 22, an An-124-100 Ruslan flies the heaviest single load ever transported by air. Operated from Dusseldorf to New Delhi on behalf of the Power Generation Group of Siemens, A.G., the record-shattering cargo comprises a 124-ton power plant generator core secured to a specially built 11.2-ton skid. Due to the huge weight, the transport must make six refueling stops while en route over the 5,600-mi. course.

In December, an Ilyushin Il-76 is acquired to meet the requirements of a new contract with Oil Spill Response for permanent oil spill standby. Routes now flown include Edinburgh to Cologne via Liverpool, Belfast-Cologne via Birmingham, Cologne to Nuremberg, and Leeds/Bradford and Manchester to Mediterranean holiday destinations.

Chairman Foyle oversees a workforce of 135 in 1994. Early in the year, the company agrees to fly a pair of Airbus Industrie A320-200s on behalf of the tour operator AirWorld, Ltd.

A new, yearlong contract is received in January from Oil Spill Response, Ltd. to provide a global rapid response air transport and oil-spill spraying service; it takes effect in March. A Lockheed L-100-30 will be chartered from **Southern Air Transport** to carry a dispersant delivery system.

The reigning World Rally Championship team Toyota Team Europe's race cars and support vehicles are flown from Cologne to Nairobi, Kenya, to participate in the year's 3,000-km. event.

In August, for the first time ever, a rail locomotive is airlifted across the Atlantic. An An-124-100, operating under contract to the GM Locomotive Group, flies a 230,000-lb. diesel-electric engine from the assembly factory at London, Ontario, to Dublin, where it is turned over to Irish Rail. In the same shipment is 37 tons of metal bridging equipment. At the time, the cargo represents a record weight for a commercial air movement. As of late fall, the Ruslans have been flown 8,000 hours and company has transported 4,000 tons of oversized cargo.

Following the collapse of **Ambassador Airways, Ltd.** on November 29, AFCAL establishes a new subsidiary, **Sabre Airways, Ltd.**, which flies under the parent's certificate and takes over the deceased airline's charter contracts. Flights commence on December 17 with two B-737-204As.

During 1995, the company's six An-124-100s operate 2,000 flying hours and haul a total of 7,600 tons of outsize cargo. During the first quarter, one of the giant freighters transports a pair of 25-ton electric-train bodies from Melbourne to Zurich.

The subsidiary Air Foyle (Ireland), Ltd. (AFIL) is established to pursue passenger aircraft related activities in the Irish market.

In December, **Sabre Airways, Ltd.** applies for its own license and certificate. The mission of providing wet-leased and management-package assistance continues.

The workforce, including that of **Sabre Airways, Ltd.**, totals 135 in 1996 and the fleet of the freighter and its subsidiaries includes 5 An-124-100s leased from Antonov plus an owned force of 2 BAe 146-200QTs, 6 BAe 146-300QTs, and 1 Beech Super King Air 200.

The BAes and King Air fly passenger charters during the day with the former operated at night on behalf of **TNT Express Worldwide**. Destinations visited on behalf of TNT include Barcelona, Basel, Belfast, Bergamo, Billund, Birmingham, Bologna, Brussels, Budapest, Copenhagen, Dublin, Edinburgh, Geneva, Gothenburg, Helsinki, Leipzig, Lisbon, Liverpool, London (STN), Lyons, Madrid, Nuremberg, Oslo, Rome, Stockholm, Vienna, and Zaragoza.

On February 10, the carrier's Oil Spill Response, Ltd. subsidiary contracts with **Southern Air Transport** to provide assistance in dispersing oil slicks up to 12 miles long off the Welsh coast. The slicks have been caused from the loss of an estimated 19-million gallons of light crude oil leaked from a stranded tanker. An SAT L-100-30 on February 11-12 flies three missions spraying dispersant on slicks off Milford Haven and across Carmarthen Bay in SW Wales.

Once **Sabre Airways, Ltd.** has its own certificate, AFCAL begins operating in support of the new low-fare carrier **easyJet, Ltd.**

Daylight enplanements total 459,000 and cargo hauled, by day and night, more than triples to 27.39 million FTKs.

Operations, including the **easyJet, Ltd.** contract, continue apace in 1997. On April 12, AFCAL signs a five-year pact with the Swedish startup **Air Scandic, A.B.** As French truck drivers prepare to barricade roadways on November 2 and strike over wages, vegetable exporters in the Alicante region of Spain contract with AFL to fly produce to Britain aboard two An-124-100s. The French road blockade is lifted on November 5.

A series of four charter flights each month is initiated by AFL during November on behalf of General Electric. Each flight transports GE engines destined for new Boeing 777s from Wilmington, Delaware, to the airframe builder's plant at Seattle. The trips, if undertaken by road, would require six days, but are accomplished by the Antonovs in just five hours.

In December, an An-124-100 airlifts a 132-ton Siemen's manufactured steam turbine from Germany to Santiago, Chile, on behalf of Siemen's Power Plant Division; the unit, the second heaviest single piece ever transported by air, is destined for a major Chilean power plant project.

Passenger boardings total 818,334. Cargo figures are not available.

In January 1998, AFCAL signs a contract with **Color Air, A.S.**, a Norwegian startup airline owned by the Oslo-based ferryboat operator Color Line, which had once held **Norway Airlines, A.S.**

During the month, an An-124-100, under contract to **Virgin Atlantic Airways, Ltd. (VAA)**, transports the *Global Challenger* balloon of entrepreneur Richard Branson from northwest Algeria back to London (CTN) following its aborted first attempt to break its flight record due to technical problems.

In May, the company begins to operate a pair of Airbus A300s on behalf **Air Scandic, A.B.** Flown for several prominent U.K. tour operators to European destinations, these are the first wide-bodies flown by AFCAL.

Meanwhile, AFCAL appoints former **Norway Airlines, A.S.** executive Morton Anderson as **Color Air, A.S.'s** president and through him will manage the launch of the new operator. A workforce is recruited and two Boeing 737-3Q8s, previously operated by **TACA International Airlines, S.A.**, are chartered from ILFC. Revenue flights commence during August, linking the company's base with Alesund, Bergen, Stavanger, and Trondheim.

From September 23 through October 15, an An-124-100 hauls relief supplies for the victims of Hurricane Georges. Operating on behalf of the air charter broker Diplomat Freight Services (which is under contract to the U.S. Federal Emergency Management Administration-FEMA), it makes over 50 flights from the U.S. to Puerto Rico. Averaging over 70 tons per flight (3,500 tons total), the giant aircraft transports: 31 potable water ice trucks, utility trucks for power generation, refrigeration units, telecommunication units, water purification systems, and vast quantities of drinking water and ice.

On December 2, an An-124-100 again transports the VAA *Global Challenger* balloon, this time from RAF Manston to Marrakech, Morocco. From that point, on December 18, Branson, U.S. millionaire and former balloon-record competitor Steve Fossett, and Swede Per Lindstrand again attempt to achieve aviation's last great achievement—to make the first nonstop round-the-world flight in a balloon. Unfortunately, this quest must be abandoned on Christmas Day, a little more than halfway through, when the balloon comes down off Honolulu. The three aeronauts are rescued by USCG helicopters.

Customer booking figures are unavailable for this year, but freight traffic of 17.31 million FTKs is reported.

By the beginning of 1999, airline employment has been increased by 11.1% to 150. The company continues to operate eight BAe 146-200QTs and Dash-300QTs on behalf of TNT, Ltd. On February 9, an An-124-100 flies a USN Mk. V Fast Patrol Boat, with two "Humvee" trucks and ancillary equipment from Seoul to San Diego.

At the beginning of April, an arrangement is discussed with Dublin-based **CityJet, Ltd.** under which the British carrier would assume controlling interest for an equity investment in excess of \$6.8 million. No plans are announced for the integration of services, despite the fact that the Irish line is also a BAe 146 operator, flying seven Dash-200s on passenger services.

Acting via AFIL, AFL, on May 17, formalizes its deal with **CityJet, Ltd.** In exchange for a £4-million (£Ir 8-million) investment, the British carrier acquires a 50.01 majority stake. AFL Chairman Chris Foyle becomes the Irish line's new chairman, while CityJet's founder/CEO Patrick Byrne retains his post.

In addition, **Air France** invests £2 million as a convertible loan. The French major's contribution will result in CityJet becoming the newest upgraded "Air France Express" carrier. As a number of its aircraft are repainted, CityJet will expand its commuter services from Dublin to Paris, London (CTN), Florence, Nice, Toulouse, Madrid, and Strasbourg to a point where these flights account for half of the company's business.

A former Sales Director at **Laker Airways, Ltd.**, John Jones is named Air Foyle Group Managing Director on August 2.

A key managerial associate of Sir Freddie Laker, John Jones is named group managing director on August 2; the move frees the owner and executive director, Foyle, to concentrate on strategic and development concerns.

It is confirmed in October that the company's outsized cargo joint venture with Antonov Design Bureau will be expanded with the addition of 2 An-124s previously operated by **Aeroflot Russian International Airlines (ARIA)**. The joint venture between the two airlines is to be renamed Antonov Airlines.

Competition introduced by **Aer Lingus Irish Airlines, Ltd.** over the Dublin-London (LCY) route in November causes a severe loss of market share for **CityJet, Ltd.** With costs mounting and expenses for expansion pending, Air Foyle, on December 19, elects to sell its stake in the Irish airline. Although **Air France** maintains its interest, it does not plan to take the tendered shares.

Passenger boardings in the charter division skyrocket 89% during the year to 344,000. Cargo, on the other hand, slips 0.4% to 19.11 million FTKs.

The improved cooperative arrangement with the Russian design bureau, which has by now been renamed Antonov Airlines, takes effect in early 2000.

Although **Air France** had maintained that it had no plan to take the tendered shares, the 33% minority owner assumes the **CityJet, Ltd.** stake on February 17. The French promise to keep their prize Irish owned and licensed even as seven of its eight aircraft operate "Air France Express" flights from Paris (CDG).

Also during February, the company begins to transfer its entire BAe 146QT fleet and 55 pilots to TNT Airways. The entire process will be completed by early June.

In support of the humanitarian relief effort in the African nation, a company An-124-100 on March 3 transports 4 RAF Super Puma helicopters from RAF Brize Norton to Mozambique.

In mid-April, a pair of Antonov Ruslans transport 140 tons of support equipment for Nepalese troops assigned to the UN peacekeeping effort in East Timor. The Russian giants are the first of their type and the largest aircraft ever to visit Kathmandu.

A number of British troops are deployed by passenger aircraft in early May to restore political stability in Sierra Leone. Two An-124-100s are chartered by the RAF to transport 100 tons each of vehicles and equipment to Dakar, Senegal, from whence they will be moved to support them.

Working from Air Foyle's base, sales representatives mount an extensive campaign during the fourth quarter to expand Antonov Airlines representation in Asia. New general sales partners are found in South Korea, Singapore, Taiwan, Thailand, and the Philippines.

AIR FOYLE (IRELAND), LTD. See **AIR FOYLE, LTD.**

AIR FOYLE CHARTER AIRLINES, LTD. See **AIR FOYLE, LTD.**

AIR FOYLE EXECUTIVE, LTD. See **AIR FOYLE, LTD.**

AIR FRANCE (COMPAGNIE NATIONALE AIR FRANCE, S.A.): 45 Rue du Paris, F-75757 Roissy CDG Cedex, France; Phone (33-1-41) 56-78-00; <http://www.airfrance.fr>; <http://www.acaf.bvrp.fr>; <http://www.traxon.com/afr.htm>; Code AF; Year Founded 1933. On May 17, 1933, the pioneer carriers **Air Orient, S.A.**; **Air Union, S.A.** (formed in 1923 through the merger of **Compagnie des Grand Express**

Aeriens, S.A., and the **Compagnie des Messageries Aeriennes, S.A.**, both founded in 1919); and **CIDNA—Compagnie Internationale de Navigation Aerienne, S.A.** (created in 1925 to succeed **CFRNA—Compagnie Franco-Roumaine de Navigation Aerienne, S.A.** and **SGTA—Societe Generale de Transport Aerien, S.A.**, a 1925 offshoot of **Lignes Aeriennes Farman, S.A.**) combine to form **SCELA (Societe Centrale pour l'Exploitation de Lignes Aeriennes, S.A.)**. The new body negotiates with the French government for the creation of a national airline system.

On August 30, with government backing, SCELA purchases the assets of **Aeropostale (Compagnie Generale Aeropostale, S.A.)** (including 38 Latecoere 25s and 41 Latecoere 26s) and the two are combined to form AF. The SCELA partner companies hold 74.8% of the shares of the new airline, the French government 25%, and private interests the 0.02% remaining. On September 1, Ernest Rhoume is appointed chairman and the Paris-based administration (a Secretariat General plus Operations, Engineering/Maintenance, Sales, and Finance divisions) comes to life.

The new carrier inherits 259 aircraft (of 35 different types) of which 172 are single-wing. Built for the South Atlantic service and piloted by Lucien Bossoutrot, the new Bleriot 5190 *Santos Dumont* makes its maiden flight at Caudebec en Caux on August 11. The first eight-passenger Dewoitine D-332 long-range trimotor is delivered in September and is christened *Emeraude*.

AF officially takes over the assets and routes of the SCELA members in October, the same month that three new Wibault 282.T12s, *Le Fougueux*, *L'Intrepide*, and *La Voile d'Or* are introduced on the Paris-London Le Rayon d'Or ("Golden Ray") service by the twin-engine Liore et Olivier LEO 213 biplanes. When flown by these new tri-motors, the service is known as *La Voile d'Or* ("The Golden Clipper"). Additionally, the previous **Air Orient, S.A.** multistop service from Marseilles to Damascus and Baghdad and on to Saigon by way of Bangkok is continued.

In early December, the *Emeraude* is exhibited at London (Croydon) and visits Malmö, Algiers, and Dakar. On December 22, with Maurice Nogues as pilot, the *Emeraude* departs Paris for Saigon, reaching the Indochinese city on December 28 after 48 hrs. flight time. On December 31, the Latecoere Late 300 *Croix du Sud*, flown by Capitaine de Corvette Bonnot, takes off from Berre lake and makes the first service flight to St. Louis, Senegal, covering the 2,286-mile distance nonstop in 23 hrs., 6 min.

On January 3, 1934, *Croix du Sud* makes the first flight by its type across the South Atlantic from Saint Louis, Senegal to Natal, Brazil. While returning from a multistop flight to Saigon the same night, the new Dewoitine 332 *Emeraude* crashes in a snowstorm in the Morvan mountains (14 dead).

On March 20, an airliner crashes near London (Croydon) and a woman passenger is injured. AF continues to operate a few of the South American services pioneered by **Aeropostale (1)**. An enlarged version of the Short Calcutta flying boat, the first 20-passenger Breguet 530 *Saigon* enters service in early May over the carrier's Marseilles-Tunis route. Mermoz places the modified Couzinet 71 *Arc-en-Ciel* into regular, but low-frequency transatlantic service on May 28.

On May 31, an LEO 213 crashes into a pylon at London (Croydon) and is destroyed. During the year, one LEO 213 is reconfigured as a freighter and another nine are transferred to the Armée de l'Air.

On July 24, working alternately, the Late 300 *Croix du Sud* and the Couzinet 71 *Arc-en-Ciel* begin monthly South Atlantic mail flights in coordination with the four specially designed mail ships once owned by **Aeropostale (1)**. Work is begun on fleet standardization as 10 Wibault 282.T12s are received, together with a pair of Breguet 393Ts, which are used on the Toulouse-Casablanca run. Rationalization and reordering of the route network begins; however, due to the superiority of the rail system in France, emphasis is placed on international service with internal sectors remaining a series of stopping points on the way to foreign destinations.

During the year, these are increasingly serviced by ten newly delivered trimotor Wibault-Penhoet 283s, which are christened *Le Mer-*

veilleux, *L'Invulnérable*, *Le Conquerant*, *L'Aventureux*, *L'Ambitieux*, *Le Vengeur*, *L'Intrigant*, *Le Glorieux*, *L'Imbattable*, and *L'Infatigable*. In addition, 12 Liore et Olivier H 242-1s are received and are placed into service on three routes from Marseilles: to Algiers via Alcudia; to Tunis via Ajaccio; and to Beirut via Athens and Tripoli. On November 27, the Bleriot 5190 flying boat *Santos-Dumont* makes its first ocean crossing from Dakar to Natal, reducing the time on the Toulouse to Buenos Aires route to just 3 days 20 hrs.

The new Breguet 530 Saigon-class flying boats *Algerie* and *Tunisie* (license-built Short Calcuttas) begin transmediterranean service on January 2, 1935. Sixteen days later, the new six-engine Latecoere Late 521 flying boat *Lieutenant de Vaisseau-Paris* makes her first flight from Biscarosse; her type has the capacity to transport upwards of 30 passengers transatlantic and 70 across the Mediterranean. Night freight service is started Paris-London on March 31/April 1; flying a Farman F-306 on this initial service, noted pilot Robert Bajac crashes in bad weather near Rouen and is killed.

During the spring, three Dewoitine 333s are received; christened *Antares*, *Cassiopee*, and *Altair*; they are placed into mail service on the Toulouse-Dakar segment of the South American route on May 17. In June, 11 new Poetz 62s enter service. Christened *Ibis*, *Flamant*, *La Seducisante*, *Martinet*, *Ramier*, *Gypaete*, *Courlis*, *Cigogne*, *Cormoran*, and *Albatros*, they are assigned to the routes from Paris to Rome, Marseilles, and Madrid. Paris-Marseilles-Rome routes are flown by newly delivered Liore et Olivier LEO 242s.

Late in the year, 11 upgraded Poetz 62-1s are accepted and christened *La Fidele*, *La Tapageuse*, *Falcon*, *L'Etourdie*, *Flamant*, *L'Entrepreneante*, *Alcyon*, *Magoary*, *Heron*, and *Pluvier* and three 62s are modified to 62-1 standard. A mail plane crashes at Istres Field on November 12 (three dead).

On December 8, the government's new Latecoere 521 flying boat *Lieutenant de Vaisseau Paris* is loaned to AF and begins its maiden flight from Biscarosse to North America, via Dakar, Natal, and Martinique.

The *Lieutenant de Vaisseau Paris* is sunk in a hurricane at Pensacola, Florida, on January 4, 1936; it will be salvaged and returned to France for rebuilding. With the three supplemental Latecoere Late 301 flying boats *Ville de Buenos Aires*, *Ville de Rio de Janeiro*, and *Ville de Santiago du Chile* in hand, a regular Toulouse-Santiago airmail route is opened on January 5, as the carrier announces an end to the mid-ocean mail ship service. In January, passenger service starts on the Casablanca-Dakar route.

The Bleriot 5190 *Santos-Dumont* is lost over the South Atlantic on February 10, as is the Late 301 *Ville de Buenos Aires*. In the spring, Potez 62-1 service is inaugurated to Stockholm, Oslo, and Copenhagen. During the first quarter, AF leases a Douglas DC-2 from the Centre d'Essais de Material Aerienne and will employ the American made, Fokker-assembled transport during the remainder of the year on round-trip flight trials from Paris to Algiers.

The West African affiliate **Compagnie des Chargeurs Reunis, S.A.** is established at Dakar in April to provide scheduled services along the West African coast to Casablanca. It will be equipped with Sikorsky S-43s. On May 7, two Poetz 62.1s begin frequencies over the Buenos Aires-Santiago route in South America. The one-hundredth Toulouse-Santiago flight is completed on July 21. The Dewoitine D-338 prototype is accepted and placed in service on the Paris-Marseilles-Cannes route during the summer; orders are placed for ten more of the type. A mail plane crashes in fog near Toulouse on August 3 (three dead).

Designed for the South Atlantic, the first Farman F.2200 landplane, the *Ville de Montevideo*, is placed in service on October 5; it will be followed by another, the *Ville de Mendoza*, at year's end. The Late 300 *Croix du Sud*, and Jean Mermoz, its famous pilot now on his 24th crossing, are lost over the South Atlantic on December 7. The outbreak of the Spanish Civil War forces cancellation of flights to points in Spain and, also during the year, the Liore et Olivier H 242-1 *Ville de Nice* is lost in an accident off Algiers.

Only 22% of the company's income this year comes from sources other than subsidy.

Early in 1937, only three aircraft are available to maintain the South Atlantic route; however, two more Farman F.2200s, the *Ville de St. Louis* and the *Ville de Natal*, are added before year's end, together with five Bloch 220s, which are christened *Saintonge*, *Aunis*, *Auvergne*, *Guyenne*, and *Gascogne*. In March, orders are placed for five Liore et Olivier H 47 flying boats, later designated H 470s. After a five-year absence, Antoine de St. Exupéry returns as publicity official, flying to and lecturing at various European cities on behalf of the company.

In late summer, he proves a new route from Casablanca to Timbuktu over the Sahara. For service on the South Atlantic, AF and **Deutsche Lufthansa, A.G. (DLH)** now enter into pooling arrangements that will continue until August 1939. The elderly Fokker F-VIIbs are retired. Night airmail service is launched Paris–Toulouse/Marseilles and new Dewoitine D-338s are placed on the Paris–Dakar run.

Rebuilt, the Latecoere 521 *Lieutenant de Vaisseau Paris* returns to service at midyear. Piloted by Henri Guillaumet with five crew, it sets a seaplane record on October 25–26, flying the 3,586.1-mile Morocco to Brazil route nonstop. Before year's end, the flying boat will establish three more speed records with various loads and, with 39,771 pounds aboard, an altitude record of 6,591 feet.

On October 27, the Dewoitine D-333 *Antares* is lost between Dakar and Casablanca. The D-333 *Cassiopee* is placed into service between Buenos Aires and Natal. An airliner is lost near Schuttenhafen in Austria on December 27 (three dead). At year's end, it is reported that, after the U.K. and U.S., AF operates the most route mileage in the world—38,750.

Orders are placed in January 1938 for six Liore et Olivier H 246 flying boats. On February 9, the Liore et Olivier H 242-1 *Ville de Bone*, en route from Marseilles to Tunis, crashes upon takeoff from Etang de Berre, takes fire and sinks (ten dead). A mail plane crashes in the Pyrennes in bad weather on March 25 (eight dead). During late winter, the Bloch 220 is introduced on the Paris–Marseilles route; on March 27, the *Aunis*, a unit of this superior type, of which five more models are delivered by summer, begins Paris–London service. The initial flight requires but 51 minutes. Meanwhile, an experimental Paris–Hanoi Dewoitine D-338 proving flight in January opens the way for regularly scheduled service from Damascus to Hanoi. In March, the Dewoitine D-333 *Altair* also begins flying between Buenos Aires and Natal.

On June 1, the carrier begins the transport of mail on its regularly scheduled flights to London, Switzerland, and Germany. By June, ten D.338s have been delivered and, on July 4, AF announces that its Farman F.2220, *Ville de Dakar*, is making the company's three-hundredth crossing of the South Atlantic. On July 9, Paris–Jersey, via Dinard, summer services are inaugurated. Six days later, the Latecoere 521 *Lieutenant de Vaisseau Paris* visits the English port of Foynes. Company tests of the first Liore et Olivier H 470 *Atlantique 1* commence on July 23.

Also during the summer, the first Dewoitine D-338, *Clemence-Isaure*, is placed into service on the Paris to Cannes via Marseilles route. In the Far East, the Hanoi route is extended to Hong Kong on August 4 via Fort Bayard. Meanwhile, on August 9, employing Wibault Penhoet 283s, the carrier launches twice-weekly (each company) pooled service Dinard–Jersey with **Jersey Airways, Ltd.**

The *Lieutenant de Vaisseau Paris*, piloted by Henri Guillaumet and crew, makes a roundtrip flight from Biscarosse, north of Bordeaux, to Port Washington, New York, via Lisbon and Horta, Azores, between August 23–31. Some 32,000 passengers are transported over the Paris–London route during the year. By Christmas, all Potez 62s and Wibault 282s on the Amsterdam, Prague, Bucharest, Stockholm, and Zurich runs have been replaced by Bloch 220s, another six of which were delivered in the fall.

At the beginning of 1939, the fleet includes 23 D.338s, 17 Bloch 220s, 15 Wibault 283s, 12 LEO 242 Hydros, and 19 miscellaneous units.

In January, D.338s begin regular passenger/mail flights to Hong Kong. Five new Liore et Olivier H 246 flying boats are received and christened *Senegal*, *Mauritanie*, *Oranie*, *Algerie*, and *Tunisie*; they are placed into service during the spring on the Marseilles to Algiers route. In April, a second Late 521 flying boat, *Ville de Saint-Pierre*, joins the fleet.

Capt. Guillaumet's Late 521 *Lieutenant de Vaisseau Paris* makes another transatlantic flight to Port Washington, New York, on May 16–18; the westbound flight via Lisbon, Horta, and Bermuda, is made in 37 hrs. The flying boat returns to Biscarosse on May 23–25.

With war clouds gathering in Europe, the decision is taken not to forward the company's only Douglas DC-3 to Paris. When it is delivered on May 26, it is flown to Argentina. From June 7, the ship begins two years of service on the company's Buenos Aires to Santiago route via Mendoza.

Hourly Paris–London service begins on June 16 and, during the summer, the six-hundredth South Atlantic flight is made. D.338s are now flying Paris–Dakar and, in South America, Natal–Buenos Aires. By mid-year, the fleet has been reduced to 90 aircraft of 11 types, and the route network has been divided into four spheres: Continental, Mediterranean/Orient, Africa, and North/South America. On June 16, Bloch 220s inaugurate an hourly shuttle service, Paris–London; on July 1, the company starts a direct London–Cannes frequency, via Paris.

World War II erupts on September 3 and the Latecoere 521 *Lieutenant de Vaisseau Paris* and her new sister, the *Ville de Saint-Pierre*, are immediately taken over by the French Navy. At the same time, service to England is suspended. Late in the month, the first Bloch MB-161 Languedoc 33-passenger airliner makes its maiden flight; however, the war intervenes and the aircraft is not flown in commercial service for years. AF and **Imperial Airways, Ltd.** agree to a joint, twice-daily London–Paris/Paris–London service, which begins on October 11. The French service is initiated with D.338s.

All AF personnel, aircraft, and assets are placed at the disposal of the government. Prior to this point, subsidy this year represents 65% of the carrier's income.

The *Ville de Saint-Pierre* is returned to AF's Transatlantique division in March 1940. Service between Paris and London is indefinitely suspended on June 13 and, following the Franco–German armistice, AF headquarters are moved from Paris to Vichy and South American and Hong Kong flights are suspended. French Indochina is occupied by the Japanese.

Three planes are lost during the year. French AA gunners shot down a D.338 near Quistreham, Normandy, on June 20; the pilot is killed. Another D.338 is destroyed over the Gulf of Tonkin by JNAF fighter planes on July 7; there is no information concerning any possible casualties. An F-224 is lost over the Mediterranean on November 27, the apparent victim of Italian fighter planes.

The remnants of AF and three other smaller French independents controlled by Vichy are consolidated and renamed **Reseau Aerien Francaise (RAF)** on February 21, 1941. The 1933 agreement forming AF is officially cancelled on December 20. In South America, the company's lone DC-3 is taken over by the Argentina Aviation Command.

En route from Marseilles to Algiers on August 13, 1942, an LEO H-242 is attacked by Allied Northwest African Air Force Hurricane fighters 50 mi. off the Algerian coast. Badly shot up, the flying boat is able to land in Algiers harbor, but then sinks; four passengers die.

After the German occupation of Vichy France in November, **Deutsche Lufthansa, A.G. (DLH)** takes over the remaining routes, aircraft, and personnel of RAF, ending the transmediterranean service of the four surviving LEO H-242 flying boats. The Latecoere 631 flying boat makes its maiden flight on November 4.

Backed by the Free French, in early 1943 a breakaway unit of RAF in North Africa begins weekly Algiers–Dakar flights employing the Liore et Olivier H 246 flying boats *Mauritanie* and *Oranie*, which have escaped German capture, together with the surviving S-43s of **Compagnie des Chargeurs Reunis, S.A.** On April 19, the **Reseau Aerien Militaire Francais (RAMF)** is established in North Africa, while in Damascus the **Lignes Aeriens Militaire (LAM)** begins Dewoitine D-338 operations to Cairo and then to Algiers (connecting with RAMF), Khartoum, Tananarive, and Pointe Noire.

RAMF and LAM are placed under the control of the Free French **Directions des Transports Aeriens (DTA)** on February 24, 1944, "for the

duration plus six months." DTA is reorganized on June 22 and three divisions are established: from Algiers, Réseau Central links liberated portions of France with Dakar and Madagascar; from Dakar, Réseau Occidental handles the link to West and Equatorial Africa; and from Damascus, Réseau Oriental is charged with the routes to Madagascar and Tehran. When the Germans blow up the hangars at Etang de Berre in August, the Latecoere 521 and 522 flying boats are destroyed. The Réseau Métropolitain is opened at Paris on November 16 and limited service to London is restored.

On February 12, 1945, a new airline organization, **Reseau des Lignes Aeriennes Francais (RLAF)**, is established under the direct authority of the Air Ministry in the new French civil government.

The first of 28 Douglas C-47s (military DC-3s) are now received and placed in service. Weekly roundtrip service is inaugurated in February from Tananarive, Madagascar, to Mauritius via Reunion.

The French civil aviation industry is nationalized on June 26 and the operations of DTA are taken over by RLAF. Gen. Charles de Gaulle recruits former member of parliament and engineer Max Hymans to serve as managing director and administrative supervisor of the growing carrier.

A fleet of Junkers Ju-52/3ms is assembled; 28 airliners are ordered from Douglas and Lockheed and 95 from French manufacturers. An RLAF Ju-52/3m reopens regularly scheduled Paris-London (Croydon) service on October 22. The government announces that, effective December 31, RLAF will be abolished and control of the entire French civil air network will be entrusted to new Chairman Hymans' nationalized **Societe Nationale Air France**.

At year's end, the French join IATA. The fleet now includes 9 Dewoitine 338s, 13 Lockheeds, 5 Ju-52/3ms, 5 Bloch 221s, 2 Farman 2200s, 2 LEO 246s, 1 Amiot 354, 1 Wibault 282, 1 Potez 54, and 25 miscellaneous units.

In 1946, the first of 30 SNCASO SO-30s and 25 SNCASO SO-90s are delivered as are the first 12 of 40 SE-161 Languedocs. The fleet increases rapidly to 130 aircraft, including 9 surviving prewar Dewoitine D-338s and new Douglas DC-4s. Gen. Henri Ziegler, chief officer of the Free French AF in England in 1944, is named deputy general manager under Managing Director Henri Desbriueres. Work begins on the renewal of bilateral air agreements with foreign governments plus the signing of new instruments.

In April, the second SNCASE SE-161 Languedoc makes a proving flight to West Africa. A demonstration flight by another Languedoc is made to London (Northolt) on May 13-14 and later in the month trials are conducted with the aircraft over the Paris-Algiers route. Regularly scheduled Paris to Algiers SE-161 flights commence on May 28.

During the year, the Dewoitine D-338s operate the company's Paris to Nice route while four Lockheed L-049 Constellations, taken as interim capacity pending the later delivery of L-749s and L-749As, arrive at the beginning of June.

The arrival of a DC-4 at Rio de Janeiro from Dakar on June 17 marks the resumption of French service from Paris to South America. The first scheduled postwar AF transatlantic service is flown by an L-049 Paris-New York on June 24. Paris-New York DC-4 service is started on July 1.

Also in June and July, SE-161 Languedocs replaced AAC-1s (French-built Junkers Ju-52/3ms) on routes from Paris to Casablanca via Oran and Paris to Marseilles, respectively. An airliner crashes in the Wicklow Mountains, near Dublin, on August 13; 23 are hurt. The company suffers a horrific September.

A DC-3 with 5 crew and 17 passengers, crashes near Kjøge, Denmark, on September 3; there are no survivors. An So-30 crashes near Storehede, on Zealand Island, Denmark, on September 4 (23 dead). On September 5, an SE-161 crashes into a Paris factory yard (20 dead). A DC-3, with 5 crew and 26 passengers, fails its initial climb away from Le Bourget Airport at Paris on September 9 and crashes (19 dead).

By year's end, a European network has been reestablished, service has begun again over the South Atlantic to Buenos Aires, as well as to Saigon.

Early in 1947, ten Languedocs are upgraded with Pratt and Whitney powerplants. On February 1, a DC-3 with 5 crew and 11 passengers crashes in a storm 13 miles north of Lisbon during its initial approach (15 dead).

An L-049, en route from New York to Paris with 17 persons and peace treaty texts aboard, lands safely at Casablanca on February 20 after flying 600 miles with its two starboard engines stopped.

On March 3, the carrier resumes its prewar Far East route with Shanghai as its terminus. On March 14, a DC-3 with 5 crew and 18 passengers crashes near Grenoble; there are no survivors and the wreckage is not found until next day.

On April 18, the first L-749 is received and will be placed on the New York run during the summer.

Edinburgh to Paris flights begin on June 24 and transatlantic frequencies are increased to five-per-week on June 27. Three Latecoere 631s are received (only one is christened, the F-BANU *Guillaumet*) and enter service on July 26 over the Biscarosse-Port Etienne-Fort de France route. New York City to Paris sleeper service begins on September 8 and, late in the year, an alliance is signed with **Royal Air Maroc** providing for joint flights on the Paris to Casablanca route.

Also during the year, the company becomes a limited company, with shareholding divided between the government (70%), public institutions (28%), and private investors (2%). The huge state stake insures that the Ministers of Transport and Finance will dominate appointments to the airline's board and control its management. It also ensures that, although the airline will be expected to cover its expenses, the company will fly various routes (e.g., Indochina, Berlin) deemed to be in the public interest.

A DC-4 inbound from Brussels hits trees while landing at Paris on January 7, 1948 (15 dead). The DC-3s on the Le Bourget and London (Heathrow) route are replaced, on January 19, by SE-161 Languedocs.

A DC-4 with six crew fails takeoff from Kano, Nigeria, on April 10 (one dead). On April 29, under the command of Capt. Loubry, an L-749 makes the first commercial nonstop Paris to New York flight; SE-161 Paris to Barcelona flights begin on June 12.

On June 16, AF is established by law as a mixed economy company and the French national airline; its named is changed from Societe Nationale Air France to Compagnie Nationale Air France, S.A. Banks and private interests hold 30% shareholding with the French government owning the remainder. Majority ownership in the Lebanese carrier **Compagnie Generale de Transports, S.A.L.** is surrendered; however, the former subsidiary is given ex-AF Ju-52/3ms and a minority interest is maintained.

A DC-4 with 4 crew and 8 passengers is damaged beyond repair while landing at Orly Airport, Paris, on July 12; there are no fatalities.

On Bastille Day (July 14), the company's L-049 BAZQ makes the first passenger departure from New York's new Idlewild Airport. Prior to takeoff, the occasion is marked by speeches from a tricolor decorated platform festooned with flags and peopled by VIPs as well as children in traditional French costumes.

On August 1, a six-engine, 73-ton Latecoere 631, en route from Fort de France, Martinique to Port Etienne, West Africa, with 52 aboard, is reported missing. A search is begun employing, among other resources, seven USAF Boeing B-29 Superfortress bombers. A USCG vessel finds mid-ocean wreckage on August 6; there is, however, no sign of survivors and the search ends two days later.

New York City to Rome via Boston and Paris service is initiated on October 20. By employing interlined LANSAs and TACA planes to Caracas, the company is able to set a 37-hr. record for Bogota to Paris service as of December 19.

The French flag line's route network now stretches 188,000 km. and is the longest in the world. The employment rolls show 11,150 personnel at year's end.

In January 1949, the carrier is able to purchase an L-749 from the Mexican airline **Aerovias Guest, S.A.**, which has found it unprofitable after only four months. During the year, several surviving Bloch 220s

are converted to Bloch 221 standard and are employed on routes from Paris to Geneva, Zurich, and Strasbourg.

It is reported on July 1 that, during the last year and a half, the company has purchased \$6 million in spare parts for its American-made aircraft, \$1 million of which has been financed with money received from the U.S. Marshall Plan. This information follows the formulation of a plan from the French aircraft industry, put forward on June 1, for a spare parts program of its own.

On July 16, New York City to Lydda service is resumed. The **American Airlines** DC-4 *Flagship St. Paul* is purchased on August 30; since June, the state carrier has received eight other AA four-engine Douglas transports, including the *Flagship Dallas*, *Flagship Buffalo*, *Flagship Cleveland*, *Flagship San Antonio*, and *Flagship New Orleans*.

As a result of a troublesome undercarriage problem, AF begins to withdraw its SE-161 Languedocs in the fall.

A C-54A is destroyed at Karachi on October 20. On October 28, en route from Paris to New York City via the Azores, an L-749 with 11 crew and 37 passengers crashes into 3,500-ft. Mt. Algarvia on Sao Miguel Island, 60 mi. from Santa Maria in the Azores. Among the 59 casualties is former world middleweight boxing champion Marcel Cerdan.

A month later, on November 21, Paris-Australia Constellation service is begun. A C-54A with 5 crew and 33 passengers is lost while on final approach to St. Just Airport, France, on November 28 (five dead).

Four L-749s, including *Clipper Monarch of the Skies*, are acquired from **Pan American World Airways (1)** in December and a total of 17,000 passengers are carried on the North Atlantic routes during the year.

At the beginning of 1950, the fleet includes 4 L-049s, 15 L-749s, 33 DC-3s, 28 DC-4s, 3 de Havilland Dominies, 2 Junkers Ju-52/3ms, and 2 Consolidated-Vultee PBV-5A Catalinas.

Between January-February, all four L-049s are sold to **Transcontinental and Western Air Lines (TWA)**. A DC-3 with three crew aboard runs off the runway following its February 16 landing at Cadjehoun Airport at Cotonou, Benin; although the aircraft must be written off, there are no fatalities.

Also in the first quarter, three DC-4s are purchased from **Skyways, Ltd.** of the U.K. Also during the first quarter, the former **Pan American World Airways (1)** L-749s, with seating for just 16 in their cabins, introduce "The Parisian" deluxe sleeper service to New York.

On April 8, a new New York to Paris Constellation speed record is set of 11 hrs. 11 min. New York to Saigon L-749 flights begin on April 14, followed by the beginning of Paris to Milan Constellation service on May 13. The company establishes a Paris to New York L-749 speed record on May 23: 13 hrs. 50 min.

En route to Paris from Saigon on June 12-13, a DC-4 with 8 crew and 44 passengers crashes into the Persian Gulf while on final approach to Bahrain (42 dead). Two days later on June 14, another DC-4 with 8 crew and 45 passengers also goes down at Bahrain while on final approach (40 dead).

Amphibious operations are ended in the West Indies on July 1. While en route from Saigon to Vientiane on August 21, DC-3 crashes, but no one aboard is hurt. The company installs the first worldwide flight-insurance dispensing machine at New York (IDL) on November 2. Passenger bookings for the year rise to 775,000, including 21,000 on the transatlantic routes; 38 million FTKs are also operated.

En route from Douala, Cameroon, to Paris on February 3, 1951, a DC-4, with 6 crew and 23 passengers, crashes into Mt. Cameroun, near Douala; there are no survivors. On March 21, the American CAB grants the company a New York City to Martinique and Guadeloupe route as well as a Houston stop on its new New York to Mexico City service. An L-749 flies from Paris to Cairo on April 14 in a record 6 hrs. 48 min.

Despite inadequate financial support, the government, to stimulate the national aircraft industry, requires that the carrier purchase a number of planes from Breguet at a very high cost; the Air Ministry pledges participation in their depreciation costs. Chairman Hymans complains that this approach is inappropriate and is granted permission to order additional British and U.S. aircraft as well.

As the result of an in-flight structural failure, the pilot of a DC-3, with four other crew aboard, loses control and the aircraft crashes at Moisville on August 11; there are no survivors.

Reconfigured 44-passenger SE-161s are placed on the lesser services to Oran, Algiers, Tunis, Bone, and Constantine. **Air Vietnam, S.A.** is established on October 1, with AF providing support and holding one-third interest. The new Saigon-based carrier also signs a block-space code-sharing agreement for seats on one of AF's four weekly Constellation flights from Saigon to Paris.

Also in October, the French major becomes the first non-British operator to order the Vickers Viscount 700 turboprop, requesting a dozen V-708s.

Company employees stage a strike between December 20-31. The workers are displeased by a new plan from the Transport Minister that will result in the carrier's pilots being granted special status and relatively high wages.

Enplanements for the year total 982,553, of which North Atlantic bookings reach 24,000.

A Junkers Ju-52/3m with six aboard crashes while taking off from Andapa, Morocco, on January 1, 1952. Service is now started to Tokyo, via Saigon. An L-749 flies from Montreal to Paris on January 12 in a record 9 hrs. 43 min. On March 3, an SE-161 Languedoc, experiencing wing flap and engine failure, fails its takeoff from Nice-le-Var and crashes (38 dead); among the fatalities is Brooklyn ballerina Harriet Toby.

On April 7, another Languedoc is destroyed in a nonfatal crash at Paris (Le Bourget). En route from Frankfurt to West Berlin on April 29, a DC-4 is attacked over Koenigern by two Soviet MIG-15s. Two passengers and a steward are hurt, but the badly damaged aircraft is able to land safely at Berlin's Tempelhof Airport. Paris-New York-Mexico City L-749 service begins on April 30.

The last SE-161 frequency is flown on October 26; several of the withdrawn Languedocs are transferred to **Air Liban, S.A.L.** The company's new de Havilland Comet I jetliner makes the first nonstop Dakar to Paris flight on October 30; a month later, on November 30, it completes the first Paris to Tokyo roundtrip flight. Other new services introduced include Paris to Mexico City and Paris to Caracas and Bogota via Martinique. **Air Laos, S.A.** is established at Vientiane during the fourth quarter, with AF taking a minority stake (30%).

Although North Atlantic passenger traffic drops to 23,000, overall passenger boardings pass the million mark for the first time (1,740,707). The year's statistics show revenue passenger miles up 16% to 928.27 million and freight traffic advancing by 22%. In terms of unduplicated mileage, AF is now the world's biggest airline.

Six-stage Paris-Bogota L-749 service over the Central Atlantic begins on January 22, 1953. At this point, the government halts its subsidy of routes that the airline flies in competition with other French carriers.

The first of 12 ordered Breguet 763 Provences start flights over two routes from Lyons on March 16: to Marseilles and Algiers and to Marseilles and Tunis. Next day a DC-3 crashes at Tourane (eight dead).

A Ju-52/3m, with four aboard, fails its takeoff from Miandrivazo, Morocco, on April 10 and crashes; there are no survivors. On May 25, a Constellation en route to Paris with 34 aboard fails its takeoff from Amsterdam and crashes; all aboard the L-749 are safe, but two motorists on a nearby Dutch road are killed as the plane runs off the runway.

On an August 3 flight from Beirut, an L-749A with 8 crew and 34 passengers makes a forced landing in southwest Turkey, near the community of Yazihan (four dead). Paris to Beirut, via Rome, DeHavilland Comet I jetliner operations begin on August 26.

En route to Saigon from Paris on September 1, an L-749 with 9 crew and 33 passengers crashes into Mt. Cemet in the French Alps near Barcelonnette; there are no survivors and two people are killed on the ground. The crash site is hurriedly searched for secret documents, which are recovered in a diplomatic pouch.

On September 15, AF becomes the second airline (and the first non-British) to begin Vickers Viscount operations. Weekly nonstop

L-1049C Luxury Service flights are begun from New York to Paris on November 20.

A number of L-1049C Super Constellations join the fleet during the third and fourth quarters and are assigned to the transatlantic service; their sleeper flights to New York are now called "The Golden Parisian." The new Viscount 708s are employed on the regular Paris–London service, beginning on December 2 with the lunchtime Epicurean frequency. Late in the year, the carrier joins with other French airlines and aircraft manufacturers to form **Societe Auxiliare de Gerance et de Transports Aeriens (SAGETA)** to make certain that a regular aerial supply system is available to support the government's Indochina operations.

North Atlantic bookings skyrocket to 33,000. At year's end, the fleet includes 127 aircraft: 40 DC-3s, 25 DC-4s, 21 L-749s, 10 L-1049Cs, 18 SE-161s, 6 Viscounts 708s, 7 Breguet 763s, and 2 Comet IIs.

Comet I service is suspended on January 12, 1954. The next day, an L-1049C tops a day-old **Trans World Airlines (TWA)** Paris to New York record flight with one of its own: 9 hrs. 55 min. Daily New York to Mexico City Constellation service is started on January 19 while Paris–Mexico City L-749 flights begin on March 27. The same day, an L-1049C flies from Mexico City to New York City in a record 6 hrs. 29 min. Paris–Stockholm service begins in late spring.

Also during the spring, orders are placed for 14 L-1049Gs. As the result of a series of crashes by aircraft of other airlines, all of the company's de Havilland DH 106 Comet I jetliners are grounded in mid-April and withdrawn. Nonstop London–Marseilles DC-4 flights are started on May 21.

On August 3 en route from Paris to New York via Shannon, an L-1049C with 8 crew and 29 passengers—out of fuel after being diverted from New York and Boston—crashes and explodes at Preston City, Connecticut; all 37 aboard escape the fiery disaster, but nine are hospitalized. An L-1049C brushes wings with a **British European Airways Corporation (BEA)** Viking over Paris on August 11; both planes land safely, but the Paris airport controller on duty is held responsible for the near collision and fired.

An L-749A must be written off after an accident at Gander, Newfoundland, on August 25; there are no fatalities among the 9 crew and 58 passengers.

An agreement is signed with **Aeroflot Soviet Airlines** on September 5 permitting the startup of Moscow–Paris reciprocal service. Direct Paris to Boston L-1049C service begins on October 7. On November 24, with Premier Mendes-France onboard, an L-1049C flies New York to Paris in a record 9 hrs. 42 min. By month's end, most of the carrier's European routes are being flown by Viscount 708s. In December, the company has only 13 SE-161 Languedocs still on inventory. The year's North Atlantic boardings reach 34,000.

At the beginning of 1955, the fleet includes 18 L-749s, 38 DC-3s, 19 DC-4s, 7 Languedoc 161s, 17 Super Constellations, and 12 Viscounts.

The company's pilots stage a one-day strike on February 21 to protest cuts in the size of plane crews. Also in the first quarter, the former **Skyways, Ltd.** DC-4 *Sky Freedom* is sold to **Air Vietnam, S.A.** On May 27, the prototype of the Sud-Est SE-210 makes its maiden flight from Toulouse. Also during the first half, L-1049Cs introduce Eastern Epicurean service to the Far East.

On September 14, en route from Fort Lamy to Douala in the French Cameroons, a Latecoere 631 crashes at sea (16 dead). A DC-3 with three crew must be written off following a bad landing at Bordeaux on September 21; there are no fatalities.

A strike by ground and maintenance employees and radar and control tower personnel at Paris begins on November 11, limiting the use of Orly Airport to international flights only.

The strike spreads to Marignane Field at Marseilles on November 15 and, on December 22, the French Air Force takes over Orly activities. Despite the job shortage, on December 28 Chairman Hymans announces that his carrier has placed reservations for 24 Sud-Est Caravelle IIs and 10 Boeing 707s. The strike collapses on December 30 when the French government threatens to withhold December paychecks from all those who have not returned to work by next day.

Hidden behind these public activities is the conclusion during the year of the airline's very first marketing studies.

The year's passenger traffic on the transatlantic routes soars to 46,000; overall bookings reach 1.8 million. A total of 61 million FTKs are also operated.

On January 1, 1956, France reorganizes its overseas air network. AF retires from Australia, the South Pacific, and Africa, and those routes are turned over to the independents **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)** and **Compagnie Aeromarine de Transport, S.A. (UAT)**. Two days later, the strike of Paris airport ground personnel official ends.

A DC-3 with five crew is destroyed in a training accident at Nantes on January 24; there are no fatalities. A DC-3 freighter with three crew is lost near Lyons on January 28; there are no survivors.

On February 3, the company is the first to order the Sud-Est SE-210; 12 Caravelle IIs are requested. The ex-American Airlines DC-4 *Flagship Chicago* is purchased on March 5, while airport ground personnel at Paris strike for 24 hours on March 7; Orly's airline traffic is paralyzed. Another AA DC-4, an unnamed unit, is received on April 5.

In early May, the Sud-Est SE-210 Caravelle I prototype is turned over to a company crew for proving flights. On May 27, 15 company stewardesses arrive at New York to serve temporarily aboard **Allegheny Airlines (I)** aircraft in an effort to promote international travel.

Beginning on June 20, the SE-210 prototype is tested as a freighter over a route from Paris–Algiers designed to give crews operational experience before the start of passenger services. On October 3, a Caravelle test aircraft flies from Paris to Nice in a record 1 hr. 18 min. **Royal Air Cambodge, S.A.** is formed on October 15 to provide domestic and international Cambodian air services. AF takes a stake (34%) in the new carrier and also provides it with the DC-3s required to launch its initial services from Phnom Penh.

A Vickers Viscount 708 is lost on a training flight near Dannemois on December 12; all five crewmen aboard are killed.

Reports for the year show North Atlantic boardings reaching 59,000.

In 1957, the fleet totals 131 aircraft. On March 17, Syria bars all AF aircraft and closes the company's offices at Damascus. A DC-3 with 4 crew and 30 passengers fails its takeoff from Biskra, Algeria, on April 8 and crashes; there are no survivors.

A one-day strike by ground crews on April 18 forces the cancellation of all European flights and, on April 21, U.S. citizen J. R. Nash is blown from an L-1049C Super Constellation when a window in its pressurized cabin shatters over northern Iraq during a Tehran to Paris flight.

The first of ten L-1649A Super Constellations, the *Champlain*, makes its delivery flight from Los Angeles to Paris on July 9 in the record time of 17 hrs. 11 min. The use of L-1649As on the New York to Paris service is announced on July 26. One of the new Starliners flies New York to Athens nonstop on September 25.

On December 6, an L-1049G with six crew is lost in a ground accident due to icing at Orly Airport; there are no fatalities. Service to Algiers is suspended. During the year, AF and the new **Deutsche Lufthansa, A.G.** reenter the South Atlantic pooling arrangement ended in August 1939.

Royal Air Maroc is formed with the French flag line a 30% shareholder. **Air Vietnam, S.A.** leases several L-749s for its Saigon–Hong Kong service.

En route from Paris to Oran on December 19, a Languedoc with 95 passengers is rocked by a bomb blast in its forward lavatory. Although the explosion rips a large hole in the fuselage, the aircraft is able to make a safe landing at Lyon some 30 minutes later; no injuries are reported.

A total of 75,000 people are carried across the Atlantic and 449,334 passengers are carried systemwide.

Airline employment stands at 20,000 in 1958. On April 10, a new L-1649A launches the first French polar service from Paris to Tokyo via Anchorage, Alaska. The carrier is the second after **SAS (Scandinavian Airlines System)** to launch a Polar route. Next day, the company is one of four European carriers charged by **Pan American World Airways (I)**

with violating IATA rules by serving full meals disguised as sandwiches on economy flights.

Algiers service is resumed on May 22, but a DC-3 crashes near Moliere, Algeria, eight days later (15 dead). Paris to Moscow flights begin on August 3. Algerian rebels first threaten sabotage against AF and its Paris installations on August 27. Joseph Roos becomes managing director during the fall.

During the year, the Ministry of Transport creates the National School for Civil Aviation to insure the airline a supply of pilots from a source other than the military.

North Atlantic emplanements for the year grow to 91,000.

In 1959, routes are extended to Quito and Lima, via Bogota.

While going around during a training mission over Poitiers on January 8, a DC-3 with 6 crew and 2 passengers goes into the ground; although the aircraft must be written off, there are no fatalities.

On February 11, an L-1049G begins a Phnom Penh to Hong Kong service under wet lease to **Royal Air Cambodge, S.A.** A C-54A is lost under unknown circumstances near In-Salah, Algeria, on April 30.

The first production model SE-210 Caravelle I, the *Alsace*, is introduced on the Paris–Rome–Istanbul schedule on May 6. While preparing for its first roundtrip Paris to Rome flight on June 3, the *Alsace* has a mishap and must be replaced by a Constellation. Paris–London Caravelle service begins on July 27. The company's first B-707-328 Stratoliner is rolled out two days later at Boeing's Renton plant in Washington state.

On August 1, the carrier joins **Alitalia, S.p.A.** and **Deutsche Lufthansa, A.G.** in a pool agreement for services to the Far East. The first Boeing 707-328 Stratoliner is delivered on October 21 and is christened *Chateau de Versailles*. The long-haul fleet now also includes 15 L-749s, 22 L-1049Gs, and 10 L-1649As. North Atlantic boardings pass the 100,000 mark for the first time.

At the beginning of 1960, the fleet includes 11 L-749s, 31 DC-3s, 27 DC-4s, 21 Super Constellations, 8 Viscounts, 12 Breguet 763s, 24 Caravelles, 17 Stratoliners, and 10 L-1649As.

Daily Paris–New York B-707-328 service is inaugurated by the *Chateau de Versailles* on January 31; the frequency is increased to twice daily on February 18 and Mexico City service is offered as an extension of the route. Stewards and hostesses strike on February 20–21, forcing the carrier to cancel a number of flights.

Los Angeles and Chicago to Paris service is begun by the B-707-328 *Chateau de Chambord* on April 1. On April 27, the B-707-328 *Chateau de Chenonceaux* inaugurates flights from Chicago to Paris via Montreal.

On May 6, the carrier joins with **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)** to offer transpacific service to Tokyo via New Caledonia and Tahiti. Also in May, the first anniversary of Caravelle service is celebrated; during that premier year, the carrier's SE-210s have carried 282,000 passengers and orders are now placed for 33 more.

The stewards and hostesses strike again, between July 1 and 6. A blocked-seat pooled arrangement with **Japan Air Lines Company, Ltd. (2)** begins on August 12; under the agreement, a company B-707-328 flies weekly from Paris to Tokyo via the North Pole.

On August 29, an L-1049G from Paris, with 8 crew and 55 passengers, is lost at sea a mile off Dakar while attempting a landing in a rain storm; there are no survivors from the worst disaster in French aviation to date.

Another B-707-328, *Chateau de Compiègne*, is delivered on October 22. Company jet service is halted at Paris by a strike of the increasingly powerful navigators union from December 8 to 26. The job action is resolved in a complete victory for the navigators, who win a salary increase, changes in working conditions, and a pledge to increase by 25% their overall number.

Still, North Atlantic boardings total 154,000 out of 3,055,500 systemwide. A total of 99 million FTKs are operated. Revenues total FFr 1.25 billion, but costs create a FFr 61-million loss.

With support and transferred aircraft, AF and UAT, in cooperation with 11 newly independent French colonies, form the multinational carrier **Air Afrique, S.A.** in 1961, the constitution of which is based on the 1954 consortium agreement of the **SAS (Scandinavian Airlines System)**.

In January, a block-space code-sharing agreement aboard a company B-707-328 replaces the L-1049G previously offering a wet-lease Hong Kong service for **Royal Air Cambodge, S.A.** During the first quarter, an L-1049G is leased to **Tunis Air, S.A.** for a year.

Beginning on April 1, three L-749s are leased to **Air Inter, S.A.** for the five-month summer season. Managing Director Roos now succeeds Max Hymans as chairman.

On the night of May 10 en route from Brazzaville to Marseilles via Fort Lamy, Flight 406, an L-1649A with 9 crew and 69 passengers, suddenly disintegrates at an altitude of 20,000-ft. and crashes and burns in the Sahara Desert, some 30 mi. SW of Ghadamis, Libya. Investigators will conclude that the most probable cause of the loss is a nitro-cellulose explosive.

Tunisia, on July 24, closes El Aouina airfield to AF planes in reprisal for the French failure to evacuate Bizerte.

Flight 272, a B-707-328 with 15 crew and 26 passengers, fails its takeoff from Hamburg for a July 27 flight to Anchorage; although the Boeing must be written off, there are no fatalities.

Also in July, the company's route from Bamako Gao in the new nation of Mali, flown weekly with a DC-4, is turned over to **Air Mali (1) (Societe National Air Mali, S.A.)**.

Flight 2005, an SE-210 Caravelle III with 6 crew and 71 passengers, crashes in fog while on final approach to Rabat on September 12 following a flight from Paris (ORY); there are no survivors. Among the victims is Kuwaiti Prince Sakhri.

An L-1649A Starliner is leased to **Air Afrique, S.A.** in October and a B-707-328B on an Africa to South America flight is grounded at Rio de Janeiro, Brazil, on November 21 because of a dispute involving Capt. Golvao and other Portuguese political exiles aboard. As additional Boeing 707-328/-328Bs join the fleet, the 5 remaining L-1049Es are turned into freighters. North Atlantic enplanements pass 159,000 during these 12 months.

France to Algeria service is suspended on March 18, 1962 over a Secret Army Organization strike in Algeria. Two more Starliners are chartered to **Air Afrique, S.A.** on April 18. In the worst accident involving a single craft in aviation history to date, the *Chateau de Sully*, a chartered B-707-328 with 10 crew and 122 passengers, crashes and burns on takeoff from Paris (ORY) for Atlanta and Houston on June 3 (131 dead); among the victims are 124 members of the Atlanta Arts Association.

Three L-749s and three L-1049Gs are leased to **Air Inter, S.A.** for the summer tourist season.

Coming in from Paris in a storm, a B-707-328 with 10 crew and 102 passengers, crashes into a mountain near Pointe a Pitre, on the island of Guadeloupe, West Indies, on June 22; there are no survivors.

While on a training flight, a DC-3 with eight crew crashes near Coulommiers, France, on July 30 (five dead).

V. Boucard, a Haitian, is held at New York on July 31 for assaulting M. Santangelo during one of the company's flights from Paris that day; the arrest is made under a new U.S. law that allows the arrest of suspects on international flights bound for America. L-1049Gs introduce economy flights from Oujda, Morocco, to Toulouse/Paris under contract to **Royal Air Maroc. Chateau de Vincennes**, the first of an order for four B-707-328Bs, is delivered on December 15.

North Atlantic passenger traffic jumps to 195,000 during the year while systemwide, passenger boardings exceed 3.34 million.

On February 1, 1963, the French portfolio of international air traffic is redistributed; the private **UTA French Airlines, S.A.** receives the remaining AF routes to Africa (except Dakar) and the Pacific. An alliance is entered into with **Air Afrique, S.A. (2)** providing for schedule coordination and ground handling for that carrier at Paris, joint venture catering at Dakar and Abidjan, and through fares; a management contract is also signed.

During the year, the navigators' union negotiates a new pension arrangement. Additionally, over 1,000 employees return from Algeria, all of who receive financial assistance from the company in their search for billets.

A total of 2,806 Paris–New York flights are made and overall enplanements reach 3,455,253.

The workforce reaches 24,030 by 1964. Two additional B-707-328s are purchased and a B-707-328C is ordered for the 110-aircraft fleet. On February 7, the company becomes the ninth airline to reserve delivery positions for the yet-to-be-built Boeing supersonic transport (SST); although six slots are requested, none will ever be utilized. Additionally, a new Washington to Paris one-stop frequency is inaugurated and new Sud-Est SE-210 Caravelle IIIs are leased to **Air Inter, S.A.**

A DC-3 trainer is damaged beyond repair at Oran on September 26. Transatlantic traffic reaches a high of 216,061 as 3,003 Paris–New York flights are made. Systemwide, boardings climb 9.1% to 3,801,158.

The fleet by 1965 comprises 110 aircraft: 25 B-707-328/-328Bs, 41 SE-210s, 9 L-1049Gs, 26 DC-4s, 25 DC-3s, and 6 Breguet 763s.

On April 1, a pooling agreement is signed with **Alitalia, S.p.A.**, **Deutsche Lufthansa, A.G.**, and **Japan Air Lines Company, Ltd. (2)**. The arrangement provides for joint maintenance and technical support and is actually a preliminary pact to the larger ATLAS group accords signed later.

The Breguet 763s, now converted into Universal freighters, begin all-cargo service from Paris to London in mid-April. On April 26, company directors report that more than three-fourths of their crews suffer psychologically from rapid transitions through time zones on long distance flights. Of 312 personnel surveyed by the Aerospace Medical Association, 30% require at least three nights' sleep to recover from the effects of Paris to New York roundtrips. On September 1, pilots strike over the status of copilots.

Passenger boardings for the year top the four-million mark (4,083,583); a total of 153 million FTKs are also operated. Revenues total FFr 1.86 billion and a profit of FFr 34 million is generated.

Airline employment stands at 25,632 in 1966. The last nine L-1049Gs are withdrawn at the beginning of the year. On January 15, the carrier announces its first "Air Cruise," a 29-day trip to 29 cities in 11 nations, highlighted by gourmet meals en route. Also in January, Breguet Universal all-freight flights commence from Paris to Bristol.

To operate charter and inclusive-tour flights, the wholly owned subsidiary **Air Charter International, S.A.** is formed on February 7 as four additional B-707-328Bs are delivered, starting with the *Chateau de Dampierre*. An L-1649A Super Starliner is sold to the South African independent **Trek Airways (Pty.), Ltd.** in April.

SE-210s transferred from the parent allow Air Charter International, S.A. to begin revenue services in July. Weekly B-707-328 service is inaugurated on September 20 between Paris and Shanghai via Athens, Cairo, Karachi, and Phnom Penh.

Weekly roundtrip B-707-328B service is launched in November from Paris to Mauritius via Djibouti and Reunion. During the year, the company becomes the initial launch customer for the Fokker F.27-500.

Enplanements in the 12 months total some 4.53 million.

Three additional B-707-328s and five more SE-210s join the fleet in 1967, while an L-1049E freighter is leased to **Air Cameroun, S.A.** Chairman Roos is succeeded by Georges Galichon, while former Aeroport de Paris head Pierre-Donatien Cot, an engineer, becomes managing director.

A Convair CV-990A Coronado is leased for the summer on April 10 from the American supplemental carrier **Modern Air Transport**. On August 24, the airline begins to warn its women passengers that Madagascar inspects female arrivals at Tananarive for compliance with its new anti-miniskirt law. A management contract is signed with **Air Mauritius, Ltd.** in December and the two companies begin pooled return services between Paris and Mauritius.

Passenger boardings this year soar to 4,927,789.

The employee population is down by 30 as 1968 begins. AF and **South African Airways (Pty.), Ltd.** commence reciprocal Johannesburg–Paris Air Cargo service on January 20. South Vietnam bans company overflights on February 12 because the airline also serves Cambodia and the People's Republic of China.

Coming into Pointe-a-Pitre, Guadeloupe, on March 6 on a flight from Caracas, Flight 212, a B-707-328C with 11 crew and 52 passengers, ploughs into La Soufriere Mountain at the 3,937-ft. level; there are no survivors.

The first of four B-727-228Cs to be delivered on the year arrives on April 15 while Paris to Leningrad reciprocal service is opened on May 15 in cooperation with **Aeroflot Soviet Airlines**. The carrier resumes operations on June 6 after a nationwide strike shuts it down for three weeks.

Also in June, the first two Fokker F.27-500s are acquired and placed in service on La Poste's Postale de Nuit night-airmail routes; a fleet of 20 will eventually be operated on routes from Paris to Nantes, Lyon, Strasbourg, Mulhouse, Marseilles, Bordeaux, and Toulouse. The first B-727-228 begins operating over the Paris to London (LHR) route on June 27.

On September 11, an SE-210 catches fire and crashes into the Mediterranean off Nice (95 dead).

Due to the May riots and strikes in France, passenger boardings decline to 4,591,853; freight traffic, however, gains by 23%.

Ten additional B-727-228s are delivered in 1969. In March, the carrier joins with **Deutsche Lufthansa, A.G.**, **Alitalia, S.p.A.**, **Sabena Belgian World Airlines, S.A.**, and **UTA French Airlines, S.A.** to form the ATLAS support group. The company's specific role for the consortium is the maintenance of airframes.

A C-54A freighter with three crew fails its takeoff from Paris (ORY) on May 28 and comes to rest 600 m. beyond the runway. Although there are no injuries reported the aircraft is damaged beyond repair.

On August 1, the carrier is charged with violating the U.S. Federal Aviation Act by denying Afro-American James Turner the right to take part in a tour to Africa; the man's lawyers petition the CAB for redress.

Sources in Atlanta reveal that, on August 24, AF settles 62 local claims arising from the 1962 Paris air tragedy for \$5.22 million. Three days later, it is announced that the company has averted a stewardess strike by agreeing to let its hostesses fly until age 50; it will join with the union to establish a mixed committee to judge the "attractiveness" of older female attendants. A stop is added to the Paris–Tokyo service on September 15 near the Angkor Temple ruins in Cambodia.

The pilot of Flight 212, a B-707-328B with 21 crew and 31 passengers, loses control while climbing away from Caracas for Paris on December 4; the aircraft plunges into the sea from a height of 3,000-ft. and there are no survivors.

During the year, the computer reservation system Alpha 3 is turned on; it handles both reservations and check-in procedures.

Enplanements for the year are 5,561,492.

In April 1970, B-707-328 Paris–Tokyo service is begun over a trans-Siberian route, via Moscow. Two new B-747-128s are received on March 20 and 25, respectively, with the first being placed on the Paris–Montreal frequency on April 3.

Fifteen days later, a B-747-128, with 174 passengers en route from the Canadian city to France, is diverted to a safe landing at New York (JFK) after one of its engines catches fire over St. Jean, Quebec. Although there are no injuries, the U.S. FAA orders X-rays of all Jumbo-jets to check for turbine assembly misalignments.

A third B-747-128 arrives in May and a fashion show is presented on the carrier's first B-747-128 flight from New York to Paris on June 19.

Engine trouble on a B-747-128 strands hundreds of passengers bound for Paris from New York on July 2. After being forced to cancel three flights by the plane during the day, the carrier houses its guests at area hotels and seeks other transport for them. A fourth B-747-128 is delivered on July 14 and three more B-727-228s are also delivered during the rest of the year. A final piece of news is the opening of a new hangar, No. 7, at Paris (ORY).

Passenger boardings during the 12 months rise 8.4% to 6.1 million, with 355 million FTKs also operated. Revenues reach FFr 3.26 billion and profits of FFr 12 million are generated.

In terms of enplanements, the state line is now the 14th largest in the world; it is 11th in terms of freight, 6th in terms of employment (27,593), and has the 10th largest fleet (97 aircraft).

Routes are extended to Rangoon, Cologne, and Addis Ababa in 1971 and the fifth B-747-128 is delivered on March 16. The Alpha-3 Univac 1108 computer reservations system is upgraded to enable the booking of hotel guests. In addition, a fully automated, 250,000-ton capacity air cargo center is occupied at Paris (ORY).

Following the arrival of an airliner at Israel's Lod Airport on April 11, airport security personnel take into custody two beautiful girls in mini-skirts acting strangely; upon examination, their suitcases are found to be loaded with explosives being taken to international terrorists.

Beginning on April 25 and continuing through October, AF offers special, luxury "Renaissance" tours of Europe costing \$185 each day, exclusive of airfares. Meanwhile, in July, a management contract is signed with **Cameroon Airlines, S.A.**

A total of 6,249,931 passengers are carried for the year.

The workforce in 1972 stands at 28,790. Three additional B-747-128s are acquired between February 2 and March 1, allowing polar Paris-Los Angeles flights to be inaugurated. In May, **Air Charter International, S.A.** begins B-727-228 service with Boeings leased from the parent.

On May 31, three members of the *Sekigun* (Japanese Red Army) travel from Rome to Lod Airport in Israel aboard a company aircraft. Getting off the plane, they attack targets of opportunity in the terminal, killing 25 persons and wounding 70 others as part of a compact with Black September.

A consignment of diamonds valued at more than \$500,000 is stolen from a B-747-128 carrying them from Israel to Hong Kong on October 10. Ten days later, the Airbus Industrie A300B prototype, the first wide-bodied commercial airplane produced by the European aircraft industry and ordered by AF, makes its maiden flight.

En route from Guadeloupe to St. Martin, 12 passengers aboard a small aircraft chartered by the carrier are killed in a crash near the latter destination on Christmas Day.

During the year, a Cargo Division is created and passenger boardings jump 14.7% to 7,327,000.

Two more B-747-128s arrive on February 21, 1973 in a rare double jetliner delivery. B-747-128 Paris-Mexico City via Houston service is launched, as are reciprocal flights between Paris and Saigon in cooperation with **Air Vietnam, S.A.**

On August 10 the carrier joins with **UTA French Airlines, S.A.** to announce that passenger flights to Cambodia are suspended because of that nation's military situation. An F.27-500 freighter with three crew is destroyed as the result of a bad landing at Strasbourg on August 11; there are no fatalities.

A B-707-328 lands at Peking from Paris on September 8, initiating new scheduled services between both capitals. During the year, four Transall C-161 freighters are leased for five years from their Franco-German manufacturer and are placed in service on the Postale de Nuit night airmail routes. Boeing 707-328Cs inaugurate one of the world's longest air routes (10,774 miles) between Tokyo and Lima via Tahiti; the twice-weekly flights are the first to link Japan and South America.

On October 18, D. Cravenne, the 43-year-old wife of a Paris public relations director, hijacks a B-727-228 carrying 110 passengers during its flight from Paris to Nice. Cravenne had demanded that she be flown to Cairo and that all air traffic in France cease for 24 hrs. When Marseilles police move toward the plane, she opens fire and is fatally shot by French police.

The 11th B-747-128 arrives at Paris on December 21. The next day a French appeals court reverses a ruling against C. VERNY-Forrer, the airline's in-flight entertainment chief. VERNY-Forrer had been successfully sued by P. Valette for permitting the screening of the adult film *Benjamin* aboard a jetliner on which his ten-year old daughter was a passenger.

The workforce is reduced by 90 employees during the year and, despite a two-week French air traffic controllers strike and increasing fuel prices, freight is up 20% and passenger boardings rise 5% to 7,691,709.

Airline employment reaches 30,335 by 1974. On January 1, Gilbert Perol becomes president and two more B-747-128s are delivered, on February 8 and March 21, respectively.

Mechanics, cargo and dispatch workers walkout on January 9.

A brief strike by pilots and flight engineers beginning on April 10 forces cancellation of most of the line's scheduled flights.

In addition, fuel expenditures rise sharply during the month as a result of the previous year's Mideast oil action, but, due to IATA regulations, the company will not be able to revise its fare schedule before the end of the year.

The first three of six ordered Airbus Industrie A300B2-1Cs are delivered on May 11.

The American FAA investigates the refusal of Capt. Pierre Espece to make an emergency landing after his B-707-328B encounters heavy turbulence near O'Neill, Nebraska, on May 12, resulting in significant injuries to ten persons. Instead of landing at the nearest airport for medical assistance as U.S. law requires, Espece continues to Paris, his scheduled destination.

One of the new A300B2-1Cs offers the world's first Airbus revenue flight, Paris to London, on May 23. Five days later, the mechanics, cargo and dispatch workers who have been on strike since January return to work; negotiations between management and the IAM continue.

The three new twin-engine European-made Airbus wide-bodies enter regularly scheduled service on May 30 on the Paris-London/Algiers frequencies.

An unusual marketing demonstration of the new Anglo-French Concorde is made on June 17. At 8:22 a.m., one of the new SSTs, in AF colors, departs Boston for Paris; simultaneously, a B-747-128 leaves Paris for Boston. While the Jumbojet is en route, the Concorde crosses the Atlantic, arrives at Paris and takes 1 hr., 8 min. to refuel, and then returns to Boston, where it arrives 11 min. ahead of the Boeing.

An F.27-500 with three crew crashes 20 km. from Nantes on July 24 and catches fire; there are no survivors.

The 15th B-747 is received on October 4; a Dash-228F, it is placed into all-cargo Super Pelican service on the North Atlantic. Management and the IAM reach a mediated agreement on October 30.

Cargo frequencies are also increased to eight Middle East destinations: Tehran, Tel Aviv, Abu Dhabi, Dhahran, Riyadh, Beirut, Jeddah, and Baghdad. All international flights are now operated from the new Charles de Gaulle International Airport, including the just-inaugurated frequency from Paris to Washington, D.C., via Boston. The regional carrier **Air Alsace, S.A.** is asked to provide replacement services from Strasbourg to Rome, Brussels, Amsterdam, and Cologne as well as from Lille to Strasbourg, Milan, and London (LHR).

Cargo traffic climbs 14.5% this year, but passenger traffic dips 1.3% on the year to 7,593,000.

On January 1, 1975, Pierre Giraudet succeeds Georges Galichon as chairman. Concorde proving flights, employing the third production aircraft, resume on May 28 as the airline prepares to launch scheduled SST service. The 16th B-747-128 is received on March 13. As the result of two blown tires and a fire caused by the braking assembly rubbing the runway, a B-747-128 with 18 crew and 376 passengers aborts its take-off from Bombay (now Mumbai) on June 12. There are no injuries reported as all aboard are evacuated before the Jumbojet is burnt out.

The series of test Concorde flights launched in May is concluded on August 2; during the trials, a total of 124 flights are made, transporting 2,500 passengers.

During the summer, a marketing alliance is entered into with **Japan Air Lines Company, Ltd. (2)**. The arrangement will lead to joint cargo service from Paris to Tokyo (NRT) and four weekly code-sharing flights on JAL's route from Tokyo to Papeete.

On October 15, the carrier initiates the sale of seats on the first scheduled flight of the Concorde, to begin January next, between Paris and Rio de Janeiro; the cost of this provisional airfare is \$1,200 or 20% above the then-current first-class rate for a subsonic jetliner. A New York-Seychelles Island route is opened late in the year.

Boardings rebound, climbing 5.9% to 8,038,632 and freight traffic accelerates 15.8% to 753.32 million FTKs. Although revenues total FFfr 6.6 billion, there is a FFfr 354-million loss.

In cooperation with **British Airways, Ltd. (2)**, AF inaugurates the era of commercial supersonic aviation on January 21, 1976, by operating the first scheduled Concorde flight from Paris to Rio de Janeiro via Dakar. The Senegal refueling stop requires an hour and the entire trip takes 7 hrs. 25 min. The service is twice weekly and is followed in April with a weekly run from the French capital to Caracas.

Meanwhile, U.S. transportation secretary William T. Coleman announces on February 4 that the Anglo-French SST will be allowed to land at New York (JFK) four times per week and Washington, D.C. (IAD) twice weekly for a 16-month trial period.

As if in comparison, the B-707-328 *Chateau de Compiègne* is retired on March 31.

Thrice-weekly, nonstop B-747-128 Paris–Toronto flights begin on May 21. Thrice-weekly Paris–Washington, D.C. (IAD) Concorde service begins on May 24, just after President Valéry Giscard-d'Estaing has employed one of the SST's to make a state visit to Washington, D.C. The May 24 American visit is, in fact, quite spectacular as a company SST makes a joint landing with a ship from **British Airways, Ltd. (2)**. With the two supersonic transports parked nose-to-nose, American, British, and French officials in elaborate ceremonies make presentations and speeches referring to the Dulles events of the day, as well as the U.S. bicentennial.

Under reported at the time, a near tragedy occurs on Flight 54, an AF Concorde, as it departs Washington, D.C. (IAD) for Paris on June 14. In retrospect, the event will prove remarkably similar to the first fatal Concorde crash at Paris 21 years later.

As the SST is on its takeoff roll, ATC notices flame and smoke coming from the area of the left main landing gear. After liftoff, the aircraft, with warning bells sounding, makes a tower flyby where it is confirmed that the two left rear tires have burst and been destroyed. An emergency is declared and although the crew plans to divert to New York (JFK), hydraulic pressure falls and it proves impossible to retract the landing gear; at this point, the pilots receive confirmation that there is a hole in the wing and that they are trailing a vapor stream. Permission is received to return to Dulles International and, after dumping fuel for seven minutes, the speedy plane makes a successful emergency landing, with no injuries reported. An evacuation is carried out as fire trucks pour foam onto the fuselage and leaking engines. Foreign object damage to the No. 2 engine causes it to seize up when shut down and, upon further examination, it is found that 3 fuel tanks have been punctured a total of 13 times. A 3'-4' hole, made by wheel rim and tire pieces, is found in the top wing skin's removable panel above the left landing gear.

On June 27 after takeoff from Greece, Flight 139 en route from Tel Aviv to Paris via Athens is suddenly seized over the Mediterranean by two PFLA and two Bader Meinhof gang armed hijackers. Following a refueling stop at Benghazi, Libya, the A300B2-1C is thereafter diverted to Entebbe, Uganda, where it lands before dawn next day. The 256 passengers and 12 crew are taken to an old terminal building, where they are met by five terrorists who had arrived earlier. President Idi Amin's army provides additional security by surrounding the airfield. Thinking themselves safe, the terrorists open negotiations, demanding freedom for 53 comrades imprisoned in five nations in exchange for the lives of their captives. Over the next week, all but 103 Jewish hostages and the French crew are released.

Led by a B-707-358C disguised as President Amin's personal aircraft, four Lockheed C-130s, containing the antiterrorist Unit 269 led by Colonel Jonathan Netanyahu, brother of the future Prime Minister of Israel, depart Ophira in *Operation Thunderball* on July 2.

Flying below radar level down the Red Sea, the aircraft cross over Ethiopia and land at Entebbe in the dark. Surprise is complete. All of the terrorists are killed in the 53 min. operation, as are two hostages (a third, British lady, Mrs. Dora Bloch, who is in the hospital, is murdered by Ugandan soldiers), and 20 Ugandan soldiers. The only Israeli death is that of Col. Netanyahu himself, shot by a sniper. The hostages are flown out via Nairobi, Kenya, where the commandos force the local airport officials to provide fuel and assistance. Although several Ugandan MIG

fighters are destroyed in the operation, President Amin will allow AF to retrieve its airliner several weeks later.

Coming as it does on the eve of the U.S. Bicentennial, the exploit is widely heralded and results in the production of two made-for-television motion pictures during the following year: *Raid on Entebbe* and *Victory at Entebbe*. A number of books are also released, including Yestayahu Ben-Porat, Eitan Habert, and Zeev Schiff, *Entebbe Rescue* (New York: Dial Press, 1977); Max Hastings, *Yuri: Hero of Entebbe* (New York: Dial Press, 1979); Yehuda Ofer, *Operation Thunder—The Entebbe Raid: The Israelis' Own Story* (New York: Penguin Books, 1976); and William Stevenson, *90 Minutes at Entebbe, with Material by Uri Dan* (New York: Bantam Books, 1976).

A Caravelle III, with 21 passengers and preparing for departure to Bangkok, is captured on the ground at Ho Chi Minh City's Tan Son Nhut Airport on August 28 by a lone assailant with a grenade. After the others are released, police rush the plane; the unstable pirate drops his grenade, killing himself and damaging the airliner beyond economical repair.

Seven masked men come aboard a B-707-328 at Ajaccio on September 7 and set dynamite charges, which explode destroying the aircraft on the ground.

The second Jumbojet freighter, a B-747-228F, is received on October 13 and, when a joint announcement is made from London and Paris on November 2 confirming an end to Concorde production, airline executives have four aircraft in hand with three more awaiting delivery.

Overall, passenger boardings for the year increase 7.4% to 8,635,074 (cargo soars 26.4%) and AF is now second among world airlines in terms of passengers carried over international routes. The loss of \$34 million on the Concorde service, together with rising total expenses, results in an \$80-million net loss for the year. The government, meanwhile, delays its subsidy payments, thereby increasing the company's debts and financial charges.

A third Concorde is delivered and the fleet in 1977 comprises, in addition to the SSTs, 17 B-747s, 8 A300B2-1Cs, 27 B-707-328s, 20 B-727-228s, 1 B-737-228, and 28 SE-210s. All of these are now given new livery; as introduced on Concorde the previous year, the color schemes feature white fuselages with large blue titles and red, white, and blue flashes on tails.

For their introduction of Concorde the previous year, AF and **British Airways, Ltd. (2)** in January share the 1976 "Airline of the Year Award" from *Air Transport World* magazine. The first B-747-228B Combi (BC) is accepted on April 4 as a B-707-328, the *Chateau de Pan*, is sold to **Royal Air Maroc**.

A Concorde en route from Washington, D.C. to Paris with 71 aboard makes a nonscheduled stop at Halifax, Nova Scotia, on April 13 because of engine failure.

On August 12, Egyptian student Tarek el-Khatr hijacks a Cairo-bound A300B2-1C with 242 passengers just after takeoff from Paris and forces it to land in Brindisi, Italy. The pilot manages to push the pirate out of the cabin and into the arms of police as the aircraft is being refueled.

On September 22, President Jimmy Carter approves a Transportation Department decision to allow the Anglo-French Concorde to land at any U.S. airport upon agreement of local officials. The second B-747-228BC is received on September 30.

After months of noise-monitoring tests demonstrate that the SST can meet U.S. environmental requirements, daily Paris to New York Concorde flights commence on November 22. The inaugural day is every bit as spectacular as that at Washington, D.C. had been the year before. At 8:30 a.m., a company SST, whose 100 passengers had paid \$850 each, arrives simultaneously with a unit from **British Airways, Ltd. (2)**. As before, ceremonies and speeches for the media mark the occasion.

A strike by pilots and technicians ground the airline on November 27, except for its Concorde service. En route from New York to Paris on December 1, another Concorde develops engine trouble and is forced to make an emergency landing at Shannon. A 24-hour national strike on December 1 shuts the carrier down.

A second strike, seven days later, forces the airline to cancel 103 of its 165 scheduled flights. A Concorde is required to make an emergency landing at New York (JFK) on December 11 when one of its four engines fails. During the year, a management contract is signed with **Air Gabon, S.A.** A total of 9,255,225 passengers are carried. The French government now agrees to pay for losses caused by Concorde service, as well as the costs associated with the carrier's transfer from Orly Airport to Charles de Gaulle.

The workforce totals 32,383 in 1978. Engine problems continue for the Concorde. On January 9, a SST, en route from New York to Paris with 35 aboard, is forced by an engine oil leak to return to New York (JFK).

On January 26, a new relationship between the airline and the government is established by means of a management contract. Under terms of the renewable document, the airline is seen as an independent agency that must generate an annual profit. It is given the freedom to determine its long-term policies and to halt service on "artificial or unprofitable" routes that had previously been flown because they were in the "public interest."

At a cost of \$94 first-class and \$70 economy-class, the airline begins haute cuisine service between Houston and Mexico City on March 19.

On April 4, in accordance with a previous agreement, the carrier begins twice-weekly A300B2-1C flights from Paris to Moscow. These are the first flights into the Soviet Union made by a non-Russian manufactured wide-body jetliner. Also in April, an alliance is signed with **Malev Hungarian Airlines** providing for joint operations on the Paris-Budapest route. The first B-747-228BC joins the two B-747-228Fs in expanded air cargo service. On August 7, a B-747-228BC is received; it is followed by receipt of a third B-747-228F two days later.

Air Alsace, S.A. offers replacement service for the major from Strasbourg to Milan and London (LHR). AF enters the low-fare game on December 24 by offering New York to Paris roundtrip flights for \$360 in the off-season and \$389 in peak season.

Boardings pass the 10-million mark for the first time, up 8.5% to 10,115,000, and freight grows 13.3%. Total revenues exceed \$2.2 billion, and, despite a \$23 million loss for the Concorde service, a net profit of \$60 million is posted.

The carrier joins **British Airways, Ltd. (2)** in beginning service between Texas, Paris, and London on January 15, 1979, by way of Washington, D.C. The Texas-D.C. leg is flown subsonic by crews from **Braniff International Airways**, as the overall number of SST frequencies between Paris and Washington, D.C. is doubled to four. The inaugural flight is made in spectacular fashion. After a flight of 2 hrs. 17 min. at Mach 0.95, the American pilots bring an aircraft from each line onto the parallel runways of the Texas airport within 2 sec. of one another. Three weekly roundtrips occur thereafter.

In February, a joint-venture agreement is signed with **LOT Polish Airlines** under which the two companies agree to timetable coordination and revenue-sharing on their routes from Poland to France.

While taxiing on the ground at Frankfurt on March 12, the SE-210 Caravelle III *Dauphin* with 6 crew and 35 passengers collides with a fence and obstruction lights marking construction work, rupturing its right wing tank and losing fuel; all aboard are safely evacuated and there is no fire.

Another B-747-228BC is received on March 28; it will be followed by a B-747-228B on April 28.

Meanwhile, a B-747-128 suffers damage to its wing tip on April 5 after striking a light pole off the runway at New York. On May 15, a new low-cost, high-density Jumbojet service, Air France Vacances, is opened to the French West Indies. The experiment grows to include two dedicated B-747-128s and two A300B2-1Cs.

Service on the trans-Siberian route ends following the Soviet invasion of Afghanistan. Another B-747-228F enters service on September 18 and a Concorde, minutes after takeoff for Paris from New York on October 30, comes within 100 feet of a collision with USAF fighter planes flying in a loose formation at the wrong altitude off the southeast coast of New Jersey.

Bombs are exploded at the carrier's Rome office on December 24, causing damages, but no injuries. The Armenian Secret Army for the Liberation of Armenia claims responsibility.

The route network at year's end stretches 600,000 km. with visits made to 160 destinations.

Freight accelerates 13.4% during the year and passenger bookings rise 6.7% to 10,789,000. Total revenues of \$2.5 billion are earned, but as expenses grow, the net profit drops to \$50.3 million. Still, the latter figure is generated without large subsidy. At the same time, the company is able to finance most of its investments from its own revenues.

Airline employment in 1980 stands at 33,312. Three armed Lebanese are seized as they attempt to board a jetliner at Beirut on February 1. They reportedly plan to hijack the craft to draw attention to the disappearance of Libyan Shiite spiritual leader Imam Musa Sadr.

Two more B-747-228BCs arrive on February 29 and October 17, respectively. Meanwhile, an alliance is signed with **CSA Czechoslovak Airlines** in May providing for joint services on the Paris-Prague route. Unable to accommodate the request from AF and **British Airways, Ltd. (2)** for an increase in frequencies between Washington, D.C. and Dallas-Fort Worth during the upcoming summer season, **Braniff International Airways** on May 31 is forced to cancel its subsonic Concorde use.

A local French Army bomb disposal team is called to Le Raizet Airport at Pointe-a-Pitre, Guadeloupe, on September 17 to deactivate an explosive affixed by some unknown assailant to the hull of a company B-737-228. Unfortunately, something goes amiss during the operation and the bomb explodes, killing the ordnance specialist working on it. The aircraft is badly damaged by the blast.

Business-class service is inaugurated on the New York route on November 1, and is extended to other routes by December 31. Meanwhile, cabin personnel call a one-day strike on December 2 to protest the company's disciplinary action against 11 coworkers.

Despite deteriorating world economic conditions, boardings still increase 1.5% to 10.9 million, and freight traffic rises 4.9% to 1.56 billion FTKs. Operating revenues jump 19% to FFr 14.85 billion (\$2.98 billion), but expenses (led by soaring fuel prices) force the net profit down sharply to \$2.35 million. The impact of the 1979 oil price increases are less severe than those of 1973, primarily because the company is now spacing out its fuel contracts over many months and because it is able to adjust fares to compensate.

Reacting to overcapacity and mounting expenses, belt-tightening measures are adopted in 1981. Even the heavily unionized workforce is reduced, by 0.4%. The government announces on January 6 that it will cover 90% of the losses incurred by the carrier's Concorde operation over the next two years.

During departure from Washington, D.C. (IAD) for Paris on February 19, a left-hand tire on the main gear of a Concorde explodes; the flight, with one engine shut down because of damage-induced vibration, diverts safely to New York (JFK).

In March, the number of Paris to New York (JFK) SST frequencies is increased from 7 to 11 flights each week, 2 of which continue on to Washington, D.C. (IAD) and 2 to Mexico City. Yet another B-747-228BC is delivered on March 25 and the last SE-210 service is flown on March 28.

The last eight Caravelles are retired on April 1; five B-707-328s share the same fate later in the year, replaced by three A300B4-2Cs, a B-747F, a B-747-228C, and four B-727-228s. Business-class is substituted for first-class on European routes, and a new economy-class is introduced.

Plans to change to two-man cockpit crews in the new "Baby Boeings" bring a pilots' strike; implementation of the B-737 flight crew change is only slightly delayed.

On July 4, it is reported that the French government will compensate Israeli survivors held captive by Palestinian and other terrorists at Entebbe in 1976. Israeli Prime Minister Menachem Begin speaks at the Tel Aviv ceremony commemorating the fifth anniversary of the death of Lt. Col. Yehonathan Netanyahu in the rescue raid.

In a telephone call to the company's Beirut office on November 15, a woman states that Armenian extremists, seeking the release of Dmitri Giorgi from a French prison, will blow up an AF plane in flight; no such disaster occurs.

Freight grows 5% to 1.64 billion FTKs and enplanements are up 6% to 11,611,000. A net loss of \$67 million is reported on total revenues of \$2.9 billion.

Airline employment stands at 34,594 in **1982**, a 3.4% boost. Cost reduction measures continue.

An A300B4-2C, with 13 crew and 111 passengers, suffers an uncontained engine failure during the takeoff roll from Sana'a, Yemen, on March 17. The departure is aborted and although the aircraft is damaged, there are no fatalities.

Four Concorde routes are suspended: Rio de Janeiro-Caracas on April 1 and Washington, D.C.-Mexico City on November 1. Paris-Moscow-Tokyo trans-Siberian service is restarted on July 3. The last B-707-328 flight is made—Tunis-Paris—on October 28. A new route is opened to Recife on November 2 while, later in the month, the number of weekly Concorde frequencies from Paris to New York is reduced to seven.

The first of 12 B-737-228s ordered the previous year is delivered on December 15 and during the year five B-747-128s are withdrawn.

The weakening franc, the Falklands War, and the world recession cost the carrier. Passenger boardings grow only 0.1% to 11,607,000 and freight traffic is up only 2.8% to 1.69 billion FTKs. On total revenues of \$2.7 billion, an operating profit of \$20 million is earned; however, an overall net loss of \$120.5 million is suffered.

The workforce grows 0.2% to 34,652 in **1983**. The manager of the carrier's Baghdad office dies of injuries received on March 5 when a booby-trapped package explodes. Two days later, the Iraqi press agency reports that police dismantled a second bomb the same day at the offices of **Kuwait Airways, Ltd.**

Also in the spring, the Concorde visits Dublin for the first time, while the SST also launches the first of 30 charter flights to be flown by December. Meanwhile, the carrier takes the lead in mounting opposition to European airline liberalization. The last of 12 B-737-228s is delivered in June and one more B-747-128 is retired.

En route from Vienna to Paris on August 27, a B-727-228 with 119 passengers is commandeered by four Arabic-speaking Lebanese gunmen, who force it to land at Geneva and Sicily, where all but 20 passengers and 7 crew members are released. The aircraft arrives at Tehran on August 28, where the pirates demand that France cease its military aid to Chad, Iraq, and Lebanon and release Lebanese prisoners from French jails. Ten more hostages are released and negotiations continue. The deadline set by the gunmen expires on August 29 and a new one is set as talks continue. The next day, Iranian authorities block the takeoff of the jetliner after its hijackers pledge to blow it up in flight over Iraq. Unable to escape, the hijackers release their remaining captives and surrender to Iranian authorities.

Stringent cost controls and stabilized fuel prices contribute to a fiscal about-face during the year. Passenger boardings increase 0.9% to 11,715,000 and freight jumps 19% to 2.01 billion FTKs; a net \$11.2-million profit is reported.

The payroll is increased again in **1984**, up 1.7% to 35,232. On January 18, a suitcase explodes in the cargo bay of Jumbojet carrying 261 people on a flight from Pakistan to Paris. The Boeing aircraft is forced to return to Karachi for a safe emergency landing.

Also in January, the management contract with the French government is renewed.

On March 7, Algerian student Ali Chohra, claiming to have explosives, hijacks a B-737-228 with 68 aboard en route from Paris to Frankfurt. He orders it flown to Geneva where Swiss police, disguised as airport staff, overpower Chohra, who has made no demands, nearly five hours after the plane lands; all of the passengers and crew are freed in safety.

The first of three A310-200s (from a five-plane order) to be delivered on the year is placed in service in the spring, along with a seventh

B-747F. New routes are opened to Larnaca and from Marseilles-West Indies. In early July, Marceau Long becomes chairman.

On July 31 three hijackers seize a B-737-228 over Luxembourg with 64 aboard. En route from Frankfurt to Paris, they force its crew to fly to Tehran. The next day, the pirates threaten to start killing their hostages unless the French government frees five Iranians jailed in 1980 for an assassination attempt against former Iranian Prime Minister Shapu Bakhtiar. After making the threat, the hijackers release nine women and a child. On August 2, the remaining captives are taken off the little Boeing, which is blown up just before the pirates surrender. The passengers and crew return to Paris on August 3, amid speculation that the Iranian government may have assisted in the deed.

The number of Concorde passenger charters for the year is increased to 64.

Passenger boardings climb 2.9% to 12,050,000, and cargo jumps 14.8% to 2.41 billion FTKs. The French flag line now handles more freight than any other European airline, save **Aeroflot Soviet Airlines**. Total revenues accelerate 13.9% to \$2.4 billion, allowing a \$76-million net profit, a six-fold increase.

Employment climbs 1% in **1985** to 35,598, as recovery from the woes of the early '80s appears complete. Air France Vacances flights continue and Paris-Naples service is begun in September. A B-747-228BC with 273 passengers must be written off at Rio de Janeiro on December 2 after one of the engine reversers fails to operate. The plane veers off the runway while landing, but there are no casualties.

Bookings this year jump 8.9% to 12.5 million, and freight is up 3.6% to 2.5 billion FTKs. Total revenues rise 8.9% to FFr 30.40 billion (\$4.33 billion), leaving a net profit of FFr 729 million (\$112.9 million) (with Concorde showing a \$9.6-million profit). In terms of total freight carried on the year, AF ranks 4th among all world airlines. It is 19th in terms of passengers carried, 17th in fleet size, and 6th in total number of employees.

The payroll is reduced by 0.9% in **1986** to 35,269. Concorde's tenth anniversary is celebrated on January 21. In a decade of service, the company's SSTs have flown more than 600,000 passengers and operated over 47,000 flight hours. The fleet now comprises 7 SSTs, 24 B-747s, 17 A300B4-2Cs, 29 B-727-228s, 5 A310-200s, 6 B747Fs, and 13 B-737-228s.

A B-747-337 is acquired from **UTA French Airlines, S.A.** on March 28 and a sixth A310-200 is delivered in April, the same month nonstop Paris-Tokyo service begins. Miami and San Francisco become destinations and on July 1, the fortieth anniversary of the New York route is celebrated.

A Lyon service is launched in cooperation with **Austrian Airlines, A.G.** Two more B-737-228s are delivered, one each in August and September. On September 18, another B-747-228BC is ordered and is received in October, joining a B-747-228F received on October 29. At year's end, the Jumbojet received in March 1981 is retired and the French government renews its subsidy of Concorde operations.

Passenger boardings dip 3.6% to 12,045,000 while cargo is up by 11.2% to 2.67 billion FTKs. Revenues jump 4% to \$4.74 billion and the net profit falls to \$93.5 million.

There is only one change in employment during **1987** as former government official Jacques Friedmann is named chairman, succeeding Marceau Long who remains as honorary chairman. The route network grows by the addition of San Domingo as a destination.

When the company, through its new **Europair, S.A.** subsidiary, begins flying into the new London City Airport, it becomes the only airline to service all four airports of the U.K. capital. In April, a second weekly service is initiated from Paris to Tokyo over the trans-Siberian route, while Los Angeles to Tahiti service becomes twice weekly in late May. Also in May, the carrier unveils its Pelican computerized shipment tracking system at New York (JFK); the system keeps an eye on freight shipments between 12, and later 18, major world cities.

Roundtrip Jumbojet Paris to Boston service is inaugurated on June 4 and additional B-747-228B roundtrips are added on the present routes

between Paris and Washington, D.C., Miami, New York, Houston, San Francisco, Los Angeles, and Chicago. Nonstop B-747-228B weekend *Riviera Express* flights are flown from New York to Nice between June 6 and September 12.

Meanwhile, AF is also a founding member of the Amadeus computer reservations system, scheduled to become operational in two years. Orders are placed for 16 B-747-428s, which join a requested shopping list of 25 A320s, 7 A340s, an A310, a B-747-328C, and a B-747-228F; powered by CFM56-5 turbofans, the first A320-131 destined to this launch customer makes its inaugural flight in October.

Customer bookings recover to climb 11.4% to 13,421,000 while freight rises 9.7% to 3.05 billion FTKs. Revenues advance to \$5.2 billion and expenses allow a net profit of \$127.3 million.

The workforce is increased by 1.8% in 1988 to 35,894 and the fleet of Chairman Friedman now includes 7 Concorde, 26 B-747-228/328s, 8 B-747-228Fs, 16 A300B4-2Cs, 26 B-727-228s, 14 A310-200s, 16 B-737-228s, and 4 A320-111s.

In January, Philadelphia becomes the ninth U.S. destination served from Paris (CDG); simultaneously, the company joins with American Express to offer, through February 20, roundtrip transatlantic Concorde service to those passengers using an Amex card to purchase regular, first-class, subsonic roundtrips. The initial daily Paris to Philadelphia B-747-228B frequency is increased to twice daily in March. During the same month, weekly Paris to Santo Domingo flights commence, via Pointe à Pitre, Guadeloupe, and another B-747-228BC is placed into service.

Twice-weekly New York-Nice Jumbojet *Riviera Express* service is operated between April 16 and September 24. Meanwhile, also in April, Vice President-Commercial Jean-Didier Blanchet is appointed president when Henri Sauvan retires. Also this month a B-747-128 is leased to **Air Inter, S.A.** The new subsidiary, Sodexi, an international express cargo operation, is established. The first nonstop Paris to Tokyo service begins in May, bringing the total of weekly flights from France to Japan to nine. Joint cargo flights begin in cooperation with **Japan Air Lines Company, Ltd. (2)**. In the Caribbean, the company undertakes four-times-per-week direct frequencies from St. Martin to San Juan and daily service from San Juan to Pointe à Pitre.

While on low pass along the runway at Basel-Mulhouse Airport on June 26, Flight 296C, an A320-111 with 6 crew and 130 passengers, in a demonstration for **Air Charter International, S.A.** on behalf of the Mulhouse Flying Club, fails its initial climb. Upon reaching an altitude of 100-ft., the brand-new Airbus descends into trees at the end of the runway, continues into a forest, and catches fire (three dead).

On July 24, a Jumbojet with 275 aboard swerves off the runway at New Delhi and crashes into a field; no serious injuries are reported. Late in the summer, specially designed chairs for the mobility-impaired are installed aboard those Jumbojets linking Paris with nine U.S. cities. As a result of the Socialist victory in the summer elections, Chairman Jacques Friedman is replaced by Bernard Attali, a former chairman of the GAN state insurance corporation and a twin brother of one of President Francois Mitterrand's top assistants.

The subsidiary, **EuroBerlin France, S.A.**, is established with **Deutsche Lufthansa, A.G.** on September 9 to fly services into West Berlin. In order to get around Allied restrictions on West German operations into the divided city, 52% of the new airline is owned by the French flag carrier, which appoints its general manager for Germany, Jean Signoret, as general director of the new enterprise. Paris to Tehran flights resume in October and direct biweekly service from San Juan to Paris via Pointe-à-Pitre is introduced on November 4. Three days later, **EuroBerlin France, S.A.** inaugurates Boeing 737-338 services from Cologne, Bonn, Frankfurt, Munich, and Stuttgart to West Berlin's Tegel Airport. Also in November, daily flights begin from Paris to Belfast. These are followed in December by direct Jumbojet freighter service from Lyon and Mulhouse to New York.

Daily Paris-New York roundtrip Concorde flights continue and, during the year, a total of 269 special and charter supersonic flights are un-

dertaken. Ground workers go out on a strike that will last until early in the next year. Their dispute with the employer will cost AF \$62.5 million when 700 flights must be cancelled.

During the year, the company joins with the French postal authority to form the SODEXI express package delivery system. Together with **Deutsche Lufthansa, A.G.**, **SAS (Scandinavian Airlines System)**, and **Iberia Spanish Airlines (2) (Lignes Aereas de Espana, S.A.)**, AF begins to participate in the joint-venture Amadeus computer reservations system. At year's end, a profit-sharing plan is offered to the carrier's workers.

Passenger boardings increase 10.3% to 14,806,000 and freight jumps 7.2% to 3.16 billion FTKs. Revenues advance 8% to \$4.95 billion and allow a net profit of \$190.5 million.

The number of workers grows by 3.4% in 1989 to 37,122. As the year begins, the carrier is the nation's largest exporter of services and sixth largest overall exporter. A weekly B-747F flight is added in February between Paris and Houston. New York-Lyon direct B-747-338 flights commence in March, the same month in which a new cooperative agreement is signed between President Attali and **Air Inter, S.A.** CEO Pierre Eelsen. Under terms of the new pact, AF will operate domestic services within France on behalf of AI and AI will fly regional European routes on behalf of AF, including London (LGW), Madrid, Ibiza, Athens, and Rome, and closer technical cooperation will occur.

An agreement is signed with Smithsonian Institution on April 13 that provides for the donation of a Concorde within the next decade as some of the SSTs are retired. Also in April, Houston-Paris B-747F service is increased by the addition of five more flights each week, while a weekly nonstop B-747F frequency is opened from Lyon to Chicago.

In May, service is started twice weekly from New York to Lyon, via Paris, and B-747F flights commence from Paris to Newark. Also in May, a marketing alliance is signed with **Austrian Airlines, A.G.** providing for code-sharing flights on the routes from Paris and Nice to Vienna.

Twice-weekly *Riviera Express* service resumes in June and a marketing agreement is signed with **Adria Airways (2)** allowing code-sharing service on the route from Paris to Ljubljana. At the same time, weekly roundtrips begin between Paris and Palermo, with a second weekly service added for the July-September summer season. Simultaneously, a three month experimental smoking ban is put into effect on selected flights from Paris to Geneva, Milan, and London.

A unique, all-inclusive Bastille Day package, costing \$3,999 per person, is offered July 12-17, including New York-Paris roundtrip airfare. At this point, the overall route network covers 989,200 kilometers and serves 199 destinations in 79 nations.

En route from Paris to Algiers on August 23, an A300B4-2C with 100 passengers is captured by a lone assailant claiming to have a bomb. Denied clearance to land at three desirable cities, the hijacker allows the Airbus to complete its service to Algeria, where he surrenders.

In September, AF becomes a member of the **USAir Frequent Traveler Program**; members of the clubs of each airline are able to earn mileage credits from either company. During the same month, the experimental ban on smoking aboard flights from Paris to Geneva, Milan, and London becomes permanent.

On October 30, twice-weekly service is introduced from New York to Mulhouse via Lyon; simultaneously, weekly New York-Lille-Strasbourg flights commence. Paris to Newark passenger flights begin in November, along with twice-weekly flights from Paris to Dubrovnik and Ljubljana.

In November, the carrier assumes a 20% interest in a company established by **TAT European Airlines, S.A.** to lease Fokker 100s. Other markets entered during the year include Antalya, Bari, Courchevel, Kilimanjaro, Palermo, Bergen, and Innsbruck. During the fall, a far-reaching cooperative agreement is signed with **Deutsche Lufthansa, A.G.** covering a variety of marketing, training, and operational activities.

In December, **EuroBerlin France, S.A.**, the carrier jointly owned with **Deutsche Lufthansa, A.G.**, receives \$7.1 million in new capital from its French parent to provide the funds needed for development. At the same time, an interline-ticketing agreement is signed with London

City Airways, Ltd. covering the route to Paris from London's Dock Lands STOLport (LCY). At year's end, weekly B-737-228A flights are launched from Belem, Brazil to Cayenne, Fort-de-France, and Point-a-Pitre, allowing passengers en route to Paris to make connections from those points rather than Rio de Janeiro.

Customer bookings for the year climb 8.7% to 16,095,027 while cargo swells 3.9% to 3.27 billion FTKs. Net profit falls, due largely to the establishment of the new subsidiary, to \$116 million.

The employee population reaches 39,000 in 1990, ninth largest in the world, while the fleet of 113 aircraft is 18th in rank. A Concorde en route to Paris is forced to return to New York (JFK) on January 1 after suffering an engine failure at Mach 1.39; no injuries are reported. The New York-Lille-Strasbourg frequency becomes twice weekly on January 7.

Also in January, a 54.6% interest is taken in **UTA French Airlines, S.A.**, a move that also gives the state carrier control of the jointly held domestic carrier **Air Inter, S.A.** The two carriers join **Air Charter, S.A.**—the parent of all three—on January 12 as subsidiaries of the new Air France Groupe.

As one of the conditions of the takeover, a number of regional routes must be turned over to smaller French airlines, such as **Air Vendee, S.A.** and **Air Littoral, S.A.** Also in January, a second New York-Paris Concorde flight is added, four times per week, while daily subsonic service is inaugurated from Paris to Newark and Washington, D.C. In conjunction with American Express, a free Concorde upgrade is offered for first-class New York-Paris passengers who use the AE card to purchase their tickets.

A strategic marketing alliance is signed with the Italian flag carrier **Alitalia, S.p.A.** Also in February, the decision is taken to gradually merge **Air Inter, S.A.** and **UTA French Airlines, S.A.** into AF. Esterel and Ecole de Pilotage Amaury de la Grange, a piloting school, are purchased.

Late in the first quarter, a new leasing company, AF Partnairs Leasing, is established to finance aircraft for the flag carrier through sales and leaseback transactions. Shareholding is divided between AF (45%), the aircraft leasing company Partnairs (45%), Banque Nationale de Paris (6%), and Suez Group (4%). Also in March, weekly nonstop roundtrips are resumed between Nice and New York (JFK).

On April 9, AF increases its nonstop Tokyo-Paris service to daily, using B-747-428s. From April 15 through June (and again from September 15-December 15), New York to Paris Concorde service is increased to four times per week. The six-times-per-week flights from Los Angeles to Paris become daily on April 28; also in April, Paris-Chicago A310-300 flights become daily. Paris to Boston service is increased from two to four flights each week in May. It is announced that the carrier will spend \$65 million during the remainder of the year to enhance its business-class services with special Espace 2000 seats, new meal choices, and a renovated business-class lounge at New York (JFK).

Late in the month, Chairman Attali defends the carrier's takeover of **UTA French Airlines, S.A.** and **Air Inter, S.A.** against a charge by the European Commission alleging abuse by AF of its dominant market position in France. At the same time, as the result of a new four-year agreement between France and the government of the Philippines, daily service is inaugurated from Paris to Manila via New Delhi, Bangkok, and Hong Kong.

Beginning on June 8, thrice-weekly nonstop roundtrips are initiated between Paris (CDG) and Washington, D.C. (IAD). On June 23, Paris to Houston service is increased from five to six frequencies each week and one more Paris to Boston flight is added on June 27.

Also in June, a second weekly Nice to New York roundtrip is offered, on a route the airline announces has become year round, and AF and **UTA French Airlines, S.A.** commence joint fuel purchases. The company joins with **Air Inter, S.A.**, **TAT European Airlines, S.A.**, and **Intercontinental Service, S.A.** to crate **Aeropostale, S.A. (2)**. The major turns over to the new cargo line the 15 F.27-500s it has been operating on behalf of La Poste every night for the past 20 years.

Paris to Chicago flights become daily on July 3 as do those from Los Angeles to Paris. In August, B-747 service from New York and Nice be-

comes twice weekly, while twice-weekly A310-300 nonstops are added from Paris to Beirut, and two daily A310-300 nonstops begins from Paris to Washington, D.C. In September, weekly nonstop B-747-400 passenger flights are inaugurated from Paris to Beijing and weekly B-747F flights are briefly resumed from Paris to Kuwait.

Twice-weekly, all-cargo services, coordinated with **Cathay Pacific Airways (Pty.), Ltd.**, are opened in October from Paris to Hong Kong and weekly B-747F service begins from the French capital to Madras and Beijing. Following the net loss of \$31 million in the year's first half, the airline now introduces a severe cost-cutting program named Cap 93. Under its terms, 8% of the workforce (3,000) will be cut over the next two years. Among its points are transfer of some headquarters personnel to operations; a reduction in leasing of foreign aircraft; suspension of building work and computer applications deemed nonvital; postponement of ground investments not underway until 1991; a freeze on hiring (except for cockpit crews); dropping of unprofitable routes; and the hiring of a consulting firm to review costs and organization.

During the fall, the number of weekly Paris-Prague flights is increased from five to seven per week. Also in this period, the merger process with **UTA French Airlines, S.A.** and **Air Inter, S.A.** accelerates. The three airlines begin sharing aircraft, combine ticket-reservation operations, and begin route rationalization. For the present, the strongest of the three companies within any given country or on a particular route becomes responsible for the operations therein or thereon of all three. As an example, AF withdraws from **UTA French Airline, S.A.**'s Paris to San Francisco route.

In November, the European Commission approves of the acquisition of **UTA French Airlines, S.A.** and **Air Inter, S.A.**, but requires the flag carrier to divest itself of its 35% interest in **TAT European Airlines, S.A.** The French government agrees to give priority to non-AF airlines on any new international routes and to designate airlines not in the group to operate over busy domestic routes. Also in November, marketing and other alliances are signed with **Air Austral, S.A.**, **Air Seychelles, S.A.**, and **Air Madagascar, S.A.** The arrangement with Air Seychelles provides for a revenue pool on a joint Paris (CDG) to Mahe service operated with Air Seychelles, S.A. aircraft. The Air Madagascar, S.A. deal calls for the contract provision of passenger and freight handling, Jumbojet maintenance, and code-sharing on a single route from the French capital to the African island nation.

Weekly B-747-328 passenger frequencies to Hong Kong commence in December. Passenger boardings decline 2.3% to 15,731,131, again 18th best in the world, and freight actually climbs 4.8% to 3.43 billion FTKs. Only **Federal Express, Deutsche Lufthansa, A.G.**, and **Japan Air Lines Company, Ltd. (2)** flies more cargo than AF. It is on the financial side that the impact of war and recession is seen. Revenues slip 1.2% to \$5.8 billion, which is still eighth best in the world, but expenses bring an operating loss of \$128 million. The previous year's net gain turns into a \$149.6-million loss. Air France Groupe (**Air France, Air Inter, S.A.**, **UTA French Airlines, S.A.**) earns FFfr 34.43 billion (\$9.6 billion) in revenues and has a \$121.5-million net loss.

The payroll grows a slight 1.8% in 1991 to 39,700 and the fleet now includes 7 Concorde, 1 owned and 3 leased A300B2-1Cs, 2 leased and 9 owned A300B4-2Cs, 7 A310-203s, 4 A310-304s, 2 owned and 5 chartered A320-111s, 15 A320-211s, 5 B-727-228s, 9 B-727-228As, 7 owned and 11 chartered B-737-228As, 5 leased B-737-33As, 2 each chartered B-737-3B3s and B-737-4B3s, 7 owned and 6 leased B-747-128s, 2 leased B-747-228s, 5 owned and 5 chartered B-747-228B/Cs, 1 each B-747-2D3B and B-747-2B3F, 3 leased and 5 owned B-747-228Fs, 1 B-747-3B3C, 3 B-747-428s, 2 B-747-428Cs, 2 leased B-767-27EERs, 1 B-767-37EER, and 2 B-767-3Q8ERs. In addition, for operation of night mail services, 15 Fokker F.27-500s and 2 Transall C-160Ps are leased from and operated for the postal service. Orders are outstanding for 3 A320-211s, 7 A340-311s, 2 B-737-3B3s, 8 B-737-4B3s, 10 B-747-428s, 1 B-747-428C, and 5 B-747-428Fs.

In January, an alliance is signed with **Korean Airlines/Korean Air (KAL)** covering joint freight flights on the Paris-Seoul route. The cargo

operations of **Air Inter, S.A., UTA French Airlines, S.A., AF, and Air Charter, S.A.** are all integrated at the beginning of the year as the French government pledges to invest FFr 2 billion (\$328 million). In May, a new 18,000-sq.-ft. cargo facility is occupied at Miami (MIA).

In August, a FFr 1-billion (\$164-million) loan is negotiated with the Banque National de Paris; the BNP receives 10% shareholding. Later in the month, a cooperative agreement is signed with **Aeroflot Soviet Airlines** for collaboration on the establishment of a commissariat; building and operation of a cargo center for Pulkowo Airport (Leningrad); expansion of **Aeroflot Soviet Airlines** operations from Kiev; and construction and operation of international-class hotels at Moscow and Leningrad.

An alliance is signed with **Aeropostale (2)** in July providing for the sharing of aircraft that will fly AF passengers during the day and cargo at night. In August, the carrier holds negotiations with Banque Nationale de Paris concerning the financial institution's participation in a government-approved FFr 1-billion increase in the airline's capitalization.

The first of five B-737-528s to be delivered by year's end arrives in early September. In October, it is announced that **UTA French Airline, S.A.'s** routes will be merged and the downtown Paris headquarters will be sold for FFr 1.6 billion (\$290 million), with its offices relocated to Charles De Gaulle International Airport. A plan to acquire significant minority shareholding in **Sabena Belgian World Airlines, S.A.** is put on hold.

The U.S. State Department warns Americans on October 26 not to board AF Flight 140 from Paris to Amman or Flight 141 from Amman to Paris, as both make intermediate stops in Beirut, for which U.S. passports are not valid. Ground crews call a 24-hour strike on November 24 to protest a company plan that will cost up to 3,000 jobs. At New York (JFK) in December, AF becomes the first European airline to interface with the Automated Manifest Systems (AMS) of the U.S. Customs Service.

Customer bookings plunge 15.8% to 13,228,380 and cargo falls 5.5% to 3.24 billion FTKs. President Bernard Attali's carrier is only able to increase its revenues by 1.4% in this time of recession to \$10.3 billion. The operating loss is cut to \$37.79 million, but there is a net loss of \$127.3 million. Cumulative deficit is now FFr 4.4 billion (\$800 million).

The workforce is reduced by 2.5% in 1992 to 63,370 and it is announced in January that the company may acquire an interest in **CSA (Czechoslovak Airlines)** upon its privatization. In early March, an agreement is signed with Caisse des Depots and the European Bank for Reconstruction and Development under the terms of which each will take a 20% stake in CSA for some \$60 million. Replacing the services previously operated jointly with **Brymon European Airways, Ltd.,** Le Club-class flights with Avions de Transport Regional ATR42s are initiated on March 30 from Paris to London (LCY).

On April 5, the Belgian government approves plans, long on hold, for the French flag carrier to soon take a 37.5% interest in **Sabena Belgian World Airlines, S.A.** AF and its Belgian partners, led by Groupe Bruxelles Lambert, agree to pay BFr 6,000,000,000,000 (\$179.6 million) and place their shares into a newly formed holding company, two-thirds of which is owned by the airline. The deal is signed on April 21. Other provisions of the multifaceted agreement call for cooperation on sales and reservations, maintenance, information systems, and freight, as well as harmonization of African services and a block space deal on the Paris-Brussels service. Also in April, company officials meet with their counterparts from **British Airways, Ltd. (2)** plus British Aerospace and Aerospatiale, and U.K. and French government safety experts to find a permanent fix for problems with the rudder of Concorde.

Weekly scheduled services are inaugurated to Hanoi on May 1, via Bangkok and Ho Chi Minh City. Bordeaux, Nantes, and Strasbourg are linked to London (LGW) daily after the Paris-London (LGW) frequencies previously provided are suspended, along with flights from London (STN) and Aberdeen. Services are also reorganized to allow an increase in frequencies between Paris, Nice, and London (LHR). Also in May, plans are announced for the creation of a huge luxury hotel group through the combination of the Societe des Hotels Meridien, 57%

owned by the carrier, and Kempinski AG, in which **Deutsche Lufthansa, A.G.** holds 42.6% shareholding.

One weekly Paris to Houston flight is added in June, giving the megacARRIER daily nonstop service to the five U.S. destinations of Newark, Washington, Houston, Chicago, and Los Angeles, in addition to twice-daily flights from New York. The **Sabena Belgian World Airlines, S.A.** arrangement comes into effect and the Czech government approves the **CSA (Czechoslovak Airlines)** plan. At the end of the month, the company and **Deutsche Lufthansa, A.G.** back away from their previously announced plans to merge their hotel operations. The company begins joint flights from Paris to Zagreb and Split in an arrangement with **Croatia Airlines.**

Plans are finalized in early July for a 40% investment in **CSA (Czechoslovak Airlines)** and joint operations with it and **Sabena Belgian World Airlines, S.A.,** including pooled aircraft orders. Under the arrangement, recession-afflicted AF is able to transfer its surplus B-737 orders to the Czech carrier. Late in the month, three B-737-228As are sold to **Ariana Afghan Airlines** to replace two Yak-40s and a Tupolev Tu-154M destroyed in rebel attacks on Kabul Airport two months earlier. Difficulties in formation of the **Sabena Belgian World Airlines, S.A.** partnership are encountered in August when the EEC's competition office head, Sir Leon Brittan, demands that the proposed agreement should be viewed under continentwide merger regulations.

During the first week of September, the U.K.'s biggest-selling cognac, Martell, links up with the carrier for what parent Seagram claims is one of the drinks industry's biggest sales promotions. Through Christmas, two return tickets to France will be offered for the price of one to all who purchase certain bottles of the liquor.

A ground handling agreement is signed with **Air Canada, Ltd.** in September while an alliance is also made with the Canadian carrier providing for block space usage on the Paris to Montreal route during winter months. The arrangements are prelude to a comprehensive alliance under discussion.

On October 12-13, in cooperation with Concorde Spirit Tours, an SST flying as *Sunchaser One*, piloted by Captains Claude Delorme and Jean Boye, establishes a new westbound round-the-world record. The AF Concorde covers the 25,262.842-st.-mi. route from Lisbon to Lisbon in 32 hrs. 49 min. 03 sec. (23 hr. 10 min. in the air), stopping only at Santo Domingo, Acapulco, Honolulu, Guam, Bangkok, and Bahrain.

The first "Baby Boeing" is delivered to **Ariana Afghan Airlines** on October 18. It is also reported in October that the company has lost \$310 million during the year's first half. As a result, another 1,500 staff cuts are announced, bringing the total planned to more than 5,000 (10% of the workforce).

With guidance and assistance from the J. P. Morgan bank in London, **CSA (Czechoslovak Airlines)** is privatized in October, at which time it is announced that AF will lead a consortium that will acquire a 32.8% stake. Under a Memorandum of Understanding signed between the two carriers and subject to approval by the two governments, the French carrier will contribute \$6 million in cash and \$14 million in payments in kind assistance in catering, engineering, pilot training, and maintenance. The remainder of the \$60-million shareholding will be acquired by the London-based European Bank for Reconstruction and Development, headed by Chairman Attali's twin brother Jacques, and the Caisse des Depots et Consignations; each will expend \$20 million.

The remainder of the East European carrier, valued at \$150 million and the first to find a Western shareholder, is divided between the Czech government (49.28%), the leading Czech insurance company (4.5%), with local Czech communities holding the remainder. The new owners pledge the funding necessary to begin modernization of the Czech airline's aging fleet, while AF is also contracted to provide maintenance, pilot training, and other technical assistance.

The number of frequencies from London (LHR) to Prague are increased under AF sponsorship to 13 per week. At the beginning of November, a comprehensive strategic alliance is signed with **Air Canada, Ltd.** Under its terms, the two will employ joint schedules, joint frequent

flyer programs, joint cargo, marketing, and tour offerings, and a variety of other passenger-oriented programs. Integration of **UTA French Airlines, S.A.** is completed by December 29 and, earlier, the subsidiary **Tourisme France International** and **Visit France** merge, taking the latter's name and selling the airline a 60% interest.

Passenger boardings for the year recover and increase by 3.4% to 32,707,937. Freight inches up only 0.7%, to 3.97 billion FTKs. Revenues are elevated 6.1% to \$11.18 billion, but expenses grow 9.2% to \$11.47 billion. The operating loss increases to \$285.24 million and the net loss skyrockets to \$617.43 million.

In 1993, Chairman Attali and President Blanchet oversee a workforce of 39,956—one worker for every 340 passengers carried. Effective January 1, the carrier signs an agreement with Euro Disney becoming the Paris-based theme park's "preferred air carrier" for 12 European nations. In February, Coup de Coeur ("impulse") fares are unveiled for last minute sales while Eurochallenge fares are simultaneously offered at rates 10% to 27% below Le Club-class. The first four A340-211s and three A340-312s enter service and a cooperative agreement is signed with **Vietnam Airlines** in February. At the same time, the board calls on nongovernment shareholders and bond issues worth FFr 3 billion (\$545 million) to help pay for fleet expansion and modernization. A marketing agreement is signed with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on March 28. Under its terms, the carriers agree to increase the number of nonstop flights between their two capital cities and to engage in code-sharing and joint marketing, cargo, and ground handling.

Agreement with five cockpit and cabin crew unions is announced at month's end. The agreement includes work rules and staffing changes that will, hopefully, save the airline FFr 750 million (\$135 million) per year. The flag carrier issues FFr 1.5 billion (\$272 million) in interest-bearing convertible bonds, guaranteed by CDC-Participations, a subsidiary of the Caisse des Depots.

On March 28, the company turns over its Paris-Dublin service to **Air Inter, S.A.** On April 1, Ireland, the U.K., Germany, and Italy also receive Euro Disney preferred air transport attention. Also during the spring, a most unusual fee is earned. Having missed his 11 a.m. Concorde flight from Paris (CDG) to New York (JFK) on March 28, a Saudi sheik, with an entourage of 19, turns down the use of a Jumbojet. Instead, he promises the company \$20 million (in travelers' checks) if a second SST can depart across the Atlantic within two hours. The challenge is met—although the captain flies in civilian dress.

A conservative government is elected in May. At this point, AF becomes one of 21 public concerns placed on a list to be privatized as soon as it can be returned to profitability.

New passenger services are begun to Yaounde, Split, Taipei, and Maputo and a cargo route is stretched to Bangalore. The company's Parisian hub is officially unveiled with the opening of terminal 2C at Charles De Gaulle International Airport. The subsidiary Sotair merges with Chorus Tours on June 22 to form the new company Jet Tours, in which AF obtains a 58.5% interest.

An agreement is signed with **Continental Airlines** on July 27, effective November 1, under which the two companies will blend their schedules and share passenger check-ins, allowing greater convenience for passengers traveling across the Atlantic. The alliance with **Vietnam Airlines** takes effect in August; training of pilots, cabin crews, and mechanics from the Southeast Asian nation begins.

The previous year's fiscal decline and a first-half loss of FFr 3.8 billion (\$670.2 million) brings October implementation of Phase 2 of the Return to Profitability program unveiled on September 15. The package is designed to save the carrier \$927 million within two years. Among its features are proposed new union agreements designed to produce \$135 million in annual savings through the elimination of 4,000 jobs, reductions in capital spending, outside contracting, a continued wage freeze, and the abandonment of 30 unprofitable routes, as well as a "donation de capital" (government bailout) of FFr 5 billion (\$881.8 million).

Employees at Paris (CDG and ORY) strike on October 20 in protest of the company's retrenchment plans, causing the cancellation of ap-

proximately 500 flights. Within three days, the strikes turn violent as police are called in to disperse workers occupying airport runways; six people are injured. While the company reports \$36 million in lost business, French Prime Minister Edouard Balladur refuses to use further force against the strikers, fearing a wave of additional job actions and violence. On October 22, the government asks the carrier to open new talks with its workers, who are still striking violently.

The government's "irrevocable" cost-cutting plan is abruptly revoked on October 25 in the face of the continuing and crippling airport strikes by company employees. AF Chairman Bernard Attali immediately resigns and the national transport ministry, with approval of Premier Edouard Balladur, replaces him with the cigar-chomping Christian Blanc, former chief of RATP, the public transportation system of Paris; Rodolphe Frantz becomes the new president/CEO. The same day, the 21 pilots sent out to Vietnam along with three chartered A320-111s take over **Vietnam Airlines'** regional routes from Hanoi and Ho Chi Minh City.

The struggling flag carrier joins with Christian Dior on November 4 to promote a new tie-in, whereby those who purchase certain fragrances will be able to purchase two AF tickets for the price of one.

On November 15, the carrier reports that all flights, except the Concorde link with New York, have resumed and approach routine frequencies. After voicing doubts over the "commercial nature" of the transaction, the European Union begins, on November 10, an official probe into the infusion of \$255 million by the French state bank into the airline.

A new agreement is made between the airline, the government, and the unions on December 8, which provides for a workforce reduction of 2,100 to be achieved through early retirements and normal turnover.

While preparing to depart on an originating service from Nice on December 10, an A320-211 with 129 passengers is taken over by a lone gunman, who orders the aircraft to fly to Libya. Previously convicted for robbery, the pirate will be subdued by police, tried, convicted, and returned to prison.

Customer bookings for the year slide 1.4% to 14,374,215 and cargo drops 4% to 3.76 billion FTKs. The net loss is \$1.53 billion.

The abortive restructuring plan and strikes of the previous year lead to a new cost-cutting approach by Chairman Blanc. It is first communicated to the trade unions in January 1994 and is pitched in terms of matching the performance of **Deutsche Lufthansa, A.G.** within three years. During the month, a conflict erupts with the Czech government when AF seeks financial compensation from it, alleging that it overpaid to obtain the 19.1% stake in **CSA (Czechoslovak Airlines)**. George Veydovsky, CSA general director and AF representative on the CSA board, resigns as the government of the Czech Republic begins to seek an investor to buy out the Paris-based megacarrier, which does not want to sell.

While undergoing a maintenance check outside a hangar at Paris (CDG) on January 20, a six-month-old A340-211 catches fire and is destroyed. After a quarter-century of service, the last B-727-228 is retired at month's end.

On March 10, company unions are officially presented with a recovery plan, *Rebuilding Air France*. The document calls for 5,000 job cuts, but no outright layoffs, and is presented, with a cover letter from the chairman, to each of the 40,000 employees. Also envisioned is a three-year salary freeze, work-rules changes, the elimination of unprofitable routes and fleet elements, the introduction of new products and services, and a capital injection of \$3.4 billion from the French government, on condition that the plan is agreeable to labor.

The plan is not immediately acceptable as the leaders of eight of the company's 14 unions reject it without putting it to a vote of their members. Meanwhile, Airbus equipment is employed, beginning on March 27, over the previous B-727-228A route from Paris to London (LHR). The 19.1%, 52,000-share stake in **CSA (Czechoslovak Airlines)** is sold to the Czech banking group Konsolidacni Banka on March 28; the Saresco duty free stores are also divested. Although the two companies pledge to continue cooperation in some commercial, catering, airport handling, and computer services, the AF directors on the Czech board are withdrawn, along with assigned French executives and technicians.

The government faces new labor unrest when, on March 30–April 1, workers block Orly runways in protest of the proposed 5,000-job cut. Still, on April 11, the unionized employees, recognizing the seriousness of the situation, overwhelmingly approve (81%) Chairman Blanc's plan and thereby avert a crisis and allow the government to proceed with the first part of a rescue package worth \$3.4 billion. A DC-10-30 is leased during the month to the new Belgian charter operator **ChallengeAir, S.A.**

In May, the French-state carrier appeals to the European Court of Justice a historic two-part ruling by the EU Commission. In the first, France is required to open Paris (ORY) to European airlines flying in from London; part two requires the government to end **Air Inter, S.A.'s** monopoly on domestic routes out of Orly. The government approves a bill on May 25 to change the legal status of AF to allow it to offer shares of itself to its staff in return for voluntary pay cuts; officials announce that the measure will allow employees to purchase up to 20% interest.

On June 1, a major alliance, drawn up on May 18, is entered into with **Japan Air Lines Company, Ltd. (2)** Under its provisions, the two carriers will, in the fall, initiate daily, joint, nonstop weekly services between Paris (CDG) and Osaka (KIX), with reciprocal passenger handling in Paris and Osaka.

Just two years after services begin, the company suspends flights to Kuala Lumpur, Malaysia, at mid-month. Malaysian travelers seeking an AF service to Paris or other points must now travel to Singapore to make their connection.

Groupe Air France, S.A. is formed on July 24 as a holding company that will separate Air France from its airline subsidiaries; it will hold stakes in 103 companies, including the 37.5% of **Sabena Belgian World Airlines, S.A.**

During the last week of July, the EU commission approves the government's bailout, now, because of exchange rates, worth \$3.7 billion; the injection will be the largest financial rescue ever of a European state-owned industry and is worth \$88,000 per employee. Perhaps as the result of objections from competing airlines and the International Air Carrier Association, the Commission attaches stringent conditions: (1) the 1994 payment cannot exceed \$1.85 billion; two other injections in later periods will be allowed in 1995 and 1996 only if the recovery plan appears to be working; (2) funds may only be used on behalf of AF and none of its subsidiaries (e.g., **Air Inter, S.A.**) and may also not be employed to acquire stakes in other carriers; (3) until profitability is restored, the European route network may not be increased; (4) no predatory fare initiatives are allowed; (5) capacity may only be increased 2.7% per year; (6) all affiliates not tied to the core airline business, such as hotels, must be spun off; (7) by the end of 1996, the fleet must have been reduced from 166 to 146 aircraft; (8) the \$277.7-million capital injection granted earlier in the year by the state-owned Caisse de Depots et Consignations is ruled illegal, with reimbursement required; and (9) French government air transport policy toward other European carriers must be liberalized further.

The dual-designator service from Paris to Osaka originally scheduled to begin on September 4 must be postponed when negotiations over the use of Russian air space are not completed.

The first of several 24-day, round-the-world, private Concorde charters to be flown by year's end departs Paris (CDG) on September 10; for \$48,800, passengers make stops in Kenya, India, Hong Kong, China, Australia, and Hawaii. During the month, as part of the plan previously announced, the company decentralizes its flight operations into six route profit centers: Cargo, Europe, Asia/Pacific, the Americas, Africa/Mideast, and Antilles/Guiana/Indian Ocean.

Contending that the rescue package worth \$3.77 billion for AF would create a "huge distortion" of the European air market, seven European airlines and the British government vow on October 4 to take legal action to try and block the subsidy. Six carriers declare they will file a joint complaint with the European Court of Justice in Luxembourg while the British government announces plans for a separate action, as does **British Midland Airways, Ltd.**

In November, the code-sharing arrangement with **Aeromexico (2)** (**Aerovias de Mexico, S.A. de C.V.**) on the Paris to Mexico service is delayed. A no-equity agreement is reached with **LOT Polish Airlines, S.A.** for creation of a passenger and cargo cost-and-revenue sharing program.

In cooperation with **Japan Air Lines Company, Ltd. (2)**, daily non-stop roundtrips are finally inaugurated on December 6 between Paris (CDG) and Osaka (KIX). The service is operated thrice weekly by JAL B-747-446 and four times per week by the French line's A340-211s. Flight attendants from both carriers work on these new services.

Islamic fundamentalists, in one of the most vicious hijackings in years, hijack Flight 8969, an Airbus A300B2-1C, with 174 people aboard, at Algiers' Houari Boumedienne Airport on Christmas Eve. Demanding the release of jailed leaders, the four pirates execute three passengers—a Frenchman, a Vietnamese, and an Algerian policeman—and throw their bodies to the tarmac.

Following a 40-hour standoff, during which the hijackers release 65 passengers, but demand the plane be given a full load of fuel, the aircraft wins permission to fly to Marseilles Airport, 25 miles northwest of Marseilles. After another standoff during which two more hostages are released, French GIGN antiterrorist commandos storm the plane. In the 15-min. exchange that follows, all of the pirates are killed, while 13 passengers, three crew members, and nine special forces personnel are injured. The rescue operation is called one of the most successful in commercial aviation history.

Passenger boardings increase by 8.6% on the year to 15,616,150 while freight does twice as well, accelerating 17.5% to 4.425 billion FTKs. Revenues inch their way up by 1.8% to \$7.79 billion and the net loss "improves" to \$247.94 million.

In the wake of the hijacking incident in Marseilles in December, the government of France steps up its surveillance of Islamic groups during the first week of January 1995 and cancels AF flights to and from Algeria. On January 26, as part of its efforts to improve its financial position, the company cancels all orders and options for new aircraft (ten from Boeing and seven from Airbus).

Discussions begin with **American Airlines** in February concerning a possible strategic alliance. An upgraded regional business-class product, L'Espace Europe, is introduced on March 16 and a low-fare aft cabin business-class product, Tempo Challenge, is unveiled ten days later.

Services to a total of ten "low yield" destinations in the Mideast, Europe, Africa, and South America are discontinued in March. At the same time, frequencies from Tokyo to Tahiti for Japanese tourists are increased to twice weekly.

After a plan is announced concerning the forthcoming merger of the AF European Division and **Air Inter, S.A.**, unions at the latter carrier stage a series of costly strikes in April.

On May 4, officials at **Swissair, A.G.** announce the financial terms of a new arrangement their company has made with the Belgian government. In exchange for a significant investment in **Sabena Belgian World Airlines, S.A.**, Swissair will provide, as part of its package, a loan of \$140 million to the Belgian government, which will use the funds to pay back AF for its minority stake.

Having failed to convince union leaders that a merger would be in their interest, **Air Inter, S.A.** Chairman/CEO Michel Bernard resigns in mid-May; AF Chairman/CEO Christian Blanc succeeds him in an acting capacity.

A new accord is reached with Boeing on May 30. Under terms of the \$988-million deal, the French line reinstates the orders dropped in January and increases their number to 15, but requires that delivery not occur until sometime after 1999.

A Concorde landing at New York (JFK) on June 3 catches fire when a number of Canadian geese are sucked into its engines; no injuries to humans aboard are reported. It will require five days and \$9 million to make repairs and, as a result, the company files suit against the Port Authority of New York and New Jersey for recompense.

Also during June, a wide-ranging business cooperation agreement is signed with **Japan Air Lines Company, Ltd. (2)**. Under terms of the

pact, the two will link their frequent flyer award programs, establish traffic cooperation at Paris (CDG), and agree to begin joint daily flights between Osaka and Paris and four times per week from Tokyo and Noumea.

Flight attendants stage a strike on July 19–20 to protest proposed roster changes that will, as part of the airline's three-year productivity plan, lengthen their working hours. The job action forces AF to reduce its summer schedule by 30 per cent.

Concorde Flight 1995, nicknamed "Coors Light Silver Bullet Supersonic Express" after its sponsor, sets a new around-the-world speed record from New York to New York on August 15–16 of 31 hrs. 27 min. 49 sec. Total flying time for the 25,252-st. mi. route is 22 hrs. 39 min. 21 sec. with stops made at Toulouse, Dubai, Bangkok, Guam, Honolulu, and Acapulco.

With Air France Groupe E still in trouble, Chairman Blanc purges management of its remaining veterans. During the last week of August, President/CEO Rodolphe Frantz is dismissed by Blanc, who takes his place, while former Amaury advertising group executive Jean-Pierre Courcol is appointed CEO of **Air Inter, S.A.** Two other top executives are also appointed from outside the company: Vice President-Finance Patrice Durand from the Treasury Department and Vice President-Operations Marc Veron, an executive with the Thomson electronic group. Together with the chairman, these men form a strategic committee, which also includes former **United Airlines** Chairman/CEO Stephen Wolf, hired in 1994 as an advisor.

In an effort to obtain more income from the premium-priced business travel market, AF announces on September 11 a multiyear improvement program for its long-haul flights to the U.S. and Asia. The company's jetliners devoted to those services will be innovatively redesigned to feature first-class sections with individual semi-enclosed compartments with armchairs that can be converted into beds. These seats, built by Sicma Aero Seat, with development help from Renault and Dassault, are the highlight of the new long-haul version of the successful Tempo and L'Espace regional services introduced earlier.

As part of a continuing struggle between the company and its 6,482 flight attendants over the state-owned airline's plans to change their job status, the cabin workers, concerned that new rules will affect their salaries, stage a strike on September 27–28. The company's television commercials, showing blank screens, blame the job actions for causing the carrier economic difficulties. Negotiations for a revised contract with the cabin workers begin during the first week of October.

On October 1, the company enters into an interline agreement with Miami-based **Fine Air** to move cargo traffic between south Florida and Latin America and the Caribbean. Under terms of the arrangement, Fine will link up with the French flag carrier's weekly B-747-200F service to Miami and its daily A340-312 passenger flight.

Difficulties between the airline group's management and workers continue. During the first week of November, flight attendants walk off the job for three days, disrupting operations on every route.

When French Prime Minister Alain Juppe reshuffles his cabinet on November 7, CEO Blanc begins to report directly to him instead of to Transport Minister Bernard Pons, with whom the airline chief is in political disagreement. Meanwhile, the free trade policies of the nation's transport state secretary, Anne-Marie Idrac, continue to place heavy pressure on the carrier's management to restructure AF into a more efficient and modern operation.

Air Inter, S.A. pilots and flight engineers strike on November 10–12, grounding most of the company's aircraft. During those first two weeks, AF management offers a generous financial buyout to those flight attendants willing to quit; hopes are held that about 1,200 cabin crew can be bought out within a year and a half. When flight attendant union delegates refuse to accept the idea, the airline's leadership states that it will reduce flight attendant costs anyway, a statement not calculated to improve the company's deteriorating relationship with its employees.

A code-sharing agreement is signed with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on November 28 that will allow more flights

and easier connections between Paris and Mexico City, a joint frequent flyer partnership, and a shared terminal at Paris (CDG).

On December 1, a franchise agreement is signed with the Morlaix-based **Brit Air, S.A.** The regional carrier will repaint its aircraft in a modified version of the AF livery and will take over a number of additional feeder routes as part of the new "Air France-Air Inter Express" program. When that plan is established, **Regional Airlines, S.A., Air Littoral, S.A., Eurowings Luftverkehrs, A.G.** (Germany) and **CityJet, Ltd.** (Ireland) become code-sharing partners, agreeing in exchange for subsidy to repaint their aircraft and to fly medium- and low-density domestic or regional routes for the Air France Groupe.

The company workforce is reduced by 5.5% during the year to 39,700. Although passenger boardings drop 7.2% to 14,498,200, freight is up by 4.2% to 4.43 billion FTKs. Operating revenue totals FFr 39.14 billion (\$7.52 billion), but costs leave only a \$71.9-million operating profit. The restructuring provision pushes the net loss to FFr 2.95 billion (\$488.7 million).

Airline employment is 36,484 in 1996, an 8.1% decrease. Domestic deregulation is completed on January 1. Several independent operators, such as **Air Liberte, S.A.** and **AOM French Airlines, S.A.**, begin significant expansion in order to compete with **Air Inter, S.A.**

Capacity is cut to 135 aircraft, exclusive of Concorde. The former **Air Inter**, now an AF subsidiary, is reformed and renamed **Air France Europe** at the beginning of the year. Over the next 18 months of integration, the line will be known as **Air Inter Europe, S.A.**

A major winter storm severely impacts airline operations along the U.S. East Coast between January 7 and 11. An incoming AF flight must be diverted from New York (JFK) to Montreal (YUL); the empty Jumbojet is ferried to New York next day and returns to Paris with a full load on January 10.

Meanwhile on January 8, four frequencies from Paris to New York and six from New York to Paris must be scrubbed along with Concorde service. Next day, the carrier cancels a total of 12 flights from Paris to New York, Boston, Newark, and Washington, D.C. (IAD). Later, on January 9, when the aerodromes at New York and Newark begin to reopen, two flights are dispatched from Paris to the former and one to the latter.

At the beginning of February, AF is designated "The Official Airline of Fashion Week" and as such is the exclusive airline sponsor of a showing of men's and women's collections in New York.

In mid-February, **AOM French Airlines, S.A.** receives an order from the government's Transport Ministry to transfer its operations from the west terminal at Paris (ORY) to the outdated south terminal; the western facility is slated to be turned over to AF Groupe by the end of March. Air France Groupe begins a \$20-million expenditure to enhance the flow of connections at the Charles de Gaulle hub, arranging that schedules for some 400 regional and long-haul frequencies be concentrated on five daily peak periods.

Not only does AOM refuse the order, it files a complaint against the government with the European Union and publicly protests its treatment on the side of its aircraft. Along the fuselages of all 22 of its MD-83s and DC-10-30s is painted the phrase "Je Veux Rester a Orly Ouest!" which in translation reads "I want to stay at Orly West!" Within nine days of the order, the airline signs up 20,000 passengers in a consumer group to write letters protesting the action.

In a joint effort to cut costs and increase efficiency, the carrier and its pilot and flight engineer unions sign new labor accords during the second week of March, the first for the pilots' union, Syndicate National des Pilotes de Ligne (SNPL), since 1971. Under terms of the pacts, the workers will labor longer, but will receive no pay increase. The pilots of **Air France Europe, S.A.** do not participate in this pact.

At a cost of \$300,000 paid by PepsiCo, a Concorde is repainted in the soft drink's new electric blue, white, and red colors; the SST, with billboard-sized "Pepsi" markings on its forward fuselage, is unveiled on March 21.

The French DGAC civil aviation authority warns six US carriers on March 22 that it will cut their landing rights at French airports during the

summer in retaliation for U.S. restrictions on AF. As a result of this concern, U.S. and French air ministry officials meet at Paris during the final week of the month, agree to drop their mutual restrictions, and will allow scheduled summer operations by airlines from both nations to proceed.

Meanwhile, the crisis between the DGAC and **AOM French Airlines, S.A.** is resolved when the independent agrees, after receiving the "best gates," to transfer from Orly West to Orly South. Orly West terminal is now completely occupied by Air France Groupe.

Daily nonstop flights to Paris from eight American cities are allowed to begin on April 1. At the same time, the company increases its U.S. schedule by 250 roundtrips from Paris to New York, Houston, Washington, D.C., and Los Angeles. The company also begins to code-share with **LOT Polish Airlines, S.A.** on frequencies from Warsaw to Paris, Lyon, and Nice and from Krakow to Paris 14 times per week.

The "Pepsi" Concorde undertakes a ten-city European tour between April 1 and 9, spotlighting the soft drink maker's new brand colors. On April 10, the SST is returned to the shop and is repainted in traditional AF livery.

During April, a new terminal is opened at Paris (CDG); it will be heavily promoted as a hub for European connections to Asia. At the same time, two A340-211s and two A340-311s leased from **Sabena Belgian World Airlines, S.A.** are returned.

Air France Europe services continue with the previous fleet and all through the spring rumors persist that the unit will be merged into its parent. A duffel bag explodes as it is about to be loaded aboard a Paris-bound B-747-428 at Newark on May 14. Authorities close down part of the terminal for two hours only to learn that the explosion has been caused by a ruptured aerosol can.

On May 17, employing a surplus AF B-747-100, British and American aviation experts conduct security-hardening techniques at Bruntingthorpe, England, when they set off four bombs in the cargo hold of the Jumbojet. During the month, the company receives the last installment of the \$4-billion state bailout authorized two years earlier by the European Union.

At the beginning of June, the new high-speed railway Eurostar lowers its fares in an effort to compete with the airlines. On June 6, it starts a high-speed rail service, "Thalys," connecting Amsterdam, Brussels, and Paris. To date, Eurostar has cut 25% from AF's Paris-London business, while **British Midland Airways, Ltd.** is forced to end its service to Paris (ORY).

On June 11, the carrier joins with **Burlington Air Express (BAX)** to transport four classic Type D Jaguar racing cars from Los Angeles and Chicago to Coventry and then to LeMans to participate in special anniversary events surrounding the great automobile race. The cars will be returned to their owners at the end of the month.

Sponsored by the airline, along with **Japan Air Lines Co., Ltd. (2)**, **Korean Air (KAL)**, and **Deutsche Lufthansa, A.G.**, work begins on June 15 on a \$450-million t improvement project at New York (JFK). Also during this week, Chairman/CEO Blanc in a public speech notes that the carrier must be returned to profitability before it can be privatized.

On June 28, **Air France Europe** suffers a one-day strike by unions representing 75% of its workforce, which is concerned over persistent discussion of merger into AF. As a result, all flights are cancelled. AFE pilots also oppose a new wage-cutting proposal that will allow the merger of the airline's European operations with those of the parent company.

Having been unable to reshape the sad recent financial history of **Air Afrique, S.A.**, its Managing Director Yves Roland-Billecort, an AF executive, is replaced, officially on a temporary basis, in June by Pierre Arnaud and Yves Boudot. Unhappily, the African management of the company makes disparaging remarks concerning Air Afrique's links to France, its non-African shareholders, and most particularly concerning Roland-Billecort. When he learns of these comments, AF Chairman Blanc abruptly decides that his carrier should distance itself from the Africans.

In New York Federal Court on July 3, Raviv Laor enters suit against the carrier alleging that a steward had pulled him out of a B-747 lava-

tory during a Paris to New York flight after a faulty smoke alarm had reported him smoking.

Despite fierce union opposition, AF Chairman Blanc on July 4 officially introduces the long-anticipated plan to merge its international and regional carriers. He points out that this approach is necessary as preparations continue for liberalization of the European airline market in 1997. Again, workers strike, curtailing operations on July 5.

The next day, representatives of the union Force Ouvriere—the highest representative body of employees at AF that does not support the workers' job action—announce their support for Chairman Blanc's merger plan.

Despite the objections of rivals who claim the carrier will employ the funds received to reduce fares on European routes, AF is cleared by the European Union on July 24 to receive its final installation of state aid, an infusion of \$1 billion.

Also during the month, an agreement is signed with ILFC for the charter of two A340-311s for four years, with deliveries in March and May 1997.

Gunmen on August 14 rob a fully loaded company airliner at the end of the runway of the airport in Perpignan after it arrives on a flight from Paris. A B-747-428 encounters severe clear air turbulence over Burkina Faso on September 5 (one dead).

Air Liberte, S.A. is placed into receivership on September 26 and its chartered Douglas wide-bodies are returned to Finland. Given six months by the Creteil bankruptcy court to develop a workable reorganization plan, its chairman promises to write a recovery program by the end of October, at which time \$120 million in fiscal year losses must be reported.

Concerned over disorder in Tahiti tied to French nuclear tests, Japanese tourists cancel reservations throughout September. On October 1, the twice-weekly Tokyo-Tahiti roundtrips introduced just seven months earlier are cut back to weekly.

Following further exploration into **Air Liberte, S.A.**'s finances during the first week of October, the Creteil bankruptcy court determines that its fiscal situation is worse than was originally reported. Even though a number of unprofitable routes are now cut, the court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, AF expresses interest. Under EC restrictions against acquisition of other carriers during the time of its \$4-billion state bailout, it appears unlikely that the independent will join the major's stable.

Following two months of negotiations, the French flag carrier is able to achieve something of a first in the rapidly growing world of international airline alliances. On October 16, it signs major marketing and code-sharing agreements with both **Continental Airlines** and **Delta Air Lines**, effective the following year. The arrangements allow AF to tap into the huge U.S. travel market to feed its growing global market while the American carriers will have a ready-made group of French customers to carry within the U.S.

During October, **Jersey European Airways, Ltd.** becomes the first U.K.-based carrier to become an AF franchise partner. Two more BAe 146-100s, painted in "Air France Express" colors, are delivered to the British carrier and are employed to operate AF roundtrip routes from Toulouse to London (LHR). It also takes over the AF service from Lyon to London (LHR), which is upgraded to thrice daily.

Also in October, a general commercial agreement is signed with **Vietnam Airlines**.

The alliance with **Japan Air Lines Company, Ltd. (2)** is strengthened on November 1 when the two carriers link their frequent flyer programs. Plans are made to transfer JAL Paris services from Terminal One at Paris (CDG) to the AF facility at Terminal Two.

To offset rising fuel costs, the carrier raises its fares 5% on November 4. In the first of several advertising appearances he will make, defeated U.S. presidential candidate Robert Dole makes a television commercial

for AF that appears at the end of November. Dole donates his fee for the ad to a Washington, D.C., community center for the elderly. At the end of the third week, the company cancels orders with Boeing for eight B-737-500s and seven B-767-300ERs, replacing them with a \$1.5 billion request for ten B-777-200s. The company also seeks five A340-313Xs, with another five taken on option.

During the year, a B-747-2B3F is leased from **Arkia Israeli Airlines, Ltd.**

Enplanements soar 13.3% to 16,424,794 while 4.659 billion FTKs are operated, a 5.2% increase. Revenues increase 8.3% to \$7.45 billion and costs are up only 6.4% to \$7.24 billion. The operating loss increases to \$204.2 million and there is a \$36.8-million (FFr 210-million) net profit. Air France Groupe, as a whole, takes a \$43.1-million net loss.

In 1997, the workforce is increased by 6.3% of that growth coming after April 1. AF Chairman/CEO Blanc, in a January 3 talk before the French think tank Fondation Saint-Simon, announces that AF will have to cut costs by another 15% over the next three years in order to remain competitive with its European rivals. The reductions follow a three-year period during which 20% savings have been affected and company debt has dropped to \$2.5 billion.

Plans are announced on January 16 with **Japan Air Lines Company, Ltd. (2)** for the inauguration of dual-designator flights on April 1 between Tokyo, Paris, and Istanbul.

A letter of intent is signed with **Alitalia, S.p.A.** on February 3; its purpose is to set up a strategic alliance and to operate dual-designator flights between France and Italy. During the first quarter, the company begins joint service with **Balkan Bulgarian Airlines** over a route from Paris to Sofia. The following week, a French bankruptcy court approves the takeover of **Air Liberte, S.A.** by **British Airways, Ltd. (2)**.

Former AF Captain Michel Asseline, who had piloted the A320 that crashed at Mulhouse-Habsheim on June 26, 1988, is convicted of manslaughter by a French court on March 21 and sentenced to six months in prison. He appeals unsuccessfully.

Also during the third week of the month, Chairman Blanc's plan to impose a two-tier wage structure on the 450 cockpit crew members to be hired over the next three years meets with strike resistance from the French pilots' union, SNPL. A job action begins at month's end, with another scheduled for the last week of April.

The new dual-designator agreement is entered into with **Alitalia, S.p.A.** begins on April 1. On that date, code-sharing begins on frequencies from Bologna, Florence, Turin, and Venice to Paris and from Milan to Lyon and Rome to Lyon and Strasbourg. Simultaneously, AF and **Continental Airlines** move their Paris operations to the French major's terminal at Paris (CDG). The same day, Chairman/CEO Blanc is named an "Aerospace Laureate" by *Aviation Week and Space Technology*.

Air France Europe and AF are grouped together on April 1 and both are jointly operated under a management-lease that allows the parent to takeover the subsidiary's operation until complete absorption is completed in September. To protest the new lower wages and changes in the work rules, the AFE pilots' union immediately goes out on strike.

Also on April 1, the two-year-old franchise arrangement with **Britt Air, S.A.** is deepened. When the revised arrangement takes effect in October, the smaller company will, in effect, become the major's regional feeder arm at Paris (CDG). The same day, a daily code-share service begins with **Japan Air Lines Company, Ltd. (2)** over a route from Paris to Istanbul; the new frequency is timed to connect with the arrival and departure of JAL daily services.

Also on April 1, the European Commission permits AF to receive the final FFr 1-billion tranche of the state-aid package approved back in 1994. The EC, in releasing the funds, notes that the carrier's restructuring program appears to be making progress.

As part of its commercial agreement with AF, **Delta Air Lines**, on April 7, shifts its Paris service from Orly Airport to Charles de Gaulle International Airport. At the same time, the French line is added to its "SkyMiles" frequent flyer program. Members of the **Delta Air Lines** program flying first-class on AF will receive 150%

of actual mileage flown while business-class passengers will receive 125% of actual mileage flown.

By mid-month, the dual-designator arrangements entered into with **Continental Airlines** and **Delta Air Lines** the previous fall come into effect. **Continental Airlines** and AF plan to code-share on routes from New York (JFK), Newark, and Houston (IAH) to Paris (CDG) must be put on hold because a new bilateral air agreement between France and the U.S. has yet to be signed. In addition, their desire to coordinate schedules and offer joint mileage in their frequent flyer programs must also be put on hold. Schedule and frequent flyer coordination with Delta, including code-share on flights from Delta gateways to Paris, must also be shelved.

During the same month, a marketing agreement is comes into effect with **Alitalia, S.p.A.** and code-sharing starts on flights from Paris to Bologna, Florence, Turin, and Venice, from Lyon to Milan, and from Strasbourg to Lyon and Rome. The joint cost-and-revenue sharing plan with **LOT Polish Airlines, S.A.** is scrapped in April at LOT's request; it is replaced by a block-seat, code-sharing agreement.

At Houston (IAH) on April 20, an AF B-767-328ER, with an unspecified number of passengers and number one in sequence for takeoff at the runup area for runway 14L, reports to ATC that it is not ready to depart. **KLM (Royal Dutch Airlines, N.V.)** Flight 662, a B-747-306C, with 15 crew and 284 passengers, is cleared to taxi around the French aircraft and precede it in departure. During the maneuver, the right wing of the Dutch aircraft hits and slightly damages the left wing tip of the B-767. Both aircraft are returned to their respective gates and later released; both then takeoff without further incident.

April closes with two additional international compacts and an extension of an older one. A blocked-seat agreement is signed with **MALEV Hungarian Airlines** covering flights from Paris to Budapest while five-times-per-week joint freighter services begin with **Singapore Airlines**. Dual-designator services with **Japan Air Lines Co., Ltd. (2)** start between Paris (CDG) and Istanbul.

On May 1, the block-seat agreement with **LOT Polish Airlines, S.A.** takes effect. The airlines are enabled to resell 30 seats on each other's flights on new joint routes from Krakow to Paris and from Warsaw to Lyon and Nice. The roundtrip Warsaw-Paris route is increased from 14 to 28 weekly services.

Six European airlines, led by **British Airways, Ltd. (2)**, on May 6 launch a court challenge to AF's right to receive the FFr 20 billion (£2.12 billion) in state subsidy approved by the European Commission in 1994, the last tranche of which was paid in April. The case, filed by BA, **TAT European Airlines, S.A.**, **SAS (Scandinavian Airlines System)**, **KLM (Royal Dutch Airlines, N.V.)**, **Air U.K., Ltd.**, and **Euralair, S.A.**, will be heard by the European Court of First Instance at Luxembourg. The plaintiffs are also supported by the governments of the U.K., Denmark, Sweden, and Norway.

On May 7, eight years after an aircraft of AF merger-partner **UTA French Airlines, S.A.** is destroyed over Niger, French antiterrorism investigators led by Jean Louis Bruguiere have collected sufficient evidence to make a charge. A French court is asked to try six Libyan operatives in absentia for planting the fatal bomb; among the men is Col. Muammer el-Qaddafi's brother-in-law Abdallah Senoussi.

In May, six European airlines challenge the previous month's final EC-sanctioned tranche of state aid; the challenge to the company's right to receive the funding will be heard in the European Court of First Instance in Luxembourg and dismissed.

In protest against management's new two-tier wage scale for new hires, SNPL, the main AF pilots' union, goes out on strike on May 19; the protestors, along with those that have been out a month at **Air France Europe, S.A.**, return to the contract negotiations with management on May 23.

Also in May, a new block-space accord commences with **CSA Czech Airlines** over the route from Paris to Prague. Shortly to be of significant consequence to the airline is the June 1 election of a new Socialist government under the leadership of Prime Minister Lionel Jospin.

Capacity on the daily nonstop from Paris to Washington, D.C. (IAD) is increased for the summer by 50%; the same day, a B-747-428 is substituted for the usual A340-312. During the first week of the month, **Brit Air, S.A.** becomes the company's third franchise partner.

On June 30, **Federal Express** agents at Sylmar, California, discover that a shipment arriving from New York contains an undeclared oxygen generator, banned by the government unless properly packaged, following the **Valujet Airlines** disaster in May 1996. FedEx officials notify the FAA, which traces the canister back to a shipment coming into the country via AF. Five earlier violations of the widely publicized U.S. ban are also tied to the French flag carrier. In fact, on only two flights, over 900 generators have arrived, with the total for the other services unknown.

Also during June, AF begins to transfer additional services to Paris (CDG) in order to create additional slots at Paris (ORY) for **Air France Europe, S.A.** Discussions commence with **KLM (Royal Dutch Airlines, N.V.)** concerning a possible strategic alliance; the Dutch carrier also talks to **Alitalia, S.p.A.**

The decade-and-a-half-old arrangement with **Japan Air Lines Co., Ltd. (2)** is further expanded on July 1. Daily code-sharing is undertaken on daily flights from Osaka (KIX) to Paris (CDG) and on twice-weekly services from Paris (CDG) to Nagoya. Flights are performed by the French line's A340-312s.

Company workers, in support of striking **British Airways, Ltd. (2)** cabin crew, bring Paris (CDG) to a standstill on July 9, the first day of the job action. Also during the month, the French National Pilots Union requests that the U.S./Canada ALPA conduct an independent review to determine reasonableness of the cost-cutting demanded by the carrier under its new two-tier wage system.

At this point, the company enters into a strategic alliance with **Air India, Ltd.**, an arrangement that covers European services and will allow the financially strapped Asian line to pull out of Zurich and Amsterdam.

Under the leadership of the new chairman, Nashirudeen Mallam-Hasham, **Air Mauritius, Ltd.** now begins a campaign to federate the airlines of the Indian Ocean area. To this end, a protocol is signed in July with the airlines of Madagascar and the Seychelles, the Comoro government, and AF. The signature of **Air Austral** is momentarily expected.

On July 31, **Proteus Air System, S.A.** agrees to become the third "Air France Express" franchise partner. In exchange for subsidy and other assistance, the company's aircraft will be painted in modified AF livery and will undertake to fly certain medium- and low-density routes on behalf of Air France Groupe.

Air France Industries wins an \$80-million-per-year contract during the first week of August to maintain the eight A340s operated by **Virgin Atlantic Airways, Ltd.**

The initial dual designator Dornier 328 flights of **Proteus Air System, S.A.** commence on September 1, thrice daily between Paris (ORY) and Chambéry, Savoie. Although newly elected Prime Minister Jospin has initially evidenced a more pragmatic approach to economic affairs, his (Communist) Transport Minister Jean-Claude Gayssot absolutely refuses to consider any plan to privatize AF, including those put forward by Chairman Blanc. This view is confirmed in the daily *Humanité*.

At this point, Chairman Blanc makes an eleventh-hour effort—some will call it a personal gamble—to win support for privatization and his vision of a company able to stand as one of three major groups (**British Airways, American Airlines, Deutsche Lufthansa, A.G.**, and the "Star Alliance") of transatlantic airlines to survive into the next century.

On September 4, Jospin, Gayssot, Socialist Party spokesman Francois Hollande, and Blanc meet to work out a compromise consistent with the political and practical requirements of each leader. Although Gayssot recommends that the flag carrier undertake neither privatization nor status quo, he remains steadfastly opposed to the former possibility.

In an emotional two-hour meeting, Blanc reminds his colleagues that the previous government had pledged to the European Commission in 1994 that it would sell its controlling stake as a condition of its approval of the rescue plan and lists the various and overwhelming economic reasons for such a move. He then proposes an idea he calls *privatisation de*

gauche, which would see the sale of a major stake in AF to investors, as well as 20-30% to company flight and ground crews. This would satisfy a need for government involvement, reconciliation of the carrier's business-oriented, long-range course with government requirements, and the maintenance of "social values" in the company workforce.

Following the almost immediate rejection of this concept, Chairman Blanc threatens to resign. To avoid an unpleasant personal rift, Hollande suggests the outright sale of a 49% minority stake to be coupled with a government promise, demanded by Blanc, to fully privatize sometime in the future. No sooner has Blanc departed Matignon palace than the government issues a statement on the meeting, repeating its position that complete privatization is not on its agenda.

Having determined that his differences with the prime minister's government are irreparable, Chairman Blanc meets with his management team the next morning. He informs them that he will not formally resign, but will send word to the government that he will not stand as a candidate for the chairmanship of the newly united **Air France Europe-AF** scheduled for the following week. Prime Minister Jospin, who considered the chairman's resignation threat the previous day as nothing less than blackmail, accepts the retirement document that afternoon without a word of gratitude.

In September, representatives of the 11 consortium member nations holding a stake in **Air Afrique, S.A.** seek an appointment in Paris to ask for French government aid to help with the consortium carrier's finances. No invitation is forthcoming.

Air France Europe and AF are formally merged on September 12 when the government names a unified board of directors attuned to its political philosophy.

On September 15, the company president joins with his counterpart from **Aeroflot Russian International Airlines (ARIA)** in signing a strategic alliance agreement at Moscow. The two airlines will coordinate services through their Paris and Moscow hubs and begin code-sharing.

After stints as an assistant to the late President Francois Mitterand and to EU Research and Science Commissioner Edith Cresson, former **Air Inter, S.A.** President Jean-Cyril Spinetta, a supporter of Socialist economic policies, is appointed by the board as the new chairman/CEO of AF on September 18. His selection is approved by the cabinet of Prime Minister Jospin and he takes office on September 24. Spinetta is the sixth chief executive of the airline hired within the last 12 years.

On October 1 **Brit Air** begins flying 150 "Air France Express" flights per day on behalf of the major from Paris (CDG) to French regional airports. At about the same time, **Regional Airlines, S.A.** commences a block-seat agreement with the major on its flights to Stuttgart from Lyon and Nice.

The company begins code-sharing flights to Tunis in October with **Tunisair, S.A.** under an agreement that calls for coordination of freight, purchasing, information systems, maintenance, and frequent flyer programs. The same kind of deal is simultaneously struck with **Royal Air Marco** and code-sharing services are launched from Strasbourg and Lyon to Casablanca.

On October 3, a code-sharing pact is signed with the Colombian carrier **ACES (Aerolineas Centrales de Colombia, S.A.)**. The important relationship with **Continental Airlines** and **Delta Air Lines** still cannot be implemented; in a statement Transport Minister Gayssot stresses his absolute opposition to the U.S. "open skies" approach.

A new company advertising campaign begins on October 20. The theme, to be shown in press and television spots, will be "winning the hearts of the world." French cinema superstar Jeanne Moreau becomes the airline's spokesperson and the first television spot airs on October 24.

Late in the month a franchise agreement is entered into with the British carrier **Gill Air, Ltd.** Under its terms, one of the Aero International (Regional) ATR42-320s, painted in modified AF livery, will operate twice-daily "Air France Express" roundtrips from Newcastle to Paris (CDG).

During November, a contract is signed with ILFC for the charter of two A319-131s, which will be delivered in February and April 1999, respectively.

Also during the month, President Spinetta announces plans to turn the country's second largest airport, Lyon Satolas, into the company's "rear guard" secondary hub after Paris (CDG). The move will enhance service to Italy and also allow greater connection with the flights of **Brit Air, S.A.**

In honor of the twentieth anniversary of Concorde service to New York, on November 21 the carrier introduces a Concorde/L'Espace promotional fare under which passengers can fly roundtrip business-class to Paris for just \$6,000.

Just before Christmas, **KLM (Royal Dutch Airlines, N.V.)** and **Alitalia, S.p.A.** announce their intention to join in a comprehensive marketing arrangement in 1998. With Italian interest now focused on Amsterdam, AF and Alitalia elect to discontinue their agreement within ten months.

At the same time, company officials announce that a proposal is under active consideration to increase the number of daily Paris-New York Concorde frequencies.

Passenger traffic figures are not released; however, it is noted that, for the year, freight is up 4.3% to 5.01 billion FTKs. Revenues for Air France Groupe jump 9.2% to \$9.77 billion, while costs climb to \$9.37 billion. The operating profit is \$402.5 million and there is a net profit, the first since 1989, of \$301.07 million.

At the beginning of 1998, AF is the 5th largest airline in the world in terms of freight carried, 8th in operating income, 9th in employee number, 13th in both operating and net profit, and 14th in fleet size.

The fleet at the beginning of the year includes 198 aircraft, of which 77.3% are Stage III certified; this number includes: 39 B-737s, 6 Concorde, 30 older B-747s, 13 B-747-400s, 6 B-767s, 3 A300s, 10 A310s, 9 A319s, 57 A320s, 8 A321s, 12 A340s, and 5 Fokker 100s.

At the start of January, the company introduces its "Concorde Companion Fare," under which passengers traveling together are able to save approximately 50% off the second ticket. The cost of one-way flights between New York and Paris or Paris and New York are reduced from \$16,796 to \$12,597.

Service is restarted from Paris to Point Noire, on January 5.

During the last week of January, Asia-Pacific Managing Director Arthur Bullard announces that the company will transfer its Asian regional headquarters from Hong Kong to Bangkok.

The code-sharing agreement with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, first signed in 1992, is renewed on February 10; the extension will take effect on April 1. Over the next two months, the number of weekly dual-designator services between Paris and Mexico City will be increased from 10 to 12 and later to 14, or twice daily.

With the subsidiary **Air Charter, S.A.** unable to generate profit in the face of low-cost competition, parent AF announces in February that it will be closed down in November. One of the competing airlines, **AOM French Airlines, S.A.**, begins to make arrangements to take over the bulk of Air Charter's business.

At the end of February, Transport Minister Gayssot and Finance Minister Dominique Strauss-Kahn finalize a long-awaited plan to decrease the government's stake in the flag carrier from 97% to about 53%; the left-wing document refers to the "opening" of company capital, rather than "partial privatization."

On March 6, another memorandum of understanding is initialed with **Royal Air Maroc**. The pact provides for schedule coordination, harmonization of route networks, and mutual overhaul/maintenance assistance.

An agreement is reached with **Gemini Air Cargo** on March 8 under which Gemini will operate a trio of DC-10-30Fs for the French line, replacing the DC-8Fs that it had previously wet-leased from **Cargo Lion, S.A.**

In an effort to make certain that sufficient capacity is available in the wake of a threatened September 3 pilots' strike, **Air Canada, Ltd.** wet-leases a DC-10-30F from Gemini Air Cargo. It will provide freight charters to London and Frankfurt over the next week on behalf of its key freight forwarder supporters. When that aircraft is returned, it, too, is wet-leased to AF to supplement that carrier's 12 B-747F Jumbojet freighters.

At mid-month, the company begins to link Port au Prince with Miami on a thrice-weekly roundtrip schedule.

At a meeting in Paris, **Continental Airlines** Chairman/CEO Gordon Bethune and AF Chairman/CEO Spinetta reaffirm "a mutual commitment to the marketing alliance initiated in October 1996." Despite the absence of a U.S.-France bilateral agreement, the two will engage in all activities possible short of code-sharing. Both will also honor their partnerships with **Delta Air Lines**.

Also during the first quarter the company is designated the official airline of "France '98," the World Cup soccer matches to be held in France during June. In honor of the occasion, the carrier begins to decorate 16 units of its fleet with decals depicting players from participating countries. A goalkeeper is applied to the left side and a shooter to the right of 3 B-747-128s, 2 A340-311s, and 11 A320-211s. The first two aircraft are unveiled in a March 23 ceremony, with the one depicting U.S. players arriving making its maiden flight to New York five days later.

On March 29, company flights to or from the U.S. and Canada become nonsmoking; AF continues to offer smoking bars on its other routes.

The first of ten new B-777-228 IGWs is delivered on March 29 and flown to Paris on March 30. It is one of the first equipped with the Enhanced Ground Proximity Warning System (EGPWS) that Boeing is now adding to this type as standard equipment.

With the opening of the summer scheduled on April 1, thrice-weekly direct roundtrip flights are inaugurated from Paris to Shanghai. **China Eastern Airlines Company, Ltd.**, with which the French major has recently signed a marketing agreement, offers reciprocal flights.

A strategic alliance document is signed with **Air Mauritius, Ltd.** on April 3. The companies share codes on their five weekly roundtrips between Paris and Mauritius and begin to develop joint purchasing and airport handling activities.

A new "open skies" bilateral accord is signed between France and the U.S. on April 8. The arrangement will allow the company to strengthen its alliances with **Delta Air Lines** and **Continental Airlines**. The first of ten B-777-228 IGWs enters service between Paris and New York on April 9 and repainting of the 16 World Cup aircraft is completed the next day.

Success of the "Concorde Companion Fare" promotion leads the carrier, in April, to extend it through the remainder of the year.

Also during the month, the report commissioned from the U.S./Canada ALPA is issued; it demonstrates that the carrier's flyers receive less pay than their counterparts at **British Airways, Ltd. (2)**.

During the first week of May, the French SNPL union, which has reworked the ALPA figures, comes to a completely different conclusion concerning pilot wages. The SNPL report indicates that, taking profit sharing into account, AF pilots actually earn 15-21% more than their BA colleagues and a huge 41% more than cockpit crews at **Deutsche Lufthansa, A.G.**

AF executives point to the SNPL report as confirmation of an internal audit performed in 1997. They ask pilots to accept company demands for a mandatory 15% salary reduction in return for a 10% equity stake in the flag carrier, as well as a two-tier wage package for senior flyers and new hires. The U.S./Canada ALPA surprisingly supports the airline's request, while SNPL does not. Three of the carrier's unions respond to the airline's demand by staging a one-day strike.

While the union leaders scuffle with corporate leadership, long-haul pilots inaugurate twice-weekly roundtrips between Paris (CDG) and Shanghai on May 11.

In mid-May, joined by **Deutsche Lufthansa, A.G.**, **Japan Air Lines Company, Ltd. (2)**, and **Korean Air (Korean Airlines, Ltd.)**, the carrier begins a two-week move into the new \$434-million Terminal One at New York (JFK). Having jointly developed, financed, designed, and constructed the huge project, the four carriers will now operate it and sell space to other carriers.

The European Academy for Aviation Safety is opened at Toulouse during the last week of May. It is jointly sponsored by the carrier, **Deutsche Lufthansa, A.G.**, Airbus Industrie, Aero International (Regional), RAI-ENAC, and the College of Aeronautics, Cranfield (England) University.

Simultaneously, AF concludes an order for 16 A319s and 4 A321s to be delivered between 2000 and 2002.

Radically opposed to the company's salary-for-equity exchange demand, the pilots' union (SNPL) chairman, Jean-Charles Corbet, ends negotiations with Chairman Spinetta and Transport Minister Gayssot during the last week of May. The union votes to undertake a two-week strike beginning on June 1. Both the labor peace and the carrier's return to profitability and plans for partial privatization are stalled. A decision to acquire three more B-777-228 IGWs is postponed until June 30.

Of greater immediate concern is transport for the 64 World Cup matches, which open in ten French cities on June 10 and for which 2.5-million tickets have already been sold. AF is scheduled to transport an additional 120,000 passengers over its domestic network during the 33-day long contest. The company immediately suspends its high-profile advertising campaign, which uses the slogan "Winning the Heart of the World."

At the same time, arrangements are made with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)** to help fly soccer fans during the strike. AF aircraft already stationed in Brazil will fly customers for the next two days, after which passengers bound to the games on June 2-4 will fly VARIG.

By June 3, the third day of the strike, positions on both sides of the table have hardened, with Interior Minister Jean-Pierre Chevenement, in a radio interview, accusing the pilots of holding the World Cup hostage. Chairman Spinetta refuses a union call to ax the wage cuts and indicates his expectation that the government will not intervene to end the job action.

AF can now only guarantee approximately 17% of its long-haul flights and 30% of its medium- and short-haul flights from Paris Charles de Gaulle International Airport. The strike is reportedly costing FFfr 100 million each day.

Also during the day, subway and suburban train drivers join drivers on the national railway network in staging wildcat sympathy strikes.

As the strike continues into its second week, replacement and management pilots are able to maintain approximately 40% of the carrier's domestic schedule. Independent carriers and an efficient national rail (the drivers strikes are ineffective) and road system help to absorb traffic. Still, losses total \$17-million per day. Despite a plea from French President Jacques Chirac, who points out that the World Cup obligates Frenchmen to provide visitors with "perfect conditions," union leaders pledge that, should there be no resolution of their demands by the end of the two-week job action, the strike will be extended.

Leaders of the SNPL inform AF on June 8 that pilots would, despite the job action, be prepared to fly aircraft for free to pick up soccer fans who have been stranded abroad before the World Cup. The airline agreed to discuss this possibility, announcing that special flights could be sent abroad within 48 hours. The offer helps lead to a resumption of talks between the union and the airline.

After tense negotiations, a compromise accord is reached on June 10 between the airline and its pilots. The ten-day walkout, which ends just hours before the World Cup games begin in Paris, has cost AF FFfr 1 billion (\$166 million); it also loses a good deal of prestige, as heated debates in the national parliament fully demonstrate.

In exchange for a seven-year salary freeze, management agrees not to implement a two-tier wage scale, although, for the next five years, pilot trainees will receive less pay. The salary freeze is expected to save the airline \$80 million per year. AF also drops its mandatory demand that the pilots exchange 15% of their salary for a 10% equity stake in the carrier. Regular flights resume over the remainder of the week from a 25% strike-time low.

The U.S.-France bilateral accord reached on April 8 is formally signed on June 18 in a Paris ceremony by French Foreign Minister Hubert Vedrine and U.S. Secretaries Madeleine K. Albright (State) and Rodney E. Slater (Transportation).

The pact opens the way for new transatlantic code-sharing, full implementation of the carrier's pacts with **Continental Airlines** and **Delta Air Lines**, and additional frequencies.

Almost unnoticed in media circles during the day is the introduction of the carrier's first-class beds, L'Espace, on its long-haul route from Paris to Houston.

Continental Airlines and AF waste no time in implementing code-sharing under the new U.S.-France bilateral. On June 19, the two begin code-sharing on each other's transatlantic flights between Paris and Newark and Paris and Houston. Additionally, Continental shares its codes on AF flights beyond Paris to destinations in France, Germany, Belgium, Denmark, Sweden, Norway, Switzerland, Austria, and Finland. Likewise, AF applies its code to Continental domestic services from Newark and Houston to Cleveland, Dallas (DFW), San Antonio, Austin, Detroit, Philadelphia, Syracuse, Pittsburgh, Buffalo, Norfolk, Rochester, and Albuquerque.

Likewise on June 19, dual-designator service begins with **Delta Air Lines**. The Atlanta-based major applies its code to AF flights from Paris to New York (JFK), Chicago (ORD), Los Angeles, San Francisco, Washington, D.C. (IAD) and a new daily nonstop A310-304 roundtrip to Atlanta.

After a four-year absence occasioned as a cost-cutting measure, AF resumes daily nonstop roundtrips on June 19 between Paris (CDG) and Boston; the A310-304 service is operated as a dual-designator flight with **Delta Air Lines**.

Weekly B-747-228B roundtrips commence on June 21 between Paris (CDG) and Havana. Two days later, the European Commission confirms its 1994 approval of FFfr 20-billion (\$3.34 billion) in state-aid subsidies to the company.

A number of competitors rejoice on June 25 when the European Court of First Instance issues a ruling that the \$3 billion in government assistance provided to the airline in 1994 had been illegal because it was linked to a restructuring plan and gave AF an unfair advantage over its competitors. The judgement in the French case has no bearing on any other aid given by European governments to their airlines or on the EC's state-aid policy in general.

On July 1, the European Court of Justice nullifies the 1994 European Commission authorization for the injection of huge government bailout funding into the then-floundering AF. The EC ponders an appeal.

While en route from São Paulo to Paris on the month's first day, a B-777-228 IGW suffers an engine shutdown; the twin-engine wide-body makes a safe emergency landing on Portugal's Tenerife Island. No injuries are reported.

Also during the first week of the month, the carrier concludes a firm order for 20 additional A319/A321s, with 20 options, which will replace older B-737-200s.

Chairman from 1948-1954 and later founder and first managing director of Airbus Industrie, Henri Ziegler, 91, dies on July 23.

The same day, sources in Johannesburg erroneously inform the media that, due to the nation's high crime rate, the French major will halt flights to South Africa the following March. The rumors are denied; however, an AF spokesman indicates that the number of frequencies to Cape Town is under review.

The Concorde flies top designers, buyers, and other fashion industry professionals from Paris to New York on July 26 for the opening of the Spring '99 Men's Collection, which debut next day at the New York Public Library. A prominent sponsor of the event, the airline includes a model of the SST as well as various company signage and brochures.

During a ministerial-level meeting at Bamako, Mali, in August, a call for help is made to the French government for assistance in helping to keep **Air Afrique, S.A.** from foundering.

Tentatively scheduled for September, the company's partial privatization is postponed on August 27 until 1999. Losses caused by June's pilot strike are cited as the primary reason.

The carrier's twice-weekly service to Shanghai from Paris (CDG) is increased to thrice-weekly on September 1. Simultaneously, daily frequencies to Frankfurt are increased to seven and twice-weekly roundtrips are started to Havana.

On September 3, a major commercial alliance is signed with **Middle East Airlines, S.A.L. (2)**. The company, beginning on September 10, cosponsors a major "100 Years of Aviation" Champs Elysees exhibit with the Aero Club of France, the world's oldest federation of flying clubs.

Under terms of a dual-designator pact signed on August 10, the company begins code-sharing with **Korean Airlines/Korean Air (KAL)** over long-haul routes from Paris to Seoul (six times a week) and Seoul to Paris (four times a week) on September 16. The French major employs its A340-313Xs while KAL flies B-747-4B5s.

Finally, in mid-September, the French government agrees to see the representatives who had sought an aid-discussion appointment on behalf of **Air Afrique, S.A.** the previous year.

As a Paris-bound B-747 Jumbojet is returning to Tokyo (NRT) on September 22 to fix a mechanical problem, a fake air controller (male voice) suddenly orders the pilot to dump fuel. Then, as the plane approaches 12,460-ft. Mount Fuji, another command is given, this time to lower altitude to about 4,950-ft. The pilot, believing something is amiss, refuses to execute the orders and lands safely. The incident is reported to aviation authorities and will be kept secret until the following March.

On September 23, three small pilots' unions call for a 24-hour strike to emphasize their demand to be included in negotiations between management and the SNLF over any exchange of wages for shareholding.

A code-sharing agreement signed with **Austrian Airlines, A.G.** on August 5 takes effect on October 1. Under its terms, the two share their seven daily return flights between Paris and Vienna. In addition, AF places its codes on Austrian flights into Eastern Europe while the Austrian designator will be shown on French domestic routes.

On October 12, management pledges to sign a new contract with the SNLF before October 17.

All flights to Belgrade are cancelled due to the Kosovo crisis on October 14.

Also during the month, the number of roundtrip frequencies from Paris to Havana are doubled from one to two each week. On a more troubling note, competing **Swissair, A.G.** acquires a 44% stake in **Air Littoral, S.A.** and thereby a large presence in AF hub at Nice.

During October, **CityJet, Ltd.** enters into discussions with AF concerning the possibilities of becoming a full franchise. Negotiations are also held on the value of starting joint flights between London (LCY) and Paris (CDG) and Strasbourg.

Dubbed "Gare 1 Extra Large," a highly automated, \$68-million cargo facility—the largest and most advanced cargo terminal in Europe—is opened at Paris (CDG) on October 26; it is estimated that the new facility will handle 2.2-million pounds of freight each year.

On October 30, for the fourth year in a row, the company is named the official airline of the New York Women's Collection fashion show, which will take place between November 2–6.

Joint flights begin with **Delta Air Lines** on November 1 over a route from Paris to Johannesburg, South Africa.

On November 10, the Port Authority of New York and New Jersey and AF are able to settle what has become known as "The Geese Case." The suit, filed for recovery of damages caused to a Concorde flight in 1995, had contended that the airport authorities had failed to perform required "runway sweeps" to frighten the birds away before every takeoff or landing of an SST flight. The settlement is \$5.3 million.

Six unions representing the airline's 10,000 cabin crew members postpone a 48-hour strike over salaries and working conditions on November 11–12, but indicate that it will occur during the following week.

Beginning on November 12 and continuing for a week, AF transports 1,200 tons of Beaujolais Nouveau around the world, including 500 tons to Asia (450 tons to Japan alone) and 350 tons to the Americas. The deliveries will allow Beaujolais Nouveau enthusiasts to uncork their first bottles of the brilliant red vintage on November 19, the third Thursday of the month, as is the custom.

AF executives announce on November 13 that they will be able to assure 55% of long-haul and 60% of short- and medium-distance flights should the union's job action occur.

The cabin crew walkout occurs on November 17–18. The company is forced to cancel nearly half of its flights on the last day of the strike; many other services are delayed. A two-day pilots' walkout is threatened for the following week.

At a news conference in Paris to report fiscal results for the first six months, Chairman/President Spinetta informs journalists that his company will make a decision by the end of 1999 on whether to invite **Delta Air Lines** or **Continental Airlines** to join it in building a global alliance. On the matter of finances, it is noted that the company has suffered a 24% drop in its first-half profits to FFfr 1.34 billion (\$238 million).

Faced with the very real possibility that **Air Afrique, S.A.** may go under, thereby opening its routes to competition from non-African international air carriers, AF decides that the Pan-African airline's situation requires a more active presence. Although it does not plan an immediate equity presence, the November issue of *Airline Business* in its cover story reports that the French flag carrier will now manage Air Afrique.

On November 27, a company cargo plane transports, in three separate pieces, a 580-kg. Formula 1 racing car, made entirely of chocolate from Paris (CDG) to New York (JFK). Commissioned by Prost Grand Prix, the unusual vehicle was created by Pascal Guerreau using the original carbon molds of the "Gauloise Prost Peugeot AP01." The entity is exhibited at the Chocolate Show held through December 1. At the conclusion of the exhibit, AF returns the confection to Paris, where it is exhibited at the Espace Champerret for a week beginning on December 4.

Spinetta reconfirms his November comments concerning Delta and Continental in a December 15 interview with *La Tribune*. He also notes that the carrier's initial public offering (IPO) should occur in early 1999.

Just after takeoff from Lyon for Nantes on December 30, the rear left wheel of Flight 7863, a B-737-328 with 59 passengers, falls off; the pilot makes a safe emergency landing back at his point of origin and no injuries are reported.

Also during the month, the carrier is contracted by St. Louis, Missouri-based INTRAV for the use of a Concorde for an 18-day Millennium around-the-world tour to be flown from New York via Honolulu, Sydney, New Delhi, Kenya, and Cairo between December 24, 1999 and January 10, 2000. All but a few of the \$75,000 seats will be sold out within weeks.

Enplanements for the year climb 2.4% to 33.16 million, including 13-million passengers, making it Europe's largest domestic route system. Cargo traffic slides 7.1% to 4.59 billion FTKs. Revenues total FFfr 60.7 billion (\$9.68 billion) and there is a net gain of FFfr 1.87 billion (\$265.71 million). It will be announced the following June 3 that these figures must be revised downward; revenues are \$8.75 billion and net profit is \$239 million. The pilot strike and a loss by the cargo unit are the chief reasons for the rewrite.

On January 6, 1999, AF enters into a new partnership agreement with **SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe), Air Saint Martin, S.A., and Air Martinique, S.A.** designed to increase the major's market share in North America and to maintain French-flag air presence in the Caribbean region.

During the first quarter, the B-737-200A of **Islandsflug, H.F.** will be wet-leased to Caraibenne des Transportes Aeriens, the joint venture established to replace the French major on its Caribbean routes from Fort de France and Pointe-à-Pitre to Cayenne, Miami, and Port au Prince. The Icelandic Boeing will be returned as soon as the combine is able to secure a pair of B-737-300s.

Airline management and the unions representing ground personnel sign an accord on January 13, establishing a framework for a 35-hour workweek (a nationwide goal of Prime Minister Jospin). The pact will reduce the workweek from 39 hours without salary cuts and will create 4,000 additional jobs.

Demanding a bonus for working nights under the new 35-hour plan, workers at Paris (ORY) stage a surprise strike next day that forces the cancellation of 17 domestic flights. The job action is also extended to Paris (CDG), where somewhat fewer international services are scrubbed.

One of the last state-owned airlines, AF closes the "warm up stage" of an initial public float of 16.4% of its stock on January 25. The step has been taken to test interest in full privatization, from which it is hoped to raise FFr 4 billion. There is strong investor demand reflected in the pre-marketing stage and weakness in the airline sector.

Leaders of East Africa end their 2 1/2-year embargo of Burundi on January 26; AF, which has honored the sanctions since their imposition in July 1996, indicates that it will resume flights to Bujumbura in mid-February.

Also during the month, it is announced that discussions are underway with **TAM-Meridonais, S.A.**, the long-haul subsidiary of **TAM (Transportes Aereos Regionais, S.A.)**, aimed at the formulation of a strategic alliance.

It is announced on February 3 that AF and **Delta Air Lines** have jointly filed an application with the DOT that will allow them to extend their existing code-sharing agreement to Johannesburg, South Africa. With anticipated approval, the Atlanta-based major will place its code on the French line's daily A340-311 roundtrips to Johannesburg from Paris (CDG) on November 1. It is simultaneously noted that the two will grow their code-share pact to additional third countries in the near future.

Also on February 3, a lone gunman takes over a company Airbus A320-211 at Paris (CDG) as, with 82 passengers, it prepares for departure to Marseilles. After some hours of negotiation, the hijacker surrenders.

With advice, Finance Minister Strauss-Kahn's department prices AF on February 9 at 14.2 euros per share for institutions and 14 euros for individual investors in its initial offering of a 20.7% stake; the pricing values the whole airline at FFr 20.5 billion (\$3.54 billion).

Of the 184-million shares, the government, beginning with institutional investors (15.8 million shares) now begins a process of selling off the stocks in three tranches.

The initial offering is enthusiastically greeted and it is reported on February 10 that the institutional portion has been oversubscribed between 20 and 30 times, while small investors have oversubscribed 10 times. It is also noted that institutions have oversubscribed 41 times.

TAM-Meridonais, S.A. successfully completes its strategic discussions with AF on February 15, at which point a major marketing agreement is announced. Under its terms, the two international airlines will link their frequent flyer programs, coordinate scheduling and marketing, and code-share on routes between Brazil and France.

Once the initial sell-off is finished on February 22, another 13.5-million shares will be offered to the general public, with 3-million shares available to company employees.

For the third year in a row, the airline in early February is named "The Official Airline of Fashion Week" in New York City. In celebration, the airline hosts its first-ever retrospective exhibit of flight attendant uniforms, dating back 66 years, at Bryant Park between February 12 and 19. Entitled "Runway to the Runways" the exhibit features designs by leading French designers such as Nina Ricci, Christian Dior, Cristobal Balenciaga, and others.

While on descent into Montpellier on a service from Paris (ORY) on February 12, an A320-211 with 175 passengers lurches violently to the left to avoid a head-on collision with a glider carrying an instructor and pupil; both the jetliner and the glider land safely, with no injuries reported.

It is reported by the *London Sunday Times* on February 14 that the company is in talks with **Continental Airlines**, **Alitalia, S.p.A.**, **Delta Air Lines**, and **Northwest Airlines** concerning the possible creation of a global alliance to challenge the other two world airline pacts, OneWorld and Star Alliance.

It is announced in Beirut on February 15, that, under the dual-designator pact signed with **Middle East Airlines, S.A.L. (2)** the previous September 3, the two companies will offer 19 weekly joint services between Paris and Lebanon beginning on June 1.

The Italian news agency Ansa reports on February 21 that the carrier is in discussions with **KLM (Royal Dutch Airlines, N.V.)**, **Northwest Airlines**, and **Alitalia, S.p.A.** concerning the possibility of AF joining

their global alliance. Northwest and KLM are also alliance partners of **Continental Airlines**, which is one of two U.S. airlines seeking a partnership with Chairman Spinetta's line. None of the suggested participants will confirm the story.

AF shares soar on February 22 as the partial privatization of the airline reaches the Paris Bourse. Shares are first traded at 18 euros against a flotation price of 14-14.2 euros. Indeed, initial trading must be suspended for 15 minutes before a single deal can be concluded because heavy demand pushes the share value up by over 700%. The government, which has held back 1.97-million shares from the institutional tranche to keep up with demand from individual investors, now allows a sale to small investors of 21.96-million shares worth 307-million euros (\$1 = .9104 euro). When all is said and done, the French government will remain the majority shareholder, with 63.6%, but 22.6% of the stake will be held by institutions, small investors, and company employees.

Chairman Spinetta basks in the success of the day, informing radio interviewers that the day's fiscal activity is an "enormous popular success." He also takes the opportunity to reaffirm his intention to choose, before the end of the year, either **Delta Air Lines** or **Continental Airlines** as the carrier's major global alliance partner.

On February 23, breaking ranks with its partners, **Alitalia, S.p.A.** confirms that the carrier, along with **Northwest Airlines** and **KLM (Royal Dutch Airlines, N.V.)**, is at the "very beginning" of alliance talks with AF.

While on approach to Paris (ORY) after a March 2 service from Marseilles, an A320-211 with 6 crew and 76 passengers is seized by former Bologna, Italy, policeman Stevano Savorani (who claims to have explosives) and is ordered to divert to Paris (CDG). Safely on the ground and moved to a secure portion of the airport, the plane's doors open and all but six hostages are released as negotiations continue. Late in the day, Savorani frees the remainder of his hostages and surrenders to police, ending the standoff without any injuries.

Also on March 2, the world celebrates the thirtieth anniversary of the first flight of the French-built Concorde prototype, called 001, which made its maiden flight from the Aerospatiale airfield at Toulouse this day.

On March 3, in response to the vote of the European Parliament in February to have the EU crack down on U.S. airliners equipped with hush-kitted engine mufflers that are ineffective at controlling air pollution, the U.S. House of Representatives begins to debate a retaliatory bill of its own. Should the EU go ahead as planned and vote on March 28 to prohibit flights by the Stage 3 U.S. planes (as early as April 1), the bill, voted to the floor by the House Rules Committee, would authorize a ban on Concorde flights to the U.S.

Spokesmen from both AF and **British Airways, Ltd. (2)**, the only carriers operating the SST, deplore the action, calling Concorde "an inappropriate target for sanctions in a purely trade dispute." They also indicate their confidence that a diplomatic solution will be found.

AF and **LAV Venezuelan Airlines (Linea Aeropostal Venezolana, S.A.)** sign a strategic code-sharing agreement on March 3. In addition to coordinated connections at Paris (CDG) and Caracas, the two will initiate dual designator services in June.

Strong crosswinds force a B-737-528 to land horizontally across the runway at Biarritz on March 5; with the jetliner unable to move, passengers are evacuated by emergency chute. For the next several hours, flights into Biarritz must be diverted to Pau.

The second aircraft to be lost on the same day is a B-747-228C. Unable to extend the nose gear, the two-man crew lands at Madras, India, with the gear retracted. After putting down, a fire begins that consumes the airplane, even as the aviators escape without injury.

In cooperation with the Thailand-based ECPAT Association, the airline on March 15 launches a campaign to combat child prostitution, using videos on long-haul flights to remind travelers that sex with children is a crime. A company spokesman indicates that the effort is targeted at the growing number of "occasional sex tourists."

Under provisions of the Positive Comity provisions of the 1991 EU-U.S. Cooperative Agreement, the U.S. Department of Justice, also on March 15, presents a case before the European Commission accusing

the carrier of abuse of a dominant position. After an initial inquiry, the EU elects to open a formal procedure against AF, which is alleged to have discriminated against SABRE, the computerized reservations system owned by **American Airlines**, in favor of its own partially owned system, Amadeus.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, AF, on March 24, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, *Operation Allied Force*, the bombing attack on targets in Serbia and Kosovo, begins.

The company indicates, also on March 24, that, due to high maintenance costs, it may well phase out its Concorde in or after 2007. Reacting to the announcement, **British Airways, Ltd.** (2) states that it has no plans to curtail its SST services and suggests that it is ready to "welcome on board our Concorde" passengers from France who will not be able to fly on the AF aircraft if the report is accurate.

Service to Belgrade remains halted on March 25–31 and for the duration of the NATO bombing campaign. Flights to south-central and southeastern Europe experience delays of 30–60 minutes due to airspace closure.

On March 26, the European Commission announces that, on the basis of its initial inquiry, it has determined that AF has discriminated against SABRE, the computer reservations system owned by **American Airlines**, by favoring Amadeus, the system in which it is part owner. The Commission enters an objection to the fact that the French major provides Amadeus with more accurate information than that which is given to SABRE or other reservations system, thereby putting the latter at a competitive disadvantage. A procedure is started against the carrier for an abuse of a dominant position.

European transport ministers agree on March 28 to postpone by a month a proposed ban on old aircraft upgraded with noise mufflers in order to avoid a transatlantic trade dispute.

When the summer schedule begins on March 29, AF is able to feature a substantial capacity increase, which is made possible due to the opening of a third runway (two days hence) and completion of Terminal 2F at Paris (CDG). These new facilities alone boost the carrier's connections by 44% from medium-haul to long-haul flights. In order to maintain its lead in offering the largest number of frequencies per city served of any European airline, AF begins to add four long-haul and seven medium-haul aircraft to its fleet. Additionally, the fleet will be rationalized by winter through the withdrawal of all remaining B-747-100s and Fokker 100s, plus some of the B-737-200s.

Flight schedule changes, deletions, and additions are made around the globe. The number of weekly flights from Paris to Tokyo (NRT) are increased from 12 to 13, while service to Nagoya is suspended.

Due to Indonesia's prolonged economic crisis, the six-times-a-week roundtrip service from Paris (CDG) to Jakarta via Singapore is cut to thrice weekly, but new frequencies to China will begin in June. The company now runs nine weekly flights to India—five to Delhi and four to Bombay. Plans call for an increase of frequencies to 11 per week by winter—six to Delhi and five to Bombay.

Eighteen additional frequencies are laid on to U.S. destinations: Washington, D.C. (IAD) and Chicago (ORD) from 1 to 2; Miami, from 7 to 10; and Los Angeles, from 12 to 13. As a result of these new flights, plus the alliances with **Delta Air Lines** and **Continental Airlines**, the number of American gateways served climbs from 36 to 89, including 48 with Delta and 30 with Continental. In addition, the carrier's first B-777-228 IGW service to North America begins as its new "Triple 7" begins flying from Paris to Washington, D.C. (IAD).

Weekly flights from Paris (CDG) to Pointe-à-Pitre grow from 11 to 13 each week and from 10 to 13 for Fort-de-France. Service to Havana remains at twice weekly. Weekly nonstop roundtrips to Buenos Aires grow from five to six and those to Santiago from four to five.

Service to Africa also grows, with the schedule from Paris (CDG) to Lagos increased from six flights per week to daily and to Ouagadougou from four to five each week. Service is simultaneously withdrawn from Cape Town and Maputo as the carrier negotiates with a local airline to take up the slack under code-sharing. Flights to Agadir, Casablanca, Marrakesh, Rabat, Sfax, and Tunis are transferred from Orly West to CDG-2 in order to facilitate connections between North Africa and the rest of the AF network.

A fourth weekly service is added to Damascus, while flights to Abu Dhabi are increased from four times a week to daily. Daily nonstop service is now offered to Dubai, with the total number of flights operated to the Gulf States increased from seven each week to ten.

Additional dual-designator services into the U.K. are offered by "Air France Express" partners **Gill Air, Ltd.** and **Jersey European Airways, Ltd.** The main line boosts its own service to Newcastle from two to three each day, as well as growing its Manchester flights from four to five daily.

Daily Stockholm service is increased from three to four, as is that to Oslo, from two to three, Helsinki and Gothenburg, from one to two, and Billund, from two to three, the latter due to dual-designator flights with **Maersk Air, A.S.**

Daily nonstop roundtrips from Paris (CDG) to Frankfurt are increased from seven to eight and from Paris (CDG) to Dusseldorf and Stuttgart from five to six. A ninth daily nonstop roundtrip is laid on from Paris (CDG) to Geneva along with an eighth daily roundtrip to Amsterdam.

Service is resumed to Genoa with three daily roundtrips; daily flights to Rome are increased (6 to 7) as are those to Florence (3 to 5); to Venice (4 to 5); to Bologna (3 to 4); and to Milan (7 to 8). Daily frequencies to and from Naples are transferred from Charles de Gaulle to Orly Airport.

Daily roundtrips from Paris (CDG) to Madrid are increased (7 to 8), as are those to Lisbon (4 to 5), and to Oporto (2 to 3). Daily service is launched from Paris (ORY) to Malaga and Valencia.

La Navette shuttle flights are increased by the addition of two new services to Marseilles and one to Nice (27 and 17 daily flights, respectively). Two additional morning flights to and from Bordeaux effectively supplement the existing schedule, and greatly improve the frequency. Bordeaux is the fourth French city to benefit from La Navette shuttle service. A new morning flight from Strasbourg to Paris (ORY) is introduced, for a total of three prime time flights, while another flight is added to the Paris (ORY) to Pau service at the end of each afternoon, along with another to Corsica.

Direct transversal services continue to be improved, including the daily flights from Lille to Marseilles (3 to 4), to Toulouse (2 to 3), and to Bordeaux (1 to 2) plus those from Strasbourg to Toulouse and Bordeaux (2 to 3). The number of available connections at the Lyon hub is doubled by the introduction of a third bank of flights in mid-afternoon. New daily services are introduced from Lyon to Mulhouse, Pau, Biarritz, Lorient, Metz, Rodez, Bologna, Vienna, Hamburg, and Vienna.

The first of two A319-113s to be chartered from ILFC arrives on March 30; the second will be delivered in April. The March 30 aircraft is the one thousandth A320-family jetliner to be delivered. A340-311s begin to operate the twice-daily return service from Paris (CDG) to Atlanta on March 31.

The third runway becomes available at Paris (CDG) on April 1, allowing many additional passengers to be accommodated. At the same time, Satolas Airport at Lyons becomes the company's first regional hub. Many new European services are started from that point, including nonstop roundtrips to Vienna, Cologne, Hamburg, and Venice, while frequencies to Barcelona, Dusseldorf, Frankfurt, Rome, Stuttgart, and Munich are increased.

Service to Chicago (ORD) is doubled on April 12 as a B-767-328ER adds another daily roundtrip. The date reflects the forty-fifth anniversary of AF service to the "Windy City," and features both L'Espace business class and Tempo economy class seating.

The first AF B-777-228 IGW service to Tan Son Nhat Airport at Ho Chi Minh City, Vietnam, is completed on April 13. According to the

company's local representative in Vietnam, Michel Maury, who is quoted in the *Saigon Times Daily* on April 15, this seventh weekly roundtrip service represents the French line's commitment to a long-term business relationship with the nation. The "Triple 7s" now operate from Paris to Singapore and Ho Chi Minh City, with Singapore replacing Bangkok as the intermediate stop.

Company employees at Nice begin a strike on April 14 that disrupts service to the French Riviera.

At a meeting of the Swiss-American Chamber of Commerce on April 21, the CEO of **Swissair, A.G.** indicates that moves by **Delta Air Lines** to form a code-sharing alliance with AF have placed the status of its current dual-designator pact with Swissair in grave doubt.

On April 23, a fire damages the offices of AF, **Deutsche Lufthansa, A.G.**, **British Airways, Ltd. (2)**, **Japan Air Lines Company, Ltd. (2)**, and **Indian Airlines, Ltd.** in the cargo terminal at New Delhi's Indira Gandhi Airport.

During NATO's fiftieth anniversary celebration in Washington, D.C., on April 24, EU officials announce that, on April 29, ministers from the 15 member states will adopt the controversial "hush kit" restrictions against older aircraft, banning the addition of newly noise-modified aircraft to national aircraft registers from this point on. It also specifies that beginning in April 2002 it will prevent the use of any non-EU noise modified aircraft not operating in the EU in April 1999. All are aware that the U.S. Congress is still considering a ban on Concorde flights in retaliation and pledge to amend the law, which stands to destroy a potentially huge resale market for older Boeing jets, after further consultation with the U.S.

On April 26, orders are placed for 15 A318-100s, with options taken on another 10. Simultaneously, employees at Nice determine to continue their 12-day-old job action after talks with management have proven fruitless. Two days later, EU officials vote to grant a one-year delay in imposing an aircraft engine rule opposed by the U.S.

Also during the month, arrangements are completed with ILFC for the charter of two A340-300s, two A319-100s, and a B-777-200 IGW; the initial A340 will be delivered in December with the remainder of the order completed by April 2001.

Mark Belnick, executive vice president of Tyco International, is honored on May 5 as the one-millionth AF Concorde passenger. When the SST arrives at New York (JFK) from Paris (CDG), a cake-and-champagne reception for the passengers and company employees is held at the new Terminal One.

Also during the day, a traditional ribbon-cutting ceremony is held to inaugurate the company's new U.S. Reservations Center at Sunrise, Florida. With over 140 staff in six functional groups who are able to handle 200,000 calls per month in 16 languages, the facility is the carrier's second largest after the main facility in Paris.

A second daily B-777-228 IGW return service is launched on May 16 between Paris (CDG) and Washington, D.C. (IAD).

On May 17, acting via Air Foyle (Ireland), Ltd., **Air Foyle, Ltd.** formalizes its deal with **CityJet, Ltd.** In exchange for a £4-million (£1r 8-million) investment, the British carrier acquires a 50.01% majority stake. Air Foyle Chairman Chris Foyle becomes the Irish line's new chairman, with CityJet's founder/CEO Patrick Byrne retaining his post. AF, which has been discussing regional possibilities with the Irish company for eight months, invests £2 million as a convertible loan. The French major's contribution will result in CityJet becoming the newest upgraded "Air France Express" carrier. As an increasing number of its aircraft are repainted, CityJet will expand its commuter services from Dublin to Paris, London (CTN), Florence, Nice, Toulouse, Madrid, and Strasbourg to a point where these flights account for half of the company's business. The arrangement between **CityJet, Ltd.** and AF, called a "sweet deal," will be fully detailed in the financial pages of the May 21 issue of *The Irish Times*.

As a result of the KAL Shanghai crash in April, the latest in a string of mishaps to plague the South Korean flag carrier, AF, on May 18, requires that **Korean Airlines/Korean Air (KAL)** suspend its code-sharing pact with the Paris-based major for a year.

Talks between AF and **KLM (Royal Dutch Airlines, N.V.)** regarding the possibility of the French line joining the KLM/ **Northwest Airlines** Wings group continue; KLM CEO Leo van Wijk indicates on May 20 that the discussions are still in an exploratory stage.

Under terms of its code-sharing agreement with **Middle East Airlines, S.A.L. (2)**, the number of weekly flights between Paris (CDG) and Beirut are increased on June 1 from 1 to 19.

In a bid to become the top carrier operating between Europe and China, weekly return frequencies are increased from Paris (CDG) to Beijing on June 1 from five to six; they are simultaneously boosted to Shanghai, from two every week to three.

On June 17, the *Les Echos* business newspaper reports that Air France has chosen **Delta Air Lines** as its new U.S. strategic partner. The flag carrier offers no comment. The scoop is, however, confirmed on June 22 when both majors announce that they will align their passenger and cargo services as part of a long-term effort to forge another global airline alliance.

While in the final stages of takeoff from New York (JFK) on June 27, Flight 614, a **Flugfelag Islands, H.F. (2)**-**Icelandair** B-757-208ER, with 7 crew and 185 passengers, clears an Air France B-747F, which has just landed, turned, and crossed the runway in front of the departing passenger plane; no injuries are reported.

When a tire bursts aboard a B-747-228C on July 17, an emergency landing is requested by the pilot for Havana; he is able, however, to put the plane down safely, with no injuries reported.

The code-share pact with **Delta Air Lines** is expanded on July 30 to include a reciprocal airmail agreement. Under its terms, the U.S. company will extend the number of destinations it can reach on behalf of the U.S. Postal Service while Air France will be able to do likewise on behalf of the French Post Office.

The current three-city code-sharing agreement with **Tunis Air** is expanded on August 16 to include all French and Tunisian cities.

An over-and-back Concorde charter from Paris (CDG) visits Ft. Lauderdale on October 8-9.

Unions stage a strike on October 11-12 to protest proposals for implementation of the French government's mandated changes to a 35-hr. workweek; at least 9 U.S. services are cancelled.

As a result of the October 13 military coup in Pakistan, that day's service from Madras to Karachi is diverted to New Delhi.

In a major expansion, the company, at the start of its winter schedule on October 31, increases seating capacity by 9.1%. The boost is made possible by the replacement of the last remaining B-747-100s with 4 B-777-228s and 3 A340-311s. Simultaneously, Air France Cargo charts an A300B4F freighter from **HeavyLift Cargo Airlines, Ltd.**, which will be used to operate its African routes. A B-777-228 is placed on the Paris (CDG) to Shanghai route on November 4.

Delta Air Lines greatly expands its French code-share on December 1, placing its designator on AF European services from Paris (CDG) to Brussels, Zurich, Vienna, Geneva, and Basel. It also places its designator on AF flights from Paris (CDG) to Ouagadougou, Burkina Faso, and Abidjan.

A strike in December by refuelers, followed by violent winter storms across the Continent, have a decidedly negative impact on company earnings as the year ends. On December 26 alone, 80% of the rare and historic trees at Versailles are destroyed.

Overall passenger boardings this year, nevertheless, jump 11.6% to 37,028,000 while cargo rises 2.9% to 4,726,604,000 FTKs. Group revenues surge 13.4% to \$9,922,299,000 while costs are up 9.4% to \$9,577,291,000. The operating gain rises to \$345 million, as the net profit climbs \$100 million to \$340,173,000.

Among the world's top 25 airlines as the new millennium begins, Air France is 10th in passengers and operating income, 6th in FTKs, 8th in employee number, 12th in fleet size, 16th in operating profit, and 9th in net gain.

At a January 2000 news conference, Air France officials indicate that they will gradually pull out of their 50% stake in **Aeropostale**

L'Aeropostale/Societe de Exploitation Aeropostale, S.A. Reaction by the other 50% shareholder, Sofipost, a subsidiary of the French post office La Post, is not reported.

The last operational B-747-128 flies from Paris (CDG) to Bangkok on February 9; there it is turned over to new owners, who will turn the Jumbojet into a restaurant. On March 1, **Delta Air Lines** begins to code-share on AF flights from Paris (CDG) to Lisbon and Porto.

In a heartfelt and well-received effort supported by Air France, **Delta Air Lines**, Scott Company, the Georgia Forestry Association, and the American Forests conservation group, over 5,000 seedlings, including 100 taken from the grounds of homes of American presidents and other historic sites, are transported to Versailles and planted by French and American students on March 20. The trees have been flown over by Air France and the students by Delta.

For safety reasons, the carrier, on March 23, orders its pilots to cease speaking French and to use English when speaking with Paris (CDG) ATC; the order will be rescinded on April 5. The next day, a code-sharing agreement is signed with Grupo TACA. When it takes effect on April 9, AF will be able to place its code on TACA routes while TACA customers may connect to any of the 273 AF destinations in 85 countries via Miami.

The carrier and **Aeromexico (2), S.A. de C.V.** begin code-sharing on March 25 between Cancún and Miami and between Monterrey and Atlanta. Service to Nairobi, Kenya, ends the same day.

Daily nonstop A310-304 roundtrips are launched on March 26 between Paris (CDG) and Philadelphia. **Delta Air Lines** code-shares on the service as well as on the Dakar frequency and an increased number of AF flights from Paris (CDG) to Atlanta and Cincinnati and from Lyon to New York (JFK). Flights from Paris (CDG) are increased to Boston, Miami, Rio de Janeiro, Mumbai, Seoul, Shanghai, Havana, Ouagadougou, Nouakchott, Douala, Yaounde, and Beirut. Cities visited daily include São Paulo, Beijing, Delhi, Osaka (KIX).

The same day, AF begins to code-share on **Comair** flights to 31 U.S. domestic destinations. Frequencies from Paris (ORY) to Strasbourg and Nice are boosted and a new daily return service to Seville is opened. New thrice-daily roundtrips are launched from Paris (CDG) to Bergamo and increased to all Italian destinations, as well as to Madrid and Barcelona. From Lyon, service is boosted to Turin, Barcelona, Madrid, Munich, and Rome.

In a fresh AF color scheme, a recently retired B-747-128 is delivered for display on April 1 to the Musée de l'Air. On April 9, a comprehensive code-sharing agreement is implemented with Grupo TACA; Miami is the connecting point for the flights shared by these carriers.

A deal is struck with ILFC on April 23 for the lease of 3 B-777-2Q8s beginning a year hence. The next day, **Delta Air Lines** begins to code share on AF services between Paris (CDG) and Boston. B-767-328ER frequencies from Paris (CDG) to Boston are increased from 7 to 12 on April 24.

Also in April, a 1.15 million-sq.-ft. cargo facility is opened at Paris (CDG); the new facility can handle a million tons of freight each year.

Suspended in December 1998, the route from Paris (CDG) to Brazzaville, in the Democratic Republic of the Congo, is reopened on May 3.

In the midst of contract discussions with six unions, Air France is struck by its cabin crews on May 5-6, but is still able to maintain approximately 60% of its domestic and international schedules. The dispute concerns a demand for a reduction in the workweek, made possible under a new French law.

For a third time, the company sends specialists to Algeria on May 10 to check security conditions and the possibilities of resuming service. On May 15, **Delta Air Lines** begins to code-share on company flights from Paris (CDG) to Cincinnati.

With a pink color scheme and the Victoria's Secret trademark label framing its doorway, a Concorde, on April 16, flies VIPs from New York (JFK) to Nice, from whence they will travel to Cannes for the Cinema Against Aids 2000 benefit.

During the spring, the company becomes a launch customer for the new Airbus A318.

Delta Air Lines also places its "DL" code on AF flights between Paris (CDG) and Lome, Togo, beginning on June 1.

Further divestment comes in June as the carrier group notes that it will reduce its 25% stake in Amadeus Global Travel Distribution to 2.5%, thereby earning FFr 500 million.

On June 21, **Delta Air Lines** is allowed to place its "DL" code on the AF B-737 Kiev service.

Inbound on a July 6 service from Miami, a B-747-428 with 275 passengers suffers a complete radio breakdown, probably caused by a lightning strike. Officials at Paris (CDG) approach L'Armée de l'Air, which dispatches a Mirage 2000 fighter out to escort the silent Jumbojet in to a safe landing.

A year after Air France and **Delta Air Lines** announce plans to create a global alliance, the new group, which also includes **Aeromexico** and **Korean Airlines**, is officially named "SkyTeam" in July. Together, the partners offer 6,402 daily flights to 451 cities in 98 nations. Simultaneously, the French major pays 96 million euros to take a majority stake in **Brit Air (Brittany Air International, S.A.)** and increases its share in **Regional Airlines, S.A.** to just over 99%.

Captured on videotape and shown on TV around the world, an extraordinary disaster reminiscent of the 1986 loss of the space shuttle *Challenger* occurs on July 25. On that date, Concorde Flight 4590 with 9 crew and 100 passengers, including 96 German tourists headed for the MS *Deutschland* and a South American cruise, becomes the first Western SST to be lost in a fatal accident.

The disaster occurs while the charter to New York (JFK) sponsored by the Neustadt-based Peter Deilmann tour company, is taking off from Runway 26R at Paris (CDG). The aircraft, it is later reported, strikes a 40 cm.-long metal strip (perhaps left by **Continental Airlines** Flight 55, a DC-10-30 that had taken off four minutes earlier) on the concrete, after which a left-hand tire on the main landing gear explodes. As the aircraft is becoming airborne, a fire, probably fed by a leak in the fuel tank below the left wing, erupts and is reported to the crew by ATC. About 2,100 m. down the runway, the No. 2 engine loses power and stops; the No. 1 engine begins to lose power. Trailing flames and black smoke and having strayed to the left of Runway 26R, the SST becomes airborne. At this point, the sleek, dark, trailing flame is captured on film by Hungarian amateur photographer Andras Kisgergely, whose efforts are syndicated worldwide by Reuters, Ltd.

Capt. Christian Marty (incidentally, the first Frenchman to wind-surf across the Atlantic) and copilot Jean Marcot cannot retract the Concorde's landing gear. It is doubtful if they, or anyone aboard, realizes that the SST has passed near Flight 275, a company B-747-428 just arrived from Tokyo with French President Jacques Chirac aboard, which is awaiting ATC clearance to proceed to a Terminal 2 gate. Airborne for about a minute, the No. 1 engine fails, after which the Concorde banks to the left, loses control, and crashes into the Hotel-lisimo, next to a main highway and 3,300-ft. from the city of Gonesse, bursting into flames.

There are no survivors from the plane and four people on the ground are also killed. Among the Concorde victims were Andreas Schraner, his wife Maria, and their two children, representing three generations, and her father-in-law, Christian Eich, president of the BMW Museum in Munich. All remaining Air France Concordes are immediately grounded, although British SSTs will operate their twice-daily roundtrips to New York (JFK) for another two weeks.

An intense investigation of the wreckage of the SST (which had been featured in the motion picture *Concorde: Airport 79*) is undertaken by safety officials from France, the U.K., and the U.S., while the media and analysts speculate on the commercial future of the Concorde. With French and British experts unable to agree on new operating safety measures, the carrier announces on August 2 that its five remaining SSTs will remain grounded "until further notice."

Just after landing at Los Angeles following an August 3 service from Papeete, Tahiti, ground crew find a man in the main wheel well of Flight 71, a B-747-428. The stowaway is rushed to UCLA Medical

Center suffering from severe hypothermia and all involve wonder how he survived the flight.

Concorde staff, on August 4, request that management organize a special SST flight for employees to demonstrate that Concorde is a safe airliner; management denies the idea.

On August 15, **Aeromexico (2), S.A. de C.V.** begins to code-share on company flights from Paris to Lyon, Nice, and Toulouse.

With several days notice, the French DGAC and the U.K. CAA suspend the Concorde's airworthiness certificate on August 16, a day after **British Airways, Ltd. (2)** grounds its SST fleet.

Also on August 16, partner **Delta Air Lines** begins to code-share on Air France six-times-a-week return services from Paris (CDG) to Douala and continuing to Yaounde thrice weekly.

At the end of August, the carrier becomes one of the last in Europe to issue a total ban on in-flight smoking. The prohibition will take effect on November 1.

Signaling that it does not expect a resumption of Concorde service before April 2001 at the earliest, Air France, on September 5 announces that, starting on October 29, a new daily "upscale" A340-311 roundtrip will be initiated between Paris (CDG) and New York (JFK).

The head of the investment bank Lazard India reports on September 8 that AF and **Delta Air Lines** will make a joint bid for a 26% stake in **Air India, Ltd.** The anticipated sale process is to begun the week of September 11 by a formal invitation from the Indian government to potential bidders.

Stranded at New York (JFK) after the July 25 disaster, a company Concorde, the same ship involved in the 1979 near-disaster, is permitted to fly back to Paris (CDG), without passengers, on September 18. Many suggest, perhaps prematurely, that this is the last flight for a commercial SST.

On September 25, **Delta Air Lines** begins to code-share on the AF A310-304 service from Paris (CDG) to Nouakchott, Mauritania. Mindful of the SAirGroup plan to merge **Air Liberte, S.A., Air Littoral, S.A.,** and **AOM French Airlines, S.A.** into a single large company, Air France, now creates its own plan for a large regional. On September 27, the major calls upon the presidents of its subsidized partners **Flandre Air, S.A., Proteus Airlines, S.A.,** and **Regional Airlines, S.A.** to present a proposal for the merger of the three to their employees.

It is announced the next day that the carrier will sue **Continental Airlines** for allegedly causing the July 25 Concorde disaster; Continental maintains that there is insufficient evidence that a 17" metal strip, which supposedly fell off of one of its DC-10s, was involved in the accident.

Delta Air Lines, on September 29, begins dual-designator service aboard AF B-737-528s flying from Paris (CDG) to Moscow and St. Petersburg. The purchase of a 50.19% stake in **Brit Air, S.A.** is formally completed on October 10. Two days later company officials meet in Moscow with representatives from **Aeroflot International Russian Airlines (ARIA)** to discuss future alliance possibilities.

Flyers from four of the carrier's minority pilots' unions strike the carrier on October 20, forcing cancellation of 100 of 1,300 daily flights. Another 100 flights are cancelled the next day and on October 22. Only medium-haul services are affected.

The *London Sunday Times* reports, also on October 22, that "OneWorld" partner **British Airways, Ltd. (2)** has begun talks with **Air France** and **Delta Air Lines** concerning its possible membership in their "SkyTeam" alliance.

During an October 25 France-Inter radio interview, Paul-Louis Arslanian, head of the French Accident Investigation Bureau team investigating the July Concorde disaster, indicates that his technical detectives are certain that the crash was caused by a metal strip from a **Continental Airlines** DC-10 that was found on the runway.

Delta Air Lines also places its "DL" code on AF flights between Paris (CDG) and Budapest, Abu Dhabi, and Dubai, beginning on October 29. The same day, an increased number of daily A320-211 and B-737-228A roundtrips are offered between Lyon and Toulouse.

The daily "upscale" A340-311 roundtrips between Paris (CDG) and New York (JFK) is replaced by a B-777-228ER service on December 16.

AIR FRANCE EUROPE, S.A.: France (1996-1997). The former **Air Inter, S.A.**, now an **Air France** subsidiary, is reformed as a combination of the previous carrier and the major's medium-range European Division and renamed on January 1, 1996. The same day, domestic deregulation takes full effect. For the next 18 months, the company will operate under the name **Air Inter Europe, S.A.**

On April 1, 1997, the carrier and **Air France** are grouped together under a joint management structure created under a management-lease arrangement between the flag carrier and its subsidiary; Pascal de Izaquire is now AFE managing director.

Operations are split between the domestic hub at Orly Airport and the international airport of Paris, Roissy-Charles de Gaulle. La Navette shuttle service roundtrips continue to be offered 70-times-per-day between Paris (ORY) and Toulouse, Marseilles, and Nice.

With the decision taken not to continue the company as a separate operation, progress toward a September amalgamation of Air France Europe into its parent proceeds. For some time, however, AFE aircraft will continue to display **Air Inter, S.A.** and **Air Inter Europe, S.A.** livery.

Almost immediately upon reformation the AFE pilots' union goes out on strike to protest the new work-rule changes and lower pay scale now imposed. The pilots will continue their job action until May 23, when they elect to join their colleagues from parent **Air France** at the contract bargaining table with the flag carrier's management. Meanwhile, other wildcat job actions continue to disrupt operations.

Flights, however, continue to be operated, some by **Air France** crew employing A300B4-2Cs on wet lease. Given ATC congestion in Europe, and especially in Marseilles, an agreement is reached with the government aviation agency DGAC to allow La Navette landing priorities. At the same time, Air France transfers additional services to its international hub at Roissy-CDG, freeing up more slots for Air France Europe at Orly Airport.

AIR FRANCE EXPRESS. See AIR LITTORAL, S.A.; BRIT AIR, S.A.; CITYJET, LTD.; EUROWINGS LUFTVERKEHRS, A.G.; GILL AIR, LTD.; JERSEY EUROPEAN AIRLINES, LTD.; PROTEUS AIR SYSTEM, S.A.; REGIONAL AIRLINES, S.A.

AIR FRATER: Ft. Lauderdale Executive Airport, 5950 W. Oaklawn Park Blvd., Ft. Lauderdale, Florida 33313, United States; Phone (954) 385-0986; Fax (954) 385-9244; Year Founded 1997. With three full-time and four part-time pilots, this brand-new, on-demand operator begins flying from Ft. Lauderdale in early 1997. Under the direction of Vice President Kevin Frater, passenger charters are operated north as far as Canada and south through the Caribbean and Mexico with a single Learjet 25.

AIR FREIGHT, LTD. (1): United Kingdom (1946-1953). Air Freight, Ltd. is formed by H. R. Hughes, E. G. Nicol, and F. A. Dickson in late 1946 and registered as an all-cargo carrier on February 28, 1947. With two Handley Page Halifaxes obtained in January, the company undertakes long-haul ad hoc charters from its base at London (Bovingdon) to North Africa and the Orient, as well as France and Holland.

Early in 1948, the carrier is sold to **Eagle Aviation, Ltd.** and absorbed. In September 1952, Eagle owner Harold Bamburg elects to revive the Air Freight, Ltd. title and attach it to a new all-freight subsidiary, which is equipped with three Avro 685 York Is. The renewed carrier is purchased by the **Lancashire Aircraft Corporation, Ltd.** in July 1953 and its title is removed forever.

AIR FREIGHT, LTD. (2). See FAIRFLIGHT, LTD.

AIR FREIGHT EXPRESS: United States (1982-1985). Donald Luthi forms this all-cargo commuter at Minneapolis (MSP) in 1982 to offer scheduled flights to destinations in the upper Midwest. Employing a fleet of 5 Cessna 207s, the carrier undertakes service on behalf of such concerns as **Federal Express, Emery Worldwide, and UPS (United**

Parcel Service) to what will become a network of over 50 stops in Minnesota, Wisconsin, North and South Dakota, Wyoming, Colorado, and Illinois. A total of 2.12-million pounds of freight are transported.

That figure jumps 69% in **1983** to 6.86-million pounds. The fleet in **1984** includes 14 Cessna 207s and is employed, largely on behalf of **Federal Express**, to fly 9,284,348 pounds of cargo. Late in the year, Fedex informs Luthi that it will not renew its contract the following year.

Deprived of its major partner in **1985**, AFE departs the air transport business and becomes exclusively, a trucking company.

AIR FREIGHT NEW ZEALAND, LTD.: P.O. Box 1046, Milson Airport, Palmerston North, New Zealand; Phone 64 (6) 357-1149; Fax 64 (6) 358-2999; Code NZ; Year Founded 1989. AFNZ is formed by Freightways Group, Ltd. at Palmerston North in **1989** to provide scheduled all-cargo flights on behalf of another Freightways subsidiary, Parcel Express, Ltd. Employing two Convair CV-580s, Managing Director William D. Olsen's 35-person carrier ensures the night return contract flights, which are flown from Auckland to Palmerston North via Christchurch.

On July 31–August 1, one of the Convairs fails takeoff from Auckland and crashes, killing the three-man crew.

Operations continue apace in **1990–1992**. In **1993–1994**, Managing Director Olsen continues to oversee a 35-person workforce, which operates three Convair CV-580Fs on the same frequencies over the same routes as before.

A fourth CV-580F is acquired in **1995–2000**. During these years, airline employment falls to 29. Scheduled flights continue to Auckland and Christchurch.

AIR FRET, S.A.: France (1964–1980). Air Fret is organized at Paris in **1964** to provide passenger and cargo charter flights. Operations commence with a fleet of 1 Lockheed L-1049C Super Constellation and 3 L-1049Gs all purchased from the French flag carrier **Air France**. Revenue services are flown from Aeroport de Nîmes-Garone to destinations in Saudi Arabia, Iraq, Iran, the UAE, Yemen, North Africa and southern Europe. At the end of the decade, orders are placed for three Douglas DC-7BFs, which, by **1970**, have replaced all of the Connies except the L-1049C.

President R. Colin's 20-worker carrier later obtains a Boeing 707-120F, but rising expenses, world recession, and the Persian Gulf conflict in **1979–1980** conspire to force the company out of business in 1980.

AIR FURNESS, LTD.: United Kingdom (1986–1988). Established at Walney Airport in **1986**, Air Furness begins scheduled services to Manchester with a fleet comprising 1 Pilatus-Britten-Norman PBN-2B and 1 Piper PA-23. Managing Director David Thackeray adds a PBN-2A in **1987** as revenue flights are inaugurated to Isle of Man and Carlisle. Enplanements reach 4,000. All operations are halted in **1988** as debts far exceed income, forcing bankruptcy when new financing cannot be found.

AIR GABON (COMPAGNIE AERIENNE GABONAISE, S.A.): French Equatorial Africa/Gabon (1951–1968). Pierre Nicaise establishes AG-1 at Port-Gentil in French Equatorial Africa in **1951**. Principal shareholder Nicaise's charter operation commences domestic revenue services flying passenger and cargo to Libreville, Mayumba, Gamba, Tchibanga, and Lambarene. The latter outpost is, for many years, the home of Dr. Albert Schweitzer.

Over the next 18 years, flights are continued and the fleet grows to include 4 Beech 18s, 3 Cessna 185s, 2 C-180s, and 1 C-310, plus a number of helicopters. AG-1 also acquires a Britten Norman BN-2 Islander, one of the first of that type to be employed in West Africa.

Early in **1968**, the company is purchased by and merged into the rapidly expanding **Transgabon (Compagnie Aérienne Gabonaise, S.A.)**.

AIR GABON (COMPAGNIE NATIONALE AIR GABON, S.A.): BP 2206, Aeroport International Leon M'ba, Libreville, Gabon; Phone

241 730 027; Fax 241 731 156; <http://www.ana-aviation.com/airgabon>; Code GN; Year Founded 1977. Dissatisfied with its membership in the multinational consortium **Air Afrique, S.A.**, Gabon withdraws in December **1976**, determined to provide its own long-haul services. Meanwhile, the country's national airline, **Transgabon (Société Nationale Transgabon, S.A.)**, continues to operate domestic services.

In May **1977**, **Transgabon** is also designated the nation's long-haul operator. Air Gabon (Compagnie Nationale Air Gabon, S.A.) is now officially formed at Libreville around the nucleus of **Transgabon**. Ownership of the new entrant is split between the government (70%) and the French firm Sofpag (30%), in which **Air France** holds 29% interest.

In May, a Boeing 747-2B4BC is leased from **Middle East Airlines (2), S.A.L.**; with a green parrot painted on its tail, the Jumbojet inaugurates the company's roundtrip service to Paris in June, via Geneva, Marseilles, or Nice. Two Fokker F.28-2000s are delivered in July and are christened, *Port Gentil* and *Oyem*. They are followed into service by a Sud Est SE-210 Caravelle III.

The president of Gabon turns over his personal VIP-configured F.28-2000 transport to the company in **1978**. The MEA Jumbojet is returned in May as a new one is obtained under a lease-purchase arrangement from a French source. This Boeing 747-2Q2BC is delivered on October 5; christened *President Leon Mba*, it allows a resumption of long-haul services in December. Meanwhile, a B-737-2Q2CA, christened *Le Makokou*, is also taken into service. President S. Minko's company now employs 418 workers.

A DC-6B with three crew crashes under unknown circumstances 11 km. from Moanda on February 26, **1979**. There are no survivors.

The DC-4s and 2 remaining DC-6A/Bs are now replaced by 2 Vickers freighters, 1 V952F Cargoliner and 1 V-53F Merchantman, while the Caravelle is replaced by 1 B-727-228AC chartered from **Air France**.

The carrier enters a long period of financial reversals. Still, routes are extended from Libreville to Marseilles, Nice, Paris, Rome, 10 African states, and 26 domestic points.

In **1980–1981**, single-engine equipment is leased from private operators to provide service to small stops.

A CASA C-212 is leased in **1982** and enters service on those light domestic routes to airports unsuitable for the larger Fokkers. Passenger bookings for the year are 420,000.

The workforce in **1983** is 1,500. When the assets of the independent **Air Gabon Cargo, S.A.** are sold to **Air Zimbabwe Corporation**, the name of the formerly independent cargo carrier is assumed by this state carrier. Boardings reach 428,000.

With government financing and an Export-Import Bank loan, an L-100-30 Hercules freighter is ordered in **1984**. Passenger service is inaugurated to Cotonou (Benin), while in-house heavy maintenance of company aircraft is undertaken for the first time.

Fabian Essono-Owono becomes president in December **1985** and the Hercules is delivered late in the year as a replacement for the two Vanguards. The B-727-228AC is returned during the year.

Enplanements climb to 450,800, 323,000 of which are flown by the F.28-2000s over domestic routes, and profits are \$230,000.

In **1986**, capitalization is increased and ownership is now 80% Gabon and 20% Sofpag. When the civil Hercules enters service in January, the two Vanguard freighters are sold. The L-100-30 inaugurates all-cargo routes from Libreville to Bangui, Bata, Kinshasha, Luanda, and Malabo.

A Fokker 100 jetliner is ordered and the last payment is made on the B-747-2Q2B in December, allowing it to be transferred to Gabonese registry. A new domestic terminal is now opened at Libreville. Traffic figures are not released; however, an \$11-million loss is suffered.

Operations continue apace in **1987** as a new international terminal is opened at Libreville Airport. Austerity measures are introduced in September as the financial situation continues to worsen. Augustin Bous-samba is named chairman in November and the two Vickers freighters are sold to Paris-based Intercargo Service, S.A. Enplanements for the year reach 372,886. Losses of \$26.4 million (operating) and \$11.3 million (net) must be absorbed.

Airline employment is reduced by 2.4% in 1988 to 1,535. The fleet, elements of which are regularly leased out, includes 1 B-747-2Q2B, 1 B-737-2Q2CA, 3 F.28-2000s, and 1 L-100-30. In February, Francois Banga-Eboumi replaces Fabien Essono-Owono as president and the domestic and regional route system is reorganized. An agreement is signed with **Lina Congo, S.A.** in August for the initiation of a pooled service over the Pointe Noire-Libreville route; flights begin in the fall.

Passenger boardings fall 2.6% to 382,839, but freight is up by 10.5% to 27.2 million FTKs. Revenues retreat by 4.1% to \$111.9 million and expenses are down 12.8%. As a result, the operating loss "improves" to \$14.9 million and net loss to \$8.8 million.

The employee population is cut another 9.5% in 1989 to 1,391 and the fleet now includes 1 B-747-2Q2BC, 1 B-737-2Q2CA, 2 F.28-2000s, and 1 L-100-30, which is leased to the government of Angola in January.

Customer bookings increase 4.4% to 400,002, but cargo is off by 3% to 26.37 million FTKs. Revenues rise 5.3% to \$119.9 million while expenses fall 1.7%, allowing a cut in the operating loss to \$6.7 million. The net loss is \$5.7 million.

Beginning in February 1990, **Air Gabon, S.A.** becomes the first African airline to operate the Fokker 100. Leased from GPA Fokker 100, Ltd., the jetliner is configured for 12 first-class and 93 economy passengers. From this point on, traffic and financial figures are not available. Operations continue apace in 1991 and, in 1992, the fleet charts a B-737-228 and a B-727-228A from **Air France**.

In 1993-1994, Chairman Martin Bongo and President Mamadou Diop oversee a workforce of 1,383 and airline operations are provided by 2 F.28-2000s, 1 Fokker 100, 1 leased Avions de Transport Regional ATR72-202, 1 B-727-228 and 1 B-737-228A leased from **Air France**, 1 B-737-2Q2CA, 1 B-747-2Q2BC, and 1 L-382G Hercules.

Just after landing at Oyem following a December 8 service from Bitam, the ATR72-202 with 4 crew and 17 passengers, runs off the side of the runway, bounces over a ditch, and collides with a tree. Although the turboprop is damaged, there are no fatalities.

International destinations visited from Libreville during 1995-1998 include Paris, Marseilles, Nice, Geneva, Rome, Lagos, Pointe Noire, Kinshasa, Bangui, Dakar, Abidjan, Bamako, Cotonou, Lome, and Douala. New markets opened include Johannesburg, Malabo, Nairobi, and Sao Tome.

During these years, the Fokker 100 and ATR72-210 are withdrawn and a B-767-266ER is leased in 1996 for roundtrip flights to London. Enplanements average 480,000 per year, with losses suffered every 12 months. A net \$5.3-million profit is reported for 1998.

Fearing that it will collapse under its \$60-million debt, the airline's management, on March 29, 1999, seeks a bailout from the government of Gabon.

The capital infusion sought is not forthcoming. Economically unviable, the airline runs out of money and is forced to cancel its international and domestic schedule in March 2000 and stop flying. Plans to resume are, at this writing, unfulfilled and a newly signed cooperative agreement with **Cameroon Airlines, S.A.**, **Air Madagascar, S.A.**, and **Air Afrique, S.A.** remains dormant.

AIR GABON CARGO (COMPAGNIE GABONAISE D'AFFRETEMENTS AERIENS, S.A.): Gabon (1977-1983). **Air Gabon Cargo** is formed in the spring of 1977 at Salisbury, Rhodesia, to provide freight services to Europe. In order to avoid the United Nations sanctions that led to the suspension of **Affretair, Ltd.** (1) the previous year, this subsidiary of **Air Trans Africa, Ltd.** is registered in Libreville. Many former Affretair Caucasian staff members find work with this new entrant and the out-law airline's entire fleet is leased, including the Douglas DC-8-55Fs *Situntunga* and *Captain Jack Malloch*, a Canadair CL-44D, and two DC-7CFs. Flights continue even after 1979 when **Affretair, Ltd.** (1) is forced, by the creation of the new state of Zimbabwe, to shut its doors.

The company's assets (minus much of its staff) are acquired by **Air Zimbabwe, Ltd.** in 1983 and reformed as **Affretair, Ltd.** (2). The company name reverts to **Air Gabon, S.A.**

AIR GAMBIA, LTD.: Gambia (1991-1995). Founded at Freetown in March 1991, privately owned **Air Gambia, Ltd.** is owned by Gambian businessmen (51%) and by Desmond and Ulick McEvaddy, co-owners of Ireland's **Omega Air, Ltd.** Based at London (LGW), John O'Rourke serves as managing director with General Manager-West Africa John Rouse stationed at the Banjul office. Scheduled weekly intercontinental cargo and passenger services by the new company's single Boeing 707-323B Stratoliner begin to London in December from Freetown via Banjul.

In late 1992, a second weekly London frequency is started. Plans to inaugurate services to New York (JFK) are thwarted when the U.S. FAA, concerned over safety, rejects its rights application. The doubts are cleared up and, in June 1993, weekly flights begin from Freetown to New York with a second B-707, another Dash-323B once flown by **American Airlines**, via Banjul.

Determined to be unsafe, the original Stratoliner is withdrawn from the London route in July by order of the U.K.'s CAA. It is replaced, again briefly, by an Ilyushin Il-62 chartered from **Uzbekistan Airways**.

Fiscal and political difficulties occur in 1994, forcing the company to shut down in 1995.

AIR GASPEE, LTD.: Canada (1952-1982). **Trans-Gaspian Airlines, Ltd.** is formed in 1952 to offer charter and scheduled services in the Gaspé region as well as the Quebec North Shore area. Equipment over the next 30 years progresses from lightplanes and several DC-3s to a Hawker Siddeley HS 748 and a Beech 99.

Operations continue without incident for the next 21 years.

While on final approach to Rimouski on May 29, 1973, a DC-3 with three crew and a passenger hits a tree and crashes, catching fire; there are no survivors.

Services are maintained until 1982, when the company is merged into **Regionair, Ltd.**

AIR GEMINI: United States (1976-1978). Also known as **Gemini Airlines**, Air Gemini is established at Tacoma Airport in the summer of 1976 to provide scheduled intrastate services. Employing Cessna 207s, revenue flights commence in August linking the company's base with Seattle, Olympia, and Hoquiam.

Operations continue apace until the company goes out of business in 1978.

AIR GEORGIA: Georgia (1994-1999). Following the breakup of **Aeroflot Soviet Airlines**, AG is set up at Tbilisi in 1994 to operate scheduled flights throughout the new republic. Demuri Leladze is general director and he begins operations with a single Tupolev Tu-154B-2. A second Tu-154B-2 is acquired in 1996.

Flights continue in 1997-1998. During the fall of the latter year, the company posts a homepage on the Internet's World Wide Web.

On October 31, 1999, this carrier is merged with **Georgian Airlines** to create **Airzena Georgian Airlines**.

AIR GEORGIAN, LTD.: RR #2, Lake Simcoe Airport, Oro Station, Ontario L0L 2EQ, Canada; Phone (705) 487-2222; Fax (705) 487-2220; http://www.ontarioregional.com; Code GGN; Year Founded 1994. AGL is set up at Lake Simcoe Airport in 1994 as a division of the Georgian Aircraft Company. Paul Mulroney is president and he recruits a workforce of 55. Revenue flights commence with eight Cessna 208 Caravan Is.

All-cargo operations continue apace over the next five years. During these years, the company enters into a strategic alliance with **Canadian Airlines International, Ltd.** (later **Canadian Airlines, Ltd.**) to operate regional passenger services under the marketing name Ontario Regional Airlines, Ltd.

In addition to the Caravans, the fleet in 1999 includes 15 Beech 1900s and a 1900C. The workforce has grown to 175 since 1994.

Following the takeover of **Canadian Airlines, Ltd.** by **Air Canada, Ltd.** in January 2000 and the announcement by the latter at month's end

that it will consolidate its three regional airlines, Air Georgia enters into alliance discussions with **Air Ontario**. On February 9, Air Georgian enters into a pact with the large regional, under which it will continue its service in southern Ontario and expand flights into the northeastern U.S.

When this Air Alliance partnership begins on April 2, the company's fleet has been rationalized to include 11 Beech 1900Ds, all of which wear white fuselages, blue tails, and red Air Alliance titles. This is the type employed the next day to operate four daily roundtrips from Toronto to Dayton and three from Toronto to Albany. Thrice-daily return service from Toronto to Grand Rapids starts on April 10.

Thrice-daily roundtrips are introduced between Toronto and Louisville on May 1, Toronto and South Bend, Indiana, on May 8, Toronto and Akron and Canton on May 15, and Toronto and Manchester, New Hampshire, on August 21.

AIR GERMANICA, GmbH.: Germany (1995–1996). Late in 1994, a Bavarian tour operator makes plans to acquire the airline division of **Arcus Air Logistic, GmbH.** and rename it. When the transaction is completed on January 1, 1995, the company withdraws from scheduled service and offers only charters.

Air Germanica, GmbH. does not survive a year and, in 1996, Arcus returns to scheduled service under the name **Arcus Air Luftfahrtunternehmen, GmbH.**

AIR GHANA, LTD.: Ghana (1994–1997). Air Ghana is established at Accra in the spring of 1994 to operate all-cargo charters to destinations within Africa and Europe. Revenue flights commence in April with three Douglas DC-8Fs.

Proving impossible to achieve economic viability, the company shuts its doors in early 1997.

AIR GLACIERS, S.A.: CP 34, Sion, CH-1951, Switzerland; Phone 41 (27) 322-6464; Fax 41 (27) 322-6426; Code GB; Year Founded 1965. This small charter carrier is formed at Sion's Aeroport Civil in 1965 to provide passenger/cargo charter and contract flights, air ambulance service, and on-demand Sion–Geneva shuttles in the Pennine and Bernese Alps. With a workforce numbering less than 50, the operator flies three Pilatus PC-6 Turbo-Porters, two Cessna 206s, and a Piper PA-23 Aztec. All of these aircraft will be well maintained and remain in service for the next 30 years. Services continue apace with little change over the next 20 years.

In the middle 1980s, the company adds nine Aerospatiale Alouette helicopters. By the 1990s, Chairman M. Bruno Bagnoud oversees a workforce of 109 and a new base at Collombey. His fleet includes 11 Aerospatiale SA-315Bs, 6 SA-316Bs, 2 Beech King Air 90s, 2 Bell 206Bs JetRangers, 2 Cessna 206s, 3 Cessna 421s, 3 Pilatus PC-6/Bs, and a Piper Aztec.

Although the fixed-wing fleet remains unchanged, the rotary-wing fleet in 1994 includes just 8 SA-315Bs. There are, however, 16 SA-316Bs and 2 JetRangers.

It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

AIR GLOBAL, S.A.: Av. Sucre, Torre Centro, Piso 20, Oficina 203, Los Dos Caminos, Caracas, Venezuela; Phone 58 (2) 283-8009; Fax 58 (2) 283-8866; <http://www.vdacon.com/iag/incontac.htm>; Year Founded 1997. Air Global is established at Caracas in 1997 to undertake passenger and cargo charters on behalf of various companies and private individuals. Additionally, the on-demand carrier also offers mapping and aerial photography flights, as well as aircraft management and flight-seeing.

Revenue operations begin and continue with a fleet that includes 7 aircraft, featuring Swearingen Merlin 3s, Beech King Air 100s, and 1 Beech 58 Baron.

AIR GREAT LAKES: United States (1981–1982). Joseph Vallee, owner and president of Chicago-based **Skytrain Airlines**, changes

the corporate identity of his commuter on September 15, 1981. Daily Piper PA-31-350 Navajo Chieftain frequencies are maintained, linking the company's base with Milwaukee, Minneapolis, South Bend, and Fort Wayne.

Recession and the effects of the PATCO air traffic controllers' strike combine to force the company out of business in May 1982.

AIR GREAT WALL: Jiangbei Airport, Chongqing, Sichuan, 618307, China; Phone 86 811 756138; Code G8; Year Founded 1992. The Civil Aviation Flying Institute of China establishes this carrier at Jiangbei Airport, Chongqing, Sichuan, on July 21, 1992. Huang Ming-shun is appointed president and recruits a workforce of 150. Revenue flights commence later in the year to Gungzhou, Shanghai, Shenzhen, and Wenzhou with a fleet of 1 Boeing 727-200, 3 each B-737-2T4As and Xian Y-7-100s, and 2 Tupolev Tu-154Ms.

Operations continue apace in 1993–1994 and, in 1995, enplanements total 62,800. Airline employment stands at 150 in 1996 and passenger boardings skyrocket 77.4% to 300,000. Service is maintained in 1997–1999.

During the latter year, the company enjoys enplanements of 230,000 and operates 647,000 FTKs.

The workforce stands at 150 at the beginning of the year 2000 and the 2 Tu-154Ms are retired during the spring.

In response to a fatal June 22, **Xian Airlines Y-7-100C** crash, CAAC delivers a major reorganization plan to the China State Council in late July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around China Eastern, **Air China International Corporation**, and **China Southern Airlines Company, Ltd.**

During the last week of August, China Eastern takes a controlling 55% stake in Air Great Wall. Plans are announced to initially operate the company as a subsidiary, supplying it with funds to purchase 3 Next Generation B-737s.

AIR GREECE-AERODROMISIS, S.A.: Greece (1994–1999). Air Greece is organized under the leadership of its managing director, Manolis Tzakararakis, at Athens in early September 1994 to offer regional services. Revenue passenger flights commence on September 16 with a pair of Avions de Transport Regional ATR72-202s.

Operations continue apace in 1995, with bookings for the first full year reaching 121,000. Destinations visited in 1996 include domestic points, as well as Belgrade. In 1997, the carrier is in financial difficulty and is placed under government supervision.

Service is maintained in 1998 and into 1999; a homepage is opened on the Internet's World Wide Web. Flights to Belgrade cease on March 24 as NATO launches air attacks on Yugoslavia because of the situation in the province of Kosovo.

The carrier is taken over by **Aegean Airlines, S.A.** in December and merged into what has now become the largest privately owned airline in Greece.

AIR GREGORY (MID-FLY), LTD. See EXECUTIVE AIR TRANSPORT, LTD.

AIR GRISCHA HELIKOPTER, A.G. See HELISWISS, LTD.

AIR GUADELOUPE, S.A. See SATA (SOCIETE ANTILLAISE DE TRANSPORTS AERIENS, S.A.)

AIR GUINEE (COMPAGNIE NATIONALE AIR GUINEE, S.A.): BP 12, Cote Police Judiciaire, Route du Niger, Conakry, Guinea; Phone 224 442907; Fax 224 412907; Code GI; Year Founded 1960. Following the March 1960 signing of an air assistance pact with the Soviet government, this carrier is formed at Conakry in October as a state corporation in October with Czech technical support and an Ilyushin

Il-18 turboprop wet-leased from **CSA (Czechoslovak Airlines)**. The Soviet Union will eventually sell the African carrier 2 Ilyushin Il-18s, 4 Antonov An-24s, and 2 An-12s. Scheduled services commence at year's end over two domestic routes from Conakry to Boke and Kankan.

Air Guinee is nationalized in April 1961. In cooperation with **Air France**, a service is inaugurated to Bamako, Mali. The Russian-made fleet is increased by the addition of 2 Il-18s, 5 Yakovlev Yak-18s, and 1 Mil Mi-24 helicopter. A concession to western success is made on December 7, when the carrier contracts with a Canadian school for the training of 20 young females as stewardesses and clerks.

During the first half of 1962, the carrier purchases 4 Antonov An-24Vs, 2 An-12s, and 1 Yakovlev Yak-40 jetliner from the Soviet Union. Il-18 service is launched northward on August 24 from Conakry to Dakar, Senegal. In December, AG signs a seven-year support and management contract with **Alaska Airlines**.

A small Alaskan contingent arrives at the beginning of 1963, along with a pair of Douglas DC-4s that have been purchased from the American carrier. An Il-18 service begins to Lagos on May 10, operated via Robertsfield, Abidjan, and Accra.

An arrangement with **Alaska Airlines** is cancelled on June 30; the entire \$700,000-debt owed to the American carrier is paid by the U.S. AID. The Czechs by this time have also withdrawn.

With expatriate French assistance, the company is able to limp along for the next 18 months on its own. DC-4s replace the Il-18s on the Lagos service. In 1965, a management and support contract is signed with **Pan American World Airways (1)**, also under AID auspices. Pan Am operatives, expert in assistance to foreign airlines, arrive in Conakry, along with a DC-4.

When Kwame Nkrumah is overthrown as president of Ghana in February 1966, he receives sanctuary in Guinea. At this point, Pan Am is forced out of the picture as the government, with Nkrumah's help, turns to the Soviets to once again assist their airline.

Diverted by bad weather to Casablanca while on a July 9, 1967, flight from Praha, an Il-18B with 102 passengers strikes a building with its wing while landing and crashes off the runway onto rough ground; although the aircraft must be written off, there are no fatalities.

Over the next ten years, scheduled passenger and cargo services are developed linking the capital of Conakry to Kankan, Boke, Faranah, Labe, Siguiri, Macenta, N'Zerekore, and Kissidougou. The Il-18s and DC-4s undertake international flights to Freetown, Monrovia, Bamako, and Dakar.

In 1978, Managing Director Elhadj Nfa Mousa Diane's company employs 361 workers. An Il-18D is purchased from the Yugoslav government early in the year. An Il-18D with 8 crew and 9 passengers crashes into the swamps near Conakry on September 3 while on approach to the airport (15 dead).

An An-24V is destroyed at Conakry on March 31, 1980; there are no other details concerning the accident.

Following the second Soviet departure, the U.S. AID once again contracts with **Pan American World Airways (1)** to supply Guinea's request for technical assistance. The fleet grows to include, by the early 1980s, 1 B-707-138B and 1 B-727-100, in addition to the Russian equipment. Domestic services are maintained and new routes are initiated to the regional destinations of Abidjan, Bissau, and Lagos.

In December 1984, an Airbus Industrie A300C4 is delivered, allowing the inauguration of passenger/cargo flights to Paris and Brussels in early 1985. The company is the seventh African airbus operator. During the summer of 1986, company officials negotiate with **Air Afrique, S.A.** for a contract under which the multinational will take over the company's long-haul services. The Airbus is withdrawn during 1987 as a de Havilland Canada DHC-7-102 is acquired.

The fleet in 1988 comprises 1 Yak 40, 4 Antonov An-24s and 2 An-12s from the Soviet Union, and the DHC-7-102. A Boeing 737-2R6C is acquired in 1990. One An-24 and both An-12s are withdrawn in 1992.

In 1993-1994, Managing Director Diane oversees a workforce of 400. Routes link Conakry with Lagos, Abidjan, Dakar, Bamako, Mon-

rovia, Freetown, Kankan, Boke, Faranah, Labe, Macenta, Siguiri, Kissidougou, and N'Zerkore. Services continue in 1995-1996, with the An-12s returned to service.

Mamadou Aliou Sanoh is managing director in 1997-2000 and he oversees a workforce of 400. The fleet now includes 2 An-24Rs, 4 An-12s, 1 An-26, 1 B-737-2R6C, and 1 DHC-7-102.

AIR GULF FALCON: United Arab Emirates (1999-2000). Sheikh Hamad Ali Jabour Al-Thani, a member of the royal family, a former pilot, and managing director of **Qatar Airways**, establishes this airline in 1999 as a subsidiary of the Doha-based Falcon Group. Headquartered at Sharjah International Airport Free Zone, the new concern provides aircraft on aircraft, crew, maintenance and insurance (ACMI) charters to other airlines for charters, VIP flights, and cargo services. It also flies direct VIP contracts and undertakes lift on behalf of the United Nations.

The fleet includes 6 Boeing 747-100/200/SP and 2 B-707-320CFs and a workforce of 300 is employed.

With permission from the UN, the company signs an ACMI contract with **Ariana Afghan Airlines Company, Ltd.** on February 4, 2000. Under its terms, the company's Jumbojets will transport 12,000 Afghan pilgrims to and from Mecca in two phases between February 9 and April 23. Wearing Ariana colors, the first Air Gulf Falcon transport delivers 127 Muslim pilgrims from Kandahar to Saudi Arabia on the morning of February 22.

The Boeings also fly 200,000 other Middle East and northwest Asia Hadj passengers during this period.

The fleet is significantly increased as the year wears on and, by the third quarter, 16 B-727-200As and B-737-200As have been acquired. An additional 12 aircraft, valued at \$400 million, are scheduled for delivery in 2001.

The company is renamed **Gulf Falcon** on November 6.

AIR GUYANE. See **GAT (GUYANE AIR TRANSPORT, S.A.)**

AIR HAITI, S.A.: Haiti (1969-1991). The Haitian all-freight airline is formed at Port-au-Prince in December 1969 initially as a charter carrier operating Curtiss C-46 Commandos. Following receipt of a five-year foreign air carrier license from the U.S. CAB, flights commence in October 1970 to San Juan, Miami, and other points in the Caribbean. A Douglas DC-6A is employed for a time during the remainder of the decade; however, the main fleet is made up of Curtiss C-46 Commandos.

Having suffered an engine fire, a C-46A with two crew makes an emergency landing at Nassau on May 20, 1976, during which the undercarriage collapses; although the aircraft is damaged beyond economical repair, no serious injuries are reported.

Permission is received in 1981 to operate international all-cargo jetliner flights to Miami and New York and a pair of Boeing 707-331Cs is leased with which to start them.

By 1984, one Boeing has been purchased, joining the fleet's two Commandos. Scheduled jetliner service is maintained to Miami and scheduled Commando service to San Juan; regular, but nonscheduled flights, are undertaken to New York (B-707-331C) and Santo Domingo (C-46).

The carrier ceases operations in 1991 in the midst of political upheaval.

AIR HAITI INTERNATIONAL, S.A.: Haiti (1961). With covert support from the American-based Airline Management and Investment Co., AHI is established at Port-au-Prince in March 1961 to operate as the nation's designated flag carrier to Miami, Puerto Rico, and the British West Indies. Although officials are unsuccessful in their efforts to obtain a foreign air carrier license to operate into the U.S., the company is able to start business in late spring with a Lockheed L-749A Constellation previously flown by **Eastern Air Lines**.

For an undisclosed reason (perhaps sabotage), the aircraft and its crew of five crashes into the Caribbean E of Puerto Rico on November 11 while on a flight from San Juan to Managua; there are no survivors.

With no assets and no flight equipment, the company is liquidated by year's end.

AIR HANSON, LTD.: Business Aviation Centre, Blackbushe Airport, Camberley, Surrey, England, GU17 9LG, United Kingdom; Phone 44 (1254) 890089; Fax 44 (1254) 890102; Year Founded 1976. This helicopter line is formed in 1976 by ex-Royal Navy helicopter pilots Colin Bates and Patrick J. R. McHaffey as a subsidiary of the industrial management company Hanson Trust, Ltd. to provide executive transport for corporate officials and clients.

In October 1982, AHL becomes the Bell Helicopter distributor for the U.K. and Irish Republic.

With an increased fleet of 2 Sikorsky S-76s, 2 Bell 206B JetRangers, and 2 Bell 206L LongRangers, the carrier in 1983 continues its executive mission while mixing in some charter work. Operations continue apace over the next decade, during which time the company becomes the U.K. distributor for Sikorsky Aircraft and McDonnell Douglas Helicopter Company.

Services continue during the remainder of the decade and into the 1990s. On July 1, 1990, the small Blackbushe-based fixed-wing air charter operator ADT Aviation, Ltd. is acquired. AHL will employ its license as the basis upon which it will fly its own Beech 400 bizjet charters, while simultaneously distributing Beech aircraft in the U.K. and Ireland.

While en route from its base at Blackbushe Airport to reposition in northern France for an August 14, 1992 charter, a Bell 206B JetRanger, piloted by Managing Director Bates, with his two sons and a friend aboard, crashes in Surrey, England. Bates and his youngest son are killed. Cofounder McHaffey assumes responsibility for the business.

On May 1, 1993, former P & O Aviation chief pilot David Sale is appointed Air Hanson chief pilot. The fleet at this point comprises 2 each Bell 206Bs, 206Ls, and 222s plus 12 Sikorsky S-76s.

During the first quarter of 1994, the carrier becomes European launch customer for the McDonnell Douglas Helicopter Systems (MDHS) MD Explorer, placing an order for four craft that will be delivered over the next two years. Employing a British-registered S-76A, the company, in May, inaugurates a joint venture charter service with **HeliFrance, S.A.** linking Battersea heliport with Issy-les-Moulineaux heliport in Paris.

Flights continue in 1995–1997. During these years, Air Hanson solidifies its activities around the maintenance, sales, and management of corporate turbine helicopters and fixed-wing aircraft, with franchises to sell and maintain the Beechcraft fixed-wing range and Sikorsky civilian helicopters.

By 1998, Operations Manager Brenda McCune oversees the work of 3 Sikorsky S-76s, 1 JetRanger, and 1 Beech 400A Beechjet executive aircraft. On September 4, Morristown, N.J.-based Lynton Group acquires 100% equity shareholding.

Service is maintained in 1999–2000.

AIR HAWAII (1): United States (1967–1970). Established at Honolulu in early fall 1967, AH-1, also known as **Jet-Air Hawaii**, acquires a fleet of de Havilland Canada DHC-6-100 Twin Otters. Revenue commuter services are started on October 11, linking the company's base with Molokai, Lanai, and Kaanapali.

Operations continue apace until the carrier goes out of business in 1970.

AIR HAWAII (2): United States (1977–1982). Bruce McKenzie forms AH-2 in April 1977 as a large, third-level carrier based at Honolulu. A fleet of Beech 18s and Cessna lightplanes is assembled. In addition to providing scheduled services from the state capital to Lihue, Princeville, Kaunakakai, and Kahului, the company, when it begins services in May, also flies sight-seeing tours throughout the islands.

Tropic Air (later **Air Molokai**) is taken over later in the year and **Island Pacific Air** in the first quarter of 1978. Operations continue apace in 1979.

In January 1980, **OK Air** (Oahu and Kauai Airlines) is purchased and merged; later in the year, **Tropic Air** regains its independence. President

Robert V. Franker's fleet now comprises 7 Cessna 404s and 2 Cessna 402s. In late 1981, an Australian-built GAF Nomad N-27A is acquired.

Recession and intense intrastate competition from other carriers causes the company to go out of business in 1982.

AIR HAWAII (3): United States (1985–1986). AH-3 is formed by **Hawaii Express** founder Michael Hartley at Honolulu in the fall of 1985 to offer discounted holiday tour and charter flights to California. Hartley resigns before flights can begin. Having purchased the operating certificate of dormant Air West International and employing a pair of leased Douglas DC-10-30s first flown by **Western Airlines**, the non-scheduled operator inaugurates \$298 roundtrips to Los Angeles on November 22. San Francisco becomes a destination just before Christmas.

Unable to earn sufficient revenues to remain viable during the bitter fare war its entrance onto the market engenders, the company collapses on February 19, 1986, leaving upwards of 10,000 passengers holding unredeemable \$1,200-vacation packages. Two weeks later it files for Chapter XI bankruptcy protection.

Many customers believe **Hawaiian Air** to be the same operator and it is several months before the state's senior carrier can clear up the confusion.

AIR-HI-O: Fayette County Airport, Washington Court House, Ohio 43160-9006, United States; Phone (614) 333-1800; Fax (614) 333-2080; Year Founded 1993. Air-Hi-O, a corporate play on the state's name, is established at Fayette County Airport, Washington Court House, Ohio, in 1993. Vice President Douglas Reno and Operations Director Pierre Doyon recruit two full- and two part-time pilots and inaugurate passenger and cargo charters with one each Cessna 208 Caravan I and Mitsubishi MU-2B.

Operations are flown without incident until the early fall of 1996. Just after takeoff from Chillicothe on September 28, the MU-2B loses power to its left engine. Although the pilot is able to make a safe single-engine landing back at the point of origin, the aircraft runs off the right side of the runway into a ditch, collapsing both the right main- and nose-gears.

Services continue into 2000, by which time the fleet has been doubled with the addition of a Beech King Air 100 and a replacement MU-2B. All but the King Air are now employed in an all-cargo configuration.

AIR HIBISCUS (PTY.), LTD.: Australia (1985–1987). Created at Coogee, New South Wales, in 1985, AHL provides scheduled third-level services out of Brisbane with a Piper PA-31-350 Navajo Chieftain. Unable to maintain viability, the commuter closes down in 1987.

AIR HOKKAIDO COMPANY, LTD.: 511 Takamatsu-ho, Hokkaido-shi, Hokkaido 042, Japan; Phone 138 593 707; Fax 138 593 766; Year Founded 1994. To accomplish labor savings and greater flexibility in flight frequencies, AHCL is established as a subsidiary of **Air Nippon, Ltd.** during the first week of May 1994. The object of the company is also to provide scheduled services to three remote islands from the large Japanese island of Hokkaido. Employing a pair of de Havilland Canada DHC-6-300 Twin Otters leased from its parent, AHCL inaugurates revenue frequencies during the summer.

President Hiroshi Kitamikado's concern continues operations over the next six years, with a variety of passenger charters also offered. Fiscal results are blended into those provided by **All Nippon Airways Company, Ltd.**

AIR HOLLAND, N.V.: Netherlands (1979–1991). Privately owned Air Holland, N.V. is established at Rotterdam in early 1979 by former **Transavia Holland, N.V.** president, John Block. Block had started his airline career as the first pilot with **Martinair Holland, N.V.**, and returns to the business as president/general director on behalf of a number of Dutch tour operators seeking a third alternative to **KLM (Royal Dutch Airlines, N.V.)** and **Martinair Holland, N.V.** A license request is made of the Netherlands government on August 31.

It requires six years and three hearings before the Administrative Court of Appeal before AH receives its government license on April 2, 1985 to undertake operations from the airport at its base as well as Maastricht. A B-727-200 is quickly leased from **Tunisair** and service is launched to holiday destinations in southern Europe, North Africa, the Mideast, and the Canary Islands on behalf of tour operators at Maastricht, Rotterdam, Amsterdam, and Eindhoven. A second ex-Tunisair B-727-200 enters service in May. A contract is signed with **British Airways, Ltd. (2)** to provide aircraft technical support at London (LHR).

Enplanements in 1986, the first full year of operation, reach 318,473 and profits hit \$2.44 million.

Airline employment in 1987 stands at 165, including 132 flight personnel. Capacity demands of the European inclusive-tour market force the carrier to shelve plans to inaugurate transatlantic charters to Boston and Toronto. A third B-727-200 is leased between May and December while Peter Crawford, seconded from BA to be vice president-technical, begins training a cadre of maintenance personnel at Amsterdam's Schiphol Airport.

As passenger boardings jump 23% to 413,250, orders are placed for three, later five, B-757-200s. Revenues increase 42.1% to \$80.5 million and expenses are low enough to allow a \$4.06-million operating profit. The net profit is \$2 million.

The 130-employee charter operator replaces its B-727s in 1988 with three new B-757-200s beginning with two delivered in March and the third delivered in May. Meanwhile, in late April, unlimited authority is sought from the government and, beginning in late summer, low frequency transatlantic charters to North America and the Caribbean begin. A 20% interest is taken in **Air Aruba, B.V.** and by year's end the company is serving 21 destinations on behalf of a dozen inclusive-tour operators.

The new aircraft, financed by a group of Dutch banks, help to insure that customer bookings leap upward by 20.4% to 497,000, which now equals 25% of the nation's nonscheduled holiday market. Revenues total \$52.2 million and operating income of \$5.76 million is generated.

The number of employees skyrockets by 81.4% in 1989 to 234 and, in January, a new surface transit hub is inaugurated at Paris (CDG). A fourth B-757-200 is chartered in April and work begins on a new 8,100-sq.-ft., \$17-million maintenance hangar at Schiphol Airport. In November, in cooperation with **Kenya Airways, Ltd.**, B-757-200 nonscheduled inclusive-tour flights for the winter season begin from Rotterdam to Mombasa via Cairo.

Passenger boardings jump another 21% to 500,000 and revenues climb 36.6% to \$55 million. The operating profit is \$8 million and net gain reaches \$5 million.

In April 1990, the company leases a B-757-200 to **Air Aruba, B.V.**, allowing that Caribbean carrier to inaugurate jetliner service to Miami and São Paulo. With the coming of recession and the unstable Mideast situation in the second half of the year, the carrier is forced to begin downsizing its capacity.

Two B-757-200s are leased to **Britannia Airways, Ltd.**, two are chartered to **Sterling Airways, A.S.**, and one just received is leased to **Condor Flugdienst, GmbH**. AH now operates only a B-767-204ER—leased from **Britannia Airways, Ltd.**—on its services, which include two new destinations, Colombo and Maldives. The B-757-200, out on charter to Air Aruba, is employed, beginning in December, to inaugurate services from Aruba to Newark (EWR).

Enplanements plunge to 277,000, but the carrier manages to generate a \$4.25-million net profit.

In May 1991, AH and Air Aruba launch a joint weekly B-767-204ER roundtrip service from Aruba to Amsterdam, continuing to Cologne. Unable to obtain additional financing, the company files for bankruptcy in the fall and officially goes out of business.

AIR HOLLAND CHARTER, B.V.: Poregwtcaan 67, 1117 PK Postbus 75116, Oude Meer, 75116, The Netherlands; Phone 31 (20) 316-4444; Fax 31 (20) 316-4445; Code GG; Year Founded 1991. The assets of Air Holland are reorganized on November 3, 1991 and reborn as

Air Holland Regional, B.V. Managing Director P. P. F. Langendijk's company now has a much more limited program of passenger charter and inclusive-tour destinations, primarily those in the Mediterranean and Canary Islands. Renewed services are initially provided with a single Boeing 757-23A.

In 1992, the carrier elects to expand its market and changes its corporate identity. The fleet is expanded to comprise 2 B-757-27Bs and 1 B-737-3L9; 1 B-737-400 is ordered.

Holiday stops now visited include Alicante, Ankara, Arrecife/Las Palmas, Athens, Calvi/Alghero, Corfu, Paro, Lisbon, Heraklion, Ithaca, Izmir, Kalamara, Karpathos, Kos, Malaga, Mitilini, Oporto, Palma, Rhodes, Samos, Tel Aviv, and Zakynthos. Again the company is forced, for financial reasons, to suspend flights.

Norwegian authorities rebuff a December 10 purchase offer for **Norway Airlines, A.S.**, because the potential Dutch owners have demanded, as part of their rescue package, that the 12 Norwegian Airlines weekly roundtrips from Oslo to London (LGW) be maintained.

In 1993, following another reorganization, President Langendijk oversees a workforce of 85. The fleet now includes 1 B-737-3L9 and 2 B-757-27Bs; the requested B-737-4YO is delivered in April. Charter flights resume to the Canary Islands and Mediterranean destinations and enplanements for the year total 500,000.

Late in 1994 the company joins with **El Al Israel Airlines, Ltd.** to establish the joint venture charter carrier **Starling Airlines, Ltd.**; the Dutch company holds 52% shareholding and Israelis hold the remainder. Plans are made to commence Mediterranean charters employing AHC's Boeings.

Airline employment stands at 200 in 1995 and 200,000 passengers are transported. A B-757-2T7 is chartered from **Monarch Airlines, Ltd.** in 1996.

The workforce in 1997 totals 300. The company continues to operate charters to the Mediterranean and Canary Islands, as well as to the Caribbean and, during the winter period, Alpine areas. On December 16, the company enters into merger discussions with the parent holding company of **Schreiner Airways, N.V.** Enplanements reach 815,000.

No merger occurs and operations continue apace in 1998–1999.

Facing continuing economic challenges, particularly in light of recent rising fuel prices and increasing leisure market competition, the carrier's future by the fall of the latter year is bleak. Feelers are put out in an effort to attract an equity buyer or merger partner and it is reported that **easyJet, Ltd.**, **El Al Israel Airlines, Ltd.**, Thomson Travel (parent of **Britannia Airways, Ltd.**), and **Schreiner Airways, A.S.** all show an interest. Unable to either firm up a partner or remain viable, the company goes into administration (similar to U.S. Chapter XI bankruptcy) and closes its doors at the beginning of November.

Instead of fading away, the company is purchased by the Dutch financial group LLPI in January 2000. Under new management, the airline is reorganized and refinanced during the remainder of the year's first half. Having reacquired the B-757-2T7, the airline resumes operations on June 30 and flies a charter from Brussels to Antalya, Turkey.

AIR HOLLAND REGIONAL, B.V. See **AIR HOLLAND CHARTER, B.V.**

AIR HONG KONG (PTY.), LTD.: 2nd Floor, Block 2, Tien Chu Centre, IE Mok Cheong Street, Kowloon, Hong Kong; Phone 852 (2) 761-8588; Fax 852 (2) 761-8586; <http://www.hkstar.com/~cchris/airkh.html>; Code LD; Year Founded 1986. AHK is incorporated in the Crown Colony in November 1986 to operate as an all-cargo charter carrier from Kai Tak International Airport. Macao businessman Dr. Stanley Ho is named chairman, with Pran N. Parashar as president.

Application for certification and route authority is made in early 1987 and is received in January 1988. A Boeing 707-323CF is purchased from **ZAS Airline of Egypt, Ltd.** and employed to launch charter flights on February 4. Destinations served include Sydney, Dhaka, Singapore, and London.

A total of 21.43 million FTKs are flown by year's end and revenues of \$6.16 million are generated. Although an operating profit of \$252,000 is earned, startup costs result in a \$1.1-million loss.

The workforce is increased by 46.7% in **1989** to 88 as a second Stratoliner freighter joins the fleet in May. A license is received from Hong Kong in February authorizing the airline to offer scheduled cargo flights to 14 destinations. In March, the company is authorized to fly scheduled cargo service to 15 European, Asian, and Pacific destinations, beginning with Manchester (England) in October. In early November, Chairman Ho announces plans to purchase a 50% stake in the airline and become majority owner.

Freight traffic skyrockets 161.2% to 62.56 million FTKs.

Company employment rockets forward another 52.5% in **1990** to 122. In January, Macao businessman Stanley Ho acquires 50% shareholding for \$19 million and a pledge to subscribe an additional \$26 million over the next two years; he is now the majority owner. Three months later, in April, the Hong Kong government licenses the carrier to launch four-times-per-week B-707F all-cargo flights to Ho Chi Minh City, with two via Hanoi. In June, plans are announced, and then abandoned, to lease six GPA Group DC-8-50Fs.

Cargo traffic swells 25.8% to 78.67 million FTKs.

The employee population is increased another 83.6% in **1991** to 213. In January, scheduled all-cargo flights begin to Nagoya. Two Boeing 747-132Fs, originally operated by the **Flying Tiger Line**, are purchased from **Federal Express** and a leased B-747-132F joins the fleet, dramatically increasing lift capacity.

In May, a company application to operate all-cargo flights to 80 cities is rejected by the Hong Kong ATLB. As a result of the new capacity, freight jumps tenfold to 224.13 million FTKs.

The last two B-707Fs are returned to lessors in September **1992** and rent reductions are received on the carrier's two Jumbos. Through the first ten months, cargo traffic accelerates to 303.6 million FTKs. The workforce is increased by 3.3% in **1993** to 220. Destinations served now include Dubai, UAE, Delhi, Singapore, Kuala Lumpur, Nagoya, Ho Chi Minh City, Manchester, and Brussels.

Figures are made public through September and show freight up 28.4% to 342.72 million FTKs.

The employee population is cut a huge 27.2% in **1994** to just 160.

On March 23, 75% majority control is purchased for HK\$200 million (\$26 million) from Shun Tak Holdings by **Cathay Pacific Airways (Pty.), Ltd.**, which operates the carrier as a subsidiary on the **Dragonair (Pty.), Ltd.** model.

In May, a management agreement is signed with Cathay providing the legal basis for the major's operation of its new subsidiary. A third chartered B-747-249F now enters service.

In late November, Cathay reports that, while freight ton kilometers are up 34.3% to 631.8 million, a substantial financial loss has been sustained.

Although the workforce remains the same in **1995**, the third Jumbojet freighter is returned in the face of a large business downturn. During the fourth quarter, three **VARIG Brazilian Airlines Viacao Aerea Rio-Grandeuse, S.A.** B-747-2L5Bs are purchased by **Cathay Pacific Airways (Pty.), Ltd.** and sent to Boeing's Wichita Division for conversion into freighters for AHK.

On the year, cargo is down by 22.1% to 528,926,000 FTKs.

Airline employment grows by 11.3% in **1996** to 178 and the first of the ex-VARIG freighters arrives from Kansas in May. The company's five aircraft operate 572.8 million FTKs, an 8.2% increase.

The workforce is increased by 5.7% in **1997** to 183. Flights continue without significant route change, even though all three of the former South American Jumbos are in service.

It is reported that cargo traffic for the year is up 37.7% to 769.24 million FTKs.

In **1998**, the company continues to provide all-cargo services from Hong Kong to Osaka, Manchester, Brussels, and Dubai on a schedule that is independent of that operated by the other freighters of **Cathay**

Pacific Airways (Pty.), Ltd. Cargo traffic accelerates by 8.5% to 834.31 million FTKs.

Airline employment at the beginning of **1999** remains 183. Cargo traffic drops 3.7% for the year to 803.09 million FTKs.

By the start of **2000**, the workforce has been cut by 2.2% to 179.

AIR HORNET: United States (1984–1985). Air Hornet is set up at Hemet, California, late in **1984** to offer scheduled Piper lightplane flights to Los Angeles, Bullhead City, and Lake Havasu City.

Early in **1985**, the company is reformed and renamed **Desert Airlines**.

AIR HUDIK (AIR HUDIKSVALL-FLYGBOLAGET I HUDIKSVALL, A.B.): Sweden (1982–1996). Organized at Hudiksvall, Air Hudik, A.B. undertakes scheduled weekday-only passenger commuter flights between its base, Arlanda Airport at Stockholm, and the coastal community of Soderhamn. Air taxi and charter flights are also made. Initial equipment comprises a Dornier 228-200 and a Beech Super King Air 200.

By **1986**, President Bjorn Rahmstrom and General Manager Rolf Blom have strengthened their fleet through the addition of a King Air 90. A Shorts 360 is acquired in December and is employed, beginning in January **1987**, to fly passengers from Hudiksvall to Stockholm by day and mail from Sundsvall to Stockholm by night. Services are inaugurated to Vasa and Umea in **1988**. Sundsvall joins the route network in **1989**.

In **1990**, the Dornier is withdrawn, along with the King Air 90, and is replaced by a second Shorts 360. As airline companies jockey for position in a soon-to-be deregulated industry, Air Hudik purchases control of **Swedewings, A.B.** in July. The Super King Air 200 is deleted in **1991** as General Manager Blom acquires two de Havilland Canada DHC-6-300 Twin Otters.

The Canadian turboprops are placed into storage in **1992** as recession hits Sweden. In **1993–1995**, flights are operated with three Shorts 360s, but operations cease in **1996**.

AIR HYANNIS: United States (1977–1982). FBO Hyannis Aviation, based at Barnstable Municipal Airport in Massachusetts, forms an airline operating division on May 17, **1977** to offer scheduled passenger services to Boston and Nantucket. President Thomas R. Gorman assembles a fleet of 3 Cessna 402s, 1 Piper PA-32R Cherokee Lance, 1 PA-32 Cherokee Six, and 1 Cessna 210 (some of which also undertake flight training and charters) with which to inaugurate commuter flights on July 13.

Daily roundtrip operations continue apace during **1978**, with enplanements for the first full year reaching 2,330. New local services are initiated in **1979** as the workforce is increased by 35% to 27. Passenger boardings skyrocket 233.3% to 10,000.

Operations continue apace in **1980**, but the PATCO air traffic controllers' strike of **1981** and general economic downturn causes financial problems so severe that the carrier must cease operations in **1982**.

AIR ICELAND, H.F. See FLUGFELAG ISLANDS, H.F. (3)

AIR IDAHO: United States (1974–1975). Founded at Twin Falls, Idaho, in **1974**, Air Idaho launches scheduled de Havilland DH 114 Heron commuter flights to Sun Valley and Salt Lake City. Unable to achieve viability, the company closes in **1975**.

AIR ILLINOIS: United States (1968–1985). Established at Carbon-dale, Illinois, in **1968**, this small commuter offers local scheduled service with a fleet of Piper PA-31-310 Navajos. Schedules and frequencies grow over the next decade and destinations served include St. Louis, Springfield, Cape Girardeau, and Chicago.

In **1977**, enplanements reach 112,000. In mid-December of that year, the airline division of the Natchez, Mississippi-based commuter **South Central Air Transport** is purchased and merged. As a result, the company finds itself operating a southern route system through Arkansas to New Orleans.

In 1978, the year of the Airline Deregulation Act, the network of President E. R. Dzendolet's carrier is enlarged to include stops at Mount Vernon and Quincy in Illinois, Memphis, Paducah, and Lincoln. The fleet now comprises 3 de Havilland Canada DHC-6 Twin Otters, and 3 Handley Page HP-37 Jetstreams. Orders are placed for 3 additional Jetstreams and 2 British Aerospace (HS) 748s.

Passenger traffic skyrockets 41.9% as 159,000 passengers are carried.

The workforce is increased by 16.5% in 1979 to 127, but the Jetstream order is cancelled. Bookings advance 17% to 186,000. The employee population grows by 31.9% in 1980 to 211. The fleet is joined by a British Aerospace BAe (HS) 748-B2 and all of the aircraft are now painted in a new gold and burgundy livery. Although passenger boardings decline 2.6% to 178,110, operating income accelerates 34.5% to \$8.93 million.

The workforce of President Roger Street's airline in 1981 stands at 211 as a second BAe (HS) 748-B2 and another DHC-6 are acquired. Service is started or restarted to Quincy, Illinois, and Burlington, Iowa. The **American Airlines** SABRE computer reservation system is adopted and in addition to a new livery and logo, the company becomes the official year-round airline of the Lake of the Ozarks Resort.

In an effort to expand out of its difficulties, the carrier, on December 1, purchases **Decatur Commuter Airlines**, the airline division of Decatur Aviation, together with its routes from Decatur to Chicago (ORD) and St. Louis, plus its fleet of two BAe Jetstream 31s.

Passenger bookings climb 5.7% to 182,870 and cargo accelerates 54.5% to 106,000 pounds. Revenues jump 25.9% to \$11.2 million.

Airline employment is reduced 4.1% to 203 in 1982. In March, the sixth and seventh Twin Otters are purchased and in April, new frequencies are inaugurated from Evansville to St. Louis, Memphis, Nashville, Chicago (ORD) and Paducah. The following month, a shift is completed to the **Eastern Air Lines** gates at both Chicago (ORD) and St. Louis.

Two BAe (BAC) 1-11-203s are acquired during the year from **Cascade Airways**, with the first launching nonstop service on July 15 from Chicago (ORD) to St. Louis and Springfield. The second British-made jetliner enters service in December.

Enplanements for the year increase 37.6% to 251,582. Revenues accelerate 36.4% to \$15.33 million. Profits total \$99,003 (operating) and \$261,247 (net).

Airline employment in 1983 stands at 235, a 15.8% boost. Destinations served now include Champaign/Urbana, Chicago, Springfield, Memphis, Paducah, Cape Girardeau, Columbia, St. Louis, Burlington, Cedar Rapids, and Waterloo.

New joint fares and an interline agreement are negotiated with **Trans World Airlines (TWA)**.

On October 11, Flight 701, a BAe (HS) 748-2A with 3 crew and 7 passengers, encounters serious electrical problems just after takeoff from Springfield. The flight is continued into a thunderstorm and, about 33 min. later while on initial approach to Carbondale, the turboprop loses power in its right generator and crashes near Pickneyville. There are no survivors.

On December 3, government safety inspectors are assigned to ride on each of the company's 120 or more daily flights. While company and federal officials probe the cause of the accident, the company, under threat of grounding, voluntarily shuts down on December 15. Two hundred employees are laid off the next day as a complete FAA safety investigation follows.

The year's bookings increase 2.3% to 262,465. Revenues drop 5.8% to \$14.8 million and costs force an operating loss of \$427,030. Net gain, however, climbs to \$2.7 million.

BAC 1-11-200 flights resume on January 14, 1984, after the FAA approves new flying and training rules. Air Illinois announces on March 5 that it can restore four turboprops to service after having completed ground-training requirements for six of its grounded aircraft.

Poor traffic, when added to the financial loss of the shutdown, cause the company to halt all flight operations on April 17 and to file for Chap-

ter XI bankruptcy reorganization in mid-May. Meanwhile, BAC 1-11-200 charter operations continue, with the British jetliners occasionally leased to Cleveland-based **Wright Airlines**.

Efforts are made in early 1985 to combine the company's aircraft, flight, and maintenance components with the staff and reservations system of **Atlantic Gulf Airlines**, another airline attempting to emerge from Chapter XI. After a letter of intent is signed with AGA's owners, United Resources, Atlantic Gulf wet-leases the last Air Illinois BAC 1-11-200. It is employed to operate charters to Providenciales, Grand Turk, and, on behalf of APA International Air, to Puerto Plata.

This gambit fails and the combined operation is sold again in early 1986. Flights continue until the carrier shuts down on September 1. The FAA revokes the Air Illinois operating certificate in late 1987.

In early 1988, a new carrier, **Oceanair**, is established as successor to Air Illinois/Atlantic Gulf Airlines and takes possession of the two BAC 1-11-200s from bankrupt AGA. An effort is made to overturn the revocation of the Air Illinois's authority, but this initiative also fails. **Oceanair** is unable to begin operations.

AIR INDIA, LTD.: **Air India Building, 218 Backbay Reclamation, Nariman Point, Bombay (Mumbai) 400 021, India; Phone (91-22) 202-4142; <http://www.airindia.com>; Code AI; Year Founded 1946.** **Tata Air Lines** becomes a public corporation on July 29, 1946 and is renamed **Air India, Ltd.** J. R. D. Tata is named managing director and initial capitalization is £3.75 million. During the year, services continue as before, except that Indian hostesses, trained by **Transcontinental and Western Airlines (TWA)**, are introduced on company Douglas DC-3s. The first of four Vickers Viking Mk. 1Bs—the carrier's first postwar commercial aircraft—is delivered on April 13, 1947.

Following the establishment of Pakistan on August 14, the airline's DC-3s participate in the evacuation of refugees.

A DC-3 is lost while landing at Jammu on November 13; although the aircraft must be written off, there are no fatalities. On December 27, a DC-3, with 4 crew and 19 passengers on the Pakistan airlift, fails its climb from Korangi Creek, Pakistan, and crashes; there are no survivors.

On February 3, 1948, three Lockheed L-749 Constellations are ordered. A Vickers 632 Viking 1B with 4 crew and 15 passengers is involved in a landing accident at Bombay on February 6; although the aircraft must be written off, there are no fatalities.

On March 8, Air India International, Ltd. (AI) is incorporated as the national flag carrier; issue capital is £5.25 million and ownership is split between Air India, Ltd. (51%), which will manage the enterprise as a holding company, and the government of India (49%). The first Constellation is delivered to Bombay (now Mumbai) on March 16 and is christened *Malabar Princess*. Wearing the Centaur symbol that will be displayed on all later aircraft, it is employed to inaugurate weekly Bombay to London service, via Cairo and Geneva, on June 8. The ship returns on June 11, thereby establishing a regular 24-hr. schedule.

The weekly London frequency is increased to three per fortnight on September 24 and twice weekly on November 1. Overseas-bound enplanements for the half year, June–December, total 2,690.

A Bombay–Ahmedabad DC-3 route is opened on March 24, 1949. A Vickers 632 Viking 1B with 3 crew and 22 passengers is involved in a landing accident at Marre on April 7; although the aircraft must be written off, there are no fatalities.

Daily Bombay–Calcutta via Nagpur DC-3 flights are operated in July–September and, on October 16, L-749 service to London is increased to thrice weekly. Overseas boardings total 7,980 during this year in which a ten-year license is received from the government.

In 1950, L-749 routes are extended to Aden and Nairobi (January 21), Rome (March 12), and later in the year, frequencies are increased on these routes while the London service becomes four per week. Domestically, Bombay to Delhi Viking Mk. 1B night service is started on March 1–2 and on April 1, Tiruchirappalli replaces Hyderabad on the

Bombay to Colombo run. Two new L-749As now join the fleet and service to Karachi is started on July 26.

A DC-3 crashes at Barrackpore, India, on September 26; there is no information on casualties.

En route from Bombay to London on November 3, a chartered L-749 with 48 aboard disappears near Geneva, Switzerland. The wreckage is sighted atop Mount Blanc two days later and there are no survivors. While attempting to reach the site on November 6-7, a rescuer is killed, leading to abandonment of the recovery effort.

As the result of a navigation error on December 14, a DC-3 with 4 crew and 17 passengers smashes into high ground in the Nilgiri Hills at Katagiri; there are no survivors.

Overseas bookings for the year jump to 12,267.

Paris is added as a stop on the London route on April 8, 1951.

The pilot of a DC-3 with 3 other crew and 23 passengers loses control of his aircraft while climbing out of Bangalore on September 15 and crashes (one dead).

Overseas bookings swell to 19,267 during the twelve months.

Delhi and Bombay to London via Cairo and Rome L-749 flights begin on December 2, 1952. With a DC-4 leased from **Airways of India, Ltd.**, AI launches fortnightly tourist-class service to Nairobi on December 7. Madurai is added to the DC-3 domestic network on December 10 as orders are placed for two L-1049Cs and three L-1049Es. Overseas enplanements accelerate to 21,000.

Dusseldorf is added as a stop on the London run on February 21, 1953. A DC-3 with 5 crew and 13 passengers stalls after takeoff from Palam Airport, Delhi, on May 9 and crashes; there are no survivors.

Ignoring the recommendation of the 1952 Air Transport Inquiry Committee, the government of Prime Minister Nehru elects to nationalize the entire industry, modeling it along the lines of Britain's **British Overseas Airways Corporation (BOAC)/British European Airways Corporation (BEA)** arrangement. The Air Corporation Act receives presidential assent on May 28.

On June 15, Air India International Corporation (AI) becomes the government-owned successor to Air India International, Ltd. On June 29, two de Havilland DH 106 Comet 3s are ordered, but as a result of the accidents involving Comet 1s, they will never be delivered.

Meanwhile, **Indian Airlines Corporation (IAC)**, with eight "lines" or divisions (from former independents) is established on June 15; the former **Air India, Ltd.**, becomes Line No. 6. (Local flight operations begin under this arrangement on August 1 and are covered under the entry for **Indian Airlines, Ltd.**) The overseas carrier transfers all but a few key trunk routes over to IAC.

Orders are placed with Lockheed on August 10 for five new Super Constellations. On October 3, AI initiates mixed-class operations and tourist class fares are introduced on the European routes. The same day, a proving flight is made from New Delhi to Kabul, Afghanistan. Enplanements for the year are 30,556.

The first L-1049C *Empress Nurjah*, later *Rani of Jhansi*, is delivered on April 26, 1954, arriving at Bombay on June 6; it begins service on the Bombay to London route on June 19. L-749 routes are extended to Singapore (July 16) and to Bangkok and Hong Kong (August 14). Orders are placed for five L-1049Gs and passenger traffic this year advances to 44,362 passengers flown.

On January 6, 1955, U.S. Secretary of State John Foster Dulles agrees to allow AI to purchase a Super Constellation, which will inaugurate services to Communist China.

En route with 22 passengers (including an 11-man Communist group) to the Asian-African Conference at Bandung, Indonesia, on April 11, the chartered L-749A *Kashmir Princess* with 8 crew and 11 passengers crashes into the South China Sea, near the Great Natuna Islands, 100 mi. N of Kuching, Sarawak (16 dead). It will be revealed that the aircraft is destroyed by time bombs planted in the starboard wheel well during the plane's Hong Kong servicing by one Chow Tse-Ming, who had allegedly been paid £37,500 by the Nationalist Chinese secret service. The

tragedy will be relived by A. S. Karnik in his *Kashmir Princess* (Bombay: Jaico, 1958).

Weekly Tokyo L-749 service begins on May 7. Frequencies on the L-1049C London route are increased to six per week on July 1. The next day, one of those frequencies becomes all first-class and takes the name *Flying Ranee*. The concept is developed by traffic manager S. K. (Bobby) Kooka, who introduces the "Little Maharajah" as a symbol of company service, together with a series of humorous helpful-hint booklets for passengers.

On July 4, the second L-1049C, *Rani of India*, begins a London service that features first time stops at Beirut and Zurich. As extensions of the London route, Bombay-Calcutta-Delhi-Bombay service commences on July 6. Bomber Chow Tse-Ming finds refuge on Taiwan in early September, just before his arrest by Hong Kong police. The Chinese Nationalists refuse to extradite the man. Three L-1049Gs are ordered in December as the year's passenger bookings reach 62,079.

The fleet in 1956 comprises 2 L-1049C and 3 L-1049Es. New routes are opened to Damascus (April 3), Prague (April 4), Darwin (technical stop) and Sydney (October 5), and Lhasa, Tibet (October 25). The first L-1049G, *Rani of Nilgiris*, is delivered on June 11 and three Rolls Royce-powered Boeing 707-437s are ordered in September. Service to Damascus, Beirut, and Cairo is rerouted via Basra on November 4 as a result of the Suez Crisis. Basra is abandoned in favor of Abadan and Istanbul (November 10) and then Beirut (December 25). Mid-east service returns nearly to normal by year's end. Bookings accelerate to 79,825.

L-1049Cs replace L-749s on the Tokyo service on January 10, 1957. Under terms of a contract with ICAO, **Trans World Airlines (TWA)** begins a company survey on February 16. Cairo service is resumed on April 3 and the London route is flown daily as of April 5. Two more L-1049Gs, the *Rani of Bijapur* and *Rani of Sagurai*, join the fleet. Enplanements soar to 88,312.

On January 4, 1958, a Jakarta stop is introduced on the Sydney run. L-1049Gs replace L-749s on the Nairobi service effective in February. In pool with **Aeroflot Soviet Airlines**, weekly Bombay and New Delhi to Tashkent and Moscow L-1049G service begins on August 14. A direct Jakarta service is launched on October 11 and, at year's end, the last three L-749s are traded back to Lockheed as payment on the Super Connies.

With DC-4s leased from **Seaboard and Western Airlines**, weekly all-cargo Bombay to London flights are kicked off on November 15. The year's enplanements drop to 83,868.

Kuala Lumpur becomes a stop on the Bombay-Sydney route in March 1959. The L-1049G *Rani of Nilgiris* with 7 crew and 39 passengers is wrecked in a bad landing at Bombay on July 19; there are no fatalities.

Damascus service is terminated on September 30. A tripartite pooling pact is signed with **British Overseas Airways Corporation (BOAC)** and **Qantas Empire Airways (Pty.), Ltd.** on December 4 for integrated services on the London-Sydney "Kangaroo" route. Earnings from the service will be divided 51% (BOAC), 28% (QEA), and 21% (AIIC). Bookings for the year skyrocket to 89,385.

Between January 7 and 16, 1960, the company's international pilots strike to protest the selection of nonguild pilots for jet training in the U.S. New York to London nonstop Super Constellation service is initiated on January 22 as AIIC becomes the first Asian airline to service the U.S. East Coast. The first Rolls Royce-powered B-707-437 is received in February and is christened *Annapurna*.

Her delivery flight from Seattle via London on February 20-21 also marks the first nonstop flight between London and Bombay. The jetliner's initial North American proving flight is made on April 7 and the *Annapurna* becomes the first Indian Stratoliner to enter regular service when, bearing the attention-getting logo of the "Little Maharajah," it begins the company's Bombay to London jetliner flights on April 19. Meanwhile, nine days earlier, Frankfurt replaces Dusseldorf as a connecting stop.

Twice-weekly London to New York service starts on May 14. North Atlantic boardings for the year, by this first third world airline to commence regularly scheduled passenger-carrying revenue flights over the Atlantic, are 12,000. Weekly Bombay-Kuwait via Karachi/Bahrain, L-1049G flights are inaugurated on October 4. Having given up the leased DC-4s, the carrier introduces L-1049Hs on the weekly U.K. cargo route on November 14, replacing the leased DC-4s. Two additional B-707-437s, *Nanda Devi* and *Everest*, join the fleet by year's end.

The B-707-437 *Kanchenjunga* is delivered in 1961, bringing the jetliner fleet to four. Other aircraft available include two L-1049Cs, three L-1049Es, two L-1049Gs, and two L-1049Hs. During the year, the L-1049Gs *Rani of Bijapur* and *Rani of Sagurai* are converted into freighters. Stratoliners are quickly dispatched to Tokyo (January 16) and Nairobi (May 4). Late in the year, arrangements are made to lease several de Havilland Comet 4s from BOAC. North Atlantic boardings climb to 15,000.

The Super Constellation fleet is reduced to 5 (the 2 Cs and 3 Es) in 1962. Employing chartered BOAC Comet 4s, AIIC inaugurates service from Madras to Singapore on April 5. On June 8, the carrier's name officially becomes Air India, the name originally chosen by J. R. D. Tata in 1946. Perth replaces Darwin as an Australian destination as of October 1. The year's North Atlantic bookings grow to 25,000.

Except for one L-1049G retained to fly Hadj pilgrims to Mecca, all of the Super Constellations, including the L-1049G and H freighters, are sold to the Indian Air Force in 1963; the royal sum of £3 million is paid for the lot of nine aircraft. A total of 167,242 passengers are carried systemwide. Revenues are \$52.26 million and a net \$4.9-million profit is earned.

Airline employment in 1964 is 6,703 and an agreement for pooled service is signed with **East African Airways Corporation** on April 1. The last L-1049G is delivered to the military during the spring and flights to Nadi, in the Fiji Islands, begin on August 3. On October 15, service is started from Bombay to London via Moscow.

In one of the most unusual incidents in the annals of civil aviation history, Australian Robert Spiers, who is stranded in London after failing to qualify for his country's Olympic team, ships himself COD to Perth on November 7 on an AI flight. After immigration authorities approve his unusual entry into the country, Spiers hitchhikes 1,800 miles home to Adelaide. On November 10, AI sends him a bill for \$970 in freight charges.

Passenger boardings rise 30% to 238,917. On revenues of \$56.2 million, a net profit of \$6.4 million is garnered, of which a \$539,000 bonus is paid to employees in recognition of the airline's success.

The AI terminal is opened at New York (JFK) in February 1965. A new headquarters building is started in Bombay. The fleet is now standardized with 8 B-707s (5 437s and 3 337Bs); 2 more are ordered. The installation of Distance Measuring Equipment is completed on all aircraft. Mobs attack the airline's offices at Jakarta, Indonesia, on September 15; service to the island nation is halted. A pooled service agreement is signed with **Japan Air Lines Company, Ltd.** (2) on October 1.

Bookings this year total 219,702 while freight rises a remarkable 154%. Revenues accelerate 104% to \$61.8 million.

On January 24, 1966, Flight 1101, en route from Beirut to Geneva on a leg of a long-haul service from Bombay to London, the company's first Stratoliner, *Annapoorna*, with 11 crew and 106 passengers, crashes into Mount Blanc, Switzerland; there are no survivors.

The airline's navigators go out on strike on March 22. On March 4, AI officials threaten to close down the carrier if the navigators do not end their strike within 24 hours or if pilots refuse to fly without them; the strike ends within 24 hours.

Reciprocal service to Indonesia is resumed on September 27. On October 12, the jetliner destroyed in January is replaced by a new B-707-337C, which is christened *Annapoorna* in honor of the lost Boeing. A total of 240,000 passengers are carried.

Orders are placed in 1967 for two B-747-100s. The fleet now includes 9 jetliners: 5 B-707-437s, 3 B-707-337Bs, and 1 B-707-337C, the latter delivered on February 12. The workforce totals 7,354.

Malaysian Airlines System, Ltd. (MAS) and **Air New Zealand, Ltd.** join the tripartite pooling agreement with **British Overseas Airways Corporation (BOAC)** and **Qantas Airways, Ltd.** on April 1. Twice-weekly service is inaugurated to Mauritius on August 15. Enplanements soar to 278,000.

Two additional B-707-337Bs join the fleet in 1968 while orders (never filled) are placed for two Anglo-French Concorde. A second B-707-337C is delivered during the summer and immediately begins flying to London (LHR). Service to Kuwait begins with Vickers VC10s leased from **British Overseas Airways Corporation (BOAC)**. The workforce totals 8,739.

Service via the EAAC pool is expanded on October 27 with services to Addis Ababa and Entebbe.

Passenger boardings increase 13% to 314,062, while freight is up 14.4%. Revenues total \$79.4 million.

Service to Amsterdam begins on April 1, 1969, followed by the initiation of frequencies to Dubai on July 2. The carrier's ten B-707s transport 353,100 travelers during the year as orders are placed for two additional Jumbos.

Passenger boardings climb 27.4% in 1970 to 486,363 while cargo advances 4.4%. On December 17, employees—who now number 9,696—end a one-day strike protesting the use of Indian Air Force pilots on domestic flights. Still, in terms of its workforce, AI is now the 22nd largest airline in the world. Meanwhile, scheduled service is inaugurated to Abu Dhabi (October 1) and Dhahran (November 4).

A B-707-437 with five crew fails its takeoff from Bombay for a January 23, 1971, training flight, and catches fire; although the aircraft must be written off, there are no fatalities.

The first two B-747-237Bs are delivered on March 22 and April 20, respectively; christened *Emperor Ashoka* and *Emperor Shahjehan*, they enter four-times-per-week service to London on May 24 and on to New York on May 31. The New York extension is a thrice-weekly operation. Amsterdam, Zurich, and Prague are taken off the schedule as of July 17.

Air India Charters, Ltd. is formed at Bombay as a wholly owned, non-IATA subsidiary on September 9; its first CEO is S. K. (Bobby) Kooka. With Boeing jetliners and personnel leased from the parent, the non-scheduled carrier undertakes international passenger flights and inclusive tours to European and Asian destinations. Many of the services are mainly ethnic charters to holy places, while others will fly expatriate laborers to Mideast work locations. Traffic and revenue statistics are to be reported with those of the parent concern. The carrier also offers special "theater flights" from the U.S. to Europe, with stops in London, Paris, Moscow, and Leningrad.

The workforce stands at 10,380 in 1972. B-707-437 service is started from Bombay to Dacca on February 4.

The *Emperor Rajendra Chola* and *Emperor Vikramaditya* arrive on March 28 and June 1, respectively. Like their predecessors, these Jumbos are also seen as palaces in the sky, complete with all main deck windows painted, with red surrounds, to look like Rajasthan-style arches.

Meanwhile, the ancient tripartite agreement with **British Overseas Airways Corporation (BOAC)** and **Qantas Airways, Ltd.** are terminated on April 1 and replaced with bilateral government-to-government air pacts. Flights into Osaka begin on November 2. Enplanements for the year total 484,000.

The entire fleet in 1973 totals 13 aircraft, including 4 B-737-237Bs. Under terms of its bilateral with the U.K., AI is allowed nine weekly flights over London, of which only two may go nonstop into Canada and to only a single U.S. destination. Passenger traffic rises 27.8% to 617,100 and cargo is up by 24.5%.

Airline employment is 10,694 in 1974. One B-707-437 is sold. Traffic patterns are rearranged to better reflect changing patterns in passenger loads. A second B-707-337C service to Australia is announced, as well as an increase to four-times-per-week frequency to Singapore.

A B-707-337C is converted to all-cargo configuration for the India-Middle East-England run.

Jozef Homolov is overpowered by the crew of a B-747-237B after he has commandeered the craft during a December 25 Bombay to New York flight and ordered the pilot to execute a sharp dive over Rome, Italy.

Meanwhile, a three-month pilot strike forces a traffic decline of 10% in freight and a 17% dip in passenger boardings, to 508,739. Effects of the world energy crisis cause a rare fiscal downturn.

Daily frequency is initiated on the Japan/Persian Gulf routes and a fifth B-747-237B, the *Emperor Akbar*, is delivered on December 23, 1975. Enplanements for the year are 595,816.

The workforce is increased by 4% in 1976 to 11,472. Contract services operated on behalf of **Indian Airlines Corporation** are discontinued on April 1. The fleet now includes 5 Jumbojets and 9 707s. Orders are placed for two additional B-747-237Bs and service is extended or restarted to the Seychelles, Accra, Lagos, Baghdad, and Amsterdam.

Passenger boardings are up 32.6% to 884,000 while freight grows 17.8%.

Chairman Tata announces his retirement in 1977, the last of the pioneer airmen heading the world's great airlines to do so. His story will be told by Murad Fyze, *Aircraft and Engine Perfect: The Story of J. R. D. Tata, Who Opened Up Skies for His Country* (New Delhi/New York: McGraw-Hill, 1991).

K. G. Appuswamy becomes managing director during the summer, taking over much of the chairman's daily burden. Service is resumed to Bangkok and one additional B-747-237B joins the fleet.

A total of 1,046,551 travelers are carried during these 12 months as the million mark in annual boardings is achieved for the first time.

Flight 855, the B-747-237B *Emperor Ashoka* with 23 crew and 190 passengers en route to the Middle East on January 1/2, 1978, explodes and crashes into the shallow water in the Arabian Sea two mi. off Bandra shortly after taking off from the airport at Bombay. There are no survivors from the accident caused by a faulty altitude director indicator.

Air Chief Marshal P. C. Lal becomes chairman at the end of January, retaining Managing Director Appusamy in his post. Two more Jumbojets, the *Emperor Chandragupta* and *Emperor Kanishka*, join the fleet on February 3 and June 30, respectively, while service from Trivandrum to Dubai commences in February.

Airline employment at the carrier is now 11,692 and the fleet comprises 7 B-747-237Bs, 3 B-707-320Bs, 2 B-707-320Cs, 4 B-707-420s, and 1 DC-8-63F. An additional Jumbojet Dash-200B is on order.

Passenger boardings grow only 2.1% to 1,069,000 while cargo is up an equally slow 2.9%.

Airline employment is increased by 7% in 1979 to 15,226 as two more B-747-237Bs, the *Emperor Krishna Deva Raya* and the *Samudra Gupta*, are placed in service on August 14 and December 21, respectively. The "Emperor" portion of Jumbojet names will now be dropped. Fares are kept high on routes to the Mideast, where Indian workers fly in increasing numbers in search of the many new jobs being opened for foreigners.

During the year, a committee of the Indian parliament launches an investigation; its findings will still be talked about 20 years later.

Freight accelerates 4.8% to 267.9 million FTKs, while boardings climb 5.8% to 1,166,159.

The workforce rises 3.4% in 1980 to 15,747. In January, B-747-237B service is launched to Japan; the tenth B-747-237B, *Mahendra Varman*, arrives on February 20. On April 3, Raghu Raj becomes chairman/managing director and, next day, the B-737-237B *Harsha Vardhana* arrives.

Two DC-8-55Fs are leased from **Cargolux Airlines International, S.A.** for use in freight operations to the U.S. and Europe and frequencies on the Japan route are increased to four per week by May. Dar-Es-Salaam and Lusaka are added to the network, via weekly B-707-437B frequencies.

Passenger boardings rise 17.2% to 1.37 million and cargo soars 26.5% to 321.6 million FTKs. Expenses of \$48.7 million are experienced on revenues of \$482.7 million, leaving an operating loss of \$4.99 million and a net loss of \$18.5 million.

The workforce is reduced by 2.9% in 1981 to 15,280. Flights to Sharjah begin in March and a route to Dar es Salaam, Lusaka, and Harare (formerly Salisbury), via the Seychelles, is opened in April.

Five senior airline aides are dismissed on May 1 after the discovery of an alleged plot to sabotage the plane scheduled to carry Prime Minister Indira Gandhi to Geneva. The control cables of her B-707-437B had been found partially cut.

The Indian Supreme Court, in an August 29 finding, rules that female flight attendants can work until age 45 and overturns a company regulation requiring retirement at age 35. Also overturned are rules requiring dismissal for pregnancy.

During a 20-hour gun battle following the collapse of a failed attempt to overthrow the government of the Seychelles at Victoria on November 27, mercenary colonel Mike Hoare and 44 Caucasian colleagues take over Flight 224. A B-707-437B with 79 passengers en route from Salisbury to Bombay, they force it to fly to Durban, South Africa, where security forces take the pirates in hand and transport them off to Johannesburg. Hoare will receive a 20-year prison term, seven lieutenants will receive terms of from one to five years, and the remainder receive six-month sentences.

Also during the year, a computerized reservation system goes into operation at Bombay, New Delhi, Calcutta, and Madras. A route is opened to Sharjah and a minority interest is taken in the new Indian regional carrier **Vayudoot, Ltd.** The fleet now includes 10 B-747-237Bs and 7 B-707-437Bs, plus 2 leased DC-8-55Fs. Passenger traffic soars 20.2% to 1,417,817, and freight jumps an equally healthy 20.1%. Operating revenues are \$617.8 million and expenses are \$617.4 million. Despite an operating profit of \$399,000, the net loss deepens to \$26 million.

The employee population grows by 6.5% in 1982 to 16,255. New service is started from Delhi to Birmingham, England, via Amritsar and Moscow, in January. Flights to Baghdad are resumed and a new route is opened to Montreal. Three former **Laker Airways, Ltd.** Airbus Industrie A300B4-203s, the company's first non-Boeing jetliners, join the fleet as the last B-707-337s begin withdrawal from service. In May, one of these inaugurates an over-water route from Madras to Kuala Lumpur.

On June 22, 19 are killed and dozens are hurt as a B-707-437B with 12 crew and 99 passengers crashes during its landing in a heavy Bombay rainstorm.

Former Chairman Tata is allowed to fly the carrier's original de Havilland DH 80 Puss Moth Karachi to Bombay route on October 15 as part of the fiftieth anniversary celebration. A300B4-203 flights commence late in the fourth quarter from Abu Dhabi to Trivandrum. Enplanements for the year total 1,738,990 and freight declines 0.2% to 356.78 million FTKs. On revenues of \$708 million, operating and net profits of \$64 million and \$36 million, respectively, are reported.

Airline employment is increased by 8.6% in 1983 to 17,900; all but one of the B-707-337Cs are now retired. Service to Sanas starts in April.

Passenger boardings climb 7.7% to 1,882,700 and freight accelerates 12.8% to 391.56 million FTKs. Profits are \$89.5 million (operational) and \$57.6 million (net) on total revenues of \$787.6 million.

The number of workers is cut by 6.7% in 1984 to 16,296. In January, an airline technical subcommittee, headed by founder J. R. D. Tata, recommends that the company purchase Boeing 767-200ERs. Going against this advice and expecting huge fuel savings, company managers, at the direction of the Ministry of Civil Aviation and with the agreement of founder Tata (who has changed his mind), place orders for six Airbus Industrie A310-304s. They have, however, taken the precaution of obtaining a performance guarantee on "fuel burn" from Airbus Industrie.

Passenger boardings for the year climb a slight 0.9% to 1,665,000.

The 17,636-employee carrier experiences its worst year to date in 1985. In February, a block space agreement is signed with **Zambia Airways, Ltd.** providing for code-sharing on the African carrier's route from Bombay to Lusaka.

A fifth spare engine (being taken back to India for repairs) is installed below the left wing of the B-747-237B *Kanishka* at Toronto on June 23, causing the plane to be 2 hours late for its departure, as Flight 182 with

22 crew and 307 passengers, to Europe. After an intermediate stop at Montreal, the Jumbojet continues toward London. The aircraft suddenly explodes in midair at 31,000 ft., suffering rapid decompression and break-up. The Boeing plunges into a 7,000-ft. trench in the Atlantic Ocean off Shannon and there are no survivors.

Salvage efforts and accident investigation will prove extremely difficult, but will produce sufficient evidence to allow examiners to determine the tragedy's cause. A bomb planted by Sikh terrorists is verified as the cause and the Jumbojet is the first of its type so destroyed.

Clark Blaise and Bharati Mukherjee detail the suspected bombing in *The Sorrow and the Terror: The Haunting Legacy of the Air India Tragedy* (New York: Viking, 1987), while Salim Jiwa also reviews the record in *The Death of Air India Flight 182* (London: Ian Allan, 1986). Seven years after the event, a suspected Sikh terrorist will be arrested in Bombay in connection with the massacre.

Two boys from Dublin, reported missing on August 18, turn up at New York (JFK) and tell police that they stowed away on an AI B-747-237B flight from Ireland; the two are returned home aboard the next departing **Aer Lingus Irish Airlines, Ltd.** flight.

Unrest at home leads to a 2.6% dip in passenger boardings to 1,764,000. Revenues are up 1.4% to \$672.3 million and expenses 3.4% to \$627.4 million; profits are \$44.9 million (operating) and \$52.3 million (net).

An agreement is signed with **Air Mauritius, Ltd.** in January 1986 that calls for rapid joint route development. Weekly A300B4-203 Trivandrum-Goa-Kuwait service begins in February while, in April, the carrier begins joint service with **Air Mauritius, Ltd.** over a route from Bombay to Mauritius.

A B-747-273C is leased from **Evergreen International Airlines** of the U.S. on May 18 and a B-747-212B is acquired from **Singapore Airlines, Ltd.** on May 22; it is christened *Himalaya*. Five Sikhs, who are said to have planned to blow up a B-747-237B flying out of New York, are arraigned in Montreal on June 1 on charges that they conspired to possess explosives with intent to injure. The first of six ordered A310-304s is delivered, also in June, entering service in July. Enplanements for the year total 1,763,004.

Airline employment in 1987 stands at 17,458 and the fleet includes 22 aircraft: 10 B-747-200s, 3 A300B4-203s, 6 A310-304s, and 3 leased cargo planes.

Indian security forces at New Delhi on January 16 stage a mock hijacking of a company plane by supposed Sikh extremists that is so realistic that, for several hours, unalarmed officials believe the takeover to be real. The incident spreads alarm and confusion throughout the country before the media is able to report the truth.

Orders are outstanding for two B-747-337Cs. **Singapore Airlines, Ltd.** sells a second-hand B-747-212B to the carrier on June 11 for a price estimated to be between \$45 and \$50 million; two other Jumbojets are ordered from their manufacturer.

In July, 37-year-old Rajan Jetley, former managing director of the Indian Tourism Development Corporation, becomes managing director under Chairman Ratan Tata, a relative of airline founder J. R. D. Tata. During the fall, an A310-322 belonging to **Nigeria Airways, Ltd.** is held at Lagos when the financially troubled African carrier is unable to make owed payments. The Airbus is released several weeks later when a security bond is purchased; Nigeria suspends flights to Lagos and begins a legal action against AI.

Meanwhile, a Jumbojet is chartered from **Middle East Airlines, S.A.L. (2)** to provide lift for Prime Minister Rajiv Gandhi's round-the-world trip. In October, the carrier's staff college at Bombay airport, one of the most respected training establishments in Asia, celebrates its twenty-fifth anniversary. Late in the year, an Ilyushin Il-62 is wet-leased from **Aeroflot Soviet Airlines** to fly service to Moscow.

Customer bookings rise 13.4% to 2,035,801 and cargo climbs 23.3% to 534.92 million FTKs.

The workforce is reduced by 1% in 1988 to 17,328 as the two B-747-337Cs arrive in the fall. An A300B4-203 with 135 aboard crashes and explodes near Ahmadabad, in central India, on October 18 (130 dead).

Enplanements total 2,123,957 and 521.4 million FTKs of freight are flown. Revenues reach \$738.2 million and with costs low, operating income of \$43.1 million is generated. The net profit is \$28.1 million.

Employment falls another 1% in 1989 to 17,293.

Service is initiated to Baghdad. In April, under terms of an agreement signed between the Indian and Lesotho governments, the carrier begins training flight deck crews and flight attendants for **Air Lesotho, Ltd.**

On October 15, a new corporate identity program is launched, including a complete redesign of jetliner interiors and introduction of new livery. With the new color scheme, each all-white aircraft fuselage receives a broad red stripe on its tail with the words Air India in English and Hindi printed above the windowline over the wing. Customer dislike for the new aircraft color scheme will be intense.

Wishing to resume flights to Lagos, **Nigeria Airways, Ltd.** in late October drops its legal action against AI and waives the bond that had allowed the release of its aircraft there two years earlier.

A marketing agreement is signed with **Gulf Air, Ltd.** in December that calls for joint route development. At the same time, a code-sharing route is initiated between Trivandrum and Muscat.

Passenger boardings inch upward a slight 0.2% to 2,167,303 and freight does better, gaining by 7.8% to 572.01 million FTKs. Revenues rise 6.2% to \$791.3 million and the operating profit climbs to \$58.6 million. Net gain drops to \$23.4 million.

Company employment inches upward by 0.9% in 1990 to 17,443. The company's first section 41 modification of a B-747-237 is completed in-house at Bombay in February, saving significant foreign exchange. The same month, the airline receives a ten-man U.S.S.R. delegation, which arrives from the Singapore air show aboard an Ilyushin Il-96 to demonstrate that aircraft's potential as a long-range transport.

Flights to Fujairah begin in March and, in April, it is decided to acquire two A310-304s, at \$120 million, in a Japanese cross-border leveraged lease.

Just after landing at Delhi on May 7 after a service from London (LHR), the No. 1 engine pylon of Flight 132, a B-747-237B with 20 crew and 195 passengers, fails, causing the engine to tilt nose down and sending hot exhaust gases up into the wing, which catches fire. All aboard are safely evacuated; however, the Jumbojet is damaged beyond repair.

In June, the company joins the frequent flyer program of **Trans World Airlines (TWA)**.

To help ease the capacity crunch at **Indian Airlines Corporation** after the grounding of its A320 fleet, the government, in July, orders AI to turn over to the domestic line its three A300B4-203s and orders additional Airbus aircraft for its flag carrier. At the same time, an agreement is signed with the government of Singapore that will allow AI to operate thrice-weekly, all-cargo services between the two nations.

Managing Director Rajan Jetley unexpectedly resigns on July 17 to accept a position with a Singapore-based multinational corporation; Finance Director Subhash Gupte is named interim managing director.

Following the Iraqi invasion of Kuwait on August 2, AI, together with **Indian Airlines Corporation**, becomes involved in the largest airlift of expatriates from the Gulf region. In just four weeks beginning on August 13, over 125,000 Indians, including a number on Hadj pilgrimage, are taken home from Amman, Jordan, in 488 flights. The massive airlift costs \$117.6 million, which the government promises to reimburse, and wins the airlines a citation in the *Guinness Book of World Records* for the "largest civilian evacuation."

The two A310-304s arrive during September, even as the airline is reporting the loss of \$444,176-per-day due to the stoppage of daily Kuwait service. In mid-month, the government announces that only government officials will serve on the carrier's board of directors.

A marketing agreement is signed with **Malaysia Airlines, Ltd. (MAS)** in December that provides for joint service on a route from New Delhi to Kuala Lumpur; the two carriers also agree to pool flights from Madras to Kuala Lumpur and Penang.

Customer bookings for the year rise 6.7% to 2,320,468, but cargo is down 0.3% to 570.06 million FTKs. Revenues advance 12.8% to \$895.1

million and expenses allow operating income of \$30.8 million. As the Gulf routes provide upwards of a third of the carrier's net income, officials estimate that the Kuwait affair will cause a net revenue loss of \$17.8 million.

It is also reported that, since none of the A310-304s have lived up to energy efficiency expectations, the carrier has received \$1.54 million in penalty payments from Airbus Industrie.

The fleet in 1991 includes 3 A300B4-203s, 6 owned and 2 leased A310-304s, 1 B-747-212B, 8 B-747-237Bs, and 1 owned and 1 chartered B-747-337Cs. Orders are placed for 4 B-747-437s.

When the Mideast war erupts on January 17, service is cut to all 48 of the airline's Gulf destinations; these frequencies provide 33% of AI's revenues and use 24% of its capacity. At the same time, a 25% cut in fuel supplies is ordered by the government, leading to cancellation of flights to Hong Kong and Australia, as well as the leased freighter services to New York and Europe. In late February, flights are resumed to a number of Mideast destinations.

A code-sharing agreement is signed with **Air Canada, Ltd.** and, as a result, on June 1 twice-weekly flights commence between Bombay and Toronto via Delhi and London. The government begins the process of privatizing the company, while continuing to hold a majority interest. During July, the government requires the carrier to absorb excess staff from the third-level carrier **Vayudoot, Ltd.** and an arrangement is worked out with Boeing for the ordering of four B-747-437s.

In October, the Civil Aviation Ministry reports to parliament that, despite countermeasures, AI continues to face a problem with rats on certain of its frequencies. During a month in late summer, flights to New York, Tokyo, and London must be delayed when rats are found before takeoff, while a flight from Muscat to Bombay returns after takeoff when passengers see the rodents—the plane is changed.

Becoming deputy managing director, Subhash Gupte, the acting chairman, is succeeded as chairman/managing director in November by Yogesh Deveshwar, a hotel executive.

On December 1, as the result of an anonymous telephone report that a Sikh employed by the airline's catering service has placed a bomb aboard a packed B-747-237B, an explosive device is found minutes before its scheduled departure from New Delhi for New York. The potential bomber is arrested the next day.

A month-long pilots' strike, the grounding of three A300B4-203s, and the withdrawal of B-747F service brings a 24% drop in capacity for December; however, the capacity cut is offset by a 34% increase in yield.

Passenger boardings for the year slide to 2.1 million, due largely to a pilot strike during May. Devaluation of the rupee is of material assistance to the balance sheet, which shows revenues up 14.4% to \$769.3 million. The operating profit is a record \$38.46 million.

Airline employment in 1992 stands at 17,425 and the fleet includes two dozen aircraft. During the first quarter, a \$20-million contract is signed with Landor Associates for an image change program, including \$1 million for the design of a new logo. During the same period, a leased B-747F is returned. A third of the fleet is repainted in the new livery and logo by April when the Landor contract is cancelled; aside from the cost, company officials have received many complaints over its decision to delete its famous centaur symbol and downplay the 40-year-old maharajah mascot. All aircraft will be repainted and new aircraft will be delivered in the maharajah style. During the same month and at the suggestion of the Civil Aviation Ministry, the airline announces a fleet renewal plan.

Plans are made with **Vayudoot, Ltd.** during early summer to initiate feeder services to hubs at Delta and Bombay, but are put on hold as the government considers airline privatization. New service is, however, started to Dhaka. In August, the carrier asks Airbus Industrie for \$1.5 million in compensation after corrosion damage in the pressure panels of four of its eight A310-304s causes the aircraft to be removed for lengthy repair. Government authorities arrest Sikh separatist Manjit Singh and charge him with committing the 1985 bombing of a Jumbojet off Ireland.

Customer bookings decline 22.8% to 1,681,000 and cargo drops 15.5% to 261.26 million FTKs. Although flight engineers strike, ground-

ing the fleet for a time, a decline in the value of the rupee in the fall, an increase in fares, and replacement of money-losing cargo routes operated with a leased B-747F bring \$107.5 million in net profits on revenues of \$833.8 million.

In 1993, Chairman/Managing Director Deveshwar oversees a work-force of 17,717. On February 27, a strike by all 80-plus flight engineers begins over the carrier's plans to eliminate their positions on the soon-to-be-received Dash-400 Jumbojets.

A new bilateral agreement is signed between India and the U.K. in March. Under its terms, all of the 20-year-old restrictions on AI's transatlantic service over London are removed. At the same time, terrorist bombers attack buildings in Bombay, including company headquarters where one employee is killed. Following Kenya's suspension of traffic rights from Nairobi to Johannesburg at month's end, plans to extend AI's A310-304 service to South Africa are put on hold.

The flight engineers strike continues, forcing the grounding of all current B-747s and A300B4-203s and the cancellation of numerous flights. Only the eight A310-304s remain in operation and the airline is reduced to announcing its schedule day-by-day in newspaper advertisements.

On April 3, the government establishes an industrial tribunal, led by Justice M. N. Roy, to examine the flight engineers' grievances; three days later, it issues an order to end the strike. The ban is defied and, by April 11, the job action has cost AI 500 million rupees or \$15.6 million. Agreeing to a government promise to investigate grievances and for each officer to receive a third stripe, the flight engineers end their strike on April 23.

New routes are inaugurated to Durban, Johannesburg, Jakarta, and Dar-es-Salaam. Other markets served also include Abu Dhabi, Ahmedabad, Bangkok, Bahrain, Bombay, Calcutta, Calicut, Delhi, Dhaka, Frankfurt, Geneva, Goa, Hong Kong, Hyderabad, Jeddah, Kuala Lumpur, Kuwait, London, Lusaka, Madras, Mauritius, Muscat, Nairobi, New York, Osaka, Paris, Rome, Singapore, Tashkent, Tokyo, Toronto, Trivandrum, and Zurich. The first of four ordered B-747-437s is placed into service during August.

J. R. D. Tata, former chairman and the doyen of Indian civil aviation, dies in Geneva on November 29 at the age of 89. Also in November, the company signs a block-seat agreement with **Ethiopian Airlines, S.C.** covering flights from Bombay to Beijing.

Passenger bookings rise to 2.1 million and revenues climb 6.1% to \$886.8 million. The new Boeings incur higher depreciation and interest charges than expected and reduce the net gain to \$64 million.

The employee population in 1994 is cut to 17,300. K. Padmanabhalah, former secretary of the Ministry of Urban Development, is appointed joint chairman of both AI and **Indian Airlines Corporation** in February; Capt. D. S. Mathur becomes AI's new managing director.

On March 1, the government of India converts the carrier into a public limited company and AI is renamed Air India, Ltd. Under the Air Corporation Ordinance giving it effect, all assets, liabilities, and functions of AI are vested in a public company. **Indian Airlines Corporation** is also converted. Although the two airlines share a joint chairman and common directors, the latter sit as two separate boards in making decisions for the state carriers.

Also in March, the new managing director is able to negotiate an understanding with the company's pilot and flight attendant unions. He will also put into place a strategy for cooperation between AI and **Indian Airlines, Ltd.** that will feature future joint frequent flyer programs, computerized reservations, and code-sharing on three domestic services from Delhi as well as international flights to Muscat, Dubai, and Abu Dhabi from Calcutta.

Padmanabhalah is appointed secretary of the Civil Aviation Ministry in April and is thus given authority over all of the nation's commercial aviation. Also in April, AI abandons its objections to a **Deutsche Lufthansa, A.G.** request for a 67% capacity increase to India in exchange for a fee to be paid for every passenger above an agreed level on routes from Frankfurt to Madras.

Traffic figures are only released for the first five months of the year. These show customer bookings up 13% to 865,694 and cargo increasing 66.6% to 177.34 million FTKs.

In June, Padmanabhalah is unexpectedly transferred from the Civil Aviation Ministry to head the Home Ministry; he retains his chairmanship of both state-owned airlines.

AI and **Indian Airlines, Ltd.** together sign an agreement in August with **American Airlines** in August for joint participation in the SABRE computerized reservations system. The Indian international carrier also holds discussions with the U.S. major concerning a strategic alliance.

An outbreak of pneumonia at Surat in mid-September causes a number of international flights to be cancelled after some foreign governments, notably those in the Gulf region, ban company service. Flight 805, a B-747-237B with 245 passengers, only learns of a ban by Saudi Arabia as it approaches Jeddah on a September 26 flight from Bombay; the Jumbojet is forced to return to India.

Although AI flights from Europe are allowed to land in Dubai to pick up passengers, by September 28, upwards of 16 of the airline's 26 aircraft are grounded, at a revenue loss of \$6 million per day.

Under diplomatic pressure, Sri Lanka, the Gulf nations, Saudi Arabia, Russia, Bangladesh, and Pakistan lift their embargo on the airline at the end of October. Meanwhile, a contract is let with **Southern Air Transport** under which the American cargo line begins flying freight on behalf of Air India Cargo. Employing two U.S. registered Douglas DC-8-73Fs in AIC livery (save the "S" on the tail), the airline transports pallets westward from Indian cities, via the Mideast, to Zurich, Brussels, and New York (JFK).

Russi Modi, ex-chairman of Tata Steel, accepts the dual chairmanship of AI and **Indian Airlines, Ltd.** in November. On December 4, the carrier increases its stake in **Air Mauritius, Ltd.** by 3.5% to 12% to help the Indian Ocean airline fund its fleet expansion program. Air Mauritius is the only foreign airline in which AI holds a stake. Its own revenues for the year total \$1,007,168,200.

There is no change in airline employment in 1995. On January 2, Bangalore becomes an online station. The national carrier introduces twice-weekly flights to the new station from Mumbai; although one is a purely domestic service, the other is a stop on route to Singapore.

A contract is signed with Boeing on January 19 for the purchase of two B-747-447s. The company seeks to increase its share of the growing international air traffic from India by buying more aircraft with which to increase its capacity. Added are four purchased B-747-447s, three leased A310-304s, and a pair of chartered Douglas DC-8Fs.

As the result of continuing unrest by company flight attendants, Managing Director Capt. Mathur is suddenly asked to resign on February 20 and turn his portfolio over to Ministry of Civil Aviation Joint Secretary Brijesh Kumar. Despite calls for his resignation by certain meddlesome members of parliament, Chairman Modi continues on.

To help strengthen the airline, the government removes a requirement that half of the carrier's \$47-million capital be considered as a loan on which 9% interest charges must be paid.

A pair of A310-324s, previously operated by **Delta Air Lines**, is put into service on behalf of the state carrier by the Belgian charter operator **Caribjet, S.A.** They wear AI livery and Caribjet registries. Later, two Lockheed L-1011-500s are chartered by **Caribjet, S.A.** from **TAP-Air Portugal, S.A.** and also begin flying on behalf of the New Delhi-based major.

In early July, the Comptroller/Auditor General of India issues a report critical of the company's 1984 decision to purchase A310-304s, noting that, because of poor fuel economy, they have contributed to the company's operating losses ever since.

In September, a block-seat arrangement is made with **SAS (Scandinavian Airlines System)**, covering service between Delhi and Copenhagen via Chicago.

On November 15, following the conclusion of a new bilateral agreement between India and the U.S., the carrier begins to code-share on flights with **United Airlines**. Segments of the American major's "Round

the World" services from New Delhi to Newark via London and New Delhi to Los Angeles via Hong Kong are covered.

In a move announced the previous month, the carrier, on November 25, unilaterally terminates an agreement that it had signed with the Indian Pilots Guild a year earlier. The pact had paid pilots for a minimum number of hours per month, whether they were flown or not, and had led other employee groups to make similar demands.

Also in November, **Kuwait Airways Corporation** comes to terms for joint service employing its aircraft over a route from Kuwait City to Trivandrum and on thrice-weekly flights to Madras.

The carrier begins code-sharing on December 15 on **United Airlines** flights from New Delhi to Washington, D.C. (IAD) and Chicago (ORD) via London.

Continuing industrial unrest, a drop in yields, and rising wages and other costs will hurt the bottom line. Traffic figures are reported through September and show progress; customer bookings are up by 22.5% to 2,030,341 while cargo climbs 27.2% to 422,220,000 FTKs. Operating revenues decline by 15.5% to \$991,500,000 while expenses are \$1,007,400,000. There is an operating loss of \$15.9 million and a net downturn of \$32 million.

Two more B-747-447s join the fleet in 1996.

A wage dispute between the company and its 500 maintenance engineers continues into February. The airline offers to triple salaries to Rs 75,000 (\$2,142) per month with increased productivity, but this is rejected as insufficient. On February 19, the engineers' union issues a work-to-rule directive to its membership, which, because of the delays involved, forces AI to cancel a number of flights.

During the first quarter, the **Caribjet, S.A.** contract for two TriStars is completed. Before the end of March, the maintenance engineers back away from their militant stand and move towards a strike—without explanation. In addition, the company postpones its decision on a new midcapacity, long-range aircraft until after the May general elections.

On April 1, the carrier enters into a code-sharing agreement with **United Airlines** on UAL services between Delhi and Washington, D.C. (IAD). Simultaneously, AI places its two-letter code on United flights between Delhi and Los Angeles.

To assist in the transport of Muslim Hadj travelers to Mecca, three B-747-100s are subleased in April from **Tower Air**. In addition, three more B-747-100s are subleased from **Air Atlanta Icelandic, H.F.**

Ananth Kumar is named civil aviation minister in the new government of Prime Minister Atal Behari Vajpayee following the May elections, with P. V. Jayakrishnan as civil aviation secretary.

After the government of the United Arab Emirates sets a deadline for expatriate workers without valid papers or permits to leave, the company, in a move reminiscent of the 1990 Kuwait evacuation, volunteers to come to the aid of India's worker-citizens. In 35 special flights (14 to Abu Dhabi and 21 to Dubai) and two dozen re-routed scheduled services, the carrier joins **Indian Airlines, Ltd.** and surface shipping in returning 37,430 citizens to Mumbai.

Twice-weekly B-747-447 service is inaugurated in November from New Delhi to Chicago via London. Weekly service is inaugurated on December 1 from Bangalore to Dubai.

Having failed to wrest control of the company or **Indian Airlines, Ltd.** from the government or to persuade either of the carriers to join forces in marketing, code-sharing, and fleet-planning, Chairman Russi Modi resigns on December 2. Meanwhile, auditors report that some \$40 million has been spent on ill-conceived promotional campaigns, with falling yields accelerating a downturn.

Passenger boardings for the full year accelerate 9% to 2.89 million and operating income reaches \$1 billion. Still, higher depreciation and interest charges associated with the introduction of the long-range Boeings bring a \$83.6-million net loss.

The employee population in 1997 is 18,421. By January, AI, for the first time in its history, is unable to pay its bills. The state-owned Indian Oil Corporation, to which the company owes \$21 million, stops credit to the national carrier and places it on a cash-up-front basis. To

help it during this crisis, AI seeks a short-term \$42.2-million loan from the State Bank of India.

In March, **Indian Airlines, Ltd.** Managing Director P. C. Sen is appointed joint chairman. He replaces Chairman Modi, who had resigned three months earlier, and walks into a flood of red ink. While he holds meetings to assess the situation, Managing Director Brijesh Kumar reassures employees that speculation on a financial crisis is "utter nonsense."

In an effort to slow the hemorrhage while still providing 142 Hadj charters to Saudi Arabia, the company, in April, institutes draconian service cuts, all but abandoning its European product and trimming elsewhere.

All six weekly B-747-447 frequencies terminating at Frankfurt are ended; the hub at that German city, built up over eight years, is closed down. Frankfurt becomes a transit stop on AI's twice-weekly service to Chicago while Paris, previously a terminator service operated thrice weekly, is also reduced to a transit stop on one of the London runs. Visits to Zurich are dropped altogether. Elsewhere, two each A310 services are withdrawn from Perth and Johannesburg while three weekly flights to Toronto are also abandoned.

On May 23, long-running negotiations for a commercial alliance are terminated between AI and **Singapore Airlines, Ltd.** AI had wanted to access destinations in the Far East and Asia via a code-share or block-space pact while Singapore, which already possesses a strong presence in those regions, had sought additional capacity on its flights into India.

Three **Tower Air** and three **Air Atlanta Icelandic, H.F.** B-747s are again chartered in May to assist with the provision of Hadj flights. In response to an offer from Chase Manhattan and Bankers Trust, in association with the State Bank of India, the carrier, during the month, seeks government permission to continue to raise funds abroad through securitization of future fund flows. The airline, which already earns \$150 million per year from U.S. operations and is allowed to keep its foreign earnings aboard, views the offer as a way to enhance its income.

A \$10-million first quarter profit is proudly announced at the end of June; unhappily, it will turn out that the amount is actually a \$10-million net loss.

A strategic alliance is entered into with **Air France** during July, one that provides for code-sharing on all of AI's European services. On August 1, Deputy Managing Director Michael Mascarenhas succeeds Brijesh Kumar as managing director; Mascarenhas has been with the airline for 30 years. It is he who must inform the board of directors concerning the first quarter financial picture and additional projections of even more losses to come.

During the fall, a new promotion is introduced for foreign tourists; any overseas passengers holding international tickets may avail themselves of unlimited travel on all AI domestic flights for just \$350 (U.S.).

On October 26, **Austrian Airlines, A.G.** inaugurates twice-weekly A310-324 roundtrips from Vienna to New Delhi, India under a block-seat, code-sharing agreement with AI. Under the accord, the Indian flag carrier will reserve 30 seats for its customers on each of the nonstop roundtrips.

As the result of its new pact with **Air France**, the carrier, in November, transfers its operations in France to Paris (CDG) in order to allow its passengers easier connections with the French line's European services.

On December 6, Flight 308, a B-747-447 piloted by Capt. O. P. Sikka, flies the 1,172-naut. km. distance from Mumbai to Delhi in a record 1 hr. 16 min., cutting almost 15 min. off the previous best time.

Late on the evening of December 31, a frantic traffic controller at Delhi is able to divert a midair collision between an AI and an **Indian Airlines, Ltd.** aircraft with 400 passengers. As both simultaneously approach from Bombay for a landing on the same runway, the two aircraft come within 900 feet of one another before one veers off. Director General of Civil Aviation H. S. Khola orders the seizure of the black boxes of both planes and an investigation into the near disaster.

Customer boardings accelerate 6.1% to 3,046,687 for the year, while cargo falls 11.9% to 392.33 million FTKs. The loss falls to \$78.4 million, but does not include, on the plus side, the sale of two B-747-200s for \$19.7 million.

At the beginning of **1998**, AI, with 18,421 workers, is the 21st largest airline in the world in terms of employee number. Civil aviation ministry data noted by Reuters, Ltd. correspondent Biman Mukherji on December 9 will show an employee-to-aircraft ratio of 859 to 1 (compared to, for example, **Singapore Airlines, Ltd.**'s 328 or **Deutsche Lufthansa, A.G.**'s 179).

The fleet at the beginning of the year includes 29 aircraft, all Stage III certified; this number includes 10 older B-747s, 6 B-747-447s, 3 A300B4-203s, and 10 A310s.

Also during January, following a review of their lack of profitability, routes to Australia, Canada, and South America are dropped, as are turnaround services to London. Single frequency stations, including Amsterdam, are shut down, as are such seasonal destinations as Zurich.

In February, a pair of B-747-337Cs is sold for \$25 million. Plans are made to sell the airline's three A300B4s and acquisition of a seventh B-747-447 is postponed.

Before the first quarter ends, new Managing Director Mascarenhas attempts to get the carrier's unions to forgo \$40-million worth of productivity-related incentive bonuses designed to insure on-time performance. He is unsuccessful.

At the same time, the board of directors, together with that from **Indian Airlines, Ltd.**, accepts the government's recommendation that the two carriers not merge, but operate independently under the control of a holding company.

In May, Director of Coordination J. N. Gogai is able to shape a productivity agreement with the company's maintenance and engineering workers that brings all M&E activities in house and saves several millions of dollars.

Led by former Civil Aviation Minister Natarajan and the film actress, Shabana Azmi, a group of women MPs protest to the Indian House of Commons AI's continuing discrimination against women. In particular, rules that require female flight attendants to retire at age 50, rather than age 60 as is the norm at **Indian Airlines, Ltd.** and the private carriers, are targeted. As reported in the June 12 issue of *The Hindustan Times*, the government, faced by the indignant women members, promises to "do its utmost" to get the rules changed.

On August 26, **Austrian Airlines, A.G.** takes delivery of the first A330-200, a Dash-224, to be received by any European airline. It will be flown to North American and Asian destinations. For example, the new plane introduces a third weekly roundtrip frequency on the block-seat, code-sharing service from Vienna to New Delhi flown with AI.

Also in August, India's Disinvestment Commission recommends a partial divestment (60%) of AI. When the government disinvests its equity, AI, unlike **Indian Airlines, Ltd.**, would be allowed to take a foreign airline on as an equity partner. The Commission also recommends a fiscal infusion to help the company overcome its debt and interest burden.

A code-sharing agreement is signed with **Singapore Airlines, Ltd.** in late September covering flights to Los Angeles from India beginning on October 1.

During the fall, a pair of A310-304s is chartered and with the beginning of the winter schedule in late October, is employed to break **Indian Airline, Ltd.**'s monopoly on services to the Gulf. The AI aircraft operate thrice-weekly roundtrips to Calicut in the southern province of Kerala.

Also during the fall, the consultant firm, A. F. Ferguson, is retained to review the operations and future possibilities of the airline and **Indian Airlines, Ltd.**

B-747-447 frequencies to Chicago are increased to six per week on October 28; three services are routed via London and three via Frankfurt. Simultaneously, Thursday A310-304 roundtrips are introduced from Bangalore to Jakarta, via Singapore.

As a result of the Asian economic crisis, capacity is now changed on the carrier's four weekly roundtrips to Tokyo, B-747-337Cs being substituted for B-747-447s on all of the frequencies (instead of the two with Dash-447s and two with Dash-337Cs previously flown). Also, A310-304s replace B-747-337s on the twice-weekly roundtrips operated to Osaka (KIX), via Hong Kong.

Managing Director Mascarenhas calls a news conference on November 2 to report on the airline's staffing and financial situation. Despite cost-cutting efforts over the past two years, the airline remains grossly overstaffed; with 770 employees per aircraft, excess labor remains the company's biggest problem. At the same time, the managing director notes that the airline requires no assistance to generate income on the operational front, but that nonoperational losses can be liquidated only with government financial infusion. Without government assistance, the airline will have no option but to "give away" a 40% equity stake to a private sector strategic partner.

The Times of India, which had covered Mascarenhas's news conference, reports additional information on November 6. Competition in the international sector and the rapid depreciation of the rupee during the Asian economic crisis is wreaking havoc on the airline's finances. Although yield is up 9%, costs have climbed 34% and the situation is expected to worsen. Additionally, the airline's interest burden has become so bad that it has been unable to afford loans from any banks this year and would be worse if a number of older aircraft had not been sold.

On December 7, following a recommendation based on the Ferguson Report, the boards of both state-run airlines move to form an apex body in the form of a holding company supported by a joint management group. Initially opposed to the concept, Chairman P. C. Sen supports the action. The move is completed without consultation with the Ministry of Civil Aviation or Civil Aviation Minister Kumar.

Under terms of this apex arrangement, the two airlines owned by the new holding company would be merged in a phased manner. Meanwhile, the two would continue to have day-to-day operational autonomy, but the apex board would give directions on matters of synergy, which would progressively unite them. Although all agree that such a linkup of the airlines into a larger carrier with a joint network would be helpful in the face of strong competition from the new private airlines, the scheme must still go to the Indian government for its approval.

Civil Aviation Minister Kumar is infuriated by the action—and the perceived snub—and is reported by the press to believe the move is a direct effort to derail the manner of the disinvestment process his agency has been promoting. Members of the Disinvestment Commission also support Kumar's position. That group suggests that creation of a holding company would worsen each carrier's financial position, that a holding company would be unable to tackle the surplus staff problem, and would slow rather than speed disinvestment. Kumar and the Commission must also enforce one other point that the boards have chosen to ignore, namely, that under Indian law foreign airlines are not allowed to take stakes in India's domestic carriers, public or private.

By December 11, Minister Kumar decides to reorganize the state airlines and wins Indian government Cabinet approval to do so. Rather than simply rejecting the holding company proposal and sending it back, Kumar dissolves the boards of AI and **Indian Airlines, Ltd.** and ends the practice of having a common chairman. There will now be two boards with two separate chairmen. To this end, Civil Aviation Secretary P. V. Jayakrishna becomes the new CEO of AI, while a joint secretary in the Civil Aviation Ministry, Anil Bajjal, takes over the leadership of **Indian Airlines, Ltd.** Plans for a single apex management board are shelved and Chairman Sen, who is also managing director of Indian Airlines, is sacked.

Also on December 11, a \$20-million contract is signed with **Tower Air**, which will provide four B-747s, under wet lease, to transport religious pilgrims during the Hadj for the years 1999–2001. Tower, which has been providing Jumbojets for Hadj flights since 1992, will begin the 1999 service in the middle of February and continue through the end of April.

Civil Aviation Secretary Jayakrishna, now also chairman of AI, informs the press on December 14 that the government plans to complete the disinvestment in AI and **Indian Airlines, Ltd.** by December 1999. Next day, it is reported that both airlines have completed the installation of airborne collision avoidance systems (ACAS) in their aircraft ahead of the December 31 deadline.

Flight 727, scheduled to depart for Dubai from Himachal Bhawan early on December 17, is repeatedly rescheduled until finally cancelled. Frustrated passengers besiege the AI office for two hours until the company agrees that another flight will depart the following day. On December 18, nearly 200 people show up for the scheduled 4 p.m. departure and, after check-in, are kept waiting until 11 p.m. without food or information. An hour before midnight, the passengers are boarded and fed; their flight finally departs for the Gulf at 1:20 a.m. December 19.

Since the board coup December 11, the airline's new leadership has worked with Minister Kumar to devise a strategic plan. Kumar tells the *Singapore Shipping Times* on December 31 that the company seeks a foreign partner. Any partnership, he notes, will not remain confined merely to the financial field, but will lead to a transfer of the carrier's management. The plan awaits permission from the cabinet of Prime Minister Vajpayee.

On December 23, Minister Kumar establishes nine subcommittees to study various areas where greater synergy might be found between AI and **Indian Airlines, Ltd.** The areas under review include information technology, scheduling, ground transfer, accommodation, engineering, fare rationalization, common general sales agent appointments, engineering, advertising and marketing, and ground handling.

Customer bookings during the 12 months accelerate 3% to 3.13 million, while cargo traffic inches up 1.2% to 397.08 million FTKs.

Following a reception attended by various VIPs, including Khursheed Alam Khan, governor of Karnataka, new direct B-747-447 twice-weekly return service is introduced on January 1, 1999, from Bangalore to London and New York (JFK) via Mumbai.

Simultaneously, thrice-weekly A310-304 roundtrips are started from Kozhikode to the Persian Gulf, two to Dubai and one to Abu Dhabi. These A310 frequencies are in addition to the 12 weekly services being operated by AI, with **Indian Airlines, Ltd.**, between Kozhikode and the Gulf since December 1993—four each to Dubai, Abu Dhabi, and Muscat.

Minister Kumar meets with AI Managing Director Mascarenhas and Indian Airlines, Ltd. Managing Director Anil Bajjal on January 12 to discover what progress has been made between the two. It is learned that joint bids will be let for ground handling of foreign airlines in India while a proposal is put forward for a joint fund to cover advertising costs at those stations where both airlines operate. Spare AI capacity might be employed by IA, while additional time will be required to come up with ideas concerning joint scheduling and fares. Plans are put in place to share spaces at various coastal stations.

Harold Hahn, South Asian general manager for **Deutsche Lufthansa, A.G.**, indicates on January 19 that his company is prepared to examine the prospects of assuming an equity stake in AI as soon as the Indian government publishes its guidelines for its disinvestment.

A B-747-437 escapes with minimal damage when it touches down short of the runway at Frankfurt on January 20; the event, however, seriously damages the runway's approach lights and ILS localizer antenna.

At the beginning of February, a new \$5-million PW4000 engine overhaul facility is opened at New Delhi.

In an effort to make its two carriers financially viable, the Indian government, on March 1, allocates a token amount to strengthen the equity base of AI and of **Indian Airlines, Ltd.** The decision, reflected in the 1999–2000 budget presented to parliament, comes after a committee, headed by Finance Secretary Vijay Kelkar, has made its recommendations.

On March 4, members of the Standing Committee on Transport and Tourism make a report to the upper house of parliament concerning its review of the two airlines. Citing continuing losses, the legislators recommend that both companies be merged. Until that process can occur, there should be joint operations of their fleets to avoid duplication. In addition, both carriers require financial restructuring, reduction in manpower, and a discontinuation of flights on loss-making routes.

Civil Aviation Minister Kumar informs the U.K. Transport Ministry on March 9 that India will consider increasing the number of flights between New Delhi and Great Britain if AI is given more landing slots at London (LHR).

Fiscal losses from the heavy fog in Delhi and cities in north India in December and January become known on March 16. Minister Kumar notes that AI and **Indian Airlines, Ltd.** have lost a combined R 98.4 million (\$2.33 million), with the latter company suffering the largest loss, R 65 million.

Closed in the previous year, the company's Los Angeles office is reopened on March 26.

In addition to a route reduction, the board, meeting at Mumbai on April 1, approves the sale of three of the five remaining B-747-200/300s. Meanwhile, as buyers are sought, first class in those Jumbojets is replaced with a two-class business and economy class arrangement. During the board meeting, the heads of the engine overhaul and engineering departments demonstrate public disagreement over the proposed merger of their departments. The board refers the issue to a "third party"—Hindustan Aeronautics, Ltd.—which will issue its own advisory report.

Chairman Jaykrishnan, after the conference, meets with representatives from the Indian Pilots Guild, Cabin Crew Association, Employees Guild, Flight Engineers Association, and Aircraft Engineers Association, concerning measures necessary to revive the airline.

The problems of the nation's airlines take a back seat when, on April 16, the Hindu-nationalist government of Prime Minister Vajpayee loses a vote of confidence in parliament and collapses.

On April 19, en route from Singapore to Mumbai via New Delhi, Flight 411, an A310-304 with 113 passengers, suddenly goes into a dive following the tripping of its autopilot. The pilot manages to bring the aircraft under control manually and makes an emergency landing at Chhatrapati Shivaji International Airport, but not before three crew members and a six-month old baby are injured.

On April 22, an effort by the Congress party, led by Sonia Gandhi, widow of former Prime Minister Rajiv Gandhi, fails to obtain the majority support necessary to form a new government. Elections loom.

The next day, Civil Aviation Secretary/Chairman Jaykrishnan and Finance Secretary Vijay Kelkar meet at New Delhi to draw up the modalities for disinvesting the government stake in AI. This is a preliminary step taken to sort out matters before the Civil Aviation Ministry prepares a cabinet note on the subject.

Pursuant to an April 1 board decision, AI, on May 1, stops flying to Frankfurt, Rome, and Manchester. The capacity withdrawn is applied to the Gulf sector.

Six days later, Minister Kumar informs the press that the government has granted permission for AI and **Indian Airlines, Ltd.** to quickly acquire new aircraft with which to expand their fleets. Following negotiations with Boeing and Airbus, an expert committee will choose types to be acquired and, hopefully within a week, make a written report to Kumar's department.

The Times of India reports on May 23 that the company has an equity base of Rs 154 crore and accumulated losses of Rs 1,200 crore. In the same pages, it is revealed that, over the past five years, the annual wage cost of labor has increased from Rs 475 crore to Rs 1,200 crore. From a 40% domestic market share 20 years earlier, the company's share of the Indian market has fallen to just 22%.

In an effort to win travelers through more personalized service, the company, on May 24, begins to give regional passengers a flavor of their homelands. Passengers on AI flights from Mumbai to Singapore via Hyderabad receive something of Andhra with Telugu cuisine and Telugu magazines. Those on the Mumbai to Singapore via Chennai service have access to Tamil newspapers and Tamilian food.

Service to the new Cochin Airport in Kerala begins on June 14.

In an effort to gain benefit from its unused frequencies between London and New Delhi, the carrier, in December, signs a code-sharing agreement with **Virgin Atlantic Airways, Ltd.** Under the arrangement, VAA will, in partnership, fly at least three of the frequencies. Similar arrangements are entered into with other long-haul airlines.

Customer bookings for the year are nearly level, inching up just 0.9% to 3.19 million passengers flown. Cargo traffic actually drops 3.7% to 803.09 million FTKs. A fifth straight year of loss is recorded on rev-

enues of \$1.02 billion, although the debt is down to \$18 million. There are those who point to fuel price increases and a \$23-million award by an arbitration panel in London to Caribjet for Air India's unilateral cancellation of a lease agreement as the principal factors preventing a profit.

Airline employment stands at 18,157 at the start of 2000, a 1.5% reduction from the previous year. Throughout the first quarter, it is widely reported that the carrier will soon be privatized. At the same time, a plan for fleet rationalization is discussed under which the company would limit itself to just two aircraft types, the Boeing 747-400 and the Airbus A310-300.

The on-again, off-again privatization process stumbles once more in early May. Civil Aviation Minister Sharad Yadav reports that, although part of the airline's equity will be unloaded, the government fully intends to retain majority shareholding, as well as the power to appoint the company's chairman. It is also made clear that foreign airline investment is not welcome. Minister Yadav's position is countermanded on May 27 by disinvestment Minister Arun Shourie, who announces that the flag carrier will, in fact, be privatized; 40% of government shareholding will be divested to a strategic partner with financial institutions and private investors taking 10% each. Foreign airlines will, indeed, be allowed to participate in the makeover, to a maximum 26% stake. At this point, both **Virgin Atlantic Airways, Ltd.** and **Air France** express interest in acquiring equity, a position strengthened in July when the Indian branch of Morgan Stanley Dean Witter is appointed privatization advisor and charged with preparation of a plan for a sell-off.

With a date of March 31, 2001 chosen for privatization, the government, during the summer, establishes a working council, the Centre, from the ministries of public enterprises, civil aviation, and disinvestment to work on the process with Managing Director Michael Mascarenhas. The latter provides information that an infusion of at least \$1.5 billion will be required to cure the carriers' ills.

Delhi-Moscow service is suspended on August 1; a week later, Air India signs a code-sharing agreement with **Aeroflot Russian International Airlines (ARIA)**, which will market 75 blocked seats for the carrier on each of the three weekly dual designator flights it operates to India.

Controversy erupts in early August over an Aviation Ministry push to install one of its former secretaries, R. C. Jain, as chairman, following the departure of current Secretary Chairman Gupta to the same post with the Defence Ministry.

On August 16, the carrier receives two bomb threats against its international frequencies on one day. The first against Flight 111 from Bombay to New York (JFK) and the other against Flight 112 from New York (JFK) to New Delhi; in both cases, passengers are evacuated, the aircraft are swept, and no explosives are found.

After weeks of speculation, **Jet Airways, Ltd.** issues a statement at the end of August indicating that it will not seek equity holding in the flag carrier. On the other hand, the 300-member Indian Pilots Guild enters the bidding process, hoping to prevent participation by foreign carriers.

The head of the investment bank Lazard India reports on September 8 that **Air France** and **Delta Air Lines** will make a joint bid for a 26% stake in Air India. The anticipated sale process is to begin the week of September 11 by a formal invitation from the Indian government to potential bidders.

By September 28, when government invitations for bids in the privatization of Air India are posted, **British Airways, Ltd. (2)** and the Indian conglomerate Tata, the airline's owner before its nationalization, are also preparing a tender. Before the bids are closed on November 10, it is anticipated that offers may also be received from **Deutsche Lufthansa, A.G.**, **Emirates Airlines**, and **Virgin Atlantic Airways, Ltd.**

After 15 years of investigation, Royal Canadian Mounted Police arrest Vancouver bank president Ripudaman Singh Malik and sawmill worker Ajaib Singh Bagri on October 28. Both men are charged with first-degree murder, attempted murder, and conspiracy in the June 23, 1985 bombing and destruction of Air India Flight 182 and an explosion of a bomb-laden suitcase being off-loaded from another Air India

service, at Tokyo (NRT) the same day, which kills two ground workers. A third man will be arrested on October 30.

The code-share arrangement with **Indian Airlines, Ltd.** for 12 joint weekly flights to Dubai, Muscat, and Abu Dhabi from Calicut ends on October 29; simultaneously, Air India, employing A310-304s, increases its own services to the four Gulf points from Calicut and Cochin.

Disinvestment Minister Shourie informs *The Times of India* on November 5 that, after the first round of bidding for the state carrier is completed on November 10, hoped for additional rounds will bring the best price. It is anticipated that these subsequent actions will require additional time.

Leased for three years, two A310-222s, previously operated by **Singapore International Airlines, Ltd.**, are delivered late in the fourth quarter.

AIR INDIA CHARTERS, LTD. See **AIR INDIA, LTD.**

AIR INDIA INTERNATIONAL AIRLINES, LTD. See **AIR INDIA, LTD.**

AIR INDIANA: United States (1979). AI is set up at Indianapolis in the early fall of 1979 to provide scheduled passenger and cargo flights to regional destinations. Employing a Douglas DC-3, the company inaugurates daily roundtrips on October 1, linking its base with St. Louis via Danville. Insufficient traffic is generated to maintain the service beyond December.

AIR INDIES: United States (1967–1973). This **Colony Airlines, Ltd.** subsidiary is established at Miami in the summer of 1967 to offer scenic flights to the Bahamian city of Nassau. Employing Beech 18s, revenue flights commence in September. During the next six years, the fleet is upgraded by the addition of Douglas DC-3s, de Havilland Canada DHC-6-100 Twin Otters, and Beech 99s.

Regularly scheduled roundtrip flights commence from San Juan to St. Thomas, St. Croix, Ponce, and Mayaguez. A victim of recession and higher fuel prices, the company ceases operations in 1973.

AIR INTER (LIGNES AERIENNES INTERIEURES, S.A.): France (1954–1996). **Air France** Chairman, Admiral Lebrand, in early 1954, rejects the French government's initial effort to establish a dedicated local service airline. Nevertheless, the unwanted carrier, Air Inter (IT), is formed by **Air France** and the government as the principal domestic airline of France on November 12.

Paris–Strasbourg service is inaugurated with chartered Douglas DC-3s on March 12, 1958. Failing to meet financial targets, the carrier is shut down in November and most of the next year is taken up with reorganization.

Leased DC-3s, displaying the company's new logo, relaunch flights on June 6, 1960 over a Paris–Toulouse route. With leased DC-3s, DC-6Bs, and Vickers Vikings and without ground support equipment, a reservations system, etc., IT begins sustained service over a Lille–Lyon–Nice route on September 19. During the next 3½ months, 17,000 people are carried.

Additional routes are extended outward from the Paris base, along with charter opportunities, in 1961 as three Lockheed L-749 Constellations are leased from **Air France** for the period April–October. A total of 91,000 passengers are transported during the 12 months and, at year's end, the first owned aircraft, five Vickers Viscounts 708s, are purchased from **Air France**. Boardings skyrocket in 1962, exceeding the 200,000 mark, and orders are placed for six Nord 262s. Much of this success is due to the capacity provided by a lease of three L-749s and three L-1049Gs from **Air France** for the summer tourist season.

The route network is now expanded rapidly in 1963 and some 400,000 travelers are accommodated.

A Vickers Viscount 708 with 4 crew and 16 passengers crashes 24 km. N of Lyons on August 12 while on initial approach; there are no survivors of the aircraft and one person is killed on the ground.

Orders are placed on December 5 for four Nord 262s.

The workforce stands at 492 in 1964 as the several Sud-Est SE-210 Caravelle IIIs are leased from **Air France** and placed into service during March on the route from Paris (ORY) to Marseilles. The first four production Nord 262s join the fleet, beginning on July 16. One of these is employed to initiate service Paris–Quimper on July 24. Airline employment is 492 and boardings rise to 525,000.

In 1965–1966, three Sud SE-210 Caravelles are ordered while a reservations system is put in place and local and regional offices are opened throughout the country. The Nord 262 fleet is increased and destinations now served by it includes Bordeaux, Brest, Clermont-Ferrand, Lille, Nantes, La Baule, Lyons, Paris, Nîmes, Perpignan, Toulouse, and Quimper.

An agreement is signed between **Air France** and the government in 1967 that makes IT a public company devoted exclusively to domestic service. Shareholding is divided between **Air France** (25%), SNCF French Railways (25%), **UTA French Airlines, S.A.** (14.7%), and other assorted private and local banks, airfreight forwarders, and government investors (35.3%). Robert Vergnaud is named president, with Rene Lapautre as director general. The first SE-210, leased from **Air France**, enters service in the spring, followed by the remaining two later in the year.

Three additional SE-210s are placed in service in 1968 along with seven Fokker F.27-500s. Several new domestic markets are opened during the year.

Some 20 min. after takeoff on July 3 while attempting to return with a fire in the rear of its cabin, an SE-210 Caravelle III, with 6 crew and 89 passengers, crashes into the sea off Nice; there are no survivors.

Airline employment grows to 1,880 and enplanements reach 7,727,951.

Three more F.27-500s are purchased in 1969. The carrier becomes the first in the world to employ the ATT landing system as a Caravelle III lands in dense fog at Paris (ORY) on January 9 following a flight from Lyon.

The fleet in 1970 comprises 4 SE-210s, 10 F.27-500s, 4 Nord 262s, and 14 Viscounts.

Airline employment in 1971 stands at 3,373.

An SE-210 Caravelle III is badly damaged in a ground fire at Paris (Orly Airport) on January 4. A Vickers Viscount 708 with two crew is damaged beyond repair during a training flight at Aulnat Airport on December 28; there are no injuries.

Service is launched from Paris (ORY) and a total of 2,619,425 passengers are carried.

Employment is increased 18% to 4,113 in 1972 as the first of 21 Caravelle IIIs and XIIs enter service.

A Vickers Viscount 724 with 5 crew and 63 passengers crashes into a mountain near the town of Clermont-Ferrand while on descent to Pic du Picon on October 27 (60 dead).

Passenger boardings soar 27.5% to 3,613,000 and cargo climbs an equal 17.9%.

Airline employment is 4,402 in 1973 and the fleet includes 10 Caravelles, 12 Viscounts, and 10 Fokkers. The last of 282 Aerospatiale (originally Sud-Est) SE-210s, a Caravelle XII, is delivered on March 16.

An F.27-500 freighter with three crew is destroyed as the result of a bad landing at Strasbourg on August 11; there are no fatalities.

On November 30, the carrier is ordered to limit its domestic schedule in an effort to save jet fuel. The growth rate is slowed by the French air traffic controllers strike; however, it is far from static.

Passenger bookings rise 7.1% to 3,869,523 while freight traffic is up 10.2%.

An explosion of undetermined but suspicious origin occurs in the forward landing gear compartment of an SE-210 Caravelle III, which has just arrived at Marseilles from Bastia on March 22, 1974; although there are no fatalities, the aircraft is badly damaged.

The first of ten Dassault-Breguet Mercure 100s is delivered on May 15; the only airline to operate this type, IT places it in service on June 4 on the Paris to Lyon route. Orderly Viscount retirements begin.

An F.27-500 with three crew crashes 20 km. from Nantes on July 24 and catches fire; there are no survivors.

Boardings accelerate 6% to 4.1 million, and freight climbs 5.4%.

The last of ten Mercures is received in **1975**. Enplanements grow 11.6% to 4,583,000 and are carried in a fleet that now includes the Mercures, 21 SE-210s, and 9 F.27-500s.

An F.27-500 is lost at Quimper on August 5 under unknown circumstances; there are no fatalities.

Company headquarters are transferred from downtown Paris to Paris (ORY) in **1976**. The first two A300B2-1Cs join the fleet on September 28 and are placed in service on November 29 over the Paris to Lyon and Marseilles routes. Bookings continue to march upward, accelerating 11.9% to 5,129,000, and cargo increases 24%. Airline employment stands at 4,510 and a net profit of FFr 16,000 is reported.

Two additional A300B2s are received in **1977** as an agreement is reached with **Air France** to halt charter operations in exchange for a 20% block of stock in the flag carrier's new nonscheduled enterprise, **Air Charter International, S.A.**, now in the planning stage. The fleet now includes 10 Mercures, 21 Caravelles, and 9 F.27-500s in addition to the A300B2s.

On September 30, armed with a grenade and pistol, Jacques Robert commandeers a Caravelle XII on a domestic flight from Paris (ORY) to Lyon after shooting and wounding flight attendant Annick Guillemot. Threatening to kill all of the passengers unless he is allowed to broadcast a political message, the pirate diverts his captives back to Paris. There, in a scuffle with fellow passengers, Robert drops his grenade, which explodes, killing one man and wounding two others. Police, meanwhile, board the plane and capture the hijacker, who will be tried and sentenced to 18 years in prison.

IT is shut down by a 24-hour national strike on December 1. Enplanements total 5,381,332.

In **1978**, the computer reservations system SIRENE is inaugurated. The carrier now receives 20% of the shareholding in the **Air France** subsidiary **Air Charter International, S.A.** President Vergnaud's company now employs 4,600 workers and owns a fleet comprising 4 A300B2-1Cs, 10 Mercure 100s, 5 Sud-Est SE-210 Caravelle XIIIs, 15 Caravelle IIIs, and 9 Fokker F.27-500s.

Passenger boardings are up 9.8% to 5,966,000 and cargo moves upward by 7.6%.

Orderly retirement of the Caravelle IIIs begins in **1979** as three more A300B2-1Cs are delivered. In order to attract new clients, discount fares are extended. Despite another French ATC strike, boardings climb 7.4% to 6.3 million and freight is up 10.9%.

The carrier's annual subsidy from the French government (received since 1967) is reduced in **1980** to a small sum for essential Corsican service. The workforce reflects this, being reduced by 26.6% to 3,902. The first phase of the SIRENE system comes on line. Enplanements skyrocket 21.6% to 7.7 million, but freight traffic remains level at 11.6 million FTKs.

Three additional A300B2-1Cs are placed in service in **1981** as passenger enplanements jump 11.9% to 8.6 million and freight grows 17.4% to 14.63 million FTKs. Marceau Long becomes president in July **1982**. Long France's largest domestic carrier, the airline can now claim the same honor for all of Europe.

Passenger boardings increase 6.9% to 9,240,000 and cargo accelerates 2.4% to 13.95 million FTKs. A net profit of \$4.6 million is earned.

The employee population increases 21.9% in **1983** to 6,300 and the final Caravelle III is retired in April. Late in the year, an order is placed for ten A320s. Enplanements accelerate 8.6% to 10,035,160, but cargo dips 2.3% to 13.62 million FTKs. On total revenues of \$560 million, a net \$2.3-million profit is realized.

The payroll increases a slight 0.8% in **1984** to 6,805. Pierre Eelsen becomes chairman and president in July, succeeding Marceau Long who becomes chairman/CEO of **Air France**. Three additional A300B2s are delivered while the Caravelle and Fokker fleet elements are reduced to 12 and 17 craft, respectively.

Boardings rise a dismal 2.6% to 10,295,000, and freight rebounds, up 9.5% to 14.92 million FTKs.

In **1985**, IT accepts an A300B4-2C and with a total of 14, remains the world's largest operator of this aircraft type.

Enplanements grow 3.7% to 10.6 million and freight climbs 3.8% to 493.48 million FTKs. In terms of passenger boardings, the carrier ranks 25th among all the airlines of the world. A net profit of \$8.7 million is recorded on total revenues of \$787 million.

Employment is up by 4.5% in **1986** to 7,396. Fifty-two air routes serve 30 French metropolitan airports with an average of 300 flights each day. IT is the West's largest domestic airline and has no competition except for **Air France**, with which it shares a route from Paris to Nice. Tied in with the one hundredth anniversary of the Statue of Liberty in New York harbor, the company unveils a \$185 "France Pass," which is good for unlimited travel to any point on its route network on any seven days within a one-month period. During the year, a B-747-123 is leased from **Cargolux Airlines International, S.A.**

Customer bookings jump 11.1% to 11,806,118 as cargo swells 19% to 19.36 million FTKs.

The number of airline workers is increased again in **1987**, up 8.7% to 8,041. Flights linking Paris to Marseilles, Bordeaux, Strasbourg, Toulouse, Nice, Lyon, Montpellier, Nantes, and Toulon account for 66% of the company's traffic. New products include "Famille a Deux" (two family members for the price of one) and an airline "Escape" travel card. Capacity is enhanced by the use of a B-747-2B4BC leased, via **Air France**, from **Middle East Airlines, S.A.L. (2)**.

Passenger boardings accelerate 8.5% to 12,804,283 while revenues move up to \$1.18 billion.

The payroll climbs by 9.5% in **1988** to 8,830 and the fleet now includes 11 Mercures, 12 Caravelles, 18 A300B2/4s, 4 A320-111s, and 1 B-747-128, the latter chartered from Air France. Orders remain outstanding for one more A300B4 and six A320-211s. F-GGEA, the first of the A320-211s, for which the carrier is a launch customer, enters service on June 8. Consequently, authority is received to inaugurate regional services and flights to Ibiza and Madrid.

Customer bookings jump 7.4% to 13,750,179 and cargo rises 16.6% to 30.87 million FTKs. Although revenues are up by 9.6% to \$1.18 billion, net income remains level at \$23.2 million.

The number of employees swells 13.8% in **1989** to 10,050. In March, President Pierre Eelsen signs an important agreement with **Air France** CEO Bernard Attali. Under its terms, AF will operate domestic services within France on behalf of AI while AI will fly to regional European destinations on behalf of AF, including London (Gatwick), Madrid, Ibiza, Athens, Rome, Lisbon, and Venice. Additionally, greater technical cooperation begins between the two carriers.

Passenger boardings increase by 14.1% on the year to 15,688,394 while freight does slightly better, growing by 14.6% to 31.38 million FTKs. Revenues rise 9.2% to \$1.28 billion. The operating profit is \$21 million and net gain reaches \$18 million.

Company employment is cut 20% in **1990** to 8,041. In January, **Air France** purchases 54.6% of **UTA French Airlines, S.A.** and thus gains control of IT. The two join Air Charter and their new parent on January 12 as subsidiaries of the new Air France Groupe. In debt \$17 million, **Lina Congo** leases its single B-737 to the French airline in May in an effort to raise funds. During the summer, the ICS cargo subsidiary is reformed into **Inter Ciel Service, S.A.** and its aircraft are given a new blue and yellow paint scheme.

Customer bookings for the year slide upward 3% to 16,163,000, but cargo slips 0.2% to 42.7 million FTKs. While parent **Air France** retains its world ranking in freight, IT, the nation's domestic airline, does still better with passengers and some find it ironic that IT, at number 17 in the world in that category, is a notch above its new owner. Although revenues climb 30.2% to \$1.8 billion, expenses rise faster. As a result, a huge \$91-million operating loss is suffered, along with a net loss of \$31 million, the first significant losses in recent memory.

The payroll grows 24.4% in **1991** to an even 10,000 and the fleet now includes 1 chartered and 15 owned A300B2-1Cs, 3 leased and 4 owned A300B4s, 5 chartered and 2 owned A320-111s, 7 leased and 13 owned A320-211s and 11 Dassault Mercure 100s. Orders are outstanding for 7 A320-211s, 7 A321-111s, and 15 A330-301s.

Early in the year, the carrier is given permission to inaugurate service to any destination within range of its aircraft. During the year, the EU Commission will force France to slightly alter its rigid domestic air traffic policy by allowing **Air Outre Mere, S.A.** to inaugurate frequencies between Paris and Nice.

On August 2, Flight 6489 from Paris (ORY) to Marseilles begins IT's final scheduled Caravelle rotation. Following special celebrations, complete with champagne and flowers, for the final Nantes-Paris (ORY) service on August 3, the last eight Caravelle XIs commence their retirement from service, with two being sold to **Air Provence International, S.A.**

Competition with the expanding TGV high-speed train system of French Railways becomes intense. Once the railroad's 2-hour service begins, IT bookings on the 250-mile Paris-Lyon route drop by 40%. A 27% interest is now taken in the newly created Orlyval, a ground-transport service between downtown Paris and Orly Airport.

Overall, passenger boardings for the year slip 2.2% to 15,801,000 as freight inches up 0.7% to 37.28 million FTKs. The year's loss totals \$7.8 million.

The Airbus component of the company's fleet is dramatically increased in **1992** as 24 A320-211s (19 leased) and 7 A320-111s (4 chartered) are received.

On January 10, the carrier's subsidiary, Sodetif, absorbs the **Air France** subsidiary Tourisme France International; IT interest is reduced from 65% to 30%.

En route from Lyon (Satolas Airport) to Strasbourg (Entzheim Airport) on January 20, Flight 148DA, an A320-111 with 6 crew and 90 passengers, crashes in fog and snow into a ridge of La Bloss mountain near Mont Ste-Odile, some eight mi. SW of Entzheim (87 dead).

During an A320-211 flight from Paris (ORY) to Malaga in July, a passenger notifies crew members that a fellow traveler has a gun; the aircraft returns to France where police discover that the bulge in the man's pocket is a banana.

The first A330-300 makes its maiden flight on November 2. It will become the first airliner ever awarded simultaneous airworthiness certifications by both the U.S. FAA and the European JAA.

Although only 3.6% of delays result from reasons that are part of the carrier's responsibilities, there are 15,000 late departures during the year, including 4,800 that depart more than 15 minutes behind schedule. Customer bookings on the 69-route system recover during the year and increase by 3% to 16.3 million; however, the company's financial loss deepens to \$11.8 million.

In **1993**, the workforce totals 11,142 and the company's 58-unit fleet flies to 50 domestic destinations; orders are outstanding for 15 A330-301s. On January 29, an agreement is signed that will lead to the liquidation of Orlyval.

The Paris to Dublin service of **Air France** is taken over on March 28 and operated by an IT A320-211.

While pushing back from Montpellier preparatory for departure on a service to Paris (ORY) on April 24, an A300B2-1C with 10 crew and 314 passengers strikes a light pole so severely that it is damaged beyond repair; there are no fatalities.

Weekly Airbus service is reintroduced on May 29 between Nice and Dublin.

In a further effort to boost ridership in competition with the high-speed TGV train, IT, taking a note from the book of America's **Southwest Airlines**, begins to make speed, punctuality, and flexibility a corporate priority.

As a protest against government interference in the airline's affairs, President Jean-Cyril Spinetta resigns in October; he is succeeded by Michel Bernard. Employees stage a 24-hour strike on November 10 causing delays.

A 35-year-old Algerian man takes over an A320-211, with 123 aboard, at Nice on December 10 and threatens to blow up the plane and passengers unless he is flown to Libya; he is talked into releasing his captives and surrenders.

The high-speed shuttle operations prove so successful that the company, despite bad weather and **Air France** strikes, is able to complete 99.3% of its departures, getting 89.5% of those aloft within 15 minutes of schedule; turnaround time is only 40 minutes.

Passenger boardings for the year inch up 0.3% to 16,583,491, but freight is down 5.2% to 36.97 million FTKs. A net \$49-million loss is suffered.

The number of employees is cut by 1.3% in **1994** to 11,000 and the company takes delivery of its first A330-301 in January. It is employed to inaugurate service on Flight 412, from Paris (ORY) to Marseilles, on January 17. However, after experiencing two incidents in which the landing gear cannot be retracted after takeoff, it is taken out of passenger service and returned to Toulouse in February to undergo testing. Also during the month, orders are placed for nine A319s for delivery two years hence. The company now begins to retire its eight Mercures.

President Bernard introduces a recovery plan designed to return the company to profitability without layoffs. To accomplish this goal, IT will concentrate on corporate restructuring, renegotiation of disadvantageous contracts, increased productivity, and new business. The company is unhappily involved in an historic EU Commission ruling in April. As part of its ruling, in response to a complaint filed by **TAT European Airlines, S.A.** the previous year, the Commission requires IT to end the monopoly it has always enjoyed on domestic routes out of Paris (ORY). Company staff calls a one-day strike to protest the decree.

TAT initiates its competitive service on June 20 over IT's once-exclusive route from Paris to Marseilles. In reaction to the requirement for the airline's domestic competition, the government now authorizes IT to inaugurate flights from Paris and Nice to Dublin, Marseilles to Tunis and Algiers, and twice-daily service from Paris to Madrid and Barcelona, as well as the other Spanish communities of Alicante, Ibiza, Malaga, Palma, Seville, and Valencia.

Orders are placed on June 30 for nine A319-113s that are to begin delivery in two years. At the same time, orders are placed for five Fokker 100s with which to replace the Mercure fleet.

On the year, customer bookings recover, growing by 3% to 17.5 million (including 250,000 on international services), and revenues advance by 5.4% to \$2.2 billion. The first net gain in five years is earned, \$4 million.

The workforce totals 200 in **1995** and the fleet is increased by the addition of 12 Fokker 100s and 3 A330-301s. The Fokkers replace the company's Dassault Mercures. In addition, one each A300B2-1C and A300B4-2C are leased to the new Turkish charter operator **Holiday Airlines, A.O.** During the first week of January, the EU Commission's demand that France open Orly Airport to other carriers is honored.

In addition, the privately owned **AOM French Airlines, S.A.** and **TAT European Airlines, S.A.** are authorized to begin flying over the Paris-Marseilles route, which had been exclusively held by AI; another former exclusive route, Paris-Toulouse, is opened to service from **Air Liberte, S.A.** and **TAT European Airlines, S.A.** Still, the company maintains exclusive traffic rights to 50 city-pairs in the country.

When **Air Liberte, S.A.** introduces \$100 roundtrip service between Paris and Toulouse during the year's first week, IT counters with \$49 tariffs; this pricing leads to the country's first domestic airfare war. **Air Liberte, S.A.** Chairman/CEO Lofti Belhassine charges IT with predatory pricing practices and promptly files suit in the Paris Court and before the European Court of Justice.

The rate war intensifies in March when **TAT European Airlines, S.A.** begins flying the route. Employing Canadair RJ100 jets, **Air Littoral, S.A.** and **Brit Air, S.A.** launch "Air France-Air Inter Express" services over IT routes.

Following the announcement from the **Air France** leadership that it plans to merge its European business center operations with IT into a

single Nouvelle Compagnie Européenne, S.A., job security fear grips much of the IT workforce, particularly pilots, flight attendants, and ground handlers.

A three-day strike by those opposed to the union occurs during the third week of March that severely disrupts flight operations and forces the carrier to cancel some 200 flights each day. Despite the use of wet-lease aircraft, worker demonstrations over the next couple of weeks cause almost 1,500 flights to be withdrawn by mid-April, and startup of a new route from Paris (ORY) to Amsterdam is postponed. Job action-related costs to the carrier approach \$20 million.

Unable to convince unhappy union leaders that the merger plan will be to their benefit, President Bernard resigns in mid-May; he is succeeded as acting chairman/CEO by the head of **Air France**, Christian Blanc.

To battle its private competitors, IT introduces a number of promotional fares at mid-year, including several as \$40–\$90 on certain domestic routes. It also increases the number of its international markets from 10-per-year earlier to 27. Former advertising executive Jean-Pierre Courcol is appointed CEO during the first week of September.

En route to Paris from Palma de Mallorca on September 3, an A300B4 with 298 passengers is taken over by a lone assailant who is protesting against French nuclear testing in the far Pacific. The aircraft is diverted to Geneva where the man is taken into custody.

Difficulties between the airline's management and workers continue. During the first week of November, flight attendants walk off the job for three days, disrupting operations on every route. Pilots and flight engineers strike on November 10–12, grounding most of the company's aircraft.

During those first two weeks, **Air France** management offers a generous financial buyout to those flight attendants willing to quit; hopes are held that about 1,200 cabin crew can be bought out within a year and a half. When flight attendant union delegates refuse to accept the idea, the airline's leadership states that it will reduce flight attendant costs anyway, a statement not calculated to improve the company's deteriorating relationship with its employees.

Nationwide strikes by ground transport workers paralyze the nation's surface transport system during the last week of November, including the TGV high-speed trains that have bitten into IT profits over the last couple of years. The job actions bring chaos on the roads to Paris airports, but increases the airline's traffic on the order of 30%. Still, pilots threaten to strike in further protest of the upcoming merger plan.

It will later be asserted that worker walkouts during the year have cost the company 600,000 boardings. At year's end, orders for 11 more A330-301s is cancelled.

Passenger boardings drop by 8.2% to 15.7 million and the company goes into a financial nose dive, losing an unprecedented \$100 million.

On January 1, 1996, **Air France** combines the carrier with its own medium-haul European services to create **Air France Europe, S.A.** The integration period will require 18 months, during which time the company will operate as **Air Inter Europe, S.A.**

AIR INTER EUROPE, S.A.: France (1996–1997). On January 1, 1996, **Air France** combines **Air Inter, S.A.** with its own medium-haul European services to create **Air France Europe, S.A.** The new Air France Europe unit, to be known for the next 18 months as **Air Inter Europe, S.A.**, is given a fleet of 126 aircraft and 18,000 employees. The same day, domestic deregulation in France takes full effect.

Frequencies continue between the 50 former **Air Inter** city-pairs and to the onetime regional destinations of **Air France**. Meanwhile, independents such as **Air Liberte, S.A.** and **AOM French Airlines, S.A.**, rapidly begin to expand the number of their domestic services.

The Air France Groupe demand that the company compete more economically with deep-discount independent carriers now forces AFE to ground its fleet of 10 A300B2-1Cs, 2 A300B4-2Cs, and 4 A330-301s in favor of 6 A320-111s, 29 A320-211s, 5 A321-111s, and 5 Fokker 100s.

CEO Jean-Pierre Courcol and his executives begin working to turn the company into a low-cost, no-frills airline that will operate a Euro-

pean route system larger than that of **British Airways, Ltd. (2)** or **Deutsche Lufthansa, A.G.**

Also during the first quarter, control is taken over **Air Littoral, S.A.** and its management is passed to Air France Europe. Thin routes are sub-contracted to this carrier, flying them with Canadair Regional Jets.

In March, the newly renamed carrier takes over a number of **Air France** routes from France to the U.K., including the thrice-daily Paris (ORY) to London (LHR) services and those from London (LHR) to major French provincial cities.

To make Air Inter more competitive, "Euroconcept," a new joint product with **Air France**, is introduced on April 1. Included in the package are low, special fares, reduced-fare cards for frequent flyers, enhanced boarding procedures, and upgraded in-flight services as flight attendants begin serving cookies and light snacks.

All through the spring rumors persist that Air France Europe will be merged into the major. The new unit starts off facing increased competition and its employees are soon faced with another reorganization plan that calls upon them for sacrifice and new efficiency. In late April, a pilot walkout forces the company to cancel 500 departures.

As competition with independent regionals intensifies over the busy routes from Paris to Nice and Montpellier, AFE is forced to reduce its fares by 20%–30% to stay competitive; consequently, fiscal loss is increased to \$20 million per month. The fare reductions also bring a legal challenge from **KLM Royal Dutch Airlines, N.V.**, **Deutsche Lufthansa, A.G.**, and **SAS (Scandinavian Airlines System)**. The three foreign competitors allege to the competition directorate of the European Union that Air France is in breach of the terms of the bailout agreement and ask it (unsuccessfully as it turns out) to disallow a final \$1-billion infusion in July.

During the third week of May, management announces that it will shortly begin implementation of a two-year restructuring plan. Key elements of the scheme include a further reduction in the number of unprofitable routes; a two-year wage freeze; a reduction in force of 900–950, including 150 pilots; closer cooperation with Air France Groupe, including combined ground operations; additional capacity cuts; and the route changes.

Air France Chairman Blanc boldly announces the forthcoming closure of 15 loss-making AIE routes to Britain, Spain, and Portugal and three domestic ones. To counterbalance the shutdowns, he also proclaims the creation of a shuttle service on Air Inter's three busiest routes, Paris (ORY)–Marseilles, Paris (ORY)–Toulouse, and Paris (ORY)–Nice.

In early June, the European Court of First Instance makes its first ever air transport ruling, upholding a European Commission finding that rejects the carrier's claim that it must have a monopoly of the lucrative routes from Paris to Marseilles and Toulouse in order to cross-subsidize its unprofitable services.

The first of six A319-113s delivered days earlier enters service on June 21 on a service from Paris (ORY) to Lorient; the planes have 142 seats in an all-coach configuration.

On June 28, the carrier suffers a one-day strike by unions representing 75% of its workforce. AFE pilots also oppose a new wage-cutting proposal that will allow the merger of the airline's European operations with those of the parent company. When they threaten further strike action on the eve of the summer holidays, management simply cancels all flights, neatly focusing the public's outrage on the airline's personnel instead of on its leaders.

Despite fierce union opposition, Air France Groupe Chairman Christian Blanc on July 4 officially introduces the long-anticipated plan to merge its international and regional carriers during the spring of 1997, just in time for the complete liberalization of internal air travel within the EU airline market. The Air France Groupe would then consist of the long-haul carrier **Air France** and the short-to-medium carrier **Air France Europe** (ex-Air Inter), both feeding passengers into each other's network. Again the workers strike, curtailing operations on July 5.

The next day, representatives of the union Force Ouvriere, the highest representative body of employees at Air France that does not support

the workers' job action, announce their support for Chairman Blanc's merger plan. During the month, two more A319-113s enter service.

The reorganization plan continues apace, the fleet begins rationalization, and new routes are started from Paris (ORY) to Madrid and Lisbon. Still, financial losses continue to mount; President Courcol admits, on August 1, that they total \$20 million per month.

Upon landing at Perpignan-Rivesaltes Airport on August 12, an A320-211 is met by two small vans and a group of armed men. The gang holds up a banner that reads: "Shut off the engines and open the hold." The crew complies and, to the utter amazement of passengers looking out windows, the robbers quickly help themselves to 60 pounds of bank notes and then escape, speeding down the runway and into the city in a scene right out of a movie.

Citing continuing deep disagreement with employees over job cuts, President Courcol resigns during the last week of August. He is the fifth Air Inter CEO to resign in the past five years.

The fourth A319-113 is delivered on October 1. In an effort to reduce costs, the 3 domestic and 15 regional routes targeted in June are suspended on October 27; among these are the international services from Paris (ORY) to London and to Madrid, the frequency from Lyons to London, and the route from Marseilles to London.

La Navette shuttle service, based on those offered in the Northeast U.S. but still requiring reservations (there are no guaranteed seats and no backup aircraft) and offering light meals, is started on October 31 from a dedicated portion of Paris (ORY) Quest Terminal 2.

Employing all 29 of its narrow-body A320-211s, 2 of its 6 A320-111s, all 5 A321-111s, and 4 of its 6 A319-113s, La Navette offers 26 daily roundtrips to Toulouse, 15 to Nice, 27 to Marseilles, and 12 to Lyons. A number of these aircraft are also stationed at the provincial airports in order to operate early morning services to the French capital. Another A319-113 arrives in November.

On December 1, 100 more mechanics and flight dispatchers, together with reserved apron vehicles and their drivers/handlers, are dedicated to La Navette and service is increased between Paris (ORY) and the shuttle-cities of Toulouse, Marseilles, and Nice. An effort will be made to keep in touch with social events (festivals, races, and sport championships) in order to have a sufficient number of aircraft available to meet traffic demand. The last A319-113 is delivered in December.

Amidst the turmoil, passenger boardings inch up only 0.2% to 15.5 million and 11.62 million FTKs are operated, a large 12.2% decline. With revenues of \$1.96 billion and expenses of \$2.09 billion, there are sizeable losses: \$128.3 million (operating) and \$85.16 million (net).

On April 1, 1997, the carrier and Air France are grouped together under a joint management structure created under a management-lease arrangement between the flag carrier and its subsidiary. Operations are split between the domestic hub at Orly Airport and the international airport of Paris, Roissy-Charles de Gaulle. La Navette continues to offer 70-times-per-day roundtrips between Paris (ORY) and Toulouse, Marseilles, and Nice.

AIR INTER GABON, S.A.: BP 240, Port-Gentil, Gabon; Phone 241 55 31 44; Fax 241 55 21 08; Code AIG; Year Founded 1956. Originally formed as a charter carrier in 1956, Air Gabon commences scheduled services in 1961, initially between Port-Gentil and Lambarene. The Piper operator is reorganized and changes its name slightly in 1977 when the national carrier is renamed **Air Gabon (Compagnie Nationale Air Gabon, S.A.)**. Ownership is held by **Heli Gabon, S.A.**, which in turn is controlled by private Gabonese interests (51%) and **Heli Union, S.A.** of France (49%).

During the remainder of the decade, the fleet is increased; not only does it retain its 3 Piper PA-28 Cherokees, 2 PA-23 Aztecs, and 1 PA-31-310 Navajo, it obtains 5 Britten-Norman BN-2 Islanders and a BN-2A Trislander. Additional destinations visited link the capital of Libreville with Gamba, Ombue, Iguela, Tchibanga, Ouanga, Sette-Cama, Mayoumba, Manega, Mandji, Mevang, Nkan, and Fougamou.

From the early- to mid-1980s, the fleet is increased by the addition of 1 de Havilland Canada DHC-6-100 Twin Otter, 1 Aerospatiale SN-601 Corvette executive jetliner, and two Piper PA-31-350 Navajo Chieftains.

Also available are the rotary-wing units of **Heli Gabon, S.A.**, which include 6 Aerospatiale Alouette IIIs, 2 Alouette IIs, and 1 Lama. Despite difficult economic times and low traffic patterns during the remainder of the decade, the carrier survives into the 1990s.

In 1990, the fleet comprises 2 Islanders, 1 Beech Super King Air 200, 1 DHC-6-300, and 1 Fokker F.27-500. Another Canadian turboprop is leased in 1991. In 1992, the company leases an Avions de Transport Regional ATR42-320 from **TAT French Regional Airlines, S.A.**

The fleet in 1993 comprises the leased ATR, 1 Beech Super King Air 200, 2 DHC-6-300s, and 2 Islanders. A pair of Cessna 402 Titan IIs is added in 1994.

Domestic scheduled services begin in 1995. One of the Islanders, with only its pilot aboard, is destroyed in a bad landing at Medouneu, Gabon, on July 8 (one dead).

A second ATR42-320 is leased from **TAT European Airlines, S.A.** in the fall of 1996 and is also employed to offer additional domestic and regional flights.

In 1997-1998, chairman Matre Louis Gaston Mayila's 160-employee carrier continues service as before. During 1999, the second ATR is withdrawn and replaced with a Beech 1900D, which is used to launch scheduled regional flights.

AIR INTER IVOIRE, S.A.: Ivory Coast (1979-1988). Originally formed at Abidjan in 1979 as **Interivoire**, this privately owned carrier is created as an affiliated company by the French rotary-wing operator **Heli Union, S.A.** It provides passenger charter and contract service flights within the country and to various other destinations in West Africa with light aircraft, primarily Piper equipment. Operations continue apace during the 1980s until the company is folded into **Air Ivoire (Societe Ivoirienne de Transport Aeriens, S.A.)** in 1988.

AIR INTERGULF, LTD.: United Arab Emirates (1975-1983). A GIBCA Group company, Air Intergulf is formed at Sharjah in September 1975 to provide charter flights, air taxi service, and contract cargo services. Vincent J. Derudder is named director/general manager. Operations are flown in the Persian Gulf area until 1977 employing leased Aerospatiale SN-601 Corvette executive jets. One B-707-320C is acquired to link the Emirates with European destinations. The government at Sharjah orders the carrier liquidated in 1983.

AIR INUIT, LTD.: 1985 55th Ave., Dorval, Quebec H9P 1G9, Canada; Phone (514) 636-9445; Fax (514) 636-8916; http://www.accent.net/adst/MakWeb/e_Airluit.html; Code 3H; Year Founded 1979. Based at Fort Chimo, Quebec, Air Inuit, Ltd. is founded in 1979 to provide both charter and scheduled essential air services to such provincial destinations as Aupaluk, Sugluk, Payne Bay, and Leaf Bay. Ownership is held by the region's native Americans, the Inuit, through the Makivik group. A subsidiary, Johnny May Air Charters, Ltd., is also created. Nonscheduled flights begin first with a de Havilland Canada DHC-4 Caribou.

In 1980, 1 Douglas DC-3 and 2 DHC-6 Twin Otters are purchased and they inaugurate scheduled passenger and express flights to the small communities of Port Nouveau, Payne Bay, Leaf Bay, Sugluk, Koartak, Nain Labrador, Wakeban Bay, and Aupaluk. A Grumman G-1 and a third DHC-6 Twin Otter join General Manager D. Popert's fleet in 1981, allowing replacement of the DC-3 in 1982.

Montreal-based Chaparral Charters, Ltd. is acquired in 1984 and its fleet of 2 DHC-6s and 1 DC-3 are incorporated. Simultaneously, a Hawker Siddeley HS 748 is purchased from **Austin Airways, Ltd.** A second DC-3 and another HS 748 are delivered in 1985.

Two years later, in 1987, the former **Inter City, Ltd.** HS 748 is obtained, the second DC-3 is withdrawn, and a DHC-6 is sold to **Austin Airways, Ltd.** President Kamal Hanna's fleet in 1989 comprises 3 HS

748s and 6 DHC-6 Twin Otters. Another HS 748 is purchased in **1990**. Revenues in **1991** are C\$22 million.

In **1992**, 2 Twin Otters are removed and replaced by 3 Convair CV-580s. Income climbs to C\$27.5 million. In **1993**, President Mark T. Gordon's workforce totals 200. Destinations visited include Akulivik, Aupaluk, Cape Dorset, Inukjuak, Ivujik, Kangisualujuaq, Kangirsuk, Kuujuaq, Kuujuarapik, La Grande, Povungnituk, Quaqtaq, Salluit, Sanikiluaq, Tasiujaq, and Umiujaq.

The owned fleet in **1994** includes 2 each British Aerospace (HS) 748-2As and 748-2AFs, 4 DHC-6-300s, 1 DHC-6-200, and 1 Beech Super King Air 200, plus 4 leased Convair CV-580s. The pattern and frequency of the scheduled route network in **1995** remains similar to that of previous years with all of the major communities receiving service five days a week with onward connecting service at Kuujuaq with **First Air, Ltd.** The company is awarded a three-year extension to continue operating four Convairs on behalf of Hydro-Quebec.

Services continue apace in **1996–2000**. During these years, the company improves upon its HS 748 scheduled services and increases aircraft reliability. A capacity problem on the Ungava Coast is effectively addressed by substituting the larger BAes for DHCs. The company's ground handling facility at La Grande is relocated and enhanced.

Additional charter activity occurs within Nunavik, particularly from the development of the Raglan Mining project. The company's pilots and flight attendants unionize.

AIR IOWA: United States (1971–1974). The newly formed commuter Air Iowa begins flying scheduled daily roundtrip Beech 18 passenger and cargo flights in the spring of **1971** from its base at Muscatine to Chicago (ORD) via Davenport.

Operations continue apace until April 19, **1973**, when a Beech 18 is involved in an accident at Davenport. The company is purchased by and merged into **Mississippi Valley Airlines** during **1974**.

AIR IRVINE: United States (1981–1983). AI is founded at Santa Ana, California, in late summer **1981** to offer scheduled passenger and cargo flights to Los Angeles and Palm Springs. A fleet is assembled comprising 2 Piper PA-31-350 Navajo Chieftains, 1 Cessna 421, and 1 PA-34 Seneca; these are employed to inaugurate revenue services on September 1.

Insufficient traffic or revenues are realized to justify service beyond the end of the recessionary year of **1982**. As a result, the company is sold to new owners in early **1983** who reform the airline and resume flights under the name **Dash Air**.

AIR IVOIRE (SOCIETE IVOIRIENNE DE TRANSPORT AERIENS, S.A.): BP 1207, Abidjan 01, Ivory Coast; Phone 225 27 90 27; Fax 225 27 88 03; Code VU; Year Founded 1958. *Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)*, a large independent French airline, establishes this carrier to operate domestic services within the Ivory Coast colony. Provided with three de Havilland DH 89A Dragon Rapides, the subsidiary launches revenue flights in early **1958**, linking the capital of Abidjan weekly with Abengourou, Bouake, Daloa, Korhogo, Man, Seguela, and Tabou.

When **Air France** moves onto the Korhogo route in **1959**, Air Ivoire flights to that destination cease. The French major also provides Douglas DC-4 backup on all of these small-tour services, which it considers to be feeder routes of benefit to itself.

Later in the year, a de Havilland DH 1104 Heron 1B is obtained and employed to initiate a roundtrip service from Abidjan to Tabou via Sassandra. Although the route is suspended in August **1960**, it is resumed again in February **1961**.

In one of its final acts—before merging with UAT to become **UTA French Airlines (Union de Transport Aerien, S.A.)**—TAI reforms this carrier on October 1, **1963**. Ownership is shared between the Ivorian government (66%) and the French airline's subsidiary, Sodetraf (34%). The latter share is passed to **UTA French Airlines, S.A.** during the

fourth quarter. Capitalization is increased to FFr 10 million and Alcide Kacou is named president.

Employing a unit purchased on June 15, **1964**, after 18 years service with **Pacific Northern Airlines**, the carrier begins Douglas DC-3 services in August over routes from Abidjan to Berebi, Bouake, Daloa, Man, Korhogo, Sassandra, and Tabou. A second Douglas transport is received late in the year.

From **1965** to **1975**, service is developed to 18 domestic destinations as Beech King Airs and a Fokker F.27-600 join the reliable "Gooney Birds." Feeder services continue on behalf of UTA.

On July 24, 1971, less than two minutes after takeoff from Bamako, Mali, a DC-3 with two crew and four passengers crashes into a hill; there are no survivors.

In January **1976**, the Ivory Coast government buys out the French and consortium interests and assumes majority ownership. The consortium airline **Air Afrique, S.A.** also later obtains a shareholding and Air Ivoire begins to feed its long-haul routes.

Except for the removal of the DC-3, there are no corporate changes in **1977** and, by November **1978**, President Victor Niacadie's company employs 50 workers and has a fleet comprising 2 NAMC YS-11As, 1 Fokker F.27-400, 1 F.27-600, and 2 Piper PA-23 Aztecs. A presidential decree in March **1979** places authority for the carrier with two national ministries, planning and defense.

Domestic frequencies and services are improved at the end of the decade while long-haul operations continue to be handled by **Air Afrique, S.A.** Passenger enplanements in **1981** total 260,000. Service continues apace in **1982–1984**.

In **1985**, the fleet comprises 4 Fokker F.28-4000s, 3 F.27-400/600s, and 2 Beech King Air 200s.

While taking off from Tabou on July 25, **1986**, an F.27-600, with 3 crew and 26 passengers, suffers the failure of its nose gear tire. The plane runs off the end of the runway and is damaged beyond repair; there are no fatalities.

Regional routes are opened to Mali and Burkina Faso. Annual enplanements average some 100,000 this year and in **1987–1988**, reaching 129,024 in the latter year, when operating profit is \$1.96 million.

Airline employment is reduced by 1.6% in **1989** to 315. Three Fellowship jetliners are on inventory with the propeller equipment, as orders are placed for Fokker 100s. Beginning in January, a Fokker 100, acquired by the government for VIP services, is allowed to provide scheduled flights when not otherwise employed.

On December 30 an F.28-4000 with 70 passengers overruns the runway while landing at Man; although the aircraft is damaged beyond repair, there are no fatalities.

Passenger boardings jump 10.8% to 144,000 and revenues climb 15.6% to \$10.9 million.

Company employment is cut by 4.8% in **1990** to 300 and 1 F.28-4000 is withdrawn as the first Fokker 100 is received.

Customer bookings drop to 102,238. Unhappily, expenses, led by fuel prices in the wake of Iraq's August invasion of Kuwait, rise 16.6% and the operating profit falls to \$1.45 million.

The payroll is decreased by a large 47.6% in **1991** to 573 and the fleet now includes 1 each Beech Super King Air 200, F.27-400M, F.27-600, F.28-1000C, and 2 F.28-4000s. During the first nine months of the year, the airline reports that its passenger boardings are off 13.9% to 81,869 and freight is down 4.7% to 26,000 FTKs. International service is started in December, following delivery of the first owned Fokker 100, over a thrice-weekly route from Abidjan to Accra, Ghana.

The workforce is cut by a massive 60.7% in **1992** to 225. The second Fokker 100 is received, allowing plans to be made for retirement of the remaining F.28s. The new plane begins a weekly service, on behalf of **Air Afrique, S.A.**, from Abidjan to Togo and the Congo. Through July, the time span for which figures are published, customer bookings accelerate 20% to 75,171.

In **1993**, Director General Abdoulaye Coulibaly and General Manager Dosso oversee a workforce of 225. Regional services are provided to

Bamako, Conakry, and Ouagadougou in addition to flights reaching from Abidjan to Accra, Abengourou, Bondoukou, Bouaké, Bouna, Boundiali, Daloa, Gagnoa, Guiglo, Korhogo, Man, Monrovia, Odienné, San-Pédro, Seguela, Tabou, and Yamoussoukro.

Passenger boardings decline 8.8% through September to 90,823.

Although the employee population rises to 573 in 1994, the company suffers a traffic downturn and only reports its figures through May. During the first five months of the year, the flag carrier of the Ivory Coast sees its passenger boardings plunge 24.9% to 38,920.

While en route from San-Pédro to Abidjan on June 26, the F.27-400M with three crew and 14 passengers crashes into a wooded area 3 nm short of the runway at Abouabou; there are no survivors.

Col. Dosso's fleet in 1995 includes 2 Fokker 100s, 1 F.28-1000C, 1 F.27-400M Friendship, and 1 Beech Super King Air 200. The last Friendship is taken out of service in 1996. On June 28, the Super King Air 200, with 3 passengers, crashes near Bouafle; there are no survivors.

Operations cease at the end of 1997 as the bankrupt airline has its Fokker 100s seized by banks and its F.28-1000C grounded with engine problems. The carrier remains alive, however, as it seeks a rescue, preferably via privatization. Meanwhile, a private and independent airline, Air Continental, S.A. begins operations, flying between Abidjan and Bouaké, San-Pédro, and Korhogo.

Air Ivoire remains shut down during the first eight months of 1998. Its absence from the air transport scene is blamed on "technical" (read: financial) problems. Diabagate Aronna becomes director general during the spring and seeks to reassure the public that the carrier will be back now that it is under new management. A Fokker 100 is acquired and, on September 13, is employed to resume service to Robertsfield and Monrovia.

During the fourth quarter, arrangements are made for privatization and bids for equity investment on the part of foreign airlines are sought. Terms of the arrangement, for which Citibank is advisor, will include a demand that the entire workforce be retained. There is not a rush of bids.

On December 1, it is announced that the deadline for receipt of offers to take a 51% majority stake have been extended to December 29.

During the remainder of the month, inquiries come from eight airlines, including the majors **Air France**, **Sabena Belgian World Airlines, S.A.**, and **Air Afrique, S.A. (2)**.

When the government privatization committee opens the bid envelopes on December 29, it is found that only Air Continental, S.A. has made a serious offer. Even so, its chairman, Jean-Francois Guillotte, has put forward what he calls a "business plan," making it clear that his concern cannot meet all of the bid terms, particularly the full employment clause.

As the year ends, it is unclear whether Guillotte's bid will be accepted or whether the whole process will again be thrown open.

As 1999 begins, the company elects to continue the process of finding a private investor. It is announced on April 21 that the nation will write off the \$13.3-million debt of the national carrier; the decision applies to debts owed directly to the government as well as to private companies.

The **Pelita Air Service** Fokker F.28-4000 *Matak* is leased in September.

It is reported, early in 2000, that Air Continental, S.A., which has continued its low-key, nearly invisible service over the past two years, has added an ex-Burkina Faso Air Force Nord 262C with which to operate between Ouagadougou and Bobo Dioulasso.

AIR JAMAHIRIYA. See JAMAHIRIYA AIR TRANSPORT

AIR JAMAICA, LTD. (1): Jamaica (1963–1968). Late in 1963, the government of Jamaica establishes this national carrier, taking 51% of the stock. The other partners are **British Overseas Airways Corporation (BOAC)** and **British West Indian Airways (2) (BWIA International)** with 33% and 16% interest, respectively.

Employing a BWIA Boeing 727-78 in dual markings, the carrier inaugurates scheduled services on May 1, 1966 from Jamaica to New York via Miami. Operations continue apace until November 1968.

AIR JAMAICA, LTD. (2): Air Jamaica Building, 72–76 Harbour St., Kingston, Jamaica; Phone (809) 922-3460; Fax (809) 922-0107; <http://www.airjamaica.com>; Code JM; Year Founded 1968. Capitalized at a million dollars, this carrier, nicknamed "Air Jam," is formed in November 1968 by the Jamaican government (60% shareholding) and **Air Canada, Ltd. (40%)** to succeed the **British Overseas Airways Corporation** and **British West Indian Airways (2) (BWIA International)** wet-leased agreements with **Air Jamaica, Ltd. (1)**. Air Canada official P. C. Eyre is named president to insure smooth Canadian financial, administrative, technical, and operational assistance.

In late winter 1969, 2 DC-9-32s are purchased and 1 DC-8-61 is leased from **Air Canada, Ltd.**; scheduled service begins on April 1, the owned aircraft flying to Miami (MIA) and the chartered jetliner to New York.

Chicago–Kingston via Nassau DC-8-61 return service commences on June 1, 1970. Enplanements during the 12 months total 200,000. On December 1, 1971, a route is opened to Philadelphia. The year's enplanements are 221,730.

The workforce in 1972 stands at 759. Kingston–Toronto DC-9-32 flights are begun on March 1, via Miami. In July, 3 DC-8-51s, leased from **National Airlines**, join the fleet and are employed to add additional capacity on the New York, Toronto, and Miami (MIA) services.

Passenger boardings skyrocket 43% to 389,000, and freight traffic jumps 39%.

Advanced Booking Charters (ABC) are initiated in 1973 between Jamaica and the U.K. Kingston–Detroit (DTT) DC-8-51 service is inaugurated on December 1. The **National Airlines** DC-8-51 *Carolyn* is purchased on December 15. Airline employment is now 821.

Bookings accelerate 10% to 427,900; however, freight traffic is down slightly.

Airline employment in 1974 is 1,250, of which 91% is Jamaican. Jamaica takes over management of its carrier as Guillermo G. "Biggie" Machado succeeds **Air Canada, Ltd.**'s F. C. Eyre as president. The fleet now comprises 11 aircraft: 2 DC-8-61s, 3 DC-8-51s, 1 DC-8-62, and 3 DC-9-32s.

A lone assailant attempts to board a DC-9-32 at Kingston on January 3 in order to hijack it to Miami; he is overpowered by security guards.

In cooperation with **British Airways, Ltd. (2)**, transatlantic DC-8-62 service is inaugurated Kingston to London (LHR) on April 1. Two B-727-100s are acquired late in the year and are placed into service on the Miami run.

Passenger boardings zoom upward 53% to 687,000, while cargo balloons a spectacular 242%.

DC-8-62 service is started to Frankfurt on October 26, 1975 and a North American reservations center is opened at Valley Forge, Pennsylvania. Orders are placed for four more B-727-2J0As. Flights are canceled on December 4 because of a strike by ground employees. Passenger traffic advances a slight 1% to 697,000, and freight grows 9%.

In January 1976, the company receives the "Market Development Award" from *Air Transport World* magazine. A traffic drop is felt for the first time; passenger boardings dip 8% to 639,000. Cargo, however, is up 3%. Despite the arrival of the 4 new B-727-2J0As, enplanements drop for the second straight year, in 1977, down to 529,300.

On January 1, 1978, former **Air Canada, Ltd.** official and Air Jamaica, Ltd. Vice President-Marketing/Customer Services Donald V. Richardson is appointed president for a two-year term. A DC-8-43 is added to the fleet, which now includes, in addition to the Douglas, 2 DC-8-61s, 1 DC-8-62, 4 B-727-2J0As, 3 DC-9-32s, and 1 Cessna 150 trainer.

Service is inaugurated to Copenhagen via Prestwick in November. Passenger bookings rebound, up 21% to 670,000; freight rises 11%. Operations to Houston commence in 1979 as another DC-8-62 is placed in service. Enplanements advance 12% to 747,000, but freight is off 23%.

Airline employment is reduced 5.4% in 1980 to 1,325. President Richardson is succeeded on January 1 by Dr. Kenneth G. Rettray, Jamaica's solicitor general since 1972. Freight for the year drops 14% and passenger boardings dip 9% to 676,000.

As financial problems mount in **1981**, the London service is suspended on April 1. Also, the DC-8-43, 3 DC-8-51s, and 1 DC-9-32 are sold, as orders are placed for 2 Airbus Industrie A300B4s.

Bookings remain level at 676,522, but cargo accelerates a welcome 13% to 10.9 million FTKs.

Employing a **British Airways, Ltd. (2)** Boeing 747-136 in a pool arrangement with the British flag carrier, London service is resumed in **1982**. Weekly flights are started to Baltimore (BWI). The remaining DC-8s are sold at the end of the year as the carrier prepares to operate the European Airbus.

Meanwhile, in November, a B-747-148 is leased from **Aer Lingus Irish Airlines, Ltd.** to fly a weekly service from Kingston to Frankfurt via Montego Bay and London.

Passenger boardings increase 0.5% to 680,116, but cargo falls 21% to 8.6 million FTKs. The operating loss is \$11 million.

Airline employment is cut 13.6% in **1983** to 1,080. The two A300B4-203s are delivered in early February and enter service on the Toronto run on the 27th of that month. Atlanta service is added on December 15 with two A300B4-203 flights weekly from Montego Bay.

Despite the arrival of the new aircraft, passenger boardings dip 0.6% to 675,762; freight, however, soars 69.6% to 17.78 million FTKs. Revenues rise 7.2% to \$104 million and the operating loss falls to \$4 million.

Only three new employees are hired in **1984** as the leased Irish Jumbojet is returned in May and the year's emplanements total 709,800. Revenues total J\$431.32 million, but expenses force a net loss of J\$10.9 million.

The employee population in **1985** is 1,140. After nearly five tons of marijuana have been found on company aircraft landing at New York (JFK) since the previous October, an A300B4-203, in which customs agents again find drugs, is seized at the New York airport on August 2. It will be released once a heavy fine is paid.

Freight traffic is flat at 21.49 million FTKs, but passenger boardings jump 16% to 845,370. Revenues total J\$790.05 million and the net loss climbs to J\$39.6 million.

The payroll is increased by 6.7% in **1986** to 1,235 and, in cooperation with **British Airways, Ltd. (2)**, joint Concorde service is inaugurated from New York (JFK) to Jamaica. Nine A300B4 return flights per week are undertaken from Miami (MIA) to Jamaica as of November.

Late in the year, the B-747-148 *St. Kieran* is chartered from **Aer Lingus Irish Airlines**; retaining the Irish line's colors but with Air Jamaica titles on the nose and logo on the tail, the Jumbojet provides daily service from Kingston to New York (JFK) via Montego Bay for the winter season.

Customer bookings accelerate 16.3% to 985,458 while cargo rises 8.3% to 27 million FTKs. Revenues drop to J\$776.93 million, but the net loss also falls, to J\$26.27 million.

The workforce grows again in **1987**, by 22.1% to 1,420. The company's four B-727-2J0As are sold and leased back, thereby providing the airline with a J\$44.6 million gain. Orders are placed for two more A300B4-203s, which arrive under charter from **Air France**. The leased B-747-148, with 348 passengers and 12 crew aboard and en route to Jamaica on March 8, is forced to return to New York (JFK) when two tires blow out on takeoff; no injuries are reported. Soon thereafter it returns to Dublin.

In July, the gleaming all-white B-747-124 *Rena* is chartered from **Tower Air**; with Air Jamaica, Ltd. titles and logo on the tail, it provides winter seasonal flights to New York. Nonstop service to and from Atlanta is increased in September to four frequencies per week.

Passenger boardings swell 20.2% to 1,185,503 and freight does better, moving ahead by 28.6% to 26.71 million FTKs. Revenues increase to J\$909.5 million and the net loss of J\$5.2 million is a significant improvement.

The payroll continues to swell in **1988** by 2.5% to 1,456 and the fleet now includes 4 B-727-2J0As plus 2 owned and 2 leased Airbus A300B4-203s. Hurricane Gilbert causes severe damage on Jamaica, damaging the airline and associated resort-hotel facilities.

Although capacity is up, customer bookings now drop by 6% to 1,116,665. Cargo is also off, by 15%, to 22.64 million FTKs. Revenues

decline to J\$891.63 million, but expenses skyrocket, increasing the net loss to J\$67.35 million.

Company employment grows 6.5% in **1989** to 1,450 and the fleet now includes 3 A300B4-203s and 4 B-727-2J0As. **Air France** recalls 1 Airbus. In need of additional capacity, a Lockheed L-1011 is leased from **Hawaiian Air Lines** and a McDonnell Douglas MD-80 is chartered from **Latur (Lineas Aereas Latur, S.A.)** of Mexico.

Former Berger Paints Jamaica, Ltd. Managing Director Michael Fennell is appointed president/general manager in October.

Passenger boardings move ahead by 2% to 1,140,080, but freight falls another 21% to 17.82 million FTKs. Revenues, in U.S. dollars, total \$162.1 million, but expenses cause losses: \$3.8 million (operating) and \$18.8 million (net).

The workforce is cut by 9.1% in **1990** to 1,500; still, the airline carries nearly 60% of the air traffic to Jamaica. The company enters into a blocked-space agreement with **Air Canada, Ltd.** in March under which the Canadian airline agrees to operate all scheduled roundtrip services between Canada and Montego Bay/Kingston and the Jamaican airline agrees to purchase a predetermined number of seats aboard the flights.

A pair of A300B4-203s, acquired under a finance-lease arrangement, arrive from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)** in May and June. Destinations visited include Miami, New York, Atlanta, Tampa, Philadelphia, Baltimore (BWI), Los Angeles, San Francisco, Toronto, Curaçao, Grand Cayman, Port-au-Prince, San Juan, and London. The latter stop is operated via a cooperative agreement with **British Airways, Ltd. (2)** employing BA aircraft using a joint code designation.

Joint fares are offered with a number of carriers, including **Delta Air Lines** (Atlanta/Miami); **USAir** (North and South Carolina, Philadelphia, Orlando); and **Japan Air Lines Company, Ltd. (2)** (New York/Miami).

While landing at Curaçao on November 16 after a service from Willemstad, a B-727-2J0, with 8 crew and 59 passengers, suffers the collapse of its left main landing gear; although the aircraft is badly damaged, there are no fatalities.

Customer bookings fall 19.9% to 911,903. Cargo remains strong, growing 16% to 20.68 million FTKs. Revenues are up 8.8% to J\$142.4 million, but costs are higher, creating an operating loss of J\$2 million. Net loss grows to J\$19 million.

The payroll is reduced another 4.7% in **1991** to 1,302 and the fleet now includes four each A300B4-203s and B-727-2J0As. Service from New York (JFK) to Jamaica is expanded on February 1 from twice daily to thrice daily.

At the same time, an additional Baltimore (BWI) stop is added on the thrice-weekly Philadelphia-Jamaica route in order to connect with **USAir** passengers. Twice-weekly roundtrips are launched between Jamaica and Nassau to fill a gap left by a reduction in **British Airways, Ltd. (2)** services.

Passenger boardings decline 11.1% to 820,977; however, freight rises 5.1% to 21.74 million FTKs. Revenues slide 12.3% to J\$136 million, but costs are down and there is a J\$1-million operating surplus. There is also, unhappily, a net J\$14-million loss.

The employee population recovers from its slide in **1992**, growing 2.9% to 1,340; a B-727-225A is also delivered. When U.S. Customs Agents at Miami again uncover a cache of drugs aboard a company aircraft, the airline is forced to pay a heavy fine.

The decline in passenger traffic is stopped as customer bookings ascend 10.8% to 909,907. Cargo, on the other hand, is just the reverse, dropping 4% to 20.78 million FTKs. Revenues total J\$156.2 million and with expenses held down, profits are made: J\$8.6 million (operating) and J\$3.1 million (net).

In **1993**, President Fennell oversees a workforce of 1,600, up 19.4% over the previous year. Markets are served from Kingston and Montego Bay to Atlanta, Baltimore (BWI), Grand Cayman, Miami, New York, Nassau, Philadelphia, and Orlando. Flights to Toronto continue to be jointly operated with **Air Canada, Ltd.** Plans are made to begin privatization.

Passenger boardings swell 7% to 966,268 while freight improves by 5% to 21.69 million FTKs.

In March 1994, a memorandum of understanding is signed between the Jamaican government and an investment group led by the former tourism minister, Hugh Hart, and the SuperClubs hotel chairman, John Issa. Under its terms, the airline will be privatized, although no non-Jamaican investor will be allowed to hold more than 25% interest and citizens must hold 51% of the airline's shares. Provision for employee ownership is also made.

The Issa bid is withdrawn in April and replaced by a second offer from the new Air Jamaica Acquisition Group (AJAG). Donald Banks, former managing director of the National Commercial Bank Group is to be chairman with local hotelier/businessman Peter Rousseau as deputy chairman. At the last moment, the major Canadian investor drops out, endangering the entire arrangement.

Resort tycoon Gordon "Dutch" Stewart moves into the breach, assumes the chairmanship, and saves the deal, although the actual privatization is pushed back from July 1 to October 1. AJAG pays J\$35 million and assumes a portion of the outstanding debt for 70% interest. At this point, the government retains 25%, with 5% set aside for employee investment. Stewart owns 65% of AJAG and, as such, with 46%, becomes the airline's largest single shareholder.

The reborn, privatized carrier is capitalized at J\$52.5 million, with a further equity injection from Canadian and Jamaican sources. Chairman Stewart also appoints an entire new management team, headed by President/COO David Taylor, who had formerly held the same position with **Air Ontario, Inc.** Staff cuts of 20% are announced for the upcoming year and a colorful new livery is unveiled in early December, initially by a B-727-2J0A. Also in December, the Miami-based U.S. regional carrier **Gulfstream International Airlines** becomes the official airline of Chairman Stewart's new Sandals Resorts International.

Weighing heavily on the airline during all of these changes has been the decision of the U.S. FAA to cite the carrier with Category II safety-compliance status. According to this action, the FAA has found that "AirJam" does not meet ICAO safety standards and reduces the number of flights it may make into the U.S. While the FAA works with the Jamaican government to affect necessary changes, its inspectors will heighten their operations inspections and surveillance of the airline.

Enplanements for the year total 984,000 and revenues reach J\$131.2 million.

Airline employment stands at 1,350 in 1995. Chairman Stewart institutes a significant amount of new advertising that promotes both the carrier and his Sandals Resorts. A new color scheme is introduced with much brighter colors. The Doctor Bird or "Lovebird," national bird of Jamaica, is joined on aircraft tails by variously hued horizontal stripes. Aircraft interiors are refurbished and cabin crews are provided with new uniforms. The airline contracts with a master chef to oversee the preparation of in-flight meals.

In April, a **Gulfstream International Airlines** Shorts 360-300s, previously flown by **Business Express**, becomes a "logo turboprop," displaying the sponsored multicolored motif of Sandals Resorts International. The plane flies between Miami and Nassau, where a Sandals Royal Bahamian facility is located.

Daily nonstop roundtrips are inaugurated on June 1 from Ft. Lauderdale to both Montego Bay and Kingston.

Midyear, the company begins a fleet renewal program by leasing six former **Delta Air Lines** Airbus A310-324s from their manufacturer; the Atlanta-based U.S. major provides flight crews under contract. Chairman Stewart is honored on Independence Day, August 7, with the Order of Jamaica, the highest civilian honor awarded by the government to a Jamaican citizen.

The company's cargo export service from Florida to Jamaica becomes daily on October 1, with the addition of Sunday freight on every one of the company's six daily flights from Miami to Kingston and Montego Bay.

Painted in the bright new multicolored livery, the first A310-324 arrives, also in October, followed by two more in December. Late in the year, majority interest is taken in **Trans-Jamaican Airways, Ltd.**

The company's nine aircraft transport a total of 1,064,541 passengers, a 15% increase; freight traffic rises 6% to 19.94 million FTKs.

The workforce is increased by 18.3% in 1996 to 1,597. The fourth A310-324, *Spirit of Negril*, enters service on January 12. The last two follow it onto company routes in March. Early in the year, **Trans-Jamaican Airways, Ltd.** is transformed into the feeder **Air Jamaica Express, Ltd.**

To assist in its expansion plans, the carrier wet-leases a pair of MD-83s, painted in "Air Jam's" new multicolored livery, from **Great American Airways** (GAA).

On February 10, nonstop roundtrip frequencies from New York (JFK) and Newark to Montego Bay and Kingston are increased to 25 each week. Employing a chartered DC-8F, Thursday and Sunday all-cargo roundtrip services are introduced on February 15 between Miami and Kingston via Montego Bay.

The two aircraft are operated by 4 Mexican pilots and 10 air hostesses under contract until such time as Jamaican nationals, unfamiliar with the McDonnell Douglas product, can be trained.

In the wake of the May **Valujet Airlines** disaster, the carrier's new American associate, **Great American Airways**, like similar U.S. airlines, becomes the focus of intensified and continuing safety audits by the FAA.

Air Jamaica, employing the GAA operating certificate and licenses as a way to obtain additional U.S. gateways during a time when it is subjected to Category II safety prohibitions, inaugurates new MD-83 routes on June 1 between Chicago (ORD) and Nassau and from New York (JFK) to markets throughout the eastern Caribbean.

During the fall, orders are placed for five A320-214s. Painted in the company's new color scheme, the first A320 is delivered on December 20.

Customer bookings jump to 1,218,053 and 22.91 million freight FTKs are operated. Revenues total J\$192 million, but a J\$49 million loss is reported.

Citing numerous falsifications of records and documents, the FAA pulls the operating certificate of **Great American Airways** in April 1997. The Reno-based airline files for Chapter XI bankruptcy protection and appeals the government action. The action severely impacts the wet-lease arrangement with Air Jamaica.

At the end of May, a memorandum of understanding is signed with **British West Indies Airways, Ltd. (2) (BWIA International)**; the document pledges mutual cooperation in areas that will reduce costs for both airlines, including joint purchases, engineering and support services, customer services, and some flight operations. A working group from both carriers is assembled to look into the possibilities of code-sharing and aircraft cross-utilization. A similar letter of intent is also signed with **Delta Air Lines**.

A hub for Caribbean-bound vacationers and business travelers is established at Montego Bay as of June 15.

Traffic figures are reported through July and show passenger boardings up 3.3% over the same period a year earlier to 793,738. Freight, however, drops 9.1% to 12.5 million FTKs.

On September 11, *The Jamaica Gleaner* reports that the Mexican pilots and flight attendants employed the previous year are still working for the carrier. The company's other new aircraft are manned by 90% Jamaican crews, together with a few other foreigners, mainly from BWIA.

Under terms of a March 12, 1998, block-seat, code-sharing agreement, on April 6 **Delta Air Lines** begins to purchase seats on Air Jamaica's service from Atlanta, Miami, and New York to Montego Bay, Kingston, Barbados, and St. Lucia. Air Jamaica, in turn, purchases seats on Delta's daily service from Atlanta to Boston, Cincinnati, Hartford, Memphis, and San Francisco, beginning on June 1.

In September, realizing that **British West Indies Airways, Ltd. (2) (BWIA International)** must make a profit in 1998, its new president, Conrad Aleong, backs off from the mutual cooperation pact signed with

Air Jamaica, Ltd. the previous year. No significant yield has been realized from the plan, which is aimed at growth through volume and profits in the new century, and its value to BWIA is limited.

On a more practical note, the company does engage in discussions with Air Jamaica concerning a possible cargo joint venture, as well as shared ground handling and check-in services at Miami (MIA).

When **Air Canada, Ltd.** pilots go out on strike during September, Air Jamaica flies to Toronto to transport home scores of stranded Jamaicans.

Being unwilling to continue rejecting bookings because of an inability to accommodate passengers, the airline, on October 30, increases to eight the number of weekly services operated from New York and Jamaica to St. Lucia and Barbados.

During the week of Thanksgiving in the U.S., Air Jamaica adds the first of 50 additional flights to be completed from Jamaica to Miami, Atlanta, New York, and Grand Cayman by New Year's.

Customer bookings climb 3.9% to 828,000, while cargo rises 14.1% to 12.3 million FTKs.

On takeoff from Montego Bay on January 2, 1999, an A310-324 blows a tire and thus becomes unavailable for service. The flight to Atlanta is cancelled. In Georgia the next day, a B-727-227A is leased from **Sun Pacific International Airlines** to operate the return flight to Jamaica. While en route from Atlanta as Flight 56, the trijet with 110 passengers is forced to divert to Jacksonville when passengers report smelling smoke. No problems are found and the flight to Jamaica is completed.

An ILFC Airbus Industrie A340-312, previously flown by **Air Mauritius, Ltd.**, is chartered for six years on February 11 and the first of two former **Flying Colours Airlines, Ltd.** A320-211s arrive in March from ILFC. The carrier's thirtieth year of Caribbean service is celebrated on April 1.

After a yearlong feud over government spending on the national airline, Chairman Stewart and Jamaican Finance Minister Dr. Omar Davies reach an accommodation on April 8, which is reported in the next day's issue of *The Jamaica Gleaner*. Davies praises the carrier's contribution to the nation's tourism industry.

Following an announcement by Finance Minister Davies that taxes on diesel, gasoline, and fuels would be increased by 30%, demonstrations on the island national flare up on April 19 and rage into full-scale civil unrest. Air Jamaica, joined by **British Airways, Ltd. (2)**, **British West Indies Airways, Ltd. (2)** (**BWIA International**), **Air Canada, Ltd.**, and **American Airlines**, are forced to cancel services to Jamaica on April 20.

Calm is restored on Jamaica on April 21, following three days of deadly protest, arson attacks, and clashes between demonstrators and police that leave seven dead. Air Jamaica resumes its services in an out of the country next day, with exception of one flight from Kingston to Miami, one from Miami to Montego Bay and Kingston, and the roundtrip between Kingston and Ft. Lauderdale. Full service is resumed on April 23.

A new A321-211 is delivered on May 5.

Daily nonstop A320-214 roundtrips commence on May 26 from New York via Montego Bay to St. Lucia and from New York via Montego Bay to Barbados, five times a week. Twice-weekly A320-214 return service is introduced on May 27 from New York to St. George's, Grenada, via Montego Bay.

The A340-312 "Air Limousine" is placed into transatlantic service from Jamaica to London (LGW) beginning on June 1. New direct all-cargo service is launched on June 14 from Castries, St. Lucia, to Grenada and Barbados. Weekly return flights commence on June 26 from Montego Bay to Bonaire, in the Netherlands Antilles. Much of the cost for the service is underwritten by the Bonarian government.

Christopher Zacca becomes president/CEO in July. Entry into service of the new A340-312 allows the chartered A310-324 to be returned to the manufacturer; Airbus repaints the wide-body for an **Air Maldives, Ltd.** lease.

On October 12, Zacca is able to report that, in August, the company had passed a milestone, transporting 200,000 passengers in a month for the first time.

Also in October, the number of DC-8F cargo roundtrips is increased to five per week.

At the end of January 2000, the company signs a wet-lease agreement with **Ecuadoriana Airlines (Empresa Ecuatoriana de Aviacion, S.A.)**. Honoring the commitment on February 1, an Air Jamaica A320-211 operates the first of 12 roundtrips from Guayaquil to New York (JFK).

Plans for a linkup between the carrier and **Helen Air, Ltd.**, under which it would be reborn as Eastern Caribbean Express, Ltd. fall through on February 1. A week later, Helen Air signs a franchise agreement with Air Jamaica rival **BWIA West Indies Airways, Ltd.**

Former vice president-sales/services John Lewis is appointed executive vice president/chief operating officer on March 1. With the collapse of **Air Maldives, Ltd.**, the A310-214 is returned to service at the beginning of April wearing a hybrid livery.

Twice-weekly direct roundtrips between Montego Bay and Phoenix, Arizona, commence on June 15. A320-214 roundtrips from Kingston to Port of Spain via Barbados are started on June 24.

On July 4, the government increases its stake in the airline from 25% to 45%; the parliament approves a \$45-million loan, which the airline will use to pay off a \$33-million short-term loan and to cover increasing operational expenses. Daily service from Montego Bay to Port of Spain, Trinidad, is resumed at the end of July.

Service is doubled between Montego Bay and Bonaire on October 4. On October 15, frequencies are boosted on the route from Montego Bay to Ft. Lauderdale. The introduction by **BWIA West Indies Airways, Ltd.** of thrice-weekly services from Jamaica to Trinidad causes Air Jamaica to terminate its newly resumed daily frequency on that route as of October 22.

Five-times-a-week A321-211 roundtrips commence on December 15 between Montego Bay and Boston.

AIR JAMAICA EXPRESS, LTD.: P.O. Box 34, Kingston, Jamaica; Phone (809) 952-3418; Fax (809) 924-8155; <http://www.airjamaica.com/express>; Code JM; Year Founded 1996. Majority interest in **Trans-Jamaican Airways, Ltd.** is taken by **Air Jamaica, Ltd.** on November 1, 1995. Shareholding is divided between the Air Jamaica Acquisition Group (55%), the government of Jamaica (20%), John Cooke (15%), and D. T. Brown (10%). Gordon Stewart is president of the renamed Kingston-based company, with David Taylor as president.

Services feeding the major are inaugurated on April 18, 1996 with a fleet that will grow to include 1 Avions de Transport Aerien ATR42-300 and 3 Dornier 228-202s, 2 of which are on hand for the opening day of flying. The airline features a total of seven daily, nonstop, 35-min. roundtrips from Kingston's Tinson Pen Airport to Montego Bay. In addition, twice-daily nonstops are operated to Negri from Kingston together with a daily flight into that community from Montego Bay.

Airline employment stands at 115 in 1997-1998. Frequencies between Kingston and Ocho Rios become daily, while the number of daily nonstop roundtrips from Montego Bay to Negri are increased to five. Interisland charters are also operated, for up to 30 passengers, to Nassau, Grand Cayman, Turks and Caicos Islands, Barbados, Havana, and Santiago de Cuba.

Daily nonstop A320-214 roundtrips by the parent commence on May 26, 1999, from New York via Montego Bay to St. Lucia and from New York via Montego Bay to Barbados, five times a week. Twice-weekly A320-214 return service is introduced on May 27 from New York to St. George's, Grenada, via Montego Bay. As with all Air Jamaica destinations, passengers wishing to stop over at various served Caribbean locations are given complementary connections via Air Jamaica Express.

During the year, the ATR42 and a Dornier are traded in on 2 Shorts 360-300s. Orders are placed for several de Havilland Canada DHC-8-100s.

New six-time-per-week DHC-8-100 roundtrips begin on November 9, 2000 from Montego Bay to Havana. These are followed with daily (except Tuesday and Wednesday) return flights to the Turks and Caicos Islands starting on November 11.

AIR JAPAN COMPANY, LTD. See **ALL NIPPON AIRWAYS COMPANY, LTD.**

AIR JET (COMPAGNIE AIR JET, S.A.): BP 10297, Roissy-Charles de Gaulle International Airport, F-95700, France; Phone 33 (1) 49 19 73 20; Fax 33 (1) 48 62 50 80; <http://www.airjet.fr>; Code BC; Year Founded 1980. A subsidiary of the Jet Services Group, S.A., Air Jet is established at Paris (ORY) in May 1980 to provide scheduled domestic passenger services as well as passenger and cargo charter services to holiday destinations to regional European and Mediterranean destinations. Roger Caille is president/director general and initial flight equipment comprises 2 Fokker F.27-600QCs and 1 Beech King Air 90.

Scheduled services begin between the southeastern French communities of Lyon and Avignon in 1981. Overnight parcel services are flown to Avignon, Bordeaux, and Lyon. Bookings at the 40-employee company that year total 3,007.

A route is extended to Paris (CDG) in 1982 and enplanements rise to 15,115, doubling to 31,389 in 1983. Operations continue apace in 1984–1985; night freighter operations continue to play a significant role in company services. A second F.27-400 is added during these years.

In 1986, Chairman Roger Caille and Managing Director Louis Ollivier add 1 Piper PA-31-310 Navajo and 2 F.27-600s. Enplanements now total 39,784. Bordeaux joins the route network in 1987 and passenger bookings jump to 45,000. Messier Sribabine succeeds Messier Ollivier as managing director in 1988. To accommodate increasing demand, a fifth F.27, a Dash-600QC, is acquired from the Guatemalan Air Force late in 1989.

Daniel Swiedziol becomes the new managing director in 1990 and he adds two more F.27-600QCs. Enplanements total 61,000. In 1991–1992, a British Aerospace BAe 146-200QC is obtained in October of the former year for use on night all-cargo runs between Avignon and the two major Paris airports (ORY and CDG) and daytime charters.

A total of 140 workers are employed in 1993 and a freight-configured BAe 146-300QT is leased late in the year. An F.27-600QC is leased to **Lina Congo (Lignes Nationales Aeriennes Congolaises, S.A.)** in 1994. In midyear, the Dash-300QT is replaced with another Dash-200QC.

The 2 BAe 146-200QCs are employed to launch twice-daily scheduled return services on October 2, 1995 between Paris (CDG) and London (LCY). The 5 Fokker freighters are now sold to **WDL Aviation (KOLM), GmbH**, in Germany.

A third BAe 146-200QC arrives under charter from its manufacturer in March 1996. First flown by **National Jet Systems (Pty.), Ltd.** of Australia, it is employed on overnight freight services and daytime passenger charters to Avignon, Strasbourg, and Toulouse.

Jet Services Groupe, S.A. in early 1997 decides to expand its parcel delivery service. To that end, the twice-daily scheduled BAe 146-200QC flights between London (LCY) and Paris are halted on June 9. All passenger operations under the Air Jet name cease on June 27.

Express parcel flights continue during the remainder of the year and into 1998–1999. In December of the latter year, Jet Services Group, S.A. is acquired by the TNT Post Group. The 3 BAe jets maintain cargo service without change thereafter.

In early July 2000, the entire B-737 fleet of Aeropostale (2) (L'Aeropostale/Societe de Exploitation Aeropostale, S.A.) must be grounded after cracks are discovered in a cargo door of one aircraft during a routine maintenance check. To cover commitments, a British Aerospace BAe 146-200QC is briefly wet-leased from Air Jet.

AIR JORDAN, LTD.: Jordan (1950–1961). H. E. Ismail Bilbeisi Pasha forms this carrier at Amman in fall 1950 to fly short-haul routes with two Airspeed AS.65 Consuls purchased from **Chartair, Ltd.**, of the U.K., in December. Needing a new base for charter operations following the revolution in French Somaliland, the American supplemental carrier **Transocean Air Lines (TAL)** is invited in 1953 to take an interest and provide technical and managerial assistance. TAL replaces the Consuls with Douglas DC-3s and Curtiss C-46 Commandos and opens

new routes for **Air Jordan, Ltd.** to Baghdad, Kabul, East Jerusalem, and Beirut, site of TAL's Middle East maintenance/administrative headquarters. In August 1955, new services commence to Benghazi, Cairo, Damascus, Kuwait, and Tripoli.

The carrier's greatest income during the TAL years is gained from a U.S. Navy contract to fly servicemen on liberty from Beirut to Jerusalem and contracts with Muslim groups in Kabul to fly pilgrims on the annual Hadj pilgrimage to Mecca. When competing **Arab Airways, Ltd.** ceases operations in 1958, the government of Jordan merges its assets with those of **Air Jordan, Ltd.** on December 1 to form **Air Jordan of the Holy Land, Ltd.**

Flight 601, a CV-240 with 4 crew and 11 passengers, attempts to fly below clouds while on approach to Amman from Jerusalem on January 22, 1959; the aircraft hits a line of trees and crashes 11.85 mi. from the runway and 2.8 mi. NW of Wadi-es-Sir (10 dead).

The carrier's single C-46 is damaged in a June crash and is sold as scrap. TAL's management contract remains unchanged until that U.S. carrier itself goes bankrupt in 1960. **Air Jordan of the Holy Land, Ltd.** fails in its efforts to operate independently and ceases trading on September 1, 1961. Its assets are absorbed into **Jordan Airways, Ltd.**

AIR JORDAN OF THE HOLY LAND. See **AIR JORDAN, LTD.**

AIR JUGOSLAVIA: Bul Umetnosti 16, Belgrade, YU-11000, Yugoslavia; Phone 381 11 311 2223; Fax 381 11 311 1454; Code YRG; Year Founded 1969. Air Yugoslavia is organized at Belgrade in April 1969 as a wholly owned charter subsidiary of **JAT (Jugoslovenski Aerotransport)**. Aleksander Avejic is named director general. Employing jetliners leased from the parent, charter, inclusive tour, and immigrant flights are conducted to such destinations as the U.S. (especially Cleveland and Detroit) and Australia.

During the 1970s and 1980s, airline employment grows to almost 7,500. A. Scepanovic becomes director general. The company continues to operate international passenger group charters from a growing number of domestic gateways outside the capital, including Dubrovnik, Skopje, Split, Ljubljana, and Zagreb. **JAT Yugoslav Airlines** provides a mixed variety of jetliners as individual charters require; Boeing 707-320s, B-737-300s, and B-727-200s as well as Douglas DC-9-30s are often employed.

In early November 1991 as a result of the political upheaval within the nation, the carrier becomes subject to a European Community embargo and suspends operations. As fighting continues, the embargo is expanded into a UN affair in late spring 1992.

After a period of Balkan conflict and political maneuvering, Serbia and Montenegro (constituting a revised federal republic of Yugoslavia) agree to UN requirements and, on September 24, 1994, economic sanctions are lifted. Under the direction of Manager Neda Lazic, the 10 full-time employees Air Yugoslavia will resume operations without fanfare.

In September 1998, parent **JAT Yugoslav Airlines** is banned for flying into any European Union country; the same restriction also applies to Air Yugoslavia.

Local and non-EU charters are operated on an *ad hoc* basis until March 24, 1999. On that date, NATO, having been unable to persuade the Yugoslav leadership to revise its policy toward the ethnic Albanian population in the Kosovo province, closes Balkan airspace and launches the bombing campaign, Operation Allied Force.

Limited charter work begins again on June 25, but international restrictions are not suspended until February 2000. They are finally lifted after the election in October removes the Milosevic government.

AIR KAMPUCHEA. See **KAMPUCHEA AIRLINES**

AIR KANGAROO ISLAND (PTY.), LTD.: Australia (1990–1996). **Air Transit, Ltd.** is renamed Air Kangaroo Island, Ltd. in 1990. Scheduled service is maintained between Adelaide and Kingscote, American River, and Parndana with a fleet comprising 2 Cessna 402s, 1 Beech 18, and 1 de Havilland Canada DHC-6-300 Twin Otter.

Enplanements in **1991**, the first full year of service under the new moniker, total 22,522 and grow by 4.5% in **1992** to 23,583.

By **1993**, Managing Director John Raye's fleet comprises 5 Twin Otters, 2 of which are leased to **Air North International, Ltd.**

Having encountered financial difficulty in the past several years, the carrier is purchased by new owners in the spring of **1994**. They replace the de Havillands with a single Embraer EMB-110 Bandeirante. During the summer, the carrier is shut down for four months; however, on September 1, it is able to resume operations, flying a Shorts 330 between Adelaide and Kingscote. Traffic figures are again unavailable and will not surface in **1995** either. The company shuts its doors in February **1996**.

AIR KAVANGO (PTY.), LTD.: Botswana (1991–1996). **Air Kavango (Pty.), Ltd.** is formed at Maun in **1991**. John Aliott is named general manager and Anthony Baker managing director. The fleet with which domestic commuter flights are provided comprises 2 Britten-Norman BN-2 Islanders, 3 Cessna 206s, 1 Cessna 404, and 1 Cessna 402. Services continue until the nation's **1996** civil war and the UN intervention forces the company out of business.

AIR KAZAKHSTAN: 14 Ogareva Street, Rm. 401, Almaty, 480079, Kazakhstan; Phone 7 (3272) 572157; Fax 7 (3272) 331192; http://www.airkaz.com; Code 9Y; Year Founded 1996. **Kazair (Kazakhstan National Airways)** encounters significant financial difficulties in **1995**. A consortium of local construction companies and banks sues the airline for \$11.1 million in damages in a dispute over the Almaty Airport runway construction. A number of aircraft are seized at Western airports for nonpayment of landing or parking fees.

An An-24B with four crew is destroyed as the result of a hard landing at Chimkent after a November 1 training flight; there are no fatalities. Other aircraft are grounded at year's end when their insurance coverage is allowed to lapse.

Enplanements for the year total 445,000.

The fleet flagship, a Boeing 747SP-31 named *Sunkar*, is leased to the government of Brunei in March **1996**.

On April 30, the Kazakhstan government announces a plan to restructure the troubled national carrier. The State Property Committee and Kazkommertzbank act as general managers for the airline during the early stages of reorganization. The latter conducts a financial and technical audit, which is published in August. The Transport and Communications Ministry puts forward its own suggestions for restructuring, including plans to spin off Kazair's holdings in the Almaty Airport and the Academy of Civil Aviation.

Some consideration is also given in various quarters to simply transferring all of the airline's assets over to **Kazakhstan Airlines**, which is also known as Air Kazakhstan. That option loses its viability when, on August 20, Air Kazakhstan also goes bankrupt. Thereafter, every effort is put into restructuring Kazair and upgrading its financial situation; a new group holding company is created and Alexandre Krinichansky becomes president.

In the third-deadliest air disaster and the worst midair collision in aviation history, Flight 1907, a Kazair Ilyushin Il-76TD with 10 crew and 27 passengers, is descending to New Delhi toward sunset on November 12, after a charter from Chimkent. The Il-76TD is below its assigned altitude of 14,000 ft. when Flight 763, a **Saudia (Saudi Arabian Airlines)** B-747-168B, with 23 crew and 289 passengers that has just taken off for Dhahran and Jeddah, is determined to be 8 mi. away, also at 14,000 ft. The Ilyushin descends another 310 ft., but by this time it is too late. Both aircraft collide and burst into flames, falling onto an arid farming area 3 mi. from the village of Charkhi Dadri in Haryana State, west of New Delhi. Wreckage is spread over a 6-mile-wide area. Controversy will surround the cause of the disaster.

Following the liquidation of **Kazakhstan Airlines** at the end of the previous year, Kazair, early in **1997**, takes over and begins to employ the Air Kazakhstan marketing name. The fleet, in addition to the *Sunkar*, which remains out on lease, is still comprised of 8 Tupolev

Tu-134As, 13 Tu-154Bs, 3 Tu-154Ms, 3 Ilyushin Il-76TDs, 7 Il-86s, and 25 Antonov An-24s.

Scheduled and charter markets visited include Akmola, Aktau, Aktyubinsk, Arkalyk, Atyrau, Balkhask, Beijing, Delhi, Dushanbe, Ekaterinburg, Frankfurt, Hanover, Kaliningrad, Karaganda, Kiev, Kokshetau, Kostanay, Mineralnye Vody, Moscow, Novosibirsk, Omsk, Osh, Petropavlovsk, Samara, Semipalatinsk, Sharjah, Shimkent, Tehran, Tel Aviv, Ufa, Ulgii, Uralsk, Urumqi, Vienna, Zhambyl, and Zhezkazgan.

On May 4, investigators looking into the previous November's crash are able to state that the Kazak freighter had descended nearly 1,000 feet below the 15,000-ft. altitude set for it by Indian air traffic controllers; the deviation put it squarely into the path of the ascending Jumbojet.

Service continues in **1998**, though initially with diminishing returns. The Transport Ministry announces in May that the company will be privatized within two years. The company joins the Amadeus reservations system in September.

By the end of the year, **British Airways, Ltd. (2), Deutsche Lufthansa, A.G., and KLM (Royal Dutch Airlines, N.V.)** control \$800 million of the \$900 million earned on international routes from Almaty and 90% of the airline market.

Determined to redress the airline's competitiveness and upgrade its service abilities, Kazakhstan begins an overhaul of its national airline in January **1999**. The effort begins with an announcement on February 15 by Transportation and Communications Minister Serik Burkibaev that the government will issue a \$200-million guarantee towards the purchase of 4 Boeing or Airbus jetliners. He also informs journalists that the state will form a single and unified national airline that will regain market share.

Shortly thereafter, 2 Airbus A310-322s, previously operated by **Swissair, A.G.**, are acquired and enter service during the summer. Two Boeing 737-200s are also brought in. The new planes, together with 12 Western pilots and 13 engineers working under contract, fly mostly to Istanbul, Moscow, and Peking.

To gain additional international business, the carrier switches its Moscow flights on April 8 from the internal Domodedovo to the international Sheremetyevo Airport.

The devaluation of the Kazakhstan tenge by approximately 30%, also in April, and its continuing decline, will have dire fiscal results for the carrier.

In the summer, the company's main air terminal at Almaty is gutted by fire. The company is forced to cancel many flights. Later, additional local services are cut and the company runs into even greater financial difficulty.

As reported by the Kazakhstan newspaper *Vremya* on December 22, the company, on November 18, has joined with several smaller Almaty-based carriers, including **Atyrau United Aviation Detachment**, to form Air Kazakhstan Group. President Krinichansky becomes group CEO, with Yerbol Yetekbay moving up to the Air Kazakhstan presidency. Under the new alliance, Air Kazakhstan operates all foreign routes and 70% of the domestic ones. In a news conference confirming the group's formation, Krinichansky notes that Kazakhstan still has 52 independent domestic airlines, but that, in his estimation, only two or three are required to meet the nation's air travel needs.

In late January **2000**, representatives of the expanding SAirGroup, parent of **Swissair, A.G.**, arrive at Almaty to open negotiations concerning their possible acquisition of a stake in Air Kazakhstan Group. A stumbling block will be the group's huge debt, estimated at \$110 million.

A new strategic agreement is signed with **Aeroflot Russian International Airlines (ARIA)** on March 15; the two companies agree that state support is required for cooperative ventures. Under its terms, the two begin to code-share on daily services between Almaty and Moscow where they will establish new hubs.

By spring, the fleet has been increased by the addition of 6 more B-737-200As and a leased B-757-200. The latter is employed on April 2 to launch weekly roundtrips between Tashkent and Rome.

A full regional tour package is undertaken with the beginning of the summer schedule in May, including flights to the Marmaris and Bodrum resorts in Turkey. Also in May, ground is broken for a new \$15-million terminal building at Almaty International Airport.

The media, in June and July, reports a growing dispute between the airline and its creditors concerning aircraft and debt repayment.

A fuel crisis strikes the Kazakhstan airports on August 11. With none of the domestic oil processing plants (OPP) producing avgas, airlines must stop flying until a stock of aviation fuel can be built up through transfers from national reserves and purchases from foreign sources, principally Russia. As a result of determined action by First Deputy Prime Minister Alexandre Pavlov and new Minister of Transportation and Communications Karim Masimov, the situation is resolved within five days. OPPs are ordered to produce fuel and arrangements are completed for the import of 1,400 tons in September and October.

On August 14, the airline reaches an agreement with the Kazkommertbank for a resolution of the carrier's debt questions.

A code-sharing agreement is signed with **Korean Airlines (KAL)** on September 7. Two days later, it is reported that Air Kazakhstan Tu-154s and Il-86s have transported 9,100 tourists to the Turkish resorts since May 29.

Statistics are released at the beginning of October covering the first nine months of the year. These show enplanements of 362,000 and a loss of KZT 755 million (\$5.3 million).

On October 17, Prime Minister Kasymzhomart Tokayev admits that the carrier is near bankruptcy and that the previous year's purchase of two Airbuses had been a costly mistake. He orders the Transport Ministry to take immediate steps to shore up the failing national airline.

On November 17, Air Kazakhstan Group swaps 50% of its equity to its principal creditor, the state fuel conglomerate Kaztransoil, which agrees to pay off the airline company's debts, now estimated to be in excess of \$20 million. Among the assets transferred is Atyrau Airport and **Atyrau Airways (Atyrau United Aviation Detachment)**, which officials at the oil concern indicate will be quickly merged into their own rotary-wing airline, **Euro-Asia Air**.

At the same news conference announcing the Kaztransoil arrangement, AKG President Krinichansky reveals that his concern is now partnering with Kazkommertbank, which will replace the Kazakhstan government as guarantor of aircraft leases. This changeover will permit the chartering of additional Western-built jetliners with which to replace the aging Soviet-made fleet, only 15 units of which are still flying. The first new aircraft, a B-737-2Q3A, is delivered at the beginning of December and allows retirement of a Tu-154B.

AIR KEDROS, S.A.: 96 V. Georgious Str., Athens, Glyfada, Greece; Phone 301 8983462; Fax 301 8947252; <http://www.airkedros.com>; Year Founded 1997. Air Kedros is set up at Athens in 1997 to provide nonscheduled all-cargo services to destinations worldwide. Revenue flights begin, and continue, with a single Ilyushin Il-76.

AIR KENTUCKY AIRLINES: United States (1974-1989). In late summer 1974, officers of the FBO Owensboro Aviation establishes this third-level carrier as its air transport division. Limon S. Cox, who had started the facility in the early 1940s and trained Army Air Corps pilots from a nearby grass field during World War II, is chairman and his nephew, Frank Shrively, is president. The two secure a fleet of 3 Beech 99s, which are employed to commence daily scheduled passenger and cargo flights on September 23.

Destinations visited at the beginning of 1975 include Paducah, Frankfort, Bowling Green, Louisville, London/Corbin, and Clarksville. During the next four years, routes are also opened to Mt. Vernon, Evansville, and St. Louis.

When **Ozark Airlines** pulls out of Owensboro in 1979, Air Kentucky has a monopoly on airline service from that city. Independent operations continue until October 26, 1980, when, following negotiations initiated

by Chairman Cox, the third-level operator joins the Allegheny Commuter network. Enplanements for the year total 58,000.

A Beech 99A is acquired in 1981 as passenger boardings, undisturbed by the summer PATCO air traffic controllers' strike, reach 65,117. Bookings climb 20.2% to 78,200 in 1982, as flights commence point-to-point throughout the state and from Louisville to Nashville.

Due largely to the national economic downturn, enplanements remain level in 1983 with only 700 additional passengers carried. Freight declines 15.5% to 101,661 pounds. The fleet in 1984 includes 4 Beech 99s and all are busy as passenger traffic improves. Customer bookings jump 31.9% to 104,071. Cargo, however, continues to fall, down 11.6% to 89,909 pounds.

In 1985, the fleet of the 72-employee small regional is increased by the addition of 2 more Beech 99s. When **USAir** reduces its services to Louisville and **Piedmont Airlines** begins flying jetliners from Cincinnati to Nashville, Air Kentucky begins to suffer a traffic decline.

The carrier desperately attempts to reverse this downturn, withdrawing two aircraft, cutting pay and services, and undertaking various cost-cutting measures. While retaining its Allegheny affiliation, the company is sold on December 28 to North American Aviation, Ltd. (later VOR Investment Group), the Albany, New York-based private investor firm headed by one-time **Mall Airways** executive Patrick Rogers. Although the sale price is not disclosed, it is reported in the aviation press that investors Rudy Paulsen and Robert Mitchell invest \$1.2 million and \$500,000, respectively, in the carrier.

Passenger boardings decline by 8.9% during the 12 months to 94,812, but freight is up to 174,000 pounds, a substantial increase.

Patrick Rogers becomes president on January 1, 1986. In March, monthly passenger boardings reach a low of 4,802. The same month the new owners undertake a system reorganization designed to boost local traffic and increase aircraft usage. At the same time, orders are placed for two Embraer EMB-110P Bandeirantes, which arrive late in the fall. The year's enplanements are level at 95,000.

In early 1987, the fleet includes 2 EMB-110Ps and 7 Beech 99s. In June, the owners hire Albany consultant David Gardner, who succeeds Rogers as president in July. With the airport authority's promise to pay moving expenses, the company transfers its headquarters in September to Indianapolis in order that Air Kentucky might feed **USAir** flights arriving at and departing from the Indiana capital. Passengers claim that they do not mind the three-minute ride on **USAir** buses from the main terminal to planes waiting on remote parking pads.

Enplanements for the year total 103,027.

Airline employment is increased by 23.2% in 1988 to 170 as a third Brazilian turboprop and eighth Beech 99 join the fleet.

Orders are placed for 12 Fairchild Metro IIIs, the first two of which arrive in June. Fairchild Aircraft not only provides the new aircraft under lease but also grants the commuter a short-term loan. By summer, the regional is offering daily service to Champaign, Chicago (MDW), Decatur, Fort Wayne, Lexington, Owensboro, Peoria, South Bend, Springfield, and Terre Haute.

The Allegheny Commuter boards a total of 133,248 passengers, a 29.5% increase, but finances deteriorate.

Early in 1989, the first three Metro IIIs arrive. GMF: Gene Morgan Financial, Inc., the Los Angeles owners of the Fairchild Aircraft Corporation, purchases Air Kentucky from VOR Investment Group in March as an investment. It is hoped that it can be upgraded financially into resalable condition, but these efforts fail. The last revenue flight is completed on May 15 and Air Kentucky shuts its doors on June 1.

AIR KENYA (COAST). See COAST AIR

AIR KENYA AVIATION, LTD.: P.O. Box 30357, Wilson Airport, Nairobi, Kenya; Phone 254 (2) 501 601; Fax 254 (2) 602 951; <http://www.airkenya.com>; Code QP; Year Founded 1987. John Buckley revitalizes the authority of the charter carrier **Wilkenair, Ltd.** (defunct in 1971) at Nairobi's Wilson Airport in 1986, renaming his concern

Air Kenya Aviation, Ltd. The country's largest passenger airline, **Sunbird Aviation, Ltd.**, is taken over in November 1987 and merged. A new corporate image, emphasizing the marketing name Airkenya, is introduced by Managing Director Buckley, complete with a sunbird logo.

In addition to its charter frequencies, the company, in 1988–1989, offers scheduled flights throughout Kenya and to the neighboring nations of Zaire, Somalia, and Sudan.

In 1990, the decision is taken by the government to allow Air Kenya to leave the international scene and to offer third-level scheduled services exclusively, with a fleet that now includes 5 Beech 58 Barons, 2 Douglas DC-3s, and 3 de Havilland Canada DHC-6-300 Twin Otters.

A third DC-3 and a Fokker F.27-200 (previously operated by **Kenya Airways, Ltd.**) arrive early in 1991. Daily "Coastflite" service is inaugurated in June between Nairobi and Mombasa, with most flights provided by the Fokker. In November, the government authorizes the small company to compete over domestic routes with **Kenya Airways, Ltd.**

In competition with the flag carrier, twice-daily weekday scheduled "Coastflite" service is inaugurated by the F.27-200 in December from Nairobi to Mombasa and to Kisumu.

The fleet is altered in 1992 as 1 Baron is retired and 1 DC-3 is damaged beyond repair in a hard landing at the Mara. These are replaced by another Twin Otter, 2 Piper PA-31-310 Navajos, and 1 Pentavia P-68B.

An F.27-400 is leased from **Schreiner Airways, N.V.** of the Netherlands and is placed on the Nairobi–Mombasa trunk line. Meanwhile, the original F.27-200 is chartered during the second half of the year to the UN for 18 months. Supplemented by a Shorts 360-300, the aircraft conducts cargo flights back and forth from Nairobi and Mombasa to Mogadishu.

Flights continue in 1993–1994 with 1 DHC-6-200, 6 DHC-6-300s, 1 F.27-200, 2 DC-3s, and 1 F.27-400 leased from **Schreiner Airways, N.V.** of the Netherlands. When the Dutch Fokker is returned early in the former year, it is replaced with a pair of Shorts 360-300s, including that employed on the UN service.

Operations continue apace in 1995–1996. During these years, Managing Director John Buckley and Chief Pilot Dino Bisleti begin to search for a DC-3 replacement. The investigation of possibilities leads them to visit **Tyrolean Airways, A.G.**, where the de Havilland Canada DHC-7 is tested. Two of the Canadian turboprops, first flown by **Atlantic Southeast Airlines**, are ordered at year's end, along with two Cessna 208 Caravan Is.

Meanwhile, a subsidiary, Regional Air Service, Ltd. is established at Arusha, Tanzania, to offer Piper T1040 tourist flights to destinations within that nation. Under the direction of General Manager/Chief Pilot Iris McCallum, the sister airline offers daily flights to Kilimanjaro, as well as to Manyara, Seronera, and Grumeti.

Enplanements during the latter year total 113,000.

Airline employment stands at 210 in 1997. During the first quarter, **Eagle Aviation, Ltd.** begins competing over the "Coastflite" route. The startling development forces Air Kenya Aviation to charter a DASH-7 from **Arkia Israel Airlines, Ltd.** and to revamp its corporate image. The makeover, which involves a new color scheme and uniforms, plus heavy advertising, is designed to emphasize the airline's schedule attributes. A Caravan I arrives in the early spring.

A DHC-7-102 is added in May and enters service on June 12. Arrival of the turboprop allows the company to retire its DC-3s, the first on June 21 and the second on September 1. A second DHC-7-102 arrives in October, followed by a second C-208 in November. Domestic destinations visited include Amboseli, Kiwayu, Lamu, Malindi, Masai Mara, Mombasa, Nanyuki, and Samburu.

Customer bookings for the year reach approximately 140,000.

The DHC-7s undertake twice-daily return services in 1998 between Nairobi and Mombasa. Working with a number of tourist agencies and tour providers, the airline continues to emphasize a heavy scheduled of vacation flights to East African game parks. Masai Mara is the most popular tourist destination, to which Air Kenya operates twice daily. Additionally, coach class service is provided five times a week from Nairobi to Kilimanjaro.

Late in the year, the DC-3s, which had been retired the previous year, are both brought briefly back into charter service prior to their departure to South Africa, where they had been sold to a private vintage aircraft concern. Enplanements exceed 155,000.

Regional Air Service, Ltd., early in 1999, introduces a new service from Arusha to Mwanza, on the shores of Lake Victoria.

Enplanements for the year reach 155,000.

During the summer of 2000, a baby DeBrazza monkey is transported to Mombasa at the request of the Kenya Wildlife Services; it is one of the few of this endangered species remaining in Kenya.

In Operation Smile, the carrier provides lift for dentists and surgeons, sponsored by Colgate Palmolive, who are flown from Nairobi to points around the nation where free cleft palate and hare lip corrective surgeries are performed.

New offices are opened in Mombasa on September 10 while, later in the month, the airline flies the Indian National Cricket Team when it visits Nairobi to participate in the Four Nations Cricket Tournament.

AIR KILROE, LTD.: Hangar 4, Western Maintenance Area, Manchester International Airport, Manchester, England, M90 5PR, United Kingdom; Phone 44 (161) 436-2055; Fax 44 (161) 436-2541; Code 9R; Year Founded 1978. Air Kilroe, Ltd. is organized at Manchester Airport in 1978 as a wholly owned subsidiary of the Kilroe Group, chaired by Timothy Kilroe. Passenger and freight charters are undertaken from Manchester Airport for the next 15 years. The company becomes an associate of the Irish airline **Aer Arann, Ltd.** Enplanements in 1990 total 27,000.

In 1991, the 34-employee carrier of Managing Director Brian Hetherington seeks permission to offer scheduled services linking the airline's base with Southampton and Teesside. Passenger boardings total 31,000.

The fleet in 1992 includes 1 leased British Aerospace BAe Jetstream 31, 1 Super Jetstream 31, and 1 Beech Super King Air 200. Scheduled flights begin and bookings reach 40,000.

The fleet in 1993 comprises 1 Piper PA-31-350 Navajo Chieftain, 3 BAe Jetstream 31s, 1 Partenavia P-68B, and 2 Beech Super King Air 200s. The workforce totals 40 and scheduled service is inaugurated between Manchester and Cardiff on September 13. Later in the fall, a code-sharing agreement is signed with the Scottish carrier **Business Air, Ltd.** Under its provisions, Air Kilroe inaugurates daily roundtrip feeder services linking the Welsh capital with Aberdeen, Dundee, and Inverness.

The 31-employee airline continues operations largely without change in 1994–1998. On March 1 of the latter year, a Jetstream 31 is leased to **Aer Arann, Ltd.**, which needs the turboprop for the initiation of a new service to and from Donegal International Airport.

Flight are maintained in 1999–2000.

AIR KIRBATI: P.O. Box 274, Bonriki, Tarawa, Kirbati; Phone 686 28405; Fax 686 28216; Code AKIR; Year Founded 1996. Air Kirbati is set up on Tarawa in 1996 to offer scheduled services around the national atolls. Capt. Beuitera Tabokai is operations manager and offers revenue flights with 1 each Harbin Y-12 and CASA C-212-200 Aviocar.

AIR KORYO: Sunnan Airport, Sunnan District, P'yongyang, North Korea; Phone 850 (2) 37917; Fax 850 (2) 4571; Code JS; Year Founded 1950. In early 1950, the Soviet Union and the P'yongyang government of the Democratic Republic of Korea form the Soviet-North Korean Airline (SOKAO) as a joint-venture company. Equipped with Tashkent-built Lisunov Li-2s (license-built Douglas DC-3s), the carrier links the North Korean capital with Vladivostok via Ch'ongjin and Peking, as well as Chita via the Manchurian towns of Mukden, Harbin, Tsitsihar, and Hailar.

These routes barely begin before North Korea invades South Korea on June 25, beginning a conflict that requires the company to stand down until 1953. When flights resume, a new connection to Moscow is offered via Chita.

The North Koreans acquire full control of SOKAO on September 21, 1955 and the Ministry of Communications, under which it is placed, re-names the carrier UKAMPS. Scheduled international services are maintained to the Soviet Union and the People's Republic of China. The capital is linked with the domestic cities of Ch'ongjin, Kaesong, Kimch'aek (Songjin), Sinuiju, and Wonsan. Haijoo, Kanggye, Hamhung, and Hyesan are added to the route network.

During the early 1970s, the company is again relabeled; with additional duties, it becomes **CAAK (Chosonminhang Korean Airways)** (Civil Aviation Administration of the Democratic People's Republic of Korea). The first jet type introduced is a Tupolev Tu-154B received in 1975; by 1978, the fleet's jetliner component comprises two Tupolev Tu-154Bs, with a third delivered in 1979.

By the early 1980s, CAAK is equipped with a fleet of 3 Tu-154Bs, 2 Ilyushin Il-62s, 4 Il-18s, 3 Il-14s, and 7 Antonov An-24s. Weekly An-24 flights are made to Beijing and Khabarovsk while the Tu-154Bs undertake services from P'yongyang to Moscow via Irkutsk and Novosibirsk.

A chartered Il-62M, with 23 passengers, crashes in the mountainous region of Fouta Djallon near Labé, Guinea, on July 1, 1983; there are no survivors.

The Ilyushin jetliners replace Tu-154Bs on routes to Prague and East Berlin. The fleet in 1988 is reported to include 5 Il-62s, 4 Tu-154Bs, and 10 turboprops.

During the remainder of the decade, the fleet is upgraded. One An-24, 2 Il-18s, 3 Il-14s, and 2 Il-62s are deleted and replaced by 4 Il-62Ms, 3 Il-76TDs, 1 Tu-154B, and 2 Tu-134Bs. Berlin and Sofia are added to the route network and charter services are undertaken to destinations in Asia, Africa, and Europe.

In 1992, the carrier is reformed and given a corporate makeover, complete with its present name. Based at Sunnan Airport, Director General Kim Yo Ung's airline in 1993 employs 2,500 workers. No figures are available for 1994.

The fleet in 1995-1996 includes 8 An-24s, 4 Il-18s, 4 Il-62Ms, 3 Il-76MDs, 2 Tu-134Bs, and 4 Tu-154Bs. Regularly scheduled destinations visited from P'yongyang include Bangkok, Beijing, Berlin, Ch'ongjin, Hamhung, Kaesong, Kanggye, Khabarovsk, Kilchu, Moscow, Sinuiju, and Sofia.

A new scheduled route to Macau is opened in the fall of the latter year. The company simultaneously joins IATA.

An arrangement is reached during August 1997 by **DHL Worldwide Express** with both **Air Koryo** and **China Northern Airlines Company, Ltd.** to provide all-cargo shipments between Beijing and P'yongyang, employing belly space aboard the airliners of those two companies.

At the same time, a separate freight agreement is reached with Air Koryo. Under its terms, the North Korean airline will employ an Antonov An-26 to fly trading documents and light machinery between Japan and Europe on behalf of DHL.

Also in August, an airline office is opened at Vladivostok as plans are initiated to operate scheduled service between that Russian city and P'yongyang.

In mid-April 1998, the North Korean airline completes negotiations with **DHL Worldwide Express** for the lease of a Mil Mi-17-8P. The heavy-lift helicopter will be employed to run a daily all-cargo circuit between Yanji Airport in China, the Rajin-Sonbong free trade zone and the nuclear reactor construction site at Sinpo (both of which have no airstrip), and P'yongyang. Connections will be made at Yanji and P'yongyang with Air Koryo or **China Northern Airlines Company, Ltd.**

In early May, SAS Cargo, the freight division of **SAS (Scandinavian Airlines System)**, takes 50% of the capacity of a second Air Koryo An-26 leased by **DHL Worldwide Express**; the two carriers will offer joint services from Copenhagen to destinations along the Baltic coast.

Airline employment stands at 2,500 at the beginning of 1999. Scheduled service is maintained to Bangkok, Beijing, Berlin, Macau, Sofia, and Vladivostok.

Twice weekly Tu-154B roundtrips commence on April 5, 2000 between P'yongyang and Shenyang, China. Tu-154B charters are

launched on April 29 between P'yongyang and Nagoya. With service from P'yongyang to Macau having been reduced from thrice weekly to weekly, the carrier, on April 12, seeks permission to launch non-scheduled roundtrips to Hong Kong.

As a result of June discussions between the leaders of North and South Korea, a goodwill gesture by both governments permits four days of reunions between separated families in mid-August. A company Tu-154B with a group of 100 North Korean family members aboard, kicks off the exchange on August 15 when it flies to Seoul from P'yongyang. The plane returns with 100 South Korean family members.

Plans to initiate charter flights from P'yongyang to Hong Kong are put on hold on August 8 when local officials prohibit flights into the former British colony, due to insurance and noise considerations, of Air Koryo's Tu-154Bs.

AIR KOSOVA: Pristina, Kosovo, Yugoslavia; Year Founded 2000.

Air Kosova is founded at Geneva by Milazim Berisha in June 2000 for the specific purpose of returning Kosovar refugees to their homeland from all over Europe.

Four-times-per-week roundtrips from Geneva and Zurich to Pristina are begun on July 3 with a Fokker 50 wet-leased from **Newair Air Service, A.S.** Another Newair Fokker 50 is acquired on July 21.

Nonstop roundtrips from Pristina to Munich are launched on August 15.

The contract with **Newair Air Service, A.S.** is unhappily concluded on September 28 when Newair, which has not received its leasing fees, withdraws its aircraft. Flights to Switzerland are suspended. Mr. Berisha seeks a new carrier and new support.

On October 2, a \$15-million bid is accepted from **Transaer International, Ltd.** for a new 18-month contract. The upgraded arrangement, which includes training and management consultancy services, will be paid for by the U.S.-based Foundation for the Reconstruction of Kosovo.

Just 18 days later, on October 20, **Transaer International, Ltd.** suspends operations and goes into liquidation. At this point, Air Kosova's future is uncertain.

AIR KRUISE, LTD.: United Kingdom (1946-1958).

Ex-RAF Wing Commander Hugh Kennard founds Air Kruise, Ltd. at Lympne in the summer of 1946 to offer pleasure and charter flights with a Miles M.38 Messenger 2A, a Percival Q.6, and a Percival Proctor 1. In February 1947, an Airspeed AS.65 Consul is acquired and, while the other aircraft handle local pleasure and charter flights, the Consul provides on-demand service to Belgium and French coastal towns. These services continue in 1948 and 1949.

The first de Havilland DH 89A is acquired in April 1950; christened *Nicole*, it initiates thrice-daily Lympne-Le Touquet flights on July 15. This service proves so popular as to require the purchase of another Dragon Rapide. In June 1953, the company takes over operation of Ramsgate Airport; however, its three DH 89As fly scheduled operations to the Continent from Lympne under the marketing name **Trans-Channel Airways, Ltd.** British Aviation Services acquires the company late in the year, but allows it to continue flying under its own name and upgrades its fleet by the transfer of two Douglas DC-3s.

During 1954, scheduled services are inaugurated not only to the trans-Channel towns, but to Basel, Birmingham, and Zurich as well. On the year, a total of 25,000 passengers are carried. Three more Douglas transports are received in 1955 and are used to step up inclusive-tour work.

In addition to the transport of refugees after the Hungarian Revolution in 1956, Air Kruise, Ltd., by its flights throughout Europe, becomes the U.K.'s most significant inclusive-tour operator. During the year, three Bristol 170 Wayfarers are transferred to the carrier from **Silver City Airways, Ltd.** On September 22, a DH 89A is lost at Gerdes El Adol.

Company operations continue during 1957 and 1958; however, during the latter year, aircraft are gradually shifted to **Silver City Airways, Ltd.** and at the end of the summer tour season, Air Kruise, Ltd. is amalgamated into the larger carrier.

AIR L.A.: United States (1979–1996). MentalMed Systems Founder/COO Wayne Schoenfeld sells his interest in his firm in July 1979 and, together with Kenneth Dickey, acquires the nonscheduled operator **Pacific Airways, Inc.** in September. The company is now incorporated as Air L.A. and begins to offer both “quasi-scheduled” air tour flights and direct intercity charter services to both Las Vegas and the Grand Canyon.

Former American Express Corporation executive William Wolf buys into the company in 1980 and operations continue apace in 1981.

President Schoenfeld’s Cessna 402Cs commence scheduled passenger and cargo commuter services on May 1, 1982 and services, over the original nonscheduled network, continue without change in 1983–1984.

By 1985, the fleet comprises 2 Cessna 402Cs, 3 Cessna 414s, and 4 Piper PA-31-310 Navajos. These are withdrawn in 1987–1988 and replaced by 2 Cessna 421s and 2 PA-31-350 Navajo Chieftains. Orders are placed for 3 Embraer EMB-110P Bandeirantes. In October of the latter year, thrice-daily nonstop service begins from Bermuda Dunes Airport at Palm Desert, California, to Los Angeles (LAX).

Airline employment is increased by 73.3% in 1989 to 52. The 421s are removed as the fleet is enlarged with another Chieftain and the first two Bandeirantes. Services are inaugurated to Las Vegas from Palm Springs and Bullhead City. Enplanements climb 66.7% to 50,000.

On May 13, 1990, the company merges with a wholly owned subsidiary of Delaware-based 900 Entertainment Network; the latter changes its name to Air L.A. and assumes Air L.A.’s business. The flight equipment is altered, yet again; all of the previous aircraft are replaced by two British Aerospace BAe Jetstream 31s. In December, the company is merged with **Air Resorts Airlines**, but is allowed to operate separately.

An Embraer EMB-110P1 is acquired in 1991 as scheduled regional services are inaugurated, beginning in May, to the Mexican cities of Tijuana, Ensenada, and San Felipe from Los Angeles, Ontario, and Burbank. Two more Bandeirantes are purchased in late 1992.

Airline employment at the beginning of 1993 stands at 50. In February, the carrier becomes a code-sharing partner of **AeroMexico (2) (Aerovias de Mexico, S.A. de C.V.)**. Two Fairchild Metro IIIs replace the EMB-110s on the Mexican routes. Traffic figures for the year are not released; it is learned that financial losses are suffered: \$1.7 million (operating) and \$1.6 million (net).

Chairman Hershey Moss and President Wayne Schoenfeld place orders on January 24, 1994 for 10 Metro 23s at a cost of \$3.8 million per unit. Service is started from Bakersfield, Ontario, and San Diego to the Mexican city of San Felipe. The first Metro 23 is received at the end of March and, by May 1, the carrier offers 84 weekly international flights from southern California to Tijuana, Mexicali, Ensenada, and San Felipe. It also operates 63 weekly flights from Los Angeles to Monterey and from Bakersfield to Ontario and San Diego.

The company “goes public” during May. The conversion is not overly successful and the carrier will lose money ever after.

After receiving the third Metro 23, Air L.A. becomes a marketing partner of **Mexicana Airlines, S.A. de C.V.** Under terms of the arrangement between the two airlines, the American regional, in July, begins connecting services to Phoenix in addition to the California and Mexican cities already served. Tucson joins the route network later in the summer.

In the fall, Chairman/CEO Schoenfeld signs a letter of intent to purchase **Capitol Air**, a subsidiary of Idaho-based **Empire Airlines**, which had been established at Minneapolis (MSP) in 1993.

Passenger boardings total 34,796 and revenues reach \$900,542. Expenses increase and for a pretax loss of \$4.1 million and a net loss of \$3.9 million.

The fleet at the beginning of 1995 includes 6 Metroliners.

Just after New Year’s, the acquisition of **Capitol Air** is completed. The acquisition is a stock transaction with Chairman Schoenfeld paying Empire with 800,000 common shares of Air L.A. stock.

Employing a Metroliner transferred from California, scheduled services between Minneapolis and Chicago (MDW) begin on January 30.

Although route authority is received for services to Milwaukee, Madison, Fargo, Bismarck, Omaha, and Des Moines, these are not immediately started.

Although the enlarged airline soldiers on over two fronts, it loses \$8.82 million this year.

At the beginning of 1996, Air L.A. is in debt by \$3 million. In March, a letter of intent for sale is signed with Conquest Industries and Co., parent of Texas-based **Conquest Airlines**. The deal is canceled in early April, but concluded, for \$6 million and debt assumption, on June 20.

AIR LA SARRA, LTD. See **QUEBECAIR, LTD.**

AIR LABRADOR, LTD.: Box 310, Goose Bay, Labrador A1A 1S0, Canada; Phone (709) 753-1240; Fax (709) 753-7787; http://www.airlabrador.com; Code WJ; Year Founded 1983. Gander-based **Newfoundland Airways, Ltd.**, together with the FBO Labrador Aviation Services, Ltd., is purchased in 1983 by Provincial Investments, Inc. owner Roger W. Pike and is renamed. The company base is transferred to Goose Bay where Mr. Pike becomes chairman/CEO, with W. G. Pike as executive vice president and B.L. Pike as director.

Floatplane charters continue and, in 1985, a new hangar is constructed at the carrier’s base. There, a Transport Canada Maintenance facility is established, one of only three in the province.

Service is maintained over the next 12 years during which time scheduled flights throughout Newfoundland and Labrador are introduced, while charters are continued. Captain Harold G. Oake, a noted flyer who has served as chief pilot and operations manager, becomes vice president-operations in 1990.

Operations continue in 1991–1995, during which years the company becomes a Canadian Partner affiliate of **Canadian Airlines International**. A year after his 1995 retirement, on December 5, 1996, 56-year-old Capt. Oake dies.

In 1997, Chairman Pike’s fleet includes 4 de Havilland Canada DHC-6-300 Twin Otters, 3 Shorts 330s (1 employed only for freight), and 2 DHC-8s.

Destinations visited include Black Tickle, Cartwright, Charlottetown, Davis Inlet, Deer Lake, Fox Harbour, Goose Bay, Hopedale, Makkovik, Mary’s Harbour, Nain, Port Hope, Simpson, Postville, Rigolet, St. Anthony, St. John’s, and Wabush.

A new CS6.5-million Beech 1900D enters service as fleet flagship on May 1, the same day a new nonstop return service is introduced from St. John’s to St. Anthony. Simultaneously, new early-morning roundtrips commence from Goose Bay to Deer Lake and St. John’s, along with new evening service with a second flight from Wabush, Goose Bay, and St. John’s.

In a special May 4 Goose Bay ceremony, the carrier’s new Beech flagship is christened *Captain Harold Oake*.

Flights continue apace during the remainder of the year and throughout 1998.

On February 1, 1999, the company enters into a major marketing and code-sharing agreement with **InterCanadian Airlines, Ltd.** Under terms of the arrangement, the company inaugurates an enhanced schedule of weekday Canadian Partner flights: four-times-a-day roundtrips between St. John’s and Goose Bay; daily service from Goose Bay to Deer Lake and twice-daily departures from Deer Lake to Goose Bay; twice-daily roundtrips from St. John’s to St. Anthony and from St. Anthony to Goose Bay; daily roundtrips between St. John’s and Wabush and Deer Lake, between Deer Lake and Wabush, between Deer Lake and Blanc-Sablon, between Blanc-Sablon and St. John’s, and between Blanc-Sablon and Goose Bay.

Flights continue apace during the remainder of the year, during which the last Shorts 330 and a DHC-8 are retired as an additional Beech 1900D arrives.

The company is not immediately impacted by the January 2000 acquisition of **Canadian Airlines, Ltd.** by **Air Canada, Ltd.**, except that it becomes, at least indirectly, an affiliate of both.

Beech 1900D dual designator service with the two majors begins on May 23 from Quebec City to Moncton via Charlo and Miramichi.

The northern New Brunswick schedule is altered on October 15 to better assist business customers; the three principal destinations visited continue to include Quebec City, Miramichi, and Charlo.

AIR LANGUEDOC, S.A. See **TAT FRENCH REGIONAL AIRLINES, S.A.**

AIR LANKA, LTD.: Sri Lanka (1979–1999). To succeed **Air Ceylon, Ltd.** (founded in 1949), which had ceased trading at government request on March 31, 1978, and to spur tourism, President J. R. Jayawardenne specifically orders the creation of a national airline. With seven-year tax-free status, the carrier is formed at Colombo on January 10, 1979 by combining the assets of **Sri Lanka Airways, Ltd.** and **Sri Lanka International Airways, Ltd.**, which had been formed the previous January and had begun operations in April.

Principal owners are the government (60%), two national banks and the Ceylon Shipping Corp. (40%), with initial capitalization set at \$15.7 million. Captain S. Rakkhita Wikramanayake is named chairman/managing director under a management contract signed with **Singapore Airlines, Ltd.** for which he had previously flown. International flight services from Colombo to Bangkok and Singapore begin on September 1 with two leased Singapore Airlines Boeing 707-312 Stratoliners.

Ceylon Airways, Ltd., which had continued flying its Trident 1E and Avro 748 until the new entity was ready for launch, now quietly fades away under liquidation. After a two-year cessation of European services from Sri Lanka, flights to the major cities of London, Paris, Frankfurt, and Zurich are now resumed.

A B-737-212, also leased from **Singapore Airlines, Ltd.**, arrives in the spring of 1980, allowing regional services to begin in April from Colombo–Bombay and Madras. In June, the company begins to share revenues with **Indian Airlines Corporation (IAC)** on a route from Colombo to Madras, Tiruchirappally, Bombay, Trivandrum, and Delhi. A route is opened to Hong Kong by the Stratoliners, which will be maintained there by HAECO.

An initial Lockheed L-1011-50 is received in the fall and launches flights Colombo–Paris (ORY) on November 2. An annual \$34- to \$40-million injection of government funding begins at year's end and the airline, labeling itself "A Touch of Paradise," begins an intensive marketing campaign aimed at attracting tourists to Sri Lanka, "Paradise Island."

During 1981–1982, 2 L-1011-500s and 1 L-1011-100, the latter leased for a year from **Air Canada, Ltd.**, are placed into service on routes to Amsterdam, Copenhagen, London, Rome, Vienna, Zurich, Abu Dhabi, Bahrain, Dhahran, Doha, Dubai, Kuwait, Muscat, Hong Kong, Bangkok, Kuala Lumpur, Tokyo, Singapore, Karachi, Trivandrum, and Tiruchirappalli. Enplanements in the latter year are 590,000.

Expansion of the Colombo technical base is begun in 1983 with a projected 1985 completion date. The fleet now includes 5 Lockheeds and 1 Boeing 737-200. Arrangements are completed for the purchase of 2 Boeing 747-238Bs from **Qantas Airways (Pty.), Ltd.** A total of 598,000 travelers are carried on the year; freight jumps 14.9% to 45.42 million FTKs.

Airline employment reaches 2,602 in 1984. A major cost-cutting campaign is undertaken and the first Australian B-747-238B is delivered on June 8; christened *King Vijaya*, it is placed on the European routes to Zurich, Paris, and London, as well as services to Dubai, Muscat, Karachi, and Singapore. The Singapore destination is suspended late in the year.

Freight traffic soars 34.7% to 60.23 million FTKs and passenger boardings jump 10.7% to 681,000.

The workforce grows 13.8% in 1985 to 3,798. In cooperation with **Malaysian Airline System (MAS)** under a marketing agreement signed in February, joint service is inaugurated in April between Colombo and Kuala Lumpur; the second ex-Qantas B-737-238B is delivered on October 23 and christened *King Tissa*. Singapore service is resumed, but the addition of the second Jumbojet creates an over-

capacity problem that is solved by leasing three TriStars to **British Airways, Ltd. (2)** for a three-year period.

The technical base at Colombo is completed and features a \$13.5-million, Canadian-built hangar large enough for three wide-bodied aircraft. The airline's catering and duty-free services receive special recognition and awards; however, ethnic violence increases dramatically.

Cargo is up 9.3% to 65.66 million FTKs and passenger bookings rise 2.5% to 698,614.

Employment grows 1.7% in 1986 to 3,861. At the end of March, the two Jumbojets are taken out of service and leased, the *King Vijaya* to **Qantas Airways (Pty.), Ltd.** for 20 months and the *King Tissa* to **EgyptAir, S.A.E.** for a year.

On May 3, Tamil separatists plant a bomb in the cargo hold of Flight 101, the L-1011-50, which explodes while 128 passengers are boarding on the ramp at Colombo Airport (18 dead, 40-plus wounded). The blast destroys all of the glass in the front of the airport terminal building and photos of the disaster, the airline's first fatal incident, are a public relations disaster. The government orders all Tamils employed at nonexecutive levels placed on paid leave, which severely impacts the carrier's engineering department. A customs agent will later be arrested as the perpetrator.

While being loaded for a May 5 service from Colombo to Male, the L-1011 TriStar 100 *City of Colombo* is damaged. While repairs are underway, a bomb, hidden in the ship's "Fly Away Kit" explodes, destroying the Lockheed. There are no fatalities.

The B-747-238B *King Tissa*, leased to **EgyptAir, S.A.E.**, becomes available and is reintegrated as the search for TriStar replacements begins. Route and other expansion plans are placed on hold as the government initiates an official presidential investigation into corruption and inefficiency. Having been made the scapegoat for the line's bad luck, Chairman Wikramanayake resigns on November 26 and, on the financial front, the company loses the tax-free status granted at start-up.

Customer boardings decline 12.5% to 611,434 and freight drops 20.1% to 52.48 million FTKs. An operating loss of \$3.8 million is suffered.

The payroll inclines upward again in 1987 by 3.5% to 3,626. The two leased Jumbojets come back in and are sold back to **Qantas Airways (Pty.), Ltd.** Having been found wanting by the previous year's government investigation, Air Lanka receives a new board of directors in January; Lakshman de Mel succeeds Wickramanayake, but after November's national elections, he is followed in December by John Fleming.

Passenger boardings dip an additional 3.8% to 588,440 and cargo is off 11% to 46.73 million FTKs. Revenues advance 3.4% to \$132 million and costs drop 1.8% to \$129 million. The operating profit is \$2.99 million.

The personnel boost is smaller in 1988, but still 0.6% higher, to 3,648. New service is extended to Riyadh. A long-term equipment program is planned that will bring in 10 new jetliners to replace the Lockheeds.

Customer bookings rebound, climbing 19.4% to 702,606, as freight increases 29% to 59.93 million FTKs.

The workforce is decreased by 9.3% in 1989 to 3,308 and the fleet now includes 2 L-1011-500s, 1 each L-1011-50/100 and B-737-2A6A. In May, a code-sharing agreement is signed with **Gulf Air, Ltd.** covering joint operations to Bahrain and Muscat. The contract of CEO John Fleming is not renewed when it expires on June 30. Another new chairman/managing director, Dunstan Jayawardena, is named and he receives a mandate from President Ranasingho Premadasa to make the airline succeed or shut it down.

Passenger boardings ascend 6% to 744,494 and freight moves upward 22.2% to 73.22 million FTKs. Income slightly exceeds costs and an operating profit of \$3.3 million is generated—the first annual profit ever achieved.

Company employment inches upward by 0.6% in 1990 to 3,572 as Chairman Jayawardena's fleet is enhanced through the addition of a third L-1011-500, leased from **Royal Jordanian Airlines**. The new unit is employed to inaugurate services to Australia in the spring—35 frequencies to Sydney and Melbourne.

Revenue pooling begins with **Pakistan International Airlines Corporation (PIA)** during July on routes from Colombo to Karachi, Karachi to Bombay, and Male to Colombo.

Customer bookings rise 19.7% to 891,791 and cargo swells 24.5% to 91.19 million FTKs. Revenues advance 52.6% to \$209.9 million and with expenses low, operating income swells to \$11.26 million and net profit reaches \$7.2 million.

The payroll is cut 7.6% in **1991** to 3,300. The fleet is unchanged since 1989, although orders are outstanding for 2 Airbus Industrie A320-231s and 5 A340-311s. A Swede, Erkki Mandelin, is appointed vice president of engineering and maintenance.

Traffic moves ahead as passenger boardings inch up 0.7% to 897,802 and freight jumps 8.2% to 98.7 million FTKs. Income exceeds expenses and there are profits: \$12.3 million (operating) and \$7.7 million (net).

The employee population is increased by 12.8% in **1992** to 4,229 and the fleet now includes 7 Lockheeds and 2 Boeings. Two more TriStars are leased from **British Airways, Ltd. (2)** in August. Brian Coombes is appointed CEO in November.

Customer bookings increase 17.3% to 1,053,189 while cargo advances 11.3% to 109.85 million FTKs. Revenues ascend 20.3% to \$289.5 million and expenses rise 26.1% to \$287.9 million; the operating profit is cut to \$1.64 million and there is a \$4.4-million net loss.

In **1993**, the workforce of Chairman Attygalle is cut by 3.3% to 4,091. The first of two A320-231s arrives in January and enters service in February; it is followed by the second in April. During the summer, the lone remaining B-737-200, employed on regional routes, is withdrawn and **Royal Jordan Airline's** Lockheed is returned.

The route structure is now rationalized and markets dropped are Berlin, Munich, Vienna, Brussels, Sydney, Melbourne, and Jakarta. Destinations visited from Colombo include Abu Dhabi, Amsterdam, Bahrain, Bangkok, Bombay, Delhi, Dharan, Dubai, Frankfurt, Fukuoka, Hong Kong, Jeddah, Karachi, Kuala Lumpur, Kuwait, London, Madras, Male, Muscat, Paris, Riyadh, Rome, Rumjatar, Singapore, Tiruchirappalli, Tokyo, Trivandrum, and Zurich.

Partial privatization begins and, in November, code-sharing and joint operations begin with **Middle East Airlines, S.A.L. (2)** on a route from Colombo to Beirut.

Passenger boardings climb 5.1% to 999,585 while freight declines 4.9% to 104.43 million FTKs. Revenues fall 8.5% to \$264.9 million and with costs under control, an operating surplus of \$13.7 million is generated. Net gain reaches \$5.4 million.

The employee population grows a strong 8% in **1994** to 4,417. On August 19, following lengthy negotiations with the manufacturer and the completion of arrangements with a consortium of international banks, the company becomes the first in Asia to take delivery of an A340, a Dash-311. The World Bank criticizes the acquisition as extravagant and the orders for two more of the aircraft beyond the original three are cancelled. The premier A340-311 enters service on September 25 on the routes from Colombo to Amsterdam, Paris, Hong Kong, and Tokyo.

For the year, overall customer bookings ascend 7.4% to 1,073,489 while cargo recovers, up 5.3% to 109.95 million FTKs. Revenues rise 2.5% to \$271.4 million and permit profits of \$24.07 million (operating) and \$7.24 million (net).

Another 28 employees join the company in **1995**. The recovery from depression being enjoyed by the world airline industry continues to make its way, at least partially, to Sri Lanka. Meanwhile, in January, the government announces airline privatization plans.

Passenger boardings increase by 8.4% to 1,163,586 while freight swells 42% to 156.16 million FTKs. Operating revenues advance by 7.3% to \$291.15 million and expenses are up by 2.1% to \$252.55 million. Although operating income climbs to \$38.6 million, net gain falls to \$2.02 million.

Airline employment stands at 4,000 in **1996** and the fleet now includes 3 A340-311s, 2 each A320-211s and Lockheed L-1011-500s, and 1 each L-1011-1 and L-1011-100.

In April, the company enters into a code-sharing arrangement with **British Midland Airways, Ltd.** covering flights from Colombo via London (LHR) to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

Customer bookings inch up 1.7% to 1,183,283 and 159.4 million freight FTKs are operated, a 2% increase. Operating income slides to \$285.5 million, but costs allow a \$28.1-million operating gain and a \$2.9-million loss.

The workforce swells 24.1% to 4,965 during **1997**.

For the third time in two weeks, a near-midair collision over India occurs on January 11.

A company A320-211 on approach to Bombay from Trivandrum is mistakenly authorized by an air traffic controller to land at that city's airport at the same time he has granted permission to land to a **Kuwait Airways Corporation** B-747-269BC; a collision is avoided by several hundred feet.

The government, later in the year, makes plans to sell up to 40% of the carrier early in 1998.

Passenger boardings rise 4.8% to 1,239,613 while cargo does twice as well, climbing 9.6% to 174.24 million FTKs.

On March 30, **1998**, the available 40% stake in Air Lanka, Ltd. is purchased by **Emirates Airlines, Ltd.** for \$70 million. Under terms of the equity sale, the government of Sri Lanka will hold 51% majority control and the remaining 9% is distributed among the airline's employees.

The Arab carrier's funding passes to Air Lanka, Ltd. in two tranches, beginning with \$45 million up front on signing day. Management of the carrier passes to Emirates under a 10-year contract when the arrangement is finalized in May.

On April 1, the carrier orders 6 Airbus Industrie A330-200s with which to replace its aging fleet of L-1011s and the 2 A320-211s. The former, to be powered by \$150-million worth of Rolls Royce Trent 700 engines, are scheduled for delivery beginning in October 1999. Plans are made to begin flying to points in Africa, Australia, and New Zealand and to increase frequencies to Europe.

Customer bookings fall 6.7% to 570,000 while freight traffic is down 9.3% to 77.73 million FTKs.

It is announced on January 27, **1999** that, after heavy (albeit undisclosed) losses in previous years, the company earned a \$23.3-million net profit in 1998.

An announcement concerning the first major service enhancement in some time is made on May 14. Employing the first of the new long-haul Airbus jetliners to be delivered in October, the company will, on November 12, launch twice-weekly roundtrip service from Colombo to Stockholm via Dubai. Connections will be provided to the Maldives, Sydney, Singapore, Bangkok, and Hong Kong. From December 5, the frequency will be increased to thrice weekly.

In early May, arrangements are completed with Airbus Industrie for the seven-year lease of a pair of A340-312s originally chartered to **Gulf Air Company**.

The first aircraft, wearing the new flying peacock logo of the airline, is delivered on June 13, on which day the company is renamed **Sri Lankan Airlines, Ltd.**

AIR LAOS, S.A.: Laos (1952-1961). With 30% ownership by **Air France** and 20% by **Societe Aigle Azur, S.A. (SAA)**, AL is formed as the principal airline during the fourth quarter of **1952**. Douglas DC-3s and a de Havilland Canada DHC-2 Beaver provided by SAA inaugurate services in December from the capital of Vientiane to Luang Prabang and four other district towns and villages. Fifteen additional local destinations are visited beginning in **1953** and it is during one of these services that a DC-3 crashes in the Laotian jungle on June 17 (29 dead).

The First Indochina War ends with the Geneva accords of July 21, **1954**. In Laos, however, civil war continues between the Communist Pathet Lao and pro-Western forces, led by General Phoumi Nosavan.

A DC-3, with 3 crew and 25 passengers, is lost near Luang Prabang on December 4; there are no survivors.

Even after SAA becomes a part of **Union Aeromaritime de Transport, S.A. (UAT)** in 1955, the autonomous Saigon-based French subsidiary **Aigle Azur Extreme Orient, S.A.** continues to support AL.

On March 14 a DC-3 must be written off following its failure to climb away from Phong Savanh, Laos; it is too badly damaged in the subsequent forced landing to be salvaged.

In 1956, the former **Trans World Airlines (TWA)** Boeing 307 Stratoliners *Apache* and *Navajo* are wet-leased to the Vientiane-based company, allowing it to reopen a route from the capital to Hong Kong via Da Nang, South Vietnam.

A Bristol 170 Mk. 31E is lost at Vientiane on November 30 under unknown circumstances.

The Laotian civil war intensifies during 1957–1958, with AL local services more or less suspended. On July 23 of the latter year, the Laotian ruler Prince Souvanna Phouma is forced to abdicate. Much of the air activity in the country is now covertly flown by the Nationalist Chinese airline **Civil Air Transport, Ltd.**, backed by the U.S. CIA. The war continues to escalate until May 1961, when a cease-fire, arranged by the U.S. government, returns Prince Souvanna Phouma to office. At this point, Air Laos, S.A. shuts its doors and is replaced by **Royal Air Laos, S.A.**

AIR LAURENTIAN, LTD. See **AIR SCHEFFERVILLE, LTD.**

AIR LEASE EGYPT, LTD. See **MISR OVERSEAS AIRWAYS, LTD.**

AIR LESOTHO (LESOTHO AIRWAYS CORPORATION): P.O. Box 861, Mejametalana Airport, Maseau, 100, Lesotho; Phone 266 312 453; Fax 266 310 126; Code QL; Year Founded 1982. The government of Lesotho alters the name of **Lesotho Airways, Ltd.** in January 1982. The workforce is increased by 3.8% to 135 and the fleet includes 3 de Havilland Canada DHC-6-300 Twin Otters, 1 Dornier Do-28, and 2 Britten-Norman BN-2 Islanders, which latter aircraft remain available for sale. Scheduled service is provided to points in Botswana, Mozambique, Swaziland, and the Republic of South Africa, in addition to 10 domestic destinations; charter, supply, and mail flights are laid on to some 15 remote additional airfields.

Passenger boardings jump 9.2% to 40,532. Revenues advance 5.9% to \$2.36 million while expenses jump 3.4% to \$2.5 million. As a result, there are losses: \$132,000 (operating) and \$90,000 (net).

Enplanements total 55,000 in 1983. Within two years, Managing Director J. A. B. Smit's traffic has increased by about 2,000 boardings annually.

Operations continue during 1984–1985 as the fleet grows to include 1 Fairchild Hiller FH-227, 3 de Havilland Canada DHC-6-300s, 1 Dornier Do-28, 2 Britten-Norman BN-2 Islanders, and 1 Dornier 228-200.

On July 13 of the latter year, a chartered DHC-6-300 that has lost engine power, makes an emergency landing at Mokhotlang. During the landing a wing is broken off and although there are no fatalities, the aircraft must be withdrawn.

The employee population in 1986 stands at approximately 75 and enplanements average some 50,000 per year. In March, Dornier 228-200 regional flights are started from Maseru to Johannesburg, Manzini, and Maputo.

Managing Director Smit resigns in early 1988 and the fleet is altered by the removal of the FH-227, which is replaced by a second of the German-made turboprops. The FH-227 is leased to **Air Botswana (Pty.), Ltd.** in April and, in May, Acting Managing Director Duke Moroosi gives up his position and returns to his previous post of operations manager. He is succeeded by Q. Molapo.

In April 1989, the governments of India and Lesotho sign an agreement under which **Air India** provides training for the carrier's flight deck crews and cabin attendants. During the first nine months of the year, enplanements total 47,378.

Michael MacDonough is named managing director in 1990 and the Dorniers are withdrawn and replaced by another DHC-6-300. The

FH-227 is sold in 1991 and the fleet in 1992 includes 1 F.27-600 and 2 DHC-6-300s.

Operations continue in 1993–1996. Domestic destinations visited during these years include Leba Keng, Lesobeng, Letete, Matebeng, Matsaile, Qacha's Nek, Semongkong, and Sehonghong. The company also flies to Manzini and, in cooperation with **South African Airways (Pty.), Ltd.**, to Johannesburg.

The company is privatized in September 1997 and an 80% stake is sold to South African-based **Rossair Executive Air Charter (Pty.), Ltd.** Frequencies are maintained until February 1999 when, after suffering huge financial losses, it is shut down.

AIR LIBAN (LIGNES AERIENNES LIBANAISES, S.A.L.): Lebanon (1945–1965). **Compagnie Generale de Transports (CGT)** is formed at Beirut late in 1945 with **Air France** as majority shareholder. Using French-made Junkers Ju-52/3ms, the company begins service in summer 1946 to several Mideast destinations. Although it retains a management contract, private interests buy out the French flag carrier's control in 1948. That year, monthly flights are undertaken from Beirut to Dakar and Lagos.

Operations continue without incident until July 25, 1950. On that date, a company Douglas DC-3 with 28 passengers accidentally crosses the border into Israeli territory, near the Sea of Galilee N of Rosh Pinna. The transport is intercepted by a patrolling Israeli Air Force Supermarine Spitfire, which opens fire. Bullets slam into the Douglas, killing the radio operator and a passenger. The plane is able to zigzag its way back across the border, forcing the IAF fighter to break off its pursuit. Government officials will claim that the flight was 3 mi. N of the border in Lebanese territory when it was assaulted.

CGT is renamed **Lignes Aeriennes Libanaises (Air Liban)** in 1951 and its fleet and route network are upgraded by the addition of several Sud-Est SE-161 Languedocs. The addition of Douglas DC-4s in 1954 allows the introduction of scheduled services to West Africa as well as a new line from Beirut to Paris, via Rome.

Toward decade's end, the carrier is reequipped with DC-6s, including a DC-6B purchased before its delivery to **Trans-Caribbean Airways**. In September 1959, Air Liban refuses a \$10-million purchase offer from **Pan American World Airways (1).**

A chartered Avro 685 York C.1 with four crew fails its takeoff from Tehran on May 27, 1960, and makes a forced landing; although the aircraft must be written off, there are no fatalities.

In 1962, Sheikh Najib Alamuddin begins campaigning for the amalgamation of all Lebanese airlines into a single national carrier. In March 1963, Air Liban enters into a joint agreement with **Lebanese International Airlines, S.A.L.** and **Middle East Airlines, S.A.L. (1).** With **Air France** retaining a 20% interest, the associates operate under joint schedules and merge the operations of their aircraft. Air Liban is fully subsumed by 1965 and the amalgamated carrier continues operations as **Middle East Airlines, S.A.L. (2).**

AIR LIBERIA (LIBERIAN NATIONAL AIRLINES): Liberia (1974–1990). Under the management guidance of **Hughes Airwest**, Liberian National Airlines (also known as Air Liberia) acquires and merges with **Ducor Air Transport/Datco Airlines** in 1974. The fleet of 2 Fokker F.27s, 2 DC-3s, 3 Britten-Norman BN-2 Islanders, 3 Cessna 334s, 1 Cessna 185, 1 DHC-2 Beaver, and 1 Piper PA-34 Seneca commence service over the predecessor's domestic routes while inaugurating the airline's first international flights to Freetown and Abidjan. Enplanements total 11,800.

Ticketing services are expanded in 1975 into neighboring countries and additional new personnel receive training.

While on its takeoff roll from Robertsfield, Liberia, on April 19, a DC-3, with 25 passengers, suffers a flat tire, which causes it to veer off the runway, losing its main landing gear and coming to rest in a field; there are no serious injuries.

A fleet standardization program results in the disposal of the F.27s, DC-3s, Cessna 334s, the Cessna 185, the DHC-2, and the Piper Seneca.

Lack of capacity, in turn, forces the passenger boarding total to drop to 5,200.

The association with **Hughes Airwest** is severed in 1976 and a new three-year contract for management services is signed with **British Caledonian Airways, Ltd.** in March. Three Britten-Norman BN-2A Trislanders join the fleet while additional aircraft are evaluated. The employee populations stands at 129 and passenger traffic soars 67.5% to 15,822. Freight is also up by 9% to 22,000 FTKs.

Between 1977 and 1978, President/General Manager Leonard J. Crosbie of BCAL has a fleet comprising 1 Hawker Siddeley HS-748, 2 Trislanders, and 3 Islanders, supported by a workforce of 122. Services are maintained to Greenville, Zwedru, and Harper.

Scheduled international service is abandoned in 1979-1989 in favor of passenger and cargo charters and the maintenance of domestic services. At home, the route network grows to include 12 destinations and the fleet is realigned to comprise 1 BN-2A, 3 BN-2As, 1 Cessna 402, 2 Cessna 337s, and 2 CASA C-212s.

A chartered HS 748-2A, with 3 crew and 6 passengers, suffers an engine failure on its climb away from Khartoum on April 16, 1983; while attempting to return, the plane crashes 4 km. S of the town (8 dead).

Enplanements average some 65,000 per year and airline employment remains around 200. The world economic situation bring staggering losses. In 1990, the airline stops flying.

AIR LIBERTE (COMPAGNIE AIR LIBERTE, S.A.): 67 Rue de Monthlery, Rungis, 94533, Rungis Cedex, France; Phone 33 (1) 49 79 23 33; Fax 33 (1) 49 79 89 34; <http://www.air-liberte.fr>; Code VD; Year Founded 1987. Air Liberte, S.A. is organized by "Group A" in July 1987 to offer charter and inclusive-tour flights to holiday destinations in southern Europe and the Mediterranean. Shareholding is divided between the insurance concern GMF and the tour operators Nouvelles Frontieres, Go Voyage, and Club Aquarius.

The flamboyant Lotfi Belhassine is named chairman and president. After acquiring a leased Airbus Industrie A300B4-622R, flights are launched in April 1988 from the base at Paris (ORY) to Saint-Denis de la Reunion, Port-de-France, and Pointe-à-Pitre.

The fleet is expanded in 1989 to comprise the A300B4-622R, 1 leased A310-324, and 5 chartered McDonnell Douglas MD-83s. Enplanements for the year total 527,600.

Airline employment stands at 465 in 1990 as a sixth MD-83 and an second A300B4-622R arrives. The associate company **Air Liberte Tunisie, S.A.** is formed and while orders are placed for two replacements for itself, the French carrier subleases two MD-83s to the new Tunisian airline. Air Liberte's passenger boardings shoot up 32% to 696,600

In March 1991, the parent company, Club Aquarius, is taken over by the French holiday group Club Mediterranee and its air charter subsidiary, **Minerve, S.A.** The two requested MD-83s are received under lease, as the French government grants authority for the carrier to initiate scheduled services in June from Paris to Rome and Montreal.

In August, a management contract is signed with **Sierra Leone National Airways, Ltd.** Under terms of the agreement, the French carrier will pay off \$20 million in debt incurred under the previous Sierra management of **Royal Jordanian Airlines** executives in order to allow the company to operate to London and a number of European capitals. Employing an Airbus A310-324 chartered from **Air Liberte**, weekly service is inaugurated by SLNA to Paris on October 26; the frequency becomes twice weekly on December 20.

In 1992, a new scheduled service is introduced to Montreal by the A310-324. Later in the year, an MD-83 is subleased to **Air Aruba**. During the fall, the French courts reverse an attempt to downsize the carrier's workforce. The workers will receive no salary increases the following year and will, in fact, take reductions.

Airline employment in 1993 stands at 600 and the fleet now includes two A300B4-622Rs, 1 A310-324, and 8 MD-83s, 2 of which remain chartered to **Air Liberte Tunisie, S.A.** The Montreal frequency is maintained while flights are undertaken from Paris to Saint-Denis de la Reunion, Fort-de-France, and Pointe-à-Pitre. Enplanements for the year total 835,000 and fiscal losses are suffered: \$2 million (operating) and \$3.5 million (net).

The workforce is increased by 18.2% in 1994 to 650 and MD-83 scheduled service is inaugurated on January 29 from Paris (ORY) to Oporto and Lisbon. In April, orders are placed for 5 Fokker 70s.

Later in the year, scheduled flights are also initiated to London (LGW) and Bangkok. Plans are made to add a pair of Douglas DC-10-30 and merger discussions are held with **AOM French Airlines, S.A.** parent Credit Lyonnais. Late in the year, 3 DC-10-30s arrive under charter from **Finnair O/Y**.

While landing at Kajaani, Finland, after a November 3 service from Monastir, Tunisia, an MD-83, with 7 crew and 164 passengers, makes a hard landing, during which the left wing strikes the ground. Although the aircraft is damaged, no injuries are reported.

Also in November, a two-tier wage scale is introduced for newly hired pilots and cabin crew.

Passenger boardings jump 16.7% to 1 million and revenues accelerate 12.5% to \$180 million. Expenses are up 9.3% to \$177 million and, as a result, there are profits: \$3 million (operating) and \$2 million (net).

The number of employees grows by 32.3% in 1995 to 860. As a result of pressure from European Union officials for France to open Orly Airport, the company during the first week of January inaugurates return \$100-roundtrip service from that Paris facility to Toulouse. As part of the new service, the company unveils a new fixed-price annual tariff for frequent travelers.

Air Inter, S.A., which had previously flown the route as a monopoly, reacts with fares of \$49, which leads to a fare war, the first in French domestic history. Air Liberte Chairman/CEO Lotfi Belhassine files suit against the state competitor in the Paris Court and in the European Court of Justice charging predatory fare practices. **TAT European Airlines, S.A.** intensifies the price war when it begins flying the route in March.

A code-sharing compact is now signed with **Air France** under which the regional will fly replacement services with a newly delivered Fokker 100 and the first Fokker 70 when it enters service toward the end of April.

Not only does the company expand in France, but undertakes international growth as well. In late April, a \$32.6-million arrangement is concluded with **Finnair O/Y** under which the French line will lease all four of the major's Douglas DC-10-30s and inaugurate flights to Reunion Island in the Indian Ocean and the Caribbean during the upcoming holiday season. The first wide-body is received in mid-June, with two more following in October and November.

In September, a code-sharing agreement is signed with the French independent **Euralair, S.A.**; under its provisions, the two will jointly operate roundtrip service from Paris to Toulouse.

During the second week of October, the financial company Air Invest, S.A. is formed; the venture-capital concern has 10 equal partners, including the ILFC. The following week, Chairman/CEO Belhassine, with the backing of the new Air Invest, presents an unsolicited merger offer to competing **AOM French Airlines, S.A.** It is not accepted.

By the end of November, all four Fokker 70s are in **Air France** replacement service. In December, the company joins with **AOM French Airlines, S.A.** in cutting the return service fare between Paris (ORY) and Nice to \$138, a 50% reduction.

In the year to October 31, revenues total FFfr 1.7 billion and allow a net gain of FFfr 13 million (\$2.6 million). The latter amount will represent the last profit for some time.

Customer bookings accelerate 44.4% to 1,010,500 and a net \$2.5-million profit is posted.

The French domestic market is fully deregulated on January 1, 1996. During the first few months of the year, a total of 23 new routes will be

started by Air Liberte from Paris, as the airline shifts some of its operations from Orly Airport to Charles de Gaulle International Airport. A former **Euralair, S.A.** A310-221 is chartered in January from International Lease Finance Corporation (ILFC) for a year.

During January and February, five routes are launched from Nice—to Paris (ORY), Strasbourg, Lille, Toulouse, and Bordeaux. In March and April, flights begin from Paris (ORY) to Biarritz, Toulon, Pau, Perpignan, and Mulhouse. A B-737-210C is added to the fleet in April.

Route starts continue in May and early June, with frequencies added from Paris (ORY) to Lyon, Nantes, Brest, and Grenoble. The fourth **Finnair O/Y** DC-10-30 is received in early June.

The Credit Lyonnais subsidiary CDR, in something of a surprise move, dismisses Marc Rochet, chairman of rival **AOM French Airlines, S.A.** during the second week of June. He is succeeded by Euralair Group CEO Alexandre Couvellaire, who is given a mandate to conclude a merger with Air Liberte.

On July 14, the company launches a code-sharing agreement with AOM that also includes a variety of other partnership arrangements. The two independents begin to coordinate their programs, linking their frequent flyer programs and undertaking dual-designator frequencies over their domestic routes. They also coordinate schedules and long-haul operations to the French Caribbean.

The financially troubled company is placed into receivership on September 26 and its chartered Douglas wide-bodies are returned to Finland. Debts amounting to FFfr 650 million have been incurred since January, bringing total debt to FFfr 1.5 billion.

Given six months by the Creteil bankruptcy court (located at Orly where Air Liberte is based) to develop a workable reorganization plan, Chairman Belhassine promises to write a recovery program by the end of October, at which time \$120-million in fiscal year losses must be reported. At this point, 30 pilots are laid off and all pursers are downgraded to flight attendant status.

Following further exploration into the company's finances during the first week of October, the Creteil bankruptcy court determines that Air Liberte's fiscal situation is worse than was originally reported. Even though a number of unprofitable routes are now cut, the court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, **Air France** expresses interest. Under European Commission restrictions against acquisition of other carriers during the time of its \$4-billion state bailout, it appears unlikely that the independent will go to the major.

Other companies expressing an interest include **AOM French Airlines, S.A.**, which has been seeking a merger, along with **British Airways, Ltd. (2)**, **Virgin Atlantic Express, Ltd.**, **TAT European Airlines, S.A.**, and **Corsair, S.A.**, the in-house airline of France's largest tour operator, Nouvelles Frontieres. Seeking to protect the interest of its TAT subsidiary, BA CEO Robert Ayling complains to the European Commission that AOM should not be allowed to seek ownership as it, too, is up for sale as the result of restructuring plans announced in the wake of a 1995 state-aid package to its parent, Credit Lyonnais.

With **AOM French Airlines, S.A.** and **Air France** out of the picture, two airlines, Nouvelles Frontieres, and a group of private investors submit offerings for Air Liberte, S.A. to the Creteil court on October 14.

The weakest offering is made by an unnamed French pilot acting on behalf of a group of private investors; no details are provided. **Virgin Atlantic Express, Ltd.**'s offering, for which details are also not provided, is not, as company officials put it, "fully compliant with the court's requirements."

Nouvelles Frontieres notes that it has partners in the Rivaud Bank and **Royal Air Maroc, S.A.** who would be willing to take over Air Liberte (including its \$300-million debt) and make it profitable within 18 months. It would also make an offer to acquire **AOM French Airlines, S.A.** The two independents would be merged with its own in-house car-

rier, **Corsair, S.A.**, to create a major independent airline that could then compete with **Air France**.

Working together, **British Airways, Ltd. (2)** and **TAT European Airlines, S.A.** agree on a three-year plan for Air Liberte, S.A. TAT Chairman/CEO Marc Rochet is tasked to manage the offering on behalf of the British major.

In addition to an initial payment of \$5 million for AL's assets, the BA/TAT plan would essentially retain the airline's fleet and routes, concluding a code-sharing agreement for routes now flown in competition and pledging not to begin new routes that overlap. French management would be maintained, 1,250 employees would be hired, and the British would make a major capital investment. The company would be reformed into the new French carrier Societe Nouvelle Air Liberte, S.A.

During the last week of October, Banque Rivaud and Nouvelles Frontieres abandon their efforts to take over **Air Liberte, S.A.**; Rivaud throws its support behind **British Airways, Ltd. (2)**, with the two pledging to invest \$124 million in the ailing French independent. BA would hold 70% interest with the remaining 30% stake held by Rivaud. Meanwhile, **Virgin Atlantic Express, Ltd.** is joined by a number of unnamed investors in presenting an alternative to the French bankruptcy court handling the case; the court extends the deadline for its decision from October 30 to November 5.

Virgin Atlantic Express, Ltd. does not submit a bid and, on the fifth day of November, the Creteil court accepts the BA/Rivaud joint offering to acquire Air Liberte. Under terms of the agreement, which will become final on December 15, TAT Chairman/CEO Rochet will assume the same post at Air Liberte. He will be joined by other TAT officials, as well as BA Investment and Joint Ventures Department Head Warren Tucker. No immediate plans to merge the carriers are announced; however, schedules will be coordinated and flight operations will be streamlined. Air Liberte's recently suspended routes to Africa and Canada will not be restarted and those to Portugal and Tunisia are to be dropped.

Beginning on November 18, the two companies undertake revised and coordinated flight schedules, including code-sharing on the 18 daily flights they offer from Paris (ORY) to Toulouse, which is the only route over which they had directly competed. From the Paris hub, two more daily frequencies are initiated to Nice and Bordeaux.

Although the acquisition of the company is scheduled for completion on December 15, paperwork complexities will force a delay into the new year.

Enplanements for Air Liberte and its soon-to-be sister **TAT European Airlines, S.A.** total 4.5 million. A FFfr 1-billion (US\$181-million) loss is reported; the figure will later be adjusted to \$250 million.

On January 4, 1997, the Creteil court officially approves the **British Airways, Ltd. (2)** purchase of a 67% stake in Air Liberte, with the remainder held by Banque Rivaud. **TAT European Airlines, S.A.** Chairman Rochet is also confirmed as chairman of Air Liberte's board of directors. He, in turn, brings in a new management team, including several executives from **TAT European Airlines, S.A.** and others from outside the group. Rochet divides his time between the old and new carriers.

French government permission is simultaneously acquired by the British major to take over complete control and to integrate AL's operations into those of its other French franchise partner, **TAT European Airlines, S.A.**

The carrier emerges from bankruptcy on January 9 and, by February, has settled with its major domestic and overseas creditors, including ILFC. With FFfr 1.5 billion (\$274.2 million) in long-term debts, the carrier offers creditors either immediate cash payments of 20 cents on a dollar or 100% repayment spread over a decade. Two-thirds of the carrier's creditors choose the long-term payout.

TAT and Air Liberte, under a substantial code-sharing agreement signed at the end of March, begin to more deeply integrate their services as of April 1, the day on which the process of liberalization within the European civil aviation industry is completed. At this point, Chairman Rochet demands that the working conditions of TAT pilots be cut to the level of their Air Liberte opposite numbers.

It is also required that pilots from both lines perform to the European Union legal limits for flight and duty time. Believing this to be unsafe, flight crews from TAT and Air Liberte, with support from the European Cockpit Association, walk out on indefinite strike on April 9. Flight crews at other airlines facing similar difficulties offer support; on April 24–25, pilots at **TAP Air Portugal, S.A.** declare a 48-hour strike. The work stoppages will continue off and on for over a month.

The leases on all 4 of the **Finnair O/Y** DC-10-30s are extended; however, 1 aircraft is, on May 1, subchartered to **Garuda Indonesia** for 10 weeks for Hadj flights. The process of amalgamation continues throughout the spring, summer, and into the fall, with the combined carrier based at Rungis, near Paris (ORY). On July 1, the associate company **Air Liberte Tunisie, S.A.** is renamed **Nouvelair Tunisie, S.A.**

Plans are made to withdraw all B-737s and F28s, replacing them with Fokker 100s that are out on lease. On September 25, a code-sharing partnership agreement is reached with **Regional Airlines, S.A.** On October 1, the two carriers launch dual-designator services over seven domestic routes: Saint-Brieuc–Paris (ORY), Brest–Bordeaux, Metz–Bordeaux, Lille–Bordeaux, Toulouse–Lyon, and Marseilles–Lyon. The arrangement also provides Air Liberte passengers with seamless access to Spain, via the Regional Airlines mini-hub at Bordeaux.

A strategic agreement is signed on October 13 with **American Airlines**; 27 French cities are to be opened to AA passengers via Orly Airport as soon as a new France–U.S. bilateral air agreement is ratified. Late in the month, feeder pacts are entered into with **Air Toulouse International, S.A.**, **Flandre Air, S.A.**, and **Air Normandie, S.A.** These compacts, together with the **Regional Airlines, S.A.** arrangement, will assist the company to compete in the French market with the 3,000 weekly flights provided by **Air France**; 2,000 services will become quickly available.

Although legalization of the merger is not complete, the company trade name is no longer employed after November 1.

In December, the carrier opens a secondary hub at Bordeaux and prepares to inaugurate flights to Madrid, Barcelona, and Lisbon. Enplanements total 3.6 million. A \$125-million loss is reported on operating revenues of \$660 million.

Air Liberte, S.A. completes integration of **TAT European Airlines, S.A.** on March 15, 1998 and sets its sights on achieving a position as the nation's second largest domestic carrier behind **Air France**. A new homepage on the World Wide Web is unveiled.

Chairman Rochet continues to pursue a 27% cost reduction plan, which will be fully implemented by summer. Additionally, service to Canada, Asia, and Africa is withdrawn and plans are made to rationalize the fleet. All MD-83s and Fokker 100s will be replaced with advanced medium-range aircraft of a type to be determined.

In an effort to attract passengers who usually travel by train, the airline, on March 17, introduces a \$34 one-way domestic companion fare; the sole condition of purchase is that an additional ticket be purchased no earlier than 24 hours prior to departure.

Company pilots go on strike on July 1 to protest corporate plans to cut salaries and institute a two-tier wage structure. Flights are sporadic, with many cancellations.

Once the job action is resolved, service is resumed in an orderly fashion. Destinations visited include Annecy, Bordeaux, Brest, Brive, Carcassonne, Figari, Lyon, Marseilles, Metz/Nancy, Montpellier, Mulhouse, Nantes, Nice, Poitiers, Rodez, Strasbourg, Toulon, Toulouse, La Rochelle, Lille, Paris (ORY), Perpignan, and Tours.

Thrice-daily MD-83 return service is started on August 1 from Paris (ORY) to London (LHR); the flights replace those offered earlier by **British Airways, Ltd. (2)**.

On October 6, the company unveils its involvement in parent BA's multicolored tail program. The first scheme entitled "La Pyramide du Louvre" appears on an MD-83, while an F-100 bears "L'esprit Liberte."

With the beginning of the fall schedule, new routes are opened to Cork, Epinal, Fort de France, Pointe-à-Pitre, St. Denis de la Reunion, St. Lucia, and St. Martin.

American Airlines places its AA code on Air Liberte domestic flights on November 4. Passengers traveling on American to and from the U.S. are able to transfer at Paris (ORY) to Air Liberte's services to Bordeaux, Montpellier, Nice, Perpignan, Strasbourg, Toulon, and Toulouse.

A code-sharing arrangement is entered into with the new French regional **Air Open Sky, S.A.**, which begins scheduled operations in December. Employing the first of four Avions de Transport Regional ATR42-320s to be delivered, the company launches revenue flights from Brive to Paris (ORY) and from Metz to Marseilles and Nice.

At the end of the month, a franchise agreement is signed with **Flandre Air, S.A.**; under the accord, the BA affiliate will assume control over the 18-aircraft fleet and the routes of this code-sharing partner.

Flights continue in 1999. Seeking an improvement in general working conditions, as well as an extra holiday for pilots flying short- and medium-haul routes, the company's pilots stage a three-hour strike on August 20.

Although traffic and revenue figures are reported with those of **British Airways, Ltd. (2)**, it is widely understood that the company has lost almost \$38 million on revenues of approximately \$528 million.

Service between Paris (ORY) and Strasbourg ends on March 26, 2000.

Never having enjoyed French market success even after a £60 million investment, **British Airways, Ltd.**, negotiates during the first quarter to sell its 86% stake in the loss-making Air Liberte subsidiary. French unions protest the proposed sale with a one-day strike on April 21 that forces the carrier to cancel three-quarters of its 180 daily flights.

On May 5, BA sells its 86% stake for FFfr 457 million (£47 million) to Taitbout Antibes, B.V., a **Swissair, A.G.** affiliate that is owned by the French investment houses of Alpha Group and Marine Wendel. Taitbout is already joined with SAirGroup in the total ownership of **AOM French Airlines, S.A.** with the two also holding 66% of **Air Littoral, Ltd.** Plans are announced for a merger of the three into a single carrier that can offer domestic French competition for **Air France**.

For its part, BA requests that the "World Image" tailfin livery on Air Liberte's aircraft be removed, along with the "Speed Marque" (ribbon), as soon as possible. It also announces an end next March to the Air Liberte contract for service from Toulouse and Bordeaux to London (LGW).

While preparing for departure from Paris (CDG) to Madrid on May 25, a company MD-80 returning 154 Spanish football fans home from the European Cup Final, is involved in a runway incursion accident with a Streamline Aviation Shorts 360 freighter. Although no injuries are reported aboard the jetliner, its wing smashes into the cockpit of the turbo-prop, killing its copilot.

Work toward the merger of Air Liberte, AOM, and Air Littoral later in the year moves ahead in June, even in the face of stiff union resistance. AOM President Alexandre Couvelaire is tapped to head the new, but (as yet) unnamed entity within the framework of the "Qualifyer" group. Ownership plans are put into place for a new airline holding company, Participations Aeronautiques, to be held by SAirGroup (49%) and Taitbout Antibes, B.V. (51%).

At the end of July, SAirGroup President/CEO Philippe Bruggisser announces creation of a "Conseil de Surveillance," a revised management structure for the airlines that are about to be merged. Chaired by Alexandre Couvelaire, the body's executive management will be headed by Paul Reutlinger, current **Sabena (Belgian World Airlines, S.A.)** CEO, who will move to Paris to guide the fusion of the three into one, but will also become vice chair of the Belgian airline's board of directors.

Merger approval for creation of the new airline is sought from the European Commission and is granted on August 1. The process of creating a single French carrier comes unglued at month's end as SAirGroup CEO Bruggisser announces that not one, but two companies will be formed. One, comprised of elements of Air Liberte and Air Littoral, will be created at Nice and operate all aircraft up to the size of Fokker 70s. Meanwhile, AOM will be left as the second, intact entity at Paris (ORY) to operate all jetliners of 100 seats or more. The revised idea will be put to the French unions for approval, hopefully by October.

During late summer, arrangements are completed to lease 4 McDonnell Douglas MD-82s from **Safair (Pty.), Ltd.**, all of which will be in service by the end of the year.

On September 4, the carrier begins operating an MD-82 painted in the new "L'Esprit Liberte" color scheme, the livery chosen to replace on an interim-basis the BA-inspired paint previously worn.

Labor problems and integration concerns prove a significant complication CEO Reutlinger admits in a September 18 interview with *Aviation Daily*; completion of arrangements may not be completed for a year.

AIR LIBERTE TUNISIE, S.A.: Tunisia (1989–1996). With 60% shareholding held by the Tunisian government, ALT is formed at Tunis/Belvedere in November 1989 as a charter associate of the French holiday airline **Air Liberte, S.A.**

Under the chairmanship of Aziz Milad, General Manager Siaheddine Kastalli leases a pair of McDonnell Douglas MD-83s from Air Liberte in 1990 and assembles a workforce of 169 employees based at the resort of Monastir. Revenue operations begin on October 5 to seven European destinations: Birmingham, Brussels, Cagliari, London, Milan, Turin, and Vienna.

Flights continue apace in 1991 and, in 1992–1994, the fleet still includes 2 MD-83s leased from the parent. During the latter year, Chairman Aziz Milad oversees a workforce of 150. After a largely uneventful 1995, the company is renamed **Novelair Tunisie, S.A.** on July 1, 1996.

AIR LIFT ASSOCIATES: United States (1979–1990). John Hoffman forms a scheduled air taxi division of his Air Lift Associates at Raleigh-Durham Airport, Morrisville, North Carolina, in 1979 to offer scheduled daily passenger flights to Wilmington, Raleigh/Durham, and Rocky Mountain. Under the name **Air Lift Commuter**, Hoffman's pilots commence roundtrip revenue flights in the spring with 2 Piper PA-31-350 Navajo Chieftains.

Operations continue apace in the 1980s; airline employment in 1985–1986 stands at 15.

During its takeoff from Wilmington, North Carolina, on April 23, 1987, a Swearingen Metro freighter, with two crew, suffers an uncontained engine failure that causes the aircraft to crash into trees near the runway; both crewmen are killed and the plane is destroyed.

In 1988, the fleet is altered by the addition of 2 Beech King Air 90s and service is inaugurated to Newburn. The national recession begins to impact the carrier in 1989.

Economic hard times bring disaster for the small regional, which is forced to shut its doors in 1990.

AIR LIMOUSIN, S.A. (1). See **AIR ALPES, S.A.**

AIR LIMOUSIN, S.A. (2): France (1978–1989). The second Air Limousin is formed at Aeroport de Limoges-Bellegarde in September 1978; principal owner Joel Blais becomes chairman/managing director. Thirteen employees are hired during the fall and a fleet is assembled comprising 1 de Havilland Canada DHC-6 Twin Otter, 1 Beech 99, and 1 Cessna 401. Scheduled services are inaugurated on January 1, 1979 linking the company base at Limoges with Brive, Perigueux, and Bergerac.

During the next five years, destinations on the route network in southern and western France are added: Agen, Tulle, Ajaccio, Lyons, Nantes, and Nice, although Ajaccio is a summer-only stop. All of these communities are visited on behalf of **TAT (Touraine Air Transport, S.A.)**. The fleet is enhanced by the addition of 3 Nord 262s.

In 1986, managing director Blais adds 2 more Nord 262s and enplanements reach 64,904. Aurillac, Paris, and Marseilles join the route network in 1987; during the year, the Beech 99 is withdrawn and replaced by a Beech Super King Air 200. Another pair of Super King Air 200s join the fleet in 1988, but more important is the receipt of 2 SAAB SF340Bs, acquired for the airline by the local chamber of commerce.

Toulouse and Angers become company markets in early 1989 as Managing Director Blais radically changes his fleet. Gone is all of the

Beech equipment, replaced by 6 Fairchild Metro IIIs. All of this expansion and airliner acquisition proves fatally expensive in a recessionary economy. Following several failed rescue attempts, the carrier is forced into bankruptcy.

AIR LINCOLN: United States (1982). Linda Pendleton sets up Air Lincoln at Chicago (MDW) in the first quarter of 1982 to offer scheduled passenger and cargo services to Detroit (DDT) via Grand Rapids and Kalamazoo. Anticipating growth, orders are placed for six Piper T-1020s.

Employing two available Piper PA-31-350 Navajo Chieftains, the small regional inaugurates daily roundtrips on April 26, maintaining them only until October 18.

AIR LINES OF KUBAN (ALK KUBAN AIRLINES): Krasnodar Airport, Krasnodar, Southern Zone, 350026, Russia; Phone 7 (8612) 321 935; Fax 7 (8612) 321 935; Code GW; Year Founded 1932. Originally set up in 1932 as a division of Aeroflot Soviet Airlines, this carrier is partially privatized in 1992. Ownership is divided between the Southern Regional Management of Federal Aviation Service of the Russian Federation (51%) and ALK workers (49%). Ivan R. Babichev is director general and his mission of providing scheduled and charter passenger and cargo services throughout the Russian Federation and beyond continues.

By 2000, the largely short-haul fleet includes 10 Antonov An-24s, 6 An-26s, 1 Tupolev Tu-154M, 12 Yakelov Yak-42s, and 3 Let L-410s. Orders are outstanding for 35 Tu-204s.

Destinations visited include Adler/Sochi, Ekaterinburg, Gelendzik, Gyumri, Kazan, Kirovograd, Krasnodar, Mariupol, Mineralnye Vody, Moscow, Naberevnye Chelny, Nefteyugansk, Nizhnevartovsk, Norilsk, Odessa, Saratov, Surgut, Tashkent, Ufa, Volgograd, Voronezh, and Yerevan.

AIR LINK: United States (1981–1984). Founded at Fort Collins, Colorado, in January 1981, this new commuter entrant purchases **Fort Collins Flying Service**. With a workforce of 29 and a fleet comprising 2 Cessna 207s and 2 Piper PA-31-350 Navajo Chieftains, the company undertakes scheduled service to Denver on the basis of 14 weekday and 12 weekend flights. Late in the year, a Britten-Norman BN-2 Islander is purchased to meet traffic demands. Enplanements total 10,737.

Early in 1982, the Pipers are diverted to open a new route from Fort Collins to Craig via Steamboat Springs and Hayden. A Fairchild-Swearingen Metro II is acquired and employed during the summer to inaugurate return flights from Denver to Vernal, Utah.

Operations cease in 1984.

AIR LINK AIRLINE, S.A.: Brazil (1992–1995). Air Link is established by Roger Foster at Natal in 1992 to offer regional passenger and cargo services. A workforce of 20 is assembled and revenue flights commence with a fleet of 3 Fairchild Metro IIIs, 1 Avions de Transport Regional ATR42-300, and 5 Piper PA-31-310 Navajos.

A second ATR42-300 arrives in 1993 and operations continue in 1994. Operations cease in 1995.

AIR LINK INTERNATIONAL AIRWAYS: Air Link Building, Domestic Road, Pasay City, 1300, Philippines; Phone 632 833 3891; Fax 632 833 3891; Code DR; Year Founded 1983. This flight school is opened at Pasay City on October 10, 1983. To help bring in additional income, charter flights begin in the spring of 1984. A large maintenance service will also be started.

By 2000, the company employs 200. Flights, both educational and business, are operated with 2 Beech Travel Air 95s, 1 Beech B-80 Queen Air, and 1 Cessna 414.

AIR LINKS, LTD.: United Kingdom (1958–1965). Denis Martin registers Air Links, Ltd. as an airline company at London on April 21, 1958. With capitalization of £100, the company offers no services. In May

1959, a DC-3 is purchased from **Aer Lingus Irish Airlines**; refurbished, it is placed in revenue service on July 22. A variety of ad hoc charters are undertaken during the remainder of the year to such destinations as Dublin, Dusseldorf, Paris, Manchester, Pisa, and Jersey.

In 1960, the Douglas transport is leased by **Skyways Coach-Air, Ltd.** to fly some of its Lympe-Beauvais frequencies. At the same time, long distance charters are also undertaken, on behalf of **British European Airways Corporation (BEA)** from London to Dusseldorf, employing a DC-3 leased briefly from **Autair, Ltd.**

Early in 1961, an office is opened at Leeds Airport. Destinations for holiday charters this year increase; new offerings include Basel, Dinard, Le Havre, Le Touquet, Nice, and Vichy. A second DC-3 is purchased on July 4. Replacement flights are again undertaken for **Skyways Coach-Air, Ltd.**

Ad hoc and inclusive-tour flights continue in 1962 with Corfu added as a new destination. *Hecuba* and *Hector*, two Handley Page HP-81 Hermes 4s, are purchased from failed **Air Safaris, Ltd.** beginning in August. Formerly owned by the **British Overseas Airways Corporation (BOAC)**, one is employed for spare parts and the other is refurbished. A DC-3 is sold in October. The upgraded Hermes 4 *Hecuba* is delivered to the company base at London (LGW) on December 7 and is placed in service on December 21, flying a subcharter on behalf of **British United Airways, Ltd.** to Dusseldorf. It is the only existing Hermes 4 in flying condition.

Technical difficulties plague the Hermes 4 during January and February 1963 and the aircraft is not without fault until February 28, when it undertakes an Air Ministry contract flight to West Germany. The last DC-3 is sold to **Tyne Tees Airways, Ltd.** in April. Inclusive-tour services and ad hoc charters are again provided, often on behalf of other carriers. Enplanements for the year total 13,993.

On January 27, 1964, an ex-**British Overseas Airways Corporation (BOAC)** Canadair C-4 Argonaut is purchased from **Flying Enterprise, Ltd.**; refurbished, it is placed in service on April 28 on a charter to Ostend from London (LGW). During the year, the aircraft flies inclusive-tour operations while the Hermes 4 undertakes long-range charters to such destinations as Amsterdam, Manchester, Marseilles, Milan, and Brindisi.

Another C-4 Argonaut is purchased from the Royal Rhodesian Air Force (RRAF) and begins company service on August 15 with a charter flight to Algiers. Ministry of Defense contract flights to Gibraltar and Hanover are also flown. Two more RRAF Argonauts are acquired in July and August and added to the fleet. The final Hermes 4 revenue flight in airline history is completed on December 13, after which the aircraft is withdrawn and scrapped. Eighteen Southend-Amsterdam Argonaut charters are flown at year's end.

Two Bristol Britannia 300s are purchased in May and June 1965 and undergo overhaul. Meanwhile, the company's Argonauts launch the summer inclusive-tour season with new destinations of Bergen, Jersey, Malmo, Naples, Rome, and Malaga. The first Britannia enters service in July, flying a replacement service on behalf of **British United Airways, Ltd.** On August 1, the company officially changes its name to **Trans-globe Airways, Ltd.**

AIR LITHUANIA, A.B. See **LIETUVA AIR COMPANY, A.B.**

AIR LITTORAL, S.A.: 417 Rue Samuel Morse Le Millenaire 2, F-34961 Montpellier Cedex 2, France; Phone (33-46) 720-6720; Fax (33-46) 764-1061; <http://www.airlittoral.com>; Code FU; Year Founded 1976. This regional carrier is formed at Montpellier-Frejorgues Airport in spring 1976 to offer scheduled international commuter services to points in southern France, Spain, and Italy. Employing a fleet of 4 Embraer EMB-110P2 Bandeirantes, the first of the Brazilian aircraft flown by a European operator, flights are inaugurated to Clermont-Ferrand and Nice.

Between 1977 and 1981, a domestic route network is built up linking Montpellier with Perpignan, Lyon, Nice, and Bordeaux and Lyon with Pau and Biarritz. International service is offered from Nice to Milan and

from Perpignan to Valencia. The fleet grows to include 2 Nord 262s and 4 Embraer EMB-110P2s.

Passenger boardings in 1981 total 49,000.

In 1982-1983, as additional regional services are undertaken on behalf of **Air France**, enplanements rise to 60,000 in 1982 and 76,800 in 1983. Total revenues received during the latter year are FFfr 60 million. An additional EMB-110P2 is added to the fleet in 1984 as one Nord 262 is retired. Orders are placed for the Avions de Transport Regional ATR42.

Passenger bookings soar 28% to 98,300 and revenues accelerate to FFfr 62 million.

The first of two ordered ATR42-200s is delivered on November 13, 1985 and the carrier agrees to operate them on regional replacement service on behalf of **Air France**; the flights begin in January 1986. Chairman Robert Da Ros's fleet now also receives its first Embraer EMB-120 Brasilia. The route network now includes stops at Barcelona, Beziers, Biarritz, Bordeaux, Grenoble, Lyon, Marseilles, Milan, Montpellier, Nice, Paris, Pau, Pise, Perpignan, and Venice. While on final approach to Bordeaux on a December 21, 1987 service from Brussels, an EMB-120RT with 3 crew and 13 passengers hits a line of trees in the fog and crashes 1,500 m. short of the runway; there are no survivors.

Enplanements for the year total 314,000.

In 1988, the company is reformed and merged with **Compagnie Aérienne du Languedoc, S.A.**, also based at Montpellier; a 35% interest is taken by **KLM (Royal Dutch Airlines, N.V.)** and a third ATR42-200 is acquired.

Flight 440, a Swearingen Metro II with 2 crew and 2 passengers, fails its takeoff from Montluçon for a November 18 service to Paris (ORY) and crashes 600 m. beyond the end of the runway; there are no survivors.

In 1989, General Manager Dominique Leonardon increases his fleet, adding 7 Brasilias, 2 ATR42-200s, and 6 Fairchild Metro IIs. Requests are made to KLM for the lease of up to 6 Fokker 100s.

Passenger boardings jump 8.8% to 375,962 and freight traffic is ahead by 15.6% to 12.2 million FTKs.

Marc Dufour becomes general manager of the 160-employee firm in 1990 as M. Leonardon takes the post of corporate planning director; the fleet is altered once again. Gone are all but 1 each of the Nord and EMB-110s, replaced by 2 more EMB-120s and 3 Fokker 100s, the latter leased from **KLM (Royal Dutch Airlines, N.V.)**.

Plans are made for a new European regional network and on June 17, Air Littoral begins operating daily EMB-120 return flights on behalf of **KLM (Royal Dutch Airlines, N.V.)** from Marseilles, Toulouse, and Bordeaux to Amsterdam.

Also in June, daily flights are opened from Bordeaux and Lyon to Manchester, England. During late summer, **KLM (Royal Dutch Airlines, N.V.)** increases its shareholding to 49%. Customer bookings move ahead by 11.7% to 420,000 and revenues increase 34% to \$97 million.

The fleet in 1991 includes 5 leased ATR42-300s, 1 EMB-110P2, 9 chartered EMB-120 Brasilias, 3 leased Fokker 100s, 1 Nord 262A, and 5 leased Metro IIs. Orders are outstanding for 2 ATR72s. As one of the conditions of the **Air France** takeover of **UTA French Airlines, S.A.**, the flag carrier is forced to hand over several of its regional routes to other French carriers.

Routes awarded to the regional in January are Paris (CDG) to Amsterdam, Belfast, Dublin, Florence, Manchester, and Newcastle; Marseilles to Lisbon and Madrid; Montpellier to Brussels; Nice to Dublin and Manchester; and Toulouse to Oporto. Rights to fly from Montpellier to Madrid are also received.

Passenger boardings jump 14.3% to 480,000 and revenues total \$110 million. The operating loss is \$18 million.

Airline employment stands at 860 in 1992. The first ATR72-202 is added in the spring and three Metro IIs are restored. New services are started from London (STN) to Montpellier and Biarritz and from Bordeaux to Manchester. An austerity program is put in place by the **KLM Royal Dutch Airlines, N.V.** management team; however, due largely to the French line's inability to expand, the Dutch flag carrier sours on its ownership participation and elects to end its commitment.

Before that, however, KLM arranges for Air Littoral to fly additional wet-leased Fokker 100s on its French-speaking routes, four in March and six in October. On November 20, KLM sells its stock to a **Euralair, S.A.** subsidiary, Compagnie Francaise d'Investissements Aeronautiques (CIFA). It agrees, however, to continue its wet lease of the Fokkers for the next 17 months.

Customer bookings slide downward by 2.2% to 448,011 and cargo drops 22% to 98,000 FTKs. Revenues jump up to \$126 million and a net \$17.2-million loss is posted.

Airline employment in 1993 stands at 859, a 23.4% decline, as Marc Dufour becomes the carrier's new president. A second ATR72-202 is delivered in May. Services are maintained between London (STN) and Biarritz/Montpellier and from Bordeaux to Manchester. Two Canadair RJ100s are delivered in October and enter service in November. One provides replacement services for **Air France** throughout Europe while the other operates between Paris and Beziers on behalf of **Air Inter, S.A.**

Passenger boardings plunge another 18.3% to 365,945. Revenues fall to \$116.3 million and there is a \$516,000-net profit.

Orders are placed in January 1994 for 1 Fokker 100 and 5 Fokker 70s. Six Fokker 100s on wet lease from **KLM (Royal Dutch Airlines, N.V.)** are returned to the Dutch flag carrier on April 1. The first of four new Canadair CRJ200 Regional Jets ordered in the spring are placed into service during December.

The Fokker 100 ordered 14 months earlier is delivered in March 1995 along with the second Canadair CRJ; they are followed in April by the first Fokker 70. Two more Canadairs arrive by summer.

When the "Air France-Air Inter Express" program is established during the fall, Air Littoral becomes a code-sharing partner, agreeing in exchange for subsidy to repaint its aircraft and to fly medium- and low-density domestic or regional routes for the Air France Groupe. Painted in modified "Air France Express" livery, the new Fokker 70s are employed to inaugurate 30 weekly return frequencies between Paris and London (LCY). Orders are now placed for 15 ATR42-512s.

Control of the company is purchased by Air France Groupe during the first quarter of 1996. The first ATR42-512 is delivered in early May; it displays a novel white, red, yellow, and blue color scheme. A new hub is launched at Nice during the early summer. The first of 3 Canadair CRJ100ERs joins the fleet in July.

Just prior to the inauguration of the fall schedule in October, the subsidiary Air Littoral Riviera, S.A. is created to takeover the company's Nice operations. Service is launched by the new unit to Barcelona, Genoa, Naples, and Rome employing the parent's wet-leased aircraft.

Enplanements reach 1.6 million, 30% of which figure is transported on "Air France Express" flights. A \$1.5-million profit is reported on operating revenues of \$170 million.

The leased fleet in 1997 includes 3 CRJ100ERs, 2 ATR42-300s, 10 ATR42-512s, 9 CRJ200s, 8 EMB-120s, 6 Beech 1900Cs, 5 Fokker 70s, and 1 Fokker 100. During the first quarter, an order is signed for 7 more RJ200s, with options for a further 5.

On June 1, a strategic franchise alliance is entered into with **Deutsche Lufthansa, A.G.** Under terms of the agreement, the companies link their frequent flyer programs and undertake joint marketing, customer, and ground support services. The regional will represent the German major in 29 French markets while Lufthansa will become general sales agent for Air Littoral in Germany, Italy, and Spain. The partnership also contains financing provisions that could allow Lufthansa to acquire up to a 15% stake and a clause under which the Germans become committed to assisting in the completion of the Air Littoral hub at Nice.

Coming into Florence on July 30 after a service from Nice, Flight 701, an ATR42-512 with 3 crew and 14 passengers lands long, skids off the runway, and comes to rest with its nose against highway A11 (1 dead).

The strategic agreement with Lufthansa becomes a full code-sharing partnership in September. Meanwhile, Air Littoral's previous arrangement with **Air France** withers during the summer as the major comes to rely upon its new franchise partner **Brit Air, S.A.**, which, in effect, becomes the French flag carrier's regional feeder from Paris (CDG) in October.

Enplanements for the year total 1.06 million. On sales of FFfr 1.5 billion, the carrier suffers a FFfr 80-million (\$15-million) loss.

Flights continue apace in 1998. The fleet now includes 14 ATR42-512s, 6 Beech 1900s, 13 Canadairs, 2 Embraer EMB-120s, 5 Fokker 70s, and 1 Fokker 100.

Late in the third week of September, SAirGroup purchases a 44% state in Air Littoral, which will now become a member of the **Swissair, A.G.**-led "Qualiflyer" alliance. In order to comply with European Union regulations, the commuter's controlling shareholder, the MSC holding company, retains the majority interest and Air Littoral retains management control.

The acquisition is of concern to **Air France**, which has an important hub in Nice, where Air Littoral is now the second largest carrier. The code-share with **Deutsche Lufthansa, A.G.** between Nice and six German destinations is also threatened. Swissair requests that Air Littoral, which maintains management control, abandon its Lufthansa link, but the regional does not, at least initially, comply.

Passenger boardings total 1.07 million.

Airline employment at the beginning of 1999 stands at 1,365.

Enplanements for the year total 2.1 million and revenues of \$340 million are generated.

As 2000 begins, the company is 66% owned by Taitbout Antibes, B.V. and SAirGroup, parent of **Swissair, A.G.**

In a surprise January action, the Corsican Regional Assembly cancels its public service tender for a link from Ajaccio, Calvi, and Bastilla to Marseilles and Nice. The carrier's \$30.8-million bid to operate the services with ATRs and Fokker 100s is thus not considered and **Corse Mediterranee, S.A.** remains the sole operator on routes to the island from southern France.

Under a contract with Air Littoral, the British company **Atlantic Airlines, Ltd.** stations an L-188AF at Marseilles in February to operate nightly Air Littoral Express mail and parcel roundtrips to Paris (CDG).

A code-sharing agreement is signed with **Sabena Belgian World Airlines, S.A.** on February 18; under its terms, the major places its code on all Air Littoral services except those from Nice to Geneva and Marseilles to Zurich. Air Littoral will shortly begin dual-designator flights with Sabena on the Belgian carrier's flights from Brussels to both Marseilles and Nice.

On February 22, daily CRJ roundtrips are initiated between Marseilles and Venice.

In May, plans are announced to merge Air Littoral with **AOM French Airlines, Ltd.**, which had been taken over by the two investors the previous August, and **Air Liberte, S.A.** purchased from **British Airways, Ltd.** on May 5. The new combine will then compete with **Air France** over French domestic routes.

Work toward the merger of Air Liberte, AOM, and Air Littoral later in the year moves ahead in June, even in the face of stiff union resistance. AOM President Alexandre Couvelaire is tapped to head the new, but (as yet) unnamed entity within the framework of the "Qualiflyer" group. Ownership plans are put into place for a new airline holding company, Participations Aeronautiques, to be held by SAirGroup (49%) and Taitbout Antibes, B.V. (51%). Merger approval sought from the European Commission is granted on August 1.

At the end of July, SAirGroup President/CEO Philippe Bruggisser announces creation of a "Conseil de Surveillance," a revised management structure for the airlines that are about to be merged. Chaired by Alexandre Couvelaire, the body's executive management will be headed by Paul Reutlinger, current **Sabena (Belgian World Airlines, S.A.)** CEO, who will move to Paris to guide the fusion of the three into one, but will also become vice chair of the Belgian airline's board of directors.

Merger approval for creation of the new airline is sought from the European Commission and is granted on August 1. The process of creating a single French carrier comes unglued at month's end as SAirGroup CEO Bruggisser announces that not one, but two companies will be formed. One, comprised of elements of Air Liberte and Air Littoral, will be created at Nice and operate all aircraft up to the size of Fokker 70s.

Meanwhile, AOM will be left as the second entity, intact at Paris (ORY) to operate all jetliners of 100 seats or more. The revised idea is put to the French unions for approval, hopefully by October.

In a September 18 interview with *Aviation Daily*, CEO Reutlinger admits that labor problems and integration concerns prove a significant complication. Completion of arrangements may not be completed for a year.

AIR LITTORAL RIVIERA, S.A. See AIR LITTORAL, S.A.

AIR LIVONIA, LTD.: Tallinn, Estonia; Year Founded 1999. The only domestic scheduled airline in Estonia, Air Livonia is established at the capital city in the fall of 1999. Flights to local destinations commence and continue with a single brightly liveried PZL Mielec (license-built Antonov) An-28.

AIR LOGISTICS: 1915 Donald Ave., Fairbanks, Alaska 99706, United States; Phone (907) 452-1197; Fax (907) 452-4539; Year Founded 1973. Air Logistics and its **Air Logistics of Alaska (2)** subsidiary are established in April 1973 as the principal subsidiaries of Offshore Logistics' new Aviation Services Division to provide passenger and cargo charters in the Gulf of Mexico and in Alaska in support of the energy interest. The main corporate base is at Lafayette, Louisiana, while **Air Logistics of Alaska (2)** flies from bases at Anchorage and Fairbanks.

Operations continue apace throughout the 1970s, with Offshore's founder Burt H. Keenan continuing as chairman/president, with David O. Smith, vice president and general manager of the aerial section. On February 27, 1979, Air Logistics accepts delivery of the first fully certified IFR production model Sikorsky S-76 Spirit.

In 1980, a Heliflight Systems, Inc. facility is opened at Conroe, Texas. Airline employment reaches 1,268 in June 1981. With the onset of a decline in the Gulf oil industry sets in during 1982, the company begins to reduce its employment rolls and revise its fleet structure. Revenues for the year reach \$11 million.

In the next three years, the company fleet grows to include a large variety of both fixed- and rotary-wing aircraft. Among the former are 4 CASA C-212 Aviocars, plus Piper PA-31-350 Navajo Chieftains, PA-34 Senecas, Cessna 404 Titans, and Britten-Norman BN-2 Islanders. The 150-unit helicopter component includes 65 Bell 206B JetRangers, 25 Bell 206L LongRangers, 14 Bell 212s, 4 Bell 412s, 4 Bell 222s, 16 Sikorsky S-76 Spirits, 15 Aerospatiale AS-355s, AS-365 Dauphins, and Hughes 500s.

In 1983, the company acquires a one-quarter interest in Cairo-based **Petroleum Air Services**. Air Logistics personnel are sent to Egypt to provide operational, maintenance, and management assistance; its pilots and mechanics assist the partner's fleet of 11 Bell 212s, 6 Bell 206L LongRangers, 2 Bell 206B JetRangers, and 5 de Havilland Canada DHC-7s in their support of the oil industry offshore in the Gulf of Suez. Income falls to \$6 million.

In 1984, the company begins trading its stock on the NASDAQ exchange. A technical service contract is now signed with Mexico's **Heliservicio Campeche, S.A.** to provide maintenance and training assistance; 49% minority control will later be assumed.

During its takeoff from Whittier, Alaska, on June 14, a Bell 206L LongRanger with 3 passengers loses engine power and descends into marshy terrain. Although no one is injured, the craft must be written off.

During the year, a Bell 212 is leased to the **CAAC (Civil Aviation Administration of China)** and a minority interest is acquired in **Helicopteros Andes, S.A.** of Chile. The company suffers a \$35-million loss on the year.

Airline employment in January 1985 stands at 700 and the fleet now includes 50 Bell 206Bs, 35 Bell 206Ls, 14 Bell 212s, 4 Bell 412s, 3 Bell 205s, 2 Bell 214STs, 1 Sikorsky S-222, 23 S-76s, and 15 Aerospatiale TwinStars. The number of Aviocars is reduced to 2 and the fixed-wing component also includes 2 Cessna Titans, 2 Piper Navajos, and 2 Piper Cessna Conquests.

On January 5, 1986 an S-76A, with 1 pilot and 5 passengers, is rolled over by a high wind while deplaning passengers on a moving barge at Grand Isle BL73 in the Gulf of Mexico; three persons are killed and the others are injured, two seriously.

In the fall, a Bell 412 comes down in the same area injuring two passengers. Marine operations in Canada are discontinued and the decline in the oil industry brings reduced demand for company services in international offshore markets.

Parent Offshore Logistics completes a restructuring of all of its long-term loan and lease agreements on December 31, at which point James B. Clement becomes president/CEO. Gross revenues for the year total \$14.8 million.

In January 1987, the company averages 175 helicopters active in offshore support roles. Just after takeoff from an offshore oil platform at Matagorda 665 in the Gulf of Mexico on February 5, a Bell 206L LongRanger, with 1 pilot and 3 passengers, crashes into the sea; the helicopter sinks. A shrimp boat arrives in about 30-40 min. and all occupants of the helicopter are retrieved; three are badly injured and the pilot and one passenger later die.

The company now completes its reorganization and, in September, **Pumpkin Air** and its 32 helicopters is taken over at a purchase price of \$10.05 million. Gross revenues reach \$15.3 million and net gain is \$2.9 million following \$1.5 million in debt forgiveness occasioned by the reorganization.

In January 1988, Wimpey Marine, Ltd. in England is acquired for \$11.17 million in cash, installment notes, and assumption of liabilities; it will be renamed OLOG Marine, Ltd. The Offshore Logistics, Inc. parent is now incorporated in Delaware as successor to the company of the same name founded in April 1969.

As the Gulf support market improves slightly, the carrier announces a 7% rate increase on September 1. Late in the year, 3 MBB BO-105 helicopters are delivered and 100 aircraft are active in offshore support roles, a figure that dramatically represents the downturn in the oil business over the past year. The parent, Offshore Logistics, reports gross income of \$71.7 million for the year.

Airline employment in 1989 stands at 768. At the Paris Air Show, company officials discuss a joint venture operation with executives from Louisiana-based **Helikopter Services, A.S.** On July 11, while flying in clear weather approximately two miles offshore from Galveston, Texas, a company Bell 206L LongRanger collides midair with a **Petroleum Helicopters, Inc. (PHI)** Aerospatiale AS-350D; both pilots are killed in the crash.

A new Bell 412SP is delivered late in the month and, in August, a \$35-million order is placed by Offshore Logistics for 31 Bell 206L-3 LongRangers. In October, the Gulf Coast helicopter operation of **Omni-flight** is taken over at a cost of \$2.6 million in cash and assumption of lease obligations and other liabilities valued at \$3.8 million. The arrangement increases the Air Logistics fleet by 18 aircraft.

Howard Wolf is chairman in 1990, with J. B. Clement as president/CEO. With the energy business making a slight recovery, the average number of aircraft active in offshore support roles grows to 128. **HS Logistics, Inc.** is formed in February as a joint venture with **Helikopter Services, A.S. (HS)** of Norway; each company holds a 50% stake in the new operator, which is based at Lafayette, Louisiana. The new joint activity is announced during the Helicopter Association International's Heli Expo '90 at Dallas, Texas. In October, the parent's Marine Division is sold to Gulf Applied Technologies for \$17.2 million.

Under contract for the Shell Oil subsidiary Pecten, **HS Logistics** helicopters, a Bell 212 (leased from Air Logistics) and two Bell 214Bs (chartered from **Helikopter Services, A.S.**), commence offshore support flights in Papua New Guinea in February 1991. The former ship is American registered and the latter two Norwegian. At the same time, **HS Logistics** places an AS-332L Super Puma in service to two oil rigs in the Bay of Bengal under contract to Amoco.

On April 6, an **HS Logistics** Bell 212, leased from Air Logistics, begins flying offshore support missions for Pecten at Trinidad. Two more

Bell 212s chartered from the American **HS Logistics** partner are dispatched to Kuwait in July on a two-year medevac contract.

In February **1992**, Offshore Logistics General Manager Harris Albert announces that Air Logistics has redeemed the stock in **HS Logistics** held by **Helikopter Service, A.S.**, primarily because of work for the partnership's larger helicopters outside of the North Sea. The joint venture becomes a wholly owned subsidiary of the American firm. The ongoing contracts of **HS Logistics** in Brazil and Trinidad will be completed by Air Logistics machines under that company's direction.

In July, PPI-Seahawk Services is taken over by Offshore Logistics and through it, an agreement is signed with Noble Drilling Corporation for 50% shareholding in Seahawk. The new acquisition provides platform and production management services.

During the fall, the company is contracted to provide helicopter support services throughout the Gulf of Mexico on behalf of The Coastal Corporation and its subsidiary, ANR Pipeline Company. The new obligation is satisfied by the use of 8 Eurocopter AS-355 TwinStars, 1 Bell 412, and 1 Bell 206L-3 LongRanger.

The workforce totals 619 in **1993** and the fleet includes 162 aircraft, of which 150 are owned. In April-July, Offshore Logistics acquires the production management firm Grasso Corporation. Offshore Logistics now also holds minority interest in several other rotary-wing operators, including **Petroleum Air Service, Ltd.** of Egypt (25%), **Hemiscope International, S.A.** of Panama (49%), **Heliflight Services of Texas** (49%), and **Heliservicio Campeche S.A.** of Mexico (49%).

Operations continue apace in **1994**. On April 15, the oil industry production management firm Grasso Corp, in which Offshore Logistics already holds 27.5% shareholding, becomes a 100%-owned subsidiary.

L. Michael Rizk is general manager in **1995** and his fleet now includes 2 JetRangers, 3 LongRangers, 2 Bell 412s, and 2 MBB BO-105s.

Since 1990, the company has flown in excess of 600,000 flight hours with an accident rate of less than one accident per 100,000 flight hours annually. That record now takes a turn for the worse.

En route to Vermilion Bay, Louisiana, from an offshore platform on February 14, a Bell 206L LongRanger with five passengers crashes 12 miles out to sea in bad weather. Search and rescue efforts are hampered until February 19, at which point pieces of the helicopter and four bodies are recovered. The fifth occupant is not located.

While attempting to land on an offshore site on May 2, another LongRanger, with three passengers, crashes into the platform's edge and falls into the sea (one dead).

In June, Offshore Logistics parent president Clement becomes both group chairman and CEO.

The number of BO-105s is doubled in **1996**. Flights continue from five Louisiana bases: Venice, Fourchon, Houma, Patterson, and Intracoastal. When on the night of October 18-19 a semisubmersible breaks away from its tow, an S-76 crew helps to evacuate oil workers from an oil platform in the Gulf of Mexico.

On March 29, a letter of intent for purchase of up to a 49.9% stake in Redhill, Surrey, England-based **Bristow Helicopters, Ltd.** is signed by Offshore Logistics. The arrangement, concluded with an investment syndicate led by London's Morgan Grenfeld Development Capital, Ltd., will include a strategic alliance. Longtime Bristow Managing Director Bryan Collins, who is due to retire on April 1, agrees to stay on in an advisory capacity for the next two years. Until a new CEO is appointed, CFO Stephen Palframan is named deputy managing director.

While en route to an oil platform 90 nm offshore of Sabine Pass, Texas, in the Gulf of Mexico on June 21, a BO-105 with four passengers disappears. After a four-day search, the USCG finds the machine's wreckage in 134 ft. of water, 60 mi. SE of Galveston; there are no survivors.

With approval from the British Civil Aviation Authority, Offshore Logistics converts its letter into a purchase by mid-November. The cost is \$300 million cash, plus 1.37 million shares of stock and assumption of Bristow's \$145-million debt. In terms of annual revenues, the combined company is second in size only to Helikopter Service Group of Norway.

As a result of the Bristow transaction, Offshore Logistics in January **1997** issues \$87.5 million of 6% convertible subordinated notes due in 2003. A \$38-million, five-year contract is received from the U.S. government at month's end and, under its terms, the company on February 7 begins to provide flight services in support of the Mineral Management Service of the Department of Interior and Gulf of Mexico activities of the U.S. Coast Guard.

While en route on June 1 from the company base at Intracoastal City for Chenier, a Bell 206B JetRanger collides with a Houston Helicopters Bell 206L LongRanger, which is en route from Abbeville to an offshore oil platform in the Gulf of Mexico. Both helicopters plunge into the water and the Houston pilot is killed.

In September, company pilots vote to unionize. Despite a growing increase in the value of the company's stock, Offshore Chairman/CEO Clement resigns on October 9. He is succeeded by Louis F. Crane, a board member with 10-year's experience. Chief Financial Officer George Small is elected the group's new president.

Flights continue in **1998-1999**. On August 10 of the latter year, a BO-105S is badly damaged when it collides with an unmanned Bell 206 on an offshore platform in the Gulf of Mexico. The pilot and three passengers are not injured.

In July 2000, the company joins with Bristow Helicopters, Ltd. to form the joint venture United Helicopter Maintenance to offer technical services for rotary- and fixed-wing operators worldwide. UHM branches will be housed at the main bases of both companies.

AIR LOGISTICS OF ALASKA (1): United States (1980-1981). Leslie Bays establishes this small commuter at Bethel in **1980** to operate as an affiliate of **Wien Air Alaska**. Scheduled revenue flights are introduced linking the company base with local destinations. Unable to achieve economic viability, the airline closes its doors in **1981**.

AIR LOGISTICS OF ALASKA (2). See **AIR LOGISTICS**

AIR LOWVELD (PTY.), LTD.: South Africa (1970-1978). Created to provide commuter service in the Transvaal Province of South Africa, this concern launches scheduled flights from Johannesburg's Jan Smuts Airport on September 7, **1971**. Initial frequencies are offered with 2 Piper PA-31-350 Navajo Chieftains to Durban, Mkuze, and Nelspruit.

Two Beech 99As are acquired in the fall of **1972**, flying roundtrips from Durban to Nelspruit.

Although flights continue apace in **1973-1976**, the operator is unable to maintain its viability against steadily increasing expenses. In March **1978**, it is sold as part of a three-way merger with **Avna Airways (Pty.), Ltd.** and **Mafeking Aviation Services** that results in the creation of Johannesburg-based **Magnum Airlines (Pty.), Ltd.**

AIR LUTON, LTD.: Luton International Airport, 77 Colwell Rise, Luton, Bedfordshire, England, LU2 9TJ, United Kingdom; Phone 44 (0) 1582 72449; Fax 44 (0) 1582 72449; Year Founded 1986. Initially established by Brian W. Hewison as an aircraft maintenance concern in **1986**, Air Luton establishes an all-cargo charter division late in **1997**. The unit acquires 1 each Boeing 707-320C, Fokker F.27-500, and Shorts 330, which launch worldwide, U.K., and European revenue services on January 1, **1998** from bases at Luton, plus London (STN) and Ostend, in Belgium.

AIR LUXOR, S.A.: Luxor Plaza, Av. Da Republica No. 101, Lisbon, 1050-190, Portugal; Phone 21 (351) 781-6267; Fax 21 (351) 847-1328; <http://www.airluxor.com>; Code LXR; Year Founded 1983. Air Luxor is set up at Lisbon's airport in **1983** to offer executive passenger, air express, cargo, air taxi, and air ambulance service to domestic and regional destinations. By **1994**, Paulo Mirpuri is managing director and oversees the flights of 1 each Dassault Falcon 50, Falcon 20, Cessna 500 Citation I, Cessna 501 Citation I/SP, Learjet 35A Century 3, Eurocopter AS-335F Twinstar, SA-341 Gazelle, and SA-365 Dauphin.

Flights continue in **1995–1997**. During January **1998**, an Antonov An-12B is leased from **Air Sofia** for use as a mail plane. Loaded with 3 tons of mail, the Russian-made turboprop fails its takeoff from Lajes AFB in the Azores for Lisbon on February 4 and crashes 80 m from the runway. All seven crewmen are killed.

The company operates a route between Lisbon and Toronto employing a Lockheed L-1011-500 TriStar 1 leased from **TAP-Air Portugal, S.A.**, and on May 3 takes over the service and flies it on its own.

During the remainder of the decade, the TriStar also regularly operates long-haul charters to Montreal, Cancún, Punta Cana, Varadero, and, on occasion, to Miami. At the dawn of the new millennium, Mirpuri Group Chairman Dr. Paulo Mirpuri arranges to charter 4 Airbus Industrie A320-200s from GATX Capital Corporation.

The first A320-212 is received at the end of March **2000** and introduces the company's new corporate makeover and color scheme. At the start of April, it begins holiday flights from Lisbon to Faro and Madeira. Upon arrival, the other three join it in also flying to Palma and Las Palmas in the Spanish Canary Islands.

AIR MACAU COMPANY, LTD.: P.O. Box 1910, Av. Prada Grande 693, Tah Wah Building, 9-12 FL., Andar, Macau; Phone 853 396-6888; Fax 853 396-6866; <http://www.airmacau.com.mo>; Code NX; Year Founded 1994. Air Macau is set up at Andar, Macau, in September **1994** as the sole-designated carrier of the Portuguese colony for the next quarter century. Shareholding worth \$50 million in start-up capital is divided between China National Aviation Corporation, an arm of **CAAC (Civil Aviation Administration of China)** (51%), SEAP Servicos, Administracao e Participacoes, Limitada (25%), the colonial government (5%), and private investors. Wong Guixang is chairman with Dr. Leonel Miranda as president and David Young as CEO.

Displeased with limitations imposed by the company's executive committee, CEO Young resigns on January 9, **1995**, taking with him the company's new maintenance manager, Dick Cross, and the communications manager, Peter Marks. **Singapore Airlines, Ltd.** veteran Ng Kian Wah is appointed chief operating officer as Young's replacement.

During the spring, a workforce of 269 is recruited. Orders are placed with the International Lease Finance Corporation (ILFC) for the charter of two Airbus Industrie A320-232s. Painted in red-and-purple, the tail art depicts both a lotus flower and a dove of peace. The first jetliner is delivered in early November and is employed on November 9—the day the new Macau Airport opens—to inaugurate scheduled passenger and cargo services to Bangkok, Beijing, and Shanghai. The second Airbus is handed over in December, allowing frequencies to start to Kao-hsiung and Taipei.

During the year's last month, the new entrant hauls 22,398 passengers and 175,000 FTKs. Operating revenues total \$3.04 million, but start-up costs push expenses to \$8.04 million. The losses that follow (\$5 million operating and \$5 million net) are anticipated.

Airline employment grows by 50% in **1996** to 408 and two A321-131s are leased from ILFC, with one each arriving in January and April. Xiamen is visited for the first time in January. Code-sharing begins with **EVA Air, Ltd.** in August over a route from Macau to Kao-hsiung.

When Flight 662, an A320-232 from Macau, lands at Kaohsiung on October 30 more than 12 hours late, its passengers, in what is known as "passenger piracy," refuse to leave the aircraft and stage a 2-hour sit-in, during which they demand a roundtrip ticket good for another service between the two cities and a cash payout of \$280 per person. The carrier, unlike others caught in this situation, refuses to accommodate the demands and police eventually disperse the angry customers.

Enplanements for the first full year total 664,460 and 9 million FTKs are operated. Although revenues are \$84.15 million, costs total \$93.6 million. Consequently, there are losses: \$9.45 million (operating) and \$6.39 million (net).

The workforce is boosted 17.2% in **1997** to 478. The first of two ILFC-provided A321-131s to be delivered this year arrives from France during February; the second will arrive in April. New service begins to addi-

tional Chinese destinations in the spring, including Qingdao (March), Haikou, and Wuhan (May). Twice-weekly scheduled return flights to Manila commence on July 21 and, also during the summer, charters are inaugurated from Macau to Osaka (KIX) and plans are made to launch scheduled routes in 1998 to Singapore, Seoul, and Kuala Lumpur.

A total of 89 weekly frequencies are flown by the airline from Macau; 32 transport passengers from Taiwan and, indeed, 65% of all travelers arriving at Macau by air come from the Nationalist Chinese island. Toward the end of the year, an order is placed for an A320.

Customer bookings shoot up 48.9% to 989,623 while cargo traffic rises 35.1% to 12 million FTKs. Revenues advance 58.6% to \$133.32 million while costs jump 37.3% to \$127.67 million. The operating profit reaches \$5.65 million and there is a net gain of \$9.89 million.

An A320-231 arrives in April **1998** under a seven-year lease from ILFC. Plans are made to initiate flights by fall to additional Chinese communities, as well as Singapore, Phnom Penh, and Kuala Lumpur.

On October 11, a twice-weekly, one-way A320-232 charter service sponsored by five Ningbo companies is inaugurated from Ningbo to Kao-hsiung via Macau.

Passenger boardings jump 14.4% to 1.13 million, while freight traffic surges 30.5% to 15.69 million FTKs.

Airline employment is increased 6.9% in **1999** to 511. The first purchased A321-231 is delivered on February 5.

Under terms of a new code-sharing agreement, the carrier, together with **Myanmar Airways International, Ltd.**, launches thrice-weekly roundtrips between Macao and Yangon on March 13.

The fourth anniversary is celebrated in November. Twice-weekly A320-232 roundtrips begin on November 5 from Macau to Guilin, China. On November 15, twice-weekly roundtrips are initiated from Macao to Seoul.

A route is stretched to Kunming.

Customer bookings jump 12.5% to 1,274,000 while cargo rises 14.9% to 18.08 million FTKs. Revenues shoot up 15.4% to \$142.75 million, while costs dip 0.8% to \$138.52 million. The previous year's losses now become profits: \$4.23 million (operating) and \$6.42 million (net).

The company workforce is unchanged through the first half of **2000**.

AIR MADAGASCAR (SOCIETE NATIONALE MALGACHE DE TRANSPORTS AERIENS, S.A.): BP 437, 31 Ave. de l'Indépendance, Antananarivo 101, Madagascar; Phone 261 (2) 222 22; Fax 261 (2) 257 28; <http://www.air-mad.com>; Code MD; Year Founded 1947. Air Madagascar is formed by the French carrier **Compagnie de Transports Aériens Intercontinentaux, S.A. (TAI)** and **Air France** in March **1947** to provide feed to their existing routes through the island colony. **Air France** provides two Douglas DC-3s, which join a fleet of 6 de Havilland DH 89A Dragon Rapides in opening revenue flights from Antananarivo.

A decade later, in **1957**, TAI acquires a major financial stake in the carrier and a third DC-3 enters service in **1958**. Madagascar receives its independence from France on June 26, **1960**.

Air Madagascar is reorganized on January 1, **1961** by the government of the Malagasy Republic and TAI. Shareholding is divided between the Malagasy Republic (39%), TAI (20%), and **Air France** (44%).

The fleet now includes 4 DC-3s, 1 DC-4, 6 DH 89As, and 1 Broussard. Four months later, the company is renamed **Madair, S.A.**

An Antananarivo–Paris route, via Djibouti and Marseilles, is opened on October 20 with a Douglas DC-7C leased from the French partner.

Service is taken over or started to 58 domestic points on January 1, **1962**. The company is again reorganized on October 14, and the Madair name is dropped in favor of the current title.

On July 15, **1963**, a Douglas DC-3, with 4 crew and 8 passengers, crashes on takeoff from Farafangana; there are no survivors.

In August, former **Air Afrique, S.A.** Director Jacques Alexandre is appointed general manager. Arrangements are concluded with **Air France** during October for a new service to Paris. The TAI interest is assumed when that concern is merged to create **UAT French Airlines, S.A.**

Early in **1964**, orders are placed for a B-707 Stratoliner and several Piper and Beech lightplanes. In July, employing a wet-leased **Air France** B-707-328B in Air Madagascar livery, Air Madagascar inaugurates weekly Antananarivo to Paris service via Djibouti and Marseilles. The flights replace those previously offered by the chartered **Air France** DC-7C, which is returned.

During the first and second quarters of **1965**, 2 Beech 18s, 2 Piper PA-23 Aztecs, and 3 PA-28 Cherokees are added to the fleet. A second DC-4 arrives in November and joins the first in flying to the Comoro Islands.

The airline is again reorganized in **1966**, with shareholding again redistributed. Shareholding is divided between **Air France** (38.2%), the government of the Malagasy Republic (30.4%), and the Aeronautical Society of Madagascar (31.2%). A Nord 262 is delivered in August. Adrian Andriantisitohaina is now chairman and employs a workforce of 600.

The new Ivato Airport is opened at Antananarivo on June 23, **1967**. On July 1, DC-4 service is extended to Reunion.

A DC-4, with 3 crew and 39 passengers, touches down 720 m. after takeoff from Antananarivo's new aerodrome on July 19, becomes airborne again, and then, out of control, crashes; there are no survivors.

The remaining DC-4 is employed, beginning on August 6, to offer a weekly roundtrip service to Johannesburg.

In **1968**, the company employs 1,000 workers and possesses a fleet comprising the leased Boeing 707-328B, 1 each DC-4 and Nord 262, 3 DC-3s, 2 Piper PA-31-310 Navajos, 5 Piper PA-23 Aztecs, and 2 Piper PA-28 Cherokees. A replacement DC-4 is delivered in February and orders are placed for 2 B-737-2B2s. An agreement is signed with **South African Airways (Pty.), Ltd. (SAA)**; under its terms, SAA will maintain the new "Baby Boeings."

The first B-737-2B2 is delivered in September **1969** and is christened *Boina*. Following workup and proving flights, the new aircraft begins a weekly return service to Johannesburg on October 15, flying to South Africa on Saturdays and returning on Thursdays. As a way of gaining currency to help pay for the new machine, it is wet-leased to SAA Sundays through Wednesdays for service on South African domestic routes. This arrangement will last for a year.

On February 1, **1970**, Lourenco Marques becomes a stop on the weekly Johannesburg route. The *Boina* replaces DC-4s on the Comoros Island service as of November 1, with another route opened by the aircraft to Tamatave.

Four de Havilland Canada DHC-6-300s are delivered during the second and third quarters of **1971**, allowing the transfer of several DC-3s to the military.

During the first and second quarters of **1972**, the *Boina* inaugurates flights to Diego Suarez, Nosy Be, and Sambava. Badly required by this time, the second B-737, a Dash-2B2A, arrives on December 21; it is christened *Sambirano* and allows retirement of a DC-4. The **Air France** B-707-328B is purchased outright in **1973** and added to the national register.

B-737-2B2 service is initiated on April 1, **1974** to Fort Dauphin, Mananjary, and Tulear. Maurice Rajaofetra becomes director general.

The Nord is withdrawn by **1975** as orders are placed for three Hawker Siddely HS 748s. Another Twin Otter is delivered in May **1976**, while a DC-3 is sold to **Ethiopian Airlines, S.C.** Flights continue apace in **1977** and an order is placed for a Boeing 747-200B in **1978**. **Air France** is contracted to maintain the Jumbojet after its arrival.

The B-747-2B2BC is delivered on January 26, **1979**; christened *Tolom Piavotana*, the fleet flagship inaugurates weekly service in March with a nonstop flight from Antananarivo to Paris. In cooperation with **Air Mauritius, Ltd.**, the company undertakes a joint venture service between Antananarivo and Mauritius.

International destinations now served include Paris, Marseilles, and Rome via Djibouti, while regional flights are made to Nairobi, Dar-es-Salaam, Maputo, the Comoro Islands, Mauritius, Reunion, and the Seychelles. Under a new agreement, royalties are paid to **Kenya Airways, Ltd.** on the Nairobi segment. The first customer for the British Aero-

space BAe (HS) 748 Series 2B, the company takes delivery of the first of three on November 28, **1980**. It is christened *Kandreho*.

Service continues apace in **1981**. A DHC-6-300, with 2 crew and 17 passengers, crashes into a Madagascar mountain on July 24; there are no survivors.

During **1982-1985**, domestic flights are undertaken to some 50 destinations with international service to Johannesburg suspended; regional operations are undertaken to Reunion, Kenya, Mauritius, and the Cameroon Republic.

Airline employment reaches 1,346 and the fleet is altered to include 1 B-747-2B2BC, 1 B-737-2B2, 1 B-737-2B2A, 3 BAe (HS) 748-B2s, 6 DHC-6-300s, 2 Piper PA-31-310s, 2 Piper PA-23s, and 3 Piper PA-28s.

Early in **1986**, the government announces a decision to develop tourism to the island nation. As a result, expansion plans are undertaken for the 1,300-employee carrier, which now joins IATA.

Flights begin to Zurich in July and in October the carrier contracts with **Air Mauritius, Ltd.** for certain consultative services, including the seconding of Lai Sikka to Madagascar as special advisor to the new director general, Rene Rasata Rainiketamanga.

Orders are placed for an Avions de Transport Regional ATR42-320 with which to replace the last remaining BAe (HS) 748-B2s; however, the order will eventually be cancelled due to economic reasons. Enplanements for the year total 356,000.

Passenger boardings decline 3.6% in **1987** to 410,645. Revenues total \$67 million and allow a \$9-million net profit. Guy Ramahay Mandimby is named director general in March **1988**. In September, with financial assistance provided by the European Development Fund, construction begins on a new technical base at Ivato Airport, serving the Madagascan capital of Antananarivo.

The 1,300-employee flag line enjoys mixed traffic results. Customer bookings fall another 5.8% to 386,990, but freight swells 11.2% to 23.4 million FTKs. Income exceeds expenses and profits are generated: \$7.4 million (operating) and \$10.2 million (net).

Airline employment is decreased 0.3% in **1989** to 1,236 and the fleet now includes 1 B-747-2B2BC, 2 B-737-2B2, 1 B-737-2B2A, 2 BAe (HS) 748-B2s, and 4 Twin Otters. Two DHC-6-300s and the smaller propeller equipment are largely withdrawn.

A joint-venture Fokker F.27-200 service is inaugurated with **Air Comores, S.A.**, using the latter's equipment, between Comores and Madagascar.

Passenger boardings drop 9.6% to 349,000, but freight rallies upward by 17.9% to 30 million FTKs. Revenues fall 7.2% to \$84.1 million, the operating profit is \$3.7 million, and net gain drops to \$9.4 million.

A fourth Madagascar-France B-747 service is started by the 1,211-employee airline during **1990** in cooperation with **Air Austral** and **Air France**; the Antananarivo-Reunion route is now also flown in a code-sharing arrangement between the two other carriers. In addition, the new agreement also covers passenger and freight handling services as well as flights by **Air France** to Singapore.

Statistics are only reported through September and show customer bookings of 310,009. In addition, 20.98 million FTKs are flown.

The payroll is cut a slight 0.9% in **1991** to 1,200 and the fleet now includes 5 DHC-6-300 Twin Otters, 2 BAe (HS) 748-B2Fs (one of which is leased to **Ecuato Guinea de Aviacion, S.A.** in Equatorial Guinea), and 1 each B-737-2B2, B-737-2B2A, B-747-2B2B/C, and 1 BAe (HS) 748-B2. The carrier makes its statistics available only for the first four months of the year. These show passenger boardings up 11.7% to 136,267 and freight up 5.9% to 10.72 FTKs.

In addition to its domestic routes, the company in **1992** offers international flights to Paris over two routes: via Djibouti and via Nairobi and Zurich. Regional destinations include Johannesburg, Mauritius, Nairobi, Reunion, and the Comoros Islands, all of which are visited from Antananarivo. Traffic and financial data is not released.

Thirty-seven new employees are hired in **1993** and, in April, a code-sharing arrangement is entered into with **Air Mauritius, Ltd.** and also with **Air Austral, S.A.** The latter provides for partnership on routes

from Antananarivo to Reunion, Singapore, and Mauritius. Through the first half of the year, customer bookings rise 1.6% to 162,714 while freight is up 3.2% to 12.6 million FTKs. Revenues for the whole year total \$95.82 million, the operating profit is \$12.42 million, and net profit finishes at \$8.46 million.

The workforce is cut by 3% in 1994 to 1,200 as the airline suffers an off year in traffic. Through April, passengers boardings are down 5% to 114,157 while cargo declines by 4.2% to 8.32 million FTKs. A quarter later, a B-737-3Q8 is chartered from ILFC and is delivered on September 12. The new aircraft enters service on routes from Antananarivo to the Comoros and Seychelles Islands, Mauritius, Nairobi, and Reunion.

For the whole year, just over half a million people fly with the airline. Operating revenue increases by 4.3% to \$100.12 million, but operating expenses swell 19.8% to \$100.13 million. Consequently, there is an operating loss of \$15,000. Nevertheless, a net profit of \$2.59 million is generated.

Reflecting some improvement in 1995, a total of 66 new employees are hired and Emmanuel Rakotovahiny is appointed director general.

Customer bookings climb 4.4% to 503,233 while freight increases by a healthy 31.9% to 32.3 million FTKs. Although operating revenues are down 2.4% to \$97,704,000, expenses also decline, by 7.6% to \$92,547,000. The operating profit accelerates to \$5,157,000 while net gain jumps to \$3,715,000, later adjusted downward to \$2,268,000.

The workforce is reduced by 1.6% in 1996 to 1,262 and the owned fleet now includes 1 each B-747-2B2BC, B-737-2B2A, and BAe (HS) 748-2B, along with 5 DHC-6-300s and 2 BAe (HS) 748-2BFs, which are leased to **Ecuatorial Guinea de Aviacion, S.A.** A leased B-737-3Q8 is also operated and new routes are opened to Rome and Munich.

Enplanements ascend 6.1% to 565,765 and 30.27 million FTKs are also operated, a 14.2% increase. Operating income falls another 2.1% to \$92.92 million and costs dip 1.4% to \$92.02 million. Operating profit declines to \$903,000 and the net gain is reduced to \$1.94 million.

Airline employment inches up 1.2% in 1997 to 1,277. In addition to 20 domestic markets, the company also undertakes international flights to Djibouti, Kenya, Mauritius, Munich, Paris, Reunion, and South Africa. During the spring, orders are placed with Aero International (Regional) for three used ATR42-320s. The first aircraft is delivered on September 12 and the others within two weeks.

In October, all are placed into service on domestic routes to destinations around the nation. The carrier enters into a process of reorganization, due to be completed by July 1998, which will prepare it for privatization.

With secessionist rebellions raging on the islands of Anjouan and Moheli, the airline in November halts its service to the Comoro Islands.

Passenger traffic continues to rise as bookings increase 6.6% to 609,000 and cargo moves ahead 4.4% to 30.33 million FTKs. Revenues ascend 6.7% to \$96.8 million, while costs climb 7.8% to \$95.72 million and leave a \$1.98-million operating profit.

The workforce is unchanged in 1998 as the reorganization effort continues. Service is launched to Singapore with a chartered B-767-216ER, but cannot prevent a drop in enplanements to 607,000. FTKs slip to 29.53 million. The operating profit is also down, to \$1.1 million.

Airline employment declines to 1,228 at the beginning of 1999.

In an Everett, Washington, ceremony attended by Chairman Nirina Andriamanerasoa on June 22, the carrier takes delivery of a leased B-767-336NER. It will join the first on service from Antananarivo to Paris, Rome, Munich, Johannesburg, and Singapore.

Passenger boardings move ahead by 4.5% to 635,000 while freight grows by 8% to 32.38 million FTKs. Operating revenues fall 12.4% to \$94.07 million, while costs, though down 4.9% still total \$99.52 million. The previous year's operating profit now becomes a \$5.44 million loss.

The workforce stands at 1,276 at the beginning of 2000, a 1.3% increase over the same period a year earlier.

In March, a cooperative agreement is signed with **Air Gabon, S.A., Cameron Airlines, S.A., and Air Afrique, S.A.** Under its terms, the

four will provide joint handling, coordinate schedules, and purchase common equipment.

The B-747-2B2BC *Tolom Piavotana*, the carrier's longtime fleet flagship, is retired at Chateauroux, France, on August 31.

AIR MADEIRA, S.A.: Portugal (1997–1999). With backing from the Portuguese travel group Pestana Hotels, Air Madeira is established by Tonaz Metello at Lisbon, Portugal, in late spring 1997 expressly to operate charter passenger roundtrips to Canada, tapping into the large expatriate Portuguese population there. A former **TAP-Air Portugal, S.A.** Lockheed L-1011-500 TriStar is leased at the end of June and flights commence in July.

Flights continue in 1998–1999, though President Metello's 42-person workforce grows no larger. Early in 1999, Presidnet Metello's 42-employee carrier is renamed **Air Zarco, S.A.**

AIR MAHE, LTD.: Seychelles (1972–1979). **Air Mahe, Ltd.** is formed by John Faulkner Taylor with British assistance in the spring of 1972 to provide scheduled interisland services. Employing a single Piper PA-34 Seneca, Taylor inaugurates air taxi service between Victoria and Praslin on July 1. The Seneca is replaced with a Britten-Norman BN-2 Islander a month later.

A de Havilland DH 89A Dragon Rapide is received in February 1973 and operates until it is replaced by a second Islander in February 1974. The small company now undertakes regularly scheduled twice-weekly flights, which also visit Bird Island.

Both scheduled and charter services are maintained for four more years. Taylor's fleet is increased by the addition of a third Islander, plus a BN-2A Trislander.

In July 1979, the carrier is merged into **Inter-Island Airways** to form **Air Seychelles, Ltd.**

AIR MALAWI, LTD.: P.O. Box 84, Robins Road, Blantyre, Malawi; Phone 265 620 811; Fax 265 620 042; <http://www.africaonline.co.ke/airmalawi>; Code QM; Year Founded 1964. Preparatory to Malawian independence (the country had previously been known as Nyasaland) in 1964, this carrier is formed in March under the management of **Central African Airways Corporation (CAAC)** to provide domestic passenger and cargo services. Philip Howard is appointed chairman, with R. D. "Digby" Hartle as managing director. CAAC provides technical and support services under contract, seconds personnel, and provides a start-up fleet comprising 3 de Havilland Canada DHC-2 Beavers and 2 Douglas DC-3s.

Revenue flights commence on August 1 over a route from Blantyre to Ndola via Salima. In cooperation with **DETA (Divisao de Exploracao des Transportes Aereos, S.A.)** of Mozambique, a service is also inaugurated from Blantyre to Beira. Air Malawi DC-3s operate the route on Saturdays and DETA flies it on Wednesdays.

Service to Mzuzu begins in January 1965. On February 18, DC-3 flights commence from Salisbury, Rhodesia, to Mauritius, via Blantyre, Nampula, and Antananarivo. Service continues apace in 1966.

In association with CAAC, DC-3 all-cargo and express parcel service is initiated between Blantyre and Salisbury on July 21, 1967. Flown via Lilongwe, Mzuzu, and Karonga, the freight operation is the last significant enterprise launched by Air Malawi under auspices of CAAC. The Beavers are replaced on domestic routes by DC-3s.

The decision having been taken to dissolve the consortium airline, CAAC provides Air Malawi with 1 each Vickers Viscount 748, Viscount 754, and Beech 55 Baron.

With the dissolution of CAAC on December 31, Air Malawi becomes fully independent, becoming the national airline. G. T. "Porky" van Rooyen, founder of **South West African Airways (Pty.), Ltd.**, succeeds Digby Hartle as managing director.

Technical support is provided by **British Overseas Airways Corporation (BOAC)** under a newly negotiated contract.

The workforce totals 199 in 1968 and the fleet includes 2 Douglas DC-3s, 1 each Vickers Viscount 748 and 754, and 1 Beech C-55.

Viscount services are inaugurated on April 2 between Blantyre and Johannesburg. The British-made turboprops soon thereafter start flying from Blantyre to Salisbury and from Salisbury to Mauritius via Blantyre and Nampula.

Enplanements for the year total 29,745.

Beginning in 1969 and continuing over the next three years, regional and local services and frequencies are increased as the fleet undergoes standardization that will result in the eventual retirement of the Beech and DC-3s. Two Hawker Siddeley HS-748s are ordered in May, along with 2 Britten Norman BN-2A Islanders.

During the summer, a contract is signed with gold mining interests. Under its terms, the carrier's DC-3s transport in excess of 6,000 miners, in over 100 flights, from local communities to Francistown.

The first Islander is delivered in November, followed by the first HS-748 just before Christmas.

The second HS-748 arrives in January 1970, allowing the sale of the last DC-3 to go forward in March. When the second Islander is delivered in September, the Beech 55 Baron is sold. A British Aircraft Corporation BAC 1-11-207 is chartered for two years from **Zambia Airways Corporation** in November.

BAC 1-11-207 flights to Nairobi commence in April 1971, with flights south to Johannesburg starting during the following month. In September, the company orders a BAC 1-11-489.

The fleet is, in fact, strengthened in 1972 by the addition, in early February, of a wet-leased **British Caledonian Airways, Ltd. (BCAL)** Vickers VC10. The BCAL aircraft, in its owner's colors, begins flying from Blantyre to London (LGW).

The first owned jetliner, a BAC 1-11-489, arrives on February 23. It joins the four Viscounts in providing or upgrading services from Blantyre to various central and southern African destinations, including Johannesburg, Nairobi, Lusaka, and Dar es Salaam. The **Zambia Airways Corporation** BAC is returned in April.

Bookings for the year are 137,108. Enplanements in 1973 reach upward by 9.2% to 151,000.

The employee population is 648 in 1974. A second BAC 1-11, a Dash-479 leased from **Air Pacific, Ltd. (2)**, joins the fleet on July 9. The company now inaugurates or increases flights to Beira, Johannesburg, Lusaka, Mangini, Ndola, Nairobi, Salisbury, and the Seychelles. Blantyre to Manzini HS-748 service is also initiated.

Air Malawi's Vickers VC10, acquired from **British Caledonian Airways, Ltd. (BCAL)**, is delivered on November 27 and enters service on a Blantyre-London (LGW) via Nairobi and Amsterdam return route on December 3. Five days later, the VC10 appears in full Air Malawi livery for the first time.

Freight traffic grows 16% and passenger boardings jump 22% to 170,000.

VC10 service is launched in 1975 to Johannesburg and the Seychelles and in March the former BCAL jet also undertakes a second weekly roundtrip to London. The BAC 1-11-489 replaces company Viscounts on the Mauritius service on April 1. The Blantyre to Manzini service is shut down in October.

Blantyre to Johannesburg service is advanced to thrice weekly on November 1 while the chartered BAC 1-11-479 is returned to **Air Pacific, Ltd. (2)** on November 16.

In the four years after 1976, Chairman A. K. Banda's owned fleet comprises the VC10, 1 BAC 1-11-489, 2 HS 748s, and 2 Britten-Norman BN-2 Islanders; airline employment grows to 800. The company continues to employ chartered BACs for its winter schedules. The first is the BAC 1-11-501 *Isle of Islay*, leased from **British Caledonian Airways, Ltd. (BCAL)** from December 3 to 17, 1977.

The Vickers Viscount 754 is sold to **Air Zimbabwe Corporation** during the spring of 1979. In October, the BAC 1-11-530 *Isle of Raasay* is chartered from BCAL.

The *Isle of Raasay* is returned in April 1980. The carrier now encounters severe traffic and financial difficulties that force grounding of the VC10. The Vickers Viscount 748 is now also sold to **Air Zimbabwe Corporation**.

A BAC 1-11-524 is chartered from **Hapag-Lloyd Flugdienst, GmbH**, on October 30. In addition, 1 Beech King Air C90 and 3 Shorts SC-7 Skyvans are purchased during the fourth quarter.

Enplanements for the year total 101,270.

Enplanements total only 101,483 in 1981 as the impact of the world economic and fuel crises hit home.

The workforce is increased by 6.4% in 1982 to 779. The airline's 2 BAC One-Elevens and 2 HS 748s fly 130,274 passengers, an increase of 22.1%; cargo also increases 22% to 1.61 million FTKs. A net loss of \$389,873 is suffered atop operating losses of \$734,556.

Airline employment is up 8.6% to 846 in 1983. With the opening of the new Kamuzu International Airport at Lilongwe, the company's headquarters and international services are moved to the new facility; the maintenance shops, however, remain at Blantyre.

The world recession continues to be keenly felt as passenger boardings dip 1.9% to 127,845. Figures for cargo are not released. Operating income falls 3.4% to \$11.9 million, but expenses are reduced 8.4%; as a result, the operating loss declines to \$58,160. Unhappily, net loss skyrockets to \$1 million. Bookings decline further in 1984 to 122,707.

On April 1, 1985, the B-747SP-44 *Outeniqua* is leased from **South African Airways (Pty.), Ltd. (SAA)** just for the purpose of providing an executive transport for a state visit to London. Painted by April 12 in Air Malawi colors and given the temporary name of *Mulanje*, the Jumbojet, on April 16, flies President Hastings Banda and his official party from Blantyre to London (LHR) via Amsterdam for a conference. Paying fees all the while, the giant aircraft is parked at the U.K. aerodrome for three weeks until, on May 11, it returns Banda and his party back to their country and is returned to SAA.

During the year, passenger traffic rebounds: boardings are up 20.3% to 154,000. Freight, however, declines 9.02% and a \$3.9-million operating loss is taken, together with a net loss of \$4.9 million.

The workforce is reduced by 10.8% in 1986 to 817 and the fleet includes 1 each BAC 1-11-489 and 1-11-524, 2 British Aerospace BAe (HS) 748-B2s, 1 Beech 90 King Air, and 3 Shorts SC-7 Skyvans.

Fokker is able to outbid Boeing in January and as a result of its financing package, a new F28-4000 is delivered in September.

In October, a two-man consultant team (Bill Yeoman and John O'Rourke) begin reorganizing the carrier under a one-year grant from the U.K.'s Overseas Development Administration.

Customer bookings fall 18.5% to 125,273 and cargo traffic plunges 88.9% to 649,621 FTKs. Revenues decline 3.5% to \$10.8 million. Losses are \$1.2 million (operating) and \$2.5 million (net).

Tragedy strikes in 1987 when, en route to Lilongwe from Blantyre on November 6, a chartered SC-7 with 2 crew and 8 passengers is shot down over Ulongwe, Mozambique; there are no survivors. The Mozambique military, which has not received advance notice of the flight, expresses its regret, but warns that carriers wishing to overfly the country must first receive permission to do so.

Enplanements for the year total 83,768 and the company suffers a loss of \$624,000.

In 1988, the F28-4000 is leased to **Air Botswana (Pty.), Ltd.** and passenger boardings rise 9.6% to 92,663; cargo increases 66.2% to 738,000 FTKs.

The workforce is cut 39.5% in 1989 to 787 and the fleet includes 1 each BAC 1-11-489 and 1-11-524 and 2 BAe (HS) 748-B2s. In June, orders are placed for 2 Boeing 737-300s, although the order will subsequently be cut in half.

Former **British Airways, Ltd. (2)** official Ian Walker is appointed general manager in May, with Capt. Lewis P. Mbilizi as deputy general manager. Passenger boardings accelerate to 121,173, but freight plunges to 661,000 FTKs.

Company employment grows by 6.7% in 1990 to 840. Customer bookings are level at 120,000, but cargo accelerates to 1.1 million FTKs. Revenues are \$18.2 million and costs are kept low enough to allow generation of a \$4.68-million operating profit.

The payroll is increased another 2.3% in 1991 to 859 and the fleet now includes 1 each BAe (HS) 748-B2. The 2 BAC 1-11s are withdrawn

from service and put up for sale in April in impending anticipation of the outstanding order for a B-737-300.

During the summer, a new Avions de Transport Regional ATR42-320 is ordered. Passenger boardings through October are down by 6.8% to 98,157, but freight climbs 49.9% to 1.05 million FTKs.

When the new ATR42-320, named *Shire*, arrives in December, it replaces the BAe (HS) 748-B2 on domestic routes and on its international services to Mozambique, Zambia, and Zimbabwe.

Delay in adding the Boeing short-hauler leads new Chairman J. Z. U. Tembo and General Manager Rex Lezard to reintroduce a leased BAe (BAC) 1-11-481FW early in 1992. Routes operated include: one from Blantyre to Johannesburg and Durban; one from Lilongwe to Johannesburg, Harare, Lusaka, Dar es Salaam, and Nairobi; and, jointly with **Air Tanzania Corporation**, one from Dar es Salaam to Kilimanjaro and Johannesburg.

Enplanements total 120,521, income exceeds expenses, and there are profits: \$796,000 (operating) and \$796,000 (net).

Airline employment climbs 2.3% in 1993 to 619. The *Shire* undertakes weekly all-cargo roundtrip flights in January linking Blantyre and Johannesburg.

The HS-748 is sold during the first quarter. Following receipt of the B-737-33A *Kawcha* in May, the leased BAe (BAC) 1-11-481FW is returned. A Dornier Do 228-212 is delivered in December and is christened *Nyika*.

Customer bookings are ahead for the year as a whole by 4.5% to 126,200. Freight increases 56.2% to 1.88 million FTKs, but operating income is down by 0.8% to \$18.6 million. Still, with expenses of \$18.47 million, an operating surplus of \$137,000 is allowed. Net profit swells to \$1.6 million.

The employee population is reduced by 1.8% in 1994 to 594.

An agreement is concluded with **Air Tanzania Corporation** in September; under its terms, the two will operate additional joint services to South Africa sharing costs and revenues. During the same month, Managing Director Lezard is succeeded by his deputy, Capt. Lewis P. Mbilizi; Capt. A. Mehungula becomes the new managing director.

The joint venture operations help to boost traffic significantly. Passenger enplanements climb 10.7% to 135,900 and cargo increases by 13.2% to 43 million FTKs. Revenues are \$22.4 million and expenses dip to \$13.6 million. The operating profit is \$8.8 million and net gain or loss is not reported.

Airline employment stands at 687 in 1995 and enplanements total 131,376. The workforce is reduced by 5.8% in 1996 to 659 and the fleet now includes 1 each ATR42-320, B-737-33A, and Dornier 228-212. Cooperative service with **Air Tanzania Corporation** begins on a route to Dubai. Service, halted earlier, to Mfuwe and Beira is restarted by the *Nyika*.

Although customer bookings drop 12% to 117,300, operating income soars 28.8% to \$22.8 million. Costs climb 29.6% to \$14.8 million, but still leave an \$8-million operating profit.

Service continues in 1996-1997. During these years, lack of funding causes airport facilities to deteriorate to the point of becoming unsafe. Although the fleet remains the same, Mary Nyandovi-Kerr becomes chairman, with Capt. Wisdom Mchungula as general manager. Plans are made for restructuring and cost-cutting as a survey is conducted for the company by Speedwing, Ltd., a subsidiary of **British Airways, Ltd.** (2). The addition of a second "Baby Boeing" is also sought.

Regional cooperative service is discussed with **Air Zimbabwe Corporation** and **LAM (Linhas Aereas de Mocambique, S.A.)** in 1998. Destinations visited now include Beira, Dar es Salaam, Harare, Johannesburg, Lilongwe, Lusaka, Makokola, Mangochi, Mfuwe, Mzuzu, and Nairobi.

Work begins on privatization and restructuring in accord with the findings of the Speedwing study.

On September 13, a code-sharing agreement is reached with **Air Zimbabwe Corporation**; under its terms, the Harare-based flag carrier will

inaugurate a sixth weekly London service the following February, via Lilongwe.

The first 40 of 200 employees to be laid off are fired during the last week of October. A staff of 550 is sought.

While taxiing for takeoff from Blantyre on February 5, 1999, a **South African Airways (Pty.), Ltd.** A300B2 with 143 aboard, suddenly stops and then returns to the gate. A bird has flown into the engine, damaging 10 blades and making it impossible to takeoff. An Air Malawi B-737-33A is chartered to ferry the stranded passengers on to Johannesburg.

New services from Blantyre commence on April 1 to Mbeya in Tanzania, Mfuwe in Zambia, and Entebbe in Uganda, the latter an extension of the current route to Nairobi.

Although traffic or financial figures are not available, it is reported that the company is unprofitable.

During the spring of 2000, Finance Minister Mathews Chikaonda makes a scathing indictment of the carrier for its costly overstaffing practices. Plans are written for the carrier's privatization.

To make the company more attractive, certain of its peripheral units are spun off over the summer. On August 28, Capt. Mcunungula reports that the Lilongwe Handling Company has been formed and Air Cargo, Ltd. has been relaunched in an effort to avoid continuing delays in passenger and cargo transfers.

AIR MALDIVES, LTD.: Maldives (1974-2000). Formed on October 1, 1974 at Male, Air Maldives, Ltd. commences operations as the national flag carrier on October 9. Purchased six years earlier with assistance from the Sri Lankan Air Force, two Convair CV-440s, christened *Flying Fish I* and *Flying Fish II*, link Male and Gan, as well as Colombo, on a scheduled daily basis, while the company also serves as general sales and ground handling agent for several visiting major carriers.

After the Sri Lankan Air Force removes its help (now primarily consisting of trained pilots) on May 31, 1976, the airline is reorganized in June, at which time controlling interest is taken by the Tri-9 Corporation of Singapore.

In May 1977, the Maldives government grounds the carrier's two Convairs and freezes its accounts, forcing it to cease operations. While legal negotiations ensue, a new flag carrier, **Maldivian International Airlines, Ltd.** (MIA)—formed as a subsidiary of **Indian Airlines Corporation** (IAC)—is created with IAC assistance on November 1. On November 2, employing leased Indian B-737-2A8As, flights are undertaken linking Male and Trivandrum via Colombo. The Maldives service replaces a recently started service to South India.

The national carrier Maldives Airways begins domestic operations in 1981, flying between Male and Gan with a Dornier SC-7 Skyvan borrowed from the government.

Unsuccessful, MIA is succeeded on September 30, 1984 by **Maldives Airways, Ltd.**, a new state operation with ambitious Mideast backing. Three Douglas DC-8-51s and three Fokker F.27 Friendships are ordered and revenue flights to Madras and other subcontinent destinations commence on March 3, 1985.

Only two Douglas transports and one Fokker are delivered and this company is no more successful than its predecessor was. Financially overwhelmed, **Maldives Airways, Ltd.** also fails, during the summer of 1986.

A local travel bureau now resurrects the Air Maldives, Ltd. name and is allowed to resume operations as a third-level, domestic carrier. In 1987, Managing Director Anbaree Abdull Sattar's fleet consists of only the lone government Skyvan, which continues to fly between Male and Gan via Kaddu Island in South Maldives.

With the formation of the holding company Maldives Air Services, Ltd. on January 5, 1988, Air Maldives becomes its principal subsidiary. The new concern is governed by a board of directors, of which Managing Director Sattar becomes chairman.

The Skyvan is withdrawn in favor of a Fokker Friendship, but the Dutch-made transport proves unsuccessful and the SC-7 is returned to

service in **1989**. Two Dornier 228-212s are acquired in **1990**, allowing the Skyvan to be placed in storage, and the airline is again reorganized during **1991**. The Shorts is returned to service in **1992** and an order is placed in **1993** for a British Aerospace BAe 146-100.

Maldives Air Services and its offspring are replaced on January 1, **1994** by the state enterprise Air Maldives, Ltd. Company officials cancel the BAe request in order to lease and employ an Airbus Industrie A300B4 from **Malaysian Airlines, Ltd.**

Just after landing at Male on October 18, **1995**, a Dornier 228-212, with 3 crew and 5 passengers, runs off the right side of the runway, hits the sea wall, and plunges, upside down, into the sea; all aboard manage to escape, but the plane is lost.

Airline employment stands at 360 in **1996** as the carrier, in January, enters into a management and equity contract with **Malaysian Airlines, Ltd.** The Maldivian government retains a 51% majority interest.

The company's three aircraft transport a total of 52,596 passengers during the first quarter. The figure is a 113.3% improvement over the same period a year earlier.

In June the company begins to code-share with MAS over a route from Male to Kuala Lumpur; the Malaysian line superintends the service. Also during the summer, a long-term lease is signed with **Adria Airways** for an A320-231, which enters service during the fall on a route to Frankfurt via Dubai and Zurich.

A de Havilland Canada DHC-8-202 is delivered on November 4 and, after flying from the factory to the Republic, begins service over domestic routes.

A total of 374 workers are employed by the carrier in **1997**. Again, figures are provided only through the first half. These show enplanements down 4.6% to 106,022 and cargo off 3.7% to 3.08 million FTKs.

Destinations visited from the company's Male base in **1998-1999** include Colombo, Dubai, Frankfurt, Gan, Hanimaadhoo, Kaadedhoo, Kadhdhoo, Kuala Lumpur, Trivandrum, and Zurich.

Airline employment during the latter year stands at 435. A total of 11 scheduled weekly services are operated to four international destinations and 22 scheduled weekly flights are made to four domestic destinations.

Employing an A310-324 that had previously flown with **Air Jamaica, Ltd.**, which is leased from Airbus Industrie and had arrived the previous month, the company, on November 9 launches the first scheduled air connection between the Maldives and the United Kingdom. The twice-weekly flights from Mahe into London (LGW) are part of an ambitious company plan to acquire two more of the long-range Airbuses and, at the first of the year, open service to Paris, Bangkok, Kuala Lumpur, and Johannesburg.

Serious financial concerns force the company to shut down its international operation on February 28, **2000**, the same day on which Managing Director Fauzi Ayob is replaced with Baharudeen Hassan, another employee from the Malaysian investment concern Naluri. Hundreds of tourists are left stranded by the sudden decision.

Domestic services are maintained with the Dornier 228-212s and DHC-8-202 as company representatives and the Maldives government work to regain capitalization for the carrier.

Board members and shareholders' representatives meet on April 18, but are unable to agree on a refinancing package. The A310-324 is returned to **Air Jamaica, Ltd.**, while the A320-231 goes back to Airbus.

In June, the Maldives government establishes a new airline, Island Aviation Services, Ltd., to operate domestic services with the single remaining Dornier and the Dash-8.

AIR MALI (1) (SOCIETE NATIONAL AIR MALI, S.A.): Mali (1960-1986). With technical support from the Soviet Union, plus a gift of three former **British European Airways Corporation (BEA)** Douglas DC-3s from the U.K. government, the SNAM is formed at Bamako on October 27, **1960**, just over a month after the nation gains its independence from France. A. G. Maiga is named director general.

The new entrant receives exclusive authority to provide domestic and international air services on behalf of the nation. An initial stock offering of up to 45% of shareholding to the public is a failure; most of the start-up capital is provided by the government.

Mali's new flag carrier begins flying in early **1961**, primarily as a government VIP service from the capital of Bamako to the country's larger communities. In July, Air Mali joins IATA and inaugurates twice-weekly DC-3 return services from Bamako to Gao over a route recently turned over by **Air France**.

A pair of Ilyushin Il-18Ds, provided as a gift to Mali by the Soviet Union, arrives in July. The big aircraft, wearing Air Mali livery and with Soviet crews, commence scheduled roundtrip service in August from Bamako to Casablanca, Marseilles, and Paris. Flights to Ghana commence in December.

The fleet is increased in **1962-1965** by the addition of 1 Il-14, 2 Antonov An-2s, and 5 Aero 45s. Regional destinations served come to include Abidjan, Accra, Brazzaville, Conakry, Dakar, Douala, Monrovia, and Robertsfield.

Following the February **1966** coup in Ghana, service to Accra is halted. Weekly Il-18D East Berlin services begin in the fall.

An Ilyushin Il-14 with a crew of 17 being ferried to Mali from Russia, crashes at Cayolle Pass, France, on November 5; there are no survivors.

The route to Accra is restarted in the spring of **1967**, twice weekly, with the Il-14. Two An-24s are ordered late in the year and are delivered in mid-**1968**.

The new Antonovs are placed into service in **1969** on a route from Bamako to Niamey via Mopti, Goundam, Tombouctou, and Gao. By **1970**, the route network, domestic and into North Africa and to France, totals some 15,000 unduplicated miles.

The service to East Berlin ends in **1971**. A Boeing 707-173C Stratoliner is acquired and is employed to provide jetliner services from Bamako to Paris in place of the aging Il-18Ds.

A DC-6 is acquired in **1972** as the world energy crisis begins to reach into Africa. In Ronald Seth's classic *Encyclopedia of Espionage*, published by Doubleday in the fall, Air Mali is the only airline included, primarily because of its role in ferrying arms and agents from Prague to Brazzaville during the earlier Simba war in the Congo.

All domestic flights must be cancelled on September 4, **1973** because of a fuel shortage.

On August 12, **1974**, en route from Jeddah to Bamako, a chartered Il-18V with 10-man Soviet flight crew and 47 passengers, encounters a storm over Niamey, Niger, and is forced to detour to Ouagadougou, Upper Volta, where, out of fuel, it crashes on a highway while trying to make an emergency landing; there are no survivors.

During the years **1975-1978**, Berlin services cease; however, routes are extended to 10 points within the country and to the Ivory Coast, the Congo Republic, Senegal, Sierra Leone, Nigeria, Togo, Liberia, and Niger. During the latter year, General Manager Maigi's company employs 506 workers. The fleet is upgraded by the addition of 2 de Havilland Canada DHC-6 Twin Otters and 1 Boeing 727-173C.

During **1979-1984**, an ex-**Air Afrique, S.A.** Sud Est SE-210 Caravelle XB and a DHC-6-300 are purchased and a government-owned Hawker Siddeley HS 748 is made available. Airline employment during these years averages 580.

A Twin Otter with 2 crew and 5 passengers is destroyed as the result of a bad landing at Niela on June 21, 1983; there are no survivors.

Just after takeoff from Tombouctou on a service to Bamako on February 22, **1985**, an An-24B with 2 crew and 49 passengers, suffers engine failure and elects to return to its point of origin. The aircraft crashes in the Sahara Desert en route and all aboard, except for one passenger, perish in the disaster.

Long in fiscal difficulty, the carrier goes into liquidation in April **1986**.

AIR MALI (2) (SOCIETE NATIONAL AIR MALI, S.A.): BP 2690, Square Patrice Lumumba, Bamako, Mali; Phone 22-9394; Fax

22-9403; Code L9; Year Founded 1986. This new national carrier is formed in June 1986 as replacement for **Air Mali (1)**; the government of Mali takes 51% majority shareholding. In July, officials of the new airline enter into discussions with **Air Afrique, S.A.**, aimed at securing a contract with the multinational carrier for the operation of the nation's long-haul services.

In the first quarter of 1987, **UTA French Airlines, S.A.** and **Sabena Belgian World Airlines, S.A.** also tender offers of assistance. A replacement B-737-2D6 is acquired, but is immediately leased to **Britannia Airways, Ltd.**, and, with the DHC-6 and Il-18 grounded at Bamako Airport, the active fleet includes only the Boeing trimotor and an An-24.

A decision is taken in 1988 to concentrate on domestic services. During the same year, a proposal from the Soviet government is accepted whereby **Aeroflot Soviet Airlines** begins to assist the financially depressed carrier. In 1989, Operations Manager Hachim Koumane's airline completes its last full year before shutting down in 1990. Without Soviet aid, it cannot operate at its previous level.

Service is restarted in 1992 under the direction of Chairman Abderrahmane Cherif Haidara and Director General Abderrahmane Berthe. A workforce of 63 is assembled and services are resumed with the An-24, as well as a leased Letov Let-410UVP. Destinations visited include Abidjan, Dakar, Gao, Goundam, Kayes, Keneiba, Mopti, Nioro, and Tombouctou.

A number of services are operated in cooperation with **Malitas (Mali-Timbouctou Air Service, S.A.)**. In 1995, a Yak-42 is wet-leased from **Lithuanian Airlines, A.S.**

Flights continue in 1996–2000 as the Yak-42 is returned. Service to Abidjan and Dakar is halted, while new flights are started to Yelimane.

AIR MALTA COMPANY, LTD. (1): Malta (1946–1950). In December 1946, the British independents **Chartair, Ltd.**, **Silver City Airways, Ltd.**, and **Instone Airlines, Ltd.** each subscribe one-third capital to form this company to operate services around the Mediterranean. **Chartair, Ltd.** obtains a fleet of 4 Airspeed AS.65 Consults and delivers it to Malta, where, in 1947, scheduled services are started to Rome, Palermo, Naples, Benghazi, El Adem, Cairo, Tripoli, and Tunis.

These services continue in 1948, during which year a total of 5,240 passengers are carried by the Airspeeds. **Chartair, Ltd.** pulls out of the enterprise in December. Operations continue in 1949 as the fleet is upgraded by the addition of two de Havilland DH 104 Doves. On December 29, 1950, Air Malta Company, Ltd. (1) is purchased by **Malta Airways, Ltd.** and the two combine into **The Malta Airlines, Ltd.**

AIR MALTA COMPANY, LTD. (2): Head Office, Luqa, LQA 01, Malta; Phone 356 229990; Fax 356 692861; <http://www.air-malta.com>; Code KM; Year Founded 1973. This new flag line is formed on March 26, 1973 with 76.4% of the shares held by the island's government, 20% by **Pakistan International Airlines Corporation (PIA)**, and 0.6% by Cassar & Cooper Holdings. Albert Mizzi is named chairman with M. M. Salim as general manager. As part of its interest responsibility, PIA provides technical assistance and managerial support under a five-year contract. Services flown by Pakistani pilots begin on April 1 from Luqa Airport, near Valetta, over a Malta to London route with Hawker Siddeley Trident 3Bs leased from **British Airways, Ltd. (2)**.

The first of two Boeing B-720Bs leased from PIA joins the fleet in February 1974 and begins Malta–Rome service on April 1. The second aircraft begins flights to London (LHR) two weeks later. The two aircraft are purchased later in the year.

Enplanements for the first full year total 94,185.

The workforce in 1975 stands at 582. A B-727-100 is purchased and a BAC 1-11-500 is leased from **British Caledonia Airways, Ltd. (BCAL)** for the summer. Designed to replace foreign ground and flight crews, a new training program for Maltese nationals is started under contract to PIA. Routes are extended to Brussels and Amsterdam.

Passenger boardings soar 58.8% to 213,089. Freight traffic totals 2.77 million FTKs, a boost of 34.9%.

Employment is increased 15.9% in 1976 to 713. The charter subsidiary **Air Malta Charter, Ltd.** is formed in the spring and a B-727-173C is chartered from **World Airways** to augment capacity during the summer. PIA undertakes the training of 12 Maltese aircrew at its training center, along with 21 local ground and flight engineers.

Using a Fairchild Hiller FH-227 trip-leased from **Stellar Airways**, weekly flights are inaugurated between Malta and Tunis. A pair of Convair CV-880M-22s are wet-leased from Miami-based Orient Pacific Airways and are employed, beginning on November 24, to undertake inclusive tour charters to Mediterranean and European destinations.

Cargo traffic accelerates 40.3% and passenger bookings rise 10.8% to 230,891.

Service to Zurich and Vienna is opened early in 1977. A B-707-321 is leased from **Dan-Air, Ltd.** to assist with the summer traffic. To help market inclusive tours from the U.K. to Malta, the carrier forms a wholly owned air travel subsidiary, **Medallion Holidays, Ltd.**

Meanwhile, interest is taken in three hotel groups. Destinations served from Malta now include London, Rome, Paris, Manchester, Cairo, Tripoli, Vienna, Zurich, Frankfurt, Brussels, Amsterdam, and Tunis. Frequencies on the latter route become thrice weekly. Another wet-leased CV-880M is acquired during the year as enplanements jump to 275,303.

Maltese nationals take over key management posts from PIA personnel in 1978; Vincent Palzon becomes the carrier's first Malta-born managing director. Service is inaugurated to Munich. Air Malta acquires 25% interest in the charter carrier **Mediterranean Aviation Company, Ltd.**, which employs the marketing title **Med Avia**, set up to support the Libyan oil industry.

Passenger boardings advance 41.3% to 469,000. On total revenues of \$29 million, expenses are \$21.4 million; a net profit of \$1.22 million is realized.

In April 1979, frequencies are started to Kuwait, Dubai, and Lyon. Med Avia's five CASA C-212s begin operations in Libya in September. At the beginning of the winter season in October, a Douglas DC-9-32 is leased from **Austrian Airlines, A.G.**

Freight jumps 31.3% and passenger bookings rise 41.3% to 663,012.

The workforce in 1980 is reduced by 1.9% to 1,239. PIA transfers its 20% holding to the government of Malta, allowing the carrier to become a fully Maltese concern under the direction of Chairman Mizzi. The Austrian Douglas is returned in the first quarter.

En route to Karachi on March 9, a CV-880M is detained at Lisbon, Portugal, by government officials who report it is transporting illegal arms. With matters cleared up, the Convair is allowed to depart for Santa Maria, Azores, on May 4. Radio problems are encountered and the jetliner returns to the Portuguese capital, where its crew walks away.

Air Malta Charter, Ltd. is folded back into its parent. Three B-737-200As are wet-leased from **Transavia Holland, N.V.**

Passenger traffic rises a slight 0.3% to 665,310. On revenues of \$96.5 million, expenses are \$94.5 million, leaving a profit of \$1.3 million.

The employee population is increased by 0.3% in 1981 to 1,243.

Just after the deplanement of its 90 passengers at Cairo from a scheduled October 13 Tripoli service, a B-737-2K2C suffers the explosion of two bombs in its cargo compartment as luggage is being unloaded. Two baggage handlers are killed and eight others wounded; the little Boeing is severely damaged.

Two additional B-720Bs are placed in service, but the world recession now catches up with the carrier's passenger traffic, forcing boardings down 3.2% to 644,300. Freight, however, is up 6.9% to 4.37 million FTKs, and the net profit grows to \$6.6 million.

Nine new employees are hired in 1982 and three new B-737-200As are ordered. Passenger boardings decline 7.6% to 585,000 as freight falls by 5.4% to 3.79 million FTKs. On revenues of \$85 million, expenses are \$67.7 million and the profit drops to \$3.1 million.

The employee population is reduced by 1.5% in 1983 to 1,224. The three new B-737-2Y5As sporting a redesigned livery are placed in service in early spring, while the three wet-leased from **Transavia**

Holland, N.V. are returned. E. Micallef is appointed managing director and, in October, the new Boeings establish a record for their type with 14.9-hours-per-day utilization.

Cargo accelerates 0.5% to 3.29 million FTKs, but boardings rise significantly, up 4.2% to 616,000. Revenues total \$70.7 million and produce a \$653,000 net profit atop an operating gain of \$13.85 million.

The payroll is cut 2.5% in **1984** to 1,203. Passenger bookings climb 5.2% to 647,471 and freight grows 2%. Revenues fall to \$61.8 million, but expenses are kept to \$47.7 million; the net profit is \$575,371.

The employee population falls 2% to 1,197 in **1985**. In April and in cooperation with **Singapore Airlines, Ltd.**, a joint weekly service is begun Malta–Australia. Meanwhile, **Aer Lingus Irish Airlines**, under contract, completes computerization of the carrier's reservation system.

In July, Louis Grech becomes the company's fourth managing director since 1978, and helps the carrier make the decision to emphasize an increase in tourism.

After several years of attempts to unload the CV-880M left in Lisbon back in 1980, Portuguese government officials declare the plane abandoned and sell it to an unknown individual for \$15,700. When the new owner does not come forward, the government holds an auction and sells the derelict craft to Ribeiro Matias for a nominal sum. Matias moves the Convair about one kilometer from the airport and turns it into a bar/restaurant, which will be very successful for several years.

Passenger boardings are up 6% to 749,439, but freight is up 21.7% to 4.26 million FTKs. On revenues of \$107.4 million, profits posted are \$5.55 million (operating) and \$3 million (net).

The payroll grows by 2.3% in **1986** to 1,171. Agreement is reached to purchase space in the computer reservation systems of **American Airlines, United Airlines**, and **Eastern Air Lines**. At London, the company moves into the new Terminal 4 at Heathrow Airport. Construction is started on a new Luqa terminal. In August, 2 Airbus Industrie A310-300s are ordered, together with 2 B-737-300s. This is the last year B-720B crews undertake their simulator training with **Pakistan International Airways Corporation (PIA)** in Karachi and longtime PIA Capt. S. U. Khan steps down as general manager-flight operations, being succeeded by Capt. Franz Sturmair.

Customer bookings advance 21.8% to 813,166; however, cargo is down by 7.5% to 4.05 million FTKs. Revenues move ahead by 29.4% to \$109.7 million and expenses are held down, allowing profits of \$8.1 million (operating) and \$8.4 million (net).

The workforce is increased another 28.1% in **1987** to 1,500. Passenger boardings are also up, climbing 41.4% to 1,111,829. Freight jumps 18.6% to 4.77 million FTKs.

A pair of Boeing 727-14s is leased from Louisiana-based **Gulf Air** from May–November **1988**. Customer bookings climb again, swelling 4.7% to 1,163,624. Cargo also moves ahead, by 7%, to 5.1 million FTKs. Profits are earned: \$14.2 million (operating) and \$15.1 million (net).

In February **1989**, weekly, weekend British Aerospace BAe 146F service is introduced from London to Malta's new Luqa Airport. The B-727-14s are again leased from May to November from **Gulf Air**, now renamed **Sun International Airlines**. Scheduled services are provided to 18 destinations in Europe and North Africa and charter flights are undertaken to 35 European destinations.

A new color scheme is unveiled by one of the B-737-2Y5As on December 15 and the last B-720B is phased out at year's end.

Still, charter operations suffer a downturn that is reflected in a 4.9% overall drop in passenger boardings to 1,106,848. Freight, on the other hand, surges 25.7% to 6.41 million FTKs.

Company employment is cut by 4.3% in **1990** to 1,435; Anthony J. Paris is named managing director in February as the company becomes the only non-U.K. airline to win the Thomson Tour Operations Award for Outstanding In-flight Service. The first A320-211 arrives in the spring, which brings about the introduction of a new livery.

In May, the subsidiary **Malta Air Charter, Ltd.** is established to provide a helicopter service to Gozo. Permission to operate twice-weekly

service to Australia is obtained from the Canberra government, but will not be immediately exercised.

Customer bookings decline again, falling 5.8% to 1,042,484. Cargo plunges 13.9% to 5.52 million FTKs. The payroll is increased by 4.5% in **1991** to 1,500 and the fleet now includes 1 A320-211 and 6 B-737-2Y5As. Orders are outstanding for another A320-211 and 3 B-737-3Y5s.

Passenger boardings dip 2% to 995,672, but freight climbs a welcome 17.3% to 5.6 million FTKs.

Sixty-five new employees are hired in **1992** as a second A320-211 is placed into service along with a British Aerospace BAe ATP (Jetstream 61) leased in November from the Portuguese airline **SATA Air Acores (Servico Acoreano de Transportes Aereos, S.A.)**. Orders are outstanding for three B-737-500s. The ATP is employed to inaugurate services in December to the Sicilian destinations of Catania and Palermo. During the year, the company takes 30% interest in the new British inclusive-tour carrier **Excalibur Airways, Ltd.**

Enplanements recover and grow 18.3% to 1,205,640, while freight climbs 13.5% to 7.27 million FTKs. A record \$16-million profit is banked.

In **1993**, new Chairman/Managing Director Joseph N. Tabone oversees a workforce of 1,500. Destinations visited now include: Amsterdam, Athens, Bahrain, Barcelona, Berlin, Brussels, Cairo, Catania, Damascus, Dubai, Dublin, Dusseldorf, Frankfurt, Geneva, Graz, Hamburg, Istanbul, Lisbon, London (LHR and LGW), Lyons, Madrid, Manchester, Marseilles, Munich, Oslo, Palermo, Paris, Rome, Salzburg, Stockholm, Tel Aviv, Tunis, Vienna, and Zurich.

Routes to Benghazi and Tripoli remain suspended under UN sanctions against Libya. In November, the **SATA Air Acores, S.A.** BAe ATP is again leased for six months.

Passenger boardings inch up 1.2% to 1,220,705 while cargo skyrockets 115.5% to 15.7 million FTKs. A \$25.8-million profit is earned.

A \$100-million order is placed with Avro in January **1994** for four RJ70s with which to replace B-737-200s. In March, the company begins to code-share with **Gulf Air** on a new route from Malta to Bahrain. New markets are opened at Stockholm and Oslo in the spring.

In May, a **Deutsche Lufthansa, A.G.** A310-304 is wet-leased for six months to give the carrier its first wide-bodied experience. The first RJ70 arrives on September 21 and enters service the next day with a flight to Tunis from Luqa. Two more of the type will be delivered through December.

Customer bookings accelerate 13% to 1,380,007 while freight increases by 22.1% to 19.13 million FTKs.

The workforce is not changed during **1995**. Chairman Joseph Tabone resigns from the board of **Excalibur Airways, Ltd.** in January and divests Malta's 30% stake just before the British charter operator fails.

The final RJ70 is delivered in March. At the same time, the **Deutsche Lufthansa, A.G.** Airbus is returned and is replaced by another chartered from the manufacturer. When the new Italian regional **Azzura Air, S.p.A.** is established, Air Malta acquires a 49% stake, as well as management and support contracts. Former Air Malta executive Dominic Attard becomes chairman of the start-up, with Air Malta Chairman Tabone joining former **Alitalia, S.p.A.** official Alberto Denzler as joint vice chairman. Air Malta also agrees to provide the new entrant with regional jets.

In November, the company begins to code-share with **Balkan Bulgarian Airlines** on a weekly flight from Sofia to New York (JFK) via Malta.

The year's traffic figures are mixed. Passenger boardings climb another 2% to 1,407,916, but cargo drops 13% to 16.65 million FTKs.

Although the airline population is increased by 17.2% in **1996**, traffic falls. Three Avro RJ85s are delivered to **Azzurra Air, S.p.A.** and once the first two are in hand and have been route proven, the new Italian carrier receives its operating certificate and, four days later on December 10, begins scheduled regional services.

Enplanements for the year decline 2.5% to 1,373,032 and a total of 13 million FTKs are operated, a 21.9% drop.

The workforce is increased a slight 0.7% in 1997 to 1,770. Louis Grech returns as chairman/managing director in January; he is also named principal advisor to the nation's new minister of tourism, Karmenu Vella. The third Avro RJ85 is turned over to **Azzura Air, S.p.A.** in April. On June 8, two gunmen hijack a B-737 enroute from Malta to Turkey and divert it to Cologne, Germany, where they peacefully surrender to police.

In September the company decides to move away from the hub concept and it puts its RJ70 up for lease via Fortis Aviation. The RJ70s goes to **Azzurra Air, S.p.A.** at month's end.

Passenger boardings increase by 4.3% to 1,431,468 and freight increases 33.3% to 17.3 million FTKs. Higher revenues and cost containment produce an operating profit of \$3.38 million.

Flights continue apace in 1998. With the beginning of the summer schedule at the end of March, service is launched to Gothenburg, Rotterdam, Stuttgart, and Thessaloniki.

On October 25, weekly B-737-3Y5 roundtrips commence between Malta and Beirut.

Customer bookings this year increase by 7.4% to 1.53 million, while cargo traffic drops 18.2% to 14.17 million FTKs. Revenues increase 5.3% to \$213.19 million, while expenses are up 1.2% to \$201.31 million. An operating profit of \$11.87 million is widely heralded.

Following Libya's handover of Pan Am 103 bombing suspects to the UN at the beginning of April 1999 and the lifting of UN air restrictions on Libya, Air Malta, on April 6, becomes the first carrier to initiate service to Tripoli. Company officials begin discussions aimed at an early regular resumption of flights both to that city and to Benghazi.

During the third week of May, Air Malta receives an initial \$5-million payment from the Libyan government on an airfare debt for which payment had been blocked by the 1992 UN imposition of sanctions. The carrier is still owed \$8 million.

Just after takeoff for Liverpool on August 16, a fault develops in one of the landing gear of a fully loaded RJ70. After circling the Malta Airport for an hour dumping fuel, the aircraft is able to make a safe emergency landing.

Enplanements for the twenty-fifth anniversary year total 1.57 million while revenues advance to Lm 108 million and allow a Lm 6.2-million profit. It will later be reported that the company has transported over 22 million passengers since its beginning.

The U.S. FAA upgrade of Malta to Category 1 safety status at the beginning of 2000 allows Air Malta to enter into a code-sharing agreement with **Trans World Airlines (TWA)** on February 21. In addition to shared flights, the two will coordinate their frequent flyer programs and scheduling.

Two Next Generation B-737-7L9s are chartered from **Maersk Air, A.S.** in time for the start of the summer schedule on March 26. The company now flies to a record 53 international destinations, an increase of 4 over the previous year.

The marketing alliance with TWA takes effect on May 1. Air Malta places its "KM" designator on the American major's flights from London (LGW) to St. Louis, Los Angeles, San Francisco, Dallas/Fort Worth, Houston, and Orlando and its services from Milan to New York (JFK), Los Angeles (LAX), and San Francisco. At the same time, TWA places its "TW" code on Air Malta connecting services from London (LGW) and Milan to Malta.

As an extension of its Dubai schedule, the carrier begins weekly flights to Kuwait on May 31. An interline agreement with **Kuwait Airways (Kuwait Airways Corporation, Ltd.)** facilitates connections for its passengers to other Mideast destinations.

The highlight of the year is the operation of twice-weekly "trip charters" from Malta to New York (JFK) via Shannon flown between June 22 and September 4. The service, on behalf of the airline's charter arm Flyaway Tours, is provided with a B-757-2Q8ER subleased from **American Trans Air**.

For the 12th consecutive year, 25 children from Russia's Chernobyl area are invited to spend time in Malta courtesy of Dr. George Hyzler and the airline. Air Malta brings the youngsters in on September 1.

AIR MANCHESTER, LTD.: United Kingdom (1982). Formed in early 1982 to offer holiday charter flights on behalf of its owner, Sureway Holidays, Ltd., this operator orders a pair of BAC 1-11-400 with which to fly inclusive tours to destinations in central and southern Europe and Scandinavia.

The first of two ex-**Cambrian Airways, Ltd.** BAC 1-11-416s is delivered on May 18. It is employed to launch charters to the Spanish locations of Palma, Ibiza, Barcelona, Alicante, and Malaga, Faro, and Nice. Flights to these points are stepped up after the second BAC 1-11-416 arrives in early September.

The carrier ceases operation at the end of the summer season as the parent firm, unable to generate a profit, is forced into liquidation.

AIR MANDALAY (PTY.), LTD.: 146 Damazedi Road, Bahan Township, Yangon, Myanmar; Phone 258 (1) 465 143; Fax 258 (1) 465 132; <http://www.paris-org.com/mandalay>; Code 6T; Year Founded 1994. Air Mandalay is established at Yangon by Singapore-based Techmat Holdings on October 6, 1994 to provide charter passenger services to destinations in Myanmar, formerly Burma, and Thailand. Dr. Tun Shin is elected chairman, with Eric Kang as managing director; revenue flights commence on October 18 with a pair of Avions de Transport Regional ATR72-210s.

Two more ATR72-210s join the fleet in 1995 as the company begins to cooperate with **Myanmar Airways**. Enplanements approach the 90,000 mark.

Operations continue apace in 1996-1998. During these years, airline employment reaches 238. Destinations visited include Bagan, Chiang Mai, Heho, Mandalay, Nyaung-U, and Sittwe.

Early in 1999, the carrier enters into an arrangement with Groupe Paris Organisation, which will see additional flights into the country from Europe. The French organization opens a homepage on the World Wide Web supporting the new services.

Following the completion of arrangements in April 2000, the carrier receives 2 ATR42-320s under lease from ATR in July and November.

AIR MANGO, S.A.: Airport, St. Barthelemy, French West Indies; Phone (590) 27 88 81; Fax (590) 27 50 88; <http://www.st-barths.com/descriptivepgs/airmango.html>; Year Founded 1989. Air Mango is established by Larry Gray in 1989 to provide air taxi flights to San Juan and Nevis. Over the next decade, Gray, who is also chief pilot, operates his six-seat Piper PA-23 Aztec on an almost-daily basis. During these years, a visa waiver agreement is worked out with the U.S. Immigration and Naturalization Service, but no transfers to St. Martin are available in 1998-1999.

AIR MANILA: Philippines (1960-1976). A group of retired Philippine Air Force officers and local businessmen, led by former U.S. Ambassador Amelito Mutuc, establish Air Manila at its namesake city on February 14, 1960. An operating certificate is received from the government on August 12, after which the new entrant remains dormant for four years, finally purchasing a fleet of 12 Douglas DC-3s from the U.S. local service carrier **Frontier Airlines (1).**

Nonscheduled passenger and cargo charters to the nation's larger cities commence on January 2, 1965. Two DC-6Bs are acquired and join their smaller cousins in opening scheduled flights on March 30 over 6 of the nation's trunk routes and 12 of its secondary routes. Orders are placed with Handley Page in November for a pair of Dart Herald HPR-7 204s.

The year's enplanements total 135,000.

The Handley Pages enter service in 1966 and passenger bookings by 1967 reach 265,000.

1968 constitutes a disaster for the small operator. Flight 507, a DC-3 with 4 crew and 10 passengers, crashes near Ibayay on March 8 during a scheduled service from Manila; there are no survivors.

A DC-3 is destroyed by a bad landing at Davao on May 9; there are no fatalities.

On top of pilots' strike and resulting financial difficulties, a typhoon strikes the company's base, destroying seven of its remaining airliners.

Undaunted, Air Manila maintains its domestic schedules in competition with the government carrier, **Philippine Air Lines (PAL)**, and another private operator, **Filipinas Orient Airways (FOA)**, over the remainder of the decade and into the early 1970s. During these years, the fleet is increased by the addition of several Fokker F.27-100 Friendships. One of these suffers the collapse of its landing gear while landing at Roscas on April 14, 1969; there are no injuries reported in the accident.

On November 30, 1970 a company HP HPR-7 Herald 204 is destroyed when the Manila hangar it was in collapses.

In February 1971, PAL is authorized to drop service to 18 Rural Air Service domestic communities; 13 are quickly divided between Air Manila and FOA. Late in the year, Air Manila attempts to introduce a pair of former **Eastern Air Lines** Lockheed L-188 turboprops; they are quickly damaged beyond the ability of the concern's maintenance personnel to keep them airborne.

An L-188A is written off at Manila on January 9, 1972, following a bad landing after a training flight; there are no fatalities.

The local air taxi Delta Air Corporation comes forward early in the year and injects fresh equity capital, while the Philippine National Bank converts an earlier loan into 48% shareholding. Ricardo Silverio is named president. The company now purchases three Boeing 707 Stratoliners, including one first operated by **Pan American World Airways (1)** but lately by the fugitive American investor Robert Vesco.

Just after takeoff from Romblon for Roxas on September 15, an F-27-100 with 42 passengers is rocked by the explosion of a grenade. Lightly damaged and with no one aboard injured, the turboprop continues to its destination, where two more grenades will be found in the plane's cargo compartment.

As the result of widespread dissatisfaction with his government and an armed insurrection by Muslim guerrillas in Mindanao, Philippine President Marcos declares martial law on September 23. The Air Force is given the unwelcome responsibility of supervising the airlines and a series of fare increases and decreases follow.

In October, the company announces its new mission when it changes its name to Air Manila International. The first international service is operated from Davao to the Indonesian island of Sulawesi.

Air Manila International's foreign operations come to a close on January 1, 1973 when the Stratoliners are grounded and one is leased to **Egyptair, S.A.E.** A former **American Airlines** L-188A is chartered and is christened *Miss Voyager*.

On March 31, President Marcos directs that all of the nation's airlines should merge under PAL.

The nosegear of an F-27-100 with 4 crew and 20 passengers, fails during the turboprop's takeoff roll from Daet on September 6, causing the aircraft to veer off the runway into a pile of gravel; there are no fatalities.

By Letter of Instruction No. 151 of January 1, 1974, PAL is confirmed as the nation's sole flag carrier and the National Bank is authorized to acquire the assets of both Air Manila and FOA, turning them over to PAL.

AMI is authorized by its new parent to continue independent charter operations. Inclusive and affinity tours become big business for the division in 1975 as the fleet is increased by the addition of two more ex-AA Lockheed L-188A Electras. Thirty thousand passengers are transported on the year.

Flight 702, a chartered L-188A with 12 crew and 45 passengers, fails its takeoff from Agana, Guam, on June 4, 1976 and strikes rising terrain at the 100-ft. level. The plane drops down a 13-ft. embankment, crashes through a perimeter fence, and collides with an automobile on a highway causing both to burst into flame; all aboard the aircraft and the driver of the car are killed. Investigators find that its flaps had been inoperable.

The safety scandal leads the Philippine government to ground the airline almost immediately.

AIR MANILA INTERNATIONAL. See **AIR MANILA**

AIR MANITOBA, LTD.: Canada (1993–1997). Based at Winnipeg, Manitoba, **Northlands Air Manitoba, Ltd.** is renamed in 1993. President/CEO Ken Bittle oversees a workforce of 100 and a fleet that includes 3 British Aerospace BAe (HS) 748-2As, 2 BAe (HS) 748-2Bs, and 1 each Cessna 208 Caravan I, Curtiss C-46F Commando, and de Havilland Canada DHC-8-102. Scheduled passenger services (and C-46F all-cargo flights) are undertaken throughout northern Manitoba and from Churchill to the Northwest Territories.

Flight 7N205, an HS 748-2A with 3 crew and 26 passengers, arrives at Sandy Lake from Winnipeg on a November 10 flight. At Sandy Lake, 22 customers deplane, while 4 remain aboard for a continuation of the service to St. Theresa Point, Island Lake, and back to Winnipeg. The turboprop fails its initial climb away from Sandy Point, impacts trees, and crashes 1 nm. N of the runway; there are no survivors.

The DHC-8-102 is leased to **Air Alliance, Ltd.** in 1994 and the Caravan I is replaced by a 748-2AF.

While on its initial climb away from Lokichokio on April 23, the No. 1 engine of a C-46F with two crew fails; unable to maintain its height, a forced belly landing is made, during which the Commando slides into trees. Although the aircraft is damaged beyond repair, there are no fatalities.

Services continue apace in 1995 and, in 1996 the four 748s continue to transport people and cargo to nine communities. Flights cease in 1997.

AIR MANOS, LTD.: 168–172 Old Street, London, England, EC1V 9RE, United Kingdom; Phone 44 (0) 20 7216; Fax 44 (0) 20 7972; <http://www.manos.co.uk/airmanos.html>; Year Founded 1999. A subsidiary of the Greek travel group Manos, Air Manos is established at London (LGW) during the first quarter of 1999. Two Shorts 360-300s are acquired and, beginning on April 6, these undertake regularly scheduled flights linking the carrier's base and Manchester with points in Greece.

AIR MARGARITA: United States (1993–1994). Air Margarita is established at New York in 1993 to offer services to Margarita. Revenue operations commence and continue with a single Boeing 727. A year later, a Douglas DC-9-14 is also employed. Unable to achieve economic viability, the company is shut down before Christmas.

AIR MARITIME, LTD. See **EASTERN PROVINCIAL AIRWAYS, LTD.**

AIR MAROC (COMPAGNIE CHERIFIENNE DE TRANSPORT AERIENS, S.A.): Morocco (1953–1957). The French government announces during the spring of 1951 that plans are being prepared for the creation of a single large Moroccan airline. This intention is realized on June 23, 1953, when **Air Atlas (Compagnie Cherifienne de l'Air, S.A.)** and **Air Maroc (Societe Avia Maroc Ligne Aerienne, S.A.)** combine to create the second Air Maroc. Shareholding is divided between the government (34%), Compagnie Paquet (33%), and **Air France** (33%).

The merger partners provide a fleet of 2 Douglas DC-4s, 5 DC-3s, 4 Curtiss C-46 Commandos, and 6 Sud-Ouest SO-30P Bretagnes. The Commandos and Bretagnes are sold and replaced with a third DC-4. The DC-4s assume the European routes previously operated by the partners, while the DC-3s are employed for domestic service as well as on the principal regional route from Casablanca to Algiers.

Morocco receives its independence from France on March 2, 1956, while the northern territories of Spanish Morocco receive their freedom in April. A scheme is now unveiled for the creation of a new national carrier.

The second Air Maroc is reorganized on June 28, 1957. Shareholding is divided between the Kingdom of Morocco government (55%), **Air France** (30%), Societe Air Transport (10%), and Aviaco (**Aviacion y Comercio, S.A.**) of Spain (5%). The airline is renamed **Royal Air Maroc, S.A.**

AIR MAROC (SOCIETE AVIA MAROC LIGNE AERIENNE, S.A.): Morocco (1947–1953). Late in 1947, Air Maroc is set up at Casablanca to offer charter services throughout Morocco. Revenue flights commence in early 1948 with a pair of Douglas DC-3s.

Authority is received in 1949 to offer scheduled services from Casablanca to Europe. As a result, roundtrip flights are started linking the company base with Marseilles, Bordeaux, Toulouse, Paris, Geneva, and Frankfurt. Three additional Douglas transports are acquired during the year.

All-cargo services throughout Morocco and to Europe are launched in 1950 with 4 Curtiss C-46 Commandos. Orders are placed for 6 Sud-Ouest SO-30P Bretagnes.

The first Bretagne is acquired in July 1951 and enters service on the route between Casablanca and Bordeaux. Five more machines are delivered during the year and in 1952.

On June 28, 1953, the company is merged with Air Atlas (Compagnie Cherifienne de l'Air, S.A.) to form Air Maroc (Compagnie Cherifienne de Transport Aeriens, S.A.).

AIR MAROOCHY (PTY.), LTD.: Australia (1993–1994). Air Maroochy is established in early 1993 to operate scheduled regional services. Flights to five cities commence, and continue, with 2 Cessna 402s and 1 Partenavia P-68. Traffic and financial data is not released, but the lack of success becomes evident in 1994, leading to the company's shutdown at year's end.

AIR MARSHALL ISLANDS: P.O. Box 1319, Majuro, 96960, Marshall Islands; Phone 625-3731; Fax 625-3730; Code CW; Year Founded 1989. Upon independence of the Marshall Islands in 1989, Airline of the Marshall Islands receives its present name and is designated as the national flag carrier for the government of Tuvalu. The new nation's president, Amata Kabua, becomes chairman; Neville Hill is managing director. A \$1.5-million annual subsidy is provided by the republic's government, which is justified on the grounds that it will ensure the airline's independence from Continental Air Micronesia.

The previously operated GAF-Nomads are replaced by a pair of Dornier 228s (a Dash-101 and a Dash-201); a Dornier 228-212 is acquired in 1990. These maintain a variety of routes, the most important of which runs from Majuro to Kwajalein, site of a USAF base.

A McDonnell Douglas DC-8-62CF is leased from Arrow Air in 1991, allowing scheduled twice weekly return services Majuro/Kwajalein-Honolulu. A British Aerospace BAe (HS) 748-B2 is acquired in 1992 and begins services from Majuro to Suva and Nadi.

In 1993, Managing Director Stephen Fulk's company employs 147 workers and provides scheduled domestic services to 26 destinations. The Douglas jetliner increases the number of weekly frequencies to and from Hawaii to three in 1994. A \$60-million order is placed for two SAAB 2000s, plus an option.

The first of the two new SAAB 2000s arrives in June 1995. When it enters service in July, it replaces the BAe and allows an increase in the frequency on the Fiji route from twice weekly to thrice weekly. The second Swedish-made turboprop is slated to enter service in December.

Mounting national debts force the Majuro government into fiscal crisis early in 1996. Consequently, state aid to many different enterprises is ended or severely cut, including that to AMI, now the country's largest financial drain.

New Zealander Thomas Ryan becomes the new managing director, on an interim basis, and is faced with the task of cutting costs and restoring profitability. His first step is to ask President Kabua to return the DC-8 and end the unprofitable Hawaiian frequencies. The leader is in poor health and is not receptive to the idea.

On the other hand, the HS 748 is put up for sale and SAAB agrees to lease the second SAAB 2000, as yet undelivered, to the French commuter Regional Airlines, S.A. until August 1997. The HS 748 remains in service while a buyer is sought; the first SAAB 2000 is chartered to Air Vanuatu for one day each week.

In 1997–1998, the company continues to provide flights to 28 domestic locations, as well as Nadi and Tarawa, plus Honolulu, Los Angeles, and Tuvalu. The DC-8 and a SAAB 2000 are withdrawn while Managing Director Ryan departs in October of 1997.

Flights continue without change during the remainder of the decade.

AIR MARTINIQUE (COMPAGNIE ANTILLAISE D'AFFRETEMENTS AERIENS, S.A.): French West Indies (1981–2000). Founded at Fort de France on July 25, 1981, this carrier succeeds Satair-Air Martinique, S.A., which had failed earlier in the year. Employing a Beech 99 and a de Havilland Canada DHC-6, the carrier inaugurates scheduled flights on August 1. Eastern Caribbean destinations served from Aeroport de Fort de France include Barbados, Dominica, Grenada, Mustique, Port of Spain, St. Lucia, St. Martin, St. Vincent, and Union Island. Enplanements during the inaugural year total 2,704.

Two Britten-Norman BN-2 Islanders and a Piper PA-23 Aztec are added to the fleet in 1982. Passenger boardings rise to 33,723. Airline employment in 1983 is 28. During the remainder of the decade, the company also undertakes charters while adding Antigua as a stop on the scheduled network. The fleet is upgraded by the addition of 3 Dornier 228-202Ks and orders are placed for 2 Avions de Transport Regional ATR42-320s.

Martinique-Guadeloupe ATR42-320 flights commence on October 28, 1990. In 1991, a Boeing 747-200 is wet-leased and employed to provide a frequency to Paris; it is replaced by a Douglas DC-10-30 leased from Minerve, S.A. A British Aerospace BAe 146-300QC is evaluated on regional services between June and October.

Beginning in the fall, an ATR42-320 is flown on night cargo services between Fort de France and Pointe-à-Pitre under the product name Caribexpress. In cooperation with Air Guadeloupe, S.A. and Air Guyane, S.A., and on behalf of Air France, a Boeing 737-328 is employed, beginning in December, to link Pointe-à-Pitre with Fort de France, Cayenne, Port-au-Prince, San Juan, St. Martin Juliana, Belem, and Miami (MIA).

In 1992, CEO Michael Ziegler and General Manager Michael Gouze operate 2 ATR42-320s and 3 Dornier 228-202Ks, in addition to the Douglas and Boeing transports. Work begins on a FFr 16-million headquarters and maintenance center at Fort de France le Lamentier Airport.

Airline employment stands at 176 in 1993. In addition to a full slate of Lesser Antilles charter services and the Paris frequency, the company continues to offer scheduled flights to Antigua, Barbados, Canouan, Dominica, Mustique, St. Lucia, St. Martin, St. Vincent, and Union Island.

Schedules are maintained without change during 1994–1996. The most significant development of these years is the signing, in May 1995, of a joint marketing agreement with BWIA International Airlines, Ltd. (2). Plans are made to inaugurate services between the French West Indies and Puerto Rico. The workforce totals 102 in 1997–1998.

On January 6, 1999, Air France enters into a new partnership agreement with SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe), Air Saint Martin, S.A., and Air Martinique designed to increase the major's market share in North America and to maintain French-flag air presence in the Caribbean region.

During the first quarter, the B-737-2M8A of Islandsflug, H.F. is wet-leased to Caraibenne des Transportes Aeriens, the joint venture established to replace the French major on its Caribbean routes from Fort de France and Pointe-à-Pitre to Cayenne, Miami, and Port-au-Prince. The Icelandic Boeing will be returned as soon as the combine is able to secure a pair of B-737-300s. The Air France-sponsored combine transports a total of 600,000 passengers on the year.

In order to create a larger carrier in fact as well as alliance, the small airlines of the French Caribbean, which had been flying the Antilles as part of the umbrella Caraibenne des Transportes Aeriens joint venture, are actually merged into SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe) during July 2000. The surviving partner is then renamed Air Caraibes, S.A. (2).

AIR MAURITANIE (1) (SOCIETE NATIONALE AIR MAURITANIE, S.A.): Mauritania (1962–1974). Formed at Nouakchott in September 1962, **Air Mauritanie, S.A.** is the national airline of the former French colony. Shareholders initially include the government (60%), **Air Afrique, S.A.** (20%), and **Compagnie de Transports Aeriens Intercontinentaux, S.A.** or **TAI** (20%). With technical assistance and Douglas DC-3s provided by **Spantax, S.A. (Transports Aereos)**, revenue flight activities commence in October 1963 over the small internal network previously operated by **TAI**, now **UTA French Airlines, S.A.**, and **Air France**.

During the remainder of the decade, services are enhanced, with special attention given to the provision of transport to the nation's southern agricultural section. Among the destinations visited are Atar, Bir Mogrein, Dakar, Fderik, Kayes, Las Palmas, Nouadhibou, Nouakchott, and Tidjikdja.

During these years, Director General Abdoul Aziz-Ba's fleet is increased by the addition of 1 Nord 262 (1965), 1 DC-4 (1968), and 1 Ilyushin Il-18. The latter, operated by Soviet crews, provides the services to Dakar, Las Palmas, and Nouadhibou.

By 1970, the workforce totals 170 and the fleet comprises 6 aircraft: 3 Douglas DC-3s, 1 Ilyushin Il-18, 1 DC-4, and 1 Piper PA-31-310 Navajo. Operations continue apace in 1971–1973 and another Il-18 and DC-4 are added to the fleet.

In February 1974, a five-year training contract is signed with **Hughes Airwest**. The company is now reorganized into **Air Mauritanie (2) (Societe D'Economie Mixte Air Mauritanie, S.A.)**.

AIR MAURITANIE (2) (SOCIETE D'ECONOMIE MIXTE AIR MAURITANIE, S.A.): P.O. Box 41, Nouakchott 174, Mauritania; Phone 222 522 211; Fax 222 253 815; Code MR; Year Founded 1962. **Air Mauritanie (1) (Societe Nationale Air Mauritanie, S.A.)** is reorganized into **Air Mauritanie (2) (Societe D'Economie Mixte Air Mauritanie, S.A.)** in 1962. Shareholding is divided between the government of Mauritania (60%), **Air Afrique, S.A.** (20%), and **UTA French Airlines, S.A.** (20%).

Within four years, new Director General Sidi Ould Zein's carrier employs 73 workers and possesses a fleet of 3 Douglas DC-4s, 2 Fairchild Hiller FH-227As, 2 Douglas DC-3s, and 1 Piper Navajo. Domestic passenger and cargo services are provided serving Atar, Ayoun el Atrous, Kaedi, Nema, Nouadhibou, Nouakchott, Selibaby, Tidjikdja, and Zouerate. International frequencies link Nouakchott and Nouadhibou with Dakar and Las Palmas.

An FH-227A is destroyed as the result of a bad landing at Nouakchott on April 13, 1979; no serious injuries are reported.

Between 1980 and 1985, scheduled services are continued to previous destinations; however, the fleet is upgraded by the deletion of previous equipment in favor of 2 Fokker F.28-4000 jetliners and 1 F.27 Friendship. Operations continue apace in 1986–1987. In October of the latter year, a code-sharing alliance is entered into with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for service on a route from Nouadhibou to Las Palmas via Nouakchott.

In 1988–1989, General Manager Moulaye O. Boukhreiss's two F.28-4000s link their Nouadhibou base with Dakar, Las Palmas, and Casablanca. Sidi Ould Zein returns as director general in 1990 and the fleet is enhanced by the delivery of a Piper PA-31T Cheyenne and a Pilatus-Britten-Norman PBN-2 Islander.

Operations continue apace in 1991 and the fleet in 1992 includes two F.28-4000s and the Cheyenne. In 1993–1994, Director General Zein oversees a workforce of 259 and acquires a third Fairchild Hiller FH-227A.

While landing at Tidjikdja on July 1 of the latter year in a sandstorm, an F.28-4000 with 4 crew and 89 passengers touches down hard, causing the landing gear to collapse and the plane to slide off the runway and into a rock outcrop, bursting into fire (80 dead).

In 1995, orders are placed for a pair of Aero International (Regional) ATR42-320s with which to replace the FH-227As. The first ATR is de-

livered in June 1996, followed by the second in September. A replacement Fellowship is also acquired.

Flights continue through 1997–1999 to Aioun Atrouss, Atar, Banjul, Casablanca, Dakar, Fderick, Gran Canaria, Kaedi, Kiffa, Las Palmas, Nouadhibou, Nouakchott, Selibaby, Tidjikdja, and Zouerate.

Airline employment grows to 259. The stake held by **Air Afrique (2) (Societe Aerienne Africaine Multinationale, S.A.)** is increased from 20% to 32% on July 1, 2000.

AIR MAURITIUS, LTD.: Air Maritius Center, President John F. Kennedy Street, St. Port Louis, Mauritius; Phone 852 230-7770; Fax 852 208-8331; <http://www.air-mauritius.com>; Code MK; Year Founded 1967. Jointly owned by the government (52.2%), a local freight company, Rogers and Co. (17.5%), and **British Overseas Airways Corporation (BOAC)** and **Air France** (15% each), **Air Mauritius, Ltd.** is formed on June 14, 1967. Amedee Maingard is appointed chairman.

A five-year, joint service agreement is entered into with the founding partner airlines in December.

From 1968, the year of the nation's independence from the U.K., on through 1971, the carrier's personnel provide ground-handling support at Plaisance Airport to the two foreign airline owners. Cockpit crews trained by the partners occasionally fly aboard **Air France** aircraft en route to Reunion Island.

During the summer of 1972, a Piper PA-31-310 Navajo is leased from **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** allowing the airline to start a 353-mile domestic route on September 13 from Port Louis to the island of Rodrigues.

In 1973, the 1967 agreement with the French and British flag carriers, the latter now **British Airways, Ltd. (2)**, is renewed for another five years and now includes a new partner, **Air India, Ltd.** Shareholding is now revised to the government of Mauritius (42.5%), Rogers and Co. (17.5%), British Airways Associated Companies (15%), **Air France** (15%), and **Air India, Ltd.** (10%).

Through the use of its own aircraft, the last-named now establishes a connection with Bombay, while the British and French shareholders provide links to London and Paris, respectively, employing a Super VC10 leased from the former.

While the international carriers provide foreign service during 1974–1976, the domestic network is flown with small aircraft, including a de Havilland Canada DHC-6-100 acquired with the assistance of **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** in 1975. Flights are also initiated to the French island of Reunion.

The international pact is not renewed in 1977; instead, **Air Mauritius** launches its own foreign service on January 1 with a wet-leased **British Airways, Ltd. (2)** Boeing 707-465 repainted in its own livery. Destinations visited from Plaisance International Airport are Nairobi, London, and Bombay (via the Seychelles), together with Reunion and the adjacent island of Rodrigues. Chairman Maingard's fleet employs 300 persons and also owns a de Havilland Canada DHC-6-100 Twin Otter.

During 1978, 2 B-707 Stratoliners are ordered for international operations while 2 de Havilland Canada DHC-6-300s are placed on the domestic and Reunion network. In April, Rome joins the European route network.

A code-sharing agreement is signed with **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** in April 1979 covering flights between Mauritius and Antananarivo.

Employing the **Air Madagascar B-737-2B2**, pooled service is initiated in November 1980 from Tananarive to Nairobi via Mauritius and Comoros and from Mauritius to Reunion.

Former Ministry of Communications Secretary Harry K. Tirven-gadam becomes chairman in 1981 and, as the chartered British B-707-465 is returned, services are inaugurated to Durban and Johannesburg with a B-707-344B acquired from **South African Airways (Pty.), Ltd.**

Enplanements for the year total 97,098, climbing to 105,187 in 1982. During the latter year, a Stratoliner route is opened to Jeddah. A second

B-707-344B is delivered in June 1983, allowing the European services to be extended to Zurich. Passenger boardings soar to 122,837.

Airline employment jumps 18.4% in 1984 to 534. The Boeing 747SP-44 *Maluti* is leased from **South African Airways (Pty.), Ltd.** on October 28; christened *Chateau du Reduit*, it inaugurates service to Paris and London on November 3. A week later, flights commence from Mauritius to Paris via Rome.

Passenger boardings ascend 24.6% to total 152,238 and cargo traffic skyrockets 124% to 8.06 million FTKs. A net \$4.4-million profit is earned on revenues of \$32.8%, up 71.3%.

Airline employment stands at 600 in 1985 and the fleet now includes the leased Jumbojet, plus 2 DHC-6s, 2 B-707-344Bs, and 1 Hawker Siddeley HS 748. An order is placed for an ATR42-320.

A Bell 206B JetRanger is received in March and is employed for short-haul charter and agricultural work, including spraying. In April, weekly B-707-344B service is started to Singapore and in June the carrier joins the African Airline Association.

B-747SP-44 service to Europe becomes thrice weekly in November, and, employing the Air Madagascar B-737-2B2, two weekly flights are now offered to Nairobi instead of one.

Freight traffic skyrockets 92.1% to 15.48 million FTKs and passenger bookings climb 20.6% to 182,754. Revenues total \$37.3 million, but expenses are \$38.4 million; the net profit drops to \$2.4 million atop an operating loss of \$1.1 million.

The payroll is increased 4.7% in 1986 to 628 and the fleet includes 1 leased B-747SP-44, 2 B-707-344Bs, 2 DHC-6-300 Twin Otters, and 1 Bell 206 JetRanger. Orders are placed for 2 B-767-200ERs. Under an understanding concluded with **Air India, Ltd.** in January, the two companies begin to explore joint route development.

Toward the end of the first quarter, shareholding in Air Mauritius is revised and is divided between the government (51%), Rogers & Co. (15%), **British Airways, Ltd. (2)** and **Air France** (12.5% each), and **Air India, Ltd.** (8.51%).

In April, the two new partners, Air Mauritius and Air India, begin shared service on a route from Mauritius to Bombay. In October, the company signs a consultancy contract with **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** and seconds an official, Lai Sikka, to that carrier to act as advisor to its director general.

The newly received ATR42-320 *Agalega* is introduced on the Rodrigues and Reunion routes in November, replacing the Twin Otters, and, in December, Air Mauritius assumes responsibility for the Perth and Sydney routes of **South African Airways (Pty.), Ltd.**

Customer boardings climb 16.2% to 212,318 and cargo increases 43.8% to 22.26 million FTKs. Revenues total \$65 million and an operating profit of \$13.5 million is reported along with net income of \$15.8 million.

The employee population grows again in 1987, up 15.9% to 728. A second leased SAA B-747SP-44, *Matroosberg*, joins the fleet in April; named *Chateau Mon Plaisir*, it replaces one of the two Stratoliners on the Bombay and Singapore routes and permits expansion of the European network to include stops at Geneva and Munich. Orders remain outstanding for a pair of B-767-23BERs.

Passenger bookings swell again, up a happy 42.1% to 296,133; freight skyrockets 103.6% to 46.24 million FTKs. Revenues ascend 56.9% to \$94.7 million and costs are held low, allowing operating profit to accelerate to \$22.9 million and net gain to \$24.4 million.

Enplanements in 1988 increase to 375,050. The first of two B-767-23BERs—the first 767ERs produced by Boeing—is received in early March and is christened *City of Curepipe*.

Also in March, an alliance is entered into with **Malaysia Airlines, Ltd. (MAS)** for joint service on a route from Mauritius to Kuala Lumpur. At month's end, Air Mauritius contracts with **Britannia Airways, Ltd.** for B-767 technical support.

City of Port Louis, the second B-767-23BER, arrives on April 18. Its 8,728-mile delivery flight from Halifax, Nova Scotia, to Port Louis is completed in 16 hrs. 27 min. and establishes a new distance record for

the aircraft's weight category and a point-to-point record from Halifax to Port Louis.

In August and September, wide-body services are initiated to Kuala Lumpur, Harare, and Dubai. Income exceeds expenses and there are profits: \$19 million (operating) and \$17.7 million (net).

The workforce grows by 39.2% in 1989 to 1,256. During the fall, the company joins the Amadeus computerized reservations system and forms a subsidiary company, Amadeus Mauritius, to link it to its worldwide offices as well as the island's travel agencies.

The company acquires the **South African Airways (Pty.), Ltd.** B-747SP-44 *Soutpansberg* on a September 30 short-term lease; the aircraft is not renamed.

On October 29, the company begins to code-share with **Cathay Pacific Airlines (Pty.), Ltd.** over a nonstop return route from Mauritius to Hong Kong.

Customer boardings jump 15.6% to 444,372 and cargo increases 28.2% to 74.63 million FTKs. Revenues advance by 19.4% to \$137.3 million and the operating profit accelerates to \$24.4 million. Net profit skyrockets to \$21.7 million.

Company employment is cut by 12.5% in 1990 to 1,100. In January, a B-747SP-27, christened *Chateau La Bourdonnais*, is purchased from **Aerolineas Argentinas, S.A.** It will enter service in June. The acquisition allows return of the B-747SP-44 *Soutpansberg* to **South African Airways (Pty.), Ltd.**

Traffic figures are only reported through August, the month Iraq invades Kuwait, creating much higher fuel costs. During these eight months, passenger boardings rise 25.5% to 336,297 and freight moves ahead by 15.5% to 41.94 million FTKs.

When a second ATR42-320, the *Port Mathurin*, is delivered in October, the company's sole remaining Twin Otter is withdrawn.

In December, the French government provides the airline with two significant loans. The first, for \$8.9 million, represents 85% of the cost of a new ATR42 while the second, for \$9.8 million, will allow construction of a new cargo center and for the training of company pilots.

The payroll is increased by 36.4% in 1991 to 1,500 and the fleet now includes 2 ATR42-320s, 1 B-747SP-27, 1 B-747SP-44 leased from **South African Airways (Pty.), Ltd.**, 2 B-767-23BERs, and 2 Bell 206B JetRanger helicopters.

Traffic statistics are reported only through July; customer bookings are down to 281,998 and cargo is up a slight 1.3% to 37.23 million FTKs. Income exceeds costs for the year and there profits: \$20.4 million (operating) and \$23.1 million (net).

On November 1, the B-747SP-44 *Hantam* is leased from **South African Airways (Pty.), Ltd.** and is rechristened *Chateau Labourdonnais*. Weekly roundtrip B-767-23BER service to Perth begins in December.

The workforce grows 7.8% in 1992 to 1,548. The B-747SP-44 *Chateau Labourdonnais* is returned to **South African Airways (Pty.), Ltd.** on June 15 and resumes its original identity as the *Hantam*.

Air Mauritius celebrates its twenty-fifth anniversary, also in June, and code-sharing begins with **Condor Flugdienst, GmbH.** in November over a weekly route from Mauritius to Munich.

Passenger boardings for the year as a whole jump 8.4% to 582,627 while freight climbs 6.3% to 86.27 million FTKs. Revenues ascend 13.8% to \$222 million and the operating profit is \$16.5 million. Net gain hits \$25.4 million.

Airline employment inches up 0.9% in 1993 to 1,562 as Chairman Sir Harry Tirvengadam also becomes managing director.

In addition to visiting the adjacent island of Rodrigues, the company also flies from Mauritius to Antananarivo, Bombay, Durban, Frankfurt, Geneva, Harare, Hong Kong, Johannesburg, Kuala Lumpur, London, Moroni, Munich, Nairobi, Singapore, Paris, Perth, Reunion, Rome, and Zurich.

Orders are placed at year's end for 5 A340-300s, which will succeed the Jumbojets. A contract is also signed with **Deutsche Lufthansa, A.G.** for their maintenance.

Customer bookings slide 2.2% to 376,384, but cargo is ahead by 3.4% to 50.36 million FTKs.

The workforce is cut by 4% in **1994**. The SAAB-747SP-44 *Chateau de Reduit* is returned on May 31, following delivery on May 19 of the first A340-312, which is chartered from ILFC and christened *Paille en Queue*, in honor of the tropical birds that grace the tails of company aircraft. Roundtrip flights to Brussels commence in July.

Traffic, reported through August, shows improvement. Passenger boardings rise 11.2% to 418,407 and freight rises 4.3% to 52.54 million FTKs.

The second B-747SP-44, *Chateau Mon Plaisir*, goes back to Johannesburg on November 10 after the second long-range Airbus, an owned unit named *Pink Pigeon*, arrives on October 29. Roundtrip service to Cape Town begins on November 30.

A total of 1,500 workers are employed in **1995**. The company is listed on the Mauritius stock exchange.

The third A340, a Dash 313X also from ILFC, is delivered on April 3 and is christened *Kestral*. The service with **Condor Flugdienst, GmbH**, becomes twice weekly.

Traffic figures are only reported through July. During the first six months of the year, a total of 401,340 passengers are transported, along with a cargo total of 64,321,000 FTKs.

In September, the company begins a code-sharing route, employing its own aircraft, with **Austrian Airlines, A.G.** between Mauritius and Vienna.

The workforce declines 1.3% in **1996** to 1,481. The owned fleet now includes 2 ATR42-320s, 3 A340s, 2 B-767-23BERs, 2 Bell 206B Jet-Rangers, and 1 B-747SP-27. The latter is sold to **Qatar Airways, Ltd.** early in the year.

Caribjet, S.A. of Belgium leases a Lockheed L-1011-500 TriStar from **TAP-Air Portugal, S.A.** on March 8. After it has been repainted, it begins flying on behalf of Air Mauritius on March 15.

A joint service route is inaugurated in April with **Air Austral, S.A.** between Mauritius and Reunion. Munich is dropped from the schedule during the spring, allowing initiation of a weekly A340-313X service to Manchester. A B-767-328ER is leased from **Royal Brunei Airlines** in May.

Traffic is reported through October and shows customer bookings up 5.7% to 578,745. In addition, 100.63 million FTKs are also operated, a 5.9% increase. For the whole year, an after-tax profit of \$25.6 million is generated.

An A340-313 catches fire while on the ground at Mauritius and is badly damaged. The aircraft, which is not covered by insurance, begins a restoration that will take until the following June 13 to complete. Another A340-311 is chartered for four years from ILFC in November.

Airline employment climbs 6.2% in **1997** to 1,642. Figures are offered through April and show customer bookings up 9.4% to 252,487 and cargo rising a huge 65.6% to 50.1 million FTKs.

Former British Aerospace executive and advisor to Prime Minister Sir Navin Ramgoolam, Nashirudeen Mallam-Hasham is named chairman/managing director on February 17. He succeeds Sir Harry Tirvengadam, who becomes chairman of **Air Afrique, S.A.** A pair of ATR42-500s is acquired in April and June.

Under the leadership of new Chairman/Managing Director Mallam-Hasham, Air Mauritius now begins a campaign to federate the airlines of the Indian Ocean area. To this end, a protocol is signed in July with the airlines of Madagascar and the Seychelles, the Comoro government, and **Air France**.

The company receives its fifth A340, a Dash 313X, at the beginning of October. It is employed on October 28 to inaugurate dual-designator services between Mauritius and the Seychelles in cooperation with **Air Seychelles, Ltd.**

Destinations visited in **1998** include Antananarivo, Bombay, Brussels, Durban, Frankfurt, Geneva, Harare, Hong Kong, Johannesburg, Kuala Lumpur, London, Melbourne, Moroni, Munich, Nairobi, Paris, Perth, Reunion, Rome, Singapore, Vienna, and Zurich.

During the spring, an effort is made to acquire a \$22.1-million, 51% stake in **LAM (Linhas Aereas de Mocambique, S.A.)**; however, the bid is unsuccessful when privatization of that carrier is shelved. The airline now moves to become one of the prequalified bidders for **Uganda Airlines Corporation**.

In addition to these acquisition activities, Chairman/Managing Director Mallam-Hasham oversees the establishment of a regional air transport consultancy; the subsidiary is christened Consulting for African and Regional Air Transportation, Ltd. (CARAT).

A strategic alliance document is signed with **Air France** on April 3. The companies share codes on their five weekly roundtrips between Paris and Mauritius and begin to develop joint purchasing and airport handling activities.

Flights continue apace during the remainder of the year. Half-year traffic statistics show bookings of 535,000.

Airline employment in **1999** stands at 1,794, and another A340-313X is received in April. Partial figures for the year show bookings of 366,000 and 84.38 million FTKs.

The workforce is increased in **2000** by 11.5% to 2,000. A code-sharing agreement is signed with **Air Europe, S.p.A.** on March 10 for flights between Mauritius and both Rome and Milan. For its part, AM flies the new schedule with an A340-313X.

Weekly flights from Mauritius to the Indian city of Chennai begin on October 29.

AIR MELANESIAE, S.A.: Vanuatu (1969–1989). Growing out of a **1969** pooled services agreement between **Air Hebrides** (controlled by **UTA French Airlines, S.A.**) and **New Hebrides Airways, Ltd.** (backed by **British Overseas Airways Corporation (BOAC)**), Air Melanesiae is created to fly scheduled, lightplane, interisland services throughout the New Hebrides (renamed Vanuatu upon independence in July 1981) region. Destinations served include Aneityum, Craig Cove, Dillons Bay, Emae, Ipota, Lamap, Lamen Bay, Longans, Lonorore, Luganville (Espiritu Santo), Motalava, Norsup, Redcliffe, Sola, Tanna Island, Tongoa, Valeadir, Vila, and Walaha.

By the middle **1980s**, the fleet comprises 1 DeHavilland Canada DHC-6-300 Twin Otter, 1 Britten-Norman BN-2A Trislander, and 3 BN-2 Islanders. During the remainder of the decade, General Manager Peter Booth's company adds another Twin Otter and 2 Embraer EMB-110 Bandeirantes, retiring the Islanders.

Early in **1989**, merger discussions are undertaken with the start-up **Vanair (Vanuatu Internal Air Service)**. When these fail, Air Melanesiae ceases operations in November. The assets pass to Vanair on November 29.

AIR MEMPHIS, S.A.E.: 2/1316 Elnozha Elgedida, Heliopolis, Egypt; Phone 20 (2) 297-5762; Fax 20 (2) 297-5762; Code MPS1; Year Founded 1995. Air Memphis is established at Heliopolis in **1995** to provide ad hoc, worldwide, all-cargo charters. Founder Hamid Eisa is chairman. Revenue flights begin with a single Boeing 707-336C Stratofreighter and operations continue apace in **1996–1997**.

On March 10, **1998**, en route from Mwanza to Cairo via Mombasa with 34 tons of fish, the Stratofreighter, with a crew of six, fails its initial climb away from the intermediate point. It strikes and destroys the airport landing lights and crashes into a small hill beyond the end of the Moi International Airport runway, rolls, disintegrates, and catches fire; there are no survivors. One woman on the ground is injured when shrapnel hits her in the hand.

Efforts begin to find a replacement aircraft and soon 2 more B-707-320Cs are purchased from the used aircraft market.

Airline employment at the beginning of **1999** stands at 110. Flights continue apace during the remainder of the year.

A BAC 1-11-500 is acquired from Romania in late June **2000**.

AIR MERCURY: United States (1991–1992). Air Mercury, Inc. is founded at Los Angeles in the summer of **1991** to provide international

all-cargo charters with a Boeing 727-100F. Weekly revenue flights begin to Guadalajara and Mexico City in August and then are increased to twice weekly in September.

Unable to make money in the midst of recession, the newcomer shuts its doors early in **1992**.

AIR MERCURY INTERNATIONAL CARGO, S.A.: Belgium (1991–1992). AMIC is established at Brussels in **1991** to fly all-cargo charters to the Mideast, Far East, and east Africa. Revenue services commence with a single Boeing 707-365C and permission is sought to begin services to the U.S. Recession prohibits the freight operator from achieving traffic and financial viability and it is forced to shut down in **1992**.

AIR METRO, LTD.: United Kingdom (1988–1989). Air Metro, Ltd. is established at Bournemouth International Airport in **1988**, taking its name from the aircraft in its two-ship fleet, Fairchild Metro IIIs. The American-made, 19-passenger airliners inaugurate revenue services to Manchester, but are unable to generate sufficient revenues to cover mounting debts. The company folds in **1989** before reaching its first anniversary.

AIR METRO AIRLINES: United States (1975–1976). AMA is set up at Traverse City, Michigan, in **1975** to offer scheduled intrastate passenger and cargo services. Daily Beech 99 frequencies are duly inaugurated, linking the commuter's base with Pontiac, Detroit, Lansing, Marquette, and Hancock. Operations cease in July **1976**.

AIR MEUSE (BELGIAN REGIONAL AIRLINE, S.A.): Belgium (1992–1995). Air Meuse is set up at the National Airport in early **1992** as the operational component of the **Sabena (Belgian World Airlines, S.A.)** subsidiary DAT Wallonie. Employing a British Aerospace BAe 146-200, Managing Director Michel Houtart's carrier commences regional services from Brussels in the spring. Later in the year, an Embraer EMB-120 Brasilia is placed into service.

Operations continue apace in **1993–1994**, but cease in **1995**.

AIR MIAMI: United States (1978–1982). AM is originally formed in **1978** as a south Florida-based charter operator, flying extensively throughout the southeastern U.S., the Caribbean, Bahamas, and Mexico. The initial fleet comprises 1 de Havilland DH 114 Heron 2 and 3 Cessna 402s.

In March **1980**, the carrier elects to begin scheduled CASA C-212 service to Ft. Myers; during the summer, the route is stretched to Tampa/St. Petersburg and Titusville. In July, the third-level company is tapped to replace **Air Florida** on the expanding airline's Miami to Marathon route.

The arrangement proves so successful that, in October, Air Miami becomes the first member of the new **Air Florida** Commuter system. Flights to Palm Beach from Miami begin in December with a second Spanish turboprop purchased in late fall. Enplanements rise to 10,588 for the first complete year.

Airline employment at President Fred deWitt's commuter totals 76 in **1981** and his fleet now consists of 2 DC-3s, 2 CASA C-212-200 and 1 C-212-100 Aviocars, and 3 Cessna 402s. In April, services are initiated from Miami and Palm Beach to Naples, Freeport, and Ft. Lauderdale.

In addition to an increase in its Miami (MIA) accommodations, the carrier initiates increased frequencies over its routes and watches as passenger boardings skyrocket 811% to 96,468.

In December, Air Miami breaks with **Air Florida**; the carrier is reformed and renamed **North American Airlines (2)**. The workforce is increased a spectacular 114.3% to 105. Revenues exceed \$3 million and captured expenses allow a \$4,853 operating profit.

AIR MICHIGAN: United States (1969–1972). Dr. Curtis Benson establishes Air Michigan at Kalamazoo during the early summer of **1969** to provide intrastate scheduled passenger and cargo services. The fleet

consists of 1 Cessna 310, 1 de Havilland Canada DHC-6-200 Twin Otter, and 1 Beech 99, the livery of the latter featuring a map of the state on the forward fuselage. Benson's airline inaugurates daily roundtrips in July. Destinations visited include Benton Harbor, Detroit, Grand Rapids, and Lansing.

Largely unheralded operations continue apace over the next three years until the company fails in January **1972**. The company is remembered today primarily for its policy of hiring only the shortest flight attendants for its Beech 99.

AIR MICRONESIA: United States (1967–1993). As the result of the bankruptcy of the supplemental carrier **Transocean Air Lines (TAL)**, the U.S. government is forced to find some other concern to serve as its designated air carrier and to provide air transport in the Marshall, Caroline, and Mariana Islands. Part of the island chain known as Micronesia, these islands are supervised by the U.S. as part of the UN's Trust Territory of the Pacific Islands.

In the spring of **1967**, the Interior Department reviews bids and chooses to offer its contract to a new firm, **Air Micronesia**, which is a partnership between **Aloha Airlines** (20%), **Continental Airlines** (31%), and the United Micronesia Development Association (UMDA) (48%). Former **Western Air Lines** official Dominic P. Renda is appointed president and, with private and FAA officials aboard, a **Continental Airlines** aircraft, flown by that company's chief pilot M. P. "Barney" Barnwell, undertakes survey flights around the islands between December 11–22.

The UMDA will eventually come to control 60% of "Air Mike," as the airline is sometimes known, but the carrier itself will remain, essentially, a shell with a profit-sharing arrangement with the major, its operator. Within **Continental Airlines**, the operation is considered primarily as a division, Continental Air Micronesia, based at Honolulu.

Amphibian services between Truk and Ponape are provided by Grumman SA-16 Albatrosses, leased from **Pan American World Airways (1)**, while **Continental Airlines** provides a surplus Douglas DC-6B, nicknamed **Granny Goose**, to service the route network formerly covered by **Trust Territory Air Service**. These Micronesian destinations include Guam, Truk, Majuro, Saipan, and Yap. Continental also provides a Boeing 727-24C, given a special Teflon underbelly coating to protect it against coral runways and christened **Ju Ju**, and the technical support for it.

On behalf of the company, the **Ju Ju** initiates the 4,300-mile service from Saipan to Honolulu via seven different islands on May 16, **1968**. To aid its operation, Air Mike turns on the first single sideband radio network in the island chain in July and, later in the year, flights begin to Okinawa. A total of 45,772 passengers are carried by December 31, along with a cargo load of 3 million FTKs. The on-time performance is 83% and 96.7% of all flights are completed.

The **Ju Ju** begins stopping at Johnson Island, between Majuro and Honolulu, on behalf of the U.S. military, on June 18, **1969**. During the summer in response to a pledge made by Continental President Robert F. Six, construction begins on six hotels, one in each Trust Territory district. On December 4, a brief service is inaugurated from Majuro to newly independent Nauru to the south.

Enplanements for the year are 84,520.

With the island's new airport completed, Ponape, on February 9, **1970**, becomes the next Micronesian stop for the Boeing transport. The Albatrosses are returned. In July, the CAB recommends that **Continental Airlines** (which has lost \$3 million on the service since its start-up) be stripped of its authority and that it be given over to **Pan American World Airways (1)**. This proposal is opposed by Micronesian officials.

During the year, passenger boardings jump 8.6% to 92,473.

In January **1971**, Air Micronesia halts service to Majuro when the U.S. military begins employing the island as a storage facility for chemical warfare agents. As a result of a CAB ruling in the Pacific Islands Local Service case, Air Micronesia, on August 11, is granted permanent authority and is awarded routes to American Samoa and its first foreign

destination, Nauru. President Nixon approves Air Micronesia's permanent certificate on October 5. The route to Okinawa is limited to five years' duration.

When Okinawa is returned to Japan in 1972, that island becomes the carrier's second foreign stop. On December 15, a second B-727-24C, the *Nu Ju*, is acquired, allowing jetliner service to Yap and Palau. The DC-6B and two SA-16s are retired in early 1973 and the largest Continental Hotel is opened on Saipan on March 15, 1974.

Operations continue apace in 1975 and, a year later, in 1976, the Northern Marianas (Saipan and surrounding islands) vote to leave the Trust Territory and become a U.S. Commonwealth. On May 10, the CAB recommends to President Gerald Ford (who agrees on August 28) that Air Micronesia be allowed to commence flights from Saipan to Japan.

On March 1, 1977, the *Ju Ju* is sold to Air Micronesia by Continental Airlines, which immediately leases it back to employ as a flight support tool. Air Micronesia now provides personnel, equipment, facilities and ground operations services to Continental Airlines, which reimburses AM for all operating costs except corporate fiscal expenses. Fiscally, the arrangement with United Micronesia Development Association also changes. UMDA shareholding increases to 60% and Continental is now a 30% owner; Aloha interest shrinks to 10%. Donald L. Beck is now president.

Service from Saipan's new airport as well as Tokyo begins on October 1. Airline employment in 1978 totals 267 and the Commonwealth of the Northern Marianas is officially established. The Nation of the Federated States of Micronesia is set up in 1979.

Belau's constitution is approved and the Saipan Continental Hotel is sold in 1980.

Flight 614, a B-727-92C with 6 crew and 67 passengers, is destroyed as the result of landing short of the runway at Yap on November 21; the aircraft skids out of control and slides off the runway into the jungle some 1,700 ft. beyond the runway and catches fire; all aboard are safely evacuated.

In 1981-1982, service is restarted to Johnson Island and new revenue operations begin, including a daily flight from Guam to Nagoya via Saipan. The Philippines is also opened by the carrier with two routes from Guam—to Manila and to Manila via Koror. Two more B-727-24Cs are introduced by the end of 1983, allowing an increase in regional frequencies. Enplanements for the year total 161,000.

In 1984, Continental makes an attempt to take over controlling interest of the United Micronesian Development Association, 60% owner of Air Micronesia. As the four B-727-24Cs operated under "Air Mike" colors continue to service their routes, negotiations with the Pacific islands involved continue. Simultaneously, the mainland major combines its south and mid-Pacific operations under George Warde's Continental Air Micronesia division, based in Honolulu. The U.S. trusteeship for the Federated States of Micronesia formally ends in 1986.

Two new DC-10-30s are now placed on the transpacific run, but are replaced in 1987 with 1 more Boeing trimotor, bringing the fleet to 2 B-727-224s, 2 Dash-24Cs, and 1 Dash-24. During the year, the Federated States become an independent nation. There is no change in service during 1988.

Although traffic figures remain unavailable, financial figures are released for the first time in 1989. Revenues for the year total \$2.2 million and with costs down, the operating profit is \$989,112 and net gain is \$955,882.

In 1990, Continental Airlines entertains thoughts of selling this division, but does not, primarily because it continues to be profitable. Revenues increase 45.1% to \$3.18 million, expenses (led by fuel prices in the fourth quarter) are up a staggering 92.1% to \$2.32 million, and operating income slides to \$867,114. Net profit falls to \$669,646.

Now operating under Chapter XI bankruptcy, Continental Airlines decides to sell its Air Micronesia division in 1991. Revenues ascend 10.3% to \$3.5 million and with costs under control, the carrier is still profitable. Operating income is \$500,386 and net gain reaches \$1.99 million.

Early in 1992, Continental Airlines reverses its sale decision and elects to hold onto the Guam-based operation. Senior Vice President Operations Donald Breeding is dispatched to serve as president/CEO. As part of the reorganization plan prepared for and accepted by Air Canada, Ltd. and Texas-based Air Partners I.P. in November, Continental Airlines reports that the Air Micronesia division will be spun off into separate company to operate the Micronesian business.

Although traffic figures are presented with those of the parent, Breeding allows, at year's end, that revenues of \$25.1 million have been earned. Additionally, the year has seen profits: \$928,310 (operating) and \$830,179 (net).

By the time Continental Airlines emerges from Chapter XI bankruptcy on April 27, 1993, Continental Micronesia is operational.

AIR MID-AMERICA: United States (1969-1970). Established at Chicago's Meigs Field in the spring of 1969, Air Mid-America undertakes scheduled Douglas DC-3 roundtrips daily to East St. Louis via Springfield. Services last just over a year.

AIR MID-EAST: United States (1968-1971). The charter operator Air Mid-East is established at New York (JFK) in 1968 to operate passenger and freight flights throughout the Middle East. Revenue operations commence with a single Lockheed L-1049H Super Constellation.

By 1970, the carrier is operating a fleet that includes 8 Super Constellations, as well as 4 DC-6s and 6 DC-7s. Severe financial difficulties and Mideast energy developments cause the company to shut down in 1971.

AIR MIDWAY: Rte. 1, Box. 120-B, Municipal Airport, Kearney, Nebraska 688447; United States; Phone (308-237-2111); Year Founded 1992. Air Midway is established by Clyde Mikelson at the Kearney Municipal Airport in Nebraska in 1992. Five employees are hired and charter operations commence and continue with 5 Cessna 185s and 1 Piper PA-23 Aztec. A flight school and FBO is also operated.

AIR MIDWEST: P.O. Box 7724, Wichita, Kansas 67277, United States; Phone (316) 942-8137; Fax (316) 945-0947; <http://www.mesa-air.com/amw.htm>; Code ZV; Year Founded 1969. Having replaced services by both Central Airlines and Frontier Airlines (1) over the past three years and obtained a number of lucrative airmail contracts from the U.S. government, Aviation Services, Inc., Gary M. Anderson's airline/FBO, based at Wichita, Kansas, attracts additional investment.

It is reformed on May 15, 1969 and renamed Air Midwest. The first of two Beech 99As ordered the previous fall join the fleet late in the year as do the first stewardesses. The company now owns 9 aircraft and employs 53 workers. Although a total of 16,600 passengers are flown on the year, the company suffers a loss of \$139,000 on revenues of \$471,000.

Operations continue apace during the first four years of the new decade. In 1970-1973, Garden City, Pueblo, and Colorado Springs join the route network. As part of a two-year CAB experiment, Air Midwest, beginning on August 1 of the latter year, becomes the first American carrier to receive a flow-through federal subsidy; under this arrangement, payments are made to Frontier Airlines (1), which funnels them back to Adamson. This subsidy concept is challenged in court early in 1974 by representatives of the motor coach industry.

Enplanements for the year are 44,935.

Airline employment in 1975 is 80; the "flow through" subsidy practice is ruled illegal by the courts in June 1975. Elements of the program will, however, be employed in the Essential Air Service (EAS) subsidy program of the Airline Deregulation Act. Air Midwest now applies for full CAB certification as a replacement feeder for Frontier Airlines (1) in eight more Kansas and Colorado communities.

The regulatory body announces in the fall that Adamson may provide "regional feeder" services with small aircraft, thus making Air Midwest the first commuter airline in the U.S. to be specifically certified as a third-level, or regional, airline. At this time, it is only the second airline (after Ozark Airlines in 1949) certified as a regional air carrier.

Beech 99 flights commence from Kansas City to Denver. Customer bookings decline 4.5% to 43,000, but still, as a result of the federal help, the company is able to earn its first net profit: \$131,854.

Only nine more employees are hired in **1976**. Having sold its 2 Beech 99As, the company acquires 4 new Swearingen Metro IIs and places them into service on the former **Frontier Airlines (1)** route from Denver to Kansas City.

Passenger boardings decline 28.6% to 30,423 and freight is off 41.6% to 8,302 FTKs. Company officials optimistically plan a better next year.

Air Midwest's Metros in **1977** account for enplanements totaling 75,276. Revenues reach \$4.17 million and expenses are \$4.06 million, leaving a \$120,000 profit.

In **1978** the Airline Deregulation Act becomes law and the company's the workforce totals 171. The company begins to replace **Texas International Airlines** on several of its New Mexico routes late in the year and the carrier undertakes Essential Air Service (EAS) routes in Kansas.

Bookings accelerate 12% to 84,501 and freight grows by 23.1% to 799,092 pounds. Operating income rises 27% to \$5.3 million and costs climb 25% to \$5.07 million, leaving \$230,000 to bank.

The workforce is increased by 35.7% in **1979** to 232. The fleet is now doubled to 10 Metroliners. These are employed to begin new routes to the Oklahoma and New Mexico communities of Carlsbad, Clovis, Albuquerque, Enid, Ponca City, Oklahoma City, Tulsa, Hobbs, Roswell, and Lubbock. In July, the route network totals 19 destinations.

During the year, Michael J. Scheidt is recruited as a pilot; he will become senior vice president/chief operating officer a decade later.

Passenger boardings jump 47% to 124,281. Costs, led by fuel prices, balloon 54% to \$7.8 million while revenues earned are up only 46% to \$7.2 million. Still, when the year's ledgers are closed, a \$530,517 net gain is found.

The employee population jumps 62.8% in **1980** to 350. New frequencies are extended to Kansas City, Springfield, and St. Louis, plus seven other communities in Texas, Oklahoma, New Mexico, Nebraska and Iowa. Seven more Metro IIs join the fleet, and with 15, the company now owns more of this type than any other airline in the world.

Orders are placed for five SAAB-Fairchild SF340s.

Enplanements skyrocket 85.1% to 230,091 and freight traffic rises 78.4% to 239,000 FTKs. An operating loss, \$131,690, is accepted as expenses climb 102.8% to \$15.77 million on revenues of \$15.75 million, themselves up 102.6%. Still, a net profit of \$86,767 is generated.

Ten new employees are hired in **1981** and the fleet grows to include 16 Swearingen Metro IIs, with 5 SAAB-Fairchild SF340s on order. The airline becomes a public corporation, registering with the Securities & Exchange Commission and receives permission to sell its stock beyond the borders of Kansas. Service is discontinued to Des Moines and Omaha, but extended to Liberal, Kansas, and Farmington, New Mexico. Other schedules are adjusted, with some increased and others decreased.

Passenger boardings continue to rocket upward, climbing 24.4% (largely prior to the PATCO air traffic controllers' strike) to 283,874, with freight climbing another 15% to 401,000 FTKs. An even financial larger loss is, however, suffered. On revenues of \$22.5 million, a 43.9% boost, expenses are up 34.6% to \$21.23 million, leaving an operating gain of \$1.28 million. Expenses incurred during the third and fourth quarters cause a 232.8% increase in net red ink to \$436,000.

In **1982**, the payroll is increased again, by 13.6% to 410 and the company now operates the largest fleet of civil Metroliners (15) in the world. Orders are placed for 5 SAAB-Fairchild SF340s. Air Midwest again expands its route system, including Joplin, Missouri, and Grand Island, Nebraska.

Enplanements climb 9% to 309,390, but cargo plunges 20.5% to 290,000 pounds.

The financial picture brightens considerably. Operating income advances 21.3% to \$27.17 million and expenses are kept at \$23.78 million, an 11.9% increase. The operating profit is \$3.39 million and a net profit of \$1,974,900 is banked. The first cash dividend in company history is paid to stockholders as shares are split on a two-for-one basis.

Airline employment rises further in **1983**, climbing 14.3% to 488. In January, the company receives the 1982 "Regional Airline of the Year Award" from *Air Transport World* magazine.

Flights to Arizona destinations are opened. Preparations are made for the introduction of the new SAAB-Fairchild turboprops in the following year.

Bookings advance to 388,530 and cargo climbs to 1.91-million pounds. Revenues climb 22.5% to \$33.3 million, costs rise an equal percentage to \$29.06 million, and a \$4.23-million operation profit is generated. A net profit of \$1,814,700 is announced.

The payroll grows 22.5% in **1984** to 600 and the fleet includes 22 Metro IIs and 4 Metro IIAs, while orders remain outstanding for 5 SF340s and 5 Embraer EMB-120 Brasílias. Flights begin from Johnson County Industrial Airport, south of Kansas City, on February 1 to Wichita, St. Louis, and Des Moines. In October, service is kicked off from Bi-State Parks Airport at St. Louis to Chicago (MDW), from Sioux City to Minneapolis (MSP), and from Sioux City to Omaha.

In addition to the route expansion, Anderson's firm adds its first 2 SAAB-Fairchild SF340s to its fleet and, late in the year, papers are signed for the acquisition of Fayetteville, Arkansas-based regional carrier **Scheduled Skyways**. The nation's leading regional now visits 51 cities with a fleet of 42 aircraft. During the year, it operates 1,500 scheduled departures.

Enplanements swell by 22.4% to 475,586 and freight rises 6.1% to 2.08 million pounds. Revenues jump 18.7% to \$39.52 million and costs are held to \$34.19 million, a 17.7% boost. The operating profit swells to \$5.33 million while a record \$4.23-million net gain is celebrated.

The purchase of Scheduled Skyways is completed with stockholder ratification on January 17, **1985**, largely in anticipation of a feed agreement with **Republic Airlines** at Memphis. Growth continues as the former **Scheduled Skyways** begins flying as a wholly owned subsidiary, **Air Midwest Skyways**. Work is soon afoot, however, to end this autonomous status and have the former independent merged completely into its parent.

An unsuccessful effort is made to take over **Air Illinois** and in the spring, the carrier loses out on the bidding to feed **Republic Airlines'** Memphis hub. The third airline to take delivery of the SAAB-Fairchild SF340, the Wichita-based commuter places the first 2 of 5 ordered Swedish-made turboprops into service on April 1 and 15, respectively.

On May 1, interline partner **Eastern Air Lines** supports an increase of AM daily departures at Kansas City from 60 to 70 per day, including 5 additional shuttle flights to St. Louis bringing the daily total to 14. The company's twentieth anniversary is celebrated on May 15 and, as a result of losing the Memphis arrangement, growth targets are shifted from west Tennessee to St. Louis and Kansas City.

Integration of **Scheduled Skyways** is completed on June 3 and the former Arkansas-based commuter is integrated into its new parent by June 25. The amalgamated network now allows service to 57 communities in 15 south and central states. The fleet now includes 2 SF-340s, 38 Metros, and 2 Nord 262s.

In a major change of policy, officials of the Kansas independent announce on July 1 that the company will become an **Ozark Airlines** commuter partner, serving the national's St. Louis hub as "Ozark Midwest Express" beginning on October 1. Between June and August, three more SAAB SF340s arrive.

In August, Air Midwest also becomes the fourth American Eagle partner, with plans to inaugurate flights from **American Airlines'** new Nashville hub in the next the spring. The first of five ordered Embraer EMB-120 Brasílias is delivered in September and it is almost unnoticed, but the Essential Air Service contract for certain New Mexican routes is lost to **Mesa Air**.

However, a third code-sharing agreement is reached with **Eastern Air Lines** whereby the large regional begins to serve on November 1 as "Eastern Midwest Express" from the major's Kansas City hub to 15 outlying communities. Also in November, a public stock offering brings in \$11.4 million with shares of common stock selling at \$10.25 apiece.

Although passenger boardings jump 8.6% to 761,083, the surge cannot overcome the adverse impact of unusually heavy training requirements for newly integrated personnel plus aircraft repairs and bad weather in November–December.

Revenues are up 1.7% to \$59.49 million, but costs ascend 15.9% to \$62.73 million and cause rare losses of \$3.23 million (operating) and \$3.67 million (net).

In February 1986, service is suspended on numerous unprofitable routes, particularly all of those in New Mexico formerly operated under the EAS contract, plus Springdale, Arkansas, and Amarillo, Texas. Following a \$3.2-million first quarter loss, the fifth quarterly loss in a row, the board of directors authorizes the issuance of two million shares of preferred stock and changes in the company's profit sharing plan, both measures designed to counter the declining situation.

In the spring, the large regional inaugurates two separate code-sharing arrangements. The company originates American Eagle flights from the major's new hub at Nashville on April 15. Four newly purchased Embraer EMB-120 Brasilias and 10 Fairchild-Swearingen Metro IIs are assigned to the new enterprise. Meanwhile, "Eastern Midwest Express" service is started to 15 cities on the spokes leading into the second major's hub at Kansas City.

During the second and third quarters, the fleet grows to include 42 Metro IIs, two Metro IIAs, five SAAB SF340As, and four Brasilias. Most of the Metro Is acquired in the **Scheduled Skyways** acquisition are now sold or leased. With completion of the Ozark-TWA merger in November, the "Ozark Midwest Express" service centered on St. Louis becomes "TWExpress" in support of the surviving partner, **Trans World Airlines (TWA)**.

Unhappily, the route reorganization that the major imposes upon its two local feeders requires Air Midwest to eliminate six Illinois and Missouri cities from its route while gaining only two, Cape Girardeau and Quincy. St. Louis bookings decline by 30% while, at the same time, **Eastern Air Lines** inaugurates jet service over the regional's most profitable route, Kansas City to Wichita.

Customer bookings ascend 21.3% to 923,124 and revenues advance 15.7% to \$68.78 million. Expenses rise 9.6% to \$68.6 million and allow an operating profit of \$178,000. The net loss, on the other hand, climbs a million dollars to \$4.31 million.

A non-dual designator service is resumed to Downtown Airport in Kansas City in 1987. Flights are discontinued to a number of EAS destinations in Tennessee and Arkansas. Costs involved in taking over the smaller companies together with less-than-anticipated returns from the code-sharing agreements bring total losses since 1985 to \$9 million.

In June, a large number of employees are laid off, a wage giveback program is implemented, and six of its Brazilia delivery positions are sold. The same month, the Metro fleet is voluntarily grounded when the FAA requires the company to begin the immediate repair of previously allowed nonstructural skin cracks.

It will require three months for all units to be properly handled and the repairs documented. In October, **Atlantic Southeast Airlines** co-founder Robert Priddy acquires 6.5% interest (251,300 shares) and, in November, is elected to the board of directors and asked to prepare a plan for the carrier's resurgence.

On December 31, the assets of the carrier's American Eagle operation at Nashville are sold to AMR Corporation, parent of **American Airlines**, for \$8 million. The transaction is not as profitable as it would appear; after paying off a \$2-million loan to the major and the cost of the 11 Metros, which are also turned over, Air Midwest realizes only \$3.3 million in cash and from that a mere \$117,000 net profit.

On the year, passenger enplanements surpass the million mark in annual boardings for the first time (1,030,497) in an 11.6% increase. Cargo, on the other hand, declines by 9.3% to 1.94 million FTKs. Revenues swell 20.8% to \$83.31 million, expenses jump 15.6% to \$79.33 million, and the operating profit is up to \$3.98 million. The year's net loss "improves" to \$1.21 million.

The workforce is reduced by 23.2% in 1988 to 988. On January 14, following three months of publicly submerged friction, the board dismisses founder Gary Adamson as president/CEO, replacing him with his antagonist, Robert Priddy, who is asked to implement his rescue plan. Adamson remains board chairman, but has no management role. Simultaneously, Cayman Islands-based Templeton, Galbraith & Hansberger purchase 12.26% shareholding, becoming the airline's single largest stockholder.

President Priddy initiates cost-cutting measures in April, led by a reduction in force of 735 of the carrier's 1,050 employees. Simultaneously, it is decided to abandon the company's multistop route structure in favor of a pure hub-and-spoke system. Now concentrating on feeding passengers to **Trans World Airlines (TWA)** at St. Louis and **Eastern Air Lines** at Kansas City, Priddy's fleet comprises 10 Embraer EMB-120s, 7 SF340s, and 35 Fairchild-Swearingen Metros.

After eliminating most one-stop routes, the number of Brasilias is reduced to four. In June, sale and leaseback are negotiated for six Metro IIs and several spare engines. Traffic and income fall significantly when **Eastern Air Lines** closes its KC hub on August 31 and the affiliation, in effect since 1985, ends.

Nearly two weeks of boardings are lost until, on September 18, a new code-sharing arrangement is reached with **Braniff, Inc.** for "Braniff Express" service from the same city.

Customer bookings increase 17% to 874,000, but revenues decline 11.1% to \$74.09 million. Expenses are down by 10.9% to \$70.75 million and allow operating income of \$3.46 million. The net loss is \$1.38 million.

The workforce is reduced by 11.2% in 1989 to 836. Early in the year, an order is placed for 15 British Aerospace BAe Jetstream Super 31s. The carrier's headquarters building is concurrently sold and leased back while flights commence from Kansas City to Peoria and Madison. Within a year of signing the code-sharing pact with **Braniff, Inc.**, Air Midwest's national partner is in bankruptcy and the Braniff feed arrangement ends on September 28.

"TWExpress" flights continue to St. Louis; however, the major takes Robert Priddy's large regional to court over alleged third-party booking fees. By May, the company is serving 44 cities in 13 states with some 370 daily departures.

In July, the company's board of directors rejects an \$8-per-share takeover bid by **Resort Airlines**.

Despite these difficulties, passenger boardings still manage to grow by 4.4% to 912,032. Revenues recover to move up by 9.4% to \$81.1 million. Although an operating profit of \$1.2 million is posted, the net loss deepens to \$2.39 million.

The number of employees is reduced by 4.3% in 1990 to 800. Nine EMB-120s are now on the line, along with 34 Metroliners and 7 SAAB 340As. Six additional Metros will be received during the year. Early in spring, Air Midwest settles its third-party booking dispute with **Trans World Airlines (TWA)** by paying the major almost one million dollars.

In July, daily nonstop "TWExpress" service begins from St. Louis to Birmingham, Alabama. During the fall, the Kansas City feeder operation, together with 8 Brasilias and the previous year's order for 15 Jetstream 31s, is sold to **Trans States Airlines (TSA)** for \$12 million. Simultaneously, given the departure of both **Eastern Air Lines** and **Braniff, Inc.**, Priddy affiliates with **USAir** at the same town, flying as "USAir Express."

Customer bookings decline by 12.6% during the 12 months to 797,456. Revenues ascend a slight 0.4% to \$81.44 million, expenses decline 2.3% to \$78.07 million, and operating income doubles to \$3.36 million. A net profit of \$3.98 million is generated.

The last EMB-120s are removed in 1991, together with 4 SAAB-340As and 20 Metros. **Trans States Airlines** takes over the Kansas City operation in early January and the code-sharing agreement with **USAir** takes effect on January 15, as "USAir Express" flights begin. The "TWExpress" operation at St. Louis is officially purchased by **Trans States Airlines** on January 31 for \$12 million. Transferred or

sold to TSA President Huldus Kanoida are 8 EMB-120s, 15 Jetstream 31s, plus associated spare parts, and options on 15 more Jetstreams. In addition, Trans States takes over maintenance and ground station equipment, plus fuel in the ground, at 19 cities, along with \$7.4 million in long-term debt.

Following the successful conclusion of negotiations during the first quarter, the carrier is purchased for \$27 million in stocks and cash by Mesa Holdings on July 12, becoming a subsidiary of **Mesa Airlines**. It continues to operate as a "USAir Express" carrier at Kansas City.

The company's 15 Beech 1900s fly a total of 423,017 passengers during the troublesome 12 months, a decline of 47%. Revenue figures are now released as part of the new parent's annual figures.

Larry Risley becomes president in 1992. The company continues its "USAir Express" affiliation and trades all of its fleet in for 14 Beech 1900Cs. Destinations visited include Cedar Rapids, Des Moines, Dodge City, Fayetteville, Garden City, Great Bend, Hays, Kansas City, Liberal, Lincoln, Little Rock, Manhattan, Omaha, Salina, Sioux City, Sioux Falls, Springfield, Topeka, and Wichita.

The year's enplanements total 371,943, a 26.6% boost.

Passenger boardings dip 1.4% in 1993 to 366,966. Airline employment stands at 290 in 1994 and the fleet comprises 13 leased Beech 1900Cs. **Mesa Airlines** becomes Mesa Air Group and Air Midwest becomes a division. Air Midwest's independent operations are now suspended.

"USAir Express" service continues apace and passenger boardings inch up 1.1% to 370,899.

"USAir Express" flights from Kansas City continue with the same fleet during the first eight months of 1995. Beginning in August, the carrier accepts the first of 12 Beech 1900Ds, which will, over the next 18 months, replace the Model Cs.

Enplanements, however, fall again this year, dropping 3.3% to 358,600.

In July 1996, Congress eliminates \$1.2 million in EAS payments to **Mesa Air Group**. As a result, the carrier is forced to halt "USAir Express" services to the Kansas cities of Dodge City, Great Bend, Garden City, and Hays served from Kansas City, plus a number of **Mesa Air Group** "United Express" communities visited from Denver. The last of the Beech 1900Cs are retired by the end of the year as all of the Model Ds are in service.

Customer bookings advance slightly, rising to 361,062.

On February 27, 1997, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." **Mesa Air Group** is reorganized into four new divisions, which also include the marketing and customer service units of Air Midwest and **WestAir Commuter Airlines**. During the year, the regional will begin repainting its aircraft in a modified style of the major's grey and dark blue livery.

Recognizing the higher costs of operating at the new Denver airport, Congress, under the leadership of U.S. Senator Pat Roberts (R.-Kansas), restores—and increases—the lost EAS monies on July 1 for the next fiscal year, in the amount of \$2,797,280. Consequently, twice-daily "USAirways Express" roundtrip Beech 1900D flights are resumed on October 1 from Hays to Kansas City via Great Bend and from Garden City to Kansas City via Dodge City. Additionally, **Mesa Air Group** "United Express" resumes twice-daily Beech 1900D roundtrips from Great Bend to Denver via Dodge City and twice-daily roundtrips from Hays to Denver, plus thrice-daily roundtrips from Liberal to Denver via Garden City.

Passenger boardings climb 13.6% to 410,296.

Information concerning activities in 1998 into 1999 is largely reported with **Mesa Air Group** and **USAirways Express (Mesa Air Group)**. During these years, Archie "Dick" Paquette is in charge and the fleet comprises 12 Beech 1900Ds. Enplanements during 1998 reach 505,000, a 23% increase.

The Mesa Airlines, Air Midwest, and **CCAair** divisions of **Mesa Air Group** all complete 100% of their flights on May 2 of the latter year. To celebrate this achievement, Mesa President/CEO Jonathan Ornstein, on May 6, hosts a company-wide pizza party for all 3,800 employees in every unit spread over 100 locations.

Customer bookings surge 32% to 666,000.

The workforce at the start of 2000 stands at 750, a huge 150% over the previous 12 months. President Dick Paquette retires in January and is succeeded by Greg Stephens.

AIR MIKE EXPRESS: P.O. Box 8778, Tamuning, 96911, Guam, United States; Code CO; Year Founded 1990. Air Mike Express is established on Guam in early 1990 to offer scheduled passenger and cargo services to Rota and Saipan. The company is a joint venture between **Continental Airlines** and **Air Micronesia**. The initial fleet, which employs Continental's IATA code, comprises two Fokker F.27s. Operations continue without change, although one Friendship is reported out of service in 1993–1994.

Even as **Air Micronesia** becomes **Continental Micronesia**, services to points on Guam, Rota, and Saipan continue.

AIR MIKISEW, INC.: Rte. 1, Box. 2, Compartment 2, Fort McMurray, Alberta T9H 5B5, Canada; Phone (780) 743-8218; Fax (780) 743-8225; http://members.home.net/air-mikisew; Year Founded 1990. Air Mikisew is established as an FBO and charter operation at Fort McMurray in 1990. Over the next decade, the company provides ground support for various fleets and charter flights to bush locations throughout Alberta and Western Saskatchewan. Aeromedical services are also provided, as is the charter of aircraft to certified parties. The fleet employed is the usual mix of Cessna 185s and 207As, plus de Havilland Canada DHC-2 Beavers.

In mid-decade, Air Mikisew begins a scheduled passenger and freight service between Fort McMurray and Fort Chipewyan employing two Piper PA-31-350 Navajo Chieftains, one based at each location. As the millennium approaches, the fleet is enhanced by the addition of a Beech 99 and a British Aerospace BAe Jetstream 31.

AIR MISSOURI: United States (1976–1978). Kirksville-based **Horizon Airways, Inc.** (founded in 1969) is reformed in April 1976 and renamed. Cessna 207 routes formerly operated to Quincy, Illinois, via Kansas City and St. Louis are maintained and, in 1977, new Spencer–Pocahontas–Des Moines services are inaugurated.

Operations cease in 1978.

AIR MOLDOVA, S.A.: Chisinau Airport, Chisinau, MD 2026, Moldova; Phone 373 (2) 525 162; Fax 373 (2) 524 040; http://www.aeolos.com/moldova.htm; Code 9U; Year Founded 1992. Air Moldova is set up at Chisinau Airport in 1992 to provide scheduled and charter passenger and cargo services throughout the new republic (which borders on Romania) and the Russian Federation. Peter A. Chebak is appointed president with Shtefan Fulga as general director. A fleet is assembled comprising 7 Tupolev Tu-154s, 12 Tu-134s, 10-plus Antonov An-24s/26s, 1 An-74, and 1 An-82.

Significant support is acquired, under contract, from **Aeroflot Russian International Airlines (ARIA)** and revenue flights are inaugurated in May to Frankfurt. Additional destinations added during the remainder of the year and into 1993 include Bucharest, Donetsk, Ekaterinburg, Frankfurt, Chisinau, Krasnodar, Mineralnye Vody, Minsk, Moscow (Vnukovo), Murmansk, Samara, Sochi, St. Petersburg, Tbilisi, and Volgograd.

The fleet is altered in 1994 to include 1 An-74, 10 Tu-134As, and 4 Tu-154B-2s.

Frequencies are increased in 1995 along with the number of units in the fleet; added or returned to service are 1 Tu-154B-2, 7 An-24s, 4 An-26s, 2 An-32s, 1 Il-18, and 10 Tu-134As.

Flights continue in 1996. Although seven airlines fly into Chisinau Airport in 1997, Air Moldova and **Air Moldova International** account for 50% of passenger services. A strategic marketing agreement is entered into with **Balkan Bulgarian Airlines** late in the year.

Scheduled destinations visited in 1998–1999 include Athens, Bucharest, Istanbul, Larnaca, London (LGW), Moscow, Paris, Sofia, and Vienna. A total of 99,000 passengers are flown during 1998, with boardings sliding to 47,000 in 1999, due largely to the Kosovo crisis.

The media reports on June 29, 2000 that German investors have assumed a 49% minority stake. On October 6, orders are placed for 2 Embraer ERJ-145s for delivery in May and June 2002; the small jets will be assigned to routes from Chisinau to Amman, Athens, Beirut, Frankfurt, Istanbul, Larnaca, and London (LGW).

AIR MOLDOVA INTERNATIONAL, S.A.: Chisinau Airport, Hotel 4th Floor, Chisinau, MD 2026, Moldova; Phone 373 (2) 529 396; Fax 373 (2) 526 414; <http://www.ami.md>; Code 3R; Year Founded 1995. Air Moldova International is founded by private interests in 1995 to undertake scheduled and charter international passenger and cargo services. Ownership is divided between Exicom and WS Touristic Import and Export. Viorei Ous is appointed director general, with Oksana Sultan as commercial services manager. Revenue flights begin on April 1 with a pair of Yakovlev Yak-40s.

One each Tu-134A and Tu-154A are acquired in 1996. Air Moldova International, in February, becomes the official airline of the annual MoldExpo, a series of exhibitions by various organizations from regional nations set up at the Chisinau Exhibition Center. The company becomes an IATA member on October 8.

Although seven airlines fly into Chisinau Airport in 1997, Air Moldova and Air Moldova International account for 50% of passenger services. In September, the company begins scheduled services to Volgograd and Vladivostok. Offices are now maintained at six locations in Moldova, as well as at Frankfurt, Warsaw, Amsterdam, Kiev, Dnepropetrovsk, Odessa, Donetsk, and Volgograd.

Twice-weekly An-24 joint venture flights with Air Ukraine (Avialinii Ukrani) commence in October between Simferopol and Chisinau.

Destinations visited in 1998 include Amsterdam, Berlin, Dnepropetrovsk, Donetsk, Ekaterinburg, Frankfurt, Iasi, Kiev, Larnaca, Mineralnye Vody, Minsk, Munich, Odessa, St. Petersburg, Vladivostok, Volgograd, and Warsaw.

A homepage is opened on the World Wide Web in August.

A code-sharing agreement is signed with Turkmenistan Airlines at the beginning of 1999. In March, the two companies offer twice-weekly, dual-designator Boeing 737-300 roundtrips between Chisinau and Ashgabad.

On July 3, 2000, the carrier begins to code-share with Transaero Airlines on a route from Chisinau; seven flights are made into Moscow (Vnukovo) and three to Moscow (Sheremetyevo 1).

AIR MOLOKAI: United States (1982–1996). Late in 1982, the Connecticut-based Concord Development Corporation purchases Tropic Air, reforms it, and renames it Air Molokai. Suzanne Garcia is named executive vice president. Employing a fleet of 2 Douglas DC-3s and 5 Cessna 402s, the Honolulu-based operator begins in 1983 to expand its frequencies around Oahu and to Molokai, Maui, and Lanai. Enplanements for the year total 73,200 and airline employment is 70.

Operations continue apace in 1984–1986 and, by 1987, the Douglas transports have been replaced by 4 additional Cessna 402s. Passenger boardings total 131,875. Enplanements decline in 1988 as the company encounters financial difficulties. Operations cease in October 1989, by which time the small regional has transported 101,723 passengers on the year.

Three Maui businessmen purchase Air Molokai in early 1990 and resume operations on Molokai and to Kahului and Lanai during the second half of the year. The recession causes a significant downturn in 1991. In 1992, Don Johnson is president and the fleet comprises only 4 402s.

Another 402 is purchased in 1993. Airline employment stands at 57 in 1994. A total of 41,308 passengers and 929,309 pounds of freight are flown on the year. Operations cease in 1996.

639. AIR MONACO, S.A.: Monaco (1980–1982). The Monacan flag line is established in December 1980 to operate scheduled passenger services to Andorra with a fleet of 6 Convair CV-990s. In 1981, passen-

ger boardings increase by 1,612% to 342. The economics involved require that the company cease operations in 1982.

AIR MONARCH, S.A. de C.V.: Mexico City, Mexico; Year Founded 2000. Former Aeropostal de Mexico executive Julian Aparacio forms this new cargo airline at Mexico City during the first quarter of 2000. The first of 4 Convair CV-580s chartered from Kelowna Flightcraft Air Charter, Ltd. arrives in March and is employed to begin nightly freight flights to Monterrey.

AIR MONGOL. See MIAT (MONGOLIAN AIRLINES)

AIR MONT: United States (1975–1984). Captain Yves Dumont establishes this tiny commuter at Vieques, Puerto Rico, on November 15, 1975. Employing a Beech Bonanza, he launches revenue flights from his base to San Juan, Culebra, and other island airfields on November 15.

The Bonanza is traded in for a Piper PA-34 Seneca and operations continue apace until 1984.

AIR MONTENEGRO: Airport Podgorica, P.O. Box 73, 81000 Podgorica, 81304, Montenegro; Phone 381 (81) 37 704; Fax 381 (81) 52 648; Code AMN; Year Founded 1991. This private carrier is formed at Titograd, the Montenegrin capital, in 1991 to provide scheduled service to Bari in southern Italy. Employing a leased Yakevlov Yak-42, flights are hardly underway before the UN embargo on air flights from the former Yugoslavia causes the carrier's grounding on May 31, 1992. Plans to restart await lifting of the sanctions.

UN sanctions are withdrawn in November 1995. Chairman Vladislav Popovic and Director General Kristo Krajevic lease 1 each B-737-200, Yakovlev Yak-40, and Yak-42. Scheduled flights are inaugurated from Podgorica (formerly Titograd) on February 16, 1996.

Destinations visited this year and in 1997–1998 include Bari, Istanbul, Nis, and Tirenna.

In an effort to reverse the political situation in the Yugoslav province of Kosovo, NATO begins an attack on military points in that area, as well as Serbia, on March 24, 1999. Yugoslav air space is closed and services by this tiny carrier are significantly curtailed for the duration of the conflict.

AIR MONTREAL, INC.: 10105 Ryan Avenue, Dorval, Quebec H9P 1H2, Canada; Phone (514) 631-2111; Fax (514) 631-8335; Code F8; Year Founded 1995. Reginald Overing sets up this new third-level carrier at Montreal (YUL) in 1995 to offer scheduled passenger and cargo services to 11 communities throughout eastern Canada. Revenue flights commence with 4 Fairchild Swearingen Metro IIs and 1 Metro III.

The fleet is increased in 1996 by the addition of 4 Piper PA-31-350 Navajo Chieftains. Orders are placed for a second Metro III, which enters service in 1997. Flights continue in 1998–2000.

AIR MOOREA, S.A.: P.O. Box 6019, Faa International Airport, Papeete, French Polynesia; Phone 689 86 41 00; Fax 689 86 42 69; Code QE; Year Founded 1969. In early 1969, Air Tahiti, S.A. (AT), is formed at Papeete by local business interests to provide lightplane services. In January 1970, it purchases control of competing Air Moorea, S.A. and allows it to continue flights as a subsidiary under its previous name. During 1971–1987, operations continue apace with Piper and later Twin Otter equipment.

In January 1987, the parent is consolidated with its offspring under the Air Moorea name in order that Air Polynesie, S.A. might receive the Air Tahiti, S.A. name. The fleet is strengthened by the addition of AT's 5 Britten-Norman BN-2 Islanders. Enplanements in 1988 total 145,311.

Airline employment is increased to 77 in 1989 and the fleet now includes 6 Islanders, 3 Piper PA-31-310 Navajos, 1 de Havilland Canada DHC-6-200 and 1 DHC-6-300. Orders are outstanding for three more Islanders. Passenger boardings increase to 157,946.

The 3 Islanders arrive in 1990 and, in May, Air Tahiti, S.A. orders 2 Dornier 228-212s, 1 of which will be turned over to Air Moorea, S.A. Operations continue apace in 1991–1992, with the German-built turbo-prop received during the former year. In 1993, President Marcel Galenon's fleet includes 1 Twin Otter, 4 Islanders, 1 Dornier 228-212, 2 Piper PA-23 Aztecs, and 1 PA-31-350 Navajo Chieftain. Enplanements total 160,000.

Flights in 1994 continue from Tahiti to Moorea as roundtrip frequencies reach 19 per day. A second Dornier 228-212 is received.

In 1995–1996, a charter subsidiary, Air Archipela, S.A. is set up on Tahiti to offer on-demand flights to all destinations in French Polynesia. Francois Martin is named managing director of the new concern and is given a workforce of 6 and 1 each Cessna 441 Conquest and Beech Super King Air 200.

Flights continue in 1997–2000. Airline employment during the latter year stands at 66.

AIR MORAVIA, LTD.: Czech Republic (1991–1995). Originally organized in early 1991 as an all-cargo carrier with a headquarters at Lugano, Switzerland, Air Moravia is initially equipped with a single Tupolev Tu-154B. The decision is taken during the fall to offer both passenger and long-haul cargo flights, concentrating on the Far East. Revenue flights begin on December 1 on a Prague–Singapore–Hanoi route.

Early in 1992, the Tupolev is withdrawn and replaced by an Ilyushin Il-62M and an Il-86, plus a Let L-410. A second Il-86 is ordered. Operations continue in 1993–1994, during which years the Let is leased to Topair, Ltd. and the company emphasizes only long-haul cargo flights. Flights cease in late 1995.

AIR MUSKOKA, LTD.: Canada (1992–1993). Air Muskoka is established by Dave Groufours at the Gravenhurst Municipal Airport in Ontario in 1992. Charter passenger and cargo flights commence and continue with a fleet of 2 Piper PA-31-350 Navajo Chieftains and 2 Beech King Air 100s. Flights cease a year later.

AIR NACOIA (EXPLORACAO DE AERONAVES, S.A.): Rua Commandante Che Guevara 67-1e Andar, Apart 1, Luanda, Angola; Phone 244 (2) 395 477; Fax 244 (2) 395 477; Code AN; Year Founded 1993. Air Nacoia is established at Luanda in 1993 to provide domestic and regional all-cargo charters. Salvador Silva is president and he recruits a workforce of 40 and purchases 1 each Boeing 707-321C and B-727-227A with which to begin revenue flights.

Services continue in 1994–1996, during which years a B-727-27C is also leased, along with several Antonov An-12Bs, and an order is placed for a Douglas DC-8F.

While on final approach to Lucapa Airfield in Angola on March 12, 1997, an An-12B with 4 crew and 16 passengers, crashes in dense fog 150 m. short of the runway; there are no survivors.

Flights continue in 1998–2000. Airline employment reaches 40.

AIR NAMIBIA (PTY.), LTD.: P.O. Box 731, TransNamib Building, Eros Airport, Windhoek, 9000, Namibia; Phone 264 (61) 223 019; Fax 264 (61) 221 910; <http://www.airnamibia.com.na>; Code SW; Year Founded 1991. Namib Air, Ltd. the national airline, is renamed Air Namibia, Ltd. on October 28, 1991. All shareholding is held by the government corporation TransNamib Holdings, Ltd., with the airline its subsidiary. General Manager D. Keith Petch's carrier employs 311 workers and possesses a fleet of 3 Beech 1900Cs, the Boeing 747SP-44 *Soutpansberg* leased for N\$5 million per month from South African Airways (Pty.), Ltd. (SAA), and 1 B-737-2A5A, the *Ondekaremba*.

Services are continued to previous destinations from a base at Windhoek, including Cape Town, Frankfurt, Harare, Johannesburg, Keetmanshoop, Luanda, Luderitz, Lusaka, Maun, Mpacha (Katima Mulilo), Runda, Oranjemund, Oshakati, Swakopmund, Tsumed, and Victoria Falls. As the result of a February agreement, the company, in cooperation with Deutsche Lufthansa, A.G., is able to begin twice-weekly

B-747SP-44 flights to Frankfurt in late summer. Other cargo and passenger charters are also undertaken.

The South African Airways (Pty.), Ltd. B-747SP-44 *Soutpansberg* is renamed *Etosha* on October 15.

On November 3, the airline opens Sunday flights from Windhoek to Luanda, with onward connections to Johannesburg. As neither SAA nor TAAG Angola Airlines, S.A. have reciprocal landing rights as yet, this is the most direct link between Angola and South Africa.

In competition with SAA and British Airways, Ltd. (2), twice-weekly B-747SP-44 flights are begun by the *Etosha* from Windhoek to London (LHR) via Johannesburg on July 6, 1992. One service is flown with an additional stop in Frankfurt and a third service is inaugurated in November.

In 1993, General Manager Petch's workforce totals 393. The B-747SP-44 *Hantam* is leased from South African Airways (Pty.), Ltd. on March 25 in order to increase frequencies on the London route to thrice weekly. In addition, Beech 1900C service is provided to 7 regional and 10 domestic communities, including new markets at Walvis Bay and Lingstone.

On May 12, after less than two months service, the *Hantam* is returned to South African Airways (Pty.), Ltd.

Enplanements for the year total 176,357.

The number of company employees is reduced by 3.8% in 1994 to 380; scheduled for inauguration in April, service to Paris from Windhoek is postponed. The joint venture agreement with Deutsche Lufthansa, A.G. ends in June, along with flights between Windhoek and Frankfurt.

Still, passenger boardings increase 11.3% to 198,824 while cargo increases by 16.5% to 25.43 million FTKs. Revenues reach N\$48.59 million, but expenses are N\$49.34 million, causing a N\$736,135 operating loss and a net downturn of minus N\$2.15 million.

A contract is entered into with Namibia Commercial Aviation, Ltd. (NCA) in March 1995. Under its terms, NCA will employ its restored Douglas DC-6B *Fish Eagle* on a weekly scheduled replacement service from Windhoek to Victoria Falls. NCA also agrees to keep its Douglas ready to stand in for Air Namibia scheduled flights that must be cancelled for technical reasons.

The B-747SP-44 *Maluti* is chartered from South African Airways (Pty.), Ltd. in October.

Destinations visited by Air Namibia in 1996 include Cape Town, Harare, Johannesburg, Keetmanshoop, Luanda, Luderitz, Lusaka, Maun, Mpacha (Katima Mulilo), Oranjemund, Oshakati, Rundu, Swakopmund, Tsumeb, Victoria Falls, and Walvis Bay. The regional fleet is increased by the addition of 3 de Havilland Canada DHC-8-301s, with the first delivered on May 12.

Meanwhile, a new and private local competitor, Kalahari Express Airline (Pty.), Ltd. (KEA) formed by Sheik Hani Yamani, prepares to take to the skies.

In June, the South African Airways (Pty.), Ltd. B-747SP-44 *Outeniqua* is leased. It replaces the B-747SP-44 *Maluti*, returned the previous month.

The company enjoys a mixed year in 1997. Although customer bookings are off by 5.4% to 221,309, freight rises a nice 19.4% to 35.3 million FTKs. Revenues drop 9.4% to N\$52.9 million and there is a N\$9-million operating loss.

Early in 1998, plans are made to inaugurate new international or improved services to Lisbon, Frankfurt, and London. The B-747SP-44 *Etosha* is removed and replaced by a B-767-33AER, leased from Ansett Worldwide Aviation Service for N\$3 million per month (\$526,000). Painted in a new livery and christened *Erongo* after a Namibian mountain, it will be employed to launch the upgraded services in July.

TransNamib Holdings, Ltd. Chairman Willy Klein informs his colleagues that the holding company and its airline subsidiary have reached a "crossroads," due to continued financial loss. Difficult and unpalatable decisions need to be taken, he points out, in order to avoid a crisis.

During the spring, two-year-old Kalahari Express Airline (Pty.), Ltd. (KEA) finds itself in dire financial straits. Led by its Managing

Director Sattar Aboobakar, the company approaches Air Namibia offering to sell it 51% controlling interest. The flag carrier's managing director, Andreas Guibeb expresses great interest, but when he refers the matter to the board of directors for consideration, it becomes split on the issue. As the decision-making process drags on, KEA elects to seek other partners. Its air service license expires and, during the last week of May, all 61 employees are laid off.

On June 5, it is reported in *The Namibian* that plans by Air Namibia to purchase a controlling interest in the beleaguered KEA have collapsed and Namibia Harvest, a company in which local businessman Aaron Mushimba and Air Namibia Board Chairman Petrus Damaseb have interests, has purchased the carrier outright. In addition, KEA Managing Director Aboobakar confirms that, while Namibia Harvest will finance the arrangement, **SA Express (Pty.), Ltd.** of South Africa, will operate it under a management contract.

Air Namibia Chairman Damaseb and TransNamib Managing Director Peingondjabi Shipoh both deny on June 8 that they know anything about the collapse of the Air Namibia-KEA negotiations. Damaseb indicates that his board had approved acquisition of a 51% majority stake following a positive due diligence report and that only required funding approval from TransNamib Holdings stands in the way of the deal's completion.

By June 9, Chairman Damaseb has become the center of a conflict-of-interest controversy for his role on the board of Namibia Harvest. He claims to be innocent of such charges and notes that both he and Air Namibia's board believed it had an arrangement to takeover KEA on June 1 in partnership with Namibia Harvest which, it now appears, has hijacked the entire arrangement to its own benefit. Indeed, Damaseb protests that it was through his intervention that KEA was able to renew its license, an authority that was conditioned on Air Namibia's acquiring a controlling stake.

Air Namibia Managing Director Guibeb reports on June 12 that the company's loss in April alone is N\$6.9 million. He is quick to point out, however, that the airline had underspent by N\$4.3 million on budgeted expenditures during that month as a result of lower operating costs due to its newly arrived B-767-33AER. At the same time, Member of Parliament Johan de Waal speculates in the assembly that losses for the month are closer to N\$13 million.

The airline's continuing fiscal problems and the continuing controversy over **Kalahari Express Airline (Pty.), Ltd. (KEA)** heats up again toward the end of the month. On June 24, Vice President Katuutire Kaura informs the national assembly that he will personally request that Works, Transport and Communications Minister Hampie Plichta undertake a review of the latest development, the transfer of KEA ownership from Air Namibia to TransNamib Holdings. Such a move, he contends, is also contrary to government liberalization policy. Indeed, he recommends that the entire relationship between TransNamib and the government be investigated.

Next day, Managing Director Guibeb addresses a group of Namibian and French business representatives accompanying French President Jacques Chirac on his southern Africa tour. Encouraging investment, he also reveals that his carrier is in negotiation with **Air France** concerning a possible strategic alliance and code-sharing on a route from Paris to Cape Town via Windhoek.

The government review of TransNamib is undertaken during the summer and fall. At the same time, TransNamib enters into discussions with **Deutsche Lufthansa, A.G.** concerning a strategic alliance; Air Namibia is not involved in the talks that would greatly impact its operations.

During the fall, Air Namibia and **Kalahari Express Airline (Pty.), Ltd. (KEA)** reach an understanding and will work in tandem much as **South African Airways (Pty.), Ltd.** does with **SA Express Airways (Pty.), Ltd.**

Without informing TransNamib's Klein or Shipoh, the government cabinet on November 11 cuts the airline loose from the holding company in an effort to boost its economic viability. Works, Transport and Communications Minister Plichta informs *The Namibian* newspaper

that TransNamib will be phased out and that the airline will be partially privatized, with the government holding 51% and private owners, preferably Namibian businesses, holding a 49% stake. He further indicates that, until the changeover can occur, the cabinet will agree to guarantee N\$20 million (\$3.7 million) to Air Namibia to help it overcome its immediate operational and financial problems.

TransNamib Chairman Klein and Managing Director Shipoh, who had not proposed the N\$20-million bailout, read about these developments and confirm to the press that they are in the dark on these developments.

Over the next month, the government acts on its promise to begin the dissolution of TransNamib into two partially privatized companies, Air Namibia and Namrail. Additionally, Minister Plichta steps in to end the strategic negotiations with **Deutsche Lufthansa, A.G.**

At Air Namibia, Managing Director Guibeb is demoted to deputy managing director, while Dr. Jaafar Ahmed, the former governor of the Bank of Namibia, is appointed acting managing director/CEO on a renewable six-month contract.

In a further effort to transform itself into a viable carrier, Air Namibia, on January 7, 1999, signs an agreement in Johannesburg with **South African Airways (Pty.), Ltd.** Under terms of the document, the two carriers pledge to explore such joint business opportunities as combined customer services, linked frequent flyer programs, and code-sharing. The arrangement is extended to **Kalahari Express Airline (Pty.), Ltd., SA Express Airways (Pty.), Ltd.,** and **SA Airlink (Pty.), Ltd.**

It is announced on March 15 that **Kalahari Express Airline (Pty.), Ltd.** will initiate daily flights between Windhoek, Johannesburg, and Cape Town by midyear using a pair of Fokker F.28-3000s. The services will complement rather than compete with the frequencies offered on those routes by Air Namibia or **SA Airlink (Pty.), Ltd.**

Having found it too expensive to continue the lease of the Ansett B-767-33AER when its charter expires in April, the carrier announces, on March 29, that it has leased a B-747SP-44 from **South African Airways (Pty.), Ltd.** Hired for six months, the Jumbojet arrives at Windhoek on April 4.

On April 5, the company begins to lay off 150 workers, spending between N\$8 million and N\$10 million on the retrenchment package.

Boeing Commercial Airplanes Group representative Paul Bride joins with airline officials on April 22 to announce the company's purchase of a new B-747-400C that will be delivered in October.

The chartered B-737-300 is returned in late summer and replaced on an interim basis with a leased **South African Airways (Pty.), Ltd.** B-747SP-44, pending delivery of a new Jumbojet requested in July.

Originally built for **Asiana Airlines, Ltd.** but not delivered due to the Asian economic crisis, a new B-747-48EC arrives in October and is christened *Welwitschia*. It takes over the carrier's European schedule and also flies weekly from Lusaka to London (LHR) on behalf of **Zambian Express Airways, Ltd.**

Kalahari Express Airline (Pty.), Ltd. finally launches service on October 31.

Customer bookings inch up only 1.8% on the year to 228,000 but cargo skyrockets by 104.4% to 19.04 million FTKs. Although operating revenues are down 11.4% to \$47.15 million, costs also drop, by 10.2%, to \$43.56 million. There is a \$3.59-million operating gain and the net loss is cut to \$10.8 million.

During the first half of 2000, a five-year strategic plan is developed which, if successful, will reverse the unprofitable picture. Mismanagement is to be halted, cargo capacity will be reviewed, leasing practice will be reviewed, and new routes may be started, including a route to Uganda.

A **Kalahari Express Airline (Pty.), Ltd.** Fokker F.28-3000 is acquired and is ready to enter service on September 3 when Air Namibia and **SA Express Airlines (Pty.), Ltd.,** employing a Canadair CRJ, launch an intense twice-daily return flight competition over a new route from Johannesburg and Eros Airport, near Windhoek.

On September 18, a contract is signed with **Safair (Pty.), Ltd.** for the lease of 2 B-737-700s at the end of 2001. The same day, a new air service pact is entered into between Namibia and Uganda. Under its terms,

Air Namibia will launch its first direct scheduled service into East Africa on September 26 with flights code-shared with **Uganda Airlines, Ltd.** between Windhoek and Kampala. Last minute instructions to the management of their carrier from the Uganda privatization authorities put the flights on hold.

A new marketing and code-sharing agreement is signed with **Comair (Commercial Airways [Pty.], Ltd.)** on October 9; the two offer 15 weekly roundtrips between Windhoek and Johannesburg.

All hope for any arrangements with **Uganda Airlines, Ltd.** is crushed on October 13 as that airline is liquidated.

Weekly B-747-48EC return service is inaugurated to Munich on October 30.

AIR NASHUA CORPORATION: United States (1977–1979). ANC is established at Nashua, New Hampshire, in 1977 to offer small plane commuter flights to local destinations. Unable to maintain viability in light of the oil crisis, the company shuts down two years later in 1979.

AIR NATIONAL: United States (1981–1984). Established by Michael Garrihy at Monterey, California, in early 1981, Air National leases a Douglas DC-9-15MC from **Air Florida**, as well as several Aerospatiale Corvettes from other sources. These are employed to operate contract cargo flights on behalf of **Purolator Courier** and **Airborne Express**.

Late in 1982, the company receives government authority to operate passenger charters. A Boeing 727-214 is chartered from Pacific Southwest Airlines (PSA) and employed to inaugurate these services.

A Boeing 747-133 is leased from **Air Canada, Ltd.** in 1983 with which to begin charter passenger and cargo services from the East Coast of the U.S. to London, Greece, and the Middle East. Operations commence in May with these seasonal services ending in November, at which time the Jumbojet is returned. Bookings for the seven months of operation total 38,000.

In March 1984, a B-747-257B is chartered from **Swissair, A.G.** It also receives scheduled authority for a return service from New York (JFK) to Athens via Brussels.

Retaining the brown and black cheatline of the lessor on the Jumbojet, Air National undertakes a second season of transatlantic charters beginning in May. Contract difficulties between the carrier and a number of major inclusive-tour agencies at the height of the summer travel season results in Air National's stranding a significant number of passengers on both sides of the Atlantic.

A dismal string of lawsuits, adverse publicity, and fiscal drain culminates in early July when the Jumbojet, undergoing maintenance at St. Louis, is attached by a Missouri court for nonpayment of rental fees. Unable to find additional capital, the company ceases all operations on July 28 and files for Chapter XI bankruptcy on September 1. The Jumbojet having been returned in August, the remainder of the carrier's assets are now liquidated, with the lease on the DC-9-15MC ending.

AIR NATIONAL, LTD.: Level 1, Air New Zealand Domestic Terminal, Auckland International Airport, Auckland, New Zealand; Phone 64 (9) 256-8550; Fax 64 (9) 256-8552; <http://www.airnational.co.nz>; Year Founded 1989. Air National is set up by Carlo Vaccari and Ian A. Gray in 1989 to operate contract scheduled services in the Pacific states. Gray becomes managing director, with Merv R. Falconer as director of flight operations.

Contracts are also signed with the Airways Corporation of New Zealand to operate calibration flights. Revenue services commence in early 1990 and are maintained.

By 2000, airline employment stands at 19 and the fleet includes 1 each British Aerospace BAe Jetstream 32EP, Embraer EMB-110P2 Bandeirante, and Mitsubishi Mu-2.

AIR NAURU CORPORATION: Government Building, P.O. Box 40, Yaren District, Nauru; Phone 674 44-3168; Fax 674 444 3173;

<http://www.airnauru.com.au>; Code ON; Year Founded 1970. Established by the island republic in the west Pacific Ocean on February 12, 1970, Air Nauru acquires a Dassault Falcon 20 executive jet under lease and, two days later, inaugurates scheduled semimonthly flights to Brisbane, Australia, via Honiara, Solomon Islands. Falcon flights continue apace in 1971. In July, a 1,600-mile route is opened from Nauru to Majuro in the Marshall Islands.

The carrier obtains 1 Fokker F.28 in 1972 and employs it to replace the Dassault. By 1976, Air Nauru has acquired 1 Boeing B-727-100C and 1 B-737-200C and introduced 2 more long-haul, over-water routes: Nauru to Apia and Nauru to Guam, Okinawa, and Kagoshima. A B-727-100 is purchased in December 1977.

In 1978, President Kenas Aroi's carrier links the 8.2-square-mile tropical nation, famous for its phosphate mines, with 24 destinations in the central, southern, and western Pacific, including Brisbane, Noumea, Ponape, Port Vila, Tarawa, Tonga, Hong Kong, Kagoshima, Manila, Nadi, Okinawa, Suva, Taipei, and Melbourne.

During the 1980s, the B-727s are withdrawn in favor of 4 B-737-200s. Additional stops added include Auckland, Honiara, Majuro, Pago Pago, Ponape, Rarotonga, Saipan, Sydney, and Vila. Orders are placed in 1990 for 2 B-737-400s.

Operations continue apace in 1991 and in 1992, the fleet includes 1 each B-737-2L7A, B-737-2L9A, and B-737-2L7CA. Operations continue to link Nauru Island in 1993–1994 with Auckland, Christchurch, Christmas Island, Guam, Honiara, Honolulu, Kosrae, Manila, Melbourne, Nadi, Noumea, Pohnpei, Suva, Sydney, Tarawa, and Truk.

While the B-737-200 fleet of **Air New Zealand, Ltd.** is down for engine repairs during March–April 1995, the company's B-737-2L9A is wet-leased to the New Zealand flag carrier. With the island's supply of phosphate starting to run out, the airline—the national government's single largest expenditure item—runs into trouble. A total of \$180 million in bonds come due and cannot be paid; the carrier's overseas accounts are closed by various banks due to overdrafts.

Australian aviation consultant Peter Roberts is retained as interim CEO and is tasked to "make Air Nauru commercial." One of the three small Boeings is sold and unprofitable routes are significantly cut back or ended altogether.

Having existed since its start as an adjunct to a government department, in 1996 the airline becomes the Air Nauru Corporation, a statutory corporation. Its objective remains the continuation and enhancement of strong air links with Melbourne, Sydney, and Brisbane in Australia and expansion of its participation in the commercial development of the central Pacific area. To meet these goals, Rex Barnes is appointed CEO in July, with Eddie Dufrenne as chief financial officer.

Flights to Melbourne, Brisbane, Manila, and Guam continue during 1997 as the company acquires a B-737-4L7. It replaces the last two older B-737-200s and operates a single south–north route from Melbourne to Guam via Brisbane, Nauru, and Pohnpei, with side segments to Fiji and Kiribati.

Beginning in January, the new jetliner is leased to **Qantas Airways (Pty.), Ltd.**, which employs the airliner on domestic Australian routes three days each week. Plans are made to acquire 2 Next Generation B-737-700s during the next few years, which will allow the launching of flights to Hawaii.

Airline employment stands at 250 in 1998. On February 3, 1999, the carrier's B-737-4L7 inaugurates weekly return charters from Melbourne and Sydney to Norfolk Island on behalf of "Norfolk Jet Express." Non-scheduled flights to the holiday destination are added at the beginning of March.

AIR NAVIGATION TRANSPORT AGENCY OF UKRAINE: Gogolevskaya Str. 25, Kiev, 252054, Ukraine; Phone 380 (044) 219-1204; Fax 380 (044) 244-6643; Year Founded 1994. The company is set up at Kiev in 1994 to offer domestic and regional all-cargo charter services. Yuri Kisseliov is general director and begins revenue operations with a fleet of 5 Antonov An-32s and 6 Ilyushin Il-76Ds.

AIR NEBRASKA: United States (1976–1981). Air Nebraska is formed at Kearney in the summer of 1976 to offer scheduled third-level flights to various destinations in the area. Revenue operations commence with a single Beech 99 and a Cessna 402.

In 1977, points visited include Denver, Omaha, Grand Island, Hastings, and McCook. Enplanements reach 6,416 by year's end. Passenger boardings skyrocket 158.2% in 1978 to 7,621. Another Beech 99 is acquired in 1979. Customer bookings accelerate 41.2% to 11,000, but cargo is down 21.3% to 6,000 pounds.

Kansas City is substituted for Denver in the route network in 1980. Passenger traffic declines by 4.5% as the number of passengers flown falls to 10,270. Freight is down another 14.1% to 4,952 pounds. Despite customer bookings of 5,237 by May 1981, this financially troubled commuter is unable to maintain its services and closes its doors in July.

AIR NEGRIL, LTD.: P.O. Box 477, Montego Bay, Jamaica; Phone (876) 940-7747; Fax (876) 940-6491; <http://www.airnegril.com>; Year Founded 1997. Air Negril is set up at Montego Bay in 1997 to offer scheduled flights to Negril on behalf of Runway Tours. Revenue flights begin with a fleet made up of 2 Cessna 206 Stationair IIs and 1 each C-T210 Turbo Centurian II and Britten-Norman BN-2A Islander.

AIR NELSON, LTD.: Private Bag 32, Nelson, New Zealand; Phone 64 (3) 546-7484; Fax 64 (3) 546-6272; Code RLK; Year Founded 1978. A flying school is established by Robert Inglis and Nicki Smith at Motueka on the South Island in 1978 to train airline pilots. Six years later, in 1984, a Piper PA-23 Aztec is acquired specifically to inaugurate two-per-day "quasi-scheduled" roundtrips to Wellington. When the nation's airline industry is deregulated in 1985, Air Nelson, Ltd. is formed at Nelson, at the top of the South Island, to provide a potential access to it; Inglis is managing director and Smith is secretary.

In 1986, Inglis decides to go ahead and start scheduled regional services. In addition to the Aztec flights, a PA-31 Navajo is acquired to fly local businessmen from Nelson to Wellington. Five more Navajos are obtained later in the year and in 1987. These launch scheduled frequencies, as many as 18 per day, to four other points on the South Island, as well as to Palmerstown North and Wellington on the North Island.

In the spring of 1988, Air Nelson enters into a marketing alliance with another commuter, Hamilton-based **Eagle Aviation, Ltd.** In late summer, the national flag carrier **Air New Zealand, Ltd.** forms a commuter/regional feeder system, "Air New Zealand Link," modeled on that sponsored by **Delta Airlines** in the U.S. In November, the major purchases a 50% shareholding in both Eagle and Air Nelson, which latter, in turn, acquires a pair of Fairchild Metro IIIs.

Inglis's company in 1989–1990 undertakes feeder and replacement flights unprofitable to the flag line; destinations served grow to include Christchurch, Hokitika, and Westport. The fleet is increased dramatically as 7 more chartered Metro IIIs are obtained, together with 4 SAAB 340As, the latter on lease from the Swiss regional **Crossair, Ltd.** Enplanements during the latter year reach 250,000 as the flag carrier grounds its Fokker F.27 fleet and leaves Air Nelson to fill the regional feeder void.

In 1991, 2 more SAAB 340As arrive, chartered from their manufacturer. Additional destinations visited during the year and in 1992 include Gisborne, New Plymouth, Napier, Wanganui, Takaka, Blenheim, and Timaru. By 1993, Managing Director Inglis's company employs 220 workers and possesses a fleet comprising 6 SAAB 340As, 1 340B, 9 Metro IIIs, 4 Piper PA-31-350 Navajo Chieftains, and the original Piper Aztec. Passenger boardings pass the 750,000 mark.

Early in 1994, the original **Crossair, Ltd.** aircraft are purchased and 3 more SAAB 340As are acquired, formerly operated by **Swedair, A.B.** and delivered under charter from **SAS (Scandinavian Airline System)**. Five of the Swedish-made turboprops are based at Nelson, with the remainder hubbing on North Island satellite fields at Tauranga, Napier, Palmerston North, and New Plymouth.

The number of destinations visited reaches 18. Approximately 160 flights are made each weekday and a thousand per week, making Air Nelson, Ltd. the largest airline in New Zealand in terms of the number of sectors flown. Enplanements reach 693,575.

Airline employment grows by 7.7% in 1995 to 445 and the fleet now includes 12 SAAB 340As and 8 Fairchild Metro IIIs. Passenger boardings jump 18.5% to 851,000.

There is no change in either the workforce or the fleet in 1996.

An Air Nelson SAAB 340 aircraft, carrying 19 passengers, makes an emergency landing at Hamilton Airport on January 20 after a fire warning light comes on. Checks reveal no problem and the flight resumes 45 minutes later. The company must also abort three flights to Wellington from Nelson on May 5 because of mechanical problems. The first involves a Metroliner, the next two were SAABs.

Enplanements through July total 412,944.

During the first quarter of 1997, two former **Brit Air, S.A.** SAAB 340As are subleased from **Air New Zealand, Ltd.**, which had chartered them from MCC Financial Corporation. Traffic figures are not released.

Flights continue in 1998 and into 1999 as airline employment grows to 420. On January 18 of the latter year, all Metroliners are replaced with SAAB 340As on routes from Auckland to New Plymouth, New Plymouth to Wellington, and Wellington to Napier. A fourth daily direct service is introduced between Auckland and Nelson.

As the new millennium begins, Air Nelson flies exclusively under the Air New Zealand Link marketing name, with its aircraft liveried accordingly.

AIR NEVADA (1): United States (1970). The first Air Nevada is set up at Las Vegas in 1970 to fly gamblers in and out from Hawthorne, Oakland, and San Francisco. Revenue flights do not last the year.

AIR NEVADA (2): United States (1974–1998). In 1978, the air taxi operator **Capair Services** (formed in 1974), based at Las Vegas, is reformed and renamed, offering Grand Canyon tour services on a charter basis while awaiting the outcome of a license request made of the CAB. With the license in hand, President Myron L. Caplan employs his Cessna 402 and one Cessna 441 to inaugurate scheduled passenger flights from Las Vegas to the Grand Canyon in January 1979.

In 1980, two more C-402s are acquired and flights begin to Death Valley, California. The license is upgraded to full 401 certification on January 14, 1981. Sales offices are opened overseas. Full commuter services are now launched and a total of 38,534 revenue passengers are carried on the year with a fleet now comprised of 9 C-402s and 1 C-340.

The second largest carrier to the Grand Canyon in 1982, Air Nevada (2) opens additional foreign offices and begins scheduled services to Palm Springs. Bookings rise to 80,000, but recede to 61,250 in 1983. Still, new tour products are offered as the fleet grows to comprise 10 Cessna 402s.

Airline employment in early 1984 is 45. Boardings decrease somewhat as a result of the increase in the value of the dollar; however, the company is now the leading Grand Canyon carrier. Orders are placed for 2 Convair CV-580s.

Renewed domestic marketing emphasis is instituted in 1985.

With the decline in the dollar's value, overseas passenger bookings reach an all-time high in 1986. Traffic increases significantly in 1987 as the base of operations is transferred to McCarran International Airport. The company's fifteenth anniversary is celebrated in 1988; boardings accelerate and the marketing force operates from two dozen international offices.

The fleet in 1989 includes 8 Cessna 207s and 14 Cessna 402s. Scheduled tour service is inaugurated to Bryce Canyon, Utah. From Los Angeles, a special joint program is marketed with **Delta Air Lines** worldwide. Special joint fares are also offered with **Northwest Airlines** and **American Airlines**, as well as **Delta Air Lines**. Enplanements total 75,000.

One-day Bryce Canyon/Grand Canyon group flights are launched in 1990. Night cargo flights are started between Las Vegas and Los Angeles

as the marketing staff is increased further at the McCarran headquarters. Passenger boardings, due to recession and war fever, plunge, but the exact figures are not disclosed.

One-day Bryce Canyon/Grand Canyon individual flights are launched in 1991. A joint program is developed with **America West Airlines** allowing customers the opportunity to take the one-day tour on a special fare from any AWA city in California, Nevada, or Arizona. Two more Cessna 402s are acquired and enplanements total 61,270.

A Convair 580 is introduced on May 24, 1992; it is the largest aircraft to fly scheduled service on a daily basis between Las Vegas and Grand Canyon. Employment stands at 48 as passenger boardings jump 29.7% to 79,475.

Scheduled service is opened from Las Vegas and Grand Canyon to Monument Valley in 1993 and the international office network is extended to 31. A marketing and code-sharing agreement is signed with **Air Resorts Airlines**. Customer bookings climb 9.2% to 86,770.

Destinations served by the 75-employee company of Chairman/CEO Myron Caplan in early 1994 include San Francisco, Death Valley, Los Angeles, Las Vegas, Bryce Canyon, and the Arizona attractions of Indian Country, Monument Valley, and the Grand Canyon. Passenger boardings inch up 1.1% to 87,755.

The workforce is increased by a dramatic 73.6% in 1995 to 125. Still, enplanements decline by 5.7% to 83,290.

The employee population is reduced a dramatic 30% in 1996 to 80 and passenger traffic is down again, by 7%. The company's 11 Cessna 402Cs haul 77,501 passengers. Operations continue in 1997 as company pilots evaluate a number of 19–30 passenger aircraft for future delivery. They need not have bothered. Despite a 10% cut in the workforce to 72, customer bookings fall 8.3% to 71,064.

The company shuts down its Las Vegas business in January 1998 and moves to Hawaii, where it reopens shop as **Pacific Wings**. In its last month of mainland life, the company transports 6,936 passengers.

AIR NEW ENGLAND: United States (1970–1981). On November 15, 1970, Joseph C. Whitney, Nelson Lee, and colleagues, formerly of **Executive Airlines**, join George Parmenter of Hyannis-based **Cape & Islands Flight Service** in founding this large Boston-based regional. Half a million dollars in backing is provided by Robert Kansler of Detroit and Farleigh Dickinson Jr., who becomes board chairman. Transair, an FBO that had acquired Cape & Islands, is itself taken over in October, together with its 4 de Havilland Canada DHC-6-100 Twin Otters. The operating certificate is changed from **Cape & Islands Flight Service** to Air New England. Flight 741, a DHC-6-100 piloted by Capt. John Santos, inaugurates the company's passenger and cargo services on November 1.

Destinations visited in December and throughout 1971 include New York, New Bedford, Augusta, Portland, New Haven, Hartford, Providence, and Martha's Vineyard. The fleet is increased to also include Beech 99s, Aero Commander 500Bs, and the first of five Douglas DC-3s. Captain Santos also has the honor of placing the first Douglas transport, originally flown by **American Airlines**, into service on July 9.

With these aircraft and a workforce of 45, the new airline boards a total of 88,092 passengers. Revenues of \$1.84 million are generated, but a \$404,000 loss is suffered.

Two more DC-3s are acquired in the first half of 1972. A Douglas, en route from New York to Boston on August 24 must make an emergency landing at Tweed–New Haven Airport after experiencing engine trouble. When **Executive Airlines** fails in midyear, Whitney acquires its routes from Boston to Lebanon and Montpelier and several DHC-6-200s and DHC-6-300s.

Enplanements for the year total 143,653 and income jumps to \$3.08 million. The first of four profits in the airline's history can be reported—\$20,500.

Following its 1973 purchase of **Northeast Airlines**, **Delta Air Lines** transfers to Air New England a number of Northeast's former routes to and in Vermont and New Hampshire. Passenger boardings jump 43% to

204,802. Even though the load factor averages 45% for the year, start-up costs and higher fuel prices prevent the airline from making a profit. On revenues of \$4.7 million, a \$450,000 loss is taken.

Airline employment in 1974 stands at 350 (including 86 pilots) and the fleet includes 27 aircraft. Orders are placed for 6 Shorts 330s. Air New England receives word from the CAB on October 15 that it will be granted a local service certificate early in the new year. As such, it will qualify for subsidy and will operate under an entirely new set of regulations.

At the end of the year, ANE is the second-largest regional airline in the U.S., bested only by Los Angeles-based **Golden West Airlines**. To meet the CAB's requirement for larger aircraft, the company, in November, purchases 6 Fairchild-Hiller FH-227s (and a quantity of spare parts) from **Delta Air Lines** for just \$3 million.

Customer bookings skyrocket 61% to 329,000 while cargo traffic climbs to 62,000 FTKs, a huge jump of 260%. On operating income of \$8 million, the net profit is \$78,553, the company's best showing to date.

Since the previous summer and into 1975, 50 new employees are hired, including a young Twin Otter copilot, Rand K. Peck, whose helpful personal history of the company will appear in the November 1998 issue of *Airways*. Air New England is officially redesignated a local service carrier (the first and only since **Ozark Air Lines** a quarter-century earlier) by the CAB on January 24.

While on the ground at Hyannis, Massachusetts, on March 2, a company Twin Otter, with only the pilot aboard, is boarded by a lone assailant who demands to be flown to New Haven, Connecticut. As the aircraft has not been fueled, the flight is impossible and the perpetrator is taken in hand by police. Given a trial, he will be sent to prison.

The company's largest new-hire class of 31 pilots begins training on April 14.

President Whitney's contract is terminated in September when investor Robert Kanzler decides that he should hold the post. The same month, Capt. Jim McDevitt and Financial Officer Frank Moss fly the carrier's last DC-3 service, from Waterville to Boston. Thereafter as the FH-227s arrive, the Douglas transports are retired.

Enplanements climb a healthy 27.1% to 408,719 while freight traffic grows even more, up 53.2% to 95,000 FTKs. Revenues jump to \$11.76 million, but a huge \$1.46-million loss is experienced.

Four hundred are employed in 1976. To maintain the ex-Delta FH-227s, ANE builds a large hangar at Hyannis; by summer, company headquarters are, however, transferred to the former **Northeast Airlines** building at Boston's Logan International Airport.

Tiring of the responsibility, Kanzler turns the presidency over to Charles F. Butler late in the year and sells his stock to co-owner Dickinson.

Passenger boardings rise a modest 1% to 410,216. Freight, on the other hand, jumps 33.8% to 126,000 FTKs. Income reaches \$15.54 million; however, neither profit nor loss is reported.

In 1977, employment at Chairman Dickinson and President Butler's company totals 415 and the fleet comprises 7 Fairchild Hiller FH-227s and 10 de Havilland Canada DHC-6-300 Twin Otters. Destinations served include New York (LGA), New Bedford, Nantucket, Hyannis, Martha's Vineyard, Portland, Lewiston, Auburn, Augusta, and Waterville, Keene, Lebanon, Burlington, and Montpelier.

Enplanements total 462,000. The operating profit is \$154,000 and net gain is \$56,000, on operating income of \$17.9 million.

The number of employees is increased by 23.7% in 1978 to 538. Edward H. Bauerband is appointed senior vice president operations. Under an agreement with the local chapter of the Air Line Pilots Association, the company leases a pair of Convair CV-580s from **Aspen Airways** for use during the summer tourist influx.

The CAB now grants ANE, which is offering over 900 weekly departures, the authority to serve as both a Part 121 certified air carrier and as a Part 298 commuter airline; the ability to fly as an "Area Air Carrier" permits the local service airline to fly Twin Otters—a class of aircraft much smaller than ordinarily allowed an airline as large as President Butler's—to smaller communities.

Following passage of the Airline Deregulation Act, the route system is expanded in October to Hartford.

In November, an aviation column in *The Boston Globe* notes that Air New England is the only scheduled airline still operating large propeller equipment out of Logan International Airport.

Passenger boardings accelerate 15.2% to 550,000. Total revenues jump 16% to \$20.8 million, but \$21.97 million in costs associated with expansion bring a \$1.2-million operating loss and a net downturn of \$1.93 million.

The workforce is reduced by 0.5% in 1979 to 535. The reduction in force begins to sap employee morale and a number of pilots begin to move to other airlines. Air New England adds a stop at Providence in February and benefits from a \$3.2-million financing arrangement with **Delta Air Lines**. The fleet is increased by the addition of one more FH-227 from **Ozark Air Lines** (1).

While on final approach from New York on June 17, Flight 248, a DHC-6-300 with 2 crew and 8 passengers, descends below minimum altitude and crashes into a heavily wooded area near Barnstable on Cape Cod. One pilot, company cofounder George Parmenter, is killed.

An FH-227, with 50 aboard, including former Peace Corps director and actor Sargent Shriver, lands safely at Boston eight days later despite problems with its nosewheel landing gear.

Flights to Presque Isle begin later in the year.

Customer bookings these 12 months rise 7.8% to 593,000, but cargo is down a huge 70% to 93,000 FTKs. Although revenues are up by 26.5% to \$26.31 million, expenses jump 29.1% to \$28.36 million. As a result, the operating balance falls by \$2.05 million and a net \$2.77 million loss is suffered.

The employee population is decreased by 8.3% in 1980 to 505. President Butler's carrier, once profitable but now fighting for survival, is forced to rely on its Delta agreement, an annual \$4.7-million Federal Essential Air Service subsidy, and the persistence of two major stockholders, Chairman Fairleigh Dickinson Jr., and former President Robert Kanzler, who have seen a \$64-million investment erode to a total stockholder equity of \$237,000.

The company now agrees to add a number of Convair CV-580s to its fleet of 6 Fairchild Hiller FH-227s and 10 de Havilland Canada DHC-6 Twin Otters.

Passenger enplanements fall by 27.5% to 432,759 and freight falls again, down 41.1% to 747,560 pounds carried. Operating income declines by 2.7% to \$21.56 million as expenses rise 2.1% to \$28.8 million. A \$290,000 operating loss is absorbed as investors rejoice in a \$273,367 net gain.

The first of several expected Convair CV-580s is received in February 1981 and employed to start, later in the first quarter, service to Rochester and Cleveland.

Despite the fiscal downturn, the carrier moves into three more markets—Albany, Baltimore, and New York (JFK). Hardly had this growth started when it was met by two major hurdles: competition by large airlines flying Boeing 727s and the PATCO air traffic controllers' strike.

A small profit earned during the first two quarters cannot, in the end, overcome large operating losses. On October 31, reeling from losses incurred as a result of the PATCO air traffic controllers' strike and after merger talks with **Wright Airlines** fall through, the 10-year-old large regional shuts its doors. The final service, Flight 53, is operated by the FH-227 of Capt. Paul Johnson and Financial Officer Ken Hughbanks between Burlington and Boston.

During its last year, Air New England transports a total of 284,381 passengers (down 35.7%) and operates 76,000 FTKs (up 13%).

AIR NEW MEXICO: United States (1980–1981). In late May 1980, six-year-old **Zia Airlines**, based at Las Cruces, New Mexico, changes its name to Air New Mexico. Cessna 402B, British Aerospace BAe Jetstream 31, and Fairchild-Swearingen Metroliner flights continue to link the company's base with Albuquerque, Santa Fe, Taos, El Paso, Silver City, Denver, Farmington, and Alamogordo.

Poor finances, combined with the effects of the summer PATCO air traffic controllers' strike, force it to shut down in 1981.

AIR NEW ORLEANS: United States (1981–1988). Equipped with 1 Piper PA-31-350 Navajo Chieftain and 1 PA-31-310 Navajo, Air New Orleans begins scheduled passenger and cargo flights on August 10, 1981, linking its base with Mobile and Pensacola. During the next five years, the route network is increased to include stops at Panama City, Tampa, Walton Beach, Jacksonville, and Orlando.

In 1983–1985, the fleet is increased by the addition of 1 Beech 99 and 5 Piper T-1020s. Consideration is given to the purchase of failed **Skyway of Ocala**, but a deal is not closed. Enplanements in the latter year total 92,936.

The 142-employee small regional acquires another Beech 99 and a pair of British Aerospace BAe Jetstream 31s in May 1986. In July, the carrier signs a "Continental Express" code-sharing contract with **Continental Airlines**, agreeing to feed the Texas Air Corporation (TAC) flagship at Crescent City.

President Tony Jobe now removes the T-1020s and replaces them with 2 additional Beech 99s and 2 Jetstream 31s. So successful is this expansion that passenger boardings jump 11.1% to 104,539 and the carrier is able to move into the ranks of the large regionals.

The fleet in 1987 includes 7 Beech 99s, 4 Jetstream 31s, and 5 Navajo Chieftains.

Operating as "Continental Express," Flight CO962, a 10-day-old BAe Jetstream 31 with 2 crew and 9 passengers, aborts its takeoff from New Orleans on May 26. The aircraft is unable to stop and overruns the runway, bounces off a chain-link fence, skids across State Rte. 61, and comes to a stop in a parking lot. Amazingly, no fatalities are reported. The accident is reviewed by Peter Garrison in his "Control Conundrum," *Flying* 106 (March 1989): 26–27.

A new minihub is opened at Birmingham, Alabama, a move that helps customer bookings ascend to 126,362.

During the first week of January 1988, Beech Aircraft informs Air New Orleans that it is in default on \$543,000 in lease payments on 7 of its 9 Beech 99s. Unable to come up with the necessary funds, the carrier, in mid-month, files for Chapter XI bankruptcy protection at New Orleans Federal District Court. According to the filing, the commuter owes its creditors \$2.1 million. Still, the full schedule of 80 flights per day is operated.

In early spring, while continuing to operate from Birmingham, the carrier loses its "Continental Express" affiliation. The loss is fatal; unable to recover, the carrier ceases operations and surrenders its operating certificate to the FAA.

AIR NEW SOUTH WALES (PTY.), LTD.: Australia (1981–1989). On July 2, 1981, **Ansett Airlines of New South Wales (Pty.), Ltd.** is renamed **Air New South Wales (Pty.), Ltd.** General Manager J. Buchanan's operation employs 281 workers (down 0.3% from the previous year) and has a fleet comprising of 6 Fokker F.27-500s. All are painted in the company's "Sunshine" livery of yellow fuselages and red tails.

Scheduled services are maintained from Sydney to Merimbula, Cooma, Wagga Wagga, Narrandera, Griffith, Dubbo, Mudgee, Coonabarabran, Coonambie, Walgett, Narrabri, Moree, Caloundra, Casino, and Coff's Harbor.

Combined enplanements for the carrier under its two names this year are 426,651, a decline of 4.3%; cargo falls further, dropping 13% to 729,000 FTKs.

Passenger enplanements for 1982 decline 17.7% to 399,000, as freight falls by 9.4% to 677,000 FTKs. The workforce is cut 3.6% in 1983 to 270. Traffic declines persist. Customer bookings drop 7.4% to 370,258 while cargo is off another 8.6% to 619,000 FTKs.

An F.28 jetliner is acquired in 1984. It, like the carrier's 6 F.27-500s, is painted in the company's bright yellow, red, and orange livery and becomes known as "The Big Canary." In March 1985, the carrier's holding

in **Air Queensland (Pty.), Ltd.** are purchased by **Trans-Australian Airlines, Ltd. (TAA)**. Operations continue apace until 1989 when the company is renamed **Ansett NSW (Pty.), Ltd.**

AIR NEW ZEALAND, LTD.: Private Bag 92007, Quay Tower, 29 Customs Street West, Auckland, New Zealand; Phone (64-9) 366-2400; Fax (64-9) 309-4676; http://www.airnz.co.nz; Code NZ; Year Founded 1965. Tasman Empire Airways, Ltd. (TEAL), founded in 1940, changes its name to **Air New Zealand, Ltd.**, on April 1, 1965 in order to demonstrate that it is 100% government-owned. The employee population at this time is 1,219 and the fleet includes three Lockheed L-188C Electras.

The company's third L-188C, the *Akaroa*, which had been lost in a training accident at Whenuapai Airport on March 27, is replaced by the addition of another aircraft on April 18, the former **Qantas Empire Airways (Pty.), Ltd.** unit *Pacific Endeavor*.

Two Douglas DC-8-54s are also delivered, beginning in September. DC-8-54 Christchurch-Sydney flights commence on October 3 and, upon the completion of Auckland's new Mangere Airport, jet service to Los Angeles via Fiji and Honolulu, is inaugurated on December 14.

During the year, the company's unduplicated route miles are more than doubled, from 15,000 to 34,000, seating capacity is tripled, and cargo space is increased by 450%. A total of 156,780 passengers are carried on the airline's all-international service. Revenues of NZ\$14 million are earned.

Service is launched to Hong Kong in March 1966 and Singapore in April. A DC-8-52, with five crewmen aboard, crashes at Auckland on July 4 during a training flight (two dead). A total of 221,000 travelers are carried.

The workforce is 2,317 in 1967 and 1 L-188 is sold. The fleet now comprises 2 DC-8-54s and 1 L-188C. A third DC-8-54 remains on order. The route network rises to 42,658 unduplicated miles. Originating passengers accelerate to 227,818 and revenues of NZ\$27 million are earned.

Airline employment is reduced in 1968 to 2,229. Two additional DC-8-54s are placed in service while the carrier's L-188C *Akaroa* is sold on February 17, along with an unnamed Electra. The carrier's first European office is opened at Frankfurt.

A total of 229,663 passengers are carried and revenues advance to NZ\$29 million. The first Canadian office is opened in Toronto in 1969. Enplanements during the year are 250,748.

The workforce in 1970 stands at 2,217. Three DC-10-30s are ordered with an option on a fourth and an L-188C Electra is chartered from **Qantas Airways (Pty.), Ltd.** on April 30 to operate a joint trans-Tasman service between Auckland and Sydney with the Australian flag carrier.

A 10% interest is taken in the restructured **Polynesian Airlines**. Hawker Siddeley HS 748s are acquired to launch an interim charter service between Fiji and Cook Island pending the opening of jet-capable Rarotonga Airport in 1972.

A former **United Air Lines** DC-8-52 is acquired in November. Route mileage is expanded during the year to 47,647 covering 16 destinations in 11 nations.

Passenger boardings jump 17.4% to 303,570 and freight traffic grows 11.6%.

An unnamed L-188C is sold on April 23, 1971 and a total of 393,820 passengers are carried, a significant increase. Airline employment in 1972 is up to 2,833. The fleet now comprises 8 DC-8-54s as the L-188Cs *Atarau* and *Aotearoa IV* become the last Electras sold.

Cargo traffic grows 14.9% and passenger bookings are up 18.8% to 485,000 and freight advances 18%. A new 20-story corporate headquarters building, Air New Zealand House, is opened at Auckland in December. A net NZ\$1.2-million profit is reported.

The first of two DC-10-30s to arrive during 1973 is accepted at Long Beach by General Manager C. J. Keppel and Chief Pilot F. F. Le Couteur in January; it enters service on February 7. At the same time, a new color scheme and aircraft logo are adopted, the logo being the Maori art sym-

bol known as the "Koru." The DC-8-54s are also refurbished. DC-10-30 flights are launched from New Zealand to Australia, Fiji, Singapore, and North America, the latter featuring a daily frequency to Los Angeles.

A computerized reservations system is introduced and a NZ\$6-million ground facility expansion allows opening of a new company headquarters. Air New Zealand cohosts the 1973 IATA meeting and its chairman, Sir Geoffrey Roberts, becomes the trade group's 1974 president. The workforce totals 3,571 and enplanements are 487,281.

A total of 4,106 people are on the payroll in 1974. Two additional DC-10-30s join the fleet, as orders are placed for three others. A daily interchange service is started with **British Airways, Ltd. (2)** from Auckland to London via Los Angeles.

Freight traffic skyrockets 85% and passenger boardings swell 31% to 706,205. Freight skyrockets 85% to 86.54 million FTKs operated.

Airline employment grows to 4,514 in 1975. Two more DC-10-30s arrive. Passenger bookings are up 7.6% to 759,820 and cargo rises 2.3%. The employee population is increased 4.12% in 1976 to 4,700. One more DC-10-30 is delivered as three DC-8-54s are sold. Passenger boardings soar 26.2% to 958,670 while freight climbs 21.8%. Passenger enplanements exceed 1 million on the year for the first time in 1977. Net income is NZ\$11.6 million.

The workforce is increased 7.5% in 1978 to 5,194. On April 1, the domestic carrier **New Zealand National Airways Corp., Ltd.** (founded in 1945) is taken over and merged. The fleet now comprises 8 DC-10-30s, 3 DC-8-54s, 9 Boeing 737-219s, 12 Fokker F.27-100s, 4 F.27-500s, 13 Bristol 170s, and 2 Hawker Siddeley Argosy 200 freighters.

The carrier of the new chairman, C. W. Mace, now serves 37 domestic destinations as well as 11 foreign nations. On February 25 and in co-operation with **Polynesian Airlines**, a B-737 route is inaugurated from Apia to Auckland via Nuku Alofa, Tonga. The process of amalgamation continues throughout the year.

Passenger boardings rise 11.9% to 3,640,716 and cargo accelerates by 13.9%.

Caught in a rain squall while on final approach to Auckland on February 17, 1979, a chartered F.27-500 with 2 crew and 2 passengers crashes into Manakau Harbour (2 dead).

At 6 p.m. local time on November 27, Flight 901, a chartered DC-10-30 with 20 crew and 237 passengers, takes off from Auckland for a scenic tour 200 mi. southward to Antarctica, passing over South Island, Auckland Islands, Baleny Islands, and Cape Hallett to McMurdo in Antarctica. The aircraft is scheduled to return via Cape Hallett and Campbell Island to Christchurch. Approaching Ross Island, the area below 16,000 ft. is obscured by cloud, so permission is sought and received to descend. However, the plane wanders 1.5 mi. E of its planned track and crashes into 12,000-ft. Mount Erebus, an active volcano on Ross Island, breaks up, and catches fire; there are no survivors.

Because of the unusual aspects of this charter, it becomes the subject many books. Among the titles available are *The Erebus Papers: Edited Extracts from the Erebus Proceedings with Commentary* (Auckland, N.Z.: Avon Press, 1991); Michael Grey, *White Out!: A True Account of Air New Zealand's DC-10 Crash on Mount Erebus* (Auckland, N.Z.: A. Taylor, 1980); Kenneth D. Hickson, *Flight 901 to Erebus* (Christchurch, N.Z.: Whitcoulls, 1980); Peter Mahon, *Verdict on Erebus* (Auckland, N.Z.: Collins, 1984); and Gordon Vette, with John MacDonald, *Impact Erebus* (Dobbs Ferry, N.Y.: Sheridan House, 1984).

Despite these two tragedies and the grounding of the DC-10 fleet earlier due to the May **American Airlines** crash in Chicago, the first full year of merged operations proceeds smoothly. Freight climbs 7.9% and passenger bookings increase 18.5% to 4,421,661.

The workforce grows 1.1% in 1980 to 8,974. The Bristols and Argosys are retired, together with 3 F.27-100s; 1 B-737-219 and 2 F.27-500s join the fleet. Orders are placed for 5 B-747-219Bs.

Although freight soars 27.4% to 185.53 million FTKs, passenger boardings dip 3.9% to 4.2 million.

The first B-747-219B is delivered on May 22, 1981; christened *Aotea (Long White Cloud)*, it is placed into service in June to various

Australian cities and also to Singapore. Two more B-747-219Bs arrive on June 9 and 21, respectively; christened *Tainui* (*Big Sea*) and *Takitimu* (*Company of Chiefs*), they are placed in service on the carrier's long-haul routes from Auckland to Los Angeles in July, via Fiji, Hawaii, or Tahiti. The Jumbojet arrival leads to the sale of the DC-10-30s, two of which are disposed of during the year. A DC-8-54 is converted into a freighter while 4 more F.27-500s join the fleet, displacing 1 B-737-219 and 6 F.27-100s.

The world economic decline leads to a dip in passenger boardings, off 4.1% to 4,025,000; cargo, however, is up 7.2% to 198.86 million FTKs.

The workforce is cut by 9.8% to 7,506 in 1982. A company-wide restructuring program is undertaken by new managing director Norman M. T. Geary aimed at matching the airline to the adverse marketing and economic conditions of the day. Emphasis is placed on strengthening the marketing division and adopting a market-led philosophy with reduced staff numbers. Meanwhile, the last two B-747-219Bs, *Te Arawa* (*The Path of Time*) and *Tokomaru* (*A Stone*), are delivered on June 22 and August 25, respectively.

In cooperation with **Cathay Pacific Airways (Pty.), Ltd.** and **Air Niugini (Pty.), Ltd.**, flights commence from Auckland via Port Moresby to Hong Kong on August 1. The partnership requires that each company take turns every three months flying the service, with ANZ beginning the process.

The Jumbojets are placed in service (the former on a new extension of the LAX service on to London) as the 2 DC-8-54s and final 5 DC-10-30s are sold, the last departing for Mozambique in December.

Cargo grows 2.2% to 203.23 million FTKs, but passenger bookings slip again, down 5.2%, to 3,814,931. Despite the realignment of approach, the traffic drop results in an operating loss of NZ\$59.1 million and a NZ\$29.4-million net loss.

Airline employment drops another 14.6% in 1983 to 6,980. During the spring, B-737-219 flights commence across the Tasman Sea from Christchurch to Hobart. Cost-cutting efforts, the stronger marketing emphasis, the DC-10-30 sales, and the introduction of a new London service help to stem the traffic and financial hemorrhage. One-stop Auckland to London via Los Angeles service is initiated in August.

Passenger enplanements rebound somewhat, up 4.7% to 3,992,576, and freight jumps 26.3% to 256.6 million FTKs. Revenues soar 18.6% to NZ\$513.6 million, but expenses swell to NZ\$534.1 million, leaving a NZ\$21.4 million operating loss; net income, however, is up to NZ\$22.1 million.

The payroll is cut another 1.7% in 1984 to 6,864. In April, nonstop Los Angeles to Auckland Jumbojet services commence and, in late summer, NZ\$300 million in orders are placed for 3 B-767-219ERs. Operations are resumed on December 24, following the settlement of a flight attendants strike.

Bookings accelerate 12.4% to 4,488,276 and cargo climbs 13.2% to 290.46 million FTKs. An operating profit of NZ\$45.1 million is posted as well as a net profit of NZ\$58.3 million.

After years of layoffs, the workforce is increased 5.2% in 1985 to 7,290; orders are placed for 6 B-737-219As. A marketing agreement is signed with **Japan Air Lines Company, Ltd. (JAL)** in August that provides for participation in each other's frequent flyer program as well as joint weekly services from Tokyo to Auckland via Christchurch. Also in August, Los Angeles to London frequencies are increased to thrice weekly and the first of three ordered B-767-28QERs is delivered in September. Christened *Aotearoa*, it is employed on the trans-Tasman Sea route from Christchurch to Hobart, beginning in October.

Elsewhere, B-747-219B flights are inaugurated Auckland-Vancouver and Christchurch-Los Angeles in late October. In November, a B-737-219, *Piripiri*, is leased for six months to the Welsh carrier Cymru Airways International, Ltd. and a second weekly flight is added to Tokyo. Also and more importantly, a minority 30% interest in Mount Cook Group is raised to 77% control; the private holding company's airline subsidiary is allowed to continue operating as a separate entity. Weekly Sunday night Vancouver to Auckland frequencies begin on October 27.

In December, 50% interest is acquired in Melbourne-based **Jetset (Pty.), Ltd.**, Australia's largest travel organization.

Passenger boardings accelerate 9.7% to 4,922,000, and freight is up 7.3% to 311.65 million FTKs. Revenues jump 12.7% to NZ\$ 574.1 million, and expenses are NZ\$497.8 million; profits are NZ \$76.3 million (operating) and NZ\$67.2 million (net).

The last 2 B-767-28QERs, *Arahina* and *Atarau*, are placed in service in 1986, together with 6 B-737-219As, the *Piopia*, *Piwakawaka*, *Parera*, *Parakareka*, *Pateke*, and *Pihoihoi*. In February, a restored de Havilland DH 89A helps celebrate the fiftieth anniversary of commercial flight in New Zealand, reenacting the **Union Airways, Ltd.** flight from Palmerston North on the North Island to Taleri on the South Island. A management shakeup occurs in April, as Managing Director Geary appoints two new general managers, Norman Macfarlane and Jim McCrea. In July, the carrier protests the sale of a 50% interest in the small domestic airline **Newman's Air, Ltd.** to Ansett Transport Industries.

By summer, the carrier is making 220 daily flights between 42 airports (23 domestic) in 15 nations. On November 15, 3,520 weekly roundtrip seats are added to Australia. On December 4 and in cooperation with **Cathay Pacific Airways (Pty.), Ltd.**, joint weekly Hong Kong-Auckland service is reintroduced, operated by a Cathay Jumbojet. Late in the year, in an effort to counter the entrance of the new Ansett New Zealand into the nation's domestic scene in early 1987, a comprehensive marketing arrangement is signed with **Australian Airlines (Pty.), Ltd.**

Customer bookings jump 9.3% to 5,382,235 and cargo rises 4.1% to 324.49 million FTKs. Revenues advance 11.5% to NZ\$611.2 million, but costs grow 18% more. Operating income falls to NZ\$50.4 million, but net earnings reach a record NZ\$89-million level.

The payroll grows 4.3% in 1987 to 8,105. Daily Auckland-Cairns B-767-28QER service is inaugurated in April, with frequency increased to 10 times per week in May.

On May 19, a B-747-219, with 129 passengers and en route from Tokyo to Auckland via Fiji is taken over at Nadi International Airport by a single pirate claiming to have dynamite strapped to his body. The man demands the immediate release of the 11-man governing body of Timoci Bavadra, which is now under house arrest. The flight crew jumps the perpetrator and ends the skyjacking.

Improvements are completed at a number of domestic terminals during the summer. Caught up in a domestic battle with its competitors, the airline now introduces three classes of services on its B-737-219As; in addition to business- and economy-classes, a new City Saver service single-class layout is provided featuring no-frills fares 25% lower than economy.

Beginning on October 25, the carrier inaugurates a weekly service from London to Dallas (DFW), Papeete, and Auckland; five days later, on October 30, weekly nonstop B-747-219A flights are initiated from Los Angeles to Frankfurt in cooperation with **Deutsche Lufthansa, A.G.** Thrice-weekly frequencies from Los Angeles to Auckland begin in December.

Passenger boardings ascend 10.7% to 4,411,496 and freight rises 7.6% to 354 million FTKs. Revenues swell 10.5% to NZ\$1.4 billion and with costs again held down, operating income rises to NZ\$66.8 million and net gain reaches NZ\$108.4 million.

Airline employment rises by 3.1% in 1988 to 8,236. In January, the company shares receipt with **Ansett Australia (Pty.), Ltd.** of the 1987 "Passenger Service Award" from *Air Transport World* magazine.

Workers unloading a B-747-219B, which had flown to Auckland under the joint pact with **Cathay Pacific Airways (Pty.), Ltd.** on April 27, are unable to find NZ\$300,000 (US\$181,000) shipped in the diplomatic locker of a service container. The Hang Seng Bank of Hong Kong and the Bank of New Zealand file suit against the two airlines seeking restitution.

In June, Managing Director Geary retires and is succeeded by R. James Scott on July 1. Under contract to the state carrier, **Heli-taxis, Ltd.** begins 14-times-per-weekday City Shuttle service in August, linking downtown Auckland with the airline's domestic airport

terminal. Effective October 1, the Los Angeles–Pepee service is increased to twice weekly; twice-weekly Los Angeles to Nadi service is introduced; and weekly flights to Japan are increased from three to four, most of which are by Jumbojet. Twice-weekly B-747-219B Auckland–Singapore frequencies are introduced, along with a third undertaken by B-767-2Q8ERs.

Weekly roundtrips are started in November between Auckland and Cairns. During the same month, a regional/commuter feeder system, "Air New Zealand Link," is set up, modeled on that operated by **Delta Airlines** in the U.S. Anchored on the activities of **Mount Cook Airlines, Ltd.**, the new system during the month adds Hamilton-based **Eagle Air, Ltd.** to serve nine points on the North Island and Motueka-based **Air Nelson, Ltd.** to serve four on the South Island, plus Wellington and Palmerston North; 50% shareholding is purchased in each of these two small airlines.

Two "consortiums" begin to bid for the carrier; one is comprised of **Japan Air Lines Company, Ltd.**, **Qantas Airways (Pty.), Ltd.**, **American Airlines**, and New Zealand-based Brierly Investment, Ltd. while the other side is made up of **British Airways, Ltd. (2)**, New Zealand's DFC investment bank, and the EIE Development Company, Ltd. of Japan. In cooperation with **Cathay Pacific Airways (Pty.), Ltd.** and employing a Cathay B-747-267B, frequency on the Hong Kong to Auckland return service is increased in December from one weekly service to two.

Customer bookings climb 3.6% to 5,820,902 and cargo is up a slight 0.5% to 340.57 million FTKs. Revenues grow by only 0.2% to NZ\$871 million. The operating profit increases to NZ\$118.5 million while net gain drops to NZ\$39.55 million.

The payroll is boosted 7.1% in 1989 to 8,621 and the fleet now includes 37 aircraft: 1 leased B-747-419, 5 B-747-219Bs, 5 B-767-2Q8ERs, 11 B-737-219As, 10 F.27-500Fs, and 5 B-727-100s. Orders are outstanding for 2 more B-747-419s and 6 B-737-419s.

In January, the company, in cooperation with **Mount Cook Airlines, Ltd.**, offers a reduced-fare Freedom Pass for travelers visiting New Zealand during the year from North America. Early in the year, the number of Jumbojet business-class seats available is tripled and, in February, a new departure terminal is opened at Auckland Airport.

Flying over the Pacific Ocean on March 8, a B-747-219B with 350 aboard must swerve to avoid a lightplane less than 500 feet away. Twice-weekly direct service from Los Angeles to Sydney via Honolulu begins in the month, followed by weekly Auckland to Honolulu via Nadi flights on March 30; that day, the carrier becomes the first to land a B-767-2Q8ER at Honolulu.

Due to weak load factors, Auckland–Dallas (DFW) service is suspended on April 1. Government approval for privatization is received on April 6. For the April to September tourist season, the carrier, in cooperation with Jetset Tours, introduces for its North American passengers five-night, NZ\$5-per-night accommodations in several hotels in Australia, New Zealand, the Cook Islands, and Fiji. Also during the month, the size of the business-class section on the company's Jumbojets is increased from 16 to 56 seats.

Twice-weekly B-747-219B direct service from Los Angeles to Sydney via Honolulu begins in May. In conjunction with **Qantas Airways (Pty.), Ltd.**, weekly nonstop flights are also started from Auckland to Adelaide. In early June, purchase of the airline is completed by a consortium that includes **Qantas Airways (Pty.), Ltd.** (19.9%), **Japan Air Lines Company, Ltd.** (7.5%), **American Airlines** (7.5%), Brierly's New Zealand (65%), and the New Zealand government (1/10 of 1%, the "Kiwi share"); the acquisition price is NZ\$660 million (\$403.7 million U.S.). Under terms of privatization, Brierly is required to sell 30% shareholding to airline employees and the public. During the same month, 2 B-767-209ERs are purchased from **China Airlines, Ltd. (CAL)** and, on July 1, Brierly's CEO Robert H. Matthews becomes the airline's new chairman.

Also in July, the company introduces a special summer children's fare of NZ\$99 for travel from Los Angeles or Honolulu to Auckland,

Wellington, or Christchurch; youngsters must be accompanied by an adult travelling at regular fare. In August, new menus, wines, and tableware are added to its business-class in-flight service; economy-class passengers are also offered new tableware and menu selections.

On September 10, Brierly Investments, in accordance with the terms of the June sale, places 30% of its ANZ holdings on the market; the NZ\$200-million offering pegs the value of the entire airline as NZ\$672 million. Having failed to reach agreement with its pilots to fly it, the company announces on September 28 that it will sell or lease its new B-747-419 without ever having placed it into service.

Employing a company B-747-219B, joint service is inaugurated with **Cathay Pacific Airways (Pty.), Ltd.** in November over a third weekly route from Auckland to Hong Kong. Also in November, the company begins code-sharing flights with **Japan Air Lines Co., Ltd. (2)** from Auckland and Christchurch to Tokyo (NRT) and Fukuoka.

A major service expansion occurs in December, with most of it between the trunk cities of Auckland, Wellington, and Christchurch, as well as Dunedin, Hawkes Bay, and Palmerston North. All together, B-767 departures are increased from 18 to 54 and B-737-219A take-offs increase from 53 to 656. The first B-767-209ER purchased from **China Airlines, Ltd. (CAL)** arrives just before Christmas and is christened *Awatere*.

Also during the year, the company joins the frequent flyer programs of the American carriers **Trans World Airlines (TWA)** and **Midway Airlines**.

Passenger boardings ascend 2.8% to 4,604,685 and freight climbs 5.2% to 1.32 billion FTKs. Revenues advance 10.6% to NZ\$1,013,881,000, expenses are up 11.5% to NZ\$888.21 million, and the operating profit is NZ\$125.66 million. Net gain rises to NZ\$42.2 million.

Company employment grows another 4.4% in 1990 to 9,000 as 2 more B-767-200ERs join the fleet. The company's celebration is a year-long event, marked by the restoration of the TEAL Short S.45 Solent Mark IV flying boat *Aranui* (ZK-AMO) at Auckland's Museum of Transport and Technology and its installation in a special museum building. Discounted KSUN Islander fares are offered between February and April 30 for roundtrip flights between San Francisco and Los Angeles to New Zealand and feature, in one direction only, an island stopover at Fiji, Tahiti, or Hawaii.

Beginning in April, as the result of a commercial alliance with **British Airways, Ltd. (2)**, ANZ is able to offer an around-the-world daily service in both directions. Kuala Lumpur joins the network in May with a single weekly roundtrip via Singapore. At this time, a hub coordination agreement is signed with **SAS (Scandinavian Airlines System)** covering onward travel from Southeast Asia to points in New Zealand. The two also agree to frequent flyer program cooperation.

In June, a fourth weekly flight is added from Los Angeles to Nadi, Fiji, while in July, in cooperation with **Cathay Pacific Airways (Pty.), Ltd.**, a fourth weekly joint service is operated from Auckland to Hong Kong. A new commercial agreement is signed with **Canadian Airlines International, Ltd.** in late October. Employing a chartered B-747-419, nonstop flights begin under a code-sharing agreement with **Qantas Airways (Pty.), Ltd.** from Sydney and Auckland to Los Angeles on October 28, the same day daily service is initiated from Los Angeles to Rarotonga in the Cook Islands.

The first owned Dash-419 Jumbojet arrives two days later and is placed on the Auckland to L.A. run at the end of November.

On December 2, joint services are initiated with **Canadian Airlines International, Ltd.** between Auckland and Toronto, via Vancouver. ANZ joins Canadian's Canadian Plus frequent flyer program and as fuel prices spiral, the Safe Air and F.27 divisions are closed.

Also in December, the company begins to fly jointly with **Air Canada, Ltd.** on 15 flights each week between New Zealand and Canada; in addition, the two flag carriers agree to joint marketing and frequent flyer programs.

Customer bookings decline 6.7% to 5,028,726 and cargo drops 5.3% to 315.53 million FTKs.

The payroll is cut 4.4% in 1991 to 8,600 and the fleet now includes 1 each leased B-737-3M6A and B-737-205A; 9 B-737-219As; 5 B-737-219Bs; 2 leased B-747-419s; 2 chartered B-767-209s; 1 B-767-3Q8ER; 5 Fokker F.27-100s, 1 of which is leased to **Mount Cook Airlines, Ltd.** and the other 4 stored; 2 out of service F.27-500Cs; and 8 out of service F.27-500Fs. Orders are outstanding for six B-737-319s, two B-747-419s, and five B-767-3Q8ERs.

In addition to a reduction in force, the airline, due to increased costs, institutes an efficiency program designed to cut costs. In January, the carrier is restructured. Six separate operating divisions are established covering international and domestic flights, catering, computer, engineering, and air cargo services. The international division is identified as the core business of the company.

When the second B-747-419 arrives in February, it is chartered to **Cathay Pacific Airways (Pty.), Ltd.**; the 15 withdrawn F.27s are put up for sale. Managing Director Scott resigns at the end of April amidst publicity surrounding news that, at the time of its privatization, purchaser **Qantas Airways (Pty.), Ltd.** had secretly negotiated a standby agreement with **Japan Air Lines Company, Ltd. (2)** and **American Airlines** to purchase their ownership upon request. The situation is triggered when **American Airlines** elects to sell its holdings, which Qantas purchases for \$US23.3 million. Deputy Managing Director James McCrea, who fills in following Scott's departure, is named CEO in October.

Passenger boardings fall another 11.5% to 3,763,143, but freight swells 17.5% to 370.63 million FTKs. Revenues fall to NZ\$1.33 billion and the operating loss is NZ\$7.89 million. There is a NZ\$2.99 million net loss.

The workforce of Chairman Matthews and Managing Director McCrea is sliced again in 1992, by 16.3% to 7,200. The retired F.27-500F fleet is sold to **Merpati Nasantara** in Indonesia.

In May, the carrier begins to code-share with **Mandarin Airlines** on a route from Auckland to Taipei via Brisbane and Bangkok.

On November 5, the wholly owned subsidiaries Travel Communications, Ltd. and Multi Access Airlines Reservation Systems, Ltd. are both sold and 25% shareholding is taken in Travel Industries Automated Systems (Pty.), Ltd.

Customer bookings slide to 2,287,000, but cargo is up 10.6% to 388.43 million FTKs. Revenues decline to NZ\$1.19 billion and the operating profit is NZ\$72.2 million. The net gain is NZ\$61.9 million.

In 1993, the employee population is increased 22.6% to 8,825 and a B-737-2M6 is leased to the Argentine carrier **LAPA (Lineas Aereas Privadas Argentinas, S.A.)**. Discussions on the investment of equity are held with **Ansett Australia (Pty.), Ltd.**; no decision is taken on joining the Australian carrier. During the year, Anasazi Productions releases the motion picture *Mercy Mission: The Rescue of Flight 771*. The film, starring Robert Loggia and Scott Bakula, details the vectoring rescue by Capt. Gordon Vette and the crew of a company B-767-28QER, with passenger consent, of a Cessna 188 AGwagon and its pilot lost over the Tasmanian Sea while on a delivery flight from the U.S.

A code-sharing and block space agreement with **Korean Airlines/Korean Air (KAL)** is inaugurated in November on services from Auckland and Brisbane to Seoul.

Customer bookings accelerate 7.9% to 4,172,406 while cargo rises 15.5% to 464.66 million FTKs. There are profits: NZ\$75.7 million (operating) and NZ\$75.3 million (net).

The workforce grows another 2.8% in 1994 to 7,404. The company joins with **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** in March to announce the inauguration of code-sharing flights, on a block-seat basis, between New Zealand and Australian destinations and Santiago de Chile via Tahiti. Actual initiation of the joint venture will be delayed until July 1996.

A turbine blade in a hush-kitted Pratt & Whitney JT8D-15A engine of a B-737-219A unexplainably fails on June 3; it will be the first of nine such failures suffered by the carrier over the next nine months.

Flights, code-shared with **Japan Air Lines Co., Ltd. (2)**, begin to Osaka's new Kansai International Airport in September, as well as to

Nagoya. During the same month, Australian Prime Minister Paul Keating, in a meeting with ANZ Director Paul Collins, CEO of Brierly Investments, strongly urges the Kiwi carrier to buy into **Ansett Australia (Pty.), Ltd.**

Following a meeting with the chairmen of **Qantas Airways (Pty.), Ltd.** and **British Airways, Ltd. (2)**, Australian Transport Minister Laurie Brereton cancels, on October 26, the "open skies" agreement previously negotiated for the entrance of ANZ into Australia's domestic market. Under a beyond-agreement with Australia allowing up to a dozen nonstop Jumbojet services each week, B-747-419 flights commence thrice weekly from Sydney to Los Angeles in November. Efforts to buy into **Ansett Australia (Pty.), Ltd.** begin.

Passenger boardings jump 21.3% to 5,062,554 as freight moves ahead a welcome 17.4% to 545.6 million FTKs. Revenues swell 22.4% to NZ\$1.54 billion and expenses climb 20.2% to NZ\$1.42 billion. Consequently, there are profits of NZ\$118.2 million (operating) and NZ\$113.3 million (net), later adjusted to read NZ\$132.6 million and NZ\$127.05 million.

Employment grows by 6.9% in 1995 to 7,916. Backdated to December, a B-747-419 is chartered from ILFC in January for 54 months. The **Japan Air Lines Company, Ltd. (2)** stake, which has by now shrunk to 5%, is sold to Brierly Investments, Ltd. for \$64.8 million. The sale in no way interferes with the introduction of new service to Fukuoka.

Following the ninth unexplained failure of a hush-kitted B-737-219A engine in nine months, the company's entire B-737-200 fleet is grounded on March 1 for repairs. To cover services in the repair month, the company makes use of SAAB 340Bs and Fairchild Metro-liners from its regional affiliates, shifts over a B-767-204ER from Australia, and wet-leases one B-737 from **Air Nauru, Air Pacific, Ltd. (2)**, **Polynesian Airlines, Ltd.**, and **Britannia Airways, Ltd.** Meanwhile, rival **Ansett New Zealand, Ltd.** adds additional BAe 146 frequencies in an effort to capture traffic.

Northwest Airlines joins with ANZ in March to unveil a large cooperative program. The two carriers will now share airport facilities in the U.S. and New Zealand and collect joint fares on ANZ flights from U.S. cities to ANZ destinations throughout the South Pacific. It is also agreed that the two will cooperate in their frequent flyer programs.

During the spring and summer and under terms of the beyond-agreement with Australia, ANZ increases its services from Sydney to Los Angeles via Auckland to five per week; the remaining seven rights are employed to fly Jumbojets, with connections at Brisbane and Sydney, to Seoul, Taipei, Osaka, and Bangkok.

To compete with the new entrant **Kiwi Travel International Airlines, Ltd.**, ANZ now assists its subsidiary, **Mount Cook Airlines, Ltd.**, to establish a charter subsidiary of its own, **Freedom Air International, Ltd.**

The company continues its efforts to purchase shareholding in **Ansett Australia (Pty.), Ltd.** in order to increase the New Zealand flag carrier's trans-Tasman presence. In July, the company enters a code-sharing agreement with **Air Pacific, Ltd. (2)** for twice-weekly return flights on Air Pacific aircraft flying from Nadi to Christchurch and Wellington.

During the third week of November, a memorandum of understanding is signed with TNT Transport. Under its terms, the New Zealand flag carrier will purchase from TNT a 25% stake in **Ansett Australia (Pty.), Ltd.** for A\$200 million. In addition, it has the option through February 15, 1998, to purchase another 25% for A\$225 million. If this second stock option is not taken up, TNT will have the option to buy back the initial 25% share. The deal must be reviewed by both the Australian Foreign Investment Review Board and New Zealand's Commerce Commission.

Air traffic controllers go out on strike December 4-6 and 12-15; nearly half of the passengers booked on company flights between Auckland and Wellington on December 14, for example, are turned away as ANZ cuts its usual 13 daily roundtrips to 6.

The national air traffic controller strike, stronger competition from rivals, and a stronger New Zealand dollar will have an impact on the bottom line. Results on the traffic front are pleasing.

Enplanements climb 9.8% to 6,382,000 (3,293,000 international), while cargo jumps 27.4% to 577 million FTKs. Operating revenues increase 10.7% to NZ\$1.91 billion and costs accelerate 8.4% to NZ\$1.73 billion. Operating income reaches NZ\$184.05 million while net gain totals NZ\$173.37 million.

Airline employment rises 4.1% in 1996 to 8,240. A B-767-35DER is leased from **LOT Polish Airlines, S.A.** and a B-737-3S1 is leased from El Salvador's **TACA International Airlines, S.A.** In a preliminary January ruling, the New Zealand Commerce Commission disapproves the carrier's arrangement with TNT, Ltd. It advises all interested parties that they may make written comments on the proposed sale until February 29 and give oral presentations in March, but that it will make a final determination on April 3.

Code-sharing begins with **Polynesian Airlines** in February on routes from Auckland and Wellington to Apia, Samoa.

The Commerce Commission, fearing a monopoly over New Zealand's domestic routes, rules on April 3 that the carrier may not purchase the TNT, Ltd. interest in **Ansett Australia (Pty.), Ltd.** At the same time, a code-sharing agreement is struck with **British Midland Airways, Ltd.** on flights from Auckland via London (LHR) to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

Also in April, the company begins code-sharing with **Royal Tongan Airlines** on services from Auckland to Tongatapu, Tonga. It also introduces the Pacific Wave program, designed to improve its service quality and commercial competitiveness. Numerous activities will commence under the program banner, including an image makeover.

LTU (Lufttransport Unternehmen, K.G.) signs a code-sharing agreement with ANZ in May covering flights between Frankfurt and Los Angeles. The Commerce Commission reverses its April decision in late June after the News Corp., which also holds 50% interest in **Ansett Australia (Pty.), Ltd.**, steps forward at mid-month and acquires 100% ownership of **Ansett New Zealand, Ltd.** The new equity arrangement ends the New Zealand government's monopoly concerns; however, the TNT, Ltd. purchase still must be approved by two Australian bodies, the Foreign Investment Review Board and the Competition and Consumer's Commission.

On August 23, the Auckland-Melbourne route is increased from 7 to 9 B-767-204ER flights weekly. The two early morning B-767-204ER services from Auckland to Sydney are consolidated into a single B-747-219B flight. Five other daily B-767-219ER roundtrips are also offered between the two communities.

The formal A\$325-million buyout of the TNT, Ltd. interest is approved by the TNT board in early September. ANZ pledges to invest A\$150 million in Ansett, while the Australian airline's remaining half owner, the News Corp., pledges a third of that amount. **Kiwi Travel International Airlines, Ltd.** collapses during the month, claiming its failure is due to predatory practices by Air New Zealand and its subsidiaries **Mount Cook Airlines, Ltd.** and **Freedom Air International, Ltd.** The Commerce Commission will clear the three of unlawful wrongdoing.

The courtship of **Ansett Australia (Pty.), Ltd.** finally pays off as on October 1 the company is able to acquire both Ansett stockholder and Australian government approval for its purchase of a 50%, A\$475-million stake in the Australian independent's parent, Ansett Holdings. The two airlines now become reciprocal frequent flyer partners and share airport clubs and lounges and code-share on selected Australian routes and flights across the Tasman Sea.

To replenish the carrier's coffers after the Ansett purchase and to increase the number of shares held by foreign investors from 35% to 49%, ANZ now offers a pro rate issue of 121 million shares for sale. The offering brings in NZ\$242 million, including NZ\$47 million (US\$32.9 million) from rival **Qantas Airways (Pty.), Ltd.**, which now holds a 19.4% stake.

Having been unable to lease the additional capacity usually brought in to cope with the crush of the Christmas holiday season, the company, beginning on November 24, reschedules up to 42 weekly trans-Tasman

flights (through February 7) to ensure all its available B-747 and B-767 capacity dedicated to Tasman services is fully utilized. Over 6,500 passengers already booked need to be rescheduled.

Additionally, several B-737-219As normally used to provide services between New Zealand and Hobart will be pressed into service to provide 17 scheduled weekly flights between Sydney and Auckland and seven weekly flights between Auckland and Melbourne.

A sixth weekly B-767-319ER roundtrip service is added on November 30 from Auckland-Singapore-Christchurch-Auckland. At the same time, two more weekly B-767-319ER roundtrips are added between New Zealand and Seoul. One is routed via Sydney and the other via Brisbane.

A reciprocal marketing and code-sharing agreement is signed with **United Airlines** on December 3, covering routes between Australia and the U.S., via New Zealand gateways, on selected U.S. domestic routes and on the trans-Tasman route between New Zealand and Australia. As part of the arrangement, which will commence in March, ANZ gains two new American entry points: San Francisco and Chicago (ORD).

In addition, other positive highlights of the year include unofficial conclusion of a marketing alliance with **United Airlines**, the introduction of ticketless travel, the beginning of a cost-cutting program designed to save NZ\$70 million in two years, the introduction of the new Pacific Wave image, and completion of the refurbishment of the interiors on the international fleet.

Negatives this year include higher fuel costs and labor disruptions.

As of December 21, travelers booking flights via the company to Australia can now receive permission to enter the country through a new program that issues electronic travel authority.

Enplanements total 3.46 million and 648.09 million FTKs are operated, a 13.7% increase. Operating revenues move up to NZ\$2.04 billion and costs hit NZ\$1.86 million. Operating gain slides to NZ\$173 million while net gain falls to NZ\$153 million.

On January 28, 1997, the company is one of seven airlines chosen to be official carriers for the Sydney 2000 Olympic Games.

Code-sharing flights with **Ansett Australia (Pty.), Ltd.** commence on February 1 on 66 weekly flights connecting Auckland with Sydney and Brisbane.

On February 25, the company and **Qantas Airways (Pty.), Ltd.** cancel their six-year-old "airshare" arrangement (effective May 1), involving shared seats on each other's services between certain cities, mainly Wellington and Christchurch, and promise to lay on extra flights between Wellington and Australia with the aim of improving trans-Tasman flight frequency.

Code-sharing with **United Airlines** is authorized on March 1. Seamless service between the two will feature one-stop check-in, seat assignments, and baggage connections.

On March 9, in an effort to combat regional fare wars in which passengers are being lured with all manner of food products, the company places a full-page advertisement in the Sunday newspaper on Western Samoa promising a 50-piece "mouth-watering feast of KFC" with every ticket it sells for a New Zealand flight. On March 19, **Qantas Airways (Pty.), Ltd.** sells its 19.4% stake in ANZ to ANZ Securities, Ltd. for A\$295 million.

At an extraordinary shareholders general meeting on May 1, approval is given for the reregistration of the company under the Companies Reregistration Act of 1993 and the adoption of a new constitution.

Dual-designator flights with **United Airlines** are significantly expanded on May 15. Covered are ANZ services from Sydney to Los Angeles and to Auckland; Auckland to Los Angeles, Honolulu, and Melbourne; and Melbourne and Los Angeles. ANZ is able to place its code on United flights from Los Angeles to Auckland, San Francisco, Chicago (ORD); Sydney and Los Angeles, San Francisco; Melbourne and Los Angeles and Auckland; and Auckland and Melbourne. A United B-747-422 inaugurates the new partnership with an early morning dual-designator service from Auckland to Melbourne.

Discussions between the carrier, **Ansett Australia (Pty.), Ltd.**, and **Singapore Airlines, Ltd.** are revealed in May. Plans are afoot for a code-sharing arrangement that will grant the two Australasian carriers new inroads into Europe via Singapore as well as marketing, sales, and pricing cooperation with this Southeast Asian major. Meanwhile, Ansett elects to delay any decision on a long-term fleet replacement program until the year's second half, by which time it will have had a chance to consult with ANZ.

Ansett, in early June, announces that it will close its own offices at Auckland, London, Frankfurt, Singapore, and Los Angeles and combine its operations in those cities with its partner.

The "airshare" agreement with **Qantas Airways (Pty.), Ltd.** technically ends on June 17, at which time the New Zealand major puts on two extra weekly return flights per week between Wellington and Australia.

On June 21, Air New Zealand, **Ansett Australia (Pty.), Ltd.**, and **Singapore Airlines, Ltd.** sign a memorandum of understanding for the creation of the largest airline alliance in Southeast Asia. The compact contains what has become the normal large-scale partnership ingredients of shared networks, codes, marketing, scheduling, reservations, planning, purchasing, cargo, frequent flyer programs, information technologies, and ground and passenger services. Arrangements for certain kinds of financing, fleet rationalization, and relationships with other partners remain to be sorted out. The pact wins approval from the nation's antitrust agency.

When **Qantas Airways (Pty.), Ltd.** is unable to obtain funding to purchase the ANZ stake in Australia's largest travel group, Jetset Travel, Air New Zealand, which has held half of the shares in Australia's largest travel agency for 11 years, elects to purchase the outstanding 50% stake in July, making the firm 100% New Zealand-owned.

During the month, the carrier and **Ansett Australia (Pty.), Ltd.** merge their New Zealand domestic courier and air cargo units. Air New Zealand also sells its in-flight catering business to SC International Services, a U.S. firm.

At this point, the company releases the last set of traffic results available through mid-1998. They show a total of 1.9-million international passengers and 455.7 million FTKs.

A B-767-319ER, with 225 passengers, makes an emergency landing at Brisbane Airport in Australia on July 6 after suspected structural damage occurs; no injuries are reported.

On July 29, the carrier retains **Burlington Air Express (BAX)** to handle its logistics under an open-ended, multimillion dollar contract. BAX does not fly goods, but manages the carrier's supply chain to ensure that Air New Zealand parts are received where and when they are needed.

According to an article by Dave English, ANZ now operates one of the longest routes in the world, Los Angeles to Sydney (shared with **United Airlines** and **Qantas Airways (Pty.), Ltd.**). The 7,489-mi. distance is flown in 14 hrs. 25 min. out and 13 hrs. 25 min. back (*Airways* (July-August 1997): 21).

A strategic alliance is signed between Air New Zealand and **Federal Express** on August 6; First Express, Ltd., a wholly owned subsidiary of the New Zealand flag carrier, will handle the ground portion of the agreement, designed to significantly enhance express and document services to Kiwi businesses.

On August 25, after a nine-year legal battle waged in the Hong Kong courts, Judge William Waung finds that, under terms of the Warsaw Convention governing civil aviation, neither the company nor **Cathay Pacific Airways (Pty.), Ltd.** are liable for the loss of NZ\$300,000 (US\$181,000) that mysteriously disappeared from a jointly operated Hong Kong to Auckland service on April 27, 1988. The two airlines are ordered to pay the Hang Seng Bank of Hong Kong and the Bank of New Zealand the maximum legal compensation of NZ\$100 and the two banks are required to pay the cost of the legal action.

On September 10, a ninth weekly nonstop return service is introduced between Los Angeles and Auckland. The company also offers five

weekly flights to Auckland via Sydney, two via Tahiti, four via Fiji and Honolulu, and one via the Cook Islands, Tonga, and Honolulu. Negotiations for a code-sharing alliance commence during the month with **Deutsche Lufthansa, A.G.**

It is at this point that a world speed record is set by the company when the carrier's ninth B-767-319ER completes its nonstop delivery flight from Everett, Washington, to Christchurch in 14 hrs. 54 min.

Underscoring its alliance with **Ansett Australia (Pty.), Ltd.** and its trans-Tasman presence in Australia, the company, in early October, lists 277.7 million B shares on the Australian Stock Exchange. It is the carrier's first listing outside of New Zealand.

On October 23, the carrier begins to give passengers free 10-15 minute prepaid telephone calling cards on flights delayed two or more hours.

The code-sharing agreement with **Canadian Airlines International, Ltd.** ends on October 26. The same day, a new dual-designator pact begins with **Air Canada, Ltd.**, the "Star Alliance" partner of **United Airlines**. The previous twice-weekly Auckland-Vancouver roundtrips offered in partnership with **Canadian Airlines International, Ltd.** are relaunched as part of the new partnership with Air Canada.

Twice-weekly B-767-375ER return flights are launched by **Canadian Airlines International, Ltd.** from Vancouver to Auckland via Honolulu on October 29. The one-stops replace a service previously provided by Air New Zealand, which the Kiwi line now flies in partnership with **Air Canada, Ltd.**

As the Asian economic and currency crisis deepens during the fall, the company withdraws from markets in Indonesia, Thailand, and Malaysia. A new Auckland to Apia service is introduced during November.

On December 19, much of the international flight schedule is reshuffled. A sixth weekly service is offered from Auckland to London via Los Angeles. All six flights will be operated as same-plane B-747-419 services, thereby avoiding any aircraft changes at Los Angeles. A sixth frequency is added between Los Angeles and Sydney.

On Thursdays, nonstop service is launched from Nadi to Los Angeles, with a return to Nadi on Saturdays. These flights are simultaneously employed to create a one-stop service between Nadi and Frankfurt. B-767-319ERs replace B-747-219Bs on the route from Auckland to Los Angeles via Papeete.

The existing weekly Auckland to Honolulu via Apia service is extended to Los Angeles, as is the Coral Route from Auckland to Papeete via Nadi and Rarotonga.

At the end of the year, the carrier joins **Ansett Australia (Pty.), Ltd.** and **Singapore Airlines, Ltd.** in applying to the Australian Competition and Consumer Commission for permission to proceed with their strategic alliance.

A total of 1.9 million passengers are flown this year, while cargo traffic increases 73.7% to 455.73 FTKs. Annual revenues for the year drop 2.3% to NZ\$1.72 billion and there are NZ\$1.61 billion in costs. The operating profit falls to NZ\$110 million and there is an NZ\$89.4-million net gain.

At the beginning of 1998, Air New Zealand is the 25th largest airline in the world in terms of operating profit.

The fleet now includes 34 aircraft, 73.5% of which are Stage III certified; this number includes 12 B-737s, 10 B-747s, and 12 B-767s.

Noting that traffic is down by over 65%, the company, in January, joins with **Qantas Airways (Pty.), Ltd.** and **Ansett Australia (Pty.), Ltd.** in suspending service to Seoul and other Korean cities. At the same time, the carrier enters into an agreement with **EVA Airways, Ltd.** to undertake six weekly roundtrip code-sharing services between Taipei, Brisbane, and Auckland.

Following the bankruptcy of **Western Pacific Airlines (Westvaco)** early in the year, ANZ agrees to takeover acquisition of 3 B-737-3U3s that the colorful U.S. carrier has had on order. Employment of the 3 new little Boeings will bring about a 46% increase in trans-Tasman services.

Domestic Air Points are offered beginning on February 5.

A three-way code-share with **Ansett Australia (Pty.), Ltd.** and **EVA Airways, Ltd.** to Taipei six times a week begins on April 1. Plans by the three to offer dual-designator frequencies to Hong Kong, Osaka, and China are temporarily shelved because the bilateral between the nations involved do not permit third-party code-shares.

Painted in hybrid colors, a B-747-219A, leased to **Airtours International, Ltd.**, is delivered in April. It is placed into service for the summer flying charters from Belfast, Cardiff, and Manchester to the Canary Islands, the Caribbean, and to Orlando.

Also during the month, the carrier receives the "Best Pacific Airline" award at the Asian Travel Industry Awards banquet. Air New Zealand sells its light aircraft operations and coach touring business to Tourism Holdings, Ltd. while also announcing major America's Cup sponsorships of Team New Zealand, America's Cup 2000, and the America's Cup Village.

The first Westpac "Baby Boeing," a B-737-3U3, arrives in May, painted in a multicolored livery designed to celebrate the upcoming Millennium.

On May 14, the company joins with **Ansett Australia (Pty.), Ltd.** in signing a memorandum of understanding to join the "Star Alliance" in 1999. Certain unspecified "customer benefit" prerequisites must now be fulfilled.

At this point, the carrier sells all 5 of its B-747-219Bs to **Virgin Atlantic Airways, Ltd.** for just US\$130 million. In addition, the carrier agrees to refurbish the aircraft to Virgin's specification before delivering them between March 1999 and January 2000.

In addition to the daily B-747-412 service from Singapore to Auckland operated as a code-share with Air New Zealand, **Singapore Airlines, Ltd.**, on June 1, extends the two-airline, dual-designator agreement to cover its thrice-weekly flights to London and Manchester. Customers arriving in Singapore from Auckland on code-shared flights are able to seamlessly travel on to the U.K. and return the same way.

On June 8, the Australian Competition and Consumer Commission gives its draft approval for the airline's alliance with **Ansett Australia (Pty.), Ltd.** and

Just after takeoff from Auckland on June 16 on a service to Los Angeles via Nadi and Honolulu, Flight 050, a B-747-219B with 16 crew and 356 passengers, suffers an engine fire. The Jumbojet returns to its point of origin and completes a safe emergency landing, having extinguished its fire in the process. No injuries are reported.

The Los Angeles service suffers two more non-starts within the next week. On June 21, an engine fire causes Flight 050 to abort its takeoff. The next day, the B-747-219B actually lifts off from Auckland, only to return safely an hour later when its instruments begin to show abnormal readings.

Later in the month, arrangements are completed with International Lease Finance Corporation for the charter of a B-747-4Q8, beginning in October 1999.

On July 1, Deputy Chairman Selwyn Cushing moves up following the resignation of Chairman Matthews.

While en route from Sydney to Hong Kong on July 19, a B-747-219B's collision avoidance alarm sounds and it is discovered that a B-737 from an unnamed airline, flying from Sydney to Port Vila, has come within 274 m. of the Jumbojet, as it passes at an altitude of 9,755 m., 600 km. E of Brisbane. The New Zealand 747 captain radios the Brisbane tower, which advises the little Boeing to shift position away.

On July 31, the Australian Competition and Consumer Commission grants regulatory approval of the tripartite alliance between ANZ, **Ansett Australia (Pty.), Ltd.**, and **Singapore Airlines, Ltd.**

As part of an upgrade of first class, Air New Zealand begins to offer a fully reclining sleeper-seat service on August 4.

An arrangement for the inauguration of dual-designator service with **Air Canada, Ltd.** within a week is signed at Montreal on October 2. Future plans are made for daily service between Auckland and Toronto via Honolulu and Los Angeles.

Thrice-weekly, dual-designator service is inaugurated with **Air Canada, Ltd.** on October 8 over a shared route from Auckland to Van-

couver via Honolulu. The Canadian major flies the Vancouver to Honolulu leg with its B-767-333ER while Air New Zealand handles the Honolulu to Auckland segment with a B-767-319ER. Each airline sells seats on the other carrier on a code-share basis and both airlines offer customers one-stop check-in, baggage ticketing, and a bypass of U.S. customs and immigration checks.

Domestic code-share services with **Singapore Airlines, Ltd.** commence on October 25 on flights from Christchurch and Auckland to Dunedin, New Plymouth, Queenstown, Rotorua, and Wellington. Customers from both of the major carriers are able to move seamlessly back and forth between seven New Zealand destinations and Singapore.

On December 16, the carrier announces the addition of a sixth weekly nonstop B-747-419 flight from Los Angeles to London (LHR), as well as a sixth weekly B-747-419 service from Los Angeles to Sydney. Additionally, a weekly nonstop service is introduced connecting Los Angeles and Fiji. This schedule enhancement also creates a one-stop service between Fiji and Frankfurt. The new flights are made possible by both consumer demand and the addition of two new B-767-319ERs to the fleet.

On the year, parent Brierly Investments loses NZ\$904 million.

Overall customer bookings inch up 0.5% to 6.39 million, while freight traffic climbs 6.9% to 651 million FTKs. Revenues advance by 5.4% to NZ\$1.66 billion, while costs are up 7.2% to NZ\$1.56 billion. There is a NZ\$98.1-million operating profit and a net gain of NZ\$78.3 million.

Weekly B-747-412 roundtrip service is introduced on March 1, 1999 between Auckland and Portland, Oregon, via Fiji.

When the ATC radio frequency jams at Sydney Airport on March 3 during the testing of a new Precision Radar Monitor, a catastrophe almost results. Arriving on a service from Auckland, a company B-747-419 with 220 passengers, pulls up just 61 m. above the runway after the pilot follows emergency procedures for not receiving final landing clearance. The giant aircraft executes a go-around, by which time the jam has been cleared. Most aboard the Jumbojet are unaware—until later—that a de Havilland Canada DHC-8-102 from **Eastern Australia Airlines (Pty.), Ltd.** had been just below them preparing for departure or that they had nearly landed on top of it.

Airservices Australia, in its report of the incident, refuses to label the go-around as a "near miss," because safety procedures had been appropriately followed by the Jumbojet's pilots. It also states that the larger aircraft had passed safely over the smaller at a height of about 244 m.

On March 22, accompanied by **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington and Deputy Chairman/CEO Cheong Choong Kong of **Singapore Airlines, Ltd.**, News Corp. Executive Vice President Lachlan Murdoch, on behalf of owner Rupert Murdoch, meets with Australian Prime Minister John Howard and Treasurer Peter Costello in Canberra. Singapore Airlines had unsuccessfully attempted to gain shareholding in **Qantas Airways (Pty.), Ltd.** in 1992 and has remained desirous of gaining a larger foothold in the big Australian domestic market. The conference follows on the heels of a visit to Canberra earlier in the month by Singapore Prime Minister Goh Chok Tong.

As reported in *The Age* the next day, the men lobby the government leaders for permission to have Singapore Airlines buy a stake (unstated, but believed to be the same 25% that **British Airways, Ltd.** holds in Qantas Airways) in Ansett, which is now jointly owned by News Corp. and Air New Zealand. Doreen Siow of Reuters, Ltd. simultaneously reports that the arrangement will see News Corp. turn over its 50% stake in Ansett for more than A\$500 million.

As Prime Minister Howard tells the Australian Broadcasting Corporation, Ansett is already half foreign-owned and any sale to Singapore Airlines would be a simple foreign transaction that should be worked out by the companies involved under Australian law. Approval is expected from the Foreign Investment Review Board, which will next review the offer.

Also at the time of their visit, Murdoch and Eddington ask Howard and opposition leader Kim Beazley to oppose a national "open skies" policy toward foreign airlines.

At a joint news conference on March 25, News Corp. Chairman Murdoch, Chairman Eddington, and Deputy Chairman/CEO Kong formally announce the understanding under which News Corp. is selling its 50% stake in Ansett to Singapore Airlines for A\$500 million. Several hurdles remain to be jumped before the deal is officially completed, including regulatory approvals, due diligence, Air New Zealand, Ltd.'s preemptive right to buy News' stake in place of Singapore Airlines, and the conclusion of a sale and purchase contract. If these conditions are satisfied, the transaction will be finalized in the months after July 1 and Eddington will remain in his post for at least two years.

At a news conference on March 27, Sir Selwyn Cushing, chairman of Air New Zealand and of its major shareholder, Brierley Investments, indicates that his airline may exercise its preemptive right to match the Singapore Airlines offer. To that end, a task force is put together to investigate the possibility of full ownership of Ansett.

Air New Zealand and **Ansett Australia (Pty.), Ltd.** formally become the seventh and eighth members of the "Star Alliance" on March 28; **Singapore Airlines, Ltd.**, which hopes to purchase Ansett as well as a stake in **Thai Airways International, Ltd. (THAI)**, has indicated that it, too, wishes to join the multinational alliance.

Dow Jones reports on April 12 that Air New Zealand is still waiting for official notification by News Corp. of its intention to sell its 50% stake in Ansett before initiating its preemptive right to acquire the stake. ANZ, which has already begun due diligence on the possibility and held preliminary discussions with **Singapore Airlines, Ltd.**, has 30 days from official notification to activate its claim.

After receiving notice, the company team, under Managing Director Jim McCrea assesses its options regarding the sale and, on May 4, the *Sydney Morning Herald* reports that Air New Zealand has given its approval of Singapore Airline's purchase. The two offshore airlines will jointly operate Australia's second largest carrier.

After completing its repainting at Portland-based Pride Aviation, a B-747-4Q8 leased from ILFC completes the first-ever nonstop flight between the Oregon community and Auckland on May 13. In cooperation with the Portland tour operator Sunspots International, the New Zealand major will inaugurate discounted roundtrips between the two cities that will halt at Fiji on the way north or Hawaii en route south.

After 16 months of on-again, off-again negotiations with the New Zealand Air Line Pilots Association, which represents two-thirds of the company's flyers, ANZ, on May 21, puts forward an across-the-board offer of an 8% salary increase.

Brierley Investments, Ltd. announces on May 25 that it has spent approximately NZ\$106 million (US\$57 million) to purchase ANZ shares on-market to lift its stake in the flag carrier from 42% to 47.11% and increase its influence in the wider Australasian airline scene now being played with **Ansett Australia (Pty.), Ltd.** and **Singapore Airlines, Ltd.** Some analysts suggest that the next step may be for ANZ to exercise its preemptive right to acquire the News Corp share in Ansett and when fully in control of the Australian line to invite Singapore Airlines to buy into a merged entity. Others speculate that Brierley is seeking a way to prop up an unprofitable asset for an eventual sale. Neither Ansett nor Singapore Airlines offer comment.

On June 9, News Corp., Ltd. recesses its talks with both ANZ and Singapore Airlines, but indicates that, once the two have come to terms concerning their equity investment in Ansett, discussions may continue. A day later, Singapore Airlines pulls out of the negotiations altogether, indicating that it will now look at investing in the flag carriers of Thailand or South Africa.

The smaller Pilots Society accepts the May 21 company offer, but the Air Line Pilots Association stages a morning strike over the plan on June 16. Some 440 of the carrier's flyers walk off the job, disrupting 15 domestic and 11 international flights.

Wearing a visual salute to New Zealand's "All Blacks" team, a brand new B-747-419 flies the nation's rugby team to Wales on September 24 for the finals of the Rugby World Cup that start on October 1.

In the fall, Brierley Investments announces that it will move its headquarters from Wellington to Singapore. In Parliament, the Opposition Alliance Party consequently calls into question the airline's right to continue as the nation's flag carrier, even though Brierley's 47% stake remains in a company with New Zealand status. Talks with **Singapore International Airlines, Ltd.** concerning acquisition of an ANZ stake collapse late in the year after Dr. Cheong Choong Kong's negotiators demand the right to name the New Zealand line's chairman and managing director and to assert major influence over operational activities. At the same time, the share value of ANZ stock falls and Brierley Investments suffers a 46% reduction in value of its 16.7% holding in B shares, the only kind available for sale to foreigner operators like SIA.

Former Credit Suisse First Boston executive Greg Terry is appointed CEO of Brierley Investments in October. Terry spends the first quarter of his new tenure reviewing his new concern's efforts to raise capital, to attract foreign interest into ANZ, and to take over **Ansett Australia (Pty.), Ltd.** Meanwhile across the Tasman Sea, Ansett employees are able to make an A\$500-million counterbid to buy out the News Corporation's 50% interest in their airline. At the end of the year, Ansett Express, the half-owned domestic freight concern, is sold to the New Zealand Post. Also, by this time, all of the B-747-200s have been withdrawn.

The last of 1,112 B-737-300s constructed, a Dash-319, is delivered to the carrier in December.

With growth in Australia, the U.K., and North America leading the way, customer bookings move up 1.9% to 6.52 million. Cargo, on the other hand, drops 2.1% to 833 million FTKs. Revenues rise 8.7% to \$1.78 billion, while costs of \$1.70 billion are generated. Operating gain climbs to \$79.6 million and the previous year's net loss is turned into a \$6.42-million net gain.

Air New Zealand, Ltd. and Brierley move in on **Ansett Australia (Pty.), Ltd.** on February 18, 2000, taking the remaining News Corporation's 50% stake for A\$680 million. Payment includes A\$580 million (\$443 million) up front plus another installment within a two to four year period equal to 10.5% of ANZ's issued shares (or a cash equivalent). When the transaction is completed, Ansett will have an effective value of A\$1.36 billion. Although **Qantas Airways (Pty.), Ltd.** objects, the Australian government, which has eliminated ownership requirements on foreign ownership of domestic carriers in order to pump up airline competition, permits the sale. The new airline combine boasts A\$6.7 billion in assets, an A\$5.8-billion revenue base, and 24,000 employees.

Also during the first quarter, negotiations resume between Brierley and SIA over the possible acquisition by the latter of significant shareholding in ANZ. In March, Dr. Cheong takes the unusual step of directly approaching New Zealand Prime Minister Helen Clark; in a brief Wellington meeting, the SIA chief asks the prime minister to ease offshore restrictions and allow him to acquire a 40% stake. Clark agrees to consider the idea.

In a move planned for some months, ANZ and **Ansett Australia (Pty.), Ltd.** both join the "Star Alliance" on March 28. On April 1, **Qantas Airways (Pty.), Ltd.** offers to acquire an A\$1-billion stake; the tender is rejected on April 10.

Instead, **Singapore International Airlines, Ltd.** takes a NZ\$141.3 million (\$70 million), 8.3% stake later in April and wins New Zealand government approval to purchase 16.7% more (bringing it to the legal 25% limit) for NZ\$285 million (\$130 million). Brierley Investments/ANZ Chairman Sir Selwyn Cushing insists, however, that this minority sell-off will not be finalized until Air New Zealand completes its fiscal takeover of **Ansett Australia (Pty.), Ltd.**

On April 4, a meeting of ANZ shareholders authorizes the carrier's executives to pay the NZ\$744 million (A\$580 million) in up-front tranche for **Ansett Australia (Pty.), Ltd.** as soon as the paperwork for the acquisition is completed. As earlier agreed, the second installment will come later.

During the spring, ANZ begins to review future group opportunities, including personnel and fleet requirements, as well as the stalled CRJ strategy of Ansett subsidiary **Kendall Airlines, Ltd.** and potential competition from, among others, Sir Richard Branson's newly formed **Virgin Blue, Ltd.**

By May, SIA has finalized its 25% investment, agreeing to give Brierley Investments NZ\$426.3 million for a 25% stake in ANZ. It also secures a regional alliance with ANZ, three seats on the New Zealand line's board of directors, and veto rights over certain management appointments. At the same time, Dr. Cheong promises to abandon previously mentioned possibilities of linkage with the new **Virgin Blue, Ltd.** Although he recognizes that the New Zealand government is not ready to approve, Cheong repeats his interest in acquiring more than a 25% stake in the Kiwi flag carrier.

On May 30, Ansett General Manager Garry Kingshott announces that, after the merger, neither carrier will change its name.

Permission for the Ansett takeover is granted by the Australian Competition and Consumer Commission in late June. The authority requires that Ansett International be ensured of continued service development in and out of Australia and subjects ANZ to conditions limiting its right to rationalize Ansett personnel and routes.

The Ansett purchase is completed on June 23. Three days later, ANZ Managing Director Jim McCrae indicates that the integration of Ansett's business fully into ANZ will take up to 18 months, although most work is expected to be finished within a year.

On July 7, Managing Director McCrae resigns; Chairman Cushing launches a replacement search while simultaneously taking on McCrae's executive duties. A total of 17 ANZ/Ansett executives now report directly to Cushing.

Despite fuel hedging that has provided NZ\$40.70 million in the last year, avgas costs have still risen 44% to NZ\$463.7 million.

Political problems in the Fiji islands this summer have caused the airline to make a case-by-case assessment of each Nadi service. After two **Air Fiji, Ltd.** pilots are taken hostage by rebels on July 27, the company's July 28 Auckland-Nadi-Honolulu service overflies Nadi without landing.

SIA is able to complete its 25% investment in Air New Zealand on August 9 and gains three seats on the ANZ board, one of which is filled by Dr. Cheong.

Chairman Cushing announces a regrouping of the two merger partners on August 10 into a new Air New Zealand Group, Ltd. structure. When the new entity comes into effect on August 14, it features three coordinating core units and special purpose business units. The core units include a strategic leadership, Corporate Centre, a Commercial and Operational Core, and an Australasian Airline System Core, which coordinates the group's three domestic airline families—Ansett Australia, the Ansett regionals in Australia, and the New Zealand domestics. Ansett International and Air New Zealand International are left as separate entities, along with cargo, terminal, and engineering services.

Cushing also announces certain personnel changes. Ansett's interim CEO Wallace is now replaced by ANZ's domestic operations chief Andrew Miller, while ANZ marketing boss Garry Kingshott is named to lead the Ansett International division. Three other Ansett and six other top ANZ executives have also been dismissed.

With assets of NZ\$8.58 billion (A\$6.69 billion), 24,000 staff, 186 aircraft, and 19 million annual passengers, the new group is viewed as one of the top 20 airline groups in the world.

Qantas Airways (Pty.), Ltd. deputy CEO Gary Toomey is named ANZ CEO on September 28, effective in December.

Ansett begins code-sharing on ANZ domestic services in New Zealand on October 2.

AIR NEW ZEALAND LINK. See **AIR NELSON, LTD.;** **EAGLE AIRWAYS, LTD. (2);** **MOUNT COOK AIRLINES, LTD.**

AIR NIAGARA: United States (1982–1985). Originally established on paper by hotelier John Prozeralik in 1977, Air Niagara is physically constituted at Niagara, New York, in the spring of 1982 and receives government authorization in August to commence passenger services. A Boeing 727-25 is leased from **Eastern Air Lines** and, crewed by former **Braniff International Airways** pilots and flight attendants, is employed to launch charter flights. Seven-times-per-day scheduled, \$98 roundtrips commence on December 15 from Niagara Falls to Newark (EWR).

Competition on the Newark route from **PEOPLEExpress** (flying from Buffalo) is severe during the holiday season, forcing Air Niagara to reduce its roundtrip fares to \$58 and cut its frequencies to twice daily.

The load-factor on its scheduled services having fallen to just 10% by January 31, 1983, regularly posted flights are dropped in favor of a return to charter operations while additional capitalization is sought. In addition to a few subservice charters, the Boeing performs cargo flights to St. Petersburg, Florida, and also offers tour group flights to Atlantic City. Scheduled services are briefly resumed in the spring, but all services are suspended in late June. The trijet is repossessed by **Eastern Air Lines**.

In early 1984, the dormant company changes ownership. Plans are made to restart services over a route from Rochester to San Juan via Buffalo and Orlando. In preparation, financially troubled **PRINAIR (Puerto Rico International Airlines)** is purchased in the spring of 1985. The start-up does not occur as the government finds the carrier unfit to operate and takes back its operating certificate.

AIR NIAGARA EXPRESS, INC.: Canada (1978–1998). Air Niagara Express, Ltd. is formed on July 21, 1978 to offer scheduled passenger and cargo regional services from the company's base at Mississauga, Ontario. Within a decade, President/CEO Arie Tall's fleet is made up of 3 Cessna Citation Is, 1 Citation II and Citation III, 1 Convair CV-580, and 1 Swearingen Merlin IV.

While on a ferry flight from Toronto to Hamilton on February 11, 1988, the Merlin IV with two crew suddenly plunges into Lake Ontario; there are no survivors.

The Citation III and 2 Citation Is are removed in 1990 and replaced by a second CV-580. The executive jets are removed in 1991–1992. Airline employment in 1993–1994 stands at 14 and the fleet comprises 1 CV-580 (with 1 taken out of service), the Merlin IV, and 1 Piper PA-31 Navajo Chieftain.

Although the Piper is withdrawn, operations continue apace in 1995–1996. J. Pierre Gosselin is chairman/CEO in 1997, with Peter Dmythe as president. They oversee a workforce of 15 and operate a fleet comprising 2 CV-580s and 2 Merlin IVs. Preparations are made for the introduction of the company's first jetliner, a Fokker F.28-1000 that is purchased from **Horizon Air (Horizon Air Industries)** in the fall.

Overextended, the company shuts down in mid-1998.

AIR NIGER, S.A.: Niger (1966–1986). With assistance from **UTA French Airlines (Union de Transporte Aerienne, S.A.)**, Air Niger, S.A. is formed in 1966 to succeed an earlier air taxi and charter operator, **Aero Niger (Societe Aero-Niger, S.A.)**. Shareholding is divided between the government (50.5%), Sodetraf (22.25%), and **Air Afrique, S.A.** (22.25%).

Scheduled passenger and cargo flights previously provided within the country by **Air France**, as well as air taxi flights offered by Aero Niger, are taken over and provided from Niamey to Agadem, Arlit, Maradi, Tahoua, and Zinder plus the international destinations of Sebha, Libya, and Tamanrasset, Algeria. Douglas DC-4, DC-3, and DC-6 services are maintained throughout the remainder of the decade and during the early 1970s.

Enplanements in 1974 total 8,730. The fleet of 1 each DC-6, DC-4, and DC-3 hauls 3% more souls in 1975, a total of 9,385. Cargo rises 3.5% to 291,000 FTKs and plans are made to expand freight services to Europe.

The workforce totals 56 in 1976. En route from Tahoua on June 10, 1977, a DC-3 with 2 crew and 19 passengers loses its No. 1 engine. The flight crew carries out an emergency belly landing near Founkoueye and no serious injuries are reported. With both engines torn off, the plane is declared a write-off.

In 1978, Director General Abdoul Wahidi's company employs 58 workers. Services are continued in 1979-1980, during which years the government stake becomes almost total (94.5%).

The fleet is revised in 1981 and equipped with 2 Hawker Siddeley HS 748-2As and, in 1982, a new twice-weekly frequency is opened to Lome, Togo.

Operations continue apace in 1983-1984, but, in May 1985, the company ceases operations for financial reasons. Limited operations are resumed in July 1986, but cannot be maintained, causing the company to be liquidated.

AIR NIGERIA, LTD. See **NIGERIA AIRWAYS, LTD.**

AIR NIPPON COMPANY, LTD.: 2-2-8 Higashi-Shinagawa, Shinagawa-ku, Tokyo, 140, Japan; Phone 81 (3) 5462 1911; Fax 81 (3) 5462 1941; <http://www.ananet.or.jp/ank>; Code EL; Year Founded 1987. The domestic subsidiary of **All Nippon Airways Company, Ltd.**, Tokyo-based **Nihon Kinkyori Airways, Ltd.** is renamed Air Nippon Company, Ltd. in April 1987. Equipped with 2 Boeing 737-281As, including 1 leased from All Nippon, 2 de Havilland Canada DHC-6-300 Twin Otters, and 10 Nihon YS-11As, President Kanichi Marui's 350-employee company maintains services between Tokyo, Oshima, Miyake Jima, Sapporo, Hakodate, Monbetsu, Wakkanai, Rishiri, and Okushiri.

Company unions joins those from **All Nippon Airways Company, Ltd.** (ANA) and **Japan Air Lines Company, Ltd.** (JAL) in a 48-hour strike on April 22-23 as labor and management negotiations on annual wage hikes collapse. Officials report that the job actions are the first for JAL in two years and the first for ANA in eight. Nearly half of domestic and international services are cancelled during the two days.

Traffic figures for the first three quarters only are available and show an increase of 16.4% in passenger boardings over the same period a year earlier, to 1,110,965. Operations continue apace in 1988 and enplanements climb to 1,354,531.

The regional enjoys a good 1989 as its customer bookings accelerate 53.4% to 2,337,250 and freight skyrockets by 137% to 2.11 million FTKs.

Passenger boardings leap ahead by 17.9% in 1990 to 2,754,973 and freight rises 25.3% to 2.65 million FTKs. In addition to the 2 Boeings and 2 Twin Otters, the fleet is increased in 1991 from 3 Dash-11As and 5 Dash-11A-500s to 3 Dash-11As and 7 Dash-11A-500s. Passenger boardings are up to 3,227,960 and cargo climbs 11.9% to 1.34 million FTKs.

The carrier obtains 3 A320-211s under charter from All Nippon in 1992. Orders are outstanding for 7 B-737-581s. In the spring, a total of 200 daily flights are offered over a 35-point route network. Service begins to Osaka, Yonago, and Miyazaki.

Customer bookings swell 12.2% to 3,676,493 and cargo flies upward 37.2% to 4.24 million FTKs.

In 1993, President Marui's fleet includes 2 Twin Otters, 12 YS-11As, and the 1 of eventually 9 B-737-281As leased from the parent, along with the 3 A320-211s. Markets served include Tokyo, Oshima, Miyake Jima, Sapporo, Hakodate, Monbetsu, Wakkanai, Rishiri, and Okushiri. Passenger boardings leap ahead by 8% to 3,969,382 while freight is up 30.5% to 5.54 million FTKs.

The workforce at the **All Nippon Airways Company, Ltd.** domestic subsidiary stands at 1,200 in 1994 and the fleet totals 37 aircraft. Among these are 8 additional B-737-281As and 2 A320-211s.

During the first week of May, Air Nippon establishes its own subsidiary, **Air Hokkaido, Ltd.** (AH), to help cut labor costs and provide greater flexibility in flight frequencies to three remote islands served from Hokkaido. AH revenue flights commence during the summer with

the parent's 2 Twin Otters, flown under lease. Customer bookings ascend 9.8% to 4,356,647 while cargo jumps 20.5% to 6.67 million FTKs.

There is no change in personnel or fleet in 1995. The first of 6 B-737-54Ks is received on April 12.

Traffic figures are only reported through September. These show 3,704,409 passengers flown and 6.76 million FTKs are operated.

Employment at Japan's largest regional airline stands at 1,296 in 1996 and, with the retirement of **Japan Air System, Ltd.**'s YS-11A fleet in March, Air Nippon is now the major Japanese operator of this local product. YS-11As continue to fly from Tokyo (HAD) to Miyakejima, Oshima, and Wakkanai and from Sapporo to Wakkanai, Okhotsk-Monbetsu, Nemuro-Nakashibetsu, Kushiro, and Hakodate.

This year the company's 37 aircraft transport a total of 5,035,880 passengers, a 3% increase. Additionally, cargo increases 9.3% to 10.37 million FTKs.

There is no change in the workforce during 1997.

A total of 155 domestic flights are cancelled on June 27 by **Japan Air System, Ltd.**, **Japan Air Lines Company, Ltd.** (2), **All Nippon Airways Company, Ltd.**, Air Nippon, and **Japan Transocean Airways Company, Ltd.** as the result of a tropical storm and tornado.

Passenger boardings climb 5.8% to 5,325,464 while FTKs jump 18.8% to 12.3 million.

In a cost-cutting move, the carrier announces in February 1998 that it will eliminate 13 money-losing services before the end of the year.

Customer bookings jump 9.2% to 5.81 million, while 756.41 million FTKs are also operated.

It is announced on February 25, 1999, that **All Nippon Airways Company, Ltd.** (ANA), to cut operational costs, will transfer some 20 unprofitable domestic routes to its affiliate Air Nippon over the next three years.

The last of 389 B-737-500s to be built, a Dash-54K, is delivered to the carrier on July 21.

The first nine of the ANA-transferred routes are turned over by December 31 and include the service from Kansai to Sendai. Partially as a result, the year's passenger boardings jump 5% to 6.1 million and 16.14 million FTKs are operated as well.

The workforce stands at 1,300 as 2000 begins, a 0.3% boost. Japanese fares are fully liberalized under a February revision of the basic aviation law.

Service between Sendai and Asahikawa is suspended in April as the company takes over the Osaka (KIX) to Miyazaki route transferred from **All Nippon Airways Company, Ltd.** In May, All Nippon also turns over the routes from Osaka (KIX) to Shonai and Shonai to Sapporo.

On July 14, the company begins to fly two more routes from Osaka (KIX) to Memambetsu and to Nagasaki that have been turned over by its parent.

Wearing "Super Dolphin" markings, a newly delivered B-747-44K begins flying from Haneda to Hachijo Island on August 7.

AIR NIUGINI (PTY.), LTD.: P.O. Box 7186, Boroko, Port Moresby, Papua New Guinea; Phone 675 259 000; Fax 675 327 3482; <http://www.airniugini.com.pg>; Code PX; Year Founded 1973. In anticipation of the upcoming 1975 independence of this region of New Guinea, a new national airline is in early fall 1973 as successor to **Ansett Airlines of Papua New Guinea (Pty.), Ltd.** The results of a newspaper competition held earlier to choose the new company's name are disallowed when the government of Papua New Guinea determines that Kumul (the pidgin English name for the Raggiana Bird of Paradise) Air Services is unsuitable. Instead, the moniker Air Niugini (the pidgin English spelling of New Guinea) is chosen instead.

The major shareholders in the new enterprise are the government of Papua New Guinea (60%), **Qantas Airways (Pty.), Ltd.** (12%), **Trans-Australian Airlines (Pty.), Ltd.** (TAA) (12%), and **Ansett Airlines of Australia (Pty.), Ltd.** (16%), with the latter two operators providing aircraft.

Twelve Douglas DC-3s (at \$A15,000 each) and 8 Fokker F.27-200s (at \$A1 million each) are purchased from TAA while Ansett chooses to lease 4 F.27-200s to the new entrant. Formerly TAA station chief for Papua New Guinea, Ralph Conley, is appointed general manager.

On November 1, the territory's Chief Minister Michael Somare, who will become Papua New Guinea's first prime minister and who is remembered as the father of his country, comes to Port Moresby's Jackson International Airport to officiate at the opening of Air Niugini domestic services. After Somare cuts the ribbon attached to an F.27-200, Flight 100 departs for Lae, New Britain, and Kieta, Bougainville.

Trans-Australian and Ansett continue international services under contract. A total of 17,200 passengers are carried in two months.

The employee population in 1974 is 1,600 and the fleet now includes 22 aircraft: 10 Fokker F.27-200s, 5 Douglas DC-3s, and 7 DC-3Fs. Possible introduction of NAMC YS-11As as F.27 replacements is considered, as one of the type, a Dash-213, is operated under lease from **All Nippon Airways Company, Ltd. (ANA)** beginning on November 30. At year's end, TAA and Ansett turn over their international routes, effective upon the country's independence day.

Passenger bookings for the year are 343,508, a 5% jump, while 4.45 million FTK are operated, a .03% boost.

The All Nippon YS-11A-213 is returned on February 1, 1975. Company F.27-200s on July 1, take over the Port Moresby to Honiara (Solomon Islands) sector previously operated by a British Aircraft Corporation BAC 1-11-479 of **Air Pacific, Ltd. (2)**. This is the company's first international route.

On September 16, the company becomes the official airline of newly independent Papua New Guinea. Simultaneously, the payroll is increased by 100 persons as the new national carrier becomes an international operator by taking over the services formerly operated by TAA and Ansett between Port Moresby and Brisbane and by **Qantas Airways (Pty.), Ltd.** to Singapore and Manila. The latter service is provided by a B-707-138B wet-leased from Qantas.

Passenger boardings rise 14% to 344,516 and cargo does even better, up 28% to 2.1 million FTKs.

In February 1976, the government buys out the Qantas and TAA shares, acquiring 84% majority control. The carrier's new livery appears for the first time in February on a Boeing 720B, leased from **Tempair** to replace the Qantas Stratoliner, and employed on the Manila route beginning in March. Also in March, Byron Gray becomes general manager. Another B-707-338C is requested.

The new Stratoliner, a Dash-338C, also on charter from **Qantas Airways (Pty.), Ltd.**, is delivered in February 1977 and replaces the B-720B, which is returned as the Tempair lease ends. During the year, 3 Fokker F.28-1000s are ordered.

When the 12 DC-3s begin retirement on July 31, their routes are taken over by the F.27s. Originally intended for **Ansett Airlines of Australia (Pty.), Ltd.** and **Air Nauru** but not delivered, two F.28-1000s are available and thus delivered on October 22; both enter service in November.

The bird of paradise tail logo on the first F.28-1000 brings on a dispute with **Air Lanka (Pty.), Ltd.**, which complains that the symbol is too close in appearance to that of its own. A month later, Air Niugini paints its Fokker jets in another experimental livery, but it is so displeasing that it is removed within 24 hours.

Enplanements for the year total 415,688.

One more F.27-200 and an F.27-600 arrive in 1978 as the last DC-3 is turned into a display in front of the newly opened Air Niugini House headquarters at Jackson International Airport. Once the personal aircraft of British Field Marshal Sir Bernard Montgomery, the Douglas will later be dedicated to the memory of the carrier's Capt. Larry Blackman.

With the addition of the first of two F.28-1000s from **Transair, Ltd.** of Canada, the domestic jet network can now be stretched to Kavieng, Kieta, Lae, Madang, Manus Island, Rabaul, and Wewak.

Although freight traffic is off 3.2%, passenger boardings at Chairman Paul Pora's 1,626-employee carrier jump 13.8% to 524,000.

Airline employment is increased by 5.9% in 1979 to 1,785. General Manager Grey declines to renew his contract and is succeeded by his deputy, Gerry Fallscheer.

The last **Transair, Ltd.** F.28-1000 and another B-707-338C are placed in service, the latter in July. The previous B-707-338C is returned to its owner following the completion of a service from Port Moresby to Sydney. Flights are initiated to Honolulu and to Singapore via Jakarta.

Cargo traffic grows by 11.2% and passenger boardings swell 9.1% to 571,000.

Two F.27-200s are retired in 1980 and the first New Guinean, Joseph Tauvasa, the former national director of civil aviation, is appointed general manager.

Passenger boardings dip 2.3% to 559,000 as the result of world economic conditions; however, freight is up 4.5% to 9.5 million FTKs.

In early 1981, the government purchases the shares of **Ansett Airlines of Australia (Pty.), Ltd.** (16%) to make the airline entirely state-owned. During the first part of the year, the workforce is increased by 1.7% to 1,815 and the first of three de Havilland Canada DHC-7s arrives on November 4.

Late in the year, the McKinsey consultancy firm, appointed earlier by the National Executive Council of Air Niugini to help it find ways of redressing its fiscal distress, delivers its report. It is recommended that a more experienced management be acquired under contract with a foreign airline and that the international network be operated with wet-leased aircraft.

As the fiscal situation worsens, the effects are felt as passenger boardings fall another 1.4% to 493,000; cargo is up, however, to 9.5 million FTKs, a gain of 8.9%.

The workforce is reduced 8.2% in 1982 to 1,700. All 3 DHC-7s are placed in service along with 1 new F.27-600, replacing 5 F.27-200s. The new Canadian turboprops begin to open the interior of the nation to regularly scheduled services; towns such as Kundiawa, Mendi, and Tari, previously visited only by air taxi operators, now see the national company on a constant basis.

In cooperation with **Air New Zealand, Ltd.** and **Cathay Pacific Airways (Pty.), Ltd.**, flights commence from Auckland via Port Moresby to Hong Kong on August 1. The partnership requires that each company take turns every three months flying the service.

Led by former operations director and B-747 pilot Leen van Ryswyk, a four-member management team arrives in November under contract from **KLM (Royal Dutch Airlines, N.V.)** to help restore some measure of profitability by automating the airline and reviewing its flight equipment. In the case of the latter, it is determined that the F.27s should be retired, along with the leased Stratoliners.

Passenger boardings inch upward 0.8% to 496,000 and cargo is up 7% to 10.13 million FTKs.

Airline employment remains level in 1983. The 3 remaining F.27-200s and the new F.27-600 are replaced by 4 F.27-400s. An order is placed with TAA for the three-year lease of an Airbus Industrie A300B4. Van Ryswyk and his colleagues turn on a new computerized reservations system in May.

Service to Honolulu is replaced with a route to Guam and an unprofitable route to Kagoshima, begun a few years earlier, is dropped.

Enplanements dip 2% to 528,000, while cargo plunges 19% to 6.39 million FTKs. On revenues of \$78.7 million, expenses are \$87 million, leaving an \$8.3-million operating loss.

General Manager Tauvasa is succeeded in 1984 by Masket Iangalio, the former managing director of The Development Bank. Company aircraft are proudly allowed to provide complementary lift for Pope John Paul II's visit to Mount Hagen, in the Papua New Guinea Highlands, and to Honiara, Solomon Islands.

Three F.27-400s are replaced by the arrival of the Airbus A300B4 on November 27; nicknamed "Big Bird," its livery features a stylized bird known as the Raggiana Bird of Paradise. (The beak of the bird's full head begins at the forward end of the fuselage windowline.)

In December, the company begins joint flights with **Philippine Airlines (PAL)** between Manila and Port Moresby employing the Papuan B-707-338C. Enplanements for the year fall again, down to 496,000.

In March **1985**, the chartered A300B4 enters service. The B-707-338C acquired in 1979 is sold to TRATCO on April 1.

General Manager Iangalio institutes a home-ownership plan for company employees as a way of reducing the subsidized housing historically provided to workers. Government ministers, continuing to complain about poor service as they had since the days of the McKinsey Report, warn Iangalio that they are considering domestic deregulation.

The remaining Stratoliners are retired at year's end. Bookings for the year rebound, climbing to 528,000, but freight is off by 4.52%.

In **1986**, scheduled international destinations include Brisbane, Cairns, Sydney, Jayapura, Manila, Auckland, Singapore, and Honiara; the company also flies to 21 domestic stops. At the end of the year, General Manager Iangalio resigns to enter politics.

Former **Deutsche Lufthansa, A.G.** official Peter Dieter Seefeld is appointed General Manager in **1987**. In August, the carrier begins to code-share with **Singapore Airlines** between Port Moresby and Singapore, employing the Papuan Airbus.

The airline's route network now includes 21 domestic points and 9 international destinations, including Brisbane, Cairns, Hong Kong, Honiara, Jayapura, Manila, Port Vila, Singapore, and Sydney.

Enplanements (through September) advance 8.5% to 418,575.

The fleet in **1988** includes 1 leased A300B4, 7 Fokker F.28-1000s, and 2 DHC-7-102s. An A310-224, financed by a group of European banks led by Banque Paribas, is ordered from its Toulouse-based manufacturer.

The 1,607-employee state airline, which celebrates its fifteenth birthday throughout the year, reports only first-half traffic figures. These show a total of 357,298 enplanements, a 9.6% increase over the same period a year earlier. Freight is up by 43.1% to 6.83 million FTKs.

The A310-224, boasting the carrier's new contemporary and modernized "Bird" livery, arrives under lease in January **1989** and, in co-operation with **Cathay Pacific Airways (Pty.), Ltd.**, is employed in April to launch joint, weekly, nonstop service between Port Moresby and Hong Kong.

The A300B4 "Big Bird" is returned to TAA on May 3.

Through the first 11 months, Papua New Guinea's national carrier flies a total of 628,410 passengers and 12.48 million FTKs of freight. Revenues for the entire year total \$110 million and allow an operating profit of \$3.5 million.

Airline employment stands at 1,894 in **1990**. Again, data is only made available for the first 11 months and it pictures a carrier in stagnation. The tripartite agreement with **Cathay Pacific Airways (Pty.), Ltd.** and **Air New Zealand, Ltd.** is cancelled, necessitating the acquisition of additional flight equipment.

A B-737-200, leased from the U.K. for evaluation the previous year, has been found unacceptable, largely because only three Papua New Guinea airfields (Port Moresby, Manus, and Nadzab) can handle it. It is returned.

Passenger boardings are up just 0.4% to 630,868, with freight ahead only 0.1% to 12.52 million FTKs.

Operations continue apace in **1991** as recovery is begun by the addition of two owned A310-324s, one of which is leased to the Bulgarian carrier **Jes-Air** in June for two years.

In **1992**, General Manager Seefeld's fleet includes 2 A310-324s, 2 DHC-7-102s, 7 F.28-1000s, and 1 F.28-4000. Statistics are released through September and demonstrate an 11% increase in customer bookings to 569,707 and an 8.4% boost in freight to 11.76 million FTKs.

When **Jes-Air** fails in November, it leaves the Papua New Guinea carrier holding the bag for months of unpaid A310-324 lease bills, as well as obligations for fuel, parking, and landing at London, where the plane is impounded.

Airline employment stands at 1,783 in **1993** and the fleet includes 2 A310-324s, 1 F.28-4000, 7 F.28-1000s, and 2 Dash 7s.

In addition to 20 domestic destinations, the company flies from Port Moresby to markets at Cairns, Brisbane, Honiara, Hong Kong, Jayapura, Singapore, and Manila.

During the first half, efforts are finally completed to transfer the **Jes-Air** A310-324 to Singapore, where it is refurbished and placed into storage.

In July, an agreement is entered into with **Philippine Airlines (PAL)** that provides for joint services on a route from Dominica to Manila employing an Air Niugini aircraft and crew. The carrier publishes figures through the first six months of the year showing that its passenger boardings are up 16.5% to 419,314 and freight traffic is off 8.2% to 7.1 million FTKs.

When **Talair (Tourist Airlines of Niugini [Pty.], Ltd.)** ceases operation, Air Niugini is called upon by the government to assist several third-level operators to maintain the level of domestic service previously offered by the failed second-level operator.

The workforce is reduced by three employees in **1994**.

A massive volcanic explosion in September practically destroys Rabaul and closes its airport. Few people are hurt, however, due to an accurate prediction from scientists. A small satellite airfield is opened at Tokua and is served by the DHC-7s until it can be upgraded to F.28 standard.

Traffic figures are reported through September and show customer bookings up 11% to 718,817 while cargo recovers by an equal 11%, climbing to 12.03 million FTKs. Much of the boost is due to the business taken over following the demise of **Talair**.

In October, the carrier enters into a code-sharing agreement with **Solair (Solomon Islands Airways, Ltd.)**, replacing the latter's twice-weekly roundtrip service from Honiara to Port Moresby. A Fokker F27-100 is leased from **Air Cruising Australia (Pty.), Ltd.** in December.

Just after landing at Madang on a May 31, **1995** service from Port Moresby and Nadzab, Flight 128, an F.28-1000 with 4 crew and 35 passengers, hydroplanes off the wet runway into a ditch. Although the aircraft is badly damaged, there are no fatalities.

Operations continue apace in **1996** and destinations visited include Alotau, Brisbane, Buka, Cairns, Daru, Goroka, Hong Kong, Honiara, Hoskins, Jayapura, Kavieng, Kundiawa, Lae, Lihir, Madang, Manila, Manus, Mendi, Moro, Mount Hagen, Popondetta, Rabaul, Singapore, Sydney, Tabubil, Tari, Vanimo, Wapenamanda, and Wewak.

In April, General Manager Seefeld is replaced by the company's secretary, Moses Malinda. Orders are placed for a pair of upgraded Canadian-made turboprops.

Two de Havilland DHC-8-200s are acquired in late spring **1997** and begin to replace the DHC-7s on the company's rural routes. After a 16-year absence, an A310-324, with 62 passengers, resumes company service to Osaka on July 19.

Traffic and financial figures for the year are again not reported, but it is known that the fiscal situation is not good, particularly after the Asian currency problem gathers steam at mid-year. General Manager Malinda is succeeded by Chris Mek.

In an effort to strengthen its increasingly weak financial position, the carrier, in May **1998**, closes four overseas sales markets, lays off one-third of its staff, halts flights to Sydney and Hong Kong from Port Moresby, stops flying to Osaka, and puts one of its A310-324s up for sale.

By summer, Air Niugini, despite additional infusions of credit from the Papua New Guinea Banking Corporation made at the behest of Prime Minister Bill Skate, is technically insolvent and is \$100 million in debt.

In September, under the direction of Civil Aviation Minister Kala Swokin, the government begins to liberalize air service as a way of addressing national lift requirements. This allows fifth freedom rights to foreign carriers in order that they may take Papua New Guinea passengers on international routes abandoned by Air Niugini. The first such service is provided by the Australian regional **Flight West Airlines (Pty.), Ltd.** on October 12.

The company celebrates its twenty-fifth anniversary on November 1, on which date Andrew Ogil becomes general manager/CEO. At the same time, the government injects K 50 million in cash to boost the carrier's capital base to just over K 60 million (\$22 million). The infusion is designed to allow Air Niugini to lower its debt to the Papua New Guinea Banking Corporation.

When Papua New Guinea air traffic controllers go on strike on November 24, a total of 29 Air Niugini flights, both international and domestic, are disrupted. The job action, according to a report by the Australian Broadcasting Corporation, costs the cash-strapped airline over A\$500,000.

A total of 128,000 passengers are flown during the 12 months, while 756.41 million FTKs are also operated.

Flights continue in **1999**, during which year airline employment stands at 1,200. Twice-weekly roundtrips commence on March 29 from Cairns to Mt. Hagen and Lae.

A total of 38 engineers are fired at the end of July over an inflation-linked pay increase. When another 58 launch a sympathy strike on August 4, they, too, are sacked. Contract workers are brought in to replace them.

In the wake of the government action in the engineer job action, the Australian Civil Aviation Safety Authority dispatches two airworthiness inspectors to Papua New Guinea in early August to review the situation. The CASA warns that it may bar company flights into Australia, but that drastic action proves not to be necessary.

Continuing to suffer financially in **2000**, the company, on February 17, is one of several state enterprises pinpointed for sale by the government. In announcing the privatization plan, which is designed to raise \$640 million to cover the nation's budget deficit, Prime Minister Sir Mekere Morauta notes that Air Niugini will go on the block during the first quarter of 2001, with all details concerning it to be worked out by year's end.

An AVRO RJ70 leased from **National Jet Systems (Pty.), Ltd.** is returned on May 22. Due to an armed conflict between rebels from the island of Malaita and Isatabu soldiers on the island of Guadalcanal, the airport at Honiara in the Solomon Islands is closed for two weeks in early June; Air Niugini is able to resume service in on June 18.

With ethnic fighting in the Solomons resumed, Air Niugini's insurance carrier again forces it to stop flying into Honiara on July 4.

AIR NOOTKA, LTD.: Canada (1982–1994). A.B. Ellis forms Air Nootka, Ltd. at Gold River, British Columbia, in **1982** to offer passenger, scheduled cargo, and charter services to such destinations as Tausis, Regallos, and Kyoquot. M. R. Mayor becomes general manager and revenue flights commence with 1 Cessna 180 and 1 de Havilland Canada DHC-2 Beaver.

Operations by the 5-employee small regional continue apace for the next decade without much change; however, by **1993**, the fleet also includes 1 Dornier 228-81. Operations cease in **1994**.

AIR NORDIC, A.B.: Sweden (1988–1992). Air Nordic is formed at Vasteras Airport in **1988** to provide scheduled third-level regional service. General Manager Haken Wahlstrom's initial fleet comprises 3 British Aerospace Jetstream 31s. Revenue flights are inaugurated linking the company base with Gothenberg, Sundsvall, and Vaasa. Enplanements for the year total 16,380.

Passenger boardings jump 61% in **1989** to 42,000. A fourth Jetstream 31 is acquired and the route network is increased in **1990** to include stops at Helsinki, Orebro, and Oslo.

Early in **1991**, 3 Jetstream 31s are withdrawn and replaced by 3 Fokker F.27-100s. Rapid expansion and reequipment in a time of world airline recession forces the carrier into bankruptcy in December. Unsuccessful efforts are made during **1992** to reorganize and reconstruct Air Nordic.

AIR NORDIC SWEDEN AVIATION, A.B.: Sweden (1993–1996). Unable to revive **Air Nordic, A.B.** before its failure, A. B. Sewtrail and Jan Fahlen form this new regional at Vasteras Airport on April 5, **1993**.

Assets of the former carrier are acquired, including the 3 Fokker Friendships, which are now joined by 2 more. Eric Lunden is named president/managing director. Fifty workers are hired and services are undertaken from Borlange to Goteborg, Helsinki, Morlange, and Oslo.

Two more F.27-100s are purchased in **1994** and flights begin to Visby. The company is unable to maintain its viability and shuts its doors in July **1996**.

AIR NORMANDIE, S.A.: Aeroport du Javre, Le Havre, F-76620, France; Phone 33 3546 0209; Fax 33 3544 8747; http://www.ibsfr.com/airno/airnor1.htm; Code ID; Year Founded 1991. Air Normandie is established at Le Havre in **1991**. Revenue flights commence to Paris with a single Fairchild Merlin IV. The fleet is upgraded by the addition of 4 Beech King Air 100s in early **1992**.

Operations in the north of France continue in **1993–1997**, during which years the fleet of Managing Director Jean Borie is altered to include 1 each Beech King Air 90 and British Aerospace BAe Jetstream 32 and 2 each King Air 100s, Super King Air 200s, and Cessna 500 Citations. Bases are also established at Montpellier, Nevers, and Tours, from which charter flights are undertaken. In October of the latter year, a code-sharing agreement is signed with **Air Liberte, S.A.**

Flights continue in **1998–2000**. During these years, the Beechcraft equipment is replaced and the fleet is standardized on 4 BAe Jetstream 32EPs. Scheduled destinations visited include Bordeaux, Clermont Ferrand, Dijon, La Rochelle, Metz, Montluçon, Moulicent, Nantes, Paris (ORY), Poitiers, and Toulouse.

AIR NORTH: United States (1967–1984). Founded by E. Andrew Deeds II at Burlington, Vermont, in **1967** as a subsidiary of ANA, Ltd.—the exclusive service center for Pratt & Whitney in the northeast—this carrier quickly begins scheduled Beech 18 service in New England and New York for hubs at Albany, Burlington, and Binghamton. Among the cities visited are Massena and Syracuse.

Later in the decade, the commuter becomes a feeder for **Mohawk Airlines (1)**. The company joins the Allegheny Commuter network in September **1972** and John A. Sullivan Jr. is named president. Employing de Havilland Canada DHC-6 Twin Otters, flights are undertaken to Watertown, Ogdensburg, Massena, Plattsburg, and Saranac Lake.

Operations continue apace in **1973** and by **1974**, enplanements total 95,040. Airline employment in **1975** stands at 104 and the fleet includes 5 de Havilland Canada DHC-6 Twin Otters. Replacement service from Albany to Glens Falls is opened. Passenger boardings accelerate 1% to 96,000.

Employment is level in **1976** as operations continue to be undertaken from Burlington to Plattsburg, Islip, Massena, Ogdensburg, Watertown, Syracuse, Binghamton, White Plains, and Poughkeepsie. From Albany, flights are scheduled to Islip, Syracuse, and Plattsburg.

The carrier exceeds the 100,000 mark in annual passenger boardings (114,265) with a 20% increase. Freight is also up 21%.

By **1977**, enplanements reach 115,445 and increase by another 9% in **1978** to 117,717. The workforce is increased by 34.5% in **1979** to 195. In June, Air North quits its Allegheny Commuter affiliation to fly as an independent. Having applied for the first federal subsidy under the Essential Air Service (EAS) program, the regional receives \$750,000 to maintain its previous routes. The fleet now comprises 4 Shorts 330s and 4 de Havilland Canada DHC-6 Twin Otters.

Passenger boardings rise 3.2% to 122,286; however, cargo is down by 24% to 613,000 FTKs.

Service is provided in **1980** to 15 markets, including Boston and Washington, D.C. During the year, the company becomes the world's first operator of the Grumman Gulfstream G1-C turboprop. Receiving CAB Part 121 certification upon the aircraft's delivery, Air North also maintains its EAS contract to service cities in northern New York. These destinations have been abandoned by trunk lines moving to more advantageous positions as a result of deregulation. The first Gulfstream enters service on the Rochester to Washington, D.C. route.

Bookings for the year advance 11.4% to 141,759, as freight falls 35.7% to 394,093 FTKs.

Due to the PATCO air traffic controllers' strike, services to Rochester are suspended on October 25, 1981. Still, passenger boardings for the year climb 3.4% to 148,559.

The workforce is cut 11.1% in 1982 to 200. Following the transfer of President Sullivan to **Clinton Aero Services**, Andrew Deeds, founder and board chairman, becomes president. The fleet of 1 Gulfstream G1-C, 4 Shorts 330s, and 2 DHC-6 Twin Otters is enhanced in April by the delivery of 3 Fokker F.27s. In an effort to increase traffic and cut losses, the route network is redrawn to eliminate stops in upper New York state.

Enplanements for the recessionary year fall 7.8% to 136,483.

The Twin Otters are replaced in 1983 and despite the EAS support, the company cannot generate a profit, due largely to higher fuel prices and the expensive Shorts. A request for additional EAS funding is turned down by Washington. The CAB refuses to allow the carrier to quit the EAS routes, which must be maintained.

Still, customer bookings rebound to 155,375, a 13.8% boost; additionally, 168,000 pounds of cargo are hauled.

During the spring of 1984, thrice-daily nonstop flights are added from Boston to Nantucket Island and weekday service from Boston to Burlington is expanded to six flights per day. Operations continue apace until summer when the carrier is purchased by the Pennsylvania-based Brockway Corporation.

The new owners amalgamate their new company with Clinton Aero Services, taken over in the spring; John Sullivan becomes president of Brockway's new airline division, while former Clinton President Anthony von Elbe becomes vice president/general manager. On September 1, **Brockway Air** begins new services over the previous routes of the merger partners, now referred to (internally) as Brockway (Vermont) and Brockway (New York).

AIR NORTH, LTD. (AIR NORTH CHARTER & TRAINING, LTD.): P.O. Box 4998, Whitehorse, Yukon Territory Y1A 4S2, Canada; Phone (403) 668-2228; Fax (403) 668-6224; <http://www.airnorth.yk.net>; Code 4N; Year Founded 1977. Established at Whitehorse, Yukon, in January 1977, Air North Charter & Training, Ltd. begins regional air tour, sight-seeing, cargo charter, and contract service flights with a fleet made up of 2 de Havilland DHC-6 Twin Otters, 2 DHC-2 Beavers, 1 Britten-Norman BN-2 Islander, 1 Piper PA-34 Seneca, 1 Cessna 206, 1 Cessna 185, and 2 Cessna 172s.

Two Douglas DC-3s are acquired in 1979; christened *Yukon Sour-dough* and *Yukon Musher*, they are the first to introduce the company's kelly green and yellow livery. Airline employment in 1985 stands at 25.

During the next eight years, the fleet is revised again, as 2 more DC-3s (*Lady Lou* and *Klondike Explorer*) and a DC-4, *Yukon Trader*, arrive, replacing all of the smaller aircraft except the Navajo. In addition to charter services, scheduled flights link the company's base with Dawson City and Old Crow in the Yukon, as well as Juneau, Fairbanks, and Anchorage, Alaska.

In 1993, President Joseph T. Sparling's carrier still employs 25 workers; however, the fleet has been changed to include 4 DC-3s, 1 DC-4, 1 Piper PA-31-310 Navajo, and 1 Beech B-80 Queen Air. The fleet is increased in 1994-1995 by the addition of a fifth DC-3.

On August 14, 1996, just after takeoff from the Snip Mines airstrip for a return flight to Bronson Creek, the DC-4 *Yukon Trader* with three crew aboard suffers a fire in its No. 2 engine. While attempting to return to its point of origin, the engine falls away, hitting the No. 1 propeller. An emergency landing is made on the Iskut River and, although all aboard survive the impact, the captain is unable to swim to shore and is lost.

Services continue apace in 1997-2000. Destinations visited include Dawson City, Fairbanks, Inuvik, Juneau, Old Crow, and Whitehorse.

AIR NORTH (ALASKA). See **AIR NORTH (YUKON AIR SERVICES)**

AIR NORTH (YUKON AIR SERVICES): United States (1967-1984). Based at Fairbanks, Yukon Air Services, employing the marketing name Air North (Yukon Services), but also known as Fairbanks Air Service and Air North (Alaska) is formed at Whitehorse in 1967 by Joseph Sparling and Tom Wood to undertake Cessna 206 passenger and cargo flights throughout Alaska and into northern Canada. The majority of this service is charter; however, following the company's name change in early 1976, a scheduled route is operated to Fort Yukon.

Operations continue apace during 1977-1978 and new destinations are added: Arctic Village, Birch Creek, Eagle, Galena, and other central Alaskan bush communities. The fleet grows to include Beech 18s, Britten-Norman BN-2 Islanders and BN-2A Trislanders, Piper PA-31-310 Navajos, and a Fairchild Hiller FH-227C. As the result of regulatory difficulties, the FAA cancels the company's certificate in 1979.

After spending 1980 putting its administrative house back in order and securing new financing, the Fairbanks-based regional is able to resume operations in March 1981, with its fleet upgraded to include 2 Cessna 206s, 3 Cessna 207s, 1 Piper PA-31-310 Navajo, 2 Cessna 402s, 3 Britten-Norman BN-2 Islanders, 1 BN-2A Trislander, 3 Douglas DC-3s, and 1 Curtiss C-46. The fleet is increased in 1982 by the addition of several de Havilland Canada DHC-2 Beavers and DHC-3 Otters. During the year, a total of 20,432 passengers and 128,417 pounds of freight are flown.

The fleet by 1983 has come to comprise 2 Douglas DC-3s, 1 Britten-Norman BN-2 Islander, 1 Curtiss C-46, 2 Cessna 206s, 3 Cessna 207s, 1 Piper PA-31-310 Navajo, and 2 Cessna 402s. In addition to the points previously served in its scheduled operation, the carrier now starts routes to such Alaskan towns and villages as Wiseman, Umist, Stevens Village, Tanana, Nenana, Rampart, Eagle, Chanadalar, Circle, Central, Birch Creek, Nettles, Barter Island, and Allskaket. The Yukon cities of Dawson and Whitehorse are also visited. Bookings for the year total 29,791.

Air North (Yukon Air Services) is purchased by **Liberty Air** in August 1984, but goes bankrupt within days of the takeover. The last scheduled service is completed on September 4, after which the airline shuts its doors.

AIR NORTH AMERICA. See **AIR U.S.**

AIR NORTH INTERNATIONAL (PTY.), LTD.: Australia (1978-1994). Employing Hughes 500Ds and Bell 206B JetRangers, Leach Aero Services (Pty.), Ltd., named after founder Roger Leach, is established at Darwin in 1971. The Leach concern, renamed Central Australian Helicopters (Pty), Ltd., introduces the first helicopters in the region used for cattle mustering.

Air North International (Pty.), Ltd. is set up at Darwin in 1978 as a subsidiary of the Henry Walker Group of Companies to provide fixed-wing charter and scheduled services throughout Australia's "Top End" and into Indonesia. Employing 2 Douglas DC-3s and a variety of single-engine lightplanes, regularly scheduled commuter services are inaugurated by Managing Director John Hardy on July 4 to destinations in the Tiwi Islands area and Arnhem Island.

During the early 1980s, scheduled service is also launched from Darwin to Bathurst Island, Elcho Island, Garden Point, Lake Evella, Ramininging, and Snake Bay. Alice Springs, Katherine, Yulara and other points are served as ANI establishes itself as a scheduled regional operator.

A Skyport subsidiary is established by Roger Leach in 1985 to operate fixed-wing operations and the group's expanding tourist activities. Ayers Rock Air Services (Pty.), Ltd. is taken over and a fleet is available comprising 1 Beech Super King Air 200, 2 Cessna 404s, 2 Cessna 402s, and 1 Britten-Norman BN-2 Islander.

In 1986-1987, the Skyport group initiates scenic safaris to Ayers Rock via Palm Valley, Kings Canyon, and Lake Amadeus. Under an agreement signed with the Mutujulu Council, a Bell 206B JetRanger is based at Ayers Rock to start the Central Australian and Barley Tableland Outback mail runs.

The bush operator Chartair is acquired in **1988–1989**, allowing Skyport to start flying into Alice Springs and Yulara. The company is now the largest general aviation operator in Central Australia as the fleet is increased through the addition of 2 Cessna 310s, 4 C-402s, and 1 C-421.

The other Darwin operator is renamed Air North Regional (Pty.), Ltd. in **1990** and a DC-3 is replaced with an Embraer EMB-110 Bandeirante.

In **1991–1992**, the Skyport subsidiary is awarded the sole operating rights to the Centre Run by the Northwest Territories state government. A Shorts 330-100 is purchased to fly Timor Sea freight and personnel transfers. Schedules are boosted with the introduction of Australian domestic deregulation.

The Darwin based operations of Air North Regional (Pty.), Ltd. are taken over late in **1993** and the new board of directors reforms the company into an integrated Northwest Territories-wide operation. The combined fleet is changed as 5 C-402s are withdrawn and replaced with 7 C-210s, 2 C-221s, and 1 C-182. Additional scheduled services are introduced with a pair of de Havilland Canada DHC-6-300s leased from **Air Kangaroo Island (Pty.), Ltd.**

A dedicated maintenance facility is opened at Darwin in **1994** at which point Air North Regional is renamed **Airnorth (Pty.), Ltd.**

AIR NOSTRUM (LINEAS AEREAS DE MEDITERRANEO, S.A.): Calle Francisco Valdecabres 31, Valencia, E-46940, Spain; Phone 34 (96) 196-0200; Fax 34 (96) 196-0209; <http://www.airnostrum.es>; Code YW; Year Founded 1994. Air Nostrum, S.A. is set up at Valencia in late **1994** to offer scheduled passenger services to regional destinations. Emilio Serratos is president with Carlos Bertomeu as general manager; Revenue flights duly commence in December with 3 Fokker 50s.

The fleet is increased in **1995** by the addition of 4 more Fokker 50s. Destinations served come to include Barcelona, Biarritz, Bilbao, Ibiza, Madrid, Nice, Palma de Mallorca, and Vitoria.

During January **1996** orders are placed for 3 previously used Fokker 50s. These are delivered in April and May and assist in increasing the number of domestic cities visited to 20 with the inauguration of new routes in northern and central Spain. In December, the carrier enters into a franchise agreement with **Iberia Spanish Airlines (Lineas Aereas de Espana, S.A.)** to serve as its regional affiliate. A total of 18,041 scheduled departures are made and enplanements total 406,674.

The formal franchise agreement with Iberia Spanish Airlines (2) begins on May 12, **1997**. Employing 12 (later 14) Fokker 50s, the partner will operate its 400 weekly departures under Iberia code, livery, and other branding.

On October 26, Iberia Spanish Airlines (2) integrates its own resources, together with those of its domestic subsidiary **AVIACO (Aviacion y Comercio, S.A.)**, its charter operation, **VIVA AIR (Vuelos Internacionales de Vacaciones, S.A.)**, and its regional Air Nostrum under one centralized operational holding company. Long-term plans are made to institute a single Iberia branding over all three, but due to potential union problems, this plan will be implemented in phases. Meanwhile, coordination becomes the theme of the day in the short run.

Although the companies are held as separate legal entities, a management committee made up of the commercial directors from each airline, now allocates the group's fleet, crew, and scheduling according to perceived daily requirements for each route. All passenger revenue receipts are turned into a central office, while all marketing activities are also centralized. Under this reorganization, VIVA begins to drop unprofitable charters, while AVIACO dumps unprofitable routes off on Air Nostrum, thereby freeing up capacity for Iberia.

At the end of the year, a \$108-million order is placed for 5 Canadair CRJ200ERs, plus five options.

Passenger boardings skyrocket 112.4% over the previous year to 874,511; there are 33,094 scheduled departures.

While awaiting delivery of its own RJs during the second quarter of 1999, the carrier begins operating leased units in March **1998**. At the same time, 3 Fokker 50s are leased from **Kenya Airways, Ltd.**

The first owned Canadair is received in November. It is immediately put into service on the Zaragoza to London (LGW) route, replacing one of the Kenyan Fokkers.

The fleet at year's end includes 4 ATR72s, 5 Canadairs, and 18 Fokker 50s.

Customer bookings increase 76.5% to 1.56 million.

This Spanish regional, at the beginning of **1999**, offers almost a thousand weekly flights to 23 domestic and 6 foreign destinations. Airline employment stands at 439, a 2.4% decline from the previous year.

The 3 **Kenya Airways, Ltd.** Fokker 50s, out on lease to Air Nostrum during the past 15 months, are withdrawn by the African carrier on June 17 and sold to the Spanish airline.

During the fall, a BAC 1-11-518FG is chartered from **British World Airlines, Ltd.**

The rapidly growing regional boards 1,748,000 passengers during the year.

Airline employment stands at 943 as **2000** begins, a figure that represents a whopping 114.8% increase over the previous 12 months. Expansion continues during the first quarter. The Iberia feeder, with a 53.1% increase to 586,410 people carried, posts the second highest (after **BASE Regional Airlines, B.V.**) increase in passengers carried during the period of any member of the European Regions Airline Association. Plans remain in place to increase capacity by year's end through the addition of six previously requested Fokker 50s, 1 ATR72-520, and 1 CRJ200ER.

In late March, an \$818-million order is placed with Bombardier Aerospace for 29 Dash-8-Q300s and 15 CRJ200ERs. As deliveries begin, the regional jets will take over several **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** international routes from Madrid and Barcelona and its own Fokker 50s on longer domestic segments such as Bilbao to Seville. The turboprops will replace Fokker 50s on shorter legs.

On May 1, a wet-leased British Aerospace BAe 146-300 operated by **WDL Aviation (KOLN), GmbH.**, launches Iberia Regional weekday return flights from Zaragoza to Madrid, Nice, and Frankfurt. These are complemented with weekend services to Bologna from Madrid and Barcelona.

The **Spanair, S.A.** subsidiary **AeBal (Aerolineas de Baleares, S.A.)** launches competing service from Palma de Mallorca on July 4 employing a pair of Boeing 717-200s. Air Nostrum is able to counter with a fleet that includes 5 CRJ200ERs, 5 ATR72-520s, and 25 Fokker 50s. On July 25, it converts part of the earlier DHC-8/CRJ200ER order into a request for 8 CRJ900s.

Under a new code-sharing agreement between **Air France** and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, the Spanish regional on October 29 launches twice-daily roundtrips between Madrid and Toulouse.

AIR NOVA, INC.: 310 Goudey Dr., Halifax International Airport, Enfield, Nova Scotia B2T 1E4, Canada; Phone (902) 873-5000; Fax (902) 873-3897; <http://www.airnova.ca>; Code QK; Year Founded 1986. This small, third-level operation is established at Halifax International Airport, Enfield, Nova Scotia, in May **1986** to provide **Air Canada, Ltd.** with a commuter entrance into the Maritimes market. As such, it is the first regional airline of the "Air Canada Connector" network. Shareholding is divided between the state carrier (49%), **Labrador Airways, Ltd.** owner Atlantis Investments, Ltd. (34%), and the company's board chairman, Roger Pike, (17%). **Labrador Airways, Ltd.** agrees to feed President Joseph Randell's 43-employee new entrant with its Labrador and Newfoundland traffic.

A pair of de Havilland Canada DHC-8-101 turboprops are acquired and employed to inaugurate services on July 14 linking the carrier's Halifax hub with Sydney, Deer Lake, St. John's, and Goose Bay. A Beech 99 is also placed into service. Another Dash 8 is leased in October and used to initiate replacement service for **Air Canada, Ltd.** from Halifax to Yarmouth and a new frequency to Charlottetown.

The St. John's terminus is stretched to Gander in January **1987** and 2 more DHC-8-101s arrive, 1 each in February and March. Three new

services are inaugurated in August, including two from Halifax (to Moncton and to Saint John) and one from Yarmouth to Boston. Enplanements for the first full year of service total 226,000. Start-up costs bring a loss of \$C694,000.

In March 1988, Roger Pike's interest is purchased by Atlantis Investments, giving it 51% majority control; Angus Bruneau is appointed chairman, with Joseph D. Randell as president/CEO.

The Maritimes are connected to Quebec in June when Air Nova, Inc., employing another new Dash 8 received in May, opens routes from Halifax to Moncton and Quebec City and to Bathurst and Montreal. A Toronto-based merchant bank, Sheildings, Ltd., purchases the 51% ownership of Atlantis Investments; Air Canada, Ltd., holds the remaining 49%.

In September, orders are placed for 5 British Aerospace BAe 146-200s and two 146-100s are simultaneously leased and used to initiate Halifax to Montreal and Ottawa jetliner flights. Beginning in late fall, the chartered aircraft are employed to operate a Halifax-Orlando charter on behalf of **Air Canada, Ltd.**

One of the leased BAes is returned in December when the first purchased Dash-200 is delivered. Orders are placed at year's end for DHC-8-300s and, operating from hubs at St. John's, Halifax, and Montreal, the airline now provides scheduled services to 18 destinations in eastern Canada, plus Boston, Massachusetts.

Passenger boardings increase by 68% to 380,000, and the loss declines to \$C686,000.

A second BAe 146-200 arrives from the U.K. in January 1989, to be followed by two more in June. That month, the second leased Dash-100 is returned to its manufacturer, delivery positions are reserved for 10 of the newly designed Canadair CRJ Regional Jets, and work begins on a \$C4.8-million maintenance and repair facility at Halifax.

During late summer and early fall, a new Atlantic Canadapass program is introduced for foreign travelers. The fleet at year's end comprises 3 BAe 146-200s, with options for 2 more, 2 de Havilland Canada DHC-8-101s, and 5 DHC-8-102s, including 1 leased from **Air Ontario, Inc.** The last remaining "Air Canada Connector" partner in which **Air Canada, Ltd.** does not have controlling interest, the carrier becomes 100% owned by **Air Canada, Ltd.** before the year is out. Overall enplanements increase to 641,312.

The workforce is increased by 7.3% in 1990 to 502 and the BAe 146-200 fleet increases to 6 and DHC-8-102s to 8, including 3 more obtained from **Air Ontario, Inc.** Options are taken for 10 Canadair Regional Jets. Service is inaugurated to the New Brunswick communities of St. Leonard and Newark.

Passenger boardings jump 21.6% to 818,000 and revenues move ahead by 36.8% to \$C91.9 million.

Company employment grows 3.6% in 1991 to 520 and one BAe 146-200 is withdrawn, as is a DHC-8-102. On May 25, daily nonstop round-trip jet service is inaugurated from Halifax to Newark while turboprop flights are initiated from Montreal to St. Leonard. The "Air Canada Connector" subsidiary is, like its parent, plagued by recession.

Customer bookings slide 4.8% to 780,000. Revenues, on the other hand, advance 3.3% to \$C110 million.

In 1992-1993, President/CEO Randell's carrier operates to 20 U.S. and eastern Canadian destinations; charter flights are also offered. Airline employment is 540. Flights between Yarmouth and Boston are introduced during the latter year.

The fleet in 1994 includes 5 BAe 146-200s, 2 DHC-8-101s, and 12 DHC-8-102s, including 3 leased from **Air Ontario, Inc.**, 1 from **Air BC, Ltd.**, and 1 chartered from **Air Alliance, Ltd.**

As a result of **Air Canada, Ltd.**'s January corporate makeover, the company will spend the remainder of the year having its fleet color scheme changed to match that of its major partner. The work will be performed at the West Virginia Air Center at Bridgeport. A new \$C4.5-million training and administrative center is opened at the company base during the fall. Traffic and financial data is again unavailable.

A total of 50,499 scheduled departures are made in 1995 and enplanements reach 1,127,590. In March 1996, a five-year lease is signed

with Asset Management Organization for the charter of its 5 BAe 146-200s. Traffic and financial data for this year is not made public. Enplanements reach 942,953 on 52,642 scheduled departures.

The workforce is increased by 8.3% in 1997 to 650.

On January 10, the company's pilots join their 900 colleagues from the other "Air Canada Connector" carriers in a strike over merged seniority lists. The company operates with replacement workers and charter aircraft, but many flights must be cancelled.

The job action ends on March 1 following a marathon 24-hour negotiating session in a downtown Quebec City hotel. It is decided to leave it to the Canada Labor Relations Board to decide whether **Air Canada, Ltd.** is to be considered a common employer of both regional and Air Canada pilots.

After weeks of negotiation, the company's pilots, on March 9, ratify a new 4-year contract with **Air Canada, Ltd.** Initially tentative, the pact, providing increased benefits and income, is approved by 88% of the eligible flyers voting in a special election.

Pilots for the four "Air Canada Connector" airlines begin to return to work on March 10. Among the first new services they operate is a BAe 146-200 route from Halifax, Gander and Deer Lake—the only jet service in central Newfoundland.

Bell Mobility Skytel Airfones become available for customers on company BAe 146s on April 3.

With the beginning of the new spring schedule on April 6, flights are restored to every Air Nova destination in Atlantic Canada.

Joined by representatives of the government of Newfoundland and Labrador and the Cabot 500 Foundation at an elaborate kick-off breakfast at St. John's on June 16, Air Nova officials dedicate a BAe 146-200 and a DHC-8-100 to the celebrations being held in honor of the 500th anniversary of John Cabot's expedition. The aircraft, wearing special logos, will serve as celebration ambassadors.

On October 27, DHC-8-100 service is inaugurated from Ottawa to Boston, eight-times-daily.

As a result of the job action, there are 48,425 scheduled departures. Passenger boardings are off by 4.2% to 904,146 and cargo drops 35.3% to 2 million FTKs. Operating revenues fall 3.8% to \$C163.04 million; however, a \$C3.6-million net gain is generated.

Airline employment stands at 725 in 1998 and the fleet includes 5 BAe 146-200s and 17 DHC-8-100s.

Destinations visited include Bathurst, Blanc Sablon, Boston, Deer Lake, Gander, Goose Bay, Halifax, Montreal, Ottawa, and St. John's.

During the first week of January, Air Nova contacts the Canadian Red Cross to donate its services in transporting persons and supplies to aid in the relief effort during the great ice storm. On January 16, a DHC-8-100 flies 5,000 personal-hygiene "Storm Comfort" kits to Montreal (YUL) from Halifax.

A DHC-8-100 is configured in a 21-seat passenger/cargo combi arrangement and, on April 5, is assigned to the company's schedule in Newfoundland and Labrador.

Daily nonstop roundtrips commence on June 1 between Halifax and Boston; three frequencies are operated by DHC-8-100s and two by BAe 146-200s.

Previously thought-out contingency plans come into effect on September 2 with the beginning of the strike by pilots at **Air Canada, Ltd.** The plan involves all manner of points from proactively contacting customers to positioning aircraft throughout the region and adding additional BAe 146-200 flights between Halifax and the cities of Montreal, Ottawa, and St. John's.

Executives from **Air Alliance, Inc.** and Air Nova jointly announce on November 12 that the two carriers will consolidate both operations into one before the introduction of the summer schedule on April 5. The company will be based in Halifax and Quebec City and will initially retain independent branding. The consolidated DHC-8-100 and BAe 146-200 service will operate under the brand name Air Nova, while the Beech 1900D service will retain the Air Alliance name; independent liveries based on the aircraft types will be maintained for brand-recognition purposes. The

companies will work diligently together over the next few months toward implementation of the merger; in the interim, there will be no immediate changes in the services provided by either.

Affected union pilots from both carriers begin to negotiate simultaneously with management from Air Alliance and **Air Nova, Inc.** concerning new contracts.

For the holiday season between December 18 and January 5, additional flights are added across the network and the airline switches to the use of the larger BAe 146-200s from the DHC-8-100s whenever possible.

The company's one-millionth passenger of 1998 is transported on December 15, for a total of 9.1-million passengers carried since the airline's first day.

A code-sharing agreement is signed with **United Airlines** on December 22.

Passenger boardings jump 16.6% to 1.05 million, while cargo traffic accelerates 27.2% to 2.6 million FTKs. Revenues shoot up 23.1% to C\$200.73 million.

By the start of **1999**, airline employment has been increased by 9.1% to 745. Under terms of the new dual-designator pact, United Airlines, beginning on January 4, sells blocks of seats on Air Nova DHC-8-100s return services between St. John, New Brunswick, and Boston.

The new contracts between the pilots and management at both **Air Alliance, Inc.** and Air Nova are ratified on February 26.

On March 1, **Air Ontario, Inc.** Chairman David McCamus and Air Nova President/CEO Joseph Randell agree to discuss with **Air Canada, Ltd.** a consolidation of their two airlines. Toward that end, Mr. Randell is immediately appointed interim president of Air Ontario, while maintaining his current Air Nova posting.

The consolidation with **Air Alliance, Inc.** is officially completed on March 12. Hoping to gain greater flexibility and productivity in terms of fleet utilization, the enlarged Air Nova projects 1999 revenues of almost C\$300 million. Schedule improvements for customers throughout Atlantic Canada and Quebec are implemented on April 5.

With the consolidation of Air Nova and **Air Alliance** proving successful, a review of the additional opportunities to be derived from a further consolidation of those two with **Air Ontario** and **AirBC, Ltd.** is undertaken during the remainder of the year.

On January 20, **2000**, **Air Canada, Ltd.** announces that the process of consolidating Air Nova, **Air Ontario**, and **AirBC, Ltd.** will begin immediately under the leadership of Joseph Randell. It is anticipated that the integration process, which will be facilitated by representatives of the three lines, will require a number of months. In the interim, the three will continue operations under their original names.

Daily roundtrips are started on April 3 from Stephenville to Goose Bay and Halifax and from Montreal to St. Johns. The same number of frequencies begins on June 4 from Stephenville to Halifax and on June 18 from Montreal to Charlottetown.

During the summer, the three regionals, **AirBC, Ltd.**, Air Nova, and **Air Ontario** take a major step towards their consolidation into a single unit when a head office for a joint carrier is established in Halifax and a western hub at Calgary. Having failed to find a buyer, **Air Canada, Ltd.** is permitted to take over **Canadian Regional Airlines, Ltd.** on August 30 and add that feeder into its regional airline consolidation process. When the integration process is completed at year's end, it is anticipated that the (as yet) unnamed airline will be one of the largest regional airlines in the world, with over 5,000 employees and some 135 aircraft, mostly Dash-8 turboprops.

After several months of study, executives from **Air Alma, Ltd.**, **PropAir, Inc.**, and **Air Satellite, Inc.** approach Quebec Finance Minister Bernard Landry on October 25 and request \$84 million to help them merge into a larger regional. If the arrangement can be concluded, the new airline, to be named Air Quebec, Inc., will form a credible alternative to **Air Nova**, which enjoys the majority of local market share.

AIR NUNAVUT, LTD.: P.O. Box 1239, Iqaluit, Northwest Territories X0A 0H0, Canada; Phone (819) 979-4018; Fax (819) 979-4318;

Code YH; Year Founded 1989. Established as **Air Baffin, Ltd.** by President Jeff Mahoney at Iqaluit, NWT, in **1989** to provide charter and bush flights, this, the only local carrier in the eastern Arctic, and also the only to be entirely owned by the Inuits, is renamed late in **1996**. After three years of scheduled service that links the company's base with Broughton Island, Cape Dorset, and Pangnirtung, Mahoney in **1998–2000** oversees a workforce of 14 and a fleet that includes 1 each Piper PA-31-310 Navajo, PA-31-350 Navajo Chieftain, Cessna 337 Skymaster, and Cessna 206 Stationair.

AIR OCEAN INDIAN, S.A.: Namibia (1989–1992). **Air Ocean Indian, S.A.** is established on the island of Reunion in **1989** as a subsidiary of the French carrier **Air Outre Mer, S.A.** Louis Gordon, chief of the parent, is named general manager and revenue services commence and continue with a fleet of 3 Dornier 228-200s. A Douglas DC-10-30 is leased to provide an air link with Paris. The company is merged into its parent when it becomes **AOM French Airlines, S.A.** in **1992**.

AIR OLYMPIA: United States (1981–1982). Air Olympia is formed at Olympia, Washington, in early **1981** as the airline operating division of the FBO Vagabond Aviation. Employing a Piper PA-31-350 Navajo Chieftain, the new entrant inaugurates scheduled passenger and cargo services to Spokane on March 2.

Recession, the PATCO air traffic controllers' strike, a reduction in traffic, and fiscal difficulties cause President Robert B. McElhose to suspend operations in March **1982**.

AIR ONE (1): United States (1981–1985). Founded by Kenneth Wide-man and Mark G. Morris in June **1981**, Air One elects astronaut Eugene Cernan chairman, with Morris as president/CEO. The company hopes to acquire 5 DC-9-32s from **Delta Air Lines** and to provide first-class service at coach fares from Dallas (DFW) and Houston (HOU) to Kansas City beginning on August 1. Unfortunately, the PATCO air traffic controllers' strike and subsequent ATC restrictions conspire with financing difficulties to delay start-up.

Edward Beauvais becomes chairman in **1982** and while launch plans continue to be laid, unrealized plans are made to transfer the base to Phoenix and seek Boeing 737-200s instead of DC-9s. At year's end, a fleet is finally obtained: 3 B-727-21s leased from **Pan American World Airways (1)** and 4 B-727-101s chartered from **Piedmont Airlines (1)**.

The 400-employee new entrant launches charter service on February 18, **1983**. Scheduled business-oriented Boeing 727 flights ("First-Class Service at Coach Prices") are inaugurated on weekdays and Sunday nights from the St. Louis base, beginning on April 1, over initial routes to Dallas (DFW), Washington, D.C., Kansas City, and Newark.

Despite strong competition from **Trans World Airlines (TWA)**, by year's end, 142,478 passengers have been transported; however, the financial picture is bleak. Revenues earned are \$19.9 million and expenses total \$40.9 million, leaving an operating loss of \$23 million.

Early in **1984**, founder Morris is elected chairman/CEO, with James C. Johnston as executive vice president. Plans are made to expand to Boston, Philadelphia, and New York (LGA) in late spring as the Houston (HOU) and Los Angeles markets are entered in March–April with 2 B-727-2H3s purchased from **Tunis Air**. As the year wears on, mounting financial difficulties force suspension of the Dallas (DFW) and Houston (HOU) routes.

Two unsuccessful attempts are made to merge with planned new airlines. The most promising would involve the takeover of **McClain Airlines** in a stock transaction; however, for unstated reasons, the deal is never closed. Another plan would have Scott Spencer, CEO of the Texas-based "paper" airline Southern Express, contribute \$2 million for 55% majority shareholding and merge his start-up into Air One. The money does not arrive and this arrangement is abandoned.

Intense competition with TWA, a paucity of passengers, and continued economic loss force Air One to cease operations on October 25 and to declare bankruptcy the next day. Prior to its collapse, the new entrant

has flown 211,000 passengers since January. A few charter flights will continue into January 1985, after which all remaining assets are sold to **Interstate Airlines**.

AIR ONE (2): United States (1998–1999). Air One (2) is established at Ketchikan in the spring of 1998 as a Part 121 “sister” carrier to CEO Jerry Scudero’s **Taquan Air Services**. A pair of refurbished British Aerospace BAe Jetstream 32EPs are acquired from BAe AMT and 38 additional personnel are hired.

Following receipt of the company’s operating certificate, the new Alaskan commuter opens scheduled service on June 1 with daily flights linking the company base with Wrangell, Petersburg, Juneau, Sitka, and Klawock. Plans are made to acquire a third J-32 in the spring.

Rather than proving a success, Air One becomes nonviable. It is shut down in March 1999.

AIR ONE, S.p.A.: Via Sardegna, 14 00187 Roma, Via Tiburtina Nr. 41, S. Giovanni Teatino, Chieti, I-66020, Italy; Phone 39 (6) 478761; Fax 39 (6) 4885913; <http://www.flyairone.it>; Code AP; Year Founded 1995. Following the deregulation of Italy’s domestic airline industry, Air One is established in the fall of 1995 as the first major domestic challenger to **Alitalia, S.p.A.** Employing 1 leased Boeing 737-3K2 and 2 B-737-230As, the company inaugurates six-times-per-day roundtrip scheduled passenger services from its Rome base to Milan on November 23. A deep discount carrier, the company offers a \$112 one-way fare on weekdays and an \$84 tariff on weekends.

Airline employment stands at 400 in 1996. In February, **Alitalia, S.p.A.** hires away the independent’s managing director, appointing him vice president operations. The corporate raid triggers a government inquiry into the major’s commercial practices.

Three B-737-3Y0s are leased from General Electric Capital Aviation Services early in the year and the number of daily frequencies is increased to 13. New destinations added to the route network during the year include Bari and Reggio Calabria. In October, service is inaugurated from Turin to Rome and from Milan to Naples.

On November 24, the national antitrust authority, after a nine-month investigation, releases a report finding that **Alitalia, S.p.A.** has attempted to block competition from Air One and **Meridiana, S.p.A.** by controlling the allocation of airport landing slots, by monopolizing ticket writing, and by anticompetitive scheduling. The major is ordered to pay a L 415-million (US\$277,000) fine.

In December, an arrangement is concluded by the engineering and contracting concern Toto Group (owned by Carlo Todo) with **Noman, S.p.A.**, once known as **Fortune Aviation, S.p.A.**, to lease that aeronautical company’s airline operation for three years, with an option to purchase. Noman is combined with **Aliadriatica, S.p.A.**, to become the airline operating unit of Air One, S.p.A., under new Chairman Giovanni Sebastiani and General Manager Franco Giudice. A total of 98.8% ownership is held by Toto Group.

Noman’s 2 Douglas DC-9-15RCs and 1 Dassault Falcon 10 join a former **Aliadriatica, S.p.A.** B-737-229A, and the leased B-737-3K2, and 2 B-737-236Es. Also acquired is the maintenance concern Italian Technics, S.p.A. and 12 slots at Milan’s congested Linate Airport.

Enplanements this year total 714,000 and revenues reach \$75 million.

The fleet in 1997 includes 7 B-737-300s and 3 B-737-200s. It is not obtained without difficulty as owner Todo, seeking to gain better jetliner prices at a time when an equipment seller’s market exists, is unable to gain needed capacity and thus cannot begin advertised services as scheduled.

In February, a wet-lease agreement is entered into with Palermo-based **Air Sicilia, S.p.A.** Under its terms, the regional operator will fly its 3 ATR42-320s on behalf of Air One and in competition with **Alitalia, S.p.A.** over its route from Palermo to Rome. It will also fly services for Air One between Rome and Bari and over a new route from Bari to Bologna. The company also enters into a code-sharing agreement with the Bergamo-based new entrant **Azzurra Air, S.p.A.** for services from Rome to London and Paris.

By spring, Air One is also able to increase frequencies on its existing routes from Milan to Rome, Naples, and Bari.

In mid-June, the company’s first international route is inaugurated as twice-daily, dual-designator roundtrip frequencies with **Azzurra Air, S.p.A.** begin from Milan (Linate Airport) to London (STN). At the same time, a marketing agreement is signed with **Air UK, Ltd.**

In September, a preliminary equity agreement is signed with **Swissair, A.G.**, under which the major will sponsor the carrier’s membership in the “Qualiflyer” program jointly operated by the Swiss company, **Austrian Airlines, A.G.**, and **Sabena Belgian World Airlines, S.A.**

Destinations visited at year’s end include Aberdeen, Bari, Crotone, Edinburgh, Glasgow, London (STN), Milan, Naples, Reggio Calabria, Rome (Fiumicino Airport), and Turin. A total of 26 daily roundtrips are flown on the main Milan to Rome trunk route.

The embryonic cooperative agreement with **Swissair, A.G.** is intensified on December 29 under a new memorandum of understanding. Although the two airlines already cooperate in a number of areas, including frequent flyer benefits, the new relationship will provide Swissair with greater access to north Italian markets and give SAirGroup the opportunity to acquire a substantial minority equity stake during the following April.

Enplanements for the year reach 1,382,000. A net loss of L 60 is suffered.

The workforce in 1998 stands at 480. After acquiring a large minority interest in Air One during April, **Swissair, A.G.** begins daily roundtrip services to Bologna and Venice on June 22. The flights to the Swiss major’s destinations are operated in association with Air One, employing a SAAB 2000 wet-leased from **Crossair, Ltd.**

During the summer, the carrier moves all of its domestic flights (save those between Milan and Rome) to Bergamo–Orio al Serio Airport, near Milan. Simultaneously and into the fall, negotiations are held with SAirGroup, parent of Swissair, concerning its acquisition of the remainder of the airline.

Employing one of its BAe 146-200s painted in “Swissair Express” colors, **Debonair, Ltd.** takes over the major’s route from Zurich to Venice and Bologna on November 5. The service, also flown as a code-share with Air One, replaces that previously operated with the **Crossair, Ltd.** SAAB.

Passenger boardings accelerate 14.5% to 1,583,013. The net loss “improves” to L 8.9 billion (\$4.9 million) on revenues of \$163 million.

Former Italian manager for **British Airways, Ltd. (2)**, Marco Benincasa is appointed the carrier’s new managing director on February 15, 1999.

At the beginning of March, a BAe 146-200 is leased from **Debonair, Ltd.** and placed into “Swissair Express” service.

New daily B-737 roundtrips are inaugurated on October 31 from Turin to both Bari and Naples. Enplanements for the year total 1.4 million.

Eight-times-per-day B-737 return service is inaugurated on February 1, 2000 between Rome and Venice.

Twice-daily B-737 roundtrips from Milan to Catania begin on September 4.

A major marketing and code-sharing agreement is signed with **Deutsche Lufthansa, A.G.** on October 5. Under its terms, the German major is able to place its designator on flights to all 15 Air One destinations, while the Italian line will place its code on all DLH flights out of Rome.

AIR ONE SWEDEN, A.B.: Sweden (1989–1994). Air One Sweden, A.B. is established at Ljungby in 1989 to offer regional nonscheduled passenger services. I. Johansson is appointed managing director and he begins revenue charter services with 1 each B-737-200 and Cessna Citation.

AIR ONTARIO, INC.: 1000 Air Ontario Dr., London Airport, London, Ontario N5V 3S4, Canada; Phone (519) 453-8440; Fax (519) 453-0063; <http://www.aircanada.ca/inflight/partners/ifp203a.html>;

Code GX; Year Founded 1981. London-based **Great Lakes Airlines, Ltd.** is reformed at London Airport on April 27, 1981, receiving a new name and corporate identity. The carrier's 5 Convair CV-580s are given new paint schemes.

All previous routes and services are maintained. In December, the DeLuce family of Timmins, owners of **White River Air Service, Ltd.** and **Austin Airways, Ltd.**, purchases half interest through its holding company, Delplax Holdings, Ltd. and William DeLuce becomes president.

An interline agreement is signed with **Wardair Canada, Ltd.** in April 1982 and rights are received allowing direct flights from London to Ottawa and Montreal. Company Convairs fly replacement flights from Montreal to Chatham and Charlo in January 1983 during the **Eastern Provincial Airways, Ltd.** strike. Later in the year, the carrier begins international services when it inaugurates direct services from London to Cleveland, Ohio.

An unsuccessful bid to acquire **Nordair, Ltd.** is mounted by Delplax Holdings, Ltd. in early 1984. Following the corporate battle, new aircraft liveries are introduced. Two new routes are opened from Toronto in September: to Hartford, Connecticut and to North Bay. A CV-580 is purchased from **Air Cape (Pty.), Ltd.** of South Africa in October and is used to start a Toronto-Sudbury frequency in November. Two additional CV-580s arrive from **Freedom Airlines** in December.

Three more former **Freedom Airlines** CV-580s are delivered in early 1985, one in January and two in March. These allow significant domestic expansion of services between Montreal, Ottawa, London, and Windsor and between Montreal, Ottawa, and Sudbury. In July, the Sudbury run is stretched to Winnipeg.

Scheduled service from Toronto to Atlantic City's casino hotels is inaugurated on October 27; although only six passengers are initially flown, the carrier is confident additional Canadians will travel to the American resorts. Also in October, Delplax Holdings, Ltd., having gained complete control, sells minority interest to **Air Canada, Ltd.** (24.5%) and **Pacific Western Airlines, Ltd. (PWA)** (24.5%). The company now provides commuter support to both major operators.

Sault Ste. Marie joins the route network in May 1986. In October, a multimillion-dollar order is made for 15 de Havilland Canada DHC-8-102s and 5 DHC-8-300s. The first DHC-8-102 is delivered on loan in September. Late in the year, **Air Canada, Ltd.** purchases 75% control from PWA and Delplax. The company is now named a member of the "Air Canada Connector" commuter network.

Air Canada, Ltd.'s schedule designator replaces Air Ontario's in airline schedules as of early 1987. The DHC-8-102 demonstrator is returned in March and is replaced by the first purchased unit in April; it proudly inaugurates "Air Canada Connector" services to Detroit (DDT). **Austin Airways, Ltd.**, control of which nonunion operation was taken by the state carrier at the same time as that of Air Ontario, Inc., is merged into Air Ontario, Inc. in June.

A pair of leased Fokker F.28s are acquired at the same time. Four more DHC-8-102s are delivered in July and one in November. Meanwhile, August sees the delivery of 28 aircraft: 11 British Aerospace BAe (HS) 748s, 2 DHC-6 Twin Otters, 6 Beech 99s, 4 Douglas DC-3s, 1 Beech King Air 90, and 2 Cessna Citation 501s. All are painted in **Air Canada, Ltd.**'s red, white, and gray "Air Canada Connector" livery. Four CV-580s are sold, one each in July, August, September, and December.

Airline employment is cut by 22.6% in 1988 to 625. Two more DHC-8-102s are delivered in January-February. Coming as the result of the efforts to integrate union and nonunion flight crews, a pilots' strike grounds Air Ontario, Inc. from early March to May 4.

On May 7, an agreement for full representation for all pilots is signed with the Canadian Air Line Pilots Association; similar pacts will be signed for the mechanics and ground personnel with the Canadian Auto Workers and for flight attendants with the Canadian Union of Public Employees. Some services are not resumed; among those suspended or cancelled are flights to Homepayne, Sachigo, Round Lake, Bearskin Lake, Kasabonika, Geraldton, and Cleveland.

Aircraft deliveries continue. Two Fokker F.28-1000s, leased from **TAT (Transport Aerien Transregional, S.A.)**, arrive in April and May and are employed on the route from Toronto to Winnipeg via Sault Ste. Marie and Thunder Bay. A Toronto-Albany via Syracuse route is started. A total of 8 more DHC-8-102s will be delivered by year's end, together with 7 Commuter Air Transport Catpass 200s (modified Beech Super King Air 200s).

As a result of all the deliveries, the carrier is able to withdraw large numbers of aircraft, including 1 Catpass 200, 2 Citation 501s, 4 DC-3s, 1 Beech 99, 1 Twin Otter, and 3 CV-580s.

While hauling a shipment of diesel fuel out of Red Lake on November 1, a DC-3C with 2 crew and 1 passenger crashes nose first into Pikangikum Lake (2 dead).

Late in the year, the routes in northern Ontario are sold to **Air Creebec, Ltd.** while those emanating out of Thunder Bay are passed to **Bearskin Lake Air Service, Ltd. Air Creebec, Ltd.** also purchases the Air Ontario, Inc. facilities at Pickle Lake and Timmins, Ontario. Flights from Thunder Bay to Minneapolis (MSP) are withdrawn. Enplanements climb 5.3% to 593,000.

The workforce is cut by 34% in 1989 to 549. The final ordered DHC-8-102 is delivered in January. Seven of the last eight HS 748s are sold to **Air Creebec, Ltd.** in February; the eighth is withdrawn in March. Also in February-March, the last Twin Otter, four Beech 99s, and the King Air 90 are sold.

Flight 1363, an F.28-1000 with 4 crew and 65 passengers, arrives at Dryden, Ontario, on March 10 following a flight from Thunder Bay. There, in preparation for departure on a continuing service, the aircraft is refueled with one engine running, there being no serviceable auxiliary power unit (APU). As both the company and the manufacturer prohibit deicing with either engine running, this procedure is omitted, while up to one-quarter inch of snow accumulates on the wings. Just after noon, the aircraft starts its takeoff roll, but is unable to gain altitude, settles back, strikes trees, and comes to rest in a wooded area 3,156-ft. past the end of the runway, catching fire (24 dead).

The disaster is the first fatal crash of a scheduled commercial plane in Canada since the **Quebecair, Ltd.** crash of 1979. The government appoints a special commission to inquire into the crash and eventually publishes its *Final Report* in two volumes (Toronto, Ont.: Canadian Minister of Supply and Services, 1992) with a volume of *Technical Appendices* (Toronto, Ont.: Canadian Minister of Supply and Services, 1992).

Service to Elliot Lake, Ontario, is suspended on April 2 and taken over by **Voyageur Airways, Ltd.** of North Bay the same day. Also in April, 4 more Beech 99s are withdrawn; the remaining F.28-1000 is returned to **TAT (Transporte Aerien Transregional)** in the fall.

The fleet at year's end comprises 3 Beech 99s, 7 Beech Super King Air 200s, including 3 Catpass 200s; 5 CV-580s, 18 DHC-8-102s, with orders outstanding for 10 more; and 1 F.28-1000. Of the DHC-8-102s, 4 are leased to **Air Alliance, Inc.** and 1 to **Air Nova, Inc.**

Passenger boardings for the 12 months jump 17.8% to 699,795.

The payroll jumps 20% in 1990 to 660. The last F.28-1000 is withdrawn as 7 more DHC-8-102s join the fleet; the leases to **Air Alliance, Inc.** and **Air Nova, Inc.** are increased to 5 and 4 units, respectively. Four new DHC-8-300s are also delivered, with leases let for 5 more.

In February, the "Air Canada Connector" expands services to four markets yielded over by its parent. On March 30, a court issues denies a request from the Toronto City Council for an injunction from prohibiting the airline from starting Rapidair Metro services from Toronto Island Airport in competition with **City Express, Ltd.** As a result, Rapidair Metro flights commence on April 1 to Ottawa and Montreal. A second attempt to enjoin the service is likewise unsuccessful.

In December, a cooperative agreement, including joint fares and scheduling, is signed with **Air Creebec, Ltd.**

Customer bookings increase 31.4% to 920,000. Revenues climb 37.7% to C\$95 million and expenses allow operating income to reach C\$13.9 million.

Two of the five CV-580s are leased to **Canair Cargo, Ltd.** in 1991. Two more DHC-8-102s arrive. Six of this type are now chartered to **Air Alliance, Inc.** and three to **Air Nova, Inc.**; the machine formerly leased to **Air Nova, Inc.** is chartered to **Air Creebec, Ltd.**, which, beginning in January, feeds Air Ontario's hub at Timmins. Thrice-weekday flights begin from Toronto Island Airport to Newark in September, the same day thrice-weekday roundtrip flights also begin from Ottawa to Windsor.

Like its parent, the regional is visited by recession. Passenger boardings drop 8.9% to 838,865 and revenues slip 0.3% to C\$78.5 million. Costs increase and cut the operating profit to C\$11.5 million.

Only 1 Beech 99 and 7 Beech Super King Air 200s remain in the fleet in 1992. Only the 2 CV-580s out on lease to Canair Cargo are retained as 2 DHC-8-311s and 1 more DHC-8-102 are obtained. The charter to Air Alliance now covers 9 DHC-8-102s. New service is inaugurated from Toronto to Baltimore (BWI) in July.

Airline employment in 1993 stands at 700. Destinations served by President Tom Syme's company include Baltimore (BWI), Cleveland, Hartford, the Ontario towns of London, Montreal, North Bay, Ottawa, Sarnia, Sault Ste. Marie, Sudbury, Thunder Bay, Timmins, Toronto (Pearson/Toronto Island), Windsor, and Winnipeg. A new route is stretched from Ottawa to Newark and enplanements for the 12 months total 915,800.

In January–February 1994, the company begins to adopt Air Canada's new color scheme, complete with "evergreen" tails that serve as background for red maple leaves. Following a two-week summer strike by station and maintenance personnel, a two-year collective bargaining agreement is signed with their representative, the Canadian Auto Workers Union, in September. During the same month, service ceases between Newark and Toronto Island Airport. Late in the year, plans are made to initiate scheduled roundtrips to Columbus and Indianapolis the following May.

David McCamus becomes chairman with Stephen C. Smith as president/CEO. The fleet now comprises 6 DHC-8-311s and 17 DHC-8-102s. Bookings grow to 936,876.

Four-times-per-day DHC-8-311 roundtrips commence in April 1995 between Toronto and Columbus, Ohio. The service to Indiana, with similar frequencies, is started as scheduled in May.

Flights continue without much change in 1996. In December, the carrier's 146 flight attendants, operating without a contract since August, go out on strike, seeking the same wages, benefits, and working conditions as their counterparts at **Air Canada, Ltd.** The company hires 85 replacement workers. There are a total of 61,594 scheduled departures and 1,183,097 enplanements.

On January 10, 1997, the company's pilots join their 900 colleagues from the other "Air Canada Connector" carriers in a strike over merged seniority lists. The action forces a suspension of service to several destinations, including Baltimore (BWI), and six of nine flights from Toronto.

The company, on January 17, resumes four of its five daily roundtrips from Toronto to BWI using replacement pilots. The company continues to operate with replacement workers and charter aircraft, but many flights must be cancelled.

The job action ends on March 8 following a marathon 24-hour negotiating session in a downtown Quebec City hotel. It is decided to leave it to the Canada Labor Relations Board to decide whether Air Canada is to be considered a common employer of both regional and **Air Canada, Ltd.** pilots.

After months of negotiation, the company's pilots, on March 10, ratify a new four-year contract with **Air Canada, Ltd.** Initially tentative, the pact, providing increased benefits and income, is approved by 88% of the eligible flyers voting in a special election. Pilots for the four "Air Canada Connector" airlines begin to return to work on March 10, although flight attendants at this carrier remain on strike until March 26, on which date they ratify a new contract. A tentative agreement had been negotiated two days earlier.

As the result of a loss of both federal grants and provincial subsidy, Toronto City Centre Airport now has only Air Ontario, Inc. as a customer. The carrier completes 44 DHC-8-102 movements from the destination each day.

On June 15, **Chautauqua Airlines**, a **USAirways** affiliate, challenges dominance of Air Ontario's service from Toronto to Columbus when it launches thrice-daily nonstops. Thrice-daily "Air Canada Connector" DHC-8-311 roundtrips begin on July 20 from Toronto to Richmond, Virginia.

Thrice-daily nonstop DHC-8-311 roundtrips commence on October 5 from Toronto to Providence, Rhode Island. These are the first direct, regularly scheduled services between Rhode Island and a foreign country.

Air Ontario adds 2 more nonstops from Toronto to Baltimore (BWI) on October 20, increasing its daily frequencies over the route to 6; 1 more daily roundtrip is simultaneously added from Toronto to the Ontario communities of London (to 16), to Windsor (to 13), and to Sault Ste Marie (to 8).

The number of scheduled departures are down to 57,587 during the year and passenger boardings slip to 1,146,048. Financial statistics are not released at the end of the year, but like all of the stricken "Air Canada Connector" partners, they are expected to be down.

Flights continue in 1998. In a holdover rule from the time it was a crown corporation, **Air Canada, Ltd.** and its regional affiliates continue to be required to provide bilingual service on flights to and from Montreal, Moncton, and Ottawa. In early April, Commissioner Victor Goldbloom, head of the Office of Official Languages, files suit against the major and its affiliates after the agency received 24 complaints, primarily against Air Ontario, that flight attendants on the those routes fail to offer passengers their choice of beverages in both official languages. Air Canada, which treats its regionals as separate entities, refuses to acknowledge the complaints.

A significant air travel crisis occurs at Detroit (DDT and DET) on August 29 as **Northwest Airlines** pilots go on strike. To assist those who would fly between the Detroit and Toronto, Air Ontario increases its capacity between Windsor, Ontario, and Toronto to 900 seats on August 30. That figure is increased to 1,200 seats on September 1 and each day thereafter until the Northwest job action is settled.

Frequencies and schedules for the "Air Canada Connector" are enhanced in the days following the strike by **Air Canada, Ltd.** pilots on September 2. Daily service is increased from Toronto's City Centre Airport to Ottawa (20 flights) and Montreal (19 flights).

On September 8, the daily return frequencies of certain transborder flights from Toronto are also increased, through September 11. These include services to Allentown, Pennsylvania (to 4), Baltimore (to 7), and Providence (to 5).

The carrier announces on November 4 that it will launch thrice-weekday DHC-8-311 roundtrips between Toronto and Syracuse on January 4. On November 25, it is announced that four-times-a-day roundtrips from Kingston to Toronto will begin on January 17.

Coincidence and a pair of Traffic Alert and Collision Avoidance System (TCAS) miscues nearly cause a tragic midair collision at a point 30 mi. SW of Albany on December 1. Misreading the movements of a **USAirways** flight, the TCAS aboard an Air Ontario DHC-8-311 en route from Providence to Toronto inadvertently sounds, directing it to climb so as to avoid a **Northwest Airlines** DC-9-41. The TCAS aboard Northwest's Douglas transport has directed the aircraft to descend. An air traffic controller notices the difficulty and calls out a warning as the two planes speed toward one another on a collision course. The jetliner and the commuter plane come within less than a mile (800 meters) of each other horizontally and within 300 feet (90 meters) vertically. FAA regulators launch an immediate investigation.

The thrice-weekday DHC-8-311 service from Toronto to Syracuse, scheduled to commence on January 4, 1999, must be postponed due to unusually heavy snowfalls that prevent travel in the region of the city-pair. The flights commence on January 10, with ceremonies at

Syracuse, and represent the only nonstop air service available between the two communities.

A severe winter storm assaults Toronto on the evening of January 14, forcing the airline, together with **Air Canada, Ltd.**, to cancel over 30 departures. Additional manpower is laid on at Montreal, Calgary, and Vancouver to accommodate customer inquiries. Blizzard conditions continue at Toronto the next day forcing the two carriers to cancel all of their departures.

Air Ontario President/CEO Smith is appointed on February 11 to the same posts with **Westjet Airlines, Ltd.** On March 1, Air Ontario Chairman McCamus and **Air Nova, Inc.** President/CEO Joseph Randell agree to discuss with **Air Canada, Ltd.** a consolidation of their two airlines. Toward that end, Mr. Randell is immediately appointed interim president of Air Ontario, while maintaining his current Air Nova post.

Air Ontario Vice President-Human Resources and Administration Ruthe-Anne Conyngham is named interim chief operating officer on March 4.

With the consolidation of **Air Nova** and **Air Alliance** proving successful, a review of the additional opportunities to be derived from a further consolidation of those two with Air Ontario and **AirBC, Ltd.** is undertaken during the remainder of the year.

On January 20, 2000, Air Canada announces that the process of consolidating **Air Nova**, Air Ontario, and **AirBC, Ltd.** will begin immediately under the leadership of former **Air Nova** CEO Joseph Randell. It is anticipated that the integration process, which will be facilitated by representatives of the three lines, will require a number of months. In the interim, the three will continue operations under their original names.

On February 9, the Oro Station-based commuter **Air Georgian, Ltd.** enters into a pact with the large regional, under which it will continue its previous "Canadian Partner" service in new colors to points in southern Ontario and expand flights into the northeastern U.S. The partnership begins on April 2.

Thrice-daily return service is inaugurated on April 3 from Windsor to Montreal and Ottawa.

During the summer, the three regionals, **Air BC, Ltd.**, **Air Nova**, and Air Ontario take a major step towards their consolidation into a single unit when a head office for a joint carrier is established in Halifax and a western hub at Calgary. Having failed to find a buyer, **Air Canada, Ltd.** is permitted to take over **Canadian Regional Airlines, Ltd.** on August 30 and add that feeder into its regional airline consolidation process. When the integration process is completed at year's end, it is anticipated that the (as yet) unnamed airline will be one of the largest regional airlines in the world, with over 5,000 employees and some 135 aircraft, mostly Dash-8 turboprops.

AIR OPEN SKY, S.A.: Frei 4, Bat 3514, Rue des Voyelles, BP 10256, Roissy-Charles de Gaulle International Airport, F-95704, Paris, France; Phone 33 (1) 48161111; Fax 33 (1) 48161192; Code OPN; Year Founded 1998. Among the last new entrants to become operational in the time frame of this book, Air Open Sky is established at Paris in November 1998 to offer passenger and cargo services. A pair of Avions de Transport Regional ATR42-320s are ordered by President Stephen Brun and a marketing agreement is signed with **Air Liberte, S.A.** In addition, negotiations are undertaken with a major freight company for the operation of night cargo charters from an unnamed European airport.

With the receipt of the first ATR painted in a modified Air Liberte color scheme, revenue flights commence in December linking Brive with Paris (ORY) and Metz with Marseilles and Nice.

A second ATR42-320 is delivered in January 1999 followed by a third later in the year. Flights continue into the new millennium.

AIR OPERATIONS OF EUROPE, A.B.: Sweden (1993–1996). Captain Thomas Johansson founds this Swedish ad hoc charter operation, headquartered at Sollentuna, in February 1993. Shareholding is divided between Johansson and ING Aviation Lease Amsterdam. A workforce of

75 is assembled and revenue services are inaugurated in May with a pair of Lockheed L-1011 TriStar-1s leased from Electra Aviation. An order is placed for several L-1011-50s.

Three L-1011-50s, previously employed by **Hawaiian Airlines (HAL)**, arrive under charter in 1994, allowing one of the earlier TriStars to be leased to **Impala Air, Ltd.** The company, yet to standardize on a livery, flies its routes with aircraft displaying the varied color schemes of previous operators with Air Ops markings.

The company continues to expand both its capacity and worldwide destinations in 1995. Early in the year, an L-1011-50 TriStar is purchased from **Trans World Airlines (TWA)** and two leased Airbus Industrie A300B4s also enter service. A standard all-white livery, with red markings, is adopted. One of the ex-**Hawaiian Airlines (HAL)** TriStars is leased to **Sudan Airways, Ltd.** to operate that carrier's weekly service from London (LGW) to Johannesburg via Khartoum.

Overextended, the company fails in May 1996. Still, it will have one more glorious operation. At the end of November 1998, one of its former TriStars, in storage at Manchester, England, is fixed up enough to be flown to Manston on just two engines and at an altitude of 6,000-ft. with its flaps down. After its safe arrival, the wide-body is scrapped.

AIR OREGON: United States (1980–1982). In 1980, the two-year-old Portland-based charter operator **Executive Flight Services** elects to establish a scheduled airline subsidiary Air Oregon, giving it a new and independent logo and its leased aircraft new liveries. At this point, the fleet comprises 6 Metro IIs, 1 Metro IIA, and 1 Piper PA-31-310 Navajo.

Plans are made to affiliate with **Golden Gate Airlines** and **Swift Aire** in a large commuter network serving points in California, Idaho, Nevada, Colorado, Utah, and the Northwest. However, with the collapse of **Golden Gate Airlines**, the possibility of a union dissolves.

Meanwhile, destinations include Seattle, Salem, Medford, Reno, Boise, San Francisco, and Sacramento.

Passenger boardings climb 31.9% to 158,050; freight, however, falls by 37% to 787,000 pounds. Expenses, led by fuel costs, outpace income, rising 67.6% to \$10.1 million on revenues of \$9.8 million. The loss skyrockets by 231% to \$356,398.

Airline employment in 1981 totals 218. Bookings climb a slim 2.4% to 161,862, but cargo is down 11.3% to 697,810 pounds. Still, optimism remains as shown by orders for 2 SAAB-Fairchild SF340s for mid-decade delivery. The reservoir of red ink continues to deepen as expenses jump 19.7% to \$12.1 million on revenues, up only 12.5%, of \$11 million. The loss is \$1.13 million.

Strapped for cash as a result of the PATCO air traffic controllers strike and subsequent air traffic control reductions, the carrier sells out to **Horizon Air** in June 1982.

AIR ORIENT, S.A.: France (1929–1933). This airline is created in 1930 through the merger of **Air Union-Lignes d'Orient, S.A.** (founded in 1927) and **Air Asie, S.A.** (formed in Indo-China in 1926); its mission would be the continued development of regular services to the nation's Southeast Asian colonies. In December, the company's Marseilles–Syria mail route, started in June 1929, is extended to Baghdad.

Early in January 1931, Saigon-based **Air Asie, S.A.** is acquired, together with its fleet of 4 Potez 32s, 1 Liore et Olivier LeO 198, and its mail route from Saigon to Bangkok. On January 17, a 10-day multistop route is opened by Air Orient to Saigon with full passenger service from Paris to Baghdad. The Mediterranean segment is flown by LeO 242s and CAMS 53s and the remainder by Bruguet 280Ts.

A new corporate emblem, "L'Hippocampe," is created in 1932; it will be transferred to **Air France** and worn thereafter.

On August 30, 1933, Air Orient, S.A. and three other companies join under the label of **Societe Centrale pour l'Exploitation de Lignes Aeriennes, S.A. (SCELA)**, negotiate with the government, and are merged to form **Air France**.

AIR ORLANDO CHARTER: 400 Herndon Ave., Suite 110, Orlando, Florida 32803, United States; Phone (407) 896-1368; Fax (407) 896-6027; Year Founded 1987. AOC is set up at Orlando Executive Airport in 1987 to provide on-demand passenger charters; the operator is certified to offer service throughout the U.S., Canada, Mexico, the Caribbean, and Central America. Revenue flights begin, with emphasis on service to the Bahamas, Virgin Islands, Turks and Caicos Islands, Dominican Republic, and Puerto Rico.

Operations continue apace without incident until 1995. Just after takeoff from Orlando on June 23, a Beech 58 Baron, with two passengers, loses power to its left engine. While attempting to return for an emergency landing, the plane strikes trees and crashes, killing both passengers.

By 1998–2000, the fleet includes 1 each Cessna 550 Citation II, Beech King Air 90, and a replacement Beech 58 Baron.

AIR OSTRAVA SPOL, S.R.O.: Czech Republic (1994–2000). Ostrava-based Air Vitkovice undergoes a change in its corporate identity during 1994, choosing to identify with its base city as a public limited company (S.R.O.).

With continued financial backing from the Chemapol Group, Managing Director Josef Homak makes plans to replace his 3 Let-410s with 3 British Aerospace Jetstream 31s. Revenue flights are continued from Ostrava to Prague, Nuremberg, Brno, and Vienna.

Pavel Hradec becomes managing director in early 1995 following the company's purchase in April from the Vitkovice Iron & Steel Company by the Chemapol Group, a large Czech chemical and pharmaceutical trading concern. The new executive's fleet now includes the 3 Lets, 1 Cessna Citation III, and 2 SAAB 340As. Although 2 BAe Jetstream 31s arrive during the year, they do not replace the Lets; the order for the third is cancelled.

Return flights commence in June from Ostrava to Amsterdam via Prague seven-times-a-week. Also during late spring and summer as CSA Czech Airlines withdraws from the Ostrava to Prague route, it enters into a block-seat, code-sharing agreement on Air Ostrava's six daily return flights between the two cities.

Scheduled flights begin to Salzburg and Poprad/Tatry, the airline's third and fourth international destinations, and holiday charters to Mediterranean points commence in late fall.

Operations continue apace in 1996 as a pair of SAAB 340As are acquired. Airline employment stands at 160 in 1997. During the summer, additional code-sharing flights commence with CSA Czech Airlines. Principal destinations visited now include Cologne, Kosice, Ljubljana, Prague, Strasbourg, Vienna, and Zilina.

Flights continue without fanfare in 1998. During the first quarter of 1999, a SAAB 340A becomes a logo-turboprop, painted in a color scheme designed to promote Skoda's latest automobile, the *Felicia*.

Fiscal difficulties for the regional force it to shut down and seek bankruptcy protection on March 2, 2000. The company's 4 leased SAAB 340As are returned and website closed. On March 10, CSA Czech Airlines launches replacement service between Ostrava and Prague.

AIR OUTRE MER, S.A.: France (1987–1992). Air Outre Mer, S.A. is founded by Rene Micaud, in association with the Les Creolies hotel chain, on the Indian Ocean island of Reunion on July 1, 1987. Naming his carrier for the first Air Outre Mer, S.A., which operated in Indochina between 1950 and 1954, Micaud makes plans to offer luxury air service between Reunion and France, but start-up plans are delayed in 1988.

In a public ceremony at the Paris Salon in June 1989, Micaud and his associates sign an order with McDonnell Douglas for the purchase of 4 MD-11s. Pending their delivery, the company signs a lease/purchase agreement with SAS (Scandinavian Airlines System) for the acquisition of 3 DC-10-30s.

AOM employs the first Douglas wide-body, received on May 21, to commence thrice-weekly roundtrip revenue flights between Paris and

St. Denis de la Reunion on May 28, 1990, just after Air Ocean Indien, S.A. is established as a domestic subsidiary. Three Dornier 228s are purchased for AOI in November.

Another pair of leased DC-10-30s is acquired in 1991 and charter authority is granted to Guadeloupe and Cairo, the latter city already a technical stop on the return flight from Reunion to France. As a result of the recession that has occurred in the wake of the Gulf War, company efforts to sell its luxury service are frustrated and financial losses mount. Twice-weekly Paris to Miami roundtrips commence on October 5; however, the service is suspended in December.

Following the resignation of founder Micaud late in the year, the airline is purchased by the Credit Lyonnais subsidiary Sega, a banking group.

Still, during this first full year of service, a total of 111,197 passengers and 32 million FTKs are flown. Revenues total \$72.2 million, but expenses are more and leave an operating loss of \$40 million.

On January 1, 1992, Sega joins the company with another independent carrier, Minerve, S.A., reforming the enlarged aerial enterprise into AOM French Airlines, S.A.

AIR PAC AIRLINES: United States (1978–1986). Formed in Anchorage in August 1978, privately owned AirPac begins charter and contract service operations in the fall. In cooperation with Alaska Airlines, the carrier inaugurates scheduled service to Dutch Harbor in March 1982. The fleet now includes Cessna 441s, a Grumman G-21 Goose, and a Fairchild Hiller FH-227B. The company name is changed to Air Pacific Airlines in December.

A British Aerospace BAe 146-100 is now acquired and employed, beginning in 1984, to provide replacement services for its national associate to the following destinations: Adak, Akutan, Cold Bay, Dillingham, Dutch Harbor, King Salmon, Kodiak, Nikolski, St. George Island, St. Paul Island, and Sand Point. This is the first pur-jet service to the Aleutians. The jetliner is supplemented by the fleet's propeller equipment, which includes 1 Fokker F.27, 1 Fairchild Hiller FH-227, 1 Cessna 441, and 3 Grumman G-21 Geese.

Operations continue apace in 1985 as enplanements jump 53.1% to 49,000.

During the first quarter of 1986, plans are made to change the company name to Alaska Pacific Airlines (so as not to confuse its identity with that of the Seattle-based Airpac Airlines, launched two years earlier) and initiate a jet service from Anchorage to Seattle, via Dutch Harbor and Sitka. Notice of rising insurance costs received in May, however, forces the company to return its BAe to its manufacturer in June.

AirPac files for Chapter XI bankruptcy on July 11. Plans made to reorganize and reemerge are not realized.

AIR PACIFIC. See AIR PAC AIRLINES; GOLDEN GATE AIRLINES

AIR PACIFIC, LTD. (1): Fiji (1967–1971). Air Pacific, Ltd. is formed at Suva in June 1967. Employing a lightplane fleet of Beech and Cessna aircraft, the carrier begins nonscheduled charter flights in July to local South Pacific islands. Late in the decade, a Britten-Norman BN-2 Islander is acquired and scheduled frequencies are undertaken to Cicia, Gau, Koro, Lakeba, Ono-i Lau, Pacific Harbor, Rabi, Rotuma, Savusavu, and Vanuabalvu.

When Fiji Airways, Ltd. is renamed Air Pacific, Ltd. (2) in April 1971, the first Air Pacific, Ltd. is retitled as Fiji Air, Ltd.

AIR PACIFIC, LTD. (2): Air Pacific Centre, P.O. Box 9266, Nadi Airport, Raiwaqa, Fiji; Phone 679 720 777; Fax 679 720 512; <http://www.fijifvb.gov.fj/airlines/airpac.htm>; <http://www.singapore.com/pata/airpac.htm>; <http://www.supersite.net/airpn2/docs/home.htm>; Code FJ; Year Founded 1971. The former Fiji Airways, Ltd. receives its present name in April 1971 as the island government, Qantas Airways (Pty.), Ltd., British Overseas Airways Corporation

(BOAC), and **Air New Zealand, Ltd.** remain the major shareholders. Local services are provided within the Fiji group. The fleet's 4 de Havilland DH 114 Herons and 3 Hawker Siddeley HS 748s are joined on March 4, 1972 by the company's first jetliner, a BAC 1-11-479, delivered from Hurn, England, via Brindisi.

The new British-made jetliner inaugurates service on April 2 over a route from Nadi International Airport to Port Moresby via Port Vila and Honiara. Enplanements total 206,371.

Airline employment in 1973 stands at 512. Regional routes are initiated linking Fiji with New Caledonia, Tonga, Western Samoa, Nauru, the Gilbert Islands, and Tuvalu.

A second BAC 1-11-479 is acquired on August 14 and it initiates service to Brisbane via Port Vila and Honiara. Customer bookings advance 19.7% to 257,000 and freight traffic climbs 29.2%. Still, the financial situation is bad, due largely to large increases in fuel and labor costs.

On July 4, 1974, 1 of the BAC 1-11-479s is leased out to **Air Malawi, Ltd.** for 18 months. A total of 268,320 passengers are flown.

The employee population stands at 460 in 1975. One HS 748 is replaced by three Britten-Norman BN-2A Trislanders. **Air Niugini (Pty.), Ltd.** Fokker F.27-200s assume the Honiara to Port Moresby sector on July 1, the same day that Air Pacific's remaining BAC 1-11-469 re-routes its Nadi to Brisbane midpoint stop from Honiara to Noumea, New Caledonia. Simultaneously, it launches a new route from Nadi to Auckland via Tongatapu, capital of Tonga in the Friendly Islands.

The chartered BAC 1-11-479 returns to service on November 16. Consequently, frequencies on the Australian service are increased to five per week and to New Zealand, four per week. Freight soars 32%, but passenger boardings dip 4% to 258,000.

The employee population numbers 507 in 1976. In honor of the company's twenty-fifth anniversary, all aircraft are repainted in new livery.

Passenger bookings rise a modest 2.8% to 265,169, but freight balloons 21% to 1.59 million FTKs.

The fleet is radically altered in 1977 as 1 BAC 1-11-479, HS 748s, and BN-2As are all leased out or sold; they are replaced by 4 BN-2 Islanders, 1 de Havilland Canada DHC-6, 1 Beech Baron, and 1 Beech B-80 Queen Airliner.

The Fiji government in 1978 acquires the holdings belonging to **British Airways, Ltd. (2)**, **Qantas Airways (Pty.), Ltd.**, and **Air New Zealand, Ltd.**, gaining full majority control of the airline; shareholding is divided between the government of Fiji (89.78%), Kiribati (1.11%), Solomon Islands (1.11%), Tonga (1.11%), Western Samoa (0.51%), and Nauru (0.37%), with private interests holding the remaining 6.01%.

Qantas Airways (Pty.), Ltd. continues to provide technical service and to fly long-haul, regularly scheduled flights. S. H. Quigg is named managing director of the 478-employee airline. Delivered via Bahrain, a BAC 1-11-408, previously operated by **Bavaria Fluggesellschaft, mbH. & Co.**, arrives on June 26 and enters service on July 1.

Passenger boardings fall 0.5% to 280,000, but freight grows 20.4%.

Airline employment is increased by 1.2% in 1979 to 513. Service is launched to Pago Pago and Papeete. Two Embraer EMB-110s join the fleet with two more on order. The Islanders, Twin Otter, Baron, and Queen Air are sold or leased as two chartered BAC 1-11-479s and one HS 748 are returned to service. A five-year contract is obtained from **Air Tuguru** to operate that carrier's Honolulu service. Bookings fall again, down 2.6% to 275,364.

The BAC 1-11-408, having rusted out, is withdrawn in 1980 as is an HS 748. Two owned EMB-110s are delivered and a Boeing 737-219 is leased from **Air New Zealand, Ltd.** to fill the gap until an ordered machine is delivered.

Cargo grows 3.3% to 2.91 million FTKs, but passenger traffic falls a dramatic 15% as only 262,244 passengers are carried.

A total of 272,450 passengers are transported in 1981 and 260,456 in 1982. The operating loss in the latter year is F\$5.9 million.

Airline employment in 1983 is 562, a 2.4% boost. The fleet now includes 1 B-737-219B leased from **Air New Zealand, Ltd.**, 4 EMB-110s, and 2 BAC 1-11-479s. Employing a DC-10-30 leased from

Western Airlines, thrice-weekly Fiji-Honolulu joint services are inaugurated as "Project America." This is Air Pacific's first experience on a major trunk route.

Passenger boardings increase 4.9% to 280,202 while freight traffic rises 0.4% to 39.8 million FTKs. A F\$5.9-million operating loss is again suffered, this time on revenues of F\$87 million, an 8% increase.

During 1984, the Nadi-Honolulu DC-10-30 joint service with **Western Airlines** is flown, but then discontinued. Joint services with **Qantas Airways (Pty.), Ltd.**, employing Jumbojets, are also maintained from Nadi-Noumea, Sydney, and Melbourne during 1984. Although the 2 BAC 1-11-479s are withdrawn in March, regional jetliner services are maintained by the 565-employee airline with another newly delivered B-737-219, the one already on hand, and other leased from **Polynesian Airlines**.

The three domestic Fiji Island destinations of Nadi, Suva, and Labasa are served by the company's four Bandeirantes, while all other routes are turned over to the privately owned local operators, **Fiji Air, Ltd.** and **Sunflower Airlines, Ltd.** As traffic has not materialized at the rate hoped for, the DC-10-30 service to Hawaii is terminated in December and replaced by a joint operation with a **Qantas Airways (Pty.), Ltd.** B-747-267s, from Nadi to Honolulu and Los Angeles.

Enplanements total 277,426 and revenues of F\$43.17 are earned. Expenses, however, total F\$53.73 million and cause the carrier an operating loss of F\$10.55 million, putting it into technical bankruptcy.

Airline employment is reduced to 470 in 1985. In January, the airline's lengthy association with **Qantas Airways (Pty.), Ltd.** is renewed in the form of a three-year Management Support Agreement. The Australian flag carrier sends John Schaap out to become CEO, along with two other Qantas executives, Allan Moore and John Campbell. This agreement will subsequently be modified and extended through 1995.

A B-747-267 is leased from **Qantas Airways (Pty.), Ltd.** on March 25; christened *Island of Viti Levu*, it receives a colorful, banded livery and is placed into service from Nadi to Sydney via Auckland, Brisbane, Christchurch, and Melbourne. As expenses increase, Air Pacific offices in Australia and North America are closed, with **Qantas Airways (Pty.), Ltd.** becoming the company's general sales agent.

Unnecessary assets, including a stockpile of BAC 1-11 spare parts, are sold and the thrice-weekly Suva to Western Samoa service is cut to weekly, employing the Polynesian Boeing under a joint service arrangement.

Passenger boardings leap to 289,785 and revenues ascend to F\$52.13 million. Expenses swell to F\$63.05 million and the operating loss increases to F\$10.86 million. A small F\$143,000 net profit is earned.

The workforce is increased 4% in 1986 to 498 and the fleet includes 1 B-747-267, 1 B-737-219B, 2 EMB-110s, and 1 DHC-6. The latter, leased from **Fiji Air**, is employed for Nadi to Suva roundtrips. "Mate's Rate" fares are introduced for traveling couples.

In September, 2 Avions de Transport Regional ATR42-320s are ordered for 1987 delivery; an agreement is reached to lease 2 of the type from **Air Queensland, Ltd.** until then. The chartered aircraft allow the company to increase the number of its flights from Fiji to Tonga from one to six each week and to Vanuatu from one to three each week. A third weekly B-737-219B service is initiated to Auckland. Meanwhile, 2 additional EMB-110s are placed in service.

Passenger boardings decline 4.4% to 271,439 and freight is off by 5.7% to 6.03 million FTKs. Largely as a result of Australian and New Zealand currency devaluation, revenues fall by 6.6% to F\$43.9 million. A F\$100,000 operating loss is suffered.

The payroll is cut 9.8% in 1987 to 449 as **Qantas Airways (Pty.), Ltd.** now takes a 20% financial interest in the Fijian carrier, atop its management consultancy. In July, the decision is taken to postpone the launch of Fiji-Japan service for two years. Due largely to two coups in the country during the year, traffic figures are mixed. **Continental Airlines** now withdraws from Fiji, leaving the nation with no service to the U.S.

In November, the original *Island of Viti Levu* is put on the joint **Qantas Airways (Pty.), Ltd.** service and is replaced by an older, ex-**Qantas**

Airways (Pty.), Ltd. B-747-149, which is given the same name and takes over its predecessor's duties under a revised code-sharing agreement. The new arrangement calls for code-sharing between Australia and Fiji employing the B-747-149 and Qantas aircraft and between Fiji and Los Angeles via the Fiji Jumbojet.

People stay away from the airline and customer bookings drop another 4.3%, to 259,690. Cargo, on the other hand, swells by 69.5% to 10.23 million FTKs. Revenues of F\$41.1 million are earned and losses are again taken: F\$1.76 million (operating) and F\$624,000 (net).

Airline employment is increased by 13.4% in 1988 to 509 as Jumbojet flights begin linking Fiji with Tokyo (NRT). In the spring, the **Qantas Airways (Pty.), Ltd.** CEO Schaap is relieved by another executive from that airline, Andrew Drysdale. Two ATR42-320s join the fleet.

Passenger boardings recover and climb 13% to 311,200. Freight continues its upward march, by 35.6%, to 19.11 million FTKs. Revenues increase 52.2% to F\$67.8 million. Costs are held down and F\$5.3 million in operating income is generated. Net profit surges to F\$5.3 million.

Employment climbs 12.2% in 1989 to 571 as B-747-149 service to Melbourne begins in the spring. Dissidents burn the control tower at Port Vila Airport in Vanuatu, restricting the carrier's ATR42 services to that point.

Customer bookings swell 12.1% to 348,914 and cargo jumps to 50.22 million FTKs. A record operating profit of F\$11 million is reported.

The workforce is increased by 3% in 1990 to 575 and the fleet includes 1 B-747-149, 1 B-737-219B, and 2 ATR42-320s. Two B-767-205ERs remain on order. One of the two B-767-205ERs arrives in July; christened *Island of Vanua Levu*, it is placed into service on the route to Auckland via Brisbane and Melbourne. The B-737-219B is withdrawn in August, the same month that the government purchases 9.16% of the **Qantas Airways (Pty.), Ltd.** interest, reselling the new shares to a Japanese firm developing resorts in Fiji.

Passenger boardings fall 5.6% to 324,990, but freight climbs 10.5% to 25.33 million FTKs. Revenues advance 11.9% to F\$108 million.

The payroll climbs 3.5% in 1991 to 595. A two-year transfer of headquarters from Suva to Nadi is begun as is a second weekly service to Tokyo.

Customer bookings decline another 6% to 305,560, but cargo jumps 39.3% to 35.3 million FTKs. Revenues rise 17.1% to F\$126.6 million.

During late spring 1992, Air Pacific sells its two ATR42s to GPA Group, which, in turn, provides the carrier with a B-737-5Y0 in September under a lease-purchase arrangement. Given a colorful livery and christened *Island of Taveuni*, the "Baby Boeing" is employed to resume Suva to Auckland service. Later in the year, a B-767-205ER is chartered and initiates flights from Fiji to Cairns, Wellington, and Christchurch. An order is placed for a B-767-3X2ER.

Enplanements total 309,908, the operating profit is F\$2.7 million, and net gain is F\$2.65 million.

Five new employees are hired in 1993 as the B-767-3X2ER arrives and the B-737-219B is re-leased from **Air New Zealand, Ltd.** Destinations now served by Chairman Gerald Barrack and CEO Drysdale's airline include Melbourne, Sydney, Brisbane, Auckland, Tokyo, Suva, Tonga, and Moniara. The company's head office and engineering base are shifted from Suva to Nadi. In September, the company begins code-sharing flights with **Air Vanuatu** with its B-767-205ER from Nadi to Port Vila.

Late in the year, a number of events transpire that give the carrier reason to believe it can profitably restart services to Hawaii and even fly beyond. Chief among these are the decision by **Continental Airlines** to abandon the South Pacific, the availability of new slots at Tokyo (NRT), and more U.S. tourists, in the wake of the American economic recovery, are visiting Fiji.

Passenger boardings decline another 10.6% to 280,207, but freight climbs 9.1% to 37.56 million FTKs. Revenues jump 6% to F\$211.9 million and expenses are F\$206.7 million, a 4% gain. As a result, the operating gain is F\$5.2 million and net profit reaches F\$3.7 million. The excellent financial showing results in shareholders receiving their first dividend in company history.

The airline's paid-up capital totals \$F19,480,300 in 1994 and ownership is split between the government of Fiji (79.55%), **Qantas Airways (Pty.), Ltd.** (10%), the Sea Com Corporation of Japan (7.5%), **Air New Zealand, Ltd.** (1.94%), and the governments of Kiribati, Tonga, and Solomon Islands (0.27% each), Nauru (0.8%), and Western Samoa (0.12%).

The B-747-149 inaugurates services to Los Angeles via Hawaii on July 2. Osaka (KIX) becomes a destination in October.

Enplanements inch up slightly to 280,866 and there are profits: F\$3.36 million operating and F\$2.41 million net.

Airline employment grows by 11.6% in 1995 to 640. In January, the carrier joins with **Royal Tongan Airlines** in the joint lease of a B-737-33A, which is employed to code-share flights between Fiji and Tonga. While the B-737-200 fleet of **Air New Zealand, Ltd.** is grounded for engine repairs in March-April, the company briefly subleases the B-737-219B back to the New Zealand flag carrier from whom it had been leased originally. In May, the Royal Tongan Boeing beings a new service from Tonga via Auckland to Sydney.

Return service is started twice weekly to Wellington and Christchurch from Nadi on July 11 under a new code-sharing agreement with **Air New Zealand, Ltd.** and the company enters into the frequent flyer program of **Qantas Airways (Pty.), Ltd.**

Passenger bookings jump 6.9% to 301,682 while freight traffic increases 47.8% to 50.55 million FTKs. Revenues climb 17.5% to F\$161.61 million, while expenses move up by 14.2% to F\$153.19 million. The operating profit swells to F\$8.42 million while net gain reaches F\$5.63 million.

Forty-eight new employees join the company, a 10.6% increase, during 1996 and the chartered fleet now includes 1 each B-767-3X2ER, B-737-5Y0, B-737-33A, and B-747-219B, the latter leased from **Air New Zealand, Ltd.** The B-767-3X2ER begins joint venture service with **Air Caledonie International** in July over a route from Nadi to Papeete. An order is sent to Boeing for a Next Generation B-737-700, for which the carrier will become South Pacific launch customer.

Enplanements accelerate 8.5% to 436,429 while 70.7 million FTKs are operated, a 7.4% increase. Operating income surges 11.3% to F\$186.52 million and costs are up an almost-equal 11.4% to F\$176.41 million. Operating gain moves to F\$10.13 million and a net F\$6.19-million profit is posted.

Airline employment grows 6.9% in 1997 to 757. Early in the spring, **Polynesian Airlines** begins to code-share on Air Pacific flights from Nadi to Apia, Samoa. **Solomon Airlines, Ltd.** enters into the same sort of pact covering flights between Nadi and Honiara using Solomon aircraft.

The executive vice president/chief operating officer of **Hawaiian Airlines (HAL)**, Michael J. McQuay, is named managing director/CEO in November. New weekly roundtrips to Honolulu begin and a code-sharing pact is entered into with **Canadian Airlines International, Ltd.**

Passenger boardings move ahead by 9.2% to 333,499, while freight traffic improves by 12.3% as 76.41 million FTKs are flown. Revenues inch up 2.1% to F\$188.97 million as costs increase 31.9% to F\$180.61 million. Although operating profit declines to F\$8.36 million, the net gain advances to F\$5.43 million, later adjusted upward to F\$8.27 million.

In May 1998, the company sells another 28.5% stake to **Qantas Airways (Pty.), Ltd.**, bringing the Australian major's shareholding to 46%. Qantas also leases the Fijian national carrier a second B-747-219B, as flights to Sydney begin.

The Next Generation B-737-7X2 is delivered to Nadi on September 28. The first of its type to operate in the South Pacific, the new Boeing inaugurates service from Suva to Sydney on October 2.

The pact with **Canadian Pacific Airlines, Ltd.** is expanded on October 16. Under its terms, the two carriers, beginning on December 7, combine their marketing and fleet strengths to provide three weekly flights between Auckland and Honolulu. Canadian offers daily non-stop flights from Toronto to Honolulu and 13-times-a-week service from Vancouver to Honolulu. At Honolulu, passengers may seamlessly

transfer to the Air Pacific B-767-3X2ER for any of the three onward nonstop weekly flights for which they may be booked.

In a move designed to strengthen its route network in the South Pacific, **American Airlines** concludes a code-sharing agreement with Air Pacific on December 18. Under the arrangement, American will, in the new year, place its "AA" code on Air Pacific's four weekly return flights between Los Angeles and Nadi.

Passenger boardings jump 12.3% to 35,000, while cargo traffic accelerates 11.7% to 5.87 million FTKs. Revenues advance 30.4% to F\$370.8 million, while costs climb 23.8% to F\$344.2 million. The operating profit reaches F\$28.5 million, while a net gain of F\$13.20 million is reported.

On February 18, 1999, **American Airlines** begins to code-share on the Air Pacific nonstop B-747-219B return routes operated between Nadi and Los Angeles (LAX). The Fiji-based carrier simultaneously announces that a fifth weekly roundtrip between the two cities will commence in June.

The first of two Next Generation B-737-8X2s is delivered on May 24; it will be followed by a second in August. During the ceremony at Seattle, it is announced by Managing Director/CEO McQuay that the company is examining the possibility for year 2000 of new routes to the Cook Islands, linking Nadi, Auckland, and Rarotonga, as well as to Cairns in north Queensland.

The new Next Generation B-737-8X2 enters service on June 2 on the company's route from Nadi to Melbourne. The second aircraft begins revenue flights in August, at which point the airline's earlier model B-737s are withdrawn. The carrier becomes the first in the world to achieve 180 min. ETOPS certification for the Dash-800 type.

During the remainder of the year, the interiors of the carrier's 2 Jumbos and the B-767-3X2ER are completely renovated. A fifth Los Angeles service is introduced.

Fuel prices continue to escalate, rising 58% to a 9-year high. The cost for fuel reaches 50.4% of the company's total expenditures.

Although traffic figures are not available, financial data is released showing operating income rising 27% to FJ\$471.7, with expenses climbing 28% to FJ\$441 million. Operating profit reaches a record FJ\$30.4 million, while net gain surges 48% to FJ\$19.49 million.

On March 30, 2000, the code-share with **Qantas Airways (Pty.), Ltd.** is expanded on the Melbourne-Nadi route; the weekly Qantas B-767 service is replaced by a dual-designator flight using Air Pacific's B-747-219B.

Due to the political unrest and hostage situation in Fiji in late May into June, the carrier, on June 5, cancels its flights from Brisbane to Fiji for a week. It does, however, maintain its links from Nadi to Sydney and Melbourne. A number of government restrictions, particularly with regard to the uplifting of freight and mail, are encountered.

Twice-weekly B-737-8X2 return service is inaugurated on October 1 from Nadi to Vancouver via Honolulu.

AIR-PAK AIRLINES: United States (1967-1973). This third-level scheduled all-cargo freight line is founded at Dallas in 1967. U.S. launch customer for the Shorts SC-7 Skyvan, Air-Pak begins freight services between its base and the Texas cities of Houston, Beaumont, Sherman, Mineral Wells, and Graham.

It does not survive the first great oil crisis of 1973.

AIR PANAMA INTERNATIONAL, S.A.: Panama (1966-1991). Air Panama is formed in September 1966, but is reorganized on April 27, 1967, with substantial support from the Spanish flag carrier **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, which had (eventually unfulfilled) plans to form a Spanish-speaking South American airline consortium. Employing DC-9-30s acquired from the Madrid-based major, Air Panama launches services in July from Miami to Lima via Gyaquil. Mexico City and Guatemala City join the route network in 1967-1968.

In August 1969, the company succeeds **PAISA (Panamena de Avia-cion Internacional, S.A.)** as Panama's primary international airline. Its fleet is strengthened by the addition of a leased DC-9-15.

Service is started to Bogota and in 1970, 3 Boeing 727-81s are acquired to replace the **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** DC-9-30s. Bogota joins the system in October 1972.

The Mexico City frequency is extended to Los Angeles in 1975 while the Miami route is lengthened to New York and Montreal. In January 1976, Guatemala City and Montreal flights are suspended and replaced by operations to Caracas. By 1977, airline employment totals 665.

In November 1978, the shares of the Spanish flag carrier are purchased by a group from Panama led by President Carlos Elea; **British Airways, Ltd. (2)** takes over the carrier's management and support in August 1979. By 1980, the fleet also includes a Boeing 727-46. Enplanements total 142,583.

Customer bookings decline 2.8% in 1981 to 138,700 and cargo plunges by 11.6% to 236 million FTKs.

Enplanements in 1982 total 150,237. The employee population is cut 2.3% in 1983 to 511. Passenger boardings dip 0.7% to 140,409, but freight jumps 37.8% to 1.75 million FTKs. On revenues of \$30.2 million, the carrier suffers a \$3.1 million operating loss.

Enplanements total 130,779 in 1983. Airline employment increases 21.1% in 1984 to 403. Passenger boardings jump 26.2% to 177,207 and cargo skyrockets 84.3% to 3.24 million FTK.

The workforce is increased again in 1985, growing 5.2% to 424. Customer bookings accelerate 13.6% to 201,248 and freight increases 33.6% to 4.33 million FTKs. Operations continue apace in 1986-1988.

The fleet at the beginning of 1989 includes 1 owned B-727-81 and 1 B-727-247, the latter leased from **Faucett Peruvian Airlines, S.A.** Services are maintained to Miami, San Jose, Bogota, Lima, Caracas, and Mexico City until December 20-21, at which point U.S. forces invade the country to remove its government. At the time of the assault, both aircraft are out of the country; one is stranded at Lima and the other at Bogota. Unable to get its aircraft home because the nation's airports are closed, the carrier is now shut down.

Plans are made by Operations Manager Guillermo Earle to resume operations in January 1990, even as **Faucett Peruvian Airlines, S.A.** reclaims its chartered Boeing, leaving the carrier with only the B-727-81, which is still at Bogota.

In September, the competing carrier **COPA (Compania Panamena de Avia-cion, S.A.)** announces its plans to purchase the airline, still over \$1 million in debt. The transaction will not occur. Instead, the carrier is purchased from the government by a group of private Panamanian and U.S. investors on November 6, 1991 and is reorganized under the name **Panama Air International, S.A.**

AIR PARABAT, LTD.: 4/5 Jobal Road, Mohammadpur, Dhaka, 1207, Bangladesh; Phone 880 (0) 2912 0589; Fax 880 (0) 2956 1668; Code ASJ; Year Founded 1994. The Karim family and the Karim group of companies, with private funding from the Dhaka-based IFCB bank, establish the Air Parabat Flying Academy on January 8, 1994. The company trains pilots and flight crews as well as other personnel for the aviation industry.

During late 1997, Chairman Abdul Karim Khandker and Managing Director Nadera Alam determine that domestic scheduled and charter operations should be inaugurated. To this end, the concern's workforce is increased to 45 and 2 Let L-410UVPs are acquired.

Revenue flights commence on January 11, 1998, linking the carrier's base with Barisai, Chittagong, Jessore, Rajshahi, and Sylhet.

An L-410UVP goes inoperative at Cox's Bazaar during the first week of June. The second is damaged beyond repair as the result of a forced landing at Savar on June 28. At this point, the company, without flight equipment, is forced to suspend operations while replacements are sought.

The Let damaged at Cox's Bazaar is returned to the Czech Republic for repairs at the Let factory, which has been purchased by the U.S.-based Ayers Corporation. Huge losses are incurred over the next six months.

A pair of upgraded Let-410s are finally delivered to Dhaka in mid-December. With decreased fares offered for an introductory period, Air Parabat resumes thrice-weekday roundtrip flights from Dhaka to Cox's

Bazaar via Chittagong on December 27. On Fridays, however, there is just one roundtrip.

Airline employment stands at 40 as 1999 begins. In January, a third L-410UVP is acquired.

AIR PARAGUAY. See LAP PARAGUAYAN AIRLINES (LINEAS AEREAS PARAGUAYAS, S.A.)

AIR PARIS, S.A. See TAT FRENCH REGIONAL AIRLINES, S.A.

AIR PENNSYLVANIA: United States (1980–1982). Eugene Plum's FBO and charter operator **Perkiomen Airways**, which had operated a 1976–1979 scheduled service under its own name from its base at Reading, Pennsylvania, establishes an airline division in January 1980 and commences operations under the marketing name Air Pennsylvania.

The fleet comprises 2 Convair CV-240s, 1 Piper PA-31-310 Navajo, and 1 PA-31-350 Navajo Chieftain; these link the company's base with Philadelphia, Allentown, Bethlehem, Easton, and Atlantic City. The Chieftain crashes at Philadelphia on July 25 (three dead).

Traffic downturns and cash-flow difficulties brought on as a result of the ensuing crash publicity, combined with the summer 1981 PATCO air traffic controllers' strike cause the company to cease operations in 1982.

AIR PHILIPPINES (1). See PACIFIC EAST ASIA CARGO AIRLINES

AIR PHILIPPINES (2): 15th Floor, Multinational Bancorporation Centre, 6805 Ayala Ave., Makati City, Metro Manila, Philippines; Phone 63 (2) 845-1901; Fax 63 (2) 845-1975; <http://www.airphilippines.com>; Code 2P; Year Founded 1995. AP-2 is set up at Manila's Domestic Airport on February 13, 1995 as one of the new carriers to challenge Philippines Airlines (PAL) in the wake of the nation's deregulation of air transport. Founder William Gatchalian, a corporate magnate known as "The Plastic King," announces plans to acquire a large fleet and launch services from Subic Bay to Manila, Cebu, and Davao by December.

As this ambitious goal is sought, Lisandro G. Abadia is named chairman, with Rodolfo E. Estrellada as president/CEO. A workforce of 600 is recruited and a Boeing 737-222, first flown by **United Airlines**, is chartered at year's end from International Air Leases while a B-737-266A is leased for a year from **Air Atlanta Icelandic, H.F.**

The 2 Boeings are able to inaugurate low-fare, no-frills services on February 1, 1996, from Manila to Subic Bay, Iloilo, and Zamboanga. During the spring, the company agrees to purchase 6 Nihon YS-11A-109s from Japan. In April and May, 2 Nihons arrive in Manila, 1 each formerly operated by **All Nippon Airways Company, Ltd.** and **Japan Air System, Ltd.** The turboprops inaugurate frequencies to Kalibo, Legazpi, and Naga.

In early June, a third B-737, a Dash-291, is leased from Sydney-based **Pacific Transair (Pty.), Ltd.** and is used to commence service from Manila to Cotabato and Davao.

While taxiing at Naga on June 24, a YS-11-109 with 34 passengers strikes a ground power unit, catching fire. All aboard are safely evacuated before the turboprop burns up.

On August 30, the airline is grounded when government inspectors find landing gear cracks on two of the Boeings during a routine safety check. With repairs made, the company is back in the air on September 15.

The Interlease Boeing is purchased on October 10, along with two other Dash-222s. It is announced that the carrier will purchase 12 more from Interlease over the next three years at a reported cost of \$90 million. These, together with the last of the YS-11As, arrive at Manila by Christmas and flights to Puerto Princesa by the end of December.

Early in 1997, YS-11A flights commence from Cebu to Iloilo, Kalibo, and Tacloban, with onward connections to Manila. Augustus Paiso becomes president/CEO and plans are made to expand into international services in 1998, though these considerations are slowed by the regional

economic downturn of the year's second half. Orders are placed for 6 B-737-222s. It will be reported, midway through the next year, that the company has turned "a small profit" (later learned to be \$150,000) for these 12 months.

The Asian fiscal crisis causes the carrier, during the first quarter of 1998, to cut its "Baby Boeing" order in half and to shelve its international growth ideas in order that it can, in the words of CEO Paiso, "ride out the turmoil." It is pointed out that the likely effect of the devalued Philippine peso will be negative and that the devaluation will increase the cost of imported spare parts.

The initial dismal view is offset by activities during the second quarter, particularly towards late June. A pair of MD-88s are acquired during the third week and plans are made to initiate international services in August from Manila to Taipei and Kaoshiung on Taiwan as well as the Vietnamese community of Ho Chi Minh City.

The expansion plan crashes well before it can get off the ground. On September 18, the Philippine government's Air Transportation Office (ATO) grounds all of the company's B-737-222s and YS-11s as the result of a safety audit that finds deficiencies in maintenance and flight operations procedures.

After a heated summer of protest and negotiation, **Philippine Airlines (PAL)** is headed for closure by mid-month. On September 21, the ATO lifts its suspension order against Air Philippines and the government summons President/CEO Paiso to a meeting with Philippine President Joseph Estrada in Malacanang next day.

Meeting with Estrada on September 22, Paiso and the leaders of **Cebu Pacific Air**, **Grand International Airways**, **Asian Spirit**, and several other small operators promise to acquire additional aircraft and fill any vacuum left by PAL within a month. The government, for its part, agrees to allow an increase in fares and notes that it may provide loans necessary to help speed a build up in capacity. Specifically, President/CEO Paiso indicates that his company will increase its seat offering from 6,990 seats-per-day to 8,552 within two weeks. Simultaneously, Air Philippines adds two routes to its current three.

Philippine Airlines (PAL) closes down at 12:01 a.m. local time on September 23. The next day, the government instructs Air Philippines to take over nine of PAL's aircraft and employ them under charter to operate domestic services. It cannot, for legal and technical reasons, take over PAL's fleet of 9 Fokker 50s as requested, but does make arrangements to lease another B-737-200.

Within a week, the government is able to make arrangements for PAL to resume at least domestic services, which it does on October 9. Still, by the end of the month, Air Philippines has managed to gain a 15% share of the domestic market, which is much larger than it had operated before.

In October, Taiwan-based **U-Land Airlines, Ltd.** purchases a quiet 30% minority stake.

In the fourth quarter, the company visits Bacolod, Cagayan, Cebu, Davao, Iloilo, Kalibo, and Tacloban from Manila. Additionally, 15 smaller destinations also receive service. The only flights originating other than from Manila are one each from Cebu to Davao and Cebu to Iloilo.

Pending runway repairs, the carrier ceases service to Iloilo and Cotabato between January 12 and 25, 1999. Flights to Iloilo are rerouted to Roxas City. Otherwise, the carrier continues to offer scheduled flights within the Philippines to Bacolod, Cebu, Cotabato, Davao, Kalibo, Legazpi, Manila, Naga, Puerto Princesa, Subic, and Zamboanga.

The on-line news service **Asia Pulse (Pty.), Ltd.** reports the results on March 10 of a two-week snapshot of domestic market share, compiled for February 1–15. Between them, Air Philippines, **Cebu Pacific**, and **Philippine Airlines (PAL)** offered 31,714 seats during the period (not all were occupied). Of the total number of passengers boarding planes of the 3 airlines, PAL got 15,250 or 63%, followed by Cebu Pacific with 7,715, and Air Philippines with 1,350.

Having received government authority to divest upwards of 90% of its shares, the company, during the week of March 15 holds discussions with **U-Land Airlines, Ltd.** concerning the possible partnership in which the Taiwan-based carrier will take a 50% stake.

The following week, the carrier receives regulatory approval for an extensive expansion of both regional and long-haul services. Under the program, which company officials hope to start as early as June, the company will initiate new domestic flights from Cebu City to Osaka and Fukuoka in Japan and from Manila to Taipei, Kaoshiung, Los Angeles, San Francisco, and Hong Kong. Acquisition of several Boeing 747 Jumbos and route authority to enter the overseas nations remains to be obtained.

Following repairs made to the runway at Cotabato Airport, the company on April 16 resumes flights from that point to Manila. The company also opens a homepage on the World Wide Web at this time.

Having detached from its tow truck while being taken off a Manila taxiway, an unmanned B-737-222 is damaged on June 29 when it rolls into a hangar.

All aircraft are grounded for a week in September because the carrier is not in compliance with Air Transportation Office maintenance procedures.

Details concerning the year's traffic are not available. Sketchy financial figures show a \$1.3-million net profit generated through September. Service between Manila and Subic is resumed on December 20 with twice-weekly roundtrips.

As 2000 begins, the company continues to seek Manila's approval for the initiation of international services to Taiwan and Hong Kong. It also forms a new subsidiary, **PhilAir**, or **Philippine International Airways**.

In a further effort to boost the economic recovery of **Philippine Airlines**, the Securities and Exchange Commission, on March 16, approves an agreement between Air Philippines (2) and the flag carrier under which the domestic airline will lease 3 B-737-200s for local service flights.

Inbound to Davao on an April 19 service from Manila, Flight 541, a B-737-2H4 with 7 crew and 124 passengers, crashes into a coconut plantation 7 miles from the runway, disintegrates and takes fire; there are no survivors.

Stockholders of the holding company Air Philippines International Corporation vote on August 11 to change the company's name back to Forum Pacific, Inc. and to cancel the planned buy into Air Philippines Corporation.

AIR PLAINS: United States (1978–1980). Also known as **Four Sons Flying Service** during the first year of its existence, Air Plains is set up at Dodge City, Kansas, during the first quarter of 1978. Employing a Beech 18, the carrier inaugurates scheduled passenger and cargo services on June 26, linking its base with Garden City, Liberal, Topeka, Wichita, and Kansas City.

Operations halt in April 1980.

AIR PLUS ARGENTINA, S.A.: Buenos Aires, Argentina; Phone 54 (114) 393 9935; Fax 54 (114) 328 3609; Year Founded 1999. Formed in late summer 1999 by Luis and Florencia Lupori, in association with **Air Plus Comet, S.A.**, this company is originally, and briefly, known as Flight Bus. The new concern is renamed in October, just before receipt of an Airbus Industrie A310-324 on charter from the Spanish associate.

Holiday tourist flights to points in the U.S. begin in November and continue.

AIR PLUS COMET, S.A.: Edificio Barjas 1, Madrid, Spain; Phone 34 (91) 329-4929; Fax 34 (91) 329-4929; Code ZZ; Year Founded 1996. APC is established at Madrid's international airport late in 1996 to provide holiday charter flights from Madrid and Palma de Mallorca to the leisure market in Spain, the U.S., and the Caribbean.

Authority is sought and received from the U.S. Department of Transportation and transatlantic revenue flights to New York and Miami begin in late March 1997 with a single Airbus Industrie A310-324.

Four more A310-324s join the fleet during the next four years as unscheduled flights are also undertaken to Cancún, Aruba, Margarite Is-

land, Caribe, Cartagena, and Varadero. One is chartered to **Air Plus Argentina, S.A.** in late 1999.

AIR POLYNESIE, S.A.: French Polynesia, (1970–1987). On January 1, 1970, the **UTA French Airlines, S.A.** subsidiary **Reseau Aerien Interinsulaire, S.A. (RAI)** is renamed. Scheduled passenger services are maintained to some 30 destinations in French Polynesia. Equipped with 2 Douglas DC-4s, 2 de Havilland Canada DHC-6s, 1 Britten-Norman BN-2 Islander, and 1 Short Sandringham 7, the company operates from Papeete to the Society Islands, Austral Islands, Marquesa Islands, Gambier Islands, and Tuamotu Archipelago.

Having been relegated to secondary service for most of a decade, the four-engine Sandringham flying boat makes its last flight on September 29. Enplanements in 1971, the first full year under the new name, total 144,150.

In 1972, 2 Fokker Fairchild FH-227-200s are acquired, replacing 1 DC-4 and 1 Twin Otter on routes to Raiatea, Huahine, Bora-Bora, Rangiroa, and Tubuai. New services are started to Tubuai, Maupiti, and Hiva Oa. Airline employment is 480 as passenger boardings climb 7% to 155,000 and freight traffic grows by 15.5%. The fleet in 1973 includes 3 F.27s, 2 Twin Otters, and 1 Islander. The workforce totals 400 and passenger traffic is up by 11% to 201,000.

Enplanements in 1974 total 239,206.

Airline employment in 1975 is 460. An older model Twin Otter is replaced by a new DHC-6-300. An intensive landing field program is initiated on the various islands.

Passenger boardings accelerate 8.73% to 262,000 while freight is up 5.2% to 120,000 FTKs.

The number of workers is reduced by 8.7% in 1976 to 420. The retired administrative council head, Roger Carour, is succeeded by Guy Sene while the retiring director general, Joseph Lesne, is replaced by Henri Ruer. During the year, service is inaugurated to Rurtu, Kaukura, Anaa, and Tikehau and by year's end, the company is serving 16 islands in French Polynesia.

Customer bookings accelerate 10.5% to 289,100 and cargo is up to 123,000 FTKs, a 2.5% increase.

Flights begin in 1977 between Tahiti and the eastern Tuamotu and Gambier Islands. Enplanements total 307,020. In 1978, Director General Henri Ruer's carrier employs 410 workers. The neglected and retired Short Sandringham 7 is recovered and shipped to France, where it will be come a prize exhibit of the Musee de l'Air et L'Espace at Le Bourget Airport.

Passenger boardings jump 16% to 365,500 while freight traffic accelerates 34.7% to 188,000 FTKs.

Sixty new employees are hired in 1979. Britten-Norman BN-2 Islander flights begin within the Marquesas while F.27 service is launched from their new Nuku Hiva Airport to Papeete.

Customer bookings accelerate 12.5% to 321,400 while cargo traffic drops 2.7%.

A fifth F.27 is acquired in June 1980. The world economic recession of the early 1980s impacts the Air Polynésie traffic as enplanements fall from 311,800 in 1981 to 273,117 in 1983. After the sale of 1 F.27 early in the latter year, the fleet includes 4 F.27s, 2 de Havilland Canada DHC-6 Twin Otters, and 1 Islander. Michel Nouailee is named director general in 1984 and 2 Fokker F.27 Friendships are acquired.

In 1985–1986, as the result of a program of airfield building begun in 1975, the company serves a total of 35 stations. In January 1987, after **UTA French Airlines, S.A.** departs, the company is renamed **Air Tahiti, S.A. (2).**

AIR PORTUGAL, S.A. See TAP AIR PORTUGAL, S.A.

AIR POST NEW ZEALAND, LTD.: Ardmore Airfield, P.O. Box 516, Papakura 1733, New Zealand; Phone 64 (9) 298-7202; Fax 64 (9) 298-1455; Code P3S; Year Founded 1991. Air Post New Zealand, Ltd. is established at Auckland in 1991 to provide all-cargo mail service

under contract to the national postal service. A fleet of 2 owned and 1 leased Fairchild Metro IIIs is placed into service.

The fleet is increased during **1992** by the purchase of the leased Fairchild and the addition of 1 Piper T-1040 and 2 Fokker F.27-500s. A Piper PA-31T Cheyenne is delivered in **1993** and operations continue apace into **1994**.

Hugh Jones is managing director in **1995–2000** as airline employment grows to 140. The fleet is increased by the addition of 2 Fairchild Metro 23s, as well as 2 Eurocopter AS-355 Ecureuil IIs and 4 Eurocopter BK-117s.

AIR POST OF BANKS, LTD.: United Kingdom (1920). With two Westland Limousines lent by their manufacturer, this obscure special-duty carrier flies bank documents London–Paris between September 13 and November 2, **1920**.

AIR PROVENCE CHARTER, S.A. See AIR PROVENCE INTERNATIONAL (COMPAGNIE AIR PROVENCE INTERNATIONAL, S.A.)

AIR PROVENCE INTERNATIONAL (COMPAGNIE AIR PROVENCE INTERNATIONAL, S.A.): France (1985–1997). Air Provence, S.A. is formed by the J. P. Rozan travel group in **1985** at Aeroport de Marseilles–Provence to offer executive passenger charters from southern France to destinations throughout Europe, the Mediterranean, Africa, and the Middle East. The initial fleet comprises 1 BAe HS 125, 1 Gates Learjet 24, 1 Beech Super King Air 200, 3 Beech King Air 90s, 3 Beech B-55 Barons, 1 Piper PA-23 Aztec, 1 Cessna 172, and 1 each Aerospatiale Lama, Alouette III, Gazelle, and Ecureuil helicopters.

In **1986–1988**, the fleet is upgraded by the addition of 3 Grumman Gulfstream G-159s, 2 more Super King Air 200s, and 1 more King Air 90. In **1989**, President Jean-Pierre Rozan's carrier begins to offer scheduled services to destinations in southern France. The fleet is further enhanced in **1990** by the acquisition of 7 additional G-159s and 2 more King Air 90s.

Company employment is increased 6.9% in **1991** to 156 and the leased fleet now includes 5 Beech King Air 90s, 3 Beech Super King Air 200s, 1 Dassault Falcon 20C, 10 Grumman G-159 Gulfstream Is, and 1 Gates Learjet 25C.

The corporate identity is changed and the carrier is renamed Air Provence International, S.A. Scheduled passenger and cargo services are now opened to stops in the Middle East. A total of 55,000 passengers are flown on the year and revenues total \$18 million, a 12.5% increase over 1990.

To facilitate better service to its newer destinations, the carrier deletes 1 G-159 in **1992**, replacing it with 2 Aerospatiale (Sud) Caravelle XIIs. In **1993–1994**, President Rozan oversees a workforce of 110. His fleet now comprises 8 G-159s, 4 Beech Super King Air 200s, 1 King Air 100, 1 Gates Learjet 25C, and 12 Caravelle XIIs. During these years, the company becomes a subsidiary of **EuroBelgian Airlines, S.A.**

Just after landing at Lyon at the completion of a service from Rouen on June 28 of the latter year, the wing of a Gulfstream I, with 3 crew and 24 passengers, strikes the runway, forcing the aircraft to flip over and catch fire. Although the aircraft is damaged beyond repair, there are no fatalities.

The Caravelle fleet is reduced to 2 in **1995** as a pair of British Aerospace BAe (HS) 748s are acquired. Charters continue to be offered from Paris (CDG) throughout Europe, the Mideast, and Africa.

One more Caravelle is removed in early **1996** as operations continue to decline. When, in April, **EuroBelgian Airlines, S.A.** is purchased by **Virgin Atlantic Airways, Ltd.**, its Air Provence subsidiary is also taken over. Employing its Caravelle XII, the company completes the final SE-210 European scheduled service in October.

Air Provence continues operations under its own name until November **1997**. At that point, it is reformed and resumes flying as **Virgin Express France, S.A.**

AIR PUERTO RICO: United States (1986–1992). Air Puerto Rico is founded at San Juan in the late spring of **1986** to offer scheduled feeder flights in a code-sharing arrangement with **World Airways**. Equipped with 5 Shorts 330s, CEO Mark Morro's new entrant begins revenues services on July 11, competing with the interline partners of **American Airlines** and **Eastern Air Lines**. World Express flights commence five days later from San Juan to Mayaguez and Ponce.

When **World Airways** ends its experiment with scheduled services in September, APR finds itself out on its own without the support enjoyed by its rivals.

Employing a pair of Douglas DC-9-10s leased from **Emerald Airlines**, charter service is begun on December 20 from Miami to La Romana, Puerto Plata, and Santo Domingo, with continuing flights to San Juan. Traffic figures are not available, but are believed to be slight.

The intra-island Shorts flights cease on Puerto Rico in January **1987**, due largely to increased insurance costs. Unable to continue, the company files for Chapter XI bankruptcy in March. The carrier cannot successfully reorganize and remains dormant. It is finally ordered liquidated by the bankruptcy court in early **1992** under Chapter VII of the bankruptcy code.

AIR QUEENSLAND (PTY.), LTD.: Australia (1982–1988). In January **1982**, **Bush Pilots Airways (Pty.), Ltd.**, is renamed Air Queensland (Pty.), Ltd. and is given a new livery—white fuselage, yellow tails, black cheatline, titles, and markings.

The following year, **1983**, sees bookings of 265,000.

In **1984**, the carrier continues to serve a route network that includes 40 points in Queensland, plus Groote Eylandt in the Northern Territory. Flights are also undertaken to a pair of holiday resorts—Lizard Island Lodge and Top of Australia Wilderness Lodge.

The fleet now comprises 2 Britten-Norman BN-2A Trislanders, 5 Fairchild Metro IIs, 3 Fokker F.27-200s, 5 de Havilland Canada DHC-6-300 Twin Otters, 5 Douglas DC-3s, and 6 Cessnas (2 each of the 310, 402, and 404).

A total of 274,320 passengers are carried on the year and a net A\$117,385 profit is earned.

The employee population in **1985** is 319, a 3.9% increase, and orders are placed for 2 Avions de Transport Regional ATR42s. In March, the carrier becomes a subsidiary of **Trans-Australian Airlines (Pty.), Ltd.**, when the national acquires 95% interest.

Passenger bookings dip 0.8% to 254,000 and freight is off by 4% to 917,000 FTKs. A A\$1.96-million operating loss is suffered; however, the net profit is A\$473,881.

One DC-3 and all 5 Fairchild Metro IIs are retired in **1986**; just after delivery, in September, the 2 ATR42-320s are leased to **Air Pacific, Ltd. (2)**.

In every way, the situation continues to deteriorate in **1987**. In July, the 2 ATR42-320s are returned and leased to **JAT Yugoslav Airlines**. Operations from the Brisbane hub are halted; operating only from the Cairns hub, the carrier is forced to stop flying in April **1988**.

In **1990**, the regional is combined with **Resort Airlines (Pty.), Ltd.** to form a new third-level feeder carrier, **Australian Regional Queensland (Pty.), Ltd.**

AIR RAINBOW, LTD.: Nanaimo, British Columbia, Canada; Year Founded 1992. Murray LaSage forms this small passenger and cargo charter operation at Nanaimo, British Columbia, in **1992**. Revenue operations commence with 1 Beech 18, 4 de Havilland Canada DHC-2 Beavers, and 2 Cessna 185s. Services continue.

AIR RAROTONGA: P.O. Box 79, Rarotonga, Cook Islands; Phone 682 22890; Fax 682 20979; http://www.ck/edairaro.htm; Code GZ; Year Founded 1977. Founded in December **1977**, this carrier initiates sight-seeing and charter Cook Island service with a Cessna 337 on July 7, **1978**. After four years of low-key operations, the company is reorganized and refinanced in **1982**, receiving new equipment and beginning scheduled interisland operations.

Daily nonstop flights are now undertaken from Rarotonga to Aitutaki and in 1983, air taxi flights are undertaken from Rarotonga to Penthyn and Rakahanga every two weeks. Passenger boardings during this period grow steadily from 6,241 in 1981 to 9,472 in 1983. Later in the decade, the 12-employee company inaugurates services to Manihiki, Penrhyn, and Rakahanga in the northern Cook Islands with its fleet of 1 each Beech B-80 Queenair, Piper PA-31-350 Navajo Chieftain, and Cessna 172.

By the early 1990s, Managing Director Evan P. Smith's 52-employee airline has grown to a point where the single-engine equipment is replaced by 2, later 3, leased Embraer EMB-110P1 Bandeirantes.

Airline employment stands at 50 in 1998–1999. Destinations visited include Atju, Mangaia, Manihiki, Mauke, Mitiaro, Penhyn, and Pukapuka.

In July 2000, the carrier receives a former **British Midland Commuter, Ltd.** SAAB 340A under lease from its manufacturer. Christened the *Ewan F. Smith*, it replaces a pair of EMB-110 Bandeirantes and is the first plane of its type outfitted with a life raft. Under an interline agreement with **Air New Zealand, Ltd.**, the SAAB flies regularly to the Cook Island points of Aitutaki, Manihiki, and Penrhyn and also makes a weekly run to Niue.

AIR RESORTS AIRLINES: United States (1975–1996). Privately owned ARA is established at Carlsbad, California, in March 1975 as an air taxi operator and flying school. In 1979, the company establishes an airline division and undertakes intermittent scheduled flights linking its base with Burbank, Los Angeles, Oxnard, San Diego, and Santa Barbara, and Las Vegas with Arizona's Grand Canyon. The company begins to assemble one of the largest all-Convair CV-440 Metropolitan fleets in the world. Many of these are employed on charter and contract service operations.

Late in 1982, the former **American Airlines** subsidiary **American Inter-Island**, which had operated scheduled flights in the Caribbean, is purchased, together with its 5 CV-440s, and merged. The Caribbean services are resumed on December 15.

Eleven CV-440s are on hand in 1983 as significantly more charter services are introduced and scheduled flights are cut back. Operations in the Virgin Islands are wound up and the ex-AII CV-440s are flown to California.

Scheduled service is abandoned entirely on April 1, 1984.

Flight 953, a CV-440 with 5 crew and 39 passengers (members of the East Tennessee State University basketball team from Johnson City) and chartered by **Tennessee Valley Airways**, loses power to both engines after takeoff from Jasper, Alabama, on December 16. An emergency landing is made, during which the tires blow out, causing the plane to veer off the runway into a ditch. Although there are no fatalities, 9 players are injured and the Convair must be written off.

The charter carrier voluntarily grounds its aircraft on December 20 and upon inspection the next day, the FAA suspends the company's operating certificate for safety violations.

The operating certificate is reinstated in early January 1985 and the company orders several of its Metropolitans converted into Convair Super 580s.

Charter and contract service operations are undertaken in 1986–1987 and in 1988, 4 Convairs are wet-leased to **Resort Commuter Airlines**. Consideration is given to resumption of scheduled services. Planning and preparation takes all of 1989.

After a six-year hiatus, regularly scheduled passenger revenue flights are resumed on May 14, 1990 from San Diego to Tucson. In December, the company merges with **Air L.A.**; however, both airlines are allowed to operate separately under their previous identities. Scheduled cargo service is started from Tucson, but is abandoned in January 1991.

By 1992, the company is one of the largest Convair operators in the world, flying 6 CV-440s, 4 CV-580s, and 1 CV-340. Merger discussions are held with an unnamed competitor and revenues reach \$4 million.

Operations continue apace in 1993–1995, during which years the fleet is altered to include 3 CV-340s, 5 CV-440s, and 4 CV-580s.

Unable to maintain economic viability, the company closes its doors in 1996.

AIR RESPONSE/ORLANDO JETS: 469B Herndon Ave., Hangar 72, Orlando Executive Airport, Orlando, Florida 32803, United States; Phone (407) 898-0098; Fax (407) 898-0520; Year Founded 1986. Specializing in 24-hour quick response service, Air Response is established at Orlando Executive Airport in 1986 to offer passenger charters throughout the U.S., Canada, Mexico, the Caribbean, and South America. Revenue flights begin and continue.

By 1998–2000, a flight staff of 9 full-time and 2 part-time pilots is employed to operate the company's Learjet 25B and Learjet 35A from Florida. A larger base has also been established at Albany County Airport in New York. From there, Manager Don Jones flies 2 Learjet 25s and 1 each Learjet 24, Learjet 35A, Piper PA-31-350 Navajo Chieftain, Cessna 340, and Mitsubishi Mu-2.

AIR REUNION, S.A.: Reunion (1989–1990). Affiliated with **Air France** and **Heli Union, S.A.**, **Air Reunion, S.A.** is formed in 1989 to succeed **Reunion Air Service, S.A.** New General Manager Michael Pipeineau's fleet comprises 1 British Aerospace BAe 748-B2, 1 Piper PA-31-310 Navajo, and 1 Fokker F.28-1000, the latter leased from **TAT (French Regional Airlines, S.A.)**.

Regional charters and contract service flights are undertaken into East Africa and throughout the western Indian Ocean area. In addition, weekly scheduled services are maintained between St. Denis and Dzaoudzi, in the Comoros Islands. Other destinations visited include Mayotte, Johannesburg, Nairobi, Noroni, Takatave, and Ndjunga.

Enplanements total 26,570 in 1990. Revenues are MF 105,000, expenses are MF 99,244, and the net profit is MF 5,670. Late in the year, the carrier is renamed **Air Austral, S.A.**

AIR RHODESIA, LTD. (1): Southern Rhodesia (1964–1967). The first Air Rhodesia is formed in 1964 as a wholly owned subsidiary of **Central African Airways Corporation (CAA)** to provide scheduled service with a pair of provided Douglas DC-3s to points in the country and throughout southern Africa. The principal route is flown roundtrip from Salisbury to Ft. Victoria 10 times a week.

Late in 1966, frequencies on the Ft. Victoria route are advanced to 12 times a week. A third DC-3 is provided and, early in 1967, a thrice-weekly roundtrip begins between Salisbury and Gwelo.

On September 1, in anticipation of the disbandment of CAA, a second Air Rhodesia is legally chartered. The multistate CAA shuts its doors on December 31.

AIR RHODESIA, LTD. (2): Southern Rhodesia (1967–1980). In anticipation of the disbandment of Central African Airways Corporation, a second Air Rhodesia is chartered at Salisbury on September 1, 1967. Mervyn E. Eyett is named general manager and he expands the workforce to 1,000. Pending the end of CAA, flights with four Douglas DC-3s continue as before over the next four months, linking the capital with Gwelo and Victoria Falls.

When CAA shuts its doors on December 31, the national airline assumes its responsibilities for its own operation with the 4 DC-3s and 5 Vickers Viscount 782s (*Lundi, Shangani, Mazoe, Sabie*, and an unnamed unit) on foreign and domestic routes.

In 1968, the fleet comprises 8 aircraft. These are now given aircraft livery consisting of a white top with dark blue and light blue cheatlines along the side of the fuselage. Sloping light and dark blue lines appear on the tail fin, meeting at an angle at the top. Superimposed over the tail lines is a stylized Zimbabwe bird, nicknamed named a "twiggi bird."

Scheduled service is inaugurated to Beira, Blantyre, Durban, Johannesburg, Lourenco Marques, and Vilanculos.

A total of 173,000 passengers are carried and revenues earned are \$6.6 million. A small profit is reported.

The workforce in 1969 is 975 and enplanements total 192,962. In 1970, the employee population is increased by 4% to 1,016. Now operating

6 Viscount 782s and 3 DC-3s, the carrier flies 229,717 passengers, an increase of 16% over 1969; freight traffic, however, dips 3%.

International sanctions are put in place against Rhodesia during **1971–1972**, even as the carrier faces ever-stiffening competition from **South African Airways (Pty.), Ltd.** Secret plans are put in place to break the embargo and gain new aircraft. Enplanements during the latter year total 202,146.

Without warning, 3 former **Eastern Air Lines** Boeing 720Bs, obtained by covert means, arrive at Salisbury on the evening of April 14, **1973** and are quickly taxied away from public view to the company's hangars. Without fanfare, the trio is christened (*Manicaland*, *Matabeleland*, and *Mashonaland*) and prepared for service. The first Rhodesian B-720B commercial flight occurs on June 6, a charter from Salisbury to Bulawayo and Durban.

Scheduled service—begun just as the Yom Kippur Mideast war breaks out—is stillborn, as fuel prices jump a huge 35% to an annual total of Rhs\$820,000. The last scheduled DC-3 service is flown in October, although the venerable aircraft will remain available for use. The tightening trade ban causes service to Gwelo to be suspended.

Passenger traffic this year grows by 9.2% to 394,000 while freight skyrockets 53.2%.

At this point, new General Manager Pat Travers's workforce totals 1,113 employees. Cargo soars a massive 117% in **1974** while passenger boardings jump 14% to 448,847. The revolution in Portugal will have a dramatic impact on company activities several years hence.

Passenger bookings increase 1.7% in **1975** to 456,000, but freight falls 25%. Late in the year, the B-720Bs are placed on the company's Victoria Falls routes.

In **1976–1977** the growing political isolation of the minority-white-ruled nation forces the carrier to begin constricting its international route network. In March of the former year, newly independent Mozambique bans company flights not only from Blantyre and Beira, but also from overflying its territory. Traffic is static.

Foreign service in **1978** is flown only to the South African cities of Durban and Johannesburg. Chairman F. E. Buch's carrier employs 1,235 workers and possesses a current fleet of 3 Boeing 720Bs and 7 Viscount 700s.

On September 3, in the first successful ground-to-air missile attack on a civilian airliner in scheduled service, Flight 825, a Viscount 782D, piloted by Capt. John Hood with 3 other crew and 52 passengers and en route from Kariba to Salisbury, is shot down some 55 km. S of its point of origin by Joshua Nkomo's ZAPU guerrillas using a Soviet-made 9M32 Strela or SAM-7 heat-seeking missile (38 dead); of the 18 survivors, 10 are murdered by guerrillas at the bush crash site.

The disaster also has political cost to the government of Prime Minister Smith, which had recently held secret discussions with Nkomo in Lusaka. White public opinion against the freedom movement hardens.

Freight traffic this year grows by 5%, but enplanements are down to 423,000.

On February 16, **1979**, a guerrilla SAM-7 missile destroys Flight 827, a Viscount 782D piloted by Capt. Jan Andre de Plessis with 4 other crew and 54 passengers, shortly after its takeoff from Kariba for the continuation of a flight to Salisbury that had originated at Victoria Falls; there are no survivors. Nkomo will announce that the downing had been a "mistake," caused by bad intelligence that the commander-in-chief of the Rhodesian armed forces would be aboard.

Immediately after this attack, seven of the company's 50 flight attendants quit. **South African Airways (Pty.), Ltd.** cancels its twice-weekly Salisbury to London service, as well as its twice-weekly roundtrips between Johannesburg and Victoria Falls.

To protect the remaining Viscounts, all of their shiny metal surfaces, including propeller blades and hubs, are painted in a special yellow-green matte paint. Special engine guards, designed to fend off heat seeking missiles, are attached to nacelles.

On March 1, Air Rhodesia terminates all flights to Wankie and all services between Kariba and Victoria Falls.

Hoping to win permission to obtain larger aircraft, the company begins construction of a large new Salisbury hangar on the grounds of the Airways Club playing fields.

As the nation approaches a change from minority to majority rule, the carrier is briefly labeled **Air Zimbabwe-Rhodesia, Ltd.**, but in June **1980**, is rechristened **Air Zimbabwe Corporation**.

AIR ROSE, A.S.: Turkey (1997–2000). This Turkish charter operator is established by Alaeddin Szdemir and Mesut Sever at Antalya in October **1997**. One each Boeing 737-33A and Next Generation B-737-7L9 are leased, the latter, from **Maersk Air, A.S.**, is christened *Berkcan*. They are employed on May 21, **1999**, to launch flights to coastal holiday destinations from Paris, Brussels, Rome, and Amsterdam. The workforce grows to 91 and plans are made to initiate services to the U.K. and northern Europe.

Unfortunately, heavy losses and rising costs force the company to suspend operations in late March **2000**. It will be reborn as **EuroSun, S.A.** in time for the winter tourist season in late October.

AIR ROUERGUE, S.A.: France (1970–1980). Organized at Aerodrome de Rodez-Marcillac in December **1970**, this charter carrier is initially known as **Uni-Air Rouergue, S.A.** Employing a Piper PA-31-310 Navajo, the company undertakes passenger and cargo charters to destinations in France and the Mediterranean.

The Beech 99 operator changes its name to Air Rouergue, S.A. in January **1974** and begins scheduled operations linking Rodez with Paris and Albi, Aurillac with Paris, and Le Puy and Lyons with Marseilles. Within four years, Managing Director M. Grimas's fleet grows to comprise 5 Fokker F.27s, 3 Beech 99s, 1 de Havilland Canada DHC-6 Twin Otter, and the original Navajo.

Unable to maintain economic viability in the face of rising expenses (led by fuel price increases in **1979**), the company is forced to cease operations in **1980**.

AIR RUIDOSO: United States (1987–1989). Air Ruidoso is established at Sierra Blanca Regional Airport, the new facility at Ruidoso, New Mexico, during the fall of **1987**. Outfitted with a single Piper PA-31-310 Navajo, it begins scheduled services to El Paso in December. Flights to Albuquerque begin in January **1988** and continue apace until October, at which point the Navajo is seized as security for unpaid fuel bills.

In early **1989**, the FAA revokes the small regional's operating certificate, claiming Air Ruidoso had employed unqualified pilots and falsified its training records. Company officials fight the charges and at the same time, make arrangements with **Yute Air** to lease two aircraft and begin operations in Alaska.

The FAA allows New Mexico operations to resume during the summer. The carrier's administrators do not, however, file for a required fitness redetermination from the DOT, which cites this failure when it revokes the company's certificate for a second and final time in December.

AIR RWANDA (SOCIETE NATIONALE DES TRANSPORTS AERIENS DU RWANDA, S.A.): Rwanda (1975–1994). Formed at Kigali on July 17, **1975** as the national airline, Air Rwanda undertakes domestic passenger and freight charters as well as local scheduled flights. Destinations served within Rwanda come to include Gisenyi, Kamebe, and Butare, much of it in the mountainous tropical highland.

During the early **1980s**, the fleet of 2 de Havilland DHC-6-300 Twin Otters is upgraded by the addition of a Boeing 707-328C first flown by its previous owner, **Air France**. The freighter, christened *Impala*, is employed to begin international freight flights to Mombasa, Bujumbura, Ostend, Tanzania, Uganda, and Zaire.

Operations continue apace for the remainder of the decade. In **1987**, a grant from the UN Development Fund's civil aviation program permits the carrier to begin a three-year training program for pilots and technicians.

By 1989, airline employment is 215 and the fleet has been increased by the addition of a Britten-Norman BN-2 Islander and a Piper PA-31-310 Navajo.

During this year, passenger boardings total 10,782 and 7.21 million FTKs are flown.

The B-707-328C spends the first six months of 1990 in maintenance. In October, the country is invaded by rebel Tutsi forces from Uganda. The nation disintegrates in civil war, severely impacting domestic air services.

In October 1991, joint weekly all-cargo service to Frankfurt is begun in cooperation with **German Cargo Airlines, GmbH** (GCA), a subsidiary of **Deutsche Lufthansa, A.G.** The airlines fly the service in alternate weeks, with GCA employing a DC-8-73F and Air Rwanda its B-707-328C.

By 1992, Chairman Juvenal Uwilingiyimana's fleet employs 250 workers, but is otherwise unchanged. Domestic operations have all but ceased because of the civil war between the Hutu and Tutsi tribes, despite the peace agreement signed in August 1993.

The joint operation with GCA ends in early 1994. Following the establishment of a coalition government in July, the company is reformed into **Rwandair Cargo (Societe Nationale des Transports Aeriens du Rwanda, S.A.)**.

AIR SAFARIS, LTD.: United Kingdom (1952–1962). Three ex-Royal South African Air Force pilots form **Tropic Airways (Pty.), Ltd.** on September 21, 1950 to offer charter flights from South Africa to Europe. Equipped with a single ex-military Douglas C-47 converted to civil DC-3 standard, the company initiates service on March 18, 1951, flying multistop Johannesburg–London. During the remainder of the year, Dutch and German immigrants are flown to South Africa from Amsterdam and Hamburg.

Early in 1952, Tropic purchases an ex-RAF Dakota; however, British regulations require that, for the purchase to be consummated, a U.K. subsidiary be formed. As a result, **Meredith Air Transport, Ltd.** is formed and registered on August 12. In December, radio parts are hauled to Khartoum.

In 1953, inclusive-tours are undertaken to the Mediterranean from London while the South African Dakota continues to fly immigrants southward. In June, the Meredith DC-3 is sold to raise capital that will allow Tropic's founders to reform their South African company into **Trek Airways (Pty.), Ltd.** The Meredith subsidiary continues in Britain.

Left without aircraft, **Meredith Air Transport, Ltd.** is reformed into African Air Safaris, Ltd. on November 29, 1954. In October 1956, the British entity purchases an ex-British Overseas Airways Corporation (BOAC) Handley Page Hermes 4, the *Hero*, for **Trek Airways (Pty.), Ltd.**; however, the aircraft proves unsuitable and is thereafter leased to **Britavia**. When **Trek Airways (Pty.), Ltd.** introduces DC-4s in 1958, its English subsidiary receives two Trek Vikings, which are used to initiate low-cost tourist flights to Johannesburg from Southend.

In 1959, **Trek Airways (Pty.), Ltd.**'s English agent initiates a final season of Viking flights to South Africa as well as inclusive tours to such European destinations as Basel, Dusseldorf, Jersey, Bergen, Geneva, Palma, Nice, Rotterdam, Munich, Lyon, Zagreb, and Toulouse. The base of operation is moved to London (LGW) late in the year and on November 26, the company, now independent of **Trek Airways (Pty.), Ltd.**, is renamed Air Safaris, Ltd.

Two more Vikings are acquired, together with the Hermes 4 *Hero* returned from Britavia, and a significant number of inclusive tours to Europe are undertaken during the summer of 1960. Meanwhile, on May 29, the Viking *Alouette II* with 3 crew and 27 passengers makes a hard landing at Tarbes, France, on May 29; although the aircraft must be written off, there are no fatalities.

The flying division of **Don Everall (Aviation), Ltd.**, together with its Viking and scheduled route network, is purchased in November, along with the last two Hermes 4s, once BOAC's *Horsa* and *Hecuba*, of **Falcon Airways, Ltd.**

The company's first scheduled service is launched twice weekly in April 1961 with Vikings from Bournemouth–Ostend and Amsterdam; later in the month, Bournemouth–Dublin and Belfast operations commence. In April, the ex-BOAC HP-81 *Hector* is purchased from **Skyways, Ltd.** The Birmingham–Jersey route begins on May 27 and on June 3, Vikings begin Newcastle–Birmingham–Bournemouth scheduled flights and simultaneously, employing leased de Havilland DH 114 Herons, initiates Birmingham–Sandown service. The ex-BOAC HP-81 *Hestia* is acquired in June and using aircraft of her type, the company also begins a full summer of inclusive tours to southern Europe as well as Don Everall's old but frequent Birmingham to Dublin and Paris (LBG) charters.

Financial problems bring cutbacks in the fall. The Bournemouth–Newcastle service is suspended on September 4 while the last inclusive tour of out Newcastle is flown on October 8. The Dublin route is closed on October 27 and when a Hermes 4 lands at London (LGW) from Lisbon on October 31, inclusive tours cease. The HP-81 *Hector* is sold back to **Skyways, Ltd.** in December.

On January 11, 1962, the Air Transport Licensing Board cancels all of the carrier's tickets and the company ceases, £500,000 in debt.

AIR SAFARIS, LTD. (AIR SAFARIS AND SERVICES, LTD.): P.O. Box 71, Lake Tekapo, New Zealand; Phone 03 680-6880; Fax 03 680-6740; <http://www.airsafaris.co.nz/>; Code SRI; Year Founded 1969. Formed at Lake Tekapo in early 1969, Air Safaris is equipped with 3 Cessna 207s. Regular scenic air tours are flown over Mount Cook and the Milford Sound regions, South Island. The company builds an infrastructure and base at Lake Tekapo in 1974.

During the 1970s and early 1980s, the company also begins flying out of Glentanner Park/Mt. Cook. The fleet grows to include 1 GAF Nomad N-22A, and 1 Pilatus PC-6 Turbo-Porter, in addition to the Cessnas. Bookings reach 18,300 in 1983. Services change little over the remainder of the decade, although one Nomad is lost.

As the result of sawdust frozen atop the wings, the Nomad N.24A, with a single pilot, stalls during its initial climb away from Lake Tekapo Airfield, New Zealand, on July 20, 1987, and crashes; although the plane must be written off, the pilot walks away from the wreck.

Enplanements in 1990 total 19,000, including a thousand flown on charter. That figure moves to 21,600 in 1991. Over the next four years, the company offers a variety of alpine scenic flights, including its most popular service, the 50-min. "Grand Traverse," which covers all the major attractions of both the Mount Cook and National Parks, plus 12 major glaciers.

By 1998, Managing Director Richard C. Rayward's fleet has been upgraded by the addition of 3 GAF Nomad N.24As, 1 Cessna 207A Stationaire, 1 Cessna 177 Cardinal, and 1 Piper Cherokee. Flights, largely nonscheduled, continue without incident through the summer.

While on a September 14 flight-seeing tour of the Southern Alps, the Cardinal, with one pilot and two Japanese passengers, crashes on Rudolf Glacier, about 30 km. from the peak of 12,350-ft. Mount Cook. It takes rescue teams two days to reach the wreckage where no survivors are found.

Service is maintained in 1999–2000.

AIR SAHARA, LTD.: 7th Floor, Ambadeep Building, 14 Kasturba Gandhi Mang., New Delhi, 110001, India; Phone 91 (11) 332-6851; Fax 91 (11) 332-6858; <http://www.saharaairline.com>; Code S2; Year Founded 2000. Having changed the name of **Sahara India Airlines, Ltd.** to Sahara Airlines, Ltd. early in 2000, President S. Roy Sahara finds that a smaller **Sahara Airlines, S.A.** had already been established under that name in Algeria. Consequently, the company is again renamed in October.

Although a third base is opened at Calcutta, revenue flights continue as before with a fleet that comprises 4 Boeing 737-4Q8s on charter from ILFC, along with 2 B-737-800s leased from Tombo Aviation.

By mid-October, President Sahara has sold 3 retired B-737-200s to **Blue Dart Aviation, Ltd.** for use as freighters.

AIR SAINT BARTHELEMY, S.A.: French West Indies (1981–2000). This privately owned charter operator is formed by Barth's Aviation at St. Barthelemy on Guadeloupe on October 1, 1981. Employing 2 Cessnas and 1 Britten-Norman BN-2 Islander, it undertakes ad hoc passenger and cargo flights into the eastern Caribbean from its bases at Pointe-à-Pitre and St. Barthelemy.

Flights continue apace for the next 12 years with little change. The fleet in 1994 includes 2 Australian-made Government Aircraft Factories, Ltd. N-24A Nomads, 1 Dornier 228-201, and 1 de Havilland Canada DHC-6-300 Twin Otter.

Operations continue apace in 1995–1999; the Nomads, however, are withdrawn. In 1999, the Air France-sponsored combine transports a total of 600,000 passengers.

In order to create a larger carrier, the small airlines of the French Caribbean, including this unit, are merged into **SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe)** during July 2000. The surviving partner, controlled by 70% majority owner Groupe Dubreuil, which had previously owned the French carrier **Regional Airlines, S.A.**, is then renamed **Air Caraïbes, S.A. (2)**.

AIR SAINT MARTIN, S.A.: French West Indies (1994–2000). Air St. Martin is formed at St. Barthelemy, Guadeloupe, in 1994 to offer scheduled cargo and express services. Revenue operations commence with an all-leased fleet of five Cessna 208 Caravan Is and three Cessna 406 Caravan IIs. Orders are placed for a Beech 1900D.

The Beech 1900D is delivered in the fall of 1995.

While flying 18 illegal Haitian immigrants back to Port-au-Prince from Cayenne, via Guadeloupe, on December 8, a Beech 1900D, with two crew, descends prematurely and crashes into a 5,030-ft. mountain at Belle-Anse, Haiti; there are no survivors.

Operations continue apace in 1996. During the first quarter of 1997, a Dornier 228-202 is purchased from Fairchild Dornier. Flights continue apace in 1998.

During the first quarter of 1999, the B-737-200A of **Islandsflug, H.F.** is wet-leased to Carabenne des Transportes Aeriens, a joint venture established on January 6 by **Air France, Air Martinique, S.A., Air Saint Martin, S.A.,** and **SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe)** to replace the French major on its Caribbean routes from Fort de France and Pointe-à-Pitre to Cayenne, Miami, and Port-au-Prince. The Icelandic Boeing will be returned as soon as the combine is able to secure a pair of B-737-300s. The Air France-sponsored combine transports a total of 600,000 passengers on the year.

In order to create a larger carrier, the small airlines of the French Caribbean, including this unit, are merged into **SATA (Societe Antillaise de Transports Aeriens, S.A.-Air Guadeloupe)** during July 2000. The surviving partner, controlled by 70% majority owner Groupe Dubreuil, which had previously owned the French carrier **Regional Airlines, S.A.**, is then renamed **Air Caraïbes, S.A. (2)**.

AIR SAINT-PIERRE, S.A.: 18 Rue Albert Briand, BP 4225, St.-Pierre, 97500, St.-Pierre et Miquelon; Phone 508 41 4718; Fax 508 41 2336; <http://www.205.250.151.22/aspweb>; Code PJ; Year Founded 1964. Albert Briand forms this third-level operation on March 6, 1964 to provide nonscheduled passenger and cargo flights between the French Overseas Department of St.-Pierre and Miquelon and the Nova Scotian town of Sydney. Between March and June, service between the French islands off the Newfoundland coast and the Canadian province is conducted as part of a pooling agreement with **Eastern Provincial Airways, Ltd. (EPA)**.

The carrier's initial owned aircraft is a Piper PA-23 Aztec, placed into service during 1965.

An Aztec C is purchased in 1966 as a maintenance agreement is signed with EPA. Founder Briand dies on May 29, and is succeeded as president by his son Remy L. Briand. Lightplane services continue

in association with EPA in 1967–1970. During the latter year, international traffic rights to launch scheduled service are successfully negotiated.

The route between St.-Pierre and Sydney is flown with a Beech 18 and a leased EPA DC-3 in 1971–1975. The latter is replaced in 1976 with a leased EPA Hawker Siddely HS-748. A route is opened from St.-Pierre to Miquelon and is flown in 1977–1978.

In 1979–1980, the routes between St.-Pierre and both Miquelon and Sydney are merged and operated under pool with EPA. A new route is stretched to Halifax. A Piper PA-31-350 Navajo Chieftain is placed into service during 1981 and a maintenance contract is signed with Fundy Aviation.

Operations are continued in 1982–1985. A second and owned HS-748 is acquired in 1986; it is christened *Ville de Saint-Pierre* and joins the leased unit in service.

HS-748 service is inaugurated on July 1, 1987 between St.-Pierre and Montreal. Flights continue in 1988–1989. During these years, the carrier becomes a member of **Canadian International Airlines, Ltd.'s** Canadian Partner commuter network. Frequencies are started to Montreal and Halifax, now with two HS 748s in addition to the Navajo.

A second owned HS-748 is delivered in 1990 and christened *Ile de Miquelon*. Operations continue apace in 1991–1993 and the fleet is increased by the addition of 2 PA-31-350 Navajo Chieftains and 1 Piper Aztec. The first Avions de Transport Regional ATR42-320, named *Albert Briand*, is placed into service on January 19, 1994.

At the end of 1995, the *Ville de Saint-Pierre* and *Ile de Miquelon* are sold to an African operator. Service is maintained with the *Albert Briand* and the Pipers.

Thrice-weekly ATR42-320 roundtrips commence on September 25, 1996, between Saint Pierre and St. John's.

On June 2, 1997, a French-language homepage is opened on the World Wide Web. On the year as a whole, a total of 28,508 passengers are transported.

Flights continue without change in 1998–1999. During the latter year enplanements reach 24,000.

Airline employment stands at 38 at the beginning of 2000, a 2.7% increase over the previous 12 months.

AIR SAINT THOMAS: P.O. Box 302788, Charlotte Amalie, St. Thomas, U.S. Virgin Islands 00803, United States; Phone (809) 776-2722; Fax (809) 776 2992; Code ZP; Year Founded 1993. Originally formed in 1970 as **Virgin Air** by Paul and Margaret Wilkander at St. Thomas to provide all-cargo services to destinations in the Leeward Islands. Providing almost exclusively passenger services with a fleet of Piper PA-23 Aztecs, Cessna 402Cs, and Pilatus-Britten-Norman PBN Islanders, by the early 1990s, the small regional files a trademark/name infringement and unfair competition suit against the U.K.'s **Virgin Atlantic Airways, Ltd.** The case is settled out of court in December 1993. Under terms of the settlement, the U.S. company agrees to drop its charges and receives \$30,000 to be employed in changing its corporate identity to Air St. Thomas.

A total of 15,372 passengers are flown in 1994 and operations continue apace in 1995.

The employee population stands at 20 in 1996 and the fleet includes 5 Piper PA-23 Aztecs and 1 Cessna 402C.

On August 5, while taking off from St. Barthelemy Island enroute to St. Thomas, a Cessna 402B with a pilot and six passengers aborts its takeoff, but cannot stop prior to overrunning the runway. The plane comes to rest in three feet of water and one passenger is slightly injured.

Passenger boardings for the year total 8,986.

One person is hired in 1997, a 5% employee population increase. Destinations visited include Fajardo, St. Barthelemy, St. Thomas Island, San Juan, and Virgin Gorda.

Customer bookings fall 6.8% to 8,372.

Service is maintained in 1998 and business significantly improves. Passenger boardings increase 54.2% to 13,000. By the beginning of

1999, airline employment has been reduced by 4.8% to 20. Customer bookings drop 19.6% to 10,000.

The workforce of 12 that remains at the beginning of 2000 represents a 40% reduction in force over the past 12 months.

AIR SALZBURG, GmbH: Flughafen, Salzburg, A-5035, Austria; Phone 43 (662) 85 1212; Fax 43 (662) 85 1215; Year Founded 1987. Air Salzburg is established as an FBO at Salzburg Airport in 1987. Over the next decade, General Manager O. Ganzenhuber's concern adds aircraft handling, air ambulance, executive and public passenger charter and small group services. By 2000, nonscheduled flights are operated with a fleet comprised of 5 Cessna Citation bizjets and 1 CASA C-212-200 Aviocar.

AIR SANTO DOMINGO, C. por A.: Edificio Grupo Air Europa, Avenida 27 de Febrero #272, Esquina a Calle Seminario, Santo Domingo, Dominican Republic; Phone (809) 683-8248; Fax (809) 683-8436; http://www.g-air-europa.es/air_sdo; Code EX; Year Founded 1997. An affiliate of the Spanish line Air Europa, S.A., Air Santo Domingo is established in the spring of 1997 to operate domestic and Caribbean region passenger service. Former Tourism Minister Fernando Rainieri is chairman, with Carlos Pereira as managing director. Revenue flights are started on July 8 with a fleet of 6 Let L-410UVPs. Many of the services are undertaken on behalf of the tour company Caribe Spain.

Flights continue in 1998-1999. During these years, the fleet is revised as 4 Beech 1900Ds, 1 1900C, and 1 Embraer EMB-120 Brasilia arrive under charter from Servicios Aereos Profesionales, S.A.

Destinations visited in 2000 include Puerto Plata, Punta Cana, El Portillo, La Romana, and Santiago. Beech 1900D return flights to San Juan, Puerto Rico, begin on July 20.

AIR SAO TOME E PRINCIPE (LINHAS AEREAS DE SAO TOME E PRINCIPE, S.A.): CP 45, Ave. 12 de Julho, Sao Tome e Principe; Phone 239 (12) 21 160; Fax 239 (12) 21 375; Code GJ; Year Founded 1993. After years of managerial changes and uncertain direction, Equatorial International Airlines of Sao Tome e Principe, S.A. is reformed in October 1993. Shareholding is divided between TAP-Air Portugal, S.A. (40%), the government (35%), GIAS (24%), and Mistral Voyages (1%).

The entire management team is reborn in 1994 as the former general manager, Joao E. Dos Reis, returns to serve under Chairman K. R. G. Hellinger. The F.27-400M, which had been returned to service the previous year, is again retired, leaving the 2 Nord 262s to carry all loads. Flights are maintained from Sao Tome to Principe and onshore to Libreville, Gabon.

Operations continue apace in 1995-1996. Felisberto Neto is chairman in 1997, with Raul Bragaco as president. The workforce totals 54 and the company operates a single de Havilland Canada DHC-6-300 Twin Otter.

Operating on May 10 as Flight 205, the Twin Otter, with 3 crew and 14 passengers, is badly damaged in a crash at Principe; there are no fatalities, but it will take some time for the turboprop to be repaired.

Flights continue in 1998-2000. Airline employment grows to 54.

AIR SARDINIA, S.p.A.: Italy (1989-1994). Air Sardinia, S.p.A. is established at Cagliari in 1989 to offer scheduled service between the island and the Italian mainland. President Corrado Corrias's initial fleet comprises 2 Pilatus Britten-Norman PBN-2 Islanders and 2 Beech Super King Air 200s.

Two leased Fairchild Metro IIIs are acquired in March 1990 and employed to inaugurate scheduled revenue flights to Rome, Bergamo, and Milan.

The Islanders and King Airls are withdrawn in 1991 and in 1992-1993 the carrier flies 1 leased Metro III.

Flights cease in 1994.

AIR SARNIA, LTD.: United States (1989-1990). Air Sarnia, Ltd. is set up in early 1989 to provide scheduled third-level passenger flights between the Channel Islands. Employing two chartered Pilatus Britten-Norman PBN-2 Islanders and a PBN-2A Trislander, revenue service begins in June. By year's end, a total of 14,000 passengers have been flown.

Due to mounting debt, the company is forced to cease operations in September 1990, at which time its aircraft are repossessed. Through June, the last time statistics are provided, a total of 8,227 passengers have been flown on the year.

AIR SATELLITE, LTD.: Aeroport de Baie-Comeau, Pointe Lebel, Quebec G5C 2S6, Canada; Phone (418) 589-8923; Fax (418) 589-7416; <http://www.air-satellite.com>; Code QR; Year Founded 1968. This small third-level operator is established by Jean Fournier and Real Poulin at Hauterive, Quebec, in early 1968 as the airline division of their charter company and flying school. Scheduled services are undertaken, beginning in May, over a route from Mont Joli to Quebec City via Rimouski, Riviere du Loup, and La Malbaie. Over the years, President Real Poulin's fleet grows to comprise 1 Cessna 404, 1 Cessna 411, 2 Cessna 310s, 2 Cessna 337s, and a number of even smaller Cessnas.

Airline employment by 1981 stands at 22. Other destinations served in the early 1980s include Baie Comeau, Forestville, Matane, and Sept-Iles. Another Cessna 404 is added in 1984. Operations continue with little change for the remainder of the decade and the small regional becomes an "Air Canada Connector" partner.

The fleet in 1990-1992 includes a variety of Cessnas and a newly acquired de Havilland Canada DHC-6-200 Twin Otter. In 1993-1994, Edith Fournier is chairman with Jean Fournier as president. Airline employment is 35 and the fleet comprises 2 Cessna 152s, 2 Cessna 172s, 1 Piper PA-23 Aztec, 2 de Havilland Canada DHC-6-200 Twin Otters, 5 Cessna 315s, 1 Cessna 335, 1 PBN-2 Islander, and 1 PBN-2A Trislander.

From bases at Baie Comeau, Havre Saint Pierre, Rimouski, and Sept-Iles, the independent regional, in 1995-2000, visits Mont Joli and Port Menier, in addition to its four hubs. The Fourniers change position, with Jean becoming chairman/president and Edith vice chairman/director general. Yannick Pereault is chief pilot.

After several months of study, executives from Air Alma, Ltd., PropAir, Inc., and Air Satellite approach Quebec Finance Minister Bernard Landry on October 25 of the latter year and request \$84 million to help them merge into a larger regional. If the arrangement can be concluded, the new airline, to be named Air Quebec, Inc., will form a credible alternative to Air Nova, Inc., the Air Canada, Ltd. regional feeder that enjoys the majority of local market share.

AIR SCANDIC, LTD.: 4A Britannia Place, Bath Street, St. Helier, Jersey, Channel Islands, JE2 4SU, United Kingdom; Phone 44 (0) 1534 870887; Fax 44 (0) 1534 519044; Code SCY; Year Founded 1997. Air Scandic is established on the Island of Jersey in late 1997 to offer seat-only charters for various U.K. tour operators. Chairman John Welsh and Managing Director Colin W. Cosham acquire a pair of Airbus Industrie A300B4-203s, which are employed, beginning in May 1998, to offer holiday flights from Manchester and Glasgow to various European vacation destinations.

To provide backup during the delay-plagued summer of 1999, a Lockheed L-1011-385 TriStar 1 is leased from Aer Turas, Ltd. in May.

Flights continue in 2000. On May 17, Flight 731, an A300 enroute from Manchester to Larnaca, is forced to make an emergency landing on Malta after the crew reports a complete loss of hydraulic power.

AIR SCHEFFERVILLE, LTD.: Head Office, Lindbergh Place, Ottawa, Ontario K1V 1H7, Canada; Phone (613) 738-2434; Fax (613) 738-9184; Code ASF; Year Founded 1981. Air Schefferville, Ltd. is founded by the Bogie family at the airline's Quebec namesake city (800 miles north of Montreal) in 1981 to offer scheduled passenger and cargo service as well as charter and contract service flights throughout the northeastern area of the Canadian province, with emphasis on flights to Wabush.

Chairman John Bogie and President Jack Layden's fleet is all de Havilland Canada equipment, ranging downward in size from DHC-6 Twin Otters to DHC-3 Otters and DHC-2 Beavers. At decade's end, the company is down to 1 DHC-6-200, plus 3 DHC-3s, 1 DHC-2, and 1 Cessna 180. Late in the decade, the small regional becomes a member of the "Air Canada Connector" commuter service.

The twin-engine DHC-6-200 is traded in 1990 in favor of a Beech 99. New services are undertaken to Sept-Îles. Operations continue apace in 1991; most of the airline's passengers remain hunters, who come from the U.S. and southern Quebec, and their numbers continue to increase by approximately 10% per year.

Indeed, another Beech 99 must be acquired as a temporary measure in 1992. During the year, Chairman Bogie's company becomes part of the **Laurentine Air Services, Ltd.** reorganization and assumes the joint marketing title **Air Laurentian, Ltd.** Two Beech Catpass 200s are delivered in early 1993 and flights continue into the new millennium.

AIR SCOTLAND EXPRESS, LTD.: United Kingdom (1994–1996). Air Scotland Express is founded by Brian H. and Jeremy Hart at Glasgow Airport in late 1994. With Jeremy acting as managing director, the carrier acquires a pair of Beech 1900Ds and launches revenue services to destinations throughout Britain.

Flights cease in 1996.

AIR SEA SERVICE, A.G.: Switzerland (1974–1980). Peter Furrer forms Air Sea at Basel–Mulhouse Airport in May 1974. Employing a single Convair CV-440 Metropolitan, he inaugurates passenger and charter flights to southern European and Mediterranean destinations during the summer. A Britten-Norman BN-2 Islander is acquired in 1975 as airline employment grows to 12.

A scheduled route is opened to Luxembourg in October 1976 and is maintained. A route linking Basel with Munich is opened at the end of the decade, by which time the fleet has been upgraded by the addition of 2 Nord 262s and 1 Piper PA-31-310 Navajo. On April 1, 1980, the carrier is reformed and renamed **Rhine-Air, A.G.**

AIR SEDONA: United States (1983–1993). Air Sedona is founded by Jack Seeley at Sedona, Arizona, in the summer of 1983. Employing a Cessna 182 and Cessna 172, it inaugurates scheduled regional flights in September, emphasizing nonstop service from its base to Phoenix. A total of 248 passengers are flown during the year's fourth quarter. During 1984, the two aircraft transport 1,624 passengers, a 63.4% increase.

Airline employment is increased 166.7% in 1985 to eight workers and President Seeley's fleet is enhanced by the addition of a Cessna 206 and a second Cessna 172. Customer bookings jump 61% to 2,614. Passenger boardings climb again in 1986, rising 31% to 3,423.

In February 1987, scheduled service is inaugurated between Sedona and Bullhead City. Passenger boardings fall off 4.1% to 3,283.

Traffic recovers nicely in 1988 as customer bookings accelerate by 25.1% to 4,106. The workforce is increased by 14.3% in 1989 to 8. Passenger boardings jump another 17.5% to 4,824.

Airline employment is increased 25% in 1990 to 10. Frequencies to Phoenix are increased and customer bookings swell 36.7% to 7,000. In 1991, a new route is opened from Phoenix to Payson. The expansion is not a help as the recession causes enplanements to decline by 7.7% to 6,087.

A slight upturn is seen in 1992 as passenger boardings move to 6,244. In March 1993, the carrier is purchased by Aviation Services West, a subsidiary of **SkyWest Airlines**, and renamed **Arizona Air Sedona**.

AIR SENEGAL (COMPAGNIE SENEGAL DE TRANSPORTS AERIENS, S.A.): Senegal (1962–1971). The first Air Senegal is created by the new government in late 1962, with assistance from **Air France** and **UAT (Union Aeromarine de Transport, S.A.)**, to operate domestic services. Etienne Costa is named general manager and is able to recruit a workforce of 30.

Flights to 11 local points plus Bathurst in Gambia commence in 1963 with a mixed fleet. Depending on loads, operations are conducted with 1 Douglas DC-3, 2 de Havilland DH 104 Doves, 1 DH 89A Dragon Rapide, 2 Beech 18s, 2 Jodel D.140 Mosquetaires, 3 Piper PA-18 Super Cubs, and 1 Scottish Aviation Twin Pioneer leased from **Sierre Leone Airways, Ltd.**

A total of 32,000 passengers are transported in 1964, the first full year of service. The fleet is enhanced during 1965–1966 as 3 DC-3s, 1 DH 104 leased from **Sudan Airways, Ltd.**, and 1 Piper PA-30 Twin Comanche are acquired. Thrice-weekly roundtrips begin in 1967 linking Dakar with Yundum, Gambia.

During the remaining years of the decade, the fleet is further expanded by the addition of 3 PA-23 Aztecs, 1 PA-31-310 Navajo, and 2 PA-32 Cherokee Sixes. The company is reformed in 1971.

AIR SENEGAL (COMPAGNIE SENEGALAISE DES TRANSPORTS AERIENS, S.A.): Senegal (1971–1981). The first Air Senegal is reformed in mid-1971. The fleet this year and over the next six includes 3 DC-3s, 1 Piper PA-23 Aztec, 3 PA-25 Pawnees, 1 PA-32 Cherokee Six, and 1 PA-31-310 Navajo.

Services are undertaken to Bakel, Kedougou, Matam, Kaedi, Podor, Richard-Toli, Saint-Louis, Simenti, Niokolo-Koba, Tambacounda, Kayes, Ziguinchor, Kolda, Banjul, and Cap Skirring. Charter and contract service flights are also offered. Only 23 days after start-up, the company suffers its first fatal accident when a Douglas DC-3 crashes near Bamako, Mali (six dead).

By 1977–1978, General Manager Fernand Brigaud's fleet comprises 3 Douglas DC-3s, 1 de Havilland Canada DHC-6 Twin Otter, 1 Piper PA-23 Aztec, and 1 Piper PA-32 Cherokee Six.

Services are maintained to these domestic points and over the next three years, regional frequencies are initiated to Praia, Banjul, Bissau, Kaedi and Nouakchott. The company, which has since added a second Twin Otter, is nationalized in 1981.

AIR SENEGAL (SOCIETE NATIONALE DE TRANSPORTS AERIENS DU SENEGAL, S.A.): BP 8010, Dakar–Yoff Airport, Dakar, 200968, Senegal; Phone 221 23 62 29; Fax 221 20 00 33; <http://www.primature.sn/tour/airsen.htm>; Code DS; Year Founded 1981. Also known as SONATRA–Air Senegal, this state carrier is formed at Dakar–Yoff Airport on July 1, 1981 when the previous **Air Senegal (Compagnie Senegalaise de Transports Aeriens, S.A.)** is nationalized. Stockholders in the carrier include the government (50%), **Air Afrique, S.A.** (40%), and private interests (10%). Three DC-3s, 1 PA-23 Aztec, 3 PA-25 Pawnees, 1 PA-32 Cherokee Six, and 2 Twin Otters comprise the fleet.

In 1982–1984, 2 DC-3s are withdrawn and are replaced by 2 more DHC-6s and 2 Hawker Siddeley HS 748-A2s.

Operations continue apace in 1985–1988. Early in 1989, twice-weekly Douglas DC-8-62 charter flights, employing leased equipment, are started from Dakar to Paris. The workforce is increased 4.1% to 128; however, the remainder of the fleet is as it was in 1984, except that the HS 748s are now B2 models. Overall passenger boardings total 56,792, a decline of 14.6% from 1987. Revenues, however, increase by 4.7% to \$7.2 million. The operating profit is \$316,000 and net gain reaches \$120,600.

Company employment is increased by 17.4% in 1990 to 135. Customer bookings decline another 3.9%, to 72,042 and revenues drop to \$7 million. Still, operating income rises to \$492,877. A number of routes are abandoned in 1991 and as a result, passenger boardings decline 12.1% to 39,503.

The fleet in 1992 includes 2 each DHC-6-300s and British Aerospace BAe (HS) 748-B2s.

Having arrived in the Dakar area on a December 9, 1993, service from Saint-Louis, the DHC-6-300, with a pilot and two passengers, is ordered to circle while a NAMC YS-11 from an unnamed concern takes off; both aircraft fail to respect their assigned altitudes and meet in a head-on collision.

Although the Twin Otter crashes and all aboard are killed, the YS-11 is able to make a safe emergency landing back at its point of origin.

In 1994 Chairman Alioune Ndiaye and General Manager Abdoulaye Ndiaye oversee a workforce of 135; temporarily, routes to Bamako, Conakro Kaedi, and Nouakchott are suspended. Otherwise, services in 1995 continue as before.

On February 1, 1996, a BAe (HS) 748-B2, with 23 aboard, loses its engines upon takeoff from Tambacounda; there are no survivors. Destinations visited this year include Banjul, Bissau, Cap-Skiring, Conakry, Kedougou, Kolda, Matam, Nouakchott, Praia, Saint-Louis, Tambacounda, and Ziguichor. A DHC-8-102 is received in September.

On February 1, 1997, exactly a year after the carrier's last fatal accident, a BAe (HS) 748-A2, with 3 crew and 49 passengers, crashes shortly after takeoff from Tambacounda on a charter to Dakar. The crash site is not far from the spot where the same sort of plane went down a year earlier; this time there are 29 survivors. Reports cite water contamination of the plane's fuel tanks.

Flights continue in 1998–1999. During these years, the fleet is increased by the addition of 1 each Avions de Transport Regional ATR42-320 and Fokker F28-1000.

An agreement is signed with **Royal Air Maroc** on February 15, 2000, under which the Moroccan airline takes a 51% (\$10 million) stake in the company's newly created long haul division, Air Senegal International. The minority stake is held by the Senegalese government. Royal Air Maroc will provide a Boeing 737-200 with which to begin operations.

AIR SENEGAL INTERNATIONAL. See **AIR SENEGAL (SOCIETE NATIONALE DE TRANSPORTS AERIENS DU SENEGAL, S.A.)**

AIR SERV INTERNATIONAL: P.O. Box 3041, Redlands, California 92373, United States; Phone (909) 793-2627; Fax (909) 793-0228; Year Founded 1991. Robert E. Leanhart forms this regional at Redlands, California, in 1991 to operate scheduled passenger and cargo services. The fleet grows to include 4 Cessna 208 Caravan Is, 2 de Havilland Canada DHC-6-300 Twin Otters, 3 Cessna 206s, and 2 Cessna 210s. Enplanements for the year total 41,728.

1992 is not a good year for the privately owned, 90-employee newcomer. Passenger boardings decline 33.2% to 31,328 while freight falls 33.7% to 3,354,000 pounds.

Flights continue in 1993–2000. During these years, the mission of the company is changed from a scheduled to a nonscheduled carrier, flying on behalf of nonprofit humanitarian and international relief organizations.

Kenneth Frizzel is now president. His 90-employee airline operates 1 Beech King Air 90, 2 Super King Air 200s, 3 Cessna 206s, 2 C-210s, 3 C-402Cs, 5 C-208 Caravan Is, and 4 Twin Otters. Income average \$17.5 million per year.

AIR SERVICE COMPANY: Iran (1962–1979). Formed as an associate of the Tehran-based **Air Taxi Company** in 1962, Air Service undertakes contract flights and charters on behalf of the oil industry, plus logistics flights to Persian Gulf islands. Over the next 15 years, the fleet comes to comprise 4 Fairchild Hiller FH-227Bs. Like many other Western concerns, the carrier ceases operations during the Iranian revolution of 1979.

AIR SERVICE GABON, S.A.: P.O. Box 2232, International Airport Leon M'Ba, Libreville, Gabon; Phone 241 73 24 08; Fax: 241 73 60 69; Code AGB; Year Founded 1965. Privately owned ASG is formed at Libreville in 1965 to provide local, domestic passenger and charter services. Operations continue apace for the next quarter-century using single-engine Cessnas.

In 1993–1994, General Manager Francis Lascombes oversees 52 employees and a fleet comprising 2 Beech King Air 200s, 1 each CASA C-212-100 and -200 Aviocars, 1 Cessna 310, 2 Cessna 404s, 1 Cessna 402, and 1 PBN-2 Islander.

Flights continue in 1995–2000, although the C-310 is retired.

AIR SERVICE HUNGARY, LTD.: Koerberki ut 36, Budapest, H-1112, Hungary; Phone 36 (1) 185-1344; Fax 36 (1) 166-8118; Year Founded 1990. This domestic operator is formed at Budapest in 1990 as an air taxi, agricultural, charter, and air ambulance operation. Director General Laszlo Kozma's 1,300-employee company possesses a fleet comprising 64 Antonov An-2s, 3 Let L-410s, 70 Kamov Ka-26 and 9 McDonnell Douglas MD-500 helicopters. It is the largest collection of small fixed- and rotary-wing aircraft in the nation. The year's enplanements total 2,000.

In 1991, airline employment is cut 36.7% to 760 and a total of 5,000 souls are flown. Revenues reach \$9 million, producing a \$1-million operating profit.

During the summer of 1992 scheduled passenger and cargo flights are initiated to and from domestic destinations. In 1993, general director Kozma's workforce is cut to 800 and the fleet is reduced to 10 An-2s and 2 Let 410s, plus helicopters. Operations continue apace in 1994. Dr. Pat Horvath becomes president under Kozma and a Tupolev Tu-134 is acquired.

Flights continue in 1995–2000. During these years, Zoltan Jancsi becomes chairman, with Dr. Istvan Lovro as general director. Airline employment grows to 89 and the fleet is altered to include 3 An-2s, 3 Kamov 26s, and 1 MD-500.

AIR SERVICE LIMBURG, B.V.: Vliegveldweg 12, Postbus 301, Maastricht–Aachen Airport, Maastricht, N-6192, The Netherlands; Phone 043 3646949; Fax 043 3646944; <http://www.asl.nl>; Year Founded 1992. Capitalized at six million guilders, ASL is established by Bill Kuiper and Willy Waldhausen in 1992 to offer executive and small group passenger charters. Revenue services begin with a fleet that includes Beech King Air 90s, Super King Air 200s, and 1 each Beech Bonanza, Beech 60 Duke, Piper Turbo Arrow IV, and Cessna 172.

AIR SERVICE NANTES, S.A.: France (1988–1992). Organized at Nantes in 1988, President Andre Beladine's 15-employee carrier undertakes charter passenger and cargo flights to destinations in North Africa and the Middle East. The initial fleet comprises 1 each Dassault Falcon 20 and Aerospatiale Caravelle XR.

Two Beech Super King Air 200s are added to the fleet in 1990 along with another Dassault Falcon 20. A Boeing 737-217, once flown by **CPAir**, is acquired in 1992; however, it adds too much capacity for the company's requirements and is leased to the new Vietnamese carrier, **Pacific Airlines**. Unable to maintain either traffic or financial viability in a recession, the company folds at year's end.

AIR SERVICE UKRAINE: Klimenko 23, Klimenko, 252110, Ukraine; Code ASG; Year Founded 1994. ASU is set up at Klimenko in 1994 to operate international, regional, and domestic all-cargo charter services. Revenue flights begin with a fleet of 10 Ilyushin Il-76MDs and 2 Beech Super King Air 200s.

AIR SERVICES OF INDIA, LTD. (ASA): India (1936–1953). Capitalized at a million rupees, privately held ASA is formed on September 5, 1936 to provide scheduled services north of Bombay in the Kathiawar district. Equipped with an Airspeed Courier and a de Havilland DH 89, christened *City of Bhavnagar*, the company begins four-times-per-week services Bombay–Porbandar on November 1, 1937, via Bhavnagar, Rajkot, and Jamnagar.

Flights continue into 1938; however, operations are suspended during the annual monsoon season from June–September. Twice-weekly Baroda–Amreli flights begin in November.

On January 5, 1939, twice-weekly Bombay–Kolhapur via Poona operations commence and in January 1940 the service, subsidized by Cutch State, is extended to Bhuj. Despite assistance, the company is unable to maintain economic viability and ceases operations in February 1941.

Acquired in 1943 by the steamship company Scindia Steam Navigation Co., Ltd., ASA resumes services as "The Scindia Line" on May 3, 1946,

flying a daily Bombay–Bhuj service, via Jamnagar, with Douglas DC-3s. On June 28, Bombay–Lucknow flights begin via Indore, Bhopal, and Kanpur. A Bombay–Indore–Gwalior–Delhi DC-3 frequency is started in April 1947; in August, the Bombay–Lucknow route is suspended.

When **Ambica Airlines, Ltd.** collapses in February 1949, its routes from Bombay to Morvi and Bangalore via Rajkoi and Poona are taken over. A pair of French-built SNCASO SO-95 Corse IIs are acquired and are placed on three services out of Bombay: to Bangalore via Hyderabad; to Bangalore via Poona; and to Delhi via Indore and Gwalior. Both are withdrawn in October 1950.

Bombay–Belgaum–Cochin services are launched on April 10, 1951. As the result of parliamentary study and debate, it is decided to nationalize the Indian air transport industry.

On May 9, 1953, a DC-3 is lost on takeoff from Juhu Airport at Bombay when its gear is retracted prior to liftoff; although the aircraft is damaged beyond repair, there are no fatalities.

An Air Corporation Bill receives presidential assent on May 28 and on August 1, **Indian Airlines Corporation** is formed, taking over ASA and other carriers.

AIR SEYCHELLES, LTD.: Victoria House, P.O. Box 386, Victoria, Seychelles; Phone 248 381 000; Fax: 248 373 111; <http://www.airseychelles.it>; Code HM; Year Founded 1977. Formed at Victoria, on the island of Mahe in the Seychelles, in September 1977, this state-owned carrier is initially known as **Seychelles Airlines, Ltd.** Plans are put afoot to begin the operation of scheduled local and international services.

In July 1979, the nonflying company is reformed at Mahe through the merger of **Air Mahe, Ltd.** (founded in 1972) and **Inter-Island Airways, Ltd.** (established in 1976) and is renamed. Chairman Guy Morel's initial fleet comprises 1 Britten-Norman BN-2 Islander and 2 BN-2A Trislanders. Scheduled flights are flown to Bird Island and Praslin while charters are opened to St. Denis, Fregate, Astove, Desroches, Coetivy, and Farquhar.

Employing 3 Trislanders and 2 Islanders during 1980–1982, the little airline provides scheduled and charter services to the nation's islands. When tourism to the island nation collapses during the world recession of the latter year, the government orders the carrier to begin flights to Europe to replace those dropped by all European carriers except **Air France**.

A Douglas DC-10-30 is wet-leased from **British Caledonian Airways, Ltd. (BCAL)** and on October 26, 1983 begins weekly flights via Jeddah to Amsterdam, Frankfurt, Rome, and London. The aircraft retains its BCAL livery (except for a small sticker) and crew. In 1984, a **Martinair Holland, N.V.** DC-10-30 is rented to replace the British airliner and flights now feature Seychelles flight attendants working with the Dutch cabin crews.

The workforce grows to 33 in 1985 and, in January 1986, an Airbus Industrie A300B4 is leased from **Air France** and employed to launch twice-weekly London service via Jeddah and Frankfurt and via Jeddah, Rome, and Zurich. The Airbus is the first major transport to be painted in the carrier's own colors and to employ an all-Seychelles cabin crew.

The Airbus lease is allowed to expire in 1987 as the carrier elects to obtain its own jetliner; the French aircraft is replaced with a hush-kitted "Super Q" B-707-341C acquired from **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** under terms of a seven-year agreement with the Equator Bank. A flight crew, recruited by the airline, ferries the aircraft to Mahe after its refurbishment at Santa Barbara, California and places it into nonstop service to Europe. Late in the year, the private ground-handling company **Ligne Aerienne Seychelles, Ltd.** is taken over, together with its scheduled route to Nairobi and Singapore and charters to Perth, Australia.

Airline management is centralized in the Seychelles in 1988 as London-based Executive Vice President Martin Harewood is dismissed. A second hush-kitted ex-**VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** Stratoliner, also leased under terms of a seven-year agreement with the Equator Bank, arrives in July.

The two aircraft, in addition to their previous services, begin flights to Athens and Paris in November, the same month that the airline takes over the domestic flights of Aviation Seychelles, Ltd. Orders are also placed with the International Lease Finance Corporation (ILFC) for the charter of 1 each B-767-2Q8ER and B-757-28A. A total of 40,000 passengers are flown on international services and 123,000 over domestic routes.

The workforce in 1989 totals 330 and Operations Manager Gilbert Boucheron, a French technical expert, employs 2 Islanders and 2 de Havilland Canada DHC-6-300 Twin Otters to service Praslin, Fegate, Bird, and Denis. In February, Chairman Maurice Loustau-Lalanne is named the government's minister for transport and tourism; he is succeeded by Conrad Benoiton.

The Stratoliners continue their flight operations under the direction of new General Manager Colin Williamson, recently retired from **Qantas Airways (Pty.), Ltd.** On June 26, the leased Boeing 767-2Q8ER is delivered; christened *Aldabra*, it enters service on a schedule of three roundtrips per week to Europe. B-767-2Q8ER flights to Singapore begin in October and a B-707-341C is sold in November.

In 1990, the Boeing 767 is joined by 2 more Twin Otters and the final Stratoliner is sold. The first year of B-767-2Q8ER service is completed on July 26, during which time the wide-body has carried 51,596 passengers to and from Europe. During the fourth quarter, a revenue pool is entered into with **Air France** on a joint service from Mahe to Paris (CDG) operated by **Air Seychelles, Ltd.** aircraft.

Enplanements total 213,211 and with costs exceeding income, there is a \$2.16-million operating loss. On the plus side, there is a net profit of \$2.1 million.

The workforce is cut 1.4% in 1991 to 415 as government subsidies end completely. Weekly service is inaugurated to Johannesburg and passenger boardings climb 2.2% over the previous year to 62,297 as an order is placed for a B-757-200. Freight, however, is down by 3.2% to 10 million FTKs. Revenues jump 6.4% to \$45.3 million and with costs down, there is an operating profit of \$4.7 million and a \$4.1-million net gain.

In 1992, J. P. Dugasse is named general manager of the 400-employee carrier. When **British Airways, Ltd. (2)** and **Air France** introduce a number of nonstop Asian services bypassing the Mideast, **Air Seychelles, Ltd.** adds a service to Bahrain. The second Boeing arrives and operational statistics are reported for the first half of the year. These show bookings of 113,774 passengers and the transport of 7.82 million FTKs. Toward year's end, the company suffers a \$5.8-million loss due to disadvantageous exchange rates and is forced to secure a commercial loan to cover its operating costs.

Chairman Benoiton's workforce grows by 3.8% in 1993 to 415 and the fleet now includes 4 Twin Otters and 1 leased B-767-2Q8ER. The jetliner inaugurates Johannesburg service on March 27.

A B-757-28A, leased from ILFC on March 29, is christened *Aride*. Just one of these \$65-million jetliners, if purchased, would represent a \$930 investment by every citizen.

In April, a strategic alliance is entered into with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** under which the two carriers agree to code-share on a route from Mahe to Madrid via Nairobi. Destinations now served from Mahe include Bahrain, Dubai, Frankfurt, Johannesburg, London (LGW), Madrid, Nairobi, Paris, Rome, Singapore, and Zurich.

It is reported in September that, despite no claims, the company's insurance premiums have increased 37% over the past three years. In December, a code-sharing agreement with **Gulf Air** comes into effect on the service from Seychelles to Bahrain.

The year's passenger boardings more than double to 289,261 while cargo totals 10.58 million FTKs.

A total of 450 workers are employed in 1994 as traffic continues to fluctuate. Customer bookings move ahead by 2.8% to 297,370, while freight dips 1.2% to 10.45 million FTKs. There are losses: \$1.18 million operating and \$1.48 million net.

The carrier still has the smallest home market of any scheduled international air carrier while the Seychelles remains the smallest nation with an airline capable of mounting international scheduled flights.

Airline employment is increased by 3.8% in 1995 to 435 and no changes are made in the fleet from 1993. The *Aride* begins weekly roundtrip service on April 28 from Seychelles to Bombay via Dubai. This route is followed by introduction of a frequency to Madrid in July. Flights to Tel Aviv commence in December, with an unnamed B-767-37DER delivered early in the month.

Passenger boardings climb 5.6% to 314,014 while cargo jumps 22.7% to 12,830,000 FTKs. The financial picture brightens as operating revenues accelerate 6.7% to \$60.79 million; expenses rise only 6.4% to \$61.87 million. The operating loss is reduced to \$1.08 million while the net loss declines to \$1.06 million.

Norman Weber becomes chairman in 1996, with Freddy A. Karkaria as general manager. Over the next year, the two come to supervise a workforce of 415. Marketing alliances are entered into with **Emirates**, **Gulf Air**, and **Kenya Airways**. New service to Manchester, England, begins on February 10.

Seeking greater capacity, the carrier's B-757-28AER is traded in to help cover the cost of the leased B-767-3Q8ER.

International destinations visited from Mahe include Bombay, Dubai, Frankfurt, Johannesburg, London (LGW), Madrid, Manchester, Nairobi, Paris, Rome, Singapore, Tel Aviv, and Zurich. The Twin Otters continue to serve Praslin Island, Denis Island, Bird Island, and Fregate Island. Enplanements for the year surge to 376,632.

Under the leadership of its new chairman, Nashirudeen Mallam-Hasham, **Air Mauritius, Ltd.** launches a campaign at the beginning of 1997 to federate the airlines of the Indian Ocean area. To this end, a protocol is signed in July with the airlines of Madagascar and the Seychelles, the Comoro government, and **Air France**. The signature of Air Austral is momentarily expected.

Joint dual-designator services is launched with **Air Mauritius, Ltd.** on October 28 between the Seychelles and Mauritius.

Customer bookings for the year move ahead by 2.9% to 384,318, while freight doubles, up 44.8% to 24.18 million FTKs.

Flights continue in 1998. Passenger boardings drop 4.1% to 369,000, while cargo traffic falls 29.3% to 17.1 million FTKs.

Another B-767-3Q8ER is chartered from ILFC on December 4.

Enplanements drop 6% this year to 347,000, but cargo traffic rises by 14.9% to 19.65 million FTKs. Although operating income is down by 8.1% to \$64.01 million, costs plunge 25.8% to \$44.16 million. As a result, the operating profit jumps to \$19.85 million and there is a net gain of \$1.32 million.

The workforce is increased by 5.7% in early 2000, reaching 579.

AIR SHANGHAI. See **CHINA EASTERN AIRLINES COMPANY, LTD.**

AIR SHANNON: United States (1966–1967). Established at Fredericksburg, Virginia, in early 1966, Air Shannon inaugurates daily, roundtrip, scheduled Piper PA-31-310 Navajo third-level commuter flights to Washington, D.C. (DCA) on February 25.

Unable to cover the cost of start-up, the carrier is forced to stop flying on April 24, 1967.

AIR SIAM AIR COMPANY, LTD.: Thailand (1965–1977). Former British RAF pilot HRH Prince/Capt. "Nicky" Varanand, dissatisfied with the SAS (Scandinavian Airlines System) stake in **Thai Airways Company, Ltd. (TAC)** that had resulted in the creation of its SAS-managed subsidiary **Thai Airways International, Ltd. (THAI)**, establishes Varanair Siam at Bangkok on September 15, 1965 as a private enterprise, wholly Thai intercontinental carrier.

The prince's new enterprise will remain a paper airline for the remainder of the decade. Still, there is activity. Varanand recruits a corps of British aeronautical advisors and is able to secure traffic rights and/or

authority from four nations in 1967: the United States (April 27); Thailand (permission on August 19 to begin transpacific flights); Japan (October 26); and Hong Kong (from Great Britain, on October 31). At the beginning of 1968, the company name is changed to Air Siam, Ltd.

The remainder of the 1960s is occupied by a search for capital and overseas partnerships. The best hope appears to be an alliance with **The Flying Tiger Line**, but negotiations fail. The company's first aircraft, a used Douglas DC-4, is acquired from **Trans-Australian Airlines (Pty.), Ltd.** in February 1970. It is employed to launch Air Siam's inaugural service on March 1, a thrice-weekly all-cargo route to Hong Kong.

Airline employment stands at 112 at the beginning of 1971. Employing a DC-8-63 wet-leased from **Overseas National Airways (ONA)**, Varanand's company initiates freight and also a twice-weekly passenger service from the nation's capital to Los Angeles on March 31. These flights continue during the remainder of the year; however, the company has insufficient capacity to make a profit and, in fact, loses money.

In fiscal and labor difficulty, Air Siam is shut down on January 11, 1972. The DC-8 is returned to ONA, which is left holding an Air Siam IOU for \$2 million in lease fees. The carrier remains shut down for the better part of six months while Prince Varanand seeks additional capital and, with the assistance of former **Thai Airways International, Ltd. (THAI)** executives Virachai Vannukul and Andreas Hansen, additional aircraft and markets. The ONA debt is settled when Varanand transfers several choice parcels of Bangkok property to the American supplemental carrier.

Revenue flights resume on May 25 employing a British Aircraft Corporation BAC 1-11-416 leased from a Singapore millionaire. As the plane does not have the range for transpacific service, the company's route ends at Tokyo. Disillusioned by his experience, Prince Varanand resigns in October, turning leadership over to President Vannukul. A total of 17,589 passengers are carried during the rest of the year. Despite its many problems, the company registers a \$110,000 profit.

The company employs 300 workers during 1973. A German Boeing 707 Stratoliner is leased on January 5 and is employed to replace the BAC 1-11-416 in February. It offers large discount fares on the route to Japan.

A Boeing 747-148 leased from **Aer Lingus Irish Airlines, Ltd.** joins the fleet on September 29; christened *Doi Suthep*, it inaugurates thrice-weekly transpacific service Bangkok to Honolulu via Hong Kong and Tokyo. Passenger boardings skyrocket an unbelievable 561% to 114,000 and freight traffic is even better, advancing 1,781%. A handsome profit is recorded during the year, one-sixth of which is derived from air cargo flights on the Pacific route.

Additional service is initiated in 1974 to Europe in an effort to cater to a large number of German tourists who visit Thailand on vacation. In the spring, offices are opened in Los Angeles, New York, Chicago (ORD), San Francisco, and Honolulu. An Airbus Industrie A300B2 is leased from its manufacturer and employed on the Bangkok(Hong Kong) route, beginning on October 21. This service is deeply discounted.

In addition, a DC-10-30 arrives under lease from **KLM (Royal Dutch Airlines, N.V.)** and is placed in service to Los Angeles via Tokyo and Hawaii. The chartered Dutch airliner's premier Thai flight encounters bureaucratic problems as the airline has not completed all of the paperwork required to operate its certificate. After arrival, the jetliner is forced to remain grounded at LAX until company officials resolve questions relating to their landing rights.

Still, these two new wide-bodies help passenger boardings advance by 144% to 283,036. Freight skyrockets 258% to 23.32 million FTKs. A net profit of \$1.5 million is earned on total income of \$56.3 million. Late in the year, the Thai government orders the carrier merged with Thai International in two years.

The workforce in 1975 is 723. A second leased A300B2 enters service from the Thai capital to Singapore. Chairman Vannukul enters into discussions with **Air Ceylon, Ltd.** on November 10 concerning possible joint operations in Europe. Customer bookings accelerate 61.3% to 456,568 while freight zooms upward by 47.5%.

In January 1976, reacting to complaints from **Cathay Pacific Airways (Pty.), Ltd.** concerning the Thai company's discount policies, the government of Hong Kong suspends traffic rights for both Air Siam, Ltd. and **Thai Airways International, Ltd. (THAI)**. Frequencies to the U.S. West Coast are now increased. In accordance with the government's decree, the carrier begins to cooperate somewhat more closely with **Thai Airways International, Ltd.** in terms of scheduling, equipment, and various other services.

When the original B-747-148 lease expires on April 15, the aircraft is returned to Ireland and is replaced by a B-747-206B, also named *Doi Suthep*, chartered from **KLM (Royal Dutch Airlines, N.V.)**. On October 30, the company, now in severe financial trouble, contracts with **Air Ceylon, Ltd.** to operate the Dutch DC-10-30 over Air Ceylon's European routes. Meanwhile in Bangkok, Air Siam, Ltd. is in such financial distress that it all-but-collapses during September as leases on the two Airbus end, forcing Chairman Vannukul to flee the country.

Air Siam, Ltd. ceases all of its own operations on January 12, 1977. When **KLM (Royal Dutch Airlines, N.V.)** repossesses its only remaining wide-body on January 17, the **Air Ceylon, Ltd.** arrangement is also finished. Air Siam is now grounded. On February 3, the government of Thailand confirms **Thai Airways International, Ltd. (THAI)** as its only flag carrier and the next day Air Siam's operating license is revoked. The last of the independent's assets are liquidated by order of a Thai bankruptcy court in September 1978.

AIR SICILIA, S.p.A.: Via Sciuti 180, Palermo, I-90100, Italy; Phone 39 (91) 625-0566; Fax 39 (91) 625-2510; <http://www.airsicilia.it>; Code BM; Year Founded 1994. Air Sicilia, S.p.A. is established at Palermo during the first quarter of 1991 to offer passenger charter and inclusive-tour services. Revenue flights to Lampedusa commence in June employing a single leased British Aerospace BAe 146-200.

Charters between Palermo and Lampedusa continue without change in 1992-1993. A scheduled airline division is launched at the beginning of 1994, with flights operated from Rome to Palermo via Bergamo and Lampedusa. By year's end, 60,000 passengers have been transported.

In January 1995, an Avions de Transport Aerien ATR42-320 is ordered. The leased turboprop is received in April and placed into scheduled service connecting Palermo with Lampedusa, Pantelleria, Bari, and Cagliari. Still, the number of passengers flown this year falls to 55,141.

The BAe is replaced on March 25, 1996 with a leased Fokker F.28-3000 Fellowship, which launches regional scheduled service to Rome, Parma, and Milan. The ATR continues to fly to Cagliari, Bari, Lampedusa, and Pantelleria, with another ordered before the end of the year.

In February 1997, a wet-lease replacement agreement is entered into with Rome-based **Air One, S.p.A.** Under its terms, the regional operator will operate its ATRs on behalf of Air One a year hence. Meanwhile, receipt of the second ATR42-320 allows inauguration of an air bridge shuttle service between Palermo and Pantelleria.

A leased Boeing 737-228A is acquired on April 8, 1998; replacing the Fellowship, it inaugurates competition, on behalf of **Air One, S.p.A.**, with **Alitalia, S.p.A.** over the return route from Palermo to Rome. It also introduces scheduled services, again on behalf of **Air One, S.p.A.**, between Rome and Bari and over a new route from Bari to Bologna.

A new route is opened on March 1, 1999 between Catania and Rome. Later in the year, new service is also launched from Palermo to Bologna and Verona. Enplanements for the year total 250,851.

In April 2000, new return flights are inaugurated from Palermo to Paris via Catania. Biweekly roundtrips commence on May 19 from Palermo to Paris (CDG).

On November 10, a Fokker 100 is wet-leased for a year from **Alpi Eagles, S.p.A.**

The company makes plans to celebrate its tenth anniversary in early 2001.

AIR SIERRA: United States (1980-1982). Larry Crane forms **Trans-Sierra Airline** at Fresno, California, in spring 1980 to offer scheduled

passenger and cargo services from the company's base to Bishop. Employing a Piper PA-31-350 Navajo Chieftain, he undertakes flights in May.

In July, the small regional's name is changed to Air Sierra and over the next year frequencies are also extended to Mammoth Lake and Lake Tahoe.

As a result of cash flow problems caused both by recession and by air traffic restrictions in the wake of the 1981 PATCO air traffic controllers' strike, Crane's operation must cease in early 1982.

AIR SINAI, LTD.: 12 Kasr el Nil Street, Cairo, Egypt; Phone 20 (2) 760 498; Fax 20 (2) 574 711; Code 4D; Year Founded 1982. Formed at Cairo as an **Egyptair, S.A.E.** subsidiary in early 1982 to succeed **Nefertiti Airlines, Ltd.**, the new entrant begins scheduled service in April (the same month that Israel completes the return of the Sinai to Egypt) over Nefertiti's previous route from the Egyptian capital to Tel Aviv, Israel.

Equipped with 1 B-737-266 leased from **Egyptair, S.A.E.** and 3 owned Fokker F.27-500s, services are maintained throughout the remainder of the decade to the domestic points of Al Arish, Hurghada, Mersa Matruh, Ras an Nagb, Santa Katarina, and Sharm el Sheikh. Four-times-per-week B-737 service is offered to Elat and Tel Aviv and charter flights, including many for Hadj pilgrims traveling to Mecca, are also undertaken.

Operations continue apace during the remainder of the decade and into the early 1990s with only one tragic incident. On June 10, 1986, an F.27-500, with 5 crew and 21 passengers, is diverted to Alexandria because of a sandstorm; it crashes short of the runway during its return to Cairo later in the day, runs into a building, and catches fire (23 dead).

Employing an Airbus Industrie A300B4 leased from **Egyptair, S.A.E.**, the company inaugurates a new weekly Cairo to Tel Aviv via Sharm el Sheikh return service in March 1993; the route is pooled with **Arkia Israel Airlines, Ltd.**

In 1994-2000, General Manager Sobhi Sami and his successor, Ahmed Talaat, oversee a workforce that averages 150 and a leased fleet that includes 1 B-707-366C, 1 B-737-2N7A, and 2 F.27-500s. During the latter year, a B-737-566 is chartered from **Egyptair, S.A.E.**

Destinations visited include Al Arish, Hurghada, Mersa Matruh, Ras an Nagb, Santa Katarina, Sharm el Sheikh, and Tel Aviv.

AIR SLOVAKIA BWJ, LTD.: P.O. Box 2, Airport M. R. Stefanik, Bratislava, SK-82001, Slovak Republic; Phone (7) 434 22 742; Fax (7) 434 22 744; <http://www.airlovakia.sk>; Code GM; Year Founded 1994. Kosice-based Air Slovakia is started in 1994 to serve regional destinations. Revenue flights commence with a single leased Boeing 727-230 once flown by **Deutsche Lufthansa, A.G.** Traffic figures for the start-up year are not released. In late December 1995, company officials report to ICAO that a total of 72,131 passengers have been flown on the year.

Airline employment stands at 30 in 1996 as the lone Boeing flies 77,762 passengers. Tiny profits are generated: \$2,000 (operating) and \$2,000 (net).

Augustin Bernat is general director in 1997 and he oversees a workforce of 44. A second B-737-230 is acquired. Passenger boardings plunge 11.3% to 68,981.

Operating revenues, however, increase by 5.6% to \$9.71 million as costs climb 5.2% to \$9.68 million. The operating profit grows to \$34,000 and there is a \$32,000 net gain.

Flights continue apace in 1998. Customer bookings fall to 64,000. The company also operates 103,000 FTKs, a 23.8% decline over the previous year. Revenues drop 26.1% to \$7.18 million, while expenses are off 39.4% to \$5.86 million. There is a \$1.31 million operating profit and a net gain of \$236,000.

Passenger boardings recover in 1999 ascending 41% to 92,000; cargo is also up, by 5.9%, to 110,000 FTKs. Operating revenues increase 53.4% to \$11.01 million, while expenses skyrocket 68.8%, but still

reach only \$9.9 million. Although the operating profit dips \$100,000 to \$1.11 million, net gain reaches \$372,000.

Despite improvements the previous year, dramatically higher fuel costs severely impact the company during the first half of 2000, forcing it to withdraw one of its B-737-230s. On August 31, the airline stops flying after its remaining B-737-230, just received on May 1, is seized, for failure to make lease payments, during a maintenance check in England and sent to Southend for storage.

The Ministry of Transport loans the carrier its VIP Tupolev Tu-154M, but warns that the company's license will be revoked if it doesn't soon gain return of its Boeing.

Unable to gain return of its British-leased aircraft, the company, on September 12, takes delivery at Bratislava of a former **Southwest Airlines** B-737-2H4. After the plane is repainted, it replaces the Tupolev on flights to Tel Aviv, Larnaca, and Kuwait.

AIR SOFIA: 64 Patriarch Evtimi Blvd. Sofia, BG-1000, Bulgaria, Phone 359 (2) 980 29 01; Fax 359 (2) 980 29 07; <http://www.airsofia.com>; Code CT; Year Founded 1992. Successor to the defunct Sigi Air Cargo, Air Sofia is founded at the Bulgarian capital in February 1992 to provide regional passenger and cargo services, both scheduled and nonscheduled. Revenue operations commence with 2 Antonov An-22s and 5 An-12Bs, 1 of which is leased from **Aeroflot Russian International Airlines (ARIA)**.

Following a year of ad hoc business, an agreement is signed with **THY Turkish Airlines (Turk Hava Yollari, A.O.)** in late 1993 to provide contract all-cargo services on its behalf from Istanbul to Basel, Maastricht, and London (STN). Two more An-12Bs are acquired during the year, including one leased from the Antonov Design Bureau.

Flights continue in 1994–1995, during which years two more An-12Bs are received, one of which is configured for passenger services. Georgy Ivanov is now managing director and towards the end of this period, scheduled services are abandoned. In its place, the carrier's remaining An-22 and the An-12Bs are dedicated to international and domestic cargo flights.

A marketing division is established at London (LGW) and an An-12B is leased to the new **Avioimpex Macedonian Airways**.

Austrian Airlines, A.G. leases an An-12B and, at the end of October 1996, launches joint all-cargo services into Eastern Europe in cooperation with Air Sofia. During the year, an An-24B is sent to a new base at Cotonou, Benin.

A number of wet-lease contracts are operated in 1997–1998 on behalf of the United Nations, the International Red Cross, and **Lufthansa Cargo, A.G.** The company becomes the first An-12 airline ever approved to operate into Hong Kong, while an An-12 and an An-26 are based in Singapore. It also establishes offices and maintenance facilities at Sharjah, a United Arab Emirates destination now quite popular.

During January of the latter year, an An-12B is leased to **Air Luxor, S.A.** for use as a mail plane. Loaded with three tons of mail, the Russian-made turboprop fails its takeoff from Lajes AFB in the Azores for Lisbon on February 4 and crashes 80 m. from the runway. All seven crewmen are killed.

The workforce stands at 400 in 1999 and the fleet includes 1 An-22, 5 An-12Bs and 1 An-24B. Two Ilyushin Il-76Ds and 1 Antonov An-124-100 Ruslan are chartered during the year.

AIR SOMALI, S.A.: French Somaliland (1962–1971). **Air France** and **Les Messageries Maritimes** form this carrier in 1962 to provide local service flights within the French colony. The owners provide aircraft and crews. In July 1971, the company purchases another operator, **Air Djibouti, S.A.**, and, following reorganization, re-emerges with the latter name.

AIR SOUTH (1): United States (1967–1975). Established by founder/owner William "Bill" Evans as **Nationwide Airlines Southeast** on St. Simons Island, Georgia, in the fall of 1967. In January 1968, the

company begins daily, roundtrip, scheduled third-level Beech B-80 Queen Air commuter service linking its base with Atlanta and several other Georgia and Florida cities. In December, F. E. "Pete" Howe is appointed president/CEO and the company name is changed.

During 1969, Air South undertakes replacement service for **Eastern Air Lines** to Waycross and Bowling Green. The fleet is increased by the introduction of several Beech 99s. En route from Atlanta to Greer, South Carolina, on July 6, one of these new aircraft, with 2 crew and 12 passengers, crashes over Winder, near Monroe, Georgia; there are no survivors.

Operations continue apace in 1970–1971. In July of the latter year, President Howe, unhappy with board plans to purchase several Martin 4-0-4s from **Southern Airways**, resigns to take a similar position with Killeen, Texas-based **Hood Airlines**. Enplanements for the year reach 49,000.

A number of additional communities join the route network in 1972–1974, including Birmingham, Nashville, and Greenville.

A Beech 99A with two crew aboard is destroyed in an aborted takeoff from Malcolm McKinnon on March 31 of the latter year; there are no injuries reported.

An **Allegheny Airlines** Fairchild F-27J is leased, and later purchased. The company is purchased by and merged into **Florida Airlines (2)** in 1975 under the name **Florida Airlines-Air South**.

AIR SOUTH (2): United States (1981–1982). The next Air South is set up at Mobile, Alabama, in 1981 to provide scheduled passenger and cargo services to regional destinations. Employing Swearingen Metroliners, the company duly inaugurates daily roundtrips to Pensacola, Gulfport, and New Orleans.

Recession and the effects of the summer's PATCO air traffic controllers' strike combine to force the company out of business in 1982.

AIR SOUTH (3): United States (1984–1985). With the Air South name vacant on government registration books, Homestead, Florida-based **Aero International Airlines** assumes the title late in 1984. Equipped with 1 Britten-Norman BN-2A Trislander, 1 BN-2 Islander, 1 Beech 18, 1 Piper PA-34 Seneca, and 2 Cessna 402s, the company continues to provide on demand air taxi services, linking its base with Ft. Lauderdale, Miami, Marathon, Marco Island, Freeport, and Bimini. Additional destinations served include Orlando, Tampa, Ft. Pierce, and Titusville.

Scheduled services commence in May 1985. A victim of recession and overexpansion, the carrier ceases operations during the fall.

AIR SOUTH (4): United States (1993–1997). With funds provided under a \$12-million federal loan, guaranteed by the state of South Carolina and the city of Columbia, plus \$5 million in grants and training from state and local governments, the fourth Air South is established at Columbia Metropolitan Airport in January 1993. The remainder of the year is spent in infrastructure and organizational development of CEO Clifford Haley's carrier, which is modeled after **Southwest Airlines**.

A total of 300 employees are hired and trained during the first two quarters of 1994 while a pair of Boeing 737-247s are leased. A \$12-million loan is negotiated with the State of South Carolina. On August 29, four-times-per-day, scheduled, all-coach-class passenger services are inaugurated, linking the company's base with Raleigh/Durham and Baltimore (BWI). Tickets are sold through travel agents, with neither assigned seats nor meals available.

The fleet is enhanced during the fall by the arrival of 1 chartered B-737-242A and 3 B-737-2P6As. These are employed, beginning on November 15, to initiate four-times-per-day flights linking the North Carolina and Maryland airports with Atlanta and five-times-per-day to St. Petersburg and Clearwater. Five-times-per-day service is also introduced between Columbia and Tallahassee; all Florida frequencies continue on to Miami (MIA).

Enplanements for the first four start-up months total 115,855.

Revenues total \$6.75 million, but expenses are \$15.86 million. Consequently, there is a \$9.11-million operating loss and a net loss of \$6.65 million.

In 1995, the company's leased fleet includes 2 B-737-247s, 4 B-737-2P6As, and 1 B-737-242A. Two former **American Trans Air** executives, John P. Tague and John Affeltranger, who have formed their own consulting concern, The Pointe Group, are brought in as advisors.

The brakes of a B-727-247, with 28 passengers, fails after the plane lands at Atlanta on January 19; the trijet departs the end of its runway and comes to a stop about 200 ft. further in the grass with its left outboard main tire blown. No injuries are reported.

In an effort to gain funds, the company sells its entire stock of spare parts to Florida-based Aviation Sales and then leases the parts back for company use.

The seven aircraft transport a total of 995,000 passengers during the 12 months. Costs again exceed operating income and again there are losses: \$7.1 million (operating) and \$7.23 million (net).

The employee population stands at 558 in 1996.

Service in Tallahassee, Tampa, and Raleigh/Durham is terminated on April 1. On April 10, the company starts daily, nonstop flights to New York (JFK) from Myrtle Beach and a daily one-stop between the two points that connects via Hilton Head Island and Savannah, Georgia.

Twice-daily nonstop roundtrips commence from Myrtle Beach to Chicago (MDW) on May 1, followed by daily nonstop roundtrips from Newark (EWR) to Myrtle Beach, Hilton Head Island, and Charleston, S.C.

In July, Pointe Group CEO John Tague becomes chairman/president/CEO, with John Affeltranger as vice president operations. On November 1, supported by major investor Hambrecht & Quist, Tague also becomes chairman/president/CEO of **Vanguard Airlines**, dividing his time equally between Air South's base and VA's headquarters at Kansas City. To assist, Vice President Operations Affeltranger becomes Air South's new chief operating officer.

Customer bookings plunge 27.1% to 725,139 and revenues are off by 8.4% to \$53.01 million. Expenses rise 22.1% to \$79.32 million and the reverses recorded on the bottom line deepen as a \$26.31-million operating loss and a \$26.85-million net loss are reported.

The dismal situation continues into 1997 as the workforce is cut 49% to 300. During the first quarter, \$7.8 million is lost on revenues of \$14 million.

Throughout the first half of the year, every effort is made to renegotiate both the 1994 South Carolina loan and the company's aircraft leases.

Chairman/President Tague departs for **American Trans Air** on June 23, and Affeltranger takes over Tague's responsibilities.

On July 31, company officials call in the media and report that things are looking up financially.

The carrier is, however, unable to renegotiate its obligations and, consequently, the fourth Air South suspends operations on August 28 and files for Chapter XI bankruptcy protection. Most of the company's 700 employees are laid off (without three weeks pay) and no one is left to do the paperwork surrounding the filing.

A lack of interline agreements leaves Labor Day holiday passengers booked on Air South to make alternative arrangements to complete their travel. **Kiwi International Airlines** and **Midway Airlines (2)** offer them tickets for the same fare they had paid for their Air South tickets and **United Airlines** offers travelers bereavement fares.

For eight months, passenger boardings have risen significantly, up to 453,350—so too have revenues, climbing 12.6% to \$31.5 million. Expenses, on the other hand, leap ahead by 21.3% to \$46.07 million and cause an operating loss of \$24.52 million. The net loss deepens to \$15.36 million, with four months left in the year. The airline has only \$11.5 million in assets as against \$67.4 million in liabilities. Of the original government loans, only \$172,000 has been repaid.

Air South's Chapter XI is officially converted to Chapter VII liquidation on October 16.

AIR SOUTH WEST, LTD.: Plymouth City Airport, Plymouth, Devon, England, PL6 8OW, United Kingdom; Phone (0) 1752 770056; Fax (0) 1752 770097; Code 8H; Year Founded 1995. G. Hitchen and N. Gough's **Newquay Air, Ltd.** is reformed during the summer of 1995 and transferred to Plymouth City Airport where it receives its new name. Tony Mooney is managing director and he brings in a pair of Embraer EMB-110 Bandeirantes that join the Piper PA-31-350 Navajo Chieftain already available. Scheduled and charter flights commence in October linking Blackpool and Dublin.

Service is inaugurated from Exeter to Dublin and Cork in 1996 and plans are made to acquire a Shorts 330. The Shorts arrives in 1997 as the company continues both scheduled services and charter flights into the new millennium.

AIR SOUTHWEST. See **SOUTHWEST AIRLINES (2)**

AIR SOUTHWEST, LTD.: Canada (1988–1992). G. F. Jacobs establishes Air Southwest, Ltd. at Chilliwack, British Columbia, in 1988 to provide scheduled passenger and cargo services to Victoria. Operations commence with 1 Cessna 206, 1 Piper Aztec, and 2 Piper PA-31-350 Navajo Chieftains. A Piper PA-31T Cheyenne is acquired in 1991. Services continue for another year.

AIR SPAIN, S.A.: Spain (1970–1975). Based on the island of Palma, Air Spain is established in 1970 to provide passenger and cargo flights to European destinations. A pair of Douglas DC-8-21s are leased from **Eastern Air Lines** and when the company fails in 1975, they are returned to their American owner.

AIR SPECIALTIES See **AIR AMERICA (1)**

AIR SPEED: United States (1974–1975). Air Speed is set up at Bedford, Massachusetts, in 1974 to provide scheduled passenger and cargo services to Boston and New York. Daily Beech 99 roundtrips are duly inaugurated, but are only maintained into 1975.

AIR SPIRIT: United States (1984–1985). Formed by Troy Post to provide feeder connections with **Braniff, Inc.**, Air Spirit is established at Dallas (DFW) in early 1984. Equipped with 4 Embraer EMB-110P Bandeirantes, the new third-level entrant inaugurates daily roundtrip service on April 1 to Austin, College Station, Houston, Tyler, Waco, and Wichita Falls in Texas; to the Oklahoma cities of Lawton and Altus; and to Texarkana, Arkansas.

As **Braniff, Inc.** encounters difficulties in the fall and winter, so too does Air Spirit, which is unable to weather them and stops flying in early 1985.

AIR SRPSKA: Veselina Maslese 28, Banja Luka, 78000, Republic of Srpska, Bosnia and Herzegovina; Phone 381 (78) 212 806; Fax 381 (78) 211 348; <http://www.angelfire.com/biz3/AirSrpska>; Code R6; Year Founded 1999. This small carrier is established at Banja Luka on January 22, 1999 as the flag carrier of the Republic of Srpska, the Serbian-dominated part of Bosnia and Herzegovina. Milan Kovacevic is chairman/managing director and his new airline receives rich assistance from **JAT Yugoslav Airlines** and Airports of Republic Srpska. One each Avions de Transport ATR72-202 and Boeing 737-2H9A are wet-leased from JAT.

Although plans are quickly put in place to obtain slots at several western European airports, the initial route, inaugurated on January 29, is between Banja Luka and Belgrade. Over the next two weeks, flights are also started to Tivat, Zurich, and St. Gallen.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Air Srpska, on March 24, halts all scheduled service into Belgrade as Yugoslav airspace is closed. A spokesman, in making the announcement, indicates that the

situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25–31. Following the conclusion of the Kosovo conflict, Air Srpska operates only the ATR72-202 on scheduled flights to Zurich. Service to Belgrade remains halted not only for the duration of the NATO bombing campaign, but for the next 17 months.

In association with **JAT Yugoslav Airlines**, twice-weekly ATR72-210 service from Banja Luka to Belgrade is restored on August 4, 2000. Once an air service agreement is signed, it is anticipated the flight will also be started from Banja Luka to Sarajevo.

AIR STARLINE, LTD.: Kenya (1990–1994). In November 1990, **African Safari Airlines, Ltd.**, a Kenyan charter operation with Swiss affiliations based at Basel, establishes **Air Starline, Ltd.** as a privately owned subsidiary. Frederick Hofer is named managing director of the new charter airline. A workforce of 60 is recruited for it and revenue operations commence with a single Douglas DC-8-63H, painted in an all-white color scheme with ASA titles and a tail given a zebra pattern.

Europe–Africa charter operations begin in early 1991 and flights continue apace in 1991–1992. In January 1993, the carrier is folded into its parent; however, its name is adopted for certain combined operations. K. J. Rudin remains general manager of the enlarged company and his fleet now includes the Douglas DC-8-63H and a DC-10-30, the latter leased from **KLM (Royal Dutch Airlines, N.V.)** late the previous year. A new logo and aircraft livery are introduced and passengers continue to be flown on holiday packages to Africa and the Seychelles, as well as on worldwide charters, during the remainder of the year.

In January 1994, the DC-8-63H is sold to **Airborne Express** and the wide-body is returned to ASA livery.

AIR STORD, A.S.: Norway (1996–1999). Air Stord is established at Stord Airport, Sagvaag, Norway in the first quarter of 1996, with ownership held by the Amundsen Group. Hans Orjagaeter is named managing director and is given the mission of initiating scheduled regional and domestic passenger service with a pair of Beech Super King Air 200s.

Orders are placed in mid-March for 2 Dornier 328-110s. The 32-seat turboprops are delivered several weeks later and enter service in late spring, flying between Stord Airport, Oslo, and Skien Airport at Bergen.

Enplanements by December total 9,225. Flights continue in 1997–1998. During these years, the fleet is upgraded by the addition of a Fairchild Dornier 328-110. Enplanements reach 38,000.

A workforce of 42 is employed at the beginning of 1999.

Unfortunately, heavy financial losses have been suffered during the last few years and the carrier's inability to make good on them now forces it to shut down.

AIR STYRIA, GmbH.: Feldkirchen, A-8073, Graz-Thalerhof, Austria; Phone 43 (316) 29-1008; Fax 43 (316) 42-6997; Year Founded 1992. Air Styria is set up at Graz in 1992 to provide executive passenger charters. By 2000, the company, which specializes in flights to and from Eastern Europe, operates a single Cessna 550 Citation II.

AIR SUL, S.A.: Portugal (1990–1992). Air Sul is established at Lisbon during the summer of 1990 to operate holiday flights throughout the Mediterranean area. Despite the Gulf War, the company's single Boeing 737-2K5 is able to complete a number of charters during the winter and following summer. The summer schedule includes flights to northern Europe and the U.K.

Finding itself in major financial difficulty, the company shuts its doors in January 1992.

AIR SUNSHINE (1): United States (1971–1978). **American Air Taxi** of Key West, Florida (founded in 1951) establishes an airline division,

AAT Airlines, in 1971 and begins scheduled Douglas DC-3 flights to Miami and Tampa in July. Several routes are taken over from **Executive Airlines** during 1972, including a run from Ft. Lauderdale to Sarasota via Marathon.

In November 1973, the carrier is sold and the new owners rename it Air Sunshine. Frank V. Bervaldi is named president/CEO. An increased number of frequencies are started to Miami and stops are made en route at Kissimmee and Orlando. Operations continue apace in 1974–1975, with enplanements in the latter year reaching 50,524.

Airline employment grows 43% in 1976 to 105. The 5 DC-3s transport 112,174 souls on the year, a major 55% jump. Freight is also up 50% to 2.1 million FTKs.

On January 15, 1977, the No. 1 engine of a DC-3 with 3 crew and 30 passengers fails just after takeoff from Miami. The pilot loses control while attempting an emergency landing and the Douglas crashes; there are no fatalities, but the aircraft must be written off.

A Convair CV-440 Metropolitan is placed into service in June and helps the year's enplanements reach 135,879.

In 1978, airline employment stands at 174 and the fleet comprises 4 DC-3s and 2 CV-440s. Passenger boardings jump 24% to 178,787 and freight traffic rises 16% to 657,069 pounds. Control of the company is taken in late December by rapidly expanding **Air Florida**.

AIR SUNSHINE (2): P.O. Box 22237, Ft. Lauderdale, Florida 33335, United States; Phone (954) 434-8900; Fax (954) 359-8229; Code YI; Year Founded 1983. Taking the name of an earlier commuter, Air Sunshine is formed at Ft. Lauderdale in early 1983 to offer scheduled weekday Cessna 402 passenger flights to Sarasota. Operations continue apace for a decade, during which time additional frequencies are added, as is service to Orlando, Tampa, and Miami.

A Cessna 402C crashes at Clewiston, Florida, on January 23, 1992 (two dead). In 1993, President Alan Adili's fleet comprises 5 Cessna 402s. It is increased during the spring of 1994 by the addition of 1 Embraer EMB-110P1. Enplanements for the year total 10,326. Operations continue apace in 1995.

The employee population stands at 22 in 1996. In December, the company begins to offer flights to destinations in the Caribbean. The 6 aircraft in the fleet transport a total of 18,329 passengers.

President Adili's fleet in 1997 includes 5 Cessna 402s and 2 Bandeirantes.

While on final approach to the airport at St. Thomas, Virgin Islands, on the night of February 8, a Cessna 402C with a pilot and four passengers lands in the sea, three mi. short of the runway (two dead).

Customer bookings this year increase 42% to 26,030.

Flights continue in 1998. Enplanements are level at 26,000.

While departing Ft. Lauderdale for the Bahamas on June 8, 1999, in heavy rain, a chartered Cessna 402C, with a pilot and nine passengers, goes off the side of the runway and crashes into an airport taxiway sign; although no injuries are reported, the aircraft is badly damaged.

Customer bookings jump 16.8% to 31,000.

A company Cessna 402C with 10 passengers aborts its March 16, 2000 takeoff from Ft. Lauderdale on a service to Bradenton; the aircraft veers off the runway and into a fence, where one passenger is hurt.

AIR SUPPLY (PTY.), LTD.: P.O. Box 3799, Halfway House 1685, South Africa; Phone (11) 315-2504; Fax (11) 805-3365; Year Founded 1990. Air Supply is set up in 1990 to offer executive passenger and small group passenger charters throughout South Africa and to neighboring countries. Revenue flights commence with 2 Mitsubishi Mu-2s, 1 Beech King Air 90, 1 Super King Air 200, plus 2 Bell 206B JetRanger helicopters.

In 1995, the company seeks approval from the government to offer jet service, but this bid is denied. In 2000, Bradley Amolis is managing director, with Ivan Kier continuing, as he has for eight years, as chief pilot. The fleet comprises the 2 JetRangers, 1 McDonnell Douglas MD 500, and 2 Robinson R22s.

AIR SUR, S.A.: (1987–1991). Air Sur is formed at Madrid in early 1987 to offer regional flights with 2 Douglas DC-8-61s. Santiago Abril Lozano is named president with Juan Ruiz Arce as general manager. Enplanements reach 354,554.

Airline employment falls 33.9% in 1988 to 74 and the 2 older Douglas aircraft are replaced by 4 McDonnell Douglas MD-83s. Passenger boardings decline by 59% to 222,990 and revenues drop 30.5% to \$24.55 million.

The workforce is rejuvenated in 1989, growing by 24.3% to 92. Customer bookings drop sharply again, falling 26.2% to 243,192.

In an effort to redress its traffic failures, Air Sur details a fleet of 2 MD-83s and 1 SAAB 340A and inaugurates domestic third-level scheduled services in June 1990 to Almeira, Granada, and Seville.

A DC-9-10 is chartered from Intercredit Corporation on January 29, 1991, but is sold, lease in place, to a new owner, ILFC, on April 18.

The scheduled service gambit is not successful and unable to achieve viability after this start-up, the carrier suspends operations in June. The DC-9 is repossessed on July 24.

AIR SWAZI CARGO, LTD.: Swaziland (1987–1995). This all-cargo charter operation is formed at Mbabane by Brian Parmenter and T. M. Longmore (the latter is also a player in **African International Airways, Ltd.**) in 1987 to offer regional and international all-cargo services. The 20-employee carrier is outfitted with a single Boeing 707-320C that in April begins a weekly service from Manzini to Amsterdam via Mauritius and Cairo.

Freight charters are continued throughout Africa and Europe until the company shuts its doors on August 31, 1995.

AIR SWEDEN, A.B. See TIME AIR SWEDEN, A.B.

AIR SWIFT, LTD.: United Kingdom (1994–1996). Air Swift is established at Cairns in the summer of 1994 to offer domestic and regional passenger charters. Revenue flights commence with 1 each British Aerospace Jetstream 31 and Beech Super King Air 200. The fleet is altered in 1995 to include 2 Cessna 402s and 3 Cessna 310s; scheduled flights commence linking the carrier's base with Hope Vale. Operations continue into 1996.

AIR SWIFT (PTY.), LTD.: Australia (1992–1997). Air Swift is established at Cairns in 1992 to offer scheduled, charter, and contract service flights with a fleet of 5 Piper PA-31-350 Navajo Chieftains. Scheduled service is offered to Hope Vale and continues apace in 1993. The fleet in 1994 includes 2 Cessna 402s and 3 Cessna 310s. Flights continue until the company shuts its doors in April 1997.

AIR TAHITI, S.A. (1): French Polynesia (1951–1953). The first Air Tahiti, which is also known as **Tahiti-Hawaii Airlines**, is a privately owned amphibious operation established in 1951. Employing a single Grumman G-73 Mallard, the airline undertakes to fly mail between Papeete, Bora Bora, and Aitutaki in the Cook Islands. Unable to maintain viability, the company is sold to the colonial government of Oceania in 1953, which reorganizes the carrier into **Regie Aérienne Interinsulaire, S.A.**

AIR TAHITI, S.A. (2): French Polynesia (1969–1987). Created at Papeete by local business interests in 1969, Air Tahiti is equipped with light aircraft in order to undertake local scheduled services. Controlling interest in another local carrier, **Air Moorea, S.A.**, is purchased in 1970; the new subsidiary is allowed to continue operations under its previous name.

By 1978, the fleet comprises 1 de Havilland Canada DHC-6 Twin Otter, 4 Britten-Norman BN-2 Islanders, 3 Piper PA-23 Aztecs, 1 Piper PA-34 Seneca, and 1 Cessna 206. In addition to charter flights, daily scheduled seven-minute frequencies link Papeete with Moorea and Tetiaora.

During the early 1980s, the carrier adds two more Islanders and an Aztec. The company now emphasizes its scenic tour business, adding

one-day interisland charters. In 1983, airline employment is 53 and 142,588 passengers are flown. Operations continue apace in 1984–1987.

Upon the departure of **UTA French Airlines, S.A.** in January of the latter year, the carrier's assets are merged with those of **Air Moorea, S.A.** under its name, in order that the French independent's subsidiary, **Air Polynésie, S.A.**, might assume the **Air Tahiti, S.A. (3)** name.

AIR TAHITI, S.A. (3): Boulevard Pomare, BP 314, Papeete, Tahiti, French Polynesia; Phone 689 86 4000; Fax 689 86 4069; <http://www.airtahiti.pf>; Code VT; Year Founded 1987. Upon the departure of **UTA French Airlines, S.A.** in January 1987, the assets of **Air Tahiti, S.A. (2)** are merged with those of **Air Moorea, S.A.** under its name in order that **Air Polynésie, S.A.** might assume the **Air Tahiti, S.A. (2)** name. Ownership is divided between the French Polynesia Territorial Government (14%), financial institutions (32%), individuals (30%), employees (12%), and UTA (7%). Former **Air Polynésie, S.A.** Managing Director Christian Vernaudeau succeeds President Jean F. Lejeune and the fleet is dramatically altered; gone to **Air Moorea, S.A.** are 5 Islanders and acquired are 2 Fairchild Hiller FH-227s and 2 Avions de Transport Regional ATR42-320s. The new aircraft benefit from the application of a fresh logo and livery.

The fleet is changed again in 1988–1989; all of the Islanders and both American-made Friendships are replaced by 2 more ATR42-320s. In October of the former year, the carrier purchases **UST (UTA Service Tahiti, S.A.)**, which provides ground handling at Papeete Airport.

Christian Vernaudeau is named chairman of both **Air Tahiti, S.A. (3)** and **Air Moorea, S.A.** in 1990 with Marcel Galenon as CEO. Orders are placed in May for a pair of Dornier 228-212s, one of which will be turned over to **Air Moorea, S.A.**

Enplanements reach 308,800, including 7,800 flown on charter. In addition, 10,385,000 pounds of freight are transported. Revenues total US\$4.62 million, expenses are US\$4.5 million, and net profit is US\$123,270.

The two airlines each acquire a Dornier 228-212 in 1991.

While on final approach to Nuku Hiva on an April 18 service from Hiva Oa, a Dornier 228-212 with 2 crew and 20 passengers loses an engine and ditches at sea off the runway at Nuku Hiva (10 dead).

Despite the tragedy, overall passenger boardings jump to 354,280, all but 4,480 of which is scheduled service. Cargo climbs to 14.29 million pounds and revenues ascend to US\$4.94 million. Net profit drops to \$12,000 as the world airline recession begins to take hold.

Air Tahiti, S.A. (3)'s Dornier is replaced by an ATR72-202 in 1992 as the number of destinations served reaches three dozen. Also added are three ATR42-320s.

Enplanements are up to 364,810, including a boost in charter boardings to 4,610. Freight poundage rises to 14.71 million and revenues rise to US\$5.19 million. The net profit moves up to US\$49,474.33.

Chairman Vernaudeau oversees a workforce of 520 in 1993 as a second ATR72-202 arrives. Markets served include Bora Bora, Huahine, Maupiti, Moorea, Raiatea, Rangiroa, Manihi, Nuku Hiva, Hiva Oa, Mangareva, Rurutu, and Tubuai.

Customer bookings slide to 350,000, on 15,500 flights. The year's profits are US\$1.73 million (operating) and US\$1.49 million (net).

The workforce is increased to 550 in 1994 and the fleet now includes 2 ATR72-202s, 3 ATR42-320s, and 2 Dornier 228-212s. Orders are outstanding for 2 ATR72-202s and 2 ATR42-320s.

The year's 400,285 bookings increase revenues by 21% to US\$60.55 million. Expenses climb 18% to \$56.99 million, leaving an operating profit of US\$3.56 million and a net gain of US\$1.49 million.

Thirty-eight new employees join the company in 1995 and changes are made in the fleet. Gone is a Dornier, replaced by another ATR72-202 and a de Havilland Canada DHC-6-300. The ATR42 order is revised; three ATR42-520s are now requested for delivery during the next two years.

Passenger boardings jump 7.5% to 432,740 while cargo climbs twice as much, by 15.5%, to 1.67 million FTKs.

A third ATR72-202 is delivered in May 1996 and the first ATR42-520 arrives in November. Beginning on October 31, local investors lay the groundwork for the creation of a long-haul operation that will be known as **Air Tahiti Nui, S.A.** Air Tahiti, S.A. (3) takes a 12.2% stake in the new enterprise. In December, orders are placed for three new ATR72-210As.

Two more ATR42-520s arrive in 1997, one each in February and May. The ATR72-210As are received during the summer and a fourth is ordered in October for delivery the following May. With this request, the company's fleet renewal program is completed as three ATR42-300s and three ATR72-202s have been replaced.

The last ATR72-210A is delivered on June 1, 1998. Plans are made for the receipt of the A340-200 at the end of the year and the inauguration of services to such Pacific Rim communities as Los Angeles, Osaka, Tokyo, and Vancouver.

At the end of January 1999, airline employment stands at 739. Enplanements for the year total 643,000 and 4.13 million FTKs are also operated.

AIR TAHITI NUI, S.A.: P. O. Box 1673, Papeete, Tahiti, French Polynesia; Phone 689 46 0202; Fax 689 46 0290; <http://www.tahitiniui-usa.com>; Code TN; Year Founded 1996. Beginning on October 31, 1996, local Tahiti investors lay the groundwork for the creation of a long-haul operation that will be known as Air Tahiti Nui, S.A. **Air Tahiti, S.A. (3)** takes a 12.2% stake; other investors include AWAC, Brassaire de Tahiti, the CPS pension fund, the French Polynesian government, Group Moana Nui, SEGC, Socredo Bank, Tahiti Tourisme, and the Wan Holding company.

Nelson Levy is named chairman, with Jacques Bankir as president/CEO. Plans are made to serve the travel and tourism market that has always existed in this romantic corner of the South Pacific.

Late in 1997, Air Tahiti Nui, S.A. orders an Airbus Industrie A340-200, which will wear the island's Tiare flower as its tail logo.

Plans are made for the receipt of the A340-200 at the end of 1998 and the inauguration of services to such Pacific Rim communities as Los Angeles, Osaka, Tokyo, and Vancouver.

A contract is entered into with SABRE group for reservations and other computer operations, while an arrangement is completed with **Delta Air Lines** for use of its facilities in Terminal 5 at Los Angeles LAX. The chartered Airbus, an A340-211 previously operated by **Air France**, is received in October and christened *Bora Bora*.

Air Tahiti Nui receives DOT operating approval on November 5 and thrice-weekly roundtrips commence on November 20 from Papeete to Los Angeles. In December, the Air Tahiti Nui Airbus launches twice-weekly roundtrips between Papeete and Tokyo (NRT), replacing those previously flown by **Air France**.

At the end of January 1999, the 130-worker airline establishes its own homepage on the World Wide Web.

Weekly A340 roundtrips commence on April 4, 2000 between Papeete and Osaka (KIX).

On May 21, the company enters into a code-sharing alliance with **Qantas Airways (Pty.), Ltd.** under which the two will operate joint flights between Papeete and Auckland. The new arrangement begins on June 21 with the Tahitian Airbus operating down and back weekly on Wednesdays and Thursdays and a Qantas service offered Sunday through Monday.

AIR TANZANIA CORPORATION (ATC): P.O. Box 543, ATC House, Ohio Street, Tancot House, City Drive, Dar es Salaam, Tanzania; Phone 255 (51) 38 300; Fax 255 (51) 46 545; <http://www.mwebmarketplace.co.za/airtan>; Code TC; Year Founded 1977. The tri-national **East African Airways Corporation**, in which Tanzania is a partner, ceases trading in January 1977. With no air service available in the country, ATC is formed on April 19 as the Tanzanian successor and national carrier. New domestic and international routes are inaugurated on June 1. A two-year technical and managerial contract is signed with **Finnair O/Y** in November.

In 1978, Chairman J. K. Chande and Managing Director Yahya Rubama oversee a fleet that includes 2 Boeing 737-2R8Cs and 4 Fokker F.27-600s. Airline employment stands at 800. Enplanements for the first full year of business are 192,707.

A total of 260,952 passengers are carried in 1979, together with 1.27 FTKs of freight.

The workforce is increased by 5.5% in 1980 to 1,756 and the fleet is increased by 4 F.27-600s and 4 de Havilland Canada DHC-6-300s. New routes are opened to Europe and Asia.

Freight traffic skyrockets 51.3% to 1.92 million FTKs and passenger boardings jump 32.8% to 388,322. An operating loss of \$1.3 million is reported on total revenues of \$42 million.

Two F.27-600s stand down in 1981 as world economic conditions impact the carrier. On July 31, a B-737-2R8C is involved in an accident at Dar es Salaam under unknown circumstances. Enplanements are down to 309,200.

The workforce falls to 1,407 in 1982, a drop of 6.3%. Four hijackers, demanding the resignation of President Julius K. Nyerere, seize Flight 206, a B-737-2R8C with 99 passengers, during a February 26 domestic flight from Mwanza to Dar es Salaam. After killing two hostages, the pirates force the pilot to fly to Nairobi, Kenya, and then on to Jeddah, Saudi Arabia.

The next day, the Boeing flies to Athens and then on to London (STN), where it is immediately surrounded by police, who force the hijackers' surrender. Tried in a British court, the perpetrators will receive prison terms ranging from three to eight years.

Cargo for the year dips 1.6% to 1.18 million FTKs, but passenger traffic accelerates 23.8% to 405,774.

The two F.27-600s are reinstated in 1983. Airline employment drops to 1,390. Cargo accelerates 22.4% to 1.44 FTKs, but passenger bookings grow only 0.7% to 406,148.

Only six new employees are hired in 1984. Two F.27-600s are again withdrawn. While on final approach to Karege from a December 20 training flight, a DHC-6-300 with three crew crashes; there are no survivors.

Passenger boardings, nevertheless, rise 22.7% to 498,533 while freight soars 63.9% to 2.36 million FTKs.

In 1985, the workforce is level at 1,396. Passenger boardings drop 10.5% to 450,995, but cargo soars again, up 40.1%, to 3.31 million FTKs.

Six new employees are hired in 1986 and the fleet now comprises 2 B-737-2R8Cs, 3 F.27-600s, and 3 DHC-6s. Silva L. Rwebangira becomes managing director in November.

The year's customer bookings fall another 2% to 444,661 and freight drops 39.3% to 2 million FTKs. Revenues total \$26 million, but costs are higher and leave an operating loss of \$3.99 million and a net decline of \$1.37 million.

Two new workers arrive in 1987. Employing a leased B-767-200ER, service is inaugurated in early November from Dar es Salaam to London via Rome and Frankfurt.

Passenger boardings jump 3.4% to 455,063. Freight ascends 25.8% to 1.49 million FTKs.

The 1,402-employee flag carrier enjoys a mixed year in 1988. When the government fails in January to make available the funds required for the acquisition of equipment, the carrier postpones its plans to operate to Europe.

Because it has not been properly locked down, the left main landing gear of an F.27-600RF with 4 crew and 47 passengers, collapses when the turboprop lands at Dar es Salaam on January 31; although the aircraft is damaged beyond repair, there are no fatalities.

En route from Dar es Salaam to Mount Kilimanjaro on the night of February 13, a B-737-2R8C with 76 passengers is hijacked by 4 young men wielding knives and who demand to be flown to London. The pilot, tricking the perpetrators, returns to Dar es Salaam, where the pirates attack both him and the copilots once their situation becomes known. The hijackers are overpowered by police and they will be tried and sent to prison for 15 years.

Customer bookings fall 10% to 410,322 while cargo is up again, by 10.2%, to 2.7 million FTKs. A net loss equivalent to \$5 million is suffered for the year.

Two employees are laid off in **1989**, in which year the fleet includes the same 2 B-737-2R8Cs and 3 DHC-6-300s as earlier, but 1 fewer F.27-600. E. N. Olekambainel, a longtime Tanzanian civil aviation department senior executive, is appointed general manager in May.

Passenger boardings plunge 35.1% to 267,016 as freight does worse, falling by 42.6% to 1.57 million FTKs.

Company employment inches up 0.1% in **1990** to 1,402. A DHC-6-300 with two crew crashes at Dodoma on May 3; both flyers escape injury.

Customer bookings reverse their decline and grow by 8.6% to 289,890. Cargo, on the other hand, continues to slide, dropping 3.7% to 1.51 million FTKs.

The payroll is cut a slight 0.5% in **1991** to 1,395 and the fleet now includes 2 B-737-2R8Cs, 3 each DHC-6-300s and F.27-600RFs. On June 1, a B-767-260ER is leased from **Ethiopian Airlines, S.C.** and is employed to operate from Dar es Salaam to London (LGW) and Bombay.

The former service is expanded to Frankfurt on June 6, operating via Kilimanjaro, Rome, and London (LGW).

Passenger boardings decline by 1.5% to 188,000 while freight skyrockets 73% to 1.96 million FTKs.

Managing Director Silva L. Rwebangira's workforce is sliced another 6.3% in **1992** to 959 and the Ethiopian lease expires in February. For failure to meet its interline Clearing House debts, the company's IATA membership is suspended in April. Destinations visited include Bujumbura, Djibouti, Dubai, Entebbe, Gabarone, Harare, Kigali, Lilongwe, London, Lusaka, and Muscat.

Customer bookings increase 24.2% to 216,361, but cargo slips to 1.94 million FTKs.

In **1993**, the new general manager, Alfred Carere, oversees a 45.5% increase in his employee population to 1,395 and the reduction of his fleet by removal of the Twin Otters and one F.27-600RF. The latter had been involved in a nonfatal accident on December 12.

Enplanements drop by 15% to 183,642, as a result of the suspension by the company of its international service. Freight traffic falls 16.1% to 1.62 million FTKs. Company books show a \$195,000 loss.

The workforce is cut a huge 45.6% in **1994** to 760. Shannon Aerospace, Ltd. of Ireland receives a contract to maintain the company's two Boeings.

In September, an agreement is signed with **Air Malawi, Ltd.**; under its terms, the two airlines will operate joint services to South Africa, sharing costs and revenues.

ATC, under the arrangement that in December creates **Alliance Airlines (African Joint Air Services)**, surrenders its international routes—particularly those to Europe—to the new entity.

Traffic figures, reported through October, show an increase of 3.3% in bookings to 159,405, while cargo rises 10.6% to 1.59 million FTKs. Operating income for the whole year totals \$18.43 million, while operating expenses are \$17.75 million. As a result, a \$677,000 operating profit is realized and a net gain of \$4.85 million is celebrated.

There is no change in the number of employees in **1995**. Although the Twin Otter is removed, the company joins in support of the multinational **Alliance Airlines (African Joint Air Services)**, which flies a leased South African B-747SP-44.

Enplanements accelerate 20.3% to 241,116 while freight increases 41.9% to 2,948,000 FTKs.

Airline employment holds firm in **1996** and the fleet now includes 2 each B-737-2R8Cs and Fokker F.27-600RF Friendships. One of the latter is out of service; however, a "Baby Boeing" participates in the launch of a code-sharing route with **Air Malawi, Ltd.** to South Africa and Dubai.

Passenger boardings climb 3.5% to 249,673 and 3.26 million FTKs are also operated—a 10.7% increase.

Destinations visited in **1997** include 20 domestic markets, plus Bujumbura, Dar es Salaam, Djibouti, Dubai, Entebbe, Harare, Kigali, Lusaka, Mahé, Muscat, and Nairobi.

During October, plans are completed that will have Air Tanzania and **Uganda Airlines, Ltd.** merge with **Alliance Airlines**, forming the core of **Alliance Express, S.A.; South African Airways (Pty.), Ltd.** and Transnet, the government-owned parent firm, are expected to cover costs.

Customer bookings slip 2.2% to 220,652 while cargo moves ahead by 3.5% to 3.1 million FTKs.

A crisis erupts with **Alliance Airlines (African Joint Air Services)** during the late spring of **1998**. For several years, it has been claimed that ATC has not cleared its investment debts dating from the commencement of the airline in 1994. The dispute reaches such a point of hostility that ATC Chairman Abbas Sykes announces that his airline will withdraw from Alliance Airlines on expiration of the shareholders agreement on June 30.

Just after landing at a regional airport on May 11, a B-737-2R8C runs off the runway into a muddy field, where it gets stuck. No one is hurt and all aboard are eventually able to leave the aircraft, climbing down an emergency ladder three hours later.

On July 1, a check is found in the AJAS office that effectively clears up the fiscal matter. Dated December 10, 1997, it is for the full amount of \$59,000 owed by ATC. How it had been received and why it had not been entered into the company ledger is not explained.

Still, ATC officials indicate that they require negotiation of a new shareholder's agreement in which they may add written remedies to their long-standing objections to company policy. The Tanzanian government now steps in and reserves to itself the future of the relationship between the state carrier and the consortium.

The dispute continues throughout the summer and fall. ATC is finding it impossible to proceed toward privatization without the international traffic rights it had given away in 1994. Prospective investors inform the airline that they will not provide equity without the rights.

In August, ATC joins in the economic sanctions and flight embargo placed on Burundi by regional leaders. Burundi had been a lucrative market for Tanzania and was served by all modes of transport, largely from Dar es Salaam.

On October 28, Tanzania's Minister for Transport and Communications Ernest Nyanda is quoted with permission by Reuters, Ltd. and in local newspapers as indicating that ATC is no longer a viable transport entity. It will prove impossible to privatize ATC without return of the traffic rights. Whether to remain a part of the consortium or pull out will be decided by the minister in the new year.

In an effort to encourage peace talks between the government of Pierre Buyoya and Hutu rebels, regional leaders on December 23 suspend economic sanctions against Burundi.

Passenger boardings inch up 0.8% to 222,000, while freight traffic rises 14.2% to 3.5 million FTKs.

Scheduled passenger air service between Dar es Salaam and Bujumbura, the capital of Burundi, resume on January 14, **1999**, via Kilimanjaro.

Leaders of East Africa end their two-and-a-half year embargo of Burundi on January 26; Air Tanzania, which has honored the sanctions since their imposition in July 1996, resumes flights to Bujumbura on February 1.

Unable to compete successfully with local carriers, ATC suspends service to Dubai on February 1.

A code-sharing agreement is signed with Gulf Air Company on May 14. On May 19, the government rejects an airline request to continue collecting royalties from foreign airlines entering its market. The old practice is seen to be dying out in the era of liberalization.

Under terms of the new dual-designator pact with Gulf Air, ATC is able to place its code on Gulf Air flights from Zanzibar and Dar es Salaam to Dubai, Muscat, and Jeddah on May 29.

Service is maintained without detail through the remainder of the year. The dispute between **Alliance Air (African Joint Air Services, Ltd.)** and the governments of Tanzania and Uganda is unresolved.

After stepping back from a call for Alliance's April **2000** closing, Transnet, parent of **South African Airways (Pty.), Ltd.**, instead gives warning that it wishes to pull out of the joint venture within six months.

It does, however, agree to provide funding as long as Uganda and Tanzania agree to a new business plan and contribute monthly funding of \$126,000 each.

During the third week of May, ATC and **Uganda Airlines, Ltd.** inaugurate joint daily service over a direct route from Dar es Salaam to Entebbe. The flights upgrade a previous twice-weekly schedule and allow connections to international destinations, as well as points within Tanzania.

Uganda fails to make payment of any kind after May and Tanzania escapes the cash contribution by providing the carrier with in-kind services, such as landing fees and ground handling. The two national governments, acting in consultation, do agree to sell their shares into the private sector, thereby minimizing state involvement in the joint venture. Their national carriers, meanwhile, concentrate on a new daily roundtrip schedule jointly introduced between Dar es Salaam and Entebbe.

Blaming leaders of its partner nations, particularly Tanzania, for its inability to perform to a higher level, the airline, during the first week of September, reports a \$50-million loss since 1994.

On October 2, **DAS Air Cargo, Ltd.** and the Tanzanian Chamber of Commerce step forward with an offer to purchase 30% stakes (the Uganda and Tanzania holdings) each in Alliance, with DAS also bidding \$5 million to take over the 40% stake held by Transnet. The deal is conditional in that DAS must also be given traffic rights to the Alliance routes and the Alliance debt must be satisfied.

The **DAS Air Cargo, Ltd.** rescue effort collapses on October 10. With both Uganda and Tanzania having failed to pay their part of expenses, **South African Airways (Pty.), Ltd.** refuses to continue operating its Boeings for the partnership airline. Without lift, the company is forced to suspend all operations the same day.

AIR TARA, LTD.: GPA House, Shannon, County Clare, Ireland; Phone 353 (61) 360-0000; Fax 353 (61) 360-0070; Year Founded 1994. Air Tara, Ltd. is organized at GPA House at Shannon in the summer of 1994 to provide passenger charter and inclusive-tour flights with units of the huge GPA Group. Brian Hayden is named managing director and he inaugurates and continues revenue flights with three Boeing 737-300s.

AIR TASMANIA (PTY.), LTD.: Australia (1968–1981). Air Tasmania (Pty.), Ltd. is formed at Hobart in 1968 to provide scheduled commuter services throughout the island as well as to the Australian mainland. Employing single-engine Pipers, the carrier undertakes flights linking Hobart with Queenstown, Wyngard, Devonport, Smithton, Strahan, and Launceston plus Flinders Island and the mainland towns of Moorabin and Tullamarine.

Services are maintained; however, in early 1980, the company is purchased by Bassair. D. Darbyshire is named chairman and the fleet is upgraded over the next year to include 3 Piper Navajos, 3 Navajo Chieftains, and 3 Embraer EMB-110P Bandeirantes. Late in 1981, the company is merged with **H. C. Sleight Airlines (Pty.), Ltd.** to form **Airlines of Tasmania (Pty.), Ltd.**

AIR TAXI. See **FLORENCE AIRLINES**

AIR TAXI, LTD.: Singapore (1966–1968). Air Taxi, Ltd., literally an air taxi service, is established at Singapore in 1966 to provide local non-scheduled, on-demand services, both passenger and cargo. Revenue flights begin with several small Cessnas and a Douglas DC-3 and continue until the company is reorganized into **Singapore Air Services (Pty.), Ltd.** in 1968.

AIR TAXI ASSOCIATES (EASTERN AIR TAXI): United States (1964–1966). Established by Edward Brown at Monmouth County Airport in New Jersey during the summer of 1964, this company inaugurates daily roundtrip scheduled Piper lightplane commuter services to New York (JFK) on November 23.

The company is purchased by the Castanea Corporation on February 23, 1965 and merged into its third-level operator (**Eastern Air Taxi**), which is also based at Monmouth. In 1966, the combined carrier is sold to Thomas Hartford, son-in-law of William "Bill" Piper, who reforms the airline into **Piper Twinair**.

AIR TAXI COMPANY: Iran (1958–1980). To operate passenger and cargo charters, Air Taxi Company is formed at Tehran in 1958. In addition, maintenance, repair, overhaul, and contract service flights are also performed. The associate firm **Air Service Company** is established in 1962. Managing Director A. Djanhanbani's 400-employee nonscheduled operation undertakes its revenue services with 5 Douglas DC-3s and 8 Rockwell Aero Commanders.

Operations continue apace over the next 17 years, with but two recorded accidents.

A chartered DC-3, with 2 crew and 23 passengers, fails its takeoff from Ahwaz, Iran, on April 13, 1970, and slides off the runway after settling back down; there are no fatalities. Another DC-3 is written off at Shiraz on June 13, 1971.

Like other Western-oriented firms, Air Taxi ceases operations in 1979. It is taken in hand by the new Islamic government and merged in 1980 with **Pars Air** to form **Iran Asseman Airlines**.

AIR TAXI COMPANY (RED BANK): United States (1960–1968). Organized at Red Bank, New Jersey, in the fall of 1960, this scheduled air taxi service inaugurates daily Britten-Norman BN-2 Islander roundtrip frequencies to New York City on December 8.

The route network is expanded in 1961–1965 to include services to Allentown, Reading, Lancaster, Philadelphia, and Buffalo.

In September of the latter year, it joins with several other small third-level operators and **American Airlines** to provide "Metro Air Service" (traffic feed) to the major's gates at New York. On July 29, 1968, the company is merged with **Reading Aviation** to form **Suburban Airlines**.

AIR TAXIS (PTY.), LTD.: Australia (1938–1939). P. H. Moody forms a small charter company at Rockhampton in early July 1938. Employing small de Havilland aircraft, the carrier begins Rockhampton to Mount Coolon service on July 7. Unable to find sufficient traffic or revenue, Moody is forced to cease operations on November 10, 1939.

AIR TCHAD (COMPAGNIE NATIONALE TCHADIENNE, S.A.): 27 Ave. du President Tombaibaye, BP 168, N'Djamena, Chad; Phone 235 51 5090; Fax 235 51 3581; Code HT; Year Founded 1966. Created at N'Djamena (formerly Fort Lamy) on June 24, 1966, this state carrier is owned by the government (66%) and the **UTA French Airlines (Union de Transports Aeriennes, S.A.)** associate company Sode-traf (34%). Marcel Bourdin is named general manager and is given a fleet consisting of 2 each Douglas DC-3s and Cessna 206s.

Revenue services begin on August 4 and are conducted with operational and technical assistance contracted from the French partners. A leased DC-4 provides the connection to Paris from the former French colony via Algiers and replaces a service previously offered on Chad's behalf by **Air Afrique (2) (Societe Aerienne Africaine Multinationale, S.A.)**.

Enplanements by the end of 1967 total 7,000, with 240 tons of cargo also transported.

Flights continue throughout the decade and into the 1970s. By 1977–1978, President Adoum Aganaye's fleet comprises 1 DC-4, 2 DC-3s, 1 Piper PA-28 Cherokee, and 1 Beech 58 Baron. Destinations linked to the capital include Mongo, Ati, Abecher, Fort Archambault, Faya, Am Timan, Largeau, Pala, Bongor, Moundou, Geneina, Boi, Abou Deia, Oum Hagier, and Bokoro.

During the years that follow, Air Tchad is often inactive due to severe domestic political turmoil and a continuing war with Libya. Regularly scheduled operations resume in 1982–1983 at which time the fleet comprises 1 Fokker F.27-600RF Friendship and 1 DC-3.

Operations continue apace in an on-again, off-again manner in **1984–1988**. The difficulties with Libya cause all kinds of security problems and frequent suspensions of service.

In **1989**, General Manager Mahamat Nouri continues to provide domestic services; however, his fleet has been upgraded by the addition of two de Havilland Canada DHC-6-300 Twin Otters in place of the Douglas. In **1990**, one of the Twin Otters is replaced by a Cessna 402 and Cessna 310. Domestic services continue into the new decade.

A Boeing 707-347C joins the fleet in **1991**, but due to recessionary pressures must be withdrawn in **1992**. During the latter year, the factions that have been in conflict for almost 30 years reach a peace accord. When **Air France** takes over **UTA French Airlines, S.A.**, the original UTA stake passes to the Paris-based survivor, which now enters into a cooperative agreement.

In **1993**, General Manager Nouri oversees a 61-employee workforce and one each Fokker F.27-600RF and DHC-6-300. Flights link N'Djamena with Abecher, Bol, Bongor, Mao, Pala, Mongo, Am Timan, Sahr, and Moundou. Two DC-3 freighters are acquired in **1994**. These are withdrawn in **1996**, along with the Fokker.

Djibangar Madjirebaye is president in **1997**, with General Manager Nouri continuing in office. Destinations visited from N'Djamena include Abecher, Moundou, and Sarh. A total of \$4.4 million in sales are generated.

Flights continue in **1998–2000**, during which time the airline employment numbers 61.

AIR TERREX, LTD.: KA Kablu 971, Praha 10 CZ-100 00, Czech Republic; Phone 42 (2) 70 50 89; Fax 42 (2) 70 44 93; Year Founded **1992**. Air Terrex is founded at Prague in **1992** to offer passenger and inclusive-tour charters to regional and Mediterranean destinations. Revenue operations commence with a single Boeing 727-230A once flown by **Deutsche Lufthansa, A.G.** In **1993**, the fleet is increased by the addition of 2 chartered trimotors, 1 B-727-51 originally operated by **Northwest Airlines**, and 1 B-727-2D3A first delivered to **Alia Royal Jordanian Airlines**.

With flights to North Africa and Mediterranean holiday destinations continuing in **1994**, a second hub is set up at Bratislava. The B-737-230A is leased to **Air Pacific, Ltd. (2)**.

It is understood that flights continue largely without change during the remainder of the decade; exact information is, however, unavailable.

AIR TEXANA: United States (1980–1981). Employing one each Beech 18 and Convair CV-580, this Beaumont, Texas-based regional inaugurates scheduled passenger and cargo services in **1980** linking its base with Dallas (DFW and DAL) and New Orleans.

In the wake of the **1981 PATCO** air traffic controllers' strike, Air Texana is unable to function with the restrictions placed on ATC at its large destinations and is forced to shut down.

AIR TEXAS: United States (1968–1971). Walter S. Miller establishes Air Texas at Waco in **1968** to provide scheduled air taxi flights to McGregor via Dallas. Daily Aero Commander 500B and Beech 99 revenue flights are duly inaugurated and maintained until **1971**. Aircraft tails wear a circular "Lone Star" logo taken from the blue, red, and white fields of the state flag.

AIR TEXAS AIRWAYS: United States (1980). ATA is set up at Dallas in early **1980** to offer scheduled daily roundtrip shuttle flights to Houston. Although Piper lightplane flights are duly inaugurated, they cannot be maintained for more than a few months.

AIR 3000 AIRLINES, LTD.: Canada (1988–1989). **Air 2000 Airlines, Ltd.** is formed at Toronto on April 1, **1988** as a Canadian associate of the U.K. charter operator by that name, which is the airlift arm of the tour group Owners Abroad. The Manchester-based airline, with quarter ownership, holds too much "foreign" interest, and is forced to divest itself in order for the Canadian operation to get started.

Accordingly, the 25% shareholding is sold to Toronto-based Deluce Investments, Ltd. and Robert Deluce becomes president. Other shareholders include Colin Hunter, Paul Jervis, and Chairman John Lecky.

A Boeing 757-28A leased from **Air 2000, Ltd.** in the U.K. arrives in late November; it is painted in Air 2000 livery with a maple leaf painted on the forward passenger door.

The company receives an operating license from the National Transportation Agency (NTA) of Transport Canada on November 29. On December 1, certification allows the Canadian company to begin non-scheduled flights to holiday destinations in the Caribbean, Mexico, and Florida.

Airline employment in **1989** stands at 165. In accordance with the terms of its license, the company begins seeking a new name with which to replace the one employed. An initial idea, Air 3000, Ltd., is submitted to the NTA at the end of April; the regulators will turn the concept down.

The company receives the first B-757-28A it has chartered from the International Lease Finance Corporation (ILFC) on May 5, allowing return of the leased unit. The new plane, with Air 3000, Ltd. titles, will have to be repainted.

Agreeable to NTA, the carrier disassociates itself entirely from the British carrier on May 10 by changing its name to **Canada 3000 Airlines, Ltd.** With two chartered B-757-28As in hand by mid-month, the company is able to launch its first service on May 17 from London (LGW) to Toronto.

AIR TINDI, LTD.: P.O. Box 1693, Yellowknife, Northwest Territories X1A 2P3, Canada; Phone (403) 920-4177; Fax (403) 920-2836; <http://www.airtindi.com>; Code 8T; Year Founded **1988**. Members of the Arychuk family found Air Tindi, Ltd. at Yellowknife, Northern Territories, in **1988** to offer regional scheduled and nonscheduled passenger and cargo services. "Tindi" means "big lake" or "great slave lake" in the native Dogrib language.

Alexander Arychuk is chairman/president; Peter Arychuk is vice president; Teri Arychuk is operations manager; and Sheila Arychuk is treasurer. Operations commence with a single de Havilland Canada DHC-3 Otter.

Services continue apace during the remainder of the decade and into the next, with a leased de Havilland Canada DHC-6-300 Twin Otter committed to a dedicated service on behalf of the Echo Bay Mines. The company's first owned DHC-6 arrives in **1990**, acquired with assistance of the Rae-Edzo Development Corporation.

Air Tindi merges with Latham Island Airways, Ltd. in **1991**, thereby acquiring additional aircraft, including 1 Twin Otter, 1 medevac-equipped Beech Super King Air 200C, 1 DHC-2 Beaver, and 1 Piper PA-31-310 Navajo. All of Latham's experienced personnel are taken on and a floatplane base is taken over. By the summer of **1992**, the company is also flying another Twin Otter, float-equipped like the others, along with a new Cessna 208B Grand Caravan.

Although traffic figures are not released for these two years, the privately owned company, in something of an about-face from the usual release of traffic numbers, does reveal its revenue figures. In the former year, income is C\$6.91 million and the net profit is C\$259,959. During the latter period, revenues slide to C\$5.09 million, but net gain jumps to C\$394,432.

Air Tindi acquires its first large aircraft in **1994**, when it purchases a DHC-4 Caribou for seasonal resupply to various exploration companies. **Loganair, Ltd.** of Scotland sells the carrier a fifth Twin Otter, while a Beech King Air C90 arrives from the U.S. A flying school, christened the Northern Flight Training Center, is opened at Yellowknife Airport. Four small Cessnas are acquired for schooling purposes.

A DHC-3T Turbo Otter arrives in **1995**. At the same time, construction is begun on a new three-story office building at Yellowknife.

A large passenger plane is acquired from de Havilland Canada in **1996**, a DHC-7-102. It is employed to upgrade scheduled service to Lutsel K'e, Rae Lakes, Snare Lake, and Wha Ti. The new office building is

opened later in the year. The workforce stands at 65 in **1997** as a second Grand Caravan enters service. Revenues reach C\$11 million.

Flights continue in **1998**. On April 1, scheduled service is expanded with daily roundtrips started from Yellowknife to Fort Simpson.

Flights continue apace in **1999–2000**. During July of the latter year, another DHC-6-300 is acquired, this one from an airline in Abu Daibi, U.A.E.

AIR TIWI (PTY.), LTD.: Australia (1996–1998). This tiny regional is established at Darwin in June **1996** as a subsidiary of **Airnorth (Pty.), Ltd.**, which also enjoys shareholding by Pimtubula, a trustee for the Tiwi native peoples. Employing a brightly painted Shorts 330-200, the new entrant launches scheduled third-level flights from Darwin to Bathurst Island and Melville Island.

Additional services are laid on in **1997–1998** as the company works to enhance the tourist industry on the two islands. Unhappily, this upgrade cannot achieve viability and the company shuts its doors during the latter year.

AIR TORONTO, LTD.: Canada (1988–1991). Owned by Soundair, Ltd. and its founder, Brian Child, the **Air Canada, Ltd.** commuter partner **Commuter Express, Ltd.** is renamed Air Toronto, Ltd. in March **1988**. At the time of this image makeover, undertaken to improve marketing in the U.S., President Stephen Smith's "Air Canada Connector" carrier is operating a fleet of 11 Fairchild-Swearingen SA-226 Metro IIs and Merlin IVs. Scheduled international passenger commuter return frequencies from Toronto include Columbus, Dayton, Saginaw, Grand Rapids, Allentown, and Harrisburg.

During May, the acquisition of 1 Douglas DC-4, 1 Fokker F.27, and 3 Cessna 402s further upgrades the fleet. Later in the month, 3 Merlin IVs are replaced by 1 Convair CV-580, which begin flights to Louisville, Kentucky. Twice-daily nonstop Convair service between Toronto and Indianapolis begins in June.

In July, finding that the former **Commuter Express, Ltd.** fleet and the recent acquisitions are inappropriate for the route structure, President Smith requests 6 British Aerospace BAe Jetstream 3201s (upgraded Jetstream 31s known as Super Jetstream 31s) for lease from their manufacturer, pending delivery of an equal number of ordered machines.

When the purchased BAes, for which Air Toronto is launch customer, begin to arrive on February 21, **1989**, the 4 remaining Merlins and 5 of 6 Metro IIs are transferred to another Soundair subsidiary. The first Super Jetstream 31 service is flown on February 26 from Toronto to Louisville, Kentucky.

The Grand Rapids route is revised in March to include stops at Kalamazoo and Battle Creek. The last of the leased Jetstream 31s departs Toronto for **Air BC, Ltd.** at Vancouver on April 28. The service to Saginaw is eliminated, but flights begin to Green Bay and Madison, Wisconsin, on May 14. The CV-580 is withdrawn from service on July 2 and the ninth Super Jetstream 31 arrives later in the month.

The Convairliner, the F.27, and a Fairchild are assigned to an Air Toronto charter division, two more daily frequencies are added in October from Toronto to Indianapolis, and the number of daily transborder flights is increased to an even 50.

Passenger boardings increase 68.1% to 116,000.

The workforce is cut by 11.8% in **1990** to 150 and the fleet comprises 9 BAe Jetstream 3201s, the Fokker, and the Convair. Soundair Corp. is placed into receivership by the Royal Bank of Canada on April 15. The airline division briefly assumes independent status, which is surrendered when it is purchased by **Air Canada, Ltd.** late in the month.

The new "Air Canada Connector" continues its operations from Toronto to eight northeastern U.S. cities as before; however, the number of frequencies are increased by 15% in May. Negotiations with Soundair's receivers, Ernst & Young, over the airline's cost are terminated in September.

Customer bookings ascend 3.4% to 120,000 and revenues total C\$22.4 million.

The Fokker and Convairs are removed in early **1991** as the carrier battles its parent in court over the right of **Air Canada, Ltd.** to take over its assets. Weekend Jetstream 31 roundtrips from Toronto to Dayton commence in January.

In April, the company, having lost its side of the legal proceedings, is liquidated. The remnants and the U.S. routes are sold and merged into the **Canadian Airlines International, Ltd.** partner, **Ontario Express, Ltd.**

AIR TOULOUSE INTERNATIONAL, S.A.: France (1969–2000). Organized at Aeroport de Toulouse Blagnac in the fall of **1969**, Air Toulouse operates for 21 years as an air taxi service. During this entire period, the company's largest airplane is a Beech Super King Air 200.

During the summer of **1990**, the company is reformed into Air Toulouse International, S.A., a seasonal French charter carrier that will offer services to holiday destinations in Europe, Africa, and the Middle East. President/Director General Jean-Pierre Murracioli employs a workforce of 40, soon to be expanded to 140 during the summers.

Revenue flights commence on December 8 with one Boeing 737-200 and an Aerospatiale (Sud-Est) SE-210 Caravelle XB leased from **Europe Aero Service, S.A.** Both wear a plain white color scheme with red tails wearing the *croix occitane* (occidental cross) logo of the city of Toulouse. Scheduled charter weekday flights between Toulouse and Bristol commence two days later on behalf of Airbus Industrie.

Operations continue apace in **1991** as two more Caravelle XB are delivered, also leased from **Europe Aero Service, S.A.** Like the earlier aircraft, these wear a red and white livery (white fuselage with black titles and red tail) adorned with the *croix occitane*.

During the recessionary year of **1992**, the independent French carrier is unable to maintain either traffic or financial viability. Consequently, it is forced early on to enter *sous administration judiciaire*, or receivership. The company does not disappear, but is rescued in the spring by Saint Fiacre, the financial concern controlled by Francis Lagarde. Saint Fiacre also owns **Europe Aero Service, S.A.**, which reorganizes it as its new subsidiary, Societe Nouvelle Air Toulouse International, S.A. (SNATI). The previously owned Boeing 737-200 is removed, but the 3 Aerospatiale (Sud-Est) SE-210 Caravelles XBs transport 120,000 passengers on the year.

Operations continue apace in **1993**. On March 2, **1994**, a charter route is opened weekly from Toulouse to Lisbon via Oporto. It is replaced in April by a scheduled nonstop Caravelle service between Toulouse and Lisbon, flown in competition with **Air France**. The route, the last in the world flown by the SE-210, becomes twice weekly in September.

At the end of January **1995**, Europe Aero Service files for bankruptcy and SNATI's plan to replace its Caravelles with B-737s is temporarily put on hold.

On May 27 the company celebrates the fortieth anniversary of the first flight of a Caravelle. On its regular Toulouse to Lisbon flight, the celebratory aircraft is flown by former Concorde pilot Commandant Boyer.

One Caravelle remains in the fleet during **1996–1997** as the "Baby Boeings" enter service. Added are 1 owned B-737-2D6A and 1 each leased Dash-2A1A, Dash-2L9A, Dash-2M8A, Dash-2S3A, and Dash-219A. Two Embraer EMB-110 Bandeirantes provide service over thinner routes.

During the spring of **1998**, the owned B-737-2D6A is repainted in a new color scheme, featuring a white fuselage and red tail.

Managing Director Francois Hersen's carrier continues operations in **1999**, but rising fuel prices, falling traffic, and bad weather negatively impacts finances. Scheduled replacement services previously operated for other airlines are dropped on July 1 as the carrier concentrates on regional charters.

With 51% backing from French investors Charles-Henri Rossignol and Jean-Francois Felix and a 49% stake by the U.S. fund investor DPI, Air Toulouse is reformed during the first quarter of **2000** into **Aeris, S.A.** Employing a pair of wet-leased B-737-300s, the reformed carrier, which retains Hersen at the helm, now performs wet-lease charters and subcharters for other European operators.

AIR TOUR ACQUISITION CORPORATION: United States (1992–1993). ATAC is established at Honolulu in 1992 to offer charter and flight-seeing trips around the islands. President Thomas R. McCroskey and Vice President/General Manager Ken Fletcher hire a workforce of 90 and commence operations with a fleet of 10 Piper PA-31-350 Navajo Chieftains. Flights cease within a year.

AIR TOURS, INC. See ISLAND AIRLINES

AIR TRACIA, S.A.: Str. Gh. Doja, No. 11, Cluj-Napoca, 34000, Romania; Phone 00 40 (0) 64-197806; Fax 00 40 (0) 64-193221; <http://www.dntej.ro/tracia>; Year Founded 1994. Air Tracia is established in October 1994 as a sales agent for the major airlines operating into Bucharest. In February 1996, the company introduces a twice-daily smallplane shuttle service between Cluj-Napoca and Bucharest. Services continue.

AIR TRACK LINEAS AEREAS, S.A.: Calle San Francisco de Sales 35-3, Guzman el Bueno 133 30, Madrid, E-23003, Spain; Phone 34 (1) 535-2159; Fax 34 (1) 535-2374; Code ZH; Year Founded 1996. Air Truck, S.A. is renamed in June 1996. Gerardo Herrero remains chairman, with Jose Parries as managing director. The workforce stands at 130 and the fleet includes 5 Antonov An-26s, 2 Kamov Ka-32s, 7 Mil Mi-8s, and 4 Dassault Falcon 20s. The company also owns 3 Avions de Transport Regional ATR42-320s that are flown under contract by the subsidiary associate company **Lineas Aereas Navarres, S.A.**

Concentrating on cargo, construction, and passenger charters, Air Track flies from its main Pamplona hub to Barcelona, Madrid, Munich, San Sebastian, Almeria, Meonorca, and many nonscheduled destinations.

AIR TRADER OF SWEDEN, A.B.: Sweden (1972–1973). AT of S is established at Malmo in early 1972 to offer charter passenger and cargo flights to world destinations. Three former **Trans-Canada Airways, Ltd.** Vickers Vanguard 952s are leased from Air Holdings, Ltd. and employed to inaugurate services on February 12 from Stockholm to Dacca.

The cost of business skyrockets as a result of the oil crisis and the company is soon in fiscal difficulty. In October, the airline is forced to declare bankruptcy. New investors step forward to attempt a rescue, but this move fails and the carrier shuts its doors at the end of February 1973.

AIR TRAILS: United States (1981). Air Trails is set up at Salinas, California, during the first quarter of 1981 to offer scheduled passenger and cargo flights to Oakland and San Francisco. Cessna 310 revenue flights commence on April 1, but due to ATC restrictions of the PATCO air traffic controllers' strike, cannot be maintained beyond August 14.

AIR TRAIN: United States (1987–1989). Air Train is an all-cargo carrier established in 1987 to serve as a contractor to **CF AirFreight**. When CF AirFreight and **Emery Air Freight** merge in 1989, Air Train is bought out and folded into the new joint enterprise, **Emery Worldwide**.

AIR TRANS AFRICA (PTY.), LTD.: Southern Rhodesia (1965–1980). Formed at Salisbury in August 1965, **Air Trans Africa (Pty.), Ltd.** undertakes nonscheduled passenger and cargo charters to a variety of destinations in central and southern Africa. Operations are maintained over the next 12 years with a few heavy aircraft and a number of lightplanes, primarily de Canada Havilland DHC-2 Beavers.

Jack M. Malloch is named managing director. The major units of his fleet include 1 Douglas DC-4, 2 DC-7Cs, and 1 de Havilland DH 114 Heron. The latter is employed in 1966 to offer Salisbury to Victoria Falls tourist services. The Douglas freighters operate up the west coast of the continent via Luanda, Sao Tome, and the Canary Islands, to Lisbon.

In cooperation with the South African independent carrier **Protea Airways (Pty.), Ltd.**, roundtrips to Mauritius begin in January 1967.

Interesting events in the company's history now occur. The company, which has acquired a Lockheed L-1049G Super Constellation from

VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.), commits its support to the Biafran airlift. Following the secession of Biafra from Nigeria in May, a group of mercenaries under Capt. Hank Wharton are contracted to begin providing night supply flights from Sao Tome or Libreville into rebel aerodromes. Following the capture of Enugu and Port Harcourt, the principal destination becomes the airfield at Uli. To counter the mercenary missions, the Nigerians commandeer six **Nigeria Airways, Ltd.** DC-3s for use as night bombers against the rebels.

The night flights continue into 1968, with the airlift ending in mid-February. Although several aircraft have been lost, that from Air Trans Africa is not one of them. A second Super G Constellation is purchased from **TAP-Air Portugal, S.A.** at year's end.

Operations continue apace during the remainder of the decade and into the 1970s. In 1977, the subsidiary **Air Gabon Cargo, S.A.** is formed and registered at Libreville. The following year Managing Director Malloch acquires another DH 114 Heron. The carrier ceases operations in 1980 when the nation becomes Zimbabwe.

AIR TRANSAT, LTD.: 11600 Cargo Road A1, Montreal International Airport, Mirabel, Quebec J7N 1O9, Canada; Phone (514) 476-1011; Fax (514) 476-0338; <http://www.airtransat.com>; Code TS; Year Founded 1987. This international charter airline is established at Montreal's Mirabel Airport by the local tour wholesaler Traffic Voyages, Ltd. during the **Air Canada, Ltd.** strike of January 1987. Jean-Marc Eustache is president. In addition to a purchased unit, two Lockheed L-1011 TriStar Is are leased from **Air Canada, Ltd.** and employed to operate several of the state carrier's charters during the job action, including those for Treasure Tours. Destinations visited, via refueling stops at Goose Bay or Gander, include London (STN), Dublin, and Shannon.

One of the leased Lockheeds is replaced by a second purchased TriStar I in May 1988 and is used to initiate flights from Montreal, Toronto, and Quebec City to Paris in June. Late in the year, Treasure Tours cuts back its inclusive trip demand. Still, winter flights are offered to the Caribbean, Florida, Mexico, and Las Vegas.

In the spring of 1989 new services are opened from Toronto to Manchester and Prestwick. A third L-1011 is purchased from **Eastern Air Lines** in June and undertakes Montreal–Paris charters on behalf of French travel agencies. The earlier TriStars are upgraded to L-1011-50 standard in order to provide nonstop transatlantic service. Enplanements reach 424,000 in 1990.

Company employment is increased by 20% in 1991 to 600 and the fleet now includes 4 L-1011s and 3 Boeing 727-233As acquired from **Air Canada, Ltd.**, the latter in May and June.

The company's first scheduled service is inaugurated in December between Montreal and Ft. Lauderdale, Fla.

Enplanements for the year nearly double, to 806,000, and revenues total C\$125 million.

The payroll grows a further 16.5% in 1992 to 699 as 2 B-757-200ERs join the fleet. Orders are outstanding for another TriStar and 4 more B-757-200ERs.

Passenger boardings jump 10.6% to 891,000 and revenues reach C\$138.8 million.

In 1993, President F. LeGault oversees a workforce of 750 and provides flights to cities in the Caribbean and Mexico, as well as the European destinations of Belfast, Birmingham, Dublin, Frankfurt, Glasgow, London, Manchester, Newcastle, and Shannon. Two bays of a hangar facility are acquired at Montreal's Mirabel Airport. Enplanements total 1,417,769.

Airline employment is cut by 8.8% in 1994 to 706 and company headquarters are transferred into the new Montreal hangar facility. The leased fleet now includes 2 B-757-23As, 3 L-1011-100s, and 1 each B-757-236, B-757-28A, L-1011-1, and L-1011-50. The 3 B-727-233As are withdrawn.

Passenger boardings inch up 1.5% to 1,424,893 and revenues decline 0.5% to C\$196 million. Still, a net C\$5.6-million profit is reported.

The three B-727-233As retired the previous year are sold in **1995**. European travelers rush to Canada during the summer to enjoy the advantages of Canada's weak dollar; much of the traffic from Germany to Montreal is dominated by Air Transat. In November, an unsolicited takeover bid is received from Montreal-based **Royal Aviation, Ltd.**; it is not accepted. Net profit triples to C\$16.9 million.

A former **TAP-Air Portugal, S.A.** L-1011-500 is acquired under a lease-purchase arrangement from Fortis Aviation during January **1996**. It is employed to open new services to Portugal, followed by Poland.

The French carrier **STAR Europe (Societe de Transport Aerien Regional, S.A.)** is purchased at the end of the year by the company's parent, the travel concern Look Voyages. Look Voyages is part of the Transat Group and thus becomes the European associate of Air Transat, Ltd. Philippe Bureau is now president/CEO of the carrier.

Enplanements for the year total 1.75 million.

A B-757-2Q8 arrives in April **1997** under charter from the International Lease Finance Corporation (ILFC). Just after takeoff from Toronto on May 22 on a service to Las Vegas, the B-757-28A is forced to return to its point of origin by what turns out to be a faulty engine monitor box.

In June, another TriStar formerly operated by the Portuguese flag carrier is also leased from Fortis.

In September–October the company leases two B-737-46Ms operated by the Belgian carrier **Virgin Express Airlines, S.A.** to assist with the winter season's Florida charters. The two aircraft will be returned in late March **1998**.

On April 3 a company L-1011-500 completes a 12-day contract to provide lift for the media entourage accompanying President Clinton to Africa. Seven destinations in six countries are visited and the crew—4 in the cabin, 13 flight attendants, and 6 support personnel—work in shifts in various capacities.

While en route from Newcastle-upon-Tyne to Toronto on August 25, Flight 311, a B-757-2Q8 with 8 crew and 221 passengers, is forced to make an emergency landing at Shannon Airport after one of its engines shuts down. Fire crews standing by at the Irish aerodrome are not required and no injuries are reported.

The company's other B-757 is sent to Shannon to pick up the stranded passengers, who reach Toronto next day. Each of the travelers is given C\$150 compensation by the airline, which also arranges to pay for their trips home and reimburses them for wages lost due to the delay.

Capt. Jean Guertin, the carrier's first chief pilot, is on hand at Montreal on December 15 as the company unveils a new aircraft livery. The Air Transat name will now appear in billboard letters on the all-white fuselages of its aircraft. On the tail, a white star peers out from the clouds. The change reflects the strategic development of a synergy within the Transat Group with **STAR Europe (Societe de Transport Aerien Regional, S.A.)**, whose activities are complementary to those of Air Transat.

At the end of the year, Air Europe leases the former **TAP-Air Portugal, S.A.** long-range L-1011-500. Enplanements for the year total 2.5 million.

In ceremonies at Toulouse on February 23, **1999**, the company accepts delivery of the first of two new Airbus Industrie A330-243s. The second aircraft is delivered in April. Both of the new A330s, chartered from ILFC, are assigned to Air Transat's summer transatlantic routes, particularly on nonstop flights from Vancouver to Europe and from Toronto and Montreal to Portugal and Greece. The planes will also be assigned to Hawaii service during the fall schedule.

The Canadian Industrial Relations Board on May 17 certifies the Air Line Pilots Association (ALPA) as the new collective bargaining unit for the company's pilots.

Arriving at Toronto for a 300-mi. flight to Montreal on June 26, businessman Michel Tasse ends up making the longest day-trip in history. In an error uncaught by either departure gate or cabin personnel, Tasse is boarded aboard the company's Manchester-bound L-1011-500. By the time the error is discovered and corrected, Tasse has nearly arrived in

England. Air Transat returns him to Toronto and gives him a ticket aboard a rival airline to Montreal—a 7,000-mi. detour.

Enplanements these 12 months total 2.5 million. For the year ending in October, the carrier's parent, Transat A.T., has revenues of C\$1.1 billion and record net income of C\$20.4 million.

At the beginning of **2000**, airline employment is 1,500. Early in the year, the company receives government approval to offer scheduled services to Germany and the U.K. in order to insure competition for the Air Canada/Canadian Airlines combine.

In order to provide additional capacity for these scheduled transatlantic routes, the company, in mid-August, orders 6 refurbished A310-304s, the first of which will begin delivery in December.

A B-757-23A and Dash-2Q8 are employed on June 15 to launch twice-weekly scheduled roundtrips from Montreal to Vancouver via Toronto and Winnipeg.

Arrangements are completed with **Emirates Airlines** on July 11 for the purchase of the Mideast airline's 6 A310-304s. When the Airbus begin to arrive in December, they will start to replace the TriStar fleet.

AIR TRANSIT: United States (1959–1968). Organized at Show Low, Arizona, in the spring of **1959**, this scheduled third-level operator is outfitted with a fleet of Beechcraft lightplanes. Beech 18 and Cessna 205/310 revenue flights commence on May 12 linking the company's base with Douglas, Prescott, Phoenix, and other local destinations.

Service continues until **1968**.

AIR TRANSIT, LTD.: Canada (1974–1976). To demonstrate the effectiveness of STOL (Short Takeoff and Landing) aircraft for commuter shuttle operations, **Air Canada, Ltd.** receives a C\$20-million grant in **1974** from the Canadian Department of Air Transport to provide the manpower and management necessary to undertake a trial under the name "Air Transit."

Operated with six de Havilland Canada DHC-6-300s, roundtrip hourly flight operations from Rockcliffe Airport (Ottawa) to the Expo '67 parking lot (Montreal) commence on July 24. Deemed a complete success, the experimental service ceases on April 30, **1976** and the Twin Otters are turned over by the flag carrier to the DOT.

AIR TRANSIT (PTY.), LTD.: Australia (1986–1990). Air Transit (Pty.), Ltd. is formed at Adelaide Airport in **1986** to provide scheduled services to Kangaroo Island. The initial fleet comprises three Cessna 402s. By the time the third-level carrier is renamed **Air Kangaroo Island (Pty.), Ltd.** in **1990** it has acquired a third Cessna 402.

AIR TRANSPORT: 7007 Boeing Drive, El Paso International Airport, El Paso, Texas 79925, United States; Phone (915) 772-1448; Fax (915) 772-1467; Year Founded 1979. AT is set up at El Paso in **1979** to offer executive charter, cargo, and air ambulance services. Certification is received for flights throughout the U.S. and Canada, Mexico, the Caribbean, Central and South America.

Revenue operations begin and by **2000** General Manager Jerry Wingett's concern flies 3 Learjet 25s and 1 each piston-engine Cessna 206T Turbo Skywagon, C-210, C-402 Business/Utiliner, C-404 Titan, and C-421.

AIR TRANSPORT CHARTER, LTD.: United Kingdom (1946–1952). Founded at Jersey Airport in July **1946**, Air Transport Charter (Channel Islands) does not begin operations until March **1947** after 2 Miles M.57 Aerovan 4s are delivered. Following a month of produce charters, the first ex-military Douglas C-47A is purchased on April 1; christened *St. Martin*, it begins flying holiday charters from the Channel Islands to U.K. cities on April 2. The Aerovan 4s are sold in June and by fall the fleet includes 3 DC-3s and 3 de Havilland DH 89As Dragon Rapides.

The Dakotas begin produce charters to Bovington Airport from France and Italy in early **1948**. On May 20, the *St. Martin*, en route to Bovington from Valencia, is destroyed in a crash at Bovington (three dead).

It is replaced in June by another DC-3, named *St. Saviour*, allowing summer Channel Island charter flights to continue without interruption. On August 4, the *St. Saviour* is diverted to Fassberg for participation in the Berlin Airlift; upon its withdrawal on November 10, the DC-3 has flown 205 sorties into the former German capital.

Produce and passenger charters continue from 1948–1950 without incident or undue excitement. In October 1950, the airline is purchased by the London-based travel consultants Lambert Brothers, which moves the carrier's Dakotas from the Channel Islands to Blackbushe Airport.

In 1951, the airline flies a significant number of replacement flights for both **British Overseas Airways Corporation (BOAC)** and **British European Airways Corporation (BEA)** as well as military personnel flights under contract to the Royal Air Force.

While climbing away from Manchester on March 27, the DC-3 *St. Saviour*, with three crew, loses an engine in icing conditions and crashes (two dead). Summer flights to the Channel Islands resume in June.

Military contracts see the carrier through the winter. The summer of 1952 marks the company's last series of European and Channel Islands flights as the company is successfully prosecuted for operation of an unlicensed Blackbushe–Jersey service. Flight operations cease on October 31, the aircraft are sold, and the firm is reconfigured into an avionics company.

AIR TRANSPORT EUROPE, A.S.: Tatry Airport, Poprad, SK-05898, Slovak Republic; Phone 421 (92) 61 911; Fax 421 (92) 61 945; <http://www.trynet.sk/ate>; Year Founded 1991. ATE is set up at Poprad in 1991 to provide charter passenger services to regional destinations. Operations into Yugoslavia become spotty during that nation's civil war in mid-decade.

By 1999, Managing Director Milan Hoholik oversees a 28-person workforce and flights by his single Tupolev Tu-134A generate \$6.6 million in sales.

With the start of NATO military operations on March 24 against Yugoslavia on behalf of the province of Kosovo, flights into Belgrade cease. They are allowed to resume in early July.

AIR TRANSPORT INTERNATIONAL, L.L.C. (ATI): 3800 Rodney Parham Road, Little Rock, Arkansas 72212, United States; Phone (501) 224-8175; Fax (501) 224-8164; <http://www.baxworld.com>; Code 8C; Year Founded 1980. ATI is established at Miami in November 1980 to offer contract service flights and engage in the aircraft leasing business. A fleet is assembled, including 2 Douglas DC-8-55Fs and 2 DC-8-62Fs. Revenue flights are inaugurated in January 1981 over routes to Latin America. Operations continue apace for the next three years, but lacking the kind of aircraft necessary to meet Stage 2 noise regulations, the company shuts down in 1985.

During 1987, the two, grounded DC-8-62Fs are taken in hand and outfitted with hush kits. The 21-employee company, now based in Arkansas, reenters the contract game in July 1988. In September, the assets of bankrupt **Interstate Airlines** are purchased.

By year's end, a total of 13.83 million FTKs are flown. Revenues total \$9 million and costs allow both operating and net profits \$1.7 million.

The fleet in 1989 includes another DC-8-62F and 2 DC-8-61Fs, all appropriately silenced. Worldwide cargo charters are undertaken on behalf of the U.S. Department of Defense, the automotive industry, and other express-package operators.

Charters are also flown on demand for other charter and freight-forwarding companies. Cargo increases to 67.9 million FTKs and revenues reach \$29.2 million. The profits are \$2.93 million (operating) and \$3.02 million (net).

The workforce declines 0.1% in 1990 to 90, but traffic and revenues balloon. Freight skyrockets 133.1% to 186.2 million FTKs and revenues jump 47.4% to \$43.06 million. Expenses rise only 42.4% to \$37.41 million and allow an operating profit of \$5.64 million. At \$5.82 million, net gain almost doubles.

The employee population swells 30.3% in 1991 to 142 and the fleet now includes 2 each DC-8-61Fs and DC-8-62Fs plus 3 DC-8-63Fs. Orders are outstanding for 2 Boeing 747-100Fs, which will be wet-leased out or employed on charters.

Having decided to abort takeoff from New York (JFK) on a March 12 Brussels service, the pilot of a DC-8-62H-AF, with two other crew, is unable to stop the aircraft before it goes off the end of the runway. It hits a sand berm and an instrument landing system (ILS) shack, losing both its landing gear and four engines. Although the freighter is damaged beyond repair, there are no fatalities.

Cargo inches up by 0.9% to 187.54 million FTKs and revenues move ahead by 3.5% to \$44.55 million. Expenses rise 8.1% to \$40.31 million, causing the operating income to slide to \$4.12 million. Net profit also slips to \$4.58 million.

While on final approach to Toledo on a February 15, 1992 service from Seattle, the cockpit crew of Flight 805, a DC-8-63F, apparently becomes disoriented and the freighter is placed into an unusual attitude from which recovery is not possible. The Douglas crashes 3 mi. NW of the runway and there are no survivors.

A fourth DC-8-63F is acquired as a replacement. Recession, however, has a more significant impact on the carrier than the loss of a freighter. Through November, cargo is down 5.7% to 192.6 million FTKs. Revenues plunge 43.7% to \$25.07 million, but expenses drop 40% to \$24.25 million. Consequently, operating profit declines to \$821,916 while net gain is cut to \$996,567.

Airline employment stands at 250 in 1993 and President David Clark's fleet now includes 2 each DC-8-61Fs and DC-8-62Fs plus 9 DC-8-71Fs and 3 DC-8-63Fs.

Freight recovers and increases 62% to 344.59 million FTKs. Revenues skyrocket 70.6% to \$42.77 million, expenses are up 55.5% to \$37.73 million, and operating profit jumps to \$5.04 million. The net profit hits \$5.13 million.

Operations continue apace in 1994 as a total of 7,000 charter passengers are flown. ICX International Cargo Express is merged on October 1. Two more DC-8-63Fs are acquired, including 1 received from the Irish airline **Aer Turas, Ltd.** together with 5 DC-8-62Fs. Four of these will be operated as pure freighters and the rest will be placed in a combi configuration. Simultaneously, the company receives a contract to operate 9 DC-8-71Fs of **Burlington Air Express** from that concern's Toledo hub to 30 domestic U.S. destinations.

Cargo swells 7.1% to 369.2 million FTKs. Revenues skyrocket 104.2% to \$87.33 million as expenses jump 92% to \$72.47 million. There is an operating surplus of \$14.86 million and a net gain of \$15.1 million.

The workforce stands at 460 in 1995. Approved by FAA Inspector Jeffrey Lashbrook to fly to Massachusetts for maintenance with but three engines, a DC-8-63F fails its takeoff from Kansas City Airport on February 17 and crashes into the ground, sliding 2,300 m. before stopping (three dead).

Lashbrook will be censured by Federal safety officials in their March 30 report for allowing an inexperienced crew to depart with the ineffective jetliner.

During the summer, the company undertakes nightly return cargo flights from Hartford, Connecticut, and San Juan, transporting raw, semifinished, and finished pharmaceutical and accessories on behalf of several major drug companies. The DC-8-63F service, arranged by Lep Profit International, insures a return in daylight via Columbus, Ohio.

At year's end, the Little Rock-based charter operator is granted national status by the DOT.

Enplanements skyrocket 80% to 27,000 while freight rises 5.5% to 553 million FTKs. There are profits: \$11.95 million (operating) and \$12.24 million (net).

The employee population is increased by 8.7% in 1996 to 500. Customer bookings ascend 7.4% to 29,000 and 626.69 million FTKs are operated, a 13.3% increase. Operating income dips 1.4% to \$128.78 million

and expenses jump 10% to \$130.42 million. The previous year's operating profit is turned into a \$1.66-million loss while the net picture turns from positive to negative with a \$5.91-million loss.

The employee population is cut by 10% to 450 in 1997. The fleet now includes 9 DC-8-62CFs, 11 DC-8-71Fs, 8 DC-8-63Fs, and 1 DC-8-61F, all configured for freight services. Some are wet-leased to other carriers. Others continue to provide worldwide all-cargo services for the U.S. auto industry, air freight forwarders, computer and oil exploration concerns, the DOD, and the express-package delivery industry.

Passenger boardings plunge 24.2% to 22,000 while freight declines 16% to 526.62 million FTKs. Revenues reach \$132.9 million, but losses are higher and there are losses: \$4.72 million (operating) and \$15.53 million (net).

BAX Global purchases the company in February and begins to operate it as a subsidiary in April 1998. Domestic and international all-cargo services are continued on behalf of integrated express companies and the U.S. military. Four DC-8-63Fs are withdrawn.

Customer bookings jump 9.1% to 24,000, while cargo traffic plunges 17.1% to 435.57 million FTKs. Revenues drop 19.6% to \$106.97 million, while expenditures are down 19% to \$111.46 million. The operating loss improves slightly to \$4.48 million and there is a net gain of \$17.47 million.

Airline employment at the beginning of 1999 stands at 450.

The year's passenger boardings drop 4.2%, but cargo surges 9.2% to 475,757,000 FTKs. Operating revenues jump 22.8% to \$131,348,000 while costs are up 22.1% to \$136,082,000. The operating loss deepens slightly to \$4.73 million, but the previous year's net profit becomes a \$4.7-million net loss.

Airline employment stands at 655 at the start of 2000, a 20% increase during the past 12 months.

AIR TRANSPORT OFFICE, S.A. (ATO): Zaire (1994–1995). ATO is established at Kinshasa to offer charter passenger and cargo services to regional destinations. Operations commence with a single Boeing 737-200C. Flights cease within a year.

AIR TRANSPORT PYRENEES, S.A.: France (1989–1995). This French commuter is established at Aeroport de Pau in late 1989; Lucien Bertrand is named managing director. A fleet is assembled comprising 1 Beech Super King Air 200 and 4 Beech King Air 100s. Scheduled passenger services are inaugurated in the spring of 1990; destinations served include Nantes, Biarritz, St. Etienne, and Toulouse.

A Beech 1900 is purchased, but is returned in 1991. At the same time, one King Air 100 is sold and replaced by a Cessna 310. Plans are made to merge the company on January 1, 1992, with **Air Exel France, S.A.**, **Airlec, S.A.**, and **Air Vendee, S.A.** to form **Regional Airlines, S.A.** The takeover does not occur.

Operations continue apace in 1993–1994 and the fleet is increased by the addition of one Embraer EMB-110 Bandeirante. Flights continue linking Pau with Nantes, St. Etienne with Toulouse, and Castres with Rodez and Lyon. Early in 1995, the company is purchased by **Proteus Air System, S.A.** and merged.

AIR TRANSPORT SCHOOL: Russia (1993–1995). Essentially an advanced flight-training facility at Moscow's Zhukovski Airport, General Director M. I. Didenko's operation begins to offer charter services to various Russian Federation destinations during 1993.

The fleet, drawn largely from **Aeroflot Russian International Airlines (ARIA)**, includes 2 Antonov An-32s, 2 Ilyushin Il-76s, 2 Il-86s, 2 Tupolev Tu-134s, and 2 Yakovlev Yak-40s. Services continue into 1994–1995.

AIR TRAVEL, LTD.: New Zealand (1929–1931). With a de Havilland 50 borrowed from the New Zealand government, Squadron Leader M. C. McGregor begins a daily Christchurch–Dunedin service on behalf of Air Travel, Ltd. in 1929.

Traffic is poor and the passenger service ceases on April 12, 1931. The carrier remains in service as a charter operator through the fall and on November 12, McGregor, flying a Spartan, carries the first all-New Zealand airmail from Invercargill to Auckland.

AIR TRAVEL (N.Z.), LTD.: New Zealand (1934–1945). Captain J. C. "Bert" Mercer forms New Zealand's first sustained regular airline at the South Island town of Hokitika in the fall of 1934. With a de Havilland DH 83 Fox Moth, he inaugurates service along the west coast on December 31 to the isolated communities of Haast and Okuru. In addition to scheduled passenger and cargo frequencies, Mercer also operates charters and flies the mail. The latter is the earliest surcharge-free mail service in the nation.

This route is extended from Hokitika to Inchoybonnie in early 1935. A second Fox Moth is now acquired that had previously been the personal aircraft of the Prince of Wales. Nicknamed the "Royal" Fox Moth, this DH 83 is piloted by another former World War I pilot, James Hewitt.

Flights continue over the remainder of the decade and into the 1940s, with the fleet increased by another Fox Moth, 2 DH 90 Dragonflies, 2 DH 89A Dragon Rapide, and 2 DH 84 Dragon. All are painted in a bright orange-and-white livery.

While en route from Hokitika to Wellington in December 1942, one of the two propellers of a DH 90 flies off the aircraft, causing it to crash into the sea; all five passengers are killed.

Being flown on a flight-seeing tour for four members of the Women's Auxiliary Air Force, the "Royal" Fox Moth crashes high onto the Franz Josef Glacier in October 1943. Although none of the five people aboard are seriously hurt, it requires two days for a rescue. The remains of the Fox Moth, including its engines, are carried off the ice in pieces; it will be rebuilt within seven months. The aircraft remains airworthy in 1998.

While return from a flight to the west coast in June 1944, the carrier's Dragon crashes on an isolated ridge. All five aboard, including Capt. Mercer who is travelling as a passenger, are killed.

Despite these accidents, flights continue, largely without change, until December 7, 1945 when the carrier is one of three combined to form **New Zealand National Airways Corporation**.

AIR TROIKA SP: 6/3 Kuznetski Most, Moscow, 103775, Russia; Phone 7 (095) 927-8303; Fax 7 (095) 924-3582; Code TK; Year Founded 1994. Air Troika is established at Moscow in 1994 to provide domestic all-cargo services. Sergi E. Andreyev is appointed general director and he commences revenue flights with a single Ilyushin Il-76D.

Flights continue in 1995–1997. During these years the fleet is increased by the addition of 5 Antonov An-26s, 7 Mil Mi-8s, and 2 Kamov Ka-32s. The helicopters are employed to operate external load and construction flights.

By 2000, Director General Andreyev oversees a 45-person workforce. His fleet has been increased by the addition of 2 Yakovlev Yak-40s and 1 Tupolev Tu-134A. UN charters, begun during the Kosovo crisis, are continued between points in Eastern Europe and Russia.

AIR TRUCK LINEAS AEREAS, S.A.: Spain (1990–1996). Air Truck is set up at Madrid in 1990 to offer domestic all-cargo services with a fleet of three Dassault Falcon 20s. Much of the business consists of feeding such giants as **UPS (United Parcel Service)** and **DHL Airlines**. A total of 2.28 million FTKs are flown on the year.

A fourth Falcon 20 is acquired in 1992 and freight traffic accelerates to 5.6 million FTKs. Operations continue apace as Managing Director Jose Parries's carrier during 1993.

Late in 1994, the subsidiary associate commuter, **Lineas Aereas Navarres, S.A.**, is formed and orders are placed for three Avions de Transport Regional ATR42-320s. These are delivered in the spring and fall of 1995 and enter regional service.

In June 1996, Air Truck is renamed **Air Track, S.A.**

AIR TUNGARU CORPORATION: P.O. Box 274, Bonriki International Airport, Bikenibeu, Tarawa, Kiribati; Phone 686 28 088; Fax 686 28 277; Code VK; Year Founded 1977. Formed on October 31, 1977 as the national airline for the Republic of Kiribati, Air Tungaru initially operates interisland services beginning in April 1978. The company's two Britten-Norman BN-2A Trislanders, operating from Bonriki Airport, link the capital of Tarawa with Butaritari, Marakei, Malana, Abemama, Nonouti, Tabiteuea North, and Beru.

In 1979, **Air Pacific, Ltd. (2)** obtains a five-year contract to provide scheduled services to Honolulu from Kiritimati and Tarawa.

By the early 1980s, the carrier's fleet has grown to comprise 1 CASA C-212 Aviocar, the 2 Trislanders, and 1 de Havilland DH 114 Heron. Regional services are offered, connecting Tarawa with Funafuti, Majuro, and Nadi.

The **Air Pacific, Ltd. (2)** contract ends in March 1984 at which time a Douglas DC-8 is leased from **Hawaiian Airlines** to fly a weekly non-stop Kiritimati-Honolulu frequency.

The long-haul operation is given up in 1987, along with the Heron. In 1988, Managing Director Capt. R. Cooney's fleet and network are the same as in 1981. Maate P. Moniba is named general manager in 1989. Under a charter agreement signed in October with **Aloha Airlines**, the flag carrier of Kiribati begins weekly roundtrip service in December from Honolulu to Kiritimati Tarawa, and Nadi.

In 1991, a Boeing 737-214 is purchased and the Hawaii service is resumed. Airline employment is 45 in 1992, but the expensive jetliner service is discontinued. CEO Moniba's 1993-1994 fleet includes the CASA C-212 Aviocar and two Trislanders.

Flights continue during the remainder of the decade.

AIR TUNISIA. See **TUNIS AIR, S.A.**

AIR TURKS AND CAICOS, LTD.: Turks and Caicos Islands (1976-1979). Air Turks and Caicos is formed at Providenciales during the first week of October 1976 to replace the former **TIGAS (Turks and Caicos Islands Government Air Services, Ltd.)**. Initial shareholding is held by the government (30%), **Trans-Jamaican Airlines, Ltd.** (35%), and private interests (35%).

Equipped with a Douglas DC-3 and a Britten-Norman BN-2 Islander, the national airline undertakes service on October 11. Domestic schedules link Grand Turk, Salt Cay, South and Middle Caicos, Pine Cay, and Providenciales while international routes link the islands with Cap Haitien and Santo Domingo.

In 1979, the carrier is renamed **Turks and Caicos National Airline, Ltd.**

AIR 21: United States (1995-1997). Mark Morro, who had founded **Wings West Airlines** some years earlier, establishes this large regional at Fresno Airport, California, in the fall of 1995.

A pair of Fokker F.28-4000 Fellowships, painted in a gray and navy blue livery, are leased from **USAir**. The first aircraft, flown by a USAir crew, arrives at Fresno on October 30, where it is christened *Spirit of Fresno* in a ceremony held at the hangar the airline is renting from the city. The second Fokker arrives the following week and both begin route testing; the company completes its certification process.

The start-up receives its FAA Part 121 Certificate on November 17. Scheduled no-frills, low-fare services are inaugurated on December 20 to Las Vegas, Palm Springs, and San Francisco.

Another F.28-4000 enters service during the first weeks of 1996. On March 1, a few days later than advertised, a daily nonstop return flight is initiated from Colorado Springs to Grand Junction, Colorado, with continuing service to Las Vegas, Fresno, and Los Angeles. Nonstop frequencies are also started from Grand Junction to Salt Lake City, continuing on to Fresno.

Confusion surrounds the new service starts because facilities are not initially ready at the Colorado Springs Airport. The airline has neither an

office nor a local phone, not even a desk prepared to sell tickets or answer inquiries. The matter is quickly put right. Travel agents at Colorado Springs agree to form an advisory board to assist the airline in developing and implementing a business plan.

Sixty daily frequencies are now offered to nine destinations, including San Francisco, Los Angeles, and Grand Junction. Still, it must be admitted that passengers flying into the latter point aboard Air 21 must wait at least two hours for their connections and, as a result, company flights to Colorado Springs are often only half full. On the bright side, flights from Grand Junction to Las Vegas are almost always sold out.

On May 23, President Morro announces that service to Colorado Springs and Salt Lake City from Fresno will be dropped because the route has not lived up to its expectations. He does not mention that **Delta Air Lines** had cut its prices to compete over the same route, overwhelming the new entrant and, in fact, forcing it out.

The three Fokkers are redeployed into the current market. Plans to start flying from San Francisco north to Bend and Eugene, Oregon, and Seattle on June 17 are postponed; however, a new route is opened on June 19 from Monterey to Las Vegas.

A marketing agreement is signed with **Reno Air** in July; the pact will, as it turns out, be short-lived. Possibilities are discussed with Atlantic City casino owners to provide long-haul charters, but result in no actual service contracts.

Traffic and fiscal reports are only released through October. In the year's first 10 months, a total of 157,259 passengers are flown and \$5.91 million in revenues are generated. Costs are high and losses result: \$2.03 million (operating) and \$2.42 million (net).

On November 8, it is announced that the company has retained On-Flight Media to paint scenes on its jetliners in an "outdoor" advertising AirLogo program similar to that used by **Frontier Airlines (2)** and **Western Pacific Airlines (Westpac)**.

The financially troubled regional leaves thousands of holiday travelers stranded when it halts regular flights in late December.

On January 8, 1997, the airline begins formal bankruptcy proceedings. A spokesman announces on March 12 that the carrier will convert its Chapter XI status to Chapter VII and liquidate and distribute its assets to its creditors. The process is completed by summer.

AIR 2000, LTD.: First Choice House, London Road, Crawley, West Sussex, England, RH10 2GX, United Kingdom; Phone 44 (1293) 518 966; Fax 44 (1293) 524 642; http://www.air2000.co.uk; Code DP; Year Founded 1986. Air 2000 is founded in July 1986 at Manchester by former **Air Europe, Ltd.** Managing Director Errol P. Cossey as the airline of the Owners Abroad Group (OAG) to operate flights in the package holiday industry, with a goal of offering 300,000 seats per year in the U.K. market. About half of this capacity will be taken by the OAG, the major (76%) shareholder. Cossey becomes the new Air 2000 CEO and, together with senior management of the new company, hold the remaining 24% interest. Orders are placed for two, leased Boeing 757-28As.

On April 11, 1987, the 290-employee enterprise begins 35 weekly leisure charter and inclusive-tour services to 12 European and Mediterranean destinations. Late in the year, one Boeing is subleased to **British Airways, Ltd. (2)**.

Explanations total 513,000 and an operating income of \$6.76 million is generated, along with a net gain of \$2.39 million.

The workforce is increased a huge 88.4% in 1988 to 275 and the fleet now includes 4 leased B-757-28As and 1 B-737-33A, the latter chartered from **British Midland Airways, Ltd.** Glasgow is added as a base from which to operate charter flights to the Continent and long-haul flights are initiated from London (LGW) to destinations in Canada, Kenya, Gambia, Mexico and the Caribbean.

A **Canadian 2000, Ltd.** subsidiary is formed, but as a result of protests from other Canadian carriers the Canadian Transport Ministry revokes its license late in the year, just before it is scheduled to open revenue services.

Local investors move in and purchase the company from its British parent. The winter season wet-leasing of certain of the U.K. airline's aircraft to its one-time offspring continues.

Passenger boardings skyrocket 103% to 860,379 and revenues increase 137.5% to \$82.8 million. Profits total \$11.6 million (operating) and \$6.45 million (net).

Airline employment increases 75% in 1989 to 483 as two additional B-757-225s, equipped to Extended Range Twin-Engine Operations (ETOPS) standard, are acquired. Direct Glasgow to Orlando service is launched in September and represents the first time that a British airline has successfully challenged the U.K. government policy that requires the use of Prestwick for international flights originating from Scotland.

Service to Boston and Newark also opens. Customer bookings surge 59% to 1,372,939 and revenues jump 71.2% to \$125 million.

In 1990 the number of company workers increases by 55.4% to 673 and the fleet comprises 10 leased B-757-200s. In April, the OAG pays \$11.2 million to acquire the 24% shareholding in the airline that it does not already possess. At the same time, Britain's third largest tour operator acquires the fourth largest operator, Redwing Holidays, in a three-year deal worth \$8.8 million.

Flights now begin from a new London (LGW) base. In December, the company is granted a license to inaugurate scheduled flights to Larnaca from a new base at Birmingham, as well as Manchester, Glasgow, and—for the first time after the government relaxes its restrictions—from London (LHR).

Passenger bookings increase 34.7% to 1,848,825 and the operating profit is \$17.6 million.

At the time the new flights begin in early 1991, the leased fleet includes 1 B-737-33A on charter from **British Midland Airways, Ltd.**, 2 B-757-225s; 4 B-757-23As; 3 B-757-236s, 4 B-757-28As, including 2 subleased to **Canada 3000, Ltd.**, and 1 chartered B-757-2Y0. Simultaneously, airline employment is increased 30% to 758.

Following the collapse of the International Leisure Group and its flagship airlines, **Air Europe, Ltd.**, in March, the OAG raises £28.9 million (\$50.6 million) in a public stock offering to be employed on expansion. In one six-day period in early April, over 100,000 vacations that would have gone to ILG are booked.

Customer boardings swell 30.4% to 2,443,512 and revenues jump 29.6% to \$290 million. The operating profit reaches \$24.4 million and net profit is \$15.2 million.

Airline employment grows 28.1% in 1992 to 1,002 and the B-737-33A is returned and replaced in April by 4 chartered Airbus A320-231s, 2 of which are placed in storage late in the year. Antigua, Bucharest, Funchai, and Skiathos are added as new holiday stops, with a number of flights being initiated, beginning in May, from a new hub at Bristol.

Passenger boardings leap upward by 32.3% to 3,404,843 while revenues climb 30.9% to \$369.9 million. Expenses are up 31.2% to \$339 million and leave an operating surplus of \$30.9 million. Net gain reaches \$15.7 million.

Airline employment in 1993 stands at 1,200. CEO Errol Cossey becomes chairman and former Finance Director Ken Smith is appointed managing director. Two more A320-231s are delivered and new charter markets are opened at Cancún and Verona.

The carrier, with its parent Owners Abroad Group, is able to defeat a hostile takeover bid by **Airtours International, Ltd.** The merger is largely derailed due to an inquiry by the U.K. Monopolies and Mergers Commission as well as by obstructive tactics of First Choice Holidays, which also takes a large stake in OAG.

Air 2000 introduces scheduled service in October over an inaugural route from London (LGW) to Larnaca and Paphos on Cyprus.

Customer bookings accelerate 19.1% to 4,063,064 as revenues swell 14.5% to \$403.5 million. Expenses rise only 14% to \$367.5 million and leave an operating profit of \$36 million. The net gain climbs to \$21 million.

The workforce is increased 0.7% in 1994 to 1,250 as scheduled flights to Cyprus are initiated from Birmingham. Plans are made to initiate services from Birmingham and Manchester to Larnaca and Paphos during spring of the upcoming year.

Late in the year, a B-757-236 is leased to the new Argentinean charter operator **Dinar Lineas Aereas, S.A.**

Passenger boardings move ahead by 3.4% to 4,200,500.

There is no change in the size of the workforce during 1995; however, all of the new services announced the previous year are started during the spring. New hubs are opened at Newcastle and Belfast. Following a change of senior management, the Owners Abroad Group is renamed First Choice Holidays. Approximately 75% of the airline's passengers come from First Choice, with more than 25 other tour operators contributing the balance.

In September–October, company pilots, flying wet-leased B-767s on behalf of **Alitalia, S.p.A.**, become the object of displeasure and job action by the pilots' union of the Italian state carrier.

The year is not good as the company suffers a 10.4% decline in customer bookings to 3,762,900.

Airline employment is reduced 4.3% in 1996 to 1,196. A third major base is opened at Dublin from which flights are started.

Traffic recovers and enplanements increase to 4,742,000. In addition, 1.16 million FTKs are operated.

The workforce grows to 1,350 during 1997. At the beginning of the year, the carrier unveils a new corporate color scheme, designed by Landor Associates, in which jetliners are painted in a variety of liveries, some including advertisements for specific destinations.

Destinations visited from Birmingham, Bristol, Dublin, London (LGW), Glasgow, Manchester, and Newcastle include Antigua, the Baleric Islands, Barbados, the Canary Islands, Cuba, the Dominican Republic, Florida, France, Greece, Israel, Italy, Malta, Mexico, Portugal, Spain, Sri Lanka, Thailand, Tunisia, Turkey, and Venezuela.

Customer bookings climb 3.7% to 4,676,149. It is revealed sometime later that a massive accounting error has erased £8.6 million from the parent's corporate balance sheet.

During the first quarter of 1998, a three-year program is launched. The new plan is designed to increase pre-tax profits to 4% of sales by the third quarter of 1999.

While en route from Birmingham to Malta on an April 7 holiday charter, an intoxicated father and son begin to brawl with other passengers. When the fracas cannot immediately be settled, Capt. Hugo Vonwiller is forced to divert the packed B-747-28A aircraft to Milan. Anthony and Roy Psaila are arrested and returned to the U.K. for trial, where they will eventually be sentenced to prison for a year (with six months suspended).

Also in April, a B-757-2Q8ER is acquired under charter from ILFC. Also during the second quarter, the B-757-2Y0 that has been operated on long-term lease, is sub-chartered to Thomas Cook Travel for an around-the-world trip, a TCS Expedition. The jetliner is painted in the colors of the tour operator and is temporarily christened *Explorer I*.

A deal is now struck for the lease of two chartered B-767-300ERs, to be delivered in April 1999 and April 2000, respectively. They will be the first wide-bodies operated by a British charter airline to feature two classes of service.

The company unveils a homepage on the World Wide Web during May.

When a minor fire breaks out in the cockpit of Flight 63 on June 22, a B-757-2Q8ER with 9 crew and 205 passengers returns to Larnaca, Cyprus, its point of origin.

Also during June, First Choice Holidays, the carrier's tour-operator parent, purchases Unijet Group, parent of **Leisure International Airways, Ltd.**, and will now be able to form a combined carrier the size of **Monarch Airlines, Ltd.**, the country's third largest charter carrier. All seven Leisure International aircraft are incorporated into the Air 2000 fleet in time for the opening of the winter holiday season at the end of October.

Reports begin to circulate in late December that an unnamed bidder has come forward in a series of "preliminary approaches concerning possible offers" to take over First Choice Holidays, all of which are "highly conditional."

Passenger boardings accelerate 22.6% to 5.94 million.

By the beginning of 1999, airline employment has increased by 45% to 1,958. It is announced on January 18 that Air 2000, the U.K.'s second largest charter airline, will launch Scotland's only nonstop scheduled service to Cyprus during the spring.

On January 20, the Golden Globe award for the U.K.'s Best Charter Airline, is presented to Air 2000 at the travel industry's awards banquet in London. This is the sixth time in the award's nine-year history that Air 2000 has been the recipient.

The rumors concerning a possible takeover by an outside source continue to circulate during the first quarter and increase the value of First Choice Holidays by 56%. Finally, the accuracy of the speculation is confirmed by First Choice on the London Stock Exchange on March 1 and revealed to the public in the on-line version of *The Guardian* on March 2. The media speculates that the potential bidder is thought to be Europe's largest tour operator, Preussag, A.G. Analysts suggest that the move may not be successful since the German concern holds a stake in rival Thomas Cook Holdings, parent of **Flying Colours Airlines, Ltd.**, which, in turn, owns 10% of First Choice Holidays.

The Guardian notes on March 7 that the approach to First Choice had been made not only by Preussag, A.G., but also by Airtours, parent of **Airtours International Airways, Ltd.** First Choice shares have soared 27p each in value over the last week. In a brilliant stroke, Airtours Chairman David Crossland is able to persuade Preussag to sell its remaining 10% stake in First Choice and remove itself from the bidding process.

On March 10, it is reported that First Choice is at an advanced stage of merger talks with Kuoni Reisen Holdings, A.G., a Swiss-based travel concern. Within days, the two companies agree to merge via stock swap, in which Kuoni shareholders obtain 53% of the combined group and First Choice shareholders the remainder. The offer from Kuoni is valued at 148.8p per share. Under terms of the arrangement, First Choice Chairman Ian Clubb becomes executive chairman, while CEO Riccardo Gullotti becomes group CEO. A new 14-member board will be drawn from both companies that will continue to trade in London and Zurich. The new joint enterprise will have £1.5 billion in capitalization.

The company's first new B-767-38AER is delivered on March 30. Simultaneously, the company completes the repainting of the fleet of the former **Leisure International Airways, Ltd.**, including a pair of B-767-39Hs.

On April 19, First Choice Holidays Chairman Ian Clubb warns Airtours not to continue its attempt at a hostile takeover in a bid now valued at £852 million. Such a "reckless gamble" is certain to require at least six months of regulatory agency investigation, while corporate profits would be badly damaged by the uncertainty of a review during the peak summer trading period. Unspoken is an additional First Choice fear that the 229p per share of common stock offer from Airtours will crush the Kuoni deal.

During the last week of April, the Swiss tour operator Kuoni and First Choice Holidays formally agree to the merger worked out earlier; the union will create the second largest European tour operator (after Preussag, A.G.'s TUI-Hapag Lloyd). The combined airline that will eventually result through a union with **Edelweiss Air, A.G.** will be the fifth largest charter carrier in Europe; in 1998, the two combined transported 6.8 million passengers.

On April 30, it is reported that Airtours has officially made its hostile takeover bid and that its chairman, David Crossland, has elected to avoid hearings by U.K. competition agencies by appealing directly to the European Commission (EC), which has final jurisdiction. It is also noted that rival Thomson Holidays, parent of **Britannia Airways, Ltd.** and Britain's largest travel group, is planning a price war designed to dilute any value of an Airtours-First Choice merger. The counteroffensive will bring something of a revolt among Thomson

shareholders, many of who would rather accept a number-two listing than suffer large financial losses.

Concerned about the possible creation of a monopoly in the U.K. travel market, the Association of Independent Tour Operators on May 1 petitions the U.K. and European Union competition authorities to disprove the hostile takeover of First Choice by Airtours.

A boozy stag party of 37 men from Sunderland, South Tyneside, and Liverpool show up at Newcastle Airport on May 1 intent upon taking the company's 2-hr. B-757-2Q8ER service to Ibiza. After acting in an "ungentlemanly" manner before the flight's other passengers at the departure terminal, ground staff notify the jetliner's captain, who orders the party barred from boarding. Still making a nuisance of themselves two hours after the aircraft's 8:40 p.m. local time departure, the men are finally escorted off the premises by police, who make no arrests. This "Sun Jet Ban for Rowdies" is reported in the on-line issue of *The Newcastle Chronicle & Journal Limited* on May 5.

Employing a B-757-2Q8ER, the new daily Glasgow to Paphos roundtrips commence on May 5. These are in addition to the Air 2000 scheduled frequencies to Paphos and Larnaca already operated from London (LGW), Manchester, and Birmingham.

The Guardian reports on May 9 that early signs are that an Airtours move to bypass U.K. regulators and apply directly to the EC—which has the final word—for approval of its First Choice takeover will be successful. This despite an expected negative submission from U.K. competition authorities expected to arrive in Brussels during the following week.

On May 26, the U.K. Department of Trade and Industry announces that it will not review the First Choice takeover on competition grounds and will not ask the EC for authority to undertake a separate investigation.

Rather than rubber-stamp the arrangement, the EC, on June 3, indicates that the deal will be subjected to an in-depth investigation that could last until October and may well result in its denial on competition grounds. As Airtours becomes aware of its growing first-half losses, it withdraws its bid for First Choice on June 10. This reversal revives the possibility that the March merger between First Choice and Kuoni will be completed.

Just after takeoff from Glasgow on September 3, the right engine of an Edinburgh Air Charter Cessna 404 with 1 pilot and 10 passengers stops, causing the aircraft to crash; 8 aboard are killed, including an entire Airtours cabin crew.

New EU antitrust commissioner Mario Monti, on September 23, shoots down the Airtours takeover of First Choice Holidays. A company B-757-28A, wet-leased to **Aero Continente, S.A.** for six months, allows the Peruvian carrier to inaugurate daily roundtrips on November 17 between Lima and Miami.

Although Airtours drops the bid for its rival, it does, however, formally appeal the ruling on December 2, charging that, by failing to recognize the industry's competitiveness, the regulator's ruling is flawed and should not stand as precedent.

Passenger boardings at Britain's second largest charter airline jump 32.8% on the year to 6,046,000. Cargo makes an even more spectacular jump, climbing a remarkable 879.2% to 13,414,000 FTKs.

Airline employment at the beginning of 2000 stands at 2,032, a 3.8% increase over the past 12 months.

During the first quarter, 2 B-757-28As are wet-leased to TCS Expeditions. Airtours, on May 16, sells its 3% stake in First Choice Holidays.

In July, the First Choice carrier becomes the first charter airline to mount a serious challenge to the low-cost carriers **easyJet, Ltd.**, **Ryanair, Ltd.**, and **GO**. The company, which has flown scheduled service to Cyprus since 1994, now launches scheduled leisure flights from eight U.K. airports to Alicante, Faro, Lanzarote, Malaga, Palma, and Tenerife. Unlike the no-frills airlines, passengers are offered free drinks and in-flight entertainment.

AIR 2000 AIRLINES, LTD. See **AIR 3000, LTD.**

AIR U.K., LTD.: United Kingdom (1980–1998). Britain's third largest scheduled airline is created on January 16, 1980 through the merger of **Air Anglia, Ltd.** (founded in 1970), **Air Wales, Ltd.** (founded in 1977), **Air Westward, Ltd.** (founded in 1976), and **British Island Airways, Ltd. (1).** Air U.K. is a subsidiary of British Air Transport Holdings, Ltd., which in turn is 90% controlled by the British and Commonwealth Shipping Group. Neil Foster, a former professional hockey player, is named chairman.

Initial operations are flown with various equipment, including Fokker F.27s and an F.28, to 21 scheduled destinations in Britain and 8 international points in Europe: Amsterdam, Bergen, Brussels, Copenhagen, Dusseldorf, Esbjerg, Paris, and Stavanger.

Charter flights are also run; however, the company must coordinate its operations from the provincial centers of Crawley (head office), Stansted Airport (hub building), Norwich (maintenance), and Aberdeen (overnight center for crews and aircraft). An alliance is immediately entered into with **KLM (Royal Dutch Airlines, N.V.)** in which the Dutch flag carrier provides ground handling in Europe on behalf of the new British carrier; code-sharing will later be introduced on routes between the U.K. and the Netherlands.

On February 18, the company joins the Royal Mail program known as "Spokes from Speke," flying a BAe (HP) Dart Herald each night from London (CTN) to the sorting hub at Liverpool (Speke Airport) and on to Belfast for distribution. Another Herald simultaneously flies from Northern Ireland–Liverpool–Luton.

As a result of the world economic recession and fuel and start-up costs, severe, but unspecified, financial reversals are suffered in 1981, the first full year of service. The flow of red ink continues into 1982, during which year the tour division is sold to a new British and Commonwealth Shipping Group subsidiary, **British Island Airways, Ltd. (2)**, which receives the name of the 1980 merger partner.

To end the slide, the company consults with **KLM (Royal Dutch Airlines, N.V.)** and appoints **British Airtours, Ltd.** CEO Stephen Hanscombe managing director in August 1983. The company ends three years of losses with a profit just under £1 million.

In 1984, certain domestic routes are turned over to **Manx Airlines, Ltd.** and one F.27 and the F.28 are sold. London (STN) to Guernsey flights begin in the spring while frequencies are increased to Amsterdam, Bergen, Brussels, Copenhagen, Dusseldorf, Esbjerg, Paris, and Stavanger.

An HPR-7 Herald 203 is struck by a truck at Bournemouth's Hurn Airport on June 11 and damaged beyond repair.

The original F.28-1000 is leased in November from Fokker for a year. Enplanements reach 202,808 and a £2-million profit is generated.

In 1985, operating primarily from 15 provincial U.K. centers, the airline continues to service its routes with a fleet that includes 16 Fokker F.27s, 1 Shorts 330, and 2 BAC 1-11-400s, the latter leased from **British Island Airways, Ltd. (2)**. Employment is 1,000 and boardings skyrocket to 950,000. The profit reaches £2.6 million or roughly \$4 million.

Managing Director Hanscombe's fleet is altered in 1986 as 3 Fokkers and the Shorts 330 is replaced by 4 Shorts 360s. A new office is opened at Norwich Airport with D. L. Henry as operations manager. A total of 50 international roundtrip flights are operated weekly from Stansted to Amsterdam, Paris, and Brussels. On December 1, Air U.K., Ltd. places the first British-registered F.27-500 in service on the London (LHR)–Guernsey route. Enplanements fall to 850,000.

Airline employment grows 2.6% in 1987 to 975 and the fleet includes 15 F.27s, 5 Shorts 360s, and 2 BAC 1-11s-400s. The first British airline to introduce a no-smoking rule, Air U.K., in a four-month experiment beginning on May 1, bans smoking on services from London to Exeter, Southampton, and the Channel Islands.

In June, the company is reorganized; **KLM (Royal Dutch Airlines, N.V.)** purchases 14.9% shareholding (and receives two board seats) in what has now become, after itself, the second largest operator at Amsterdam's Schiphol Airport. It is allowed to appoint one board director. The arrangement allows an experimental code-sharing arrangement on

one London to Amsterdam service. An autonomous sister charter carrier, **Air U.K. Leisure, Ltd.**, is formed the same month.

The new holding company, Air U.K. Group, operates both airlines as subsidiaries under the chairmanship of C. J. Parker. The first of three ordered British Aerospace BAe 146-200s enters service in November from London (LHR) to Guernsey, introducing the carrier's new livery. The million mark in passenger boardings (1,000,000) is reached.

In 1988 the employee population is reduced by 2.6% to 950 and 2 more BAe 146-200 are acquired, allowing retirement of the BAC 1-11-400s. A new office is opened at London (STN) and in September orders are placed for 3 BAe 146-300s. For the nine months in which figures are given, customer bookings rise 32.2% to 986,860. In September, the company is able to assume the London (LGW) to Edinburgh and Glasgow services formerly operated by **British Airways, Ltd. (2)**. The year's profits are \$1.3 million (operating) and \$1 million (net).

The payroll grows by 17.5% in 1989 to 1,340 as a Fokker F.27-600 is added. In January, an interline agreement is signed with **Virgin Atlantic Airways, Ltd.** Air U.K., Ltd. becomes the first European operator to fly the type when its first BAe 146-300 is delivered on February 28; it is employed on March 2 to initiate service from London (STN) to Brussels. Although full code-sharing is not implemented, interlining is made possible through bookings on the **KLM (Royal Dutch Airlines, N.V.)** computerized reservations system.

Following receipt of the second BAe 146-300, the company places it into service on routes from London (LGW) to Edinburgh and Glasgow. British and Commonwealth sells its stake in British Air Transport Holdings to Caledonia Investments and Yattendon Investment Trust, Ltd., both of which receive 45% interest.

Full-year traffic statistics reveal that customer bookings are up 34% to 1,810,000 and revenues have risen 36.1% to \$217 million. Operating income moves ahead to \$4.4 million and net gain totals \$3.2 million.

Company employment is increased by 34.3% in 1990 to 1,800. In February, the subsidiary firm, Air UK Engineering, Ltd., occupies a new 30,000-sq.-ft. hangar at Norwich Airport. Six additional BAe-146-300s begin delivery, replacing two Shorts 360s and an F.27-100. In May, one of these, before entering commercial services, visits Eastern Europe and the Soviet Union.

Beginning in late June, the company contracts with **Virgin Atlantic Airways, Ltd.** to provide discount airfares throughout the U.K. for Virgin's transatlantic passengers.

While landing at Schiphol Airport at Amsterdam after a flight from London (STN) on July 19, it is discovered that the right hand main landing gear of Flight 872, an F.27-200 with 4 crew and 17 passengers, has not locked down. A forced landing is made with the right gear retracted and, although the aircraft is badly damaged, there are no fatalities.

Managing Director Robert Frost resigns, also in July, for personal reasons; his duties are assumed by group Managing Director Hanscombe. Enplanements during the 12 months total 2,235,578.

Andrew Gray becomes managing director in 1991. The fleet now comprises 1 owned and 1 leased BAe 146-100, 5 owned BAe 146-200s, and 1 chartered and 5 owned BAe 146-300s, plus 10 F.27-200s, 2 F.27-500s, 1 each F.27-100 and F.27-600, and 2 Shorts 360s.

Destinations visited include Aberdeen, Belfast, Glasgow, Guernsey, Jersey, Edinburgh, Humberside, Newcastle, Leeds/Bradford, Teesside, Norwich, and Southampton, and Amsterdam.

Scheduled service from the new £400,000 terminal at Stansted Airport to Nice and Florence begins on March 15, followed in May by twice-daily flights to Frankfurt and Dusseldorf. Passenger boardings for the year as a whole are down 1.3% to 2,206,889.

In 1992, 2 BAe 146s are withdrawn and replaced by 5 chartered Fokker 100s, the first of which is delivered in late June and enters service in August. In celebration, a new livery is introduced. New services or frequencies are introduced to Aberdeen, Amsterdam, Dusseldorf, Brussels, Frankfurt, Nice, Florence, and Paris.

The airline joins the KLM frequent flyer program and passengers interlining through Amsterdam's Schiphol Airport receive boarding

cards for both Air U.K. and KLM flights on departure. In October, the "Spokes from Speke" program is revised and becomes known as Royal Mail Skynet.

Customer bookings recover and grow by 8.6% to 2,397,300.

In 1993, Chairman Hanscombe and Managing Director Gray oversee a workforce of 1,200. Four more leased Fokker 100s are delivered, along with the first of 8 chartered Fokker 50s. With 325 weekly flights at Amsterdam Schiphol, Air U.K. is now the largest foreign user and allows that facility to boast that it is "London's third airport."

A marketing agreement is signed with **Northwest Airlines** and traffic on the routes to the Dutch airport from London (STN) and Newcastle increase by 17% and 21%, respectively. In December, orders are placed for 8 Fokker 50s, plus 8 options, as well as 3 leased F.27-500s.

Overall scheduled departures total 63,636, passenger boardings swell 6.6% to 2,557,680, and there are profits: \$5.04 million (operating) and \$5.13 million (net).

Airline employment is increased by 14.6% in 1994 to 1,482 and, in January–February, scheduled services are inaugurated from London (STN) to Munich and Copenhagen. The arrival of the first of the additional Fokker 50s in March allows retirement of a number of older F.27s and their replacement with leased F.27-500s.

During May, a multimillion-pound contract is received from **KLM (Royal Dutch Airlines, N.V.)** for the line maintenance of the Netherlands carrier's 6 Fokker 100s. Belfast becomes a destination on June 13.

On September 1, daily flights are initiated from Stansted to Linate Airport at Milan, Italy. Two BAe 146-300s are leased in October–November. One replaces a BAe 146-200 and the other is placed on a route from Manchester to Amsterdam that the company takes over from **KLM (Royal Dutch Airlines, N.V.)**. In December, after just over three year's service from London (STN), the airline boards its one-millionth passenger. During the 12 months, scheduled departures increase to 68,557.

Customer bookings leap upward 13.9% on the year to 2,914,239 and revenues increase by 14.6% to \$421.63 million. With operating expenses rising only 12.5% to \$412.49 million, the company is able to post an operating profit of \$9.14 million and a net gain of \$15.1 million.

The workforce grows a slight 1.8% in 1995 to 1,509 as 4 B-737-42Cs and 3 B-737-4Y0s arrive under charter. The B-737-42Cs are soon subleased out to **KLM (Royal Dutch Airlines, N.V.)** and the B-737-4Y0s to **Modiluft, Ltd.** Two new BAe 146-300s are placed into service, one as replacement for a BAe 146-200.

Early in the year, the company takes over the Amsterdam–Manchester route previously flown by **KLM (Royal Dutch Airlines, N.V.)**. Replacement service is provided with one of the new BAe 146-300s. Other new routes are opened to Hamburg, Zurich, and Madrid.

The KLM interest in the airline climbs to 45% as new cooperative agreements are discussed. The company enters into a code-sharing, blocked-seat agreement with **Jersey European Airways, Ltd.** and employs its BAes in support of its new partner over a route from Belfast to Amsterdam.

Scheduled departures total 73,574 and passenger boardings ascend 15.7% to 3,370,776.

Airline employment grows a dramatic 19.9% in 1996 to 1,810 and the mostly leased fleet now includes 4 B-737-42Cs, which are leased out to **KLM (Royal Dutch Airlines, N.V.)**, 11 BAe 146-300s, 1 146-100, 4 F.27-200s, 5 F.27-500s, 9 Fokker 50s, and 9 Fokker 100s. The "Baby Boeings" subleased to **Modiluft, Ltd.** are returned.

Scheduled roundtrips begin to Rotterdam from London (LCY and STN). A code-sharing agreement with **Eurowings Luftverkehrs, A.G.** begins during the spring, as does a weekday-only partnership flight with **Deutsche Lufthansa, A.G.** from London to Cologne and Bonn.

On May 1, the carrier's 60% stake in **Air U.K. Leisure, Ltd.** is sold to Unijet, which will rename the airline **Leisure International, Ltd.**

Also on May 1, a new entrant **World Airlines, Ltd.**, launches business-class luxury flights to Amsterdam's Schiphol Airport from London (LCY) with a single British Aerospace BAe 146-200, leased from **USAir**. On

July 1, Air U.K. inaugurates a new daily roundtrip BAe 146-300 service between London (LCY) and Amsterdam, bringing to 11 the number of daily frequencies between the two destinations. Passengers flock to these less-expensive frequencies, sending the new entrant, **World Airlines, Ltd.**, into a fiscal tailspin. Also during the month, the carrier's frequent flyer program is merged with that of **KLM (Royal Dutch Airlines, N.V.)**.

In August, an agreement is signed with the Dutch flag carrier under which it will swap 4 F.28-4000s to Air U.K. in exchange for the right to purchase the 4 B-737-42Cs it is already leasing.

Air UK now begins service between Inverness and London (STN).

On October 1, the **World Airlines, Ltd.** BAe 146-200 is impounded at London (LCY) for nonpayment of landing fees. Without flight equipment, World goes into liquidation on October 10. **USAir** pays the landing fees to regain its BAe and **Air U.K., Ltd.** honors tickets held by passengers for World. World Airlines now has the distinction of being the first casualty in a fare war that will soon encompass other low-cost carriers, such as **easyJet, Ltd.**, and majors like **British Airways, Ltd. (2)** and Air U.K.'s partner **KLM (Royal Dutch Airlines, N.V.)**.

Scheduled departures leap to 77,695 and enplanements ascend 6.9% to 3,601,969.

The workforce grows by 10.5% in 1997 to 2,000. Two new routes to KLM's Amsterdam hub are introduced in early spring, bringing the number of British destinations from which feeder services are offered to 14.

The company and **KLM (Royal Dutch Airlines, N.V.)** merge their marketing and sales operations on April 1, creating a strong competitor for **British Airways, Ltd. (2)** in the British air transport market.

During the spring, a code-sharing agreement is signed with the U.K. regional **Suckling Airways, Ltd.** In mid-July, **KLM (Royal Dutch Airlines, N.V.)** reaches agreement with the carrier's owners, British Air Transport Holdings, Ltd., to purchase its 55% majority stake. The Air U.K. takeover, subject to European Commission approval, leaves the company as Dutch-owned, but, at least initially, operationally independent. EC approval is given on September 23.

During the summer, orders are placed for 4 (later 5) Aero International (Regional) ATR72-212As.

While taking off from London (STN) on a scheduled September 30 service to Dublin, a **Ryanair, Ltd.** B-737-200 comes within 200 ft. vertical and 0.91 nm. horizontal distance from an Air U.K. BAe 146-200 that is descending into London (CTY) after a service from Edinburgh.

The first ATR72-212A is delivered in October and, like the others that will be received through May next, is employed to replace the 4 F.27-200s on existing routes to the Channel Islands.

To provide additional frequencies on existing routes, services from London (STN) to Munich are withdrawn on October 25.

A new return route is opened on October 26 from London (LCY) to Manchester. Fokker 50s fly the route four times a day on weekdays and daily on weekends.

The code-sharing agreement with **Deutsche Lufthansa, A.G.** is expanded on October 27. The existing weekday route from London (STN) to Cologne and Bonn is extended to Dresden. The twice-daily return service from Aberdeen to Teesside and Humberside ends on November 21.

Just after landing at Gurnsey following a December 7 service from Southampton, the left main landing gear of a Fokker F.27-500 with 4 crew and 49 passengers, collapses. No injuries are reported.

For the year, passenger boardings accelerate 13% to 4,172,087.

In January 1998, to better integrate its feeder operations, **KLM (Royal Dutch Airlines, N.V.)** renames Air U.K., Ltd. as **KLM U.K., Ltd.** and **Air Exel Commuter, C.V.** as **KLM Exel, C.V.** The combined 72-aircraft fleet, including that from **KLM Cityhopper, N.V.**, is repainted in a new blue and white livery with silver accents.

AIR U.K. LEISURE, LTD. (LEISURE INTERNATIONAL AIRWAYS, LTD.): United Kingdom (1987–1996). Established at London (STN) in June 1987, Air U.K. Leisure, Ltd. is an autonomous sister of **Air U.K., Ltd.** formed to operate long- and medium-haul charter and

inclusive-tour services. The two airlines operate as subsidiaries of Air U.K. Group, a new holding company that holds 60% equity in the holiday carrier.

The aircraft charter and brokerage group Unijet holds a 40% stake and is given an exclusive contract to sell all of Air U.K. Leisure's charter capacity to British and overseas tour and travel organizers through its Viking International Air Chartering, Ltd. subsidiary.

With advice from **KLM (Royal Dutch Airlines, N.V.)**, Chairman C. J. Parker and Managing Director Jeremy R. Dixon acquire 2 leased Boeing 737-200s and place orders for 4 B-737-42Cs. The new charter operator inaugurates holiday flights to European, Mediterranean, and Canary Island resorts on April 30, 1988 from two London airports (STN and LGW), plus Birmingham, and Manchester. The 4 Dash-42C "Baby Boeings" arrive under charter late in the year. Enplanements for the year's three remaining quarters total 225,600.

In early 1989, the fleet is altered by the removal of the Dash-200s and their replacement in service by 3 B-737-4Y0s, 2 of which are briefly leased to **MAS (Malaysian Airline System, Ltd.)**. Enplanements total 450,000.

Company employment is increased by 25% in 1990 to 150 and in May Christopher Parker is named chairman. Passenger boardings for the year remain level, revenues total £54.37 million, and a £957,016 net profit is generated.

Company employment increases by 66.7% in 1991 to 250 as one of the Malaysian leases ends, leaving the fleet at 3 chartered B-737-42Cs and 3 owned B-737-4Y0s, one of which remains out with MAS. An order is placed for an Airbus Industrie A310-304 and the year's enplanements advance to 726,883.

The workforce is increased by 9.3% in 1992 to 258 and the Airbus request is withdrawn in January and replaced by an order for a pair of B-767-39HER to be employed by a new enterprise now in pre-launch phase. The leased fleet now includes three B-737-4Y0s and four B-737-42Cs.

Leisure International Airways, Ltd. (LIA) is organized at London (LGW) on February 18 as a new Unijet subsidiary and autonomous sister to expand the number of long-haul charters with the leased B-767-39HERs. Chairman Parker and Managing Director Dixon recruit a workforce of 160 and order a pair of Boeing 767-39HERs on lease from its sister.

Customer bookings jump 30.4% to 1,044,372. Revenues total \$102.3 million, but costs are higher. Losses are \$2 million (operating) and \$232,978 (net).

In 1993, Chairman Parker and Managing Director Dixon oversee a workforce of 271, up 5.9% over the previous year. European, Mediterranean, and Canary Island holiday destinations are visited from Manchester, Birmingham, and London (LGW and STN).

In early March, a B-737-4C2 is wet-leased by **South East European Airlines, S.A.** and is employed to inaugurate daily feeder service between London (LGW) and Athens on behalf of **Virgin Atlantic Airways, Ltd.**

Air U.K. (Leisure) is contracted to operate the big Boeing twins assigned to LIA after they arrive in early spring. LIA revenue flights begin from London and Manchester in April to holiday destinations in the Bahamas, Santo Domingo, and St. Martin. Roundtrips from the U.K. to Orlando start on May 1.

Passenger boardings decline 4.3% to 999,678 and, although a \$14,000 net profit is posted, there is an operating loss of \$130,000.

Airline employment grows to 442 in 1994 and the B-737-4C2 out on lease to **South East European Airlines, S.A.** is returned in January.

During the spring, the B-767-39HERs begin holiday flights to Barbados, as well as the airports at Holguin and Varadero in Cuba. Customer bookings recover, jumping skyward by 20.4% to 1,145,025. Revenues advance by 13.4% to \$123.21 million, but expenses climb 13.9% to \$123.86 million. Consequently, there is an operating loss of \$656,000. On the plus side, there is a net gain of \$125,000.

The workforce is reduced by 14% in 1995, dropping to 380. Passenger boardings move ahead by 5.6% to 1,208,700. Airline employment is

cut to 160 in 1996 and in June the 60% stake held by **Air U.K., Ltd.** is sold to Unijet, which takes the associate company over and operates it as part of their concern. Enplanements at Air U.K. Leisure through June total 666,000.

AIR UKRAINE (AVIALINII UKRANI): Prospekt Pobedi 14, Kiev, 252135, Ukraine; Phone 380 (044) 216-7109; Fax 380 (044) 216-8235; <http://www.airukraine.com>; Code 6U; Year Founded 1992. Kiev-based Air Ukraine, a directorate of **Aeroflot Soviet Airlines**, is reformed into a national carrier in the spring of 1992 to offer international and domestic scheduled and charter services, both passenger and cargo. Leonid V. Pogrebnjak is named general director and his workforce totals 40,000. The fleet includes 45 Antonov An-24s, 22 An-26s, 10 An-30s, 3 An-32s, 2 Ilyushin Il-18s, 7 Il-62Ms, 3 Il-76s, 17 Tupolev Tu-134s, 27 Tu-154B-1s, 3 Tu-154Ms, 17 Yakovlev Yak 40s, and 14 Yak-42s.

In addition to domestic and regional destinations, the company also schedules visits to Lvov, Prague, Shannon, and New York (JFK). The subsidiary Air Ukraine Cargo is formed to transport freight between the Ukraine and New York.

A Tu-154B-1 is destroyed as the result of a bad landing at Kiev on September 5; there are no fatalities.

In October, the subsidiary **Air Ukraine International** is formed to take over the company's long-haul charter services to Western Europe. The domestic subsidiary Kharkov United Air Detachment now flies domestic charters.

Flights continue apace in 1993. On April 15, the Odessa-based Schlepper gang, having received \$5,000 per head, contracts with the carrier (also in need of hard currency) to transport a planeload of Asian refugees into Germany. The next day, a Yak-40 arrives at Berlin's Schoenefeld Airport and deplanes 43 Indians and 6 Pakistanis who immediately demand sanctuary. The Asians are immediately transferred to the asylum center at Eisenhuettenstadt for processing.

On October 27, while taxiing at Tumen-Roshino, the pilot of an L-410UVP with one other crewman and six passengers, takes the wrong turn and enters into a construction area, where the nosegear collapses. There are no injuries reported.

In 1994, the company places an order for three Dornier 328-110s that would become the first Western turboprops to operate in the Ukraine. It also reports its enplanements for the first time; through November, a total of 585,461 passengers are flown.

The Dorniers will not be delivered in 1995, as top management changes when Ilyin Viacheslav becomes president.

Having just departed Agadyr on a delivery flight to Honduras on February 1, a Let 410UVP with two crew and a passenger crashes onto a frozen lake near Provdenia, Russia; although the aircraft is lost, there are no fatalities.

While en route from Petropavlovsk to Pakhachi on April 4, an An-26 with six crew and three passengers makes a refueling stop at Palana. While taking off from this intermediate point, the crew fails to take off the brakes, preventing the plane from becoming airborne. It overruns the runway by 410 m. and is badly damaged. There are no fatalities.

Traffic increases dramatically this year as customer bookings jumps 85.9% to 1,262,478 and freight skyrockets 171.1% to 47.69 million FTKs.

In 1996 there is a 40,000-member workforce and a fleet of 199 aircraft. Plans are made to acquire additional Western aircraft to replace some of the Soviet equipment now being operated.

Destinations visited include Baku, Beijing, Bratislava, Budapest, Cairo, Damascus, Delhi, Istanbul, Kiev, Khabarovsk, Lvov, Moscow, Murmansk, New York (JFK), Novosibirsk, Prague, Sharjah, Sofia, Tashkent, Tbilisi, Tunis, Tyumen, Vilnius, and Warsaw.

Enplanements turn downward this year, falling 9.9% to 1,137,263. A total of 44.2 million FTKs are operated, a 7.3% drop.

The three Dornier 328-110s are finally delivered during the spring of 1997. They enter service from Borispol Airport at Kiev to Charkiv, Donetsk, Dnipopetrovsk, Lvov, Odessa, and Simferopol.

Weekly Ilyushin Il-62M return service from Lvov to New York (JFK) via Kiev begins on May 14. Twice-weekly nonstops are offered between Kiev and New York on Fridays and Sundays and from Toronto to Lvov, with continuing service to Kiev, on Saturdays.

In a further effort to improve services, the company forges interline agreements with **Delta Air Lines**, **Continental Airlines**, and **Pan American World Airways (2)**. In an exclusive arrangement, Delta provides Air Ukraine passengers with continuing service out of New York to all of its domestic destinations while Pan Am offers reduced fares to all AU passengers whose final destinations are Los Angeles, San Francisco, or Miami.

During the summer, the company undertakes the process of privatization, under which the government share will be reduced to 51%. A tender is also placed out for long-range Western aircraft.

Twice-weekly An-24 joint venture Flights with **Air Moldova International, S.A.** commence in October between Chisinau and Simferopol.

On December 17, a Yak-42 with 70 passengers crashes while coming around for a second approach to the airport at Salonika, Greece; there are no survivors.

For the year as a whole, customer bookings fall 25.2% to 851,240 and freight plunges 51% to 21.7 million FTKs.

Flights continue in **1998**. During the spring, the government announces plans to privatize the airline. Air Ukraine is scheduled for conversion into a joint stock company during July. A financial rather than a strategic investor is sought for the carrier and, as the government expects to retain 51% majority shareholding, analysts predict that the prospect of locating a Western investor is not good.

Passenger boardings plunge 51.7% to 388,000, even as cargo traffic climbs 19.4% to 23.68 million FTKs.

Airline employment stands at 9,500 at the beginning of **1999**. The huge fleet now includes 34 An-24s, 8 An-30s, 4 each Il-76Ms and An-32s, 7 each Tu-134As and Il-62Ms, 9 Let L-410, 16 Tu-154Bs, 2 Tu-154Ms, and 1 each An-26, Dassault Falcon 20, PZL-Mielec An-28, Tu-154A, and Yak-40.

A cooperative agreement is signed with **Uzbekistan Airways** on June 17 covering shared routes and services.

The Moscow media reports on October 7 that, having found much of its fleet largely redundant given current levels of business, the airline is placing a number of aircraft up for sale.

Enplanements total 149,000 and 5,257,000 FTKs are operated.

By the spring of **2000**, Air Ukraine has run up a \$2-million debt to Eurocontrol for the use of airspace. On May 28, in response to a Eurocontrol request, British authorities at London seize one of the company's Tu-154Bs, which had arrived on a charter. When Air Ukraine President Vadim Sorokyn indicates that the jetliner will be left in England to settle the debt, the Ukrainian Transport Ministry objects and demands that it be returned.

The carrier's fiscal problems continue and, on August 15, it is reported that its accounts have been seized to settle its tax debts.

Following several months of negotiations, a payment schedule is worked out and, on August 29, the plane held in England is freed to depart.

When the carrier is forced to drop its service between Kiev and Vilnius on September 11, frequencies on the route are increased on September 28 by **Lithuanian Airlines, A.B. (Lietuvos Avialinijos)**.

AIR UKRAINE CARGO. See **AIR UKRAINE**

AIR UKRAINE INTERNATIONAL (MIZH Narodni Aviolinii UKRAINE): Prospekt Pobedi 14, Kiev, 252135, Ukraine; Phone 380 (044) 216-7109; Fax 380 (044) 216-8235; Code PS; Year Founded 1992. A subsidiary of **Air Ukraine**, Air Ukraine International is formed at Kiev in October 1992. The Ukrainian government owns 88% of the airline, founded to offer charter services to Western Europe. The remaining 12% is controlled by the lessor Guinness Peat Aviation. Valery Nazerenko is named president with Guinness Peat Aviation official Richard Creigh as his deputy.

A workforce of 400 is recruited as the carrier acquires two Boeing 737-4Y0s under charter from the Guinness Peat Aviation group in November; these are the first Boeing aircraft delivered to any of the CIS republics. The title Air Ukraine International is painted above the wind-dowlines with Mizhnarodni Aviolinii Ukraine below.

Flights, designed to lure Western business passengers to the new nation aboard modern equipment, are inaugurated at the end of November to Brussels, Berlin, Amsterdam, Frankfurt, Milan, Munich, Paris, Vienna, Manchester, and London (LGW).

An interline agreement is signed with **Aer Lingus Irish Airlines** in March 1993. Under its terms, the two airlines are able to sell tickets on each other's flights. Later in the year, additional pacts are signed covering computerized reservations systems sales and sales representation in general.

Operations continue apace in **1994** and the fleet is increased by the addition of one each B-737-2T4A and B-737-247A. When the parent organization begins to release its traffic figures, those for this subsidiary are initially included with them. Enplanements for the nation's second largest airline total 146,551 in **1995**.

The workforce stands at 470 in **1996**. In July, the government divests its majority stake, allowing the airline to pursue external investment. When financial arrangements are completed in November, shareholding is divided between the Ukrainian State Property Fund (68.4%), **Austrian Airlines, A.G.** (14.3%), Guinness Peat Aviation Group, Ltd. (13.2%), and **Swissair, A.G.** (4.1%).

The company's four aircraft transport a total of 178,720 passengers, a large 18% increase. In addition, 2.75 million FTKs are operated.

Flights continue in **1997** with newly initiated services to Bangkok, Beijing, Delhi, Lvov, and Prague emphasized. Passenger boardings decline 5.9% to 168,218 while cargo traffic is off 11.8% to 2.4 million FTKs.

It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

AIR ULSTER, LTD. See **ULSTER AIR TRANSPORT, LTD.**

AIR UNION, S.A.: France (1923-1933). **Compagnie des Messageries Aeriennes, S.A.** and **Compagnie des Grands Express Aeriens, S.A.** merge their operations on January 1, 1923, together with at least 10 CMA Breguet 14s, 5 CMA Bleriot-Berline Spad 33s, 15 CMA and CGEA Farman F-60 Goliaths, and 10 CMA Breguet 14Ts. Officials now elect to concentrate on Paris-London service and abandon other routes, particularly those to Switzerland that are taken over by Farman's **Societe Generale de Transport Aerien, S.A. (SGTA)**.

To more successfully compete with the pioneering British companies on the Le Bourget to London (Croydon) route, the new carrier immediately challenges them to a fare war by reducing its tariff to only £4 10 shillings. Without the deep financial resources of the French, the British companies begin to suffer and the state-owned carrier Imperial Airways, Ltd will replace them within a year.

Late in the month, morning Goliath newspaper service is initiated from Paris to Lympne, England. A pair of Bleriot 135s join the fleet on August 1, 1924 and are placed into service between Paris and London a week later. On June 30, 1925, AU pilot Robert Bajac, with two passengers, makes an experimental flight in a Schreck Fba 19HMT3 amphibian from the Seine to the Thames Rivers.

The following year, 1926, the company takes over the small Mediterranean carrier **Aeronavale, S.A.** and uses CAMS 53 seaplanes to stretch that airline's Ajaccio, Corsica, destination on to Tunis and Bone. Five Bleriot-Berline Spad 56-4s are acquired and placed in service to Amsterdam, Brussels, and Marseilles. On May 26, two Bleriot 155s, christened *Clement Ader* and *Wilbur Wright*, begin service on the Paris to London route; *Wilbur Wright* is destroyed in a crash in Kent, England, in October. Meanwhile, on August 19, another airliner crashes at Aldington (three dead).

During May 1927, a specially equipped Farman Goliath, outfitted with four sleeping berths, makes an experimental night flight from London to

Marseilles. On July 30, Air Union responds to **Imperial Airways, Ltd.**'s "Silver Wing" luxury service to Paris by introducing "Le Rayon d'Or" ("Golden Ray") flights with two new twin-engine Liore et Olivier LeO 21s. Painted in a red, white, and gold color scheme and christened *Captaine Ferber* and *J. P. Mouillard*, the cabins of the two are designed on advice received from the restaurant *Compagnie des Wagons-Lits, S.A.* The two are supported by the fleet's first Breguet 280T Rapid Azurs. The first Bleriot 165 is received in October and is christened *Leonard de Vinci*.

These three new types also fly from Paris to Marseilles, via Lyons. These aircraft, like the Oiseau Bleu (Blue Birds) flown by the Farman-backed airline, also possess bars. They become, however, famous for their haute cuisine; the fare is consumed in sumptuous surroundings with choice of spirits in a travel time from Paris to London that is only 20 minutes longer than the same trip 50 years later.

During the year, four LeO 190s are obtained to supplement LeO 13s on the Antibes to Ajaccio service.

A second Bleriot 165 is acquired in September 1928 and is named *Octave Chanute*; it joins its sister on the "Golden Ray" service to London (Croydon). Late in the year, the subsidiary **Lignes d'Orient, S.A.** is formed to push service beyond France to Indochina; survey flights are undertaken.

On April 9, 1929, Paris-London night service is initiated. In June, the subsidiary **Lignes d'Orient** inaugurates regularly scheduled airmail service Marseilles to Beirut via Naples, Corfu, Athens, and Castelrosso, with two CAMS-53 flying boats; in the fall, it is merged with the Indochina-based **Air Asie, S.A.** to form the independent **Air Orient, S.A.** During the year, five Breguet 281Ts are delivered and are placed into service on the Paris to Marseilles via Lyons and Lyon to Geneva services.

By 1930, company passenger boardings are averaging some 19,000 per year. In 1931 the fleet includes 44 French-built aircraft, including the last 4 Farman F-60 Goliaths and 12 Liore et Olivier LeO 213s that have been placed on the "Golden Ray" London service, as well as on routes to Geneva and to Lyon and Marseilles.

In early 1933, two new Wibault-Penhoet 282.T12, *Le Vaillant* and *Le Temeraire*, replace several LeO 213s on the "Golden Ray" service. The service flown by these new trimotors is now marketed as "La Voile d'Or" ("The Golden Clipper").

Mindful of the shadow cast over continental air transport by the giant **Deutsche Luft Hansa, A.G. (DLH)**, French officials seek to build a national airline. On May 17, **Air Union, S.A.** becomes one of four carriers to combine into the **Societe Centrale pour L'Exploitation de Lignes Aeriennes, S.A. (SCELA)**, which negotiates with the government for creation of a state carrier. Following talks and decisions, **Air France** is created on August 30.

AIR URG (INTERNATIONAL JOINT STOCK AIR COMPANY): Debrovolskogo 1, Kirvograd, 316005, Ukraine; Phone 38 (0552) 271 451; Fax 38 (0552) 251 125; Code 3N; Year Founded 1993. In August 1993, upon its formation as a public limited joint stock company, URG joins with the 40-year-old State Flight Academy of Ukraine (SFUA) to create a charter airline. Ownership is divided between URG, SFUA, and the Lykto group of companies based in Athens.

Mikhail Rubets is named president with Leonid Shmayavich as director general. A staff of 140 is recruited and an all-Antonov fleet is purchased: 3 An-24Bs, 5 An-24RVs, and 8 An-26Bs. Revenue flights begin, with scheduled services soon thereafter added to domestic destinations.

In 1994-2000, domestic passenger and cargo charters are undertaken with a fleet that includes 6 An-26s, 1 An-24, 2 An-24Bs, and 3 An-24RVs. Scheduled services are maintained between Kiev and Prague and extremely profitable charters are flown to the United Arab Emirates. Regularly scheduled service from Kiev and to Zagreb and other points is added in May 1997.

AIR U.S.: United States (1974-1983). Jonathan and Clydelle Moore organize **U.S. Aviation** at Denver in 1974 and undertake charter flights to regional destinations. Air U.S. is established in the spring of 1977 to

offer replacement service, taking over the **Frontier Airlines (1)** passenger services to Riverton, Wyoming, in early 1978. When **Frontier Airlines (1)** reinstates its route in 1979, Air U.S. moves its markets from Riverton to Gillette and Sheridan.

Although both scheduled and nonscheduled operations are continued, the company obtains an Essential Air Services (EAS) contract in 1980 to replace **Western Airlines'** Sheridan and Gillette to Denver service with its own. Orders are placed for 5 Grumman Gulfstream G1-Cs as 2 Handley Page HP-137 Jetstream IIIs join the fleet to enhance the capabilities of 2 Piper PA-31-350 Navajo Chieftains. Enplanements total 35,222.

The Navajo Chieftains are phased out in 1981 when the carrier receives its first Gulfstream, and with it FAA Part 121 certification.

On April 17, Flight 716, a Handley Page HP-137 Jetstream III with 2 crew and 11 passengers, collides with a Cessna Tu-206 carrying 1 crew and 5 parachutists, over the Ft. Collins-Loveland Municipal Airport in Colorado. Although the Cessna pilot and three parachutists are able to bail out, everyone else is killed in the collision.

Passenger boardings this year climb 5% to 37,159 while freight jumps by a third. Airline employment is now 90.

Two more G1-Cs are received in March 1982 and begin EAS flights to Cody and Worland, Wyoming. Enplanements for the year jump 20% to 48,500. On January 16, 1983, Air U.S. is renamed **Excellair**.

AIR VALLEE (SERVICOS AERIENS DU VAL D'AOSTE, S.p.A.): Aeroporto 11020, Saint Christophe, Aoste, Italy; Phone 0 (165) 236966; Fax 0 (165) 32528; Code DO; Year Founded 2000. Air Vallee is established at Aoste, located in northwest Italy in a valley near Mount Blanc, in the early spring of 2000 to offer regional service to destinations in Italy and France. Wearing additional "Casino de la Valey" titles, the carrier's new Fairchild Dornier 328-311 turboprop, is received on April 18. The first of its type to be registered in Italy, it initiates revenue service on May 2 with twice-weekly roundtrips to Rome and Paris (CDG).

AIR VANTAGE AIRLINES: P.O. Box 17010, Minneapolis, Minnesota 55417, United States; Phone (612) 727-2019; Fax (612) 727-2949; Code 3N; Year Founded 1990. Minneapolis-based Air Vantage is established in 1990 to offer scheduled passenger and cargo regional services. Rod Skillman is chairman and Larry Kelly president. Within 10 years, the workforce totals 75 and the fleet is comprised of 6 Fairchild Metro IIIs. Operations continue from the city's downtown Holman Field.

AIR VANUATU (OPERATIONS), LTD.: P.O. Box 138, Port Vila, Vanuatu; Phone 678 23 838; Fax 678 23 250; http://www.pacificislands.com/airlines/vanuatu.html; Code NF; Year Founded 1981. Created at Port Vila in mid-1981, Air Vanuatu is the national flag carrier of the republic formerly known as the New Hebrides. The government holds 60% interest with the remainder taken by Ansett Transport Industries, Ltd., which also provides support under contract.

A Douglas DC-9-31 is wet-leased from **Ansett Airlines of Australia, Ltd.** for two months and is employed to inaugurate scheduled flights to Sydney, Brisbane, Nadi, and Apia. It is followed into service by a B-737-200 wet-leased from **Polynesian Airlines, Ltd.**

Enplanements total 17,000 in 1982 and 25,000 in 1983. Operations continue apace in 1984-1986.

The company is reformed in November 1987 as a completely state-owned enterprise, Air Vanuatu (Operations), Ltd. Late in the decade, a Boeing 727-276A, painted in company livery, is leased three days per week from **Trans-Australian Airlines (Pty.), Ltd.** Operations continue apace in 1988 and, in 1989-1990, flights begin to Adelaide and Auckland. The latter destination is flown as part of a code-sharing agreement with **Solair (Solomon Islands Airways, Ltd.)**, which employs its own aircraft to fly from Port Vila on to the New Zealand capital.

In 1991, enplanements total 60,720. Expenses exceed income and there are losses: \$1.77 million (operating) and \$1.8 million (net).

The workforce is increased by 19.6% in **1992** and the leased B-727-276 is replaced by a B-737-476 leased from **Australian Airlines (Pty.), Ltd.** Painted in Air Vanuatu livery, the aircraft is available four days per week. At the same time, an Embraer EMB-110 is chartered for use on flights to Noumea. Jean-Paul Virelala becomes the first Vanuatu national managing director/CEO.

Passenger boardings ascend 11.5% on the year to 68,619 while freight climbs 2.6% to 1.06 million FTKs. Revenues slip 0.9% to US\$16.3 million and the operating profit falls to US\$452,000. Net loss, however, swells to US\$6.3 million.

In **1993**, Managing Director/CEO Virelala's 140-employee company maintains scheduled return services from Port Vila to Auckland, Brisbane, Melbourne, and Sydney. Joint scheduled return services are also flown in cooperation with **Air Caledonie, S.A.** from Port Vila to Noumea and in cooperation with **Solair (Solomon Islands Airways, Ltd.)** from Port Vila to Nadi.

In October, the company's capitalization is restructured and reduced to 100 million vatus. When the government waves repayment of the balance due and outstanding on its loan to the airline, the company is able to report a 464-million vatu operating profit. Bookings for the year slip to 67,000.

Ten new workers are hired in **1994**. **Qantas Airways (Pty.), Ltd.**, employing aircraft it has leased to Air Vanuatu, begins to code-share with that airline in February over routes from Port Vila to Australia. Customer bookings remain level at 67,000.

An Embraer EMB-110P1 Bandeirante is acquired in July **1995** and is assigned to fly the company's regional services. Enplanements this year are 69,943.

Airline employment accelerates 22.8% in **1996** to 140 and passenger bookings climb 4% to 72,857.

Destinations visited from Port Vila in **1997** include Aniwa, Auckland, Brisbane, Craig Cove, Dillons Bay, Emae, Espiritu Santo, Ipota, Lamap, Lamen Bay, Longana, Melbourne, Nadi, Norsup, Noumea, Sydney, and Valesdir.

Customer bookings jump 4.1% to 75,872 while freight shoots up 9.1% to 1.3 million FTKs.

A B-737-3Q8 arrives under charter from ILFC during March **1998**. Christened *Spirit of Vanuatu*, the little Boeing wears an entirely new livery.

In late November, the national immigration office accuses the airline of bringing three undocumented Chinese men into the country from the Solomon Islands earlier in the month. According to a December 4 report by the Australian Broadcasting Corporation, the airline denies these allegations and cites immigration officials for not properly handling the visitors' travel documents.

Passenger boardings surge 17.8% to 89,000 while cargo traffic skyrockets 91.6% to 2.63 million FTKs. Revenues total \$20.98 million, but expenses are \$22.42 million. Consequently, there is an operating loss of \$1.43 million and a net loss of \$1.58 million.

Flights continue in **1999** as airline employment is reduced to 114.

In late summer, the government announces plans to sell a 49% stake in the financially strapped carrier. Preparatory to the action, a new board of directors is appointed. The year's customer bookings decline by 3.9% to 86,000 while freight traffic drops 26.9% to 1.92 million FTKs. Although costs are down 1.1% to \$22.18 million, revenues are also off, by 2%, reaching only \$20.57 million. As a result, the operating loss increases to \$1.6 million.

By the end of January **2000**, airline employment totals 183, a 10.7% decline over the preceding year.

DHC-8-100 weekly roundtrips are inaugurated on May 12 from Port Vila to New Caledonia via Tanna.

AIR VECTORS AIRWAYS: United States (1977–1985). Privately owned **Alector Airways** is reformed in **1976** and changes its name. Based at Stewart Airport in Newburgh, New York, President James O. Aspin's airline undertakes scheduled passenger and cargo services,

beginning in April, to Binghamton, Poughkeepsie, and Washington, D.C. (IAD).

These daily roundtrips continue apace in **1978** and by **1979** the carrier's four Piper PA-31-350 Navajo Chieftains are generating annual enplanements of 3,000.

Scheduled service begins on June 1, **1980** from Morristown, New Jersey, to Boston, Newark, and Newburgh, New York. Supplemental express flights are begun under contract to **Federal Express**. Passenger boardings skyrocket by 142.6% to 7,000. In June **1981**, the carrier's three Navajo Chieftains inaugurate new routes linking Morristown with Boston and Newburgh with Newark via Morristown.

Unable to make good on its expansion in a period of recession, Air Vectors begins to slide. One PA-31-350 is withdrawn in **1984**, but the carrier is unable to recover and disappears in **1985**.

AIR VEGAS AIRLINES: P.O. Box 11008, Las Vegas, Nevada 89111, United States; Phone (702) 736-3599; Fax (782) 361-8967; <http://www.airvegas.com>; Code 6V; Year Founded 1983. Founded at Las Vegas Airport in **1983**, Air Vegas begins chartered scenic air tour flights to the Grand Canyon with a fleet of three Cessna 402Cs. Charters are also undertaken. The privately owned operator releases neither traffic nor financial data. Operations continue apace during the remainder of the decade as the fleet grows to include 19 Cessna 402Cs. Scheduled services are added in **1989–1990**.

Early in **1991**, a FAA routine inspection uncovers record keeping problems. As a result, the carrier is shut down for the month of March. Permission is received to resume operations in April. These continue apace and without incident in **1992**.

In **1993**, President James Petty's fleet has grown to 17 402Cs and 4 Beech 99s. The fleet is altered in **1994** and 2 more Beech 99s are added. Enplanements for the year total 118,488.

The workforce stands at an even 100 in **1995** as 12 Cessna 402s are retired. Passenger boardings accelerate 22.5% to 145,178.

The employee population grows 25% in **1996** to 125 and the fleet now includes 9 Beech 99s and 3 Cessna 402Cs. At 145,527, customer bookings are level with the previous year. Revenues total \$12 million.

The workforce is cut 6.4% in **1997** to 117. A schedule of five daily flights to the Grand Canyon is maintained.

En route from Grand Canyon, Arizona, to Henderson, Nevada, on October 15, a Beech 99 with two crew collides with utility lines about 9 mi. S of Meadville, Arizona. Although no personnel injuries result, the damaged aircraft is forced to make a one-engine-out landing at Henderson. Citizens Utilities later reports that 3 miles of aluminum electrical wire and 38 wooden cross supports have been damaged.

Passenger boardings this year decline by 6.3% to 136,348.

Service continues apace in **1998**. At the end of the year, a homepage is opened on the World Wide Web. Customer bookings plunge 45.1% to 75,000.

By the beginning of **1999**, the workforce has been increased by 14.5% to 100. Customer bookings increase 100.3% to 151,000.

Airline employment at the start of **2000** stands at 200, a 100% increase over the previous 12 months.

AIR VENDEE, S.A.: France (1975–1992). In **1975**, the families of the food distribution company Dubreuil, S.A. and the modular building concern Cougnard, S.A., based in La Roche-sur-Yon on the west coast of France, purchase their own aircraft with which to provide executive services. At their aerodrome in **1980**, the two combine forces to create Air Vendee, S.A. and inaugurate scheduled passenger services to the up-market tourist destination of Ile d'Yeu, an island a half-hour's flying time into the Atlantic. With a fleet of 1 Beech King Air 90, 1 Beech B-58 Baron, 1 Britten-Norman BN-2 Islander, and 1 Cessna 172, the commuter then undertakes flights linking the its base with Les Sables-d'Olonne, Nantes, and St. Briec.

Services continue **1981–1985** and enplanements in the latter year total 6,900. A de Havilland Canada DHC-6-300 Twin Otter is placed into

service during 1985. By 1986, President Jean-Paul and Managing Director Michael Dubreuil's lightplane operation is also known for its air taxi work. Enplanements total 22,600.

The operation is significantly expanded in 1987. The workforce totals 60 and the earlier fleet is replaced by 4 Beech King Air 100s, with the Twin Otter retained; the new aircraft launch services to La Havre, Rouen, Bordeaux, and Brussels.

Initiation of an unusual strategy designed to bypass Paris and link two provincial capitals and a foreign capital is launched with flights from Nantes to Brussels via La Havre. In May, a Dornier 228-202 is tested. A total of 33,000 passengers are flown on the year.

A Beech King Air 90 is restored in 1988 and is joined by 2 Dornier 228-200s and 2 Fairchild-Swearingen Metro IIs; 1 King Air 100 is withdrawn. In March, frequencies are opened from La Roche to Paris and orders are placed for Metro IIIs. Scheduled flights are also inaugurated to Lyon and London (LGW). The year's enplanements total 39,552.

Airline employment grows 49.1% in 1989 to 85 and the fleet now includes 4 Metro IIIs, 2 Metro IIs, 2 Dornier 228-200s, and 1 Beech King Air 100. Orders are placed for 3 SAAB 340Bs.

Bordeaux from Paris (ORY) joins the route network as other new routes inaugurated include Rennes-Marseilles, Rouen-Amsterdam, and Nantes-Barcelona. Passenger boardings move ahead by 17.6% to 48,000.

The employee workforce is increased by 35.3% in 1990 to 115. N. Japy succeeds Michael Dubreuil as managing director. Air Vendee is one of several small airlines benefiting from the transfer of regional routes in the arrangement whereby Air France gains control of UTA French Airlines, S.A. and Air Inter.

New services are started from Clermont Ferrand to Geneva and from Nantes to Amsterdam and Geneva. The King Air 100s are replaced by 1 Super King Air 200 and 2 more Metro IIs. All of the new aircraft receive a new red, white, and blue livery. Customer bookings climb 35.4% to 65,000.

The fleet in 1991 comprises 2 Super King Air 200s, 5 Metro IIs, 2 SAAB 340Bs, and 1 Metro I, leased to Serib Wings in Italy. Late in the year, as the result of negotiations between President Dubreuil and Airlec, S.A. CEO Michel Le Collen, it is decided to merge the two carriers. Regional Airlines, S.A. is born on January 1, 1992, with Dubreuil as president and Air Vendee holding 79% controlling interest. Other partners in the new consortium include Airlec, S.A. and Air Exel France, S.A.

AIR VENEZUELA, S.A.: Aeropuerto Internacional Simon Bolivar, Rampa Exte, Hangares Taven, Maiquetia, 1161, Venezuela; Phone 58 (3) 126 711; Fax 58 (3) 122 259; Code VENZ; Year Founded 1996. AV is established at Caracas in 1996 to offer scheduled domestic services as well as international flights to neighboring countries. An American citizen, who owns seven Convair CV-580s that he is prepared to commit, largely owns the privately owned carrier. Painted in AV livery, three Convairs introduce low-cost services to Merida, Maracaibo, and to Margarita Island.

As the route network and load factors grow in 1997, four more CV-580s are added. In October, Miami-based AMRAI persuades company officials to purchase four Indonesian-built IPTN N250s and to take options on four others. The new turboprops, ideal for the carrier's hot-and-high requirements, are to be delivered soon after their certification.

Service is maintained without change during the remainder of the decade.

AIR VERMONT: United States (1981-1984). This privately held small regional is organized by Gene Karlow and John Porter at Morrisville-Stowe State Airport in September 1981, inaugurating service on November 15. Employing two Piper PA-31-350 Navajo Chieftains, 2 PA-31-310 Navajos, and 1 PA-34 Seneca, the company expands rapidly and, by the end of 1983, is providing service from Morrisville to Albany, Boston, Hartford, Burlington, Islip, New York City, Wilkes-Barre, Washington, D.C. and Portland, Maine.

This growth turns out to be a case of overexpansion (frequencies on the Burlington-Boston route are 12 per day), which leads the company into severe financial difficulties during a local fare war. Still, 66,000 passengers are carried on the year.

Air Vermont suspends operations and files for bankruptcy on January 20, 1984. Most of the 160 employees are laid off. Partial service is resumed in February, but it is halted again on March 2. Following reorganization, the carrier resumes New England commuter flights on September 17 to Boston, Montpelier, and Bridgeport, Connecticut. Only a few aircraft are operated and the workforce totals but 15. With insufficient traffic and revenues, the company is unable to continue beyond the end of the year.

AIR VIA BULGARIAN AIRWAYS: 54 GM Dimitros Blvd., Sofia, Bulgaria; Phone 359 (2) 722 587; Fax 359 (2) 720 584; Code VL; Year Founded 1990. A group of Bulgarian and Austrian investors come together in 1990 to create this charter airline that will undertake inclusive tours and other flights on behalf of the travel operator Balkan Holidays. Financing is provided by Balkanban, also a shareholder.

Five Tupolev Tu-154Ms are acquired by President Vassil Strinsky from Balkan Bulgarian Airlines and flights commence during the first quarter of 1991 linking Sofia with Bourgas, Varna, and (seasonally) Plovdiv.

Although a sixth Tu-154M is now acquired, three of the earlier units are leased to the Macedonian carrier Avioimpex Macedonian Airways.

Service is continued without fanfare during the remainder of the decade. Clients now include not only Balkan Holidays, but the German tour companies TUI Deutschland and BG Tours, Orient Plus in Lebanon, and the Slovak Republic-based Krassim.

AIR VIAS, S.A.: Av Sao Luiz 50, 39 O Andar-Centro, São Paulo, CEP-01046000, Brazil; Phone 55 (11) 259 3044; Fax 55 (11) 258 8818; Code AI; Year Founded 1993. Capitalized at \$30 million, Air Vias is established at Buenos Aires in the fall of 1993 as Brazil's first charter airline. Revenue operations commence in December with one each leased Boeing 727-247A and B-727-2J4A to leisure destinations in the northeastern part of the country as well as several locales in the Caribbean.

Operations continue in 1994 and service is expanded after the addition of a chartered Douglas DC-8-62. No significant changes occur in later years.

AIR VIETNAM, S.A.: South Vietnam (1951-1975). The largest airline to be formed in the French colony of Indochina is Air Vietnam, S.A. (Hang Khong Vietnam) established on October 1, 1951 as a joint French and Vietnamese company. Local and government interests hold 66% shareholding and Air France holds a minority (33%) stake. Equipped with Douglas DC-3s, the carrier begins flights from Saigon to Hong Kong and other Southeast Asian capitals the same day, taking over the Indochina network of the French flag carrier.

A block-space, code-sharing agreement is simultaneously entered into with Air France for a certain number of flights on the French flag carrier's four weekly Super Constellation services from Saigon to Paris. Domestic flights begin from Saigon on October 15, also replacing the internal flights of Air France.

Operations continue apace in 1952-1953. The DC-3 Robin, the last airliner in the fleet of KLM (Royal Dutch Airlines, N.V.) bearing the name of a bird, is sold to Air Vietnam in December of the latter year.

Following the July 21, 1954 division of Vietnam into north and south in accord with the Geneva Agreements, the company becomes the state-run airline of the southern Republic of Vietnam. Domestic flights cease to cities north of the 17th parallel, which forms the national boundary, and the northern terminus is moved from Hanoi to Hue.

Employed in a passenger configuration, a Bristol 170 Mk. 31, with 4 crew and 51 passengers and flown under contract to the government of Laos, crashes near Pakse, Laos, on August 16; there are no survivors.

With varying degrees of regularity, services are maintained in **1955–1959**. During these years, Lockheed L-749s, followed by L-1049s, are wet-leased from **Air France** to operate the company's Saigon–Hong Kong service.

Emphasis is placed on long-haul regional service to Laos, Cambodia, and Thailand; in pool with **Air France**, frequencies are opened to Paris and Hong Kong. Acquired from Paris during the former year, a five-year-old Douglas DC-4—formerly the **Skyways, Ltd. Sky Freedom**—is sold to **Indian Airlines Corporation** in December. During the next year, it will be replaced by another four-engine Douglas. In **1959**, the fleet comprises 1 DC-4 and 6 DC-3s.

Operations continue apace in **1960–1963**. During these years, a Vickers Viscount is leased from the carrier's French partner and takes over the service to Hong Kong formerly pooled with **Air France**. Other international destinations visited include Malaysia, Singapore, Formosa, Japan, and the Philippines.

There are gains and losses in **1962**. On August 31, a DC-6B is acquired from **Northwest Airlines** replacing the Viscount. On November 10 a DC-3 with 3 crew and 24 passengers crashes 20 km. NNW of Da Nang while on initial approach; there are no survivors.

In **1964**, the company employs 1,202 workers and flies 14 aircraft. In August, a Sud-Est SE-210 Caravelle III, first flown by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, is leased from **Air France** and is employed to replace the pooled services flown to Bangkok, Phnom Penh, and Bangkok. Enplanements are 305,000 and revenues of \$5.55 million are earned.

The employee population totals 1,200 in **1965**. The company now operates 30 aircraft, including 1 leased Boeing 307 Stratoliner, 1 Douglas DC-6, 1 DC-6B, 3 DC-4s, 5 DC-3s, 2 Beech 18s, 7 C-47s, 1 Sud-Est SE-210 Caravelle, 1 Cessna 310, and 4 Cessna 185s.

During the first quarter, the Caravelle initiates a new route from Saigon to Singapore via Kuala Lumpur. In need of additional cargo capacity as the war escalates, the first of six Curtiss C-46 Commandos are leased from **China Air Lines, Ltd. (CAL)**.

Just after takeoff from Quang Ngai on a September 16 service to Saigon, a DC-3 with 3 crew and 37 passengers is apparently hit by Viet Cong ground fire and crashes; 1 person survives, seriously injured.

Enplanements for the year total 623,914.

In December **1966**, the Caravelle extends the Hong Kong service up to Taipei, Taiwan. Bookings this year total 586,759. The workforce in **1967** is 3,011. The fleet now operates 39 aircraft, including 17 DC-3s, 8 DC-4s, 1 DC-6, 1 DC-6B, 1 Caravelle, and 11 smaller aircraft, plus 6 C-46s. Much of this fleet is leased from **China Air Lines, Ltd. (CAL)**.

On January 17, a reciprocal service agreement is signed with **Korean Airlines/Korean Air (KAL)**. The ancient relationship with **Air France** is practically at an end on December 31, as a new support contract is signed with **Pan American World Airways (1)**.

Passenger boardings skyrocket 90% to 1,117,934 and freight jumps by 86%.

For the bargain price of \$5.5 million per copy, 2 almost-new Boeing 727-121Cs, plus spare parts, are purchased from **Pan American World Airways (1)** on January 2, **1968** and 2 additional DC-4s also join the fleet. Upon its arrival, the first new trijet is christened *Thanh Long*.

Saigon to Hong Kong service is suspended during the February 3–10 Tet Offensive. The new Boeings enter domestic service on March 1 and the route network now includes 23 South Vietnamese cities plus 10 abroad. The Caravelle III is returned to **Air France** in September upon the arrival of the second American trimotor.

Airline employment climbs to 3,101 and enplanements jump 12% to 1,253,965. Revenues of US\$1.88 million are earned and **Air France's** holding is now just 6%.

Older aircraft employed on domestic routes are replaced in the spring of **1969** by Fokker F.27s and at least two are destroyed by enemy action. A DC-3 is destroyed on the ground at Hue during a North Vietnamese attack on April 2. A C-54B is destroyed in a rocket attack on Saigon on May 1.

As the peace talks begun in January drag on, the company, on July 30, extends its Taipei route to Osaka and Tokyo. In September, President Nixon announces that America's 550,000 troops will begin to withdraw and the Second Indochinese War will now enter a phase of "Vietnamization."

While on final approach to Da Nang on September 20 after a flight from Pleiku, a C-54D, with 5 crew and 70 passengers, collides with a USAF F-4 Phantom II. Although the fighter crew safely ejects, the passenger plane crashes, killing all aboard, plus 2 people on the ground.

En route from Saigon to Da Nang via Nha Trang on December 22, a DC-6B with 7 crew and 70 passengers suffers the explosion of a bomb in its forward lavatory during its descent for a landing at the intermediate point. The blast knocks out most of the plane's systems, including hydraulics, and creates a 5-ft. hole in the fuselage. A nose-high, flapless landing is made, during which the plane bounces. Without brakes, it veers off the runway, crashing into houses and a school, which catches fire. All but 10 passengers aboard the Douglas survive, but 24 school children are killed. Another 35 persons are injured.

On February 1, **1970**, an unexploded bomb is found aboard an airliner arriving at Saigon from Da Nang.

Coming into Tansonghut Airport at Saigon from Pleiku on July 22, a DC-4 is taken over by U.S. Army private G. M. Hardin, who holds a knife to the pilot's throat and demands to be flown to Hong Kong. With no one to fly the plane after he hurts the pilot, Hardin surrenders to military police two hours later.

Having diverted from Hue on September 30 due to bad weather, a DC-3 with 3 crew and 35 passengers en route from Ban Me Thout, slams into a hill while descending to Da Nang; the aircraft crashes and 3 aboard are killed.

En route from Saigon to Quang Ngai on November 1, a C-46 freighter with two crew makes a forced landing on a beach at Qui-Nhon. Although the crew walks away, the Curtiss sinks in the sand and is flooded when the tide comes in.

In December, a Boeing 707-351 is leased from **Northwest Airlines** for six months.

As American forces "Vietnamize" the war, the company begins a period of downturn prior to its eventual end.

As U.S. troops (who were also customers) depart, passenger boardings decline 18.6% in **1971–1972**; enplanements fall from 1.02 million in the former year to 868,000 in the latter.

A DC-3 is damaged beyond repair in a bad landing at Kampot Airport in Cambodia on August 22, 1971; there are no fatalities.

Cargo traffic climbs 2.5% in **1972**, but while en route from Vientiane to Saigon on September 24, a C-54D with 5 crew and 8 passengers crashes near Ben Cat (10 dead).

During these years, the 6 C-46s leased from **China Air Lines, Ltd. (CAL)** are returned.

In **1973**, airline employment is 3,597. The fleet now includes 2 B-727-121Cs, 8 DC-3s, 7 DC-4s, 1 DC-6, 1 DC-6B and 2 Cessnas.

A cease-fire is signed at Paris on January 27.

En route from Saigon to Ban Me Thuot on March 19, a DC-4 with 5 crew and 54 passengers crashes in the Central Highlands, 250 km. NE of the point of origin; there are no survivors. Upon examination, it will be determined that a bomb exploded in the cargo bay adjacent to the main wing spar.

The carrier joins with **Air France** on July 18 in establishing new reciprocal services between Saigon and Paris. On July 30, it is revealed that an increasing number of travelers have adopted other modes of transport, resulting in a 50% reduction in the carrier's requirements for capacity; domestic frequencies are reduced from 30 to 17 per day.

A DC-3 disappears on November 15 during a flight from Saigon to Quang Ngai; among the missing is American Quaker volunteer R. W. Thompson. Two days later, his body, together with those of 26 other victims, is located on a mountain near Bato, 20 km. NNW of Quang Ngai. Bookings drop further, down 23% to 668,360. Cargo traffic is up slightly.

The workforce in **1974** includes 3,109. The carrier's DC-6B is replaced by a Vickers Viscount, while another DC-4 and B-707-331, the latter chartered from **Pan American World Airways (1)**, join the 17 other units in the fleet.

On February 20, a 19-year-old South Vietnamese youth takes over a DC-4 with 52 passengers en route from Dalat to Qui Nhon, but is tricked by the plane's pilot into believing that the plane, which has actually landed at Hue, is in Hanoi. The youth begins to brawl with the copilot when he learns of the deception and kills himself and two boarding police officers with a grenade. Fifteen others are wounded and the plane is badly damaged.

Hijacker Le Duc Tan seizes Flight 706, a B-727-121C with 8 crew and 67 passengers en route from Da Nang to Saigon, on September 15, demanding to be flown to Hanoi. Enroute, he detonates a powerful hand grenade that causes the plane to explode in midair near Phan Rang airfield and crash. There are no survivors.

For the third consecutive year, traffic is down as the Indochina conflict approaches a climax. Passenger bookings decline 12% to 558,460 and freight traffic dips 8% to 3.27 million FTKs.

On March 12, **1975**, while en route from Vientiane to Saigon with 6 crew and 20 passengers, a DC-4 is hit at 11,000-ft. by a North Vietnamese SAM-7 missile and crashes in the Central Highlands, some 25 km. SW of Pleiku City; there are no survivors.

Operations continue until just before the Communist victory on April 30. When the company's Saigon base is overrun, the leased **Pan American World Airways (1)** Stratoliner is at Hong Kong and it returns directly to the U.S. The B-727-121C *Thanh Long* is at Taipei, where its crew requests political asylum. The aircraft is eventually taken over by the Republic of China's government. On July 2, North and South Vietnam are formally unified and Air Vietnam, S.A. ceases to exist.

AIR VIKING, H.F.: Iceland (1973). Air Viking is established at Keflavik in the late spring of **1973** to offer inclusive tour and other passenger charter services to worldwide destinations. A single Convair CV-880M is acquired and enters services on July 31. Flights cease in November.

AIR VIRGINIA (1): United States (1979–1985). Lynchburg-based Air Virginia is formed by Rodney H. Jaeger in January **1979** as successor to his earlier **Cardinal Airlines** and launches daily roundtrip service to Washington, D.C. on March 19. The carrier boosts its workforce by 332.4% to 147 and its 3 Swearingen Metro IIs and 3 Piper PA-31-350 Navajo Chieftains enplane 19,000 travelers by December 31.

Passenger boardings in **1980** are 176.9% greater than the previous year, and traffic increases steadily thereafter for Chairman Herbert H. Frazier and President Jaeger.

The fleet is increased in **1981** by the addition of 1 British Aerospace BAe 748-B2 and 2 Metro IIs; 2 748s remain on order. Enplanements balloon 59.1% to 81,641 and 49,000 pounds of cargo are also hauled.

A second BAe 748-B2 and a sixth Metro II are delivered in **1982**. Passenger boardings skyrocket 74% to 142,012, while freight traffic does even better, climbing 119.4% to 107,000 pounds. Enplanements in **1982** total 142,000.

The payroll jumps 34.7% in **1983** to 334 as competing **Mid-South Airlines** is purchased and merged. The route network grows to 17 destinations and the fleet now includes 3 BAe 748-B2s and 11 Metroliners. Customer bookings increase 52.8% to 216,991 and freight swells 28.3% to 137,000 pounds.

The growth trend slows somewhat in **1984** as the company encounters financial difficulties and FAR Part 135 enforcement attention from the Federal Aviation Administration. Nevertheless, its 3 British Aerospace BAe 748s and 5 Fairchild-Swearingen Metro IIs are able to maintain a schedule of over 130 weekday flight departures along its system, which extends to 17 points in Maryland, Virginia, New York, New Jersey, Ohio, North Carolina, Pennsylvania, and the District of Columbia.

In October, the carrier is purchased by Dimitri P. Nicholas and, on the year, a total of 248,000 travelers are carried, a 14.3% boost.

Early in **1985**, the BAe 748s are withdrawn from service in favor of an 18-unit Metroliner fleet. During the first quarter, the carrier is courted as a potential commuter partner by both **United Airlines** and **American Airlines**. The decision is taken in favor of the latter and, on April 1, the carrier inaugurates flights as the third member of the American Eagle commuter network.

The 18 Metroliners change their livery and adopted the AA eagle logo, while staff members receive new uniforms. On May 14, the carrier's new president, Curt Coward, announces an order for 10 new Metro IIs and changes the company's name to **AV Air**, effective November 1.

AIR VIRGINIA (2): Petersburg Municipal Airport, 23301 Airport Road, Petersburg, Virginia 23803, United States; Phone (804) 863-4900; Fax (804) 863-0153; Year Founded 1995. The second Air Virginia is a passenger charter operator established at Petersburg Municipal Airport in **1995**. Revenue flights commence and continue with 3 British Aerospace BAe Jetstream 32s, 1 of which is stationed at Atlantic City Airport in New Jersey.

Services continue in **1996–1997**, during which years 2 more Jetstream 32s enter service.

In February **1998**, it is announced that the company will transition from FAR 135 status to the more stringent FAR 121 category. Service is maintained thereafter into the new millennium.

AIR VITKOVICE, LTD.: Czech Republic (1992–1994). Organized at Ostrava in **1992**, Air Vitkovice, Ltd. names Vaclav Kupka its managing director. With a fleet of four Let 410s, regularly scheduled passenger commuter flights are inaugurated to large and mid-sized destinations throughout the country.

When Czechoslovakia is broken up in **1993**, this regional retains its registration in the republic. Nadezda Stankova becomes managing director and a fifth Let 410 is placed into service. The corporate identity changes in **1994** as the airline becomes **Air Ostrava, Ltd.**

AIR VOLGA (AEROVOLGA). See **AERO VOLGA CONCERN**

AIR VOLTA, S.A.: Burkina Faso (1967–1985). Formed at Ouagadougou, Upper Volta, in **1967**, this small airline is owned by the government (66%), **Air Afrique, S.A.** (17%), and **UTA (Union de Transports Aeriens, S.A.)** (17%). Revenue service flights commence in **1968** with a Piper Pa-31-310 Navajo to 10 domestic destinations. A decade later, Managing Director A. Kalenzaga's 22-man operation acquires a de Havilland Canada DHC-6 Twin Otter with which to start international flights to Bamako, Mali.

During the early **1980s**, airline employment grows to 60 as Air Volta obtains a Fokker F.28 and an Embraer EMB-110P1 Bandeirante. The Fokker is employed to initiate regional frequencies to Abidjan, Bouake, Cotonou, and Lome. Flights are also started to Niamey, Niger, but are suspended.

Upper Volta gains its independence from France in **1984** and, under the leadership of Prime Minister Thomas Sankara, is renamed Burkina Faso. In **1985**, the carrier is reorganized as **Air Burkina, S.A.**

AIR VOSGES, S.A. See **AIR ALSACE, S.A.**

AIR WAKAYA, LTD.: Fiji (1992–1996). Formed at Suva in **1992**, this new entrant begins scheduled services late in the year. Managing Director Lorna Christoffersen's little commuter operates a single Pilatus-Britten-Norman PBN-2 Islander until it shuts down in late **1996**.

AIR WALES, LTD. (1): United Kingdom (1977–1980). Organized at Cardiff in July **1977**, the company's principal shareholders are the Cosalt, Ltd. subsidiary Orbit Trust (75%) and DK Aviation, Ltd. (25%). Air Wales inaugurates services on December 6 over a scheduled route to

Chester. Later in the month, the two cities are linked to Cherbourg and to Brest, the latter via Bournemouth.

In May 1978, markets are opened at Bordeaux, Dinard, and Brussels and airline employment reaches 20. Chairman David V. King's 2 Embraer EMB-110P2s and 1 Piper PA-31-350 Navajo Chieftain begin flying to London (LGW) in early 1979.

The carrier is merged with **Air Anglia, Ltd., Air Westward, Ltd., and British Island Airways, Ltd. (1)** on January 1, 1980 to form **Air U.K., Ltd.**

AIR WALES, LTD. (2): Pembrey Airport, Pembrey, Carmarthen, Wales, SA16 0H2, United Kingdom; Phone 44 (1554) 890 875; Fax 44 (1554) 891 306; <http://www.cial.co.uk>; Year Founded 1997. The aviation broker IAG begins discussions with a group of Welsh investors in November 1997 regarding the possibility of opening scheduled flights from a Welsh airport in the new year. An application for an operating certificate is filed with the Civil Aviation Authority.

Air Wales is formally established under Managing Director Capt. John H. Evans at the Pembrey-West Wales Airport, Carmarthenshire, in January 2000, to offer ticketless discount service to Cardiff and London (STN). On February 7, the company announces that it will initiate its new service on March 26, hoping to appeal to business travelers.

Arrangements are completed with **Islandsflug H.F.** during the summer for the lease of a Dornier 228-212; it is employed to begin thrice-daily return service on September 4 from Cardiff to Cork. Twice-daily roundtrips between Cardiff and London (STN) follow on September 18.

AIR WASHINGTON: United States (1971-1972). Air Washington is set up at Seattle's Boeing Field in 1971 to offer scheduled de Havilland Canada DHC-6-100 Twin Otter passenger and cargo flights to Pasco via Yakima.

Unable to achieve viability, the carrier fails in 1972.

AIR WEST (1): United States; (1968-1978). Air West is formed on April 9, 1968 through the merger of **Pacific Air Lines, Bonanza Air Lines, and West Coast Airlines** after negotiations that had begun in August 1967. Routes of the merger partners, the total combined mileage of which is increased by 38%, are maintained and their fleets are largely combined. Following integration, 7 DC-9-11s are acquired.

Having encountered major financial difficulty, increased in magnitude by the failure of a new computerized reservations system, the carrier seeks a new owner in order to avoid bankruptcy. The purchaser turns out to be Howard Hughes, the pioneer aviator who, seven years earlier, had been forced out of his longtime association with **Trans World Airlines (TWA)**.

On August 12, a \$90-million sale is announced. A number of Air West directors, several of whom first hear of the deal over the radio, pillar Chairman Bez as a Hughes stooge and bring suit to halt the takeover. Still, sufficient boardroom support is found for Bez and Hughes, in the entity of his Hughes Air Corporation (Summa), to sign the legal papers on December 31.

During the year, a total of 3.01 million passengers are enplaned, a 13% increase over the combined 1967 figures of the three partners. Freight traffic is up by 42%. Revenues are \$66.14 million.

A computerized reservations system is installed in February 1969 as the company begins to share computer facilities with **Braniff International Airways**. A reciprocal agreement is signed with American President Lines for the booking of passengers between points on their systems as a stimulant to travel from the Orient to the U.S. and Mexico.

The three former **Bonanza Air Lines'** DC-9-11s are returned to Douglas on May 16 for conversion into DC-9-14s. Following various court appeals by Hughes opponents, the arrangement is completed with the CAB's final approval, given on July 21. During the next 10 months, the carrier is reorganized. Headquarters are transferred to San Mateo, California.

At this point, the fleet comprises 33 Fairchild F-27s, 15 DC-9-31s, and 4 DC-9-11/14s. The third largest U.S. regional airline, the carrier's revenue passenger mile total increases by 6.9%, its freight ton miles by 63.84%, and revenues are up to \$74.11 million. The change-over does not have sufficient time to work before the year's balance sheet is shown to be in the red; losses are \$15,222,000 (operating) and \$20,788,000 (net).

The employee population in 1970 is 3,500 and the fleet includes 44 aircraft. Several of the F-27s are converted to F-27Fs and leased out as freighters. The carrier is renamed **Hughes Airwest** in April.

AIR WEST (2): United States (1984-1985). The second airline by this name is established at West Houston (Lakeside Airport) in the fall of 1984 to offer multiple-frequency, daily, nonstop roundtrips to Dallas (DAL). Flights commence on December 25 with the fleet's only aircraft, a de Havilland DHC-7-103 formerly operated by **Air Wisconsin Airlines Corporation** and purchased in October.

President Ben Taylor resigns in May 1985 and his duties are assumed by Chairman/CEO Woody Lesikar. Although route expansion is planned, the carrier does not generate the traffic or revenues necessary to continue beyond October 15.

AIR WEST, LTD. (2). See **AIR WESTWARD, LTD.**

AIR WEST AIRLINES: United States (1992-1995). Air West Airlines is established at Long Beach in the spring of 1992 to offer regional passenger services with a pair of Fairchild Metro IIs. Revenues flights begin to Palm Springs and Bakersfield in July and by year's end a total of 23,000 passengers are flown.

President Asher Milgrom adds a third Metro II in 1993 and flights continue for another year until the company is forced, by poor returns, to shut down.

AIR WEST AIRLINES, LTD. See **AIR BC, LTD.**

AIR WEST AVIATION: Santa Fe Municipal Airport, Hangar C, Santa Fe, New Mexico 87501, United States; Phone (506) 471-4500; Fax (506) 471-7705; Year Founded 1993. The independent charter operator Air West Aviation is established at Santa Fe by CEO Edward Becvarik in 1993 to offer passenger flights around the U.S. By 2000, the owner operates 1 each Turbo Commander 690B, Piper PA-60-602P Aerostar, Cessna 210L Centurian, C-340, and C-182 Skylane.

AIR WEST EXPRESS, LTD.: P.O. Box 10217, Khartoum, Khartoum 2, Sudan; Phone 249 (11) 452 503; Fax 249 (11) 451 703; Year Founded 1992. Air West, Ltd. is established by Capt. Saif M. S. Omer at Khartoum, Sudan, in April 1992 to provide regional and domestic scheduled and charter passenger and cargo services. Employing light-planes and a single Fokker F.27-200, revenue flights commence in October.

En route from the Ethiopian capital of Addis Ababa on March 24, 1993, the F.27-200 with 35 passengers crashes 35 mi. from its point of departure. Although no injuries are reported, the aircraft must be written off.

In 1994-2000, Omer expands his workforce to 80 and builds his fleet to include not only an F.27-600C, but also a Boeing 737-200C, Antonov An-26, and An-12 as well. Marketing agreements are signed with **Egyptair, S.A.E. and Sudan Airways, Ltd.** and destinations visited include Egypt, Ethiopia, Kenya, and domestic points within Sudan.

AIR WESTWARD, LTD.: United Kingdom (1976-1980). This third-level carrier is established at Exeter in 1976 and, as a subsidiary of Westward Television, Ltd., is initially dedicated to its parent's business. The company is reformed in September 1977 becoming the holding company Air West, Ltd., with Air Westward, Ltd. as the principal subsidiary. Peter Cadbury is named chairman/managing director.

The commuter inaugurates scheduled passenger and cargo services in April 1978 with three Cessna 404 Titans, linking its base with Glasgow, Amsterdam, Paris, and London.

After two years of operation, the third level carrier is merged on January 1, 1980 with **Air Anglia, Ltd.**, **Air Wales, Ltd.**, and **British Island Airways, Ltd. (1)** to form **Air U.K., Ltd.**

AIR WHITSUNDAY (PTY.), LTD.: Australia (1973–1994). South Queensland pilot Kevin W. Bowe and his wife Sue found this carrier at Happy Bay in April 1973. With one single-engine Lake LA-4 Buccaneer, charter flights are inaugurated to the waters of Hardy Lagoon, Great Barrier Reef. Between 1974–1981, the fleet is increased by the addition of 4 additional Lake LA-4s and the base of operations is transferred to Shuts Harbor Airstrip, Arlie Beach, Queensland, in December 1977.

A Piaggio P-68 Partenavia is employed to inaugurate scheduled service Whitsunday–Townsville and Mackay in 1982. Two Grumman G-73 Mallards are purchased in Canada in 1983; christened *Frigate Bird* and *Tropical Bird*, the two are relocated and placed in service, instantly making Rowe the largest commercial seaplane operator in the southern hemisphere.

Charter operations continue in 1984–1986 to such points as the Whitsunday Group and Hardy Lagoon as scheduled services are flown not only to Townsville and Mackay, but Townsville–Orphens and Hinchinbrook Islands and Whitsunday–Hayman and Hamilton Islands. The employee population reaches 18.

By 1988, the company has changed its name to **Reef World Airlines (Air Whitsunday)** and the fleet now comprises 5 de Havilland Canada DHC-2 Beavers, 1 Grumman Mallard, 1 Piaggio P-68, and 2 PBN-2s. A branch office is opened in Townsville with Rodney W. Johnston as manager.

G. M. Schweikert replaces Kevin Bowe as managing director in 1991 as the company's aircraft are further rationalized and include 2 DHC-2s, 1 Cessna 206, 2 PBN-2s, the Piaggio P-68, and 2 Lake LA-4 Buccaneers. Operations continue until 1994.

AIR WINDSOR, LTD.: Canada (1961–1982). Originally formed as **Gordon Airways, Ltd.** in 1961, this third-level operator changes its name to Air Windsor, Ltd. in 1970 when it introduces scheduled passenger and cargo flights from Windsor, Ontario, to Pelee Island. The fleet grows to comprise 1 each Piper PA-34 Seneca, Beech 18, and Cessna 182. Charter flights are also continued.

Unable to weather recession and rising fuel prices, the carrier ceases operations in 1982.

AIR WISCONSIN AIRLINES CORPORATION: West 6390 Challenger Dr., Suite 203, Appleton, Wisconsin 54915, United States; Phone (920) 749-4188; Fax (920) 749-4158; <http://www.airwis.com>; Code ZW; Year Founded 1965. Air Wisconsin is created at Appleton in late spring 1965 to take over the services formerly flown into the Badger State by **North Central Airlines**. The backers of the carrier, which was originally formed as **Fox Cities Airlines** on December 2, 1963, promote a public stock offering of 50,000 \$5 shares. On June 30, its two de Havilland DH 104 Doves begin flying a route to Chicago (ORD).

Four de Havilland Canada DHC-6 Twin Otters are placed into service in 1967 and used to start a Chicago–Milwaukee–Appleton–Minneapolis route system. The company will continue to service these markets as a subsidized commuter until airline deregulation encourages major expansion. Passenger boardings in 1969 are 84,652. The employee population is 140.

In 1970, airline employment drops to 133 and the fleet includes 4 Canadian-made turboprops and 2 Beech 99s. Enplanements are 117,572 and 218,750 freight ton miles are operated. Enplanements total 120,690 in 1971 and help the company achieve its first net profit.

The workforce climbs to 158 in 1972.

An Air Wisconsin DHC-6-100, with two crew and six passengers, collides with a **North Central Airlines** CV-580, with three crew and five passengers, over Lake Winnebago, near Appleton on June 29. Both aircraft crash, killing all aboard the two planes plus three people on the ground.

The company is launch customer for the 16-seat Fairchild-Swearingen Metro II, purchasing 13 of the aircraft. The first three are delivered late in the year.

Passenger boardings jump 19% to 149,000 and cargo increases 25% to 496,000 FTKs.

In 1973, the number of employees is increased to 173. Seven more Metroliners join the fleet. Meanwhile, joint fare agreements are signed with eight trunk lines. A computerized reservations system, leased from **Braniff International Airways**, is leased and new services are inaugurated during the fall to Detroit and Battle Creek.

Customer bookings accelerate 11% to 166,000 and 777,000 FTKs are flown, a 19.7% boost. Net income totals \$78,228.

Three more Metro IIs arrive in 1974 and the workforce is increased by eight. The company begins to phase out its Twin Otters and Beech 99s.

Enplanements jump 18.8% to 197,000, but cargo traffic is down by 4.8%. Still, the net profit rises 74% to \$300,875.

The workforce in 1975 reaches 160. Airline Tariff Publishers inform the travel industry that the company now offers joint fares between some 300 cities. These are integrated, along with schedules, into computerized reservations systems. Over 80% of Air Wisconsin's passengers are now boarded outside the Badger State. The fleet is now completely standardized on Metroliners.

Passenger boardings climb 5.6% to 208,000, but cargo is down by 26.4%.

A computerized accounting system is unveiled in 1976. Small-package interline agreements are made with several certified airlines. The carrier applies to the CAB for subsidy-ineligible certification and, to develop its air freight, becomes fully bonded. The tenth Swearingen Metroliners is delivered.

Customer bookings accelerate 21.7% to 252,626 while freight skyrockets 105.4% to 809,000 FTKs.

By 1977, the carrier is offering exclusive scheduled airline service to the new inbound customs port at the Battle Creek Airport in Michigan.

Enplanements reach 324,581 and a \$1.2 million profit is earned on revenues of \$10.5 million.

Airline employment is increased by 55.9% in 1978 to 251. In January, the company receives the 1977 "Regional Airline of the Year" award from *Air Transport World* magazine.

Newly certified Air Wisconsin extends its system to Grand Island, Nebraska, and Toledo. Anticipating further expansion, the company places orders for two de Havilland Canada DHC-7-103s.

Passenger boardings increase 22.4% to 397,243 while cargo climbs 19.2% to 8.3 million pounds. Operating revenues jump 29.7% to \$13.73 million, and a record net profit of \$1.9 million (up 51.9%) is posted.

A total of 111 new employees are hired in 1979, a 35.2% increase. This is the first year Air Wisconsin provides unsubsidized certified service, which begins in April as it replaces **Northwest Airlines** at the North Dakota communities of Bismarck, Mandan, and Jamestown and also begins flying into Pittsburgh. The company's Chicago (ORD) gate is moved from the commuter to the main terminal.

Orders for de Havilland Canada DHC-7-103s are increased to four, the first of which enters service in September.

Passenger traffic rises 24.3% as 493,862 passengers are carried and freight is up by 2% to 1.78 million FTKs. Total income climbs 44% to \$19.82 million and expenses are held to \$15.09 million. As a result, the operating profit is \$4.73 million and the net profit is up 23% to \$2.3 million.

The employee population explodes 57% in 1980 to 518 as the first Dash 7-103 enters service in early spring. As major and national carriers abandon a host of smaller communities, Air Wisconsin begins to fly into

many of them, after first withdrawing from its own less-profitable markets in Nebraska and North Dakota. On April 27, frequencies are initiated to Fort Wayne, South Bend, and Cleveland.

A massive ingestion of water from a thunderstorm at 6,000-ft. on June 12 causes both engines of Flight 965, a Swearingen SA.226TC Metro with 2 crew and 13 passengers, to lose power simultaneously. Although both engines are restarted, the Metro cannot recover and crashes into a field near Valley, Wisconsin (13 dead).

Three more Dash 7s are added during the year to the 2 (plus 13 Swearingen Metros IIs) in its fleet.

Passenger boardings accelerate by 24% to 667,285, but freight falls 36% to 1.14 million FTKs. On the financial side, revenues soar by 82.75% to \$36.2 million and expenses rise 81.47% to \$27.39 million. The operating profit skyrockets 87.1% to \$8.8 million and net gain reaches \$4.29 million.

The workforce is cut by ten positions in **1981**. A major shift in holdings and preparations takes place as the company doubles its number of Dash 7s to 10, disposes of 9 Metroliners (keeping 4), and makes ready to receive the first of its ordered British Aerospace BAe-146-100s.

The financial picture is mixed on the year. Although passenger traffic rises 5.7% to 705,266 passengers carried, cargo declines by 28.2% to 250,000 FTKs. Operating income increases 26.1% to \$44.97 million and expenses soar 36.3% to \$36.6 million. The operating profit thus falls to \$8.4 million while the net profit dips slightly to \$4.17 million.

The workforce totals 524 in **1982**. Passenger boardings rise by only 14,105 (2.6%) to 723,924. Revenues jump 17.9% to \$52.97 million and expenses accelerate 17.2% to an acceptable \$43.87 million. The operating profit is \$9.1 million and still, net profit drops \$200,000, to \$4.016 million.

The payroll grows 8.9% in **1983** to 573 and the fleet now includes 10 Dash 7s. The first 2 of 3 BAe-146-200s (financed by a small-interest loan from the U.K.'s Export Credit Guarantee Department) to be received during the year arrive on May 20 and June 15, and enter service in July. The carrier also pushes new routes into Milwaukee and Green Bay. Air Wis Services, Inc. is set up as a holding company and takes over ownership of the airline in a share-for-share exchange of stock.

Passenger boardings for the year climb 10.9% to 802,997 and 25.92 million pounds of cargo are transported. Revenues rise by 9.2% to \$54.8 million and costs move up by 13.8% to \$46.71 million. The operating profit is \$8.05 million and the net profit remains the same as 1982—\$4 million.

The payroll grows by 20.4% in **1984** to 690 and the fleet now includes 2 BAe 146-200s and 8 DHC-7s. Orders remain outstanding for 3 BAe 146-200s, 4 BAC 1-11s, and 12 Fokker F.27-500s.

As the 100-passenger, 4-engine British-made jetliners live up to expectations, the carrier acquires three more during the remainder of the year. Frequencies are initiated to Flint, Michigan and Eau Claire, Wisconsin. A DHC-7-103 is sold to **Air West (2)** in October.

As a result of a CAB ruling requiring the elimination of bias from computerized reservations systems, the company, beginning in November, loses its "first screen" location on travel agency computer terminals; the move will have a significant impact on traffic levels later on.

Meanwhile, current passenger traffic surges by 36.3% to 1,094,484 passengers flown, passing the million mark in annual boardings for the first time, while freight poundage increases 22% to 31,637,000. Revenues are up 30.8% to \$71.62 million and costs are kept to \$61.53 million, a 31.7% boost. Operating gain swells to \$10.09 million and net profit spurts upward by \$300,000 to \$4.36 million.

The workforce is increased by 8.7% in **1985** to 750. Early in the year, the former commuter carrier's north-south boundary of Minneapolis-St. Louis is defined on the east and west by addition of new services to Bridgeport and Stratford, Connecticut and Grand Island, Nebraska. A dozen Fokker F.27-500s are ordered in April; the \$72-million purchase price will be generated internally.

On May 17, two months after the March 20 arrangement is announced, Air Wisconsin consummates its takeover of Illinois-based

Mississippi Valley Airlines (MVA). It acquires the MVA's routes, fleet of 4 Fokker F.27-500s, 6 Shorts 360s, and 6 Shorts 330s, and debts through a stock exchange (0.4621 for 1) that costs the surviving partner \$10 million.

Arthur Hailand Jr. becomes board chairman and the route network grows to 31 cities in 8 states as the company enhances its status from large regional to national carrier. The enlarged airline's headquarters will remain at Appleton, while maintenance will continue to be performed at Fort Wayne and the MVA center at Moline.

The marketing position is further enhanced by the airline's decision to sign an agreement with **United Airlines** for participation in the major's Apollo computerized reservations system. The company's twentieth anniversary is celebrated on August 23. One-per-month deliveries of the F.27-500s begin on September 16, at which point the Shorts 330s become surplus, along with 3 Dash 7s and the MVA Fokkers.

At the end of the year, the fleet includes 8 BAe 146-200s, 4 BAC 1-11s, 4 Dash 7s, 7 F.27-500s, and 6 Shorts 360s. Orders remain outstanding for 5 F.27s.

Customer bookings actually decline 6% to 1,727,000, but revenues increase a modest 2.2% to \$120.16 million. Costs, led by merger expenses, boom upward by 11.5% to 115.5 million, but do allow an operating gain of \$4.66 million and net profit of 1.33 million.

Airline employment rises again in **1986**, up 2.3% to 1,175. A code-sharing arrangement is concluded with United in the spring and Air Wisconsin begins flying as "United Express" (effective October 26), dedicated to providing feed to Chicago (ORD) and a new hub at Washington, D.C. (IAD).

An order is placed for a ninth BAe 146-200 as BAC 1-11 operations end in May; the 4 withdrawn BACs are replaced by 4 additional F.27-500s. One of these is the 786th—and last—Friendship to be constructed and sold since 1958 (including 205 built under license by Fairchild).

The 6 Shorts 360s are now transferred to a new Richmond, Virginia, base and on June 1, and begin feeding traffic from 6 cities in Virginia, Pennsylvania, and Delaware into United's midfield terminal at the Dulles hub.

In August, AW begins serving the major's "Terminal of Tomorrow" at O'Hare with all of its BAe and Fokker assets, providing interline traffic from 23 cities in six Midwest states.

DHC-8 "United Express" service is started thrice daily in August from Washington, D.C. (IAD) to Norfolk, along with twice-daily flights to Charleston, West Virginia. In late fall, orders are placed for 7 additional BAe 146-200s. As part of the arrangement, the manufacturer assists the large regional to dispose of its 4 Dash 7s, now withdrawn. Toward year's end, most of the fleet has been repainted in "United Express" livery and work has begun on upgrading aircraft interiors with United upholstery and other accoutrements.

Passenger boardings leap upward by 17.3% to 2,028,972 and revenues ascend 9.1% to \$124.19 million. With costs held to \$117.96 million, the operating profit is \$6.23 million and net gain climbs to \$5.33 million. Much of the latter figure is achieved through the sale of aircraft and slots at the former New York (LGA) and Washington, D.C. (DCA) airport destinations.

The workforce is further improved in **1987**, growing by 2.1% to 1,200. Although the company will enjoy record traffic and income, much of the year is taken up with fending off hostile takeover bids. The first attempt is made by two ex-**United Airlines** officials, backed by Citicorp Venture Capital. As soon as that push fails, another is mounted by two of the airline's own outside directors.

Following the failure of the second takeover bid, the carrier's board adopts a protective anti-takeover strategy. Customer bookings accelerate 6.6% to 2,160,078, but freight declines 24.7% to 213,000 FTKs. Revenues advance by 22.2% to \$145.6 million, expenses jump 16.6% to \$132.02 million, and the operating profit is \$13.57 million. Net profit advances a million dollars to \$5.78 million.

Airline employment grows 15.9% in **1988** to 1,391 and the fleet includes 14 F.27-500s, 6 Shorts 360s, 8 BAe 146-200s, and 2 BAe

146-300s, the latter being delivered in December. The carrier is also launch customer for the BAe 146-300s, which enter service this year. Meanwhile, on April 1, the board of directors adopts a shareholder rights plan designed to safeguard the company's interests, especially the unregulated accumulation of its common stock. Late in the year, **United Airlines** realigns the routes of its smaller code-sharing partner, assuming several of the more profitable segments for itself.

Passenger boardings jump 12% to 2,420,000 and cargo recovers, rising 37% to 292,000 FTKs. Revenues swell 22.57% to \$184.56 million and although costs are up by 18.63%, they still total only \$161.88 million. Operating income reaches \$22.67 million and the net gain nearly triples, rising to \$17.92 million.

The workforce of the newly elevated national airline grows only a slight 0.6% in **1989** to 1,400. The fleet now includes 5 BAe 146-200s, 14 F.27-500s, 5 Shorts 360s, and 5 BAe 146-300s. Orders are outstanding for 14 BAe ATPs. In March, Air Wisconsin returns to British Aerospace as North American launch customer for its Advanced Turboprop (ATP), which is later classified as the Jetstream 61. Orders are placed for 14, with options on 6 others. Simultaneously, the carrier petitions the FAA for a waiver that will allow use of the 64-seater in Chicago (ORD) 56-seat commuter slots. When the first three ATPs arrive in late fall, the F.27s are transferred to Washington, D.C. (IAD) to replace the Shorts 360s, which begin phaseout. It comes as a surprise and disappointment to company officials when **Atlantic Coast Airlines**, formed in December, receives from the **United Airlines** parent most of the Dulles-originating "United Express" routes of bankrupt **Presidential Airways**.

Customer bookings drop 9.3% on the year to 2,195,013, but freight climbs 19.5% to 349,000 FTKs. Revenues decline 3.51% to \$178.09 million, expenses jump 8.99% to \$176.45 million, and operating income plunges to \$1.64 million. Net gain is cut to \$355,000.

The employee population rises 1.2% in **1990** to 1,407. During the year, the fleet is increased to include 6 BAe ATPs and the last Shorts 360s are sold. With only a year and a half remaining on its marketing agreement with **United Airlines**, Air Wisconsin officials begin discussions with that corporation on contract renewal and with other majors as to possible realignment. The first ATP begins service from Chicago in March.

Negotiations are undertaken and successfully concluded on April 30 for the purchase of Denver-based **Aspen Airways**, minus its regional turboprop routes that pass to **Mesa Airlines**. To accomplish the acquisition, AW will provide \$3 million in cash, \$2.5 million in five-year 8.5% notes, and assume \$2 million in liabilities. Although Aspen will be operated as a subsidiary for the remainder of the year, its jet routes from Los Angeles to Chicago (ORD) via Aspen, when linked to the new parent's Chicago to Washington, D.C. (IAD), turn the new parent into a transcontinental carrier.

In May, President/CEO Preston Wilbourne gives up his position with the airline, while retaining his position as chairman of parent Air Wisconsin Services. His successor is longtime **United Airlines** official William J. Andres, who has been with the Wisconsin-based national for three years.

A new and more agreeable code-sharing agreement is signed with **United Airlines** and takes effect on November 1. Five de Havilland Canada DHC-8-100s are ordered in December.

Passenger boardings this year ascend 2.4% to 2,248,008, but cargo plunges 34.3% to 387,000 FTKs. Revenues move ahead by 10.42% to \$196.64 million, expenses jump 11.07% to \$195.97 million, and the operating profit is cut to \$671,000. Net gain, on the other hand, climbs by almost 75% to \$1.28 million. The airline's parent, Air Wisconsin Services, reports a net loss of \$1.1 million, blamed almost entirely on **Aspen Airways** losses.

The payroll is increased by 17.9% in **1991** to 1,668 and the fleet now includes 12 BAe 146s, 9 BAe ATPs, and 6 Fokker F.27s. During the year, the fleet is enhanced by the delivery and introduction into service of the 5 de Havilland Canada DHC-8-100s requested in December.

In January, a \$63-million order is placed for five DHC-8-300s; the aircraft will be delivered between June and September. On June 6, the

company joins with **United Airlines** to celebrate the fifth anniversary of their "United Express" partnership. **Aspen Airways** is merged into its parent in July.

Customer bookings climb 6.7% to 2,534,954, but cargo falls 11.7% to 340,000 FTKs. Although revenues are up by 7.45% to \$211.3 million, expenses surge 20.18% to \$235.53 million and guarantee an operating loss of \$24.22 million. There is a huge \$340.91-million net loss.

Company employment is cut by 5.6% in **1992** to 1,569. Negotiations begun during the previous fourth quarter are completed in January and Air Wisconsin, despite objections to the government by **American Airlines**, is acquired, via an exchange of stock, by **United Airlines**, which, at year's end, decides to dismantle its new prize.

Passenger boardings ascend 20.2% to 2,872,041 while freight declines 8.8% to \$11.75 million FTKs. Revenues move ahead by 2.7% to \$217.1 million, but costs increase 8% to \$254.31 million. The operating loss swells to \$37.21 million; however, net loss is cut to \$46.4 million.

Air Wisconsin reduces its workforce by 31.3% in **1993** to 1,078 as operations continue from Chicago with the 12 British-made jetliners. In late March, Air Wisconsin's Washington, D.C. (IAD) operation is sold to "United Express" carrier **Atlantic Coast Airlines**. In April, the BAe ATP feeder operation at Chicago is sold to Hulas Kanodia, who owns the "TWExpress" carrier **Trans States Airlines**, and is creating a new airline, **UFS (United Feeder Service)**.

At the same time, Air Wisconsin President/CEO Andres is replaced by Vice President-Operations Ronald Aramini. Gary Marsh becomes vice president-operations in June as the airline inaugurates nonstop BAe 146-100 flights from Aspen to Los Angeles timed to coincide with the start of the Aspen Music Festival.

The Kanodia transaction is completed on September 1 as **UFS (United Feeder Service)** launches scheduled BAe ATP flights from O'Hare International Airport to four Midwestern cities. UAL, Inc. seeks a buyer for the BAe 146 operation formerly known as **Aspen Airways**. One is found in September: the holding company CJT Holdings, controlled by former **Northwest Airlines** executive Geoffrey T. Crowley, with William Jordan and Patrick Thompson as major partners.

Effective back to December 1, the carrier and its 12 BAe 146s are turned over on December 29 and the once-proud national is renamed Air Wisconsin Airlines Corporation. The move concludes **United Airlines'** divestiture. The year's customer bookings plunge 27.9% to 2,066,000 and cargo declines 39.4% to 204,000 FTKs. Revenues are also off, by 13.1%, to \$188.6 million. Expenses are again high, but the operating loss is cut to \$29.4 million. Net loss is also lessened, to \$27.5 million.

Airline employment is increased by 4% in **1994** to 650 and the fleet now includes 2 leased BAe 146-100s, 6 BAe 146-200s (4 leased), 5 BAe 146-300s (4 chartered) and 1 Fokker F.27-500, which is leased out to the Indian carrier **NEPC Airways, Ltd.** Passenger boardings recover, shooting up 16.8% to 1,603,174, and revenues of \$102.8 million are earned. With expenses of \$99.8 million, profits are earned: \$3 million (operating) and \$2.54 million (net).

The workforce stands at 800 in **1995**, an 18.5% increase. To celebrate its second year as an independent, the company applies a new paint scheme to all of its aircraft. Scheduled departures reach 34,115.

Enplanements slide 0.1% to 1,600,735, but operating revenues increase 16.9% to \$120.07 million. Costs jump 16.8% to \$116.57, but still allow operating profit to rise to \$3.5 million. A \$3.12 million net profit is posted.

The employee population is increased by 4% in **1996** to 780.

In early December, a BAe 146-200 is leased from BAe Asset Management: Jets (AJM) for four years.

While on descent to Denver on December 20, "United Express" Flight 684, a BAe 146-200A with 16 passengers, encounters unexpected turbulence; 2 flight attendants are seriously injured.

The company's 15 BAe 146s make a total of 36,264 scheduled departures and transport 1,757,000 passengers, a 10.3% increase. In addition, cargo grows by 25.4% as 467,000 FTKs are operated. Operating income accelerates 10.3% to \$132.44 million and expenses are up

by the exact same 10.3% to \$128.6 million. Profits grow slightly to \$3.83 million (operating) and \$3.79 million (net).

In 1997, global positioning system (GPS) equipment and telephones are installed in units of the fleet. When **Atlantic Southeast Airlines (ASA)** returns its three BAe 146-200s to BAe AJM in June, arrangements are made to lease them to Air Wisconsin. The first aircraft is delivered in late October and is employed to increase capacity on services to the Colorado ski resorts.

During the fourth quarter, the two additional BAe 146-200s arrive. They assist the company in expanding its winter schedule from Denver to Aspen, raising the number of daily roundtrips to 18 on the weekends and 14 during the workweek. This is in addition to daily nonstop roundtrips to Aspen from Los Angeles.

Passenger boardings accelerate 10.6% to 1,943,255 on 39,695 scheduled departures, but freight falls 25.5% to 180,000 FTKs. Operating revenues advance 6.4% to \$140.89 million, while expenses grow 6.7% to \$137.26 million. The operating profit dips to \$3.62 million, while net gain also slides, to \$3.66 million.

On February 23, 1998, Air Wisconsin purchases bankrupt **Mountain Air Express (MAX)**, the former subsidiary of **Western Pacific Airlines** that had, itself, failed a few weeks earlier. Also during February, the two former ASA BAe 146-200s are delivered. They are immediately employed to increase United's turboprop feed capacity at Denver.

Just after landing at Aspen after a March 11 service from Denver, Flight 166, a BAe 146-200 with 4 crew and 77 passengers, blows a tire and runs off the runway; although the aircraft sustains damages, no injuries are reported.

Integration of the MAX Fairchild Dornier 328s into the "United Express" operation is completed on April 1, at which time MAX president Tom McClain departs. A number of routes are now taken over that had previously been operated under contract by **United Express (Mesa Air Group)**.

On the other hand, certain Air Wisconsin "United Express" services from points in Wyoming to Denver are turned over to **Great Lakes Aviation** on October 25. Destinations involved include Cheyenne, Gillette, and Sheridan.

A major package of "United Express" jet service enhancements and introductions for the new year is announced on December 21. The upgrade wins accolades from U.S. Senator Herbert Kohl of Wisconsin, Governor Don Sundquist and U.S. Senator Bill Frist of Tennessee, U.S. Senator Trent Lott of Mississippi, and U.S. Senator Byron Dorgan of North Dakota.

Twice-daily "United Express" Canadair CRJ roundtrips will be started on February 1, 1999, from Madison to Denver; ten days later, twice-daily roundtrips are set to begin from Memphis to Denver. Twice-daily Canadair CRJ roundtrips will be launched from Jackson, Mississippi, to Denver on March 1, followed on March 11 by the inauguration of twice-daily roundtrips from Fargo to Denver.

The fleet at the end of the year includes 10 Fairchild Dornier 328-110s, 1 BAe 146-100, 12 BAe 146-200s, and 5 BAe 146-300s.

Customer bookings this year increase 46.6% to 2.84 million, while freight traffic climbs 3.25% to 185,000 FTKs. Revenues grow 38.9% to \$195.64 million, while expenses are up an almost equal 38.2% to \$189.75 million. The operating profit climbs to \$5.89 million, while net profit doubles to \$6.02 million.

While on ascent from Aspen on a February 11, 1999, service to Denver, a BAe 146-200, with 4 crew and 84 passengers, suffers an uncontained failure of its No. 4 engine. The aircraft receives minor damage, the engine is shut down, and the flight is completed with no injuries reported.

The first of four new Canadair CRJ200LRs received are employed, beginning on March 1, to introduce daily nonstop "United Express" regional jet service from Denver to Omaha. Employing B-757-222s and B-727-222As, **United Airlines** continues to provide six daily main-line return flights between the two cities.

Twice-daily "United Express" BAe 146-200 service is resumed on March 4 from Denver to Fargo, North Dakota.

With the second two CRJs on hand, Air Wisconsin, on April 1, opens daily Canadair "United Express" roundtrips from Denver to Billings, Montana. **United Airlines**, using either or both B-737-322s and B-727-222As, continues to offer twice-daily main-line roundtrips between the two communities.

Twice-daily Fairchild Dornier 328-110 "United Express" roundtrips commence on June 10 between Denver and Amarillo, Texas. Frequencies are coordinated with those provided by fellow "United Express" carrier **Great Lakes Aviation**.

During the month, orders are placed for 6 additional Fairchild Dornier 328-110s, the first of which enters service in July.

Business at Denver continues to grow and, as a result, overall passenger boardings accelerate 18.4% to 3,373,000; cargo dips 0.8% to 184,000 FTKs. Revenues surge 38.8% to \$271,479,000, while costs climb an almost-equal 38.4% to \$262,647,000. The operating profit advances to \$8.83 million and net gain is up almost \$3 million to \$8,997,000.

Airline employment at the beginning of 2000 stands at 2,178, a 22.1% boost over the past 12 months.

"United Express" Dornier 328-110 roundtrips begin four times daily on September 6 between Chicago (ORD) and Bloomington, Illinois.

After 15 months of unsuccessful contract talks, the company's pilots and management call in a Federal mediator on September 21.

AIR X, A.S.: Norway (1986–1990). Air X is formed at Oslo Airport in 1986 with Christian Gundersen as president. A fleet is assembled comprising 1 British Aerospace Jetstream 31 and 1 Beech Super King Air 200. Regional third-level revenue services are launched linking the carrier's base with Orebo, Copenhagen, and Goteborg.

Two more King Airls and another Jetstream 31 join the fleet in 1988–1989; however, Copenhagen is dropped from the route network. As the world economic situation and general airline recession deepens, the carrier is unable to maintain its economic viability and ceases operations in 1990.

AIR YUGOSLAVIA. See **AIR JUGOSLAVIA**

AIR ZAIRE, S.A.: Zaire (1971–1997). When the Democratic Republic of the Congo becomes the Republique du Zaire in 1971, the name of the national carrier is changed in October from **Air Congo, S.A. (2)**. Ownership is reorganized and includes the government (80%), Institut National de Securite Social (8%), and the Caisse d'Epargne du Zaire (8%).

Private business interests hold the remaining 4% and the airline is registered not in Kinshasa but in Brussels. A previously held joint venture management contract with **Pan American World Airways (1)** is continued, as is the contract of American's director general, Francis J. Swayze.

The fleet includes 2 Douglas DC-8-33s, 8 Fokker F.27-600s, 2 Sud-Est SE-210 Caravelle IIIs, 6 DC-4s, and 4 DC-3s. Previously operated services are continued to Zambia, Tanzania, Kenya, Uganda, Nigeria, Belgium, Italy, and France, plus domestic stops. A Lockheed L-100-20 Hercules freighter is now periodically leased from the government to transport freight.

In late 1972, orders are placed for 3 Boeing 737-298Cs and 2 DC-10-30s and a request is made to exchange the DC-8-33s for DC-8-63CFs.

The first DC-10-30, christened *Mon Ngaliema*, enters service in February 1973, the same month that it is announced that Pan Am will supply an even larger aircraft. The B-737-298Cs arrive during spring and summer, and are christened *Lac Tumba* and *Lac Upemba*.

The B-747-121 *Clipper America*, leased from **Pan American World Airways (1)**, arrives in October and is rechristened *Mont Floyo*. Painted in full Air Zaire livery, including a gold-winged leopard on the tail and tiger-skin lavatory walls, the Boeing Jumbojet begins service from Kinshasa to Brussels, Geneva, and Rome in November. By year's end, Air Zaire is one of the largest carriers on the continent.

On April 7, 1974, a downdraft causes a chartered DC-4 to land 100 m. short of the runway at Gemena; there are no fatalities, but the Douglas is wrecked.

During the remainder of the year, the two requested DC-8-63CFs and the second DC-10-30 join General Director Joseph Gatt's fleet. The increase in capacity allows new markets to be entered at Abidjan, Bangui, Bujumbura, Conakry, Dakar, Libreville, Lome, Luanda, and Madrid.

On January 9, 1975 an F.27-600 with 4 crew and 15 passengers overruns the runway while landing at Boende; a ramp worker is killed on the ground.

On March 31, the *Mont Floyo* lease ends and is not renewed. In the spring, an agreement is signed with **UTA French Airlines, S.A.** for the joint development of mail and freight traffic between France and Zaire.

On March 3, 1976, an F.27-600 is destroyed on the ground at Vila Gagocutinho, Angola, by a rocket attack.

The **Pan American World Airways (1)** management contract ends in 1977. Geyoro Te Kule is named chairman/CEO.

An F.27-600 on a training flight with three crew, crashes and catches fire at Kisangani on January 6, 1978; there are no survivors. On a happier note, in May, the carrier becomes a wholly owned public corporation.

Airline employment grows to nearly 5,300 in 1979. On February 8, 1980 an F.27-600 with three crew on a training flight from Kinshasa goes into a spin, crashes, and catches fire; there are no survivors.

The world economic situation at the start of the new decade has a severe impact. Passenger boardings in 1981-1983 are, respectively: 535,000, 335,000, and 330,000. Airline employment reaches a height of 4,800. The 2 DC-8-63CFs are put into storage, but the final B-737-298C is acquired and an order is placed for 4 F.27-500s.

On January 16, 1984, a DC-3 with 17 passengers is destroyed as the result of a bad landing at Kissidougou, Guinea; there are no fatalities. To avoid collapse in the face of declining traffic and rising expenses, the fleet is now reduced by the withdrawal of 1 B-737-298C and 2 F.27-600s, while the new Fokker order is cancelled. All international routes are suspended, except Kinshasa-Brussels via Lagos.

During the spring of 1985, the government signs a 6-year management contract with the French carrier **UTA French Airlines, S.A.**, which assigns Joel de Cernon as CEO, replacing Geyoro Te Kule, who remains as chairman. A historical low point is reached when one of the debt-ridden flag carrier's DC-8-63CFs, which has just returned to service, is impounded at Brussels for several months while foreign pilots seek legal redress for lack of salary payments.

To obtain operating funds, both DC-10-30s are withdrawn and placed up for sale in June; one is immediately purchased by **British Caledonian Airways, Ltd. (BCAL)**. **Sabena Belgian World Airlines, S.A.** is also asked to undertake a survey of the carrier on behalf of the government.

The workforce in 1986 totals 2,625 and the fleet includes the last DC-10-30 (still up for sale), 2 DC-8-63CFs, 2 B-737-298ACs, and F.27-600s. The **UTA French Airlines, S.A.** management team, led by another new CEO, Hubert Andrade, arrives to operate the carrier, initially concentrating on route rationalization measures and staff pay. The airline is able to board 171,000 passengers on the year.

Operations continue apace in 1987-1988. The Douglas wide-body operates European long-haul routes, flying thrice weekly to Brussels, twice weekly to Paris, and weekly to Rome.

Orders are placed in 1989 for 3 McDonnell Douglas MD-88s. As the result of the failure of the Zaire government to provide required support, **UTA French Airlines, S.A.** cancels its management contract in January.

Enplanements total 202,503, with 47.29 million FTKs of freight also flown.

Company employment is increased by 2% in 1990 to 2,616 and the fleet now includes the still-unsold DC-10-30, 1 leased B-737-200, 2 B-737-298ACs, and 1 DC-8-63CF. Orders are placed for two McDonnell Douglas MD-83s; however, great difficulty is encountered in arranging the necessary financing.

Highlight of the year is the introduction of a B-737 route from Kinshasa to Nairobi via Goma and Kigali.

Passenger boardings inch up 1.8% to 206,215, but freight is off 4.3% to 55.8 million FTKs. Revenues decline 5% to \$82.4 million and, with costs higher, the operating loss is \$3.7 million. A net loss of \$1.3 million is also suffered.

The payroll declines 0.6% in 1991 to 2,600. Traffic figures are reported only through May and show customer bookings down 3.5% to 64,000 and cargo off 17.2% to 18.94 million FTKs. As a result of alleged financial irregularities, General Manager F. S. Musara is suspended in August.

The leased B-737-200 is withdrawn in 1992 and the DC-8-63CF is exchanged with **Connie Kalitta Services** for a DC-8-54F. The company operates its last intercontinental passenger services with its own aircraft on October 11. Thereafter, routes to Abidjan, Brussels, Conakry, Dakar, Libreville, Lome, Luanda, Paris, and Rome are all suspended. The Douglas wide-body is placed into storage at Ben Gurion Airport at Tel Aviv, Israel.

In 1993-1994, CEO Andrade and new General Manager Yuma Morisho Lusambia oversee a workforce of 2,616. The operational fleet includes 2 B-737-298Cs and 1 DC-8-54F. A variety of local communities are served from Kinshasa and Lubumbashi. At Tel Aviv, 2 of the DC-10-30's 3 GE CF6-50C engines disappear, supposedly "borrowed" by former company officials. Although an international search is undertaken, they are not located.

Little is heard of company business now as Zaire is engulfed in civil war. It is known that the DC-8-54F needs parts and services and one of the "Baby Boeings" is out of service at Kinshasa's Ndjili Airport. The other maintains local services and even reintroduces a route to Lagos, Nigeria.

While landing at Kinshasa in bad weather on January 2, 1995, the B-737-298C *Lac Tumba*, with 5 crew and 50 passengers, touches down heavily. The flight crew loses control of the aircraft and it runs off the side of the runway. The nose landing gear collapses and, as both engines strike the ground, they are ripped from the wings. Although the aircraft is damaged beyond repair, there are no fatalities.

A close associate of President Mobutu Sese Sek, General Kikunda Ombale, is named managing director.

In June, a Brussels commercial court declares the carrier, with BFr 1 billion in debts, to be bankrupt. Officials from the airline appeal, but when the court announces its final decision in December they are out of money and unable pay attorneys to seek a reversal.

Service to Lagos ends on January 26, 1996. Despite the decisions of the Brussels courts, Air Zaire maintains it is still operational. After all, it has a contract with **Scibe Airlift, S.A.** and it does receive traffic and handling fees from other carriers.

In March, General Kikunda, who has replaced CEO Andrade, decrees the resumption of services to additional domestic points with the remaining B-737-298C *Lac Upemba*.

A contract is also signed with the French financial group De Grimaldi for the weekly lease of a DC-10-30 from **AOM French Airlines, S.A.** with which to restart intercontinental operations. The plane will not be delivered, however, because the owner comes to fear that it will be seized should it land in Brussels, where the courts have declared the carrier bankrupt and any of its available local assets subject to takeover.

The last almost-event in this airline's history occurs on April 6 when the B-737-298C *Lac Upemba* departs Kinshasa for a flight to Goma. En route, the Boeing is diverted to Kamembe, Rwanda, where the crew and passengers are taken into custody. Although everyone is soon released, the plane is held.

In May 1997, following the success of rebel forces under Desire Kabila, both the country and its flag carrier are renamed, the latter eventually becoming **Lignes Aeriennes Congolaises, S.A. (LAC)**. A large number of Mobutu allies, including Gen. Ombale, are arrested just after the change in government and are charged with corruption and embezzlement. Most will be put on public trial, beginning with Gen. Ombale.

AIR ZAMBEZI, LTD.: Harare, Zimbabwe; Phone 2634 706 059; Fax 2634 707 151; <http://www.gsaairlines.com/airzambezi.htm>; Year Founded 1998. Air Zambezi is established at Harare in early summer 1998 to provide scheduled return service to the Safari Lodges and other smaller communities on a regular basis. Revenue flights are inaugurated on July 16 with 1 each Cessna 208 Caravan I and Piper PA-31-350 Navajo Chieftain. Destinations visited include Bumi Hills, Hwange, Kariba, and Victoria Falls.

AIR ZANZIBAR, LTD.: P.O. Box 1784, Zanzibar, Tanzania; Phone 255 (54) 32512; Fax 255 (54) 33098; <http://www.zanzibar.net/airzan>; Year Founded 1990. Air Zanzibar is founded by Peter Hendriks on its island namesake in 1990 to provide scheduled and charter services from the town to Pemba to Dar es Salaam. The 14-employee company inaugurates services with 3 Piper PA-34 Senecas and 1 Britten Norman BN-2 Islander.

Flights continue and, over the next ten years, scheduled service is launched to Arusha, Dar, Selous, and Ruaha. Flight-seeing, safaris, and scenic flights, as well as charters to various other national park and game reserves are offered.

In 2000, CEO Hendriks' fleet includes 2 PA-31-350 Navajo Chieftains, 1 PA-31-310 Navajo, 1 PA-32 Cherokee Six, and 2 Partenavia P.68s.

AIR ZARCO, S.A.: Portugal (1999-2000). With continued backing from the Lisbon-based travel group Pestana Hotels, **Air Madeira, S.A.** is renamed in early 1999. The 42-person workforce, under the direction of President Tonaz Metello, continues operations with a former **TAP-Air Portugal, S.A.** Lockheed L-1011-500 TriStar. The principal destination is Canada, where there is a large expatriate Portuguese population.

At the beginning of the fall holiday season in late October, a Boeing 737-33A, named the *Jose de Olivera Marques*, is chartered for 18 months. It is employed to fly tourists to Mediterranean destinations.

During the summer of 2000, the company is renamed again, becoming **Euro Atlantic Airways, S.A.**

AIR ZIMBABWE CORPORATION: P.O. Box AP 1, Harare Airport, Harare, Zimbabwe; Phone 263 (4) 575 111; Fax 263 (4) 575 068; <http://www.airzimbabwe.com>; Code UM; Year Founded 1980. Following the 1980 change in government, **Air Rhodesia, Ltd. (2)** is given this name in February. The fleet now includes 3 Boeing 720Bs, 3 Vickers Viscount 782s, and 4 Douglas DC-3s. Meanwhile, Viscount 782 service from Salisbury to Blantyre and Lusaka is resumed in January. Employing a B-707-344B Stratoliner leased from **South African Airways (Pty.), Ltd.**, the company begins flights to London (LGW) on April 2.

On April 29, Zimbabwe raises its first international bank loan since independence for its airline; an \$11 million credit is received from New York's Manufacturer's Hanover Trust Company and is employed in September to order 3 B-707-330Bs and spare parts from **Deutsche Lufthansa, A.G.**

Links with Europe and southern Africa that had shrunk during the final years of **Air Rhodesia, Ltd. (2)** are reestablished during the remainder of the year and in 1981. In addition to eight domestic points, service is provided to six cities in five African nations: South Africa, Kenya, Malawi, Zambia, and Botswana.

The first former-German Stratoliner arrives in Salisbury on February 19, the same day two more DLH Boeings are requested. Return flights to Frankfurt are inaugurated in May.

To replace the earlier models, two Vickers Viscount 810s are purchased from **Dan Air/Dan Air Services, Ltd.**

A B-707-330B, en route from Harare to London with 105 aboard, including Prime Minister Robert Mugabe, is forced to land at Paris (ORY) on June 6, 1982, because of a bomb scare; nothing is found. Athens joins the growing European route network in July.

Following a visit to the company's base by then-Minister of Transport Farai Masango, changes occur. A new livery is ordered for the aircraft (with a different color scheme for type), with the controversial "twiggy

bird" replaced by a new Zimbabwe Bird logo superimposed on a red star on all aircraft tails. In addition, cabin announcements are to be made in Shona and Ndebele as well as English.

In association with **Qantas Airways, (Pty.), Ltd.** and with a chartered Australian Boeing 747SP-38, a joint route is opened in November from Harare to Perth and Sydney.

The cargo carrier **Affretair, Ltd. (2)**, its routes and two DC-8-55Fs, are acquired in July 1983 and begin operations as a wholly owned subsidiary. The company joins IATA and flights to Europe are increased; London becomes four times a week and Frankfurt twice weekly. Enplanements reach 456,000.

In 1984, a B-737-2L9 is leased from **Maersk Air, A.S.** of Denmark. Passenger bookings decline to 430,000 and a net loss of Z\$19.3 million (US\$16.5 million) is suffered.

A poignant historical point is noted on May 31, 1985 when the first Viscount 782 is retired. The turboprop is flown to Gweru and turned over to the Aviation Museum. In August, orders are placed for three B-737-2N0s, with the help of a U.S. Export-Import Bank loan.

In November, while awaiting delivery of the little Boeings, the company leases a former **Maersk Air, A.S.** B-737-2L9.

Passenger boardings for the year rebound, up to 452,000. Still, the net loss grows to Z\$28.3 million.

The carrier's workforce approaches 1,500 in 1986 and the fleet includes 2 B-707-330Bs and 6 Vickers Viscounts; 3 B-720Bs and 2 Viscounts are retired. In February, fares are raised in excess of 20% as a result of the declining value of the Zimbabwean dollar.

Chiredzi-based Cane Air, Ltd., a Cessna and Piper charter operator, is contracted in September to provide replacement services between Masvingo and Buffalo Range. The first B-737-2N0 is delivered on December 19; christened *Mhuya Nehanda*, it enters service at month's end.

Enplanements for the year total 450,740 and the losses are \$9 million (operating) and \$14.5 million (net).

The employee population is cut 7% in 1987 to 1,548. The B-737-2L9 is returned to its lessor in early January.

Attracted by the possibility of attractive financing, company officials open discussions (ultimately unsuccessful) in February with Aviaexport of the Soviet Union concerning acquisition of Russian-made airliners; in April, talks are held with **Royal Jordanian Airlines** in an effort to obtain the use of a Lockheed L-1011 TriStar 1.

Fungai Musara succeeds A. T. Mutiyambizi as general manager in May and when negotiations for the Jordanian airliner collapse, Prime Minister Mugabe's British Aerospace BAe 146-200 is temporarily pressed into scheduled service to alleviate the carrier's capacity shortage on the route to Kariba.

The last two B-737-2N0s, *Great Zimbabwe* and *Matojeni*, are delivered in June and July, allowing phase-out of the remaining Viscounts to begin. The BAe 146-200 now flies from Harare to Kwange, Victoria Falls, and Hwange National Park.

Passenger boardings are up 2% to 459,939 and freight climbs 3.5% to 12.94 million FTKs. Revenues rise 19.6% to \$54.8 million, but costs still cause an operating loss of \$5.6 million and a net loss of \$13.4 million.

The workforce is increased by 1.7% in 1988 to 1,574. Orders are placed for two B-767-2N0ERs. During the spring, flights begin to Maputo, Manzini, and Dar es Salaam; in June, a B-737-2N0 service is opened from Harare to Mauritius.

A B-707-330B is destroyed in a hangar fire at Harare on November 15.

Passenger bookings ascend 14% by October to 431,658 while cargo is up by 12.8% to 11.2 million FTKs. With income exceeding costs, profits are generated: \$23.3 million (operating) and \$27 million (net).

Airline employment grows 7.6% in 1989 to 3,452. In a cooperative venture with **British Airways, Ltd. (2)**, joint service is started to London. This pact will later be upgraded into a code-sharing arrangement.

A maintenance agreement is signed with **Air Botswana (Pty.), Ltd.** in September; under its terms, the new British Aerospace BAe 146 of the Botswana carrier will be maintained in Harare. The first B-767-2N0ER

arrives in November and is christened *Victoria Falls*. At the same time, the last Viscount 782 is retired, along with the two Viscount 810s.

Customer boardings rise 3.3% to 502,495. Freight, conversely, drops by 15.6% to 12.39 million FTKs. Revenues swell 24.4% to \$129.5 million and with costs held down, the operating profit grows to \$48.2 million. Net gain declines to \$13.2 million.

Company employment is increased by 8.1% in 1990 to 1,853. The two B-707-330Bs are placed on regional routes to Bulawayo, Mauritius, and Victoria Falls. The second B-767-2NOER, *Chimanimani*, joins the fleet in October.

It is announced late in the year that government subsidies will end on December 31. Service is inaugurated to Windhoek in the fourth quarter.

Passenger bookings climb 3.1% to 596,320. Cargo moves ahead by 35.6% to 16.81 million FTKs and revenues ascend 12% to \$87.3 million. Costs leap 13.5% and cut operating gain to \$6.9 million. There is a \$4.36-million net loss.

The fleet in 1991 includes 1 leased British Aerospace BAe 146-200, 2 B-707-330Bs, 3 B-737-2NOAs, and 2 B-767-2NOERs. Flights are upgraded to Frankfurt and initiated to several new African locations during the second half.

Operations continue apace in 1992. Local routes link Harare with Buffalo Range, Bulawayo, Gweru, Hwange National Park, Kariba, Masvingo, and Victoria Falls. International services are flown to Frankfurt, London, Sydney, Perth, and Larnaca. The government halts its subsidies during the year and, thereafter, accrued interest is not paid on the huge debt the airline now creates.

Airline employment in 1993 stands at 1,800. In March, the executive chairman, Reginald Austin, is succeeded by former Public Services Commission Chairman Malcolm Thompson.

On May 9, demonstrating flying skills, the crew of a B-707-330B makes a flyby barely 50-ft. off the ground at Harare Airport during the Mashonaland Flying Club's Air Day '93 celebration.

The new managing director, appointed in November, is Hittush Muringi, a company executive a decade earlier, who succeeds Ticharwa Galrabga. One B-737-2NOA is leased to **Uganda Airlines, Ltd.**

Enplanements total 622,904 while financial losses are suffered: \$1.91 million (operating) and \$10.79 million (net).

The workforce is increased by 10% in 1994 to 1,830. To prevent the defection of pilots to carriers offering higher salaries, Managing Director Muringi is able, early in the year, to persuade the airline's board of directors to raise aircrew pay. With single-engine Pipers and Beechcraft, **United Air Charter, Ltd.** begins to take over a number of the less-profitable domestic routes, leaving the company to improve service on its busiest local route, that from Harare to Bulawayo. Muringi now begins a major restructuring while service ends to Mbabane, Swaziland.

Passenger boardings decline 7.4% to 579,986, but freight rises 2.9% to 39.76 million FTKs. Revenues advance 13% to \$92.65 million while expenses climb only 1.6% to \$85.28 million. The operating profit jumps to \$6,552,000 while a \$1,311,000 net gain is reported.

The number of employees grows another 3.2% in 1995 to 1,844.

A contract is entered into with **Namibia Commercial Aviation, Ltd.** in March. Under its terms, NCA will employ its restored Douglas DC-6B *Fish Eagle* on a weekly scheduled replacement service from Windhoek to Victoria Falls.

The fleet is increased in April and May by the addition of two leased Fokker 50s. New turboprop routes are opened from Harare and Victoria Falls to Cape Town, in addition to such tourist points as Kariba and Hwange National Park. In September, a "D" check is carried out on one of the company's Stratoliner's at the Harare base; the plane is simultaneously hush-kitted. The process proves so expensive that the decision is taken to ground the company's second B-707.

Traffic figures also show progress: enplanements climb 5.9% to 625,690, while cargo inches up 1.2% to 40,923,000 FTKs. Revenues jump 17.2% to \$108.91 million while expenses rise 16.3% to \$100.48 million. As a result, the operating profit grows to \$8,429,000 while net gain swells to \$4,620,000.

Management problems and staff unrest disrupts service in 1996 and no traffic figures are reported. Managing Director Muringi is dismissed in early spring, but not replaced.

The government Cabinet indicates that it will approve a plan to privatize the airline, which also begins discussions with **Air Malawi, Ltd.** on joint services.

Dissatisfied with their "hot and high" performance, the airline cancels the Fokker 50 lease in May. A B-737-2N0 is leased to **Uganda Airlines Corporation.**

Enplanements total 648,226. There is a large \$11.29 million operating loss and a slightly larger net loss of \$11.61 million.

The workforce is cut 1.6% in 1997 to 1,928. Destinations visited include Bulawayo, Cape Town, Durban, Gaborone, Hwange, Johannesburg, Kahba, Lilongwe, Lusaka, Manzini, Mauritius, Nairobi, Victoria Falls, and Windhoek. During the spring, weekly frequencies to Maputo, Mozambique, become thrice weekly.

Also at this time, the carrier's board presents the ministry of transport and industry with a draft memorandum and articles of association for the carrier once it is privatized. The ministry itself works on legislation that will permit repeal of the Air Zimbabwe act. Negotiations are also underway for the creation of a special relationship with **Singapore Airlines, Ltd.** for training and aircraft leasing.

Irish expatriate and former **Aer Lingus Irish Airlines, Ltd.** executive Brendan Donohoe becomes general manager on July 1; he promises to "shake-up" the airline in order to prepare it for privatization by returning it to profitability. Services will be halted on several unprofitable domestic and regional routes as a first step toward Donohoe's goal.

On September 1, a British Aerospace BAe 146-100 is leased, through Fortis Aviation, from **Air Botswana, Ltd.** A code-sharing agreement is reached with **Aero Gambia, S.A.** on September 13; under its terms, the Harare-based flag carrier will introduce a fifth weekly flight to London on November 1, via Lusaka.

An arrangement is also reached with **Air Malawi, Ltd.**, under which the corporation would institute a sixth weekly flight to the U.K. capital the following February, via Lilongwe. There being insufficient traffic, flights between Bulawayo and Victoria Falls are suspended on October 1.

Passenger boardings fall 7% to 605,819, while freight dips 1% to 38.92 million FTKs. Revenues are off by 7.6% to \$63.76 million, but costs are down to \$66.65 million. The operating loss is just \$2.88 million, but the net loss jumps to \$31.53 million.

The dual-designator service to London with **British Airways, Ltd.** (2) begins on February 1, 1998. The company begins to plan for a code-sharing service with **Uganda Airlines Corporation** between Entebbe and Dubai with a Zimbabwean B-767-2NOER in October. Flights to Luanda and Paris begin with the summer schedule.

During late May, the parliament enacts the Air Zimbabwe Repeal Act to form a new privatized company, Air Zimbabwe (Pty.), Ltd. According to the new legislation, all employees of the old corporation technically cease to be employed. Reacting to this clause, airline management, with the approval of the company board, elects to place all of the workers on contracts while working out severance packages for 400 people.

When news of the new employment arrangement reaches the workers at the beginning of June, all 1,600 go on strike. The workers threaten court action claiming the act is unconstitutional. As the controversy deepens, Transport and Energy Minister Enos Chikowore on July 1 orders CEO Donohoe to reinstate all of the workers.

Rebellion erupts in Laurent Kabila's Democratic Republic of the Congo on August 2 and, as the fighting develops, Uganda and Zimbabwe find themselves on opposite sides. Zimbabwe president Robert Mugabe sends troops to support Kabila, while Uganda finds itself supporting his opponents. Business ties between the two airlines now become strained.

In an early September letter to the Ugandan airline's acting managing director, Derek Else, Air Zimbabwe CEO Donohoe cancels the joint Dubai operation due to commence in October. At the same time, he refuses to renew the lease of the B-737-2N0, due in November, claiming

that Air Zimbabwe has new use for the Boeing. It will be claimed elsewhere that **Uganda Airlines Corporation** is employing the aircraft to ferry military supplies to the Congo. The Ugandan line will be left only with a single chartered B-737-53A.

While attempting to persuade officials at Harare that business should come before politics, the Ugandan company requests a six-month extension for the B-737-2N0 it has been chartering. When the Ugandan government learns of the airline's entreaties, it orders Managing Director Else to break off negotiations with Air Zimbabwe and find an alternative source for aircraft.

On September 22, dozens of company passengers are stranded in Hwange Airport when their B-767-3N0 is suddenly rescheduled to fly to Mauritius to pick up Zimbabwe's president, who is attending a summit conference.

It is reported on November 11 that **Uganda Airlines Corporation** will be privatized in four days. The next day, the airline's public relations director, Hadija Nakitende, informs the press that it will no longer pursue business opportunities with Air Zimbabwe, having turned to **Air Djibouti, S.A.** and achieved an agreement for an Entebbe-Dubai service beginning early in 1999.

With the return of the B-737-2N0 on November 15, all business dealings between the two companies are severed.

Passenger boardings drop 8.9% to 557,000, while cargo traffic climbs 7.4% to 41.79 million FTKs.

Airline employment is reduced 23.5% in 1999 to 1,400. During the first week of January, airline executives throughout the country are ordered by the government's Board of Airline Representatives to complete all transactions with the public in local currency only and to halt the use of U.S. dollars. Concern has grown that the strong foreign currency has so increased the cost of tickets that ordinary citizens are unable to afford them.

The nation is in turmoil throughout the year and consequently, enplanements on the national carrier plunge, dropping 20.8% to 460,000. Freight traffic also descends, falling by 16.1% to 35.06 million FTKs. Partial fiscal results show revenues of \$82.66 million, a \$12.73-million operating profit, and a net loss of \$25.05 million.

Airline employment stands at 1,434 at the beginning of 2000, a decline of 17.7% since the previous year.

Discussions with **China Southern Airways Company, Ltd.**, begun in December, for the lease of a Boeing 777 are shelved in the spring as the country continues its plunge into economic crisis and political unrest in the period of runoff to the June national elections.

Chronic fuel shortages force the withdrawal of a B-737 and BAe 146 while associated higher operating costs, to say nothing of political violence, force curtailment of regional flights from Harare to Cape Town and Durban in late April and early May.

A drop in load factor causes an additional suspension of all extra regional frequencies on May 17 (including those to Johannesburg), as well as a daily roundtrip between Harare and Victoria Falls.

In early June, the Transport Ministry, reacting to charges of alleged mismanagement and irregular procurement practices, begins an investigation of Managing Director Tich Garabga and his company colleagues.

On August 31, the special investigation committee reports that the carrier is technically insolvent and warns that the national airline risks having its planes impounded overseas by creditors who are owed more than \$4 million.

Claiming that the airline's feasibility study is incomplete, the Transport Ministry, on September 15, shelves the airline's plan to inaugurate a weekly B-767 route in November from Victoria Falls to London (LGW).

When an \$8-million debt to Air BP, a branch of British Petroleum specializing in aviation fuel, falls due during the last week of September, Air Zimbabwe is unable to pay. It is also unable to pay its navigation fee bill at London (LGW).

During October, arrangements are concluded between the company and **LAC (Lignes Aeriennes Congolaises, S.A.)** under which it would begin to service internal Democratic Republic of the Congo routes for the planeless Congolese airline.

The new arrangement on behalf of LAC begins on November 21 as wet-leased Air Zimbabwe aircraft operate roundtrip from Harare to Lumbumbashi, Mbujimayhi, and Kinshasa. The pact between the two companies is further extended on December 7 when Air Zimbabwe takes over the moribund international LAC frequencies to Paris and Brussels.

AIR ZIMBABWE-RHODESIA, LTD. See AIR RHODESIA, LTD. (2); AIR ZIMBABWE CORPORATION

AIRBAMA: United States (1978-1979). Airbama is established at Sheffield, Alabama, in 1978 to provide scheduled passenger and cargo services to regional destinations. Employing two Handley Page HP-37 Jetstreams, the company inaugurates daily roundtrips, linking its Muscle Shoals base with Montgomery in the south and Nashville via Chattanooga and Knoxville in the north.

Insufficient traffic does not support operations beyond 1979.

AIRBC, LTD.: 5520 Miller Rd., Richmond, British Columbia V7B 1L9, Canada; Phone (604) 273-2464; Fax (604) 273-1016; http://www.aircanada.ca/ac_world/services/connect/airbc.html; Code ZX; Year Founded 1979. James "Jimmy" Pattison, head of the Vancouver-based Jim Pattison Investment Group, borrows C\$17 million from the Bank of British Columbia. On November 1, 1979, with C\$6 million in corporate funds (C\$23 million total), Pattison buys out six small West Coast air companies and merges them to form a new third-level carrier. Merger partners in one of the largest single-stroke amalgamations of independent airlines on record are **West Coast Air, Ltd.**, **Air West Airlines, Ltd.**, and **Haida Airlines, Ltd.** (all based at Vancouver), **Gulf Air Aviation, Ltd.** and **Island Air, Ltd.** (both based at Campbell River), **Pacific Coastal Airlines, Ltd.** (of Nanaimo), and **Trans-Provincial Airlines, Ltd.** (of Prince Rupert), the latter being allowed to retain its own identity.

Two divisions are created: **Trans-Provincial Airlines, Ltd. (TPA)** serving out of its base to northwestern British Columbia, and Vancouver-based AirBC, Ltd. serving to the south. The combination brings to newly appointed president Waldon Walberg a total of 104 aircraft ranging in size from Cessna 180s to Douglas DC-3s, with most being Grumman Mallards and Gooses and de Havilland Canada DHC-2 Beavers.

Airline employment in 1980 is approximately 400. A Hawker Siddeley HS 748 is purchased in Singapore, painted in company livery—and sold before use. A decision to order DHC-8s is changed in favor of DHC-7s. Services with the mixed-fleet continue to such West Coast premerger destinations as logging camps, pulp towns, and mine sites, while future plans are drawn up. A second Islander is purchased in June. Aircraft are painted in new livery and the first finished, a DHC-6 Twin Otter, is rolled out in December. Startup costs bring a small initial loss.

In 1981, emphasis is placed on commuter services Vancouver-Victoria/Nanaimo, but the harbor-harbor service loses rather than gains traffic. A de Havilland Canada DHC-3 Otter is added in March and a DHC-6 Twin Otter acquired in May is sold to **Kimba Air** in August. Many of the old Vancouver Island bases of the merger partners are sold to **Air Nootka, Ltd.** in September. Vancouver-Victoria, Comox, and Nanaimo services are initiated. The beginning of a long recession in the local forest industry shrinks revenues on the up-country routes by 50% and, when combined with carryover startup costs and a 22-23% jump in interest rates, produces a C\$3-million loss.

The Campbell River route network (except the Vancouver-Campbell River segment) is sold to **Coval Air, Ltd.** in February 1982. Following union rejection of Walberg's call for a 10% pay cut for employees on April 1, the president temporarily steps aside to be succeeded by Pattison Group finance specialist Ian Harris. A rigid cost-cutting program is now instituted. Two of the six air services purchased in 1979 are sold, as are all but 35 of the acquired aircraft. Scheduled flights are reduced from 70 to 50.

By September 22, the workforce has been cut to 200; 50 additional positions would be cut by early December. On November 17, the press announces Pattison's decision to cease trading, a position confirmed by

board vote on December 1. That night at a union-management meeting called to announce the shutdown to employees, union resistance to salary cuts collapses and Pattison agrees not to close down and names Harris permanent president. For the year, 200,000 passengers have been carried and the company loss is C\$2 million.

Harris moves quickly in early 1983 to return AirBC, Ltd. to the plan worked out in 1980. After obtaining a no-strike pledge from the company's unions, new equipment is sought. In January, two Grumman G-73 Mallards (one a Turbo Mallard) are sold to the Australian third-level operator **Air Whitsunday (Pty.), Ltd.** In July, a DHC-7 repossessed by the manufacturer from the Spanish carrier **Spantax, S.A. (Transportes Aereos)** is purchased for C\$5 million. Repainted, it is placed in return service, Vancouver-Bella Bella, on July 29.

The president offers to become a feeder for **Air Canada, Ltd.**, **Pacific Western Airways, Ltd.**, and **CP Air, Ltd.** The latter enters into an arrangement with the company, which now becomes AirBC/CP Air Commuter (one of the first dual-designator airlines in North America). **CP Air, Ltd.** drops two of its three daily jetliner flights from Vancouver-Victoria and, in October, these are picked up by AirBC, Ltd.'s DHC-7, which times its service to connect with **CP Air, Ltd.** departures/arrivals at Vancouver. Additionally, the small carrier now enjoys access to a variety of services from the large international, including reservations. Meanwhile, new land- and floatplane-configured DHC-6s begin operations from Vancouver to Victoria, Nanaimo, Bella Bella, Powell River, and Port Hardy.

Additional fleet changes during the year include the purchase of two Douglas DC-3s in April and June and sale of another Mallard in July and the October sale of two DHC-6s to **Royal Hawaiian Airlines**. Airline employment is increased during the year to some 300 workers. Passenger boardings grow to 220,000 and the loss is reduced to C\$1 million.

The fleet in 1984 comprises 14 DHC-6s, 2 DC-3s, and 3 DHC-7s. **CP Air, Ltd.** drops its last Vancouver-Victoria jetliner service and turns the route over entirely to AirBC, Ltd., which, in turn, increases its number of daily frequencies over it to 33. In January, the Vancouver-Gulf Islands route, together with 2 Cessna 185s and 3 DHC-2s are sold to **Harbour Air, Ltd.** One of the two Islanders is sold in February. A pair of former **Golden West Airlines** DHC-7s is purchased in March and May, allowing sale of a DC-3 during the latter month.

Following the advent of Canadian airline deregulation in May, the carrier immediately applies for new routes. Later in the month, the Vancouver-Powell River service previously provided by **Powell Air, Ltd.** is purchased. During the summer, all Port Hardy operations and aircraft are transferred to the TPA division. A link to Port Hardy from Vancouver is inaugurated, twice daily, in October, the same month in which the company's route to Gillies Bay is subcontracted to **Aquila Airways, Ltd.**

In the fall, new scheduled services are inaugurated to interior British Columbia points, e.g., Williams Lake and Quesnel, and, by year's end, the carrier's network includes stops at ten communities. Passenger boardings skyrocket 90% to 420,000 and financially speaking, AirBC, Ltd. breaks even for the first time.

In March 1985, thrice-daily Victoria-Seattle service is started. The last DC-3 and final Islander are sold in June and replaced by a DHC-7 leased from its manufacturer. In September, the carrier becomes the first in the world to operate de Havilland Canada's full, commercial line, placing a C\$16-million order for four Dash 8s, the first of which is delivered in December. Meanwhile, in October, flights commence to Kamloops (Alberta), followed by service to Kelowna in December. Enplanements accelerate 26% to 552,000.

The first DHC-8-102 enters service in January 1986; however, it encounters difficulties that must be resolved before the other three ordered aircraft can be delivered. An application is made to extend the scheduled Seattle route to Portland. In connection with the May-July "Expo '86" at Vancouver, the airline flies 14-per-day charters from the Oregon City.

Additionally, Vancouver harbor-Victoria DHC-6 day excursions are made available. The second DHC-8-108 is received in August and is employed to open scheduled flights to Penticton, Cranbrook, and

Smithers in October, the same month the third Dash 8 arrives. Also in October, the TPA division is sold to a group headed by its former chief pilot, Gene Story. Included in the deal are two Twin Otters and the Prince Rupert base. Pattison retains three G-21 Geese, two DHC-2 Beavers, and one DHC-6 Otter, creating a new subsidiary using the dormant **Pacific Coastal Airlines, Ltd.** name. On November 28, the carrier is purchased by **Air Canada, Ltd.**, for C\$15 million. Enplanements grow by 28% to 685,000.

In March 1987, a fourth DHC-8-102 is delivered in **Air Canada, Ltd.** colors. The other three Dash 8s are now leased out to other operators. On April 26, the state carrier and **CP Air, Ltd.** exchange commuter affiliations, with AirBC, Ltd.'s former partner assuming responsibility for the **Air Canada, Ltd.** partner, **Time Air, Ltd.** New AirBC, Ltd. routes initiated on this date include Vancouver to Seattle (five times per day); Vancouver-Edmonton via Dawson Creek and Grande Prairie; and Kamloops-Calgary via Kelowna and Castlegar.

In May, two former **Air Wisconsin** Dash 7s are purchased and the company announces a C\$160-million order for 16 Dash 8s. Four-times-per-day Vancouver-Prince George flights now begin, along with services from Vancouver to Calgary via Cranbrook and Castlegar, from Edmonton to Penticton via Calgary and Castlegar, and from Edmonton to Kamloops.

In January 1988, AirBC, Ltd. becomes the first Canadian airline to order the British Aerospace BAe 146-200; three units are requested with options for three others. Two more DHC-8-102s are received, one in February and the other in April. Also in April, two more DHC-6s are sold. The first British-made jetliner is received in early May.

The BAe 146-200 is employed to inaugurate five-times-a-day service from Vancouver to Prince Rupert/Terrace on May 30. Also in May, Vancouver-Fort St. John Dash 8 flights begin. Two more British short-haulers arrive in early June and initiate flights twice daily to Whitehorse from Vancouver on June 12.

Two additional BAe 146-200s are delivered in January-February 1989. Under the title "Air Canada Connector," the available jetliners begin a new service on January 30 offering 14-times-daily shuttle service from Calgary to Edmonton. Four other Connector frequencies are provided by Dash 8s. Given the manufacturers delays, the state carrier now cancels its 1987 order for DHC-8-300s and in March, purchases five BAe Jetstream 31 turboprops. In April, direct Vancouver-Whitehorse BAe 146-200 service is inaugurated.

In early 1990, the fleet comprises 5 British Aerospace BAe 146-200s, 6 BAe Jetstream 31s, 3 DHC-6-100s, 5 DHC-6-200s, 4 DHC-7s, and 12 DHC-8-100s. Orders are placed for 6 DHC-8-300s and 1 DHC-8-103 is leased to **Air Alliance, Inc.** In May, four-times-per-day "Air Canada Connector" service is inaugurated from Vancouver to Portland, Oregon; the service is increased from four to five flights each day in November.

Two more DHC-8-100s are acquired in 1991 as the four DHC-7s are sold. With the arrival of six DHC-8-301s in 1992, four DHC-8-100s are temporarily withdrawn. They are returned the following year as the DHC-7 is retired. Airline employment stands at 1,200 in 1993. New services and frequencies are added from Calgary to Saskatoon, Regina, Winnipeg; from Edmonton to Saskatoon, Regina, Winnipeg; and to Seattle and Portland.

In 1994, President/CEO Iain Harris is succeeded by Al Graham and the fleet includes 11 DHC-8-102s (one of which is leased to **Air Nova, Inc.**), 6 DHC-8-311s, and 1 DHC-8-101, 3 DHC-6-100s, 1 DHC-6-200, 6 BAe Jetstream 31s, and 2 BAe 146-200s.

As a result of **Air Canada, Ltd.**'s corporate makeover in January, the company spends the remainder of the year changing the color schemes of its turboprops to match that of the major partner.

During 1995, arrangements are completed for the company to become wholly owned by **Air Canada, Ltd.** All of the Jetstream 31s are returned to their lessors and traffic/financial figures are henceforth combined with those of the parent. The company begins the practice of painting two DHC-8s to look like reindeer and flies them over its routes in the months before the holidays to share "The Spirit of Christmas." On

the two Saturdays before December 25, the carrier takes the aircraft, loaded with volunteers and passengers, to Kelowna and Victoria to raise money for children's charities the airline supports.

The carrier's floatplane division is sold in 1996, along with the four Twin Otters. In March, the company agrees to a five-year lease extension for its BAe 146-200s. "The Spirit of Christmas" flights are continued in November–December, as are the charity fund-raising flights to Victoria and Kelowna. Significant operational data becomes available for the first time in a decade. Scheduled departures total 96,000 and enplanements are now 1,566,138.

The fleet in 1997 includes 5 BAe 146-200s, 13 DHC-8-101/102s, and 6 DHC-8-311s. The company continues to feed **Air Canada, Ltd.** from 30 destinations in Western Canada, as well as at Portland and Seattle.

On January 10, the company's pilots join their 900 colleagues from the other "Air Canada Connector" carriers in a strike over merged seniority lists. The company operates with replacement workers and charter aircraft, but many flights must be cancelled.

The job action ends on March 9 following a marathon 24-hr. negotiating session in a downtown Quebec City hotel. It is decided to leave it to Canada Labor Relations Board to decide whether Air Canada is to be considered a common employer of both regional and **Air Canada, Ltd.** pilots.

After 26 years in the airline industry, President/CEO Al Graham retires on March 1; he is succeeded by **Air Canada, Ltd.** executive Melvin Cooper.

After weeks of negotiation, the company's pilots, on March 9, ratify a new four-year contract with **Air Canada, Ltd.** Initially tentative, the pact, providing increased benefits and income, is approved by 88% of the eligible flyers voting in a special election. Pilots for the four Connector airlines begin to return to work on March 10.

In April, the carrier drops six of its 24 destinations and begins to dispose of three DHC-8-101s. It also enters into a code-sharing agreement with **Central Mountain Air, Ltd.**, which will permit passengers to connect with Air Canada, Ltd. flights in Vancouver and Calgary.

Thrice-daily nonstop roundtrip DHC-8-311 "Air Canada Connector" service is inaugurated between Victoria, British Columbia, and Seattle.

Also in May, the services of a BAe 146-200 and of airline volunteers are donated to "Cares 4 Kids" to fly a number of terminally ill children and their families to Disneyland in California.

Four DHC-8-101/102s are withdrawn by year's end.

Service continues apace in 1998. It is announced on August 13 that the company and its parent will realign their operations in western Canada in order to increase profitability of under-performing routes while at the same time strengthening their Vancouver and Calgary hubs. It is hoped that the changes will bring annual savings of C\$50 million.

In September, the fleet is revised; 1 DHC-8 is retired and the fleet comes to include 5 BAe 146-200s and 15 DHC-8 turboprops.

On October 5, AirBC launches daily nonstop BAe 146-200 roundtrips between Edmonton and Denver, a hub of **Air Canada, Ltd.**'s "Star Alliance" partner **United Airlines**. Under the August plan, it also takes over the **Air Canada, Ltd.** routes from Calgary to Saskatoon and Regina and from Winnipeg to Regina and Thunder Bay.

In markets unable to sustain profitable nonstop service, customers are now offered connecting service via the Vancouver or Calgary hubs. Previously nonstop, the following services are now flown via Vancouver or Calgary: Edmonton–Regina, Edmonton–Kelowna, Kelowna–Victoria, Victoria–Edmonton, and Victoria–Seattle.

At the same time, AirBC transfers certain lesser routes to its partner, **Central Mountain Air, Ltd.** These include Vancouver to Kamloops, Campbell River, and Comox and Calgary to Kamloops and Grande Prairie.

These changes allow **Air Canada, Ltd.** to redeploy two A320s, an A319, and six Canadair CRJs to more profitable routes elsewhere in its route network.

Building on the success of its first Denver–Edmonton nonstop roundtrip service, the company adds a second daily BAe 146-200 nonstop

roundtrip on April 5, 1999. Like the first, it is a dual-designator service flown with **United Airlines**.

On July 5, daily nonstop BAe 146-200 roundtrips, again shared with **United Airlines**, are launched between Winnipeg and Denver.

With the consolidation of **Air Nova** and **Air Alliance** proving successful, a review of the additional opportunities to be derived from a further consolidation of those two with **Air Ontario** and AirBC is undertaken during the remainder of the year.

On January 20, 2000, Air Canada announces that the process of consolidating **Air Nova**, **Air Ontario**, and AirBC will begin immediately under the leadership of former **Air Nova** CEO Joseph Randall. It is anticipated that the integration process, which will be facilitated by representatives of the three lines, will require a number of months. In the interim, the three will continue operations under their original names.

During the month, the three regionals, AirBC, Ltd., **Air Nova**, and **Air Ontario** take a major step towards their consolidation into a single unit when a head office for a joint carrier is established in Halifax and a western hub at Calgary. Twice-daily DHC-8-100 roundtrips commence on April 3 between Vancouver and Spokane.

Having failed to find a buyer, **Air Canada, Ltd.** is permitted to take over **Canadian Regional Airlines, Ltd.** on August 30 and add that feeder into its regional airline consolidation process. When the integration process is completed at year's end, it is anticipated that the (as yet) unnamed airline will be one of the largest regional airlines in the world, with over 5,000 employees and some 135 aircraft, mostly Dash-8 turboprops.

AIRBORNE CARGO: United States (1945–1947). One of many new all-cargo airlines formed by returning World War II pilots, little is known about this small Douglas C-47 equipped operation—except for its 1947 termination date.

AIRBORNE EXPRESS: Airborne Air Park, 145 Hunter Dr., Wilmington, Ohio 45177, United States; Phone (513) 382-5591; Fax (513) 382-2452; <http://204.189.36.1/airborne>; <http://www.airborne.com>; Code GB; Year Founded 1946. The **Airborne Flower Traffic Association** is founded at San Francisco in 1946 to fly fresh flowers from the U.S. West Coast to the East Coast. The company is reformed and incorporated, under Delaware law, on April 23, 1947 and its name is changed to AFT Inc. and becomes an air freight forwarder. In 1948 CAB approval is received for the shipment of other kinds of commodities besides flowers.

Former U.S. Army Air Forces officer Holt W. Webster organizes **Pacific Air Freight** at Seattle in 1949 to transport perishables to Alaska. The carrier will continue operations apace for the next 18 years. Meanwhile, in 1953, the CAB certifies Airborne as an international freight forwarder.

On April 23, 1956, AFT, Inc. becomes **Airborne Freight Corporation**. The future president and COO, Robert Brazier, joins Airborne in 1959. The firm is "taken public" in 1964; its first stock is traded on the New York Stock Exchange at approximately 7 3/4 points. The future corporate chairman and CEO, Robert S. Cline, is named Pacific's vice president finance in 1965.

Airborne and Seattle-based **Pacific Air Freight** merge in late 1967. Although the name of the California-based firm survives, management direction is provided by the former officers of Pacific Air Freight from company headquarters in Seattle; Robert Brazier is vice president operations. The new concern is incorporated under Delaware law on May 10, 1968 and is now the second largest air freight forwarder after **Emery Air Freight**.

Operations continue apace through 1972 and income rises from \$53.87 million in 1968 to \$88.43 million in 1972; during the same year, net income climbs from a \$2.4 million deficit to \$1.45 million gain.

In 1973, Airborne's service standards are diminished when the first Arab oil embargo causes the airlines to eliminate or reduce services to many cities. Income in for this year and 1974–1975 still accelerates, totalling (in millions), respectively: \$98.03, \$109.93, and \$112.01.

The second embargo, in **1976**, again adversely affects company services. By this time, Airborne also finds that many of its time-sensitive shipments are being lost to the four-year-old small package operator **Federal Express**. Still, operating income rises, hitting \$132.88 million this year and \$150.39 million in **1977**.

Late in the latter year, the company joins with Greyhound Lines, Inc. to start a new bus and air freight service to move packages, with buses handling shipments to and from points not served by air. Airborne Freight continues as the second largest air freight forwarder in the U.S., but following enactment of legislation guaranteeing air freight deregulation, the company makes plans for direct, if contracted, aerial operations.

Following passage of the Airline Deregulation Act in **1978**, Airborne contracts with Wisconsin-based **Midwest Express**. Engaged with Beech 18s in the transport of Federal Reserve checks, Midwest will take over delivery of Airborne's small packages and time-sensitive shipments during October to 12 cities in the Midwest and east. In November, the company applies to the CAB for a domestic cargo certificate and, during the year, Vice President Operations Robert Brazier becomes president/COO.

In **1979**, Midwest begins additional service to the West Coast with its subsidiary, **Midwest Charter Express**. In April the carrier starts to acquire a fleet of NAMC YS-11As from **Piedmont Airlines**. The aircraft to be acquired will include the *Blue Ridge Pacemaker*, *Tide Water Pacemaker*, *New River Pacemaker*, *Potomac Pacemaker*, *Albemarle Pacemaker*, *Cherokee Pacemaker*, *Roanoke Valley Pacemaker*, *Manasas Pacemaker*, *Old Hickory Pacemaker*, *Pee Dee Pacemaker*, and *Great Smokies Pacemaker*.

In **1980**, Airborne officials adopt a major change in strategic direction and opt to expand into the fledgling overnight air-express industry. The Airborne Freight Corporation, still headquartered at Seattle, becomes a holding company in April, owning four other subsidiaries, including Midwest Charter Express, acquired for \$5.6 million (328,000 shares of common stock), and renamed **ABX Air**. Net earnings for the year total \$7.9 million.

During **1981**, Airborne completes its transition to a combined air freight forwarding and express package company operating an airline; ABX Air's new chairman is longtime manager Graham Dorland. The decommissioned Strategic Air Command base at Wilmington, Ohio, is purchased and a multimillion-dollar hub airport and sort center is completed at the renewed base. The fleet is standardized at 6 Douglas DC-9-32s, 2 Aerospatiale SE-210 Caravelles, and 13 former **Piedmont Airlines** NAMC YS-11As, the latter with cargo door conversions.

The company begins television advertising on October 21 with an ad campaign designed by Della Femina, Travisano & Partners. The initiation of express package service allows the carrier to record an 11.9% increase in shipments, to 4.9 million, but a decrease of 15.5% in poundage (141 million) is experienced in the process. The heavy investment involved in entry into the "overnight wars" results in a poor financial showing. Revenues drop 1.4% to \$280 million and the net profit falls sharply, down to \$3.1 million.

The fleet in **1982** includes 5 DC-9-32s, 2 DC-9-32Fs, 2 Caravelles, 13 YS-11As, 1 CV-600, 1 Piper PA-31-310 Navajo, and 2 Lear Jets. A total of 140 million pounds of cargo are flown (down a million pounds from 1981), but in reflection of the concentration on small packages, the total number of shipments accelerates 22.4% to just under six million.

Freight ton kilometers flown, the new measure of achievement, total 118.1 million. On revenues of \$295.2 million, a \$3.6 million net profit is recorded, a 17% boost.

Two additional DC-9-32s join the fleet in **1983**, replacing the Caravelles, Navajo, and Lear Jets. Space- and time-available charter operations are initiated as the company surpasses **Emery Air Freight** in shipment volume.

Freight ton kilometers operated climb 20% to 124.4 million as 142.4 million pounds are transported and a \$3 million net profit is posted.

The payroll grows 12.5% in **1984** to 900 and the fleet includes 4 DC-9-32s, 3 DC-9-31s, 2 DC-9-32Fs, 2 DC-9-33Fs, 2 DC-9-10s, 13 YS-

11As, and 1 Cessna 402. Cargo jumps 5.2% to 135.91 million FTKs (145 million pounds) as Airborne leads the express industry with record domestic shipment growth, up 63%. The U.S. government approves the company's application for a Foreign Trade Zone (FTZ) on the Wilmington base, making it the only privately operated FTZ in the nation.

Revenues jump 14.5% to \$79.35 million. Costs climb 11.9% to \$73.33 million and operating profit nearly doubles, up to \$6.02 million. Net gain rises to \$5.47 million.

The trade name Airborne Express is adopted in **1985** to define more closely the corporation's line of business—air express. The fleet now includes 11 YS-11As, 1 DC-8-62, and 17 DC-9s.

On February 5, a 0.15-inch layer of ice on the wings of a DC-9-15F raises its stall speed to a point too high for takeoff from Philadelphia. The aircraft, with two crew, lands back on the runway on its tail and right wingtip; although the freighter must be written off in the ensuing crash, there are no fatalities.

A joint venture is now announced for the construction of the nation's first air industrial park, the Airborne Commerce Park, at Wilmington.

A B-707-320C and a B-727-100 are chartered during the fourth quarter to boost capacity.

Both domestic and international traffic grows by more than 40%. Revenues jump 11.5% to \$465.99 million and with expenses held low, an operating profit of \$5.95 million is achieved and a net gain of \$6.16 million is celebrated.

Airline employment rises 20% in **1986** to 1,300 and the fleet includes 16 DC-9Fs and 12 YS-11As. The first 3 DC-8-62s and 2 DC-10-10s arrive, providing long-haul capacity. Orders are placed for 5 additional DC-9Fs and 6 DC-8-62s. A U.S. Customs station opens at Wilmington, expediting customs clearance for Airborne shipments.

Airborne becomes the first carrier to provide Electronic Data Interchange (EDI) transmission of freight information for its customers and, at midyear, the company announces that it has increased the number of nations it serves to 173, including Eastern Europe and China. In August, a joint agreement is signed with a large Japanese trucking concern, Fukuyama Transportation Company, Ltd., to feed Airborne's outbound service and handle its inbound shipments.

During the year, Australia's TNT, Ltd. makes an unsolicited bid to purchase 100% of the company's outstanding common stock for \$29 share. Airborne's board rejects the offer; however, TNT still manages to acquire 17.6% shareholding.

Cargo advances 18.7% to 219.38 million FTKs and revenues swell 21.3% to \$109.97 million. Expenses jump 18.3% to \$100.1 million and allow an operating profit of \$9.77 million. Net gain nearly doubles, to \$13.18 million.

The \$23-million Airborne Commerce Park opens at Wilmington in **1987**. The facility contains an on-site customs facility and brokerage service, an animal quarantine facility, the Central Printing Center, and a third-party inventory management and distribution service known as the Airborne Stock Exchange. A major expansion of the sorting operation is completed and automated, boosting sort capacity from 165,000 to 350,000 packages per night. New flight training, administration, and maintenance buildings are also occupied.

More aircraft are acquired as capacity is increased by 40%. The fleet now includes 13 DC-8-62s, 19 DC-9Fs, and 12 YS-11As. The fleet is increased by the delivery of 6 DC-8-62s and 3 DC-9Fs.

An agreement is signed with Purolator Courier, Ltd. of Canada that substantially increases corporate coverage north of the border. New service is provided to and from more than 8,000 Canadian locations.

The number of shipments handled increased by 30% to 36 million. Revenues advance 17% to \$632 million; however, expenses of the new Ohio center cause the net profit to fall to \$5.9 million.

Expanded EDI services are offered in **1988**, along with positive tracking and computer linkage. The fleet now includes 13 DC-8-61Fs and -62Fs, 19 DC-9Fs, and 12 YS-11As.

An exclusive contract is signed with IBM to transport all of that corporation's express packages (less than 150 pounds); the deal is worth

\$40 million annually. The company also acquires the operations of Sky Courier Network, which allows it to become the first air express carrier to provide same-day delivery.

A DC-8-63AF is purchased from **Air Canada, Ltd.** in November.

Despite an extremely competitive market and price discounting, shipments increase by 31% to 47.4 million and revenues jump 22% to \$768 million. Costs are kept down and allow an operating profit of \$22.37 million and net gain of \$7.03 million.

The workforce is increased by 26.4% in 1989 to 2,262 and the fleet grows to include 55 aircraft: 8 DC-8-62s, 9 DC-8-61s, 2 DC-8-63s, 23 DC-9-32s, 2 DC-9-10s, 1 DC-9-41, and 12 YS-11As. To position itself for competition with the likes of **Federal Express** and **UPS (United Parcel Service)**, in February the company signs an operating agreement with Tokyo-based Panther Express International, one of Japan's five major express carriers, to handle its express outbound shipments on a worldwide basis. A joint project is started with Pratt & Whitney to have all company DC-9s hush-kitted; orders are also placed for 26 additional DC-9Fs, all thus silenced.

To capitalize on the smash motion picture *Batman*, Warner Bros. contracts with Airborne in July for the speedy delivery of 10 million "bat-brochures" (200,000 pounds) to 300 locations throughout the U.S. Another unique transport occurs in August when the robot SICO—the only mechanical member of the Screen Actors Guild—is flown to Nagoya, Japan, for the opening of the World Design Expo '89.

Cargo tonnage grows by 25.4% to 467.71 million FTKs and revenues bounce upward by 23.7% to \$949.89 million. With costs held to a 20.8% rise of \$900.36 million, Airborne is able to generate operating income of \$49.51 million. Net gain more than doubles to \$19.06 million.

The number of employees is increased by 31.8% in 1990 to 3,341 and the fleet includes 61 aircraft. Added to the fleet are 1 YS-11A, 1 DC-8-63, 13 DC-9-31s, 6 hush-kitted Stage 3 DC-9-33s; withdrawn are 2 DC-8-62s and 14 DC-9-32s. Early in the year, stockholders learn that \$1,000-worth of common stock purchased in 1980 is now worth \$1,920. A joint venture is formed with the large Japanese trading company Mitsui & Co. and Airborne Express Japan becomes the fourth largest carrier in the Japanese market.

In America, a third sort building is opened at the Ohio base and two new regional hubs, at Roanoke, Virginia, and Columbia, Missouri, are opened.

Company statisticians note in December that, since January 1986, shipments have increased 35% per year while revenues have doubled. Freight increases by 16.6% to 545.31 million FTKs and revenues ascend 24.4% to \$1.18 billion. Expenses climb 23.6% to \$1.11 billion and allow a \$69.41 operating profit. The net profit again more than doubles to \$33.57 million.

Airborne mounts significant expansion into the Pacific Rim area in 1991. After two-and-a-half decades of air freight forwarder operations in Japan, Airborne signs a joint venture agreement with Mitsui & Co., thereby gaining access to large Japanese corporations as well access, via Mitsui, to markets in Bangkok. In addition, offices are opened in Australia, New Zealand, Singapore, Taiwan, and Hong Kong, but are registered as local companies operated by local personnel.

In August, the company performs a \$115-million convertible debenture to raise public money to underwrite some \$100 million in capital expenditures not covered by revenue income. For the first time, the company, which has previously flown only at night, introduces a limited daytime schedule for its second-day services.

The number of domestic shipments increases 23.5% to 106.2 million; international shipments rise 20% to 2.77 million. Revenues total \$1.4 billion, a 16.7% boost, and net gain slips to \$27.2 million.

Company employment in 1992 stands at 14,447 (4,700 in the airline division, including 465 pilots) and lift capacity is now 2.07-million pounds per night.

While on a training flight from Wilmington on March 6, a NAMC YS-11A-205 encounters landing gear problems and must make a wheels-up landing at Airborne Park; there are no fatalities.

A year of labor difficulties improve when a federal court dismisses charges by both company and union pilots of unfair labor practices, allowing the two groups to sign a new contract in June.

Flight Ready Letter Express is expanded in October to include Flight Ready Express Pack. The International Standards Organization, based at Geneva, Switzerland, awards the company ISO 9000 certification in December for its Chicago and Seattle facilities; the airline is the first air express carrier so recognized.

On the year, a total of 133,488,000 shipments are made. Revenues climb 8% to \$1.48 billion, but as costs rise, the net profit slides to \$23 million. Although, financially, the worst year in almost a quarter-century, comfort can be taken in the fact that Airborne is the only major U.S. operator besides **Southwest Airlines** and **UPS Air** to post net gain.

The workforce of President Carl Donaway's airline division is increased by 100 in 1993 and the fleet now includes 89 aircraft: 28 DC-9-30s, 13 DC-9-40s, 12 YS-11As, 10 DC-8-61s, 9 DC-9-30Fs, 6 DC-8-62s, 5 DC-8-63Fs, 4 DC-8-63s, and 2 DC-9-10s. Overnight small-package express services continue to be provided throughout the U.S. and to 183 other countries.

In May, the company subtracts its logistics operation from the airline, creating a new subsidiary, Logistics Services, at the Wilmington base. Former Vice President-Corporate Marketing Kenneth McCumber is placed in charge. Another new subsidiary, Advanced Logistics Services (ALS) is set up in October. The new concern provides outsourced warehousing and distribution services.

The number of shipments increases during the year by 25% to 164.1 million. Revenues jump 16% to \$1.71 billion and net profit reaches \$36.35 million, the 16th highest figure among all of the world's airlines. Airborne remains the third largest U.S. integrated, all-cargo corporation.

The DC-8-63H formerly operated by **Air Starline, Ltd.** is purchased from **African Safari Airways, Ltd.** in January 1994. Seaborne capacity is added to the company's international capacity in April. The new Ocean Service Division is headed by former Sea/Land executive Charles Ogle while Select Delivery Service, a second-day delivery, comes to represent 40% of the company's business. ALS establishes the first new film distribution program for the motion picture industry in the past 50 years.

On September 13, employing a DC-9F, Airborne begins overnight delivery to the company's San Juan hub for daily pickups and deliveries to most locations around the island.

Shipments increase by 16.5% to 191.4 million and revenues jump 14.5%, reaching \$1.97 billion and allowing a net gain of \$37.9 million.

Airborne introduces 1-3-day delivery service to American Samoa on February 21, 1995. During the first half of the year, the company establishes the Airborne Alliance Group, a consortium of transportation, logistics, third-party customer services operations, and high-tech companies providing value-added services.

In September, a second, parallel runway, new aprons, and taxiways plus a tenth warehouse are opened at the company's Wilmington base. By mid-month, the Seattle-headquartered air express carrier is shipping just under one million small packages per night is second in nightly air express package service, behind **UPS (United Parcel Service)**.

For the first time in the company's history, Airborne surpasses the one-million-shipments-per-day mark. The milestone is reached during the week of November 6 when 5,046,097 packages are shipped.

Two new ATC radars are turned on at Wilmington on November 30. On December 28, Airborne agrees to acquire 12 used B-767-281s, previously operated by **All Nippon Airways Company, Ltd. (ANA)**, from Itochu Corp. and Marubeni Corp. in Japan; they will be converted into freighters for delivery beginning in the fall of 1998.

The number of shipments climb by 20.2% to 230 million and operating income surges 13.6% to \$2.23 billion. Costs accelerate 15.3% to \$2.17 million, causing the operating profit to drop to \$68.98 million. A net profit of \$23.82 million is posted.

1996 is the fiftieth anniversary year. A severe winter storm throughout the northeast region of the U.S. and Canada hampers operations to a

degree between January 7 and 11. Twelve ground crewmen are nauseated at New York (JFK) on May 28 by fumes from a canister leaking a liquid sulfur product in a storage area.

Flying from Greensboro, North Carolina, a DC-8-63F with three crew and three passengers and conducting a maintenance-check flight crashes into White River Mountain near Narrows, Virginia, on December 22; there are no survivors. Six months later, the NTSB will fault the pilots for not employing revised stall recovery procedures developed by the carrier in 1991.

The crew of a DC-8-62F loses control of their aircraft during its take-off roll from Orlando on December 30; the plane goes off the right side of the runway where it comes to rest in dirt about 75 ft. away. None of the five crewmen are hurt.

The number of international shipments accelerates 9.7% to 5 million while domestic shipments jump 12.7% to 254 million. Revenues move up 10.9% to \$2.48 billion while costs are up an almost equal 10.8% to \$2.4 billion. Operating profit rises to \$79.18 million while a net \$27.4-million gain is reported.

On January 2, **1997**, the 3,500-employee carrier enters into a pair of new partnerships. The first is a joint venture with Van Ommeren Intexo Logistics Services, N.V. (Intexo), which provides the U.S. freight operator access to services and warehouses at Amsterdam's Schiphol Airport. The other is a \$2-million acquisition in Aramex International, Ltd., an air express and freight forwarding concern that hubs from London to Dubai, New York, and Amman.

Also during the month, a new handling facility is opened at Garden Grove, California. A Shareholders Rights Plan is approved on February 14 that is designed to protect the company from hostile takeover attempts.

A joint venture with Ribbon Technologies (Pty.), Ltd. of Johannesburg is concluded on March 11 and that concern, which holds a customs license and a bonded warehouse, is renamed Airborne Express South Africa (Pty.), Ltd.

The 800 members of the Airline Professionals Association (APA), Teamsters Local 1224, sign a new contract with management in June.

A 10-year agreement is signed with **Delta Air Lines** in August under which the Atlanta-based major will maintain, overhaul, and support the cargo line's 12 B-767-200s. The contract is valued at \$130 million.

Also during the month, the company generates an additional \$50 million in revenues that raise profits by 30%, largely as the result of additional business acquired during the strike at **UPS (United Parcel Service)**.

A total of 1.39 billion FTKs are operated and operating revenues swell 17% to \$2.91 billion. With expenses held in check, the net profit zooms up to \$120.07 million.

At the beginning of **1998**, Airborne is the 22nd largest airline in the world in terms of net profit and 25th in freight carried, fleet size, and operating income.

The fleet this year includes 4 B-767-200Fs, 13 DC-8-61Fs, 6 DC-8-62Fs, 17 DC-8-73Fs, 2 DC-9-10Fs, 43 DC-9-30Fs, and 25 DC-9-40Fs.

A new facility is opened at Jacksonville on March 19, featuring 50,000-sq. ft. of warehouse and office space. On May 26, two regional customer service centers are opened, at Boise, and Syracuse. They join the already operational regional centers at Phoenix and Chantilly, Virginia.

During the year, the APA and management become involved in a record number of grievances over scheduling and pay provisions under the pilot labor contract signed the previous June. In September, Capt. Charles Rodenberg and his crew refuse to make a check flight for which they believe themselves untrained and unprepared. When Rodenberg refuses to sign a letter admitting insubordination, he is terminated.

A 2,700-ft. station is opened in Fargo on October 27. Led by local APA president, Capt. Rick Ziebarth, the carrier's pilots on October 29 refuse to fly voluntary overtime and plan for informational picketing in the weeks ahead.

In a ceremony at Los Angeles (LAX) on November 13 attended by representatives from Walt Disney, Nestle, Paramount, Warner Brothers, Nissan, and other area corporate customers, the first of 12 B-767-281Fs, scheduled for delivery over the next 2 years, is unveiled by officials from Airborne and Boeing. The aircraft, the first ever to be converted from a passenger configuration under a special FAA type rating and wearing a revised company livery, enters revenue service later in the year from this California base.

The Sixth U.S. District Court holds a hearing on the termination of Capt. Rodenberg on November 23-24. The 3,500 company employees represented by the Teamsters ratify a five-year labor contract on November 29 by a margin of 90 votes. The carrier agrees to offer at least 50% of its current part-time work as full-time work by April 1, 1999.

On December 9, the company enters into agreements with the Itochu Corporation and the Marubeni Corporation, both of Japan, to purchase 11 additional B-767-281s currently under lease to **All Nippon Airways Company, Ltd. (ANA)**. At a cost of \$25 million per copy, the planes will be converted into freighters by Triad International Maintenance Corporation at Greensboro, North Carolina and will be delivered between 2000 and 2002.

Under the original contract, 6 B-767-281Fs are in service by year's end, flying from Wilmington to the U.S. West Coast.

The number of shipments for the year increases 6.7% to 323,041,000. Revenues climb 5.6% to \$3.07 billion and expenses are held to \$2.84 billion. The operating profit rises to \$234.46 million, while the net gain reaches \$137.28 million.

Flights continue in **1999**. On February 22, the FAA proposes fines of \$210,000 against Airborne and three of its contracts for failing to properly train their employees in hazardous materials handling procedures.

On March 10, in a move designed to significantly expand and enhance customer services for Airborne's European operations, the company buys out its former joint venture partner in The Netherlands and opens entirely new, wholly owned facilities at Birmingham, England.

In November, a 6-year, \$60 million contract is signed with Israel Aircraft Industries; under its terms, Airborne will handle all of the manufacturer's traffic in and out of the U.S.

Although traffic figures are not available, the year's revenue picture is not all that rosy. On operating income of \$3,140,226,000, the net profit falls to \$91.2 million.

Among the world's top 25 airlines at the beginning of the new millennium, Airborne is 24th in operating revenue.

During the first half of **2000**, a variety of new Internet-based services are introduced, including "Airborne @ home," a residential delivery service undertaken with the U.S. Postal Service.

In July, Bob Brazier is elevated to the new post of vice chairman and Carl Donaway is promoted to president/CEO.

AIRBORNE OF SWEDEN, A.B.: Sweden (1987-2000). Organized at Sveg in **1987**, founder Paul Hedman is managing director, with Ingrid Hedman as chief of administration and Hakan Olofsson as flight director. A Cessna 402C is acquired and regularly scheduled passenger services are inaugurated linking the company base with Arlanda. A second 402C and a Cessna 404 Titan II are purchased in **1990**.

The fleet is strengthened in **1992** by the addition of a Piper PA-31-350 Navajo Chieftain. Flights continue apace in **1993-1994**. During these years, one Cessna 402C is replaced with a second Titan II.

A Dornier 228-110 is acquired in **1995** and, in **1996-1999**, the fleet is altered to include 2 Dornier 228-110s, 1 Cessna 404, and 1 Navajo Chieftain.

A Dornier 228-110 is acquired in **1995** and, in **1996-1999**, the fleet is altered to include 2 Dornier 228-110s, 1 Cessna 404, and 1 Navajo Chieftain.

Total control of the carrier is taken by **Skyways, A.B.** in early **2000**. On October 1, Airborne is merged with **Highland Air, A.B.** and **Airborne I Norrköping, A.B.** to form Hultsfred-based **Skyways Regional, A.B.**

AIRCAL: United States (1981–1987). A bidding war with **Air Florida** is resolved in March 1981 when William Lyon and George L. Argyros (owners of the Seattle Mariners baseball team), representing AirCal Investments, purchase **Air California** from Westgate-California Corporation for \$61.5 million. In addition to a 2,200-member workforce, the company now includes 5 newly received McDonnell Douglas DC-9-80s (MD-80s) plus 13 Boeing 737-293s, and 2 B-737-193s; orders are outstanding for 2 more MD-80s, with options held for 4 others. The new owners change the name of their company to AirCal on April 6 and adopt a new corporate identification program. Lyon becomes chairman, president, and CEO.

Phoenix and Seattle are placed into the route system on June 1. While landing at John Wayne Airport at Santa Ana after a flight from San Jose a few days later, a B-737-293 with 109 aboard must swerve to avert a collision with a second small company Boeing on the ground; 34 people are injured.

Passenger boardings rise 16.9% to 3,490,422. Freight traffic accelerates a significant 75.5% to 1.67 million FTKs. Unfortunately, expenses of \$211.26 million, when combined with the effects of the PATCO air traffic controllers' strike and subsequent ATC restrictions, bring an operating loss of \$1.3 million on revenues of \$211.61 million. However, a net profit of \$5.6 million is posted.

The employee population is decreased by 20.9% in 1982 to 1,703. On January 1, in competition with **Pacific Southwest Airlines (PSA)**, five-times-per day shuttle service is inaugurated over the California corridor between Los Angeles and San Francisco. A B-737-293 skids off the runway in an emergency landing at Los Angeles (LAX) on February 16.

Burbank joins the route network in March. The Orange County Board of Supervisors during the same month pushes the company to expand when it adopts an access plan designed to reduce jetliner noise impact in the local area. The new plan limits authorized average daily departures at John Wayne Airport to a maximum of 41, divided between the five companies providing flights.

Financial difficulty forces AirCal to drop its Phoenix, Fresno, Monterey, and Las Vegas markets at year's end as traffic dips 1.2% to 3,408,533 passengers carried. Still, freight traffic rises 3.8% to 1.74 million FTKs. Although 4 Boeing 737-293s are eliminated (and replaced by the last 2 outstanding firmly ordered MD-80s), the carrier reports to the CAB that expenses exceed income. Revenues of \$214.7 million are earned; however, with expenses of \$235.4 million, a net loss of \$24 million is suffered, atop an operating decline of \$20.7 million.

The payroll is increased 10.9% in 1983 to 1,889 and the fleet now includes 7 MD-80s, 14 B-737-293s, and 2 B-737-193s.

In the spring, a number of aggressive actions are effected in an effort to enhance business. Passengers receive more legroom and a complementary snack service, in addition to seating assignments. After readjusting its routes, streamlining its cost management, and accelerating its marketing, AirCal experiences a remarkable turnaround.

As a result of redeployment of most of its fleet into California's north-south corridor, increasing scheduling there by 35%, and initiating service to and from the new Terminal One at LAX, AirCal generates a significant traffic improvement. Competing **Pacific Southwest Airlines (PSA)** is forced onto the defensive and into a \$9.8-million net loss.

In September, the carrier "goes public," selling 2.5 million shares of common stock. During the month, four additional daily nonstop roundtrips are introduced between Los Angeles and San Francisco for a total of 12. In response, both **United Airlines** and **Pacific Southwest Airlines (PSA)** increase their number of flights.

In addition, twice-daily roundtrips are inaugurated between Burbank and Reno, along with daily roundtrips from Burbank to Portland, and San Jose/Ontario to Seattle/Tacoma nonstops and direct service.

Enplanements advance 4.6% to a record 3,566,153 for the year. Revenues jump 11.3% to \$239 million while expenses decline 5.8% to \$221.79 million. The operating profit is \$17.2 million and the amount of net loss improves as the company is only \$2.9 million in the red.

As aggressive marketing continues during 1984 in the 13 cities served, AirCal's growth continues, including a 5.9% rise in employment to 2,000. Four-times-per-day service is inaugurated on January 23 from Los Angeles to Sacramento. At the same time, the company returns to Palm Springs, from which it offers nonstops to San Francisco, Ontario, and Los Angeles and direct service to San Jose, Reno, and Seattle.

During the first quarter, the company moves into a new passenger terminal at LAX, as work progresses on a new terminal at Oakland. Summer business flourishes as a direct result of the increased local capacity required for the Los Angeles Olympic Games and the Democratic National Convention.

Boarding records are set each month as enplanements race upward 11.9% to 3,989,867 and cargo skyrockets 76.3% to 3.42 million FTKs. Revenues jump 27.2% to \$303.94 million and expenses, although rising 26% to \$279.49 million, are sufficiently under control to allow an operating profit of \$24.45 million and a net profit of \$8.52 million.

The payroll grows by 38% in 1985 to 2,760. During the first quarter, the company profits from a 29-day strike by pilots at competing **United Airlines**. The first Boeing 737-393 is delivered in March and the carrier becomes an international airline on June 1 when it begins scheduled flights to Vancouver, Canada.

Meanwhile, David Banmiller is elected president and COO in May. Also during the spring, the company moves into a new passenger terminal at Oakland.

The entry of **Continental West Airlines** into the California market in September has an adverse impact.

Customer bookings ascend 11.6% to 4,451,000 and revenues jump 13.3% to \$344.5 million. With expenses held at \$331.69 million, profits of \$12.8 million (operating) and \$9.27 million (net) are celebrated.

Airline employment rises 26.7% in 1986 to 3,800 and the fleet includes 8 B-737-393s, 23 B-737-293s and 2 B-737-193s. In March, a new market is initiated at Anchorage. Simultaneously, the company begins to take delivery of 6 British Aerospace BAe 146-200s for use on flights into John Wayne Airport in Orange County. Thrice-daily nonstop B-737-393 service is launched from John Wayne Airport to Chicago (ORD) on August 15; San Diego is initiated later.

To meet competition, the carrier is forced to heavily discount its fares between spring and fall. Enroute from Los Angeles to Portland on June 6, a B-737-293 comes within 100 feet of a private aircraft before the jetliner's pilot banks to avoid a collision.

On November 17, **American Airlines** announces plans to beef up its West Coast presence by purchasing AirCal, which has lost \$6.2 million during the year's first half, for \$225 million.

Passenger boardings accelerate 12.9% to 5,024,090 and cargo increases 54.1% to 4.37 million FTKs. Revenues advance 9% to \$375.41 million, costs are up 14.3% to \$379.08 million, and the operating loss is \$3.67 million. There is a net loss of \$1.62 million.

American's takeover of 3,800 employee AirCal is approved by the DOT in March 1987. Integration of the national into the Dallas (DFW) major is smoothly completed in July.

During its independent first quarter, the carrier transports a total of 1,335,000, an 18.3% boost over the same period a year earlier. Revenues during the same timeframe ascend 33.5% to \$101.9 million; expenses, however, are high and force a \$6.3-million operating loss. The bottom line net is in the plus column, allowing the carrier to bow out with a net gain of \$6.25 million.

There are two websites relating to Air Cal on the World Wide Web. One, maintained by a "Veteran Air Californian," is <http://members.aol.com/aircal737/aircal.htm>. The other is <http://overworld.compuserve.com:80/homepages/aircal>.

AIRCALIN, S.A.: 8 Rue Frederic Surleau, BP 3736, Noumea Cedex 98846, New Caledonia; Phone (26) 55 11; Fax (27) 27 72; <http://www.air-caledonie.nc>, <http://www.pacificislands.com/airlines/caledonie.html>; Code SB; Year Founded 1997. On January 1,

1997, Air Caledonie International, S.A., the airline of New Caledonia (a French overseas territory), is given an entire corporate makeover, adopting a new name, new livery, new colors, and new advertising. Still, Charles Lavoix remains chairman, with Alain Balfereau as managing director.

The fleet comprises both an owned de Havilland Canada DHC-6-300 Twin Otter and a leased Boeing 737-33A, which features an eight-seat, full-leather business Hibiscus Class compartment. The jetliner continues to operate its weekly service from New Caledonia's capital, Noumea, to Brisbane, Sydney, and Melbourne on a joint venture basis with **Qantas Airways (Pty.), Ltd.** In addition to Australia, Aircalin serves Auckland, Nadi, Papeete, Port Vila, and the Wallis and Futuna Islands. International service features fine French wines and in-flight meals; the domestic network connects 11 airports on Grand Terre and the outer islands, providing quick access to the seven-island group.

The carrier operates invisibly in **1998–1999**. The company's first wide-body aircraft is an ex-Swissair, **A.G.** Airbus A310-325, leased for three years from its manufacturer, which arrives at Noumea on March 26, **2000**. Four days later, it is placed into service on routes to Osaka (KIX), Auckland, Papeete, and Sydney.

AIRCRAFT CHARTER GROUP: Hangar #1, Sikorsky Memorial Airport Stratford, Connecticut 06497, United States; Phone (203) 375-5211; Fax (203) 377-8919; Year Founded 1983. ACG is established at Stratford in **1983** to offer both domestic and international passenger charters. Flights continue over the next 15 years and, by **2000**, the company employs 6 full-time and 3 part-time pilots. From Sikorsky Memorial Airport, operations are undertaken with 1 each Learjet 35A and Learjet 24, plus 1 Beech 58 Baron. Another Learjet 35A is stationed at Allentown, Pennsylvania.

AIRCRAFT OWNERS ASSOCIATION. See **AOA ZAMRUD AVIATION CORPORATION**

AIRCRAFT SERVICES GROUP: 1032 First Street, Stewart International Airport, New Windsor, New York 12553, United States; Phone (201) 393-0500; Fax (914) 567-3567; Year Founded 1990. Aircraft Services Group is set up at New Windsor, New York, with two geographically separated divisions. The smallest contingent is a single Grumman G-1159 Gulfstream II stationed at Jackson Hole, Wyoming.

The principal unit is based at Teterboro Airport in New Jersey, where Vice President Jonathan Parker oversees the passenger flights made by 1 Gulfstream II, 1 Gulfstream IIB, and 1 British Aerospace BAe (HS) 125-800 Hawker executive jet.

AIRCRAFT TRANSPORT AND TRAVEL, LTD.: United Kingdom (1916–1920). On October 5, **1916**, air travel protagonist George Holt Thomas of Aircraft Manufacturing Company, Ltd., registers AT & T as Britain's first airline; initial capitalization is £50,000. World War I prevents the start-up of flying operations; however, four days after the Armistice, November 15, **1918**, RAF Major Sefton Brancker is appointed managing director and Thomas announces preparations for London–Paris service.

On February 1, **1919** at the request of the Belgian government, AT & T launches a Folkestone–Ghent air parcel service for areas of Belgium suffering acute winter difficulties. Seven RAF DH 9s (flown by RAF pilots) with AT & T fuselage stickers carry relief packages in their rear cockpits. During the spring, Brancker recruits flight personnel and assembles a fleet of 4 de Havilland DH 4s and 4 DH 9s. In March, orders are placed for DH 16s (reconfigured DH 9s), the first purely commercial aircraft to be built for carrying passengers in the U.K. following World War I.

On May 1, the Air Ministry's Air Navigation Regulations come into force. These require all civilian aircraft to be registered, to display the allocated nationality markings and letters (G = Great Britain), and to

have a certificate of airworthiness; crews are also required to possess flight certificates. The DH 9 (G-EAAA) becomes the first plane to be entered into the British Civil Aircraft Register, thus becoming the U.K.'s premier official civil and commercial airplane.

The same day, a company DH 9 (piloted by H. J. Saint with D. Greig as passenger) departs Hounslow for Bournemouth at 4:30 a.m. with a load of newspapers. This is the first civil flight under the new regulations, as well as the first from an officially appointed U.K. airport, and the first from London. The aircraft makes a forced landing on fog-shrouded Portsdown Hill at 5:30 a.m. Both of the de Havilland's occupants are injured in Britain's first civil aircraft accident and the plane is wrecked.

To coincide with the Paris peace celebrations, the Air Ministry now announces that, for a week after the 14th of July, civil flights to Paris and back from the Hounslow aerodrome would be allowed. The news is carried in the London *Evening News* and prompts Colonel Pilkington, prominent member of a glass manufacturing family, to approach Managing Director Brancker. Following some negotiation, Brancker, whose airline has yet to publish advertisements announcing its service, agrees to a £42 charter.

On July 15, a DH 9 piloted by Lt. Jerry Shaw, makes the Hounslow–Le Bourget charter for Colonel Pilkington the airline's first international proving flight (now recognized as the first British commercial flight). During the summer, four new DH 16s are delivered.

A famous charter flight is made early on the morning of August 25 by a DH 4A piloted by E. H. "Bill" Lawson. One passenger (journalist George Stevenson-Reese, who pays £21 for the honor of being first passenger) and a consignment of grouse, newspapers, leather, and Devonshire cream are carried on the 2½-hour flight from Hounslow to Le Bourget. At 12:30 p.m., a DH 16 piloted by Cyril Patterson departs Hounslow with four intrepid travelers on the world's first regularly scheduled, daily, international commercial flight for passengers; Lawson's DH 4A returns from Paris later in the afternoon, completing the carrier's three-frequency inaugural day.

With a standard £21 fare, AT & T now settles into the business of providing regular scheduled service to and from the French capital. Passengers willing to take advantage of this new service are offered complementary road transport from central London to Hounslow and from Le Bourget to downtown Paris.

On August 25, Sefton Brancker presides at the Hague as chairman of the first meeting of the International Air Traffic Association. Predecessor of today's IATA—the International Air Transport Association—the organization is officially formed by an agreement signed on August 28. During an October 1–6 rail strike, a company DH 10 is employed to fly mail from London–Glasgow via Bristol, Birmingham, Newcastle, and Manchester; DH 9s fly mail to Paris.

On October 29, a DH 4A, en route to Hounslow from Le Bourget, loses its compass; low on fuel, it is forced to ditch in the English Channel near a small ship. Pilot Shaw and his single passenger are taken aboard and then put ashore at Weymouth to complete their journey to London the next morning by train. The company completes its 147th flight on November 1.

The company now wins the first foreign airmail route to be awarded by the British post office. Each letter will cost its sender 2 shillings 6 pence, with the shillings paid to AT & T. In preparation for the service, emergency landing fields are laid out or identified every 20 miles between London and Paris (four in England and five in France). The towns of Redhill, Tonbridge, Ashford, and Edenbridge are identified when their names are painted atop the local railroad stations.

The first British contract overseas airmail service is begun by a DH 4A (J. McMullin, pilot) on November 10. Weather forces the plane to turn back and the inaugural is actually completed to Paris the next day on the first anniversary of the Armistice. A DH 4A crash-lands at Caterham on December 11. Winter weather, novelty, cost, and the speed of conventional delivery conspire to delay the regularity of postal flights and the airmail service does not catch on with the public.

It is announced on March 1, 1920 that Aviation Manufacturing Company is merging with the Birmingham Small Arms Co., Ltd. The carrier's first DH 18 (the initial de Havilland aircraft designed and built as a commercial transport) is delivered on March 5. Upon the opening of the main facilities at London Croydon Airport on March 29, AT & T operations are shifted from Hounslow.

The DH 18 prototype is placed on the Croydon–Le Bourget service on April 8. On May 17, in cooperation with the Dutch carrier **KLM (Royal Dutch Airlines, N.V.)**, a route is extended Croydon–Amsterdam; the DH 16 with two passengers flies the first of three weekly frequencies.

The last of 8 DH 16s is delivered on June 15. The carrier's first DH 18 is wrecked in an August 16 crash at Wallington in Surrey. On September 25, the de Havilland Aircraft Co., Ltd., is incorporated and takes over Aircraft Manufacturing Co., minus AT & T, which is in the process of being amalgamated into the Birmingham Small Arms Co., Ltd. Lack of traffic and subsidy translate into insurmountable debt by late fall. Despite a merger into the Birmingham Small Arms Company, Ltd., the pioneer is forced to cease trading on December 15. At year's end, the remaining assets are sold to **Daimler Air Hire, Ltd.**

AIRCRAFTS (PTY.), LTD.: Australia (1927–1945). Aircrafts (Pty.), Ltd., is formed late in 1927. Brisbane–Toowoomba service is inaugurated in 1930. The route is extended to Stanthorpe in 1933. Employing an American-made WACO biplane, a subsidized weekly Brisbane–Cracow service is launched in 1934. On November 17, 1935, flights are started Brisbane–Bundaberg; the route is stretched to Rockhampton on May 1, 1936. Employing two de Havilland DH 84s and a DH 50A, Monto is added as a stop on the weekly Brisbane–Cracow route on October 1.

This route network is maintained 1937–1941; operations are sporadic during World War II. The company name is changed to **Queensland Airlines (Pty), Ltd.** in 1945; in 1947 Butler Air Transport, Ltd. assumes a 93% majority shareholding.

AIRCUISE, LTD.: United Kingdom (1963–1970). Aircruise is formed at Cranfield airfield on August 28, 1963. Air taxi operations are initiated with 1 Piper PA-23 Aztec and 1 Beech 95 Travelair. In early 1964, the company is moved to Leavesden Airport and there receives 2 new de Havilland DH 104 Dove 1s, which are employed to initiate executive charters. Three additional Dove 2s/5s are acquired during the year and also undertake on-demand work, including a contract for Rolls-Royce.

On April 26, 1965, a Dove 1 is badly damaged as the result of a forced landing at Droitwich. The financial loss forces the sale of the remaining Doves and a reduction in fleet size to small craft.

On June 26, 1968, a Piper PA-23 Aztec is lost in a crash at Brest, France. Thereafter, financial misfortune accelerates until the company is forced to close down in the spring of 1970, with only 1 Cessna 172 remaining.

AIRES (AEROVIAS DE INTEGRACION REGIONAL, S.A.): Avenida Eldorado, Entrada 1, Hangar Aires, Bogota DE, AA 44102, Colombia; Phone 57 (1) 413-9024; Fax 57 (1) 413-9610; http://www.geocities.com/Cape_Canaveral/1776/Avire.htm; Code 4C; Year Founded 1980. Privately funded, AIRES is organized at Bogota on October 2, 1980. After obtaining a fleet of 5 Embraer EMB-110P Bandeirantes, the third-level operator inaugurates scheduled services on February 23, 1981 over a route to Ibagué. A total of 69,852 passengers are flown during the first 11 months.

Over the next eight years, the carrier extends routes and services throughout the nation, although there are losses in 1985.

An EMB-110P1 with 2 crew and 15 passengers, crashes into the mountains 16 km. from Buga, Colombia, on January 23; there are no survivors.

Another EMB-110P1 with 2 crew and 14 passengers suffers an engine explosion during takeoff from Mocoa on July 3. Control is lost and the

turboprop crashes into a line of trees 1,600 m. from the end of the runway; there are no fatalities.

In 1989, scheduled third-level passenger and cargo services link Aeropuerto Eldorado with such regional destinations as Cali, Florencia, Medellin, Neiva, Puerto Asis, San Vicente del Caguan, and Villa Garzon. President Hector Moreno Reyes maintains revenue services with a fleet that includes 3 owned and 1 leased Embraer EMB-110P1 Bandeirantes and 1 chartered Fokker F-27F Friendship.

An order for EMB-120 Brazilias is cancelled in 1990.

Just after its arrival at Villa Garzon on December 15, an EMB-110P, with two crew and six passengers, is seized by guerrillas, who force all aboard to make a hasty exit. Before airport security guards arrive, the pirates douse the aircraft with gasoline and set it afire. The aircraft and all of the baggage aboard are burned.

In 1991, a Fairchild Hiller FH-227J is leased. This is followed by a second American-made FH-227J in 1992–1993, which reduces the number of Bandeirantes in President Moreno Reyes' fleet to 3, as the Fokker freighter is also sold off.

The fleet is significantly increased during 1994. Through September, 2 each leased de Havilland Canada DHC-8-103s and DHC-8-301s are added and services are expanded accordingly.

While en route from Neiva to Cali on August 14, 1995, an EMB-110P with two crew and eight passengers, crashes into the volcano Nevado del Huila; there are no survivors.

The leased fleet in 1996 includes 2 each DHC-8-103s and Fairchild F-27Js, plus 3 DHC-8-301s. The 2 owned surviving Embraer EMB-110P1 Bandeirantes are also flown. In October 1997, a \$14-million order is placed for a DHC-8Q-300 that is delivered in December.

Flights continue in 1998–1999.

Enplanements during the latter year total 486,000 while 300,000 FTKs are operated.

While en route from Bogota to Neiva on September 8, 2000, a DHC-8-301 with 22 passengers is taken over by a male rebel prisoner who has managed to overwhelm his three guards and get hold of a pistol. At gunpoint, the flight crew is ordered to put down at San Vicente de Caguan, a town held by the Revolutionary Armed Forces of Colombia (FARC). After the man escapes, the turboprop is allowed to takeoff for its original destination.

AIREX, S.A. de C.V.: Juan Gilleno Villasana #147, Colonia Aviacion Civil, Mexico City D.F. 15740, Mexico; Phone 53 (5) 763-4400; Fax 53 (5) 558-6755; Year Founded 1983. Airex is set up as an FBO at Toluca, Mexico, in 1983. Over the next 17 years, the company not only provides the usual maintenance and fueling support expected by this kind of business, but also provides charters around the nation with a single Aero Commander 600.

AIRFAST INDONESIA (AIRFAST SERVICES INDONESIA): Kuningan Plaza, Suite 305, J1 HR Rasuna Said Kav C11-14, Jakarta, 12940, Indonesia; Phone 62 (21) 520-0696; Fax 62 (21) 520-0731; <http://www.airfastindonesia.com>; Code AFE; Year Founded 1971. With bases at both Jakarta and at Singapore's Seletar Airport, Airfast is formed in 1971 as a privately owned Australian–Indonesian joint venture providing passenger and cargo charter flights and contract services throughout Southeast Asia. Within a decade, the company employs 250 workers and has a fleet comprised of 3 Hawker Siddeley HS 748s, 1 Fokker F.27, 2 Douglas C-47As (military DC-3s), 1 Britten-Norman BN-2 Islander, 1 Beech B80 Queen Air, 1 Piper PA-23 Aztec, and 14 helicopters.

A chartered C-47A with 4 crew and 13 passengers, crashes two km. from Pekanbaru on April 28, 1981 while on final approach to the airport (9 dead).

The company is reorganized in 1982 and its shareholding becomes entirely Indonesian. Additionally, it also begins to focus its attention on aviation support for seismic and photographic surveys, the on- and off-shore oil industry, mining, and logging.

A C-47A with two crew and one passenger collides with a 10,500-ft. mountain near Wamena on August 15, **1984**; there are no survivors.

Operations continue apace during the remainder of the decade and into the next.

While on a January 25, **1990**, service from Ujung Pandang, an HS 748-2A with 3 crew and 16 passengers crashes into Mt. Rinjani in bad weather; there are no survivors.

The company upgrades to jet equipment in the summer-fall of **1991**, acquiring 2 B-737-223As from **American Airlines**. These are traded in for B-737-300s late in **1992**.

By **1993-1994**, President Frank. D. Reuneker's carrier has 300 employees. During the decade the fleet has been upgraded and now includes the 748s, the Queen Air, Aztec, and a DC-3, as well as 3 Boeing 737-200s (1 each Dash-230C, Dash-27AA, and Dash-2Q8A), 1 NPTN (CASA) 212, and 2 de Havilland Canada DHC-6 Twin Otters. The 14-unit helicopter fleet consists of 3 Bell 204s, 3 Bell 106s, 1 Bell 212, 2 Bell 412s, and 5 Sikorsky S-58s.

Airline employment grows to 480 during **1995-1997**; however, the rotary-wing fleet is reduced by one of each major type.

On October 2, **1997**, Airfast and **Merpati Nusantara Airlines** join two private companies in boycotting the mountain airport at Wamena in Irian Jaya, in the nation's easternmost province, citing the hazard posed by tribesmen and animals who routinely cross the runway as aircraft are departing or landing.

Catastrophic forest fires and Asia's economic crisis have a serious impact later in the year.

Indonesian aviation policy wavers during the opening months of **1998**. In late spring, Jakarta is rocked by political demonstrations and, on May 21, President Suharto resigns.

Flights continue in **1999-2000**. The workforce now numbers 430.

AIRFREIGHT EXPRESS, LTD.: 611 Sipson Road, West Drayton, Middlesex, England, UB7 OJD, United Kingdom; Phone 44 (20) 8759 5400; Year Founded 1999. Philip Bowles establishes Airfreight Express in late **1999** to operate regularly scheduled all-cargo services from London (LHR) to New York (JFK). Revenue flights are duly launched with a single leased Boeing 747-200F.

In **2000**, charters are also operated to other world destinations and orders are placed for 2 more Jumbojet freighters.

AIRFREIGHT 2100: Philippines (1989-1996). The freight forwarder Airfreight 2100 is established at Manila in **1989** with Albert Lina as chairman. Ground and air operations are undertaken during the next six years with a fleet that includes two Cessna 208 Caravan Is and a Convair CV-580.

The company's big break comes in the spring of **1996** when it signs a contract to operate daily Convair cargo flights from Subic Bay to Cebu on behalf of **Federal Express**. Frequencies on the route are doubled in July.

No information is thereafter available.

AIRGAVA, LTD.: Canada (1961-1983). Originally established at Shefferville, Quebec, in **1961** as **Lariviere Air Services, Ltd.**, this third-level operator is renamed Airgava, Ltd. in **1973** following its acquisition of competing **Fongava, Ltd.** Routes link the company's base with Wabush, Gagnon, Sept-Iles, and Port Cartier; Sept-Iles and Baie Comeau, Forestville, Mont Joli, Rimouski, and Mantane.

By **1981**, President Albert Fortier's fleet comprises 1 Douglas DC-3, 2 de Havilland Canada DHC-6 Twin Otters, 1 Embraer EMB-110 Bandeirante, 2 Fairchild-Swearingen Metro IIs, 1 Cessna 404, 1 Beech 18, and 3 DHC-3 Otters. Airline employment is 35.

Unable to weather recession and higher fuel bills, the carrier ceases operations in **1983**.

AIRGROUP HAVACILIK, A.O.: Turkey (1994-1995). This new Turkish domestic carrier is established at Istanbul in the summer of **1994**

to provide regional and domestic commuter services. Revenue flights commence with a pair of Avions deTransport Regional ATR42-320s, but continue for less than a year.

AIRKENYA. See **AIR KENYA AVIATION**

AIRLEC (AIR AQUITAINE TRANSPORTE, S.A.): France (1985-1992). Founded at Aeroport de Bordeaux in late **1985**, Airlec acquires a fleet of 3 Beech King Air 90s and 2 Cessna 310s. President/Managing Director Michel Le Collen's company begins air ambulance, air taxi, and charter operations in early **1986**.

Scheduled services begin in **1990**. With the carrier's 2 Fairchild Metro IIIs and 4 Beech King Air 200s, flights are undertaken linking Airlec's base with Dijon and Rennes.

In **1991**, 6 additional King Air 200s are acquired, along with 3 Bell 206B JetRanger helicopters. Late in the year, as the result of negotiations between Le Collen and **Air Vendee, S.A.** President Jean Paul Dubreuil, it is decided to merge the two carriers.

Regional Airlines, S.A. is born on January 1, **1992**, with Airlec holding 21% interest. Two other partners are taken in at the same time—**Air Vendee, S.A.** and **Air Exel France, S.A.**

AIRLIFT, A.S.: Foerde Airport, Bygstad, N-6815, Norway; Phone 577 18830; Fax 577 18815; Year Founded 1987. Airlift is established at Foerde, west of Oslo, in **1987** to fly power and telephone line surveillance. This service continues until **1993**, when the carrier wins its first Emergency Medical Service (EMS) helicopter medevac contract. Over the next two years, the number of EMS contracts is increased to three, one each for Forde, Bergen, and Dombas. Flights are provided with 3 Bell 212s.

Airline employment reaches 75 at the beginning of **1996**. The fleet includes 8 Eurocopter AS-350s, 3 Aerospatiale Lamas, and 3 Bell 212s. During the first half of the year, 1 more AS-350 is acquired, along with 3 AS-365C Dauphins that replace the Bells on the EMS contracts.

The company suffers a pair of crashes. On March 18, an AS-350 is lost at Svalbard (Spitzbergen) when its pilot becomes disoriented and lands badly on the ice. Just after departing Forde on October 14 to pick up a patient, one of the new EMS Dauphins with four crew aboard, flies into power cables, catches fire, and crashes; there are no survivors.

During the fall, the company accepts a contract from the territory government, paid for by the Norwegian government, to provide coastguard services from a base at Svalbard (Spitzbergen). A Bell 212 is immediately dispatched to the scene to open the new search and rescue (SAR) service.

In early November, the carrier, under an agreement signed on June 7, joins in a strategic alliance with **British International Helicopters, Ltd. (BIH)** from which it wet-leases a Eurocopter AS-332L.1 Super Puma for the coastguard contract. Its Canadian parent, **Canadian Helicopter Corporation, Ltd.**, takes 10% equity in Airlift, with the additional acquisition of 23% more in the future a possibility.

Piloted by expatriate U.S. Vietnam veteran Capt. James Spyker, the Super Puma has no sooner arrived at Svalbard, still in BIH livery, than it is called upon to perform a dramatic rescue.

On December 23, a Russian Antonov An-72 with 22 passengers crashes while taking off from Nagurskoye, in the Francois-Joseph archipelago, then a military reserve. Unable to dispatch a rescue mission from Murmansk, the Russians seek assistance from Norway. The new civilian SAR team at Svalbard is assigned the mission, which, in turn, assigns Capt. Spyker and his powerful helicopter.

Along with a medical team, the Super Puma with seven crew departs in -35° C weather for Nagurskoye at 00:10 a.m. on Christmas Eve. Due to bad weather, the helicopter must fly to Kong Karis Isle for refueling before proceeding 232 nm. to the crash point. The Bell 212 follows with additional medical personnel, who set up a medical center on Kong Karis Isle to treat those with minor wounds. After three hours of medical work at Nagurskoye, the refueled AS-332L returns to Svalbard with the three most seriously injured Russians. Meanwhile, the Bell shuttles

a number of Russian passengers to the medical camp where they are treated (mostly for frostbite).

The success of the Nagurskoye mission further cements good relations between the governments of Russia and Norway, assists Airlift in its goal to acquire additional SAR contracts, and deepens the commercial relationship between that company and BIH.

During the year the company puts in 700 hours of EMS flights. Overall revenues of NOK 125 million are generated on the year, leaving a NOK 5-million profit.

Early in 1997, Airlift purchases another Super Puma from BIH and has it modified at the Eurocopter facility at Marignane, France. Special attention is paid to the addition of avionics that will allow the helicopter to find fuel deposits that the company has stashed at various refueling points. It joins the leased unit at Svalbard.

Canadian Helicopter Corporation, Ltd.'s stake in Airlift is increased on January 30, 1998 from 10% to 45%, at which point CHC is the major shareholder in the Norwegian helicopter operator.

AIRLIFT INTERNATIONAL: United States (1963–1993). Pioneer air cargo carrier **Riddle Airlines** changes its name to Airlift International on November 29, 1963. The corporate changeover takes effect in March 1964, at which time airline employment is 494 and the fleet comprises 31 aircraft, mostly Curtiss C-46As and Douglas DC-7CFs, with a number of Lockheed L-1049H Super Constellations.

Under contract to **Alitalia, S.p.A.**, the company uses its DC-8F to inaugurate scheduled all-cargo flights from New York to Rome and Milan. A second DC-8F is acquired in June. Revamped, the old Riddle stations at Chicago, Cleveland, and Detroit are now reopened.

As a result, Chicago to Atlanta and Detroit to Atlanta via Cleveland services are begun and allow a connection to Florida via the Georgia center. In addition, new service is launched from New York to Boston and under a temporary authorization from the CAB, frequencies are started from Miami to St. Thomas. The workforce is 506 and the fleet includes 20 aircraft.

When Hurricane Cleo roars through Miami on August 27, it destroys two C-46Fs on the ground at the airport.

On the year, overall freight traffic grows by 18.8% as 51,610,000 freight ton-miles are flown. Fortunes, extremely questionable under the previous label, appear to improve. A profit of \$729,000 is posted on revenues of \$16.2 million.

The workforce is significantly increased in 1965, up to 741; the fleet, however, is reduced to 25 aircraft. These include 9 Curtiss C-46As, 14 DC-7CFs, and the 2 DC-8Fs. All-freight services to destinations throughout the U.S. and to Puerto Rico are maintained.

Following the May bankruptcy of Miami Springs-based **ASA (Aerovias Sud Americana, Inc.)**, Airlift attempts to buy a 42% stake in that carrier in order to acquire its certificate. The move will be appealed.

A Curtiss C-46D with three crew is destroyed as the result of a bad landing at Dover AFB, Delaware, on September 13; there are no fatalities.

An application is filed with the CAB for expanded route authority and the two DC-8F Jet Traders are refinanced. A total of 88.56-million ton-miles of freight are flown, along with 108,256 passengers, mostly on military charters. Revenues of \$26,285,198 are earned and a net profit of \$1,744,907 is recorded.

Events take a decidedly positive upturn in April 1966 when the assets of the Slick Corporation (formerly **Slick Airways**) are purchased, including its Douglas DC-7CFs. The CAB approves the arrangement on June 30, allowing Airlift to assume Slick's military air transport contracts the next day.

On September 12, Flight 184/2, a DC-7CF with four crew, aborts its takeoff from Tachikawa AFB, Japan, on a flight to Wake Island. The heavily laden plane (27,484 lbs. of cargo) is unable to stop before the end of the runway and goes over, striking a fence. There are no fatalities.

By the end of September, company officials are proclaiming a record \$3-million profit. While taking off from Saigon on December 30, another

DC-7CF with three crew, loses its landing gear, crashes, and catches fire; fortunately, no fatalities are reported.

For the year, 96,000 contract passengers are carried and 226.73-million freight ton-miles are flown.

In 1967, the workforce totals 1,224 and the fleet includes 36 aircraft: 1 Lockheed L-1049H, 5 Curtiss C-46As, 4 Canadair CL-44Ds, 2 Boeing 707-365Cs, 2 B-727-127QCs, 5 DC-7Bs, 11 DC-7CFs, 2 DC-8-63CFs, and 4 new Lockheed L-100 Hercules. One of the B-707-365Cs was received from **Worldways Canada, Ltd.** earlier in the year.

The B-727-127QCs are employed at night and are leased to **National Airlines** during the year.

While on final approach to Saigon on June 22, an L-1049H with seven crew, collides with a USAF F-4 Phantom II. The pilot of the fighter plane is able to safely eject, but all aboard the freighter are killed when it crashes.

A total of 145,951 customers are transported on the year and 245.23-million freight ton-miles are flown.

The employee population in 1968 numbers 1,208 and the fleet includes 39 aircraft. The CAB transfers the route of the former **ASA (Aerovias Sud Americana)** to Airlift on May 20. This allows the carrier's new B-707-365Cs to fly from Miami to Rio de Janeiro and Buenos Aires.

Meanwhile, on May 22, the CAB awards the company the coast-to-coast route formerly operated by **Slick Airways**, but abandoned in 1965 because of financial troubles. A B-707-372C is delivered on July 11.

Charter passenger traffic is up by 20.8% as 190,569 passengers are carried. Freight ton-mileage flown is 199,980,826. Revenues are \$55,945,657.

The fleet in 1969 comprises 3 B-707-365Cs, 4 B-727-172Cs, 5 DC-4s, 3 DC-8-63CFs, 3 Lockheed L-100s, and 5 CL-44Ds. In January, the CAB denies the company's attempt to acquire the certificate of **ASA (Aerovias Sud Americana, Inc.)**. This year, Military Airlift Command (MAC) charters account for 293,265 passengers.

The U.S. recession and cutback in Vietnam airlift operations bring a downturn for the carrier in 1970. An L-100 with a crew of three crashes while attempting to land at McGuire AFB, New Jersey, on October 10; the company refuses to divulge the fate of the crew.

Freight ton-miles operated are off by 24.7% to 163.71 million and only 287,233 passengers are boarded. Consequently, the workforce is cut by 65%, down to 600.

Bookings fall in 1971, down to 146,034; however, freight ton-miles are up significantly.

Sixty-three new employees are hired as the year merges into 1972. Highlight of this year comes when the CAB grants the 28-year-old carrier permanent certification and approves a route realignment, thereby improving operational flexibility.

Although Indochinese-related military passenger charters fall again, down 19.7% to 122,000, freight ton-miles flown increase a healthy 22.6%. Revenues are now \$43.28 million and with expenses in hand, profits are realized: \$2.02 million (operating) and \$491,000 (net).

As 1973 advances, Airlift pursues its request of the CAB for scheduled authority to certain Latin American markets and for unlimited cargo charter rights into Mexico, Central and South America. The workforce is now 672, but the carrier is the only one of the three U.S. cargo carriers to suffer a traffic slump.

Passenger boardings on behalf of the MAC are down 49.6% to 62,000 and cargo traffic is off by 3.3%. Income totals \$37.88 million, but expenses are up to \$41.13 million. Consequently, losses are taken: \$3.23 million (operating) and \$2.23 million (net).

Twenty-one new employees are hired in 1974. Consideration is given to augmenting the fleet of 5 DC-8-63CFs and 1 B-727-100QC, but a decision is not taken.

While under maintenance at Fairfield-Travis AFB in California on March 23, the inboard main fuel tank of a DC-8-63CF explodes and burns up the aircraft; one worker is killed.

The number of charter passengers drops a huge 64% to 22,465; however, the number of FTKs flown advances by 10% to 327,577. On

revenues of \$48.17 million and expenses of \$47.18 million, the operating profit is \$986,000 and the net profit is \$141,000.

Airline employment in **1975** is 633. In March–April, the DC-8-63CFs join the aircraft of **The Flying Tiger Line** and **World Airways** in making the last flights out of Cambodia and South Vietnam. A job action late in the year hurts productivity.

Although the number of charter passengers boarded grows by 11.8% to 26,000, freight traffic is off by 26.9% to 239.55 million FTKs. A loss of \$3 million is suffered on the year.

A total of 11 employees are laid off in **1976** or not replaced. The strike begun late in the previous year ends in the spring. With the reinstatement of service to Cleveland, the number of domestic cities served reaches an even dozen. Two more DC-8-63CFs are delivered. In the largest animal airlift to date, some 16,000 cattle are transported from Costa Rica to Venezuela.

As a result of the strike, FTKs drop 10% to 150.66 million and another \$3.4 million is lost.

During **1977**, scheduled all-cargo routes are maintained within the U.S. and Puerto Rico, in addition to a variety of worldwide passenger and freight charters and military contract services. The number of passenger charter bookings climbs to 40,774. FTKs operated are 350 million and \$6.2 million is earned.

The workforce is increased by 32.2% in **1978** to 937. Chairman/President Paul J. Finazzo's fleet of 3 DC-8-63CFs, 2 DC-8-50Fs, and 3 DC-8-30Fs boost cargo FTKs to 395.89 million, for 19.9% growth. Passenger boardings drop, however, down 7.3% to 38,000 and profits decline to \$4.5 million.

The workforce is increased by 6.7% in **1979** to 1,000 and the fleet grows to include 14 aircraft, all DC-8Fs.

Charter bookings skyrocket 73.7% to 66,000 while cargo is down 0.9% to 392.23 million FTKs. The company suffers a \$694,000 net loss.

Airline employment is reduced by 20% in **1980** to 800. The year is a failure as fuel prices skyrocket and economic recession swells. Charters drop 27.1% to 48,000 and freight falls by 47.2% to 207 million FTKs. Operating income declines 25.94% to \$70.17 million while expenses reach \$81.39 million. The financial crisis deepens as the operating loss is increased by \$11.21 million and a net loss of \$12.31 million must be absorbed.

By **1981**, Airlift International has fallen on such hard times that it has no physical assets and only \$44,000 in cash on hand; it is forced to file for Chapter XI bankruptcy on June 4. Although it continues to fly for a short time thereafter, a bankruptcy trustee, William D. Seidle, is appointed in November and the previous management team resigns.

The change brings about an FAA suspension of the company's operating certificate, which requires it to shut its doors and dispose of its last fleet elements, 2 DC-8-54Fs, by year's end. The number of FTKs operated plunges by 78.5% to 44.56 million, while the number of charter passengers flown drops by 87.5% to just 6,000.

While under reorganization, Al M. Oliver is appointed general manager and the carrier is able to operate military charters with leased aircraft. After much work, the operating certificate is restored by FAA on April 13, **1982**. General Manager Oliver manages to reacquire two DC-8-54Fs, one on an hours-operated lease.

New ad hoc worldwide charters are obtained, including a significant tonnage in livestock for premier customer Sierra International. A new reorganization plan is put forward in May and in June a DC-8-61 freighter is received. During this period of reorganization, traffic and financial data is not available.

In **1983**, three more DC-8-55Fs are acquired, the number of employees rises from 40 to 107, military charter flights and passenger charters are laid on for tour operators, and wet-lease service is provided for **Air Haiti, S.A.** Traffic and financial figures are again unavailable.

A positive cash flow begins in August and recovery is further eased when the company wins certification to perform a wide variety of maintenance for other carriers.

The company's **1984** reorganization plan is rejected and the CAB late in the year stops taking charter applications from those carriers that do not have noise-rule compliant fleets.

Still, Airlift is able to transport a total of 117,000 passengers and 7.8 million FTKs. Sales total \$24 million and a net in-bankruptcy profit of \$1.4 million is earned.

Airline employment in **1985** stands at 100. Early in the year, John Paul Riddle returns to help the company celebrate its fortieth anniversary. Having failed to meet the government's noise rule, the carrier is forced to ground its DC-8-54F and two DC-8-61s at year's end.

Since January, Airlift has flown 104,000 passengers, a decline of 11.1%; on the other hand, cargo booms upward by 60.7% to 18 million FTKs. Revenues of \$14.3 million are earned and expenses are held to \$13.8 million. As a result, the operating profit is \$524,064 and net gain is \$445,981.

Although its aircraft are grounded during the first half of **1986**, the airline remains in active business, even after returning to Chapter XI status. In February, a Fairchild Hiller FH-227 is leased to operate charters to various Caribbean destinations. The two DC-8-61s are leased to European operators for summer flights while the DC-8-54F goes into the Miami shop for an engine refit with a noise suppression nacelle kit from Quiet Nacelle Corp. Throughout the year, the maintenance facility helps to bring in operating funds.

The freighter is returned to service in July and after returning from overseas and their engine refits, the Dash-61s become available in late fall. Charter flights continue in **1987** and **1988**.

Airlift nearly, but not quite, emerges from Chapter XI in the spring of **1989**. General Manager Oliver remains in charge as CEO and the fleet now includes 1 DC-8-54F and 6 Fokker F.27s. The jet freighter is flown under contract to **Emery Worldwide**, a CF Company, while 5 of the Fokkers are employed transporting gamblers to holiday destinations in the Bahamas. The sixth Fokker is leased out.

Operational details for **1990** are lacking; another reorganization plan is presented to the federal bankruptcy court in **1991**. Like earlier ones, it, too, fails. In January **1992**, Chapter VII liquidation is filed. In March, George Batchelor purchases the remaining assets for \$3.9 million and pledges to rebuild the airline.

Based at Miami (MIA) in **1993**, the company's fleet comprises 5 Fokker F.27s, 1 Fairchild Hiller FH-227C, and 1 DC-8-54F. Unable to save the carrier, its new owner allows it to fold.

AIRLINAIR, S.A.: 21 Place de la Loire, Paris Rungis Cedex, 94563, France; Phone 33 (1) 45 12 17 17; Fax: 33 (1) 45 12 17 18; Year Founded 1988. President Lionel Guenn and three other investors establish Airlinair at Paris in December **1998** to provide wet-lease services to major and regional carriers.

During the spring of **1999**, 3 Avions de Transport Regional ATR72-212s are acquired and based at both Orly and Charles De Gaulle airports. These begin service in May.

By the beginning of **2000**, airline employment stands at 75.

AIRLINE FEEDER SYSTEM: United States (1937–1939). AFS is established at Springfield in the summer of **1937** to offer service connecting that western Massachusetts community with Newark (serving New York City). A pair of Stinson Model A Tri-Motors are acquired from **Pennsylvania-Central Airlines** and revenue flights are inaugurated on October 4, via Hartford, New Haven, and Bridgeport.

Passengers travelling east can connect at Springfield with the direct Boston service (opened the same day) of **Mayflower Airlines**. Despite the use of "commutation" fares that allow customers to fly at rates being charged by the railroads, the route does not generate sufficient traffic to achieve or maintain viability.

As a result, the company suspends operations in October **1939**. The route authority is acquired by **Northeast Airlines** on June 12, **1944**.

AIRLINE OF THE AMERICAS: United States (1992–1993). This new passenger charter operator is established at Smyrna, Tennessee, in the spring of 1992 to offer flights to destinations throughout the eastern U.S., the Caribbean, and to Mexico. Employing a pair of reengined Boeing 727-225As formerly operated by **Pan American World Airways (1)**, the company inaugurates revenue services on June 6. A total of 27,000 passengers are flown by December 31.

In 1993, President C. P. Caudle oversees a workforce of 100 and acquires two more B-727-221s. Later in the year, the carrier is renamed **Ultrair**.

AIRLINE OF THE MARSHALL ISLANDS (AMI): United States (1980–1989). Created at Majuro in the Marshall Islands, part of the U.S. Trust Territory of the Pacific Islands, in 1980, **Airline of the Marshall Islands (AMI)** undertakes scheduled passenger and cargo commuter flights between the area's 20-plus atolls. The service is initially provided under contract by **Air Tugaru**. The most important route is a weekday nonstop flight between Majuro and Kwajalein with other local services flown out of those two major islands.

Operations continue apace in 1981 and 1982. By 1983, the fleet comprises 1 BAe 748-2B and 2 GAF Nomads and enplanements total 12,461. Profits total \$1 million (operating) and \$438,303 (net).

The workforce is decreased 4.3% in 1984 to 44; however, orders are placed for 2 Dornier 228-200s.

Passenger boardings accelerate 9.6% to 13,784 while freight is up 14.2% to 56,000 pounds. Revenues dip 6.2% to \$1.8 million, while expenses swell 23.1% to \$1.1 million. As a result, gains are reduced to \$662,152 (operating) and \$95,178 (net).

The two Dorniers arrive in 1985. Enplanements in 1986 total 20,623 and an operating profit of \$142,540 is generated.

Four new employees are appointed in 1987 and the fleet now includes the 2 Dorniers and 1 BAe 748-2B.

Passenger boardings climb 5.4% to 21,800 and revenues ascend by 34.4% to \$1.25 million. The operating profit grows to \$238,155.

The workforce is increased by 17.9% in 1988 to 92 and the fleet remains the same.

Customer bookings swell 15.9% to 33,500 and freight is up by 33.3% to 21,000 FTKs. Revenues jump 50% to \$3.6 million, but expenses surge 52% to produce a \$200,000 operating loss.

Upon independence of the Marshall Islands in 1989, the carrier is renamed **Air Marshall Islands** and is designated as the national flag carrier for the government of Tuvalu.

AIRLINE TRANSPORT CARRIERS: United States (1947–1962). ATC is established in 1947 as an associate of the Colonel Charles C. Sherman's **California Central Airlines**. Two years later, the CAB orders the company to cease providing what had become practically scheduled services between Burbank and Oakland, California. The carrier goes dormant while Sherman assumes its activities.

ATC is reactivated in 1958 when it is granted CAB authority to provide supplemental service. Employing the marketing names California Central Airlines (which had gone bankrupt in 1954) and California Hawaiian Airlines, the company operates 2 each Douglas DC-3s, DC-4s, Curtiss C-46 Commandos, and Lockheed L-1049 Super Constellations on domestic and transpacific flights to Hawaii.

When the government refuses to extend the carrier's certificate in October 1962, the twice-run airline is forced to shut down.

AIRLINES (JERSEY), LTD. See JERSEY AIRLINES, LTD.

AIRLINES (WEST AUSTRALIA) (PTY.), LTD.: Australia (1935–1955). Capt. C. W. Snook forms his Airlines (West Australia) at Perth on December 2, 1935. Equipped with a Spartan Cruiser and a Monospart ST.25, twice-weekly, opposite-direction service is started eight days later from Perth–Mount Magnet–Wiluna–Kalgoorlie–Perth.

The Perth circular route opened in December 1935 is replaced on October 5, 1936 by a new subsidized weekly Stinson Reliant service from Perth–Kalgoorlie via Mount Magnet, Cue, Meekatharra, Wiluna, and Leonora.

Two new routes from Sydney to Melbourne and Narrandera are opened in 1937. Two de Havilland DH 84 Dragons are added to the fleet in 1939; however, service is sporadic during the war years, 1940–1945.

Outfitted with Avro Ansons and DH 104 Doves, the carrier, in 1946, begins flying from its Perth base to such mining towns as Wiluna and Kalgoorlie.

Services to these interior destinations is continued until October 1955 when the carrier is purchased by and merged into **MacRobertson-Miller Aviation, Ltd.**

AIRLINES OF AUSTRALIA (PTY.), LTD.: Australia (1935–1943). In order to acquire the assets of defunct **New England Airways (Pty.), Ltd.**, the British Pacific Trust, Ltd. forms this carrier in fall 1935. Using an Avro 10 and a Monospart ST.12, Airlines of Australia undertakes daily Sydney–Brisbane and Brisbane–Toowoomba service, along with twice-daily flights from Sydney to Newcastle and twice-weekly frequencies from Brisbane to Townsville.

The first of four Stinson Model A Tri-Motors is delivered in April 1936 and is christened *City of Lismore*. With seconded **American Airlines** pilot H. D. Bowyer at the controls, the plane, during its inaugural flight, completes the 510-mi. Sydney to Brisbane service in a record 2 hrs. 45 min. On July 1, the carrier is one of four merged to form **ANA (Australian National Airlines [Pty.], Ltd.)**; the partner, allowed to retain its previous identity and function as a subsidiary, is permitted to purchase **Rockhampton Aerial Services (Pty.), Ltd.** on September 14, along with its route from Rockhampton to Brisbane.

Weekly Townsville–Mount Isa services are initiated on February 27, 1937, following this with twice-weekly Cairns–Cooktown flights, beginning on May 17. Flights are inaugurated Cairns–Rutland Plains during the summer.

Employing an ANA Douglas DC-2, the company begins daily Brisbane to Adelaide service on August 30, via Sydney and Melbourne. ANA purchases the British Pacific Trust shares in the carrier late in the year.

Services, often integrated with those of ANA, are maintained in 1938. During the year, two Stinson Model As are lost in crashes, although one is replaced. On May 29–30, 1939, the new DC-3 *Kyilla* is employed to begin Sydney–Brisbane night flights, the first in Australian commercial history.

The *Kyilla* operates with ANA during 1940–1941 while the company's lone DH 89A, the *Memma*, and two Stinson Model A Tri-Motors, the *City of Grafton* and *City of Townsville*, fly the carrier's routes with increasing difficulty following the outbreak of war.

On July 1, 1942, the carrier is finally absorbed by ANA. The war, however, prevents the larger carrier from finally taking over the services of its subsidiary until January 1, 1943.

AIRLINES OF CARRIACOU, LTD.: Grenada (1992–1999). AOC is founded at Point Salines International Airport at St. George's on November 1, 1992 to provide scheduled regional services. Shareholding is divided between Capt. Arthur W. Bain, Curill N. Searles, L. de Gale, L. Ramdhanny, L. Lewis, and S. Hobson. Capt. Bain is named managing director, with Mr. Searles as general manager. Revenue operations commence the same day with a single leased Pilatus-Britten-Norman PBN-2 Islander, linking Grenada with Carriacou, Port Elizabeth, and Saint Vincent. A third Islander joins the first two and Union Island becomes the company's fourth scheduled destination.

On November 14, 1999, Airlines of Carriacou is merged with **SVG Air, Ltd.**, with the latter owning 75% shareholding. Under the direction of Managing Director Martin Barnard, the new **Vincent and Granada Air, Ltd.** resumes services from Granada almost immediately.

AIRLINES OF NEW SOUTH WALES, LTD. See **ANSETT AIRLINES OF NEW SOUTH WALES, LTD.**

AIRLINES OF NEW ZEALAND, LTD.: New Zealand (1999–2000). Ewan Wilson, founder of **Kiwi International Airlines, Ltd.**, establishes his second carrier in late fall 1999 to offer service from Wellington across the Tasman Sea to Tasmania. Employing a Boeing 737-4Q8 subleased from **Pegasus Airlines (Pegasus Hava Tasimaciligi, A.O.)** of Turkey, revenue flights commence at the end of November.

Poor loads bring in so little income that the company is forced to halt service and shut its doors on January 8, 2000.

AIRLINES OF NEW ZEALAND (PTY.), LTD.: Australia (1960–1986). During July 1959, Ansett Transport Industries, Ltd. purchases control of **South Pacific Airlines, Ltd.** The new acquisition is renamed Airlines of New Zealand, Ltd. on January 17, 1960. Two Douglas DC-3s are transferred to it from ATI, allowing the start-up of scheduled services on December 14.

Low key operations continue with little change for the next quarter century. In late 1986, when Ansett is invited to set up a private carrier to compete with **Air New Zealand, Ltd.**, this entity forms the basis upon which the new company is built.

AIRLINES OF NORTHERN AUSTRALIA (PTY.), LTD.: Australia (1981–1987). This wholly owned subsidiary of Ansett Transport Industries, Ltd. is formed in May 1981 to replace the defunct **Northern Airlines (Pty.), Ltd.** as the primary scheduled carrier serving the Northern Territories and parts of Queensland. A total of 28 staff are employed and the initial fleet is comprised of two Fokker F.28-1000s leased from **Airlines of Western Australia (Pty.), Ltd.** and Cessna lightplanes chartered from **Tillair, Ltd.** Ansett Airlines of Australia, Ltd.

Boeing 737s are available when necessary. From a base at Darwin, scheduled passenger and freight services are linked to Alice Springs, Ayers Rock, Cairns, Darwin, Gove (Nhulunbuy), Groote Eylandt, Katherine, and Tennant Creek. Enplanements total 52,886.

Passenger boardings are 76,913 in 1982 and 82,675 in 1983.

Operations continue apace in 1985–1986 and in 1987 the company is renamed **Ansett N.T. (Ansett Airlines of the Northern Territory [Pty.], Ltd.)**.

AIRLINES OF SOUTH AUSTRALIA (PTY.), LTD. (1): Australia (1981–1985). Ansett Airlines of South Australia (Pty.), Ltd. is renamed **Airlines of South Australia (Pty.), Ltd.** on July 2, 1981. With a fleet of four Fokker F.27-500s, services are flown linking Adelaide with Ceduna, Kingscote (Kangaroo Island), Mt. Gambier, Port Lincoln, and Whyalla in South Australia and Broken Hill in New South Wales. A pooled service to Streaky Bay in South Australia is continued with **Rossair, Ltd.** Enplanements for the 116-employee carrier total 204,842.

In 1982, bookings drop to 203,338; they fall to 195,410 in 1983.

Operations cease in 1985.

AIRLINES OF SOUTH AUSTRALIA (PTY.), LTD. (2): Port Augusta Airport, Port Augusta, South Australia, 5700, Australia; Phone (08) 8642-3100; Year Founded 1998. The second ASA is established in January 1998 employing the assets of the former **Augusta Airways (Pty.), Ltd.** and **Lincoln Airlines (Pty.), Ltd.** With the 2 Embraer EMB-110 Bandeirantes of the latter and the 3 Piper PA-31-350 Navajo Chieftains and Aero Commander 690 of the former, it flies a total of 37,853 passengers through June. Later figures are not available.

Traffic figures for 1999 are again only partial, but show an 8.1% increase in passengers through the first half to 41,000.

AIRLINES OF TASMANIA (PTY.), LTD.: Australia (1982–1997). Hobart-based **Airlines of Tasmania (Pty.), Ltd.** is formed on July 1, 1982 through the merger of **Air Tasmania (Pty.), Ltd.** and **H. C. Sleigh Airlines (Pty.), Ltd.** Employing three Piper PA-31-310 Navajos, and a Cessna 404, the company provides scheduled passenger and

cargo flights linking various destinations on the island of Tasmania and Tasmania with Melbourne. Specific destinations served include Devonport, Flindora Island, Hobart, King Island, Launceston, Queenstown, Smithton, Strahan, and Wynyard. The company also supplies aircraft and pilots for the Tasmanian division of the Royal Flying Doctor Service.

A de Havilland DH 114 Heron is purchased from **Southern Airways (Pty.), Ltd.** on March 29, 1983 and, prior to beginning service, is christened *Spirit of Bass Strait*. It is followed by three other Riley Heron 2Ds from **Northern Airlines (Pty.), Ltd.** between May and July, two of which are named the *Nammo* and the *Spirit of Tasmania*. Another Heron, carrying two crew and five passengers, makes a heavy landing at Launceston on August 4 and must be written off before it can be named. No injuries are reported in the incident.

Operations continue apace in 1984–1987, during which years three PA-31-350 Navajo Chieftains enter service. In 1988, the fleet is revised; two older Navajos are withdrawn and replaced with a fifth Heron; the ex-Tongair machine is unnamed. During 1989, the Herons *Spirit of Bass Strait* and *Spirit of Tasmania* are withdrawn from service and broken up.

In 1990–1991, Managing Director Dallas Hay's company returns to a three-ship Navajo component, while also adding an Embraer EMB-110P Bandeirante and a Shorts 360. Twelve weekly return flights are scheduled on the Launceston to Melbourne route. Enplanements in the latter year total 54,253.

The company still continues to fly the *Nammo* and two unnamed Herons, the last of their type in airline service, during 1992. Passenger boardings fall 19.1% to 43,094.

Operations continue in 1993–1994 and during the latter year, the fleet includes 3 Piper Navajo Chieftains, 1 Navajo, a Fairchild Metro III, the Bandeirante, and the 3 Herons. Enplanements drop to 37,489. At the end of the year, the company enters into a commercial agreement with **Tamair (Pty.), Ltd.**, which will see routes revamped and the Herons retired.

The EMB-110 and the Herons are placed into storage during 1995, while schedules and routes are altered. Passenger boardings inch up 1.2% to 37,944.

Operations continue apace in 1996. Unable to maintain economic viability, the company shuts down in February 1997.

AIRLINES OF WESTERN AUSTRALIA (PTY.), LTD.: Australia (1981–1984). On July 2, 1981, **MacRobertson-Miller Airlines (Pty.), Ltd.**, once an independent carrier by that name, but now a 536-worker subsidiary of Ansett Transport Industries, Ltd., parent of **Ansett Airlines of Australia (Pty.), Ltd.**, is renamed Airlines of Western Australia (Pty.), Ltd. The change occurs in order to identify the airline more closely with its state service area. The transferred fleet comprises 7 Fokker F.28-1000s jetliners; orders are placed for 4 F.28-4000s, 2 of which are delivered by December.

Scheduled passenger and freight services are maintained from Perth to Alice Springs, Ayers Rock, Broome, Carnarvon, Darwin, Derby, Geraldton, Kalgoorlie, Karratha, Kununurra, Learmonth, Newman, Paraburdoo, and Port Hedland. Combined passenger boardings under the new name and old are 364,100 and 6.78 million FTKs are operated.

The workforce is reduced 1.7% in 1982 to 527, even as 2 Fokker F.28-4000s are delivered.

Enplanements are up to 390,500, but cargo is down 5.3% to 6.42 million FTKs.

The employee population is cut another 3.2% in 1983 to 510; however, orders are placed for 2 British Aerospace BAe 146s. Customer bookings dip 1.8% to 383,500, while freight is off by 3.1% to 6.22 million FTKs.

The employee base is improved by 2.9% in 1984 to 525 as 2 more F.28-4000s and 2 British Aerospace BAe 146s arrive.

Enplanements jump 4.1% to 399,400, but cargo is down 2.3% to 6.07 million FTKs. In late December, the carrier is renamed **Ansett W.A. (Ansett Western Australia [Pty.], Ltd.)**.

AIRLINK (PTY.), LTD. (1): P.O. Box 1208, Madang, Papua New Guinea; Phone 675 852-2933; Fax 675 852-2725; <http://www.airlink.com.pg/airlink>; Code ND; Year Founded 1989. Colin V. Bubner forms Airlink at Rabaul, New Britain, site of a famous World War II Japanese naval base, in 1989 to offer regional passenger and cargo services. The new managing director's lone Cessna 310 inaugurates scheduled services feeding **Hazelton Airlines (Pty.), Ltd.** from Dubbo in June 1990. In October, Bubner buys out all **Talair (Tourist Airlines of Niugini [Pty.], Ltd.)** assets in the New Guinea Islands.

The fleet is increased in 1992 to include 3 Cessna 310s and 1 Piper PA-31-310 Navajo. In 1993, the workforce totals 100 and the fleet includes 4 Cessna 404 Titan IIs, 1 Beech 58 Baron, 4 Cessna 402s, and 4 Pilatus-Britten-Norman PBN-2 Islanders. Operations continue to link Rabaul with Boang, Emirau, Kavieng, Londolovit, Manga, Malekolon, Mussau, Mamatanai, and Silur.

The fleet is altered in 1994 to include 2 Cessna 404s, the Baron, the Cessna 402s, 3 Islanders, 3 Embraer EMB-110P2 Bandeirantes, and 3 de Havilland Canada DHC-6-200 Twin Otters. Heavy losses, including the destruction of four aircraft, are sustained when volcanoes on Rabaul explode.

Operations continue apace in 1995–1998, and airline employment reaches 130. Three Islanders join the fleet as replacement for those lost earlier. In late December 1998 Airlink begins to construct a homepage on the World Wide Web.

While en route from Hoskins to Kandrian in the province of West New Britain on February 3, 1999, an Islander, with 1 pilot and 10 passengers, crashes into a plantation in flat terrain SW of its point of origin. Witnesses report seeing the plane breakup in the air; there are no survivors from the company's first fatal accident.

Less than six months later, on June 16, an EMB-110, with 2 crew and 15 passengers and en route from Nadzab to Goroka, crashes 12 mi. SE of its destination; again, there are no survivors.

Four weekly DHC-8-100 roundtrips from Darwin to Deli, East Timor, commence on May 2, 2000, increasing to twice-daily on July 31.

AIRLINK (PTY.), LTD. (2). See **AUSTRALIAN AIRLINK (PTY.), LTD.**

AIRLINK AIRLINE (PTY.), LTD.: South Africa (1992–1995). Airlink Airline (Pty.), Ltd. is formed at Bonaero Park, in the Transvaal, in 1992 to provide scheduled services between South Africa's major cities. The initial fleet comprises 2 Avions de Transport Regional ATR42-300s, 3 Fairchild-Swearingen Metro IIs, and 8 Piper PA-31-350 Navajo Chieftains. Taking over from the defunct **Link Airways (Pty.), Ltd.**, the new third-level operator launches revenue services on June 10.

The Chieftains are removed in 1993 and are succeeded by a Dornier 228-100. Joint Managing Directors Barrie Webb and Rodger Foster oversee a workforce of 180 and provide flights linking their base with Bloemfontein, Durban, East London, Johannesburg, Maputo, Manzini, Maseru, Nelspruit, Phalaborwa, Pietersburg, Pietermaritzburg, Port Elizabeth, Richards Bay, and Umtata.

In 1994, orders are placed for 9 British Aerospace BAe Jetstream 41s with which to replace the ATRs. The company is renamed **SA Airlink (Pty.), Ltd.** in 1995.

AIRLINK LUFTVERKEHR, GmbH.: Salzburg Airport, P.O. Box 11, Salzburg, A-5020, Austria; Phone 43 (662) 850 863; Fax 43 (662) 850 864; Code JAR; Year Founded 1984. Airlink is established at Salzburg in 1984 to provide on-demand and group passenger charters to Eastern Europe, North Africa, and the Mideast. Flights continue over the next decade, and, by 1998–2000, General Manager Mrs. A. Wurzinger oversees the work of four full-time, and six part-time pilots. She also schedules 6 Cessna 421 Golden Eagles, 2 each Cessna Citation 551 Citation IIs, C-152s, and Piper PA-34 Senecas, plus 1 each Cessna 600 Citation I, Beech Super King Air 200, Beech King Air 90, and Piper PA-28R Arrow I.

AIRMARC AIRLINES: United States (1983–1984). The nonscheduled **Eastman Airways**, based at Asbury Park-Monmouth in New Jersey, is reformed in November 1983 and renamed. Employing a fleet of Cessna 402s and Piper PA-31-310 Navajos, the carrier inaugurates scheduled commuter flights to the two major airports of New York City and to Boston. Operations are suspended in the spring of 1984 and not resumed.

AIRMARK AVIATION: United States (1992–1993). Airmark Aviation is established at Orlando in the spring of 1992 to offer passenger charter and inclusive-tour flights to destinations throughout the eastern U.S., Mexico, the Caribbean, and Europe. Two, later four, Boeing 737-293s are leased from **American Airlines** and revenue services commence in June. A total of 30,000 passengers are flown by year's end.

A total of 99,000 passengers are transported during the first half of 1993, but the airline is unable to maintain economic viability and ceases operations in July. On revenues of \$6.6 million, losses of \$1.3 million (operating) and \$1.5 million (net) are suffered.

AIRMARK CORPORATION: United States (1980–1984). Airmark is established at Burbank, California, in October 1980 to offer executive passenger and cargo charter services to regional destinations. Employing a Grumman Gulfstream II bizjet, the company inaugurates services in May 1981.

In 1983, officials approach the CAB seeking authority to begin passenger tour and holiday flights from Los Angeles to New York, Houston, Honolulu, London, Dhahran, Tokyo, and Jeddah.

Certification is granted in 1984 and the 28-employee company purchases a Boeing 707 for the service. Service is, however, halted until installation of a hush-kit can be completed.

Serious cash-flow problems are now encountered and Airmark does not resume flying.

AIRNAUTIC AIRLINES, S.A.: France (1959–1964). The independent carrier Airnautic is established at Paris in the fall of 1959 to provide scheduled and chartered passenger and cargo services to destinations throughout France and West Germany. When its business in Saigon is completed, **Aigle Azur Extreme Orient Airlines, S.A. (AAEO)** sells its three remaining transports to the new entrant in November. These are the Boeing 307 Stratoliners once flown by **Trans World Airlines (TWA)** as the *Cherokee*, *Apache*, and *Navajo*.

Operations commence during the first quarter of 1960, and continue apace without incident until December 29, 1962. On that date, the former *Navajo*, en route from Nice to Bastia via Ajaccio with a crew of 3 and 24 basketball players as passengers, crashes near the 7,000-ft. level of Monte Renosa, Corsica; there are no survivors. The *Cherokee* and *Apache* fly on until the airline ceases operations in 1964.

AIRNET SYSTEMS (AIRNET EXPRESS): Port Columbus International Airport, 3939 International Gateway, Columbus, Ohio 43219, United States; Phone (614) 237-2057; Fax (800) 926-7283; <http://www.airnet.com>; Code USC; Year Founded 1974. AS is founded by its President/CEO Jerry Mercer at Pontiac, Michigan, in 1974, and, for the remainder of the decade, transports cancelled checks on a point-to-point basis under contract to large banking institutions.

The company's base of activities is moved to Port Columbus, Ohio, in 1980 and, in 1984, Mercer authorizes his small planes to begin the transport of other time-critical documents and small packages to on-demand locations throughout the U.S.

During the first five years of the 1990s, AirNet employs a variety of aircraft; the fleet by 1996 comprises 34 Beech 58 Barons, 20 Learjet 35AFs, 5 Learjet 25Fs, 14 Piper PA-60 Aerostars, 13 PA-31-350 Navajo Chieftains, and 10 Cessna 310s.

An initial public offering is successfully completed on May 31 as AirNet begins trading on the New York Stock Exchange under the symbol ANS. During the next five months, two other small operations are taken

over and merged: Dallas-based Midway Aviation and Express Convenience Center, a freight forwarder in Southfield, Michigan.

By fall, AirNet has expanded to five new communities and added 1,800 new customers. A total of 2.5 million shipments are delivered during the year.

In 1997, two Learjet 35AFs are stationed at Miami (MIA) for flights to and from Latin America. The fleet, which now approaches 100 aircraft, is delivering 15,000 time-critical shipments each working day. The company is profiled in the April 28 issue of *The Journal of Commerce*.

On June 5, San Diego-based Pacific Air Charter and its 8 aircraft are purchased for \$450,000. The acquisition increases AirNet's existing 90,000-mi. route network by 5,000 mi. and expands the service base to 19 West Coast cities. As part of the takeover agreement, AirNet promises to continue operation of Pacific Air College, a significant flight-training program.

At the beginning of 1998 the fleet includes 108 aircraft, including 28 Learjets. Over 100 cities in 40 states are visited. In addition, AirNet Express also operates ground pickup and delivery services throughout the nation, employing 350 independent agents and in excess of 110 company-owned motor vehicles.

In the spring, a letter of intent is signed for the acquisition of Boston-based Mercury Business Services, an express-delivery management company.

Flights continue during the remainder of the year and into 1999. While landing at Chicago (ORD) following a January 28 check flight from Columbus, Ohio, Flight 251, a Learjet 35AF with two crew strikes the runway with its right wing. Although the aircraft receives substantial damages, neither occupant is hurt.

The pilot of a company Beech 58 Baron, with a cargo of bank checks, is not so lucky. On July 17, 2000, en route to Hernando, Mississippi, from Memphis, Flight 484 crashes into Arkabutla Lake after reporting a in-flight electrical fire, killing its occupant.

AIRNEWS: United States (1949–1951). Established at San Antonio in early 1949, this all-cargo carrier is one of four to be awarded experimental five-year scheduled certificates on August 12, as a result of the findings in an air freight case held before the CAB.

Employing a pair of Douglas DC-3s, Airnews undertakes regular return flights to Corpus Christi until it ceases operations and yields up its certificate on October 12, 1951.

AIRNORTH (PTY.), LTD.: P.O. Box 39548, Winnellie, Northern Territory, 0821, Australia; Phone 618 (89) 452 999; Fax 618 (89) 453 559; <http://www.airnorth.com.au>; Code TL; Year Founded 1994. Airnorth, Ltd. is established at Darwin in 1994 through the merger of **Air North International (Pty.), Ltd.** and the Skyport group. Managing Director Roger Leach's enlarged company continues operations in the Northern Territory with a fleet that includes 1 Douglas DC-3, 1 Shorts 330, 1 Fairchild Metro III, 1 Metro II, 1 Cessna 441, 2 Cessna 404s, 10 Cessna 402s, and 3 Piper PA-31-310 Navajos. Traffic figures are reported through July and show a total of 55,000 passengers boarded.

A pair of Metro 23s are acquired in 1995 and enplanements total 42,497. Airline employment stands at 43 in 1996 and passenger boardings soar 20.4% to 53,388. During the year, the subsidiary **Air Tiwi (Pty.), Ltd.** is established at Darwin to fly scheduled, third-level services to three local destinations.

John L. Hardy is managing director in 1997 and airline employment stands at 43. Major activity in Timor Sea oil and gas exploration brings the company contracts with Shell Development, Santos, Woodside, BHP Minerals, BHP Petroleum, and Cultus Oil.

New scheduled feeder service is started to Gove on behalf of **Ansett Australia (Pty.), Ltd.** and regular charters are launched from Darwin to points in eastern Indonesia and Irian Jaya. Enplanements are reported down through June, off 7.7% to 58,382.

Scheduled destinations visited from Darwin, Alice Springs, and Katherine in 1998 include Bathurst Island, Burroloola, Elcho Island,

Garden Point, Gove, Hooker Creek, Kalkarang, Kings Canyon, Lake Evella, Maninghda, Ngukur, Numbulwar, Ramininging, Snake Bay, Tennant Creek, Victoria, River Downs, and Yulara.

Enplanements for the first 6 months of the year total 86,400. Other highlights of the year include the takeover of **Arnhem Air (Pty.), Ltd.** and the addition to the fleet of 1 each Cessna 208 Caravan I and Embraer EMB-120 Brasilia.

Airline employment in 1999 stands at 43 and the fleet now includes 2 Metro 23s, 1 Shorts 330-200, the Cessna Caravan and Embraer Brasilia, plus the former Arnhem fleet.

Traffic figures available through June show customer bookings up 20% to 108,000.

Flights continue in 2000. The company homepage on the World Wide Web now proudly proclaims that it has not had a major incident in 27 years of aviation.

AIRNOW: 1563 Walloomsac Road, Suite 1, William H. Morse State Airport, Bennington, Vermont 05201, United States; Phone (802) 753-5200, Code BE; Year Founded 1999. David Corey's **Business Air** is renamed in 1999. Scheduled cargo charter and contract service flights throughout the nation and into Canada are maintained with a fleet of 11 Embraer EMB-110 Bandeirante freighters.

AIRONE, S.p.A.: Italy (1947–1949). This small carrier is formed at Cagliari on April 14, 1947. Employing Fiat G.12s, it stretches three routes from that city during 1947–1948: to Rome and Turin via Alghero; to Naples and Palermo; and to Rome and Pisa via Olbia.

Like other postwar Italian independents, success proves elusive and thus, in 1949, the airline becomes one of three purchased by **Avio Linee Italiane, S.A.** and merged into the new Fiat-backed operation **Avio Linee Italiane-Flotte Reunite, S.A.**

AIRPAC AIRLINES: 7277 Perimeter Road, Seattle, Washington 98108, United States; Phone (206) 762-8006; Fax (206) 762-6357; <http://www.airpacairlines.com>; Code RI; Year Founded 1976. Airpac Airlines, not to be confused with the Alaskan operator **Air Pac Airlines**, is established at Seattle in 1976 to offer scheduled and contract cargo charters to Vancouver, British Columbia. Revenue operations are undertaken with a fleet that grows over the next decade to include 6 Piper PA-34 Senecas, 3 PA-31-310 Navajos, 1 Beech 18, and 1 Beech 99.

Freight services continue and, by 1989 the fleet is increased with leased equipment: one each Beech 99 and de Havilland Canada DHC-6-100 Twin Otter.

The Twin Otter is removed in 1990–1992; however, smaller aircraft are acquired. In 1993–1996, President Gregory S. Thompson's fleet comprises 1 Beech 99, 8 Piper PA-31-310 Navajos, 6 PA-34 Senecas, and 3 Cessna 404 Titans.

Flights are operated without incident in this period until late 1996. While en route from Seattle on October 8, a Piper PA-34 Seneca and its pilot disappear from radar. The wreckage and dead pilot are found near Cle Elum, Washington, 11 hours later. Investigation will reveal an in-flight separation of the right wing and horizontal stabilizer.

Service is maintained without significant fiscal or operational change during 1997–2000. During these years, the fleet, which is flown by 15 pilots, is revised to include 1 Beech 99, 3 Cessna 404s, 5 Piper PA-34s, and 6 PA-31-350 Navajo Chieftains.

AIRSPUR AIRLINES: United States (1981–1985). Founded at Los Angeles in early 1981 as an all-cargo airline, President John "Jack" Gallagher's Airspur begins regularly scheduled charter flights to San Diego on September 1 with an Israel Aircraft Factory Arava. Gallagher, founder/president of **New York Airways**, and his son Tim, Airspur executive vice president, begin planning a new helicopter airline for the southern California metropolis.

On March 17, 1982, the carrier begins scheduled passenger flights between Los Angeles and San Diego and places orders for 6 more Aravas

and 6 Westland 30 helicopters. The rotary wing aircraft enter freight charter and support service during the last quarter of the year, along with additional Israeli wide-bodies.

Passenger service is launched between Los Angeles (LAX), other local airports, and city locations with Westland helicopters on May 10, 1983. The initial schedule comprises a 15-min. segment between Fullerton and Anaheim and LAX, with on-the-hour departures from Fullerton and Anaheim and half-hour departures from LAX, operated between 7 a.m. and 10 p.m. weekdays.

With a similar hourly schedule, a link between LAX and Burbank is activated on September 15, followed by flights from LAX and John Wayne Airport at Long Beach.

Control of a Westland 30, with six passengers, is lost at 4,000-ft. over Long Beach on November 7; the aircraft rotates down quickly and collides with high-tension wires before hitting the ground. All aboard are injured, two seriously.

Following the November 7 accident, all passenger flights are cancelled until January 15, 1984. Deep in debt but continuing to show potential, the company is purchased by **Evergreen International Airlines** late in the year.

The corporate identity is changed to **Evergreen Airspur** and the emphasis is changed from rotary-wing to both fixed-wing and helicopter service. Equipped with de Havilland Canada DHC-6 Twin Otters, the revamped operator is only allowed to provide scheduled services for a short period. Low traffic and high cost cause the parent airline to close down **Evergreen Airspur** in February 1985.

AIRSTAR INTERNATIONAL: 79-880 Ave. 42, Bermuda Dunes, California 92201, United States; Phone (760) 322-6740; Fax (760) 322-7148; <http://www.thecanyon.com/airstar/plane.htm>; Year Founded 1972. Daryl Silverstein establishes Air Star at Palm Springs Airport in 1972 to provide on-demand passenger charters throughout the state and to Mexico. Flights continue over the next thirty years and, by 2000, Silverstein's concern operates 3 Learjet 25Ds, 1 Learjet 24D, and 1 Turbo Commander 690.

AIRTACO, A.B. See LINJEFLYG AKTIEBOLAG, A.B.

AIR TIMARU, LTD. See THE HELICOPTER LINE, LTD.

AIRTOURS INTERNATIONAL AIRWAYS, LTD.: Parkway Three, 300 Princess Road, Manchester, England, M14 7LU, United Kingdom; Phone 44 (161) 232 6000; Fax 44 (161) 232 6610; Code VZ; Year Founded 1990. Airtours International, Ltd. is established by Airtours, plc, the U.K.'s second largest package-vacation company, on October 1, 1990 to offer holiday passenger charters and inclusive-tour flights from London (STN and LGW), Liverpool, Manchester, Cardiff, Birmingham, Glasgow, and East Midlands.

David Crossland is chairman, with Hugh Collinson as managing director and Harry Coe as chief financial officer. Sir Michael Bishop, chairman of **British Midland Airways, Ltd.**, is a member of the board, along with Thomas Trickett and Tony Waslander. Orders are placed for 5 McDonnell Douglas MD-83s that arrive in early 1991 and allow the company to commence revenue operations to the Canary Islands and Mediterranean resort areas on March 18. In November, it is reported that 3 more MD-83s will be chartered.

Enplanements total 172,625 and revenues are \$56.7 million. The operating profit is \$7 million and the net profit is \$4.1 million.

The workforce is increased a whopping 59.2% in 1992 to 449 and 3 more leased MD-83s are added. Destinations visited include Egypt, Cyprus, Algarve, Yugoslavia (before the civil war), Greece, Spain, Turkey, Tunisia, Malta, and Paris.

Passenger boardings skyrocket 89.7% to 1,675,978 while revenues advance to \$140.2 million. The operating surplus is \$17.5 million and net gain reaches \$14.6 million.

CEO Lee's workforce in 1993 totals 450. An unsuccessful hostile takeover bid is made for rival Owners Abroad Group's carrier **Air 2000**,

Ltd. The deal is derailed as the result of an inquiry made by the U.K. Monopolies and Mergers Commission and the obstructive tactics of First Choice Holidays, which also takes a large stake in OAG.

In June, another rival operator, Cardiff-based Aspro Holidays and its in-house **Inter-European Airways, Ltd.** (formed in 1987) are purchased instead. The new Welsh airline acquisition is merged on October 31, contributing two A320-211s.

Customer bookings skyrocket 111% to 3,550,000.

Inter-European is absorbed in January 1994. Two of B-767-31KERS are acquired early in the second quarter and allow new transatlantic services to the U.S. and Caribbean to be initiated. During the summer, the airline flies 60% of the Airtour Group's northern summer services. Later in the year, flights begin to Las Vegas and Sydney, Australia. During the year, the A320-211s are replaced by two chartered A320-212s.

Enplanements climb 2% to 3,620,200.

Airline employment is increased by 27.3% in 1995 to 1,162 and the company's two main divisions are consolidated. As the tour business improves, the fleet grows throughout the year and comes to include 6 chartered MD-83s, 2 leased B-767-31KERS, 1 each chartered B-757-23A and B-757-236, 3 chartered A320-212s, 1 owned and 2 leased A320-231s, and 4 new owned B-757-225s.

While landing at Manchester on April 28 after a service from Las Palmas, Canary Islands, an MD-83, with 7 crew and 171 passengers, suffers the collapse of its main landing gear; four occupants are injured.

Passenger boardings accelerate 25.4% to 4,414,459 and freight traffic skyrockets 84.9% to 33.62 million FTKs.

The workforce grows by another 11.3% in 1996 to 1,293 and 3 MD-83s are withdrawn. In February, the company purchases control of Copenhagen-based Simon Spies Holdings, and thus gains control of its airline subsidiary **PremiAir, A.S.**, which is the largest charter airline in Scandinavia. Later in the year, the Carnival Corporation assumes a 29% minority stake.

A massive restructuring of the group board and corporate management occurs at the beginning of September and is announced on September 6. Sir Michael Bishop becomes board vice chairman, with Scandinavian Leisure Group Chairman Christen Sandahl the newest board member. Nonexecutive Director Trickett and Executive Director Waslander both retire.

CFO Coe moves up to become deputy CEO/managing director, while Group Controller Tim Byrne becomes deputy chief financial officer and Barry Nightingale becomes director of group treasury services. Managing Director Collinson becomes chairman of the new accommodation division, which includes hotels and cruise ships. Mike Lee becomes chairman of the newly created aviation division that includes both Airtours International Airways and **PremiAir, A.S.**

Enplanements ascend 4% to 4,589,036 and 41.98 million FTKs are operated, a gigantic 130.3% increase.

Airline employment jumps 16.4% in 1997 to 1,505. Destinations visited from Belfast, Birmingham, Bristol, Cardiff, East Midlands, Glasgow, Humberside, Leeds/Bradford, London (LGW and STN), Manchester, Newcastle, and Teesside include Australia, Austria, Canada, the Caribbean, Cyprus, Egypt, France, Greece, the Maldives, Malta, Portugal, Spain, Switzerland, Thailand, Tunisia, Turkey, and the U.S. (principally Florida for the first half of the year on behalf of **Carnival Air Lines**).

After an investigation, the U.K. Monopolies and Mergers Commission issues a preliminary finding in September concerning the relationship of travel agents and tour operators. Links between the two groups, the agency reports, encourages anticompetitive behavior. On behalf of the industry, Chairman Crossland responds, pointing out that there is no collusion between the two groups, which are very competitive.

Arrangements for the acquisition of majority ownership (80.7%) of the Belgian holiday group Sun International, S.A. for £53.5 million are completed in October. With it comes the charter carrier **Air Belgium, S.A.**, the aircraft of which will soon be painted in Airtours colors. The Airtours Aviation Division now has a fleet of 36 aircraft.

On December 17, arrangements are completed for the lease of two Airbus A330-200s that will be delivered during the second and third quarters of 1999.

Customer bookings swell 10% to 5,055,754 and cargo traffic grows by 17.6% to 51 million FTKs.

On January 1, 1998, the tail of a B-757-23A with 8 crew and 211 passengers, impacts the ground while the plane is landing at Puerto Plata after a flight from Bangor, Maine. The airplane over rotates on landing, at which point the pilot elects to abort the landing and divert to Santo Domingo. Upon inspection it is discovered that although no one is injured, the aircraft is badly damaged.

The acquisition of 80.7% of the issued and voting shares in Sun International, S.A. is completed on January 16. The £53.5-million cost is paid from the group's existing cash resources. In February, a public offer is initiated for the remaining 19.3% of Sun International's outstanding shares at the same BFr 4,900 per share price. Sun International is assigned to the group's new West European Leisure Group, a coequal with the already established U.K. Leisure Group, Scandinavian Leisure Group, and North American Leisure Group.

Anticipating a short-term capacity crunch, Airtours, on March 8, leases the DC-10-30 that **PremiAir, A.S.** had withdrawn on February 18; the wide-body will be retained through the end of May.

Painted in hybrid colors, a B-747-219A, leased from **Air New Zealand, Ltd.**, is delivered in April. It is placed into service flying charters from Belfast, Cardiff, and Manchester to the Canary Islands, the Caribbean, and to Orlando.

On May 13, the company enters the German package vacation market when it purchases a 29.03% stake in Frosch Touristik, GmbH. (FTi) for an initial cash price of DM 50 million (£17.2 million or \$28.5 million). Airtours has the option to purchase the whole concern by 2002. Dietmar Gunz, Frosch founder and managing director, joins the Airtours board while the British concern begins to make good on a pledge to invest DM 10 million in loan capital to enable Frosch to finance its short-term growth.

Direct Holidays, which sells air-inclusive and cruise tours directly to U.K. customers through various outlets, is purchased in July.

During an August 9 A320-212 service from the Canary Islands to Cardiff, an unidentified passenger acts aggressively and becomes abusive toward fellow passengers and cabin crew members. He is arrested after allegedly making bomb threats.

On September 7, Frosch Touristik, GmbH. (Frosch translates as "frog") announces that it will set up its own airline to operate a trio of Airbus A320s, leased from Airtours International, on routes from Germany to the major Mediterranean holiday destinations. It is noted that FTi's current contract with **Britannia Airways, GmbH.** for flight services, which is due to end in 2001, will be progressively scaled back even as Herbert Kracker, head of Britannia Airways, GmbH., is hired as the new airline's operations director. It is anticipated that, beginning during the fourth quarter, **Britannia Airways Germany, GmbH.**, which has been operating B-767-304ER services for FTi to Majorca and Malta, will restrict its flights to long-haul operations to the U.S. and Caribbean.

During the year ending on September 30, the U.K. Leisure Group division carries 3.9 million passengers.

Air rage raises its ugly head again on October 30 when British passenger Steven Handy, aboard a service from the U.K. to the Canary Islands, allegedly attacks flight attendant Fiona Weir with a vodka bottle he had brought aboard. The lady requires 18 stitches and, upon landing, Handy is arrested by Spanish police and charged under Spain's Air Navigation Act with endangering an aircraft and assault occasioning actual bodily harm. After appearing before Malaga city magistrates and posting bond, Handy is released pending trial. Twice the defendant fails to show for trial and after the second absence, the Spanish court, on November 20, issues a warrant for his arrest. In the meantime, he has been banned from travel on any British airline.

Handy is persuaded to return to Spain after having been found in an Essex pub and upon his arrival on November 23, is detained by police,

who have been tipped off that he and three companions are entering the country with illegal drugs. All four are released without charge when the warning proves false. Handy is again allowed to post bail, this time for a hearing on the Weir case on December 4.

On November 25 at an undetermined time en route from Las Vegas to Manchester, one of the B-767-31KERs, with 329 passengers, sustains substantial damage to the rear cargo hold. The damage is discovered upon an uneventful landing, where several containers in the rear hold of the cargo compartment are found unsecured.

The Travelworld Group, which sells air-inclusive tours in 120 travel agencies throughout the U.K., is purchased on November 30.

The successful issue of a £250 million (\$415 million) convertible bond is completed during the first week of December. The funds generated will be employed to finance future expansion.

FTi is not able to establish its short-haul airline subsidiary as quickly as anticipated during the fourth quarter and thus **Britannia Airways Germany, GmbH.** continues to operate to the Mediterranean on behalf of the German travel operator.

Reports begin to circulate in late December that an unnamed bidder has come forward in a series of "preliminary approaches concerning possible offers" to take over rival First Choice Holidays, all of which are "highly conditional."

For the year as a whole, 8.5 million package holidays are sold and passenger boardings climb 9.3% to 5.52 million.

Company employment at the beginning of 1999 stands at 17,334, including 1,483 employed by the airline.

Airtours suffers another spectacular air rage incident early in the new year. While en route from London (LGW) to Montego Bay on January 31, a midair brawl breaks out at the rear of Capt. John Austin's Flight 71, a B-767-31KER with 12 other crew and 385 passengers, at 37,000-ft. Cabin crew attempt to calm the situation, but are unsuccessful. At one point, 8 stewards and stewardesses are grappling with unruly passengers and there is some possibility that the crew might lose control of the cabin. Seven hours into the service, after pleading for police back-up, Austin is granted permission to divert.

The wide-bodied holiday aircraft is met on the tarmac at Norfolk, Virginia, by FBI officers, who escort away 12 passengers—6 men and 6 women from a Lewisham, South London, extended family. Several of those thrown off the plane protest their innocence and, after questioning by local airport police and the FBI, are released. The event, including the rapid departure of the Boeing, is widely reported on evening news broadcasts in the U.S. and U.K.

The group is required to finance its own way back to England, where, upon landing, all face charges on Air Navigation Order offenses plus a possible legal action by Airtours to recover £20,000 for fuel used in the diversion. The case is turned over for investigation to Chief Inspector Michael Alderson of the Sussex police. The London *Sunday Mirror* will reveal several weeks later that the group that had spent £16,000 on their holiday had claimed £57,000 in welfare payments over the previous year. The report causes the British Benefits Agency to launch a fraud investigation.

The rumors concerning a possible takeover by an outside source continue to circulate during the first quarter and increase by 56% the value of First Choice Holidays. Finally, the accuracy of the speculation is confirmed by First Choice on the London Stock Exchange on March 1 and revealed to the public by the on-line version of *The Guardian* on March 2. The media speculates that the potential bidder is thought to be Europe's largest tour operator, Preussag, A.G. Analysts suggest that the move may not be successful, as the German concern holds a stake in rival Thomas Cook Holdings, parent of **Flying Colour Airlines, Ltd.**, which, in turn, owns 10% of First Choice.

The Guardian notes on March 7 that the approach to First Choice had been made not only by Preussag, A.G., but by Airtours, plc, parent of Airtours International Airways, Ltd., as well. First Choice shares have soared 27p each in value over the last week. In a brilliant stroke, Airtours Chairman David Crossland is able to persuade

Preussag to sell its remaining 10% stake in First Choice and remove itself from the bidding process.

Displeased with the manner in which Airtours has represented her case and the fact that her alleged assailant, Steven Handy, has yet to be tried by a Spanish court, flight attendant Fiona Weir quits Airtours and is hired on at rival **Flying Colour Airlines, Ltd.** Indeed, as a result of certain elements in the handling of the case, Ms. Weir files suit against Airtours on March 8. On March 15, Airtours raises its stake in Frosch Touristik, GmbH, from 29.03% to 35.92%; the stake of FTi founder Gunz falls from 23.04% to 19.67%, with private investors holding the remaining stock.

On April 19, First Choice Holidays Chairman Ian Clubb warns Airtours not to continue its attempt at a hostile takeover with a bid now valued at £852 million. Such a "reckless gamble" is certain to require at least six months of regulatory agency investigation while corporate profits would be badly damaged by the uncertainty of a review during the peak summer trading period.

On April 30, it is reported that Airtours has officially made its hostile takeover bid for First Choice Holidays during the day and that Chairman Crossland has elected to avoid hearings by U.K. competition agencies by appealing directly to the European Commission, which has final jurisdiction. Crossland has been careful, over the preceding months, to make certain that Brussels has received extensive draft submissions prior to the actual bid launch.

It is also noted that rival Thomson Holidays, parent of **Britannia Airways, Ltd.** and Britain's largest travel group, is planning a price war designed to dilute any value of an Airtours-First Choice merger. The counter offensive will bring something of a revolt among Thomson shareholders, many of whom would rather accept a number two listing than suffer large financial losses.

Concerned about the possible creation of an operator with more than a total of the U.K. travel market, the Association of Independent Tour Operators on May 1 petitions the U.K. and European Union competition authorities to disapprove any hostile takeover of First Choice by Airtours.

Upon arrival at Palma, Majorca, on a late night Airtours service from Glasgow on May 1, Glen Morrison and Patrick McCarron are taken in hand by Spanish police after an airline flight attendant complains that the two had been caught smoking in their plane's toilet. As smoking is illegal, both men have their passports seized and their return tickets are torn up. Both are forced to arrange alternative flights home at their own expense, even as their families return home with Airtours. Both men protest their innocence.

Employing three leased German-registered A320-231s in livery similar to that of Airtours, **Fti Fluggesellschaft, GmbH.**, doing business as **Fly Fti, GmbH.**, begins revenue operations on May 1. The Frosch Touristik, GmbH, subsidiary operates from Munich to the 18 major Mediterranean vacation destinations in 11 countries previously visited on its behalf by **Britannia Airways Germany, GmbH.**

The *Guardian* reports on May 9 that early signs are that an Airtours decision to bypass U.K. regulators and apply directly to the European Commission for approval of its First Choice takeover will be successful. This despite an expected negative submission from U.K. competition authorities expected to arrive in Brussels during the following week.

Air rage problems continue. While en route from Orlando to Manchester on May 10, a B-767-31KER, with 205 passengers aboard, must be diverted to Bangor, Maine. Intoxicated passenger Bryan J. Neal, who has broken an interior window in the first-class section of the jetliner and assaulted a fellow passenger attempting to intervene, is restrained before he is able to break the exterior glass. When the plane lands, Bryan is handed over to the FBI; the next day, he pleads guilty in U.S. District Court to interference with a flight crew and is sentenced to prison.

By the last week of May, Airtours has received backing for its takeover from 51% of the First Choice Holidays shareholders.

On May 26, the U.K. Department of Trade and Industry announces that it will not review the First Choice takeover on competition grounds

and will not ask the European Commission for authority to undertake a separate investigation.

Rather than rubber-stamp the arrangement, the EC, on June 3, indicates that the deal will be subjected to an in-depth investigation that could last until October, and may well result in its denial on competition grounds. As Airtours becomes aware of its own growing first half losses, it withdraws its bid for First Choice on June 10.

With receipt of the first two (of four) A330-243s six days later, Airtours becomes the second U.K. charter operator to introduce the long-range Airbus. Following a brief workup, the new jetliner operates its first revenue service on June 27 from Manchester to Montego Bay, Jamaica. The remainder of the A330-243 order is still scheduled to arrive in October–November. It is revealed on June 30 that the hostile takeover bid for First Choice has so far cost the concern £2.8 million.

On July 26, Airtours receives a 36-page European Commission document that outlines its objections to additional holiday travel industry consolidation.

It is reported in the October issue of *Airways* (published in August), that the second pair of A330-243s will, upon their delivery in the fall, be transferred to **Premiair, A.S.** At this point, it is also expected that Airtours International, according to a July announcement, will adopt the Premiair moniker.

On September 23, new EU antitrust commissioner Mario Monti, shoots down the Airtours takeover of First Choice Holidays. Although Airtours drops the bid for its rival, it does, however, formally appeal the ruling on December 2, charging that, by failing to recognize the industry's competitiveness, the regulator's ruling is flawed and should not stand as precedent.

Passenger boardings for the year dip 0.9% to 5,531,000, while 5,257,000 FTKs are operated. On revenues of £1.43 billion, the year's net loss of £75.3 million more than doubles the tour operator's failure the previous year.

The company, on May 16, sells its 3% stake in First Choice Holidays. Later in the month, the company confirms that it is in merger talks with **LTU International Airlines, GmbH.**

German tour operator Frosch Touristik FTi, in which Airtours already holds a minority interest, is fully acquired on July 14 for £24.5 million (\$38.5 million).

Unhappily, attention must instead be given to stemming the losses at FTi and so, on August 9, Managing Director Jim Byrne announces that Airtours must quit the LTU negotiations.

As **Premiair, A.S.** receives its 3 A330-343Xs during the fall, the DC-10-30s previously employed are turned back to Airtours for seasonal flights.

AIRTRAN AIRWAYS/AIRLINES: 6280 Hazeltine National Dr., Orlando, Florida 32822, United States; Phone (407) 859-1579; Fax (407) 856-5867; <http://www.airtran.com>; Code FL; Year Founded 1994. On October 1, 1993, negotiations are completed for the takeover of the new Ft. Lauderdale-based charter operator **Sun Express Airlines** by AirTran Corporation, the parent of **Mesaba Airlines**, and plans are made to turn it over to a new subsidiary, Conquest Sun Airlines.

The \$2.5-million purchase of **Sun Express Airlines**, now Conquest Sun Airlines, along with its certificate and 2 Boeing 737-200s, 1 Dash-214 and 1 Dash-297A, is completed in May 1994. The arrangement is immediately condemned by the pilots' union of **Northwest Airlines**, which correctly points out that the purchase violates their scope clause in the collective bargaining portion of the major's contract with **Mesaba Airline's** parent AirTran Corp.

In June after AirTran charter flights commence, **Northwest Airlines**, concerned by both the Air Line Pilots Association charge and fear of a loss of jet traffic, threatens to withhold some \$894,000 in prorated payments to **Mesaba Airlines** if a resolution of the Conquest Sun Airlines issue is not immediately forthcoming.

AirTran Chairman Robert D. Swenson unveils a plan in August which, as soon as certain tax and legal problems are resolved with

Northwest Airlines, will result in the spin off of Conquest Sun Airlines to AirTran stockholders. This is completed and, on September 7, the wholly owned subsidiary is reformed into **AirTran Airways**. John Horn becomes president/CEO. The dispute with **Northwest Airlines** is not yet entirely resolved as officials from the AirTran and the major continue discussions.

From a base at Orlando, services—begun earlier as nonscheduled—are converted to scheduled flights made five days a week by the 40-employee firm on October 6. Company Boeings, flying under the “FL” flight code first used by **Frontier Airlines (1)**, visit destinations Providence, Hartford, Cincinnati, Omaha, Syracuse, Nashville, Albany, Dallas (DAL), Greenville, Norfolk, and Newburgh, plus Huntsville, Birmingham, and Knoxville.

Boardings for the start-up month of October total 5,977, climbing to 10,224 by the end of November. A B-737-22E1A is delivered in December as enplanements for the year’s final quarter reach 29,480. Revenues are \$2.43 million, but expenses are \$5.21 million. Consequently, there is an operating loss of \$2.76 million and a net loss of \$1.51 million.

It is announced on March 8, 1995 that, following eight months of talks, officials from AirTran and **Northwest Airlines** have reached an agreement on the dispute stemming from AirTran Airways foray into jet passenger service. NWA will increase its stake in AirTran from 2% to almost 30% while AirTran’s jetliner service will be spun off into an entirely separate concern, AirTran Airways, Inc., on August 31.

The company suffers losses of \$3.12 million at the end of the first quarter and \$334,000 at the end of the second.

Plans for fleet enhancement and route expansion proceed while the creation of an independent parent, Airways Corporation, is accomplished by September 1.

Meanwhile during the year, the fleet comes to comprise 6 owned “Baby Boeings,” including 3 B-737-219As and 1 each B-737-222, B-737-2E1A, and B-737-2P6A. A leased aircraft, a B-737-214, also enters service. Frequencies to Knoxville are increased to six per week, and is the also number of roundtrips introduced to Providence and Syracuse.

The NWA arrangement and added capacity assure that AirTran is able to increase its traffic and enplanements for these 12 months reach 438,017. Costs exceed operating income for the year as a whole and there are losses: \$3.2 million (operating) and \$2.83 million (net).

The employee population is increased by 27.2% in 1996 to 473. Two more leased small Boeings are acquired during the last week of January, one each B-737-2T4A and B-737-297A. When six-times-a-week round-trip service to Akron, Canton, Allentown, and Rochester begins on February 1, the total number of cities in the route network reaches 21. On July 17, Airways Corporation names Robert Swenson as its chairman/CEO, to the additional posts of president/CEO of its AirTran Airways unit, succeeding the retired John Horn.

Customer bookings skyrocket 126.2% to 1,078,822. Revenues increase 113.2% to \$98.78 million, but expenses soar 122.4% to \$110.14 million. The reverses on the bottom line deepen as both an \$11.36-million operating and \$6.52-million net loss are suffered.

Company executives join with their colleagues from **Comair** on May 1, 1997 in signing a letter of intent to enter into a code-sharing agreement that will connect the two carriers’ service through Orlando. The arrangement, when completed, will cover AirTran’s 23 cities as well as Comair’s 9-stop Florida network.

On July 1, officials of **Valujet Airlines**, having decided that they cannot return the company to profitability under its current identity, sign an agreement to merge with the AirTran Airways parent, Airways Holdings. Pending all necessary approvals that will be received, the union will occur within three months of July 10, with the AirTran name surviving. The arrangement calls for a straightforward one-for-one exchange of 9,067,937 shares of Valujet stock valued at \$61.8 million. Valujet, which will have \$139 million to bring into the deal from its more successful era, will be joining a carrier with a solid safety record and no history of accidents or incidents.

Valujet’s President Corr will become CEO of the enlarged operation, which will operate a fleet of 40 Boeing 737s and DC-9s. Valujet chairman Lewis Jordan will relinquish his role and serve as a board member and consultant; as Valujet’s second largest shareholder with 5.5 million shares, he will continue to have a vested interest in the success of the merger.

Service is inaugurated on September 3 from Islip to Boston and Orlando. On September 24, **Valujet Airlines** officially changes its name to AirTran Airlines. New president Corr unveils the airline’s changes, introduces a new business-class service, featuring two-by-two seating, displays the new corporate livery, and announces a number of other product and service enhancements, including preassigned seating and nationwide distribution of seats through travel agents.

Corr also outlines a code-sharing agreement with merger partner AirTran Airways. Simultaneously, thrice-daily nonstop roundtrips commence between Houston (HOU) and Atlanta.

The company introduces X-Fares on October 22; these allow people aged 18–22 to fly standby on its nonstop flights for \$35 one-way.

Despite lobbying efforts by **USA Airways**, **Delta Air Lines**, and **Trans World Airlines (TWA)** to keep discount airlines out of New York (LGA), the U.S. DOT on October 24 grants AirTran Airlines, AirTran Airways, and three other small carriers special permission to share 31 slots at New York (LGA) and Chicago (ORD).

In early November, shareholders of Valujet, Inc., parent of the airline, approve the merger and the renaming of their holding company. The same occurs with the owners of Airways Corporation. When the union is completed at month’s end, the new holding company, AirTran Holdings, Inc., will operate two wholly owned subsidiaries, AirTran Airlines and AirTran Airways. The combined carriers will initially serve 45 cities and operate a fleet of 42 aircraft, comprising 31 DC-9-32s and 11 B-737s, with 227 peak daily departures.

All of the carrier’s aircraft offer the new business coach section beginning on November 22. By the end of the month, all of the old Valujet livery has been painted over with the new AirTran Airlines colors; each aircraft now wears a large “a” on its tail, which President Corr indicates stands for “affordable.” Repainting of the B-737 fleet will continue into the spring and summer of the new year.

Twice-daily B-737 nonstop return flights between Knoxville and New York (LGA) commence in December 15. At the same time, four daily roundtrips commence to New York (LGA) from Atlanta.

On Christmas Eve, the company sponsors a 12-hour performance of minstrels, clowns, jugglers, and other entertainers at Concourse C at Atlanta.

Senior Vice President/Chief Financial Officer Stephen C. Nevin resigns on December 31.

Passenger boardings for the Valujet operation decline 6.1% to 2,821,000, while operating revenues fall 9.8% to \$198.07 million. With expenses up 13.2% to \$290.9 million, the operating loss reaches \$92.91 million. The net loss is \$86.83 million.

Customer bookings for AirTran Airways final year are up 1% to 1,086,000 while operating revenues reach \$105.59 million. With expenses of \$118.01 million, the operating loss is \$12.42 million and the net downturn reaches \$15.34 million.

The flight schedules of AirTran Airways and AirTran Airlines are combined in January 1998 under the AirTran Airlines marketing name. The carrier will continue to operate as two companies (with two FAA certificates), but employing the single FL code. As part of this route system integration, a number of new services are offered.

The Sunday January 11 edition of the *Cleveland Plain Dealer* reports that a recent FAA inspection of the airline had found numerous serious safety violations. The next day, President Corr holds a news conference in which he reports that the review had uncovered “no airworthiness problems” and that the newspaper had gained its information from incomplete and preliminary government data. He thereafter calls upon the Ohio newspaper to retract the story or face legal action. The dispute will be resolved short of either measure.

Beginning on February 16, the company reinstates over 60 midweek flights between Atlanta and 15 cities. It also adds one daily nonstop roundtrip between Atlanta and Ft. Myers, New Orleans, and West Palm Beach.

On March 1, thrice-daily flights are started between Atlanta and Dayton, twice-daily flights begin between Atlanta and Knoxville, and daily service commences from Atlanta to Bloomington, Illinois. Nonstop flights are simultaneously increased between Atlanta and Boston, Mobile, and Savannah.

On the same day, service is discontinued between Orlando and Omaha, Kansas City, Norfolk, Toledo, and Cincinnati.

Company officials at Atlanta announce an expanded frequent flyer program on March 16.

Flights are added on April 1 between Atlanta and Buffalo, Greensboro, N.C., and Richmond, Va.

Beginning on May 1, one additional daily roundtrip is added from Atlanta to Boston, Chicago, Newport News/Norfolk, and Raleigh-Durham. With these new services, AirTran serves 38 cities with 283 peak daily departures.

En route from Atlanta to Chicago on May 7, Flight 426, a DC-9-32 piloted by Vietnam War veteran Capt. Benton West and with 90 other passengers, encounters hail and high winds over north Georgia that tear away the nose cone and smash the cockpit window and some instruments. ATC at Lovell Field, Chattanooga, is able to talk the crippled jetliner into a safe landing, from which two people are sent to hospital with minor injuries. The dramatic landing is caught on home video and is first shown over WTVC-TV before being broadcast nationwide.

Thrice-daily DC-9-32 roundtrip service is inaugurated on May 18 between Bradley International Airport at Hartford/Windsor Locks, Connecticut, and Atlanta. Simultaneously, one additional daily flight is added (except on Saturdays) between Atlanta and Bloomington/Normal, Illinois.

Richard Schroeter is now appointed senior vice president/chief financial officer.

For lack of performance, Mobile is dropped from the route network on May 31. The next day, a fourth weekly nonstop roundtrip is initiated from Atlanta to Akron-Canton Regional Airport in Ohio.

It is announced on June 12 that the company has completed the installation of business class seating in all of its aircraft.

Nine more aircraft join the fleet in July and August.

Having worked with company management and the Association of Flight Attendants (AFA) since March 1997 on efforts to arrange a new contract for the carrier's 400-plus flight attendants, the National Mediation Board (NMB) declares negotiations at an impasse on August 5.

The next day the NMB offers to submit the outstanding issues to binding arbitration, a move that the union accepts, but the carrier rejects. At this point, both sides enter into a mandatory 30-day "cooling off" period, after which the flight attendants will be free to strike and the company may impose a contract.

Negotiations between the AFA and management resume on September 2, even as uniformed flight attendants conduct informational picketing outside company headquarters and at Orlando. If a contract is not signed, members plan random work stoppages, but that need does not arise when a settlement is reached.

In mid-September, the company dramatically increases its departures from Atlanta. On September 9, the number of daily nonstops to Orlando grows from 10 to 11; to Washington, D.C. (IAD) from 8 to 9; to Buffalo from 2 to 3. The same day, new thrice-daily roundtrips commence to Quad Cities/Moline, Illinois.

At the same time, flights are ended from Atlanta to Allentown, Des Moines, Islip, Syracuse, and West Palm Beach.

New four-times-a-day nonstop roundtrips commence on September 16 from Atlanta to Miami while new nonstop roundtrips to Newark begin on October 1, five times a day. During the month, it is realized that business expansion during the fourth quarter will slow. Consequently, two B-737s will be retired when their leases end and a number of workers in Atlanta will be laid off.

Just after takeoff from Atlanta on a November 1 service to Dallas (DFW), Flight 867, a B-737 with five crew and 100 passengers, suffers hydraulic problems. The flight returns to its point of origin, but after landing, control is lost and the landing gear collapses. A total of 11 passengers receive minor injuries.

Enplanements between January and December total 5,462,827, a giant 81.7% increase over the combined totals of the previous year. Revenues skyrocket 107.8% to \$439.3 million and expenses are up 46.2% to \$457.9 million; consequently, there is an operating loss of \$18.55 million and a net \$40.73 million downturn. The net loss is less than half the previous year's deficit.

Having successfully led the airline through its restructuring process, CEO Corr returns to his other businesses in Houston at the beginning of January 1999. In his place, Allied Signal executive Joseph B. Leonard is elected chairman/CEO/president on January 6.

Service to Richmond, Virginia, ends on January 11. During the month, AirTran receives the 1998 award from *Entrepreneur* magazine for "Best Domestic Low-Fare Airline."

The company receives an FAA award on February 3 for its participation in the agency's aviation maintenance technician safety training program.

Painted in the distinctive AirTran livery and with a complete airline interior, the carrier's first B-717-2BD makes its maiden flight on February 24 from Long Beach Municipal Airport. AirTran is launch customer for the 106-passenger short-haul jetliner, but because of developmental problems with its Rolls-Royce BR715 engines, deliveries of the first two aircraft must now be postponed until September. Pilot training for company aviators will begin in July.

The next day, it is announced that the company's 1999 business plan has been put in place; its three major goals are to reduce costs, conserve cash, and shore up liquidity.

On March 4, the company informs the press that, through May 31, it will upgrade customers to business class for just \$25 over any fare.

Daily nonstop return service is initiated on March 15 from Gulfport/Biloxi to Dallas (DFW), Houston (HOU), Nashville, Ft. Lauderdale, Tampa, and Atlanta. Simultaneously, a seventh daily nonstop roundtrip is offered from Atlanta to Tampa, and an eighth nonstop return service from Atlanta to Chicago (MDW). With over 130 daily departures, AirTran is now the second largest carrier (after **Delta Air Lines**) serving Atlanta.

Former **Northwest Airlines** and **USAirways** executive Robert L. Fornaro is elected president on March 24; Chairman Leonard retains that post and continues to also serve as CEO. Fornaro accepts the presidency on March 31 and the change becomes official.

Under terms of a joint marketing partnership entered into with Beau Rivage Resort on March 16, AirTran, on April 1, launches daily return service in support of the new complex from Orlando to Gulfport/Biloxi.

Other new management additions include Senior Vice President-Customer Service Marilyn L. Rogers and Vice President Operations Stephen J. Kolski; Thomas Kalil, the former senior vice president operations, becomes a special project consultant.

Chairman Leonard reports on April 15 that Atlanta's second largest airline has earned a modest \$3-million first quarter profit, compared to a \$7.9 million loss the year before. Additionally, cash reserves, which had dwindled to \$24 million at the end of 1998, had been rebuilt to \$58 million by the end of March, thereby lessening any threat of a liquidity problem.

After less than a year on the job, Senior Vice President/Chief Financial Officer Schroeter resigns on May 5; he will remain on through the end of June before returning to Minneapolis to be with his family.

Following on the heels of the May 13 DOJ antitrust suit against **American Airlines**, AirTran, on May 26, charges **Delta Air Lines** with matching its fares and adding flights in an effort to drive AirTran out of the major's markets and thereafter raise fares. AirTran executives, who claim to have been working on their brief before the May 13 American suit, cite a number of incidents to back up their claims, but indicate they are not going to file a lawsuit or seek specific remedy. Rather, the discount carrier's

leaders ask that DOJ and DOT review Delta's practices. In a strongly worded response, Delta indicates that the AirTran charges are "insulting and untrue."

A fourth daily nonstop roundtrip service is added on May 16 between Atlanta and Greensboro, High Point, and Winston-Salem. Simultaneously, a fifth daily nonstop roundtrip is started from Atlanta to Jacksonville.

On May 24, employing company pilots, flight attendants, mechanics, and service personnel, the first production-configured B-717-2BD, painted in AirTran colors, begins a 10-day "Pre-Aircraft Certification Airline Simulated Operation" that will take it to 25 airports in 12 states on the route network. The test is designed to give the airline in-service experience with the new aircraft before its September delivery.

Wearing the colors of launch customer AirTran, a B-717-2BD participates in this year's Paris Air Show. Afterwards, it makes a 10-city customer tour of cities in Europe.

A fifth daily B-737-269A roundtrip is inaugurated on June 16 between Atlanta and New Orleans.

On July 1, President Fornaro assumes the additional post of CFO. On the same day, the company initiates new nonstop roundtrips from Atlanta to Newark four-times-a-day.

A fifth daily nonstop roundtrip is added on September 7 between Atlanta and Philadelphia.

AirTran takes delivery of its first B-717-2BD on September 24 and the second a few days later. After successfully completing a week of route proving evaluations, the two smoothly enter the airline's system. The premier revenue service on October 12 is operated over a daily route from Orlando to Atlanta, Dallas (DFW), Washington, D.C. (IAD) and back to Orlando, while the second plane flies the next day from Orlando to Ft. Lauderdale, Dallas (DFW), Chicago (MDW), and returns to Orlando.

On October 14, frequencies are boosted between Atlanta and both Miami and Ft. Myers. One more flight is added from the Georgia hub to Dayton the next day.

Route rationalization, which has been underway for some months, continues, as the company withdraws from Knoxville and ends several non-717 services from Orlando. It does, however, start flying to Newark.

Meanwhile, a private \$179-million EETC placement is made to cover financing for the first 10 B-717-2BDs. It is reported that a totally revamped website is bringing in 17% of company sales by year's end.

Passenger boardings overall surge 18.3% to 6,461,000. Parent AirTran Holdings reports operating income of \$503,828,000, up 14.7%, and costs of \$447,721,000, up 4%. The operating profit leaps to \$56,107,000 while the previous year's net loss becomes a \$29,755,000 net gain.

Airline employment stands at 3,882 at the beginning of 2000, an 11.6% increase over the previous 12 months.

As sufficient B-717-2BDs join the fleet, the company, during the first quarter, is able to retire its remaining B-737s and to begin removal of its DC-9-32s.

On March 1, daily B-717-2BD return service is launched from Philadelphia to both Ft. Lauderdale and Orlando; the same day, twice-daily DC-9-32 roundtrips are launched from Atlanta to Myrtle Beach.

The South Carolina frequency becomes thrice daily on April 1, the same day twice-daily return service is begun from Philadelphia to Tampa.

One daily flight is added on May 10 from Atlanta to Houston, Myrtle Beach, and Savannah and from Philadelphia to Myrtle Beach.

In May, AirTran renegotiates its purchase agreement and delays delivery of 10 B-717-2BDs from 2001-2002 to 2003. The manufacturer, which has not sold many of the small jetliners and needs to facilitate sales, agrees to provide 18-year operating leases for the carrier's next 20 units. Still, with 10 already in service, AirTran is the largest operator of the type in the world.

Employing a B-717-2BD, the Atlanta-Chicago (MDW) route is extended to Minneapolis on June 10, four times daily. Another daily flight from Atlanta is also added to both Gulfport and Biloxi and to Newark.

Following disclosure in the *Wall Street Journal* and the *Atlanta Journal-Constitution*, Airtran confirms on June 16 that it is, and has been, in merger talks with **Trans World Airlines (TWA)**.

The merger discussions with TWA end on July 1. Also in July, a PROS revenue management system is turned on.

During the remainder of the summer and into the fall, the last 4 B-737s are withdrawn and phaseout of the DC-9s continues with 1 older plane withdrawn for every 2 of the new B-717s delivered.

Although the carrier has experienced a number of operational incidents since its change from **ValuJet Airlines**, one of the most serious occurs on August 8.

The pilots of Flight 913, a DC-9-32 with 5 crew and 56 passengers that has just taken off from Greensboro on a service to Atlanta, discover smoke in the cockpit. As the acrid smoke spreads into the passenger cabin, the flight deck must determine whether it is best to continue on and make an emergency landing at Piedmont Triad International Airport, to turn back 15 mi. to Greensboro, or to try to put the plane down on a highway. The middle course is chosen; the aircraft is safely landed and all aboard evacuate via chutes. Several people are treated for minor injuries and smoke inhalation.

Other than several new Florida nonstops, the company's expansion is now limited to filling in holes in its East Coast route network from Atlanta. For example, thrice-daily DC-9-32 roundtrips to Toledo commence on October 3.

On October 6, Grand Casino pulls out of the arrangement that it shares with Beau Rivage to underwrite gambling flights made by Airtran into Gulfport and Biloxi from Atlanta, Tampa, Ft. Lauderdale, Dallas (DFW), and Houston.

On October 12, the company celebrates the first anniversary of its B-717-2BD operations with the delivery of its 13th small Boeing.

Daily B-717-2BD return flights begin on December 12 from Atlanta to Freeport, Grand Bahama Island. This is the carrier's first international route. The same day, new return service is launched thrice daily from Pittsburgh to New York (LGA) and Chicago (MDW) and twice daily to Atlanta. The company's 34th destination, Pittsburgh is the first city other than Atlanta from which the airline has inaugurated new flights.

AIRTRANSIVOIRE (SOCIETE AIRTRANSIVOIRE, S.A.): Ivory Coast (1973-1995). ATI is formed by A. Barnoin at Abidjan in July 1973 to provide domestic and international passenger charters. Equipped with a fleet of Cessnas ranging in size from 402s to 310s and one Douglas DC-3, the 25-employee company enplanes some 4,000-5,000 passengers per year. The Douglas is withdrawn at the end of the 1980s and replaced with a Partenavia P.68B.

Operations cease in 1995.

AIRUMBRIA, S.p.A.: Aeroporto S. Egidio, Loc S. Egidio, Perugia, 0680, Italy; Phone 39 (75) 592-8084; Fax 39 (75) 592-8087; <http://www.krenet.it/assindpg/airumbria/welcome.html>; Year Founded 1996. Airumbria is set up at Perugia (located between Rome and Florence) in 1996 to offer scheduled passenger services to smaller communities in central Italy. Teresa Spoletini is president and revenue services commence and continue with a single Douglas DC-3.

AIRVIA TRANSPORTATION COMPANY: United States (1929). Established at North Beach Airport on the East River at 42nd Street, New York City, in March of 1929, Airvia is equipped with a pair of Italian-made Savoia Marchetti S-55 flying boats. The type offers the company significant prelaunch publicity when, on July 8-9, two other aircraft are flown by Roger Q. Williams and Lewis A. Yancey from Old Orchard, Maine, to Santander, Spain, and then on to Rome.

Daily return revenue services commence on July 22, linking the carrier's base to Boston. One-way fare (including lunch) for the daily frequency is \$30. When Williams and Yancey return from Italy four days later, they are invited to serve as president and vice president, respectively. A week later, the two resign for pressing personal business reasons.

Former Commerce Department executive James A. Stader is hurriedly named president on August 8. He confirms a rumor of August 1 that Airvia will merge on September 25 with local floatplane operator

Coastal Airways (1), with integration of the new Airvia Coastal Transportation Company slated for conclusion on October 15. Plans are made to initiate services northward to Montreal and south to Florida, the Bahamas, Bermuda, and Cuba.

On September 17, Airvia dies. On that date, postal inspectors inform President Stader that they have arrested Austin H. Montgomery and Harry Taylor on charges of selling some \$350,000 in unauthorized stock through the federal mail. During its entire period of operation, the company has only gained \$8,000 above expenses on its New York–Boston service. Unable to recover or cover the Montgomery–Taylor swindle, Airvia declares bankruptcy before dark.

AIRVOLGA. *See* AERO VOLGA CONCERN

AIRWARD AVIATION SERVICES, LTD.: The Business Aviation Centre, Glasgow–Prestwick International Airport, Prestwick, Ayrshire, Scotland, KA9 2PL, United Kingdom; Phone 44 (0) 1292 511100; Fax 44 (0) 1292 61120; <http://www.glasgow.pwk.com/airward>; Year Founded 1992. AAS is established at Prestwick in 1992 to provide executive and small group passenger charters. Flights begin and continue with one each Beech King Air 100 and Cessna Citation I.

AIRWAYS INTERNATIONAL: United States (1980–1997). Miami-based Airways International is established by Izad Djahanshahi, former advisor to the managing director of **Air Taxi of Tehran**, in 1980 to undertake passenger and freight charters within the U.S. and to Mexico, Canada, and the Caribbean. Operations commence with a single Convair CV-440 Metropolitan, a Cessna 402B, and several Piper lightplanes.

In 1985, Cessna 402Cs are employed to inaugurate scheduled daily roundtrips linking the company's base with the Bahamian communities of North Eleuthera, Governors Harbour, Rock Sound, and Marsh Harbour. In the middle years of the decade, Chairman/President Izad N. Djahanshahi's fleet is altered; gone is the Convair, replaced by five Cessna 402Cs.

Airline employment is increased by 33.3% in 1989 to 40 and the fleet now includes 2 Cessna 402Bs and 10 Cessna 402Cs. Orders are placed for 10 more Cessna 402Cs. Scheduled services are inaugurated in April between Miami and Marathon, the latter destination located in the Florida Keys.

Enplanements for the year total 13,999 and revenues reach \$2.1 million. Expenses are \$1 million, leaving an operating profit of \$1.1 million. Net profit is \$118,719.

In spring 1990, frequencies are increased to Marathon and service is started to Key West and three Bahamian markets. The number of 402Cs is increased by 15 and 1 more is added in 1991. The 35-employee regional transports a total of 49,428 passengers.

Expansion continues for the 35-employee carrier in 1992 as 7 additional Cessna 402Cs and 2 Shorts 330-200s are purchased. The latter are acquired in December from **Cayman Islands** and **Metroflight**.

Passenger boardings ascend 22.3% to 60,438.

In 1993, airline employment stands at 175. Destinations served by Chairman/President Djahanshahi's company from Miami include Ft. Lauderdale, West Palm Beach, North Eleuthera, Governor's Harbour, Rock Sound, Treasure Cay, Marsh Harbour, Georgetown, Androg Town, Key West, and Marathon. Passenger boardings skyrocket to 70,000.

Airline employment is decreased in 1994 to 140. Early in the spring, a Beech 99 joins the fleet. Enplanements total 73,753.

Operations continue apace in 1995.

The workforce still stands at 140 in 1996 and the fleet includes 15 Cessna 402Cs and 2 Shorts 330-200s. Traffic figures are reported through the first quarter and show customer bookings of 6,275. Sales of \$9 million are generated.

The workforce is increased to 160 by the start of 1997. Unable to maintain economic viability, the company shuts down before Christmas.

AIRWAYS INTERNATIONAL CYMRU, LTD.: United Kingdom (1984–1988). AIC ("Cymru" is Welsh for Wales) is founded at Cardiff

in early 1984. On March 22, equipped with a BAC 1-11-304, it inaugurates regional holiday charter tours and general passenger group flights to destinations in Europe. Points visited include Nice, Faro, Palma, Barcelona, Ibiza, Malaga, and Alicante.

On April 1, the BAC 1-11-432 *Island Esprit*, leased from **British Island Airways, Ltd. (2)** for eight months, enters service. A second BAC 1-11-304 is delivered in November, allowing return of the *Island Esprit*.

Over the next three-and-a-half years, the fleet is increased by the addition of two Boeing 737-200s. Operations cease in January 1988.

AIRWAYS OF INDIA, LTD.: India (1945–1953). Airways of India is founded at Calcutta in September 1945. Equipped with de Havilland DH 104 Dove 1s, it begins nonscheduled service to the demilitarizing wartime "Hump" airlift bases at Bagdogra and Gauhati in Assam during September 1946. Charters are also flown into Burma, the first postwar commercial flights into that country by a Western carrier.

Two Douglas C-47s (military transports converted to DC-3 civil standard) are acquired during the winter and in March 1947, a thrice-weekly Calcutta–Vishakhapatnam–Madras–Bangalore service is inaugurated. With a suspension of surface transport in the area, the Indian government contracts with the carrier to fly passengers and mail from Calcutta to North Bengal, Gauhati, Silchar, Dibrugarh, and Tezpur.

During 1948, all previous services are maintained and in February 1949, the company is granted new licenses to fly scheduled routes from Calcutta to Bagdogra and Mohanbari. During the year, two Sud Ouest S.O.-95 Corse transports are placed in service. They are withdrawn in October 1950. Low-cost "Airst" service is introduced between Delhi and Gauhati in December 1951.

As the result of parliamentary study and debate, the decision is taken to nationalize the Indian air transport industry. An Air Corporation Bill receives presidential assent on May 28, 1953, resulting in the August 1 creation of **Indian Airlines Corporation**, which takes over AI and other small carriers.

AIRWAYS OF NEW MEXICO: United States (1979–1985). Based at Alamogordo, founder and President G. Wayne Nelson's 5 Cessna 402s and 3 Beech 99s begin to operate scheduled passenger and cargo flights in 1979 linking the company's base with Albuquerque, Las Cruces, El Paso, and Tucson.

By 1984, the fleet includes 6 Cessna 402s and enplanements in total 24,000. The FAA, in the first of several actions against commuter carriers deemed to be operating outside of FAR regulations, shuts the carrier down on April 11, 1985 for pilot proficiency and maintenance violations.

Hopes to resume operations in May are not realized as company officials fight an unsuccessful appeal through government administrative channels.

AIRWORK, LTD.: United Kingdom (1928–1960). Alan Munz establishes his FBO/air charter service, Airwork, Ltd., at London (Heston) aerodrome in 1928. After four years of general work, Munz, in 1931, explores the possibilities of starting an airline in Egypt; authority for sole operations within that country is granted on December 31.

The subsidiary carrier Misr-Airwork, Ltd.—Misr being the Arabic word for Egypt—is formed at Cairo on June 7, 1932. The Misr Bank provides 85% of the ££20,000 start-up capital, with another 5% coming from private investors, while Airwork, Ltd. takes a 10% interest and assumes technical and operational responsibility.

Employing DeHavilland DH 84 Dragons, Misr-Airwork, Ltd. inaugurates domestic Egyptian service in early July 1933 over a route Cairo–Mesa Matruh. Meanwhile, the company also participates in the formation of **Indian National Airways, Ltd.** Twice-daily Cairo to Alexandria flights commence in August.

Misr-Airwork, Ltd. launches a route in 1934 from Cairo to Lydda, Haifa, and Palestine, via Port Said. Weekly Cairo–Lydda–Nicosia DH 86 mail flights commence on August 3, 1935.

New scheduled routes are opened in **1936–1937** from Alexandria to Asyut via Port Said and Minia; and from Cairo to Baghdad via Cyprus and Haifa. Charter flights are also arranged for Hadj pilgrims in the spring between El Medina and Jeddah. The fleet grows to include 2 each DH 82 Tiger Moths and DH 84 Dragons and 5 DH 89 Dragon Rapides.

In **1938–1939**, flights are also started from Cairo to Larnaca via Lydda and Haifa. The fleet is altered to include the 5 Dragon Rapides, 1 Dragon, 2 Tiger Moths, 1 each DH 60 Moth, DH 85 Leopard Moth, and DH 87 Hornet Moth, and 2 miscellaneous de Havilland types.

Following the outbreak of World War II on September 3, **1939**, the Egyptian government assumes majority control of the airline. Airwork, however, retains its management and support contract. During the war, the company's aircraft are employed at home to train RAF personnel. They also serve as transports.

In **1943**, service is launched to Palestine and Beirut and, in the fall of **1944**, the fleet is bolstered by the addition of 3 Avro 19s. Three Mideast accidents late in **1945** bring a public outcry. Service in Egypt is suspended on February 6, **1946**, but is restarted in May.

With the war over, Airwork now becomes an authorized Airspeed Consul dealer, acquiring its first AS.65 in April. A Percival 1 Proctor is added in June and a Bristol 170 Mk. 11 Freighter in August. In Cairo, site of an Allied war surplus depot, Misr-Airwork, Ltd. executives are able to purchase an entire new fleet. Included in this fleet are 2 North American AT-6 Texans, 4 Avro Ansons, 5 Beech C-45s, and 1 Beech AT-11. Only 4 Dragon Rapides remain from the 1945 aircraft complement.

Company official Sir Richard Barlow is sent to Ecuador at the end of November to discuss a business proposal with officials of the Shell Oil Company. While on a survey flight out of Quito on December 3, Sir Richard's Grumman G-21A Goose crashes 14,000 feet up in the Llanganate Mountains (5 dead).

On January 15, **1947**, the company signs a contract with Shell to operate and maintain that corporation's Ecuadorian air fleet. During the year, additional Consuls are acquired, along with 2 de Havilland DH 89A Dragon Rapides and 6 Vickers Vikings, which are also added to the revitalized Airwork, Ltd. operation. Flying out of the U.K. on charter, Airwork, Ltd. undertakes military-sponsored flights to the Middle East and Far East. In Egypt, two more Beech C-45s are added to the Misr-Airwork, Ltd. enterprise.

In need of additional capitalization, the South African carrier **Commercial Air Services (Pty.), Ltd.** sells a half interest in itself to Airwork, Ltd. during the year. Airwork, which is winding down its involvement in Egypt, is ready for a new challenge. Miles D. M. Wyatt, the chairman of Airwork, becomes chairman of Commercial Air Services, but the three cofounders, A. S. Joubert, Leon Zimmerman, and J. M. S. Martin, are left to operate the company on the scene.

A number of different aircraft types join the fleet in **1948**. These include 3 more Dragon Rapides, 1 Percival Proctor 4, 2 additional Vikings, and 1 Bristol 170 Mk. 21 leased from its manufacturer.

In May, a £1.2-million contract is received from the International Refugee Organization for the transport of displaced persons from Hamburg to Montreal.

Government charters continue and a subsidiary, **Airwork (East Africa), Ltd.**, is formed to develop East African air transport with two Bristols. Two Vikings are dispatched to provide additional lift for Misr-Airwork, Ltd.

On November 10, the company's Bristols begin limited participation in the Berlin Airlift from Hamburg, flying a total of 74 sorties before retiring on the following February 12. Meanwhile on November 30, a Viking flies urgently required currency to West Africa.

Another leased Bristol 170 Mk. 21 is acquired in January **1949**. A de Havilland DH 104 Dove is purchased in February, and is followed by a Percival Proctor 3 in September and the carrier's first ex-military Douglas C-47 (converted to civil DC-3 standard) in December. The last remaining interest in Misr-Airwork, Ltd. is relinquished during the year and the airline begins full concentration on troop charters from Britain under contract to the War Office. The government of Egypt now inau-

gurates its own airline, Misrair, Ltd., employing the equipment Airwork leaves behind.

On April 4, **1950**, the 345th roundtrip flight is undertaken London–Wadi Halfa/ Khartoum. The company's contract with Shell Oil Company also ends in April when that corporation departs Ecuador. In June, another Dakota and another Dove are added.

War Office contracts continue in **1951** and the fleet is increased by the purchase of a Percival Proctor 3. Among the contracts is a huge £1.25-million arrangement for the transport of soldiers between the U.K. and the Mideast. During the year and into the next, the company facilitates the delivery of two DH 104 Doves to **Commercial Air Services (Pty.), Ltd.**, one under lease.

The number of Airwork aircraft increases significantly in **1952**. One more Viking, another ex-military C-47, and 6 Handley-Page HP-81 Hermes 4s, the last acquired from **British Overseas Airways Corporation (BOAC)**, are acquired under lease and retain their names, *Hamilcar*, *Hecuba*, *Hadrian*, *Heron*, *Hebe*, and *Hermione*.

In the spring, the operator's DH 104s begin oil industry support operations in the Middle East. On June 14, Airwork, Ltd., joins with **Hunting Air Transport, Ltd.** to inaugurate low-fare "Colonial Coach" service; the first Viking departs Blackbushe for Nairobi, flying the two-day operation with two overnight stops via Nice, Malta, El Adem, Wadi Halfa, Khartoum, Juba, and Entebbe.

During June, four of the HP-81s begin a trooping contract for the British government. For political reasons, the aircraft are operated as military aircraft, with RAF markings and the serials WZ838–WZ841.

The Handley Page HP.81 Hermes 4A WZ839 and originally known as the *Hebe*, with 6 crew and 64 passengers, must be written off after a hard landing at Pitviers, France, on July 23; there are no fatalities.

On August 25, the Hermes 4 WZ841 originally known as the *Hadrian*, with 6 crew and 51 passengers and chartered by the government to return its employees from vacations, crashes off Trapani, Sicily (7 dead).

In September, the company applies for a license to operate an all-freight service to North America.

Three more C-47s join the fleet in **1953**. The Dove leased to **Commercial Air Services (Pty.), Ltd.** is returned in January as that South African carrier, after consultation, acquires a pair of Lockheed L-18 Lodestars from **East African Airways Corporation**.

Permission for an all-cargo route to Montreal and New York from London is authorized in February; however, the carrier has no aircraft with the range to undertake the operation. Under the marketing label "Safari Flights," "Colonial Coach" service is extended to Salisbury, Rhodesia, on June 26.

One more C-47 joins the fleet early in **1954**. A three-year Air Ministry troop contract for the Far East is awarded to the company; the largest such charter awarded to that time, it is valued at £1.25-million per year. On June 14, "Safari Flights" begin service to Accra; mail is added to the London–Dakar and Bathurst sections of this route on June 21.

A disabled Vickers 627 Viking 1B, with 5 crew and 32 passengers, crashes while on approach to the airport at Blackbushe on August 15; although the aircraft is burned out and must be written off, there are no fatalities. A hostess is credited with averting a disaster.

Airwork, Ltd., launches London–Frankfurt am Main DC-3 cargo flights on January 12, **1955**, the same day the carrier joins IATA. With two DC-4s leased from **Transocean Airlines (TAL)**, weekly London–Montreal and New York multistop all-cargo service begins on March 1; the frequency becomes thrice weekly on May 20. London–Basle and Zurich DC-3 all-cargo operations start on May 28, with a stop at Dusseldorf added on May 31. The New York City to London route is extended beyond London to East Africa on August 14.

Despite the addition of a DC-6A chartered from **Slick Airways** early in the fall, the unprofitable North Atlantic cargo service is suspended on December 18. Its failure is blamed on lack of government support. DC-3 all-cargo flights to the continent are discontinued on March 8, **1956**. During the year, the company assists in the formation of the German carrier **Deutsche Flugdienst**.

In January 1957, the company purchases from **British Overseas Airways Corporation (BOAC)** the HP-81 Hermes 4s *Hecuba* and *Hermione* while, in February, the Hermes 4A *Hamilcar*, which has been leased from the flag carrier, is also purchased. The HP-81 *Horsa* arrives in May. Concentrating exclusively on its Far Eastern and African routes, Airwork, Ltd., introduces the ex-BOAC HP-81 Hermes 4A *Horsa*, newly acquired, during July.

While landing at Dum Dum Airport, Calcutta, on September 1, the chartered Airwork HP-81 Hermes 4A *Hamilcar*, with 6 crew and 64 passengers, collides with an **Indian Airlines Corporation** DC-3, with 4 crew; all aboard the Indian aircraft are killed, along with 3 persons on the ground.

Two Vickers Viscount 736s are placed on the Nairobi weekly service on October 17.

Two Viscount 831s are placed on the Accra service on January 6, 1958, allowing discontinuance of the overnight stop at Las Palmas, and retirement of the Vikings. Late in the year, the independent British carrier **Transair, Ltd.** is taken over, but allowed to continue flying under its previous identity.

Air Charter, Ltd. and **Olley Air Services, Ltd.** are acquired on January 1, 1959 and both are allowed to continue flying under their prepurchase identities. On June 8, "Blue Nile" Viscount service is initiated from London (LGW)—Khartoum on behalf of **Sudan Airways, Ltd.** Troop work falters during the year and in the fall, the "Colonial Coach" flights are transferred to **Transair, Ltd.** Meanwhile, Airwork, Ltd. is reconfigured into a holding company and negotiations begin for the acquisition and merger of several independent airlines in addition to the three already obtained. The ex-BOAC Hermes 4s *Hecuba* and *Horsa* are sold to **Falcon Airways, Ltd.** in October.

On May 19, 1960, the following acquisitions are merged into **British United Airways, Ltd.**: **Airwork, Ltd.**; **Hunting-Clan Air Transport, Ltd.**; **Air Charter, Ltd.**; **Olley Air Service, Ltd.**; **Morton Air Services, Ltd.**; **Transair, Ltd.**; **Airwork Helicopters, Ltd.**; and **Bristow Helicopters, Ltd.**

AIRWORK NZ, LTD.: P.O. Box 516, Papakura, 1733, New Zealand; Phone 64 (9) 298-7202; Fax 64 (9) 298-7834; <http://www.airwork.co.nz>; Code NZ; Year Founded 1936. Airwork NZ, Ltd. is established as a general aviation company at Wellington, on the North Island, in 1936. Aircraft charter and leasing, engineering, and maintenance services for fixed-wing, and later rotary-wing, aircraft are undertaken and maintained over the next 50 years.

Having been relocated to Papakura, near Auckland, by 1984, Airwork NZ is purchased by Hugh R. Jones. Scheduled and charter passenger and cargo services to domestic locations, along with a full line of maintenance activities, are operated over the next decade. By 1994, Managing Director Jones oversees 120 employees and a fixed-wing fleet that comprises 3 Fairchild Metro IIIs, 2 Fokker F-27-500Cs, and 1 Piper T-1040. Destinations visited include Auckland, Christchurch, Dunedin, Invercargill, Palmerston North, and Wellington.

The carrier in January 1995 takes possession of two Fairchild Metro 23s. Although the aircraft will be available as necessary for passenger service, they are intended primarily for inauguration of a recently won New Zealand Post Office night-airmail contract. One Metro III is retired.

A rotary-wing division is set up under Hugh Jones. It is outfitted with 5 Eurocopter BO-117s, 3 AS-355F1s, and 1 each AS-350B, Bell 206B JetRanger, and Bell 222.

Operations continue apace in 1996–2000. By the latter year, airline employment stands at 120 and the helicopter unit has been increased by the addition of two BO-117s. Destinations visited include Auckland, Christchurch, Dunedin, Invercargill, Palmerston North, and Wellington.

AIRWORLD AVIATION, LTD.: United Kingdom (1993–1999). Airworld Aviation, Ltd. is established at London in September 1993 to provide international charter passenger service as the U.K. subsidiary of Grupo Viajes Iberia, S.A., the largest Spanish travel concern. Miguel

Fluxa is chairman with Shaun Dewey, a former **Inter-European Airways, Ltd.** executive, as managing director.

Bases are established at Cardiff and Manchester, and revenue flights are started in April 1994 with a pair of leased Airbus Industrie A320-231s to holiday destinations in Cyprus, Malta, Greece, Portugal, Spain, and Turkey.

The company adopts the unusual response to the winter slowdown in traffic; it simply goes dormant, returning its aircraft to ORIX, its Japanese Lessor, and laying off its operational staff, all but the senior managers of which are temporary workers. During the first full season, a total of 250,000 passengers are carried.

Operations continue apace in 1995 and flights are now undertaken for Sunworld, Ltd., as well as 33 smaller U.K. tour operators. Orders are placed for two A321s and flights begin from Bristol and London (LGW).

In 1996, the workforce stands at 250 and Sunworld, Ltd., part of the Thomas Cook Group and a major tour concern, purchases the company.

On November 13, one of the Airbuses, painted in a blue-and-white color scheme with yellow, red, and blue titles, is subleased to the new Spanish charter operator **BCM Airlines, S.A.** The company's two aircraft transport a total of 435,000 passengers through November and operate 28,000 FTKs.

The third A320-231 arrives in April 1997 under charter from ILFC. One of the earlier Airbuses remains out with **BCM Airlines, S.A.** Destinations visited include Cyprus, Greece, Malta, Portugal, Spain, and Turkey.

A fourth A320-231 is leased from ILFC in April 1998.

In June, Sunworld acquires the Flying Colours Leisure Group, and its carrier **Flying Colours Airlines, Ltd.**, as its parent, Thomas Cook Group, consolidates as a major European tour operator. The combined Airworld/Flying Colours fleet creates the U.K.'s sixth largest airline, with a huge European charter network.

Traffic figures are reported through October and show enplanements of 1.72 million. Additionally, 4.3 million FTKs are also operated.

By November 1, the U.K. charter airline business is rapidly approaching consolidation. In late October, Thomas Cook Group, which has recently purchased and begun to merge both Sunworld and its house carrier Airworld, as well as **Flying Colours Airlines, Ltd.**, acquires Carlson Leisure Group and its airlines **Caledonian Airways, Ltd.** (2) and **Peach Air.**

Through the move, Thomas Cook gains Caledonian's slots at London (LGW) and Manchester and, with 32 aircraft, now owns the second largest fleet among the nation's charter carriers. Plans are announced for an increase of service from London (STN), Bristol, Cardiff, Birmingham, and Glasgow. The fleet will also be rationalized, with only the TriStars seen as certain for retention.

As the year ends, Thomas Cook Group, which has assigned its own name to the enlarged travel group, is conducting marketing surveys to determine which airline brand name has the best public image and should be retained for the larger carrier. Early betting is that the names Caledonian (with its memory of delays and incidents) and Peach Air will disappear in addition to that of Airworld, with the romantic Flying Colours winning the label. A final decision is promised before the start of the 1999 summer holiday season.

Flying Colours is, indeed, the surviving name and its enlarged fleet of 34 aircraft begins the new summer holiday season at the end of March 1999. The amalgamation comes as the European Commission grants permission for Thomas Cook to merge with the Carlson Leisure Group's U.K. travel interests.

AIRZENA GEORGIAN AIRLINES: 49-A Chavchavadze Ave., Tbilisi, 380062, Georgia; Phone 995 (8832) 987 328; Fax 995 (8832) 221 179; <http://www.airzena.com>; Code NQ; Year Founded 1999. This new carrier is established on October 31, 1999 when **Air Georgia** and **Georgian Airlines** are merged. To supplement the Russian-made equipment in the combined fleet, arrangements are made to lease a pair of Boeing 737s from Germany.

A code-sharing agreement is signed with **Aeroflot Russian International Airlines (ARIA)** on February 1, 2000 allowing for joint service over the Tbilisi–Moscow route as well as combined maintenance and service activities.

During the spring, the company places 2 B-737-5K5s, leased from **Hapag-Lloyd Fluggesellschaft, mbH.**, into service. These are employed to maintain scheduled and charter services from Tbilisi to Tel Aviv, Moscow, Athens, Sochi, Frankfurt, Kiev, Samara, Tashkent, Tehran, Vienna, and St. Petersburg.

A third chartered B-737-5K5 arrives on June 30 and begins new twice-weekly return service to Amsterdam on July 11.

A European development bank announces safety rankings for the world's carriers on September 11; Airzena Georgian is ranked last, with a 1 in 333 chance of a passenger being in an airliner accident.

AIS AIR COMPANY: 6/3/84 Miyusskaya Square, Moscow, 125267, Russia; Phone 7 (095) 250-6325; Fax 7 (095) 251-3696; Year Founded 1996. AIS is established at Moscow in 1996 to provided international and domestic passenger and cargo charters. M. I. Denko is general director and he begins and continues revenue flights with one Antonov An-12, a Tupolev Tu-154B, and three Tu-134s.

AJT AIR INTERNATIONAL (AKTSIONERNOE OBSHCHESTVO): Leningradski Prospekt 37, Building 7, Moscow, 125167, Russia; Phone 7 (095) 155-6432; Fax 7 (095) 155-6466; Code E9; Year Founded 1991. Founded at Moscow in late 1991 as a charter subsidiary of **Vnukovskie Avialini**, AJT is principally owned by Teimouzaz Kazchava. President Alexander A. Tsomaya's company acquires 2 leased Ilyushin Il-86s. These are employed to inaugurate passenger flights to destinations in the Mideast and Europe at the end of 1992. AJT enjoys the distinction of being the first independent Russian aviation company to be founded after the breakup of **Aeroflot Soviet Airlines**.

A Tupolev Tu-154S joins the fleet in 1993–1994. During 1995–1997, a network of regional, international, and domestic routes is established between the company's base and such destinations as Antalya, Kinshasa, Bumba, Lisala, Istanbul, and Rimini.

To assist in revenue enhancement, strategic alliances and code-sharing arrangements are entered into with **Aeroflot Russian International Airlines** and **THY (Turk Hava Yollari, A.O.)**.

It is reported at the beginning of 1998 that, cumulatively, the company has boarded 2.5 million passengers since its start. The workforce stands at 80 and services are provided with 3 chartered Ilyushin Il-86s and 1 Tupolev Tu-154S.

Enplanements for the year total 457,000. AJT is now the largest holiday charter operator in Russia.

Airline employment at the beginning of 1999 stands at 117.

Despite a very difficult market, the company reports the following January that it has been able to increase its volume and produce good revenue figure.

AKDENIZ AIRLINES (AKENDIZ HAVA YOLLARI, A.O.): Turkey (1989–1995). Akdeniz is set up at Istanbul in 1989 to offer passenger charters throughout the Mideast and Mediterranean. Revenue operations begin with a pair of Airbus Industrie A300B4-103s, which visit destination in the Middle East and southern and eastern Europe.

Six years later, in 1994, the fleet comprises 2 Boeing 727-200As. Unable to maintain economic viability, the carrier is shut down in 1995.

AKHAL AIR COMPANY: Turkmenistan (1993–1995). AAC is reformed at Ashgabat Airport, Turkmenistan, in 1993 from the former **Aeroflot Soviet Airlines** division Turkmenavia. Commander Alexi P. Boldyrev is placed in charge and his fleet comprises 10 Antonov An-24Vs, 9 Tupolev Tu-154B-2s, 4 each An-24RVs and Yakovlev Yak-42Ds, 3 Tu-154B-1s, and 2 Ilyushin Il-76TDs.

Operated for the government are 1 each Tu-154B-2, British Aerospace BAe 125-1000B, and Boeing 737-341 originally delivered to **VARIG**

Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.), as well as 1 B-757-23A acquired from **Ansett Australia (Pty.), Ltd.** Scheduled and charter passenger services are continued over previous routes.

Three An-24RVs are retired in 1994 and, in 1995, the company becomes a division of the new state carrier **Turkmenistan Airlines**.

AKLAK AIR, LTD.: P.O. Box 1190, Inuvik, Northwest Territories OXE OTO, Canada; Phone (867) 777-3777; Fax (867) 777-3388; http://www.inuvialuit.com/aklak; Code 6L; Year Founded 1977. Aklak Air, Ltd., an associate of the Inuvialuit Development Corporation, Ltd., is established at Inuvik, Northwest Territories, in early 1977 to provide regional passenger and cargo charter services. The initial fleet comprises 6 de Havilland Canada DHC-6 Twin Otters, 1 Beech 99, 1 Piper PA-31-350 Navajo Chieftain, and 1 Cessna 207 Skywagon.

Operations continue apace throughout the remainder of the decade and into the 1980s. Traffic and financial information is not separately published.

Late in the 1980s, the company begins to offer scheduled flights. When president W. Hagan's carrier opens these flights in 1989, his fleet has been changed somewhat, now including 2 Beech 99s, 4 Twin Otters, 1 Cessna 310, 1 PA-31-310 Navajo, 1 Piper PA-31T Cheyenne, and 2 Beech T-1040s.

Two Britten-Norman BN-2 Islanders and a Fairchild-Swearingen Metroliner are added in 1990. Equipment changes continue and in 1992 2 new Dornier 228-212s, the first of which is delivered in March, replaces all but the T-1040, 2 Twin Otters, and 2 Islanders. General Manager John Hucal becomes president in early 1993, by which time only 1 Islander and the 2 Dorniers are available. Flights continue in 1994–1995.

A joint venture arrangement is entered into with **Kenn Borek Air, Ltd.** in June 1994, under which Aklak is able to access the Kenn Borek fleet as necessary. The largest aircraft borrowed from time to time is a Douglas DC-3 freighter, which is based in Inuvik with Aklak ground and management support.

A commercial agreement is signed with **Canadian Airlines International, Ltd.** in 1996. The owned fleet in 1997–1999 includes 1 each Beech 99, King Air 100, and Fairchild Dornier 228-212. Several de Havilland Canada DHC-6-300 Twin Otters are also obtained from **Ken Borek Air, Ltd.** After CAI is taken over by **Air Canada, Ltd.** in January 2000, the CAI compact comes under review.

AKLAND HELICOPTERS: United States (1980–1986). AH is established at Talkeetna, Alaska, in August 1980 to provide rotary-wing charter passenger and cargo services to a variety of local destinations. President Dennis Brown takes over a number of routes from **Great Northern Airways** and with a fleet of Cessna 206s and Piper PA-31-310 Navajos, introduces scheduled frequencies to Anchorage, Mt. McKinley, Clear, and Fairbanks.

Operations continue apace until the carrier fails in 1986.

AKRON AIRWAYS: United States (1937–1938). Akron Airways is set up at the Ohio city in the early spring of 1937 to operate scheduled regional passenger and cargo services. The Ford Tri-Motor 5-AT-86 is purchased from **Braniff Airways** and is employed to begin flights on April 30. Operations can only be maintained for a year; poor traffic and revenues force the company to shut down on April 13, 1938.

AKTA AIR COMPANY (AKTA AVIAKOMPANIYA): Russia (1993–1996). AKTA is established at Irkutsk in 1993 to offer domestic and Asian all-cargo charter services. General Director S. K. Kapitanenko begins revenue flights with a pair of Ilyushin Il-76s.

Services continue in 1994–1995 before ending in 1996.

AL JONES AIRLINES. See **ALASKA AIRLINES**

ALA (AEROTRANSPORTES LITORAL ARGENTINA, S.A.): Argentina (1955–1973). The same group of Argentinean air force of-

ficers, who would be involved in forming **Transatlantica Argentina, S.A.** three years later, found ALA at Rosario in early 1955. A fleet of Aero Commander 500s is purchased and employed to run an ultimately unsuccessful shuttle operation to Buenos Aires.

The carrier is reorganized in 1958 and the lightplanes are withdrawn in favor of 6 Douglas DC-3s. At the same time, its officials enter into a cooperative agreement with another new second-level airline, **PLAS (Primera Linea Aerea Santafecina, S.A.)**.

ALA continues to maintain its service, losing money. During 1961, a merger is proposed between ALA and **Austral (Compania Argentina de Transportes Aereos Saci, S.A.)**. Discussions will drag on through 1962.

In 1963, the national government announces a new master plan for domestic air service. Under this arrangement, 37 million pesos are granted to ALA to cover its 1962 losses and 41 million are provided to erase those of 1963. In return, the airline is now permitted to fly to its first foreign destinations, Asuncion, Paraguay, and Montevideo, Uruguay. Planning to merge with Austral is shelved.

The company's first fatal accident is suffered in 1964. On January 9, a DC-3 with 29 aboard crashes near Zarate; there are no survivors. In 1965, company headquarters are moved to Buenos Aires and, in 1966, the carrier begins to work in tandem with its rival **Austral Airlines (Compania Argentina de Transportes Aereos, S.A.)** in an arrangement that is almost a merger. When Austral receives Douglas DC-6s as part of its equipment contract with **Pan American World Airways (1)**, it is able to lease a number of Curtiss C-46s to ALA. At the same time, Austral takes a 30% interest.

The two carriers will work as a single unit, Austral-ALA (see the Austral entry, below) until they are fully amalgamated in 1973 as **Austral Airlines (Austral Lineas Aereas, S.A.)**.

ALA (SOCIEDAD DE TRANSPORTS AEREOS, LTDA.): Chile (1954–1961). Two small independent freight operators, **Air Chile** and **Lyon Air**, are merged in 1954, becoming ALA, a division of the nitrate conglomerate **Compania Salitrera de Tarapaca y Antofagasta, S.A.** Employing 3 Curtiss C-46s and 1 converted Consolidated B-24 bomber, ALA maintains domestic routes in support of its owners through 1956. During these years, only one new aircraft is added, a C-46 in 1954. The B-24 is damaged beyond repair in a crash on February 21, 1955.

Aware of the arguments being made by **CINTA (Compania Nacional de Turismo Aereo, S.A.)** official Jorge Carnicero for low-fare charter flights to North America, ALA now elects to enter the tour business. Two Douglas DC-4s are purchased and a Lockheed L-049 Constellation is leased from **Cubana (Compania Cubana de Aviacion, S.A.)**. The latter plane introduces cut-rate flights up the continent's west coast to Havana.

In competition with **CINTA (Compania Nacional de Turismo Aereo, S.A.)**, ALA inaugurates nonscheduled flights to New York in May 1957, via Antofagasta, Arica, Tatara, Guayaquil, Panama City, and Miami. Overextended in a slender market, ALA elects to merge with CINTA in December.

ALA/CINTA joint services are integrated and domestic routes are transferred to a third new Chilean airline, **LADECO (Linea Aerea del Cobre, S.A.)** upon its formation in December 1958. Meanwhile, the low-cost charters continue, although the route changes slightly. DC-4s provide a service from Santiago to Arica while the ALA Constellation, now joined by a chartered L-1049G Super Constellation, fly from Santiago up the west coast of South America and on to Havana, connecting there to the U.S.

After Fidel Castro takes power in Cuba on January 1, 1959, the Cuban air transport industry is nationalized and the Constellation lease to ALA/CINTA is ended. The DC-4s are insufficient to turn a profit and thus the Chilean operations suspend operations during the busy summer season. Unable to resume flying in 1960, the carrier is liquidated in February 1961.

ALA LITTORIA, S.p.A.: Italy (1934–1940). **Societa Anonima Navigazione Aerea, S.p.A.** and **Societa Italiana Servizi Aerei, S.p.A.** are

purchased by **Societa Area Mediterranea, S.p.A.** in August 1934; SAM also acquires **Societa Italiana Servizi Aerei, S.p.A.** in early fall. All four airlines are combined on October 28 to form a state-sponsored national airline, which is owned by the Instituto per la Ricostruzione Industriale (IRI). The only one of the nation's carriers not included is the Fiat-owned independent **Avio Linee Italiane, S.p.A.**

A government subsidy of L 15.34 per km. is provided and services are continued over previous routes with the aircraft of the merger partners. All of the carrier's personnel are employed by a single trade union, **Gente dell'aria (People of the Air)**, while all of the pilots are military or ex-military.

In November, the first Savoia Marchetti SM-74 is test flown. A total of 3.81-million km. are flown.

Societa Adria Aero Lloyd, S.p.A., operating in Albania, is acquired on March 20, 1935. The first of 21 trimotor Savoia-Marchetti SM-73s enter service on the European routes, including a new service to Budapest launched on April 1, and to North Africa, Mogadishu, and Addis Ababa; 3 SM-74 four-engine airliners also enter operations on the high-visibility Rome–Paris route. An SM-71 is destroyed in a crash late in the month.

Societa Nord Africa Aviazione, S.p.A., founded in December 1931 to operate a Tripoli–Benghazi and Benghazi–Tobruk service with 5 Caproni Ca-101s, is taken over on July 31, two days after Ala Littoria's 3 new SM-74s begin Rome–Paris via Marseilles flights. Oxygen is supplied to passengers for flight over the Alps.

The carrier now begins to acquire 12 Caproni Ca-133 trimotors. These enter service on the main East African route from Rome to Addis Ababa via Benghazi, Cairo, Wadi Halfa, Khartoum, and Asmara. They are also introduced on flights from Asmara to Diredawa via Assab; Asmara to Djibouti via Assab; Diredawa to Mogadishu via Gorrahe and BeletVen; and Addis Ababa to Djibouti via Diredawa. On November 11, a frequency is opened Asmara–Mogadishu via Djibouti, and in December, through service starts over that line to Rome.

Cant Z-506s enter service on the Rome–Benghazi, Cadiz, Marseilles routes in 1936. During the spring, 7 Caproni Bergamaschi Boreas (North Winds) are received and employed along the Libyan coast.

In June, 4 Breda 44s begin flights within Albania. Later in the summer, a Macchi C-94 flying boat is introduced on the carrier's Adriatic routes; 7 more of the type will follow within the year.

In September, a new Cant Z-506 catches fire and sinks while at anchor off Benghazi, cause unknown. New services are inaugurated during the third quarter: Rome–Pollenza, October 12; Pollenza–Melilla and Cadiz, December 7; and Rome–Asmara and Addis Ababa, December 8.

SM-73s begin two new services during 1937: Rome–Prague via Venice, Trieste, Klagenfurt, Bratislava on May 17 and Rome–Bucharest via Belgrade on October 4. Meanwhile, in April, new S.66 flying boats operate a frequency from Brindisi to Haifa via Athens and Rhodes. The old Cant 10ter flying boats inherited in 1934 continue to fly back and forth between Venice and Trieste.

On August 3, a Caproni Ca-133 crashes near Wadi Halfa in the Anglo-Egyptian Sudan (9 dead). Successor to the SM-73 and the first aircraft from its manufacturer with retractable landing gear, the SM-75 trimotor makes its maiden flight on November 6.

During the year, the company begins to build up a domestic network in Ethiopia; points visited will come to include not only the capital, Addis Ababa, but Asosa, Assab, Dessie, Dimbidollo, Dire Dawa, Gambela, Gondar, Gore, Jimma, Nekemte, and Qorahe.

Systemwide, a total of 17.29-million km. are flown.

The first of 30 Savoia-Marchetti SM-75 trimotors begin service on the European routes in 1938, which, late in the year, includes a new stop at Madrid. Two fatal accidents occur during the first half of the year. On February 16, an S.66 is lost in the Mediterranean (14 dead) and on May 1, while en route from Albania to Rome, an SM-83 crashes at Foggia. Nineteen aboard are killed in the latter tragedy and a cargo of gems worth \$1 million is (mostly) recovered.

During the last quarter, a de Havilland DH 89A Dragon Rapide is acquired for examination and, on November 19, the first of four

10-passenger SM-83s, a civilian modification of the SM-79 trimotor bomber, enters service.

The fleet in **1939** comprises a total of 113 aircraft, of which 57 are SM-73s/75s. Three new Macchi C-100 flying boats are received late in the year and enter service between Italy and Libya and also are used on a service from Rome to Lisbon via Cagliari and Barcelona.

Bruno Velani becomes operations manager before returning to the Regia Aeronautica from which he had been seconded. He will later become the carrier's last managing director and, in 1949, the first general manager of **Alitalia, S.p.A.**

On December 5, an SM-83 crashes into the Bavarian forest of Germany (three dead). Approximately 125,000 passengers are carried in this final year before the war.

A Macchi C-100, en route from Tripoli to Rome on March 18, **1940**, crashes in the Stromboli Islands (15 dead). When Italy joins World War II on June 10, the state carrier is employed to form the bulk of a new Regia Aeronautica transport unit, **Servizi Aerei Speciali**, which will not survive the conflict.

ALAIR: United States (1977–1978). Alair is established at Anniston, Alabama, in **1977** to provide daily roundtrip air taxi flights to Birmingham. Although Piper PA-31-310 Navajo frequencies are duly inaugurated, they cannot be maintained beyond **1978**.

ALAK (ANTIONERNAYA LIZINGOVAYA AVIA KOM-PANIYA): Leningradski Prospect Mira 37, Moscow, 125167, Russia; Phone 7 (095) 155-6789; Fax 7 (095) 151-9732; Code J4; Year Founded 1991. ALAK (the Joint Stock Leasing Company) is established at Moscow in **1991** under the leadership of General Director Boris A. Likhachev to supplement those **Aeroflot Soviet Airlines** divisions requiring additional aircraft. The company is provided with 3 Tupolev Tu-154Ms, 1 Ilyushin Il-76, and 12 Mil-8 helicopters.

When the aircraft are not out with Aeroflot, they are employed to undertake inclusive-tour charters, beginning in **1992**, on behalf of the nation's new holiday companies. Revenue flights are inaugurated to Turkey, Bulgaria, and Greece.

Operations continue apace in **1993** and, in **1994**, scheduled services are initiated between Moscow and Bratislava. Additional scheduled routes are opened in **1995–2000**; however, the fleet is cut back to include only the helicopters, 2 Tu-154Ms, and 1 Ilyushin Il-18.

ALAK AIR TAXI: P.O. Box 295, St. Petersburg, 192289, Russia; Phone 812-178-2725; Fax 812-178-2771; Code IC; Year Founded 1991. ALAK is set up at St. Petersburg in **1991** to provide charter passenger and cargo flights. By **2000**, Anatoly A. Khvoslovsky is president and he oversees the services provided by 1 each Antonov An-12, An-24, An-26, 2 Tupolev Tu-134As, and 2 Yak 40s. A Tu-154M is also owned, but is leased out.

ALAMO AIRWAYS: United States (1966–1968). Alamo Airways is set up at Las Vegas, Nevada, in **1966** to offer scheduled passenger and cargo roundtrips to Tonopah. Outfitted with a Beech 18 and Cessna 310, Alamo's services can only be maintained for two years.

ALAMO COMMUTER AIRLINES: United States (1979–1983). ACA is established at San Antonio's Stinson Municipal Airport in **1979** to offer scheduled daily passenger and cargo services to Eagle Pass, Laredo, Austin, Del Rio, and College Station. President Earl Wood's fleet comprises 2 Piper PA-31-350 Navajo Chieftains, 1 PA-31-310 Navajo, 1 PA-34 Seneca, and 1 PA-23 Aztec.

Unable to withstand either higher fuel bills or recession, the company is pushed into closure during **1983**.

ALAMO JET: Ft. Lauderdale Executive Airport, Ft. Lauderdale, Florida 33309, United States; Phone (954) 771-9511; Fax (954) 771-7159; Year Founded 1985. Alamo Jet is established at

Ft. Lauderdale's Executive Airport in **1985** to provide executive and small group ad hoc passenger services throughout the U.S., to Bermuda, and even on to Europe. Over the next decade, the company comes to employ seven full-time and six part-time pilots and operates two Learjet 55 Longhorns, both of which receive new livery in July **1996**. Service continues.

ALAS (ATLANTIDA LINEA AEREA SUDAMERICANA, S.A.): Uruguay (1978–1979). ALAS is formed at Montevideo in the fall of **1978** to operate all-cargo and charter flights to a variety of South American destinations. Employing a leased Canadair CL-44D, revenue flight operations are started in November. Unable to make a profit in the face of rising fuel prices, the new freighter entrant is forced stop flying in October **1979**.

ALAS AIRLINES, S.A. See ALAS DE TRANSPORT INTERNACIONAL, S.A.

ALAS CHIRICANAS (COMPANIA ALAS CHIRICANA, S.A.): Panama (1989–1996). Chiricanas is formed at the town of David in Chiriqui in late **1989**. Victor Manuel Mendez is named general manager and scheduled domestic and regional passenger and cargo services commence in **1990** with a fleet that grows to comprise 5 Embraer EMB-110P1 Bandeirantes.

By **1992**, there are 3 Bandeirantes, followed by 1 more in **1993**, along with a leased de Havilland Canada DHC-7-103. General Manager Mendez withdraws the Dash 7 in **1994** in favor of a fifth Bandeirante.

Just after takeoff from Colon on July 19 on a service to Panama City, an EMB-110P1 with 3 crew and 18 passengers, suddenly plunges into a wooded area some 5 mi. from the point of origin. There are no survivors and metal fragments later found in the wreckage suggest that the flight has been the victim of a bomb.

The fleet is reduced to 3 EMB-110s in **1995** and, late in **1996**, the company is acquired by **AeroPerlas (Aerolineas Pacifico-Atlantico, S.A.)**, which agrees to continue its operations.

ALAS DE TRANSPORTE INTERNACIONAL, S.A.: Dominican Republic (1989–1997). This company, also known as Alas Airlines, S.A., is established at Puerto Plata in **1989** to provide all-cargo charter services to Florida, plus Central and South America. Operations commence with 2 Douglas DC-8-55Fs and 1 DC-8-54F, all leased from the American concern Argo Air Associates.

Operations continue apace and, in **1992**, a DC-8-51F joins the fleet, also under charter from Argo Air Associates. When the new Miami-based freight operation **Fine Air** is established late in the year, the Argo leases pass to the newcomer, who maintains them with the Dominican carrier.

Make-up of the fleet changes in **1993**; Fine now provides 1 each DC-8-55F and DC-8-51F, plus 2 DC-8-54Fs. Transport services continue in **1994–1995**.

Alas elects to enter the passenger charter business in **1996**. After the B-767 scheduled to provide transatlantic service has hydraulic problems that force its grounding, the B-757-225, owned by the Turkish airline **Birgenair A.O.**, is wet-leased at the last moment to transport European tourists to and from the Dominican Republic, largely on behalf of the German tour operator Oeger Tours.

On February 6, Flight 301 for Gander, Berlin, and Frankfurt takes off from General Gregorio Lupero International Airport at Puerto Plata with 13 crew and 176 mostly-German passengers. Just after takeoff the jetliner crashes into the Atlantic Ocean; there are no survivors. The USN and NTSB assist and investigate, although their involvement is initially hobbled by a shortage of salvageable wreckage and dozens of missing bodies.

USN divers locate the "black box" flight recorders beneath the sea on February 15 and recover them on February 28. Dominican government officials announce the cause of the crash as a faulty airspeed indicator that had misled the crew into believing the aircraft had sufficient speed to maintain its altitude.

ALAS DEL CARIBE, S.A.: Dominican Republic (1967–1982). Alas del Caribe is founded at Aeropuerto Domestico Herrera in 1967 to provide scheduled lightplane shuttle services between Santo Domingo's two major airports, Herrera and Las Americas, with Britten-Norman BN-2 Islanders. A Curtiss C-46 Commando is employed during 1968–1969 to operate all-cargo charters.

By the 1970s, the fleet has come to comprise 3 Britten-Norman BN-2 Islanders and regularly scheduled commuter flights are also undertaken from Santo Domingo to Barabona, Dajabon, Puerto Plata, Sabana de la Mar, San Juan de la Maguana, and Santiago.

On December 22, 1971, a lone gunman attempts to take over an Islander en route from Santiago and Santo Domingo, but he is overpowered and subdued by the pilot and other passengers after the BN-2 lands at Dajabon for refueling.

On August 31, 1979 Hurricane David damages a DC-3 on the ground beyond repair at Santo Domingo. Unable to absorb higher fuel bills arising out of the world economic crisis of 1980–1981, the carrier ceases operations in 1982.

ALASA (AEROVÍAS LATINO AMERICANAS, S.A. de C.V.): Mexico (1945–1959). In 1945, William T. Churchill Morgan changes the name of his CAVSA (Comunicaciones Aereas de Veracruz, S.A. de C.V.). Operations continue apace with little fanfare in 1946–1951, except for November 13, 1946, when a Douglas DC-3 crashes near Mexico City (16 dead).

In 1952, an arrangement is made with ATSA (Lineas Transcontinentales de Aero-Transportes, S.A. de C.V.) for cooperative service; however, ALASA retains responsibility for a Villahermosa–Mexico City route initiated some years earlier. By 1959, the company has gone out of business, unable to compete effectively with the larger Mexicana Airlines, S.A. de C.V. that has now taken over ATSA.

ALASKA AERONAUTICAL INDUSTRIES: United States (1954–1986). AAI, originally founded in Anchorage in 1954 as a charter operation, signs a cooperative agreement with Western Airlines in October 1963. The company becomes a major Alaskan commuter airline in 1971 when, employing a mixed fleet of Beech 18s, de Havilland Canada DHC-2 Beavers, and DHC-6-100/200 Twin Otters, scheduled flights commence.

The initial Anchorage to Kenai route is expanded in 1972–1975 to include flights to Homer, Valdez, Kodiak, and McKinley National Park.

Operations continue without incident until 1976–1977 when two fatal accidents occur. On June 11, 1976, a Cessna 402 is lost at Summit Lake (2 dead). En route from Iliamna to Anchorage on September 6, 1977, Flight 302, a DHC-6-200 with 2 crew and 11 passengers, crashes into Mt. Iliamna; there are no survivors.

By the early 1980s, President Houton D. Haynes's fleet comprises 5 de Havilland Canada DHC-6-100 Twin Otters, 1 Embraer EMB-110 Bandeirante, and 1 DHC-2 Beaver. Scheduled passenger and cargo services are undertaken linking the company's base with Kenai, Homer, Sparrevohn, Cordove, and Valdez. Flights are also made to Denali and McKinley National Parks and charters are offered.

Enplanements in 1983 total 109,650. The company's fortunes tumble throughout 1984–1985 and operations cease on April 22, 1986.

ALASKA AIR GUIDES: P.O. Box 6989, Anchorage, Alaska 99502, United States; Year Founded 1954. AAG is organized at a base at Anchorage's Lake Hood in 1954 to offer passenger and cargo charter flights, contract services, and sight-seeing flights. These bush operations continue almost without change for the next 40 years; even the flight equipment is standardized on float-equipped Cessna 206s and de Havilland Canada DHC-2 Beavers.

The most unusual aircraft employed, and that only for a few years, is a float-equipped Pilatus PC-6B1 purchased from Fairchild in January 1967. Flights continue apace during the remainder of the decade and through the next, into the 1980s.

While transporting a party of hunters to remote Tutna Lake on August 18, 1985, a float-equipped DHC-2, with one pilot and three passengers, crashes into a 2,200-ft. mountain, 3 mi. from its destination; there are no survivors.

Over the next 15 years, Chairman D. Cogger's fleet consists of 2 Cessna 206s and 4 Beavers.

ALASKA AIR TAXI: 5045 Aircraft Drive, Anchorage, Alaska 99502, United States; Phone (907) 243-3944; Fax (907) 248-2993; <http://www.alaskaana.com/airtaxi>; Year Founded 1995. Alaska Air Taxi is established by Jack Barber at Lake Hood in 1995 to offer a wide variety of lightplane transportation and recreational services. Charters are flown on behalf of hunters, fishermen, flight-seers, as well as those needing delivery of freight and special cargo. Operations begin and continue with 1 each Cessna 206, C-185, and de Havilland Canada DHC-2 Beaver, all of which are float-equipped.

ALASKA AIR TRANSIT: 1000 Merrill Field Drive, Anchorage, Alaska 99501, United States; Phone (907) 276-5422; Fax (907) 276-5400; Year Founded 1985. AAT is set up at Merrill Field in downtown Anchorage in 1985 to offer air taxi and passenger/cargo charter services. Over the next decade and more, the company engages in sight-seeing tours and on-demand charters, the latter for corporate and government personnel, as well as tourists. Specialized flights over the Mt. McKinley and Columbia Glacier area are operated, along with camera flights for those desiring to photograph the area's wildlife.

The fleet in early 1999 includes 1 each Cessna 206 and Piper PA-31-350 Navajo Chieftain.

ALASKA AIR TRANSPORT: United States (1935–1939). With the idea of beginning his own airline, Alaskan bush pilot Sheldon B. "Shell" Simmons, in April 1935, obtains backing from Juneau business leaders Tom Morgan, Dr. W. W. "Bull" Council, Dan Moller, Joe Meherin, Grover Graham, and Tom McCall.

Simmons, who has obtained a wrecked Stinson SM-2A floatplane from defunct Panhandle Air Transport Company (PATCO), has his plane rebuilt in Seattle and, after christening it the *Patco*, uses it in July to begin Alaska Air Transport, a charter and contract service for passengers and cargo based in Juneau.

Additional pilots are hired and the fleet is enhanced in the summer of 1936 by the addition of an unnamed Fairchild 71, a Bellanca CH-400 Skyrocket floatplane, the *Totem*, and a Lockheed Model 5 Vega, christened the *Nugget*. The latter aircraft was the sole equipment of local competitor Irving Airways and its acquisition puts Wilbur "Wing Ding" Irving out of business. All of the aircraft are painted in a yellow and blue livery designed to enhance visibility.

Nonscheduled cargo and passenger services continue, as A.A.T. becomes the first commercial operator in southeast Alaska to offer year-round services. Despite competition from Marine Airways, Simmons's operation prospers, primarily because of its CEO's "go anywhere, anytime" approach.

During the year, Simmons generates well-earned publicity when he locates a honeymooning couple, the Almosolinos, after their Curtiss Robin crashes in Princess Bay off Behm Canal. Two float-equipped Lockheed Model 5 Vegas and another Fairchild 71 are acquired in 1937.

In June 1938, the Pacemaker *Totem* is lost when its Juneau hangar burns down. In late fall, the Fairchild is lost and Simmons is badly injured when a fuel stoppage causes the aircraft to crash in the water off Chichagof Island. Bleeding badly, the pilot first rescues his five passengers before seeking aid. The injury will require plastic surgery at the Mayo Clinic in Minnesota. Released, Simmons returns to the management of AAT wearing a face mask.

Flying a Vega, the masked Simmons participates in the December rescue of seamen stranded near the grounded freighter *Patterson* at Cape Fairweather, northeast of Juneau. In his most famous exploit, he air-drops food and supplies to the survivors' nearby camp until the Coast Guard can complete its rescue.

On May 27, 1939 the carrier is merged with rival Alexander Holden's **Marine Airways** to form **Alaska Coastal Airlines**.

ALASKA AIRLINES: P.O. Box 68900, Seattle, Washington 98168, United States; Phone (206) 433-3200; <http://www.alaskaair.com>; Code AS; Year Founded 1944. Linous "Mac" McGee forms this airline's ancestor, **McGee Airways**, with pilot Harvey W. Barnhill in the spring of 1932 to provide Stinson SM-8A floatplane service between Anchorage and Bristol Bay, Alaska. A second Stinson is acquired in 1933, allowing the operation of charter operations to bush destinations.

In 1934, McGee merges with **Star Air Service**, creating, with 22 aircraft, the largest airline in the territory; he serves as general manager.

Following the purchase of Alaska Interior Airlines in 1937, the company is reorganized by Donald Goodman and incorporated as **Star Air Lines** (SAL); its fleet is upgraded by the addition of Stinson Model A Tri-Motors and Bellanca Skyrockets. Mac McGee now finds the enterprise too large for his taste and sells out to Donald Goodman before leaving to open a liquor store.

A number of local mail contracts are acquired in 1938. In 1939–1941, SAL becomes the largest operator in Alaska; its fleet is increased to 15 aircraft and its routes and radio stations extend throughout the Yukon and Kuskokwim deltas to Bristol Bay.

A CAB operating certificate is received on December 5, 1942. Many of the most coveted routes are awarded; however, the major service to Seattle is given to **Pan American Airways (PAA)**. The northland carrier purchases **Mirow Air Service**, **Pollock Airlines**, and **Lavery Airways** on November 10, 1943 and is renamed **Alaska Star Airlines**.

Raymond W. Marshall now becomes chairman. The fleet comprises a variety of types, including the Stinson Tri-Motors, a Bellanca Pace-maker, Stinson SR Reliants, Lockheed Vegas, and its first modern airliner, a Lockheed Model 18 Lodestar.

The carrier now begins regular flights between Anchorage and Fairbanks via McGrath and Seward, over the mail route contributed to the merger by Lavery. The company continues to grow, despite a shortage of workers during the war, feuds with the CAB, and cash troubles that become so significant that employees are paying for fuel out of their own pockets. Alaska Star Airlines is reincorporated as Alaska Airlines on May 2, 1944.

By 1945, the carrier has been certified for 6,000 route miles in Alaska Territory, which it flies with a 50-ship fleet of mixed aircraft types, including new Douglas DC-3s and single-engine Noorduyt Norsemen. This network represents more than 75% of all air-traffic volume in the territory.

On June 6, 1946, a DC-3 arrives at Washington, D.C. with Governor Gruening and other VIPs aboard on the first commercial flight from the territory. A pair of ex-military C-54s are acquired from **American Airlines** and converted to civil DC-4 standard.

Raymond Marshall signs a management contract with James A. Wooten in June 1947, and turns direction of his carrier over to the new president. A DC-3, with 29 aboard, crashes into an automobile on a highway at Seattle on July 24 while attempting an emergency landing (6 dead). Charter operations still overshadow scheduled service, and Alaska now becomes the largest charter operator in the world.

On November 30, Flight 009, a C-54A with 3 crew and 25 passengers, is lost while landing on a wet runway at Seattle-Tacoma Airport; 1 crew member, 7 passengers, and 1 person on the ground are killed.

Many of the company's war-surplus aircraft fly a large variety of non-scheduled operations. For example, company aircraft fly food during the Berlin Airlift of 1948, and also fly refugees to the settlement of Israel. In September, however, the company recalls its planes from Germany to provide emergency Alaska-Seattle services.

On January 21, 1949, a DC-3 en route from Homer to Anchorage crashes (4 dead). A C-46F with 4 crew is lost at Asmara, Ethiopia, on January 26; although the aircraft must be written off, there are no fatalities.

Later in the year and into 1950, the carrier becomes the first to land Douglas DC-4s on North Slope ice runways and the first to fly a DC-4

to T-3 "Ice Island." Under CAB mandate, the carrier ends its far-flung charter business. Furthermore, nonscheduled flights to the contiguous United States are limited to eight per year.

In 1950, Alaska Airlines acquires two more small rivals, **Al Jones Airways** and **Alaska Airmotive Company**. On August 23, it signs a contract with the USN to transport men and supplies from Seattle to Kodiak and the Aleutians. The end of the company's civil charter program is fortuitous because, as the result of a CAB route award on May 24, 1951, the airline is able to inaugurate scheduled DC-4 flights from Fairbanks and Anchorage to Seattle under temporary authority on August 17. A company DC-4 makes the first commercial flight over the North Pole in December.

In 1953, a CAB-sponsored voting trust is established to help principal shareholder Raymond W. Marshall and the company avoid account irregularities then being experienced.

A DC-3 with two crew is lost near McGrath, Alaska, on August 8, 1954; there are no survivors. A DC-3 crashes near Cape Nome on October 3, 1956 (5 dead).

A C-54B with three crew and two passengers smashes into a hill 6 km. W of Blyn, Washington, on March 2, 1957; there are no survivors. Charles F. Willis Jr., former White House aide to President Dwight D. Eisenhower and founder of the cargo airline **Willis Air Service**, purchases most of chairman Marshall's interest and becomes chairman/president in May. The CAB, satisfied that the carrier's finances are in order, ends the voting trust and, in August, grants a permanent Fairbanks-Seattle route certificate.

Early in 1958, Alaska applies for permission to begin service to Irkutsk in the Soviet Union. The first pressurized aircraft, a DC-6, is delivered and begins service from Fairbanks to Seattle on April 25. On its inaugural flight the aircraft's stand-up bar is tended by Chairman Willis and his wife plays its piano. "Golden Nugget" service begins on that route, now extended to Anchorage, on August 4. In late summer, a group led by Willis purchases 200,000 shares of stock from Marshall. At year's end, the fleet comprises 20 aircraft, including 1 DC-3, 2 DC-4s, 2 DC-6s, 3 Curtiss C-46s, and a dozen miscellaneous lightplanes.

Also during the 1950s, the carrier's aircraft supply DEW Line construction sites for the Federal Electric Company and ferry passengers and cargo from Seattle to Amchitka Island in the Aleutians for the Holmes and Narver Company as well as the Atomic Energy Commission.

Unable to finance a big jetliner order, Alaska, in 1960, orders a single machine from the Convair division of General Dynamics. The company's bush operations are awarded by the CAB to **Wien Alaska Airways** and a four-year "commuter run"—Philadelphia to Fairbanks to Philadelphia—is inaugurated for RCA Corp. during construction of the latter's BMEWS (Ballistic Missile Early Warning System).

Coming in off a ferry flight, a leased C-118A (military DC-6A) with four crew, crashes short of the runway while landing at Elmendorf AFB at Anchorage on February 22; although the aircraft must be written off, there are no fatalities.

A Beech 18 is destroyed in a crash landing in heavy winds at Northeast Cape on August 10; fortunately, no injuries are reported.

The airline's first turbojet, a Convair CV-880, is delivered during the summer of 1961. On July 21, a DC-6A en route from California to Japan, crashes while on approach to Shemya, Alaska, killing its 6-man crew.

The CV-880 is placed into service on the Seattle to Anchorage via Fairbanks "Golden Nugget" route on August 30. Marketing of the service is heavy and even flight attendants are involved, dressing in Gay Nineties and Russian Cossack costumes.

By the summer of 1962, the single jet aircraft has captured 64% of all long-haul traffic flown between the three northwest cities. The captain of a taxiing Beech 18, with five passengers aboard, fails to see and avoid parked aircraft at Clear AFB, Alaska, on July 5 and crashes into them; although no one is hurt, several aircraft, including the Beech, are damaged.

During the year, two Lockheed L-1649A Starliners are chartered from **Trans World Airlines (TWA)** for use on military charters and an L-1049H Super Constellation, formerly operated by **Qantas Empire Airways (Pty.), Ltd.**, is chartered from Lockheed.

In December, Alaska signs a seven-year support and management contract with **Air Guinee (Compagnie Nationale Air Guinee, S.A.)**.

A small Alaskan contingent arrives at Conakry, Guinea, at the beginning of **1963**, along with a pair of Douglas DC-4s that have been purchased from the American carrier. The arrangement with **Air Guinee (Compagnie Nationale Air Guinee, S.A.)** is cancelled on June 30; the entire \$700,000-debt owed to the American carrier is paid by the U.S. Agency for International Development. The **Trans World Airlines (TWA)** Starliners are both purchased on December 31.

With corporate irregularities having appeared to resurface during the previous year, the CAB, on March 23, **1964**, forces certain directors off the board due to their continuing interlocking relationship with Raymond Marshall. In May, an L-1049H is chartered from **World Airways**. Two (later three) Boeing 727-90Cs are ordered for the seven-plane fleet late in the year and the RCA BMEWS contract is completed.

Airline employment is 378. Enplanements are 95,940 and 11.61 million FTKs are flown. Revenues are \$9.97 million.

The workforce in **1965** grows to 417. On March 8, Alaska Airlines becomes the first commercial operator of the Lockheed 382 Hercules freighter and the first to fly it (with drilling rig cargoes) to the North Slope (for Atlantic Richfield). Also during the month, a third L-1649A is purchased from **Trans World Airlines (TWA)**.

In May, orders are placed for two more Lockheed freighters to replace the initial (leased) unit; however, these requests are soon cancelled. By CAB order, the direct Seattle to Fairbanks route is suspended. Simultaneously, the government grants the company authority to operate jetliners nonstop from Anchorage to Seattle via Fairbanks.

Passenger boardings during the 12 months swell to 136,709.

The cancelled Lockheed 382 requests are revived later in **1966**. The CV-880 is sold during the fall, shortly after the first B-727-90C is delivered. It will be reported that the negotiations leading to the change from Convair to Boeing have been helped along with large deliveries of liquor over many months and that the initial draft order had been signed on the back of a dress shirt.

Customer bookings total 146,000.

The employee population in **1967** stands at 822 and the fleet now includes 2 B-727-90Cs, 3 L-382s, 1 leased L-1049H, and 2 L-1649As. The latter 2 pistonliners are withdrawn from regular service, although 1 will remain available for cargo charters. A B-727-93C remains out on order.

Merger discussions open with **Alaska Coastal Airlines** in March and are concluded during the summer. Meanwhile, the airline is the first to obtain FAA certification to land its B-727-90Cs on gravel runways; the first such landing occurs at Sitka on March 29.

At Kotzebue on April 17, the flight deck personnel of the chartered L-1049H, with 4 crew and 28 passengers, fails to put the landing gear down. The Super Constellation is forced to make a belly landing; there are no fatalities, but the aircraft must be written off.

To add additional lift, a single CV-990A Coronado is purchased in May from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. Alaska is the only airline in history to own and operate both the CV-880 and CV-990A.

On May 29, the B-727-90Cs take over the difficult Anchorage to Kotzebue route from the Starliners.

In accord, officials of Alaska and **Alaska Coastal Airlines** receive their stockholders' approvals and CAB permission for integration in September. On December 7, the government allows the company to purchase and merge **Cordova Airlines**, a move that will be executed the following February.

For the year, 217,699 passengers are flown and 5.58 million freight ton-miles are flown.

In March **1968**, President Lyndon Johnson approves the integration of Alaska Airlines and **Alaska Coastal Airlines**, which occurs from an exchange of stock on April 1. This expansion permits Alaska Airlines to extend service to almost every community in south central and southeast Alaska (94% of the state's populous areas) and requires

the purchaser to maintain the regional's routes until 1973. Sheldon "Shell" Simmons and Robert Ellis begin a decade of service on Alaska's board of directors.

Difficult to maintain, the Coronado is leased for 12 months to the Ecuadorian airline **AREA (Aerovias Ecuatorianas, S.A.)**. The last Starliner freighter is withdrawn in September and sold to **Red Dodge Aviation** for use as a bulk fuel-hauler; the third B-727-90C is acquired in the fall. The employee population numbers 1,092.

Passenger boardings jump 18% to 398,000. The number of freight ton-miles flown increases to 19.85 million. Revenues are \$26.26 million.

The fleet in **1969** is actually 6 aircraft smaller than it had been a decade earlier; however, capacity is significantly higher as provided by 6 B-727-90Cs, 3 L-382s, and 5 smaller types, e.g., de Havilland Canada DHC-6-100 Twin Otters. The CV-990A is sold to **Modern Air Transport** upon its return from Ecuador and, in anticipation of the receipt of long-haul routes to Europe, an option is taken on a B-747-100 Jumbojet.

All three of the Starliners are now sold to the Prudhoe Bay Oil Distributing Company, which will employ them to haul freight to northern Alaska. During the year, the company participates in the development and promotion of the Alyeska Ski Resort and takes over management of a fishing resort.

The workforce is 1,146 and enplanements for the 12 months total 469,614.

The employee population declines 13% in **1970** to 1,014 and a B-727-193 is leased from **Air West (1)**. For \$384,500 in notes, the airline acquires the North Star Hotel in Nome during April. The pioneer becomes a unique international carrier when it begins charter flights over the Bering Sea to Khabarovsk, Siberia. From there, **Aeroflot Soviet Airlines** carries enplaned travelers on to Leningrad.

The inaugural flight of this new "Golden Samovar" tour series is delayed for 4½ hours at Tokyo on June 8 when its pilot is advised that Khabarovsk Airport is closed. Permission to land is granted later in the day and the group of American travelers is given an honored welcome in that Siberian city before boarding an **Aeroflot Soviet Airlines** airliner to continue their Soviet visit.

When the air tour pioneers return from Khabarovsk, they receive a bonus when their Boeing 707-321, leased from the U.K. carrier **Donaldson International Airlines, Ltd.**, circles the North Pole. The company is now the predominant carrier in the 49th state. The beginning of the Russian service brings an end to "Golden Nugget" service and the system-wide inauguration of "Golden Samovar" service. Also in June, the assets of the Alyeska Ski Corporation, a resort, are acquired.

Passenger boardings climb 5.7% to 498,000 and freight ton-miles increase by 30.1% to 8.7 million.

On September 4, **1971**, the worst single aircraft disaster in U.S. aviation history to date occurs. Flight 1866, the chartered B-727-193 with 7 crew and 104 passengers en route from Anchorage to Seattle, crashes into the Chilkoot Mountains, 30 miles east of Juneau, while on a landing approach to Juneau Municipal Airport; there are no survivors.

Late in the year, Ronald F. Cosgrove and Bruce Kennedy of the Alaska Continental Development Company purchase significant shareholdings, giving the former a seat on the board of directors. Due to the adverse publicity caused by the crash, rising fuel prices, and recession, customer bookings drop sharply, down to 361,790. Debt, on the other hand, has grown alarmingly.

The workforce in **1972** is 842. New emphasis is now placed on improved customer services as the CAB in February grants exclusive authority for service within southeast Alaska. Simultaneously, the Voyager Hotel in Anchorage is purchased.

On April 17 in Seattle, an assailant claiming to have a pistol and who is, in fact, unarmed, shoves his way aboard Flight 1861. Before the B-727-90C departs for Anchorage, the man is overpowered and turned over to police. Upon examination, he will be found mentally unstable and will be sent to a psychiatric facility for a year.

Several years of financial difficulty culminate in a management change on May 12. Board member Ronald F. Cosgrove is appointed

acting president, succeeding Charles F. Willis Jr. Eight accident-free years of Hercules operations are completed on the North Slope and, more important for most shareholders, cost-cutting measures, such as staff reductions and the elimination of unprofitable routes, begin to reverse the fiscal problems.

During the summer, the last of approximately 30 roundtrip charter flights begun in 1970 are completed between Anchorage and Khabarovsk, Siberia. Permanent authority for Moscow and Leningrad is denied when the governments of the U.S. and Soviet Union begin to wrangle over reciprocal air services, and flights to the U.S.S.R. end. In September, the Golden Nugget Motel in Anchorage, along with Alaska General Properties, Inc., are purchased.

Passenger boardings accelerate 39.5% to 598,000 and freight ton-miles flown jump 58.1%. Revenues are \$38 million and a net \$2.5-million loss must be absorbed.

The employee population in 1973 numbers 1,045 and a new color scheme is unveiled. In addition, four new tail liveries (confusing for the public, it turns out) are introduced: Eskimo Alaska, Russian Alaska, Gold Rush Alaska, and Native Alaska.

In the fall, the former routes of **Alaska Coastal-Ellis Airlines** are discontinued and the carry-over fleet of Grumman G-21 Geese and Consolidated PB-5A Catalinas is sold. At this point, former Alaska Coastal-Ellis partner Benjamin "Ben" Benecke, who has held a number of top posts with Alaska Airlines since transferring over in 1968, becomes Alaska Airlines president.

Customer bookings drop 8.7% to 546,000 and a total of 12.6 million freight ton-miles are operated, off 35.6% from the previous year. Although income declines to \$36.6 million, a net profit of \$415,857 is achieved, the first such positive income since 1969 and the first of 17 consecutive years of profitability.

A total of 142 new employees are hired in 1974. The fleet now includes 11 aircraft, including 5 B-727-90s and 4 leased B-720Bs. An interchange agreement is arranged with **Braniff International Airways**; employing Braniff flight crew and a B-727-227, service to Alaska is initiated from Houston to Seattle via Dallas (DFW). At Seattle, Alaska Airlines takes over and flies the jetliner on to Anchorage and Fairbanks. Merger discussions begin with **Wien Air Alaska** and the Voyager Hotel is sold.

Enplanements climb 13.7% to 621,000 and FTKs flown jump 40.3% to 17.71 million.

The workforce in 1975 is 1,352. The planned merger with Wien is dropped as the Alaska pipeline generates significant amounts of new business. Petitions are laid before the CAB requesting nonstop authority from Anchorage to Denver and between Fairbanks and Anchorage and San Francisco and Los Angeles. Not only are these plans rejected but also the regulators force the carrier to cease service to cities in northwestern Alaska, including Nome.

The Alyeska Resort and the Golden Nugget Motel are now sold and the fleet standardization program is completed with Alaska now operating 9 B-727-93Cs exclusively. Former **United Airlines** and IATA executive Raymond J. Vecchi joins the company during the year; he will eventually become CEO.

Passenger boardings jump 25.8% to 780,386 and FTKs flown increase by 11.5% to 19.75 million. Revenues generated reach a record \$66.6 million and grant a \$6.1-million net profit.

The employee count is lowered 5% in 1976 to 1,284. The fleet comprises 6 Boeing 727-90s and 4 B-727-90Cs. Upon his retirement, President Benecke is succeeded by board member Cosgrove. Benecke does, however, retain his seat on the board of directors.

Orders are placed for two B-727-290s and a new livery, employing the state's blue and green colors, is adopted for the jetliners, with the Eskimo Alaska tail livery being retained. Scheduled destinations visited include Seattle, as well as the intrastate communities of Fairbanks, Juneau, Ketchikan, Sitka, Anchorage, Yakutat, Cordova, Glacier Bay, and Valdez. Charters, most notably those with the Hercules freighters, are undertaken and several subsidiary companies are purchased, including the Alyeska Ski Resort.

Unable to execute a go-around escape from a potential bad landing at Ketchikan after an April 4 service from Juneau, Flight 60, a B-727-81 with 7 crew and 50 passengers, is unable to gain takeoff. The Boeing overruns a wet runway, crosses a gully and service road, hits an antenna array support building, and comes to stop in a ravine (1 dead).

The remaining Twin Otters are withdrawn in midyear and the fleet now consists solely of jets. The Boeings now commence service to the communities of Wrangell and Petersburg. Flight attendants briefly walk out, beginning on September 27, and an application is made to the CAB for the inauguration of an Anchorage to Chicago route.

Customer bookings grow by 1.4%, but still deliver record enplanements of 782,499. Cargo is down, however, by a substantial 41.8% to 11.49 million FTKs. A net profit of \$7.6 million is earned on total revenues of \$69 million.

In 1977, airline employment stands at 1,500. During hearings on airline deregulation held in the U.S. Senate, Alaska is one of only three airlines to support the proposition. In the fall, the company secures what will become a long-term charter contract to fly the Seattle Seahawks to all of the club's away football games.

Enplanements are 848,444. A \$3.51-million net profit is made on total income of \$76.51 million.

The number of employees is decreased 2.7% in 1978 to 1,301. Alaska Airlines wins CAB approval to expand its route system to additional cities in the contiguous United States. Board member Bruce Kennedy succeeds Ronald Cosgrove as president/CEO.

Meanwhile, the airline records an 11.3% rise in passenger boardings to 956,532 while freight traffic grows by 5.2% to 11.98 million FTKs. Overall revenues advance 10.8% to \$83.5 million and expenses are \$76.94 million. This happy imbalance results in an operating profit of \$5.55 million and an incredible 111.8% growth in net profit to \$7.2 million.

The workforce is increased 8.8% in 1979 to 1,326. With the addition of the two ordered Boeing 727-290s, it inaugurates service to San Francisco and Portland in the spring. In Alaska, flights are offered to 10 cities. Simultaneously, a hard-fought battle to take over longtime rival **Wien Air Alaska** is lost. Bruce Kennedy now becomes chairman/CEO.

Traffic for the year rises 8.7% as 1,039,145 passengers are transported and freight increases by 13.6% to 13.6 million FTKs. Revenues advance 16.9% to \$97.59 million, but expenses leap 27.5% to \$98.12 million. The operating loss is \$533,000 and only the sale of 2 B-727-90s account for the company's \$3.37-million net profit.

The employee population is elevated by 3.7% in 1980 to 1,375. Two more B-727-290s are acquired and routes are opened to Kotzebue, Nome, Kodiak, and Palm Springs, California.

Passenger boardings rise 4.3% to 1,084,000 and a total of 27.17 million FTKs are flown. Financially, the year is good. Operating revenues rise 34.3% to \$131.08 million and, at \$128.95 million, expenses do not exceed income. An operating profit of \$2.13 million and \$5.12 million in net income are reported to shareholders. Under the CAB's reclassification schedule, Alaska Airlines is reclassified as a national carrier.

The number of employees is boosted again in 1981 by 20.4% to 1,715 as the company's fortunes dramatically rise. With the arrival of 3 B-737-290Cs and 2 more B-727-290s, frequencies are initiated to the California cities of Ontario, Burbank, Glendale, and Pasadena. Officials are able to raise \$20 million in new equity capital and Alaska Airlines commits itself to participation in the development of its state's North Slope resources by opening a route to Prudhoe Bay (servicing it from Deadhorse Airport) and constructing \$3.7-million worth of facilities at Deadhorse.

Passenger traffic jumps 22.8% as 1,324,000 passengers are carried; cargo does slightly better, climbing by 28.2% to 23 million FTKs. Overall revenues rise 39.6% to \$183 million, expenses increase only 33.2%, and a net profit of \$7.67 million is banked—the largest in the carrier's 49-year history to date—atop an \$11.3 million operating profit.

Hiring continues in 1982 as the workforce jumps 21.2% to 1,912; the fleet now includes 2 B-727-90s, 4 B-727-90Cs, 7 B-727-290s, and

3 B-727-290Cs. Alaska Airlines celebrates its fiftieth anniversary throughout the year.

In April, an aircraft and passenger interchange service is introduced with **American Airlines** that links Anchorage and Fairbanks with Houston and Dallas (DFW) via Seattle using the major's B-727-223s; the arrangement succeeds a similar deal with **Braniff International Airways**, which is about to collapse. Prudhoe Bay, Ontario, Burbank, and Long Beach are also added to the growing route network.

Boardings increase another 17.6% to 1,557,000 and freight doubles that percentage, jumping 32.6% to 30.58 million FTKs. Revenues escalate 28.6% to \$235.4 million and expenses grow 24.57% to \$214.1 million. The operating profit is \$21.27 million and another record net profit (\$10.56 million)—the 10th consecutive gain—allows the airline to sell an additional 1.5 million shares of its common stock in the equity market.

The payroll is increased another 20% in **1983** to 2,300.

The upward pace continues as Kodiak, Spokane, Oakland, and San Jose are brought into the route system. With an order for 6 and options for 3, Alaska becomes the launch customer for the McDonnell Douglas long-range DC-9-83 (MD-83). After 40 years on the American Stock Exchange, company shares are first traded on the New York Stock Exchange.

Passenger boardings spiral up by 26.4% to 1,967,553 and cargo jumps 4.8% to 45.11 million FTKs. Revenues accelerate 20.23% to \$282.98 million, costs advance 20.30% to \$257.57 million, and operating income swells to \$25.41 million. A third consecutive year of record profits is seen in the net income of \$15.72 million.

Employment booms upward by 14.6% in **1984** to 2,663 and 2 B-737-210s are acquired by purchase from **Wien Air Alaska**. A B-727-290, with 28 aboard, returns to Jackson International Airport on February 10 after one of the plane's three engines fails on takeoff; no injuries are reported.

An arrangement is entered into with the charter operator **ERA Aviation** under which it will become a unit of the Alaska Airlines Commuter Service and provide scheduled flights to villages in western Alaska from a base at Bethel.

In August, a B-727-2Q8 is tasked to become the official team plane of the Seattle Seahawks professional football team. Seahawk 1 titles appear on the aircraft's center engine duct and the head of a sea hawk emerges from the forward end of the fuselage window cheatline. Unique among dedicated sports team aircraft, the Alaska aircraft is initially kept in regular service when not required for team lift; team seating charts are made public and fans eagerly attempt to book the same seats assigned to favorite players. During the fourth quarter, flights are launched to Boise, Idaho.

On the year, traffic swells 29.6% to 2,551,000 and freight does nearly as well, being boosted 25.6% to 38.86 million FTKs.

The Seattle-based carrier posts its twelfth consecutive profitable year in a row, helped significantly toward Christmas by the demise of **Wien Air Alaska**. Revenues jump 30.9% to \$370.48 million, expenses are kept in check at \$342 million, and stockholders learn of yet another landmark net profit: \$25.9 million, which comes atop an operating gain of \$28.42 million.

The payroll grows by 23.9% in **1985** to 3,300. Early in January, the first of six MD-83s (from an order for nine) to be delivered to the launch customer during the year comes on line and begins service in March. Meanwhile, some 650 mechanics from the International Association of Machinists and Aerospace Workers (IAM) strike for 59 days, beginning on March 4.

A slot is taken at Phoenix Airport in April, from whence flights begin to Tucson. The mechanics job action is settled by a mediated agreement on May 4.

On September 3, B-727-290 service is initiated between Spokane, Pasco, and Los Angeles via Portland. Six used B-727-210s join the fleet in the fall and a new maintenance hangar is occupied at Seattle.

During the year, Raymond Vecchi and **MarkAir** President Neil Bergt, a one-time bush pilot, enter into a mutual-toleration pact. Under its terms, the two will feed passengers into each other's flights on routes

from Anchorage to Dillingham, Dutch Harbor, Kodiak, and King Salmon. The arrangement, which will last for just over five years, funnels Alaska passengers onto **MarkAir**, which, in turn, pays a portion of each fare to the Seattle-based company. The two will continue to compete for passengers and cargo between Anchorage and Fairbanks, Bethel, and Prudhoe Bay.

Despite the mechanics strike, Alaska's passenger traffic climbs 22.8% to 3,132,000 passengers boarded; freight, however, is off by 3.9% to 37.32 million FTKs. Revenues ascend 19.2% to \$443.71 million, costs climb 22.7% to \$419.63 million, and the operating profit is \$24.08 million. Net gain reported is another record, \$26.09 million.

Airline employment rises 3% in **1986** to 3,400 as Alaska Air Group, incorporated under Delaware law on the first day of the year, is formed as a holding company for the airline, which now becomes the principal subsidiary. Also in January, the company agrees to pay \$300,000 to settle safety violation fines levied by the FAA.

Low traffic volume and high operating costs bring about a cancellation of flights to Las Vegas on July 31.

On September 30, the Long Beach-based national **Jet America Airlines** is purchased and will be a \$32-million amalgamation, to be completed the following October 1 upon receipt of government approval for the takeover. Jet America's 14 slots at Chicago (ORD) and four at Washington, D.C. (DCA) are sold as surplus to **United Airlines** for \$10.5 million; the three at Long Beach and two at Orange County are retained. All 8 MD-82s are retained, along with 100 former **Jet America Airlines** pilots, who agree to accept positions on the bottom half of a two-tier wage structure.

The Seattle-based regional **Horizon Air Industries** is acquired for over \$60 million in December as a sister carrier, operated as an Alaska Air Group subsidiary; former Alaska Vice President John Kelly is named Horizon's president. Late in the year, **San Juan Airlines** attempts to negotiate a 50% sale of its holdings to the national.

Customer bookings jump 15.4% to 3,612,654 and cargo rebounds, up 7.6% to 40.14 million FTKs. Revenues swing upward by 3.1% to \$446.4 million, costs climb 1.7% to \$408.5 million, and the operating profit is ahead by \$6 million to \$37.9 million. Net gain, however, falls off to \$17.4 million.

Negotiations for a 50% purchase of **San Juan Airlines** end just after New Year's, **1987**. Five-times-per-day flights from Seattle to San Diego begin in January; two are nonstops while one visits Los Angeles en route.

En route from Seattle to Anchorage on March 7, Flight 93, a B-727-290 with 109 passengers, is subjected to an unsuccessful hijacking by a Cuban exile; members of the crew and several passengers overwhelm him.

A bald eagle drops a large fish onto a B-727-290 in flight on April 1, causing the jetliner to land at Yakutat to be inspected for damage.

While taxiing an empty B-727-90C at Anchorage on June 9, one of two mechanics accidentally deactivates the brake pressurization system, causing the trijet to run into a passenger jetway and catch fire. The mechanics are able to escape before the trijet is burned out.

Employing a B-737-210C, the company initiates overnight, all-cargo service five days a week between Seattle and Juneau in September. It also quadruples its fall schedule of frequencies between Southern California and the Bay area.

Integration of **Jet America Airlines** into Alaska Airlines is completed on October 1, and the resources of the ex-airline are deployed on the U.S. West Coast. Low traffic leads to a November cessation of B-727-290 service from Pasco to Seattle, which is picked up by **Horizon Air**; simultaneously, thrice-daily nonstop MD-82 frequencies are launched from San Jose to Burbank.

Alaska enjoys another successful year as passenger boardings climb 9.7% to 3,965,000 and freight grows by 18.3% to 52.16 million FTKs. Revenues advance 13.5% to \$541.87 million, expenses rise 13.4% to \$504.17 million, and the operating profit jumps by five million dollars to \$37.01 million. The net profit doubles to \$32.47 million.

Airline employment grows 6.6% in **1988** to 4,600 as the company wins special notices for the quality of its in-flight services.

Fares in the San Francisco Bay Area–Los Angeles basin market are cut by 28% in January; in February, the carrier files with the DOT and the Soviet government for permission to operate from Nome to Provideniya, 230 miles across the Bering Sea in Siberia.

Emphasis is placed on improving West Coast and Mexican operations and, in July, the carrier becomes the official airline of the California theme park Knott's Berry Farm.

Increased market share is achieved as are higher average fares. With technical support from **Bering Air**, the carrier mounts a Bering Land Bridge expedition to Anadyr in the U.S.S.R. during the summer; the B-727 "Friendship Flight I" is completed between Nome and the town of Provideniya. Daily service is started on September 6 from Seattle to San Francisco–Los Angeles–Los Cabos, the latter point servicing the resort communities of San Jose del Cabo and Cabo San Lucas.

Alaska Airlines and **Trans World Airlines (TWA)** become partners in each other's frequent flyer programs in November, allowing participants in either program to earn mileage toward awards in both. On December 1, daily flights commence from Seattle to San Francisco to Los Angeles and down to Puerto Vallarta and Mazatlan.

Customer bookings balloon 22.8% to 4,867,555 and cargo rises 17.4% to 59.38 million FTKs. Income exceeds costs and brings record profits. Revenues total \$708.85 million, a 15.51% increase, while costs are up 10.08% to \$646.9 million. Operating income moves ahead to \$61.94 million, as net gain climbs to \$37.6 million.

The workforce is increased by 18.7% in 1989 to 5,571 and the fleet now includes 8 owned and 12 leased MD-82/83s, 3 owned and 4 chartered B-737-200s, 1 leased B-727-100, and 1 owned plus 25 chartered B-727-200s. Orders are outstanding for 14 MD-82s, and 2 MD-83s.

In January, the carrier and **Northwest Airlines** become partners in each other's frequent flyer programs. Alaska becomes the first airline in the world to manually land a passenger-carrying jetliner (B-727-290A) in FAA Category III weather (dense fog) using a head-up flight guidance system. Also this month the company acquires two important pieces of property. One is a 70,500-sq.-ft. office in Phoenix, purchased for \$3.8 million and refurbished into a regional reservations center. The second is a 59,000-sq.-ft. maintenance facility at Oakland, leased for a decade.

In April, Alaska is one of five Alaskan air carriers subpoenaed by the U.S. Justice Department to provide information in an investigation of possible antitrust violations in the airline industry. Together with **Peninsula Airways**, **Frontier Flying Service**, **Ryan Air Service**, and **Reeve Aleutian Airways**, Alaska is required to supply documents (dating back to January 1, 1984) to a May 9 grand jury session or forward them directly to Washington. Although the airline subpoenas do not name a target, the May 6 issue of the *Anchorage Daily News* reports the subject is **MarkAir**.

In May, flights commence from Seattle and San Francisco to Guadalajara and Acapulco. As a supplement to the turboprop service provided by **Horizon Air**, thrice-weekday jetliner roundtrips to Bellingham, Washington, begin in June.

In July, Alaska Air Group sells \$75 million in 25-year convertible subordinated debentures; proceeds will be employed for further equipment purchases. When Soviet approval is not forthcoming, the airline must cancel its summer plans to offer services between Nome and Provideniya, on the Chukchi Peninsula.

Late in August, the carrier begins to offer weekend football vacation packages to all home games of the University of Washington and the Seattle Seahawks.

In the fall, Chairman Kennedy offers his views in a national magazine piece, "Alaska, the Best U.S. Airline," *CN Traveler* 25 (November 1989), 155+.

Physical facility damages, schedule alterations, and fiscal losses are incurred in the fourth quarter due to the eruption of Alaska's Mt. Redoubt volcano on December 15 and the San Francisco earthquake. The former event forces the cancellation of 150 company flights from Anchorage. Still, Conde Nast's *Traveler* magazine names Alaska the nation's best airline and, in late December, Hyatt Hotels joins its frequent flyer program.

During the year, Alaska's flight attendants first begin to report air quality problems aboard company aircraft.

Passenger boardings rise a more sedate 3.1% to 5,017,087 and freight moves ahead by 2.1% to 60.61 million FTKs. Revenues increase by 12.02% to \$794.07 million, costs jump 13.81% to \$736.23 million, and operating profit declines to \$57.83 million. Net profit reaches \$42.32 million.

The number of employees climbs 15.8% in 1990 to 6,454. The fleet is increased by 8 MD-82/8es and 1 leased B-727-200A. In January, the company receives the 1989 "Financial Management Award" from *Air Transport World* magazine.

In February, the carrier becomes the second U.S. airline customer for the V2500-powered MD-90 when it places a \$1.6-billion order for 20 MD-93s and takes options on a similar number; 6 of the firm orders are converted from earlier MD-80 orders. At the same time, Alaska agrees to lease 20 B-737-490s from ILFC, one of the world's largest aircraft lessors, with options for 4 more.

In a related transaction, corporate officials sell a \$59.4-million stake in Alaska Air Group to ILFC; the convertible, preferred shares pay a 10.2% dividend, represent almost 15% of Alaska Air Group's voting power, and have a face value of \$62.5 million. The difference between the face value and the ILFC price is covered by a \$3.1-million investment by a broad group of AAG management employees. At the same time, AAG agrees to fund a portion of its retirement obligations through the creation of an employee stock-ownership plan (ESOP), repurchasing for it stock in the open marketplace.

Also in February, Chairman/CEO Kennedy informs the board that, as the result of a decision-in-faith taken during a personal retreat the previous year, he will relinquish the post CEO in a year, holding on to the Alaska Air Group chairman's seat and concentrating on long-term corporate planning.

New aircraft livery and interior appointments are unveiled, beginning in June–July, as part of a total image changeover that affects everything from uniforms to swizzle sticks. While the Eskimo is retained to adorn aircraft tails, 10-ft.-high scripted letters transforms the "Alaska" written along the fuselage sides. **Reeve Aleutian Airways** joins the airline's Mileage Plus frequent flyer plan at the end of July.

As the result of fare discounting and higher fuel prices following Iraq's August 6 invasion of Kuwait, the third—and particularly the fourth—quarters bring fiscal downturn. In an effort to counteract this trend somewhat, triple and quadruple mileage is awarded to frequent flyers traveling from Seattle or Portland to the California cities of San Francisco, Oakland, and San Jose and between San Francisco and Long Beach.

On September 18, the board announces that COO Raymond J. Vecchi will succeed chairman/CEO Kennedy as CEO the following spring.

Meanwhile, beginning on October 1, direct service is inaugurated from Los Angeles to Guadalajara and from Los Angeles to Puerto Vallarta via Mazatlan.

Just after takeoff from Seattle–Tacoma International Airport on October 19 on a flight to Anchorage, a B-727-290A with 39 passengers registers low-oil pressure in one engine. The pilot shuts the powerplant down and returns to Seattle–Tacoma, where a safe emergency landing is completed. No injuries are reported.

Two new Mexican routes are initiated on November 15—San Francisco to Los Cabos and San Diego to Los Cabos.

On December 7, in a historic departure from Seattle, Alaska Airlines becomes the first U.S. carrier to take off in less than 600 feet of runway visibility with a passenger-carrying jetliner (B-727-290A) using a "fog busting" head-up HGS-1000 flight guidance system. Also in December, an agreement is signed with the interline cargo system Airmax to facilitate the movement of air freight to and from Alaska. At the same time, vacation packages to Los Cabos, Puerto Vallarta, and Mazatlan are unveiled for passengers flying from any U.S. city served by the carrier or its sister, Horizon Air.

Customer bookings for the year as a whole increase by 8.8% to 5,457,150 and cargo climbs 5.3% to 63.86 million FTKs. Revenues

ascend 12.8% to \$895.71 million, expenses swell 19.33% to \$878.59 million, and the operating profit is down to \$17.15 million, which is still the 25th highest among the world's carriers. Net gain declines to \$15.04 million; however, this is the 18th consecutive profit reported.

The payroll is increased by 6.3% in 1991 to 6,862 and the fleet now includes 63 aircraft. In January, the carrier receives the 1990 "Airline of the Year" award from *Air Transport World* magazine. Former president Benjamin "Ben" Benecke steps down from the board.

Beginning in February, the company coordinates thrice-weekly Alaska-bound service from New York (JFK) to Seattle by **Trans World Airlines (TWA)**, where passengers board MD-82s for Anchorage.

Before Alaska opens service to the Soviet Far East, Alaska Airlines, in April, begins to train 13 **Aeroflot Soviet Airlines** ticket agents in customer service at Seattle-Tacoma International Airport. The Soviets will graduate at the end of May and return to Magadan and Khabarovsk, where they will serve Alaska customers during their summer visits.

Same day or overnight delivery of letters and small packages throughout the route network is inaugurated as Goldstreak shipping service in May.

Corporate leader since 1979, Chairman/President/CEO Bruce Kennedy steps down as president/CEO, also in May, "to devote more time to Christian service." He is succeeded by COO Vecchi on June, just about the time Kennedy and his wife Karleen depart for Wei Fang, 270 miles SE of Beijing, to teach English. The once-powerful airline president also receives important perks in his new post—free housing and the use of a bicycle.

Also, on June 17, thrice-weekly roundtrip charter services are started from Anchorage to the Russian Far East cities of Magadan and Khabarovsk and are the first regularly scheduled by a U.S. company from the West Coast; tour packages are also available. Due to technical problems, **Aeroflot Soviet Airlines** transports the Magadan-Khabarovsk passengers for the first month of the arrangement.

The relationship between Alaska and **MarkAir** begins to deteriorate in July. MarkAir President Bergt is extremely displeased when the larger carrier seeks an increase in the percentage of its take from fares of Alaska passengers booking onto **MarkAir**. Alaska also rejects a plan to substitute smaller, more cost-efficient aircraft for some of the jets serving Kodiak. Bergt determines to unilaterally abrogate the 1985 pact, claiming that the other side does not want to continue the special relationship.

Twice-daily San Diego to Los Angeles to Toronto roundtrip service begins in October as the Ontario metropolis becomes the company's first city north of border and east of the Rockies. Customs clearance for both directions is accomplished in Toronto and, in a promotion, the carrier gives away Canadian-minted, 24-karat Gold Maple Leaf coins to each passenger flying the new route. **British Airways, Ltd. (2)** becomes a partner in Alaska's frequent flyer program during the same month.

Also in October, **MarkAir** President Neil Bergt informs his staff at a general employee meeting that he is planning an expansion that will put his aircraft deep within airspace previously dominated by Alaska Airlines. He is, however, willing to consider a last-minute possibility of selling his airline to the larger company. Thus he travels to Seattle-Tacoma International Airport for a meeting with Alaska President Raymond Vecchi. No arrangement can be achieved and, in the weeks that follow, an intense fare war will begin between the companies.

Daily nonstop roundtrips begin in November between Los Angeles and Boise. Alaska Airlines cancels its code-sharing pact with **MarkAir** in November, while suing **MarkAir** for breaking its mileage agreement and for fraud. Bergt files a \$150-million countersuit charging that Alaska has moved to squash the regional by illegally terminating its code-sharing and frequent flyer agreements.

The fare war with **MarkAir** in December approaches cutthroat intensity on routes from Anchorage to Nome and to Kotzebue. Normal \$400 fares are slashed in half. **MarkAir** also pushes into Southeast Alaska, where Alaska has long enjoyed monopoly jet service and U.S. government subsidies. In addition to deep discounts on published fares, Bergt's

airline offers bargains on group travel and begins to court cruise operators that require one-way transportation between Juneau and Seattle.

Passenger boardings grow 7.5% to 5,866,190 and freight rises 8.7% to 6.86 million FTKs. Revenues are up 2.23% to \$933.62 million and expenses are up 1.72% to \$914 million, providing an operating profit of \$28.3 million and a net profit of \$10.93 million.

Company employment inches up 0.8% in 1992 to 6,659. With the arrival during the year of 10 new B-737-4Q8s and 6 MD-80s (including, in April, the 1,000th of the later type built), retirement of the remaining 18 B-727-290As is accelerated. The company celebrates its sixtieth birthday this year.

Descending on final approach to John Wayne-Orange County International Airport on January 9 after a flight from Seattle, Flight 240, an MD-80 with 4 crew and 40 passengers comes within 100 ft. horizontally and 100 ft. vertically of a midair collision with a private Piper PA-31-310 Navajo over the San Diego (I-405) Freeway.

The price war with **MarkAir** takes a new direction in January. In previous years, both competitors had rejected attempts by the Alaskan state government to gain discounts. When the Department of Administration approaches the two airlines seeking discounts, Alaska Airlines rebuffs the approach. **MarkAir**, on the other hand, agrees to sell tickets a 27% below regular coach fares. The state purchases 100 Anchorage-Juneau tickets and makes plans to acquire additional tokens in bulk. Alaska Airlines files a protest pointing out that the acquisition was made outside the normal bidding process; the statehouse agrees that additional ticket purchases will follow bidding rules.

On January 31, Alaska launches nonstop roundtrip service from Seattle to the Mexican resort communities of Puerto Vallarta and Mazatlan. Three new Alaskan communities receive service and the Russian program is expanded. **Qantas Airways (Pty.), Ltd.** becomes the second foreign carrier to enter the frequent flyer program.

Five cities, including Spokane, are now under consideration as the site for a new heavy maintenance base. On March 2, service is inaugurated between Anchorage and Barrow.

Beginning in April, Russian tour packages are added to the summer charter program to the Russian Far East and allow connecting passengers to visit Harbin and Beijing in China or Irkutsk and Vladivostok in Russia.

Long-term contracts are now signed with the pilots and mechanics, but negotiations continue with passenger service personnel and flight attendants. Company officials express displeasure with the city of Spokane on May 8 when new entrant **Morris Air Service** begins daily nonstop roundtrips to that point from Seattle. Alaska Air and **Horizon Air**, which had dominated the air corridor between Washington State's two largest cities and charged roundtrip fares of \$190 to \$380 per trip, are forced to match Morris Air's \$78 ticket price.

In July, it is announced that the carrier will cut its planned capital spending, reduce aircraft deliveries, cancel construction of a heavy maintenance base, and end its unsuccessful Los Angeles to Toronto service.

B-737 service from Nome to Anchorage via Kotzebue must be curtailed on September 11 as airport authorities repair and upgrade the main runways. For the next five days, twice-daily roundtrips will, however, be provided by **Horizon Air** DHC-8-100s.

Beginning on September 12, flight attendants refuse to work on some of the company's flights out of California to protest the lengthy contract negotiations.

A customer satisfaction survey by J. D. Power and Associates ranks Alaska Airlines as winner among U.S. short-haul carriers.

Enplanements for the year rise 6.5% to a total of 6, 248,767 while freight increases 4.2% to 72.33 million FTKs. Operating revenues are down 1.2% to \$922.39 million and expenses are up 12.8% to \$1.03 billion, leaving an operating loss of \$101.01 million and a net loss of \$120.81 million. The losses are the first in two decades and come as a considerable shock to an organization so used to profitability. Meanwhile, Alaska Air Group has but a 1% increase in revenues to \$1.1 billion, but costs for the parent are also high and it, too, suffers losses: \$94.8 million (operating) and \$84.8 million (net).

The payroll is sliced 2.1% in **1993** to 6,522 and the fleet includes 38 MD-80s, 7 B-737-290C, 16 B-737-4Q8s/490s, 4 B-727-290A, and 1 B-727-90C. Hubs are maintained at Seattle, Anchorage, and Portland and service is offered to over 70 communities in Alaska.

On January 5, thrice-daily MD-80 and B-737-4Q8 roundtrips are launched between Oakland and Orange County Airports in California. Also, early in the year, an action program is designed to cut costs by at least \$50 million per year.

The move, announced in January, includes cancellation of plans to build a \$45-million light maintenance facility at Anchorage; a reduction of 98 positions beyond the reduction in force already planned; the retirement of 18 B-727-100/200s; an increase in MD-80 seating; and the scaling back or elimination of meal services on some flights. The company also begins discussions with shareholder ILFC aimed at a reworking of aircraft lease agreements.

Former president Charles F. Willis Jr. dies at age 74 on March 16. Daily roundtrip service is initiated in April between Anchorage and Dutch Harbor; however, service is soon cut to Bellingham, Boise, Toronto, Spokane, and Tucson and the reservation centers at Anchorage and Juneau are closed. These result in 1,000 lay offs, which come atop the elimination of 64 management positions. Long-term capital spending is chopped \$500 million by halving the outstanding MD-90 order to 10, with the delivery of those delayed by two years. Vladivostok flights, as part of the annual Russian charter service, commence in June.

Low-fare competition is started with **Reno Air** when daily "Lite Flight" roundtrips are inaugurated to that Nevada city and Las Vegas from Seattle and San Jose.

On August 30, the carrier wins a \$7.6-million contract to fly USN and USAF personnel and cargo five-times-a-week from Elmendorf AFB at Anchorage to installations in Adak, Shemya, Galena, and King Salmon with a B-737-210C. **MarkAir** and **Reeve Aleutian Airways** had previously operated the contract.

In December, the company begins to code-share its Seattle to Los Angeles routes with **Northwest Airlines**.

On its second approach to Long Beach on December 24, an MD-82 loses its hydraulic pressure; a safe landing is made, despite the fact that the nose landing gear, brakes, and thrust reversers do not work properly.

Two days later, another MD-82 is forced to return to Portland after an air duct breaks, causing a loss of cabin pressure.

According to a story in the *Seattle Post-Intelligencer* on March 4, 1999, FAA inspectors, during the year, have discovered that a number of company pilots, including the vice president-flight operations, have signed off as having attended required training sessions when they have not. The agency will eventually strip five pilots of their captain rank.

Customer bookings for the year move ahead by 3% to 6,437,000 while cargo ascends 3.2% to 75.5 million FTKs. Revenues decline 0.2% to \$908.8 million and even though expenses are down 7.8%, they still total \$931.11 million. Consequently, a \$24.31-million operating loss is taken, along with a net downturn of \$44.53 million.

In **1994**, the B-727-200s and B-727-100 are retired and replaced by 6 more B-737-4Q8s and 4 more MD-80s. A bitter three-and-a-half-year labor dispute with the flight attendants' union ends in January as a new agreement is reached.

On March 17, the U.S. government settles an antitrust airfare fixing suit against Alaska Airlines and five other carriers. Without admitting or denying the charges, the companies agree to changes in their computerized reservations systems and to end the practice of communicating proposed fare increases to each other through the reservations system maintained by the Airline Tariff Publishing Company.

Former president Benecke, aged 75, dies at Seattle on April 8.

Vacation tours to Russia and China are cancelled on June 4 because of IATA warnings of unsafe flying conditions by connecting Russian airlines. Additionally, Alaska cannot guarantee airline departures within the former Soviet Union.

When the two-year Essential Air Service (EAS) contract to link Petersburg, Wrangell, and Yakutat with Ketchikan and Juneau expires on

September 30, **Haines Airways**, with a \$678,000 bid to the DOT, becomes the first carrier to challenge the major's 14-year lock on the subsidy service. The regional's bid is not successful, primarily because the major employs B-737s.

Horizon Air CEO John Kelly becomes executive vice president/COO in December, succeeding the retiring 28-year veteran Patrick I. Glenn. Vice President Finance Kathleen H. Iskra is appointed **Horizon Air's** new president.

The year's passenger boardings leap ahead by 39.1% to 8,958,000 as freight climbs 17.1% to 88.41 million. The previous year's fiscal situation is reversed as revenues advance 17.1% to \$1.06 billion and expenses grow only 7.3% to \$998.72 million. Consequently, there is a pre-tax profit of \$62.87 million and net gain of \$39.28 million.

Airline employment is increased by 7.8% in **1995** to 6,993. On March 13, company officials announce the start of passenger service between Anchorage and Petropavlovsk-Kamchatski, Russia at the beginning of April. Although the MD-80 flights are regularly scheduled, they will be operated only weekly during winter.

On May 1 a new series of television commercials, developed by Goodby, Silverstein & Partners, begin airing on the West Coast; the content likens the carrier's service to that enjoyed by airline passengers in the 1930s. At the same time, cartoon-like "bubble quotes" are painted as coming from the mouth's of the Eskimos painted on aircraft tails; the bubbles contain one word: "Thanks!"

The company's inaugural flight to the Kamchatka peninsula city of Petropavlovsk is turned back on June 1 by Russian air traffic controllers, who claim that the airport is not open to international flights. The service is completed the next day, but local Russian authorities now postpone planned weekly flights.

After Alaska Airlines protests the Kamchatka turnback, the U.S. government refuses landing permission for a number of **Aeroflot Russian International Airlines (ARIA)** and **Volga-Dnepr Airline** flights. Following the intervention of U.S. Ambassador to Russia Thomas Pickering, a summit meeting is held at Anchorage in July between the airline, the FAA, and Maj. Gen. Viktor Voitenko, deputy commander-in-chief of Russia's northeastern Border Guard in an effort to resolve the causes of the turnback.

A comprehensive marketing and code-sharing alliance is entered into with **Northwest Airlines** on August 22. Under its terms, the two will not only enjoy reciprocal frequent flyer program participation but Alaska's 34 U.S. destinations will be connected to 14 major markets served by Northwest in Asia.

Also in late August, Russian Prime Minister Viktor Chernomyrdin decrees that Petropavlovsk Airport is indeed open to international flights. It is, unfortunately, signed just one week before the end of the airline's summer flight schedule for adventure-tourism.

During the summer and early fall, electronic "ticketless travel" is extended on routes out of Seattle to Ketchikan, Oakland, Spokane and from Oakland to Boise. At the same time, frequencies are increased from Seattle and Portland to San Francisco; daily roundtrips increased from 21 to 55; daily roundtrips from the northwestern hubs to Los Angeles grow in number from 21 to 54.

New nonstops are also introduced from Portland to San Diego, Las Vegas, and Palm Springs while nonstop routes are opened from Phoenix to Los Cabos and Puerto Vallarta.

Dual-designator flights with **Northwest Airlines** commence on September 15 as the Minneapolis-based major adds its code to Alaskan flights between Seattle and Los Angeles, San Francisco, San Jose, Sacramento, Portland, and Spokane that connect with NWA frequencies from Los Angeles and San Francisco. At the same time, Alaska codes are added to Northwest flights between Seattle and Honolulu that connect with Alaska's frequencies from Seattle to Fairbanks and Anchorage.

The Northwest designation is added to nearly all of Alaska's flights at the beginning of October.

On October 11, the electronic ticket option is extended from Seattle to San Francisco, San Jose, and Portland. At each of these locations, new

automated check-in procedures from kiosks, similar to bank ATMs, are made available. In November, nonstop frequencies between Seattle and Anchorage are increased from 11 to 15-per-day.

MarkAir completes its final service on November 18 and goes out of business. Its 1991 lawsuit against Alaska will live on long after its demise.

Despite intense competition from **Southwest Airlines (2)** and "Shuttle by United," the **United Airlines** division, Alaska is able to register significant improvements on the year. Enplanements rise 13.2% to 10,140,000 and cargo climbs 6.1% to 93.8 million FTKs. Operating income accelerates 7.6% to \$1.14 billion while costs climb just 7% to \$1.06 billion. Operating profit moves up to \$72.3 million and a net \$43.9-million profit is posted.

Airline employment in 1996 stands at 7,652, a 9.4% increase. On February 1, Alaska becomes the first U.S. carrier to offer direct bookings and payments with credit cards on the World Wide Web. A second weekly roundtrip service is inaugurated between Anchorage and Petropavlovsk-Kamchatski on April 7.

Twice-daily, nonstop, roundtrip B-737-4Q8 flights commence on May 6 between Vancouver and San Diego. A few days later, twice weekly B-737-200C all-cargo return service is inaugurated between Seattle and Sitka; the seasonal flights will end on September 7.

MD-80 services to Vladivostok, Magadan, Khabarovsk, and Petropavlovsk are flown thrice weekly, without incident, beginning on June 1.

Piloted by Capt. Kim Kaiser, a B-737-490 operates the carrier's first scheduled, revenue passenger service with an integrated GPS guidance system as its primary navigation source; the specially equipped "Baby Boeing" is flown from Seattle to Juneau via Ketchikan, completely without incident. Another aircraft is similarly equipped and, throughout the summer, the two fly regularly over the route proven by Capt. Kaiser.

It is announced on July 1 that the carrier has hired a total of 107 new pilots during the preceding 12 months. During the month, orders are placed for 8 B-737-300 Nordham hush kits and an MD-83 is chartered to **Trans World Airlines (TWA)**.

A \$540-million order is placed in mid-September for 12 B-737-490s, with an option for another dozen. In addition, \$10 million is allocated for the purchase of Allied Signal's Enhanced Ground Proximity Warning Systems (EGPWS) for the B-737-400 fleet.

A new code-sharing agreement between Alaska and **Reeve Aleutian Airways** begins on September 22. The marketing agreement is designed to coordinate flights and schedules to and from Cold Bay, Dutch Harbor, Port Heiden, St. Paul, and Sand Point.

A Grumman G-21A Goose, acquired in the acquisition of **Alaska Coastal-Ellis Air Lines** years earlier and which has been employed by the U.S. Department of the Interior is, through the intercessions of Sen. Ted Stevens (R-Alaska), donated to the Alaska Aviation Heritage Museum at Lake Hood on October 12.

The first EGPWS avionics unit is installed in a B-737-400 during October.

Significantly higher fuel costs and severe storms at the year's end have a dramatic impact on fiscal return.

En route from Juneau to Anchorage on December 22, Flight 67, a B-737-4Q8 with 5 crew and 37 passengers, encounters severe turbulence 30 mi. E of Yakutat; all three flight attendants are injured, two seriously.

Customer bookings soar 16.4% to 11,805,000 and cargo inches up 1.9% as 95.43 million FTKs are operated. Revenues jump 13.6% to \$1.29 billion and expenses rise 12.8% to \$1.2 billion. Operating gain grows to \$90 million and a \$74.5-million net gain is reported.

The employee population is reduced by 5.8% in 1997 to 2,774. By mid-February, 14 B-737-400s have been equipped with GPS and EGPWS avionics units.

The company signs a code-share agreement on February 28 with the American Eagle commuter, **Wings West Airlines**. Effective March 13, Wings West will provide connecting service for Alaskan passengers arriving from over 40 cities served by the major in the western U.S.,

Alaska, Canada, Mexico, and Russia with the airports at Los Angeles, San Diego, Orange County, Monterey, San Luis Obispo, Palm Springs, Bakersfield, Carlsbad, Fresno, and Las Vegas.

Alaska Airlines receives both good and bad tidings from the DOT on March 31. On the one hand, it is cleared to operate between the U.S. and Canada under the "open skies" bilateral between the two countries. On the other hand, it is fined \$180,000 for improperly modifying the main landing gear system of a B-737 in work performed between 1992 and 1996 and then operating the aircraft.

The company celebrates its sixty-fifth anniversary on April 16 by offering a special \$65 companion fare, available exclusively to residents of Alaska.

With a long-anticipated boom in oil and gold exploration in Russia's Far East finally under way, the carrier, on May 10, inaugurates weekly roundtrip service to Yuzhno-Sakhalinsk, capital of Sakhalin Island. This is the carrier's fifth Eastern Russian destination.

On May 23, thrice-weekly, late night, roundtrip B-737-4Q8 service is inaugurated from Juneau to Seattle. The Juneau-Seattle late night service becomes daily on June 8.

Following the lead of **American Airlines**, Alaska, on July 14, offers a 50% discount on fares for children, aged 2 and under, whose parents wish them seated in child-restraint seats. The discount is available for all destinations except Russia and parents must supply the safety seat.

The code-sharing agreement with **Northwest Airlines** is expanded on August 30 to include Alaska's flights to the Russian Far Eastern cities of Magadan, Khabarovsk, Vladivostok, Petropavlovsk-Kamchatski, and Yuzhno-Sakhalinsk.

While landing at Seattle-Tacoma International Airport on September 1 after a service from Los Angeles, an MD-82 with 111 passengers suffers a nosegear collapse that causes the aircraft to skid down the runway to a stop. Emergency chutes are deployed and all aboard are evacuated, with 15 passengers slightly hurt in the process. The entire airport is shut down for 10 minutes.

On September 15, the company's Anchorage to Petropavlovsk service is featured in the first episode of the BBC-TV production *Full Circle with Michael Palin*, shown over the U.S. Public Broadcasting System.

Twice-daily return service is inaugurated on October 5 from Vancouver to San Francisco; simultaneously, daily return flights start from that British Columbia community to Las Vegas. On October 14, the company and the Air Line Pilots Association (ALPA) reach tentative agreement on a new five-and-a-half-year contract, to May 2003.

On November 5, daily frequencies from Vancouver to Los Angeles are increased from three to four. The same day, a daily nonstop is initiated from Vancouver to Phoenix while another route is launched from Phoenix to Palm Springs via San Francisco.

Daily nonstop MD-83 return flights commence on November 6 between Los Angeles and Ixtapa/Zihuatanejo, while daily return service is simultaneously inaugurated from San Francisco to Ixtapa/Zihuatanejo via Los Angeles.

On November 10, Alaska becomes launch customer for the B-737-900, longest stretch of the "Baby Boeing" type. Orders for 10 machines, slated for delivery in 2001-2002, and 10 options, are placed as part of a \$1-billion order, which also includes requests for 2 more B-737-400s and 3 B-737-700s.

William S. Ayer, senior vice president-customer service, marketing, and planning at Horizon Air is appointed president during the month. Simultaneously, agreement is reached with ALPA on a new five-year contract.

On December 10, *USA Today* publishes the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; Alaska demonstrates a 78.9% achievement, good for sixth place.

On December 11, the carrier completes installation of hush kits on eight of its B-737-200s, making it the first major U.S. airline to operate

an all-Stage 3 fleet. President Ayer lauds the fact that the airline is two full years ahead of the federal mandate that requires all U.S. commercial carriers to meet the reduced noise standards by the year 2000.

On December 19, several 7 crew and 68 passengers of Flight 536 complain of nausea from noxious fumes. The captain of the MD-80, which has just arrived at San Francisco from Palm Springs, stops its taxi to the gate and orders an emergency evacuation of the aircraft. No injuries are reported from the leak that is later found to be from a hydraulic line.

Passenger boardings for the year accelerate 4.1% to 12,283,600, while freight inches up 1.6% to 97.2 million FTKs. Operating revenues advance 11.6% to \$1.44 billion, while costs advance 8.8% to \$1.31 billion. Operating gain is boosted to \$134.3 million while a \$127.4 million net profit is enjoyed.

At the beginning of 1998, Alaska is the 21st largest airline in the world in terms of net profit, 24th in terms of operating profit, and 25th in passenger boardings.

The 100% Stage III certified fleet features 78 aircraft, including 42 MD-80s and 36 B-737s.

En route from Seattle to Las Vegas on March 4, Flight 684, a B-737-242C with 116 passengers, encounters clear air turbulence 90 mi. NE of Reno; 6 people are injured, 1 seriously.

The company's senior flight attendant, 45-year veteran Marcia Broyles, completes her final service on March 27. When her B-737-4Q8 arrives at Seattle-Tacoma International Airport, she receives a water cannon salute from two Port of Seattle fire trucks. The water arch is believed to be the first such honor ever given to a retiring flight attendant.

Weekly summer roundtrip MD-83 service is resumed on April 28 from Seattle to Vladivostok via Anchorage, Petropavlovsk, and Yuzhno-Sakhalinsk.

Twice-weekly nonstop summer service is initiated on April 29 from Los Angeles to Ixtapa/Zihuatanejo, Mexico, with direct, one-stop service available from Seattle.

In May the carrier expands its alliance with **Northwest Airlines** to include the Minneapolis-based major's associates **Continental Airlines**, **America West Airlines**, and **Air China International Airlines**. All four will link their frequent flyer programs, coordinate schedules, offer joint marketing and maintenance where appropriate, share lounges, and plan for code-sharing.

While en route from San Jose to Portland on May 11, Flight 459, an MD-83 with 5 crew and 34 passengers, must make an emergency landing at Oakland due to an engine warning light. The problem turns out not to be a faulty powerplant, but a cockpit switch that must be replaced.

An MD-83 is hit by an eagle near Seattle on May 25, suffering fuselage damage; no injuries are sustained by anyone aboard.

A new code-sharing agreement begins on June 1 with **KLM (Royal Dutch Airlines, N.V.)**. The two will link their frequent flyer programs on selected routes, enter into schedule coordination, and share codes on certain Alaska flights connecting with KLM services at Los Angeles and San Francisco. The arrangement is also extended to KLM services operated by **Northwest Airlines** from Seattle.

The same day, a new nonstop service is put in place between Spokane and Los Angeles, replacing one of the carrier's five daily direct flights between the two cities through September 12.

After 600 of the carrier's 1,575 flight attendants have reported air quality problems aboard company aircraft since 1989, CBS News picks up on the situation and reports the carrier's alleged "bad air" problems on the *CBS Evening News with Dan Rather* on June 15. The airline denies any cabin environmental difficulties.

When **Wings West Airlines** is merged into the new **American Eagle Airlines** in June, the previous code-sharing agreement is transferred to the new entity.

On July 22, four days before the trial in the \$150-million 1991 **MarkAir** suit is set to begin, the major announces a \$19-million settlement with the bankruptcy trustee of its one-time competitor. Former **MarkAir** Chairman Bergt calls the arrangement a "bittersweet victory."

The Russian ruble is devalued in mid-August, leading to all sorts of domestic problems in the former Soviet Union. Traffic on Alaska Airlines flights to the Russian Far East begin to fall dramatically.

On August 30, as the result of an ATC error, Flight 257, an MD-83 en route from Mazatlan to Los Angeles, flies within 2.5 mi. of a **Delta Air Lines** L-1011, Flight 550, inbound to LAX from Atlanta, at 25,000-ft. some 30 mi. SE of Julian, California. TCAS aboard the Alaskan aircraft warns its crew of the Lockheed's presence and both aircraft are able to maneuver away, by just 8 seconds, from a potential collision.

Circumstances with the Russian economy having made operations there unprofitable, Alaska Airlines, on September 10, suspends its weekly winter service to Magadan, Khabarovsk, Vladivostok, Petropavlovsk, and Yuzhno-Sakhalinsk.

Thrice-daily return flights commence on October 4 between Las Vegas and Los Angeles.

The next day, the company celebrates the tenth anniversary of its Mexican service by introducing, for the next month, Caravali Cafe Custapec Mexican Coffee on all of its flights.

In line with actions taken by other U.S. majors and in compliance with impending federal mandates regarding airport security, Alaska stops issuing advance boarding passes on October 25.

Twice-weekly MD-83 roundtrips commence on October 28 between Seattle, Los Angeles, and La Paz, Mexico. Additionally, a daily roundtrip is added from San Jose to Palm Springs. Also from San Jose, four weekly departures are scheduled to Puerto Vallarta, with four more scheduled to Los Cabos.

On December 9, Alaska Air Group President Ayer announces that a letter of intent for the creation of a marketing partnership has been signed between its subsidiaries, Alaska Airlines and **Horizon Air**, and AMR Corporation and its subsidiaries, **American Airlines** and **American Eagle Airlines (2)**. The alliance will greatly expand travel and mileage opportunities for AAG passengers and strengthen the marketing presence of both corporations in California, the Pacific Northwest, and the West Coast. The four airlines will implement a fully reciprocal frequent flyer relationship; code-sharing is also under discussion, but remains subject to labor contract provisions.

Alaska also announces that notice has been provided to **Northwest Airlines** of its intent to modify an existing marketing agreement. Talks are underway and it is hoped that the 10-year-old alliance might be maintained.

To accommodate new transnational flights, Palm Springs Regional Airport in California is renamed Palm Springs International Airport on December 13; the carrier's Flight 565, a B-737-4Q8 with 140 passengers, departs on the first international service to Vancouver, British Columbia, right after the ceremony. A minute after the inaugural flight lands in Canada, Flight 560, another B-737-4Q8, pulls up to the gate at Palm Springs.

Alaska President Ayer and **Northwest Airlines** President/CEO John Dasburg jointly announce on December 22 that their commercial cooperative agreement, which includes **Horizon Air**, will be extended. To mark and celebrate this arrangement, both carriers offer their respective frequent flyers the opportunity to earn bonus miles for flights taken on the other carrier between January 4 and February 28.

Also during the month, FBI agents search company facilities in Seattle and Oakland seeking and seizing records relating to maintenance work on three MD-80s.

Customer bookings this year jump 6.3% to 13.05 million, while cargo traffic slips 1% to 96.24 million FTKs. Revenues jump 8.2% to \$1.56 billion, while costs are up 4.5% to \$1.37 billion. The operating profit climbs to \$194 million, while net gain accelerates to \$190.5 million.

On January 4, 1999, customer-service agents at Seattle are able to begin offering instant flight check-ins and boarding passes by using tiny handheld computers and printers worn on their belts.

The AP and *Seattle Post-Intelligencer* report on January 8, that Alaska Airlines is under investigation by a grand jury at Oakland concerning alleged irregularities in maintenance and maintenance record keeping.

Criminal investigations of airline practices are noted to be rare and factors prompting the investigation are not revealed.

On January 12 **Canadian Airlines, Ltd.** with Alaska and its sister carrier **Horizon Air** announce a comprehensive marketing agreement, effective April 1.

Far into a service from Fairbanks to Anchorage on a February 5, an MD-82, with 133 passengers aboard, experiences control malfunctions. An emergency is declared and, while fighting his yoke, the plane's pilot is able to safely put down at his destination. The outside surface temperature is way below 0°.

On February 25 an accord similar to that with **Canadian Airlines, Ltd.** is reached with **Continental Airlines**

The *Seattle Post-Intelligencer* publishes a major exposé of both the airline and the FAA on March 5 under the title "FAA Inspectors Say Bosses Protect Alaska Airlines." Based on FAA documents, transcripts of legal proceedings, and interviews, the story paints a picture of airline-agency collaboration and safety cover-ups or fine avoidance stretching back a decade.

Just before 7 p.m., Chairman Kelly and President Ayer issue a joint statement in response to the newspaper article expressing personal outrage and offense. They state that safety has not been compromised and emphatically advance their belief that the airline is the target of disgruntled FAA employees and that it has been caught in the middle of a circulation war between Seattle's two major daily newspapers. The men promise to "take the gloves off" in defense of the airline and the integrity of its employees.

While en route from Seattle to Phoenix on March 31, an MD-82 is forced to return to its point of departure after a high-flying party balloon is ingested by its left engine. No injuries are reported. No injuries are reported when an MD-82 en route from Seattle to Sacramento late in the day, must make an emergency landing at its destination because its failing main landing gear has had to be lowered manually.

When the code-sharing agreement between **Canadian Airlines, Ltd.**, Alaska, and **Horizon Air** takes effect on April 1, the three companies begin to participate in each other's frequent flyer programs and begin code-sharing on routes between Vancouver, Seattle, and numerous cities across the western U.S. and Canada.

Alaska begins serving Seattle's Best Coffee exclusively on all of its flights beginning April 15.

As negotiations with the IAM, which represents the carrier's 1,716 ticket agents and 886 baggage handlers, continues, 175 those personnel stage a suspected sick-out on April 16 that forces the airline to cancel 26 flights from Portland and Seattle. Alaska Airlines contacts the union to bring the possibly illegal action to its attention. The IAM requests workers to return to work and the carrier decides to temporarily delay seeking a federal court restraining order.

The unauthorized agents and baggage handlers' action is over by April 18 and operations return to normal as talks continue. Alaska will report that, during the three days, a total of 28 flights are cancelled and dozens more are delayed, disrupting the travel plans of 10,000 passengers and costing the company at least \$100,000.

The airline is soon faced with labor problems from another quarter.

While negotiations with the Aircraft Mechanics Fraternal Association (AMFA) continue toward the end of the month, repairs to aircraft begin to take an unusually long time to be completed, even though the airline is not experiencing significantly more mechanical problems. During the week of April 26, Alaska Airlines cancels some 10% of its flights at its Seattle hub as the apparent mechanics slowdown, illegal under the Railway Labor Act, gathers steam.

Eight IAM workers are suspended on April 22 after the alleged sick-out; all are investigated for further punishment.

Flights are cancelled for mechanical reasons again on April 30 and May 1, with the total number scrubbed now exceeding 200. The AMFA indicates that it is unaware of any slowdown by its members and pledges not to condone or support one. To date, all passengers affected by the cancellations have been given seats on other flights.

On May 3, the airline dismisses five suspended workers suspected of helping to organize the April sick-out, about which IAM Local 2202 continues to insist it has no knowledge. All are customer service agents, one each in Seattle, Portland, and San Diego and two in Las Vegas; all are IAM members. Two of those suspended are reinstated with back pay and one remains under review.

The next day, local IAM Secretary-Treasurer Steve Stanczyk pledges that the union will file grievances seeking their reinstatement. A rally is planned at the Seattle Museum of Flight on May 16 during the company's annual shareholders meeting.

On May 6, Alaska files suit in the U.S. District Court for Western Washington asking that the apparent slowdown by mechanics be halted and that the union pays damages. Simultaneously, the local IAM enters a grievance against the airline claiming that the carrier unjustly discharged the five customer service agents.

In an effort to bring labor peace and to halt worker-initiated slowdowns that have led to 650 flight cancellations since April 26, CEO Kelly addresses reporters, prior to the company's annual stockholders meeting on May 18. He praises personnel and indicates that his top goal is settling the five ongoing contract negotiations. A few dozen workers shout at Kelly and his party as they depart and some wave placards.

A tentative new 42-month contract with the Aircraft Mechanics Fraternal Association is reached on May 24; if ratified, it will cover 1,000 of the company's technicians (mechanics), technician helpers, fleet service employees, and janitors.

Beginning on May 25, **Qantas Airways (Pty.), Ltd.** is able to place its code on Alaskan flights from Los Angeles to Portland and Seattle.

It is announced on June 11 that the company will launch nonstop Saturday and Sunday roundtrip MD-83 service from Seattle to Los Cabos and Puerto Vallarta on October 31. A new 42-month contract with the Aircraft Mechanics Fraternal Association is ratified on June 23.

The first of 6 Next Generation B-737-790s expected during the year is delivered on July 28 and enters service on August 8, flying from Spokane to Santa Ana (Orange County) via Seattle and Oakland.

In late September, a new three-year labor agreement is signed with the IAM, covering the carrier's 3,270 customer service, reservation, and operations agents, accounting specialists, and certain other personnel. It will be ratified in November.

In early October, Alaska becomes the first airline to offer online check-in via the Internet. Weekend-only MD-83 return flights commence on October 31 from Seattle to Los Cabos and Puerto Vallarta, Mexico.

A joint-marketing and code-sharing agreement is signed with **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** on November 3; in the first phase, the South American carrier will place its designator on Alaskan flights from Los Angeles to Portland and Seattle. Three days later, weekly MD-83 roundtrips are begun from Seattle to Mazatlan, Mexico.

Later in the month, the carrier's 2,000 AFA-represented flight attendants ratify a new four-year labor contract. Nearly 1,000 IAM-represented ramp service workers and stock clerks come to terms with the airline in December on a new 4-year labor pact. As the year ends, Alaska has no open labor contracts.

Overall customer bookings advance by 4.3% to 13,620,000 while freight falls by an equal percentage to 92.13 million FTKs. Revenues for Alaska Air Group (including Horizon Air) jump 7.3% to \$1.68 billion, while costs climb 9.6% to \$1.5 billion. Operating profit dips to \$176.3 million, but net gain is up to \$196.4 million.

Among the world's top 25 airlines as the new millennium begins, Alaska is 22nd in operating profit and 28th in net gain.

En route from Puerto Vallarta to San Francisco and Seattle on January 31, 2000, Flight 261, an MD-83 with 5 crew and 83 passengers, suffers a jammed stabilizer. An emergency is declared and the plane begins to descend and divert to Los Angeles (LAX). While preparing to land, the jetliner tumbles, rolls, and corkscrews into the sea off Point Mugu in 650 ft. of water; there are no survivors. A key suspected element in the tragedy will be the alleged failure of the jackscrew assembly controlling up-and-down movements of the horizontal stabilizer.

Over the next several months the carrier, which conducts both an internal inspection and is reviewed by the FAA, develops a plan to institute permanent solutions to identified safety, operations, and maintenance concerns. The government, meanwhile, proposes to eliminate the carrier's authority to conduct heavy maintenance.

While en route from Puerto Vallarta to San Francisco on March 17, Flight 259, an MD-83 with 5 crew and 43 passengers, suffers an air rage incident during which a man breaks into the cockpit and attacks the flight crew. A call over the PA system brings several passengers to the rescue.

Assembly of the first B-737-900, which Alaska will put into service in April 2001, begins at Renton in March; the aircraft will be rolled out on July 23 and make its first flight on August 3.

Rising fuel and maintenance costs push expenses up dramatically and the carrier suffers a \$10.9-million first-quarter loss. To improve its on-time performance, the carrier reduces its flight schedule on April 10; three aircraft have been withdrawn to serve as backup for those encountering difficulties.

The airline's troubles continue. One of two pistols in the checked bag of a 66-year-old woman passenger goes off in the cargo hold of Flight 101, a B-737-790 with 86 passengers as it prepares to push back from the terminal at Portland on April 24 for a service to Anchorage. The bullet flies through the floor and into a diaper bag. All aboard are evacuated and the woman is taken into custody to be charged with reckless endangerment and concealing a weapon without a permit. On May 19, one of the airline's ramp workers is crushed to death by a baggage cart at Seattle.

Having enhanced its audit oversight program, redesigned its general maintenance manual, created an office of safety under a new vice president, and hired 130 new mechanics and 28 new flight operations employees, Alaska is notified on June 29 that this plan is satisfactory to the FAA. The regulators withdrawn their heavy maintenance proposal, but indicate that they will closely monitor the major to be certain its plan is fully implemented.

On June 28, a catering truck smashes into the wingtip of an MD-83 parked at Seattle, putting the jetliner out of service for the important upcoming holiday weekend.

An independent 21-member audit team hired by the airline certifies at the beginning of July that Alaska's jetliners are safe—but criticizes the company for short staffing in maintenance and operations, poor communications, and other difficulties. The group is invited to return in six months for a progress check.

Safety concerns resurface on August 3 when the carrier is forced to reinspect 17 MD-80s grounded because of potential new difficulties with their jackscrews. No deficiencies are found and all of the aircraft are returned to service by August 5.

During the third week of September company attorneys apprise a San Francisco court that, in return for a speedy conclusion, Alaska will pay any compensatory awards to families suing over the deaths of 88 people killed in the crash of Flight 261. Under the Warsaw Convention, it has already paid the families the \$140,000 treaty minimum for each death.

Twice-daily return service from Seattle to Tucson is resumed on October 1, along with daily roundtrips to San Jose. On October 29, **Qantas Airways (Pty.), Ltd.** begins to code-share on Alaska's 19 weekly roundtrips between Los Angeles and Vancouver.

On October 26, it is revealed that Microsoft Chairman Bill Gates owns 1.4 million shares in Alaska Air Group, a 5.3% stake valued at \$31.4 million. The next day, the group's stock rises nearly 10% in trading on the New York Stock Exchange.

ALASKA AIRLINES COMMUTER NETWORK. See **AIRPAC; BERING AIR; ERA AVIATION; HARBOR AIRLINES; HORIZON AIR; LAB FLYING SERVICE; PENINSULA AIRWAYS; REEVE ALEUTIAN AIRWAYS; RYAN AIR SERVICE; SAN JUAN AIRLINES; TEMSCO**

ALASKA AIRMOTIVE COMPANY. See **ALASKA AIRLINES**

ALASKA CENTRAL AIRWAYS: United States (1972–1983)

Tanana Air Taxi of Fairbanks is certified by the State of Alaska in August 1972 to offer intrastate passenger and cargo charter services. President James P. Hagglund assembles a fleet comprising 1 Piper PA-31-350 Navajo Chieftain and 2 Piper PA-32 Cherokee Sixes and inaugurates flights to Minto Manley, Tanana, Ruby, and Galena. The company is reformed in 1974 and renamed Alaska Central Airways.

Operations are taken over by Harold Esmaika's Arkansas-based **Harold's Air Service** in 1976. Scheduled commuter services are now inaugurated linking the company's base with Lake Minchumina, Minto, Manley, and Tanana. Late in the decade, the company acquires an Australian-built GAF Nomad N.24A.

In 1983, the carrier is acquired by new owners and renamed **Tanana Air Service**; Dale Erickson becomes president.

ALASKA CENTRAL EXPRESS: P.O. Box 60204, Anchorage, Alaska 99706, United States; Phone (907) 474-9327; Fax (907) 474-9314; <http://www.anc-biz.com/alaskacentral-express>; Code 4Y; Year Founded 1994. Kodiak, Alaska-based **Yutana Airlines** is renamed in September 1994. A part of the Athabaskan Air Group, the company's 1 Piper PA-31-310 Navajo and 2 PA-32 Cherokees continue to operate under the direction of President Dale E. Erickson. In 1995, the first full year under the new name, the company transports a total of 7,279 passengers.

During the spring of 1996, Anne Butler, wife of Neil Bergt, the former CEO of bankrupt **MarkAir**, purchases the airline and moves it to Anchorage. The couple's stepson Michael, former CEO of defunct **MarkAir Express**, is named president. An application is filed with the FAA for permission to operate a pair of Beech 1900Cs. The government conducts a full review of the airline's training and operating procedures and signs off on July 1.

The DOT, which also becomes involved, raises concern due to the ownership involvement of the insolvent Bergt. To alleviate this possible problem, San Diego-based Western States Investment Corporation (owned by Bergt friend Donald Swortwood) purchases 51% majority interest, also in July. The concern, which has no airline experience, operates a Yellow Cab franchise in the California city.

Service is inaugurated during the month to Aniak, Bethel, Dillingham, Fairbanks, King Salmon, McGrath, St. Mary's, and Unalakleet. Mail is flown over all of the routes except Aniak.

A third Cherokee is acquired later in the year, but customer bookings plunge 61% to 1,310.

The fleet is, nevertheless, upgraded in 1997–1998 to include 3 Beech 1900s as well as the previous units. In addition, 2 Cessna 207As, acquired out of the assets of **MarkAir Express**, are employed to transport mail and cargo from Bethel to small bush communities.

Arrangements are made late in 1999 to purchase an Embraer EMB-120 Brasilia from **Comair**. The turboprop must be reconfigured from a passenger into a freighter.

In May 2000, a 15-year, \$21-million fleet management program is signed with Pratt & Whitney Canada for all of the company's engine services, including overhaul.

The former **Comair** Brasilia arrives in late June and enters all-cargo service on July 1.

ALASKA COASTAL AIRLINES (1): United States (1939–1962).

Sheldon B. "Shell" Simmons's Juneau-based **Alaska Air Transport** merges with its chief local rival, **Marine Airways** (founded in 1936 by bush pilot Alexander Holden), on May 27, 1939 to form a larger carrier capable of beating back challenges from several new entrants. Simmons becomes CEO and the fleet comprises the aircraft of the merger partners, including AAT's Vegas and Marine's float-equipped Bellanca CH-300 Pacemaker and Fairchild 71. Frequencies previously flown in south-east Alaska are improved, allowing feeder enhancement.

At the end of the year, a profile of President Simmons, "Sheldon Simmons, Alaska Pilot," by Wirt Shirwood, appears in a territorial magazine, *Alaska Sportsman* (December 1939): 10–11, 25–27.

In 1940, **Pan American Airways (PAA)** becomes a serious commercial threat to all of the local southeastern regionals when it employs a Sikorsky S-40 flying boat, the *Alaska Clipper*, to launch biweekly passenger, mail, and cargo shuttles between Ketchikan–Juneau and Seattle. Alaska Coastal Airlines and its competitors now agree to coordinate their own Ketchikan–Juneau services by offering biweekly flights of their own, rotated between the companies competing with **Pan American Airways (PAA)**.

At year's end, Juan Trippe's major halts flying boat services and, although Simmons's enterprise is increased in fleet size and number of personnel, services are not expanded, primarily due to the threat of war.

In 1942, Benjamin "Ben" Benecke becomes office manager and bookkeeper at Juneau. He will later become a pilot for the air carrier and eventually a partner. Meanwhile, after Pearl Harbor and through V-J Day, operations are reduced.

Alaska Coastal, satisfied with its route network, does not undertake significant postwar growth. It does, however, improve its equipment, progressing to the increased use of Grumman G-21 Geese in an exclusively amphibian operation. Late in 1949, the company is able to purchase the first of three war-surplus Consolidated PB-5A flying boats.

During the 1950s, Alaska Coastal begins to coordinate routes, services, and maintenance activities with Robert Ellis's **Ellis Airlines**; between the two carriers, nine Geese are shared. Two Lockheed Model 5s remain in operation, although one is lost in a Sitka hangar fire in November 1952. **Alaska Island Airways** (founded in 1948) is purchased in 1954.

The last Lockheed Model 5 Vega, the *Nugget*, crashes near Tenakee in 1958. Operations continue without incident until November 11, 1961, when a G-21A, with eight aboard, crashes near Wrangell; fortunately, no one is badly hurt. On April 1, 1962 a merger is effected with **Ellis Airlines**; the combined and enhanced operation will continue as **Alaska Coastal-Ellis Air Lines**.

ALASKA COASTAL AIRLINES (2): 18731 Shell Simmons Dr., Juneau, Alaska 99801, United States; Phone (907) 789-7818; Fax (907) 789-4228; <http://www.ptialaska.net/~bears>; Year Founded 1980. A new Alaska Coastal is established at Juneau International Airport in 1980. A shadow of the former operation, this concern is a charter carrier which operates nonscheduled de Havilland Canada DHC-2 Beaver and Cessna 185 floatplanes to bush locations.

Flights continue throughout the remainder of the decade and into the 1990s. A Beech BE-18S is acquired to provide cargo services. At this point, the carrier becomes, for all intents and purposes, the air transport arm of Coastal Wilderness Tours.

While flying over Juneau's Douglas Island on July 27, 1994, one of the Cessna floatplanes is shot at from the ground and is hit by a bullet in its left float.

The plane lands safely and a bullet fragment is later removed from the float and sent to the FAA office at Anchorage. Neither Juneau police nor the FBI is able to find the rifleman.

Flights continue without further incident in 1995–2000.

ALASKA COASTAL-ELLIS AIR LINES: United States (1962–1968). Four pioneer Alaskan bush pilots combine fortunes in 1962 to continue their longtime air transport aspirations. Sheldon B. "Shell" Simmons, Benjamin "Ben" Benecke, and Alexander Holden of **Alaska Coastal Airlines** join Robert B. Ellis, who had founded **Ellis Air Lines** in 1936, in the establishment of the enhanced "Coastal-Ellis" on April 1.

With Simmons as president and Ellis as vice president, the company now owns \$2.5 million in facilities and equipment. Airline employment is 264, representing a \$2-million annual payroll. The fleet is increased to 24 aircraft, including 17 G-21s and the company as a whole is the world's largest scheduled commuter to operate amphibious aircraft exclusively. The new amalgamation now controls much of the local service offering in southeast Alaska.

A permanently certified international carrier, Coastal-Ellis provides scheduled services to 60 destinations in southeast Alaska and between

Ketchikan and the British Columbia city of Prince Rupert. In nine months of combined flights, a total of 8.07-million revenue passenger miles are recorded.

Operations continue without incident in 1963.

A G-21A, with three aboard, hits an obstruction at Petersburg on January 20, 1964 and crashes; only minor injuries are reported. As a result of the loss, there is one less aircraft; six fewer employees are on the payroll.

A Convair CV-240 is purchased and placed into service on the Juneau–Sitka–Ketchikan route now that the new Sitka Airport is completed. Unfortunately, while making a cargo flight to Chichagof Island on October 2, the aircraft, with three aboard, crashes after making a bounced landing (one dead).

Passenger boardings during the 12 months reach 110,403.

The workforce in 1965 totals 287 and the fleet includes 23 aircraft: 21 G-21A Geese, 4 Cessna 185s, and 4 Cessna 28s. A new sales office is opened to service Haines–Port Chilkoot. The Juneau facility is doubled in size as new hangar and maintenance facilities are occupied. A total of 127,091 passengers are originated.

The company name is shortened to **Alaska Coastal Airlines** in 1966. The same year, the Geese are upgraded with turboprops. All nine aboard a Goose are killed in a crash near Juneau on August 21. With over 30 years in the business and in light of the changing airline scene, Simmons and Ellis now elect, rather than purchasing large equipment and expanding to Seattle, to seek a merger with another airline. On the year, a total of 121,000 passengers are originated.

The workforce in 1967 totals 262 and the fleet includes 23 aircraft: 4 Cessna 185s, 1 CV-240, 13 G-21As, 4 PB-5A Cansos, and 1 PT-6. Merger discussions open with **Alaska Airlines** in March and are concluded during the summer. In accord, the two airlines seek and receive CAB approval in September. The state's Centennial Year celebration and increased commercial activity in southeast Alaska help passenger boardings to ascend to 136,350.

In March 1968, President Lyndon Johnson approves the integration with **Alaska Airlines**, which occurs from an exchange of stock on April 1. As part of the pact, Simmons and Ellis are given seats on Alaska's board of directors. Ellis recalls the work he and Simmons had accomplished in his memoirs, *What . . . No Landing Field?* (Haines, Alaska: Lynn Canal Publishing Co., 1969).

The Alaska Coastal-Ellis Air Lines route network is maintained until gradually integrated into that of **Alaska Airlines** in the fall of 1973. The same year, Benecke, who has held a number of top positions, becomes **Alaska Airlines** president, a post he will hold until 1976. On October 29, 1981 both Simmons and Ellis are made directors emeriti and retire.

ALASKA HELICOPTERS: United States (1951–1995). A subsidiary of Oregon-based **Columbia Helicopters**, Alaska Helicopters is formed in 1951 to provide passenger and cargo charter and contract flights from an Anchorage base. Operations continue apace over the next 30 years, by which time Alaska is heavily involved in helilumbering and energy industry support. The fleet in 1983 includes 15 Bell 206B JetRangers, 5 Bell 206L LongRangers, and 2 Boeing Vertol 107s. Two fixed-wing aircraft, a Beech B-55 Baron and a Cessna 206, are also operated.

A Boeing 234 Commercial Chinook is purchased by the **Columbia Helicopters** parent from **British Airways Helicopters, Ltd. (BAH)** in the spring–summer of 1984 and is delivered in September. Assigned to the **Alaska Helicopters** subsidiary, the first Commercial Chinook to be operated by a North American carrier is employed to make an inaugural passenger flight from Nome to an oil platform 400 miles offshore. A contract is now received to fly rig workers from St. Paul Island to Amoco Production Company rigs in the Navarin Basin of the Bering Sea, including the semisubmersible, *Ocean Odyssey*.

While en route from Kenai to an offshore oil platform on January 10, 1985, a Bell 206B JetRanger, with one pilot and three passengers, crashes in bad weather; one passenger is killed while the others are injured, two seriously.

On May 2, a **British Airways Helicopters, Ltd. (BAH)** Boeing is ditched in the East Shetland Basin. Alaska Helicopters acquires the damaged machine during the summer; repaired, it, too, enters service in support of Amoco's Bering Sea fields.

During late spring, an inbound Chinook is forced to circle a rig and hold for 10 minutes until a low-flying Soviet Air Force reconnaissance aircraft clears the area. On July 14, a Soviet twin-turboprop passes within 150 feet of another Chinook as it prepares to land at the Amoco semisubmersible rig *Sedco 708*.

Later in the year, Arco Alaska charts a Civil Chinook to fly non-stop from St. Paul Island to its rigs in the Navarin Basin, a distance of 300 nm.

Operations continue apace in **1986**. Founded by Fred Dure four years earlier, **HeliTour Alaska**, and its two each Bell 206L LongRangers and Bell 206B JetRangers, is purchased by Alaska Helicopters during the spring of **1987**. Allowed to maintain its identity as a **Columbia Helicopters** subsidiary, HeliTour transports over 1,000 sight-seeing passengers during the summer from its bases at Seward and Anchorage.

Also during the summer, the company flies its first forest fire fighting missions, supplying a 2 Bell 205s and 2 Bell 206L LongRangers to combat blazes in southern Alaska. Another Bell 205 is flown to California to assist the fleet of parent **Columbia Helicopters**, which is entirely committed to fighting fires in the Pacific Northwest through October 31.

In **1987–1988**, the company wages an unsuccessful campaign to obtain a landing site in Chugach State Park, bordering Anchorage, from which to undertake sight-seeing flights. Following the eruption of Mount Redoubt in December **1989**, the company, under contract to the Alaska Department of Conservation, stations 1 Bell 205, 1 Bell 206B JetRanger, and 2 Bell 206L LongRangers at endangered Drift River. From there, pilots fly several evacuation missions, removing geophysicists and employees of Mobile Oil just ahead of a creeping lava flow.

The company, in **1990–1992**, has 70 employees and 16 rotary-wing aircraft, including Bell 205s, 206B JetRangers, and Bell 212s. At Anchorage, the company continues to operate a repair and maintenance shop that supports its own machines and its parent's Boeing Vertol 107s and Civil Chinooks when assigned to the state.

A total of 5,200 flight hours are operated in **1993** charter, tourism, survey, and oil-related services. At the end of **1994**, negotiations begin for the **ERA Aviation** subsidiary Rowan Co. to purchase the assets of Alaska Helicopters.

In late August **1995**, a letter of intent is signed for the \$11-million purchase of Alaska by ERA. The assets turned over include 17 Bell helicopters, associated spare parts, and hangar and office space adjacent to ERA's location at Anchorage International Airport. The final agreement is signed in early October.

ALASKA INTERNATIONAL AIR: United States (1972–1984). Following the discovery of oil in Alaska in **1967**, the lightplane charter operator **Interior Airways** is reformed in **1972**. Becoming a wholly owned subsidiary of Fairbanks-based Alaska International Industries and renamed in its honor, the carrier changes its role to that of heavy cargo carrier. Chairman James S. Magoffin and President/CEO Neil G. Bergt assemble a fleet of 5 Lockheed L-100-30 freighters that undertake contract cargo flights throughout the world.

A total of 10.43 million FTKs are flown in **1973**.

Airline employment in **1974** stands at 310. Orders remain outstanding for 3 L-100-30s that will be delivered over the next two years. As work on the Prudhoe Bay project intensifies, renewed emphasis is placed on Alaskan services.

En route from Fairbanks for Bettles on October 27, an L-100-30 Hercules, with four crew, suffers the in-flight failure of its right wing and crashes near Old Man's Camp, Alaska; there are no survivors.

FTKs flown this year increase by 300% to 14.9 million.

Operations continue apace in **1975–1976**.

In **1977**, merger discussions are held with **Overseas National Airways**, but these fail. Airline employment in **1978** stands at 216 and al-

though the fleet is increased by two more Hercules freighters in **1979**, a three-year decline in cargo traffic continues.

The employee population is increased by 37.1% to 240 in **1980** and the fleet now includes 5 L-100-30s. Orders are placed for 2 Boeing 767-200Cs. In September, Alaska International takes over **Great Northern Airlines**. Destinations now served by the Hercules include Anchorage, Fairbanks, Prudhoe Bay, Barrow, Nome, Kotzebue, Bethel, Dillingham, Unalakleet, St. Mary's, Aniak, McGrath, and Galena.

A total of 11.9 million FTKs are operated during the year. Expenses exceed income and losses are suffered: \$988,000 (operating) and \$258,000 (net).

Twenty additional employees are hired in **1981**. CEO Neil G. Bergt, who is also chairman/CEO of **Western Airlines**, arranges for the major to acquire **Wien Air Alaska**; the plan is presented to the CAB for final approval.

Cargo traffic skyrockets 176.5% to 64.03 million FTKs. On revenues of \$6.19 million, expenses are held to \$3.97 million. As a result, the operating profit reaches \$2.21 million and net gain equals \$525,000.

The payroll is reduced 26.9% in **1982** to 190. Although the CAB approves the Western-Wien merger, it first requires that Bergt remove himself from the Western board and management; when he refuses, the amalgamation fails.

Freight plunges 34% to 45.11 million FTKs. Expenses of \$39.49 million are exceeded by operating income of \$46.33 million, thereby producing an operating profit of \$6.84 million and net gain of \$5.47 million.

Operations continue apace in **1983** and, in early **1984**, the carrier is renamed **MarkAir**.

ALASKA ISLAND AIR: P.O. Box 1167, Kotzebue, Alaska 99752, United States; Phone (907) 442-2468; Fax (907) 442-2205; Code 8Z; Year Founded 1988. The renamed and trimmed on-demand operations of **Alaska Island Airlines** resume in **1988**. New CEO Albert Newton Ball Jr.'s Part 135 carrier operates air taxi flights from Petersburg to Hobbart Bay and Kake, employing 1 each Beaver and Cessna 180. The FAA shuts down the company in mid-November **1989**. Inspectors from the Alaskan region charge that the operator has made fraudulent or intentionally false record entries to show compliance with FAA rules. Other infractions include failure to keep individual records for each pilot, employment of unqualified airmen, inadequate rest provisions for flight crews between flights, and using crewmen in operations for which they are not trained.

Most of **1990's** first half is taken up winning the regulator's approval to restart passenger flights. In February, NTSB Law Judge Jimmy Coffman overturns the FAA's emergency revocation of the company's operating certificate; however, the government appeals the bench's decision.

A single Beaver is allowed to get off the ground during the summer and transports a total of 243 passengers. President Ball's operation also carries mail and cargo throughout southern Alaska.

The one-plane airline continues flying in **1991**, transporting 72 passengers and 23,308 pounds of mail. Operations continue apace in **1992–1993**. Customer bookings skyrocket 174% in **1994** to 4,918, along with 130,000 pounds of express and mail.

Operations continue apace during the remainder of the decade. During these years, President Michael Spisak's fleet includes 2 Cessna 185s and 1 each C-208 Caravan I, C-206, and Douglas DC-3 freighter.

ALASKA ISLAND AIRLINES: United States (1959–1986). Having obtained a contract to fly for Pacific American Fisheries, Lon Merifern's **Lons Flying Service** commences nonscheduled operations from Petersburg in **1959**. During the **1960s**, the original Piper Cruiser is supplemented with 2 Cessna 180s and 1 de Havilland Canada DHC-2 is acquired in **1968**. The aircraft is the first of its type flown in Alaska and the last Beaver built.

In **1969**, the operation is purchased by Lloyd Roundtree, who renames it Alaska Island Airlines and begins scheduled third-level services. Destinations served from Petersburg include Port Alexander, Port

Walter, Saginaw Bay, Baranof, and Kake. A contract is also held from **Alaska Airlines** to fly U.S. Mail to these remote communities.

During the **1970s** and early **1980s**, the fleet comes to comprise 1 Grumman G-21 Goose, 1 de Havilland Canada DHC-2 Beaver, 1 float-equipped Cessna 185, and 3 Cessna 180s. A significant number of charters are flown throughout southeast Alaska and into British Columbia. Many are undertaken for the U.S. Forest Service and the Alaska Fish and Game Department, as well as the commercial fishing and logging industries.

Although frequencies change (e.g., introduction of six-days-per-week nonstop Petersburg–Kake flights), neither the carrier's route network nor fleet is enlarged and it continues to fly its niche until **1986**, when owner Roundtree has medical problems and operations cease.

ALASKA ISLAND AIRWAYS. See **ALASKA COASTAL AIRWAYS**

ALASKA JUNEAU AERONAUTICS. See **WINGS OF ALASKA**

ALASKA NORTH FLYING SERVICE: United States (1976–1987). This charter/flight-seeing operator is established at Anchorage in May **1976**. Revenue operations, primarily to bush destinations, begin from Lake Hood with a Cessna 185 and de Havilland Canada DHC-2 Beaver, both float-equipped, and continue until **1987**.

ALASKA RIVER SAFARIS: United States (1981–1987). Another Anchorage-based charter and flight-seeing company, ARA is also known as **Alaska Safaris**. Outfitted with a float-equipped Cessna 185, it begins business from Lake Hood in **1981** and continues into **1987**.

ALASKA SAFARIS. See **ALASKA RIVER SAFARIS**

ALASKA SEAPLANE SERVICE: 1873 Shell Simmons Dr., Juneau, Alaska 99801, United States; Phone (907) 789-3331; Fax (907) 789-3221; <http://www.akseaplanes.com>; Code UI; Year Founded 1954. Tracing its heritage back to **1954**, this bush operator turned scheduled commuter carrier is owned in the **1990s** by Aral and Craig Loken. Two de Havilland Canada DHC-2 Beavers continue to emphasize charters and "aerial adventures" throughout the southeast Alaskan panhandle. Meanwhile, 2 Cessna 180s maintain regular return flights linking Juneau with surrounding towns and villages.

A total of 35,000 scheduled passengers are transported in **1998**, but customer bookings plunge 93% in **1999** to just 3,000. Flights continue in **2000**.

ALASKA SOUTHCOAST AIRWAYS: United States (1960–1974). Pete Johnson and Mark Murdock found the charter carrier **Tamgass Aviation** on Annette Island in **1960** to provide flights to such local destinations as Ketchikan and Metlakatta, plus bush locations. Scheduled services are introduced on March 10, **1964**.

Operations continue throughout the decade with 1 each de Havilland Canada DHC-2 Beaver and Cessna 185, both float-equipped. The company name is changed to **Southcoast Airways** in **1969** and to Alaska Southcoast Airways a year later.

Unable to maintain economic viability in the face of recession and increased oil prices, the company closes its doors in **1974**.

ALASKA SOUTHERN AIRWAYS: United States (1933–1934). Established at Juneau as an FBO by Nick Bez, a canning industry official, Alaska Southern Airways becomes a charter airline operation in March **1932** when Bez purchases the remaining assets of **Alaska-Washington Airways** at a receiver's sale. The major components acquired are the float-equipped Lockheed Model 5 Vegas *Petersburg* and *Sitka*, which are renamed *Chichagof* and *Baranof*, respectively. Alaska-Washington pilots Robert "Bob" Ellis, Gene Meyring, and A. B. "Cot" Hayes are retained, the latter as manager. Later in the year, a Fairchild 71, christened *Pribilof*, and a Keystone-Loening K-84 Commuter, the *Kruzof*, are also acquired.

Renamed and reformed, Alaska Southern begins scheduled passenger and air express services in mid-**1933** to Sitka via Chichagof and Ketchikan, and Ketchikan to Klawock. The year's operations are successful and the company pays a dividend, the first by an American airline not on government subsidy.

Early in **1934**, the two Lockheed Model 5 floatplane Vegas begin flights from Juneau to Seattle via Ketchikan. One of the Vegas, the *Baranof*, piloted by Gene Meyring with four aboard, crashes while landing at Pinta Bay on October 10 (one dead). This service runs square across the developing route system of **Pan American Airways (PAA)** subsidiary **Pacific Alaska Airways**. Unable to compete with one Vega, Alaska Southern is sold to Pan Am on November 13 and merged.

ALASKA STAR AIRLINES. See **ALASKAN AIRLINES**

ALASKA TRAVEL AIR: United States (1978–1991). Based at Anchorage's Lake Hood, ATA inaugurates bush-bound passenger and cargo charters and flight-seeing services in **1978** with a float-equipped Cessna 185 and a similarly equipped de Havilland DHC-2 Beaver. A victim of recession, the company shuts down in **1991**.

ALASKA-WASHINGTON AIRWAYS: United States (1929–1932). An ambitious if short-lived carrier, AWA is established in Seattle, Washington, by furniture maker and flight school operator Joseph L. Carman Jr. during the spring of **1929** to offer services over four widely separated routes.

Revenue passenger and express services commence on April 15 as the Lockheed Model 5 Vega floatplane *Juneau*, piloted by Ansel Eckman with Robert E. "Bob" Ellis as navigator, is flown 940 miles nonstop from Lake Union to Juneau.

Other flights are inaugurated linking the Washington towns of Wenatchee, Pasco, Olympia, and Seattle plus the Alaskan towns of Ketchikan and Sitka via Juneau and the British Columbia cities of Victoria and Nanaimo via Vancouver.

Service is steady and the fleet, which grows to comprise 10 Fairchild 71s and 2 Lockheed Model 5 Vega floatplanes, transports a total of 12,000 passengers during its first year. Included in this total are some 2,000 passengers carried by the 2 Vegas (the *Wrangell* had arrived in the fall) in Alaska.

Seattle-based **Inter Cityair Express**, which had been formed in January to offer scheduled passenger flights to Yakima, is purchased in April **1930**. During the spring, four more float-equipped Vegas, christened *Taku*, *Petersburg*, *Sitka*, and *Skagway*, are sent up to Alaska.

On June 1, twice-weekly flights are begun from Seattle to Juneau. This new service, coming on top of earlier expansion in a time of depression, cannot, without such technical aids as weather forecasting and radio, be maintained.

As a result, traffic declines and within a month, on July 1, the carrier is sold to **Seattle-Wenatchee-Yakima Airways**. Services are continued under the new name. The float-equipped Lockheed Model 5 Vega *Taku*, piloted by W. A. Williams with five passengers on a charter, catches fire over Kingston, Washington, on August 4; a nonfatal forced landing is quickly made.

While participating in a search for the lost Canadian flyer E. J. E. "Paddy" Burke, the float-equipped Lockheed Model 5 Vega *Skagway*, piloted by Robin Renehan with two passengers, crashes in bad weather on October 28–29, 100 miles from Ketchikan (three dead). With the Washington component of the company losing significant money, the remaining three Vegas are returned to Seattle.

Wreckage of the Renehan aircraft is found on a beach at Annette Island in January **1931**. The 3 Vegas return to Alaska for the summer season, with Bob Ellis operating the *Petersburg* from Juneau and Gene Meyring flying the *Sitka* from Ketchikan. Clark Wings flies on-demand charters with the *Wrangell*. Seattle–Ketchikan–Juneau flight end on December 31.

The company, which represents the first significant effort to operate a real airline in Alaska, ceases operations on January 1, **1932**. President Carman returns to the furniture business and, in March, Alaska-Washington Airways' assets are purchased at a receiver's sale by Juneau canning industry official and FBO operator Nick Bez, who reforms them into **Alaska Southern Airways**.

ALASKAN AIRVENTURES: United States (1982–1992). Airventures Associates, Inc. form this charter operation at Palmer in **1982** to provide passenger charter and flight-seeing services into the surrounding bush country. Employing float-equipped Cessna 185s and de Havilland Canada DHC-2 Beavers, the company continues operations until **1991**, when it becomes a victim of recession.

ALASKAN AIRWAYS: United States (1928–1932). In **1928**, Carl Ben Eielson, who flew the first experimental Fairbanks-McGrath airmail service back in 1924, establishes Alaskan Airways. The company, owned by the Aviation Corporation (AVCO), which is also parent of **American Airways**, is an amalgamation of the charter operations of three FBOs—Noel Wien and Bennet and Rodebaugh, both based at Fairbanks, and Anchorage Air Transport.

Routes are flown with Fairchild 71s and other lightplanes from Fairbanks to Nome, Kotzebue, Point Barrow, and McGrath as well as points northwest of Anchorage.

En route to pick up furs from the icebound schooner *Nanuk*, stuck on the Siberian side of the Bering Strait, founder Eielson and mechanic Earl Borland are lost in a crash on November 9, **1929**. The wreckage is not found until January 25, **1930**.

Operations continue into **1932**, by which time the company owns small frame hangars at Nome, Fairbanks, and Anchorage, plus eight Star mail contracts. In April, company pilot Joe Crosson makes the first recorded glacier landing in Alaska, alighting on Mount McKinley's Muldrow Glacier.

Preparing to undertake services to the Orient, **Pan American Airways (PAA)** purchases the company from AVCO on September 1, merging it into its subsidiary, **Pacific Alaska Airways**, founded a scant five months earlier. All AA aircraft and the 40 employees, including the five pilots and manager S. E. "Robbie" Robbins, are transferred as well.

ALBANIAN AIRLINES MAK S.H.P.K.: R.R. Durrest Nr. 202, Tirana, Albania; Phone 355 (42) 28 461; Fax 355 (42) 42 857; Code LV; Year Founded 1992. Established at Tirana in April **1992** as Albania's national carrier, this new entrant is a joint venture between the government-owned Altransport and the Innsbruck-based carrier **Tyrolean Airways, GmbH**, which signs a technical assistance and management contract. Tyrolean officials Johann Messner and Josef Burger are named acting joint managing directors pending the appointment of a suitably qualified Albanian national.

Employing a de Havilland Canada DHC-8-100 and a DHC-8-300, both leased from Tyrolean, the company inaugurates scheduled services to Vienna in late July. Later in the year, flights are started linking the airline's base with Rome, Zurich, Frankfurt, and Munich. Operations continue apace in **1993–1994**. G. Esterhammer becomes managing director and is forced, by low traffic, to withdraw the DHC-8-300. Flights are suspended in August of the latter year.

The stagnant situation remains unchanged into **1995** and the decision is made to gamble on salvation through regional jetliner service. The Kuwaiti construction group M. A. Kharafi purchases majority shareholding. An Airbus Industrie A320-200 is leased in the fall and flights commence in October linking Tirana with Bologna, Munich, Skopje, Rome, and Istanbul.

The risky wager is unsuccessful and the company, out of money, is forced to again shut down in September **1996**. It remains inactive for some months thereafter.

Following the withdrawal of Kharafi's A320, the fleet is reformed in late **1997** and is provided with 3 secondhand Tupolev Tu-134As and

1 Tu-134B. Scheduled revenue service is resumed linking the company's base with Bologna, Frankfurt, Istanbul, and Rome.

Service is maintained in **1998** and into **1999**. In anticipation of air strikes by NATO countries against Serbian military targets in the campaign for an independent Kosovo, NATO, on March 24, halts all scheduled service in the Balkans by closing the airspace over Yugoslavia and surrounding countries. That evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Albanian remains unable to operate scheduled service throughout the Kosovo crisis. It is, however, chartered by the UN to operate a number of refugee flights to destinations in Western Europe.

Regularly scheduled flights are quietly resumed during the summer and fall.

Four-time-per-week return service is launched on February 1, **2000** between Tirana and Trieste.

ALBANY AIR SERVICE: United States (1977–1978). Albany Air Service is established at Albany, New York, in **1977** to provide scheduled passenger and cargo services to New York via White Plains. Daily Beech 18 roundtrips are duly inaugurated, but can only be maintained into **1978**.

ALBANY AIR SERVICE AND ATHENS AVIATION: United States (1964–1970). AAS and AA are set up at the two Georgian cities in the summer of **1964** to operate scheduled air taxi flights under both names. Employing 1 Beech 18 and 1 Piper PA-23 Apache, the company inaugurates revenue flights on September 7 from Albany to Atlanta and from Athens to Atlanta, Jefferson, Winder, and Gainesville.

Flights continue apace over the next four years and the fleet is upgraded by the addition of a Piper PA-32 Cherokee Six. In **1968**, service to Albany is halted and the company is renamed **Cherokee Airways**.

ALBARKA AIRLINES: Lagos, Nigeria; Year Founded 2000. Albarka ("Blessings") is established in March **2000** by retired Brig. Gen. Buba Marwa, the former military governor of Lagos state, to provide additional transportation choices for citizens in a bankrupt civil aviation environment. A particular impetus for creation has been the recent failure of the nation's existing airlines to provide adequate lift during the recent Hadj.

With financial support from foreign partners, Chairman Marwa is able to acquire 3 British Aerospace BAC 1-11-500s, recruit staff and pilots, a \$1.5-million stock of spare parts, and \$400,000-worth of ground-handling equipment.

Offering special Easter fares, daily revenue flights commence in April over routes from Lagos to Kano, Maiduguri, Abuja, and Port Harcourt. In June, Marwa enters into discussions with **Nigeria Airways, Ltd.** concerning the possibility of joint service to New York once the U.S. FAA gives clearance.

The company's fourth BAC 1-111-500, purchased in Romania, arrives on August 8 and is assigned to the route between Lagos and Abuja.

Flight 520, a BAC 1-11-500 with 94 passengers, overshoots the runway while landing at Lagos in a rainstorm on August 19 following a service from Maiduguri and veers into the airport perimeter road before returning to the tarmac. Following passenger disembarkment, the aircraft is checked, found to be undamaged, and is returned to service.

ALBATROSS AIRLINES (PTY.), LTD.: Australia (1980–1998). Privately held Albatross Airlines is established at Kingscote, on Kangaroo Island, in **1980** to offer third-level passenger and cargo flights to Adelaide. Thrice-daily services commence with a pair of Piper PA-31-350 Navajo Chieftains.

Flights continue largely without change until **1996**, when one Chieftain is exchanged for a Piper Aztec. By **1997**, the company, which has also added one each Learjet 55 and Learjet 35A for executive charters, enjoys the distinction of being the longest continuous air service in

South Australia that is still operational. That distinction is lost in 1998 when the carrier shuts down.

ALBATROSS HAVA YOLLARI, A.O.: Ataturk Hava Alani Centre, Yesilkoy 9, Istanbul, Turkey; Phone 90 (212) 663-6000; Fax 90 (212) 663-6010; Code 8Z; Year Founded 1992. AHY is established at Istanbul in 1992 to offer passenger charters throughout Europe and the Mideast, plus the Caribbean. Ibrahim Dincer is general manager and revenue operations begin and continue with a pair of leased Boeing 737-200s. A Yakovlev Yak-42 is acquired later.

ALBERTA CITYLINK, LTD.: P.O. Box 161, Medicine Hat, Alberta T1A 7E8, Canada; Phone (403) 527-3328; Fax (403) 527-4721; <http://www.telusplanet.net/public/banch/abcity.htm>; Code ABK; Year Founded 1995. Alberta Citylink is set up by Leslie Little at Medicine Hat in June 1995 to offer scheduled third-level passenger services to cities throughout the western Canada. With financial support from Bar XH Aviation, 3 British Aerospace BAe Jetstream 31s are acquired and flights begin to Calgary, Cranbrook, Edmonton, Grand Prairie, Kamloops, Lethbridge, and Lloydminster.

The company becomes an **Air Canada, Ltd.** commuter affiliate in 1996 and, in late 1997, the Canadian launch customer for the Enhanced Performance Jetstream 32EP.

Two J-32EPs join the fleet in 1998 and services continue apace thereafter.

ALBERTA EXPRESS, LTD.: Canada (1986–1995). AE is established at Edmonton in 1986 to offer ad hoc charter flights throughout western Canada. Ad hoc passenger and cargo services continue apace in 1987–1992.

In 1993–1994, President Christine Robertson oversees a workforce of 18 and a fleet that includes 1 Cessna 404 Titan, 2 Cessna 402Cs, 1 Cessna 414A, 1 Piper PA-31-350 Navajo Chieftain, and 1 Piper PA-34 Seneca. A scheduled route is inaugurated to Calgary.

In 1995, the company is renamed **Alta Flights, Ltd.**

ALCON SERVICIOS AEREOS, S.A. de C.V.: Aeropuerto Internacional, Plan de Gaudalupe 1 Carr., Saltillo, Mexico; Phone 52 (84) 88-0699; Fax 52 (84) 88-2218; Year Founded 1990. ASA is established at Saltillo Airport in 1990 to provide ad hoc passenger and cargo charters around the nation. Under the direction of Seroio Valdez, the company over the next ten years comes to fly 2 Convair CV-580 freighters and 1 each British Aerospace BAe (HS) 125-600 Hawker and North American NA-265-60 Sabreliner.

ALDERNEY AIR FERRIES, LTD. See **METROPOLITAN AIRWAYS, LTD.**

ALECTOR AIRWAYS: United States (1976–1977). Alector is established at Newburgh, New York, in 1976 to provide scheduled passenger and cargo flights to New York (LGA). Daily Piper PA-31-310 Navajo roundtrips are duly inaugurated and are maintained into 1977, the year the company is reformed into **Air Vectors Airways**.

ALFA (AEROLINEA FEDERAL ARGENTINA, S.A.): Argentina, (1985–1995). At its Resistencia base, in Chaco Province, ALFA is formed in 1985 by the process of renaming **Aerochaco (Lineas Aereas Chaquenas, S.A.)**. Scheduled, state-supported, third-level regional passenger and cargo services are maintained with a fleet of 2 Fairchild Hiller FH-227Bs. A SAAB 340A is leased in 1987. Operations continue apace in 1988–1992; however, recession makes a significant impression.

By 1993–1994, President Carlos Carabajal's fleet has been reduced to but one of the American-made Friendships. The company fails in 1995.

ALFA (AEROLINEAS FLECHA AUSTRAL, LTDA.): Chile, (1965–1978). ALFA is set up at Santiago in 1965 as a meat-hauling en-

terprise. Equipped with 1 Fairchild C-82 and 2 Curtiss C-46 Commandos and working in association with **Transporte Aereo Costa Atlántico, S.A.**, the company transports carcasses to Mendoza, Argentina. During 1966–1967, scheduled all-cargo services for the transport of other types of freight are inaugurated, linking the carrier's base with Arica via Antofagasta and Iquique.

Operations continue apace in 1968–1970, during which years the fleet of 4 C-46s begins to be replaced by 2 Douglas DC-6s.

Having suffered an engine failure during its initial climb, a C-46D with three crew and one passenger crashes at Santiago de Chile on May 25, 1971; there are no survivors.

While on initial approach to the Pudahuel Airport at Santiago de Chile on June 13, 1972, a C-46D, with three crew, crashes into El Ovejero Mountain, near Maipu township; there are no survivors.

Flights continue until the company ceases operations in 1978.

ALFA (AVIACION DEL LITORAL FLUVIAL ARGENTINA, S.A.): Argentina, (1946–1949). Shipping magnate and flying boat enthusiast Dr. Jose Dodero forms an air transport subsidiary for his steamship concern early in 1946, naming it **Compania Argentina de Aeronavegacion Dodero, S.A.** In early February, he participates in the founding of **FAMA (Flota Aerea Mercante Argentina, S.A.)**, taking a sizeable interest and hoping to use it to start a new flying boat service to Europe. Despite contribution of his own personal fleet of 4 Short S.25 Sandringhams, the water approach does not greatly interest FAMA officials. In response, Dodero purchases the remaining assets in the first week of May, including a Macchi C.94 and Short S.25 Sunderland 3, of the one-time Italian-backed flying boat operation **Corporacion Submarinica de Servicios Aereos, S.A.**, with the idea of restarting it as South America's first airline to Europe.

In order to insure greater Argentinean participation in the development of the country's air transport industry, the government in 1945 early 1946 establishes a policy of encouraging the creation of joint stock companies. The country is also divided into airline zones of influence that will be awarded to the new operators. Officials now encourage Dr. Dodero to purchase majority control in one of the new entrants, ALFA, which is created by decree on May 8.

Dodero buys in, submerging his **Compania Argentina** and the "Corporacion" into the new airline. When it is made known to him that his participation in both FAMA and ALFA, as well as his strident flying boat enthusiasm is not particularly welcome by his new colleagues, Dodero, while retaining his shares, retires from the airline business in August.

The remainder of the year is taken up with planning operations and assembling the fleet that includes Dodero's Macchi C.94, 5 Short S.25 Sandringhams (*Argentina, Uruguay, Inglaterra, Brasil, Paraguay*), and Short S.25 Sunderland 3 *Rio de la Plata*, as well as 1 Beech C-18S, 7 Noorduyn Norseman VIs, and 1 Douglas DC-3.

ALFA is ready to begin operations on January 1, 1947. Eight days later, it receives from the government the northeastern routes within zones of influence IV and VI, formerly operated by the special military air transport unit **LADE (Lineas Aereas del Estado)**. Important destinations therein include not only Buenos Aires, but Rosario, Posadas, Iguassu Falls and rights to Montevideo (Uruguay). The mail/express flights formerly undertaken by the LADE subdivision **SADE (Servicio Aeropostales del Estado)** are also awarded. Services are inaugurated to Montevideo and Colonia on April 15 and six days later, ALFA assumes all of LADE's routes. During the year, the fleet is enhanced by the addition of another Beech C-18S and one more DC-3.

Services are maintained throughout the remainder of the year and 1948. On December 24, 1948, two Sandringhams are destroyed in a hanger fire. On May 3, 1949 ALFA is one of four carriers merged to create the new state carrier **Aerolineas Argentinas, S.A.**

ALFA-92 AVIAKOMPANIYA: Kalinina 13, Komsomolsk na Amur, Khabarovsk Krai, 681022, Russia; Telex 29627; Year Founded 1994. Alfa-92 is established at Komsomolsk na Amur,

Khabarovsk Krai, Russia in **1994** to offer domestic services. M. I. Saulnov is appointed general director and he begins revenue services with an unspecified number of Antonov An-12s, plus several Mil Mi-6 helicopters.

ALFAAIRLINES, S.A.: Fatish Cad No. 21, Gunesli, Istanbul 34540, Turkey; Phone 90 (212) 630 3348-56; Fax 90 (212) 657 5869 70; http://www.airalfa.com.tr; Code H7; Year Founded 2000. The Istanbul-based charter operator **Air Alfa Havayollari Ve Tic A.S.** changes its name to the more manageable AlfaAirlines on July 1, **2000**. Employing leased Airbus A300B4-622R equipment, Chairman Hasim Bayram's airline maintains service to Dusseldorf, Stuttgart, Frankfurt, Hanover, Munich, Basel, Zurich, Maastricht, Amsterdam, Brussels, and the Turkish communities of Istanbul, Ankara, Izmir, Bodrum, Dalaman, Trabzon, Erzurum, Adana, and Antalya.

ALG AEROLEASING, S.A.: Peremogi Prospect 24, Kiev, 252135, Ukraine; Phone 380 (044) 216-4478; Fax 380 (044) 216-8235; Code FPG; Year Founded 1966. The largest executive air transport operator in Europe, ALG is established at Geneva in **1966** to provide jet charter operations, leasing, aircraft sales and management, finance, maintenance, handling, catering, and a variety of FBO activities.

With a fleet that includes Douglas, Dassault, Learjet, British Aerospace, and Cessna flight equipment, ALG launches on-demand services, largely on behalf of business personnel, to destinations largely outside the nation.

Operations continue apace for the next 15 years and, by **1990**, the fleet includes a 28-plane mix of Learjet 31s, 35s, 36s, and 55s and Dassault Falcon 10s, 20s, and 50s, plus 2 DC-9-32s. A total of 19,000 flight hours in charter are offered and, on October 2, a company Falcon 20 becomes the first civil aircraft to land at Berlin's Tempelhof Airport.

A new business aviation center is opened at Berlin on March 1, **1991** and services are maintained into **1994** with 86 pilots, 36 cabin attendants, and a large number of ground and marketing personnel.

Flights continue in **1995–2000**, during which years the company becomes a Swiss and Ukrainian joint stock venture based at Kiev.

ALIA DRIATICA, S.p.A.: Italy (1989–1995). Organized at Pescara in **1989**, Alia Driatica's board names Antonio Sutti as general manager. A fleet of 2 British Aerospace Jetstream 31s and 2 Cessna 550 Citation IIs is assembled. Services are initiated linking the company base with Turin and Palermo; operations continue apace in **1990–1991**.

Giacomo Babbucci becomes general manager in **1992** and oversees a workforce of 40. A Cessna 441 is acquired and service is inaugurated to Split and Munich. Enplanements total 15,000.

Operations continue apace in **1993–1994**. In September of the latter year, a Boeing 737-229, formerly flown by **Fortune Air, S.p.A.** is acquired. The company will be combined with **Noman, S.p.A.** in the fall of **1995** and relaunch services in November under the name **AirOne, S.p.A.**, a title employed by an early postwar Italian airline.

ALIA ROYAL JORDANIAN AIRLINES: Jordan (1963–1986). Ali Ghandour (who becomes the first chairman) forms this new national airline at the request of King Hussein in October **1963** to succeed the earlier **Jordan Airways, Ltd.** (founded 1961), which had ceased trading on September 1. Named for the King's daughter, Princess Alia, the carrier receives a royal decree allowing official authorization. Revenue flights begin on December 15 with 2 Douglas DC-7s and 2 Handley Page HPR-7 Herald over routes from Amman to Beirut, Cairo, Jeddah, Jerusalem and Kuwait. A French Caravelle jetliner is ordered at year's end.

The Sud-Est SE-210 Caravelle XR is delivered on July 28, **1964** entering service in early August. In February **1965**, a second Caravelle XR is received; routes are now extended to London, Paris, and Rome.

An HPR-7 Herald with 4 crew and 50 passengers crashes near Damascus, Syria, on April 10; there are no survivors.

A total of 117,950 passengers are flown on scheduled and chartered services as the workforce grows to 347.

Another SE-210 plus a Boeing 720B and a Fokker F.27 Friendship are acquired in **1966**.

Israeli air attacks on June 5, **1967** destroy two DC-7s, one each at Damascus and Beirut. Still, enplanements for the year total 111,424. A net profit is earned.

Airline employment reaches 550 in **1968–1969**. In March of the former year, the carrier becomes a 100%-owned corporation of the Jordanian government. Recovery from the effects of the 1967 Arab-Israeli war is slow.

Additional routes are started in **1970–1971** to destinations in Europe and Africa. During the late summer and fall of the latter year, the airline is subjected to a bombing and three hijacking attempts, of which one is successful. While parked on the tarmac at Madrid on August 24, a B-707-3D3C is extensively damaged when a bomb explodes in the rear lavatory. There are no casualties. On September 8, a Caravelle XR en route from Beirut to Amman, is captured by a lone gunman, who orders it to Benghazi, Libya—where he is arrested. Eight days later, security guards intervene and halt the takeover of a second Caravelle XR, once more flying between Beirut and Amman. This man will be tried and executed. Police halt the takeover of yet another Caravelle XR on October 4 on the ground at Amman. The captured would-be pirate is also tried and executed.

On February 19, **1972**, another lone gunman attempts to take over a Caravelle XR en route from Cairo to Amman and he, too, is taken in hand, tried, and shot.

Passenger boardings this year total 85,050 and the fleet comprises 2 Boeing 707-3D3Cs, 1 B0720B, 3 Caravelle XRs, and 1 Fokker F.27.

The subsidiary **Jordan World Airways** is formed in **1973** to operate tourist charters from Europe to Jordan. Three Boeing 727-2D3s are ordered. On January 22, a B-707-3D3C on charter to **Nigerian Airways, Ltd.** is diverted from Lagos because of bad weather. The aircraft with 9 crew and 193 passengers (mostly Nigerian Muslims returning from a pilgrimage to Mecca) suffers the collapse of its right main landing gear while landing at Kano, runs off the side of the runway, and catches fire (176 dead). The disaster is reported as the worst in civil aviation history to date.

Late in the year, a Caravelle XR is sold to **Air Afrique, S.A.**

Enplanements climb 30% to 121,500 and revenues accelerate 50%, allowing the first net profit since 1967.

The three 727-2D3s are placed in service in **1974**. En route from Amman to Aqaba on November 6, a Caravelle XR is seized by three hijackers, who divert the aircraft to Benghazi, Libya. The trio is given political asylum.

Despite this incident, bookings for the year skyrocket 50% to 243,000. A \$702,365 net profit is made on overall income of \$31.51 million.

Airline employment is 1,846 in **1975** and 2 B-747-2D3Bs are ordered. Service is inaugurated to Baghdad, Bangkok, Amsterdam, and Geneva.

On August 3 a B-707-321C, owned by Alia but chartered by **Royal Air Maroc, S.A.** to transport Moroccan workers from France for summer vacation, approaches Agadir for landing. The aircraft carrying 7 crew and 181 passengers crashes into a mountainside 30 mi. NE of the city of Imzizen; there are no survivors.

Boardings for the year jump another 50% to 379,911.

The employee population rises a full 20% to 2,116 in **1976**. Two B-707-384Cs purchased from **Olympic Airways, S.A.** are delivered in April. The charter subsidiary **Arab Wings, Ltd.** is created in May and equipped with the two Boeings purchased from the Greek flag carrier. Routes are opened to Damascus, Aleppo, Larnaca, Athens, Vienna, and Copenhagen. Although delivery of the two B-747-2D3Bs is delayed, freight traffic skyrockets 87% to 24.6 million FTKs and passenger traffic accelerates 25% to 475,470.

Both B-747-2D3Bs are received in **1977**; the first arrives at Amman on April 13 and is christened *Prince Ali* and is followed by the second, delivered on May 11 and named *Princess Haya*. Flights are now

launched to London, New York, Benghazi, Tunis, and Casablanca. King Hussein of Jordan, a certified pilot, personally inaugurates weekly flights from Amman to New York on July 10.

The B-707-384Cs, 727-2D3s, and B-720B are transferred to lower-density passenger routes. Chairman/President Ali M. Ghandour oversees a workforce of 2,150 and a fleet that now includes 2 B-747-2D3B/Cs, 2 B-707-384Cs, 1 B-707-3D3C, 1 B-707-321C, 1 B-720B, and 3 B-727-2D3s. Enplanements total 713,135.

The workforce in 1978 totals 3,098. Ras Al Khaimah is added to the route network and the New York service is undertaken, beginning in April, in cooperation with **Syrianair**.

Cargo accelerates 27.3% and passenger boardings are up 35.2% to 739,335. On revenues of \$127 million, a sixth consecutive net profit is earned, this time \$2.3 million.

While executing a missed approach at Doha on March 14, 1979, Flight 600, the B-727-2D3 *The City of Petra* with 15 crew and 49 passengers, is caught by windshear and forced into the ground (44 dead).

Service is inaugurated to San'a', Istanbul, and Houston; U.S. frequencies are increased to four per week. Sleeper seats are installed in the B-747-2D3s and offices are opened in Rio de Janeiro, São Paulo, and Buenos Aires. Business class is introduced and a computerized reservations system is installed.

The carrier's participation in the Paris Air Show is the first by any Mideast airline or Arab organization. On the technical side, a departure control system and maintenance reliability control program is launched. At the end of the year, orders are placed for 5 Lockheed L-1011 TriStar 500s.

Passenger boardings jump 23.7% to 914,483 and freight surges by 30.9%. On revenues of \$176.2 million, expenses are \$162 million, leaving a \$7.46-million net profit.

The workforce is increased 12.9% in 1980 to 3,891. Passenger boardings top one million for the first time, accelerating 21.7% to 1,112,556; cargo grows 20.1% to 80.19 million FTKs.

The employee population rises 3.9% in 1981 to 4,014 and a third Jumbojet, the Dash-2D3B *Prince Hamzah*, is delivered on March 26. Frequencies are extended to Chicago, Belgrade, and Bucharest and are increased on several other routes.

Freight soars 40% to 111.85 million FTKs and passenger traffic is up 30% to 1,443,281. A net profit of \$5.9 million is reported on total revenues of \$303.7 million.

Airline employment is 4,627 in 1982, an 8.2% boost. In March, the subsidiary **Arab Air Cargo, Ltd.** is formed. An additional B-747-2D3B is delivered along with 1 B-727-2D3A and 2 Lockheed L-1011-500s. The latter arrive in a test livery that is not adopted.

Routes are started to Istanbul and Belgrade. When **Sierra Leone Airways, Ltd.** is reformed into **Sierre Leone Airlines, Ltd.**, Alia holds a 20% stake and receives a three-year management contract.

The Jordanian carrier's B-707-3D3C is painted in Sierra Leone colors and wet-leased to the African airline as its flagship. Serving as Sierra Leone managing director, Capt. Khaja Yousufuddin and three colleagues are seconded to the African nation.

Passenger boardings rise 15.3% to 1,692,211 and freight jumps 15.8% to 129.49 million FTKs. On revenues of \$322.4 million, expenses are \$293 million, leaving a profit of \$4.2 million.

The employee population is increased by 35 in 1983. Three additional L-1011-500s join the fleet and the 2 B-707s are employed to launch **Arab Air Cargo, Ltd.** operations on May 1.

During the summer, Alia flight crews are seconded to **Sierre Leone Airlines, Ltd.** on a two-week basis to operate that carrier's B-707-3D3C on its twice-weekly services from Freetown to London and Paris.

In preparation for the introduction of service to the U.S. West Coast, a sales office is opened at San Francisco in late December.

Cargo traffic falls 8% to 119.26 million FTKs and passenger boardings decline 12.6% to 1,457,334. A net loss of \$2 million is suffered.

The workforce is increased to 4,760 in 1984. A sixth Lockheed TriStar 500 is received in March and the last B-707-3D3C is phased

out in May and given to Sierre Leone by King Hussein, along with his carrier's last B-720B.

Meanwhile, on March 3, the carrier becomes the first Arab airline to serve the U.S. West Coast when it launches twice-weekly L-1011-500 flights to Los Angeles via Chicago. Singapore and Riyadh are also added to the route network.

While rotating Alia crews continue to operate the long-haul European services of **Sierre Leone Airlines, Ltd.**, pilots from that company are sent to Jordan for Boeing training. Wide-body New York to Amman services via Vienna and Amsterdam are increased to five times per week in October.

Freight accelerates 17.3% to 139.89 million FTKs, but enplanements dip again, down 6.7% to 1,376,012. Losses are \$11 million (operating) and \$29.8 million (net) on revenues of \$294 million.

Airline employment is decreased by 3.8% to 4,581 in 1985. The B-747-2D3B *Princess Haya* is sold for lease to **British Caledonian Airways, Ltd. (BCAL)** in March.

A member of the Black September Palestinian terrorist organization fires rockets at a B-727-2D3A on April 4 as it prepares to takeoff from Athens for Amman; the target is missed, no injuries are reported, and the perpetrator flees in a waiting car.

Service begins to Moscow in May.

On June 11, a B-727-2D3A with 74 aboard is hijacked by 5 Shiite Muslim gunmen at Beirut Airport just before its departure on a scheduled service to Amman. The plane, which takes off under pirate control, returns to Beirut after being turned away from Larnaca, Palermo, and Tunis and 5 hostages are released. The Boeing takes off again, but returns less than two hours later after the pirates fail to persuade Syrian authorities to let them land in Damascus. On the ground in Lebanon, the gunmen demand to meet with Arab League Secretary General Chedli Kilbi. On June 12, the hijackers release the remaining captives, blow up the plane, and escape. The group's leader will later be captured and, after his conviction on charges of air piracy, will receive a 30-year prison sentence.

Also in June, a marketing agreement is signed with **Malaysian Airlines System, Ltd. (MAS)** that provides for joint service on a route from Amman to Kuala Lumpur.

Two gunmen fire into the company's downtown Madrid offices on July 1, but no serious injuries are reported. In cooperation with **Malaysian Airline System, Ltd. (MAS)**, the company opens a weekly L-1011-500 route from Amman to Kuala Lumpur in August.

Freight rises 9% to 152.05 million FTKs, but passenger bookings fall again, down 2.8% to 1.29 million. Revenues increase 4.7% to \$340.4 million, but expenses also grow, up 4% to \$349.6 million. There is an operating loss of \$9.2 million; however, a net profit of \$5.63 million is posted.

In April 1986, 6 Airbus Industrie A320s and 6 A310-200s are ordered. A TriStar 500 is leased to **Sierra Leone Airlines, Ltd.** In September, following the signing of a management contract with the African carrier. In a further effort to change direction and broaden appeal, at year's end, the carrier changes its name to **Royal Jordanian Airlines** and begins to implement a change in corporate identity. Plans are made for privatization during the near year.

Customer bookings are down 12.3% to 1,131,967; however, cargo is up by 9.2% to 165.91 million FTKs.

ALIBLU, S.p.A.: Italy (1987-1989). Aliblu, S.p.A. is established at Naples' Capodichino Airport in the spring of 1987 with ownership divided between ALI, Aeroleasing Italian (60%), FIMA (15%), Mario Valentino (15%), and the state carrier **Alitalia, S.p.A.** (10%). Eugene Buontempo is chairman, with Antonio Filecchia as managing director; **Aero Transport Italiani, S.p.A. (ATI)** provides technical support.

The new Italian third-level commuter inaugurates services in May linking its base with regional destinations in Italy and Germany, Switzerland, and Luxembourg. Equipped with 4 British Aerospace BAe Jetstream 31s, Chairman/CEO Filecchia's Aliblu, S.p.A. is Italy's first all-Jetstream operator.

Two more Jetstream 31s join the fleet in **1988** and, in October, three new routes are introduced: Bari to Florence, Florence to Turin, and Foggia to Rome. Enplanements for the first full year of service reach 54,000.

With the delivery of two more Jetstream 31s in January **1989**, eight new international services are started for **Alitalia, S.p.A.**, including Turin–Dusseldorf, Stuttgart, and Geneva and Bologna to Stuttgart. The small regional is taken over by **Avianova, S.p.A.** later in the year and merged.

ALIDAIR, LTD.: United Kingdom (1972–1983). Two Piper PA-30 Twin Comanches are acquired in **1971** to provide executive transport for the Alida Packaging concern. In January **1972**, Alidair Cargo is established at Hacknall Airport, Aberdeen, with Roger Dadd as managing director. Dadd purchases three former **Channel Airways, Ltd.** Vickers Viscount 812s and an ex-**British Midland Airways, Ltd.** Viscount 831 in May; they are converted and based at Castle Donington. Passenger inclusive one-day charters begin on June 12 to U.K., Belgian, Dutch, French, and Channel Island destinations.

Scheduled Viscount service is inaugurated in April **1973** from Castle Donington/Birmingham to Copenhagen and Malmo. Inclusive-tour charters resume in the summer. One Viking is leased to **British Air Ferries, Ltd.** The Copenhagen and Malmo service must be discontinued in December as the number of passengers transported does not cover increasing fuel prices.

In March **1974**, the Viscount 831 is sold to **Arkia Israeli Airlines, Ltd.** During the year, summer passenger charters are flown as well as flights carrying flower bulbs from Rotterdam to Goteborg on behalf of Volvo.

In February **1975**, Viscount charter flights are undertaken in support of the North Sea oil industry. In the summer, various tour flights are undertaken to the European continent and the fleet is increased by the addition of 1 Viscount 814, 1 Viscount 806, 4 Viscount 708s, and 1 Viscount 724; the Viscount 814 is badly damaged in a crash landing at Guernsey on September 14.

The subsidiary **Guernsey Airlines, Ltd.** is established in November **1978**.

Fuel starvation causes all four engines of a Vickers Viscount 708, with 4 crew and 58 passengers to lose power during a charter from Santander to Exeter on July 17, **1980**. The plane makes a forced landing into a wooded area at Ottery St. Mary and there are no fatalities.

Flying from East Midlands Airport, the 145-employee company of Managing Directors Roger Dadd and Trefor Jones remains a major charter operator through **1982** when it is reformed as **Inter-City Airlines, Ltd.**

Despite the sale of **Guernsey Airlines, Ltd.** to Jadeport, Ltd., in August **1983**, financial losses suffered since 1979 as a result of the world economic situation force the carrier to cease flying in the fall.

ALIDAUNIA, S.p.A.: c/o Aeroporto Civil Gino Lisa, Viale Degli Aviatori, Foggia, 71100, Italy; Phone 39 (0) 881 617961; Fax 39 (0) 881 619660; Code LID; Year Founded 1986. Alidaunia is established at Rome in **1986** to provide on-demand summer helicopter services between Foggia Airport and Tremiti Island. An Augusta A109 operates the seasonal service over the next six years.

Scheduled passenger and cargo services between Foggia and Milan begin in **1992** with 1 Cessna 310. A rotary-wing service is also offered to Tremiti with 3 Augusta helicopters. Enplanements for the year total 8,800.

Operations continue in **1993–1999**. President Roberto Pucillo's fleet now includes 3 Augusta A109s, 1 Sikorsky S-76A, and 1 Mitsubishi Mu-300. A Partenavia P.68 replaces the Mitsubishi during the latter year as a fourth A109 is acquired.

ALIGIULIA, S.p.A.: Italy (1983–1985). Aligiulia, S.p.A. is set up at Trieste's Ronchi Dei Legionari Airport in the spring of **1983** to offer scheduled regional passenger and cargo services. With a workforce of 35 and employing a pair of Nord 262s, weekday return flights are inaugurated by the commuter on May 18 linking the company's base with Mi-

lan, Florence, Venice, Turin, and Genoa. Enplanements through Christmas total 9,100.

Orders are placed in **1984** for two of Avions de Transport Regional ATR42s, but the company is unable to maintain its viability and closes down in **1985** before the advanced turboprops can be delivered.

ALII AIR HAWAII: United States (1969–1975). AAH is set up by Herman Brandt at Honolulu in the fall of **1969** to offer scheduled passenger and cargo roundtrips to Molokai. Beech 18 revenue flights commence on October 17. The company is also known, during **1970**, as **Brandt Air**; however, that name is discarded in **1971** and a new one is chosen.

Operations continue as AAH until Brandt renames his company **Hawaii Pacific Airlines** on January 1, **1975**. During these years, only one major incident occurs; on February 22, **1972**, a Beech 18 crashes into the Kalohi Channel (three dead).

ALINORD, S.p.A.: Italy (1986–1991). A subsidiary of the Acqua Marcia group, Alinord is formed at Milan in late **1986** to offer support for its parent's leisure activities. Operations are conducted with a single Yakovlev Yak-40, formerly flown by **Avioligure**, which is one of the few operated by any western European airline. In mid-**1987**, the company elects to begin scheduled domestic commuter service, linking its Milan base with Perugia and Rome and Rome with Parma.

Upon receipt of a second Yak 40 and an Avions de Transport Regional ATR42-320, Alinord, S.p.A. launches additional frequencies from Rome to Parma and from Milan to Perugia in early **1988**. The Yaks prove unsuccessful in regular operations and Managing Director Dr. Cosimo Paparo replaces them with two Fokker F28-1000s. Additional destinations added during the year include Bergamo, Rome, and Perugia.

Unable to maintain its economic viability following the collapse of sister carrier **Unifly**, the carrier ceases trading in **1991**.

ALIS JOINT STOCK COMPANY: 18/112 Ulitsa Mayakovskaya, Zhukovski, Moscow, 140160, Russia; Phone 7 (095) 556-7021; Fax 7 (095) 556-5390 Code LSI; Year Founded 1993. ALIS is established at Moscow in **1993** to offer domestic all-cargo charters. General director O. G. Smirnov assembles a fleet of 2 Antonov An-32s, 1 An-74, and 2 Ilyushin Il-76s with which to begin services.

Passenger charters are added in **1994** with a pair of Tupolev Tu-134As. Flights continue in **1995–2000**.

ALISARDA, S.p.A. (LINEE AEREE DELLA SARDEGNA): Italy, (1963–1991). Alisarda, S.p.A. is organized at Corso Umberto on March 24, **1963** to assist in the tourist development of the Costa Smeralda on the northeast coast of Sardinia. The new enterprise is an associate company of the Consorzio Della Costa Smeralda, in which Prince Karim Aga Khan holds majority interest. Lightplane charter and air taxi flights commence in mid-**1964**. A series of resort hotels are established by Aga Khan along the Sardinian coast during the year and into **1965**, which will become the new airline's major destination.

Scheduled services commence in May **1966** over routes connecting Olbia with Rome and Milan. Over the next nine years, routes are opened to Turin, Pisa, Bologna, Cagliari, Genoa, and Venice. Charter flights are also made during the summer holiday season to Paris, Geneva, Zurich, Dusseldorf, Frankfurt, and Nice.

Douglas DC-9-14s are first acquired in **1975**. By **1978**, President Paolo Riccardi and General Manager Franco Trivi employ 300 workers and possess an all-jet fleet comprising 2 DC-9-30s and 2 DC-9-14s.

In **1979–1982**, 2 DC-9-51s join the fleet and services are opened to Verona. Passenger boardings at the 520-employee company reach 600,000 in 1981, rising to 721,000 in 1982.

Two McDonnell Douglas MD-80s are acquired in **1983** for use in summer operations and replace the 2 DC-9-14s; they are leased to the U.S. carrier **National Airlines (2)** come winter. Enplanements are 72,773 and net gain totals \$18,325.

The payroll grows 0.2% in **1984** to 575 as a third DC-9-51 is purchased. Customer bookings accelerate 2.5% to 746,394 as freight shoots up 26.2% to 1.67 million FTKs. Operating income jumps 38.8% to \$53.5 million, allowing profits of \$6.5 million (operating) and \$317,000 (net).

Employment grows another 3.5% in **1985** to 598. Passenger boardings jump 6% to 794,439, but cargo falls 13% to 1.46 million FTKs. Revenues advance 3.3% to \$107.4 million and checked costs allow an operating profit of \$14.1 million and a \$1-million net gain.

The payroll is increased by 8.6% in **1986** to 650 and Managing Director Franco Trivi's fleet now includes 2 McDonnell Douglas MD-82s and 3 Douglas DC-9-51s.

During the first quarter, one of the former is leased to the American carrier **Northeastern International Airways**. In December, the third-level commuter operator **Avianova, S.p.A.** is organized, with Alisarda, S.p.A. and **Aero Transort Italiani, S.p.A. (ATI)** each owning half.

Customer bookings rise 6.4% to 842,759 and freight revives, up 40.1% to 2.04 million FTKs. Revenues ascend to \$75.8 million and costs are held down, granting operating income of \$2.98 million.

The workforce is cut 8% in **1987** to 598, but passenger boardings are up by 21.4% to 998,244.

The employee population grows by 25.1% in **1988** and the fleet now includes 3 DC-9-51s, 2 MD-82s, 2 leased MD-82s, and 1 Bell 412 helicopters. One more MD-82 remains on order as the airline takes over management of its base airport at Olbia.

Customer bookings increase by 13% to 1,147,406 while cargo climbs 13.4% to 2.37 million FTKs.

The number of employees is increased by 33.7% in **1989** to 1,000 and the fleet now includes 6 DC-9-51s and 5 MD-82s. The Consorzio Della Costa Smeralda sells 50% ownership in **Avianova, S.p.A.** to **Alitalia, S.p.A.** on June 12 and an 18% shareholding plus a seat on the board to the Luxembourg-based corporation, Infint, S.A., in July. Orders are placed for 20 Canadair Regional Jets and orders for 6 MD-82s remain outstanding. Passenger boardings accelerate 7.3% to 1,231,400.

In January **1990**, the airline receives government permission to launch scheduled services on the Italian mainland in competition with **Alitalia, S.p.A.** Consequently, flights are initiated in February from Rome to Milan, Venice, Catania, and Palermo.

Through June, the last month for which figures are available, customer bookings are up 23% to 635,131. Freight is also up 5.9% to 1.46 million FTKs.

Managing Director Franco Trivi accepts the first of 4 British Aerospace BAe 146-200s at the British manufacturer's Woodfield facility on May 24, **1991**. The other 3, ordered at the beginning of May, arrive in Italy during June and July. During the latter month, the first BAe 146-300 enters domestic service, flying to Catania and Palermo.

Twice-daily Florence to London (LGW) BAe 146-200 flights commence on September 1. Other new BAe markets inaugurated on this date are Barcelona, Frankfurt, Munich, Paris, and Zurich. To align with a Spanish sister airline, Alisarda, S.p.A. is renamed **Meridiana, S.p.A.**, also in September. Its statistics for the year are reported under the new name.

ALISUD (COMPAGNIA AEREA MERIODIONALE, S.p.A.): Italy, (1963–1964). During the spring of **1963**, Alisud is set up at Naples to operate a vehicle-ferry service to Palermo, Sicily. An Aviation Traders, Ltd. ATL-98 Carvair (heavily modified Douglas DC-4 freighter) is leased from **British United Air Ferries, Ltd.** and daily roundtrips commence on August 15. Operations end in February **1964** as a result of traffic rights problems and the aircraft is returned.

ALITALIA (AEROLINEE ITALIANE INTERNAZIONALI, S.p.A.): Viale A. Marchetti 111, Rome 00148, Italy; Phone (39-6) 65621; Fax (39-6) 6562 4733; <http://www.alitalia.it>; <http://www.italiatour.com/alitalia.html>; Code AZ; Year Founded 1946. The new entrant Alitalia, S.p.A. is incorporated on September 16, **1946** with support from the Italian government, via the Istituto per la Ricostruzione

Industriale (IRI), private interests, including Fiat, and **British European Airways Corporation (BEA)**, the latter holding 40% of the stock. The initial 11-aircraft fleet comprises Fiat G-12s, Avro Lancastrians, and Savoia-Marchetti SM-95s and the carrier will also come to manage Rome's airports.

Airline employment stands at 293. The fleet now includes 4 SM-95s, 4 Lancastrians, and 4 G-12s. Revenue services commence with 2 G-12s on May 5, **1947** over a new domestic route, Turin–Catania via Rome. On July 6, Cairo via Athens becomes the first international destination. Douglas DC-4s are acquired late in the year and the company base is moved from Rome to Ciampino.

Enplanements for the year total 10,306, with 110 tons of cargo also transported. Income totals L 175,000, expenses are L 304,000, and there is a L 130,000 loss.

Count Nicolo Carandini becomes chairman in **1948**. A Lancastrian en route to Cairo on February 16 crashes into the Tyrrhenian Sea (17 dead); among the victims of the tragedy is Princess Armena Sazil. An SM-95 crashes while en route from Florence to Rome on February 21 (five dead).

Scheduled international services begin in the spring as the new Douglas DC-4s and older Lancastrians open routes to Tripoli, Lisbon, and Buenos Aires. The Argentinean service is flown via Dakar, Natal, and São Paulo.

En route from Milan to Brussels on July 2, a DC-4 crashes near Keerbergen, Belgium (eight dead).

The final Lancastrian service is flown on March 1, **1949** over a Rome–Ammara route. On April 3, the Savoia-Marchetti SM-95 *Sebastiano Caboto* launches the first postwar Rome–London flight; London–Rome service commences next day. Three days later, on April 7, the SM-95 *Marco Polo* inaugurates Rome–Manchester via Milan and London operations.

Paris is added as a destination during early summer as former **Ala Littoria, S.p.A.** Managing Director Bruno Valani becomes general manager.

Central Atlantic DC-4 flights begin Rome–Caracas in **1950** via Lisbon, the Azores, and Fort de France. In April, three former **Linee Aeree Transcontinentali Italiane, S.p.A. (LATI)** SM-95s, the *San Antonio*, *San Francesco*, and *San Cristoforo*, are taken over.

The carrier's first air hostesses (female flight attendants) are hired late in the year. The fleet at the end of the year includes 8 SM-95Bs, 4 G-12s, and 4 DC-4s.

Customer bookings total 24,089 and 7.97 million FTKs are operated. Revenues reach L 2.58 million, but expenses are L 2.84 million, leaving a L 260,000 loss.

On January 27, **1951**, the SM-95B *Ugolino Vivaldi* crashes after encountering a thunderstorm near Civitavecchia and being hit by lightning (14 dead). Six runs are cancelled on February 3 because of operating losses; 401 personnel are dismissed. Financial difficulties also force a temporary suspension of Paris and London services as of February 7.

The DC-4 *Citta di Roma* reopens Rome–London via Paris flights twice weekly on August 20; the route is suspended again at year's end. Multistage transatlantic Rome–New York operations begin during the summer; 3,000 passengers will fly the DC-4s back and forth across the North Atlantic this year.

A number of routes are transferred to Alitalia, S.p.A. in **1952** from the collapsed carrier **Avio Linee Italiane-Flotte Reunite, S.p.A.** New Convair CV-340s and Douglas DC-6Bs are ordered. The surviving SM-95s are withdrawn in October.

North Atlantic traffic climbs to 5,000, out of the 17,692 passengers flown systemwide. Revenues total L 3.09 million, expenses are L 2.92 million, and there is a profit of L 169,000.

En route from Sardinia to Rome on January 26, **1953**, a DC-3 crashes near Sinnai, just after takeoff from the former point (19 dead). A strike grounds the airline between February 24 and March 7.

In May, orders are placed for a large fleet of Vickers Viscount 785s. On July 8, Rome–London via Milan and Paris service is resumed with CV-340s.

The Convairs and DC-6Bs now enter service and assist in significantly raising traffic. Transatlantic bookings accelerate to 7,000, out of a systemwide total of 36,563. Total FTKs operated equals 12.76 million. Revenues reach L 4.03 million, costs are held in check at L 3.76 million, and there is a L 269,000 profit.

Following resolution of a March 1, 1954 strike, which again grounds the airline, revenues climb from European routes as North Atlantic enplanements pass 11,000. The last SM-95 is retired during the year. On December 20, the carrier is recapitalized from national sources.

On March 31, 1955, **British European Airways Corporation (BEA)** sells 10% of its shares to **British Overseas Airways Corporation (BOAC)**; British investment, however, remains at 30%. DC-6B transatlantic services net 13,000 passengers. The fleet at the end of the year includes 1 DC-4, 4 DC-6Bs, and 4 CV-340s.

Convair CV-440s and Douglas DC-7Cs enter the fleet in spring 1956 and a route is extended to Johannesburg in April. Another strike, by the airline's pilots, grounds the company May 9–27.

The British contract with Alitalia is extended for another five years on June 8 in order that the BEA/BOAC equity stake might be maintained. Shareholding of Fiat and the other private owners of Alitalia is reduced from 16% to 8.65%, with the difference being acquired by the IRI.

North Atlantic traffic remains level, while overall passenger boardings are now 116,394. A total of 25.54 million FTKs are also operated. Revenues climb to L 8.54 million, costs are L 8.49 million, and there is a gain of L 49,000.

A DC-3 freighter with two crew is destroyed as the result of a bad landing at Reggio de Calabria on January 2, 1957; there are no fatalities.

On September 1, the airline is merged with **Linee Aeree Italiane, S.p.A. (LAI)** to form **Alitalia (Linee Aeree Italiane, S.p.A.)**; majority interest in the new operation is held by IRI, with **British European Airways Corporation (BEA)** holding an inherited 9%. The LAI shareholding of **Trans World Airlines (TWA)** is sold to IRI, which will soon be placed under the new Ministry for State Shareholding.

Linee Aeree Italiane, S.p.A. (LAI) operations, routes, and Vickers Viscount 785s are officially taken over on October 6 and the name Alitalia is officially adopted, as the airline becomes Italy's national carrier.

The fleet at the end of the year includes 12 DC-3s, 6 CV-340s, 6 Viscount 785s, 3 DC-6Bs, and 2 DC-7Cs.

Boardings rise dramatically throughout the year to 221,271, although North Atlantic bookings dip to 12,000. Revenues jump to L 13.58 million, costs hit L 13.57 million, and there is a profit of just L 5,000.

In June 1958, the carrier joins **Air France** and **Deutsche Lufthansa, A.G.** in a South Atlantic pooling arrangement. On June 17, services are extended to Athens, Tehran, Karachi, and Bombay. A June 22 to July 19 strike by 4,000 ground employees halts all domestic and some international services. Still, Alitalia's statistical rate of growth remains the highest in Europe, resulting in an order for Douglas DC-8 jetliners. On the North Atlantic, enplanements soar to 26,000, out of 362,844 passengers flown systemwide.

On May 29, 1959, the company joins the subsequently unsuccessful Air Union. Two DC-7CFs begin all-cargo services during the summer.

A Vickers Viscount 785D with two crew is lost while on a training exercise at Rome's Ciampino Airport on December 21; both men aboard are killed.

British European Airway Corporation (BEA)'s share is reduced during the year to 7% and transatlantic boardings accelerate to 40,000.

While taking off for New York from Shannon on February 26, 1960 to complete a flight from Rome, a DC-7C with 12 crew and 40 passengers loses height during initial climb and turn. The aircraft's left wing tip touches the ground, after which the left wing and Nos. 1 and 2 propellers strike the gravestones and stonewall of Clongloghan Church. At an airspeed of 180 kn. the DC impacts the ground (34 dead).

Rome to Montreal flights begin on March 3. The first DC-8-43 is delivered on April 28, followed the next day by the first Sud Est SE-210

Caravelle III; the French-made *Aldebaran* begins trijet Rome–London service on May 22. The first Douglas jetliner, *Amerigo Vespucci*, begins Rome–New York via Milan and London service on June 2.

The company is the official airline of the XII Olympiad, held at Rome in July. A second DC-8-43 begins flights to Johannesburg on November 3.

Transatlantic bookings total 59,000 and overall enplanements reach a million for the first time.

Ground crews strike the company at Rome on January 11, 1961. The company base is transferred from Ciampino to the new Leonardo da Vinci International Airport at Fiumicino.

On March 5 a DC-8-43 flies nonstop from Rome to New York in the first westbound express run by a jet on that route. **British European Airways Corporation (BEA)** sells its remaining shares to the Istituto per la Ricostruzione Industriale in April.

Additional DC-8-43s arrive during the spring, allowing the launch of service to Tokyo and Sydney on June 18 and across the South Atlantic two days later.

The British withdraw from their equity agreement in June, at which point their ownership share of Alitalia totals just 5.4%, valued at L 1350 million.

Systemwide, passenger boardings rise to 1.53 million (87,000 on the North Atlantic).

The fleet in 1962 comprises 4 DC-3s, 4 DC-6Bs, 3 DC-7Cs, 7 DC-8-43s, 14 Viscount 785s, and 14 SE-210s. Rome to Chicago services open on April 6; 12 Italian aviators aboard the maiden flight are honored at Chicago. Weekly jet service begins to Tokyo on May 20.

Flight 771, a DC-8-43 with 9 crew and 85 passengers and en route from Sydney to Rome, vanishes in a rainstorm on July 7 during its approach off the Bangkok leg to Santa Cruz Airport, Bombay. The wreck is found 56 mi. from Poona the next day and there are no survivors.

Late in the year and for the next 12 months, 7 Lockheed L-1049G Super Constellations are leased from **Deutsche Lufthansa, A.G.** and placed into service on the Italian flag line's route from Milan to Rimini.

Transatlantic bookings skyrocket to 122,000 out of an overall total of 2.07 million passengers flown. Revenues reach L 83.32 million, costs are L 82.26 million, and a L 1.05-million profit is generated.

The wholly owned subsidiary **Aero Trasporte Italiani, S.p.A. (ATI)** is formed on December 13, 1963 to operate Italy's largest domestic network and to bolster air transport development to the Mediterranean islands. Late in the year, two DC-6Bs are sold.

Systemwide, enplanements total 2,342,600.

En route from Rome to Naples on March 28, 1964, a Viscount 785D with 5 crew and 40 passengers crashes into Mt. Somma, near Mount Vesuvius; there are no survivors.

On June 3, **Aero Trasporte Italiani, S.p.A. (ATI)** inaugurates domestic service with three Fokker F.27s. The carrier is grounded between June 20–26 by a pilot strike; flight engineers and stewardesses also strike at month's end and into July.

With the arrival of the first of two Douglas freighters, Alitalia, on September 6, becomes the first carrier to offer nonstop DC-8F New York–Rome all-cargo flights.

DC-8-43 passenger service is inaugurated from Rome to Addis Ababa, Viscount service to Copenhagen and Amman, and SE-210 service to Taranto and Stuttgart. Late in the year, the Super Constellations are returned to **Deutsche Lufthansa, A.G.**

Passenger boardings climb 10% to 2.6 million, freight traffic jumps 35%, and airline employment reaches 8,673.

Airline employment is increased to 9,088 in 1965. The fleet now includes 65 aircraft: 20 SE-210s, 4 DC-3s, 2 DC-6Bs, 3 DC-7Cs, 2 DC-8Fs, 14 DC-8-43s, and 16 Viscounts. During the year, a DC-3 will be sold to the South African carrier **Commercial Air Services (Pty.), Ltd.**

A reciprocal agreement is signed with **Aeroflot Soviet Airlines** on February 22, with Rome to Moscow DC-8-43 flights beginning two days later. Jetliner frequencies are offered to Dar Es Salaam and Entebbe on February 28, giving Alitalia, S.p.A. a total of 16 African terminals.

On April 1, a pooling agreement is signed with **Alitalia, S.p.A., Deutsche Lufthansa, A.G.,** and **Japan Air Lines Company, Ltd. (2).** The arrangement provides for joint maintenance and technical support and is actually a preliminary pact to the larger ATLAS group accords signed later.

The board of directors announces on December 17 that it has placed an order with Douglas Aircraft Company for 28 DC-9-32s as a replacement for the carrier's Vickers Viscounts.

Enplanements are 2,958,142, with North Atlantic traffic up 12.5% to 189,300 and freight up by a third.

Four DC-8-62s and 28 DC-9-30s are ordered in **1966**, along with a fourth U.S.-planned SST. The last of 21 SE-210s is delivered to Rome's Fiumicino Airport. A March 22-28 strike by ground crews forces most flights that week to be cancelled.

Enplanements during the 12 months reach 3,264,000.

The first 2 DC-8-62s enter service in **1967** as all remaining DC-3s, DC-6Bs, DC-7C/Fs, and 2 Viscount 785s are retired. They will be sold to the Colombian operator **Aerolineas Tao, S.A.** the following year.

The first of 8 DC-9-32s to be delivered during the year arrives on August 17. The 1 delivered on November 30 is the 200th DC-9 built.

A new EUR glass-and-concrete skyscraper headquarters building is occupied in Rome and the ARCO IBM-based computerized reservations system is turned on. Boardings jump to 3.8 million this year.

The workforce in **1968** is 11,140. Count Nicolo Carandini retires, becoming honorary president. A network of mechanized cargo terminals is introduced and a new passenger terminal is opened at Milan. Orders are placed for 4 Boeing 747-143s as 3 DC-8-62s and 14 DC-9-32s enter service. Among the latter is a DC-9-30F, the first freighter model, which arrives on May 13.

Coming in from Rome on August 2, a DC-8-43 with 10 crew and 85 passengers crashes 11.5 km. from the end of the runway while on final approach to Milan Airport (13 dead).

Passenger boardings accelerate to 4,149,748 and cargo is up by 45%.

Four more DC-8-62s and 18 DC-9-32s are delivered in **1969**. Another Viscount is passed to **Aerolineas Tao, S.A.**

An SE-210 Caravelle VIN with 7 crew and 37 passengers overruns the runway at Marseilles while landing on August 2 and rolls into a lake; there are no fatalities.

During the year, a three-color "A" is substituted for the *freccia alata* (winged arrow) and becomes the new company trademark. The change is part of a large-scale makeover of the corporate image.

The workforce is 12,197 and bookings during the 12 months rise to 4,941,560.

On January 1, **1970**, Director General Velani becomes chairman and Cesare Romite becomes managing director (later director general). The employee population is up by 13.8% to 14,149. New routes are opened to Birmingham, Dublin, Nicosia, Dubrovnik, and Melbourne in January-March and a polar flight to Tokyo via Anchorage in April. Automatic passenger check-in, meanwhile, begins in March.

The first of two B-747-143s to be received on the year is delivered on May 13. En route from Genoa to Rome on May 30, a DC-9-30 with 35 passengers is taken over by a lone hijacker, using what turns out to be a toy pistol, and diverted to Cairo, Egypt.

DC-10-30s are ordered in early June. Christened *Neil Armstrong*, the premier B-747-143 enters service from Rome to New York on June 15.

On June 26, Flight 713, a DC-8-43 with 104 aboard and en route from Tehran to Rome via Beirut is hit at 30,000-ft. by a missile at a point 40-mi. E of Damascus. Although the plane's wing is badly torn, the Douglas is able to complete a safe emergency landing at Beirut and no injuries are reported. Upon examination, a 2-ft. hole will be found in the left wing, with both engines pockmarked by shrapnel.

The second B-747-143, *Arturo Ferrarin*, arrives on July 1. Because of a 24-hour walkout by pilots on July 25, Alitalia is forced to cancel over 50 flights. Having lost two engines while landing at New York (JFK) from Rome on September 15, Flight 618, a DC-8-62 with 10 crew and

146 passengers, splits in two and skids off the runway; no injuries are reported, but the plane must be written off.

Cargo traffic climbs 10% and passenger boardings jump 11.6% to 5,590,000. In terms of enplanements, the carrier is now the 18th largest in the world; it rates 12th in freight and 17th in employment. With 77 aircraft, the fleet is the 12th largest in the world.

A B-747-243B is acquired on March 30, **1971**; it is christened *Francesco de Pinedo*. It is followed into service on May 7 by the B-747-243B *Geo Chavez*. Flights are now inaugurated to Detroit, Philadelphia, Kuala Lumpur, and New Delhi. To publicize the inauguration of service from Detroit and Philadelphia to Milan and Rome, the airline places an advertisement in the newspapers of those cities, plus Washington, D.C., depicting New York's Statue of Liberty weeping over her loss as the carrier's exclusive port of entry.

The ad is scorned by the New York City Convention and Visitors Bureau and a dispute between the carrier and the city continues until May 15, when representatives of both sides meet and settle the matter over cocktails.

During the remainder of the year the last Viscounts are retired and, perhaps most importantly, the company is given authority to manage the allocation of slots at Italy's airports.

Enplanements during the 12 months are 5,794,050.

The workforce in **1972** stands at an even 15,000. Honorary President Carandini dies in early March.

Agents, clerks, and teletype operators, members of the International Association of Machinists and Aerospace Workers (IAM) local at New York (JFK), go out on strike on March 9.

Brandishing a pistol, a 55-year-old lady, A. Lazzeri, hijacks a Caravelle during a March 11 Rome-Milan flight and diverts it to Munich, where she is arrested while leaving the plane.

Operations are disrupted after ground personnel stage a four-hour walkout at Rome on April 10. Following the receipt of landing rights, Rome to Washington, D.C. return service is inaugurated on May 1.

En route from Rome to Palermo with 7 crew and 108 passengers on May 5, a DC-8-43 strikes the side of Mt. Lunga near Palermo while on final approach to Punt Raisi Airport; there are no survivors.

The New York (JFK) strike is settled by agreement between the parties on May 11 and a B-747-243B, *Carlo del Prete*, enters service on May 26.

A youth attempts to hijack an airliner from Trieste to Cairo on October 7 and is killed is on the plane at Trieste Airport after a gun battle with police.

In December, Umberto Nordio becomes director general.

Passenger boardings dip 7% this year to 5,415,000 while freight falls 7.2%.

The employee count in **1973** is down to 14,866. Thrice-weekly Rome-Washington, D.C. DC-8 service begins in late winter. The first of three DC-10-30s to be delivered on the year enters service on the Rome-Caracas route in June. New services and frequencies are extended to Nicosia, Moscow, and Palermo-New York while operations to Karachi, Kuala Lumpur, Djakarta, and Manila are terminated.

Customer bookings climb 10% to 5,948,000 and cargo traffic grows by 44%, but declines in the number of passengers on the North Atlantic; the fuel crisis forces Chairman Velani to report a financial reversal. On revenues of L 285.29 million, expenses are L 291.51 million. The loss is L 6.26 million.

Flights to Philadelphia, Beirut, and Damascus are suspended in **1974**; however, airline employment is up to 16,397. Most other scheduled flights are cancelled on June 28 because of a strike by flight attendants. A fourth DC-10-30 is acquired during the summer.

During the year a massive makeover of the route network occurs. Transatlantic service is cut to 27% of total capacity, with Europe, the Mediterranean, and North Africa receiving an equal allocation. The remaining 46% is divided between Africa, Central and South America, and the Far East, including Australasia.

Passenger boardings climb 3.8% to 6,175,000 while freight is up 7.2%.

In addition to new Italian political instability in 1975, the carrier is now forced to face frequent strikes (particularly in June and November) by ground and support personnel at Rome's Leonardo da Vinci International Airport, which result in the cancellation of 10,000 stretches (trips between one-city pairs).

During the year, all aircraft except 13 SE-210s, 4 DC-10-30s, and 6 DC-8-43s are sold or retired and orders are placed for 7 Boeing 727-243s, which will be used to boost domestic and regional services.

Overall, passenger traffic drops 5.4% to 5,841,986 and freight falls 7%.

All remaining DC-8-43s and 6 SE-210s are retired in 1976 as 7 new B-727-243s join the fleet. Routes are opened to Luanda, Baghdad, Kuwait, Dharham, Amman, and Dubai. The carrier's pilots end a series of daily walkouts on July 31 that have cost the airline \$2 million per day in lost flights.

Cargo traffic rises 12.1%, but boardings, at 5,790,000, are off 0.9%.

Service to Philadelphia, Beirut, and Damascus is resumed in 1977. The last 6 SE-210s are sold. Enplanements total 6,728,598. A \$12.6-million net profit is posted and consolidated long-term debt is reduced to \$118.6 million.

The employee population at Managing Director/General Manager Umberto Nordio's company stands at 16,066 in 1978. Orders are placed for 8 Airbus Industrie A300B4-103s and 5 additional B-727-243s.

Experiencing engine trouble while on final approach to Palermo after a December 23 service from Rome, Flight 4128, a DC-9-32 with 5 crew and 124 passengers, crashes into the Tyrranean Sea 3 km. short of Punta Raisi Airport (108 dead).

Passenger boardings rise 2.3% to 6,886,718, while freight is up 9%. A net profit of \$12.7 million is recorded while the debt falls to \$105.4 million.

Maurizio Maspes and Luciano Sartoretti are appointed joint managing directors in 1979. A \$580-million contract is signed for 9 B-747-243s, including 5 combis.

Three Lebanese Shiite Muslims hijack a DC-8-62 with 183 passengers en route from Beirut to Rome on September 7, in an attempt to win freedom for Imam Moussa Sadr, a spiritual leader who vanished in Libya a year earlier. The pirates express their determination to fly to Havana, Cuba, and press their case before a summit meeting of the Non-Aligned Movement.

The passengers are released at Rome and when French authorities refuse landing permission, the aircraft is flown to Tehran, where the pirates surrender to the new Iranian government after being allowed to state their objectives at a news conference broadcast nationwide on government-controlled radio and television. Its crew returns the Douglas to Rome.

A 40-day cabin attendant strike and the temporary grounding of the DC-10s following the Chicago **American Airlines** crash result in a 5% drop in passenger boardings to 6,591,400 and a 1.6% decrease in cargo traffic.

The workforce is increased by 3.6% in 1980 to 18,243. The DC-9-32 *Isola di Caprera* is destroyed in a hangar fire at Rome's Fiumicino Airport on January 7.

En route from Rome to Tunis on January 14, a DC-9-32 with 90 passengers, is taken over by a lone gunman who demands the release of 25 prisoners from Tunisian jails and a diversion of the aircraft to Tripoli. Bad weather prevents completion of the flight to Libya and the Douglas lands at Palermo, instead, where the terrorist surrenders.

The first 4 A300B4-103s enter service during the third quarter. The B-747-243C *Taormina* enters service on November 26, followed by the *Cortina d'Ampezzo* and *Portofino* on December 12 and 22, respectively. The B-747-243B *Carlo del Prete* is sold back to Boeing at month's end.

Passenger bookings climb 11.1% to 7.3 million and cargo soars 9.3% to 542 million FTKs.

The employee population is raised again in 1981, up 2.5% to 18,722. Pilots strike on January 20, forcing cancellation of virtually all of the international flights. Fleet modernization continues apace as

3 more A300B4-103s and 3 B-727-243-103s are delivered. New routes are opened to Chicago, Kano, and Santiago. First-class sections of the B-747s are reconfigured with sleeper seats. In March, Alitalia and its subsidiary **Aero Trasporto Italiani, S.p.A. (ATI)** create the new domestic airline **Aeromediterranea, S.p.A.** to take over the routes, services, and equipment of defunct **Itavia, S.p.A.** Mechanics at Rome strike between April 8-11.

Revenue DC-9-30 flights are begun by the new subsidiary on July 1 over a Rome-Lamezia Terme line. The B-747-243B *Cervinia* arrives on August 5, followed by the *Sorrento* on September 16, the *Porto Cervo* on November 5, the *Capri* on December 3, and the Dash-243F *Stresa* on December 18. Meanwhile, between September and December, the B-747-143s *Neil Armstrong* and *Arturo Ferrarin* and the B-747-243Bs *Francesco de Pinedo* and *Geo Chavez* are all sold back to their manufacturer and the remaining DC-8-62Hs are withdrawn.

Systemwide, passenger boardings fall 4.5% to 6,991,000 and freight traffic declines 9.1% to 492.67 million FTKs.

Airline employment is up by 2.6% to 18,243 in 1982. Service is started to Lyon and Casablanca as one more A300B4-103 and another B-727-200 join the fleet. Business-class service is introduced on most medium- and long-haul routes and a contract is signed with McDonnell Douglas for 30 DC-9-80s (MD-80s).

Sri Lankan Sepala Ekansyaka hijacks a B-747-243B with 261 aboard en route from New Delhi to Bangkok, where he holds the craft under threat of explosion over night before surrendering early on the morning of July 1. He will be returned to Colombo, where he will be tried and given a prison term of 20 years to life.

On September 25 Soviet citizen Igor Shkuro is seized at Catania, Sicily, where he has forced Flight 871, an A300B4-103 with 109 aboard, to divert from its Algiers-Rome flight. In the scuffle, both Shkuro and a policeman are injured.

During the fall, the SIGMA company is founded for the management and development of data systems for the tour and travel sector.

Boardings rebound, climbing 4.7% to 7,317,000 and cargo jumps 13.5% to 559.29 million FTKs. Revenues for the year approach \$1.5 billion; however, a \$30.8-million operating loss is suffered.

The workforce is increased a scant 0.9% to 18,412 in 1983. From a 30-plane order, the first 3 DC-9-82s (also known as McDonnell Douglas MD-82s) are delivered. The B-747-243B *Monte Argentario* enters service on February 28. Having disobeyed ground control guidance, two USAF fighter-bombers nearly collide with a DC-9-30 over Catania on October 7.

Although the airline is able to somewhat restrain its costs, it must still battle the decline of the lire in relation to the U.S. dollar. Despite money problems, the carrier is able to acquire a 45% stake in Aeroporti di Roma, S.p.A.

Enplanements rise only 1.5% to 7,370,000, while freight accelerates 8.4% to 607 million FTKs. A net \$11.6-million profit is recorded.

The employee population climbs to 20,509 in 1984. Los Angeles via Chicago service is inaugurated and in the spring a three-year labor pact is negotiated with the various Aeroporti di Roma unions. Planning for the implementation of the reorganization of domestic operations continues following the decision to amalgamate **Aero Trasporti Italiani, S.p.A. (ATI)** and **Aeromediterranea, S.p.A.** Nine additional MD-82s enter operations; 6 Avions de Transport Regional ATR42s and 2 B-747-243s are ordered.

Bookings jump 6.2% to 7,826,338, and cargo accelerates 12.2% to 681.23 million FTKs. Total revenues climb 2.3% to \$1.86 billion and expenses fall 1.8% to \$1.7 billion. As a result, the accounting department is left with an operating profit of \$142 million, double the previous year's, and a \$12.1-million net gain.

A total of 376 new employees are added in 1985. On March 1, **Aero Trasporto Italiani, S.p.A. (ATI)** and **Aeromediterranea, S.p.A.** are merged under the former's banner. The remaining 18 MD-82s arrive and begin to enter operations, 2 with **Aero Trasporto Italiani, S.p.A. (ATI)**, replacing the last 5 B-727-243s. A B-747-243C, the *Monte Catini*,

enters service on May 29, followed by the B-747-200B *Sestriere* on July 24. At this point, a DC-10-30 is sold to **Eastern Air Lines** in the U.S.

A "quiet privatization" is begun in November when the company begins to sell common and preferred stock valued at some 30% of the IRI consortium's holding in the airline. Capitalization is thus increased from L 280.8 million to L 421.2 million.

Passenger enplanements grow 7.6% to 12.7 million while freight rises 10.2% to 757.52 million FTKs. Revenue increases 14.2% to \$2.41 billion and the net profit doubles to \$32.6 million. In terms of total passenger traffic, Alitalia, S.p.A. now ranks as the world's 18th largest carrier; it is 14th in terms of freight hauled, 19th in fleet size, 15th in the number of employees, and 10th in total revenue generated.

The payroll grows a scant 1% in **1986** to 20,433. Partial privatization occurs in January as the Italian government reduces its shareholding from 98% to 74%. In February, a new door-to-door express service, "AliExpress," is begun New York-Rome and Milan. Another B-747-243B/C is ordered and on June 13 another Jumbojet, a Dash-243C, the *Spoletto*, is delivered. In the spring, a commuter network that will be operated by **Aero Trasporte Italiani, S.p.A. (ATI)** is established, employing the ATR42-300s. At the same time, a 10% interest is taken by Alitalia, S.p.A. in the new Naples-based regional airline **Aliblu, S.p.A.** On June 30 and in cooperation with **CAAC (General Administration of Civil Aviation of China)**, weekly cargo flights are started Rome-Beijing via Frankfurt and Sharjah.

In July, flights begin to Peru. The first two ATR42-300s are delivered and begin **Aero Trasporte Italiani, S.p.A. (ATI)** service to Florence and Milan on August 4. In September, ATR42-300 flights are kicked off Naples-Milan via Bologna and, in October, the carrier's single B-747F commences weekly roundtrip Turin-Detroit flights as an air bridge in the production of Cadillac's ultra-luxury Allante roadster. In December, a new commuter airline, **Avianova, S.p.A.**, which will be operated by **Aero Trasporte Italiani, S.p.A. (ATI)**, is established in partnership with **Alisarda, S.p.A.** Also, the carrier takes over Finavio, S.p.A.

During the year, the fleet is enhanced by the addition of 4 MD-82s, 4 more ATR42s, and 1 B-747-243B/C; retired are 1 DC-10-30, a DC-9-32, and 2 F.27s. Customer bookings jump 2.7% to 13,357,512 and freight climbs 11.1% to 844.3 million FTKs. Expenses are kept in check and a \$170.7-million operating profit is achieved.

Airline employment grows 2.9% in **1987** to 21,033. In early spring, service is launched to Shanghai. **Avianova, S.p.A.** inaugurates commuter services in August over the regional routes opened by **Aero Trasporte Italiani, S.p.A. (ATI)** the previous summer. During the summer, flights begin to Luxor and orders are placed for 6 McDonnell Douglas MD-11s and the Italian flag carrier joins in the development of a new Galileo computerized reservations system.

An ATR42-320 with 37 aboard en route from Milan to West Germany on October 15, slams into the Italian Alps during a heavy rainstorm; the wreckage is found the next day and there are no survivors.

Passenger boardings ascend 9.9% to 14,253,480 while cargo rises 8% to 909.54 million FTKs. Revenues swell 13.2% to \$3.16 billion and costs are held low enough to allow a \$222.8-million operating profit.

The workforce is cut by 12.3% in **1988** to 18,453. Labor strife closes down some 25% of the carrier's flight operations early in the year. Still, controlling interest is taken in the inclusive-tour operator Italtour, S.p.A., along with its English and German subsidiaries.

Biweekly nonstop B-747-243B Boston to Rome via Milan service is restarted on June 1 and will continue until September 23. At the same time, a 15th weekly passenger flight to New York is added. On July 1, the company increases its Rome to Toronto service to four flights per week (one a nonstop), along with four-times-per-week service from Rome and Milan to Chicago and Los Angeles. Weekly DC-8F flights are introduced from Rome to Kuwait and New Delhi.

The line's "AliExpress" door-to-door small package and document service, already in place between New York and Rome, is expanded during September to serve Chicago and Los Angeles. Carlo Verri, formerly of the domestic appliance firm Zanussi, succeeds Umberto Nordio as

chairman on October 1. The carrier's winter schedule, opened in November, includes 26 weekly flights between Italy and New York (JFK), Chicago (ORD), Los Angeles, Montreal, and Toronto.

A strike by pilots causes cancellation of 80% of the company's flights to and from Rome on December 10. As the work stoppage intensifies, the carrier is forced to cancel 28 national and 6 international flights on December 14.

The job action cuts into passenger traffic totals as customer bookings increase just 1.7% to 14,502,548. Cargo, however, is not impacted and rises by 12.9% to 1.02 billion FTKs. Revenues for the Alitalia Group rise 5% to \$3.16 billion.

The number of employees receives a major boost upward in **1989**, climbing 58.2% to 29,197, and the fleet now includes 121 aircraft. A total of 350 daily flights are made within Italy, with the Rome-Milan route the most popular. In March, DC-8F weekly all-cargo services are introduced from Rome to Bombay and weekly A300B4-103 flights open from Rome to Baghdad and Tehran. Direct Venice to New York service is inaugurated in April.

As part of the implementation of a marketing agreement signed with **United Airlines**, the Chicago to Italy roundtrip frequencies are increased to five per week in May and six per week in July, the same month hot meals are introduced on Airbus and MD-80 Eurobusiness classes. In June, a 15th passenger flight is initiated to Italy from New York.

A two-tier wage package is signed with the company's pilot union in September following a period of negotiation during which trade unions had abstained from industrial actions. During the fall, the board of directors vote to increase share capital by \$288 million through a stock and warrant offering to current shareholders. President Verri is killed in a November 6 automobile accident in Rome.

In December, a new corporate structure is announced consisting of an executive committee, 3 central committees, 3 central group departments, and 11 operating divisions. The central groups include administration, finance, and control, headed by Giovanni Lionetti; innovation, development and strategic control, led by Enrico Graziani; and international affairs and human resources, controlled by the airline's managing director, Giovanni Bisignani, who is also interim CEO. Daily flights are started during the month to Frankfurt and London from Catania and Naples. In addition, five-times-per-week flights are initiated to Frankfurt from Palermo along with twice-weekly frequencies from Bari.

Emotionally and physically, the year is hard. There is labor unrest and the death of Chairman Verri, who was also a race car driver. Bad weather forces the cancellation of many flights and word is received that, beginning next year the company's domestic monopoly will be broken when Sardinia-based **Alisarda, S.p.A.** is allowed to inaugurate flights between mainland destinations. On the plus side, a new 14,000-sq.-meter flight training center is opened near Rome's Fiumicino airport.

Passenger boardings rise 12.6% to 10,360,052 and freight is up 8.6% to 1.1 billion FTKs. Total revenues are \$4 billion. Losses are \$86.2 million (operating) and \$175.9 million (net).

Company employment inches up 1.4% in **1990** to 29,641, the 13th largest airline workforce in the world; Michel Principe is chairman with Giovanni Bisignani as managing director. Five-times-per-week service is opened from Palermo to London in February. Strategic marketing alliances are signed during the year with **Air France**, **Japan Air Lines Company, Ltd. (2)**, **Eva Air, Ltd.**, **Iberia (Lineas Aereas de Espana, S.A.)**, and **USAir**. All but the latter will lapse.

Under a new bilateral air agreement signed between Italy and the U.S., in April Alitalia is given the right to choose five new American gateway cities in addition to the eight already served. In May, code-sharing flights commence with **USAir** between Rome and Washington and Philadelphia via Boston.

A B-747-243B collides with a **USAir** B-737-3B7 as both are taxiing at New York (JFK) on June 16, causing minor wing and tail damage, but no injuries. The pact with **Eva Air, Ltd.** of Taiwan provides the Asian airline with pilot training and engineering assistance, while the arrangement with the Spanish flag carrier, also announced in June, calls for the

joint development of new routes, as well as cooperation in technical, operational, and commercial projects. Frequencies are initiated to Miami, Ankara, Braga, Berlin, and Budapest, but suspended to Damascus, Amman, Baghdad, Dubai, Tel Aviv, Jeddah, Cyprus, and Kuwait City in the weeks following Iraq's invasion of Kuwait on August 2.

The company joins **USAir's** Frequent Traveler frequent flyer program in September. Also during the fall, contract negotiations are opened between the company and its U.S. workers, who are represented by the IAM. Management makes drastic proposals that include substantial pay cuts and outsourcing.

While on final approach to Zurich on a November 14 service from Milan, Flight 404, a DC-9-32 with 6 crew and 40 passengers, flies below its glide path and crashes into a line of trees 5.2 nm. from the runway; there are no survivors.

In December, nonstop thrice-weekly B-747-243B service is inaugurated from Rome and Milan to Miami and daily service is launched from Palermo to New York.

Customer bookings increase 12% to 18,202,689 and rank the company as 15th largest in the world in this category. Cargo ascends 4.1% to 1.16 billion FTKs, again, 15th best. Revenues swell 13.8% to \$4.4 billion, the 11th highest among all the carriers. The operating loss is cut to \$4.48 million while net loss falls to \$78.2 million.

The payroll is reduced 2.4% in 1991 to 28,917 and the fleet now includes 2 A300B2-103s, 11 owned and 1 leased A300B4-103s, 1 B-747-230B, 6 B-747-243Bs, 5 B-747-243B/Cs, 1 B-747-243F, 6 owned and 27 chartered DC-9-32s, and 30 MD-82s. Orders are outstanding for 40 A321-100s, 20 MD-82s, and 4 MD-11Cs.

In January, twice-weekly service is inaugurated from Rome to Boston. Services, disrupted by Operation Desert Storm, in February, are quickly restored by the end of the first quarter. New services are initiated to Beirut, Oporto, Valencia, Dublin, and Warsaw.

As the result of an unstabilized approach, the nose gear of a DC-9-32 with 6 crew and 90 passengers, collapses as the plane touches down at Rome following a service from Warsaw on April 11; although the jetliner is damaged beyond repair, there are no fatalities.

An agreement is signed in August under which the airline acquires a 22.5% interest in the aero engine concern Alfa Romeo Avia.

A Tunisian claiming he has a bomb commandeer an A300B4 with 137 aboard en route from Rome to Tunis on September 19, but he is arrested with a suspected accomplice when the plane lands in Tunisia.

Also in September, an alliance is entered into with **Korean Airlines/Korean Air (KAL)**. Under its terms, the two agree to code-share flights from Rome to Seoul via Zurich and to initiate a twice-weekly joint freight venture on the Milan-Seoul route via Anchorage. Seoul will later replace the Anchorage stop.

In early October, new emphasis is placed on passenger service as Prima business-class seats are redesigned for greater comfort, flight attendants receive new designer uniforms, and an "in-flight boutique" is offered, featuring Italian designer merchandise.

Mario Perillo's Perillo Tours and Alitalia, S.p.A. form an alliance on October 28 that makes the airline the travel firm's exclusive carrier in Italy. Plans are offered to increase package tours to Italy (where the travel business has fallen by half in the last decade) and holiday locations in the Caribbean and Hawaii.

Biweekly Rome to Kuwait City B-747-243C all-cargo flights resume during October and during the month, a series of agreements are entered into with **Air Europe, S.p.A.** These provide for the occasional provision of capacity, insurance, fuel pooling, and wet-lease service by AE on Alitalia's Rome and Milan to Mauritius routes.

In November, under terms of its alliance with **Korean Airlines/Korean Air (KAL)**, the company begins a joint all-cargo B-747-243F weekly service from Milan to Seoul via Anchorage. Also during the month, the company's first two MD-11Cs, the *Ponte Vecchio* and *Vincente Bellini*, are delivered. The mixed configuration has accommodations for 204 passengers in an interior designed by Giorgio Armani plus six 88 × 125-in. freight pallets in an aft compartment.

A new company headquarters, the Centro Direzionale della Magliana, is opened at Rome during the year.

Despite a return to normalcy in the Mideast, the Gulf crisis and continuing recessionary factors push passenger boardings down 5.1% to 17,281,224. Freight, however, climbs by 4.9% to 1.22 billion FTKs. Revenues ascend 6.8% to \$4.7 billion, but expenses are more. The operating loss is rises to \$67.2 million, but the net loss is cut to \$21.6 million.

Eleven employees depart the company in 1992 and the fleet is increased by 1 leased DC-9-32, 2 MD-82s, and 3 MD-11Cs.

In addition to its five-times-per-week MD-11 flights, in February the airline inaugurates biweekly MD-11C all-cargo, roundtrip service from Italy to Los Angeles (LAX).

During the same month, an alliance is entered into with **Nippon Cargo Airlines Company, Ltd.** providing for cooperation on a twice-weekly freight route from Milan to Tokyo via Amsterdam. New markets are opened at Bucharest, Seville, Bogota, Santo Domingo, Manila, and Singapore, while the overall number of flights are increased by 33%.

A strategic alliance is sealed with **Air Canada, Ltd.** on September 24 that provides for an increase in the number of flights between the two countries and an extension of each other's global reach. At year's end, it is announced that the Italian flag carrier will purchase 33% of **Malev Hungarian Airlines** for \$77 million, receiving five of eight seats on the board of the Hungarian airline as well as signing a strategic marketing alliance and management contract.

Customer bookings recover and advance by 13.8% to 19,688,772, while cargo moves ahead by 3.9% to 1.3 billion FTKs. Revenues swell 15.7% to \$4.24 billion and expenses rise 14.5% to \$4.07 billion. Operating income increases to \$161 million and the net loss is cut to \$9.2 million.

In 1993, Chairman Principe and Managing Director Bisignani oversees a workforce of 27,859, down 3.6% from the previous year. The fleet now includes 15 A320-211s, 9 B-737-281As leased to **Air Nippon Airways Co., Ltd.**, 1 B-747-2D3B, 5 B-747-218Bs, 7 B-747-481s, 9 B-747-481Ds, 17 B-747SR-81s, 25 B-767-281s, 27 B-767-381s, 5 B-767-381ERs, 6 L-1011 TriStar 1s, 10 A300B4-103s, and 7 YS-11A-500s chartered to **Air Nippon, Ltd.**

The carrier, in January, replaces **British Airways, Ltd. (2)** as frequent flyer partner of **Ansett Australia, Ltd.** Flight plans and route networks begin to be integrated with those of **Malev Hungarian Airlines** effective March 31, while coordination continues to grow in almost every area of the two carriers, including maintenance, sales, catering, and charter services.

The agreement with **Malev Hungarian Airlines** is legalized in mid-June; after the alliance is finalized the Italian carrier turns over \$77 million to Malev for fleet modernization. Five Alitalia, S.p.A. directors join the Hungarian carrier's board of directors. A commercial agreement is signed with **TACA International Airlines, S.A.** of El Salvador in July; this comprehensive marketing arrangement calls for schedule coordination through Miami, Los Angeles, and Chicago. Code-sharing flights commence with **Aviateca (Aerolineas de Guatemala, S.A.)** on the route from Miami to Guatemala.

After a two-year mediation effort between the airline and the IAM fails to produce a contract, ticket agents and cargo handlers strike the company's U.S. operations on September 4. Alitalia will lock out its IAM-represented workers and hire permanent replacement workers.

Passenger boardings slip 0.6% to 19,569,812, but freight increases 13.7% to 1.37 billion FTKs. A \$204.83-million net loss is reported atop an operating downturn of \$27.11 million.

As a result of the huge loss, Alitalia, S.p.A., on January 1, 1994, freezes the annual wage increase due its pilots, flight technicians, and cabin crews, pending a restructuring agreement with its unions. The following week, Principe and Bisignani are replaced by Chairman/CEO Robert Schisano, previously CEO of Texas Instruments' European Division, and Managing Director Renato Rivero, a former IBM Europe senior executive. The two announce an American-style restructuring program designed to return

Alitalia to profitability; the new approach will combine cost-cutting measures with the signing of strategic alliances.

En route from Palermo to Rome on March 21, a DC-9-30 is taken over by a lone assailant who is captured when the Douglas arrives at its destination. The first A321 arrives on March 22.

A code-sharing agreement with **Continental Airlines** is entered into on May 1. Under its terms, the two begin to link their routes between Rome and Newark employing a Continental DC-10-30 painted in the Italian line's colors on one side and the American's on the other. Additionally, the two begin to code-share and jointly market 140 connecting flights per day from U.S. domestic points from New York, plus Newark, to Milan, Rome, and beyond.

Later in the month, the board of directors approves the restructuring plan. Under its terms, cost-cutting measures will include the elimination of 1,200 positions through early retirements and hours available for work and, additionally, European Union permission will be sought for \$950 million in fiscal recapitalization.

A new strategic agreement is signed in June with **USAir**. The carrier and its unions reach agreement on July 13 on a reorganization plan that calls for substantial job cuts, although fewer than the airline had originally planned. Cabin staff opposed to the staff cuts stage a series of strikes, leading the government to establish a committee of inquiry into the failure of management to anticipate the job action. Two of the company's MD-80 pilots (Alberto Nasseti and Paolo Racchetti) are lost in the fatal June 30 crash of an A330 undergoing tests at Toulouse Airport.

In July, joint **Alitalia-Continental** flights begin from Rome to Newark and New York. An agreement is signed during the month with **British Midland Airways, Ltd.** Flights from Rome, Milan, and Turin will be code-shared via London (LHR) to Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

Chairman/CEO Schisano and Managing Director Rivero announce a revised reorganization plan in October, designed to hoist the airline out of its red fiscal pit. With three senior management positions eliminated, the new corporate structure will have six corporate and eight line functions. In October, the company begins to plan a comprehensive marketing agreement, including code-sharing, with **VARIG Brazilian Airlines (Viacao Area Rio-Grandense, S.A.)**.

During the year, the workforce is cut 6.3% to 26,092. Customer bookings move ahead by 3.8% to 20,312,554 while cargo inches up 1.8% to 1.39 billion FTKs. Revenues advance by 8.8% to \$4.86 billion, but expenses are also up, by 6.2% to \$4.77 billion. As a result, there is an \$89.74-million operating profit but a net \$179.72-million loss is suffered.

Airline employment is reduced another 3.7% in 1995 to 17,982; however, the carrier begins the year \$1.8 billion in debt.

Biweekly flights to Algeria are suspended on January 11 for lack of passengers. Two B-767-33AERs are wet-leased from Ansett Worldwide Aviation Services, Ltd. and with relations tense between company and pilots, a short strike by the airline's flyers erupts when the two aircraft arrive in late February. Still, a third is requested from the Australians along with three from Singapore Aircraft Leasing Enterprises, Ltd. (SALE), a partnership between **Singapore Airlines, Ltd.** and Boullioun Aviation Services.

A new code-sharing service with **Gulf Air** is initiated in March linking Rome with Abu Dhabi and Bahrain.

In June, 15 Fokker 70s are ordered for replacement use on thin domestic and regional routes by subsidiary **Avianova, S.p.A.** and the third B-767-33AER from Ansett enters service. The first Singapore B-767-33AER is delivered on August 4.

As more B-767s arrive, most of which are received under wet-lease and manned by crews from the U.K. charter airline **Air 2000, Ltd.**, displeased Alitalia pilots stage a number of wildcat strikes from August to October. These are intensified during the same six-week period by labor-related disruptions within the Italian ATC network that force cancellation of from 50 to 70 of the airline's daily departures. The board of directors estimates labor problems have cost the airline L 80 billion (US\$50 million).

Bad feelings are further intensified when the company accuses over 300 unionized pilots of public-service interruption for failing to report to work on one of the strike days; 19 flyers are dismissed in an action that lands both the pilots' union and the airline in a Rome court. Job actions by cockpit crew will cost Alitalia upwards of another \$50 million by late fall.

As part of its recovery plan, the airline, during the first week of October, sells its 56.2% stake in Aeroporti di Roma, S.p.A. to Corfi & Partners for L 395 billion (US\$258 million). Also in October, the company agrees to cooperate with **American Airlines** on cargo flights from Italy to Miami, where connections can be made on services to Central and South America and to the Asian destinations of Hong Kong, Bangkok, and Shanghai.

With an exchange of seats, **Cyprus Airways, Ltd.** and Alitalia begin code-sharing the route from Larnaca to Rome. The same sort of arrangement is made with **CSA Czech Airlines** covering flights to Prague from Rome and Milan and with **Finnair O/Y** on frequencies from Milan to Helsinki via Stockholm.

Having encountered major labor roadblocks to his efforts at reform, Chairman/CEO Schisano now encounters problems with the state-owned holding company Istituto per la Ricostruzione Industriale (IRI), which owns an 86% stake in the airline. As a result of its dissatisfaction with the pilot strikes and with his lack of overall progress, Schisano is dismissed during the last week of October; Managing Director Rivero moves up and begins to operate the airline with an executive committee made up of three IRI vice presidents.

Under a new pact with **Canadian Airlines International, Ltd.**, Alitalia begins code-sharing on passenger and cargo frequencies seven days per week as of November 1 between Rome and Toronto. CAI will operate the routes during winter and spring and the Italian line during the summer. The former **Aliadriatica, S.p.A.** and **Noman, S.p.A.** are combined at Rome in the fall and launch service to Milan on November 27 as **Air One, S.p.A.** The new domestic carrier will be Alitalia's first serious local service competitor.

A number of assets are sold, including all interest in Aeroporti di Roma and a pair of B-747-243BCs to **Atlas Air**. The Jumbojets arrive at Hong Kong Aircraft Engineering Co., Ltd. (HAECO) for modification on November 1 and December 31.

With the arrival of four Fokker 70s in October–November, **Avianova, S.p.A.** is able to begin replacement services during the fourth quarter. The last two SALE Boeings also arrive during the year's final two months.

Traffic is not, however, affected by political or boardroom activities. Passenger boardings inch up another 2.9% to 20,897,688 while freight accelerates 5.4% to 1.46 billion FTKs. Revenues increase by 5.6% to \$4.84 billion and a small \$832,000 net gain is posted. Officials admit that, but for the asset sale, the account books would have shown a \$283-million loss.

The workforce grows 6.3% in 1996 to 16,850 and at the beginning of the year the fleet has been reduced by 3 Jumbojets, 6 A300B4-103s, and 14 DC-9s. Early in the year, the company will begin to equip its 8 MD-11s with an in-flight entertainment system that, among other things, allows passengers to choose from more than 20 movies on every flight.

When the French open their skies on January 2, ending the virtual monopoly previously enjoyed by **Air Inter** (now **Air France Europe**), Alitalia inaugurates its first flights between various French cities. Initial MD-80 frequencies are launched from Rome and Milan to Lyon, with continuing service to Toulouse and Nantes. At the same time, **Noman, S.p.A.** elects to begin its own deep-discount competing services, flying from Rome's Ciampino Airport to Milan. **VASP Brazilian Airlines, S.A.** Flight 844, an MD-11 with 12 crew and 197 passengers, collides during taxi after landing at Miami on January 23 with Alitalia Flight 631. The B-747-243B with 19 crew and 231 passengers was taxiing out for takeoff to Rome. Although both aircraft sustain substantial damage causing the two services to be cancelled, no injuries are reported.

At the end of January, Istituto per la Ricostruzione Industriale (IRI), the holding company that owns Alitalia, announces that it will not fund

recapitalization unless the airline can obtain labor accords and restore stability. In February, Alitalia hires away the managing director of **Air One, S.A.**, appointing him vice president operations. The corporate raid triggers a government inquiry into the major's commercial practices.

Domenico Cempella, former head of Aeroporti di Roma who had started with Alitalia as a check-in agent 40 years earlier, is appointed managing director on March 1. He quickly moves to change the company's administrative chain-of-command, reducing by several the number of levels in the company bureaucracy. Eight days later, Chairman Rivero, in deep disagreement with the recovery approach of IRI Chairman/CEO Michele Tedeschi, resigns and is succeeded by ex-Alenia President Fausto Cereti, a mechanical and aeronautical engineer by training.

In his first public speech, Managing Director Cempella announces to the airline's unions on March 12 that he has scrapped his predecessor's reorganization scheme and will disclose his own in two months.

True to his word, on May 16 Managing Director Cempella puts forth his own idea for the carrier's salvation. To stay afloat, he notes, Alitalia must split its operations in two, its workforce will need to be cut, and a \$1.74-billion injection of new capital from the state will be required. In addition, facilities at Milan's Malpensa Airport will be developed into a European regional hub.

The next day, the carrier's unions reject the rescue plan and accuse management of seeking to break up Alitalia and sell its parts. Still, leaders indicate that a compromise plan might prove acceptable and agree to negotiate one.

On May 29, Alitalia sells its new headquarters and 22.5% stake in Alfa Romeo Avio, part of the carrier's maintenance arm, to Fiat for L 45 billion. After a month of discussions, the carrier reaches accord with eight of its unions (representing pilots, ground staff, and some cabin crew) on June 20.

Under terms of the new agreement, the unions that are in accord will acquire a 20% stake in the company and three seats on the board of directors. Alitalia will be able to cut costs by \$340 million over the next four years, establish a new low-cost operation, and receive the needed \$1.74-billion infusion from the state holding company that owns it. The main cabin crew union, Sulta, initially rejects this restructuring.

Beginning on August 6, Consolidators International of Los Angeles offers shippers to South Africa the first wholesaling service to that country with direct flights that can meet time-definite standards at what are claimed to be competitive prices. The forwarder employs Alitalia, which has direct service to Johannesburg, to launch its new program.

A controversy erupts in September–October when the government antitrust commission accuses Alitalia of unfairly allocating takeoff and landing slots at Milan's Linate Airport in an effort to drive away both real and potential competitors. The charges are made at a time when the European Commission begins to examine the government's request to provide massive state aid. Politicians in Rome call for the withdrawal of the airline's slot management authority.

The subsidiary **Avianova, S.p.A.**, is absorbed on November 1 and forms the nucleus of Alitalia Team, a low-cost subsidiary that employs former Alitalia employees paid lower wages who are able to work under more flexible rules. Pilots from Alitalia are able to temporarily transfer to the division under fixed three-year contracts. The new unit, officially known as the Highly-Competitive Carrier (HCC), is assigned the mission of providing discount services to points in Europe, the Mideast, Southeast Asia, and Central America. Permission to fly to the U.S. is sought.

In a special ceremony at Fiumicino Airport, HCC receives its first new B-767-33AER. Another will also be leased from the Alitalia parent, along with 6 MD-82s, 14 A321-112s, 4 Fokker 70s, and 13 ATR turboprops. All will wear bright red "Team" logos.

Having arrived at Chicago (ORD) following a November 19 service from Rome, Flight 638, a main line B-767-33AER with 11 crew and 129 passengers, puts down on Runway 09R without landing clearance from the control tower. The wide-body touches down approximately 7,000 ft. behind **Japan Air Lines Company, Ltd.** (B) B-747 Flight 38, which is on its landing rollout.

On November 24, the national antitrust authority, after a nine-month investigation, releases a report finding that Alitalia has attempted to block competition from **Air One, S.p.A.** and **Meridiana, S.p.A.** by controlling the allocation of airport landing slots, by monopolizing ticket writing, and by anticompetitive scheduling. The major is ordered to pay a L 415 million (US\$277,000) fine.

At the beginning of December, the Italian government drops restrictions against private investment in the airline, thereby opening the doors to its privatization. The last A300B4-103s are withdrawn during the year's final month.

Enplanements jump 10.7% to 23,137,947 and 2.75 billion FTKs are operated, a 26.7% increase. Although revenues climb 3.3% to \$1.96 billion, costs, led by a \$539-million restructuring charge, leave a huge \$719-million loss, later adjusted downward to \$666.6 million.

The workforce is cut by 4.6% in 1997 to 15,740. In January, Alitalia, in cooperation with **Tunis Air, S.A.**, begins a joint weekly all-cargo route from Rome to Tunis. The HCC continues to expand, becoming an autonomous division with its own fleet, a workforce of 1,600 personnel, and 300 daily flights.

To protest European Union fines against them for breaking milk-production quotas, Italian farmers block access to the country's main airports between January 16–25. The action costs Alitalia over \$615,000 each day.

A letter of intent is signed with **Air France** on February 3; its purpose is to set up a strategic alliance, with dual-designator flights on routes between Italy and France. Later in the month, the airline files suit against the farmers for recovery of the losses it has suffered during their recent EU protest action.

It is announced in February that the company and **Continental Airlines** will increase their capacity on three daily nonstops between New York and Italy. Under terms of a new agreement, a daily frequency is added to the one already flown from Newark (EWR) to Rome, along with a daily service to Milan.

Also during the first quarter, an agreement is signed with **Dragonair, Ltd.** that allows passengers connecting in Hong Kong to check through to their final destinations.

A new code-sharing agreement with **LOT Polish Airlines, S.A.** takes effect on March 30. Daily, except Thursday and Sunday, LOT B-737-45Ds will fly roundtrip from Warsaw to Rome; the other two days will be serviced by the Italian major's MD-80s. At the same time, LOT begins dual-designator flights from Warsaw to Milan on Wednesdays, Fridays, and Saturdays (a second flight on Fridays stops in Cracow) while Alitalia MD-80s service the same route each weekday.

The new dual-designator agreement entered into with **Air France** begins on April 1. On that date, code-sharing begins on frequencies from Bologna, Florence, Turin, and Venice to Paris and from Milan to Lyon and Rome to Lyon and Strasbourg. Having taken a page from the logojet book first written by **Western Pacific Airlines (Westpac)**, on April 7 the carrier unveils a B-747-243B in the silver and dark blue color scheme of sponsor Bacio Perugina (Perugina Kiss), a chocolate candy manufactured by Perugina/Nestle. With titles that read *Baci dall'Italia*, *Baci da Alitalia* (Kisses from Italy, Kisses from Alitalia), the Jumbojet enters service next day on Flight 610 from Rome (Fiumicino Airport) to New York (JFK).

Also during the month, in an exchange of seats deal with **LOT Polish Airlines, S.A.**, the carrier begins new code-sharing services from Milan and Rome to Warsaw. By the end of the month, the HCC has increased its schedule by 100 weekly flights.

Approval of its restructuring plan and state infusion package is sought from the EU Commission. Meanwhile, the strategic alliance with **Continental Airlines** deepens as the number of daily roundtrips between Rome and Newark are increased from two to three.

In May, EU Transport Commissioner Neil Kinnock, acting on behalf of the body he heads, rejects the carrier's restructuring plan. It is pointed out that the Italian program has failed to shrink the carrier's route network sufficiently to generate adequate return while labor costs remain

too high. Alitalia suggests that the plan has not been rejected, but only that Kinnock seeks "clarifications."

On May 22, Flight 600, a B-767-33AER with 10 crew and 158 passengers, arriving at Newark from Milan, receives a windshear alert; the plane lands anyway, receiving nosegear and nose structural damages, probably from windshear. No injuries are reported in the safe deplanement that follows.

Just after takeoff from Rome's Fiumicino Airport on June 30, Flight 672, a B-747-243B en route to Rio de Janeiro, suffers an engine fire; a safe emergency landing is made back at the point of origin.

In early July, Alitalia reports a \$5.5-million profit for the year's first half, the carrier's first profit in nearly a decade. EU Transport Commissioner Kinnock announces on July 15 that Alitalia will be allowed to receive a \$1.6-billion government rescue package in three stages, all tied to heavy conditions.

In the last bailout program allowed an European airline, Kinnock notes that the carrier may have \$1 billion immediately, with the remainder coming in 1998 and 1999, if it meets these requirements: a staff reduction of 1,200; an acceleration of existing cost-cutting measures; and sale of various holdings, including those in **MALEV Hungarian Airlines**, the engine manufacturer FiatAvio, the Galileo computerized reservations system, and several Italian regional airports.

In addition, no new shareholding may be taken in other carriers and the company's fleet is to be frozen until the year 2000, although, in the event of a 5% growth rate, a 2.7% increase in capacity will be permitted. Receipt of the EU money allows the carrier to cut its huge debt from L 3.4 trillion to L 2.3 trillion and avoid bankruptcy.

On August 1, discussions begin with **KLM (Royal Dutch Airlines, N.V.)** and **Air France** concerning a possible strategic alliance. During late summer and early fall, the Italian flag carrier retires 14 aircraft, including all of its A300B4s, in order that it may remain within required capacity limits.

On October 1, the subsidiary **Alitalia Express, S.p.A.**, reformed from **Avianova, S.p.A.** and outfitted with the 13 Aero International (Regional) ATR42/72 turboprops previously operated by Alitalia Team, begins flying the major's thin domestic and regional routes. The Fokker 70s are sold.

With a delay of up to a year expected in completion of the new Malpensa Airport at Milan, the company begins to calculate that it will lose three million passengers as a result.

So positive are the negotiations between Alitalia and **KLM (Royal Dutch Airlines, N.V.)** that, on October 26, the cargo divisions of the two airlines, not waiting for a master agreement to be finalized, begin the first cooperative projects. Employing two KLM Cargo B-747-306Cs and three Alitalia B-747-243Fs as well as the KLM base at Amsterdam's Schiphol Airport and the Alitalia facilities at Milan and Rome, the two operate joint flights to 16 destinations in Europe, Asia Pacific, India, the Middle East, and Latin America. Although the two are able to expand their cargo networks in these areas as a result, they maintain, for political reasons, their individual freight services over the Atlantic and their separate alliances with various other partners.

At the end of November, EU Transport Commissioner Kinnock notifies Italian Minister of Transport Claudio Burlando that his office is investigating allegations that Alitalia is employing Italian-state funds to cut prices on its domestic services. If true, the action is clearly prohibited under EU subsidy rules.

In early December, IRI announces plans to reduce its 86% stake in the carrier to just 60%.

On December 17, the carrier and **KLM (Royal Dutch Airlines, N.V.)** complete negotiations and announce the formation of a no-equity strategic alliance. With a priority goal of creating a combined multihub system based in Amsterdam, Milan, and Rome, the two agree to concentrate initially on expanded, dual-designator European routes, transatlantic services, and cargo operations. A multihub system will be developed at the airports of Rome and Amsterdam.

In light of the new grouping, the company and **Air France** elect to discontinue, in 10 months, their recent compact.

Customer bookings advance 6% to 24,520,603, but freight dips 1.4% to 1.47 billion FTKs. Operating revenues for Alitalia Group jump 6.2% to \$4.5 billion and, with expenses in hand, a net \$243.3-million profit is celebrated.

At the beginning of 1998, Alitalia is the 13th largest airline in the world in terms of passenger boardings, 22nd in freight, 16th in net profit, and 17th in fleet size and operating revenues.

The fleet now includes 100 aircraft, 97.7% of which are Stage III certified: 3 DC-9s, 10 B-747s, 6 B-767-33AERs, 20 A321-112s, 8 MD-11s, and 90 MD-82s. Alitalia Team's fleet, chartered from its parent, continues to grow and now includes the 20 A321-112s, 20 MD-80s, all 6 B-767-33AERs, and all 8 MD-11s.

On January 21, an MD-11 transports Pope John Paul II on his historic visit to Havana, Cuba; it will return him to Rome five days later.

In response to EU Transport Commissioner Kinnock's November concern, the company, at the end of January, agrees to stop apparent violations of its state-aid rules by halting its aggressive predatory pricing actions against its domestic and regional Italian rivals. Previously announced plans to open a second daily MD-82 roundtrip from Bologna to London (LGW) are withdrawn on February 15.

MD-82 service from Turin to London (LGW) ends on March 29. It is replaced with an Avro RJ70 roundtrip from Turin to London (LCY).

In April, **Azzura Air, S.p.A.** ends its code-sharing pact with **Debonair, Ltd.** and becomes a franchise partner of Alitalia, S.p.A., reporting to **Alitalia Express, S.p.A. Minerva, S.p.A.**, operating its seven Dornier 328-100s on Italian domestic routes, also becomes a franchise partner.

Both airlines, in the manner of "British Airways Express," paint their aircraft in Alitalia colors, with Alitalia interiors. Alitalia uniforms are provided and check-in and ticket counters receive Alitalia branding; indeed, even the supplies used in in-flight meal services come from the Italian major.

Despite protests from Rome's local politicians, CEO Cempella, also in April, announces his determination to press ahead with plans to open a new hub at Malpensa Airport when refurbishments at the Milan facility are completed in October. Upwards of 10% of the company's operations will be transferred north from Rome's Fiumicino Airport.

During the month, the parent IRI begins to sell 27.6 million shares of Alitalia stock to institutional investors. Plans are made to launch a L 3-trillion capital increase at the end of May.

After 25-days of labor, workmen have completed the process of applying 1,300 lbs. of paint to the B-747-243B *Argentario*. The Jumbojet, perhaps the world's largest logojet, begins to promote the new aluminum wristwatch from Bvloart jewelry for a year on the airline's routes to North and South America, the Far East, and Australia.

Mud slides disrupt operations at the Naples Airport during the second week of May. On May 18, 2,800 company flight attendants, protesting against stalled contract negotiations, stage a 24-hour strike; consequently, Alitalia must cancel a third of its domestic flights.

The Istituto per la Ricostruzione Industriale (IRI), which owns Alitalia, sells 18.3% of the airline's shares to private investors in May as scheduled. The state holding company's stake is cut to 67%; however, it is anticipated that that figure will shrink to 53% when investment opportunities are offered to company employees.

Daily roundtrips commence on June 1 between Rome's Fiumicino Airport and Salonica.

The government decrees in July that, following the opening of Milan's Malpensa Airport on October 25, flights into the current Linate Airport will be restricted to carriers operating routes that handle more than two million persons annually. The only such service is Alitalia's to Rome. Domestic and foreign competitors complain to both the Italian government and to the European Commission.

After all of the coverage in previous years, this year's second tranche of the state-funded bailout approved by the EC comes into company coffers in July largely without public notice.

On August 15, the EC indicates that it may suspend the Italian government's huge bailout for Alitalia if rules for fair competition at Milan's airports are distorted according to the July proclamation.

In the third week of September Transport Commissioner Kinnock, acting on behalf of the EC, announces that the Italian government decree on the Milan-Linate situation is both discriminatory and illegal. On the other hand, he also notes that the EC has no power to impose an alternative plan on the Italian government. Italy agrees to a phased transition by other airlines from Linate to Malpensa rather than the overnight shuffle originally sought.

Malpensa Airport at Milan opens as scheduled on October 25 and, like the opening of new facilities at Hong Kong and Kuala Lumpur, does not go smoothly. Baggage handling and customer orientation problems dominate.

The winter schedule opens on October 28 with a number of schedule changes. A third daily MD-82 flight is started from Venice to London (LGW), while a third daily MD-82 return service is started from Milan to Amsterdam in code-share with **KLM (Royal Dutch Airlines, N.V.)**.

Also on October 28, four new weekly MD-82 return flights are begun from Milan to Tirana, Albania. New twice-daily MD-82 roundtrips simultaneously begin from Bologna to London (LGW), Paris (CDG), and Milan. Conversely, daily MD-82 return service from Pisa to London (LGW) and Paris (CDG) is suspended.

As the fourth quarter progresses, Alitalia continues its planning for Systema Alitalia, a scheme at Malpensa whereby its worldwide network will be integrated with that of **KLM (Royal Dutch Airlines, N.V.)** at Amsterdam's Schiphol Airport.

Customer bookings during the 12 months dip 2% to 24.1 million, while cargo traffic climbs 3.4% to 1.52 billion FTKs. Revenues ascend 5% to \$4.99 billion, while costs are up just 1.6% to \$4.69 billion. As a result, there are profits: \$298.85 million (operating) and \$221.48 million (net).

A slippery runway at Prague causes a company MD-80 to skid off the pavement just after landing on January 13, 1999. No injuries are reported.

A company MD-11, wearing the Papal seal, flies Pope John Paul II from Rome to Mexico City on January 22; the pontiff is seen off by Italian Prime Minister Massimo D'Alema.

While landing at Catania following a January 28 service from Venice via Naples an MD-82 with 78 passengers aboard reportedly encounters windshear, strikes a localizer antenna, lands heavily blowing a tire, and skids off the runway; no injuries are reported as the plane is evacuated via escape chutes. The aircraft, with substantial damage to its wing and main landing gear, is withdrawn from service.

Just after landing at Moscow on February 10, the tail of the **Aeroflot Russian International Airlines (ARIA)** Il-96 returning President Boris Yeltsin from the funeral of King Hussein at Amman, Jordan, strikes the wing of the Alitalia MD-80 that has just brought Prime Minister D'Alema to the city for talks. No injuries are reported aboard either aircraft, although the Italian plane is damaged to a point where a replacement aircraft will be sent. Russia admits responsibility and agrees to pay for repairs to the damaged Italian jetliner.

It is reported in the *London Sunday Times* on February 14 that the company is in discussions with **Air France**, **Continental Airlines**, **Delta Air Lines**, and **Northwest Airlines** concerning the possible formation of a global alliance with which to challenge the two other great airline pacts, "OneWorld" and the "Star Alliance."

On February 16, it is announced that **Canadian Airlines, Ltd.** will place its code on Alitalia's nonstop roundtrips between Milan and Toronto five times a week beginning on June 1.

The Italian news agency Ansa reports on February 21 that **Air France** is in discussions with **KLM (Royal Dutch Airlines, N.V.)**, **Northwest**

Airlines, and Alitalia concerning the possibility of Air France joining their global alliance. Northwest and KLM, with will be recalled, are also alliance partners of **Continental Airlines**, which is one of two U.S. airlines seeking a partnership with the French line. None of the suggested participants will confirm the story.

Breaking ranks with its partners, Alitalia, through an unidentified spokesman, on February 23, confirms that his carrier, along with **Northwest Airlines** and **KLM (Royal Dutch Airlines, N.V.)** are at the "very beginning" of alliance talks with **Air France**.

The CEOs of **KLM (Royal Dutch Airlines, N.V.)**, **Northwest Airlines**, and Alitalia meet with **Air China International Corporation** officials in Beijing, also on February 23, to discuss bringing the Chinese carrier into their global alliance.

An A320-214 joins the 22-unit A321-112 fleet of Alitalia Team on March 15. Eighteen of the aircraft type remain to be delivered.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Alitalia, on March 24, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo begins.

Service to Belgrade remains halted on March 25-26 and for the duration of the NATO bombing campaign. Flights to south-central and southeastern Europe experience delays of 30-60 minutes due to airspace closure.

With the start of the summer schedule on March 28, a fifth daily MD-82 return service is started between Milan and Bologna. The NATO Stabilization Force on April 15 and 19 reopens the Bosnian airports at Sarajevo and Mostar, respectively.

At month's end, the carrier signs a revised agreement with the Italian transport ministry for the operation of certain routes to non-EU destinations. The arrangement, according to competitors, contains clauses that discriminate against them and lead to the filing of a complaint with the EU.

In a joint statement with **KLM (Royal Dutch Airlines, N.V.)** on April 30, Alitalia confirms that the two majors are offering dual-designator service under a temporary contract while the final documents of the commercial alliance are hammered out for signature. Original plans had called for the definitive alliance accord to be signed on April 15; the new projected date is November 1.

As the result of the lifting of the UN ban on scheduled flights to Libya in early April, Alitalia, on May 1, launches MD-82 roundtrips between Milan and Tripoli, three times a week. MD-82 twice-weekly return service is simultaneously started from Rome to Tripoli.

At a New York press conference on May 10, it is announced that Alitalia will join the multinational airline alliance operated by **Northwest Airlines** and **KLM (Royal Dutch Airlines, N.V.)**. The airline representatives indicate that their companies are asking the DOT to grant antitrust immunity to their joint venture, after which they will be able to set ticket prices together, code-share, manage seat inventories, and share services, costs, and revenues. Following approval, the first routes to be operated under the new joint venture will be from Detroit to both Rome and Milan.

This new partnership will form the core of a long-awaited fourth major global airline alliance, "Wings," which will be formally announced later in the year. Before that time, it is anticipated that **Continental Airlines** will also become an alliance partner.

The next day, a bipartisan group of 40 members of the U.S. House of Representatives sends a letter to President Clinton asking the White House to block approval of the pending "open skies" agreement with Italy. The Congressmen are petitioning on behalf of the U.S. employees of Alitalia, who were represented by the IAM prior to their replacement in September 1993.

It is reported, also on May 11, that Alitalia has integrated KLM's Italian sales operations within its own; meanwhile, KLM has absorbed the Italian line's sales operations in The Netherlands.

During the remainder of the month and in June, company and unions representing pilots and flight attendants bargain over a complex contract. On July 1, the airline personnel threaten a lunchtime strike on July 5.

EU Transport Commissioner Neil Kinnock, in a July 5 letter to Italian Transport Minister Tiziano Treu, expresses serious concerns that the flag carrier has violated certain terms under which it was granted permission for government subsidy in 1997. The problems identified (as the government is preparing to hand over the third and final L 250-million tranche) revolve around complaints from competitors concerning Alitalia's allegedly better slots at Milan's new Malpensa Airport.

The Master Cooperation Agreement between Alitalia and **KLM (Royal Dutch Airlines, N.V.)** is signed on July 30 and is granted final approval by European Union antitrust regulators on August 11.

The August 23 issue of Malcolm Ginsberg's *Air and Business Travel News* (<http://www.abtn.co.uk>) reports that the proposed "Wings" global alliance is in serious jeopardy. Abstracting a report from the previous day's London *Financial Times*, the newsletter notes that a significant disagreement between **Continental Airlines** and **KLM (Royal Dutch Airlines, N.V.)** concerning linkage and revenue sharing on transatlantic flights risks termination of the grouping and creation of a new alliance without Continental.

Pisa to London (LGW) return service is halted on October 31.

The union with **KLM (Royal Dutch Airlines, N.V.)** becomes effective on November 1. Mario Pascucci, formerly vice president-Alitalia Cargo is appointed managing director of the two lines' joint cargo venture while Henry Essenberg, former KLM executive vice president-network organizing is tapped to be managing director for the joint KLM-Alitalia Passenger Venture.

The same day, Alitalia becomes the first European Union carrier to resume flights to Algeria since January 1995; twice-daily roundtrips are launched from Rome to Algiers.

The KLM-Alitalia Passenger Venture is fully integrated by the end of December as over 100 joint managers are named and stationed at all 80 of the carriers' country organizations.

Overall passenger boardings dip 0.1% to 24,048,000 while freight traffic jumps 8.3% to 1,611,287 FTKs. Earnings are shown to have plunged to \$14 million when skimpy figures are belatedly released.

Among the world's top 25 airlines as the new millennium begins, Alitalia is 15th in passengers, 24th in FTKs, 25th in employees, and 18th in fleet size.

A code-sharing agreement is signed with **Meridiana, S.p.A.** on January 4, 2000; under its terms, Alitalia places its designator on Meridiana services from Rome to Olbia and Verona and from Milan to Cagliari and Olbia.

Also in January, **KLM (Royal Dutch Airlines, N.V.)** completes the earlier-promised infusion of 100 million euros (\$93 million) to Alitalia to assist the latter as it creates a joint northern Italy hub at the new Malpensa Airport at Milan.

When Italy reacts sluggishly in transferring flights to the new airport and privatizing Alitalia, KLM President Leo van Wijk is forced to take the unusual step of publicly announcing in February that the delay is forcing his carrier to completely reconsider the future of its joint venture with Alitalia. Under terms of the accord between the two airlines, KLM has the right to abandon the alliance if Malpensa's development into a joint hub is stalled beyond March 31.

Although the Italians in March announce an interest in fully integrating with the Dutch carrier, the privatization of their own airline is once more pushed back.

While on a March 20 state visit to Italy, top Algerian diplomat Youcef Yousfi asks that the Italian transport minister encourage Alitalia to form a strategic alliance with **Air Algerie, S.A.** On a lighter note, a company MD-82, wearing a special McDonald's livery, begins offering domestic services on March 15.

On April 20, despite bitter opposition from Europe's carriers, the Italian government begins implementation of a long-delayed program to move flights from Milan's Linate Airport to Malpensa.

All of this corporate and governmental confusion finally causes KLM, as is its right, to pull the plug on the pending Alitalia operational merger as of April 28. Upon notice of cancellation, the Amsterdam-based major also demands repayment of its 100-million euro (\$93-million) advance. The next day, Alitalia stock falls 5.7% on the Italian exchange.

Within a month, the Dutch and Italian flag carriers have restored their own sales offices in 80 countries. **Northwest Airlines**, KLM's U.S. partner, continues for the moment to pursue the established transatlantic dual-designator links.

"Alitalia Express" S.p.A. ERJ-145 service is inaugurated on May 18 from Rome to Pisa. The previous dual-designator Amsterdam-Sydney via Milan and Singapore service flown with **Singapore International Airlines, Ltd.** and **KLM (Royal Dutch Airlines, N.V.)** ends on June 14; it is replaced on June 19 with a B-747-243B route operated from Milan to Sydney via Bangkok. On June 20, a code-sharing agreement is signed with **Tarom Romanian Airlines, S.A.**

A legal battle between Alitalia and **KLM (Royal Dutch Airlines, N.V.)** is started on August 10 when the board of the Italian carrier files a 250-million euro (\$228-million) claim against the its erstwhile partner, claiming the split-up is "illegitimate." The case will be heard in Amsterdam by an international panel (one Italian member, one Dutch, one neutral) in Amsterdam applying Nederlands Arbitrage Instituut procedure and using Italian law.

Code-sharing, frequent-flyer program reciprocity, and shared lounges with KLM ends on August 31 and the "demerging" of the two airlines is completed the next day.

Due to rising fuel prices, the major, on September 1, suspends service to Addis Ababa, Bangkok, Nairobi, and Sydney and raises by 3% the price of its international tickets. The company's "AL" code is placed on **Air Europa, S.A.** domestic Spanish flights beginning on September 6.

Badly in need of a new alliance partner, the company announces on September 18 that it is holding partnership discussions with **Swissair, A.G.** ("Qualifyer") and **Air France** ("SkyTeam"). A record first-half loss (three times worse than the figure reported a year ago) of \$160 million is reported on September 29.

A strike by flight attendants at Rome's Fiumicino Airport on October 27 forces the company to cancel 80 domestic and 23 international flights.

The next day, the major begins to code-share on **Meridiana, S.p.A.** BAe 146-200 roundtrips from Florence to Barcelona, Paris (CDG), and London (LGW).

The company, on October 29, drops service from Bari to Bologna, Florence, Trieste, Venice, and Verona; MD-82s are placed on the route from Bologna to Paris (CDG). Flights from Rome to Addis Ababa, Bangkok, Berlin (Tegel), Nairobi, and Sydney also end, but flights from the Eternal City to Dubai and Mumbai are increased.

On November 1, **Japan Air Lines Company, Ltd. (2)** and Alitalia begin code-sharing on each other's weekly return services—eight Alitalia, seven JAL—between Italy and Japan. The same day, the company's five-times-a-week service from Milan to Bangkok is suspended.

ALITALIA EXPRESS, S.p.A.: Viale Alessandro Marchetti 111, Rome, I-000148, Italy; Phone 39 (6) 522 421; Fax 39 (6) 655 1502; <http://www.alitalia.com>; Code XM; Year Founded 1997. This subsidiary of the Italian flag carrier is established at Rome in October 1997 to operate replacement flights for its parent that include scheduled passenger and cargo services and charters. Claudio Carli is named president and is provided with a fleet of 9 Aero International (Regional) ATR42-320s and 4 ATR72-210s that had previously been operated by Alitalia Team. Revenue flights commence on October 1 linking the company's base with its principal destinations of Bologna and Florence.

During the remainder of the fourth quarter and into 1998, the number of points visited jumps to 24, including 11 international locations.

In April, **Azzurra Air, S.p.A.** ends its code-sharing pact with **Debonair, Ltd.** and becomes a franchise partner of **Alitalia, S.p.A.**, reporting to this subsidiary. By year's end, the link will account for 35%

of Azzura's business. **Minerva, S.p.A.**, operating its 7 Dornier 328-100s on Italian domestic routes, also becomes a franchise partner.

Both airlines, in the manner of British Airways Express, paint their aircraft in Alitalia colors, with Alitalia interiors. Alitalia uniforms are provided and check-in and ticket counters receive Alitalia branding; even the supplies used in in-flight meal services come from the Italian major.

Flights continue in **1999**. In late March, **Alitalia, S.p.A.** places a \$50-million order with Avions de Transport Aerien for 3 ATR72-520s, which are delivered to Alitalia Express between July and December. Requests are also sent to Brazil for regional jets.

Alitalia Express at Rome's Fiumicino Airport takes delivery of the first of 6 Embraer ERJ-145s on April 22, **2000**. ERJ-145 flights from Rome to Nice start on August 6.

ERJ-145 Alitalia Express service is inaugurated on September 1 from Milan to Zurich and Stuttgart and is followed by new roundtrips from Milan to Lyon, which commence on October 1.

ALITALIA TEAM. See **ALITALIA, S.p.A.**

ALK KUBAN AIRLINES. See **AIR LINES OF KUBAN (ALK KUBAN AIRLINES)**

ALKAIR FLIGHT OPERATIONS, A.S.: Skodsborgvej 240, Naerum, DK-2850, Denmark; Phone 45 (42) 802 088; Fax 45 (42) 802 488; Code LK; Year Founded 1973. Alkair Flight Operations is established at Naerum in early **1973** to operate regional executive passenger and air express services. Per Alkavesig is appointed president and he begins revenue flights during the summer with a pair of Fokker F.27-600 Friendships. Operations continue apace during the remainder of the decade and through the **1980s**.

Although the company's mission does not change during these years, business requires an increase in flight equipment. By **1994**, President Alkavesig oversees a workforce that includes 10 full-time and three part-time pilots and a fleet of 3 Fokker F.27-600s, 1 Gates Learjet 35A Century 3, and 1 Cessna 650 Citation III. In the fall, 1 Fokker is chartered to **Corporate Air** in the U.S. for operation with **Federal Express** contracts.

Flights continue in **1995–2000**, during which years the workforce totals 12. Emphasis is now given to hospital flights and the fleet is reduced to just 1 each F.27-600, Cessna Citation III, and Learjet 35A.

ALKOR PRODUCTION COMPANY (ALKOR PROIZVODSTVENNIYA KOMPANIYA): Bolshaya Gruzinskaya 4V, Moscow, 123242, Russia; Phone 7 (095) 254-3144; Year Founded 1994. APK is set up at Moscow in the spring of **1994** to offer ad hoc all-cargo services. G. A. Yushko is appointed general director and he launches and continues revenue services with a single Ilyushin Il-76.

ALL-AMERICAN AIRWAYS. See **ALL-AMERICAN AVIATION**

ALL-AMERICAN AVIATION: United States (1937–1953). Having invented a specialized nonstop airmail pickup and delivery system, Chicago dentist Dr. Lytle S. Adams founds All-American Aviation at Wilmington, Delaware, on March 5, **1937**. Nothing more than a holding company from which to negotiate, All-American becomes an operating airline in the spring of **1938** when Adams concludes a financial agreement with former national gliding champion Richard C. DuPont, who makes an \$85,000 investment and a \$45,000 loan. With the DuPont as president and Adams as vice president, the company bids on and receives an experimental airmail contract from the CAB late in the year. It also acquires 5 Stinson SR-10C Reliants, which are modified for dropping and retrieving the mail sacks per the system invented by Adams.

When all is prepared and a two-month period of testing is completed, All-American, with a base at Pittsburgh, inaugurates two routes on May 12 and 14, **1939** to 52 mountainous communities in Pennsylvania and West Virginia equipped with Adams's specialized ground release devices.

The reliable and punctual enterprise is concluded on May 13, **1940**, by which time the company is the successful bidder for Air Mail Routes 1001 and 1002 operating out of Pittsburgh. On July 21, the CAB grants DuPont (Adams has since left the company) a permanent mail certificate (the first granted a carrier by that new agency) and scheduled operations are resumed under that award on August 12.

In **1941**, AAA flies pick-up over 1,386 miles covering 111 destinations on five routes in six states; 46 points have no airports. The fleet grows to 12 Stinson SR-10C Reliants. Even as the unorthodox mail service is being flown on a 1,040-mile route over treacherous mountains in Pennsylvania and West Virginia, All-American Aviation undertakes cargo flights for the U.S. Army. Founder DuPont, while serving as special Army Air Forces advisor for glider operations, is killed in the crash of an Army glider on September 11, **1943**.

Two Stinsons are lost in fatal crashes, one each in **1944** and **1945**. Halsey R. Bazley succeeds DuPont as CEO and enters a postwar period of frustration. Without mail subsidy, with plunging mail traffic, and faced with the CAB's refusal to allow combined passenger-mail airborne pickup, the carrier faces oblivion. Still, the company provides mail flights to Washington, D.C. and 117 communities, some only minutes apart, in Delaware, Kentucky, New York, West Virginia, Pennsylvania, and Ohio. Its five routes cover 1,449 miles.

In **1946**, Robert M. Love is named president and he moves the carrier away from the mail-pickup business towards passenger carriage. From the company's general offices on Greenhill Avenue in Wilmington, Delaware, the new CEO applies for 66 new routes to provide frequencies to 1,156 communities east of the Mississippi River. Employing small aircraft, AAA continue to derive its **1947** revenues exclusively from mail contracts rather than freight or express. On September 20, **1948**, the company name is changed to **All-American Airways**.

War-surplus Douglas C-47s (military DC-3s) are acquired early in **1949** and application is made to the CAB for a permanent certificate. On January 13, the CAB approves service for a three-year period in the Pittsburgh-Cincinnati-Jamestown-New York-Philadelphia region. The number of Washington-Philadelphia frequencies is increased on April 16. Having halted all mail pickup operations at the government's request on June 30, the company receives a CAB certificate for regular passenger transport operations on November 11. Eight days later, a Douglas transport crashes into a house near Detroit Airport (three dead).

Scheduled Douglas DC-3 passenger service commences on March 7, **1950**. Three months later, corporate headquarters are transferred to Washington, D.C. (DCA). On June 1, **1951**, the carrier begins service from New York to Asbury Park, Atlantic City, and Washington, D.C.

On August 9, **1952**, air-freshening lamps are installed in the DC-3 cabins and, on January 2, **1953**, All-American Aviation is split into two concerns: All-American Engineering and Research Corporation and **Allegheny Airlines (1)**, with Leslie O. Barnes as first president.

ALL CANADA EXPRESS, LTD.: Canada (1993–1996). All Canada is formed at Vancouver in **1993** to provide all-cargo flights to destinations in British Columbia and throughout western Canada. Service begins with 2 Convair CV-580 leased from **Kelowna Flightcraft Air Charter, Ltd.**

Operations continue apace throughout the remainder of the year and in late **1994** operations are enhanced when Kelowna delivers 1 Boeing B-727-27F under charter.

The fleet is further increased in **1995** by the addition of 1 each B-727-22C and B-727-92C, both chartered from Kelowna.

Although Kelowna replaces the B-727-92C with 2 B-727-260AFs in **1996**, flights cease at year's end.

ALL ISLAND AIR: United States (1973–1980). All Island Air is established at St. Croix, U.S. Virgin Islands, in **1973** to provide scheduled and charter air taxi services to regional Caribbean destinations. Employing 1 each Piper PA-23 Apache, PA-23 Aztec, and Britten-Norman BN-2 Islander, All Island duly inaugurates daily

roundtrips connecting its base with St. Thomas, Tortola, Virgin Gorda, and Anegada in the British Virgin Islands.

Operations continue apace until 1980.

ALL LEISURE AIRLINES, LTD.: United Kingdom (1995–1997). With headquarters at West Sussex, ALA is established in May 1995 by All Leisure Travel Holdings, Ltd. With Bob Stevens as CEO, an operations base is set up at London (LGW) and a workforce of 50 is recruited. An Airbus Industrie A320-200 is acquired with orders let for 3 more. Revenue flights commence with the holiday season in the fall.

Through October 1996, the company's Airbuses transport a total of 119,000 passengers from London, Manchester, and Newcastle to destinations in Europe and the Mediterranean. It is decided not to begin a new tourist season and the company is shut down at the beginning of 1997.

ALL NIPPON AIRWAYS COMPANY, LTD. (ANA): Kasumigaseki Blvd., P.O. Box 100, 3-2-5 Kasumigaseki, Chiyoda-ku, Tokyo, Japan; Phone (81-3) 3592-3035; Fax (81-3) 3506-3596; <http://www.ana.co.jp> (Japanese); <http://www.ana.co.jp/index-e.html> (English); Code: NH; Year Founded: 1958. All Nippon Airways Company, Ltd. (ANA) is formed on March 1, 1958 through the merger of **Japan Helicopter & Aeroplane Transport Company, Ltd.**, and **Far East Airlines Company, Ltd.** The company administration is largely made up of JHAT officials, including President Masuichi Midoro. The merged fleet includes Douglas DC-3s, de Havilland DH 114 Heron 1Bs, and several DH 104 Doves.

Service is started using Far East equipment over a route Osaka–Fukuoka via Iwakuni. On August 12, a DC-3 with 3 crew and 30 passengers crashes into the sea near Izu Island, south of Shimoda; there are no survivors.

In October, a technical committee is formed for the prevention of accidents. It determines that the previous practice of employing cannibalized spare parts from out-of-service airliners to make repairs must be halted. With a government loan, orders are placed late in the year for Convair CV-440s and de Havilland DH 114 Herons. Start-up costs and lost business due to the accident bring a loss of ¥400,000.

The Japanese government grants the carrier full certification to operate over domestic trunk routes on April 1, 1959. Two Douglas transports inaugurate twice-daily direct service between Tokyo and Osaka. Capitalization is increased to ¥ 600 million (US\$2 million) on April 27.

In May, a cooperative agreement is signed with **Japan Air Lines Company, Ltd. (2)**. The first ANA CV-440 arrives at Tokyo (NRT) on August 19; it conducts its initial proving flight on September 1 as a DC-3 supplement on the Tokyo to Osaka trunk run. Following the September 26 typhoon that devastates Nagoya, causing 5,000 deaths, the government requisitions the CV-440 to help provide relief support.

CV-440 regularly scheduled service begins on October 10 from Tokyo to Osaka, Nagoya, and Sapporo. Pooled fares take effect with JAL-2 over these routes on the same day. During the fourth quarter, Sendai, Misawa, Nagasaki, Hakodate, and Kumamoto all join the company's network. Additional DH 114s are placed on feeder routes toward year's end.

Orders are placed in February 1960 for Fokker F.27-100s. On March 16, a DC-3, with 33 passengers and first flown by **Pacific Southwest Airlines** in California, collides with a JASDF F-86D fighter while landing at Komahi Airport, Nagoya; two passengers and a stewardess are killed aboard the civil aircraft.

Orders are placed on April 15 for Vickers Viscount 744s; the first 744 (formerly employed by **Capital Airlines** in the U.S.) is delivered on June 23 and enters service over the direct Tokyo to Sapporo route two days later. Joint founder Katsuyoshi Nakano is killed in the Hokkaido crash of an Auster J/5 Autocar on November 16.

The carrier's 3 F.27-100s are delivered in the spring of 1961, followed by 2 additional Viscount 744s.

A Vickers Viscount 744 with 5 crew and 44 passengers must be written off following a hard landing at Itami Airport on June 12; there are no fatalities.

Based at Osaka, F.27-100s enter service on July 10 on routes to Okayama and Fukuyama. On September 23, scheduled frequencies are initiated from Kagoshima to Naha, on the U.S.-administered island of Okinawa. Passenger enplanements are reported at 1,866,870.

The fleet in 1962 comprises 11 DC-3s, 5 CV-440s, 6 DH 114s, 5 Viscount 744s, and 3 F.27s. A period of cooperation with Hiroshima-based **Toa Airways Company, Ltd.** begins on August 22 when the two companies sign marketing agreements. ANA also inks similar arrangement documents with **Naka Nihon Koku (Central Japan Airlines Company, Ltd.)** of Nagoya on September 15 and **Nagasaki Airlines Company, Ltd.** two days later.

On November 19 training flight, a Vickers Viscount 828 with four crew crashes near Nagoya; there are no survivors.

Three Viscount 828s and 15 F.27-100s are acquired in 1963; orders are placed for Nihon YS-11s. Seeking under the Japan Air Lines Law of 1953 to become the nation's preeminent domestic trunk line operator, the carrier begins to takeover or influence the nation's smaller operators, turning the survivors into feeders. The process is begun on February 11 with the transfer of its Hiroshima fringe routes to **Toa Airways Company, Ltd.**

A DC-3 is lost at Sendai under unknown circumstances on May 10. Tokyo-based **Fujita Airlines, Ltd.** is purchased and merged on August 31. The thin routes out of Fukuoka are transferred to **Toa Airways Company, Ltd.** on October 16.

The workforce totals 2,086 in 1964. The last DC-3 is retired on March 15. The carrier's first jetliner, a leased Boeing 727-181, enters service on May 25 over the Tokyo to Sapporo route. The carrier's lesser routes out of Osaka are given over to **Toa Airways Company, Ltd.** on June 15. By the end of July, the Boeing trijet has proven so popular that it has performed 320 flights and suffers only two delays, both weather-related. Additional 727s are requested, also on charter from their manufacturer.

Flights to Yonago commence on August 1 and the prototype Nihon YS-11 transports the Olympic flame from Naha on Okinawa to Tokyo on September 9, stopping at several ANA stations en route.

A YS-11-111 with 5 crew and 45 passengers crashes while on initial approach to Matsuyama Airport on November 13; there are no survivors.

The last CV-440 is retired on November 30 and the 25th F.27-100 enters service on December 8. Bookings this year total 2,112,000.

The scheduled services of **Naka Nihon Koku (Central Japan Airlines Company, Ltd.)** are taken over on January 25, 1965. The first Viscount 828s enter service in March and the fleet now comprises 41 aircraft, including several more B-727-181s delivered during the year. In July, ANA becomes Japan's (and the world's) third operator of the Nihon YS-11, the first postwar commercial transport to be designed and manufactured in Nippon. The company nicknames the aircraft type the Olympian and places it into service on the Osaka–Kochi route on September 20.

The Tokyo–Osaka route is flown exclusively by B-727-181s as of October 1. The employee population grows to 2,423 this year and a total of 2,601,814 passengers are carried.

Coming in from Chitose on February 4, 1966, Flight 60, a B-727-81 with 7 crew and 126 passengers, crashes into Tokyo Bay 12 km. ESE of Haneda Airport and sinks; there are no survivors from the worst single-plane tragedy in commercial aviation history to date.

Holiday flights to Miyakejima commence on March 4 and Fukui joins the route network on July 1. A YS-11 crashes into the sea while attempting to land at Matsuyama Airport on November 13 (50 dead). The last CV-440s/DC-3s are retired as additional B-727-181s join the fleet later in the year. Bookings drop to 2,268,000.

Airline employment in 1967 is 2,740. The fleet now comprises 1 DH 114, 6 YS-11s, 7 B-727-181s, 8 Viscount 828s, and 25 F.27s; orders are placed for 11 more YS-11s and 5 B-737-181s. Accepting responsibility for the previous year's disasters, President Kaheita Okazaki resigns on April 22.

In July, the company assumes responsibilities for the route from Minami Daito to Yonaguni via Naha, Kunijima, Miyako, and Ishigaki,

which had been operated for four years by **Scheduled Air Services, Ryukyus (SASR)**, a subsidiary of the U.S. CIA's proprietary company, Pacific Corporation.

A route begins to Tottori on August 1 and **Nagasaki Airways, Ltd.** is purchased on December 1. Enplanements rebound to 2,697,968.

The workforce is increased in **1968** to 3,207. In February, a department is established to prepare for international services; it will lay the foundations for ANA's debut in the international market place. One B-727-181 and 2 YS-11As are added.

Passenger boardings increase 30% to 3,927,601 and freight traffic skyrockets 302%.

Nagoya to Shirahama frequencies commence on March 1, **1969**. Two B-737-214s are leased from the U.S. local service operator **Pacific Southwest Airlines (PSA)** in April and the first 2 owned B-737-281s are delivered in May. The first of the 11-ship order of YS-11As are also delivered. The PSA Boeings are employed, beginning on June 20, over the routes from Tokyo to Fukuoka via Osaka. The B-727-281s enter service on October 1.

A YS-11A with 4 crew and 49 passengers is destroyed as the result of a bad landing at Miyazaki Airport on October 20; there are no fatalities.

A short-lived pilots strike begins on December 12.

Enplanements jump to 4,484,000 as, at decade's end, almost all large- and medium-sized cities are served. Since 1960, passenger boardings have grown at an annual rate of 30% to 60%.

The payroll is up 28% in **1970** to 5,031 personnel. The fleet stands at 52 aircraft, including 2 additional B-727-181s, 8 B-737-281s, and 17 YS-11As delivered throughout the year.

The company operates its first international charter services on July 15 and 31, respectively, as YS-11s fly to Pusan, South Korea.

Intent upon suicide, a lone assailant, armed with what turns out to be a toy pistol, commandeers a B-727-181 en route from Nagoya to Sapporo on August 19. The pirate demands that the trijet land at a military base and that a rifle and ammunition be awaiting him when the aircraft arrives. A successful effort to distract the man occurs on the ground when a woman feigns labor pains; in the confusion, the hijacker is taken in hand by police. He will be tried and given a seven-year prison sentence.

ANA Trading Company, Ltd. is established on October 1 and, five days later, **Yokohama Airlines Company, Ltd.** is purchased and merged. In November, subsequent to the government's Civil Aviation Constitution of 1970, the possibility of offering short-haul international affinity charters on a regular basis is opened to ANA for the first time.

Cargo accelerates 12.57% and passenger boardings soar 41% to 7.6 million. As the new decade begins, the carrier, in terms of enplanements, is the world's ninth largest carrier. Its fleet is 22nd in size.

With 109 passengers boarded, a B-727-181 operates the carrier's first international affinity charter on February 21, **1971**, from Tokyo to Hong Kong. Later converted to firm orders, the company, in March, takes 6 Lockheed L-1011 TriStar 1s on option.

Just after takeoff from Tokyo on May 13 for a scheduled flight to Sendai, a YS-11A is captured by a lone assailant, who orders the plane to return to its point of origin. On the ground, the pirate meekly surrenders to police.

En route from Sapporo to Tokyo on July 30, Flight 58, a B-727-281 with 7 crew and 155 passengers, collides with a JADF F-86F Sabrejet over Morioka, Iwate Prefecture, 385 mi. NW of the capital city. Both planes crash, however, the fighter pilot is able to safely eject; all aboard the jetliner perish.

Incidentally, two of the six DC-10s that would have come to ANA are sold to other carriers—**American Airlines** and **THY (Turk Hava Yollari, A.O.)**—and suffer near-fatal (AA) or fatal (THY) accidents with them.

The first affinity group charter to Thailand from Nagoya to Bangkok is operated on August 3. In late October, the carrier begins flying skiers from Tokyo (HAD) to resorts on Hokkaido. Enplanements this year swell to 8,065,940.

Charter flights are begun to the Chinese cities of Peking and Shanghai in **1972**. The company in July records the first month during which it has transported a million passengers. Airline employment is now 6,331. The fleet is increased by 8 B-727-281s, 10 B-737-281s, and 6 Piper PA-31-310 Navajos.

Eight F.27-100s are sold as orders are placed on October 30 for 6 Lockheed L-1011 TriStar 1s. The Mitsui Corporation has originally ordered 6 Douglas DC-10-10s to lease to the airline, but in a startling about-face that will later lead to a government-rattling bribery scandal, the company chooses the competing wide-body instead.

Passenger boardings this year jump 17% to 9,718,000 while freight traffic doubles.

The last F.27s are disposed of in January **1973** as the TriStar order is confirmed, together with 15 options. International charter services, now including Inclusive Tour Charters, increase by 102%. Kumamoto to Bangkok charters begin on March 31. New services initiated include Fukuoka–Okinawa, Miyazaki–Kumamoto, Tokyo–Omura, and Omura–Kagoshima.

Charter service to Khabarovsk is launched and a variety of computerized systems are installed. The hotel subsidiary ANA Enterprises Co., Ltd. is established in November and the first L-1011 TriStar 1 is delivered on December 18.

Passenger bookings are up 37% to 13,313,660 and cargo traffic climbs by 41%.

The workforce reaches 8,568 in **1974**. A 10-year, \$70-million noise abatement program is announced. Six more L-1011 TriStars will be delivered through December. The subsidiary **All Nippon Helicopter Company, Ltd.** is created and provided with a fleet that includes 1 YS-11A, 2 Sikorsky S-61Ns, and 1 Bell 206B JetRanger.

In March, **Air Nippon Co., Ltd. (ANK)** is established as a domestic subsidiary, providing feed from regional destinations and linking remote islands to the mainland. Also in March, the carrier's first Lockheed L-1011 TriStar 1 is introduced on the Tokyo to Okinawa frequencies. The last B-727-181 is retired on May 9 and, after July 20, L-1011s are placed on the Tokyo to Okinawa, Sapporo, and Kagoshima frequencies.

Passenger traffic accelerates 10% to 13,820,000 passengers carried, but freight dips 2%.

The employee population in **1975** is 9,017. Continuing from the previous year, three new computerized systems come on line, including one for flight operations planning, one for the processing of flight information, and a digital flight data recorder to provide data analysis. The carrier's Okinawa Harbor View Hotel opens in June.

In association with Okinawa Marine Expo, YS-11 service is inaugurated on July 20 to Amami-O-Shima and Ii Shima.

A youth, claiming to have a knife, takes over an L-1011 en route from Tokyo to Hokkaido on July 28, forcing it to return to its point of origin. On the ground, the young man is overpowered by crew members and nearby passengers.

Seven additional TriStars are added and new services are initiated Kumamoto–Okinawa, Tokyo–Kushiro, Matsuyama–Okinawa, and Fukuoka–Tsushima, the latter city-pair on October 1.

Cargo grows 25.9% and passenger boardings inch upward another 3% to 13,839,000.

The employee number rises 1.5% in **1976** to 8,911. Four more L-1011s are acquired, but on July 4 the 1972 Lockheed arrangement becomes a huge public scandal. Prime Minister Kakuei Tanaka is arrested on July 27 and promptly resigns his office; he is indicted at Tokyo on August 16 for allegedly accepting \$1.6 million in bribes from Lockheed Aircraft Corporation to arrange the sale of the TriStars to ANA. Hearings before the U.S. Securities and Exchange Commission and U.S. Senate reveal the scandal to have been executed on a worldwide basis; however, ANA is shown to have been largely required to accept the airliners provided for it by Mitsui.

The company's one hundred-millionth passenger (cumulative) is boarded on September 6. On December 17, Tokuji Wakasa becomes chairman and Masamichi Anzai, president.

Passenger bookings rise 7.4% this year to 14,883,797 and freight jumps 13.1% to 70.3 million FTKs.

Three more TriStars are delivered in 1977 as 11 B-747SR-81s and 6 B-737-281s are ordered.

En route from Sapporo to Sendai on March 17, Flight 817, a B-727-281 with 180 passengers, is taken over by a lone gunman, who orders the aircraft to return to its point of origin. As it prepares to land at Tokyo, the assailant slips into a restroom, takes poison, and dies.

The carrier operates its first nonscheduled charter flights from Tokyo to Indonesia beginning on October 30.

Enplanements this year soar to 17,547,818.

Airline employment is increased 7% in 1978 to 9,822. Three B-727-281s and 1 YS-11A are placed in service during the year, and the first B-747-181B/SR or B-747SR is delivered on December 20, followed by another next day. The carrier is now owned by the Nagoya Railroad, **Japan Air Lines Company, Ltd. (2)**, the Tokyo Corporation, and the Tokyo Marine and Fire Insurance Company.

On September 21, the carrier joins with the steamship companies of Mitsui-NYI, Nihon Yusen, Kawasaki, and Yamashita to create **Nippon Cargo Airlines Co., Ltd.**, a charter operation. ANA World Tours Co., Ltd. is established on September 28. On November 16, Nippon Cargo applies for scheduled all-cargo operating authority.

Passenger traffic for the world's sixth largest airline increases 10.2% to 19,541,000 passengers carried and cargo swells 28.5%. Revenues rise 11.5% to \$1.27 billion and expenses grow 15.2% to \$1.22 billion. The operating profit falls 38.2% to \$49 million and the net income dips 16.2% to \$56.4 million.

Airline employment grows by 6% in 1979 to 10,413. B-747SR-81 service begins with the lead plane flying from Tokyo to Sapporo and Fukuoka in January. Three additional short-haul Jumbojets join Chairman Wakasa's fleet on February 28, September 5, and October 9, respectively, and orders are placed for 25 B-767-281s, with options for 15 more. Charters, meanwhile, are flown to Beijing from Sendai, Oita, and Kagoshima in August–October.

Rocks from Sakura Jima crack the windshields of two jetliners flying over the volcano on November 18.

Passenger boardings jump 15.8% to 22.7 million and freight advances 26.4%. Due to increased fuel costs, losses are significant: \$39.5 million (operating) and \$45.6 million (net).

The workforce is increased 3.7% in 1980 to 10,801. Six additional B-747SR-81s join a fleet that also includes 5 short-range Jumbojets, 22 B-727-281s, 28 YS-11As, 21 L-1011s, and 15 B-737-281s. The carrier's longest route, the 2,051-km. Sendai–Okinawa segment is opened.

Cargo grows 10.2% to 148 million FTKs and passenger bookings incline upward a slim 0.3% to 22.8 million. On revenues of \$1.7 billion, expenses are \$1.72 billion, leaving an operating loss of \$14.4 million; still, a net \$13.5-million profit is earned.

The workforce grows only 0.8% in 1981 to 10,892. Two more B-747SR-81s arrive on January 16 and February 15 and, in July, Japan's domestic airline boards its two hundred-millionth passenger since 1953. Cost-saving measures now implemented include the retirement of 1 L-1011, 9 B-727-281s, and plans are made for further reductions.

In October the company celebrates the tenth anniversary of its Ski Charters to Hokkaido, with the *Peanuts* cartoon character Snoopy chosen as mascot. Two short-range Jumbojets arrive on December 17 in a rare double delivery.

Passenger boardings increase 3.4% to 23.56 million and cargo is up 14.9% to 170.21 million FTKs. Revenues dip to \$1.61 billion and expenses are \$1.626 billion, leaving an operating loss of \$14.1 million, but a net profit of \$8.8 million.

The workforce is decreased 2.2% in 1982 to 10,665. Vice president-maintenance and engineering Ioshiyuki Funatsu is named executive vice president and 2 B-747SR-81s arrive, 1 each on June 17 and November 12. At year's end, the carrier's livery is changed.

Passenger bookings decline 3.8% to 22,632,000, but freight grows 7.6% to 170.24 million FTKs. Revenues total \$1.77 billion, a 6.5%

boost, and expenses decline to \$1.73 billion, thus allowing an operating profit of \$44 million and a net profit of \$30 million.

The employee population loses only 31 members in 1983. Taizo Nakamura is appointed president and 6 of the 25 ordered B-767-281s join the fleet, painted in the new livery adopted at the end of the previous year. These enter service on the routes from Matsuyama to Tokyo and Osaka on June 21.

An international charter service is started to Guam and a total of 364 nonscheduled flights are made to various destinations.

Passenger boardings dip another 2.4% to 22,088,000, but cargo rises again, up 6.3% to 191.77 million FTKs. On revenues of \$1.9 billion, the operating profit accelerates to \$43.3 million and the net profit to \$30.5 million.

The workforce is up 1.9% in 1984 to 10,783. Seven additional B-767-281s are received, bringing the fleet total to 13 B-767-281s, 17 B-747SR-81s, 17 L-1011s, 12 B-727-281s, 14 B-737-281s, and 19 YS-11As. The company sells 6 of its Lockheeds to Boeing on March 1 for \$8.6 million and then agrees to lease them back for 15 months. The one millionth charter passenger (cumulative) is boarded on August 24.

Passenger enplanements ascent 8.5% to 23,972,000 and freight climbs 11.4% to 199.17 million FTKs. Revenues decline 2.3% to \$1.8 billion; profits are, respectively, \$43.3 million (operating) and \$35.7 million (net).

The workforce is increased 1.9% in 1985 to 10,851. The charter season starts on April 1; fewer of the 342 total flights will be made on short-haul routes (e.g., Hong Kong) and more to such farther destinations as Singapore and China. **Nippon Cargo Airlines, Ltd.** B-747F flights Tokyo–San Francisco also commence in April. Orders are placed for 2 B-747-481s and 10 B-767-381s as the number of B-767-281s delivered is increased to 21 and 6 L-1011s are sold.

First-class service is introduced on domestic flights during July. On September 24, a B-747SR-81 charter flies Nagoya–Perth, the first time the carrier operates to Australia.

In December, the government opens international operations to all of the country's airlines by revising its air transport policy and deregulating the industry; domestic service is also opened to competition.

Traffic is severely impacted by the August **Japan Air Lines Company, Ltd. (2)** crash; on the year, passenger boardings rise only 1.3% to 24,282,000 and freight traffic climbs 8.3% to 215.19 million FTKs. The carrier retains its ranking as the world's 6th largest airline in terms of passengers carried; it is 18th in total fleet size and 15th in total revenues/operating profit. Revenues dip 1.8% to \$1.8 billion; the operating profit is \$76.7 million and the net gain is \$30 million.

Employment rises 11.1% in 1986 to 11,498. In January, orders are placed for 15 B-767-381s (with 10 options) to replace the B-727-281s/L-1011s over the next 7 years.

An application for scheduled L-1011 service from Tokyo (NRT) to Guam is approved in February; the route is opened four times a week on March 3, the first scheduled international service by a Japanese airline other than **Japan Air Lines Company, Ltd. (2)**. In the same month, the B-747-481 order is increased to three. In May, 20% weekend discount domestic fares are introduced.

Transpacific B-747-281LR service to Los Angeles from Tokyo (NRT) begins on July 16 and the first capital-to-capital nonstop scheduled service between Japan and the U.S. starts on July 26 with a Jumbojet service from Tokyo (NRT) to Washington, D.C. (IAD).

During the year, the carrier adds 4 B-767-281s and 3 B-747-281LRs (B-747LRs); in December, it places a \$1-billion order for 10 Airbus Industrie A320-200s, with 10 options. A Gold Pass frequent flyer program is inaugurated to the American market on December 31. Customer bookings slant upward a scant 1% to 24,503,000 while cargo does better, climbing 7% to 230.78 million FTKs.

The payroll is increased by 4.4% in 1987 to 12,004 and Akio Kondo becomes president. In April, ANA begins scheduled services to Asia, with flights to Beijing and Dalian.

Company unions joins those from **Japan Air Lines Company, Ltd. (2)** and **Air Nippon Company, Ltd.** in a 48-hour strike on April 22–23

as labor and management negotiations on annual wage hikes collapse. Officials report that the job actions are the first for JAL in two years and the first for ANA in eight. Nearly half of domestic and international services are cancelled on the two days.

The sophisticated ABLE computer reservation service comes on line in May. The same month, the weekly nonstop service from Tokyo to Los Angeles is increased from five to seven flights while that to Washington, D.C. grows from three flights to four. A fourth B-747LR is acquired on July 13 and a scheduled four-times-per-week route is opened to Hong Kong's Kai Tak Airport, also in July.

Tragedy occurs on August 11, just after a B-747-281B with 335 passengers, arrives at Washington, D.C. (IAD). The boarding step is placed about one foot away from the aircraft rather than against it. When the flight attendant opens the L5 door, she falls through the open doorway to the ground 20 feet below and is killed.

The first of 15 B-737-381s are delivered, also in August, the same month in which the first charter service to New York City is flown. B-747LR Tokyo to Sydney operations begin in late October, the first time that ANA has operated a regular service across the equator.

Passenger boardings rise 5.8% to 25,930,000 and freight pushes ahead by 36.1% to 330.3 million FTKs. Revenues climb 3.1% to \$3.29 billion and with costs held down, operating income of \$178.2 million is generated along with net gain of \$38.3 million.

Airline employment grows a further 1.7% in 1988 to 12,214 as an arrangement is worked out with **Command Airways** to offer ANA passengers free connecting service between Washington D.C. (IAD) and New York. The number of nonstops between Washington and Tokyo is increased to five per week at the end of March, while the number of Command connecting flights reaches the same number. Simultaneously, a second Tokyo to Sydney nonstop frequency is begun. In May, a new \$384-million ABLE computer center is opened near Tokyo (HAD) to house the company's domestic and international computerized reservations system.

Daily Tokyo to Hong Kong and Guam flights commence on June 1 and three-times-per-week flights are inaugurated to Beijing. The number of weekly flights to Beijing is increased to five in July; five-times-per-week Tokyo to Seoul B-767-281 flights commence in September. A 3.5% minority interest is acquired in **Austrian Airlines, A.G.** Full control is taken of the consortium subsidiary **Nihon Kinkyori Airways, Ltd.** and its name is changed to **Air Nippon, Ltd.**

Customer bookings rise 4.7% to 27,157,000 (736,631 international) and cargo is up by 23.2% to 406.91 million FTKs. Revenues continue their skyward thrust, reaching up 28% to \$4.2 billion. Operating income swells to \$262.4 million while net gain reaches \$47.9 million.

The payroll is cut a slight 0.2% in 1989 to 12,193 and the fleet now includes 102 transports, many of which are Jumbojets. The carrier joins IATA on January 1 and now offers 468 flights per day, all but 10 of which are over a domestic route system that serves 31 stations. Also in January, a contract is signed with **Trans World Airlines (TWA)** under which the American major begins to provide B-727-200 connecting service for ANA passengers between Washington, D.C. (IAD) and New York (LGA).

Continuing its rapid expansion, ANA adds a third region, Europe, to its international network. A letter of intent is signed with **SAS (Scandinavian Airlines System)** in February for the initiation of a jointly operated roundtrip service twice weekly, via the North Pole, from Tokyo to Stockholm.

On April 5, it is reported that the carrier will join with five other airlines in a Southeast Asian computerized reservations system. ANA, **Cathay Pacific Airways (Pty.), Ltd.**, **Singapore Airlines, Ltd.**, **China Airlines, Ltd. (CAL)**, **Malaysia Airlines, Ltd. (MAS)**, and **Philippine Airlines (PAL)** will not only be able to make reservations and issue tickets but make arrangements as well for car and hotel reservations.

The joint service to Stockholm is inaugurated in April. The same month the airline purchases 3.5% shareholding (77,000 shares) in **Austrian Airlines, A.G.**

As the result of an opening of slots at Tokyo (HAD) by the Ministry of Transport on May 17, ANA is able to inaugurate thrice-weekly B-747-281LR service on July 20 to London (LGW). Two of the flights are direct and one goes via Moscow. Incentives offered to travelers on the new services include free limousine service within 40 miles of Gatwick Airport or a free train ticket to London's Victoria rail station.

Bangkok also joins the route network during the month, along with London (LGW) once per week via Moscow. A joint service to Vienna is simultaneously opened in association with new partner **Austrian Airlines, A.G.** and **Aeroflot Soviet Airlines**; twice-weekly services, employing the Austrian A310-324, are inaugurated linking Tokyo via Moscow. The Airbus service is operated with Austrian flight deck crews and mixed cabin crews, with costs and revenues divided 40-40-20 between ANA, Austrian, and Aeroflot.

Flights also begin, twice weekly to Saipan, in November. Orders are outstanding for 26 B-747-481s, 20 A320-200s, and 30 B-767-381s.

Passenger boardings jump 9.3% to 29,693,287 and freight moves ahead by 16.1% to 472.24 million FTKs. Revenues ascend 9.5% to \$3.97 billion and profits of \$212.6 million (operating) and \$50.9 million (net) are generated.

Company employment grows 3.5% in 1990 to 12,617. Service between Tokyo and Saipan is doubled in January to four weekly frequencies. Also during the month, the company receives the 1989 "Market Development Award" from *Air Transport World* magazine.

The subsidiary **World Air Network Company, Ltd. (WAC)** is founded in March to offer charter flights to southeast Asia from smaller Japanese cities; this is the first such international charter company in Japan. The new entrant is based at Singapore to avoid Japan's bottlenecked airports; Australian pilots are hired and flights begin with a single B-767-281ER leased from ANA.

On April 2, the carrier, together with **Japan Air Lines Company, Ltd. (2)**, begins direct nonstop trans-Siberian flights between Tokyo and Madrid and Tokyo and Stockholm five times a week. These passenger flights will no longer stop in Anchorage.

When **Austrian Airlines, A.G.** undergoes another round of privatization in April, ANA raises its shareholding from 3.5% to 5%. At the same time and in response to a significant demand by Japanese tourists and businessmen for flights to Eastern Europe, ANA begins to link its Vienna service to Austrian's extensive route network into the east. The airline's last B-727-281, JA8355, completes its final service under the command of 20-year veteran trimotor Capt. Toshio Ishikawa late in the month and is retired with a gala party at a hangar at Tokyo (HAD). It is the last of 45 Boeings employed since 1964 to fly over 100 million passengers around the island nation.

In May, **Austrian Airlines, A.G.** issues another 400,000 shares of stock at \$358 per share and ANA increases its interest to 9%, paying \$65 million for an additional 157,000 shares, which brings its stake in the European airline to 234,000 shares. In May, an initial agreement is concluded with **USAir** for a block-seat purchase and connecting service on three weekly flights between Washington, D.C. (IAD) and Orlando. Reciprocal frequent flyer program participation is also planned.

The first of 43 B-747-481s on order is delivered at the end of August and, in cooperation with **SAS (Scandinavian Airline System)**, begins alternating nonstop service in September between Tokyo and Stockholm via the U.S.S.R.; the new routing cuts 6.5 hrs. from the previous service flown via Anchorage. In October, twice-weekly B-747-281LR services are started to Paris. Cooperative agreements are signed with **Sabena Belgian World Airlines, S.A.** and **Malaysian Airlines, Ltd. (MAS)**. The first B-747-481 "Techno Jumbo" is introduced on domestic routes in November. The carrier's international computerized reservations system, INFINI, goes on line as a joint venture with the consortium ABA-CUS. The **USAir** agreement goes into effect in December.

Customer bookings accelerate 11.3% to 33,048,000 and cargo climbs 12.8% to 532.75 million FTKs. In terms of passenger numbers, ANA is now Japan's largest airline as well as the 8th largest in the world and its 106-unit fleet is the 19th largest.

Airline employment grows by 4.2% in 1991 to 13,117 and the fleet increases by 14 aircraft. The first of 13 A320-211s on order is delivered in January. Also during the month, ANA receives the 1990 "Passenger Service Award" from *Air Transport World* magazine.

Doubling the number of its joint operations with international airlines, ANA, during January–February, commences operations to Brussels and Kuala Lumpur. The former service is flown with **Sabena Belgian World Airlines, S.A.**, employing the Belgian line's B-747-329C, from Tokyo via Moscow and Siberia. Flights begin to overseas destinations from regional Japanese cities during the month, beginning with a joint Nagoya to Kuala Lumpur service operated with **Malaysian Airlines, Ltd. (MAS)**, employing the Malaysian airline's DC-10-30. The first European hotel is opened at Vienna.

Club ANA business-class service is launched with the B-747-481 in March as the "Techno Jumbo" begins international service to Washington, D.C. (IAD). Tokyo to New York B-747-481 thrice-weekly flights begin on March 9 while, at the same time, the Airbus Industrie A320-211s are introduced on domestic routes. A Tokyo–Moscow–Paris route is opened on April 7. Construction is begun on an International Flight Training Academy at Bakersfield (California) in June. The charter subsidiary **World Air Network Charter (WAC)** begins nonscheduled holiday flights from its Singapore base in March with a dedicated B-767-381ER leased from its parent.

U.K. operations are transferred from Gatwick Airport on July 1 as company B-747-481s begin flying into London (LHR) from Tokyo thrice weekly. Having taken delivery of its 46th B-767 in July, ANA is now the world's largest operator of the type.

Company shares begin trading on the London Stock Exchange in August, the same month Fukuoka to Bangkok service is initiated. Tokyo to London frequencies are increased from three to five per week at month's end. Also at this time the decision is taken to postpone the creation of a domestic all-cargo airline.

Former transport ministry official Takaya Sugiura is named chairman in August, succeeding Tokuji Wakasa, who remains as honorary chairman. Also in August, daily nonstop connecting service is started between Washington, D.C. (IAD) and Orlando in conjunction with **USAir** and its B-737-300s. Thrice-weekly roundtrip Nagoya to Honolulu flights begin in September, along with Hiroshima to Seoul and Nanta to Berlin service. At the same time, the airline begins to make available a two-part, in-flight audio program designed to teach Japanese to American passengers and English to Japanese.

During the first week of October, an agreement is signed making **Air Canada, Ltd.** ANA's general sales agent in Canada. A new B-747-481 is simultaneously employed to increase frequencies on the New York run from three to five per week. After a lengthy waiting period, twice-weekly B-767-381ER roundtrip Tokyo to Singapore service is finally opened on December 3.

Passenger boardings also increase by 4.2%, to 34,438,000 while freight rises 10.3% to 586.01 million FTKs. Revenues are \$5.2 billion and with costs down, the operating profit is \$179.6 million and net gain totals \$75.8 million.

The payroll grows 4.5% in 1992 to 14,288. Customized for domestic use, the company's first B-747-481D, delivered in January, enters service on the routes from Tokyo to Sapporo and Nagasaki in February. Fukuoka–Dalian service is launched in April. A 13.5% interest is acquired in the ABACUS computerized reservations system and a hotel is opened at Beijing.

In an effort to slow a fiscal hemorrhage, the airline during the summer temporarily withdraws from its joint services with **Austrian Airlines, A.G.**, **Aeroflot Russian International Airlines**, **Sabena Belgian World Airlines, S.A.**, **Malaysian Airlines, Ltd. (MAS)**, and **SAS (Scandinavian Airline System)**.

The opening of Tokyo to Frankfurt service, scheduled for October, is postponed. ANA pilots begin training at the newly occupied International Flight Training Academy in California during November. At the same time, a new alliance is signed with **USAir** providing one stop ser-

vice from Charlotte, North Carolina to Tokyo via Washington, D.C.; the American airline operates six weekly connecting flights between the North Carolina city and Washington, D.C. (IAD) timed to catch the ANA morning flight. Five-times-per-week service is also launched between Orlando and New York (JFK) as ANA begins to participate in **US-Air's** frequent flyer program.

On December 20, the carrier launches a contest for the design of a full-fuselage aircraft promotional painting to be created by a Japanese student under the age of 15.

A total of 34,856,606 passengers are carried, a 1.6% boost and, in terms of passengers carried, ANA now ranks as the world's seventh largest airline. Freight traffic increases 8.4% to 635.62 million FTKs. On revenues of \$6.147 billion, expenses are \$4.525 billion; profits are \$301 million operating and \$20.8 million (net).

Airline employment in 1993 rises 3.6% to 14,800.

The carrier's first non-Japanese pilots (hired from Ansett Worldwide Wet Lease) begin flying the Tokyo to Sydney route in February. At the same time, weekly B-747-281B Tokyo to Frankfurt service is inaugurated.

Flights are suspended in March between Nagoya and Honolulu and Kuala Lumpur and Fukuoka and Bangkok. New service is opened from Tokyo to Shanghai.

Hoping to compete with discount travel agents for customers, the airline now begins to introduce more services for passengers paying full fare for economy-class tickets on international flights. In March, a number of first-class services are extended to full-fare economy ticket holders. For example, Yuttari Service (personal space) is introduced on routes to London, Paris, Frankfurt, and New York from Tokyo (NRT). The areas around each seat are enlarged and customers are provided with footrest cushions and slippers.

In-flight meals are upgraded in April. Flights to Stockholm are suspended in May.

In May, 12-year-old Yukie Obgaki's design of a whale is chosen from 20,110 entries as the winner of the previous year's promotional contest. A B-747-481 painted in that pattern instead of the usual ANA livery is accepted at Seattle in July. *Marine Jumbo* as it is called makes its first domestic flight on September 12 from Tokyo to Sapporo. A B-767-381 is also painted in the marine motif; *Marine Jumbo Jr.* is delivered on December 4 and is placed into service over the Tokyo to Toyama route on December 13.

During the year, the carrier moves into the new west terminal at its Tokyo hub.

As a result of the national recession, customer bookings slide 4% to 33,722,009. Cargo, however, swells 11.7% to 700.14 million FTKs. Revenues decline 4.9% to \$7.28 billion and a \$27.19-million net loss is suffered atop operating income of \$62.47 million. Still, the company is able to pay a small dividend.

In 1994 the workforce is cut by 6.8% to 13,800. In February, a joint agreement is signed with **Japan Air Lines Company, Ltd. (2)** for the purchase and repair of aircraft parts, shared hangars, engine test cells, and development of technical and training manuals for the Boeing 777, which both will acquire.

A \$136-million savings is realized in March through the sale and leaseback of 4 B-767-281s and 2 B-747-481s. Also in March, as part of a general route-restructuring plan, thrice-weekly roundtrips between Nagoya and Honolulu are suspended.

During the spring, Katuaki Kumagai, managing director of **All Nippon Helicopter Company, Ltd.**, reports a fleet comprising 2 Eurocopter AS-365N2 Dauphin IIs and 8 AS-355F2s. On June 18, it is announced that ANA and **Delta Air Lines** will forge a marketing alliance that could pave the way for the American major to fly to more Asian cities and for the Japanese line to increase its service in the U.S.

Although provisions for reciprocal ground handling in Japan, New York, and Los Angeles are implemented, code-sharing and blocked space arrangements for 13 weekly flights between Los Angeles and Tokyo will be held up by the U.S. and Japanese governments, which are involved in negotiating new bilateral air agreements.

In cooperation with **Air Canada, Ltd.**, a general sales agency is opened in Canada during August. Discussions begin on a strategic alliance that will include code-sharing, joint marketing, and reciprocal frequent flyer club participation. Meanwhile, the company begins to offer dual-designator or block-space flights with **Delta Air Lines** from Osaka to Honolulu and New York (ANA) and to Portland, Oregon (Delta).

Daily service is inaugurated in September from the new Kansai International Airport to Seoul, Singapore, and the northeast Chinese port city of Tsingtao. The route from Fukuoka to Beijing via Dalian is also expanded, with the departure point shifted to Osaka (KIX). The B-747-481 service to New York from Tokyo (NRT) becomes daily. On September 4, both *Marine Jumbo* and *Marine Jumbo Jr.* are present for an air show at Komatsu Air Base; the two uniquely painted Boeing aircraft are viewed by over 100,000 people.

Additional expansion from Osaka (KIX) occurs in October. Twenty-nine new daily departures are made to 13 Japanese cities. In addition, B-767-381ER flights commence thrice weekly to Hong Kong and Sydney via Brisbane.

As the result of difficulties between governments, plans to service Ho Chi Minh City are put on the shelf. Plans are, however, made to initiate services from Osaka (KIX) to Honolulu, Bangkok, Shanghai, Beijing, and Kuala Lumpur during the new year. Also planned is the commencement of operation for 3 of 18 new B-777-281s, the first of which is due for delivery the following October.

The joint service with **Austrian Airlines, A.G.** is resumed, minus the **Aeroflot Russian International Airlines** partner, with Austrian aircraft thrice weekly from Osaka (KIX) to Vienna and twice weekly from Tokyo (NRT) to Vienna. In addition, ANA aircraft operate a weekly code-shared Tokyo (NRT) to Vienna service.

In November, work begins at Tokyo (HAD) on a new maintenance dock and engine test cell for B-777s. At year's end, company officials must face the unhappy public relations prospect of ending their expensive but extremely popular 15-month-old marketing scheme with *Marine Jumbo* and *Marine Jumbo Jr.*

Beginning in December, in-flight meals on ANA long-haul flights from Tokyo (NRT) serve only organically grown vegetables purchased from farms around the airport.

On the year, passenger boardings continue to fall, down to 34,457,000. As in the previous 12 months, freight grows by 10.4% to 773.03 million FTKs. Revenues move ahead by 3.6% to \$8.98 billion, while expenses increase only 2.3% to \$8.8 billion. Operating income increases to \$179.92 million, while a \$49.43-million net gain is celebrated.

Fulltime airline employment in 1995 stands at 14,109, a 1.1% decline, as the company becomes launch customer for the B-777-381 with an order of 10. The devastating earthquake at Kobe in mid-January brings a demand for additional air capacity as the carrier attempts to transport citizens who would normally employ roadways or rail transit. Having added an 15 extra flights on January 20, the company lays on 113 more special flights over the next four days. Meanwhile, the West Japan Railway Co., Ltd. reports that it will take \$1.6 billion and four months to restore rail lines in and around the devastated city.

The announced February deadline for repainting the "Marine Jumbos" is extended to the end of May.

During the spring, new routes are opened from the new Kansai Airport at Osaka to Bangkok, Kuala Lumpur, Beijing, Shanghai, and Honolulu and services from that aerodrome are increased to Guam, Sydney, Brisbane, and Hong Kong. Frequencies are increased from Tokyo (NRT) to Paris and discussions are held with **Delta Air Lines** regarding a possible major alliance.

On May 21, the "Marine Jumbos" make special commemorative flights with 300 pairs of parents and children from Tokyo (HAD) and Osaka to Miyazaki, on Kyushu, where the passengers are able to visit a resort and take pleasure flights. Having flown 1.7 million passengers to all of ANA's domestic markets, the two aircraft are withdrawn on May 22 and May 31, respectively, and are sent to be repainted into regular ANA colors. The expensive, one-year-plus program had been a very effective promotion.

Bank clerk Fumio Kutsumi, a member of the Aum Shinrikyo religious sect, hijacks a B-747-481 with 365 passengers on June 20 following its landing at Hakodate Airport after a flight from Tokyo. The air pirate demands the release of sect leader Shoko Asahar, imprisoned on March 12 in connection with a poison gas attack on the Tokyo subway system. After a 16-hour stand-off, Japanese police, disguised as airport workers, storm the plane, capture the hijacker, and free all hostages; no injuries are reported. Still, ANA must cancel 10 flights from the closed airport and 105 passengers aboard the Jumbojet cancel their trips, forcing the airline to refund their tickets.

Anticipating delivery of the B-777-281, Pratt & Whitney, maker of the plane's JT9D engines, leases a 10,000-sq.-ft. facility from ANA at Tokyo (NRT) during the spring and opens a power plant parts center. Throughout the summer and into September, the airline hires 240 contract flight attendants, who represent part-time employees not entered upon the company's permanent payroll. Meanwhile, on August 12, the five hundred-millionth passenger is transported.

The premier B-777-281 is delivered during the first week of October; the usual tail markings are replaced with 777 titles reminiscent of those employed years earlier when **Eastern Air Lines** introduced its B-757s. Twice-weekly flights commence in October between Osaka (KIX) and London (LHR). The second B-777-281 arrives in November; both machines begin flying from Tokyo in December to Hiroshima, Miyazaki, and Osaka. The final L-1011 TriStar 1 service is flown on November 30 from Kagoshima to Tokyo (HAD).

During the year, a major cost-cutting approach, Program P1521, is announced. Its goal is to cut personnel costs by 20%, increase fleet utilization by 10%, and to boost income 15% within three years.

In December, a general agreement begins with **EVA Air, Ltd.**; it provides for cooperation on sales, reservations, and ground handling, as well as for crew exchange and code-sharing on a route from Fukuoka to Taipei.

Weekly B-747-281B roundtrips commence on December 22 between Osaka and Rome.

Passenger traffic and profits turn around this year. Customer bookings jump 9.3% to 37,680,422 while cargo increases 21.6% to 940.62 million FTKs. On revenues of \$4.32 billion and expenses of \$4.09 billion, operating profit climbs to \$232.26 million and net gain reaches \$63.55 million. The latter figures are later adjusted downward to \$220.4 million (operating) and \$24.91 million (net).

Employment grows to 14,396 in 1996. The company remains the largest domestic operator in Japan, offering over 500 daily departures over 91 different routes. During the first week of February, ANA joins with **American Airlines**, **Delta Air Lines**, and **Continental Airlines** in calling for renewed bilateral discussions between the U.S. and Japan. Hopes are expressed by President/CEO Seiji Fukatsu that operations originally authorized in 1952 will be liberalized for those airlines not original partners to the first bilateral.

In an effort to reach one of the goals of Program P1521, President/CEO Fukatsu aggressively engages the company's labor unions, seeking concessions. He also seeks to eliminate those ANA executives closely allied to Honorary Chairman Wakasa and Chairman Sugiura.

Between March 8 and 18, company routes are altered during Chinese military missile exercises off Taiwan; flights to Hong Kong, Bangkok, and other Southeast Asian destinations do not pass over Taipei.

On April 1, as part of a corporate restructuring, pilots salaries are changed to reflect actual hours worked. The flyers and their union are very displeased.

The company's withdrawn YS-11As are sold to **Air Philippines (2)** beginning in April. New services are initiated during the month from Nigata to Hakodate, Hiroshima to Hakodate, and Hiroshima to Aomori.

ANA joins with **Delta Air Lines** in April to announce the inauguration of code-sharing on weekly transpacific flights between Tokyo and Los Angeles. Under terms of their agreement, All Nippon will offer seven flights per week and Delta six.

In late May-early June, China, which has improved its ATC capabilities, grants the airline a more direct routing north to Beijing, Dalian,

and Qingdao than the old direction south to Shanghai from Tokyo, Nagoya, and Osaka and then north. The company quickly adjusts and begins to save 35–45 min. per flight. Service from Tokyo and Osaka to the PRC is increased to 40 flights per week; Qingdao and Dalian join the route network.

It is reported on June 1 that a GE CF6-50 engine mounted on one of the company's B-747-281s has, with 28,888 hours, established an industry on-wing longevity record.

Beginning on June 19, new 83-inch pitch seats allow for full-seat service in first-class sections on the company's flights from Tokyo to New York.

Also during the month, as deregulation progresses, the company introduces a new domestic fare system that features different ticket prices for normal, peak, and off-peak periods, as well as discount fares. It also starts a new route from Fukuoka to Akita.

The third owned B-777-281 arrives on July 1. With the addition of two new frequencies on July 15, service between Osaka and Hong Kong becomes daily. Hong Kong is the first ANA international destination to be served with daily services from both Tokyo and Osaka and is the airline's largest volume overseas destination.

Convicted of air piracy on July 20, former bank clerk Fumio Kutsumi is not only sent to prison but is, as part of the judgement against him, billed \$487,300 by the airline.

At the end of the month, twice-weekly, nonstop B-767-381 roundtrips commence from Osaka to Yangon. At the same time, a new Sendai–Matsuyama service is launched.

Code-sharing flights with **Air Canada, Ltd.** are initiated between Osaka and Vancouver on August 1. The daily service is the company's first transpacific route from Osaka (KIX).

On August 21, the carrier reduces its regular season fares by ¥500 on nine routes as well as other routes connecting Tokyo, Osaka, and Fukuoka to Okinawa, a total of 18 services. This is to better compete with **Japan Air Lines Company, Ltd. (2)**, who has announced price reductions on similar routes.

On August 29, ANA abandons the joint service with **Delta Air Lines**, due to commence on September 1, between Tokyo and Los Angeles due to a breakdown in the bilateral air agreement negotiations between the U.S. and Japan.

Direct twice-weekly frequencies are inaugurated on September 5 between Osaka and Bombay, marking the airline's first service to India. Dual-designator weekly B-747-281B flights with **Austrian Airlines, A.G.** are launched on September 9 from Osaka to Rome via Milan. Additionally, the carrier's twice-weekly Jumbojet flights to Rome direct from Osaka will increase to five times a week. Two services will be routed via Milan and two via Frankfurt.

On September 12 sharing codes with **Austrian Airlines, A.G.**, All Nippon inaugurates twice-weekly B-747-281B service from Osaka to Frankfurt. On Thursdays and Fridays, the new flight will be routed from Osaka to Rome and continue on to Frankfurt before returning to Osaka. On Sundays and Wednesdays, the flight is routed in the opposite direction with it leaving Osaka directly for Frankfurt and then on to Rome before returning to Japan.

The new Indian services from Osaka are followed on October 4 by the launch of flights from Tokyo (NRT) to New Delhi via Bangkok.

On October 24, to celebrate the twenty-fifth anniversary of the Hokkaido Ski Campaign, the carrier unveils a B-747-481D painted with *Peanuts* characters, including a Snoopy on skis on both the nose and tail. Six days later, twice-weekly B-767-381 roundtrips are launched from Tokyo (NRT) to Jakarta, with an extension on to Denpasar. Also during the month, the route from Tokyo (NRT) to Bangkok is extended to Delhi.

The pilots' union undertakes a partial 24-hour strike on December 16 to protest a salary restructuring that was put into place on April 1. Striking members comprise the entire B-767 cadre, while the remaining 1,397 members report to work as scheduled. ANA is forced to cancel 154 domestic flights.

Passenger boardings accelerate 4.1% to 39,377,380 while 1.04 billion freight FTKs are operated, an 11.3% increase. Operating income climbs 4.9% to \$7.15 billion, but costs move up only 6.2% to \$7 billion. Although operating profit falls to \$145.16 million, a larger \$31.54-million net profit is posted.

Airline employment inches up 1.3% in 1997 to 14,239. International capacity is boosted almost 25% during the year in an ambitious effort to expand into additional Asian and U.S. markets.

During January, a 177% increase in the number of business-class "superseats" is announced and the service is added to 19 new routes. The boost makes two-class service available on 60% of the carrier's domestic operations.

Thrice-weekly B-747-281B roundtrips are resumed on February 1 between Nagoya and Honolulu.

Flight 002, a B-747-481, completes the company's first FANS-1 (Future Air Navigation System) Jumbojet service on February 19, a flight from Tokyo (NRT) to Washington, D.C. (IAD). Thereafter, other tests will be conducted for five months.

In March, the Ministry of Transport announces that ANA will receive nine new slots that will be made available at Tokyo (HAD) following the summer opening of a new runway in March; six must be assigned to specific routes.

On the first of April, ANA agrees to lease 3 B-767s to potential new rival **Skymark Airlines Company, Ltd.** and maintain them; the new entrant, backed by the HIS Travel group, is scheduled to begin domestic service during the first half of 1998.

Also during the month, *Pokemon (Pocket Monster): The Series* premieres on Japanese television. Following the adventures of the 151 fanciful characters of the Nintendo "Gameboy" software that boast magical powers, *Pokemon* will have a significant impact on ANA advertising in the years ahead.

A new Japanese consumption tax put in place during April has an adverse impact on the airline's economics. During the month, ANA becomes the first Japanese airline to apply its international frequent flyer program to domestic flights. The loyalty program is renamed ANA Mileage Club.

As a result of strong competition from other domestic airlines as well as the bullet train, in early May the company seeking, to save money, drops its service from Tokyo (HAD) to Sendai.

On June 5, in its first service from the newly completed airport at Hiroshima, the company initiates four-times-a-week B-767-381 roundtrips to Guam. The new service complements the existing daily B-747-281B service to the island from Osaka.

Arrangements are completed with the Swiss Bank Corporation in June for the issuance of ¥30-billion worth of convertible notes, due in the year 2000; proceeds will be employed to cover aircraft purchases.

A total of 155 domestic flights are cancelled on June 27 by **Japan Air System, Ltd.**, **Japan Air Lines Company, Ltd. (2)**, **ANA**, **Air Nippon Company, Ltd.**, and **Japan Transocean Airways Company, Ltd.** as the result of a tropical storm and tornado.

At the end of the month, Tokyo (HAD) commences 24-hour operations, which allows ANA to increase its daily departures by four.

As the company enters the final year of Program P1521, the manner in which President/CEO Fukatsu has sought concessions from the company's unions brings a major corporate shake-up. When five members of the board, led by Honorary Chairman Wakasa and Chairman Sugiura, express their displeasure with Fukatsu's tactics, he is forced by honor to resign; the company next announces that ANA Real Estate Co. President/CEO Kenzo Yoshikawa will be his successor.

This appointment so angers many on the board that ten members resign, including Sugiura and Wakasa. Stabilization returns when it is announced that Yoshikawa will remain with the real estate company, while the airline's senior managing director, Kichisaburo Nomura, will take the president's chair. Former President Fukatsu now becomes the new leader's advisor; or, as some analysts put it, a "shadow samurai."

Also during July, the company receives its second B-747-481 equipped with FANS-1 gear; the aircraft is placed on regularly scheduled North American routes. Plans are progressing to equip the entire B-747-481 fleet with FANS by the end of 1999.

After the sixth B-777-281 is delivered in September, service is inaugurated from Tokyo (NRT) to Beijing and Hong Kong. Three more of the advanced jetliners will be delivered during the month.

Also in September, the TCAS sounds aboard an A320-211 en route from Komatsu to Chitose when a pair of USAF F-16s from Misawa AB in northern Japan approach too close. Although the jetliner takes evasive action and descends from 21,000 ft., the fighter planes continue to approach until breaking off at a distance of 3 km. (1.9 mi.).

On October 1, B-777-281 flights commence from Osaka (KIX) to Singapore, Hong Kong, and Shanghai. The company celebrates the rollout of its first B-777-381 with a reception in Washington, D.C. on October 21.

On October 27 frequencies between London (LHR) and Osaka (KIX) are doubled to 11. Departure to and return flights from Japan are operated on Mondays, Tuesdays, Fridays, and Saturdays. Twice-weekly B-767-381 roundtrips resume on October 28 between Fukuoka and Bangkok.

This year's Hokkaido Ski Campaign is promoted by a B-747SR-81 painted with the cartoon characters from *Peanuts*.

Customer bookings swell 3.4% to 40,697,231 while cargo climbs 18% to 1.24 billion FTKs. Revenues advance 2.6% to \$7.167 billion, while costs ascend 3.2% to \$7.162 billion. The operating profit plunges to \$5.08 million, while a \$21.03-million net loss is suffered.

At the beginning of 1998, ANA is the 8th largest airline in the world in terms of passenger boardings, 13th in operating revenue, and 18th in fleet size.

The fleet now includes 130 aircraft, all of which are Stage III certified, and features 39 B-747s, 62 B-767s, 9 B-777s, and 21 A320-211s.

In early January, the company receives the 1997 "Public Relations Award" from *Air Transport World* magazine.

On January 21, the carrier joins with **Vietnam Airlines** in announcing a cooperative connection service between ANA's Asian and VNA's Hanoi Network.

Following 11 days of around-the-clock negotiations, a new bilateral air agreement is hammered out between the U.S. and Japan on January 30. Under its terms, ANA and its **Nippon Cargo Airlines** subsidiary are given the same status as **Japan Air Lines Company, Ltd. (2)** and three U.S. carriers.

Bad weather during the month hampers operations and causes financial reversal.

On February 22, ANA provides free delivery of 4.5 tons of relief goods on its flight from Osaka (KIX) to Beijing on behalf of the Committee for the Hebei Earthquake Relief. The goods will be provided to the victims of the earthquake that killed 50 people and destroyed 130,000 houses in China's Hebei Province on January 10.

During the first two months, discussions concerning strategic alliances have been undertaken with **United Airlines** and **Deutsche Lufthansa, A.G.** On March 9, talks are completed for code-sharing arrangements with both.

The agreement with United provides for linkage of frequent flyer programs and schedule coordination, as well as code-sharing on selected transpacific routes and flights within the U.S. and Japan beginning on October 25. The Lufthansa deal also links frequent flyer programs and calls for development of a return dual-designator service from Frankfurt to Tokyo in the summer, as well as code-sharing on routes within Japan and Germany.

In response to domestic and regional financial problems that are causing the carrier fiscal difficulty, ANA, in early March, unveils a restructuring and cost-cutting plan, *Speed 21*. The document provides for a 3% reduction in salaries for managers and pilots over the next three year—and lesser percentages for 3,000 other employee—for an annual saving

of \$5.6 million. It also announces that it will have to forgo paying a dividend for 1997.

In addition, up to 1,000 employees will be laid off by 2001 and a 21% reduction will occur in investment and financing. During the next year, the fleet will retire 2 B-747SR-81s, 1 B-747-2D3B, and 3 B-767-281s. Two B-747-481s, 2 B-777-281s, 4 B-777-381s, and 2 A321-131s will be added.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

On March 29, the so-called "Tokyo-Hong Kong-Hanoi" connection is begun in cooperation with **Vietnam Airlines**. To help get around the inconvenience passengers suffer through lack of direct service between Tokyo and Hanoi, ground agents from both companies will meet flights and guide customers to the transit counters.

Additionally on March 29, thrice-weekly B-767-381 roundtrips commence from Osaka to Yangon via Bangkok.

When the company institutes a new plan on April 1 to trim flight times for some long-haul pilots to 50 hours a month (and restructure their benefits) and thereby save ¥1 billion (\$7.9 million) per year, the flyers' union balks. A clause in its contract with the airline guaranteeing a minimum of 65 hours flying time per month is triggered and the B-747-481 pilots vote to strike.

On April 5, two of seven A321-131s are delivered. In celebration of the company's forty-fifth anniversary, they arrive wearing an innovative livery designed by Airbus Industries. The color scheme comprises 22 images of Japanese locations (11 on each side of the fuselage) digitally shown on polyester support film; the adhesive images are protected by varnish and are heat and cold resistant.

The job action that begins on April 6 has an immediate impact on ANA flights from Tokyo (NRT) to Hong Kong, London, New York, and Los Angeles and from Osaka (KIX) to Frankfurt and Rome. It does not impact the carrier's domestic network.

A321-131 service is inaugurated on April 11 with twice-daily roundtrips from Tokyo (HAD) and Tottori and a daily roundtrip to and from Shonai.

The strike goes on for 14 days. Flight crews return to work on April 21, largely because they choose not to be involved in a disruption of "Golden Week," the traditional Japanese spring break which, this year, comes between April 29 and May 5. A total of 124 flights, including 94 B-747-481 services, must be cancelled costing ANA some \$31.8 million in lost revenues. Over 21,900 passengers are transferred to services operated by rival **Japan Air Lines Company, Ltd. (2)**.

It is not immediately known whether the pilots will return to the picket lines in May. Because ANA pilots earn more than their colleagues at other Japanese airlines do, this industrial action is labeled a "Cadillac strike" by the media.

Also on April 21, the formal signing of the code-sharing pact with **United Airlines** takes place in Tokyo.

At the end of the month, the company seeks permission to begin new services from Tokyo to Qingdao and from Osaka to Xiamen and Shenyang, the latter via Dalian.

ANA and **United Airlines** and ANA and **Deutsche Lufthansa, A.G.** formally integrate their frequent flyer programs on May 1.

Between May 10 and May 22, 10 extra flights per week are offered on the route between Tokyo and Jakarta. Under pricing pressure from **United Airlines**, **Delta Air Lines**, and **Northwest Airlines**, ANA in mid-May cuts its roundtrip economy fares to the U.S. by up to 48%.

B-767-381 thrice-weekly flights begin on July 18 from Osaka to Shanghai via Fukuoka. Thrice-weekly B-767-381 roundtrips are begun on May 19 from Osaka to Tianjin.

On May 29, two specially painted B-747-481s, commemorating the World Cup, are placed on international service. Across their fuselages is painted "Goal! Goal! Goal!" in bold print wishing success to the Japanese team.

As June begins, the carrier's 1,380 pilots again threaten not to operate international flights. In mid-month, ANA announces that it will delay delivery of nine unspecified aircraft during a three-year period beginning in April 1999.

The first B-777-381 is received in Everett, Washington, ceremonies, accompanied by Japanese *taiko* drummers, on June 29; its livery includes blue ribbons, which are meant to demonstrate "the swiftness of the wind as it [the aircraft] glides through the sky." Following its delivery flight to Japan, the huge twinjet will be employed on domestic routes.

ANA and **Deutsche Lufthansa, A.G.** launch eight-times-per-week dual designator service on July 1 between Tokyo (NRT) and Frankfurt. The same day, twice-weekly B-767-381 roundtrips commence from Osaka to Dalian and Shenyang and the thrice-weekly Osaka-Tianjin route is now flown four times a week.

The next day, weekly B-777-281 roundtrips start from Tokyo (NRT) to Qingdao, China. Also on July 2, ANA introduces two specially painted aircraft to the delight of children all over Japan, many of whom demand that their parents bring them to airports to view the aircraft. A B-767-381ER and B-747-481D previously painted in colors honoring the *Snoopy* cartoon characters are now unveiled in new liveries that feature the 10 *Pokemon* (*Pocket Monsters*) cartoon characters from the popular children's Nintendo software and TV series. Sadly, the special livery is scheduled to be repainted at the end of the third quarter.

Twice-daily B-767-281 roundtrips commence on July 18 between Tokyo and Yonago. A third *Pokemon* aircraft, a B-767-381, enters service on July 19. B-767-381ERs begin flying thrice weekly on July 20 from Osaka to Xiamen.

Twice-daily B-767-381ER roundtrips begin on July 29 from Tokyo to Saga. The Transport Ministry grants approval on September 18 for use of the 180-Minute Extended Range Twin-Engine Operations rule for its new B-767-381ER, which will enable the wide-body to be employed on routes from Japan to Hawaii.

Deep-discount operator **Skymark Airlines Company, Ltd.** inaugurates its first service on September 19 from Tokyo to Fukuoka. In response, ANA notes on September 21 that it will, beginning October 1, lower its fares on the route by 30% while offering three more roundtrip frequencies than the start-up.

As part of its broader restructuring of its non-airline businesses, the carrier, on September 23, sells two hotels, one each in San Francisco and Washington, D.C. to the Los Angeles-based real estate concern Lowe Enterprises for \$270 million.

Twice-weekly B-767-381ER return flights begin on September 30 from Tokyo (NRT) and Honolulu; the service will complement the thrice-daily flights to Hawaii from Tokyo and Osaka, and daily roundtrips from Nagoya, Fukuoka, and Sapporo.

Due to the response of children (and adults) around the world, the *Pokemon* livery is not retired as scheduled; indeed, it will be expanded.

It is announced on October 22 that ANA will, in 1999, become the ninth member of the "Star Alliance." Charter and current members of the pact include **Air Canada, Ltd.**, **Deutsche Lufthansa, A.G.**, **SAS (Scandinavian Airlines System)**, **Thai Airways International, Ltd. (THAI)**, **United Airlines**, and **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

Frequencies on the twice-weekly B-767-381ER route from Tokyo to Honolulu become daily on October 25.

On October 29, ANA and **United Airlines** implement their historic alliance—the first between a Japanese and U.S. carrier to include code-sharing and the first Japan-U.S. air alliance to be implemented following negotiation of the new bilateral agreement between the two countries.

The carriers begin to offer dual-designator service on 391 weekly flights. Under the agreement, ANA offers the new destinations of Boston, Chicago, Denver, Las Vegas, Miami, Orlando, Phoenix, San Diego, and Seattle. Additionally, members of ANA Mileage Club can earn miles in their program for all flights operated by the partner carrier and can redeem their earned miles for award travel on the worldwide network of both carriers. Customers whose travel itinerary includes flights of both

ANA and UAL receive boarding passes for all flights operated by both carriers at their first point of check-in. In addition, eligible customers have access to the lounges of the carrier on which they are traveling, regardless of whether their ticket was sold as an ANA or a UAL flight.

B-767-381 equipment is also employed to launch daily roundtrips on November 7 between Fukuoka and Qingdao.

A strategic alliance is entered into with **China Eastern Airlines Company, Ltd.** on November 11. Under its terms, code-sharing is scheduled to begin on February 1 over routes from Osaka (KIX) to Shanghai and also to Qingdao and Beijing.

Daily return service is inaugurated on December 1 between Tokyo (NRT) and San Francisco. The route is operated as a dual-designator service with **United Airlines**. Two days later, the carrier announces a strategic accord with **SAS (Scandinavian Airlines System)** as its first step into similar accords with the other members of the "Star Alliance." The pact will initially involve check-in services, frequent flyer programs, and the use of airport lounges. Code-share operations, joint marketing, and sales activities will also be considered as ANA moves into full partnership with the other carriers.

On December 9, **Airborne Express** enters into agreements with the Itochu Corporation and the Marubeni Corporation, both of Japan, to purchase 11 B-767-281s currently under lease to ANA. At a cost of \$25 million per copy, the planes will be converted into freighters by Triad International Maintenance Corporation at Greensboro, North Carolina, and will be delivered between 2000 and 2002.

President Nomura tells a news conference on December 17 that ANA lost 18,000 passengers to **Skymark Airlines Company, Ltd.** in October and 20,000 in November. Although he is reluctant to cut fares on the Skymark route from Tokyo (HND) to Fukuoka due to the revenue costs that would occur, Nomura indicates that such a move may be necessary after the first of the year.

Also during the month, ANA issues the first "incentive-attached bonds" in the airline industry; those purchasing the three-year certificates will receive a free five-day trip to Hawaii and discounts on domestic flights. The offering is very successful and nets ¥30 billion.

Passenger boardings this year increase 12.7% to 41.49 million, while cargo traffic rises 5.2% to 1.35 billion FTKs. Anticipating a loss of ¥5 billion (\$42.3 million) because of the economic slump, the net loss is actually closer to ¥11 billion (\$89 million), due primarily to competition with the new entrants.

The code-sharing agreement with **United Airlines** is enhanced on January 19, 1999, when the two carriers jointly affix their codes to daily flights between Tokyo (NRT) and Bangkok. The partnership is increased again on March 8 on joint daily services from Tokyo (NRT) to Singapore.

A code-sharing agreement with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** is announced by ANA on January 26; the two carriers will begin joint services between Japan and Brazil in May.

At the end of the month, the company notes that, because of restructuring, it will not recruit cabin attendants for the class of 2000. Normally, ANA brings on 500–600 new attendants every year.

It is announced in Tokyo on February 12 that ANA will officially join the "Star Alliance" in October. It will simultaneously cancel its cooperative agreements with four other nonalliance partners, including **British Airways, Ltd. (2)** and **Cathay Pacific Airways (Pty.), Ltd.**

The *Kyodo News* reports on February 19 that, for the month of January, ANA has lost ¥800 million in revenue on the Tokyo to Fukuoka and Tokyo to Sapporo routes as the result of competition from the deep-discount start-ups **Skymark Airlines Company, Ltd.** and **Hokkaido International Airlines, Ltd.** The company responds by lowering fares.

On February 24, employing a specially painted B-747-481D—the fourth fleet unit to be painted with *Pokemon* characters—ANA inaugurates daily "ANA *Pokemon* Jet U.S. Version" service from Tokyo (NRT) to New York (JFK).

It is announced on February 25 that ANA, to cut operational costs, will transfer some 20 unprofitable domestic routes to its affiliate **Air Nippon Company, Ltd.** over the next three years.

Company analysts project a 1998 fiscal year operating loss on March 3 (in data to be released at the end of the quarter) of ¥5 billion on revenues of ¥918 billion, as the reason for a suspension of dividend payments to shareholders for the first time in 30 years.

In reaction to the fiscal report, company executives now announce a radical three-year corporate restructuring plan. The new approach will include a consolidation of high-revenue international routes from Tokyo (NRT), suspension of service on three money-losing routes, and curtailing of frequencies on eight less-profitable routes. New efforts will be made to upgrade the Haneda (HAD) domestic hub, as well as reevaluate aircraft size and local service requirements in an effort to save ¥100 billion (\$826 million).

On March 8, ANA announces a worldwide "ANA *Pokemon* Jet '99 Design Contest." Children will be given the chance to design color schemes for the three additional aircraft (one B-747 and two B-767s) that will celebrate the new *Pokemon* movie slated to open in Toho cinemas throughout Japan during the summer. The new aircraft will begin service between the end of June and early July.

After a month's delay, the dual-designator service with **China Eastern Airlines Company, Ltd.** begins on March 15. CEA codes are placed upon ANA flights between Shanghai and Osaka (KIX) and between Osaka (KIX) and Beijing via Qingdao. ANA's flight codes are added to CEA's similar flights. ANA has more than 50 weekly flights to China and CEA more than 30 to Japan. The code-sharing automatically doubles the two airlines' flights between China and Japan.

Under terms of the code-sharing arrangement with **Ansett Australia (Pty.), Ltd.**, daily ANA service between Osaka (KIX) and Sydney via Brisbane is replaced on March 28 by Ansett-operated flights carrying ANA's code.

The carrier's 9% stake in **Austrian Airlines, A.G.** is sold on April 8, with Bank Austria and SKWB Schoellerbank taking shares worth a nominal Sch 160 million and Sch 74 million, respectively. Cooperation with the Vienna-based airline on the route between Tokyo, Osaka, and Vienna is not affected.

ANA and **United Airlines** significantly upgrade their dual-designator partnership on April 13 when the Japanese line introduces daily B-747-481 return flights from Tokyo (NRT) to Chicago (ORD). In addition to code-sharing on the new service, the date will mark placement of ANA's code on five daily United-operated domestic routes from Chicago to Cleveland, Cincinnati, Columbus, Indianapolis, and Miami for a total of 35 weekly flights.

The slashing of fares on those services flown in competition with **Skymark Airlines Company, Ltd.** and **Hokkaido International Airlines, Ltd.** begins to show results by the end of April. Both Skymark and Hokkaido show huge 69%-plus drops in their load factors over the contested routes.

Under the January code-sharing agreement and employing one of the Brazilian partner's B-747-341s, All Nippon and **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** inaugurate dual-designator services on May 13 between Rio de Janeiro and Tokyo (NRT) via São Paulo and Los Angeles. The All Nippon-VARIG code-share also includes one weekly service to Nagoya.

The new fourth member of the *Pokemon*-painted fleet, a B-747-481, arrives at San Francisco on a June 3 demonstration flight; it is placed on the five-times-a-week service from the California city to Tokyo (NRT) on July 3.

An order is placed on June 20 for 4 B-777-281ERs, the first of which will be delivered in October. Upon its receipt, ANA will become the first airline in the world to operate all three of the B-777 derivatives.

On July 1, the carrier's ANA Mileage Club frequent flyer program is linked to the frequent flyer programs of **Air New Zealand, Ltd.**, **Ansett Australia (Pty.), Ltd.**, and **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

En route from Tokyo (HND) to Hokkaido on July 23, Flight 61, a B-747-481 piloted by Capt. Naoyuki Nagashima with 13 other crew and 503 passengers, is taken over by unemployed Yuji Nishizawa, a fan of

computer flight simulation games. Having overpowered a flight attendant and gained access to the cockpit, the perpetrator forces out the copilot and demands that Nagashima steer toward a U.S. military base. When the pilot refuses, he is stabbed in the neck, whereupon the hijacker attempts to fly the aircraft, realizing a lifetime dream. The Jumbojet suddenly loses altitude and drops 2,000 ft. in five min. to a point just 660 ft. above metropolitan Tokyo. At this point, the copilot and an off-duty pilot are able to storm the cockpit, subdue Nishizawa, and regain control. The plane returns safely to its point of origin, but Capt. Nagashima dies of his wounds before touchdown, becoming the first fatality in the 20 Japanese hijackings on record. Nishizawa is immediately arrested.

While en route from Tsushima Island to Fukuoka on July 28, a fully loaded B-737-481 is struck by lightning; no injuries are reported.

On August 9, a B-767-381, painted with the logos of all the "Star Alliance" partners, enters service on the company's domestic routes. Plans to join the international grouping remain on target for October 31.

Plans to join the international grouping remain on target and are executed on October 31. Due to poor results on the route, service between Fukuoka and Bangkok is simultaneously suspended.

Before year's end, nine domestic routes are transferred to **Air Nippon Company, Ltd.**, including the service from Osaka (KIX) to Sendai. During the year, the company is able to reduce its personnel expenses by ¥8 billion.

Overall passenger boardings for the year accelerate 3.9% to 42,743,000 while cargo rises 5.5% to 1.5 billion FTKs. Revenues for the ANA Group, which includes **Air Nippon Company, Ltd.**, **Air Hokkaido Company, Ltd.**, and ancillary activities, jump 13% to \$11.3 billion, while costs climb only 9.1%, to \$11 billion. The previous year's operating loss becomes a \$294.94-million gain. Unhappily, the net loss increases to \$142.06 million. Revenues for the air transport segment of group earnings (approximately 70% of total) inch up only 1.5% to \$9.16 billion, but expenses decline 2.3% and leave a \$240-million operating profit.

Airline employment stands at 15,237 at the start of 2000, a 1.9% increase over the previous year. Among the world's top 25 airlines at the beginning of the new millennium, ANA is 8th in passengers and 20th in fleet size; All Nippon Group is 8th in operating revenues and 18th in operating profit.

Japanese airfares are fully liberalized under a February revision of the basic aviation law. On March 26, twice-daily B-767-381ER roundtrips commence between Osaka (KIX) and Honolulu, but flights from Osaka (KIX) to Yangon are dropped. Simultaneously, frequencies from Osaka (ITM) to Tokyo (HND) and Nagasaki are increased, while flights from Osaka (ITM) to Sendai and Kagoshima are decreased. From Tokyo (NRT), frequencies to San Francisco, Hong Kong, Singapore, and Dalian are decreased and those to Frankfurt, Washington, D.C. (IAD), and Bangkok are increased.

The same day, the Osaka (KIX) to Miyazaki route is transferred to **Air Nippon Company, Ltd.**

The carrier now begins to code-share with **Deutsche Lufthansa, A.G.** on all 16 weekly roundtrips between Tokyo (NRT) and Frankfurt (6 ANA and 10 DLH flights) while the German line places its designator on ANA's 2 weekly return flights between Osaka (KIX) and Frankfurt. Within Europe, ANA code-shares on DLH flights from Frankfurt to Amsterdam, Berlin, Dusseldorf, Munich, Hamburg, Geneva, and Vienna.

To celebrate the first anniversary of service to Chicago (ORD) on April 13, the carrier sends in a *Pokemon*-painted B-747-481 for a special ceremony.

The dual-designator arrangement with **United Airlines** is also expanded on April 18 to include an additional 20 daily flights on 20 domestic routes from Chicago (ORD), Los Angeles, and San Francisco.

Introduced earlier in the month, the code-shared flights aboard **Air Canada, Ltd.** A340-313s between Toronto and Tokyo (NRT) become daily on April 25. The routes from Osaka (KIX) to Shonai and from Shonai to Sapporo are turned over to **Air Nippon Company, Ltd.** in May. B-777-281ERs replace B-747-481s on May 16 on three of the carrier's

seven-times-a-week flights between Tokyo (NRT) to Chicago (ORD); the last Jumbojet on the route will be replaced with a Triple Seven on July 7.

On June 22, the carrier begins a cargo code-share—actually, transport of the U.S. Mail—with **Trans World Airlines (TWA)** on routes to Osaka (KIX) from Guam and Honolulu; to Tokyo (NAR) from Chicago (ORD), New York (JFK), Los Angeles, San Francisco, and Honolulu; and from Honolulu to Nagoya.

Because the company's fiscal picture has continued to deteriorate, company officials on July 1 institute wage cuts that will run through March 2003. Ranging from 25% for top management to 3% for non-management workers, the reduction is designed to save an overall ¥ 10 billion.

On July 14, two more routes out of Osaka (KIX) are turned over to **Air Nippon Company, Ltd.**—to Memanbetsu and Nagasaki.

With the united goal of gaining some of the 85% market share held by the Shinkansen bullet train, ANA joins with **JAS (Japan Air Systems Company, Ltd.)** and **Japan Air Lines Company, Ltd. (2)** during the second week of August to inaugurate 33 daily roundtrip shuttle flights between Tokyo and Osaka (KIX/ITM). Start-up of the joint venture has unavoidably been delayed six weeks.

A new subsidiary, Air Japan Company, Ltd., is created on August 31 to offer deep discount service on ANA's short- and medium-haul international routes with aircraft leased from the parent. The launch of B-767-381ER service from Osaka (KIX) to Seoul is announced for January 1.

Japan's first recorded incident of an on-duty pilot becoming incapacitated for poor health occurs on September 11. Capt. Fusao Hori, while piloting Flight 559, an A320-211 en route from Nagoya to Saga, loses consciousness minutes before landing at his destination. After its copilot safely lands the plane, Hori is hospitalized, where it is determined that he has suffered a stroke.

ANA, **JAS (Japan Air Systems Company, Ltd.)** and **Japan Air Lines Company, Ltd. (2)** open joint check-in counters on September 23 to handle passengers using their roundtrip shuttle service between Tokyo and Osaka (KIX).

Hoping for better results than the previous year's aborted linkup with **British Airways, Ltd. (2)**, ANA, on September 28, announces that it has signed an agreement to share its Tokyo–London routes with **Virgin Atlantic Airways, Ltd.** beginning at the end of March 2001.

On October 29, B-777-281ERs replace B-747-481s on the route from Tokyo to San Francisco. Under a decision first announced in June, service from Osaka (KIX) to Frankfurt and London (LHR) is now discontinued.

ALL NIPPON HELICOPTER COMPANY, LTD. See **ALL NIPPON AIRWAYS COMPANY, LTD.**

ALL SEASONS AIR PACIFIC (ASAP): United States (1981–1983). All Seasons is set up at Long Beach, California, in early 1981 to operate scheduled Piper PA-31-310 Navajo passenger and cargo flights to Santa Barbara, San Diego, Burbank, and Ontario.

Revenue services continue apace until the company goes out of business during the summer of 1983.

ALL STAR AIRLINES: United States (1983–1985). All Star is formed at Woburn, Massachusetts, in early 1983 to offer domestic and international jet passenger charters, emphasizing the transport of inclusive tours and contract services for sports teams, including the Boston Red Sox.

Certification is received in March and revenue operations commence on April 1 employing a Douglas DC-9-15 leased from **Air Florida**. The first major league baseball teams flown are the Baltimore Orioles and the Toronto Blue Jays. A second **Air Florida** DC-9-15 is obtained in November; it flies the Boston Celtics and other NBA basketball teams.

In addition to baseball team flights, the company, in 1984, agrees to operate a tour company's charters from Seattle and Portland to Reno, Nevada. Subcontracts are also taken from **Northeast International Air-**

lines and **Horizon Air**. The latter operates a wet-leased DC-9-14 in All Star colors from July to November on routes in the Northwest; the plane is returned after Thanksgiving.

Planes are made to inaugurate scheduled services from Boston to Atlantic City during the next 12 months and 2 DC-9-51s are purchased from **Finnair O/Y** at year's end.

All company dreams and preparations come to a halt during the summer of 1985 when its principal investors elect to withdraw. Without capitalization sufficient to maintain viability, let alone begin new services or accept the Finnish jetliners, the carrier is forced to cease operations on October 29. All of its assets are quickly sold.

ALLEGHENY AIRLINES (1): United States (1953–1979). On January 2, 1953, **All-American Airways**, based at Washington's National Airport, is split into two concerns: an engineering and research company and the flight operation, renamed Allegheny Airlines, in recognition of the mountains and river of the same name that lie in the heart of the airline's route network. Leslie O. Barnes is named first president of the latter. On January 27, the net assets of the research and engineering unit are transferred to an All-American Engineering Company subsidiary, in exchange for the entire capital stock, which is distributed to stockholders. Service is continued with a fleet of 13 Douglas DC-3s.

During the remainder of the decade, Allegheny flies local service routes which, by the early 1960s, stretch between Cleveland and Pittsburgh in the north and west to New York and Washington in the east and south. Cities served are both large and small; among the latter are Erie, Buffalo, Elmira, Johnstown, Parkersburg, and Clarksburg. In these years, President Barnes is responsible for an array of innovations and prescient management decisions that mark him as an inspired executive.

Among his most memorable—and copied—ideas are a no-reservation, on-board ticketing system and the concept of “hub-and-spoke” routing and scheduling. It is during the 1950s that Pittsburgh becomes Allegheny's main hub and site of the company's operations and maintenance facilities.

On August 20, 1954, a DC-3 with 18 aboard crash-lands at Newark; no serious injuries are reported. The company begins employing former **Trans World Airlines (TWA)** Martin 2-0-2s in early 1955 to supplement its aging fleet of Douglas DC-3s. One is scrapped after suffering an in-flight fire during a training flight.

On May 27, 1956, 15 **Air France** stewardesses arrive in New York to begin temporary assignment aboard Allegheny domestic flights as a way of promoting international air travel.

In 1957, Barnes meets a young CAB lawyer named Edwin Colodny and invites him to join the company as his assistant. On May 30, flights begin to Hazleton, Pennsylvania. An interline cargo handling accord is signed on August 17 with **Seaboard and Western Airlines**.

The 1958 fleet comprises 15 DC-3s and 8 Martins. In a May 24 safety experiment, a Douglas is painted with fluorescent paint for better daylight sighting. With CAB approval, the company begins to offer commuter books at 15% discount on October 5, 1959, followed by a unique no-reservation system, both on the Philadelphia to Pittsburgh Penn Commuter service.

En route from Philadelphia to Cleveland during a snowstorm on December 1, a Martin 2-0-2 with 4 crew and 21 passengers, crashes into Bald Eagle Mountain near Williamsport, Pennsylvania, after an instrument landing attempt at Williamsport Airport fails; there are no survivors. The tragedy is the carrier's first fatal accident in a decade.

A Martin 2-0-2 with 16 aboard is badly damaged following an aborted takeoff from Erie on February 25, 1960; three crewmen are hurt. Also in February, orders are placed for 5 Convair CV-540s (CV-340s equipped with British-made Napier Eland turboprop engines). As a result of Colodny's work, Allegheny receives a feeder route from Washington to Boston, which it begins to fly in April. This new frequency, to which no-reservation opportunities are attached during the summer, marks the start of the airline's expansion.

Flights from Trenton, New Jersey, commence on June 1.

While on a training flight from Avoca, Pennsylvania, on July 28, a CV-440 crashes, injuring the two crewmen aboard.

On September 15, service to Boston and Washington, D.C. is initiated from MacArthur Airport at Bohemia, New York; frequencies are increased on November 30.

On December 24, the company petitions the CAB for permission to begin a Baltimore to

Washington helicopter service.

Early in 1961, the company's maintenance and operations base is moved from Washington National Airport to Greater Pittsburgh Airport, which becomes the carrier's hub; corporate headquarters remain in the former location. The one-time **Trans World Airlines (TWA)** Martin 202A *Skyliner Burbank* is purchased, along with a second unit.

Competition with **Trans World Airlines (TWA)** on the Philadelphia-Pittsburgh run brings a fare increase in October and a CAB investigation. The regulatory body allows the increase and a second one in November, while adding a 20% tax in March 1962. The increases and tax cut reduce appeal of the no-reservation approach.

On October 19 over Windsor Locks, Connecticut, a stewardess, due to the insecurely latched rear service door, is swept out of a CV-440 with 52 aboard during a flight from Washington, D.C. to Boston. Late in the year, 2 old Martin 2-0-2s are converted to freighters and employed to inaugurate Night Owl all-cargo service.

In 1963 Napier cancels its Eland program and Allegheny is unable to import more than the one already in service. In addition to this lone example, Allegheny flies 23 CV-440s and 15 Martin 4-0-4 Executives are acquired to fill the gap until CV-580s, powered by Allison turboprops, can be obtained. The year's profits are \$260,235.

A CV-440 with 26 aboard runs off the end of the runway while landing at Lancaster, Pennsylvania, on January 21, 1964; no injuries are reported. The CAB approves a route transfer agreement on April 8 between **Trans World Airlines (TWA)** and Allegheny that allows the latter to mount flights from Pittsburgh to Boston. A CV-340, on a May 8 training mission from Newark, crashes upon landing. The left landing gear of another CV-340, with 41 aboard, collapses during a May 28 landing at Atlantic City; no injuries are reported.

On July 1, unsubsidized Pittsburgh to New York (LGA) services are initiated. In August, the company undertakes a special Atlantic City air-lift for those attending the Democratic National Convention.

As the carrier's route system grows, so does its need for new equipment; currently, its fleet is still comprised of mostly DC-3s and Martin 4-0-4s. A third Martin 2-0-2 cargoliner is placed into service during December.

Airline employment during the year is 1,733 and enplanements jump 13% to 1,264,514. Total revenues of \$27.8 million are earned, allowing a \$344,547-million net profit.

The workforce in 1965 is 1,931. The Pittsburgh-New York (LGA) frequency becomes full service in early spring. On June 1, Allegheny places 5 Convair CV-580s (CV-240s reengined with Allison turboprops) into operation.

On July 23, en route from Pittsburgh to Newark via Du Bois, Phillipsburg, Williamsport, and Wilkes-Barre Flight 604, with 4 crew and 36 passengers, suffers an engine fire. It strikes a ridge 5 mi. ENE of Montoursville, Pennsylvania, and although 18 people are injured there are no fatalities; the CV-440 will later have to be written off.

The fleet at year's end comprises 5 CV-580s, 16 CV-440s, 7 F-27Js, and 11 Martin 4-0-4s, including several employed as freighters. Orders are placed for 4 DC-9-31s.

Passenger bookings jump 16% to 1,465,141 while cargo traffic grows by 32%. Allegheny transports more freight this year than any other local service airline. Revenues grow 19% to \$33.27 million and earnings swell to \$1.3 million.

Three more F-27Js and 9 CV-580s arrive in early 1966. The first jetliner, a leased Douglas DC-9-10, is delivered on July 8, allowing Allegheny to enter the jet era September 1.

A CV-440 with 4 crew and 12 passengers aborts its takeoff from Harrisburg on November 29 and overruns the runway; there are no fatalities.

Enplanements for the year total 1,792,750. Profits are \$3.87 million (operating) and \$1.04 million (net).

The employee population in 1967 is 2,784. In April, company official L. Thomas Ferguson is appointed president of rival **Lake Central Airlines** as merger negotiations with that company intensify. Stockholders of the two companies and government regulators will be asked to approve the merger, which will take place the next summer.

Additionally, many of the previous CAB restrictions on company operating authority between major northeastern cities is loosened and the carrier's new Fokker F-27 Friendships are able to expand its market. The DC-9-10s are replaced by the first 6 of what will eventually become a fleet of 73 larger DC-9-31s.

During the early 1960s, a number of small American commuters began to provide shuttle service in areas not served—or served inadequately—by the larger airlines. It is during these years that Allegheny strategists Barnes and Colodny see this movement as a way of enhancing the company's markets without costly investment in new routes or equipment. Going to business and civic leaders in communities served, as well as those not served, by Allegheny, the two men gather a constituency of converts ready to accept the revolutionary commuter operation that would long bear the Allegheny name.

In the mid-1960s, Allegheny officials convince the CAB that it would be preferable, both economically and socially, for a commuter to provide frequent service to a small community under the guidance of a larger carrier. This would be in contrast to flights of only one or two per day directly into those same towns by larger local service airlines. The idea is in some ways similar to an earlier arrangement worked out in the U.K. by **British European Airways Corporation (BEA)**. Washington agrees to this replacement code-sharing concept and the Allegheny Commuter network is born.

Richard A. Henson had begun **Hagerstown Commuter** on October 1, 1964, as a division of his FBO operation, Henson Aviation. In August 1967, he enters into an associate agreement with **Allegheny Airlines** to provide four-times-per-day scheduled flights from his western Maryland base to Washington, D.C. For its part, Allegheny agrees to help with reservations and ticketing, station handling, market planning, and accounting, and to offer a financial guarantee against loss.

By September, Allegheny has a 100% turbine-powered fleet when it retires its last Convair CV-440 and takes delivery of a 10th F-27J. On November 15, the Barnes/Colodny commuter concept becomes reality as a Henson Beech B-80 Queen Air, with the words "Allegheny Commuter" painted on its sides in red, takes off for the nation's capital. At year's end, Henson adds flights to Baltimore and Salisbury and Robert Jackson is named vice president-commuter services. His new "Allegheny Commuter" system will grow until it is the largest in the United States.

Passenger boardings for the year jump 29% to 2,525,000. Revenues accelerate 20.5% to \$52.32 million. Although an operating profit of \$2.24 million is earned, costs of aircraft purchases and a 27% reduction in public subsidy lead to a net loss of \$696,846.

Bolstered by the success of the "Allegheny Commuter" gambit, now increased by the addition of **Pocono Airlines**, Leslie Barnes's airline begins to expand its size through merger.

The employee population in 1968 numbers 4,350. On March 14, shareholders and CAB officials approve Allegheny's acquisition of the routes and equipment, debts and liabilities of Indianapolis-based **Lake Central Airlines**. Holders of LCA common stock receive 0.44 of a share of Allegheny common stock for each LCA share held.

In one stroke on July 1, the Pittsburgh carrier is enlarged with frequencies to Dayton, Cincinnati, Columbus, St. Louis, and as far west as Chicago. When the merger takes effect on July 1, Allegheny, as the surviving airline, becomes America's largest local service passenger airline.

Nine ex-**Lake Central Airlines** Nord 262s are painted in royal purple with gold fleur-de-lis logos on their tails and noses. Hostesses wearing Parisian apache outfits (split skirts, striped jerseys, black net stockings, and black berets) are assigned to the aircraft. To complete the French look aircraft are given the names of French females: *Claudette d'Allegheny*,

Celeste d'Allegheny, Nanette d'Allegheny, Yvonne d'Allegheny, Nicole d'Allegheny, Michele d'Allegheny, Brigitte d'Allegheny, Collette d'Allegheny, and Monique d'Allegheny. At a November 25 ceremony, begun with the playing of *La Marseillaise*, the first Nord, *Claudette d'Allegheny*, enters service from Weir Cook Airport at Indianapolis.

Three more "Allegheny Commuter" services are added.

On December 24, while on final approach to the airport at Bradford, Pennsylvania, on a service from Detroit to Washington, D.C. (DCA), Flight 736, a CV-580 with 6 crew and 41 passengers, strikes a line of trees in light snow 2.5 mi. short of the runway and crashes upside down (20 dead).

Customer bookings skyrocket 71.6% to 4,334,000 (including 26,304 "Allegheny Commuter" passengers) and freight traffic is up by 50.6%. Revenues jump 39% to \$95.26 million and, although an operating profit of \$10.18 million is generated, a net \$4.83-million loss is suffered.

In almost the same manner as a sister flight in December, Flight 737, a CV-580 with 3 crew and 25 passengers, crashes into a line of trees 4.7 nm. short of the runway at Bradford, Pennsylvania, on January 6, 1969, and flips over (11 dead).

Three DC-9-31s join the fleet during the first quarter; nine more will be delivered before year's end.

On a September 9 service from Boston to Indianapolis on a descent from 6000 to 2,500 ft., Flight 853, a DC-9-31 with 4 crew and 82 passengers, collides at 3,550 ft. near Shelbyville, Indiana, with a Piper PA-28 Cherokee. The Piper is owned by the Forth Corporation and being flown cross-country by a student pilot; there are no survivors from the subsequent crash of either plane.

The fleet comes to comprise 42 CV-580s and 24 DC-9-31s. The company closes out the decade as the nation's largest local service or regional airline. Ridership of the "Allegheny Commuter" partners triples while **Crown Airways** joins the system.

Enplanements are 4,661,000 and revenues are \$120,911,000. Although a \$2.2-million operating profit is earned, a net loss of \$10.92 million is suffered.

The employee population in 1970 numbers 4,944, a 6% increase. Two B-727-2B7s are delivered in early spring. Later, 3 more DC-9-31s arrive. One of these, accepted in a ceremony on May 27, is the 500th DC-9 built.

On September 19, a 19-year-old ex-Marine, R. D. Watt, armed with a pistol, gasoline, and dynamite takes over Flight 730 en route from Pittsburgh to Boston. He demands that the B-727-2B7 with 98 aboard be flown to Cairo; the plane's range is insufficient for a trip to Egypt, so the man settles for a flight to Havana instead. Watt will make the mistake of returning to the U.S. in 1978; he will be captured, tried, and sent to prison for 15 years.

Passenger bookings advance 21% during the 12 months to 5.9 million and cargo traffic grows by an equal 21.6%. A \$10 million turnaround occurs on the financial side. On revenues of \$154.6 million, profits are \$9.46 million (operating) and \$528,000 (net).

The carrier announces on May 22, 1971, that it has added hot pants to its stewardesses' wardrobe.

While on approach to Tweed-New Haven Airport after a June 7 service from Groton, Flight 485, a CV-580 with 3 crew and 28 passengers, drops too low and strikes houses 4,890 ft. short of the runway and crashes (28 dead).

The landing gear of a CV-580 with 4 crew and 50 passengers collapses upon touchdown at Pittsburgh on August 20; there are no fatalities. Investigation shows that the gear had been disabled during an earlier unsuccessful landing attempt at Parkersburg, West Virginia.

Enplanements for the year are 8,105,915. Revenues are \$176.66 million; again, an operating profit is earned (\$17.9 million), but a net loss (\$1.57 million) is taken.

Having allowed four years for the digestion of **Lake Central Airlines**, Allegheny moves again to expand. During the first quarter, 11 BAC 1-11-103AEs are purchased from **Braniff International Airways**.

On April 12, 1972, it takes over the third largest local service carrier and an old rival, Utica, New York-based **Mohawk Airlines (1)**. To pro-

vide for the union, Barnes's carrier issues 704,000 common shares, 744,000 common stock purchase warrants, and 274,000 shares of convertible preferred stock to issue to Mohawk shareholders and holders of subordinated debt in Chairman Peach's airline.

This acquisition gives new northeastern territory to Allegheny and enriches its fleet with 15 BAC 1-11-203AE/-204s. It also allows it to become, in terms of passenger boardings, the seventh largest air transport firm in the country, ranking ahead of all but **United Airlines**, **Trans World Airlines (TWA)**, **American Airlines**, **Eastern Air Lines**, and **Delta Air Lines**. An extensive joint sales program is also undertaken with **Pan American World Airways (1)**.

Lost in the year's major events is a little-known event that some historians will later claim as the "opening salvo" in the battle for airline deregulation. On April 18, consumer advocate Ralph Nader is bumped from an Allegheny flight, thereby missing a speaking engagement. After refusing Allegheny's offer of a \$34.21 refund, Nader, with widespread media coverage, sues the airline, charging deliberate overbooking. He forms a watchdog group, The Aviation Consumer Action Project, and demands that the CAB investigate the nation's carriers.

A CV-580, on a Pittsburgh-Bradford flight on October 7, loses an engine after striking and killing a deer during its scheduled landing at Jamestown, New York; no injuries are reported. Customer bookings climb 13.5% to 9,371,000 and freight traffic increases by 29.4%. The workforce is now 7,100. Income is \$264.96 million and with expenses under control, profits are \$17.45 (operating) and \$5.48 million (net).

The employee population in 1973 increases by 721. Four more DC-9s join the fleet, while **Suburban Airlines** and **Pennsylvania Airlines** become regional affiliates. A joint marketing program with **Pan American World Airways (1)** gathers steam as the Washington, D.C.-based local service carrier moves into the major's Worldport terminal at New York (JFK) late in the year. To promote the new two-carrier cooperation, flight attendants from each airline fly aboard the other's flights.

A new in-flight magazine, *Executive*, is unveiled and the "Allegheny Commuter" service continues to expand with 12 contracting carriers flying to Pennsylvania, Ohio, Connecticut, and Indiana. A DC-9 simulator is obtained for newly consolidated simulator facilities at the Pittsburgh training base. On October 12, the government announces that, in light of the energy crisis, a mandatory jet-fuel allocation program will take effect on November 1.

On October 18, Federal District Judge C. R. Richey imposes a \$50,000 fine against the carrier for bumping consumer advocate Ralph Nader from a flight the previous year, and charges that the airline with consistently overbooked and denied 945 other customers seats during the same month as Nader.

In November, the company has its first-ever million-passenger month. As the result of cutbacks in the delivery of avgas, the carrier cancels services between New York City and Plattsburgh and between Plattsburgh and Saranac Lake beginning on December 7. The next day, late-night, low-cost flights from New York City to Buffalo, Pittsburgh, and Rochester are also cut.

Bookings on the "Allegheny Commuter" system exceed one million in a year for the first time while overall passenger traffic accelerates by 7.4% as 10,840,000 passengers are carried. Cargo grows by 18.2%. The nation's largest local service airline earns revenues of \$329.36 million and has expenses of \$309.39 million. The operating profit is \$19.97 million and the net is \$7.02 million.

Airline employment in 1974 is 8,129. Flight reductions of 30% occur on January 7 by the laying off 1,288 workers—15% of the carrier's work force.

The company's twenty-fifth anniversary is celebrated on March 7. An order is placed for eight DC-9-50s and the new maintenance and overhaul subsidiary Mohawk Air Services is created. **Chautauqua Airlines** becomes an Allegheny commuter partner. Mohawk begins to re-engine the Nord 262s with Pratt & Whitney of Canada PT6A-45 turboprops, turning them into Mohawk 298s. As a result of the new U.S.-Canadian

bilateral agreement, Allegheny is able to undertake new frequencies from Buffalo and Rochester to Montreal.

On October 25, a DC-9 with 95 aboard makes a safe emergency landing on a foam-covered runway at Rome, New York, after its tires blow-out during a takeoff from Rochester for Pittsburgh.

Enplanements are up .6% to 10,909,000, but freight is down 18.6%. The country's largest local service carrier takes in revenues of \$372.99 million and incurs expenses of \$354.33 million, a 13.4% increase due almost entirely to rising fuel prices. The operating profit is \$18.67 million and the net profit is \$6.03 million. A fiscal highlight of the year occurs when Allegheny becomes the first local service airline to be removed from the federal subsidy program.

A total of 653 employees are laid off or not replaced during 1975. The late-night, low-cost service between New York City and Buffalo, Pittsburgh, and Rochester is reinstated on January 26. A new corporate design is introduced for the nation's sixth-largest passenger airline and all aircraft are painted in new livery; **Southern Jersey Airways** joins the "Allegheny Commuter" system.

Leslie Barnes departs Allegheny in midyear to become chairman of Ryder Systems, Inc. and is succeeded as president/CEO by Edwin I. Colodny. A new terminal is dedicated at Boston where a new route is opened to Toronto. On May 3, the 1973 court ruling against the carrier in the Nader suit is overturned by the Federal Court of Appeals at Washington, D.C. Allegheny is also launch customer for 8 DC-9-50s, which are delivered during July–December.

Passenger boardings decline 5.6% and cargo is off by 13.5%. A net loss of \$9.9 million must be absorbed. The cost of the airline's expansion is heavy, and the new president's first task will be to restore black ink to the company's ledgers. Income inches up to \$373.11 million and a \$21.15-million operating profit is made, but expenses force a \$9.9 million net loss.

The workforce in 1976 is increased by 4.3% to 7,794. A new "big airline" marketing campaign is initiated and matches the inauguration of new nonstop service Baltimore–Norfolk, Cleveland–Toronto, Philadelphia–Syracuse, and Philadelphia–Rochester. Flights are resumed to Trenton.

A small plane narrowly misses colliding with a BAC 1-11 with 29 aboard on April 20 during the latter's landing approach to Long Islands' MacArthur Airport.

On June 8, the U.S. Supreme Court rules that consumer advocate Nader can, indeed, sue Allegheny for bumping him years earlier.

Flight 121, a DC-9-31 with 4 crew and 102 passengers, aborts its takeoff from Philadelphia in heavy rain and windshear on June 23; the aircraft slides 2000 ft. before coming to a stop; there are no serious injuries reported, but the Douglas is damaged beyond repair.

Customer bookings for the year grow 7.4% to 11,031,143 and freight is also up, by 8.6%, to 29.4 million FTKs. Expenses of \$420.91 million are submerged by total earnings of \$439.05 million. The operating profit is \$18.13 million while the net profit is \$13.81 million.

As the winds of change blow toward deregulation in 1977—which President Colodny opposes—Allegheny recoups its earlier losses and plans carefully for an uncertain future. In January, President Colodny, on behalf of the "Allegheny Commuter" system, accepts the 1976 "Regional Airline of the Year" award from *Air Transport World* magazine.

Control over its commuters is strengthened and the carrier refrains from jumping on the Boeing 747 Jumbojet bandwagon then rolling across the air transport landscape. The Mohawk 298 conversion of the Nord 262 is introduced on April 24 as 9 aircraft commence "Metro Express" flights up and down the East Coast from a hub at Harrisburg, Pennsylvania.

Pittsburgh to Atlantic City services commence in October and, by year's end, the last of the company's pure Martin 2-0-2s, after a long period in storage, have been cut up for scrap at Cape May, New Jersey.

Enplanements for the year total 11,628,706. A \$16.41-million net profit is earned on operating revenue of \$500.13 million.

Airline employment grows 8.1% in 1978 to 8,467 and the Horizon Hotels subsidiary is sold. Service is resumed from New York City to the

Catskills on March 19 after a seven-year lapse. In early spring, President Colodny succeeds Henry Satterville as board chairman/CEO. The remaining CV-580s are retired in June and the Mohawk 298s are transferred to the "Allegheny Commuter" partners.

Four used DC-9-30s are purchased from **Eastern Air Lines**, to which its 4 DC-9-50s are sold and its 4 chartered DC-9-50s are subleased. With a fleet of 11 Boeing 727-2B7s, 45 DC-9-30s, and 30 BAC 1-11s, the company now becomes an all-jet airline.

Flight 354, a BAC 1-11-203AE with 4 crew and 73 passengers, overruns the runway while landing at Rochester on July 9, crosses a drainage ditch, and stops 728 ft. from the end of the runway; although the jetliner is badly damaged, there are no fatalities.

When the Airline Deregulation Act is passed on October 24, Allegheny's lock on the upper right-hand corner of the U.S. airline map allows the carrier the option of not immediately lowering its fares.

After the books are closed on the year, Allegheny has expanded only to Florida and Texas, its traffic has risen 10.3% to just under 13 million passengers flown, and on revenues of \$566.3 million, a net profit of \$32.7 million is posted.

Passenger boardings of Allegheny's jetliners rise 9.2% in 1979 to 14 million as routes are stretched to Alabama, Arizona, Louisiana, and North Carolina.

The captain of Flight 561, a Mohawk 298 with 3 crew and 22 passengers, elects to takeoff from Benedum Airport at Bridgeport, West Virginia, on February 12 with an excessive amount of snow on the aircraft's wings and empennage surfaces. The aircraft flips over and crashes 14 seconds after becoming airborne (2 dead).

In March, stockholders approve a reformation of corporate identity and a new name to be introduced in the fall.

Revenues accelerate 28.6% to \$728.7 million, allowing a profit of \$33.4 million. On October 28, following eight months of preparation and external public relations, the company loses its regional identity and is rechristened **USAir**.

ALLEGHENY AIRLINES (2): 1000 Rosedale Ave., Middletown, Pennsylvania 17057, United States; Phone (717) 948-5400; Fax (717) 948-4714; Code US; Year Founded 1992. The second Allegheny Airlines is formed in August 1992 by the merger of two USAir Group wholly owned subsidiaries, **Pennsylvania Airlines** and **Suburban Airlines**, doing business as "Allegheny Commuter." William C. "Bill" Clark, leader of the former, is named president/CEO of the combined operation that now inherits a fleet of 17 de Havilland Canada DHC-8-100s, 23 Shorts 360s, 13 Beech 1900s, and 1 Fokker F.27-500 from the former and 3 Fokker F.27-500s, 8 Shorts 360s, and 3 DHC-8-100s. The remainder of the year is spent in upgrading services and rationalizing the fleet. Orders are placed for 5 Dash-8-300s.

Destinations served as part of the "USAir Express" feeder network include Albany, Allentown, Altoona, Atlantic City, Baltimore, Binghamton, Boston, Bridgeport, Buffalo, Elmira, Erie, Flint, Groton, Harrisburg, Hartford, Islip, Ithaca, Johnstown, Lancaster, Manchester, New Haven, Newark, Newport News, New York (JFK/LGA), Philadelphia, Pittsburgh, Portland, Providence, Reading, Rochester, Salisbury, Scranton, State College, Syracuse, Utica, Washington, D.C. (DCA), White Plains, Williamsport, Wilkes-Barre, and Worcester. Enplanements total 1,595,591, a figure 53.3% higher than that turned in by the merger partners the previous year.

Airline employment in 1993 totals 1,192 as Ronald A. Aramini becomes president/CEO. The rationalized fleet now comprises 13 Beech 1900s, 19 de Havilland Canada DHC-8-100s, 23 Shorts 360s, and 1 Fokker F.27-500.

Twice-daily Beech 1900 roundtrips commence on May 2 between Boston and Wilkes-Barre and Scranton.

Passenger boardings for the year climb to 2,090,000.

Eleven DHC-8-100s join the fleet during the first half of 1994. The carrier reaches a tentative four-year labor agreement with its pilots on April 12 that includes a 50% job reduction provision. On August 3,

USAir Group announces that it will lay off about 400 workers and agrees to sell a big portion of the carrier's assets to **Mesa Airlines**.

The latter move is not completed, even though customer bookings decline 7.4% to 1,935,354.

Traffic continues to fall during **1995**. Although 103,319 scheduled departures are made enplanements fall 10.1% to 1,738,913.

The fleet in **1996** includes 53 aircraft: 36 de Havillands, 11 Beech 1900s, 2 Shorts 360s, and 2 Shorts 330s.

Passenger boarding figures finally improve as the number of passengers carried increases by 3.5% to 1,800,248. Scheduled departures increase to 112,339.

On February 27, **1997**, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the year, this regional will begin to repaint its aircraft in a modified version of the major's new grey and dark blue livery.

Former **USAirways** Vice President-Special Projects Keith Houk is named president on September 2. He had earlier served as president of **Jetstream International Airlines**, now **PSA Airlines**.

Passenger boardings for the year recover and accelerate 13% to 2,035,162.

Flights continue in **1998**. Negotiations between management and the local Air Line Pilots Association (ALPA) chapter commence in June.

While on approach to Long Island's MacArthur Airport after a September 27 service from Philadelphia, "USAirways Express" Flight 3977, a DHC-8-102 with 3 crew and 22 passengers, encounters turbulence; the flight attendant is seriously injured, while one passenger is hurt slightly.

Customer bookings ascend 7.4% to 2.18 million.

Capt. Matthew Kernan, chairman of the Allegheny unit of ALPA, is able to announce on April 28, **1999**, that, after 10 months of negotiations, a new four-year collective bargaining agreement has been achieved.

Passenger boardings accelerate 12.8% to 2,465,000.

ALLEGHENY COMMUTER: United States (1989-1992). When **USAir** in mid-**1989** elects to reform and rename its "Allegheny Commuter" network as "USAir Express," the major's wholly owned subsidiary, **Suburban Airlines**, elects to change its name to Allegheny Commuter. Airline employment now stands at 300 and the fleet includes 11 Shorts 330s, 4 Shorts 360s, and 3 Fokker F.27-500s.

Under both new moniker and old, the carrier transports a total of 610,533 passengers, a 13.1% increase over the previous year. Freight poundage rises to 707,000.

The fleet is increased in **1990** by the addition of 2 Shorts 330s and 4 Shorts 360s. Passenger boardings shoot up 38% to 841,049, but cargo declines by 7.5% to 654,322 pounds.

The workforce is cut by 16.7% in **1991** to 250, but customer bookings shoot up 14.8% to 965,166. The carrier does not survive long enough to record its one-millionth passenger boarding.

In August **1992**, the company is merged with **Pennsylvania Airlines** to form **Allegheny Airlines (2)**.

ALLEGHENY COMMUTER AIRLINES. See **ALLEGHENY AIRLINES (2)**

ALLEGHENY COMMUTER SYSTEM. See **AEROMECH AIRLINES; AIR KENTUCKY; CHAUTAUQUA AIRLINES; COLGAN AIRLINES; CROWN AIRWAYS; FISCHER BROTHERS AVIATION; HENSON AVIATION; PENNSYLVANIA AIRLINES; POCONO AIRLINES; RANSOME AIRLINES; SOUTHERN JERSEY AIRWAYS; SUBURBAN AIRLINES.** See also **USAIR EXPRESS; USAIRWAYS EXPRESS**

ALLEGIAN AIR: 4995 E. Andersen Ave., Fresno, California, United States; Phone (559) 454-7781; http://www.allegiant-air.com; Code G4; Year Founded 1998. Allegiant Air is established at Fresno, California, by its chairman/CEO Mitchell H. Alice, in March **1998** to offer direct-sale public charters with a Douglas DC-9-21 purchased per-

sonally by Alice. The former **SAS (Scandinavian Airlines System)** jetliner is one of only 10 such aircraft built. Scheduled service is inaugurated in June from Fresno to Las Vegas and South Lake Tahoe and from Burbank to South Lake Tahoe. Enplanements for the year are less than 5,000.

The company's second aircraft, a former **Eastern Air Lines/Trans World Airlines (TWA)** DC-9-51, is acquired, via Boeing Capital, in August **1999**. When short-lived **Tahoe Air** begins service in October, Allegiant suspends its scheduled South Lake Tahoe service, though it continues charters. With Capt. Dave Beadle and First Officer Mark Overgaard at the controls, the completely refurbished DC-9-51 launches thrice-daily roundtrips on November 1 from Long Beach to Las Vegas.

Overall customer bookings for the year skyrocket 292.3% to 51,000.

Allegiant flirts with political history in February **2000** when presidential candidates lease its aircraft. On February 14-15, Senator Bill Bradley is transported by DC-9-51 from San Francisco to Atlantic City and New York (LGA) while, on February 19-20, the same plane flies Texas Governor George W. Bush from South Carolina to Grand Rapids and Detroit.

The DC-9-21, meanwhile, is briefly repainted in the colors of the fictitious Big Country Air for a role in the Chris Klein and Heather Graham motion picture *Say It Isn't So*.

Chairman Alice buys 2 more ex-Eastern/TWA DC-9-51s in mid-July and they are employed, beginning on August 15, to resume flights to South Lake Tahoe, this time from Long Beach, and to inaugurate daily roundtrips from Long Beach to Las Vegas via Fresno. Daily roundtrips commence on September 7 from Fresno to Portland via Reno.

ALLEGRO AIR (LINEAS AEREAS ALLEGRO, S.A. de C.V.): Jose Bentiez 2709, Obispa, Monterrey, NL, 64060, Mexico; Phone 52 (8) 333-9938; Fax 53 (8) 333-9940; http://www.suntrip.com/allegro_profile.htm; Code GRO; Year Founded 1992. Allegro Air is established at Mexico City in the fall of **1992** to offer domestic passenger and international charter and inclusive-tour flights. A contract is signed with San Jose-based SunTrips and revenue operations commence on December 26 with two leased Boeing 727-247As. The initial year is a huge success and requires the carrier to increase its fleet significantly in **1993**. Added under charter are 1 each B-727-225A, B-727-225, and B-727-214.

Destinations visited from Cancún include Albany, Boston, Bonoire, Cedar Rapids, Charlotte, Chicago (ORD), Dallas (DFW), Denver, Green Bay, Los Angeles, New York (JFK), Moline, Norfolk, Memphis, Phoenix, Richmond, Rochester, Salt Lake City, Seattle/Tacoma, Spokane, Syracuse, and Wasau in Wisconsin.

Three Douglas DC-9-14s are chartered from International Air Leases early in the first quarter of **1994** as replacements for the last two Boeings. Outfitted in a striking forest green livery with silver titles, the first aircraft is delivered from Miami to Mexico City on March 17—St. Patrick's Day. One plane is flown on behalf of the ABACO company, with billboard titles advertising that company painted along the fuselage.

Later in the year, the remaining B-727-225A and 3 Douglas transports are joined by 2 McDonnell Douglas MD-83s chartered to and from the German airline **Aero Lloyd Flugreisen, GmbH. & Co.**

When Club America Vacations abruptly shuts down on March 30, **1995**, it leaves nearly 2,000 passengers stranded at destinations in Mexico and the Caribbean. Although U.S. law requires airlines providing outbound transportation to return stranded passengers if a charter firm goes out of business, that is not possible in this case as the carrier involved, **Private Jet Expeditions**, has itself failed two weeks earlier. Consequently, Allegro becomes one of several U.S. and Mexican operators to assist in the return of the tour operators clients, transporting a total of 300 American vacationers back to Texas from Mexico.

While en route from Orlando to Cancún on May 14, **1996**, Flight 401, a DC-9-14 with 4 crew and 42 passengers, strays 300 mi. off course. Low on fuel, the aircraft is diverted to Tampico, but, at a point 65 mi. from that destination, the aircraft suffers fuel exhaustion and both

engines flame out. The aircraft glides toward a landing, but comes down 300 m. short of the runway, causing its right main landing gear and its nose landing gear to collapse and the plane to hit the concrete base of approach lights. Although the Douglas is damaged beyond repair, there are no fatalities.

Airline employment stands at 95 in 1997 and the **Aero Lloyd Flugreisen, GmbH. & Co.** exchange continues annually between December and April.

International scheduled service is inaugurated; frequencies are initiated to San Francisco from Concum, Puerto Valanta, and San Jose Cobo; to Los Angeles from Concum, Mazatlan, Puerto Valanta, and San Jose Cobo; and to Boston from Acapulco, Bonoire, Concum, Curaçao, and San Jose Cobo. Additionally, the company's flourishing charter business is continued.

During the year, a contract received from SunTrips for roundtrip charters between Los Angeles and Mexico is operated as a subservice by the Canadian carrier **Skyservice, Ltd.** An Airbus Industrie A320-231 chartered from **Airtours International, Ltd.** of the U.K.

The SunTrips contract for U.S.-Mexico service is awarded to **Ryan International Airlines** at the end of the first quarter of 1998. Until Ryan takes over the service, the Canadian Airbus maintains the link on behalf of the tour operator.

The company operates invisibly in 1999. The year's most important achievement is the hush-kitting of 2 B-727-2A1As, which are returned to the carrier in an all-white livery.

On April 17, 2000, it begins to fly an all-white Boeing 727-200A from Santo Domingo to Miami on behalf of **Aeromar International, C. por A.**

ALLEN AIR COMMUTER: United States (1967-1975). **Allen Aviation** is set up at Topeka, Kansas, in 1967 to provide scheduled air taxi services to Kansas City, Kansas, Kansas City, Missouri, Manhattan, and Lawrence. Piper lightplane operations continue apace during the remainder of the decade and into the 1970s, by which time the company has received a change in corporate identity, becoming Allen Air Commuter.

The company goes out of business on August 13, 1975.

ALLIANCE AIR, LTD.: Northern Region Building, Safdarjung Airport, Delhi, 110033, India; Phone 91 (11) 371-8951; Fax 91(11) 371-1730; <http://www.allianceair-india.com>; Code CD; Year Founded 1996. AA, Ltd. is established at Safdarjung Airport, Delhi, in the spring of 1996 as an **Indian Airlines Corporation** subsidiary. Veenu Kashyap is named managing director (as well as director of the parent's short-haul division) and is charged with taking up feeder services that halted earlier in the decade when **Vayudoot Airlines, Ltd.** was merged into IA.

All infrastructure support is provided by the parent, including ground handling, sales, marketing, computerized reservations system, ticketing, and airport facilities. The new concern employs its cockpit and cabin crew on a contract basis and subcontracts its maintenance to **Indian Airlines, Ltd.**

With the mission of providing tourist-oriented feeder services to and from its Bombay and Delhi hubs, the new entrant leases 3 B-737-2A8As and the former Vayudoot fleet of HAL-manufactured Dornier 228-212s from **Indian Airlines, Ltd.** Flights are launched on June 21 from New Delhi to Goa. Continuing service to Cochin. Bhopal, Bhuj, Gwalier, Indore, Jaipur, Jamnagar, Jodhpur, Mangalore, and Udaipur joins the network later in the summer.

Thrice-weekly roundtrips commence on September 10 between Kochi and Madras.

A fourth B-737-2A8A arrives on February 10, 1997 as plans are made to acquire 8 more "Baby Boeings" from the parent. Flights to Rajasthan commence in April. During the next 8 months, the company undertakes 45 daily departures to its many destinations.

Enplanements during the 12 months total 1,436,602.

During 1998, executives at **Indian Airlines, Ltd.** ponder the idea of turning the subsidiary into an independent airline.

During the first quarter of 1998, tenders are placed to lease 5 B-737-200s, 2 of which should enter service during the second quarter and 3 in the third.

With the arrival of 2 B-737-2A8As in April, flights commence to Calcutta and Chennai from Port Blair. In addition, daily roundtrip frequencies between Bombay and Mangalore are increased from 7 to 11.

Just after takeoff from Kochi to Thiruvananthapuram on the completion of a July 30 service from Agathi, Flight 503, a Dornier 228-212, with three crew and five passengers, nose dives into a building near the naval workshop and explodes; all aboard are killed, along with two people on the ground. Five persons in the naval facility are injured, one seriously.

A commission of inquiry begins an examination the next day. However, on August 4, Minister of Aviation Ananth Kumar tells the press, as reported in that day's edition of *The Hindu*, that there are no plans to phase out the Indian Airlines Dornier fleet.

When Civil Aviation Minister Ananth Kumar disbands the common board of **Air India, Ltd.** and **Indian Airlines, Ltd.** on December 11, he also dismisses its shared chairman, P. C. Sen, who is also managing director of **Indian Airlines, Ltd.** Considered a protege of Sen, Alliance Managing Director Kashyap is dismissed on December 14.

Passenger boardings inch up 1.4% to 1,457,000, while cargo traffic jumps 11.3% to 5.54 million FTKs. Revenues are \$223.44 million and costs are \$222.31 million. The operating profit is \$1.12 million.

In addition to Dornier 228-212s, the Alliance fleet, at the beginning of 1999, includes 12 B-737-2A8A, most of which are 17-18 years old. Only 10 planes are available for operations at any given time.

Following a VIP inaugural flight on March 13, by new Managing Director D. V. Gupta and others, thrice-weekly Dornier 228-212 roundtrips commence on March 15 from Delhi to Shimla and Kullu.

In April, Alliance floats global tenders to lease 4 B-737s of the 200, 300, or 400 series; tenders received will be opened on June 4. On May 22, *The Times of India* reports that the company will employ the new aircraft for planned expansion in the Rajasthan, Madhya Pradesh, and northeast.

Overall enplanements for the year reach 1.88 million and 8.15 million FTKs are also operated.

Inbound to Patna at the end of the first leg of a three-stop July 17, 2000 flight from Calcutta to Delhi, Flight 7412, a B-737-2A8 with 6 crew and 51 passengers, flies too low while making a second approach. The jetliner's left wing hits a neem tree and is torn off. The plane crashes into several single-story houses in a residential estate 2 km. SW of the airport and explodes. There are no survivors and four people are killed on the ground.

Two B-737-200s are grounded on August 20 for the repair of reported oil leaks and engine noises.

ALLIANCE AIR EXPRESS, S.A.: P.O. Box 808, Kigali, Rwanda; Phone 250 75492; Fax 250 72462; Code RWD; Year Founded 1997.

In 1995, as the nation of Rwanda recovers from the bloody events of the last few years, **Rwandair Cargo (Societe Nationale des Transports Aeries du Rwanda, S.A.)**—still known by its pre-1994 name of Air Rwanda—withdraws its Boeing from service and operates only a single de Havilland DHC-6-300 Twin Otter, flying it between Kigali, Entebbe, and Nairobi.

While the Canadian turboprop continues service in 1996, executives from the multinational **Alliance Airlines (African Joint Air Service)** recommend a different approach. During the summer of the former year, they enter into negotiations with the governments of Rwanda, Uganda, and Tanzania, as well as **South African Airways (Pty.), Ltd.**, for the establishment of a new carrier to replace Rwandair Cargo.

Agreement on establishment of the new concern is arranged with Rwandan Minister of Transport and Communication Charles Ntakirutika on August 7. Under its terms, shareholding in the new carrier, which will hopefully begin flying in October, is divided between the

Rwandan government (51%) and **Alliance Airlines (African Joint Air Service)** (49%). Mrs. F. Nkera is named general manager and plans are made to reintroduce jet equipment from Kigali and to fly to a number of destinations.

The initial date for start-up comes and goes, with the inauguration of services delayed for a variety of reasons. During October 1997, plans are completed that will have **Air Tanzania** and **Uganda Airways Corporation** merge with Alliance, forming the core of Alliance Express. SAA and Transnet, the government-owned parent firm, would be expected to cover costs.

In early January 1998, six Rwandans are selected and dispatched to Johannesburg for flight crew training. Alliance Airlines now introduces new financial, reservations, and administrative automated systems for the new venture and undertakes to provide extensive training programs in Rwanda.

Finally, on March 23, Alliance Air Express inaugurates services to Entebbe, Nairobi, and Johannesburg, employing 1 each Fokker 50 turboprop and Boeing 737-244A, the latter subleased from **Alliance Air (African Joint Air Service)**, which had chartered it from **South African Airways (Pty.), Ltd.**

Service is maintained during the remainder of the year and 1999, even as significant problems befall parent Alliance Air.

After stepping back from a call for Alliance's April 2000 closing, Transnet, parent of **South African Airways (Pty.), Ltd.**, instead gives warning that it wishes to pull out of the joint venture within six months. It does, however, agree to provide funding as long as Uganda and Tanzania agree to a new business plan and contribute monthly.

The funding problem is never satisfactorily resolved and, on October 10, SAA withdraws its aircraft, grounding not only **Alliance Airlines**, but the longer regional "Baby Boeing" services of Alliance Air Express as well. Domestic flights with the Fokker and a British Aerospace BAe (HS) 748-2B can be continued.

ALLIANCE AIRLINES: United States (1984-1994). Formed at Kenosha, Wisconsin, in early fall 1984, President James R. Beardsley's company assembles a fleet of 4 Cessna 404 Titans and 1 Cessna 421 with which to inaugurate operations. Alliance begins Essential Air Services (EAS) operations from Manitowoc, Manatee, Menominee, and Sturgeon Bay to a hub at Chicago (ORD) in November. Simultaneously, a Titan route is operated from Chicago's Meigs Field to Springfield, Illinois, under contract to **Mississippi Valley Airlines (MVA)**.

The merger of MVA and **Air Wisconsin** results in the transfer of the former's Business Express service to Alliance on June 1, 1985. The airline also takes over its own ground support at Meigs Field. A total of 7,907 passengers are flown during the inaugural year.

Two Titans are withdrawn in 1986 and the 421 is replaced with a Cessna 402. Enplanements, however, fall to 4,000. The company declines to make its 1987 traffic figures available, and on April 1, 1988, merges with the Iowa-based small regional **Great Lakes Airlines**.

Both carriers continue operations and, in 1993, President Robert L. Jones's 60-employee Alliance operates a fleet of 12 Cessna 402s. Three Shorts 330s are acquired in 1994, during which year Alliance is amalgamated with **Great Lakes Airlines**.

ALLIANCE AIRLINES (AFRICAN JOINT AIR SERVICE): Impala House, 13 Kimathi Ave., P.O. Box 2128, Kampala, Uganda; Phone 256 (11) 244 011; Fax 256 (11) 251 681; Code Y2; Year Founded 1994. With headquarters at Impala House in Kampala, Alliance Airlines is established as a consortium airline on December 20, 1994. Shareholding is divided between Transnet, the parent of **South African Airways (Pty.), Ltd.** (40%), **Air Tanzania Corporation** (10%), and **Uganda Airlines, Ltd.** (10%), with the Tanzanian and Ugandan governments holding 30% pending complete privatization of their state carriers.

SAA contracts to provide aircraft, maintenance, and other support services, including training of cabin and flight crews and access to the

Galileo computerized reservations system. All three agree to share traffic rights in order to extend the scope of the new entrant's air network, particularly key long-haul routes to Europe. Alliance becomes, in fact, the national airline of Uganda and Tanzania for all existing and potential international routes.

Adrian Sibo is elected chairman with Christo Roodt as managing director.

A workforce of 60 is employed during the spring of 1995 and a Boeing 747SP-44 is wet-leased from SAA. Scheduled international and regional passenger services commence on July 1 as the Jumbojet begins flying from Dar es Salaam and Entebbe to Bombay and London (LGW).

Later in the year, frequencies are initiated to Dubai and the United Arab Emirates.

Operations continue apace in 1996 and discussions are held with Kenya concerning possible membership in the consortium for that nation. A B-737-224A is leased from the South African flag carrier and is employed to fly in Alliance colors from Johannesburg to Entebbe, Dar es Salaam, Nairobi, and Kigali.

Enplanements during the 12 months total 12,871 and an \$8.45-million operating loss is suffered.

The workforce stands at 104 in 1997. During the summer, the company enters into negotiations with the governments of Rwanda, Uganda, and Tanzania for the establishment of a subsidiary carrier to be created in Rwanda. On August 7, an agreement is reached in Kigali between Alliance and the Rwandan Minister of Transport and Communications, Charles Ntakirutika. Plans are made to have the new company operational by October.

On August 25, Alliance introduces new direct services to Kilimanjaro designed to serve those tourists who had previously been compelled to transit through Nairobi or Dar es Salaam.

Five days later, the company announces that it will enter into a joint venture with the government of Rwanda to create a subsidiary carrier, **Alliance Air Express, S.A.** Shareholding will be divided between Rwanda (51%) and Alliance (49%).

During the fall, the company begins to develop Dar es Salaam as a hub for the Far East and Entebbe as a hub for European destinations.

During October, plans are completed that will have **Air Tanzania Corporation** and **Uganda Airlines, Ltd.**, merge with Alliance, forming the core of **Alliance Air Express, S.A.** SAA and Transnet, the government-owned parent firm, are expected to cover costs.

Passenger boardings for the year increase 48% to 42,331. Revenues reach \$22.3 million, with costs at \$30.63 million. The operating loss is down to \$8.32 million.

Inauguration of **Alliance Express, Ltd.** must be pushed back. In January 1998, six Rwandans are selected and sent to South Africa for cabin crew training. Finally, on March 1, revenue flights are launched employing the B-737-244A that Alliance has been flying on regional services to Entebbe, Dar es Salaam, and Johannesburg.

On July 6 it will be reported by the Dar es Salaam-based newspaper *The East African* that a travel agency in its city, Salama Tours, has now paid \$138,000 for a 10% stake in the carrier. It will seek a refund "for undisclosed reasons," one which the airline is reluctant to provide.

On May 13, the corporate secretary of the African Joint Air Service (AJAS), Frederick Ochieng-Obbo, calls a press conference to announce that the Ugandan government is not, in fact, investigating the carrier's legality. The story had earlier gained currency as the result of a letter to Uganda's transport minister, John Nasasira, written by Uganda Airlines General Manager Dickinson Turinawe. Ochieng-Obbo believes Turinawe had penned the "malicious" communication because his company does not "understand the way we are structured, even though they are a shareholder."

There the matter rests as **Uganda Airlines, Ltd.** itself begins privatization and is pursued as a joint venture acquisition by four major carriers, including SAA and Alliance.

Another crisis now erupts, this time with **Air Tanzania Corporation**. For several years, it has been claimed that ATC has not cleared its

investment arrears dating from the commencement of the airline in 1994. The dispute reaches such a point of hostility that ATC Chairman Abbas Sykes announces that his airline will withdraw from AJAS on expiration of the shareholders' agreement on June 30.

On July 1, a check is found in the AJAS offices that effectively clears up the fiscal matter. Dated December 10, 1997, it is for the full amount of \$59,000 owed. How it had been received and why it had not been entered into the company ledger is not explained.

Still, ATC officials indicate at the end of the month's first week that they require negotiation of a new shareholders' agreement in which they may add written remedies to their long-standing objections to company policy. The Tanzanian government now steps in and reserves to itself the future of the relationship between the state carrier and the consortium.

The dispute continues throughout the summer and fall. ATC and **Uganda Airlines, Ltd.** are finding it impossible to proceed toward privatization without the international traffic rights they had given away in 1994. Prospective investors inform the airlines that they will not provide equity without the rights.

On October 28, Tanzania's Minister for Transport and Communications Ernest Nyanda is quoted with permission by Reuters, Ltd. and in local newspapers as indicating that ATC is no longer a viable transport entity. It will prove impossible to privatize ATC without return of the traffic rights. Whether to remain a part of the consortium or pull out will be decided by the minister in the new year.

Asked for a response to Minister Nyanda's statement, an Alliance Air official admits that there is only room for one serious airline in the East African region. "It's all about the economies of scale . . . The reality is, on their own, ATC does not have a future. Neither does Alliance if it doesn't expand."

Ugandan Finance Minister Gerald Sendaula reports to key committees of the parliament on January 5, 1999, that three foreign carriers have informed the government that they have reservations concerning their bids to participate in the privatization of Uganda Airways Corporation, scheduled for March. The reservations are based on the fact that **Uganda Airlines, Ltd.** does not control its international routes, which are now operated by Alliance Airlines.

The finance minister informs the legislators that he will approach a shareholders' meeting of the African Joint Air Service consortium later in the month and seek a guarantee of its routes. If the issue is not resolved diplomatically by the end of January, the Ugandan government will issue a 12-month notice of withdrawal from the AJAS Accord and Shareholders' Agreement.

Leaders of East Africa end their two-and-a-half-year embargo of Burundi on January 26; Alliance, which has honored the sanctions since their imposition in July 1996, resumes flights to Bujumbura on February 1.

South African Airways (Pty.), Ltd. and its partner Alliance Air are, by late April ready to quit the bidding process for **Uganda Airlines, Ltd.** The two partners insist on several conditions: not being saddled with the entire Uganda Airlines debt, including the lease on a B-737; having less than parity on the board of directors; that business and capital investment plans already drawn up be binding; that certain airports become hubs; and that brand names and airline codes continue to reflect Uganda. All of these conditions are rejected by the Ugandans.

On April 21, the two airlines withdraw from the **Uganda Airlines, Ltd.** bidding process. So concerned is Uganda's privatization minister, Manzi Tumubweine, that he personally calls CEO Andrews and obtains a meeting to review the outstanding issues. Within several days, the two sides have convened and the Ugandan government has agreed to water down or delete entirely all of the requirements which SAA has found objectionable. Events will prove this decision on the part of the Ugandans to be a wise course of action.

After both **British Airways, Ltd. (2)** and **Sabena Belgian World Airlines, S.A.** pull out of the tender process, **South African Airways (Pty.), Ltd.** and its protege, Alliance Airlines, are the only prequalified bidders to make an offer for the available 49% stake in **Uganda Airlines, Ltd.**

On April 30, the Ugandan government via the cabinet subcommittee for privatization cancels the tender process and invites SAA and Alliance to negotiate the purchase during the week of May 3. This move should allay many of the concerns expressed by the Ugandan finance minister back in January. In a letter from Minister Tumubweine, SAA is informed that the Ugandan government will negotiate directly with the airline with a view of reaching an agreement by May 31.

The Tanzanian Cabinet, in a meeting on June 7, orders Transport Minister Ernest Nyanda to review the contract and consider future relations between Tanzania and the AJAS.

Debates within Ugandan circles will continue during the remainder of the summer concerning such matters as financing and surrender of the **Uganda Airlines, Ltd.** designator.

The dispute between the airline and the governments of Tanzania and Uganda are unresolved during the remainder of the year.

After stepping back from a call for Alliance's April 2000 closing, Transnet, parent of **South African Airways (Pty.), Ltd.**, instead gives warning that it wishes to pull out of the joint venture within six months. It does, however, agree to provide funding as long as Uganda and Tanzania agree to a new business plan and contribute monthly funding of \$126,000 each.

The marketing name SA Alliance Air (Pty.), Ltd. is now employed and a SAAB-767-244 takes over the route from Johannesburg to London (LHR) via Entebbe and Dar es Salaam, previously operated by the lion's head-painted Alliance B-747SP-44. Another SAA aircraft, a B-737-244, is employed by **Alliance Air Express, S.A.** to fly a weekly roundtrip route between Johannesburg, Kigali, and Entebbe.

Uganda fails to make payment of any kind after May and Tanzania escapes the cash contribution by providing the carrier with in-kind services, such as landing fees and ground handling. The two national governments, acting in consultation, do agree to sell their shares into the private sector, thereby minimizing state involvement in the joint venture. Their national carriers, meanwhile, concentrate on a new daily roundtrip schedule jointly introduced between Dar es Salaam and Entebbe.

On July 1, Tanzania shareholders are called to a July 20 privatization vote, but the meeting is postponed at the last minute pending further cabinet discussions. Further progress is put off due to national elections.

Blaming leaders of its partner nations, particularly Tanzania, for its inability to perform to a higher level, the airline, during the first week of September, reports a \$50-million loss since 1994.

On October 2, **DAS Air Cargo, Ltd.** and the Tanzanian Chamber of Commerce step forward with an offer to purchase 30% stakes each—the Uganda and Tanzania holdings—in Alliance, with DAS also bidding \$5 million to take over the 40% stake held by Transnet. The deal is conditional in that DAS must also be given traffic rights to the Alliance routes and the Alliance debt must be satisfied.

The **DAS Air Cargo, Ltd.** rescue effort collapses on October 10. With both Uganda and Tanzania having failed to pay their part of expenses, **South African Airways (Pty.), Ltd.** refuses to continue operating its Boeings for the partnership airline. Without lift, the company is forced to suspend all operations the same day. SAA, for its part, announces that it will begin a thrice-weekly return service between Johannesburg and Entebbe on December 1.

Seeking surety for owed salaries and benefits, workers for the grounded airline seize an SAA passenger jetliner when it arrives at Dar es Salaam, Tanzania, on October 13. **South African Airways (Pty.), Ltd.** quickly appeals to a local judge, who orders the aircraft released. Company workers in Tanzania also file suit against Managing Director Chris Zweigenthal for breach of trust.

Following an interview with police, the partnership carrier's managing director and two associates flee Uganda for South Africa on October 15. The next day, at the request of the airline's workers, the Kampala High Court freezes the Alliance Air records and orders that an inquiry into the company be launched. In a related story, **Uganda Airways, Ltd.**, which is being liquidated and sold its last Fokker three days earlier, is shut down on October 16.

Managing Director Zweigenthal, unable to discharge his duties from exile in Johannesburg, resigns on October 26. The same day, the workers in Kampala drop their suit. On October 27, Ugandan and Tanzanian private concerns step in to buy the suspended airline and announce plans for a revival.

ALLIED AIRWAYS (GANDAR DOWER), LTD.: United Kingdom (1937–1947). In March 1937, **Aberdeen Airways, Ltd. (1)** is renamed Allied Airways (Gandar Dower), Ltd.. Joint five-times-per-week Newcastle–Stavanger air-rail service is inaugurated on July 12; the Allied Airways sector, which connects with **North Eastern Airways, Ltd.** at Newcastle and **DNL (Norwegian Air Lines, A.S.)** at Stavanger, is flown by Capt. Eric Starling in a DH 86B christened *The Norseman*. The next day, the DH 84 *Silver Ghost* is lost in a crash at Thurso. On November 23, Starling flies the first airmail to the Shetland Islands in the de Havilland DH 84 Dragon *Sir Rowland*.

In accordance with the Air Navigation Order of September 16, 1938, the new Air Transport Licensing Board (ATLB) on October 21 confirms Allied Airways (Gandar Dower), Ltd.'s routes from Thurso to Aberdeen, Kirkwall, and Stromness and its subsidiaries.

Following the outbreak of war in 1939, Gandar Dower obtains a contract (separate from those provided other carriers) by the **British Associated Airways Joint Committee** to service the Orkneys, a contract which is terminated on December 31, 1945. During the war, the company obtains 3 DH 89As. Two planes are lost in crashes: a DH 84 *The Starling* at Dunbeath on May 21, 1941 and a DH 89A *The Don* at Orkney on December 27, 1945.

In August 1946, the **British European Airways Corporation (BEA)** is formed; during the month, Gandar Dower adds another Dragon Rapide. On April 12, 1947, the carrier's personnel, services, and one of its four DH 89As is purchased and merged into the new state airline, **British European Airways Corporation (BEA)**. Gandar Dower retains 3 Dragon Rapides for charter operations that end in early 1950.

ALLIED BRITISH AIRWAYS, LTD. See BRITISH AIRWAYS, LTD. (1)

ALM (ANTILLEAN AIRLINES, N.V.): Hato International Airport, Curaçao, Netherlands Antilles; Phone 599 (9) 338 888; Fax 599 (9) 338 300; <http://www.alm-airlines.com>; Code LM; Year Founded 1969. This carrier, begun in 1935 as **Antillaanse Luchvaart Maatschappij** or the West Indian division of **KLM (Royal Dutch Airlines, N.V.)**, gains its independence in 1969. The government of Netherlands Antilles purchases all but 4% shareholding from the Dutch flag line and renames its new carrier ALM (Antillean Airlines, N.V.).

Ciro Yrauequin is appointed president and begins to actively pursue the tourist trade into his base at Hato International Airport at Curaçao. The 3 Convair CV-340s obtained as part of the KLM buyout are retired as 2 Fokker F.27-500s join the fleet.

Late in the year, a contract is signed with **Overseas National Airways (1)** for the provision of services to New York. Airline employment is 677 and enplanements for the year total 266,418.

Direct DC-9-33 service is inaugurated by ONA on behalf of ALM between St. Martin and New York on January 14, 1970.

On January 24, an F.27-500 with 30 passengers en route from Santo Domingo to Curaçao is captured by 2 men and ordered flown to Havana.

After three missed approaches to St. Martin on May 2, Flight 980, a DC-9-33CF from New York with 6 crew and 57 passengers, is diverted to St. Croix. Out of fuel and caught in a tropical storm, the Douglas crashes into the sea 30 mi. ENE of its destination (23 dead).

On May 12, en route from Santo Domingo to Curaçao with 33 passengers, an F.27-500 is taken over by 8 heavily armed Dutch revolutionaries and diverted to Cuba.

Passenger boardings rise 8% to 290,128.

In April 1971, the fleet becomes all jet as the Fokkers are replaced by a third DC-9-10 and a DC-8-53, the *Saba*, leased from KLM. A total of

291,720 travelers are carried this year.

The employee population rises to 768 in 1972. A new cargo building is opened at Curaçao and an owned DC-6A freighter is placed in service. Passenger boardings grow 6.5% to 312,000.

The carrier enhances its New York service in 1973 with DC-8-63s leased from **KLM (Royal Dutch Airlines, N.V.)**. Bookings zoom upward to 439,920.

Windward Island Airways International, N.V. is purchased in 1974, together with its routes and aircraft.

Enplanements for the year dip to 423,000, a 4% decline.

The workforce in 1975 is now 814. Three DC-9-32s replace the 3 DC-9-10s and, simultaneously, a new corporate livery is unveiled. Longtime Vice President Operations Capt. J. Bak retires.

Freight traffic is up 6% and passenger boardings swell 13% to 370,600.

Four employees retire in 1976. The fleet is increased by the addition of a de Havilland Canada DHC-6-300. A switch over to computerized reservations is completed in late spring. Bookings jump 39.2% to 514,893.

A Boeing 727-100 is employed (on lease) in 1977 to haul U.S. vacationers to the islands. A total of 575,853 passengers are transported on the year.

Airline employment is increased 19.1% in 1978 to 1,077. On November 1, the New York–St. Martin route belonging to **KLM (Royal Dutch Airline, N.V.)** is acquired and flown by two DC-8-63s leased from the Dutch company. Two Shorts 330s are acquired to launch service from Aruba and Bonaire. Passenger boardings balloon 22.6% to 743,510, but cargo falls off 15.7%.

When the U.S. CAB grants the giant carriers **Eastern Air Lines** and **American Airlines** activity on the route, ALM withdraws its New York–St. Martin route in 1979. Simultaneously, the B-727-100 charter operation to the U.S. is closed down (the jetliner is retired), but the Shorts 330s launch Panama City and Maracaibo flights. Also during the year, ALM begins to participate with **KLM (Royal Dutch Airlines, N.V.)** on the Dutch carrier's mid-Atlantic routes on a limited pool basis.

The third-level subsidiary ABC Commuter Airways, B.V. is formed in 1980 to provide scheduled flights from Curaçao to Aruba and Bonaire with two de Havilland Canada DHC-6-300s. A full cooperative agreement is reached with **KLM (Royal Dutch Airlines, N.V.)** during 1981 that provides for joint flights between the Netherlands Antilles and Amsterdam. Discussions will continue, off and on, over the next two decades aimed at extending cooperation into other areas.

In 1982–1986, the fleet is revised as all of the DC-8s are returned and 2 new McDonnell Douglas MD-82s are acquired. Service to the U.S. is maintained by the DC-9-32s (passenger) and the DC-6A (freight). Additional international DC-9-32/MD-82 flights serve Caracas, Georgetown, Kingston, Maracaibo, Medellín, and Santo Domingo.

Operations continue apace in 1987–1988, with a third MD-82 arriving on lease from **Continental Airlines** in April of the latter year. In 1989, the fleet is changed to include 1 Lockheed L-188AF freighter leased from **TPI International Airways**, 2 Fairchild Hiller FH-227Cs, and 3 MD-82s.

In April, four-times-per-week service is initiated from Miami to Curaçao (two flights via Aruba and two via Port-au-Prince).

En route from Miami to Curaçao on May 31, an MD-82 is seized by two assailants claiming to have a bomb and demanding to be flown to Israel. The aircraft diverts to New York (JFK), a gateway for **El Al Israel Airlines, Ltd.**, but after arrival the perpetrators are taken into custody.

In August, twice weekly nonstops are added from Miami to Aruba. With the addition of Tuesday and Wednesday flights, the route to Miami becomes daily in September.

Two de Havilland Canada DHC-8-301s are leased in early 1990 and in February weekly nonstop MD-83 flights begin from New York to Bonaire and Curaçao. The carrier joins IATA in July and in October nonstop service is launched from Miami to Bonaire.

ABC Commuter Airways, B.V. is merged into its parent during the year and its Twin Otters are replaced by ALM's two FH-227Cs.

President K. Chung's carrier continues operations in 1991. In February, thrice-weekly nonstop flights begin from Miami to Bonaire and twice-weekly service is started to Bonaire from New York. Weekly MD-83 service begins from Atlanta to Bonaire and Curaçao in March and twice-weekly routes are operated to Aruba.

In September, a fourth weekly flight is opened from Atlanta to Aruba and Curaçao. At the beginning of the fourth quarter, a \$24-million order is placed for 2 DHC-8-311s.

In 1992, the fleet includes 2 leased DHC-8-311s, 1 chartered and 2 owned MD-82s, and 1 L-188AF. The DHC-8-311s ordered the previous fall are delivered in May and June.

Airline employment stands at 811 in 1993 and from Curaçao, flights are made to Aruba, Atlanta, Barcelona, Barquisimeto, Bonaire, Caracas, Kingston, Miami, Paramaribo, Port of Spain, Port-au-Prince, Santo Domingo, St. Martin, and Valencia.

In cooperation with ALM Antillean Airlines, twice-weekly service is started by KLM (Royal Dutch Airlines, N.V.) to Havana on March 28; KLM flies the Europe to Curaçao leg, with ALM providing the flights on to Cuba.

In November, a comprehensive joint marketing and code-sharing agreement is signed with United Airlines, connecting the two carriers at Miami via Curaçao, Bonaire, and Aruba.

Capt. W. J. Kopra is appointed president in 1994 as another leased MD-82 arrives. Enplanements total 515,380.

In 1995, the L-188AF is returned to its lessor, which in turn passes it to Atlantic Airways, Ltd. in the U.K.

Despite an on-time performance which has fallen to just 56%, passenger boardings ascend to 682,930.

Sunday roundtrip service is inaugurated on April 29, 1996 from Atlanta to Oranjestad, Aruba, with continuing service to Curaçao and Bonaire. Bookings soar to 801,480.

The fleet in 1997-1998 still includes 3 MD-82s and 4 DHC-8-311s. During these years, a code-sharing agreement is signed with United Airlines. Enplanements reach 831,650 in 1997 and 916,360 a year later. On January 1 of the latter year, the marketing name "Air ALM" is introduced.

Dr. P. Armand Kariembaks becomes president at the beginning of 1999. The UAL pact is renewed during the spring.

The current commercial and operational partnership with KLM (Royal Dutch Airlines, N.V.) for joint operations between the Netherlands Antilles and the Netherlands is terminated on April 1, 2000.

On June 16, a new agreement permitting schedule coordination, joint marketing and ticketing, and various other services is signed with Windward Islands Airways International, N.V.

To reduce skyrocketing costs, the airline, beginning on July 1, institutes a new cost-cutting program. Monthly flight hours are boosted for pilots, flight attendants are required to serve more passengers, a fuel surcharge is added, and reduction in force notices are sent to 120 staff.

The company's pilots, who have not been paid since January, win a suit for the funds against the company, which claims that it will go bankrupt if forced to pay. The Curaçao judge in the case initially threatens to fine the airline \$27,800 per day if it does not, but postpones implementation of his judgment on August 14 following a request to do so from the pilots' union.

Following a scheduling disagreement, the code-share with SLM (Surinam Airways, N.V.) between Paramaribo and Miami ends on November 2. Miami Air, which had wet-leased B-727-200s to ALM for the route, now transfers them to SLM.

Employing a wet-leased City Bird, S.A. McDonnell Douglas MD-11, the carrier, on December 3, introduces twice-weekly nonstop roundtrips between Curaçao and Amsterdam.

ALM (ANTILLAANSE LUCHVAART MAATSCHAPPIJ, N.V.): Netherlands Antilles, (1935-1969). In honor of the three hundredth anniversary of the Dutch presence in the Lesser Antilles, the KLM (Royal Dutch Airlines, N.V.) F-XVIII/3m *Snip*, outfitted with extra fuel tanks, flies Amsterdam-Curaçao in December 1934. Two more company air-

craft are sent to Curaçao, the F-XVIII/3m *Oriol* and the F-VIII/3m *Duif*; with the *Snip*, they are the nucleus of a new West Indies Division, Antillaanse Luchvaart Maatschappij (ALM), formed on January 19, 1935. Simultaneously, scheduled service is opened Curaçao-Aruba.

On July 1, 1936 F-XVIII/3m flights begin Curaçao-Maracaibo.

Curaçao-Caracas service begins on January 19, 1937. American authorities refuse permission for a Miami route. The first Lockheed Model 14H Super Electra is delivered on February 19, 1938 and is christened *Parkiet*. It is followed into service by the *Troepiaal*, which arrives on March 9, and the *Kolibrie* (Hummingbird) and *Meeuw* (Seagull), which reach the islands on June 22 and July 9, respectively.

Barbados and Port of Spain join the route network on May 6, 1939 and Lockheed 14 Curaçao-Barranquilla flights are inaugurated on May 16. Service to Paramaribo, Surinam, is started on September 4.

In May 1940, ALM becomes the world's first operator of the Douglas DC-5. Two of the aircraft that had been ordered for the parent company must, because of the German occupation, be sent to Curaçao, where they are christened *Wakago* and *Zonvogel*. The pair are placed into service on the route from Curaçao to Surinam via Venezuela. The fleet now comprises 4 L-14s, 3 new L-18 Lodestars, and the older Fokkers.

Lockheed service to Kingston begins on August 19, 1941 with charter flights started to Miami by summer. Later in the year, the *Wakago* and *Zonvogel* are returned to California for overhaul and are then transferred to KLM's East Indies associate KNILM (Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V.).

Lockheed L-14s commence operations to Havana in July 1942. The Super Electra *Parkiet* crashes at Trinidad on August 22. L-14s and L-18s begin flights Curaçao-St. Martin on July 27, 1943 and with a temporary American permit, to Miami on August 17 via Jamaica, Haiti, and Cuba.

On February 14, 1946, a KLM (Royal Dutch Airlines, N.V.) C-54 flies an Amsterdam-Curaçao proving flight; weekly service between the two destinations begins on April 10. DC-3s are acquired for the West Indies Division in 1947 and Curaçao to Havana via Ciudad Trujillo, Port-au-Prince, and Kingston flights start on April 20.

Withdrawn from service, the Super Electra *Troepiaal* is broken up at Curaçao in July 1948 while the L-14H *Kolibrie* is disposed of in August by simply being thrown into the sea.

Curaçao-Panama service is inaugurated on January 3, 1949. The *Meeuw* is dumped into the sea in August.

Managua and San Salvador join the route network on May 5, 1951 and new Convair CV-340s, led by the *Saba*, are delivered in 1954. Operations continue apace during the remainder of the 1950s and into the 1960s.

On August 1, 1964 the West Indies Division is reformed into the wholly owned subsidiary Antillaanse Luchvaart Maatschappij, N.V. (ALM), its service aimed primarily at the transport of business passengers, especially those of Royal Dutch Shell.

Operations are undertaken with 3 CV-340s over the regional route network to Kingston, Managua, San Salvador, Havana, Ciudad Trujillo, and Port-au-Prince. Late in the year, ALM and Surinaamse Luchvaart Maatschappij, N.V. (SLM) begin pooled West Indian service.

Enplanements total 115,000, the workforce is 429, and revenues of \$1.7 million are earned.

In 1967 orders are placed for 2 Fokker F.27-500s and 2 Douglas DC-9-10s. A total of 153,800 passengers are carried on the year.

Airline employment in 1968 is 619. The fleet now comprises 2 DC-9-10s, 3 CV-340s, and 1 Beech B-80. Passenger boardings soar 37% to 311,300, and revenues exceed \$3 million.

The carrier gains its independence of the Dutch flag line in 1969 as the government of Netherlands Antilles purchases all but 4% shareholding and renames its new company ALM (Antillean Airlines, N.V.).

ALMA AIR SERVICE, LTD. See AIR ALMA, LTD.

ALOHA AIRLINES: P.O. Box 30028, 371 Ackear St., Honolulu, Hawaii 96820, United States; Phone (808) 836-4101; Fax (808) 836-

0303; <http://www.alohaair.com/aloha-air>; Code AQ; Year Founded 1959. As statehood approaches, the junior of Hawaii's two scheduled carriers, **Trans-Pacific Airlines (TPA)**, is renamed Aloha Airlines on February 11, 1959, and begins flying a Fokker F.27 Friendship as supplement to its Douglas DC-3 fleet during the summer.

Competition between Aloha Airlines and the more senior **Hawaiian Airlines** is particularly intense during the 1960s, leading both to change equipment several times in efforts to get ahead. At the end of 1960, the carrier retires its last DC-3, choosing briefly to rely on its 3 F.27s. Aloha introduces Vickers Viscount 745Ds in June 1961.

In 1962, employment climbs to 501. An F.27 with 20 aboard is involved in a ground accident at Kallua on July 9, 1963. Enplanements for the year are 412,579.

The workforce in 1964 is 501 and the fleet includes 8 aircraft. Passenger boardings climb 18.7% to 507,477 while freight traffic is up by 17%. The \$321,768 net profit, made on revenues of \$7,338,000, is the best in company history.

Airline employment in 1965 is 610 and the fleet is down to 7 aircraft: 3 F.27s and 4 Viscount 745Ds. Orders are placed on March 15 for 2 BAC 1-11-215s.

On October 11 two knife-wielding U.S. Navy sailors attempt to take over Flight 755, an F.27 boarding passengers at Molokai preparatory for a service to Honolulu. The crew overwhelms the would-be pirates and both will be court-martialed, sentenced to four-year prison terms, and dishonorably discharged.

Bookings increase by 11% to a record high of 644,357. The load factor, for the fifth consecutive year, is the highest for any U.S. scheduled carrier—61.8%. A \$517,436 net profit is posted, which is another company record.

The first BAC 1-11-215, known as Alohajets by the company, arrives at Honolulu on April 15, 1966 and, in public ceremonies, is christened *Queen Kapihani*. It enters revenue service on April 27 over a route from Honolulu to Maui on April 27.

A second BAC 1-11-215 is delivered on June 8, eight days ahead of schedule. A third BAC 1-11-215 is requested in October.

The jets help boost revenue passenger miles flown up to 95.61 million. Revenues are \$9,677,715 and a net profit of \$160,611 is reported.

Airline employment in 1967 is 726 and the fleet includes 3 BAC 1-11-215s and 4 Viscount 745Ds. A fourth BAC 1-11-215 is delivered in June. Instead of taking up an option for two more of the British-made jetliners, orders are placed for 2 Boeing 737s. Hilo is opened as a second gateway to Hawaii and in an effort to stimulate traffic, a common fare to Hawaii is introduced. Meanwhile, Aloha now becomes involved in an unusual partnership outside of Hawaii.

The U.S. government is forced by the bankruptcy of the supplemental **Trans Ocean Air Lines (TOAL)** to find some other concern to provide air transport to the Marshall, Caroline, and Mariana Islands, collectively known as Micronesia. During this year, the Interior Department reviews bids and chooses to offer its contract to a new firm, **Air Micronesia**, a partnership between the United Micronesia Development Corporation (49% shareholding), **Continental Airlines** (31% shareholding), and Aloha Airlines (20% shareholding).

Back in Hawaii, Aloha generates a total of 752,683 passengers and its revenues climb to \$10,546,097. Net profits are \$256,897.

Air Micronesia service is begun by a **Continental Airlines** B-727-24C on May 16, 1968, with Aloha entering the picture later on. During the year, the junior Hawaiian carrier elects to replace its BAC 1-11-215s and places an order for 6 B-737-297s.

The employee population now numbers 752. Passenger boardings climb to 825,172 and 74,000 freight ton-miles are flown. Revenues total \$10,156,000.

The first Boeing 737-297 Funbirds are placed into service in March 1969. In celebration of the increased capacity, the carrier unveils a new corporate image, including a "Flower Power" livery.

A Vickers Viscount 754D is damaged beyond repair on June 27 in a ground collision with a DC-9 parked at Honolulu.

The fleet at year's end comprises 4 B-737-297s and 5 BAC 1-11-215s. Enplanements are 975,201.

The employee population in 1970 is pared by 11.9% to 723. During the spring, it appears that a merger might occur between the islands two principal carriers as negotiations begin. Richard H. "Dick" King, longtime marketing vice president, resigns and is succeeded by Bert D. Thomas.

Passenger bookings climb only 1.1%, to 986,047 but freight skyrocketed a spectacular 116% to 381,972 ton-miles flown.

Merger discussions with **Hawaiian Airlines** are broken off in anger and continued distrust in April 1971. In four years, the Aloha has lost \$6 million to the rivalry with Hawaiian.

A Vickers Viscount 745D is destroyed in a ground fire at Honolulu on August 18.

Enplanements for the year are 994,840.

Sales offices are opened in Osaka and London in 1972. More importantly, the CAB rules that Aloha must be given a minimum of scheduling opportunities in the state in competition with its older rival. This decision, coupled with aggressive selling, allows the company to stage a dramatic turnaround.

Passenger boardings jump 33.5% to 1,496,000 and cargo rises 24.3%. A \$1.4-million profit is earned and the carrier enters upon a decade of success.

The employee population in 1973 is 880. Two additional B-737s, Dash-284s, are placed into service, bringing the fleet total to six. Four major union agreements are negotiated insuring cooperation on the labor side.

Customer bookings accelerate 21.6% to 1,819,000 and freight traffic is level with 857,000 freight ton-miles flown. The net profit is \$3.5 million, the highest in company history to date.

Employment falls by 54 jobs in 1974. A seventh "Baby Boeing" is leased during the year, this one a B-737-293 from **Air California**.

Even though the overall growth of the state's tourist market begins to slow, Aloha is able to book 1,942,000 passengers, a 6.8% increase. Cargo traffic is also up, by 3.7%, but net income falls to \$2.2 million.

The workforce in 1975 is 931. A new marketing strategy is unveiled that replaces the Funbird image with the slogan "Aloha, Your Airline, Your Spirit."

Passenger boardings increase 4.8% to a record 2,036,000, but cargo is down by 6.5%. On record revenues of \$37.7 million, a net gain of \$921,000 is posted.

Nine additional employees join the job force in 1976, a 1% gain. In addition, two new off-peak period discount fares are announced, the flight attendants receive new uniforms, and another chartered B-737-297 is received.

Customer bookings jump 14.4% to 2,316,000, but cargo is down by 6.9% to 774,000 FTKs. On record revenues of \$45.3 million, record net income of \$1.5 million is recorded. Enplanements in 1977 total 2,638,000. A net profit of \$1.56 million is realized on operating revenues of \$50.72 million.

Airline employment grows by 14.4% in 1978 to 1,115. Orders are placed for three more B-737-297s.

Customer bookings jump 5% to 2,776,000 while freight leaps even higher, up 34% to 1.25 million FTKs. Operating income is \$60.68 million and expenses are \$57.42 million. This happy imbalance results in an operating profit of \$3.25 million and a net gain of \$2.19 million.

The workforce is cut by 1.3% in 1979 to 1,100 and 2 of the 3 B-737-297s arrive in the spring. Mimi Tompkins is appointed the carrier's first female pilot.

Passenger boardings jump 7% to 2,970,000 and freight is off by 23.3% to 962,000 pounds. Revenues advance 11% to \$70.68 million, and expenses, led by fuel prices, jump 18.1% to a still-manageable \$67.78 million. The operating profit is \$2.89 million while net gain drops 43.7% to \$2.19 million.

The workforce is reduced by 8.7% in 1980 as the carrier, reclassified as a national company under the CAB's new airline classification

scheme, enters a three-year slide. The third new B-737-297 joins the fleet on lease as an older model is sold and two other, new aircraft are refinanced. Aloha is able to obtain several fare increases and introduces three new discount packages and a promotional game designed to stimulate enplanements.

Although traffic falls, revenues hold. Customer bookings drop 9.4% to 2,690,000 while cargo advances by 7.2% to 1.03 million FTKs. Expenses rise only 15.2% to \$76.7 million on operating income of \$81.6 million, a 17.1% boost that results in an operating profit of \$6.34 million and net gain of \$4.88 million.

The number of employees increases by a modest 2.5% in 1981 to 975. One B-737-297 and a BAC 1-11-215 are sold. Low-fare **Mid-Pacific Airlines** joins the competition for passengers and the economy slumps into the tourist-trade, causing Aloha to suffer additional traffic decline. To help alleviate the downturn, management takes a 10% pay cut and the local ALPA chapter agrees to work rule changes that bring additional savings.

Passenger boardings dip 2.8% to 2,614,000, even as cargo inches upward by 1.8% to 1.05 million FTKs. Operating income climbs only 4.03% to \$84.91 million while expenses accelerate 10%, but remain a manageable \$84.33 million. The profits are \$587,000 (operating) and \$2.58 million (net), with the latter coming almost entirely from the \$5.4-million jetliner realization.

Fifteen employees are laid off in 1982 as intense price competition with its rivals and sluggish tourist bookings during the recession bring further downturn. Two B-737-297s are leased out while 3 older B-737-293s are retired in favor of 3 new B-737-297As.

Customer enplanements decline for the third straight year, down 7% to 2,431,000; however, cargo is up a slight 2.6% to 1.07 million FTKs. Revenues fall 7.94% to \$81.34 million and expenses are also down, by 6.36% to \$81.04 million. Although an operating profit of \$296,000 is generated, only the sale of tax credits from the purchase of 2 of its new Boeings allows a net loss of \$325,000 instead of \$6.5 million in red ink.

The payroll is cut 4.8% in 1983 to 780. Early in the year, President/CEO Edward E. Swofford retires. He is succeeded on an interim basis by Board Chairman Hung Wo Ching until Joseph R. O'Gorman Jr., the former **AirCal** executive, can be recruited and appointed president; Jeffrey H. Erickson is named vice president operations. The new management team establishes an Aloha Pacific division and makes plans to initiate its first service outside the state. In addition, all aircraft are given new livery, which features an orange and yellow windowline cheatline on a white fuselage with large Aloha titles on the tail.

A fourth straight passenger traffic drop is suffered this year, as enplanements plunge 10.7% to 2,171,000; freight dips 8.8% to 981,000 FTKs.

Despite the downturn, the company is able to engineer a financial turnaround to post both net and operating profits. This success is due almost entirely to a U.S. Supreme Court ruling that releases the carrier from its liability of payment of Hawaii Public Service Company taxes. Operating income drops .90% to \$80.61 million and costs fall 1.77% to \$79.61 million. Consequently, the operating gain is \$1 million and the pretax net is \$6.65 million.

The workforce is decreased 3.8% in 1984 to 750. Employing a Douglas DC-10-30 leased from **Philippine Airlines**, company pilots inaugurate Aloha Pacific flights from Honolulu to Guam and Taipei on May 28. First-class service is introduced on certain interisland flights.

Customer bookings recover, climbing 7% to 2,323,000 and cargo swells 41.8% to 1.38 million FTKs.

The international service and intense interisland fare and schedule competition place a drain on the company, forcing it to post a net loss of \$1.86 million, despite a jump of 8.8% to \$88.09 million in operating revenues, expenses of \$78.15 million, and an operating profit of \$9.93 million.

The payroll grows 13.3% in 1985 to 850. Due to weak traffic and financial prospects, the Aloha Pacific division is closed down on January

12 and DC-10-30 flights to Guam and Taipei cease. Still, \$3 million are earned on the wide-body's appreciation, so the Aloha Pacific operation breaks even.

Additional service is provided for major carriers with feed from several islands. In May, President/CEO O'Gorman resigns to become president/CEO of **Frontier Airlines** (1). He is succeeded in June by Maurice Myers.

In September, employing a B-737-210C acquired from **Wien Air Alaska**, the company expands its interisland freight service by offering nighttime all-cargo flights on the islands of Oahu, Maui, Kauai, and Hawaii.

According to DOT figures, for the second straight year Aloha has fewer customer complaints than any other U.S. airline. Passenger boardings rise 7% to 2,508,000, but closure of the Pacific Division results in a plunge of 67.3% in freight, down to 3.15 million FTKs. Revenues for the country's 18th largest national grow by 5.8% to \$95.07 million, costs rise 14% to \$149.83 million, and the operating profit slips to \$7.98 million. The carrier's fiscal turnaround is marked by net gain of \$2.91 million.

Airline employment rises 20.6% in 1986 to 1,025. Employing a B-737-210C, Aloha launches a 1,175-mile route on February 19 from Honolulu to Christmas Island; the service, on behalf of **Air Tungaru**, is made under FAA 120-min. rules. Aloha is the first U.S. airline to gain government approval for B-737 ETOPS (Extended-range Twin-engine Operations). Emphasis upon such diversified activities as freight, contract services, and aircraft leasing is intensified. To mark the company's fortieth birthday, a Douglas DC-3 is painted to represent predecessor **Trans-Pacific Airlines**.

Customer bookings swell 13.6% to 2,849,000 and cargo rebounds by 84.6% to 5.82 million FTKs. Revenues jump 21.7% to \$115.71 million, expenses increase by only 12.7% to \$98.14 million, and the operating profit is up \$10 million to \$17.57 million. Net gain grows by nearly \$4 million to \$6.08 million.

The workforce is cut by 2.4% in 1987 to 1,000 and the fleet includes 12 B-737-210/-297s and 1 leased Lockheed L-188AF. Thomas F. Dering, former **Florida Express** and **Frontier Commuter** vice president-maintenance is named vice president operations in May as plans are made to upgrade the company's maintenance program.

In August, stockholders approve the transformation of Aloha, Inc., the former parent firm registered in Delaware, into the Hawaii-registered holding company, Aloha Air Group, with the airline its major subsidiary. Simultaneously, the small regional **Princeville Airways** is acquired for \$3.2 million.

Passenger boardings advance 6.8% on the year to 3,044,000 while freight increases 35.3% to 7.88 million FTKs. Group revenues move upward by 7.8% to \$124.7 million, expenses jump 10.1% to \$108 million, and the operating profit is \$16.7 million. The net profit is \$5.6 million. The profit figures are not, according to a company statement accompanying the annual report, "directly comparable with 1986 as a result of a going-private transaction completed."

Airline employment is increased by 22.3% in 1988 to 1,457. During the last two weeks of January, the company contracts for freight service with bankrupt **Mid-Pacific Airlines**. The large regional goes completely under when the larger carrier leases a **Reeve Aleutian Airways** Lockheed Electra with which to conduct its cargo services. Early in the spring, Aloha approaches the DOT for permission to undertake daily B-747 flights from Honolulu to Tokyo, with continuing service from Hawaii to Los Angeles.

A national debate on the replacement of aging aircraft is occasioned by a headline-generating April 28 incident. Metal fatigue, and the failure of company maintenance workers to spot it, causes an explosive decompression and structural failure aboard Flight 243, a B-737-297 with 5 crew and 90 passengers en route from Hilo to Honolulu at 24,000 ft. The in-flight incident peels off 18 ft. from the fuselage top, aft of the forward cabin entrance door, and causes flight attendant C. B. Lansing to fall to her death. A terrifying 13 minutes are required before Capt. Robert Schornsteimer and First Officer Mimi Tompkins are able to land

the Boeing safely at Kahului Airport on Maui. Three days later, the three surviving sisterships are grounded.

The U.S. Congress will later pass a resolution praising the airliner crew for its skill and bravery. In May, the damaged machine and one older B-737-297 are replaced by two new, leased B-737-3T0s and two B-737-297As previously ordered.

Late in the year, **Princeville Airways** is reorganized into the subsidiary **Aloha Island Air**. A fleet of 9 de Havilland Canada DHC-6 Twin Otters fly scheduled commuter and sight-seeing services into 7 small commuter airports from the new West Maui Airport.

Despite the April disaster, overall customer bookings accelerate 12.8% to 3,433,000 and cargo ascends 43.9% to 11.33 million FTKs. Profits total \$10.17 million (operating) and \$8.94 million (net).

The workforce grows 18.5% in 1989 to 1,726 and the fleet includes 8 B-737-297As, 4 B-737-200QCs, and the 2 new B-737-3T0s. Orders are outstanding for 4 B-737-397s. Eight daily flights are added to the schedule in August, bringing the number of daily frequencies during the peak tourist season to 176.

In October, an agreement is signed with the Republic of Kiribati to provide weekly roundtrip charter flights on behalf of **Air Tungaru** from Honolulu to Nadi via Christmas Island and Tarawa; the nonscheduled service begins in December.

Despite the adverse publicity of the previous year's tragedy, passenger boardings continue upward by 16.9% to 4,013,000. Freight is also up 5.4% to 11.65 million FTKs. Revenues jump 15.56% to \$155.08 million, costs climb 18.2% to \$146.61 million, and operating income slides to \$8.47 million. Net gain falls to \$2.24 million.

Company employment climbs by 13.3% in 1990 to 1,956 as the fleet is increased by a B-737-284.

Customer bookings jump 15.6% to 4,638,000 and cargo rises 7.7% to 12.52 million FTKs. Revenues shoot up 21.77% to \$188.52 million, expenses ascend 23.69% to \$181.33 million, and the operating profit slips to \$7.51 million. The net profit is cut to \$1.51 million.

The payroll is cut 2.9% in 1991 to 1,900 and the fleet now includes 21 aircraft. Beginning in June, a process of upgrading the first-class sections of the cabins of the B-737 fleet is begun. In October, the airline begins the first nonstop, scheduled services between Kona and Lihue.

Passenger boardings rise 6.2% to 4,925,000 but freight is down 4.6% to 11.95 million FTKs. Revenues climb 13.33% to \$214.02 million and costs accelerate 8.2% to \$196.21 million, guaranteeing an operating profit of \$19.62 million. Net profit surges to \$7.72 million.

Company employment is increased by 5.3% in 1992 to 2,000 as 4 new, leased B-737s, 2 Dash-3Y0QCs, and 2 Dash-497s, are delivered. These are painted in the company's new livery that includes a new corporate logo and other image changes designed by Seattle-based SGS Design. In June, the company registers a proposed public stock offering of 5.5 million shares of Class A common stock.

Traffic for the year is mixed as Hurricane Iniki causes loss of boardings. Customer bookings decline 5% to 4,677,000, but cargo inches up 1.4% to 12.11 million FTKs. Revenues fall to \$206.08 and with expenses nearly as high, operating profit is just \$9,000. There is a \$6.68-million net loss.

The payroll is sliced by 2.7% in 1993 to 1,945 and the mixed fleet now includes 12 Dash B-737-200s and 4 B-737-300s, plus 2 B-737-497s. Orders for two of the latter type remain outstanding. A new corporate image is adopted, with a new stylized livery applied to the little Boeings. With **Aloha Island Air**, the two companies offer the only daily services to 11 of the state's commercial airports, including Hana, Kauai, and Princeville on Maui.

A weekly charter flight is made to Christmas Island and, in April, a marketing and code-sharing alliance is entered into with **United Airlines** covering a number of interisland destinations such as Maui, Kona, Hilo, and Kauai via Honolulu. Beginning in September, Aloha becomes the first airline to offer drive-through check-in for departing passengers.

Passenger boardings inch up 0.8% to 4,713,000 and freight rises 1.4% to 12.29 million FTKs. Revenues move up 3.7% to \$213.96 million and

expenses jump only 2.3% to \$211.08 million. Consequently, a \$2.88-million operating profit is realized, along with a net gain of \$960,620.

Airline employment is reduced another 2.3% in 1994 to 1,900 and **Trans World Airlines (TWA)** Vice Chairman Glenn R. Zander is named president/CEO in June of both the airline and its parent, Aloha Air Group. The fleet now includes 1 each B-737-2M6C, B-737-2S2C, and B-737-2S5C, 2 each B-737-2Q9As, B-737-2T4s, B-737-3T0s, B-737-3Y0QCs, and B-737-497s, plus 6 B-737-297As.

Customer bookings are boosted 7% to 5,041,000, even as cargo slips 0.1% to 12.27 million FTKs. Revenues jump 7.4% to \$229.82 million, but expenses are up 9.1% to \$230.29 million. As a result, there is a \$475,000 operating loss. Net gain drops to \$560,000.

The workforce stands at 2,235 in 1995, an increase of 17.6%. Two B-737-3Y0QCs are leased to new entrant **Vanguard Airlines**, which is flying out of Kansas City.

Enplanements inch up 1.4% to 5,113,000 on 77,111 flights, but cargo falls 2.5% to 11.97 million FTKs. Expenses exceed income and there are big losses: \$8.3 million (operating) and \$6.9 million (net).

The employee population is increased by 1.7% in 1996 to 2,274 and the fleet is standardized on the B-737-200A, with all of those on hand refurbished during the year.

The airline wins a contract on May 29, effective July 1, to become the official airline for the State of Hawaii. The award, which makes Aloha the exclusive carrier of the executive and judicial branches of state government, may be renewed each year by consent of both parties.

Customer bookings dip 0.9% to 5,068,000 but cargo inches up 1% as 12 million FTKs are operated. Revenues ascend 5% to \$248.3 million and expenses are \$239.7 million. This year there are profits: \$6.17 million (operating) and \$4.33 million (net).

At the start of 1997, Aloha enjoys a steady 55% share of Hawaii's interisland flight market.

Following the arrival of a B-737-200A passenger jet in late January, one of the company's B-737-200Cs, which has been providing night cargo services for years, becomes a dedicated daytime freighter. The aircraft is employed, beginning on March 10, to launch a new twice-daily interisland service, with particular attention to the transport of high-value agricultural produce, as well as tropical plants and flowers, called "exotics."

During the summer, B-737-200A charters are inaugurated to Kiritimati on Christmas Island, one of the islands in the nation of Kiribati. The weekly flights, paid for by the Kiribati government, are viewed as a way to provide reliable air transport for passengers and incoming perishable goods.

Passenger boardings increase 2.6% to 5.2 million, but cargo dips 2.5% to 11.8 million FTKs. Revenues inch up 0.2% to \$233.04 million, while costs rise 0.3% to \$227.25 million. The operating profit is \$5.79 million while the net gain totals \$4.26 million.

The carrier and ALPA, representing Aloha's pilots, jointly announce on February 11, 1998, a tentative agreement on a new labor contract. Upon expected ratification, it will remain in force until 2002.

On June 23, the company announces purchase of the ForeRunner automatic external defibrillator (AED) from Heartstream. A promise is made to have all 17 of the carrier's aircraft equipped with the life-saving device by November, following the completion of AED training of all of the carrier's in-flight personnel by a consulting physician.

Christened *Kalani'opu'u*, a B-737-282A is designated on July 2 as the company's "Aloha Plane" that will focus on supporting the annual Aloha Festivals which occur statewide during September and October.

The labor contract having become amendable, negotiations between management and the local chapter of the Association of Flight Attendants (AFA) begin in August.

On November 24, Aloha announces that it will introduce ticketless travel on its interisland routes beginning sometime in the first quarter of 1999.

Beginning on December 1, the company offers automated flight crediting in conjunction with its frequent flyer program. As the year ends, Aloha provides 167 scheduled flights daily in Hawaii.

Customer bookings this year dip 0.77% to 5.16 million, while cargo is off by 3.51% to 13.31 million FTKs. Revenues dip 1% to \$228.62 million, while costs are down 3.1% to \$220.32 million. The operating profit is \$8.3 million, while net gain advances to \$5.26 million.

On January 20, 1999, Aloha announces that it will have added four more first-class seats on all of its aircraft by the start of the second quarter.

The AFA on March 2 applies for federal mediation in an attempt to accelerate talks with the airline over a new contract.

Having acquired a modified B-737-200ETOPs (extended range twin-engine operations) jetliner, the company, on August 17, announces the start of new weekly scheduled roundtrip service to the Republic of the Marshall Islands. Following a special inaugural flight on August 26, the new Honolulu to Majuro and Kwajalein flights commence on September 2, with a technical stop made en route at Johnson Atoll.

In late summer, a new five-year labor agreement is signed with the AFA on behalf of the carrier's flight attendants.

Customer bookings slide 1.3% to 5.09 million, while cargo rises 2.3% to 11.67 million FTKs. Operating revenues inch up 0.5% to \$229,827,000, while costs are up 6% to \$233,598,000. The previous year's operating profit becomes a \$3.77-million loss while last year's net gain is now a \$4.7-million loss.

Airline employment stands at 2,576 at the start of 2000, an 11.2% increase over the previous 12 months.

Employing a pair of B-737-73As leased from Ansett Worldwide Aviation Services, Aloha, on February 14, begins twice-daily roundtrips from Honolulu and Maui to Oakland, California. This is the first regularly scheduled passenger service from Hawaii to the mainland in company history.

Saturday B-737-297A roundtrips begin on February 18 between Honolulu and Midway Island. Tourists are requested to make their hotel arrangements directly with the Midway marketing office.

ALOHA ISLAND AIR: 99 Kapalulu Place, Honolulu, Hawaii 96819, United States; Phone (808) 836-7693; Fax (808) 833-5498; <http://www.alohaair.com/aloha-air>; Code WP; Year Founded 1987.

When its parent, Princeville Development Corporation, is purchased by the Australian firm Quintex in 1986, Princeville Airways must be sold under the U.S. law that prohibits foreign concerns from owning more than a 25% stake in any airline. Late in the year, Aloha Air is able to acquire the commuter for \$3.2 million.

Princeville Airways is established as a subsidiary of Aloha Airlines at Honolulu on April 1, 1987. The seven-year-old third-level scheduled and sight-seeing operator is reequipped with a fleet of nine de Havilland Canada DHC-6-200 Twin Otters.

Traffic and financial statistics are merged within those of the parent and not reported separately during the start-up year.

Operations continue apace to seven small commuter airports in 1988 from Honolulu and a secondary base at the new West Maui Airport. In addition, the carrier's reservations are automated and its employees attend the parent's in-house service training program.

In early 1989, Princeville Airways is renamed Aloha Island Air. Flight 1712, a DHC-6-300 with 20 aboard en route from Maui to Molokai, crashes in remote Halawa Valley of the Hawaiian island of Molokai in darkness on October 28; there are no survivors.

Still, the release of traffic figures show passenger boardings for the year increased 43.7% to 280,999.

In 1990, President James Williamson's fleet is reduced to 8 Twin Otters. Customer bookings ascend a further 24.2% to 349,081.

Larry Cabrinha becomes president in 1991 and yet another Twin Otter is purchased. Operations continue and enplanements total 358,304.

Airline employment in 1992 stands at 175. It is reported that the company's twice-daily roundtrips from Honolulu to Princeville Airport have begun to become unprofitable.

Passenger boardings this year increases 3.8% to 372,457.

Customer bookings slide 3.1% in 1993 to 361,017. Neil Takekawa is appointed president in 1994 and the company continues to fly 8 Twin

Otters and 2 DHC-8-102s are added. These are able to boost customer bookings 1% to 364,719.

The workforce totals 247 in 1995 as 2 Twin Otters are withdrawn. Enplanements for the year decline by 2.7% to 355,000.

Twenty-three new employees are hired in 1996 and the fleet now includes 2 DHC-8-102s and 3 Twin Otters.

Having arrived at Honolulu on December 15 after a flight from Lanai, the flight crew of a DHC-8-102 with 13 passengers is only able to extend its left main landing gear. When all efforts to lower the right main landing gear and nose gear fail, the aircraft is forced to make an emergency landing, during which it is badly damaged. No injuries are, however, reported.

Passenger boardings this year inch up 0.1% to 360,147.

As 1997 begins, the carrier is providing 84 daily flights between Honolulu, Hana, Kahului, and Kapalua, Lanai, Molokai, and Princeville. With its twice-daily roundtrips from Honolulu to Princeville having lost money since 1992, the company abandons them on January 5. They may be resumed if the state takes over the privately owned Kauai facility and makes improvements.

The workforce is reduced by 11.1% during the year to 240. Customer bookings soar 17.3% to 422,414.

Flights continue in 1998. On November 24, the company joins Aloha Airlines in announcing the launch of interisland ticketless travel sometime during the first quarter of 1999. As the year ends, the regional offers over 80 scheduled daily flights to Hawaii's resorts and smaller communities.

Passenger boardings rise 12% to 473,000.

By the beginning of 1999, airline employment has been increased by 12.5% to 270. Customer bookings drop 9% to 431,000.

ALPA (AEROLINEAS DEL PACIFICO, S.A.): Costa Rica, (1952–1958). This air taxi is formed at San Jose in 1952. Employing one or two Piper PA-18s, services are offered to Playa Hermosa, Carate, and Bijaguel. A paucity of traffic forces closure in 1958.

ALPAR BERN, A.G.: Switzerland (1929–1947). Early in 1929, local officials in the state-city of Berne form this carrier to operate from the Swiss capital via Lausanne to Basel and Geneva. Operations are started during the summer employing 1 Fokker F-II and 2 Comete AC-4 Gentlemen.

In 1930, the first full year of operations, one of only three existing Fokker F-XI Universals is acquired and approximately 2,000 passengers are carried. These low-key domestic operations continue even after the large carrier Swissair, A.G. is formed in 1931. In 1932, a General Aircraft ST-4 Monospar is acquired from England.

A Dutch-built Koolhoven FK-50 joins the fleet in the fall of 1935 and, by 1939, the airline's fleet comprises 5 aircraft, including 2 new de Havilland DH 89A Dragon Rapides. At the outbreak of World War II in September, operations are suspended. When Swiss civil aviation is restarted in mid-1945, a dispute arises over which of Switzerland's two airlines should be recognized as the official state airline.

The question is resolved in February 1947 when Swissair, A.G. acquires Alpar Bern and the government's approval as sole national carrier.

ALP'AZUR AIRLINES, LTD.: Switzerland (2000). One of history's shortest-lived little airlines is Alp'Azur, established at Courchval at the beginning of 2000. With great ceremony, thrice-daily roundtrips to Geneva are inaugurated on February 3 with a de Havilland DHC-6-300. The route—and the carrier—are closed on February 10 after the Twin Otter is damaged beyond economical repair in a nonfatal crash at its base.

ALPEN HELICOPTER, LTD.: 215-5333 216th Street, Langley, British Columbia V2Y 2N3, Canada; Phone (604) 644-1270; <http://www.primenet.ca/alpenhelicopters>; Year Founded 1980. Alpen Helicopter is founded by Robert Owens at Langley Airport in 1980 to provide a variety of ad hoc fixed- and rotary-wing services.

Over the next 17 years, these come to include passenger and express charters, flight training, fire fighting, forestry, long-lining, aerial photography, and general filming, the latter on behalf of the Film Board of Canada.

In **2000**, President Owens operates a fleet that comprises 3 Cessna 150s, 1 C-172, 1 float-equipped C-185, 3 Bell 206B JetRangers, 1 Bell 206L LongRanger, and 2 Robinson R-22 Betas.

ALPHA AIR: United States (1983–1995). This third-level carrier is founded at Van Nuys, California, in the summer of **1983** to offer scheduled Cessna 402 passenger and cargo services to Bishop, Los Angeles, and Mammoth Lakes ski resort.

In **1984–1987**, President Alan Berenstein's fleet grows to four Cessna 402s and flights are inaugurated to Oakland, San Jose, and San Diego and from those cities to Mammoth Lakes. Two 402s are withdrawn in late **1988** as an order is placed for a Beech 1300 and two Beech 1900s.

The Beech 1300 arrives in **1989**. Traffic figures for the private carrier are not released. The last two Cessnas are discarded in **1990** and replaced by a pair of Beech 1900Cs in **1991**. Enplanements for the 175-employee, 8-aircraft small feeder jump 2.8% to 358,800.

A de Havilland Canada DHC-6 Twin Otter is purchased in **1992**. The 64-employee carrier transports a total of 43,007 passengers, a 6.3% increase.

Airline employment in **1993** stands at 67 and a third Beech 1900C is placed into service. Customer bookings jump 9.8% to 47,000.

Early in **1994**, a code-sharing agreement is signed with **Trans World Airlines (TWA)**. Henceforth, Alpha will provide "TWExpress" feed from Lake Tahoe, Orange County, Palm Springs, Burbank, Mammoth Lakes, and Grand Canyon to the major's Los Angeles hub. Passenger boardings increase 46.1% to 68,646. Operations cease in **1995**.

ALPHA AIRLINES: United States (1969–1970). Alpha Airlines is set up at South Bend, Indiana, in the late fall of **1969** to provide daily scheduled roundtrip passenger and cargo service to Chicago's Meigs Field and Detroit. Beech 99 flights commence in December, but cannot be maintained beyond March **1970**.

ALPHA AVIATION: 7515 Lemmon Ave., Love Field Hangar P, Dallas, Texas 75209, United States; Phone (214) 351-6571; Fax (214) 350-4287; Year Founded 1982. Alpha Aviation is formed in **1982** at Love Field in Dallas to offer passenger and freight charter and contract service flights to local and regional destinations. The initial fleet comprises 1 Gates Learjet 25, 1 Beech King Air 100, 1 King Air 200, and 1 Piper PA-31-310 Navajo.

Operations continue largely without change at President James de Prett's company over the next decade, although late in that period the Navajo is withdrawn. There are 10 employees in **1993–1994** and a fleet of 3 Beech 1900s.

By **2000**, a total of 25 full-time and five part-time pilots are employed and the fleet now includes 3 Beech Super King Air 200s and 1 each IAI Westwind I, Learjet 25D, Learjet 35A, Beech King Air 100, Beech King Air 90, and Cessna 414 Chancellor. Air ambulance flights are also made.

ALPI EAGLES, S.p.A.: Van Gorizia 24, Thiene, I-36016, Italy; Phone 39 (445) 380180; Fax 39 (445) 380130; Code E8; Year Founded 1979. Alpi is established as an air taxi service at Thiene in **1979**. Owned by Ithify, a financial concern held by several north Italy manufacturers, the little carrier under the leadership of President Ambrogio Delachi, provides nonscheduled flights with 1 Learjet 55 and 2 Piaggio P-180 Avantis. These services are largely unnoticed by the outside for 17 years.

In March **1996**, following Italy's air transport liberalization the previous November, Alpi is reorganized into a scheduled domestic airline. Plans are made to offer domestic business-class services (with fares 20% lower than those of **Alitalia, S.p.A.**) and ticketless travel.

A fleet of 3 former **Swissair, A.G.** Fokker 100s is chartered from British Aerospace Asset Management-Jets during the second quarter, with the first delivered on June 1 in a day-glo livery designed by the Diesel Jeans dress studio. The new paint scheme begins to fade days later, forcing the carrier to repaint the Fokker in a more traditional hue.

Based at Verona, the jetliner, christened *Sant Antonio*, initiates regularly scheduled frequencies on June 10 from Venice to Rome's Fiumicino Airport. Flights from the inaugural cities to Verona and Cagliari commence in July. Charters are also flown, from time to time, between Verona and the Romanian city of Timisoara.

In a widely reported September 10 incident, the door of a Fokker 100 opens as the plane is taking off from Venice. In early December, government certification authorities discover irregularities in the carrier's maintenance records and grounds all of the Fokkers until the concerns can be addressed.

The weeklong maintenance crisis leads to a complete corporate restructuring. President Delachi is replaced by Patrizio Casalini, who determines that the future lies in cooperation with **Alitalia, S.p.A.** rather than competition.

A code-sharing agreement is now signed with the major and the remaining Fokkers arrive by year's end.

In **1997**, the company takes over 2 Fokker 70s from the former **Avianova, S.p.A.** Services are undertaken on behalf of **Alitalia, S.p.A.** over the new entrant's former routes.

Flights are maintained in **1998–1999**.

In October of the latter year, 2 Fokker 100s are chartered to **Air Dolomiti, S.p.A.** On November 7, a Fokker 100 crash-lands at Barcelona with its right landing gear unextended; no injuries are reported, but the aircraft will be written off and scrapped during the first quarter of the new millennium.

New Fokker 100 roundtrips begin on April 2, **2000** between Naples and Barcelona. Two weeks later, a daily return flight is introduced between Pisa and Zurich.

A revised corporate identity is unveiled in May, with the Fokker 100 *San Vincenzo* the first to be painted in the company's new color scheme.

Four-times-a-week Fokker 100 return service from Venice to Athens, code-shared with **Olympic Airways, S.A.**, begins on June 11.

Another Fokker 100 wearing the new livery arrives on June 27; it will be followed by others in October and November.

Twice-daily Fokker 100 return service is inaugurated on October 29 between Palermo and Naples.

On November 10, a Fokker 100 is wet-leased for a year to **Air Sicilia, S.p.A.**

ALPINE AIR: P.O. Box 691, Municipal Airport, Provo, Utah 84601, United States; Phone (801) 373-1508; Fax (801) 377-3781; <http://www.uvol.com/bullseye/alpair/homepage.html>; Code 5A; Year Founded 1977. An airline division of Eugene R. Mallette's Provo-based Alpine Aviation is established in **1977** and given this name. A fleet of 1 Piper PA-31-310 Navajo, 1 PA-34 Seneca, and 1 Cessna 421 is assembled with which to inaugurate scheduled passenger and cargo services to the Utah cities of Blanding, Cedar City, Moab, Monticello, Price, St. George, and Salt Lake City. Operations continue with little change for the remainder of the decade and into the **1980s**.

The fleet in **1983** includes 4 Piper PA-31-350 Navajo Chieftains and enplanements total 1,000. In **1984**, bookings increase 117.6% to 2,185. A Cessna 421 is purchased in **1985** and helps enplanements to ascend 6.3% to 2,322.

Passenger boardings climb a slim 2% in **1986** to 2,255, but freight skyrockets 329.3% to 1.22 million pounds. A net \$88,305 profit is generated.

In **1987**, President Mallette's fleet owns 3 Navajo Chieftains and 1 Seneca. Airline employment is increased by 27.3% to 28 and customer bookings increase by 27.8% to 3,433. Revenues climb 5.9% to \$2.16 million and with costs held low profits total \$244,000 (operating) and \$149,903 (net).

Airline employment grows by 45.4% in **1988** to 32 and the fleet is enhanced by the addition of 4 more Navajo Chieftains and 1 Beech 99. Several unprofitable passenger routes are discontinued as new emphasis is placed on cargo services to Salt Lake City.

Passenger boardings plunge 52.8% to 1,801, but freight grows 64.6% to 8,326,000 pounds. Revenues decline 15.1% to \$1.83 million, costs fall 12.2% to \$1.68 million, and operating income drops to \$151,655. Net gain, however, climbs to \$192,216.

The workforce is cut by 25% in **1989** to 24. Customer bookings recover and move upward 45% to 2,612. Cargo continues to grow, rising 4% to 8,657,000 pounds. Costs exceed income and there are losses: \$37,264 (operating) and \$86,665 (net).

The number of employees is increased by 20% in **1990** to 42 and the fleet now includes 7 Chieftains, 2 Beech 99s, and 1 each Piper Seneca, Lance, Arrow, and Archer. With the addition of 3 new markets, the route network now includes 51 destinations in 8 states.

Customer bookings fall 11.9% to 2,301, but cargo grows to 9.3 million pounds. Revenues decline 3.6% to \$2.75 million, but expenses plunge 11.8% to \$2.55 million. As a result, the previous year's operating loss is turned into a \$199,937 gain. Net profit ascends to \$125,991.

The flight equipment of the 42-employee regional is shuffled again in **1991**; gone is a Chieftain, replaced by another Seneca, 2 more Beech 99s, and 1 Piper PA-31T Cheyenne III.

Despite the changes, passenger boardings decline another 13% to 2,011. Revenues are \$5.18 million and generate an operating profit of \$23,000.

Company employment is increased 4.8% in **1992** to 44 as another Beech 99 is purchased and another Navajo Chieftain sold. Service is started between Grand Junction, Colorado, and Moab, Utah; cargo flights begin to Oregon.

Customer bookings regain their upward momentum, growing 52% to 3,305. Freight shoots up 8% to 11.23 million FTKs.

In **1993**, Chairman/CEO Mallette's company employs 45 and operates a fleet of 3 Cessna 150s, 1 Piper Turbo-Arrow, 1 Piper Lance, 1 Piper Seneca, 5 Navajo Chieftains, 7 Beech 99s, and a 1 Piper Cheyenne III. Traffic figures are not released.

Operations continue apace in **1994**. A total of 3,875 passengers are flown, along with 9.4 million pounds of freight, and profits are earned: \$516,528 (operating) and \$258,052 (net).

The workforce is increased by 16% in **1995** to 58. By July, the company is the second largest commuter airline in America, based on cargo volume.

Customer bookings advance by 17.2% to 4,399, but cargo drops off to 426,000 pounds. Revenues jump 30.6% to \$7.69 million while costs advance only 29.4% to \$6.94 million. Operating gains climb to \$742,000 while a net \$254,000 profit is posted. The last two figures are later adjusted to \$413,000 and \$97,000 respectively.

The employee population grows by 5.8% in **1996** to 55 and the fleet now includes 10 Beech 99s, 4 Navajo Chieftains, and 2 Cheyenne IIIs. New services are inaugurated in February between Salt Lake City and Ely.

Passenger boardings accelerate 19.5% to 4,541 and 10.59 million pounds of freight are flown. Operating income climbs to \$7.89 million while expenses swell 10% to \$7.29 million. Operating gain accelerates to 592,000 while a net \$351,000 profit is reported.

The workforce is increased 12.7% to 62 in **1997**. Daily Piper Cheyenne III scheduled passenger services are maintained from Salt Lake City to Moab, Utah, and Ely, Nevada. Passenger charters are also available. The company's Beech 99s, Navajos, and Cheyennes operate ad hoc cargo services to points in Colorado, Montana, Utah, and Nevada.

Customer bookings jump 10.5% to 5,016 and a total of 20.2 million pounds of freight are operated, a 3.9% boost. Operating revenues decline 8.1% to \$7.24 million, while expenses fall 7.8% to \$6.78 million. An operating profit of \$465,000 is generated, along with a \$308,000 net profit; both gain figures are down, but are still regarded as positive.

Plans are announced in early **1998** for the initiation of new cargo routes, as well as a profit-sharing plan for employees. A twelfth Beech 99 and two Beech 1990s are purchased.

Passenger boardings ascend 31.3% during the year to 6,584. In addition, 17.69 million pounds of freight are also flown. Revenues also jump 31.3%, to \$5.27 million while costs are up 19.8% to \$4.18 million. The operating profit is \$1.09 million.

By the beginning of **1999**, airline employment is increased by 15.2% to 68. Customer bookings plunge 66.2% to just 2,000.

ALPINE AVIATION CORPORATION: United States (1980–1981). The FBO at Rockport, Illinois, sets up a scheduled airline division in the fall of **1980** and, after acquiring a Beech 99, inaugurates daily roundtrips to Detroit in November. Services cannot be maintained beyond February **1981**.

ALPINE LAKE AVIATION: Reno–Tahoe International Airport, 655 South Rock Blvd., Reno, Nevada 89502, United States; Phone (702) 588-4748; Fax (702) 588-0433; <http://www.flyalpine.com>; Year Founded 1989. ALA is established at Reno to offer on-demand passenger charters to local destinations. Flights are undertaken with 1 each Cessna 550 Citation II and Cessna 210T Centurion. A Cessna 402B is also stationed at Douglas County Airport at Minden, Nevada. Service is maintained over the next decade.

ALPINE LUFT-TRANSPORT, A.G.: Postfach 1370, General Aviation Centre, Zurich Flughafen, CH-8058, Switzerland; Phone 813-0869; Fax 910-1054; Year Founded 1964. Christian P. Tschundi founds this small all-cargo charter operation at Zurich Airport in **1964**. Operations continue apace to regional destinations over the next 36 years with a fleet that comes to comprise 2 Dassault Falcon 10s.

ALROSA AVIA: 1 Zhukovski Street, Zhukovski, Moscow, 140160, Russia; Year Founded 1996. Alrosa is established at Moscow in **1996** to offer domestic and regional passenger charters. President Aleksan Dudik begins and continues revenue flights with a single Tupolev Tu-134.

ALSAVIA, S.A.: France (1989–1993). Alsavia is formed at Basel–Mulhouse–Freiburg Euroairport at St. Louis in Alsace in the spring of **1989** to offer scheduled regional services. Ownership is divided between **Air France** (14%), **Crossair, Ltd.** (33%), and **TAT (Transport Aerien Transregional, S.A.)** (20%).

Managing Director Joel Blais's new entrant inaugurates revenue flights from its base early in **1990** with a single SAAB 340B acquired from **Crossair, Ltd.**; destinations visited include Barcelona, Amsterdam, Mulhouse, Nice, Lyon, Marseilles, and Dusseldorf. All of these services are replacement flights for the owners, except for a single Basel–Marseilles frequency.

Two Embraer EMB-120 Brasilias leased from **TAT (Transport Aerien Transregional, S.A.)** are added to the fleet in **1991**, replacing the SAAB, and operate on behalf of TAT. Airline employment in **1992** stands at 36. Although revenues of \$7.4 million are earned, a net loss of \$778,000 is suffered.

A Beech King Air 200 arrives in January **1993** along with a new president, Andre Weber. He is unable to reverse the financial hemorrhage and Alsavia, S.A. is forced to declare bankruptcy in February, with debts of FFr 4.4 (\$786,000). For a while thereafter, the Brasilias are operated on behalf of **TAT European Airlines, S.A.**

ALTA AIRLINES, LTDA.: Santiago de Chile, Chile; Phone 600 301 600; <http://www.chilepac.net/~alta>; Year Founded 1995. ALTA is established at Santiago in the spring of **1995** to offer domestic third-level services in northeast Argentina with a fleet of 8 leased Beech 1900Cs, the first of which is delivered in mid-July. Revenue flights commence in September.

Enplanements in **1996**, the first full year of service, total 90,907. Customer bookings accelerate to 94,322 during **1997**.

Destinations visited in **1998–1999** continue include Iquique, Calama, Antofagasta, Copiapo, La Serena, Vina del Mar, Santiago, Talca, Chillan, Los Angeles, Concepcion, Temuco, Valdivia, Puerto Montt, Chaiten, Coyaique, and Puerto Natales.

ALTA FLIGHTS (CHARTERS), LTD.: P.O. Box 983, Edmonton International Airport, Edmonton, Alberta, T5J 2T2, Canada; Phone (403) 890-1330; Fax (403) 890-1331; <http://www.altaflights.com>; Code AL; Year Founded 1995. AF(C) is established at Edmonton in **1995** to offer nonscheduled passenger and cargo services to points in the nation's prairie and northern regions. Operations begin with a fleet that includes 2 Piper PA-34 Senecas, 3 Piper PA-31-310 Navajos, 1 Swearingen Metro II, and 6 small Cessnas.

Over the next five years, the company's nonscheduled business expands and the concern enters the aircraft-leasing arena. To provide specific lift, Telford Resources, Ltd. purchases a 65% majority stake. As the new millennium approaches, the fleet includes 5 Fairchild Metroliner IIIs, 1 Beech Super King Air, 2 Cessna 402s, 1 C-414, and 4 C-208 Caravans.

On May 3, **2000**, Northern Alberta's largest charter company purchases 9 Metro 23s, previously operated by **China Hainan Airlines Company, Ltd.**, from Fairchild Aerospace. Four serve as Metro III replacements and 5 are resold.

An expanded hanger facility is opened on the north side of Edmonton International Airport on June 10.

Company aircraft transport 67 Alberta firefighters to Missoula on August 9 to help fight the huge Montana wildfires.

ALTAI AIRLINES: Barnaul Aeroport, Barnaul 30, Altaiskii Region, 656030, Russia; Phone 7 (382) 224 383; Code BZN1; Year Founded 1997. In **1997**, **Barnaul State Aviation Enterprise** is reformed into a private stock company and renamed. It continues its original mission of providing both scheduled and charter passenger and cargo services to local and regional destinations. Andrei A. Frolov remains as director general and his fleet includes 4 Antonov An-26Bs, 5 Let L-401UVPs, 1 Tupolev Tu-154B, and 12 Yakovlev Yak-40s.

Service is maintained in **1998–1999**. In early **2000**, charges of fraud are made against the airline's administration. On May 25, the carrier is declared bankrupt.

Unable to reorganize in a manner sufficient to meet Federal FSVT administrative and safety requirements, the company is put on notice that it will be shut down and liquidated on June 21. Support is rallied and termination is avoided.

As part of a developing relationship between Barnaul and Iraq, Altai, on behalf of the Russian Committee of Solidarity with the Iraqi People, undertakes an An-26B humanitarian flight to Baghdad on October 29. In addition to medical and educational supplies, the flight, unsanctioned by the UN, also takes along representatives from various local corporations who seek to upgrade business contacts.

ALTAIR: United States (1963–1966). During the early summer of **1963**, Altair, Inc., the FBO at Frederick, Oklahoma, establishes a commuter airline division to provide scheduled regional passenger and cargo services. Certified by the FAA on August 6, the company inaugurates Cessna 205 revenue flights to Altus, Elk City, Clinton, Lawton, Dallas, Oklahoma City, and Wichita Falls.

Operations continue until **1966**.

ALTAIR AIRLINES: United States (1966–1982). Altair is organized at Philadelphia by Tristram C. Colket Jr. on November 4, **1966**. Like the Oklahoma commuter noted above, this concern is also named for a star in the Aquila (eagle) constellation. Early in **1967**, the new company begins Beech B-80 Queen Air scheduled air taxi service on routes to Scranton, Richmond, and White Plains. The commuter grows steadily through the remainder of the decade and into the **1970s**.

Direct flights begin on October 2, **1972**, from Philadelphia to Islip, New York, and Bridgeport, Connecticut. Operations continue apace without incident in **1973–1976**.

While on initial approach on April 9, **1977**, a Nord 262A on a ferry flight with three crew collides at 4,500-ft. with a Cessna 195 with one pilot. Both aircraft crash 6 mi. S of Reading and there are no survivors.

Enplanements for the year total 170,177.

During **1978**, the year the Airline Deregulation Act becomes federal law, Altair flies a record 195,156 customers with its fleet of 6 Aerospa-tiale Nord 262s and 6 Beech 99s.

Passenger boardings jump 12.1% to 195,156 while freight traffic rises 4.2% to 217,709 pounds.

Founder and President Colker becomes CEO/board chairman in **1979**, being succeeded as president by Michael L. Lehrman. The decision is taken to acquire jet equipment and orders are placed for 3 Fokker F.28-4000s.

Enplanements rise by 30.7% to 257,000. Still, losses are suffered: \$2.95 million (operating) and \$3.33 million (net).

Altair is subjected to a strike on April 13, **1980** by members of the local chapter of the International Association of Machinists and Aerospace Workers. The job action will be terminated by a mediated agreement reached on August 20.

Despite the acquisition of 3 Fokker F.28-4000s, the company, in opening its new jetliner service on October 15, has chosen to compete on routes already flown by the larger **USAir** and **Piedmont Airlines (1)**.

As a result, passenger traffic drops a sharp 38.9% to 182,552; cargo is also down, by 30%, to 141,378 pounds. The traffic decline coupled with higher fuel prices and recession results in a jump in expenses of 42.07% to \$18.94 million when overall operating income is up by just 2% to \$10.58 million. The operating loss deepens to \$8.36 million and a \$9.6-million net loss must be reported.

The workforce totals 481 at the start of **1981**. Henry T. Hill succeeds Michael Lehrman as CEO and after the PATCO air traffic controllers' strike is resolved, Altair expands its Florida and East Coast corridor route network, hubbing on Philadelphia. Three more F.28-4000s are placed into operation along with 4 Douglas DC-9-31s leased from **Air Canada, Ltd.** as the last Nord 262 is sold and orders are placed for 6 Douglas DC-9-32s.

As a result of this capacity and good fortune, enplanements rise a dramatic 27.6% to 232,876 and cargo skyrockets an unbelievable 790.9% to 143,000 FTKs. Still, most of this success came before the PATCO air traffic controllers' strike and subsequent FAA ATC service cutback. The carrier now goes into a fiscal tailspin.

The financial exigencies of deregulation and the reversals of 1981 prove fatal in **1982**. Severe cash-flow problems are encountered and even though 371,000 passengers (down 5.3%) are flown by September (including a number over a new route to Providence, Rhode Island, initiated in February), the carrier cannot go any further.

Having lost a reported \$34 million in two years, Altair ceases operations on November 9 and files for Chapter XI bankruptcy protection two days later, owing its creditors more than \$2.6 million. Flights to 16 East Coast cities are affected and 652 employees are put out of work.

ALTAIR LINEE AEREE, S.p.A.: Italy (1980–1986). Established at Parma in late **1980**, privately owned ALA is established to offer package holiday and inclusive-tour flights to resort areas in Britain, the continent, and throughout Italy. A fleet of 3 Sud-Est SE-210 Caravelle XBs and 2 Caravelle IIIs is assembled, allowing revenue flight operations to commence in March **1981** and continue without incident in **1982**.

While on its takeoff roll from Milan on July 2, **1983**, an SE-210 Caravelle III with 7 crew and 82 passengers suffers an uncontained engine failure that necessitates an immediate abort. Although the aircraft is damaged, no injuries are reported.

Services continue but deteriorate in mid-decade in the face of a growing recession. Operations halt in **1986**.

ALTUS AIRLINES: United States (1963–1989). Altus Flying Service is organized at the airport of its Oklahoma namesake in the summer of 1963 to offer scheduled passenger and cargo services to destinations in the southwest part of the state. Employing Piper lightplanes, revenue services commence on August 6.

Operations continue apace during the remainder of the decade and into the 1970s, by which time the company has been reformed into Altus Airlines, a certified commuter. The fleet is expanded during these years by the addition of Cessna 402s and Britten-Norman BN-2 Islanders and destinations visited now include Lawton, Oklahoma City, Dallas, Tulsa, and Wichita.

Although charters are offered, scheduled services are suspended between November 1974 and 1982. President Richard Maffry resumes scheduled offerings in midyear, flying 1 Cessna 402 over a single round-trip daily route to Oklahoma City.

Just after takeoff from Altus on February 6, 1985, a Cessna 402, with 1 pilot and 1 passenger, suffers the failure of its left engine; while attempting a return to its point of origin, the aircraft crashes and there are no survivors.

Also in February, Altus is purchased by John Gover, who increases the company fleet to 4 C-402s. Roundtrip scheduled services are resumed, eight per week-day between Oklahoma and Dallas-Fort Worth and four per day on weekends.

During the summer of 1987, Altus signs up with **Braniff, Inc.** to offer “Braniff Express” feeder services at Oklahoma City. These continue until the major partner goes out of business on September 28, 1989 taking its Altus affiliate with it.

ALYESKA AIR SERVICE: United States (1982–1989). Kenneth Triplett founds AAS at Anchorage in 1982 to provide scheduled passenger and cargo flights to local communities and bush destinations. Revenue flights commence with Piper and Cessna lightplanes and continue apace until the company encounters regulatory difficulties at decade’s end.

Alyeska’s certificate is pulled by the FAA on July 7, 1989.

ALYEMDA DEMOCRATIC YEMEN AIRLINES: South Yemen, (1971–1996). The new national carrier of the People’s Democratic Republic of Yemen, or South Yemen, is formed under a presidential decree at Khormaksar Airport on March 11, 1971. The new entrant replaces **Brothers Air Services Company, Ltd. (BASCO)** formed four years earlier.

Employing BASCO’s 3 Douglas DC-3 and DC-6B, Alyemda launches operations the next day over the former routes pioneered by **Aden Airways, Ltd.**

On August 22, 1972, the DC-6B en route from Beirut to Cairo with 59 aboard is hijacked by two men and a woman and forced to fly to Benghazi, Libya, via Nicosia, Cyprus; there the pirates surrender to Libyan authorities.

Gunman Ytemeni N. A. A. Bakr hijacks the same DC-6B with 15 passengers en route from Yemen to Ethiopia on August 25, 1973, and diverts it to Kuwait; there the pirate surrenders after receiving promises from his government to investigate certain problems in Yemen. Stolen twice in a year, the Douglas is returned to service in early September. It is now joined by a DC-6A and a second DC-6B.

The carrier’s first Boeing 720B, previously operated by **American Airlines**, is delivered on November 25, 1974 and employed early in 1975 to launch daily service to Jeddah. Expatriate British and Pakistani crews operate the new jet on Alyemda’s behalf.

In 1976–1978, General Manager Ahmed Masood Alalwani’s carrier employs 801 workers and possesses a fleet comprising 1 B-707-336C, 1 B-720B, 1 DC-6A/B, 1 DC-6Bs, and 4 DC-3s. The original DC-6B is retired during the former year.

A DC-3 with 3 crew and 16 passengers crashes into the sea off Aden on March 1, 1977; there are no survivors.

During 1979–1981, the airline’s average annual enplanement is 190,000. Airline employment reaches 1,180 and the fleet is altered to include 1 each B-707-336C, B-707-369C, and Tupolev Tu-154M. Regular

domestic services are maintained along with flights to 12 destinations in the Middle East, India, and Bulgaria. The first of 2 new de Havilland Canada DHC-7-103s arrives in June of the latter year.

A B-707-348C is destroyed at Damascus on January 26, 1982; there is no other information concerning the loss.

While on final approach to Aden on May 9 a DHC-7-103 with 4 crew and 45 passengers suddenly loses power and crashes into the sea 2 km. short of the runway (23 dead).

The original Dash 7 must be written off following a nonfatal crash at Aden in July.

Operations continue apace in 1983 and destinations visited include Abu Dhabi, Addis Ababa, Al Ghayday, Beihan, Bombay, Damascus, Djibouti, Jeddah, Kuwait, Mogadishu, Qishn, Riyan, Sana’a, Seiyun, Sharjah, and Socotra.

En route from Aden to Kuwait on January 20 the B-707-369C with 50 passengers is hijacked by 3 gunmen, who divert it to Djibouti. There the pirates surrender and they will receive suspended prison sentences.

In 1984, 2 B-737-2R4CAs join the fleet, paid for in cash, along with 2 replacement DHC-7-103s. Enplanements total 122,000 and a \$13-million operating profit is reported.

Frequencies are maintained in 1985 and a new international terminal building is inaugurated at the carrier’s Khormaksar International Airport base at Aden.

In January 1986, Chairman and Managing Director Abdulla Ali Abdulla’s carrier suspends operations and flees the country when civil disturbances destroy the workshops and stores at the Aden base. Six aircraft that are overseas are spared, as well as a DHC-7-103 stored in an undamaged hangar.

When the fighting stops, Technical Director Saeed Nagi Sinan becomes acting CEO and is faced with the task of repairing the terminal building, establishing workshops in temporary quarters, and the reestablishment of a pool of supplies. Chairman Ali Abdulla returns to duty and revenues for the year total \$4.6 million.

Operations resume in 1987 and with the assistance of Boeing Aircraft Company, Alyemda is able to reprovision the airline; enplanements are slightly over 70,000 and revenues are \$7 million.

The fleet in 1988 includes 1 B-707-336C, 1 B-707-369C, 2 B-737-2R4CAs, and 2 DHC-7-103s; the Soviet equipment is temporarily withdrawn. Passenger boardings climb to 104,200 and revenues total \$10 million.

During the spring of 1989, a new route is inaugurated to Moscow via Athens. Orders are placed for 2 B-737-2R4CAs, with a third of the financing coming from the airline and two-thirds from the Central Bank of Yemen. Operations continue apace during 1990 and in April, the carrier agrees to coordinate its services with **Yemenia Airways Corporation**, the North Yemen airline. The People’s Democratic Republic of Yemen is united with the Yemen Arab Republic to form the Republic of Yemen in May of the same year.

In 1991, the fleet includes 2 B-737-2R4CAs, and 1 Tu-154M. Enplanements in the latter year total just 90,620, due largely to domestic and regional political crises.

Orders are placed in 1992 for 2 A310-304s. In October, a proposal is made to merge **Yemenia Airways Corporation**, the flag airline of the former Yemen Arab Republic, with **Alyemda (Democratic Republic Airlines)** to form Alyemda-Air Yemen. Abdulla Ali Abdulla of Alyemda would be appointed chairman of the combined operation and flights would continue over the previous routes of the partners, now made into one network. An agreement is sought with the Saudi government, which would sell its 49% interest in Yemenia Airways Corporation.

The proposal goes unfulfilled and, in 1993, Chairman Ali Abdulla’s company continues to fly independently with a fleet of 2 Boeing 737-2R4CAs, 1 Douglas DC-6, 1 Antonov An-12, and 1 An-26. The B-707-336C and B-707-369C are now employed as freighters.

In storage at Frankfurt, Germany, since December 1990 when it could not be delivered to **Air Algerie, S.A.**, the first of 2 A310-304s is leased to the company by Airbus Industrie on June 22.

The workforce now stands at 1,258 as a new service is inaugurated to London. In July, a contract is signed with **Royal Jordanian Airlines** for the technical support of the airline's 2 Airbus.

The new London route is almost singly responsible for a 60.6% jump in passenger boardings to 230,000. A \$1.84-million profit is generated because of this good partnership.

Technical Director Sinan is elevated to the post of chairman/CEO in September 1994, succeeding Chairman Abdulla. In December, the carrier is renamed **Alyemen Yemen Airlines**.

Operations continue apace in 1995 and the union with **Yemenia Airways Corporation** is finally completed on May 26, 1996 and the two are reconstituted as **Yemenia (Yemen Airways)**.

ALYEMEN YEMEN AIRLINES. See **ALYEMDA DEMOCRATIC YEMEN AIRLINES**

AMA AIR EXPRESS (AMA-FLYG I GOTEBOG, A.B.): Sweden, (1976–1986). AMA Air Express (AMA-Flyg i Goteborg, A.B.) is created at Landvetter in November 1976, as a subsidiary of **AMA Flyg Norwing, A.B.**, initially operating as a charter carrier. Scheduled operations with a fleet of 3 Cessna 402Bs commence in January 1979. Destinations visited over the next seven years include Gothenburg, Linköping, Norrköping, Kalmar, and Ronneby.

In 1985–1986, Managing Director Ola Fahinaes's route network includes the additional markets of Stockholm and the Danish city of Aalborg. The fleet is revised to comprise only 1 Cessna 402B, 1 Swearingen Merlin IIIA, and 2 Fairchild-Swearingen Metro IIs.

When, late in the latter year, the parent is reformed as **Skyways of Scandinavia, A.B.**, this carrier is purchased by Salenia, A.B., a family enterprise devoted to shipping and offshore energy concerns, and is renamed **Salair, A.B.**

AMA FLYG NORWING, A.B.: Sweden (1963–1986). Originally known as **Aero Marketing, A.B.** when founded in May 1963, AFN is founded to provide lightplane air taxi, charter, and cargo services in the Stockholm area. In November 1976, the company establishes the subsidiary **AMA Air Express (AMA-Flyg i Goteborg, A.B.)** and at the end of the decade, scheduled services are initiated linking the capital's two airports, Bromma and Arlanda, with Mora and Gävle. By 1981, the fleet comprises 1 Shorts SC-7 Skyvan, 1 Cessna 402, and 1 Piper PA-23 Aztec.

In the early 1980s, the decision is taken to intensify commuter frequencies and the fleet is upgraded and altered. Managing Director Ola Fahinaes, who also serves as Managing Director for **AMA Air Express, A.B.**, obtains a fleet of 5 Fairchild-Swearingen Metro IIs in 1985–1986. Destinations now served include Linköping, Stockholm (Arlanda and Bromma), Kalmar, and Ronneby, as well as Mora and Gävle. Late in the latter year, the company is reformed and renamed **Skyways of Scandinavia, A.B.**

AMADEUS AIR, A.G.: Austria (1992–1995). Founded at Vienna in 1992 and taking advantage of the recent bicentennial celebration of the death of composer Wolfgang Amadeus Mozart in its title, Amadeus begins both charter passenger and executive passenger and parcel/cargo services. Shareholding in the private company is divided between Gustav Neujimal, Nadja Neujimal, and Willi Leitner; Gustav Leiter becomes chairman, his wife, Nadja Neujimal, is chief financial officer, and Willi Leitner becomes managing director. The inaugural fleet includes 3 Fokker F.27-500s and 1 each Cessna 550 Citation II, Gates Learjet 35A, Dassault Falcon 20D and Falcon 20E.

In 1993, Managing Director Leitner oversees a workforce of 24, half of whom are aircrew. Two Czech-made Let 410s are placed into service. Routes are flown from Vienna to Cologne, Nuremberg, Bratislava, and Budapest. In addition, services are available from Linz to Nuremberg, from Klagenfurt to Salonika, and from Graz to Cavalla.

The company is enhanced in 1994 by additional staff and the addition of 1 Airbus Industrie A320-200, 1 McDonnell Douglas DC-9-32

and 1 MD-83. From bases at Graz, Klagenfurt, Linz, and Vienna, these undertake charters to Bratislava, Budapest, Cologne, Nuremberg, and Salonika.

Unable to achieve economic viability in a time of recession, the company folds in February 1995.

AMAKUSA AIRLINES COMPANY, LTD.: 2080-5 Myokoden, Tyokha, Itsuwa-machi Amakusa-gun, Kumamoto, 863-2111, Japan; Phone 81 869 34 1517; <http://www.amx.co.jp>; Code AMX; Year Founded 1998. Amakusa is established on the Japanese island of that name, off the west coast of Kyushu, on October 8, 1998. Majority (80%) ownership is held by local prefectures, the largest of which is that of Kumamoto in southern Japan. Hiroki Uozumi is named president. In October, orders are placed for a de Havilland Canada DHC-8-102, which will be delivered a year hence.

The local government constructs a new island airport during 1999, one which is equipped with a 3,300-ft. runway. The Dash-8 arrives from Bombardier Aerospace in November and plans are finalized for the initiation of service in the spring.

Providing an air link to the popular tourist resort destination for the first time, the carrier inaugurates daily roundtrips to Kumamoto and Fukuoka on March 23, 2000.

AMARILLO AIRPORT CORPORATION: United States (1929). The owners of the airport at Amarillo, Texas, decide early in 1929 to offer a passenger service to Oklahoma City. Employing 4 Lockheed Model 5 Vegas, the company begins revenue flights in January, which continue until the **Universal Aviation Corporation** purchases the operation in July.

AMAV: Martin State Airport, 701 Wilson Point Rd., Baltimore, Maryland 21220, United States; Phone (410) 391-1738; Fax (410) 687-9368; Year Founded 1990. AMAV is set up at Baltimore in 1990 to provide passenger services upon demand to destinations throughout the U.S. and Canada. By 1998–2000, the company operates 1 each Cessna 550 Citation II and Beech King Air 90.

AMBASSADOR AIRLINES: United States (1963–1968). Ambassador is established at Las Vegas, Nevada, in 1963 to provide non-scheduled passenger charter flights to Palm Springs, California. Employing Beech 18s and Aero Commander 500s, the company expands its route network to San Diego, Oxnard, and Bakersfield during the next five years.

Scheduled flights commence in April 1968, but cannot save the company, which folds a few months later.

AMBASSADOR AIRLINES, LTD.: United Kingdom (1992–1994). Ambassador is organized in late 1992 as the air transport division of the U.K.'s seventh largest tour operator, Best Travel Group, Ltd., to offer passenger charter services to regional and Mediterranean destinations. The inaugural fleet includes 2 leased Boeing 757-236s, 1 of which is subleased to **Nationair, Ltd.** in Canada.

The aircraft are subleased to **Avianca (Aerovias Nacionales de Colombia, S.A.)** in 1993. On April 1, operations are inaugurated on behalf of the Colombian carrier. The carrier's own charters are launched on May 1 from Newcastle and Larnaca.

In fiscal difficulty for some time, the parent organization, Best Travel Group, collapses on November 29, 1994, following the failure of a late rescue bid. The subsidiary carrier must also cease operations and face liquidation. The bond the airline had posted with the Civil Aeronautics Authority covers the cost of repatriating 3,000 stranded passengers.

AMBER AIRWAYS, LTD.: United Kingdom (1988). The Welsh charter carrier Amber Airways, Ltd. inaugurates services in May 1988 with a single Boeing 737-2Q8 chartered from the International Lease Finance Corporation. Following the completion of the tourist season at the end

of October, the operator is purchased by competing British charter operator **Paramount Airways, Ltd.** No traffic or financial figures are available.

AMBICA AIRLINES, LTD.: India (1947–1949). The aviation department of the Ambica Steam Navigation Company is transformed into an air transport company on January 27, 1947. Service is started between Bombay and Morvi via Rajkot with 2 Douglas DC-3s. Thrice-weekly Bombay–Ahmedabad via Baroda flights begin in June.

Service between Bombay and Bangalore via Poona and Belgaum is launched in early 1948. In early fall, the company's DC-3s commence a multistop route from Bombay–Amritsar via Baroda, Ahmedabad, Palanpur, Jodhpur, and Bikaner. Financially unsuccessful, the company ceases operations and is liquidated on February 7, 1949.

AMC AVIATION, LTD.: 14 El Oubour Building, Saleh Salem Street, App 87, Cairo, Egypt; Phone 20 (2) 2915 818; Fax 20 (2) 2565 966; Code 9V; Year Founded 1994. AMC Aviation, Ltd. is established by Ashraf Aboughazoula at Cairo in 1994 to offer passenger and cargo charters to regional destinations. Operations commence with a single Boeing 737-266C.

Operations continue in 1995–1999, during which years President Aboughazoula also charts 1 Boeing 737-266C and 2 Boeing MD-90-30s.

Nonscheduled flights continue in 2000; in the spring, another MD-90-30 is leased.

During takeoff from Bologna on an August 29 charter to Cairo, Flight 1129, the MD-90-30, suffers a compressor stall that requires an emergency landing. As the jetliner is putting down, two tires burst. After the plane comes to a safe stop, it must be towed back to the gate; no injuries are reported.

AMELIA AIRWAYS: 2500 NW 62nd Street, Hangar A, Ft. Lauderdale Executive Airport, Ft. Lauderdale, Florida 33309, United States; Phone (954) 771-3151; Fax (954) 771-8053; Year Founded 1993. Amelia is established at Ft. Lauderdale's Executive Airport in 1993 to offer on-demand passenger services, with emphasis on air ambulance flights, in Florida, Texas, Virginia, and South Carolina. Simultaneously, the company also sets up stations at Miami and West Palm Beach. One each Piper PA-31-350 Navajo Chieftain and PA-23T Aztec rotate between the three bases. Flights are operated through the remainder of the decade.

AMERER AIR, GmbH: Airport Linz, Flughafenstr. 1, Horsching, 4063, Austria; Phone 43 (7) 221 88776; Fax 43 (7) 221 64753; Code AMK; Year Founded 1995. Heinz Peter Amerer establishes this all-cargo company in 1995 to fly scheduled and charter flights throughout Europe, often under contract to forwarders and large express operations such as **TNT Worldwide Express**.

By 2000, the workforce stands at 50 and the fleet includes 1 Fokker F.27-500 and 3 Lockheed L-188AFs. Destinations visited include Linz, Liege, and Belfast.

AMERICA TRANS-OCEANIC COMPANY: United States (1916–1921). Frustrated transatlantic flight backer Rodman Wanamaker, a wealthy New York City department store owner, establishes America Trans-Oceanic Company (ATO) in 1916. Wanamaker, in 1917, establishes bases for his company at Port Washington, on Long Island, New York, and West Palm Beach, Florida, in hopes of starting commercial services as soon as World War I ends. He also becomes an agent for Glenn Curtiss's flying boats and acquires a Curtiss Flying Cruiser, the civil version of the H-14 flying boat.

Following the signing of the Armistice on November 11, 1918, Wanamaker in early 1919 secures additional financial backing and purchases 1 each Curtiss HS-2L and H-16 flying boats, adapted to civil standard from their military configurations. On June 19, the Prohibition Act becomes law and, during the summer, former naval aviator David McCulloch, who

had piloted the USN's *NC-3* during its unsuccessful May attempt to fly the Atlantic, is appointed general manager and chief pilot. John M. Miller is the second pilot with George A. Page Jr. as a pilot/mechanic.

While modification of the H-16 is underway, the large steam yacht *Ballymena* hauls 30 visitors from south Florida to Bimini. In the late fall, a contract is signed with the Bimini Bay Rod and Gun Club and the Bahama Development Company making ATO the "official airline" of both concerns. Plans are made to inaugurate daily roundtrip revenue service to North and South Bimini Islands, just 50 miles from Miami, and to a second destination, Havana, Cuba, where knowledgeable passengers will find that alcoholic beverages are not subject to American Prohibition. Painted to resemble the *Big Fish*—a whale shark landed earlier by the Rod and Gun Club's president, Capt. Charles Thompson—the H-16, which is indeed christened the *Big Fish*, is converted to provide seating for 2 crew and 14 passengers, is delivered on December 19.

ATO, like **Aeromarine Airways, PBA (Provincetown-Boston Airline)**, and **Naples Airlines**, which will follow it over the years, is a seasonal undertaking. The first revenue flight to Bimini from the company's base at the Front Boulevard on Miami Bay by the *Big Fish* is completed on February 24, 1920. When not in flight, the H-16 is moored to a buoy offshore and guarded by a youth with a rowboat, who is also employed to take passengers, crew, and fuel to the Curtiss. On March 9, the H-16, with every seat occupied, carries the record number of passengers for a seaplane flight to date on its afternoon service from Bimini and Miami and receives front-page coverage in the next day's *Daily Metropolis*. ATO stops flying in Florida on May 1.

For the summer tourist season, the *Big Fish* and its smaller companion are transferred up to Long Island, where they fly passengers between the company's Long Island base and the lake region in upper New York State. When the *Big Fish* returns to Florida, it is given a new paint job by pilot Page, who affixes the shark scales more regularly along the fuselage and draws the craft's name on each side of the bow below large "eyes." For the season, 4,000 passengers are reported carried over 80,000 revenue miles.

A second flying season is undertaken during the winter of 1920–1921 and a second summer of New York frequencies is begun in late June of the latter year. At this point, the Curtiss-Metropolitan Airplane Company, which had been formed to take over the airline, acquires ATO. Unhappily, the *Big Fish* must be written off following a hard landing on the Hudson River in July that crushes the bottom of its hull. The Curtiss is beached and stripped. Unable to earn a profit with only one seaplane, ATO, which has had the honor, according to some, of offering the first international air passenger service by a U.S. carrier, stops trading. The Bimini route will be restarted by **Aeromarine Airways**.

In late June 1927, former ATO owner Wanamaker is finally able to participate in a transatlantic flight when he provides backing for Comdr. Richard E. Byrd's New York to Paris flight in the Fokker C-2 *America*.

AMERICA WEST AIRLINES: 4000 East Sky Harbor Blvd., Phoenix, Arizona 85034, United States; Phone (602) 693-0800; Fax (602) 693-5546; <http://www.americawest.com>; Code HP; Year Founded 1981. The second-largest of the deregulation-spawned new entrants (after **PEOPLExpress**), the largest to survive, and the only one to achieve major airline status, America West is founded by Edward R. Beauvais and seven associates in the summer of 1981. It is incorporated under Delaware law on September 4 with Phoenix as the principal hub and certified by the CAB two months later.

Future President Michael J. Conway joins the company from **Continental Airlines** in November as executive vice president. Two years of work, which continues into 1982, results in capitalization of \$20 million (\$18 million coming as the result of 2.68 million shares being sold in public stock offering), a workforce of 277, and 3 former **Pacific Western Airlines, Ltd.** Boeing 737-200s. In December, there is but \$1,800 left in company coffers.

Among the new hires of 1983 is Patricia Burr, the first woman appointed to a financial manager's position at **Continental Airlines** and

within a dozen years, America West's corporate treasurer. Regularly scheduled, low-fare service begins to Colorado Springs, Kansas City, Los Angeles, Wichita, and Phoenix on August 1.

On October 1, flights begin to Omaha, Nebraska, and Ontario, California, followed by thrice-daily frequencies to and from Las Vegas. Services are initiated on December 1 to Albuquerque, Des Moines, Oklahoma City, San Diego, and Tulsa.

By year's end, the company's 10 new Boeing 737-200s are flying into 13 cities and have transported 304,347 passengers. Revenues of \$18.2 million are realized, but expenses, including start-up costs of \$3.6 million, total \$26.46 million. As a result, the company is left with an operating loss of \$9.78 million.

In 1984, the first full year of operation, the workforce totals 806. Frequencies are launched from Phoenix to Palm Springs on February 1. The same day, Executive Vice President Conway succeeds the original president, Michael Roach. In March, \$15-million worth of preferred and \$9.6-million worth (1.07 million shares) of common stock are sold.

On June 1, new markets are entered at Austin, Durango, San Jose, and Tucson. Flights begin to San Francisco on July 15 and to Burbank on September 14. San Francisco flights are suspended on October 27, but new service is initiated to Oakland the next day just as service to Tulsa and Kansas City is being discontinued.

The first international route is opened on November 1 to Calgary, Alberta, Canada. Two weeks later, the company enters markets at El Paso and Salt Lake City. Seasonal ski flights to Montrose, Colorado, begin on December 8 and on December 15 a new route is opened to Grand Junction.

Daily departures from Phoenix reach 78 during the year and America West transports 2,397,953 passengers and 90,000 FTKs. Revenues of \$122.6 million are earned, but expenses are \$131.12 million. The operating loss is \$8.53 million and a net loss of \$15.4 million is suffered, brightened somewhat by a \$1-million net profit in December.

Sensing better times ahead, the company by 1985 has increased the number of employees from 280 to 1,650 and its fleet from 3 737-200s to 21. The first 2 B-737-3Q8s are delivered on February 28 and enter service to noise-sensitive California airports. Service to Palm Springs is suspended on March 15, but opened to Edmonton, Alberta, Canada.

On April 1, service is initiated to Orange County and Santa Ana and to Sacramento; 10 days later, a third public offering of stock (3.9 million shares) brings in \$25.3-million additional capitalization. In late May, a multifaceted Northwest Airlink marketing alliance is started with **Northwest Airlines**, providing a direct link from America West's cities to the latter's entire domestic and international system via connections at Phoenix and Los Angeles. Air cargo services are started on July 1.

Flights to Pueblo, Colorado, begin on November 15. On November 19, a single assailant, waving a lighter and an electrical switch, takes over Flight 261, a B-737-2Q8 with 63 passengers, which is on the ground at Sky Harbor International Airport, preparing to depart Phoenix for Ontario, California. Taken in hand by the captain, the man is escorted off the aircraft and turned over to security guards. Upon examination, the would-be pirate will be found to be mentally unstable and sent to a psychiatric facility.

On December 31, the company serves 26 cities with a workforce of 2,527 and a fleet of 3 B-737-300s, 24 B-737-200s, and 5 B-737-100s; orders remain outstanding for 10 Dash-300s and 12 Dash-200s.

Customer bookings skyrocket 113.8% to 5,126,000 and 930,000 FTKs are operated. Revenues increase 96.9% to \$241.3 million, costs rise 69.8% to \$222.63 million, and an operating profit of \$18.67 million is generated. A net gain of \$11.38 million is also achieved.

Airline employment rises 72% in 1986 to 4,246. Flights to Sioux City commence on January 14, followed by service to Cedar Rapids on February 15 and Springfield, Missouri, on April 27. Development of a hub at Las Vegas begins on July 1 as the 10 p.m.-1 a.m. low, unrestricted fare service called Nite Flite is launched from Phoenix to Albuquerque, Los Angeles, Oakland, Ontario, Phoenix, Salt Lake City, and Tucson. Two weeks later, frequencies are initiated to Chicago (MDW).

A corporate-sponsored employee child-care program is started on August 25. Ground is broken on September 11 for a new Technical Support Facility at Phoenix. Nite Flite fares are introduced in October on departures from Las Vegas to San Diego, El Paso, Colorado Springs, and Pueblo.

Flights begin to Denver and Reno on November 15, followed a month later by additional services. The new offerings are two direct flights from Seattle to Phoenix, two to Phoenix via Oakland, two to Phoenix via Las Vegas, two from Portland to Phoenix via Las Vegas, and one direct from Portland to Phoenix.

At year's end, airline employment is up to 4,596, the fleet totals 46 B-737s, orders are outstanding for 9 B-757-200s and 22 B-737-300s, and 35 cities are in the route network. Passenger boardings climb 39.3% to 7,140,160 and freight also advances. Revenues ascend 36.5% to \$329.67 million, expenses move ahead by 46.2% to \$325.72 million, and the operating profit is down to \$3.95 million. Net gain drops to \$3.02 million.

The workforce increases by 74.3% in 1987 to 7,400. America West begins new roundtrip service to Midland and Odessa, Texas, and Moline and Quad Cities, Illinois, on January 15. Also in January, roundtrips are added to and from Chicago (MDW), Omaha, and Colorado Springs and new Nite Flite destinations include Seattle, Portland, Sacramento, Calgary, and Edmonton.

In February, 18 daytime nonstop frequencies are opened from Las Vegas to Los Angeles (LAX), Burbank, Ontario, and Orange County. On March 2, a new market is opened at Yuma, Arizona.

Originally operated by **Republic Airlines**, the first 4 B-757-2S7s are delivered on May 1. Routes are inaugurated to Chicago (ORD) plus Flagstaff and the Grand Canyon Arizona on May 20.

Long Beach joins the route network on June 1, the same day a satellite reservations center is opened at Reno. Based on dollar accrual, the company's first frequent flyer program, FlightFund, is started on June 10.

The inaugural B-757-2S7 transcontinental service is begun on July 1 with flights to New York (JFK) and Baltimore (BWI). Simultaneously, nonstop B-757-2S7 flights commence from Tempe to Chicago (ORD). Twice-daily frequencies are initiated from Chicago (MDW) to New York (JFK) and BWI. Employing 3 new de Havilland Canada DHC-8s, turboprop flights begin in June from Flagstaff and Grand Canyon National Park in Arizona to Las Vegas and Phoenix.

Another public stock offering of 3.03 million shares is made on August 11, netting \$31.7 million; Transpacific Enterprises (Pty.), Ltd., an affiliate of **Ansett Airlines of Australia (Pty.), Ltd.**, purchases the entire 20% interest. The first luxury lounge operated by the carrier opens on September 15 and is named the "Phoenix Club." The same day, daily roundtrip B-757-2S7 service is initiated to New York and BWI from Phoenix and Las Vegas.

Two months later on November 15, flights begin to Lubbock. Daily roundtrip service commences on December 1 from Oakland to Las Vegas. Simultaneously, nonstop roundtrip service is begun from Oakland to Calgary, while another service originates in Edmonton and continues to Oakland via Calgary and then on to Las Vegas.

A package tour division, AmeriWest Vacations, is started on December 14, offering charter flights to Nevada gambling destinations. As of December 31, the fleet totals 19 B-737-300s, 40 B-737-200s, 7 B-757-2S7s, and 3 DHC-8-102s. Forty-five cities are served from the Phoenix and Las Vegas hubs. Competition at the latter point is now reduced as **Sunworld International Airways** transfers its operations to a new hub at Reno.

Although enplanements swell 57.3% to 11,121,607 and revenues rise 74.9% to \$576.63 million, the attempt to move into East Coast while securing dominance of the Phoenix and Las Vegas hubs cities proves costly. Expenses skyrocket 87.9% to \$611.99 million and the operating loss is \$35.35. A net \$45.67-million loss is suffered.

Airline employment grows another 19.4% in 1988 to 8,142. Attempts by ALPA, AFA, and the TWU to organize workers during the year all fail. Frequencies to Chicago (MDW) are suspended on January 5, but,

later in the month, daily nonstop service is initiated from San Francisco to Calgary and Edmonton. The 660,000-sq.-ft. Phoenix Hangar and Technical Support Facility is opened on February 23 while flights to Springfield end on February 29.

A "value pack" coupon book is introduced in March. Each book contains tickets good for 10 nonstops between 8 of the airline's western destinations for \$230. Also in March, two Baltimore-New York (JFK) daily nonstop roundtrips are launched. A new laser baggage system is unveiled at Phoenix on April 13.

Flights begin to Minneapolis (MSP) on May 1, with a daily roundtrip from Las Vegas, and on May 15, the carrier joins IATA. On June 23, America West is named the official airline of the NFL Phoenix Cardinals and begins a long-term charter arrangement for the transport of the club to its road games.

Fast Check Parking is inaugurated for passengers at Phoenix in July; customers may park, check baggage, and receive their tickets and seat assignments at the satellite parking facility and then board a free airport shuttle bus. The company's fifth birthday is celebrated on August 1 and service to Las Vegas is reestablished on September 11, along with thrice-daily nonstop, roundtrips from Kansas City to Phoenix.

Four daily roundtrip frequencies are started from Las Vegas to Boise (Idaho) on October 16. Also in October, the Phoenix to Minneapolis (MSP) frequency is increased to thrice daily.

The carrier provides special service from its markets to Vietnam veterans wishing to visit Washington, D.C. for the dedication of the Vietnam War Memorial on November 11. The same day a route request (eventually unsuccessful) is filed with the U.S. DOT for the inauguration of service from Honolulu to Sydney, Australia. Seasonal (December-March) ski service is opened on December 17 to Steamboat Springs, Colorado. Thrice-daily Phoenix to Kansas City flights also begin in December, along with a daily nonstop run from Kansas City to Las Vegas. Gateways increase during the year to 47 and the fleet receives 10 B-737-300s and removes 15 B-737-200s. Flight frequencies are cut 10% on certain routes and part-time help is cut back, although an additional 200 full-time employees are recruited.

Passenger boardings swell 19.9% to 12,795,163 and cargo skyrockets 96.9% to 24.09 million FTKs. Revenues shoot up 35.52% to \$781.46 million, expenses rise 24.73% to \$763.32 million, and the operating profit is a welcome \$18.14 million. Cost-cutting measures and well-considered expansion, along with well-manuevered debt swaps, lead to a \$9.36-million net profit.

The workforce grows by 38.2% in 1989 to 11,250 and the fleet is increased by the addition of 10 B-737-300s, 3 B-757-200s, and 2 B-747-206Bs. The latter are half of a purchase made from **KLM (Royal Dutch Airlines, N.V.)**. One DHC-8-102 is withdrawn.

A route request to serve Tokyo is filed with the DOT on April 11, but will not be approved; additional slots are, however, achieved at both New York (LGA) and Washington, D.C. (DCA). Also in April, the carrier issues \$54-million principal amount of 20-year 11.5% convertible subordinated debentures in a private placements accomplished by Werthein Schroder & Co.; even after the issuance, \$103.6-million aggregate principal amount of debentures are outstanding.

America West offers \$726 million for the **Eastern Air Lines** Air Shuttle and 10 B-757-200s; the offer is increased to \$751 million on May 10, but withdrawn on May 24. A route application is filed with the DOT in June requesting Honolulu to Tokyo authority.

On July 1, new twice-daily roundtrip service is introduced from Palm Springs to Las Vegas and from Phoenix to New York (LGA) via Omaha and Wichita. Thrice-daily roundtrips commence from Palm Springs to Phoenix and from Washington, D.C. (DCA) via Omaha and Wichita; however, several slots at the first two destinations, acquired on a temporary basis following the collapse of **Eastern Air Lines**, must be surrendered.

A third satellite reservations center is opened near Baltimore (Hanover) on August 1. The FlightFund frequent flyer program becomes mileage-based on September 1. Later in the month, introductory fares of

\$298 to \$742 are announced for the new Hawaii service, upcoming shortly. At the same time, a contract is signed with GTE Airfone, Inc. for the installation of the Seatfone system in the entire B-757 fleet. Also, an agreement is reached to become official airline of the Phoenix Suns NBA team and to sponsor a new sports complex for the Suns to be named America West Arena.

As the result of a mass strike by Australian pilots, 3 B-737-300s, complete with crews, are wet-leased to **Ansett Airlines of Australia (Pty.), Ltd.** at month's end to fly domestic services; in return, America West dry-leases 3 B-737-377s from the Australian airline.

Santa Barbara service is begun on October 1 and later in the month the company signs a contract with MedAire, Inc. for the provision of day-round medical consultation. Seating assignments up to 30-days in advance of departures is now offered. The first ex-**KLM (Royal Dutch Airlines, N.V.)** B-747-206B arrives at Phoenix on October 26.

San Antonio joins the route network on November 1 as the airline also begins nonstop service from Kansas City to Omaha. A second nonstop daily from Las Vegas to Denver and two new nonstops from Las Vegas to Kansas City are also added. Daily Las Vegas to Newark B-757-200 flights follow on November 6 as do two new daily nonstop roundtrips from Newark to Phoenix and from Washington, D.C. (DCA) to Kansas City.

Daily long-haul Jumbojet Bird of Paradise flights are begun by the first former Dutch B-747-206B from Phoenix and Las Vegas to Honolulu on November 16, the same day seasonal (December-April) B-737-200 ski service at Sun Valley and Vail are launched. Four-times-per-day DHC-8 service starts from Phoenix to Santa Barbara in December.

After landing at Tucson from a December 30 service from Phoenix, a B-737-204 with 5 crew and 125 passengers overruns the runway, collides with a concrete structure, loses its nosegear, and skids to a stop 3,803-ft. from the end of the concrete. Although the aircraft is damaged beyond repair, there are no fatalities.

Customer bookings increase by 5% to 13,431,310 and cargo skyrockets 71% to 41.19 million FTKs. Revenues jump 27.75% to \$998.31 million, expenses boom upward 24.48% to \$950.19 million, and the operating profit is \$48.11 million. Net gain more than doubles to \$20.01 million.

Airline employment jumps 27.8% in 1990 to 13,704 and the fleet grows to comprise 77 B-737s, 11 B-757-200s, 4 B-747s, and 12 DHC-8s. Orders are outstanding for 4 B-747-400s, 10 B-757-200s, 15 B-737-300s, and 10 DHC-8s, while lease-purchase requests are made for 74 Airbus Industrie A320-200s. The carrier stands 20th in the world in fleet size.

The DOT reclassifies America West from national to major carrier status on January 1. It is now the nation's 11th largest airline. The next day, the company inaugurates daily flights from Houston to Las Vegas and thrice daily from Houston to Phoenix and Palmdale and Lancaster, California. A code-sharing agreement is signed on January 7 with **California Air Shuttle**; under its terms, the new small regional will initiate feeder flights linking its Oxnard base with Las Vegas, Sacramento, San Francisco, and San Jose. The arrangement will fail with the commuter late in the year.

On January 16, Jose Manuel Gonzalez-Gonzales, claiming to have a bomb, hijacks Flight 727 and demands to be flown to Havana. The B-737-200 aircraft en route from Houston to Las Vegas makes a refueling stop at Austin, Texas. There a police officer climbs through an escape hatch and overwhelms the pirate who is taken to a hospital.

During the month, the company receives the "Labor Relations Award" from *Air Transport World* magazine. In February, service from Washington, D.C. (DCA) is reduced to one daily roundtrip.

On March 15, daily roundtrip frequencies are initiated from Boston to Las Vegas and Phoenix, followed by Bakersfield on April 15. The DOT grants Tokyo rights to **Continental Airlines** on April 25 and America West is given backup authority. Service from Phoenix and Las Vegas to San Francisco, halted in 1984, is resumed on May 1. During the month, two new marketing programs are announced: a Chairman's Club for

members of the FlightFund frequent flyer program and a Senior Saver Pack for senior citizens. In conjunction with its inauguration of London to Los Angeles service on May 16, **Virginia Atlantic Airways, Ltd.** begins participation in the FlightFund program.

A market at Dallas (DFW) is started on July 15 and an employee support group known as The Cactus Club is started on August 1. Five days later, Iraq invades Kuwait and fuel oil prices begin to rise. Membership in FlightFund exceeds the million mark on August 23. Also in July–August, a daily roundtrip is added from Albuquerque to Oakland, San Diego, and Las Vegas; from Las Vegas to Oakland; from Phoenix to Lincoln, Oakland, and Palm Springs; from San Diego to Las Vegas; from Seattle to Reno; and a second flight from Phoenix to Honolulu.

Beginning on September 14 and continuing for five months, American West and **Ansett Airlines of Australia (Pty.), Ltd.** flight attendants participate in a work exchange program.

A multiparty transaction completed on September 28 permits an order for the lease or purchase of 74 Airbus Industries A320s. Also in September, a daily roundtrip is begun nonstop from Chicago to Phoenix and from Dallas (DFW) to Las Vegas and thrice-daily nonstops commence from Dallas (DFW) to Phoenix. The following month, one roundtrip daily is launched from Las Vegas to San Diego and two from Las Vegas to San Francisco; one is added from San Francisco to Phoenix. The holiday tour division is renamed America West Vacations on October 31.

The America West Airlines Foundation is established on November 1 as a nonprofit, educational-support fund. Meanwhile, the introduction of child-care programs for employees will result in the carrier's listing in *Working Mother* magazine as one of the 60 best corporations for single parents. Phoenix operations are relocated on November 11 to the newly opened Barry M. Goldwater Terminal 4. Twice-daily roundtrips are added from Las Vegas to Grand Junction in November, along with daily roundtrips from Los Angeles to Las Vegas, Phoenix to Oakland and Palm Springs, and direct from Las Vegas to New York.

A half-price "50% Off Any Fare Anywhere" ticket sale is conducted at Phoenix on December 8 and results in 100,000 customers. Rain checks must be handed out for redemption the following month. Flights for skiers are resumed on December 15 from Los Angeles and Phoenix to Vail and from Phoenix to Steamboat Springs on December 22. Airline employment is 14,000 on December 31, not including 10 flight attendants from **Ansett Australia (Pty.), Ltd.**, engaged since November in a work-exchange program with a similar number of AWA customer service representatives. The route network now includes 62 cities.

Passenger boardings leap ahead by 16.3% to 15,624,000, making AWA the world's 19th largest airline in terms of enplanements. Freight skyrockets 132.99% to 95.96 million FTKs. Revenues kick upward by 32.39% to \$1.32 billion, but expenses grow even faster, by 42.42% to \$1.35 billion. The operating loss is \$31.63 million and the company's net loss is \$74.67 million, largely as the result of increased fuel prices caused by the Kuwait situation. Still, the revenue figure is a historic one as the carrier becomes the first company to generate \$1 billion in just six years of operation.

The "50% Off Any Fare Anywhere" tickets are redeemable beginning on January 7, 1991; flights cease to Sioux City on January 31. Also in January, the company inaugurates service from Long Beach to San Jose and from San Francisco to Santa Ana. A fourth roundtrip is added from Phoenix to Long Beach and one more roundtrip is introduced from Phoenix to Palm Springs and to Yuma. Thrice weekly B-737-300 service is introduced from Phoenix to Steamboat Springs and daily from Phoenix to Vail. In other business, the airline receives an FAA repair-station certificate, allowing it to perform maintenance for other airlines.

The first non-Western Hemisphere destination is inaugurated by a B-747-206B on February 1—Nagoya, Japan. The same day, nonstop Orange County–San Francisco return service begins. The first A320-232 is placed in service on a nonstop Phoenix to Chicago (ORD) service on February 11. Pay cuts begin for certain employees, primarily officers and managers, during the month ranging in severity from 10 to 25% and

in order to make capacity available for a Mideast airlift, the Nagoya service is suspended at month's end.

Contract flights for the return of Operation Desert Storm soldiers from Saudi Arabia begin on March 7. Deep discount fares for military personnel will be offered during the next nine months. Company pilots during the month reject unionization by a vote of 743–285. Winter season flights to Vail cease on March 31 and to Steamboat Springs on April 6.

Lubbock and Midland and Odessa service is halted on April 7 and during the month the company is forced to halve its capacity-growth plans for the year. Thrice-weekly Nagoya services resume in May and on June 1 aircraft lease payments are deferred in an effort to conserve cash. On June 27, as a result of the effects of the recession, high fuel costs, and the Gulf War, America West faces a severe cash-flow crisis and files for Chapter XI bankruptcy reorganization.

Thrice-daily nonstop flights are initiated from Phoenix to St. Louis on July 1, the same day an across-the-board pay freeze is imposed. New York (LGA), San Antonio, Bakersfield, Palmdale/Lancaster, and Grand Junction service is dropped on August 1 as a 10% pay cut is imposed on anyone not given a pay cut in February. The Fresno, Santa Barbara, and Grand Canyon frequencies are halted on August 25, but five days later on August 30, twice-daily B-737-300 flights begin from Atlanta to Las Vegas and Phoenix. The U.S. Bankruptcy Court approves a new \$55-million financing package and, although Edward R. Beauvais remains board chairman, President Michael J. Conway is appointed CEO on September 15.

Fiscal assistance in the form of debtor-in-possession financing is provided by GPA Group and **Northwest Airlines**, with the former contributing \$35 million and the latter the remainder. The largest portion of the aid will pay the Irish lessor for chartered A320s. In addition to cash, the company announces a joint marketing program with **Northwest Airlines** and also negotiates a two-year option to purchase the Honolulu–Nagoya route for \$15 million.

Also in September the company begins to code-share with **Northwest Airlines** on flights linking the Minneapolis-based carrier's transpacific services to the routes from Las Vegas to San Francisco, Phoenix to Los Angeles, and Tucson to San Francisco via Phoenix. Service to Pueblo is halted on October 1 and on October 31 the new joint marketing and code-sharing alliance with **Northwest Airlines** comes into effect, providing the Minneapolis-based megacARRIER with access to the Southwest.

Another \$23-million debtor-in-possession financing from Kawasaki Leasing International, Inc. is approved by the U.S. Bankruptcy Court on December 10. On December 14, the company begins nonstop B-737-300 thrice-weekly frequencies from Phoenix to Steamboat Springs. The next day, service is started to a new hub at Columbus with nonstop flights to the Ohio capital from Boston, Las Vegas, Phoenix, and Washington, D.C. (DCA). A five-times-per-week schedule is kicked off from Phoenix to Vail on December 21. Also in December, the Hanover, Maryland, satellite reservations system is transferred to Kansas City.

As might be expected, cost-cutting measures have resulted in a change of year-end statistics. The workforce is down by 11.4% to 12,000 and 2 B-737-200s, 1 B-747-206B, and 6 DHC-8-102s have been withdrawn and replaced by 16 A320-232s chartered from GPA, Ltd.. The number of served cities declines to 47.

Customer bookings ascend 8.2% to 16,907,000 and cargo jumps 9.7% to 105.29 million FTKs. Although revenues climb 7.45% to \$1.42 billion, expenses swell 12.67% to \$1.52 billion and cause a \$104.65-million operating loss. The net loss deepens to \$222.01 million, a 191% increase over the previous year.

Service is resumed to Chicago (MDW) on February 1, 1992 and launched to Orlando and Tampa. Flights to Nagoya, Japan, from Honolulu end on April 15 as the route authority is transferred to **Northwest Airlines**, with which AWA has a marketing agreement. A code-sharing and frequent flyer arrangement is entered into with **Aeromexico (2) (Aerovías de México, S.A. de C.V.)** on June 1, the same day code-shared new flights begin to Mexico City from Phoenix; flights also begin to Milwaukee. Service to Cedar Rapids is suspended on July 7.

Chairman Beauvais resigns on July 17 and is succeeded by President/CEO Conway. The new leader announces a cutback of 1,500 jobs (to save \$7 million per month), the deletion of 15 aircraft, and the retirement of the Jumbojets from the Phoenix-Honolulu run and their replacement with 2 Lockheed L-1011 Tristar 1s wet-leased from **American Trans Air**. With the beginning of the National Football League (NFL) regular season, the carrier finds itself with exclusive contracts to transport two teams, the Phoenix Cardinals and the Kansas City Chiefs.

The Calgary route is suspended on August 25 and flights to Moline and the Quad Cities end on September 8. The U.S. Bankruptcy Court approves \$53 million in expanded debtor-in-possession financing on September 9 from a consortium of Arizona lenders, GPA, Ltd., and Ansett Worldwide Aviation Services, Ltd. The state of Arizona provides a \$1-million loan and local businesses provide another \$7 million.

The board of directors is reconstituted from seven to nine members on September 17 with Chairman Beauvais voted off and Phoenix-area businessman William A. Franke elected to replace him. A code-sharing arrangement is entered into with **Mesa Airlines** on October 1, as new markets are opened at Farmington and Gallup, New Mexico. The Arizona cities of Kingman and Prescott become carrier destinations on October 15, followed by Sierra Vista and Fort Huachuca on November 1 and Bullhead City and Lake Havasu City on November 15. Seasonal ski service (December-March) is opened to Telluride in Colorado on December 19. As of December 31, company employment is down to 10,500. The fleet now includes 56 B-737s, 12 B-757-200s, and 18 A320-200s; gone are the B-747s and DHC-8s. The number of destinations rises by 10, but recession impacts both traffic and finances.

Passenger boardings decline 10.3% to 15,172,757 and freight falls 30.1% to 73.67 million FTKs. Revenues drop 8.6% to \$1.29 billion, which is the lowest amount earned by any U.S. major and smaller, indeed, than that of the country's third largest all-cargo operation, **Airborne Express**. Expenses slide 9.9% to \$1.36 billion, and the net loss is cut to \$74.81 million. The operating loss is cut in half to \$131.76 million. Looking for something to cheer about, statisticians point out that the \$294.6-million stockholder's deficit—the deficit of the nation's smallest major—was still better than that of **Continental Airlines** or **Trans World Airlines (TWA)**.

Honolulu service ends on March 31, 1993, and a Mexico City sales office is opened on April 16. A first quarter operating profit of \$17.2 million and net profit of \$2.1 million is announced on April 26. On August 1, the company celebrates its tenth anniversary; it is the only major carrier born of deregulation to survive. The carrier now becomes the official airline of the new MGM Grand Hotel and theme park in Las Vegas.

In early October, the U.S. Bankruptcy Court grants a seventh extension, through mid-February, of the airline's exclusive right to present a reorganization plan. Simultaneously, the debtor-in-possession lenders agree to extend the maturity of their loans until next July. On October 8, the **Mesa Airlines** code-sharing agreement is expanded into the creation of **America West Express** commuter service. All of the DHC-8-102s previously withdrawn are transferred to the new enterprise.

The third attempt to unionize the airline's pilots is successful as the carrier's pilots vote 802 to 224 on October 21 to join the Air Lines Pilots Association (ALPA). Also in October, AWA Partners, an investment partnership led by the Pritzker family of Hyatt hotel fame (and former owners of the second **Braniff, Inc.**), offers to insert \$150 million of equity into the bankrupt airline and help it create the reorganization necessary to emerge.

On December 1, new uniforms are introduced by flight attendants and other customer-service personnel. Additionally, a contract is let with Flight Phone Corp. for FlightLink entertainment and communications systems for passengers. Service is inaugurated to Indianapolis on December 15, with nonstop service to Las Vegas and Columbus. Systemwide at year's end, employment totals 11,000. The fleet total is down by one plane, as a B-757-200 is withdrawn. Sixty-seven cities are served with 270 departures from three hubs. During the year, the company

raises debtor-in-possession financing of \$131 million and obtains payment deferrals from suppliers of \$140 million.

On December 31, Chairman William Franke and other members of the board dismiss President/CEO Michael Conway in a power struggle over which group should be asked to help the company emerge from Chapter XI bankruptcy. Conway and New York financier Michael Steinhardt have joined forces in an unsuccessful takeover bid and Conway refuses to vacate his board seat.

Customer bookings decline another 2.9% to 14,739,644 and cargo is off by 25.4% to 54.92 million FTKs. Revenues rise 1.7% to \$1.36 billion and expenses fall 12% to \$1.2 billion. As a result, a \$121.05-million operating profit is made, followed by net gain of \$37.18 million.

Airline employment is increased by 3.4% in 1994 to 11,595. The fleet now includes 1 each B-737-112, B-737-2A6, B-737-281, B-737-291, B-737-2E3A, B-737-2K6A, B-737-2M8, B-737-2Q8, B-737-2U9A, B-737-3G7, B-737-297A, and B-757-225; 2 each B-737-222s, B-737-2T4As, B-737-284As, and B-747-206Bs, 3 each B-737-204s, B-737-275As, B-737-377s, and B-757-2G7s, 6 B-757-2S7s, 11 B-737-33As, 12 B-737-277As, and 21 B-737-3G7s.

After the selection of former **Aloha Airlines** head A. Maurice Myers as president on January 1, Conway resigns from the board of directors in early February. Chairman Franke (who assumes the CEO mantle) and the board, also in February, choose as their corporate savior AmWest Partners, a group formed around the Texas-based Air Partners I.P. investment organization which, together with **Air Canada, Ltd.**, acquired majority interest in **Continental Airlines** in November. **Mesa Airlines** is also an AmWest associate, and its president, Larry Risley, is one of 10 new members added to an expanded 15-member board of directors. The winning group pledges investments of up to \$220 million in return for minority 35.5% shareholding and 71.2% voting interest.

The company begins taking reservations on February 28 for four daily nonstop flights from Philadelphia to Columbus and Las Vegas that begin on April 18.

A competing bid by Michael Steinhardt is allowed to expire during the month as Air Partners I.P. increases its offer by \$25 million, winning support from the carrier's unsecured creditors. Under the new proposal, those creditors will receive up to 59% of total equity (or partake in a share of \$100 million to be set aside for them), existing stockholders will obtain 5%, and Air Partners will still take 35.5% shareholding.

After 38 months of Chapter XI reorganization and a record 6 consecutive profitable quarters, the company emerges from formal bankruptcy on August 25; \$240 million in unrestricted cash is on hand and the long-term debt has been reduced from \$957 million to \$550 million. The major immediately enters into a code-sharing agreement with **Continental Airlines**.

At the same time, a code-sharing pact is signed with another rescuer, **Mesa Airlines**. To celebrate the event, a B-757-2S7 is given a special "Teamwork" livery designed by the 11-year-old child of a company employee. To recognize the spirit of teamwork and cooperation that allowed the airline to end bankruptcy, childlike human figures adorn a white fuselage between the cockpit windows and wings with the word "teamwork" in similar childlike script written above the windowline. Rolled out on August 29, the Boeing is quickly nicknamed "The Romper Room."

In September, the carrier's flight attendants vote to join the Association of Flight Attendants (AFA).

On October 1, the company begins implementation of its alliance with **Continental Airlines**. In addition to reciprocal frequent flyer participation, joint marketing and purchasing, shared airport facilities, and consolidated ground handling, the two carriers code-share to a variety of domestic destinations via CA's Houston and Newark hubs and AWA's hubs at Las Vegas and Phoenix.

At the same time, AWA delays acquisition of 24 A320s for 2 years. On a positive note, AWA becomes the last U.S. major to join the Air Transport Association of America. During the same month, flight attendants formally join AFA.

A leased B-757-2G7 is acquired in late November, along with a B-737-3Y0; the former, *City of Las Vegas*, is painted in a special livery based on the state flag of Nevada, prominently featuring the state motto "Battle Born" as part of the color scheme.

In December, fleet service employees refuse to join the Transport Workers Union and mechanics vote not to be represented by the Teamsters. Negotiations begin with the AFA on a new contract—they will drag on for almost three years.

The *City of Las Vegas* enters service on December 15. Also during the month, service is halted to Lansing and Flint; however, it is started from Phoenix to Chicago (MDW) as well as to Mazatlan and Los Cabos, Mexico.

On the year, passenger boardings recover, growing 6.3% to 15,668,798 while freight moves ahead by 18% to 64.8 million FTKs. Revenues jump 6.3% to \$1.4 billion, while expenses rise only 4.8% to \$1.26 billion. Consequently, the pretax gain swells to \$146.37 million and there is a net profit of \$62.32 million.

On January 9, 1995, the company announces that it must lay off 1,100 employees to cut costs. During the remainder of the year, overall employment declines 18.7% to 8,712.

Beginning on February 2 and continuing through April 23, the carrier and **Continental Airlines** implement a second phase of their 1994 agreement. During these weeks AWA performs ground handling and customer service functions for Continental at the airports at Salt Lake City, Albuquerque, El Paso, Tucson, Seattle, and Omaha. Continental returns the favor for AWA at Baltimore, Philadelphia, Chicago (ORD), Orlando, and Tampa. As a result of the changes, 157 Continental and 130 America West employees are offered transfers to cities where the new jobs are created.

Officials announce, on February 15, the initiation of fare cuts for travel over all of its routes. The fares are immediately matched by **American Airlines** and, within two days, by **Northwest Airlines**, **United Airlines**, **USAir**, **Trans World Airlines (TWA)**, and **Continental Airlines**. Also, under its 1994 pact with **Continental Airlines**, AWA and CA increase by 30 the number of dual-designator airports the two carriers visit.

In accordance with its January 9 announcement, the company, on March 3, begins to layoff the first of some 700 employees. During the month, the company begins to operate a unique "night hub" operation at Las Vegas, with almost half of its 86 daily departures flying out between 8 p.m. and 5 a.m. These frequencies, especially the 8-plane 1 a.m. "bank," appeal to leisure passengers traveling to and from the city's casinos.

On April 20, the airline receives its fourth B-757 in a special paint scheme. Christened the *City of Phoenix/City of Tucson*, the Dash-23A wears a livery based on the colors of the state flag of Arizona. Also in the spring, a contract is signed with Mesa Air Group for new **America West Express** service. Mesa creates a **Desert Sun Airlines (2)** division, which begins flying to Des Moines and Spokane from Phoenix with a pair of Fokker 70 regional jets.

A new five-year contract is signed between the company and its ALPA-represented pilots in May. The arrangement includes an annual 6.9% pay increase, a single-pay scale based on seniority, and a 10% boost in productivity.

In mid-July, the company announces that it will add first-class to all of the planes in its fleet that do not already have it. The service is seen by the company, as it is by others, as a way to reward loyal passengers with service upgrades. The decision is also taken to outsource all major maintenance.

An aggressive program to increase growth over the next two years is revealed in September. The number of departures from Phoenix, for example, will be significantly increased over the present 173 per day. In addition, more planes will be added and pilots hired.

The fifth state-flag logo jet is received in November; the B-757-2S7 *City of Columbus* wears a colorful livery taken from the pennant flag of the Buckeye State of Ohio.

Plans are announced on December 3 for the layoff of 500 employees, including half of the carrier's mechanics; at the same time, the company signs a five-year contract with the Tramco; the airline will outsource all of its heavy maintenance to this subsidiary of the BF Goodrich Company.

A class-action lawsuit is filed against the airline on December 28; it claims that nearly 400 workers have been discharged because of union-organizing activities on behalf of the Teamsters. Also during the year's last week, an agreement is signed with TRAMCO of Everett, Washington, for heavy maintenance over the next five years. As a result, 500 AWA employees will be laid off.

Enplanements jump 7.5% to 16,848,329 and cargo moves ahead by 7% to 70.65 million FTKs. Operating income accelerates by 10.1% to \$1.55 billion and costs move up 10.6% to \$1.39 billion. Operating profit climbs to \$154.73 million, but net gain falls to \$53.78 million, due largely to a restructuring charge of \$10.5 million associated with the maintenance outsourcing decision.

Airline employment is increased a dramatic 10.8% in 1996 to 9,652 and 8 new aircraft are acquired. Holiday Inn, on January 1, joins the company's FlightFund frequent flyer program. The same day as the company begins to expand its Nevada hub, flights commence from Las Vegas to Mexico City. Roundtrips from Phoenix begin on January 19 to Reno, Seattle, Mexico City, and Los Cabos.

During the month, America West Vacations begins to offer vacation services to Tampa and Orlando from Boston, Houston, and Newark and from Cleveland to Las Vegas; the flight portion is handled by **Continental Airlines**. The airline itself handles a new "Fly & Ride" package for visitors to the Phoenix area.

To dramatize it's changed image and economic recovery, America West unveils a new paint scheme and logo early in the year, the first change in corporate image since the carrier was founded. This change is most visibly seen in the carrier's new aircraft livery. Employing the greens and reds of the Southwest in their tail design, aircraft are given billboard-sized America West titles on the forward sides of their fuselages. It will require two years to repaint the entire fleet.

The company's contract as official airline of the Anaheim Angels (formerly the California Angels) major league baseball team is reconfirmed.

Frequencies are initiated on February 15 from Phoenix to Burbank and Newark and from Las Vegas to Detroit; Las Vegas to Vancouver services begin on February 18.

When, beginning February, the 4 A320-231s that **Midway Airlines (2)** has chartered from ORIX Corporation must be returned, two of the European-built aircraft are turned over to America West and are flown under contract by Midway crews. Another is acquired under sublease from the Irish operator **Transliff Airways, Ltd.**

On April 7, A320-231 daily roundtrip service is inaugurated from Las Vegas to Newark. A third nonstop Phoenix to Atlanta service begins the same day.

Angered by the company's December outsourcing decision, mechanics vote on April 17 in favor of union representation by the Teamsters. The airline asks a federal judge to review the election, noting that federal election officials have allowed 400 mechanics to vote who had earlier been dismissed by the airline. The election results will stand.

On April 18, a new code-sharing alliance is formed with **British Airways, Ltd. (2)**, which will link AWA's network of U.S. routes with BA's new transatlantic service to Phoenix. The pact also includes reciprocal frequent flyer participation.

A third nonstop Las Vegas to New York (JFK) route is started on May 15 and the same day new nonstops commence from Phoenix to Philadelphia and Boston. The next day, a B-757-225 is unveiled in the bright orange and purple colors of the Phoenix Suns NBA team, with a huge basketball painted on its tail.

Richard R. Goodman becomes executive vice president /chief operating officer on June 1. He begins a series of employee meetings designed to reassure workers. A fifth Phoenix to Colorado Springs frequency begins on June 6. On June 15, thrice-daily roundtrips are inaugurated from Phoenix to San Antonio with one daily roundtrip

launched from Las Vegas to Anchorage via Seattle. In addition, low-fare, late-night flights are added to various destinations from Las Vegas.

The FAA office in Phoenix assigned to the airline is tasked to carry out, in the wake of the May **Valujet Airlines** disaster, a safety inspection of AWA from June 25–July 12. It is announced on July 1 that the company has hired a total of 118 new pilots during the preceding 12 months. The June–July period is plagued by numerous operational problems, including an increase in flight delays and cancellations, a pilot shortage, and difficulties in obtaining more jetliners. Staff morale is reflected in the company's eighth place finish in July on-time performance figures.

On the plus side, another B-757 theme plane, a former **Northwest Airlines** Dash-2S7, is unveiled, depicting the logo of the Arizona Diamondbacks, the new major league baseball team that has chosen AWA as its official airline. The **British Airways, Ltd. (2)** dual-designator service is inaugurated on July 1 with the U.K. major flying into Phoenix and on to San Diego with one of its DC-10-30s.

Results of the June–July safety inspection are released during the last week of August. The carrier is cited for overworking certain operations and maintenance employees, poor oversight of vendors, improperly manifested cargo, and its need to more carefully handle hazardous materials, especially oxygen canisters.

In September, the company commits an error that is translated by the media into a major public relations blunder. In order to fulfill a charter contract with the Anaheim Angels baseball team, the company forces 53 passengers off Flight 543, a Dallas to Phoenix flight, when the regularly assigned team plane breaks down. All of the passengers are booked on an **American Airlines** flight and given \$150 each for their inconvenience.

On November 15, daily flights are inaugurated from both Phoenix and Las Vegas to Miami and Ft. Myers. Daily nonstop roundtrips are started on November 22 from Phoenix to Acapulco. During the month, the company's sole B-737-112 is unveiled wearing not only the airline's new markings but colors of the Phoenix Suns basketball team as well.

Electronic ticketing is introduced during the fall. A nearly disastrous \$45.7-million third quarter loss is suffered as costs from the previous year's outsourcing decision are combined with what are termed "poor revenue management decisions." The situation is corrected by the end of the fourth quarter.

Customer bookings accelerate 7.9% to 18,178,072 and 69.02 million freight FTKs are operated, a 7.7% increase. Revenues jump 12.2% to \$1.73 billion and costs climb 19.7% to \$1.67 billion. Operating gains drop to \$68.66 million. Largely as a result of a \$65.1-million special charge related to restructuring of an earlier Airbus order, the net profit drops to \$8.5 million.

The employee population is reduced a slight 0.4% in 1997 to 9,615. The umbrella company, America West Holdings, is established on January 1; the new concern will operate the airline as a subsidiary and expand America West Vacations and charter operations into a leisure travel subsidiary. Newly elected officers include William A. Franke as chairman/CEO, Richard R. Goodman as president, and W. Douglas Parker as senior vice president/chief financial officer.

Goodman becomes CEO in February, the same month he surrenders his Australian citizenship in favor of the U.S. Work is begun on overnight maintenance bases at John Wayne–Orange County Airport in California and at Columbus, Ohio. By freeing up demand for routine maintenance upon its Phoenix facility, the airline will be able to offer an additional four flights per day.

Daily nonstop roundtrip A320-231 service from Phoenix to Cleveland begins on March 1, along with a daily nonstop A320-231 roundtrip between Cleveland and Las Vegas. On March 31, the carrier is fined \$20,000 by the DOT for two violations of government advertising rules. Half is due by September, with the other half to be forgiven if no further occurrences are reported within a year.

While on final approach to Las Vegas on April 18, the TCAS alarm sounds on Flight 66, a B-737-3G7 with five crew and 120 passengers, indicating that it is on course for a midair collision. The pilot climbs

sharply to avoid disaster, missing a private Beech 99 freighter by 200 feet; one flight attendant is injured.

Nearly 100 angry mechanics picket shareholders at the company's May annual meeting, held at the Arizona Historical Society Museum. Displeased flight attendants crowd the auditorium wearing inflammatory T-shirts. Chairman Franke acknowledges that employee morale has suffered in the process of turning the company around..

Flights from Cleveland to Washington, D.C. (IAD) commence on July 8. Simultaneously, daily A320-231 nonstop service is inaugurated between Phoenix and Washington, D.C. (IAD) and Las Vegas.

Complementing the carrier's existing afternoon nonstop from Phoenix to Boston, America West, on September 4, adds a second daily nonstop return flight over that route. It is followed on September 10 by a second daily nonstop from the Arizona base to Philadelphia.

In an effort at growth through fleet renewal, AWA, during the second week of September, places a \$2.07-billion order for 22 A319s and 24 A320s, plus 40 options. The earlier order for 24 A320s suspended at the time of the carrier's bankruptcy is included. Daily A320-231 nonstops are initiated from Phoenix to Baltimore on September 25; return service from Baltimore to Phoenix starts next day.

Airbus Industrie agrees to assist financially with the purchase of between 12 and 16 aircraft and to provide backup funding for the remainder should the need unexpectedly arise. The local ALPA chapter is simultaneously assured that only AWA pilots will be allowed to fly these owned aircraft once they are in service.

On October 26, nonstop daily B-737-3G7 roundtrips commence from Columbus and Miami and Columbus and Ft. Myers. During the first week of November, America West Holdings Corp. announces its intention to build a new \$37-million, 225,000-sq.-ft. headquarters at Tempe, Arizona.

A tentative agreement is reached on October 31 between management and the carrier's flight attendants, represented by a local Master Executive Council of the AFA. The settlement will be voted upon by the full membership.

AWA on November 1 expands its pact with **British Airways, Ltd. (2)**, adding Las Vegas and Columbus, Ohio, as connecting points on the dual-designator London service. Also during the month, a tentative agreement is reached with the AFA on a new five-year contract.

The DOT reports on November 25 that the carrier, according to its figures, has had the fewest reports of mishandled baggage of any U.S. major between January and September.

On December 10, *USA Today* reports the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; AWA demonstrates an 82.1% achievement, good for second place behind **Southwest Airlines (2)**.

The flight attendants vote on December 17 to reject the tentative agreement.

Passenger boardings for the year inch up 0.8% to 18,331,354 while cargo moves ahead by 4.7% to 72.29 million FTKs. Operating revenues rise 7.8% to \$1.87 billion, while expenses climb 2.5% to \$1.71 billion. The year's best financial performance ever is climaxed with record profits: \$161.82 million (operating) and \$74.97 million (net).

At the beginning of 1998, AWA is the 17th largest airline in the world in terms of passenger boardings and 22nd in operating profit. The fleet now includes 104 aircraft, of which 80.8% are Stage III certified, and consists of 63 B-737s, 14 B-757s, and 27 A320-231s.

The **Mesa Air Group** ownership stake is repurchased in January. At the same time, the state-theme color scheme of the B-757-2S7 *Arizona* is revised.

A second daily A320-231 nonstop return service is initiated on February 17 between Phoenix and Baltimore (BWI).

Also in February, Chairman/CEO William Franke is appointed to a new two-year term. For the second straight year, the company is named No. 1 in customer service on U.S. short-haul flights in a survey by J. D. Power & Associates/*Frequent Flyer* magazine.

As a result of a rejection of their tentative contract the previous October, the carrier's flight attendants, represented by the AFA, resume negotiations with management in March under the supervision of a federal mediator.

Disappointed with the service it has received from Mesa, **America West Airlines** determines during the first quarter to conclude its code-sharing agreement with **America West Express (Mesa Air Group)**, effective April 2. When it is learned that former Mesa executive vice president and current **Virgin Express Airlines, S.A.** CEO, Jonathan Ornstein, has become involved with Mesa on a management basis, AWA relents, agreeing to rescind the termination notice and enter into an interim dual-designator pact. A long-term code-sharing alliance will be negotiated after Ornstein takes over as Mesa's CEO on May 1.

A code-sharing agreement is signed with **EVA Airways, Ltd.** of Taiwan on April 21. When the pact takes effect during the summer, the two will link their frequent flyer programs and link EVA's daily nonstop transpacific services to Los Angeles and San Francisco with AWA's hubs in Phoenix and Las Vegas.

As a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting, as of May 1, the issuance of advance boarding passes. On May 4, a second daily nonstop A320-231 roundtrip is launched from Phoenix to Baltimore (BWI).

Daily nonstop roundtrips commence on May 5 from Baltimore (BWI), Philadelphia, and Washington, D.C. (IAD). Daily nonstop A320-231 roundtrips from Las Vegas to Ft. Lauderdale simultaneously begin, as does a second daily A320-231 nonstop return service from Columbus to Los Angeles.

The same day, daily 5 p.m. nonstops are added from Phoenix to Baltimore (BWI), Philadelphia, and Washington, D.C. (IAD). In the last year, America West has increased nonstop service from Phoenix to the Northeast by 125%, from 8 to 18 daily flights, and enhanced its Phoenix schedule to 206 daily departures.

Expansion of service also occurs, beginning May 5, in the Pacific Northwest. A fifth daily roundtrip is started between Portland and Phoenix, with a second daily roundtrip between Portland and Las Vegas; a sixth daily roundtrip is started from Seattle to Phoenix, with a second daily roundtrip offered between Seattle and Las Vegas. That evening, night flight operations at the Las Vegas hub are restructured in order that the schedule ends two hours earlier.

America West and **Continental Airlines** now jointly announce that they are engaged in finding a way to make it possible to interline E-tickets, which cannot now be transferred between airlines, even among those in alliance. A solution is promised by spring 1999.

The carrier in May expands its alliance with **Northwest Airlines** to include the Minneapolis-based major's associates **Continental Airlines**, **Air China International Airlines**, and **Alaska Airlines**. All four will link their frequent flyer programs, coordinate schedules, offer joint marketing and maintenance where appropriate, share lounges, and plan for code-sharing.

On May 13, daily nonstop B-757-2S7 roundtrips are inaugurated between Phoenix and Anchorage. A third daily flight is also added between Phoenix and Vancouver.

Twice-weekly B-737-3G7 roundtrips commence on May 20 between Phoenix and Ixtapa and Zihuatanejo, Mexico.

Little-noticed by the public, David Bonderman, chairman of TPG Partners (which holds a 49% stake in America West Holdings) cashes out some of his stake in the airline, selling 1.95 million shares for \$56 million.

On July 14, the FAA cites the carrier for violating regulations when it fails to conduct required inspections of the doors of its A320s, as well as other maintenance deficiencies. A settlement agreement is signed by the carrier with the government under which AWA will pay a \$5-million fine, \$2.5 million within four days (it is paid next day) with the other \$2.5 million to be suspended if all terms of the pact are met. Although not the largest fine ever assessed against a U.S. air car-

rier (the \$9.5-million record was left unpaid by the demise of **Eastern Air Lines**), it is the largest ever paid.

Under terms of the settlement, the airline and FAA establish Strategic Action Teams (SATs) made up of company and government personnel to root out systemic maintenance and organizational problems and to devise corrective actions.

A new, six-year code-sharing agreement with **Mesa Air Group** is announced on July 23. Focusing initially on America West's hub at Phoenix, the agreement contemplates adding regional operations in Las Vegas and Columbus, Ohio. Additionally, Mesa's Beech 1900s will be withdrawn in favor of CRJs and DHC-8s, which will reach totals of 12 and 14, respectively, by the end of 1999.

During the **Northwest Airlines** pilot strike, which begins on August 29, the carrier accepts NWA tickets within 72 hours of the original scheduled departure time. On flights where seats are not available, Northwest ticketholders are accommodated on a stand-by basis.

A four-year marketing agreement is announced with the Arizona Cardinals National Football League team on September 17. To kick off the new partnership, AWA helps sponsor the home opener on September 20, giving the first 50,000 fans in attendance a "Big Red Rally Rooter," a replica of the Cardinals' logo. Plans are also announced that a B-757-225 will be painted in special livery as a tribute to the team.

A tentative five-year agreement is reached between the airline and the Teamsters on September 21. The airline agrees to stop outsourcing its maintenance contracts and to grant the mechanics a 34% pay increase over the life of the contract, following an immediate wage hike of 14.4%. The next day the deal is sent to the union local's rank-and-file for ratification. The mechanics contract is ratified on October 7.

An additional daily A320-231 roundtrip service is instituted on October 10 between Las Vegas and Philadelphia. Simultaneously, a second daily A320-231 roundtrip is begun from Las Vegas to San Diego.

The first of three A319-132s to be received by the company before the end of the year is delivered on October 7 and unveiled in ceremonies at Sky Harbour Airport on October 12. The aircraft enters service the same day between Phoenix and Columbus.

Two days later, flight attendants begin to receive strike ballots; a go or no-go on random work stoppages (Operation Chaos) will be decided when the votes are counted on November 2.

A fifth daily A320-231 roundtrip is added on October 26 between Phoenix and Chicago (ORD).

Local members of the AFA vote 1,701 to 14 on November 2 to authorize a strike should on-going negotiations with management fail over the next few days or weeks.

On November 4, the carrier announces that it will add a fifth daily nonstop A320-231 roundtrip between Phoenix and Newark (EWR) on January 7, together with a fourth daily nonstop A320-231 roundtrip from Phoenix to Boston.

To meet the travel demands of attendees at COMDEX, the world's largest high-tech event, AWA adds 32 return flights to Las Vegas on November 16-20 from Los Angeles, San Francisco, and San Jose.

Claiming that its negotiations with management since November 2 have been fruitless, the local members of AFA request that the National Mediation Board (NMB) immediately declare the existence of an impasse. Should that action occur during the week, a mandatory 30-day cooling off period will follow. Without an agreement in that period, the union would then be free to strike—at the height of the Christmas holidays.

While on descent into Sacramento on a December 1 service from Santa Ana, a B-737-3G7 with 5 crew and 70 passengers encounters severe turbulence. One flight attendant is seriously injured and taken to the hospital as soon as the plane lands.

The B-757-2G7 painted in a tribute to the Arizona Cardinals NFL team is rolled out on December 15. The brilliant red-and-white plane with a white Cardinals' helmet and logo emblazoned on its tail enters service as part of the four-year marketing agreement between the airline and the football club.

Another roundtrip A320-231 flight is started on December 17 between Las Vegas and Boston. Three days later, a mid-day A320-231 departure is launched from Las Vegas to Ontario, California. A sixth daily roundtrip frequency is simultaneously added from Phoenix to Chicago (ORD).

The dual-designator service with **EVA Air (EVA Airways, Ltd.)** is expanded on December 21 as EVA places its two-letter BR code on AWA services from Los Angeles to both Las Vegas and Phoenix and on its flights from San Francisco to both Phoenix and Las Vegas.

Two days later, the company announces that, effective January 7 it will add 6 daily flights (for a total of 15) between Phoenix and Los Angeles.

Passenger boardings for the year decline by 2.6% to 17,852,880; cargo traffic is off 11.13% to 62.91 million FTKs. Revenues rise 5% to \$1.96 billion, while costs are up 3.5% to \$1.77 billion. The operating profit is \$197.84 million, while net gain jumps to \$103.01 million.

The Phoenix to Los Angeles roundtrips announced before Christmas begin as scheduled on January 7, 1999. On January 20, the company announces that it has been contacted by a number of airlines expressing interest in a variety of business transactions ranging from strategic alliances to mergers. It confirms that **United Airlines** has made an offer to take it over in a merger; the action is similar to the pact concluded in December between **Northwest Airlines** and **Continental Airlines**. Analysts see the alliance as a move by the Chicago-based major to counter **American Airlines'** bid for western growth by its recent acquisition of **Reno Air**.

The next day it is revealed that **Delta Air Lines** has also been in conversation with America West. **Southwest Airlines (2)**, which is the second most dominant carrier at Phoenix, denies any interest in taking over the company. Texas Pacific (46.9%) and **Continental Airlines (8%)**, which between them own 54.9% of the company and have a right of first refusal on any shares which Texas Pacific may offer for sale. Continental chairman Gordon Bethune indicates that his carrier "would assert its rights" over those shares in the unlikely event that an offer for America West is cleared by federal regulators and labor unions.

When **Delta Air Lines** on January 29 raises business ticket prices by 2% and leisure ticket costs by 4%, America West is one of four majors to quickly follow suit. The move, the first ticket price boost for U.S. airlines in 18 months, is seen as the opening salvo in an opening series of across-the-board fare hikes.

Four daily return flights commence on February 1 between Phoenix and Monterey, California.

Also on February 1, while en route from Tampa to Las Vegas, Flight 5, an A320-232 with 7 crew and 129 passengers, encounters turbulence 1.5 hours into the flight. An elderly man ignores flight attendant instructions to return to his seat, falls, and fractures his hip. The crew obtains medical advice by radio and the aircraft continues to its destination.

CEO Franke, speaking before a Goldman, Sachs & Co. airline conference in Miami on February 5, lets it be known that the airline's major minority shareholder, TPG Partners L.P., will support the sale of the airline only if the buyer purchases all of its stock, Class A and Class B shares alike, valued at approximately \$1 billion. **Continental Airlines**, which seeks to block a takeover by **United Airlines**, has contended that it could take control merely by acquiring TPG's Class A stock, at an estimated cost of \$50 million. The position, seconded by TPG Chairman Bolderman later in the day, is seen by analysts as an effort by America West to maximize for shareholders the value of any purchase.

After months of discussion, the NMB on February 8 asks management and negotiating flight attendants to submit to binding arbitration. The local chapter of the AFA rejects the request on February 12, setting the countdown on a 30-day "cooling off" period after which the union may declare a strike. Union leaders indicate that, if a strike is declared, it will be a series of random job actions in which flight attendants simply fail to show up for randomly selected flights in targeted cities.

A strategic agreement with **Ansett Australia (Pty.), Ltd.** is announced on February 16. Under its terms, the two companies link their frequent flyer programs and offer common use of airport lounges and through check-in services. Code-sharing on revenue passenger flights will commence shortly.

On the same day, Flight 2811, an A320-231 with 5 crew and 26 passengers and inbound from Newark, is forced to make an emergency landing at Port Columbus International Airport when its nose gear fails to properly deploy. The pilot makes three go-arounds, during which ATC confirms that, though the nose tires are down, they are now correctly aligned. Both tires blow when the jetliner puts down; however, the remainder of the landing is completed without problems and no injuries are reported.

According to a report in the February 19 issue of *The Wall Street Journal*, **Delta Air Lines**, which has been considering entry into the bidding war for AWA, has withdrawn as of February 17. Also on that Wednesday, UAL, Inc., parent of **United Airlines**, tenders an undisclosed cash offer for the airline. The newspaper sees the prospect of a bidding war with **Continental Airlines**. As a result of the offer, stock in America West rises 13.8% to \$22.75 per share on the New York Stock Exchange; the value of **United Airlines** stock climbs 25 cents to \$59.50.

Shareholder Odette Muskin files legal papers in Delaware Chancery Court on February 19 instituting a lawsuit against the airline. Details are released on February 22 and allege that her company has been unable to act as independent evaluators of a takeover offer by UAL. Her effort will become moot before the day is over when CEO Franke announces to cheering company employees that the board of America West has voted to end its discussions with other airlines and remain an independent operator. The chairman refuses to acknowledge that **United Airlines** has made an offer, but acknowledges that conditions of a deal with a possible suitor, particularly antitrust concerns, had been viewed by decision-makers as "difficult and unlikely." The same opinion had been expressed by airline analysts since the day the potential deal was announced.

On March 2, a fourth daily, nonstop, roundtrip A320-231 service is inaugurated between Las Vegas and New York (JFK).

America West Holdings Corp., its officers, directors, and controlling shareholders, become the subject of a class action lawsuit on March 4. Filed by Milberg Weiss in the U.S. District Court for the District of Arizona, the complaint charges misrepresentations and insider trading on publicly traded Class B common stock during the period from November 19, 1997 to September 3, 1998. Hartford, Connecticut-based Schatz & Nobel will file a similar class action suit against the airline in the same court on March 19.

Stalled contract negotiations between the carrier and the AFA Council 66 resume in Washington, D.C. on March 17 under the supervision of NMB board member Ernest DuBester. They continue next day; if no compromise is reached, a strike will begin at 12:01 a.m. on March 20.

Just before midnight on March 19, after three days of mediation in Washington, D.C., a deal is struck between the airline's management and the flight attendants. Details are not immediately disclosed, pending approval of the pact by the union membership.

On March 29, the carrier announces that it will launch new daily non-stop A320-231 return service between Phoenix and Tampa beginning on August 1.

The board of directors approves a major management reorganization on April 12. Board Chairman/CEO Franke reassumes the duties of president (replacing the resigned Richard Goodmanson, who will become executive vice president of the E. I. Du Pont de Nemours & Co. on April 26), while Senior Vice President/Chief Financial Officer Parker becomes executive vice president. Former **Federal Express (FedEx)** senior official Gilbert D. Mook is named executive vice president/chief operating officer; both Parker and Mook receive board seats.

The five-year collective bargaining agreement reached between the airline and the AFA on March 19 is overwhelmingly ratified by the local membership on April 30. The pact is the first ever negotiated between America West and its flight attendants.

Stockholders vote at their annual meeting in Phoenix on May 20 to approve an extension of the stock buyback plan, initiated in 1995, which will allow the repurchase of up to five million additional shares. Since the scheme's inception, the airline has purchased 8.7 million shares and 7.4 million warrants, returning over \$217 million to shareholders.

Per a March 2 announcement, the company inaugurates nonstop B-737 roundtrips on June 6 between Reno, Nevada, and Orange County, California, four times a day.

Daily nonstop A320-231 flights commence on August 1 between Phoenix and Tampa. Simultaneously, additional frequencies are added from Phoenix to Milwaukee (from two to three); to Oakland (from four to five); to Atlanta and Omaha (from three to four); and from Columbus to Las Vegas (from two to three).

The carrier sells 5 B-737-300s and 1 B-757-200 to Boullion Aviation Service for \$125 million on August 23—and then leases them back for 5 years.

A multiyear marketing and sponsorship agreement is signed with the University of Southern California on August 25, under which AWA becomes the university's official airline.

Service is expanded on September 1 from Phoenix to Detroit and from Las Vegas to Baltimore, San Jose, and Palm Springs. It is also boosted, on October 1, from Phoenix to Minneapolis, Los Cabos, and Puerto Vallarta.

In early October, the carrier and **Continental Airlines** become the first two U.S. airlines to offer interline electronic ticketing via SABRE or Amadeus, on each other's flights. The action has been taken as part of the company's loose alliance with the Houston-based major.

On October 31, the two expand their code-share from Cleveland, Newark, and Houston (IAH) to include the international flights to Toronto, Ottawa, Montreal, Manchester, Birmingham, Glasgow, Frankfurt, and Dusseldorf.

As the year ends, the carrier joins with **Trans World Airlines (TWA)** to announce linkage of the two carriers' frequent flyer programs.

After completing its December 29 service from Los Angeles to Phoenix, the carrier's B-737-112 is retired; it was the last Dash-100 in U.S. airline service.

Overall passenger boardings climb 5.1% to 18.7 million, but cargo is off 7.5% to 59,457,000 FTKs. Operating revenues shoot upward by 9.1% to \$2,146,955,000, while costs rise 10.1% to \$1,949,054,000. At \$197,901,000, the operating profit is nearly level with last year's, but net gain jumps to \$200,974,000.

Airline employment at the beginning of **2000** stands at 11,300, an 8.1% increase over the past year. Among the world's top 25 airlines at the beginning of the new millennium, America West is 19th in terms of passengers, 16th in fleet size, 20th in operating profit, and 17th in net gain.

Seasonal (through March) A319-132 daily roundtrips are inaugurated on January 4 from Columbus to Ft. Myers.

When one of the company's flight-planning computers fails on February 17, 50 flights must be cancelled; another 36 must be scrubbed the next day.

Thrice-daily B-737-3G7 roundtrips begin on March 6 from Phoenix to Boise; the next day, twice-daily A319-132 and B-737-3G7 is started between Spokane and Phoenix and from Spokane to Las Vegas via Phoenix.

An irate woman passenger aboard Flight 2186, an A320-231 en route from New York (LGA) to Phoenix on March 22, enters the cockpit and strikes the copilot; the air rage perpetrator is subdued and the Airbus diverts to Albuquerque where she is turned over to police.

Also during the first quarter, President/CEO Richard Goodman is fired, with America West Holdings Chairman/CEO William Franke assuming his duties as a replacement is sought.

Daily A319-132 roundtrips commence on April 1 between Phoenix and Hartford, Connecticut, via Columbus.

A \$35-million, 150,000-sq.-ft. flight training and systems operation control facility is built at Phoenix during the spring.

Daily B-737-3G7 roundtrips are initiated on May 3 between Phoenix and New Orleans.

Passenger complaints against the carrier reach a crescendo in May while its on-time performance drops another 5 points, with roughly 30% of its flights delayed. Only **United Airlines** turns in a worse performance. In the midst of this public relations debacle, Chief Finan-

cial Officer W. Douglas Parker is elevated to the airline's presidency, effective July 1.

Two more A319-114 roundtrips are added on June 20 from Las Vegas to Hartford via Columbus.

The company's on-time deficiencies continue with the summer. During the long Fourth of July holiday, maintenance and staffing problems force the carrier to ground some 50 Phoenix flights.

With its operational performance continuing to be among the worst for U.S. majors, America West seeks improvement by reducing its schedule by 3.5% on July 28 and pulls four aircraft off the line to serve as backups when problems occur. More automation comes on line and additional ramp personnel are added at Phoenix and Las Vegas.

After boarding a company jetliner at Seattle for an August 12 flight to Phoenix, a passenger finds a written bomb threat; the plane is evacuated and removed to a remote part of the airport where it is swept. No explosives are found.

A management shake-up occurs on August 15, with all corporate matters consolidated under CEO Franke.

In mid-September, a three-year marketing compact is signed with the new Columbus Blue Jackets NHL team.

Twice-daily A320-231 roundtrips are inaugurated on September 26 from Phoenix to Washington, D.C. (DCA). A second roundtrip from Phoenix to DCA begins on October 14 as does a third from Chicago (ORD) to Las Vegas. On October 24 new daily B-757-2G7 return flights are launched from Las Vegas to Washington, D.C. (DCA). Daily A320-231 roundtrips begin on October 30 between Phoenix and Toronto.

AMERICA WEST EXPRESS (1): United States (1992–1994). On October 1, **1992**, **Mesa Airlines** enters into a code-sharing agreement with **America West Airlines** to create America West Express commuter service through the integration of routes from each carrier's existing Phoenix operations. America West's six de Havilland DHC-8-102s and a number of Mesa Beech 1900s are given over to the collective enterprise.

Also on this day, the major transfers its routes to Durango and Grand Junction, Colorado, and Yuma, Arizona, to the regional, which provides its own links from Farmington and Gallup, New Mexico. The America West route to Flagstaff is transferred on November 1 followed by the service to Palm Springs and Telluride on December 1. As the year ends, flights are also launched to the Arizona communities of Kingman, Prescott, Flagstaff, Fort Huachuca, Bullhead City, and Lake Havasu.

A year later, on October 8, **1993**, the code-sharing agreement is expanded and plans are made in November to initiate new commuter feed from America West's Columbus hub at Milwaukee. These Beech 1900 services begin on December 15 to Rochester, Detroit, Lansing, Flint, Toledo, Dayton, Akron/Canton, Louisville, Rockford, Indianapolis, South Bend, Des Moines, and Cedar Rapids.

In the spring of **1994**, **Mesa Airlines** is reorganized into Mesa Air Group, with five operating divisions, including the new **Mountain West Airlines (4)**. This turboprop unit is made up of Albuquerque-based **Mesa Airlines'** 8 Beech 1900s, Phoenix and Columbus-hubbed **America West Express'** 16 Beech 1900s and 3 Embraer EMB-120 Brasilias, and Los Angeles-based **WestAir Commuter Airlines'** 27 Beech 1900s, 9 Brasilias, and 6 de Havilland Canada DHC-8s. **Desert Sun Airlines (2)** is also established to provide regional jet service from Phoenix to Spokane and Des Moines with Fokker 70s. Following the completion of negotiations between Mesa Air Group and **America West Airlines**, both of these new divisions will operate as **America West Express (Mesa Air Group)**.

AMERICA WEST EXPRESS (2). See **DESERT SUN AIRLINES (2)**

AMERICA WEST EXPRESS (3). See **MOUNTAIN WEST AIRLINES (4)**

AMERICA WEST EXPRESS (MESA AIR GROUP): Mesa Air Group, 2325 East 30th St., Farmington, New Mexico 87401, United

States; Phone (505) 326-4410; Fax (505) 326-4485; <http://www.americawest.com>; <http://www.mesa-air.com>; Code HP; Year Founded 1997. During the first week of January 1997, **Mesa Air Group** is again reorganized. The operating divisions Desert Sun, Florida Gulf, Liberty Express, and Mountain West are replaced by four new units: America West Express, Independent, United Express, and USAir Express. Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**.

Desert Sun Airlines (2), the company tasked with flying America West Fokker 70 jet service from Phoenix, and **Mountain West Airlines (4)** are thus combined into America West Express, with former Mountain West CEO Michael Lewis in charge. While **Mesa Air Group** as a whole upgrades to FAR 121 status, the new unit takes over the 10-year **America West Airlines** contract, which requires 97% service completion reliability.

Services to Seattle, Spokane, Fresno, Des Moines, and Las Vegas continue even as plans move forward to replace the Fokkers with Canadair regional jets.

The initial CRJ200ERs arrive in late June painted in the new color scheme of **America West Airlines** with America West Express billboard-sized titles painted along their sides. They commence revenue services on July 7 from Phoenix to Des Moines, replacing the Fokker 70s. Later in the fall, one of the new CRJ200ERs unveils the unit's distinctive new color scheme.

Training backlogs result in Beech 1900D crew shortages, which begin to impact service reliability.

With CRJ200ERs unable to operate successfully out of Aspen in winter conditions, the carrier, on December 17, inaugurates thrice-daily nonstops from Phoenix to Aspen with DHC-8-200s; simultaneously, twice-daily flights begin from Aspen to Phoenix. Unfortunately, service completion reliability as a whole falls to 95%, three points below the minimum required.

Disappointed with the service it has received from Mesa, **America West Airlines** determines during the first quarter of 1998 to conclude its code-sharing agreement with **Mesa Air Group**, effective April 2. When it is learned that former Mesa executive vice president and current **Virgin Express Airlines, S.A.** CEO, Jonathan Ornstein, has become involved with Mesa on a management basis, AWA relents, agreeing to rescind the termination notice and enter into an interim dual-designator pact. A long-term code-sharing alliance will be negotiated after Ornstein takes over as Mesa's CEO in May.

A new, six-year code-sharing agreement with **America West Airlines** is announced on July 23. Focusing initially on America West's hub at Phoenix, the agreement contemplates adding regional operations in Las Vegas and Columbus, Ohio. Additionally, Mesa's Beech 1900s will be withdrawn in favor of CRJs and DHC-8s, which will reach totals of 12 and 14, respectively, by the end of 1999.

Frequencies to Des Moines and Fresno are increased during August. Twice-daily Beech 1900D nonstops commence on September 14 from Phoenix to Hermosillo and Guaymas in northern Mexico. On the same day, four-times-a-day nonstop DHC-8-202 roundtrips are started from Phoenix to Bakersfield, California. Twice-daily nonstop DHC-8-202 roundtrips begin on September 17 from Phoenix to Gunnison, Colorado.

Daily DHC-8-202 roundtrips commence on October 26 from Phoenix to Hayden and Steamboat Springs and to Eagle and Vail, Colorado.

Under terms of its new accord with **America West Airlines**, America West Express (Mesa Air Group) assigns 4 new CRJ200s necessary for the expansion to the major's Columbus, Ohio, hub as they become available. The first of the new Ohio-based CRJs are employed, beginning on October 29, to double frequencies to Baltimore and Philadelphia from two flights per day to four.

Additionally, a third daily flight is started to Boston and a fourth to New York (LGA). Frequencies to Chicago (MDW) are advanced to seven-per-day. These latter services will be operated by a mix of CRJs and larger America West jets and will be expanded again in January.

On November 16, the company announces that it will provide four daily CRJ roundtrips between Phoenix and Monterey, California, beginning on February 1.

At the end of the year, America West Express visits 32 cities in Arizona, California, Colorado, Illinois, Iowa, Maryland, Nevada, New Mexico, New York, Ohio, Pennsylvania, Washington, D.C., and northern Mexico.

As announced, frequencies to Chicago are expanded in January 1999 and four daily CRJ roundtrips between Phoenix and Monterey start on February 1.

Thrice-daily CRJ roundtrips commence on March 24 between Phoenix and Midland and Odessa, Texas. Two additional daily CRJ roundtrips are added on March 27 between Phoenix and El Paso.

Daily CRJ roundtrips are introduced on April 4 between Phoenix and San Luis Obispo and Carlsbad and Oceanside, California.

The **Mesa Airlines**, **Air Midwest**, and **CCAair** divisions of **Mesa Air Group** all complete 100% of their flights on May 2. To celebrate this achievement, President/CEO Ornstein, on May 6, hosts a company-wide pizza party, ordering pizza for all 3,800 employees in every unit spread over 100 locations.

Capacity from Bakersfield, California, is increased by 75% on June 26 with the introduction of two additional DHC-8-202 roundtrips to Phoenix, along with a new daily nonstop roundtrip to Las Vegas.

Twice-daily CRJ roundtrips commence on September 11 between Phoenix and Eugene, Oregon; a third frequency is added on October 1. Complementing the major's two daily roundtrips between Phoenix and Wichita, AWE adds a third CRJ service the same day. CRJ200ER daily roundtrips begin on October 31 from Las Vegas to Santa Barbara.

To complement the major's twice-daily return flights, twice-daily CRJ200ER roundtrips commence on June 20, 2000 from Columbus to Hartford. A new four-times-a-day CRJ return service from Las Vegas to Columbus begins on July 1.

Twice-daily nonstop DHC-8-200 roundtrips commence on September 6 between Phoenix and Oxnard, California. Three days later, new thrice-daily Beech 1900D roundtrips are started from the Arizona hub to Santa Fe. Daily CRJ200ER roundtrips from Phoenix to Guadalajara commence on September 13.

AMERICAIR: United States (1983–1984). With a base at Washington, D.C. (IAD), David Sullivan's AmericAir, marketing itself as the "Airlink to the Nation's Capital," inaugurates scheduled daily roundtrip passenger services to Atlantic City on March 15, 1983.

Employing 1 Britten-Norman BN-2 Islander, 1 Cessna 402, and 2 Cessna 210s, the company also undertakes shuttle flights to Washington, D.C. (DCA) and Baltimore (BWI) on behalf of **British Airways, Ltd. (2)**. Scheduled operations are discontinued late in the year.

Plans are made in spring 1984 to resume service from Washington, D.C. (IAD) to Richmond, Virginia, in May, but these can only be maintained for a few months.

AMERICAN AIR EXPORT & IMPORT COMPANY. *See* **AAXICO AIRLINES**

AMERICAN AIR EXPRESS: United States (1945–1947). One of several small all-cargo airlines established by returning servicemen in late 1945, this operator conducts irregular Douglas C-47 services until 1947.

AMERICAN AIRLINES: P.O. Box 619616, Dallas–Fort Worth International Airport, Dallas, Texas 75261, United States; Phone (817) 963-1234; Fax (817) 967-4318; <http://www.aa.com>; <http://www.amrcorp.com>; Code AA; Year Founded 1934. In February 1934, the U.S. government cancels all commercial mail contracts, leaving the delivery of the nation's mail in the hands of the U.S. Army Air Corps. Their efforts are unsuccessful, and on March 30 the Post Office again advertises for commercial services. Unable to bid under its previous identity,

American Airways is reorganized under Delaware law on April 12 and renamed American Airlines. This expedient, made retroactive to April 11, qualifies the company to participate in the new subsidy distribution. Company headquarters remain at Chicago.

On April 20 and 27, the Post Office announces the awards and American Airlines finds itself among the successful bidders. As a result, the airlines' routes are significantly revised. The services previously flown from Chicago to Atlanta and New Orleans, from Atlanta to New Orleans and Fort Worth, from New Orleans to Houston, from Fort Worth to Brownsville, and from Houston to Amarillo via Fort Worth are terminated as overall route mileage declines from 9,200 to 6,792 miles.

In place of the lost routes are several new ones: New York to Fort Worth via Washington, Nashville, and Memphis (AM-23) and Fort Worth to Los Angeles (AM-4). The link between the two new routes at Fort Worth allows a more cohesive line structure and a true southern (2,789-mile) transcontinental route. At the end of April, the company readies 12 Curtiss T-32A and D Condor biplane transports for introduction in both sleeper and day coach service.

One of the newly acquired stops is that at Bristol, Virginia, where former **Eastern Air Transport** employee Jane Dulaney is hired as station manager, one of the few females to hold such a position at this time. As is the case with all station managers, she is required to wear a pistol while overseeing the transfer of mail sacks to and from aircraft. She will hold her post until AA transfers to the new Tri-Cities Regional Airport in 1937.

The first route restarted is Fort Worth to Los Angeles on May 5; 6 T-32As allow sleeper comfort in both directions. Certain of the aircraft are also employed on May 8 as the carrier begins once more to transport mail over the older New York to Chicago route; flights begin the same day from New York to Boston. Later in the month, as orders are placed for newer aircraft, a significant portion of the old fleet is put up for sale; 51 aircraft go on the block, including 16 Fairchild Pilgrim 100As, 23 Stinson SM-6000s, and 8 Stearman mailplanes.

On June 9, en route in fog to Chicago from Newark, a T-32A crashes near the top of Mongaup Mountain, near DeBruce, New York (seven dead). On June 12, Congress passes a new airmail law that effectively removes manufacturers from the air transport business by December 31. To promote the two-month-old T-32A sleeper service, the company places a two-page ad in the June 25 issue of *Time* magazine extolling its healthful ease and offering mail-in coupons for further information. Also in June, the carrier inaugurates service on two additional, older runs reacquired: Chicago to Fort Worth and Chicago to Washington.

The first 8 Vultee V-1As are delivered at the end of July. Initial units are placed into service on the Chicago-Fort Worth via St. Louis route during the first week of August. Piloted by Earl Ward, a V-1A completes the 724-mile Chicago to New York service on August 25 in a record 2 hrs. 59 min.

Although now dependent on airmail, company officials realize that the future of air transport lies in passenger carriage. As a result, the carrier quickly makes itself known through the promotion in September of an Air Travel Plan, one of the industry's first sales tools and predecessor of today's credit travel. In addition, its development of an airway traffic control system later adopted by all airlines and administered by the U.S. government is greeted as a major contribution; the primitive system is able to follow all AA flights approaching Chicago. Cyrus R. "C. R." Smith, vice president of the southern division, is named president on October 26.

Also in October, it is announced that 3,500 passengers have taken the sleeper flights. A new, fast Boston to Washington service is initiated on November 12. A Lockheed Model 9 Orion is destroyed in a crash on November 15; there are no reported injuries. The carrier's first Douglas DC-2 is received during Thanksgiving week and enters New York-Chicago service on December 2. Its introduction and that of those that follow allows retirement of the last 10 Ford 5-ATs.

Just after landing at Buffalo on December 19, a T-32B Condor catches fire and is destroyed; no one is hurt. Late in the month, a new Post Of-

fice mail route is opened between Los Angeles and Fort Worth. On December 22-23, pilot Russell Riggs's Orion mailplane en route to Nashville from Cleveland crashes near the top of Big Pilot Mountain at Sunbright, Tennessee, killing Riggs instantly. The last two Model 9 Orions are now also withdrawn.

En route to Albany from Newark on December 28, a T-32 is caught in a snowstorm and makes a forced landing on an Adirondack mountain-side near Morehouseville, New York; the four survivors are rescued four days later. Meanwhile, 18 Stinson Model U Tri-Motors are placed into service and the first Stinson Model A is received on New Year's Eve. Made in close cooperation with the airline, the Fox Studio's Shirley Temple movie *Bright Eyes* is now released; it features numerous airport location scenes and showcases AA's new DC-2.

Despite the completion of 20 million passenger miles flown, the ledgers show a loss of \$2,313,678.

The Aviation Corporation (AVCO) formally transfers its stock to the trustees of AA on January 9, 1935. The Model 9 Orions are returned to service and, on January 10, one is destroyed when its pilot, John Johannpeter, is forced to bail out over Pittsburg Landing, Tennessee. Three additional Vultee V-1As are received during February and March as orders are placed for 15 additional Stinson Model As.

During the spring, frequencies on the New York to Chicago service rise to five each way daily (except Sundays and holidays). In addition to DC-2s, T-32 Condor sleepers are employed on the twice daily New York to Los Angeles route. A variety of other frequencies between such cities as Washington-Chicago, Cincinnati-Chicago, Tulsa-Fort Worth, Chicago-St. Louis, Boston-New York, Cleveland-Nashville, Buffalo-New York, and St. Louis-Fort Worth are also increased.

As of July 1, the trustees have completed distribution of all of the predecessors stock, acquired in January, on the basis of one-tenth share of stock for each \$5 share in AVCO.

Frequencies on the New York to Chicago service are increased to six per day on July 10. While landing at Murfreesboro, Tennessee during a Fort Worth to Cleveland run on July 27, a T-32B sleeper hits a telephone pole and crashes; no one is hurt and one passenger sleeps through the entire mishap, knowing nothing of it upon being awakened by a stewardess.

Meanwhile, during the summer, the company introduces the Air Travel Card system, one of commercial aviation's first discount-marketing schemes. A deposit of \$425 allows passengers to use their credit cards to charge trips at discounts of up to 15%.

Ranking high among the important developments of the mid-1930s is an airplane. American has purchased a few Douglas DC-2s; considered good airplanes and widely adopted, the aircraft still does not satisfy the need for an airliner that can make money carrying passengers exclusive of mail contracts. Company engineers decide that, if they can increase the DC-2's capacity from 14 to 21 seats, they will have created the desirable machine. C. R. Smith now convinces Donald Douglas to undertake development of the new sleeper transport by placing a July 8 order for 10 aircraft.

While making an emergency landing at Franconia, Virginia, on October 24, a Stearman 4CMI mailplane is wrecked.

The Society of Pioneers employee organization is established on October 26 and a full-page ad is placed in the October issue of *The Saturday Evening Post* that notes that many passengers, accustomed to alcoholic drinks on trains and ocean liners, were requesting them. "Shall we serve cocktails to passengers?" asks the message. The response to the question from respondents is an overwhelming "no." Seven Stinson Model As are received in November and December and are placed into service on the five-stop Chicago to Detroit frequency. After passing out service questionnaires for six months, the carrier announces on December 15, that as a result of public opinion (which is in line with *The Saturday Evening Post* ad) thus tested, liquor will not be served on company aircraft.

The changes that are required for the new Douglas sleeper transport turn out to be far more extensive than expected. American Airlines and the Douglas Company finish and test fly their product on December 17,

which is also the 32nd anniversary of the Wright Brothers first flight at Kitty Hawk. In the days of testing that follow during the remainder of the month, they discover that they actually have a whole new airplane—the DC-3. Destined to be one of the most famous commercial planes in history, it will become known as “the plane that changed the world.”

So efficient is the prototype that the AA order is increased to 8 DSTs and 12 DC-3A 21-seat day versions. The initial test aircraft, NC-14988, is christened *Flagship Texas* and is the first unit of the company's long-running Flagship Fleet. Enplanements for the year total 196,523 and revenue passenger miles flown are 73.57 million. An operating profit of \$748,370 is generated, along with net gain of \$4,600.

The *Flagship Texas* is displayed at the Los Angeles Auditorium's National Pacific Aircraft and Boat Show during the first week of January 1936 before resuming its test flight schedule.

Meeting in Chicago on January 14, President Smith joins with Eastern President Capt. Eddie Rickenbacker, United President Patterson, and TWA's Jack Frye to announce creation of a trade organization—the Air Transport Association of America—and appointment of its first president, Edgar S. Gorrell. On the same day, the DC-2 *Southerner*, en route from Newark to Fort Worth, mysteriously crashes into trees at Goodwin, Arkansas (17 dead); the cause of the accident is never determined.

En route to Fort Worth from Chicago on January 29, a Vultee V-1A ices up in a blizzard over Little Elm, Texas, and crashes (one dead). While lifting off from Albany on February 2, a Stinson Model U catches its left wing in a snowbank and crashes, injuring those aboard. Also in February, when **Bowen Air Lines** ceases operations, two Vultee V-1As it had leased from AA are returned.

On April 1, a Stinson Model A explodes in midair over Pavillion, New York (two dead). Eleven days later, a new shuttle service is opened between Lakehurst, New Jersey, and Newark to accommodate passengers of the German airship *Hindenburg*. On April 29, three weeks before being granted its Approved Type Certificate, the first Douglas Sleeper Transport (DST), *Flagship Texas*, is officially accepted at Phoenix, Arizona, where the carrier can avoid paying California sales tax. The same delivery process will also be employed later for the carrier's DC-6s and DC-7s. The ship is immediately returned to the manufacturer for 50 hours of additional government-required route proving tests.

The *Flagship Texas*, between May 2–7, completes its test flights between Glendale and Santa Monica via Fort Worth, El Paso, and Phoenix. During the month, Capt. H. D. Bowyer is seconded to **Airlines of Australia (Pty.), Ltd.** where he pilots that company's first Stinson Model A on a record-breaking 2 hr. 45 min. flight from Sydney to Brisbane. Just after a Chicago takeoff on May 25, smoke is seen in the baggage compartment of a Stinson Model A; after a safe landing and evacuation, the plane is destroyed by fire.

The first operational, but second DST, NC1600, is delivered on June 8. On June 21, it makes a record-breaking, publicity-generating Chicago–Newark–Chicago demonstration flight of 8 hrs. 7 min. To help encourage completion of the new Nashville Municipal Airport, on June 24 a company DC-2, becomes the first commercial airliner to land at the new field. Following the arrival ceremonies led by Tennessee's WPA Administrator Harry S. Berry, the gathered citizenry watches as the aircraft transports airport officials and civil leaders on several flights around the airfield.

Following elaborate christening ceremonies, *American Eagle* and *American Arrow* \$47.95-each-way service begins as a DST, *Flagship Illinois*, piloted by Capt. W. W. Braznell, departs Chicago on June 25, arriving nonstop at Newark (serving New York) 3 hrs. 55 min. later. The reciprocal service is piloted from Newark to Chicago in 4 hrs. 45 min. by Capt. Melvin D. Ator in the *Flagship New York*. The DSTs are not flown in sleeper configuration.

Financing of the new airliner and service has by now eliminated both the carrier's cash and credit. To continue, C. R. Smith is able to arrange the first-ever airline loan provided by the U.S. Reconstruction Finance Corporation. To assist in paying the \$2.06-million price tag for the 20 Douglas transports, a total of \$1,235,000 is borrowed on June 23.

A record New York to Boston service is completed on July 1; the 218-mile flight requires just 56 min. Ten days later, the original DST, delivered in Arizona back in April, is acquired, joining four others already on hand. A T-32A Condor is destroyed in a ground fire at Glendale Airport in California on August 13. The first DC-3A is delivered on August 18 and, with later arrivals, is placed on the New York to Chicago run and in early September, on the New York to Boston route.

A company employee places New York Mayor La Guardia's baggage in the wrong car leaving Newark Airport on September 13; the mayor complains—loudly. With additional DSTs now available in sleeper configuration, one, the *Flagship California*, is employed to begin transcontinental American Mercury service on September 18. Flights require 17 hrs. 45 min. westbound (via Nashville, Dallas, and Tucson) and 16 hrs. eastbound. The time saving over the 1934 schedule is a remarkable one-third. Toward the end of the year, time for the westbound flight is reduced even further, to 15 hrs. 50 min., and a second service, the *Southerner*, is added over a “Sunshine Route” via Memphis, Fort Worth, El Paso, and Phoenix, replacing an earlier frequency provided by DC-2.

In October, a feeder service is opened linking Newark with the Lakehurst naval air station, terminus for the German dirigible *Hindenburg*. Flights also commence from Newark to Boston's Logan Airport. Joined by **Eastern Air Lines** CEO Capt. Eddie Rickenbacker, President Smith participates in the November 1 dedication of the new, but unfinished Nashville Municipal Airport, which will also be known as Berry Field.

Five additional aircraft are ordered from Douglas on November 27. Ralph Damon is named vice president operations on Christmas Day and, by year's end, American has received 7 DSTs and 13 DC-3s; 16 DC-2s are also in the fleet. The year's profit is only \$4,589.

President of Curtiss Aeroplane and Motor Company for the past five years, Ralph S. Damon assumes his new post as in January 1937. When a murderous flood sweeps the Louisville area later in the month, the company, along with **Eastern Air Lines**, schedules dozens of extra flights to the Kentucky community to bring in food, clothing, and medical specialists. The city will later thank the carriers with bronze plaques.

On February 6, a new DST turns in a record Chicago to New York flight of 2 hrs. 53 min. P. V. Metzelthine is appointed company dietician on February 20, the first employed by a U.S. airline. The company's millionth passenger, T. C. Baker, is boarded on February 25; in ceremonies, he receives \$1,000. The New York terminus for Boston services is switched to Floyd Bennett Field on April 4.

An internally controversial, but ultimately successful “Afraid to Fly” public relations effort is made, beginning on April 19, to allay public fear of flying. C. R. Smith's full-page commentary in major newspapers both acknowledges the dangers of travel and praises the safety of air transport. Columnists, commentators, and competing airlines praise the move, with some of the latter reprinting the text and distributing it further.

On June 7, President Smith rents a Lake Hopatcong, New Jersey estate as an employee summer retreat. Six days later, he is back in Nashville for the official opening ceremonies for that community's new municipal airport.

The June 13 celebratory activities at Berry Field, in which 40,000 people participate, go on into the evening when row after row of airport lights are officially turned on for the first time. En route from New York to Los Angeles, one of the company's new DSTs appears out of the darkness and lands for refueling and a crew change. During its stopover, President Smith, Col. Berry, and others watch as the WPA administrator's daughter, Nancy Berry, christens the plane *Flagship Tennessee*.

The opening of new services in the Volunteer State continues in the fall. On September 1, an AA DC-2 en route to Nashville is the first commercial airliner to land at the new Tri-Cities Regional Airport, which serves Bristol, Johnson City, and Kingsport.

President Smith is back in Tennessee on October 15 when he escorts the governor and other state dignitaries to Knoxville aboard a DC-3 for the dedication of that city's McGhee–Tyson Airport. As soon as the new airport becomes operational, Stinson SM-6000 Tri-Motors visit twice daily, one headed west to Nashville and the other east to New York.

Following the dedication of Tri-Cities Regional Airport on November 5, the Tri-Motors stop twice daily at that point as well.

At the end of the year, the company's initial order of DC-3s is on hand; 8 DSTs fly the coast-to-coast routes while 12 DC-3As provide service from New York to Chicago and Boston. The Stinson Tri-Motors visit a number of smaller communities. A net loss of \$93,628 is recorded this year.

The Stearman 4CM1 mailplanes are withdrawn and sold in January 1938. In March, new Hamilton Standard Hydromatic propellers are installed on one of the New York–Chicago DC-3 Flagships. The new equipment is so successful that it is installed on previously received airliners as well as new ones.

On July 26, only days after his famous 28 hr. 13 min. New York to Dublin flight, Douglas "Wrong Way" Corrigan is signed to do promotions while serving as a nonflying copilot. Meanwhile, former **Braniff Airways** General Manager Orval M. "Red" Mosier is appointed vice president and sent to New York to negotiate the airline's place at the new airport being constructed at the behest of Mayor Fiorello H. La Guardia.

On September 21, a hurricane strikes the U.S. East Coast from the tip of Long Island north beyond Boston. For the next week, commercial aviation provides the only inland transportation. AA, the principal carrier in the Northeast, dedicates 30 DC-3As and 2 DSTs to a shuttle service between New York and Boston, increasing its daily schedule from 10 flights to more than 40.

At the request of ATA President Edgar Gorrell, **Eastern Air Lines**, **United Air Lines**, and **Transcontinental & Western Air**, under special permission from Washington, are allowed to contribute aircraft and flight crews to fly emergency relief services over the American routes from New York to Boston.

By September 28, the company has carried in both directions over 7,000 passengers (including refugees, relief and construction workers), 43 tons of air express, 8.1 tons of airmail, and 100 tons of railway mail. The three other airlines involved contribute similar figures.

At month's end, the last Stinson Model As are removed from the Cincinnati to Washington service and replaced with DC-2s. The Stinson withdrawal makes American an all-Douglas operator; indeed, 7 additional DSTs are obtained during the year.

A unique ad in the August 13 issue of *The Saturday Evening Post* encourages wives to allow their businessmen husbands to fly: "He Still Loves Me . . . He'll Be Home for Dinner on an American Flagship." A total of 141 million passenger miles are concluded during the year. A net profit of \$213,261 is reported. At year's end, the first company bonus (representing one-quarter of the company's profit) is awarded by the board of directors. Every one of the 2,000 employees receives a letter from President Smith with a check (\$15 for newcomers, \$25 for those with over a year's seniority) enclosed.

Colorful festivities on May 23, 1939, mark the delivery of the *Flagship Oklahoma City*, the 350th airliner built by Douglas; the plane is not actually turned over to the airline until June 4. Under the editorship of Frank L. Brunton, the monthly newsletter *Flagship News* is first published at Chicago during the month; it will become one of the best-known house organs in the airline industry.

Misses M. E. and Roberta Littlefield block the landing of AA planes at Tulsa on the evening of July 8–9 as a protest after having lost a damage suit against their county for the building of an airport near their home.

Company headquarters are transferred to New York's brand new airport. When Mayor La Guardia jokes that he could make money by renting out his VIP lounge, the airline responds and the first VIP Admiral's Club is opened in those quarters in response.

An additional 15 DC-3s are ordered on September 15. This is the year in which company pilot Ernest K. Gann publishes his first book, *Sky Roads*. An aviation overview title for general readers, Gann would later go on to write such best sellers as *Fate is the Hunter* and *The High and the Mighty*.

The company's ad campaigns of the last several years now begin to bring it awards from various journals and advertising clubs in New York and Chicago. Airline employment is 2,795 on December 31.

An additional 15 DC-3s are ordered on January 10, 1940. On January 26, AA joins with **Eastern Air Lines** and **United Air Lines** in ordering 61 Douglas DC-4s. The first reservations school opens in Hangar 3 at La Guardia Field in April. Company aircraft begin sight-seeing tours over the New York World's Fair on May 12.

As reported in the June issue of *Flagship News*, flight attendant Miss Margaret R. Gilroy continues her tour of the South and Midwest, speaking in small towns concerning her life as an AA stewardess. Thus far she has driven by automobile and appeared before civic organizations and school groups in Ohio, Indiana, Arkansas, Oklahoma, Pennsylvania, Michigan, Texas, Tennessee, Mississippi, Wisconsin, Missouri, Illinois, and Iowa.

During five summer weeks, executive M. P. "Rosie" Stallter and several assistants are put at the disposal of ATA President Edgar S. Gorrell, who has them revise his earlier plan for airline mobilization in time of national emergency. At this time, the motion picture *Flight Angels*, made in cooperation with the company, is released, depicting the activities of airline stewardesses.

Mexican authorities, on October 25, grant permission for flights south of the border from Texas. The fleet is now the largest in the American airline industry: more than 32% of all U.S. traffic is carried by American Airlines. Net profit exceeds \$1 million.

Airline employment in January 1941 exceeds 4,000. In February, ATA President Gorrell asks C. R. Smith to review his government-approved plan for the wartime mobilization of the airlines. Smith asks "Rosie" Stallter to further refine Gorrell's recommendations into an itemized action plan that would allow carriers to become available quickly. Also in February, AA installs the largest private phone switchboard in Queens County, New York.

On April 22, two New York-bound aircraft are delayed at Boston for a search made in response to an anonymous bomb warning; no explosive is found. Pacific Mutual Life Insurance Company President Alexander "Ned" Kemp is named to the board of directors on April 25 and, during the spring, the "Big Three" purchasers of the DC-4 voluntarily terminate their contracts so that Douglas might develop the C-54 military version. New York to Toronto via Buffalo DC-3 service begins on June 24.

Less than an hour out of Buffalo on October 30, the controls of the DC-3 *Flagship Erie* freeze up after the plane hits a flock of wild geese, forcing the plane to crash while making an emergency landing in a field near New London, Ontario (20 dead). The millionth passenger in less than a year and the four millionth cumulative is boarded on November 4; the event marks the first passing of the million mark in annual boardings by any U.S. airline.

Just before the Japanese December 7 attack on Pearl Harbor, U.S. Army Air Forces commander, General Henry H. "Hap" Arnold, and Undersecretary of War Robert P. Patterson persuade American Airlines' Vice President Ralph Damon to take on the presidency of the Republic Aviation Corporation. His specific mission is to get the P-47 Thunderbolt fighter into the air.

On December 14, Gen. Arnold and ATA President Gorrell meet with President Roosevelt who, the day before had prepared an executive order nationalizing the country's airlines. Gorrell pleads with the chief executive that implementation of "Rosie" Stallter's American Airlines' plan, which had been revised and been passed on to the War Department in 1938, would be more efficient in the long run than a government takeover. Arnold supports Gorrell and Roosevelt is persuaded to tear up his order.

The same day, AA is selected by the War Department, upon Edgar Gorrell's recommendation, for a special, top-secret, airline readiness exercise. Fifteen DC-3s in flight are ordered to land at the nearest airport, discharge their passengers, and fly to a special rendezvous at Ft. Lauderdale, Florida. Once assembled, the aircraft take 300 U.S. Army Signal

Corps specialists to Natal, Brazil. The operation, the first wartime flight mission for the company, is a success.

Meanwhile, a number of DC-3 freighters load 10 tons of rubber tires at New York and rush them across the country to Los Angeles. There they are loaded aboard the **Pan American Airways (PAA)** Boeing 314 *Capetown Clipper* and are flown to China. Offloaded and transferred to waiting aircraft of the **China National Aviation Corporation (CNAC)**, the badly needed tires arrive in Rangoon, Burma, in time to be fitted onto the Curtiss P-40s of the American Volunteer Group (AVG) or "Flying Tigers," that will defend the city on Christmas Day.

On December 31, it is announced that the Chicago schedule will be coordinated with **Transcontinental and Western Air (TWA)** and **United Air Lines**. Another \$1-million net profit is reported. Enplanements for the year are 1,202,816.

The fleet at the beginning of 1942 totals 64 DC-3s and 15 DSTs. Almost half this number (38 aircraft) will be turned over to the military to be operated under contract by AA crews. At the request of ATA President Gorrell and the War Department, American executive M.P. "Rosie" Stallter is sent in January on a week-long inspection tour of the U.S. Army Air Forces' Air Service Command bases in Pennsylvania, Ohio, Alabama, Utah, and California.

From this trip, Stallter and Gorrell devise and present the Army with a domestic, military cargo service plan to be operated by the airlines under government contract. Under the plan, five geographical segments are created, each assigned to a specific carrier: American the East Coast; **Northeast Airlines** the Northeast; **Eastern Air Lines** the Southeast; **Northwest Airlines** the Pacific Northwest; and **Braniff Airways** the Southwest.

On March 14, the first DST, *Flagship Texas*, is turned over to **Transcontinental and Western Air Lines (TWA)**. AAF Commanding General Arnold selects C. R. Smith on April 14 to assist Col. Harold Lee George in leading and organizing the Army's Ferrying (later Air Transport) Command; Alexander Kemp is named as Smith's replacement. The same day, the CAB grants the carrier route authority to Mexico City from El Paso and Dallas.

After five weeks of conversion and preparation, the ex-*Flagship Cleveland* begins a survey flight across the North Atlantic on April 24 via a "Great Circle" route. Under the overall command of AA's chief engineering pilot, Daniel Beard, the *Flagship Cleveland* confirms several proving flights made earlier by **Northeast Airlines**. Other members of the crew included million-miler pilots Capt. H. G. "Robby" Robinson and Capt. Frank Bledsoe, navigator C. H. McIntosh, American's chief meteorologist C. E. "Doc" Buell, and one of its best mechanics, Frank Ware.

As a result of its success, AA, in May, joins **Northeast Airlines** in ferrying troops to Iceland and the intermediate points north from Maine, including Labrador, South Baffin Island, and Greenland. Also in May, Melvin "Doc" Miller is placed in charge of the company's Mexican operations and is sent to Mexico City to recruit employees and set up a base.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at the ill-defended Dutch Harbor. The mobilization foreseen and promised by ATA President Gorrell at the beginning of the year is now realized. The U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities and report to Edmonton, Alberta, to participate in a massive airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from AA and 10 other carriers execute daily round-trips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions. During the early Aleutians campaign, 11 DC-3s are hastily assembled by American, removed from domestic service, and execute 200 contract flights north via Edmonton.

Beginning in mid-July, the company contributes aircraft to a 50-transport group from 6 contract carriers (**Northeast Airlines**, **Braniff**

Airways, **Chicago & Southern Air Lines**, **Pennsylvania Central Air Lines**, **Transcontinental and Western Air Lines**, and **United Air Lines**) which are rushed to Presque Isle. From here, the planes, joined by 110 Air Transport Command C-47s, will transport the supplies and men required to set up and man the bases at Newfoundland, Labrador, Greenland, and Iceland that will facilitate "Operation Bolero," a mass bomber ferry from the U.S. to England.

Dallas and El Paso to Mexico City DC-3 flights commence on September 3. Through service from Mexico City to Toronto is initiated on September 6. Having been turned over to the AAF earlier in the year, the C-47 formerly known as *Flagship Texas* (NC-14988, the first DC-3 to fly) loses an engine while approaching Chicago on October 15 and crashes (9 dead). An AAF bomber crashes into a DC-3 over Palm Springs, California, on October 25 (12 dead). The pilot and copilot of the bomber, 2nd Lt. W. N. Wilson and Staff Sgt. R. P. Leicht, are arrested for manslaughter and court-martialed on November 26; both are cleared of the criminal charge.

North Atlantic flights commence in October, followed by South Atlantic trips in December. The aircraft initially employed are C-87s, freighter-versions of the Consolidated B-24 Liberator bomber; these will be followed by Douglas C-54s (military DC-4s). During the year, the subsidiary catering business, Sky Chefs, is formed.

While on a westbound flight over the North Atlantic on February 4, 1943, an AAF C-87, piloted by AA Captain Owen "Chuck" O'Connor with four crewmen and seven wounded soldiers aboard, crash-lands on a frozen lake in northern Quebec. Following a blizzard, an aerial search locates the marooned party on February 10. A C-47, piloted by Capt. Ernest K. Gann, drops supplies to the men and radios their position. Another Douglas transport, piloted by **Northeast Airlines** Capt. Fredrick Lord, makes a landing to pick up the C-87s crew—and gets stuck.

Lord and his men join O'Connor's party. A ski-equipped C-47 is able to land on a makeshift runway on February 26 and take out the wounded. It will be March 6 before the last man can be extracted. Several weeks later, Capt. "Breezy" Wynn is able to get the C-87 back to base. The episode will form the basis for the Gann's later novel *Island in the Sky* and the John Wayne motion picture of the same name.

A survey flight is made to Marrakesh, Morocco, via a northern Newfoundland route, in April and, on May 10, the company's monopoly on transcontinental connecting service to Washington, D.C. is broken when the CAB also grants **Transcontinental and Western Air (TWA)** rights to the terminus. A special flight to Australia is laid on in June.

On July 18, Project 7-A is authorized. Ten C-87s and 150 men assigned to south Atlantic ferry flights are transferred to Tezpur, India; they depart taking with them sufficient supplies to last three months. On July 30, a DC-3 explodes over Trammel, Kentucky (20 dead).

The first C-87, piloted by Capt. Toby Hunt, arrives in India on August 1. During August–October, the 10 original C-87 crews, plus 3 more which follow, put in over 1,000 Liberator flights across the Himalayan "Hump" from India to the Chinese city of Yunnanyi, transporting in excess of 2.5-million tons of vital cargo.

Two planes (including that of Capt. Hunt) and 10 men are lost. Upon their return to New York (LGA), the surviving crewmen purchase a plaque commemorating their colleagues; it will eventually be hung on a wall at the airline's Dallas training facility.

On December 15, the carrier begins accepting express shipments from the U.S. to 40 cities in 21 Mexican states.

En route to New York from Los Angeles, a DC-3 crashes into the Mississippi River near Memphis on February 12, 1944 (24 dead). The CAB ends AA's transcontinental monopoly connection on June 12 when it allows competing **Eastern Air Lines** and **Northeast Airlines** rights to fly into the city. Some of the 38 DC-3s given over to the AAF in 1942 begin to return during the summer. The first rate schedule for regularly scheduled, transcontinental, all-cargo service is filed with the CAB on August 1 and 25 DC-6s are ordered on September 12.

All-freight DC-3 flights commence on October 15. A shipment of high priority materiel and women's apparel is sent west while, simultaneously, a load of airplane parts, clothing, spinach, and fresh flowers takes off for the east. Ralph Damon returns as executive vice president after completing his wartime presidency of Republic Aviation Corporation while former **Transcontinental and Western Air (TWA)** General Manager Terrell C. Drinkwater becomes a vice president. During the year, the southern transcontinental route is shortened by a cut-off from Nashville down to El Paso via Tulsa and Oklahoma City and the company begins publication of the teaching aid *Air-Age Education News*. The year's net profit is \$4.4 million.

A DC-3 crashes near Burbank, California, on January 11, 1945 (24 dead). Services are resumed to five cities on February 7 and another daily, roundtrip Washington–New York frequency is added. A DC-3 crashes near Cedar Springs, Virginia, on February 24 (17 dead). To further participate in the growing aviation education movement, the carrier establishes a nonprofit subsidiary, Air-Age Education Research, Inc. to develop and distribute such teaching aids as maps, charts, globes, films and filmstrips, pamphlets and the popular magazine *Air Globe*. The effort is directed by Columbia University's Dr. Nicholas Engelhardt Jr.

The first full cargo load is sent from New York to Mexico City on April 1 as daily freight flights between the two cities commence. Service is initiated from New York to Los Angeles via Tulsa and Oklahoma City on April 22. Just prior to V-E Day in May, AA Vice President Damon appears before a Senate Commerce Committee subcommittee hearing on the **Pan American Airways (PAA)** call for a "chosen instrument" flag carrier for overseas operations; Damon opposes the concept and calls for regulated competition on foreign service.

On June 1, it is announced that the carrier has purchased, largely through Damon's efforts, 51.4% majority shareholding in **American Export Airlines (Amex)** for \$3 million; it will form the company's new Trans-Atlantic Division. On June 13, the board elects C. R. Smith chairman; Ralph Damon succeeds the retiring Alexander Kemp as president with Larry Fritz becoming vice president operations. Carlene Roberts-Lawrence is also named a vice president, becoming the airline industry's first female corporate officer.

CAB approval for the Amex takeover is granted on July 5. Also in July, it is reported that the company has accomplished over 7,000 transatlantic flights since 1942. On July 12, the Consolidated Model 39 Liberator-Liner *City of Salinas*, leased from its manufacturer, is placed into all-cargo service on a three-month experiment. With a load of 55 gas ovens, the inaugural flight is made from Chicago to Los Angeles. The giant single-finned transport will now concentrate on transporting fresh fruit and vegetables from California to New York and Boston.

On August 1, 20 additional DC-6s are ordered. On VJ-Day, it is reported that 57 employees on military leave have been killed in combat, in addition to 18 killed during ATC operations and seven MIAs. Although the company has earned \$16.5 million during the war years, not one cent of that comes from military contracts.

The next day, the company's PR department announces that passengers may use their cameras to shoot photos through DC-3 windows. The first air express delivery of poultry is completed on September 8. Airline employment by October stands at 11,450 and the *City of Salinas* is withdrawn at month's end.

The Trans-Atlantic Division is renamed **American Overseas Airlines (AOA)** on November 10; the merger is formally completed on December 5 with C. R. Smith as president and former **Pan American-Grace Airways (Panagra)** General Manager Harold Harris as vice president and general manager. Vice President Terrell C. Drinkwater is also appointed a director. Meanwhile, on November 22, a DC-3F carries furniture from High Point, North Carolina, to Hartford, Connecticut, at local railroad rates.

In December, it is announced that, pending CAB approval, the company will take over Kansas City-based **Mid-Continent Air Lines**; the move is not allowed. During the year, application is made to the CAB

for 5,482 miles of routes to three dozen domestic communities not presently served. Net profit climbs to \$51,408,000.

The final transatlantic flight for the Allied Air Forces (trip no. 9,442) is completed on January 5, 1946. In cooperation with the Railway Express Agency, the airline begins two-way service on January 16 from 23,000 U.S. air and rail express points to all American Airlines foreign and overseas routes. Ordered by the carrier as a stretch of the DC-4, the first 48–52 passenger DC-6 makes its maiden flight on February 15.

Fifty war-surplus C-54s, purchased for \$90,000 each, reconfigured to civil DC-4 standard for an additional \$175,000 per copy, and christened Four-Engine Flagships, begin to enter service, with the first flying the twice-daily roundtrip New York to Chicago route on February 17.

A DC-3 with 3 crew and 24 passengers is lost at Thing Mountain, California, on March 3; there are no survivors.

Transcontinental DC-4 flights are inaugurated from Burbank to New York via Dallas on March 7. Two different transcontinental frequencies will be offered. First is The Mercury (Los Angeles–Dallas–Washington–New York–Boston), followed by The Eagle (Los Angeles–Tulsa–Chicago–New York). Westbound en route time is cut from the DC-3's 17 hrs. 40 min. to 14 hr. 30 min.; eastbound time falls from 16 hrs. to 13 hrs. 15 min. Initially, the faster, 80 mph Lockheed L-049 Constellations of competing **Transcontinental and Western Air Lines (TWA)** place AA at a competitive disadvantage.

During early April, a contract cargo division is established; 6 all-cargo DC-4 freighters are assigned to it, 3 on each coast, and freight rates are cut on April 18. Service to Albany is resumed on April 25. As the result of favorable market conditions, the company is able to sell \$40-million worth of cumulative preferred stock.

In June, a pilot training center is opened at Ardmore, Oklahoma; it will last 29 months until costs force its closure. Simultaneously, a Maintenance and Engineering Center is set up at Tulsa to serve the overhaul and repair needs of company aircraft from around the country.

The first DC-6, as opposed to the military C-112, makes its maiden flight in California on June 29 and the last of the 50 DC-4 Flagships enters service the next day.

New York to Toronto freight service begins on August 23. Failed negotiations for a new U.S. and Mexico bilateral air agreement cause flights south of the border to be suspended. In early fall, the Los Angeles Rams become the first professional football team transported by the carrier; a DC-4 is chartered to transport 46 persons from Los Angeles to Milwaukee and from Chicago to Los Angeles.

During the fall, Dr. Engelhardt's Air-Age Education Research, Inc. sponsors an eight-day international conference in New York City. Called to discuss teaching reforms in the light of the "air age," the meeting is attended by 350 delegates from 22 nations.

The first three DC-6s are delivered between November 24 and 30 and are christened *Flagship California*, *Flagship District of Columbia*, and *Flagship Oklahoma*. Deliveries are also made to rival **United Air Lines**; however, as the type is not yet certified by the government, both carriers must initially employ their aircraft for route proving and crew training.

An \$18-million order is placed on December 26 for 100, later 75, Consolidated-Vultee (later Convair) CV-240s; the request is the largest single airliner order in the history of commercial aviation to date. The new aircraft will replace the carrier's DC-3s on short-haul routes in the U.S., Mexico, and Canada. The flight attendants association, the Kiwis, is formed during the year at New York City. A DC-3, with 3 crew and 18 passengers, is lost near Michigan City, Indiana, on December 28 (2 dead). The contract cargo division loses \$252,000 on the year.

Airline employment totals 14,000 in January 1947. Lost, out of gas, and unable to land in bad weather, a DC-3 makes a miraculous landing on Long Island's Jones Beach on January 5. During the month, Vice President Drinkwater departs to become the fourth president of **Western Air Lines**. Orders for the controversial Republic Rainbow transport are cancelled on February 20. The first downtown air freight terminal is opened in New York City on March 2. During the first quarter, only two more DC-6s are delivered: *Flagship Arizona* and *Flagship New Jersey*.

Meanwhile, American has now overcome the speed advantage of the Constellations of **Transcontinental and Western Air Lines (TWA)** by scheduling more cross-country DC-4 flights (12 daily versus 3 by Howard Hughes's carrier). On the month, the Douglas transports fly 3,500 transcontinental passengers, while the Lockheeds haul 3,300.

On April 2, New York to Milwaukee flights begin. Twelve days later, DC-4s replace DC-3s on many passenger routes. Following an unsatisfactory attempt to modify the DC-4 freighters into combis, Chairman Smith, unimpressed during a spring review, orders the still-unprofitable contract cargo division ended. Beginning on April 20, tests of forthcoming DC-6 service are made by the *Flagship New York* on the company's Chicago to New York route. The same plane launches roundtrip revenue flights between New York and Chicago on April 27.

Transcontinental DC-6 flights begin on May 20. These cross-country services are christened: The Gotham (San Francisco–Tulsa–Washington–New York), The Advance Mercury (New York–Chicago–Los Angeles), and The Golden State (New York–Washington–Tulsa–San Francisco).

Meanwhile, in a patriotic gesture, the carrier turns over a DC-6 delivery slot to the USAF. When delivered to the military on July 1, the plane will become the one and only VC-118, but will be better known as the presidential aircraft *Independence*, named for President Harry S. Truman's hometown in Missouri.

Following the plane's christening, a new DC-6 begins New York–Mexico City flights on June 16; the first Mexico City to New York flight is completed two days later. A total of 15 DC-6s are delivered during the second quarter: *Flagship Illinois*, *Flagship New York*, *Flagship Massachusetts*, *Flagship Virginia*, *Flagship Mexico D.F.*, *Flagship Pennsylvania*, *Flagship Texas*, *Flagship Tennessee*, *Flagship Aztec*, *Flagship Ohio*, *Flagship Michigan*, *Flagship Maryland*, *Flagship Ontario*, *Flagship Connecticut*, *Flagship West Virginia*, *Flagship Indiana*, *Flagship Arkansas*, *Flagship Kentucky*, and *Flagship Kansas*.

Daily Chicago–Mexico City flights begin on July 2 and, also in July, New York to San Francisco via Phoenix DC-6 flights commence. Requested to transport an engine to Buffalo from New York, the experimental *Flagship Alpha*, with two crew and three passengers, crashes into Flushing Bay upon takeoff from La Guardia Airport on August 9 (three dead).

Flight 331, a DC-4 en route from Dallas to Phoenix with 54 aboard on August 10, lands safely at El Paso after a sudden loop from which recovery is made at just 400 feet above ground. An inquiry into the incident finds that Capt. C. R. Sisto, a pilot gaining type experience, has accidentally engaged his gust lock while in flight without telling others in the flight crew. Capt. Sisto and the carrier's chief check pilot both resign over this exercise in faulty procedures.

The last DC-3 is retired from transcontinental service on September 21. The DC-6s and DC-4s have, by month's end, provided 47% of the company's transcontinental traffic. During the third quarter, American receives 13 more DC-6s: *Flagship Rhode Island*, *Flagship New Hampshire*, *Flagship North Carolina*, *Flagship South Carolina*, *Flagship Nuavo Leon*, *Flagship Delaware*, *Flagship North Dakota*, *Flagship South Dakota*, *Flagship New Mexico*, *Flagship Vermont*, *Flagship Iowa*, *Flagship Missouri*, and *Flagship Nebraska*.

On October 9, the *Flagship Colorado* joins the DC-6 fleet, followed next day by the *Flagship Georgia*. Four days later, regularly scheduled New York–Toronto passenger service is initiated. The *Flagship Wisconsin* is delivered on October 18 and the last DC-6 delivery of the month is the *Flagship Louisiana*, which arrives on October 27.

The DC-6 *Flagship Mississippi* is delivered on November 3. Following an emergency landing November 11 at Gallup, New Mexico, by the *Flagship Wisconsin*, which had taken fire (one of several failures of the new aircraft caused by fuel transfer problems), all DC-6s industry-wide are grounded on November 12. Still, five more are delivered in November: *Flagship Wyoming*, *Flagship Nevada*, *Flagship Alabama*, *Flagship Montana*, and *Flagship Oregon*. DC-4s are substituted for the parked aircraft.

Multistop New York to Charleston, West Virginia DC-3 service begins on December 2. As anticipated, traffic growth has not materialized for a

variety of reasons. In addition to the DC-6 failure, AA is now forced to reduce its workforce by 15% to just over 12,000. Meanwhile, Dr. Nickolas Engelhardt Jr., director of Air-Age Education Research, Inc. resigns to begin work on a system of suburban school consolidations.

The first CV-240 is accepted on February 28, 1948, along with the DC-6 *Flagship Utah*. The ban on DC-6 flights is lifted on March 14 and transcontinental services resume on March 21. DC-6s are placed on the New York to Detroit and Chicago runs on March 26. To encourage passenger traffic, the carrier introduces the Family Fare Plan.

The last two DC-6s are delivered in May, *Flagship Maine* and *Flagship Florida*. The first CV-240, *Flagship San Diego*, enters service on June 1. Later in the month, a DC-6 crashes near Mt. Carmel, Pennsylvania (57 dead). Also during the second quarter, the nonprofit Air-Age Education Research, Inc. subsidiary is closed down and its publication, *Air Globe*, ceases publication.

A record 3,778,818 ton miles of freight are flown in October and, on October 28, the DC-4 *Flagship Tulsa* is sold to **KLM (Royal Dutch Airlines)**. As of November 2, the carrier employs only DC-6s on its New York to Los Angeles run; the same day, New York to San Francisco via Dallas flights, christened The Southerner, are initiated. CV-240s are introduced on the New York to Boston route on December 1. Five days later, the *Flagship Indianapolis* is also passed to **KLM (Royal Dutch Airlines, N.V.)**. A Convairliner is chartered by the Washington Redskins professional football team on December 8 for its first trip by air; 38 persons are transported to and from Los Angeles.

Tentative agreement is reached with **Pan American Airways (PAA)** on December 13 for the sale of the **American Overseas Airlines** division. The secret negotiations conducted between C. R. Smith and Juan Trippe leads to the resignation of President Ralph Damon when he is appraised. Smith now resumes the company's presidency, declaring the chairmanship vacant.

The last DC-4 is retired from coast-to-coast flying and a new transcontinental service, The Sun Country Special, is introduced that flies New York–Detroit–Chicago–Tucson–Phoenix–Los Angeles–San Francisco.

Losses caused by the training prior to introduction of the DC-6 and CV-240 plus the grounding of the DC-6s cause the fiscal downturn over the two-year period to reach \$6 million.

The last DC-3 passenger flight is completed from El Paso to Fort Worth on April 1, 1949. All remaining DC-3s are now withdrawn, including one honored in a special ceremony at New York (LGA), where it is noted that, since 1936, a total of 10.5 million passengers have been flown for the airline aboard this single aircraft type. At this point, American Airlines is the only U.S. airline with a complete fleet of postwar pressurized airliners.

En route to New York on June 22, a CV-240 takes fire and crash-lands at Memphis; although 37 are hurt, the pilot is lauded for his skill in preventing a fatal situation. A DC-4 is sold to **Air France** on August 30; since July, 7 former Skymasters, including the *Flagship Dallas*, *Flagship Buffalo*, *Flagship Cleveland*, *Flagship San Antonio*, and *Flagship New Orleans*, have been passed to the French state carrier. During the year, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, **Eastern Air Lines**, and **Qantas Empire Airways (Pty.), Ltd.** will also receive DC-4s.

A CV-240, en route to Boston from New York on September 5 with 30 aboard, loses its hydraulics, but is able to land safely at Boston; no injuries are reported. On September 22, an interchange agreement is initiated with **Delta Air Lines** on a route from Detroit to Atlanta via Cincinnati. A CV-240 flies from Chicago to Detroit on October 22 in a record 40 min. 27 sec.

En route from New York to Mexico City on November 29, the DC-6 *Flagship South Carolina* with 5 crew and 41 passengers crashes into three buildings at Love Field in Dallas and burns. Among the 28 victims is Swiss violinist Julio Cochard. In early December, orders are placed for a number of DC-6Bs at \$900,000 per copy, and coast-to-coast \$110 coach-class DC-4 flights begin on December 27. A \$5.7-million profit is earned on the year.

The equipment employed for the transcontinental coach-class service, now offered as Blue Ribbon Air Coach Service, is upgraded during 1950 from DC-4s to DC-6s. During the first quarter, the DC-4s *Flagship Tucson* and *Flagship Detroit* are sold to **Avianca Colombia Airlines** (**Aerovías Nacionales de Colombia, S.A.**). Between March 1 and 11, 4,000 ground crew strike. The DC-4 *Flagship El Paso* is purchased by **Eastern Air Lines** on April 20, followed by the *Flagship Texas* and one unnamed unit on June 23.

Beginning on July 29, the carrier offers sight-seeing trips over New York City during which amateur photographers can take photographs of the metropolis. An engine flies off and rips open the fuselage of a DC-6 over the Colorado Rockies near Eagle on August 22; although the plane is able to land safely at Denver, a man dies of a heart attack.

On September 25, President Truman approves the takeover of **American Overseas Airlines** by the newly renamed **Pan American World Airways (1)**. William J. Hogan, formerly of H.J. Heinz Co., is named vice president and treasurer as American joins with Gelston Judah Travel Advisors on November 11 to offer an all-expense, roundtrip flight to Pasadena from New York on January 1 for the Rose Bowl football game.

Cleveland to Mexico City through service begins on January 7, 1951 and a man carrying a stick of nitroglycerine is removed from a DC-6 at Dallas 12 days later. Among the graduates in the February 14 stewardess class is Patti Patterson, daughter of **United Air Lines** President Pat Patterson.

The last 25 passenger DC-6s, officially classified as DC-6Bs but not so identified in marketing, begin delivery with the *Flagship New York* on April 13. Also received in April are the *Flagship District of Columbia* and *Flagship California*. In competition with **United Air Lines**, DC-6B transcontinental flights are inaugurated on April 29, New York to Los Angeles via Chicago. The move prompts the carrier to drop its East to West Coast sleeper service, to increase its capacity by 10%, and to add 60 more flights per day. The transcontinental DC-6B services are christened Mercury, Advance Mercury, and Pacific Mercury.

Two days later, a new interline pairing with **Delta Air Lines** is initiated between Miami and Los Angeles via Tampa, New Orleans, and Dallas. Also in May, the carrier sets an industry record with 214,914,916 passenger-miles. Carlene Roberts is named vice president in charge of the company's Washington, D.C. office; she is the first woman employed by a major airline to achieve such a high position.

Transcontinental coach flights begin on June 17, followed by hourly DC-6 service from New York to Chicago on June 25. The second quarter is completed with the delivery of six more DC-6Bs: *Flagship Illinois*, *Flagship Texas*, *Flagship New Jersey*, *Flagship Oklahoma*, *Flagship Massachusetts*, and *Flagship Arizona*.

The DC-6B *Flagship Michigan* arrives on July 1, followed by the *Flagship Virginia* on July 7. On July 26, an interline arrangement is implemented with **Continental Air Lines** on a route from Houston to Los Angeles via San Antonio and El Paso. A crippled CV-240 with 23 aboard lands safely at New York (LGA) on September 8; no injuries are reported.

Released during the year, the motion picture *Three Guys Named Mike* depicts the life of an AA stewardess, played by Jane Wyman (supported by Van Johnson and Howard Keel), and is a publicity bonanza for the airline. Advertising for the film includes a pamphlet in which the actress testifies about the background work she did on the responsibilities of the company's stewardesses.

In October, American becomes the first trunk line to order the DC-6A, requesting six. Six more DC-6Bs are delivered between October and November: *Flagship Pennsylvania*, *Flagship Tennessee*, *Flagship Ohio*, *Flagship Maryland*, *Flagship Connecticut*, and *Flagship Indiana*. The third consecutive profitable year in a row is completed; since 1949, the company's profits have totaled \$27.4 million.

To end a coach-class fare war begun late the previous year, American, on January 9, 1952, agrees with **United Air Lines** and **Trans World Airlines (TWA)** to offer a \$99 coast-to-coast rate.

While on ILS approach to Newark on January 22, a CV-240, with 3 crew and 20 passengers arriving from Buffalo, suddenly crashes into a housing block in Elizabeth, New Jersey, 3.5 mi. short and 900-ft. to the right of the runway. All aboard the aircraft and 7 people on the ground are killed in the first fatal accident to a Convairliner. Among the victims is former War Secretary Robert Porter Patterson; the cause of the disaster is never officially determined.

Also during the month, C. R. Smith orders 25 DC-7s at \$1.6 million per aircraft. The \$40 million will pay for most of the aircraft's development costs and convinces a reluctant Donald Douglas to proceed.

On February 27, a DC-6B with 31 aboard circles Chicago for 2½ hours with engine problems, dumping fuel; it is able to land safely at the end of that time.

As a result of discrimination complaints to the New York State Human Relations Commission, an African-American reservations clerk is hired in Buffalo.

On June 28, a DC-6B with 55 aboard collides with a lightplane over Love Field in Dallas. The Douglas lands safely, but the two aboard the private aircraft are killed when it crashes.

The Magnetron Reservoir is introduced on July 1 to keep track of seats available on flights; the innovation will replace for all airlines the large display boards in use since the 1930s. Breaking its own and the industry's records, American, on September 3, flies 10 million revenue passenger miles in a single day; it also claims the record for the month of August with 275.66 million. The year's profit is \$12.5 million.

The company's only unnamed DC-6 is purchased from **Philippine Air Lines** on January 8, 1953. The DC-6B *Flagship Minnesota* arrives on February 14 and, on February 22, a DC-6B flies from Dallas to New York in a record 3 hrs. 41 min. The *Flagship West Virginia*, a DC-6, is placed into service on February 28, along with the *Flagship Arkansas*. The last five DC-6Bs are delivered—two in April and three in May: *Flagship Kentucky*, *Flagship Rhode Island*, *Flagship Delaware*, *Flagship Missouri*, and *Flagship Wisconsin*. One of these is present for the grand opening of the Greater Fort Worth International Airport—Amon Carter Field on April 25. The first pure DC-6 cargo plane (DC-6A), the *Airfreighter Los Angeles*, enters service on May 16, followed by the *Airfreighter New York* on June 22, and *Airfreighter Chicago* on June 26. Meanwhile, on May 18, the first DC-7 makes its maiden flight.

American and **United Air Lines** Convairliners, with a total of 57 aboard, brush in the skies over Michigan City, Indiana, on August 26; although the craft are damaged, both land safely with no one hurt. While circling the field at Albany, New York, in fog and haze while preparing to land, a CV-240 with 3 crew and 25 passengers, strikes a pair of radio transmission towers on September 16, crashes, and burns; there are no survivors.

The first DC-7 is delivered on October 10 and is christened *Flagship Illinois*. As yet uncertified, it is employed for crew training. During the remainder of the fourth quarter, seven more DC-7s will arrive: *Flagship California*, *Flagship New York*, *Flagship Oklahoma*, *Flagship Massachusetts*, *Flagship Arizona*, *Flagship Michigan*, and *Flagship Virginia*. They, too, will conduct route proving and crew familiarization flights.

DC-7 certification occurs on November 12 and on November 20 a new DC-7 flies from Los Angeles to New York nonstop in a record 6 hrs. 38 min. (ground speed averages 390 mph). Three days later, seven minutes is shaved off this record by another American DC-7. Following these publicity activities, daily nonstop DC-7 nonstop Mercury service is begun on the New York to Los Angeles route by the *Flagship California* on November 29. The new service is undertaken in direct competition with **Trans World Airlines (TWA)** and is the first nonstop transcontinental service to be offered in both directions.

While on a return flight from Los Angeles to New York, C. R. Smith and R. Blair Smith, a senior IBM sales official, discuss the possibilities of automated reservations. The discussion will lead to the development of SABRE.

The other transcontinental DC-7 frequencies are christened *The Statesman* (Washington, D.C.–Los Angeles), *The Southerner* (New

York–Dallas–San Francisco), and The Golden Gate (New York–Tulsa–San Francisco). A decade of AA-sponsored “Music ‘til Dawn” radio programs are first broadcast. On December 20, due to the increased speeds of its new aircraft, the carrier announces the end of its sleeper flights. The next day, a DC-7, taxiing to takeoff from New York (IDL), skids to a stop with its engines on fire; 65 safely escape down an emergency canvas chute. At year’s end, AA officially becomes the world’s largest transportation concern in terms of sales, surpassing the Pennsylvania Railroad.

A DC-7 flies a record one-stop San Francisco to New York service on January 17, **1954** in 8 hrs. 29 min. On initial climb from Buffalo on January 20, a CV-240 with 3 crew and 21 passengers suffers engine failure and makes a wheels-up landing in a small clearing; although the aircraft must be written off, there are no fatalities. Seven days later, a CV-240 with 34 aboard lands safely after colliding with a U.S. Navy aircraft over Columbus, Ohio; the military aircraft crashes (2 dead).

During the year’s first two months, a total of 10 DC-7s are delivered: *Flagship Pennsylvania*, *Flagship Tennessee*, *Flagship Ohio*, *Flagship Maryland*, *Flagship Connecticut*, *Flagship Indiana*, *Flagship West Virginia*, *Flagship District of Columbia*, *Flagship Kentucky*, and *Flagship Rhode Island*. As the DC-7s enter service, the state names of DC-6s and DC-6Bs are replaced by city names.

A DC-7 flies from Los Angeles to Chicago on March 12 in a record 4 hrs. 40 min. On March 29, the DC-7 *Flagship Illinois* makes the Los Angeles to New York flight in a record 6 hrs. 10 min. as verified by the National Aeronautics Association (NAA). A second DC-7 makes the same flight on March 30 in 5 hrs. 51 min. Although this is the first time a commercial airliner makes the transcontinental run in less than six hours, the record is not recognized because it is not witnessed by an official NAA observer.

During the second quarter, 6 more DC-7s join the fleet: *Flagship Delaware*, *Flagship Wisconsin*, *Flagship Arkansas*, *Flagship Colorado*, *Flagship Wisconsin*, and *Flagship Canada*. Seven are hurt when a CV-240 with 24 aboard makes a belly landing after a faulty takeoff from Buffalo on June 22.

Nonstop Los Angeles to Washington, D.C. DC-7 service begins on July 2 and four days later, a tragedy occurs in Cleveland. Having arrived at Hopkins Municipal Airport while en route from New York to Mexico City, a DC-6 is subjected to an attempted hijacking by an armed 15-year-old boy. After storming aboard and making a show of force, the youth is shot dead by the aircraft’s captain.

The last DC-7 of the year, *Flagship Mexico*, arrives on July 10. Two days later, an unnamed DC-6A Airfreighter enters service. Because westbound DC-7 nonstop transcontinental flights must remain aloft for at least eight hours and AA’s refuses to land en route for crew rotation, the company’s Air Line Pilots Association (ALPA) members institute a job action on July 31 claiming violation of their contract’s eight-hour rule. The strike halts all services.

The National Mediation Board (NMB) offers a plan for arbitration that both sides accept and a temporary accord is reached, allowing services to resume 25 days later on August 24. NMB arbitrator D. L. Cole is appointed neutral referee. Nonstop New York to Los Angeles DC-7 frequencies begin on September 20. After hearings and deliberation, Cole finds for AA; there are no changes in duty-time, but it is recommended that the company grant comp time off for extra work over 8 hours.

The first national convention of the flight attendants’ Kiwi organization is held in Chicago in the fall; there are delegates from 17 chapters and a total of 150 attendees. Also during this period, C. R. Smith accepts an invitation to address the Newcomen Society of North America in New York City on the history of his carrier. The Society, as is its custom, publishes the remarks in a pamphlet, *A.A.: American Airlines since 1926*.

A Convairliner with 16 aboard lands safely at Washington National Airport on November 5 after circling the field for over two hours with a disabled nosewheel. Four days later, a second CV-240 with 43 aboard circles Chicago while its crew tries to free a jammed landing gear; the aircraft is able to safely land at Glenview Naval Air Station. By year’s

end, thrice-daily roundtrip nonstop transcontinental services are offered between New York and Los Angeles.

En route from Newark to Tulsa on March 20, **1955**, a Convairliner with 3 crew and 32 passengers crashes near Newburg, Missouri, while attempting to land at Springfield in dense fog (13 dead). The same day, 66 are shaken when a DC-7 makes an emergency landing at Chicago (MDW).

On June 8, a letter of intent is signed for 35 Lockheed L-188 Electras. A new world record is achieved for the month of June when American flies a total of 416 million revenue passenger miles.

While on a scheduled August 4 service from Tulsa to Newark, a CV-240 with 3 crew and 27 passengers suffers a fire in its No. 2 engine just after takeoff from an intermediate stop at Springfield, Missouri. The captain is given permission to make an emergency landing at Fort Leonard Wood, but while on approach, the right wing breaks off, causing the Convair to crash into a wooded area; there are no survivors.

During October, all-weather radar retrofitting commences on the company’s DC-7s. Orders are placed on November 9 for 30 Boeing 707-123s, at a cost of \$5.5 million each. To pay for the aircraft, a \$75-million loan is negotiated with the Metropolitan Life Insurance Company.

As the result of a gin rummy game between C. R. Smith and Raymond Buck, AA wins the option to purchase a 40-acre wooded tract of undeveloped land between Dallas and Fort Worth. The land is subsequently purchased for \$1 million (from the Metropolitan loan) and construction is begun on a stewardess school.

As a result of the CAB finding in the Denver Service Case of November 14, AA is given a direct Chicago to San Francisco route. A formal contract for the turboprop Electras is signed on December 15.

During the year, senior pilot Byron Moore publishes his memoirs, *The First Five Million Miles* (New York: Harper, 1955).

Operations continue apace in **1956** and 3 more DC-6s join the fleet in January: *Airfreighter Detroit*, *Airfreighter Boston*, and *Airfreighter San Francisco*. Two unnamed DC-4s are sold to Air France on March 5 and April 5, respectively, while the DC-6A *Airfreighter Dallas*, arrives on March 24. With the first DC-7s delivered, American launches nonstop Royal Coachman transcontinental flights on May 20, provided by unnamed aircraft. Between May 24 and November 17, 9 DC-7s enter service: *Flagship Arkansas*, *Flagship Colorado*, *Flagship Wisconsin*, *Flagship Florida*, *Flagship Louisiana*, *Flagship Maine*, *Flagship Minnesota*, *Flagship Oregon*, and *Flagship Vermont*.

With the first officer at the controls and below minimums, a CV-240 with three crew and seven passengers collides with the ground while on approach to Owasso, Oklahoma, in bad weather on January 6, **1957** (one dead).

On January 14, a DC-7 flies from Chicago to Boston in a record average speed of 425 mph. Between March and May, 5 DC-7BFs are delivered for all-cargo operations. Between May 24 and August 18, 4 more DC-6As enter service: *Airfreighter Arkansas*, *Airfreighter Colorado*, *Airfreighter Wisconsin*, and *Airfreighter Florida*. Meanwhile, during the same period from June 8 to August 7, the first DC-7B passenger liners are delivered and christened *Flagship Idaho*, *Flagship Utah*, and *Flagship Nevada*. They are accompanied by 3 unnamed DC-7BFs.

The carrier begins to replace its Convairliners on the Boston to New York service on August 25 with DC-6Bs and to place DC-7Bs on all of its transcontinental flights. The *Airfreighter Louisiana* arrives on September 13, followed by the *Airfreighter Maine* on October 22. Another DC-7B, the *Flagship Georgia*, arrives on October 25. The final 3 DC-6As, *Airfreighter Minnesota*, *Airfreighter Oregon*, and *Airfreighter Vermont*, enter service between November 2 and November 17. On November 9 and 16, 2 more DC-7Bs, *Flagship Nebraska* and *Flagship New Hampshire*, are delivered.

Later renamed the Flight Service College and then the Learning Center, the American Airlines Stewardess College is dedicated and opened on November 21 on the 40-acre wooded tract between Dallas and Fort Worth, purchase option for which was won in the famous 1954 gin rummy game. Mildred Alford is named the first director and, on the

same day, the final DC-7B *Flagship North Carolina* enters revenue operations. Orders are placed for 10 Boeing 720s, which the carrier labels B-707-023s. Chicago to Mexico City flights, suspended in 1946, begin on December 31.

The fleet at the beginning of 1958 comprises 201 aircraft: 58 CV-240s, 58 DC-7s, and 85 DC-6/-6Bs. Orders are placed for 25 CV-600s (later renamed CV-990s) in August. Contracts are now signed with the aircraft broker Galeo for the sale of 25 DC-7s and 20 CV-240s. An application to the CAB for a 15% rate increase is reduced to 4%, largely because of the airline's earlier reduction of its 50% family fare to 33%. A request is made of the CAB for nonstop New York–San Francisco authority.

The landing gear of a CV-240, with three crew and five passengers, is retracted before the aircraft has lifted off the runway at New Haven on March 1, causing the aircraft to slide on its belly for some distance; although the plane is wrecked, there are no fatalities.

In the largest single aviation fuel order to date, the company contracts for the delivery of four billion gallons of aviation kerosene for its new jetliners. With a provisional certificate title posted next to its forward passenger door, the company's first B-707-123, N7509A, makes a predelivery flight from Washington State to New York (IDL) on October 28. The jetliner is also flown to Tulsa, where it is reviewed at the Maintenance and Engineering Center, which now becomes the first commercial-jet maintenance base in the U.S. The jetliner will be returned to Boeing toward year's end to be prepared for its official redelivery to AA during the following March.

The first L-188 Electra is delivered on November 27 and is christened *Flagship New York*. ALPA pilots go out on strike on December 19 over a union demand that flight engineers aboard turbine aircraft (jetliners) be pilot qualified.

The ALPA pilots' strike is settled by compromise on January 9, 1959; the carrier agrees to have three pilots and a flight engineer on its jetliners. L-188A Jet-Powered Electra *Flagship* services are inaugurated New York to Chicago on January 23. Electra flights are begun to San Francisco on January 25, the same day the carrier becomes the first to inaugurate regularly scheduled U.S. domestic turbojet trunk line service, which will initially overshadow the introduction of the new turboprops.

Luxuriously outfitted with 58 first-class seats, Flight 2, the Boeing 707-123 *Flagship California* piloted by Capt. Charles Macatee makes the premier Los Angeles to New York Stratoliner run in a record 4 hours, 3 min., shrinking the country, in terms of time in flight, by half. Capt. Hamilton Smith flies a simultaneous B-707-123 westbound inaugural (Flight 7) in a record 6 hrs. 33 min. His aircraft becomes the first jetliner to arrive at LAX. Among the 112 passengers are President C. R. Smith, actress Susan Hayward, and poet Robert Frost.

The day's achievements make AA the second carrier to provide Stratoliner service in the U.S., the first to offer it with its own rather than leased aircraft, and the first to operate transcontinental jet service.

On February 2, the carrier announces that it will spend \$4.25 million to convert 10 DC-7s to cargo craft, giving it the world's fastest cargo service and doubling its freight capacity. The next day, on approach to New York (LGA) from Chicago with 72 aboard Flight 320, the L-188A *Flagship New York*, with 5 crew and 68 passengers under the control of its automatic pilot, crashes into the East River (65 dead).

The first Electra crash is also the quickest fatal accident for a new airliner type, occurring as it does just 11 days after the plane's delivery. A second New York to Los Angeles roundtrip is inaugurated on February 15. This service is carefully depicted in Martin Caidin's *Boeing 707* (Ballantine Books, 1959).

New York to Detroit Electra flights are initiated on February 21. Five days later, a B-707-123 flies from New York to Los Angeles in a record 5 hrs. 7 min. The seventh B-707-123 *Flagship Maryland* is delivered on February 27.

Having accidentally descended below minimum altitude while on a second ILS approach to Chicago on March 15, a CV-240 freighter with two crew strikes a steel tower, crashes into a rail yard, and skids across

the tracks before coming to rest. Although the plane must be written off, neither pilot is killed.

The *Flagship Maryland* is followed into company hands by the *Flagship Texas* (N7509A, which had made the predelivery flights the previous October) and *Flagship Virginia* on March 16. New York to San Francisco via Chicago Stratoliner service begins on March 22.

Another B-707-123 cuts the transcontinental time from New York to Los Angeles to 4 hrs. 46 min. on April 15. B-707-123 flights commence from Chicago to Los Angeles on April 26. Also in April, the L-188 *Flagship Tulsa* makes a predelivery appearance at the convention of the World Congress of Flight at Las Vegas.

On June 1, Boston to Los Angeles B-707-123 frequencies are initiated. A Baltimore–Los Angeles record of 4 hrs., 35 min. is established by a B-707-123 on June 7, the day flights commence to LAX from Friendship Airport.

George Marion Sadler joins William J. Hogan, George Spater, and Orval "Red" Mosier as executive vice presidents. Manly Fleischmann, Francis H. Burr, Jim Aston, and former **Trans World Airlines (TWA)** President Carter Burgess join the board of directors. George Spater is named executive vice president and general counsel.

Stratoliner service is begun on July 12 from Dallas (Love Field) to New York. En route from Los Angeles to New York with 120 aboard on July 18, a B-707-123 warns Idlewild Airport that it has lost hydraulic power. The airport is sealed off and the media warns people to stay away. In something of an anticlimax, the plane lands safely without a single injury.

A B-707-123, with 98 aboard, skids 7,000 feet after losing its nose-wheels during an August 11 Chicago landing. Three days later, Stratoliner flights are inaugurated from Dallas (Love Field) to Los Angeles. While on a training flight from Calverton–Peconic River Airport in New York State on August 15, a B-707-123 with five crew develops excessive yaw that causes an unintentional roll at too low an altitude for recovery; there are no survivors. B-707-123s begin two new routes on August 21. The first is from Dallas (DAL) to Chicago, while the second runs from San Francisco to Boston via Chicago.

Transcontinental, nonstop DC-7F Airfreighter service begins on October 1 and, a month later, on November 1, nonstop B-707-123 New York to San Francisco flights start. On November 5, AA and IBM announce joint development of a Semi-Automated Business Reservations Environment reservations system—SABRE. Fort Worth becomes a Stratoliner departure point on December 20, with a new service to Los Angeles.

During the year, American is the first airline to offer transcontinental freight service in the cargo compartments of passenger jetliners.

With Vice President Richard M. Nixon aboard, a B-707-123 flies from Los Angeles to Baltimore on January 3, 1960 in a record 3 hrs. 39 min.

A company DC-6 nearly collides with a United DC-7 over Ohio on February 5, but on February 25, an L-188A with 27 aboard crashes at Chicago on takeoff, injuring all aboard. The new AA terminal at Idlewild Airport is opened in February. It features a block-long stained glass facade across the front of the building; designed by Robert Sowers, it is believed to be the largest expanse of stained glass in the world.

A propeller on an L-188A malfunctions during a Chicago landing on March 9 causing the aircraft to crash. The next day another Electra is damaged when it turns into an unseen snowbank while taxiing at New York. The landing gear of a DC-6 collapses during a Baltimore landing on March 16 while a DC-6B is substantially damaged while landing at Syracuse eight days later. By the end of the month, all 35 Electras have been received.

With the **Capital Air Lines–United Air Lines** merger of June 1, AA is no longer the nation's largest airline. Executive Vice President Sadler is now also appointed general manager.

Nonstop Philadelphia to Los Angeles Stratoliner service is inaugurated on June 8. A B-707-123 makes a bad landing at Dallas on June 19 that results in substantial damage to the jetliner. Developed for AA, the first B-720-23B makes its maiden flight on June 22. On July 24, the

company acquires a pair of B-720-023s (B-720As), which it continues to title as "707 (Model 720) Jet Flagships." The first is christened *Flagship Mississippi*.

The Model 720-023s launch service on July 31 from Cleveland to Los Angeles via Memphis and St. Louis. The stop at Memphis marks the introduction of jetliner service to that city. Simultaneously, Chicago to Los Angeles via Denver B-707 service is also begun. The initial SABRE computer center is established at Briarcliff Manor, New York, and the American Airlines terminal at New York (IDL) is opened.

New York to San Diego via Chicago and Phoenix service begins on August 27. During landing at Washington National on September 11, the copilot of a CV-240 inadvertently actuates the gear lever to the up position after touchdown, resulting in substantial damage to the aircraft.

Flight 361, the Lockheed L-188A *Flagship Phoenix* with 6 crew and 76 passengers arriving from Boston, crashes and burns on a shortened runway at New York (LGA) on September 14; fortunately, both crew and passengers escape without injuries.

Wearing American colors, the first B-720-023B makes its maiden flight on October 6. The nosewheel of a DC-6 collapses upon its landing at Newark on October 7.

The carrier sends a letter to its passengers on October 18 stressing, in the wake of a drop in passenger volume, the safety of the Electra. The nosewheel of a B-707-123 collapses during the plane's landing at Fort Worth on October 25. A month later, on November 16, it is found necessary to begin an active public relations campaign to rebuild public confidence in the Lockheed turboprop.

While on a training flight from Idlewild Airport on January 28, 1961, Flight 1502, a B-707-123 with 6 crew, crashes 8 km. W off Montauk Point, Long Island; there are no survivors.

Even before receiving government certification a month later, the company's first B-707-023B (B-720B) is delivered on February 3. American is one of seven carriers struck by the Flight Engineers International Association (FEIA) on February 8. The job action ends six days later when President John F. Kennedy appoints a special commission to resolve the strike's issues.

The first of 10 turbojet-powered B-707-23Bs (B-720Bs) to be received and nicknamed "707 Jet Flagships" by the airline, enters service on March 12; 15 more will be received with turbofan power plants, while the earlier B-720-023s will soon all be refitted. The inaugural flight, between New York, Chicago, and Mexico City, is the world's first B-720B service.

The company's earlier B-707-123s now also commence conversion to fan-jets, beginning with *Flagship California* (the first Boeing jetliner received by the company); the type, like the B-720B, will be marketed as "Astrojets."

The last DC-6A, *Airfreighter Boston*, is sold to **World Airways** on April 7; since February of the previous year, six of the all-cargo aircraft have passed to that supplemental. The CAB's finding in the southern transcontinental route case is announced on June 11, making AA's interline arrangements with **National Airlines**, **Delta Air Lines**, and **Continental Airlines** unnecessary.

On June 25, new all-first-class service is introduced between New York and Los Angeles. A B-707-123 with 52 aboard makes a hard, bouncing landing at Los Angeles on July 29, injuring all aboard to some degree. A contract for 25 B-727s is signed on August 10.

A B-720B with 71 aboard overshoots the runway at Logan International Airport on September 24 and skids into Boston Bay; all of the crew and passengers are saved, although one rescuer dies of a heart attack.

The former DC-7 *Flagship New York* is sold to the FAA on October 1; a week later, it is passed to the U.K.'s Royal Aircraft Establishment for blind landing experiments. A B-707-123B, with 99 aboard, crashes at Chicago on October 20 while another B-707-123B flies from San Francisco to New York on October 25 in a record 4 hrs. 29 min. On December 7, a B-720B flies from Los Angeles to Baltimore in a record 3 hrs. 32 min.

The first CV-990 Coronado is finally delivered on January 12, 1962. The Convair jetliners will be the first since the DC-3 not to be labeled Flagships and named after cities or regions. Instead, they will be marketed as Astrojets.

While taxiing in icy conditions at Chicago on January 20, a CV-240 with 35 aboard collides with a **United Air Lines** DC-7; no injuries are reported. Six days later, a DC-7 freighter's nose gear collapses at Detroit. Also in January, AA and **Eastern Air Lines** file a joint merger petition with the CAB; all other carriers oppose the union. The second CV-990A arrives on February 9 and operations are begun at Chicago (ORD).

Flight 1, a B-707-123 with 8 crew and 87 passengers suffers a rudder control system malfunction during its initial climb away from New York (IDL) on a March 1 flight to Los Angeles. Unable to recover from the resulting roll, the jetliner crashes into Jamaica Bay and there are no survivors. The company's first fatal scheduled service jetliner crash is labeled the fifth worst disaster in commercial aviation history and the one with the highest single-plane loss of life in U.S. aviation history to date.

Six days later, the right main landing gear of a DC-6 with 56 aboard fails as the plane is landing at Buffalo.

Following modification, CV-990A service is begun on the New York to Chicago route on March 18. The westbound flight requires 2 hrs. 10 min. while the eastward route is flown in 1 hr. 48 min.

Between March 20 and June 29, 10 additional CV-990As are delivered. During the same period, curbside baggage check-in by skycaps is introduced at Los Angeles, Chicago, San Francisco, and New York. By year's end, it is implemented systemwide. Also, as the result of overcapacity the company begins to reduce its Electra fleet.

Executive Vice President Orval "Red" Mosier retires on July 1.

The Distance Measuring Equipment (DME) navigation device is installed aboard all aircraft and orders are placed for 4 B-707-320C freighters. The final 4 CV-990As to be delivered on the year arrive between July 1 and 21.

All 5 crew and 67 passengers are safe after Flight 414, an L-188A, makes a bad landing in a rainstorm in Knoxville on August 6 and skids off the right side of the runway.

A B-720B, piloted by Capt. Gene Kruse, establishes a new east to west transcontinental record on August 15 for both speed and time between two U.S. cities made by a commercial airliner on a regularly scheduled commercial route. His Boeing travels the 2,474 miles from New York to Los Angeles in 4 hrs. 19 min. 15 sec., and that record still stands at the time of publication of this volume.

As part of planning for an extensive PR campaign, the airline purchases the Ford Tri-Motor 5-AT-39 in September.

Restored to flying condition, the 5-AT-39 participates in dedication ceremonies for Washington, D.C. (IAD) on November 17. When the airport opens for commercial traffic two days later, the trimotor is the first aircraft to depart. Also in November, company-wide installation of the first SABRE system is initiated with a cutover at Hartford.

During the year, the Gray Eagles association of retired pilots is formed and Electra/DC-6 Captain's Deluxe shuttle service is started, New York-Boston, in competition with **Eastern Air Lines**.

Recently retired stewardess Sherry Waterman publishes her recollections of service with the company in 1949-1956, *From Another Island: Adventures and Misadventures of an Airline Stewardess* (Philadelphia: Chilton, 1962).

Three additional CV-990As join the fleet between January 18 and February 8, 1963. The DC-7B *Flagship Nebraska* is damaged at Oakland on March 16 when its nose wheel collapses after landing; it will be written off. The last Coronado is received on March 21 and an Electra, with 57 aboard is forced to dive sharply to avoid a USAF jet fighter near Syracuse on April 9.

A B-707-123, piloted by Capt. Wylie H. Drummond, establishes a new west to east transcontinental record on April 10 for both speed and time between two U.S. cities made by a commercial airliner on a regularly scheduled commercial route. His Boeing travels the 2,474 miles

from Los Angeles to New York in 3 hrs., 38 min. At the time of publication of this volume, the record still stands.

The CAB rejects the AA-EAL merger petition in April and, on May 30, a CV-990A is destroyed in a hangar fire at Newark Airport.

An Electra, with 56 aboard, encounters severe turbulence near Chicago on June 8, which results in serious injury to a flight attendant. Turbulence is also met by a B-720B with 139 aboard near Litchfield, Michigan, on June 28 and another stewardess is hurt.

The turbulence associated with a thunderstorm causes one flight attendant aboard an L-188A, passing over Bradford, Pennsylvania, with 76 aboard on July 2, to be slightly hurt. The company's \$65-million fuel bill is now equal to all revenues received in 1946.

During the year, the famous orange aircraft rudder and aileron paint, first introduced nearly 30 years earlier, is removed from all flight equipment. Also, company headquarters are transferred from Park Avenue to 633 Third Avenue, New York City.

American's pilots defect from ALPA to form an independent company union, the Allied Pilots Association. On July 17, orders are placed for 15, later 30, British Aircraft Corporation (BAC) 1-11-401 Astrojets. The restored Ford 5-AT-39 begins two years of promotional tours in connection with the introduction of the new Boeing 727-123s, the first of which is delivered in September. The old Tri-Motor will visit 32 states and Canada and be viewed by an estimated three million people. During the remainder of the year, the Ford visits 73 cities and makes 156 courtesy flights during which 1,000 people are transported.

A B-707-123 with 95 aboard must make a drastic dive northeast of Phoenix on September 23 to avoid a midair collision; one flight attendant is seriously hurt. The first of what will become a large number of Flagship Inn hotels is purchased and, on October 27, an eastbound-only CV-990A service begins from San Francisco to New York; at 2,587 miles it is the airline's longest scheduled segment. An L-188A flies from Chicago to Washington, D.C. on December 20 in a record 1 hr. 14 min. 15 sec.

In something of a footnote to the year, American female flight attendants are provided with the first washable double-knit uniform separates; the red, white, or blue clothing does away with the previous need to dry clean stewardess uniforms.

Enplanements during the 12 months total 8,448,000 and net profits are \$23.3 million.

George Marion Sadler is named president in January 1964. Airline employment at the beginning of the year totals 23,678. During the year, the company will introduce a new livery that will be known, unofficially, as either the "lightning bolt" or "naked nose" scheme.

The last passenger service by a DC-7, *Flagship Wyoming*, arrives at St. Louis on February 14; there, in ceremonies, it is donated to the National Museum of Transport. Also in February, 10 of the 15 BAC 1-11-401s on option are converted to full orders. The DC-6B *Flagship Oklahoma City* is sold to **Hawaiian Airlines** on April 9.

New York to Chicago Boeing 727-123 service begins on April 12. Beginning the same day, the promotional tour of the restored Ford 5-AT-39 is resumed, each city visit timed to coincide with the arrival of the new "three-holer" jetliner. During the year, the old Tri-Motor will visit 117 communities in both the U.S. and Canada and fly 3,400 passengers on 430 courtesy flights. Cleveland to New York flights begin in May, providing two-carrier competition in a major market.

The last CV-240 flight is made on June 30, Syracuse to Memphis via Rochester, Buffalo, Cleveland, Columbus, Dayton, Cincinnati, Louisville, and Nashville. The aircraft is retired during July 1 ceremonies. The same day, a B-720B with 12 aboard crashes after landing at New York's international airport; injuries are slight. Representative James Roosevelt, his wife and two sons fly from Washington, D.C. to the Democratic National Convention at Atlantic City in August aboard the 5-AT-39; the trip recreates the electrifying arrival of Franklin Roosevelt in Chicago in 1932.

Company-wide installation of the first SABRE computerized reservations system, the largest electronic data processing system then in business use, is completed with a cutover at Cleveland on September 15. The

telecommunications network of the SABRE system now extends from coast to coast and from Canada to Mexico; it is the world's largest real-time data processing system, second in size only to the U.S. government's SAGE system.

During the fall presidential campaign, a new B-727-123 is leased to the Republican National Committee for Senator Barry Goldwater. At the same time, an L-188A, wearing the titles "H.H.H. The Happy Warrior," is leased to Vice President Hubert H. Humphrey as his campaign plane.

During the year, 16 new jetliners, including all 12 B-727-123s, are added and B-707Fs begin to replace piston-engine aircraft on the cargo side. On November 12, a B-707-123 with 66 aboard crashes at Nashville when its landing gear collapses after landing; injuries are slight.

Passenger boardings accelerate 12% to 9.6 million and freight traffic is up by 14.7%. Revenues advance to \$544 million and the net profit skyrockets 70% to \$33.4 million.

The workforce is 25,546 in 1965 and the fleet now includes 171 aircraft: 27 Boeing 707-123s, 22 B-720s, 29 B-727-123s, 7 B-707-323Cs, 1 BAC 1-11-401, 18 Convair CV-990s, 7 DC-7s, 24 L-188As, and 36 miscellaneous piston types. Orders remain outstanding for 29 BAC 1-11-401s, 31 B-707-323Bs, 13 B-727-123s, 22 B-727-223s, and 8 B-707-323Cs.

A second Ford Tri-Motor, 5-AT-74, is purchased in February and employed as a static display at the New York World's Fair. Interestingly, this example of past glory is parked next to a symbol of the future, the New York City Port Authority Heliport.

A B-707-123 with 95 aboard is caught in a hailstorm at 26,000 ft. over Dyess AFB, Texas, on May 9 and is severely damaged before it can make a safe emergency landing. Three days later, another B-707-123 with 126 aboard fails its takeoff when its left landing gear collapses; again there are no injuries.

Hail again strikes a B-707-123B, this time at 31,000 ft. over Texarkana, Arkansas, on July 7. AA now moves to keep two helicopter airlines, providing feed, alive. The first is **San Francisco & Oakland Helicopter Airlines**. Funds are provided on July 14 and SFO transfers its Sikorsky S-61N operation to the major's concourse at San Francisco. An application is made with the CAB for Hawaii and Japan authority.

In an early effort at a coordinated commuter network, the company provides gate facilities at New York's three airports for five small regionals from the local region that are providing feed under the confederated name of Metro Air Service: **Air Taxi Company, Chatham Aviation, Princeton Aviation Corporation, Mac-Aire Aviation Corporation, and Mid-Hudson Airlines**.

On October 10 and 19, two CV-990As are sold to **Lebanese International Airways, S.A.L.** Also in October, the 5-AT-74 is withdrawn from the New York World's Fair grounds and returned to the AA base at Tulsa for storage.

At Hurn, England, on November 4, the company's first BAC 1-11-401 makes its maiden flight.

Coming in for a landing at Greater Cincinnati Airport on November 8 after a flight from New York (LGA), Flight 383, a B-727-23 with 6 crew and 56 passengers, strikes a hill on the bank of the Ohio River 3 km. N of its intended runway, skids 300 m. through brush into a line of trees, and bursts into flame (58 dead). This is the first fatal crash of the new trimotor.

The new BAC 1-11-401 is flown to the U.S. on November 17 to begin a 17-day demonstration tour, during which it will be flown 68 times before executives from 7 airlines and 22 companies. A B-707-323B flies from Los Angeles to Washington, D.C. on November 24 in a record 3 hrs. 22 min. 21 sec.

The BAC 1-11-401 completes the first portion of its North American tour on December 4 and is turned over to AA the next day for use in pilot familiarization during the remainder of the month.

The first two owned BACs depart England for the U.S. on December 22-23, arriving on Christmas Eve.

Also in December, the airline joins with **United Air Lines** to assume, with CAB blessing, control of **Los Angeles Airways** through the

assumption of the helicopter carrier's outstanding \$3.2 million loan. Twelve additional jetliners are ordered.

Enplanements this year are 11,029,573. Revenues climb 12.6% to \$612,435,000 and profits climb 18.5% to \$39.6 million.

On February 16, 1966, a B-707-323B with 111 aboard dives 2,000 feet near Newark Airport to avoid a small private plane; one stewardess is injured.

A year behind schedule, BAC 1-11-401 Astrojets finally enter service on March 6 over routes from New York to Toronto, Syracuse, Boston, Rochester, and Washington, D.C.

A \$260-million order is placed for 10 Boeing 747-123s; a total of 52 new jetliners will be delivered during the year.

With the other majors struck by their unions, AA is the only available transcontinental carrier for part of the year. While **Eastern Air Lines**, **National Airlines**, **Northwest Airlines**, **Trans World Airlines (TWA)**, and **United Air Lines** are grounded between July 8 and August 22 by the IAM strike, American pays them \$16.8 million as part of its responsibility under the airline mutual aid pact.

During the summer, the company circulates to manufacturers a request for a new wide-bodied aircraft that can compete with the Boeing Jumbojet.

En route from Chicago to San Diego on November 12, a B-727-223 with 78 passengers suffers an explosion in its rear luggage compartment. Only slightly damaged and with no injuries reported, the trijet is able to land at its destination. Police and FBI agents looking into the incident will discover that the blast has been caused by a bomb placed in the suitcase of a female passenger. Her husband, E. T. Cook, wishing her dead, had set the explosive while simultaneously purchasing a large life insurance policy. Cook will be taken into custody a week later, indicted, and tried for the attempted murder of his wife. Convicted, he will be sentenced to a long prison term.

The last of 30 BAC 1-11-401s is received on December 16. On December 17, a DC-6 undertakes the carrier's last piston-engine service, a ceremonial flight over Kitty Hawk, North Carolina. AA is now the first of the "Big Four" with an all-turbine fleet.

Revenues grow to \$727,712,000 and the net profit jumps 31.5% to \$52.1 million.

The employee population in 1967 is 32,854. The fleet now comprises 206 aircraft: 49 B-707-123s, 24 B-707-323CF, 22 B-720s, 52 B-727-123s, 30 BAC 1-11-401s, 9 CV-990As, and 20 L-188s. Orders remain outstanding for 4 B-707-123s, 23 B-707-323CFs, 5 B-727-123s, 41 B-727-223s and 10 B-747-123s.

Early in January, the first issue of American's in-flight magazine, *The American Way* (now *American Way*) is published. A CV-990A is sold to **Modern Air Transport** on January 4 while another is chartered to **Northeast Airlines** on January 20 for a year and a third passes to **Modern Air Transport** on February 3. In response to aggressive **Eastern Air Lines** shuttle competition, AA introduces BAC 1-11-401 Jet Express service on February 12 over its New York to Boston run. Astrojets depart New York (LGA) for Logan International Airport every hour on the half-hour, 16 times per day. A Coronado is sold to **Modern Air Transport** on March 13.

The B-720B delivered to the company on June 5 is the one thousandth jet airliner built by Boeing. New York-Washington Jet Express flights commence on July 1.

During the summer, President Sadler undergoes surgery; meanwhile, George A. Spater is named company vice chairman. Executive Vice President and Chief Financial Officer William J. Hogan retires shortly thereafter.

An expansion program is initiated at the Fort Worth Stewardess College; new buildings are added as is a Flight Academy for pilots.

The number of daily New York to Chicago roundtrip flights is increased from two dozen to 28 on November 15.

Customer bookings increase by 13.3% on the year to \$16,901,000 and freight traffic advances 41.8%. Revenues climb 15.6% to \$841,531,000, but net profits decline to \$48 million.

In January 1968 C. R. Smith is named U.S. Secretary of Commerce by President Lyndon B. Johnson and President Sadler resigns; the latter is succeeded by George A. Spater, a noted Virginia Woolf bibliophile. George Warde is named executive vice president and general manager.

A third Coronado is sold to **Modern Air Transport** on February 2 and on February 19 American becomes the first to order the Douglas DC-10-10, with a firm launch request for 25 "LuxuryLiners" (plus an equal number of options).

On March 27, the carrier introduces two new cargo containers shaped to fit the narrow rear section of the B-707-320CF, where only one container could be fit before. Forty more jetliners are delivered on the year and all remaining CV-990s are retired, including one more sold to **Modern Air Transport** and the remainder that pass to the Spanish cargo charter operator **Spantax, S.A. (Transportes Aereos)**.

The current color scheme is unveiled and new terminals are opened at Love Field (Dallas) and National Airport (Washington, D.C.) and others begin construction.

On September 13, American reaches tentative agreement with the backers and creditors of **Lebanese International Airways, S.A.L.** to put that line back into operation. The scheme comes to naught when Israeli commandos wreck the two Coronados previously sold to it and other aircraft at Beirut in late December.

The employee population is now 34,664. Customer bookings advance 15% to 18,355,000 and a total of 526.82 million freight ton-miles are flown. Revenues advance 13.7% to \$957,198,000.

At the beginning of 1969, the employee population numbers 36,994 and the fleet totals 247 aircraft: 57 B-727-123s, 41 B-727-223s, 22 B-720s, 48 B-707-323CFs, and 54 B-707-123/-323Bs.

CEO Spater is now elevated to the board chairmanship with Vice President Warde appointed president. During the first quarter, the company joins with McDonnell Douglas in a demonstration and evaluation of the French-made Breguet 941S, which the manufacturer proposes to sell as the STOL transport MD-188. For two months, the aircraft is tested on the company's northeast routes out of New York City and meets with no success.

Spater now contacts **Western Airlines** Chairman Terry Drinkwater in March to discuss a possible merger. Under terms of the White House and CAB findings of April 24, in the transpacific route case, AA is given authority to serve New Zealand, Fiji, American Samoa, and Australia. In August, the company, together with United Air Lines and Trans World Airlines (TWA) files a joint plan with the CAB, for a reduction in excess capacity.

AA becomes the first airline to mix computers with freight when it introduces FREIGHT SABRE, an air cargo version of the computerized reservations system. Former President Sadler is invited by his successor to become vice chairman of the board of directors and, in November following the U.S. national election, the former president turned commerce secretary, C. R. Smith, becomes a partner in the firm of Lazard Freres & Company. Late in the year, the company joins with Continental Corporation to acquire Reservations World for \$2.75 million.

En route from New York (LGA) to Dallas on December 28 via Chicago, Tulsa, and Oklahoma City, Flight 691, a B-727-223 piloted by Capt. Robert S. Ames, suffers the loss of two engines in-flight between Illinois and Oklahoma. After some minutes, both are restarted and the flight is completed.

Enplanements for the 12 months total 18,953,800. Revenues for the year top \$1 billion for the first time (\$1,032,830,000). Profits are \$62.83 million (operating) and \$38.46 million (net).

In January 1970, an application is filed with the CAB for permission to takeover O. Roy Chalk's **Trans-Caribbean Airways (TCA)**. In exchange for \$18 million in stock, a \$7 million loan, infusion of \$5 million to meet payroll during transition, and a long-term consultancy for Chalk, the major receives 8 less-than-desirable aircraft and access to the Caribbean. Only TCA's air transportation activities are included in the merger proposal; all nonairline operations will revert to TCA stockholders.

Beginning February 8, the carrier offers a special postal cachet commemorating the inaugural flight of its B-747-121 from New York to California and on February 11 the *Clipper Ocean Pearl*, which will perform that feat, arrives under charter from **Pan American World Airways (1)**. The first Jumbojet transcontinental service occurs on March 2 and beginning on March 29 is expanded through the introduction of a second leased **Pan American World Airways (1)** B-747-121, the *Clipper Black Sea*.

Despite the removal of Drinkwater as **Western Airlines's** chairman on April 23, AA Chairman/CEO Spater continues merger discussions, primarily with board member and financier Kirk Kerkorian.

En route from Chicago on May 25, an Astrojet, Flight 206, lands at New York (JFK), transfers its 66 passengers to a waiting bus, refuels, and flies to Havana on orders of a hijacker, who remains in the rear galley with a stewardess hostage, relaying orders by intercom. The man, who never shows a weapon, had taken over the plane an hour out of Chicago and the passengers remained completely unaware of the hijacking until deplaned in New York.

The *Clipper Ocean Pearl* is returned to **Pan American World Airways (1)** at month's end.

Company executives in June meet with those from **United Air Lines** and **Trans World Airlines (TWA)** and iron-out a reduction in the total number of transcontinental flights operated by the three. The CAB grants them a one-year exemption for this "capacity control" agreement that, otherwise, would have been illegal under antitrust laws. In addition, the "Big Four" plan a jointly owned computerized reservations system for the travel industry, but the ATARS concept is quickly dropped when the U.S. Department of Justice (DOJ) threatens to file suit against the carriers under the Sherman Antitrust Act. The company's first owned Jumbojet, a B-747-123 Astroliner, arrives on June 18; it is followed by two more on July 16 and 30, respectively.

Transpacific flights to Hawaii, American Samoa, Fiji, New Zealand, and Australia are inaugurated in August while one of the Jumbojets leased from Pan Am is involved in an accident at San Francisco on September 18. A new flight academy is opened at Fort Worth and two new hotels are added to the Sky Chef system during the fall. The *Clipper Black Sea* is returned to **Pan American World Airways (1)** during October and, on November 2, the carrier announces a plan to merge with **Western Airlines**.

On December 30, presidential approval is received for the takeover of **Trans-Caribbean Airways (TCA)**, 7 B-727-1A7Cs, several DC-8s, and its route structure. The company and Continental Corporation liquidate the business of Reservations World in December, a year after its joint acquisition.

During the year's second half, 7 additional B-747-123s join the fleet and, on December 31, a B-720B is sold to **Middle East Airlines (2)**, **S.A.L.** Despite all of this activity, the workforce is cut 4.8% to 35,300.

Passenger boardings climb a modest 2.3% to 19.4 million and cargo traffic accelerates 9.3%. Although \$1.12 billion in income is received, it cannot be balanced against \$1.14 billion in expenses. Consequently, operating (\$15 million) and net (\$26.39 million) losses are taken.

A B-707-323B arriving from San Francisco on January 10, 1971 collides over Edison, New Jersey, with a **Linden Flight Service** Cessna 150 while on landing approach to Newark Airport. Although the jetliner suffers a damaged hydraulic system and lands safely, both occupants of the small plane are killed. The carrier's board approves a merger agreement with **Western Airlines** on January 30.

The L-188A *Flagship Cincinnati* is sold out of service on February 1, the last of 35 Lockheed turboprops to be retired. The 11th B-747-123 arrives on February 26.

On March 1, AA begins flying from New York to the Caribbean destinations of Haiti, Curaçao, Aruba, the U.S. Virgin Islands, and San Juan over the old **Trans-Caribbean Airways (TCA)** route. Officials announce later in the day that in an effort to attract more passengers, it will remove 40 seats from its Jumbojets to provide a cocktail lounge with a stand-up bar for economy-class passengers.

On March 2, the company introduces Coach Lounge service and, on March 8, effective back to March 1, the merger with **Trans-Caribbean Airways (TCA)** is officially consummated. On March 19, shareholders of AA and **Western Airlines** agree to join forces; as in the earlier proposed merger with **Eastern Air Lines**, opposition from the rest of the industry is nearly unanimous.

Between April 16 and June 25, 5 more B-747-123s join the fleet, completing the 16-plane order.

Los Angeles Airways, for which AA has assumed part of a \$3.2-million loan agreement, is sold to **Golden West Airlines** in July. On July 29 in Long Beach ceremonies, the first DC-10-10 is received; the FAA certifies the plane the same day.

Employing the launch aircraft received just a week earlier, American inaugurates the world's first DC-10-10 service on August 5 over the Los Angeles-Chicago run. In the process, the carrier becomes the first to fly cargo in the Douglas wide-body. The inaugural preempts premier transcontinental introduction of the type by **United Air Lines** by 11 days.

With Frank Sinatra Jr. providing the entertainment, the first B-747-123 stand-up piano bar is inaugurated on the August 25 Los Angeles to New York flight.

Sky marshals and Wayne County, Michigan, police arrest B. Pliskow at Detroit Metropolitan Airport on September 24 for allegedly attempting to hijack Flight 124, a B-727-223 with 76 passengers preparing for departure to New York. The woman wielding a pistol and dynamite to force the release of two imprisoned Black Panthers will eventually receive probation.

A one-year excess capacity reduction agreement becomes effective with **Eastern Air Lines** and **Trans World Airlines (TWA)** six days later.

En route from New York to Puerto Rico with 236 persons aboard, including 3 sky marshals and an FBI agent, Flight 98, a B-747-123 is hijacked to Cuba on October 25 by one A. L. Casaus, who holds a gun to the head of a stewardess. Cuba detains the Jumbojet and those aboard for three days. When Casaus returns to the U.S. in 1978, he will be taken in hand by police, tried, and sentenced to three years in jail.

Flight 47, a B-707-323B with 85 passengers and en route from Chicago to San Francisco on December 26, is captured by a lone assailant employing a knife, a gun (toy), and a bomb (fake). The man demands a ransom of \$200,000 and a flight out of the country, but is overwhelmed by the crew and turned over to police after the Strato-liner reaches its destination. He will be tried and sentenced to prison for three years.

Former supervisory mechanic Paul Kent establishes the American Airlines Museum in a room on the lower level of the Tulsa's airport terminal building at the end of the year. Enplanements this year are 11,338,800 and a \$3-million net profit is reported.

The DOJ objects to the planned AA-**Western Airlines** merger in January 1972 while retired NBC newsman Chet Huntley is named the carrier's television ad spokesman on March 5. Two stewardesses and the plane's captain are injured in the June 10 explosion of an oxygen flask aboard a B-727-223 at New York (LGA).

On June 12 over Windsor, Ontario, just after takeoff from Detroit, an explosion rips a gaping hole in the fuselage of a DC-10-10 piloted by Capt. Bryce McCormick. Believed at first to be caused by a bomb but later traced to decompression, the Douglas with 67 aboard on continuation of its Los Angeles-New York flight loses its rear cargo door (to a design flaw), but is landed safely by its crew using the engine throttles alone.

Interestingly, this aircraft is one of six that had originally been ordered by Mitsui for lease to **All Nippon Airways Company, Ltd. (ANA)**. When that lessor cancels and turns to the Lockheed L-1011 (in a case that will result in a famous bribery scandal), the DC-10s are placed elsewhere, including another that will go to **THY (Turk Hava Yollari, A.O.)** and crash on March 3, 1974.

The last CV-990A is sold to **Spantax Airlines, S.A.** on May 18.

On June 24, armed with a submachine gun, M. J. McNally, a 28-year-old unemployed veteran, hijacks Flight 119, a B-727-223 en route from St. Louis to Tulsa with 94 aboard, and orders it to return to Lambert Field, where he allows 80 passengers to disembark. St. Louis businessman D. J. Hanley, in an attempt to thwart the hijacking, drives his automobile head-on into the landing gear. Meanwhile, McNally receives \$502,000 in ransom and five parachutes. The plane, still operable, takes off for an undisclosed location. Over Peru, Indiana, the hijacker bails out; law enforcement officials begin a search after a 75-foot trail of blood, the submachine gun, and the ransom money are found on a local farm. On June 27, federal officials issue a warrant for businessman Hanley, who is in a St. Louis hospital, charging him with "interference with an aircraft." The next day, the farmer who found the ransom turns down a \$20,000 reward from AA as "insufficient." FBI agents capture McNally at Wyandotte, Michigan, on June 29. He will be tried and sentenced to prison for life.

FBI agents arrest 23-year-old Charles Smith on July 5 at Greater Buffalo Airport after he allegedly holds his 18-month-old daughter hostage at knifepoint aboard a B-707-323B and threatens to kill her unless he is flown to a foreign country. After two hours of discussion, Smith surrenders. He will receive a five-year probationary term.

M. M. Fisher hijacks Flight 633, a B-727-223 with 57 passengers en route from Oklahoma City to Dallas on July 12, demanding parachutes and a \$550,000 ransom. The pirate surrenders to FBI agents at Oklahoma City, after receiving a \$100,000 ransom and parachutes, but loses his nerve to bail out on the return flight to Oklahoma. Like skyjacker McNally, he, too, will be tried and receive a life prison sentence.

The CAB rejects the **Western Airlines** merger application on July 28.

En route from Baltimore to New York, with 20 aboard on August 19, a B-727-123 is able to land safely at Kennedy Airport after the failure of its landing gear.

The joint AA-**Eastern Air Lines-Trans World Airlines (TWA)** excess capacity reduction program expires on September 16.

On September 22 the company sends a telegram to the Democratic National Committee notifying it that its air travel credit has been terminated because of the Committee's failure to pay its overdue flight bills; CAB regulations prevent other airlines from offering the Democrats credit until American is paid.

A front landing gear malfunction causes a B-707-323B with 86 aboard to skid off the runway at Buffalo on September 29.

The SABRE computerized reservations system is expanded during the fall.

Following its final flying appearance at a transportation exposition at Dulles International Airport, the company's promotional Ford 5-AT-39 is given, in an October ceremony, to the Smithsonian Institution for eventual display in the National Air and Space Museum, then under construction. At the same time, the 5-AT-74 is sold to a private collector and the last BAC 1-11-401 is retired.

Losing \$12 million per year, the Flagship Inn hotel chain is renamed Americana. Thrice-daily nonstop flights between Newark and Detroit begin on November 19 and, in late December, a combination of bad weather and slowdowns by unhappy ALPA pilots conspire to cause the cancellation of hundreds of flights.

D. L. Coleman unsuccessfully attempts to hijack a B-707-323B en route from San Francisco to Chicago, to Havana on December 26.

Now the world's largest operator of wide-bodied aircraft, with 16 Jumbojets and 25 DC-10-10s, American completes the year still working out the difficulties that come with such a large fleet modernization. The fifth DC-10-10, delivered on December 8, is actually the prototype reregistered.

The workforce is now 35,197. Passenger boardings swell 4.5% to 20,616,000 and freight ton-miles flown rise 7.5% to 561 million. On revenues of \$1.35 billion and expenses of \$1.30 billion, a \$41.18-million operating profit is realized. The net profit climbs to \$5.63 million.

The employee population in 1973 numbers 37,631.

In late winter, the major trades its authority to fly from Tucson and Phoenix to San Diego to **Frontier Airlines (1)** for that local service carrier's Dallas (DFW) to Albuquerque route.

On February 1, American elects not to exercise its option for the purchase of the Anglo-French Concorde. This follows the cancellation of the U.S. Supersonic Transport project, the cost overruns in the European project, and the cancellation of Concorde orders by **Pan American World Airways (1)** and **Trans World Airlines (TWA)** the day before.

En route to Oklahoma City for repairs, a B-707-323C, with a three-man crew, crashes during takeoff from Denver on March 5; no injuries occur.

Robert Crandall, Bloomingdale's senior vice president/treasurer and former **Trans World Airlines (TWA)** assistant treasurer becomes senior vice president of finance in April. The same month the pilots' slowdown ends and it is calculated that the job action has cost the airline not only between \$10 and \$20 million, but much of its competitive edge.

U.S. prosecutors drop charges against D. J. Hanley on June 4. The St. Louis businessman who attempted to halt R. J. McNally's hijacking (McNally received two life terms on May 14) of a company airliner the previous year, is now permanently disabled.

In July, Chairman Spater informs the board that AA has illegally provided \$75,000 to Richard Nixon's 1972 campaign. Believing that the gift would bring favorable CAB consideration in the future, the AA chief becomes one of the first casualties of the Watergate affair.

Following the resignation of Board Chairman/CEO Spater on September 18, C. R. Smith, now a limited partner in the New York investment firm of Lazard Freres & Co., returns on an interim basis while a replacement search is undertaken. President Warde also resigns; meanwhile, the CAB examines a proposed route swap with **Pan American World Airways (1)** and authorizes American to suspend its South Pacific services.

On October 18, reacting to the government's mandatory jet fuel allocation plan, the carrier joins with **Trans World Airlines (TWA)** and **United Air Lines** in announcing that effective November 1, the three will eliminate 44 daily flights in an effort to save 6.6 million gallons of fuel per month.

On November 28, a company communiqué notes that, due to the fuel crisis, 96 daily flights have been cancelled and that as of January 1, 214 of its 3,700 pilots will be laid off. A new Bill Blass-designed wardrobe for flight attendants is unveiled in December.

During the year a B-747-123 is leased by Universal Pictures. Painted in the colors of the fictional Columbia Airlines, it will be employed in the filming of the motion picture *Airport 1975*, starring Charlton Heston, George Kennedy, and Karen Black.

Customer bookings grow 4.5% on the year to 21,534,000, but cargo traffic drops 2.1%. On revenues of \$1.47 billion and expenses of \$1.61 billion, the carrier has an operating loss of \$36.17 million. A \$48.2-million net loss is taken as employee morale sinks.

Continuing cutbacks in the supply of avgas requires the company, beginning on January 2, 1974, to cancel approximately 16 of its 1,000 daily departures and to suspend flights between New York, Detroit, and Knoxville; orders for 25 DC-10-10s are also cancelled. In a further effort to conserve fuel, 10 B-747-123s are grounded on January 7.

On February 15, the CAB orders the carrier to eliminate its arbitrary criteria for membership in its Admirals Club and to replace them with specific rules that must be attached to all tickets. Former Times Mirror Company president Albert V. Casey is elected president/CEO on February 20, at which point C. R. Smith returns to Lazard Freres & Co. Also in February, most of the B-747-123s, now known as Luxury Liners, are sold out of service, with the majority passing to **The Flying Tiger Line**.

In March, service to Fiji, American Samoa, New Zealand, and Australia is suspended because severe government-imposed route restrictions and fuel shortages make the cost of operation prohibitive. Service over the former **Trans-Caribbean Airways (TCA)** routes, now also unprofitable, is also suspended in March.

President Casey becomes board chairman in April and Director Carter Burgess resigns; Vice President Crandall now also assumes responsibility for the airline's marketing program.

In July, a B-747-123 is sold to the National Aeronautics and Space Administration (NASA); it will be converted to serve as a transport for the Space Shuttle.

The first B-747-123SF (one of the Luxury Liners converted during the past several months) to be employed on domestic service begins operations on November 5 to and from New York, Los Angeles, San Francisco, Chicago, and Dallas (DFW) and will be joined by another before year's end.

Significant cost-cutting measures are undertaken. Three more of the company's 16 passenger Jumbojets are withdrawn from passenger service, the Americana hotel chain is sold, and one-step automated check-in is introduced at several U.S. airports. A total of 1,605 employees are laid off or not replaced.

Arbitration results in AA paying \$9 million to Aer Lingus-Irish International Airlines, Ltd. to settle an old claim against **Trans-Caribbean Airways (TCA)**.

Enplanements this year slip 2.9% to 20,913,000 and freight traffic is off by 9%. Income is \$1.71 billion and cost cutting has paid off, lowering expenses to \$1.67 billion. The operating profit is \$40.9 million and the net profit is \$20.44 million.

The workforce in 1975 is 35,014. A route exchange agreement is sought with **Pan American World Airways (1)** and is granted in June. Under its terms, American trades its Pacific routes (except Boston and St. Louis to Honolulu) for **Pan American World Airways (1)**'s authorizations from New York to Bermuda, Santo Domingo, and Barbados.

Throughout the spring and summer a new "Doing What We Do Best" advertising campaign is run while the carrier joins with other majors in CAB-approved discussions with the American Society of Travel Agents on a joint, industry-wide computerized reservations system. In July, **United Airlines**, then with the dominant Apollo system, quits the discussions.

A DC-10-10 taking off for San Francisco on August 25 with 216 passengers and 13 crew, aborts its takeoff from New York (JFK), blowing its tires and halting about 100 yards short of the blast fence; only 1 passenger is injured.

In late summer, Mr. Crandall and his vice president in charge of data processing Max Hopper attend an Atlanta meeting of the Woodside Group, then comprised of most of the country's largest commercial travel agencies, to hear presentations on computerized reservations systems from the three largest airlines. When **United Airlines** boycotts the gathering and **Trans World Airlines (TWA)** makes an ineffective presentation, the two AA officials win the day and the contracts of the large travel industry concerns represented. The SABRE system is further expanded as carrier officials begin marketing it to additional travel agencies in the U.S. and work begins to consolidate the company's 11 mainland reservations centers into 4.

The former **Pan American World Airways (1)** routes are now inaugurated.

In November, the Flight Safety Foundation awards AA a "Distinguished Performance Award" in recognition of its 6 million hours of safe flying over a 10-year period, the greatest total of fatality-free flying hours ever amassed by an airline. The record is nearly shattered on November 27 when a DC-10-10, with 190 aboard, must effect a 2,000-ft. dive over Carleton, Michigan, near Detroit, to avoid a collision with a **Trans World Airlines (TWA)** L-1011 TriStar 1.

Passenger boardings grow only a slight 0.6% this year, to 20,681,000. Cargo is also down, by 5.1%. Afflicted by recession and the energy crisis, the carrier, after paying out fuel bills alone of \$180 million, suffers a net loss of \$20.47.

Employment is increased 3.1% in 1976 to 36,080. The year's marketing emphasis is placed upon Revolutionary Fare discounts and Bicentennial tours. Planning is begun on the fare structure required to compete with nonscheduled charter carriers who are given the freedom to oper-

ate their pricing structures largely without government restriction. In addition, the company celebrates its own fiftieth anniversary in four months of celebrations.

On April 4, a door falls from a B-727-223 over Modesto, California, during its landing approach to San Francisco and narrowly misses a 4-year-old child.

Arriving from New York (JFK) on April 27, Flight 625, a B-727-95 piloted by veteran Capt. Arthur Bujnowski with 6 other crew and 81 passengers, fails a go-around maneuver with insufficient runway remaining after a long touchdown. The Boeing runs off the runway, strikes a localizer antenna, hits an embankment that sends it airborne 83 ft. over and beyond a perimeter road, where it comes to rest and catches fire (37 dead).

General of the Army Omar N. Bradley is awarded a \$200,000 out-of-court settlement on May 27 to settle a personal-injury suit. Also in May, the first travel agency SABRE reservations unit is turned on; sales of the improved reservations system, centered in Tulsa, skyrocket.

In June, two B-747-123s are sold to **Trans-Mediterranean Airways, S.A.L.** for use as freighters. Flights begin to Omaha and Des Moines during the summer, while a third B-747-123SF enters service and unsuccessful merger discussions are held with the insurance corporations Trans-America and American General.

On November 20, arrangements with promoter John Hoffman to lease a B-747-123 for use as a flying nightclub are cancelled.

Customer boardings grow 10% to 23,296,000 and cargo is up an equal 10.3% to 764 million FTKs. Income is \$2.09 billion and expenses are \$2.02 billion. This positive difference brings an operating profit of \$70.93 million and net income of \$56.31 million. Profits climb to \$76.3 million.

One of the **Trans-Mediterranean Airways, S.A.L.** B-747-123SFs is purchased back on January 8, 1977 and, on January 31, the carrier's most popular fare is proposed—the Super Saver. In January, the company receives the 1976 "Technology Management Award" from *Air Transport World* magazine.

Offering 35–45% savings on the transcontinental route, Super Saver fare goes into effect on April 24 and when copied by other companies will largely neutralize the free-wheeling charter operators. Meanwhile, services are launched from Chicago to Montreal and additional Caribbean destinations are now visited, including Montego Bay and Kingston, Pointe-à-Pitre, and Fort de France.

During the spring, Senior Marketing Vice President Crandall joins other airline leaders (except those from **United Airlines**) in opposing deregulation of the airline industry during congressional testimony.

As a result of the previous April's B-727 crash and notification from the Allied Pilots Association union, AA, on May 24, stops flying jetliners into St. Thomas, U.S. Virgin Islands. While the Harry S. Truman Airport is upgraded, the company will form and operate a subsidiary, **American Inter-Island Airlines**, to ferry passengers from St. Thomas to St. Croix.

The B-707-123 *Flagship Maryland* is sold to Atlantic Richfield, also in May.

Several operational mishaps occur during the summer. Following an explosion and fire in an engine, a DC-10-10, with 326 aboard, aborts its takeoff for Los Angeles from Boston on July 28; no injuries are reported. A B-707-323C returns safely to San Francisco on August 6 after one of its four engines explodes minutes after takeoff. En route from Los Angeles to New York on September 30, another DC-10-10 makes an emergency landing in Oklahoma City when it, too, develops engine troubles.

With the ribbon-cutting ceremony, the fourth and last consolidated reservations centers is now opened; these regional operations are located at Hartford, Los Angeles, Dallas (DFW), and Cincinnati.

Two oil and gas subsidiaries, AA Development Corporation and AA Energy Corporation, are formed. A third B-747-123SF joins the fleet in late December.

The year's enplanements are 24,242,000. The net profit for the year reaches \$81 million on operating income of \$2.37 billion.

Airline employment is increased by 3.1% in **1978** to 38,115. Adamant nonsmoker John McAward is arrested by police on March 17 on charges of interfering with a flight when he delays the takeoff of a jetliner from Boston for 45 minutes by protesting the company's inability to provide him with a seat in the aircraft's nonsmoking section.

Also in March, Super Saver fares are expanded to all U.S. mainland routes, following with discounts on flights to Mexico and Canada. The same month, CAB permission is received to suspend nonstop Boston and St. Louis to Honolulu service. Flights begin to nine new communities; expansion and schedule changes bring a 76.1% increase in route mileage to 85,967 unduplicated miles.

A corporate airliner owned by Coyne International Corporation nearly collides with a B-727-223 over New York (LGA) on May 23.

On June 30, 11-year-old Derek Stillwell successfully stows away aboard a New York to Los Angeles flight; attempting to book a hotel room, the boy is taken in hand by police. Audley Gibson, a 20-year-old Jamaican, apparently suffocates after stowing away in a suitcase aboard a company jetliner; his body is found when the Boeing is unloaded at New York (JFK) on July 4.

The planned new subsidiary, **American Inter-Island Airlines**, is formed in the summer to offer a Convair shuttle between St. Croix and St. Thomas in the U.S. Virgin Islands; revenue flights commence on November 1.

The transfer of corporate headquarters to Dallas (DFW) is announced on November 15 and, also in November, a multimillion-dollar order is placed for 30 B-767-223s.

During the year, former company pilot and famed author Ernest K. Gann publishes his memoirs, *A Hostage to Fortune* (New York: Knopf, 1978).

Passenger boardings rise 14% during the year to 18.18 million while freight climbs 5.1% to 920.62 million FTKs. Operating income advances 15% to \$2.73 billion and expenses are \$2.63 billion, a 14.5% boost. This happy imbalance results in operating income of \$97.2 million and record net gain of \$134.4 million.

The workforce is increased by 7.6% in **1979** to 41,000. The greatest single route expansion in company history occurs on January 20, when the airline inaugurates service on 19 new routes and at 8 new destinations: Albuquerque, Las Vegas, Miami, Minneapolis (MSP), New Orleans, Reno, Tampa/St. Petersburg, and St. Martin. Nassau in the Bahamas is added in February. Later in the year, flights begin to Guadalajara and Puerto Vallarta in Mexico. An **Empire Airlines** Metro II and a B-727-223 nearly collide over Kennedy Airport, New York, on April 8.

The worst and most spectacular airline disaster in U.S. history to date occurs on May 25. Los Angeles-bound DC-10-10 Flight 191, with 13 crew and 250 passengers, loses its No. 1 engine and the left wing pylon just after takeoff from Chicago (ORD) and crashes, killing all aboard, plus two people on the ground.

The tragedy is captured in spectacular photographs that appear in newspapers and magazines around the world and on countless television broadcasts. The NTSB will find the following factors as probable cause of the disaster: uncommanded retraction of the left wing and outboard leading-edge slats; loss of stall warning and slat disagreement indication systems resulting from maintenance-induced damage; separation of the No. 1 engine and pylon assembly; and failure of the pylon structure. The combination of these events led to the asymmetrical stall and ensuing roll of the aircraft.

The FAA orders all DC-10s grounded on May 27, in accordance with a court order, for inspection and pylon repairs where necessary. The agency will also fine AA \$500,000 for improper DC-10 maintenance procedures as it believes the company's general practice of removing engines and pylons from wings as a unit for maintenance purposes helps to cause cracks in pylon upper flanges. On June 6, the wide-body's certificate of airworthiness is withdrawn.

Flight 293, Serbian nationalist Nikola Kavaja, who claims to have a bomb, hijacks a B-727-223 en route from New York to Chicago with

141 aboard, over Flint, Michigan, on June 20. He allows all of the passengers and 8 stewardesses, to deplane in Chicago. Kavaja now forces the aircraft to return to New York, where a larger aircraft is made available for a flight to Ireland. At Shannon, the pirate, who had picked up his lawyer Deyan Ranko at New York, surrenders to authorities next day and is extradited back to the U.S. He will be tried and convicted in federal court and given a 40-year prison sentence.

On July 13 the FAA determines that the Chicago DC-10-10 crash was caused by faulty maintenance rather than aircraft design. The agency lifts its ban on the type's flying and restores its Certificate of Airworthiness.

The relocation of corporate headquarters from New York to Dallas (DFW) is completed during the summer; while a new company building is under construction, executives report to the former Vought Aerospace Corporation at Grand Prairie. Douglas wide-bodies are returned to scheduled service, with the titles "DC-10 LuxuryLiner" painted on the nose of each ship changed to "American Airlines LuxuryLiner."

On August 3, 13 persons suffer minor injuries exiting a DC-10-10 (chute fatigue) at Kennedy Airport; the incident is triggered by a bomb threat.

The American Airlines Training Corporation is formed to execute various commercial and military contracts awarded to AA for pilot and mechanic training. The subsidiary's headquarters are located near The Flight Academy, the major's pilot training hub at Dallas (DFW).

Having detected smoke coming from the baggage department, the pilot of a B-727-223 arriving from Chicago with 78 persons aboard, makes a safe emergency landing at Washington, D.C. (DCA) on November 15; the fumes are later determined to have been caused by the eruption of badly-constructed bomb.

Eighteen-year-old Gerald James Hill is subdued at El Paso Airport on November 24 by FBI agents who board Flight 295, a B-727-223 with 74 passengers, which he has attempted to commandeer to Iran with a knife. Hill will be tried and given a 10-year prison term.

Passenger boardings jump 10.9% to 31,262,000, but freight is off by 3.6% to 887 million FTKs. The Chicago crash, rising fuel prices, and fare wars with new entrants start to become ruinous. Although revenues are up by 18.87% to \$3.25 billion, costs climb by 23.06% to \$3.24 billion and cause the operating profit to decline 94.94% to a scant \$4.91 million. Net profit drops 34.93% to \$87.4 million.

The employee population is cut by 10.6% in **1980** to 37,200 and, by year's end, the carrier will have completed, save one unit, its three-year sell-off of hotel properties. Despite an ATC warning, a B-707-323C with 44 aboard nearly collides with a U.S. Army helicopter over San Diego on January 10.

On April 9, an unidentified man who has climbed over a fence at the airport of Ontario, California, hijacks a B-727-223A with only seven crew aboard, which is being prepared to depart for Chicago as Flight 348. After refueling in Dallas, the aircraft proceeds to Havana. The pirate will return to the Southern California area at the end of 1981 where he is captured and tried; he will receive a 50-year prison sentence.

New routes are now begun from Chicago to Seattle and from Dallas (DFW) to Seattle via Sacramento.

Robert L. Crandall is elected president/CEO on July 16, with Albert Casey becoming board chairman and Thomas G. Plaskett succeeding Crandall as vice president-marketing. A Profit Improvement Program of cost-cutting measures is initiated in September, including withdrawal from unprofitable northeastern routes. The Fort Worth training facility is renamed the C. R. Smith Learning Center. The AAdvantage frequent flyer plan is unveiled and a name-infringement protest is filed with the CAB regarding **American Eagle Airlines** (1), which has just inaugurated scheduled services to the Caribbean.

On December 17, the carrier resumes flights to Hawaii, operating a new nonstop service between Los Angeles and Honolulu with daily continuing service to and from Chicago, Dallas (DFW), and New York. New markets are also entered at Nassau, Guadalajara, and Puerto Vallarta. With fuel costs soaring, the decision is made to accelerate retirement of the Boeing 707 fleet and to order 15 B-757-223s.

Customer bookings fall a dramatic 16.7% to 25,729,000 and cargo is off by another 14.8%. Although revenues advance by 13% to \$3.67 billion, costs climb faster, by 16.64%, to \$3.78 billion. The operating loss is a notable \$112.67 million, but the net loss declines slightly by \$12 million, to \$75.79 million.

The workforce grows by 4.6% in 1981 to 41,300. Twenty-six B-707s are retired in January and, in the same month, orders are placed for 15 B-757-223s. Many of the withdrawn B-707-123s will be sold to the Boeing Military Airplane Company for use in the USAF KC-135E aerial tanker program. Also in January, the company receives the 1980 "Cargo Development Award" from *Air Transport World* magazine.

The first of three B-747-123SFs to be purchased from **The Flying Tiger Line** over the next three months arrives at Dallas (DFW) on March 31 and George Marion Sadler, the former president and current board vice chairman, resigns on April 15. **American Eagle Airlines** (1) goes bankrupt in April.

In May as part of an effort to cater to frequent business travelers, the carrier, employing its computer record keeping capability, introduces its AAdvantage frequent flyer program, the first of its type. At the same time, AAirpass is unveiled as a plan to sell blocks of travel at preset prices for use over extended periods. This program, and others like it from other airlines, would be a staple of the air transport scene for over a decade until the costs of redemption force their reexamination.

On June 11, a further expansion takes place when AA adds 11 new cities in Texas, Mississippi, Alabama, Oregon, and Florida and 7 new routes to its system as part of a process to strengthen its hub and spoke networks feeding into Chicago and Dallas (DFW). Dallas-Fort Worth International Airport officially becomes the first hub the same day, almost in celebration of a failed attempt by **Delta Air Lines** to create the same sort of center there. Nonstop Dallas (DFW) to Honolulu B-747-123 passenger frequencies also begin in June. Late in the month, Dallas (DFW) to Minneapolis (MSP) service is inaugurated.

Another 36 B-707s, including 9 B-707Fs, are withdrawn in August; cargo operations are maintained by 6 B-747-123SFs, including 3 more newly purchased from **The Flying Tiger Line**. The final B-707-323C passenger trip is made from Newark to Chicago on August 31, where the aircraft is withdrawn in ceremony. During the fall, the Dallas (DFW) hub is further expanded with service to Denver, Kansas City, and Mexico's Yucatan Peninsula.

The airline's automated passenger processing system is now in use at all mainland airports—Honolulu, Toronto, Montreal, Mexico, and throughout the Caribbean and Atlantic. Meanwhile, the SABRE reservations system is apparently taken into action against deregulation's new entrants. Bookings on the New York to Detroit route started by **New York Air** in September begin to dry up in October as the service is re-assigned to an unusual listing location appearing on travel agency computer screens. Meanwhile, along with **United Airlines** and its Apollo system, AA begins charging other airlines booking fees for use of SABRE. The amounts requested vary at the whim of the provider and, for example, while most airlines are charged less than \$1 per reservation, new entrant **Muse Air** at Dallas (DFW) must pay \$2.

The subsidiary American Airlines Training, Ltd. is formed at London (LGW) to honor European and Mideast contracts.

Claiming that he is fleeing for his life from hostile fellow General Workers Union of Puerto Rico members, Alberto Gonzalez attempts and fails on October 23 to hijack Flight 676, a DC-10-10 with 109 passengers en route from San Juan to New York, and divert it to Quebec. Gonzalez surrenders when the wide-body reaches its destination and air piracy charges, initially placed against him, will later be dismissed.

Passenger enplanements drop 4.6% to 24,795,000, but cargo is up 3.2% to 798.3 million FTKs. Revenues jump 6.4% to \$3.91 billion and expenses rise only 2.1% to \$3.87 billion, leaving an operating profit of \$43.35 million and net gain of \$47.44 million.

The number of employees is reduced in 1982 to 35,400. In January, the carrier receives the 1981 "Airline of the Year" award from *Air Transport World* magazine.

Braniff International Airways' president Howard Putnam secretly records a conversation with President Crandall on February 1 in which the AA chief reportedly suggests that the two jointly raise fares by 20%, i.e., price fixing. The tape is turned over to the Department of Justice (DOJ) and although it cannot take action on the basis of a suggestion alone, spends the remainder of the year preparing to sue Crandall and AA for illegal monopoly practices under the Sherman Antitrust Act.

In March, the CAB announces that it is investigating **Braniff International Airways'** charges that American has illegally sabotaged its recovery efforts, particularly at Dallas (DFW); the accusation becomes the subject of a DOJ probe and a **Braniff International Airways** civil lawsuit. Failure to earlier gain labor support for a 5% pay cut causes plans to acquire B-757-223s to be cancelled in early spring. In April, an aircraft and passenger interchange service is introduced with **Alaska Airlines** that links Anchorage and Fairbanks with Houston and Dallas (DFW) via Seattle using American's B-727-223As.

Braniff International Airways declares Chapter XI bankruptcy on May 13 while the 500 millionth (cumulative) AA passenger is boarded on May 18. The next day, stockholders approve a plan of reorganization under which a new holding company, AMR Corporation, is formed and becomes the parent to American Airlines, Inc. Documents of incorporation are filed under Delaware law. For the first time since selling **American Overseas Airlines** to **Pan American World Airways** (1) in 1950, American now returns to the European market as replacement for the bankrupt **Braniff International Airways**.

Five-times-per-week nonstop Boeing 747-123 service is inaugurated from Dallas (DFW) to London (LGW) on May 19; the frequency becomes daily on June 1, with continuing service from Los Angeles added later. After acquiring all of the **Braniff International Airways** gates at Dallas (DFW), AA controls half of the gates at that location, which is now officially designated the airline's principal hub. During the second week of the month, fares out of Dallas (DFW) are increased by an average 25–40%.

Following the completion of runway improvements at Harry S. Truman Airport on St. Thomas, AA's B-727-223As are able to fly direct from Florida to the U.S. Virgin Islands beginning June 10. Consequently, it is now possible to sell **American Inter-Island** to **Air Resorts Airlines**.

The carrier is one of six now operating under an International Civil Aviation Organization (ICAO) grant to train personnel for **Biman Bangladesh Airlines**. As of August 12, the company has honored nearly 37,000 tickets of bankrupt **Braniff International Airways**.

En route from Dallas (DFW) to Washington, D.C. on August 21, a B-727-223A makes an emergency stop in Memphis when a bomb threat is found on a restroom mirror; no bomb is found.

Wallace Conkin is seized at Los Angeles on September 25 after attempting to extort \$400,000 from the carrier in return for information about the location of a bomb he planted in an LAX terminal.

The first of 30 B-767-223s are delivered in September and begin service in November. Meanwhile, the AMR Corporation comes into being on October 1.

Also in October, as the result of a unique financial arrangement with McDonnell Douglas, 20 DC-9-80s are acquired on lease for 2 years followed by 13 more. Flights are launched to Rio de Janeiro and São Paulo in Brazil in December.

Passenger boardings accelerate 11.6% to 27,680,000, but freight drops 10% to 718.66 million FTKs. Revenues advance a slight 1.7% to \$3.97 billion as expenses jump 3.31% to \$3.99 billion. Consequently, the operating loss is \$18.24 million and a net loss of \$14.47 million is suffered.

The payroll is enlarged a scant 1.1% in 1983 to 35,800 as a controversial two-tier wage program is introduced for pilots, flight attendants, and mechanics. Among the year's new hires is financial analyst Mary Jordan, who, just over a decade later, will move from her post as vice president-human resources to the presidency of commuter affiliate **Wings West Airlines**. Employees move into the new headquarters

building at Dallas (DFW) on January 15. In February, the DOJ files a civil antitrust suit against AA and President Crandall over the previous year's taped telephone conversation; the suit will be dropped after Crandall agrees to keep a two-year written record of his conversations with other airline leaders. The first of 33 leased McDonnell Douglas DC-9-80s (MD-80s) are introduced in May.

The crew of a Jumbojet reports on July 1 that it missed a small private plane by a vertical distance of 200–250 feet as the giant airliner was coming in for a landing at New York (LGA). Also in July, the **Braniff International Airways** civil suit is settled out of court when lawyers for the former airline agree to drop its charges in exchange for a \$20-million payment for certain **Braniff International Airways** lease fees at Dallas (DFW).

On September 22, claiming to have a bomb, a man hijacks Flight 625 to Cuba. The B-727-223A with 112 passengers is en route from Dallas (DFW) to the Virgin Islands via New York; the passengers are later taken to San Juan.

George Marion Sadler, former president and board vice chairman, dies in September.

Traffic on the Brazilian service proves so light that the frequencies are temporarily suspended in October. Service from John Wayne Airport in Orange County, California, is increased to six flights per day on November 14. Also in November, agreement is reached with **Pan American World Airways (1)** for a flight equipment exchange that will begin in December; AA trades the pacific pioneer its 8 B-747-123s for 15 DC-10-30s, beginning with the *Clipper Celestial Empire*.

MD-80 service is begun twice daily from Long Beach to Dallas (DFW) on December 2; simultaneously, MD-80 flights commence twice daily from John Wayne Airport to Phoenix. The subsidiary AMR Services is formed on December 12 to provide aviation services and support. At year's end, unions approve Chairman Casey and President Crandall's proposed two-tier pay scale, emphasizing lower incomes for new hires.

Enplanements swell 13.8% to 31,400,000, while freight rises a smaller 3.6% to 756.28 million FTKs. Financially, the major enjoys a stunning turnaround. Revenues climb 13.94% to \$4.53 billion, while expenses are held in check at \$4.28 billion. As a result, the operating profit is \$249.51 million and net gain is a stunning \$212.87 million. This year, AA is the nation's most profitable air transport concern, with **United Airlines** \$82 million behind.

The workforce is increased by 10.4% in 1984 to 46,900. The hiring includes 1,694 flight attendants and 550 pilots, who come in under the two-tier compensation system announced as part of Chairman Crandall's new *Growth Plan*, a document calling for corporate advancement through internal change rather than a strategy of mergers. When the CAB now orders the major computerized reservations system operators to stop charging discriminatory fees for the use of their systems and to list the flights of all carriers in an unbiased fashion, SABRE fees are simply quadrupled for all. Eleven smaller carriers file a \$1-billion antitrust suit against American Airlines and **United Airlines** while **Continental Airlines** files a similar suit on its own; both will drag on for years and eventually be dismissed.

Nonstop Dallas (DFW) to Savannah and Ft. Myers service begins on February 1. Jean Phillippe Windsor, a corporal in the Haitian army and an airport security guard, hijacks Flight 658, a B-727-223 with 152 passengers, from Haiti to New York on February 11, but surrenders mid-flight, asking for political asylum. Windsor will be tried, convicted of air piracy, and sentenced to prison for 10 years.

A B-767-223, carrying 98 passengers on a February 17 flight from Phoenix to Chicago develops engine trouble and makes an emergency landing at Santa Ana, California, after raining small pieces of debris on the city's streets during approach; no injuries are reported.

The largest commercial airplane buy to date is announced on February 29: 67 MD-82s, with options for 100 more, worth a contract price of \$1.35 billion. If the options are also secured, the purchase will eventually total some \$3 billion. The American Eagle commuter network is established. The first partners, **Metro Airlines** and **Chaparral Airlines**, provide feed to the major's Dallas (DFW) hub.

New transcontinental schedules and services are introduced. The Chicago (ORD) hub is upgraded as the Dallas–Fort Worth center is expanded. The SABRE computer reservations system now links over 8,000 travel agencies. Former Chairman/CEO George A. Spater dies on June 14 and the last of the B-707s retired in 1981 is finally sold in July. A several-year study determines that the carrier's cargo focus should be on small shipments carried aboard passenger aircraft; combined with a tempting offer from **UPS (United Parcel Service)**, a decision is taken to retire the 6 B-747-123SFs in the freighter fleet.

The first cargo plane is turned over to **UPS (United Parcel Service)** during the summer. Daily Bakersfield, California, to Dallas (DFW) service begins on November 1 and the last B-747-123SF flight is made on December 16. Also in December, nonstop Dallas (DFW) to Maui flights commence and end a year of expansion that sees service upgraded at 24 domestic markets and launched to 12 others.

Employing a hidden pistol provided by an accomplice, convicted mass-murderer Ismael LaBeet, being transported to New York from the Virgin Islands on December 31 along with 198 other people, overpower several guards aboard Flight 626, a DC-10-10, and diverts the wide-body to Cuba. At Havana, LaBeet is arrested and the Douglas is released to resume its flight to New York.

It is also reported at year's end that AA has paid the publisher William Morrow \$150,000 to recall 25,000 copies of a new book by former Braniff pilot John Nance. *Splash of Colors: The Self-Destruction of Braniff International* details the notorious price-fixing claim. Equally as interesting, though nowhere near as controversial, are the publication of the memoirs of Bonnie Tiburzi, *Takeoff: The Story of America's First Woman Pilot for a Major Airline* (New York: Crown, 1984).

Enplanements advance 8.5% to 34,102,000, while freight falls 9.1% to 680.39 million FTKs. Operating revenue jumps 12.3% to \$5.08 billion while costs rise only 10.9% to \$4.74 billion. The result is operating gain of \$339.06 million and a record \$233.9-million profit is earned.

The payroll grows by 10.6% in 1985 to 43,800. Nearly 450 passengers are stranded at Dallas (DFW) and Chicago on January 1 when crew shortages force cancellation of at least 275 flights. On January 18, Ultimate Super Saver fares, with savings to 70%, are introduced, along with Senior SAvers Club discounts for senior citizens. There are many restrictions: 25% cancellation fee, 30-day advance purchase, Hawaii–Alaska blackout, and roundtrip only use. Still, these match or undercut fares charged by deep discount competitors **Midway Airlines** and **PEOPLExpress**. When matched by **United Airlines**, **Delta Air Lines**, and others using versions of American's "yield management" computer marketing and reservations techniques, such fares directly contribute to the eventual failure of most of the post-deregulation new entrants, most spectacularly **PEOPLExpress**. Also in January, the company receives the 1984 "Labor Relations Award" from *Air Transport World* magazine.

Upon the retirement of Board Chairman Albert V. Casey on March 1, Robert L. Crandall is named board chairman/CEO. His SABRE system is now a "cash cow" for the airline and this year alone will turn out \$143 million in profits on \$335 million in sales.

On April 11, service is started to seven new markets in the Carolinas from Dallas (DFW): Charlotte, Raleigh–Durham, Greensboro, High Point, Winston-Salem, Fayetteville, Charleston, Colombia, Greenville, and Spartanburg. A nonstop Chicago to Atlanta schedule is simultaneously introduced.

Five days later, on April 16, a B-727-223A en route to San Diego with 89 aboard literally loses an engine over Deming, New Mexico. The pilot, not realizing the loss, does not report engine problems until the jetliner is over Gila Bend, Arizona, about 100 miles east of the California border. A safe emergency landing is completed and it is later learned that a chunk of ice dislodged from a lavatory valve had been ingested into the power plant.

Chicago to Honolulu nonstop service begins in May. Nonstop service is started in May from Dallas (DFW) to Paris and Frankfurt and from Chicago to Frankfurt and Honolulu. The international services employ

the first 2 B-767-223ERs delivered; 5 other ERs are also on order, together with 10 shorter-range versions.

Three flight attendants and a passenger are injured on June 23 when Flight 803, a B-727-223A with 70 aboard, is forced to dive to avoid an oncoming Cessna 421C over Lake Michigan near Grand Rapids; the private plane passes within 50 feet of the jetliner.

While on its takeoff roll from San Juan on June 27, a DC-10-10 with 270 passengers suffers the failure of its No. 7 tire, causing the aircraft to vibrate and the pilot to reject liftoff; the aircraft runs off the runway and stops with its nose in a lagoon. A total of 32 people are injured, three seriously.

A DC-10-10 carrying 190 en route from El Paso to Dallas (DFW) on September 3 makes an emergency landing at Dyess AFB when a warning light shows an engine to be on fire; 32 passengers suffer minor injuries while evacuating the plane and an investigation finds no fire.

The SABRE computer reservation system now has 9,000 subscriber locations worldwide.

Chicago (ORD)-based **Simmons Airlines** joins the American Eagle commuter network on October 1. At the same time, **Air Midwest**, seeking numerous interline affiliations, agrees to provide American Eagle feeder into Nashville. Construction is started on new hub facilities at Raleigh-Durham, Nashville, and San Juan. Also in October, the company agrees to pay \$1.5 million in fines after the FAA discovers maintenance-related violations of regulations during a special safety audit.

A bomb explodes aboard a company jetliner at Dallas (DFW) on October 30, but no one is injured. On December 8, the FBI arrests Albert Lee Thielman and charges him with trying to blow up the craft in order to collect the insurance money on his wife and three children, all passengers.

The fleet now exceeds 300 aircraft as, during the year, the 65th MD-80, 1 of the 25 MD-82s received from the previous year's order, is placed into service; orders remain outstanding for 55 more. Late in the year, 2 B-747SP-31s are purchased from **Trans World Airlines (TWA)**.

Enplanements rise 20.7% to 41,165,000 (a figure largely inflated as a result of the United Airline strike), but freight traffic declines by 37.3% to 431.49 million FTKs due entirely to the sale of the freighter fleet. Overall revenues zoom upward by 14.8% to \$5.85 billion, expenses are up 12.7% to \$5.32 billion, and the operating profit is \$506.48 million. Net gain for the airline is \$208.6 million, while AMR Corporation earns a net of \$345.8 million.

The employee population is increased by 18% in 1986 to 51,661. Not only is the first time that the company workforce has exceeded 50,000, but places the carrier in first place among U.S. majors in terms of employment.

In January, the carrier begins construction of a new \$60-million terminal at its new north-south hub of Raleigh-Durham Airport. Also during the year's first month, the carrier receives the 1985 "Financial Management Award" from *Air Transport World* magazine. Former Chairman/President Albert V. Casey serves as U.S. Postmaster General from January to August.

The new Nashville hub is opened on April 15 and the next day, Tennessee-based **Nashville Eagle** joins the American Eagle commuter system. On June 1, the Los Angeles-based third-level carrier **Wings West** joins the American Eagle commuter network.

The former **Trans World Airlines (TWA)** B-747SP-31 owned by Jet Associates is purchased on July 16.

AA and **Mexicana Airlines, S.A. de C.V.** jetliners, carrying a total of 266 people, accidentally try to land on the same Dallas (DFW) runway at the same time on July 18 and nearly collide.

Also in July, the subsidiaries Flagship International (Sky Chefs), American Airlines Training Corporation, and AMR Energy Corporation are sold—the first two for a \$60.3 million profit and the latter at a loss.

Thrice-daily nonstop B-727-223A service is introduced from Chicago to Akron, Canton and Louisville in August.

During the summer, an alliance is sealed with **Qantas Airways (Pty.), Ltd.** that provides for frequent flyer program coordination as well as

code-sharing on Qantas flights from Los Angeles to Auckland, Melbourne, and Sydney and on American jetliners from Los Angeles to Chicago, Washington, D.C., New York, Dallas, Miami, and Boston. San Juan-based **Executive Airlines (3)** joins the American Eagle commuter system on September 15. Also in September, roundtrip, nonstop B-727-223A frequencies are opened from Nashville to Orlando, Minneapolis (MSP), and Baltimore (BWI).

On October 16, Trans World Airlines (TWA) deliver the second of two B-747SP-31s to be received this year. The new San Juan hub is occupied on November 1.

As the result of talks initially aimed only at establishing a marketing agreement to bolster the major's West Coast presence, American is given the opportunity to purchase ACI Holdings, parent of the national carrier **AirCal** for \$225 million, subject to DOT approval. On November 17, the acquisition is completed; granting American strategic markets north and south along the West Coast, it is seen as a one-time only exception to the carrier's growth-from-within master plan.

Meanwhile, an agreement is reached with **Pan American World Airways (1)**. When the international pioneer becomes a partner in American's SABRE reservations system, Crandell's company is given the right of first refusal to purchase any **Pan American World Airways (1)** asset put up for sale. Also in November, daily nonstop DC-10-10 flights are launched from Boston to Montego Bay, Jamaica, and AMR Investment Services is formed. On December 2, Douglas wide-bodies replace B-727-223As on the New York to Puerto Plata run. Later in the month, the ACI Holdings purchase is concluded. During the year, 25 additional MD-82s enter service.

Passenger boardings rise 11.7% on the year to 45,983,000 as cargo climbs an almost equal amount, 11.5%, to 7.64 billion FTKs, the most freight carried by any U.S. airline, including the dedicated all-cargo concerns **The Flying Tiger Line** or **Federal Express**. Revenues dip a miniscule 0.4% to \$5.85 billion and expenses swell 2.09% to \$5.46 billion. The cost increase lowers profits to \$392.06 million (operating) and \$249.25 million (net). The operating profit is still the highest earned by any airline in the world this year. The four-year profit of parent AMR Corporation reaches \$1.09 billion.

Airline employment falls 16.8% in 1987 to 55,800. For the second time, AA, in January, wins the "Technology Management Award" from *Air Transport World* magazine, this one for its work in 1986.

In early spring, leasing orders are placed for 25 Airbus Industrie A300B4-605Rs and 15 B-767-323ERs. The European aircraft will be placed on Caribbean routes replacing DC-10-10s while the Boeings will serve the transatlantic market, allowing the DC-10-30s and B-767-223ERs to be placed on U.S. domestic routes. During the year, 17 additional MD-82s will join the fleet. A second daily DC-10-30 nonstop flight is added from San Francisco to Honolulu in February and the DOT approves the **AirCal** takeover in March.

During the spring, Chairman Crandall campaigns for Washington assistance in expanding the industry's infrastructure. Nonstop six-times-per-week Dallas (DFW) to Tokyo flights begin on May 21, with the two B-747SP-31s earlier purchased from **Trans World Airlines (TWA)**. Also inaugurated are services to Zurich and Geneva from Chicago and from New York to Paris and Frankfurt.

When UAL, Inc., parent of **United Airlines**, ousts its chairman, Richard Ferris, on June 9, some of its board members reportedly put out succession feelers to Robert Crandall, who is not interested. Meanwhile, the new hub at Raleigh-Durham is opened on June 15 and expansion of facilities at San Juan is undertaken. Acquisition of the West Coast national **AirCal** for \$225 million is completed in July, but the integration process will prove even more expensive. At the time of its takeover, AirCal owns but four aircraft, with all others leased. To oversee its feed, AMR Eagle, Inc. is formed during the month.

In August ceremonies, McDonnell Douglas hands over the carrier's 100th MD-80, literally gift-wrapped with a large red ribbon. A \$34-million underground facility is now opened at Tulsa to house the SABRE computer equipment and software; housing for the world's

largest private real-time computer network and travel information data base is secure against fire, earthquakes, and other disasters. At this point, travel agents can begin to access SABRE via personal computers.

In September, **Pan American World Airways (1)** terminates its agreement to use SABRE, while American gives up its right to a first refusal on the sale of any **Pan American World Airways (1)** assets; the merged frequent flyer programs are also unlinked.

A B-727-223A with 64 passengers averts a midair collision with a private plane 50 miles east of Los Angeles on October 10 by making an abrupt climbing turn to the right; the two planes come within 50 feet of one another.

A week later, the first A300-600R enters service. A B-727-223A quickly takes off after landing at Savannah, Georgia, on October 23 to avoid hitting a small aircraft that pulls into its path on the runway.

The carrier inaugurates daily nonstop B-727-223A frequencies from San Juan to Caracas in October. Also in October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

Direct B-727-223A service from San Juan to Toronto and Montreal starts on November 2. Pilot Don L. Ely suffers a fatal heart attack while landing his DC-10-10 at Newark on November 22, but copilot Thomas Meeker is able to bring the big plane in safely.

A daily nonstop schedule is begun from Raleigh-Durham to San Juan on December 2 and a third daily nonstop is introduced from that Carolina hub to Chicago on December 17. Very bad weather at key destinations causes traffic losses late in the fourth quarter. On December 31, **Flagship Airlines**, the **Air Midwest** American Eagle affiliate at the new Nashville hub, becomes an AMR subsidiary.

Customer bookings these 12 months accelerate 17.5% to 54,034,000 while cargo advances by 17.2% to 572.94 million FTKs. Revenues climb 15.74% to \$7.12 billion, and expenses rise 15.55% to \$6.65 billion, allowing the operating profit to reach \$473.18 million. This operating income figure represents a new industry-topping record. Assorted costs, however, force the net gain to drop to \$213.82 million.

The workforce is increased by 9.9% in 1988 to 66,700. Daily B-727-223A Chicago to Rochester flights begin in January. When one time American employee Stephen M. Wolf takes over **United Airlines**, he now recruits AA Vice President-Finance John "Jack" Pope as his new president. The new chairman also acquires, by marriage, American's vice president for personnel resources, Delores Wallace.

On February 3, AMR bails out its bankrupt large regional American Eagle code-sharing affiliate **AVAir**, which has been feeding the Raleigh-Durham hub, but which abruptly shut down on January 15; in late winter, **Nashville Eagle** obtains \$3-million worth of the former **Air Virginia's** assets.

Hourly Los Angeles to San Jose flights start in February, employing the AirCal B-737-293s. A \$16.8 million expansion of the engine overhaul facility at Tulsa is initiated in March. During the spring, the major begins to return **AirCal's** 28 B-737s as their leases come due; the BAe 146s are also put up for sale.

Also during the spring, discussions are held with **KLM (Royal Dutch Airlines, N.V.)** on the subject of a marketing and code-sharing arrangement; talks will continue for several months, but ultimately fail over questions of frequent flyer participation. Direct B-767-223ER services are started from Dallas (DFW) to Madrid on April 1 and, on April 21, the first A300B4-605R is delivered. In mid-month, chairman Crandall is named the first "Aerospace Laureate" in the field of commercial air transport by *Aviation Week and Space Technology*.

The new Airbus makes its first revenue flight on May 10 from New York to San Juan; unhappily, a fuel pump failure causes a diversion to Bermuda.

Flight 70, a DC-10-10 with 14 crew and 240 passengers, is severely damaged when it aborts its takeoff from Dallas-Fort Worth for Frankfurt on May 21; there are no fatalities.

B-767-223ER frequencies begin from New York to Zurich on May 26. Nonstop flights are inaugurated, also on May 26, between Raleigh-Durham and Paris. In honor of the first international service from the North Carolina facility, the airport is renamed Raleigh-Durham International Airport. The European service now features over 100 flights per week to nine cities from four U.S. gateways.

In June, A300B4-605Rs replace DC-10-10s on the New York to Santo Domingo route and four new destinations are added from the San Juan hub: Port of Spain, Tampa, Orlando, and Washington, D.C. (IAD. Members of the AAdvantage frequent flyer program renting a car from Hertz Corporation in conjunction with an AA flight are now entitled to bonus mileage points.

Hub operations from Dallas (DFW) are increased during June and July to 365 flights per day to 95 nonstop destinations. Unhappily during the same period, a glitch in the new yield management software costs the company an estimated \$50 million before the flaw is located and corrected.

Because of market changes and perceived benefits derived from the earlier takeover of **Nashville Eagle** and **AVAir**, ownership of several other American Eagle carriers is acquired and the new corporate subsidiary, AMR Eagle, Inc., begins work as their parent. **Simmons Airlines** becomes a subsidiary on August 8, followed by **Wings West Airlines** the next day. The Chicago (ORD) slots of the Texas Air Corporation subsidiary **Britt Airways**, doing business as Eastern Express, are also purchased.

Daily nonstop B-727-223A frequencies are introduced from Raleigh-Durham to Providence, Rhode Island, on August 12, while, at the same time, a fourth daily nonstop is added from the North Carolina hub to Chicago and Dallas (DFW).

The next phase in the expansion of the Nashville hub is undertaken during a two-month period beginning on August 31. Employment at the airport of the Tennessee capital is increased by 400 positions, to 1,250 people, and 16 B-727-223As are assigned. New services introduced include a nonstop to Toronto and the addition of four Florida cities: Miami, Ft. Lauderdale, West Palm Beach, and Ft. Myers. The first of an order for 75 B-757-223s powered by Rolls-Royce RB211-535E4 engines is delivered to Dallas (DFW) from Seattle. **Command Airways** is purchased by AMR, Inc. on September 30.

Three armed security guards at the international airport at Port-au-Prince, Haiti, force their way aboard Flight 658, a DC-10-10 with 233 passengers and bound for New York on October 1, but are arrested upon their arrival at New York (JFK). The three request political asylum.

On October 10 a pilot jettisons up to 50,000 pounds of fuel, some of it showering residents of Far Rockaway, Queens, New York, before landing his DC-10-10, with a disabled engine, at JFK.

Amalgamation of **AirCal's** routes is completed, also in October, while daily roundtrip flights are initiated from Palm Springs to Dallas (DFW) and Chicago; from Raleigh-Durham, daily nonstop frequencies are initiated to Albany, Greenville, and Spartanburg in South Carolina, and Cancún and Cozumel in Mexico.

Airbus Industrie A300B4-605Rs are introduced in November to serve San Juan and Caribbean markets from Chicago, Newark, and Raleigh-Durham. Simultaneously, plans to establish a separate computerized reservations system algorithm for international services are denied by the DOT, which refuses to grant it an exemption. Statisticians report the following month that, since June 1984, the company has interviewed 22,287 prospective pilots and of those appointed, 4,426 are still employed.

One day at the end of November, Chairman Crandall announces over the headquarters public address system that revenue passenger-kilometers flown during the year have ascended 14% to 104.21 billion, putting AA, after 28 years of competition with **United Airlines**, into first place among U.S. carriers. In December, a new hub is established at San Jose and daily roundtrip B-727-223A visits begin from Miami to Santo Domingo.

Passenger boardings jump 12.9% on the year to 64,310,000 and freight traffic swells 24.6% to 719.4 million FTKs. Airline revenues advance by 20.02% to \$8.55 billion, expenses rise 16.51% to \$7.74 billion, and the

operating profit doubles to \$800.99 million. Net income totals \$449.44 million. Parent AMR Corporation posts revenues of \$8.8 billion and reports profits of \$806.5 million (operating) and \$476.8 million (net).

The employee population swells again in 1989, by 13% to 75,470, to lead all U.S. scheduled carriers.

In early January, the megacARRIER receives the 1988 "Airline of the Year" award from *Air Transport World* magazine. It also wins approval from the DOT for the settlement it has worked out with **British Airways, Ltd. (2)** for the settlement of a long-standing dispute over computerized reservations system applications. American agrees to remove display bias against interline flights from its SABRE system and, as a result, is allowed by BA to write tickets for BA flights through SABRE in the U.K. In addition, much to the dismay of competitors, the two begin to share passenger booking information generated via their reservations systems.

On January 25, a B-767-223 recreates the first east-west transcontinental Stratoliner flight made 30 years earlier. Among the guests of honor is Robert Bisbee, who was one of two flight engineers on the original frequency; remarkably, flight time is only improved by 20 minutes over 1959.

To celebrate the previous year's economic gain, the company in late winter awards its employees \$121 million, the largest profit-sharing distribution in industry history. A large-scale buying spree begins in February as \$4.5 billion is committed for 8 McDonnell Douglas MD-11s, plus 42 options, as well as \$2.5 billion for 100 more MD-80s. Thrice-daily nonstop roundtrip service begins on February 15 from Dallas (DFW) to Monterrey, Mexico.

In March, 25 additional B-757-223s are requested at \$1.2 billion, along with \$1.5 billion for 75 Fokker 100s, \$1.5 billion for an additional 75 Fokker 100 options, plus \$750 million for 10 B-767-323s. Later in the month, it is announced that members of the AAdvantage frequent flyer program can earn mileage credits when they use the long distance telephone service of MCI Communications Corporation. At the same time, due largely to the absence of **Eastern Air Lines** in the Caribbean, the carrier's cargo operation reaches an all-time high; systemwide freight ton-miles jump 29.8% to 52.2 million.

In April, daily nonstop B-727-223A service is initiated from Atlanta to San Juan and, on May 1, daily flights are inaugurated from Chicago to Stockholm and from New York to Lyon. The same day, frequencies from the San Jose hub increase to 74 per day to 16 cities, including 7 new flights on existing routes to Los Angeles, Ontario, Portland, Seattle, and Reno. Ten days later, on May 11, daily Chicago and New York nonstops commence to Brussels; the Chicago flight continues on to Dusseldorf and the New York frequency to Hamburg.

SABRE, the nation's largest reservations system, shuts down for almost 12 hours on May 12, disrupting the operations of about 14,000 travel agencies nationwide and much of the airline's operations are left without information about who is booked on flights and whether seats are available. During the downtime, the airline is forced to revert to writing tickets by hand to service tens of thousands of travelers. For the May 25 to September 30 summer season, a second daily nonstop flight is introduced between Chicago and Manchester, England.

On May 27, Cuban exile and escaped mental patient Pedro Rene Comas-Banos boards Flight 1098, a B-767-223 at Los Angeles, wearing green military fatigues and carrying a starter's pistol and two knives, and orders the plane to Havana; the pilot lands at Miami where the pirate is captured and arrested.

During the spring, the company reaches or negotiates SABRE agreements with SAS (Scandinavian Airlines System), KLM (Royal Dutch Airlines, N.V.), Swissair, A.G., Sabena Belgian World Airlines, S.A., Austrian Airlines, A.G., and Deutsche Lufthansa, A.G.

A major expansion of services from Miami begins on June 1 as a total of 31 flights are offered daily to 13 cities and 600 more employees are hired for this hub. New cities added from the south Florida metropolis include New York, Los Angeles, Boston, Montego Bay, Kingston, Port-au-Prince, and Puerto Plata.

On June 1, the FAA fines those carriers failing its latest round of airport screening tests; AA, with 12 security breaches, is assessed \$75,000.

While helping to push back Flight 699, an A300B4-605R with 244 passengers, on July 12 for a scheduled international flight, a ramp guide slips and falls behind the Airbus' nosegear; the nosegear tires roll over his upper body, killing him.

A DC-10-10, with 248 aboard, runs into unexpected turbulence on July 23 that throws passengers against the cabin ceiling, sending 45 to the hospital.

In August, the company agrees to serve as general sales agent at New York (JFK) for **THY Turkish Airlines (Turk Hava Yollari, A. O.)**. At this point, the company has 165 MD-80s in service, the largest fleet of any single aircraft type outside of the Soviet Union.

While on final approach to Chicago (ORD) on a September 12 service from Rochester, an MD-82 with 7 crew and 102 passengers loses all hydraulic pressure. During the landing, excess reverse thrust is applied that affects the steering of the rudder; as a result, the aircraft veers off the runway and the nosegear falls into an open manhole. Although the aircraft is damaged, no injuries are reported.

The company's seventh hub, at Miami, is officially opened on September 13. Also in September, daily nonstop B-727-223A flights commence from Miami to Washington, D.C. (DCA) and DOT grants authority for service to Sydney, Australia, from Honolulu. Simultaneously, AA enters into a joint marketing agreement with **Qantas Airways (Pty.), Ltd.** for service to Washington, D.C. (IAD) and Boston. Also at this time, a Senior TrAAvler Coupon Book is unveiled for senior citizen travelers and construction begins on a second 750,000-sq.-ft. major maintenance base at Alliance Airport in Fort Worth, as well as on an expansion of the Tulsa facility.

Real estate tycoon Donald Trump makes an unsolicited \$7.5 billion (\$120 per share) bid for the company on October 5, just two months after winning control of the Eastern Shuttle; the buyout proposal is withdrawn within two weeks of its tender. Barcoding of freight is tested and the B-757-223 is also introduced during October and daily nonstop A300B4-605R Los Angeles to San Juan service is inaugurated on November 1.

In mid-December, President/CEO Crandall and Texas Air Corporation (TAC) Chairman Frank Lorenzo agree on the latter's sale of **Eastern Air Lines'** South American network to American for \$349 million. Also agreed upon are the sale of other assets worth \$121 million more, and an arrangement for **Continental Airlines**, the TAC flagship, to drop a suit claiming bias against its flights by the SABRE reservations system.

Also sold to American, pending DOT approval, is **Eastern Air Lines'** Miami-Madrid, Miami-Toronto, and Tampa-Toronto authorities and **Continental Airlines'** (lately **Eastern Air Lines'**) rights from Miami to London. Other assets acquired include slots held by both airlines at New York (JFK and LGA), Washington, D.C. (DCA), and Chicago (ORD); **Eastern Air Lines'** interest in four South American ground handling companies and property in Puerto Rico; and leasehold interests at JFK. American, for its part, agrees to handle **Continental Airlines** flights at Washington National, to purchase certain computer services from System One, and to a gate exchange at Dallas (DFW). The entire route and asset deal is worth \$471 million to TAC.

Arrangements are completed with **Trans World Airlines (TWA)**, also in December, for sale of the Chicago-London (LHR) route, together with various Chicago (ORD) facilities, for \$195 million. An arrangement is also worked out with **Continental Airlines** for the purchase of its Seattle-Tokyo run. **Executive Airlines (3)** becomes an AMR Eagle subsidiary on December 31.

Enplanements for the year swell 12.5% to 72,074,159, just shy of four million more bookings than second place **Delta Air Lines**. Cargo also does well, climbing 29.9% to 928.91 million FTKs. Revenues advance by 16.49% to \$9.96 billion, costs march up 19.11% to \$9.23 billion, and the operating profit is down slightly to \$730.79 million. Net profit also falls a little, to \$423.1 million. Still, AMR Corporation's \$2.26 billion

gain since 1980 has made it the most profitable U.S. airline company of the decade; in comparison, **Delta Air Lines** in the number two position has 10-year earnings of \$1.69 billion.

Airline employment is increased by 8.3% in 1990 to 82,655, tops in the American airline industry (2,655 ahead of second place **Federal Express**) and second in the world behind **Aeroflot Soviet Airlines**. On January 1, pilots begin working without a current contract, there being no conclusion to ongoing negotiations. The same day, American Airlines Decision Technologies, formerly the Operations Research Group, is reformed as a subsidiary.

With 552 jetliners, American owns more aircraft than any other airline in the world except the Russians, whose fleet is two-thirds larger. Stockholders note that shares purchased a decade earlier at \$1,000 per share are, on January 2, worth \$5,782. To emphasize its continuing commitment to cargo now carried aboard passenger jetliners, the old Cargo Division is restructured and reborn.

On February 2, the company begins flying inaugurated thrice-weekly to Sydney and Auckland via Honolulu, its second destination in the Pacific after Tokyo. To assist in the operation, the code-sharing agreement with **Qantas Airways (Pty.), Ltd.** is expanded. Groundbreaking ceremonies are held for an expansion of the pilot-training facilities at the Flight Academy and a \$26-million reservations center at Tucson. Late in the month, daily nonstop B-727-223A roundtrips are inaugurated from Miami to Guatemala City.

Flight 40, a B-767-223 en route from Los Angeles to New York on March 4, loses cabin pressure and the pilots put it into a steep dive, dropping 25,000 feet in several minutes; no injuries are reported. Also in March, permission is received for the inauguration of services from Chicago to Milan and a proposal is made to **Trans World Airlines (TWA)** for purchase, pending DOT approval, of its Chicago to London authority.

At the same time, a two-year, \$276-million expansion plan is unveiled for the addition of 10 new gates at the 2E terminal at Dallas (DFW). Also included in the plan is a new customs facility for international passengers, a 1,100-vehicle parking garage, a new maintenance hangar, a people mover to link terminals 2E and 3E, and new parking for American Eagle aircraft. In addition, \$25 million is pledged to the construction of a state-of-the-art System Operations Control (SOC) center in a 115,000-sq.-ft. almost windowless hall.

The airline now joins with **Cathay Pacific Airways (Pty.), Ltd.** to announce an expansion of their code-sharing agreement to more than 100 Canadian and U.S. cities served by the U.S. major.

The company establishes strict weight limits for its flight attendants under a new April 1 "grooming policy" that is challenged, on the basis of age and sex discrimination, in a lawsuit by the Association of Flight Attendants (AFA).

On April 3, members of the AAdvantage frequent flyer program are offered cash incentives toward merchandise; items that may be chosen in lieu of free seats are listed in a catalog and range from new automobiles to boats, certificates of deposit, mink coats, computers, and solariums.

Longtime CEO Cyrus R. "C. R." Smith dies at the age of 90 on April 4. Eleven days later, thrice-daily roundtrips are inaugurated from Raleigh-Durham and Chicago to Stewart Airport in New York. During the same month, service to Port-au-Prince is suspended and orders are placed for the installation of Avicom International personal video systems in the first-class sections of its overseas-oriented jetliners.

After a year, the line discontinues its daily nonstop flights from New York (JFK) to Lyon, France, on May 26. Also in May, the company engages in a computerized reservations system dispute with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Transatlantic services are increased by 30% as second daily flights are introduced from Chicago to Manchester and to Paris and new nonstops begin from Chicago to Warsaw and to Helsinki, from Miami to Madrid, and from Dallas (DFW) to Barcelona.

Through routes acquired from **Eastern Air Lines** in April, American acquires rights to fly to 20 cities in 15 Central and South American

countries from the Miami hub. Daily roundtrip São Paulo–Rio de Janeiro–Miami flights now begin. Services are also inaugurated from Chicago to Glasgow and from Miami to Guatemala City. Under a code-sharing agreement with **MALEV Hungarian Airlines**, Zurich to Budapest frequencies are started. International Flagship Service, a premier international service, is also introduced.

In June, the DOT's public counsel recommends that a new nonstop Chicago to Tokyo route should be awarded to AA, but it will be awarded to **United Airlines** instead. During the same month, a code-sharing agreement is signed with **Cathay Pacific Airways (Pty.), Ltd.** for transpacific cargo. Under the arrangement that takes effect on July 1, American offers four-times-per-week Jumbojet service from Los Angeles and San Francisco to Hong Kong and takes responsibility for marketing cargo space on the westbound flights. **Cathay Pacific Airways (Pty.), Ltd.** does the same for the flights out of Hong Kong, as well as from Southeast Asia. On July 15, an agreement is reached with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** resolving a four-month dispute over booking systems.

Miami–Orlando flights begin on August 1, while Port-au-Prince service is resumed with one daily roundtrip B-727-223A flight from Miami and one from New York. Iraq invades Kuwait on August 6 setting off a dramatic escalation in fuel costs; a cost-cutting plan is put into effect as a hoped-for countermeasure. Among its first points is cancellation of the remaining leases for BAe 146s and B-737-293s acquired with the merger of **AirCal** three years earlier. However, before the bills come in, a Miami–Tampa route begins on August 15 while daily nonstop roundtrip flights begin from Nashville to Las Vegas and San Diego.

A new \$10.5-million reservations center is opened at San Juan. All phases of the company's four-phase expansion into South America are completed at month's end with the creation of a new Latin American cargo division, headquartered at Miami under Vice President Robert J. Fogarty Jr.

As the result of an agreement signed with the Wall Street investment firm of McLaughlin, Piven, Vogel, Inc., yet another AAdvantage frequent flyer award possibility is unveiled in September—investment in stocks, bonds, and CDs. At mid-month, a code-sharing agreement is signed with **Air Bremen, GmbH.**; it provides for the linking of the major's flights from Chicago and New York to Bremen with **Air Bremen, GmbH's** service to Brussels and is the first entered into with a European airline.

Another historic first is recorded during the month with the delivery of the carrier's 200th MD-80. McDonnell Douglas announces that the acceptance of six of this type (bringing American's MD-80 fleet to 201) marks the first time a single non-**Aeroflot Soviet Airlines** air transport firm has operated 200 of a single aircraft type.

Thrice-daily roundtrips are added in September from Nashville to Columbus while thrice-daily Nashville to Miami service is inaugurated in October, along with the same number of frequencies from Raleigh-Durham to Ft. Myers. Cargo service from Louisville is expanded, also in October, by a B-727-223F flying from Nashville. Direct daily flights begin during the month from Honolulu to San Jose and from San Jose to New York. Meanwhile, 14 slots at Washington National Airport and New York (LGA) are purchased from **Midway Airlines (1)**, which leases them back for an interim period.

On November 1, B-727-223A frequencies are resumed from Raleigh-Durham to St. Croix and St. Thomas. Later in the month, a Boston and New York to Raleigh-Durham B-757-223 schedule is opened, along with daily B-727-223A Raleigh-Durham to Orlando and St. Martin flights. In addition, daily roundtrips are added from Nashville to Indianapolis and Louisville and a daily roundtrip begins to Los Angeles.

Daily nonstop flights commence on December from New York (JFK) and Raleigh-Durham to Nassau; on December 15, service is started between the North Carolina hub and St. Martin and Antigua. Even though the previous December's deal has yet to receive DOT approval, American now agrees to purchase all the **Trans World Airlines (TWA)** routes to London, including those from New York (JFK), Boston, Newark,

Washington, D.C. (IAD), St. Louis, Philadelphia, Los Angeles, Philadelphia, and Baltimore (BWI) for \$445 million. The Washington and St. Louis routes are to Gatwick Airport and with the remainder to Heathrow. In addition, \$70 million will be paid to Carl Icahn's airline for 40 slots and 3 gates at Chicago (ORD), as well as gates at Orlando and Nashville and ticket counter space at Ft. Lauderdale.

Pilot job actions during the fourth quarter bring numerous schedule changes and flight cancellations. Over the holidays, American must cancel several hundred flights as flight crew members call in sick; the flyers deny participation in a deliberate job action. At the end of the year, cargo operations are restructured into a separate American Airlines Cargo Division, with former Vice President-Cargo William R. Boesch appointed president.

During the year, pilot F. Lloyd Staats, who has flown for the airline for 35 years, publishes his memoirs, *This Is Your Captain Speaking: 50 Years of Keeping the Blue Side Up* (New York: Vantage Press, 1990).

Passenger boardings inch upward by 1.6% to 73,251,070 and freight jumps 19.9% to 1.11 billion FTKs. The enplanements figure tops the entire U.S. industry and is second in the world behind the Russians; cargo, on the other hand and despite the new emphasis, is still in fourth place on the U.S. scene, behind **Federal Express**, **Northwest Airlines**, and **United Airlines**. Its world position is 17th. Revenues ascend 10.52% to \$11 billion, the most for any air transport concern in the world.

Expenses, led by fuel costs, rise 18.53% to \$10.94 billion and cut the operating profit to \$67.97 million, good for second place among scheduled U.S. airlines behind **Southwest Airlines**, but only 11th on the world stage. More importantly, for the first time in years, a major net loss is taken: \$76.77 million. Parent corporation AMR does worse. Although revenues are up by 11.8% to \$11.7 billion, costs are up substantially and cut operating income to \$124 million. Following a horrendous \$215.1-million fourth quarter net loss, AMR closes out the year with a \$39.6-million net loss.

The payroll is increased by 6.5% in 1991 to 88,000 and Chairman Crandall is selected "CEO of the Year" and "Silver Award" winner by *Financial World* magazine. The fleet now includes 620 aircraft. As a cost-cutting move, options for 80 MD-11s are allowed to elapse. Since the beginning of the December holiday season, flight schedules have been reduced by an overall 11%, with the regression in the Charlotte, Nashville, and Los Angeles-San Francisco shuttle areas blamed on the pilots' union, with which the company is in contract negotiation.

AA places ads in the national print media in January not only blaming the pilots for causing, via sick-outs, a huge downturn in profits during the previous quarter, but naming the wrong union (ALPA) as responsible. The full-page "AApology" ads significantly sour negotiations, and will permanently damage relations between company pilots and CEO Crandall.

The Allied Pilots Association (APA) responds in kind in a *The Wall Street Journal* piece that blames over-expansion for the losses. Also in January, the DOT question's the carrier's large route purchases of the previous year and citizens of St. Louis attempt to find a buyer for **Trans World Airlines (TWA)**. At the same time, the company agrees to purchase a large package of **Eastern Air Lines** assets. Included on the \$10-million list is route authority from New York and Newark to Montreal and Ottawa, two Montreal gates, gate facilities at Nashville, Hartford, and Orlando, and 10 slots at New York (LGA).

The first McDonnell Douglas MD-11 joins the fleet on February 1 for use on long-haul routes from Dallas (DFW) to Tokyo. As a result of difficulties during proving flights, Chairman Crandall reports his disappointment with the new aircraft.

On February 19, the AAdvantage program, the industry's first frequent flyer fare, celebrates its 10th anniversary. At month's end, the company reaches an agreement with its pilots, represented by the Allied Pilots Association, with the flyers winning 8% in new wages and lump sum individual payments for the previous year. The January schedule cutbacks are now rescinded. Late in the month, the carrier begins to offer 5,000 bonus frequent flyer miles for passengers who book on its forthcoming San Jose to Tokyo service.

In early March, the company delays accepting its second MD-11 and keeps its first out of service as technical problems with the glass in the aircraft's cockpit are resolved with their manufacturer. The dispute between AA and McDonnell Douglas over 146 different items is widely covered in the aviation press. This dispute, coupled with range problems and communication difficulties, causes the manufacturer the loss of much credibility.

With no **Trans World Airline (TWA)** ownership seen, Transportation Secretary Samuel Skinner approves the AA route acquisitions in April at the original \$445-million price, minus the services from Philadelphia and Baltimore (BWI), which are excluded. The second MD-11 is delivered on April 22. At the end of the month, the company's 7.5% interest in **Air New Zealand, Ltd.** is sold to **Qantas Airways (Pty.), Ltd.** for \$23.3 million. Also in April, thrice-daily B-727-223A service is resumed from Louisville to Nashville.

The first MD-11 is operated on domestic routes, beginning on May 1. On May 23, nonstop B-767-223ER flights begin from Chicago to Milan. Also in May, nonstop Miami to Cancun, Houston, and Islip frequencies are undertaken and the new Western reservations center is opened at Tucson. From San Jose, hourly service is introduced to Los Angeles and the West Coast to Hong Kong pooled freight route with **Cathay Pacific Airways (Pty.), Ltd.** becomes a daily service.

Following a month of U.S. test service, the initial MD-11 commences scheduled passenger service from San Jose to Tokyo on June 1. The same day, daily service is inaugurated from Chicago to London (LGW); a second daily frequency between the two points is added on June 12. Meanwhile, plans are made to place the B-747SP-31s in service from New York (JFK) to London (LHR) run.

The carrier's largest route structure expansion is unveiled on July 1; as the result of a \$445-million purchase of route authority from **Trans World Airlines (TWA)**, American is able to introduce service to London (LHR). Thrice-daily service is opened from New York (JFK) and daily flights begin from Boston and Newark. At the same time, Chicago and Miami flights are switched from London (LGW). Simultaneously, flights are initiated from New York (JFK) to London (LGW) and to Manchester and from San Jose to Tokyo. Cargo is also expanded as a million pounds of daily freight capacity to and from Europe is added via B-767-223F Chicago to Milan and Miami to Madrid daily flights.

Daily Los Angeles to Heathrow and JFK to Gatwick service begins on July 20 while the first of 73 Fokker 100s on order is delivered on August 1. Later in the summer, Seattle and San Jose to Tokyo flights commence, as service to Australia is suspended. On August 7, the Federal District Court in Atlanta, converts an antitrust lawsuit against nine airlines into a class-action suit that could benefit many consumers and cost the carriers millions of dollars. The charges indict American and the others for conspiring to keep ticket prices high at 23 hub airports.

In a complicated three-party scheme between American, **United Airlines**, and **Trans World Airlines (TWA)** engineered by the latter's Carl Icahn later in the month, the three airline partners bid \$1.3 billion for bankrupt **Pan American World Airways (1)**; they lose out to a substantially higher offer from **Delta Air Lines**.

In September, the number of Dallas (DFW) to Huntsville, Alabama, daily frequencies is increased to four with the addition of a DC-10-10 flight. Twice-daily Phoenix to Nashville flights begin on October 15 and, the next day, a DC-10-10 brushes a **Continental Airlines** plane on the taxiway at Newark; 23 people suffer minor injuries in the emergency evacuations that follow. As recession-induced losses mount, Chairman Crandall reports in a December New York speech that the company has elected to chop \$8 billion in future capital expenditures by giving up its options on 37 Fokker 100s, 33 B-757-223s, 12 B-767-323s, and 11 MD-11s. Simultaneously, an agreement is signed to provide all of the computer needs of **Cyprus Airways, Ltd.**

Passenger boardings inch upward by 3.7% during the year to 75,990,000 and freight moves ahead by 10.1% to 1.23 billion FTKs. Although revenues jump 9.9% to \$12.09 billion, expenses shoot up 10.42% to \$12.08 million and leave only a \$17.5-million operating

profit. The net loss deepens to \$166.42 million. AMR Corporation as a whole earns \$12.9 billion in revenues, but its operating profit plunges to just \$5 million.

Company employment grows by 4.8% in 1992 to 102,400. The first state of the art airline maintenance facility to be built in the U.S. in over two decades, the Alliance Maintenance and Engineering Base is opened at Fort Worth on January 16. At month's end, London (LHR) and Manchester to Bermuda via New York (JFK) service is launched.

Also in January, an agreement is signed with Busch Entertainment Corporation for cooperation in a wide range of travel programs, especially those centering around the theme parks of Sea World, Busch Gardens, Cypress Gardens, Sesame Place, and Adventure Island.

American Flagship business-class service is introduced on New York to Los Angeles flights, beginning on February 4; it will be introduced on the New York-San Francisco route later in the year. Next-morning package delivery service is started from Dallas (DFW) on February 17 to some 10,000 U.S. communities. Also during the month, AMR Corporation is able to obtain a \$420-million capitalization, after underwriting discounts, through the sale of six million shares of common stock.

Flights from Miami to Paris begin in March, the same month in which the Decision Technologies division begins to market AIRMAX, a new yield-management computer system for small airlines. Also during the month, a sales and marketing agreement is signed with the Irish carrier **Ryanair, Ltd.** That carrier's London to Dublin services will now be promoted by AA in the U.S.

Roundtrip MD-80 service is inaugurated on April 5 between Chicago (MDW) and Dallas (DFW). A major revision of the company's fare structure, the Value Pricing Plan, is introduced on April 9. The approach eliminates more than 85% of the half-million separate fares offered by incorporating a four-tier structure with many price reductions and simplified administrative procedures.

America West Airlines, Northwest Airlines, and Continental Airlines file suit in federal court charging Crandall's company with predatory pricing designed to put them out of business. Intense price competition will make the plan unfeasible and lead to its abandonment amidst losses of \$166 million in the second quarter and \$85 million in the third. If a plan had existed, as the litigants charge, to cause the elimination of those companies operating under Chapter XI, it failed.

In May, subsidiary AMR Eagle orders 15 additional Jetstream Super 31s for its regional partners; their delivery will bring the fleet's Jetstream total to 75, the largest collection of the type in the world. Also in May, an interline agreement is signed with Hyannis, Massachusetts-based **Cape Air**.

On June 16, daily B-767-323ER service is introduced from Chicago to Berlin and London (STN), providing the British capital's second airport with its first direct passenger service from the U.S. Passengers arriving in London are able to connect with **Ryanair, Ltd.** for flights to Ireland.

In protest against an AA decision to add a second daily flight between Miami and the Islands, **Cayman Airways, Ltd.** places an open letter in *The Wall Street Journal* on June 18. It asks CEO Crandall to discontinue this new service at the risk of jeopardizing the jobs of the smaller airline's 360 employees. The new schedule stands.

On July 7, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** files a new complaint with the European Commission, accusing AA of using its jointly run reservation system to discourage passengers from using the Spanish flagline.

When the National Football League (NFL) exhibition and regular season begins in August, the company maintains its exclusive contract to provide lift for "America's Team," the Dallas Cowboys.

In September, Chairman Crandall joins the CEOs of **Federal Express, Delta Air Lines, and United Airlines** in arguing that the **USAir/British Airways, Ltd. (2)** deal should not be approved by the U.S. government unless major new traffic rights are received from the U.K. Later in the month, a marketing and code-sharing arrangement is reached with **Ansett New Zealand, Ltd.** which provides for joint marketing and

code-sharing on selected flights from Auckland to domestic New Zealand destinations.

In October, Chairman Crandall, who is elected president of IATA for a year, ends the four-tier Value Pricing Plan fare structure. A strategic marketing and code-sharing alliance is signed with **South African Airways (Pty.), Ltd.** on November 4; the American major gains entrance into the South African market via Johannesburg by feeding SAA flights at New York (JFK). The two companies also offer each other reciprocal frequent flyer program linkage.

American Eagle carrier **Simmons Airlines** purchases the assets of **Metroflight Airlines** at Dallas (DFW), also in November, and AMR Consulting Group is established as a new subsidiary.

In December, 576 management positions are cut and two A300B4-605Rs are put into service wearing a polished-metal paint scheme. Despite objection from **Air Canada, Ltd.**, an agreement is announced late in the month with **Canadian Airlines International, Ltd.** aimed at selling the northern neighbor \$2-billion worth of administrative and technical services over the next 20 years. In exchange, there will be an up-front C\$246-million (\$195-million) investment in the Canadian carrier equal to a 33.3% equity interest and 25% control. Two AMR representatives will join CAT's board and the entire deal is contingent upon approval of the U.S. and Canadian governments, as well as PWA Corporation, Ltd.'s successful capital restructuring.

Customer bookings for the year swell 13.2% to 86,007,078 while cargo rises 32.6% to 1.63 billion FTKs. Although revenues advance by 12.3% to \$13.58 billion, expenses are up 13.1% to \$13.68 billion and guarantee that the operating loss will rise to \$310 million. Net loss zooms to \$787 million. Revenues for the AMR parent ascend 11.7% to \$14.4 billion, making it the second best earner in the air transportation industry behind **UPS (United Parcel Service)**.

Expenses, however, force an operating loss of \$25 million. Following the adoption of a new accounting system and a \$165-million write-off of the unworkable Confirm hotel reservations system, net loss quadruples to \$935 million. Even without the Federal Accounting System (FAS) 106 figures, American does better than **Delta Air Lines** and **USAir** group, both of who finish the year with larger losses. Only **UPS (United Parcel Service)**, among American majors, has a higher net worth than AMR at year's end.

Although the payroll is cut by 10.2% in 1993 to 91,973, the carrier's workforce is still the largest of any airline in the world.

Just after landing at Caracas following a January 21 service from Miami, Flight 918, an A300B4-605R with 300 passengers, is hit by three bullets in the left fuselage. The type of weapon or shooter is unknown; security forces quickly seal off the runway where the Airbus has landed.

Also in January, discussions begin with **Reno Air** which, when completed, may provide for cooperation in frequent flyer programming, advertising and promotion, as well as airport slot sharing and financial and capital access arrangement.

During the month, the company receives the "Cargo Development Award" from *Air Transport World* magazine.

Later in the month, the company begins to base a number of its MD-11s at Miami (MIA); on January 31, the McDonnell Douglas wide-bodies begin flying from that Florida station to Buenos Aires, Santiago, London (LHR), and Dallas (DFW). The carrier complains to the DOT on February 13 that **Air France** and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and their governments unfairly restrict its opportunities to sell the SABRE system in France and Spain.

With cumulative losses from the past two years now at \$1.2 billion and with no relief seen in the airline recession, the corporation adopts a "transition plan" in February for coping with the downturn. Key elements include route revisions, a 25% fleet rationalization, and other cost-cutting moves, such as the deferment or elimination of \$8 billion in capital spending and associated interest payments and a \$70-million cut-back in food and beverage services.

On February 23, Chairman Crandall agrees to delay, for 18 months, a final decision on whether or not to close his unprofitable Raleigh-Durham

hub while North Carolina officials attempt to increase traffic. A cost-cutting decision is made on February 26 to remove 25 DC-10-10s from service rather than return newer, leased A300B4-605Rs.

Also in February, the company becomes an Olympic Alliance partner of **Ansett Australia (Pty.), Ltd.** In addition to frequent flyer program linkage and shared lounge services, the American major begins to code-share with Ansett on several domestic services to and from Sydney, Melbourne, and the Gold Coast.

On March 2, daily MD-11 roundtrips commence between Miami and New York (JFK). Chief pilot William A. James dies on March 3 at the age of 52. Federal Judge Marvin H. Shoob now approves a \$458-million settlement of a class-action antitrust lawsuit charging this airline and several others with price-fixing; travelers will now be able to receive discount airfare coupons to compensate for fare charges collected between January 1988 and June 1992.

A severe winter storm over the eastern U.S. during the weekend of March 12-14 forces the company to cancel 1,100 flights that Saturday and Sunday. On March 17, the Equal Employment Opportunity Commission sues the company, charging it with age discrimination in the hiring of pilots by taking only those who can make captain before retirement.

The total cumulative number of passengers boarded by AA and its predecessors as of March 31 is 1,168,899,988.

When **Southwest Airlines** announces its entrance into the market on April 7, American begins to drop 48 flights, or 40% of its schedule, from the San Jose hub.

Just after touchdown at Dallas (DFW) on April 14 following a service from Honolulu, Flight 102, a DC-10-30 with 13 crew and 189 passengers, drifts to the right and goes off the runway. It comes to rest in mud, with its nosegear and left main landing gear collapsed; there are no fatalities, but at least 30 are injured during the evacuation.

During the month, the company announces its DC-10-10/A300B4-605R choice and that it will lay off an additional 2,000 employees during the year, as well as drop its route from Chicago to London (STN).

The city of Nashville reaches an unusual agreement with **USAir** on April 27 to acquire that carrier's Charlotte to London route for \$5 and to shift the U.S. end of the route to Nashville. There AA is permitted to operate the run in exchange for Chairman Crandall's pledge not to pull out of the Music City hub. The deal stems from **USAir's** recently approved alliance with **British Airways, Ltd. (2)**, opposed by American, **Delta Air Lines**, **United Airlines**, and **Federal Express**, which requires the American partner to relinquish several London routes.

On April 29, Dallas (DFW) to Brussels service is inaugurated; it is the first new American Airlines European service from the Texas airport to be started in five years.

Flights to Madrid from Dallas (DFW) are suspended as are London (STN) frequencies from Chicago (ORD). The use of laptop computers and CD players is banned on May 12 for safety during takeoffs and landings. The same day, tentative agreement is reached with **Reno Air** for the latter to sublease two gates at American's San Jose terminal and to join the major's frequent flyer program. By the end of May, 48 of 124 daily San Jose departures are suspended while a significant number of frequencies are added at DFW and Miami.

As the result of a decision announced two months earlier, American, in early June, begins to ground 25 of its 49 DC-10-10s.

Just after takeoff from Savannah, Georgia, on June 18, an MD-82 experiences a fire in its left engine. While the aircraft returns to its point of origin for an emergency landing, the blaze is put out by onboard equipment. After touchdown, all aboard are evacuated through the forward door evacuation chutes and no injuries are reported.

Also during the month, **Continental Airlines** and **Northwest Airlines** bring suit against the company for \$1 billion, charging losses are due to AA's Value Pricing Plan fare structure of the year before.

A final agreement is signed with **Reno Air** under which the new entrant will lease gates at AA's San Jose facility and participate in its frequent flyer program. Other items mentioned in January are also part of

the deal. As of June 30, corporate employment is 116,884 with the airline subsidiary overseeing 97,535, an increase since January.

The American Airlines Museum, named in honor of C. R. Smith, is relocated into a new building on July 3; a major feature is the restored DC-3 *Flagship Knoxville* shown in a static display out front. The 53-year-old aircraft had been restored at Tulsa during the preceding 12 months and is flown to Dallas (DFW), where it is put aboard a truck for the short journey to the museum.

Two days later, the DOT awards the carrier the Philadelphia to London route that **USAir** was forced to cede as a result of its recent link with **British Airways, Ltd. (2)**. In mid-month, weekly flights to Europe total 250.

Also in July, the AMR Consulting Group is expanded into the AMR Training and Consulting Group. SABRE is marketed globally to travel agencies in 64 countries; over 25,000 travel agency offices employ it on more than 101,000 terminals. As a result of SABRE's popularity, the AMR Corporation now creates the SABRE Technology Group. Meanwhile, flight services are increased to Chicago, San Juan, and Miami and AMR turboprops begin to replace jetliners on lighter routes.

The carrier announces on August 4 that it will delay start-up of the new route to London until the following April because it has not yet received landing rights to Heathrow Airport, to which it had planned to begin flying on November 1. It requires a Galveston jury less than three hours after receiving the **Continental Airlines** and **Northwest Airlines** case to declare American not guilty of predatory pricing in connection with its failed Value Pricing Plan fare structure plan.

On August 14, a code-sharing agreement signed with **British Midland Airways, Ltd.** allowing passengers arriving at London (LHR) from New York, Philadelphia, Miami, Chicago, and Los Angeles easier connections to Brussels, Amsterdam, Frankfurt, and the U.K. cities of Belfast, Edinburgh, Glasgow, Leeds, Bradford, and Teesside.

On August 28, it is announced that a \$77-million renovation project at Los Angeles has been cancelled; the next day, the company teams up with Jack White & Co. to market its American AAdvantage money market fund mileage class, which grants one frequent flyer mile for every \$10 invested. Three days later, AA begins laying off the first of 450 pilots.

The world's largest airline fleet comprises 687 aircraft: 35 A300-600ERs, 33 B-767-323ERs, 22 B-767-223ERs, 8 B-767-223s, 71 B-757-223s, 120 B-727-223As, 13 B-727-123s, 51 Fokker 100s, 18 MD-11s, 47 DC-10-10s, 9 DC-10-30s, and 260 MD-80s. Although 42 new aircraft are added during the year, capacity is to be cut 3% by year's end and a year's deferral is arranged with Boeing for 4 B-757-223s and 4 B-767-223s. Following the busy summer season, the fleet is cut by 25 DC-10-10s and 28 B-727-223As. A total of 350 pilots are laid off on August 31, resulting from the company's decision to park many of its DC-10-10s.

On September 1, the company changes from analog to digital telephone technology and contracts with Seattle-based Claircom Communications to equip its aircraft. Later in the month, it is announced that the carrier will eliminate 5,000 positions by the end of the following year as the airline accelerates the retirement of its DC-10-30 and B-727-223A fleets. A rumor that the megacarrier will be split into three companies is dismissed. As a result of a disagreement with the city over how the project should be funded, American cancels a \$77-million renovation project at Los Angeles (LAX).

In early October, it is announced that up to 1,000 management personnel will be laid off by late December. At the same time, 6 DC-10-30s are grounded, in addition to the DC-10-10s already parked. Vice President-Maintenance David Kruse indicates that, although a sales team has been formed to dispose of some of the 42 DC-10-10s on the block, a number will be cannibalized for spare parts. In addition, 67 of the B-727-223As will be modified to satisfy Stage 3 noise requirements and kept in service beyond the year 2000.

Meanwhile, following weeks of talks and after all-night negotiations just before the deadline, the flight attendants' union breaks off contract talks on October 31 and calls for a nationwide boycott. Also in October, American Eagle converts 20 ATR72-210 options into firm orders.

The code-share alliance with **British Midland Airways, Ltd.** takes effect on November 1. The airline moves to impose a new contract on November 1 and, on November 15, AFA files a federal lawsuit claiming four counts of unfair labor practices against American.

The company's flight attendants walk out on November 18 in disagreement with AA over staffing, scheduling, work rules, and health benefits for retirees and promise to remain out 11 days in order to hamstring the carrier during the Thanksgiving holiday. Service to passengers is immediately disrupted. After five disastrous days of the job action, it is called off on November 22 after President Bill Clinton takes the unusual step of getting AFA President Denise C. Hedges and AA Chairman Crandall to submit their cases to binding arbitration.

Despite an apparent resumption of normalcy, the company dismisses 15 flight attendants on December 8 for their actions during the walkout. The same day, the B-727-100 type is retired from the company's fleet, following completion of a service by the last B-727-77 from Monterrey, Mexico, to Dallas (DFW).

Also in December, a five-year cooperative marketing partnership agreement is signed with Nashville-based Gaylord Entertainment Company; under its terms, AA becomes the "official" airline of the Grand Ol' Opry and Opryland. At the same time, the Decision Technologies subsidiary forms an Australian unit based at Sydney, AADT Australia (Pty.), Ltd. It is reported on December 31 that 290 management personnel have retired and another 286 have been terminated.

During the year, Dan Read publishes his biography of the chairman, *The American Eagle: The Ascent of Bob Crandall and American Airlines* (New York: St. Martin's Press, 1993).

Passenger boardings for the year decline 4% to 82,567,345; only Delta now flies more customers. Freight moves ahead by 25.7% to 2.14 billion FTKs, twelfth highest among global carriers. The four carriers making up American Eagle transport 10,415,953 passengers, almost double the next largest regional grouping, "USAir Express."

Revenues climb 9.7% to \$14.78 billion, the world's highest such airline income. Expenses move up only 4.5% to \$14.41 billion (including \$688 million in special charges and \$190 million from the November strike) and as a result, a \$374-million operating profit is earned, fifth best in the business. The net loss is cut to \$314 million. Parent AMR Corporation earns revenues of \$15.8 billion, up 9.9%. Although there is a \$690-million operating profit, a net loss is still posted: \$110 million.

Airline employment is reduced by 4% in 1994 to 90,300 and 14 DC-10-10s and 31 B-727-223As are retired.

A total of 775 ground workers are laid off on January 7. On January 18, AA joins with **Delta Air Lines**, **Northwest Airlines**, and **United Airlines** in agreeing to pay \$30 million in \$5 fare coupons and lawyers fees to settle a class-action suit over tax-related surcharges on jet fuel at Chicago's airports. A code-sharing agreement is entered into with **Gulf Air, Ltd.** in February, allowing passengers onward flights from London (LHR) to Abu Dhabi, Bahrain, Doha, and Muscat.

On March 9, a jetliner with 60 passengers skids off the runway at Columbus while landing in a snowstorm; no injuries are reported. The U.S. government settles an antitrust suit against AA and five other airlines on March 17. They agree to changes in their computerized reservations system operations which, it is alleged, are used to fix airfares. Without admitting or denying the accusation, the companies pledge to end their practice of communicating proposed fare increases through the system maintained by the Airline Tariff Publishing Company.

On April 4, the U.S. Supreme Court agrees to review an Illinois Supreme Court ruling permitting members of the carrier's frequent flyer program to sue under a state law for having imposed new conditions on accumulating mileage credits for free flights.

In early spring, *American Flagship* service is introduced in the New York-San Diego, Miami-Los Angeles, and Washington-Los Angeles markets. At the same time, the San Jose hub is closed and a number of jet routes are shifted away from Dallas (DFW). Two American Eagle carriers take up the slack at the Texas airport. **Simmons Airlines** places its ATR72-212s on the longer routes and **Wings West**

Airlines transfers over a number of SAAB 340Bs to expand service on short-haul markets.

The long-delayed \$177-million equity-for-services purchase of 25% shareholding in **Canadian Airlines International, Ltd.** is completed on April 27. Under terms of the arrangement, AMR Corporation also obtains a comprehensive strategic alliance and a 20-year data processing contract with the Canadian airline for data processing, computer, and reservations system services worth \$115 million in year one. The two carriers also link their frequent flyer programs and AMR agrees to provide such other services as training, U.S.-originated reservations, pricing and yield management plus operations planning and accounting. Code-sharing will commence in 14 months.

Later in the month, three divisions of AMR Information Services (American Airlines Decision Technologies, SABRE Development Services, and Transportation Automation Services) are merged into SABRE Decision Technologies.

A 60-day, nonbinding memorandum of understanding is signed with **LOT Polish Airlines, S.A.** on May 10; under its terms, the two agree to share communications, reservations, and technical support systems while working on a code-sharing agreement. Service is inaugurated to London (LHR) from Philadelphia, Nashville, and Raleigh-Durham beginning on May 27 and five days later, on June 1, 50 more pilots are laid off.

Also in June, the carrier leases two MD-11s to new entrant **USAfrica Airways**, allowing it to begin services from Washington, D.C. (IAD) to Johannesburg. It also takes delivery of its 75th and last Fokker 100; the plane is the 250th of its type built. Another 75 Fokker 100 options are still held.

Also during the month, *American Flagship* service is extended to the routes leading from Boston to Los Angeles and from Miami to Dallas-Fort Worth, San Francisco, and Seattle. Contract talks, which will drag on for the next 18 months or so, open between the carrier and the Allied Pilots Association.

The code-sharing agreement signed with **Gulf Air, Ltd.** takes effect in July, covering flights between New York (JFK) and Doha, Abu Dhabi, Muscat, and Bahrain via London (LHR). At the same time, the same kind of pact is signed with **Transwede Airways, A.B.** for frequencies between London (LGW) and Stockholm (Arlanda Airport). A significant increase in services to London is also announced, including new routes from Philadelphia, Raleigh-Durham, and Nashville; the megacarrier now enjoys a total of 9 U.S. gateways to the U.K. capital and a total of 133 flights per week in the U.S.-U.K. market.

On July 18, the company protests a General Services Administration order mandating that airlines join the Civil Reserve Air Fleet (CRAF) program as a prerequisite to government contract awards.

After purchasing blocks of seats and providing marketing assistance and feed to JFK, American begins its code-sharing program with **Gulf Air, Ltd.** in August; weekly flights are made by Gulf Air's A340-300s.

A B-747SP-31 is simultaneously sold to **Kazakhstan Airlines**, while on July 20, the second B-747SP-31 is sold to the government of Dubai.

To save \$35 million in 1995, the carrier announces on September 22 that it will contract out the work of 550 agents at 30 airports, beginning in the new year. The next day the company threatens to ground more planes and cut more jobs unless its labor unions agree to new concessions. At the same time, Vice President/Treasurer Teri Teat is placed in charge of a four-month effort to streamline the headquarters and management staff in an effort to save another \$75 million.

The AMR American Eagle subsidiary begins a quarter of difficulties on October 5 with the crash of a **Simmons Airlines** ATR72-212 turbo-prop in Indiana. On October 12, a B-727-223A is the first commercial airliner to reopen service to Port-au-Prince, Haiti, since UN sanctions were imposed three months earlier.

En route from Dallas to Tokyo on October 14, Flight 61, an MD-11 carrying 167 passengers and 19 crew members, suffers an in-flight incident when passenger Steven Low unaccountably attempts to force open one of the plane's doors 30,000 feet above Jackson Hole, Wyoming. The crew subdues the man and the wide-body is forced to land at Seattle-Tacoma

International Airport where Low is arrested by the FBI. Company officials tell a local television station that a person would need to know a numerical code to open the door and that even in that case, outside air pressure in-flight would have prevented the door from opening.

A number of actions are announced later in October, including: grounding of 28 B-727-223As and DC-10-10s; contracting out of agents' positions at 30 airports and the restructuring of the reservations and sales agent department; and closure, the following May 1, of the pilot and domestic flight attendant crew bases at Nashville and Raleigh-Durham.

American Eagle's tenth anniversary is celebrated on November 1. The company joins with **Japan Air Lines Company, Ltd. (2)** on November 3 to announce that, effective New Year's Day, members of their frequent flyer programs will be linked and allowed to earn credits good toward the plans of either airline.

A code-sharing agreement with **Qantas Airways (Pty.), Ltd.** comes into effect on November 15. Under its terms, the AA designator will be applied to 12 Qantas services per week between Sydney and Los Angeles while the QF Qantas designator will be displayed for a number of AA frequencies between Los Angeles and Chicago, New York, Boston, and Washington, D.C.

An A300B4-605R flies into unexpected turbulence over the Caribbean on November 28; a total of 46 people are injured, 6 seriously. Also in November, the electronic ticket delivery network of the SABRE reservations system becomes available to all travel agencies.

It is announced on December 2 that the company will cut 551 more fleet service and facilities maintenance personnel. On December 9, the FAA places a prohibition on the operation of ATR turboprops, which comprise much of the American Eagle fleet. Fortunately, American Eagle President Robert Martens is meeting at AMR headquarters in Dallas with the presidents of the four confederated regionals and they are quickly able to come up with a plan to reconfigure the combined Eagle fleet around the country. A sufficient number of SAAB 340Bs and ATRs will be switched around so as to limit revenue losses over the major holiday period to \$50 million.

By year's end, a total of 31 DC-10-10s have been grounded, with 8 returned to lessors or used for spare parts. Overall customer bookings slip another 1.8% on the year to 81,085,935, but cargo surges 10% to 2.36 billion FTKs. Revenues increase by 2% to \$16.1 billion and allow a pretax gain of \$402 million and a net profit of \$228 million. The positive reports trigger profit sharing payments to employees for the first time since 1989.

The workforce stands at 89,400 in 1995, a 1% decrease. A power failure at Newark (EWR) on January 9 forces the carrier to cancel half of its thirty departures from the New Jersey airport; electrical supply returns to normal on January 10.

When a flight attendant discovers that food being served to 61 passengers appears to be contaminated, the captain of a jetliner bound for London (LHR) on January 29, returns his aircraft to New York (JFK). Two days later, the company caterer, Sky Chefs, identifies the source of the problem as a sticky mass of old soda and coffee under the laminate of a cracked service counter and reports there was no contaminated food aboard the aircraft.

The same day, it is announced that American is one of three majors which will increase roundtrip fares on flights starting or ending in Denver by an average of \$40 per flight. This will help cover increased costs of flying into the new Denver International Airport when it opens at the end of February.

Also in January, an agreement signed the previous November with **Japan Air Lines Company, Ltd. (2)** begins. The two carriers will offer reciprocal general freight sales representations in certain regions and link their frequent flyer programs on international services. Joint operations commence with **LOT Polish Airlines, S.A.** during the month, including code-sharing on return flights from Warsaw to New York (JFK), Miami, Chicago (ORD), and Los Angeles.

On the domestic front, a decision is taken to reduce the carrier's hub at Raleigh-Durham. A B-727-223 is sold to Aircraft Leasing, Inc. for

conversion into a freighter for **Kitty Hawk Air Cargo**. A highlight of the year's first month is receipt of the 1994 "Public Relations Award" from *Air Transport World* magazine.

Having failed to receive either the lease or maintenance payments as scheduled on February 3, the carrier repossesses the two MD-11s chartered to **USAfrica Airways**. The new entrant, already in deep financial trouble, declares Chapter XI bankruptcy a week later.

On February 11, American joins in the **Delta Air Lines** initiative that places a cap on travel agent commissions. Four days later, it is one of five majors against which Travel Network, Ltd., franchiser of 350 travel agencies, files a suit concerning the practice. Also on February 15, the carrier, along with **America West Airlines**, announces substantial fare cuts for winter and spring travel in the U.S., Europe, and the Caribbean. Among the regularly scheduled passengers flying into Santo Domingo on February 23 is former President Jimmy Carter, visiting on an undisclosed mission (it will later be revealed that Carter is involved in diplomatic negotiations with the ruling junta).

On February 26, the company matches a fare increase, mainly involving business travelers, announced the same day by **United Airlines**. Also in February, the company begins discussions with **Air France** on a possible strategic alliance.

On March 1, an MD-11 while landing at Dallas (DFW) suffers a near collision with a commuter plane waiting to take-off. An agreement is signed with **Midway Airlines (2)** on March 2 under which the Illinois-based national begins to build up a hub at Raleigh-Durham to replace the one being abandoned by AA. American and Midway link their frequent flyer programs and Midway subleases seven gates at the North Carolina airport from the major; soon thereafter it launches its first 22 daily departures.

The March 1 Dallas (DFW) incident leads the FAA to issue an emergency order on March 3 banning the practice of allowing planes, between sundown and sunrise, to taxi and wait for takeoff clearance on runways also being used for landings.

Shortly after take-off from New York (LGA) on March 8, one of the engines of an MD-80 shuts down, forcing the pilot to make an emergency landing in Buffalo.

On March 15, Donald J. Carty is named president of the new airline group within AMR Corporation. At the same time Carty's elevation is announced by Chairman Crandall, it is also noted that 900 management positions will be cut in an effort to save \$93 million per year. During the month, a new product, Executive Coach, is unveiled; it is designed to cater to full-fare passengers.

When Club America Vacations abruptly shuts down on March 30, it leaves nearly 2,000 passengers stranded at destinations in Mexico and the Caribbean. Although U.S. law requires airlines providing outbound transportation to return stranded passengers if a charter firm goes out of business, that is not possible in this case as the carrier involved, **Private Jet Expeditions**, has itself failed two weeks earlier. Consequently, AA becomes one of several U.S. and Mexican operators to assist in the return of the tour operator's clients. Indeed, the last stranded vacationers are returned by the major on April 4 from Aruba and Jamaica.

On March 31, in response to a move into summer fare sales in certain of its markets by **Northwest Airlines** the previous day, AA offers discounts of up to 50% on all domestic flights booked by April 15. The fare cut is immediately matched by **United Airlines**. Also during the third month, AA reaches agreement with **Midway Airlines (2)** for frequent flyer program linkage, airport slot-sharing, and joint promotion and advertising activities.

On April 2, the tailpipe in the No. 2 engine of an MD-11 catches fire on the taxiway at New York (JFK). During the plane's evacuation, unknowingly ordered by the pilot after the fire is out, 47 of the 108 passengers and crew are hurt.

A major aircraft deal is signed with **Federal Express** on April 7. Under its terms, the freight operator will take over the remaining 11 options of AMR Corporation for the McDonnell Douglas wide-body and

purchase all 12 of those already delivered. The first planes will begin arriving at the FedEx Memphis facility within two years.

When the pilot of a B-757-223 improperly sets the parking break during the reading of the checklist at the gate at San Antonio on April 11, the plane begins to roll. The pilot applies the breaks sharply and three passengers are hurt (one seriously) as the plane stops suddenly. After ground personnel check the brakes, the flight is released for continued service.

On April 27, AA and its chapter of AFA settle a series of long-running, noneconomic disputes stemming from the strike at Thanksgiving 1993. During the last week of April, a strategic alliance is entered into with **BWIA International Airways, Ltd.** That company begins transferring its New York operations into the AA terminal at John F. Kennedy International Airport and its reservations personnel are familiarized with the SABRE reservations system. By month's end, the company has reduced its daily departures from Raleigh-Durham from 60 to 29.

A freak hailstorm with pellets ranging in size from 3" to 6" strikes Dallas (DFW) on April 29. Both **Delta Air Lines** and American aircraft suffer damage, with AA taking by far the greatest pounding. A total of 54 AA transports are hit, including 1 MD-11, 27 MD-80s, 12 Fokker 100s, 7 each B-727s and B-757s plus 24 ATRs and SAAB 340s of **Simmons Airlines**. On April 30, the major must cancel 219 departures from DFW.

On May 1, when **Continental Airlines** opens what has become an annual seasonal airfare competition, AA quickly matches that carrier's discounts of up to 35% for off-peak summer travel on certain days. The same day, AA closes its pilot and domestic flight attendant crew bases at Nashville and Raleigh-Durham, which practically shuts down the hubs at those two airports.

A total of 199 flights are cancelled at DFW on May 1 due to storm damage; the next day another 167 are not flown. The number of cancellations at DFW is down to 114 on May 5. A B-767-223ER with a damaged wing makes an emergency landing at San Francisco on May 30. All but 10 of the aircraft damaged at DFW on April 29 are returned to service by month's end.

Also during the month the company takes advantage of the unilateral opening of U.K. regional airports by the British Transport Department and inaugurates the first flights from the U.S. to a non-London U.K. airport when it starts flying from Chicago (ORD) to Birmingham. It also launches a second daily roundtrip frequency from Boston to London (LHR).

In order to achieve a greater share of business from the U.S. Postal Service, the company appoints Vicki Moore, former managing director of air-freight commercial accounts as its "postal czar," to oversee sales to the USPS as well as adherence by the airline to that agency's high standards.

Airline employment at Raleigh-Durham has been reduced by 600 positions by June 15 as the number of daily departures from that community have fallen to just 17, including flights to Chicago, Dallas (DFW), Miami, New York (JFK), and London (LGW). **Midway Airlines (2)** takes over another five gates.

With the beginning of summer, the company introduces a new strategy of offering shuttle service each half hour on long-haul routes in an effort to lure a greater number of business travelers at full-fare. Planes and frequencies are removed from smaller cities in order to enhance services between Los Angeles, San Francisco, Dallas, Chicago, New York, and Washington, D.C. The number of frequencies between Dallas and New York (LGA) is doubled to 20 per day.

En route from Los Angeles to New York on June 26, a DC-10-10 is violently buffeted by air turbulence 37,000 feet over Wisconsin; 17 passengers are injured, forcing the pilot to divert to Chicago where the injured are treated.

John Samuel, the managing director of revenue management development, is named the airline's director of interactive marketing. He will go on to supervise development of American's Internet products, including the successful NetSAAs.

The arrangement with **BWIA International Airways, Ltd.** begins in July. In addition to a shared computerized reservations system, marketing, ground-handling, and airport amenities, the two begin to share

codes on each other's flights. Specifically, the BWIA code appears on AA flights from New York and Miami to Orlando, Washington, D.C., and Boston. The AA designator is shown on BWIA flights from Antigua via Miami to New York and from Barbados to Antigua, St. Lucia, Port of Spain, and St. Martin and between Port of Spain and Grenada and Georgetown. Also in July, code-sharing flights with **Singapore Airlines** commence between Chicago and Singapore.

On August 2, an agreement is signed with **Japan Air Lines Company, Ltd. (2)** that will link the reservations systems of the two carriers; under terms of the agreement, AMR Corporation will also purchase a 25% stake in the responsible JAL computer division.

In association with **Canadian Airlines International, Ltd.**, dual-designator flights are undertaken during the summer from New York to Toronto and from Chicago, Miami, and Dallas (DFW) to Toronto and Montreal. At the same time, AA inaugurates new Canadian services of its own, which it code-shares with CAI, from Chicago to Ottawa, Calgary, and Winnipeg and from Dallas (DFW) to Calgary and Vancouver. Meanwhile, AA executive Barbara Amster moves to CAI where she becomes vice president-management.

A tentative six-year agreement is reached on August 14 between the carrier and leaders of its chapter of the Transport Workers Union; if approved by the rank-and-file, the pact, which includes a temporary wage freeze and an early-retirement package, will save AA substantial revenues.

On August 18 the main terminal at New York (LGA) must be evacuated for more than an hour as police investigate a bomb threat made against the major.

Also in August, AMR Eagle President Robert E. Martens resigns and is succeeded by **Continental Airlines'** CFO Daniel P. Garten, who had worked for AA as vice president-financial planning prior to moving over to Continental in 1977. During the month, Washington and Caracas commence an intense series of discussions concerning Venezuelan aviation safety standards.

A company ticket agent is arrested on September 1 after acquiring as many as 116 fraudulent tickets over the previous year. He sold many of them at reduced cost or gave them away. It is alleged that some of the tickets have found their way to Dallas Cowboys' players and former players, including Michael Irvin, Charles Haley, Alfredo Roberts, Everson Walls, and Ron Springs. Also in September, baggage handlers, concerned over seniority issues, refuse to accept an offered six-year contract.

In early September, **Delta Air Lines, USAir, Continental Airlines, Deutsche Lufthansa, A.G., Trans-World Airlines (TWA), and Air Canada, Ltd.** file suit against American Airlines in U.S. District Court in Miami. They are concerned that the \$974 million AA will receive from the \$4.6-billion Dade County Capital Improvement Program for the construction of a new 47-gate terminal at Miami (MIA) is unreasonable and unfair to them. On September 16, Flight 5516, a **Canada 3000, Ltd.** B-757-28A en route from Denmark to Toronto, comes within 3 mi. horizontal and 2,000 ft. vertical of Flight 53, a company B-767-323ER en route from Scotland to Chicago. The loss of required separation is blamed on an ATC trainee at Gander, Newfoundland.

After a number of passengers complain that company employees have not provided prompt help with wheelchairs, which is required under the Air Carrier Access Act, the DOT fines AA \$25,000 on October 1; the government does, however, allow the airline to use \$15,000 of that amount to purchase new wheelchairs.

On October 2, **USAir** admits that it is holding merger talks with the parent companies of **United Airlines** and **American Airlines**. Next day, **British Airways, Ltd. (2)** announces that it is reevaluating its alliances in North America in light of the **USAir** announcement.

After further talks and deliberations, the baggage handlers accept a new six-year contract on October 4. Six days later, the arbitration process begun the previous October to resolve a contract dispute with the AFA is concluded. On October 11, the arbitrator grants the company's flight attendants a 17% pay increase, most of the vacation time, and the work rules AA had sought to alter. The company is permitted to

reduce staffing on some flights, with the union able to file grievances concerning these before a government panel.

During a freak snowstorm at Denver on the evening of October 22, Flight 2037 is unable to depart for over an hour when it is blocked on a taxiway by a **United Airlines** B-727, stuck in the snow. Also in October, the carrier begins to cooperate with **Alitalia, S.p.A.** on cargo flights from Rome to Miami.

Flight 1572, an MD-83 with 77 people aboard, strikes the tops of a line of trees on a ridge as it is making a nonprecision approach to Bradley International Airport at Windsor Locks, Connecticut, on November 12. The pilot converts his descent into an emergency landing and one person is injured in the evacuation that follows.

Talks between American and **USAir** on a possible merger are undertaken in early November, but go nowhere. Those between the Pittsburgh-based major and UAL continue until their collapse at Thanksgiving.

While on final approach to the airport at Cali, Colombia, on December 20, Flight 965, a B-757-223 with 8 crew and 156 passengers, goes off course and crashes into an 8,900-ft. peak in the Andean mountains, 38 miles from Cali (160 dead). The bodies of all of the victims, except one, are recovered by rescue workers before December 26. The disaster is the first fatal crash for the company since the DC-10 crash in 1979.

Also in December, a code-sharing agreement is signed with **Singapore Airlines** to begin in six months over the Chicago-Singapore route. During the year, service has been eliminated in 19 city-pairs.

Enplanements dip 2.6% to 79,674,313, but cargo rises 3% to 2.97 billion FTKs. Revenue figures are reported rising 4.6% for the AMR Airline Group as a whole to \$15.5 billion. Individual balance sheets show operating income is up 4% for American Airlines to \$13.3 billion, down 2% for American Eagle to \$775 million, and up 2% for American Cargo to \$677 million. Overall costs are up an equal 4.6% to \$14.93 billion and group operating profit totals \$564 million. This is down from the previous year because of a massive fourth quarter write-off to cover the costs of employee early-retirement programs and planned aircraft retirements. The pretax net loss deepens to \$81 million.

Airline employment is 88,400 in **1996**, a 0.8% reduction. Three DC-10-30s are leased to the Russian independent **Transaero Airlines**, which will employ them to launch service to new European destinations, as well as Los Angeles in June and Orlando in October.

A major East Coast winter storm cripples operations throughout the Northeast during January 7-9; on the first day of the blizzard, AA cancels all of its flights in that region. Early in the month, the company and the Allied Pilots Association launch a joint review of operating procedures and training.

On January 14, searchers find the remains of 9-year-old American Michael Claros, the last missing victim of the December 20 disaster. An A300-600R encounters severe turbulence during a flight on January 17; three passengers are severely injured as the plane descends from 33,000 ft.

With support from the airline, the Allied Pilots Association during the third week of January requests federal mediation of contract talks that have been under way for the last 18 months.

During the first week of February, **ANA (All-Nippon Airways Co., Ltd.)** joins with American, **Delta Air Lines**, and **Continental Airlines** in calling for renewed bilateral discussions between the U.S. and Japan. Hopes are expressed by ANA President/CEO Seiji Fukatsu during a Washington, D.C. visit that operations originally authorized in 1952 will be liberalized for those airlines not original partners to the first bilateral.

During the second week of the month, flight operations and pilots' union representatives begin visiting the carrier's different stations to acquaint pilots with findings made regarding the crash of Flight 965 in December.

Pilot David Poole, having smelled smoke and fearing there is fire on board shortly after his A300B4-605R backs away from its New York (JFK) gate on February 20, orders the aircraft evacuated; 34 are injured (2 serious) in the process. No sign of fire is found.

Two days later, company officials send other carriers a list of more than 500 parts that have been scavenged from the wreckage of the B-757 lost in Colombia in December. It warns that some of the items, including jet engines, landing gear, and electronic components, may be offered to them for sale.

Also on February 22, AA opens a reservation center in Dublin that eventually will be responsible for handling most European reservations for the airline. The Irish office is opened as a consolidation of American's London reservation site. Other reservations centers throughout Europe will be absorbed there.

Without a pilots contract, the carrier continues to insist that it will purchase no new aircraft. As the sale of a dozen MD-11s to **Federal Express** is completed, the company begins to reconfigure A300B4-605Rs, used in the Caribbean, for service over shorter transatlantic routes. The Airbuses will be replaced by B-727s that the carrier had originally planned to retire. The company also sells DC-10s to FedEx in exchange for cash and hush-kits.

The daily Miami to Maracaibo service is suspended on March 2 along with daily San Juan to Caracas flights. The action is taken because exchange controls are hampering the airline's ability to take currency out of the country. American sues the Venezuelan government for \$18.8 million over the controls that have restricted access to scarce dollars during the nation's continuing financial crisis.

On March 22, mechanics working on a B-757-223 recently arrived from Latin America find almost 65 lbs. of cocaine hidden inside and behind the cockpit ceiling panels. AMR Airline Services in March wins a five-year, \$10-million contract to handle the interline transfer of baggage for all 60 carriers operating from Los Angeles (LAX).

In flight over the Atlantic Ocean on April 7, a B-757-223 with 194 passengers encounters unexpected severe turbulence. One of the aisle carts becomes airborne and strikes a flight attendant's leg when it lands, resulting in serious injury.

Also in early spring, flights are suspended between San Juan and Caracas and between Miami and Maracaibo because of Venezuelan foreign exchange controls that force companies to buy dollars on more expensive open exchange.

On May 1, the company begins to code-share with **Singapore Airlines, Ltd.** American's AA designator is applied to Singapore flights from Singapore to Los Angeles and San Francisco; there connecting passengers may directly board American flights, with shared SQ designations, and fly on to Chicago. The same route may be followed in reverse.

The same day the company begins its only new transatlantic service of the summer, daily nonstop roundtrips from Boston to Paris. The route had previously been operated by **Northwest Airlines**, which gave it up, and had been sought by **USAir**. Indeed, transatlantic capacity is decreased by 8% to 238 weekly nonstops from 8 U.S. cities to 13 European destinations.

Also at the beginning of the month, the ABC television network begins to produce and supply in-flight programs for the carrier's domestic and international services. Offerings include segments from *Good Morning America*, *This Week with David Brinkley*, *Nightline*, and *Wide World of Sports*. In addition, full episodes of situation comedies will be provided, including *Ellen* and *Home Improvement*.

Five minutes after a B-757-223 lands at New York (JFK) from the Dominican Republic on May 24, the body of a dead man, who may have stowed away in the plane's wheel well and fallen, is found floating in a Long Island marina near the airport.

En route from El Paso to Chicago (ORD) on June 3, Flight 722, an MD-82 with 68 passengers, encounters turbulence 30 mi. N of Childress, Texas; nine people are injured.

Two days later, Flight 873, an MD-82, with 4 crew and 137 passengers, makes a hard landing at Albuquerque after a flight from Dallas (DFW); the aircraft chews up 100 ft. of runway, but is not itself badly damaged, except for its tail skid. Three people receive minor injuries.

In a move that will remain controversial for years, the company signs a comprehensive marketing agreement with **British Airways, Ltd. (2)** on June 11. The two profitable giants anticipate winning government approval on a route network that will stretch from North and South America to Europe and Asia. Chairman Crandall notes, however, that AA will not cede its slots at London (LHR) to gain that approval. British regulators begin the long-running approval debate on June 21 when they find the linkage plan constitutes a merger, which requires further scrutiny.

The comprehensive code-sharing agreement with **Canadian Airlines International, Ltd.** comes into effect during the month.

Daily dual-designator flights of **Virgin Atlantic Airways, Ltd.** commence with **Delta Air Lines** on June 26 between London (LHR) and Washington, D.C. (IAD); the American major purchases blocked seats upon the British line's flights to its eighth U.S. gateway city. A340-311s perform the service Monday through Thursday and Saturday while B-747-238Bs take over on Fridays and Sundays.

The inaugural flight brings Virgin Atlantic Chairman Richard Branson to Washington, where he spends a week lobbying U.S. lawmakers against the proposed strategic alliance of **British Airways, Ltd. (2)** and American. Spectators at Dulles are surprised when the A340-311 taxis up to the gate wearing the slogan "No Way BA/AA" boldly painted on its fuselage. The aircraft, however, is only the first indication that Virgin has opened a multimillion-dollar campaign in the U.S. to block the pact between its British rival and the U.S. major.

The AMR board on July 1 approves reorganization of The SABRE Group into a separate, wholly owned subsidiary. **Virgin Atlantic Airways, Ltd.** code-sharing partner **Delta Air Lines** during the first week of July joins in the VAA lobbying effort against the AA-BA alliance.

EU Competition Commissioner Karel Van Miert, on July 7, offers tentative terms to AA and BA for the approval of their planned linkup. In order to avoid concerns relating to their dominance of the best positions at U.K. airports, the two majors will be required to give up 267 of their present weekly landing and takeoff slots at London (LHR and GTW). Additionally, if other carriers request it within six months after the alliance is launched, the two must also cut their frequencies from London to Dallas, Miami, and Chicago.

On July 8, the U.S. Justice Department begins an antimonopoly probe of the alliance between **British Airways, Ltd. (2)** and **American Airlines** announced on June 11. The DOJ seeks information from **Virgin Atlantic Airways, Ltd.**, which continues to oppose the union, concerning its 1993 antitrust suit against the former British state carrier. AA and BA, simultaneously, object to the EU terms offered the previous day.

On descent for New York (JFK) after a flight from London on July 13, Flight 107, an MD-11 with 180 passengers encounters turbulence at a point near Westerly, Rhode Island; one passenger is seriously injured.

Also in July, officials of **TACA International Airline, S.A.** (TACA Group) and American sign a memorandum of understanding for establishment of a strategic partnership. Due to intense opposition from other Latin American carriers, as well as **Continental Airlines** and **United Airlines**, the pact will remain enmeshed in bureaucratic regulatory wrangling during the next year.

B-727-223A service is started on August 1 between Dallas (DFW) and Oklahoma City. While en route from Caracas to Miami on August 7, Flight 902, an A300B4-605R with 8 crew and 275 passengers, is subjected to a bomb threat telephoned to company headquarters in Venezuela. As a precaution, the Airbus lands at Aruba, where a search is conducted, but no bomb is found.

Grounding out of the continuing dispute between Washington and Caracas over Venezuelan aviation safety standards, a two-day disruption of air service between the U.S. and Venezuela occurs on the afternoon of August 7 through August 8. Late on the second day, government and aviation officials from the two countries agree to end reciprocal flight cancellations and AA resumes flights to Caracas on August 9. The U.S. FAA will downgrade Venezuela's civil aviation

authority to Category III on August 16, claiming that it does not meet minimum international aviation-safety standards.

While en route from New York to Zurich on August 12, a B-767-323ER, with 12 crew and 138 passengers, is diverted to Sydney, Nova Scotia, after a small fire breaks out in the cockpit; a second B-767-323ER is dispatched to the little airport to take the passengers on to Switzerland.

In an effort to accelerate the contract talks between the airline and its pilots union, President Carty begins direct participation in the talks during the last week of the month.

The pilot of Flight 1170, a B-757-223 with 6 crew and 183 passengers en route over the Atlantic Ocean from San Juan to Boston on August 29, reports a missile contrail, off the right side of the airplane. The Boeing is not damaged and no injuries occur. The NTSB report of the incident does not indicate whether or not any follow-up on the report is made.

A cargo alliance signed with the Canadian Air Cargo subsidiary of **Canadian Airlines International, Ltd.** takes effect on September 1. Under its terms, each acts as the others sale agent in respective territories and creates a cargo network of over 420 destinations worldwide.

On September 2, after nearly two years of negotiations, AA and leaders of the Allied Pilots Association reach a tentative agreement on a new contract. The pact, which calls for a cumulative 5% wage increase through the year 2000, will now be sent for a vote to the 8,606 rank-and-file pilots for approval.

Following the lead of **Continental Airlines**, AA and three other major airlines on September 3 agree in principle to settle a suit by the American Society of Travel Agents. It charges the carriers with illegally conspiring to cap travel agent commissions on domestic airline tickets; the five will reportedly pay a total of \$87 million, but will be able to retain the controversial \$50 commission cap.

By September 4, the company is offering nine daily B-727-223A non-stop roundtrips between Dallas (DFW) and Oklahoma City. The same day, a second daily roundtrip is introduced between Oklahoma City and Chicago (ORD).

After two years in a holding pattern, the code-share agreement with **LOT Polish Airlines, S.A.** finally takes off on September 16. Six weekly flights are inaugurated from Miami to Warsaw via New York (JFK) while daily service is initiated from Los Angeles to Warsaw via Chicago (ORD). The U.S. carrier performs the domestic segments while LOT handles the international service with one of its B-767-350ERs.

Agreement is reached with **China Airlines, Ltd.** during September for code-sharing on certain AA domestic services in the U.S. and on CAL return services from Taipei to Los Angeles and San Francisco.

Also during the month, the code-share arrangement with **Canadian Airlines International, Ltd.** is expanded to cover American Eagle services from New York (JFK) to Baltimore (BWI), Boston, Philadelphia, Pittsburgh, and Washington, D.C. (IAD). Chicago will become part of the agreement within a month. A code-sharing agreement is also now entered into with Dallas-ForthWorth-based **Lone Star Airlines**.

On October 1, the NTSB issues a report on its findings in the 1995 Cali disaster. The captain had entered incorrect data into the onboard computer that locked the plane on a course for the wrong navigational beacon. The safety experts conclude that additional cockpit automation might have prevented the accident by acting in a failsafe mode.

The same day, jet service is restored on services from Dallas (DFW) to Cincinnati and Wichita while the number of daily MD-80 frequencies between DFW and Kansas City is increased from 8 to 10. The new flights are seen as a counter to those offered by new entrant **Vanguard Airlines**.

Two weeks later, company officials announce that a \$20-million order has been placed with Allied Signal for the installation of its Enhanced Ground Proximity Warning System (EGPWS); the carrier's entire 635-plane fleet will be equipped with the new EGPWS. A code-sharing agreement is signed with **Tam-Mercosur (Transportes Aereos Mercosur, S.A.)** during the month. Under its terms, TAM-Mercosur purchases blocked seats on AA's daily roundtrips from Miami to Asuncion.

Flight 346, an MD-82 with 93 passengers and arriving from Chicago (ORD) is diverted from New York (LGA) and makes an emergency landing at New York (JFK) on October 28 after its nosegear fails to deploy; three people are slightly injured during the plane's evacuation.

The same day the DOT charges AMR Corporation and its affiliated reservations system SABRE Group Holdings with violating laws against deceptive advertising, charging that SABRE unfairly lists AA flights ahead of those for other carriers on the computers of travel agents employing the system.

On November 1, the company prepares to join with **El Al Israel Airlines, Ltd.** in offering dual-designator flights from Newark and Chicago to Tel Aviv and domestic code-sharing on AA frequencies beyond those gateways to Miami and Los Angeles. The alliance becomes embroiled in U.S.-Israel politics and is not effected.

The same day, nonstop B-757-223 flights commence from Los Angeles to Maui; the twinjet replaces a DC-10-30. Also on November 1, daily nonstop B-767-323ER return service is inaugurated between Dallas (DFW) and Santiago, Chile.

Simultaneously, the Aviation Enforcement Office of the U.S. Dept. of Transportation accuses the company's AMR parent and its affiliated reservations system SABRE Group Holdings of violating federal rules regarding computer reservation bias through distribution and use of its "Preference MAAnager" software on the computers of travel agents.

During four days in the first half of the month, a B-757-223 specially equipped with an Allied Signal Enhanced Ground Position Warning System (EGPWS) carries out a trial of the system at 22 airports in Central and northwest South America. Aboard for the multiple approaches and landings are pilots, engineers, and representatives from Boeing, the FAA, Allied Signal, the Allied Pilots Association, and **United Airlines**.

The State Department and American, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide the State Department with a passenger list within three hours of a crash.

Also during November's third week, a new \$6-billion, long-term order for 103 aircraft is placed with the Boeing Commercial Airplane Group; the order is made contingent upon company pilots agreeing to terms of a contract negotiated in September. Delta Air Lines will make a similar commitment to Boeing in the spring. Meanwhile, the APA board of directors approves the new pilots' contract by a vote of 10-8.

Flight 1447, an MD-82 with 5 crew and 114 passengers, suffers an uncontained engine failure during its takeoff roll at Dallas-Fort Worth International Airport in Texas on November 23; the departure, scheduled for Acapulco, is aborted and all aboard are evacuated (one injury).

Following the award of \$20 million to two businessmen who had initiated a lawsuit because of a car crash, the company on December 5 turns off two 63-ft-tall illuminated signs on a freeway median at Dallas-Fort Worth. Prior to the suit and the jury verdict, local officials had received complaints that over 30 automobile accidents had been caused by drivers stopping to read the gate information for the scores of flights displayed.

British regulators announce the next day that, in order to avoid a full scrutiny of their proposed alliance, both AA and **British Airways, Ltd. (2)** must give up some of their takeoff and landing slots at London (LHR). Both companies had earlier warned that such a requirement could destroy the pact. On December 9, the European Commission issues a set of concerns about the alliance, holding that it will dominate transatlantic air travel. The EC advises that it has the legal power to block the arrangement, while BA disputes that stand.

In early December, an agreement is reached with **Federal Express** under which the Memphis-based company will trade 30 engine noise-reduction ("hush") kits to American in exchange for 14 used DC-10-10s.

In light of the weakening financial position of **Canadian Airlines International, Ltd.** during the year, AA has been forced to reduce the fees

it charges the Canadian major. Meanwhile, an ongoing lobbying effort to gain additional routes to Japan remains unsuccessful in the face of the acrimonious U.S.-Japan debate over cargo services.

At a point some 75 mi. E. of San Jose, Flight 407, an MD-83 with 5 crew and 115 passengers, encounters turbulence on December 25; one cabin attendant is seriously injured.

A negotiated four-year contract with company pilots is rejected by a 61.2% margin in voting by their rank-and-file on December 30. The next day, the company reports that the number of disruptive passengers this year has more than doubled, rising from 296 to 836.

Customer bookings slip 0.2% to 79,260,830 and cargo dips 1% to 2.94 billion FTKs. AMR Corporation, which spins off SABRE, registers a 4.6% increase in operating revenues to \$16.21 billion. Group expenses inch up just 0.1% to \$14.76 billion, leaving a huge \$1.44 billion operating profit. The previous year's \$86-million loss becomes a \$1.01-billion net profit. Debt as a percentage of capitalization is now 66%, down from 83% just two years earlier. AA itself contributes \$573.8 million of the net gain.

During the first week of January 1997, the U.K. Office of Fair Trading announces that it will approve the BA-AA alliance if the two majors agree to promote competition by relinquishing 168 weekly slots at London (LHR).

En route over the Atlantic Ocean on January 7, Flight 2009, an A300B4-605R with 265 passengers encounters clear air turbulence; 6 persons are injured, one seriously.

In something of a surprise that is felt from the AA boardroom to Wall Street, the Allied Pilots Association leadership on January 8 announces the result of the December 30 vote. The members reject the tentative labor contract negotiated in September and threaten to strike if the deal is not sweetened. As a result, Boeing is notified that the November aircraft order must be placed on hold. Two days later, the airline agrees to binding arbitration from the NMB in an effort to settle its contract impasse with the pilots.

Just after landing at Dallas (DFW) the same day on a service from Richmond, an MD-82 with 59 passengers, suffers a hydraulic failure. With the cabin filling with smoke, an emergency evacuation is carried out, during which one customer is slightly injured.

Also on January 10, **Delta Air Lines** joins **Continental Airlines**, **United Airlines**, **USAir**, and **Trans-World Airlines (TWA)** in submitting requested comments to the U.K. Office of Fair Trading concerning the proposed strategic alliance between AA and **British Airways, Ltd. (2)**. All five protest that such a pact would give the British and American giants the dominant positions in transatlantic and other markets and that the OFT's proposal to require them to relinquish 168 weekly slots at London (LHR) is insufficient to counterbalance the alliance. BA replies with a 148-page response to raised questions.

American, in the midst of its labor difficulties and also having had to delay an aircraft deal, is reassured when **British Airways, Ltd. (2)** issues a statement on January 14. BA states that it remains optimistic that the pact with AA will be completed by summer despite a new threat from the European Union's Competition Commission, which is insisting that the two huge carriers turn over some slots to be employed by competitors at London (LHR). If the U.K. Board of Trade and Industry approves the BA-AA compact under its present arrangement, the EU warns, it will take the U.K. to the European Court of Justice.

On January 15, the NMB terminates its arbitration service and frees both parties to seek whatever "self-help" remedies are possible, including a pilots strike. Also during this week, the American Eagle division receives FAA approval to start operation of its new Part 145 ATR Regional Aircraft Maintenance Center, at the former K. I. Sawyer AFB at Gwinn, Michigan.

Management and the pilots intensify their sometimes-heated negotiations during the first week of February amidst threats of a strike by the flyers by mid-month. Leaders of the Allied Pilots Association offer work-rule concessions valued at \$212 million in savings to the company over the next five years. In exchange, they seek an annual 3% salary in-

crease through the remainder of the century and 2% in the year 2000, 7.25 million stock options at \$10 below market value, and a promise that pilots of the American Eagle subsidiaries will be prohibited from flying the new regional jets.

During the week of February 2, European Union officials, led by Competition Commissioner Karel Van Miert, hold closed hearings at Brussels on the AA-BA merger proposal. BA CEO Ayling puts forward the case for the compact while officials from **Virgin Atlantic Airways, Ltd., Delta Air Lines, United Airlines, and Continental Airlines** speak in opposition.

By February 7, thousands of travelers, concerned over a possible strike by American's pilots are seeking other modes of transport or booking backup flights with other carriers. The same day, two USAF F-16s fly within 5 km. of an MD-82 near Clovis, New Mexico; the warning system aboard the jetliner alerts its cabin crew, which maneuvers to a higher altitude. The interception is the second with civil aircraft that day by Air National Guard planes and the third in two days.

Also during the second week, BA CEO Ayling, in a speech before the Aviation Club of Great Britain, challenges the objections of the other majors to the AA-BA pact. He indicates that as a result of the agreement, transatlantic passenger growth should increase by 20% for all companies flying over that ocean.

With an APA-backed strike date approaching, AA cancels most of its overseas flights on February 13; the same day, President Clinton orders the airline and union to mediate their increasingly bitter differences. Fissures within the pilots' union are proving an obstacle to successful resolution as the 9,000 pilots of the major see the 2,000 flyers at the American Eagle subsidiaries as a threat to take over more of their domestic routes as small regional jetliners are introduced.

The next day, thousands of prospective AA passengers around the country struggle to make last-minute changes in their travel plans in the face of the pending strike. As midnight approaches, APA officially calls the strike, but at 24 minutes after midnight President Clinton invokes the emergency powers of the 1926 Railway Labor Act (which also governs airline employee walkouts) to halt the work stoppage for a 60-day cooling off period. President Clinton also names Robert O. Harris, Anthony V. Sinicropi, and Helen M. Witt to a three-person emergency board that must recommend a nonbinding resolution to the dispute within a month. Still, the short strike costs the airline at least \$70 million in lost business from potential customers who have booked their flights elsewhere.

As a result of the pilot dispute, American officials notify Boeing that it must delay taking delivery on \$6 billion worth of jetliners, mostly B-737s, scheduled to begin joining the fleet in early 1998. If an arrangement with the flyers can be worked out, the planes may be able to come between late 1998 to 2000. At the same time, many business travelers have learned a valuable lesson over the past month and now have second thoughts about purchasing discounted tickets from consolidators as many airlines refuse to honor the tickets of their rivals, especially American.

While en route from West Palm Beach to Chicago on February 28, an MD-82 with 100 passengers encounters turbulence 9,200 ft. over Atlanta; 6 unbelted people receive injuries.

The September 1995 suit against American's Miami (MIA) terminal project by six other international airlines receives a blow in early March when the DOT rules that Dade County's charges for the carrier's expansion are fair and just.

Just after landing from a Dallas (DFW) service, Flight 320, an MD-82 with 5 crew and 103 passengers, slides off the left side of icy Runway 5R at Cleveland Hopkins Airport on March 5. The right main landing gear collapses and an emergency chute evacuation is carried out during which 5 passengers are injured. Deicing chemicals had been applied to the runway just before the aircraft touched down.

APA and management negotiators resume contract negotiations on March 17 at an undisclosed location; a company official reports the next day that the mediated talks are productive. On March 19 the negotiations end with an agreement in principle upon a new contract that includes a concession by the union on which pilots will fly regional jetliners. The

deal will now be given over for approval or rejection to the APA board and membership before the new April 28 strike date. As the pilots consider the contract, they announce an agreement with management on March 25 to extend the April 28 date until at least 30 days after the rejection of a new contract by either side.

Fifty minutes after takeoff from Newark (EWR) for Chicago on March 26, the pilots of a Fokker 100 with 92 passengers receive an indication of hydraulic malfunction. The twin-engine jetliner is diverted to New York (JFK), where it lands without incident. Also during the month, planning begins with **AVIANCA (Aerovias Nacionales de Colombia, S.A.)** for code-sharing on services between the U.S. and Colombia.

The company's frequent flyer agreement with **British Airways, Ltd. (2)** is expanded on April 1. In addition to the base agreement which permits members of one program to claim awards by flying on the other airline, Executive Club and AAdvantage are strengthened to permit members of either to earn and redeem miles on all routes except transatlantic.

At the same time, the frequent flyer relationship with **Canadian Airlines International, Ltd.** is modified. Heretofore, it has only been possible for members of one carrier's program to upgrade on the other airline if the flight was dual-designator; now, members may upgrade from economy to the next class up on any of each other's flights.

APA board members endorse the tentative contract with management on April 4 and send it on to the 9,300 rank-and-file members, who vote their approval by a 69% to 31% margin on May 5.

The next day executives proudly announce that they are installing fixtures on 278 aircraft, 40% of the fleet, to hold defibrillators that can revive victims of sudden cardiac arrest.

The battle over the proposed alliance with **British Airways, Ltd. (2)** returns to Washington, D.C. during the second week of April. EU Competition Commissioner Karl Van Miert meets with Attorney General Janet Reno and Federal Trade Commission Chairman Robert Pitofsky to examine the plan. Meanwhile, Sen. Michael De Wine (R-Ohio), chairman of the U.S. Senate Subcommittee on Antitrust, Business Rights, and Competition, holds hearings on the proposed pact.

Dual-designator frequencies are initiated with the Russian independent **Transaero Airlines** in April employing DC-10-30s that it has leased from the U.S. major. AA purchases seats on Transaero's new weekly frequencies to Chicago via New York while Transaero, in turn, shares code on American flights from the Chicago to five U.S. points.

On April 22, **Virgin Atlantic Airways, Ltd.** Chairman Richard Branson testifies before the U.S. Senate's antitrust subcommittee hearings on the proposed BA-AA pact. The lawmakers are told that higher prices and poor service would come of the union.

Having originally been unscrupulously traded on the black market to a family in Fingal, Ireland, a rare, 8-month-old Siberian tiger cub named "Jodie" is turned over to the Irish Seal Sanctuary. Nursed back to health over a two-month period, the cub is readied to go to its new home at the San Fernando Wildlife Way Station in California. Flown to London on April 25, the small cat is sent to Los Angeles via an American flight the next day and is then trucked by **Burlington Air Express (BAX)** to San Fernando. Both airlines donate their services to save what might otherwise have been 1 of only 470 Siberian tigers remaining in the wild.

When a passenger's carry-on luggage leaks ammonia during an April 26 service from Dallas (DFW) to Chicago, the captain of the affected MD-82, with 105 teary-eyed passengers, elects to divert to St. Louis. No injuries are reported.

Just after takeoff from Tucson for Dallas-Fort Worth on April 28, the left PWJT8D engine of Flight 230, an MD-82 with 118 passengers, fails, forcing the aircraft to make a safe emergency landing back at its point of departure. Engine parts are later found scattered around a housing area near the airport.

Also during April, a memorandum of understanding for cooperative services is signed with **China Eastern Airlines Company, Ltd.** The two will develop reciprocal code-sharing programs for flights between the U.S. and Shanghai and Beijing.

Following the pilots' acceptance of their new contract on May 5, AA is able to quickly renegotiate its aircraft order with Boeing. On May 15, the AMR American Eagle commuter subsidiary reaches a preliminary agreement with the pilots' union to replace the four separate contracts in place with the affiliates with one master accord.

En route from Boston to the Caribbean on May 12, Flight 903, an A300B4-605R with 9 crew and 155 passengers, is asked by ATC to hold in the area of West Palm Beach because of weather. About 10 miles from that city, the aircraft encounters clear air turbulence in which one person is seriously injured. The aircraft is diverted to Miami (MIA).

The Toronto *Globe and Mail* will report the embarrassing May 19 story of "the casual stowaway" in its June 4 edition. Dressed in a T-shirt and cut-off jeans, the 12-year-old son of Miami resident Darlene Livingstone, without a passport or any money, leaves home on a great adventure. After reaching the international airport aboard public transport and an airport shuttle bus, he joins a passenger line, walks through airport security, and is ushered aboard an American aircraft and into a first-class seat. He is not checked at any time for a ticket or papers and ends up in Jamaica. Only after he has landed and seeks to continue on to one of the island's resorts is the boy found out and returned home. Mrs. Livingstone hires a lawyer and sues the airline, the airport, and the FAA.

American places second to **Southwest Airlines (2)** in the results of a survey of consumer satisfaction released on May 24. Two days later, incumbent APA leader, Capt. Jim Sovich, finishes third in a three-person presidential election. AMR, on May 29, makes a \$300-million offer to purchase the **USAirways Shuttle** from the consortium of New York banks that owns it. **USAirways** plans to acquire the service are on hold while it develops a cost-cutting plan to return that major to profitability.

During the month, agreement is reached to begin, subject to government approval, the implementation of a major code-sharing agreement with **TAM (Transportes Aereos Regionais, S.A.)**; the document covers dual-designator services between 41 Brazilian cities and 25 communities in the U.S. and Canada. A similar accord is reached with the companies of the **TACA International Airlines, S.A.** group.

Pursuant to an April agreement, code-sharing also begins in May between AA and **AVIANCA (Aerovias Nacionales de Colombia, S.A.)**. The two coordinate schedules and allow the passengers of each airline to make connecting flights to either network with one ticket.

The Committee on Commerce of the U.S. Senate opens hearings on June 5 concerning the AA-BA alliance. The two majors encounter significant opposition in testimony given to the lawmakers. The Government Accounting Office recommends that the two give up a number of valuable landing rights at London (LHR) in order to increase competition on transatlantic service into the British airport. The Transportation Department testifies as to its desire to reach an "open skies" agreement with the U.K. which would allow carriers of both countries to fly to and beyond the two countries.

The company is embarrassed in early June when an employee dresses as Cuban dictator Fidel Castro to greet passengers departing Austin for the carrier's first direct flight from that Texas city to Miami. At the same time, the decision is taken not to initiate service from Miami to the Venezuelan cities of Maracaibo, Valencia, and Margarita.

Ground is broken at Chicago (ORD) on June 10 on a 7,800-sq.-ft. addition to the company's cargo facility and the EU Commission announces on June 12 that it will rule on the proposed alliance before November 30. A third daily B-727-223A roundtrip flight from the Dade County Airport to Caracas begins on June 15. Two days later, the carrier announces that it will hire some 360 flight attendants before year's end.

On June 21, New Otani Hotels becomes the newest partner in the carrier's frequent flyer program and, seven days later, it is announced that, starting in the fall, frequent flyer mileage will be offered to viewers of ABC television who can prove they watched certain shows. Arriving from Colombia, a company jetliner is impounded at the Alfonso Bonilla Aragon International Airport in California on June 25 after police find nearly 197g. of heroin stashed beneath an armrest of one of the passenger seats.

Also in June, **Canadian Airlines International, Ltd.**, by virtue of its code-sharing pact with AA, becomes the first Canadian airline to offer scheduled service to Central America. Via its code-sharing agreement with American Airlines, it inaugurates dual-designator services from Toronto to Miami, where American takes over and flies through passengers to El Salvador and Guatemala.

During the Paris Air Show in France this month, AMR's American Eagle subsidiary places \$1.1 billion in orders for 42 Embraer EMB-145 jets and \$1.4 billion in requests for 25 Canadair RJ700s. Deliveries of the former will begin in February 1998 and of the latter in 2001.

On July 1, a fourth daily B-727-223A roundtrip begins, for the summer only, from Miami to Caracas and Chairman Crandall notes that, in 1998, the company will open 9 to 12 additional gates adjacent to Terminal 2W of Dallas (DFW).

AA announces on July 2 that it will now permanently offer discounts of up to 50% on its North American flights to parents of children under two years of age who employ safety seats. Parents must provide the safety seat; other airlines quickly follow suit in implementing this measure.

On July 9, **LOT Polish Airlines, S.A.** begins to share its code on all American flights between Chicago and Miami and between New York (JFK) and Los Angeles. LOT had previously placed its LO designator code only on selected flights between those cities.

En route from Seattle to New York (JFK) on July 10, Flight 242, a B-757-223 with 5 crew and 128 passengers, encounters clear air turbulence 35 mi. SE of Dickinson, North Dakota; 22 persons receive minor injuries as the aircraft suddenly plunges. Upon recovery, the narrow-body is diverted to Denver.

Basic agreement is reached with **Japan Air Lines Company, Ltd. (2)** on July 21 on an all-encompassing business deal that includes shared dual-designator flights. When a new bilateral is completed between the U.S. and Japan, AA and JAL will sign a formal contract.

A wide-ranging new strategic partnership between **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and **American Airlines** is tentatively concluded, also on July 21. Under its terms, AMR Corporation would acquire a 10% stake in Iberia's owner, SEPI, which also controls **Aerolineas Argentinas, S.A.** and **Austral Airlines, S.A.** and Andes Holdings, which owns Interinvest, the holding company for the two Argentine airlines. It will also lead an effort to find additional investors who will purchase up to 35% additional Interinvest shareholding from Andes.

In addition, Iberia and American will begin to share codes on flights from the U.S. to Spain and link their frequent flyer programs. In South America, American would establish reciprocal frequent flyer arrangements with both **Aerolineas Argentinas, S.A.** and **Austral Airlines, S.A.** and code-share on certain of their internal routes.

The delayed code-sharing agreement with **Hawaiian Airlines (HAL)** is concluded on July 22. American is able to attach its two-letter booking code in worldwide reservations systems to Hawaiian's daily DC-9-51 flights among the Hawaiian islands. The two will coordinate flight schedules to provide convenient connections between AA's mainland-to-Hawaii flights and Hawaii's domestic network.

On July 27, American, its tenure as the longest-serving carrier operating from Washington, D.C. (DCA) with a commemorative B-757-223 flight from that point to Dallas (DFW). For two weeks prior to the event, AA offers a free roundtrip ticket for two to the first five people to loan it any authentic company souvenirs, e.g. ticket stub, baggage tag, from any flight departing Washington, D.C. (DCA) in June 1941.

Meanwhile, the U.S. major's almost-partner **British Airways, Ltd. (2)** and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent flyer program linkage and code-sharing on routes between Madrid and London. Significant opposition quickly materializes from **Continental Airlines** and **United Airlines**, which fear not only an AA-BA linkup, but the potential domination of Latin American routes by American as well.

Nonstop service between Nashville and Los Angeles ends on July 30. Cancellation of its last remaining nonstop, which eliminates first-class

service between Nashville and Los Angeles, provokes an outcry from the entertainment industry in both cities.

In a sting code-named Operation Snowbird, FBI and Drug Enforcement Administration agents, using an informant, telephone taps, and hidden video cameras on American planes, penetrate a ring of aircraft mechanics suspected of helping smuggle a half ton of Colombian heroin and cocaine worth millions of dollars into Miami (MIA). Six AA mechanics are arrested on the night of July 31 at Miami (MIA), although another American mechanic escapes the roundup. Drugs are found stashed in fish-net type material behind panels in planes' ceilings, lavatories, kitchens, and the cockpit areas of sophisticated avionics and electronics equipment.

Also on July 31, the American Eagle subsidiary reaches agreement with the pilots of its four separate airlines for one contract covering the next 16 years.

A strategic cargo alliance is entered into with **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** in August, with the South American carrier responsible for boosting sales for AA Cargo in Chile. At this point, the new relationship with **Aerolineas Argentinas, S.A.** is confirmed.

AMR Corporation sells its Data Management Services subsidiary in August to Louisville-based National Processing Co. In addition, the concern names CAE Inc. as its primary source for simulators and orders four for delivery in 1998. Jay N. Miller is appointed director of the American Airlines C. R. Smith Aviation Museum.

A new program of discounted flights for those over age 62 is announced on August 10. On August 19, **Virgin Atlantic Airways, Ltd.** Chairman Richard Branson goes before the U.S. House of Representatives' Committee on Transportation and Infrastructure to again condemn the proposed alliance between American and **British Airways, Ltd. (2)**.

During the last week of August, existence of a training manual, *Latin American Pilot Reference Guide*, is revealed in response to lawsuits growing out of the 1995 Cali, Colombia, crash. Certain parts of the booklet cast aspersions upon Latins in general and South American Division Chief Peter Dolara is quick to apologize.

On September 4, **Northwest Airlines** raises its domestic fares by 5% and, over the weekend, most other U.S. majors, except **Southwest Airlines (2)**, follow suit. Also in the first week of September, **LanChile Airlines (Linea Aerea Nacional Chile S.A.)** signs a full-scale code-sharing agreement with American designed to increase the number of its U.S. destinations and also to permit its customers to travel from any city in Chile to any destination in the U.S. airliner's worldwide network.

On September 8, **American, Delta Air Lines, and Trans-World Airlines (TWA)** abandon the fare boost, but when **United Airlines** does not go along, these big three reinstate the higher tariffs the next day. Meanwhile on September 8, Chairman Crandall tells the Society of Airline Analysts that AA will scrap its proposed merger with **British Airways, Ltd. (2)** unless European Community conditions are softened.

Also on September 8, American begins to code-share on **Canadian Airlines International, Ltd.** wide-body flights from Vancouver to Taipei. The dual-designator flights commence in nine U.S. cities and transit via the British Columbia capital on to Taiwan. The AMR management fee for CAI is simultaneously reduced.

On September 10, an agreement is reached with the National Council of La Raza, which had promised to organize a boycott against the airline over the August training manual incident. AA pledges to hire more minorities and increase donations to Hispanic causes.

U.S. District Court Judge Stanley Marcus finds the cockpit crew of the doomed Cali aircraft guilty of "willful misconduct" in a summary judgment at Miami on September 11. The judge makes his ruling based on the fact that the pilots had continued to descend into Colombia's treacherous mountains even after they knew they were lost. American appeals, but the ruling clears the way for survivors and relatives of crash victims to sue the airline for far more than the \$75,000 limit imposed under international law.

On September 12, **United Airlines** requests that the U.S. DOT investigate the new arrangement between AA and **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**.

Chairman/CEO Crandall reports that the carrier is in the early stages of testing O&D yield management for revenue enhancement. If the program is successful, it could increase carrier revenues in excess of \$50 million within a year. Meanwhile, plans are announced to hang a collection of contemporary art in the new Admiral's Club at the terminal at Washington, D.C. (DCA). Painters will include Claes Oldenburg, Jim Dine, and Sol LeWitt.

For the past two months, the Nashville entertainment industry has been particularly vocal in its outcry of the suspension of service between "Music City" and Los Angeles. On the evening of September 22, representatives of the Nashville Chamber of Commerce collect signatures outside of the ASCAP award dinner on a petition to the airline. Simultaneously, major music industry leaders hold a conference call with AA representatives to express their dismay.

The airline now reverses its decision on the Nashville route and agrees to offer two daily roundtrip flights between Nashville and Los Angeles. The announcement, timed to coincide with the Country Music Association's CMA awards show to be broadcast September 24 from Nashville, is revealed from the stage at Opryland by CMA Director Ed Benson just before the telecast. Flights commence next day.

Also during the third week of September, EU Competition Commissioner Van Miert refuses to compromise over requirements for approval of the BA-AA pact. To win approval, the two must relinquish 353 weekly departure and arrival slots to other carriers wishing to compete with the alliance. The two argue that, should they be forced to reduce any slots, they have the right to sell them, rather than just have them handed over to competitors. Meanwhile, the two continue to work together on the periphery of agreement, utilizing enhanced frequent flyer benefits and joint pricing on certain routes.

Two operational incidents involve AA aircraft on September 25. In the first, an ATC error causes an MD-80 and a **Federal Express A300B4-605F** to pass within 800 ft. vertically and 2.3 mi. horizontally near McAlester, Oklahoma. Later, the right engine catches fire on an MD-80 that has just deplaned its passengers at Dallas (DFW) Gate 6; no injuries are reported and the fire is quickly extinguished.

Also on September 25, a cooperative service agreement is concluded with **Air Liberte, S.A.** to carry AA passengers beyond Paris to other French cities as soon as the governments of France and the U.S. conclude a bilateral.

Although the majors disagree over Latin American routing, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing.

Also on October 1, a contract is entered into with **Business Express** to provide feed to the major at Boston. The American Connection service will initially be offered to four New England communities and later expanded to seven.

Daily nonstop B-757-223 roundtrips commence on October 1 between Dallas (DFW) and Caracas, Venezuela. In addition, service between Miami and Caracas is doubled to twice daily.

While en route from Chicago to Miami during the day, an MD-82 with 89 passengers encounters clear air turbulence at 33,000 ft. over Florida; two aboard are injured and are taken to hospital as soon as the aircraft lands at its destination.

At the same time, fumes develop aboard Flight 931, a B-757-223 with 184 passengers preparing for takeoff from Miami to Ecuador, which sickens passengers and force the jetliner's evacuation. The cause of the incident will be determined as having been a leak in one of ten 50-lb. bags of Dovicide A, a hazardous pesticide. The illegal containers have not been labeled as hazardous or packaged securely and have been placed aboard by PABS Trading as extra passenger luggage.

Two days later, the principal distributor, Executive Freight Consolidators, again attempts, via PABS Trading, to place unlabeled Dovicide A packages aboard Flight 931. This time the FBI steps in and arrests

EFC President Angel Fuentes, who appears in federal magistrate court on October 8.

The travel agent payment initiative is matched on October 6 by American, **Continental Airlines**, **Delta Air Lines**, **USAirways**, and **Northwest Airlines**. **Southwest Airlines** and **Kiwi International Air Lines** announce that they will maintain the 10% scale. The travel agency industry, which, despite ticketless travel, still writes 80% of all tickets, sold, protests.

On October 13, a pact is signed with **Air Liberte, S.A.**; as soon as a new U.S.-France bilateral is signed, 27 French cities will be opened to AA passengers via Paris (ORY).

A smoke alarm goes off aboard Flight 27, an MD-11 with 26 crew and 154 passengers en route from Seattle to Tokyo (NRT) on October 21, forcing an emergency landing at Chitose Airport, near Sapporo on the northern Japanese island of Hokkaido. No problems are found and the plane departs for its original destination within 40 minutes of landing.

Also during the month, a new freight terminal is opened at Caracas and scheduled passenger service to Latin America from New York, DFW, and Miami is expanded to 94 daily flights.

On November 1, daily nonstop B-757-223 roundtrips are inaugurated between Dallas (DFW) and San Jose, Costa Rica. Simultaneously, daily nonstop MD-80 roundtrips are launched from San Antonio to Mexico City.

A strategic alliance agreement is signed with **China Airlines, Ltd. (CAL)** on November 5. The agreement will take effect on December 1.

A \$1-billion order is placed with Boeing during the first week of November for 4 more B-777-223 IGWs and 4 B-767-323ERs; AA now has 11 of the former type on firm order for delivery before century's end. When the **TAM (Transportes Aereos Regionais, S.A.)** TAM-Meridionalis is unable to begin its own São Paulo-Miami service and postpones it for a year, American steps in to provide the flights on a code-sharing basis.

Company officials must admit, during the second week of November, that the hoped-for alliance with **British Airways, Ltd. (2)** will not be in place in time for the start of the 1998 summer travel season. Without government approvals, it is impossible for the two to schedule a hearing before the IATA slot committee (which sets international airport slot arrangements) when it meets in early December.

Meanwhile, diplomatic negotiations involving the U.S. and British governments and the European Commission (which has taken a hard line on competition) continue toward the EC's preliminary recommendation goal of January 1, followed by a final decision on April 1. U.S.-U.K. discussions on a new "open skies" bilateral air agreement remained stalled.

Dual-designator flights with **Canadian Airlines International, Ltd.** commence on November 19 from Toronto to Nicaragua and Costa Rica. Again, CAI flies the Toronto to Miami leg, where the U.S. major takes over and continues the services into Central America.

Despite AA's larger bid, **USAirways** elects, during the third week of November, to purchase the **USAirways Shuttle** by exercising its original option. The price is \$285 million; American receives a \$10-million negotiated breakup fee. At month's end, final agreement is reached with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** along the lines negotiated in July.

Under terms of a mid-October agreement, the company plans to begin to code-share on U.S.-South Korea flights on November 20 with **Asiana Airlines, Ltd.** The actual inauguration of dual-designator flights must, however, be postponed.

The new agreement with **China Airlines, Ltd. (CAL)** comes into effect on December 1. In addition to linking frequent flyer programs and simplifying check-in procedures, the two will code-share on services between Taipei and Dallas, Chicago, Miami, New York, and Washington, D.C. via the CAL gateways at Los Angeles and San Francisco.

Also during the day, ground is broken for a new \$1.9-million "glass hangar" addition to the C. R. Smith Aviation Museum at Dallas (DFW).

Having allegedly struck a flight attendant while on a December 2 Manchester, England, to Chicago flight, computer programmer Dennis Dale Gerber is arrested upon his deplanement, taken before a U.S. Mag-

istrate's Court, and charged with interfering with a flight crew, a crime punishable by 20-years in prison.

The code-sharing agreement with **Aspen Mountain Airlines** is expanded on December 3. The major places its codes on Aspen's Dornier 328s and offer two flights daily, except Saturday, between Dallas (DFW) and Chihuahua, Mexico, two flights daily Monday-Thursday, and one flight on Friday and Sunday between DFW and Del Rio, Texas. These new flights complement the dual-designator the two carriers have introduced over the past several months on Aspen flights from DFW to Pensacola, Santa Fe, Knoxville, and between Denver and Bozeman.

USA Today reports, on December 10, the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; AA demonstrates an 80% achievement, good for 4th place.

Also on December 10 a giant storm dumping heavy wet snow blankets the Chicago area with as much as 8 inches. American and **United Airlines** are forced to cancel between 25-40% of their flights from O'Hare International Airport. Many delays are caused by poor visibility at other affected airports further east.

On December 15, daily, nonstop, MD-80 roundtrips begin between Miami and Denver; the service, previously seasonal, will now be offered year-round. MD-80 nonstop roundtrips simultaneously start from Dallas (DFW) to Guadalajara and Los Cabos, with the new Los Cabos flight being the carrier's second roundtrip to that popular resort destination in Baja, Mexico. The same day, daily B-MD-80 roundtrips commence from Dallas to Puebla, Mexico, about 50 miles southeast of Mexico City, and from Miami to Monterrey.

Seasonal (through March) thrice-weekly B-757-224 flights resume on December 20 between Miami and Eagle and Vail, Colorado.

Also in December, AMR, the parent of **American Airlines**, executes the formal agreements with SEPI and Andes Holdings concerning **Aerolineas Argentinas, S.A.**, subject to approval by the U.S. Department of Justice.

Passenger boardings rise 2.2% to 81,139,000, while freight inches up 0.3% to 2.4 billion FTKs. Operating revenues for AMR Corporation accelerate 4.3% to \$16.9 billion while expenses advance 3.8% to \$15.33 billion. Operating profit ascends to \$1.56 billion, while a net gain of \$1.3 billion is recorded. AA itself generates \$14.3 billion in operating income and produces a \$766.5-million net profit.

At the beginning of 1998, American is the largest airline in the world in terms of fleet size and net profit, 2nd in operating income and operating profit, 3rd in passenger boardings and number of employees, and 16th in terms of freight carried.

The fleet roster holds a massive 638 units, 87.8% of which are Stage III certified; these include: 78 B-727-223As, 90 B-757-223s, 71 B-767s, 35 A300B4-605Rs, 16 DC-10s, 75 Fokker 100s, 13 MD-11s, and 260 MD-80s.

While en route from São Paulo to Miami on January 3, the off-duty First Officer of a B-767-323 with 13 crew and 132 passengers suffers a seizure; the aircraft diverts to Bogota, where the flyer is taken to the hospital.

The carrier begins code-sharing with **Aero California (Aerocalifornia Servicios Aereos, S.A. de C.V.)** on January 5. The AA code is placed on Aero California transborder flights from Los Angeles to Culiacan, Durango, Hermosillo, La Paz, and Tijuana and from Tucson to Hermosillo, Mexico.

Twice-daily roundtrip B-757-223 service is inaugurated on January 6 from San Francisco to Boston; simultaneously, a late-night departure is offered from San Jose, California, to Boston designed to complement the two existing San Jose-Boston daytime roundtrips. At the same time, daily B-757-223 return flights commence between New York (JFK) and Cuzco, Peru, via Lima.

On January 9, a baggage cart drives in front of Flight 2027, a B-727-223A with 7 crew and 107 passengers taxiing for takeoff at Philadelphia

for Dallas (DFW). The right main gear strikes the tug and one of its towed carts; the bottom of the fuselage and the left wing root are damaged, but no injuries are reported from anyone aboard the aircraft. The tug driver is seriously injured and most of his luggage train is damaged or destroyed.

While on final approach to New York (JFK) on January 10, a **Delta Air Lines** MD-88 given the wrong ATC clearance comes within 10 seconds of a collision with an American B-767-223ER that is taking off.

On January 15, AMR Eagle officials, led by President Garton, announce that the availability of regional jets, the previous August's single Eagle pilot contract, and changes in the economics of the regional airline business dictate consolidation. Consequently, AMR will integrate all four of its commuter airlines into a single carrier beginning in May; by year's end, the world's largest regional airline will operate as a sister carrier to AA.

At the same time, it is noted that AMR Eagle and Embraer, the aircraft manufacturer, have signed a \$1.1-billion export-finance contract with the National Development Bank of Brazil. The arrangement provides a line of credit that will cover the cost, over three years, of the airline's acquisition of the 42 ERJ-145 Amazons ordered at the June 1997 Paris Air Show; 22 of which are expected before year's end.

On January 17, AA becomes the first U.S. carrier to offer its customers the option of ticketless travel on all of its flights between the U.S. and Europe.

Also during the month, a final agreement is signed for AA's purchase of 8.5% equity in **Aerolineas Argentinas, S.A.** During the last week of the month, the company begins training its first class of new pilots (12 cadets) since February 1993.

Flight 882, an A300B4-605R, aborts its takeoff from Santo Domingo on January 28 due to hot brakes; when the aircraft stops, all aboard are quickly evacuated.

On January 30, a new bilateral air agreement is announced between the U.S. and Japan. Under its terms, the company will be allowed to add 90 weekly roundtrips to the 46 already flown.

It is announced on February 4 that the company will add 6 first-class seats to 106 of its MD-80s; by August 1999, the twin-jets, employed on business routes, will have 20 first-class seats each.

Flight 1340, a B-727-223A with 6 crew and 115 passengers, lands in mud 200 ft. short of runway 14R at Chicago (ORD) on February 9. The jetliner smashes two stanchions of approach lights, suffers the separation of its No. 1 engine plus both main gears, and slides 2,000 ft. before coming to rest. No injuries are reported. It will be reported that the trijet is the same one damaged when it hit a baggage cart at Philadelphia in January.

As of February 15, AA begins to change its in-flight movies twice monthly, instead of the industry-standard once per month.

A major code-sharing agreement is signed with **Japan Air Lines Company, Ltd. (2)** on February 25. Although no start-up date is indicated, the two announce that they will share their designations on each other's flights to and beyond U.S. and Japanese gateways. Additionally, the existing linkage of frequent flyer programs on international routes will be extended to domestic services.

Also during the month, the carrier resists a French government demand, made during its negotiations with the U.S. over a new "open skies" bilateral agreement, that it transfer to Paris (CDG) from its historic home at Paris (ORY).

The code-sharing agreement with **LOT Polish Airlines, S.A.** is expanded on February 27. American places its AA code upon LOT's roundtrip B-767-35DER services from Warsaw to New York (JFK) and Chicago (ORD). LOT in turn is allowed to place its code on American connections to Boston and Washington, D.C. (IAD) via New York (JFK), to Seattle via Chicago (ORD), and to San Francisco and Dallas (DFW) via both New York (JFK) and Chicago (ORD).

The first two Embraer ERJ-145ER (Extended Range) jetliners are delivered to **Simmons Airlines** on February 28.

In February, the FAA fines American \$250,000 for repeated failure of its employees and contractors to display their badges while in high-security areas at Dallas (DFW); the citation is appealed.

On March 1, the company begins training a new class of 30 pilots. It will begin a new class every month through December. At mid-month, plans are announced for the acquisition of 7 additional B-777-223 IGWs for delivery in 1999.

The same day, the AAdvantage Executive Platinum frequent flyer program is unveiled for those who travel 100,000 miles per year via AA; the program perks include guaranteed seats on the next plane if a flight is cancelled, first-class upgrades 100 hours in advance, Admiralty Club discounts, and so forth.

Also on March 1, the company signs a full code-sharing marketing alliance with **China Eastern Airlines Company, Ltd.** Once government approvals are received, the two will share codes on flights from Los Angeles, Chicago (ORD), and Washington, D.C. (IAD) to Shanghai and Beijing.

The next day, a morning nonstop service is initiated from Newark (EWR) to London (LHR); a similar service to Heathrow Airport is launched from Chicago (ORD).

The code-sharing agreement with **LOT Polish Airlines, S.A.** is further expanded on March 4; five new U.S. gateways are added to the program, including Cleveland, Denver, Phoenix, Syracuse, and Washington, D.C. (DCA). The DCA and Syracuse flights connect through New York (JFK), while the others connect via Chicago (ORD).

On March 8 the 55-year-old first officer of an MD-83 en route from Dallas (DFW) to Ontario, California, suffers a heart attack; despite a fast emergency descent and landing at the Lubbock, Texas, airport, the officer dies.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fuji are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies in Washington, D.C. (IAD) on March 14. Two days later, the DOT authorizes 64 weekly flights to Japan for carriers that in the past have had their services severely limited.

American wins authority to offer 28 weekly flights; these will comprise daily services from Chicago, New York, and Boston to Tokyo and from Dallas (DFW) to Osaka. The company will now enjoy seven routes rather than its previous three.

The Commerce Committee of the U.S. Senate again holds hearings that focus upon the proposed AA-BA alliance. Following presentations by Chairman Crandall and BA CEO Ayling, Assistant Attorney General Joel Klein indicates that, unless the two companies surrender a significant number of gates and slots at London (LHR), the U.S. Department of Justice will recommend to the DOT that it disapprove the partnership.

An evening departure is started on March 29 from Chicago (ORD) to London (LHR), bringing to four the number of daily departures between the "Windy City" and the British capital.

Although the carrier has settled out of court many of the lawsuits arising from the December 1995 Cali disaster, a jury in Miami during the month orders American to pay \$565,000 to the family of a 27-year-old Colombian killed in the crash.

In a special promotion with AT & T Wireless through June 30, the carrier, beginning on April 1, gives the first five minutes of in-flight calls to passengers on a complimentary basis.

On April 5, daily B-727-223A roundtrips begin between Miami and the resort destination of Cozumel, Mexico. Also, frequencies from Chicago (ORD) to Mexico City are doubled from one daily roundtrip to two. Daily nonstop B-757-223 roundtrips from Boston to Bermuda also start; the seasonal service will be concluded in October.

The same day, daily nonstop B-767-323ER roundtrips begin between Dallas (DFW) and Manchester, England. Additionally, a third daily nonstop roundtrip is initiated between Miami and Lima, Peru, and, for the summer season, a second daily roundtrip is begun from Chicago (ORD) to Albuquerque.

The new "open skies" bilateral air agreement is signed between the U.S. and France on April 8. On April 13, hubbing arrangements at San Juan are changed. Jet service is reduced to one-flight-a-day between the Puerto Rican capital and both Aruba and St. Martin and is discontinued

to Antigua, Barbados, Grenada, St. Croix, and St. Lucia. Also ended are seasonal services to U.S. points started the previous fall. At the same time, 128 workers are laid off and the flight attendant crew base is closed, forcing the relocation of 202 cabin crew.

Additional schedule changes occur on April 13. Daily nonstops are increased from three to four between Nashville and New York (LGA), from six to seven between Chicago (ORD) and Detroit (DTT), from seven to eight between Chicago (ORD) and San Francisco, from four to five between Chicago (ORD) and San Jose, and one daily return flight is resumed from Dallas (DFW) to Bakersfield. Frequencies between DFW and Leon, Mexico, are simultaneously boosted from one daily roundtrip to two.

Dual-designator flights with **Aero California (Aerocalifornia Servicios Aereos, S.A. de C.V.)** are expanded on April 20. The U.S. major places its code on the Mexican line's flights from Los Angeles to Loreto, Los Cabos, Tijuana, and Manzanillo. Aero California continues to seek government approval to place its "JR" code on American services from Mexico to U.S. gateways and beyond.

The code-sharing agreement with **LOT Polish Airlines, S.A.** is expanded in April; 10 new U.S. gateways are added to the program, including Boston, Cleveland, Dallas (DFW), Denver, Phoenix, San Francisco, Seattle, and both airports at Washington, D.C.

Despite their emergence in rival camps, AA and **United Airlines** jointly announce that they are engaged in finding a way to make it possible to interline E-tickets, which cannot now be transferred between airlines, even among those in alliance. A solution is promised by summer 1999.

A marketing alliance is entered into with **USAirways** on April 23. Under its terms, the two majors agree to link their frequent flyer programs, share lounges at various airports, and cooperate in such areas as joint purchasing. Code-sharing will be left for later discussion if permission can be obtained from their respective pilot unions and the government. The AMR subsidiary SABRE Group now also signs a 25-year, multibillion-dollar contract to take over all of **USAirways'** information technology functions.

American, which is engaged in a legal battle to prevent interstate service from Love Field in Dallas, now announces that it will, itself, engage in direct competition with **Southwest Airlines (2)** from the historic battleground airport where Southwest is currently the only major operator. Beginning in August, the first service will employ MD-80s and be operated 14 times a day to Austin.

Continental Airlines holds two gates at Dallas (DAL), but elects not to go up against Southwest again, nor American. It does, however, announce that its subsidiary, **Continental Express**, will inaugurate nonstop Embraer ERJ-145 roundtrips to Cleveland Hopkins Airport in early July. The announcement causes the governing board of Dallas (DFW) and American to file suit in state court seeing an injunction to block the service.

Thrice-daily Fokker 100 nonstop roundtrips commence on May 1 between Chicago (MDW) and Dallas (DFW). The same day, nonstop daily B-767-323ER return service is started between Miami and London (LGW), complementing the daily nonstop return frequency already offered between Miami and London (LHR). Seasonal dailies commence the same day from Chicago (ORD) and Glasgow.

Additional schedule changes also occur on May 1. From Chicago (ORD) frequencies are increased to Portland (2 to 3), to Tampa (2 to 3), to Tulsa (4 to 5), and to San Jose (5 to 6). Daily seasonal roundtrips resume between New York (JFK) and Seattle, while year-round trips between Dallas (DFW) and Guadalajara are also increased (3 to 4).

Nonstop, dual-designator, all-cargo roundtrips with **Japan Air Lines Company, Ltd. (2)** commence on May 1 from Chicago (ORD) to Tokyo. Simultaneously, enhanced medical kits are added on board domestic flights; the boxes include drugs to assist with asthma, epileptic seizures, cardiac attacks, and diabetic difficulties.

In "celebration" of the third anniversary of the U.S.-Canadian "open skies" pact, **Canadian Airlines International, Ltd.** launches daily

dual-designator roundtrips on May 4 between Toronto and Boston. At the same time, the DOT formally approves the carrier's pact with the TACA Group of Central American airlines.

En route from Washington, D.C. to Chicago (ORD) on May 13, Flight 1275, a Fokker 100 with 4 crew and 35 passengers, encounters clear air turbulence 20 mi. E of Fort Wayne, Indiana; one flight attendant is seriously injured.

On May 15, **American Eagle Airlines (2)** introduces Embraer ERJ-145 Amazon services using the new Brazilian jetliners painted in AEA colors. The initial flights, operated by **Simmons Airlines**, include five daily roundtrips from Chicago (ORD) to Cincinnati, six per day from Chicago to Cleveland, and a daily roundtrip from the Chicago to Milwaukee.

The introduction of **Canadian Airlines International, Ltd.**'s Boston service helps to bring about a greater change than anticipated. Having watched the AA share of cross-border traffic drop from 95% to 50% since 1995 and concerned that CAI's success may impact U.S. pilot jobs, the U.S. major's Allied Pilots Association now triggers a related contract clause. American, as a result, is forced to drop code-sharing with CAI during the second week of May over 14 of 35 cross-border routes.

A broad marketing agreement is signed with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on May 18. In addition to linking their frequent flyer programs, the majors will code-share on numerous flights between the U.S. and Spain.

Pepsi-Cola finally breaks Coca-Cola's monopoly on company services on May 19 and will now be available to passengers on all flights.

Following the company's annual meeting, a titan of the industry, Chairman/CEO Crandall, retires on May 20 and is succeeded by President Carty. Under the leadership of Assistant Attorney General Klein, the U.S. DOJ now issues an advisory ruling under which it recommends disapproval of the proposed AA-BA alliance to the DOT unless the pact is "significantly restructured."

A new daily nonstop A300B4-605R route is opened on May 21 between Boston and London (LGW). It is designed to complete the twice-daily roundtrips already provided between Boston and London (LHR).

On May 25, the company and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** sign a marketing and flight-sharing pact covering their routes from Miami to Madrid.

Also in May, AMR Eagle's four semiautonomous carriers (**Simmons Airlines, Flagship Airlines, Executive Airlines, and Wings West Airlines**) begin a seven-month period of amalgamation into **American Eagle Airlines (2)**, now viewed by AMR as a sister of **American Airlines**. The presidents of **Simmons, Flagship, and Wings West** are provided with appointments elsewhere within AMR Eagle and are mostly replaced with vice presidents at each of the new airline's hubs (former **Executive Airlines** President George Hazy takes over the San Juan post).

Also during the month, the carrier's pilots union meets with its colleagues from **British Airways, Ltd. (2)** to discuss ways in which they can cooperate should the alliance actually emerge.

As a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting, as of June 1, the issuance of advance boarding passes.

Additionally, daily seasonal roundtrip service is resumed between Dallas (DFW) and Jackson Hole, Wyoming. Also at the beginning of the month, the governing board of Dallas (DFW) files suit against AA to prevent it from offering long-haul interstate flights out of Love Field.

Daily RJ-145LR service from Dallas (DFW) to Indianapolis and Columbus begins on June 5. Dual-designator service begins with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on June 10, with AA placing its code aboard the Spanish major's flights to and from Miami, San Juan, and New York (JFK).

The company schedule is further revised on June 15. From Chicago (ORD) daily flights are advanced in number to Newburgh, New York (from 3 to 4), to Denver (from 7 to 8), and to El Paso (from 2 to 3). Frequencies from Dallas (DFW) are simultaneously boosted to San Fran-

cisco (from 10 to 11), to Seattle and Philadelphia (7 to 8), to Detroit (6 to 7), and to Monterrey, Mexico (5 to 6).

The number of flights to Santo Domingo from New York (JFK) also grow in number on June 15 from three to four. The same day, a third daily roundtrip is started between San Jose and Austin and a sixth daily roundtrip is begun from San Jose to Chicago (ORD).

The U.S.-France bilateral accord reached on April 8 is formally signed on June 18 in a ceremony by French Foreign Minister Hubert Vedrine and U.S. Secretaries Madeleine K. Albright (State) and Rodney E. Slater (Transportation). The pact opens the way for new transatlantic code-sharing and additional frequencies.

A fire at Buenos Aires late in the third week of June causes the carrier, along with others, to cancel a number of flights on June 20-21; the flight schedule returns to normal on June 22.

Also on June 22, the carrier's redesigned homepage on the World Wide Web must be taken offline when the number of hits overwhelms the site following a heavy publicity campaign. The hardware will be reconfigured.

On June 25, the company joins with **British Airways, Ltd. (2)** in making a new proposal designed to speed acceptance of the planned alliance between the two majors. Under their new suggestion, the pact would be frozen until rival carriers are given 196 weekly takeoff and landing slots at London (LHR). The slots would be newly available—not taken from either BA or AA. Even as the proposal is filed with the DOT, competitors reject it, claiming that the two companies would still dominate the profitable U.S. to London (LHR) market.

The DOT approves the TACA Group-AA alliance in June, with some restrictions, including a prohibition on code-sharing beyond Mexico City. Under terms of the agreement, AA will place its designation upon 149 weekly TACA flights from 9 U.S. communities to 10 Central American destinations. TACA will place its codes on 126 weekly AA services from 8 points in 7 Central American countries to U.S. gateways and beyond.

The company on July 1 places its code on flights of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** beyond Madrid to Barcelona, Malaga, and Palma de Mallorca. Simultaneously, frequencies from New York (JFK) to Port-au-Prince are doubled from one daily roundtrip to two.

In the July issue of the airline's AAdvantage frequent flyer program newsletter, the company announces that effective the following February 1, the number of frequent flyer miles needed to earn a first- or business-class seat will be increased anywhere from 10,000 to 25,000 miles.

Following ceremonies at Dallas (DFW), a company B-767-323ER launches daily nonstop roundtrips on July 6 to Manchester, England. This is the company's fourth European destination from its DFW hub.

On July 8, the DOJ grants the AMR Corporation clearance to proceed with its equity investment in Interinvest, S.A., which owns **Aerolineas Argentinas, S.A.** and **Austral Lineas Aereas, S.A.**

A Texas district court issues a temporary injunction on July 9 barring the launch of **Continental Express** service to Ohio; the airline appeals immediately.

Also on July 9, Flight 574, an A300B4-605R with 9 crew and 242 passengers and en route from San Juan to Miami, suffers a fire in its No. 1 engine just after takeoff from Puerto Rico. The aircraft returns to its point of origin and completes a safe emergency landing; airport fire trucks meet the aircraft and extinguish the flames. All aboard are evacuated down chutes and 28 passengers receive minor injuries.

The dispute between Allied Pilots Association members and American concerning code-sharing services with **Canadian Airlines International, Ltd.** deepens as the union recommends that its members not accept additional flying time. American is forced to cancel hundreds of flights during July for lack of flight crews.

In Brazil on July 16, AA begins to place its codes on **TAM (Transportes Aereos Regionais, S.A.)** services between São Paulo and Porto Alegre.

Also on that day, a company jetliner flies directly through the restricted space over the White House at Washington, D.C. The *Washing-*

ton Post reports the incident, one of a number of White House airspace violations, on September 22.

On July 17, after a three-day trial in U.S. District Court in Miami, a jury finds American Airlines guilty of wrongful death in the 1995 Cali disaster and awards the parents of Ernesto Montero, a college sophomore killed in the December crash \$2.4 million in compensation.

The new arrangement with TACA Group begins in July when the U.S. major places its "AA" code aboard TACA Group services from Dallas (DFW) to Guatemala City and to San Jose via Guatemala City; from Los Angeles to Guatemala City and from LAX to San Salvador.

Dual-designator service with **Asiana Airlines, Ltd.** finally begins on July 20. American places its "AA" code on Asiana's flights from Seoul to Los Angeles, San Francisco, Seattle, and New York (JFK).

During the heatwave that impacts the U.S. in the period after July 29, the company refuses to carry pets as checked baggage if the temperature rises above 85°F. The heat animals experience in the hold waiting for takeoff and again after landing can cause their deaths.

Nonstop service is inaugurated on August 1 between San Jose, California, and New York (JFK). Also on August 1 as part of the new alliance with **USAirways**, members of the carrier's frequent flyer program can begin claiming mileage for travel on both carriers. In addition, Admiral Club members may access any of **USAirways'** 26 Clubs and vice versa. Simultaneously, new daily B-757-223 roundtrips are initiated from San Jose to Washington, D.C. (IAD) and to New York (JFK).

While en route from Miami to Los Angeles on August 9, Flight 823, a B-757-223 with 9 crew and 187 passengers, encounters severe air turbulence at 31,000 ft. during a storm 45 mi. N of Tampa; 8 aboard are slightly injured and the aircraft returns to its point of origin.

The code-sharing pact with **TAM (Transportes Aereos Regionais, S.A.)** is expanded on August 12 as AA places its code on TAM services from São Paulo to Brasília, Curitiba, and Rio de Janeiro.

On August 15, an arrangement is reached between the major and its pilots. Under its terms, AA is allowed to maintain its code on six CAI flights added after January 7, 1997 and to add its code to one more flight later in the year.

At the same time, the major places a \$2.2-billion order for 15 additional B-777-223 IGWs, bringing to 34 its firm orders for the long-haul transport.

The code-share with TACA Group is expanded on August 26 on four new routes: San Francisco to San Salvador; Houston (IAH) to San Salvador, as well as to Roatan, Honduras, on Saturdays, and from Washington, D.C. (IAD) to San Salvador.

En route from Chicago (ORD) to Los Angeles on August 27, Flight 453, an MD-80 with 76 passengers, develops a fuel leak from its left engine. The aircraft is diverted to Phoenix, where passengers are evacuated down the plane's inflatable slides. No serious injuries are reported.

Also on August 27, the airline and its sister, **American Eagle Airlines (2)**, reach agreement with **Northwest Airlines** that will allow them to accept NWA tickets in the event that a strike, looming in two days, occurs. Although both companies recommend reservations, they will accommodate ticketed NWA passengers at airports on a stand-by basis.

Seeing him as an important link with its heritage at Dallas (DAL), the company now assigns DFW Special Services Director Walter Hagan as its "Ambassador of Love" in preparation for the initiation of flights from the Texas airport at month's end. Hagan, who had joined AA at Love in 1949 and served there for the next 15 years, will assist customers with any problems.

Intrastate Fokker 100 and MD-82/83 roundtrips commence on August 31 between Dallas (DAL) and Austin, 14 times a day. Meanwhile, the airline and the city of Fort Worth continue to oppose an effort by **Continental Express** to initiate interstate flights to Cleveland.

On September 1, daily DC-10-30 roundtrips are inaugurated from San Jose to Tokyo (NRT).

Thrice-daily roundtrip MD-82/83 service is inaugurated between Austin and Houston (HOU) on September 9, with a same-plane connection on to a new thrice-daily service from Houston (HOU) to New York (LGA).

On September 15, **China Eastern Airlines Company, Ltd.** becomes the first airline from the People's Republic of China to place its codes on the flights of a U.S. airline. The company's two-letter designator is assigned to selected American flights between Los Angeles (LAX) and New York (JFK), Chicago (ORD), Dallas (DFW), and Washington, D.C. (Dulles) as well as on services between San Francisco and Chicago (ORD).

At a London news conference on September 21 it is announced that **Cathay Pacific Airways (Pty.), Ltd.** has joined its first airline alliance, the new "OneWorld" grouping established to compete with the "Star Alliance" headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by American and **British Airways, Ltd. (2)**, which continue their battle to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.**, both of which already have marketing partnerships with AA and BA, are also charter members. Leaders of the five companies indicate that they will coordinate ticketing and flight schedules and cooperate on frequent flyer programs. Other carriers will be invited to join and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces its membership before the day is over.

One airline that will not be invited to join, **Virgin Atlantic Airways, Ltd.**, hires a truck with a sign painted on its side proclaiming "no way" and has it parked, illegally, outside the building where the "OneWorld" news conference is held. A spokesman for Virgin indicates that, to get the company's point across, his airline will gladly pay the parking ticket.

It is announced on September 24 that the company will launch daily B-767-223ER roundtrips from Chicago (ORD) to Amsterdam on May 3, 1999, followed by daily B-767-223ER roundtrips from New York (JFK) to Frankfurt on May 16.

Due to Hurricane Georges, American and its American Eagle affiliate **Executive Airlines** are forced to suspend operations in many locations during the week of September 24-30.

The company enters into a strategic marketing agreement with **Finnair O/Y** on September 29 that includes reciprocal frequent flyer programs, code-sharing on some transatlantic flights, and a move by Finnair into the AA terminal at New York (JFK). The programs will take effect on April 1.

The same day, AMR Corporation, the airline's parent, announces plans to sell most of AMR Global Services in order to concentrate on its core airline business. It also completes a \$500-million buyback of common stock.

On October 1, **Asiana Airlines, Ltd.** is able to place its code on American services from its four gateway cities to other U.S. points served by American. In honor of Halloween, passengers on the carrier's long-haul services will be able to view any of six films by the legendary director Alfred Hitchcock during October.

As the two airlines have yet to reach complete agreement, implementation of a seat-sharing pact with **Japan Airlines Company, Ltd. (2)** is postponed on October 1; the arrangement is now expected to proceed early in the new year.

On October 5, American and **Executive Airlines** announce that special fares will be offered in October for flights between the U.S. mainland and areas struck by the tropical storm, including Puerto Rico and Haiti. The low-cost flights will be designed to assist family and friends coming to help with the rebuilding process.

Beginning on October 7, American places its "AA" code on **British Midland Airways, Ltd.** services via Manchester to the Scottish cities of Aberdeen, Edinburgh, and Glasgow.

After three days of unproductive talks with their British counterparts concerning an "open skies" bilateral air agreement, U.S. negotiators in London depart the conference. Complicating the talks has been a British demand that the U.S. accept without further delay the AA-BA alliance and U.S. insistence that the pact will not be given antitrust status until the British agree to "open skies."

With no further talks scheduled on the "open skies" accord, DOT officials, on October 9, cancel planned October 26 hearings on the proposed AA-BA alliance. American simultaneously puts out a press release indicating that it is committed to the BA relationship despite the failure of government talks. Chairman/CEO Carty does remind the public that the new "OneWorld" alliance will prove helpful to the carrier's customers.

American also begins dual-designator service in October when it places its AA code aboard **China Eastern Airlines Company, Ltd.** flights from LAX and San Francisco to both Shanghai and Beijing.

Just after takeoff from Toronto on an October 14 service to New York (LGA), smoke is detected in the galley area of a Fokker 100 carrying 4 crew and 82 passengers, as breakfast is being heated. The Dutch-made jetliner makes a safe emergency landing back at its point of origin. No fire is found and the plane is allowed to depart an hour later.

Electronic ticketing is made available on October 15 on flights to 44 foreign countries. Senior executives from **Gulf Air** and American Airlines meet at AMR headquarters at Dallas (DFW) on October 15 to discuss an expansion of their commercial partnership. As a result, Gulf Air is authorized to place its "GF" code on AA flights between London (LHR) and New York (JFK), Miami, and Chicago (ORD) beginning in the winter.

Also on October 15, an MD-80 suffers an uncontained engine failure upon takeoff from Boston; the jetliner returns, lands, and is towed to the gate where its passengers deplane.

After it is agreed that the three DC-10-30s out on lease to the Russian carrier Transaero Airlines may be returned early, their lease is picked up on October 18 by **Hawaiian Airlines (HAL)**. Two will be quickly transferred, with a third delivered after maintenance.

En route from London (LHR) to Chicago (ORD) on October 20, Flight 87, an MD-11 with 15 crew and 181 passengers, is diverted to Boston after the pilot smells smoke in the cabin. On the ground, the problem is found to be an air conditioning unit and, two hours later, the plane departs for its original destination—four passengers lighter.

Shareholders of **Aerolineas Argentinas, S.A.** vote on October 24 to approve the Interinvest purchase. Hurricane Mitch causes the company to cancel flights into Belize as well as Cancún and Cozumel in Mexico on October 27-29.

Also on October 29, *The Financial Times* reports that **British Airways, Ltd. (2)** will scale back plans for an alliance with American because the demand by regulators for the exchange of hundreds of takeoff and landing slots at London (LHR) in exchange for approval is too high. The journal suggests that the U.K. major will seek ways to integrate with American in phases.

BA denies the story and the existence of any plans for a scaled-back pact. Across the Atlantic at Dallas (DFW), however, an American spokesman confirms that the two majors have held discussions concerning a gradual phase-in of their transatlantic partnership in order to please regulators. While remaining committed to a full-fledged alliance, the two recognize that a slower integration would allow U.S. and British officials time to solve the London (LHR) slot controversy.

Daily B-757-223 roundtrip service from Boston to Bermuda, begun on a seasonal basis in April, ends on October 31.

At the beginning of November, Chief Financial Officer Gerard J. Arpey outlines plans for the year ahead in light of worldwide economic instability. Ten less aircraft will be accepted and plans for the initiation of certain international routes will be deferred, including Chicago (ORD) Moscow and Amsterdam, Boston and New York (JFK) to Tokyo (NRT), and new nonstop flights from Miami and Asuncion, Paraguay.

AMR completes its purchase of a 10% stake in Interinvest on November 3 and thereby gains 8.5% ownership of **Aerolineas Argentinas, S.A.** and 9% of its regional affiliate **Austral Airlines, S.A.** Although U.S. regulators rule that neither American nor its parent may take any direct control over either carrier, that matter becomes moot when Aerolineas appoints its new management team. American's former managing director for Argentina, Diego J. Cousino, becomes CEO,

with its former managing director of international planning, C. David Cush, as chief operating officer.

Under a code-share agreement reached on October 26, American places its AA code on **Air Liberte, S.A.** domestic flights on November 4. Passengers traveling on American to and from the U.S. are able to transfer at Paris (ORY) to Air Liberte's services to Bordeaux, Montpellier, Nice, Perpignan, Strasbourg, Toulon, and Toulouse.

It is announced on November 15 that, as a cost-cutting measure, 8 DC-10-30s will be retired earlier than expected.

A definitive merger agreement is signed with **Reno Air** on November 19; the Texas-based major will acquire Reno for a total cash consideration of \$124 million. The Reno board of directors recommends that stockholders accept American's offer of \$7.75 per common share and \$27.50 per share of 9% Series A Cumulative Convertible Exchangeable Preferred Stock. Reno will not be operated as a separate subsidiary, but will be integrated into AA's operations as soon as all necessary authorizations are received and employee and fleet integration issues are decided.

Given that there is virtually no overlap on the routes served by the two carriers, American believes that the acquisition will give customers the benefits of a more comprehensive travel network, particularly on the U.S. West Coast, and will enhance the network of "OneWorld" partners. Arrangements with those partners, particularly **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.** will stand.

A fourth daily Fokker 100 roundtrip service is initiated on December 1 between Chicago (ORD) and White Plains, New York. The next day, it is announced that the carrier will launch daily B-767-323ER roundtrip service from Los Angeles and Paris (ORY) on June 1.

When **TAM-Meridonais, S.A.**, the long haul subsidiary of **TAM (Transportes Aereos Regionais, S.A.)**, takes delivery of its first A330-222 at the end of November, it becomes the first airline in Latin America to take delivery of a long-range, next generation Airbus. The aircraft is placed into service in early December over a direct twice-daily return route from São Paulo to Miami. The flights are the first for the company outside of South America.

While en route from Washington, D.C. (IAD) to Miami on December 6, Flight 1275, an MD-80 with 85 passengers, experiences fumes in the cockpit, causing the pilot to make an emergency landing at Raleigh-Durham. The fumes are from a light fixture, which is quickly repaired; the jet is quickly on its way to Florida after a minimum delay.

On December 9, Alaska Air Group President William S. Ayer announces that a letter of intent for the creation of a marketing partnership has been signed between its subsidiaries, **Alaska Airlines** and **Horizon Air**, and AMR Corporation and its subsidiaries, American and **American Eagle Airlines (2)**. The alliance will greatly expand travel and mileage opportunities for AAG passengers and strengthen the marketing presence for the corporations in California, the Pacific Northwest, and the West Coast. The four airlines will implement a fully reciprocal frequent flyer relationship; code-sharing is also under discussion, but remains subject to labor contract provisions. Alaska also announces that notice has been provided to **Northwest Airlines** of its intent to modify an existing marketing agreement. Talks are underway and it is hoped that it might be maintained.

The same day, American's acquisition of **Reno Air** clears federal antitrust reviews and takes effect. Reno will be folded into American by the end of August.

Also on December 9 a strategic alliance is entered into with **LAV Venezuelan Airlines (Linea Aeropostal Venezolana, S.A.)**. In addition to the usual linkage of frequent flyer programs, marketing, ground handling, and other activities, the two agree to implement code-sharing as soon as government approvals are received.

Under the arrangement, American will place its AA code on Aeropostal's flights between Miami and the Venezuelan cities of Caracas, Maracaibo, and Porlamar as well as between San Juan and Caracas. It will also place its code on certain Aeropostal flights connecting at Caracas, Maracaibo, and Porlamar to other cities in Venezuela.

On December 10, AA unveils a revolutionary voice-recognition system that will allow people to check gate information, arrivals, and departures by speaking directly to the system instead of via Touch-Tone.

On December 14, the company announces that it will inaugurate daily MD-80 roundtrips between Boston and New York (JFK) on January 31.

Seasonal nonstop MD-80 daily return service is inaugurated on December 15 between Newark (EWR) and Ft. Lauderdale. This frequency complements the existing thrice-daily roundtrips between Newark and Miami. Additionally, MD-80 frequencies between Dallas (DFW) and Los Cabos, Mexico, are doubled to twice daily. Simultaneously, daily nonstop MD-11 return flights commence between Dallas (DFW) and Osaka (KIX).

After three years of legal maneuvering, the Second Appellate District Court, Division Two, rules on December 16 that the assault and battery case *Marcelle Becker v. American Airlines* must go forward in the Santa Monica Superior Court of Judge Candice Cooper on February 17. Becker had originally charged Capt. Edwin Frost and the flight attendants on the July 6, 1995 service with assault and battery as well as animal cruelty in the death from injuries of her dog, a Maltese named *Dom Perignon*, which had apparently gotten loose.

Next day, the carrier initiates five-times-a-week B-757-223 seasonal return service between San Francisco and Vail/Eagle County; flights will continue through March 28.

In a move designed to strengthen its route network in the South Pacific, American concludes a code-sharing agreement with **Air Pacific, Ltd. (2)** on December 18. Under the arrangement, in the new year American will place its "AA" code on Air Pacific's four weekly return flights between Los Angeles and Nadi.

Depending upon the route flown, customers are able to view, free of charge, three classic Christmas movies in all classes of service from December 20-27. The selections are *It's a Wonderful Life*, *Miracle on 34th Street*, and *Christmas in Connecticut*.

AMR Services, which provides ground services for over 200 airlines at over 60 major airports, is sold by AMR Corporation on December 28 to a subsidiary of Castle Harlan, a New York City merchant bank.

Customer bookings dip 0.04% to 81.47 million, while cargo traffic falls 2.4% to 2.34 billion FTKs. Revenues jump 3.2% to \$17.44 billion, while costs are up 1.1% to \$15.49 billion. The operating profit climbs to \$1.95 billion, while net gain rises to \$1.79 billion.

A powerful winter storm hits the U.S. Midwest and eastern Canada between January 2-4, 1999, with traffic by all carriers severely curtailed at such cities as Chicago, Detroit, Cleveland, Toronto, and Montreal.

On January 5, a company MD-80 slides off a slippery runway just after landing at Montreal on a service from New York (LGA); no injuries are reported. Having provided two weeks' notice, the carrier, also on January 5, ceases its flights between Dallas (DFW) and Puebla, Mexico. Because of low demand, the route had proven a fiscal failure. The company also serves notice that it will halt plans to invest \$10 million in that city's international airport.

At the end of the year's first week, it is announced that the company will take delivery of 45 Boeing jetliners over the next 12 months: 24 B-737-823s, 11 B-777-223 IGWs, 4 B-767-323ERs, and 6 B-757-223s. It will retire 9 DC-10-10s, 6 B-727-223As, and 1 MD-11. By year's end, the fleet will total 677 jetliners.

A B-767-333ER makes a hard landing while landing at London (LHR) on January 15; no serious injuries are reported. The next day, it is announced that AA will commence daily B-767-223ER roundtrips on June 1 between Los Angeles and Paris (CDG).

On January 20, American officially dedicates its new facilities and gates at its third Dallas (DFW) terminal. Nine new gates and other facilities at Terminal B, valued at \$120 million, complement existing AA and **American Eagle Airlines (2)** facilities at Terminals A and C.

Also on this day, in a move analysts see as having been taken to counter American's enhanced operations in the west via its acquisition of **Reno Air**, **United Airlines** makes an offer to take over Phoenix-based **America West Airlines**.

The first B-777-223 IGW is delivered on January 21. In a PR ploy, American goes "back to the future" the next day when a new B-757-223 rolls out of a hangar at Fort Worth's Alliance Airport painted in the carrier's 1959 livery—an orange and dark blue color scheme with a distinctive lightning bolt insignia on the silver fuselage. The retro-painted jetliner will spend the year taking part in a series of events commemorating the fortieth anniversary of jet service in the U.S. When not involved in special activities, the aircraft will fly in regularly scheduled service, visiting cities throughout the route network.

Just after landing at Charlotte, North Carolina, on a January 24 service from Dallas (DFW), Flight 544, a Fokker 100 with 4 crew and 70 passengers, is seen to have smoke coming from the main landing gear. The aircraft moves to a taxiway, where an emergency evacuation is carried out without injury. Airport firefighters will report the smoke has come from hydraulic fluid leaking onto the jetliner's brakes.

On January 25, the company celebrates 25 years of service between Chicago (ORD) and Minneapolis (MSP) by providing refreshments to customers leaving the Minnesota city on any departure. In the years since 1979, departures to Chicago have grown from one to ten and to Dallas (DFW) from one to seven.

Also on January 25, with the "back to the future" B-757 as a backdrop, Chairman/CEO Carty announces that later in the year the carrier will begin construction of a 1.9 million-sq.-ft., \$1-billion terminal at New York (JFK). The facility, with 59 gates, is tentatively scheduled to open in 2006. Following the ceremony, the B-757-223 recreates the first coast-to-coast jet service between New York and Los Angeles flown 40 years earlier to the day. A press release issued in commemoration notes that American, in the years since, has flown more than 169,000 jet flights, carried 23 million passengers and transported 35 million pieces of luggage between the two coastal cities.

TNT Express Worldwide and American Airlines Cargo sign a worldwide airline service level agreement on January 28. The pact is the first of its kind between TNT and a U.S. carrier and will extend its reach, particularly into South and Central America. Improved service standards and block-space cargo availability in the freight holds of the carrier's new B-777-223s are important components of the new arrangement.

When **Delta Air Lines** on January 29 raises business ticket prices by 2% and leisure ticket costs by 4%, American is one of four majors to quickly follow suit. The move, the first tariff boost for U.S. airlines in 18 months, is seen as the opening salvo in an opening series of across-the-board fare hikes.

The second B-777-223 IGW is delivered, also on January 29. Nine more will arrive through the year. Company officials announce that lower deck cargo space will be sold during the upcoming proving flights.

During the month, representatives of the pilots union and management begin discussions concerning the pilots' salaries of recently acquired **Reno Air**. Some Reno pilots earn less than half the annual salaries of their AA counterparts and the union wishes the new men placed on the American contract receive pay retroactive to December 23. Outside reporters see the demand made partly in fear that jobs could be lost if lower-tier wage scales become fixed.

Both AA and **American Eagle Airlines (2)** begin service from Terminal B at Dallas (DFW) on February 1. Simultaneously, the "OneWorld" global alliance is implemented with **British Airways, Ltd. (2)**, **Canadian Airlines, Ltd.**, **Cathay Pacific Airways (Pty.), Ltd.**, and **Qantas Airways (Pty.), Ltd.** It is announced during the day that regularly scheduled B-777-223 IGW service from Dallas (DFW) to Osaka (KIX) will begin on October 1.

On February 3, American places its code on the two daily return flights from Miami to São Paulo made by the A330-222 of **TAM-Meridionais**, the long haul subsidiary of **TAM (Transportes Aereos Regionais, S.A.)**.

B-777-223 IGW proving flights are conducted in February between Dallas (DFW) and London (LGW), Osaka, Tokyo (NRT), Miami, Chicago (ORD), and Los Angeles.

Negotiations between the pilots union and management break down on February 6. Barred by federal law from striking over the issue, pilots in large numbers begin calling in sick or refuse to fly overtime. A total of 90 flights are cancelled during the day, followed by 240 more on February 7.

On February 8, the company announces that it will launch thrice-daily nonstop MD-80 roundtrips on September 9 from New York (LGA) to Houston (HOU). An additional 414 flights are cancelled. CEO Carty informs a news conference that management is actively considering asking for an injunction against the pilots' job action. On the other hand, the carrier's boss, calling his pilots "grownups," refuses to require doctor's notes from flyers calling in unfit for duty.

While on approach into Raleigh on a February 8 service from Chicago (ORD), Flight 1754, an MD-80 with 6 crew and 132 passengers, encounters severe turbulence. One flight attendant is seriously injured, while 4 other attendants and 1 passenger are hurt slightly.

The "blue flu" continues into February 10, when AA is able to prevail upon U.S. District Judge Joseph Kendall at Dallas to order the pilots back to work. Even so, the company is forced to drop over 1,000 of its 2,250 flights this day. Since the work slowdown has started, some 2,400 of the carrier's 9,000 pilots have participated in the action, grounding 2,657 flights, stranding an estimated 265,000 travelers, and forcing some businesses to seek alternative ways to ship their cargo. It is estimated the impasse costs American upwards of \$19 million each day.

Despite instructions from their union to resume work, 1,170 flights are grounded on February 11 as pilots defy the court order and bring the total of stranded travelers to 350,000 in 5 days. Lawyers for the airline return to Judge Kendall's court seeking a contempt ruling, with a hearing granted for the next day. While AA goes to court, negotiators meet for the first time since February 9 to discuss union demands.

An agreement is simultaneously reached between American and **Northwest Airlines** that allows NWA to accept American tickets in the event of further pilot disruptions to American's flight schedule. The pact takes effect immediately.

At least one competitor, **Trans World Airlines (TWA)**, moves to take advantage of the situation while also assisting passengers stuck in the hard-hit Caribbean area. It upgrades its services from New York (JFK) to Puerto Plata and Santo Domingo from B-757 to B-767 equipment, while adding a second daily B-757-224 roundtrip.

In a major development announced on February 12, American signs a letter of intent with **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** that will allow it to acquire a major stake in the airline. The U.S. major diligently begins due to establish AeroPeru's financial situation preparatory to determining actual shareholding. AeroPeru's current shareholders, CINTRA of Mexico (35%), parent of **Aeromexico (2)** (**Aerovias de Mexico, S.A. de C.V.**) and **Delta Air Lines (35%)** will, as the arrangement proceeds, divest themselves of their shares.

Also on February 12, American, **British Airways, Ltd. (2)**, **Iberia Spanish Airlines (2)** (**Lineas Aereas de Espana, S.A.**), and SEPI (the state holding company that presently owns Iberia) signs an important agreement in Madrid, one that has been delayed since November by wrangling over management issues. Under its terms, the Spanish flag carrier strengthens its relationship with the Anglo-Americans by selling to them, via SEPI, a combined 10% equity stake. For £226 million, BA takes the majority 9% share, with AA acquiring 1%; each of the foreign airlines receives a seat on Iberia's board of directors. SEPI will sell an additional 30% of the airline in a June flotation on the Madrid stock exchange.

Management and union lawyers argue before Judge Kendall during the day and he agrees to rule on February 13. Meanwhile, 2,443 of the carrier's 9,400 pilots call in sick, forcing the airline to cancel 1,102 flights. To date, the airline has lost approximately \$40 million.

The work slowdown on February 13 results in 845 flights cancelled for the day and notice is given that another 209 will be scrubbed on February 14. As of this date, 5,600 flights have been cancelled since the

work action started, costing the airline between \$67 million and \$90 million. More than 500,000 travelers have been left at the gate.

Even though the pilots' sick-out continues to be a more grass roots movement than most airline labor actions, Judge Kendall, calling the movement a "shakedown," finds the Allied Pilots Association, its president, Capt. Rich LaVoy, and its vice president, Capt. Brian Mayhew, all guilty of contempt of court. The judge indicates that he will decide by February 17 on an 8-figure fine, but orders the union to be prepared for the exact amount by depositing \$10 million with the court. LaVoy and Mayhew are ordered to remit a total of \$15,000, also as a deposit against the final payment.

Judge Kendall's citation has the desired effect as pilots on February 14 begin taking themselves off the sick list. Still, 231 flights must be cancelled because not all of the pilots are immediately available and some aircraft are out of position. By the evening of Valentine's Day, the number of "sick" pilots is less than 900 and is fast approaching what management considers the normal 400-500 range.

Most of the CEOs of the "OneWorld" alliance meet in Sydney, Australia, on February 15. There, **Iberia Spanish Airlines (2) (Líneas Aereas de Espana, S.A.)** is formally welcomed into the group.

Also on February 15 negotiations between management and the APA over the **Reno Air** pilots situation resume; because some pilots are not immediately available for flying, 250 flights (11% of the schedule) must be cancelled. The same day, the airline sues the FAA and three chemical companies for the \$2.89-million cost of repairing an MD-82 that had slid off the runway at Cleveland on March 5, 1997 after deicing chemicals had been applied to the pavement.

The schedule is back to normal on Tuesday, February 16; only 17 departures must be scrubbed. Since February 6, nearly 6,000 flights have been cancelled, costing American between \$67 million and \$90 million, and inconveniencing 600,000 passengers.

As a result of the labor action, the Santa Monica case of dog owner Marcelle Becker, scheduled to open on February 17, is delayed until March 4.

Also during the day, the first of 24 Next Generation B-737-823s to be delivered during the year arrives at the Maintenance and Engineering Center at Tulsa, Oklahoma, for familiarization training.

Lawyers for American inform the U.S. District Court in Dallas that the recently ended sick-out by its pilots has caused the company pre-tax losses exceeding \$150 million, as more than 6,600 flights were cancelled in a 10-day period. The net loss in revenues between the issuance of the restraining order and the time the job action actually ends is put at \$58.7 million. Federal Judge Kendall indicates that he will maintain and extend his temporary restraining order to the APA until May 12 and will delay by at least six weeks his decision on how much to punish the union for originally ignoring his back-to-work order.

On February 18, American begins to code-share on the **Air Pacific, Ltd. (2)** nonstop B-747-219B return routes operated between Nadi and Los Angeles (LAX). The Fiji-based carrier simultaneously announces that a fifth weekly roundtrip between the two cities will commence in June.

The company and the APA hold discussions on the **Reno Air** issue. Management proposes that an independent arbitrator help resolve the dispute, an offer it will repeat on February 21. The two sides will agree that, if two or more bargaining sessions fail to break their stalemate, a private mediator will be called in.

Six plaintiffs from Illinois file a class-action complaint against the Allied Pilots Association in San Francisco Superior Court on February 19 seeking \$200 per passenger delayed or stranded by the 10-day pilot job action.

The carrier attempts to make amends with its best customers and the general traveling public. It sends notices to AAdvantage frequent flyer members offering them two free upgrades, plus double miles, for trips taken between February 18 and February 28. On February 20, a fare sale begins on both domestic and international seats.

A new 10,000-sq.-ft., \$1.9-million "glass" hangar is dedicated at the C. R. Smith Aviation Museum at Dallas (DFW) on February 22. The new facility will house the restored DC-3 *Flagship Knoxville*; dedication remarks are made by Apollo astronaut Buzz Aldrin. The hangar also houses the new American Airlines Hall of Honor and plaques honoring the first three inductees are unveiled: Capt. Bill James, and two former vice presidents, Carlene Roberts-Lawrence and William "Bill" Littlewood.

The same day, two Chicago residents file a class-action suit against the APA in Tarrant County District Court in Tarrant County, Texas, seeking \$50 million in damages; Tarrant County is the actual home of the Fort Worth-based pilots union.

In another example of air rage, Flight 181 en route from Orlando to Chicago (ORD) with 240 passengers on February 23 must be diverted to Miami. There, a man who had been restrained in flight for drunkenness and attacking his girlfriend, is arrested; the woman continues on to Illinois.

Airline operations are now back to normal in Latin America. For example, Mrs. Gillian Thompson, the country manager, tells *The Grenada Voice* on February 23 that, although 400 passengers travelling to and from Grenada were left stranded, all flights are now fully on schedule.

On February 25, airline management and the APA agree that, if they cannot break their stalemate over the **Reno Air** matter in two more bargaining sessions, they will call in a mediator.

The carrier provides lift from Cleveland to Honduras of Dr. Russell E. Raymond, who will join other members of his family in attending children for a week at the Charity Hospital at San Pedro Sula.

On March 1, the company cuts its flying schedule approximately 4% to give itself scheduling flexibility in the event of future pilot actions.

Also on the first day of the month, the carrier begins to place its "AA" code on **Qantas Airways (Pty.), Ltd.** flights from Auckland to Sydney and Brisbane.

The company's first daily nonstop, roundtrip, scheduled B-777-223 IGW service begins on March 2 over the company's route from Dallas (DFW) to London (LGW). The same day, the new B-737-823 enters revenue service over daily return routes from Chicago (ORD) to Los Angeles (LAX) and from Los Angeles to Washington, D.C. (IAD).

Pursuant to the December 16 ruling of the Second Appellate District Court, Division Two, the assault and battery case *Marcelle Becker v. American Airlines* begins in the Santa Monica Superior Court of Judge Candice Cooper on March 4. Becker had originally charged Capt. Edwin Frost and the flight attendants on his service with assault and battery, along with animal cruelty in the death from injuries of her dog, a Maltese. The hearing will be transferred to the U.S. District Court after the U.S. Attorney for Los Angeles becomes involved, indicting Becker on one count of interfering with a flight attendant, a federal crime.

Also on March 4, two Fort Worth residents file a class action lawsuit at Fort Worth against the APA seeking at least a 50% refund of the cost of American tickets for all passengers affected by the recent sick-out. Damages could allegedly exceed \$100 million.

Having completed its review of the finances of **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**, American informs the airline on March 8 that it will not, after all, take an equity stake or provide fresh capital. The news is catastrophic as the airline, caught by increased regional competition amidst a regional financial crisis, is left without sufficient cash to continue paying for fuel and other services.

Unions, representing AeroPeru's 1,500 employees, hold rallies on March 9, but are unable to prevent an announcement by company officials in late afternoon that the end is nigh. CINTRA of Mexico and **Delta Air Lines** offer no comment. At 12:01 a.m. on March 10, AeroPeru is turned over to Indecopi, a government agency that handles bankruptcies. The airline now ceases international operations, but plans to continue domestic flights a few days later. Assets will be employed to pay outstanding debts and, hopefully, the government will find a way to restart AeroPeru's operations at a later date.

On March 11, the Allied Pilots Association, which had not been in favor of an original investment, issues a statement noting its opposition to any increased ownership of **Canadian Airlines, Ltd.** by the AMR Corporation. The airline had earlier asked Canada's Department of Transport to consider relaxing the restriction that limits foreign ownership of that carrier to 25%.

Thrice-weekly roundtrips are launched by **Japan Air Lines Company, Ltd. (2)** on March 15 between Tokyo (NRT) and Dallas (DFW); a number of frequencies are marketed with American.

The company simultaneously introduces its new quarterly Latin American in-flight magazine *Nexos*. Written in Spanish and Portuguese, it is available on all AA flights to and from the 33 destinations served in Mexico, Central and South America, the Caribbean, and Madrid, Spain.

Also on March 15, **Northwest Airlines**, which has been recalcitrant in the past, joins American, **Delta Air Lines**, **Southwest Airlines (2)**, **United Airlines**, and **USAirways** in raising business fares by 1% and imposing another 3% hike on leisure tickets. United had begun this second round of ticket price increases on March 12.

Twice-daily B-737-823 roundtrips commence between Boston and Chicago (ORD) and daily B-737-823 return service from Chicago (ORD) to San Jose, California.

The week also begins well when, on March 15, the company distributes a record \$341 million in profit-sharing checks to its employees; it is estimated that, in the U.S. alone, the economic impact of the payout will exceed \$1 billion.

Chief Financial Officer Arpey reports on March 17 that the recent pilots' sick-out will cost AMR Corporation more than \$200 million in pre-tax earnings during the first quarter.

On March 18, a naming agreement valued at \$5 million per year is reached with the Dallas Arena Group. The new home of the Dallas Mavericks and Dallas Stars will be named the American Airlines Center when it opens in the fall of 2001.

Following an earlier announcement by the government of St. Lucia that it will no longer pay \$1.5 million per year to the company to cover its cost of providing service to Miami, American announces on March 19 that it will discontinue direct service to the island in April. The Caribbean press reports that flights will be maintained to Grenada, which is paying a subsidy similar to that halted by its neighbor. The carrier has yet to decide whether or not to continue service into Guyana; it has indicated to the country's government that it wishes security and fire services beefed up at Cheddi Jagan International Airport.

Following a ground breaking ceremony for a major improvement to Concourse G of O'Hare International Airport, the B-757-223 wearing the special vintage 1959 livery departs for San Francisco in celebration of the fortieth anniversary of Chicago to San Francisco jet service.

Under terms of the February 21 arrangement that calls for the appointment of a private mediator, George Nicolau enters discussions between management and the Allied Pilots Association at Fort Worth on March 21. A former president of the National Academy of Arbitrators, Nicolau has handled arbitration for the National Hockey League and Major League Baseball.

On March 26, the European Commission announces that, on the basis of its initial inquiry, it has determined that **Air France** has discriminated against AA's SABRE reservations system by favoring Amadeus, the system in which it is part owner. The Commission enters an objection to the fact that the French major provides Amadeus with more accurate information than that which is given to SABRE or other reservations systems, thereby putting the latter at a competitive disadvantage. A procedure is started against the carrier for abusing a dominant position.

On March 27, *The New York Times* reports the March 22 death in Santa Monica, California, of 99-year-old Arthur Raymond. Raymond had led the design team for the Douglas DC-3, first ordered by AA President C. R. Smith.

Daily nonstop scheduled B-777-223 IGW roundtrips are started by AA on March 28 from Dallas (DFW) to Tokyo (NRT). While celebrating the forth-fifth anniversary of service between the Spain and the U.S.,

Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.), also on March 28, inaugurates daily nonstop A340-313 roundtrips between Barcelona and New York (JFK). Iberia is the only carrier operating nonstops between the two cities; however, the services are offered as dual-designator flights with American.

The dual-designator pact with **Finnair O/Y** also takes effect on March 28. In addition to mutual frequent flyer benefits, passengers are able to employ their tickets on Finnair flights from New York (JFK) to Helsinki. Finnair and American also cooperate on flights via Stockholm. Under this arrangement, the Finnish carrier is able to place its code on AA services between Chicago (ORD) and Stockholm for passengers making online connections to Finnair's flights between Stockholm and points in Finland. AA places its code on Finnair flights between Stockholm and Helsinki as a continuation of its Chicago-Stockholm service.

Finnair also places its "AY" code on American and American Eagle flights from New York (JFK) to Boston, Dallas (DFW), Los Angeles, Miami, San Francisco, and Washington, D.C. (DCA).

The next day, the company begins dual-designator service aboard **Qantas Airways (Pty.), Ltd.** flights from Sydney to Adelaide, Brisbane, Cairns, Melbourne, and Perth.

The strategic marketing agreement with **Finnair O/Y**, entered into on September 29, takes effect on April 1. The program includes reciprocal frequent flyer programs, code-sharing on some transatlantic flights, and a move by Finnair into the AA terminal at New York (JFK).

On April 12, the first day of hearings by U.S. District Judge Kendall to determine how much the APA should be fined for the February sick-out, the judge quickly denies a pilots' motion to dismiss the case. Kendall also rules that lawyers for the APA may not call their 600-pilot witness list and ask each flyer if he/she were truly ill. Instead, Kendall chides the APA, noting that its members returned quickly to work as soon as he found their union in contempt. Referring to a U.S. television evangelist who conducts spiritual healings, the judge suggested that his ruling saw "more people miraculously healed than at a Benny Hinn crusade."

Expert witnesses for the pilots are allowed to dispute the \$58-million loss the airline claims it has suffered. Professor Geoffrey Heal of Columbia University and airline industry analyst Robert Mann put the figure at between \$1.4 million and \$4.7 million.

On April 15, the APA is fined \$45.5 million for not halting the illegal sick-out; the union has assets of \$38 million. The fine is second in size only to a \$64-million fine against the United Mine Workers of America in the mid-1980s (a penalty later overturned on appeal to the U.S. Supreme Court). Judge Kendall requires the union to deposit another \$10 million, but agrees to stay his order for 15 days to allow the union to file an appeal, which it does the next day with the 5th Circuit Court in New Orleans.

The restraining order initially ignored by the union remains in effect until May 10 and APA President LaVoy indicates that it will be obeyed. Despite the legal proceedings, the assimilation issue involving the purchase of **Reno Air**, the root cause of the sick-out, remains unresolved.

On April 19, the APA is granted a stay by Judge Kendall until April 28 upon the deposit of another \$10 million towards damages caused to the airline by the work slowdown.

Following an announcement by Jamaican Finance Minister Omar Davies that taxes on diesel, gasoline, and fuels would be increased by 30%, demonstrations on the island national flare up on April 19 and rage into full-scale civil unrest. American, joined by **British Airways, Ltd. (2)**, **BWIA (British West Indies Airways, Ltd.) (2)**, and **Air Canada, Ltd.**, are forced to cancel services to Jamaica on April 20.

Calm is restored in Jamaica on April 21, following three days of deadly protest, arson attacks, and clashes between demonstrators and police which leave seven dead. American resumes its services to Kingston three days later.

Meanwhile, on April 22, the long-planned alliance with **LanChile Airlines (Lineas Aerea Nacional Chile S.A.)** receives tentative approval from the DOT, with certain restrictions. Although the two are allowed to coordinate their routes and jointly market tickets on each

other's flights through code-sharing, computerized reservations and fare coordination are restricted and the Miami-Santiago route is excluded from antitrust immunity for a period of 18 months.

Just after takeoff from Trinidad for Miami on April 23, a B-757-223 with 200 passengers develops engine problems. The pilot dumps fuel and returns to Piarco Airport, where a safe emergency landing is made.

On April 26 it is announced that on October 1 AA will move all of its Paris flights from Orly Airport to Charles de Gaulle International Airport Terminal 2A. Orly has been American's Paris base since 1985. The carrier has invested some \$6 million in improvements in the new facilities and will operate a schedule nearly identical to that at Orly.

Although San Jose has an airport curfew from 11:30 p.m. to 6:30 a.m. Pacific Time, airlines are allowed to fly in during those hours if they are delayed due to mechanical, weather, or ATC problems. The *San Jose Mercury News* reports on April 27 that the city attorney's office has sent letters to six carriers threatening to sue or ban them from the airport, citing numerous violations of the curfew. The companies committing these "blatant violations" include, in addition to American, **Mexicana Airlines, S.A. de C.V., Northwest Airlines, Reno Air, Southwest Airlines (2), and United Airlines.**

In court papers filed on April 28 by the Allied Pilots Association, which is appealing a contempt of court ruling that resulted in a \$45-million fine, the union agrees to label its battle with management over the purchase of **Reno Air** as "minor" under federal labor law. This concession undercuts the APA's legal defense of its February sick-out. At the same time, American and the APA agree to a permanent injunction barring the union and its members from any future actions over the Reno dispute.

CEO Gary Cullen and strategic director Larry Stanley, representing the considered opinion of the airline's management, ask the **Aer Lingus Irish Airlines, Ltd.** board on the morning of April 29 to join the "OneWorld" airline alliance, headed by **British Airways, Ltd. (2)** and American. Both the U.K. and U.S. majors, with whom Aer Lingus will have direct marketing agreements, have agreed to sponsor the Irish line's membership in the airline grouping. The board accepts this recommendation, which is passed along to Mary O'Rourke, public enterprise minister.

The Irish Times, in reporting the move later in the day, indicates that one or both of the major alliance partners may take a small equity stake (5% to 10%) valued at approximately £60 million, with company employees also gaining shares. Completion of the alliance arrangement will clear the way for a public offering of Aer Lingus stock which, in turn, would raise the funds needed for future growth and expansion.

British Airways, Ltd. (2), reacting for "OneWorld" to the Irish line's announcement, expresses its pleasure, but notes that definitive arrangements must still be completed both with itself and American before entrance into the group can be accomplished.

On April 30, the *Irish Independent* reveals that Ms. O'Rourke had given her approval to the strategic alliance plan the previous evening, as had a group of the airline's union's. The latter also express fear that **Aer Lingus** management is placing too much emphasis on getting partners who are willing to purchase shareholding. The airline staff, which already has a 5% stake, largely wishes to remain state employed.

Twice-daily MD-80 roundtrips begin on May 1 from Houston (HOU) and Washington, D.C. (DCA), with same-plane continuing service between Houston and San Antonio. With the jetliner on the ground less than 30 min. at HOU, the route is an effective new connection between San Antonio and the nation's capital.

Also on May 1, the company begins a major upgrade of its services from the West Coast. Many are offered as dual designator flights with code-sharing partners **Reno Air, Alaska Airlines, and Horizon Airlines.** On this date, daily MD-80 return service is inaugurated from San Jose to Orange County Airport as well as B-747-223 service to San Diego, and by B-757-223 from Seattle to New York (JFK). The same day, B-777-223s are introduced on the carrier's two Tokyo routes.

Simultaneously, the West Coast buildup continues with the addition of one daily nonstop roundtrip from San Diego to New York (JFK);

from Los Angeles (LAX) to New York (JFK), Chicago (ORD), and Dallas (DFW); from Seattle to Chicago (ORD); and from San Francisco to Dallas (DFW). These increases allow the carrier to offer a total of 18 daily flights each way on both the LAX-DFW and LAX-ORD routes, and 11 roundtrips daily in the LAX-JFK and San Francisco to DFW markets.

Not to be lost given the day's other events, is the introduction of a new 24-page in-flight magazine for children, *Landing Zone*.

Daily B-767-223ER roundtrips from Chicago (ORD) to Amsterdam begin as announced on May 3.

Also on May 3, management and the APA work out an agreement concerning the pilots' sick-out in February. The union will deposit \$20 million in an escrow account until the appellate process is completed. If the APA is successful, its funds will be returned.

The dual-designator pact with **TAM (Transportes Aereos Regionais, S.A.)** and its long-haul subsidiary **TAM-Meridionais, S.A.** is further expanded on May 6. AA begins to place its code on TAM flights from São Paulo to Florianopolis, Fortaleza, and Recife. TAM is allowed to place its "JJ" code on AA domestic services.

As a result of the ongoing evaluation of aircraft in the fleet of **Reno Air, AA**, on May 6, orders 3 more B-737-823s, which will replace 3 of Reno's leased MD-80s.

Just after takeoff from St. Thomas for San Juan on May 6, Flight 314, an MD-80 with 128 passengers, suffers a fire in its No. 1 engine. A safe emergency landing is made back at the point of origin and, four hours later, a replacement aircraft takes the passengers on to their destination without further incident.

After a year of detail resolution, American and **Japan Air Lines Company, Ltd. (2)** implement the first phase of code-sharing on routes between the U.S. and Japan and on other routes beginning on May 10. American places its "AA" designator on JAL flights from Tokyo (NRT) to Chicago (ORD), Dallas (DFW), Los Angeles, San Francisco, and New York (JFK); between Osaka (KIX) and Los Angeles; between Nagoya and Los Angeles; between both Tokyo (HND) and Osaka and other Japanese cities; and between the U.S. and both Bangkok and Singapore via Tokyo (NRT).

JAL initially places its code on American and **American Eagle Airlines (2)** flights from Dallas (DFW), Chicago (ORD), San Jose, and Seattle to Tokyo (NRT) and on American's new route from Dallas (DFW) to Osaka (KIX). JAL also is able to assign its designator on American and **American Eagle Airlines (2)** frequencies from Los Angeles, Dallas (DFW), and Los Angeles and other internal U.S. communities.

In the first predatory pricing case since the government deregulated the airline industry in 1978, the DOJ, on May 13, files suit against the major for allegedly trying to quash competition, led by **Vanguard Airlines**, at Dallas (DFW). The filing, announced by antitrust chief Assistant Attorney General Joel I. Klein, is the most developed of several being pursued against a number of the nation's major carriers. New entrants **Sun Jet International** at Long Beach and **Western Pacific Airlines (WestPac)** on routes to Colorado Springs are other alleged AA price-cutting victims.

American responds with a statement claiming the allegations are unwarranted and that it will challenge the findings. Analysts reviewing the case the next day believe it to be a warning to other airlines to avoid anticompetitive practices against start-ups.

Daily B-767-223ER roundtrips from New York (JFK) to Frankfurt begin on May 16. First announced on April 27, a reciprocal frequent flyer agreement with **El Al Israel Airlines, Ltd.** takes effect on May 17.

After nine months of negotiations, including a final two weeks in Washington, D.C. with assistance from the National Mediation Board, the airline and AFA announce a tentative agreement, also on May 17. The pact is subject to ratification by the company's 20,000 flight attendants, a process expected to take several weeks.

In Los Angeles on May 17, U.S. District Court Judge Harry L. Hupp grants a continuance, due to the illness of a key witness, to July 20 of the Marcelle Becker trial. Mrs. Becker, meanwhile, has retained the

services of nationally known trial lawyer and author Mark Lane, author of *Rush to Judgment* and *Plausible Denial*.

The antitrust suit filed against the carrier worries the U.S. airline industry and is attacked by top executives at rival carriers on May 18. Both Gordon Bethune of **Continental Airlines** and Gerald Greenwald of **United Airlines** decry the government action as being without merit and worry over the possibility of dangerous new legal precedents concerning the government and the flying business.

On May 19, the Argentinean government postpones to August talks with the U.S. on a new aviation trade agreement in order to accommodate the schedules of officials involved. The move disappoints the U.S. State Department, which lets it be known that the code-sharing pact between **Aerolineas Argentinas, S.A.** and American will not be approved without a new liberal aviation agreement.

Former Chairman/CEO Crandall, also on May 19, joins the board of the radio broadcasting company Chancellor Media. Earlier, he had joined the board of American Express.

While landing at New York (JFK) on May 24, a **British Airways, Ltd. (2)** Concorde comes within 500-ft., both horizontally and vertically, of an American B-767-223ER that had just taken off on a service to Frankfurt.

Under the auspices of World Relief, Flight 333 from New York (LGA) delivers the first group of Kosovo refugees to Chicago (ORD) on May 26. The six people in two families had originally been flown into the U.S. aboard a **Tower Air** B-747 Jumbojet as part of the U.S. government's commitment to accept 20,000 people displaced from the war-torn Yugoslavian province.

Also on May 26, AA announces that it will add eight jet departures on December 15 to the 42 already flown out of its San Juan base, almost a 20% increase over the previous year's schedule.

New daily Los Angeles (LAX) to Paris (CDG) B-767-323ER roundtrips commence on June 1, together with daily Dallas (DFW) to Anchorage B-757-223 roundtrips. Daily nonstop B-737-823 service is also started between Seattle and Boston, while nonstop service is increased between Seattle and both DFW and Chicago (ORD), as well as between San Francisco and ORD.

While landing during a thunderstorm at Little Rock late in the evening after a service from Dallas (DFW), Flight 1420, an MD-82 with 6 crew and 139 passengers, runs off the end of the runway and skids 1,000 feet. It plunges over a stone embankment, strikes a metal walkway, and breaks into three pieces that come to rest near a river and catch fire. Nine aboard, including 20-year veteran Capt. Richard Buschmann, are killed instantly, with two others dying later in at the hospital.

Beginning June 3, American places its "AA" code on **Finnair O/Y** services between Helsinki and San Francisco. American and **Canadian Airlines, Ltd.** become, on June 17, the first airlines to implement technology allowing two carriers to issue electronic interline tickets on each other's flights.

The company enters into a European marketing alliance with **Sabena Belgian World Airlines, S.A.** and **Swissair, A.G.** on June 22. As soon as government clearances are received, AA and Sabena will code-share on each other's flights between Chicago and Brussels and on Sabena services between Boston and Brussels. AA and Swissair will code-share on flights between Chicago and Zurich and on Swissair flights between Zurich and both Miami and Boston.

Beginning on June 24, the FAA, together with outside experts, joins with American personnel to conduct an audit of the carrier's safety and training programs. It is hoped that the review will reveal why AA has had more crashes than any other U.S. carrier in the past six years.

Finding the arrangement no longer profitable, **British Midland Airways, Ltd.**, also on June 24, serves notice on AA that it will be terminating its code-share agreement with the U.S. major in March 2000.

Just after departure from San Diego on June 25, an MD-80 with 133 crew and passengers reports problems with its right engine. The flight is diverted to Miramar Naval Air Station, where a safe emergency landing is uneventfully completed.

While taxiing at Chicago (ORD) on June 29 preparatory to departure for Stockholm, the right wing of Flight 80, a B-767-323 with 13 crew and 173 passengers, contacts the left wing of a B-767-223 with two mechanics aboard, stopped on the ramp while repositioning. Damage is slight and no injuries are reported.

Daily nonstop B-737-823 roundtrips are launched on July 2 between Los Angeles (LAX) and Hartford, while one daily flight is added in the Oakland-Dallas (DFW) and Seattle-Dallas (DFW) markets.

On July 8, because its employees and contractors have repeatedly failed to display their badges in high-security areas at Dallas (DFW), AA is subjected to the \$250,000 FAA fine that had originally been levied in February 1998 but that had since been appealed.

It is announced on July 12 that twice-daily nonstop MD-80 roundtrips will begin on September 8 between Long Beach and Chicago (ORD). Simultaneously, it is noted that thrice-daily B-727-223A roundtrips will commence on November 1 between Miami and Tampa.

On July 15, U.S. District Judge Wilkie Ferguson dismisses an antitrust suit brought against American by passenger Matthew Zifrony, who has claimed that AA has illegally driven smaller competitors out of business or off routes, thereby costing consumers more in ticket fares. Zifrony's examples had included **Vanguard Airlines** and **Pan American World Airways (1)**.

After months of lobbying, hearings, and debate, on July 30 the DOT dismisses the joint American Airlines-**British Airways, Ltd. (2)** application for antitrust immunity, which has been pending before it since January 1997. Principals from the two carriers indicate that they will seek other ways to expand their global partnership, concentrating on the possibilities of the new "OneWorld" alliance.

A second daily nonstop is added on August 1 between Los Angeles (LAX) and Honolulu and between San Jose and New York (JFK).

On August 13, the Canadian government, in the face of a possible collapse of **Canadian Airlines, Ltd.**, loosens its competition regulations to allow discussions between that concern and its rival, **Air Canada, Ltd.** The stakes are raised on August 24 when, after some days of speculation in the Canadian press, Gerald Schwartz, CEO of Toronto-based Onex Corporation comes forward at Montreal with an ambitious plan to purchase and merge both airlines. Onex is a buyout specialist that also operates Lantic Sugar, Ltd. and the airline catering company Sky Chefs. An accommodation is quickly gained with and approved by **Canadian Airlines, Ltd.**, under which it will be quickly purchased by Onex.

Under the Onex scheme, valued at C\$5.7 billion (\$3.81 billion), a new concern, AirCo, would be created. Shareholders in **Canadian Airlines, Ltd.** are to be paid C\$2 cash or 0.2424 common share of AirCo for each of their common stock. Shareholders in **Air Canada, Ltd.**, when given the chance, will be offered C\$8.25 cash or one AirCo share for each of their common stocks. Retaining the name Air Canada, the enlarged Canadian operator would retain headquarters in Montreal.

For its part, Onex, according to Schwartz, will invest C\$1.2 billion in AirCo. Of this amount, the corporation will invest C\$475 million, including C\$225 million financed by a loan from AMR Corporation, parent of American, while AMR itself will put in C\$275 million in AirCo equity and convertible debt. In addition, both concerns will join together in investing a further C\$250 million in AirCo debts and warrants. When the paperwork is finished, Onex will own a 31% stake, AMR 14.9%, and public shareholders 54%, or the majority. Key to this venture will be a shift of the reformed Air Canada away from its membership in the "Star Alliance" and into the AA-dominated "OneWorld" international grouping. AA would also provide reservation and accounting systems for the single carrier. Efficiencies would be gained by the elimination of 5,000 jobs, as well as other cost cutting measures such as route consolidations.

The offer is to be sent to both airlines by certified mail within two weeks and will expire on November 8. In 1995, Onex made a hostile takeover attempt on John Labatt, Ltd., which it eventually lost.

The Onex bid, viewed as "unsolicited" and "below-market" in value, is not welcome at **Air Canada, Ltd.** and will be officially said so in a press release on August 27. Meanwhile, Air Canada president/CEO

Robert Milton, in a message to employees on August 24, indicates that other bids and counter-offers may be expected. Initial responses from shareholders and analysts are surprise and caution.

Figuratively speaking, the stadium is filled in anticipation when the contest, on August 25, begins to take on the trappings of the first international alliance dual. Speaking on behalf of the "Star Alliance," **Deutsche Lufthansa, A.G.** announces that the grouping will do everything reasonable to maintain the presence of Air Canada "in the team for the sake of our customers and fair competition."

Also on August 25, following a two-and-a-half-year investigation by the U.S. Drug Enforcement Administration, Customs Service, Bureau of Alcohol, Tobacco and Firearms, and Miami-Dade County Police, a sting called Operation Ramp Rats nets 58 federally indicted suspects. Most of those caught up in the drug raids in New York, Miami, and Ft. Lauderdale are American Airlines baggage handlers, ramp agents, and contract food service workers, and three federal inspectors are also caught. AA, which has cooperated in the investigation, quickly points out that no management employees, pilots, or flight attendants were involved and that the number taken into custody represent only a "small percentage" of the carrier's workforce. Still, the raids further damage the company's image in the days ahead as media reports of the arrests circulate.

At midday on August 26, the three airlines directly involved in the Canadian airline matter plus Onex agree on one point: they will exercise a vow of silence until their business is completed.

On August 31, the **Air Canada, Ltd.** board of directors adopts and announces a shareholders' rights plan designed to give the carrier time, beyond November 8, to consider alternatives. Under the plan's "poison pill" provisions, should any bidder not approved by the company board attempt a takeover (by purchasing more than 10% of Air Canada's common stock), shareholders will receive one share of new stock for each one they already own, thereby diluting the bidder's airline stake. The directors also call for a special shareholders meeting on January 7 to consider proposals, a move immediately protested by Onex, which files suit in court to force a meeting on or before November 8.

The operations of **Reno Air** are folded into AA late on August 31 adding more than 150 nonstop daily flights to the major's West Coast route network. On this day, Reno employees begin wearing AA uniforms, the carrier's jetliners belong to American's fleet, all Reno flights become AA flights, and all airport signage is changed from Reno to American. Repainting of the Reno fleet will begin in January.

The operations of **Reno Air** are folded into AA late on August 31, adding 182 daily flights and 23 new routes, to the major's West Coast network. On this day, the nearly 2,100 inherited employees begin wearing AA uniforms, Reno's 25 MD-80s/MD-90-30s belong to American's fleet, all Reno flights become AA flights, and all airport signage is changed from Reno to American. Repainting of the Reno fleet is scheduled for January.

Company flight attendants, by a 73% margin, reject a tentative labor contract in September; thereafter, the 22,000 members of the Association of Professional Flight Attendants (APFA) work without a labor pact as negotiations are reopened.

The company's French base is transferred from Paris (ORY) to Paris (CDG) on October 1. Also in October, the European Commission reports that, after a 28-month investigation, it has found no basis for the AA charges that the Amadeus reservations system had engaged in exclusionary conduct that had hindered SABRE's ability to successfully compete in Europe. Code-sharing flights between Miami and Santiago with **LanChile Airlines (Lineas Aerea Nacional Chile, S.A.)** also commence in October.

In November, a U.S. judge rules that passengers disrupted by the February pilot sick-out may sue the Allied Pilots Association. The union has become a defendant in a \$50-million consumer group suit.

Following four months of an attempted alliance raid, AA and its Canadian partner are unsuccessful in their hostile bid to take over **Air Canada, Ltd.** and thus cause it to defect to "OneWorld" from the "Star Alliance." On December 4, largely as a result of "Star Alliance" help,

the Canadian major is able mount a successful defense that not only sees it save itself but also win approval for a takeover of AA partner **Canadian Airlines, Ltd.** The entire adventure involves some gain for AMR, as it receives \$107 million from the sale of its CAI stock and tax credits on its loss.

Following arrival at its Miami stop on a December 8 service from Lima to Chicago (ORD), Flight 1226, an MD-80 with 103 passengers is subjected to a bomb threat that forces aircraft evacuation. No explosives are found and the plane is able to resume its flight.

Twice-daily MD-80 roundtrips begin on December 16 from Los Angeles to Houston (HOU).

Also in December, former SBC Global Markets President William Hannigan succeeds Michael Durham as president/CEO of SABRE Holdings Corp. At the same time, AMR Chairman Carty announces that, prior to March 31, AMR will divest itself of its remaining 83% stake in SABRE, distributing 107 million shares of SABRE common stock to AMR shareholders. The arrangement will net \$5.21 per share for SABRE stockowners.

Although the carrier has added 45 aircraft to its fleet this year, its new B-777-227s still cannot fly in the more fully integrated relationship desired with **British Airways, Ltd. (2)** due to continuing failure of U.S.-U.K. bilateral talks.

Overall, customer bookings inch up a slight 0.1% to 81.5 million, while cargo climbs 7% to 2,511,439,000 FTKs. Revenues for AMR Corporation rise 1.2% to \$17,730,000,000, while costs are up 6.7% to \$16,574,000,000. Operating profit falls to \$1,156,000,000, while net gain drops to \$985 million. The 25% drop in the latter figure is blamed on the failed pilot sick-out.

Airline employment at the beginning of 2000 stands at 86,100, a 5.5% increase over the previous 12 months. Among the world's top 25 airlines, AA is 3rd in total passengers, 16th in FTKs, 4th in employees, and the leader in fleet size. AMR Corporation is 2nd in operating revenue and 3rd in both operating profit and in net profit.

Employing ERJ-145s, **American Eagle Airlines (2)** takes over the eight-times-a-day American service on January 5 between Dallas (LOV) and Austin.

Top management is restructured in January into an Office of the Chairman. Under the plan, a number of vice presidents are promoted by Chairman Carty into new or reconfigured posts, including Executive Vice President-Operations Robert Baker, who becomes vice chairman.

On January 26, a comprehensive code-sharing agreement is signed with **Cathay Pacific Airways (Pty.), Ltd.** Pending government approval, AA will place its designator code on Cathay flights between the U.S. and Hong Kong, as well as Cathay's intra-Asian services to and from Hong Kong.

On February 3, American announces a new effort to provide more coach cabin seating space and satisfy customers upset with operational delays across the industry. It will spend \$70 million to remove and replace 7,200 seats (6.4% of total capacity) from 700 jetliners, with half the work to be accomplished by summer. The first aircraft with the roomier cabin is an MD-80 returned to scheduled service on February 12.

Having been earlier seconded as chief operating officer to **Aerolineas Argentinas, S.A.**, David Cush returns in February and is named vice president-international planning and alliances. A comprehensive code-sharing agreement is signed with **THY Turkish Airlines, A.O.** on February 28.

American takes over two-thirds of the **American Eagle Airlines (2)** service between Dallas (DFW) and Knoxville on March 2, providing Fokker 100 roundtrips twice-daily; Eagle provides a third service employing an ERJ-145. The same day, B-757-227 daily roundtrips are started from Los Angeles to Orlando.

On March 14, AA confirms that it has received word that **Canadian Airlines, Ltd.** will depart the "OneWorld" alliance on June 1. **Air Canada, Ltd.** is a member of the rival "Star Alliance." The next day, in an unrelated matter, the SABRE spin-off is completed as AMR distributes common shares to stockholders. On March 29, AA announces that

it is trading in to Boeing the 5 former Reno MD-90-30s; only **Delta Air Lines** now flies the type in the U.S.

When the summer season begins in April, new or increased service is phased in from Los Angeles to Boston, Denver, Hartford, Las Vegas, Oakland, Phoenix, San Francisco, San Jose, and St. Louis. Simultaneously, new or increased frequencies are progressively staged from San Jose to Chicago (ORD), Dallas (DFW), Honolulu, Los Angeles, New York (JFK), and Phoenix.

The company also suspends service from Las Vegas to Colorado Springs, Oklahoma City, and Orange County, while increasing flights from that point to Reno; it also cancels 17 flights from Reno and Tahoe to Chicago (ORD), Las Vegas, Orange County, San Diego, Portland, and Seattle.

The major relieves **American Eagle Airlines (2)** of its Chicago (ORD) to Baltimore (BWI) responsibility on April 2, flying MD-80s between the two points four times a day. Four weekly B-767-327ER roundtrips begin on April 3 from Orlando to São Paulo and Rio de Janeiro.

Flight 1123, a B-757-227 en route from Dallas (DFW) to Denver on April 13, makes an emergency landing at Tulsa after the flight crew witnesses the top layer of metal being sucked off part of the front of the left wing slats. The incident is reminiscent of the stripping of metal from the fuselage of an in-flight **Aloha Airlines** B-737 some years earlier.

Security guards at Santo Domingo on April 14 are able to arrest three would-be stowaways to the U.S. hiding in the landing gear compartment of a company aircraft before it takes off.

Employing Fokker 100s reconfigured to carry only 56 first-class passengers, five daily roundtrips are initiated from Dallas (LOV) to Chicago (ORD) on May 1, along with four daily roundtrips from the battleground Texas airport to Los Angeles. The new service marks a return to Love Field following a 26-year absence.

Simultaneously, the daily B-767-227ER return service from New York (JFK) to Paris (CDG) is doubled.

Air Canada, Ltd. and **Canadian Airlines, Ltd.** announce on May 19 that they will end their code-sharing arrangements with **American Airlines** on or before October 1. Canadian and American had been partners for a decade.

Also in May, B-777-227s enter service on the Miami to London (LHR) route.

Dallas (DFW) replaces Chicago (ORD) on June 1 as U.S. terminus of the daily B-767-327ER return service to Zurich. Simultaneously, new daily B-767-327ER roundtrips are introduced between Chicago (ORD) and Rome. Two weeks later, B-777-227s, outfitted with the new "777 Flagship Suites" first-class cabin enhancements, are introduced on the Miami to Buenos Aires route.

In order to expand services from Los Angeles (LAX) and San Jose, AA, on July 2, ends virtually all of the services once operated by **Reno Air**, including most of the ex-Reno routes into California, Oregon, Colorado, Washington, and Oklahoma emanating from Las Vegas and Reno.

The company's efforts to limit long-haul operations from Dallas (LOV) end in early July after the U.S. Supreme Court declines to hear the carrier's petitions. At the same time, the airline, in response to the recently announced merger between **United Airlines** and **USAirways**, enters into linkage talks with **Northwest Airlines**.

Orders are placed on August 1 for 6 more B-777-227ERs and 3 B-737-827s with deliveries to begin at the end of 2001.

At the end of August, AA petitions the National Mediation Board to intervene in its ongoing, but still unsuccessful, contract talks with APFA. Thrice-daily Fokker 100 roundtrips are launched from Dallas (LOV) to New York (LGA) on August 31. The new service begins a week ahead of that slated by new entrant **Legend Airlines**, already an arch Love Field rival.

On September 1, the carrier announces that, two months hence, it will enter the Boston to Washington (DCA) market in competition with Delta Shuttle and **USAirways Shuttle**. Six daily Fokker 100 roundtrips will be offered which, when coupled with existing service by **Business Ex-**

press and **American Eagle Airlines (2)**, will boost AA service at Boston to almost 200 daily flights.

A possible move that could unravel the entire international alliance picture is announced on September 13. If KLM and BA merge, AA will quit "OneWorld" in favor of another unnamed grouping.

New Paris (CDG) authority is received in mid-September; American will add seven weekly flights from Chicago (ORD) and San Jose, California.

Relief is immediate when, on September 22, BA and KLM call off their merger discussions. The same day, the U.S. 5th Circuit Court of Appeals denies a request from the APA to overturn the \$45.5-million fine for the illegal sick-out conducted early in the previous year after a federal judge had ordered the pilots back to work.

As is the case with many U.S. carriers, American has suffered a huge number of delays and other problems this year that have led to a downturn in perceived service and an increase in passenger complaints. In an effort to alleviate the key difficulties at Chicago (ORD), the carrier, on October 1, restructures its schedules by revamping its flight schedules out of Dallas (DFW) and adding greater time between connecting flights.

Under a new code-sharing agreement with **THY Turkish Airlines (Turk Hava Yollari, A.O.)**, AA this day also places its designator on THY services from Istanbul to New York (JFK), Chicago (ORD), and Miami. The Turkish line is permitted to code-share on AA domestic flights from those gateways.

On October 3, the company notes that, in association with **EVA Airways, Ltd.**, it will begin daily B-777-227ER roundtrips between San Jose and Taipei in April. The *London Sunday Times* reports on October 22 that "OneWorld" partner **British Airways, Ltd. (2)** has begun talks with **Air France** and **Delta Air Lines** concerning its possible membership in their "SkyTeam" alliance.

The code-sharing agreement with **Japan Air Lines Company, Ltd. (2)** is expanded on October 25 as the Japanese carrier places its designator on AA services to four Mexican destinations (including Mexico City and Guadalajara) from Dallas (DFW) and from New York (JFK) and Chicago (ORD) to Toronto, Montreal, and Ottawa.

Under a code-sharing agreement signed with **TAP-Air Portugal, S.A.** on June 13, American, on October 29, places its designator on TAP flights from Lisbon to Boston, Newark, and New York (JFK). TAP is able to place its code on AA domestic flights beyond those three gateways.

Nonstop service between Los Angeles and Toronto is restarted on November 1 with a Next Generation B-737-827, but is halted between New York (JFK) and Frankfurt. Poor loads also bring an end to flights from Orlando to São Paulo and from Seattle to Anchorage.

The same day, the previously announced Washington (DCA) to Boston Fokker 100 service begins, as do thrice-daily MD-82/MD-83 return flights between New York (LGA) and St. Louis and daily roundtrips between Los Angeles and Tulsa. The code-sharing agreement with **Qantas Airways (Pty.), Ltd.** is now expanded as the company places its designator on flights from Vancouver to Sydney via Honolulu, and from Sydney to Christchurch.

On November 21, Flight 8, the DC-10-30 service from Honolulu to Dallas (DFW), is the last by the company using the Douglas wide-body; all DC-10s are thereafter retired from AA passenger schedules.

Daily Dallas (DFW)–Maui via San Jose B-757-227 service begins on November 22.

From the enhanced San Jose hub, AA launches daily B-757-227 roundtrips on December 15 to Maui and to Miami. MD-83 daily nonstops are also begun from New York (LGA) to West Palm Beach and seasonally (through March) from Dallas (DFW) to Telluride.

AMERICAN AIRWAYS (1): United States (1921–1922). The first American Airways is set up at College Point, Long Island, New York, in the spring of 1921 to offer services to New York City. Revenue flights commence with 1 Curtiss HS-2L flying boat and, in the inaugural season, a total of 600 passengers are flown over 4,000 miles.

The company's fleet is enlarged in **1922** by the addition of 3 more HS-2Ls, 5 Curtiss MF flying boats, and 1 Aeromarine 40. Only 75 passengers are carried over 1,500 miles before the company ceases operations in the late spring.

AMERICAN AIRWAYS (2): United States (1930–1934). American Airways is created on January 25, **1930** as the principal air transport operating subsidiary of The Aviation Corporation (AVCO), then chaired by Averill Harriman. Initial capitalization comprises 40,000 shares of \$100 preferred stock and 10,000 common shares. Frederick G. Coburn is president of AVCO, but he is not given a separate president for the subsidiary. A proposal is put forward that AVCO's various operating subsidiaries exchange all of their stock with AA for common stock in the latter given in proportion to the relative value of the merger partners.

Except for **Embry-Riddle Aviation Corporation**, all agree and the reorganization is accomplished on February 1. The former subsidiaries and their stock acquisitions are: **Colonial Airways Corporation** (2,226); **Southern Air Transport System** (2,074); and **Universal Aviation Corporation** (4,288). Additionally, Aviation Corporation (a composite of **Interstate Airlines**, **Alaskan Airways**, and **Cuban Aviation Corporation**) receives 1,025 shares. Embry-Riddle is offered 387 shares but declines. With the tables turned upside down, the former independent subsidiaries are now controlled by AA, which in turn is controlled by the four former subsidiaries, now stockholders and divisions.

A Travel Air 6000A of the Universal division crash-lands at Kansas City, Kansas, on January 27 (five dead). On February 3, a Pitcairn PA-6 of the Colonial division, while buzzing Hartford's Brainard Field upon arrival from Newark, hits the field house and crashes (one dead). Another Colonial division PA-6 crashes into trees at Silver Creek, New York, on the same day; the pilot is uninjured.

Caught in thick fog near the Hackensack River on April 18, a Colonial division Fairchild 71 hits a high-tension wire and crashes (four dead). On April 29, Congress passes the McNary-Watres Act and, on May 1, the **Central Air Lines** subsidiary of the Universal division completes its final run and is closed down, turning over its Tulsa to Kansas City route to the Southern Air Transport (SAT) division. Between May 15 and June 9, President Coburn participates in the so-called Washington, D.C. "Spoils Conference," held between Postmaster General Walter Fogler Brown and representatives of major air transport concerns. An effort is now made to win a southern transcontinental airmail route and a bid is made for Contract Air Mail Route 33 (CAM-33). There is only one competitor, **Southwest Air Fast Express (SAFEWAY)**, owned by Erle P. Halliburton.

On June 5, the Colonial division Ford 5-AT-33 *Nacomis*, with 15 aboard, fails its takeoff from Boston for New York. The aircraft suffers engine failure and crashes into the water at the end of the runway (one dead).

In the "Great Hangar Fire" at Chicago on June 25, a Fokker F-10, 1 Fokker Model 8 Super Universal, and 4 F-10As of the Universal division are destroyed. Also in June, William "Bill" Littlewood, whose technical expertise will become vital in the years ahead, joins the carrier as safety officer.

The Universal division's **Braniff Air Lines** subsidiary is closed down on July 1. Simultaneously, three former Interstate Stearman LT-1s are assigned to the Universal division. At the same time as the July 16 merger of **Western Air Express** and **TAT-Maddux Air Lines**, an agreement is entered into with the new **Transcontinental and Western Air, Inc. (T&WA)**. Should both companies be awarded transcontinental mail routes, T&WA will pay AA \$284,500 for some Tulsa property and purchase 20,000 WAE shares for \$1.11 million. On the strength of this agreement, American offers to buy out Halliburton, enticing him with a potentially large cash payoff. The entrepreneur accepts and AA takes over SAFEWAY, turning it into a division even before it is paid for and immediately assigning to it the former **Braniff Air Lines** Tulsa–Dallas service.

On October 1, the Universal division's Northern Air Lines subsidiary completes its final Chicago–Cleveland service. On October 10, the Post

Office awards CAM-33 to American Airways. The Southern Air Transport division inaugurates the 2,102-mile CAM-33 on October 15, flying from Atlanta to Los Angeles via Jackson, Shreveport, Dallas, Fort Worth, Big Spring, El Paso, Douglas, Tucson, and Phoenix. The aircraft assigned to undertake the operation are drawn from 3 sources: 5 Fokker F-10As from T&WA, 9 Ford 5-ATs and 2 Lockheed Vegas from the SAFEWAY purchase, and 6 F-10As from the Universal division. One-way passenger fares over the whole route are \$147.15.

With the government's concession for CAM-34 in hand, T&WA inaugurates 36-hour, single stop (Kansas City), coast-to-coast, all-air service on October 25. Five days later, T&WA pays off on the AA agreement and AA finalizes the purchase of SAFEWAY. Also in October, tiny **Delta Air Service**, operating between Atlanta and Dallas (DFW), is acquired. The Northern Air Lines subsidiary of the Universal division completes its last Chicago–Kansas City flight on November 15 and is then shut down. A Fokker F-10A crashes at Dallas on November 22; there are no injuries.

On December 1, a stop in Hartford is added on the Newark–Boston service of the Colonial division. At year's end, the Southern Air Transport division is renamed Southern Transcontinental Airways. All of this expansion during the 12 months results in losses of \$3.4 million.

The last of the company's biplane mailplanes, 12 Stearman 4CM1s, enter service in April **1931**. In May, CAM-28 and new AM-30 are consolidated and passenger services are initiated from St. Louis to Omaha via Kansas City in early June. At the same time, AM-30 is stretched west to Denver, but that mail run is sublet to **United States Airways** as a payment to the small carrier's defection from the United Aviation group.

A new mail route is opened on June 15 when flights begin from Chicago to New Orleans via St. Louis, over two amalgamated mail routes: AM-2, Chicago–St. Louis–Memphis and an AM-33 northward extension from Jackson–Memphis–New Orleans. Meanwhile, CAM-20 from Albany to Cleveland and CAM-16 from Cleveland to Nashville via Cincinnati and Louisville are combined into a single AM-20. Then the Albany terminus is extended down to New York City while the Nashville stop is continued south to Fort Worth via Memphis.

Flights over the new Fort Worth to New York route commence on June 15. Southern Transcontinental Airways maintains the route for which it is named until June 30, at which time STA is renamed the Southern division. Four 5-ATs and 10 F-10As are assigned to the new unit. The two Vegas previously employed are scrapped while five Ford 5-ATs are transferred (to the Colonial division) or sold to T&WA. The route network at midyear totals 23,026 miles.

A Stearman C3MB is lost in an accident at Fredericksburg, Texas, on July 18. On July 21 the Universal division operations manager, F. Edward Hamann, filling in on a St. Louis–Evansville mail run, is killed when his Pitcairn PA-6 Super Mailwing crashes at Centralia, Illinois.

On August 1, the former **Western Air Express (WAE)** routes from Amarillo–Dallas and El Paso–Albuquerque are acquired, the latter for mail only. Eight days later, an Embry-Riddle division Ford 5-AT-29 crashes into the Little Miami River near Cincinnati following the literal loss of the starboard engine during takeoff for Atlanta (six dead). Also in August, the first of 16 Fairchild Pilgrim 100s join the fleet. These enter service on the Dallas–Brownsville and Chicago–St. Louis routes in September.

Twice per day Chicago–Cincinnati Pilgrim flights commence in November, followed by an equal frequency between Cleveland and Louisville in December. On December 31, a Pilgrim 100A crashes near Columbus (four dead). President Coburn is able to cut the company's loss to "only" \$1 million for the year; however, the cumulative loss under his presidency has reached \$38 million.

The last of 16 Pilgrims, 6 new Model 100Bs, are delivered in February **1932**. On March 10, Chairman/President Coburn resigns by request and is replaced by Lamotte T. Cohu, who in turn appoints Cyrus R. "C. R." Smith as vice president for operations, a new department designed to provide centralized administration for the various subsidiaries. These are now pared from four to two: the Eastern Division, based at New

York, and the Southern Division, located at Fort Worth. The Pilgrim 100Bs are introduced into service on March 12 on a six-days-a-week schedule between New York City and Montreal. En route to Burbank from Phoenix on March 19, a Fokker F-10A strikes a fog-shrouded high-tension wire and crashes (seven dead).

In April, **Century Air Lines** and **Century Pacific Airlines** are purchased (in a 140,000 share stock exchange); their owner, Errett L. Cord, becomes an AA director. As a result of the acquisition, the enhanced American receives 12 Stinson SM-6000Bs, which increase the fleet total to 89 aircraft. Embry-Riddle's participation, withheld in 1930, is now finally secured. Also in April, Edward V. "Eddie" Rickenbacker is hired away from General Motors to serve as vice president.

Just-nominated Democratic presidential candidate Franklin Delano Roosevelt, with his wife Eleanor and sons Elliot and John, are flown from Albany to Chicago via Buffalo and Cleveland, on July 2 aboard the company's Ford 5-AT-75 to give his acceptance speech; both Roosevelt and American Airways obtain maximum publicity.

Later claiming a desire for flight experience, Howard Hughes, a.k.a. Charles Howard, serves as a copilot, flying the Fort Worth to Cleveland route for two months—the only steady job he holds during his entire life—at \$250 per month. On September 8, a Fokker F-10A en route to Dallas from El Paso, strikes a peak in the Guadalupe Mountains and crashes (three dead).

On January 20, 1933, a Stearman 4CM1 mailplane crashes at Boerne, Texas (one dead). The same day, another 4CM1 crashes at Marietta, Georgia, and another pilot is killed. On January 31, the Thompson Aeronautical Corporation (and its operating airline, **Transamerican Airlines**) is purchased, together with its AM-27 route (Bay City, Michigan, to Chicago) and 23 aircraft, 10 of which are retained.

In early February, **Martz Air Lines** is acquired; it is allowed to continue operations over its Wilkes Barre–New York–Buffalo route until it is amalgamated on March 31. Following flight testing of the Vultee V-1 prototype during the month, it is turned over to the carrier. Also in February, three new airmail routes are inaugurated: Boston to Albany on AM-20; Buffalo to Detroit on AM-27; and Toledo to Columbus on AM-27.

As the result of his efforts to cut out certain extravagances, Director Cord becomes involved with Wall Street financiers Robert Lehman and W. Averill Harriman in a struggle for control of AVCO, which he wins on March 15. As a result, Chairman/President Cohu resigns and is replaced by Cord, who retains the AVCO chairmanship. Rickenbacker, on the wrong side during the power struggle and remaining loyal to Lehman and Harriman, resigns, but C. R. Smith, who has by now convinced Cord to purchase Condor IIs, is retained.

While taking off from Fort Worth on March 16, a Pilgrim 100A takes fire and makes a nonfatal crash landing. Six days later, a Pitcairn PA-6 Super Mailwing is lost when its pilot is forced to bail out over Conneaut, Ohio.

In early April, the first class of female flight attendants is hired. May Bobeck, Agnes Nohava, Marie Allen, and Velma Maule are given three days of hostess training in a Chicago hangar. Four Curtiss T-32 Condor II biplane transports are delivered later in the month. The first is placed into service on May 3 between Chicago and New York via Detroit and Buffalo; with Velma Maule aboard to assist passengers, the trip is also the inaugural flight for American's long succeeding line of stewardesses. The new frequency is known as the Valley Service from its passage over the Susquehanna River valley.

An experimental night sleeper service is tried out in July aboard a Ford Tri-Motor equipped with a dozen folding seats that can be collapsed into six berths. The successful trial results in an order for six T-32A/B sleeper planes. Meanwhile, six Lockheed Model 9 Orions are delivered in July–August. On October 1, the company's Fords inaugurate a new Chicago to Washington route via Indianapolis, Cincinnati, and a new stop at Charleston, West Virginia.

In December, high speed Lockheed Model 9 Orions are placed into service on new mail and express schedules between Fort Worth and

Cleveland and Los Angeles. Former **United Air Lines** official Lester D "Bing" Seymour is appointed president on Christmas Day. The loss for the year totals \$160,245.

On February 9, 1934 as a result of the so-called "Airmail Scandal," the U.S. government cancels existing airmail contracts and calls upon the U.S. Army Air Corps to fly the mail. American Airways continues to handle its unsubsidized passenger traffic. While taking off from Bryantsville, Kentucky, en route to Louisville on February 12, a Pilgrim 100A strikes a tree and crashes (one dead).

Iced up, the motor of a Pilgrim 100A stops over Petersburg, Illinois, on March 6 and the plane crashes (four dead). The loss of subsidy payment to American is \$375,000. On March 17, the first Curtiss T-32A sleeper plane is delivered. These are now placed into service on the company's transcontinental route.

The Army Air Corps experiment ends on March 30 and the Post Office advertises for new contracts with the provision that these may not be awarded to carriers that had participated in the famous "Spoils Conference" held in May–June 1930.

During the first quarter, the company is involved in another high-profile charter. Following his conviction for the kidnapping of Charles F. Urschel the previous year, George "Machine Gun" Kelly is sentenced to life at the new federal island prison of Alcatraz. An AA Condor II is chartered by the U.S. Bureau of Prisons to transport Kelly to San Francisco, where newsreel cameras capture his deplanement. He is taken by police van to the dock from whence he is sent by boat to "The Rock."

Incidentally, in his memoir *The Violent Years* (Hillman Books, 1960), FBI Special Agent Melvin H. Purvis writes that as part of the kidnapper's ransom request, Urschel notes that passenger aircraft fly over the hideout at a certain time each day. Reviewing schedules, Purvis and his colleagues are able to determine that AA is the carrier in question and that from the flight times, the Paris, Texas, area holds the hideout.

AVCO now retires from the air mail business and its subholders take over American's shareholding. On April 12, the carrier is reformed under Delaware law and renamed **American Airlines**. This expedient, retroactive to April 11, qualifies the company to share in the government's distribution of new mail contracts later in the month.

AMERICAN AIRWAYS CHARTERS: United States (1979–1982). AAC is established at Miami in 1979 to offer nonscheduled passenger and cargo charters between the U.S. and Cuba. Operations continue apace until the U.S. Department of Treasury halts all charter flights to and from the island on April 9, 1982. Declared an agent of the Cuban government by the Treasury the same day, the carrier is ordered to shut down, but is allowed to operate several last flights prior to April 17 in order to allow U.S. and Cuban travelers to return home.

AMERICAN CARRIER CORPORATION: United States (1970–1971). ACA is set up at Chicago (MDW) in 1970 to provide scheduled Beech 18 courier and cargo flights to Minneapolis, Detroit, Cleveland, and occasional points in the northeast. Passengers are infrequently flown and operations cease in 1971.

AMERICAN CENTRAL AIRLINES (1): United States (1978–1979). The first ACA is set up at Greeley, Colorado, in 1978 to provide Piper PA-31-310 Navajo scheduled commuter flights to Denver and Fort Collins. Services cannot be maintained a year.

AMERICAN CENTRAL AIRLINES (2): United States (1980–1985). Organized as **Mid-Continent Airlines (2)** in 1964, the small Dubuque-based commuter carrier is acquired by Terry Hudik and Mike Gedman in July 1980, reformed, and then begins scheduled services to five points with a fleet comprising 2 Piper PA-23 Aztecs and 1 PA-31-310 Navajo. A total of 2,003 passengers are flown during the remainder of the year.

Five Piper PA-31-350 Navajo Chieftains are acquired in 1981 as orders are placed for 2, later 5, Embraer EMB-110 Bandeirantes. Four new cities are added to the route network that now includes Minneapolis

(MSP), Waterloo, Omaha, Janesville, Dubuque, Sioux City, Cedar Rapids, Des Moines, and Chicago.

Passenger boardings skyrocket 892% for the first full year of reorganized operations, climbing to 17,860, and a \$61,000 operating profit is generated.

The workforce is increased 109.6% in 1982 to 174. With others holding rights to the Mid-Continent name, the new corporate identity, American Central Airlines, is unveiled in January. The first EMB-110 is received in the spring and is employed to initiate Essential Air Service (EAS) flights to Clinton and Ottumwa, Iowa, replacing those formerly provided by **Mississippi Valley Airlines**. When the second Bandeirante is delivered during the summer, the company receives an EAS contract to replace **Ozark Airlines'** service to Mason City and Fort Dodge.

Three more EMB-110s arrive in the fall and join the company's 7 Navajo Chieftains. Attempting to land in dense fog at Dubuque on December 27, a Bandeirante crashes, killing its pilot and copilot, the only people aboard.

Customer bookings climb 170% to 48,229 and revenues skyrocket 117.4% to \$5 million. Although expenses ascend 96.5% to \$4.4 million, they are not able to prevent a \$600,000 operating profit.

The payroll is significantly upgraded in 1983, rising 53.9% to 200 workers. The company's fleet of 13 Embraer EMB-110P Bandeirantes and 8 Piper PA-31-350 Navajo Chieftains maintain services from the Dubuque, Iowa base to 24 destinations, including Chicago (ORD and MDW), Moline, Rockford, Cedar Rapids, Clinton, Des Moines, Dubuque, Mason City, Ottumwa, Sioux City, Waterloo, Detroit, Manistee, Minneapolis, Rochester, Kansas City, Lincoln, Omaha, Sioux Falls, Beloit/Janesville, Marshfield, Oshkosh, and Wisconsin Rapids.

Passenger boardings during the 12 months skyrocket 133.6% to 112,650.

Early in 1984, the 7 EMB-110s of **Fairflight, Ltd.** are purchased; upon their delivery later in the year, ACA will become the world's largest Bandeirante operator with 13. Due to alleged aircraft safety violations, the FAA grounds the 317-employee carrier on December 8. Enplanements through November total 170,209.

The company applies for recertification in January 1985 and resumes a limited number of flights along its route network. The loss of a month of revenue makes it impossible for the new president, James Pickett, to continue operation and ACA is forced to file for Chapter XI bankruptcy on March 9. The Bandeirantes continue operations while efforts to reemerge are made. Despite the company's recertification by the government on June 8, all services cease on July 24 and the assets are sold.

AMERICAN EAGLE (AMR). See **AIRCAL; AIR MIDWEST; AIR VIRGINIA; AVAIR; BUSINESS EXPRESS; CHAPARRAL AIRLINES; COMMAND AIRWAYS; EXECUTIVE AIR CHARTER; EXECUTIVE AIRLINES; FLAGSHIP AIRLINES; METRO AIRLINES/METROFLIGHT; METRO EXPRESS II; NASHVILLE EAGLE; SIMMONS AIRLINES; WINGS WEST AIRLINES**

AMERICAN EAGLE AIRLINES (1): United States (1980-1981). AEA is founded at Baltimore in 1980; equipped with a pair of Boeing 707-321Bs first flown by **Pan American World Airways (1)**, it inaugurates passenger charters on April 13 to Frankfurt, West Germany and to Caribbean destinations. The company also wins a contract to transport Muslims during the summer as part of the annual Hadj pilgrimage to Mecca.

Certification is received for the inauguration of scheduled services over its former charter routes to the Caribbean. **American Airlines** protests this authority to the CAB due to the similarity in company names. The new and unfilled schedule, together with the costs of fighting the Dallas-based major, almost immediately threatens to bankrupt AEA.

A total of 45,000 passengers are flown in the fourth quarter.

Charter service is resumed for the winter holiday season, but AEA shuts down in April 1981, filing for Chapter XI bankruptcy protection. It will not reemerge.

AMERICAN EAGLE AIRLINES (2): P.O. Box 61916, MD 5475, Dallas-Fort Worth International Airport, Dallas, Texas 76155, United States; Phone (817) 967-1295; Fax (917) 967-30977; <http://www.aa.com>; Code AA; Year Founded 1998. Initially a confederation, followed by four wholly owned coordinated companies, American Eagle is the regional subsidiary the AMR Corporation, parent of affiliated **American Airlines**. By the end of 1997, the four companies **Simmons Airlines, Executive Airlines (3), Flagship Airlines, and Wings West Airlines**), whose pilots had signed a single pilot contract in August, are collectively operating 1,400 flights per day to 127 cities in the U.S., Caribbean, and Canada.

The four airlines combined transport a total of 12,117,534 passengers during the month.

The fleet comprises 46 Aero International (Regional) ATR42-320s, 38 ATR72-212/212As, and 115 SAAB 340B/B-Plus turboprops. Orders are outstanding for 3 ATR72-212As, 25 Canadair RJ700s, and 42 Embraer ERJ-145 Amazons, relabeled ExpressJets. AEA is the North American launch customer for the stretched Canadair CRJ-700, which is expected to begin joining the fleet during the first quarter of 2001.

On January 15, 1998, company officials, led by AMR Eagle President Daniel P. Garten, announce a change in operation. The availability of regional jets, the previous August's single Eagle pilot contract, and changes in the economics of the regional airline business dictate consolidation. Consequently, by the year's end, AMR will integrate all four of its airlines into a single carrier that becomes the principal subsidiary of AMR Eagle Holding Corporation.

At the same time, it is noted that AMR Eagle and Embraer, the aircraft manufacturer, have signed a \$1.1-billion export-finance contract with the National Development Bank of Brazil. The arrangement provides a line of credit that will cover the cost, over three years, of the airline's acquisition of the 42 ERJ-145 ExpressJets ordered at the June 1997 Paris Air Show, 22 of which are expected before year's end.

Also in January, a major code-sharing agreement is entered into with **Midwest Express Airlines**. The agreement will come into effect at the time of the merger. The first two Embraer ERJ-145ER (Extended Range) ExpressJets are delivered on February 28.

During the second quarter, the new carrier's field services organization begins to take shape. A number of appointments are made at the end of April (effective July 1), including David D. C. K. Kennedy, who becomes senior vice president-field services, while Ed Criner, **Flagship Airlines** vice president-flight operations is named AEA's vice president-flight operations.

Reporting to Mr. Kennedy will be six new hub vice presidents: Mike Costello at Dallas/Ft. Worth; Dave Brown at Los Angeles; Jacques Vachon at Miami; Robert Hamilton at New York (JFK); and former **Executive Airlines (3)** President George Hazy at San Juan.

G Concourse, located in Terminal 3, adjacent to American Airlines' H and K concourses at Chicago (ORD), is renovated and now features 20 exclusive Jetway passenger loading bridges for use with the airline's new regional jets and turboprops.

Two ERJ-145LRs join the fleet at the beginning of April and one of the ERJ-145ERs has an engine change, becoming an RJ-145MR. All of the ExpressJets will eventually be LR (Long Range) models. Those now on hand are employed for training and federally required proving flights.

Also, on April 30, the company's four semiautonomous carriers (**Simmons Airlines, Flagship Airlines, Executive Airlines (3), and Wings West Airlines**) begin a seven-month period of amalgamation into this single mammoth operation, now viewed by AMR as a sister of **American Airlines**. The presidents of **Simmons, Flagship, and Wings West** are provided with appointments elsewhere within AMR and are replaced with vice presidents at each of the new airline's hubs. Simmons becomes the core of AEA. It will be followed into the merger by Flagship in May and Wings West in June.

On May 1, the combined new carrier is the world's largest regional airline. It is also the third largest airline operating out of Chicago (ORD) and, based on daily departures, the seventh largest air carrier in the U.S.

The dual-designator pact with **Midwest Express Airlines** now begins at Los Angeles and Dallas (DFW). Midwest passengers in Los Angeles are able to connect with Eagle flights to Bakersfield, Carlsbad, Fresno, Monterey, Palm Springs, San Diego, San Luis Obispo, and Santa Barbara. From Dallas (DFW), connections are available to 32 more communities in the South and Southwest.

On May 15, AEA introduces Embraer ERJ-145 ExpressJet services using the new Brazilian jetliners painted in AEA colors. The initial flights, operated by **Simmons Airlines**, include five daily roundtrips from Chicago (ORD) to Cincinnati, six a day from Chicago to Cleveland, and a daily roundtrip from the Chicago to Milwaukee.

Simultaneously, agreement is reached with the Transport Workers Union of America for a new single-carrier contract. The agreement covers flight dispatchers, mechanics, and ramp-service personnel.

On May 18, **American Airlines** signs a broad marketing agreement with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, which includes linkage of frequent flyer programs and code-sharing.

Four-times-a-day ERJ-145LR service from Chicago (ORD) to Indianapolis begins on June 5, along with five-times-a-day roundtrips to Columbus. Under the May 18 AA-Iberia pact, the Spanish major, beginning on June 10, is allowed to place its "IB" code on certain American Eagle frequencies beyond its Miami gateway to Orlando and Houston (Intercontinental Airport).

Also in early June, the decision is taken to separately maintain the certificate of Puerto Rico-based **Executive Airlines (3)**, moving its operating certificate to Dallas-Ft. Worth on July 1. The physical merger of the company into American Eagle Airlines is delayed.

Twice-daily roundtrip ERJ-145LR service is inaugurated to Des Moines on June 26, with two more daily roundtrips added to the Indianapolis schedule.

On July 1, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** begins dual-designator service with AEA aboard the latter's frequencies from New York (JFK) to Philadelphia and Pittsburgh.

Chicago (ORD) to Cedar Rapids ERJ-145 flights commence on July 7; the Embraers replace turboprops on two of the six daily frequencies. Simultaneously, ERJ-145s begin to replace turboprops on flights from O'Hare to Cleveland, Columbus, and Cincinnati.

Enplanements for July surge 9.2% to 1,231,923 and represent the largest one-month increase in the 14-year history of the American Eagle system.

On August 2, ERJ-145 ExpressJets replace turboprops on two of the five daily company roundtrips between Chicago (ORD) and Dayton.

Twice-daily ERJ-145 service is started on August 7 from Chicago (ORD) to Shreveport, Louisiana. The day's new schedule also allows the carrier to provide jet service between Shreveport and its Dallas-Fort Worth hub, replacing one of its 12 existing turboprop roundtrips.

Two more turboprop Chicago-Cedar Rapids services become ERJ-145 on August 27. Simultaneously, the airline and its sister, **American Airlines**, reach agreement with **Northwest Airlines** that will allow them to accept NWA tickets in the event that a strike, looming in two days, occurs. The next day, all five daily services between Chicago and Dayton become ERJ-145.

While on approach to Chicago (ORD) from Wausau, Wisconsin, on September 17, Flight 4146, an ATR42-320 with 3 crew and 13 passengers, experiences wake turbulence from a Boeing 727. The flight attendant suffers a broken ankle.

By September 22, American Eagle has received 12 of 42 ERJ-145s ordered the previous year. Thrice-daily ERJ-145 flights to Duluth and Superior from Chicago (ORD) commence on September 28.

Twice-daily nonstop ERJ-145 roundtrips begin from Chicago (ORD) to Montgomery, Alabama, on October 5. Daily ERJ-145 nonstop roundtrips are simultaneously introduced between Montgomery and Dallas (DFW).

On November 1, thrice-daily ERJ-145LR roundtrips commence between Chicago (ORD) and the new Northwest Arkansas Regional Airport that serves Fayetteville, Bentonville, Rogers, and Springdale. Si-

multaneously, the company's current ATR72-212 service between Dallas (DFW) and Fayetteville's Drake Airport is transferred to Northwest Arkansas Regional.

The regional, on November 12, exercises 8 of its 25 options for the 50-seat ERJ-145. The move accelerates the company's plan to attain the maximum number of regional jets permitted to it under existing labor agreements with the Allied Pilots Association (APA). With the new order, American Eagle will reach its limit of 67 aircraft, applicable to jetliners with 45 seats or more, at the end of 2001.

Two of the carrier's 11 daily ATR72-212 roundtrips between Dallas (DFW) and Northwest Arkansas Regional Airport are replaced on November 14 by ERJ-145LRs.

ATR72-212A nonstop roundtrip service is inaugurated by **Executive Airlines (3)** between Ft. Lauderdale and Nassau on November 16, four times a day. Simultaneously, American Eagle replaces a turboprop with an ERJ-145LR on one of its eight daily roundtrips between Abilene and Dallas (DFW).

It is announced on November 23 that, effective January 6, an ERJ-145LR will replace an ATR72-212 on one of the carrier's six daily roundtrips between Chicago (ORD) and Peoria.

In response to a TCAS warning, an ATR72-212A with 3 crew and 48 passengers en route from Nassau on December 1, executes an emergency pull-up at a point 30 mi. SE of Ft. Lauderdale, during which the flight attendant falls and breaks her leg. The service to Ft. Lauderdale is completed and the flight attendant is taken to a local hospital.

On December 4, in a move to strengthen its regional presence in the Northeast, American Eagle purchases **Business Express Airlines** from the Philadelphia-based investment partnership Dimeling, Schreiber & Park for an undisclosed price. American Eagle gains the Business Express slots at New York (LGA). The regional will operate as a separate entity until all takeover arrangements are completed. Business Express, meanwhile, negotiates with **Delta Air Lines** and **Northwest Airlines** concerning its regional partnerships with those majors.

On December 7, ERJ-145LRs replace turboprops on 2 of the carrier's 11 daily roundtrips between Dallas (DFW) and Houston (HOU).

On December 9, Alaska Air Group president William Ayer announces that a letter of intent for the creation of a marketing partnership has been signed between its subsidiaries, **Alaska Airlines** and **Horizon Air**, and AMR Corporation and its subsidiaries, **American Airlines** and **American Eagle**. The alliance will greatly expand travel and mileage opportunities for AAG passengers and strengthen the marketing presence for both corporations in California, the Pacific Northwest, and the West Coast. The four airlines will implement a fully reciprocal frequent flyer relationship; code-sharing is also under discussion, but remains subject to labor contract provisions.

Two more daily nonstop ATR72-212A roundtrips are added on December 10 between Ft. Lauderdale and Nassau. Twice-daily Saturday and Sunday ERJ-145LR roundtrips from Columbus to Miami are begun on December 12. American Eagle is the only airline to provide Columbus with nonstop service to Miami, although the service is only for the winter season.

Two days later, on December 14, the company announces additional schedule enhancements. On February 23, the company will augment **American Airlines'** twice-daily roundtrips between Long Island MacArthur Airport and Chicago (ORD) by operating two new daily ERJ-145ER roundtrips of its own. Thrice-daily ERJ-145ER roundtrips will start on March 8 from Chicago (ORD) to Memphis.

The number of daily roundtrip SAAB 340B roundtrips between Los Angeles (LAX) and Bakersfield are doubled on December 15 from two to four.

As the result of intensive lobbying by U.S. Senator Trent Lott (R-Miss.), American Eagle announces on December 21 that it will replace turboprops on three of the company's six daily roundtrips from Jackson, Mississippi, to Dallas (DFW) on February 19.

When an ice storm sweeps across the south on December 23, American Eagle is forced to cancel all of its flights from Dallas (DFW) to

Shreveport and Alexandria, Louisiana, Fort Smith and Texarkana, Arkansas, Jackson, Mississippi, and the Texas communities of Abilene, Killeen, Longview, Tyler, Waco, and Wichita Falls.

ERJ-145LR frequencies from Dallas (DFW) to Hobby Airport are doubled to four on December 28. The next day, a second daily nonstop roundtrip is added between Dallas-Fort Worth and Montgomery, Alabama.

Passenger boardings for the year jump 6.5% to 11.44 million as AEA moves up the ranks. Cargo traffic climbs 13% to 393,000 FTKs and revenues jump 10.2% to \$1.12 billion.

Early in January 1999, American Eagle is named 1998 "Regional Carrier of the Year" by *Commuter World* magazine. Peter M. Bowler becomes the carrier's new president.

American Airlines, on January 20, officially dedicates its new facilities and gates at its third Dallas (DFW) terminal; nine new gates and other facilities at Terminal B, valued at \$120 million, complement existing American Airlines and American Eagle facilities at Terminals A and C.

Also during the month, American Eagle becomes the first U.S. regional airline to be awarded Extended Over-water Certification by the FAA. The new certification allows **Executive Airlines (3)** to initiate daily ATR72-212A roundtrips on February 1 between San Juan and Port of Spain, Trinidad.

Both **American Airlines** and American Eagle begin service from Terminal B at Dallas-Fort Worth on February 1. ERJ-145s replace ATRs on three of the six daily roundtrips between Jackson, Mississippi, and Dallas (DFW) beginning on February 19.

Augmenting the twice-daily **American Airlines** schedule between Long Island's MacArthur Airport and Chicago (ORD), American Eagle launches twice-daily ERJ-145 roundtrips between the two points on February 23.

On March 8, American Eagle launches thrice-daily nonstop ERJ-145 roundtrips from Chicago (ORD) to Memphis.

The acquisition of **Business Express Airlines** is completed on March 11. Initially, it is operated as a separate company, with President Ellmer remaining in place, but now reporting to American Eagle President Bowler. Marketing relationships, including code-sharing with several other airlines, is continued. Rather than perform costly modifications to conform Business Express aircraft to Eagle specifications, Eagle will retire units of the Business Express SAAB fleet as their leases expire and gradually replace them with American Eagle aircraft.

A dual-designator pact with **Finnair O/Y** takes effect on March 28. In addition to mutual frequent flyer benefits, **American Airlines** passengers are able to employ their tickets on Finnair flights from New York (JFK) to Helsinki and from Chicago (ORD) to Stockholm.

Finnair also places its "AY" code on American and American Eagle flights from New York (JFK) to Boston, Dallas (DFW), Los Angeles, Miami, San Francisco, and Washington, D.C. (DCA).

Thrice-daily ERJ-145 nonstops are introduced between Dallas (DFW) and Knoxville on March 29. The world's largest regional airline, the carrier now offers 1,300 daily flights to 128 cities throughout the U.S., Canada, the Bahamas, and the Caribbean. The same day, it is announced that thrice-daily ERJ-145 nonstop roundtrips will commence on July 1 between Greenville/Spartanburg and Chicago (ORD), with twice-daily ERJ-145 nonstop return service simultaneously launched from the South Carolina community to Dallas (DFW).

Daily nonstop ERJ-145 roundtrips begin from Chicago (ORD) to Madison, Wisconsin, on April 19; the flights replace one of the seven daily ATR42-320 turboprop flights currently operated. ERJ-145 frequencies from Chicago (ORD) to Madison are doubled on April 26. Also on April 26, four of the company's nine daily ATR42-320 flights between Chicago (ORD) and Grand Rapids, Michigan, are also replaced with ERJ-145s.

On May 8, descending through clouds on a service from Baltimore (BWI), a SAAB 340B with 3 crew and 27 passengers lands some 7,000 ft. beyond the approach end of Runway 4R at New York (JFK). The tur-

boprop skids 300 ft. and travels 215 ft. across the 600-ft. Engineered Materials Arresting System (EMAS) before its landing gear sinks approximately 30 inches into the EMAS, halting the plane. One customer receives minor injuries. This is the first operational use of the new foam concrete arrestor bed installed later in the previous year.

After a year of detail resolution, **American Airlines and Japan Air Lines Company, Ltd. (2)** implement the first phase of code-sharing on routes between the U.S. and Japan and on other routes beginning on May 10. JAL initially places its code on **American Airlines** and American Eagle flights from Dallas (DFW), Chicago (ORD), San Jose, and Seattle to Tokyo (NRT) and on American's new route from Dallas (DFW) to Osaka (KIX). JAL also is able to assign its designator on **American Airlines** and American Eagle frequencies from Los Angeles, Dallas (DFW), and Los Angeles and other U.S. communities.

Infolatina in Mexico City reports on May 14 that competition from global airline alliances such as "OneWorld" is getting stiffer for the two major Mexican airlines owned by the holding company CINTRA. It is reported that AEA-2 is now planning to introduce ERJ-145 frequencies into Chihuahua, Coahuila, and other parts of northern Mexico.

Having provided a two month notice, the carrier, on May 19, ceases its unprofitable thrice-daily roundtrips between Chicago (ORD) and Central Wisconsin Airport.

Nonstop ERJ-145 roundtrips are started on May 20 between Chicago (ORD) and Pittsburgh, four times a day. In addition, as **Executive Airlines (3)** continues amalgamation, it simultaneously initiates daily ATR72-212A return service between San Juan and Grenada.

Five-times-a-day ERJ-145LR roundtrips commence on June 1 between Baltimore (BWI) and Chicago (ORD). The same day, a third daily nonstop ERJ-145 roundtrip is added between Dallas (DFW) and Montgomery. The unprofitable thrice-daily flights between Montgomery and Chicago (ORD) are eliminated, as are the twice-daily services between Chicago (ORD) and Shreveport and Los Angeles and Carlsbad/Palomar.

Also eliminated, on June 15, are the unprofitable five-times-a-day nonstop roundtrips between Dallas (DFW) and Gregg County Airport at Longview, Texas.

Handlers at Fort-de-France, Martinique, and Pointe-à-Pitre, Guadeloupe, who have for some time been involved in an industrial dispute with American Eagle, prevent the carrier from operating its flights into those two points from San Juan on June 18. Consequently, the carrier indefinitely suspends those services.

ERJ-145 nonstop roundtrips between Cleveland and New York (LGA) are started on July 29, six times a day. The new service is made possible by the carrier's addition of the La Guardia Airport landing slots that came with the acquisition of **Business Express**.

Four-times-a-day ERJ-135 roundtrips between Chicago (ORD) and Omaha commence on August 1.

The carrier's first ERJ-135 is delivered at Dallas (DFW) in ceremonies on August 18. The new aircraft will undergo a two-month workup and enter revenue service in October.

Twice-daily ERJ-145 roundtrips commence on August 26 between Dallas (DFW) and Grand Rapids, Michigan.

The carrier's new ERJ-135 is introduced on October 1 on routes between Chicago (ORD) and both Evansville and Madison; at the same time, turboprops are replaced by ERJ-145s on the route from Chicago (ORD) to Milwaukee. New ERJ-145 roundtrips commence on October 2 from Chicago (ORD) to Fort Wayne and Green Bay.

Thrice-daily ERJ-145 return flights begin on November 1 between Cleveland and New York (JFK).

Executive Airlines is not integrated during the year. On December 14, the carrier accepts its 44th ERJ-145, the 200th regional jet unit to come off the Embraer production line.

Customer bookings inch up 0.1% to 11,458,000, while cargo falls 9.1% to 336,000 FTKs. Revenues jump 15.4% to \$1.3 billion.

Fired by the company for refusing to fly during a 1996 ice storm, Capt. Michael LaGrotte is awarded \$10 million by a jury in a civil suit that concludes on January 2, 2000.

Employing ERJ-145s, American Eagle takes over the eight-times-a-day **American Airlines** service on January 5 between Dallas (LOV) and Austin.

New twice-daily ERJ-145 roundtrips are launched on February 21 from Dallas (DFW) to Cedar Rapids, along with new four-times-a-day ERJ return service from Dallas (DFW) to Milwaukee.

A code-sharing agreement is signed with **Northwest Airlines** on February 29; under its terms, Eagle places the "NW" code on its SAAB 340B services from Los Angeles to Bakersfield, Fresno, Monterey, Palm Springs, San Diego, Santa Barbara, and San Luis Obispo.

American takes over two-thirds of the American Eagle service between Dallas (DFW) and Knoxville on March 2 providing Fokker 100 roundtrips twice daily; Eagle provides a third service employing an ERJ-145. The same day, new ERJ-145 nonstops are inaugurated twice daily from Dallas (DFW) to Fort Wayne.

Bob Reding is appointed chief operating officer, also in March.

The major also relieves Eagle of its Chicago (ORD) to Baltimore (BWI) responsibility on April 2, flying MD-80s between the two points four times a day. The same day, 5 of the 11 daily flights from Dallas (DFW) to Lubbock are upgraded to ERJ-145s.

New thrice-daily ERJ-145 return service from Dallas (DFW) to Corpus Christi and Lubbock and from Chicago (ORD) to Chattanooga begins on April 3. This is followed by the introduction of twice-daily ERJ roundtrips between Chicago (ORD) and Baton Rouge on April 24.

On May 1, ERJ-145s replace SAAB 340Bs on four of the carrier's nine daily roundtrips between Dallas (DFW) and Midland and Odessa. The unprofitable Chicago (ORD) to Lansing route is closed the same day.

New thrice-daily ERJ-135 return service is introduced on May 26 from Dallas to Savannah.

In June, CEO Reding announces that the carrier's Chicago (ORD) operation will be all-jet by year's end and that a new 13-gate satellite terminal, featuring covered boarding bridges, will be built at Dallas (DFW).

Four of nine daily roundtrips from Dallas (DFW) to Oklahoma City are upgraded to ERJ-145 on July 5, the same day the carrier's last SAAB 340B is withdrawn at Miami.

When a Farmingdale, New York, **Executive Airlines** Jetstream 31 crashes near Wilkes-Barre in July, Eagle officials point out that the operator should not be confused with the Puerto Rico-based Eagle carrier **Executive Airlines**.

Twice-daily ERJ-145 roundtrips commence on September 6 from Dallas (DFW) to Madison, Wisconsin. On September 26, the carrier announces that it will become a launch customer for the new Embraer ERJ-140 and that it is converting its remaining ERJ-135 orders into Dash-140 requests.

Dallas (DFW) to Fort Smith, Arkansas, twice-daily ERJ-145 return flights are started on October 5. On October 27, a historic agreement is signed with **Trans World Airlines (TWA)** under which the American Eagle subsidiary **Business Express** will provide "TWExpress" services to nine new markets and five existing "TWExpress" cities from which **Trans States Airlines** will withdraw by January 5.

Chicago (ORD) does, indeed, become all-jet on November 2 when the service to Traverse City becomes the last converted from turboprop to ERJ. A new 13-gate facility, complete with covered passenger bridges, is opened north of Terminal A at Dallas (DFW) on November 4.

Employing SAAB 340Bs, "TWExpress" service is launched on December 2 from New York (JFK) to Albany, Buffalo, Montreal, Providence, Rochester, Syracuse, and Worcester, Massachusetts.

Thrice-daily roundtrips are launched on December 15 from Chicago (ORD) to Greensboro, North Carolina.

AMERICAN EXPORT AIRLINES (AMEX): United States (1937–1945). A subsidiary of the shipping company American Export Lines created to offer transatlantic air service, this carrier is incorporated in April 1937 as **American Export Airlines (Amex)**. John E. Slater is named board chairman and CEO. Application is made to the U.S. gov-

ernment for a route to Europe and in September 1938, a Consolidated Model 28 or PB-5 flying boat is purchased with which to undertake route surveys.

On May 9, 1939, the company approaches the newly formed CAB for a transatlantic certificate. The PB-5 undertakes three transatlantic survey flights. The CAB begins consideration of the company's route request in October, but places it on hold as the European war intensifies. Amex renews its efforts amending its route request from London and Paris to Lisbon. In December, orders are placed for three as yet to be designed Vought-Sikorsky VS-44A flying boats.

On July 15, 1940, the CAB awards and President Franklin D. Roosevelt confirms a seven-year temporary route permit for service from New York to Lisbon. Capt. Charles F. Blair is appointed chief pilot to operate projected airmail service. Blair will recall his service in his often reprinted memoir *Red Ball in the Sky* (New York: Random House, 1952, 1957, 1969).

The Amex's authority is legally challenged in the U.S. Court of Appeals by **Pan American Airways (PAA)**, with the result that American Export Airlines is forced to restructure and separate from its parent.

A little later, the carrier requests a \$1.2-million mail subsidy from the Appropriations Committee of the U.S. Senate; this, too, is opposed by PAA and the mail contracts are not granted. On October 15, a contract is drawn up for the purchase of **TACA (Transport Aereos Central Americanos, S.A.)**. This arrangement will also be opposed both in the U.S. and in Latin America and the CAB denies approval of the foreign takeover on December 4, 1941. On December 7, the Japanese attack Pearl Harbor.

Although support for mail carriage is not received, Amex presses on. On January 12, 1942 the company signs a contract with the Naval Air Transport Service (NATS) to operate a wartime transatlantic route in support of the military. Three brand new Vought-Sikorsky VS-44A flying boats are purchased, labeled "Flying Aces," and extolled for their comforts (full-length beds, minimum vibration, full galleys, lounges, dressing rooms, and smoking room) in company advertising.

The first \$2.1-million VS-44A is christened *Excalibur* by Mrs. Henry A. Wallace on January 17, although it takes three attempts before the champagne bottle, finally weighed down with a length of angle iron, breaks across the plane's duralumin-skinned bow. The next day, Amex's chief pilot, Capt. Blair, makes two proving flights from cold Long Island Sound.

A temporary CAB certificate is received on February 10 for a transatlantic route, New York to Foynes (Northern Ireland). Meanwhile, Blair and his crew work the *Excalibur* to flight readiness in March and April, making practice takeoffs and landings from the St. Johns River at Florida's Jacksonville Naval Air Station.

Meanwhile, the second VS-44A, the *Exeter*, also arrives in April. The first NATS VS-44A European mission is undertaken by the *Excalibur* as a proving flight on May 26; regularly scheduled weekly roundtrips begin on June 20.

Chief pilot Blair, on June 22–23, makes the first westbound nonstop transatlantic flight with passengers and mail, flying the *Excalibur* from Foynes to New York in 25 hrs. 40 min. The Royal Navy's Adm. A. B. C. Cunningham, en route to Washington as Britain's representative to the Combined Chiefs of Staff, is an impressed traveler on this inaugural service. The *Excambian*, arrives in June and joins the *Exeter* in beginning regular nonstop operations between New York and Ireland on July 1.

Crossings are successfully made throughout the war as the VS-44As prove to be the longest-legged aircraft in commercial service at the time and the only ones capable of flying commercially scheduled, nonstop, transatlantic routes. During a rushed liftoff from the Bay of Exploits at Botwood, Newfoundland, on October 3, the *Excalibur* fails to become airborne and crashes; Flight Engineer Michael Doyle and half the passengers are killed.

To be on the safe side in terms of potential weather difficulties, in the winter season the southern route is flown via Bermuda and Bathurst. Following a reorganization in February 1943, Amex's entire transatlantic

service is taken under NATS control. On July 14, the *Exeter* and *Excambian* receive their final Approved Type Certificates from the government.

Not only do the two flying boats launch nonstop flights along such wartime supply avenues as Bermuda–Trinidad–Puerto Rico–Africa, but establish several records in 1944 that hold for a few years. In January, Capt. Blair flew a 21 hr. 26 min. Foynes to New York service with 19 passengers and 2,686 pounds of mail. The fastest nonstop Europe to America flight of 16 hrs. 57 min. occurred in July and a nonstop New York to Foynes transatlantic speed record of 3,329 in 14 hrs. 17 mins. was established in October. The Navy contract is concluded on December 31. In just over a year and a half, the VS-44As have completed 405 transatlantic crossings.

In January 1945 American Export begins flying leased Douglas C-54s to Casablanca for the USAAF's Air Transport Command. During the spring, merger negotiations begin between Amex CEO Slater and Ralph Damon, who, as executive vice president, is in charge of **American Airlines** during the military absence of C. R. Smith.

On June 1, the CAB announces a finding in its North Atlantic Route Case. Both Amex and **Transcontinental and Western Air Lines (TWA)** will be allowed to compete on the over-ocean service with **Pan American Airways (PAA)**, with the former operating about the 50th parallel, including London. Simultaneously, it is announced that Amex has been purchased (for \$3 million) by **American Airlines** and will constitute its new Trans-Atlantic Division. CAB approval for the arrangement is received on July 5.

AMERICAN FALCON, S.A.: Av. Santa Fe, 1060 Buenos Aires, Argentina; Phone 54 (11) 4811 0215; Fax: 54 (11) 4815 6657; <http://www.americanfalcon.com>; Code WK; Year Founded 1995. American Falcon is initially established in 1995 as an affiliate of Florida-based **Falcon Air Express** to provide lift for members of the North American Olympic Committee at the Mar del Plate Pan American Games.

Over the next five years, both a wet- and a dry-leased fleet is established that comprises, at one time or another, 2 Boeing 707-320s, 5 Fokker F-28-4000s, and 2 Douglas DC-9-32s. On behalf of over 80 travel agencies, seasonal charters are offered in summer and winter to such Argentinean and international destinations as Punta Cana, Saint Martin, Margarita Island, Cancún, Havana, Rio de Janeiro, and San Salvador.

The company also flies charters on behalf of the Argentine National Football Team, the San Lorenzo Racing Club, and others, while simultaneously operating corporate flights for Coca-Cola, Bianchi, Arcor, General Motors, Daimler-Chrysler, Siembra, and Perez Compaq.

Finally, replacement scheduled services are from time to time provided on behalf of **Southern Wings, S.A.** and **LAPA (Lineas Aereas Privadas Argentinas, S.A.)**.

AMERICAN FLIGHT SERVICES: P.O. Box 16638, Washington Dulles International Airport, Washington, D.C. 20041, United States; Phone (703) 581-1600; Fax (703) 771-8002; Code CY; Year Founded 1987. Originally established in 1987 as Chantilly Aviation, this passenger charter and aircraft sales agency has had a corporate image change by 1997. Daniel Y. Stapleton Jr. is president and he continues to oversee revenue flights that are made with a fleet of 2 Cessna 172s, 1 C-182RG, 1 C-182, 1 Beech A-36, 1 Piper PA-23 Aztec, 1 PA-31-310 Navajo, and 1 PA-31-350 Navajo Chieftain.

AMERICAN FLYERS AIRLINE CORPORATION: United States (1949–1971). Established at Ardmore, Oklahoma in 1949 by Reed W. Pigman, this charter operation flies without serious incident during the next 16 years. On April 1, 1960, two each Lockheed L-049 and L-149 Constellations are purchased from **Delta Air Lines**. This is Pigman's first four-engine equipment.

The former **Qantas Empire Airways (Pty.), Ltd.** L-1049G *Southern Prodigal* is leased from Lockheed in 1961 and during the next year, two more L-1049Gs are also purchased. Arrangements are made in 1962 to

acquire a pair of Lockheed L-188Cs, which had originally been ordered by **Capital Airlines** and then passed to the start-up Sports Aloft, which is unable to begin operations.

The new L-188Cs enter service in January and February 1963. On September 23, a DC-3 must make an emergency wheels-up landing at Shreveport, Louisiana, but none of the 31 persons aboard is hurt.

Previously leased by **Capitol Airways** and first flown by **Trans-Canada Airlines, Ltd.**, two L-1049E Super Constellations are purchased from California Airmotive on April 8, 1964. They are followed into service by a pair of L-1049Es first flown by **Qantas Empire Airways (Pty.), Ltd.**

In the first use of a large turboprop for a coast-to-coast charter by an entertainment group, the L-188A is leased by The Beatles at a cost of \$75,000. Between August 19 and September 20, it transports the Fab Four and its entourage on its 24-city tour across the U.S.

Coming in from a ferry flight, an L-749 Constellation with three crewmen aboard overshoots the runway while landing at Ardmore, Oklahoma, on September 19, 1965; injuries are minor. The company wins a CAB permit, on September 30, to undertake services to Mexico. Revenues for the year total \$8.16 million; expenses are \$7.6 million and the net profit is \$441,367.

En route from Fort Ord, California, to Fort Benning, Georgia, on an NATS charter on April 22, 1966, Flight 280D, a Lockheed L-188A Electra with 92 servicemen and a crew of 6, strikes a 963-ft. hill while on initial approach to Ardmore, Oklahoma, and crashes (83 dead). The tragedy is later determined to have been caused by a heart attack suffered by pilot-owner Pigman.

Three L-188Cs are purchased from **Northwest Airlines** between June and November. As the result of the CAB's reopened transatlantic charter investigation, an over-ocean certificate is also won by the supplemental on November 26, effective that day. Revenues total \$8.65 million. Although a \$79,756 operating loss is suffered, a \$542,765 net profit is realized.

A fourth L-188C arrives from **Northwest Airlines** on January 24, 1967 and two Boeing 727-185Cs join the eight Electras late in the year.

A total of 230,000 passengers are originated. Revenues advance 23% to \$10,593,913. This year, a \$279,796 operating profit is obtained, but a net loss of \$549,727 occurs. The employee population is 350.

Early in 1968, the Boeing jetliners enter service and in midyear the company is purchased by the Pittsburgh Coke and Chemical Company. Despite the receipt of \$13,673,227 in revenues, the year's net loss increases to \$3,161,668.

Headquarters are moved to Harrisburg, Pennsylvania, in 1969, the same year two Douglas DC-8-63CFs are acquired. Merger discussions begin with **Universal Airline Company**. The fleet now includes 2 B-727-185Cs, 2 DC-8-63CFs, and 4 Lockheed Electras.

The 136 members of an air charter group sponsored by the Association of English and American Students Abroad are stranded at New York (JFK) on September 6. AFA reports that the British Board of Trade has bared the landing of its aircraft in London because of the "charter unworthiness" of the group's sponsor.

Enplanements total 318,941 and revenues reach \$20.8 million. The net loss doubles, up to \$6.28 million.

Planning for a merger with Universal moves ahead in 1970 and as a result, the workforce is cut back by 63.7% to 196. In January, an L-188A is sold to **Holiday Airlines**.

A total of 343,686 charter passengers are carried, an increase of 7.2%. Revenues advance to \$21.55 million. The loss declines by two million in each reporting category, but continues as minus figures: \$3.83 million (operating) and \$5.07 million (net).

Operations continue largely unchanged until June 4, 1971 when the purchase of AFA by Universal is confirmed.

AMERICAN INTER-ISLAND: United States (1977–1982). After the April 27, 1976 crash of an American Airlines' B-727-223A at Harry S. Truman Airport at St. Thomas, the Allied Pilots Association (APA), AA's

pilot union, indicates its unwillingness to continue operations into an airport which has been plagued with problems over the years.

Having acquired a fleet of four (later five) Convair CV-440s from **Delta Air Transport, S.A.** and formed this subsidiary with Cyrus Collins as president, American halts jetliner flights to St. Thomas on May 24, 1977. With APA approval, American Inter-Island plans to operate a 45-mile shuttle service between St. Thomas and Alexander Hamilton Airport on St. Croix where they will be able to connect with American jets. Revenue flights commence on November 1.

After runway improvements at St. Thomas have been completed, American reinstates 727-223A service to Harry S. Truman Airport on June 10, 1982, directly from Florida and New York. Once the subsidiary is no longer required, it is sold for \$3 million to Carlsbad, California-based **Air Resorts Airlines**.

ARA will briefly operate its new acquisition on scheduled and charter services between St. Thomas, St. Croix, and San Juan. By year's end, the Caribbean operation is closed down and the five Convairs are flown to the Golden State.

AMERICAN INTERNATIONAL AIRWAYS (1): United States (1945–1948). AIA is established in late 1945 to offer nonscheduled charter services to various overseas destinations, including Europe. In the spring of 1947, following their return to San Diego by the bankrupt **Universal Airways**, five Boeing 314s are purchased for \$500,000 from the U.S. War Assets Administration. The *Anzac Clipper*, *California Clipper*, *American Clipper*, *Dixie Clipper*, and *Capetown Clipper* are reconditioned using parts from a sixth Boeing 314, the *Atlantic Clipper*.

All of the ships are completely refurbished and given back the luxurious fittings removed by the previous owners. The *Capetown Clipper* is renamed *Bermuda Sky Queen* and is the first to be refurbished. She is ferried to Baltimore in July and, after an inspection by CAB examiners, is placed into service under the command of Capt. Charles Martin on an initial October 2 flight from Baltimore to Poole, via Foynes and Gander.

En route from England to Maryland on the return leg of her inaugural roundtrip on October 14, the flying boat, under charter to London-based **Air Liaison, Ltd.**, runs out of fuel because of stiff head winds and lands at sea. The aircraft, its 7-member crew, and 62 English emigrant passengers, drift for 100 miles before the USCG's *Bibb* arrives. After all aboard are transferred to the cutter, the *Bermuda Sky Queen* drifts into the ship and is fatally damaged. She must be sunk by gunfire.

During the last two months of the year and into the next, the four remaining Boeing 314s are hangared at San Diego. All are sold to **World Airways** in 1948. AIA (1), after operating less than one complete transatlantic service, ceases operations due to recessionary pressures.

AMERICAN INTERNATIONAL AIRWAYS (2): United States (1980–1984). Organized as a nonscheduled subsidiary of American International Industries at Atlantic City, New Jersey, in late 1980, this company is successor to **Commercial Airlines**, a charter operator certified earlier in the year. Overseen by former **Hughes Airwest** President Russell V. Stephenson, William Davis (also ex-Hughes), and one-time **McCulloch International Airlines** executive John E. Gallagher, the carrier begins nonscheduled revenue flight operations on September 15, 1981, with one (later three) Douglas DC-9-33RC wet-leased from **Hawaiian Airlines (HAL)**.

The FAA grants the company a permit on December 1 to operate its own Part 121 charter flights. A pair of de Havilland Canada DHC-7s are acquired during the spring of 1982 to offer short-haul East Coast charters to Atlantic City. Sixty thousand passengers are transported to the gambling mecca from Miami, St. Louis, Chicago, and New Orleans before year's end.

AMI continues to emphasize these specialized tour services until October 15, when nongambling public charter flights are launched from Dallas (DFW) to Las Vegas, the U.S. West Coast, and Mexico. Permission is received from the government to inaugurate scheduled passenger and cargo flights on December 6.

During that year, 425,105 travelers fly the new entrant's DC-9-33CFs and two DHC-7s. This turnout encourages company officials to consider a complete shift to scheduled service. In December, the carrier inaugurates the first such flight to Atlantic City.

Full commitment to scheduled service is taken in February 1983 and routes are extended from a hub at Atlantic City to Boston, Cleveland, Detroit, Ft. Lauderdale, Miami, Orlando, and Tampa. Meanwhile, in April, two DC-9-80s (MD-80s) are chartered from **Hawaiian Airlines (HAL)**. Three casinos, which offer "Stay and Play" packages for those arriving at Atlantic City, underwrite the new routes to Boston, Cleveland, and Detroit. Scheduled service is a large initial success; 28,000 passengers (84.4% load factor) are transported in June alone.

Other new markets entered during the summer months include Chicago, Pittsburgh, West Palm Beach, and Philadelphia, site of the carrier's soon-to-be new hub. The final changeover from charter to scheduled operations is completed during the fourth quarter, by which time services are operated into 11 Northeast, Midwest, and Florida markets.

American International's 7 chartered DC-9-33CFs and leased DHC planes fly 374,809 passengers on the year, but, despite casino aid, scheduled start-up costs are heavy and, on revenues of \$52.9 million, a net loss of \$11.8 million is suffered, atop an operating loss of \$8.9 million.

1984 is a significant year for the new national. On January 5, a major new hub is opened at Philadelphia, leading to an immediate traffic boost. In March, Bruce B. Edmondson becomes the new president/CEO. The fleet of 7 DC-9-33CFs (now with a new paint scheme, using a dark blue upper fuselage and new "American International" titles) is, by summer, providing low-cost service between Philadelphia and Atlantic City and to 11 other markets in the Northeast, Midwest, and Florida.

Unfortunately, the financial realities of commerce cannot keep pace with the company's dream; over \$15 million is lost in the year's first half. On July 19, American International Industries, in which Reno-based KB Equities is major shareholder, is forced to file for Chapter XI bankruptcy. Airline operations continue until suspended on September 14, pursuant to receipt of a court injunction grounding half the fleet. Although it is announced that flights will resume in three days, they do not.

During the first half of 1988, the former airline's fitness certificate is purchased by **Connie Kalitta Services** with plans to restart the airline, which will eventually be successful.

AMERICAN INTERNATIONAL AIRWAYS (3): United States (1991–1999). The 600-employee all-cargo airline **Connie Kalitta Services** is renamed in 1991. With a fleet of 2 Douglas DC-8-61Fs and 1 Boeing 727-100F, President/CEO Conrad "Connie" Kalitta's carrier undertakes to continue passenger/cargo flights to international and domestic destinations under the day-to-day direction of Vice President/General Manager William Gray. The holding company, Bounty Aviation—named after the racing car owner's vehicle Bounty Hunter—is established to control upcoming additions.

On the year, AIA transports a total of 187.68 million FTKs of cargo, down 5.9% from the previous year.

The fleet is dramatically increased during 1992 by the addition of 1 more DC-8-61F, 1 each B-727-23F and B-727-35F, 10 DC-8-50Fs (including 2 Dash-55Fs from **Air Charter Systems, Ltd.**), 1 DC-8-73F, 2 DC-9-10Fs, and 4 B-747-146/-146Fs, the latter purchased from **Japan Air Lines Company, Ltd.** (2). **Kalitta Flying Services** is established under the leadership of President Donald Schilling to provide on-demand air ambulance and freight flights with smaller aircraft. At the same time, **American International Cargo** is set up; capitalized by Bounty Aviation (60%), it will be headed by Vice President/Managing Partner Betty Ward, who owns the remaining shares.

The first B-747-146F arrives on October 30 as one of three Jumbojets to be delivered during the year, having been converted by GATX-Airlog from a passenger plane to a freighter in a record 86 days.

Cargo traffic during the 12 months skyrockets 150.3% to 400.15 million FTKs. Profits are made: \$8.6 million (operating) and \$4.3 million (net).

Airline employment is cut 22.8% in **1993** to 502 as the DOT reclassifies the freight operator as a national airline. In May, the company begins to fly old **Zantop International Airlines** routes as **American International Freight**. The new subsidiary's headquarters will eventually be transferred to Terre Haute, Indiana under Vice President/General Manager Steve Murray.

A heavy aircraft maintenance concern is established at Oscoda, Michigan, and becomes the AIA division Bounty Maintenance Services. On August 2, AIA is one of seven carriers to win an Air Force contract to provide long- and short-range international airlift services under the Civil Reserve Air Fleet program; the pact is valued at \$5 million.

Freight jumps again, up 43% to 572.13 million FTKs. Revenues increase 81.8% to \$149.4 million, expenses are kept low, and grant an operating profit of \$25.5 million. Net gain nearly quadruples to \$18.96 million, placing it 21st among the world's airlines.

The workforce is reduced another 6.4% in **1994** to 470. The fleet now includes 1 each B-727-23F, B-727-35F, B-727-22C, 1 leased B-747-132F, B-747-238BF, DC-8-62, and DC-8-63CF, plus 2 each B-747-146s, B-747-146Fs, DC-8-51F, DC-8-52s, DC-8-54Fs, and DC-8-61Fs, 3 DC-8-61s, 4 L-1011-200s, 6 DC-8-55Fs, and 16 B-727-223s.

On March 15, one of the carrier's B-747-146s is painted in the colors of the fictitious PAC Atlantic Air and employed in the new Wesley Snipes motion picture *Drop Zone*. Later in the year, a contract is signed with Marshall Aerospace, Ltd. in Cambridge, England, for the conversion of the L-1011-200 TriStars into a freighters. Four others will also be purchased and converted. They will join the B-747-146s in providing passenger charters to customers such as tour operators and cruise lines.

Cargo accelerates 7.5% to 614.87 million FTKs and revenues skyrocket 85.6% to \$287 million. Expenses grow by 83.7% to \$256.07 million and allow profits to continue to grow to \$30.92 million (operating) and \$27.23 million (net).

Airline employment will grow dramatically during **1995**, reaching a total of 2,000 workers by year's end. During the first week of January, the carrier purchases the failed **MGM Grand Air** and its fleet of 3 DC-8-62s and 3 B-727-191s. American International is now restructured into Grand Holdings, Inc., with AIA and MGM Grand Air as its two subsidiaries. Grand Holdings, Inc. President David P. Ahles indicates that MGM's outstanding charters will be honored with the DC-8s and that the B-727s will either be converted to cargo configuration or sold as luxury aircraft "as is."

While landing at Panama City, Panama, on June 3 in heavy rain after a cargo flight from Miami, a B-747-238, with five crew collides with the approach lights about 230 feet from the runway; although the Jumbojet is badly damaged, no personnel injuries are reported.

On July 1, majority interest in MGM Grand Air is sold to Richard Page's Minneapolis-based **Front Page Tours**; AIA continues to hold a 20% interest. President Page renames his new unit **Champion Airlines** and it is provided with 1 DC-8-62 and 1 each Boeing 727-91, B-727-223, and B-727-224A, all leased from AIA, plus a 200-person workforce (a 66.7% increase over what it had been under MGM), that includes most of the former MGM employees.

Also during the month, Marshall Aerospace begins test flying the company's L-1011-200F and two B-747-269Bs are purchased from **Kuwait Airways Corporation, Ltd.**

The premier TriStar freighter is delivered during the second week of August and is placed into service on company routes from Miami to South America. In September, one of the new B-747-269Bs is contracted out to Warner Bros. and is painted in the livery of the fictional Oceanic Airways. The aircraft spends two days at Key West, Florida, taking part in the filming of the forthcoming action film *Executive Decision* starring Kurt Russell and Steven Segal.

Two more L-1011-200Fs arrive during late fall and are placed upon U.S. transcontinental services. A contract is obtained to ship 1.5 million lbs. every night between December 10-24.

The carrier's 54 aircraft carry 1.04 billion FTKs, a 38% increase. Expenses outdistance income and there are losses: \$2.45 million (operating) and \$5.58 million (net).

The workforce is increased by 50% in **1996** to 3,000. During September, a B-747-136 is leased to Hollywood; it is repainted to resemble the U.S. government's VC-25A for the Harrison Ford film *Air Force One*.

Cargo traffic increases 13.8% to 1.19 billion FTKs. Expenses are such, however, as to generate a \$9.7-million operating gain, but a \$12.11-million net loss.

At the beginning of **1997**, the 3,000-employee company has all 8 of its L-1011-200Fs in service, wearing the company's red and white livery.

Flight 903, a B-747-269B freighter with seven crew makes a hard landing at Manaus, Brazil, on March 22 following a flight from Miami; the Jumbojet sustains slight damage and no one is injured.

The 20% stake in **Champion Airlines** is sold to Carl Pohlad and **Northwest Airlines** on March 27 as the two gain control over the Minneapolis-based charter operation.

During late spring, three L-1011-200Fs are wet-leased to **Emery Worldwide**, which wishes to compare them in cargo service with similarly chartered DC-10s.

An agreement is signed with Travel Charter International in April under which the company will initiate passenger charters from Detroit to Europe on behalf of the tour operator. A pair of L-1011s will provide lift to Paris, Frankfurt, Rome, and Athens.

On May 1, the company, via the good offices of Fortis Aviation, purchases three Boeing 747-2B4BCs from **Middle East Airlines, S.A.L. (2)** for \$60 million. The Jumbojets will be delivered in September after conversion into full freighters. The Lockheed wide-bodies assist AIA to boost its traffic during the summer job action at **UPS (United Parcel Service)**.

In anticipation of significant growth in the new year, **Emery Worldwide** makes arrangements during early August to charter three of AIA's L-1011-200Fs. At the same time, discussions are held between Chairman Kalitta and the owners of Kitty Hawk, Inc. concerning a possible merger.

AIA's American International Freight division initiates four-times-a-week Convair 580 roundtrips on September 8 between Terre Haute and Toronto. Also during the second week of September, an agreement is signed with **Alaska Airlines** to share space on one of the major's B-737-200C flights between Seattle and Anchorage and Juneau.

On September 22, Conrad Kalitta signs a letter of intent to combine the Kalitta companies with Kitty Hawk, Inc.; Kalitta will receive 5.1 million shares of Kitty Hawk common stock, \$22 million in cash, and a "significant management role" in the combined operation. In a related transaction, **Kitty Hawk Air Cargo**, the airline operating subsidiary of Kitty Hawk, Inc., purchases 16 AIA B-727s for \$51 million in cash. The first three aircraft will start flying under its new livery on October 1, with the remainder arriving at approximately one per month thereafter.

The next day, a public offering of 4.1 million shares of common stock is sold by Kitty Hawk. Net proceeds of the equity offering and proceeds from a \$340-million offering of senior secured notes of the company (due in 2004) will fund the merger with Kalitta, retire the existing debt, and be used for general corporate purposes.

In November, the company is formally purchased into Kitty Hawk, Inc., parent of **Kitty Hawk Air Cargo**. Connie Kalitta becomes a member of the Kitty Hawk board and plans are put in place to amalgamate the two companies.

A total of 1.41 billion FTKs are operated, an increase of 18.4% over 1996. Operating revenues, however, decline by 5% to \$426.49 million while expenses rise 2.4% to \$449.53 million. The previous year's operating gain becomes a \$22.57-million loss, while the net loss grows to \$47.41 million.

At the beginning of **1998**, AIA-3 is the 24th largest airline in the world in terms of freight carried. The fleet now includes 4 B-747-100Fs, 6 B-747-200Fs, 12 DC-8-50Fs, 12 DC-8-61Fs, and 8 L-1011-200Fs.

Although it is anticipated that the carrier will disappear into **Kitty Hawk Air Cargo** during the first quarter, the amalgamation process is slowed.

For departure from Tocumen International Airport at Panama City on February 6, the captain of Flight 840, an L-1011-200F with five crew, elects to use a runway that is 2,000 ft. shorter than the longer of the parallel runways. During the takeoff, after the landing gear is rotated, he elects to abort; after touchdown, all main landing gear tires of the Tri-Star freighter are blown and the airliner is stopped on the runway. No injuries are reported.

On March 12, AIA contracts with Boeing Wichita for the modification of two B-747-2B4BCs combi jetliners into special freighter configuration. The first of the two will begin modification in June with delivery scheduled in September; the second will arrive in Wichita in July and be delivered in October.

Following the difficulties encountered with opening the cargo handling operation at Hong Kong's new Chek Lap Kok Airport after July 6, a number of carriers opt to fly into the new airport at Macau and to utilize the facilities of its MASC Ogden Cargo Services. Among them is AIA, which flies an empty B-747-2B4BC to Macau from Melbourne during the third week of July and departs full for Los Angeles. Thereafter, it is sent to Wichita for modification.

Conrad Kalitta retires during the summer and, on September 2, Simu-Flite Training International President Charles C. Carson II, a former executive with **Southern Air Transport**, is named AIA president. While Kitty Hawk reorganizes several other acquired Kalitta units, its management confirms that AIA will remain in Ypsilanti.

Clark Stevens, former **Mesa Air Group** chief operating officer, becomes AIA vice president-technical services at month's end.

The carrier's first B-747-2B4BC is received from Boeing's conversion facility in Wichita in early October and is placed under a three-year aircraft, crew, maintenance, and insurance (ACMI) contract with **Fast Air Chile, S.A.**

The second B-747-2B4BC arrives from Boeing on November 13 and begins revenue services on November 17 under a two-year ACMI contract with North Atlantic Airways. Under terms of this arrangement, as with other ACMI pacts, AIA provides the aircraft, crew, maintenance, and insurance while the shipper arranges all freight, cargo handling, fuel, and other costs. The ACMI agreement will bring into the airline's coffers approximately \$1.5 million monthly.

Chairman/CEO Thomas Christopher of the parent **Kitty Hawk Air Cargo** announces on December 11 that the company is evaluating the economics of its passenger charter business. One B-747-146 has been parked pending a decision about its disposition or cargo conversion; the second B-747-146 will be parked in early January. The two remaining L-1011s will remain in service as the evaluation is continued.

Further actions to achieve profitability at the AIA division are revealed by Chairman Christopher on December 28. To cut losses, the workforce will be reduced during 1999 in excess of 50% from 2,700 to 1,200 and a reduction in the number of aircraft from 42 to 19. All of the Convair turboprops plus the Stage II DC-8-50 and DC-8-61 will be retired. Emphasis will be placed on the divisions core business of moving freight using its own aircraft.

This year, cargo traffic falls 6.06% to 1,325,613,000 FTKs. Revenues decline by 7.8% to \$417.59 million, while costs drop 16.4% to \$397.56 million. There is a \$20.3-million operating profit and a net loss of \$9.22 million.

To create a more unified image among its operating units on February 3, 1999, Kitty Hawk, Inc. changes the name of AIA-3 to **Kitty Hawk International**.

AMERICAN INTERNATIONAL FREIGHT. See **AMERICAN INTERNATIONAL AIRWAYS** (3)

AMERICAN JET, S.A.: Aeroparque Jorge Newbery, 1425 Buenos Aires, Argentina; Phone 54 (1) 315-3665; Fax 54 (1) 315-0581; Year Founded 1982. AJ is established at Buenos Aires in 1982 and over the next 15 years becomes the nation's largest on-demand airline. By 1997, President Bonnie Stewart's concern offers a wide range of nonscheduled

services, both fixed- and rotary-wing. The fleet now includes 2 each Learjet 25Ds and Learjet 35As, plus 1 each Cessna 560 Citation V, IAI 1125 Westind Astra, Cessna 500 Citation I, Cessna 550 Citation II, Learjet 24D, Learjet 25G, Swearingen Metro II, Swearingen Merlin IVC, Piper PA-31-310 Navajo, and Bell 206B JetRanger.

During the year, the company introduces a pair of Dornier 228-212s, the only aircraft of their type in the country, on unscheduled services in Neuquen province in support of the transport needs of various energy companies. It also brings in the nation's first Metro 23, which it operates under contract in Catamarca Province on behalf of the mining company Minera La Alumbrera, Ltd.

At the beginning of 1998, the carrier applies to the government for scheduled route rights. The authority is not granted and unscheduled flights are maintained during the remainder of the decade.

AMERICAN JET CHARTER: Wiley Post Airport, Hangar 14, Oklahoma City, Oklahoma 73008, United States; Phone (800) 495-5453; Fax (405) 495-5472; Year Founded 1986. AJC is established at Oklahoma City in 1986 to provide on-demand passenger charters throughout the U.S. Fourteen years later, the company employs three full-time and five part-time pilots and flies two Cessna 340s and one each North American NA-265-60 Sabreliner, Beech King Air 90, and Beech 58 Baron.

AMERICAN OVERSEAS AIRLINES (AOA): United States (1945-1950). On June 1, 1945, the CAB announces its approval of new **American Export Airlines (Amex)** routes to Europe. Simultaneously, it is announced that the carrier has been purchased (for \$3 million) by **American Airlines**, which will transform it into its new Trans-Atlantic Division. Approval for the arrangement is received from the CAB on July 5.

Six former USAAF Douglas C-54s, turned over to Amex at the completion of their military use and obtained as part of the takeover, are delivered in September. They are taken in hand and quickly brought up to civil DC-4 standard as the *Flagship Stockholm*, *Flagship Frankfurt*, *Flagship Oslo*, *Flagship New England*, *Flagship Glasgow*, and *Flagship Keflavik*.

The Vought-Sikorsky VS-44A *Excambian*, still painted in her sky blue and light gray USN camouflage, flies from Foynes to New York on October 23, completing the final transatlantic service by her type. She and her flying boat sister *Exeter* are now retired.

One of the remade DC-4s, the *Flagship New England*, is employed on October 24 to make the first scheduled transatlantic voyage by a commercial landplane, from the Boston-area Hanscom Field in Bedford to the London-area Hurn Airport in Hampshire. Despite the need to refuel at Gander, Newfoundland, and Shannon, Ireland, en route, the hop is made in a record time of 14 hrs. 5 min.

The Trans-Atlantic Division is renamed American Overseas Airlines on November 10. Service to Chicago is initiated on November 19 and to Washington and Philadelphia on November 25. The amalgamation process is completed on December 5, with C. R. Smith as president and former **Pan American-Grace Airways (PANAGRA)** General Manager Harold Harris as vice president and general manager. By the close of the year, AOA is scheduling transatlantic flights daily.

Early in 1946, two more DC-4s, the *Flagship Shannon* and the *Flagship Reykjavik*, join the fleet. The *Flagship Stockholm* departs New York for Copenhagen and Stockholm on February 2, opening regularly scheduled weekly service. At an average cost of \$1.6 million each, an order is placed with Boeing on March 21 for eight Model 377s. The premier L-049 Constellation, *Flagship Copenhagen*, is received on March 25, followed by the *Flagship Great Britain* on March 29. Before the first quarter is over, three more DC-4s are received: the *Flagship Amsterdam*, the *Flagship Gander*, and one unnamed unit.

The third L-049, *Flagship Holland*, is delivered on April 4 and New York to Oslo flights commence on April 5. The inaugural aircraft arrives at the Norwegian capital three days later and is off to the U.S. within two

hours of landing. On April 9, another Constellation, the *Flagship Sweden*, is placed into service.

On May 1, orders are placed for eight Boeing 377 Stratocruisers and, two weeks later on May 15, the L-049s *Flagship America* and *Flagship Eire*, join the fleet. On May 18, the *Flagship Amsterdam* opens regular passenger service to West Berlin via Ireland, London, Amsterdam, and Frankfurt; two days later, on May 20, the final Constellation, *Flagship Norway*, is delivered.

The retired flying boats *Excambian* and *Exeter* are sold, via the Reconstruction Finance Corporation, to **Tampico Airlines** on June 17; both will be employed in various nonscheduled operations over the next decade. Also in June, AOA becomes the third U.S. carrier, after **Pan American Airways (PAA)** and **Transcontinental and Western Air Lines (TWA)**, to offer Lockheed L-049 service to London.

Daily services to Europe are increased on July 10, but two days later, the Civil Aeronautics Administration (CAA) temporarily grounds the American industry's Constellations, causing changes in the European schedule and the greater use of DC-4s. The final DC-4, the *Flagship Washington*, is delivered on August 29. After conferring with Gen. Lucius D. Clay, C. R. Smith announces on September 1 that AOA will expand its services to Germany.

En route from New York to Berlin on October 3 via Gander and Shannon, the DC-4 *Flagship New England*, with 8 crew and 31 passengers, encounters bad weather and is diverted to Stephenville, Newfoundland, from Gander. Upon the completion of refueling, the four-engine transport takes off, hits a cloud-covered hillside, and crashes; there are no survivors.

On November 3, the company's 30,000th passenger (cumulative) is boarded. A Lockheed sets a New York to London nonstop speed record with the first commercial all-freight load during a survey flight completed on November 21. On November 27, a specially converted DC-4 arrives at Newark, en route from Shannon, Ireland, to California, carrying six Irish-bred racehorses, marking the first livestock Atlantic crossing and long-distance hop for horses.

Philadelphia to London Constellation service is resumed on December 22 followed by Washington, D.C.-Amsterdam flights on December 31.

Daily New York to Shannon nonstop service begins on February 25, 1947. Lunch in New York and breakfast in London flights start on March 1. Seventeen days later, thrice-weekly New York-Iceland service is inaugurated. When AOA places an ad in Moscow on April 15 offering return trips from the foreign ministers council meeting it is the first advertisement placed in the Soviet Union by a U.S. carrier.

Radiotelegraphy service is offered on transatlantic flights beginning on June 18; this is the first aircraft-to-ground radio message service provided for passengers. Also during the month, the DC-3 *Flagship Helsinki* inaugurates scheduled Western service to Helsinki.

Having been pressed into service by rebels fighting the Paraguayan government, the company's former flying boat *Exeter*, while flying supplies out of Montevideo, is lost during a night landing near the Punta Brava lighthouse on the River Plate on August 15.

Daily New York to Shannon flights are resumed on September 2 after a brief halt. The next day, the carrier completes its 15,000th transatlantic crossing. Supported by the Air Line Pilots Association (ALPA), company pilots go out on strike on October 1. Two days later, USAF pilots take over the Iceland service. ALPA suspends its strike on October 18, pending arbitration and, on October 19 a new pact is signed, providing the highest pilot pay in commercial flying history to date. The 100,000th boarding (cumulative) is celebrated on November 22.

On February 5, 1948, transatlantic L-049 Irish Mercury service is inaugurated. Two planes are added on the West Berlin to Frankfurt route on April 4 and the number of New York-Frankfurt-West Berlin trips are increased on July 2, as the carrier begins participation in the Berlin Airlift. Indeed, with the introduction of twice-daily C-54 roundtrips between Frankfurt and Berlin on July 19, AOA is the first civilian airline to participate in the massive operation. The civilian airlift, under the direction of E. P. Whitfield, **British European Airways Corporation (BEA)**'s manager in Germany, begins on August 4.

The carrier continues its Frankfurt to West Berlin service after October 29, despite curbs placed on other airlines. After fire closes Keflavik Airport on November 17, three westbound flights are forced to return to Shannon. An AOA Constellation is renamed *Flagship Scotland* on November 29 and next day, St. Andrew's Day, opens Scottish Mercury service to Glasgow.

Following the resignation of John E. Slater as board chairman, a tentative agreement to merge with its chief rival, **Pan American Airways (PAA)** is reached on December 11. Discussions will continue for two years, although a formal application will be made to the government.

Company participation in the Berlin Airlift ends early in 1949. Over a period of 274 days, AOA has flown some 28,000 passengers and 6.5 million tons of cargo between Frankfurt and West Berlin. The first Boeing 377 is delivered on June 13 and is christened *Flagship Great Britain*, later *Flagship Scandinavia*. On June 19, the carrier celebrates its seventh anniversary with its 18,522nd flight from New York to Europe. The second Stratocruiser, the *Flagship Europe*, arrives on July 30.

Departing the new Idlewild Airport on August 17, the Boeing 377, *Flagship Europe*, initiates AOA New York to London Stratocruiser flights. Three days later another B-377, the *Flagship Holland*, is delivered. The Stratocruiser *Flagship Ireland* arrives on September 17, followed by the *Flagship Norway* on October 6, the *Flagship Sweden* on November 10, and the *Flagship Denmark* on November 18.

Meanwhile, during October, AOA flight attendant Jane Hinckley assists in the birth of the first baby delivered aboard a Stratocruiser; the surprise event occurs 19,000 feet above the Atlantic while the plane is en route from England.

The last B-377, *Flagship Scotland*, is received on January 5, 1950. New York to Hamburg service is inaugurated on March 5. The final DC-4 received, the *Flagship Washington*, is the first sold, to **Oxnard Sky Freight** on May 16. On May 22, a B-377 flies from Paris to New York in a record 13 hrs. 50 min. Two days later, the company celebrates the eighth anniversary of its first transatlantic flight. The AOA-PAA merger plan is rejected by the CAB during the month.

The 20,000th transatlantic crossing is made on June 9 and, on September 2, the carrier begins the first New York-Dusseldorf-Cologne through service. On September 25, President Harry S. Truman, reversing his earlier rejection of the transaction, overrules the CAB and the **Pan American World Airways (1)** deal is completed. **Trans World Airlines (TWA)** files a lawsuit to block implementation of the arrangement, which is eventually upheld by the U.S. Supreme Court.

Pan American World Airways (1) is enlarged still further (at a cost of \$17.45 million) and **American Airlines** refocuses its attention upon the U.S. domestic scene for three decades.

AMERICAN TRANS AIR: P.O. Box 51609, 2141 South High School Road, Indianapolis, Indiana 46251, United States; Phone (317) 247-4000; Fax (317) 247-7091; <http://www.ata.com>; Code TZ; Year Founded 1973. ATA is formed by former Voyager 1000 travel club chief pilot J. George Mikelsons at Indianapolis, Indiana, in late spring 1973 to provide airlift to various parts of the world under contract for his new Ambassador Travel Club (Amtran). A Boeing 720 (B-707-23) is leased, for \$20,000 per month, from **American Airlines**. Christened *Miss Indy*, it inaugurates the club's activities with an African tour in August. Expenses skyrocket in the fourth quarter as a result of the Yom Kippur War's impact on oil prices.

During the remainder of the decade, another ex-AA Boeing 720 (B-707-23), named *Spirit of Indiana*, is acquired (in the fall of 1978), the membership enjoys travel, and after 1976 the operation becomes profitable.

In 1980, Chairman Mikelsons acquires five B-707-123Bs from **American Airlines** as the company prepares to expand. Additional bases are established at New York (JFK), Detroit, and Chicago (ORD). An application for certification is filed with the CAB late in the year.

Charter authority is received from the CAB in January 1981, allowing nonscheduled public charters, tours, and contract service flights

(especially military troop flights) to commence on April 1 to such destinations as Las Vegas and Honolulu.

A total of 96,426 passengers are flown on the year. Despite start-up costs, profits are generated on the \$12 million in revenues: \$1 million (operating) and \$587,513 (net).

The employee population skyrockets 81.5% in 1982 to 245. All of the B-720s, except *Miss Indy*, are retired as the company takes delivery of a Douglas DC-10-40, formerly flown by **Northwest Airlines**, and two ex-AA B-707-323Bs. A contract is signed with **Air Florida** to fly subcontracted services on its behalf from the Midwest to Florida.

In July, the Ambassador Travel Club becomes a formal for-profit subsidiary.

Bookings during this full year as a common carrier rise a dramatic 180% to 269,532. Revenues accelerate 154.2% to \$30.6 million while expenses, although up by 156.3%, are held to \$28.2 million. Net profits total \$1.97 million and come atop an operating gain of \$2.33 million.

The payroll is again dramatically increased in 1983, rising 121.4% to 582. Four B-727-123s and a DC-10-10, the latter once flown by **Laker Airways, Ltd.**, are now added to a fleet that already includes another DC-10-40 and 8 B-707-123/323Bs. On May 25, the carrier joins fellow charter operator **Global International Airways Corporation** in suing the Port Authority of New York and New Jersey to prevent it from enforcing new noise regulations that will ground the airlines' flights from New York and Newark.

Membership in the Ambassador Travel Club stands at 23,000 in the Indianapolis area and during the year, Chairman/CEO Mikelson decides to replace his eight Stratoliners rather than hush-kit them.

Enplanements balloon 129.9% to 618,532 and operating income skyrockets 150.2% to \$76.46 million. Although expenses are up 154.4% to \$71.81 million, they allow an increase in profits to \$4.65 million (operating) and \$3.73 million (net).

The fleet in 1984 includes 5 B-707-123Bs, 3 B-707-323Bs, 1 DC-10-40, and 1 DC-10-10. Beginning in January, the company purchases from Boeing a fleet of 9 ex-**Delta Air Lines** Lockheed L-1011-50 TriStar 1s for \$13,265,000 apiece while trading in its 8 Stratoliners for \$9 million each.

During the year, the carrier is restructured; a holding company, Amtran, Inc., is created with ATA and the Ambassador Travel Club as its subsidiaries. The first Lockheed L-1011-50 TriStar 1 is delivered in December.

Customer bookings swell another 81.1% to 1,119,000. Revenues total \$129.4 million, the year's operating profit is \$7.98 million, while net gain of \$5.86 million is celebrated.

The workforce in 1985 stands at 1,281. Arrangements are made to acquire another L-1011-50 and 8 B-727-21s/-22s, the latter from **Pan American World Airways (1)** and **United Airlines**. The DC-10-10 is sold in November and the last TriStar 1 arrives in December.

Newly elevated to the category of national airline, America's largest charter operator, "America's Vacation Airline," is able to boost its passenger traffic by 20.9% to 1,353,000 passengers flown. Revenues jump 18.8% to \$165.69 million, costs are up 14% to \$149.83 million, and the operating profit climbs to \$15.85 million. Net profit dips to \$5.39 million.

Airline employment rises 1.5% in 1986 to 1,300 and delivery of the last of the Boeing trimotors is completed in late winter. "World Cruise by Private Jet" around-the-world flights are inaugurated in the spring on behalf of Hemphill Harris Travel Corporation; at \$23,000 per head, 88 L-1011-50 TriStar passengers are taken around the world in 35 days in two-abreast, first-class seating. In May, the company makes a limited entry into the scheduled marketplace, operating thrice-weekly B-727-21 flights from Indianapolis to Tampa, Ft. Myers, and Ft. Lauderdale and from New York to Aguadilla, Puerto Rico.

On August 10, incorrect handling of a loose oxygen generator by a company mechanic working in the forward cargo hold of Flight 131, a DC-10-40 on the ground at Chicago (ORD), results in a temperature of 430°C, setting a fire that consumes the aircraft. There are no injuries or fatalities.

Despite the summer downturn in transatlantic traffic caused by the terrorism threat and the Chernobyl nuclear accident, the charter airline enjoys a good year. Several Lockheeds are wet-leased to **Air Algerie, S.A.**, **Air Jamaica, Ltd.**, and **World Airways** to make up for capacity unneeded after wholesalers begin cancelling charters.

Additionally, new summer business to Las Vegas and Honolulu is generated, with scheduled service to the former point initiated during the fall. A SITA Gabriel computerized reservations system is installed on October 1.

Customer bookings accelerate 43.2% to 1,938,000 and revenues rise 11.6% to \$184.88 million. With expenses up 17.8% to \$176.64 million, the operating profit drops to \$8.42 million and net gain is down to \$1.08 million.

The workforce grows again in 1987, up by 33.2% to 1,731. Amber Vacations, Inc. is founded to offer packaged tours for popular service destinations. Weekly roundtrip charter flights are inaugurated on September 22 from Chicago and Detroit to London.

The public perception of an end to the threat of terrorism helps traffic grow, although late in the year the company all but gives up on its scheduled service experiment, retaining only a single Indianapolis to Ft. Myers route.

Passenger boardings move ahead by 7.2% to 2,078,000 and revenues surge 37.6% to \$254.33 million. Expenses grow by 38.6% to \$244.6 million, the operating profit is \$9.73 million, and net profit climbs to \$3.2 million.

Hiring continues in 1988 as the employee population is increased by 6.8% to 1,789. The fleet now includes 10 L-1011-50 TriStar 1s and 8 B-727-21s/-22s. Orders are placed for 6, later 7, B-757-200s.

The Chicago and Detroit to London weekly charters end on May 31; however, an effort is made to better equalize the highs and lows of seasonal demand, while simultaneously increasing market share in Europe. A new maintenance and training facility is opened at Indianapolis where the company is able to provide its own maintenance checks and offer contract maintenance services to other operators.

The decision is now made not to curtail scheduled operations, but to expand them. Thus a new route is opened from San Francisco to Honolulu and Maui.

Despite this progress, customer bookings plunge 12.1% to 1,880,497 and revenues slip 0.16% to \$253.94 million. Costs decline 8.82% to \$223.02 million and allow an operating profit of \$30.91 million. Net gain doubles to \$6.95 million.

The workforce is reduced by 3.2% in 1989 to 1,731 and the fleet of the nation's largest charter operator is increased by four leased B-757-212ERs, which were once flown by **Singapore Airlines, Ltd.**

A new American Trans-Air Training Corporation subsidiary is established at Indianapolis and contract pilot training is offered. In addition, the subsidiary American Trans Air ExecuJet is set up to offer charter and small group passenger charters with one each Cessna 501 Citation I and Learjet 35, plus a Bell 206B JetRanger helicopter.

A specially configured L-1011-50 is now made available for the first annual first-class around-the-world tour; cost per passenger is \$45,000. With its colors modified, another L-1011-50 is put out on lease with **Aer Lingus Irish Airlines, Ltd.**

In conjunction with Amber Vacations, weekly nonstop departures are launched in December from Indianapolis to Jamaica.

Passenger boardings rebound, climbing 24.1% to 2,234,000. Revenues also move ahead, by 9.9% to \$279.1 million. Expenses increase 14.3% and cut operating income to \$18 million. Net profit falls almost three-quarters to \$4.4 million.

In 1990 the 1,731-employee carrier operates a fleet of 10 L-1011-50s, 4 B-757-212ERs, 2 B-757-2Q8ERs, and 7 B-727-21s/-22s.

When rival charter carrier **Skyworld Airlines**, based in Denver, sells its fleet and exits the transportation business in July, Amtran, Inc., parent of American Trans Air, purchases its associated **Ports of Call** travel club for \$500,000.

Amber Air Freight Corporation is now established to handle the company's cargo sales and marketing and to provide assistance to other airlines with their air freight handling requirements.

Following Iraq's invasion of Kuwait in August, the company devotes much of its capacity to the transport of U.S. troops to Saudi Arabia during Operation Desert Shield.

On the year, customer bookings jump 11.5% to 2,521,000 and revenues climb 32.43% to \$389.62 million. Expenses, led by increased fuel prices, grow at the high percentage of 36.86%, reaching \$357.29 million. Operating income slides to \$12.33 million and net profit plunges to \$743,000.

The payroll grows by 38.7% in 1991 to 2,401 and, in January, nonstop charters are undertaken from Portland, Oregon, to Honolulu under contract to the tour wholesaling company Sun Trips, Inc. During the Gulf War, the carrier flies more missions (494 roundtrips) and lifts more American troops (108,000) than any other U.S. passenger carrier. Indeed, it transports more soldiers to the Mideast than any carrier providing contract services from any nation.

Although \$50 million is generated from Operation Desert Storm work, the company must still postpone salary increases (executives take pay cuts) as the military contracts are reduced toward summer and tour traffic is slow to recover.

Passenger boardings for the year decline 5.3% to 2,388,595 while revenues rise 14.13% to \$421.85 million. Expenses are only up by 14.84% to \$410.55 million and guarantee an operating profit of \$11.3 million. Net profit, primarily from the sale of slots at Chicago (ORD), explodes to \$5.58 million.

Company employment is increased by 9.4% in 1992 to 2,412 and the fleet now includes 6 chartered B-757s, including 4 Dash-212s and 2 Dash-2Q8s, and 13 L-1011-50s, 1 of which is chartered. Also included are 7 leased B-727-227As, newly acquired during the first quarter from Polaris Aircraft Leasing Corporation in exchange for 7 B-727-21s/022s.

The company is caught up in the fare wars between the major airlines and suffers financial reversal. Scheduled nonstop service is inaugurated in December between Chicago (MDW) and the Florida destinations of Ft. Myers, Ft. Lauderdale, St. Petersburg, and Orlando. At the same time, scheduled flights are also begun between Midway Airport and Las Vegas.

American Trans Air Training Corporation is expanded during the year to include the ATA Aviation Training Academy for mechanics.

Although customer bookings ascend 11.3% to 2,657,960 (14.5% scheduled), revenues advance only 1.9% to \$421.8 million. Expenses, meanwhile, swell 3.9% to \$418.5 million and lower the operating profit to \$3.2 million. There is a \$2.1-million net loss.

Early in 1993, the twentieth anniversary year, George Mikelsons assumes complete ownership. The Air Mobility Command, formerly the U.S. MAC, awards the carrier a \$47.2-million contract. Part of this income is used to support the inauguration of a twice-weekly B-757-212ER service linking Norfolk Naval Air Station, Virginia, with the Indian Ocean island of Diego Garcia, via Philadelphia, Shannon, Sicily, and Bahrain. The 27 hr. 15 min. flight over the world's longest scheduled route is occasionally even longer, with routing via Manila and Singapore.

Chicago to Sarasota service is initiated on February 1. A public stock offering of 3.1 million shares is made during May, of which 2.6 million shares come from the Amtran, Inc. parent and the remainder from owner Mikelsons; the sale brings in \$37.4 million which will be employed to purchase new transports. Common stock is now traded on the NASDAQ exchange under the symbol AMTR.

Twice-weekly B-757-212ER charter flights to Riga, Latvia, (Mikelsons's native land) via Belfast begin in June. The public offering, completed by September 30, reduces long-term debt from \$68 million to \$56 million and increases stockholders' equity from \$32 million nine months earlier to \$72 million.

About 4,000 German citizens, who earlier purchased cut-rate air trips to the U.S. from Marlo Reisch of Hamburg, are stranded on August 21 when ATA stops honoring tickets obtained from the insolvent tour operation.

Having been named executive vice president back in June, John P. Tague is promoted to the post of president/chief operating officer in October. Late in the year, scheduled flights begin to four Florida destinations from Milwaukee. Earnings for the third quarter are very weak, owing to a \$2.5-million default of the German tour operator. Scheduled services are inaugurated in December from Chicago (MDW) to Phoenix.

The last B-727-100s are retired during the year.

Passenger boardings climb 19.2% to 3,149,000 (29.5% scheduled) and revenues swell 10.9% to \$467.9 million. Expenses are up 10.4% to \$462.2 million and allow operating income to grow to \$5.66 million. Net profit is \$3.03 million.

Airline employment is increased by 19.3% in 1994 to 3,950 and now only 1 Cessna 501 Citation I, a Learjet 35, and 10 L-1011-50s are owned; all of the rest of the fleet is leased. These units include 1 L-1011-50, 1 each B-727-2B7A, B-727-2Q8A, B-727-208A, 8 B-727-227As, 3 B-727-264As, 2 B-727-290As, 4 B-757-212s, and 2 B-757-2Q8s.

Charter flights begin to Brazil during the winter holiday season. Non-scheduled flying remains a bulwark of company income as over 400 destinations are served. At the beginning of April, nonstop scheduled service is started from Chicago (MDW) to Nassau.

On April 23, the Apollo reservations system, joined by Galileo, Worldspan, and System One inform the airline that it will block the airline from employing their services unless it begins paying booking fees. Unlike Southwest Airlines, which also has minimal participation in computerized reservations systems, ATA quickly signs up with Galileo and System One. Scheduled services are now increased to more than half of the total services offered.

After signing a contract with Pleasant Hawaiian Holidays, direct and daily scheduled roundtrip flights are initiated by ATA to Honolulu and Maui from Chicago (MDW) via Los Angeles (beginning on March 24) and San Francisco (starting on May 19). Two TriStar 1s, painted in Pleasant Hawaiian titles, are dedicated to the service.

The state of Indiana and city of Indianapolis are able to assemble a \$40-million incentive package in August which successfully convinces owner Mikelsons of Hoosier loyalty and prevents a franchise relocation to Florida. Later in the fall, B-757-212ER service is inaugurated to Hawaii from Indianapolis. On September 7, the carrier places orders for 6 more B-757-200s and 4 additional leased L-1011 TriStar 1s.

On September 15, after several years of political turmoil, the U.S. government demands the resignation of Haiti's ruling military junta and two days later, former president Jimmy Carter negotiates their removal. Shortly thereafter, the B-757-212ER *Spirit of Indianapolis* is contracted by the U.S. State Department to fly the deposed military leader, Gen. Raoul Cedras, his family and associates, from Port-au-Prince to Panama.

The year's customer bookings increase 42.6% to 4,237,870 and revenues jump 24.1% to \$580.52 million. With expenses up only 23.8% to \$572.11 million, there are increased profits: \$8.4 million (operating) and \$3.48 million (net).

Airline employment stands at 4,700 in 1995, a 19% increase, and the fleet is increased by the addition of five more jetliners. The largest charter airline in the U.S. now opens an office in Frankfurt, Germany. A new 72-hour ticketing policy gives travel agents greater flexibility in providing public service to tourists and vacationers.

Service to Los Angeles and San Francisco from Indianapolis is initiated in March. President/Chief Operating Officer John Tague resigns in June. During the spring and summer, additional charters are laid on from San Diego and Oakland to Honolulu and Maui. A total of 12 flights per week are offered on behalf of Pleasant Hawaiian Holidays to Honolulu and Maui, while five services per week are flown from San Francisco to Maui and two to Honolulu.

In the fall, a new operating plan is initiated. The company begins to emphasize scheduled services over its earlier charter approach and 33 new departures are started from the carrier's gateway cities of Chicago, Indianapolis, Boston, and Milwaukee. In addition, a new intra-Florida network is established. This expansion in low-fare service proves quite

beneficial. Enplanements increase 26.7% to 5,368,171 and operating income surges 23.2% to \$715 million. Costs are up 22.1% to \$698.5 million and the operating gain doubles to \$16.5 million. A net \$8.52-million profit is posted.

The workforce is cut 21.5% in 1996 to 3,690. Severe winter conditions in the Northeast force a significant number of cancellations of Boston departures. At the beginning of the second quarter, seasonal service is inaugurated from New York (JFK) to Shannon, Dublin, and Belfast. The company joins with **Chicago Express Airlines** to create the "ATA Connection," which provides commuter links to Midway Airport from Dayton, Des Moines, and Grand Rapids.

Higher fuel costs and increased competition devastates the carrier's scheduled business during the second and third quarters.

On May 12, just after takeoff from Chicago (MDW) en route to St. Petersburg, Flight 406, a B-727-290 with 112 passengers, suffers rapid cabin depressurization. The pilot and engineer pass out, requiring the copilot to take over and push the plane to a lower altitude and make an emergency landing at Indianapolis. Five flight attendants and six passengers are treated for ear discomforts at local hospitals. The incident, coming just a day after the **Valujet Airlines** Everglades disaster, causes the company to lose passengers during late spring and summer as well as \$17 million in anticipated income.

Having completed a particularly helpful audit of the airline's routes and corporate structure, Stanley L. Pace, former senior partner and director of Bain & Co., is recruited by founder Mikelsons and named president/CEO on August 12. Parent Amtran, Inc. announces on August 23 that its American Trans Air unit will discontinue some scheduled flights and reduce its fleet size in an effort to cut costs and concentrate on its charter services.

Services to West Palm Beach and Grand Cayman end on September 4. Scheduled flights to Montego Bay are suspended on October 1, while nearly all scheduled departures from Boston end on October 26, including those to St. Petersburg, Ft. Myers, Miami, and Ft. Lauderdale. Miami and San Diego scheduled frequencies end on October 27.

On November 1, owner Mikelsons receives the annual Tony Jannus Award for outstanding contributions to scheduled aviation. The reduction in scheduled flights continues, however, and on November 14 the last service is concluded between Boston and Las Vegas. Five B-757-212s are returned to their lessor at month's end and 15% of the workforce is laid off. Flights from Boston to Orlando, with connections to Nassau and Sarasota, are operated through December 2. A homepage is opened on the World Wide Web.

Still, overall customer bookings accelerate 5.8% to 5,680,496.

Revenues also grow 5% to \$750.85 million while expenses jump 12.9% to \$786.9 million. The previous years operating and net gains turn into losses of \$36.05 million and \$26.67 million, respectively.

The employee population is increased by 13% in 1997 to 5,012.

Thrice-weekly B-727-200 return service is inaugurated on January 24 between Kent County Airport, Grand Rapids, Michigan, and Orlando. This new service is a preamble to a massive product growth during the spring and summer.

Thrice-weekly return service is launched on April 8 between Indianapolis and San Francisco, followed by the initiation of the same number of roundtrip frequencies from the Hoosier city to Los Angeles the next day. On April 22, the carrier increases its nonstop service between San Juan and Orlando from four flights per week to daily.

On May 28, President/CEO Pace resigns. He receives a \$3-million compensation package ("golden parachute") payable over the next two years. While a search is begun for a permanent replacement, the company is run by a three-person executive committee headed by Executive Vice President/Chief Operating Officer Jim Hlavacek, reporting to Chairman Mikelsons.

On June 4, the company introduces twice-daily return flights between Chicago (MDW) and New York (JFK). At the same time, direct service from Chicago to San Juan increases from 4 to 12 weekly departures and

that to Los Angeles, San Francisco, and Phoenix becomes thrice-daily, except Saturdays.

Also on June 4, twice-daily return frequencies are introduced between New York (JFK) and Chicago (MDW). Daily nonstops are also launched from JFK to Indianapolis and St. Petersburg, with direct or connecting service added to Los Angeles, San Francisco, Phoenix, Las Vegas, and San Juan. The thrice-weekly flights between Indianapolis and Los Angeles/San Francisco become daily services. Simultaneously, thrice-weekly return frequencies are initiated from Indianapolis to Las Vegas, two to Cancún, two to Ft. Lauderdale, two to Sarasota, and one to St. Petersburg. These departures raise the number of weekly departures out of Indianapolis from 80 to 99.

With the introduction of the summer schedule on June 4, the company also institutes daily nonstop service from St. Petersburg to New York (JFK) and six-times-a-week flights to San Juan.

Simultaneously, the San Juan to Orlando route is doubled to twice-daily, while that from San Juan to Chicago (MDW) rises from 4 to 12 weekly departures. New six-times-a-week service is started from San Juan to New York (JFK). From Los Angeles, 12 weekly departures are added to New York (JFK) and 8 to St. Petersburg. Service from LAX to Chicago (MDW) becomes thrice daily, except Saturdays, when it is twice daily.

Former President Tague returns to his previously vacated post on June 19. Also in June, unsuccessful merger discussions are held with **Valujet Airlines**.

During July, \$100-million worth of 7-year, 10.5% notes are sold and the company negotiates a 4-year, \$50-million revolving credit line.

Nonstops from Milwaukee are replaced with connections via six gates at Chicago (MDW).

Effective August 21, electronic ticketing—"EZ Ticketing"—becomes available on all scheduled flights to and from Chicago (MDW), Indianapolis, and Milwaukee to five Florida cities, San Juan, Honolulu, Maui, Cancún, Phoenix, Las Vegas, New York (JFK), Los Angeles, San Francisco, Dayton, Des Moines, and Grand Rapids.

During the fourth quarter, a yield management program is put in place. At the end of the year, a new B-757-28AER is leased.

Passenger boardings decline 6.6% to 5,307,390, while operating revenues are up 4.3% to \$783.19 million. Expenses fall 2.2% to \$769.7 million and allow a \$13.48-million operating profit. A \$1.57-million net gain is celebrated.

In celebration of the company's twenty-fifth anniversary in 1998, the carrier paints a B-727-227A in a special purple-based livery. In addition, two Lockheed TriStars 1s are given a special purple and white color scheme which advertises tour sponsor Pleasant Hawaiian Holidays, which renews its five-year-old partnership with ATA on April 3.

Chicago (MDW) departures continue to receive emphasis with a commitment to operate 12 gates, a 50% increase, and to make improvements to the current gates and concourse. On May 1, new frequencies are added from that point to Dallas (DFW) and to Denver; additional departures are offered to Orlando, St. Petersburg/Clearwater, San Francisco, Phoenix, and Ft. Lauderdale.

Having been repainted and received a maintenance check, another L-1011 is delivered in early May, this one purchased from **Trans World Airlines (TWA)**.

On behalf of Pleasant Hawaiian Holidays, the airline launches service from San Diego to Hawaii on May 16. This inauguration is followed on May 26 with a new service to San Juan.

Chicago (MDW) to Los Angeles service is increased to thrice-daily on June 5. All of the expansion at Chicago requires the addition of 500 more workers.

Also in June, a letter of intent is signed with **Royal Jordanian Airlines** for the acquisition of 5 L-1011-500s, plus a stock of spare parts. The jetliners will be integrated over the next 18 months. This arrangement is followed with an order for 2 additional B-757-200s; both will be delivered in the fall of 1999, 1 replacing a B-757-2Q8 going off lease.

A purchase agreement with **Royal Jordanian Airlines** is signed on August 4 for the 5 TriStars; the first is scheduled to be placed into service in early December.

Thrice-weekday roundtrips commence on July 7 between Chicago (MDW) and New York (LGA); the route is traveled twice daily on Saturdays.

On August 19, the company announces that it will, beginning on February 7, operate daily B-727-200 nonstop winter season nonstops between Indianapolis and Montego Bay.

With a pilots job action looming in two days, **Northwest Airlines** makes arrangements with a number of carriers on August 27 for the accommodation of displaced passengers. ATA, in a press release, recommends that potential customers make reservations, but notes that it will also take NWA ticket holders on a stand-by basis.

On August 31, with the Northwest strike two days old, ATA adds one daily roundtrip frequency from Chicago (MDW) to Milwaukee and Madison, Wisconsin, and to Grand Rapids, Michigan.

Flights continue apace during the remainder of the summer and fall. On December 7, the carrier announces that it will offer thrice-weekly seasonal service from New York (JFK) to Shannon and Dublin in Ireland between June 3 and September 7, 1999.

Customer bookings jump 16.95% to 6.16 million during the 12 months. Revenues advance 17.4% to \$919.4 million, while costs rise 9.7% to \$843.99 million. The operating profit increases to \$75.4 million, while the net gain skyrockets to \$40.08 million.

The first former **Royal Jordanian Airlines** L-1011-500 enters revenue service early in January 1999 along with a B-757-200.

Another B-757-200 is ordered for delivery in June 2000.

On January 20, ATA announces that it will cease service to Milwaukee in the spring. Two days later, Funjet Vacations of Milwaukee hastens to advise travelers that it will continue to work with the airline through the winter holiday season and will switch over to **Sun Country Airlines** on May 1.

Beginning on February 7, the company operates daily, nonstop B-727-227A flights between Indianapolis and Montego Bay for the winter season.

Daily service from Milwaukee to Orlando is discontinued on April 30. Customers may, however, continue to take advantage of "ATA Connection" partner **Chicago Express Airlines'** six daily roundtrips from Orlando to Chicago (MDW), where connections with ATA service to Milwaukee and 21 others cities can be made.

In an agreement set to close before the end of March, ATA, on February 26, purchases **Chicago Express Airlines** for an undisclosed sum.

Announced on March 1, thrice-weekday and twice-weekend-day roundtrips are initiated on May 1 between Chicago (MDW) and Philadelphia.

On May 26, the carrier's Amtran parent announces that it has completed the previously announced acquisition of all outstanding stock of **Chicago Express Airlines**.

The next day, *The Wall Street Journal* reporter Susan Carey, in a piece concerning charter airlines and the Balkan crisis, quotes ATA officials as expecting to earn \$125 million in military business this year. Half of it will be in short-term contracts, termed "expansion flying," generated during the Kosovo crisis.

Scheduled L-1011 direct thrice-weekly roundtrip service is inaugurated on June 1 between Chicago (ORD) and Dublin and Shannon.

B-727-227A roundtrips are initiated on June 9 between Ft. Lauderdale and San Juan, six days a week. On June 15, two additional B-727-227A flights are launched between Orlando and San Juan, bringing weekly frequencies in this city pair to 18 roundtrips. Six-days-a-week L-1011-500 TriStar 1 roundtrips to San Juan from New York (JFK) begin the next day.

Overall passenger boardings accelerate 14.2% to 7,045,000 while operating revenues surge ahead by 22.1% to \$1,122,366,000. The carrier's initial break through the "billion dollar revenue barrier" allows

the U.S. Department of Transportation to elevate ATA into the ranks of U.S. major carriers.

With costs up 22.3% to \$1,032,339,000, the company is able to achieve a \$90.02-million operating profit. Net gain rises to \$47,342,000. Airline employment at the start of 2000 stands at 7,000.

In late March, a B-757-2Q8ER is subleased to **Air Malta Company, Ltd.** for use on that carrier's twice-weekly summer service to New York (JFK). Twice-daily B-757-2Q8ER roundtrips commence on April 3 between Washington, D.C. (DCA) and Chicago (MDW).

On May 4, the company places an order via ILFC for 37 Next Generation, enhanced performance B-737-8Q8s, which will begin delivery during the second quarter of 2001. ATA is launch customer for this winglet-equipped "Baby Boeing" version. It also requests 10 B-757-300s, with which to replace its L-1011.

New daily B-757-2Q8ER roundtrips are started on May 7 from Boston to Seattle, with a second flight operated on Wednesdays and Sundays. Simultaneously, thrice-daily B-757-2Q8ER return service is launched between Boston and Chicago (MDW), with same plane flights continuing on to Denver, Dallas (DFW), and Seattle.

Frequencies from Los Angeles to Maui are increased from five every week to six on May 14; Sunday roundtrips commence on May 14 between Los Angeles and Cancún.

Daily return flights from Chicago (MDW) to New York (LGA) are increased from five to seven on September 15, along with increases at Washington, D.C. (DCA) of three to five and Philadelphia of three to four.

Service is halted over the Indianapolis-Chicago (MDW) route on November 9 and turned over to "ATA Connection" **Chicago Express Airlines**.

In association with the tour operator Pleasant Hawaiian Holidays, twice-weekly L-1011-500 roundtrips are launched on December 17 from New York (JFK) to Honolulu; these are followed on December 22 with twice-weekly return flights to Honolulu from Chicago (ORD).

AMERICANA DE AVIACION, S.A.: Peru (1991-1997). ADA is established at Lima in 1991 to offer domestic scheduled passenger and cargo flights. Leandro Chick is chairman with Carlos Morales as general manager; they commence service with a leased fleet of 1 each Boeing 727-27, B-727-76, and B-727-162, plus 2 B-727-77s. The Dash-76 is withdrawn in 1992.

Operations continue apace in 1993-1996. During these years, the fleet is revised as the Dash-100s are traded in for 1 each B-727-230, Dash-230A, and Dash-193. Destinations visited include Chicago, Cuzco, Juliaca, Iquitos, Puerto Maldonado, Tacan, and Tumbes.

Having suffered financial problems for some time, the company attempts a merger with Santiago-based **National Airlines, S.A.** in 1997. When the amalgamation does not occur, Americana folds.

AMERIFLIGHT: 4700 Empire Ave., Hangar #1, Burbank, California 91505, United States; Phone (818) 980-5005; Fax (818) 980-5018; Code AM; Year Founded 1968. Gary Richards establishes Ameriflight at Burbank, California, in 1968, as a subsidiary of All Systems International, to provide charter passenger and cargo flights. Over the next 20 years, the company spreads nationwide, with hubs established at Seattle, Salt Lake City, Oakland, Portland, Dallas, Columbus, Atlanta, New York City, and Ontario, California. California Air Charter is taken over in 1987.

Operations continue apace for the next two decades and, by 1989, the fleet includes 1 Beech King Air 90, 19 Beech 99s, 4 Cessna 208 Caravan Is, 1 leased Dassault Falcon 20CF, 2 de Havilland Canada DHC-6-100s Twin Otters, 3 DHC-6-200s, 4 Gates Learjet 35As, and 1 Piper PA-31T Cheyenne II.

In 1990, 8 additional Beech 99s are acquired; however, the Twin Otters, King Air, and one Caravan are withdrawn. There are no changes in 1991, but 4 more Beech 99s are chartered in 1992.

In **1993**, service is provided to 94 U.S. cities and Tijuana, Mexico, with a fleet that includes 40 Piper PA-31-310 Navajos, 32 Beech 99s, 3 Cessna 208 Caravan Is, 3 Piper PA-31T Cheyennes, 6 Dassault Falcon 20CFs, 4 Fairchild Metro IIIs, and 1 Piper PA-32 Cherokee Six. In April, the fixed-wing division of Van Nuys, California-based **Wings Express** is purchased and merged.

Three more Beech 99s are acquired in **1994**.

Airline employment in **1995-1996** stands at 535 and the fleet now includes 38 Beech 99s, 11 Beech 1900Cs, 12 Fairchild SA-26 Expeditors, 9 Fairchild Metro IIIs, 21 Piper Lances, 42 Piper Navajos, and 5 Learjet 35As. Bases are also established at Phoenix, Colorado Springs, Billings, Teterboro, Cincinnati, and San Antonio.

In July **1997**, the company purchases a majority stake in two-year-old Troutdale, Oregon-based **Sports Air Travel**. President Richards now oversees 535 workers and a huge fleet of 165 commuter and executive aircraft. These offer 500 daily departures to 30 U.S. states, Mexico, and Canada.

While landing at Seattle-Tacoma on August 13, a Beech 1900C freighter with one pilot stalls and falls, tail-first, onto the runway; although the plane is damaged, the flyer is not hurt.

The amalgamation of **Sports Air Travel** is completed by January **1998**. Gained in the process are 19 Cessna 402Cs and 2 C-310s. By the end of the year, airline employment stands at 550, including 250 flight personnel.

Service continues apace in **1999**. While en route from Las Vegas to Sacramento with a cargo of banking paperwork on the night of October 14, Flight 121, a Piper PA-31-350, crashes into Gass Peak 11 mi. N of its departure point, and explodes, killing its pilot.

AMERIJET INTERNATIONAL: 498 South West 34th St., Ft. Lauderdale, Florida 33315, United States; Phone (954) 359-0077; Fax (954) 359-7899; <http://www.amerijet.com>; Code JH; Year Founded 1974. With a base at Ft. Lauderdale, Florida, Amerijet is established in **1974** to undertake domestic and international small cargo flights as well as passenger and air ambulance charters. Leased business aircraft, including Gates Learjets, Cessna 401s, and Dassault Falcons, make up the fleet acquired by founder David Bassett, the son of South American missionaries.

In **1976**, the company signs its first cargo contract with **Purolator Courier Corporation**, and purchases its first aircraft.

Amerijet takes on debt in **1980** to expand its jet fleet, which enables the concern to pick up business from other overnight shipping services and begin developing an independent airline business. Initial long-term contracts are obtained from **Burlington Air Express (BAX)**, **DHL Worldwide Express**, **Emery Worldwide**, **UPS (United Parcel Service)**, and international carriers.

In **1986**, permission is received to offer scheduled cargo services. A larger fleet of 5 B-727-100s, 5 Falcon 20s, and 4 Cessna 402Cs is obtained and service is inaugurated late in the year.

In **1987**, the first full year of operation, a total of 44 million FTKs are flown. Revenues are \$13.9 million, but expenses are higher. As a result, the operating loss is \$2 million and net loss is \$2.4 million.

As a result of the previous year's losses, the fleet is altered in **1988** to comprise 5 Cessna 402s, 6 Falcon 20s, 2 Cessna 401s, and 1 B-727-100.

The revised 60-employee carrier is able to increase its freight traffic by 50% to 66 million FTKs. Revenues, too, jump upward, by 38.7% to \$19.3 million. The operating loss is cut to \$584,000 and net loss is \$306,000.

The workforce is increased to 215 in **1989** as 7 more Boeing trijets come on line, 1 each Dash-46F, Dash-23F, Dash-25F, Dash-51F, Dash-21C, Dash-173C, and Dash-227F. Several of these are used to fly replacement service for **Burlington Air Express**.

Consequently, cargo traffic jumps 18.6% to 76.17 million FTKs. Revenues exceed expenses and guarantee profits of \$670,000 (operating) and \$699,000 (net).

In response to increased demand for services from the Midwest to destinations south of the border, the carrier opens offices in Chicago and

Cincinnati in July **1990**. A Midnight Moonlight Freighter service is introduced linking flights from Oakland and Denver with Chicago.

Still, recessionary factors cause freight to fall by 18.7% to 60.8 million FTKs. Although revenues are up 60.2% to \$27.07 million, costs ascend 72.8% to \$28.05 million and cause an operating loss of \$977,565. There is a net loss of \$1.19 million.

Airline employment declines 53.5% in **1991** to 100 and the fleet now includes 7 B-727-100s, 3 Dassault Falcon 20s, 1 Cessna 501 Citation I, and 1 Cessna 401.

Cargo recovers and climbs 8.6% to 68.16 million FTKs. Revenues fall 7.1% to \$25.14 million, expenses are off 13.6% to \$24.24 million, and the operating profit is \$898,518. Net gain totals \$789,929.

Employment grows by 150 workers in **1992** and freight moves ahead by 5.4% to 71.82 million FTKs. Revenues jump 9.9% to \$27.64 million, expenses keep pace by 13.5% to \$27.58 million, and operating income slides to \$59,849. There is a \$23,449 net loss.

The workforce declines 18.6% in **1993** to 175, but the fleet remains unchanged. Destinations served from Miami include Antigua, Barbados, Cancún, Dominica, Grenada, Guyana, Merida, Mexico City, Port of Spain, St. Kitts, St. Lucia, St. Martin, and St. Vincent.

President Bassett and officials of the Ft. Lauderdale-based freighter watch as cargo traffic declines 16.7% to 59.84 million FTKs. Revenues swell 7.1% to \$29.61 million, expenses drop 5.3% to \$26.11 million, and operating profit recovers and grows to \$3.49 million. The net loss becomes a \$3.36-million net profit.

Airline employment plunges another 48.6% in **1994** to 260 and the fleet now includes 3 B-727-233AFs and one each B-727-227AF, B-727-173C, B-727-21C, B-727-51F, B-727-25F, B-727-23F, and B-727-46, plus 1 Cessna 501 Citation I.

Freight recovers, growing 21% to 72.42 million FTKs. Revenues swell 18.5% to \$35.08 million while expenses only rise 16.1% to \$30.31 million. Consequently, there is an operating surplus of \$4.77 million and a net gain of \$3.92 million.

The workforce stands at 387 in **1995**, a 48.8% increase.

Service to Georgetown, Guyana, begins in June. During December, the company's Miami warehouse is moved into a new 105,000-sq.-ft. facility.

The company's 10 B-727Fs operate 112.79 million FTKs, a jump of 55.7% over the previous year. Operating income far exceeds expenses, leaving healthy profits of \$11.08 million (operating) and \$8.94 million (net).

The employee population is increased by 25.8% in **1996** to 487 and, on January 2, a new weekly return route is inaugurated from Miami to Port-au-Prince, Haiti, via Fort-de-France. The community is the company's 19th international destination and makes Amerijet the only U.S.-based cargo carrier currently serving that point.

Five old **Pan American World Airways (1)** B-727-221s are purchased from storage in the Arizona desert and are transported to Miami; several will be used for spare parts while the others are returned to service as freighters.

Cargo traffic blossoms again, rising 37.8% to \$155.43 million FTKs. Revenues accelerate 26% to \$65.48 million while costs soar 43.4% to \$58.92 million. The operating profit slides to \$6.89 million while a \$3.81-million net profit is reported.

Markets served in **1997** include Antigua, Barbados, Cancún, Dominica, Grenada, Guyana, Merida, Mexico City, Port-au-Prince, Port of Spain, St. Kitts, St. Lucia, St. Martin, and St. Vincent.

The first of the B-727-221Fs is received in April. Good through December 20, the company, also in the second quarter, introduces a "Shop-and-Ship" consumer air freight promotion, offering an air freight discount for customers who shop and then ship with Amerijet. The program is aimed at allowing tourists to rid themselves of excess baggage and bulky packages.

In July, a new office and warehouse facility is opened at E. T. Joshua Airport on St. Vincent. During the month, the company also moves into a new building that it has designed and constructed at Georgetown, Guyana.

Regularly scheduled, twice-weekly air-cargo return flights are inaugurated between Miami and Aruba on August 5. The next day, service is started to the Dominican Republic, with five-times-a-week flights to Santo Domingo and twice-weekly roundtrips to Puerto Plata. With the addition of these destinations, Amerijet provides scheduled service to 18 Caribbean destinations and 34 total destinations throughout North America, the Caribbean, Mexico, and South America.

Following a three-day inspection by the FAA, the company voluntarily suspends operations on December 24. After resolving a number of issues concerning missing records and manuals, improperly secured hazardous material cargo, preflight checks by flight crews, and cargo weight and balance problems, the company is able to resume its schedules on December 30.

A total of 190.42 million FTKs are operated—an increase of 22.5% over the previous year. Operating revenues jump 35.7% to \$88.89 million, while expenses rise 36.9% to \$80.19 million. Consequently, the operating gain improves to \$8.69 million, while a \$5.08-million net profit is recorded.

Services are gradually increased under FAA supervision until fully restored on January 28, 1998. By this point, employment has fallen 45% to 260.

Scheduled all-cargo flights are inaugurated on March 1 from Ft. Lauderdale to Kingston and from the Jamaican airport to a number of smaller Caribbean Islands, five times a week. The carrier works in partnership with newly formed Airways Cargo Services, Ltd. and rents use of a 5,220-sq.-ft. warehouse beside the **Air Jamaica, Ltd. (2)** cargo terminal at Norman Manley Airport.

Freight traffic on the year slips 0.7% to 129.45 million FTKs. However, revenues increase by 12.5% to \$100 million, while costs are held in check at \$92.76 million. The operating profit slides to \$7.24 million, while net gain drops to \$1.06 million.

A southern cargo hub is opened in Grenada on February 4, 1999. A de Havilland Canada DHC-7 freighter stationed at the new base provides direct daily scheduled service to Trinidad, St. Vincent, St. Lucia, Martinique, Guadeloupe, Barbados, and Dominica.

In August, a year after moving its flight operations to Ft. Lauderdale, the company, unhappy with problems in clearing its shipments, returns to Miami.

AMERISTAR JET CHARTER: Addison Airport, Dallas, Texas 75287, United States; Phone (972) 248-2478; Fax (972) 931-6011; <http://www.instar.com/ameristar>; Year Founded 1982. AJC is set up at Addison Airport in 1982 to provide worldwide passenger and cargo charters. Revenue flights commence and continue over the next 15 years and bases are also established at El Paso, Lubbock, and Ypsilanti, Michigan.

In 1998–2000, 1 Dassault Falcon 20 and 1 each Learjet 24, Learjet 24D, and Learjet 25 fly from Addison Airport while 1 Falcon 20 and 1 Learjet 24D are based at El Paso. The facility at Lubbock handles 1 Learjet 24F plus 3 Beech King Air 90s and 1 Super King Air 200. The largest fleet component is stationed at Willow Run Airport in Michigan and comprises 3 Falcon 20s, 2 Learjet 24s, 1 Learjet 24D, and 1 Learjet 25B.

AMISTAD AIRLINE: United States (1967–1980). Organized at Del Rio, Texas, in early 1967, this small third-level operator launches scheduled Cessna 310 and Piper PA-32 Cherokee Six flights to San Antonio and to Houston via Victoria on February 14.

Operations continue apace until the commuter halts its daily roundtrips in 1980.

AMPHIBIAN AIR TRANSPORT SERVICE: United States (1947–1949). Charles Babb, an aircraft broker from Glendale, California, purchases two former **Hawaiian Air Lines** Sikorsky S-43s on July 31, 1947 and employs them to inaugurate air taxi flights to Catalina Island. Two former USN JRS-1s (military designation for the Sikorsky

S-43) arrive on October 2 and 25; converted to civil airliner standard, they join the one-time Hawaiian Air Lines aircraft before year's end.

One of the former Navy planes is fatally damaged in a hard landing in September 1948. Written off as irreparable, the aircraft is towed out to sea and sunk in 50 fathoms of water. Unable to maintain its viability after this incident, AATS goes out of business on July 12, 1949, selling its remaining aircraft to Rose Pechuls and Kirk Kerkorian, who employ them to begin **LA Air Service**.

AMPHIBIOUS AIRWAYS, LTD.: New Zealand (1949–1961). Amphibious Airways, Ltd. is established by Harry English and a syndicate of local businessmen at Invercargill, at the south end of South Island, late in 1949. A Grumman G-44A Widgeon is purchased from the Australian Petroleum Corporation, Ltd. at Sydney and is employed, beginning on October 1, 1950, to offer nonscheduled passenger and freight services to Stewart Island, as well as to numerous other small destinations in the Fjordland and Southland regions of South Island.

The successful seaplane charter operation grows and in 1952 acquires a second Widgeon. Operations continue apace throughout the decade, but as the years continue, economic recession and lack of vision forces the carrier to stagnate.

In 1955, English and several other board members resign to form Auckland-based **New Zealand Tourist Air Travel, Ltd.** Forward-moving itself, NZTAT purchases and merges Amphibious Airways, Ltd. in August 1961.

AMSA (AEROLINEAS MUNDO, S.A.): Dominican Republic (1986–1994). AMSA is established at San Juan in 1986 to pick up the pieces of the failed Air Mar Freight System, which had operated a pair of Curtiss C-46 Commandos to Santo Domingo during the previous four years. Just after creation, the new concern transfers its headquarters and operations to the Dominican Republic. Revenue flights commence with the Commandos, as well as two second-hand Lockheed L-1049G Super Constellations.

One Constellation is gone by decade's end, replaced by a pair of Douglas DC-7Fs.

A **West Indies Air Transport** Douglas C-54Q, with one crewman aboard, suffers a hydraulics failure while taxiing at Borinquen on February 3, 1992, and crashes into the right wing of an unoccupied AMSA L-1049H before falling into a ditch. A fire breaks out and both aircraft are destroyed, although no injuries are reported.

Flights with the DC-7Fs continue until 1994.

AMURAVIA TRANS: Blagoveshensk Aeroport, Amurskaya Region, 675019, Russia; Phone 7 (41622) 24307; Fax 7 (41622) 79456; Code AAX; Year Founded 1992. After Aeroflot Soviet Airlines is broken up in late 1992, this local division is reformed into a joint stock company in early 1993, with ownership divided between employees (51%) and various other interests (49%). Viktor A. Medvedev is director general and his fleet includes 32 Antonov An-2s, 3 Let L-410UVPs, 13 Yakovlev Yak-40s, 3 Tupolev Tu-154B/Ms, 18 Mil Mi-8/17s, and 6 PZL Swidnik Mi-2s. The mission of providing local and regional passenger and cargo services is continued.

Enplanements are first revealed in 1994 and total 178,881; they decline by 30% to 173,700 in 1995.

It is understood that revenue operations continue without significant change during the remainder of the decade; exact information is, however, unavailable.

AMURAVIATRANS (LANIER A/O): Trude Alley 1, Komsomolsk-na-Amure, 681000, Russia; Phone 7 (42172) 44728; Fax 7 (42172) 46938; Year Founded 1994. Amuraviatrans is established at Komsomolsk-na-Amure, Russia, in 1994 to provide ad hoc all-cargo services to domestic, regional, and international locations. S. A. Belov is appointed general director and he begins revenue flights with an unspecified number of Antonov An-12s.

While landing at Bunia, Zaire, on March 27, **1995**, an engine aboard an An-12BP with six crew and four passengers, catches fire; the crew is unable to extinguish the flames and although all aboard escape, the aircraft is burned out.

Flights continue apace during the remainder of the year and for the next three years. By **1998–1999**, the fleet includes 5 An-12s, 1 An-26, and 1 Mil Mi-8.

ANA (AUSTRALIAN NATIONAL AIRLINES [PTY.], LTD.): Australia (1936–1957). With a November goal for integration, Australian National Airlines (Pty.), Ltd. is incorporated on July 1, **1936**. Capitalized at A£250,000, the carrier is the result of an agreement between **Holyman's Airways (Pty.), Ltd.** (founded by pioneer aerial entrepreneur Ivan Holyman in October 1934), Adelaide Steamship Company, Orient Steam Navigation Company, the Union Steam Ship Company of New Zealand, and Huddard Parker, Ltd.

When the amalgamation is completed, its organizers plan for a merger of **Holyman's Airways (Pty.), Ltd.**, **Adelaide Airways (Pty.), Ltd.** (founded in 1935), and **West Australian Airlines (Pty.), Ltd.** (founded in 1921). The same day as the incorporation, **Adelaide Airways (Pty.), Ltd.** acquires **West Australian Airlines (Pty.), Ltd.** following, on August 3, with the inauguration of Adelaide–Broken Hill–Melbourne service. The ANA merger takes effect on November 2.

The new carrier's combined fleet comprises 1 Douglas DC-2 (the *Bungana*, introduced by Holyman's in June), 2 de Havilland DH 86s, 5 DH 89s, 2 DH 84s, 3 DH 50s, 2 Shorts S-16 Scions, and 7 miscellaneous types.

Route rationalization begins and new services are introduced: on November 5, Adelaide–Broken Hill–Mildura and Renmark–Mildura–Broken Hill; on December 14, daily Melbourne–Wagga/Sydney; and on December 20, Perth–Adelaide DC-2 flights via Kalgoorlie, Forrest, and Ceduna. Meanwhile, on November 10, a second DC-2 previously ordered by Holyman is received and christened *Loongana*.

The Adelaide–Broken Hill via Renmark/Medura route is altered on May 31, **1937** to run Adelaide–Melbourne via Renamrk, Broken Hill, and Medura. A joint daily service is introduced with rival **Airlines of Australia (Pty.), Ltd.** on August 30; DC-2s fly Brisbane–Adelaide via Sydney and Melbourne.

In the fall, **Airlines of Australia (Pty.), Ltd.** is purchased from British Pacific Trust, Ltd.; the new subsidiary is allowed to continue operations under its previous identity. In December, the first of four ordered DC-3s, the *Kuruna*, is placed in service.

In **1938**, the DC-2 *Kyeema* crashes into Mount Dandenong, Victoria (18 dead); the public outcry leads to unusual official inquiries.

Late in **1939**, an offer made to purchase troubled **Ansett Airways (Pty.), Ltd.** is spurned by its founder/owner Reginald Ansett.

A second DC-3, the *Kyilla*, joins the fleet in **1940**. Beginning on December 20, **1941**, the carrier's DC-3s evacuate 922 civilians from Port Moresby to Cairns; eight days later, the evacuation of Rabaul is undertaken with 75 people rescued.

The four **Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij (KNILM)** Douglas DC-5s, together with several DC-2s and DC-3s, also participate in humanitarian work in the war's early days. All attempt to escape from the Japanese onslaught on the Netherlands East Indies, with several making it to Australia or New Guinea. From February 17 until early May **1942**, the DC-3 *Kyilla* ferries war materiel and personnel from Cairns and Townsville to Port Moresby. A number of Australian and ex-Dutch aircraft are brought together in the joint Allied Directorate of Air Transport during the spring. This composite organization will provide support until activation of a formal U.S. 5th Air Force transport command can be accomplished.

Covered by P-40 fighters, the *Kyilla* is joined by the *Kuruna* and three 5th USAAF C-47s in flying troops from Port Moresby to Wau, May 22–26.

The subsidiary **Airlines of Australia (Pty.), Ltd.** is fully absorbed on November 1, strengthening the parent's fleet by two Stinson Model A5

and a DH 89; the routes of the Airlines of Australia are temporarily abandoned. The U.S. 374th Troop Carrier Group is activated on November 7, replacing the Allied Directorate of Air Transport. The carrier's DC-3s, beginning on November 22, participate in resupply missions in the Buna-Gona campaign.

The USAAF, which had taken possession of the ex-KNILM DC-3 *Torenvalk* in May, turns it over to ANA on December 6, along with the DC-5 *Zonvogel*, and a few former Netherlands East Indies Air Force Lockheed C-60 Lodestars. All retain their military livery and are based at Archerfield, near Brisbane.

Service is provided anew on January 1, **1943** over the ex-**Airlines of Australia (Pty.), Ltd.** routes. Just after the start of the first quarter, the USAAF charts several of the former Dutch airliners to operate courier services to various points in the Southwest Pacific theater of operations.

The Stinsons are rebuilt and rechristened *Tokana* and *Binana*, while resupply and courier services are maintained to New Guinea through **1944** on behalf of the Allied war effort. The former KNILM DC-3 *Wielewaal*, which had served as transport for Gen. Douglas MacArthur's VIP staff the previous year, is turned over to ANA on April 1 and on May 1, with larger aircraft becoming available, the DC-5 *Zonvogel* also becomes available for civil service.

With nine DC-2s/DC-3s and the DC-5 *Zonvogel*, ANA in **1945** is the nation's most important domestic carrier other than **Qantas Empire Airways, Ltd.** One of the DC-3s, the ex-KNILM *Torenvalk*, is turned over to RAAF No. 33 Squadron on March 17; it will crash at Higgins Field, Queensland, on May 5. Six-times-per-week Melbourne–Kerang service is inaugurated on June 11.

On August 15, the war with Japan ends and, the next day the Australian National Airlines Act passes the parliament, providing for a state-owned rival.

A DC-3 crashes near Tacloban, Leyte, on November 20 (15 dead). The USAAF, meanwhile, allows ANA to retain the DC-5 *Zonvogel* and two C-39s (military DC-2s).

A DC-3 crashes into a river near Hobart, Tasmania, on March 10, **1946** (25 dead). During the spring, war surplus U.S. and Australian C-47s are purchased, converted to civil DC-3 standard, and employed to open new services: on July 1, daily Sydney–Canberra; on July 22, six-times-per-week Melbourne–Wynyard; and on August 1, six-times-per-week Perth–Kalgoorlie.

Meanwhile, the undercarriage of the former KNILM DC-5 *Zonvogel* is damaged at Kingsford Smith Airport on June 4; repaired, the former Dutch DC-5 returns to service in mid-month and is the last airworthy example of her type anywhere. The rare aircraft is withdrawn from regular company flights on July 19.

Seven DC-4s are flown to Australia from California during the summer, giving their ANA crews long-haul, over-water experience.

Trans-Australian Airlines (Pty.), Ltd. commences operations on September 9 and, six days later, the ANA DC-4 *Warana* inaugurates fortnightly Sydney–Vancouver service via Fiji, Canton, Honolulu, and San Francisco, on behalf of **British Commonwealth Pacific Air Lines, Ltd. (BCPAL)**. The carrier's first DC-2, the *Bungana*, is retired late in the month after having logged 29,000 hours and 4.75 million miles. She is followed out of service by her sister, the *Loongana*, on October 15.

The frequency of the Vancouver DC-4 service is advanced to weekly on February 21, **1947**. Having been held in reserve at Melbourne's Essendon Airport for well over a year, the former KNILM DC-5 *Zonvogel* is sought by Gregory Board's nonscheduled **New Holland Airways (Pty.), Ltd.** in November. On December 16, a five-times-per-week DC-3 route is launched from Melbourne to Deniliquin.

New Holland is able to complete purchase of the DC-5 *Zonvogel* on January 2, **1948** and the aircraft is flown to Sydney, its new base, where it is rechristened *Bali Clipper*. After ANA DC-4s have crossed the Pacific 255 times with 7,000 passengers, the BCPAL contract ends on April 21. Two DC-4s are now sold to the overseas carrier.

Having been granted a license to fly Italian immigrants to Australia, the *Bali Clipper* departs Darwin for Rome on May 10. Thereafter, under

covert circumstances very much against Australian law, the aircraft makes its way to Israel. On June 1, the Deniliquin route is extended to Narrander; a number of DC-4 charters are flown to Italy during the summer and fall, returning with immigrants from Europe.

On September 2, the DC-3 *Lutuna* is destroyed when it hits a mountaintop near Quirindi, New South Wales (13 dead). Its own overseas application rejected and unable to directly enter that market, the carrier, on October 18, assumes a 40% interest in the newly reorganized Hong Kong-based **Cathay Pacific Airlines (Pty.), Ltd.** Cathay is able to maintain services to Siam and Singapore, but will not be allowed to extend routes to Australia. On November 8, the company's first DC-3, the *Kuruna*, crashes near the top of Mount Macedon, Victoria (two dead); stewardesses and passengers escape just before the wreck explodes.

Later in the month, the carrier takes a 49% interest in the new **Air Ceylon, Ltd.** and secures a 10-year contract to operate it with ANA crews. Also, in cooperation with **MacRobertson-Miller Airlines (Pty.), Ltd.**, the company **Air Beef (Pty.), Ltd.** is formed to transport frozen meat to Wyndham.

Three new Bristol 170s are delivered in early 1949 and one, the *Pakara*, is immediately dedicated to the Air Beef operation, flying frozen carcasses from the slaughtering station at Gleuroy, in Western Australia's Kimberly District, to Wyndham for shipment overseas. DC-4s are introduced on the Adelaide-Perth route on January 4.

The Kerang DC-3 route is extended to Hay on March 23. A number of new DC-3 routes are introduced during the summer: on August 1, daily Sydney-Mildura; on August 15, daily Brisbane-Mackay; and on September 1, weekly Sydney-Narranda, six-times-per-week Melbourne-Dubbo, and weekly Adelaide-Mildura. ANA DC-4s, in **Air Ceylon, Ltd.** livery, commence Colombo-Singapore and London flights during the fall.

Six-times-per-week Melbourne-Bairnsdale via Sale DC-3 services commence on March 24, 1950 followed on May 1 by weekly Melbourne-Parkes flights and on June 5 by daily Melbourne-Devonport operations. The DC-4 *Anana*, with 5 crew and 24 passengers, is lost at York, in Western Australia, on June 26 (28 dead).

A total of 616,000 passengers are carried on the year.

ANA DC-4s, in **Air Ceylon, Ltd.** livery, commence Colombo-Sydney service on January 28, 1951. DC-3 six-times-per-week Melbourne-Mildura via Swan Hill service is inaugurated on May 29. The year's boardings soar to 666,987.

Twice-weekly Sydney-Hobart DC-4 flights begin on February 15, 1952. A DC-4 must be written off following an October 16 accident at Sydney Airport.

The Civil Aviation Act becomes law on November 18, establishing a "two-airline" policy that provides for the regulation of competition on trunk routes and equality of capacity. Thrice-weekly Melbourne-Swan Hill via Kerang DC-3 services are launched on December 15. In the Air Beef operation, over 5,000 slaughtered cattle are transported to Wyndham in the project's peak year. Passenger bookings for the year fall, however, to 608,833.

In the spring of 1953 the carrier receives two DC-6s from **National Airlines** in the U.S.; these are christened *Kurana* and *Nairana*. Financial difficulties force suspension of London-Sydney **Air Ceylon, Ltd.** services flown under contract by ANA DC-4s. The year's boardings drop further, down to 570,335.

Enplanements in 1954 rebound, up to 638,191. To compete with the Vickers Viscounts of **Trans-Australian Airlines, Ltd.**, ANA begins to acquire DC-6s in February. The new type is employed to launch Melbourne-Hobart via Wynyard services on April 1, 1955. On October 3, tourist-class fares are introduced. In November, **KLM (Royal Dutch Airlines, N.V.)** purchases the 49% interest held by the carrier in **Air Ceylon, Ltd.** as well as the long-haul contract. Traffic falls to 614,153.

Weekly Brisbane-Bowen DC-4 flights start on December 7, 1956. As financial problems persist, the carrier submits a plan to the Department of Civil Aviation calling for the integration of all domestic airlines; the idea is rejected. Bookings accelerate to 626,359.

Original founder, Sir Ivan Holyman, dies in January 1957. As the fiscal situation worsens, **Ansett Airlines of Australia (Pty.), Ltd.** tenders a purchase offer in June. With no alternative except bankruptcy, the offer is accepted on August 28. Formal purchase is completed on October 4 and flight schedules are integrated on October 21. Although the amalgamated carrier would be known as **Ansett-ANA** until 1969, Holyman's once-powerful airline effectively dies in 1957, being carried on by his one-time bitter rival, Reginald M. Ansett.

ANA (AUSTRALIAN NATIONAL AIRWAYS [PTY.], LTD.): Australia (1929-1931). Late in 1929, Sir Charles Kingsford-Smith and Charles Ulm, who had won fame over the past year with a series of long distance flights in the Fokker F-VIII *Southern Cross*, form ANA as the first unsubsidized commercial carrier on the continent. In addition to the *Southern Cross*, memorialized in the founders' book *The Flight of the Southern Cross* (New York: National Travel Club, 1929), the fleet is built up to include four Avro 10s: *Southern Sun*, *Southern Star*, *Southern Cloud*, and *Southern Moon*.

The first regular, unsubsidized commercial service in Australia by multiengine aircraft is inaugurated on January 1, 1930 as a daily, six-hour, 500-mile mail and passenger Avro 10 route is opened from Sydney to Brisbane; daily Sydney-Melbourne flights commence on June 1. The new services prove so successful that systemwide fares are actually dropped from A£9.13 to A£8.

Among the noted pilots participating on these runs and, incidentally, introducing instrument flying to Commonwealth air transport, are not only Kingsford-Smith and Ulm, but Patrick G. Taylor, J. Mollison, E. Chaseling, G. U. Allen, J. Pentland, and P. Lynch-Blosse.

Melbourne-Hobart service is launched in January 1931. In the nation's first major commercial air disaster, the *Southern Cloud* is lost in the mountains of New South Wales on March 21 (eight dead); despite extensive searches by Kingsford-Smith and Ulm, the wreckage is not found until October 26, 1958. The public outcry leads to huge passenger traffic declines. The story will be reviewed in I. R. Carter's *Southern Cloud* (London: Angus & Robertson, 1964).

When the **Imperial Airways, Ltd.** de Havilland DH 66 *City of Cairo*, attempting to reach Darwin as part of the experimental England-Australia mail operation, crashes at Koepang, Timor, the *Southern Cross* flies to Timor on April 25. There, Kingsford-Smith retrieves the packets and Capt. R. Mollard and crew fly them to Darwin. The mail is picked up by the **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)** de Havilland DH 61 Giant Moth *Apollo* and flown to Brisbane. On April 29, the Avro 10s *Southern Sun* and *Southern Star* fly the post from Brisbane-Sydney-Melbourne in two hops.

The same aircraft makes the return mail flight over the same routes (in reverse) on April 23-27. On May 14 and May 17, the *Southern Moon*, *Southern Sky*, and *Southern Sun* participate in the incoming and outgoing legs of the second experimental England-Australia airmail flight.

Meanwhile, severe traffic declines and mounting financial difficulties force the decision to shut down the carrier on June 26. Reclaiming the *Southern Cross*, Kingsford-Smith goes on to make several additional pioneering flights before perishing in the Bay of Bengal in November 1935. His diaries will be employed to create a posthumous autobiography, *My Flying Life* (London: A. Melrose, 1937).

ANADYR UNITED AIR DETACHMENT: 6 Portovaya Street, Shakhterski-3, Magadan Area, Russia; Year Founded 1996. AUAD is established at Magadan in 1996 to provide domestic and regional passenger and cargo charters as well as rotary-wing aerial work. Grigori A. Parkhotko is commander and he begins revenue flights with a fleet that includes 6 Antonov An-26s, 4 An-2s, 3 An-24s, and 18 Mil Mi-8s.

ANCHORAGE AIRWAYS: United States (1981-1983). Anchorage Airways is established by D. Craig Clark at Anchorage, Alaska, in 1981 to provide scheduled passenger and cargo services to regional destinations. Revenue flights begin with a fleet of Cessna 402s and 441s and

Britten-Norman BN-2 Islanders. On April 5, **1982**, Anchorage is purchased by local competitor and former **Air Logistics of Alaska** owner Leslie Bay, who operates the carrier for a year.

ANDALUSAIR, S.A.: Malaga International Airport, Spain; Year Founded 1999. Andalusair is established at Malaga early in the second quarter of **1999** as the latest in a long line of Spanish charter airlines. Outfitted with a single Airbus Industrie A320-231 leased from the Irish operator **Transaer International Airlines, Ltd.**, Andalusair launches revenue services on May 1 flying British and Irish tourists to Palma de Mallorca and other Spanish resort locations.

ANDERSON AVIATION SALES: United States (1968). Employing Piper lightplanes, this Phoenix, Arizona-based distributor briefly flies scheduled local routes beginning on August 1, **1968**. The service halts by year's end.

ANDES (AEROLINEAS NACIONALES DEL ECUADOR, S.A.): Aeropuerto Simon Bolivar, P.O. Box 3317, Guayaquil, Ecuador; Phone 593 (4) 284 490; Fax 593 (4) 394 490; Code ED; Year Founded 1961. Captain Alfredo V. Franco del Monaco forms ANDES, now the largest and oldest cargo airline in Ecuador, at Guayaquil in **1961**. After five years of in-country all-cargo freight operations, the carrier becomes one of the few Latin American lines to receive an all-cargo permit from the U.S. CAB.

With this certificate, ANDES, flying two Curtiss C-46 Commandos, inaugurates international freight services in October **1966** along a route from Cuenca to Miami to Cuenca, with stops at Panama and Guayaquil.

In **1968**, the fleet is upgraded by the addition of two Douglas DC-6A freighters and Quito joins the route network. A total of 3.6 million pounds of equipment are flown in **1969** as the company hauls drilling equipment and personnel to and within Ecuador for such companies as Gulf, Anglo-Ecuadorian Oil Fields, Shenandoah, Ada, Texaco, and Western Geophysical.

A third DC-6A is acquired in **1970** and a new sales manager, Agustin Martinez, is employed. Freight transported rises to 4 million pounds. In **1971**, orders are placed for Canadair CL-44s and International Oil becomes another domestic customer. The last C-46 is withdrawn at the end of **1972**.

Two Canadair CC-106 Yukons, without the type's famed swing-tail, are purchased from the Canadian military in **1973–1974**. They are converted to civil CL-44D standard before entering service.

A leased Lockheed L-1049H with three crew fails its takeoff from Miami on December 15, **1973** and crashes into several houses; all aboard the aircraft are killed, along with six people on the ground.

The C-46s are withdrawn during the mid-**1970s**. Company President Dr. Armando Arce's carrier employs 140 people in **1978**, the year in which the first jet freighter, a DC-8-32F, is obtained from **Overseas National Airways**.

A DC-8-53F is delivered in **1981** allowing frequencies on the Miami service to be increased. During the **1980s**, the propeller aircraft are diverted to the domestic linkage of the country's three main cities. Airline employment in **1990–1991** is 104 and one of the Canadairs is withdrawn. Dr. Arce's fleet in **1992–1993** comprises the two Douglas jet freighters and the route network is unchanged from a decade earlier.

Vinicio Donoso is general manager in **1994** and scheduled international destinations visited from Guayaquil and Quito include Miami and Panama City.

It is understood that a DC-8-32F and DC-8-53F continue operations without change during the remainder of the decade; exact information is, however, unavailable.

ANDES (AEROVIA NACIONAL DEL SUR, S.A.): Peru (1948–1951). ANDES is formed at Lima on April 6, **1948** to fly internal all-cargo charter operations with a fleet that grows to comprise four Curtiss C-46 Commandos. Services are initiated on May 12 to Tacna, Iquitos,

and Pucallpa. During the remainder of the decade and into the 1950s, the company flies a total of six Commandos, though not all simultaneously.

After only three years of operations, the unprofitable company ceases flying in March **1951**.

ANDESA (AEROVIA NACIONAL DEL ECUADOR, S.A.): Ecuador (1946–1948). ANDESA is formed at Guayaquil on May 6, **1946**; it is the first Ecuadorian airline not controlled by a foreign operator. The initial fleet comprises 3 Curtiss C-46s and all-cargo services are started linking the base with Marca in the south with Quito via Manta. Extensions from Quito to Esmeraldas and Tulcan are soon initiated.

A Curtiss C-46D with 3 crew and 27 passengers crashes a mile from Cuenca, Ecuador, on July 17 (30 dead).

Another C-46A and two Noorduyt Norseman are purchased from the American nonscheduled airline **ATCO** in September. In October, a contract is signed with the Shell Oil Company for support of its oil exploration activities in the Oriente coast. Much of the carrier's work is now performed on behalf of Shell, from which ANDESA receives roughly 60% of its income.

A C-46A with 5 crew and 10 passengers is lost while landing at Rio Yavari, Peru, on January 17, **1947**; although the aircraft must be written off, there are no fatalities.

The Shell contract is terminated on April 24 and income from unsubsidized local service flights is insufficient to cover operational expenses. As a result, revenue service is halted in October. Between October 17–20, the government attaches all of the concern's assets for nonpayment of taxes. With ANDESA unable to resume business, these assets are sold on February 11, **1948**.

ANDREA, S.A.: Peru (1990–1992). As soon as domestic deregulation is law in **1990**, Andrea is established at Santiago to undertake revenue passenger services. Three Fokker F.28s are chartered from **Linjeflyg, A.B.** in Sweden, with the first arriving in July **1991**.

Services commence on August 1 and are expanded somewhat after the delivery of the second Fellowship in September. Unable to achieve economic viability before its third jetliner can be delivered, the company declares bankruptcy in December. Arrangements are made to return both active Fokkers once the company suspends operations in January **1992**.

ANDREW FLYING SERVICE: United States (1965–1966). Named for its founder, AFS is organized at Honolulu in early **1965** to offer scheduled passenger flights to local destinations. Charters and sight-seeing frequencies are also undertaken and constitute the principal business.

Employing small Cessnas and a de Havilland DH 104 Dove, the company commences revenue operations on April 1. These continue until the company is taken over by **Sky Tours** in **1966**.

ANGEL AIRLINE COMPANY, LTD.: 495 3rd Floor, Tower B, Benchachinda Building, Vibhavadi Rangsit Rd., Chatuchak, Bangkok, 10900, Thailand; Phone 66 (2) 953-2260; Fax 66 (2) 953-2261; http://www.angelairlines.com; Code 8G; Year Founded 1998. At a time when most Asian airlines are in trouble due to the region's financial crisis, Angel is established at Bangkok at the beginning of **1998** to operate scheduled domestic routes not currently served—or served well—by **Thai Airways International, Ltd. (THAI)**. Shareholding is divided between Better Grade Investment, JVK Holdings, Peak Management & Consulting Service, Ultra Gain Worldwide, and Worldwide Trading and Supplier.

Somchai Benjarongkakul is president/CEO and he obtains a leased fleet that includes one Dornier 328-110, a Beechjet 400A Bizjet, and most importantly, a B-737-5H6, chartered from **Malaysia Airlines, Ltd. (MAS)**.

Revenue flights commence on September 20 as the little Boeing, christened *Yos-Siam*, flies from Bangkok to the southern resort island of Phuket. Other destinations visited by the jetliner during the remainder of

the month and in the fourth quarter include a twice-weekly service to Singapore and the northern Thailand community of Chiang Mai. The Dornier operates from Bangkok south to Udon Thani, while the Beech operates charters.

Flights continue in 1999 as Angel, rather than the older **Bangkok Airways, Ltd.** is designated by the government as the nation's second national carrier. In April, the fleet is enhanced by the addition of a chartered MAS B-737-4H6 in a revised livery.

Two more leased MAS units of the same type are acquired before year's end.

Unable to make payments on the Dash-400s, all are repossessed in April 2000, forcing Angel to shut down its regional operations. Domestic services are maintained with the Dash-5H6 and smaller aircraft already on hand. Company officials approach **China Southwest Airlines Company, Ltd.** and charter a B-757-2Z0 with which to restart regional flights by May.

On June 1, President/CEO Bencharongkul orders his company, which is now losing some 20 million baht (\$500,000) a month, to stand down for 30 days as it is reorganized. **Thai Airways International, Ltd. (THAI)** agrees to accommodate passengers holding Angel tickets.

The restructuring program begins with the appointment of former **Bangkok Airways, Ltd.** executive Virachai Vannukul as chief advisor, Magellan Corporation official Rudi Fischer as marketing advisor, and ACM Yuthapong Kittikachorn as vice president-operations and engineering. Targets for revision are funding, aircraft leases, marketing objectives, the route network, and personnel. A number of employees, informed that they will receive only half of their previous salaries, resign, including 20 of 70 flight attendants.

Negotiations are held with four operators in Europe, Asia and the Mideast seeking an arrangement that will keep the carrier out of bankruptcy. The chairman is able to arrange the sublease of a Lockheed L-1011 TriStar 1 from **Kampuchea Airlines (2)** and announces that daily flights to Hong Kong will start on July 15.

The company reports on July 12 that it has lost 3 billion baht (\$75 million) on unprofitable domestic routes since its 1998 start-up. In response to the news, the government grants permission for a doubling to 30% the portion of equity that may be sold to a foreign airline. Still, no deal is forthcoming.

Despite the receipt of a rescue plan from Fischer, the carrier teeters on the brink of collapse by mid-month. The announced Hong Kong service is cancelled and advisors Vannukul and Fischer join Marketing Director Srisawasdi and her deputy in their July 17 resignation. Despite these setbacks, Angel perseveres in its search for a strategic partner. Daily TriStar flights to Hong Kong begin on July 22.

It is reported on October 8 that Angel will sign a new marketing and code-share agreement with **China Northern Airlines Company, Ltd.** Under its terms, the previous TriStar lease will end as CNA provides a pair of Airbus Industrie A300B4-622Rs in November with which to operate Angel's domestic and international routes from Bangkok.

ANGELES FLYING SERVICE: United States (1964–1967). Founded by Bill Fairchild at Port Angeles, Washington, during the summer of 1964, AFS is equipped with a variety of small aircraft, including Piper PA-23 Aztecs and a Beech 18. Scheduled passenger service is inaugurated to Seattle on September 8 and is continued until the company is acquired by **Puget Sound Airlines** on August 28, 1967.

ANGLIAN AIR CHARTER, LTD.: United Kingdom (1950–1970). This air taxi firm is founded at the North Denes airfield, near Great Yarmouth, in 1950 to offer pleasure and charter flights. An Auster 5 is acquired in early 1951 allowing operations to begin. Another Auster 5 is acquired in 1956. Operations continue apace during the remainder of the decade.

The first Auster is sold in 1961 and the second is lost in a crash at Gorleston, in Norfolk, on September 9, 1962. Auster J/1N and J/5G Austers are added in 1963 and 1964.

Two Cessna 170s are acquired in 1969 as the company begins charter support of the North Sea oil industry. A Britten-Norman BN-2 Islander is purchased in March 1970. On August 1, the company joins in a merger with **RigAir, Ltd.** and **Norfolk Airways, Ltd.** to form **Air Anglia, Ltd.**

ANGLO CARGO (ANGLO AIRLINES, LTD.): United Kingdom (1983–1992). Organized by Terry Oldham, former **British Island Airways, Ltd.** joint managing director, and his wife Maggie at London (LGW) in late 1983, Anglo Cargo is equipped with a Boeing 707F purchased from **British Caledonian Airways, Ltd. (BCAL)**. Terry names himself chairman with Maggie as managing director, one of the few female airline managing directors in the world.

Revenue, freight, and contract air service flights begin in January 1984 linking the company's base, on behalf of **ZAS Airline of Egypt**, with destinations in Africa and the Middle East. Tobacco is the first cargo.

Late in the decade, two B-707-338Cs are acquired from **Qantas Airways (Pty.), Ltd.** and a British Aerospace BAe-111-487GK, the only one of its kind ever built as a freighter, is leased from the Romanian carrier **Tarom (Transporturile Aeriene Romane)**. **Monarch Airlines, Ltd.** is contracted to provide maintenance support at Luton Airport.

In late 1990, the two Boeing 707-338Cs are withdrawn and replaced by a B-757-200F leased from Ansett World Aviation Services.

Anglo Cargo provides freight assistance to the allies during both Operation Desert Shield and Operation Desert Storm.

A weekly general cargo service is undertaken to Accra, Ghana, from early 1991. In recognition of its Gulf War service, the company is honored with an invitation to the International Air Tattoo at Fairford, U.K. during July.

Unable to make a profit and incurring increasing expenses in a recessionary period, the 82-employee carrier closes its doors in January 1992.

ANGLO-NORMANDY AIRWAYS, LTD.: United Kingdom (1973–1979). The air taxi and charter operator Anglo-Normandy Airways, Ltd. is formed on Guernsey, Channel Islands, by N. Stevens and J. Smith on January 9, 1973. With a Piper PA-23 Apache leased from Channel Aviation, Ltd., the company begins flight operations on January 12. The first owned aircraft, a Piper PA-23 Aztec is delivered in March, but does not begin revenue flights until June 5. Meanwhile, two Aztecs leased from Spooner Aviation, Ltd. are used for interisland flights.

A variety of charter missions are now undertaken to both southern England and northern France. Between April and August 1974, three more Aztecs come on line and charters resume. While ferrying back a Piper PA-31-350 Navajo Chieftain from New Zealand in August, co-founder N. Stevens is killed when the aircraft crashes. The tragedy forces the carrier to cease flying; J. Smith sells the assets to J. S. Hamilton and Thomas R. Miller.

Hamilton and Miller reform Anglo-Normandy Airways, Ltd. on January 9, 1975, renaming it Anglo-Normandy Aviation, Ltd. Flights are resumed with two Piper Aztecs and that number steadily grows over the next four years.

In 1979, Sir Derek Bailey sells **Aurigny Air Services, Ltd.**, to Anglo-Normandy Aviation, which allows the larger scheduled carrier to retain its previous identity and maintain its administrative headquarters on Alderney. A subsidiary, Anglo-Normandy Aeroengineering, Ltd., is formed to take over company maintenance needs and additional revenue options remain available as Anglo-Normandy Aztecs fly contract/charter flights over the next 15 years.

ANGOLA AIR CHARTER, S.A.: CP 3010, Luanda, Angola; Phone 244 (4) 330 994; Fax 244 (4) 392 229; Code C3; Year Founded 1990. TAAG-Air Charter, S.A., a subsidiary of **TAAG Angola Airlines, S.A.**, is reformed in 1990 and provided with a new corporate identity. International, regional, and domestic nonscheduled passenger and cargo services continue with one each leased Boeing 707-351C, B-707-382C, and B-707-373C.

The latter, after completing its 1,000th roundtrip between Luanda and Europe is christened *City of Ostend*; it continues to operate from a base at the Belgian city of the same name.

Two B-707-324Cs are chartered in 1991 to replace the earlier aircraft and are joined by a B-707-347C in 1992. In 1993 a B-707-351C and a Lockheed L-382G Hercules are acquired. A new livery is introduced on one of the hush-kitted B-707-324Cs.

These are followed into service during 1994 by one each B-727-21F and B-727-116C. A B-727-23F is chartered in 1995, but in 1996 the B-727-21F is withdrawn. There are no significant changes in 1997.

In need of freight capacity and with the DC-8-54 still in the shop, the new **Lignes Aeriennes Congolaises, S.A.** wet-leases a B-707-324C from Angola Air Charter in early January 1998. Cargo flights commence on behalf of LAC on January 25 transporting food supplies for the United Nations.

The company operates invisibly in 1999. At the beginning of May 2000, its fleet is enhanced by the delivery of a B-727-151C previously operated by **Emery Worldwide**. The former **Pacific International Airlines** B-727-23F is acquired at the end of July.

ANGOLA AIR CHARTER. See **TAAAG ANGOLA AIRLINES**

ANGOLA AIRLINES. See **TAAAG ANGOLA AIRLINES**

ANHSA (AEROVIAS NACIONALES DE HONDURAS, S.A.): Honduras (1950–1986). Private interests form this charter carrier at Tegucigalpa in 1950 to transport government-monopolized liquor (*aguardiente*) around Honduras. In 1957, the larger **SAHSA (Servicio Aereo de Honduras, S.A.)** purchases 75% shareholding. The subsidiary is now left to wither. Two DC-3s spend the next 23 years flying scheduled passengers and cargo from Tegucigalpa to Ahuas, Brus Laguna, Puerto Lempira, La Ceiba, La Union, and Olanchito.

SAHSA takes 95% of the stock in 1980 and now provides President Rolando Figueroa's ANHSA with much of its domestic freight and passenger work. The fleet is increased by the addition of 1 new de Havilland Canada DHC-7 and 2 ex-SAHSA DC-3s.

En route from La Ceiba to San Pedro Sula on April 28, 1982, the DHC-7, with 48 passengers, is taken over by four antigovernment revolutionaries. They demand the release of 86 colleagues from Honduran jails, a ransom of one million lempiras, fuel for a flight to Cuba, and publication of a political tract. At San Pedro Sula, the aircraft is surrounded by police and over the next three days, as negotiations continue, all of the passengers are released. Finally, on May 1, the government provides another transport, which flies the pirates to Havana.

In 1983, the DHC-7 is withdrawn. The route network in 1985 includes Ahuas, Brus Laguna, Guanaja, La Ceiba, La Union, Olanchito, Puerto Lempira, Roatan, San Pedro Sula, Tegucigalpa, Tocoa, Trujillo, and Utila. The carrier is absorbed into its parent in 1986.

ANIC AIRWAYS: Trg Dragutina Domjanica 6/II, Zagreb, 41260, Croatia; Phone 38 (41) 203 233; Fax 38 (41) 204-253; Code N3; Year Founded 1992. Anic is founded by Damir Anic at Zagreb, Croatia, on March 30, 1992. A single Avions de Transport Regional ATR42-320 is leased and employed, beginning on February 13, 1993, to inaugurate scheduled passenger services linking the company's base with Split, Dubrovnik, Pula, Vienna, Budapest, Zurich, Tirana, and Ljubljana.

Operations continue and frequencies are increased in 1994–1995 as the fleet is expanded through the addition of 4 Boeing 737-200s and 3 Cessna 402s. Unhappily, the concern is forced to suspend flights during the Yugoslavian civil war. President Anic makes plans in 1996–1998 to resume flights and keeps its certificates current.

No information has been found for the years 1999–2000 and it is possible that, given the Kosovo crisis, that Anic did not restart.

1128. ANJILL AIRLINES: United States (1968–1970). Anjill is set up at Forty Fort, Pennsylvania, in 1968 to provide scheduled daily air taxi flights linking Wilkes-Barre and Scranton with Teterboro, New Jersey.

Piper PA-31-310 Navajo roundtrip revenue frequencies are inaugurated and maintained into 1970.

ANSA (AEROLINEAS NACIONALES, S.A.): Panama (1988–1996). With a base at Aeropuerto Mascos A Gelabert at Panama City, ANSA is formed in 1988 to offer scheduled third-level passenger and cargo services throughout the nation and into Costa Rica. By 1993, General Manager Manuel Gonzalez's fleet comprises 3 Pilatus-Britten-Norman PBN-2 Islanders and 2 Cessna 206s. One of the Islanders is withdrawn in 1994. Although service is maintained in 1995, the company shuts down in 1996.

ANSA (AEROLINEAS NACIONALES, S.A. de C.V.): Mexico (1988–1990). ANSA is established at Hermosillo in the summer of 1988 to offer domestic services. Outfitted with three Fokker F.27s, revenue flights commence in September. Early in 1989, authority is sought to inaugurate flights linking its base with Las Vegas, Phoenix, El Paso, and Albuquerque. However, before these can be initiated, the company goes out of business in 1990.

ANSETT AIRLINES OF AUSTRALIA (PTY.), LTD.: Australia (1936–1990). As a railway protection measure, Reginald M. Ansett, in January 1936, is ordered by the Victoria Transport Board to cease his Melbourne–Hamilton motor bus service begun in 1929. Undaunted, Ansett purchases a Fokker Model 4 Universal and forms an airline, **Ansett Airways (Pty.), Ltd.** On February 17, pilot Vern Cerche flies six passengers above the old bus route from Hamilton to Melbourne's Essendon Field. A mail contract becomes a part of the Universal service on May 25.

After adding an Airspeed Envoy, the Melbourne–Hamilton frequency is increased to twice daily on February 8, 1937. The carrier is reorganized and capitalization is increased to A£135,000 on April 14; orders are placed for two Lockheed Model 10A Electras, the first of which is delivered from the United States on July 8, followed by the second 23 days later.

New routes are opened from Melbourne to Mildura and Broken Hill on September 5, Norrander and Sydney on October 4, and from Sydney to Adelaide via Norrander and Mildura on November 29.

Sunday-only direct Melbourne–Sydney flights begin in April 1938. During the year, a flying school is opened at Hamilton. Newly received Lockheed Model 10 Electras are placed on the Adelaide–Sydney route in late fall. Within a few months of the Electras' introduction, the carrier's entire fleet, save one of the two Lockheeds, is destroyed in a February 28, 1939 hangar fire at Essendon Airport.

An offer from V. C. Holyman of ANA (**Australian National Airways [Pty.], Ltd.**) to purchase the little airline is turned down. In July, the government's Department of Civil Aviation awards an A£45,000 annual subsidy. Commercial operations are halted during 1940–1941, save for service on the Hamilton–Melbourne route with an Electra that escaped the 1939 conflagration.

Having obtained two additional Electras, Ansett, in June 1942 begins flying regular Melbourne–Cairns service on behalf of the U.S. military; in addition to this scheduled route, occasional services are also offered during the remainder of the year and through 1944 to other points, including Darwin and Sydney.

Military and civil contracts are cancelled on January 21, 1945. On February 5, the Electras resume commercial flights over routes from Melbourne to Adelaide via Mount Gambler and to Canberra via Wagga.

A former military Douglas C-47 with 25 passengers is lost during ascent over the Derwent River estuary on March 10, 1946; there are no survivors.

Having survived World War II, the second Electra is lost in a crash at Parafield, South Australia, on May 16; there are no survivors. The holding company Ansett Transport Industries, Ltd. is formed on May 31 to control the owner's multifaceted and growing empire of trucking, manufacturing, trading, hotel, and other associated enterprises. The carrier's first two Douglas DC-3s are placed in service in June.

On July 1, daily Sydney–Canberra DC-3 flights commence, followed by the launch of six-times-per-week Melbourne–Wynyard DC-3 operations on July 22. Melbourne–Hobart DC-3 service is inaugurated in December.

Ansett forms **Barrier Reefs Airways (Pty.), Ltd.** in mid-1947; this subsidiary begins Consolidated PBV Catalina service on October 8 to the resort Daydream Islands, off Mackay. At year's end, second-class DC-3 fares are introduced on the main routes.

Fares are cut by 20% in March 1948 in an effort to attract new business. Ansett Transport Industries opens Hayman Island resort in 1950, which is served by BRA's Catalinas. BRA is merged into its parent during 1952 and the holiday Catalina flights continue.

In the first of many airline purchases, the company acquires and merges **Trans-Ocean Airways (Pty.), Ltd.** (founded in 1947) in 1953; that carrier's Sydney–Lord Howe Island and Hobart routes are assumed. All flying boat operations are eventually combined into one division: Ansett Flying Boat Services. The fleet is consolidated in 1954 as new Convair CV-340s enter service.

During 1955–1956, four DC-6Bs are introduced. A DC-3 freighter with two crew strikes the water short of the runway while on final approach to the airport at Frederick Henry Bay, Tasmania, on January 12 of the latter year (one dead).

In March 1957, orders are placed for additional CV-340s and four Vickers Viscount 700s. In June, a A£3-million offer is made to acquire financially troubled **ANA (Australian National Airlines [Pty.], Ltd.)**, the Commonwealth's largest independent carrier and the same airline that had suggested purchase of Ansett back in 1939. ANA's board accepts the tender on August 28 and the purchase is formalized on October 21 under the operating name **Ansett-ANA, Ltd.** Simultaneously, the small **Queensland Airlines (Pty.), Ltd.** is also purchased.

The government's Civil Aviation Agreement Act of 1957, supplementing the 1952 law, now comes into force; applied specifically to Ansett and the government-owned **Trans Australian Airlines (Pty.), Ltd.**, it confirms an equal "two-airline" policy. A letter of intent for two Lockheed L-188A Electra turboprops for Ansett-ANA is signed on September 25, with the formal contract signed on December 9.

Combined traffic figures for the year show a total of 833,536 passengers flown.

A low-fare Douglas DC-4 service is started to Perth on January 11, 1958. Brisbane–Mount Isa via Longreach CV-340 flights are inaugurated on February 1. On February 5, **Butler Air Transport (Pty.), Ltd.**, in which Ansett holds 52% interest, is acquired outright and merged; although Butler's two Viscount 832s are retained, three former **British European Airways Corporation (BEA)** Elizabethans employed by the merger partner are returned to England. For administrative purposes, **Queensland Airlines (Pty.), Ltd.** is made a subsidiary of **Butler Air Transport (Pty.), Ltd.** Daily Sydney–Coolangatta and Melbourne–Canberra via Cooms flights commence on May 10 and July 7, respectively.

The Airline Equipment Act becomes law, providing that Ansett and TAA rationalize their operations so that, on any given route, each would integrate schedules, etc., to ensure that neither receives more than half of the traffic. The law forbids excess capacity and mandates the purchase of airliners of similar performance. Small **Southern Airlines (Pty.), Ltd.** is purchased and merged on November 1. Enplanements are 785,928, down from 1957.

The first L-188A Electra is delivered on February 27 1959; with "Prop Jet Electra" titles, it enters service over the Melbourne–Sydney–Brisbane route on March 18. The second Electra is received in mid-April.

Direct Viscount 832 flights from Melbourne to Coolangatta are inaugurated on May 16. On June 30, the carrier finds itself with 12% minority interest (formerly held by ANA) in the newly reformed **Cathay Pacific Airlines (Pty.), Ltd.** of Hong Kong.

Melbourne–Alice Springs via Broken Hill operations commence on July 1 and on July 7 Golden Orchid flights begin to Port Moresby as Ansett and TAA take over New Guinea services from **Qantas Empire Airways (Pty.), Ltd.** During July, Guinea Holdings, parent of **Guinea**

Airways (Pty.), Ltd. is purchased as is control of **South Pacific Airlines (Pty.), Ltd.**

Permission is received from the government and, in November, a third L-188A Electra is ordered. On December 17, Ansett renames Butler Air Transport the **Airlines of New South Wales (Pty.), Ltd.** The year's boardings skyrocket to 957,301.

Two more Ansett subsidiaries are renamed on January 17, 1960: **Guinea Airways (Pty.), Ltd.** becomes **Airlines of South Australia (Pty.), Ltd.** and **South Pacific Airlines (Pty.), Ltd.** becomes **Airlines of New Zealand (Pty.), Ltd.** The latter receives two DC-3s transferred from the parent and will begin revenue services on December 14. The third Electra is received in February and enters service in March.

Mandated Airlines (Pty.), Ltd., **Gibbes Sepik Airways (Pty.), Ltd.**, and **Madang Air Services (Pty.), Ltd.** are now also taken over and are combined into **Ansett Airlines of Papua New Guinea (Pty.), Ltd.** Employing Bell Model 47Js, Ansett joins with TAA in inaugurating a helicopter service between the new Yarra River Heliport and Essendon Airport on December 20. Bookings advance to 973,421.

The fleet in 1961 comprises 3 L-188As, 5 Viscount 832s, 1 Viscount 747, 4 DC-6Bs, 2 Fokker F.27-100s, 3 CV-440s, 3 DC-4Fs, 11 DC-3s, 1 Bristol 170, 3 Bell Model 47Js, and 1 Bristol 171.

A Viscount 832 with 4 crew and 22 passengers fails its takeoff from Sydney on November 30 and crashes into Botany Bay; there are no survivors.

Based on the number of passenger miles flown (this year's boardings pass the million mark for the first time), Ansett ranks as the world's 30th largest airline, ahead of such well-known names as **South African Airways (Pty.), Ltd.** and **El Al Israel Airlines**. The combined fleet of Ansett and its subsidiaries in 1962 comprises 84 aircraft.

Controlling interest is taken in **MacRobertson-Miller Airlines (Pty.), Ltd.** in July 1963. The **Air Beef, Ltd.** operation begun by ANA in 1948 now ends when a new road is constructed into Western Australia's Kimberly District; in the 25-year enterprise, 57,000 frozen cattle carcasses have been carried.

Orders are placed for four Boeing 727-100s. Enplanements total 1,092,690.

Airline employment in 1964 stands at 4,480. A Piaggio P-166 and two Boeing 727-77s are delivered, the first of the Boeings arriving at Melbourne's Essendon Airport with a B-727-76 of **Trans-Australian Airlines (Pty.), Ltd.** on October 26. Although the TAA "three-holer" reaches land before Ansett's, the latter's aircraft is able to land first, gaining publicity from local television cameras. The nation's first domestic jetliners enter service against each other on November 2.

In an effort to further air freight development, C. L. Warton is appointed general freight manager and two DC-4F freighters are also added.

Passenger boardings accelerate 19% to 1,349,000 and freight traffic is up by 12%.

The workforce is increased to 5,015 in 1965. The third B-727-77 is delivered in September along with 2 Carvair freighters, these joining a fleet that also includes 2 other B-727-77s, 5 DC-6Bs, 5 Viscount 832s, 1 Viscount 747, 6 Fokker F.27-200s, 1 Piaggio P-166, 3 L-188As, 10 DC-3s, 7 DC-4s, 1 Cessna, 1 Sikorsky S-61N, and 7 Bell Model 47Js. DC-6Bs are replaced on the New Guinea run by L-188s.

An F.27-200 with 4 crew and 19 passengers crashes during final approach to Launceston on March 17; there are no fatalities.

Passenger boardings increase 18.6% to 1,662,000 and freight traffic is up by 13%.

A Bell 206, an S-62A, and the fourth B-727-77 are acquired in 1966 as orders are placed for DC-9-31s with which to begin a program of fleet standardization. En route from Mt. Isa to Brisbane on September 22, a Viscount 832 with 4 crew and 20 passengers crashes 16 km. from the Queensland community of Winton; there are no survivors.

Enplanements for the year fall slightly to 1,623,757.

Airline employment in 1967 is 5,207. Three DC-6Bs, 1 DC-4F, 3 DC-3s, and the Viscount 747 are retired following introduction into service

of 3 DC-9-31s in January–March. Passenger boardings rise 6.5% to 1,736,638 and revenues are reportedly up 10.6%.

The employee population in 1968 is 5,697. Two more DC-9-31s are added, leading to the withdrawal of 2 Viscount 832s, 2 DC-6Bs, the last 2 DC-3s, and all but 2 Sikorsky S-61N helicopters, which operate over the Barrier Reef, North Queensland. Enplanements jump 16% to 2,017,867 and freight climbs 15.2%.

The ANA suffix is dropped in 1969. **MacRobertson-Miller Airlines (Pty.), Ltd.** becomes a wholly owned subsidiary, but is allowed to continue operations under its previous name. At this point, a new red and white color scheme is introduced on company aircraft, which also wear a stylized "A" on their red tails.

The last two DC-6Bs are stricken as 13 Nihon YS-11As are ordered from Japan. Sir Reginald Ansett is knighted. Bookings balloon to 2,286,396.

The workforce in 1970 grows to 6,667. One B-727-77 and 5 DC-9-31s are added as the YS-11A order is cancelled and the last Viscount 832s are retired. Orders are placed for B-727-277As.

A man with a cap pistol pushes his way onto a DC-9-31 on the ground at Sydney on May 14 as it prepares for departure to Brisbane. The crew preoccupies the pirate while the 60 passengers escape, thereby putting him in a position where he must surrender. The man will be tried and given a prison term of five years.

Passenger boardings this year climb 9.7% to 2,532,000 and cargo ascents 5.7%.

The L-188As begin conversion into freighters early in 1971 as two more DC-9-31s and another B-727-77 enter service. Complete retirement of the Viscounts and Electras is within sight. The route network now extends for 20,000 unduplicated miles.

An F.27-200 is damaged beyond repair in a hangar fire at Melbourne's Essendon Airport on March 25.

In June, all maintenance, flight operations, and freight services are moved to Melbourne's new Tullamarine Airport.

A total of 2,684,232 passengers are flown on the year and freight climbs 5.7%.

The employee population in 1972 is 7,007, up 0.33%. The fleet now comprises 1 newly added B-727-277A, 6 B-727-77s, 1 DC-4F, 12 DC-9-31s, 12 Fokker F.27s, 3 L-188As, 2 Carvairs, 1 S-61N, and 1 Bell 206.

Two Electras are converted into L-188AFs at the Lockheed Aircraft Service Company in California during July; they return "down under" and enter all-cargo service in October.

On November 15, in one of the nation's rare skyjackings, a man takes over a scheduled F.27 service from Adelaide to Darwin with a .22-caliber rifle. At Alice Springs, he releases all aboard except one stewardess, whom he holds as hostage. While walking toward a demanded light plane, he is jumped by a private detective; breaking free, he runs into the bush and leans against his rifle. At first, news reports identify the man, M. Nelson, as being fatally shot by police in the abortive attempt to hijack the plane. He is, in fact, named Peter Sandeman, dead by suicide when his effort fails.

Enplanements grow 8.2% to 2,924,000, but cargo dips 0.2%. Passenger boarding climb 3.3% to 280,000, and its freight traffic rises 6%.

A second B-727-277A is placed in service in 1973 and a B-727-76 is leased from **Trans-Australian Airlines (Pty.), Ltd.** Local operations in Papua New Guinea are handed over from **Ansett Airlines of Papua New Guinea (Pty.), Ltd.** to the new **Air Niugini (Pty.), Ltd** in November.

The workforce is now 7,563. Passenger boardings rise 21% to 3.5 million while cargo soars 25%.

A former **American Airlines** L-188A is purchased in August 1974. In one of the greatest airline evacuations in recent history, Ansett transports 5,417 people following the Christmas Day cyclone devastation of Darwin.

On the year, boardings accelerate 8.8% to 3,836,000 and cargo is up 9.3%. Passenger boardings rise 12.9% to 368,000, while freight, at 57.9 million ton kilometers, jumps 10.36%. The subsidiary **MacRobertson-Miller Airlines (Pty.), Ltd.** does nearly as well with bookings up 8.9%

to 315,000. With airline operations accounting for 70%, Ansett shows total revenues of \$A272.7 million and net gain of \$A8.19 million (\$11.6 million U.S.).

Airline employment in 1975 totals 8,413. The fleet now comprises 6 B-727-277As, 6 B-727-77s, 12 DC-9-31s, 11 F.27s, 1 S-61N, and 1 Bell 206.

The ex-AA Electra received the previous year is converted to L-188AF freighter configuration in August.

Passenger traffic grows 5.7% to 4,056,000, but freight is off 5.3%.

One more B-727-277A is delivered in 1976 as two B-727-100s are retired. The workforce declines 3.1% to 8,140. Service is launched from Cairns–Alice Springs via Mount Isa. Passenger boardings dip 4.3% to 3,880,000, but cargo is up 2.4%. Passenger boardings reach 4,103,616 in 1977.

One more B-727-77 is retired in 1978 as the eighth B-727-277A is received, along with another S-61N; four more B-727-200s are ordered. Passenger boardings are up 7.2% to 4,422,394 and freight rises 2%.

The workforce is increased a scant 0.6% in 1979 to 8,581. Two B-727-77s are sold as two additional B-727-277As enter service. Passenger boardings jump 10.5% to 4.6 million. Late in the year, Sir Reginald Ansett sells Ansett Transport Industries to Rupert Murdoch's News, Ltd. and Sir Peter Abeles's Thomas Nationwide Transport (TNT) on a fifty-fifty basis; Ansett remains chairman while 30-year veteran executive E. J. B. "Ted" Forrester also stays on. At the same time, the last remaining interest held in **Cathay Pacific Airlines (Pty.), Ltd.** is sold to its parent, the Swire Group.

The Murdoch-Abeles acquisition is consummated in January 1980, with the two principals becoming joint chairmen. Henceforth, News, Ltd. and not the airline itself will employ all managing directors.

In March, the largest aircraft purchase contract in the history of Australian aviation is signed: A\$600 million (\$437 million U.S.) for 5 B-767-277s, 12 737-277s (plus 4 options) and 4 B-727-277As. In July, Ansett Air Freight, the airline cargo division, is formed as a separate division under ATI. The first B-767-277 also arrives in July.

Walter Landor Associates is hired to perform a complete makeover of the carrier's image. Later in the year, the first international route is opened as B-727-277As inaugurate service to Christchurch, New Zealand. During the year, the workforce is reduced 5.3% to 8,124.

Although freight dips 6.6% to 50.87 million FTKs, passenger boardings rise 6.8% to 4,449,000.

Airline employment grows 3.6% in 1981 to 5,419 as the holding company, Ansett Transport Industries, Ltd. is created. In May, the wholly owned subsidiary **Airlines of Northern Australia (Pty.), Ltd.** is formed to replace the defunct **Northern Airlines (Pty.), Ltd.**

Four B-727-277As and eight B-737-277s are delivered to the parent, beginning in June. Simultaneously, eight DC-9-31s begin one-per-month retirement, although one is wet-leased to **Air Vanuatu (Operations), Ltd.** for two months.

On July 2, **Ansett Airlines of South Australia (Pty.), Ltd.** is retitled **Airlines of South Australia (Pty.), Ltd.** while **Ansett Airlines of New South Wales (Pty.), Ltd.** is renamed **Air New South Wales (Pty.), Ltd.** Simultaneously, **MacRobertson-Miller Airlines (Pty.), Ltd.**, which has been operating under its own name since becoming a wholly owned subsidiary in 1969, is renamed **Airlines of Western Australia (Pty.), Ltd.**

A new "stars-and-stripes" livery is introduced late in the year; the single word "Ansett" now appears on the all-white aircraft fuselages. Founder Sir Reginald Ansett dies in December.

Freight accelerates 17.4% during the year to 59.7 million FTKs, but enplanements remain level at 4,967,736.

The workforce is reduced 2.9% in 1982 to 8,169. The fleet begins the year with 4 B-737-277s, 16 B-727-277As, 10 Fokker F.27s, 3 Lockheed L-188AFs, and 3 helicopters. Five F.27s are withdrawn later on as 4 B-737-277s are added.

On January 1, the ANSACARE computerized reservations system is introduced in an effort to alleviate some of the difficulties handicapped persons have in making flight arrangements. The last DC-9-31 is withdrawn in September; it had also been the first to arrive, in January 1967.

Freight declines 3.4% to 57.67 million FTKs and passenger boardings drop 3.6% to 4,788,774.

Airline employment is cut another 10.1% in 1983 to 7,347. In an effort to reduce two years of decline, the owners appoint E. J. B. "Ted" Forrester general manager with Graeme J. McMahon as his deputy. The first of four B-767-277s to arrive during the year is delivered on May 4. Eight B-737-277s are also received.

Although freight is up 3.1%, passenger boardings for the national are off again, down 8.7% to 4,371,296; however, freight jumps 5.1% to 60.49 million FTKs.

The employee population is increased 2.3% in 1984 to 7,534. A fifth B-767-277 joins 4 others in a fleet that now also includes 13 B-727-277As, 12 B-737-277s, 1 Fokker F.27-500, and 5 F.27-200s. The B-727-277A *Frank Hann* is leased to **Trans-Australian Airlines (Pty.), Ltd.** between May 1 and November 30.

Ansett—the original Electra operator that has flown its turboprops the longest—disposes of its L-188AFs at midyear.

Passenger boardings climb 4.8% to 4,581,000, but cargo declines 4.2% to 84.56 million FTKs.

Ansett's workforce increases 4.9% in 1985 to 7,792. Orders are placed in July for 12 B-737-377s and 6 Airbus Industrie A320s (with 8 options). In late spring, a frequent flyer program, Golden Wing, is established and attractively appointed lounges are opened at the stations in Sydney, Melbourne, Perth, Adelaide, Brisbane, and Canberra.

Passenger boardings for the parent are up 4.6% to 4,791,000, while cargo grows 9.3% to 73.19 million FTKs.

The payroll grows 7.5% in 1986 to 8,374 and, in January, the fiftieth anniversary is celebrated. In March, orders are placed for 6 MD-83s for delivery the following January. In April, the separate leasing company Ansett Worldwide Aviation Services (Pty.), Ltd. is established while the national parliament begins the May Inquiry, a deregulation study of the national air transport scene. Meanwhile, in August, ATI gains 50% control of the New Zealand domestic airline **Newman's Air, Ltd.**, while in October, the national seeks a contract to manage distressed **PLUNA (Primeras Lineas Uruguayas de Navegacion Aerea, S.A.)** of Uruguay.

Also in October, the first B-737-300s become available for lease. Late in the fall, the subsidiary **Ansett New Zealand, Ltd.** is formed. During the year, US\$84 million is spent to upgrade the Hayman Island resort.

Customer bookings jump 5.5% to 5,071,000, but freight falls by 3.9% to 70.33 million FTKs.

In 1987 the employee population rises 8.1% to 9,053. **East-West Airlines (Pty.), Ltd.** is acquired, but continues operations under its own name as a subsidiary. In addition, 20% shareholding is acquired in **America West Airlines**. Nonstop daytime flights are inaugurated in July from Melbourne to Hamilton Island and night services begin to that destination from Melbourne.

Passenger boardings accelerate 3.5% to 5,249,000 and cargo climbs 9.8% to 77.23 million FTKs.

Hiring continues in 1988 as the workforce reaches 9,459, a 4.4% increase. During July–September, the company introduces 100 new flights per week to business travel and holiday destinations and its services now include 112 flights per week from Melbourne to Sydney, 110 from Sydney to Melbourne, 81 from Sydney to Brisbane, and 78 from Brisbane to Sydney.

In early October, fares are increased across-the-board at approximately 5.75%; later in the month, General Manager Forrester retires and is succeeded as managing director by Graeme J. McMahon.

Customer bookings jump 9.4% to 6,197,000 and freight rises by 9.1% to 85.97 million FTKs.

Largely as a result of a job action by pilots that will begin during the summer, the workforce is cut 4.2% in 1989 to 9,059. During the spring, Australian artists David Rankin, Clifton Pugh, and Rolf Harris paint a B-727-277A in a cheery animal motif. In June, it is employed for a three-day series of Dream Flights offered to the nation's disadvantaged children; the plane is sold to **Federal Express** at month's end. On July

17, the carrier introduces Executive Class business service and upgrades its first-class product, Premier Class.

On August 24, pilots from Ansett, **Australian Airlines (Pty.), Ltd.** and **Qantas Airways (Pty.), Ltd.**, are suspended. The Australian Federation of Air Pilots has spent months contesting the government's decision to grant only a 6% wage increase instead of the 13% requested. Union members respond to the suspension by resigning en masse. Without pilots, Ansett is forced to temporarily shut down. In an effort to maintain essential air service, the government turns to the Royal Australian Air Force in September (with unhappy early results) and also invites those international airlines making more than one stop in Australia to begin carrying domestic traffic. **Cathay Pacific Airways (Pty.), Ltd.**, **Thai Airways International, Ltd. (THAI)**, **Garuda Indonesian Airlines, Malaysian Airlines, Ltd. (MAS)**, **Continental Airlines, Singapore Airlines, Ltd.**, **British Airways, Ltd. (2)**, and **Olympic Airways, S.A.** are able to provide only 22,000 of the 250,000 seats required weekly.

As a result of its shareholding in **America West Airlines**, Ansett is able to turn to the U.S. carrier for help. Complete with crews, 3 B-737-3G7s are leased to provide Australian domestic capacity, while 3 B-737-377s are dry-leased to the Phoenix-based major.

The labor difficulty causes passenger boardings to drop 30.7% to 4,297,000 and freight to decline by 37.8% to 53.46 million FTKs.

Company employment grows by 6.1% in 1990 to 9,611. Domestic flight operations are back to normal by February and the **America West Airlines** Boeings are returned. The first physical act in the initiation of domestic deregulation occurs on March 1 when the DOT opens the terminal-access process by requiring Ansett and **Australian Airlines (Pty.), Ltd.** to make available a limited amount of gate space for new entrants at the airports at Sydney, Melbourne, Adelaide, and Perth.

In preparation for Australian airline deregulation, Ansett Transport Industries, Ltd. gradually divests itself of most peripheral activities; the airline itself changes its name to **Ansett Australia (Pty.), Ltd.** during the fall. A new logo and livery are introduced and all aircraft are repainted and new uniforms are introduced. Statistics for the year are provided under its new name.

ANSETT AIRLINES OF NEW SOUTH WALES (PTY.), LTD.: Australia (1958–1981). On February 5, 1958, **Butler Air Transport (Pty.), Ltd.**, in which Ansett Transport Industries, Ltd. holds 52% interest, is acquired outright, together with its subsidiary, **Queensland Airlines (Pty.), Ltd.** and merged. Although Butler's 2 Vickers Viscount 832s are retained, 3 former **British European Airways Corporation (BEA)** Elizabethans employed by the merger partner are returned to England.

The company is renamed **Ansett Airlines of New South Wales (Pty.), Ltd.** in December 1959 and continues operation of Butler's services to and from destinations in Queensland and New South Wales. Shortly thereafter, Ansett Flying Boat Services operations are integrated. The first of 4 Fokker F.27-200s is delivered on February 12, 1960 and enters service before the end of the month.

A DC-3C with three crew crashes near Sydney on December 11 during a training flight; there are no survivors.

Service continues apace in 1961–1963. In 1964, Ansett Airlines of New South Wales (Pty.), Ltd. transports a total of 272,958 passengers. Airline employment is 194 and the fleet comprises 8 aircraft.

The workforce in 1965 stands at 175. The Ansett carrier operates a fleet comprising the same 4 Fokker F.27-200s and 4 Douglas DC-3s. Orders are outstanding for another Dutch-made Friendship.

A DC-3 is lost at Warranambool on April 1; there are no fatalities.

In November, five stops in New South Wales served by the carrier are transferred to another airline with a loss of passengers estimated to be 50,000 per year. A severe drought also reduces revenues. Still, enplanements grow slightly, up 1% to 275,715.

Bookings drop to 222,000 in 1966, due largely to the previous year's route restructuring.

In 1967, the workforce is 220 and the fleet comprises 8 aircraft: 1 DC-3, 5 F.27-200s, and 2 Shorts S-25s. Passenger boardings accelerate to

245,362. Ten more employees are hired in **1968** as enplanements climb to 254,495.

Airline employment grows to 244 in **1969** as bookings accelerate to 272,813.

The fleet in **1970** includes 4 F.27-200s and 1 new F.28 Fellowship; the jetliner is placed into intrastate service, the first within New South Wales. Capt. I. A. Brown is named operations manager. Passenger boardings rise a slight 3.9% to 283,884 as cargo falls by 0.8%. Bookings total 253,720 in **1971**.

In **1972** the workforce of the Ansett subsidiary stands at 260, up 0.1% over 1971 while its fleet comprises 5 Fokker F.27-200s. Enplanements climb 4% to 280,000 and freight is up by 6%.

Two additional Dutch-made Friendships are received in **1973**. Employee numbers grow to 286. Passenger boardings advance 11.3% to 309,000 and cargo traffic is up by 5%.

The eighth F.27-200 is obtained in **1974**, the same year that the flying boat service between Sydney and Lord Howe Island is, upon completion of a runway on the island, suspended. The last 2 Shorts S-25 Sandringham 4s, which have flown the Lord Howe run for over a decade, are now sold to the U.S. operator **Antilles Air Boats, Inc.** Customer bookings accelerate 8.4% to 368,000.

In **1975** the payroll is 288 and the fleet includes 6 F.27-200s and 1 F.27-600. Two of the former are replaced by F.27-500s late in the year. Bookings rise 2.8% to 381,000, but cargo is down 10.2%.

The employee population in **1976** drops 6.2% to 270. Two more F.27-200s are withdrawn and succeeded by F.27-500s received in July. Enplanements fall 1.8% to 374,000, and freight is off 2.9%.

A total of 391,346 passengers are carried in **1977**. Two additional F.27-500s are received while the last F.27-200s are sold.

In **1978**, cargo is up 1.3% and enplanements are up 6.6% to 418,788. Airline employment in **1979** stands at 330. Enplanements climb 4.2% to 436,634, while cargo accelerates 13.3% to 913,000 pounds.

The workforce grows by 3.3% in **1980** to 1,102. Freight slips 5.3% to 861,000 pounds, but bookings grow, up 2.8% to 448,713. On July 2, **1981** the carrier is renamed **Air New South Wales (Pty.), Ltd.**

ANSETT AIRLINES OF PAPUA NEW GUINEA (PTY.), LTD.: Australia (1960–1973). During **1960**, Ansett Transport Industries, Ltd., parent of **Ansett Airlines of Australia (Pty.), Ltd.**, acquires the assets and routes of **Mandated Airlines (Pty.), Ltd.**, **Gibbes Sepik Airways (Pty.), Ltd.**, and **Madang Air Services (Pty.), Ltd.** These are combined to form Ansett Airlines of Papua New Guinea (Pty.), Ltd. Employing certain aircraft of the merger partners as well as airlines from the Ansett fleet, the new subsidiary undertakes many of the previous services between Australia and the mandated territory.

Within a decade, significant improvements have been made. In **1970–1971** the fleet comprises 5 Fokker F.27s, 6 Douglas DC-3s, 2 de Havilland Canada DHC-6 Twin Otters, and 1 Shorts SC-7 Skyvan.

Airline employment in **1972** totals 260. A DC-3 is damaged beyond repair at Wapenamunda on July 17.

The Skyvan, with a pilot and three passengers, smashes into Mt. Siluwe on September 1; there are no survivors. Enplanements climb 7% to 316,000 and freight rises by an equal amount.

Scheduled passenger and cargo flights continue in something of a status quo situation until November 1, **1973**. Then the Ansett airline is dissolved and replaced by the new national airline of Papua New Guinea, **Air Niugini (Pty.), Ltd.**, in which Ansett holds 16% interest.

ANSETT AIRLINES OF SOUTH AUSTRALIA (PTY.), LTD.: Australia (1960–1981). During July **1959**, Guinea Holdings, parent of **Guinea Airways (Pty.), Ltd.**, is purchased by Ansett Transport Industries, Ltd. On January 17, **1960**, **Guinea Airways (Pty.), Ltd.** becomes **Airlines of South Australia (Pty.), Ltd.** Scheduled passenger and cargo services are operated from Adelaide to Port Lincoln, Kangaroo Island, Whyalla, Mount Gambier, Broken Hill, and Ceduna. A charter service is also provided to the government's Woomera Weapons Research Establishment.

By **1974** the carrier's enplanements are rising; at 195,000, they are 8.4% higher than just a year earlier. By **1978**, employment at General Manager L. Connelly's company is 129 and the fleet comprises of 3 Fokker F.27-200 Friendships. On July 2, **1981**, the carrier is renamed **Airlines of South Australia (Pty.), Ltd.**

ANSETT AIRWAYS (PTY.), LTD. See **ANSETT AIRLINES OF AUSTRALIA (PTY.), LTD.**

ANSETT AUSTRALIA (PTY.), LTD.: 501 Swanston St., Melbourne, Victoria, 3000, Australia; Phone (61) 3-9623-3333; Fax (61) 3-9623-3444; <http://www.ansett.co.au>; Code AN; Year Founded 1990. During the fall of **1990**, in preparation for Australia airline deregulation, the pioneering **Ansett Airlines of Australia (Pty.), Ltd.** is renamed. Despite the change, it will continue to remain the oldest scheduled passenger airline to bear its founder's name. A new color scheme is applied to the carrier's 34 aircraft. It features white fuselages, black "Ansett Australia" markings, and a version of the Australian flag on the tail. New uniforms are provided for the company's 9,611 employees.

In November–December, flight attendants are involved in an exchange program with customer service representatives from **America West Airlines**. The program, initiated by Ansett Managing Director Graeme J. McMahon, is designed not only to share experiences but to provide some Ansett flight employees experiences in a deregulated environment that they may pass on to others.

A total of 5,276,034 passengers are transported on the year under both names, a 21.7% increase over 1989. Freight traffic jumps 14.3% to 60.25 million FTKs.

The workforce is cut 5.8% in **1991** to 9,050 and the fleet now includes 11 Airbus Industry A320-211s, 5 Boeing 727-277As, including 1 leased out to **Polynesian Airlines/Cook Islands International**, 16 B-737-377s, 5 B-767-277s, 3 Fokker 50s, including 1 leased to **Austrian Air Service**, 2 out-of-service Fokker F.27-200s, and 1 F.27-600QC.

During February, new services are started from Perth to Brisbane and Cairns, with both routes operated via Ayers Rock.

B-737-377s enter service in May on the Sydney to Ayers Rock service. In September, keeping pace with **Australian Airlines (Pty.), Ltd.**, the carrier introduces a stringent frequent flyer program that requires an A\$30 entrance fee and awards credits good only for one year.

Passenger boardings leap upward by 24.9% to 65,81,369 and freight climbs 41.6% to 83.87 million FTKs. Expenses exceed income and there is a A\$23.8-million operating loss.

A twelfth A320-211 joins the fleet in **1992** and orders are placed for 10 A321-111s. A fare and semantics war is entered into with competing **Australian Airlines (Pty.), Ltd.** during April. To counter Australian's new Premier Class, Ansett drops its first-class service to business-class level, business to economy, and offers deep discounts on coach seating. In addition, Australian files suit against Ansett, claiming that its monopoly use of Hamilton Island Airport violates the national trade practices law. The suit will later be dropped.

Ansett now withdraws from its support contract with **Polynesian Airlines, Ltd.** (renewed for a decade in 1987); five years of legal wrangling and claims by both sides will ensue.

Rival **Australian Airlines (Pty.), Ltd.** is taken over by **Qantas Airways (Pty.), Ltd.** in September, following the government's surprise July decision to reverse its ban on cross-airline investment. In conciliation to struggling Ansett, the new International Air Services Commission authorizes the company to operate international flights on Asian routes not flown by Qantas. Meanwhile, in August, a code-sharing agreement is signed with the American major **Northwest Airlines**. It is followed in September by a marketing deal with **United Airlines** that provides for code-sharing on numerous Ansett domestic services.

Customer bookings for the year increase 35.9% to 7,507,643 while cargo accelerates 22.9% to 86.81 million FTKs. The year's operating profit is A\$12.1 million.

In 1993, Chairman Kenneth E. Cowley and Managing Director McMahon, who began with the company as a mail boy in 1955, employ 11,159 workers. The fleet over the past two years has been expanded by the addition of 3 British Aerospace BAe 146-300s and 1 leased B-737-33A.

As a result of its 25% purchase of **Qantas Airways (Pty.), Ltd.**, **British Airways, Ltd. (2)** in January drops its frequent flyer affiliation. Ansett immediately takes up new alliances with **Alitalia, S.p.A.** and **Deutsche Lufthansa A.G.** The arrangement with the German line will provide for reciprocal frequent flyer programs, shared lounges in Sydney, Melbourne, and Brisbane, and connecting services from Frankfurt to Sydney and Brisbane via Melbourne.

The marketing agreement is initiated with **United Airlines** in February; the program provides for frequent flyer program linkage, reciprocal lounge access, and code-sharing over various Ansett domestic routes to such destinations as Melbourne, Sydney, and the Gold Coast.

In July, company officials are nearly as surprised as those at **Qantas Airways (Pty.), Ltd.** when the Australian International Air Services Commission awards Ansett the majority of slots that will become available to Australia when the new airport opens at Osaka (KIX) late in 1994. Ansett is authorized four weekly B-747 services and plans are made to begin service, possibly with leased Jumbojets. In celebration of its international status, the company establishes an international division and prepares to implement a new corporate identity.

In August, the company signs an agreement, effective the following year, to code-share and to participate in the frequent flyer program of **Malaysia Airlines, Ltd. (MAS)**. The company's first international market, Bali, is opened in September. Flights to the popular Indonesian vacation resort are conducted from Perth, Sydney, Brisbane, Melbourne, and Darwin.

The subsidiary **Ansett W.A. (Ansett Western Australia [Pty.], Ltd.)** ceases to trade as a company subsidiary and is folded back into its parent, now known as Ansett Australia Holdings, as are the subsidiaries **EastWest Airlines, Ltd.** and **Ansett Express (Pty.), Ltd.** Equity partnership discussions are held with both **Singapore Airlines, Ltd.** and **Air New Zealand, Ltd.**

Passenger boardings jump 6.4% to 9,260,418 while freight grows by 4.9% to 94.76 million FTKs. The pretax profit is \$A42.8 million.

The integration of **EastWest Airlines (Pty.), Ltd.** and **Ansett Express (Pty.), Ltd.** is completed on January 1, 1994. During the spring, the company begins to make plans for its own public stock offering, two years hence, during which it hopes to raise upwards of A\$1 billion.

Having divested itself of most of its peripheral activities over the past three years, Ansett Transport Industries, Ltd. now changes its name to Ansett Australia Holdings, Ltd. to reinforce its airline focus. The first code-sharing service with **Malaysia Airlines, Ltd. (MAS)** begins in June on services from Australia to Auckland and Christchurch, New Zealand.

In August, a new blue and gold livery is unveiled, which, although it ends Ansett's use of a stylized Australian flag, retains the Southern Cross and adds a new seven-point "Ansett Star." A stylized "A" is painted on aircraft tails and the airline's name on fuselage sides.

A new subsidiary—Ansett International (Pty.), Ltd.—is created and two, later three, B-747-312s (dubbed "Spaceships") are leased from **Singapore Airlines, Ltd.** At the same time, the company relinquishes its rights to fly to Singapore and Malaysia. Employing the chartered Jumbojets, the company in September inaugurates a deep-discount, one-month fare to lure passengers aboard its new services from Sydney to Osaka's new Kansai International Airport (begun on August 30), as well as its new thrice-weekly roundtrips to Hong Kong.

In October, just two weeks after making application for the only weekly Sydney–Beijing route available, Ansett withdraws its request, deciding that B-747 operations to China will prove too expensive.

The crew of a B-747-377 with 253 passengers (including 247 Japanese), aborts the aircraft's October 20 flight to Osaka and turns back to Sydney's Kingsford Smith Airport after an indicator shows low oil pressure in one engine, which is shut down. The plane's nosewheel mechanism fails

to lock on touchdown, sending the 11-year-old jet into an 800-m. skid before it comes to rest 600 m. from the end of the runway. No injuries are reported but investigations reveal the skin of the plane to be damaged on a 10–15-m. stretch forward of the nosewheel area.

Also during the month, the carrier inaugurates code-sharing services with **Malaysia Airlines, Ltd. (MAS)** via Sydney and Melbourne, to Adelaide, Cairns, Canberra, the Gold Coast, and Hobart and from Sydney, Melbourne, and Adelaide to Kuala Lumpur. The two carriers, under the pact initiated a year earlier, also link their frequent flyer programs.

Plans are made at the end of the year for the introduction into the fleet of the first of 5 A320-211s and the retirement of the last 2 remaining F.28-1000s and 2 F.28-3000.

Enplanements for the year climb 6.8% to 11,289,000, but freight declines by 3.9% to 104.49 million FTKs. Ansett Holdings reports its revenues up 12.8% to A\$2.2 billion and that profits have been generated: A\$154.6 million (operating) and A\$112.2 million (net).

After two years of cost cutting, the company's workforce in 1995 totals 15,000. To celebrate the centenary of Banjo Peterson's famous song *Waltzing Matilda*, a B-737-377 has a scene from the song painted on its forward fuselage.

Discussions are held concerning possible shareholding for **Air New Zealand, Ltd.** In addition, new frequencies are inaugurated to Hong Kong, Japan, and Indonesia. The first A320-211s arrive in August. The company begins to shift smaller aircraft off regional routes, which it turns over to such affiliates as **Kendall Airlines (Pty.), Ltd.**

Code-sharing starts with **EVA Air, Ltd.** in November over a thrice-weekly B-747-377 route from Sydney via Kuala Lumpur to Taipei; shared seating is also assigned on certain Australian domestic frequencies. The same month, a pact begins with **Virgin Atlantic Airways, Ltd.** that provides for joint U.K. to Australia via Hong Kong fares and shared marketing in London and Sydney. Meanwhile, a third B-747-377 arrives from **Singapore Airlines, Ltd.**

During the third week of November, a memorandum of understanding is signed with TNT, Ltd. Under its terms **Air New Zealand, Ltd.** will purchase from TNT a 25% stake in Ansett Australia for A\$200 million. In addition, it has the option through February 15, 1998, to purchase another 25% for A\$225 million. If this second stock option is not taken up, TNT will have the option to buy back the initial 25% share. Both the Australian Foreign Investment Review Board and New Zealand's Commerce Commission must review the deal. By month's end, the code-shared service between Australia and Malaysia is up to 11 flights each week: daily from Melbourne to Kuala Lumpur, 4 flights direct from Sydney, and 4 flights from Sydney to Kuala Lumpur via Melbourne.

In December, twice-weekly, block-seat, code-sharing flights begin with **Aerolineas Argentinas, S.A.** on the trans-Tasman service from Sydney to Auckland aboard an Ansett B-747-377. The flights are planned to connect with the Argentine major's flights to and from Buenos Aires. Also during the month, the carrier undertakes its own weekly flights from Sydney to Taiwan, exclusive of **EVA Air, Ltd.**

The traffic figures of 11,508,172 represents only domestic passengers.

Airline employment grows by 6.5% in 1996 to 17,977. In a preliminary January ruling, the New Zealand Commerce Commission disapproves of **Air New Zealand, Ltd.'s** arrangement with TNT, Ltd. It advises all interested parties that they may make written comments on the proposed sale until February 29 and give oral presentations in March, but that it will make a final determination on April 3. Twice-weekly B-747-377 flights to Jakarta commence in February.

To improve connections with regional affiliates and among its own fleet, the carrier, during the first quarter, installs a new flight management system developed by **Deutsche Lufthansa, A.G.** The new system is able to take the schedules of competing airlines into consideration when revising Ansett's own schedule.

The New Zealand Commerce Commission, fearing a monopoly over New Zealand's domestic routes, rules on April 3 that **Air New Zealand, Ltd.** may not purchase the TNT, Ltd. interest in Ansett.

KLM (Royal Dutch Airlines, N.V.) and **Royal Tongan Airlines** become partners in April. The former joins in initiating joint international services and joins with Ansett on domestic Australian routes between Adelaide, Brisbane, Cairns, Canberra, Melbourne, and Sydney. Royal Tongan code-shares on Ansett's trans-Tasman routes. In May, four-times-per-week B-767-324ER service is inaugurated from Sydney to Kuala Lumpur via Jakarta.

The Commerce Commission reverses its April decision in late June after News, Ltd., which also holds 50% interest in Ansett Australia (Pty.), Ltd., steps forward at mid-month and acquires 100% ownership of **Ansett New Zealand, Ltd.** The new equity arrangement ends New Zealand government's monopoly concerns; however, the TNT, Ltd. purchase still must be approved by two Australian bodies, the Foreign Investment Review Board and the Competition and Consumer's Commission. These arrangements will be completed over the summer.

On July 2, Ansett begins to code-share with **Korean Airlines/Korean Air (KAL)** over return routes from Brisbane and Sydney to Seoul. Company B-747-377s fly the route twice weekly. Other new services are independently inaugurated to Jakarta, Taipei, and Kuala Lumpur.

The formal A\$325-million buyout of the **TNT, Ltd.** interest is approved by the TNT board in early September. **Air New Zealand, Ltd.** pledges to invest A\$150 million in Ansett (taking 65% of the needed funds from its own cash reserves, while borrowing the remainder), while the Australian airline's remaining half-owner, the News, Ltd., pledges a third of that amount.

The ANZ courtship finally pays off in October as the company is able to acquire both Ansett stockholder and Australian government approval for its purchase of a 50%, A\$475-million stake in the Australian independent's parent, Ansett Holdings. News, Ltd. CEO and Ansett Chairman/CEO Cowley is given a new contract that retains his services for another five years.

A major commercial agreement is now put in place between the two carriers that will implement code-sharing on trans-Tasman flights to Auckland and internal Australian domestic routes, offer passengers reciprocal frequent flyer program participation, and lounge and club facilities.

To replenish its coffers after the Ansett purchase and to increase the number of shares held by foreign investors from 35% to 49%, **Air New Zealand, Ltd.** now offers a prorated issue of 121 million shares for sale. The offering brings in NZ\$242 million, including NZ\$47 million (US\$32.9 million) from rival **Qantas Airways (Pty.), Ltd.**, which now holds a 19.4% stake.

Electronic ticketing comes to Ansett during the third week of November. When the service is introduced on 28 domestic routes, it is so successful its first day that a 20% passenger use rate is experienced. On December 2 the company announces that ticketless travel will be available on all 140 domestic routes by the first of the year. The board now seeks to appoint new leadership; Chairman Cowley and Chief Operating Officer Hugh Thorburn both resign to make way for former **Cathay Pacific Airways (Pty.), Ltd.** Managing Director Rod Eddington.

Full customer bookings (domestic and international) inch up 2.8% to 12,160,000 and operating income moves up 5.5% to A\$2.56 billion. Costs, however, rise 9.5% to A\$2.57 billion and leave an A\$14.47-million operating loss. Still, a net A\$45.47-million net profit is reported. Debt stands at A\$1.7 billion.

The workforce is reduced by 5.1% in 1997 to 17,067. Former Cathay Managing Director Eddington becomes AA's executive chairman on January 9. On January 28, he joins Sydney Olympic Games chief executive Mal Hemmerling in announcing that the company is one of seven chosen to be official airlines for the Sydney 2000 games.

Code-sharing flights with **Air New Zealand, Ltd.** commence on February 1 on 66 weekly flights connecting Sydney and Brisbane with Auckland. With a first quarter loss anticipated, the company abandons its attempts to secure the rights to serve Bangkok presently held by **Qantas Airways (Pty.), Ltd.**

Also during the first quarter, an A320-211 is given a special new livery promoting the Sydney 2000 Olympic Games. The plane is unveiled at the Airshows Down Under '97 exposition.

Ansett, which flies from Sydney to Jakarta four times a week adds a fifth weekly roundtrip on March 20.

Preparations are also made to retire the company's last six "three-holer" Boeing 727s; those remaining are given special titles denoting the type's 33 years of service to the airline.

Piloted by Capt. Lionel Griffiths, Flight 36, a B-727-277 with a full complement of passengers, completes Ansett's final regularly scheduled B-727 service from Hobart to Melbourne's Tullamarine Airport on April 1. As the aircraft taxis to the gate, it passes through a salute of water cannon spray provided by airport fire trucks. Three days later, the last two B-727-277s fly six special sight-seeing flights over Melbourne for company employees. The A\$60-seats for the flights go rapidly and the day is finished with a large and festive send-off party at the Melbourne Jet Base.

At the end of April, CEO Eddington indicates that cost-cutting measures must continue and that certain as-yet unnamed elements should be merged with those of **Air New Zealand, Ltd.** Thirteen joint task forces are established to work out the process of merging important functions the two airlines now operate separately. The Australian Consumer Commission in early May indicates that Eddington must submit to them any merger plan before it takes effect.

The company also embarks upon fleet rationalization beginning in May. Four F.28-4000s are sold to **Flight West Airlines (Pty.), Ltd.**, along with the former AA routes north of Brisbane to Papua New Guinea, from Brisbane to Prosperine, and from Brisbane to Norfolk Island in the Tasman Sea.

The 5 remaining Fokker 50s are turned over to **Skywest Airlines (Pty.), Ltd.** Five B-727-277As are withdrawn from service and sent to Aviation Partners in Miami, Florida, for conversion into freighters. Acting on behalf of **Kendell Airlines (Pty.), Ltd.**, the company agrees to trade 4 Fokker 50s to **Skyways, A.B.** of Sweden in exchange for 4 SAAB 340As. Ansett now elects to delay any decision on long-term fleet replacement program concerning Boeing or Airbus aircraft until the year's second half, by which time it will have had a chance to consult with **Air New Zealand, Ltd.**

On the financial front, the state of the company's coffers and an upcoming second-quarter loss forces CEO Eddington to request that Ansett's unions delay half of the US\$12-million wage increase they had achieved the previous year in an enterprise bargaining arrangement.

When the Australian travel industry threatens to take all of its business to rival **Qantas Airways (Pty.), Ltd.**, Ansett backs off a plan to cut commission rates by 20% for charter and domestic flights booked by travel agents; Qantas has not lowered rates.

Discussions between the carrier, **Air New Zealand, Ltd.**, and **Singapore Airlines, Ltd.** are revealed in May. Plans are afoot for a code-sharing arrangement that will grant the two Australasian carriers new inroads into Europe via Singapore, as well as marketing, sales, and pricing cooperation with the Southeast Asian major.

En route from Osaka (KIX) to Brisbane on May 27, Flight 822, a B-747-312 with 11 crew and 79 passengers, hits a short, sharp pocket of air turbulence south of Papua New Guinea. Sixteen Japanese tourists and a cabin attendant are hurt; upon arrival at the airliner's destination, 12 are treated on scene for cuts, lacerations, and bruises while five are hospitalized.

As the relationship with **Air New Zealand, Ltd.** solidifies, Ansett, in early June, announces that it will close its own offices at Auckland, London, Frankfurt, Singapore, and Los Angeles and combine its operations in those cities with its partner.

On June 21, AA, **Singapore Airlines, Ltd.**, and **Air New Zealand, Ltd.** jointly sign a memorandum of understanding for the creation of the largest airline alliance in Southeast Asia. The compact contains what has become the normal large-scale partnership compact ingredients of shared networks, codes, marketing, scheduling, reservations, planning,

purchasing, cargo, frequent flyer programs, information technologies, and ground and passenger services. Arrangements for certain kinds of financing, fleet rationalization, and relationships with other partners remain to be sorted out. Permission is quickly received from New Zealand regulators, but the process with the Australian Competition and Consumer Commission will take months.

Ansett and **Air New Zealand, Ltd.** merge their domestic New Zealand courier and air cargo units during July.

Beginning August 18, Ansett runs a special three-week promotion. Those customers who spend A\$10 or more at a Shell gasoline station receive scratch cards that give them a chance to win 1 of 10,000 free flights, including 2,000 to Ansett's foreign destinations.

On September 3 the company and **Polynesian Airlines, Ltd.** both withdraw their claims against one another in their dispute stemming from Ansett's 1992 withdrawal from a support contract. The terms agreed to in the court settlement are not made public.

Also during the fall, a marketing and code-sharing agreement is signed with the regional carrier **Hazelton Airlines (Pty.), Ltd.**

An A320-231 arrives under lease from ILFC in October. Underscoring its alliance with Ansett and its trans-Tasman presence in Australia, **Air New Zealand, Ltd.** in early October, lists 277.7 million B shares on the Australian Stock Exchange. It is the carrier's first listing outside of New Zealand.

As the result of a detailed set of recommendations from Bain Consulting, CEO Eddington orders a wide-ranging corporate review of airline practices to begin in November. A staff publication details the procedures to be followed as a concerted method is sought to break into significant profitability.

Also in November, it is announced that the carrier will replace the unprofitable first-class service offered aboard its B-747-200s with an enhanced business-class product. Simultaneously, it is noted that Ansett is investing A\$167 million (US\$116 million) in a renovation of its domestic terminal at Sydney Airport in preparation for the 2000 Olympic Games.

Beginning in November, Subway™ sandwiches are served during afternoon tea on flights from Sydney, Melbourne, Brisbane, and Adelaide that depart between 1:30–4:00 p.m.

During December, both Ansett and **Qantas Airways (Pty.), Ltd.** are absolved by the government of any responsibility to surrender slots to new entrants starting service from any of Australia's airports.

Enplanements this year jump 10.8% as 13,469,000 passengers are transported. Revenues for Ansett Holdings inch up 1% to A\$2.188 billion, while costs rise .02% to A\$3.183 billion. This year, there is a small A\$5.05-million operating profit and a nice A\$38.31-million net gain.

At the beginning of 1998, Ansett Australia is the 24th largest airline in the world in terms of passenger boardings and 25th in number of employees. The fleet of 72 aircraft is 93.1% Stage III certified and includes 5 Fokker F.28s, 22 B-737s, 3 B-747s, 11 B-767s, 20 A320s, and 11 BAe 146s.

The familiar hat sported by domestic flight attendants is dropped from the corporate wardrobe on January 1.

During the first week of January, a team of six legendary swimming stars (Australians Murray Rose and Shane Gould, Americans Greg Louganis and Mark Spitz, Krisztina Egerszegi from Hungary, and Vladimir Salnikov from Russia) serve as media representatives for the company during the World Swimming Championships at Perth.

Noting that traffic is down by over 65%, the company, also in January, joins with **Qantas Airways (Pty.), Ltd.** and **Air New Zealand, Ltd.** in planning for a suspension of service to Seoul and other Korean cities. At the same time, the carrier joins with **Air New Zealand, Ltd.** and **Singapore Airlines, Ltd.** in petitioning the Australian Competition and Consumer Commission for approval of their strategic alliance.

With the start of the business travel year on February 2, the company makes several schedule changes for the times of departure from Sydney, Melbourne, Adelaide, Perth, and Darwin. Noting a sharp drop

in traffic, the biweekly Sydney–Seoul–Brisbane–Sydney service is suspended on February 8.

Early in the year, a three-way code-sharing pact is entered into with **Air New Zealand, Ltd.** and **EVA Airways, Ltd.** The pact takes effect on April 1 with the introduction of dual-designator flights to Taipei. Plans for code-shares to Hong Kong, Osaka, and China are shelved because the bilateral agreements between the affected nations do not allow third country code-shares.

Also at the beginning of the second quarter, the company institutes a new program under which employees will receive significant benefits if they retire early. Over 1,000 workers indicate interest.

On April 4, a new Saturday-only night roundtrip is introduced from Brisbane to Bali.

On May 14, the company joins with **Air New Zealand, Ltd.** in signing a memorandum of understanding to join the "Star Alliance" in 1999. Certain unspecified "customer benefit" prerequisites must now be fulfilled.

Due to a lack of traffic and discounts that produced losses, the carrier, on May 31, suspends its daily roundtrips from Sydney to Kuala Lumpur via Jakarta.

On June 8, the Australian Competition and Consumer Commission gives its draft approval for the airline's alliance with **Air New Zealand, Ltd.** and **Singapore Airlines, Ltd.**

Meetings are held between management and representatives from 10 unions on June 11 to inform them that it will sell its in-flight catering operations and its Ansett Air Freight door-to-door retail freight business in 1999 as part of a drive to cut \$135 million from its operating costs. It also begins discussions on the latest enterprise bargaining agreement, or labor agreement.

Continuing to signal a return to its core airline operations, Ansett, at the beginning of July, sells its remaining resort interest, the Hayman Island resort, together with its controversial half-interest in Hamilton Island Airport, to an Australian hotel owners' group for A\$59 million (\$36.5 million).

On July 31, the Australian Competition and Consumer Commission grants regulatory approval of the tripartite pact between Ansett, **Air New Zealand, Ltd.**, and **Singapore Airlines, Ltd.** The endorsement allows Chairman Eddington to move more quickly on a whole range of operational and marketing strategies he has been publicly discussing in order to cut costs and increase market share.

Saturday-only B-737-300 roundtrips commence on August 1 from Sydney and Melbourne to Broome via Alice Springs, with connections to Darwin and Ayers Rock.

Early in September, Chairman Eddington is appointed deputy chairman of Rupert Murdoch's News, Ltd., half-owner of the airline. Eddington will also remain in charge at Ansett Australia.

Beginning on September 16, Chairman Eddington starts to reveal to employees and the public the first of some 70 points of a 3-year initiative designed to produce 10% profits that can be sustained.

In addition to planning for a five-year, A\$1-billion fleet renewal undertaking, the initiation of new alliances, and cost-cutting, Eddington announces that it will turn over most of its East Coast regional routes to its low-cost subsidiary **Kendell Airlines, Ltd.** To operate the new services, the Kendell board approves the acquisition of 12 new regional jets, either Canadair CRJs or Embraer ERJs. Within a month, the airline chooses the former.

In this plan, flights to Launceston will end, while only one daily service will be retained from Melbourne to Hobart. Flights to Rockhampton, Mackay, Bellina, and Coffs Harbour are also suspended. Frequencies will end between Canberra and Brisbane and between Canberra and Adelaide, while those from Canberra to Melbourne and Sydney will be reduced. Kendell will assume all of these flights in November 1999.

Having lost A\$55 million (\$33 million) on Asian services the previous year and continuing to take losses this year, Eddington notes that flights to a number of destinations must cease.

In addition, a significant cut will be made in the senior executive ranks. The jobs of 300 managers are vacated and these personnel are required to reapply for posts in a streamlined bureaucracy—and many will not be successful.

It is noted on October 5 that the route from Sydney to Shanghai has been suspended because of China's delay in granting Australia preferred tourist destination status. A new flight to Taipei will, however, be added, along with service to Fiji, on October 25.

Glenn Mitchell of the *Victoria Herald Post* reports on October 26 that Ansett has entered the record books with a "first" it probably would as soon have not earned. Increasing heroin and amphetamine use on its domestic and international aircraft have forced it to, controversially, fit its planes with syringe disposal bins. The dramatic public health step against a clear risk to the safety of customers and staff, taken after consultation with the Los Angeles-based International Airline Medical Advisory Council, is applauded by the Australian Medical Association, but condemned as "insane" by Prime Minister John Howard's National Council on Drugs. The Ansett action has been triggered by the September arrest of an Ansett passenger who had publicly injected heroin while on a flight from Melbourne to Brisbane. The airline, like others, reports that syringes containing heroin and amphetamines have been found in toilet bowls and in seat pockets by cabin-cleaning crews.

On January 5, 1999, Ansett sells its 68.2% stake in the Australian Diners Club payment card company to Diners Club International. The move is made as part of the airline's effort to improve its profit margin.

After a two-day period in which special decals are applied, a B-737-377 is unveiled on January 19 wearing a striking, 12 m.-long visual image of the 3 Sydney 2000 Olympic Games mascots—Olly the kookaburra, Syd the platypus, and Millie the echidna. The aircraft, with actors in costumes representing the three, depart Sydney for a goodwill flight around Australia. They will visit Broome, Port Hedland, Kalgoorlie, Alice Springs, Hobart, Adelaide, Brisbane, Melbourne, and other points.

Having elected not to take a stake in **China Airlines, Ltd. (CAL)**, **Singapore Airlines, Ltd.** now turns its attention to Ansett.

Beginning on February 1, Ansett places its code aboard **Flight West Airlines (Pty.), Ltd.** daily roundtrip flights operating from North Queensland to Port Moresby.

Two B-747-412s are leased from **Singapore Airlines, Ltd.** on February 4. On February 10, Ansett joins with **Qantas Airways (Pty.), Ltd.** in voicing opposition to the "open skies" aviation policy currently being studied by the government's Productivity Commission.

A strategic agreement with **All Nippon Airways Company, Ltd. (ANA)** is announced on February 16. Under its terms, the two companies link their frequent flyer programs and offer common use of airport lounges and through check-in services. Code-sharing on revenue passenger flights will commence shortly.

Accompanied by Chairman Eddington and Deputy Chairman/CEO Cheong Chong Kong of **Singapore Airlines, Ltd.**, News Corp. Senior Executive Vice President Lachlan Murdoch, on behalf of owner Rupert Murdoch, meets with Australian Prime Minister John Howard and Treasurer Peter Costello in Canberra on March 22. Singapore had unsuccessfully attempted to gain shareholding in **Qantas Airways (Pty.), Ltd.** in 1992 and has remained desirous of a gaining a larger foothold in the big Australian domestic market. The conference follows on the heels of a visit to Canberra earlier in the month by Singapore Prime Minister Goh Chok Tong.

As reported in *The Age* next day, the men lobby the government leaders for permission to have Singapore Airlines buy a stake in Ansett, which is now jointly owned by News Corp. and **Air New Zealand, Ltd.** Although unstated, Singapore's stake is believed to be the same 25% that British Airways, Ltd. holds in Qantas Airways. Doreen Siow of Reuters reports that the arrangement will see News Corp. turn over its 50% stake in Ansett for more than A\$500 million. As Prime Minister Howard tells the Australian Broadcasting Corporation, half of Ansett Australia is already foreign-owned and any sale to Singapore Airlines would be a simple foreign transaction that should be worked out by the

companies involved under Australian law. Approval is expected from the Foreign Investment Review Board, which will next review the offer.

Also at the time of their visit, Murdoch and Eddington ask Howard and opposition leader Kim Beazley to oppose a national "open skies" policy toward foreign airlines.

At a joint news conference on March 25, News Corp. Chairman Murdoch, Chairman Eddington, and Deputy Chairman/CEO Kong formally announce the understanding under which News Corp. is selling its 50% stake in Ansett to Singapore Airlines for A\$500 million. Several hurdles remain to be jumped before the deal is officially completed, including regulatory approvals, due diligence, **Air New Zealand, Ltd.**'s preemptive right to buy News' stake in place of Singapore Airlines, and the conclusion of a sale and purchase contract. If these conditions are satisfied, the transaction will be finalized in the months after July 1 and Eddington will remain in his post for at least two years.

At a news conference on March 27, Sir Selwyn Cushing, chairman of **Air New Zealand, Ltd.** and of its major shareholder, Brierley Investments, indicates that his airline may exercise its preemptive right to match the Singapore Airlines offer. To that end, a task force is put together to investigate the possibility of full ownership of Ansett.

Air New Zealand, Ltd. and Ansett formally become the seventh and eighth members of the "Star Alliance" on March 28; Singapore Airlines, which hopes to purchase Ansett as well as a stake in **Thai Airways International, Ltd. (THAI)**, has indicated that it, too, wishes to join the multinational alliance.

Under terms of the code-sharing arrangement, daily ANA service between Osaka (KIX) and Sydney via Brisbane is replaced, also on March 28, by Ansett-operated B-747-412 flights carrying ANA's code.

At the beginning of April, Ansett renews its agreement with **Hazleton Airlines (Pty.), Ltd.** for another five years. Ansett also gains right of first refusal on a minimum 20% of Hazleton's shares.

As the Singapore merger perks along in April, Ansett and its rival, **Qantas Airways (Pty.), Ltd.** continue to find themselves on the same side in their continued opposition to the government's proposed "open skies" policy for domestic routes. Both companies hint broadly that they will reduce regional services if foreign airlines are allowed to operate within Australia.

Representatives from the two carriers meet with the Australian federal transport minister, employing various commercial arguments to support their opposition. Their efforts are apparently made to no avail; indeed, on April 30, both airlines are publicly rebuked by the minister, whose spokesman informs the Australian Associated Press that the civil leader objects to their using services to regional Australians as a bargaining chip.

On May 3, both carriers deny allegations reported in the *Sydney Morning Herald* that they are considering a blackout on discounts for domestic airfares before and during the 2000 Sydney Olympic games.

Airline officials submit a complaint to the Australian Football League (AFL) on May 24 concerning disruptive and abusive behavior by members of the Adelaide Kangaroo team on a June 23 return flight from Perth. The AFL promises an investigation.

Brierley Investments, Ltd. announces on May 25 that it has spent approximately NZ\$106 million (US\$57 million) to purchase **Air New Zealand, Ltd.** shares on-market. This was done to lift its stake in the flag carrier from 42% to 47.11% and increase its influence in the wider Australasian airline scene now being played with Ansett Australia and Singapore Airlines, Ltd. Some analysts suggest that the next step may be for ANZ to exercise its preemptive right to acquire the News Corp. share in Ansett and when fully in control of the Australian line to invite Singapore to buy into a merged entity. Others speculate that Brierley is seeking a way to prop up an unprofitable asset before selling it. Neither Ansett nor Singapore offer comment.

The Singapore Shipping Times on May 27 quotes Glenn Robertson, Ansett's Olympics General Manager, as stating that his carrier has already achieved A\$650 million in new and projected sales from its sponsorship of the 2000 Sydney games. It is anticipated that, by the time the contests

commence in September next, Ansett will have earned at least A\$900 million, as against sponsorship costs of A\$50 million in cash and kind.

News Corp., Ltd., on June 9, recesses its talks with both **Air New Zealand, Ltd.** and **Singapore Airlines, Ltd.**, but indicates that, once the two have come to terms concerning their equity investment in Ansett, discussions may continue. A day later, Singapore pulls out of the negotiations altogether, indicating that it will now look at investing in the flag carriers of Thailand or South Africa. In fact, Air New Zealand, Ltd. has quietly exercised its preemptive right over the News Corp. shares to block the SIA bid. Within a few days, News Corp. raises the prospective sale price for the airlines by almost A\$200 million.

On July 1, Ansett begins to code-share on all **Singapore Airlines, Ltd.** services from Australia to Singapore, plus seven weekly roundtrips to London and four-times-a-day flights to Bangkok.

In October, Ansett, as official airline of the 2000 Summer Olympics, unveils a B-737-33A adorned with the Olympic mascots "Syd," "Millie," and "Olly."

Also during the fall, Brierley Investments works to put its own financial house in order and attend to the fiscal base of **Air New Zealand, Ltd.** At the same time, Ansett employees are able to put forward an A\$500-million counterbid for the News Corp. shares.

On November 15, 2 B-757s are sold to **DHL Worldwide Express**. A dedicated BAe 146 freighter service is inaugurated on November 30 from Melbourne and Adelaide to Alice Springs and Darwin. Frequencies between Sydney and Hong Kong become daily on December 3.

Customer bookings dip 0.4% on the year to 13,399,000. Group operating revenues inch up 0.1% to A\$2.32 billion even as expenses fall 2.4% to A\$2.23 billion. The operating profit jumps to A\$97.56 million while net gain nearly doubles to A\$103.64 million.

The workforce stands at 14,876 at the start of 2000, reflecting a 7.7% reduction in force over the previous 12 months. Among the world's top 25 airlines at the beginning of the new millennium, Ansett Group has the 25th largest net gain.

Most Australian domestic service is cancelled on February 11 as company employees meet to discuss working conditions. Thrice-weekly roundtrips from Sydney to Taipei end next day.

Air New Zealand, Ltd. acquires the outstanding News Corp. 50% stake on February 18 for A\$680 million. Payment includes A\$580 million (NZ\$744 million) up front plus another installment within a two- to four-year period equal to 10.5% of ANZ's issued shares (or a cash equivalent). When the transaction is completed, Ansett will have an effective value of A\$1.36 billion. Although **Qantas Airways (Pty.), Ltd.** objects, the Australian government, which has eliminated ownership requirements on foreign ownership of domestic carriers in order to pump up airline competition, permits the sale. The new airline combine boasts A\$6.7 billion in assets, an A\$5.8-billion revenue base, and 24,000 employees.

The company's licensed aircraft mechanics launch a series of three-hour strikes at Australian airports on March 6 to protest against potential job losses coming from the company's sale to ANZ.

In a move planned the previous year, both Ansett and **Air New Zealand, Ltd.** join the "Star Alliance" on March 28. On April 4, a meeting of ANZ shareholders authorizes the carrier's executives to pay the NZ\$744 million (A\$580 million) in up-front tranche for Ansett Australia as soon as the paperwork for the acquisition is completed. As earlier agreed, the second installment will come later.

During the spring, **Air New Zealand, Ltd.** begins to review future group opportunities, including personnel and fleet requirements, as well as the stalled CRJ strategy of Ansett subsidiary **Kendall Airlines, Ltd.** and potential competition from, among others, Sir Richard Branson's newly formed **Virgin Blue, Ltd.**

Out of a job almost from the moment of the ANZ takeover, Executive Chairman Eddington is elected the new CEO of **British Airways, Ltd.** (2), assuming his new post on May 1. Craig Wallace, general manager of commercial planning and a close Eddington associate, is named his interim successor. The last B-727-200F operated by Ansett Australia Cargo is withdrawn on May 22 and returned to its lessor, **Kitty Hawk Aircargo**.

Also during late May, a company B-767-324ER brings the Olympic flame from Athens to New Zealand via Guam. On May 30, Ansett General Manager Garry Kingshott announces that, after the merger, neither carrier will change its name.

On June 8, the specially chartered A320 *Unity* flies the Olympic flame (in a miner's lantern) to Ayers Rock, where it is carried off the plane by a Sydney Games board member, Anna Booth, to begin a 100-day trans-Australia torch relay prior to the Sydney XXVIIIth Olympiad in September.

Permission for the Ansett takeover is granted by the Australian Competition and Consumer Commission in late June. The authority requires that Ansett International be ensured of continued service development into and out of Australia and subjects **Air New Zealand, Ltd.** to conditions limiting its right to rationalize Ansett personnel and routes.

The Ansett purchase is completed on June 23. Three days later, ANZ Managing Director Jim McCrae indicates that the integration of Ansett's business fully into ANZ will take up to 18 months, although most of the work is expected to be finished within a year.

Despite fuel hedging that has saved A\$37.4 million over the past year, it is acknowledged in July that avgas costs over that period have risen 49.5% to A\$362.4 million.

During the first week of August, **Singapore International Airlines, Ltd.** is able to complete a 25% purchase into Ansett's new parent, thereby gaining three board seats and a voice in the management of the Australian subsidiary.

ANZ Chairman Sir Selwyn Cushing announces a regrouping of the two merger partners on August 10 into a new Air New Zealand Group, Ltd. structure.

The carrier and **Qantas Airways (Pty.), Ltd.** now become involved in a fare war with discount airline **Impulse Airlines (Pty.), Ltd.**, which is offering A\$33 one-way seats between Brisbane and Sydney.

On August 14, the two begin to match the upstart's prices for the route.

When the Air New Zealand Group, Ltd. comes into effect, also on August 14, it features three coordinating core units and special purpose business units. The core units include a strategic leadership Corporate Centre, a Commercial and Operational Core, and an Australasian Airline System Core, which coordinates the group's three domestic airline families (Ansett Australia, the Ansett regionals in Australia, and the New Zealand domestics). Ansett International and Air New Zealand International are left as separate entities, along with cargo, terminal, and engineering services.

Cushing also announces certain personnel changes. Ansett's interim CEO Wallace is now replaced by Andrew Miller, ANZ's domestic operations chief, while ANZ's marketing boss, Garry Kingshott, is named to lead the Ansett international division. Three other Ansett executives are released.

With assets of A\$6.69 billion (NZ\$8.58 billion), 24,000 staff, 186 aircraft, and 19 million annual passengers, the new group is viewed as one of the top 20 airline groups in the world.

The fare wars intensify as the month continues. To grab the initiative before **Virgin Blue, Ltd.** starts up in early September, Ansett and Qantas both offer a presale for one day of 250,000 tickets discounted by 85%; fares for shorter trips drop as low as A\$55 while transcontinental tickets can be had for A\$165. As the XXVII Olympics open on September 15, the carriers find that Australian demand for flights to Sydney is much lower than expected—most residents decide to view the games on television.

Qantas Airways (Pty.), Ltd. Deputy CEO Gary Toomey is named **Air New Zealand, Ltd.** CEO on September 28, effective in December.

Ansett begins code-sharing on ANZ domestic services in New Zealand on October 2. Four days later, Ansett Holdings purchases a 20% stake in the east coast regional Hazelton Airlines (Pty.), Ltd. from the Hazelton family. On October 12, the holding company makes an A\$15.3 million (US\$14.2 million) offer for the 13.11% ownership the family retains.

On October 29, the carrier begins four-times-a-week roundtrip service from Melbourne to Hong Kong.

ANSETT EXPRESS (PTY.), LTD.: Australia (1990–1992). In preparation for Australian airline deregulation, the former **Ansett NSW (Pty.), Ltd.** changes its name during the fall of 1990. Hubbing at Brisbane rather than Sydney, the carrier expands from New South Wales, becoming a point-to-point operator to other states. Under both names, General Manager Jon Hutchinson's 309-employee company, equipped with 2 new Fokker 50s and 6 F.28-4000s, the latter acquired from **East-West Airlines (Pty.), Ltd.**, flies a total of 553,773 passengers on the year, a 68.7% boost over 1989.

The workforce is cut 2.6% in 1991 to 301 and the fleet now includes 7 Fokker 50s, 3 of which are out of service, 2 Fokker F.28-1000s, 2 F.28-3000s leased from **Cimber Air, A.S.**, 5 F.28-4000s, and 1 Mohawk 298 chartered from **Southern Pacific Regional Airlines, Ltd.** A number of new routes are initiated including a high-speed Sydney–Canberra shuttle, service to Canberra, Rockhampton, and Mackay. In addition, frequencies are launched to Tasmania from Brisbane, Canberra, and Launceston. Customer bookings inch up 1.8% to 549,319.

Operations continue apace in 1992 and, in late 1993 the company ceases to trade as an Ansett subsidiary and is folded into its parent.

ANSETT NEW ZEALAND, LTD.: New Zealand (1986–2000). In August 1986, the subsidiary Ansett New Zealand, Ltd. is formed to provide New Zealand government-ordered competition with **Air New Zealand, Ltd.** over domestic routes. The older Ansett entity, **Airlines of New Zealand (Pty.), Ltd.**, together with **Newman's Air, Ltd.**, forms the basis upon which the new company will be built. The concern is jointly owned by Ansett (50%), **Newman's Air, Ltd.** (22.5%), and Brierly Investments (the remainder). Former **Air New Zealand, Ltd.** executive Ross B. Keenan is CEO.

The new entrant is provided with two de Havilland Canada DHC-7-102s in July 1987. Daily commuter flights are now begun from Auckland to Wellington and Christchurch. The first purpose-built terminal is opened at Wellington on July 23.

Flights are added in September to Glentanner near Mount Cook, Rotorua, and Queenstown. Two more terminals are opened—Auckland on October 30 and Christchurch on November 5.

Claiming release of its traffic figures will weigh against it in the competition with Air New Zealand, Ansett refuses to make available any results. It does, however, begin to install its award-winning Golden Wing lounges at the major New Zealand airports.

In January 1988, the carrier shares with **Air New Zealand, Ltd.** the 1987 "Passenger Service Award" from *Air Transport World* magazine. During the summer, 5 Boeing 737-177s are leased from the parent, which has obtained them from **Deutsche Lufthansa, A.G.** by way of **America West Airlines**.

New destinations visited, starting in July, include Dunedin and Palmerston North. In October, daily nonstop and direct first-class and hot meal service is initiated between Auckland and Christchurch, while earlier services to Mount Cook, Queenstown, and Rotorua are maintained.

Although traffic figures are again withheld, the press notes how the privatized state carrier's monopoly is broken by the Boeings and follows the new competition, widely denounced in some quarters.

Brierly Investments withdraws from the airline and Newman's has no option but to follow. Ansett Transport Industries takes up the vacated shareholding and the carrier becomes a wholly owned ATI subsidiary.

Early in 1989 orders are placed for 7 British Aerospace BAe 146-300 Whisper Jets and 2 BAe 146-200QC Quick Convertibles. In April, a New Zealand Airpass is introduced for international travelers planning extensive travel in the country; it allows them to construct their own itineraries at considerable savings.

Wellington–Nelson roundtrips begin in June. In addition, **Rex Aviation, Ltd.** becomes a Transair commuter affiliate, offering connecting services across Cook Strait.

The premier Whisper Jet arrives in July and allows the carrier to provide the nation's first jet service into Queenstown. Also during the

month, frequencies are initiated to Invercargill and withdrawn from Glentanner. Orders are now placed for 6 B-737-500s.

Northern Air, Ltd. becomes a commuter affiliate, providing a Transair link to Auckland from Whangarei.

Former **Polynesian Airlines, Ltd.** General Manager John Buchanan is appointed CEO in October and the first BAe 146-200QC enters service, operating as a passenger plane by day and a freighter at night.

A major 39% expansion of service is launched across the flight network in November. Frequencies between Auckland and Christchurch are increased from 46 to 87 per week while, percentage-wise, service between Auckland and Wellington grows by 21% and between Wellington and Christchurch, 15%. Indeed, the new schedule, taking advantage of the newly delivered BAes, increases the company's total number of flights per week from 350 to 551. Beginning in December, smoking is banned on all flights.

The 1990 fleet is increased by the addition of a second BAe 146-200QC and two de Havilland Canada DHC-8-100s, which replace the DASH-7s. Authority is sought to begin flights to Asia, North America, and into the Pacific.

Executive Class service is introduced in January; it replaces first-class service entirely and, offering several amenities, is available for NZ\$33 over regular fares. Also during the first quarter, the former German B-737-177s are all withdrawn.

In May–June, the company nearly stops flying, but agrees to continue on after receiving reassurances from the New Zealand government. This, plus a promise from **Qantas Airways (Pty.), Ltd.** to continue flying Ansett passengers to the country even after its purchase (in conjunction with **Japan Air Lines Company, Ltd. (2)** and **American Airlines**) of **Air New Zealand, Ltd.** is implemented. Also in June, the airline introduces New Zealand's first in-flight bar service on domestic flights.

In November, Auckland to Christchurch service is increased from 47 to 87 flights per week.

In January 1991, the company begins nonstop BAe 146-300 "Whisperjet" service from Queenstown to Rotorua. **Rex Aviation, Ltd.** begins Transair roundtrips in October between Wellington and Blenheim.

For the first time, customer bookings exceed one million this year.

Operations continue apace in 1992 and, in September, a marketing and code-sharing agreement is signed with **United Airlines** that give the U.S. major access to various New Zealand destinations via Auckland.

In 1993, Managing Director Craig Wallace employs a workforce of 1,015 and operates a leased fleet comprising 7 BAe 146-300s, 2 DHC-8-102s, and 2 BAe 146-200QCs. The Canadian-built de Havillands offer commuter flights to Blenheim, Nelson, Palmerston North, Whakatane, and Whangarei. Fierce competition continues with **Air New Zealand, Ltd.** and the operating loss increases from NZ\$18 million to NZ\$20 million.

The employee population grows by 1% in 1994 to 1,030, although the fleet is not changed. A new livery is introduced in January and, in June, **Malaysia Airlines, Ltd. (MAS)** begins to code-share on the Auckland–Christchurch routes.

All frontline personnel (reservations, ground handling, etc.) receive new uniforms in July. A new corporate logo and livery are introduced in November.

Enplanements for the year total 1.9 million and the loss "improves" to minus NZ\$5 million.

Twenty-eight new employees join the company in 1995, a workforce increase of 6.8%. The first BAe 146-300 to wear the new livery enters service early in January. It immediately goes on tour, introducing the Auckland Warrior's Rugby League team to the country.

Additionally, a third de Havilland, chartered from **Flight West Airlines (Pty.), Ltd.** joins the fleet, and replaces a BAe 146-300 on the Christchurch to Invercargill service. The freed-up capacity allows the company to put on additional BAe 146-300 flights during March–April on the main trunk route between Auckland and Wellington while the B-737-200 fleet of rival **Air New Zealand, Ltd.** is grounded for engine repairs.

While on approach to Palmerston North after a June 9 service from Auckland, Flight 703, a DHC-8-102 with 3 crew and 18 passengers is unable to completely lower its main landing gear. As the crew struggles to accomplish this task, the aircraft falls below minimum altitude, hits the peak of a tree line, and crashes 8 km. from the runway (4 dead).

In the late fall, **Rex Aviation, Ltd.** takes over the **Northern Air, Ltd.** Transair link between Whangarei and Auckland.

A national air traffic controllers' strike occurs on December 4–6 and 12–15. The job action has an impact on traffic as, for example, on December 14, when the company is only able to operate 7 of its usual 15 Wellington to Auckland services.

Plans are made late in the year to begin flying to Hamilton. Passenger bookings ascend 5.6% to 1.9 million, but financial results are not reported.

The Transair commuter brand is replaced on February 29, 1996, by a new Ansett New Zealand Regional service. **Rex Aviation, Ltd.** takes over the Whakatane to Auckland route previously flown by Bell Air, Ltd. Rex now provides all Ansett New Zealand Regional flights with a fleet of 5 Embraer EMB-110P-1 Bandeirantes.

In March, flights commence in cooperation with **Cathay Pacific Airways (Pty.), Ltd.** on trans-Tasman routes to Auckland and Christchurch. In early April, fearing that a monopoly would be created over domestic routes, the New Zealand Commerce Commission refuses an application by **Air New Zealand, Ltd.** for permission to purchase a half-interest in **Ansett Australia (Pty.), Ltd.**

The Commerce Commission reverses its April decision in late June after the News Corp., which also holds 50% interest in **Ansett Australia (Pty.), Ltd.**, steps forward at mid-month and acquires 100% ownership of **Ansett New Zealand, Ltd.** The new equity arrangement ends New Zealand government's monopoly concerns; however, the TNT, Ltd. purchase still must be approved by two Australian bodies, the Foreign Investment Review Board and the Competition and Consumer's Commission. The government panels approve the acquisition in September and ANZ is reformed with a separate new board of directors and management.

In October, **Rex Aviation, Ltd.**, operating as Ansett New Zealand Regional, ceases services to Whakatane. The Bandeirantes are relocated to the Auckland–Whangarei sector, replacing the Piper PA-31-350 Navajo Chieftains that had operated the route previously.

The fleet in 1997 includes 10 BAe 146s and 3 DHC-8-102s. Arrival of a fourth DHC-8-102, on lease from **Flight West Airlines (Pty.), Ltd.**, in the spring allows Hamilton service to begin and the company now controls 30% of the domestic market in competition with **Air New Zealand, Ltd.**

Throughout the first half of the year, merger discussions are held between the carrier's new leadership and the management of **Qantas Airways (Pty.), Ltd.** concerning a possible takeover of the New Zealand regional by the Australian major.

When merger discussions break down during the summer of 1997, **Qantas Airways (Pty.), Ltd.** gives consideration of moving the BAe 146 fleet of its **Nation's Jet System (Pty.), Ltd.** subsidiary to New Zealand and entering the Kiwi domestic market directly. It may also elect to compete only on the more profitable of Ansett New Zealand's local routes.

To mark the occasion of its tenth anniversary in July, the airline commissions artist Dick Frizzell to turn one of its Whisper Jets into a flying display of children's artwork as a fund-raiser for the staff-administered Ansett Stars Charitable Trust.

During the fall, negotiations with Qantas resume.

A cooperative agreement with **Qantas Airways (Pty.), Ltd.** is signed during the first quarter of 1998. Under its terms, the two companies agree to link their frequent flyer programs and Ansett New Zealand is able to introduce ticketless travel. Although discussions concerning a possible takeover continue, no firm decisions are made.

Route rationalization is undertaken and, as the result of continuing losses, the route between Auckland and Whangarei is closed on August

1. The DHC-8-102s begin flying to Dunedin in September while a BAe Jetstream 32 is placed on the route between Wellington and Rotorua in October.

On revenues of NZ\$261 million, a loss of NZ\$2.9 million must be reported. Heavy competition, the Asian economic crisis, and a huge drop in New Zealand tourism have all contributed to the downturn.

The first of 3 additional Jetstream 32s is delivered in March 1999, replacing the long-serving Bandeirantes. A new terminal is opened at Wellington in June, the same month in which partner Rex Aviation becomes a wholly owned subsidiary.

Midyear, the carrier is plagued by a series of one-day strikes for the carrier to cut its weekly schedule from 100 to 18 services, with some destinations dropped entirely. The strife leads to a pilot lockout on September 16 after the aviators fail to accept a new cost-cutting contract.

The airline refuses to negotiate with the pilots and, instead, prepares to hire replacement pilots, including many newly available after the failure of **Debonair Airways, Ltd.** on September 30. The flyers accept the earlier-offered contract on October 14 and ratify it on October 24; most services are back to normal by year's end.

The carrier is sold by News Corp., Ltd. in March 2000 to a New Zealand investors group headed by the airline's CEO Kevin Doddrell and Clavell Capital executive David Belcher. In early June, the carrier is renamed Tasman Pacific Airlines of New Zealand, Ltd.; shortly thereafter, the renamed entity is awarded the first ever Qantas franchise and is rechristened **Qantas New Zealand, Ltd.** on June 26. Launch day for the new carrier is September 4.

ANSETT NEW ZEALAND REGIONAL. See **REX AVIATION, LTD.**

ANSETT NSW (PTY.), LTD.: Australia (1989–1990). **Air New South Wales (Pty.), Ltd.** is renamed in 1989 and its Fokker F.27-500s are given a new livery. Early in 1990, its route system is realigned and it begins operations with a pair of Fokker 50s. In the fall, the company, in preparation for Australian airline deregulation, changes its name to **Ansett Express (Pty.), Ltd.**

ANSETT N.T. (ANSETT AIRLINES OF THE NORTHERN TERRITORY (PTY.), LTD.): Australia (1987–1991). Ansett N.T. is established in 1987 to connect Cairns with Northern Territory tourist destinations employing a Fokker F.28 Fellowship and a British Aerospace BAe 146. Weekly Fellowship "Reef to Rock" service is inaugurated in September between the Great Barrier Reef and Ayers Rock. Also started is thrice-weekly service from Cairns to Ayers Rock.

Operations continue apace in 1988–1989. In 1990, the 34-employee carrier transports a total of 116,034, a 54.8% increase over the previous year. Freight traffic surges ahead by 84.8% to 214,000 FTKs.

When **Ansett Australia (Pty.), Ltd.** assumes most of this subsidiary's routes in early 1991, the carrier has no option but to close down, which it does in April. During its quarter of operation, the airline transports a total of 38,159 passengers.

ANSETT W.A. (ANSETT WESTERN AUSTRALIA (PTY.), LTD.): Australia (1984–1993). **Airlines of Western Australia (Pty.), Ltd.** is renamed Ansett W.A. in December 1984; Theodore Karasek is managing director. In 1985, airline employment declines 4.1% to 428.

Freight dips 14.7% to 5.22 million FTKs, while enplanements rise a slight 0.6% to 399,000.

The workforce grows 7.7% in 1986 to 464 and the fleet includes 8 aircraft: 4 F.28-1000s, 2 F.28-4000s, and 2 BAe 146-200s. Daily, the BAe 146-200s operate the world's longest commuter airline run on Earth—17 hrs. 20 min. to 14 points across Australia's three largest states, Western Australia, Queensland, and the Northern Territory.

Passenger boardings swell 6.9% to 441,579 as freight increases by 5% to 45.79 million FTKs.

Employment continues to increase in 1987, rising 17.4% to 412. Although the fleet remains the same, orders are placed for 3 more BAe

146s. Customer bookings jump 8.7% to 457,708, but cargo is down again, by 3.1%, to 4.76 million FTKs.

The employee population swells another 18.7% in **1988** to 489 as 1 Fokker F.28 is replaced by 2 BAe 146-200s. Passenger boardings swell 24.3% to 568,927 and freight recovers, growing by 3.4% to 4.93 million FTKs.

The workforce is cut by 22.5% in **1989**, largely as a result of the same pilot job action which so severely impacts parent **Ansett Airlines of Australia (Pty.), Ltd.** Customer bookings decline 22.1% to 443,321 and cargo is off 23.8% to 3.75 million FTKs.

Company employment grows by 10.6% in **1990** to 419 as a good year is enjoyed. The fleet is increased to 3 F.28-1000 Fellowships, 2 F.28-4000s, and 5 BAe 146-200s. Passenger boardings swell 18.7% to 525,000.

The payroll is cut 7.2% in **1991** to 389 and the fleet is increased by the addition of 2 more F.28-4000s. Customer bookings inch up to 528,220 and freight does better, growing by 17.4% to 3.72 million FTKs.

Employment falls another 14.4% in **1992** to 333 and the fleet now includes 6 BAe 146-200s, 3 F.28-1000s, and 2 F.28-4000s. Passenger boardings decline 8.6% to 497,638 while freight falls 5.7% to 3.33 million FTKs.

In **1993**, General Manager Robert Buckey's carrier ceases to trade as an **Ansett Australia (Pty.), Ltd.** subsidiary and is folded back into its parent.

ANTARES AIR COMPANY: 33/35-2 Pyatnitskaya Street, Moscow, 109017, Russia; Phone 7 (095) 396-0980; Fax 7 (095) 396-0980; Year Founded 1996. Antares is set up at Moscow in **1996** to provide international and domestic nonscheduled all-cargo charters. A. M. Kulik is general director and he begins and continues revenue flights with a fleet that includes 1 each Tupolev Tu-134, Antonov An-12, An-24, and An-26.

ANTAU. See AIR NAVIGATION TRANSPORT AGENCY OF UKRAINE

ANTEI AOOT: 1 Itzhenemaya Street, Omsk, 644503, Russia; Phone 7 (3812) 164533; Fax 7 (3812) 164577; Code TEY; Year Founded 1993. Antei is established at Omsk in **1993** to provide domestic charters with a fleet of 5 Antonov An-12B freighters. In **1996**, the company expands, providing international services emanating out of a new mini-hub at Sharjah, U.A.E.

By **2000**, Director General Igor Poznakhinev's 72-employee company is providing all-cargo services to points in Russia, the Mideast, East Africa, and Southeast Asia.

ANTEL AIR COMPANY: 1 Inzhenernaya Street, Omsk, 644103, Russia; Phone 7 (3812) 352 038; Fax 7 (3812) 565 915; Code TEY; Year Founded 1996. Antel is founded at Omsk in **1996** to provide domestic and international nonscheduled all-freight charters. Igor Poznakhinev is general director and he begins revenue flights with a fleet that includes 2 Antonov An-12s and two An-8s.

ANTIGUA AND BARBUDA AIRWAYS INTERNATIONAL, LTD. See ANTIGUA PARADISE AIRWAYS, LTD.

ANTIGUA PARADISE AIRWAYS, LTD.: Antigua and Barbuda (1994–1995). The new national flag carrier of Antigua and Barbuda, also known as **Antigua and Barbuda Airways International, Ltd.**, is set up in the spring of **1994**. Employing a leased Boeing 727-200A, nonscheduled services are inaugurated to Newark (EWR) and New York (JFK) during the summer.

In the fall of **1995**, the company moves to Manassas, Virginia, and is reformed as **Prestige Airways**.

ANTILLANA DE NAVEGACION AEREA, S.A. (SUN AIRWAYS): Dominican Republic (1989–1990). ANA, also known as Sun Airways,

is established at Santo Domingo in the fall of **1989** to offer charter and inclusive-tour passenger flights to destinations throughout the Caribbean. With green on white livery, the company's lone Douglas DC-8-62, leased from Argosy International, begins revenue services during the winter holiday season.

Political stress, recession, and the rise in the price of avgas following Iraq's August **1990** invasion of Kuwait force the company into bankruptcy.

ANTILLAS AIR CARGO, S.A.: Cargo Building 68, JFK International Airport, Jamaica, New York, United States, Dominican Republic; Phone 800-447-0417; Fax 718-244-0764; http://www.antillasair.com; Year Founded 1983. Antillas is established by Constantino Gorospe at Santo Domingo, Dominican Republic, in **1983** to provide domestic and international cargo charters. Revenue flights to Miami are provided by a Gorospe-piloted Douglas C-54 while local and Caribbean flights are launched with a pair of Curtiss C-46D Commandos. Late in the year, a Douglas DC-7F is added and employed to operate return charters to Miami and New York.

Over the next decade, a headquarters is established at New York (JFK), while other offices and warehouses are opened at Miami.

The Douglas freighter fails its takeoff from Miami on November 5, **1992** and crashes into the sea (three dead). It is replaced with another aircraft, which maintains services throughout the remainder of the year and into the next. Unable to recover financially from the previous year's disaster, the company stops flying in **1993**.

Within a year or so, Chairman Gorospe has reorganized his concern and restarted flights, employing Douglas DC-8-73F and Boeing 727-200F jet freighters chartered from **DHL Worldwide Express**. By **1998**, these aircraft are operating over 10 flights every week.

The company expands in **1999**. Weekly flights to Costa Rica commence in February. In May, an addition to the carrier's Santo Domingo warehouse is opened, doubling existing space. Service to Guatemala begins in July.

The company relocates to a new bonded Miami facility in May **2000**. An Airbus A300B4F is placed on the New York–Santo Domingo route at the beginning of summer and is the only wide-body freighter currently serving the island nation. Later, cargo flights to Jamaica, Haiti, Nicaragua, and Panama also begin.

ANTILLES AIR BOATS: United States (1963–1981). Senior **Pan American World Airways (1)** pilot Charles F. "Charlie" Blair, the former chief pilot of **American Export Airlines (Amex)**, founds Antilles Air Boats at St. Croix, Virgin Islands, on October 23, **1963**. Organized to provide local flights throughout the British and U.S. islands, Blair's company initially employs a single Grumman G-21A Goose, which makes the first scheduled roundtrip flight from St. Croix to St. Thomas on February 1, **1964**. Required to return to transatlantic service, Blair hires a pilot, who maintains service at five roundtrip flights per day.

A second Goose arrives before year's end, purchased from Dean Franklin of **Chalk's Airlines**; it is followed by a third in **1965**. Facilities remain primitive; the aircraft are tied to mooring buoys and passengers are ferried to and from shore in two 16-ft. Boston whalers. The first waterfront concrete aprons are introduced in **1966**; these allow passengers to board the aircraft directly and lead to retirement of the powerboats.

Beginning in October **1967**, the company expands its route network from St. Thomas to the eastern Puerto Rican community of Fajardo. Enplanements for the year total 93,093. On January 22, **1968**, the last Vought-Sikorsky VS-44A flying boat *Excambion*, a type which Blair had flown for Amex years earlier, is purchased from **Catalina Air Lines** and renamed *Excalibur VII*. Flights from St. Croix to Fajardo begin in May. During the year, the *Excalibur VII* completes over 1,000 flights for the company. Bookings jump to 157,000.

By **1969** the company is offering some 30 to 40 flights each day between St. Croix and St. Thomas, in addition to visits to the islands of St.

John and Puerto Rico. The *Excalibur VII* is damaged while taxiing for takeoff from St. Thomas Bay on January 3 and must be beached.

A survey finds that she is beyond economical repair and the decision is reached to retire her. Blair retires from Juan Trippe's airline during the year to devote all his time to his airline and his new wife, movie star Maureen O'Hara. In November, flights commence from St. Croix to San Juan.

During the year, Capt. Blair's memoirs, *Red Ball in the Sky*, which were first published in 1952, are reprinted (New York: Random House).

Passenger boardings for the year reach 173,000.

Service is inaugurated in January 1970 from St. Thomas to Roadtown, Tortola. Isla Grande Airport in San Juan harbor becomes a destination from St. Thomas in February. During the month, a Goose loses an engine on takeoff from St. Thomas, hooks a wingtip float, and crashes; no injuries are reported, but the craft is smashed beyond repair. Passenger boardings for the year reach the 200,000 mark. Revenues total \$2.15 million.

By the start of 1971 the fleet has grown to include 14 Geese and 3 Catalinas, including one standard Consolidated PBY-5A and 2 Convair CV-285ACF "Super Catalinas" purchased from Alaska Airlines. The pilot roster includes 19 captains, including the former fighter pilots Colonels Robert Scott and George Ruddell.

During the year, the *Excalibur VII*, out in the open for over a year, begins to deteriorate badly. Too expensive to overhaul, the boat's hull and wings are laid up on a quayside lot at the company's Charlotte Amalie facility where they remain.

Grumman G-73 Mallards join the fleet in 1972 and frequencies between St. Thomas and St. Croix reach 33 per week. In March, the *Excalibur VII* is repainted, mounted on a concrete base, and converted into a hotdog stand.

In 1973, Blair travels to Rose Bay, Australia, where he purchases the 2 Short S.25 Sandringhams, the *Islander* and the *Beachcomber*, flown on the Sydney-Lord Howe Island service by Ansett Flying Boat Services. In the spring, flights begin from St. Croix to Basseterre, St. Kitts, and to Nevis.

Early in the tenth anniversary year of 1974, Blair pilots the former, renamed *Excalibur VIII*, back to the Virgin Islands; his wife, Maureen O'Hara acts as stewardess. When it is placed into service on the St. Croix-St. Thomas route, Antilles Air Boats becomes the only American airline ever to fly the type.

During the first quarter, 2 Grumman G-73 Mallards are purchased from Chalk's International Airlines; the former Miami-based amphibians begin service in March-April. In early October, the *Excalibur VIII*, makes a demonstration flight up to Washington, D.C. Enplanements for the year are 262,353.

The workforce in 1975 is 170. The second Sandringham arrives at St. Croix in the spring and is renamed *Southern Cross*. It is joined by two more G-73 Mallards. During the summer, the two S.25s are employed to offer seven-day flight-seeing cruises throughout the Caribbean from the company base at Christiansted.

While passengers are ashore, the flying boats are moored in hotel harbors, not far from pleasure boats. Meanwhile, the 20 Grumman amphibians not only put in charters, but also fly passengers between island locations on schedule. Passenger boardings climb 4% to 272,739.

The twelfth anniversary is celebrated in February 1976. On March 3, the two-millionth passenger (cumulative) is boarded. During the spring, service is inaugurated to Virgin Gorda. An application is filed with the CAB for authority to serve Culebra from Puerto Rico and the Virgin Islands. During the year, the VS-44A *Excalibur VII* is donated and transferred to the Naval Aviation Museum at Pensacola, Florida.

Customer bookings for the 12 months jump 5.1% to 255,048.

In the summer of 1977, the Sandringham *Southern Cross* is employed to fly the Atlantic, retracing Blair's Amex routes. While in Europe, sight-seeing tours are offered to destinations in both Great Britain and Ireland. Enplanements total 254,996.

Charles Blair and three passengers die in the crash of a Goose off St. Thomas on September 1, 1978. Following this tragedy, Maureen O'Hara

returns to St. Croix to try to keep the carrier alive. Culminating several days of tests conducted to determine the cause of the fatal September crash, a Goose sinks off St. Croix on November 12, minutes after its pilot and two FAA officials escape. Four days later, on behalf of her injured son Christopher, Lisa Devine sues Mrs. Blair in New York's Federal Court for negligence in connection with the September crash.

The year's passenger boardings drop 20.4% to 211,791 and freight traffic is down by 10.9% to 1.7 million FTKs.

Difficulties and costs prohibit Mrs. Blair from making a go of her husband's airline and the company is sold to Resorts International in April 1979. Despite the transfer of ownership, this unique airline, which continues operations under its original name, suffers traffic and financial reversals.

Customer bookings decline 23.2% to 163,000 and cargo is off by 26.9% to 1.24 million FTKs.

The fleet in 1980 comprises 6 Grumman Geese and 7 Mallards.

A second straight year of traffic reversal is suffered as enplanements fall 23.6% to 124,249 passengers while freight drops 43.3% to 705,252 FTKs.

After transporting 46,646 passengers during the year's first two quarters, financially distressed Antilles Air Boats is forced to cease operations in June 1981 and close its doors forever on September 15. It is now sold to Virgin Islands Seaplane Shuttle, a new company that employs the Mallards to resume service in March 1982. The story of AAB comes to an end in 1983 when Mrs. Blair and Smithsonian Air & Space Museum curator Robert Mikesh arrange for the permanent loan of the VS-44A *Excalibur VII* to the Bradley Air Museum (now New England Air Museum) in Connecticut. After years of restoration paid for by Sikorsky Aircraft and conducted by 113 retired employees, the giant flying boat is recommissioned *Excambian* in ceremonies led by Mrs. Blair at the NEA Museum on November 19, 1998.

ANTILLES AIR SERVICES, S.A. See AIR ANTILLES, S.A.

ANTILLIAANSE LUCHTVAART MAATSCHAPPIJ, N.V. See ALM ANTILEAN AIRLINES, N.V.

ANTINEA AIRLINES, S.A.: Route d'El Borma, Wilaya Ouargia, Hassi Messaoud, Algiers, 30500, Algeria; Phone 213 (9) 736583/4; Fax 213 (9) 736582; Code HO; Year Founded 1999. Antinea is one of six new carriers formed after the Ministry of Transport "deregulates" Algeria's airlines toward the end of 1999. Initially granted temporary authority, the privately owned carrier acquires a pair of ex-Euralair International, S.A. Boeing 737-210Cs, which are employed to initiate flights in October from Algiers to Bejaia, Constantine, Hassi Messaoud, Oran, Tiemcen, and Paris (CDG).

Plans are announced in early July 2000 for the acquisition of a B-737-300 with which to begin service to the Belgian expatriate community at Mulhouse and boost recent flights to another service to Charleroi.

ANTONOV AIRLINES. See ANTONOV DESIGN BUREAU

ANTONOV AIRTRACK INTERNATIONAL CARGO AIRLINES: 19/21 Frunze Street, Kiev, 252080, Ukraine; Phone 38 (044) 462-5574; Fax 38 (044) 462-5574; Code UAP; Year Founded 1994. Former Antonov Design Bureau officials, flight test pilots, and development employees establish this international charter carrier at Kiev in April 1994. Boris Soldatenko is president and he recruits a staff of 140 and begins revenue flights with 2 Antonov An-32Bs, an An-26, and 1 An-124-100 Ruslan.

The status of this company in light of the Russian currency crisis of 1998-1999 is unknown.

ANTONOV DESIGN BUREAU: 1 Tupoleva Street, Kiev, 252062, Ukraine; Phone 380 (044) 442-5366; Fax 380 (044) 442-6124; Code ABD; Year Founded 1989. Following its 1989 marketing agreement

with **Air Foyle, Ltd.** to operate Antonov freighters in western Europe and aware of the success of that venture, this division of the long-established Ukrainian aircraft manufacturer seeks its own operating authority in **1992**.

With permissions in hand, the builder, under the leadership of CEO A. G. Bulianenko, undertakes worldwide outsized cargo flights beginning in early **1993**. The inaugural fleet includes 1 An-225, 3 An-124-100 Ruslans (flown with **Air Foyle, Ltd.**), 1 An-22 Anteïs (the world's largest turboprop transport), and 1 An-12. Outsized cargo continues to be a major emphasis, along with support for mineral exploration concerns operating in Siberia.

Operations continue in **1994** and the fleet is expanded through the introduction of 7 additional An-12s and another An-22.

In April, a number of laid off employees establish their own carrier, **Antonov Airtrack International Cargo Airlines**. During September, the Anteïs is contracted to transport Ariane rocket segments from France to Kourou in French Guyana.

The company remains active in the world and CIS ad hoc oversize freight business in **1995–1999**, gradually increasing its presence, particularly with contracts to trouble spots on behalf of the UN. The fleet comes to include 9 An-124-100s (5 of which remain out on lease to **Air Foyle, Ltd.**), 3 An-22 Anteïs, 2 each An-12s and An-32Bs, and 1 each An-24RV, An-72, An-74T, and An-225.

On December 19, **1997**, the Ukrainian government grants national cargo carrier company status to the Antonov bureau in order to make negotiations easier for the concern with foreign partners.

An agreement with **Air Foyle, Ltd.**, signed the previous fall, takes effect in early **2000**. Two more An-124-100s, previously operated by **Aeroflot Russian International Airlines (ARIA)**, are taken in hand by the design bureau, which has, by now, renamed its Air Foyle joint venture partnership Antonov Airlines.

In an effort to further enhance income-earning capacity, the design bureau begins, during late spring and summer, the conversion of civil standard of two ex-military An-223 Mriya super heavy transports.

Media rumors of a pending merger with **Volga-Dnepr Airlines** are quashed on August 21. Working from the U.K. base of **Air Foyle, Ltd.** base, sales representatives mount an extensive campaign during the fourth quarter to expand Antonov Airlines representation in Asia. New general sales partners are found in South Korea, Singapore, Taiwan, Thailand, and the Philippines.

ANV (AVIACION NACIONAL VENEZOLANA, S.A.). See **LAV VENEZUELAN AIRLINES: LINEA AEROPOSTAL VENEZOLANA, S.A.**

AOA ZAMRUD AVIATION CORPORATION: Indonesia (1969–1973). AOA Zamrud is formed at Jakarta in April **1969** through the merger of the **Aircraft Owners Association** and **Zamrud Airlines**. With a fleet of 5 Douglas DC-3s, President Utojo Utomo's carrier provides scheduled passenger and cargo services throughout the Lesser Sunda Islands. Destinations visited include Denpasar, Surabaya, Waingapu, Ruteng, Maumere, Koepang, and Dili. Contract service flights and passenger and cargo charters are also flown about the country.

The combination of the world recession of the early **1970s** and increased expenses force the company out of business in **1973**.

AOM AIR COMPANY (AOM AVIAKOMPANIYA): Russia (1994–1996). AOM is established at Moscow in **1994** to offer domestic passenger and cargo services. V. V. Chigaev is appointed general director and he begins revenue flights with a fleet that includes 3 Antonov An-12s, 2 Yakovlev Yak-40s, and 1 each An-24, An-26, Ilyushin Il-76, and Tupolev Tu-134. Flights cease in **1996**.

AOM FRENCH AIRLINES, S.A.: Strategic Orly 108, 13–15 Rue du Pont des Halles, Rungis Cedex, F-94526, France; Phone 33 (1) 49 79 10 45; Fax 33 (1) 49 79 10 11; <http://www.flyaom.com>; Code IW;

Year Founded 1989. On January 1, **1992**, Chairman/CEO Marc Rochet's 1,020-employee **Air Outre Mere, S.A.** is merged with another French independent carrier, **Minerve, S.A.**, by their collective new owners, the Sega banking group (a subsidiary of Credit Lyonnais) to form AOM French Airlines, S.A. The **Minerve, S.A.** interest held by Club Mediterranean—19.8% of the entire shareholding—is sold to Altus France, another Credit Lyonnais partner; stockholding is divided between Altus France (93%) and Credit Lyonnais (7%). Marc Rochet continues as chief of the new aerial enterprise, a new corporate identity, centered on the AOM initials and including logo and livery, is introduced, and the fleet is significantly upgraded.

Although the number of MD-11 requests is reduced to 3, 3 more DC-10-30s are chartered, bringing the company total to 6, together with 5 MD-83s. Two DC-8s are purchased; one is a Dash-62CF and the second a Dash-73, which is immediately leased to **Time Air Sweden, A.B.** The route networks of the merger partners are maintained and new service is inaugurated to Tokyo, Barcelona, San Francisco, Havana, Tehran, and Taipei. Start-up costs occasion a FFr 260-million loss.

Another DC-8-73 is received in **1993**, but it, too, is soon chartered. Frequencies continue to be offered by the 1,010-employee airline to the French West Indies, French Polynesia, Reunion, Los Angeles, Bangkok, Tokyo, Ho Chi Minh City, Paris, and Nice.

Enplanements total 1,234,000 while 16,720 tons of cargo are flown. Revenues jump 27% to \$356 million, but the loss is still high, at \$32.6 million (FFr 186 million).

Airline employment in **1994** stands at 1,500 as Paris to Reunion service becomes daily, with all flights nonstop except for a single frequency that stops at Marseilles. Papeete is served via Los Angeles, now the company's only American destination. The one-millionth passenger (cumulative) is boarded in May on a flight between Paris (ORY) and Nice. Weekly Nice to Tel Aviv service starts on July 19 and, also in July, the Bangkok route is extended, weekly, to Noumea, French Caledonia, as part of a code-sharing arrangement with **Air Caledonie International, S.A.**

In the fall, the DC-8-62CF is chartered to the Belgian operator **Cargo Lion, S.A.** Credit Lyonnais considers the divestment of its subsidiary and opens talks toward that end with the independent charter operator **Air Liberte, S.A.** The former **Air France** routes from Paris to Colombo, Sri Lanka, and Male, Maldives, are taken over on December 18.

Passenger boardings climb to 1.3 million, revenues are \$563 million, and there is a net \$11-million profit.

The workforce is increased to 2,200 in **1995** and the fleet includes 9 MD-83s and 9 DC-10-30s. Twelve-times-per-day return service is flown between Paris and Nice. AOM takes over seven domestic routes following the deregulation of French skies, including an important route from Orly Airport to Marseilles.

To add capacity, 2 Douglas DC-10-30s are chartered from **Air Afrique, S.A.** The best entry in a Marseilles newspaper's children's' painting contest becomes a special aircraft color scheme that is unveiled on an MD-83 in mid-June. The plane is named *Alizee* after the winner. During the month, long-haul flights are inaugurated to Quito and Lima in South America.

Late in October, the company receives an unsolicited FFr 400-million (\$80-million) merger offer from **Air Liberte, S.A.** Chairman/CEO Lofti Belhassine. If the tender is accepted, the combined company would become France's largest independent airline overnight; it is rejected by the Consortium de Realisation, S.A. (CDR), the asset management subsidiary of the state-owned bank Credit Lyonnais, which suggests that the true value of the carrier is FFr 1.2 billion. The CDR also lets it be known that AOM will not be sold for at least two years because it needs time to consolidate what appears to be a slim financial success.

Even so, as the result of the restructuring plan submitted by Credit Lyonnais in order for that financial institution to receive its own state-aid package, AOM is put up for sale. With **Air France** under European Commission acquisition restriction and costs too high for other French independents to bite, the carrier keeps flying.

On October 28, a new service is instituted from Paris (ORY) to Montpellier; it will be followed by a route from the historic Paris airport to Strasbourg. The twice-weekly roundtrip from Paris to Noumea via Bangkok is rerouted on November 2. To take advantage of the withdrawal of **Air France** from Sydney, AOM begins to fly from Paris to New Caledonia via Colombo and Sydney.

Also during the final quarter, the company does join with **Air Liberte, S.A.** in reducing fares on the Paris–Nice route, the busiest in the country, to \$138, a 50% cut.

Customer bookings move up to 2.4 million, including 1.13 million on domestic services. Operating revenues total \$630 million and, despite the “for sale” sign, a slim \$5.4-million net profit is posted. The net gain is the company’s first profit ever.

The **Air Afrique, S.A.** DC-10-30 lease is continued in 1996 and, on January 1, French domestic airspace is fully deregulated. AOM now operates 7 domestic routes and international services to 11 points in Australia, Peru, French overseas territories in the South Pacific and Caribbean, Cuba, plus Los Angeles, with a fleet of 8 MD-83s and 14 DC-10-30s. Orders are placed for additional DC-10-30s with which to increase frequencies and open new routes.

New domestic services are started at the beginning of February from Paris (ORY) to Toulon, Pau, and Perpignan.

In mid-February, the company receives an order from the government’s Transport Ministry to transfer its operations from the west terminal at Orly Airport to the outdated south terminal; the western facility is slated to be turned over to **Air France** by the end of March.

Not only does AOM refuse the order it files a complaint against the government with Aeroports de Paris and the European Union and publicly protests its treatment on the side of its aircraft. Along the fuselages of all 22 of its MD-83s and DC-10-30s is painted the phrase “Je Veux Rester a Orly Ouest!” which reads in translation “I want to stay at Orly West.” Within nine days of the order, the airline signs up 20,000 passengers in a consumer group to write letters protesting the action.

Two more MD-83s join the fleet in late March. At this point, company officials elect to comply with the government eviction notice and, after obtaining the “best gates,” transfers its terminal from Orly West to Orly South.

During March, the carrier increases frequencies on its Paris–Nice and Paris–Marseilles routes to 11 roundtrips per day.

The Credit Lyonnais management subsidiary CDR, in something of a surprise move, dismisses Chairman/CEO Marc Rochet during the second week of June. He is succeeded by Euralair Group CEO Alexandre Couvelaire, who is given a mandate to merge with **Air Liberte, S.A.**

On July 14, the company launches a code-sharing agreement with **Air Liberte, S.A.**, which also includes a variety of partnership arrangements. The two independents begin to coordinate their programs, linking their frequent flyer programs and undertaking dual-designator frequencies over their domestic routes. They also coordinate schedules and long-haul operations to the French Caribbean.

The financially troubled **Air Liberte, S.A.** is placed into receivership on September 26 and its chartered Douglas wide-bodies are returned to Finland. Given six months by the Creteil bankruptcy court to develop a workable reorganization plan, AL chairman Belhassine promises to write a recovery program by the end of October, at which time \$120 million in fiscal year losses must be reported.

Following further exploration into the company’s finances during the first week of October, the Creteil bankruptcy court determines that **Air Liberte, S.A.’s** fiscal situation is worse than was originally reported. Even though a number of unprofitable routes are now cut, the court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, **Air France** expresses interest. Under European Commission restrictions against acquisition of other carriers during the time of its \$4-billion state

bailout, it appears unlikely that the independent will be placed under the major’s umbrella.

Other companies expressing an interest include AOM, which has been seeking a merger, along with **British Airways, Ltd. (2)**, **Virgin Express, Ltd.**, **TAT European Airlines, S.A.**, and **Corsair, S.A.**, the in-house airline of France’s largest tour operator, Nouvelles Frontières.

Seeking to protect the interest of its TAT subsidiary, BA CEO Robert Ayling complains to the European Commission that AOM should not be allowed to seek ownership of **Air Liberte, S.A.** It, too, remains up for sale as the result of restructuring plans announced in the wake of a 1995 state-aid package to its parent, Credit Lyonnais.

With AOM and **Air France** out of the picture, two airlines, Nouvelles Frontières, and a group of private investors submit offerings for **Air Liberte, S.A.** to the Creteil bankruptcy court on October 14. The bid by a group including **British Airways, Ltd. (2)** and **TAT European Airlines, S.A.** will be accepted before year’s end.

In late fall, one of the MD-83s is painted in a dark blue “planets” color scheme and will be employed on Club Mediterranean charters flights to holiday resorts during the winter schedule.

The workforce stands at 1,450 in 1997. On September 18, a strategic partnership agreement is signed with **Swissair, A.G.** When implemented on November 1, the pact will involve code-sharing on flights by both companies and joint marketing activities.

On the appointed date, code-sharing begins on routes from Paris (CDG) to Zurich and Geneva, from Nice, Lyon, and Marseilles to Zurich, and from Nice to Geneva.

The fleet now includes 13 DC-10-30s and 11 MD-83s. At year’s end, one of the Douglas wide-bodies is chosen to be repainted in a color scheme designed to show company support for the World Wildlife Fund.

Enplanements reach 3 million and operating revenues total \$641 million.

In February 1998, a code-sharing agreement is signed with **TAP-Air Portugal, S.A.**, effective at the end of March. At the same time, the company implements a strategic partnership with **Sabena Belgian World Airlines, S.A.** The two begin to coordinate their schedules at Paris (ORY) to allow seamless connections for passengers originating in Belgium and wishing to travel on to Toulon, Nice, and Marseilles, as well as to such overseas destinations as French Guiana.

These relationships are deepened on March 29 when the carrier joins with **Swissair, A.G.**, **Sabena Belgian World Airlines, S.A.**, **Austrian Airlines, A.G.**, **TAP-Air Portugal, S.A.**, and **THY Turkish Airlines, A.O.** to form the “Qualiflyer” group. Although members will retain their own identities, they will engage in a long list of joint activities, including ground handling, lounges and ticket offices, frequent flyer benefits. Collaborative activities that will be added as soon as details can be worked out include maintenance and overhaul, cargo, in-flight catering, information technology services, and duty-free concessions.

The carrier launches thrice-daily return services at the end of April between Paris (ORY) and Zurich; the flights are dual-designator offerings made with **Swissair, A.G.**

During the spring, plans are made to take over the bulk of the charter business of **Air Charter, S.A.**, which Air France has announced will close in November. Orders are placed for two A340-211s.

At the same time, one of the company’s DC-10-30s is given a special World Wildlife Fund livery, which reproduces artwork by children emphasizing endangered animal species.

While taking off from Antalya, Turkey, on a June 6 service to Paris, an MD-83 with 7 crew and 163 passengers suffers the explosion of its left main landing gear tires. Debris is sucked into the left engine, which is disabled. The aircraft is able to execute a safe emergency landing, skidding down the runway to a stop. No injuries are reported in the chute evacuation that follows.

Consortium de Realisations, the defeasance subsidiary of Credit Lyonnais, puts AOM up for sale again on August 15. Over the next several months, **British Airways, Ltd. (2)**, **Deutsche Lufthansa, A.G.**, and **Swissair, A.G.** all step forward to become takeover candidates. With no

resolution possible before year's end, Lufthansa requests on December 16 that bid considerations be pushed back to January 15. The plea is granted.

A DC-9 with 184 passengers is forced to return to Francisco S.A. Carneiro Airport on December 24 after developing engine problems; a safe emergency landing is made and no injuries are reported.

Enplanements total 3.5 million and revenues this year reach FFr 4.4 billion (\$760.4 million).

Airline employment stands at 2,400 at the beginning of 1999, a huge 65.6% increase. The fleet now includes 28 airplanes, including 13 DC-10-30s, 10 MD-83s, and 3 B-737-500s.

The sale of AOM is completed by Consortium de Realisations on February 3. Marine Wendel/Groupe Alpha purchases 51% majority control, with SAirGroup, the parent of **Swissair, A.G.**, winning the remaining 49% stake. With Switzerland having elected not to join the European Union, Swissair has actively sought to bypass the problems of non-membership by acquiring strong minority stakes in a number of carriers from EU states.

The fleet is bolstered in the spring by the arrival of a pair of former **Air France** A340-211s chartered from the leasing arm of Airbus Industrie. These twinjets will complement the company's DC-10s.

Following the inability of management and the pilots union to reach agreement on a new wage package for the flyers, company pilots strike the airline between July 30 and August 3. All but one of its long-distance flights are cancelled by AOM on August 2, plus 30% of its medium-range flights, including those on domestic and European routes. A number of charter flights are also scrubbed. Thousands of French vacationers are stranded.

A 50.01% stake in AOM is purchased in August by Tailbout Antibes, B.V., a financial institution owned by the investment houses of Alpha Group and Marine Wendel. The minority share is taken by SAirGroup, parent of **Swissair, A.G.**, with which Tailbout maintains close affiliation. The two already hold 66% of **Air Littoral, Ltd.**

Daily frequencies between Paris (ORY) and Zurich are boosted from three to five on October 31.

Never having enjoyed French market success, **British Airways, Ltd.**, on May 5, 2000, sells its 86% stake in its loss-making subsidiary, **Air Liberte, S.A.**, to Tailbout. Plans are announced late in the month for a merger of the three airlines into a single carrier that can offer domestic French competition for **Air France**.

Wet-leased by **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**, AOM's DC-10-30 initiates service between Havana and Paris (CDG) on June 5.

Work toward the merger of Air Liberte, AOM, and Air Littoral later in the year moves ahead in June despite stiff union resistance. AOM President Alexandre Couvellaire is tapped to head the new, but (as yet) unnamed entity within the framework of the "Qualiflyer" group. Ownership plans are put into place for a new airline holding company, Participations Aeronautiques, to be held by SAirGroup (49%) and Tailbout Antibes, B.V. (51%). Merger approval sought from the European Commission is granted on August 1.

At the end of July, SAirGroup President/CEO Philippe Bruggisser announces creation of a "Conseil de Surveillance," a revised management structure for the about-to-be-merged airlines. Chaired by Alexandre Couvellaire, the body's executive management will be headed by Paul Reutlinger, current **Sabena (Belgian World Airlines, S.A.)** CEO, who will move to Paris to guide the fusion of the three into one and also become vice chair of the Belgian airline's board of directors.

Merger approval for creation of the new airline is sought from the European Commission and is granted on August 1. The process of creating a single French carrier comes unglued at month's end as SAirGroup CEO Bruggisser announces that not one, but two companies will be formed. One, comprised of elements of Air Liberte and Air Littoral, will be created at Nice and operate all aircraft up to the size of Fokker 70s. Meanwhile, AOM will be left as the second, intact entity at Paris (ORY) to operate all jetliners of 100 seats or more. The revised idea is put to the French unions for approval, hopefully by October.

In a September 18 interview with *Aviation Daily*, CEO Reutlinger admits that labor problems and integration concerns are a significant complication; completion of merger arrangements may not be finished for a year.

During the month, several DC-10s experience technical failures that result in flight cancellations or delays. Customer Club Med expresses concern, along with the French civil aviation authority DGAC.

The **Swissair, A.G.** services between Paris (ORY) and Geneva are taken over on October 29.

APA (AEROVIAS PANAMA, S.A.): Panama (1956-1965). **AVISPA (Aerovias Interamericans de Panama, S.A.)** is renamed during the fall of 1956. Although the corporate identity is changed, the company continues its two-pronged mission of all-cargo service to Miami and passenger flights between the Florida city and Lima. A Douglas DC-4 is purchased in December and is employed to inaugurate passenger flights to Kingston and Medellin.

In 1957-1959, APA and **TAN (Transportes Aereos Nacionales, S.A.)**, together with the Ecuadorian airline **CEA (Compania Ecuatorianas de Aviacion, S.A.)** from which APA has been wet-leasing a DC-6, participate in a low-fare consortium. APA, however, withdraws from the arrangement in 1960 to join **RAS (Rutas Aereas de Colombia, S.A.)** in a similar compact. The DC-4 and chartered DC-6 are retained, while two Curtiss C-46 Commandos continue to offer freight flights.

The new RAS compact allows the Panamanian airline access after 1961 to Bogota and to Caracas via Barranquilla and Maracaibo. On April 22, 1962, a DC-3 with 40 aboard crashes into Colombia's Baudo Mountains; there are no survivors. Also during these years and beyond, several APA Commandos are chartered by the UN for operations in the war-torn Congo.

Financial difficulties in 1964 become terminal and with little warning, APA stops flying on January 19, 1965.

APA INTERNACIONAL AIRLINES, S.A.: P.O. Box 524039, Miami, Florida 33152, United States; Phone (305) 526-3304; Fax (305) 871-4012; Code 7P; Year Founded 1994. The Dominican Republic company of APA Internacional, formerly **Apair (APA Internacional Airlines, S.A.)**, is reformed in early 1994. Rafael Trujillo is named president and a new hub is established at Miami, which the company uses as its address. Funding is found from private interests as well as **Faucett Peruvian Airlines, S.A.** The latter, under a joint marketing agreement, also wet-leases one of its Lockheed L-1011s to the reborn firm and agrees to provide maintenance. Painted in a version of its previous operator's bright red and white livery, the TriStar 1 begins flying between Santo Domingo and Miami in July.

Beginning in 1995, Faucett also wet-leases a DC-8F to APA. Together, the two begin to share codes on APA's scheduled routes from Santo Domingo to Puerto Plata, Miami, San Juan, and New York.

Operations continue apace in 1996-1997. During the latter year, the company enters into a code-sharing arrangement with **Pan American World Airways (2)**. This arrangement ends with the failure of the U.S. carrier early in 1998.

Service between Miami and Santo Domingo is maintained in 1999-2000.

APACHE AIRLINES (1): United States (1930). Founded at Phoenix in early 1930, the first Apache Airlines begins scheduled passenger services to Globe in March. Traffic is insufficient to continue operations and the company stops flying in July.

APACHE AIRLINES (2): United States (1957-1973). Established at Phoenix in the fall of 1957, the second Apache Airlines is equipped with a fleet of 3 each de Havilland DH 104 Doves and DH 114 Herons. Scheduled passenger services are inaugurated on November 12 linking the company's base with Tucson, Lake Havasu, Las Vegas, and Show Low.

On September 21, **1964** the carrier initiates flights from Douglas to Tucson; these are made for **American Airlines** and are the first route replacement flights made by a commuter for a trunk line in the U.S.

The two-year-old local competitor **Caravan Airlines** is acquired in **1967** and in **1968** the company enters into an interline arrangement with **Frontier Airlines (1)**. Operations continue apace in **1969–1970**.

A Dove with 12 aboard crashes near Coolidge, Arizona, on May 6, **1971**; there are no survivors. The company is unable to weather the recession and fuel price increases of the early **1970s** and ceases operations in **1973**.

APAIR (APA INTERNACIONAL AIRLINES, S.A.): Dominican Republic (1980–1986). Formed by private interests at Santo Domingo in April **1980**, the carrier acquires a Boeing B-707-320C during the summer of **1981**. Scheduled Stratoliner flights are started on December 15 linking Santo Domingo and Puerto Plata with New York via San Juan and Miami.

Although plans are made in **1985** to add Douglas DC-8F freighters, the airline is unable to earn back its start-up costs and is forced to close in **1986**.

APARTE TAXI AERO, LTDA.: Rua Cel-Tobias Coelho 147, Sao Paulo-SP, CEP-04357070, Brazil; Phone 55 (11) 275-7857; Fax 55 (11) 275-7857; Code AP4; Year Founded 1987. Aparte is set up at Sao Paulo in September **1987** to provide air transport for the executives and workers of the Acesita, Cenibra, Usiminas, and Usinas Mecanicas steel companies. P. P. V. Pedrosa is placed in charge and oversees these corporate shuttles for the next decade.

In **1998–2000** the workforce totals 20 and 1 each Beech King Air 90, Embraer EMB-110 Bandeirante, and EMB-120 Brasilia are operated.

APASA (AEROVIAS PANAMA, S.A.): Panama (1965–1966). Following the demise of **APA (Aerovias Panama, S.A.)** in January **1965**, a group of Panamanian industrialists elect to revive its operations under a new name. Having assumed the previous carrier's debt and taken over two of its Curtiss C-46 Commandos, APASA is formally established at Panama City in August.

Three Douglas DC-7s are acquired from **United Air Lines** and services are flown over APA's old routes. The Panamanian government revokes the company's license in November **1966**, forcing it to shut down.

APEX AIRLINES: United States (1987–1989). Randy Pilgreen sets up Apex Airlines in January **1987** as the scheduled airline division of his Janesville, Wisconsin-based FBO, MST Aviation. Employing a Piper PA-31-310 Navajo, the small regional inaugurates daily scheduled passenger Essential Air Service (EAS) linking its base with Milwaukee.

Roundtrips continue until the government's EAS subsidiary for Janesville is ended on October 1, **1989**.

APOLLO AIRLINES: United States (1969–1981). Apollo is organized at Goleta, California, in **1969** and undertakes passenger and cargo charter and mail flights with a single Beech 18. Scheduled passenger service is initiated in October **1976** from Santa Barbara to San Jose. During **1977**, the first full year of such operations, the company transports a total of 17,189 passengers.

Airline employment grows by 87.2% in **1978** to 146 and a fleet of 5 Handley Page HP-137 Jetstreams painted in the company's new livery are placed into service. The company now replaces **Hughes Airwest** at Santa Barbara. Bookings increase by 164%, up to 45,325.

With routes to such destinations as Santa Barbara, Bakersfield, Oakland, San Francisco, Sacramento, San Jose, Las Vegas, and Los Angeles, the company increases its route network in **1979** by a huge 368.6% to 2,212 unduplicated miles. Simultaneously, Aeronautical Development Associates, Ltd. in the U.K. undertakes to upgrade the carrier's HP-137s, which are now known as Apollo Jetstreams.

Enplanements of 113,000 customers represents a 150.1% increase. Cargo also swells, up 60% to 60,000 pounds.

The employee population is cut by 19.5% in **1980** to 214. Justin Colin unsuccessfully attempts to convince President Terrance Cedar, new Operations Director Steven Pocock, and the carrier's ownership to join the **Golden Gate Airlines** commuter system then being assembled. Expansion proceeds as Fresno and Oxnard join the route network.

A new Redwood hangar is opened for maintenance and headquarters operations and which also houses the carrier's new computer system. An in-flight magazine is introduced and the fleet of 5 Handley Page HP-37 Jetstreams and 3 Piper PA-31-310 Navajos is painted in new livery.

Customer bookings advance by 7% to 121,802, but freight is down by 4.7% to 57,000 pounds.

The bottom falls out in **1981**. The PATCO air traffic controllers' strike and resulting ATC difficulties devastate Apollo. The company suffers a 44% drop in passenger boardings, down to 67,821 and a catastrophic cash flow problem. Following the bankruptcy of both **Golden Gate Airlines** and **Swift Aire**, Apollo also closes its doors in September. Its assets are purchased by a Houston-based holding company, Gulf Central, which reforms the carrier into **Pacific Coast Airlines**.

APOLLO AIRLINES, S.A.: Greece (1994–1996). Apollo is established at Athens in late **1994** to offer international nonscheduled charters and inclusive-tour flights. President/Managing Director Georgion Hadjis assembles a workforce of 90 and 2 Airbus Industrie A300B4s, formerly flown by **Pan American World Airways (1)** and **Delta Air Lines**, are leased; these inaugurate revenue flights on March 25, **1995**.

Plans to charter a third A300B4 in **1996** fall through; however, orders are placed for 4 McDonnell Douglas MD-80s. Enplanements reach 160,000 before the company shuts its doors in December.

APOLLO AIRWAYS: United States (1968–1972). This small regional is set up at Chicago's Meigs Field in **1968** to provide scheduled daily Beech 18 roundtrips to local intrastate destinations.

Passenger and cargo flights continue until **1972**.

APOLLO AVIATION: United States (1973–1974). Once associated with the Apollo moon-landing program, Colonel Benjamin Moore establishes this small commuter airline at Lima, Ohio, during the first quarter of **1973**. Moore, who acquires an "Allegheny Commuter" contract, purchases a Beech 99 and employs it, beginning on March 1, to inaugurate daily roundtrips to Columbus and Toledo.

Unable to maintain viability, Apollo goes out of business exactly one year later, on February 28, **1974**.

APPALACHIAN AIRLINES: United States (1977–1980). Appalachian is established by King Rogers at Blountville, Tennessee, in February **1977** to provide scheduled passenger and cargo services to regional destinations. Employing a Piper PA-31-310 Navajo, Rogers inaugurates daily roundtrips on March 15, linking his Tri-Cities Airport base with the airfields at Wise, Virginia, and Bluefield and Charleston, West Virginia.

Operations continue until March 15, **1980**.

APSA (AEROLINEAS PERUANAS, S.A.): Peru (1956–1971). In association with two Peruvian nationals, Cornell N. Shelton, owner of the Honduran carrier **TAN (Transportes Aereas Nacionales, S.A.)** forms APSA at Lima on September 16, **1956**. In cooperation with TAN and a second Shelton airline, **CEA (Compania Ecuatorianas de Aviacion, S.A.)**, APSA begins C-46 international service from Lima to Santiago de Chile via Autofagasta on June 17, **1957**. On August 6, the Curtiss flies northward Lima to Tegucigalpa via Guayaquil and Managua. From the Honduran capital, TAN provides connecting flights to Miami. A second C-46 joins the first by year's end.

APSA applies to the U.S. CAB for Miami rights in August **1958**, but in the face of litigation receives only a temporary one-year permit and is required to divest itself of "foreign interests" (i.e., Shelton). **Pan American World Airways (1)** provides new evidence on January 28, **1959** of Shelton's influence on APSA.

The CAB case is settled in February 1960. Shelton transfers his interest in APSA to Peruvian owners and the U.S. government authorizes a two-year permit. Simultaneously, two Lockheed L-188s are ordered and, in late spring, two Douglas DC-6s are delivered. Lima–Miami via Panama DC-6 service commences on July 13.

Service is started by the DC-6s to Bogota in 1961. In 1962, two DC-7Bs are taken into service the L-188 contract is cancelled.

A Convair CV-990A, leased from F. B. Ayer, joins the fleet on November 15, 1963 and arrangements are made with **Northeast Airlines** to provide connecting service from Miami to New York. On December 23, Coronado service is inaugurated from Miami to Buenos Aires via Bogota and Lima.

South American expansion is undertaken in 1964 as service is launched to La Paz, Montevideo, and Asuncion. On November 7, one-stop Miami–Rio de Janeiro via Lima CV-990A flights commence.

When Shelton dies in January 1965 his trustees retain 23% interest in APSA, with 33% held by the Cisneros and Popular y Porvenir groups and 10% in private hands. A second CV-990A is placed in service on February 1. CV-990A flights are launched from Lima to Mexico City via Guayaquil on March 1.

The Mexico City Coronado service is extended to Los Angeles on August 18, 1966. A third C-46 enters service the same month.

All routes and services are maintained in 1967–1968 as a third CV-990A is chartered from **Northeast Airlines** in June of the latter year. A C-46 is withdrawn during August 1968.

On January 11, 1969, a lone gunman, a citizen of Mexico, forces Flight 60, a CV-990A with 118 passengers and preparing to land at Miami after a flight from Buenos Aires, to divert to Cuba. Four years later, the pirate will be sent to Mexico City, where he will be tried and receive a 25-year prison term.

Lima to London via Madrid and Paris flights are inaugurated during the spring with a DC-8-52 leased from **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)**.

Due primarily to the high costs of its aircraft leases, the carrier encounters severe financial difficulties in 1970. Unable to overcome its massive \$22-million debt (\$19 million to the CV-990A builder General Dynamics), APSA ceases trading on May 3, 1971. All of the aircraft are repossessed by their owners and Peru's first attempt to gain entrance into the international air-transport market goes with them.

APSA (AEROVIAS PUNTARENAS, S.A.): Costa Rica (1961–1982). A third-level carrier founded at Puntarenas in 1961, this company begins scheduled services to destinations throughout the western half of the nation. During the remainder of the decade and into the 1970s the fleet grows to comprise 1 each Douglas DC-3, C-46, Convair CV-440, and Lockheed L-188 Electra.

APSA terminates regularly scheduled long-haul flights in 1978, and those routes are taken over by SANSA. The company remains as a local agency and is renamed **APSA (Aeroservicios Puntarenas, S.A.)**. Retaining its Convair, DC-3 and a Piper Aztec, APSA offers scheduled flights from San Jose to Puntarenas, Los Chilles, and Upala.

Unable to survive higher fuel bills, the company halts operations in 1982.

AQUAIR LUTFAHRT GmbH: Germany (1981–1984). Aquair is established at Munich in 1982 to offer scheduled, international, third-level passenger service. Outfitted with Beech King Air A90s, the company undertakes flights linking its base with Saarbrücken, Innsbruck, and Elba. Unable to achieve viability in a time of recession, the company halts trading in 1984.

AQUATIC AIRWAYS (PTY.), LTD.: Australia (1975–1993). Aquatic Airways (Pty.), Ltd. is formed by Victor Walton at Palm Beach, New South Wales, in 1975 to provide charter and scenic passenger flights along the coast, Sydney to Newcastle, beginning with a single Cessna

185 floatplane. Equipped by 1982 with a fleet of two de Havilland DHC-2 Beavers, revenue flights commence from Palm Beach (located north of Sydney) to Rose Bay and Newcastle. Nonscheduled passenger overflights of Sydney Harbor, with emphasis on the opera house, are also undertaken.

A GAF Nomad N.22 amphibian is acquired by Managing Director Walton in 1987 as government permission is received to inaugurate thrice-daily scheduled flights from Newcastle to Sydney Harbor.

Operations continue apace in 1988–1991 with passenger enplanements of approximately 15,000 per year. A third DHC-2 is added in 1992 and the carrier's operation is now the only scheduled seaplane service in all of Australia. Flights continue into 1993 but are discontinued for financial reasons.

AQUILA AIRWAYS, LTD.: United Kingdom (1948–1958). Capitalized at £20,000, this flying boat operation is formed by Barry Aikman, former RAF Transport Command Chief Navigation Officer, and is registered on May 18, 1948. A fleet of three ex-**British Overseas Airways Corporation (BOAC)** Short S.25 Hythe (Sunderland III) flying boats is assembled; christened *Hampshire*, *Hazlemere*, and *Halstead*, all are committed to the Berlin Airlift, beginning on August 4. When their service is completed on December 15, a total of 265 sorties have been flown and 1,409 tons of supplies delivered to the former German capital.

Aquila Airways, Ltd.'s first commercial proving flight as a **British European Airways Corporation (BEA)** associate is made on March 23 and 24, 1949, Southampton–Lisbon and Madeira. Regularly scheduled operations over that route are begun on June 11. Some 3,000 passengers are carried before the holiday season ends in the fall. During the year, 9 S.25 Hythes are acquired and are christened *Hawkesbury*, *Henley*, *Howard*, *Hobart*, *Hythe*, *Hudson*, *Hungerford*, *Hemsdale*, and *Hudson II*; in addition, an S.25 Sandringham I is purchased and named *Himalaya*.

On January 12, 1950, the S.25 *Hampshire* flies Winston Churchill nonstop Madeira–Southampton. Madeira operations resume for the summer and on July 7, scheduled Southampton–Jersey flights are inaugurated. Madeira summer schedules are flown in 1951—the year the S.45 Solent *Sydney* is purchased—and 1952. During the latter year, the route is extended to Las Palmas. Also, British athletes are flown to the Olympic games at Helsinki. On January 21, the S.25 Hythe *Hudson* is lost in a crash in Funchal Bay.

In March 1953, Aquila Airways, Ltd., is purchased by the holding company British Aviation Services, Ltd. (Britavia) and Managing Director Aikman resigns his position, but remains on the board. The Hythe *Hungerford* is destroyed in a takeoff accident at Southampton in May. No new routes are opened during the year, but 6,000 people are carried on those scheduled flights already offered.

On February 15, 1954, Britavia turns over ownership of the carrier to Peninsula and Oriental Steam Navigation Co., Ltd. A second Short S.45 Solent, the *City of Funchal*, is acquired in April and the first, the *Sydney*, inaugurates a Southampton–Marseilles and Capri holiday service on June 3, the every-two-weeks operation becoming weekly on July 1.

The S.45 Solent 4s *Awateri* and *Aotearoa* are purchased in January and May 1955 and employed to extend routes to Santa Margherita and Genoa on June 4 and 5. These end on September 25 at the close of the summer holiday season. On January 8, 1956, Southampton–Las Palmas via Lisbon operations are launched by the *Aotearoa*. Mr. Aikman resigns from the board in May and the Lake Geneva town of Montreux is added to the route network in June.

On November 15, 1957, the *Sydney*, en route to Lisbon with 55 aboard, fails its takeoff and crashes into a hill at Chessell Down, Isle of Wight (46 dead); among the victims are 6 newlyweds. Unable to compete against crash-generated bad publicity, more efficient land-based aircraft, and an increasing number of inclusive-tour operators, the Solents are gradually withdrawn from various routes as traffic falls.

Facing mounting debt, the last sustained flying boat operator in the U.K. closes its doors after the final Madeira–Southampton Solent flight on September 30, 1958.

Years later, a noted company pilot will recall Aquila's activities in "Flying Boat Finale: Capt. Archie Jackson Recounts the Last Years of U.K. Flying Boat Services," *Air Pictorial* 58 (March 1996), 153+.

AQUILAS VENEZOLANAS, C.A.: Venezuela (1961–1962). AV is set up at Maiquetia in 1961 to operate all-cargo domestic charters. Revenue operations commence with 3 Curtiss C-46 Commandos, but cannot be sustained. When the company fails in 1962, its fleet passes to **Transportes Aereos, C.A.**

ARAB AIR CARGO, LTD.: Jordan/Iraq (1982–1990). Jointly owned by the governments of Jordan and Iraq, AAC is formed in March 1982. Two Boeing 707-3D3C freighters are supplied by **Alia Royal Jordanian Airlines** and in conjunction with that carrier, scheduled services are initiated on May 1, 1983. Destinations visited from Amman include Amsterdam, Brussels, Dubai, Larnaca, London, and Rome. **Iraqi Airways** plays little role other than as a control agent. UN sanctions and the invasion of Kuwait lead to a cessation of services in 1990.

ARAB AIRWAYS, LTD.: Jordan (1946–1958). The Arab Airways Association (Arab Airways) is formed on January 1, 1946. Owned by Transjordan parties, with a small British interest, the new carrier is equipped with de Havilland DH 89 Dragon Rapides flown by ex-RAF personnel. Revenue flights begin late in the year.

Following the acquisition of Douglas DC-3s, routes are opened in 1947–1950 to Cairo, Beirut, and Baghdad. On June 13 of the latter year, Israel forces a DC-3 to land when it attempts to fly over the southern Negev; American passengers are immediately released, but the other five are held for two days until they can be turned over to the Arab League. Israel retains the aircraft.

Operations continue apace in 1951–1952 without further diplomatic incidents. Through **Aden Airways, Ltd.**, **British Overseas Airways Corporation (BOAC)** acquires an interest in August 1953. The carrier is now reorganized and renamed **Arab Airways (Jerusalem), Ltd.** A service is started to Aden via Jeddah.

In 1955, the airline becomes a subsidiary of the **British Overseas Airways Corporation (BOAC)** holding company, Associated British Airlines (Middle East) and in 1958 it suspends operations.

ARAB AIRWAYS (JERUSALEM), LTD. See **ARAB AIRWAYS, LTD.**

ARAB WINGS, LTD.: Jordan (1975–1998). **Alia Royal Jordanian Airlines** and **Executive Jet Aviation** jointly form this executive passenger charter and contract service operator at Amman in May 1975. Services are initiated to a number of Arab capitals employing 1 Rockwell Sabreliner 75A and 2 Gates Learjet 35s.

Although the fleet and services remain unchanged, shareholding is revised during the 1980s with Alia becoming majority owner and the government of Oman taking a minority interest. The 50-employee company averages 2,000 enplanements per year.

In 1989–1994, Managing Director Sharif Ghazi R. Nasser's fleet comprises 1 Canadair CL-600, 1 Pilatus-Britten-Norman BN-2 Islanders, and 2 Sabreliners.

Flights continue in 1995–1997, during which years the Canadair and Islander are replaced with 1 each Dassault Falcon 50, Boeing 727-100, and B-727-200.

In order that **Royal Wings Airlines, Ltd.** might have a business division, Arab Wings is merged into that new concern in January 1998.

ARABIAN AIRWAYS, LTD.: Aden (1937–1940). Formed during the summer and equipped with a Monospar ST.25 and two Short Scions, Arabian Airways begins scheduled service from Aden to Hadramaut and Djibouti on September 30, 1937. In December, Aden–Mukalla weekly flights commence. The outbreak of World War II forces abandonment of this experimental operation.

ARAWAK AIRLINES, LTD.: Trinidad and Tobago (1970–1973). This company is founded at Port of Spain in June 1970 to take over the service to Tobago dropped by **British West Indies Airways, Ltd. (2) (BWIA)**. The fleet comprises 1 Convair CV-440 and 1 Beech 99.

A lone gunman takes over the CV-440 on November 17, 1971 during an intra-island flight from Trinidad and Tobago. When the aircraft returns to Trinidad, the pirate surrenders.

The company is reformed as Caribbean United Airways, Ltd. in 1973.

ARAWAK AVIATION: Hangar 59, Ft. Lauderdale Executive Airport, Ft. Lauderdale, Florida 33309, United States; Phone (954) 491-5800; Fax (954) 491-6002; Year Founded 1987. Arawak is set up at Ft. Lauderdale in 1987 to provide executive and small group passenger charters to national and international destinations. In 2000, the company operates 1 each British Aerospace BAe (HS) 125-400 Hawker and Cessna 550 Citation II.

ARC RUSS: 88 bud Volokolamskoe Road, Moscow, 123362, Russia; Phone 7 (095) 491 3771; Fax 7 (095) 491 8638; Code Rur; Year Founded 1999. Under the direction of Chairman Vladimir Moseenko, **REMEX Airlines** is renamed in early 1999. The Siberian Lease Company remains the principal shareholder and the fleet now comprises 4 Ilyushin Il-76Ts, 1 Il-76M, and 1 Yakovlev Yak-42D.

The pattern of regular holiday charters begun by REMEX is continued to points in Greece, Spain, and Turkey. Long-haul flights are also made to over 50 destinations in Africa, China, and Europe.

ARCA COLOMBIA (AEROVIAS COLOMBIANAS, S.A.): Calle 19, No. 8-81, Oficina 303, Apartado Aereo 14430, Bogota, Colombia; Phone 57 (1) 334-7651; Fax 57 (1) 284-3476; Code ZU; Year Founded 1960. Captain Hernando Gutierrez Sanchez founds ARCA at Villavicencio in 1960 and begins all-cargo passenger and cargo charter service in the area and to Bogota with a pair of Douglas DC-3s. The main base is switched to Bogota in mid-decade. A Curtiss C-46 Commando freighter enters service in November 1969.

Employing a leased DC-6, the carrier, in early 1973 begins scheduled passenger service between Bogota and Cucuta. A DC-6A is acquired and all-cargo services are initiated linking Bogota, Cali, and Medellin.

Scheduled passenger services cease in January 1977 and are replaced by a concentration on all-freight flights. Two Douglas DC-8-40Fs are purchased and with U.S. permission in hand, scheduled cargo flights begin to Miami; a lone DC-3 is retained for local charter work.

Throughout the early and mid-1980s the founder maintains most freighter services launched during the previous two decades and increases frequencies. New routes are opened throughout the Caribbean and into northern South America.

Although the fleet does not change, by 1987 freight traffic is up 69.1% to 16.06 million FTKs.

Cargo traffic skyrockets in 1988, zooming upward by an unbelievable 208.6% to 26.21 million FTKs.

Freight grows further in 1989, advancing 27.3% to 30.7 million FTKs.

In 1990, the increased fleet comprises 4 leased DC-8Fs. Through August, cargo is up 69.2% to 50.6 million FTKs.

The company is reduced to 2 DC-8Fs in 1991. Statistics are again only partial and show, through September, that freight is up 33.7% to 67.75 million FTKs.

Cargo declines by 5.2% in 1992 to 71.11 million FTKs.

In 1993, General Manager Sanchez's fleet grows to include 1 each DC-8-53, DC-8-51F, DC-8-53F, DC-8-55F, and DC-8-54F, the latter chartered from **Liberia World Airlines**. A DC-6 is also flown. The principal scheduled service continues from Bogota to Miami via Cali.

Cargo traffic declines 9.1% to 77.88 million FTKs on the year.

Operations continue apace in 1994, but freight traffic falls 12.3% to 63.1 million FTKs. The company's 5 aircraft operate 29.14 million FTKs through August 1995, a decline of 33.2%. Services continue in 1996–2000; however, the fleet is altered to include 3 DC-8Fs and 1 DC-10-10F.

ARCADA FLYING SERVICE: United States (1981–1984). In 1981, an FBO based at Eureka, California, elects to inaugurate passenger and cargo charter services employing 2 Piper PA-31-350 Navajo Chieftains. Thrice-daily scheduled roundtrips are instituted to Oakland and Portland a year later.

Plans are unfulfilled to acquire a Piper T-1040 in 1983 and the company shuts its doors in early 1984.

ARCHANA AIRWAYS, LTD.: 41-A Friends Colony East, Marthura Road, New Delhi, 110065, India; Phone 91 (11) 684-2001; Fax 91 (11) 684-7762; http://www.rediff.co.in/rediff_on_the_net/freecopy/travel/noticeb/archana.htm; Code F5; Year Founded 1993. Formed as a subsidiary of Bhartiya Vehicles & Engineering, Ltd. at New Delhi in May 1993 to offer regional services, Managing Director A. K. Bhartiya's new entrant begins service during the summer with a single Czech-made Let 401UVP Turbolet. Minority shareholding is acquired by the provincial government of Madhya Pradesh and 3 more L-401s arrive during the fall.

C. K. S. Raje becomes managing director in 1994 and a fourth Turbolet is ordered. The company is granted scheduled airline status by the government late in the year.

In January 1995 orders are placed with Bombardier Regional Aircraft for 2 de Havilland Canada DHC-8-200s. Two leased DHC-8-300s enter service on an interim basis to nine destinations on March 13, with the owned machines being delivered during September and October. Enplanements total 29,225.

Airline employment stands at 238 in 1996 and the carrier suffers a disastrous traffic year.

While landing at Kanpu on May 18, an L-410UVP with 3 crew and 16 passengers overshoots the runway and stops against a wall. There are no fatalities.

While on approach to Bhutar following a July 11 service from Shimla, a Let L-410UVP with three crew and six passengers, crashes into a forest on the Bandi Hill, near Kanda; there are no survivors.

By December, the fleet includes only 2 Let L-401s. Passenger boardings plunge 58.7% to 18,300.

The workforce is increased a slight 0.8% in 1997 to 240. Services must be suspended until the inoperable Let can be returned to service in September.

Meanwhile, orders are placed for another L-410 and 3 Boeing 737s even as the carrier becomes a possible takeover target for fellow-independent NEPC Airlines, Ltd.

During the fall, a code-sharing agreement is signed with Indian Airlines, Ltd.

Customer bookings skyrocket 64.3% to 30,063.

Service is maintained in 1998; however, customer bookings fall another 52.7% to 14,000. The workforce is reduced by 0.8% to 238 at the beginning of 1999. Flights continue apace during the remainder of the year and into 2000.

ARCO (AEROLINEAS COLONIA, S.A.): Uruguay (1957–1981). The Montevideo motor coach company ONDA: Organizacion Nacional de Autobuses, S.A. forms ARCO at Montevideo on January 9, 1957, although the new air transport subsidiary is not fully activated for seven years.

In early 1964, ONDA officials decide to offer a coach-air shuttle service directly across the Rio de la Plata from Laguna de los Patos Airport at Colonia, in southwestern Uruguay, to Aeroparque Airport in Buenos Aires. This is in competition with the Short S.25 Sandringham flying boats of Aerolineas Argentinas, S.A. and CAUSA (Compania Aeronautica Uruguay, S.A.).

Employing three former CAUSA passenger-configured Curtiss C-46s to fly between the two capitals and GM Super Jet Coaches for the ground transport up from Montevideo to Laguna Airport (where ONDA owns and operates the tower and terminal), the company begins daily frequencies in July. Two C-46Fs are obtained in 1965.

A heavy storm damages the C-46s on the ground at Colonia in July 1966, forcing a suspension of operations until the fall. During this down time, carrier president Dr. Conrado H. Hughes obtains two second-hand C-46s and a CV-240 from the U.S.

Following the demise of CAUSA (Compania Aeronautica Uruguay, S.A.) in 1967, the 34-employee carrier settles down to regular operation of its cross-channel service. The fleet is upgraded in the 1970s; two Convair CV-240s replace the last C-46s in 1970 and two ex-Bar Harbor Airlines CV-600s are added, one each in 1976 and 1981.

Flights continue without incident until December 1986, when increased fuel costs and a decline in traffic force the carrier to cease operations. After the company declares bankruptcy in the spring of 1987, its Colonia–Buenos Aires passenger service is taken over by Aero Uruguay, S.A. employing a former Horizon Air Fokker Fairchild F-27A Friendship.

ARCO (AEROVIAS RAMALES COLOMBIANAS, S.A.): Colombia (1939–1941). Ex-SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.) Captains Fritz Herzhauser and Hans Hoffman found ARCO at Villavicencio on October 30, 1939. Employing the Ford 8-AT *Santander*, the 5-AT-54 *Bolivar*, and two Beech 17 Staggerwings, one of which is christened *General Paez*, the company inaugurates a route from Villavicencio north to Arauca and Puerto Carreno on the frontier with Venezuela. Although emphasis is placed upon freight and cattle transport, border guards and security forces are also flown to outlying posts.

The Colombian government, probably under U.S. pressure against German-oriented South American interests, requires the state airline AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.) to purchase ARCO and its surviving planes on April 25, 1941.

ARCO BERMUDA, LTD.: Bermuda (1968–1971). Arco Bermuda is established in 1968 to operate nonscheduled long haul cargo charters. A single Douglas D-7C is acquired and employed to begin revenue services, which last until operations are suspended in March 1971.

ARCTIC CIRCLE AIR SERVICE: 6260 Old Airport Way, Fairbanks, Alaska, 99706, United States; Phone (907) 474-0112; Fax (907) 474-0116; Code 5F; Year Founded 1973. Established as an air taxi operation at Fairbanks in January 1973, ACAS inaugurates light-plane revenue services to Fort Yukon and to various other local bush destinations on February 1. The fleet grows during the remainder of the decade to comprise 2 Piper PA-31-350 Navajo Chieftains, 1 Britten-Norman BN-2 Islander, 5 Cessna 207s, 2 Cessna 206s, and 1 Cessna 185.

In 1979 the company is purchased by the Owitichyaa Zhee Native Corporation, which also acquires Wind River Air Services and merges the two under the leadership of President Douglas A. Butler.

Airline employment in 1980 stands at 56. Scheduled passenger and cargo flights to Fort Yukon start on March 1. Late in the year, an arrangement is reached with Wien Air Alaska to provide replacement services with 2 newly acquired Embraer EMB-110 Bandeirantes.

After Wien Air Alaska files for Chapter XI bankruptcy in November 1984, ACAS appears to be unable to generate sufficient traffic to continue operations. The expected closure does not immediately occur and operations continue through 1985 until September 1986.

In 1988, the FAA proposes to cancel the airline's operating certificate for various FAR violations, including failure to operate. Once again, the small all-cargo carrier fights back. It is purchased by new owners in 1989 and its headquarters are transferred to Bethel.

Operating authority is regained in 1990 and operations resume to village destinations surrounding the new base. The fleet in 1991 includes 2 Shorts SC-7 Skyvans and 1 Cessna 206. Freight traffic increases by 5.1% over the previous year to 3,153,000 pounds, most of which is mail.

Overweight by 324.8 pounds at takeoff on March 3, 1992, a Shorts SC-7 Skyvan suffers an in-flight cargo shift that causes the aircraft

to roll right, crash, and catch fire; the freighter is destroyed and its lone pilot is killed.

President Irvin K. Terry's operation continues apace in 1993. Airline employment stands at 29 in 1994 and the fleet now includes 3 Skyvans. Enplanements total 4,614 and 1.3 million pounds of freight are flown.

Operations continue apace in 1995, but not without cost. While landing at Chevak on March 29, a gust of air slams a Cessna 206 to the runway. The pilot is not hurt and after determining that most of the damage is confined to his tail skid, he elects to fly out of the remote airfield.

On May 25, the engine of a Cessna 206 stops just after the plane has departed Bethel for a cargo flight to a remote destination. The pilot is able to perform a safe emergency landing in a streambed in rough terrain. He walks out, but it will take five months to recover the plane.

In 1996, Arctic Circle flies not only the 2 Skyvans, but also 4 Cessna 207As, 2 C-402Cs, 2 C-208 Caravans, 1 C-206, and 1 Piper Cherokee Lance.

Just after takeoff from Nunapitchuk on a March 25, 1997 all-cargo service to Bethel, a Shorts SC-7 collides in midair with a Cessna 207A, which is also climbing away; both aircraft fall from about 800 ft. onto the surface of a frozen lake and both pilots are killed.

Flights continue in 1998–2000. During the former year, revenues of \$4.8 million are generated.

ARCTIC PACIFIC: United States (1958–1959). Arctic Pacific is formed at Seattle, Washington, in the spring of 1958 to provide non-scheduled services throughout the continental U.S. Operations commence with 2 Curtiss C-46 passenger-configured Commandos, 2 Douglas DC-3s, and 1 Consolidated PBY-5A Catalina flying boat.

A C-46F that is but 1,759 pounds over its authorized weight limit and carrying 3 crew and 45 passengers, crashes while taking off from Toledo, Ohio, on October 30 (22 dead). The subsequent government investigation will also determine that the aircraft was operating with unapproved engine types. These serious safety deficiencies lead to revocation of the company's operating certificate early in 1959.

ARCTIC TRANSPORTATION SERVICES: 5701 Silverado Way, Unit L, Anchorage, Alaska 99518, United States; Phone (907) 562-2227; Fax (907) 563-8177; <http://www.atsk.com>; Code 7S; Year Founded 1996. Tracing its heritage back to the early 1950's, Wilfred Ryan's **Ryan Air Service**, previously known as **Unalakleet Air Taxi**, is reformed in 1996 and renamed. Under the leadership of Jack Eckets, the FAR Part 135 carrier continues to offer scheduled mail and cargo service throughout Alaska and into western Canada from hubs at Aniak, Bethel, Emmonak, Kotzebue, Nome, St. Mary's, and Unalakleet.

By 1999, ATS employs 65 people and operates a fleet of 15 Cessna 207As and C-402Cs. Late in the year, a new CASA C-212-200 Aviocar freighter is acquired. The new fleet flagship, with its 5,500-lb. payload, can fly oversized freight into the airstrips at any of the 68 villages visited.

ARCUS AIR LOGISTIC, GmbH: Germany (1987–1995). Arcus is established at Mannheim in 1987 to provide scheduled third-level commuter services linking its base with regional domestic destinations. Flights commence and continue for two years with a single Rockwell Commander 690B. Orders are placed in late 1990 for two Dornier 228-212s.

The Dornier 228-212s arrive in December 1991 and are placed into daily service between Mannheim, Dresden, and Leipzig.

Operations continue apace in 1992–1993 and during these years Erhard Ding is managing director. He adds a pair of Cessna 421s. In January 1994, a Dornier 328-110 is ordered; it will be delivered in June. Late in the year, a Bavarian tour operator makes plans to acquire the airline and rename it **Air Germanica, GmbH**. When the transaction is complete in the new year, the company will withdraw from scheduled service and offer only charters.

Air Germanica, GmbH does not survive a year and in 1996 Arcus returns to scheduled service under the name **Arcus Air Luftfahrtunternehmen, GmbH**.

ARCUS AIR LUFTFAHRTUNTERNEHMEN, GmbH: Flugplatz Neuostheim, Mannheim, D-68163, Germany; Phone 49 (621) 496 040; Fax 49 (621) 496 048; Code ZE; Year Founded 1996. Late in 1994, a Bavarian tour operator makes plans to purchase **Arcus Air Logistic, GmbH**, and rename it **Air Germanica, GmbH**. Upon completion of the transaction on January 1, 1995, Arcus withdraws from scheduled services and offers only charters.

Air Germanica, GmbH does not survive a year and in 1996 Arcus returns to scheduled work under this new name. Erhard Ding remains managing director and flights over previous routes are operated with a pair of Dornier 228-220s.

Service is maintained in 1997–2000, during which years the fleet is enhanced by the addition of three Fairchild Dornier 328-110s.

AREA (AEROVIAS ECUATORIANAS, S.A.): Ecuador (1949–1968). The two small and unprofitable rival carriers **ATECA (Aero Transporte Ecuatoriana, C.A.)** and **Transandina Ecuatoriana, S.A.** merge in 1949 to form the Guayaquil-based AREA. The initial fleet comprises the partners' larger aircraft (3 Douglas DC-3s and 1 Curtiss C-46) and service is rationalized over their previous networks; destinations now served include Guayaquil, Quito, Tulcan, Esmeraldas, Manta, Cuenca, and Macra. The shakedown process is completed toward the end of 1950.

Two ex-**Pan American Airways (PAA)** Boeing 307 Stratoliners, formerly named *Clipper Rainbow* and *Clipper Comet*, are purchased from William "Bill" Conrad's Miami-based Airline Training, Inc. in early 1951 (one receives the name *Quito*). With permission from the U.S. CAB, the two pressurized airliners are employed during the summer to inaugurate flights from Guayaquil to Miami via Panama.

Late in the year, the Ecuadorian government provides assistance by cancelling the cabotage rights of **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**; it also provides a short-term, direct, \$1-million loan. Another DC-3 is also added.

Unwilling to create a diplomatic incident, the government does not attempt to halt the cabotage network being run by the American carrier **Pan American-Grace Airways (PANAGRA)**. As a result, in 1952–1953, the U.S. airline is able to drive AREA off of its main Quito–Guayaquil trunk route.

Having completed an all-cargo service from Miami on March 27 of the latter year, a C-46F with two crew makes a hard landing at Tocumen Airport in Panama City; although there are no fatalities, the aircraft is damaged beyond repair.

Suffering from the results of the crash as well as severe competition from PANAGRA, AREA suspends revenue operations late in 1954.

The Boeings, together with the Douglas aircraft and 6 Avro Anson Vs purchased in 1953, are withdrawn. Reimported to the U.S., the onetime *Clipper Comet* is sold to Leo Aimonette of Newcastle, Wyoming, on May 25, 1955. The former *Clipper Rainbow* is sold to **Aigle Azur Extreme Orient Airlines, S.A.** and is delivered to the French carrier's Saigon base on March 19, 1957.

Following four years of inactivity, AREA returns to service in 1958. Flight 222, a DC-3 with 3 crew and 29 passengers, crashes into Mt. Illiniza, Ecuador, on April 7; there are no survivors.

In late spring 1959 a Fokker F-27A, used as prototype for the U.S.-made Fairchild model, is delivered and it is employed, beginning on July 9, to fly Guayaquil–Quito, in competition with both **Pan American-Grace Airways (Panagra)** and **CEA (Compania Ecuatoriana de Aviacion, S.A.)**. DC-3s are obtained to offer frequencies to smaller towns.

On November 7, 1960, the F-27A with 3 crew and 34 passengers crashes at the 15,000-ft. level of a dormant volcano 10 miles S. of Quito, Ecuador, during initial approach and explodes; there are no survivors.

Following the F-27 disaster, two Douglas DC-4s (one of which is named *Ciudad de San Juan*) are purchased from **Northwest Orient Airlines** as replacement in 1961.

In June 1964, three DC-7Bs are acquired from **Continental Airlines** and are christened *Guayas*, *Pinincha*, and *Azuay*. Later in the year, service to Miami, suspended in 1954, is resumed. AREA and **CEA (Compania Ecuatorianas de Aviacion, S.A.)** engage in spirited domestic competition in 1965, during which the latter spurns a merger proposal from its rival.

While taxiing at Miami on March 15, 1966, a DC-7B runs into a ditch, breaking its main spar; the plane must be written off. A de Havilland DH 106 Comet 4 is obtained in late spring from **British Overseas Airways Corporation (BOAC)** and is placed in service from Guayaquil to Miami via Bogota. The two displaced DC-7Bs are transferred to the Guayaquil–Quito run and the DC-3s to outlying destinations.

A DC-7B is lost in a ground accident at Miami on March 1, 1967.

New overseas routes are announced in October and plans are made to acquire a Lockheed L-100 civil Hercules freighter.

In early 1968, the company's Comet 4 is impounded at Miami for nonpayment of fees. Leaving the British plane in American hands, AREA now leases a Convair CV-990A from **Alaska Airlines** and employs it to initiate service from Guayaquil to Montevideo via La Paz and Asuncion.

After a successful landing at Macuna, Ecuador, on May 16, an L-100-20 Hercules with six crew becomes stuck in deep mud; an effort is made to build a ramp under the aircraft, during which enterprise the turboprop catches fire and is destroyed. There are no fatalities.

Sustained competition with **CEA (Compania Ecuatorianas de Aviacion, S.A.)** and the effort to meet its aircraft costs now place a severe strain on company finances. The situation worsens, no additional CV-990A flights can be made, and AREA goes bankrupt at the end of the year.

ARGO AIR INTERNATIONAL, S.A.: Dominican Republic (1971–1991). Having obtained a permit from the U.S. CAB to operate scheduled all-freight service to Miami, Argo is founded on February 13, 1971, and inaugurates flights to Miami and several cities in the Antilles. The initial fleet comprises 3 Curtiss C-46s and 1 Douglas DC-6A. An ex-USAF C-121A is purchased late in the decade; modified to L-749A civil standard, the Constellation undertakes freight charters to various destinations around the Mediterranean.

As the result of increased fuel prices and the adverse impact of the world economic situation upon all-cargo operators, the company is forced out of the scheduled business in 1981. CEO Frank Fine's carrier does, however, continue charter operations. The Constellation is lost in an accident off St. Thomas in October.

Other than acquisition of a replacement Constellation, there are no other changes in the fleet in 1982–1984.

During the spring of 1985, a Douglas DC-8-55NB is acquired; it had originally entered service in March 1965 as the *Asama*, the first combi freighter operated by **Japan Air Lines Company, Ltd. (2)**. In December, an ex-USAF Boeing KC-97L reconfigured to civil standard, is purchased from Kolar, Inc. Flown to Miami for last minute engine changes, the giant aircraft enters commercial service in the spring of 1986.

Two more Stratocruisers join the fleet by 1989, by which year the company is offering three roundtrip cargo services per week, two to Santo Domingo and a third to Belize, where freighter services are flown on behalf of Belize International Airlines, Ltd. These operations continue apace until 1991 when the world recession drives the company from the skies altogether.

ARGONAUT AIRWAYS CORPORATION: United States (1949–1966). AAC is established at Miami, Florida, in 1949 to provide irregular services to Latin American markets employing several Curtiss C-46 Commandos leased from the USAF. These flights continue for the next decade. In January 1959, a supplemental air carrier certificate by the CAB is awarded and the fleet is increased to five Commandos.

Operations are maintained over the original life of the certificate, but the government refuses to renew the permit. It does allow the company

to continue its supplemental flying until November 7, 1962, when it is forced to stand down and withdraw four C-46s.

Company owners elect to continue operations on a contract basis and gain access to two Douglas DC-7Bs, which are registered to Southern Pipeliners, Inc. of Hialeah, Florida. This ad hoc arrangement continues until 1965 when operations are suspended. An attempt is made to merge the moribund carrier with **Southeast Airlines** in 1966, but fails. All remaining assets are thereafter liquidated.

ARGOSY AIRLINES: United States (1978–1979). Argosy is set up at Ft. Lauderdale, Florida, in 1978 to provide scheduled daily roundtrip shuttles to Great Harbour Cay. Douglas DC-3 and Convair CV-440 revenue frequencies are inaugurated in the spring.

While on a May 12 ferry flight, the CV-440 with three crew suffers first the failure of one engine and then loss of power to the second; the Convair is ditched in the Ohio River, but there are no fatalities. Flights are maintained with the Douglas transport.

While on a September 21, 1979 ferry flight, a DC-3 with four crew disappears off Ft. Lauderdale; no wreckage or bodies are found and nothing further concerning the fate of the flight is known.

With both of its airplanes lost, Argosy now shuts its doors.

ARI WORLDWIDE AIRCRAFT CHARTERS: Air Rutter International, 3250 Airflite Way, Long Beach, California 90807, United States; Phone (562) 490-6359; Fax (563) 490-6328; Year Founded 1992. Dori F. Abouzeid establishes Air Rutter International at Long Beach in 1992 to provide worldwide executive and small group passenger charters. Within five years, President Abouzeid employs seven pilots and operates a fleet of 1 each Cessna 560 Citation V, C-650 Citation III, C-592 Citation, and C-550 Citation II.

ARIA. See **AEROFLOT RUSSIAN INTERNATIONAL AIRLINES**

ARIANA AFGHAN AIRLINES COMPANY, LTD.: Afghan Authority Building, P.O. Box 76, Ansari Watt, Kabul, Afghanistan; Phone 93 25 541; Fax 93 21 015; Code FG; Year Founded 1955. The Royal Afghan Government (51%) and the Indamer Company of India (49%), founded postwar by American Peter Baldwin, form Aryana Afghan Airlines, Ltd. on January 27, 1955. The Indamer Company provides four Douglas DC-3s, which begin domestic operations from a Kabul base during the summer, making a three-hour flight to Mazar-e Sharif via Kunduz. They also begin the company's long tradition of transporting Muslim pilgrims on Hadj to Mecca.

On June 27, 1956, the government signs an Air Transport Development Project Agreement with the U.S. for the development of the nation's commercial air system.

To implement the 1956 pact with the U.S., the carrier is reincorporated in 1957; the Afghan government again takes 51% controlling interest, but **Pan American World Airways (1)**, under State Department prodding, acquires Indamer's 49% holding for \$200,000. The spelling of the previous name Aryana (the ancient Greek name for Afghanistan) is now changed.

On June 1, the American carrier is awarded a \$2.05-million management and technical assistance contract financed by the International Cooperation Administration; Pan Am agrees to run the airline, training its personnel and expanding its operations. Incidentally, the CIA now intercedes with the American CAB to award Pan Am a certificate for Kabul. Two days later, a wet-leased DC-4 with an Afghan crew departs New York (IDL) for Kandahar; from that point, it will fly Hadj pilgrim flights to Mecca for the remainder of the summer.

With ICA funding, the U.S. FAA sends a Civil Aviation Assistance Group to Afghanistan in 1958 to design and oversee the building of a modern airway and airport plan at key communities in the country. Meanwhile, PAWA-1 trainers and Afghan crews, flying DC-3s, inaugurate regional services from Kabul to Delhi via Amritsar, and to Karachi.

In 1959 the U.S. Export-Import Bank lends Ariana the funds with which to purchase two Douglas DC-4s; under **Pan American World Airways (1)** tutelage, on September 11 these commence international services of Kandahar to Frankfurt via Tehran, Beirut, Ankara, and Prague. The weekly return flights are thus operated over what is marked as The Marco Polo Route.

Flight 202, one of the new DC-4s, with 5 crew and 22 passengers, fails its takeoff from Beirut for a scheduled flight to Tehran on November 21 and makes a forced landing (24 dead).

With U.S. Export-Import Bank funding for three years, beginning in 1960, a DC-6Bs and several more DC-3s are acquired in May, with the four-engine propliner coming from **Pan American World Airway (1)**'s Latin American fleet; these are employed as DC-4 replacements. A new route is launched to London (LGW). On June 10, again at the State Department's request, Pan Am accepts a \$4.6-million foreign aid contract to train personnel for Ariana.

Lack of traffic causes frequencies on The Marco Polo Route to be reduced to twice monthly in the spring of 1961 and, in August, service to Karachi is withdrawn altogether. Meanwhile, as a result of the new equipment's introduction, Kabul-New Delhi traffic increases dramatically.

When Pakistan closes its border to Afghanistan in September 1962, **Ariana** is called upon to inaugurate an emergency airlift to India, taking in raisins and pomegranates to trade for tea. Three of the carrier's four DC-3s and its only DC-6 are committed to this "Fruit Lift."

Everett Wood arrives from Pan Am's internal German service at the end of 1962 to become Ariana's chief pilot, with Jack Race as his assistant. While training local flyers, the two Americans help the company maintain domestic services from Kabul to Kandahar, Herat, Kunduz, and Mazari-e Sharif and international frequencies to Tehran, Delhi, and Beirut.

To date, the American major has received \$412,000 in fees in addition to the income from its original contract. Enplanements during the latter year exceed 25,000.

The operational headquarters are moved to Kabul from Kandahar in 1963. Piloted by Capt. Vincent Serapio, a DC-3, on "Fruit Lift" duty, makes a forced landing in the Logar valley southeast of Kabul on March 9. The aircraft is wrecked during an attempt to fly it out 24 days later.

On April 1, the U.S. AID loans the government of Afghanistan \$2,625,000 at .75% for 40 years; the government, in turn, is required to pass on the money to the airline at 3.5% for 10 years. When this is accomplished, Ariana orders another DC-6A and two Convair CV-240s. The Douglas and both Convairliners arrive in September. Enplanements this year total 31,500.

A CV-440, purchased from **Allegheny Airlines**, joins the fleet in March 1964, replacing two DC-3s and inaugurating services to Kunduz and Herat; Kabul to Peshawar and Karachi flights start during the summer. Meanwhile, government shareholding in the company is redistributed between the Monopoly Department (16%), the Civil Aviation Department (15%), Da Afghanistan Bank (10%), and miscellaneous (10%). A slump in domestic air traffic occurs during the fourth quarter, due largely to the opening of paved highways over some major routes within Afghanistan.

Still, overall passenger boardings grow 10% to 35,000; the workforce stands at 571 and revenues of \$2.9 million are earned.

The ICA contract with Pan Am for assistance expires in July 1965 and is replaced by a much reduced two-year deal. Kabul to Tashkent DC-6 service is started and passenger pooling agreements are signed with **Pakistan International Airlines Corporations (PIA)**, **Indian Airlines Corporation**, **Iran Air**, and **Aeroflot Soviet Airlines**. In cooperation with the latter, DC-6B service to Tashkent begins in July. On August 13, the DC-6B resumes the full Marco Polo Route, flying from Kabul and Kandahar to London via Beirut and Frankfurt.

The workforce is increased to 607 and a total of 44,704 passengers are carried on the year. The fleet in 1966 comprises 1 CV-440, 2 DC-6A/Bs, and 2 DC-3s; an order is placed for 1 Boeing 727-113C.

The **Pan American World Airways (1)** management contract is concluded in 1967. Although Capt. Wood and his American flying col-

leagues will depart, a new maintenance and technical contract is signed. **Bakhtar Afghan Airlines** is formed to begin taking over Arian's domestic services with DC-3s, and later, de Havilland Canada DHC-6s. Capt. Inam Al-Haq Gran succeeds Woods as chief pilot in December.

The carrier's first jetliner, the B-727-113C ordered in 1966, is delivered on March 23, 1968 and is placed on the international routes, allowing expansion of the London service, now rerouted via Tehran, Istanbul, and Frankfurt. The employee population is 757. Enplanements total 59,254 and revenues of \$5.5 million are generated.

On final approach to London (LGW) on a service from Frankfurt on January 5, 1969, Flight 701, a B-727-113C with 8 crew and 57 passengers, crashes into a tree and a house near the runway; 50 people aboard the aircraft are killed along with 1 person on the ground.

The lease of a replacement "three-holer" is arranged with **World Airways**.

A DC-3 and a DC-6 are both damaged beyond repair in a ground collision at Kabul on January 15; there are no fatalities.

A total of 46,212 travelers are flown as traffic drops dramatically.

Employment grows 2% in 1970 to 652. A new B-720B is delivered in January 25. Five other aircraft are still in the company fleet: 2 DC-3s, 2 DC-6A/Bs, and 1 CV-440. Passenger boardings rise 3.4% to 47,838 and freight traffic increases 17.9%.

On January 1, 1971, Ariana transfers its last domestic routes and responsibilities to **Bakhtar Afghan Airlines**. The arrival of a second B-727-113C, purchased from Executive Jet Aviation in June allows retirement of the propeller equipment and the inauguration of new services to Paris and Amsterdam. Boeing 727-113C routes are extended in 1972 to Istanbul, Lahore, and Amritsar.

The last **Pan American World Airways (1)** technician departs in 1973; however, a second B-720B, purchased from Juan Trippe's carrier, joins the fleet in May. European frequencies are increased as a consequence. In June, three Yakovlev Yak-40s are purchased from the Soviet Union and are assigned to **Bakhtar Afghan Airlines, Ltd.** The carrier also participates in the UN-sponsored refugee exchange between Bangladesh and Pakistan, carrying some 48,000 persons. The workforce is now 783. Traffic and revenue figures are not revealed as the last emir surrenders his throne in a military coup.

Service is inaugurated in 1974 to Peking, Tokyo, Baghdad, Dacca, and Kathmandu. The political atmosphere begins to change as certain factions in the new republic seek closer relations with the Soviet Union. Enplanements in 1975 are 79,900. The employee population in 1976 is 772. Passenger boardings increase a slight 1% to 80,707, while freight grows a more substantial 22%. A Douglas DC-10-30 is ordered.

After 12 years of service as the carrier's chief pilot, Capt. Gran is murdered near his Kabul home in 1977. A total of 100,292 passengers are carried this year. As the result of political unrest in 1978, bookings dip 5.2% to 95,607 and cargo falls 10.6%.

Airline employment at Chairman F. A. Khaleqyar's carrier totals 809. The first wide-body, a DC-10-30, joins the fleet on September 21, 1979. Political unrest continues and Soviet forces invade the nation on December 24. During the Christmas onslaught, the DC-10-30 is hit by a rocket and reduced to junk, which must later be sold. A puppet regime loyal to Moscow is established at Kabul on December 27. Except for **Aeroflot Soviet Airlines** and **Indian Airlines Corporation**, all foreign air carriers suspend flights into Kabul.

Service is suspended in 1980 to Amsterdam, Frankfurt, London, Paris, Istanbul, and Rome. A route is added to East Berlin (Schoenfeld Airport) in 1981; the remaining B-720B is withdrawn. Soviet airliners begin to replace the American units during 1982-1983. Enplanements for the two years are, respectively, 66,000 and 80,000.

During 1984-1986, the route system is dramatically reduced; international services are extended only to Amritsar, New Delhi, Tashkent, East Berlin, Prague, and Moscow. Foreign flights primarily transport injured Soviet and government personnel. Traffic figures are not available. Having remained grounded for most of its life, the DC-10-30 is sold to **British Caledonian Airways, Ltd. (BCAL)** in 1985.

On October 23, 1985, Ariana is merged with the domestic carrier **Bakhtar Afghan Airlines, Ltd.**, which now becomes the national airline. Service to Amritsar and East Berlin is suspended. Enplanements total 183,677.

Airline employment grows 15.7% in 1987 to 1,307 and the fleet now includes 1 each B-727-113C and B-747-155C, 2 Tu-154Ms, 2 An-24s, 4 An-26s, and 2 Yak 40s, with orders outstanding for 2 more Yak 40s. Firing U.S.-made surface-to-air missiles on June 11, Afghan guerrillas down an An-26 with 55 aboard (53 dead). Still, new frequencies are added to Prague, Moscow, and Tashkent.

Despite the conflict, passenger boardings jump 18.9% to 226,482; however, freight is down by 19% to 8.15 million FTKs.

The impending withdrawal of the Soviet forces helps the company's international traffic to significantly increase in 1988. In February, the company is renamed Ariana Afghan Airlines.

Citing security reasons, **Indian Airlines Corporation** suspends its twice-weekly roundtrips between New Delhi and Kabul in December. Its presence in the Afghan capital is, however, retained through the chartering of a weekly B-727-113C services from Ariana.

An An-26 is destroyed on December 10, with the loss of all 25 passengers; there are no other details concerning the accident.

Customer bookings balloon 25% to 78,801 and cargo recovers, up 20% to 10.55 million FTKs.

Evacuation of Russian troops is completed by February 15, 1989, and anti-Soviet forces take over the capital and the government on April 28.

Terrorists attempt to takeover an An-26 with 4 crew and 35 passengers en route from Kabul on June 18, shooting the copilot. When the rear ramp door is opened in-flight to facilitate the pirates' escape, a forced landing must be made onto a hill at Zabol, Iran (6 dead).

Passenger boardings inch upward by 1% to 79,302 while freight at the 1,584-employee flag line swells 31% to 13.86 million FTKs.

1990 is also a good year, at least through the first 11 months for which records are released.

Customer bookings increase 18% to 84,889. Cargo declines 19% to 10.15 million FTKs. Now those Islamic factions that had driven out the Soviets turn on each other and wage civil war.

The fleet in 1991 includes 2 each Antonov An-24s, An-26s, Yakovlev Yak-40s, and Tu-154Ms, and 1 each Boeing 727-113C and B-727-155C. Ariana, which now flies to Delhi, Dubai, Prague, Moscow and Teheran, begins discussions with French aviation officials concerning the possibility of a regular Paris-Kabul flight.

Passenger boardings decline 1% to 92,276 and freight falls 26% to 8.2 million FTKs.

Ariana's weekly charter flights between Kabul and New Delhi cease on March 13, 1992, when **Indian Airlines Corporation** resumes thrice-weekly services to the Afghan capital.

On May 29, a Tu-154M and both Yak-40s are destroyed in a rebel rocket attack on Kabul Airport; the wreckage will be written off on August 1. Service between Kabul and Peshawar, Pakistan, is resumed on June 1; air links had been severed in 1979 after the Soviet invasion.

On August 6, **Air France** sells the company three used 727-228As at \$4 million each as replacements and a number of Afghan pilots are sent for training in France. The first B-727-228A is scheduled to arrive in Kabul on August 25.

The first Boeing trijet actually is delivered to the Afghan capital on October 18. The welcoming ceremony is spoiled when a cow, tethered for sacrifice, breaks free and makes a run for freedom; it is killed by an airport security guard's Kalashnikov. Enplanements for the year total just 45,000.

Information on the period 1993-1995 is based on Associated Press correspondent Ian Stewart's October 30, 1995 story, "Through Bullets and Hijackings, Afghan Airline Keeps Flying." In 1993, President Abdullah Samadi's carrier employs 1,584 workers. An alleged threat by mujahedeen rebels under Gulbuddin Hekmatyar to shoot down any aircraft attempting to take off or land at Kabul on January 10 causes the cancellation of all civil air traffic from the airport, including Ariana

flights to Delhi, Amritsar, Dubai, and Tashkent. Service is resumed three days later.

In addition to domestic routes, the airline continues its services to Amritsar, Delhi, Dubai, Moscow, Prague, and Tashkent. Traffic statistics are reported through October and show that passenger boardings are off 31% to 29,000 and freight is down 24% to 4.05 million FTKs.

In the years that follow, Ariana literally soldiers on, attempting to provide a civil airline service where no civil aviation system exists, operating to airports and hangars ringed by surface-to-air missiles that guard against attack by forces opposed to President Burhanuddin Rabbani.

Tickets for the remaining routes are sold on an ad hoc basis and passengers arriving at terminals find none of the amenities normally expected—even the arrival and departure boards are in disrepair. The Bank of Afghanistan, Ariana itself, and the government continue to foot the bill for airline operations, while President Rohullah Aman attempts to keep aircraft repaired and essential schedules honored.

The anti-Rabbani council led by Prime Minister Gulbuddin Hekmatyar and northern warlord Gen. Abdul Rashid Dostum continue to claim that Ariana is being used for military purposes. The group claims to have hard evidence that the airline is using military airports and transporting counterfeit money, ammunition, and military personnel from Moscow and New Delhi.

On September 1, 1994, the council threatens to shoot down the carrier's planes beginning on September 3; Ariana officials again deny the company's involvement in politics and state that it is flying as a public transport concern and is not carrying arms but such necessities as medicines.

The company's route network continuously shrinks in 1995. The provincial capitals of Mazar-e Sharif, Kandahar, and Herat all fall to enemies of the Kabul government and, as the result of a diplomatic break between Rabbani's government and Pakistan, services to Peshawar are terminated.

While on approach to Jalalabad after a September 11 service from Kabul, an An-26 with 6 crew and 40 passengers runs out of fuel and makes a forced landing (3 dead).

Taliban tribesmen hijack a B-727-228A, en route to Dubai with an all-freight cargo and no passengers, to Kandahar on September 21.

By the end of the month, the airline is down to seven operable aircraft, maintenance is questionable, and one domestic route remains, Kabul to Jalalabad. By October, the company does not even have sufficient electricity to power its ground equipment or radios.

In October 1996, Pakistan provides the company with a temporary maintenance and operational base at Karachi Airport. On December 7, 1 B-727-228A, 2 Yak-40s, and 2 An-24RVs are allowed to begin scheduled twice-weekly services to the provincial capitals of Herat, Jalalabad, and Kandahar. In addition, weekly roundtrips are launched from Kabul or Jalalabad to Amritsar and Dubai.

The fleet of Acting President F. M. Fedawai at the beginning of 1997 includes 2 B-727-228As, 2 An-24RVs, 2 An-26s, 1 Tu-154M, 2 Yak-40s, and 1 DHC-6-300 Twin Otter. A workforce of 1,584 is in place and helps the company resume many of the services suspended earlier.

As part of the civil war between the government and Taliban forces, troops of the latter, on September 9, take over the airport at Mazar-e Sharif, 5 mi. E of the city, capturing several company aircraft.

A Yak-40 crashes while landing at Jalalabad on October 29 (one dead).

A total of 39,839 passengers are flown this year, together with 20.9 million freight FTKs.

En route from Kandahar to Herat on January 13, 1998, an An-26, with 6 crew and 45 passengers, encounters bad weather that prevents its arrival. The plane turns back and makes an unsuccessful attempt to land at the former Soviet air base at Shindand and then tries to make it back to Kandahar. Unable to do so, it next turns toward Quetta, capital of Pakistan's Baluchistan province but, probably out of fuel, it crashes 70 miles N. of that city. There are no survivors.

On March 19, one of the company's two remaining B-727-228As, with 45 passengers, crashes 300 ft. below the summit of 3,000-ft. high

Sharki Baratayi Mountain while on descent to Kabul from Kandahar; there are no survivors. This is the 16th Ariana plane to crash since the airline was founded and the 9th with fatalities.

Service is maintained throughout the remainder of the year. Customer bookings total 53,000 and 9.9 million FTKs are operated.

In July 1999, the Taliban-led government of Afghanistan admits that it is harboring Osama bin Laden, the Saudi-born alleged terrorist sought by the U.S. for the 1998 bombing of its embassies in Nairobi and Dar es Salaam. As a result, on August 10, the American government blocks all of the airline's assets (roughly \$500,000) within U.S. jurisdiction as part of a sanctions program designed to punish the Kabul regime.

Reuters, Ltd. reports on August 31 that the Indian government, without explanation, has requested that Ariana suspend its flights in and out of the northern Punjabi state of Amritsar.

To punish the Taliban Islamic movement for its failure to turn over Saudi dissident Osama bin Laden, wanted in connection with the death of 200 people in the destruction of two U.S. African embassies on August 7, the UN, on November 14, institutes sanctions against the government of Afghanistan.

Banned are Ariana's twice-weekly passenger and thrice-weekly cargo roundtrips to Kandahar, Dubai, and Sharjah, the weekly service from Kabul to Jeddah, and three weekly flights to India. Still, 30–35 weekly domestic services are maintained.

Using spare parts scavenged from wrecked aircraft at Kabul Airport, company mechanics are able to keep aloft a fleet of 5 Antonovs and 2 B-727-228As.

A total of 140,000 passengers are flown on the year and 7.39 million FTKs are operated.

With permission from the UN, the company signs an aircraft, crew, management, and insurance (ACMI) contract with **Air Gulf Falcon** on February 4, 2000. Under its terms, the Jumbojets of the Sharjah-based ACMI specialist will transport 12,000 Afghan Hadj pilgrims in 90 flights (3 a day) to and from Mecca in 2 phases between February 9 and April 23.

While on a February 6 domestic service from Kabul to Mazar-e Sharif, a B-727-228A with 128 passengers is taken over by armed gunmen, who order the jetliner to land at Uzbekistan, Kazakhstan, and Moscow. Passengers are released at each point, including 10 at both Kazakhstan and Moscow.

On February 8, the aircraft is flown to London (STN) where negotiations begin. A crew member is injured after being thrown from the plane the next day following the escape of the pilot and three other cabin crew. The skyjack ends early on February 10 with the arrest of 19 people and the release of all hostages, 60 of whom ask for political asylum in a scene leading to charges that the entire event has been staged.

Wearing Ariana colors, the first **Air Gulf Falcon** transport delivers 127 Muslim pilgrims from Kandahar to Saudi Arabia on the morning of February 22.

Promising to impose tighter security, President Mullah Hamidullah Akhund is able to obtain the return of his Boeing, which lands at Mazar-e Sharif's airport on March 2.

On August 14, the UN Security Council grants Ariana special permission to fly a group of 135 sick children to Germany on August 16; treatment has been organized by the German charity Peace Village.

Fearful of losing their licenses, company pilots and flight engineers make a public appeal on August 27 that the UN sanctions against Afghanistan be lifted.

ARIES DEL SUR, S.A.: Chacabuco 90, Piso 7, Capital Federal, Buenos Aires, 1035, Argentina; Phone 54 (1) 477-1078; Fax 54 (1) 334-7367; Year Founded 1997. This domestic operator is established at Buenos Aires in 1997 to provide ad hoc all-cargo services. Pedro Racini is named general manager and he undertakes services employing a Douglas DC-10-30CF.

ARISTA INTERNATIONAL AIRLINES: United States (1979–1984). The New York-based travel agency Tourlite International elects to

form its own inclusive-tour and charter airline, **Tourlite International Airlines**, at John F. Kennedy International Airport in December 1979. The tour operator seeks operating authority from the CAB, which is received in July 1980. Recession and the PATCO air traffic controllers' strike (with subsequent ATC restrictions) prevent start-up in 1981.

Early in 1982, the company name is changed and the new Arista leases a pair of Douglas DC-8-62s from **SAS (Scandinavian Airlines System)**. The inaugural flight is finally made on April 4, from New York to Athens. A total of 45,000 passengers are flown during the remainder of the year. Although revenues of \$14.3 million are generated, expenses are \$16.7 million. As a result, a \$2.36-million operating loss is suffered.

Holiday, vacation, and other tour flights are initiated in 1983 to Rio de Janeiro, Manchester, London (LGW), Paris, Munich, Rome, and Tel Aviv. Customer bookings reach 132,000, but Arista loses \$1.22 million.

The carrier stops flying in 1984 and the two jets are returned to Stockholm.

ARIZONA AIR SEDONA: United States (1993–1994). **Skywest Airlines** subsidiary **Aviation Services West** purchases and renames the previously independent small regional **Air Sedona** in March 1993. President Jack Seeley's company continues its operations from its Sedona, Arizona, base with 1 Cessna 172, 1 Cessna 182, and 1 Cessna 207. Services cease in 1994.

ARIZONA AIRWAYS (1). See **FRONTIER AIRLINES (1)**

ARIZONA AIRWAYS (2): United States (1991–1999). The second Arizona Airways is established at Tucson on October 1, 1991 to offer passenger and cargo flights to Albuquerque and Hermosillo. President/CEO Jim Swartz prefers to wait until spring before launching scheduled operations.

Revenue flights commence from Tucson to Phoenix and Albuquerque in March 1992, with a pair of Beech 1300s. By year's end, a total of 858 passengers are flown. International service to Hermosillo, Mexico, begins in October 1993.

Phoenix and El Paso join the route network during the spring of 1994. Three Beech 1900Cs operate these services and help to insure that customer bookings skyrocket to 47,223, along with 58,000 pounds of freight. Despite the positive traffic picture, expenditures and debts continue to mount, forcing Swartz to temporarily shut down in August 1995.

When services resume, the fleet is altered to include 2 Beech 1900Cs and 2 Beech 1300s. Flights continue in 1996–1998 and employment reaches 100. Markets visited from Tucson now include Albuquerque, Ciudad Obregon, El Dorado, Guaymas, Hermosillo, Luaghlin, Long Beach, and Phoenix.

The continuing battle with costs puts the company out of business in 1999.

ARIZONA PACIFIC AIRLINES: United States (1981–1983). APA is set up at Las Vegas, Nevada, early in 1981 to provide scheduled passenger and cargo flights. Convair CV-440 and CV-580 revenue flights commence linking the company's base with Flagstaff, Santa Barbara, and the Grand Canyon. Due to the ATC restrictions caused by the PATCO air traffic controllers' strike, the airline cannot operate long beyond summer.

The company is reformed in 1982. Gone are the large Convairs, replaced with Cessna lightplanes. Scheduled and charter flights are offered and continued to the Grand Canyon. Further information on scheduled activities after 1983 is not available.

ARKANSAS AERO: United States (1973). The scheduled air taxi Arkansas Aero is set up at Jonesboro in 1973 to provide local services. Although flights commence, they cannot be maintained for more than a few months.

ARKANSAS AIRLINES. See **AIR ARKANSAS**

ARKANSAS AVIATION. See FEDERAL EXPRESS

ARKANSAS TRAVELER AIRLINES: United States (1980–1984). Mountain Home, Arkansas-based Mountain Home Air Service is reformed and renamed in August 1980. Scheduled passenger and cargo flights continue to be flown to Memphis via Bartlesville and Mountain Home.

President Thomas L. Fleming's Piper PA-31-310 Navajo and Beech 55 Baron daily roundtrips are maintained without change until the carrier suspends service in late 1984 and closes its doors.

ARKHANGELSK AIR CONCERN (ARKHANGELSKI AVI-AKONCERN): 163070 Arkhangelsk, Vaskovo Airport, 163070, Russia; Phone (81822) 50936; Fax (81822) 50165; Code 5N; Year Founded 1992. An autonomous division of Aeroflot Russian International Airlines originally created at Arkhangelsk as a division of the old Aeroflot Soviet Airlines, AAC, in 1992, begins its own domestic scheduled services plus charter flights to destinations in Europe. Boris I. Zadorin is the general manager with a fleet of 8 Antonov An-24s, 6 An-26s, 12 Tupolev Tu-134s/-154s, 10 Yakovlev Yak-40s, and 12 Mil Mi-8 helicopters. Enplanements total 1,262,256.

Fully on its own in 1993, the company suffers severe traffic downturns. In May, a Tu-134 must make an emergency landing at its home airfield just after takeoff because missing hydraulic fluid has somehow been replaced with lemonade.

Passenger boardings plunge 47.8% to 854,030 while freight is off 46.3% to 84.7 million FTKs.

Regional and domestic charter operations continue apace in 1994 and, late in the year, plans are made to begin testing the new Ilyushin Il-114 in the spring.

Customer bookings fall again, dropping 13.6% to 737,800. Cargo declines as well, down 11.8% to 74 million FTKs.

Flights continue in 1995–1998, during which years Comdr. Vasili Razlviski becomes general manager. Although the mission of regional service continues, the fleet is altered to include fewer fixed-wing and additional rotary-wing aircraft. This will allow additional contract helicopter work. Present during the latter year are 22 An-24/26s, 30 Let L-410UVPs, 19 Mi-8/17s, 14 Mi-6s, 10 Mi-2s, and 9 Mi-26s.

Flights continue apace in 1999. On February 16, 2000, the Moscow media reports that the carrier has increased the number of its flights and started several new routes from the north. Key among these is a resumption of service between Petrazavodsk and Moscow after a five-year hiatus; flights are operated thrice weekly from Kirovsk to Moscow via Petrazavodsk.

ARKHANGELSK AIRLINES: Russia (1994–1995). AA is established at Arkhangelsk Airport in 1994 to offer domestic passenger and cargo charters. Viktor S. Andropov is appointed general director and he launches services with 1 Tupolev Tu-134A, 4 Antonov An-24Bs and 3 An-26s. Plans are made to acquire an Ilyushin Il-76 freighter. In 1995, the company is renamed AVL Arkhangelskie Vozdushnye Linie.

ARKIA ISRAEL AIRLINES, LTD.: P.O. Box 39301, Dov Airport, Tel Aviv 61392, Israel; Phone 972 (3) 690-2222; Fax 972 (3) 699-1390; <http://www.arkia.co.il>; Code IZ; Year Founded 1950. The El Al Israel Airlines, Ltd. associate Eilat, Ltd. is formed at Tel Aviv in July 1949 to serve as the nation's domestic carrier. Capitalization is provided on a fifty-fifty basis by El Al Israel Airlines, Ltd. and by Kanfot, a holding company of the labor federation Histadrut. Yaacov Hozman is named managing director.

The first aircraft acquired is a de Havilland DH 89A Dragon Rapide turned over from the Israeli Defense Forces on July 4. This is followed by a Curtiss C-46 Commando, turned over from El Al Israel Airlines, Ltd. on October 11, which retains its El Al markings and crew.

This Commando is employed by Eilat to make its first official flight, Tel Aviv–Elat, on February 28, 1950. In September, the present name is

chosen. Late in the year, a second Dragon Rapide is provided by the military. Frequency on the single route increases to twice weekly by year's end and during the first 10 months, 13,000 passengers are transported.

With improvement in land access to Elat, the C-46 is grounded and in May 1952 the Dragon Rapides take over the service. Two more DH 89As are placed on the service in 1953. Commando flights are resumed in February 1955 and the DH 89As launch nonscheduled flights to Rosh Pinna's Mahanaim Airport and to Sdom. On October 9, two military Douglas C-47s are obtained and converted to civil DC-3 standard.

The Douglas transports are placed in service in February 1956, replacing the C-46 and Dragon Rapides. Another DC-3, leased from BKS Air Transport, Ltd., is also employed. Passenger boardings this year are 23,000. In April 1957 two more C-47s are obtained and after modification are also introduced, helping the year's enplanements to triple to 65,000.

Rosh Pinna becomes the second scheduled destination in 1958 and is served by both DC-3s and two ex-USAF TC-45Gs (Beech 18s). During the year, an agreement is signed with the French Turbomeca firm to provide commercial helicopter service on a fifty-fifty basis under the name Arkia-Aliza.

Three Sud-Est SA-318C Alouette IIs are placed in service in May and June 1959. As business increases, another DC-3 is placed in service during the summer of 1960 via a lease from British European Airways Corporation (BEA). Two more converted C-47s are modernized and added to the fleet in January and June 1961. During the year, the carrier obtains a nonscheduled carrier license from the government and begins flying charters to European destinations on behalf of El Al Israel Airlines, Ltd. Due to financial loss, Arkia-Aliza ceases operations in May. Service continues apace in 1962–1963.

With a surge in tourism to Elat in 1964 occasioned by the opening of new hotels, Arkia is forced to add additional capacity. Two Handley Page Herald 200s are placed on the Tel Aviv–Elat route in April and May. Airline employment is now 85, enplanements total 158,000, and total revenues are \$1.433 million.

Lev Bigan becomes general manager in 1965. A third Herald is purchased. Passenger boardings climb 15% to 181,700. Charter flights to Massada begin in January 1966 and on the year, a total of 177,000 passengers are flown. Herald service to Nicosia begins in March 1967. During the Six-Day War of June, the carrier's Handley Page Herald 200s serve as flying ambulances.

In July, the carrier begins flights into the occupied territories, including Kalandia Airport in Jerusalem and the Sinai towns of Ophira, St. Catherine, and Sharm-el-Sheikh. Beginning on August 1, the company initiates air tours of battle sites from the recent conflict. A Herald is leased on November 16 for six months from Bavaria Fluggesellschaft, GmbH. Bookings reach 193,217 on the year.

The employee population stands at 152 in 1968. The last two DC-3s are retired and two additional Herald 200s join the fleet, one a release of the German aircraft used earlier. With the war over, the company flies 69% more hours this year. Passenger boardings accelerate 79% to 469,593. Revenues reach \$3 million.

Two additional Herald 200s are chartered in 1969. The first Vickers Viscount 833, purchased from British United Airways, Ltd., joins the fleet on October 16.

Coming in after an October 26 training flight, the new ship, with five crew, is destroyed as the result of a bad landing at Tel Aviv; there are no fatalities.

A second Viscount 833 is purchased from British Midland Airways, Ltd. on December 20. Non-Viscount passenger bookings on the year reach 471,000.

Another Viscount 833, purchased from British Midland Airways, Ltd. is delivered on February 21, 1970. Another Viscount, an 814D, is added on April 8, 1971. It is followed by the arrival of another ex-British Midland Airways, Ltd. 831 on September 19, 1972. In December, the carrier joins with the FBO Kanaf Air Services to form a lightplane operation, Kanaf-Arkia Airlines, Ltd., on a fifty-fifty basis.

Among the small planes to be operated into the future are Cessna 172s and 337s, Metro II/IIIs, Piper Navajo PA-31-350 Navajo Chieftains and Cherokee/Cherokee Sixes, Britten-Norman BN-2A Islanders, and de Havilland Canada DHC-6-100 Twin Otters.

Just after the passengers aboard a Viscount 833 deplane at Nicosia, Cyprus, on April 9, 1973, the aircraft is shot at by Arab guerrillas in two speeding jeeps. Firing back with a submachine gun, an Israeli security guard hits one of the vehicles, killing its driver. Out of control, the jeep crashes into the Vickers, causing substantial damage to an engine and an area of the wing. The surviving terrorists are captured.

In June, a Herald 200 is sold to **British Island Airways, Ltd.** and in December another Viscount 831 is purchased from **British Midland Airways, Ltd.** Despite the effects of the Yom Kippur War, overall-cargo traffic rises 6.2% while passenger boardings jump 15.2% to 677,409.

In 1974 the workforce is 4,850 and the fleet includes 10 aircraft. On March 7, a Viscount 831 is purchased from **Alidair, Ltd.** Passenger enplanements dip 4.7% to 647,000 as a result of the Yom Kippur War. The Nicosia stop is suspended as a result of the Greek-Turkish war. A new trademark is adopted in 1975 as Tel Aviv-Mitzpe Ramon services are inaugurated. Traffic jumps 10% to 715,000.

In 1976, bookings drop 10.9% to 637,000. Still, the workforce is increased by 11.4% to 412. Carrier officials elect to offer jet service in 1977, purchasing a BAC 1-11-523 on August 16 and leasing a second on May 20, 1978. This service expansion fails as declining traffic and soaring fuel prices combine to cause financial loss. Four Herald 200s are sold along with the Viscount 814D.

Losses continue into 1979. On September 12, one BAC 1-11-523 is sold to **Dan Air/Dan Air Services, Ltd.** A Viscount 831 is leased to **Intra Airways, Ltd.** on September 20 and sold to **Jersey European Airways, Ltd.** on December 18. At the end of the year, it is decided to privatize the carrier completely. In March 1980, Kanaf Arkia purchases 75% interest with the remaining 25% sold to Arkia employees. In July, the second BAC 1-11-523 is sold to **Philippine Airlines**. Enplanements total 365,958.

Early in 1981, the carrier is renamed **Arkia Israeli Airlines, Ltd.** as airline employment is increased 5.3% to 400. On May 8, a Boeing 737-210 is purchased from **Wien Air Alaska**; it is leased to **Air Berlin USA** and will be returned in December. Two new de Havilland Canada DHC-7-102s are acquired in October and November and placed in domestic service from Sde Dov Airport, Tel Aviv.

Passenger boardings drop 21.3% to 301,697, but cargo is up by 11.1% to 224,000 FTKs.

Three more Viscounts are sold in 1982 and a third Dash 7 is purchased. The B-737-210 returned from **Air Berlin USA** is placed in service on April 2. Two new B-737-2E7s are delivered on March 2 and 15, 1983 while the earlier B-737-210 is sold to **Dan Air/Dan Air Services, Ltd.** on March 30. The last Viscount 833 is sold on April 6, and the fleet is reconstituted to include 2 B-737-2E7s, 3 de Havilland Canada DHC-7-102s, 4 Fairchild Metro IIs, 1 Metro III, 5 Piper Navajo Chieftains, and 8 Britten-Norman BN-2 Islanders. A B-737-2E7 is sold to **Dan-Air, Ltd.** on December 22. Passenger boardings dip 21.3% to 301,697.

In 1984, Arkia assumes the dual responsibility of providing domestic, commuter-type services while providing international charter flights to West Germany, France, Italy, Rhodes, the U.K., and Austria. To execute the latter mission, the carrier leases back the **Dan Air/Dan Air Services, Ltd.** B-737-2E7 for the Christian tourist season in March-April and charters an **El Al Israel Airlines, Ltd.** Boeing 707-458 on April 1. Meanwhile on March 22, the second B-737-2E7 is also sold to **Dan Air/Dan Air Services, Ltd.**

On May 7, a B-727-95, christened *City of Jerusalem*, is leased for a year from Aeron Aviation Corp. On December 15, a B-707-349C is leased for three months from **Aer Lingus Irish Airlines, Ltd.** Another **El Al Israel Airlines, Ltd.** B-707-331B is chartered from the flag carrier on April 1, 1985. On May 1, Arkia and **Sun d'Or, Ltd.** sign a joint operating agreement providing for the coordination of charter operations and aircraft.

The first B-707-458 leased from **El Al Israel Airlines, Ltd.** is returned on July 13, 1986. On October 12, an El Al B-707-358C is leased for three months; the lease is renewed for nine months on April 20, 1987. To support increased traffic to Elat's resorts, two more **El Al Israel Airlines, Ltd.** B-707-358Bs are leased in the spring. Another DHC-7-102 is acquired on August 15. Passenger bookings rise 35% to 510,428 and revenues jump 30.4% to \$30 million.

Two B-707s are returned to **El Al Israel Airlines, Ltd.** in early 1988; however, a B-707-358C is chartered on a long-term basis on March 9. Customer bookings climb 4% to 518,521, but cargo is down by 1.6% to 4.93 million FTKs.

A DHC-7-102 is purchased from **Maersk Air, A.S.** on June 17, 1989 and a B-707-323B is chartered from Jetran, Inc., on December 14. Options are taken on three Avions de Transport Regional ATR72s and a fourth Dash 7 arrives.

The fleet in 1990 includes 1 B-707-323B leased from **Florida West Airlines**, 2 B-707-358Cs leased from **El Al Israel Airlines, Ltd.**, 2 B-737-258As chartered from the same source, 1 leased DHC-6-300, and 4 DHC-7-102s. Airline employment climbs 17.2% in 1991 to 612 and as recession reaches Israel, the fleet is reduced. Gone are the B-707-323B and one B-707-358C. One more Dash 7 is, however, added.

Passenger boardings inch up 1.6% to 584,355 and revenues increase 5.4% to \$59 million.

Six new workers are hired in 1992 and Chairman/CEO Israel Borovich's domestic-oriented fleet now includes 1 DHC-6-300 and 7 Dash 7s. Enplanements decline to 533,500 in this recessionary year.

In 1993, the employee population of Chairman I. Arnon's airline is cut 27.2% to 450. During the year the large holding company Koor purchases a 17.8% shareholding.

Two B-757-258s are leased from **El Al Israel Airlines, Ltd.** in April and the two B-707-358Cs are withdrawn.

Employing an Airbus Industrie A300B4 leased from **Egyptair, S.A.E., Air Sinai, Ltd.** inaugurates a new weekly Cairo to Tel Aviv via Sharm-el-Sheikh return service in March; the route is pooled with Arkia.

Other destinations now visited from Tel Aviv include Elat, the Dead Sea, Gush, Katif, Haifa, Jerusalem, Masada, and Rosh Pina. Charters are also flown to such European cities as London, Paris, Frankfurt, and Berlin.

Passenger boardings move ahead by 22% to 650,700.

There is no change in the workforce during 1994 even though passenger traffic is up significantly. Customer bookings advance by 14% to 742,100.

The workforce grows to 1,000 during 1995. The company's 29 aircraft transport a total of 822,200 customers, an increase of 10.8%. Revenues total \$130 million and expenses are such as to allow a net profit of \$7 million.

The fleet in 1996 includes 10 DHC-7-102s, 1 IAI 1124 Westwind, 1 DHC-6-300, 1 B-737-281, 2 B-747-123Fs, which are leased to **Polar Cargo Airlines** 1 B-747-128F that is chartered to **Atlas Air**, 1 B-747-2B3F that is leased to **Air France**, 2 B-737-258As, and 1 B-757-258, all 3 of which are chartered from **El Al Israel Airlines, Ltd.**

In March, company DHC-7-102s take over El Al's scheduled flights to Cyprus.

On April 18, company officials, in a complex arrangement, purchase 11 B-737s from **Canadian Airlines International, Ltd.** for \$60 million. The planes (3 Dash-275Cs, 2 each Dash-242Cs, Dash-217As, and Dash-296As, and 1 each Dash-2T5A and Dash-2T2C) are then leased back to CAI for US\$1,079,100 per month for a six-year period, bringing Arkia a profit of US\$17.7 million. As part of the arrangement, CAI is given the option of continuing the lease of individual aircraft for two-year periods, up to four years, after 2002.

The acquisition is financed by a loan from the Bank of Hapoalim, underwritten by a lien on the planes and the monthly payments and a cash deposit of US\$12 million. Arkia receives the US\$12 million as a loan from Bank Leumi, backed by a lien on its deposits and negotiable bonds. The airline also announces its intention to sell five of its remaining aircraft during this year.

Destinations visited in **1997** include Elat, Haifa, Jerusalem, Kiryat Shimona, Rosh Pina, and Tel Aviv. In July, a B-737-281 is sold to **Lan-Chile Airlines (Linea Aerea Nacional Chile, S.A.)**. Orders are placed for a B-757-200 and two B-757-300s, for delivery in 1999–2000.

Late in the year, plans are made to begin replacing the 12 DHC-7-102s in the fleet and orders are placed with Aero International (Regional) for 3 ATR72-500s. The new aircraft will be employed on the popular routes linking Tel Aviv with Elat.

Enplanements on scheduled services during the year total 1.25 million. An additional 200,000 charter passengers are flown, while 47,000 hotel rooms are also sold. Revenues of \$200 million are generated and allow earnings of \$9.2 million.

In March **1998**, the company, together with **El Al Israel Airlines, Ltd.**, begins discussions concerning the formulation of a joint low-fare company for charter services. Such an operation would offer the two carriers a chance to circumvent the government's Sabbath restrictions.

Traffic figures reported for the first six months of the year show a decline of 9.9% over the same period a year earlier, with bookings down to 470,000.

A \$250-million order is placed with Boeing on July 31 for a pair of B-757-300s, plus two options, for delivery beginning during the first quarter of 2000. Meanwhile, 2 B-757-258ERs are wet-leased from **El Al Israel Airlines, Ltd.** All 6 of the major's other B-757s are chartered each Saturday and are operated to Europe, helping El Al to partially beat the Sabbath ban.

A plan is made during the second half of the year for additional aggressive expansion in the new year.

Passenger boardings fall 6% to 1.15 million even as revenues accelerate 2.5% to \$191.05 million.

On January 5, **1999**, the premier ATR72-500 is received, allowing the replacement of three DHC-7-102s. The other two ATRs will be received in February and March.

Also during the month, the carrier joins with two other investors to establish a new airline in Nigeria. With \$4 million in shareholding divided between Arkia (30%), Koor Industries, Ltd. (30%), and local Nigerian investors (40%), **Empire Aviation, Ltd.** is set up at Lagos under the direction of Arkia Executive Vice President Shlomo Hanael. Outfitted with two of the three just-discarded Israeli DHC-7-102s obtained under lease, the new entrant inaugurates service at the end of the month from the Nigerian capital to Kano, Port Harcourt, Abuja, and Benin.

A cooperative agreement is signed between Arkia Israel and Frankfurt-based **Aero Lloyd Flugreisen GmbH. & Co. (Luftverkehrs K.G.)** on January 24 under which the two will jointly market charter flights and lease aircraft. The partnership is the first for Arkia with a European airline.

The company's first owned B-757, a formerly owned Dash-258, is acquired at the end of March, along with a third ATR72-500.

Flights continue apace during the remainder of the year as the Israeli government works to deregulate the nation's air transport market. Traffic remains heavy on the domestic routes from Tel Aviv to Eilat, Haifa, Rosh-Pina, and Kiriat-Shimona, with over 45% being generated on weekends when **El Al Israel Airlines, Ltd.** is prohibited from operating.

Passenger boardings jump 9.4% to 1,057,000. Revenues total approximately \$217 million (as compared to \$60 million in 1988).

On January 31, **2000**, Arkia becomes the second airline in the world (after **Condor Flugdienst, GmbH.**) to take delivery of the B-757-300, receiving a new B-757-3E7 trimmed in orange and blue.

Charters between Tel Aviv and Tivat, Montenegro, begin in April.

During late spring, Arkia is awarded its first international scheduled route; ATR72-520 roundtrips between Tel Aviv and Amman consequently commence on August 15.

The renewal of fighting between the Palestinians and Israelis in October has an impact on bookings. Also affected are reservations for the new weekly or twice-weekly scheduled service to Tel Aviv from five German cities, flown in cooperation with **Aero Lloyd Flugreisen, GmbH. & Co.**

Briefly suspended, the weekly B-757-2E7 return service from Tel Aviv to Geneva resumes on October 14.

A decline in tourism to Israel during the month due to violence between the Israelis and Palestinians causes a significant downturn in business and forces the carrier to lay off 140 workers on November 1.

ARLINGTON JET CHARTER: 5070 South Collins, Arlington, Texas 76018, United States; Phone (817) 467-4571; Fax (817) 472-9725; Year Founded 1990. Established at the Municipal Airport of its namesake city in **1990**, Arlington, within seven years, is offering a wide variety of passenger charters and executive flights. Six pilots operate one each Learjet 25B, Beech Super King Air 200, and Turbo Commander 690.

ARMENIAN AIRLINES: Zvartnots Airport, Yerevan, 370542, Armenia; Phone 7 (8852) 282 860; Fax 7 (8852) 151 393; http://www.armenianairlines.com; Code R3; Year Founded 1991. Another former **Aeroflot Soviet Airlines** division, Armenian separates from its onetime parent in **1991** after having transported 1.83 million passengers during 1990. At the Zvartnots Airport base at Yerevan, V. V. Nazarian becomes general director and takes over 51 aircraft from Aeroflot, including Ilyushin Il-76s, Tupolev Tu-154s, Tu-134s, and Yakovlev Yak-40s. In addition to domestic frequencies, charter flights are undertaken to Milan, Paris, and London.

While landing at Yerevan on December 5, **1992**, the nosegear of a Tu-154A with 8 crew and 146 passengers hits a concrete wall; although the aircraft is damaged, there are no fatalities.

Scheduled flights commence on March 9, **1993**. Combining its numbers with the previous year's figures, the company is able to transport some two million passengers, despite the difficulties caused by the Armenian-Azerbaijan war over the Nagomy-Karabakh enclave.

Airline employment stands at 2,180 in **1994**; H. R. Hovannissian is general director, with J. J. Dekker as managing director. Options are taken on 2 Airbus Industrie A310-200s and the fleet comprises 11 Tu-154s, 9 Tu-134s, 9 Yakovlev Yak-40s, and 2 Ilyushin Il-86s.

Destinations served with 55 weekly flights include Amsterdam, Ashkabad, Athens, Beirut, Burgas, Fujairah, Moscow, Novosibirsk, Paris, Rostov, Sverdlovsk, and Tehran. Although traffic figures are not released, it is reported that revenues of \$26.8 million allow a profit of \$4.8 million.

Customer traffic figures are not provided in **1995** either, although the company announces a profit of \$966,000 on operating revenues of \$32.1 million. Early in the year, the two Il-86s, during their overhauls, are repainted in the company's new color scheme.

Early in **1996**, the Armenian government begins to search for an investor who will take the airline private and provide sufficient capital to acquire a pair of Boeing 757s.

Plans are made to inaugurate service to Frankfurt, Warsaw, Larnaca, Tashkent, Tel Aviv, Cairo, and New Delhi. New destinations added since 1994 include Adler, Dubai, Ekaterinburg, Kharkov, Minsk, Odessa, Simferopol, and Volgograd. Enplanements total 353,200.

Airline employment stands at 341 in **1997** and the fleet includes 2 Il-86s, 9 Tu-134s, 10 Tu-154s, and 9 Yak-40s. The privatization process commences in July. New services commence to Frankfurt, and also to London (LGW). The company signs a reciprocal code-sharing agreement with **British Mediterranean Airways, Ltd.** in December. Customer bookings accelerate 11.7% to 400,000.

Negotiations commence with Airbus Industrie early in **1998** for the acquisition of an A310. In addition, plans are made to inaugurate new services to Milan and New Delhi before the end of the year.

An A310-308, formerly operated by **Kuwait Airways Corporation**, is received in September, complete with a new tail logo. It replaces the two Il-86s on services to most European capitals beginning in October.

Flights continue in **1999**. Although the government considers plans to privatize the carrier, the \$15–\$20 million investment needed to make it saleable prohibits forward progress. It will later be reported that enplanements for the year have fallen 34% and a loss of \$1.6 million has been suffered.

On February 22, 2000, the Armenia's transport minister, Ervan Zakharian, reports that the carrier requires \$15 million in the next two years just to survive. A new strategic alliance is signed with **Aeroflot Russian International Airlines (ARIA)** on March 17 covering joint flights and services.

In an October 3 interview with the on-line *Russia Today*, Armenia's National Aviation Union Chairman Dmitry Atabashyan declares the carrier to be in a precarious condition and suffering continuing declines. He reports that the fleet has fallen from 18 units at the beginning of the year to just 11—3 Tu-154s, 3 Yak-40s, 2 Tu-134As, 2 Il-86s, and 1 leased A310. Additionally, the national aviation industry is fragmented to a point where 23 independent services provide ground support for each aircraft departing Erevan Airport.

ARMSTRONG AIR SERVICE: United States (1984–1989). AAS is established by Richard K. Armstrong at Dillingham, Alaska, late in 1984 to provide scheduled passenger and cargo services to local communities and bush destinations. Employing Cessna 185s and de Havilland Canada DHC-2 Beavers, the company begins revenue flights in January 1985, linking its base with Ekwok, New Stayhok, and other locales.

Following several accidents, the company is grounded by the FAA on August 13, 1988. Able to resolve its difficulties, Armstrong is able to begin flying again in the fall, but cannot achieve viability. The last service is operated in January 1989 and the carrier shuts down.

ARNARFLUG HF. See **EAGLE AIR, LTD.**

ARNHEM AIR CHARTER (PTY.), LTD.: Australia (1991–1998). AAC is established at Darwin in 1991 to offer charter and contract service flights to surrounding destinations in the Northern Territories. Revenue flights commence with five Piper PA-31-350 Navajo Chieftains.

A Piaggio P-68 is acquired in 1992 and operations continue apace in 1993–1994. The company encounters severe financial problems in 1995 and briefly shuts down in November.

Flights resume in 1996 as President Robert C. McDonald oversees a 13-employee company. As the fiscal situation improves in 1997, 3 Cessna 402Cs and 1 Embraer EMB-110P1 Bandeirante are added to the fleet.

The company is purchased by **Airnorth (Pty.), Ltd.** in 1998.

AROOSTOCK AIRWAYS: United States (1965–1973). John C. Philbrick forms **P. & M. Flying Service** at Presque Isle, Maine, in early 1965 to provide passenger charter flights to Augusta, Portland, and Boston. Employing single-engine Pipers, he inaugurates revenue flights on May 3. Services continue and the company name is changed to Aroostock Airways in 1968.

At this point the commuter begins scheduled services, but it does not survive the recession and oil crisis of 1973.

ARPA (AEROLINEAS PARAGUAYAS, S.A.): Terminal ARPA, Aeropuerto Silvio Petirossi, Asuncion, Paraguay; Phone 595 (21) 215-0723; Fax 595 (21) 215-0111; Code A8; Year Founded 1994. ARPA is set up by **TAM (Transportes Aereos Regionais, S.A.)** in early spring 1994 to operate domestic feeder flights on its behalf. Miguel Candia is named president and he begins revenue flights on May 14 with a fleet of three Cessna 208 Caravan Is leased from the parent.

ARROW AIR: P.O. Box 026062, Miami International Airport, Miami, Florida, 33126, United States; Phone (305) 526-0900; Fax (305) 526-0933; <http://www.arrowair.com>; Code JW; Year Founded 1983. George Batchelor's **Arrow Airways (2)** is renamed Arrow Air in early 1983. The workforce totals 875 and the fleet comprises 2 Douglas DC-10-10s, 1 DC-8-73, 10 DC-8-63s, 1 DC-8-54, and 4 Boeing 707-320Cs. Orders are outstanding for 1 DC-10-10 and 1 DC-8-73.

During the year, new scheduled domestic services are opened from Miami to New York and Denver and from New York and Tampa/Miami

to Denver. Simultaneously, flights are begun from New York to Guyana and from Denver to San Juan via Tampa and Miami. In addition, a Denver to London service compliments that started to the British capital from Tampa the previous year. Charter services, including those undertaken for the U.S. military, are continued.

Enplanements for the year skyrocket 93.8% to total 825,000, while freight traffic accelerates 31.9% to 109.4 million FTKs.

The payroll is cut 25.7% in 1984 to 650. Following FAA "white glove" inspections early in the year, the company is given a variety of penalties and is barred from carrying out its expansion plans, pending the correction of its shortcomings. The problems are cleared up by summer and all restrictions are lifted; Arrow receives a \$33.6 million Pentagon contract for FY 1985. When Connecticut-based Value Vacations, for which Arrow is a carrier, fails in August, the airline refuses to provide transport home for the program's stranded passengers. Lawsuits are filed.

The carrier substantially restructures its route network, beginning in October, to concentrate upon Caribbean and South American destinations as well as military and other contract services and inclusive-tour charters. Gone are domestic scheduled flights plus those to London and in their place are newly introduced passenger frequencies to Aguadilla and San Juan (Puerto Rico), Puerto Plata (Dominican Republic), and Georgetown (Guyana) flown from the company's hubs at New York, Philadelphia, and Miami.

Scheduled cargo flights are maintained from New York to Port au Prince via Miami and San Juan. Although headquarters are maintained in Miami, the principal hub is shifted to San Juan.

Enplanements total 1,108,172 and cargo jumps 19.3% to 113.1 million FTKs.

The workforce is reduced by 23.1% in 1985 to 500 and the fleet now includes 10 DC-8-60/70s, 3 DC-10-10s, and 4 B-707-320Bs. Jonathan D. Batchelor becomes President/Chief Operating Officer in February and, in early spring, following payment of a \$34,000 penalty to settle matters with the FAA, passenger services are originated from San Juan to Miami, New York, Philadelphia, Montreal, and Toronto. Orlando becomes a customer destination in May.

Meanwhile, scheduled cargo flights begin from the Puerto Rican hub to New York, Miami, Antigua, St. Kitts, and Haiti. A whistleblower, company pilot Michael Sanjanis, contacts the Miami office of the FAA citing the carrier's continuing unsafe maintenance practices. A new route from Tampa is initiated in the fall to Merida via Cancun and Cozumel. Worldwide charters continue to account for approximately one-half of the company's business.

A chartered DC-8-63PF with 256 aboard, including 248 101st Airborne Division soldiers returning home to Fort Campbell, Kentucky, after a six-month peacekeeping assignment in the Sinai, crashes one mile from the end of the runway while taking off from Gander, Newfoundland, on December 12; there are no survivors.

The death toll is the highest ever in an air crash on Canadian soil. Arrow becomes a target of intense adverse public and political attention. Two Canadian books detail the tragedy: T. C. Badcock, *A Broken Arrow* (St. Johns, Newfoundland: Al Clouston Publications, 1988) and Les Filotas, *Improbable Cause* (Toronto, Ont.: McClelland, Bantam, 1991). The most extensive American review of the disaster is conducted by the U.S. House of Representatives' Subcommittee on Crime, published in *Fatal Plane Crash in Gander, Newfoundland, December 12, 1985: Hearings*. 101st Cong., 2nd sess. (Washington, D.C.: GPO, 1991).

During the third week of December, Arrow launches flights to Mexico's Yucatan peninsula from Boston, Philadelphia, and Tampa.

Passenger boardings plunge and, for the year as a whole, are off by 31.3% to 844,000; cargo is down 30.5% to 27.6 million FTKs. Revenues total \$134.7 million and with costs low, a net profit of \$229.91 million is generated.

A \$7.6-million Military Airlift Command contract to fly USN personnel is received on February 2, 1986 and Congressional hearings into the Newfoundland crash begin three days later. On February 8, FAA regulators, who have been investigating the carrier, order all of

Arrow's passenger DC-8s grounded for using undocumented spare parts and unsafe and unapproved maintenance practices. Company officials cry foul, claiming the regulators are bending to political pressure to close the airline.

Simultaneously, the Pentagon suspends its new and old military transport contracts (worth \$21 million) pending its own review. Unable to continue, the airline declares Chapter XI bankruptcy on February 11; although Arrow continues to fly three DC-10s on military cargo charter, no more passenger flights are allowed.

By December 31, the onetime national carrier has flown a total of 127.3 million FTKs. Revenues for the year plunge by 69% to \$41.71 million, expenses decline 66.3% to \$45.46 million, and a \$3.76-million operating loss is taken. The net loss increases to an identical \$3.76 million.

Operations continue apace in 1987 as Richard L. Haberly, in May, becomes president/chief operating officer. Two DC-8-62CFs are acquired and an arrangement is entered into with **Deutsche Lufthansa, A.G.** under which Arrow will assume responsibility for the onward shipment into Central and South America of the German carrier's freight shipments arriving in Miami.

Cargo climbs a slight 0.2% to 127.5 million FTKs and revenues fall 21.1% to \$32.9 million. Expenses also decline, by 31.9%, to allow operating income of \$6.2 million and net gain of \$6 million.

The workforce is increased by 20% in 1988 to 120. The carrier's five DC-8 freighters transport 35.9% more freight, 173.26 million FTKs, than a year earlier. Revenues skyrocket 91.5% to \$40.8 million; however, costs are also up. As a result, operating profit falls to \$5.1 million and net gain is down to \$5.2 million.

Employment is cut by 20.8% in 1989 to 95 and the fleet includes 4 DC-8-62Fs and 3 DC-8-63Fs. Cargo increases 68.6% to 292.03 million FTKs and revenues sweep upward by 23.4% to \$50.3 million. The operating profit dips to \$4.4 million and net gain falls to \$4.6 million.

The number of workers explodes by 114.7% in 1990 to 204 as a fourth DC-8-63F joins the fleet and assists in the delivery of cargo to Saudi Arabia in the fall in support of the Allied buildup known as Operation Desert Shield.

Despite this work, recessionary and oil costs cause difficulties, including a 16.1% decline in freight to 255.98 million FTKs. Revenues move up by 46.3% to \$73.6 million, expenses jump 55.5% to \$71.44 million, and operating income slips to \$2.15 million. There is, however, a net loss of \$251,695.

The workforce is reduced by 38.7% in 1991 to 125 and the fleet now includes 5 DC-8-62Fs and 4 DC-8-63Fs. Significant cargo is transported in support of the U.S. military commitment in the Persian Gulf, with overall tonnage climbing by 40.9% to 360.58 million FTKs. Revenues move ahead by 23.5% to \$87.37 million, expenses rise 19.8% to \$84.91 million, and operating income totals \$2.46 million. There is a net gain of \$1.76 million.

Employment in 1992 grows to 280 and the fleet is increased by the addition of 3 DC-8-62Fs, 1 DC-8-62C, and 1 Boeing 727-291F. Recession does not impact traffic nearly as bad as finances.

Cargo rises 23.5% to 445.43 million FTKs while revenues plunge 11.7% to \$77.18 million. Expenses are down 7.2% to \$78.79, leaving an operating loss of \$1.61 million and a net loss of \$1.04 million.

CEO Batchelor and President Richard L. Haberly's payroll jumps 64.3% in 1993 to 460 and the fleet is increased by the addition of 4 DC-8-63s. Destinations now regularly visited include Miami, Hartford, Columbus, New York, San Juan, Bournquen/Aguadilla, San Jose, Costa Rica City, Panama City, Caracas, Asuncion, and Santiago de Chile.

Passenger subservice is initiated for several scheduled carriers. Freight declines 19.4% to 359.17 million FTKs, but revenues ascend 31.6% to \$101.58 million. Expenses grow only 28.1% to \$99.39 million and allow operating income of \$2.18 million. Net gain is \$1.73 million.

The fleet in 1994 comprises 1 each B-727-291F, DC-8-63F, DC-8-62AF, 2 each B-727-247s, B-727-225Fs, and DC-8-63CFs, 3 B-727-225AFs, and 8 DC-8-62Fs. Charter flights to Buenos Aires under the company's own banner begin in January; however, due to FAA safety

concerns, the company soon thereafter grounds its entire fleet. A total of 9,000 passengers are flown during the entire year.

Cargo, on the other hand, falls another 32.1% to 441.53 million FTKs. Revenues jump ahead by 20% to \$121.86 million while expenses rise 23.7% to \$122.95 million. As a result, there are losses: \$1.09 million (operating) and \$3.93 million (net).

Government safety concerns are initially resolved and the carrier prepares to resume operations in early 1995, with a workforce of just 335.

While on approach to the airport at Manaus, Brazil, on January 29, a DC-8-62F with three crew strikes a line of trees during a go-around after a missed landing; when the No. 4 engine fails, the captain declares an emergency and is able to land without further incident. No injuries are reported.

On March 17, the FAA grounds up to 6,000 propeller-driven aircraft nationwide until their owners can inspect them for unsafe bolts. Company maintenance personnel are unable to produce maintenance records for any of its aircraft and will thus be unable to carry out this urgent safety directive. Consequently, the government grounds the carrier.

Five days later, the FAA recommends revocation of Arrow's operating certificate for this latest safety failure. In April, it is fined \$1.5 million for the use of unapproved, bogus parts and falsified maintenance records.

Arrow manages to avoid its permanent closing but, even after it resumes operations as a freight airline in June, huge declines in traffic are suffered. Enplanements plunge 90% to just 1,000 while 209.29 million freight FTKs are operated, a 61.2% decline. The costs associated with the year cause additional fiscal downturn; there is a \$9.24 million operating loss and a net loss of \$10.17 million.

There is no change in the employee population in 1996. Although a DC-10F operator earlier, the company now elects to employ Lockheed TriStars in a freighter capacity. The first, an L-1011-385-1-15, arrives at Miami on January 27 wearing billboard-sized "Arrow" titles on its forward fuselage and a huge black "A" on its white tail. Two days later, it enters service on a cargo run to San Juan. Two more TriStars will arrive later in the year.

Traffic grows, rising 28.4% to 268.8 million FTKs. Operating revenues jump 19.5% to \$61.09 million, but costs surge 22.1% to \$73.66 million. The operating loss grows to \$12.64 million while the net loss deepens to \$11.8 million.

The employee population is reduced 16.4% in 1997 to 280. The fleet now includes 3 L-1011-200Fs and 6 DC-8-62/63Fs. During the first quarter, a new San Juan minihub is opened and services to South America are expanded, including the introduction of scheduled flights to Peru.

In July the company's authority to operate two weekly return cargo services from the U.S. to Argentina is sold, for an undisclosed price, to **Federal Express (FedEx)**.

In anticipation of significant growth in the new year, **Emery Worldwide**, in August, makes arrangements to lease one of Arrow's L-1011Fs.

A total of 375.18 million FTKs are operated, a 39.6% increase over 1996. Operating revenues increase 43.7% to \$87.82 million while expenses rise 37.7% to \$101.56 million. Consequently, the operating loss deepens to \$13.74 million and there is a \$15.23-million net loss.

Houston's only nonstop all-cargo Saturday service to South America is inaugurated on January 24, 1998 when a DC-8-62F begins roundtrips to Iquitos and Lima, Peru and Quito and Guayaquil, Ecuador.

America's oldest all-cargo airline still operating under its original name, Arrow's senior management is restructured on June 29. CEO Batchelor succeeds Todd Cole as board chairman, while retaining his title of CEO. Cole remains on the board and Vice President-Operations Guillermo J. "Willy" Cabeza is named president/chief operating officer.

Special ceremonies are held in Lima on December 30 honoring the company for its 25 years of service in Peru. The coveted "El Contenedor de Oro" (Gold Container), given to the best cargo airline serving the nation, is presented by the Asociacion Peruana de Agentes de Carga, Internacional.

The fleet at year's end includes 7 DC-8-62Fs, 2 DC-8-63Fs, and 3 L-1011-200Fs.

Cargo traffic plunges 52.46% this year, dropping to 178.35 million FTKs. Revenues inch up just 0.2% to \$87.98 million, while expenses jump 9.2% to \$110.87 million. The operating loss rises to \$22.88 million, while the net loss worsens, reaching \$23.93 million.

Thrice-weekly DC-8-62F all-cargo return service is inaugurated on January 29, 1999, from Miami to San Jose, Costa Rica, via Panama City. On February 11, President Cabeza completes merger negotiations with Frank and Barry H. Fine. As a result, Arrow is to be acquired from Puerto Rico-based International Air Leases by **Fine Air Services** for \$115 million in cash and operated as a subsidiary under its current name. Cabeza will remain as president and no layoffs are foreseen.

The Federal Trade Commission (FTC) completes its review of the merger during March and, on April 9, the DOT approves the acquisition. Only **Gemini Air Cargo** has filed a regulatory objection to the arrangement, which is not heeded. In an interview with Reuters, Ltd. on April 15, Barry H. Fine, president/CEO of **Fine Air Services**, notes his plans to keep Arrow as a separate cargo carrier for up to two years, primarily because of the strong customer loyalty President Cabeza has built up in the shipping industry. Fine indicates that Arrow will add new services in the southern region of South America over the next three to four months, with Bolivia and Brazil seen as the initial markets.

Following the arrival of a company freighter at Miami from Guayaquil on August 30, U.S. Customs Service inspectors find 2,720-lb. of cocaine, with a wholesale value of \$21 million, in the plane's cargo of fresh fish. When no one turns up to claim the grouper, flounder, and eels, it is suspected that the perpetrators have been tipped off.

Senior Vice President/Chief Operating Officer John Zappia is appointed president of the fine parts and engine sales business, **Fine/AAA Interair**, in February 2000. He is succeeded by Guillermo Cabeza, who had been president of Arrow before its takeover by Fine.

Arrow and **Fine Air Services**, through the holding company **Fine Air Services Corporation**, declare Chapter XI bankruptcy on September 27; both lines will continue operating through reorganization.

ARROW AIRWAYS (1): United States (1930). Established at Memphis, Tennessee in late summer 1930, Arrow is equipped with a single Stinson that is employed to begin scheduled passenger service to Little Rock, Arkansas, in October. Without enough traffic to cover start-up expenses, the trans-Mississippi operation stops in November.

ARROW AIRWAYS (2): United States (1947-1983). George E. Batchelor forms **Arrow Airways** in 1947 to offer scheduled and charter services from a base at Miami. Several DC-3s are acquired, including one from **Pacific Southwest Airlines** that crashes on December 7, 1949.

Douglas services continue to be flown until 1953, when flight operations are suspended after the Civil Aviation Administration suspends the company's certificate for maintenance violations. The carrier now goes dormant.

Batchelor thereafter establishes Batchelor Enterprises as a holding company for the airline and for the leasing companies **Batch-Air** and **International Air Leases**. These nonflying concerns occupy the founder until new flying opportunities appear in the wake of airline deregulation.

Following his acquisition of **Capitol International Airways** early in 1980, George Batchelor also reactivates **Arrow Airways**, basing it at White Plains, New York. An initial fleet is acquired comprising 6 Boeing 707-320Cs and CAB certification is received in May.

Cargo charter flights on behalf of the Military Airlift Command commence on May 26, 1981 and regularly scheduled freight service is launched to San Juan from New York and Miami in August. A total of 1.3 million FTKs are operated during the remainder of the year.

Scheduled Atlanta to San Juan cargo flights begin in March 1982 and, in April, route authority to Montego Bay is acquired from the CAB. Scheduled passenger flights begin in July between Los Angeles and Montego Bay. The CAB gives the company a temporary permit on August 12 for flights from Florida to England. One-way midweek \$99 flights are launched on November 11 from New York to Miami and

scheduled Tampa to London passenger frequencies are initiated on December 15. Enplanements total 51,150 and 74.5 million FTKs are flown. The company is renamed **Arrow Air** in early 1983.

ARROW AIRWAYS, LTD. See **CANADIAN PACIFIC AIR LINES, LTD.**

ARTAC AVIATION, S.A.: c/o Infanta Maria Teresa, 9-5A, Madrid, E-28016, Spain; Phone 91-393-6447; Fax 91-393-7067; Year Founded 1994. Artac is established at Madrid in 1994 to offer regional and international passenger charters. By 1997, Operations Manager Jose Luis Olaya oversees a workforce of 17 and flights by a pair of Fairchild Metro IIs. Revenues reach \$1.8 million.

Flights continue in 1998-2000.

ASA (AEROVIAS SUD AMERICANA, INC.): United States (1947-1965). ASA is established at Miami Springs, Florida, in the summer of 1947 by a group of former employees of **US Airlines** to carry cargo. Having acquired a Curtiss C-46 Commando, the concern inaugurates business on October 17 with a flight to Havana transporting several jeeps and spare tires for the all-terrain vehicles. A return flight is immediately performed with a cargo of flowers and Cuban cigars and tobacco. Services of this nature continue for the next five years.

In August 1952, the CAB awards ASA the first certificate for scheduled international all-cargo services between Miami and Bogota. Additional C-46s are acquired (eventually a fleet of six will be simultaneously operated) and revenue flights commence in December.

In December 1959, the CAB authorizes the carrier to serve Colombia, Ecuador, Panama, Peru, Nicaragua, Costa Rica, British Honduras, Honduras, and El Salvador. To handle this additional network, the company acquires two Douglas DC-4s in 1960, reducing the number of C-46s to three.

During the early 1960s, ASA finds it increasingly difficult to maintain its economic viability. In 1962 it seeks a merger with **Riddle Airlines**. Rebuffed, the company staggers on until it suspends operations on May 10, 1965. **Airlift International**, as Riddle is now known, seeks to purchase a 42% interest in order to acquire the company's certificate, but approval for this arrangement is denied by the CAB in January 1969.

ASA (ST. PETERSBURG-AMERICAN AIRLINES): Russia (1994-1995). ASA is set up at St. Petersburg in late 1994 as a joint concern sponsored by the St. Petersburg Civil Aviation Department and Russian and American shareholders. Operations commence over international routes in the CIS with an unspecified number of Antonov An-12s, Tupolev Tu-134s, and Tu-154Ms. The enterprise does not achieve viability and disappears within a year.

ASAHI AIR LINES COMPANY, LTD. (ASAHI KOKU CORPORATION): Sunshine 60 32nd Floor, No. 1-1 3-chome, Higashi-Ikebukuro, Toshimaku, Tokyo, Japan; Phone 81 (3) 3988 9572; Fax 81 (3) 3988 9043; http://www.owl.or.jp/aeroasahi; Year Founded 1982. Originally formed as **Aero Asahi, Ltd.** on July 1, 1982, the Japanese third-level carrier is a merger of **Asahi Helicopters, Ltd.** (founded in 1955) and **Toyo Aero Survey, Ltd.** (founded in 1960). With a rotary-wing fleet exceeding 50 machines of 6 types from the U.S., West Germany, France, and Russia, **Aero Asahi Corporation, Ltd.** plans to offer scheduled helicopter flights and shortly after its creation orders 2 Boeing-Vertal 234s, which will not be delivered. The fixed-wing fleet, inherited from **Toyo Aero Survey, Ltd.** consists of but 2 Rockwell Aero Commanders.

The fleet in 1983-1984 grows to include Bell 212, 214STs and 412s, plus an Aerospatiale AS-332L Super Puma and an Aerospatiale AS-355F TwinStar. The company also operates a Mil Mi-8 "Hip," the only Russian-made helicopter flying in the West. During July of the former year, a Bell 412 is sent to the People's Republic of China under long-term lease to the China Marine Vertical Flight Aircraft Co. to provide offshore support missions for the China Oil Development Company.

Following the August 12, 1985 crash of a **Japan Air Lines Company, Ltd. (2)** Boeing 747SR (520 dead), the company's Super Puma, the only one of its type in Japan, is employed to haul aircraft wreckage down from the mountain crash site.

A shuttle service is now begun for visitors to the Tsukuba Expo '85, held at Tsukuba Gakuen Toshi, located some 30 miles N of Tokyo. Approximately 400 passengers are flown in 32 daily services before the exposition closes on September 16.

A majority 51% stake is taken in **Osaka Airways, Ltd.** and its 13 helicopters on October 1. Acquisition of Osaka, which offers aerial photography and flight training and which enjoyed a ¥ 357-million turnover in 1984, is completed on November 27. The same day, the Ministry of Transport approves an Aero Asahi, Ltd. proposal to offer regular helicopter service between Tokyo's Haneda and Narita Airports.

A second Super Puma is requested from Aerospatiale on April 1, 1986. Upon its receipt later in the year, it will initially be used for offshore service between Japan and Korea. If demand warrants, it may later be dedicated to passenger flights.

Following its years of service as a unit of Aero Asahi, Ltd., the fixed-wing division is renamed Asahi Air Lines Company, Ltd. in June. Scheduled fixed-wing commuter services are started from Osaka to Oita, Matsuyama, Hiroshima, and other destinations. Managing Director Kyosuke Sekimoto's fleet is comprised of 2 Cessna 402s and 3 Pilatus-Britten-Norman BN-2A Trislanders.

Thrice-daily BN-2A roundtrips begin on July 1 between Tanegashima and Yakushima, north of Kagoshima. No sooner has this route been started than another concern begins to serve it with a high-speed jetfoil.

Two Embraer EMB-110P Bandeirantes are ordered for the new fixed-wing enterprise in September. Rotary-wing flights continue under the Aero Asahi, Ltd. moniker; both entities will be covered here.

Asahi Air Lines Company, Ltd. takes delivery of its two Bandeirantes in early 1987.

After six years of nonscheduled helicopter charter flights, Aero Asahi, Ltd. inaugurates scheduled Bell 412 flights on April 15, linking Haneda Airport, Narita Airport, central Tokyo, Yokohama, Tsukuba, Osaka, Kobe, Kyoto, and Osaka Airports. The new "City Airlink" service is a joint venture with **Japan Air Lines Company, Ltd. (2)** and fulfills a promise for a shuttle service first announced by the Japanese Transport Ministry in April 1970.

During the fall, the Japan Maritime Safety Agency reports the slow sinking of the island Okinotorishima, 1,000 miles from Tokyo. A \$5.8-million contract is accepted by Aero Asahi, Ltd. from the agency and 2 Super Pumas are dispatched, along with 17 government ships, to reinforce the island with iron blocks. For the year, the aerial Asahi group suffers a loss of \$850,000.

Two Cessna 206s and three Beech 55s are added to the Asahi Air Lines Company, Ltd. operation in 1988. Public concern about helicopter noise forces a delay in "City Airlink" expansion during the spring; however, problems are resolved and eight-times-per-day shuttle flights between the airports with a pair of Bell 412s is begun by Aero Asahi, Ltd. on June 20. Still, bookings must be made in Japan until the company can be linked to the **Japan Air Lines Company, Ltd. (2)** computerized reservations system.

During the summer, typhoons and various rainstorms play havoc with the "City Airlink" schedule. Still, in early fall, 10 companies step forward to acquire \$4.6 million in shareholding.

Meanwhile, interest is taken in **Yokohama Air Service, Ltd.** and the travel agency Asahi Sky Ace Company, Ltd. An Aerospatiale AS-332L purchased from **Canadian Helicopter Corporation, Ltd. (CHC)** is dispatched to Malaysia to support offshore oil drilling by Japan's Idemitsu-Kosan Company, Ltd. The rotary-wing company enters the flight-seeing market on December 9 and, over the next month, transports 2,154 sightseers over the holiday season, along with 1,667 skiers. These events, plus the transport of 4,283 "City Airlink" passengers, help the carrier to turn the previous year's loss into a \$4.2-million profit.

In the spring of 1989, Aero Asahi, Ltd. contracts with the Japanese post office to undertake the study of a plan for the possible helicopter delivery of mail. During the same period, the company purchases 1 each Aerospatiale AS-332L Super Puma and 1 Sikorsky S-76A. The twin-engine rotary-wing fleet now includes Bell 212s, 214STs, 222s, 412s, Aerospatiale AS-355s, SA-330Js, and AS-332Ls, Kawasaki BK-117s, an MBB BO-105, the S-76, and a single Mil Mi-8, which arrived as part of the original 1982 merger. In addition, 3 Bell 47Js, 11 Aerospatiale AS-350Bs, and 37 Bell 206L/Rs are on hand, many of which are operated in support of the country's agricultural business, including rice spraying.

During March, "City Airlink" inaugurates services to Yokohama. In the worst accident by a Japanese-owned helicopter to date, the Bell 412 on lease in China crashes while landing at Taku Heliport, Tenchine, on May 5 (10 dead). Also in May, a contract is received by Aero Asahi, Ltd. from Tokyo Electric Company, Ltd. for assistance in the construction of two major power lines, stretching over 255 miles. Late in the year, a third Bell 412 is assigned to "City Airlink," which transports a total of 13,100 passengers on the year (average load factor 23.5%).

In 1990, 2 more Bell helicopters crash, bringing the total accidents in the past 2 years to 6, with 25 fatalities. In one of these, a LongRanger accident, Japan's first female commercial helicopter pilot, Miss Yumi Take, is killed.

Success of the jetfoil competition forces Asahi Air Lines Company, Ltd. to cease its interisland commuter operation between Tanegashima and Yakushima on March 11.

On August 20, a Bell 206L-3 LongRanger, chartered to the Japan Broadcasting Corp., crashes into the sea near Okinawa (four dead), while on September 21, an MBB BO-105 strikes a power line near Tokyo and crashes into a mountain (three dead).

Beginning on October 28, President Terada orders a weeklong suspension of services while the Japan Civil Aviation Board (JCAB) conducts a special inspection of Aero Asahi, Ltd.'s headquarters and Tokyo heliport base; the shutdown extends through the remainder of the year. Hideki Ikeda is now named Aero Asahi, Ltd. president, succeeding Sadayuki Terada, with Noboru Funami as the new managing director. "City Airlink" enplanements reach 15,600.

It is arranged for **Japan Air Lines Company, Ltd. (2)**'s new Air Academy to take over the Asahi Air Lines Company, Ltd.'s in the West Seto region from a base at Hiroshima next April. To equip the new endeavor, JAL in November places a ¥1.6-billion order for a pair of British Aerospace BAe Jetstream 31s.

When the new Makurazaki regional airport opens in Kagoshima Prefecture in December, Asahi Air Lines Company, Ltd. inaugurates scheduled services linking it with Tanegashima and Yakushima.

Flight activities resume at Aero Asahi, Ltd. in January 1991 on a limited basis, with only regular customers served. The company makes operational changes to increase safety in accordance with a report submitted to the Japanese Ministry of Transport. During the first quarter, three Bell 214Bs are sold to the Apple Valley, California operator, CRI Helicopters.

The JAL Air Academy, the flight training subsidiary of **Japan Air Lines Company, Ltd. (2)**, opens at Nishi (West) Hiroshima Airport in early March. Later in the month, JAL Air Academy is placed in charge of the Asahi Air Lines Company, Ltd. commuter operation in the Nishi-Seto region, which its parent, **Japan Air Lines Company, Ltd. (2)**, had acquired the previous November. The service is renamed **J-Air Company, Ltd.**, in order that the public may gain the impression that the service is operated and supported by JAL. JAL also undertakes an advertising campaign for the new operation.

J-Air Company, Ltd. services commence in April. Until the Jetstream 31s can be delivered in August, the new flights will be made with Asahi's Bandeirantes.

In April, the Civil Aviation Bureau demands that Aero Asahi, Ltd. reduce its helicopter fleet from some 80 machines to 45 as a condition of license renewal. The Indonesian subsidiary **Asahi Airways** is formed during the spring. As an incentive to lure passengers to its new

Japan-U.S. routes, **Japan Air Lines Company, Ltd. (2)** offers 50% discount on "City Airlink" fares for its first- and business-class passengers.

Although eight-times-per-day Bell 412 services are maintained between Haneda International and Narita Airports, the intercity commuter service is suspended in April. Reportedly, it has not turned a profit since start-up and has lost \$10 million, \$2 million more than its start-up cost.

An appeal is now made by the Seibu Saison Group and the Civil Aviation Bureau, acting as intermediary, to JAL for fiscal assistance to Aero Asahi, Ltd. On May 22, the flag carrier replies in the negative, stating that it is unfamiliar with the commercial helicopter business and sees no gain to be made from helping the distressed operator. It also notes the economics of the J-Air, Ltd. start-up, which the major considers a form of economic rescue.

With the arrival of the Jetstream 31s in August, the Bandeirantes are returned by **J-Air Company, Ltd.** to Asahi Air Lines, Ltd. The new pressurized turboprops begin flying on behalf of the JAL affiliate from Hiroshima to Oita and Matsuyama.

Due to poor weather during the summer rainy season and the recent typhoon period, "City Airlink" is only able to achieve a 36.7% load factor in September. That figure declines again in October as losses, posted over the previous three years, continue to grow. At the end of the month, "City Airlink" partners Aero Ashai, Ltd. and **Japan Air Lines Company, Ltd. (2)** notify Japan's Ministry of Transport that it will cease its unprofitable operations in November.

On November 20, **J-Air Company, Ltd.** launches Jetstream 31 services from Hiroshima to Nagasaki and from Hiroshima to Komatsu.

In 1992, Managing Director Noboru Funami replaces the Bandeirantes in the Asahi Air Lines Company, Ltd. fleet with a pair of Cessna 206s and two Beech 58 Barons. Orders are placed by Aero Asahi, Ltd. on July 8 for 15 McDonnell Douglas MD Explorers, a new helicopter without a tail rotor currently under development in Arizona.

Fixed-wing commuter flights by Asahi Air Lines Company, Ltd. continue apace in 1993-1994 with 2 Beech 58s, 2 Beech 95 Travelairs, 2 Cessna 402s, and 1 each Cessna 206 and Cessna 207. Meanwhile, the rotary wing fleet of Aero Asahi, Ltd. has been increased to include 4 SA 330Js, 8 AS-355Fs, 14 AS-350Bs, 3 AS-332Ls, 26 Bell 206B JetRangers, 3 Bell 20Rs, 6 Bell 312s, 3 MBB BK-117s, and 6 Sikorsky S-76s.

The largest helicopter operator in Japan, Aero Asahi, Ltd. acquires the first of 5 McDonnell Douglas MD Explorers in July 1995. The advanced rotary-wing aircraft is the first of its type to enter service in Japan. Orders are outstanding for 13 more, which will be added over the next 4 years. Its operations, together with those of Asahi Air Lines Company, Ltd., continue apace in 1996-1997.

In 1998, the rotary-wing and fixed-wing Asahi flying concerns remain core companies of one of Japan's leading corporate groups, The Saison Group, which comprises nearly 200 companies and 4 research institutes. Capitalized at ¥ 740 million, offices are maintained at Hokkaido, Tohoku, Osaka (KIX), Kyusyu, and 44 other domestic locations, as well as Manila. The workforce totals 1,415.

President Tachihiko Endou of Asahi Air Lines Company, Ltd., which had sales of ¥ 1.6 million the previous year, now operates a fleet that includes 1 Beechjet 400 bizjet, 2 CASA C-212-100s, and 5 CASA C-212-200s.

President Toru Nakamura of Aero Ashai, Ltd., which had sales of ¥ 29.39 million the previous year, now operates at fleet of 5 SA-330Js, 3 AS-332Ls, 13 AS-350Bs, 8 AS-355Fs, 4 Bell 204Bs, 31 Bell 206Bs, 1 Bell 214ST, 1 Bell 230, 6 Bell 412s, 2 Fuji Bell 205Bs, 1 MBB BO-105S, 2 BK-117s, 3 MD-900s, and 4 Sikorsky S-76s.

Operations continue in 1999-2000.

ASAHI HELICOPTERS, LTD.: Japan (1955-1982). Founded at Tokyo on July 20, 1955, Asahi Helicopters, Ltd. undertakes rotary-wing passenger and cargo charters throughout the nation, along with contract services flights. Among the nonscheduled services flown are those in support of the offshore oil industry, aerial survey and photography, and

agricultural spraying. Operations are conducted not only in Japan, but in China, Bangladesh, South Korea, and Indonesia as well.

By the early 1980s, the fleet comprises over 50 helicopters of 6 types from the U.S., West Germany, France, and Russia. In order to obtain the necessary permits and routes to provide scheduled service, the 750-employee company purchases **Toyo Aero Survey, Ltd.** and forms **Aero Asahi Corporation, Ltd.** on July 1, 1982.

ASAHI TEIKI KOKU KAI (ATKK): Japan (1927-1945). The Air Transport Department of the major newspaper *Asahi Shimbun*, which has sponsored the pioneer public carrier **Tozai Teiki Koku-Kai (TTKK)**, establishes an in-house airline in February 1927. Its purpose is to haul the press (including periodicals and paperback books) up and down the west coast of Honshu from Tokyo to Niigata and from Osaka to Niigata via Toyama. While TTKK employs license-built Dornier Komets, ATKK takes over its Nakayima biplanes for its cargo business, continuing it with little notice, primarily during summers.

Early in 1929, TTKK is merged into the new state carrier **Japan Air Lines Company, Ltd. (1)**. The managing editor, Masuichi Midoro, and his assistant Katsuyoshi Nakano, specifically exempt ATKK from the transfer and keep it in operation on the newspaper's behalf over the next 16 years. The remembered highlight of this period is the 94 hr. 18 min. (51 hr. 19 min. flying time) flight which it sponsors to London in April 1937 to obtain photographs of the coronation of King George VI. Piloted by Masaaki Iinuma and Kenji Tsukagasaki, the Mitsubishi Karigane 1 *Kamikaze-gou (Divine Wind)* significantly impresses Western observers.

ASERCA (AEROLINEAS REGIONAL DE CENTRO, C.A.): Avda Bolivar Norte, Torre Exterior, Piso 8, Valencia, Venezuela; Phone 58 (41) 573 111; Fax 58 (41) 220 210; <http://www.asercaairlines.com>; Code R7; Year Founded 1993. **Aeroservicios Carabobo, S.A.**, founded by Simeon Garcia at Valencia, is renamed **ASERCA, S.A.** in 1993 when it receives permission to inaugurate domestic charter services. Revenue flights commence with a leased fleet of 3 Douglas DC-9-32s and 1 DC-9-31. The fleet is altered in 1994 to include 4 chartered DC-9-31s and 1 DC-9-32.

Permission is received in 1995 to begin scheduled services. At this point, the name is changed again, becoming ASERCA (Aerolineas Regional de Centro, S.A.). Another chartered DC-9-31 enters service.

The fleet is increased by two more DC-9-31s in 1996-1997 and destinations visited now include the Venezuelan cities of Barcelona, Maracaibo, Puerto Ordaz, and San Antonio. In addition, international services are operated to Aruba, Barquisimeto, Georgetown, and Maturin.

Airline employment at 9 Venezuelan airports stands at 1,200 at the beginning of 1998. More than 1,300 weekly departures are offered to 9 domestic and 3 Caribbean destinations (Aruba, Santo Domingo, and St. Martin). Additionally, the company serves the city of Caracas with more than 35 daily departures and 100 connections within the country.

A new corporate livery is unveiled early in the spring. At the same time, the company is one of several making an offer to participate in the privatization of **Air Aruba, N.V.**

It is announced on June 29 that the tender process for the privatization of Air Aruba has been successfully completed. The task force charged with overseeing the AA privatization unanimously decides to recommend the ASERCA tender to the government and parliament of Aruba just as soon as approval can be obtained from Air Aruba's shareholders. That action is completed on July 9.

ASERCA Chairman Simeon Garcia now becomes president of Air Aruba, N.V. A strategic marketing agreement between the airline and its new partner is signed with **Continental Airlines** on September 18. The pact will lead to code-sharing on Continental flights between the U.S. and Venezuela and on ASERCA flights to domestic Venezuelan destinations beyond Caracas. It will also allow ASERCA to code-share on Continental services from Houston to Aruba and on **Air Aruba, N.V.** flights from Aruba and New York/Newark, Miami, and Tampa. Customers will

be able to earn Continental OnePass frequent flyer miles aboard flights of either of the Latin carriers.

On October 28, the Air Aruba Reprivatization Task Force announces the formal and final closing of the participation and restructuring agreement between Air Aruba, the Legal Entity Aruba, and ASERCA Group. ASERCA Group is now officially the largest shareholder in Air Aruba with a 70% stake. Within days, the financial restructuring of the airline and the work of the task force are completed and the airline is able to continue operating on its own financial strength.

ASERCA Group leases a pair of Boeing MD-90-30s from Hwa-Hsia Leasing, Ltd. of Taiwan on November 19. The one retained by ASERCA for use in Latin America is the first new aircraft delivered to a Venezuelan airline in more than a decade. The other is subleased to **Air Aruba, N.V.**, which will employ it on its North American routes.

A third MD-90-30, which is also slated for **Air Aruba, N.V.** is delivered in 1999. In December, Venezuela is hit by floods and landslides that kill thousands and close the Caracas Airport for weeks. The airline loses significant income.

In terrible fiscal shape, **AVENSA (Aerovías Venezolanas, S.A.)** is pushed by the government in early 2000 toward a joint venture—just short of a merger—with ASERCA. On April 6, the two carriers sign a letter of merger intent.

In late spring, AVENSA is approached by **LAV Venezuelan Airlines, S.A. (Aeropostal)** with a buyout offer. Under the proposal, AVENSA would pay \$20 million for 80% majority control. In June, the AVENSA board rejects the Aeropostal offer, preferring the union with ASERCA instead. Even though the two plan a joint service from Caracas to Madrid with ASERCA aircraft in July, the matter of paying off \$53 million in debts, however, remains.

On October 16, it is announced that service to Europe will resume on November 24.

Plans for a merger with AVENSA are dropped on November 3.

ASERCA, S.A. See **ASERCA (AEROLINEAS REGIONAL DE CENTRO, S.A.)**

ASHEVILLE FLYING SERVICE: United States (1982–1983). AFS is set up at Asheville, North Carolina, in early 1982 to provide daily roundtrip air taxi services to Raleigh/Durham. Although Piper PA-23 Aztec revenue frequencies are duly inaugurated, they are only maintained for a year.

ASI CHARTER: 6005 Propeller Lane, Sellersburg, Indiana 47172, United States; Phone (812) 246-4696; Fax (812) 246-4365; <http://www.aircraft-specialists.com/Pages/ASiCharter.html>; Year Founded 1995. ASI is set up at Clark County Airport at Jefferson, Indiana, in 1995 to offer a variety of passenger and executive charters and air express services. The concern is a subsidiary of the FBO Aircraft Specialists, established in 1976 as a maintenance facility, which has grown to include nonscheduled flight services.

Within three years, President Eric Taylor's company employs nine pilots and operates two Learjet 35As and one each Learjet 31A and Cessna 208 Caravan I.

ASIA PACIFIC AIR, LTD.: Malaysia (1995–1998). APA is established at Kuala Lumpur in early 1995 to offer nonscheduled flights to tourism destinations in the country. Hairun Nilsa Abu Bakar is named CEO and services commence late in the first quarter with a Fairchild Metro 23. In mid-February 1996, orders are placed for four more Metro 23s; the first of these enter service during April, with the remainder being delivered throughout the remainder of the year.

The carrier is unable to survive the Asian economic recession that begins in mid-1997 and is forced out of business in 1998.

ASIA PACIFIC AIRLINES COMPANY, LTD.: 8f. 108, Sec. 5, Nanking E. Road, Taipei, Taiwan; Phone 886 (2) 762-2448; Fax 886 (2) 762-2048; http://www.caa_motc.gov.tw/airline.e_ap.html; Year

Founded 1988. Rotary-wing Asia Pacific is established at Taipei in 1988 to provide scheduled air taxi and energy industry support services to domestic locations. The fleet grows over the next 12 years to include 3 Bell 412SP helicopters.

ASIA TENGARA AVIATION SERVICES SDN BHD: City Heliport, Lot 4888, Jalan Segambut Tengah, Kuala Lumpur, 51200, Malaysia; Phone 60 (3) 261-0555; Fax 60 (3) 261-3472; Year Founded 1994. Captain Nasir Ma Lee is named managing director of this new rotary-wing operation that is set up at Kuala Lumpur in 1994. Oil industry and transportation support services begin with a helicopter fleet that includes five Bell 206L LongRangers.

These nonscheduled operations continue without change until 1996, when a Boeing 737-300 is acquired with which to undertake regional passenger charter flights.

No information is available concerning fixed-wing operations in the 1997–2000 period.

ASIAN SPIRIT: Nigi Nigi Nu Noos 'e', Nu Nu Noos Beach Resort, White Beach, Boracay, The Philippines; Phone 63 (36) 288-3101; Fax 63 (36) 288-3112; <http://www.pworld.net.ph/user/nigingi/asian.html>; Code RIT; Year Founded 1996. The last of four new entrants to be formed in the Republic of the Philippines following deregulation of that country's air transport in early 1995, Asian Spirit is the only one to be entirely focused on turboprop domestic operations.

Owned by a number of Philippine aviation workers under the group name of the Airline Employees Cooperative, the company, which had originally planned to open shop in December, formally incorporates in February 1996. Antonio Buendia is appointed general manager.

A pair of de Havilland Canada DHC-7-102s are purchased and begins daily roundtrips in March to Baguio, Catarman, Caticlan, Cauayan, Daet, Masbate, and Tablas. Operations continue apace during the remainder of the year until December, when a Nihon YS-11A-200 is acquired.

Early in 1997, the new Japanese-made turboprop begins flying from Manila to Virac and San Jose. The company encounters rough financial flying and reverts to a charter operation. All but one of the DHC-7s is withdrawn and the company begins flying vacationers two or three times daily from Manila to Caticlan Airport.

From here, they are transferred to a resort on Boracay. Uniquely, the central reservations office is located in a resort on Boracay, which has no airfield and is located 20 min. from Caticlan by outrigger.

From June 1998 onward, the air transport situation in the Philippines becomes critical as labor and management at **Philippine Airlines (PAL)** move toward closure for Asia's oldest airline. In August, however, Asian Spirit is grounded by the Air Transportation Office over safety concerns.

When closure of the flag carrier becomes inevitable in mid-September, the leaders of the nation's four independent airlines are summoned to a meeting with Philippine President Joseph Estrada in Malacanang. It has become necessary to find a way to increase the gap between the 230,000 monthly domestic seats provided by them and the 280,000 offered by PAL.

Meeting with Estrada on September 22, company executives and the leaders of **Cebu Pacific Air, Grand International Airways, Air Philippines**, and several other small operators promise to acquire additional aircraft and fill any vacuum left by PAL within a month. For its part, the government indicates a willingness to grant incentives, including higher fares and concessional loans, designed to help them speed up their capacity build-up.

Asian Spirit is allowed to resume flying, but its efforts will have little impact on the seat requirement.

Airline employment stands at 120 at the beginning of 1999. By now, the fleet has been increased by the addition of two Let L-410UVPs from the Czech Republic.

Early in the spring, the company leases several Nihon YS-11As from **Aboitiz Air**, which will employ them to open a new hub at Cebu on July 1. Although Aboitiz continues to utilize the cargo spaces, the Japanese-made turboprops now offer Asian Spirit passenger flights

from Cebu to Naga, Cagayan de Oro, Tagbilaran, Butuan, Dipolog, Bacolod, and Caticlan.

Flights continue apace during the remainder of the year. While en route from Manila to Cauayan on December 7, Flight 100, a Let L-410UVP with 2 crew and 15 passengers, crashes in the mountainous area of Kasibu in Nueva Vizcaya province, 96 km. from its destination. The pilot of the flight, Capt. Rolando Salandanan, was formerly vice president-operations at **Cebu Pacific Air**. The wreckage is found the next day and there are no survivors.

On March 21, **2000**, the carrier accepts delivery of the first of 3 CN-235-200s leased from IPTN in Indonesia. The new arrivals will replace aging NAMC YS-11s.

Thrice-weekly roundtrips are launched on September 1 between Cebu and Surigao, while six-times-a-week return flights begin on November 1 from Cebu to Dipolog.

ASIAN STAR: Tynistanov St. 120, Bishkek, 720000, Krygystan; Phone 7 (3312) 263 455; Fax 7 (3312) 263 666; Year Founded 1995. A joint venture of the Uliss Insurance Company and Krygystan Aba Yoldoru, Asian Star is set up at Bishkek in **1995** to operate passenger charters and inclusive tour services. Boris Roinik is named president with Raisa Mambetalieva as director general. They begin and continue revenue flights with a single Tupolev Tu-154M.

By **1999-2000**, the fleet is doubled to include 2 Tu-154Ms.

ASIANA AIRLINES: Asiana Bldg, 10-1, 2-Ka Hoehyun-Dong, C.P.O. Box 142, Seoul, 100-052, South Korea; Phone 82 (2) 758-8351; Fax 82 (2) 758-8080; <http://www.flyasiana.com>; Code OZ; Year Founded 1988. In need of more Korean lift in the national market than **Korean Airlines/Korean Air (KAL)** can provide, the Republic's outgoing President Chun Doo Hwan awards a license for a second Korean airline to the Kwangju-based Kumho Group in February **1988**. Originally formed as **Seoul Air International** early in the year, this conglomerate subsidiary is capitalized at \$36.5 million, with the Korean Development Bank a minority (35%) shareholder.

Former Korean Air Force Maj. Gen. Yong Tae Park is named executive vice president under Chairman Ing Sung Hwang, a former Republic of China transport minister. Asiana is equipped in late fall with the first 2 of 6 GPA Group leased Boeing 737-4Y0s to be delivered. Orders are also placed for 5 additional B-737-400s, 4 B-747-400s, and 2 B-767-300s, with 3 additional options. Pilots are recruited from among the unemployed flyers of **Korean Airlines/Korean Air (KAL)** and **Air France**. Domestic revenue services are inaugurated on December 23 from hubs at Seoul and Cheju.

A total of 6,796 passengers are transported by year's end. Revenues are \$62.3 million, but expenses are higher, bringing an operating loss of \$39.9 million and net downturn of \$46.3 million.

Employing the leased B-737-4Y0s, the carrier, freed of government requirements that it supply only domestic service, stretches a new route in **1989** to Pusan, following it with international services to Fukuoka, Nagoya, and Tokyo, made possible by the delivery of two B-767-38EERs. A strong maintenance department is established that allows the first 737 checks to be performed late in the year. A total of 900,000 passengers are flown on the year.

The **1990** fleet of the 3,000-employee private airline includes two B-767-38EERs, 10 leased B-737-4Y0s, and 2 B-737-53As. Four-times-per-week B-767-38EER service is started from Seoul to Tokyo in February. Orders worth \$6 billion are placed on September 1 for 11 B-747-400s, 12 B-767-300s, and 13 B-737-400s. Two more B-767-38EERs arrive in October, along with the first Jumbojets; these allow the initiation of services to Bangkok and Hong Kong.

A total of 2.28 billion revenue-passenger-miles are flown during the year while revenues total \$150.2 million. Expenses are \$199.7 million and cause an operating loss of \$49.5 million. Net loss is \$64.2 million.

In need of pilots, the company contracts with Vero Beach, California-based FlightSafety to provide training; the first class group of cadets

graduates in October **1991** and is quickly followed into training by a second.

The first of three B-747-48ECs is delivered in October and is employed to inaugurate daily Seoul to Los Angeles service on November 15; by year's end, Asiana is flying 84 scheduled domestic flights per day as well as 70 international frequencies per week to destinations in China, Japan, Southeast Asia, and over the new route to Los Angeles.

The fleet in **1992** comprises 5 B-767-38EERs, 10 leased B-737-4Y0s, 2 B-737-48Es, 1 leased B-737-53A, and 3 B-747-48ECs. Orders are outstanding for 11 B-737-48E, 5 B-747-48ECs, 3 B-747-48EFs, and 8 B-767-38EERs. Nonstop flights are inaugurated from Seoul to New York and San Francisco on December 9. Enplanements total 5,057,806. Expenses exceed income and the operating loss is \$693,112. The net loss is \$58,000.

Airline employment is increased by 25% in **1993** to 3,880 as two more B-747-48ECs are acquired. Service is initiated during March-April to Toyama, Paris, New Delhi, Berlin, and Brussels.

Ho Chi Min City joins the route network on July 1 followed by Honolulu on July 20.

While on final approach for the third time to Mokpo Airport on a July 26 service from Seoul, Flight 733, a B-737-5L9 with 6 crew and 110 passengers, collides with Mount Ungeo, 4 nm. N of the runway (68 dead). This is Asiana's first major accident.

On November 1, the company becomes launch customer for the B-767-38E freighter.

Passenger boardings increase 15% to 5,950,359 while freight traffic moves ahead by a remarkable 95% to 441.7 million FTKs. Revenues ascend 48% to \$651.26 million while expenses climb 54% to \$644.15 million. The happy difference results in an operating surplus of \$7.1 million. The net loss increases to 63,000.

Employment at the carrier is boosted another 28.9% in **1994** to 5,000. Weekly roundtrips commence on June 23 between Seoul and Khabarovsk; Asiana is the first Korean carrier to offer regularly scheduled flights to the Russian Far Eastern destination.

In early September, a strategic code-sharing alliance is signed with **Northwest Airlines**; under terms of the agreement, the company will share frequent flyer programs, terminal and lounge facilities at four U.S. airports, and cargo space on flights between Korea and the U.S.

Plans to initiate new thrice-weekly roundtrips to Seattle are postponed in order that the carrier might take advantage of key tourism opportunities.

Code-sharing flights commence in cooperation with **Northwest Airlines** on October 30 on flights between Detroit and Seoul (NWA) and Seoul and Saipan, Honolulu, San Francisco, Los Angeles, and New York-JFK (Asiana).

The first B-747-48ER arrives in December and service to Russia and mainland China begins at year's end.

Customer bookings balloon 28.2% to 7,626,936 while freight nearly doubles, climbing to 795.62 million FTKs. Revenues of \$993 million allow a net profit (the first) of \$37 million.

Two important revenue-sharing pacts are inaugurated in January **1995**. One with **Air China** covers flights to Beijing from Seoul and Pusan while the second, with **China Eastern Airlines Company, Ltd.**, provides for joint income over a route from Seoul to Shanghai.

Thrice-weekly B-767-38EER roundtrips commence between Seoul and Seattle-Tacoma International Airport on May 22.

Having spent \$1 million to renovate an 85,000-sq.-ft. facility at New York (JFK) that had previously been employed by **Japan Air Lines Company, Ltd. (2)**, Asiana moves in mid-July. The number of weekly flights into Kennedy advances to 12 as 2 new weekly roundtrips are started between New York and Seoul.

Traffic figures are reported only through September, but are gratifying. Passenger boardings are up 19% over the same period a year earlier to 6,753,412 while cargo rises 47.8% to 858.65 million FTKs. The good traffic report translates into profits: \$126.52 million (operating) and \$24.43 million (net).

Twice-weekly service is inaugurated on November 1 between Seoul and Brussels; the return flights stop at Vienna.

Thrice-weekly B-767-38EER roundtrips between Seoul and Cairns, Australia, commence on December 3.

Airline employment stands at 6,177 in 1996 and, in January, the company wins the "Market Development Award" from *Air Transport World* magazine.

Code-sharing flights begin in February with **Austrian Airlines, A.G.** over a route from Seoul to Vienna. As the result of an investigative report by *The Wall Street Journal*, the U.S. Department of Justice and FAA both begin a probe during the second week of July to determine if company pilots had received preferential treatment while training in the U.S.

In November, code-sharing begins with **Qantas Airways (Pty.), Ltd.** from Seoul to Sydney and Cairns, four-times-per-week. The two companies also agree to coordinate ground handling services at the Korean and Australian destinations. Flights to London commence in December.

Full-year traffic figures show a 12.3% increase in customer bookings to 10,030,521 and operating income jumps 14.4% to \$1.42 billion. Costs climb 20.9% to \$1.36 billion, leaving an operating gain of \$62.33 million. There is a huge \$64.07-million net loss.

The workforce grows 2.9% in 1997 to 6,404. With the blessing of the South Korean government, Switzerland-based Pacific Investment Capital, Ltd. acquires an \$80-million, 19.02% stake during January. During the month, the company places a \$175-million order for GE CF6-80C2 engines. It also receives the annual "Market Development Award" from the industry magazine *Air Transport World*.

On April 1, electronic ticketless travel is introduced systemwide, making Asiana the first airline in the world to have fully integrated this service. Dual-designator frequencies from Seoul to Sydney and Cairns are increased to five per week beginning in April. Frankfurt joins the route network in May.

A code-sharing agreement with **THY (Turkish Airlines, A.O.)** takes effect on August 1; employing Asiana B-747-48ECs with dual designated flight numbers, the two initiate twice-weekly roundtrips between Seoul and Istanbul.

In the wake of the July **Korean Airlines/Korean Air (KAL)** disaster on Guam, Asiana, on August 25, decides to suspend operations to Agaña International Airport on the island until September 11 when it is expected that the island airfield's safety devices will be repaired.

During the summer, a strategic alliance is entered into with **American Airlines**. On September 1, the carrier cuts its roundtrip fares to seven Asian destinations from seven U.S. markets to \$679 and up.

At this point, the company firms up an order with Airbus Industrie for three A330-200s and three A330-300s, to be delivered between the fall of 1999 and summer of 2001.

In early October, a B-747-R8F-4Q8F is chartered from ILFC for 10 years, beginning in April 1999.

A new dual-designator alliance is entered into with **American Airlines** on October 17. The three-year-old code-sharing pact with **Northwest Airlines** is concluded on October 30.

The next day, twice-weekly B-767-38EER roundtrips commence between Seoul and New Delhi, India. Code-sharing on South Korea-U.S. flights, scheduled to begin with **American Airlines** on November 20, is postponed.

It is announced on December 2 that the company, since July 1, has run a campaign to collect small change to be used in a special fund-raising program for North Korean children. Through the generous support of the airline's passengers, it is able to turn 88 million in donations over to the Korean committee of UNICEF.

Late in December, the company defers delivery of its first B-777, as well as the B-747-4Q8F.

Passenger boardings climb 5.3% to 10,565,307 while revenues jump 13.2% to \$964.01 million. With costs of \$763.62 million, the company enjoys a \$200.38-million operating profit, but also must face a huge \$281.43-million net loss.

At the beginning of 1998, Asiana is the 20th largest airline in the world in terms of operating profit.

In January, because of the nation's growing economic difficulties, the carrier suspends services from Seoul to Frankfurt, Vienna, Istanbul, and Frankfurt. Passenger flights to Macau and Honolulu are suspended, along with an all-cargo service to New Delhi. Asiana is also forced to delay acceptance of several new aircraft, including one each B-747-48EC and B-767-38EER. Ten airplanes will also be sold.

Other cost-cutting measures put into effect include a hiring freeze, a management reorganization (and the weeding out of 20% of the top executives), rotating one-month unpaid lay offs for all employees to protect all from permanent redundancies, salary cuts, nonpayment of bonuses, and other savings.

With the beginning of the summer schedule in March, new routes are opened from Seoul to the Chinese communities of Changchun, Harbin, and Guangzhou. Some of these are marketed as Flying Magic service.

A block-space, code-sharing agreement is signed with **Singapore Airlines, Ltd.** on April 10; under its terms, the Korean carrier, starting four days later, places its two-letter "OZ" code on Singapore's A310-324 thrice-weekly roundtrips between Singapore and Seoul. The new flights replace Asiana's existing B-767-38EER roundtrips between the two capitals.

Dual-designator service with **American Airlines** finally begins on July 20. American places its "AA" code on Asiana's flights from Seoul to Los Angeles, San Francisco, Seattle, and New York (JFK).

Twice-weekly flights are introduced on September 1 between Shanghai and the island resort of Cheju.

On October 1, Asiana is able to place its code on American services from the four gateway cities and other U.S. points.

Landing at Anchorage on November 11 after a service from New York (JFK), Flight 221, a B-747-48EC with 18 crew and 220 passengers, begins to taxi over an icy ramp area towards its gate. As the plane reaches N-6 and begins to turn left, it continues straight ahead, with the nose-wheels sliding sideways. The left, outboard engine of the Jumbojet strikes the left wingtip of **Aeroflot Russian International Airlines (ARIA)** Flight 853, an Ilyushin Il-62M with a crew of 11 and a contract cleaner aboard preparing for departure to San Francisco. The Boeing's left wingtip then strikes the Ilyushin's vertical stabilizer. Except for a sprained wrist claimed by the cleaner, no other injuries are reported. The captain of the Korean 747 immediately orders all four engines shut down and the passengers are disembarked using air stairs. Immediately after the collision, the Russian crew and cleaner, after turning off all power, also exit their aircraft.

While taxiing at New York (JFK) on November 30 after arrival from Anchorage, a B-747-48EF with two crew strikes a crane located in a taxiway safety area and is substantially damaged. Nether man aboard the plane is hurt, but the crane operator receives minor injuries.

In early December, Asiana enters into a major codesharing agreement with **China Eastern Airlines Company, Ltd.** In addition to the usual sharing of frequent flyer programs, marketing, and ground handling, the two undertake regular shared roundtrip service from Seoul to Yantai, four times a week.

The dual-designator arrangement with China Eastern Airlines is enhanced on December 29. Two additional weekly roundtrips are added from Seoul to Yantai and new twice-daily nonstop roundtrips are inaugurated between Seoul and Shanghai.

Enplanements during the 12 months fall 16.5% to 8.95 million, while cargo traffic drops 13.7% to 1.8 billion FTKs.

The first quarter of 1999 is strong for Asiana and allows its leadership to begin planning for better times. Revenues during the three months total \$252 million and exceed the company's \$214-million goal.

When the summer schedule begins on April 1, Asiana increases the number of its weekly roundtrip flights to Osaka (KIX) from 7 to 14. The number of weekly return services from Seoul to Australia simultaneously grows from 4 to 6. The next day, service is resumed to Saipan and Guam.

Exiled Chinese dissident Wang Xizhe, seeking to return home to pay respects to his deceased father, is a passenger on the company's April 5 B-747-48ER service from New York to Beijing via Seoul. When the Jumbojet arrives at the South Korean capital, Wang, who does not have clearance to continue on to China, is removed from the aircraft and booked on a flight to Bangkok. The Hong Kong-based Information Centre of Human Rights and Democratic Movements in China informs Reuters, Ltd. that the airline had been warned by Chinese authorities of Wang's boarding and that the carrier would be held responsible if his flight were completed. When Wang arrives in Bangkok, Thai officials prevent him from holding a news conference and order him to return to his point of departure. The dissident returns to Seoul on April 8, returning to New York next day.

As the Korean economy continues its recovery during the spring, Asiana agrees to take delivery of the B-767-38EER and B-747-48ER postponed the previous year.

Following the latest **Korean Airlines/Korean Air (KAL)** accident on April 15 and government penalties, Asiana's market share increases. By the end of the month, the company claim's 40% of all domestic passengers, up from 30% for all of 1998.

Additional new services added during the summer include an expansion of frequencies to Fukushima and replacement of the B-737 flown to Hong Kong with a B-767-38EER. Suspended services to Taipei are resumed, seven times a week. The new restrictions imposed by the Philippine government during May in an effort to save **Philippine Airlines (PAL)** cause Asiana to scuttle plans for an expansion of flights to Manila.

In the area of cargo, new frequencies are added to Sendai and Frankfurt and from Seoul to Brussels to Seoul via New York (JFK). The number of flights over existing routes from Seoul to New York (JFK), Chicago (ORD), London (LHR), Brussels, Amsterdam, and China are also boosted.

Four men who joined the company in 1990 as pilot trainees are advanced to the rank of captain on November 29 in a ceremony that marks the first time civilian flyers had been so promoted in Korean aviation history. Previously, all Asiana or Korean Air captains had been ex-air force or foreign pilots.

In December, company workers shut the carrier down for five hours one day before the carrier agrees to a 10% wage increase.

Passenger boardings and cargo traffic this year remain level with figures from a year earlier. On revenues of \$1.7 billion, a net \$9.7-million profit is generated.

New B-737-4Y0 roundtrips to Guilin and Xian in mainland China begin on April 2, 2000; Asiana is the first foreign carrier to land at the former destination. On June 11, in cooperation with **Cargolux Airlines International, S.A.**, twice-weekly Seoul to Brussels roundtrips are started, employing the European carrier's B-747-47UFs.

On June 14, a company B-737-4Y0, which had earlier in the month been secretly diverted from its usual Seoul-Pusan route for crew training, flies a South Korean delegation to P'yongyang. Following the historic talks, the small plane returns the government leaders in triumph.

A320 Thursday-only roundtrips begin on June 22 from Seoul to Chongqing, China.

ASMARA AIRLINES: Eritrea (1994–1995). Asmara is established in the spring of 1994 to offer regional services. Revenue flights commence in midyear with a fleet of 7 Dornier 228-212s. Operations cease within a year.

ASN AEROSTAN (AIRSTAN): 12 Z. Sultan Str., Kazan, Tatarstan, 420022, Russia; Phone 7 (8432) 329 231; Fax 7 (8432) 329 481; <http://www.kazan.ru/air>; Code JSC; Year Founded 1994. Airstan is established at Kazan in 1994 as a closed joint-stock company specializing in long-distance international air carriage of heavy and oversized cargo. It is, in fact, a subsidiary of the industrial-financial corporation TatInTrade, which includes several other Tatarstan Republic enterprises. R. Iskhakov is chairman, with A. Galunov as general director.

At first, all capital of the charter operation consists of one Ilyushin Il-76TD, as well as pilots and technicians, who are recruited from **Aeroflot Russian International Airlines (ARIA)** and **Volga-Dnepr Airlines**.

In cooperation with **Heavylift Cargo Airlines, Ltd.** and several other cargo carriers, the company inaugurates services to 20 nations in Europe, Africa, and Asia.

During 1995b, Taliban freedom fighters in Afghanistan capture the company plane during one of its regular airlifts and hold the crew as prisoners. After some hours, the Ilyushin's pilots are able to disarm the guard and escape to the U.A.E. flying in difficult conditions at only 50 meters height.

Flights continue during the remainder of the year and beyond into 2000. During these years, the fleet is increased with a second Il-76TD and an Antonov An-26, as well as a Yakevlov Yak-40, which is employed for executive charters.

ASPEN AIRWAYS: United States (1953–1991). Founded by Clyde Bonham as an FBO at Denver, Aspen commences an air taxi service to Colorado's ski resorts in June 1953. Having obtained a special exemption from the CAB, Aspen begins scheduled service in 1955 with Beech Bonanzas, ferrying members of the Aspen Institute for Humanistic Studies to and from Denver. The operation is enlarged on March 27, 1965 to provide scheduled Douglas DC-3 and de Havilland DH 114 Heron service to its namesake city's ski areas.

The CAB grants the carrier a certificate for the route on March 9, 1967. Gerald Hickman is named president and the fleet is now increased by the addition of Convair CV-340s and CV-440s. The workforce is now 41 and a total of 15,000 passengers are originated during the year. Operations continue apace in 1968–1969.

Due to a checklist completion mistake, a CV-240 with 3 crew and 49 passengers makes a wheels-up landing at Aspen on January 17, 1970, and skids for 4,300 ft. before stopping; there are no fatalities.

Boardings for the year climb to 42,000 passengers and FTKs rise to 6,000.

Enplanements total 35,916 in 1971. The company enjoys a solid "B" average in 1972. The workforce stands at 82. Passenger boardings skyrocket 56.2% to 82,000 and cargo traffic does better, up 83%.

Enplanements in 1973 total 97,000. The number of employees has fallen to 77 by 1974. Customer bookings accelerate 3.1% to 100,000, but freight traffic is down by 18.6%.

The workforce in 1975 is 121. Two Convair CV-580s are acquired and the company contracts two CV-440s with crews to McCulloch Development Corporation to fly the real estate firm's prospective customers. Constructed by Pitkin County, a new transportation center and terminal is occupied at Aspen's Sardy Airfield. Enplanements grow by 20.4% to 114,154.

Employment grows by 9.1% in 1976 to 132. Passenger boardings accelerate 19% to 136,000. The company's 10 Convair CV-580s assist enplanements to reach 229,949 in 1977. Charter and contract service flights also continue to be operated, not only within the U.S., but to Mexico, Canada, and the Caribbean as well. Net profits total \$11,000 on operating income of \$6.43 million.

The workforce totals 260 in 1978, an increase of 57.6%. New routes are opened to Durango and Montrose, Colorado, and plans for additional expansion are studied. Meanwhile, a number of new marketing initiatives are undertaken, including three undertaken in cooperation with regional travel agencies.

Passenger boardings jump 10.3% to 256,353 while FTKs rise 29.2% to 45,000. Overall revenues advance to \$7.76 million, but expenses fly higher, reaching \$8.46 million. This unhappy imbalance results in an operating loss of \$697,000 and a net loss of \$21,000.

The number of workers is increased by 28% in 1979 to 320. The carrier adopts a deliberate policy emphasizing replacement service and avoiding competition with subsidized airlines; thus, Aspen closes its routes to the New Mexico communities of Albuquerque and Farmington and to the Colorado towns of Gunnison and Durango. At the same

time, a new Golden State division is set up and the company moves into California to replace those routes abandoned by **Air California**, **Pacific Southwest Airlines (PSA)**, and **United Airlines** in the wake of deregulation.

A hub is established at Burbank and routes are extended from Burbank and Los Angeles to Lake Tahoe; San Francisco and San Jose to Lake Tahoe; Bakersfield to Los Angeles; and Los Angeles to San Francisco via Stockton and Modesto. To provide the extra capacity required, two more CV-580s are purchased and the entire Convair fleet receives a new paint scheme. In addition, the new destinations are trumpeted via several innovative advertising campaigns.

Passenger boardings jump 28% to 328,433 and cargo accelerates 38.7% to 63,000 pounds. Operating income bounces upward by 56.2% to \$12.17 million, but expenses (led by fuel prices) sweep to \$12.56 million, a 48.4% boost. As a result, the carrier suffers an operating loss of \$431,000 and a net failure of \$350,000.

The employee population is increased by 7.3% in 1980 to 296 and the fleet includes 10 CV-580s. Terence O. Dennison is appointed vice president operations. In early spring, the route to Montrose, Colorado, is suspended as are flights in the Bakersfield and Los Angeles area. Direct Los Angeles to Lake Tahoe service is inaugurated and during the two-month strike at **Pacific Southwest Airlines (PSA)**, the carrier helps to alleviate traffic demand by covering that company's Burbank-San Francisco run. The British Aerospace BAe 146 is examined as a Convair replacement.

Customer bookings leap ahead by 6.5% to 349,579 as does freight, by 29.6%, to 92,856 pounds. Revenues accelerate 47.8% to \$17.9 million, with expenses lagging behind at \$17.5 million. The profits are \$351,000 (operating) and \$304,000 (net).

The number of employees is cut by 13.8% in 1981 to 255. A new Denver-based central reservations facility, complete with a \$300,000 Rolm ACD/CBX computer system, is occupied during the first quarter. On June 1, Aspen becomes a subsidized replacement carrier for **Western Airlines** on the major's Salt Lake City to West Yellowstone route.

However, passenger boardings are down significantly, due largely to the PATCO air traffic controllers' strike, falling 30.3% to 243,502; cargo falls even more, off 32.5% to 57,179 pounds. Operating income plunges 56.5% to \$16.91 million while expenses accelerate to \$17.29 million. Consequently, the company suffers a \$379,000 operating loss and a net downturn of \$656,000.

The workforce in 1982 totals 240 and the fleet includes 10 Convair CV-580s. Enplanements rebound as a variety of new charter destinations are added, including Sun Valley, Jackson Hole, and Durango. Enplanements jump a full 14% to 277,000.

An 11th Convair is purchased in 1983 and, with the bankruptcy of **Continental Airlines**, Aspen acquires the short-haul Denver to Colorado Springs service, which it operates on behalf of **United Airlines**. The arrangement helps passenger traffic to increase by 31.9% to 367,000 transported passengers. Cargo skyrockets 92.7% to 747,000 pounds.

The fleet in 1984 includes 11 CV-580s and a new marketing agreement is entered into with United. Orders are outstanding for 8 British Aerospace BAe 146-100s. Customer bookings rise 21.1% to 443,598 and freight jumps 19.9% to 895,044 pounds.

Early in the 20th anniversary year of 1985, the 469-employee Aspen places its first two British Aerospace BAe 146-100s into service. These are employed on the routes from Denver to Amarillo and Lubbock as well as Denver to Aspen ski-season services and charter flights to Aspen from California.

Simultaneously, the company begins twice-daily CV-580 flights over the Essential Air Services (EAS) routes abandoned by **Frontier Commuter** between Denver and the Wyoming communities of Sheridan and Gillette. Enplanements climb 28.7% to 571,028, while cargo skyrockets 84.4% to 1.65 million FTKs. Revenues ascend 32.4% to \$35.45 million.

Airline employment declines by 20% in 1986 to 375. The Denver-based large regional becomes a full-fledged "United Express" code-sharing partner on September 1. The long-familiar leafy logo is aban-

doned as the carrier's aircraft, including a third BAe 146-100 received late in the year, are repainted in the modified colors of its major new partner.

Passenger boardings swell 12.5% to 642,496 and cargo moves upward a slight 0.6% to 1.66 million FTKs. Revenues advance 7% to \$37.92 million, expenses rise 8.3% to \$36.92 million, and the operating profit is \$1 million. Net profit grows by two thirds to \$933,200.

The fleet in 1987 includes 3 BAe 146-100s and 11 CV-580s. As the result of a fare war during ski season, the Texas-Denver BAe service is terminated in January. In February, the carrier moves into a new terminal at Aspen that it shares with **Rocky Mountain Airways**; connections with the **United Airlines** gate are made by minibus on the ramp. Charters to the West Coast end in March.

In August, jet service is discontinued from Lubbock, Midland, and Amarillo, Texas, to Denver.

Customer bookings ascend 31.1% to 842,171 and cargo climbs by 15.4% to 1.94 million FTKs. Revenues jump 31% to \$49 million, expenses swell 32.2% to \$48.79 million, and the operating profit is down to \$212,000. Net gain also declines, to \$229,000.

Airline employment grows by 34.1% in 1988 to 503 and the "United Express" carrier's fleet includes 4 BAe 146s and 10 CV-580s. Gary B. Hickman, son of president Gerald Hickman, is appointed chief operating officer.

Just after landing at Durango on February 2 after a service from Denver, a CV-580 with 3 crew and 38 passengers, collides with a snowbank; although the aircraft is damaged, no injuries are reported.

Passenger boardings rise 7.8% to 900,000 and revenues ascend 19% to \$58 million. Expenses, however, jump 24.5% to \$60.73 million and leave an operating loss of \$2.43 million. The net loss is \$2.51 million.

The 36-year-old large regional does not enjoy a good final year.

Just after takeoff from Stapleton Airport at Denver on January 20, 1989, a CV-580 with 3 crew and 36 passengers, loses power to the No. 2 engine. The turboprop attempts to return, but while landing, loses power to No. 1 engine. The plane lands on a dirt road near the runway, hits a fence, and comes to rest in a pile of logs with its nosegear collapsed. There are no fatalities.

In October, Farmington, New Mexico-based **Mesa Airlines** attempts to buy Aspen, but withdraws when a sale to Los Angeles investor Burt Sugarman is announced. Shortly thereafter, the Sugarman arrangement falls through and **WestAir Airlines**, doing business as "United Express," of Fresno, California, opens negotiations. High labor costs at Aspen and an opportunity to replace failed **Presidential Airways**, cause WestAir's chairman, Timothy Flynn, to back away.

In December, after several months of negotiations, the company is finally able to sell itself. All company stock, the year-round Denver-Aspen route, the seasonal ski vacation jet routes to Aspen from Chicago, Los Angeles, and Dallas (DFW), plus four BAe 146s, are sold to **Air Wisconsin**, which plans to operate its new acquisition as a subsidiary. The fleet of 10 aging Convairs is sold separately. Aspen owner Donald Ringsby later reports to employees that **Mesa Airlines** is able to purchase the turboprop routes for \$4 million.

Enplanements for the year fall to 798,905 and cargo to 403,000 pounds. Revenues for 550-employee Aspen increase a slight 2.6% to \$59.8 million, but costs rocket upward again and generate losses of \$5.4 million (operating) and \$5.5 million (net).

Final arrangements for these sales are completed by February 1990 with the **Air Wisconsin** portion of the takeover being finished on May 1. That transaction costs AW \$3 million in cash and five-year 8.5% notes for \$2.5 million plus the assumption of \$2 in liabilities. The workforce is now reduced by 49.1% to 280 and Aspen flies on behalf of its "United Express" parent throughout the year, transporting a total of 403,621 passengers, a 49.5% decline over the previous year. Revenues are \$33.3 million and produce an operating loss of \$2.3 million and a net loss of \$1.4 million. As a cost-saving measure, **Air Wisconsin** merges its subsidiary in July 1991.

ASPEN AVIATION: 69 E. Airport Road, Aspen, Colorado 81611, United States; Phone (970) 925-2522; Fax (970) 920-9841; Year Founded 1981. AA is set up at Aspen-Pitkin County-Sardy Field, Colorado, in 1981, to offer passenger charter and small group executive flights; many incoming flights bring wealthy skiing parties. By 2000, the carrier employs 9 pilots and operates 2 Learjet 35As and 1 each Beech Super King Air 200, Aero Commander 690D, and Cessna 206 Stationaire.

ASPEN MOUNTAIN AIR: United States (1996–1999). To fill the voice created when **Continental Express** stops flying into the Aspen/Snowmass market, Ronald P. Stone and Pat Imeson join with local business interests, including the Crown family and Ines Interest, Ltd. (both owners of Aspen Skiing Company), to create the airline service group Peak International.

During the summer of 1996, Peak International, with Stone as chairman/CEO, purchase majority interest in **Lone Star Airlines** and the five-year old airline is amalgamated into their new AMA. Aspen founder Stone becomes chairman/CEO, while Lone Star President Paul Trenary resigns. Arrangements are made with Fairchild Dornier to lease a fleet of Dornier 328-110s.

Employing two Fairchild Dornier 328-110s, the company inaugurates scheduled revenue services from a new Aspen hub on November 1; six-times-a-day service is launched between Denver and Aspen and four-times-a-day return nonstops between Denver and Dallas.

Lone Star's regional markets in Colorado, Texas, Arkansas, Missouri, New Mexico, Oklahoma, Tennessee, and Mexico are also served. Included are its Essential Air Services (EAS) routes to eight south central U.S. communities flown with Fairchild Metro 23s, including two wet-leased from **Merlin Express**.

The year's combined traffic figures for Lone Star and Aspen combine reach 98,218, a 15.5% increase over Lone Star's 1995 report.

In February 1997, a marketing and code-sharing agreement is signed with **Frontier Airlines (2)**. The arrangement covers passenger services between Aspen and Denver.

A code-sharing agreement is signed with **American Airlines** during the spring and the route network is increased as twice-daily, dual-designator roundtrips are inaugurated between Dallas-Fort Worth and Aspen and to Knoxville, Tennessee. During the Paris Air Show in June, orders are placed for four Fairchild Dornier 328JET regional jetliners.

On June 27, twice-daily, dual-designator Fairchild-Dornier 328-110 roundtrips are introduced between Dallas (DFW) and Santa Fe, New Mexico. Twice-daily, nonstop, code-sharing roundtrips commence on September 15 between Dallas (DFW) and Pensacola, Florida.

The code-sharing agreement with **American Airlines** is expanded on December 3. The major places its codes on Aspen's Dornier 328-110s as they offer two flights daily, except Saturday, between Dallas (DFW) and Chihuahua, Mexico, and two flights daily Monday–Thursday and one flight on Friday and Sunday between Dallas (DFW) and Del Rio, Texas.

These new flights complement the dual-designator the two carriers have introduced over the past several months on Aspen flights from Dallas (DFW) to Pensacola, Santa Fe, Knoxville, and between Denver and Bozeman.

The roundtrip Dallas–Knoxville service is increased on December 18 to thrice daily.

Passenger boardings soar 65.7% to 165,728.

Airline employment stands at 470 at the beginning of 1998. Service is provided to 22 cities with a fleet of 15 jet-prop aircraft. During the first half, the company petitions for landing slots at Chicago (ORD); from that airport, nonstop flights would be launched to Sioux City, Iowa, and Branson, Missouri.

On August 7, the carrier voluntarily seeks protection under Chapter XI of the U.S. bankruptcy code, while simultaneously requesting and obtaining an order from the federal bankruptcy court in Dallas, Texas, approving interim financing that will allow it to continue operations.

The company announces on September 3 that it will reduce its fleet of aircraft to a level sufficient to focus on several key U.S. and trans-border routes and that it will maintain its EAS routes until an acceptable replacement carrier is selected by the government. Routes to be continued are from Dallas-Fort Worth to Aspen, Chihuahua, and Branson and from Denver to Aspen and Bozeman.

On September 4, flights are cut from Dallas (DFW) to Del Rio, from Del Rio to Torreon, and from Chihuahua to El Paso. Frequencies from Dallas (DFW) to Pensacola and from Denver to Sioux City are shut down on September 11. Service to Knoxville from Dallas (DFW) ends on September 30 and, on October 30, flights from Dallas (DFW) to Santa Fe cease.

On October 9, Fairchild refuses to renew the carrier's Dornier 328-110 lease. Consequently, AMA must immediately cease service to Aspen from Dallas (DFW) and Denver; from Denver to Bozeman; and from Dallas (DFW) to Chihuahua. Fairchild Metro 23s will continue to fly on EAS routes from Dallas (DFW) to Hot Springs, Mountain Home, El Dorado, and Harrison in Arkansas; Jonesboro and Brownwood in Texas; Enid and Ponca City in Oklahoma, and the Mississippi community of St. Louis.

During the last week of October, the DOT selects Billings, Montana-based **Big Sky Airlines**, in preference to three other applicants, to take over the AMA EAS routes from Dallas (DFW). AMA begins to hand over the routes in mid-November, along with the two wet-leased Merlin 23s it has been operating. Big Sky adds two aircraft of its own and makes arrangements to dedicate a fifth turboprop. The transfer is completed on December 15 without loss of service.

Enplanements during the last year of service total 200,000. AMA Chairman Stone, who has been working to develop a new business strategy patterned after the defunct **Aspen Airways**, shuts the carrier down at the beginning of 1999.

ASSESMAN AIRLINES. *See* IRAN ASSESMAN AIRLINES

ASSISTAIR, LTD.: United Kingdom (1974–1975). Geoff Rosenbloom forms Assistair at Glasgow Airport in December 1974 to offer charter flights in support of the oil industry; he also establishes a base at Aberdeen and purchases two Piper PA-27 Aztecs.

Revenue flight operations begin in January 1975 and destinations include not only Scottish cities, but cities in Holland, Norway, and Belgium. A post office contract is awarded and the Aztecs fly five-nights-per-week mail service Edinburgh–Aberdeen and Montrose. During the summer, the company is sold to **Burnthills Aviation, Ltd.**

ASSOCIATE AIR AMBULANCE SERVICE. *See* ZIA AIRWAYS; AIR NEW MEXICO

ASSOCIATED AIR TAXI, LTD. *See* CENTRAL BRITISH COLUMBIA AIRWAYS, LTD.

ASSOCIATED AIR TRANSPORT: United States (1952–1962). Formed at Miami in early 1952, Associated launches irregular all-cargo services with a Curtiss C-46A Commando leased from the USAF. Flights to civilian and military markets, largely in the Southeast, continue for the remainder of the decade.

In December 1959, the company, by now flying five C-46As, is issued a two-year CAB certificate as a supplemental air carrier.

A chartered C-46A with 3 crew and 54 passengers, crashes short of the runway at McGuire AFB, New Jersey, on February 13, 1960; although the plane must be written off, there are no fatalities.

The government now elects not to renew its permit; however, legal challenges to that decision cause the CAB to grant interim operating authority. Both the temporary license and the airline end in October 1962.

ASSOCIATED AIRLINES (PTY.), LTD.: Nomad Road, Essendon Airport, North Essendon, Victoria 3041, Australia; Phone 61 (3)

9374-1777; Fax 61 (3) 9379-7321; Code V2; Year Founded 1992. An FBO established at Essendon Airport in 1937, Associated, better known for its maintenance and overhaul operations, elects, in **1992**, to offer local passenger and cargo services. Operations commence with 2 Cessna 402Bs, 1 Cessna 310B, and 1 Cessna A.21C.

A Canadair CL-601 Challenger is acquired in **1994** and, by **2000** the fleet also contains 1 Fokker F.27-500F and 1 Gulfstream IV executive jet.

ASSOCIATED AIRWAYS, LTD. See **PACIFIC WESTERN AIRLINES, LTD.**

ASSOCIATED AIRWAYS JOINT COMMITTEE: United Kingdom (1940–1947). To coordinate and utilize the services of domestic companies owned by British railroads and Capt. Gordon Olley in the event of war, National Air Communications is formed as the carriers receive subsidy. When World War I begins on September 3, **1939**, **British Airways, Ltd. (1)** and **Railroad Air Services, Ltd.** aircraft are directed to Exeter to operate on behalf of the government and all other civil flights are prohibited.

On May 5, **1940**, this organization is formalized in a meeting with the Secretary of State for Air. Members of the new Associated Airways Joint Committee (AAJC) are **Air Commerce, Ltd., Great Western and Southern Air Lines, Ltd., Isle of Man Air Services, Ltd., Olley Air Service, Ltd., Railway Air Services, Ltd., Scottish Airways, Ltd.,** and **West Coast Air Services, Ltd.** Although certain limited services by individual companies are allowed to resume in more remote areas of the British Isles, these are cancelled on May 22. All available AAJC aircraft are ordered to specific RAF stations on May 22 to begin participation in the evacuation of the British Expeditionary Force from Dunkirk.

Finding the operation too dangerous for civil aircraft, officials halt AAJC flights, allowing members to resume certain civil flights on June 3. As the situation deteriorates, all civil operations are again suspended on June 15 and available aircraft are sent to France via Exeter for evacuation flights. Four de Havilland DH 86s must be abandoned at Bordeaux on June 18. The rescue flights end on June 24 and AAJC members are allowed to resume their limited schedules, as described in their individual entries.

On September 22, **1942**, officials of the membership meet with government representatives at Carlisle to prepare arrangements in the event of a German invasion. When such a catastrophe does not occur, the civil aircraft find themselves sharing British airspace with a vast and growing armada of Allied warplanes assembled through **1943** for the Combined Bomber Offensive and the upcoming invasion of Normandy in June **1944**. In October of the latter year, AAJC officials offer the government an extensive plan for a new postwar network of air services both within Britain and Europe.

V-E Day occurs on May 8, **1945** and member companies thereafter reintroduce domestic flights. The work of the committee is concluded on January 1, **1946** when wartime restrictions on civil aviation are revoked. On August 1, the new **British European Airways Corporation (BEA)** is established; internal operations are maintained for the new state carrier by AAJC member airlines. The services, aircraft, and staff of all AAJC carriers are acquired by BEA on February 1, **1947**, formally ending the organization.

ASTANAIR AIR AVIAKOMPANIA: Astan, Kazakhstan; Code A7; Year Founded 1998. Astanair is established at Almaty in late spring **1998**. Having obtained a British Aerospace BAC 1-11-528FL, the new entrant launches regularly scheduled flights on July 21 to Almaty, as well as to Kyzylord, Aktubinsk, and Uralsk. No information is thereafter available.

ASTEC AIR EAST: United States (1980–1982). AAE is established by Arthur E. Volk at Republic Airport, Farmingdale, Long Island, New York, in the fall of **1980**. Equipped with a fleet of 7 Piper PA-31-310 Navajos and 6 PA-34 Senecas, it inaugurates scheduled services on No-

vember 10 linking its base with Albany, plus the Connecticut communities of Bridgeport, New Haven, and Hartford.

Operations continue apace in **1981** and the fleet is increased by the addition of a Piper T-1020. ATC restrictions, occasioned by the summer PATCO air traffic controllers' strike, bring terminal fiscal difficulties and Astec Air East is forced to shut its doors in June **1982**.

ASTOR AIR: United States (1984–1985). A division of Ludlow Aviation, Astor Air is set up at Hadlock, Washington, in late **1984** to provide scheduled passenger and cargo commuter flights to Portland, Oregon. Cessna 402 revenue flights commence in early **1985**, but only continue for a few months.

ASTRA AIR SERVICES, LTD.: New Zealand (1991–1992). Richmond Harding forms Astra Air Services, Ltd. at Auckland in **1991** to provide scheduled commuter services between the North and South Islands. Two Dornier 228-212s inaugurate service in midyear but President Harding's operation cannot establish viability and closes in **1992**.

ASTRAKHAN AIRLINES (ASTRAKHAN AVIALINSKI): Nari-manovo Airport, Astrakhan, 414023, Russia; Phone 7 (8512) 249 396; Code ASZ; Year Founded 1992. Following the breakup of Aeroflot Soviet Airlines in **1992**, Astrakhan is reformed, but retains its mission to provide local passenger and cargo services. Shareholding is divided between company employees (51%), the Russian state (25%), and private investors (24%).

V. M. Stepanovich is general director and he conducts operations with a fleet containing an unspecified number of Tupolev Tu-134s, Antonov An-24s and An-2s, Yakovlev Yak-42Ds, plus Kaman Ka-26 helicopters.

Services continue in **1993–1994**. Enplanements in the latter year reach 123,581.

The fleet comprises 44 aircraft in **1995**, all former Soviet types. Passenger boardings fall 13.9% to 108,500, but freight climbs 8.1% to 2.68 million FTKs.

Flights continue in **1996–1999** and, during these years, the fleet includes 13 An-2s, 9 An-24s, 5 Tu-134s, 2 Yak-42Ds, and 15 Ka-26s.

Falling traffic and rising fuel bills cause the airline to struggle as it enters the new millennium. Flight attendants, on April 24, **2000** claim that the airline is using threats and blackmail against them to prevent a strike.

A new service is initiated on July 14 between Strakhan and Iran. Still, it is reported that the carrier continues to struggle in its ability to attract full passenger loads.

ASTRAL AVIATION. See **SKYWAY AIRLINES**

ASTRO (SERVICIOS AEREOS ASTRO, S.A.): Argentina (1979–1993). Astro is formed at Buenos Aires in **1979**; Dr. Julio A. Mendizabal is named president. Equipped with a single Britten-Norman BN-2A Islander, the third-level carrier begins flying scheduled services from its base to Colonia and Carmelo. During the **1980s**, the fleet is increased by the addition of another Islander and two Convair CV-600s.

Increased competition and the general turndown in the airline business at the end of the decade leads to a decline in income and in **1991** the commuter goes bankrupt. Funding is located and the carrier is able to resume and continue operations in **1992** under the direction of Serafin Campos. Economic viability cannot be achieved, and the company closes down for good in **1993**.

ASTRO AIR: United States (1968–1969). Set up at Lompoc, California, in **1968** as the operational affiliate of Air Astro Transportation, Astro Air inaugurates daily roundtrip scheduled de Havilland DH 104 Dove and Piper PA-31-310 Navajo passenger frequencies to San Francisco and Los Angeles. Unable to achieve viability, the company fails within a year.

ASTRO AIRLINES: 4th Floor, 163 Nanking East Road, Section 5, Taipei, Taiwan; Year Founded 1997. AA is set up at Taipei in late **1997**

as a scheduled regional passenger subsidiary of **U-Land Airlines, Ltd.** The carrier is equipped with a single Boeing McDonnell Douglas MD-82, which begins revenue flights in January **1998**.

Flights continue in **1999** and into **2000**. On May 31 of the latter year, parent U-Land Airlines, Ltd. is grounded indefinitely for safety concerns. As U-Land had serviced the carrier's plane and cannot now do so, Astro must shut down as well.

ASTRO AIRWAYS: United States (1972–1980). Astro Airways is set up at Pine Bluff, Arkansas, in **1972**, to operate both charter and scheduled passenger and cargo services. Employing Piper PA-23 Aztecs and de Havilland DH 114 Herons, the company links its base with New Orleans, Little Rock, and Memphis. Daily roundtrips continue until **1980**.

ATA AEROCONDOR TRANSPORTES AEREOS, S.A.: Aerodrome Municipal de Cascais, Domingos, Rana, 2775S, Portugal; Phone 35 (11) 444 3430; Fax 35 (11) 444-4444; <http://www.aerocondor.com>; Code 2B; Year Founded 1994. The general aviation/FBO concern Aerocondor, Ltd. is established in **1951** and, over the next 35 years, engages in airframe and avionics maintenance, as well as pilot training, aerial photography and cartography, and aerial advertising. Ad hoc lightplane charters are flown and a Consolidated PB76A Catalina is acquired with which to fight fires.

With the formation of the Aerocondor Transportes Aereos division in **1986**, President Victor Joao Lopes de Brito is able to undertake domestic and regional charters with his fleet's Beech 58 Baron and Piper PA-31-310 Navajo.

A contract is signed with **TAP-Air Portugal, S.A.** in **1991** under which the company, employing a pair of Dornier 228-200s, launches scheduled feeder service from Madeira to Porto Santo.

A Shorts 360-300 is acquired in **1995** and, in **1997**, the carrier begins scheduled service over a route Lisbon–Branganca–Vila Real.

A second Shorts 360-300 is purchased in **1998**.

Aerocondor's fire-fighting capability is significantly increased in **1999** when it acquires a Canadair CL-215. By **2000**, the company employs 120.

ATA CONNECTION. See **CHICAGO EXPRESS AIRLINES**

ATAPSA (AEROVIAS TRANS-AMERICA PERU, S.A.): Peru (1964–1967). ATAPSA is formed at Lima in February **1964** to offer regional charter services, which do not begin immediately. Following acquisition of a Douglas DC-3 and traffic rights from various sources, nonscheduled flights are inaugurated in September **1965** to Manaus, Brazil, Leticia, Colombia, and the Peruvian cities of Tarapoto, Pucallpa, Iquitos, and Tingo Maria.

Unable to compete against larger carriers, the unprofitable independent shuts its doors in **1967**.

ATC AIRLINES, S.A.: Terminal de Carga Internacional, Bodega 5, Aeropuerto Eldorado, Bogota, Colombia; Phone 57 (1) 414-7083; Fax 57 (1) 413-5431; Year Founded 1992. ATC is set up at Bogota on October 12, **1992**, to offer domestic and international all-cargo services. Carlos F. Child is president/CEO and he oversees a workforce that will reach 120 within 4 years. An alliance is entered into with the U.S. freight operator **Fine Air** and revenue flights commence with 3 Douglas DC-8-51Fs in March **1993**.

Destinations visited in **1998** include Caracas, Luxembourg, Miami, Panama City, Port Lamar, Quito, and Sao Paulo. An order is placed for 1 Lockheed L-1011F.

Airline employment stands at 120 in early **1999**. The company is now the second largest all-cargo carrier in Colombia.

ATC RUSS: 88 bid Volokolamskoe Road, Moscow, 123362, Russia; Phone 7 (095) 491 3771; Fax 7 (095) 491 8638; Code RUR; Year Founded 1999. Under the direction of chairman Vladimir Moseenkoiv, **REMEX Airlines** is rebranded in early **1999**. The Siberian Lease Com-

pany remains the principal shareholder and the fleet now comprises four Ilyushin Il-76Ts, an Il-76M, and a single Yakovlev Yak-42D.

The pattern of regular holiday charters begun by **REMEX** is continued to points in Greece, Spain, and Turkey. Long-haul flights are also made to more than 50 destinations in Africa, China, and Europe.

ATECA (AERO TRANSPORTE ECUATORIANA, S.A.): Ecuador (1947–1949). A group of seven local investors set up ATECA at Quito in November **1947**. After assembling a fleet of 2 Douglas DC-3s and 10 single-engine lightplanes, including Stinsons and Pipers, the company begins scheduled passenger and cargo services in early **1948**. A route network is built up linking Quito with all of the nation's major towns: Tulcan and Esmeraldas in the north and Manta, Guayaquil, and Macara further south.

Unable to get ahead in competition with rival **Transandina Ecuatoriana, S.A.**, ATECA merges with its competition in early **1949** to form **AREA (Aerovias Ecuatorianas, C.A.)**

ATESA (AERO TAXIS ECUATORIANOS, S.A.): Ecuador (1960–1982). ATESA is organized at Quito in the summer of **1960**. After assembling a fleet of small Cessnas, nonscheduled passenger and cargo charters are undertaken to various points in the nation from Mariscal Sucre Airport.

During the **1970s**, the fleet is upgraded by the addition of 3 Nord 250 Noratlases and 1 Britten-Norman BN-2A Islander. Operations continue without incident, except for the loss of a Noratlas, with all 22 aboard, in the Andes on May 3, **1974**.

Operations cease in **1982**.

ATHABASKA AIRWAYS, LTD.: Canada (1955–2000). AA is formed by Floyd R. Glass at Prince Albert, Saskatchewan, in **1955** to offer provincewide charter flights with a Cessna 180 from Prince Albert, Lac la Ronge, Isle a la Crosse, and a main base at Buffalo Narrows. A helicopter unit is established in **1962** and the first twin-engine aircraft, a Cessna 310, is delivered in **1964**.

In **1985**, thirty years after start-up, the carrier's 100 employees oversee the operation of 3 de Havilland Canada DHC-6 Twin Otters, 1 Cessna 500 Citation I, 1 Cessna 441 Conquest II, 1 Beech King Air 90, 2 DHC-2 Beavers, various small Cessnas, and a rotary-wing fleet of 7 Bell 206B JetRangers, 3 Sikorsky S-55Ts, and 1 S-58. There are no changes in **1986–1987**.

A float-equipped DHC-6-100 with two crew and seven passengers, is destroyed as the result of a bad landing on Maudsley Lake on June 13 of the latter year; although the aircraft must be written off, there are no fatalities.

Two DHC-6s are withdrawn in **1988** as are three JetRangers and the S-58.

Operations apace continue in **1989–1990**. Scheduled services are introduced by President Floyd Glass in **1991** and two Beech 1900s are acquired with which to provide them.

By **1992–1993**, destinations visited include Regina, Saskatoon, Prince Albert, Lac la Ronge, Points North, Wallaston Post, Stony Rapids, Fond du Lac, and Uranium City.

Services continue apace in **1994–1995** with a fleet that now includes 5 Sikorsky S-55BTs, 4 Bell 206B JetRangers, 2 Beech 1900Cs, and 1 each Cessna 441 Conquest, DHC-2, DHC-3 Otter, DHC-6-100, and DHC-6-200.

Operations continue in **1996–1998**; however, there are fleet changes. One Beech 1900C and 1 Bell 206B JetRanger are withdrawn and replaced by 2 1900Ds, 1 DHC-6-100, and 1 Sikorsky S-55BT. New markets added include Winnipeg and Brandon.

After an uneventful **1999**, General Manager Jim Glass announces on August 4, **2000**, that, following 40 years of competition, it will takeover Air Sask Aviation, Ltd., the airline division of **La Ronge Aviation Services, Ltd.**, on August 15. The new entity, renamed **Transwest Air Ltd.** on September 9, is based at Saskatoon, from which it operates 40 fixed-wing and 3 rotary-wing aircraft and employs over 300 people.

ATI-AERO TRANSPORT ITALIANI, S.p.A. See **AERO TRANSPORT ITALIANI, S.p.A. (ATI)**

ATI AIR COMPANY: UI, Yanvorskoga Vostania 17-2, Kiev, Ukraine; Phone 380 (4) 429 04078; Fax 380 (4) 429 04078; Code TII; Year Founded 1996. The all-cargo charter operator ATI is established at Kiev in late 1996. Revenue operations are initiated and continue with a fleet of 5 Ilyushin Il-76s.

ATKIN AIR CHARTER: Lincoln Regional Airport-Harder Field, 1420 Flightline Drive, Lincoln, California 95648, United States; Phone (916) 645-6242; Fax (916) 645-7132; <http://www.atkinair.com>; Year Founded 1995. Kent and Niki Atkin establish this FBO at Lincoln, California, in 1995. Simultaneously, the co-owners also elect to establish a charter business and, by 2000, the company employs four full-time pilots. Flights are made throughout the state and nation by 2 each Piper PA-34 Seneca IIs and Cessna 182 Skylanes, along with 1 C-414 Chancellor and C-T210 Turbo Centurian.

ATLANT SOYUZ AIRLINES: 10/2 Nikolskaia Street, Moscow, 103062, Russia; Phone 7 (095) 246-9419; Fax 7 (095) 246-8503; Code 3G; Year Founded 1991. V. A. Shpilkin and S. D. Leitchenko establish Atlant Soyuz Airlines at Moscow in December 1991 to provide international, regional, and domestic scheduled and charter passenger and cargo services. At the same time, **Atlant SV Airlines** is established as a subsidiary at Simferopol in the Ukraine.

Atlant Soyuz does not acquire aircraft of its own, but leases them from its offspring, **Atlant SV Airlines**, which in turn charters its requirements from the Ukraine Air Force. In this manner, Leitchenko, who remains in Moscow as general director of the parent company, acquires 1 Ilyushin Il-62, 4 Il-76TDs, and 1 Tupolev Tu-134 with which to commence revenue operations during the summer of 1992.

Operations continue apace in 1993-1997. During these years, as the carrier comes more and more to concentrate on freight operations and the fleet is increased by the addition of 4 more Il-76TDs and 1 Tu-154B.

Like several airlines that have appeared after the collapse of the Soviet Union, Atlant Soyuz has come to specialize in facilitating lift for the *chelnoki*, also known as shuttle or suitcase traders. Thousands of these small-time merchants, usually young men but sometimes even middle-aged housewives, have traveled to such foreign lands as China, Greece, and Africa, and often the Mideast, to find low-priced goods to sell for large profits at home.

In mid-August 1998, the Russian ruble is devalued. Almost immediately, many of the *chelnoki* must quit, as they can no longer afford to pay for hard currency to make their acquisitions. Additionally, the devaluation impacts the Russian air cargo carriers engaged in this trade, forcing them to cut back on scheduled flights and particularly on charters.

Flights continue in 1999. On May 5, 2000, the Russian media reports that the carrier's close cooperation with **East Line Aviation** may soon result in the two cornering the cargo market in Moscow.

ATLANT SV AIRLINES: Central Airport, Simferopol, Crimea, Ukraine; Phone 380 (0652) 272 322; Fax 380 (0652) 272 322; Year Founded 1991. V. A. Shpilkin and S. D. Leitchenko establish Atlant SV Airlines at Simferopol in December 1991 as a subsidiary of their Moscow-based **Atlant Soyuz Airlines**. Like its parent, Atlant SV is established to offer regional, domestic, and international cargo and passenger services, both scheduled and charter.

Atlant SV does not acquire aircraft of its own, but charters them from the Ukraine Air Force. It also subleases aircraft to **Atlant Soyuz Airlines**. In this manner, V. A. Shpilkin, who moves to the Crimea to serve as the airline's general director, is able to assemble a fleet of 3 Ilyushin Il-62Ms, 1 Il-62, and 40 Il-76MDs.

Revenue operations commence in September 1992 and continue apace in 1993-2000. During these years, the workforce grows to 425 and the fleet is reduced by 1 Il-62M and 8 Il-76MDs; 1 Tupolev Tu-154M is added.

The company signs long-term contracts with the UN and the International Committee of the Red Cross to provide logistical support for peacekeeping and disaster relief operations. Charter flights to the U.S. commence in 1995.

ATLANTA EXPRESS AIRLINE CORPORATION: United States (1982-1983). Atlanta Express is formed as a subsidiary of American Financial at Hartsfield International Airport in the spring of 1982 to offer scheduled third-level passenger and cargo flights linking the company's base with Macon, Columbus, Anniston, Charlotte, Chattanooga, Raleigh, and Florence. Employing a fleet of 2 de Havilland Canada DHC-7s and 2 Shorts 330s, the company initiates daily roundtrip operations on May 15.

On June 22, 1983, the company is purchased by and merged into Charlotte-based **Sunbird Airlines**.

ATLANTA ICELANDIC AIRLINES, H.F.: Iceland (1989-1991). AIA is established at Reykjavik in 1986 to offer charter passenger and cargo flights to northern Europe and Atlanta, Georgia. Revenue services commence in February employing a wet-leased B-707-320s to fly on behalf of **Caribbean Airways, Ltd.** between Barbados and London.

In February 1988, the company enters into an agreement with the Finnish tour operator Hasse on the wet-lease of the B-707-320 on charters from Helsinki to Cyprus and Crete.

A contract is signed with **Air Afrique (2) (Societe Aerienne Africaine Multinationale, S.A.)** in August to transport Islamic pilgrims from countries in west and central Africa to Jeddah.

In early 1989, Boeing 737-210C leased from the U.S. carrier **Express One International** and a Douglas DC-8-61 leased from and flown on behalf of **Finnair, O/Y**. Hadj flights on behalf of **Air Afrique (2) (Societe Aerienne Africaine Multinationale, S.A.)** commence in May; they will be flown annually thereafter. An Embraer EMB-110P1 Bandeirante is acquired in November for lease to its local **Servissair** affiliate.

The B-737-210C is wet-leased to **Deutsche Lufthansa, A.G.** in October 1990 to operate scheduled cargo services within Europe for 18 months.

The DC-8-61 is replaced in May 1991 with a chartered Lockheed L-1011 TriStar 1, the company's first wide-bodied jetliner. The Lockheed is almost immediately wet-leased to **Sudan Airways, Ltd.** Recessionary forces now attack company business, including the contract with **Finnair, O/Y**, now ended. The company is reformed in the fall and reborn as **Air Atlanta Icelandic, H.F.**

ATLANTAIR, LTD.: Canada (1981-1983). Established at Moncton, New Brunswick, this third-level operator launches Cessna charters and some scheduled flights to destinations around New Brunswick late in 1981. Unable to survive recession, the enterprise folds in 1983.

ATLANTIC AERO: Piedmont Triad International Airport, 7716 Airline Drive, P.O. Box 35408, Greensboro, North Carolina 27409, United States; Phone (910) 668-2878; Fax (910) 668-7890; <http://www.atlantic-aero.com>; Year Founded 1972. Atlantic Aero is established as an FBO at Piedmont Triad Airport in October 1972, with John E. Godwin Jr. as president and general manager. The company, which will eventually provide comprehensive services to all levels of aviation users, begins by providing refueling and maintenance services, aircraft management, flight training, and hangar facilities.

During the 1970s, AA becomes the first company at GSO to offer jet charters. Don S. Godwin becomes president in 1984 and, two years later in 1986, the carrier's charter department enters the overnight feeder freight business, using Cessna 208 Caravan Is to support contracts from major package express airlines such as **Federal Express** and **UPS (United Parcel Services)**.

In response to rapid growth, the express service is reborn in 1990 as **Mid-Atlantic Freight**, a sister company with common management. Executive charter and group passenger services continue with 1 each Cessna 560 Citation V, C-501 Citation I, Beech King Air 90, Beech Super King Air 200, and Beech 58 Baron.

ATLANTIC AIR: United States (1979–1984). Stratford, Connecticut-based Atlantic Air is formed by Michael J. Lehrman in 1979 to offer charter services to various New England destinations with a fleet that grows to comprise 6 Piper PA-31-310 Navajos. In the spring of 1981, the Pipers are returned and replaced by 3 Beech 99s. There are employed to inaugurate scheduled passenger and cargo flights on May 22 from Bridgeport to Nantucket and Martha's Vineyard.

During the remainder of the year and in 1982–1983, service is expanded and new markets are opened to Baltimore, Boston, Philadelphia, and White Plains. The fleet is increased by the addition of 1 Beech 1900B.

In November 1984, the company is purchased by the Marketing Corporation of America and is reformed into **Business Express**.

ATLANTIC AIR (PTY.), LTD. See **PHOENIX AIRWAYS (PTY.), LTD.**

ATLANTIC AIR TRANSPORT, LTD.: United Kingdom (1969–1998). Organized at States Airport, Jersey, in September 1969 to offer FBO, aircraft and equipment sales, **General Aviation Services, Ltd.**, founded by Michael J. H. Collett, begins air taxi flights to England and the other Channel Islands, in 1970. Employing a fleet made up of a Cessna 310, 336, and 337, nonscheduled flights continue apace in 1971–1973.

As many charter flights are made to the French coast, the airline, when officially named in 1974, is christened **Air Atlantique, Ltd.** spelled in the French manner. Totally rebuilt during 1975, a former **Hunting Surveys, Ltd.** Douglas DC-3 begins flying on the carrier's behalf in 1976.

The company is reorganized into two divisions in early 1977. The **Air Atlantique, Ltd.** section will emphasize international all-cargo charter flights, while **Air Corbiere, Ltd.** will fly passengers. A second DC-3 expands the number of contract flights performed.

New investment is found in 1978 and **Air Atlantique, Ltd./Air Corbiere, Ltd.** is half-owned by General Aviation Services, Ltd. Michael Collett continues as chairman, 12 employees are hired, and a fleet of 3 Douglas DC-3s is assembled to complement the 3 Cessna 310s already on hand. Enplanements for the year total 1,536.

Airline employment jumps 50% in 1979 to 18. One DC-3 and one C-310 are withdrawn in favor of two DC-6A/Bs, acquired from **Greenlandair**, which are the first of their type to enter British registry in 15 years, and two Piper PA-23 Aztecs. The oil crisis requires elimination of the DC-6s; one is leased to a South African firm and the other is scrapped by year's end.

On October 29, the company joins the Royal Mail program known as "Spokes from Speke," flying a DC-3 each night from London (STN) to the sorting hub at Liverpool (Speke Airport) and back to Stansted for distribution.

Customer bookings increase 36% to 2,400. Operating income is \$2.2 million and leaves a net gain of \$250,000.

The workforce is increased to 36 in 1980 and customer bookings reach 7,800. To generate capital, several newspaper delivery and post office contracts are accepted and executed. With the removal of the DC-6Bs, additional DC-3s are now purchased.

The employee population is increased by 10% in 1981 to 40 and the fleet now includes 7 DC-3s and 3 Cessna 310s. An operations and maintenance base is occupied at Blackpool and renewed emphasis is placed on nostalgia-generating flight-seeing operations. Passenger boardings swell 2.5% to 8,000 and revenues reach \$1.8 million. Profits are \$400,000 (operating) and \$110,000 (net).

Operations continue apace in 1982–1983. By 1984, the company is spread out much too thinly: maintenance and engineering are at Exeter, headquarters are on Jersey, and aircraft are based at Jersey, Blackpool, London (CTN), Glasgow, Newcastle, Shannon, Belfast, and the Dutch city of Maastricht.

To somewhat reduce the costs incurred with this situation, the company is divided into two divisions: **Air Atlantique, Ltd./Air Corbiere, Ltd.** and 2 DC-3s are left on Jersey while the new **Atlantic Air Trans-**

port, Ltd., with 6 DC-3s is moved to London (STN) in 1985. There, it takes over the facilities of **Instone Airlines, Ltd.** as well as its Bristol Freighter, the last of the type outside of Australasia.

To celebrate the fiftieth anniversary of the DC-3 and the sixtieth of **Northwest Airlines**, a DC-3 is repainted in Northwest livery and joins a B-747 Jumbojet from the American major in a unique fly over of the North Weald air show.

By 1986, the carrier is required to move again, this time to the airport at Coventry. A hangar and office complex is occupied and a flight school, Atlantic Flight Training, is opened.

Modified to dispense spray, 2 DC-3s and 5 Britten-Norman BN-2 Islanders are employed to honor a contract with the U.K. government's marine oil pollution control service. Enplanements are 27,424.

The workforce is increased by 31% in 1987 to 55 and the fleet now includes 1 DC-6A/B named *Jimmy the One*, 6 DC-3s, 5 Britten-Norman BN-2 Islanders, and 1 Cessna 310. The big Douglas transport, acquired from a Detroit company, is placed into service on charter routes in March. The marine oil pollution control fleet is expanded by 5 DC-3s and 2 Islanders.

Passenger boardings jump 14.3% to 32,000 and freight increases 31.3% to 613,000 FTKs. Revenues total \$2.9 million and expenses are held low enough to allow an operating profit of \$900,000 and net gain of \$300,000.

The employee population grows by 11.1% in 1988 to 200 as a pair of leased British Aerospace BAe 748-B2s are purchased and employed to inaugurate scheduled services to the Channel Islands. The over-water experiment is a failure as customer bookings actually decline.

The Channel route is given up in 1989 and the leased turboprops returned. General Aviation Services reacquires full shareholding. The company works to expand its flight-seeing and freight business. Additional scheduled and charter passenger and cargo flights throughout the U.K., Europe, Africa, and the Middle East. Headquarters are transferred to Coventry Airport in the West Midlands and Chairman Collett's fleet is much improved, despite the removal of the Bristol Freighter.

Company employment is increased by 6.1% in 1990 to 105 and the fleet now includes 2 DC-6As, 8 DC-3s, 2 DC-3Fs, and 7 Cessnas.

Still, largely because of the slowdown in traffic at the time of Operation Desert Shield, passenger boardings decline 11.1% to 12,000. A total of 7.8 million FTKs are hauled. The year is, however, profitable. On revenues of \$15 million, an operating profit of \$4.5 million is generated along with net gain of \$1.1 million.

Ten more workers are hired in 1991. Customer bookings dip 2.2% to 4,500 and freight falls down to 1.75 million FTKs. Revenues ascend to \$16 million and allow an operating profit of \$3.5 million and net gain of \$1.2 million.

In 1992, Chairman Collen and Managing Director James Foden oversee a workforce of 130 and a fleet 2 DC-6As, 8 DC-3s, 3 DC-3Fs, 2 Cessna 406s, and 2 Cessna 310s. A Fairchild Metro III is acquired. Frequencies on the Coventry–Gloucester route are increased while new services are offered from Jersey and Guernsey to Liverpool, Swansea, and Rennes. In October, the "Spokes from Speke" program is revised becoming Royal Mail Skynet.

In 1993, the company is reformed into a holding company, **Atlantic Air Transport, Ltd.**, and splits its passenger and freight operations into two operating subsidiaries. **Air Atlantique, Ltd./Air Corbiere, Ltd.** becomes **Atlantic Airways, Ltd.** and **Atlantic Air Transport, Ltd.** becomes **Atlantic Cargo, Ltd.** Air Atlantique Reconnaissance takes responsibility for maritime patrol and Pollution Control takes over environmental work.

In its most spectacular service to date, the marine oil pollution control DC-3 fleet of the new Pollution Control division is called upon in January to battle the pollution caused when the tanker *Braer* is wrecked in Scotland's Shetland Islands.

In a step away from its reliance on piston-engine freighters, the carrier orders a pair of Lockheed L-188CF Electras; the first arrives from the U.S. in November, after having been recalled from **ALM Antillean Airlines, N.V.** It enters service before Christmas.

The second Electra, leased from **Zantop International Airlines**, arrives in January **1994**. Early in the year, company DC-3s fly spare parts to Ireland to assist a stranded B-767 and later, during the summer, convey sightseers over the beaches of Normandy. Three vintage aircraft are acquired in the fall for use on the air show circuit—a Scottish Aviation Twin Pioneer 3 and 2 Avro Shackleton Mk. IIs.

In addition to these aircraft, the fleet at year's end includes 8 DC-3s, 2 DC-6A/Bs, 2 Electras, 1 Shorts 360, 1 Piper PA-31-350 Navajo Chieftain, 2 Islanders, 3 Cessna 310s, 2 Cessna 402s, 3 Cessna 404s, 2 Cessna 172s, 2 Cessna 152s, 1 Auster J1, and 1 Fairchild-Swearingen Metro III, the only one on the U.K. civil register.

A third L-188CF is acquired in early **1995** as the company undertakes European nighttime freight services for DHL, Ltd. In addition, a Lockheed L-100-30 Hercules is wet-leased from **Safair (Pty.), Ltd.** It is employed to fly ad hoc cargo around Europe. During the summer, it also provides support for the motor-rally team camps of the Rallye Granada-Dakar scattered about the Mauritania desert.

Airline employment grows to 148 as operations continue apace in **1996**. The fleet includes 4 leased Electras, 9 DC-3s, and 1 each Metro III, Cessna 500 Citation I, and Cessna 406 Caravan II. The DC-6s are converted into quick-change models, able to change swiftly back and forth between freighters and pollution control aircraft.

The reconnaissance division is sold and the Pollution Control unit is folded, with the company now operates marine pollution control reconnaissance under contract to the U.K. Department of Transport.

In early **1997**, the new Air Atlantique Historic Flight division is created. The DC-3s, together with a newly acquired Scottish Aviation Twin Pioneer, are transferred to it. Special services, air show appearances, and historic preservation activities are the specialty of the new unit.

The fleet of the parent organization is increased by the addition of another Electra, an L-188AF purchased in June from **Fred Olsens Flyselskap, A.S.**

A total of 4.1 million FTKs are operated during the year.

The Coventry-based company changes its corporate identity once more. At the end of March **1998**, its passenger and cargo operations are combined as **Atlantic Airlines, Ltd.** Non-airline business, including Air Atlantique Historic Flight, are marketed under the **Air Atlantique, Ltd.** name. A new livery is introduced.

When **Hunting Cargo Airlines, Ltd.** is sold in midyear, its 3 L-188Cs are purchased by Atlantic, 1 for parts and the other 2 for revenue service once they have undergone heavy maintenance.

Through August, a total of 7.03 million FTKs are operated.

ATLANTIC AIRLINES, LTD.: Coventry Airport, Coventry, England, CV8 3AZ, United Kingdom; Phone 44 (1203) 307 566; Fax 44 (1203) 639 037; <http://www.randburg.com/fa/atlantic.html>; Code NL; Year Founded 1998. Atlantic Air Transport, Ltd., which has operated under a number of titles during its business life, is reformed again in March **1998**. Under the direction of Chairman Michael Collett, the company's passenger air transport and all-cargo subsidiaries are combined under the present name. Employing 5 Lockheed L-188CFs and 2 Douglas DC-6s, the airline flies charters throughout the U.K. and northern Europe.

The non-airline operations, including contract maritime reconnaissance and pollution control, together with the DC-3s of the newly formed Air Atlantique Historic Flight, are flown under the name **Air Atlantique, Ltd.**, one of the company monikers previously employed.

In addition, an affiliated company, **Highland Airways, Ltd.** is established at Inverness Airport, Scotland, to provide air charter and aviation services, and to provide training with a flight school operation.

Enplanements during the 12 months total 45,000, while cargo traffic climbs 19.5% to 4.92 million FTKs.

Former **AB Airlines, Ltd.** Managing Director Tony Auld becomes deputy group managing director in mid-November.

The carrier nearly doubles its freight traffic in **1999**, operating 8,125,000 FTKs.

Under a contract with **Air Littoral, S.A.**, the company stations an L-188AF at Marseilles in February to operate nightly Air Littoral Ex-

press mail and parcel roundtrips to Paris (CDG).

The fleet is upgraded in the first week of May by the addition of a Convair 440 freighter previously operated by **Argo Air International, S.A.** The only one of its type flying in Europe, the Convairliner is employed both for cargo and as an air show display.

With the increase of its Electra fleet to 9, the company is able to station an L-188AF at Belfast International Airport on August 1 to undertake nightly express parcel flights to Coventry on behalf of Mayne Nickless Express. The company is now the world's largest Electra operator.

Later in the month, Atlantic and its various divisions, stage an impressive Coventry air show. Present are the DC-6A and CV-440, as well as at least 7 DC-3s, which, at one point, put on a formation flyby for spectators.

ATLANTIC AIRWAYS: United States (1923). Atlantic Airways is set up at Hingham, Massachusetts, in early **1923** to offer flights south to Newport, Rhode Island and New York City. Employing 2 Curtiss HS-2L, 1 Curtiss MF, and 1 Aeromarine 40 flying boat, revenue services duly commence and when the flying season ends in the fall, a total of 1,701 passengers and 1,500 lbs. of freight have been transported.

The company is unable to continue in **1924**.

ATLANTIC AIRWAYS, LTD. (1): United Kingdom (1993). In **1993**, Michael Collett, chairman of General Aviation Services, which owns **Air Atlantique, Ltd.**, the airline operation of **Atlantic Air Transport, Ltd.** and **Air Corbiere, Ltd.**, reforms his two operating subsidiaries. Passenger services are transferred to a new company, Atlantic Airways, Ltd., while cargo services pass to **Atlantic Cargo, Ltd.**

Atlantic Airways, under the leadership of joint Managing Director Colin Wright, possesses a fleet that includes 1 Douglas DC-3, 1 Fairchild Metro III, 2 Cessna 404 Titans, 1 Cessna 402, and 3 Cessna 310Rs. The 21-employee company's mostly charter flights are undertaken between Jersey and Guernsey and between those Channel Islands and Gloucester, Liverpool, and Coventry.

Subsequent operations are reported with **Atlantic Air Transport, Ltd.**

ATLANTIC AIRWAYS, LTD. (2): Canada (1974–1987). Originally formed as the airline division of the St. John's, Newfoundland-based **FBO Provincial Airlines, Ltd.**, this small carrier begins scheduled services to Bangor, Maine, with two Douglas DC-3s in **1974**. The DC-3s are replaced in **1978** by a Saunders ST-27 and a Piper PA-31-310 Navajo. New frequencies are opened to Fredericton and Bathurst, New Brunswick.

During **1980–1986**, the fleet is upgraded to include a Piper PA-31-350 Navajo Chieftain and a Beech King Air 200. A route is opened from St. John's to the French island of St. Pierre. In late fall of the latter year, Canadian oil companies contract with the carrier for the provision of King Air ice surveillance flights. When the parent purchases **Eastern Flying Service, Ltd.** in **1987**, it is merged with Atlantic Airways, Ltd. to form a larger carrier that will fly under the **Provincial Airlines, Ltd.** banner.

ATLANTIC AIRWAYS FAEROE ISLANDS, A.S. (ATLANTS-FLOG): Vagar Airport, Soervagur, FR-380, Faeroe Islands; Phone 298 33344; Fax 298 33380; Code RC; Year Founded 1987. Atlantic Airways, A.S. is formed in association with **Cimber Air, A.S.** of Denmark at Vagar Airport in the Faeroe Islands in July **1987** with Henri Mortensen as managing director. A British Aerospace BAe 146-200A is acquired from **Pacific Southwest Airlines (PSA)**, the Faeroe government takes fiscal control, and scheduled services are opened on March 28, **1988** to Copenhagen and Billund. Enplanements by year's end total 68,000.

Operations continue apace in **1989**, as the Faeroe government obtains complete control and shareholding. During the summer, frequencies to Copenhagen are increased to three per day. In **1990–1991** the fleet still includes just the single BAe 146-200A.

In **1992** an application is made to begin scheduled services to London (LCY) and, in **1993**, President Henri Mortensen oversees a workforce of 34. The London request is not authorized.

Early in **1994**, the color scheme of the BAe is modified to place greater emphasis on the red and blue national colors. Two Bell 212 helicopters are acquired and, in April, the company takes over the scheduled interisland helicopter service previously provided by SL Helicopters, which serves as the government coast guard.

The carrier's route network includes 11 stops on 8 islands. In **1995–1996**, Eydfinnur Jacobsen is chairman, with Magni Arge as managing director. The workforce grows to 46 and flights commence to Aarhus and Reykjavik.

From mid-June to mid-September **1997**, the carrier joins with **Greenlandair, A.S. and Flugfélag Islands, H.F. (2)/Icelandair**, in cooperation with Greenland Tourism, to increase the number of Icelandic tourists visiting Greenland. Four weekly roundtrips are provided with a Fokker 50 and a fifth weekly frequency provided by a BAe 146-200A.

Flights continue in **1998–2000**. Early in the latter year, a second BAe 146-200 is acquired. It spends its first few months out on lease to **British Midland Commuter, Ltd.**

ATLANTIC AND GULF COAST AIRLINE: United States (1937). Established at Savannah, Georgia, in late spring **1937**, Atlantic and Gulf Coast Airline acquires a single Stinson Model A Tri-Motor and employs it to begin scheduled passenger flights to Jacksonville in May. Unable to generate sufficient revenues to cover start-up costs, the operator stops flying in August.

ATLANTIC AVIATION CORPORATION: New Castle County Airport, P.O. Box 15000, Wilmington, Delaware 19850, United States; Phone (302) 322-7000; Fax (302) 322-7227; <http://www.atlanticaviation.com>; Year Founded 1927. One of the nation's oldest FBOs, Atlantic Aviation is established at Wilmington, Delaware, in **1927**. Very early on, the company begins to engage in charter operations. Seven decades later, AAC not only flies from New Castle County, but has aircraft stationed at six other locations. These provide executive and small group charters throughout the U.S. and worldwide.

An IAI 1124A Westwind II is stationed at Wilmington; a Beech Super King Air 200 is housed at Waycross–Ware County Airport in Georgia; and a Canadair 601 Challenger is based at Palm Beach, Florida. Further north, 1 each Grumman G-1159 Gulfstream II and Learjet 35A are based in White Plains, New York; 2 British Aerospace BAe (HS) 125-700 Hawkers, 1 BAe (HS) 125-800 Hawker, 1 Cessna 560 Citation V, and 1 Canadair Challenger are held at Teterboro Airport in New Jersey; 1 Grumman G-1159 Gulfstream III is based at Trenton, New Jersey; and 1 Super King Air 200 flies from Harrisburg, Pennsylvania.

ATLANTIC CARGO, LTD.: United Kingdom (1993). In **1993**, Michael Collett, chairman of General Aviation Services, which owns **Air Atlantique, Ltd.**, the airline operation of **Atlantic Air Transport, Ltd. and Air Corbiere, Ltd.**, reforms his two operating subsidiaries. Passenger services are transferred to a new company, **Atlantic Airways, Ltd. (1)**, while cargo services pass to the new Atlantic Cargo, Ltd.

Atlantic Cargo, under the leadership of joint Managing Director Colin Wright, possesses a fleet that includes 2 Lockheed L-188Cs, 2 Douglas DC-6s, 2 DC-3s, 1 Fairchild Metro III, and 1 Cessna 406 Caravan II. Regional flights are inaugurated and continued by the 45-employee freighter.

Subsequent operations are reported with **Atlantic Air Transport, Ltd.**

ATLANTIC CENTRAL AIRLINE: United States (1975–1976). This international commuter is established at Bangor, Maine, in late January **1975** to provide passenger and cargo services to St. John, New Brunswick. Although daily Beech 18 roundtrips are inaugurated on February 19, they can only be maintained into early **1976**.

ATLANTIC CITY AIRWAYS: United States (1963–1977). ACA is founded at Bader Field, Atlantic City, New Jersey, in **1963** to offer air taxi flights to surrounding communities, including Newark. Nonsched-

uled operations continue apace until June 30, **1970** when the carrier becomes a member of the "Allegheny Commuter" network. Employing Beech 99s, the company inaugurates scheduled passenger flights linking its base with Wildwood/Cape May and Millville/Philadelphia.

In the next several years, services are introduced to Newark, Trenton, Asbury Park, and Monmouth. The fleet is upgraded by the addition of the first of 6 de Havilland DHC-6 Twin Otters. Enplanements total 68,319 in **1975** and in **1976** they grow a modest 2% to 69,713.

While on final approach to Cape May County Airport at Wildwood, New Jersey, on December 12, 1976, Flight 977, a DHC-6-300 with two crew and eight passengers, crashes 4,000 ft. short of the runway (four dead).

In July **1977**, the carrier is reformed and renamed **Southern Jersey Airways** when Donald C. Young succeeds his father as chairman/president.

ATLANTIC CITY EXPRESS. See JETTRAIN

ATLANTIC COAST AIR SERVICES, LTD.: United Kingdom (1935–1937). Atlantic Coast Air Services, Ltd. is formed in early **1935** and employing a Short Scion, begins daily Lundy–Barnstaple flights in April. The company is reregistered as **Lundy and Atlantic Coast Air Lines, Ltd.** on April 26, **1937**.

ATLANTIC COAST AIRLINES: 515A Shaw Road, Dulles, Virginia 20166, United States; Phone (703) 925-6000; Fax (703) 925-6299; <http://www.atlanticcoast.com>; Code DH; Year Founded 1989. Atlantic Coast Airlines is officially formed at Dulles International Airport, outside Washington, D.C., on December 15, **1989** as a subsidiary of the California-based conglomerate WestAir. **WestAir Airlines** Vice President Paul Rasmussen is placed in charge and provided with a fleet of four British Aerospace BAe Jetstream 31s and three Embraer EMB-120 Brasilias. "United Express" revenue flights commence the same day over many of the routes of bankrupt **Presidential Airways**.

In **1990**, WestAir Holdings, Inc., parent of **WestAir Airlines, NPA**, and Atlantic Coast, elect to reform its airlines into two divisions. NPA is merged into **WestAir Airlines** and under that name becomes the corporation's West Coast division. Atlantic Coast Airlines is the East Coast division; Kerry Skeen is appointed president.

In March, daily roundtrips are inaugurated from Washington, D.C. (IAD) to White Plains and Binghamton, New York; daily nonstop roundtrips are launched in April from Washington, D.C. (IAD) to Syracuse, New York, and Wilkes-Barre and Scranton, Pennsylvania. The combined schedule represents a 54% increase in service from one month to the next.

By year's end, the two units serve a total of 64 cities, with Atlantic Coast Airlines offering 205 daily departures to 28 communities. Traffic and financial figures are reported with those of the parent.

"United Express" flights begin from Washington, D.C. (IAD) to both Dayton and Cincinnati in February **1991**. To handle growth, the company in April takes the transfer of two Brasilias and a Jetstream 31 from WestAir's west coast division.

During September, WestAir elects to sell its east coast division to an investment group headed by former **Pan American World Airways (1)** Chairman C. Edward Acker. The men pay \$14.2 million for the operation and agree to assume a \$2.8-million debt. Former **Southern Jersey Airways** President Donald Young becomes CEO Acker's vice president-flight operations while current President Skeen remains during the transition.

The 550-employee company continues operation without a break as four-times-per-day roundtrip service is launched from Washington, D.C. (IAD) to Dayton and that from D.C. to Columbus is increased to five-times-per-day. Thrice daily Jetstream 31 flights are begun from Raleigh-Durham to Charlottesville on September 4 while, in November, three Shorts 360s frequencies from Raleigh-Durham to Jacksonville and New Bern, North Carolina, are supplemented by the addition of

three thrice-daily Jetstream 31 flights. Enplanements total of 646,153 passengers, a huge 105% increase over the previous year.

The 37-aircraft fleet in 1992 includes 24 Jetstream 31s and 13 Brasilias, with 4 Jetstream 31s on order. To complement **United Airlines** jet service, Brasilia flights are increased in February from Washington, D.C. (IAD) to Boston, Newark, Hartford, Manchester, and Burlington. New scheduled services are introduced on those Washington, D.C. (IAD) routes to the northeast in June.

These are followed by September's launch of the first scheduled passenger frequencies from New York State's Stewart International Airport to Toronto. The first phase in the development of Newark (EWR) as a northeast base is inaugurated in December with the launching of non-stop flights to Buffalo and Rochester. Customer bookings move ahead by 28.8% to 789,086.

Early in January 1993, orders are placed for 17 Jetstream 41s. During the first quarter, the airline begins new services from Washington D.C. (IAD) to Rochester and Philadelphia, bringing its total of daily departures to 100, to 35 destinations.

On April 1, the "United Express" carrier completes acquisition of the Dulles-based operations of **Air Wisconsin**, including 12 de Havilland Canada DHC-8s. Further south the same day, the company initiates a new series of 30 daily frequencies to service the major's hubs at Orlando and Miami from 10 more domestic and 13 international destinations.

Operations commence on May 1 from the former Pease AFB, New Hampshire, in May with a daily flight to Washington, D.C. (DCA) and one-stop, four-times-per-day service to New York (LGA). The premier Jetstream 41 is delivered during the month.

The first Jetstream 41 enters service in June, the same month Pease-Newark frequencies commence. A major flap occurs in August when Richard Douglas, executive director of the President's Committee on the Employment of People with Disabilities, is denied permission to board a Jetstream 31 unless he can do so himself, which he does by dragging himself up the airplane's steps. **United Airlines** Chairman Stephen M. Wolf, in writing Transportation Secretary Federico Pena on the matter, urges the government to make lifting devices for small regional aircraft more widely available.

All of the expansionist activity leads to a tremendous boost in passenger traffic, as bookings climb 85.2% to 1,447,937. Although a revenue figure is not provided, expenses allow an operating profit of \$2.56 million and a net gain of \$37,000.

The leased fleet in 1994 includes 30 Jetstream 31s, 14 Jetstream 41s, 12 EMB-120s, and 5 each DHC-8-102s and DHC-8-311s.

While on final approach to Port Columbus International Airport in light snow after a January 7 service from Washington, D.C. (IAD), "United Express" Flight 6291, a BAe Jetstream 41 with 3 crew and six passengers, stalls and descends into a line of trees. The aircraft comes to a stop against the side of a commercial building 1.2 mi. short of the runway (5 dead).

The company, as a result of its previous year's losses, undertakes a restructuring that includes an expensive return of the Brasilias and Dash-8s to their manufacturers. Florida operations are terminated. Still, a \$140-million order is placed in December for 20 more Jetstream 41s.

Passenger boardings move ahead by 6.8% to 1,545,872 and revenues ascend 6.8% to \$158.91 million. Expenses shoot up 24.3% to \$182.19 million and cause a pretax loss of \$23.27 million. A huge \$25.13-million net loss is also suffered.

The restructuring begun the previous year is successfully completed in 1995. Nine new J-41s begin delivery in January and, during the first half of the year, arrangements are made to sell 5 of the company's 18 landing slots at White Plains, New York.

On November 7, the carrier contracts with PROS Strategic Solutions for installation of an electronic yield and management system. At the same time, it negotiates a new \$20-million line of credit with Shawmut Capital Corporation. With completion of its slot sale at White Plains, frequencies from that New York city to Washington, D.C. (IAD) are reduced to six per day. Scheduled departures reach 131,470.

Although enplanements are down 7.8% this year to 1,424,716, revenues drop 1.2% to \$156.96 million, and costs are off 20.9% to \$144.12 million, the 1994 losses are turned into profits: \$12.84 million (operating) and \$12.9 million (net).

The employee population stands at 1,300 in 1996 and the fleet includes 36 Jetstream 41s and 30 Jetstream 31s.

On September 11 the airline covers the cost of the charter of 2 J-32s and 1 J-41 to transport 30 Washington, D.C. students, their chaperons, and recent West Point graduates to the 4-day "Reach for Tomorrow" program that exposes selected young people to higher education and relevant role models.

In late September, the carrier becomes the first regional airline to incorporate the advanced CRM training program developed by the FAA into its operational system. The PROS Strategic Solutions electronic yield and management system comes on line during the fall.

In November, the carrier begins to outfit its turboprop fleet with Allied Signal's global positioning, flight management, and communications addressing and reporting systems. In December, orders are placed with Aero International (Regional) for a dozen Jetstream 41s.

Scheduled departures climb to 137,924, customer bookings move ahead by 2.7% to 1,462,447, and operating income swells 15.9% to \$182 million. Expenses climb only 12.5% to \$162 million and profits accelerate; company bookkeepers report a \$19.8 million operating gain and a net gain of \$19.1 million.

Employment grows by 3.8% in 1997 to 1,350. During the last week of January, a \$240-million order is placed with Bombardier for 12 Canadair RJ200 Regional Jets, with options taken on 36 more. Meanwhile, given the manufacturer's planned cessation of J-41 production, the company elects not to take the 8 remaining turboprops it has on order.

In February, corporate headquarters and the company's system control center are transferred to Sterling, Virginia, near Dulles International Airport. With 188 daily departures, ACA is now the largest carrier at Washington, D.C. (IAD). At the beginning of the summer schedule, ACA offers 427 daily departures from 39 airports in 17 states.

In March, the Master Executive Council of the carrier's Air Line Pilots Association (ALPA) chapter recommends that **United Airlines** purchase RJs and operate them in the manner of **Air Canada, Ltd.** UA prefers larger jetliners. Discussions regarding flyers for ACA's new Canadairs continue between the pilot groups of UA and ACA.

In May, President/CEO Skeen and Virginia Governor George Allen hold a press conference in which it is announced that the company will build a \$10-million, 85,000-sq.-ft. maintenance facility at Dulles International Airport. A Governor's Opportunity Grant of \$175,000 and a \$100,000 grant from Loudoun County are provided; the remainder of the cost will be funded through bonds issued by the county.

Nonstop weekend BAe Jetstream 41 service to the Cape Cod Islands from Washington, D.C. (IAD) is initiated on May 23 and will continue through June 8. The company begins five nonstop weekday J-41 services between Baltimore (BWI) and Boston on June 2. Weekend flights are also flown.

A full pattern of daily service begins June 9 to the Cape Code Islands with a minimum of two daily flights Monday through Wednesday and three flights Thursday through Sunday. Passengers arriving at Nantucket Memorial or Martha's Vineyard Airports are also given the option of a connecting flight to the neighboring island.

Underwritten by Alex Brown & Sons and Robinson-Humphrey, the company now completes placement of a \$50-million aggregate principal amount of convertible subordinated notes. The income will be applied to the cost of the new jetliners and to repurchase 1.46 million shares of ACA stock held by British Aerospace.

In an official July 11 hand-over ceremony in Montreal, Canada, President/CEO Kerry Skeen takes delivery of the first of 12 new Canadair RJ200ER jets acquired in January from Bombardier Regional Aircraft Company. Following the presentation, the ACA executives and other company employees board the aircraft for its maiden flight home to Washington, D.C. (IAD), clearing U.S. airspace at Burlington, Vermont,

a destination for ACA's Jetstream 41. Upon arrival at Washington, D.C. (IAD), the jet is welcomed by company employees in a celebratory reception at the airport.

Two more RJ200ERs are scheduled to arrive by year's end, but as the current UAL pilots contract prohibits regional affiliate pilots from operating jet service, Atlantic Coast makes contingency plans to operate flights independent of "United Express." To that end, the aircraft are delivered in a three-tone blue color scheme with company titles.

Beginning on August 1, nine roundtrip "United Express" flights are offered every business day between Washington, D.C. (IAD) and New York (LGA) in competition with **Delta Air Lines** and **USAirways Shuttle**. Flights depart every two hours beginning at 6:30 a.m., with the 10:30 p.m. departures from Dulles and La Guardia the last scheduled flights of the day for any air carrier between those two airports.

The pilots of **United Airlines** vote to allow "Delta Connection" pilots to fly regional jets on behalf of the major carrier. After crew workup and proving flights, the premier Canadair jet enters "United Express" service on September 9 as the company inaugurates flights from Washington, D.C. (IAD) to Hartford, Greensboro, and Charleston.

On October 1, four-times-per-weekday J-41 "United Express" service is inaugurated from New York (JFK) to Baltimore (BWI), and to Pittsburgh, with less frequent service on weekends. Later in the month, six of the January RJ200 options are converted to firm orders and six to conditional; the units of this \$125-million request will begin to arrive a year hence.

Also during the month, a cooperative agreement is signed with Daytona Beach-based Embry-Riddle Aeronautical University. Under its terms, selected graduates will be hired by the Dulles-based "United Express" carrier.

Seasonal service to the Cape Cod Islands ends on October 30. The following month, ACA exercises options for 12 additional Canadairs, of which 6 orders are firm and 6 are conditional.

"United Express" J-41 service from Washington, D.C. (IAD) to Raleigh-Durham is replaced with Canadair RJs on November 20. New daily roundtrips commence two days later from Dulles to Ft. Myers and Jacksonville, Florida, and Nashville, Tennessee.

A new J-41 is received at year's end.

Passenger boardings climb 13.9% to 1,665,238 on 146,069 scheduled departures. Operating revenues surge 12.6% to \$205.4 million, while expenses are up 8.5% to \$176.5 million. The operating gain shoots up to \$28.9 million, while net profit inches up \$400,000 to \$14.5 million.

Daily RJ200 roundtrips commence on January 1, 1998, between Washington, D.C. (IAD) and Tampa.

The company, in January, applies to the DOT for permission to launch thrice-daily Canadair roundtrips in June from Chicago (ORD) to Springfield, Missouri. As of this month, the company has received 5 of 18 ordered RJs on hand.

A major strategic agreement is entered into with **Deutsche Lufthansa, A.G.** on January 23. Under its terms, the two link their frequent flyer programs, receive automatic luggage check-in, as well as boarding passes and seats for flights on both, and onetime check-in at their departure city.

Dual-designator flights commence from Washington, D.C. (IAD) to Charlottesville, Cleveland, Greensboro, Newport News, Norfolk, Pittsburgh, Raleigh-Durham, and Syracuse.

Daily nonstop RJ200 roundtrips begin on February 1 between Washington, D.C. (IAD) and Atlanta.

Four-times-a-weekday Jetstream 41 roundtrips are initiated on March 2 between Washington, D.C. (IAD) and Wilmington, North Carolina. Canadair thrice-daily "United Express" roundtrips commence on March 16 between Dulles and Indianapolis.

Four-times-weekday CRJ200 roundtrips begin on April 1 between Savannah, Georgia, and Washington, D.C. (IAD).

Four-times-weekday "United Express" Jetstream 41 roundtrips commence on April 16 between Worcester, Massachusetts, and Washington, D.C. (IAD).

Also in April, a tentative agreement is reached between the carrier and its 150-member chapter of the Association of Flight Attendants (AFA). When put to the membership for a vote, the deal fails. To keep the dispute from escalating, both sides ask the National Mediation Board (NMB) to step in.

At the same time, ACA executives announce the replacement of multistop turboprop services from Maine to Dulles with four additional nonstops employing Canadairs.

"United Express" service between Washington, D.C. (IAD) and Charleston, South Carolina, is expanded on May 1; twice-daily service continues to be offered by Jetstream 41s while two other daily roundtrips are provided by Canadair RJs. The same day, jets are also employed to expand existing turboprop service between Dulles and Portland, Maine, by adding a daily nonstop roundtrip Canadair flight.

Having enjoyed a profitable first quarter and with the highest rated stock of any regional airline in the world, ACA, in May, increases its firm orders for Canadairs from 18 to 23. At the same time, the board authorizes a 2-for-1 common stock split.

In order to improve operational performance and provide an increased number of connecting opportunities, the company begins to operate seven daily banks of flights into Washington, D.C. (IAD) on June 10, up from two-and-a-half. The primary banks peak at 40 aircraft. The main arrival times are 7:55 a.m., 12:25 p.m., 4:40 p.m., and 9:35 p.m.; secondary banks are 10:15 a.m., 1:50 p.m., and 6:00 p.m.

The revised banks include a new nonstop, four-times-a-day "United Express" CRJ roundtrip service to and from Greenville and Spartanburg, South Carolina.

Daily CRJ "United Express" roundtrips commence on June 24 between Chattanooga and Chicago.

On July 8, the number of daily "United Express" roundtrips between Raleigh-Durham and Washington, D.C. (IAD) is increased from 10 to 15. Ten services are provided by Jetstream 41s and five by CRJs.

Thrice-daily "United Express" CRJ roundtrips commence on August 3 between Charleston, West Virginia, and Chicago (ORD). In addition, the four-times-per-day "United Express" Jetstream 32 roundtrips from Charleston to Washington, D.C. (IAD) are expanded by the addition of a midday CRJ nonstop roundtrip between the two cities.

On September 8, ACA reacts to the growing demand for capacity in light of the **Northwest Airlines** pilot strike that began on August 29. ACA upgrades its twice-daily "United Express" return service from Detroit (Metro Airport) to Washington, D.C. (IAD) from J-41s to CRJs for the remainder of the month. In addition, the airline will operate, as necessary, two aircraft simultaneously for some flights, increasing capacity still further.

The number of daily "United Express" Jetstream 32/41 roundtrips between Washington, D.C. (IAD) and Newark are increased on September 9 from 13 to 16. The next day, the company and representatives from the AFA sign a new four-year contract; rank and file flight attendants begin the ratification process on September 11.

Thrice-daily CRJ "United Express" roundtrips commence on October 1 between Wilkes-Barre/Scranton and Chicago (ORD). Simultaneously, Jetstream 32s begin flying from Wilkes-Barre/Scranton to Washington, D.C. (IAD), four times a day.

Daily CRJ "United Express" roundtrips begin on October 31 from Washington, D.C. (IAD) to Detroit (DTT), Hartford, and Columbus. The Canadair service to Detroit and Hartford complements **United Airlines** B-737 service to Detroit and Hartford, but is new to Columbus; J-41s also continue to serve on the routes. AFA members ratify the new contract on October 8.

An extensive new "United Express" flight schedule, due to take effect on January 31, is announced on December 9, with tickets to go on sale on December 12.

The turboprop "United Express" service of **Great Lakes Aviation** to Fargo is replaced on December 15 when Atlantic Coast introduces thrice-daily, roundtrip, Canadair CRJ200 "United Express" jetliner service to Hector International Airport at the North Dakota city from

Chicago (ORD). Simultaneously, twice-daily "United Express" CRJ roundtrips are started from the same point to Sioux Falls.

Also on December 15, twice-daily CRJ "United Express" roundtrips commence from Chicago (ORD) to Peoria, Illinois.

On December 17, ACA signs a \$210-million order with Bombardier for the acquisition of 10 more CRJ200ERs, plus 10 options, with deliveries to start in July 2000. Simultaneously, a comprehensive new 10-year "United Express" marketing agreement is signed with **United Airlines**.

At this point, ACA operates a fleet of 74 aircraft, including 14 CRJs, 32 J-41s, and 28 J-32s.

Enplanements during the 12 months increase 51.9% to 2,531,648. Revenues shoot ahead by 41.1% to \$289.9 million, while costs rise 34.3% to \$237.3 million. The operating profit climbs to \$52.6 million, while net gain doubles to \$30.4 million.

By the beginning of **1999**, airline employment has been increased by 33.3% to 2,000.

On the appointed January 9 date, CRJ service is increased to Raleigh-Durham and Columbus, with new jet flights added to Dayton and Burlington, Vermont. The popular schedule of hourly flights to, from, and between Raleigh-Durham and Washington, D.C. (IAD) is maintained, while jet service is upgraded to a total of six flights a day. Additional Jetstream 32/41 service is added to Syracuse (up to seven daily flights from four), Rochester (two additional "United Express" flights totaling six a day, plus one daily jet flight by **United Airlines**), and Newport News, Virginia (up to five flights from four).

"Pilot deviation" is examined by the FAA after a near-miss incident on February 25, near Washington, D.C. (IAD), where two USMC F/A-18 Hornets pass within 300 ft. vertically and 1 mi. horizontally of a company Jetstream 41.

The company's hourly "United Express" flight schedule between Newark (EWR) and Washington, D.C. (IAD) is upgraded on March 15 by the addition of 4 CRJ roundtrips as part of the 16 daily departures. The new service has been made possible by the delivery at the beginning of the month of a 16th Canadair.

On April 4, "United Express" CRJ roundtrips are started from Columbus to Jacksonville via Washington, D.C. (IAD), four times a day.

A new \$21-million, 70,000-sq.-ft. "United Express" concourse is opened at Washington, D.C. (IAD) on May 3. Equipped with 12 gates, it is occupied solely by ACA and is connected directly to the "B" concourse by a "skybridge" open to the public.

On May 4, all eight daily "United Express" roundtrips between Washington, D.C. (IAD) and New York (LGA) are upgraded from turboprop to CRJ. In conjunction with **United Airlines'** simultaneous expansion of service over the route from thrice daily to eight times a day, the United/"United Express" network now offers hourly jet service between the two major cities with a total of 16 flights every day.

Simultaneously, the number of daily "United Express" roundtrips between Washington, D.C. (IAD) and Norfolk, Virginia, are increased from 9 to 16, allowing for hourly service.

Twice-daily CRJ200ER "United Express" roundtrips begin on May 17 from Chicago (ORD) to Savannah/Hilton Head. An additional CRJ200ER "United Express" roundtrip is simultaneously started from Sioux Falls to Chicago (ORD); this creates a new schedule that replaces the previous combination of jet and turboprop service.

Columbia, South Carolina, is served by "United Express" CRJ200ERs four times a day from Washington, D.C. (IAD), starting on May 25. A 20th CRJ200ER is received during the month.

For several weeks during the spring, Fairchild Aerospace hints that it has found a launch customer for its new Fairchild 428JET regional aircraft. The identity of the mystery airline is revealed at the Paris Air Show in mid-July as ACA, which has placed a conditional \$733-million order for 30 of the new regional jets, plus 25 328JETs. The entire order cannot be converted to firm status until approval is received from code-share partner **United Airlines**.

The Washington Post reports on August 28 that three former customer service and baggage handling agents at Washington, D.C. (IAD) have

been indicted on embezzlement charges in connection with the sale of hundreds of fake airline tickets (valued up to \$1 million); a warrant is out for a fourth person.

On September 9, an agreement is signed with Fairchild Aerospace for the acquisition of 25 328JETs, which will be operated by the new subsidiary under a "Delta Connection" contract with **Delta Air Lines**.

A separate subsidiary, ACA Management, Inc., is simultaneously established to operate 20 additional Canadair RJs requested on August 16 from Bombardier Aerospace. It will later be renamed Atlantic Coast Jet. Company pilots are reassured that the new planes will be flown by ACA flyers.

"United Express" CRJ service is again expanded on October 31 as the Dash-100ERs operate all four daily roundtrips between Washington, D.C. (IAD) and Burlington, Vermont, and four of six return services from Washington, D.C. (IAD) to Albany.

On November 19, two new daily "United Express" CRJ roundtrips are started from Chicago (ORD) to Charleston; CRJs simultaneously replace J-41s on three of five daily return flights to the West Virginia capital from Washington, D.C. (IAD).

On December 13, flight crews begin training in a new RJ flight simulator facility at Washington, D.C. (IAD).

Following the demise of **United Feeder Service** in November, the carrier, on December 15, begins a four-month process of taking over the UFS "United Express" routes from Akron and Canton to Chicago (ORD) by introducing two daily CRJ return flights of its own.

Passenger boardings accelerate 27.5% to 3,231,000. Operating revenues jump 19.8% to \$347.36 million as costs climb 25.6% to \$298.07 million. Profits fall to \$49.29 million (operating) and \$28.26 million (net).

Chairman C. Edward Acker retires on January 1, **2000**. He is succeeded, per an original announcement back on October 21, by President Kerry Skeen, while Thomas Moore becomes the new company president.

CRJ "United Express" frequencies from Savannah to Chicago (ORD) and Washington (IAD) are significantly increased on January 31. The same day, service is started to Chicago (ORD) as an extension of the four CRJ Roanoke to Washington, D.C. (IAD) routes.

New six-times-a-day "United" Express Jetstream 32 roundtrips commence on April 2 between Washington, D.C. (IAD) and Shenandoah Valley Regional Airport, Virginia. Simultaneously, new four-times-a-day "United Express" CRJ roundtrips are started between Chicago (ORD) and Sioux Falls.

The first 328JET for Atlantic Coast Jet is received from Fairchild Aerospace on April 27.

Canadair CRJ200ER "United Express" service from Washington, D.C. (IAD) to Indianapolis is expanded to six daily roundtrips on May 4, the same day, four-times-a-weekday, once on Saturday CRJ return service is boosted between Washington, D.C., (IAD) and Portland, Maine.

Four-times-a-day CRJ United Express frequencies are initiated on June 8 from Washington, D.C. (IAD) to Louisville.

On July 1, Mike Davis becomes chief operating officer of Atlantic Coast Jet, which completes its FAA certification on July 21.

Atlantic Coast Jet begins "Delta Connection" service from Washington, D.C. (IAD) to New York (LGA) with 5 328JETs on August 1. In order to circumvent legal and contractual requirements, the flights are marketed as "ACJet/Delta Connection". The same day, new CRJ "United Express" roundtrips commence between Chicago (ORD) and Tulsa.

Having previously ordered the Fairchild 428JET, company officials are disappointed when, in mid-August, the manufacturer, citing high costs, indicates that it will not build the jetliner.

Four-times-a-day 328JET roundtrips are launched by "ACJet/Delta Connection" on August 21 from New York (LGA) to Portland, Maine, along with thrice-daily roundtrips to Greenville and Spartanburg and five daily nonstops to Providence.

The mainline "United Express" service from Washington, D.C. (IAD) to Providence is upgraded to CRJ200ER on September 6 as thrice-daily

CRJ200ER "United Express" roundtrips begin from Colombia, South Carolina, to Chicago (ORD).

Four-times-a-day 328Jet "ACJet/Delta Connection" return service is inaugurated on October 1 from New York (LGA) to Burlington; it is followed on October 15 with twice-daily 328Jet flights from New York (LGA) to Indianapolis. These flights are made under an exemption to the over-all 30-day moratorium on the implementation of new flights by all airlines imposed by LGA in September.

Thrice-daily "ACJet/Delta Connection" 328Jet roundtrips begin on November 1 from New York (LGA) to Raleigh/Durham and from New York (LGA) to Columbus, Ohio, on November 15. Twice-daily "ACJet/Delta Connection" 328JET roundtrips start on December 1 between New York (LGA) and Nashville.

ATLANTIC COAST AIRWAYS CORPORATION: United States (1929). ACAC is formed at New York in the summer of 1929 to offer passenger flights to the beaches and resorts at Atlantic City, New Jersey. Operations are begun in September with a single Keystone-Loeving C-2H amphibian. Within a month of the October stock market crash, the carrier goes out of business.

ATLANTIC COAST JET/AC JET. *See ATLANTIC COAST AIRLINES*

ATLANTIC EXCELLENCE ALLIANCE. *See AUSTRIAN AIRLINES, A.G.; DELTA AIR LINES; SABENA BELGIAN WORLD AIRLINES, S.A.; SWISSAIR, A.G.*

ATLANTIC EXPRESS AIRLINES: United States (1981–1983). Atlantic Express is established at Republic Airport at East Farmingdale, Long Island, New York, in late 1981 to offer scheduled regional passenger commuter service.

With a fleet of four new Fairchild Metro IIIs, the new third-level airline inaugurates daily roundtrip flights to Albany, Syracuse, and Boston on January 17, 1982. Presque Isle, Maine, joins the system in April.

A victim of the recession, the operator shuts its doors in early 1983.

ATLANTIC FLIGHT GROUP: Miami International Airport, Miami, Florida 33186, United States; Phone (305) 871-1111; Fax (305) 871-2221; Year Founded 1981. AFG is set up by Michael Kiester at Miami (MIA) in 1981 to offer executive and small group charters to destinations throughout the U.S. and Caribbean. Flights continue over the next 15 years and, by 2000, the fleet includes 1 Learjet 24 and 1 Cessna 402B Business/Utiliner.

ATLANTIC GULF AIRLINES: United States (1983–1986). St. Petersburg-based AGA receives certification from the CAB in September 1983. Employing a pair of Convair CV-580s, scheduled flights are inaugurated on October 15 to Atlanta, Miami, and Tallahassee. Enplanements during the next two-and-a-half months total 55,000.

Employing wet-leased Vickers Viscounts, the Florida network is expanded in the spring of 1984. On October 10, the company, deep in start-up debt, files for Chapter XI bankruptcy. Merger discussions are held with Air Illinois, also in Chapter XI and not operating. Under a wet-lease agreement with the Illinois concern, a British Aerospace BAC 1-11-401 and its flight crews are provided to help maintain AGA's basic schedules. A total of 96,000 passengers are flown on the year.

Early in 1985, AGA is sold to United Resources, which signs a letter of merger intent designed to combine the carrier's staff and reservations system with Air Illinois' BACs, staff, reservations system, and maintenance components. Hopefully, the two bankrupt airlines can be merged into one solvent new entrant. Orders are even placed for four Aerospa-tiale Mohawk 298s, which will not be delivered. The BACs continue to operate on routes to Miami, West Palm Beach, Tallahassee, the Turks and Caicos Islands, Providenciales, Grand Turk, and, on behalf of **APA International Air**, Puerto Plata.

Although company officials attempt to reorganize and find new capitalization, the carrier must be sold again in early 1986 and a 50% interest is taken by a group of unidentified investors who have no previous airline experience. Flights continue until the carrier shuts down on September 1.

The FAA revokes the Air Illinois operating certificate in late 1987. In early 1988, a new carrier, **Oceanair**, is established as successor to Air Illinois/Atlantic Gulf Airlines and takes possession of the two BAC 1-11-200s from bankrupt AGA. An effort is made to overturn the revocation of the Air Illinois authority, but this initiative also fails. **Oceanair** is unable to begin operations.

ATLANTIC GULF AIRWAYS: 1100 Lee Wagener Blvd., Suite 110, Ft. Lauderdale, Florida 33315, United States; Phone (954) 359-6060; Fax (954) 556-8844; <http://gator.naples.net/nfn02257/atlantic>; Year Founded 1988. AGA is established at Ft. Lauderdale in 1988 to provide executive and small group passenger charters anywhere in the U.S., Canada, Mexico, the Caribbean, and Central America. The company's five pilots fly one each PA-23 Aztec and PA-31-350 Navajo Chieftain. A base is also maintained at Miami, along with a second Navajo Chieftain.

ATLANTIC, GULF AND CARIBBEAN AIRWAYS. *See FLORIDA AIRWAYS; PAN AMERICAN AIRWAYS (PAA)*

ATLANTIC ISLAND AIR, H.F.: Iceland (1991–1992). AIA takes up the charter challenge in the fall of 1991. Revenue operations to northern Europe are undertaken with a single Boeing 727-276A. Like its predecessor, it is unable to achieve either traffic or economic viability, Atlantic Island closes its doors in late spring 1992.

ATLANTIC ISLAND AIRWAYS, LTD.: Canada (1994–1996). AIA is established at the end of 1994 to offer passenger charter and inclusive-tour flights. The first of three leased Fokker F.28-1000s is delivered from **USAir** in December.

Flights commence in January 1995 and continue just over a year.

ATLANTIC SOUTHEAST AIRLINES (ASA): 100 Hartsfield Centre Parkway, Suite 800, Atlanta, Georgia 30354, United States; Phone (404) 766-1400; Fax (404) 209-0162; <http://www.irinfo.com/asai>; Code EV; Year Founded 1979. ASA is founded at College Park, Georgia, on March 5, 1979 by former **Southern Airways** executives A. M. Voorhees, George F. Pickett Jr., Robert Priddy, and John Beiser. Equipped with a fleet of 3 de Havilland DHC-6-200 Twin Otters, this commuter is headquartered at Hapeville, Georgia, with an operating base at Atlanta's Hartsfield Airport. Initial capitalization is provided in the form of \$10,000 contributions by each of the three founders, plus \$500,000 in seed money from a venture capitalist.

Voorhees is named chairman, Pickett is chosen president, and the initial workforce totals 15. Five-times-per-day roundtrips commence on June 27 between Atlanta and Columbus, Georgia, and the new entrant flies 12,170 passengers and a ton of cargo in the next six months.

A new route is started from Atlanta to Macon in 1980 and bookings for the first complete year skyrocket 390%, up to 59,677; 6,000 pounds of freight are hauled. The number of routes is expanded by five additional cities in the tri-state market during 1981 while orders are placed for 2 DHC-7-102s to augment the 4 available Twin Otters and 3 recently added Embraer EMB-110 Bandeirantes. Enplanements increase another 149% to 148,672 and 145,000 pounds of cargo are hauled. Net gain is \$1.31 million.

Success continues in 1982 as the payroll is increased by 45.2% to 196 and the fleet by 2 new Dash 7s. Service is initiated to Greenville, South Carolina, in April and late in the year the company switches from the computerized reservations system of **Braniff International Airways** to that of **Delta Air Lines**.

The company goes public in August. ASA flies 197,818 travelers, an increase of 33.1%; however, freight traffic dips 9% to 132,000 pounds.

On the year, revenues soar 54.5% to \$13.2 million, expenses rise 57% to \$10.3 million, and the net profit is \$1.4 million, the latter on top of an operating gain of \$2.89 million.

Airline employment increases 67.3% to 333 in **1983** and **Southeastern Airlines** is acquired by purchase on April 1. The same day, **Coastal Air, Ltd.** is acquired for 340,000 shares of common stock. Passenger boardings jump 81% to 358,000 and cargo accelerates 69.2% to 224,000 pounds. Revenues grow 80.4% to \$23.78 million and costs rise 99.2% to \$20.48 million. The operating profit climbs to \$3.29 million and a net profit of \$1.5 million is reported. The Georgia-based commuter now moves from the ranks of the small regionals to that of the large.

If earlier years were good for ASA, **1984** is spectacular. The fleet grows to include 5 DHC-7-102s, 5 Shorts 360s, and 11 EMB-110 Bandeirantes. On May 1, ASA enters the "Delta Connection" commuter network as a feeder for the major's main Atlanta hub. The commuter joins with **Delta Air Lines** in opening a mini-hub at Memphis in December.

To handle the increased load of serving 19 markets in this hub-and-spoke arrangement, the carrier orders 10 EMB-120 Brasílias. It also recruits a number of additional pilots, including several from failed **Aeromech Airlines**.

These moves collectively result in 71.5% more boardings, up to 613,900. Cargo skyrockets 237.8% to 755,000 pounds. Revenues of \$42.7 million, up 79.4% in just one year, are earned as costs are held to \$31.9 million, a 55.6% boost. The operating profit increases to \$10.8 million and a net gain of \$5.3 million is recorded.

The payroll increases 45.4% in **1985** to 900 as the "Delta Connection" carrier, in ceremonies staged for the North American launch customer by the manufacturer, takes possession of the No. 2 prototype of the Embraer EMB-120 Brasília on June 4. While awaiting FAA type certification in July, the aircraft is employed in crew training and route-proving duties. The first of 6, later 7, EMB-120 production units arrives in August and are placed into service on September 15.

An unsuccessful bid is now made to acquire another "Delta Connection" airline, **Rio Airways**. Still, enplanements for the year increase 60% to 982,252 and freight is up by another large percentage, 93.2%, to 1.45 million pounds. Revenues grow by 72.1% to \$75.31 million. Costs, although up by 82%, still total only \$60.1 million and allow an operating profit of \$15.21 million. Net profit doubles to \$10.32 million.

Airline employment rises 11.1% in **1986** to an even 1,000 and the fleet includes 5 DHC-7-102s, 8 Shorts 360s, 14 Bandeirantes, and 7 Brasílias. During the year, Delta takes a 20% interest and 2 more EMB-120s are purchased from **Air Midwest**.

En route for delivery from San Jose dos Campos to Atlanta on September 20, the company's ninth Brasília, with two crew and three passengers, crashes into a cloud-shrouded 5,000-ft. mountain peak in Brazil's Maniqueira range about 20 miles from San Jose; there are no survivors.

The Memphis hub is closed during late fall and in December, a new hub is opened at Dallas (DFW). It is serviced by 6 Bandeirantes and 3 Brasílias, which fly to 5 initial markets as a replacement for the former Dallas "Delta Connection" partner **Rio Airways**.

Passenger boardings jump 17.7% to 1,156,202 and cargo grows 2.3% to 1.49 million pounds. Revenues ascend 22.5% to \$92.29 million, expenses are up 22.7% to \$73.77 million, and the operating profit is up to \$18.52 million. Net gain improves only modestly to \$10.53 million.

The fleet of the 572-employee large regional in **1987** includes 23 Embraer EMB-120 Brasílias, 2 DHC-7-102s, 16 EMB-110 Bandeirantes, and 8 Shorts 360s. Orders remain outstanding for another 14 Brasílias.

In January, the company receives the 1986 "Regional Airline of the Year" award from *Air Transport World* magazine. As the result of its commitment to **Delta Air Lines** at Dallas (DFW), ASA opens services to 11 cities within feeder range of the Texas airport.

Cofounder Priddy takes a sabbatical in August and then purchases 12% shareholding in **Air Midwest**. In December, six-times-per-day frequencies are stretched from Dallas (DFW) to Longview, Texas and Atlanta.

Customer bookings at ASA swell 25.9% to 1,456,019 and freight rises by 27.5% to 1.9 million pounds. Revenues advance 29.1% to \$119.14 million, costs are held to a moderate 36.2% increase of \$100.5 million, and the operating profit is \$18.64 million. Net profit moves up to \$11.26 million.

In January **1988**, cofounder Priddy is able to succeed founder Gary Adamson as president/CEO of **Air Midwest**. Meanwhile his old concern disposes of 1 Bandeirante and 4 Shorts 360s while bringing its Brasília total to 29 by the addition of 6 new EMB-120s.

While en route from Dallas (DFW) on May 24, an EMB-110P1, with two crew and six passengers, is unable to climb away from an intermediate stop at Lawton, Oklahoma; the aircraft loses altitude and strikes the ground, with a section catching fire. Although the wreck must be written off, there are no fatalities; still, all aboard are injured in some degree.

Passenger boardings leap upward by 8.9% to a record 1,585,536 and cargo climbs by 10.4% to 2.1 million pounds. Revenues increase 15.1% to \$137.14 million and expenses are up 17.3% to \$117.89 million, leaving operating income to move up to \$19.24 million. Net gain is \$11.51 million.

The workforce is increased by 4% in **1989** to 1,477. The "Delta Connection" partner receives 9 additional Brasílias, bringing its fleet total to 36, plus 13 Bandeirantes and 4 DHC-7-102s.

Benefiting from the **Eastern Air Lines** strike, the large regional is able to boost its customer bookings by 26.2% to 2,001,217. Revenues swell 31.3% to \$180 million while costs are only half that figure. As a result, operating income jumps to \$43.97 million and net gain reaches \$27.61 million.

The number of employees swells 6.9% in **1990** to 1,588 as the fleet accelerates to 58 turboprops: 43 Brasílias, 13 Bandeirantes, and 2 Dash 7s. Sixteen EMB-120s remain on order. With both **Eastern Air Lines** and **Eastern Metro Express** about to depart Atlanta via bankruptcy, ASA prepares for growth.

The year's enplanements are level at 2,001,635 as freight grows by 3.5% to 2,187,000 pounds. Revenues climb a modest 3.9% to \$187.22 million, expenses rise 8.2% to \$147.36 million, and operating income slips to \$39.86 million. Net gain drops to \$25.39 million.

The workforce is increased by 8.9% in **1991** to 1,721 and the fleet is increased by 6 Brasílias while 2 Bandeirantes are sold. Nine EMB-120s remain on order. Following the January failure of **Eastern Air Lines** and **Eastern Metro Express**, services are inaugurated from Atlanta to, Pensacola, Charlotte, Gulfport/Biloxi, Nashville, and Tri-Cities Regional Airport in Tennessee.

While on final approach to Brunswick, Georgia, following an April 5 service from Atlanta, Flight 2311, an EMB-120RT with 3 crew and 20 passengers, suddenly pitches up. It rolls to the left until the wings are nearly vertical, and then plunges into the ground 9,975 ft. short of the runway; there are no survivors. Among the victims are former Texas senator John G. Tower and his daughter.

Passenger boardings jump 12.5% to 2,251,036, but freight drops 11.7% to 1.93 million pounds. Revenues ascend 18.5% to \$221.91 million, costs move ahead by only 15% to \$169.39 million, and the operating profit jumps to \$52.52 million. Net profit balloons to \$32.5 million.

The 1,800-employee ASA in **1992** flies 58 Brasílias, 11 Bandeirantes, and 2 DHC-7s. Orders are placed for 8 Avions de Transport Regional ATR72-210s, while 20 options are also taken. In October, the carrier's ALPA-represented pilots sign a new three-year contract.

Customer bookings move ahead by 7.4% to 2,416,609 and revenues climb 6.2% to \$235.57 million. Expenses are only \$174.76 million and foster an increase in operating income to \$60.81 million. Net gain moves to \$37.06 million.

The payroll grows by 3.2% in **1993** to 1,857 and the fleet grows by 2 more EMB-120s. The Dallas (DFW) hub is expanded during the spring as the first of the new ATR72-210s arrive and enter service in May. In a cost-reducing expedient by the parent, the new turboprops replace **Delta Air Lines** jets beginning on June 1 in the southwestern markets of Corpus Christi and Tulsa, followed, on July 1, by Lubbock, Ok-

lahoma City, Amarillo, and Wichita. At the same time, new services are initiated to Louisville, Springfield, and Jackson. ATR72-210 turboprop replacement flights begin in October from Dallas (DFW) to Houston and San Antonio.

Passenger boardings jump 10.1% to a record 2,661,386 while freight ascends 18.2% to 2.34 million pounds. Revenues shoot up 22.5% to \$288.46 million and expenses climb only 20.6% to \$210.84 million. As a result, operating profit advances to \$77.62 million and net gain reaches \$50.54 million. Both profit lines rank ASA among the world's top 25 airlines—operating is 16th and net gain is 12th highest.

Airline employment is cut by 8.5% in 1994 to 1,700 and 4 additional ATR72s are delivered in early spring to begin flying from the carrier's Atlanta hub. During this period and through the fall, the company comes to serve a total of 37 markets from its Atlanta hub and 26 more from Dallas (DFW). Late in the year, plans are made for additional expansion over additional thin routes to be received from **Delta Air Lines** and the leasing of five British Aerospace BAe 146-200 jetliners.

Overall customer bookings leap ahead by 17.2% to 3,120,294, while cargo advances 27.6% to 2.98 million FTKs. Revenues climb 8.2% to \$312.09 million and expenses increase 8.1% to \$227.81 million. Pretax profit moves up to \$84.27 million while net gain reaches \$52.65 million. This was despite November–December jitters caused by the ATR icing concern that resulted from the crash of a **Simmons Airlines** commuter-liner on October 31.

Airline employment in 1995 stands at 2,200, a 29.4% increase. Shortly after departure from Atlanta on August 21, Flight 7529, an EMB-120 with 20 aboard, suffers an engine failure when part of a propeller blade snaps off the No. 1 engine; the pilot crash lands in a hayfield near Carrollton, Georgia (5 dead). A badly burned passenger, Michael Hendrix, walks away from the wreckage and calls his wife from a nearby house; he will die of his wounds in hospital on September 16. Two other travelers severely injured in the disaster will both die on September 20.

Flight attendant Robin Fech will win praise in two popular magazines for her passenger support activities before and after the accident. Thomas Fields-Meyer praises her as “Steady Under Fire,” in *People Weekly* 64 (October 23, 1995): 80–82. William H. Hendrix, the brother of passenger Michael Hendrix, writes of “The Angel of Flight 7529,” in *Family Circle* 109 (July 16, 1996): 84–87.

Also during the month, the leadership of the ALPA Master Executive Council at ASA begins negotiations with the company on a new contract; no one expects the process will take as long as it eventually does.

Arrangements are completed during the month with BAe Asset Management Organization for the 5-year lease of 5 BAe 146-200s, with options taken for another 15. If all of the options are exercised, the deal will be worth \$160 million.

After refurbishment at the Air Wisconsin third-party maintenance division and FFV Aerotech in Nashville, 4 BAe 146-200s are received in October and begin to conduct proving flights to potential destinations.

On December 1, the U.S. District Court in Atlanta denies an emergency request for a preliminary injunction and dismisses a lawsuit filed by ALPA that would have prohibited ASA from operating the new BAe 146s.

Two of the new jetliners are employed later in the day to inaugurate the company's first jetliner service over six routes from Atlanta, including one to Asheville, Chattanooga, and Tri-Cities Regional Airport in Tennessee. Another frequency departs south from Atlanta to Gainesville.

On December 7, after eight months of unsuccessful negotiation, the local chapter of the Association of Flight Attendants (AFA) requests a mediator from the National Mediation Board (NMB) be assigned to the talks. Scheduled departures this year are 207,868.

Enplanements dip 1.7% to 3,066,897 and freight traffic plunges to 480,000 FTKs. Still, operating income increases 5.3% to \$328.72 million and costs, up 11%, are held to \$252.85 million. The operating gain slides to \$75.87 million and the net profit slips to \$51.13 million.

Airline employment is increased by 18.2% in 1996 to 2,600 and orders are placed for 30 Canadair RJ2s, with options taken on 60 more.

On February 13, the Atlanta City Council approves a company plan to relocate all of its Hartsfield International Airport services from 12 gates on Concourse D North and 3 gates at Concourse C South to 15 gates at Concourse C North. Scheduled departures drop to 192,726.

Unable to reach agreement on a new contract, the company and its pilots invite the NMB to participate in their deliberations as of the beginning of May.

Late in the year, the board of directors authorizes a reorganization of the company. The formation of a new holding company structure, ASA Holdings, Inc., which will own 100% of the airline's common stock, is completed on December 31.

Customer bookings jump 18.2% this year to 3,632,000, there are 192,726 scheduled departures, and 653,000 FTKs are operated, a 12.6% increase. Revenues climb 14.2% to \$375.3 million while expenses are up 14.8% to \$290.14 million. Profits swing upward again as the operating line reads \$85.15 million and a net gain of \$56.61 million is reported.

The employee population is reduced by 12.4% in 1997 to 2,270.

The company reorganization into ASA Holdings, Inc. takes effect on January 2. Its common stock is listed for trading on NASDAQ's national market under the ASAI symbol.

On January 10, ASA places a \$600-million order with Bombardier Regional Aircraft for 30 Canadair RJ200s with spare parts as well as an option for 60 additional aircraft. The company reorganization is completed during the month. ASA Holdings is created with the airline as its principal subsidiary.

Negotiations with pilots over a new contract intensify during the first quarter, with some members of the local ALPA chapter holding informational picketing in Atlanta and Dallas. Concerned with issues surrounding introduction of the carrier's regional jets during the summer, both sides in April hire a private mediator because they feel the NMB is not advancing the process quickly enough to satisfy either side.

At the annual meeting on May 21, a Stock Appreciation Rights (SAR) program is approved and a Non-Qualified Stock Option plan is adopted. These initiatives will require the carrier to pay a \$3.1-million charge associated with their finalization.

On June 19, the company reaches agreement with BAe AMJ to gradually return the BAe 146-200s as Canadairs become available; BAe AMJ, in turn, will lease them to **Air Wisconsin**. ASA must pay a one-time fee of \$2.6 million to return the British-made aircraft.

Fifteen-year veteran pilot and ALPA Air Safety organization member Capt. Stuart Updike Jr. on August 22 receives ALPA's “Presidential Citation for Outstanding Service” in recognition of his “unselfish personal dedication and long-standing service in the advancement of air safety.”

The first RJ200 is delivered during the last week of August wearing the company's new livery, which mirrors that of parent **Delta Air Lines**. As additional units arrive, they will replace the carrier's five, leased BAe 146-200s.

The union representing ASA's flight attendants ratifies a new 5-year contract on September 9. Experimental RJ200 service is begun in October between Atlanta and Macon.

Canadair flights are inaugurated daily on December 1 from Atlanta to Detroit (DTW) and from Detroit (DTW) to New York (JFK). On December 6, jet service is halted by **Delta Air Lines** between Atlanta and Gainesville, Florida. “Delta Connection” partner ASA moves in to replace the route with 8 daily BAe 146-200 and ATR 72-210 roundtrips of its own.

Passenger boardings rise 3.9% to 3,774,617 on 190,501 scheduled departures, but freight declines 13% to 568,000 FTKs. Operating revenues advance 2.7% to \$385.29 million, while expenses advance 5.4% to \$305.7 million. The operating profit slides to \$79.58 million, while net gain drops to \$54.51 million.

Canadair RJ200s replace the BAe 146-200s during January 1998 on the “Delta Connection” roundtrips between Atlanta and Gainesville. Discussions on a new contract agreement resume between the carrier and ALPA on January 28.

Daily nonstop Canadair CRJ200ER "Delta Connection" return flights commence on May 1 from Atlanta to Asheville, North Carolina, and south to Fort Walton Beach, Gainesville, and Panama City, Florida.

Twice-daily, nonstop "Delta Connection" Canadair roundtrips commence on June 1 between Atlanta and Newburgh, New York. Daily CRJ roundtrips are simultaneously started between Atlanta and Louisville.

Daily CRJ nonstop "Delta Connection" roundtrips commence on July 12 between Atlanta and Fayetteville, North Carolina. After three days of intensive bargaining, the pilots' local union leadership and the carrier come to a tentative contract agreement on July 22. With ballots counted at the ALPA headquarters in Washington, D.C., it is revealed on August 21 that 91% of the airline's 500 pilots have voted and by a margin of 89% approve the new pact with management.

Daily CRJ nonstop "Delta Connection" roundtrips are begun on October 1 between Atlanta and both Evansville, Indiana, and Lexington, Kentucky. Eight days later, the company announces that it will inaugurate new CRJ service from Atlanta to Albany, Georgia, Tallahassee, and Wichita early in 1999.

CRJ frequencies between Atlanta and Evansville are increased to thrice daily on November 1, the same day new daily CRJ nonstop "Delta Connection" roundtrips are initiated from the Atlanta hub to Dothan, Alabama.

Daily roundtrip CRJ "Delta Connection" flights begin on December 1 from Atlanta to Wilmington, North Carolina. On December 17, the carrier announces that it will launch thrice-daily CRJ "Delta Connection" return flights from the new Northwest Arkansas Regional Airport to Atlanta on March 2, together with six daily roundtrips from that point to Dallas (DFW).

The fleet at year's end includes 12 ATR72s, 13 Canadairs, and 63 EMB-120s.

Customer bookings during these 12 months accelerate 6.7% to 4,026,946, while cargo traffic falls 13.62% to 491,000 FTKs. Revenues advance 6.4% to \$409.85 million. With expenses of \$313.82 million, there is an operating profit of \$96.03 million and a net gain of \$66.13 million.

Just after takeoff from Wichita Falls, Texas, on January 26, 1999, one of the two engines of an EMB-120 fails and smoke enters the aircraft cabin; an emergency is declared and the turboprop makes a safe landing back at its point of origin.

On February 16, it is announced that parent ASA Holdings will be purchased outright by **Delta Air Lines** for \$700,000 (\$34-per-share) in cash. ASA will operate as a fully owned subsidiary. The transition of ASA into a subsidiary will be coordinated on an interim basis by the senior vice president for airport customer service, John N. Selvaggio.

On March 8, two shareholders of ASA Holdings file suit in Georgia to block Delta's takeover. Meanwhile, the airline's parent hires Morgan Stanley Dean Witter to identify other possibilities for the company and its stockholders other than buyout by the major. Delta, meanwhile, continues the process of acquisition and makes plans to closely integrate the schedules of the two airlines.

On April 4, a CRJ200ER replaces the EMB-120 employed on the nonstop "Delta Connection" service between Atlanta and Jackson, Mississippi. Simultaneously, there is an increase in nonstop Canadair roundtrips between Atlanta and the Florida communities of Fort Walton Beach, Gainesville, and Panama City, as well as Gulfport and Biloxi, Mississippi.

EMB-120 "Delta Connection" service is increased, also on April 4, between Atlanta and Florence, South Carolina. and Brunswick and Golden Isles, Georgia. On April 19, 29-year Delta veteran W. E. "Skip" Barnette, previously the major's vice president-Atlanta Worldport, is named the new president of ASA Holdings, Inc. as well as its ASA airline subsidiary, effective May 11. Electronic ticketing becomes available on all flights as of April 26.

Daily nonstop CRJ200ER "Delta Connection" roundtrips commence on May 1 between Atlanta and Corpus Christi, Texas. On May 11, a spe-

cial ASA Holdings, Inc. shareholders meeting approves the airline's operation as a wholly owned subsidiary of **Delta Air Lines**.

In five southeastern cities where Delta adjusts its schedule, ASA adds replacement jet service.

At Augusta, ASA replaces one Delta flight with a daily "Delta Connection" jet flight starting on July 1; between them, the two partners offer a total of 10 daily roundtrips from Atlanta to Augusta.

At Daytona Beach, ASA introduces jet service with three new flights, one on June 1 and two more on July 1. These replace two Delta flights, but still leave a total of seven daily roundtrips between Atlanta and the Florida community.

At Melbourne, ASA begins "Delta Connection" jet service with four flights, two starting on June 1 and two on July 15. Delta and ASA now offer eight daily roundtrips to Atlanta, compared to six previously offered by the major alone.

At Montgomery beginning on June 1, ASA replaces one Delta flight with a CRJ200ER service. On July 1, ASA replaces one Delta flight to Tallahassee with a jet service of its own. It is reported on July 5 that the company will, on October 1, terminate flights between Jacksonville and Atlanta.

It is announced on July 8 that nonstop thrice-daily CRJ200ER "Delta Connection" roundtrips will begin on September 1 from Atlanta to Fort Wayne. The same schedule is started on October 1 for flights from Atlanta to Des Moines and Toledo.

Beginning on August 1, ASA inaugurates thrice-daily CRJ200ER "Delta Connection" roundtrips between Atlanta and Islip; this is Atlanta's only nonstop service to the Long Island city. Daily Canadair nonstop "Delta Connection" roundtrips are launched from Atlanta to Austin, Houston (HOU), and San Antonio.

New daily CRJ "Delta Connection" roundtrips are started on November 1 between Atlanta and Sarasota; simultaneously, service is boosted by two flights from the Georgia hub to Northwest Arkansas Regional Airport.

Frederick W. Reid is named chairman in November, with Jeff Simmons becoming chief financial officer. On November 19, the company unveils its first CRJ200ER theme jet, honoring the city of Atlanta and nearby Stone Mountain.

Overall passenger boardings surge 23.2% to 4,962,000, while cargo grows 4.8% to 514,000 FTKs. Operating revenue advance 18.6% to \$486.05 million, while costs are up 20.1% to \$376.59 million. Operating profit improves to \$109.46 million, while net gain climbs to \$71.08 million.

Airline employment at the beginning of 2000 stands at 3,082, an increase of 18.7% over the past 12 months.

Twice-daily "Delta Connection" CRJ roundtrips commence on January 3 between Atlanta and Manchester, New Hampshire.

Between January and May, the company takes delivery of 7 refurbished ATR72-212s previously operated by **Mount Cook Airlines, Ltd.** in New Zealand and requested when they became available last fall. All are delivered in new colors reflecting ownership by **Delta Air Lines**.

Daily CRJ200ER return flights commence on February 1 from Atlanta to Worcester, Massachusetts. One of the company's last turboprop service introductions occurs on March 2 when EMB-120s start thrice-daily roundtrips from Atlanta to Huntington, West Virginia.

New CRJ200ER nonstop "Delta Connection" roundtrips begin on March 16 from New York (LGA) to Columbia, South Carolina, Greensborough, Richmond, and Jacksonville. The largest regional jet order in airline history is placed on March 29 when "Delta Connection" CEO David Siebenburg, acting on behalf of ASA and **Comair**, signs a \$10-billion, 4-year order with Bombardier Aerospace for a mix of 94 CRJ100s, CRJ200s, and CRJ700s. ASA's share will include 24 Dash-200s and 18 Dash-700s.

On April 2, new thrice-daily CRJ nonstop flights are started from Atlanta to Grand Rapids, Michigan and to South Bend, Indiana. Later in the month, the company joins with **Comair** in placing the largest regional jet order in history—500 CRJs from Bombardier Aerospace.

In direct competition with **American Eagle Airlines (2)**, ASA, on May 1, initiates its first regional jet service from Dallas (Dallas (DFW)), CRJ200ER thrice-daily "Delta Connection" roundtrip routes to Columbia, South Carolina, and Lubbock. The same number of frequencies is launched on June 1 between Atlanta and White Plains.

Also on June 1, daily CRJ "Delta Connection" return frequencies are begun from Atlanta to Houston (IAH) and Knoxville. Twice-daily Canadair roundtrips are initiated between Atlanta and Toronto, along with daily return flights to the Canadian city from New York (JFK).

Leasing gate space at Dallas (LOV) from startup **Legend Airlines**, ASA initiates long six-times-a-day CRJ200ER "Delta Connection" roundtrips to Atlanta on July 1. Simultaneously, new CRJ200ER "Delta Connection" thrice-daily return service is started from Dallas (DFW) to Amarillo and Savannah. Ten more CRJ200ERs are requested on July 25.

A proposal to merge the pilot unions of the "Delta Connection" partners ASA and **Comair** with that of **Delta Air Lines** is rejected by the ALPA executive council in late August.

Twice-daily CRJ200ER "Delta Connection" roundtrips, code-shared with **Aeromexico (2)**, **S.A. de C.V.**, commence on September 1 between Monterrey, Mexico, and both Dallas (DFW) and Atlanta. Thrice-daily "Delta Connection" CRJ200ER return flights begin on October 1 between Dallas (DFW) and Charleston. The same frequency is employed on new November 1 routes from New York (LGA) to Knoxville and Raleigh/Durham.

ATLANTIS AIRLINES: United States (1978–1989). The first airline to be formed after President Carter signs the Airline Deregulation Act, Atlantis is organized as a closed corporation with 14 investors at Myrtle Beach, South Carolina, on October 31, **1978**.

The 78-employee company inaugurates daily roundtrip service on a Myrtle Beach–Charlotte, North Carolina, route on April 1, **1979**. Other destinations visited come to include Greensboro, Columbia, Hilton Head, and the Tri-Cities Regional Airport in Tennessee. The carrier's four aircraft transport a total of 30,000 passengers during the remaining three-quarters of the year.

Competing **Air Carolina** is taken over by the company in September **1980**, by which time the Atlantis fleet has grown to include 3 de Havilland Canada DHC-6 Twin Otters and 3 Piper PA-31-350 Navajo Chieftains.

Lou Sutton is named president in March and is one of the few female CEOs in the U.S. commuter airline industry. Corporate headquarters are now transferred to Florence, South Carolina, and a hub is established at Charlotte, from which routes are stretched to five cities in Carolina and Georgia. Enplanements for the first full year total 38,170.

Atlantis enjoys great success during its first three years. In **1981**, it carries 60,438 passengers, a 58% increase. Another Navajo Chieftain is acquired together with a Fairchild-Swearingen Metro II. Service is inaugurated to Florence and Atlanta's Hartsfield Airport, which becomes the company's second hub on September 8.

Chairman William Best and President Lou M. Sutton's workforce grows to 102 in **1982**. From the western hub at Atlanta, new routes or frequencies are started to a number of cities in North Carolina, Georgia, South Carolina, and Tennessee. These include five daily roundtrips from Florence to Charlotte, four to Atlanta, four between Augusta and Charlotte, four between Charlotte and Myrtle Beach, and six between Hickory and Charlotte.

In May, a joint marketing program is started with **Eastern Air Lines**. Bookings rise 30% to 78,806.

The first of four new British Aerospace BAe Jetstream 31s arrives in early **1983** and is placed on the Florence to Atlanta route. A total of 81,638 travelers are accommodated.

Through a new arrangement concluded late in **1984**, the carrier is slightly renamed and its flights will be designated **Eastern Air Lines** flights.

On April 8, **1985**, the company begins operations as a member of the **Eastern Air Lines** commuter network as **Eastern Atlantis Express**. As

a member of the major's team, Atlantis' mission is to provide feeder service to Eastern's Charlotte hub with its fleet of Metros, Twin Otters, and 4 new British Aerospace BAe Jetstream 31s, all wearing the parent's livery. Record passenger traffic is recorded as the number of passengers flown increases by 11.3% to 90,643.

The workforce stands at 152 in **1986** and the fleet now includes 6 Jetstream 31s, 1 Twin Otter, and 1 Metroliner. Unable to generate the revenues needed to support them on their North Carolina and Tennessee services, two chartered BAe Jetstream 31s are returned to their manufacturer in April. Passenger boardings decline for the small regional, down 9.1% to 82,393.

Early in **1987**, the company files an antitrust action against both **Eastern Air Lines** and **Eastern Metro Express**. The lawsuit charges the two with illegally conspiring to prevent Atlantis from serving certain markets that feed the major's Atlanta hub. Customer bookings drop again, falling 10.4% to 73,787.

While the lawsuit brews, Atlantis continues to operate through April **1988**, transporting a total of 21,557 passengers, a decline of 7.5% over the same period a year earlier. As the second quarter gets underway, the legal matter is concluded through an out-of-court settlement.

In exchange for \$110,000 in cash and 100,000 shares of Metro stock, Atlantis' owners agree to dismantle their company, hand over the leases on 4 of its Jetstream 31s along with 3 South Carolina routes, and close their doors. The arrangement is completed on February 15, **1989**.

ATLAS AIR: 2000 Westchester Ave., Purchase, New York, United States; Phone (914) 701-8000; Fax (914) 701-8001; http://www.atlasair.com; Code 5Y; Year Founded 1992. Atlas is established by Michael Chowdry at Denver in late **1992** as a wholly owned subsidiary of his Aeronautics Leasing; the company is established as a vehicle through which to employ its owner's aircraft. As overcapacity forces companies to shift away from Boeing Jumbojets to smaller airliners, Chowdry sees the opportunity to establish a niche for "just-in-time" and air cargo services tailored to the needs of customers. Pilots are recruited from **Trans World Airlines (TWA)** and the former **Pan American World Airways (1)**.

In January **1993**, the company receives DOT approval to offer long-haul, all-cargo services with a fleet of 3 chartered Jumbojet freighters: 1 each B-747-128F and B-747-212F as well as 1 B-747-2D3F, which is the former **Alia Royal Jordanian Airline Prince Ali**. Thrice-weekly revenue flights commence late in the month to Taipei from New York and Chicago via Anchorage.

Other new markets opened during the year include New Delhi and Amsterdam. A total of 42.15 million FTKs are hauled and revenues reach \$30.46 million. Expenses are \$30.48 million and the operating loss is \$16,798. Start-up costs bring a net loss of \$2,433.

In the spring of **1994** another B-747-2D3F and a B-747-228F are placed into service. They allow the carrier to expand its contract air cargo flights in May with new services on its Chicago–Taipei route. At the same time, an office is opened in Luxembourg, headed by former **Cargolux Airlines International, S.A.** executive Johannes Einarsson. Late in the month, twice-weekly roundtrip services are inaugurated between Chicago and Hong Kong via Seoul. Many flights are now made to augment the work of other carriers on routes to the Far East and South America.

Richard Shuyler, who resigns from the same position at **Trans World Airlines (TWA)**, becomes the airline's new chief financial officer in June. Three additional Dash-230C Jumbojet freighters, purchased from **Deutsche Lufthansa A.G.**, join the fleet by year's end; one more acquired from the German carrier remains outstanding, along with three options. Long-term cargo contracts with several leading airlines are made or renewed, including one with **KLM Royal Dutch Airlines, N.V.** and **China Airlines, Ltd. (CAL)**.

On the year, cargo skyrockets 142.9% to 102.4 million FTKs and revenues accelerate 150% to \$102.5 million. A \$13.9-million operating profit is reported, along with a net gain of \$3.6 million.

Following its receipt in March 1995, a newly modified B-747-230C begins scheduled service in April under contract to **KLM Royal Dutch Airlines, N.V.** A purchase agreement is concluded with **Alitalia, S.p.A.** during the first half; under its terms, 3 Italian B-747s will be purchased and converted into freighters.

In June, an initial public stock offering of four million shares is made. The lease with **KLM (Royal Dutch Airlines, N.V.)** begins in July and allows the Amsterdam-based major to inaugurate a joint weekly cargo service with **Garuda Indonesia** from The Netherlands to Jakarta.

A B-747-230C is chartered from **Lufthansa Cargo Airlines, A.G.** on October 31 and is delivered to a modification center for changes. The first **Alitalia, S.p.A.** B-747-243BC is acquired and the next day arrives at Hong Kong Aircraft Engineering Co., Ltd. (HAECO) for conversion to Atlas Air standard.

On November 2, Atlas joins with HAECO in announcing their implementation of the largest B-747 freighter-conversion program; under its terms, HAECO will convert 10 Jumbojets for the carrier within the next two years.

Employing a second B-747F wet-leased from Atlas, KLM Cargo introduces twice-weekly services on November 7 from Amsterdam to Penang, Malaysia. On Tuesdays, there are stops at Dubai, Kuala Lumpur, and Jakarta and on Thursdays, at Dubai, Kuala Lumpur, and Singapore.

A five-year agreement is signed with **China Airlines, Ltd. (CAL)** on November 13. The Nationalist Chinese airline pledges to fully utilize at least one Atlas freighter. On November 28, the company sells \$100 million in 12.25% Pass Through Certificates due in 2002. Generated revenues will be employed to purchase an equal amount of equipment notes to pay for the three **Alitalia, S.p.A.** Jumbojet conversions.

A contract is signed with **SAS (Scandinavian Airlines System)** on December 20 for the long-term dedication of a company Jumbojet freighter to services between the U.S. and Scandinavia. A second **Alitalia, S.p.A.** Jumbojet arrives at HAECO on December 31. Also at year's end, the DOT rates the company as a national airline.

A total of 221 million FTKs are operated and revenue statistics show the carrier's exciting growth. Operating income skyrockets 66% to \$171.3 million, while costs are held way down to \$128.6 million. Profits shoot up to \$42.7 million (operating) and \$17.8 million (net).

The employee population stands at 145 in 1996. In January, the carrier receives the annual "Cargo Development Award" from *Air Transport World* magazine. Atlas now serves 44 cities in 24 countries. The modified Lufthansa Jumbojet now enters dedicated service on behalf of **Lufthansa Cargo Airlines, A.G.**, guaranteeing an additional \$25 million in fees to Atlas income.

The two converted **Alitalia, S.p.A.** B-747 freighters join the fleet during the first quarter, along with two on lease, one of which is a B-747-228F subleased from **Cargolux Airlines International, S.A.** and the other is a Dash-128F chartered from **Arkia Israeli Airlines, Ltd.**

In March, one of the new aircraft, painted in full SAS Cargo livery and markings, is dedicated to providing all-cargo services between the U.S. and Scandinavia under the December contract with **SAS (Scandinavian Airlines System)**. Also during the first quarter, **Swissair, A.G.** becomes a wet-lease cargo customer.

The premier unit of four **Federal Express (FedEx)** B-747-245Fs to be acquired under lease this year arrives during the first week of April. A contract is entered into with Langdon Asset Management Co. on May 1 under which Langdon Asset Management, acting as agent, will acquire six B-747-2D7Bs from **Thai Airways International, Ltd. (THAI)** and sell them to Atlas. All will be delivered over the next 18 months and modified by Boeing at Wichita with deliveries beginning in the fourth quarter and continuing for a year.

On June 18, a three-year contract is signed with **Thai Airways International, Ltd. (THAI)**, under the terms of which the American freighter agrees to provide the Thai flag carrier with B-747-200F service. The \$256-million agreement with THAI will commence during the fourth quarter when the newly converted former THAI Jumbojet enters

service. Other foreign airlines with which the carrier holds contracts include **SAS (Scandinavian Airlines System)**, **KLM (Royal Dutch Airlines, N.V.)**, **British Airways, Ltd. (2)**, and **Deutsche Lufthansa, A.G.**

Cargo traffic skyrockets 120.8% to 151.58 million FTKs and operating income also soars, rising 84% to \$315.7 million. Expenses are up only 32.6% to \$227.6 million and leave much larger profits: \$88.1 million (operating) and \$37.8 million (net).

In January 1997 the company purchases a B-747-283BC operated by **Philippine Air Lines (PAL)**. Atlas assumes the lease and sends the aircraft to Wichita for conversion into a freighter. Also during the month, the company receives the annual "Cargo Development Award" from the industry magazine *Air Transport World*.

The company enters into a three-year contract during February with a consortium of Latin American carriers; under its terms, Atlas will provide a wet-leased B-747F to transport their cargo.

On March 15, two contracts with **China Airlines, Ltd. (CAL)** are extended to the year 2001, bringing the value of the agreements to approximately \$150 million.

In June, orders are placed for 10 B-747-47UFs, powered by GE CF6-80C2 engines, for 1998 delivery; options are taken on another 10 Dash-47UFs. Five older B-747Fs are returned to their lessors during July as the carrier writes off \$17 million in related costs. Simultaneously, Atlas is able to post a \$16.6-million gain from prepayment of debt.

Due largely to the costs of the B-747F writeoff, a shuffle of management chairs occurs in October. CEO Mickey Foret resigns and is succeeded by Chairman Chowdry, who assumes the titles of president/CEO.

In November, two more B-747Fs operated by **Philippine Air Lines (PAL)** under lease are obtained after the two carriers negotiate their early return. Once in hand, Atlas dispatches them to Wichita for conversion into freighters.

Although traffic figures are not available, the company reports that its operating revenues have grown by 27% this year to \$401 million. Expenses total \$317.9 million and allow somewhat smaller profits: \$83.1 million (operating) and \$23.4 million (net).

On January 28, 1998, it is revealed that, following an organizing vote, company pilots have rejected representation by ALPA. Early in the year, three of the chartered B-747-245Fs are returned to **Federal Express (FedEx)**.

During the spring, \$539 million of EETC debt financing is arranged for the 5 new B-747-47UFs and another \$325 million of unsecured debt is placed, which will result in the redemption of \$100 million of 12.25% secured Equipment Notes in January 1999.

In June, a long-term agreement is signed with **British Airways, Ltd. (2)** under which a new Atlas B-747-47UF will be flown for the U.K. major. Agreement is reached with Lufthansa Technik, A.G. under which the maintenance subsidiary of **Deutsche Lufthansa, A.G.** will maintain the airline's new fleet of B-747-47UFs.

A long-term agreement is signed with **Cargolux Airlines International, S.A.** on July 16 for the use of the company's second new B-747-47UF as soon as it is delivered.

The first of the new Jumbojets is delivered on July 29 at Everett, Washington, and duly begins flying on behalf of BA in August from London (STN) to Hong Kong.

The second B-747-47UF arrives in early August and is immediately put to work under contract to **Cargolux Airlines International, S.A.** On August 6, the company proudly announces that, based on figures released by the airport, Atlas is now the leading freight carrier at Miami (MIA).

The carrier purchases its 20th Jumbojet freighter on August 10 when it purchases a B-747-228F operated by **Air France**. The plane will be delivered during the first quarter of 1999.

All three B-747-271Cs operated by **Cargolux Airlines International, S.A.** are purchased by Atlas on September 30; it is anticipated that the trio will be operating in the U.S. line's colors by year's end.

On October 6, the carrier enters into a long-term agreement to provide B-747-200F air freight services on behalf of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Starting right away, Iberia utilizes the

Atlas aircraft to provide scheduled services on its routes with Atlas supplying not only the planes, but the crews, maintenance, and insurance.

The third B-747-47UF is delivered at mid-month and, on October 20, Atlas signs a second contract to provide air freight services for **Cargolux Airlines International, S.A.**

Employing one of the ex-Cargolux B-747-271Cs, Atlas begins to fly transatlantic air freight services at the end of the month on behalf of **El Al Israel Airlines, Ltd.**

A standard aircraft, crew, maintenance, and insurance (ACMI) agreement is signed with **Federal Express (FedEx)** on November 12 for the use of two wet-leased B-747-47UFs on international air freight services. Under terms of the agreement, Atlas will provide FedEx with the aircraft, crew, maintenance, and insurance for airport-to-airport operations.

Under contract to Taylor, Michigan-based Pathfinder Air Resources, a company B-747-47UF brings a record 132.5-ton payload into Detroit (DTW) on November 17 after a nonstop flight from Amsterdam, The Netherlands. The cargo contains auto parts from Pathfinder customers, including various automotive OEMs and their suppliers.

On December 5, in cooperation with Miami-Dade County, the World Relief Corporation, and Catholic Relief, which have collected water, nonperishable food items, medical supplies, and hospital equipment, an Atlas Jumbojet transports 650,000 pounds of relief aid to Managua, Nicaragua, for survivors of Hurricane Mitch. The fourth B-747-47UF is delivered on December 8 and is employed to fly a second relief mission to Managua on December 18; the plane is met by Nicaraguan First Lady Maria Dolores.

A total of 53.57 million FTKs are operated during the year. Revenues increase by 5% to \$422.2 million and the operating profit climbs to \$135.8 million. A net \$46.2-million gain is reported.

On February 22, 1999, the company exercises two of its options to purchase additional B-747-47UF in the year 2000. Two new agreements are signed on February 24. The first concerns a restructuring and continuation of the November ACMI contract with **Federal Express (FedEx)** for the use of two B-747-47UFs. The second provides for the placement of a B-747-245F with **LADECO Chile Airlines, S.A.** under a standard ACMI contract.

On March 9, Miami (MIA) releases a report on cargo traffic. With 208,096 tons, Atlas is clearly the airport's top freight operator; **American Airlines**, with 165,650 tons, is second.

The next day, Alaska's governor, Tony Knowles, has the pleasure of announcing that Atlas has established a new cargo pilot base at Anchorage, one of several bases being set up to serve the carrier's worldwide cargo fleet. Between 35 and 70 pilots and crew members will be stationed in Alaska within the next three months.

On April 8 the company places a B-747-245 under contract with one of its existing customers that had previously been operated under an ACMI contract for **SAS (Scandinavian Airlines System)**.

In an election overseen by the NMB, company pilots vote to join ALPA by a 77% majority, according to results announced at the NMB headquarters on April 26.

A six-month ACMI contract is signed with **Cathay Pacific Airways (Pty.), Ltd.** on July 12 covering the use of a B-747-200F.

Late in the year, the decision is taken to move company headquarters from Golden, Colorado, to Harrison, New York; the carrier's New York (JFK) operation will also be transferred there. Chief Financial Officer Stephen Nevin resigns rather than relocate.

Cargo traffic surges 73.7% during the year to 93.06 million FTKs and revenues double 50.7% to \$637.1 million. Costs rise 20.1% to \$376.59 million, granting a \$187.5-million operating profit. The net gain increases to \$135.8 million.

Airline employment stands at 1,286 at the beginning of 2000, a remarkable 100.9% increase over the past 12 months. In celebration of the millennium, company freighters now begin to wear a new livery that features a slightly larger globe on their tails.

In cooperation with Fundaven Venezuela, a company B-747-47UF transports tons of urgently need supplies into Valencia in early January

to assist victims of the country's December floods and mudslides; water, nonperishable food items, medical supplies, and hospital equipment are on the manifest of this first Jumbojet relief flight.

On March 12, the company approaches Luxembourg-based **Cargo Lion, S.A.** with a proposal that it become the U.S. carrier's European operating arm.

In a move seen as political, the British government, in March, prohibits **British Airways, Ltd. (2)** from renewing its wet-lease of an Atlas B-747-47UF. Another new Dash-400 is accepted on April 25 and is immediately put under ACMI contract with **China Southern Airlines Company, Ltd.**

At the beginning of May, the British government grants British Airways Cargo short-term approval to continue its Atlas B-747-47UF charter; the Jumbojet makes twice-weekly return freight runs from London (STN) to Osaka (KIX) and provides a weekly service to Frankfurt.

The ACMI contract with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** ends on June 30. At the end of the month, the UK government, having reviewed the issues involved, grants permission for BA to wet-lease an Atlas freighter for a full year, allowing it to continue its four weekly roundtrips to Hong Kong from London (STN).

In July, the carrier is able to privately refinance two aircraft loans and a revolving credit facility, thereby saving \$1.3 million in interest payments.

B-747-47UF ACMI flights on behalf of **China Southern Airlines Company, Ltd.** commence on September 15 between Shenzhen and Chicago (ORD).

The first of 3 B-747-300SF (Special Freighters) is received on October 16.

ATLAS AIRLINES: United States (1976). George Wertjes establishes Atlas Airlines at Muncie, Indiana, during early 1976 to provide daily roundtrip scheduled passenger services to Fort Wayne and southeast to Dayton and Cincinnati. Although Piper PA-31-310 Navajo frequencies are inaugurated, they only continue for a few months.

ATLAS AVIATION, LTD. See **KENTING EARTH SCIENCES, LTD.**

ATRUVERA AVIATION: Ulitsa Lensovieta 29, St. Petersburg, 196143, Russia; Phone 7 (812) 291-1178; Fax 7 (812) 108-4855; Code AUV; Year Founded 1994. This military flight detachment, stationed at St. Petersburg, is detailed in 1994 to provide civilian cargo services. K. Dorgovtsov is appointed director general of the undertaking and he begins services with 5 Ilyushin Il-76MDs, plus several Antonov An-124s and An-12s.

Flights continue in 1995–2000. During these years, Aleksander V. Ivanov becomes director general and the fleet shrinks to include 2 Il-76Ms and an Il-76T.

ATS (AIR TRANSPORT SERVICE, S.A.): Zaire (1992–1996). ATS is established at Kinshasa in 1992 to offer regional passenger charter flights to destinations throughout central Africa and to Paris. Revenue operations commence with 3 Aerospatiale Sud-Est SE-210 Caravelle IIIs. Flights cease during the civil war in 1995–1996.

ATS VULCAN, LTD.: Blackbushe Airport, Camberly, Surrey, England, United Kingdom; Year Founded 1975. V. B. Allen forms this small charter and air taxi concern at Blackbushe Airport at Camberly, Surrey, in 1975. Operations begin with a single Piper PA-23 Apache.

In 1994, the business continues, with the fleet enhanced by the addition of 2 Piper PA-31-310 Navajos.

Flights continue in 1995–2000.

ATSA (LINEAS TRANSCONTINENTALES DE AERO-TRANSPORTES, S.A. de C.V.): Mexico (1943–1959). American and Mexican

businessmen organize ATSA, often known as Aero-Transportes, at Monterrey in 1943; the two groups of nationals each contribute half of the 1 million pesos initial capitalization. Based at San Luis Potosi and equipped with a mixed fleet of Stinsons, WACOs, and Vultee V-1As, the carrier launches operations on February 21, 1944. Four Boeing 247Ds are acquired during the summer and, on November 6, flights begin to Brownsville, Texas.

Traffic uncertainties and long delays ensue in 1946–1947; however, by May 1948, Mexican shareholding has been increased to 62% and two DC-3s are added. Additional routes are added, including transcontinental service from Mazatlan to Tampico. With routes out of Mexico City and two services to U.S. boarder towns, ATSA, by 1949, is the nation's third largest carrier. Operations continue apace in 1950 and, on January 9, 1951, express service is started Mexico–U.S.–Canada. A DC-3, with eight aboard, crashes near Blanco on October 8; there are no survivors.

In 1952, the carrier attempts to enlarge its market share by increasing its sphere of influence through a confederation with two other carriers: **ALASA (Aerovias Latino Americanas, S.A. de C.V.)** and **TAJ (Transportes Aereos Jalisco, S.A. de C.V.)**. The combined fleet totals 44 transports; however, only a few are modern. The compact is ended in September as all three carriers recover their assets and resume their independent functions.

The Mazatlan–Tampico route is suspended in 1953. As ATSA fortunes decline in 1954–1955, it comes to rely upon **Mexicana Airlines, S.A. de C.V.** for assistance in marketing, reservations, operations, and maintenance. As an affiliate of the large independent, ATSA begins flying a Monterrey–Brownsville replacement service on behalf of its partner.

In 1959, **Mexicana Airlines, S.A. de C.V.** purchases complete control and merges ATSA into its operation.

ATYRAU AIRWAYS (ATYRAU UNITED AVIATION DETACHMENT): Atyrau Airport, Abyrau, 456017, Kazakhstan; Phone 7 (31222) 31062; Fax 7 (31222) 388585; Code JOL; Year Founded 1996. Atyrau United Aviation Detachment is established at Abyrau in 1996 to provide domestic all-cargo services and rotary-wing aerial work. Viktor V. Plynin and Kommunar A. Kanatov are coleaders and they undertake revenue flights with 1 each Antonov An-24, An-2, and Mil Mi-8.

Flights continue in 1997–2000, during which years the fleet is increased by the addition of 2 more An-24Bs and 2 Tupolev Tu-134A-3.

The marketing name Atyrau Airways is employed beginning in July 1998 when the carrier becomes part of the **Air Kazakhstan** Group.

AUDI AIR: United States (1983–1988). Walter Audi establishes this small commuter named after himself at Fairbanks in the summer of 1983. Outfitted with Piper and Cessna lightplanes, the carrier inaugurates scheduled passenger and cargo flights in October linking its base with Fort Yukon and with Ruby, Galena, Koyukak, Nalato, and Kaltag.

Operations continue apace until the company goes out of business in September 1988.

AUGSBURG AIRWAYS, GmbH: Flughafenstrasse 6, Augsburg, D-86169, Germany; Phone 49 (821) 270 970; Fax 49 (821) 3109 892; <http://www.augsburgair.de>; Code IQ; Year Founded 1995. Based at Augsburg in Bavaria, **Interor Airways, GmbH.** is renamed on November 6, 1995. Interor Expeditions remains the parent, with Haindl Papier a major shareholder. Managing Director Olaf Dlugi oversees a workforce of 165 and a fleet comprising 2 Beech 1900Cs and 3 de Havilland Canada DHC-8-100s, including a DHC-8-106 chartered from **Tyrolean Airways, GmbH.** for the summer. Orders are outstanding for 2 DHC-8-300s. Destinations visited include Dusseldorf, Berlin, Cologne, Bonn, and Florence, Italy.

The new Canadian-made turboprops begin to arrive in mid-1996 and introduce the carrier's new livery. On October 1, Augsburg signs an agreement with **Deutsche Lufthansa, A.G.** becoming the German major's first franchise partner. One each DHC-8-100 and DHC-8-300 are

painted white with the "Team Lufthansa" logo applied to their fuselages. These commence daily service, under DHL flight codes, on October 27 from Munich to Leipzig, Dortmund, and Erfurt.

The workforce is increased a dramatic 64.9% in 1997 to 315. Agreement is reached with **Deutsche Lufthansa, A.G.** in February that the franchise agreement should be deepened to include service to and from Frankfurt. In order to gain slots at that airport, Augsburg must surrender its service to London (LCY) from Cologne and Bonn.

Four-times-a-day "Team Lufthansa" roundtrips commence in March from Augsburg to Frankfurt. On April 7, the German regional inaugurates thrice-daily roundtrips from Munich to Paderborn and daily roundtrips from Munich to Turin. The "Team Lufthansa" DHC-8s will also add weekly flights from Munich to Elba and St. Tropez.

The DHC-8-106 leased from **Tyrolean Airways, GmbH.** the previous summer is again retained for the summer schedule; this time it is repainted in "Team Lufthansa" colors. A total of 20 new routes are added to the network.

As a result of this expansion, passenger boardings skyrocket 112.4% to 308,400.

"Team Lufthansa" flights continue in 1998. A total of 18 German points are visited, along with flights from Munich to both Prague and Turin and from Frankfurt to London (CTY).

Passenger boardings, due largely to these flights undertaken for the German major, skyrocket 86% to 574,292. Revenues skyrocket 100.5% to \$84.83 million.

As a result of the airline's rapid growth, the airline's organization is restructured on January 1, 1999. A number of new positions are created and filled: vice president-financial, Jorg Schwingeler; vice president-operations, Gunther Weiss; vice president-maintenance, Martin Bauer; manager-flight systems, Capt. Adolf Herzner; chief pilot, Paul Stober; and chief cabin attendant Daniela Zolda. In addition, airline employment overall grows by 40.7% to 356.

On February 9, a \$45-million order is placed with Bombardier Aerospace for 3 DHC-8Q-300s to be delivered during the first quarter of 2000. A month later, on March 9, a \$65-million order is sent in for 3 Next Generation DHC-8Q-400s, scheduled for delivery in June and August 2000 and March 2001.

Augsburg, the largest "Team Lufthansa" affiliate, currently serves 43 routes to 23 cities in Germany and niche markets such as the islands of Elba, Corsica, Sylt, and Sardinia.

The chartered **Tyrolean Airways, GmbH.** "Team Lufthansa" DHC-8-106 is employed between June 27 and September 12 to offer Sunday return service from Munich to St. Tropez.

New twice-daily return service is introduced on October 31 from Nuremberg to Zurich, while frequencies on the Nuremberg to Hamburg route are increased from three to five every day.

In an effort to capture some of the 70,000 passengers that take a ferry between Newcastle and Hamburg every day, the company, on November 1, launches daily DHC-8-300 "Team Lufthansa" roundtrips above the sea route. The same day, thrice-daily DHC-8-300 services are introduced from Hamburg to Nuremberg and from Munich to Strasbourg.

Also during the year, a shuttle-bus service is started between the airport and the Augsburg railroad station.

Customer bookings jump 29.8% to 863,544, with 703,281 flown on behalf of "Team Lufthansa." Operating income surges 19.2% to \$91 million.

To cover the late delivery of its new DHC-8-Q300s, Augsburg, on February 1, 2000, signs a wet-lease contract with **Titan Airways, Ltd.** under which the British operator will fly its British Aerospace BAe 146-200 over the German airline's Augsburg–Berlin route until the end of March.

The company's 3 DHC-8-100s are replaced, beginning on March 28, with an equal number of new DHC-8-Q300s. The first of the quiet new turboprops introduces twice-daily "Team Lufthansa" roundtrips from London (LCY) to Munster Osnabruck.

Wearing Augsburg ("Team Lufthansa") colors, a new DHC-8-Q400 is displayed at the Farnborough Air Show in July; the demonstrator makes a post-show tour of Germany in August.

Wearing its own colors, a **British European** British Aerospace BAE 146-300 is wet-leased on November 3 to operate out of the Augsburg base on behalf of "Team Lufthansa."

AUGUSTA-AIR LUFTFAHRTUNTERNEHMEN, GmbH: Augsburg Airport, Augsburg, D-86169, Germany; Phone 49 (821) 700-3147; Fax 49 (821) 700-3153; Year Founded 1995. AAL is set up at Augsburg, Germany, in 1995 to offer executive and small group passenger charters throughout the country and northwestern Europe. Hans Schnedier is general manager and, within 5 years, his fleet includes 4 Beech Super King Air 300s, 1 King Air 90, and 1 Beech 400 Beechjet executive jetliner.

AUGUSTA AIRWAYS (PTY), LTD.: Australia (1980-1997). Formed at Port Augusta Airport, Port August, South Australia, in 1980, Augusta Airways (Pty.), Ltd. undertakes scheduled local service and charter flights to a variety of destinations in southwestern Australia and in eastern and northern South Australia. Among the stops visited by owner Tony and Christine Kingham's carrier are Adelaide, Alton Downs, Arrabury, Bedourie, Birdsville, Clifton Hills, Cordillo Downs, Cowarie, Durham Downs, Durrie, Etadunna, Glengyle, Marree, Moolawatana, Mulka, Port Augusta, and Roseberth. Operations continue apace in 1981-1986.

In 1987, Managing Director Ian A. Kingham's fleet comprises 1 Cessna 402, 1 Cessna 421, 1 Piper PA-31-350 Navajo Chieftain, and 1 Aero Commander 690. A second Chieftain is acquired in 1990. Fleet, employment, and routes do not change in 1991-1992.

The Kingham's fleet in 1993 includes 3 Navajo Chieftains and 1 Aero Commander 690. A schedule of 12 weekly Port Augusta-Adelaide roundtrips continues apace in 1994 and enplanements for the year total 11,500.

Although service continues apace in 1995-1996, no new details are provided. In 1997, Managing Director Christine Kingham oversees a workforce of 42. Flights to the city of Woomera are added. Traffic figures are not provided before the company ceases operations at the end of the year and is merged with **Lincoln Airlines (Pty.), Ltd.** to form **Airlines of South Australia (Pty.), Ltd. (2).**

AURIGNY AIR SERVICES, LTD.: La Planque Lane, States Airport, Forest, Guernsey, Channel Islands, United Kingdom; Phone 44 (1481) 66444; Fax 44 (1481) 66446; <http://www.aurigny.com>; Code GR; Year Founded 1968. In 1967, **British United Airways (Channel Islands), Ltd.**, withdraws its de Havilland DH 114 Heron Guernsey-Alderney service, resulting in a loss of air service to the latter Channel Island. Frederick Morton, chairman of the Harbor and Transport Committee, approaches Sir Derek Bailey, owner of Staverton-based **Glos-Air, Ltd.** (which has just taken delivery of a new Britten-Norman BN-2 Islander) for assistance.

Taking the ancient French name for the island, Bailey's Glos-Air, Ltd. is transformed into Aurigny Air Services, Ltd., at Alderney, in February 1968. Charles Poole is named managing director and Frederick Morton departs his committee to become general manager. BN-2 services are inaugurated on March 1, Alderney-Guernsey. During March and April, two more Islanders are acquired satisfying government requirements for licensure.

During the next seven months, all of the interisland routes are opened for service: Alderney to Guernsey, Guernsey to Jersey, and Alderney to Jersey. A fourth Islander is purchased and the year's passenger enplanements total 45,989.

Another Islander is acquired in March 1969 and on April 1, a no-reservations system is introduced. Traffic increases significantly; on August 8, a record one-day boarding of 632 passengers is reported. Enplanements for the year, reported in the following February, are 150,000.

On January 1, 1970, the former **British United Airways (Channel Islands, Ltd.)** Alderney-Southampton route, abandoned the previous day, is taken over; replacement services are also begun Guernsey-Jersey

and Alderney-Dinard, France. During the summer, interisland flights reach 100 per day. Three BN-2As are added during the year; all, like the earlier aircraft, are presented in a canary yellow and red livery.

The first Britten-Norman BN-2A Trislander is delivered on June 29, 1971 and orders are placed for 6 additional Islanders. When the Trislander enters interisland service on October 1, Aurigny becomes the world's first commercial operator to fly the type. The bright yellow trimotor will even become the star in a series of children's books.

The carrier's fleet by 1972 includes 7 Islanders and 2 Trislanders and during that year services are inaugurated to Cherbourg. Two more Islanders are received in 1973 while 3 more Trislanders are obtained in 1974-1975.

In 1979, Sir Derek Bailey sells Aurigny Air Services, Ltd., to Guernsey-based **Anglo-Normandy Aviation, Ltd.** and J. H. Possnicker is named managing director; however, no obvious service changes are made and the administrative headquarters remains on Alderney. The subsidiary Anglo-Normandy Aeroengineering, takes over the carrier's maintenance and adds revenue through the operation of small plane contract and charter flights under the **Anglo-Normandy Aviation, Ltd.** title. Airline employment stands at 80 and the fleet now comprises 2 de Havilland Canada DHC-6-100 Twin Otters, 6 Britten-Norman BN-2A Trislanders, and 2 BN-2 Islanders. Boardings total 222,285.

Economically unviable, the Twin Otters are removed in 1980-1981. In 1982, 242,251 passengers are carried and in 1983, 234,238. The three-millionth passenger is boarded in March 1984. Craig Nelson is named managing director and the year's boardings jump to 243,394. Airline employment reaches 30 (22 pilots) by 1985 and the fleet includes 2 BN-2 Islanders and 7 BN-2A Trislanders. Enplanements rise to 257,670. In January 1986, a Trislander is given a color scheme sponsored by the Channel Islands' TBS Bank. The Islanders now begin to be withdrawn, even as passenger boardings accelerate to 260,000.

Craig Alexander becomes managing director in 1987 as the company is taken over by Exxtor International (Channel Islands). **Guernsey Airlines, Ltd.** is purchased from **British Air Ferries, Ltd.** and is allowed to operate as a subsidiary. Destinations now served include Alderney, Bournemouth, Cherbourg, Dinard, Guernsey, Jersey, and Southampton.

Two additional Trislanders are acquired and the Islanders are returned to service in 1988. Passenger boardings increase 8.4% to 306,547; one of these is the company's four-millionth passenger (cumulative).

The workforce is increased by 21.6% in 1989 to 124 and **Guernsey Airlines, Ltd.** is sold to the International Leisure Group. Customer bookings inch upward 1.6% to 311,761.

A Shorts 360 is leased from **Maersk Air, A.S.** during the first quarter of 1990. Following the company's 22nd birthday celebration on March 1, the turboprop is employed on April 1 to inaugurate a new route from Southampton to Cherbourg. Flights between Jersey and Guernsey commence in May and the last Islander is sold to **Monseratt Airways, S.A.** in August. Traffic figures show bookings up to 317,695.

The payroll is sliced by 3.5% in 1991 to 122 and the Islanders are again withdrawn as another Trislander, the eighth, takes their place. War, recession, and weather conspire to force passenger boardings down 6.6% to 298,026. Employment inches up 1.5% in 1992, the twenty-fifth anniversary year, to 134 and a ninth Trislander is acquired. A new Royal Mail contract is won, but customer bookings slip 1.3% to 294,136.

In 1993, Managing Director Craig Alexander oversees a workforce of 120 and a fleet of 9 Trislanders and 1 Shorts 360. Scheduled and charter services are provided on inter-Channel island routes and frequencies to Southampton, Cherbourg, and Dinard. Through November, passenger boardings are down 8.5% to 258,701.

Scheduled and charter flights continue apace in 1994, including an overnight mail service for the British post office and air ambulance services to Great Britain from the Channel Islands. Again, traffic figures are reported through November, but this time the picture has improved, up 8.5% to 280,741.

Thirty employees are recruited in 1995 as the company enjoys another good year. In London, meanwhile, the Civil Aviation (Aerial Advertising)

Regulations now officially allow sponsored paint schemes on commercial aircraft. The new managing director, Andrew Round, seizes on the possibility of these rules for his small airline. Passenger boardings through November are up 10.7% to 310,817.

The workforce is increased by 33.3% in 1996 to 200 and the company's fleet includes 10 aircraft. In February, a Trislander is painted as a "logoprop," an advertising concept first advanced by **Western Pacific Airlines (Westpac)** in the U.S. and made legal by the previous year's civil aviation regulations. Sponsored by the Royal Bank of Scotland International, Ltd., it is named *Nessie*, after the Loch Ness monster, a cartoon image of which is portrayed on the front of the fuselage. The bank pledges that, for every passenger carried by *Nessie* by December, it will make a donation to the "Save the Children" fund.

Three more commercial concerns now approach Managing Director Round's carrier in search of sponsoring aircraft liveries: Hambros, a Channel Islands-based financial group; ITEX, a computer consultancy; and Steeple Finance. During this year, Aurigny transports a total of 310,106, a decline of 6%.

The workforce is cut 25% in 1997 to 150. A fourth corporate-sponsored aircraft color scheme is unveiled in March—a Trislander painted in the blue and white livery of Islands Insurance and christened *Polly C*. Customer bookings fall 4.7% to 295,602.

During the spring of 1998, a fifth corporate-sponsored aircraft color scheme is revealed, a brown and beige livery applied to a Trislander on behalf of Mercury Asset Management.

Passenger boardings during the 12 months slide 10.1% to 266,000, while 55,000 FTKs are also operated.

On March 19, 1999, the company is granted route authority to serve the island of Guernsey from London (STN). The decision comes as a major surprise to **Jersey European Airways, Ltd. (JEA)**, which had recently committed larger aircraft and additional services to Guernsey after the sudden withdrawal of **KLM U.K., Ltd.**

Correspondent Nick Mollet reports in the April 15 issue of the *Guernsey Press* that JEA will not appeal to the Royal Commission against the decision to grant Aurigny a conditional license to operate from the island to London (STN). Aurigny Managing Director Andrew Round tells Mollet that his company will take on up to 20 additional workers. He also announces that, from the end of the month, Aurigny will operate two SAAB 340As, one dedicated to serving a route from Guernsey to London (STN) and the other from the island to Amsterdam.

Leased from **Danish Air Transport, A.S.**, the first SAAB 340A arrives on Guernsey from Southend on May 21, with the second scheduled to be delivered in August. For the next two weeks, it undergoes trials on the new route to England. During the same period, the airline and the *Guernsey Press* sponsor a contest whose first prize is a weekend for two in London, including accommodation and tickets to a West End show.

Thrice-weekday and twice-weekend SAAB 340A roundtrips commence on June 4 between Guernsey and London (STN). On July 1, daily service begins to Amsterdam.

Passenger boardings climb 6.4% to 300,000, while 38,000 FTKs are operated.

Complementing the previous year's launch of service to Stansted and Amsterdam, the carrier, on March 22, 2000, begins SAAB 340A flights from Guernsey to Manchester.

The company and its sister, Anglo Normandy Aeroengineering, Ltd., are sold by the Exeter Group in June to the Close Brothers, plc, a private equity group. A new holding company, Aurigny Anglo Aviation, Ltd., is formed to control the carrier and the tech firm; ex-**Fairflight, Ltd.** Former **Gill Airways, Ltd.** Managing Director Malcolm Hart succeeds Andrew Round as Aurigny's new managing director.

The change of ownership does not impact the "LogoProp" program, as another Trislander is unveiled in August wearing advertising for the Jersey-based financial concern Quilter & Co., Ltd.

AUS-AIR (PTY.), LTD.: Australia (1956–1999). Privately owned **Australian Air Charters (Pty.), Ltd.** is formed at Mentone in 1956 to

offer passenger and cargo charters throughout Victoria. Flights are undertaken with a Percival Proctor Mk. 111 from Melbourne's Moorabbin Airport and several Tasmanian points. G. William "Bill" Dart and Jack Mills purchase the company in 1959. In October 1960, Mills sells his share to Dart, who upgrades to a Cessna 172B, later a 182E, and begins to seek airline business under the name **Dart Air**.

Following receipt of contracts from the Peter McCallum Institute and the State Electricity Commission of Victoria, Dart is able to add staff and aircraft and open a headquarters at Moorabbin Airport. Employing primarily Cessna equipment, the small, nonscheduled operation achieves contracts with **Trans-Australian Airlines (Pty.), Ltd.** for the transport of night freight and with Esso-BHP to ferry Bass Strait drilling crews to Sale. The transport of daily newspapers to Canberra is also begun as operations continue apace for the next 20-odd years.

By the middle 1980s, the fleet comprises 2 Piper PA-31-350 Navajo Chieftains, 2 Piper PA-31-310 Navajos, 1 GAF Nomad N.22, 1 Piper PA-34 Seneca, and 1 Piper PA-23 Aztec. Following the government's 1983 decision not to renew its long-standing two-airline policy, Dart elects to establish a full-fledged, nonaligned regional passenger airline. Two Embraer EMB-110P1 Bandeirantes are ordered and a computer-based reservation system is developed, based upon that operated by TAA. Service is inaugurated to Smithton in northwest Tasmania in 1986, followed by flights in 1987 to the Tasmanian communities of Devonport and Wynyard.

In 1988, the company is reorganized and the present name is adopted. The fleet comprises 1 Beech 55, 1 Beech 58, 1 Piper Aztec, 2 Piper Navajos, and 4 Navajo Chieftains. Upon the arrival of the 2 Brazilian turboprops, scheduled services are introduced to King Island. Launceston is added to the route network in 1989 and enplanements total 72,000.

The Beech equipment and Aztec are replaced in 1990 by 2 more Chieftains and 3 Embraer EMB-110s. Without affiliation, the airline in October is denied use of the passenger terminal at Launceston Airport. Recession causes passenger boardings to drop to 61,000. Revenues total \$A4.73 million, but costs bring an \$A353,000-net loss. One Bandeirante is withdrawn in 1991 as enplanements plunge to 24,924. Revenues slide to \$A3.91 million and the net loss is cut to \$A83,000.

An additional Chieftain is acquired in 1992 and passenger boardings climb 1.8% to 26,450. Revenues total \$A3.67 million, but a net profit of \$A80,000 is generated. In 1993, Managing Director Dart oversees 48 employees and a fleet of 7 Navajo Chieftains, 2 Navajos, and 1 Bandeirante.

Operations continue apace in 1994; however, two Chieftains are withdrawn. Enplanements for the year total 26,702. An Embraer EMB-110 Bandeirante is acquired and service continues apace in 1995.

A second Brazilian-made Bandeirante joins the fleet in 1996.

Destinations visited from Melbourne and Moorabbin in 1997–1998 include Burnie/Wynyard, Devonport, Flinders Island, King Island, Launceston, Merimbula, and Smithton.

Unable to maintain its fiscal viability, the company is shut down in July 1999.

AUSTIN AIRWAYS, LTD.: Canada (1934–1987). The charter and contract services operator **Capreol and Austin Air Services, Ltd.** is formed at Toronto as a partnership by Jack and Charles Austin on March 1, 1934 to provide on-demand flights to northern Ontario and Quebec.

The partnership is dissolved and Jack Austin incorporates Austin Airways, Ltd. at Toronto on May 22, 1935. Operations are started with 1 de Havilland DH 82A Tiger Moth and 2 WACO biplanes to Lake Ramsay, near Sudbury; **Eclipse Airways, Ltd.** is acquired and merged.

Although the head office remains in Toronto, the base of operations is shifted to Sudbury in 1938. Four years later, in 1942, a base is founded at Nakina and flights begin to Lansdowne House, Fort Hope, and Ogoki Point. Another base is established at South Porcupine in 1943 to serve the Timmins region. Another base is set up at Moosonee/Moose Factory in 1944 and scheduled flights are initiated.

The first Douglas DC-3s enter service in **1952** along with a Consolidated PBY-5A Canso flying boat. **Nickle Belt Airways, Ltd.**, also based at Sudbury, is purchased and merged. The carrier in **1953–1957** participates in hauling supplies and personnel during the great mid-Canada construction airlift flown in support of the DEW Line.

A pair of Douglas DC-3s join the fleet, one each in January 1956 and January 1957. In **1958–1960** a scheduled service is offered over a Timmins–Rouyn–Noranda route, but is suspended for lack of regular traffic. The second DC-3 is sold in April 1959.

During **1961–1973** the fleet grows to include some 23 small aircraft, plus 6 DC-3s and 2 Consolidated PBY-5A Cansos; the latter are modified into waterbombers and fly forest fire-fighting missions.

A variety of charter and contract services are maintained, including aerial survey and photography, cargo, and forest fire reconnaissance. A number of aircraft are lost in operational accidents.

One DC-3 with two crew is withdrawn following a nonfatal January 9, 1964 crash near Rupert River, Quebec.

On initial approach to Timmins on a November 9, 1969 flight from Winisk in bad weather, a DC-3 with two crew and four passengers crashes two miles short of the runway (two dead). A third is lost in a crash at the Quebec city of Val d'Or on June 19, 1970.

Austin Airways, Ltd. is acquired by Stanley Deluce and his family and merged into their **White River Air Services, Ltd.** in **1974**; the more familiar Austin Airways, Ltd. name is retained as the company title. Enplanements for the year reach 32,500. A DC-3 and a de Havilland Canada DHC-6-300 Twin Otter are acquired in March and July **1975**. Passenger boardings soar 50% to 75,000.

A second DHC-6-300 is acquired in April **1976**. The first of two Hawker Siddeley HS 748s to be delivered on the year arrives in May and enters service in June. The second is delivered in December.

A DC-3 with two crew and six passengers aborts its takeoff from Fort George, Quebec, on December 10 and crashes; there are no fatalities even though the Douglas is damaged beyond repair.

The last 3 DC-3s having been withdrawn, the fleet in **1977–1978** comprises 4 HS 748s, 2 Cansos, 6 DHC-6-300s, 1 Cessna Citation, 1 Cessna 402, 2 Cessna 337s, 3 Avro Ansons, 5 DHC-3s, 10 DHC-2s, 5 Cessna 185s, and 2 Cessna 180s.

Hooker Air Services, Ltd. and **Ontario Central Airlines, Ltd.** are purchased and merged in **1979**.

While being checked on the ground at Moosonee prior to departure on July 15, an HS 748-2A freighter with a cargo of 1,600 Imperial gallons of avgas, explodes and is destroyed in a rapidly spreading fire; both pilots are able to escape an instant before a fireball erupts.

Coming in from Pickle Lake on November 1, Flight 607, a DHC-6-300 with two crew and a passenger, strikes the NDB tower at 126 ft. and crashes into Big Trout Lake; there are no survivors.

By **1980**, the route network has been increased to 27 Ontario stops plus Rupert House, Quebec and points in the Northwest Territories. A contract is accepted to operate DHC-6s from Timmins to Cochrane via Sudbury and Kapuskasing, for **NorOntair, Ltd.** Bell Canada, Ltd. contracts for the operation of a Twin Otter service to and from Pickle Lake. Three HS 748s (complete with maintenance and crew training contracts) are provided to the Danish carrier **Maersk Air, A.S.** under lease. A new HS 748 is acquired in December.

In July **1981**, Austin Airways, Ltd. begins the provision of air ambulance service for the Ontario government under the title "Bandage 4." Thunder Bay-based **Superior Airways, Ltd.** is purchased, but is briefly allowed to continue operations under its own name while providing its new owner scheduled access to Minneapolis. Another HS 748 is purchased in September.

The Deluce family now establishes the holding company Delpex Holdings, which takes 50% interest in another airline, **Air Ontario, Inc.** At year's end, airline employment stands at 370 and the fleet's main components include 9 HS 748s, 5 DC-3s, and 11 DHC-6s.

Austin Airways, Ltd. becomes associated with **Air Inuit, Ltd.** and **Air Creebec, Ltd.** in **1982**, providing the affiliates with technical support

and commuter routes in northern Ontario, Quebec, and the Northwest Territories. An HS 748 is sold to **Eastern Provincial Airways, Ltd.** in April and a DHC-6-300 to Air Creebec in October.

While landing at Landsdown House in a snowstorm on November 23, **1983**, a DHC-6-300 with two crew and five passengers touches down short of the runway, causing the collapse of the nose- and right-landing gears; the aircraft catches fire and four passengers are killed.

The fleet grows during **1984–1985** to comprise 11 HS 748s, 10 DHC-6s, 3 Beech 99s, 3 DC-3s, 6 Cessna 402s, and 1 Cessna 310. The employee population rises to 330. The scheduled services of **Torontair, Ltd.** are taken over by Canada's oldest operator, linking Toronto with Belleville, Kingston, and Elliot Lake.

In order to improve its feed, **Air Canada, Ltd.** acquires 75% control of Delpex Holdings and its two airline subsidiaries in October **1986**. Austin is merged into **Air Ontario, Inc.** in **1987** Up until that point, it was the oldest continuously operated airline in Canada.

AUSTIN EXPRESS: 1901 East 51st St., Suite 210, Austin, Texas 78723, United States; Phone (512) 236-1110; Fax (512) 236-1110; <http://www.austinexpress.com>; Code 7V; Year Founded 1998. Austin Express is established on January 1, **1998** and on January 5, employing a pair of Fairchild Metroliners, begins daily weekday roundtrips to Beaumont and Tyler. The new commuter aims to provide convenient service for local business travelers who want to conduct out-of-town business and return home the same day.

A new schedule is issued on July 6 and plans are announced for expansion in the coming months to Corpus Christi, San Antonio, McAllen, Abilene, and San Angelo. To acquaint potential customers with upcoming events, a homepage is opened during the fall on the Internet's World Wide Web.

Enplanements for the year total 8,000.

Customer bookings for **1999** fall 11.7% to 7,000.

By mid-April **2000**, the company is operating one roundtrip route, Austin to Tyler, Texas, six times a day. Work progresses on returning a grounded Metro II to service.

Delayed for some months, flights to Corpus Christi commence on July 5.

AUSTRAL AIRLINES (AUSTRAL LINEAS AEREAS, S.A.): Avda Corrientes 485, 9 Piso, Buenos Aires, 1398, Argentina; Phone 54 (1) 340-7800; Fax 54 (1) 317-3992; <http://www.austral.com.ar>; Code AU; Year Founded 1955. Aerovias Monder, S.A. is formed at Buenos Aires on December 14, **1955**. With backing from the industrial concerns of Luis de Ridder and Menendez Behety, Aerovias Monder, S.A. is renamed **Austral** (Compania Argentina de Transportes Aereos, S.A.) and is registered under that name on June 23, **1957**. The fleet is outfitted with several Douglas DC-3s acquired during the fall, as well as a Curtiss C-46 Commando *Caiquen* purchased for \$120,000 from L. B. Smith Aircraft. Nonscheduled Curtiss C-46 charter services to Miami begin during the summer of **1958** and 2 Curtiss CW-20Ts are acquired for \$270,000 each.

On January 1, **1959**, twice-daily CW-20T flights commence from Buenos Aires to Commodoro Rivadavia via Bahia Blanca and Trelew. Twice-weekly service to Rio Gallegos will soon follow. On January 16, a C-46A with 5 crew and 47 passengers crashes off Mar del Plata while landing (51 dead) and on May 15, a DC-3 plunges into the Atlantic in the same area (10 dead).

The Rio Gallegos route is extended to Puente Arenas in November **1960**. An attempt to merge with financially troubled **Aerotransportes Litoral Argentina, S.A.** is abandoned when the Argentine government elects to provide it with a subsidy. When **Transcontinental, S.A.** ceases operations on November 8, **1961**, its routes, aircraft, and personnel are taken over. Enplanements for the year total 128,000.

The government decree of early **1962** acknowledges the 1961 consolidation with Transcontinental. Fortunes, however, decline; in the spring, employee salaries cannot be paid for lack of income. In October, a lease

is arranged with **Pan American World Airways (1)** for use of its first DC-6B, *Clipper Liberty Bell*, when it comes off a two-year charter to **Capital Airlines/United Air Lines**.

To keep the carrier afloat, the government in early 1963 grants it a 53-million peso subsidy. Enplanements decline to 71,000. During 1964–1965, the government subsidy increases to 54 million pesos. **Pan American World Airways (1)** now takes a 22% interest and replaces the company's C-46s with 11 Douglas DC-6Bs, beginning with the *Clipper Liberty Bell* now re-registered.

In 1966 the airline begins a program of cooperation with its rival, **ALA (Aerotransportes Litoral Argentina, S.A.)**, which appears to be almost a merger. Austral takes a 30% interest in ALA and leases several C-46s to it. Railway mail contracts are received in another government move to increase funding.

Decree No. 17,285—The Código Aeronautico—is placed into effect in 1967 establishing a balance between **Aerolinas Argentinas, S.A.** and Austral-ALA. In June, joint orders are placed for 4 BAC 1-11-420ELs. The first of the British-built jetliners arrives from the U.K. on October 12, followed by the second on November 8. At the end of the month, the first jetliner inaugurates BAC scheduled services in South America, flying a trunk route down the Patagonian coast previously operated by DC-6Bs.

The second BAC 1-11-420EL enters service in January 1968, with the other two joining the fleet on September 24 and December 17. Also in December, a BAC 1-11-408EF is leased for two months from **Channel Airways, Ltd.** Orders are placed for 3 BAC 1-11-521s.

The fleet is further enhanced in 1969 by the addition of 3 Nihon YS-11A-300s and 3 BAC 1-11-521s, the latter delivered at the beginning of November.

During a domestic flight on November 8, Argentinean L. Posadas Melgarejo hijacks one of the BAC 1-11-521s. Although he initially threatens to shoot a child if he is not immediately flown to Havana, he is, however, persuaded to surrender during a refueling stop at Montevideo, Uruguay.

Having lost its No. 1 engine while climbing away from Buenos Aires on December 17, a C-46A with two crew makes an emergency landing in a small sports field; there are no fatalities.

SADIA, S.A. (Transportes Aereos) leases a BAC 1-11-521 for eight months beginning in September 1970.

The inclusive-tour subsidiary **SolJet, S.A.** is formed on January 1, 1971 and begins DC-6B service to Lagos del Sur on January 29. On March 26, Austral and ALA merge to form the Austral Airlines as of April 1, and the amalgamation is recognized by government decree on May 10. Meanwhile, the BAC 1-11-521 chartered to **Sadia, S.A. (Transportes Aereos)** is returned in April and is almost immediately sold to **Court Line Aviation, Ltd.**

Capitalization is increased to AP15 million. The fleet now comprises 4 BAC 1-11-420ELs, 2 BAC 1-11-521s, and 2 YS-11A-300s from Austral, and 4 BAC 1-11-420ELs, 3 BAC 1-11-521s, and 2 YS-11A-300s from ALA. The original C-46 *Caiquen* is the only 1 of 16 Commandos employed over the years to remain in service.

The DC-6Bs are now withdrawn, including the former **Pan American World Airways (1)** *Clipper Liberty Bell*, which is sold to **Inair Panama, S.A.** The regional routes to Bolivia, Chile, and Uruguay are integrated along with domestic services.

The unduplicated route mileage in 1972 is 30,000. On August 16, having escaped from a prison in the southern part of the nation, 10 Argentine political extremists hijack Flight 811, a BAC 1-11-521 with 96 aboard and en route from Trelew to Buenos Aires. They force it to land in Santiago de Chile, seeking political asylum in return for release of the passengers and crew, but surrender when given an ultimatum by the Chilean army. Ten days later, the pirates are given permission to take off for Havana aboard a **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** airliner.

A general agreement is signed with **Aerolineas Argentinas, S.A.** on December 1; feeder routes are divided between the two carriers and trunk lines pooled.

Despite withdrawal of service to Bolivia and Chile, Austral's domestic services provide two years of solid profits in 1973–1974, by which time the old **ALA (Aerotransportes Litoral Argentina, S.A.)** has been fully integrated. The BACs are now given an all-white color scheme, with a six-tone "color band" in green, orange, or lilac along their fuselages.

On October 10, 1973, a BAC 1-11-420EL with 49 aboard is commandeered by four pirates while on a flight from Buenos Aires to Salta. The aircraft is diverted to Tucuman, where the hijackers ask for a smaller plane for a flight to Cuba and release all but 11 hostages. The government at first refuses to grant the demand, but relents after the last passenger is released.

A BAC 111-521FH with 6 crew and 68 passengers fails its takeoff from Bahia Blanca on December 4, 1973, and attempts an emergency landing. Uniquely, the Argentine Navy has placed an arresting cable across the 950-m. runway to stop incoming A-4s and the jetliner attempts to employ the landing cable. When the BAC pushes into the restraint, it snaps, puncturing a fuel tank. Although a spark causes the fuel to ignite, the plane is not burned out until after all aboard are safely evacuated.

The **British Caledonian Airways, Ltd. (BCAL)** BAC 1-11-509 *Isle of Iona* is chartered for three months during the winter of 197–1974. It will be purchased by Austral a year later, along with the DASH-501 *Isle of Staffa*.

Revolution and depression bring increased government regulation and chaos in 1975–1977—route terminations, concession cessations, and a modification to the tariff structure.

On August 11, 1977, a chartered BAC 1-11-420EL with 79 persons aboard, most of whom are on honeymoon or vacation, crashes near San Carlos de Bariloche (45 dead).

An effort to promote sales is made with the introduction of a new BAC livery; the "color band" shades are changed to blue, green, red-orange, and brown.

On January 27, 1978, during replenishment of the oxygen system aboard a BAC 1-11-420EL at Buenos Aires, a fire breaks out which very nearly destroys the jetliner.

To make up for the capacity lost over the last six months, the company, in April, leases a pair of former **American Airlines** BAC 1-11-401s. The "color band" paint scheme is changed again; the BACs are again shown in white, with red and blue cheatlines. Enplanements total 961,863.

Orders are placed for 2 DC-9-51s that are placed in service during 1979. The C-46 *Caiquen* is withdrawn in July and passenger boardings for the year soar 34.1% to 1,459,580 and freight traffic climbs 13.4%.

The government takes control of the airline in 1980 when the company's private owners encounter terminal financial difficulties. One of the leased BAC 1-11-401s is returned in October. Five additional DC-9-80s are ordered; however, increased fuel prices and recession cause bookings to drop to 1 million.

Two MD-80s (MD-81s) are delivered on January 8, 1981. The second leased BAC 1-11-401 is returned during February.

Having arrived at Rio de Janeiro after a flight from Tucuman on May 7, Flight 901, a BAC 1-11-529FR with 5 crew and 26 passengers, is placed into a holding pattern after two missed approaches; the aircraft is unable to maintain its hold and crashes into the River Plate. There are no survivors.

Enplanements for the year are level at 1,054,000.

Two MD-83s are placed in service during 1982–1983. Bookings advance slightly to 1,124,000 in 1982, but drop to 1.1 million in 1983.

Daily service continues to link 21 domestic destinations in 1984 as bookings swell to 1,287,728. The workforce in 1985 totals 1,700 and the fleet includes 8 BAC 1-11-500s and 3 MD-80s. Passenger boardings dip 6.6% to 1,208,000 and cargo is off by 6.2% to 80.4 million FTKs.

The payroll is increased by 11.8% in 1986 to 1,900 as the government begins the privatization of the carrier. An MD-81 with 30 aboard crashes during a thunderstorm while on approach to Buenos Aires on May 7; there are no survivors. Customer bookings increase 20.6% to 1,457,000 and freight jumps 19.3% to 95.94 million FTKs.

One hundred more employees are hired in **1987** for a 5.3% boost. After seven years of government control, the company is completely restored to private hands by year's end, being acquired by the Cielos del Sur holding company for \$20 million. Amadeo Riva is chairman, with Nestor Fania Bouvier becoming the new president. Although passenger boardings dip 2.9% to 1,414,000 (35% of Argentine domestic traffic), cargo climbs 11.4% to 15.18 million FTKs.

Employment at the newly reprivatized airline grows 3.1% in **1988** to 2,057 and the fleet now includes 11 jetliners: 2 McDonnell Douglas MD-83s, 1 leased MD-81, and 8 BAC 1-11-500s. Orders are placed for 3 MD-82s, with options on 3 more. A modernization program is unveiled which includes new uniforms, redone aircraft interiors, and beefed-up in-flight menus.

The company joins IATA in May and begins to lobby the government for international authority.

While on final approach to Posadas in fog on June 12 after a service from Resistencia, the leased MD-81 with 6 crew and 16 passengers goes off course, strikes a treeline, crashes, and catches fire; there are no survivors.

The lost aircraft is replaced with an MD-82, leased, for six months beginning in September, from **Martinair Holland, N.V.**

Customer bookings continue to plunge, dropping 15.4% to 1,215,811, while freight dips 5.1% to 14.42 million FTKs.

In **1989**, a pair of MD-82s are leased, one each from **Adria Airways** and **Martinair Holland, N.V.** Following the privatization of Aerolineas Argentinas in **1990**, a consortium led by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** acquires 70% majority shareholding during the second quarter of **1991**. The MD-82s are returned in the summer and are replaced by two MD-83s chartered from the Spanish flag line. Operations continue apace in **1992** and the fleet receives another leased MD-81.

The workforce totals 2,000 in **1993** as services continue over the company's 27-point Argentine domestic route network. Through July, enplanements total 641,500. The feeder **Inter Austral, S.A.** is established.

Airline employment is cut by 100 positions in **1994**, down to 1,900, and the fleet now includes 7 leased DC-9-32s, 2 chartered MD-81s, and 3 leased MD-83s, including 1 from **Aerolineas Argentinas, S.A.** Three BAC 1-11-518FGs are up for sale. Passenger boardings for the first half of the year increase by 26.1% to 868,064 but freight drops 24.8% to 2.74 million FTKs.

There is no change in the workforce during **1995**. The company's 15 aircraft, through June, transport a total of 867,047, down 0.1% over the same period a year earlier. Cargo, on the other hand, increases by 8.5% to 2.97 million FTKs. At the end of the year, the subsidiary **Inter Austral, S.A.** is renamed **Austral Express, S.A.**

The employee population remains unchanged in **1996**.

Markets now visited include Bahia Blanca, Buenos Aires, Cordoba, Mar del Plata, Mendoza, Montevideo, Neuquen, Rio Gallegos, Rosario, and Tucuman. The operations of **Austral Express, S.A.** are largely absorbed, leaving it with just one route, Buenos Aires to Rosario.

For the whole year, customer bookings are up a welcome 14.4% to 991,997, but freight is down, by 12.1%, to 2.61 million FTKs.

The fleet in **1997** includes 7 DC-9-32s, 3 MD-83s, 2 MD-81s, and 2 CASA CN-235s. Electronic ticketing is introduced in January in certain markets served from Buenos Aires.

Andes Holding, S.A., the parent via the holding company Interinvest of **Austral** and **Aerolineas Argentinas, S.A.**, which is held by Bankers Trust, Teneo, and Merrill Lynch & Co., announces in February that it will consider offering for sale its total shareholding in both airlines (an 89% stake in the former and a 63.5% stake in the latter). Although no official announcement is made, **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** quietly places a \$300 million bid.

A wide-ranging new strategic partnership between **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and **American Airlines** is tentatively concluded at the end of July. Under its terms, AMR Corporation would acquire a 10% stake in Iberia's owner, SEPI, which also

controls the Argentine carriers **Aerolineas Argentinas, S.A.** and **Austral** and lead an effort to find additional investors who will purchase up to 35% additional shareholding. In addition, Iberia and American will begin to share codes on flights from Spain to the U.S. and link their frequent flyer programs.

In South America, **American Airlines** establishes reciprocal frequent flyer arrangements with both **Aerolineas Argentinas, S.A.** and **Austral** and code-shares on certain of their internal routes. Meanwhile, the U.S. major's almost-partner **British Airways, Ltd. (2)** and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent flyer program linkage and code-sharing on routes between Madrid and London. Significant opposition quickly materializes from **Continental Airlines** and **United Airlines**, which fear not only an AA-BA linkup, but the potential domination of Latin American routes by American as well.

Traffic figures are released through July and show a 5.4% increase in passenger boardings to 1,045,000. Freight, however, plunges 37.5% to 1.63 million freight FTKs.

On October 10, Flight 2553 on a flight from Posadas, approaches Buenos Aires' Jorge Newberry Airport during a violent storm. The DC-9-32 with five crew and 69 passengers plunges 24,000 feet into a swamp on the banks of the Uruguay River, near the town of Fray Bentos, hitting at a 70-degree angle. The wreckage is found next day and there are no survivors.

Late in the year, another DC-9-32 appears wearing the telephone number for electronic ticketing painted in billboard-sized titles along its fuselage sides. Also, documents are signed that will allow American Airlines' parent AMR Corporation to purchase 10% of the holding company Interinvest, which owns both **Austral** and **Aerolineas Argentinas, S.A.**

Flights continue in **1998**.

While landing at Buenos Aires after a January 4 service from Resistencia, Flight 2547, an MD-83 with 70 passengers, skids off the runway in bad weather; no injuries are reported.

The American Airlines investment in Interinvest receives government approvals all around in the first half of the year.

On October 8, Manuel Ribeck, a partner in a Chicago-based law firm, files a \$378-million lawsuit against the airline and its insurers on behalf of the families of all of the passengers killed in the previous year's disaster at Buenos Aires.

Shareholders in Interinvest approve the acquisition on October 24. AMR Corporation completes its purchase of a 10% stake in Interinvest on November 3 and thereby gains 8.5% ownership of **Aerolineas Argentinas, S.A.** and 9% of its regional affiliate **Austral**. Although U.S. regulators rule that neither **American Airlines** nor its parent may take any direct control over either carrier, that matter is mooted when Aerolineas appoints its new management team. American's former managing director for Argentina, Diego J. Cousino, becomes CEO, with its former managing director of international planning, C. David Cush, as chief operating officer.

A \$120-million, 10-year contract for its information technology functions is signed by **Aerolineas Argentinas, S.A.** on November 17 with the SABRE Group. The contract also calls for the SABRE group to provide specialized information technology services to **Austral**.

Enplanements for the year total 1,221,000 while 3,112,000 FTKs are operated.

Plans to integrate the carrier into **Aerolineas Argentinas, S.A.** are shelved during the spring of **2000** pending determination of the parent's fate. As a result, the five leased former **Air France** B-737-228As that begin to arrive at the end of March all wear **Austral** colors. As they enter service, they replace the ex-Iberia DC-9-32s, the first two of which are withdrawn and sold for scrap on June 14.

On October 13, SEPI and the government of Argentina reach an accord on future financing for the carrier and its **Aerolineas Argentinas, S.A.** parent. The Spanish holding company agrees to invest another \$650 million while Argentinean authorities pledge to provide whatever amount is required to maintain the nation's 5% stake. On the other hand,

significant additional cost-cutting remains to be implemented and three of the carriers' six employee unions, fearing job cuts and salary reductions, are already on record as being against the terms of this bailout.

AUSTRAL EXPRESS, S.A. See **AUSTRAL AIRLINES (AUSTRAL LINEAS AEREAS, S.A.); INTER AUSTRAL, S.A.**

AUSTRALASIAN JET CHARTER (PTY.), LTD.: Hangar 31, Essendon Airport, Bristol Street, Victoria, 3041, Australia; Phone 61 (3) 9379-6999; Fax 61 (3) 9379-5949; Year Founded 1989. This charter and executive air service is established by the Lamb family at Essendon Airport in 1989, under the direction of Chairman/Managing Director Alistair Lamb and Director General Andrew Lamb. General Manager Michael Bartlett recruits a workforce of 25 and operates a large fleet that includes 2 Cessna 404 Titans and 1 each Beech 58 Baron, Beech 76 Dutchess, Cessna 310, C-340, C-500 Citation I, Piper PA-31-310 Navajo, and PA-31T Cheyenne.

Operations continue apace during the 1990s. In 1993, the sister company **Independent Air Freighters (Pty.), Ltd.** is also set up at Essendon and begins domestic all-cargo charters with a pair of leased Douglas DC-9-33Fs.

AUSTRALIA-ASIA AIRLINES (PTY.), LTD.: Australia (1989-1996). Formed as a wholly owned subsidiary of **Qantas Airways (Pty.), Ltd.** in 1989, Australia-Asia is created to avoid the diplomatic prohibition placed upon the flag line's previous service to Taiwan. Because of political difficulties, the new entrant does not immediately begin revenue services.

In fact, it is not until mid-1991 that Chairman John F. Ward and General Manager Roger Parks lease a Boeing 767-338ER from the parent. On November 10, scheduled flights are initiated to Taipei from Sydney, followed by Brisbane. The service is the first to be offered direct from Australia to Taiwan and cuts 2 hours off the next shortest connection via Hong Kong. Traffic figures will not be released.

Successful operations continue in 1992-1993. On March 25, 1994, the B-767-338ER is replaced by the Boeing 747SP-38, the *City of Gold Coast-Tweed*. The *City of Traralgon*, another B-747SP-38, is chartered from the parent on April 18. Each will undertake one weekly 8-hr. 45-min. roundtrip flight from Sydney to Formosa. Enplanements for the year total 83,972 and a total of 20.7 million FTKs are carried.

When **Qantas Airways (Pty.), Ltd.** is privatized in 1995, the need for the artificial airline largely ends. The political implications of a private company dealing with Taiwan are viewed differently in Beijing from those of a state corporation. As a result, the exclusive business of Australia Asia with the Republic of China winds down.

The *City of Gold Coast-Tweed* and *City of Traralgon*, repainted in Qantas colors, are returned to the parent organization on June 27, 1996. The company remains in low-key operation, maintaining its listing in the directories published by Macmillan, *Flight International*, and other concerns. It will be folded back into its parent before the end of the year.

AUSTRALIAN AERIAL SERVICES (PTY.), LTD.: Australia (1924-1934). Early in 1924 AAS is formed at Sydney as a subsidiary of the Larkin Aircraft Company, Ltd. On June 2, Capt. Frank Roberts, flying a Sopwith Wallaby, begins to transport mail from Sydney to Adelaide. Later in the summer, a Sopwith Antelope and two Sopwith Gnus are placed in service. The first de Havilland DH 50 employed in Australia is placed on the Sydney-Adelaide service in early November.

The Sydney-Adelaide service is opened for DH 50 passengers on January 1, 1925. The Cootamundra-Sydney segment of the route is withdrawn on July 19 and replaced two days later with twice-weekly frequencies from Broken Hill-Mildura and Melbourne-Hay. Services are maintained with little change in 1926-1929.

Weekly flights from the **QANTAS (Queensland and Northern Territories Aerial Services [Pty.], Ltd.)** Camooweal stop to the Northern Territory town of Daly Waters are inaugurated on February 19, 1930;

here the mail is put on a truck and sent by road to Birdum from where it is dispatched to Darwin by train. The Broken Hill-Mildura and Melbourne-Hay routes are closed on June 9 for lack of traffic.

The Daly Waters end of the service from Camooweal is extended to Birdum Creek (mail only) in January-March 1931. The company's operations are taken over by QANTAS on November 1, 1934.

AUSTRALIAN AIR CHARTERERS (PTY.), LTD. See **AUS AIR (PTY.), LTD.**

AUSTRALIAN AIR EXPRESS (PTY.), LTD.: P.O. Box 1324L, 2nd Floor, 399 Elizabeth St., Melbourne, Victoria, 3001, Australia; Phone 61 (3) 9241 6599; Fax 61 (3) 9241 6603; <http://www.aae.com.au>; Code XM; Year Founded 1992. During the spring of 1992, AAE is established at Melbourne by the Australian Postal Corporation and **Qantas Airways (Pty.), Ltd.** as a joint venture, all-cargo carrier. Allen Buckley is named CEO and, with Qantas support, additional hubs are set up at Brisbane, Cairns, Perth, and Sydney.

Employing a fleet of 2 each British Aerospace BAe 146-300QTs and Fairchild Metro Is and 1 each Boeing 727-100F, B-727-200F, and BAe 146-100F, revenue flights begin on August 1. Destinations visited include Adelaide, Brisbane, Cairns, Canberra, Darwin, Gove, Groote Eylandt, Hobart, Launceston, Mackay, Maryborough, Melbourne, Mount Isa, Perth, Rockhampton, Sydney, and Townsville.

Service is maintained without change during the remainder of the decade.

AUSTRALIAN AIRLINES (PTY.), LTD.: Australia (1986-1993). Timed to coincide with the arrival and introduction of the first Boeing 737-376s in August 1986, the **Trans-Australian Airline (Pty.), Ltd.** name of General Manager James Strong's 40-year-old carrier is shortened and a new logo and green and gold livery are unveiled. Featuring a kangaroo on the tail, as **Qantas Airways (Pty.), Ltd.**, this new look is the creation of Melbourne-based Ken Cate design. In September, three BAe Jetstream 31s are delivered and enter service on 37 Queensland routes (to Brisbane, Cairns, MacKay, and Coolangatta) in October.

An Airbus Industrie A300B4-203 is sold to **Toa Domestic Airlines Company, Ltd.** in November for delivery the following March and on November 22 the B-727-276A *John Fawcner* is withdrawn from service and placed into storage. Late in the year, the 8,797-employee carrier enters into a comprehensive marketing arrangement with **Air New Zealand, Ltd.** aimed at intensifying the competition with rivals **Qantas Airways (Pty.), Ltd.** and **Ansett Airlines of Australia (Pty.), Ltd.**

Enplanements for the entire year under both names jump 6.2% to 5,101,778, but freight dips 5% to 5.92 million FTKs. Revenues advance 14.8% to A\$870.8 million and net gain rushes up to A\$37.8 million, a new company record.

The workforce grows 1.2% in 1987 to 9,564 as the last of the 12 new B-737-376s join the fleet. The company's forty-first anniversary is celebrated in February. Ted Harris is now appointed chairman to succeed the retiring Neil Smith and, on April 11, the B-727-276A *John Eyre* makes its last flight. A number of new services are initiated in June and July, including: Sydney-Darwin, Adelaide-Alice Springs-Darwin, Sydney-Alice Springs, Darwin-Alice Springs-Melbourne, Darwin-Brisbane, and Darwin-Adelaide. Also during July, weekly Saturday flights are undertaken between Melbourne and Cairns. In August, the B-737-376s step up the Melbourne-Cairns frequency to daily. At the year's end, Flight Deck Club members receive access to the Red Carpet Club lounges of **United Airlines** under a new reciprocal agreement.

Passenger boardings ascend 1.5% to 5,166,000, but freight is down 12.3% to 51.18 million FTKs. Revenues swell 8.8% to A\$690.9 million, but costs rise and knock the operating profit down 34.1% to A\$18.15 million.

The payroll is increased another 1% in 1988 to 9,661. The first in a series of 10 A\$499 B-737-200 holiday charters sponsored by the Western Australian Tourism Commission occurs in January over a route from

Melbourne to Perth. Low add-on fares are made available for connections from Sydney, Adelaide, Hobart, Canberra, and Launceston.

In April, the carrier becomes a public company and increases its services from Sydney to Melbourne and Brisbane and from Melbourne to Brisbane as additional frequencies are added from Sydney to the Gold Coast, from Adelaide to Tasmania, and directly from Melbourne to Maroochydore on the Sunshine Coast. In June, the company opens a resort on Lizard Island, on the Great Barrier Reef some 150 miles north of Cairns.

During July and August, additional flights are added between Sydney and Cairns and nonstop weekend return flights from Melbourne to Cairns are resumed. During the summer, the carrier establishes a hub at Alice Springs to service the demand from tourist traffic to the country, which features an increase in return flights Alice Springs to Cairns and to Sydney. An agreement is reached with Airbus Industrie in September permitting the deferral of an order for 9 A320s until 1992.

An important milestone is reported for the month as the carrier, for the first time, takes the lead in market share away from **Ansett Airlines of Australia (Pty.), Ltd.**

A DHC-6-300, with two crew and four passengers, fails its takeoff from Dunk Island on November 18, descends, crosses a grassy area, bounces off a concrete culvert, and comes to rest on the other side of a road; although the Twin Otter is destroyed, there are no fatalities.

Australian bicentennial celebrations and Brisbane's EXPO '88 cause customer bookings to jump 18.5% to 6,124,000. Cargo also recovers, up 5.1% to 53.79 million FTKs. Revenues also increase, growing 16.8% to A\$881.75 million and an after-tax A\$37.9-million profit is celebrated.

The workforce is cut 1.7% in 1989, due largely to the pilot's job action that begins in August. Meanwhile, back in January, the company begins to offer its first- and business-class passengers free access to its Flight Deck Clubs and upgrades its food and beverage services.

In March, Australian Cargo, an independent freight division, is reorganized; Paul Block is named assistant general manager in charge of the cargo operation. During the month, it is reported that the company has captured 47.4% of the domestic business market. A 33.3% stake is, during June, taken in the regional carrier **Sunstate Airlines (Pty.), Ltd.**

With the tourist boom and national economy slowing, the government now requires all CEOs running government entities to reapply for their positions, which now all have salary caps. Australian's general manager, James Strong, accepts a position with a law firm. All executives reporting to government entity CEOs must also reapply for their positions, and white-collar stability at the airline suffers as Assistant General Manager David Wiltshire attempts to keep operations moving.

Having for several months contested the government's decision to grant only a 6% wage increase instead of their request for 30%, the flyers of Australian, and their Australian Federation of Air Pilots (AFAP) union brothers from competing Ansett, are suspended. In response, the pilots register en masse on August 24; without pilots, Australian is forced to shut down. In an effort to maintain essential air service, the government turns to the Royal Australian Air Force in September (with unhappy early results) and also invites those international airlines making more than one stop in Australia to begin carrying domestic traffic.

Under this cabotage invitation, **Cathay Pacific Airways (Pty.), Ltd.**, **Thai Airways International, Ltd.**, **Gardua Indonesian Airlines**, **Malaysian Airlines, Ltd.**, **Continental Airlines**, **Singapore Airlines**, **British Airways, Ltd. (2)**, and **Olympic Airways, S.A.** are able to provide only 22,000 of the 250,000 seats required weekly. The company now begins to wet-lease aircraft from European charter operators, whose summer season has already finished; led by 2 B-757-2T7ERs from **Monarch Airlines, Ltd.**, 11 aircraft (including 9 B-737-300s) are requested, with 4 arriving by month's end.

Seven more transports, again flown by crews from other airlines, arrive in October; maintenance for the planes is provided by Australian. During the month, the airline begins to recruit replacement pilots. An unnamed B-727-277 is leased from **Dan-Air/Dan-Air Services, Ltd.** on November 7.

As a result of the labor problems, passenger boardings decline 29.3% to 4,531,200 and freight is off 30.5% to 44.51 million FTKs. With the financial year ending before the strike, fiscal statistics do not reflect the downturn. Revenues are up 14.1% to A\$944.2 million and the operating profit is A\$95.3 million. Net gain is A\$58.6 million.

Company employment inches upward by 0.7% in 1990 to 9,549 as domestic operations return to normal by February. Since the previous October, a total of 245 pilots, including 120 returning AFAP members, are recruited and all 280 needed for full service are in cockpits by mid-month. Later in the month, **Qantas Airways (Pty.), Ltd.** executive John Schaap is appointed CEO and, by month's end, 21 company Boeings are back in the air. Domestic airline deregulation's first physical act is initiated on March 1 when the DOT formally opens a terminal access program. Consequently, both Australian and **Ansett Airlines of Australia (Pty.), Ltd.** are required to make available a limited amount of gate space for new entrants at the airports at Sydney, Perth, Adelaide, and Melbourne.

The first of nine ordered B-737-476s is delivered in April, the same month that a second wet-leased **Dan Air, Ltd.** B-727-277 is returned; indeed, the last wet-leased foreign transport is released in May. The route network, as of this month, includes 21 points in Australia, the majority of which are centered in the eastern half of the nation. Via its Australian Regional subsidiary, 100% shareholding is taken in **Sunstate Airlines (Pty.), Ltd.** on July 1.

In August, fares are discounted for foreign travelers who fly the airline between its eight most popular multicity itineraries. The company begins to operate under airline deregulation on November 1.

Customer bookings accelerate 28.1% to 5,803,757 while cargo increases by 15.4% to 52.4 million FTKs. Long after the pilot strike is over, it continues to have a financial impact. Revenues skyrocket 82% to A\$626 million. Operating income reaches A\$15 million and the net profit is A\$7.5 million.

The workforce is reduced by 11.6% in 1991 to 8,400 and the fleet now includes 4 A300B4-203s, 10 B-737-276As, including 1 out of service, 16 B-737-376s, 9 B-737-476s, including 1 leased to **Malaysian Airlines, Ltd. (MAS)**, and 2 Fokker F.27-600 Friendships. Orders are outstanding for 7 B-737-476s. The B-727-276A *Freeman Cobb* is sold out of service on March 6. Also in March, four-times-per-week transcontinental service is initiated from Sydney to Yulara, initially via Alice Springs. The carrier is restructured in April. Not only are many functions centralized at the Melbourne headquarters, but also six individual business units are created: Australian Airlines, Australian Resorts, Regional Airlines, Catering, Westpac Travel, and Australian Cargo.

Beginning in July and continuing through November 9, the carrier runs a "best seats in the world" promotional contest; entrants win transportation prizes and seats at such premier events as the British Open and 1992 Olympic Games.

On August 1, the carrier completes its 100% purchase of **Eastern Australia Airlines (Pty.), Ltd.** by purchasing the remaining 42% equity held by the regional's chairman, John C. Rosworth. Also in August, the new subsidiary **Australian Airlink (Pty.), Ltd.** is created to begin operations over coastal routes from Brisbane to Darwin and from Cairns into central Australia and to Perth.

Keeping pace with **Ansett Australia (Pty.), Ltd.**, the carrier, in September, introduces a stringent frequent flyer program that requires an A\$30 entrance fee and grants credits good only for one year. In order to allow the carrier to return to full profitability before its sale, the government, in October, delays the formal privatization of Australian "for at least six months." The B-727-276A *Bert Hinkler* completes the last AA service by its type on December 31, flying a service from Melbourne to Adelaide to Melbourne to Sydney to Melbourne.

Passenger boardings move ahead another 14.1% to 6,619,000 and freight ascends 2.5% to 52.34 million FTKs. Revenues accelerate 35% to A\$1.04 billion and a net profit of A\$49.7 million is reported.

The payroll grows 13.1% in 1992 to 9,500. Ten B-737-276As are withdrawn and 5 more B-737-476s arrive. Beginning in April, a war of fares

and semantics is entered into with competing **Ansett Australia (Pty.), Ltd.** To counter its rival, Australian eliminates first-class service, replacing it with Premier Class. Business class is succeeded by Australian Club service and economy- and coach-class tickets are discounted to 60%.

In September, the carrier is taken over by **Qantas Airways (Pty.), Ltd.** following the government's surprise July reversal of its long-standing ban on cross-shareholding between the country's airlines. An A\$400-million (US\$303-million) merger is completed between the two carriers in November. It instantly makes the combined company, which will be integrated under the Qantas name, the 15th largest airline in the world in terms of ticket sales.

Customer bookings advance 24.1% to 7,308,248 while cargo inches up 1.9% to 36.41 million FTKs.

Integration of the two carriers is completed on May 6, 1993. On that date, the first Australian B-737-376, repainted in the red and white livery of Qantas, is rolled out in ceremonies at the former Australian maintenance base at Tullamarine, Melbourne.

AUSTRALIAN AIRLINK (PTY.), LTD.: Level 9, Building B, 203 Coward St., Mascot, New South Wales, 2020, Australia; Phone 61 (2) 691-4115; Fax 61 (2) 691-4312; <http://www.qantas.com.au/flying/regional/index.html#airlink>; Code KN; Year Founded 1991. Australian Airlink, Ltd. is formed at Melbourne, Victoria, in the summer of 1991 as a subsidiary of **Australian Airlines (Pty.), Ltd.** Jackie Cook is named managing director and the fleet is equipped with 4 British Aerospace BAe 146-100 jetliners. Daily nonstop services are undertaken in August from Sydney to Cairns and Coolangatta. Other examples of national frequencies initiated during the month include flights from Darwin to Brisbane, Cairns to Alice Springs, Darwin, and Grove, and Cairns to Perth via stops in Central Australia. A total of 106,556 passengers are flown by year's end.

Neither fleet nor employment changes in 1992. Customer bookings do, however, increase to 246,102. With the acquisition of its parent by **Qantas Airways (Pty.), Ltd.** in September, Australian Airlink becomes a subsidiary of a new parent. The company's aircraft are repainted in modified Qantas livery, complete with kangaroo tails.

Services continue apace in 1993 and orders are placed for 3 leased BAe 146-200s and 2 chartered 146-300s with which to increase services in Western Australia. Although traffic figures are not released, it is noted that new Managing Director Peter Moore's carrier suffers a loss of A\$ 2.4 million.

Bryan Banston succeeds Moore as managing director in early 1994. The BAe 146-200s arrive in September, followed by the Dash-300s two months later. The former, based at Brisbane, are deployed on routes to, between, and from Rockhampton, Mackay, Prosperine, and Canberra, increasing flights over the latter route from 6 to 20 each week.

The BAe 146-300s based at Cairns fly to, from, and between Ayers Rock, Alice Springs, Perth, Gove, and Darwin. On November 14, 2 BAe 146-100s are placed on routes from Perth to Broome, Port Hedland, Karratha, and Kalgoorlie.

Again, no traffic figures are given (media estimates claim approximately 400,000 boardings), but the loss is said to have "improved" to A\$2.07 million.

At the beginning of 1995 the Australian Airlink serves 16 airports, including five in Western Australia, four in the Northern Territory, five in Queensland, plus Adelaide and Canberra.

Qantas Airways (Pty.), Ltd. international and domestic services arriving at Perth, Adelaide, Brisbane, and Cairns are able to transfer to an affiliated carrier for flights into the interior.

Flights continue in 1996-1997. Beginning on June 1, 1998, Airlink introduces new twice-daily frequencies from Brisbane to Canberra and a new daily roundtrip between Brisbane and Rockhampton. The carrier also shares an Avro RJ70 with **Norfolk Jet Express (Pty.), Ltd.**

Australia's largest regional airline, Airlink, at the beginning of 1999, flies to 19 cities in 5 Australian states. On April 1, thrice-daily BAe 146-200 roundtrips begin from Brisbane to Hamilton Island.

AUSTRALIAN EMPIRE AIRWAYS (PTY.), LTD. See **QANTAS EMPIRE AIRWAYS (PTY.), LTD.**

AUSTRALIAN JET CHARTER (PTY.), LTD.: P.O. Box 205, Ross Smith Avenue, Kingsford Smith Airport, Mascot, New South Wales, 2020, Australia; Phone 2 693 2855; Fax 2 689 2204; Code AJC; Year Founded 1983. An affiliate of Australian Jet Charter Aircraft Sales (Pty.), Ltd., AJC is established at Kingsford Smith Airport at Mascot, New South Wales, in 1983. Tony King is managing director, with John Wright as president. Executive flights are inaugurated throughout the nation with a fleet that includes 3 Cessna Citation Is, 1 Cessna Citation II, 1 Canadair 600, and 2 Dassault Falcon 20s.

Operations continue apace during the remainder of the decade; in the early 1990s oil industry charters are also undertaken to the Russian Far East and northern Japan.

An Australian investment group, together with **British World Airlines, Ltd.**, purchases control in 1997. Capt. Ian Vanderbeek becomes managing director and by 2000 his 26-member workforce has increased to 31. Contract management services are now offered and the executive jet fleet is reinforced with a passenger-configured British Aerospace BAe Jetstream 32EP. Annual sales of A\$2 million plus are enjoyed.

AUSTRALIAN NATIONAL AIRWAYS (PTY.), LTD. See **ANA (AUSTRALIAN NATIONAL AIRWAYS [PTY.], LTD.)**

AUSTRALIAN REGIONAL AIRLINES QUEENSLAND (PTY.), LTD.: Australia (1988-1993). With Peter R. Ryan as chairman/general manager, ARA is formed at Garbutt, Queensland, in early 1988 to provide regularly scheduled commuter services over routes previously flown by **Air Queensland (Pty.), Ltd.** An initial fleet of four (later five) de Havilland Canada DHC-6-300 Twin Otters is acquired, outfitted with bubble windows for sight-seeing. Services are inaugurated from Cairns to Townsville, Mackay, the Barrier Reef Islands, and other regional stops and enplanements total 116,153.

An additional bubble window Twin Otter arrives in 1989; however, due largely to the nationwide pilot job action, passenger boardings decline 25.6% to 66,601. Orders are placed for two Fokker F.27-600 Friendships. Two Fokker F.27-600 Friendships are requested in early 1990 as AR takes over a number of routes from the failed Norfolk Airlines Group. A.R.Q. is formed later in the year as a subsidiary of **Australian Airlines (Pty.), Ltd.** through the merger of two small regional carriers **Air Queensland (Pty.), Ltd.** and **Resort Airlines (Pty.) Ltd.** Employing the new Fokker F.27-600s, flights are inaugurated over re-worked route networks.

The Fokkers are replaced in 1991 with a DHC-8-102 and a total of 126,228 passengers are boarded. The fleet is revised again in 1992 and comes to comprise 5 DHC-6-300s. During the fall, the company begins to market its repair capabilities; in October, its first contract for aircraft modification is won from Vanuatu-based **Vanair**. The DHC-8-102 is transferred, along with a major route, to **Sunstate Airlines (Pty.), Ltd.** As a result, customer bookings fall 14% to 147,993. In September, ARA's parent, **Australian Airlines**, is acquired by **Qantas Airways (Pty.), Ltd.**

In 1993, ARA is eliminated by its new owners and its assets and aircraft are transferred to the regional, Queensland-based **Sunstate Airlines (Pty.), Ltd.**, itself once an Australian Airlines subsidiary. A profit of A\$104,340 is reported. Operations continue apace in 1994, although this year there is a loss of A\$375,900.

AUSTRALIAN TRANSCONTINENTAL AIRWAYS, LTD.: Australia (1935). ATA is formed at Adelaide in the early summer of 1935 with the mission of initiating regularly scheduled services across the continent, north to south. Flying an Avro 10, Capt. J. Chapman begins service Adelaide to Darwin on August 19. Traffic does not support the route and without subsidy, the company is forced stop flying on October 11.

AUSTRIAN AIR SERVICES (AAS): P.O. Box 50, Fontanastrasse 1, Vienna 7, A-1107, Austria; Phone 43 (1) 638 510; Fax 43 (1) 685 505; Code SO; Year Founded 1980. Established at Vienna on February 4, 1980, this domestic passenger airline is owned by **Austrian Airlines (Oesterreichische Luftverkehrs, A.G.)** (26%), and the governing bodies of the airports at Vienna, Salzburg, Graz, Klagenfurt, and Linz (14.8% each). Drs. Anton Heschgi and Hubert Papousek, CEOs of the flag carrier, are named joint managing directors. Two Fairchild-Swearingen Metro IIs inaugurate scheduled service between the five landing fields on April 1, the same day that the nation's second commuter airline, **Tyrolean Airways, A.G.**, is established at Innsbruck.

A third Metro II is added in 1982 and operations continue apace in 1983–1984. A Metro II, with two crew and eight passengers, is destroyed as the result of a bad landing at Vienna on September 17 of the latter year; there are no fatalities.

Austrian Airlines, A.G. orders a Fokker 50 for its charge in September 1985 and operations continue apace in 1986–1987.

An historic agreement is signed on January 28, 1988, between **Austrian Airlines, A.G.**, **Austrian Air Services**, and **Tyrolean Airways, A.G.** rationalizing airline services by prohibiting parallel routing. **Tyrolean Airways, A.G.** is guaranteed protection of its lucrative Innsbruck–Vienna route and, like AAS, agrees to a maximum of 52-seat equipment. The first two Fokker 50s are acquired later in the year. The fleet is completely altered in 1989, as the Metroliners are all replaced by 4 Fokker 50s. A net \$98,000 profit is earned.

Company employment is increased by 13.1% in 1990 to 43 as a fifth Fokker 50 joins the fleet. **Austrian Airlines, A.G.** becomes a 100% controlling partner and Peter Bolech and Edgar Kozak become joint managing directors. Passenger boardings ascend 18.1% over the same period a year earlier to 108,733. Revenues climb 17.3% to \$13.5 million and net profit rises to \$289,000.

Another Fokker 50 arrives in 1991 followed by 2 more in 1992. In 1993, joint managing directors Bolech and Kozak oversee a workforce of 86 and a fleet of 7 Fokker 50s. Vienna to Salzburg via Linz service is maintained.

Following the takeover of **Tyrolean Airways, A.G.** by **Austrian Airlines, A.G.** during the first quarter of 1994, plans are made to integrate the route network of the new subsidiary with that of AAS, with the Tyrolean name surviving.

This plan is abandoned the following year and the wholly owned subsidiary continues its flight schedules as before with 7 Fokker 50s.

AUSTRIAN AIR TRANSPORT (AAT): Austria (1964–1998). AAT is formed at Vienna in 1964 as a charter subsidiary of **Austrian Airlines (Oesterreichische Luftverkehrs, A.G.)**. The carrier is initially owned by a number of local government and private interests with the flag carrier holding 40% interest. Dr. Franz Kotrba is named managing director. Employing a Vickers Viscount leased from the parent, AAT undertakes charter and inclusive-tour flights to destinations in Europe, Africa, the Mideast, and various Mediterranean resorts.

In 1965, revenues advance by 40% and enplanements jump 50% to 20,000. Largely unheralded, services continue through the remainder of the decade and into the 1970s. The carrier is reorganized in September 1973 and **Austrian Airlines, A.G.** is granted full control with 80% shareholding. Passenger bookings climb from 356,700 in 1981 to 500,200 in 1983.

Scheduled services linking Vienna with Graz, Linz, Klagenfurt are undertaken in 1986–1987, employing a fleet of 3 Fairchild Metro IIs and 1 Cessna 310. This competition with **Austrian Air Service** is withdrawn in 1988.

Operations continue apace in 1989–1992. In 1993, joint managing directors Angelika Stix and E. Hotarek oversee a workforce of 13. Aircraft continue to be leased from the parent and flown as required on non-scheduled, inclusive-tour services from Vienna, Linz, Salzburg, Graz, and Klagenfurt to holiday destinations in Africa, Europe, and the Mideast. During the year, 2 A310-324s, 12 MD-81s, 1 MD-82, 5 MD-87s, and 4 Fokker 50s are chartered at various times.

With 11 employees in 1994, the number of leases is increased. Eight Fokker 50s, 6 MD-82s, 5 MD-87s, 7 MD-81s, and 2 MD-83s fly on behalf of the charter arm during the year.

Flights continue until 1998, at which point the airline is folded back into its parent and its “OG” code is assigned to the new GO low-cost subsidiary of **British Airways, Ltd.** (2).

AUSTRIAN AIRLINES (OSTERREICHISCHE LUFTVERKEHRS, A.G.): 1107 Vienna, Fontanestrasse 1, Vienna, A-1107, Austria; Phone 43 (1) 17660; Fax 43 (1) 686 526; http://www.aua.com; Code OS; Year Founded 1957. Before either actually launch operations, **Air Austria**, formed by the Austrian People's Party, with assistance from **KLM (Royal Dutch Airlines, N.V.)** and **Fred Olsen's Flyselskap, A.S.**, and **Austrian Airways**, created by the Austrian Socialist Party with help from **SAS (Scandinavian Airlines System)**, agree to a merger on September 30, 1957. **Oesterreichische Luftverkehrs, A.G.** (Austrian Airlines), the name taken, is that of the prewar carrier founded in 1918 and merged into **Deutsche Lufthansa, A.G. (DLH)** in January 1939.

Shareholding in the new joint enterprise is divided three ways: Austrian private interests 42%; elements of the public sector 28%; and the remaining 33% is divided between **SAS (Scandinavian Airlines System)** and **Fred Olsen's Flyselskap, A.S.** Four Vickers Viscount 779s are leased from the latter because, under terms of the government's peace treaty with the Allies, Austria's airlines in the future will be prohibited from purchasing German or Japanese aircraft.

Austrian-manned Viscount 779 (the peace treaty also specifies that no foreign pilots may fly Austrian aircraft) revenue services begin on March 31, 1958 over a Vienna–London route; additional international routes are planned and developed throughout the year.

Viscount 779 flights are launched Vienna–Manchester via Frankfurt am Main on April 5, 1959. A chartered DC-3, with three crew and two passengers, flies into Alfabia Peak, Mallorca, on May 2; there are no survivors. A Vienna–Moscow Viscount 779 service is initiated on June 5.

Four Viscount 837s replace the 779s in February 1960. One of the new Vickers Viscount 837s, with 6 crew and 31 passengers and on approach from a Vienna service, crashes 11 km W. of Sheremetyevo Airport, Moscow, on September 26 (31 dead).

Planning for domestic frequencies is undertaken in 1961. A pooling agreement is signed with **Cunard-Eagle Airways, Ltd.** in August for service Innsbruck–London (LGW). The Viscount 745 *Johannes Brahms* joins the fleet.

In 1962, Douglas DC-3s are acquired and orders are placed for 5 Sud SE-210 Caravelle VIRs. DC-3 domestic operations commence on January 5, 1963. The carrier's first Caravelle VIR is delivered on February 20 and is placed in service on the international routes.

The workforce totals 1,282 in 1964. Three additional Caravelle VI-Rs join the fleet. A 40% shareholding is taken in the newly formed charter subsidiary **Austrian Air Transport (AAT)**. The carrier leases aircraft to AAT beginning with a single Vickers Viscount that inaugurates revenue flights during the summer. Systemwide, enplanements total 289,569 and revenues are \$12.2 million.

In 1965, new service is inaugurated to Munich from Vienna and Klagenfurt/Salzburg and from Salzburg to Amsterdam. The fleet now includes 11 aircraft: 4 Caravelle VIRs, 4 Viscount 837s, and 3 DC-3s. Passenger boardings increase 26% to 391,309.

Airline employment is 1,590 in 1966. Two Hawker Siddeley HS 748s replace the DC-3s. Enplanements swell to 451,963. Another Caravelle VIR is added in 1967 and a number of frequencies are increased. The company now flies 5 SE-210s, 2 HS 748s, 4 Viscounts, and 1 Aero Commander. The SE-210s replace Viscounts on some routes, bringing to 76% the number of seat-miles offered by jetliner. Bookings accelerate 12% to 513,594.

The employee population is 1,788 in 1968. Preparations are made for the inauguration of transatlantic service and a Boeing 707-329 Strato-liner is leased from **Sabena Belgian World Airlines, S.A.** late in the year. Bookings dip to 469,593.

In early 1969, the government, in an effort to improve the airline's fortunes, appoints, according to tradition, new joint managing directors, one from each political party: Dr. Anton Heschgi, Socialist, and Dr. Hubert Papousek, Conservative. The two, working in harmony, reduce the workforce by 15% to 1,426. The fleet now comprises 5 Caravelle VIRs, 3 Viscount 837s, and 1 HS 748s.

One HS 748 is withdrawn from the European network as the company is further reorganized and all unprofitable and domestic services are dropped. Vienna to New York via Brussels Stratoliner service is launched on April 1 as part of a fifty-fifty pool agreement with **Sabena Belgian World Airlines, S.A.**

Enplanements for the year rise to 516,525. Revenues total \$20.4 million.

Airline employment climbs 5.5% to 1,504 in 1970. En route from Frankfurt to Vienna on February 21, a Caravelle suffers a blast of unknown origin in its freight compartment; the plane is able to safely return to Frankfurt.

Nine Douglas DC-9-32s are ordered as the last HS 748 is sold and disposal of the Viscounts begins. Boardings dip 1% to 511,000, but freight is down by 10%.

A total of 28 new employees are hired in 1971. The pooled transatlantic service is terminated on March 31 and the chartered B-707-329 is returned to **Sabena Belgian World Airlines, S.A.** In turn, an extensive technical and operational arrangement is made with **Swissair, A.G.** The first DC-9-32 is delivered on June 19 and the last Viscount 837 is sold on September 24. A total of 594,000 passengers are carried on the year.

As the last of the DC-9-32s arrive and enter service in 1972, retirement of the Caravelle VIRs begins and will make Austrian an all-Douglas operator. Routes are extended to additional points in Eastern Europe. On March 29, an agreement on technical and operational cooperation is signed with **Swissair, A.G.**

Construction is started on a new Vienna Airport maintenance facility. On November 16, the stock capital is raised to 1 billion Austrian shillings. Cargo traffic skyrockets 50% and passenger bookings jump 25% to 791,774. The company's first net profit, 8.6 Austrian shillings, is posted.

The last Caravelle VIR is sold on January 16, 1973, and an order for 5 DC-9-51s is placed on July 25. Shareholding in **Austrian Air Transport (AAT)** is increased to 80%. During the year, the company enters the transatlantic charter market, operating a DC-8-63CF under charter from **Overseas National Airlines.**

Passenger boardings rise 18% to 830,698 and freight is up 34%.

Airline employment stands at an even 2,000 in 1974. A new maintenance base is opened at the Vienna Airport on June 25. Passenger traffic rises a slight 1.2% to 840,785, but freight grows 8.1%.

On April 28, 1975, the new computerized reservations system OSCAR is introduced. A route is opened to Brussels and permission for new routes is received during the summer for inauguration the following year. The first of the five DC-9-51s is delivered on September 14; with a second received days later, it enters service in October, becoming only the second in the world to be employed in regular airline operations. Employment dips to 1,950. Passenger boardings climb 9% to 912,640, and a \$13.9-million net profit is posted.

Fifty employees are hired in 1976. New DC-9-51 services are inaugurated with two new aircraft on January 4 from Vienna to Cairo, Düsseldorf, Stockholm, Helsinki, and London via Salzburg. On May 24, the carrier pays its first dividend to shareholders. A third DC-9-51 is added. Passenger bookings exceed the 1-million mark for the first time, rising 16% to 1,060,834; cargo soars 26%. A sixth consecutive profitable year is announced.

A fourth DC-9-51 is delivered in 1977. On October 13, 8 DC-9-81s are ordered.

A chartered BAC 1-11-420EL with 5 crew and 74 passengers crashes 34 km. from the runway while on initial approach to San Carlos de Bariloche on November 21 (46 dead)

Enplanements for the year total 1,127,490.

A Vienna-Madrid route is started on April 1, 1978. A total of 29 cities in 25 countries in Europe and the Middle East are now served from gateways at Vienna, Graz, Linz, Klagenfurt, and Salzburg. Chairman Otto Binder's carrier now employs 2,057 workers and possesses a fleet comprising 5 DC-9-51s and 9 DC-9-32s.

On November 13, the Austrian chancellor inaugurates the new head office at Vienna. A 50% stake is taken, during December, in the **WA-Vienna Airport Restaurant-und Hotelbetriebsges, mbH.** Passenger boardings climb 9% to 1,239,000, and freight is up 11%.

New service is started from Vienna to Larnaca and Jeddah on November 13, 1979. With the beginning of the winter season in late October, a DC-9-32 is chartered to **Air Malta, Ltd.**

Late in the year, plans are made to resume domestic services after a seven-year suspension. Bookings rise 5% to 1,301,596, and cargo accelerates 14%.

The workforce is increased by 7% in 1980 to 2,500. On February 4, the carrier invests 26% of the capital required to form **Austrian Air Services** with additional shares in the new domestic airline being taken by regional governments and local interests. **Air Malta, Ltd.** returns the DC-9-32 at the end of the third quarter.

Service between five Austrian cities begins with two Fairchild Metro IIs on April 1. On the same day, **Tyrolean Airways, A.G.** is established at Innsbruck.

The first DC-9-81 is delivered to Austrian Airlines; christened *Wien*, it commences Vienna-Zürich service on October 26. **Transavia Holland, N.V.** now begins a contract to fly one of its B-737-2K2Cs on behalf of the Austrian flagline. Orderly retirement of the DC-9-32s begins, with the first sold to **Texas International Airlines** on December 7; orders are placed for Airbus Industrie A310-221s. Passenger boardings decline \$2 to \$1.2 million and cargo falls 1%.

The employee population is increased by 2.7% in 1981 to 2,719. On March 1, Vienna-Tripoli service begins; four days later, the carrier acquires 50% of the nation's leading tour operator, Touropa. Malta and Nice are included in the route network as of March 29. On March 31, the first DC-9-51 lands at Dhahran. The first DC-9-81 charter flight is made Vienna-Aswan-Mombasa on October 10. During the year, another DC-9-32 is delivered to **Texas International Airlines** and 4 DC-9-81s are integrated into the fleet.

Passenger boardings accelerate 5.7% to 1,358,130, and cargo is up 12% to 14.93 million FTKs. A net \$5.1-million profit is earned on total revenues of \$297.2 million.

The employee population stands at 2,700 in 1982. The first automatic landing of an Austrian Airlines DC-9-81 is made on February 5, during a Yuma, Arizona, test flight. New routes are begun to Doha, Tunis, and Baghdad via Larnaca. Orders are placed for 2 Airbus Industrie A310s and the veteran marketing director, Fritz Feitl, is named managing director of **Tyrolean Airways, A.G.**

Passenger traffic dips 3% to 1,320,215, but freight rises 9% to 14.67 million FTKs. A twelfth consecutive net profit is reported, 76.5 million Austrian shillings.

Eighty new employees are hired in 1983 as a Klagenfurt and Vienna to London frequency is inaugurated. The last 3 of 5 DC-9-32s are sold to **Muse Airlines.**

Boardings rise 6% to 1,865,207 and cargo climbs twice that percentage, up 12% to 16.6 million FTKs. The annual net profit of \$4.4 million is the 13th consecutive net gain.

Routes are opened to Tehran and Kuwait in 1984 as the workforce grows 6.6% to 2,838. On December 19, Austrian Airlines becomes one of two launch customers for the MD-87, ordering four.

Cargo grows 19.3% and passenger boardings rise 6.3% to 1,982,000. On revenues of \$227 million, a \$3.9-million net profit is reported.

Airline employment is boosted 2.2% to 2,900 in 1985. A DC-9-32, en route from Rome to Vienna with 65 aboard on June 24, returns to Rome after the airline's office receives a bomb threat. Two Fokker 50s are ordered for **Austrian Air Services, GmbH.** in September and joint Man-

aging Director Hubert Papousek is also chairman of the Association of European Airlines.

Passenger bookings climb 5% to 1,538,000 while freight is flat. Revenues total \$227.83 million and expenses are \$226.8 million; profits are \$1 million (operating) and \$4.5 million (net).

The payroll is boosted a scant 1.6% in 1986 to 3,063. In cooperation with **Air France**, flights begin to Lyon. In June, the A310-221 order is changed to two of the long-range Dash-322 models.

In July the carrier initiates twice-weekly return service to Riyadh, Zagreb, Venice, and Barcelona. In December, weekly MD-87 service is initiated from Vienna's Schwechat Airport to Tehran.

Enplanements dip 1% to 1,983,000 while cargo is off by 3.2% to 3.43 million FTKs. During the 16th consecutive profitable year, Austrian earns revenues of \$294.84 million, up 29.4% and has costs of \$101.55 million, up 38.3%. The operating gain rises to \$8.1 million and net profit is \$8.38 million.

Airline employment grows 6% in 1987 to 3,155 as joint Managing Directors Papousek and Heschgi report in March that the company's most important route is that between Vienna and Frankfurt. The first 2 of 4 ordered McDonnell Douglas MD-87s join the fleet of their European launch customer later in the year.

Passenger boardings ascend 12.3% to 2,228,890 while freight is level with the previous year. Revenues advance 8% to \$455.9 million and costs are held low enough to allow an operating profit of \$12.8 million. The net gain dips to \$7.1 million.

The workforce is increased 12.9% in 1988 to 3,552 and the fleet is increased with the addition of 2 MD-87s, 1 A310-324, and 2 Fokker 50s. The latter are introduced on regional and domestic routes. On January 28, Austrian Airlines, its **Austrian Air Services, GmbH**, subsidiary, and **Tyrolean Airways, A.G.** sign an accord rationalizing domestic services by avoiding parallel routing. During the first two quarters, the company introduces business-class service on all European and Mideast flights and begins service to Monastir, Izmir, and Dhahran.

In May, the government sells 25% of its interest to private investors in the first of three annual privatization sales. The carrier is privatized to the extent of 25% in June, with **Swissair, A.G.** purchasing 3% shareholding.

Customer bookings rise 2.3% to 2,280,444, but cargo dips 0.7% to 19.86 million FTKs. Revenues climb 10% to \$541.7 million, but expenses also rise, forcing the operating profit down to \$4 million. Net gain, however, zooms up to \$9.8 million and is the 18th consecutive profit.

The number of employees is increased by 9.3% in 1989 to 3,893 as privatization continues. The longest serving and most durable duo in Europe, joint Managing Directors Papousek and Heschgi celebrate 20 years in control of Austria's air transport industry. The A310-324 received late the previous year enters regional service in February and in March opens five-times-per-week roundtrip frequencies from Vienna to New York. Additionally, daily flights begin from Linz to Salzburg and Zurich and from Vienna to Stuttgart.

On March 25, Vienna-East Europe frequencies are increased to 54 per week, making the company second only to **Deutsche Lufthansa, A.G.** in western service to Eastern Europe. Meanwhile, to assist in fleet expansion payments, the share capital is increased in April by a \$65-million stock offering (400,000 shares) via the Austrian stock market; 3.5% total shareholding (77,000 shares) is acquired via this avenue by **All Nippon Airways Company, Ltd. (ANA)**. **Swissair, A.G.** increases its holding from 8% to 10% while **Air France** acquires a 1.5% shareholding. The new shares issue reduces Austrian government holdings to 61.4%. In May, the company initiates a marketing agreement with **Air France** that calls for code-sharing on flights from Vienna to Paris and Nice. A sixth weekly Vienna to New York roundtrip is added in June while twice-weekly roundtrips commence between Vienna and Lisbon.

In cooperation with **Aeroflot Soviet Airlines** and **All Nippon Airways Company, Ltd. (ANA)**, joint twice-weekly service, employing the Austrian's second new A310-324, are inaugurated on July 16 from Vienna to Tokyo via Moscow and over Siberia; the frequencies are the

first by a twin-engine commercial jetliner over the trans-Siberian route. Expenses and revenues are split 40-40-20 between Austrian, ANA, and Aeroflot; the frequencies, which employ Austrian cockpit crews, mixed cabin crews, and a Soviet navigator, were to have begun on April 16, but are delayed for several weeks.

Twice weekly scheduled service is resumed in August between Vienna and Dhahran, Saudi Arabia. Salzburg joins the network for the winter ski season as a stop on the New York to Vienna service and, beginning in November, the company begins a frequent flyer program for U.S. travelers called *MileageCheques*.

Passenger boardings for the year surge 15.8% to 2,069,617 and freight skyrockets 87.1% to 36.37 million FTKs. Revenues advance 11.4% to \$611.5 million, allowing a profit of \$28 million.

Company employment is increased by 8.4% in 1990 to 4,221 and the joint service to Tokyo via Moscow becomes, with the addition of a third A310-324, thrice weekly in March. By April, state shareholding has been reduced to 51.9% as the carrier continues to be privatized. As part of that process, **All Nippon Airways Company, Ltd. (ANA)** increases its shareholding to a full 5%. As the result of a significant demand for flights into Eastern Europe by Japanese businessmen and tourists, the Japanese air transport company links its Vienna service into Austrian's extensive eastern route network.

At a price equivalent to \$358 per share, the airline issues 400,000 new shares of stock in May. The offering reduces the governments holding to 51.9% and increases the shareholding of **Swissair, A.G.** to 10% and of **All Nippon Airways Company, Ltd. (ANA)** to 9% (with the \$65-million purchase of another 157,000 shares, the total Japanese stake is 234,000 shares).

Also during the second quarter, code-sharing is introduced with **Aeroflot Soviet Airlines** on the route from Vienna to St. Petersburg and with **CSA (Czechoslovak Airlines)** on the run from Vienna to Prague. A block-space agreement is signed with **Finnair, O/Y** covering service over the Vienna to Helsinki route, which will be provided with Finnish aircraft. Later, joint code-sharing on aircraft from both companies will be offered from Vienna to Helsinki via Stockholm. A line pilot since 1960, Capt. Erich Mara succeeds Dr. Hubert Papousek on July 1, becoming president and joint managing director, with Georg Urbanski and Dr. Herbert Bammer as deputy presidents.

The company now joins the European Quality Alliance, partners in which also include **Swissair, A.G.** and **SAS (Scandinavian Airlines System)**. In addition to catering and maintenance agreements, Austrian and **Swissair, A.G.** agree to launch code-shared flights from Vienna to Zurich and Geneva, from Linz to Zurich, and from Salzburg to Zurich. Later, the two companies will code-share on the Swiss routes from Zurich to Amman, Riga, and Vilnius and link their frequent flyer programs. Additionally, Austrian elects to join with **SAS (Scandinavian Airlines System)** in offering code-sharing on routes from Vienna to Copenhagen, Stockholm, Hamburg, and Goteborg.

A fourth weekly frequency is introduced to Tokyo during November. At the same time, a 49% share is taken in the Vienna-based regional **Rheintalflug-Rolf Seewald, GmbH**. At the year's end, two new holiday packages are introduced: "Vienna for a Song" and "Austrian Holidays Ski Escapades." Customer bookings ascend 6.5% to 2,760,000. Revenues grow to \$801 million and the operating loss is \$21 million. A net \$11.3-million profit is earned, the 20th such gain in a row.

The payroll climbs 3.1% in 1991 to 4,259 and the fleet now includes 3 A310-324s, 7 MD-81s, 1 MD-82, 1 MD-83, and 5 MD-87s. Orders are outstanding for 1 A310-324, 7 A320-214s, 6 A321-111s, 2 A340-300s, and 1 MD-83.

In April, **Rheintalflug-Rolf Seewald, GmbH**, opens de Havilland Canada DHC-8-100 replacement service on behalf of the flag carrier over a route from Graz to Zurich. The following month, joint passenger services are inaugurated with **Olympic Airways, S.A.** over a route from Vienna to Athens.

Following the outbreak of fighting in Yugoslavia's secession crisis, the company, on June 29, suspends services into Zagreb, capital of Croatia.

On July 5, A310-324 biweekly roundtrips from Vienna are undertaken to Johannesburg, South Africa.

The inaugural Airbus delivers the Imperial Ball Orchestra and the Mozart Spectaculum for special performances.

In cooperation with **Swissair, A.G.**, twice-weekly flights are inaugurated, also in July, from Zurich to Leningrad and Kiev via Vienna. To meet the demand for capacity caused by the Yugoslav situation, the airline switches from Fokker 50s to MD-81s on many of its Balkan services.

In August, twice-weekly MD-81 service is resumed from Vienna to Dhahran and Riyadh, Saudi Arabia. Six-times-per-week Vienna to Istanbul frequencies become daily and, jointly with **Swissair, A.G.**, thrice-weekly flights begin from Vienna to Kiev and Leningrad. In October, the company begins two additional MD-80 services with Swissair from Zurich to Kiev and Vienna. During the year's second half, new services are also inaugurated to Leningrad, Nairobi, and Johannesburg.

Passenger boardings slide 3.9% during the year to 2,652,902, but freight swells 16.9% to 59.93 million FTKs. Revenues rise 8.3% to \$847.4 million, but costs are more and force an operating loss of \$34.01 million. There is a net loss of \$11.15 million, thus breaking the consecutive run of profits.

The workforce grows 4.3% in 1992 to 4,441 as 5 MD-82s enter service. In March, African frequencies are increased and Vienna-Vilnius service is introduced. Employing an Austrian A310, the carrier begins cooperating with **SAS (Scandinavian Airlines System)** on a four-times-per-week nonstop Vienna-Chicago route on March 30. New markets are also initiated at Minsk, Hamburg, Goteborg, and Amman. The joint service with **All Nippon Airways Co., Ltd.** and **Aeroflot Soviet Airlines** is temporarily suspended during the summer due to the Japanese carrier's financial difficulties and the breakup of the Russian partner. At the same time, the carrier joins with **Tarom Romanian Airlines** to offer code-sharing on flights from Vienna to Timisoara and Bucharest.

Passenger and cargo handling at Austrian and Swiss airports pass to Austrian Airlines or **Swissair, A.G.** on September 1. In a unique plan unveiled in July, the two carriers, effective November 1, begin to operate such customer services as booking offices, check-in, and passenger lounges, jointly in their home markets. Also in November, the carrier establishes Austrian Airlines Lease and Finance Co., Ltd. as a subsidiary. Throughout the year, the company discusses a possible 51% majority takeover of Bregenz-based **Rheintalflug-Rolf Seewald, GmbH**.

Customer bookings recover, growing by 15.8% to 3,071,617, and revenues ascend 16.5% to \$780.81 million. Expenses are up 17.6% to \$828.41 and as a result, the operating loss is increased to \$47.6 million. The net loss increases to \$73 million.

The workforce totals 4,000 in 1993, down 9.9% from the previous year. The fleet now includes 3 A310-324s and 1 Dash-325, plus 9 Fokker 50s, 7 MD-81s, 6 MD-82s, 3 MD-87SRs, and 2 each MD-83s and MD-87ERs.

Destinations visited from Vienna, Graz, Linz, Klagenfurt, and Salzburg include Aleppo, Amman, Amsterdam, Ankara, Athens, Baghdad, Beirut, Belgrade, Berlin, Brussels, Bucharest, Budapest, Cairo, Chicago, Copenhagen, Damascus, Dharan, Dusseldorf, Frankfurt, Geneva, Goteborg, Graz, Hamburg, Helsinki, Istanbul, Innsbruck, Izmir, Johannesburg, Kiev, Klagenfurt, Larnaca, Linz, Lisbon, London, Ljubljana, Madrid, Malta, Milan, Minsk, Moscow, Munich, Nairobi, New York, Nice, Odessa, Paris, Prague, Riyadh, Rome, Salzburg, St. Petersburg, Sofia, Stockholm, Stuttgart, Tehran, Tel Aviv, Timisoara, Thessaloniki, Tirana, Tokyo, Tripoli, Turin, Venice, Vienna, Vilnius, Warsaw, Zagreb, and Zurich.

In February, the company elects not to merge **Rheintalflug**, announcing that it is in the major's interest to keep the regional independent and flying replacement services on its behalf. A marketing alliance is entered into with **South African Airways (Pty.), Ltd.** in March that calls for code-sharing on flights of the two airlines between Vienna and Johannesburg. The following month, a similar agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** covering joint flights between Vienna and Amsterdam and with **Ukraine International Airlines** for fre-

quencies from Vienna to Odessa, Kiev, and Dnepropetrovsk. A joint handling company is also set up in Kiev.

Effective July 1, the supervisory board appoints Dr. Herbert Bammer and Mario Rehulka as the airline's new joint managing directors. As the result of separatist Serb threats to shell the Croatian airports of Zagreb, Pula, and Rijeka, Austrian joins **Deutsche Lufthansa, A.G.** on September 13 in suspending services into Zagreb. The German carrier elects to terminate its Frankfurt-Zagreb service in Graz, Austria.

Following management's early November announcement that it will cut back the workforce by 500 jobs the next year, the carrier is shut down by a four-day strike of air and cabin crews protesting the early retirement of 16 pilots.

Passenger boardings inch up 1.8% to 2,643,843 while freight increases 17.5% to 86.44 million FTKs. Revenues climb 11.5% to \$870.35 million, but costs are up 13% to \$935.8 million. As a result, the operating loss swells to \$65.45 million while the net loss is trimmed to \$43.18 million.

The number of employees is cut another 8.9% in 1994 to 3,905 and, in March, the flag carrier assumes a 42.85% stake in **Tyrolean Airways, GmbH**. Ownership is divided between Gernot Langes-Swarovski GmbH, Austrian Airlines, and Leipnik Lundenburger Industrie AG. Plans are made to integrate the route networks of the new subsidiary and **Austrian Air Services**. A letter of intent is signed with **Delta Air Lines** in April for a marketing cooperation agreement, which will feature a code-share and blocked-seat arrangement on the Vienna to New York service.

Thrice-weekly roundtrip flights commence on June 1 between Vienna and Aleppo, Syria. The same day, twice-weekly frequencies are inaugurated from Vienna to Ankara, Turkey; twice weekly to Odessa, Ukraine; and four times per week to Ljubljana, Slovenia. In cooperation with **Delta Air Lines**, code-sharing and block-spaced flights commence on July 1 over the New York (JFK) to Vienna route.

It is announced in August that a code-sharing agreement has been signed with **British Midland Airways, Ltd.** Under its terms, Austrian purchases blocked seats on BMA services to Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside while BMA is given its first opportunity to connect, via Vienna, with continuing services to Africa, the Mideast, and Eastern Europe.

The joint service with **All Nippon Airways Co., Ltd.** is resumed in October, minus the **Aeroflot Russian International Airlines (ARIA)** partner, with Austrian aircraft thrice weekly from Osaka (KIX) to Vienna and twice weekly from Tokyo's Narita Airport to Vienna. In addition, ANA aircraft operate a weekly code-shared Tokyo (NRT) to Vienna service.

On the afternoon of October 31, the airport at Graz, 150 kilometers (90 miles) south of Vienna, receives an anonymous call saying a bomb is about to go off. The caller signs off with the Nazi salute "Sieg Heil." It is one of three bomb hoaxes to be perpetrated in Austria during the day.

A bomb alert on a November 1 flight from Cairo to Vienna causes the plane to turn back to the Egyptian capital shortly after takeoff; the MD-81 is searched, but no bomb is found.

Also in November, a code-sharing and block space agreement comes into effect with **Iberia Spanish Airlines (Lineas Aereas de Espana, S.A.)** on routes from Vienna to Madrid and Barcelona. Plans are made late in the year for the initiation, during the next year, of new or additional services to Beijing, Riga, Almaty, and Washington, D.C. (IAD).

Overall customer bookings decline by 4.2% to 2,531,834, but cargo is up 6% to 91.82 million FTKs. Revenues inch up 1.4% to \$882,602,000, but even though expenses decline by 9.3%, they still total \$902,820,000. Consequently, there is an operating loss of \$20,218,000. On the other hand, a \$774,600 net income is generated.

Airline employment in 1995 stands at 3,862, a 3% increase. During the year, the carrier introduces a new livery and restyled cabin interiors.

Four Fokker 70s are ordered in January. Under a new dual-designator pact with **LOT Polish Airlines, S.A.**, the Warsaw-based flag carrier begins operating its ATR 72s from Krakow to Vienna. The service com-

plements a **Tyrolean Airways, A.G.** Fokker 50 service over the same route begun the previous November.

In January–February, two additional new code-sharing pacts take effect. The first, with **Air China**, provides for cooperation on a service from Vienna to Beijing, with two extensions from the Chinese capital to Shanghai. The other, with **Air Mauritius, Ltd.**, provides for code-sharing on a route flown by AM aircraft from Vienna to Mauritius.

Two A340-211s join the fleet at the beginning of March and, on March 8, an “open skies” accord is signed between the U.S. and Austrian governments. The route between Vienna and Chicago is closed on March 26 and passengers previously booked on that route are shifted to **Swissair, A.G.**

With **Air China** having purchased an 80-seat allocation, the carrier inaugurates twice-weekly, dual-designator, 9-hr. 15-min. roundtrips on March 31 from Vienna to Beijing. At the same time a three-way block-space code-sharing service is launched with **Delta Air Lines** and **Swissair, A.G.** by Austrian A310-324s flying from Vienna to Washington, D.C. via Geneva. Flight attendants from all three carriers provide in-flight services.

During the first week of April, joint flights with **Swissair, A.G.** commence between Zurich and Almaty via Vienna; the route complements an existing service from Zurich to Minsk, via Vienna. At the same time, the current cooperative Vienna–Zurich route is converted into an every-2-hours shuttle.

As the result of the new alliance between **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)** announced on May 11, the latter now reshuffles its strategic relationships, dropping that with Austrian. Austrian, meanwhile, enters into a code-sharing pact with **CSA Czech Airlines** covering six weekly roundtrips between Vienna and Prague.

When the peak tourist season begins in late spring–early summer, the new A340-211s inaugurate nonstop roundtrips from Vienna to Johannesburg and are placed on the route from Vienna to New York.

In July, accounting services are transferred, as a cost-cutting measure, to a Bombay, India, facility where **Swissair, A.G.** is already processing financial information. Also in midyear, the new “open skies” pact with the U.S. takes effect.

As the result of the tense military situation in Croatia, both Austrian and **Swissair, A.G.** suspend flights to Zagreb on August 2. The boycott will be lifted a week later.

Wearing a new corporate logo and revised color scheme, the first Fokker 70 arrives during the third week of October. It is employed, beginning on October 29, to inaugurate regional jetliner service from Vienna to Munich, Berlin, and Minsk. When the second arrives in November, it begins flying from Vienna to Geneva, Tirana, and Turin.

Passenger boardings jump 7% to 2,707,560 and freight swells 33.7% to 122.72 million FTKs. Operating revenues move ahead by 21.1% to \$1.06 billion, but expenses, up 19.7%, are \$1.08 billion. As a result, there is a \$16.92-million operating loss. Still, the net picture is much better as a \$20.22-million profit, later adjusted upward to \$29.8 million, is posted.

The workforce is increased by 4.6% in 1996 to 4,146. Code-sharing flights begin with **Asiana Airlines** in February over a route from Vienna to Seoul; a new route is opened to Osaka (KIX) during the spring. The last 2 Fokker 70s are delivered in March.

When U.S. antitrust immunity is granted in June, a trilateral code-share with **Swissair, A.G.** and **Delta Air Lines** begins from Vienna to Washington, D.C. via Zurich. Code-sharing with **Delta Air Lines** also starts from Vienna to New York (JFK) and beyond to five U.S. cities and from Vienna to Atlanta, which joins the route network just in time for the Olympics. The Georgia route also provides beyond service to five more U.S. destinations. In return, **Delta Air Lines** is allowed to code-share on Austrian flights from Vienna to 13 European cities. The arrangement takes the form of block-seat purchases: Delta and Swissair purchase seats six-times-per-week on the Austrian service while Austrian sells seats from Vienna to Washington and Geneva.

Also in June, code-sharing service is initiated with fellow-Austrian carrier **Lauda Air, GmbH.** on frequencies from Vienna to Milan, Nice, and Rome and with **Iran Air** from Vienna to Tehran, the latter arrangement employing Austrian aircraft.

On October 1, weekly roundtrips commence from Vienna to Dnepropetrovsk, the former closed industrial city in the Ukraine where Soviet space rockets were built. The area remains an important steel and manufacturing center.

Deutsche Lufthansa, A.G. and Austrian commence code-sharing flights in October from Vienna to Berlin, Hamburg, and Dusseldorf. The same month, Austrian and **Singapore Airlines** provide code-share on a route from Vienna to Singapore.

The company leases an Antonov An-12 and, at the end of October, launches joint all-cargo services into Eastern Europe in cooperation with Air Sofia.

To honor the nation's 1,000th birthday, the carrier, just before winter, places into service the A321-111 *Pinzgau* wearing the faces of 24 distinguished Austrians along the sides of the fuselage from front wheel to tail; the red-white-red tail is adorned on each side with a painting of Wolfgang Amadeus Mozart. Other new markets now initiated include Skopje and Kosice.

Enplanements climb 7.6% to 3,520,317 while 135.97 million freight FTKs are operated, a 9.6% increase. Operating income is ahead by 3.5% to \$1.22 billion, but costs are up 3.1% to \$1.23 billion. The operating loss declines to \$7.2 million and a \$25.6-million net profit is reported.

A Bosnian refugee facing deportation from Germany hijacks Flight 104, an MD-87 with 33 passengers, on January 7, 1997, but is overcome by police after the jetliner lands in Berlin. The unnamed man is sent back to his native country, shortly thereafter.

The next day, officials in Geneva announce that **Swissair, A.G.**, together with its European partners Austrian and **Sabena Belgian World Airlines, S.A.**, will be deepening the relationship with **Delta Air Lines** in the U.S. with the intention of increasing everyone's share of the North Atlantic air travel market. The alliance will be called “Atlantic Excellence.”

Service begins to Delhi, Cape Town, and Sarajevo. During the third week of March, **Deutsche Lufthansa, A.G.** agrees to sell almost half of its 39.7% stake in **Lauda Air, A.G.** to Austrian while, at the same time, a tentative equity agreement is signed with Lauda.

In May, the U.S. DOT approves the carrier's plans to expand its blocked space, code-share agreements with **Delta Air Lines** and **Swissair, A.G.** to 30 U.S. cities beyond Atlanta, New York, and Cincinnati. In return, Delta will purchase seats on the alliance partners' flights to eight cities beyond Brussels, Zurich, and Vienna.

On May 14, an office is opened in Shanghai under the direction of Alfred W. Brader. The company increases its twice-weekly services to Beijing to three weekly roundtrips on May 28; two of the flights are extended on to Shanghai.

The agreement with **Lauda Air, A.G.** takes effect on June 1 when Lauda surrenders 36% shareholding. Despite loss of majority control, founder Nikki Lauda remains CEO of the carrier bearing his name.

When the winter schedule begins on October 26, Austrian turns over to **Lauda Air, A.G.** its routes to the Baltic cities of Riga and Vilnius. That carrier launches daily Canadair services over them and adds its own new route from Vienna to Tallinn.

The same day, Austrian inaugurates twice-weekly A310-324 roundtrips from Vienna to New Delhi under a block-seat, code-sharing agreement with **Air India, Ltd.** Under the accord, the Indian flag carrier will reserve 30 seats for its customers on each of the nonstop roundtrips.

During November, the company joins with **Lauda Air, A.G.** and **Tyrolean Airways, A.G.** to create Austrian Airlines Group-Cargo. The airline has a turnkey freight network for 118 destinations in Europe, the Mideast, the Far East, the U.S., and Australia.

On December 15, Austrian begins to code-share on **Delta Air Lines** flights from Daytona Beach, Florida, to Vienna via Atlanta. At Vienna, passengers are able to make seamless connections aboard Austrian flights.

Passenger boardings this year increase by 9% to 3,010,893 while freight jumps 28.9% to 164.96 million FTKs. Operating revenues surge 13.9% to \$1.12 billion, while expenses are up 11.2% to \$1.1 billion. Although the operating profit climbs to \$27.2 million, net gain declines to \$10.2 million.

On January 28, 1998, a memorandum of understanding is signed with **TAP-Air Portugal, S.A.** for a broad commercial agreement that includes **Lauda Air, A.G.**; plans are made to begin code-sharing on routes from Austria to Portugal during the summer.

The new Portuguese alliance is deepened on March 29 when the carrier joins with **Swissair, A.G.**, **TAP-Air Portugal, S.A.**, **Sabena Belgian World Airlines, S.A.**, **THY Turkish Airlines, A.O.**, and **AOM French Airlines, S.A.** to form the "Qualiflyer" group. Although members will retain their own identities, they will engage in a long list of joint activities, including ground handling, lounges and ticket offices, and frequent flyer benefits. Collaborative activities that will be added as soon as details can be worked out include maintenance and overhaul, cargo, in-flight catering, information technology, and duty-free concessions.

Flights between Vienna and New York (JFK) are increased to 12 per week on May 1.

In July, the company places into service a highly visible MD-83 with a bright yellow fuselage sporting a metal-gray ribbon swirling down and aft on its sides from cockpit windows to tail. Below the windowline on each side of the forward fuselage in huge block black letters are the titles for "Magic Life," the inclusive-tour concern on whose behalf the airliner will be operated.

On August 26, the company takes delivery of the first A330-323-200 to be received by any European airline. The Dash-202, christened *Dachstein*, will be flown to North American and Asian destinations. For example, the new plane introduces a third weekly roundtrip frequency on the block-seat, code-sharing service from Vienna to New Delhi flown with **Air India, Ltd.** Three more A330s, all Dash-223s will be delivered over the next year.

During September, a planned capital increase is put off until spring, due partly to turmoil in financial markets. Twice-weekly roundtrip service is initiated on September 24 from Vienna to Kathmandu, Nepal; return flights refuel in New Delhi.

A code-sharing agreement signed with **Air France** in August takes effect on October 1. Under its terms, the two will share the seven daily return flights between Vienna and Paris. In addition, Air France will place its codes on Austrian flights into Eastern Europe while the Austrian designator will be shown on French domestic routes.

With several stock markets around the world suffering a downturn in early fall, the Austrian government now delays plans to reduce its holdings in the carrier via a fourth quarter \$68-million capital increase. As the government would not have participated in the share issue, its stake would have dropped from 51.9% to a figure just under 40%.

Austrian joins the Dividend Miles frequent flyer program of **USAirways** on December 1.

On December 9, a 25-billion Austrian schillings (US\$2.13-billion) order is placed with Airbus Industrie for 6 A320s and 1 A321 to be delivered between March 2001 and June 2003. It is simultaneously announced that scheduled service will be started in the new year to Baku, Yerevan, Tashkent, Atyrau, and Montreal.

Three days later, on December 11, the carrier's dual-designator pact with **Delta Air Lines** is expanded as the Austrian flag carrier places its code on Delta's daily, nonstop B-757-232 return service between Atlanta and Guatemala City.

Also during the year, the previously independent charter subsidiary **Austrian Air Transport (AAT)** is folded back into its parent and its "OG" code is assigned to the new GO low-cost subsidiary of **British Airways, Ltd. (2)**.

Customer bookings for the year ascend 13.9% to 3,423,252, while cargo traffic decreases 2.6% to 160.98 million FTKs. The Austrian group, which also includes **Tyrolean Airways** and 35.9% of **Lauda Air, A.G.**, shows profits. The operating gain skyrockets 90% to 1.28 billion

Austrian schillings (US\$101.9 million), while a net profit of 1.18 billion Austrian schillings is posted—an 85% boost.

During the first quarter of 1999, the A321-111 *Pinzgau*, which had been wearing a livery depicting the busts of 24 famous Austrian citizens, is repainted to commemorate the one hundredth anniversary of the death of composer Johann Strauss.

On the evening of March 24, Austrian halts all scheduled service into Belgrade in anticipation of NATO air strikes against Serbian military targets in the campaign for an independent Kosovo. A spokesman, in making the announcement, indicates that the situation will be evaluated further; however, that night, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade, as well as to Sarajevo, Mostar, Zagreb, Split, Skopje, Tirana, Ljubljana, Timisoara, and Sofia remains halted on March 25–31 and for much of the duration of the NATO's Operation Allied Force bombing campaign. Austrian employs ground transportation to bring travelers from Skopje to Sofia. Flights that cross over the area are rerouted, resulting in lengthy delays.

With the start of the summer schedule on March 28, new service is inaugurated to Harare. Return A330-223 service is inaugurated on March 31 between Vienna and Shanghai, four times a week.

Once the UN lifts air restrictions against Libya at the beginning of April, airline officials open negotiations with their counterparts in Tripoli concerning a resumption of scheduled services.

On April 8, **All Nippon Airways Company, Ltd. (ANA)** sells its 9% stake in Austrian to Bank Austria and SKWB Schoellerbank, which take shares worth a nominal 160 million Austrian schillings and 74 million Austrian schillings, respectively.

The carrier, on April 19, opens a subscription period (to run through May 25) during which eight million common bearer shares with a nominal value of 100 Austrian schillings (US\$7.85) each will be issued to reinforce the modernization and enlargement of the aircraft fleet. In the new share issue, 13 old shares entitle a stockholder to buy four new ones; all of the new shares carry dividend rights backdate to January 1, 1999.

The long-awaited capital increase of 800 million Austrian schillings (US\$63.69 million) will raise the group's share capital to a nominal value of 3.4 billion Austrian schillings. CA IB Investmentbank Aktiengesellschaft is global coordinator, with Salomon Smith Barney and Dresdner Kleinwort Benson as joint lead managers for international placement.

By April 23, the company is able to fly to all of its previous Balkan destinations except Belgrade, Skopje, and Tirana.

CEO Mario Rehulka reports on April 26 that the Austrian group, including Austrian Airlines, **Lauda Air**, and **Tyrolean Airways**, have lost revenue in each of the past five weeks because of the Kosovo crisis, including 4.4 million Austrian schillings (US\$340,000) the week of April 19.

As the result of the suspension of UN sanctions against Libya, Austrian, on May 2, is able to resume its twice-weekly roundtrips between Vienna and Tripoli. Simultaneously, frequencies between Vienna and Beirut become daily.

Twice-weekly A330-223 roundtrips commence on May 3 between Vienna and Montreal.

Reuters, Ltd. reports on May 7 that the carrier's stock has suffered heavy selling pressure during the day amid speculation that the new share issue is not doing well, primarily because of the Kosovo crisis and the nation's proximity to the war-torn Yugoslavian province. Still, it is reported that allocation of shares will be made on May 12, with trading in subscription rights running from May 19 to 21. Hopes for a successful float remain high.

On May 25, Austrian is moved to the blue-chip ATX index. When the company reports a quadrupling 155.4 million (\$12.37 million) of its pre-tax loss in the first quarter, shares on the ATX fall 4.19% to 25.39 euros.

Operation Allied Force is concluded on June 11.

In light of the earlier announcement of a strategic alliance between **Air France** and **Delta Air Lines**, Austrian, on August 16, announces

that it will reevaluate its participation in the Swissair-led "Qualiflyer" group. **Swissair** had previously held a close commercial arrangement with **Delta Air Lines**. When it becomes known in September that Delta will depart the Atlantic Excellence Alliance in October, Austrian elects to abandon the "Qualiflyer" compact in favor of the "Star Alliance." The fact that SAirGroup has without notice attempted to purchase the 9% stake in Austrian held by **All Nippon Airways Company, Ltd.** does not help matters. Incidentally, Austrian had just introduced the A320-214 *Neusiedlersee* in a special livery honoring the "Qualiflyer" alliance.

A number of political and natural difficulties have befallen the airline this year including the Kosovo crisis, the Freedom Party controversy in Vienna, the Turkish earthquakes, and soaring fuel prices.

The service to Almaty, begun in March 1995, ceases in December.

Passenger boardings move ahead by 2.6% to 3,780,000 while cargo jumps 19.6% to 87,044,000 FTKs. Income rises 4.5% to \$1,259,002,000 while costs are up 8% to \$1,257,021,000. The operating gain plunges to \$1.98 million while net profit can only reach \$12,654,000.

The workforce at the beginning of 2000 stands at 5,897, a 3.7% increase over the past 12 months.

A new A330-223 is delivered on January 17 wearing the "logo box" color scheme of the "Star Alliance."

After six months of successful changeover and an investment of ATS 500 million, the full Austrian Airline Group (Austrian, **Lauda Air**, and **Tyrolean Airways**) becomes the 10th official member of the "Star Alliance" on March 26. The same day, the Cape Town extension of the company's Vienna to Johannesburg service is dropped; instead, Austrian begins to code-share on **South African Airways (Pty.), Ltd.** flights on the Cape Town sector.

Although service to Helsinki is now suspended, weekday roundtrips begin from Vienna to Belgrade. Weekly A340-211 roundtrips are initiated from Vienna to Chicago (ORD).

As part of an overall cost rationalization and also because of Zimbabwe's failing economy, the carrier, five days later, halts stopover in Harare on its Vienna-Johannesburg route. Arrangements are made to code-share on the twice-weekly Johannesburg-Harare return flights of **Comair (Commercial Airways (Pty.), Ltd.)**.

The carrier also takes delivery of 2 A330s and 2 A320s during the first quarter and as the year progresses, progress is made toward the airline's privatization.

A marketing and code-sharing agreement is signed with **El Al Israel Airlines, Ltd.** on July 14; dual designator services are scheduled to begin on November 1.

On August 3, it serves notice that it will discontinue service to Johannesburg in April 2001. On August 22, officials announce that they will increase its current 36% stake in **Lauda Air Luftfahrtgesellschaft, A.G.** to 59% over the next 11 months.

The European Commission informs Austrian Airlines on October 13 that it has serious concerns about its cooperation with **SAS (Scandinavian Airlines System)** and **Deutsche Lufthansa, A.G.** within the "Star Alliance" on both competition and the large number of routes from Austria to Germany and the Nordic countries.

AUTAIR HELICOPTERS (EA), LTD.: Box 41951, Wilson Airport, Nairobi, Kenya; Phone (2) 501918; Fax (2) 503362; Year Founded 1964. Autair Helicopters of East Africa is established at Nairobi in 1964 as a subsidiary of **Autair International Airways, Ltd.** Young F. W. "Freddie" Wilcox is sent out to operate the concern, which serves as Bell distributor for Kenya and also provides various charter services.

Although the parent concern is taken over by Court Line, Ltd. in 1965, Wilcox and his Bell 47Gs are left to continue operations without interference from the U.K. This situation will continue long after Autair International becomes **Court Line Aviation, Ltd.** and fails under that concern in the 1970s.

Indeed, Freddie Wilcox remains the company chairman throughout the remainder of the decade, even though Capt. Mark Underwood is

brought aboard to serve as general manager. The fleet now includes 1 each Bell 47G3, Bell 206B JetRanger, and 3 Bell 206L LongRangers.

AUTAIR HELICOPTERS (SOUTH AFRICA), LTD. See **COURT HELICOPTERS (PTY.), LTD.**

AUTAIR INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1953-1969). Autair, Ltd. is formed by Ronald Myhill and W. H. Armstrong at London as the U.K.'s first helicopter operator in 1953. A fleet of 6 Bell Model 47s and 3 Sikorsky S-51s is acquired. The latter initiate revenue operations on June 17, 1954 with a flight from London (LHR) to a construction site on the Thames River. U.K. Sikorsky operations are initially based at London Gatwick (LGW) and then London Luton (CTN) Airport.

Meanwhile, the Bells are based at Dusseldorf and participate in a variety of charters, including aerial advertising, police crowd control, and in southern France, support of the motion picture industry. The staff grows to 30 in the U.K. and others continue to be employed overseas, including those of an associated Canadian company formed in June 1957 and provided with the 3 S-51s from Luton.

In early 1960, the former **World Wide Helicopters, Ltd.** operations manager, Gerald Threlfall, is hired and he acquires the company's first fixed-wing aircraft, a Douglas DC-3, in April. For this machine, Autair forms an air transport subsidiary, **Autair (Luton), Ltd.**; however, the Douglas transport is leased to the Israeli carrier **Arkia Israeli Airlines, Ltd.** until a company facility can be established at Luton Airport at year's end. Company officials now include Autair founder W. H. Armstrong as chairman and Gerald Threlfall as managing director.

Two DC-3s are purchased from **British European Airways Corporation (BEA)** in March 1961 and during the summer, the 3 American-made aircraft fly a variety of inclusive-tour and ad hoc charter flights to Europe, including several on behalf of competing nonscheduled carriers **Tradair, Ltd.** and **Skyways, Ltd.**

Two Vickers Vikings are purchased in January 1962, followed by a third in June, plus another DC-3 in February. During the year, a daily cargo run is initiated to West Berlin's Tempelhof Airport from Amsterdam and, on behalf of German tour agencies, the company undertakes inclusive-tour flights from Tempelhof to the Mediterranean.

Three more Vikings enter service in the spring of 1963 and although there is no change in the charter network, the company is allowed to open its first scheduled service—weekly London (CTN) to Blackpool—on October 1.

During the summer, a Handley Page Herald is leased for four months from its manufacturer and the 3 Airspeed AS.57 Ambassadors of **Globe-Air** are purchased; the first is placed on the scheduled route in August while the other two are delivered in November-December. Enplanements total 31,593 (2,227 scheduled).

A new hangar and headquarters are opened at London (CTN) in 1964 while the 2 new Ambassadors join the third in displacing Vikings on inclusive tours; the Vikings displace DC-3s on the London (CTN) to Blackpool frequency, now advanced to nine per week. Construction is completed on a new hangar and offices at the Luton Airport base. The subsidiary **Autair Helicopters (EA), Ltd.** is established at Nairobi.

A DC-4 is purchased in January 1965. On April 15 the airline is acquired by the steamship company **Court Line, Ltd.** for £215,000. Two DC-3s and 3 Vikings are sold during the year, leaving the 3 Ambassadors, 2 Vikings, and 1 DC-4 to fly 72,701 passengers and over a million pounds of freight and mail. In November, orders are placed for 2 Hawker Siddeley HS 748s. Airline employment grows to 175 while enplanements, mainly on the London-Blackpool service, increase to 72,701.

The 2 HS 748s join the fleet in February-March 1966. Meanwhile, during February a Bristol 170 Mk. 21 freighter is added. The 2 HS 748s are received in April. On May 24, the London (CTN) to Blackpool route is extended to Glasgow (Abbotsinch); the first HS 748 enters revenue service on this extension on May 31. A DC-3 is sold in August and in

November three Heralds are purchased from **British European Airways Corporation (BEA)**. Passenger boardings reach the 81,000 mark as Autair opens a new North London Air Terminal in Finchley Road.

A Teesside-London scheduled route formerly operated by **BKS Air Transport, Ltd.** is taken over on January 1, 1967, with Luton Airport the London terminus. Herald flights begin on the Glasgow scheduled route on March 28. The introduction of the Handley Pages allow the carrier to expand its charter business, including a new nonscheduled HS 748 operation from London (CTN) to Wick.

Following the failure of **Treffield International, Ltd.** in June, Autair is able to acquire that company's Mediterranean tour flights from Bristol and Cardiff. The last DC-3 is sold in August.

Coming in from Luxembourg on September 14, a chartered Airspeed As.57 Ambassador 2, with 5 crew and 64 passengers, overruns the runway at London (CTN) and, upon hitting the ground beyond, suffers the collapse of its undercarriage; there are no fatalities.

Bookings for the year are 97,100.

The Bristol 170 is withdrawn in January 1968, followed by a Viking and an Ambassador in May. Meanwhile, in February-May, the company's premier jetliners, 1 BAC 1-11-408EF (originally built for **Channel Airways, Ltd.**) and 4 BAC 1-11-416EKs, are delivered. The Greek-derived adjective halcyon is employed to name the new arrivals that become, in order: *Halcyon Cloud*, *Halcyon Days*, *Halcyon Breeze*, *Halcyon Dawn*, and *Halcyon Sun*.

On April 1, the Heralds launch several new routes: Dundee to London (CTN); Teesside and Hull to Amsterdam; Dundee, Hull, and Teesside to Isle of Man; Teesside to Belfast and Dublin; and Teesside, Carlisle, and Dundee to Jersey. During the month, orders are placed for 5 BAC 1-11-518FGs and, in a preview of events to come, the Brough to London (CTN) service is suspended on October 31. Enplanements total 167,500.

Airline employment in 1969 stands at 410. On March 27, company operations from Brough are transferred to Leconfield and on April 1, the London base is switched from Luton Airport to Heathrow Airport (LHR), where all Luton-bound services now terminate.

Two more BAC 1-11-518FGs are requested during the month as the carrier signs a five-year, £30-million contract with the volume-oriented tour operator Clarkson's Holidays, Ltd. All of the twin-engine jetliners will have their wings modified so as to increase lift for heavy tourist loads.

In August, one of the BACs logs 402 hrs. 36 min. (a 13 hr.-per-day average), which is a world record for airliner utilization. Losing £150,000 per year on scheduled services and only the Scottish city of Dundee willing to offer subsidy to retain them, Autair suddenly terminates all of its scheduled routes on October 31 and sells its three Heralds during November, the last Ambassador already having been sold in May.

The company's inclusive-tour business, on the other hand, is proving a great success and to accentuate this emphasis, Court Line changes the company name from Autair International Airways to **Court Line Aviation, Ltd.** on September 11, effective the next January 1. Meanwhile, inclusive-tour contracts are signed with 11 more travel booking agencies and two BAC 1-11-518FGs arrive in December, the same month in which the *Halcyon Cloud* is returned to BAC, which sells it to Cambrian Airways, Ltd. This year, boardings reach half a million.

AV AIR: United States (1985-1988). Lynchburg-based Air Virginia is formed in January 1979 as successor to the earlier **Cardinal Airlines** and launches service to Washington, D.C. on March 19. Passenger boardings in 1980 are 176.9% greater than in 1979, and traffic increases steadily thereafter. In 1981, 81,600 passengers are boarded; enplanements in 1982 total 142,000 and in 1983—the year in which **Mid-South Airlines** is purchased—217,000.

The trend slows somewhat in 1984 as the company encounters financial difficulties. Nevertheless, its British Aerospace BAe 748s and Fairchild-Swearingen Metro IIs are able to maintain a schedule of over 130 weekday flight departures along its system, which extends to 17 points in Maryland, Virginia, New York, New Jersey, Ohio, North Carolina, Pennsylvania, and the District of Columbia. In October, the airline

is purchased by Dimitri P. Nicolas and, on the year, a total of 248,000 travelers are carried.

Early in 1985, the three remaining BAe 748s are withdrawn from service in favor of an 18-unit Metroliner fleet. On May 14, the carrier's new president, Curt Coward, announces an order for 10 new Metro IIIs and changes the 350-employee company's name to AV Air, effective November 1.

The following day, May 15, it inaugurates flights as the third member of the **American Airlines** "American Eagle" commuter network. The first Metro IIIs arrive in October.

Passenger boardings for the year decline 7.2% to 230,288.

The payroll is increased 14.3% in 1986 to 400 and four Metroliners are withdrawn. Despite its affiliation with American Airlines, the Virginia-based carrier is unable to improve its traffic report. An attempted buyout by President Coward fails.

Customer bookings fall 3.6% during the 12 months to 222,000.

The route network is realigned in late spring 1987 to focus on the new **American Airlines** hub at Raleigh-Durham. On June 15, "American Eagle" flights begin to 14 spoke destinations. These daily services double by year's end as discussions are held between President Dimitri Nicholas and "American Eagle" concerning the possibility of the major buying out the commuter.

While on final approach to Washington, D.C. (IAD) after a service from Newark on December 18, icing causes both engines of a Swearingen Metro, with two crew and six passengers, to fail. The aircraft makes a forced landing in a field and, although it is damaged beyond repair, there are no fatalities.

Passenger boardings rally and increase by 58% to 351,800.

In financial difficulty after the talks with American break down, the company abruptly ceases its 55 daily operations out of Raleigh-Durham on January 15, 1988 and files for Chapter XI bankruptcy, claiming \$9.1 million in assets and \$12 million in liabilities. AMR Corporation steps forward to inject a cash transfusion, which allows service to begin again on February 3.

Shortly thereafter, some \$3 million in company assets are sold to fellow AMR subsidiary **Nashville Eagle**. Included in the package is an assumption of the leases of AV Air's 4 Metro IIs and 14 Fairchild Metro III, 9 of the latter being already owned by AMR and leased to the Virginia operation.

During its initial climb away from Raleigh-Durham in light drizzle and fog on February 19, Flight 3378, a Swearingen Metro III with 2 crew and 10 passengers, reaches a height of 300 ft. before crashing into a reservoir, 100 ft. from the shoreline. Located 5,100 ft. W of the runway, the wreckage continues on until it stops in a wooded area. There are no survivors.

Twenty slots at Washington, D.C. (DCA) are sold to **Command Airways** in March for \$800,000. In midyear, the FAA cancels the failed airline's operating certificate.

AV ATLANTIC: United States (1992-1997). AV Atlantic is established at Miami in early 1992 as the airline division of HCL Aviation to offer passenger charter and inclusive-tour flights to Caribbean and other Latin destinations from a hub at Savannah, Georgia.

Revenue services commence with 2, chartered Boeing 727-23s and 1 B-727-225A.

A total of 105,000 passengers are carried on the year and revenues of \$13.9 million are earned. In a rare first-year feat for a start-up carrier, AV Atlantic generates profits of \$252,000 (operating) and \$236,000 (net).

A fourth leased B-727, another Dash-23, plus a B-727-259A are acquired in 1993 as the good times continue.

Enplanements jump 20% to 126,000 and revenues skyrocket 121%; still, expenses are high, causing a \$54,000 operating loss. Net gain, however, totals \$82,000.

Operations continue apace in 1994 as a B-727-290A enters service. Passenger boardings plunge 38.9% to 77,000. On the other hand, even

though revenues fall 7% to \$15.2 million, there are profits: \$103,000 (operating) and \$311,000 (net).

Yet another trimotor arrives in **1995**, a B-727-212A, which helps, along with the upturn in the fortunes of the world airline industry, to increase traffic.

Enplanements jump 31.6% to 104,000 and revenues again exceed expenses. Profits grow to \$970,000 (operating) and \$826,000 (net).

The fleet is enlarged early in **1996** by the addition of a second B-727-225A. Wearing a plain white fuselage with an American flag on the tail, it is leased to the Dole for President campaign and is christened *Leader's Ship*.

A contract is entered into with **Aerolineas Argentinas, S.A.** in March. The Argentine major establishes a small hub at Miami (MIA) and Av Atlantic agrees to base a B-727-23 there, painted in modified Aerolineas colors, to provide alternate-day connecting flights to New York (JFK), Montreal (YUL), Toronto, Mexico City, Punta Cana, and St. Martin. Flights commence on April 15.

Following the Republican convention in July, the *Leader's Ship* is renamed *Partners' Ship* and billboard-sized "Dole-Kemp 1996" titles are painted above the windowline. The aircraft will be returned to the carrier in early November.

In the wake of the May **Valujet Airlines** disaster, the company is subjected, like other similar U.S. airlines, to intense FAA scrutiny. AV Atlantic fails its safety check and its operating certificate is suspended in December, forcing it into Chapter XI bankruptcy protection.

Traffic and fiscal information is reported through November. It shows customer bookings up 10.4% to 94,965 and operating income up to \$22.13 million. Costs total \$25.28 million, the operating loss is \$3.15 million, and a net \$3.08-million loss is posted.

The company resumes operations in January **1997**. Unable to maintain its house to sufficiently impress FAA examiners with progress in maintenance, safety, and training, the carrier is shut down again in March and ordered on the last day of the month to pay a \$136,000 fine. It is authorized to fly only two of its seven aircraft.

AVAIIKI AIR: Cook Islands (1991–1992). Formed at Rarotonga in **1991**, Avaiki Air is equipped with a Pilatus-Britten-Norman PBN-2 Islander and a de Havilland DH 114 Heron and inaugurates scheduled interisland services in July.

Unable to obtain two Dornier 228-212s for which it is negotiating, the small regional ceases operations in the spring of **1992** following the crash of its Islander.

AVAIR, LTD.: Ireland (1978–1984). Avair is formed at Dublin in **1978**, initially to offer air taxi charter services about the nation and across the Irish Sea to Great Britain while serving as the country's Beech Aircraft distributor. Scheduled revenue flights, in association with **Aer Lingus Irish Airlines, Ltd.** begin in May **1981** linking the company base with Cork, Silgo, Waterford, Belfast, Londonderry, Blackpool, East Midlands, Jersey, and the Isle of Man.

Services are maintained with a fleet that grows to include Shorts 330s, Beech 99s, Beech Super King Air 200s, and King Air C90s. Unable to maintain viability in a period of world recession, the company goes bankrupt on February 23, **1984**.

AVALON AIR TRANSPORT: United States (1953–1963). AAT is established by Wilton R. "Dick" Probert at Long Beach, California, during the summer of **1953** to take over scheduled services to Catalina Island abandoned by **United Air Lines**. Employing a Grumman G-21 Goose, roundtrip revenue flights commence on August 27. Permission for the transport of mail over a contract Star Route is received from the CAB on July 1, **1955**.

Operations continue apace in **1956**. Having been abandoned some years before at Ancon Harbour, near Lima, Peru, by her previous owners, the Vought-Sikorsky VS-44 *Excambion*, originally flown by **American Overseas Airlines (AOA)**, is put up for sale in early **1957**. President

Probert purchases it from Baltimore-based Aviation Exchange Corporation on May 17 and beginning on June 2, flies it to Long Beach via Aca-pulco, twice facing disaster from wing damage en route. The flying boat is refurbished during the summer and placed into service in early fall.

The fleet in **1958** features 8 G-21s and the *Excambion*, now known as *Mother Goose*. A Sikorsky S-43 is purchased from **Reeve Aleutian Airways** on March 3; however, the aircraft is written off following an accident at Catalina Island later in the year. The *Excambion* and the Geese continue to provide services without incident in **1959–1962**. The propeller blade of a G-21A fails at Catalina Island on July 17 of the latter year as the plane is preparing to take off; the seven passengers are forced to await another aircraft.

Airline enplanements total 80,000 in **1963**, and the company changes its name to **Catalina Air Lines**.

AVANT AIRLINES, S.A.: Bucarest No. 214, Providencia, Santiago de Chile, Chile; Phone 56 (2) 337-0800; Fax 56 (2) 337-0875; <http://www.chilnet.cl/empresas/1/96794750.htm>; Code OT; Year Founded 1996. Avant is established at Santiago in late **1996** to operate international passenger charter and inclusive-tour flights throughout South America. Two Boeing 737-224s are chartered from International Air Leases in December; they arrive wearing startling bright pink-and-white and blue-and-white liveries.

Revenue flights commence in January **1997**. On June 3, the Tur Bus transportation company announces that it will purchase 100% shareholding by June 7. Jesus Diez-Martinez becomes president, with Fernando Fernandez as general manager.

A total of 216,020 passengers are flown on the year.

During January **1998**, Avant purchases **National Airlines, S.A.** for an undisclosed price. Plans are announced for the two carriers to compete with **LADECO Chilean Airlines, S.A.** and **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** in an effort to capture a quarter of the nation's domestic passenger market. The Avant fleet is increased by the addition of 3 B-737-204As.

By July, **National Airlines, S.A.** enjoys a 12.1% market share and Avant 14.1%. As of July 1, the decision is taken to concentrate domestic operations with one airline and long-haul flights with another. On July 6, National turns over its local service operations to sister Avant and begins to concentrate on international services. Avant is now expected to maintain the combined 26.3% domestic market share of both airlines.

On December 17, a cooperative marketing agreement is signed with **Continental Airlines**. Beginning in the new year, the two airlines will offer code-sharing on flights between the U.S. and Chile and over domestic U.S. and Chilean routes.

As the year ends, Avant is offering more than 120 weekly departures from Santiago to a number of Chilean cities, including Arica, Iquique, Antofagasta, Calama, Copiapo, La Serena, Concepcion, Temuco, Valdivia, Puerto Montt, Balmaceda, and Puenta Arenas. It also provides nonstop return service between Santiago and Mendoza, Argentina.

The code-sharing agreement with **Continental Airlines** begins in March **1999**. It is extended to include **COPA (Compania Panamena de Aviacion, S.A.)** on December 2.

Enplanements for the year total 536,000 and 3.37 million FTKs are operated. Operating income totals \$60 million.

Some \$5 million are invested during **2000** in a new hangar and to improve operations. Following the April 28 "demerger" of **Alitalia, S.p.A.** and **KLM (Royal Dutch Airlines, N.V.)**. Executive Vice President/Chief Operating Officer Fernandez seeks a European alliance with the former.

AVANTI AIR, GmbH. & COMPANY, K.G.: AM Kraftenborn 10, Buedingen, D-63654, Germany; Phone 49 6041 82730; Fax 49 6041 837399; <http://www.avanti-air.de>; Code EEK; Year Founded 1995. Avanti is set up at Frankfurt Airport in **1995** to provide executive and small group passenger charters throughout Germany and Northern Europe, as well as shuttle services on behalf of various airlines.

By 2000, Operations Manager Markus Baumann oversees the workforce of 12 pilots and a fleet that includes 1 each Beech 1900C and 1900D, Super King Air 200, and King Air 90.

AVASTAR JET CHARTER & MANAGEMENT SERVICES: 1675 Airport Road, Waterford, Michigan 48327, United States; Phone (248) 666-3000; Fax (248) 666-2466; Year Founded 1996. AvaStar is set up at Oakland-Pontiac Airport in 1996 to provide FAR Part 135 on-demand passenger charters. A workforce of nine is hired and flights commence, and continue, with a fleet that includes 1 each Beech Super King Air 200, British Aerospace BAe (HS) 125-731, Learjet 25D, and Learjet 35D.

AVBASE AVIATION, LTD.: 6200 Riverside Dr., Cleveland, Ohio 44135, United States; Phone (216) 265-9500; Fax (216) 265-9501; Year Founded 1993. AvBase is established as an FBO at Cleveland-Hopkins International Airport in 1993. A charter department is simultaneously established under the direction of Peter Wood. On its behalf, Aero Charter is contracted to begin nonscheduled executive and small group passenger charters with 2 North American Sabreliners and 1 Beech King Air 100.

AVCOM. See AVIONES COMERCIALES DE GUATEMALA, S.A.

AVCOM AVIATION COMMERCIAL. See AVCOM SP

AVCOM SP: Sheremetyevo 1 GosNII-Ga, Moscow, 103340, Russia; Phone 7 (095) 578-5212; Fax 7 (095) 578-0019; Code J6; Year Founded 1990. Avcom SP, also known as **Avcom Aviation Commercial**, is established at Moscow's Sheremetyevo Airport in 1990 as a subsidiary of the GosNII-Ga state research institute of civil aviation. Plans are made to provide executive charters and air express services to Western Europe. Evgeni Y. Bakhtin is appointed general director and oversees a workforce that includes 15 full-time and six part-time pilots. The company also offers maintenance and sales, as well as spare parts.

Revenue flights commence in 1993 with 2 each Yakovlev Yak-40s, British Aerospace BAe (HS) 125-400s, and BAe (HS) 125-700s. During the year, Avcom also flies spot charters to Russia with a leased Douglas DC-10-30CF based at Amsterdam and acquires membership in IATA.

Flights continue in 1995-2000. During these years, Director Bakhtin increases his fleet through the addition of 1 each Yak-40, Yak-42, Tupolev Tu-134, and BAe (HS) 125-700.

AVCORP COMMUTER, LTD.: New Zealand (1983-1986). Nelson-based James Air, Ltd., a subsidiary of James Aviation, Ltd., is renamed AVCORP Commuter, Ltd. in 1983. The 15-employee carrier continues to maintain a link to New Plymouth, Palmerston North, Rotorua, Wanganui, and Wellington. The fleet of 1 Cessna 404, 1 Cessna 402, 1 Beech 99, and 1 Aero Commander 500 is also available for charter and contract service flights.

Unable to maintain its economic viability, the company is forced to permanently suspend services in 1986.

AVDEV AIRLINES OF AUSTRALIA (PTY.), LTD.: Australia (1974-1987). Advanced Airlines (Pty.), Ltd. is formed at Mascot, New South Wales, in September 1974. Equipped with two Beech Super King Air 200s, the commuter inaugurates services in December over routes from Sydney to Lord Howe Island and from Sydney to Gunnedah and Toowoomba.

In 1981, the company is purchased by Aviation Developments Operations, Ltd. and renamed. The fleet is enhanced by the addition of 1 de Havilland Canada DHC-6, 1 de Havilland DH 114 Heron, 1 Cessna 402, 1 Beech B-55 Baron, and 1 Bell 206B JetRanger helicopter. In 1982, **Davey Air Services (Pty.), Ltd.** is purchased and merged, along with its 2 Embraer EMB-110 Bandeirantes, 1 DH 114, and 1 Piper PA-31-310 Navajo. This acquisition is followed by that of

Thorpe's Transport (Pty.), Ltd. and its Britten-Norman BN-2 Islander and Beech Baron in 1983.

Destinations in the New South Wales and Queensland route network in 1984-1986 include Badu Island, Bamaga, Bourke, Brewarrina, Broken Hill, Cobar, Forbes, Lord Howe Island, Newcastle, Nyngan, Parkes, Saibai Island, Sue Island, Sydney, Thursday Island, Wilcannia, Yam Island, and Yorke Island. As the result of a fall in traffic and adverse financial returns, the carrier is forced to cease operations in 1987.

AVE (AEROVIAS DEL VALLE, LTD.): Costa Rica (1951-1978). This air taxi is founded at San Isidro el General in December 1951 and begins lightplane flights to a variety of small towns in the eastern half of Costa Rica. As **LACSA (Lineas Aereas Costarricenses, S.A.)** begins to concentrate on regional and international services during the late 1950s and 1960s, the domestic routes that it suspends are picked up by **AVE (Aerovias del Valle, S.A.)**.

In the 1970s, company Douglas DC-3s start to frequent destinations in western Costa Rica and the fleet is upgraded by the addition of Britten-Norman BN-2 Islanders.

In 1976, the commuter airline **ACASA (Aerovias Cariari, S.A.)** is purchased and merged. Costs surrounding the ACASA integration and a thinness of traffic combine to force the carrier to cease operations in 1978.

AVENSA (AEROVIAS VENEZOLANAS, S.A.): Avenida Universidad, Torre El Chorro, Edif 29, Piso 2/3, Apartado 943, Caracas, 101, Venezuela; Phone 58 (2) 562-3022; Fax 58 (2) 563-0225; Code VE; Year Founded 1943. Venezuela's first privately owned airline is formed by Andres Lord Boulton at Caracas on May 13, 1943, the day the government grants him permission to operate. Capitalized at \$150,000, shareholding is divided between the founder (70%) and **Pan American Airways (PAA)**. All-cargo service with the ex-PAA Ford 5-AT-22 begins to the interior on December 1; meanwhile, the 5-AT-61 is acquired from the Colombian Petroleum Company for spares.

Early in 1944, the carrier's shareholding is reorganized as capitalization is increased to \$200,000 (600,000 bolivars); PAA interest is reduced from 30% to 23% and Andres Boulton's to 31% as the German Vegas group takes 23% and **LAV (Linea Aeropostal Venezolana, S.A.)** gains 23%.

The fleet is increased to three 5-ATs, a Stinson Model A, a Lockheed Model 12, and five ex-USAAF C-39s (military version of the Douglas DC-2). Emphasis is placed on ferrying supplies and equipment to the Cartero oil-producing region with passenger service initiated in December between Caracas and Ciudad Bolivar.

The fleet is increased in 1945 by the addition of the first of 28 Douglas DC-3s (the last 2 are finally received in 1969). To compete more equally with **LAV (Linea Aeropostal Venezolana, S.A.)** and **Linea Aerea TACA de Venezuela, S.A.**, the carrier is reorganized again in 1946. PAA's share rises to 37% as capitalization is increased to two million bolivars and additional DC-3s are delivered. The 5-AT-22 is sold to the Shell Company in Ecuador in May.

Continuing arrival of Douglas transports in 1947 allows retirement of the Fords and the Stinson. By 1948 the fleet comprises 11 DC-3s and 2 Lockheed Model 12As.

Major domestic destinations served in 1949-1951 include Maracaibo, Coco, Barquisimeto, Maiquetta, Barcelona, Maturin, Caracas, and Ciudad Bolivar. Stops are also made at 14 smaller communities. Meanwhile, on December 15, 1950, a C-47D with 3 crew and 28 passengers, crashes on Mount Carmelo, near Velera; there are no survivors.

Three DC-4s are placed in service in 1952. A DC-3 with five passengers fails its climb out of Caracas on December 25 and makes a forced landing into the sea (three dead).

Two ex-**KLM (Royal Dutch Airline, N.V.)** Convair CV-340s join the fleet in 1953, along with a DC-4 leased from **California Eastern Airlines**. In November 1954, AVENSA: Aerovias Venezolanas, S.A. receives authority from the U.S. CAB to inaugurate a service to Miami and takes delivery of 2 new CV-340s ordered from California.

In **1955**, the fleet is further strengthened by the acquisition of 5 Curtiss C-46 freighters, which are employed on domestic all-cargo flights. In June, DC-4 service is begun to Miami via Curacao and Kingston. Another CV-340 is received and the Miami route is extended to New Orleans in **1956**.

The first of 3 Convair CV-440s is delivered in **1957** as orders are placed for 5 Fokker F-27As, license-built in Maryland by Fairchild. A chartered DC-3, with three crew and five passengers, crashes into the Penas Blancas Hills, near Niquito Trujillo, Venezuela, on September 3; there are no survivors.

Acquired upon the failure of its U.S. owner, the onetime **California Eastern Airlines** DC-4 is sold to a U.K. concern in November.

Three ex-**Pan American World Airways (1)** DC-6Bs are purchased in **1958** and introduced on the Miami and New Orleans run. The first 2 F-27As enter service on the domestic network on September 18 and 25, respectively, followed by 2 more on December 3 and 5. A C-46 all-cargo route is opened from Caracas to Miami.

The last CV-340 and F-27As enter service in **1959**.

Orders are placed in February **1960** for a Convair CV-880. To take over its international service, AVENSA joins with competing **LAV (Linea Aeropostal Venezolana, S.A.)** to form the long-haul carrier **VIASA (Venezolana Internacional de Aviacion, S.A.)** on November 21, **1960**. Capitalized at \$3 million, AVENSA holds 45% of the shares and the new entrant is given the option of acquiring the remaining **Pan American World Airways (1)** interest in AVENSA.

In **1961**, the 1960 order for a CV-880 is cancelled as **VIASA (Venezolana Internacional de Aviacion, S.A.)** now orders two of the aircraft. On October 1, the new international carrier takes over AVENSA's Miami flights, followed by assumption of the New Orleans route a few days later. AVENSA's European routes would also be turned over.

En route from Caracas to Maracaibo on November 27, a DC-6B with 43 passengers is diverted by 5 pirates to Curacao, Netherlands Antilles. The aircraft and hostages are quickly released and the hijackers are extradited back to Venezuela where all are sentenced to four-year prison terms.

With **VIASA (Venezolana Internacional de Aviacion, S.A.)** well underway, full attention is turned during **1962–1963** to development of the local and regional network as an order is placed for a DC-9-32. On February 25 of the former year, an F-27A with 3 crew and 20 passengers, crashes at Margarita Island while on a domestic flight; there are no survivors. Most of the Fairchilds will be sold by year's end.

On November 28 of the latter year, 6 terrorists hijack a CV-340 with 3 crew and 11 passengers and force the pilot to circle Ciudad Bolívar while dropping leaflets urging the public not to vote in the upcoming national elections. The plane flies to Port of Spain, Trinidad, where the pirates are held and the plane is allowed to return to Maiquetia, the flight's original destination. The hijackers are later extradited back to Venezuela and receive prison terms.

The fleet is further strengthened in **1964** by the introduction of the first of a fleet of 7 CV-580s and, more significantly, the carrier's first jetliner, an ex-**VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** Sud-Est SE-210 Caravelle III. The DC-9-32 is received and placed in service during **1965** and, in **1966**, orders are placed for 2 DC-9-14s.

The 2 DC-9-14s arrive in May **1967**, but are immediately leased to **VIASA (Venezolana Internacional de Aviacion, S.A.)**, being returned in **1968**. Meanwhile, on March 21, a CV-580, with 50 aboard and en route from Caracas to Maracaibo, is hijacked to Santiago, Cuba. The craft is released by Castro's authorities and is returned to Caracas the next day.

The final DC-3 from the 1945 allotment is received in **1969** and one of the CV-440s is upgraded into a CV-580. One of the last three C-46 freighters is lost in a crash in Costa Rica on May 22, **1970** (six dead).

En route from Barcelona to Caracas on October 12, **1971**, Flight 564, a CV-580 with 41 passengers, is captured by a lone gunman and diverted to Cuba.

Enplanements for the year total 530,011.

Airline employment in **1972** totals 1,930. The fleet now includes 2 DC-9-14s, 1 DC-9-30, 1 Caravelle III, 7 CV-580s, 3 CV-340s, 2 C-46s, and 2 DC-3s.

New tourist services are started to the island of Margarita and to the Amazon zone (Canaima).

A C-46F with two crew fails its takeoff from San Fernando on April 6 and crashes; both flyers are killed.

Passenger boardings jump 16.2% to 633,000 and freight traffic is up by 13%.

The fleet at the beginning of **1973** comprises 2 DC-9-14s, 1 DC-9-31, 1 Caravelle III, 7 Convair 580s, 3 CV-340s, 2 Curtiss C-46s, and 2 DC-3s.

While en route from Velera to Barquisime on May 18, a CV-580 with 37 passengers is taken over by a lone gunman, who demands the release of 97 prisoners from a Venezuelan jail. When the request is refused, the aircraft is flown to Cuba.

An SE-210 Caravelle III is damaged beyond repair when its wick strikes the runway on touchdown at Barquisimeto, Venezuela, on August 21; there are no fatalities.

A pirate takes over a DC-9-14 on October 31 while on a domestic service from Barquisimeto to Caracas and holds a gun to a stewardess, demanding to be flown to Cuba. When informed by the captain that the Douglas is nearly out of fuel and must land, the gunman shoots himself.

In the midst of all this chaos during the year, the carrier goes bankrupt. The airline is taken over by its founder, Andres Lord Boulton, who is determined to make it profitable once more. He has the support of AVENSA's unions in the enterprise.

On December 22, **1974**, Flight 358, a DC-9-14 with 6 crew and 69 passengers, loses control, crashes, and explodes approximately 5 min. and 32 km. out after takeoff from Maturín International Airport; there are no survivors.

Operations continue apace in **1975**. On April 28, **1976**, Pan Am withdraws from the carrier, after which AVENSA's ownership becomes 70% private and 30% government. The last two C-46s are withdrawn during these years.

During **1977–1979** the fleet is further revised, as the SE-210, C-46s, DC-3s, and all but 2 of the CV-580s are replaced by 4 Boeing 727-100s and another DC-9-32. In honor of the company's former association with Pan Am, the company places a logotype on its aircraft fins which closely resembles the old PAA globe-and-wing emblem.

En route from Caracas to Puerto Ordaz on November 6, **1980**, a DC-9-32 with 60 passengers is taken over by 2 hijackers claiming to have a gasoline bomb. The Douglas is ordered to Havana, where Cuban police arrest the pirates.

Enplanements for the year total 1,863,928. A \$760,000 net profit is reported.

The fleet in **1981** comprises 4 B-727-100s, 4 DC-9-32s, 2 DC-9-14s, and 2 CV-580s.

In a coordinated December 7 strike in the skies over Venezuela, 11 hijackers seize 2 **LAV Linea Aeropostal Venezolana, S.A.** DC-9s and an AVENSA B-727-100 with 250 aboard. The pirates force the crews to fly to Colombia and later to Tegucigalpa, Honduras, and Guatemala City. Twenty-two hostages are freed at an Aruba stop and 67 in Colombia, while Caracas newspapers receive a ransom demand for \$10 million plus freedom for 12 jailed in Venezuela. The 3 airliners with 11 gunmen, 89 passengers, and 19 crew members, are flown to Havana on December 8, where the pirates are taken into custody. The 3 planes and those remaining aboard are allowed to return to Caracas the next day.

Passenger bookings accelerate 13.2% to 2,147,383. Revenues jump 28% to \$99 million while expenses climb 18% to \$85 million; the profits are \$14.2 million (operating) and \$5.6 million (net).

The fleet is again rearranged in **1982** as the company begins to retire its 6 DC-9-14/32s and replace them with 3 additional B-727-200s and 5 more CV-580s. The Boeing trijets wear billboard-sized titles on the sides of their fuselages.

On March 11, **1983**, due to a faulty instrument-landing system, a DC-9-32 with 5 crew and 45 passengers crashes while landing in fog at Barquisimeto Airport, in western Venezuela. As the stress causes a fatigue crack in the left main landing gear to fracture, the plane slides off the runway and breaks up (23 dead).

Enplanements for the year total 2,247,764. Profits are \$1.9 million (operating) and \$1.6 million (net).

The workforce is increased 9.3% in **1984** to 1,720. Passenger bookings decline 7.6% to 2,089,212. Revenues rise 9.2% to \$45.3 million, but expenses jump 13.1% to \$44.7 million; profits fall to \$630,670 (operating) and \$533,324 (net).

The founder's nephew, Henry Lord Boulton, becomes president/CEO in **1984**. During its initial climb away from Cabimas on May 28, **1985**, a CV-580 with five crew and eight passengers, strikes a hill with its tail, requiring the aircraft to make a forced landing, during which the cockpit crew dies.

Despite the fact that deferred maintenance was primarily to blame, the pilot and copilot involved in the fatal 1983 DC-9 crash are tried in **1986**, convicted, and sentenced to 15 years in prison.

In **1987**, AVENSA is granted authority to operate routes to Lisbon, Madrid, and Rome. The routes will remain largely unused for a decade. Enplanements for the year are up to 2,776,587.

In **1988** the 1,878-employee carrier operates a fleet that includes 15 aircraft: 9 B-727-100s, 4 B-727-200s, and 2 Convair CV-580s. It enjoys a very good year as passenger boardings increase 32.4% to 4,107,377.

Statistics for **1989** show customer bookings down by 6.6% to 2,786,790. Airline employment in **1990** stands at 2,596 and the fleet includes 20 aircraft: 9 B-727-100s, 9 B-727-200s, and 2 CV-580s.

The Venezuelan government, under the leadership of President Carlos Andres Perez, chooses to deregulate the domestic market and CEO Boulton begins planning how best to take advantage of the new regulatory environment.

In September, USAir Leasing and Services is chosen as the marketing agent for 5 aircraft slated for disposal: 3 DC-9-30s and 2 B-727-100s. The **USAir** subsidiary will sell other aircraft for the airline later on.

The nonunion charter subsidiary **Serivensa, S.A.** is established in December; it will employ aircraft leased from the parent that wear a livery remarkably like that employed by **Pan American World Airways (1)** during the 1950s.

Passenger boardings during the 12 months jump 22.2% to 3,405,905.

The payroll is increased by 4.4% in **1991** to 2,710. The fleet is altered by the removal of both CV-580s, all B-727-100s, except for 3 Dash-22s, and an increase in the number of B-727-200s by 1 Dash-2M7A, which, together with 1 B-727-281A, is leased to **Mexicana Airlines, S.A. de C.V.**

In addition, 2 chartered B-737-229As are acquired along with 1 owned B-737-3Y0, 2 B-757-236s, 1 DC-9-31, 3 DC-9-32s, and 4 DC-9-51s. Statistics are only reported through July and show enplanements of 1,504,186 and freight traffic of 14.53 million FTKs.

During the year, over furious union opposition, AVENSA begins to outsource its reservations, ground handling, and other activities, while flight attendants begin to work as individual contractors who must pay their own health and unemployment insurance premiums.

Ten employees are laid off or not replaced in **1992**. Eighty-two-year-old founder Andres Boulton still controls an extended family empire that controls a dozen Venezuelan companies with revenues in combined excess of \$2 billion. Again, statistics are reported only for the first half-year.

Through June, passenger boardings are down 5.6% to 1,354,371 while freight falls 40.7% to 6.86 million FTKs.

Having failed its initial climb away from Villavicencio on September 19, a C-46F with 11 crew crashes in flames while attempting an emergency landing; there are no survivors.

In **1993**, Chairman Boulton and President Henry Lord Boulton oversee the same sized workforce as in the previous year. Destinations served from Caracas include Anaco, Barcelona, Barquisimeto, Canaima, Carupano, Ciudad Bolivar, Coro, Cumana, Las Piedras, Maracaibo, Ma-

turin, Meridia, Mexico City, Miami, Panama City, Porlamar, Puerto Ordaz, San Antonio, San Tome, and Valerad.

The subsidiary **Serivensa, S.A.** undertakes low-cost flights to Bogota, Quito, and Lima. New Venezuelan President Rafael Caldera abandons many deregulatory reforms, including an arcane currency conversion rule. The airline is unable to get the dollars it needs to purchase spare parts in the U.S. and many aircraft are idled.

Enplanements are up to 1,479,551 through September.

Airline employment totals 2,700 in **1994** and the fleet now comprises 3 B-727-281As and DC-9-31s, 4 DC-9-32s, 2 B-737-229As, and 1 each B-737-3Y0, B-727-22, and B-727-2D3A. During the spring, **Serivensa, S.A.**, with permission from the U.S. DOT, successfully takes over the AVENSA shuttle operation between Venezuela and Miami, increasing the market share from 7% to approximately 45%. The company's finances are so wobbly that it must shut down for a day in May because it has failed to pay its fuel bill. On May 15, the company stops flying its Caracas to New York route.

When the top executives of the Boulton family group give consideration to having low-cost, low-fare **Serivensa, S.A.** take over in June all of AVENSA's remaining international frequencies, including the New York service, a number of family members voice strong resistance. They unsuccessfully seek removal of the 64-year-old president, Henry, charging him with incompetence and corruption. By fall, AVENSA's only international route is from Caracas to Mexico City.

After having faced intense competition from both AVENSA and Serivensa, **LAV (Linea Aeropostal Venezolana, S.A.)** goes bankrupt in October.

Passenger boardings through the first nine months drop 45.7% to 1,015,478 and freight plunges 56.6% to 4.02 million FTKs.

Domestic services continue in **1995** with a fleet that now includes 4 DC-9-51s, 3 each DC-9-31s, B-727-2D3As and B-727-281As, 2 B-737-229As, and 1 B-727-22.

As **Serivensa, S.A.** has continued to grow, CEO Boulton has come to rely more and more on contract cockpit crews. The pilot's union, which has been powerless under deregulation to obtain backing from the government to halt this process, folds up during the summer and becomes, itself, a company subcontractor.

At the end of October, the carrier enters into a code-sharing pact with **Mexicana de Aviacion, S.A. de C.V.** on routes between Caracas and Mexico City. At about the same time, AVENSA comes to share passenger flights among the Caribbean islands with **Air France**.

Revenues for the year reach \$250 million and there is a net gain of \$11 million.

Services continue apace in **1996-1997**. Airline employment in these years has been reduced to just 600, with most jobs paid for on a contract basis. Following the demise of **VIASA (Venezolana Internacional de Aviacion, S.A.)**, Transport Minister Gen. Moises Orozco rules that AVENSA may not begin service to Lisbon, Madrid, or Rome on their granted routes because those routes, through lack of use, have been vacated. Instead, he claims, the routes belong with the VIASA estate and may be sold with its assets. AVENSA files suit to stop the revocation of its routes, while, in a separate lawsuit filed over the same issue, the nation's other airlines counter that VIASA, by its bankruptcy, has forfeited the routes, which should be open for reallocation.

The lawsuits work their way through the Venezuelan legal system and, by spring **1998**, are on the docket of the Supreme Court. At the same time, Gen. Orozco is sacked and succeeded by Julio Marti.

The Supreme Court rules in July that the government cannot revoke the AVENSA grant, with Chief Justice Cecilia Sosa Gomez declaring that AVENSA now has the right to begin flying over the previously disputed routes.

During late summer, AVENSA is granted permission to operate from Caracas to Rome, Madrid, Lisbon, Oporto, Milan, Tenerife, and Santiago de Compostela. To operate the new service, a DC-10-30 is leased from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** in early December, entering service on December 18.

Flights continue apace in **1999**, though with vastly diminishing returns. In December, Venezuela is hit by floods and landslides that kill thousands and close the Caracas Airport for weeks. The airline loses significant income.

During the second week of January **2000**, AVENSA is able to settle \$23 million in past debt. Still, the carrier, together with its sister, **Serivensa, S.A.**, are facing bankruptcy. To add to their woes, the government's civil aviation authority has been grounded a portion of their fleet and services have been cut dramatically, with those to Madrid, Rome, and Lisbon suspended.

The carrier is forced to turn to the government for a loan; political leaders agree, but demand reorganization. At the beginning of April, Wilmar Castro succeeds Henry Boulton as chairman of both AVENSA and Serivensa. The company also begins discussions with **ASERCA (Aerolineas Regional de Centro, S.A.)** concerning a joint venture, signing a letter of merger intent on April 6.

In late spring, AVENSA is approached by **LAV Venezuelan Airlines, S.A. (Aeropostal)** with a buyout offer. Under the proposal, AVENSA would pay \$20 million for 80% majority control. In June, the AVENSA board rejects the Aeropostal offer, preferring the union with ASERCA instead. Even though the two plan a joint service from Caracas to Madrid with ASERCA aircraft in July, the matter of paying off \$53 million in debts beforehand, however, remains.

Company officials announce on August 18 that Korean-based Asian International and a local consortium representing Germany-based Davis Trading have indicated an interest in purchasing a 50% stake in the airline for \$35 million. The two groups would help with restructuring and provide funds for capital requirements.

At the end of September, a Stage III compliant B-727-2D3A is acquired. Meanwhile, the DC-10-30 that had been returned is refurbished and sent on to **LAC (Lignes Aeriennes Congalaises, S.A.)**

On October 16, it is announced that service to Europe will resume on November 24. A DC-10-30, previously operated by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, is chartered for the flights.

Plans for a merger with ASERCA (**Aerolineas Regional de Centro, S.A.**) are dropped on November 3.

AVEX AIR (PTY.), LTD.: South Africa (1968–1986). R.N. Turvey and M. Van Ginkel establish this charter operation at Germiston's Rand Airport in **1968** to complement their business as a flight school and Piper Aircraft distributorship. Revenue flights to domestic locations commence with 3 Piper PA-23 Aztecs and 1 PA-31-310 Navajo.

During the early **1970s**, a subsidiary, **Grand Central Air Charter (Pty.), Ltd.**, also known as Grand Central Airways (Pty.), Ltd. is set up at Grand Central Airport at Halfway House. During the decade, Avex also undertakes cargo and other contract service flights (for example, the transport of newspapers) with a Douglas DC-3.

Service is continued until **1986**.

AVIA AIR, N.V.: P.O. Box 69, Queen Beatrix International Airport, Oranjestad, Aruba; Phone (297) 834-600; Fax (297) 826-355; Code 8R; Year Founded 1987. Avia is set up on Aruba in **1987** to provide scheduled passenger flights throughout the eastern Caribbean region. Revenue flights begin and continue with a single Embraer EMB-110P1 Bandeirante.

AVIA AIR CHARTER (PTY.), LTD.: South Africa (1994–1995). **Avia Air Charter (Pty.), Ltd.** is established by Gert De Klerk's Wonderair (Pty.), Ltd. at Sinoville in the fourth quarter of **1994** to provide passenger and cargo services to domestic and regional destinations. Revenue flights commence on December 1 with 2 each Douglas DC-3 Turbos and DC-6s. The former, wearing civilian registration, have been reregistered with the South African Air Force since the previous November. At the same time, authority is received from the government for operation of a scheduled service from Johannesburg to London (LGW).

Late in the year, De Klerk, who in terms of personal flare is often compared to **Virgin Atlantic Airways, Ltd.** Chairman Richard Branson, files suit against several Pretoria-based newspapers. These have suggested in early 1993 that his aircraft have a history of covertly running guns to the UNITA organization in Angola.

Following an equipment search, the company acquires the Boeing 747SP-44 *Maluti* on April 28, **1995** under charter from **South African Airways (Pty.), Ltd.** The aircraft is repainted and is also rechristened, as the *Gauteng*.

After conducting several proving flights to the U.K., the *Gauteng*, on May 8, inaugurates thrice-weekly, deep-discount roundtrips between Johannesburg and London (LGW). Avia is the nation's first independent carrier to ply the lucrative U.K. passenger route.

Unable to achieve viability or succeed in its competition with **British Airways, Ltd. (2)** or **South African Airways (Pty.), Ltd.** on the route, the new entrant closes down on August 2. The *Gauteng* is returned to SAA.

It will later be reported that De Klerk's concern had not only oversold its London seats, but had failed to pay Rand 100 million up front to cover possible bankruptcy. It had even had insufficient funds on hand to cover the check written to South African Airways to cover the lease of the Jumbojet.

AVIA AIR COMPANY: 269/88 Kropotkina Street, Novosibirsk, 630111, Russia; Phone 7 (3832) 267 789; Code AWL; Year Founded 1996. Yuri Petrov establishes AAC at Novosibirsk in **1996** to provide domestic and international all-freight charters. He begins revenue flights with 2 Antonov An-12s and 1 An-26.

AVIA AIRLINES, A.B.: Sweden (1940–1993). Legendary Swedish aviatrix Birgit Thyring and her husband establish Avia Airlines, A.B. on the island of Gotland in **1940** to transport mail and passengers back and forth to the mainland. During World War II the family company flies target planes on Farosund for the Swedish military. Following V-E Day in **1945**, operations are enhanced as air taxi, night mail, crew training, and agricultural services are added. Operations continue apace for the next 30 years.

Nils Bjorkman and Lennart Gustavsson purchase Avia Airlines, A.B. in **1976**; however, no significant changes are made again until **1984**, when the company is purchased by the shipping concern Gotlandsbolaget, A.B. Bo Peterson is named managing director and, late in **1985**, the decision is made to offer scheduled regional services.

Employing an initial fleet of 2 Swearingen Metro IIs and 4 Shorts 330s, scheduled passenger and cargo flights are begun in **1986** from Visby Flyglaft on Gotland to Kalmar and Norrkoping.

Operations continue apace in **1987** and negotiations are successfully completed for the acquisition of Karlstad-based **Golden Air, A.B.** Enplanements in **1988** total 132,600.

Bert-Ake Eriksson succeeds Peterson as managing director in **1989**, as passenger boardings climb 15% to 156,000. Eriksson withdraws the Fairchild in **1990** and acquires 2 Shorts 360s.

The fleet in **1991** comprises 2 Shorts 360s and 6 new SAAB SF340As. Scheduled domestic and regional destinations visited include Orebro, Arland, Norrkoping, Visby, Linkoping, Copenhagen, Mora, Stockholm, Riga, and Kalmar. Charter passenger and cargo services are also flown.

Swedish domestic air traffic is deregulated in **1992**. On July 15, a merger is completed with rival **Salair, A.B.**, although the Avia Airlines, A.B. name is retained. During the second half of the year, the new managing director, John Stahl, replaces his Shorts 360s with another SF340A and 3 SF340Bs.

The workforce in **1993** totals 97. The company name is changed to **Skysways Avia, A.B.** as ownership is assumed by Salenia, A.B., the shipping and offshore energy concern that had engineered the Avia merger with its previous subsidiary **Salair, A.B.**

AVIA EXPRESS CRUISE: Kutuzovsky Prospect 26, Mineralnyy-vody Airport, Moscow, Russia; Phone 7 (095) 249-1975; Code E6;

Year Founded 1995. AEC is set up at Moscow in 1995 to offer executive and small group passenger charters to domestic and regional locations. A. A. Beznikov is general director and he begins revenue flights with a single Yakovlev Yak-40.

Service is maintained in 1996–1997, during which time two freighters are obtained and emphasis is placed on all-cargo flights. Revenues are such during the latter year as to allow an operating profit of \$89,232.

A total of 847.03 million FTKs are operated in 1998, a 153.3% increase over the previous year. Revenues jump 182.2% to \$1.83 million, expenses accelerate 199.5% to \$1.72 million, and there is a \$64,134 operating profit.

Flights continue in 1999. A Tupolev Tu-204 is operated on behalf of **Perm Airlines** on return services from Moscow to both Chita and Barnaul. A total of 290 million revenue passenger miles are flown.

Airline employment stands at 140 at the beginning of 2000. AEC, which has resumed an emphasis on passenger service, operates a fleet of 3 Tu-154s, 4 Tu-134As, and 5 Yak-40s. It operates 40 scheduled flights a week, along with a significant number of domestic and regional charters.

Under a new agreement between Russia and Bulgaria, Avia Express Cruise launches scheduled five-times-a-week Tu-154 service between Moscow and Varna and Burgas on April 29.

In collaboration with **Donavia (Donskie Avialinii)**, 10 regularly scheduled return flights between Moscow and Donetsk open on July 13; seven of the flights are provided by Avia Express and three by Donavia.

AVIA MOST: Leninsky Prospect 1/5/88, Moscow, 113054, Russia; Year Founded 1995. Avia Most, like Avia Express Cruise, is established at Moscow in 1995 to provide executive and small group passenger charters to domestic and regional destinations. Yu N. Semonov is general director and he begins revenue flights with a pair of British Aerospace (BAe) 125-700 bizjets.

AVIAARKTIKA: U.S.S.R. (1930–1960). The operational arm of Glavsevmorput or Glavnoc Upravlenie Severnogo Morskogo Puti (North Sea Route Administration), Aviaarktika (Department of Polar Aviation) is formed at Krasnoyarsk on September 1, 1930. The deputy commander of Glavsevmorput, Mark Shevelev, is placed in charge. The initial fleet is made up of Junkers F-13s and 6 Dornier Wal flying boats.

In 1932, the organization's headquarters are moved to Moscow and additional aircraft are obtained, including four-engine ANT-6s and twin-engine ANT-4s. During the remainder of the 1930s, Aviaarktika undertakes to provide air service in the sparsely settled areas of Siberia. Bush and proving flights are made along the Rivers Ob, Irtysh, Yenisei, and Lena. Bases are established at Omsk, Krasnoyarsk, Irkutsk, and Yakutsk. Although passenger enplanements are few (180 passengers in 1933) and freight carried is slight, rescue, medical, and resupply flights are frequent.

In mid-February 1934, the first great test is presented and passed when a number of Aviaarktika flyers, including Mikhail Vodopyanov and Vasily Molokov, rescue all 104 crew members of the ship *Chelyuskin*, which is crushed in the ice not far from the Bering Strait. Route proving flights are now undertaken to survey possible commercial routes in the region.

Between February 11 and March 19, 1935, Vasily Molokov, flying a Polikarpov R-5, undertakes to prove the viability of an air route to potential mineral-mining locations by flying a multistop mission from Moscow to Krasnoyarsk, and then north to Dickson on the Kara Sea. The intrepid airman then takes a Dornier Wal on a 13,000-mile multistop epic from Krasnoyarsk to Uelen, the most easterly point in the nation; he then returns along the north Siberian coast, arriving at Dudinka on September 12 after a nearly two-month trip.

To discover the possibility of a trip to the North Pole, two aircraft, led by Mikhail Vodopyanov, makes a successful proving flight from Moscow to Rudolf Island, the country's northernmost point of land, and return between March 29 and May 21, 1936. In a 56 hr. 20 min. transcontinental flight undertaken on July 20, Valery P. Chkalov and two crew

fly an ANT-25 in a transcontinental trip from Moscow to the Island of Udd (now Chkalov) in the Sea of Okhotsk near the mouth of the Amur River. Then, between July 22 and September 19, Vasily Molokov takes his Wal on a 16,400-mile (200-hours flying time) circumnavigation of the U.S.S.R. east from Moscow.

In perhaps the greatest feat in Soviet aviation to date, 4 ANT-6As and 1 ANT-7, under the direction of Chief Pilot Mikhail Vodopyanov, with Vasily Molokov flying the number two aircraft, depart Moscow for Rudolf Island on March 22, 1937, arriving on April 17. From that point on May 21, Mikhail Vodopyanov flies a scientific team led by Ivan Papanin to a landing just beyond the North Pole, where the first polar research station is established. The aircraft now resupply the station.

Meanwhile, between June 18–20, Valery P. Chkalov flies his ANT-25 over a 6,200-mile Great Circle route via the North Pole to Vancouver, Washington. This flight is followed on July 12–14 by a second transpolar ANT-25 flight made by Mikhail Gromov and his crew over 6,036 miles from Moscow to San Jacinto, California.

The year's last attempt by Aviaarktika to fly in polar regions ends in tragedy. On August 12, Sigismund Levanevskiy, filling in for an ill Mikhail Gromov, and five others depart northward from Moscow in a DB-A (modified ANT-6), but, after turning back, are lost. Numerous search flights are unsuccessful.

Following the great activities of 1937, the work of Aviaarktika becomes almost routine in 1938–1960. Passenger and cargo services are maintained, even during World War II, and airstrips and airfields are improved, as are services to the many small communities on the organization's route map. Although equipment changes are slow in coming, almost all aircraft upgrades are small and easily flown into remote areas. Having greatly improved in the postwar years, the state airline, **Aeroflot Soviet Airlines**, is finally ready to take over Aviaarktika on January 3, 1960.

AVIACION DEL NOROESTE, S.A. de C.V. See NOROESTE: AVIACION DEL NOROESTE, S.A. de C.V.

AVIACION Y COMERCIO, S.A. (AVIACO LINEAS AEREAS): Spain (1948–1999). A group of Bilbao businessmen on February 18, 1948 establish A y C to operate Bristol 170 all-cargo charter flights of agricultural products from Spain to destinations in northern Europe. When the agriferry business does not prove possible, the company, in late 1949, applies for and receives permission to begin passenger flights as well.

A Bristol 170 must be written off following a November 24 accident at Mahon Airport, Spain; there are no serious injuries or fatalities reported.

The first scheduled passenger service is flown from Bilbao to Barcelona via Madrid in early 1950; it is followed by flights from Bilbao to Marseilles, the Balearic Islands, and Spanish North Africa. The route to Spanish Guinea is withdrawn in 1951 and replaced by services to Brussels and Amsterdam.

Operations continue apace in 1952 and on August 13, 1953, **Philippine Airlines (PAL)** announces its intention to purchase shareholding. While en route from Bilbao, a Bristol 170 Mk. 21 with 5 crew and 28 passengers, crashes into the Somosierra Mountains, N. of Madrid near Guaderrama, on December 4; 12 passengers survive, including U.S. State Department courier P. J. Douglass.

Services continue as before during 1954–1956. On September 29 of the latter year, an airliner crashes into a house in the Canary Islands (two dead).

A 5% share is acquired in the new Moroccan state carrier **Royal Air Maroc** in 1957. The year is operationally disastrous.

En route from Santiago de Compostella to Madrid on May 9, a Bristol 170 Mk. 21 with 5 crew and 32 passengers, is lost near Madrid's Barajas Airport; there are no survivors.

A Bristol 170 Mk. 21E is lost at Tetuan, Morocco, on September 11; circumstances of the accident are unknown.

A DH-114 Heron 2D with 5 crew and 17 passengers must be written off following a bad landing at Fuenterrabia Airport on October 26; there are no fatalities.

A DH-114 Heron 2D, with two crew and two passengers, is lost at sea near Palma de Mallorca on November 15; there are no survivors.

The rash of accidents continues in 1958. A DH-114D with 2 crew and 14 passengers is lost south of Barcelona on April 14; there are no survivors. An SE-161 Languedoc with 21 aboard crashes in a heavy rain-storm outside the city of Madrid on December 4; again, no one survives.

A Bristol 170 Mk. 21E with 3 crew and 15 passengers is lost near Mahon, Spain, on March 13, 1959 (one dead).

The state carrier **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** takes 66% controlling interest in 1960, the remaining shares being subscribed by the Spanish government and private sources; that arrangement will eventually be reversed insofar as Iberia's share will decline to 33% and the government's will increase 67%. With Sud SE-210 Caravelles leased from **Sabena Belgian World Airlines, S.A.**, inclusive-tour operations are inaugurated.

Additional domestic routes are opened in 1961-1971 as Iberia's subsidiary's market is defined. Leased Caravelles are provided by Iberia as the Belgian models are returned. In 1964, a vehicle ferry is opened from Barcelona to Palma de Mallorca employing two Aviation Traders, Ltd. ATL-98 Carvairs. The modified DC-4s are sold to **Dominicana, S.A.** in 1969. By the early 1970s, A y C is flying 6 Convair CV-440s throughout the Iberian peninsula and into North Africa.

Operations continue apace in 1972. While on initial approach for a July 6 landing at Las Palmas, Flight 331, a DC-8-52 with 10 crew aboard on a positioning service, crashes into the ocean 14 mi. offshore; there are no survivors.

While on final approach to Funchal, Portugal, on a February 1, 1973 positioning flight, an SE-210 Caravelle XR with three crew, lands in the ocean and sinks; there are no survivors. As wreckage cannot be recovered, a crash cause will never be determined.

While on final approach to the airport at La Coruna on an August 13 flight in heavy fog from Madrid, an SE-210 Caravelle XR with 6 crew and 79 passengers, crashes short of the runway; all aboard the jetliner are killed, along with 1 person on the ground.

In 1974-1977, charter flights are extended to additional points in Europe, Africa, the Canary Islands, the Middle East, and North America. The fleet continues to expand as Caravelles and DC-8s are transferred to it from Iberia. The Convairs are replaced by Fokker F.27-600 Friendships.

Chairman/President Manuel Ortiz Sanchez's company employs 1,209 workers in 1978. Enplanements reach 2,347,056. In 1979, the fleet of what is now Spain's second largest carrier includes 12 DC-9-32s, 6 DC-8-52s, 4 SE-210s, and 6 F.27-600s.

Passenger bookings accelerate 25% to pass the three million mark (3,129,407 cumulative) in annual boardings.

Airline employment is 1,733 in 1980. Two additional F.27-600s and 2 DC-8-63s are acquired. With the beginning of the winter season in October 1981, a DC-9-41 is leased from **Finnair O/Y** to increase capacity to holiday destinations. Still, the world economic recession causes traffic to fall; bookings are 2,735,754.

Carlos Espinosa de los Monteros is named board chairman in 1982 with Jose Saenz Insausti as managing director. The Finnish DC-9-41 is returned at the end of the first quarter as the first of 8 DC-9-32s are received to help handle a traffic increase.

Boardings soar 25.8% to 3,687,000. Still, a \$16-million operating loss is suffered.

The workforce remains steady at 1,732 in 1983. All of the DC-8s and one DC-9s are withdrawn as emphasis on domestic service rises; four more F.27-600s are delivered.

In thick fog at Madrid's international airport on December 7, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** Flight 350, a B-727-256 with 9 crew and 84 passengers, is taking off for Rome when its crew sights Aviaco Flight 134, a DC-9-32 with 5 crew and 37 pas-

sengers, taxiing out onto the active Runway 1 for takeoff to Santander. Flight 350 unsuccessfully attempts to take evasive action, but it is too late. The aircraft collide, with the Boeing's left wing and left main landing gear being torn off. The two planes catch fire and are destroyed. Although 8 crew and 30 passengers escape burning Flight 350, there are no survivors from Flight 134.

This is the second airline disaster at Barajas Airport within a 10-day period and causes union and airline officials to complain bitterly about the lack of ground radar and warning lights.

Cargo is up 12% to 5.69 million FTKs, and passenger bookings accelerate 2.3% to 3,969,000. Although revenues jump 14.3% to \$219 million, expenses grow faster and the operating loss swells to \$25 million.

Three DC-8-54CFs and 8 DC-9-34s are received during 1984 as a DC-9-32 and an F.27-600 are retired. Freight soars 32% to 5.99 million FTKs, but accelerates to 4,238,892. The net loss this year is \$15.3 million.

The workforce is reduced 8.5% to 1,547 in 1985. Boardings dip 6.8% to 4,010,000 and freight is off by 13.8%. Total revenues fall 3.9% to \$218 million; still, an operating profit of \$7.5 million is generated. There is a net loss of \$12.2 million.

In 1986, enplanements swell 2.7% to 4.1 million and revenues jump 15.9% to \$280.7 million.

Airline employment grows 1.1% in 1987 to 1,514. Passenger boardings are level at 4,123,000 and cargo is down a sharp 38.2% to 240.9 million FTKs. Revenues slip by 8.9% to \$32.5 million, but costs are held down and allow an operating gain of \$2.6 million.

The workforce remains the same in 1988 and the fleet continues to feature 13 DC-9-32s, 8 DC-9-34s, and 8 Fokker F.27-600s. Iberia continues to increase its shareholding as customer bookings decline slightly to 4,028,233. The bottom falls out of the cargo business as the number of FTKs flown plunges to 7.73 million.

The payroll is increased by 2.4% in 1989 to 1,551. Enplanements move ahead to 4,545,941, but freight declines to 7.6 million FTKs. Profits are generated: \$36 million (operating) and \$19 million (net).

Company employment grows by 6.7% in 1990 to 1,780 and 5 McDonnell Douglas MD-83s join the fleet. Orders are outstanding for 13 MD-88s. Passenger boardings ascend 8.4% to 4,680,000 and freight recovers, climbing 11.9% to 8.95 million FTKs. Revenues jump 39.2% to \$440 million. Operating profit reaches \$46 million and the net gain totals \$35 million.

Company employment climbs another 4.5% in 1991 to 1,860 and the fleet now includes 13 owned and 5 leased DC-9-32s, 3 DC-9-34s, 2 DC-9-34CFs, 4 chartered MD-83s, 8 F.27-600s, and 5 MD-88s. The initial unit of the latter type is delivered in August and is the first such model to enter service in Europe.

Orders are outstanding for 8 MD-88s.

Although customer bookings are up 6.8% to 5 million, cargo is off 5.6% to 8.54 million FTKs. Revenues inch up 1.4% to \$446 million and allow an operating profit of \$45 million. Net profit is down to \$27 million.

The employee population swells 4.6% in 1992 to 1,946. The MD-83s are returned and replaced by 5 more MD-88s.

On March 30, the fuselage of a DC-9-32 with 5 crew and 94 passengers and arriving at Granada from Madrid in gusty conditions, breaks in two as the end result of a hard landing that blows all of the main landing gear tires; 26 passengers are injured.

Enplanements climb 3.8% to 5,442,961 and revenues swell 7% to \$477 million. Expenses are up only 6.2% to \$426 million and leave an operating surplus of \$51 million. Net profit slips to \$21 million.

In 1993, Chairman Miguel Aguilo and General Manager Javier Alvarez oversee a workforce of 1,696, down 12.8% from the previous year, and a fleet that includes 15 DC-9-32s, 13 MD-88s, 8 F.27-600s, 3 DC-9-34s, and 2 DC-9-34CFs. New services are inaugurated from Zaragoza to London (STN) and Paris, from Asturias to London (STN), and from Valladolid to Paris.

Other destinations now visited from Madrid include Valencia, Almeria, Badajoz, Barcelona, Bilbao, Fuerteventura, Granda, Ibiza, Jerez, La

Coruna, Lanzarote, Las Palmas, Malaga, Mallorca, Menorca, Murcia, Oviedo, Palma, Pamplona, Reus, San Sebastian, Santander, Seville, Tenerife, Valladolid, Vigo, Vitoria, and Zaragoza.

On July 14, the National Institute for Industry, the carrier's majority shareholder, forms the subsidiary Teneo, S.A. and transfers 67% of its shares to it.

Passenger boardings fall 6.6% to 5,031,660 while freight declines 8.4% to 7.09 million FTKs. The year's operating profit is \$19.01 million while a net gain of \$8.33 million is reported.

Airline employment is cut 1.8% in 1994 to 1,813. The carrier's entire fleet of F.27-600s is sold to **Cubana (Empresa Consolidada Cubana de Aviation, S.A.)** in January, with deliveries beginning in March.

While landing at Vigo after a March 21 service from Madrid, the left wing of a DC-9-32 with 6 crew and 110 passengers, strikes runway approach lights and the aircraft touches down 50 m. short of the runway. There, both main landing gears separate from the fuselage and the Douglas skids 580 m. to a stop. Although the plane is damaged beyond repair, there are no fatalities.

Passenger boardings for the year inch up 1.8% to 5,177,453, but revenues decline by 2.7% to \$441.73 million. Expenses also dip 0.5%, to \$432.88 million, allowing profits of \$8.85 million (operating) and \$3.02 million (net).

Seventeen employees are laid off in 1995, a 0.9% decrease in the workforce. Flights commence from Zaragoza to Frankfurt, but traffic figures for the year are mixed.

Customer bookings dip 1% to 5,224,071, but freight rises 5.3% to 230.96 million FTKs. Operating revenues this year are \$494.68 million, up 12%, while expenses are up 11.7% to \$483.45 million. While the operating profit grows to \$11.22 million, there is a net downturn of \$250,582.

The workforce is cut another 10.6% in 1996 to 1,606; however, traffic resumes a skyward projection. To celebrate the Vuelta '96 Spanish national bicycle race, the livery of the company's airliners is slightly changed to include images of a number of bicycle racers above the window cheatlines.

Enplanements inch up 1.1% to 5,216,877 and 7.05 million freight FTKs are operated, a 0.6% increase.

Destinations visited in 1997 include Alicante, Asturias, Barcelona, Fuerteventura, Ibiza, Jerez de la Frontera, Lanzarote, Madrid, Malaga, Menorca, Palma Mallorca, Pamplona, Santa Cruz de la Palma, and Valencia.

On May 12, AVIACO and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** begin dual-designator flights over their domestic routes.

On October 26, Iberia integrates its own resources, together with those of its domestic subsidiary AVIACO, its charter operation, **VIVA AIR (Vuelos Internacionales de Vacaciones, S.A.)**, and its regional **Air Nostrum, S.A.** under one centralized operational holding company. Long-term plans are made to institute a single Iberia branding over all three, but due to potential union problems, this plan will be implemented in phases. Meanwhile, in the short run, coordination becomes the theme of the day.

Although the companies are held as separate legal entities, a management committee made up of the commercial directors from each airline now allocates the group's fleet, crew, and scheduling according to perceived daily requirements for each route. All passenger revenue receipts are turned into a central office, while all marketing activities are also centralized. Under this reorganization, VIVA begins to drop unprofitable charters, while AVIACO dumps unprofitable routes off on Air Nostrum, thereby freeing up capacity for Iberia.

The Spanish pilots union, SELPA, concerned that modernization and cost-cutting plans afoot at Spain's airlines might badly impact its members, stages a one-hour strike at the end of October as a symbolic protest against them.

Passenger boardings reported through November are up 4.7% to 5,072,678, while cargo traffic rises 11.6% to 7.15 million FTKs.

Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.) purchases all of AVIACO's outstanding stock at the beginning of 1998, making Spain's second largest carrier a 100%-owned subsidiary of the largest.

The company seeks to integrate the resources and schedules of AVIACO and to redeploy its pilots to fly a range of aircraft with which they are not familiar. A new arrangement is entered into with the pilots' union, SEPLA, in April. To accommodate the enlarged airline's European operations, a new terminal is planned for the Madrid Airport, large enough for the unified network.

By the end of the year, the unit's 185 aircraft, flying primarily to domestic destinations in Spain, account for 23% of Iberia's daily departures.

When Iberia refuses to hire 43 pilots specified in the April labor accord, AVIACO's 323 flyers commence a series of strikes beginning on January 26, 1999. Another job action occurs in early February, followed by a third on February 10. The latter forces the cancellation of 70 flights, primarily in the northern Spanish regions of Galicia and Asturias as well as the southern region of Alicante. A spokesman for SEPLA simultaneously indicates that, unless the pilots are employed, there will be three more work stoppages before the end of March.

Iberia, meanwhile, continues the integration process as the AVIACO MD-88s are repainted in Iberia colors, along with some of the new DC-9-32s. AVIACO is fully absorbed into the main operation on August 13.

AVIACION NACIONAL VENEZOLANA, S.A.: Venezuela (1933-1935). On July 3, 1929, the Venezuelan government signs a contract with the French carrier **Aeropostale, S.A. (1)** for the transport of mail in the trans-Orinoco area. **Compagnie Generale Aeropostale de Venezuela, S.A.** is registered at Caracas on December 23 and receives its official permissions on January 30, 1930. Led by Paul Vachet and employing a Latecoere 26, the company undertakes weekly scheduled flights from Maracay west to Coro and Maracaibo and east to Tumeremo via Ciudad Bolivar and Guasipati. During the year, the Latecoere 26 is supplemented by 3 Latecoere 28s.

On January 9, 1931, airmail flights are initiated from Ciudad Bolivar to Trinidad in the French West Indies. Services continue apace in 1932.

Following the collapse of **Aeropostale, S.A. (1)** in France, the Venezuelan government purchases the subsidiary on December 31, 1933, renaming it Aviacion Nacional Venezolana. Under a Ministry of Labor and Communications contract, a French management team headed by Robert Guerin runs the airline for a year, changing little.

On January 1, 1935, the company is renamed again, becoming **LAV (Linea Aeropostal Venezolana, S.A.)**. Capitalized at 1.16 million Bolívars, the carrier, an autonomous government entity, is placed under the command of Lt. Colonel Francisco Leonardi.

AVIACON ZITOTRANS: 8V Dobrolubova Str., Yekaterinburg, 620014, Russia; Phone 7 (3432) 520510; Fax 7 (3432) 519313; Code AZS; Year Founded 1995. The charter operator Aviacon is established as an open joint stock air company at Yekaterinburg in June 1995, with Andrei Kuznetsov as director general. A workforce of 50 is recruited and a fleet, comprising 2 Ilyushin Il-76TDs and 1 each Il-76T and Tupolev Tu-154M, is purchased.

Revenue flights begin in June 1996 and flights are made worldwide, excluding the Western Hemisphere. Popular destinations visited during the year and in 1997-2000 include Istanbul, Sharjah, Ras al Khaimah, Gerona, Bergamo, Larnaca, Athens, Thessaloniki, Varna, and Bourgas.

AVIACSA (AVIACION DE CHIAPAS, S.A. de C.V.): Hangar 13, Zona "D" Zona Hangares, Apto. Intal Co. de Mexico, Distrito Federal, 15520, Mexico; Phone 52 (5) 756 650; Fax 52 (5) 756 455; Code 6A; Year Founded 1990. AVIACSA is organized at Mexico City by Luis de Pau, former president of the Airline Pilot Union's Savings & Pension Fund, on May 5, 1990 to provide domestic and regional second-level service, both scheduled and nonscheduled. The initial flight equip-

ment of President Jose A. Martinez Navarro's 330-man carrier is a Fairchild F-27J and two leased British Aerospace BAe 146-200 jetliners once operated by the failed U.S. large regional **Presidential Airways**, with orders placed for two more.

While on final approach to Tuxtla on a May 10 charter, the F-27J with 5 crew and 33 passengers, strikes a line of trees and crashes 4.5 km. from the runway (21 dead).

Scheduled flights are inaugurated from a base at Tuxtla Gutierrez in September as AVIACSA becomes the first Mexican regional to operate jet equipment from its inauguration. Lighter routes are traveled by a Pilatus Britten-Norman PBN-2 Islander.

During the remainder of the year and into **1991**, routes are started to Cancún, Merida, Monterrey, Oaxaca, Tapachula, and Tuxtla Gutierrez. The first full year for the regional is not a good one. Martinez Navarro is indicted during the spring in a savings and pension fund fraud case and is succeeded by Francisco Espojol.

Although thrice-weekly service is inaugurated to Chetumal in the summer, their manufacturer ties up the 2 BAes ordered for nonpayment in the fall, forcing lease of an Israeli Aircraft Industries IAI Arava 102.

In January **1992**, lease requests are placed for 4 Fokker 100s; the first pair, chartered from GPA Group, enter service in March, followed by the third in April and the fourth in July. Meanwhile, in March, the two leased BAe 146-200s are officially repossessed for nonpayment. Simultaneously, the national Attorney General indicts Chairman de Pau and six others for allegedly defrauding the pension fund of \$55 million; the chairman and the fund's comptroller, Ricardo Lopez Buicio, flee the country. During the year, new routes are started to Ciudad Juarez, Guatemala City, and Villahermosa.

In **1993**, President Capt. Francisco Espejel Vargas oversees a workforce of 245. A new Monterrey service is initiated. Control of the company is purchased in **1994** by the expanding regional **Aeroexo (Transportes Aereos Ejecutivos, S.A. de C.V.)**, but is allowed to continue operations as the separate company Consorcio Aviaca SA de CV. At the end of the year the company begins to replace its Fokker 100s with two B-727-225As leased from its parent.

Operations continue apace in **1995-1999**. Alejandro Morales Mega is now chairman with Eduardo Morales Mega as president. Airline employment stands at approximately 375 and the fleet includes 9 Boeing trimotors and 4 Douglas DC-9-15s. Destinations visited include Cancún, Chetumal, Chicago, Guadalajara, Houston, Las Vegas, Merida, Monterrey, Oaxaca, Tapachula, Tijuana, Tuxtla Gutierrez, and Villahermosa.

Early in **2000**, the company begins to replace its DC-9s with 6 leased ex-Air New Zealand, Ltd. B-727-276As. The Mexican Pilots Union reports on March 29 that the company has fired 11 pilots for refusing to fly an unsafe aircraft. The carrier's remaining 85 flyers complain that they are being forced by management to fly more hours than legally permitted on routes from Monterrey to Houston and Las Vegas.

AVIAENERGO ROA: Kitaisky Proezd 7, Moscow, 103074, Russia; Phone 7 (095) 220-5203; Fax 7 (095) 260-8208; Code 7U; Year Founded 1994. Under the direction of general director A. R. Blagonravov and flight operations director Marat Morozov, the transport division of the Ministry of Energy begins to offer charter flights in February **1994**. Revenue services are initially provided with a pair of Tupolev Tu-154Ms.

As the year progresses, 3 Ilyushin Il-62s and another Tu-154M are acquired and scheduled services linking Moscow with several regional cities is inaugurated. On the year, a total of 500 flights are completed, transporting 30,000 passengers and 300 tons of cargo.

The company's 13 aircraft help customer bookings to skyrocket in **1995** to 138,000.

Although the Ilyushin passenger planes are withdrawn, new holiday and vacation routes are opened to the Mideast and Southern Europe during **1996**. The fleet in **1997-2000** includes 4 Tu-154Ms, 2 Yakovlev Yak-40s, and 1 Antonov An-74. The company also branches into rotary-wing aerial work with 4 Mil Mi-8s.

AVIAEXPRESS AIRLINES AND SERVICES, LTD.: Ferihegy 1 Airport, P.O. Box 136, Budapest, H-1675, Hungary; Phone 36 (12) 967 092; Fax 36 (12) 967 891; Code RX; Year Founded 1991. Organized at Budapest's Ferihegy Airport in February **1991** to offer both charter and scheduled passenger and cargo services to destinations throughout the region and country, AviaExpress names Sandor Horvath as managing director and hires 11 workers.

Revenue flight operations commence in **1992** with a fleet comprising 3 Let 410UVPs and 2 Yakovlev Yak-40s. Destinations visited include Belgrade, Istanbul, Vienna, Graz, Brussels, Sofia, and Ushgorod. Enplanements total 267, of which only 46 are scheduled.

A McDonnell Douglas MD-500 helicopter is acquired in **1993**, along with a Yak 42. In **1994**, orders are placed for 1 each Cessna 421 and Cessna 172 while services are planned for Dresden, Graz, Leipzig, and Vilnius.

The anticipated markets are opened in **1995-2000**, along with Croatia, Kosice, and Zagreb, service that is briefly interrupted by the 1999 Kosovo crisis. One each L-410UVP and Yak 40 are withdrawn.

During these years, AviaExpress also undertakes regular cargo charters on behalf of **MALEV Hungarian Airlines, Ltd.** from Budapest to Chishinau, Kiev, Skopje, and Tirana. The flights are operated with leased Antonov An-12s, An-26s, An-74s, or Ilyushin Il-76s.

AVIAKOR AIR TRANSPORT (AVIAKOR-PROIZVODSTAVENNO KOMMERCHESKAYA AVIATRANSPORTNAYA): 32 Ulitsa Pokovskaye, Samara 52, 443052, Russia; Phone 7 (8462) 252420; Code VCR; Year Founded 1993. Aviakor is established at Samara in **1993** to operate all-cargo charter services to destinations throughout the CIS, Africa, Europe, and Asia. General director G. N. Svetin begins revenue services with a single Antonov An-12, increasing that number during **1994**.

Flights continue in **1995-1999**, during which years the fleet comes to comprise 2 An-74s and 1 each An-12, An-24, An-26, Yakovlev Yak 40, and Mil Mi-8 helicopter. The company discontinues the provision of public charter service, flying only its own business.

AVIAL AIR COMPANY (AVIAL AVIAKOMPANIYA): 1/11 Orlikov Pereulok, Moscow, 107139, Russia; Phone 7 (095) 207-8941; Fax 7 (095) 975-4033; Code AK; Year Founded 1991. Avial is founded at Moscow on March 21, **1991** to offer both passenger and cargo charter services to destinations in Europe, North Africa, and the Mideast. President Victor Makatsyubov recruits a workforce of 54 and begins revenue flights on December 24, **1992b**, with a pair of Antonov An-12s.

The fleet is expanded during the remainder of the decade through the addition of 1 leased Tupolev Tu-154 and 3 Ilyushin Il-76TDs. Service area emphasis changes and principal destinations visited now include Jakarta, Kaohsiung, Kota Kinabalu, Kuala Lumpur, Langkawi, Penang, and Taipei.

AVIALINII DAGESTANA: Airport, Makhachkala, Dagestan, Southern Zone, 367016, Russia; Phone 7 (87222) 73701; Year Founded 1995. AD is set up at Makhachkala in **1995** to provide regional passenger charters. Revenue flights begin and continue with a fleet of 2 Tupolev Tu-154Ms, 6 Antonov An-24s, and 4 An-2 biplanes.

AVIALINII TARTARSTAN. See TARTARSTAN AIRLINES

AVIAMEER AIRLINES, S.A.: Belgium (1958-1960). Unable to continue as founding owners of **LTU (Lufttransport Union)**, Englishmen Ronald Myhill and Bernard Dromgoole transfer their Vickers Viking from that German charter operation to Antwerp. Here they found a non-scheduled Belgian company in early **1958** to fly the aircraft. The Viking is employed to undertake ad hoc and inclusive-tour charter flights to Mediterranean and European resorts until Aviamer fails in the spring of **1960**.

AVIANCA COLOMBIAN AIRLINES (AEROVIAS NACIONALES DE COLOMBIA, S.A.): Ave. El Dorado 93-30, Piso 5, Bogota 1, Colombia; Phone (57-1) 413-9511; Fax (57-1) 413-8716; <http://www.avianca.com>; <http://latina.latino.net.co/empresa/avianca/main.html>; http://www.flylatinamerica.com/acc_avianca.html; Code AV; Year Founded 1940. Due to international political considerations, all German employees of SCADTA (**Sociedad Colombo-Alemana de Transportes Aereos, S.A.**) are dismissed on June 8, 1940 and replaced by employees of **Pan American Airways (PAA)**, the major shareholder. Nine days later, the carrier receives its present name and shareholding is revised to show the U.S. carrier with 64% interest, the Colombian government with 15%, and local interests with 21%. The surviving SCADTA fleet is taken over, including the Ford Tri-Motors 5-AT-86, 5-AT-108, 5-AT-114, and 5-AT-1, also known as the *Santander*. On October 3, the February 23 merger between SCADTA and **SACO (Servicio Aereo Colombiano, S.A.)** is formally effected and the latter's fleet of 2 Curtiss Condor T-32Cs and 2 Lockheed Model 10E Electras is taken over.

The small Villavicencio-based carrier **Aerovias Rames Colombianas, S.A.** (founded in 1940), together with its fleet of 3 Beech 27 Staggerwings, 1 Ford 5-AT and 1 Ford 8-AT, is purchased from its owners, Hans Hoffman and Fritz Herzhauser, on April 25, 1941 and merged. During 1942–1945, under **Pan American Airways (PAA)** direction, the carrier's route system is rationalized.

During these years, 3 Boeing 247Ds are lost: the *Rodrigo de Bastidas* in an October 24, 1942 crash; an unnamed C-139 by fire in 1943; and an unnamed C-146 in a February 27, 1944 crash. Meanwhile, the fleet is augmented in 1944 by 2 C-39s (military version of the Douglas DC-2) and the introduction in October 1945 of 3 Lockheed L-18 Lodestars.

Meanwhile, in a labor dispute, the airline is grounded for several weeks in mid-November 1944 following the resignation of pilots and mechanics. On October 22, 1945, AVIANCA makes headlines when it hires four U.S. women pilots.

The last Ford 5-ATs are withdrawn in 1946 and replaced by Sikorsky S-38s and 4 Consolidated PB5-5As, while 6 DC-3s join the fleet, succeeding the earlier surviving B-247Ds and Junkers W-34s. On March 21, a DC-3 launches the carrier's first international service from Cali to Quito, Ecuador; this route is extended to Guayaquil on May 10.

Late in the year, the first 4 of an eventual fleet of 24 DC-4s are delivered. In a test, several are employed to fly the first chartered revenue flights from South America to Europe, ostensibly to bring home Colombians stranded at the end of World War II.

Flights begin to Balboa in the Panama Canal Zone on January 4, 1947. A C-54B with 4 crew and 13 passengers and en route from Bogota to Barrancabermeja on January 14, disappears; the wreckage is found near Puerto Araujo, Colombia, on January 29 and there are no survivors. Meanwhile, on January 22, a DC-4 inaugurates direct Miami service, becoming the first airliner from a South American west coast country to do so.

One of the new four-engine Douglas transports, with 4 crew and 49 passengers, slams into Mount Tablazo near Bogota on February 15; there are no survivors. A DC-3 crashes near Bogota on February 26 (seven dead).

Former Minister Sans de Santamaria is appointed general manager on June 12. A Cuenca operation is launched on July 22, signaling the establishment of an Ecuadorian network in one of the rare examples of full cabotage (i.e., the airline of one country operating domestic services within the borders of another nation).

Ecuador's network is increased by the addition of Manta to the system on July 23, 1948. Enplanements for the year total 432,500. The Miami DC-4 route is extended, on a biweekly basis, to New York on April 20, 1949. A DC-3 is lost near the Colombian city of Bojaca on August 13 (31 dead).

Tulcan is added to the Ecuadorian network on January 10, 1950. DC-4 service to Lisbon, Paris, and Rome begins on March 6. A C-47D is damaged beyond repair at Ipiates, Colombia, on March 11; there are no fatalities.

En route from Quito to Guayaquil on May 2, a C-47D with 3 crew and 12 passengers smashes into a mountain at Chimborca, Ecuador; there are no survivors.

The fleet is increased through the acquisition of 6 Curtiss C-46As and orders are placed for 6 Lockheed L-749A Constellations.

A C-47D freighter with two crew is lost at Barranquilla on August 29; there are no fatalities. Flights to Jamaica start on September 17.

The carrier expands its cargo capacity on January 10, 1951. A DC-3 with three crew crashes at Bogota on April 2; although the aircraft must be written off, there are no fatalities. The L-749As are delivered in May and are placed on the Bogota to New York route on June 24.

Ecuador threatens to end the carrier's rights into the country on July 1 unless reciprocal rights are provided by Colombia. On July 3, a new L-749 route is inaugurated to Madrid. Three days later the company begins commercial night flights. Flights to Ecuador are barred beginning on August 7. The next day, the Ecuadorian ban is modified; AVIANCA may continue its international stop, but cannot provide local service. A DC-3 is destroyed in an accident at Barranquilla on July 9; there are no fatalities.

In accordance with a mutual agreement between **Pan American World Airways (1)** and **Pan American-Grace Airways (PANAGRA)**, AVIANCA suspends its Ecuadorian cabotage network (and all flight south of Colombia) in an orderly fashion throughout the remainder of the year.

LANSA (Lineas Aereas Nacionales, S.A.) is purchased on September 10, but is allowed to operate as a separate entity. **Pan American World Airway's** interest is now reduced to 39%. Bogota to New York frequencies are raised to five per week on May 1, 1952, while Colombia to Europe flights are increased to four per week on August 1. **SAT (Sociedad Aerea de Tolima, S.A.)** is acquired and merged late in the year. Together with **LANSA (Lineas Aereas Nacionales, S.A.)**, the carrier reports bookings of 700,000 and the transport of 70,000 tons of freight since January.

With the Constellation fleet fully operational, L-749A service to Frankfurt begins on February 27, 1953. On March 15, a \$1-million contract is signed with Lockheed Aircraft Services International. Six-times-per-week Bogota to New York City flights begin on April 1 while Hamburg joins the route network on April 17.

Orders are now placed for 4 L-1049Es/Gs. A DC-3 is lost under uncertain circumstances at San Luis de Pelenque, Colombia, on September 19.

En route from Medellin on January 11, 1954, a DC-3 with 3 crew and 18 passengers is lost at Manizales; there are no survivors.

The carrier begins to increase its freight space on the Miami-Colombia route on March 22 through the use of "speedpack" containers attached to the undersides of its aircraft. The first L-1049E, delivered in late winter, begins service to Paris and Frankfurt via Bermuda and Santa Maria in the Azores, on April 24; Caracas is added as a stop on this route six days later. On May 1, **LANSA (Lineas Aereas Nacionales, S.A.)** is completely absorbed.

Contract pilot training begins at MacArthur Field, New York, on July 27. En route from Hamburg to Bogota on August 9, an L-749A with 9 crew and 21 passengers, crashes into a peak on Terceira Island in the Azores after takeoff from Lajes (30 dead).

L-1049E Bogota–New York via Kingston, Jamaica, service is initiated on October 1. On November 27, one of these flies from Jamaica to New York in a record 4 hrs. 57 min.

One more L-1049E, plus an L-1049G, is delivered, beginning in early 1955. On a scheduled March 9 flight from Cali, a C-47A with three crew and five passengers is lost at Trujillo; there are no survivors. The last of 6 C-46s is withdrawn toward year's end.

On August 10, 1956, a DC-3 crashes near Villavicencio (six dead).

A C-47D with 3 crew and 12 passengers is lost in the Trujillo Mountains near El Solado, Colombia, on March 9, 1957; there are no survivors.

On June 1, L-1049G service is inaugurated to Lima via Quito; San Juan is added as a stop on the European route on June 30. Official records show a million passengers transported for the first time in a single year.

The subsidiary **Helicol (Helicopteros Nacionales de Colombia, S.A.)** is formed in **1958** to offer rotary-wing air taxi services into the countryside, as well as Ecuador and Peru, from bases at Bogota and Barranquilla. The fleet comprises 68 passenger planes, including a dozen freighters. Bookings reach 1,435,712.

A DC-4, en route from Miami to Lima with 14 aboard, disappears near Casma, Peru, on June 23, **1959**; the wreck is found near Mt. Baco the next day and there are no survivors. During the year, 4 L-749As join the fleet, including 1 from **Trans World Airlines (TWA)** and 3 from **British Overseas Airways Corporation (BOAC)**.

On January 21, **1960**, as the result of a faulty landing approach, the L-1049E *Colombia*, with 46 aboard, crashes into Montego Bay, Jamaica, and explodes (37 dead). On June 30, an order is placed for 2 Boeing 720Bs, while a B-707-121 is chartered from **Pan American World Airways (1)**. Employing the leased Pan Am Boeing 707-121, *Clipper America*, the carrier launches jet service on the New York via Miami route on October 16. In terms of passenger kilometers flown, the carrier closes the year ranked as the fourth largest airline in Latin America.

A Bristol 170 Mk. 31E with three crew is destroyed as the result of a bad landing at Ibiza on October 1, **1961**; there are no fatalities. The first of 3 B-720-059Bs earmarked for the company makes its maiden flight on October 19.

In a ceremony at Seattle on November 8, President Juan Pablo Ortega accepts the first B-720-059B, which is christened *Bolivar*. The second B-720-059B, *Santander*, is delivered on November 24. The new aircraft are both named in honor of revolutionary heroes.

Both are placed into service on the New York run from Bogota via Kingston, Montego Bay, and Miami, on December 1; first-class passengers are promised that they will soon enjoy *Red Ruana* service.

The *Clipper America*, leased from **Pan American World Airways (1)**, is now returned. During the year, the remaining 2 L-1049Es are modified to L-1049G standard.

The fleet in **1962** now comprises 25 DC-3s, 12 DC-4s, 2 B-720-059Bs, 4 L-749As, 3 L-1049Es/Gs, and a variety of miscellaneous types. With the introduction of the carrier's new timetable on January 16, AVIANCA introduces fine Red Ruana amenities in first class. Stewardesses introduce new Red Ruana jackets and capes as part of their uniforms.

The Lockheeds are relegated to domestic trunk routes on January 19 as the Boeings begin the carrier's all-jet intercontinental service.

A Bristol 170 Mk. 31E with three crew is destroyed as the result of a bad landing at Valencia on April 19; there are no fatalities.

In October, the Lima route is extended to Buenos Aires and a new route is opened to Mexico City via Panama City.

Boardings for the year are 1,074,909.

In September **1963**, **SAMSA (Sociedad Aeronautica de Medellin, S.A.)**, having gone into liquidation, is purchased; despite protests from **Aerocondor (Aerovias Condor de Colombia, S.A.)**, the new subsidiary is revamped and allowed to continue operations under its previous identity. Problems of integration are highlighted by a pilots' strike November 20–26. Still, bookings for the year climb to 1,354,496.

In **1964**, AVIANCA is the first South American airline to place orders for B-727s.

A DC-3 with 28 aboard disappears while on a March 22, **1965**, Bogota–Bucaramanga flight. The wreck is found two days later near Pan de Azucar Peak and there are no survivors. The third B-720-059B is delivered on April 8; christened *Narino*, she is placed into service at month's end.

On October 17, the DC-3 *Ciudad de Managua*, with 18 aboard, collides with a small aircraft over Bucaramanga while on a domestic flight; both planes crash (19 dead). The first B-727-59 is delivered late in the year.

B-727-59 service begins in early **1966** as a route is opened to Manaus, Brazil, via Leticia. As the result of the pilot's having a heart attack, a DC-4 with 61 aboard crashes into the Caribbean after takeoff from

Crespo Airport, Cartagena, on a January 14 domestic flight (51 dead). On Christmas Eve, a DC-3 with 29 aboard goes down near the Cascubel River; there are no survivors.

Airline employment in **1967** stands at 7,530. The fleet now comprises 3 B-720Bs, 4 B-727-59s, 14 DC-4s, 16 DC-3s, 3 L-1049Es/Gs, 3 L-749As, plus 2 C-54 and 2 C-47 freighters. Orders are placed for 1 B-707-320C, 2 B-737-159s, and 2 Hawker Siddeley HS 748s. A B-727-59, the first of an order for 12, is delivered on January 16 and is christened *Camilo Torres*; in early February, she begins flying a route to Santiago de Chile.

Upon entering service, the new trimotors are the first company aircraft to display the new red and white color scheme chosen to replace the ancient blue and white Condor motif. The name "AVIANCA-Colombia" is displayed in black and white block titles and the Condor logo on the tail is replaced by small Colombian flags. It is quickly learned that the new jetliners lack sufficient cargo space and thus the order is switched so that the last 2 delivered will be Dash-259s.

A DC-3 with 17 aboard crashes near Sogamoso on April 27; there are no survivors. On September 9, another DC-3, with 20 aboard and en route from Barranquilla to Magangue, is hijacked by three passengers and forced to land at Santiago, Cuba. The plane and its passengers return to Cuba next day minus the three pirates, who are granted political asylum.

The former **Pan American World Airways (1)** B-707-321B *Clipper Bald Eagle* is acquired on September 8 and rechristened *Bolivar*; it enters long haul service in November. Enplanements for the year total 1,757,835.

On March 5, **1968**, a DC-4 with 4 crew and 28 passengers is hijacked by 1 Jordanian and 2 Colombians while on a domestic flight from Riohacha to Barranquilla. The pirates force the plane to fly to Havana, where it arrives nearly out of fuel from battling strong head winds; after the pirates deplane, the Douglas is allowed to return to Colombia. In Cuba, the Colombians are able to obtain medical aid for their sick Mideast leader.

A B-707-359B is received new from Seattle, also in March; christened *Sucre*, it is placed on the international service on April 1. The first HS 748 Series 2A is received from Great Britain on September 7.

In a rare double hijacking, two "Castro Sympathizers" simultaneously hijack two airliners, a B-727-59 and a DC-4 with a total of 139 passengers and crewmen, during their September 22 domestic flights from Barranquilla and force them to fly to Cuba, landing at Camaguey and Santiago, respectively, three hours apart. One plane returns the next day and one on September 24.

Another brand new B-737-159 is delivered on November 20 and, in December, the "Baby Boeing" joins the HS 748s in flying domestic routes as the Constellations begin retirement. During the year, **Pan American World Airway's** shareholding is reduced to 25%.

On January 7, **1969**, a DC-4 on a domestic flight from Riohacha to Maicao with 60 aboard, is seized and forced to fly to Havana. J. G. Caro Montoya, 18, is seized at Cartagena, on March 11 during an attempt to divert an airliner from a domestic flight; he is wounded in the process and an airline employee, mistaken by police for a hijacker, is shot dead.

On April 5, nonstop service is initiated from New York to Barranquilla. A man wielding a knife forces a domestic flight to be diverted to Cuba on April 15. On May 20, 4 gunmen force a B-737-159 with 59 passengers and on a domestic flight from Bogota to Pereira, to fly to Havana.

The company wins permission on May 26 to extend its services to Los Angeles and San Francisco and Bogota–Los Angeles service begins on July 2.

Meanwhile, three men and a woman hijack a DC-4 on June 20; they allow the plane to land and discharge its passengers before proceeding to Havana.

A skyjacker unsuccessfully attempts to take over a DC-4 just after its takeoff from Barranquilla on July 10 on a flight to Santa Maria; the aircraft, with the subdued pirate, returns to its point of origin.

Three armed men force a DC-4, flying from Santa Marta to Riohacha on August 4, to fly to Havana.

On August 23, an HS 748 with 30 aboard and en route from Bucaramanga to Bogota, is hijacked by two passengers with revolvers and is forced to fly to Cuba; the plane returns to Colombia with its passengers next day. Also in August, the last L-1049G Super Constellation is withdrawn from service, later to be scrapped.

One more B-720B is acquired, from **Western Airlines**, on September 24. On November 13, a DC-4 with 61 passengers and en route from Cucuta to Bogota, is seized by 6 armed men who order it flown to Cuba. During a refueling stop at Barranquilla, the pirates allow a pregnant woman and another passenger to deplane.

A total of 1,935,516 passengers are carried systemwide on the year.

The carrier completes the introduction of its now well-recognized bright "AVIANCA Red" color scheme in **1970**, completely replacing the older livery originated by **Pan American World Airways (1)**. Two DC-4s and 4 DC-3s are replaced by another B-707-359B.

The airline is plagued by skyjackings during the first half of the year. On March 11, a B-727-21 with 78 passengers and en route from Bogota to Barranquilla, is hijacked to Cuba by 4 armed men. While on a May 21 domestic flight from Yopal to Sogomoso en Boyaca, a DC-3 with 26 passengers is also ordered to Havana. Range limitations require stops at Barrancabermeja and Barranquilla en route. A couple with 5 children in tow take over an HS 748, which is flying between Bogota and Bucaramanga, on May 31; it, too, is diverted to Cuba. Another B-727-21, with 99 passengers, is taken over during a Cucuta to Bogota service on June 26 and also sent to Cuba.

Freight is up 5.2% this year and passenger boardings rise 5.4% to 2,046,000.

A C-54E freighter with two crew is destroyed as the result of a bad landing at Bogota on January 21, **1971**; there are no fatalities.

B-707-320C service is started to Zurich on April 28. Meanwhile, the 2 B-737-159s are replaced by 3 B-727-59s.

The airline spends much of the spring season fending off more skyjacks. While en route from Barranquilla to Medellin on April 25, one of the passengers aboard a DC-4 attempts to take it over and divert it to Cuba, but is subdued by the crew and other passengers. Four days later, a skyjacker succeeds in capturing a B-707-320C en route from Los Angeles to Bogota; however, the aircraft is recaptured when it makes a refueling stop at Panama City. En route from Monteria to Cartagena on May 8, a DC-4 is hijacked to Maracaibo, Venezuela, by a single assailant who surrenders as soon as the Douglas touches down. A third unsuccessful hijacking occurs on June 21 when a lone gunman, attempting to take over a DC-4 flying from Monteria to Medellin, is overpowered by the plane's crew.

Bookings decline to 1,961,340. The employee population is 7,500 in **1972**. The unduplicated route mileage grows to 41,000 as direct, twice-weekly Bogota-Rio de Janeiro via Sao Paulo service is inaugurated on January 17.

A DC-3 with 3 crew and 18 passengers collides with a company C-54D carrying three crew and 18 passengers near Las Palamos, Colombia, on July 29; both planes crash and all aboard are killed.

Passenger boardings increase 3% to 2,022,000 and cargo is up 1.9%.

Juna Pablo Ortega retires as president in **1973** and is succeeded by Sabas Preteit. The fleet is increased by 2 additional B-720Bs. An upgraded "AVIANCA Red" color scheme is unveiled and is applied everywhere, especially upon aircraft.

En route from Pereira to Medellin on May 30 with 82 passengers aboard, a B-727-59 is taken over by four armed men who force it to land in Aruba, Netherlands Antilles, demand the release by Colombia of 39 political prisoners, and seek \$200,000 in ransom. As a show of good faith, 31 hostages are released. The next day, the Colombian government rejects the demands and the hijackers reduce their demand for a prisoner release and cut the ransom request to \$170,000. In the air over the Caribbean for a second day, the pirates return the plane to Aruba for a third time at dusk. On June 1, the jetliner is forced to fly to Buenos

Aires, but lands, instead, at Resistencia, Argentina. The next day, the pirates receive a \$50,000 ransom, abandon the aircraft, and disappear.

After an HS 748-2A with 4 crew and 40 passengers lands on a wet runway at Bucaramanga on July 5, it hydroplanes off the runway, crashes through the perimeter fence, and crosses a street, crashing into four houses; two people in the dwellings are killed.

En route from Villavicencio to Casanare in dense fog on August 22, a DC-3A with 3 crew and 14 passengers strikes a hill while on approach to its destination (16 dead).

On December 27, a DC-4 is lost to fire at Cartagena.

The year's enplanements rise to 2,132,718 and revenues are up by 20%.

The carrier marks its fifty-fifth anniversary in **1974**. Weekly departures from the U.S. to Colombia are increased to 29, due to the ever-growing popularity of that South American nation for vacationers; U.S. airlines will also increase frequencies.

Hijackers Carlos Arturo Tabares, Pedro Julio Rodriguez, and Jorge Hernando Avila seize a B-727-59 with 85 aboard during a May 10 domestic flight from Pereira, and land at Bogota, where they release 25 women and children and demand a \$300,000 ransom instead of the flight to Cuba originally required. The plane departs for Peru and Cali before returning to Bogota. The next day, Colombian police, disguised as maintenance workers, storm the plane, killing 1 hijacker, capturing the other 2, and freeing all the hostages. Of these, 14 passengers and a stewardess are hurt during the evacuation out emergency exits and off the wings.

Police in Cali storm a second B-727, a Dash-24C with 122 passengers, hijacked by Eduardo Martinez on July 24 during a Pereira to Medellin flight and kill this pirate as well.

Lost in rainy weather on a flight from Tumaco to Buenaventura on August 12, a Hipper DC-3 (modified with long-range fuel tanks and up-rated engines) with 3 crew and 24 passengers, crashes into Trujillo Mountain NE of Cali. There are no survivors and the wreckage will not be located for two months.

Passenger boardings for the year increase a slight 1.4% to 2,163,000 while freight swells 18%.

The fleet in **1975** includes 2 B-707-359Bs, 7 B-720Bs, 9 B-727-59s/24Cs, and 2 HS 748-B2s. An order is now placed for 1 B-747-124.

The carrier's U.S. and Canada advertising budget is increased to \$1 million. On a grim note, the body of a stowaway, which falls from the wheelwell of a B-707-359B over Biscayne Bay on March 22, is recovered by authorities, but is not identified.

Coming in from Bogota to Barranquilla in bad weather on September 30, a B-727-24C with 4 crew must make a second attempt to land, during which it hits trees 1,000 m. short of the runway and crashes; there are no survivors.

The former **Pan American World Airways (1)** B-727-21 *Clipper Wuchtrumme* joins the fleet on November 11. Passenger traffic jumps 10% as 2,384,000 passengers are carried, but cargo drops 15%.

The workforce in **1976** is 7,288. A new top management team, headed by Ernesto Mendoza, is appointed. The fleet is altered during the year as a leased B-707-320C is dedicated to an all-cargo route, 2 B-720Bs are sold, and 2 additional B-727-21s/221s are purchased.

En route from Pereira to Bogota on April 24, a B-727-21 with 30 passengers is hijacked by a man protesting the government's "neglect of the peasants." When the plane lands at its destination the pirate is taken in hand by police.

The nose gear of the former **Western Airlines** B-720B is damaged beyond repair as the result of a bad landing at Mexico City on August 16; there are no serious injuries reported, but the aircraft is written off.

AVIANCA's first wide-body, the B-747-124 formerly operated by **Continental Airlines**, is delivered in November. It is christened *Eldorado* and, following a ceremonial visit to the nation's four largest cities, is placed in service on December 6 over the Bogota-Frankfurt via San Juan, Madrid, and Paris route. The company is the first in Latin America to operate a Jumbojet, which is soon thereafter also introduced on

flights to Miami and New York (JFK). Freight traffic climbs 11% as passenger boardings advance 13% to 2,697,000.

The last remaining **Pan American World Airways (1)** shares are purchased in 1977 and the carrier is reorganized. Shareholding is now controlled by private Colombian interests (72%) and the national government (28%).

A bomb is taken from a B-720B at Bogota on January 4, shortly before its departure for Caracas with 125 passengers aboard. A B-707-359B is withdrawn in February.

Bookings skyrocket to 3,013,010. On revenues of \$184.4 million, the profit is \$7.1 million.

Airline employment is increased in 1978 to 8,022. The fleet is again altered as 2 B-707-320Cs and 1 B-727-259A are added and 1 B-720B is sold; an order is placed for a B-747-259B/C. A BAe (HS) 748-B2 is sold to **Dan-Air/Dan-Air Services, Ltd.** on March 23. Service is inaugurated to London, Rome, Rio de Janeiro, and Buenos Aires; unduplicated route mileage is thereby increased 33.1% to 55,277.

Two gunmen, falsely claiming to be armed, force a B-727-259 with 119 passengers and en route from Santa Maria to Bogota, to fly to Aruba and Curacao on May 11, gaining arms in the process; policemen and crew members overpower the pirates at the latter point. During the incident, a total of 2 passengers and 2 security personnel are wounded.

Passenger boardings jump 8.6% to 3,310,726 and freight is up 21.5%. Revenues increase to \$215.8 million, allowing a \$6.4-million net profit.

Airline employment is increased 1.4% in 1979 to 7,287. The oldest airline in the Americas celebrates its sixtieth anniversary in the spring. The B-747-259B/C enters service on June 8 along with 2 B-727-259As; 1 more B-720B is retired. Service is begun to Montevideo and La Paz.

Cargo dips slightly, but passenger boardings soar 19% to 3,956,000. The number of workers is increased by 10.7% in 1980 to 8,067. One B-707-320C is retired as orders are placed for 3 additional B-727-259As.

The B-720B *Santander* is damaged beyond repair as the result of a bad landing at Quito on January 27; there are no fatalities.

A B-727-259 with 137 aboard is commandeered on December 15 by members of the M-19 guerrilla group during a domestic flight from Bogota to Pereira. It is forced to land at Santa Marta and then Barranquilla, where 21 hostages are released. The aircraft takes off for Havana the next morning, spends the night at Panama City, and after making a refueling stop at Mexico City, arrives at the Cuban capital on December 17. There the remaining 54 hostages are freed as the pirates are taken into custody.

A B-727-259A is delivered on December 4 and on December 26 the B-727-259A order is increased to 5, at a cost of \$75 million.

Freight skyrockets 132% and bookings advance 2.1% to 4 million. In terms of passenger kilometers flown, the carrier now ranks as the fifth largest in Latin America.

The fleet in 1981 comprises 1 B-747-224C, 1 B-747-124, 5 B-707-320Bs, 2 B-707-320Cs, 3 B-720Bs, 7 B-727-200s, 7 B-727-21s, and 4 B-727-100Cs; orders are placed for 3 B-767-259ERs.

En route from Bucaramanga to Cucuta on February 6, a B-727-21 with 77 passengers is taken over by 2 men who protest the Colombian political situation. The aircraft is allowed to land at its scheduled destination and, after 10 hours of negotiations, the pirates surrender to police.

A B-747-124SF is leased from **El Al Israel Airlines, Ltd.** on July 21 for a year and on August 28, the carrier agrees to pay a \$31,000 fine to settle CAB complaints that it violates denied-boarding compensation rules in the U.S.

Passenger boardings fall 9% in the face of world economic recession to 3,661,988, but cargo climbs 39% to 199 million FTKs.

The workforce is reduced 3.6% in 1982 to 6,595. When the Israeli Jumbojet is returned in July, a second B-747-124SF is immediately leased from **World Airways**. A B-747-283B is chartered from **SAS (Scandinavian Airlines System)** on August 3.

Enplanements for the year are 3,764,549 and freight rises 17% to 232.8 million FTKs. Revenues earned are \$285 million.

Airline employment climbs 3.1% in 1983 to 6,800. A B-747-259B is chartered from Chemco on May 30 and is christened *Cartagena de In-*

dias. Withdrawn on July 16, the B-720B *Narino* is sold as is to the USAF for spare parts to support the KC-135E tanker upgrade program.

Later in the year, a B-727-21 is also retired.

En route from Paris to Bogota via an intermediate stop at Madrid on November 27, Flight 011, the chartered Scandinavian B-747-283B with 19 crew and 173 passengers, flying too low, strikes first one 2,247-ft. hill and then a second while on final approach to Madrid's Barajas Airport. The Jumbojet hits the ground with the right wing (which breaks off), cartwheels, and breaks into five pieces (181 dead).

Passenger boardings for the year dip to 3,759,000 and freight traffic is level. Revenues advance to \$322.7 million, but expenses are also up, 22.3%, to \$353.8 million, leaving a \$31-million operating loss.

The employee population is reduced 4.9% in 1984 to 5,990. Orders are placed for 3 B-767-200s and 1 B-747-123 is chartered on May 20 to replace the Jumbojet lost in Spain.

Boardings remain level at 3,966,738, while cargo is up 0.2% to 221.52 million FTKs. On revenues of \$404.1 million, a \$24.65-million loss is suffered.

The workforce roller coaster ride continues, as employment is increased 7.7% in 1985 to 6,419. A B-747-224C is briefly held by Miami officials early in the year when cocaine is found aboard.

Passenger boardings dip 3% to 3,660,000, and freight falls 11% to 194.25 million FTKs. Revenues drop 8% to \$370.6 million and the loss accelerates 24% to \$30.47 million.

In January 1986, Comercial Antiqueno Bank President Herman Rincon-Gomez is elected president of the airline and a whole new management team is put in place. Operationally, the airline's on-time record is but 66%.

In March, 2 B-727-2A1As are leased from the Intercredit Corporation. Two days after the airline's security chief leads an operation finding \$5-million worth of cocaine on a cargo jet preparing to depart for Miami, he is murdered in a drive-by shooting by gunmen on a motorcycle. Insurance executive Orlando J. Cabrales becomes president in November and at year's end, another B-727-21 is delivered.

During the year, the airline's \$170-million debt is renegotiated with various banks.

Customer bookings drop another 2.1% to 3,778,303 and cargo declines 10.3% more to 174.31 million FTKs. Revenues plunge to \$345.9 million, but costs are held low enough to allow an operating profit of \$14.5 million and net gain of \$2.8 million.

The workforce is cut 4.4% in 1987 to 5,356. A new livery is adopted for the company's 2 B-747 Jumbojets, 2 B-707-359Bs, 2 B-707-321Cs, and 19N727s. The Jumbojet chartered in May 1984 is returned during February.

Passenger boardings are off another 1.3% to 3,726,138 and freight plunges 11.7% to 153.98 million FTKs. Revenues advance upward to \$359.3 million and costs are held low, allowing an operating profit of \$14.8 million and net gain of \$3.3 million.

Airline employment moves ahead by 27.4% in 1988 to 6,825, but on-time performance sinks to but 32%. A fleet renewal program is initiated; 2 B-767-259ERs arrive under lease from GPA Group and enter service.

En route from Cucuta to Cartagena on March 17, Flight 410, a B-727-59 with 7 crew and 136 passengers, crashes into a mountain near the point of origin; there are no survivors.

Gonzalo Carreno hijacks a B-707-359B with 135 aboard on May 23 and forces it to fly to Panama and Aruba, where the passengers are allowed to deplane; the aircraft returns to Colombia where Carreno, who had been holding the plane with a toy grenade, vanishes into the countryside near Cartagena. He will be captured the next day.

The B-747-259B is briefly impounded at Miami by the U.S. Customs Service in June 4 after 422 pounds of cocaine are discovered in a shipment of 2,000 boxes of flowers. Indeed, the consignment contains only 22 boxes of real flowers (red roses), which are donated to Miami Baptist Hospital; the other 1,988 are filled with dope. A customs official tells the *Miami Herald* that this is the 14th time since January that agents have seized an AVIANCA jet with cocaine aboard at the Miami airport;

the seizure brings the amount of cocaine found aboard the Colombian airline's aircraft in that period to 5,000 pounds.

The airline is required to pay half of a \$7.5-million fine (\$3.5 million) to recover the Jumbojet and to install a large, new security system. In August, AVIANCA suspends cargo flights to Miami.

Customer bookings for the year decline again, down to 3,447,497. Still, a net \$5.3 million profit is generated on revenues of \$305.5 million.

The payroll remains unchanged in 1989. In April, the airline renews, for another decade, the unique airmail operation first initiated back in 1931. Under the arrangement, the company will be able to continue maintaining its own post offices, corps of postmen, and sell stamps.

Just after takeoff from Bogota on a November 27 service to Cali, a bomb explodes aboard Flight 203, a B-727-59 with 6 crew and 101 passengers, igniting vapors in an empty fuel tank which detonate, causing the trijet to disintegrate in midair; there are no survivors. The explosion is reportedly caused by Pablo Escobar's drug criminals seeking to kill 5 police informants believed aboard. There is national outrage over reports that police join looters in stripping the bodies of the dead for valuables.

Under the leadership of President Cesar Gaviria Trujillo, the nation's economy enters a neoliberal phase beginning in December that will lead to airline deregulation in less than three years. Since the beginning of the decade, the airline has paid out over \$14 million in drug-related fines, mostly in the U.S.

Passenger boardings swell 3% to 3,554,120, but freight plunges 37% to 80.12 million FTKs. The oldest airline in the Americas is now 70 years old.

Having arrived in rain and heavy fog at New York City after a January 25, 1990 service from Bogota via Medellin, Flight 052, a B-707-359B with 9 crew and 149 passengers, is forced into three holding patterns. The aircraft runs down to just 5 min. of fuel and is unable to make its initial approach into Runway 22L at JFK International Airport. During the go-around, the engines fail and the aircraft crashes into trees on a hill 12 mi. SE of the airport at Cove Neck on the north shore of Long Island (73 dead). Improper command of English by the flight crew in its communications with ATC are judged a contributing factor in the disaster. Peter Garrison reviews the accident, "AVIANCA 052: How Did It Happen?" *Flying* 118 (October 1991): 44-47.

A B-727-264A, first flown by **Mexicana Airlines, S.A. de C.V.** as the *Mexicali*, arrives under lease later in the first quarter.

Just after takeoff from Bogota on an April 26 service to Barranquilla, a member of the M-19 guerrilla group gets out of his seat aboard the former *Mexicali* and opens fire on a candidate for Colombia's presidency. Security men for the dead politician open fire, killing the perpetrator.

The company receives its first B-767-259ER, wearing the company's new red and white color scheme, under charter in March; a second wide-body arrives on August 14. The January accident, combined with recession and fear of terrorism in the wake of Iraq's August invasion of Kuwait, leads to a 10% decline in customer bookings to 3,204,672. Cargo, however, grows 5% to 84.21 million FTKs.

The payroll is reduced by 13.6% in 1991 to 5,900 and the fleet now includes the 1 remaining B-707-321B, 2 B-707-359Bs, 1 each leased B-727-35 and B-727-51, 5 B-727-59s, 1 B-727-24C, 3 chartered B-727-264s, 2 leased B-727-2A1As, 1 leased B-727-2H3A, 2 chartered B-727-2Q9As, 3 leased B-727-259As, 1 chartered B-747-259B, and 2 chartered B-767-259ERs.

A heavy expenditure and the employment of expert staff, trained dogs, and more careful checks begin to make a dint on the drug problem. Late in the year, a special agreement is reached with the U.S. Customs Service allowing the airline to fly belly cargo in its B-767-259ERs to U.S. destinations. Alvaro Jaramillo Buitrago is appointed president/CEO in December.

By year's end, the company has been able to pay down \$115 million of its \$170 million debt, not including \$55 million in interest payments made.

During the year, Colombian President Trujillo, a champion of free markets, permits domestic airline liberalization. The national civil avia-

tion department, AeroCivil, approves new airlines and awards new routes, while dropping its policing of ticket prices. Consequently, AVIANCA begins to face competition from several start-ups.

This deregulation of the Colombian airline industry rocks the company as its share of domestic passenger traffic begins to fall from 61.36% to 58.21%.

Still, passenger boardings inch up 2% to 3,270,291 while freight climbs 19% to 99.83 million FTKs. Expenses exceed income and there are losses: \$34.8 million (operating) and \$51.26 million (net).

The employee population is sliced 30.2% in 1992 to 4,325 as all of the Stratoliners and two B-727-59s are retired. In January, AVIANCA becomes the last of the major Latin American carriers to complete a fleet renewal program when it signs a contract with GPA Group for the lease of 11 McDonnell Douglas MD-83s. Also in January, the company's Condor computerized reservations system comes on line; it is an off-spring of the Maxipars system of **British Airways, Ltd.** (2).

At the same time, the carrier is able to acquire 58% of its own foreign debt, with a discount of 53%, thus reducing its debt, in foreign currencies, to \$21.1 million. The first MD-83 is delivered on March 20 as the company now begins to coordinate its schedules with subsidiary **SAM Colombia Airlines, S.A.** in order to reduce overlapping and increase efficiency. The ex-*Mexicali* is returned in September.

Customer bookings fall 1.2% to 3,231,339 and cargo plunges 11.4% to 88.4 million FTKs. Revenues ascend 8.5% to \$438.95 million, but expenses shoot up 17% to \$473.28 million. Consequently, the operating loss is slightly higher at \$34.32 million and the net loss is cut to \$6.77 million.

In 1993, Chairman Augusto Lopez and President Alvaro Jaramillo oversee a workforce of 5,900, up 36.4% over the previous year. The fleet is increased by the addition of 11 leased McDonnell Douglas MD-83s, 2 B-757-2Y0s, and 6 Fokker 50s, the first of the latter arriving on May 4.

The new turboprop is the first high-performance Fokker 50 and it enables the company, on June 1, to inaugurate a new route from Bogota to the airport at Manizales in western Colombia, which is located at the 6,600-ft. level.

Markets served from Bogota now include Buenos Aires, Caracas, Frankfurt, Lima, Los Angeles, Madrid, Manaus, Miami, New York, Paris, Quito, Rio de Janeiro, and Santiago de Chile.

The government's regulatory body, Aerocivil, transfers all maintenance and safety responsibility to the nation's individual airline operators.

In July, a marketing alliance is signed with **SAETA (Sociedad Anonima Ecuatoriana de Transportes Aereos, S.A.)** and, in September-October, a joint code-sharing roundtrip service is inaugurated over a route from Bogota to Cuzco via Guayaquil. Older B-727-59s are retired as the new MD-83s enter service later in the year.

Passenger boardings decline another 2% to 3,169,081 while freight suffers a 42% downturn, falling to 50.9 million FTKs. The year's losses are \$7.2 million (operating) and \$5.15 million (net).

The workforce is cut to 4,200 in 1994. The company celebrates its seventy-fifth anniversary in the spring and adopts an all-white aircraft color scheme with red titles. All of the new aircraft are on hand by spring, giving AVIANCA the youngest overall fleet in the Americas. A new Fokker 50 is damaged at Cucuta on May 28.

On August 14, the former **SAS (Scandinavian Airline System)** B-767-383ER *Astrid Viking* is leased long-term for use on the service from Bogota to Miami. Membership is taken in the Latinpass frequent flyer program and services are inaugurated to Bahia, Quibdo, Sao Paulo, and Newark.

An arrangement is concluded with Grupo Bavaria under which AVIANCA takes management control of **SAM Colombian Airlines, S.A.** and the air taxi-helicopter operator **Helicol, S.A.**

Although the government of new President Ernesto Samper is more conservative, it cannot put the liberalization genie back in the bottle. Domestic airlines, including AVIANCA, continue to add capacity, start new routes, cut fares, and engage in fare wars.

Customer bookings recover, climbing 19.5% to 3,786,510, while cargo continues its slide 2.5% to 27.34 million FTKs. Revenues advance 17.4% to \$405.6 million while expenses swell 16.4% to \$410.23 million. The operating loss is cut to \$4.62 million while the net loss advances to \$11.98 million.

Airline employment is increased a huge 77.1% in **1995** to 5,900.

Losing market share to other domestic airlines under deregulation, the company begins a major restructuring program during the first quarter. Thirteen levels of bureaucracy are reduced to 5 and the number of vice presidents is dropped from 8 to 5; in addition, 50 divisions are cut to just 26. It will require two years of work with management and unions for details to be worked out.

Having been convicted for his role in the 1989 bombing of Flight 203 over Bogota, Dandeny Munoz-Mosquera, a top Medellin drug cartel hit man, is sentenced on May 5, by the Federal Court in Brooklyn, New York, to 10 consecutive life terms. Captured the previous year, Munoz-Mosquera is the first person to be tried, convicted, and sentenced under a 1986 U.S. antiterrorism statute that makes it a federal crime to kill U.S. citizens abroad; two of those aboard Flight 203 were Americans.

The U.S. FAA downgrades Colombia in October from safety Category I to Category II. AVIANCA calls upon Aerocivil to improve air safety while taking the responsibility to have its own aircraft delivered in or retrofitted with TCAS and GPS avionics.

Traffic figures for the year are mixed. Passenger boardings increase by 2% to 3,860,869, but freight continues its downward spiral, falling 17% to 40.40 million FTKs.

The workforce stands at 3,400 in **1996**. Domestic market share reaches 42%, more than twice that of AVIANCA's nearest rival. Still, it is down 17 points since deregulation began in 1991.

In December, the company decides to repaint several of its older aircraft in distinctive new color schemes. A B-727-2A1A receives the treatment and promotes AVIANCACIONES with billboard-sized titles. The lone B-727-2H3 is given a red fuselage, a white tail with AVIANCA titles, and the word BANCOQUIA painted in huge letters along its side.

In December, the carrier enters into a marketing and blocked-seat agreement with **American Airlines** for code-sharing services over U.S. routes beyond its gateways at New York, Los Angeles, and Miami. The pact, along with several others involving AA in Latin America, will be held up in regulatory disputes.

Traffic figures remain mixed. Customer bookings climb another 4% to 4,060,297 while cargo drops another 13% to 40.54 million FTKs. A net \$2.96-million profit is celebrated.

During the spring of **1997**, a dual-designator alliance is signed with TACA Group. A recession during the spring significantly impacts the carrier's restructuring efforts.

Pursuant to a formal April agreement, code-sharing begins in May between AVIANCA and **American Airlines**. The two coordinate schedules and allow the passengers of each airline to make connecting flights to either network with one ticket.

At the end of August, the company, in cooperation with Colombia's leading hotels, unveils a major cut-rate vacation package for North American passengers who wish to winter in the nation. The plan is part of an \$8.5-million effort to upgrade facilities, equipment, security, and to promote tourism.

In October, the decision is taken by AVIANCA to restructure its domestic network. All flights fewer than 90 minutes are assigned to **SAM Colombian Airlines, S.A.**, leaving the major to concentrate on domestic trunk routes and international services.

In November, services and marketing of both AVIANCA and **SAM Colombian Airlines, S.A.** are placed under the direction of Vice President Juan Manuel Beltran.

Enplanements this year total 3.86 million. Revenues this year reach \$708.8 million, with expenses pegged at \$672.3 million. As a result, there is a \$36.5-million operating profit and a net gain of \$4.2 million, which is later adjusted downward to \$2.54 million.

Airline employment stands at 2,926 in **1998**. The 22-plane fleet is 86.4% Stage III certified and includes 3 B-727-200s, 4 B-757-2Y0s, 4 B-767s, and 11 MD-83s.

One of the largest privately owned airlines in South America, the carrier operates more than 170 departures daily to over 20 destinations in Colombia and 18 international destinations on 5 continents.

On November 19, a \$3-million contract is signed with **World Airways**. Under its terms, a wet-leased MD-11 will be operated on ACIANCA's behalf on daily nonstop return passenger services from Bogota to New York (JFK) between December 10 and January 17.

Passenger boardings during the 12 months slide 2.4% to 3.77 million. Despite revenues of \$504.3 million, there is a \$5.5-million net loss.

Just after takeoff from the northwest city of Bucaramanga on April 12, **1999**, on a service to Bogota, Flight 9463, a Fokker 50 with 5 crew and 41 passengers, is taken over by 5 members of the Cuban-backed National Liberation Army (ELN). Posing as businessmen, the pirates force the aircraft to land on a clandestine airstrip near Simiti, some 80 mi. NW of Bucaramanga. The same strip had earlier been dynamited by government troops because of its use by drug runners. After landing, the hostages are spirited down the Magdalena River in northern Bolivar province by canoe. Among the hostages are Congressman Juan Manuel Corso, two senior directors of Ecogas, and an American citizen who is a resident of Mexico. The skyjacking is somewhat ironic in that U.S. officials are currently meeting with Colombian President Andres Pastrana to review his country's dire human rights record.

Hundreds of Colombian soldiers and police, including counterinsurgency specialists and crack commandos, unsuccessfully search by air and ground. The next day, 5 elderly hostages and a baby are released, due to the intervention of the International Committee of the Red Cross. The other prisoners remain missing.

Two additional captives are released on April 16. On April 26, the ELN issues a statement announcing that its is preparing to free the passengers and crew and will issue a proposal to end the nation's long-running war. The group warns that the hand over will go ahead only if the government pulls security forces out of a rural area around the northern town of Simiti. It also demands that it return radio-telephones, confiscated in the wake of the hijack, to jailed ELN leaders Francisco Galan and Felipe Torres, who will coordinate the release operation.

In response to the ELN message, the government of President Pastrana indicates that it will not meet any demands issued by the Marxist rebels for the release of the hostages, period. At this point, a curtain of silence descends upon the case.

On May 5, it is announced that the carrier has selected Worldwide Flight Services to provide passenger and skycap services, effective May 16, for its B-757-2Y0 services at Newark.

Two days later, the ELN releases seven additional hostages; the action gains the group little good will. Eight more go free on June 18.

During the summer and fall, the carrier enters into alliances with **SAM Colombia Airlines, S.A.** and **COPA (Compania Panamena de Aviacion, S.A.)**. Grupo TACA provides a leased B-767-3S1 on a short-term September 6-January 4 lease.

Late in the year, Colombia's airline safety is recertified by the U.S. FAA. At the same time, Valores Bavaria, S.A. injects \$50 million in new capitalization for fleet expansion.

Overall customer bookings drop 3.1% to 3,656,000 and 61.09 million FTKs are operated.

A marketing and code-sharing agreement is signed with **Mexicana Airlines, S.A. de C.V.** on February 24, **2000**; dual-designator flights will be offered between Colombia and Mexico and joint services will be provided to one another at the Bogota and Mexico City hubs.

Eight more hostages are released on April 18 from the Fokker 50 hijacked on April 12, 1999; five people are still held.

As a result of the recertification, the U.S. and Colombian regulatory agencies, in late spring, agree to an increase in the number of flights

between the two nations. In June, AVIANCA is allocated seven frequencies, three of which will begin this year and four in 2001.

The company celebrates its sixtieth anniversary on June 14.

AVIANCA INTERNATIONAL: 394 Flight Line Drive, Macon, Georgia 31297, United States; Phone (912) 788-1200; Fax (912) 788-3845; Year Founded 1988. Avianca is set up at Middle Georgia Regional Airport in 1988 to provide private and corporate charter and air ambulance service throughout the Southeast and Caribbean. Within 12 years, the company employs nine pilots and flies two Learjet 25Bs and a Learjet 25D.

AVIANOVA, S.p.A.: Italy (1986–1996). Organized as a fifty-fifty partnership between **Alisarda, S.p.A.** and **Aero Transport Italiana, S.p.A. (ATI)**, Avianova is formed at Rome in September 1986. Felice Molinaro is named president with Sebastiano Barrera as general manager.

A fleet of 3 Avions de Transport Regional ATR42-200s is transferred from **Aero Transport Italiani, S.p.A. (ATI)**. Scheduled revenue services are inaugurated, primarily over thin routes, on behalf of **Alitalia, S.p.A., Aero Transport Italiani, S.p.A. (ATI)**, and **Alisarda, S.p.A.** in August 1987, linking the company base with Rome and Milan. The network is expanded in October with frequencies initiated to Bari, Catania, and Bologna.

Between 1988 and 1990, the fleet is increased to 8 ATR42-200s. Destinations now visited include not only those noted above but Florence, Munich, Vienna, Perugia, and Rimini. Vacation and tour flights are made to various destinations throughout Europe and the Mediterranean islands. The Rome-based small regional **Aliblu, S.p.A.** is taken over in 1989 and merged as the Alitalia group acquires an interest and company headquarters are transferred to Rome. In late fall 1990 the company joins with the West German regional **Delta Air Regionalflugverkehr, GmbH.** to provide five-times-per-week service between Florence and Stuttgart.

Two more ATR42s are added in 1991 and one of the shareholders, **Alisarda, S.p.A.**, is renamed **Meridiana, S.p.A.** Giuseppe Sebastini becomes general manager in 1992. **Meridiana, S.p.A.**, which takes over many of the regional's international routes, divests its 50% shareholding in December. It is acquired by the IMI Bank of Luxembourg, S.A.; ICCRI Brussels Lambert S.p.A., and Meridiana Finance, S.p.A., all of which are owned by IRI, the state holding company for **Alitalia, S.p.A.** Enplanements total 328,398; the international percentage of this figure is down by half.

Airline employment stands at 150 in 1993 and the fleet includes 11 ATR42-300s. Indirectly 100%-owned by **Alitalia, S.p.A.**, the regional original red and blue livery is changed to that of the Alitalia group. It continues to undertake 75% of its replacement services for its flag line partner; however, it also continues to operate for **Meridiana, S.p.A.** between Florence and Zurich and, during the summer, to Olbia.

Avianova flights link Florence with Milan, Munich, and Vienna. Additionally, services are offered from Milan to Perugia, from Rome to Rimini, and, seasonally, from Olbia to Florence and Perugia and from Milan to Bastia. Passenger boardings inch up 1% to 82,162.

The fleet is expanded in 1994 through the addition of 3 ATR72-210s. Traffic figures are only reported through the first half of the year and, as of June, show customer bookings up 4.1% to 38,992.

Under a plan to cut costs, **Alitalia, S.p.A.** in April 1995 orders 15 Fokker 70s for its subsidiary. In addition to markets around Italy and Germany, France, and Switzerland are visited from Florence, Milan and Rome, and the carrier also begins services from Turin and Bologna. The first three Fokkers are received in December.

During January 1996, the new Fokker 70s begin replacing the major on its thinner domestic and regional routes.

The remaining Fokker 70s arrive by summer. On November 1, Avianova is absorbed into **Alitalia, S.p.A.**, where it forms the nucleus of Alitalia Team, a new low-cost division.

AVIAOBSHEMASH SHAREHOLDERS AIR COMPANY: Box 70, 3 3rd Mytischenskaya St., Moscow, 129626, Russia; Phone (095) 287-0113; Fax (095) 287-7859; Code OBM; Year Founded 1992. This joint stock company, also known as Aviaobshemash Airline, is established at Moscow in 1992 to provide domestic and international passenger charters, largely on behalf of the Russian space industry. Gennadi P. Onopriyenko is general director and he begins revenue flights with a fleet that initially includes 2 Yakovlev Yak-40s, 8 Antonov An-12s, 3 An-24s, 7 An-26s, 2 An-32s, and 1 Ilyushin Il-76T.

By 1998–2000, Director General Onopriyenko oversees a workforce of 20 and services provided by 1 each Antonov An-12, An-24, 2 An-26s, 2 Yak 40s, and 1 Ilyushin Il-76T.

AVIAPRAD AIR COMPANY: 1B Utrennig Pereulok, Ekaterinburg, 620025, Russia; Phone 7 (3432) 26 6961; Fax 7 (3432) 26 6961; Code VID; Year Founded 1996. Aviaprad is set up at Ekaterinburg (Sverdlovsk) in 1996 to offer nonscheduled international and domestic all-cargo services. A workforce of 71 is assembled by DG Anatoli Paderov and two Ilyushin Il-76TDs are acquired. Revenue flights are launched and continued to destinations throughout the CIS, as well as to London (STN), Ostend, China, and Ras al Khamah in the U.A.E.

AVIAPRIMA AOZT: Russia (1994–1996). Aviaprima is established at Sochi Airport in 1994 to fly charter passenger services throughout the CIS and into Western Europe. V. P. Soikhanov is appointed general manager and he begins revenue services with a fleet that comprises an unspecified number of Tupolev Tu-154s and Tu-134s, plus Ilyushin Il-18s.

An order is placed for a B-737-500, but it is not delivered as the company goes out of business in 1996.

AVIAPRIMA SOCHI AIRLINES. See SOCHI AIRLINES

AVIAROSS AIR COMPANY (AVIAROSS AVIACOMPANII): P.O. Box 10, Moscow, 115582, Russia; Phone 7 (095) 459-0414; Fax 7 (095) 392-1994; Code DW; Year Founded 1993. Aviaross is founded at Moscow in 1993 to provide domestic passenger and cargo charter services. General Director Boris S. Baldin begins revenue flights with a pair of Antonov An-12s.

Two An-32s are ordered in 1994. These arrive and enter service in 1995. It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

AVIASTAR: Prospect Antonova 1, Ulanovsk, Russia; Phone 7 (8422) 202 575; Fax 7 (8422) 209 561; Code FUE; Year Founded 1992. Formed at Ulyanovsk in 1992 as the transport division of a local production company, Avistar is one of many small carriers formed upon the breakup of the Soviet Union. V. V. Mikhailov is named general director and he acquires a fleet that includes 3 Antonov An-26s, 1 An-8, 1 An-12, 2 Yakovlev Yak-40s, 4 Ilyushin Il-76s, 1 An-124 Ruslan, and 2 Mil Mi-8 helicopters. Scheduled and nonscheduled passenger and cargo services are undertaken throughout Russia, the CIS, and to several neighboring countries.

The company is best remembered as the first to crash a giant Antonov An-124-100 Ruslan cargo freighter. Having leased one from the Ulyanovsk Aircraft Production Factory, the plane has only 17 hours flying time when it is crashed in Iran on November 15, 1993.

Flights continue in 1994–1995, during which years the Il-76s are withdrawn. In July 1996, the carrier proposes an upgrade for the Ruslan. The An-124-130 will be equipped with 4 General Electric GE CF6-80 engines and be flown by an 8-person crew (4 flight crew and 4 engineers or loadmasters).

There is no indication that such an aircraft is flown in 1997–1999. DG Mikhailov's fleet in the latter year includes 2 each An-12s, Mi-8s, and Yak-40s, 3 An-26s, and 1 Il-76T.

AVIATA (TAMBOV AIRLINE): Tambov Airport, Zone ATD, Tambov, Central Regional Zone ATD, 392019, Russia; Phone 7

(052) 322108; Code TVL; Year Founded 1996. The regional scheduled and charter carrier Aviateca is established at Tambov in 1996. Alexander I. Frovlov is CEO and he begins revenue flights, including various nonpassenger aerial services, with 8 Antonov An-24s and 30 An-2 biplanes.

AVIATECA (AEROLINEAS DE GUATEMALA, S.A.): Avenida Hincapie 12-22, Zona 13, Guatemala City, Guatemala; Phone 502 (2) 318 261; Fax 502 (2) 347 846; http://flylatinamerica.com/acc_aviateca.html; Code GU; Year Founded 1946. The Guatemalan government establishes this locally owned national airline (the first in Latin America) at Guatemala City in March 1946. Initially, the government takes 30% interest and invites interested private parties to assume the remainder; when subscribers do not step forward, the entire shareholding is taken by the state on July 20, and the new entrant is named AVIATECA (Empresa Guatemalteca de Aviacion, S.A.).

The airline does not immediately begin services, waiting until July 7, 1948 to launch international Douglas DC-3 and Curtiss C-46 flights to Belize and San Jose, Costa Rica. Traffic does not warrant maintenance of the routes and they are cancelled by year's end.

The carrier now concentrates on developing its domestic route network and operations continue apace in 1949–1951. The old Ford Tri-Motor, 5-AT-74, acquired during the carrier's formation, is sold to the Northwest Agricultural Aviation Corporation in Montana in March 1950.

On May 2, 1952, the government orders a probe of the carrier's continuing financial problems, which have resulted in a \$260,000 deficit.

The most spectacular events of the next two years are air disasters.

En route from Guatemala City on an all-cargo service, a C-46D with two crew smashes into Tecpan Mountain on December 15, 1953; there are no survivors.

A DC-3 with three crew and seven passengers is lost in a landing accident at Guatemala City on October 8, 1954; although the aircraft must be written off, there are no fatalities.

In 1955, the U.S. CAB grants the carrier permission to fly cargo to New Orleans from Guatemala City under terms of a three-year certificate; simultaneously, it is permitted to fly passengers from Guatemala City to Miami via Belize. In 1956, the carrier loses two domestic service aircraft within one week.

En route from Puerto Barrios on May 24, a DC-3 with 3 crew and 28 passengers is lost near Panzos, N of Guatemala City (30 dead). A second Douglas transport, with 30 aboard, goes down on May 30; there are no survivors.

All-cargo services to New Orleans commence during the summer. The primary northbound lift is consumed by chicle, fruit, and flowers, with general merchandise flown south. Passenger frequencies to Miami are inaugurated with a DC-4 in May 1957. The CAB authorizes flights to Houston in 1959, but once started they are soon terminated for lack of traffic.

In August 1961, the company obtains the former **Pan American World Airways (1)** DC-6B *Clipper Viking*, renaming it *Chichicastenango*; a second Douglas follows at the end of the year. During the middle 1960s, AVIATECA, now also flying Fairchild C-82 Packets, is allowed to fly to Miami, San Salvador, and Mexico City. Service is also opened to San Pedro Sula in Honduras.

A DC-3 is lost under unexplained circumstances at Guatemala City on April 5, 1962.

Following a careful examination of competing types, CEO Col. Aguillar announces at Guatemala City in November 1970 that the first jetliner to be purchased by the company will be a British Aircraft Corporation BAC 1-11-516. The first jetliner, a BAC 1-11 518 chartered from **Court Line Aviation, Ltd.**, enters service at month's end.

Wearing a yellow and orange livery, the BAC 1-11-516 is delivered on March 25, 1971 and, in public ceremonies, is christened *Quetzal*. The **Court Line Aviation, Ltd.** BAC is returned on April 6.

While climbing away from Cerro Alux, Guatemala, on May 11, a Curtiss C-46A with 3 crew and 29 passengers crashes into the mountains (five dead).

Flights begin to the Yucatan city of Merida in Mexico in September 1972; the city is added to the New Orleans route the following June. With Mexican service intermittent during the decade due to bilateral treaty difficulties, the airline further develops at home, starting frequencies to the tourist towns of Flores and Puerto Barrios. The last C-46 is withdrawn at the beginning of 1973.

A Convair CV-440 is delivered in March 1974. Later in the year, the airline is renamed Aerolineas de Guatemala, S.A. and new livery, logos, and uniforms are unveiled.

Two CV-340s are acquired in 1975; they are christened *Tikal* and *Quirigua*.

A DC-3 is damaged beyond control by a Tikal Petan fire on February 17.

Formerly operated by **Court Line Aviation, Ltd.**, a second BAC 1-11-518 is purchased in September.

En route from Uxactun on November 18, a DC-3 with 4 crew and 18 passengers crashes in Peten State (15 dead).

In 1976, in cooperation with the Spanish flag line **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, which supplies the equipment and crew, AVIATECA begins "The Route of the Mayans" DC-10-30 service to Madrid via Santo Domingo.

Just after takeoff from Guatemala City on April 27, 1977, the No. 1 engine of a CV-440 with 6 crew and 22 passengers, fails, forcing the pilots to attempt an emergency landing in rough terrain. The Convair crashes during the maneuver and there are no survivors.

A DC-3 is destroyed on September 30 as the result of a bad landing at Flores; one passenger is killed.

By early 1978, President Enrique Valladaree Morris's 550-employee airline has stopped its transatlantic flights, preferring to improve its regional network instead.

In April, a BAC 1-11-523, previously flown by **Transbrasil, S.A. (Linhas Aereas)**, is acquired. The aircraft is barely received when, in May, the decision is taken to sell it to **Cayman Airways, Ltd.**

While on final approach to La Aurora from Guatemala on June 8, the cargo of cows and horses aboard a DC-6B with three crew, becomes unbalanced, causing the pilot to lose control. The Douglas crash-lands on a small soccer field surrounded by houses without hitting any dwellings, but the plane is destroyed and all of its occupants, human and animal, are killed.

A bird strike while on takeoff from Flores on July 26 causes the crew of a DC-3 to attempt a forced landing at the end of the runway; the Douglas goes off the end of the concrete into a swamp and sinks. There are no fatalities.

In 1979–1980, AVIATECA replaces its British-made jetliners and larger propeller airplanes with 3 Boeing 727-173Cs, originally flown by **World Airways** and now leased from the Ministry of Defense of Guatemala. The original BAC 1-11-516 *Quetzal* is sold to **Philippine Air Lines (PAL)**.

Two DC-3s are retained for its weekday flights to Flores, the only domestic route now retained. During the remainder of the decade, the airline inaugurates a new route to Houston and upgrades its fleet by the addition of a former **Malaysia Airlines System, Ltd. (MAS)** B-737-2H6A, plus a Douglas DC-6A.

A B-727-173C with 90 aboard, including many tourists en route to visit the Mayan ruins in northern Guatemala, crashes into a remote jungle area while on approach to Santa Elena Airport on January 18, 1986; there are no survivors in the nation's worst air disaster.

Operations continue apace with no route or fleet changes and enplanements for the 350-employee airline reach 101,861. Passenger boardings climb 11.3% in 1987 to 114,837.

The workforce is dramatically increased, by 42.9%, in 1988 to 500. The airline is in significant financial trouble and great difficulty is encountered in locating the funds with which to pay the lease fee it owes to the Guatemalans for the charter of the 2 B-727-173Cs.

Still, a new blue and gold color scheme is introduced for the Boeings in October. Traffic figures are only reported for 11 months; however, they show mixed growth. Customer bookings are down 4.8% to 96,176, but cargo is up by 1.5% to 10.29 million FTKs.

Company employment remains unchanged in **1989** even as the airline is 70% privatized during the first half of the year. The withdrawal of the government from the airline allows the initial opening for **TACA International Airline, S.A.**'s plan to set itself up as TACA Group or "The Airlines of the America," with a strong 30% minority shareholding.

Under this pact, the two companies begin joint purchasing, fleet rationalization, and cooperation on support services, including maintenance, catering, and ground handling.

Passenger boardings for the year improve to 105,134 and freight skyrockets 82.6% to 16.88 million FTKs.

Both the workforce and fleet remain unchanged in **1990**. Through the year, customer bookings are up to 191,800 and 7.78 million FTKs are flown. Revenues total \$38.68 million. The leased fleet in **1991** includes 1 each B-737-247, B-737-2H6A, 1 B-737-242A leased from **TACA International Airlines, S.A.**, and 2 B-737-3Q8s.

Bookings swell to 278,900 and revenues advance to \$47.59 million.

In **1992**, new frequencies are initiated to Belize, Cancún, and Chicago. The fleet is upgraded when the B-727-100Cs are replaced by 2 more leased B-737-3Q8s and 2 B-737-247s, one of which is subleased back to **TACA International Airlines, S.A.** Enplanements rise to 449,837 and income jumps to \$72.94 million.

President Ing Julio Obols Gomez and General Manager Maj. Jorge Adrian Solares Carranza oversee a workforce of 500 in **1993**. The route network now includes a single domestic route, Guatemala City to Flores, and international markets at Belize, Cancún, Chicago, Houston, Miami, New Orleans, Panama City, and San Salvador. Bookings reach 486,219 and revenues are \$75.36 million.

The leased fleet in **1994** includes 3 B-737-2H6As and 1 B-737-3Q8. Schedules are maintained as before.

Early in **1995**, the U.S. reservations centers of the TACA Group members are consolidated in a single El Salvador facility.

Flight 901, a newly-leased B-737-2H6 with 7 crew and 58 passengers, departs Miami on August 9 for a service to San Jose via Guatemala City, San Salvador, and Managua. While on its initial approach for a landing at the intermediate San Salvador stop, the aircraft collides in bad weather with the 2,181 m.-high San Vicente (Mt. Chinchontepec) volcano. There are no survivors from El Salvador's worst air disaster.

The leased fleet in **1996** includes 4 B-737-2H6As and 1 B-737-242A. By year's end, TACA Group operates a significant international route network which includes 14 points in Central America, 12 in South America, 3 in Mexico, and 8 in the U.S.

During the first half of **1997**, the company is involved with TACA group planning for code-sharing flights with **American Airlines**.

TACA Group's presence in Cuba is enhanced in August when the carrier launches thrice-weekly roundtrips to Havana from Guatemala City.

During the fall, a number of company aircraft are repainted in a new TACA Group livery, which features a white fuselage and a blue tail, with a red vertical slash over which appears a logo consisting of five golden macaws, which represent the group members.

In November, TACA Group begins service to Santo Domingo. Thrice-daily service to Dallas (DFW) from San Salvador, San Jose, and Guatemala City begins in December.

Airbus Industrie achieves a historic victory over its Boeing competitors in April **1998** when it signs a gigantic South American consortium purchase agreement. Under its terms, the TACA Group, including **TACA International Airlines, S.A.**, **SAHSA (Servicio Aereo de Honduras, S.A.)**, **NICA (Nicaraguenses de Aviacion, S.A.)**, **LACSA (Lineas Aereas Costarricenses, S.A.)**, and **AVIATECA**, promises to take 32 A320-family planes, plus 32 options.

Other participants are **TAM (Transportes Aereos Regionais, S.A.)**, on behalf of itself and its subsidiaries, which agrees to acquire 38 A320-family aircraft, with 37 options and **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**, which will take 20 A320-family aircraft,

with 20 options. Largely invisible service provided under the TACA banner continues in **1999–2000**.

AVIATIK. See **AERO ASSOCIATION LUCERNE**

AVIATION (PTY), LTD.: South Africa (1919–1922). A pair of brothers and former Royal Flying Corps officers, Frank H. and Shirley Soloman, who had received civil licensure in England, make the first flight from a South African air field at Miuzenberg, on November 22, **1919**.

Thereafter, the brothers, employing a pair of de Havilland DH 6 bi-planes, fly nonscheduled services to a number of South African destinations. Demonstrations are also put on at fairs and other gatherings, with joyrides sold in the manner of American barnstormers operating at this same time throughout the U.S.

In February **1922**, one of the brothers' airplanes carrying four passengers crashes into an unused smokestack on the Green Point Commons in Cape Town; there are no survivors. Witnessed by many people, the adverse publicity from the tragedy causes the pioneering concern to shut its doors.

AVIATION ASSOCIATES. See **METRO AIRLINES**

AVIATION BOREAL, LTD.: CP 1390, Valdor, Quebec J9P 5Y8, Canada; Phone (819) 823 0405; Fax (819) 825 1352; Year Founded 1988. Jean-Marie and Blandine Arsenault form this cargo carrier, originally known as Transport Nord-Ouest, in **1988** to provide nonscheduled all-cargo services in eastern Canada, particularly to those points not served or not served well by surface transport. Two Douglas DC-3s, which can be equipped with skis, are employed to supply mining sites and hydro projects at such locations as Jams Bay, Hundson Bay, and Ungava Bay.

Services are maintained, largely without change, over the next 12 years.

AVIATION CHARTER: 9960 Flying Cloud Drive, Minneapolis, Minnesota 55347, United States; Phone (612) 943-1519; Fax (612) 942-9264; Year Founded 1982. AC is set up at Flying Cloud Airport in **1982**, originally as an FBO with a small charter service. Over the next 15 years, the company increases its nonscheduled operations and increases its fleet to handle an increase in executive travel, hunting and fishing group lift, and cargo.

By **2000**, the company operates 4 each Beech King Air 100s and King Air 90s, 2 each Cessna 550 Citation IIs and Super King Air 200s, and 1 each C-500 Citation I, Dassault Falcon 10, and C-414 Chancellors.

AVIATION ENTERPRISE PULKOVO. See **PULKOVO AIRLINES (AVIATION ENTERPRISE PULKOVO)**

AVIATION METHODS: San Francisco International Airport, San Francisco, California 94128, United States; Phone (415) 875-1700; Fax (415) 697-9399; http://www.flyami.com; Year Founded 1976. Aviation Methods is originally established at San Rafael, California, **1976** to provide business jet crew training. Successful beyond expectation, the new company transfers to San Francisco the following year to approach the national market.

In **1978**, the company is approached by a corporate concern in Minneapolis to operate its business aircraft. An office is opened in Minnesota. During the next two decades, the company comes to operate aircraft from multiple locations and has developed procedures and systems that enable it to operate its aircraft from any location.

In an effort to guard itself against the impact of aviation economy downturns, the concern begins to diversify in **1989**, purchasing the ground support equipment manufacturer Regent Manufacturing. The following year, it purchases Sheffield, a manufacturer of precision sheet metal and machined aircraft components.

Corporate charter continues to dominate the concern's business and, by 2000, the company operates regularly from seven major locations.

A Canadair 600 Challenger flies from San Francisco while one each Dassault Falcon 20 and British Aerospace BAe (HS) 125-700 Hawker are housed at Philip Billard Municipal Airport at Topeka, Kansas. Three aircraft are based at Seattle's King County Airport: 1 each Challenger, Cessna 525 Citation, and Learjet 35A.

Another Challenger is stationed at St. Louis and a Hawker is based at White Plains, New York. At Minneapolis (MSP), Aviation Methods houses 4 Hawkers, 1 IAI-1124 Westwind, and 1 Grumman G-1159 Gulfstream II. A Hawker is also stationed at Louisville.

AVIATION NATAL (PTY.), LTD. (AVNA): South Africa (1965–1975). Aviation Natal is established as an air taxi and passenger charter operation at Dundee Airport in Natal in 1965. Revenue operations are undertaken with 3 Beech C-45s.

In 1968, a license is obtained from the government and regularly scheduled flights commence, under the marketing name Avna, linking the company's base with Durban, Newcastle, and Vryheid. Frequencies are maintained into mid-decade.

AVIATION QUEBEC LABRADOR, LTD.: CP 575, Sept-Iles, Quebec G4R 4K7, Canada; Phone (418) 962-7901; Fax (418) 962-9202; Code QLA; Year Founded 1995. Jacques Cleary sets up AQL at Sept-Iles in 1995 to offer scheduled passenger services to regional destinations in Quebec and Labrador, including Montreal's Dorval Airport. Revenue flights commence and continue with 3 Embraer Emb-110 Bandeirantes.

AVIATION SERVICES: United States (1978–1979). Unable to complete a year of scheduled flying, Aviation Services begins Cessna 402 passenger flights in 1978 linking its Reno, Nevada, base with Ely, Elko, and Tonopah in Nevada plus San Francisco.

AVIATION SERVICES, INC. (ASI): United States (1965–1969). Milton M. Adamson, his son Gary Milton, and Gary's friend Donald F. Beilman, join together in the spring of 1965 to begin an air mortuary service. With a combined initial investment of \$6,000 in a Cessna 206, Gary, Donald, and their friend Calvin C. Hermann, with advice from Milton M., establish Aviation Services, Inc. (ASI) at Wichita, Kansas, on May 7; eight days later, the tiny company is certified by the FAA, to serve as both an FBO and a charter operator.

The air mortuary business is not immediately successful, requiring the partners to obtain other jobs and the company to branch out into air ambulance work. Following receipt of a \$400 bank loan, passenger and freight charters are inaugurated in 1966, including a number of flights for skydivers.

In addition, the company is low bidder on seven airmail routes, which requires the addition of more Cessna 206s and a twin-engine Cessna 402C; the majority of these routes are inaugurated in October.

With charter work having improved during the first quarter of 1967, Gary Adamson elects to inaugurate scheduled passenger flights in April over an 80-mile route between Wichita and Salina abandoned a few months earlier by **Central Airlines**.

Later in the summer, a second service is started from Wichita to Springfield, Missouri. Neither passenger route generates much traffic (an average of one traveler per trip) and the company faces the possibility of closing them down.

Having flown a Cessna 402C over the mail route from Dodge City, Kansas, to Pueblo, Colorado, for two years, Adamson's company is familiar with the limitations for large aircraft at the previous station. When **Frontier Airlines (1)**, which has been serving the former cattle boomtown with Douglas DC-3s, finds that it must depart because its newer and larger Convair CV-580s cannot be handled there, it signs a replacement contract with ASI, one of the first replacement agreement programs in U.S. commercial aviation history.

Following the introduction of ASI's Cessna 206 commuter service in October 1968, passenger response is warm enough to warrant the introduction of scheduled traveler flights to other destinations in western Kansas. A pair of Beech 99As are ordered and enplanements for the year total 4,672.

On May 15, 1969, the company, to better reflect its geographical base, is renamed **Air Midwest**.

AVIATION SERVICES WEST: United States (1989–1995). Skywest Airlines President Jerry Atkins oversees the 1989 creation of a new subsidiary, **Aviation Services West**, which will provide charter and tour flights in Utah and Arizona, with special emphasis on the Grand Canyon. It launches revenue flights in the spring with a de Havilland Canada DHC-6-300 Vistaliner; its traffic figures will for years be reported with those of its parent.

Little is heard of this airline outside of its service area over the next five years. By 1995, the Vistaliner is gone and the fleet has been increased to include 1 Fairchild Metro II, 3 Beech King Air 90s, 2 Shorts 330-300s, and 1 Learjet. Enplanements are reported to the Regional Airline Association for the first time and total 57,237.

No further information is available.

AVIATION WEST, LTD.: United Kingdom (1985–1986). G. S. Mimms establishes Aviation West, Ltd. at Bristol in 1985 to offer air taxi, air ambulance, charter, and scheduled services with a fleet comprising 1 Pilatus-Britten-Norman PBN-2A Trislander, 2 Pilatus-Britten-Norman PBN-2 Islanders, 1 Cessna 414, and 2 Aerospatiale AS-350B Ecureuil helicopters. Scheduled revenue passenger commuter flights are inaugurated linking the company's base with Alderney, Bournemouth, Cherbourg, and Exeter. Late in 1986, the company name is changed to **Air Camelot, Ltd.**

AVIATOR, S.A.: 1A Papaflessa Str., Athens Airport, East Terminal, 167 77 Helliniko, Athens, Greece; Phone 30 (1) 964-8811; Fax 30 (1) 964-8816; Year Founded 1995. Aviator is set up at Athens in 1995 to provide corporate and executive passenger charters throughout Southeast Europe and the Mediterranean. Within five years, the company employs eight pilots and operates 1 each Beech Super King Air 200 and 1 Piper PA-31-350 Navajo Chieftain.

AVIATRANS CARGO AIRLINES (ATRAN): Zemiyanoy val 66, Moscow, 109004, Russia; Phone 7 (095) 144079; Fax 7 (095) 2444933; Code V8; Year Founded 1993. ATRAN, a longtime **Aeroflot Soviet Airlines** operating agency, is reorganized as a public limited company at Zhukovski, in the Moscow region, in late 1993 to provide all-cargo charter services to members of the CIS. General Director Roman R. Krishtal and his 450 employees hold most of the company stock.

Revenue flights begin from Moscow's Domodedovo Airport with 4 Antonov An-12s, 2 An-32s, and 4 Ilyushin Il-76TDs. To overcome the lack of ground-handling equipment at smaller airports, these units are equipped with belly-door systems to unload cargo more quickly and easily to prevent theft. Additionally, every shipment is accompanied by armed security personnel.

Operations continue apace in 1994, with the airline now feeding cargo from the region to **Lufthansa Cargo, A.G.** at its Sheremetyevo hub. With the Airport Moscow ground-handling service, jointly owned with **Aeroflot Russian International Airlines (ARIA)**, serving as catalyst, a marketing agreement between the two carriers creates the largest international air cargo operation in Russia.

The Il-76TD roundtrips to Ostend commence during the summer, employing a fifth former Aeroflot Il-76TD received in April. The imported cargo is a steady stream of Lygett & Myers Phillip Morris cigarettes for the growing number of smokers in the Russian republics. Other cargoes are flown to 56 CIS destinations, although competition begins with **Volga-Dnepr Airlines**.

Flights continue into **2000** and the fleet is increased to 7 An-12s, 5 An-26s, 3 An-32s, and 6 Il-76TDs. An alliance is entered into with **UPS (United Parcel Service)** and service is provided throughout Russia and abroad to Luxembourg, Genoa, and Berlin (Schoenfeld Airport).

AVIAZUR, S.A.: New Caledonia (1990–1995). President R. Le Bouhellec's commuter operation is formed at Aeroport de Magenta, Noumea in **1990**. Equipped with 1 Pilatus-Britten-Norman PBN-2 Islander and 1 Cessna 310, the new entrant inaugurates interisland services late in the year. The fleet is enlarged in **1992** by the addition of another Islander and 2 Beech King Air 200s.

Operations continue apace in **1993–1994**, but cease in **1995**.

AVIES, A.B.: Tallinn, Lithuania; Phone (372) 552 4233; Fax (372) 221 2951; <http://www.tallinn-airport.ee>; Year Founded 1999. Avies is set up at Tallinn Airport in **1999** to operate domestic and regional passenger and cargo services, both scheduled and charter. Operations begin and continue with 1 each Piper PA-31-350 Navajo Chieftain and Let L-410UVP.

To provide more comfort and longer range for its executive charters, the company adds a Learjet 55 in **2000**.

AVIESA, S.A. de C.V.: Toluca International Airport, Acto. de Guadalupe No. 60, Paseos del Bosque, Edo, 53290, Mexico; Phone 52 (5) 364-0892; Fax 52 (5) 364-1978; Year Founded 1995. Aviesa, or "Air Taxi," is set up by Isaias Chavez at Toluca International in **1995** to offer nonscheduled fixed-wing executive flights, small group passenger charters, and rotary-wing aerial work, including passenger flights. By **2000**, the company employs 8 pilots and operates 1 each Dassault Falcon 900B, Grumman G-1159A Gulfstream III, North American Sabreliner, Learjet 35A, Beech King Air 90, and Bell 206B JetRanger.

AVIO LIGURE, S.p.A.: Italy (1975–1980). This domestic commuter is established at Florence's Peretola Airport in July **1975**. Chairman E. Frignani and Managing Director A. Pompei assemble a fleet of 2 Yakovlev Yak-40s imported from the East Block. Scheduled revenue services are inaugurated in April **1976**, linking the company base with Rome and Milan.

Two additional Yak-40s are received in **1977–1978**. Unable to maintain viability in the face of traffic declines, rising expenses led by increased fuel prices, economic downturn, and adverse publicity caused by the Soviet invasion of Afghanistan, the company is forced to cease operations in **1980**.

AVIO LINEE ITALIANE-FLOTTE REUNITE, S.p.A.: Italy (1949–1952). In **1949**, Fiat-backed **Avio Linee Italiane, S.p.A.** assumes the leadership in uniting several unsuccessful smaller competitors: **Airone, S.p.A., Societa Italiana Servizi Aerei, S.p.A. (SISA), and Transadriatica (Societa Transadriatica di Navigazione Aerea, S.p.A.)**. The new company, **Avio Linee Italiane-Flotte Reunite, S.p.A.**, assumes and maintains the route network of its merger partners with a combined fleet of 7 Fiat G.12s and 12 Douglas DC-3s.

The amalgamated carrier does not, however, enjoy success and goes bankrupt. On March 31, **1952**, its assets and all but a few routes, which are transferred to **Alitalia, S.p.A.**, are taken over by **Linee Aeree Italiane, S.p.A. (LAI)**.

AVIOGENEX, LTD.: Narodnih Heroja 43, Belgrade, 11070, Yugoslavia; Phone 381 (11) 609 290; Fax 381 (11) 603 154; <http://www.aviogenex.co.yu>; Code JJ; Year Founded 1968. Genex Airlines is formed on May 21, **1968** as the air charter division of the state-owned trading firm Generalexport. Operations are to be conducted in association with another Generalexport affiliate, Yugotours. Initial equipment comprises 2 Tupolev Tu-154s. Inclusive-tour and charter flights are inaugurated on March 30, **1969**, over a route Belgrade–Dusseldorf.

Service continues in **1970** without incident. Coming into Rijeka, Croatia, on a flight from London (LGW) on May 23, **1971**, Flight 130,

a Tu-134A with 7 crew and 76 passengers, makes a bad landing at high speed. The right wing detaches and the aircraft slides 700 m., catching fire before stopping (78 dead).

In **1972–1977**, a network of charter destinations is built up in the Mediterranean, Europe, and the Middle East, while all-cargo flights are made to points in the Middle East, North Africa, and the Persian Gulf.

A Tu-134A-3 freighter with six crew and two passengers crashes while landing at Libreville on April 2 of the latter year; there are no survivors.

Airline employment in **1978** stands at 230 and the fleet comprises 5 Tu-134As. Enplanements are 373,414. A sixth Tu-134A is added in **1979** as a total of 329,580 passengers are carried, a decline of 13.3%.

Airline employment is increased by 7.4% in **1980** to 321. Two additional Tu-134As are delivered in April, bringing the total to seven. Passenger boardings decline 6.4% to 307,623. On total revenues of \$22.4 million, expenses are \$17.8 million, producing an operating profit of \$4.6 million.

M. Grudic succeeds M. Djordjovic as president in **1981** and the employee population is increased by 3.3% to 318. Two Yak 42s join the fleet. Boardings soar 21.6% to 373,617 and total revenues climb 43.5% to \$32 million.

Airline employment in **1982** is 320, a 0.6% boost. Cargo falls 28.6% to 859,000 FTKs and bookings plunge 23.8% to 285,000. Revenues are off 31.7% to \$21.9 million.

Employment falls by 5.7% in **1983** to 280. The Yugoslav charter carrier's first U.S.-made airliners—two Boeing 727-2H9s—are delivered in the first quarter and join a fleet of 7 Tu-134As. Boardings climb 20.1% to 342,000, but cargo falls 11.4% to 761,000 FTKs. Revenues increase 5.4% to \$17.4 million and expenses are held to \$17.1 million, a 3.8% boost. A welcome \$263,000 operating profit can thus be posted.

The workforce is 330 in **1984**, a 5.8% boost. Cargo skyrockets 416% to 222,000 FTKs and enplanements accelerate 15.4% to 396,940. Revenues swell 72.5% to \$27 million, providing a net profit of \$830,000 atop an operating gain of \$7.4 million.

Employment grows 12.8% in **1985** to 327 and the fleet comprises 3 B-727-2H9s, 4 Tu-134As, and 7 Yak 42s. Passenger traffic jumps 24.6% to 493,700 and freight grows 36.4% to 3.54 million FTKs. Revenues are up 14.4% to \$21.25 million and low expenses allow an operating profit of \$8.5 million. Net profit dips to \$85,000.

Three new employees are hired in **1986** and during the winter ski season the three Boeings are leased out. The Yugoslav charter carrier's enplanements dip 2.8% to 479,934 and cargo is also off, by 3.2% to 3.43 million FTKs. Operating revenues increase by 22.1% to \$25.9 million and profits are made: \$10.4 million (operating) and \$115,000 (net).

The workforce is increased by 9.1% in **1987** to 360 and the fleet includes 3 B-727-2H9s and 4 Tu-134As. The first of 2 ordered B-737-2K3As is delivered in August.

Passenger boardings jump 14.2% to 548,286, but freight is down again, by 1.1% to 3.11 million FTKs. Revenues zoom upward 38.8% to \$36 million, expenses climb 16.5% to \$18 million, and the operating profit is \$17.9 million. A net \$920,000 gain is celebrated.

Airline employment grows by 27.8% in **1988** to 460 and the fleet now includes 2 B-737-2K3s, 3 B-727-2H9s, and 4 Tu-134As. Customer bookings move ahead by a slight 1.5% to 556,405 and cargo jumps 43.9% to 7.36 million FTKs. Revenues accelerate by 30.5% to \$47 million and low costs allow operating income to reach \$21.2 million. A net \$1.35-million profit is generated.

The number of employees is boosted 6.5% in **1989** to 490. Arrangements are made during the year's first half to acquire 4 B-737-2K5s from **Hapag-Lloyd Fluggesellschaft, mbH**, to be delivered the following spring. Meanwhile, the last of the Tu-134s are withdrawn in the fall.

Passenger boardings ascend 5% to 584,034 and freight increases 61.2% to 11.86 million FTKs. Revenues swell 5.1% to \$49.4 million and profits of \$22.4 million (operating) and \$1.49 million (net) are generated.

Company employment is cut by 10.2% in **1990** to 440 and the fleet is all-Boeing by May.

Customer bookings swell 8.6% to 634,000, but cargo declines 4.8% to 11.3 million FTKs. Revenues accelerate 31.3% to \$64.8 million, but the operating profit falls to \$19.4 million. There is a \$5.5-million net loss.

The payroll is sliced by 21.1% in **1991** to 347 and the fleet now includes 2 B-737-2L8As, 1 B-727-243A, 2 B-737-2K3As, and 2 B-737-2K5As. The Yugoslav civil war has a devastating impact upon both the tourist business and the company.

Passenger boardings plunge 66.9% to 209,257 and freight declines 66.4% to 3.8 million FTKs. Revenues fall 41.1% to \$37.6 million and the net loss shoots up to \$11.1 million.

The workforce total returns to 440 in **1992**; however, the Yugoslav fighting causes the company, now a Serbian organization, to suffer another horrible year. Customer bookings freefall by 72% to 58,600 as the fleet spends much of the year on the ground. Unable to continue operations in the face of sanctions in **1993**, the company shuts its doors.

This subsidiary of the General Export Holding Company, Ltd. is allowed to resume operations in **1996**. Managing Director Dragan Aksentijevic attempts to revive tourist charters, in partnership with the Genex subsidiary Yugotours. The company undertakes a large number of IT flights between April and October, while undertaking wet-lease operations on behalf of foreign carriers the remainder of the year.

Operations continue in **1997–1998**, with Avioimpex increasingly directing its activity and commercial interest into wet-lease arrangements abroad. The fleet now includes 1 B-727-243A, 2 B-727-2L8As, and 2 B-737-2K3As. During these years, the growing conflict in Kosovo has minimal impact.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Avioimpex, on March 24, **1999**, halts all service from Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further; that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Flights from Belgrade remain halted for the duration of the NATO Operation Allied Force campaign that ends on June 11. Continuing economic sanctions on the Yugoslav government now severely hampers the company's activities.

AVIOIMPEX MACEDONIAN AIRWAYS: 11 Oktonwri K14, P.O. Box 544, Skopje, 91000, Macedonia; Phone 389 (91) 11 43 44; Fax 389 (91) 11 75 16; <http://www.avioimpex.com.mk>; Code M4; Year Founded 1992. With greater independence, Macedonia is able to form its own airlines and thus Avioimpex, a joint stock company for aviation and trading, is born on May 15, **1992**. Under the direction of President Ilja Milev, the Skopje-based concern will offer vacation charters. A Yakovlev Yak-42 is acquired and a McDonnell Douglas MD-82 is leased from **Adria Airways (Adria Aviopromet) (2)**. These commence revenue flights in October to Basel, Berlin, Dusseldorf, Geneva, Hamburg, Istanbul, Ljubljana, Munich, Stuttgart, Vienna, and Zurich. A total of 11,043 passengers are transported by Christmas.

While en route from Geneva to Skopje on October 1, **1993**, bad weather forces the Yak-42D with 8 crew and 108 passengers to divert to Ohrid; while on descent to the new point, the plane crashes into Mount Trojani at the 4,900 ft. level (115 dead).

Customer bookings for the first full year of service reach 121,135.

Domestic and regional services are maintained in **1994–1995**, during which years the fleet is altered to include 1 Antonov An-12B leased from **Air Sofia**, 3 each other chartered Yak-42s and Tupolev Tu-154Ms, and 1 Douglas DC-9-33CF provided by **JAT Yugoslav Airlines**. Enplanements respectively total 186,965 (**1994**) and 215,625 (**1995**).

Two of the Yak-42s are withdrawn in **1996**, even as passenger boardings climb to 220,000. Despite continuing political problems in the area, General Manager Illija Smilev's Avioimpex continues to grow in **1997–1998**. One each McDonnell Douglas MD-81 and MD-83 join the fleet as Copenhagen, Frankfurt, and Zagreb are added to the route network. Customer bookings dip to 218,429 during the former year, but rebound, climbing to 273,310 in the latter.

Service is maintained without fanfare in early **1999**, but the peace does not last.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Avioimpex, on March 24, halts all scheduled service into Belgrade as Yugoslav airspace is closed. A spokesman, in making the announcement, indicates that the situation will be evaluated further; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade, as well as to Sarajevo, Mostar, Zagreb, Split, Skopje, Tirana, Ljubljana, Timisoara, and Sofia remains halted on March 25–31 and for much of the duration of the NATO bombing campaign.

Although the fighting requires that Avioimpex be grounded, the company is able to generate some income by operating, on behalf of the UN Human Rights Commissioner and International Organization for Migration, a number of refugee flights. For example, a Yak-42D on May 4 transports a group of 41 Kosovo ethnic Albanians to Bucharest. The refugees are the first of 6,000 for which the Romanian government has agreed to provide temporary housing.

On May 5, a group of 153 displaced people are airlifted to Zurich, the first to arrive in Switzerland from Macedonia. The Swiss, who have agreed to accept 2,300 Kosovo Albanians currently in overcrowded Macedonian camps, will become familiar with Avioimpex MDs, as they make the refugee flights in the next month.

Additional relief flights north into Western Europe will also be completed in the days ahead until Operation Allied Force is concluded on June 11.

Partially as a result of the mercy services, enplanements for the year reach 278,000 and 6,627,000 FTKs are operated.

Airline employment at the beginning of **2000** stands at 350 and the fleet includes 1 each DC-9-33, MD-81, MD-83, Tu-154M, and Yak-42D. An ex-**Korean Air** MD-82 is leased on August 1.

AVIONES COMERCIALES DE GUATEMALA, S.A. (AVCOM): Avenida Hincapie, Zona 13, Hangar 21, Aeropuerto Aurora, Guatemala City, Guatemala; Phone 502 (2) 315 821; Fax 502 (2) 324 946; Year Founded 1989. AVCOM is established at the Guatemala City airport in **1989** to provide charter passenger and cargo flights throughout the nation and to neighboring Central American countries. Revenue operations begin and continue with 3 de Havilland DHC-6-300 Twin Otters. A fourth Twin Otter is acquired in **1994**.

Operations continue apace in **1995** and, in late October **1996**, the carrier acquires a DHC-7-102. Maritsa Surug is the executive in charge when the company becomes affiliated with **TACA International Airlines, S.A.** Flights continue into **2000** as 2 more Twin Otters join the fleet.

AVIONES DE PANAMA, S.A.: Panama (1964–1986). Originally formed as an air taxi at Panama City in **1964**, Aviones de Panama undertakes charter flights from Paitilla Airport to stops in San Blas and Darien provinces. The fleet in **1979** includes 4 Britten-Norman BN-2 Islanders, 1 de Havilland Canada DHC-2 Beaver, and 1 Cessna 402.

By **1981**, 4 more Islanders and 1 BN-2A Trislander have been acquired, allowing the inauguration of scheduled services to the destinations previously served on an ad hoc basis. Traffic does not justify the decision, however, and revenues are not encouraging. An Islander is sold in **1985**.

Unable to maintain its viability, the company stops flying in **1986**.

AVIONS BLEU, S.A.: France (1949–1952). AB is set up at Perpignan in May **1949** to provide independent passenger and cargo services with a single Douglas DC-3. Operations continue without incident until June **1951**, when a second Douglas transport and a Curtiss C-46 Commando freighter are added. Flights cease in **1952**.

AVIOR (PTY.), LTD.: Australia (1980–1987). Founded at Redcliffe in Western Australia, Avior's initial fleet comprises 1 Piper PA-31-350 Navajo Chieftain and 1 Beech B-55 Baron. Scheduled commuter fre-

quencies are flown northward along the coast from Perth to Geraldton. Other destinations served include Kalbarri, Eneabba, Southern Cross, Kalgoorlie, Kambalda, Useless Loop, Denham, and Carnarvon.

The fleet in the middle 1980s contains 3 Navajo Chieftains and 1 Aero Commander; Bunbury is added to the route network. Financial difficulties ensue for Managing Director D. Holzigar's operation and although the fleet is downsized to 2 Chieftains and 1 PA-31 Navajo, the carrier is unable to maintain its viability and must cease operations in 1987.

AVIRON (THE PALESTINE AVIATION COMPANY, LTD.): Israel/Palestine (1936–1948). Supported openly by the Histadrut Federation of Labor and the Jewish Agency and covertly by the underground Haganah, this pioneer is established by Yitzhak Ben Yaacv at Afqim, near the Sea of Galilee, in the British territory of Palestine on July 21, 1936.

Established to offer flight lessons and to develop scheduled services between Tel Aviv and Haifa and the Jordan Valley, the company acquires 1 de Havilland DH 82A Tiger Moth, 1 Polish RWD 8, and 1 RWD 13 and begins operations in March 1938. Services include not only training, but charter and supply drops to settler outposts as well.

The Tiger Moth is scrapped following its crash landing near Afqim in May 1939. In 1940, the fleet includes 2 RWD 8s, 2 RWD 13s, 1 RWD 15, 3 Taylorcrafts, and 1 Miles M3A Falcon Major. Scheduled services are started to Tiberias. All the while, covert air reconnaissance missions are flown on behalf of Haganah—in secret due to British opposition. World War II developments in 1942 force scheduled activities to cease; however, a Czech-built Benes-Mraz Be.550 Bibi is acquired in June.

The British Mandate Government does not permit the resumption of scheduled operations in 1945. Aviron's fleet flies charters within Palestine and internationally to Cyprus, Nicosia, and London. An ex-RAF Auster J/1 Autocrat is added on May 11, 1946, 2 Canadian-built DH 82Cs are acquired in August 1947 and 1 DH 89A Dragon Rapide is purchased in December. Meanwhile on November 29, the Benes-Mraz Be.550 is destroyed in a crash at Beit Yitzchak.

The Miles M3A crashes at Marsa-Aalem on February 12, 1948. Anti-aircraft fire downs a Tiger Moth near Maale Hachamisha on March 28. On April 13, terrorists destroy the RWD 15 at Lydda Airport. An RWD 13 is destroyed on the ground when Egyptian Spitfires strafe Sde Dov airfield on May 15. The same month, anti-aircraft fire claims the second DH 82C near Ramat Rachel and 2 Taylorcraft, an RWD 13, and an RWD 8, are transferred to the Israeli Defense Forces. At this point, Aviron ceases operations.

AVISPA (AEROVIAS INTERAMERICANAS DE PANAMA, S.A.): Panama (1951–1956). AVISPA (Aerovias Interamericanas de Panama, S.A.) is founded at Panama City in November 1951 specifically to transport shrimp from Panamanian ports to Miami. A C-46, leased from **Lineas Interamericanas Aereas, Ltda.**, is employed and flights, under a Panamanian government concession, continue for several months, beginning in March 1952. During the next two-plus quarters, cargo is hauled to and between the following markets: Barranquilla, Bogota, Caracas, Guayaquil, Lima, Maracaibo, and Miami.

Unable to sustain operations, the company is reorganized late in the year and begins flying scheduled passenger and freight services to domestic points on August 1, 1953, including the Costa Rican border town of Changuinola. Late in the year, the U.S. CAB grants the company permission to start passenger flights to Miami.

In the spring of 1954, a DC-6 is leased for six months from **Trans-Caribbean Airways** and employed during the summer to inaugurate El Panama service to Florida. In 1955–1956, following the lead of the Honduran discount carrier **TAN (Transportes Aereos Nacionales, S.A.)**, AVISPA undertakes the practice, in conjunction with **CEA (Compania Ecuatorianas de Aviacion S.A.)**, of flying low-fare Sixth Freedom flights from Miami over Panama and on to Lima via Guayaquil. Renamed **APA (Aerovias Panama, S.A.)** during the fall of the latter year, the carrier purchases a DC-4 in December.

AVISPA (AEROVIAS PILOTAS ASOCIADOS, S.A.): Colombia (1955–1962). Led by Carlos Amortegui, Juan White, and Jaime Castro, a group of former **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** pilots form AVISPA on February 3, 1955. After purchasing a pair of Douglas DC-3s, the associates open scheduled second level service from Medellin to such destinations as Cauca, Puerto Berrio, and Chigorodo.

Like other similarly sized and underfinanced new entrants, the company is only able to fly for six years before it is forced into bankruptcy in 1962.

AVISTAR CYPRUS, LTD.: P.O. Box 5532, Nicosia, Cyprus; Phone 357 (2) 459 533; Fax 357 (2) 477 367; Year Founded 1990. Avistar is founded at Nicosia in 1990 to provide ad hoc domestic passenger and cargo charter services. Revenue flights begin with a single Boeing 707-320C.

AVISTO, LTD.: P.O. Box 61, Eichweg 3, Oberglatt, CH-8184, Switzerland; Phone 41 (1) 850-5757; Fax 41 (1) 850-5758; Code AK8; Year Founded 1990. Avisto is established at Oberglatt in 1990 to provide domestic Swiss commuter passenger and cargo services, both scheduled and charter. Frank Fassbind is chairman/president, with Tom Gyger as deputy president. Operations begin and continue with a fleet made up of 1 each Fokker F.27-200 and Shorts 360.

Flights continue in 1991–1999, during which years the Friendship is replaced with 1 F.28-4000 Fellowship.

Having been leased to the Sirte Oil Company in Libya some years earlier, the company's Shorts 360-300 has continued to transport workers between headquarters and various oil fields. En route from Tripoli to an energy area landing strip near Marsa el-Brega on January 13, 2000, the aircraft, with 3 crew and 41 passengers, loses both engines and ditches 3 miles off the coast. A total of 22 passengers are killed.

AVITAT: Westmoreland County Airport, 200 Pleasant Unity Rd., Suite 109, Latrobe, Pennsylvania 15650, United States; Phone (412) 539-4533; Fax (412) 539-5501; Year Founded 1967. Aviat is the charter arm of the FBO Vee Neal Aviation, originally established at Latrobe in 1967. During the next 30 years, a variety of executive, small group, and other public nonscheduled charters are performed throughout the Eastern U.S. In 2000, the company flies 2 British Aerospace BAe Jetstream 31s.

AVJET CORPORATION: 4531 Empire Ave., Hangar 3, Burbank–Glendale-Pasadena Airport, Burbank, California 91505, United States; Phone (818) 841-6190; Fax (818) 841-6209; Year Founded 1995. AvJet Corporation is set up at Burbank in 1995 to serve as an FBO and charter operation, as well as an aircraft management, sales, and leasing concern. Within five years, the company operates 6 Grumman G-1159 Gulfstreams, 1 Canadair 601 Challenger, 1 Cessna 560 Citation V, and 2 IAI Westwinds.

AVL ARKHANGELSKIE VOZDUSHNYE IINIE: Arkhangelsk Airport, Arkhangelsk, 163053, Russia; Phone 7 (81822) 68316; Fax 7 (81822) 31425; Code AUL; Year Founded 1995. Founded just the year before, **Arkhangelsk Airlines** is renamed in 1995. Viktor S. Andropov is general director and he provides regional and domestic charters with a fleet that comprises 12 Antonov An-24s, 14 An-26s, 14 Tupolev Tu-134s, and 5 Tu-154B/Ms.

It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

AVNA AIRWAYS (PTY.), LTD. See MAGNUM AIRLINES (PTY.), LTD.

AVO (AEROVIAS OCCIDENTALES, S.A.): Costa Rica (1947–1951). Founded at San Jose by two U.S. citizens on July 24,

1947, this small carrier is one of the last in the hemisphere to operate the Boeing 247D. Employing these twin-engine machines, along with a Noorduyn Norseman, the company initiates services to Parrita and Puerto Jimenez.

Unable to maintain the level of finances required, the operation ends in 1951.

AVRO CIVIL AVIATION SERVICE: United Kingdom (1919). Employing company model 504K/Ms and 536s, the Avro aircraft manufacturing company of pioneer aviator A.V. Roe operates the first daily British domestic air passenger service between May 24 and September 30, 1919. A total of 194 unsubsidized flights (out of 222 laid on) are completed between Manchester's Alexander Park and Blackpool via Southport. Each one-way flight costs passengers four guineas a head.

Flying an Avro 504L floatplane, pilot C. Howard Pixton, on August 4, begins a month of daily newspaper flights from Windermere to the Isle of Man.

AVSAT AVIATION: 557 Sandau, San Antonio, Texas 78216, United States; Phone (210) 828-0551; Fax (210) 340-3711; Year Founded 1981. Initially established as an FBO at San Antonio in 1981, Avsat also undertakes charter work, including executive and small group passenger flights to destinations in Mexico, Texas, and other points in the U.S. By 2000, the company employs 3 pilots and operates 1 each Learjet 24B, Learjet 25B, Beech 58 Baron, Cessna 414 Chancellor, and Beech 35 Bonanza.

AVTECH EXECUTIVE FLIGHT CENTER: 1800 Airport Road, Kenneshaw, Georgia 30144, United States; Phone (770) 422-2345; Fax (770) 423-1544; Year Founded 1987. This company is established at Kenneshaw, Georgia, in 1987 to offer executive and small group passenger charters throughout the southeast and other points in the U.S. Scott A. Beale is general manager and, within 12 years, he employs eight pilots and has aircraft stationed at three different airports. One Cessna 550 Citation II is at Dekalb-Peachtree Airport at Atlanta and 1 Cessna 182 Skylane is at Washington-Wilkes County Airport at Washington, Georgia. The largest part of the fleet is stationed at Cobb County-McCollum Field at Marietta, Georgia. Located here are 2 Cessna 500 Citation executive jets, 2 Piper PA-31-350 Navajo Chieftains, 2 Cessna Skylanes, 1 Beech Super King Air 200, and 1 Beech 58 Baron.

AVWEST CHARTERS, LTD.: P.O. Box 102, Victoria, British Columbia V8W 2M1, Canada; Phone (604) 655-3620; Fax (604) 655-0488; Year Founded 1992. Originally established as Laughing Sky Air Charters, Ltd. in 1992, Managing Director Raymond Rosenkranz's company is soon renamed. The concern offers passenger and cargo charters, as well as aerial photography and aerial surveillance flights.

Revenues total C\$140,000 in 1997 and by 2000 the fleet includes 1 each Cessna 182 and C-401.

AWAIR (AIR WAGON AIRLINES): Jakarta, Indonesia; http://www.awairlines.com; Year Founded 2000. Air Wagon is the first of 12 new airlines authorized by the Indonesian government in the spring of 2000 to actually be launched. Rachmat Soebakir is named managing director and he quickly recruits a workforce and leases a pair of Airbus Industrie A310-221s previously flown by Swissair, A.G. By early June, tentative licenses are received for 27 domestic and 28 international routes.

Revenue flights commence on June 22 with two daily roundtrips from Jakarta to Surabaya and one daily from Jakarta to Medan, Balikpapan, and Denpasar.

It is reported in early July that the company also wishes to serve Taipei, Singapore, and Seoul. The fleet is increased on October 1 by the addition of an A300-600R. On October 18, that aircraft suffers the company's first major incident when, shortly after landing at Balikpapan, it

catches fire. Although the plane is damaged, the blaze is quickly extinguished by firemen practicing at the airport when it broke out.

AWOOD AIR, LTD.: P.O. Box 2280, Victoria, British Columbia V8L 3S8, Canada; Phone (604) 656-5521; Fax (604) 655-3766; Code 8D; Year Founded 1983. Alex Wood establishes Awood Air at Victoria, British Columbia, in 1983 to provide air tanker and fire fighting services throughout Western Canada. Nonscheduled freight and passenger flights begin during the late 1980s, especially during the summer, to points throughout British Columbia, the Queen Charlotte Islands, and numerous points along the coast.

In 1995, Awood begins scheduled services to Vancouver four times daily. Equipment includes 2 each British Aerospace (HS) 748-B2s received in June, 3 Beech King Air 90s, and 2 Piper PA-31-310 Navajos.

Airline employment snags at 25 in 1996 as one Navajo is removed. It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

AXON AIRLINES, S.A.: 4 Kifissias Ave., 151 25 Marousi, Athens, Greece; Phone 00995 (32) 94 75 37; Fax 00995 (32) 99 07 98; http://www.axon-air.gr; Code A9; Year Founded 1999. Axon is established as a subsidiary of the Axon Group at Athens in the spring of 1999 to provide scheduled roundtrip service to points in Western Europe. Employing a pair of leased Next Generation Boeing 737-7K9s, President Thomas Liakounakos's company inaugurates service on June 11 to Milan, Paris, and Brussels.

Orders are placed for 2 Boeing 717-200s that are to arrive under lease from the factory in April.

Daily B-737-7K9 roundtrips are inaugurated on April 12, 2000 between Athens and Rome. When the deal to obtain B-717s falls through, requests are completed on October 1 for 4 Embraer ERJ-145s, the first of which will be delivered in the spring.

AYAKS AIRLINES: Timiryazevskaya Str. 4-12, Moscow, 127422, Russia; Phone 7 (095) 150-4592; Fax 7 (095) 150-4592; Year Founded 1996. Ayaks is established at Moscow in 1996 to provide on-demand passenger and cargo services to points throughout the country, the CIS, and worldwide. Revenue flights begin with a pair of giant Antonov An-124-100s and a single Tupolev Tu-154M.

AZERBAIJAN AIRLINES (AZERBAIJAN HAVA YOLLARI): Prospect Azadlig 11, Baku, 700000, Azerbaijan; Phone 994 (8922) 93 44 34; Fax 94 (8922) 96 52 37; http://www.ipi.co.uk/dics/azerbaij; http://www.rz.uni-frankfurt.de/~puersuen/twaahy.htm; Code J2; Year Founded 1992. The former Aeroflot Soviet Airlines Azerbaijan directorate is reformed at its Baku base in 1992 and transformed into the new state airline of Azerbaijan. Vagif Sadykhly is general director and operations are undertaken with a fleet taken over from the former Soviet carrier that includes 11 Yakovlev Yak-40s, 6 Tupolev Tu-154Bs, 5 each Tu-134As and Tu-134B-3s, 4 each Tu-154B-2s and Antonov An-26s, and 2 Tu-154Ms.

Each aircraft is painted in a new livery with the Azerbaijan Airlines titles in English on the forward fuselage and the letters "AHY" at the rear for the airline's Turkic name, Azerbaijan Hava Yollari. Orders are placed for a pair of hush-kitted Boeing 727-235s, once flown by Pan American World Airways (1). The first leased unit arrives in late December.

Beginning on January 2, 1993, the Boeing trijet undertakes scheduled service to Budapest. The second B-727-230 is delivered in March. Also in the first quarter, frequencies to the Turkish cities of Ankara and Istanbul are stepped up. The trijets also fly to Dubai, London (LGW) via Istanbul, Athens via Ankara, and to Frankfurt.

The first four-engine western aircraft joins the fleet in June 1994—a B-707-341C that had first been delivered to VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)—chartered from Texas-based Buffalo Airways. Consequently, 1 Yak 40 and the 4 An-24s are retired.

Enplanements total 1,527,000 and 32.34 million FTKs are operated.

One each B-707-323C and B-707-399C are received from **Buffalo Airways** early in 1995. In September, the B-707-399C completes a 4,000-km. nonstop freighter flight from Baku to Ostend, Belgium. Having arrived at Baku after a November 30 all-cargo service from Urumqi, the B-707-323C with six crew encounters difficulty in lowering its left main landing gear. Passing low over the airport runway, the plane turns to make another approach, but instead strikes light stanchions on a road bridge and crashes (two dead).

Just after takeoff from Nakhichevan on a December 5 service to Baku, a Tu-134B-3 with 6 crew and 76 passengers, suffers the loss of both engines; while making a forced landing 3,400 m. from the runway the jetliner crashes (44 dead).

Passenger boardings fall 32.3% to 912,000 while cargo increases to 40.95 million FTKs.

A B-707-321C, originally operated by **Pan American World Airways (1)**, is purchased in the U.K. during January 1996; repainted, it arrives by spring. In September, the carrier receives a grant from ICAO. It will be employed to assist in the improvement of cargo handling, establishment of quality control systems for passenger services, flight safety and security control systems, and technical assistance to improve internal management.

Passenger traffic recovers, moving skyward by 5.2% to 1,251,200. On the other hand, only 32.23 million FTKs are operated, a 17.3% decline.

The fleet in 1997 includes 1 each B-707-399C, B-707-341C, and B-707-321C, 2 B-727Fs, 9 An-26/32s, 8 Tu-134Bs, 15 Tu-154B/Ms, and 13 Yak 40s.

While returning to Gyandzha airport after a May 15 training flight, a Yak 40 with 6 crew is hit by stray bullets from the rifles of Azerbaijani soldiers firing at a road side. One of the missiles hits an oxygen tank that catches fire and causes the aircraft to crash 5,160 m. short of the runway; although the aircraft is a total loss, there are no fatalities.

Having come off lease with **Buffalo Airways** in the U.S. during early spring, the world's last operational Canadair CL-44 Conroy is acquired and placed into service hauling outsized-cargo throughout west Asia.

During the spring, with support from ICAO, the carrier establishes a security division. It will provide security measures at the airline's major locations and help to prevent acts of terrorism on its flights.

In May, plans are announced for aircraft renovation and restoration. While the search for financing is undertaken, the company acquires 3 used Tu-154s from Latvia for \$850,000.

Customer bookings plunge 37% to 590,900. Cargo traffic, on the other hand, inches up 1.2% to 28.7 million freight FTKs.

Service is maintained in 1998. During the summer, Ogden, the U.S. concern, England's International Handling Company, and Azerbaijan establish a Joint Venture Ground Handling Company, which begins to provide ground service for passengers and airplanes at Baku Airport on November 1.

Having secured an 80% loan guarantee from the U.S. Export-Import Bank and credit from two banks for the remaining 20%, the carrier, in December 1999 is able to request 2 Boeing aircraft valued at \$105 million. Azerbaijan President Haydar Aliyev personally signs for the airline.

With over 600 chartered flights having been made between Baku and Urumqi, capital of northwest China's Xinjiang province since 1994, scheduled services are now ready to be initiated and weekly Tu-154M roundtrips are subsequently launched on May 5, 2000.

While en route from Nakchivan to Baku on August 18, a Tu-154B with 118 passengers is hijacked in midair by terminally ill—but drunk—Mehdi Husseinli, who displays a hand grenade. The pirate demands to be flown to Ankara, Turkey, where he hopes to receive the same medical treatment news reports indicate is being provided to former Azerbaijan President Heydar Aliyev. Two security agents successfully talk the man into surrendering, after which he is disarmed and restrained.

On August 22, security police detain Rauf Arifoglu Abbasov, editor-in-chief of the influential opposition newspaper *Yeni Musavat*. Authorities claim to have found documents and an unregistered gun in his home and link them to the recent hijack attempt. Three days

later, leading opposition and independent newspapers halt publication in protest of the arrest.

The first of the 2 B-757-222LRs to be delivered arrives at Baku on October 9; the second is expected in January.

AZTEC AIRLINES: United States (1966–1967). Aztec is set up at El Paso, Texas, in the summer 1966 to provide daily scheduled passenger and cargo flights. Employing Piper 23 Aztecs, the commuter inaugurates daily roundtrips on September 7, linking its base with Las Cruces, Silver City, and Douglas. Unable to achieve viability, Aztec ceases operations in 1967.

AZTECA CARGO, S.A. de C.V.: Mexico (1994–1995). AC is established at Mexico City in the summer of 1994 to operate all-cargo charter flights to destinations throughout the country, and to the U.S. and Central America. Revenue services commence with a pair of Boeing 727-100F freighters.

Unable to achieve economic viability, the company shuts down within a year.

AZZA TRANSPORT COMPANY, LTD.: P.O. Box 11586, Mak Nimir Street-KRT, Khartoum, Sudan; Phone 249 (11) 70 408; Fax 249 (11) 770 408; Year Founded 1993. This all-cargo carrier is established at Khartoum in the summer of 1993; shareholding is divided between the government of Sudan, Omdurmon National Bank, and Shikan Insurances. Dr. Gibril Mohd is appointed managing director and he recruits a workforce of 100. International and regional freight services commence in September and continue with a fleet, which, by 2000, includes 1 each Boeing 707-330C, B-707-368C, and Lockheed C-130E Hercules.

AZZURRA AIR, S.p.A.: Viale Pap Giovanni XXIII, Bergamo, 48 24121, Italy; Phone 39 (35) 416 0343; Fax 39 (35) 416 0300; <http://www.greenwichinfo.com/lcy/azzurra.htm>; Code Z5; Year Founded 1995. Azzurra is established at Milan's Bergamo Airport on December 20, 1995. With £10 million in fully subscribed shareholding, ownership is divided between **Air Malta, Ltd.** (49%), IMS International (26%), and several other financial and private investors, including SO.FI.PA. Mediocredito Centrale, Banca Popolare Di Bergamo, and Credito Varesino.

Air Malta, Ltd. Chairman Joseph Tabone signs an agreement for AM management input, as well as pooled maintenance, components, and spare parts. He joins the IMS president and former **Alitalia, S.p.A.** official, Alberto Denzler, as joint vice chairman under 23-year **Air Malta, Ltd.** veteran Dominic Attard, who is elected chairman. During this start-up period, Tabone consults with and receives blessing for the new entrant from **Alitalia, S.p.A.** CEO Domenico Cempella.

Gianfranco Imperatori is appointed president and recruits a workforce of 60 at Milan's Bergamo–Orio Airport. Three Avro RJ85s are acquired via **Air Malta, Ltd.** and once the first two are in hand and have been route proven, an operating certificate is received. Four days later on December 10, 1996, scheduled regional services commence.

Destinations initially visited include Turin, Rome, Munich, Paris (CDG), and London (LCY). Espresso and cappuccino are offered as part of in-flight services and customers are given a chance to purchase pre-season Italian fashions.

In January 1997, weekend flights begin to London (STN). The third RJ85 arrives from **Air Malta, Ltd.** in April and, during the month, a code-sharing agreement is initiated with **Swissair, A.G.** Discussions commence with **Alitalia, S.p.A.** concerning a possible franchise affiliation. When **Air Malta, Ltd.** in September decides to move away from the hub concept, it puts its RJ70 up for lease.

In late October, a strategic alliance is entered into with the U.K. discount carrier **Debonair Airways, Ltd.** Under its terms, the two agree to share codes on routes between Britain and Italy, with Debonair providing services to its partner at London (CTN).

Daily dual-designator roundtrips performed by an Azzurra RJ85 begin during the second week of November from London to Milan's Bergamo Airport, with a through service available to Ciampino Airport at Rome. The first two former **Air Malta, Ltd.** RJ70s arrive under lease from Fortis Aviation at month's end. The company celebrates its first anniversary on December 10. Enplanements for the year total 73,000.

In January 1998, the company transfers its base of operations from Ciampino Airport to Leonardo da Vinci Fiumicino Airport.

With the arrival of the remaining RJ70s in March, the company is able to expand its code-share with **Alitalia, S.p.A.** Dual-designator routes offered include Milan and Turin to London (LCY) and London (LGW) to Turin. Additionally, international frequencies are operated to Zurich and domestic flights are made to and between Rome, Alghero, Milan, and Turin.

The marketing agreement with **Alitalia, S.p.A.** is completed and Azzurra prepares to become the Italian major's first independently owned franchise partner.

In April, Azzurra ends its code-sharing pact with **Debonair, Ltd.** and, under a five-year contract, becomes a full franchise partner of **Alitalia, S.p.A.**, reporting to **Alitalia Express, S.p.A. Minerva Airlines, S.p.A.**, operating its seven Dornier 328-100s on Italian domestic routes, also becomes a franchise partner.

Both airlines, in the manner of "British Airways Express," paint their aircraft in Alitalia colors, with Alitalia interiors. Alitalia uniforms are provided and check-in and ticket counters receive Alitalia branding; indeed, even the supplies used in in-flight meal services come from the Italian major. Still, in Azzurra's case, there are corporate reminders, with company insignia on the nose and engines of the aircraft, as well as ground and cabin uniforms; cockpit crews wear full Azzurra uniforms.

A total of 170,000 passengers are transported on the year.

Airline employment at the beginning of 1999 stands at 60.

Azzurra becomes the first NG B-737 operator in Italy during the spring when it takes delivery of a pair of leased Next Generation B-737-73S aircraft. The new planes are committed to charter work from Milan, but are occasionally also employed on Alitalia replacement service.

Weekday B-737 service between Bergamo and Rome is resumed on November 8.

Annual traffic figures are reported as part of the **Alitalia, S.p.A.** total. However, during the year and into 2000, airline employment is increased to 200.

B AIRWAYS: United States (1988–1990). Possessing possibly the shortest name of any airline, B is established at Miami in 1988 to offer nonscheduled cargo services throughout the state of Florida and the Caribbean. Revenue operations commence with a single Douglas DC-3, but are suspended early in 1990.

BAC AIRCRAFT, LTD.: United Kingdom (1991–1994). **BAC Charter, Ltd.** is founded at Horley in Surrey in 1991 to offer regional ad hoc nonscheduled passenger and cargo services. Ownership is held by the BAC Group, Ltd., established in 1982, with Neil Dickson as chairman. In addition, a contract is obtained to fly the Royal Mail at night and between Belfast, Bristol, Leeds, East Midlands, Bournemouth, Edinburgh, and London (STN and LGW). Revenue flights commence with a fleet of 1 de Havilland Canada DHC-6-200, 2 leased DHC-6-300s, 3 Embraer EMB-110P1 Bandeirantes, and 1 chartered Shorts 330.

Despite a name change in September 1992, the privately owned company, which releases neither traffic nor financial information, must reduce its fleet size. A Bandeirante and the Shorts are withdrawn and a DHC-6-300 is leased to **Abu Dhabi Aviation, Ltd.**

The DHC-6-200 is withdrawn in 1993 and the Dash-300 is also leased to **Abu Dhabi Aviation, Ltd.** Operations are maintained with a new Shorts 360-200 and Managing Director David Robinson oversees a workforce of 35. The company is renamed **BAC Express Airlines, Ltd.** in 1994.

BAC EXPRESS AIRLINES, LTD.: BAC House, Bonehurt Road, Horley, Surrey, England, RH6 8QB, United Kingdom; Phone 44 (1293) 821 621; Fax 44 (1293) 821 204; http://www.bacexpress.com; Code RPX; Year Founded 1994. **BAC Aircraft, Ltd.**, owned by BAC Group, Ltd. and based at Horley in Surrey, undergoes a corporate restructuring in 1994 that results in a name change. David Robinson continues as managing director; however, renewed emphasis is placed upon the company's nighttime Royal Mail contract with passenger flights during the day strictly ad hoc charter. The fleet is enhanced by the addition of 1 Shorts 360-200, 4 Bandeirantes, 2 Shorts 330s, and 2 Handley Page Dart Herald.

The route system extends to Belfast, Bristol, Cardiff, East Midlands, Exeter, and London (LGW and STN). Passenger traffic figures are reported through August and show a total of 3,035 passengers flown.

Flights continue in 1995–1998, during which years Mike Forsyth becomes managing director and airline employment reaches 60. The fleet now includes 3 Shorts 360-200s, 1 Shorts 360-100, 1 Shorts 360-300, 2 Shorts 330-200s, and 1 each Fokker F.27-500 and F.27-600.

Replacement scheduled services on behalf of **British Regional Airlines, Ltd.** and **Manx Airlines, Ltd.** (2) are enhanced while the night mail service continues. Destinations visited include Belfast, Bristol, Cardiff, East Midlands, Edinburgh, Exeter, Isle of Man, Liverpool, London (STN), and Newcastle. The company also offers charters to the 1997 Ryder Cup tournament in Spain.

Traffic figures are available in the latter year and show a total of 3,000 enplanements and 48.23 million FTKs operated through October. Profits average £700,000 per year.

Customer bookings plunge 66.7% to only 1,000. Airline employment is cut 20% and, at the beginning of 2000, totals 3,155.

BADER EXPRESS: United States (1985–1986). Bader Express is established at Atlantic City, New Jersey, in 1985 to provide daily CASA C-212-200 Aviocar air taxi flights for gamblers traveling to and from Washington, D.C. (DCA).

Traffic is insufficient to allow continuance of the service beyond 1986.

BAHAMAS AIRWAYS, LTD.: Bahamas (1936–1973). Sir Harry Oakes and the Hon. H. C. Christie incorporate this carrier at Nassau in 1936 as an outgrowth of the latter's outer island charter service begun in 1933. Having obtained a colonial government contract, Christie inaugurates scheduled passenger, mail, and cargo flights in 1937 over the outer island routes followed earlier on an ad hoc basis. A weekly Nassau–Eleuthera Island frequency is provided with a Douglas Dolphin flying boat between January 1 and April 10, 1941.

Pan American Airways (PAA) acquires a 43% interest in Christie's company on December 10, 1943; Juan Trippe's enterprise begins to implement a management contract in January 1944. Employing a Consolidated Commodore flying boat transferred from its American partner, the carrier begins monthly multistop service on December 1, 1945 from Nassau to Rock Sound and Clarence Town and weekly flights, again multistop, from Nassau to West End.

Pan American Airways (PAA) adds a Consolidated PBY-5A to the carrier's fleet in the spring of 1947 and, on May 27, the U.S. CAB grants a Foreign Air Carrier permit, allowing operations to Florida.

In February 1948, scheduled DC-3 service is opened Nassau to Miami and West Palm Beach as West End becomes the second Bahamian terminus. On October 23 the airline is purchased by the **British South American Airways Corporation**. The fleet now comprises 2 DC-3s, 1 Catalina, 1 Commodore, and 2 Grumman G-44s; the local unduplicated route network stretches for 761 miles.

International service is started to Havana early in 1949 and the Commodore is retired. On July 30, **British Overseas Airways Corporation (BOAC)** acquires the shares of BSAA when the latter is merged into the British state carrier. When **British West Indies Airways, Ltd.** (2) (**BWIA**) acquires **British Caribbean Airways, Ltd.** in October, the latter airline's two DC-3s are passed to **Bahamas Airways, Ltd.**

Service is maintained in **1950–1951**; however, in **1952** the Miami, West Palm Beach, and Havana routes are transferred to **British West Indies Airways, Ltd. (2) (BWIA)**, the DC-3s are all sold, and the carrier becomes a flying boat operator. Flights continue in **1953–1954**. DC-3s are reintroduced in **1955** to supplement the G-44s; in August, a de Havilland DH 114 Heron is delivered and placed in service.

BOAC Associated Companies in November **1958** sells its 80% shareholding in Bahamas Airways, Ltd. to Eric Ryland's Skyways Bahamas Holding Co., Ltd. The Skyways acquisition becomes effective on April 1, **1959**. The U.S. CAB now raises doubts about traffic rights for the new concern; service flown by **British West Indies Airways, Ltd. (2) (BWIA)** on the carrier's behalf to Havana now ends. Following the U.K.'s barring of **Pan American World Airways (1)** jet services to Jamaica the previous day, the U.S. halts this carrier's Nassau–Miami tourist flights on December 18. The matter is resolved by year's end.

In February **1960**, two Handley Page HP-70 Hermes 4s are placed on the Nassau to Miami, West Palm Beach, and Ft. Lauderdale routes. The U.S. government concern and the decline in traffic caused by the unreliable Hermes 4s forces BOAC Associated Companies to repossess the airline in December. Once again under **British Overseas Airways Corporation (BOAC)** control in **1961**, the carrier receives Vickers Viscount 805s with which to replace the Hermes 4s on the Florida services.

Fortunes decline in **1962–1967** as the British flag carrier shows little interest in improvement and Bahamas Airways routes fail to generate sufficient traffic for an economical return. The search begins anew for a purchaser.

In October **1968**, the Hong Kong-base Swire Group purchases 60% control and a new management team is installed. In September, the company orders 2 BAC 1-11-517s, taking an option on a third. Two BAC 1-11-423s are leased from their manufacturer; the first arrives on November 11 and the second on December 4. The two begin jetliner services from Miami to Nassau and Freeport.

Operations continue apace in **1969**. The DASH-517s requested the previous year are delivered on July 23 and 29, respectively. They immediately enter service over a route from Nassau to Miami via Freeport and between Freeport and Nassau. They also fly "Casino Special" late night flights between Miami and Freeport, especially for U.S. gamblers.

In April **1970**, BAC 1-11-423 service is introduced from Nassau to Freeport. On October 7, the company halts its flights and two days later it goes into liquidation. The two leased BACs are returned to the U.K.; they will be passed to **Gulf Air, Ltd.** in Bahrain. Within 48 hours the nation's prime minister reports that all routes abandoned by the line have been reopened, claiming credit for averting a transportation crisis.

Unable to make a profit in these years, the Swire Group, upon Bahamian independence in **1973**, elects to close the carrier down, 40 years after H. C. Christie started his pioneer charter service that led to its birth.

BAHAMAS INTERNATIONAL AIRLINES: United States (1981–1982). BIA is organized at Homestead, Florida, in **1981** to offer scheduled services to Freeport in the Bahamas. Operations commence with 1 Beech 18 and 1 Piper PA-34 Seneca and are gradually expanded to include stops at Ft. Lauderdale, Ft. Pierce, Orlando, Tampa, and Titusville. In late **1982** the company is renamed **Aero International Airlines**.

BAHAMASAIR, LTD.: Bahamasair House, P.O. Box N-4881, Nassau, Bahamas; Phone (809) 377-8451; Fax (809) 377-7409; <http://www.bahamasair.com>; <http://www.successfx.com/bahamasair>; Code UP; Year Founded 1973. To replace disbanded **Bahamas Airways, Ltd.**, the government of the newly independent Bahamas amalgamates two small independents, **Flamingo Airways, Ltd.** and **Out Island Airways, Ltd.**, into a new national carrier at Nassau's Windsor Field on June 18, **1973**. Shareholding is split between the government and private interests.

The initial fleet, which is primarily that of the two merger partners, comprises 2 Fairchild Hiller FH-227Bs formerly flown by **Allegheny**

Airlines, 2 Aero Commander 500s, and 1 de Havilland Canada DHC-6 Twin Otter. Interisland and regional services are now started, many flown over the old routes of **Bahamas Airways, Ltd.** The first of 4 BAC 1-11-401 Astrojets purchased from **American Airlines** is received late in the year.

A second BAC 1-11-401 is received in early **1974** and employed to operate between Nassau, Freeport, and Miami. It will be joined by 2 more by the end of the first quarter.

On July 31, an FH-227B fails its takeoff from Chub Cay, Berry Island. The aircraft returns to the runway where its gear fails, forcing it to slide 1,385 ft. down the strip, going beyond the coral rock and into a mangrove swamp. Although no injuries are reported, the aircraft is a total loss.

A maintenance man finds a bomb in the restroom of the BAC 1-11-401 at Miami International Airport on November 28, **1975**. An anonymous telephone caller says it was placed aboard to protest the banning of Cuban exile fishermen from Bahamian waters.

Significant fiscal losses incurred as the result of start-up and fuel costs, force retrenchment in **1976–1977**. In December of the latter year, a management contract is signed with **Aer Lingus Irish Airlines**. Meanwhile, a Curtiss C-46 Commando is leased and stationed at Miami International Airport, from whence it provides regular charter-cargo services.

New services to the islands are started from Florida in the fall of **1978**, including Ft. Lauderdale departures; Miami–Nassau frequencies are boosted. Airline employment is now 450 and a Boeing 737-200 is leased on December 15, allowing the BACs to be placed on lesser regional services. Enplanements for the year total 528,436.

In the spring of **1979**, BAC supplies 4 Hawker Siddeley HS 748-2As to replace the remaining FH-227B. An order is placed for an owned B-737-2V5, which is employed to inaugurate Nassau–Atlanta direct flights on December 13. Late in the year, the government assumes complete shareholding. Customer bookings jump 19.8% to 658,897 while operating income is boosted 26.6% to \$26.3 million.

The workforce is increased by 12.2% in **1980** to 550 and a second B-737, a chartered Dash-2L9, is received. Enplanements climb 12.5% to 720,000.

Passenger boardings decline 3% in **1981** to 684,039. The BACs are withdrawn in **1982** and replaced by 2 more B-737-2L9s under charter. Airline employment is 600. Daily Nassau and Freeport to Newark flights begin in **1983**.

Additional international destinations in **1984** include Tampa and South Caicos in the Turks and Caicos Islands. The domestic route network includes turboprop stops at 13 destinations, with the principal internal link Nassau to Freeport. Enplanements in **1985** total 852,815.

Airline employment in **1986** remains at 600. Passenger boardings jump 11% to 958,219. Operations continue apace in **1987–1988**.

In **1989**, the fleet includes 3 British Aerospace BAe (HS) 748-2A, 1 BAe (HS) 748-2AF, 3 leased B-737-2L9s, and 1 B-737-275A. Orders are placed for 2 B-737-4YOs and daily nonstop B-737-275A service is started in February from Washington, D.C. (IAD) to Nassau, with continuation to Freeport. In October, the board of directors votes to acquire 4 de Havilland Canada DHC-8-301s. It is later alleged that over \$1 million in bribes were paid to complete the \$64-million transaction.

A B-727-225 is leased from **Eastern Air Lines** in **1990** as 4 chartered de Havilland Canada DHC-8-301s are acquired, including the ex-**Presidential Airways/United Express John Adams**. The Eastern aircraft is returned in **1991** as 3 DHC-8-311s arrive. The 3 chartered B-737-2L9s are returned in **1992**.

In **1993**, Chairman Macgregor Robertson's 600-employee carrier has a fleet comprising 7 DHC-8-300s, 3 Cessna 402s, and 1 Beech Super King Air 200. Destinations visited from Nassau include West Palm Beach and Miami. Responding to the challenge posed by the inauguration of service by **Trinity Air Bahamas, Ltd.**, Bahamasair, Ltd. wet-leases an Airbus A320-231 from **Air 2000, Ltd.** Enplanements total 647,102.

Airline employment is increased by 0.2% in **1994** to 608 and 2 Shorts 360-300s are briefly leased. At year's end, the King Air is retired. Passenger boardings inch up 0.7% to 651,663.

The workforce grows again in **1995**, up 6.9% to 650. The company's 11 aircraft transport a total of 678,198 customers during the year, a 4% increase.

There is no change in company employment during **1996**. It is announced on February 12 that several officials of Boeing's Canadian subsidiary are under investigation by the Royal Canadian Mounted Police (RCMP) and Bahamas Commission of Inquiry for paying more than \$1 million in bribes and fees to sell DHC-8-311s to the carrier in 1990. The investigators focus attention on Philip Bethel and Darrell Rolle, two former chairmen of the airline.

Traffic figures are available through October and show passenger bookings up 9% to 547,000.

Lester Tumcuest is chairman in **1997–1998** with William R. Curtis as general manager. Two B-737-201As are leased from **USAirways** during the former year. Destinations visited from Freeport and Nassau include Ft. Lauderdale, Miami, New York (JFK), Orlando, and West Palm Beach, as well as interisland markets.

Twice-weekly B-737-201A roundtrips are inaugurated on February 8, **1999** from Miami to Grand Turk, capital of the Turks and Caicos Islands.

Although traffic figures are not available, reports indicate that an operating loss of \$10 million has been suffered.

On January 4, **2000**, the government's cabinet is reshuffled and Prime Minister Hubert Ingraham appoints Sir William Allen to be Transport Minister. The new minister immediately appoints a new airline board chairman, Frederick Gottlieb, and a new managing director, Paul D. Major. They ordered to begin downsizing operations in an effort to save costs.

In protest of the downsizing, unionized company employees stage a coordinated sick-out on March 6–7 that effectively shuts the carrier down, but has no visible impact on the new financial policy.

Although traffic figures are not available, reports indicate that an operating loss of \$10 million has been suffered.

BAIE CAMEAU AIR SERVICE, LTD. See GOLFE AIR QUEBEC, LTD.

BAIKAL AIR COMPANY (BAIKAL AVIAKOMPANIYA): Russia (1993–1996). Baikal Air Company, often known as Baikal Airlines, is founded at Irkutsk in **1993** as a sister airline to the former **Aeroflot Soviet Airlines** directorate **Baikal Avia (Baikal Airlines)** Gennady P. Guchek is general manager and Soviet-made aircraft are leased, as required, from Baikal Avia. Scheduled passenger and charter cargo services are inaugurated and continued.

The fleet situation is completely reversed in **1994** as Baikal Avia becomes the smaller carrier. The Baikal Air Company fleet grows to include 30 Tu-154B/Ms, 40 Antonov An-24/26s, 20 Yakovlev Yak-40s, and 20 Ilyushin Il-76TDs. Scheduled and charter passenger and cargo services continue and enplanements reach 875,292. Flights continue in **1995**, but the concern fails and its assets and Baikal Airlines marketing title are taken over by Baikal Avia in **1996**.

BAIKAL AVIA (BAIKAL AIRLINES): Russia (1992–2000). This former **Aeroflot Soviet Airlines** directorate is reformed at its Irkutsk base in **1992**, but otherwise continues its regional and trunk services as before. V. F. Sokolnikov is general manager. Enplanements for the year total 2,484,076.

In cooperation with its new sister carrier **Baikal Air Company**, Baikal Avia in **1993** begins to offer both passenger charters and scheduled passenger and cargo services to Europe, China, and Africa, in addition to frequencies about Russia.

Still, passenger boardings decline 40% to 1,774,340 while freight is off an equal 40% to 418.3 million FTKs.

Just after takeoff from Irkutsk on a January 3, **1994** service to Moscow's Domodedovo Airport, a Tu-154M with 9 crew and 116 passengers, suffers problems with its No. 2 engine and is directed to returned to its point of origin. A fuel-fed fire now erupts in the area of the No. 2

engine, damaging hydraulic lines and control surfaces; the jetliner crashes among farm buildings near the village of Mamony, 7 mi. S of the runway. All aboard the Tupolev are killed, along with one person on the ground. As the jetliner still wears its Aeroflot livery, many press accounts identify the state carrier as the victim.

The fleet situation vis-à-vis its sister company is now reversed, with Baikal Air Company operating the lion's share of aircraft out of Irkutsk. Baikal Avia operates only 10 Tu-154Bs, 9 Tu-154Ms, and 9 Il-76TDs. A Boeing 757-2Q8 is chartered from International Lease Finance Corporation during the first quarter; it will become the first new Boeing aircraft to be operated by a Russian carrier east of the Ural Mountains.

Delivered at the end of June, the American-made jetliner undertakes regularly scheduled regional service in early July, initially between Irkutsk and Moscow. Later, the aircraft is placed on routes to Moscow, Pakistan, and India.

Passenger boardings, nevertheless, decline by 19.3% on the year to 1,432,000.

Traffic results are mixed in **1995**. Customer bookings fall another 14% to 767,800, but cargo rises 2.1% to 29.3 million FTKs.

When **Baikal Air Company** goes out of business in **1996**, Baikal Avia takes over its assets and assumes its Baikal Airlines marketing title. The move does not help very much as enplanements drop to 599,490.

Flights continue in **1997**. While landing at Verkhneviluisk, Russia, on April 13, an An-12V, with five crew and nine passengers, bounces twice heavily and overruns the runway, where its nose and right main landing gear collapse. Although the aircraft is badly damaged, there are no fatalities.

Customer bookings for the year slide another 9.8% to 505,000.

Service continues without fanfare into early **1998**. In April, as part of a three-year social and economic pact between the Irkutsk and Chita regions, it is agreed that Baikal Airlines and Chita Avia will be merged. The plan must be shelved in September when Baikal, largely as a result of the Russian currency situation, is forced to declare bankruptcy.

The company soldiers on into **1999** and unsuccessfully attempts to fly its way toward the light of fiscal viability.

It is revealed on August 11 that company executives have allegedly conducted an unauthorized sale of three aircraft in an effort to raise funds. A great dispute erupts between the directors and the current owners of the planes; the feud forces the state to be drawn into the matter on September 22.

The company's board of directors, on November 16, vote to accept external management.

In a strange twist and despite its pressing financial problems, Baikal settles a ticketing dispute on November 23 for a lower figure than it had been awarded by a court.

Unfortunately, a boost in fuel prices prevents Baikal from achieving success and, on February 22, **2000**, it is placed into administration. On June 2, it is once again declared bankrupt.

BAJA AIRLINES: United States (1972–1976). Initially set up at Long Beach, California, to fly charters into Baja California, Mexico, under the name **Club Baja Airlines**, this company assumes a new corporate identity on January 31, **1975**, announcing its intention to inaugurate scheduled passenger services.

Employing the previous Beech 18 and Cessna 402 fleet, Baja launches frequencies on May 2, maintaining them until the company goes out of business in late **1976**.

BAJA CORTEZ AIRLINES: United States (1977–1980). BCA is created at Los Angeles International Airport late in **1977** to provide de Havilland DH 104 Dove scheduled passenger and cargo to points in Baja California, Mexico.

Operations continue apace until mid-**1980**.

BAKER AVIATION: P.O. Box 708, Kotzebue, Alaska 99752, United States; Phone (907) 442-3108; Fax (907) 442-3018 ; Code 8Q; Year

Founded 1964. John and Marjorie Baker establish this bush operation at Kotzebue, Alaska, in 1964. Two decades later, surviving partner Marge Baker elects to begin scheduled services to many of the local communities and bush destinations previously reached by charter.

Continuing to employ Cessna 207As and 402Cs, plus de Havilland Canada DHC-6 Twin Otters, Baker inaugurates the new regional operations in July 1984. Caught by 35 kn. winds and blowing snow while taking off from Point Hope on December 17, a Cessna 207A, with one pilot and five passengers, crashes; amazingly, no one aboard is injured.

Flights continue apace over the next five years (although the Twin Otters are removed) and, by 1990, the workforce stands at 12 and the fleet includes 2 Cessna 207As and 2 Cessna 402Cs. Scheduled flights are undertaken to Kivalina, Noorvik, Point Hope, and Selawik and a total of 15,161 passengers are flown on the year.

A Cessna 206 is added to the fleet in 1991 as enplanements are cut nearly in half, down to 8,275. A total of 1,586,775 pounds of mail are flown.

Airline employment stands at 12 in 1992 and the fleet now features 3 Cessna 207As, 3 Cessna 402Cs, and 1 Cessna 206. Passenger boardings recover and increase 79% to 14,815.

In 1993, President Marjorie Baker's company employs 38 workers and operates 4 Cessna 407As, 2 Cessna 402Cs, 1 Cessna 206, and 1 Beech 99. Customer bookings climb another 16% to 17,097. Schedules are maintained in 1994, but passenger boardings slide 19% to 13,845. A total of 219,000 FTKs are also flown.

The company employs 12 workers in 1995 and 1 Cessna 407A is withdrawn.

Having heard an unusual noise while taking off from Selawik on December 10, the pilot of a Cessna 206 elects to abort takeoff; unhappily, he is unable to stop before the end of the runway and runs off it into a large snowbank. Neither the pilot nor passenger is hurt.

Traffic more than recovers this year, accelerating a huge 49% to 20,598 passengers carried.

The on-going roller coaster ride for traffic figures continues in 1996 as customer bookings plunge 24% to 15,656.

Marjorie Baker is president in 1997 with son Andy as vice president. The fleet now includes 2 each Cessna 402s, C-207As, C-208 Caravans, Beech King Airs, and 1 Cessna 206.

Scheduled passenger boardings fall 19.1% to 12,666, although another 11,150 charter customers are also accommodated, along with 1.7 million pounds of mail and freight.

Flights continue in 1998. While on approach to Nome after a May 14 service from Kotzebue, a Cessna 208 with one crew and nine passengers, encounters whiteout conditions and collides with snow-covered terrain some 5 1/2 mi. NE of the runway. All aboard are injured, one seriously.

Enplanements this year climb to 15,000. Freight traffic figures are not available.

The fleet in 1999–2000 includes 2 Cessna 207As, 2 PS-31-310 Navajos, and 1 C-206. Customer bookings during 1999 plunge 50.9% to 7,000.

BAKHTAR AFGHAN AIRLINES COMPANY, LTD.: Afghanistan (1968–1988). Bakhtar Afghan Airlines is formed in late 1967 as a state-owned local service carrier to begin taking over the domestic services of **Ariana Afghan Airlines Company, Ltd.** Initial equipment consists of DC-3s, and later, de Havilland Canada DHC-6 Twin Otters. Revenue services commence on February 8, 1968. Ariana transfers its last domestic route to Bakhtar, together with complete responsibility for domestic operations, on January 1, 1971.

Major destinations for the next eight years include Bamian, Chakcharan, Darwaz, Faizabad, Herat, Kabul, Kandahar, Khost, Khwahan, Kunduz, Maimana, Mazar-e Sharif, Qala-e-Naw, Sheghnan, Tirin, and Uruzghan.

While landing at Khost on January 25, 1972, a Yak-40 hits a line of trees and crashes 154 m. short of the runway; although the aircraft must be written off, there are no fatalities.

The fleet grows to include 3 de Havilland Canada DHC-6 Twin Otters and, following a change in national political climate in 1973, first 2 and then 3 Soviet-made Yakovlev Yak-40 jetliners are acquired during the spring.

A DHC-6-100 with 3 crew and 16 passengers fails its takeoff from Bamian on April 18 and crashes (4 dead).

Following the Soviet invasion of Afghanistan in 1979, information on the carrier largely evaporates in the West. The fleet is known, however, to have been expanded around 1980–1981; 2 Antonov An-12 turboprops replace the extremely vulnerable jets. Domestic flights are continued in 1982–1985, with losses.

En route to Kabul during a period of showers and thunderstorms on March 10, 1983, a DHC-6-300 with 2 crew and 17 passengers crashes near Shashgow Ghazni; there are no survivors.

En route from Kandahar to Farah province on September 4, 1984, an Antonov An-24 with 5 crew and 48 passengers crashes in the mountains 20 km. E of its point of origin; there are no survivors. Government radio claims Afghan guerrillas firing surface-to-air missiles, a charge that is verified, have downed the aircraft.

On October 23, the government integrates into the carrier the operations of **Ariana Afghan Airlines**. Enplanements for the year reach 169,327.

A DHC-6-300 with 3 crew and 17 passengers crashes while on final approach to Bamyan on January 8, 1985; there are no fatalities.

The fleet in 1986 includes 2 B-727-113Cs, 2 Antonov An-24s, 4 An-26s, and 1 Yak 40. Orders remain outstanding for 2 Tupolev Tu-154Ms. For the 10 months prior to integration with **Ariana Afghan Airlines**, passenger boardings ascend to 190,469 and 10.07 million FTKs are hauled.

The employee population jumps 36.5% in 1987 to 1,543.

An An-26 with 55 passengers is shot down near Khost by an Afghan guerrilla ground-to-air missile (53 dead). The guerrillas believe they have shot down an Afghan Republican Air Force Il-14.

Passenger boardings accelerate 41% to 62,856, despite the national turmoil, although freight is down 8.9% to 8.76 million FTKs.

In February 1988, during the Soviet occupation, Bakhtar is merged back into Ariana, to be once again operated as a subsidiary.

BAL BASHKIRI AIRLINES (BASHKIRSKIE AVIALINII AVIAKOMPANIYA): Matksstr. 26, Ufa Airport, Privolzhskaya Zone, Bashkortostan, 450025, Russia; Phone 7 (3472) 2305 89; Fax 7 (3472) 52 97 52; <http://www.rz.uni-frankfurt.de/~puersuen/twabc.htm>; **Code V9; Year Founded 1992.** Aerovolga, the **Aeroflot Soviet Airlines** division based at Samara, becomes the parent company for new airlines established in the area during the last days of the U.S.S.R. When Aeroflot is transformed in 1992, BAL, the section at Ufa, becomes a separate entity, which maintains its ties to the new state organization. It also oversees a pair of subsidiaries: the passenger carrier **Sterlitamak Airlines** and the cargo operation **Shonker Airlines**, which is renamed **Cargoservice of Berkshire Airlines**.

V. P. Burnaev is appointed director general, with Vladimir N. Sarantsev as managing director. Their 20 Tupolev Tu-154B/Ms continue to operate regional and trunk routes from Ufa Airport. Enplanements total 1,633,289.

The fleet in 1993 includes not only the Tu-154s, but 5 Tu-134s, 1 each Yakovlev Yak-40 and Yak-42, 1 Antonov An-12, 10 An-24s, and 6 An-26s, plus 1 Ilyushin Il-76TD. There is also a large rotary-wing component comprising 26 Kaman Ka-26s and 12 Mil Mi-8s.

During the year, the company is reformed into a joint stock company. Passenger boardings decline 10.1% to 1,483,460 while freight traffic falls 8.6% to 184.5 million FTKs.

Scheduled and charter passenger and charter services continue in 1994 much as before, with new nonscheduled destinations added in Asia and North America. Managing Director Sarantsev's fleet includes 10 Antonov An-24s, 6 An-28s, 26 Kamov Ka-26 helicopters, 12 Mil-8 helicopters, 5 Tupolev Tu-134s, 3 Tu-154Bs, 3 Tu-154Ms, and several Yakovlev Yak-40s/-42s. Customer bookings decline another 18.4% to 1,209,000.

Radik Sh. Galiamov now becomes director general of the independent concern, which continues to provide scheduled and charter passenger services over the same trunk and regional routes previously flown. During these years, the fleet comprises 49 Antonov An-2s, 10 An-24s, 6 An-28s, 5 Tupolev Tu-134As, 12 Tu-154B/Ms, 24 Kamov Ka-26s, and 14 Mil Mi-8s. Enplanements in 1995 total 990,042.

Biweekly roundtrip service is inaugurated from Ufa to Frankfurt on October 14, 1996. Still, the private concern's large fleet and occasional out-of-country charters are insufficient to maintain the traffic levels previously enjoyed. Passenger boardings drop 9.7% to 902,500.

Destinations visited in 1997 include Adler, Beloreck, Ekaterinburg, Krasnodar, Irkutsk, Mineralnye Vody, Moscow, Nadym, Neftekamsk, Neftuyansk, Nizhnevartovsk, Nojabrask, Novyj Urengoj, Perm, St. Petersburg, Sochi, Strzhewoi, Surgut, Tashkent, Ufa, Uraj, and Vladivostok. Customer bookings plunge another 18.5% to 736,000.

By 1998, Director General Galiamov employs 4,000 workers and operates a fleet that includes 1 Antonov An-24RV, 1 Tupolev Tu-134A, 1 Tu-154B, and 1 Tu-154B2. On May 8, **Aeroflot Russian International Airlines (ARIA)** announces that it is removing BAL from its computerized reservations system for failure to pay assessed fees. During the summer, the company operates six weekly roundtrip flights into Turkey, four to Istanbul and one each to Antalya and Izmir. Enplanements recover, climbing to almost a million; 5,000 tons of freight is also flown. The airline suffers another dismal traffic year, with passenger boardings down to just 406,000.

During the spring of 1999, great floods occur in the Republic Bashkiria, southwest of the Ural Mountains. While en route on April 18 to participate in anti-flood work, one of the company's MI-8s, with two crew and six explosives experts who will blow up ice jams, is hit by an ice floe and crashes near the village of Azovo. Two people are unable to escape and drown when the helicopter sinks in Arkhangelsk district's river, 75 km. SE of the Bashkiria capital of Ufa.

The Moscow media reports on October 4 that the Bashkortan regional budget has set aside funds with which to purchase new aircraft for the carrier. In cooperation with **Vladivostok United Air Detachment**, a new joint air service is opened in the Russian Far East on October 26. Two former **CSA Czech Airlines** Tu-154Ms are acquired on December 12.

The fleet in 2000 comprises 49 An-2s, 11 An-24s, 1 An-72, 1 An-74-200, 6 Tu-134As, 2 Tu-154Ms, 12 Tu-154Bs, and assorted helicopters. A strategic agreement is signed with **Aeroflot Russian International Airlines (ARIA)** on February 25 covering joint flights and services.

BALAIR (BASLE AIR TRANSPORT, LTD.) See **BASLER LUFT-VERKEHRS, A.G.**

BALAIR AIR CHARTER COMPANY OF SWITZERLAND, A.G.: Switzerland (1953-1993). The flying school Balair is organized at Basel in 1953, taking the name of one of the original 1931 merger partners that formed **Swissair, A.G.** With 36% financial backing and technical support from **Swissair, A.G.**, Balair enters the charter market in 1957, inaugurating Vickers Viking tour flights to the Mediterranean.

Swissair, A.G. provides a Douglas DC-4 in 1959. It is the parent's first four-engine Douglas, the *Geneva*, first received in 1946 and now rechristened *Uri*.

Unhappily, while en route from Khartoum to Niamey with 12 crew aboard on March 16, 1960, it crashes into Mt. Marra in the Sudan near Toli, Jebel Marra; there are no survivors. The last **Swissair, A.G.** DC-4 is turned over as a replacement. A DC-6 arrives from **Swissair, A.G.** in December 1961.

Between 1962-1976, charter and inclusive-tour flights are organized and run on behalf of **Swissair, A.G.** to points in North Africa, southern Europe, the Mediterranean, and the Middle East. **Swiss Air** gains 57% controlling interest and makes the charter airline a partially owned subsidiary to which it leases aircraft.

A Fokker F.27-200 is destroyed as the result of a bad landing at Malaga, Spain, on September 13, 1964; there are no fatalities.

The DC-6 is often chartered by the International Red Cross to fly mercy airlifts to such underdeveloped nations as Biafra.

A Convair CV-990A is transferred to the charter carrier on March 28, 1968; the first DC-9-34 is turned over on April 17, 1970, and a DC-8-62 arrives in 1976. Meanwhile, the DC-4 makes a promotional flight to New York in the spring of 1968.

Enplanements total 497,768 in 1977. The first DC-10-30 is acquired from **Swissair, A.G.** on January 30, 1978. The aircraft is unusual in that it has an underfloor galley, fitted by the manufacturer before delivery. Airline employment at President O. Niederhauser's carrier is now 386.

The Balair fleet at this point also comprises 3 DC-8-62s, 1 DC-9-34, 1 DC-6B, and 1 Fokker F.27. Passenger boardings jump 16.9% to 599,000.

The workforce in 1979 is 404. The first DC-10-30 is delivered on January 30. Bookings accelerate 19.2% to 713,000. Freight traffic, on the other hand, collapses, falling 97.2% to 336,000 FTKs. Still, a \$2.3-million profit is earned.

The workforce is increased by 8.2% in 1980 to 437. One DC-8-62 is replaced by a DC-9-32.

Cargo traffic skyrockets 73.2% to 582,000 FTKs, but boardings dip 9.2% to 646,000. On revenues of \$105.2 million (down 9.8%), an operating profit of \$1.1 million is generated.

World economic woes impact upon the **Swissair, A.G.** subsidiary in 1981 and during the year, the F.27 and another DC-8-62 are sold. Orders are placed for 3 McDonnell Douglas MD-82s. Additionally, the employee population is downsized 11.4% to 387.

Boardings fall 10.3% to 579,000 and freight is off 34.2% to 383,000 FTKs.

As bookings rise a slight 0.7% to 583,000 in 1982, **Swissair, A.G.** provides another DC-8-62 and the first MD-82 is placed into service; employment is increased by 8.8% to 421.

The number of employees is cut by 10.9% in 1983 to 375 and the newly provided jetliner is withdrawn as the year's enplanements fall 0.2% to 582,000.

Charter service enjoys a resurgence in 1984. An F.27 and a second MD-82 are transferred over from the parent to help handle a rise in boardings, up 12% to 652,000. An A310-332 is ordered in 1985 to replace the last DC-8-62 and a DC-9-32 as bookings surge 10.2% to 719,000.

The DC-8 and DC-9 are both sold in 1986 (the latter at a profit), as the A310-332 is placed into service.

Passenger traffic slows for the 400-employee charter operator, climbing only 2.1% to 733,688 passengers flown. Still, a \$5.3-million net profit is generated.

Airline employment grows 3.7% in 1987 to 418 and the fleet now includes 1 DC-10-30, 1 A310-322, and 3 MD-82s. The final unit of the MD-82s is delivered later in the year and partially paid for with the proceeds from the previous year's DC-9 sale. An MD-83 is ordered. On November 6, the A310-322 commences South Atlantic charters from Las Palmas to Recife under the 120-min. over-water rule for twinjets.

Passenger boardings jump 14.7% to 817,000 and revenues rise 2.7% to \$150 million. Net gain is level with the previous year.

The workforce is cut by 2.2% in 1988 to 407 and the fleet is increased by the addition of the government's Fokker F.27-400. The Fokker, with its Balair crew, marks the fortieth anniversary of the United Nations Truce Supervision Organization at Jerusalem by flying 658 hours in the area. Under charter to the International Committee of the Red Cross, a company MD-82, from a base at Tehran, completes three Iran-Iraq POW exchange flights.

In the aftermath of the December earthquake, six mercy missions are flown to Armenia.

Customer bookings continue upward, by a slight 1.5%, to 780,437. Profits total \$21.14 million (operating) and \$5.15 million (net).

Passenger boardings tail off by 3.3% in 1989 to 649,172 and revenues are down 1.6% to \$157 million. Expenses are \$137.05 million and cause the operating profit to dip to \$19.87 million. Net gain, however, climbs to \$5.9 million.

Airline employment stands at 435 in **1990**. Recession and the Mideast situation after August contribute to an 8.8% decline in customer bookings to 591,900.

The fleet in **1991** includes 1 A310-322, 3 MD-82s, and 1 each MD-83, DC-10-30, and F.27-400. In July, an agreement is signed with **Martinair Holland, N.V.** allowing combined travel from the New York area to Amsterdam and Basel for one \$509 roundtrip fare; this "mix or match" program allows passengers to fly one airline on each leg of their trips. The fare falls to \$484 in September.

The workforce totals 422 in **1992** as 2 A310-325s, 1 MD-83, and 4 MD-88s are delivered. A new corporate identity, including logo and livery, is introduced in July. The livery is a mix of red tail, white fuselage, blue belly, and canary yellow wings and tail planes. Enplanements increase to 646,400.

In **1993**, President Erich Geitlinger oversees a workforce of 520. In January, the company is merged with another Swissair subsidiary, **Compagnie de Transport Aerien, S.A. (CTA Geneve)**, to form **Balair-CTA**. The merger requires yet another change in company colors. Replaced by 3 A310-325s, the A310-322 is leased to **Swissair, A.G.** along with an MD-82. The DC-10-30 is chartered to **Martinair Holland, N.V.** On the other hand, regular flights are now undertaken, on behalf of **Swissair, A.G.**, to Palma de Mallorca and Valencia.

Although passenger boardings increase to 700,000, a \$13.8-million loss is suffered.

BALAIR-CTA, LTD.: Swissair, A.G., Zurich-Flughafen, Zurich, CH-8058, Switzerland; Phone 41 (1) 812-3070; Fax 41 (1) 812-9212; http://www.balair.ch; Code BB; Year Founded 1954. In January **1993**, **Balair Air Charter Company of Switzerland, A.G.** is merged with another Swissair subsidiary, **Compagnie de Transport Aerien, S.A. (CTA-Geneve)**, to form **Balair-CTA**. Balair President Erich Geitlinger becomes president/CEO and oversees a workforce of 520. The merger requires yet another change in company colors. Replaced by 3 A310-325s, the A310-322 is leased to **Swissair, A.G.** along with an MD-82. The DC-10-30 is leased to **Martinair Holland, N.V.**, as charter flights are maintained to the U.S., Africa, the Far East, and Mediterranean. **Swissair, A.G.** transfers over its regular flights to Palma de Mallorca and Valencia. Although passenger boardings increase to 700,000, a \$13.8-million loss is suffered.

Under the leadership of new President/Managing Director Peter Haslebather, Balair-CTA continues charter service to holiday destinations in Europe and the Mediterranean in **1994**. The fleet that includes 2 Airbus Industrie A310-325s, 1 leased A310-322, 1 chartered Fokker F.27-400, 4 McDonnell Douglas MD-87s, 1 MD-83, and 3 MD-82s, one of which is leased to **Swissair, A.G.** Enplanements for the year total 943,700 and a loss of \$14 million is reported.

Early in **1995**, the Swissair charter subsidiary is folded into its parent group. Despite its loss of administrative independence, the wholly owned subsidiary retains its codes and continues its charter role, occasionally adding new destinations or changing or upgrading its aircraft.

Operations Director Klaus Lichtenstein becomes CEO on July 1, **1999**.

Just in time for the winter season, his carrier replaces a pair of A310-325s with a B-767-35H and in honor of the new millennium, the "CTA" portion of the company name is dropped in the titles. Enplanements during the 12 months total 285,000, or 10,000 more than the previous year.

Due the Boeing strike, 2 B-757-2G5s, destined to operate on behalf of the tour operator Hotelpian, arrive three weeks late in April **2000**. When the second makes its maiden revenue flight on May 5, the company proudly announces that it has completed its fleet expansion. Long-haul holiday flights are maintained from Zurich to Antalya, Arrecife, Catania, Djerba, Faro, Heraklion, Hurghada, Ibiza, Kos, Larnaca, Las Palmas, Mahon, Monastir, Palma, Reus, Rhodos, Samos, Sharm al-Sheikh, Tenerife, and Zakynthos.

At his own request, CEO Lichtenstein returns to his previous post on June 1; he is succeeded by Flightlease, A.G. Executive Vice President Catherine Stalker, who becomes the first woman to head an SAirGroup company.

A second new B-767-35HER is received on September 27.

BALAKOVO AIR ENTERPRISE: Balakovo Airport, Saratov Region, 413800, Russia; Phone 7 (84570) 20119; Year Founded 1996. Balakovo United Air Detachment is reformed in **1996**. Under the leadership of Commander Vlachoslav M. Korev, the carrier continues to provide regional scheduled and charter passenger services. The fleet in **1999** includes 54 Antonov An-2s and 3 An-24s.

BALAKOVO UNITED AIR DETACHMENT (BALAKOVSKY OAO): Russia (1994-1996). Established at Balakovo Airport in the Saratov Region in **1994** to offer regional passenger and cargo charters, General Director Vlachoslav M. Khorev's BUAD undertakes revenue flights with an undisclosed number of Antonov An-24s, An-26s, An-32s, and Yakovlev Yak-40s.

Flights cease early in **1996** as the concern is reformed into **Balakovo Air Enterprise**.

BALBOA AIRLINES (AEROVIAS INTERNACIONAL BALBOA, S.A.): Panama (1960-1971). Balboa is established at Panama City in **1962** from the assets of Aerovias Transcribe, S.A. Revenue operations are inaugurated, and continued, with one each Curtiss C-46 Commando and one civil B-26 bomber. All-cargo flights are made throughout Central and South America and to Miami during the remainder of the decade, during which years the fleet is increased by the addition of one each Commando and Douglas DC-4. Flights cease in **1971**.

BALI AIR (BALI INTERNATIONAL AIR SERVICE): Jalan Angkasa 1-3, P.O. Box 2965, Jakarta, 10720, Indonesia; Phone 62 (21) 628 8815; Fax 62 (21) 624 9183; Code BL; Year Founded 1973. Initially known as **Nusantara Air Service**, this company is purchased by Aviation Developments Operations, Ltd., a subsidiary of Porodisa Industrial Group, Ltd., in **1973** to continue its smallplane charter services from Denpasar, the nation's tourist capital. The company operates as a sister of **Bouraq Indonesia Airlines** and its president, J. A. "Gerry" Sumendap serves it in the same post. Later in the year, the operator is purchased outright by Bouraq and is renamed.

Nusantara Air Service is reformed in January **1974** and renamed **Bali International Air Service**. The Twin Otter is withdrawn and replaced with 5 Britten-Norman BN-2 Islanders. Flights around the Nusantara archipelago continue in **1975** and, beginning in February **1976**, the company, by now known as Bali Air, starts to take delivery of 5 BN-2A Trislanders.

Two Cessna 404 Titans are received in May **1977**, but both are lost in accidents before the end of the year.

President Sumendap's fleet in **1978** comprises 1 Fokker F.27, 5 Britten-Norman BN-2 Islanders, and 5 BN-2A Trislanders.

During the next 15 years, Sumendap's airline flies nonscheduled and charter operations (both passenger and cargo) throughout the nation's islands. The fleet is upgraded during the early **1980s** by the addition of several DC-3s and Cessna 404s. The first of 3 IPTN-CASA C-212-200 Aviocars is delivered in **1981** and christened *Frangewan Sola*.

Most of these are withdrawn at the end of the decade and in **1993** the fleet is comprised of 1 British Aerospace (HS) BAe 748-B2, 2 Islanders, and 4 Trislanders. The BAe is retired in **1994**.

Despite the national economic and political upheaval, flights continue in **1995-1997**.

With the rupiah now valued at 17,000 to the U.S. dollar, the nation's airlines are, in May **1998**, granted permission to increase fares by 37.5%.

By the beginning of August, a cost-cutting plan that would have combined the domestic operations of Garuda, Bouraq, Merpati, and Mandala

collapses; despite load factors as low as 30%, the smaller airlines refuse to join with the flag carrier.

The effects of the Asian currency crisis and the national economic downturn continue; at this point, the four companies are losing significant funds, as 80% of their costs are in U.S. dollars, but only 20% of their income is in the same currency.

During the last week of August, the Indonesian parliament does grant a long-desired fare increase. Domestic tickets increase in price by 40% on September 1; they rise again another 14% on December 1.

Flights continue in **1999**. During the first six months of the year, the rupiah regains some 50% of its strength. The balance of the parliamentary-approved fare increase is postponed.

BALKAN BULGARIAN AIRLINES (TABSO): Sofia Airport, Sofia, 1540, Bulgaria; Phone 359 (2) 881800; Fax 359 (2) 791206; <http://www.balkan.com>; Code LZ; Year Founded 1947. In the spring of **1947**, the Bulgarian government forms the carrier Bulgarske Vazdushne Sobstvenie (BVS) to provide service between the country's major cities. Employing Soviet-made Lisunov Li-2s (Russian license-built Douglas DC-3s) and former Luftwaffe Junkers Ju-52/3ms, services are started over domestic routes on June 29.

On the very next day, while en route from Varna to Sofia, a Ju-52/3m with 21 passengers is taken over by 6 armed pirates. The pilot is killed and 2 other crew members are shot and wounded before the former German Air Force transport makes a safe emergency landing at Istanbul.

In September 12, **1949**, the airline is taken over by a new fifty-fifty partnership, the Bulgarian-Soviet Joint Stock Company for Civil Aviation (TABSO). Services over domestic routes are maintained by an additional number of Soviet-supplied Li-2s.

Operations continue apace during **1950–1953** and Ilyushin Il-14s arrive to open international services from Budapest to Paris, Frankfurt, and Moscow. There are occasional operational problems and, on December 6, 1952 an Li-2, with 18 aboard crashes into an uninhabited area between Sofia and Varna.

In **1954**, the Soviet interest is withdrawn and TABSO becomes a wholly owned Bulgarian government enterprise.

Service remains domestic; however, the carrier also assumes responsibility for agricultural aviation. In **1955–1961**, an 8-point domestic network is developed as new services are initiated to the capitals of other Warsaw Pact nations.

The first Ilyushin Il-18 enters service on May 5, **1962** on a Sofia-Moscow route and on September 24 one crashes near Bratislava, Czechoslovakia (82 dead). Operations continue with little change in **1963–1965**, although the number of holiday charters to the Black Sea holiday areas is increased.

The first Antonov An-24 enters service in early **1966**. A female pilot inaugurates the company's new Sofia to Casablanca via Tunis service on November 17.

While en route from Sofia to Prague, an Il-18B with 8 crew and 74 passengers crashes near Bratislava on November 24; there are no survivors.

The name "TABSO" is shelved in **1968** in favor of Balkan Bulgarian Airlines. A Convair CV-990A Coronado is leased from **Lebanese International Airways, S.A.L.** between June 1 and December 1.

On September 3, an Il-18D with 7 crew and 82 passengers en route from Dresden to Burgas, crashes in bad weather near Karnobat (47 dead).

The carrier's first jetliner, a Tupolev Tu-134, is placed in service, as is an An-12B. Hardly has the Coronado returned to Beirut when it is destroyed in an Israeli commando raid on December 28.

During the next decade, services are launched to some 18 domestic destinations and 44 additional cities in Europe, Asia, and Africa with a fleet that comprises 6 Ilyushin Il-18s, 1 Antonov An-12B, 10 Tu-154/154A/154B, 11 Tu-134/134A, 8 An-24Bs, 5 Yakovlev Yak-40s, and 3 Mil-8 helicopters. Equipped with An-12s and Il-18s, the charter subsidiary Bulair is formed and based in Sofia. Six major air disasters and a hijacking are reported during these years.

On final approach to Zurich on a January 18, **1971** service from Paris, an Il-18D with 8 crew and 39 passengers dips below its glide path and crashes (45 dead).

A Bulair Il-18 charter, with 11 crew and 62 passengers en route to Algeria, crashes shortly after takeoff from Sofia on December 21 (28 dead).

Having diverted from Sofia because of fog during a service from Burgas on November 4, **1972**, an Il-14P with 4 crew and 31 passengers crashes in the Rila Mountains while on initial approach to the airport at Plovdiv; there are no survivors.

During its second approach to Moscow's Sheremetyevo Airport on March 3 following a scheduled service from Sofia, Flight 307, an Il-18V with 8 crew and 17 passengers, slips below its glide path and crashes; there are no survivors.

Service is normal and there are only two accidents or incidents in **1974–1976**.

En route from Varna to Sofia on June 28, **1975**, an An-24 is hijacked by a lone gunman, who forces the aircraft to divert to Thessaloniki, Greece. There the pirate obtains political asylum.

An An-24B with 3 crew and 42 passengers crashes just after takeoff from Sofia for a service to Varna on November 22 (3 dead). In **1976**, an Il-18D is received from **LOT Polish Airlines**.

Tsankov Dimitrov, a 22-year-old auto mechanic, hijacks an An-24B with 49 aboard during a domestic flight from Vidin to Sofia on June 18, **1977**, and forces it to fly to Belgrade, where he is overwhelmed by police and arrested.

On December 2, a Tu-154A with 6 crew and 159 passengers is unable to land at the foggy airport in Benghazi and attempts to find an alternative airport. Unsuccessful and out of fuel, the crew carries out a forced landing (59 dead).

Just after takeoff from Sofia on January 16, **1978**, a Tu-134A with 73 aboard crashes; all of the passengers and crew are killed, including Polish Deputy Culture Minister Janusz Wilhelmi and film industry officials Halina Micikowska and Jerzy Tabor.

En route from Sofia to Warsaw on March 16, a Tu-134A with 7 crew and 66 passengers crashes near Gabare, Bulgaria; there are no survivors.

A Tu-154A with four crew crashes near Damascus, Syria, on March 23; there are no survivors.

Service continues steadily during the remainder of the decade and into the **1980s**.

The company's first marketing alliance with a Western European airline is signed with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** in April **1982**; it provides for code-sharing on flights between Sofia and Madrid.

On October 14 a married couple seizes a Tu-134 flying between Burgas and Warsaw and orders it diverted to Vienna. There the couple is taken in hand by police, tried, and sentenced. The husband receives two years in jail while the wife receives a suspended sentence.

En route from Sofia to Varna on the night of March 7, **1983**, an An-24 is captured by four armed terrorists demanding to be flown to Turkey. In the dark, the pilot lands at his scheduled destination, where police, alerted in advance, kill one pirate and capture the other three.

While on final approach to Sofia on a January 10, **1984** service from Berlin's Schoenefeld Airport, a Tu-134A with 5 crew and 45 passengers strikes a power line during a snowstorm and crashes into a forest, 4 km. short of the runway; there are no survivors.

An Il-18D freighter with 6 crew and 12 passengers is destroyed as the result of a bad landing at Sana'a, Yemen, on June 16; there are no fatalities.

An An-12V freighter with seven crew and two passengers is lost as the result of a bad landing at Addis Ababa on August 24; there are no fatalities.

By **1985**, the state airline is operating an 8-point domestic network and providing international services to 44 cities in Asia, Africa, and Europe.

Unheralded service continues in **1986** and, in **1987**, the company adopts a new corporate image, including logo and color scheme. It is

applied to an An-12B received from the Soviet Air Force in May, as well as to a variety of other aircraft.

An An-24 with 4 crew and 33 passengers crashes just after takeoff from Sofia on August 2, **1988** (23 dead). Later in the month, the airline joins IATA.

The fleet in **1989** includes 5 An-12Bs, 8 An-24RVs, 3 Il-18Ds, 5 Il-18Vs, 5 Tu-134s, 8 Tu-134As, 3 Tu-134A-3s, 9 Tu-154Bs, 2 Tu-154B-1s (1 leased from **Aeroflot Soviet Airlines**), 6 Tu-154B-2s, 5 Tu-154Ms, and 11 Yak 40s.

Significant fleet alteration begins in **1990**. Removed are 2 An-12Bs, 1 Il-18D, 3 Il-18Vs, 5 Tu-134s, 1 Tu-134A, 1 Tu-154B-2, and 2 Yak-40s. Nine of 11 Mil Mi-8 helicopters are withdrawn and passed to Heli Air Services. Added are 7 An-24RVs and 3 Tu-154Ms. Requests are made to Japan's Orix Aviation Systems, Ltd. for the charter of 4 Airbus narrow-bodies.

After removing its non-airline duties and subsidiaries, BBA, now under a new managing director, Kostadin Botev, becomes an autonomous unit within the Bulgarian Civil Aviation Corporation. Services are maintained to 55 cities in Africa, Asia, and Europe.

Enplanements total 1,074,667 and revenues are \$220 million; a net \$11.2-million gain is reported.

In **1991**, 8 Yak-40s are retired. One of 4 Airbus Industrie A320-231s is delivered. A Boeing 767-27EER is leased from **Air France** while 3 B-737-53As are chartered from Ansett Worldwide, the Australian leasing firm. In January, the restructuring announced the previous year takes effect. BBA is the only airline able to fly from Lagos and Harare in Africa.

Unhappily, recession and political upheaval causes passenger boardings to plunge 66.1% to 647,000. Freight, however, rises 25.8% to 5.92 million FTKs. Revenues total \$170 million and there is a \$1.9-million loss.

The last 3 A320-231s arrive in **1992** along with another **Air France** B-767-27EER. During the spring, a Yak 40 is leased to the new Nigerian operator **Bellview Airlines, Ltd.**

A chartered Tu-154A with 3 crew and 127 passengers overruns the runway after landing at Varna on June 5; although the aircraft is damaged beyond repair when its landing gear collapses, there are no fatalities.

On July 28, an An-24V is struck by a crane while being positioned on the ramp at Sofia Airport; no injuries are reported. Two An-24Vs, including the damaged unit, are later withdrawn. In December, the government's Privatization Agency (PA) officially authorizes airline executives to seek investors in the event the airline is privatized. Twice-weekly B-767-27EER roundtrips simultaneously commence to New York and once weekly to Taipei.

In January **1993**, Managing Director Botev oversees a workforce of 4,053. Two Tu-154B-2s are leased to **Palair Macedonia** and, in March, a block-space agreement is initiated with **LOT Polish Airlines, S.A.** covering service from Sofia to Warsaw. In April, the B-767-27EERs are placed on the long-haul routes to Bangkok, Male, Kuala Lumpur, and Jakarta.

In addition to those stops and a three-point domestic network, the company undertakes regularly scheduled international flights to Abu Dhabi, Accra, Algiers, Amsterdam, Athens, Bahrain, Barcelona, Beirut, Berlin, Brussels, Budapest, Cairo, Calcutta, Casablanca, Colombo, Copenhagen, Damascus, Doha, Dubai, Frankfurt, Harare, Helsinki, Istanbul, Johannesburg, Khartoum, Kuwait, Lagos, Larnaca, London, Madrid, Malta, Milan, Moscow, Munich, Muscat, Nairobi, New York, Paris, Prague, Rome, Stockholm, Tel Aviv, Tunis, Vienna, Warsaw, and Zurich. Toronto joins the route network late in the year, along with St. Petersburg, Kiev, Manchester and Lisbon.

With financial support from the British government's Know How Fund, a plan is put forward and approved to sell 11% shareholding to company employees and 49% to foreign investors; the government will retain 40%. At the same time, the carrier drops all of its non-airline activities, becoming an autonomous unit under the Bulgarian Civil Aviation Corporation.

Enplanements this year total 672,917.

Operations continue apace in **1994** to a total of 52 destinations in Europe, Africa, Asia, and North America, plus three domestic locations. Western units in the previously Soviet-made fleet include 4 leased A320-321s, 3 chartered B-737-53As, and 2 leased B-767-27EERs, the latter from **Air France**.

Joint services begin in March from Sofia to Istanbul in cooperation with **THY (Turkish Airlines, A.O.)**. The previous year's privatization plan fails when a foreign buyer cannot be found. Meanwhile, most of the carrier's charter services are cancelled on short notice to tour companies, including the old partner Balkan Holidays. The move will leave the airline without a charter program for three years.

Managing Director Botev voluntarily steps aside in late November to allow the efforts at privatization to continue under new management. Valeri Doganov is appointed his successor.

Passenger boardings decline 14.3% on the year to 785,200, although freight is up by 13.8% to 364 million FTKs. Revenues for the year are \$203.91 million, while expenses are \$215.19 million. Still, there is an operating loss of \$11.27 million and a net downturn of \$20.14 million. It is reported that, since 1991, the carrier has lost \$20 million per year.

Early in January **1995**, the Austrian-Swiss company Avicon offers to take a 49% stake in exchange for its know-how and services. The government rejects the tender as unreasonable, knowing that it will neither bring in budget revenue nor contribute to a fast financial stabilization of the floundering operation. The entire privatization process, begun in 1992, is ended by the government during the last week of the month. Citing a lack of proper investors, Managing Director Doganov indicates that the company must first be restructured.

A stabilization program is presented to the Ministry of Transport early in the spring and wins approval; under its terms, the company will be required to purchase eight new aircraft over the next four years. It will also receive a long-term government loan and some international routes will be temporarily suspended. In May, the government's former deputy minister of industry, Nikola Dotsov, is appointed chief executive, succeeding Managing Director Doganov.

Under terms of an agreement between the government and the government of the Russian Republic, the latter will repay in goods \$100 million owed to Bulgaria. As part of the arrangement, 5 new Tu-154Ms will join 7 others of that type in the fleet of Balkan flag carrier and replace all 12 of its Tu-154Bs.

During late summer, a government commission begins an examination of the carrier's expensive foreign aircraft leases.

In early November, **Air Malta, Ltd.** begins to cooperate with Balkan on a weekly service from Sofia to New York (JFK) via Malta. On November 11, the Bulgarian government approves a \$20-million bailout plan to save the continuously troubled airline. It also agrees to approve up to \$45 million from the State Fund for Reconstruction and Development.

During the year, customer bookings fall another 15.8% to 1,271,400 while cargo dips 1.7% to 44.97 million FTKs.

Many of the company's unprofitable international routes are discontinued in **1996**; however, several Yak-42s and Il-114s are acquired for regional services.

Due to its continuing heavy losses and requirements from the International Monetary Fund, the airline in June is included in a list of state-owned companies to be isolated from further bank loans and that are required to carry out restructuring programs before their future fate is decided.

The U.K. consultants KPMG assist the Ministries of Transport and of Finance in preparing a draft recovery plan for the airline. Unprofitable routes are dropped with the start of the winter schedule in October; service is discontinued to Stockholm, Brussels, Helsinki, and Harare in Western Europe and Africa.

Additionally, six hotels and restaurants in the Black Sea resorts of Zlatni Pyasatsi and Slanchev Bryag are sold and permission is received to sell up to 75% of the airline's debt-ridden Palma oil refinery.

Still, reports put the year's loss at \$50 million.

Bulgarian Finance Minister Dimitar Kostov appoints a new seven-member board for the airline in January 1997. The board, led by the new president, Valeri Doganov, will make adjustments to the KPMG-submitted recovery plan. When submitted at month's end, it leads, in February, to a rescheduling of debt payments and downsizing of staff. The Pliska Hotel in Sofia and the Cosmos in Bourgas, on the Black Sea, are added to the list of resorts sold, reportedly for \$2 million.

Finishing touches are completed during the first quarter on efforts, begun the previous year, to win back domestic and tour operators. A new program of charter flights begins at the end of March.

On April 7, Managing Director Doganov tells a news conference that debt restructuring will be the airline's first step towards privatization. Accomplishment of that goal will make the carrier more attractive to potential investors.

In April, code-sharing flights begin with **Olympic Airways, S.A.** over a route from Sofia to Athens. The airline continues to suffer from poor traffic and financial downturn. On April 25, the company enters into discussions with Bayerische Vereinsbank on the consolidation of its foreign debt in preparation for privatization. Bayerische Vereinsbank holds a 51% stake in a joint banking institution, Bayerische Bulgarische Handelsbank, set up in 1995 with state-owned Bulbank.

In June, 3 A320-231s must be returned to Japan and their routes taken over by old Soviet-made equipment. There is also concern over whether leases on the French B-767-27EERs can be paid.

It is reported on July 1 that the airline is seeking an equity partner from among financial institutions rather than airlines. Representatives from Airbus, Boeing, and Tupolev arrive in Sofia during the first half of the month to submit their offers for renewal of the carrier's fleet. All have been informed that financing will play as large a part in aircraft choice as technology.

The Association of European Airlines learns at year's end that the company has flown a total of 667.2 million RPKs during the year, a 6% decline. Enplanements are approximately 500,000.

Plans for full privatization push ahead in 1998. The government announces the sale of 100% of the indebted airline, with 20% to be offered to its staff at a preferential price.

The privatization consultants Treuhand Osteuropa Beratungsgesellschaft, mbH. (TOB) and the **British Airways, Ltd. (2)** affiliate Speedwing, Ltd. are retained to assist in the government's efforts. In April, 10 firms and consortiums send letters of intent seeking to participate in the airline's privatization. In May, five bidders are invited to make concrete proposals.

By July 13, three potential investors have deposited their bids to purchase a stake and these are closely studied with an aim of completing an arrangement by the end of August.

Reuters, Ltd. reports on September 2 that the carrier will return one B-767-27EER to **Air France** at the end of January and the other in March as their leases expire. Negotiations have opened with Airbus Industrie for the charter of 2 A300-600Rs. At the same time, it is noted that the company's agents have not yet selected a buyer, but should by month's end.

The French wide-bodies are, however, employed to initiate long-haul flights to Beijing, New Delhi, and Riyadh in October.

During the month, members of the airline's management, together with local financiers, establish a homegrown holding company, **Balkan Air**, to bid on the airline. Finding itself somewhat short of cash, the investor group allows an unnamed U.S. institutional investor to purchase a 75% stake. Ivan Sokolov is appointed the group's CEO.

With its organization and backing sorted out, **Balkan Air** approaches the government and makes a \$450-million offer to takeover the government's stake in **Balkan Bulgarian**. As negotiations continue, the government insists that **Balkan Air** also include guarantees concerning job security, company debt, and investment procedures. These points are agreed to and CEO Sokolov further indicates that, if the arrangement is successful, the airline will undergo a significant reshuffle, with a large fleet renewal program added and unprofitable routes and units spun off or dropped.

Having examined the package, the airline's advisors indicate that it is in order and await a government decision.

The British Broadcasting Corporation reports on October 24 that a group of nine illegal immigrants from Nigeria, involved in riots on Cyprus the previous evening, have been refused passage by **Balkan**, the airline assigned to deport them to Lagos via Bulgaria. The pilot of the **Balkan** aircraft refuses to allow them aboard because they are unaccompanied by security personnel and he refuses to let them sit with other passengers unattended.

It is announced on October 28 that, in order to secure more positive financial guarantees, the procedure for partial privatization had been cancelled the previous day. The government will launch a new procedure for submitting offers for a 75% stake because some conditions listed in the initial invitation have been "insufficiently clear." The mediation services of TOB and Speedwing are dropped as the government moves to handle the process directly.

On November 1, it is triumphantly announced that the company has earned a third-quarter profit of 12 billion leva (US\$1=1,664 leva).

While **Balkan** continues to operate, the entire privatization process is back at square one.

At a joint meeting of the Finance Ministry and the Transport Ministry on December 18, it is decided to open negotiations with Airbus and Boeing for the acquisition of two Next Generation aircraft in 1999 under a lease-purchase arrangement. Planning remains for the return of two **Air France** wide-bodies during the upcoming first quarter.

Passenger boardings during the 12 months increase by 14.7% to 828,000. Cargo traffic, on the other hand, slides 3.7% to 19.55 million FTKs. It will be reported the following May that, for the year, **Balkan** has been able to slash its losses to 9.4 billion leva (\$5.1 million). **Balkan's** long-term assets are valued at \$133 million, including offices abroad and other foreign holdings.

Following the return of the first **Air France** B-767-27EER at the end of January 1999, the company long-haul schedule begins to feel an impact.

At the beginning of March, the government opens a new procedure for the sale of a 75% stake in the carrier and establishes April 26 as the deadline for the submission of bids from interested parties.

At the same time, the second French wide-body is returned, creating a serious disruption. In their absence, smaller **Balkan** jetliners must be taken off their regular routes and employed for long-distance flights. Consequently, a number of passengers are stranded for up to 30 hours, waiting for their departures. Plans are made to replace other aircraft by May 10.

On March 16, Finance Minister Muravei Radev, indicates that **Balkan** has been authorized to enter into a long-term lease for a pair of Airbus Industrie A310s. It is also noted that 3 renovated Tupolev Tu-154Ms will be chartered from the Vnukovo aviation concern in Russia to service 30 monthly flights during the upcoming summer tourist season.

Having proven unable to change the policy of the Belgrade government toward the ethnic Albanians in Kosovo province, NATO, on March 24, closes the airspace over the federal republic of Yugoslavia (Serbia and Macedonia) plus Croatia, Bosnia, and Albania and launches the bombing campaign, Operation Allied Force. **Balkan** is prohibited from flying into those nations and, like other European airlines, finds itself confronted with cancellations and delays on services throughout south-eastern Europe.

Efforts to improve the airline's bottom line are seen at the end of the first quarter. The loss since January is down to 5.5 billion leva (\$3 million) from 18 billion leva during the same period in 1998.

As aircraft from the NATO nations continue to pound Yugoslavian targets, hundreds of thousands of Kosovo refugees cross borders into Albania and Macedonia. As aid workers struggle to provide relief, several governments step forward to provide sanctuary for some of the displaced persons. **Balkan's** Tu-154s are contracted by the UN High Commission on Refugees to undertake a number of mercy flights to transport displaced persons willing to accept temporary housing in European nations. By April 24, the company has operated at least 12 refugee flights.

Balkan is the airline chosen to transport the first group of 161 ethnic Albanians to Great Britain on April 25. Following a 3½-hr. flight from Skopje in Macedonia, the party lands at Leeds (Bradford Airport), where it is greeted by a huge banner reading "Welcome Kosovans." Ventislav Shipkaliev, chief steward on the flight, speaks with reporters after the passengers deplane, reviewing the contrast between the first hastily organized flights and the growing sophistication of the airlift.

The next morning, 4-year-old Gentiana Zogjani is pictured on the front page of many British newspapers waving to cameras as she steps off the Tupolev. Balkan will bring another two loads of Kosovo refugees (170 total) to Leeds over the next two weeks. Simultaneously, officials from the British Home Office travel to Macedonia to organize the refugee airlift to Great Britain.

Back in Sofia on April 26, only one equity offer is received for acquisition of the 75% stake; it is submitted by the Luxembourg-registered Data Control Holdings. The company simultaneously announces that its efforts to replace the French A310s have been delayed.

After mulling over developments and receiving indications of interest from other potential bidders, the nation's Privatization Agency extends until May 10 the deadline for submitting offers for the purchase of 75% shareholdings.

For political and economic reasons, Balkan Bulgarian is the only airline willing to accept for transport a growing number of deportees from Austria. Critics will see this situation as contributing to a tragedy on May 2. After Nigerian Marcus O, who is being transported from Vienna to Lagos via Sofia attacks his escort 20 min. before landing in Bulgaria, he is restrained, bound, and gagged with adhesive tape. The gagged prisoner dies of asphyxiation.

When news of the event gets back to Vienna the next day, members of the Green and Liberal parties, with some Black protesters wearing gags, stage a demonstration outside the Interior Ministry, calling upon Minister Karl Schloegl to resign. With government support, Schloegl will stay on.

Interviewed by the *Standard* newspaper of Sofia on May 4, Managing Director Philip Mustakov indicates that the airline can only avoid liquidation if it is sold quickly. If it is not purchased, it may be closed out and its assets passed to **Hemus Air, Ltd.**

On May 5, British Home Secretary Jack Straw informs the House of Commons that one plane will arrive in England or Scotland every day for the next month bringing in Kosovo refugees, who will be accorded housing on a temporary basis. After "clarification," the Home Office announces that the daily airlift will be built up gradually.

As a result of the delay in replacing the French A310s, flights to Johannesburg and New York (JFK) from Sofia are suspended on May 8.

Balkan continues to operate refugee services around Europe. On May 9, for example, two additional Tu-154 flights transport another 320 passengers to Prestwick, Scotland.

Two additional services to the U.K. are operated during the week of May 10. When bids for an equity stake are examined during the day, five are found; these include Data Control Holding; Luxembourg-registered Air Rent; the ZEEVI Group from Israel; Germany's Ulrich Bentelep; and RAK of Russia.

On June 29, after a month-and-a-half of deliberation—not including four failed attempts to sell the airline since 1993—the Privatization Agency approves the sale of a 75% stake to the ZEEVI Group, which consists of Zeevi Holding, Ltd. and Knafaim-Arkia Holdings, Ltd., parent of **Arkia Israel Airlines, Ltd.** The Israeli partners obtain 2,258,946 shares for an up-front \$150,000 payment and agree to invest \$100 million in the airline over the next five years (including \$20 million during the first year). They will also cover its 208 billion leva (\$110 million) debt in \$2.4-million annual payments over the next decade.

Given the Israeli involvement in the state carrier, Syria, on July 8, bans Balkan Bulgarian from flying to Damascus. On July 15, the day on which the sale is completed, Lebanon demands that Balkan stop its service to Beirut. Bulgarian sources inform Reuters, Ltd. that even though the Sofia-Beirut-Damascus destination has an annual value of \$1.8 million, the banned flights will be replaced by other Bulgarian carriers.

The Moscow media reports on September 3 that newly privatized Balkan has lost its breaks on airport taxes in Bulgaria.

Amidst a flurry of Arab protests, the ZEEVI Group, in October, announces its intention to eventually sell back its 75% stake in Balkan.

Passenger boardings this year fall 16.1% to 695,000 and freight traffic plunges 59.2% to 12,390,000 FTKs.

Wearing new colors that reflect the carrier's newly unveiled revised corporate identity, a pair of leased Boeing 737-3Y0s arrive in January **2000**; in a public ceremony, the first is christened *City of Rouse*.

Company officials announce on February 1 that the suspended service to New York (JFK) will soon be resumed; employing a B-767-300ER in code-share with **Uzbekistan Airways**, the new flights will route from Tashkent to New York via Sofia.

Due to its fiscal situation, the company is now behind on its fuel bills. On March 8, the carrier's accounts are blocked and a furious dispute erupts with creditors over the debt until new arrangements can be hammered out.

The ZEEVI Group now institutes a new reorganization program designed to attain airline profitability within a year. Among the first steps is the creation of Balkan Technique, a new joint venture maintenance operation between the airline and Israel Aircraft Industries, closure of certain foreign offices, a cut in the flight schedule, and a freeze on wage increases. Domestic fares are raised on March 23.

Beginning on May 2, pilots strike the airline demanding better wages and safety conditions. After the carrier is practically shut down, labor and management reach a satisfactory agreement nine days later and flights resume.

Service to Tripoli is suspended on June 2 following receipt of a fax from the Libyan government withdrawing the company's landing rights and ordering its in-country business activities to cease.

As Balkan Technique gets up and running in June, the carrier is able to lay off 600 of its 1,000 mechanics. At the same time, Zvi Frank is named CEO and the fleet is revised by the addition of 3 B-737-3Y0s, which replace the smaller Dash-53As. In July, the company begins to replace its 4 old An-24s, which fly on regional routes, with 2 ATR42-520s.

BALKH AIRLINES: Peshawar, Afghanistan; Year Founded 1997.

As a result of the Pakistani Pathan community's boycott of **Pakistan International Airlines Corporation**, Balkh is established at Peshawar in January **1997** to provide them with transportation. Ownership is uncertain; however, the company is equipped with a single Boeing 727-200.

Revenue services commence on April 1 from Peshawar to New Delhi, Tashkent, and Mashad. In early May, an agreement is signed with the Abu Dhabi Department of Civil Aviation and, during the third week of the month, twice-weekly roundtrips are inaugurated via Mazar-e Sharif in northern Afghanistan. A third service to Abu Dhabi is initiated in June.

The enterprise does not make it into the established airline directories and information on its subsequent activities, particularly in light of the UN sanctions imposed on Afghanistan in late **1999**, is unknown.

BALL: United States (1927-1930).

McKeesport, Pennsylvania automobile dealer and aviation buff, Clifford Ball, who, together with friends has purchased Pittsburgh-McKeesport Airport (Bettis Field), bid on U.S. Post Office Contract Airmail Route No. 11 (CAM-11) from Pittsburgh to Cleveland. After winning the contract late in **1926**, Ball establishes an airline bearing his name, hires two pilots and a mechanic, and purchases three WACO 9 biplanes, which he christens *Miss McKeesport*, *Miss Pittsburgh*, and *Miss Youngstown*.

After waiting out a miserable Ohio Valley winter, pilot Dewey Noyes, flying the *Miss Pittsburgh*, inaugurates CAM-11 via Youngstown and Akron on April 21, **1927**. Carrying relatively small sacks, the three aircraft maintain services without serious accident during the next eight months. By December 31, they have transported 2,740 pounds of mail.

Two Pitcairn PA-5 Mailwings are purchased from their Philadelphia area manufacturer in January **1928**. Later in the spring, two new

Fairchild FC-2 cabin monoplanes are acquired and, on May 1, are employed to inaugurate passenger service between Pittsburgh and Cleveland. A third FC-2 is received new in August and assigned to the Pennsylvania–Ohio service.

The company is reequipped with speedy Travel Air 4000 biplanes later in the fall, along with a Ryan B-1 Brougham employed exclusively for mail. For the year, a total of 725 passengers are carried along with 54,582 pounds of mail over 84,850 miles.

En route to Pittsburgh from Cleveland, a Travel Air 4000, out of fuel, attempts to land on a mountaintop field at Morgantown, West Virginia, on January 31, **1929**, and crashes (one dead). Three Fairchild 71s and four New Standard D-27 mailplanes are purchased in April. In May, the former are employed to inaugurate regularly scheduled passenger services over the Allegheny mountains to Washington, D.C. Running into bad weather over Beaver Falls, Pennsylvania, on October 21, pilot Harry Sievers tucks his mail bag under his arm and parachutes from his New Standard D-27; the plane crashes.

Operations continue for 10 months in **1930**. On November 1, Ball is purchased by Pittsburgh Aviation Industries Corporation and renamed **Pennsylvania Air Lines**. Previous routes and operations are maintained.

BALL BROTHERS AVIATION. See **NORTHERN PACIFIC TRANSPORT**

BALSAM'S AIR SERVICE: United States (1922). In order that wealthy patrons in Dixville Notch, New Hampshire, and surrounding communities might receive their New York newspapers more quickly than the three-day delivery by train, a gentleman named Balsam has the idea to fly them in by air.

Employing 3 Curtiss Oriole biplanes, papers are daily flown the 350 miles from the Long Island town of Garden City. The pioneering express service continues throughout the summer of **1922**, ceasing with the onset of winter.

BALT AERO (BALT AERO AIR COMPANY): Russia (1994–1995). Balt Aero is established at Kaliningrad in **1994** to offer ad hoc cargo charters to destinations throughout the CIS. V. I. Khmelevskikh is appointed general director and he begins revenue operations with an unspecified number of Antonov An-12s, Ilyushin Il-76s, and Let 410s. The company folds within a year.

BALTIC AIRLINES, LTD. See **BALTIC AIRWAYS, LTD.**

BALTIC AIRWAYS, A.B.: Sweden (1986–1989). Established at Malmo–Sturup Airport in **1986** Managing Director Karl-Gustav Sjoestedt's new carrier assembles a fleet of 2 Aerospatiale SN-601 Corvettes and 1 Swearingen Merlin III. Air ambulance, air taxi, charter, and cargo operations are undertaken.

Early in **1987**, a single Vickers Viscount 814 is purchased from **British Air Ferries, Ltd.** and operations continue apace.

Early in **1988**, the Viscount is leased to **Baltic Airways, Ltd.** in the U.K. and is replaced with a single BAC 1-11-200 that is employed to operate a single roundtrip route from Southend Airport to Stockholm. Traffic rights to the British airport are cancelled in July.

At this point, the owners, now without a scheduled route, take over the authority of **Baltic Airways, Ltd.** The new arrangement continues service to Malmo and Stockholm under the British company's certificate. The company is merged into **British Air Ferries, Ltd.** in May **1989**, at which point the Baltic-named carriers of both Sweden and the U.K. pass into history.

BALTIC AIRWAYS, LTD.: United Kingdom (1987–1989). STH Sales, Ltd., a U.K. aircraft spare parts business owned by Coggeshall Holdings, Ltd., acquires 3 Viscounts for cannibalization in late **1987** from **British Midland Airways, Ltd.**

In January **1988**, the decision is taken by the airframe owner to operate services. With £8.5-million capitalization from various London in-

vestors, including major shareholder David Salmon, **Baltic Airways, Ltd.** is registered and forms two separate air transport divisions.

The charter arm will be known as **Hot Air, Ltd.** and the scheduled as **Baltic Airlines, Ltd.** In late spring, the Vickers Viscount 815 owned by Swedish-based **Baltic Airways, A.B.** is leased as the company begins to operate ad hoc Viscount passenger and cargo charters under the label "Hot Air" flights.

Baltic Airlines, Ltd. scheduled flights commence in June from Southend Airport to Malmo in Sweden. When **Baltic Airways, A.B.** loses its traffic rights to London in July, it purchases the authority of **Baltic Airways, Ltd.** and takes over its Malmo and Stockholm services using the British line's certificate.

The company is merged into **British Air Ferries, Ltd.** in May **1989**, at which point the Baltic-named carriers of both Sweden and the U.K. pass into history.

BALTIC EXPRESS LINE. See **BEL (BALTIC EXPRESS LINE, A.S.)**

BALTIC INTERNATIONAL AIRLINES, A.S.: Latvia (1992–1995). BIA is formed at Riga in the first quarter of **1992** as an autonomous subsidiary of **Latvian Airlines, A.S.**, the former Latvian division of **Aeroflot Soviet Airlines**, which holds 66.66% of the company's shares. Houston-based **Baltic International USA**, under the leadership of Homi Davier, who had helped found **Gulf Air**, owns the remaining third.

Peter Ozolins is appointed president and he inaugurates thrice-weekly scheduled return services in mid-April linking Riga and Frankfurt with 2 Tupolev Tu-134B-3s and 1 Tu-154 leased from the parent. On April 15, IATA grants its newest member permission to change its old Aeroflot "SU" code to "TI."

Previously granted permission to inaugurate service over a route from New York (JFK) to Riga via Belfast is withdrawn by the U.S. DOT in January **1993**. The route will be given to **American Trans Air** instead. Two chartered Douglas DC-9-15RCs enter service as plans are made to inaugurate flights to three more German cities, Hamburg, Dusseldorf, and Munich.

The aircraft do not work out and they are returned in early **1994**. In their place, two Boeing 727-23s, originally delivered to **American Airlines**, are purchased. Destinations now visited include Frankfurt, Hamburg, London (LGW), and Dusseldorf. Plans are announced to form a new Latvian flag carrier in a joint venture partnership between **Baltic International**, the Latvian government, and **SAS (Scandinavian Airline System)**.

Enplanements are reported for the first half-year and total just 20,707.

In **1995**, traffic figures are also reported for the period through June and show customer bookings of just 19,756. In July, the government elects to disband the carrier, transferring national airline status to **Air Baltic**, which will be set up on August 29.

BANCONE SERVICES CORPORATION: P.O. Box 71, Phoenix, Arizona 85001, United States; Phone (602) 589-3977; Fax (602) 589-3365; Year Founded **1996**. BancOne is set up by Thomas D. Janes at Phoenix in **1996** to provide local FAR Part 135 all-cargo and express services. Flights begin and continue with 5 Cessna 402Cs.

BANGKOK AIRWAYS COMPANY, LTD.: 140 Pacific Place Building, Sukhumvit Road, Bangkok, 10110, Thailand; Phone 66 (2) 253-8352; Fax 62 (2) 253-4005; <http://www.bkkair.co.th>; Code PG; Year Founded **1968**. Originally formed as an air taxi operation, **Sahakol Air (Sahakol Air Company, Ltd.)** in **1968** to operate between the national capital and the resorts on Ko Sumai (Samui Island), this company is reformed into **Bangkok Airways** during the first week of January **1986**, with Dr. Prasert Prasarttong-Osoth as president/CEO.

Scheduled services are started late in the month from Bangkok's Don Muang Domestic Airport to Ko Samui with a fleet initially comprising 1 Piper PA-23 Aztec and 1 Piper PA-31-350 Navajo Chieftain. The latter is **Sahakol's** original aircraft, the *Trade Wind*.

An order is placed for a SAAB 340A. Unable to establish viability, BA goes bankrupt and operations are suspended in December 1987. The SAAB order is cancelled.

Having reorganized the company and acquired an Embraer EMB-110P Bandeirante, Dr Prasarttong-Osoth resumes services from Bangkok to Ko Samui in 1988. Again, no traffic or financial data is released.

Operations continue apace in 1989 and orders are placed for both Irish and Canadian turboprops. Scheduled service is permitted from Bangkok to Ko Samui and Hua Hin and from Ko Samui to Phuket. Beginning in April, service to Ko Samui lands at the company's newly opened private airport. Orders are placed for 4 de Havilland Canada DHC-8-102s, which begin delivery in the fall.

Bad weather and pilot disorientation cause Flight 125, a DHC-8-102 with 5 crew and 33 passengers en route from Bangkok, to fly into the ground at a coconut plantation 5 km. SW of the runway at Ko Samui on November 21, 1990; there are no survivors.

Service to Phnom Penh begins at the year's end as enplanements between January and December total 153,557.

Airline employment totals 250 in 1991 and the fleet is made up of 4 de Havilland Canada DHC-8-100s/300s, 4 Shorts 330s, 1 Embraer EMB-110P2 Bandeirante, and 2 Shorts 360s. A variety of local destinations form a new network, including Ko Samui, Hua Hin, Trang, Mae Hong Son, Phnom Penh, Utaphao, Samui-Phuket, Utaphao-Phuket, and Chiang Mai. Charters are also undertaken to Mandalay, Pagan, and Phnom Penh.

In 1992, another Shorts 360 is added while 3 of the Shorts 330s are put into storage. A leased Fokker 100 is placed into service in May flying tourists and UN officials daily between the company's base and Phnom Penh.

In the face of competition from **Thai Airways International, Ltd.**, the Cambodian route is abandoned and 2 British Aerospace BAe 146-100s replace the Fokker jetliner.

Airline employment stands at 572 in 1993 and new tourist destinations include Loei and Sukhothai. In November, scheduled flights are initiated from the company's private airport at Sukhothai near Bangkok to Mandalay via Chiangmai. Profits over the past 5 years total only \$1.4 million on revenues of \$81 million.

Former **Air Siam, Ltd.** Managing Director Virachai Vannukul becomes CEO in January 1994 and is given a mandate to upgrade the airline. To cut costs, he cancels service to Loei province and the Burmese city of Mandalay, closes the Paris office on the Champs Elysees, discontinues hot meals on the 50-min. route to Samui, closes another office in Bangkok, and generally reduces waste and free flights. In August, an arrangement is made to lease 5 Avions de Transport Regional ATR72-201s for 5 years. The first 2 ATRs are delivered by the end of October.

Although permission is sought to operate on Thai domestic routes, it is not obtained. Services now provided link Bangkok with Samui, Bangkok and Hua Hin, and Samui and Phuket.

Three ATR72-201s, under charter from their manufacturer, enter service in 1995. Early in 1996, a sixth ATR72-210 is requested. It is delivered in December and, like the earlier units, is employed to help expand the company's domestic network.

Destinations visited in 1997-1999 include Bangkok, Chiangmai, Hua Hin, Loei, Mandalay, Phnom Penh, and Phuket. The fleet now includes 7 ATR72-201s and 1 ATR42-320. The *Bangkok Post* reveals on October 12 of the latter year the company now has two female pilots, Rungrana Unhasuwan and Muttika Limpisawat.

Flights between the south Thailand beach destinations of Koh Samui and Krabi commence on January 27, 2000. On April 1, Bangkok signs a seven-year lease agreement with Pembroke Capital. Under its terms, the airline will become the premier Boeing 717-200 operator in Asia.

The next day, thrice-weekly ATR72-201 roundtrips are started from Sukhothai to Siem Reap, along with four-times-a-week return service from Phnom Penh to the coastal resort of Pattaya.

Thrice-weekly roundtrips commence on July 27 from Bangkok to Krabi and to Siem Reap and from Phnom Penh to Koh Samui. Fleet renewal continues as the airline signs an agreement with ATR on Septem-

ber 7 to replace its current leased fleet with 12 new ATR72-520s by 2003. Simultaneously, 2 more B-717-200s are chartered from Pembroke.

The carrier, on October 11, announces the formation of a Cambodian subsidiary, **Siem Reap Airways**, which comes into existence on October 29. Employing 3 ATR72-201s leased from the parent, the new regional flies from Siem Reap to Bangkok, Phuket, and Sukhothai and from Phnom Penh to Bangkok and Pattaya.

Plans continue apace during the fall for receipt of the first B-717-235 on November 15. It will enter service from Bangkok to Siem Reap and Phnom Penh, Cambodia, in December on lease to **Siem Reap Airways**. The second unit, expected in March 2001, will fly from Singapore to the Thai holiday island of Koh Samui. The process of painting the Bangkok 717s is described in the December 2000 issue of *Airways*.

BANGLADESH BIMAN AIRLINES, LTD. See BIMAN BANGLADESH AIRLINES, LTD.

BANGOR INTERNATIONAL AIRLINE: United States (1983-1987). BIA is established at Bangor, Maine, in 1983 to provide scheduled intrastate passenger and cargo services. Employing 1 Piper PA-23 Aztec and 2 PA-28 Cherokees, the company inaugurates daily roundtrips linking its base with Bar Harbor, Houlton, and Portland.

Operations continue apace until the fall of 1987.

BANK AIR: United States (1965-1971). Bank Air is set up at San Diego, California, in early 1965 to provide scheduled roundtrip passenger and cargo services to Las Vegas.

Employing a Beech 18, the company inaugurates revenue flights on March 10; these continue until the company goes out of business in 1971.

BANKAIR COMMUTER AIRLINES: 2406 Edmond Road, West Columbia, South Carolina 29170, United States; Phone (803) 822-8832; Fax (803) 822-8775; Code B7; Year Founded 1973. Bankair is established by the Dickerson family at Columbia Municipal Airport in 1973 to offer scheduled passenger and cargo flights within South Carolina. Employing a fleet of 5 Piper PA-28 Cherokees, 2 PA-34 Senecas and 1 Cessna 402, the third-level company initiates services to Greenville, Hilton Head Island, Charleston, and Myrtle Beach. Extended frequencies are also available to Winston-Salem, North Carolina.

Operations continue throughout the remainder of the decade and new markets are entered at Charlotte and Lumberton. The fleet in 1981 is not significantly changed from that of 1973. Nettie D. Dickerson remains president, with Charles W. Dickerson as vice president-operations and John E. Dickerson as vice president-sales.

The company expands further in 1982-1984; new services are opened to Anderson, Beaufort, Bennettsville, Cheraw, Clemson, Dillon, Florence, Spartanburg, Pickens, Rock Hill, Sumter, Atlanta, and Birmingham. Several Rockwell Aero Commander 690s are acquired.

Two more Cessna 402s and another Seneca are added. With passenger traffic declining throughout 1985, the company abandons passenger service in 1986, electing to concentrate on cargo, express, and mail.

Just after takeoff from Hilliard, Florida, on June 24, 1987, an Aero Commander 690 with two passengers rolls and dives from an altitude of 9,200 ft.; upon impact, both aboard are killed and the aircraft is destroyed.

Charles Dickerson assumes the presidency in 1988, by which time his fleet has been significantly increased by the acquisition of 4 Aero Commanders 500s, 1 Cessna 402, 3 Cessna 404 Titans, 3 Mitsubishi Mu-2s, and 1 Seneca.

On a return service from Atlanta to Little Rock via Memphis on May 17, an Aero Commander 690A crashes 4 mi. W of its destination in the Arkansas River, killing its pilot.

In 1989, flight equipment is altered again; gone are a Seneca, the Titans, the C-402s, although two more Mu-2s are purchased.

Operations continue apace during the next three years. Enplanements in 1991 are 400 and that figure increases to 500 in 1992. During those two years, 15.2 and 16 million pounds of cargo, respectively, are flown.

The fleet in **1993–1994** comprises 3 Learjets, 8 Mu-2s, 7 C402/404s, and 3 Senecas. The workforce stands at 100.

Services continue in **1995–2000**; during the latter year, President Dickerson's fleet includes 12 Mu-2s, 10 Learjets, 7 Cessna 402s, 5 Piper Senecas, and 1 Cherokee Six.

BANNERT AIR, GmbH.: Wagramerstrasse 56, Vienna 1220, Austria; Phone 43 (1) 203 5589; Fax 43 (1) 203 5589 26; <http://www.bannert.com>; Year Founded 1995. Chief pilot Rene Popp establishes Bannert at Vienna Airport in **1995** to offer executive and small group passenger connections between the larger European airports and smaller communities, as well as to worldwide destinations. Flights begin and continue with 1 each Cessna 650 Citation III, C-501 Citation, C-550 Citation II, and Piper PA-31-350 Navajo Chieftain.

BAR HARBOR AIRLINES: United States (1946–1991). Thomas and Joseph Caruso establish Bar Harbor as an FBO at Ellsworth, Maine, in **1946**. Although providing charter flights for over 15 years, the company does not establish an airline division nor begin to offer scheduled service until **1968**. Daily scheduled Cessna 310 and Cessna 402 roundtrips are initiated to Bangor, Boston, Portland, and other New England destinations. These continue on a low-key basis for the remainder of the decade and into the early **1970s**.

By **1975**, enplanements for the small regional have grown to 47,343. The fleet now includes 5 Beech 99s, 2 Cessna 402s, and 1 Cessna 310.

Airline employment in **1976** grows 30.8% to 85. A Beech 99 freighter crashes near Bar Harbor on August 16; although the aircraft must be written off, the pilot escapes injury.

Two more Beech 99s are purchased and employed to increase frequencies and, in November, to inaugurate nonstop service from Boston to Quebec City.

Passenger boardings jump 34.6% to 72,389 while freight skyrockets 72.1% to 176,642.

Two more Beech 99s are purchased in **1977**. Enplanements total 93,955. Four persons die in the crash of a Beech 99 in rain and fog near Trenton, Maine, on May 17, **1978**. Passenger boardings jump 15.7% for the year to 111,453 while freight increases 63.6% to 381,093 pounds.

The workforce is increased by 88.4% in **1979** to 243. Customer bookings increase by 52.2% to 169,715 as the fleet is increased by 3 Convair CV-600s.

Bar Harbor's fleet in **1980** includes 12 Beech 99s, 1 Cessna 402, 1 Cessna 310, and 4 Convair CV-600s, 1 of the latter being received during the year. These aircraft fly into a growing list of markets in Maine, New Hampshire, Connecticut, Massachusetts, and New York, including Presque Isle, Waterville, Bangor, Bar Harbor, Rockland, Augusta, Portland, Manchester, Hartford, Springfield, Worcester, and Albany.

The service between Manchester and New York (LGA) is a replacement service for **Delta Air Lines**. Meanwhile, the route from Presque Isle in Maine to Quebec City is suspended. In May, Rockland, Maine-based **Downeast Airlines** is purchased and merged. Passenger boardings rise 38.3% to 234,591 and result in orders being placed for 3 CASA C-212 Aviocars.

The 320-employee large regional opens a new Boston–New York (JFK) route and adds one CV-600 and two CASA C-212 Aviocars during the first half of **1981**. President Joseph Caruso and his executive vice president, Allyn J. Caruso now possess a fleet comprising 5 Convair CV-600s, 11 Beech 99s, 2 CASAs, and 1 Cessna 402. Flights are initiated to the Maine towns of Lewiston and Auburn in October, replacing those earlier provided by the failed **Air New England**.

The carrier also signs a System-One reservations, marketing, and service agreement with **Eastern Air Lines**, which will make Bar Harbor basically a commuter affiliate complete with aircraft in modified EAL livery.

As a result of the PATCO air traffic controllers' strike and subsequent ATC difficulties, enplanements are off 3.8% to 225,666.

The workforce in **1982** totals 326. The new marketing/service arrangement with **Eastern Air Lines** comes into effect on January 1 and the

commuter begins to feed its passengers, as Eastern Express, to the major's hubs at Boston and New York. The final Aviocar joins the fleet and Eastern Express service spreads to Florida.

Enplanements jump 19.7% to 270,059, while cargo drops 8.2% to 704,000 pounds.

Beginning in **1983**, supplemental cargo charters are undertaken for **Federal Express**. Passenger boardings grow only a slight 0.2% to 269,618.

Additional Aviocars are acquired in **1984** allowing the privately held New England regional to resume upward growth. Twice-daily roundtrip service is inaugurated on June 1 from Bar Harbor to Philadelphia via Portland.

Passenger bookings swell with a 10.5% to 297,876.

The payroll is increased by 5% in **1985** to 379 and the fleet includes 10 Beech 1900s, 11 Beech 99s, and 5 CV-600s. Orders remain outstanding for 4 SAAB SF340s.

Tragedy strikes on August 25 when Flight 1808, a Beech 99 with two crew and six passengers, crashes on approach in a thunderstorm to Maine's Auburn–Lewiston Municipal Airport after a service from Boston; all are killed, including young peace advocate-actress Samantha Smith and her father.

Customer bookings for the year increase 20.4% to 357,714.

Fifty-nine employees or 15.6% of the workforce is laid off in **1986**. The fleet now includes 16 Beech 99s, 11 Beech 1900s, and 6 SF340As; the CV-600s are withdrawn and sold. **Valley Airlines** is purchased in early spring and operated as a subsidiary.

When the first SAAB enters service in July, the company introduces a new Eastern Express aircraft livery. Late in the year, 10 Beech 99s are purchased and dedicated to Eastern Express operations in the Sunshine State.

Passenger boardings climb another 26.3%, to 453,105.

In February **1987**, the Texas Air Corporation (TAC) acquires financially troubled **PEOPLExpress** and its subsidiaries. At the same time, TAC, acting through **Continental Airlines**, takes over Bar Harbor. Given the potential benefit to **Eastern Air Lines** of the new acquisition's Miami operations, that major contributes to the arrangement and ownership is established at 59% Continental and 41% Eastern.

A significant percentage of Bar Harbor's income is now "prorated" to the two majors to a point where they will have to provide monthly operational loans and the large regional will never again make a profit.

In April, Bar Harbor is assigned to take over management responsibilities and many of the routes of the one-time People subsidiary **Provincetown-Boston Airline (PBA)**, which is designated a Continental Express carrier. Bar Harbor's own northern network is expanded and PBA's Florida division (**Naples Airlines**) is closed in favor of Bar Harbor's Eastern Express service in the Sunshine State. PBA's services to Cape Cod and the Massachusetts islands are also taken over and Bar Harbor's annual customer bookings increase to 784,220.

Enplanements in **1988** total 1,042,288 as the fleet is expanded by the addition of Avions de Transport Regional ATR42-300s and Beech 1900s. A Philadelphia hub is opened on December 15, where the carrier replaces **Britt Airways** as the **Eastern Air Lines** commuter partner.

The 1,030-employee large regional continues to operate as both a Continental Express and Eastern Express service provider in **1989**, hubbing on three cities. Under both monikers, Bar Harbor flies 7 Beech 99s and 6 SAAB 340As to 11 small markets surrounding Miami. Up north, the airline serves strictly as Continental Express. From Boston's Logan Airport and New York (LGA), Bar Harbor flies to 7 cities with 7 Beech 99s and 1 Beech 1900.

By far, the company's largest hub is Newark, from whence it operates to 23 communities with 9 Beech 1900s and 16 ATR42-300s. In March following the shutdown and bankruptcy of **Eastern Air Lines** by strike, Bar Harbor also declares Chapter XI bankruptcy. In the two years since its takeover by TAC, it has received \$43 million in loans from its two parents: \$25 million from **Eastern Air Lines** and \$18 million from **Continental Airlines**.

The figures are almost opposite the ownership percentages. **Continental Airlines** now takes over the funding of Bar Harbor completely and orders its Florida operations to be cut substantially. Passenger boardings increase by 5% to 1,097,145.

The fleet is altered in 1990 to include 8 ATR42-300s, 6 SAAB 340As, 16 Beech 1900s, and 15 Beech 99s. By May, when **Continental Airlines** decides to eliminate Bar Harbor's Florida operation completely, the major has loaned the large regional \$40 million since the latter's bankruptcy the previous March. Negotiations to sell the Miami-based portion of the carrier to private investors fail and it is shut down in July.

The same private investors continue to seek an arrangement to purchase the carrier's northern Continental Express remainder. Talks continue throughout the year, appearing several times on the verge of success, each time to fade. Meanwhile, as part of these proceedings, Bar Harbor's ownership is acquired by **Eastern Air Lines** as a TAC stragem to make its sale easier. Despite this change of ownership late in the year, the carrier continues to operate in the red. Customer bookings decline 2.2% to 1,072,843.

Eastern Air Lines and Bar Harbor Airlines cease operations on January 19, 1991. Both will soon be liquidated.

BARBADOS INTERCONTINENTAL AIRWAYS, LTD. See **AIR CALYPSO, LTD.**

BARD AIRLINES: United States (1980–1981). Bard Airlines is set up at Cortland, New York, in 1980 to provide scheduled passenger and cargo services. Employing Piper lightplanes, daily roundtrips are duly inaugurated to Erie, Ithaca, and Newark International Airport.

When the PATCO air traffic controllers' strike of summer 1981 brings ATC restrictions at the New Jersey airfield, Bard is unable to earn sufficient income to last out the year.

BARKEN INTERNATIONAL AIRLINES: Salt Lake City International Airport, Salt Lake City, Utah 84122, United States; Phone (801) 539-7700; Fax (801) 596-8741; Year Founded 1980. Established at Salt Lake City in 1980, BIA undertakes contract service as well as passenger and cargo charter flights to various western U.S. destinations with a fleet of Gates Learjet 35As and Mitsubishi Mu-2s.

Operations continue apace for the next 13 years and in 1993–1994, President Barbara Heptner employs 40. A fleet of 6 Learjets, 5 Mitsubishi Mu-2s, and 4 Pipers are operated to destinations in both North and South America.

Flights continue in 1995–1999, during which years 29 pilots are employed and the fleet is broken into 2 divisions, 1 based at Salt Lake City and the other at Hailey, Idaho. At Utah's capital, Barken stations 2 each Grumman G-1159 Gulfstreams, IAI-1124 Westwinds, Learjet 25s, and Mu-2s, and 1 each Learjet 35A, Piper PA-31-350 Navajo Chieftain, and Cessna 182 Skylane. A second Chieftain is stationed at Friedman Memorial Airport at Hailey.

While on final approach into Lewiston on a February 11, 2000 service from Boise, a Mitsubishi Mu-2B with one pilot and a cargo of banking papers for American Check Transport, suffers a dual engine flameout and crashes two miles east of the runway. The pilot is fatally injured.

BARNAUL STATE AVIATION ENTERPRISE: Russia (1993–1997). BSAE is established at Barnaul Airport in 1993 to offer domestic passenger and cargo flights on both a scheduled and charter basis. Andrei A. Frolov is appointed general director and he begins services with an unspecified number of Antonov An-2s and An-26s, Tupolev Tu-154A/Bs, Yakovlev Yak-40s, Ilyushin Il-76TDs, and Let 410s, plus Mil Mi-2 and Mi-8 helicopters.

Flights continue in 1995–1997. During the latter year the carrier is renamed **Altai Airlines**.

BARNAX AIRLINES, LTD.: Nigeria (1991–1992). Barnax Airlines, Ltd. is established at Port Harcourt in the spring of 1991 to offer pas-

senger charter and inclusive-tour flights to African regional destinations. Two Boeing 737-222s, including one christened *Sagittarius*, are leased and allow the company to inaugurate revenue operations in June.

Recession and high costs prevent the airline from achieving profitability and it is forced to close down a year later in 1992.

BARON AVIATION SERVICES: P.O. Box 518, Rolla National Airport, Vichy, Missouri 65580, United States; Phone (314) 299-4744; Fax (314) 299-4744; Code BVN; Year Founded 1978. Baron is founded by C. E. Schmidt at Rolla National Airport, Vichy, Missouri, in 1978 to offer charter and contract freighter services throughout the U.S. middle west with a fleet of 4 Douglas DC-4s.

Operations continue apace with little change for the next decade as the company becomes a subcontractor to **Federal Express**. In 1989, the fleet includes 5 Cessna 208A Caravan Is, all operated exclusively for **Federal Express**.

In 1990, a C-208A is replaced by a new C-208B. With the national recession deepening in 1991, the fleet includes just 1 C-208As and 2 C-208Bs. With the change in national administrations in November 1992, Baron sees its business expand and, with it, its fleet, which now includes the 1 C-208A and 23 C-208Bs. Sixteen more C-208Bs are acquired in 1993–1996 as the FedEx contract is expanded.

Flights continue apace during the next two years, but at some cost. While on final approach to Cincinnati after a February 14, 1997 FedEx charter from Memphis, a Cessna 208B with one pilot strikes a utility pole and crashes. Although the aircraft is badly damaged, the flyer is unhurt.

Another Cessna 208B flown on behalf of FedEx, makes a hard landing at Grand Island, Nebraska, on January 20, 1998; the aircraft veers to the left, departs the runway, and makes a 180-degree-turn into a field before coming to a stop. The pilot is not injured.

Flights continue apace during the remainder of the year and into 1999. By this time, the fleet has been expanded to comprise 41 C-208Bs. Two are removed in 2000.

BARRIE FLIGHT CENTRE, LTD.: P.O. Box 626, Barrie, Ontario L4M 4V1, Canada; Phone (705) 721-3322; Fax (705) 721-9897; http://www.barint.on.ca/flight/index.html; Year Founded 1989. Donald and Catharine Earles set up BFC at Barrie Executive Airpark, located on the northern outskirts of Barrie, Ontario, near Toronto, in December 1989. One other person is hired and the initial fleet comprises just 2 Cessna 172s and 1 Cessna 150, which are on strength for Seneca Flight Centre.

The first graduates of SFC begin instructor training at Barrie in May 1990 and, in November, the company begins traffic reporting for the local area.

A domestic charter department is established in January 1991. A float-plane base is set up on Little Lake in March, while a series of company-sponsored charity fundraisers starts in July.

An international charter department is founded in March 1992. Aerobatic flying with Zlin aircraft begins in June and, in July, the company starts towing banners for various advertising activities. "Thrill of a Lifetime" aerobatic rides for the public begin in September.

Company enhancement continues in 1993 and, in 1994 the company begins to market its new Beech King Air.

Gary and Margaret Mann take over the company in April 1995, with the former as CEO. In June, a general refurbishment of the grounds and interior of BFC is undertaken. A month later, maintenance is outsourced to Keith Groves Aerospace, Ltd.

Operations continue in 1996–2000. New concepts introduced include overseas training schools, weekend getaway charters, and mystery flights. The fleet now includes 2 Cessna 172s, 1 Cessna 150, 1 Beech King Air 90, 1 Piper PA-34 Seneca, and 1 PA-30.

BARRIER REEFS AIRWAYS (PTY.), LTD.: Australia (1957–1952). Ansett Airways (Pty.), Ltd. forms the subsidiary Barrier Reefs Airways in mid-1947. Employing PBV Catalinas, the company begins service on

October 8 to the resort Daydream Islands, off Mackay. Ansett Transport Industries, holding company for Ansett Airways and BRA, opens Hayman Island resort in **1950**, which BRA's Catalinas now serve. In **1952**, BRA is merged back into its parent, which takes over the PBY holiday flights.

BARROW AIR: United States (1981–1994). Jim Pederson forms Barrow at that Alaskan city in **1981** to undertake charter and contract flights to the surrounding region. Operations continue apace and, in **1986**, regularly scheduled commuter flights are initiated to Wainwright, Point Lay, and Atkasuk.

By **1990**, Pederson employs 6 workers and owns a fleet of 3 Cessna 207s. A total of 3,244 passengers are flown on the year. Enplanements fall in **1991** to 2,231.

Operations continue until the carrier fails in **1994**.

B.A.S. AIRLINES: United States (1978–1987). A division of the charter operator Beaver Aviation Service, based at Beaver County Airport in Pennsylvania, three-year-old **Skyline Motors Aviation Services** is purchased by Dale Rabassi in June **1981**, reformed, and renamed. The carrier's two Piper PA-31-310 Navajos maintain scheduled passenger and cargo services to Detroit via Youngstown and Cleveland and the fleet is increased by the addition of 2 Cessna 404 Titans and 1 C-402. Enplanements for the year total 8,107.

The fleet is altered in **1982**; gone are the Pipers, replaced by 2 more Titans. Passenger boardings climb 6% to reach 8,625.

Enplanements increase 41.3% in **1983** to 12,191.

The fleet is altered in **1984** to include 1 Titan and 2 Piper PA-31-350 Navajo Chieftains. The workforce is increased by 150% to 20 and corporate headquarters are transferred to the municipal airport at Youngstown, Ohio. Enplanements fall 4.7% to 11,622.

The Buckeye airline suffers an unfortunate **1985**. Passenger boardings plunge 33.3% to 8,085 and cargo is off an equal amount to 4,000 pounds.

If anything, **1986** is an even more disappointing year for enplanements, as customer bookings fall another 61.7% to 3,096. The carrier is momentarily saved by a spectacular growth in freight traffic, up 471% to 23,783 pounds. Operations cease in **1987**.

BASCO FLYING SERVICES: Pottstown Municipal Airport, Glasgow Street, Pottstown, Pennsylvania 19464, United States; Phone (215) 327-0200; Year Founded 1990. Jim Basco forms Basco Flying Services at the Pottstown Municipal Airport in Pennsylvania in **1990** to provide charter and contract service flights.

By **1994**, employment grows to 32 and the fleet totals 7 Piper PA-28 Cherokees, 1 PA-32 Cherokee Six, 2 PA-34 Senecas, and 2 PA-31-350 Navajo Chieftains.

Flights continue in **1995–2000**. The fleet of President Jerry Basco is reconfigured to include 8 Cherokees, 1 Cherokee Lance, 2 Senecas, 1 Cheyenne, and 2 Navajo Chieftains.

BASE BUSINESS AIRLINES, B.V.: The Netherlands (1989–1994). Hans Noorlander, a former executive with Business Air Services and Holland Aero Leasing at Rotterdam, establishes Business Aviation Services Eindhoven (BASE) at the Dutch community's new airport in **1985**. At the same time, the aircraft broker also introduces Piper PA-31T Cheyenne air taxi charters on behalf of local businesses. Extra capacity is acquired through the lease of additional Cheyennes from a local air and ground ambulance service, Air Transport Schiphol.

Operations continue apace in **1986–1988** and, in **1989**, the first regular charter contract is signed to provide "quasi-scheduled" passenger flights for employees of Leyland Daf needing to reach Coventry and Blackpool in the U.K., where both airports are adjacent to company plants. Charters are also flown on behalf of Philips, the multinational electronics concern.

Early in **1990**, Noorlander takes over Air Transport Schiphol and changes its name to BASE Business Airlines. The company acquires

2 Cheyennes and 1 Beech Super King Air 200 in the transaction and, after licenses are received, employs them, along with its own Cheyenne, to begin scheduled twice-daily revenue flights linking the company's base and Rotterdam with Manchester and Birmingham.

A fourth Piper Cheyenne is acquired in **1991**. Recession puts Leyland Daf out of business and cuts into company traffic; operations are consolidated at a single Eindhoven hub. Cheyenne service to Frankfurt begins in November; however, when the lease of two British Aerospace BAe Jetstream 31s is taken over from **Netherlines, B.V.** (absorbed into **KLM Cityhopper, B.V.**) in December, the new aircraft are assigned to the German service. Revenues for the year total five million guilders.

In March **1992**, Noorlander's company purchases Enschede-based **Twente Airlines, B.V. KLM (Royal Dutch Airlines, N.V.)**, which has been subsidizing Twente's scheduled service between that city and Amsterdam's Schiphol Airport, and agrees to continue to subsidize the fares for those passengers connecting to the major. The weekday-only frequency is maintained with BASE's Beech Super King Air 200.

An extensive marketing campaign is launched to cover the new acquisition and a contract is signed with the French company Thomson-CSF—which has an interest in Hollandse Signaalapparaten BV—under which the electronics concern promises to place its passengers on BASE flights over a new Enschede–Paris route.

In April, twice-daily roundtrips are inaugurated from Groningen to London (STN). Jetstream 31 flights from Eindhoven to Stansted are started during the summer.

In December, the fleet is increased by the addition of 1 Fokker 50 and 1 BAe Jetstream 31. Income advances to 14 million guilders.

On January 18, **1993**, the twice-daily, weekday Eindhoven–Hamburg service dropped a week earlier by **KLM Cityhopper, B.V.** is assumed; it is operated by a Jetstream 31. On March 29, routes are added linking Rotterdam with Manchester and Maastricht with Manchester and Birmingham. On April 1, the Eindhoven–Hamburg frequencies are transferred under the company's own designator and a third Jetstream 31 is leased to cover the route. Revenues reach the 20-million guilder mark.

In May **1994** the company name is changed to **BASE Regional Airlines, B.V.**

BASE REGIONAL AIRLINES, B.V.: P.O. Box 7165, Eindhoven, 5605, The Netherlands; Phone 31 (40) 523 245; Fax 31 (40) 525 544; Code 5E; Year Founded 1994. Eindhoven-based **Base Business Airlines, B.V.** is renamed in May **1994**; however, the company continues to provide commercial scheduled and charter services much as it had earlier. Managing Director Hans Noorlander's fleet comprises 3 British Aerospace BAe Jetstream 31s leased from their manufacturer.

A fourth Jetstream 31 is acquired during the summer and employed to inaugurate flights linking Eindhoven and Maastricht with London (LGW). The fleet is revised by the elimination of the Twente equipment and the addition of a Fokker 50, which launches services to Groningen.

In September **1995**, a Shorts 360-300 is leased from **Titan Airways, Ltd.** for six months. It enters service twice daily from Maastricht to London (LGW) via Eindhoven.

Flights continue in **1996–1997**. During these years, a marketing alliance is entered into with **Eurowings Luftverkehrs, A.G.** Destinations visited include Birmingham, Hamburg, Manchester, and London (LGW and STN).

Early in **1998**, Base allows one of its BAe Jetstream 31s to be painted bright red and given *The Economist* titles; the newspaper thus sponsors the company's first "logoprop."

British Airways, Ltd. (2) gains its first toehold in The Netherlands on March 31, **1999**, when Base becomes its 10th franchise partner. Under terms of the agreement, BA will provide support while Base repaints its aircraft in the modified colors of the U.K. major.

During the first quarter of **2000**, the carrier's 105% increase to 15,054 passengers carried is the highest increase of any member of the European Regions Airline Association in this category during the period.

BASLER AIRLINES: P.O. Box 2305, Wittman Regional Airport, 20th St., Oshkosh, Wisconsin 54903, United States; Phone (424) 236-7820; Fax (424) 235-0381; Code BFC; Year Founded 1957. Basler Airlines is organized in the spring of 1957 as a division of Warren Basler's two-year-old FBO Basler Flight Services, a charter operation and flight school. With a northern hub at the company's main Oshkosh facility at Wittman Regional Airport and another at Sebring, Florida, the company operates charter and contract passenger and freight services in the U.S. and Caribbean.

In 1960, Basler moves into the refurbishment of DC-3s in a big way, acquiring them from airline and government sources for upgrade into modern commuter aircraft. As a result of the first great oil crisis in 1973, Basler switches from the transport of people to an exclusive emphasis on hauling cargo.

In the mid-1980s, a workforce of 30 and as many as 12 DC-3s are engaged in providing flights. Operations continue into the 1990s. A DC-3 Turbo 67, a standard Douglas transport modified with two Pratt & Whitney of Canada PT-6A-67A turboprop engines, begins contract freight flights for **Federal Express** in December 1990.

In 1994, President/General Manager Basler employs 100 workers and has altered his charter fleet to comprise 1 Beech 58 Baron, 2 Beech 18s, and 3 DC-3s, 1 of them the turboprop.

Operations continue apace in 1995-1996. The company, also known as Basler Turbo Conversions, now flies 5 DC-3s and 1 Turbo DC-3.

Founder Basler and three other company officials are killed on March 16, 1997 in a midair collision over Manitowoc, Wisconsin. The tragedy occurs during a routine photo shoot when Basler's Beech Bonanza crashes into the company's Turbo DC-3 piloted by Stephen W. Yantz. In the wake of the disaster, Tom Weigt becomes president.

Cargo flights continue in 1998-2000. During these years, Rod McNeil becomes president, with Patricia Basler as vice president. The active fleet shrinks to 2 DC-3s and 1 Turbo DC-3.

BASLER LUFTVERKEHRS A.G. (BALAIR): Switzerland (1925-1931). Nicknamed Balair, Basler Luftverkehrs, A.G., the nation's second largest air transport company, is formed at Basel in September 1925 to compete with the established carrier **Ad Astra Aero, A.G.** Capitalized at SFr 100,000 and with Balz Zimmerman as general manager, the company acquires a fleet of 5 ex-**KLM Royal Dutch Airlines, N.V.** Fokker IIIs.

These are delivered in a flight from Rotterdam to Basel and are employed in the summer of 1926 to inaugurate scheduled services linking the carrier's base with Stuttgart, and between Frankfurt, Karlsruhe, Basel, and La Chaux-de-Fonds.

During the remainder of the decade, 1 Fokker F-VIIa and 6 Fokker F-VIib/3ms are added. Competition is maintained with **Ad Astra Aero, A.G.** stressing acquisition of an international network. Both companies harmonize their timetables, jointly deal with the government, and occasionally exchange equipment. After two years of negative earnings in 1926-1927, Basler begins earning profits regularly in 1928.

Late in the decade in cooperation with **Deutsche Luft Hansa, A.G. (DLH)**, joint operations are undertaken from Zurich to Geneva and from Geneva to Vienna; other pooled arrangements allow flights as far as Marseilles and Amsterdam.

In 1930, the final full year of operation, approximately 5,000 passengers are carried. In order to improve service, increase funding, and create a national airline, Zimmerman and **Ad Astra Aero, A.G.** General Manager Walter Mittelholzer negotiate a merger on March 21, 1931. With the approval of both boards, the two airlines join forces on March 26 as **Swiss Air Transport, Ltd.**, known hereafter as **Swissair, A.G.**

BASLER TURBO CONVERSIONS. See **BASLER AIRLINES**

BASS AIR CORPORATION: United States (1980). Bass Air is set up at Pine Bluff, Arkansas, in the spring of 1980 to provide scheduled air taxi roundtrips across the Mississippi River to Memphis and other

points in west Tennessee. Employing a Cessna 402, the company inaugurates daily revenue flights, but these cannot be maintained beyond September.

BASS AIRWAYS (PTY.), LTD. See **BASS AVIATION (PTY.), LTD.**

BASS AVIATION (PTY.), LTD.: South Africa (1992-1996). Owner and Managing Director Mike Basson forms this new South African commuter at Durban in mid-February 1992 to provide scheduled commuter services between South Africa's major cities. It is an outgrowth of the founder's previous charter, aircraft brokerage, and pilot training business. The initial fleet comprises 2 de Havilland Canada DHC-8-100s.

In 1993-1994, Basson applies for and receives a scheduled route from Johannesburg (Midrand Grand Central Airport) to Durban, which he plans to fly in competition with **South African Airways (Pty.), Ltd.** and **Flitestar, Ltd.**

The service is launched, but halted after a year. In 1996, Basson resumes flying with a reformed **Bass Airways (Pty.), Ltd.**, but this service does not finish 12 months.

BASUTAIR, LTD.: Basutoland/Lesotho (1964-1967). Basutair is established at Maseru by Richard Southworth in 1964. Employing 3 Cessna 180s, 2 Aeromacchi AL-60s, and 1 each Dornier Do-27 and Piper PA-18 Super Cub, revenue flights are undertaken to various points around Basutoland.

Basutoland receives its independence from the U.K. on October 4, 1966 and adopts the name Lesotho. The following year, the company is purchased by interests supported by **Comair (Commercial Airways [Pty.], Ltd.)** of South Africa and is reformed into **Lesotho Airways, Ltd.**

BATAGAI AVIATION ENTERPRISE: Batagai Airport, Batagai, Verkhoyski Region, 678500, Russia; Phone 7 (424) 20644; Year Founded 1994. BAE is set up at Batagai in 1994 to operate domestic passenger and cargo services. Lev B. Rozin is named commander, but the inauguration of services takes almost a year. In the interim, a fleet is acquired, comprising 11 Antonov An-2s, 1 An-26, 5 Let L-410UVPs, and 12 Mil Mi-8 helicopters.

Flights commence in September 1995. Although it is understood the service continues without change during the remainder of the decade, exact information is unavailable.

BAVARIA AIRWAYS. See **BAVARIA-GERMANAIR FLUGGESELLSCHAFT, mbH.**

BAVARIA FLUGGESELLSCHAFT, mbH. & Co.: Denningerstrasse 169, Munich, D-81925, Germany; Phone 89-923-8207; Fax 89-923-8380; Year Founded 1979. Following the 1978 absorption of **Bavaria-Germanair Fluggesellschaft, mbH.** into **Hapag-Lloyd Fluggesellschaft, mbH.**, former Bavaria-Germanair owner Josef Schorghuber, who had retained the rights to Bavaria's name, joins with dismissed executives of the former carrier to establish a new Bavaria at Munich in early 1979. Plans are made to offer inclusive-tour flights and orders are placed for 2 Boeing 737-2K9s and 1 Learjet.

Seasonal holiday flights begin to south European and Mediterranean destinations in 1980 and continue apace during the next decade plus. During this period and later, the charter operator becomes a major lessor of aircraft to other airlines.

Among the carriers leasing from Bavaria after its start-up are **Air Atlantis, Midway Airlines (1), VARIG Brazilian Airlines, S.A., Viva, S.A., TAP Air Portugal, S.A., THY Turkish Airlines, A.O., Shenzhen Airlines, Malev Hungarian Airlines, and Damania Airways, Ltd.**

Traffic and financial figures are not released by the company, which comes to concentrate almost exclusively on its aircraft leasing business. Four B-737-7K9s are ordered during the first quarter of 1995.

In 1996-1997, Robert Salzi is managing director of the company with six employees. The fleet includes 2 Airbus Industrie A320-211s,

3 B-737-2K9s, 12 B-737-3K9s, and 2 B-737-341s. Orders are outstanding for B-737-7K9s.

The company becomes European launch customer on May 4, 1998 for the Boeing 717-200, formerly known as the McDonnell Douglas MD-95. Deliveries are expected two years hence and, in early May 1999, it is announced that these will be leased to **Olympic Aviation, S.A.**

BAVARIA-GERMANAIR FLUGGESELLSCHAFT, mbH.: Germany (1957-1978). This noted German passenger and cargo charter carrier is formed at Munich in 1957 as the air taxi operator Bavaria Airways, otherwise known as Bavaria Gessellschaft Schwabe & Co., K.G. Lightplane tourist charters into the Alps and Black Forest are first offered in 1964-1965.

In the summer of 1966, the company is now reformed into Bavaria Airways: Bavaria Fluggesellschaft, mbH. & Co., K.G. On November 30, it becomes the first European charter operator to order the Dash-400 series of the BAC 1-11. Requests are sent to the U.K. for two 414s, plus a third on option.

Prior to its delivery to **Philippine Air Lines (PAL)**, a new BAC 1-11-402 is leased for eight months on February 23, 1967. On April 1, the jetliner is subleased to **Deutsche Lufthansa, A.G.** for six weeks and is employed to link Munich and Frankfurt to Geneva, Vienna, and Hamburg eight times daily.

Employing its own newly delivered DASH-413 and the Philippine BAC, Bavaria, in May 1968, inaugurates its summer inclusive tour season. Jet passenger charters are offered from Munich, Nuremberg, Dusseldorf, Frankfurt, and Stuttgart to Malaga, Barcelona, Palma, Bastia, Tunis, Rimini, Naples, Dubrovnik, Athens, Constanta, Manchester, Newcastle, Glasgow, and London (LGW and CTN).

On June 25, a BAC 1-11-413, originally configured as a DASH-409 for **Channel Airways, Ltd.**, is chartered from its manufacturer for six months. It is not delivered to the British carrier but is, instead, sold to Bavaria in February 1969.

Operations continue apace for the remainder of the decade and by 1970 the fleet owns 4 BAC 1-11-414s (delivered on February 26, April 22, and December 22) and 3 BAC 1-11-515s. Orders are outstanding for 2 BAC 1-11-528s. In August, a former PAL BAC 1-11-402 is chartered for six months.

The first BAC 1-11-528 is delivered on February 26, 1971 and is christened *Jakob Fugger*. During the first quarter, **Germanair Bedarfs-luffahrt, GmbH. & Co., K.G.** owner Josef Schorghuber becomes majority shareholder and, at this point, the two charter operations begin to coordinate their concerns. With the BAC 1-11-515s available, the company elects to sell a DASH-414 to **Dan Air/Dan Air Services, Ltd.** on December 21. Enplanements for the year total 403,970.

In 1972, the workforce totals 354 and the second BAC 1-11-528 *Albrecht Durer* arrives on March 15. In May, 2 BAC 1-11-515s previously operated by **Paninternational, mbH.** prior to its failure the previous December, are purchased. Passenger boardings increase 29.5% to 573,000. Cargo is also up. Charter and inclusive tour flights, booked by 18 German travel firms, continue in 1973.

In 1974, Herr Schorghuber purchases full ownership. On June 6, 1975, Germanair introduces the world's first Airbus Industrie A300B4-100s into service over its routes from Frankfurt and Dusseldorf to Palma. In early 1976, a BAC 1-11-414 is sold to **Gulf Air, Ltd.**, while all of the other remaining DASH-414s are purchased by private corporations as executive transports.

On January 1, 1977, Bavaria Airways and Germanair, are merged into Bavaria-Germanair and Ernst Uhl is named managing director. Two Airbus Industrie A300B4s and 7 BAC 1-11s are acquired and charter and inclusive-tour services are offered to points in North Africa, the Mediterranean, and Europe.

In April, **Hapag-Lloyd Fluggesellschaft mbH.** announces its intention to acquire Bavaria-Germanair and on December 31, 1978, after objections by the Federal Cartel Office are satisfied, the amalgamation begins.

BAVARIA LUFT LLOYD, A.G. See DEUTSCHER AERO LLOYD A.G.

BAX GLOBAL: 16808 Armstrong, Irvine, California 92714, United States; Phone (714) 752-4000; Fax (714) 852-1488; http://www.baxglobal.com; Code 8W; Year Founded 1997. Burlington Air Express is renamed in October 1997. Joseph Farrell remains chairman/CEO and the company continues to operate worldwide cargo express and contract service flights. The fleet comprises 1 Boeing 737F, 14 B-727Fs, and 17 Douglas DC-8Fs.

During the month, the company receives a contract from Bombardier Business Aircraft Division to provide logistical support for the manufacturer's European and Asian distribution centers. It also wins a three-year air freight contract for heavy lift flights from GKN Westland.

Service problems begin at **Air Transport International**, the carrier's principal domestic air service provider, late in the year.

For the year as a whole, net income of \$32.3 million is reported, down slightly from 1996.

Air Transport International is purchased by BAX during the first quarter of 1998. In early April, the company hauls a mining drill rig, weighing 38,830 pounds, from Sweden to Hong Kong in five days. It is the largest one-item shipment yet delivered by the airline.

On May 12, the carrier acquires controlling interest in its South Korean agent, Borim Express, Ltd., which is renamed BAX Global Korea Co., Ltd.

In early June, the company's parent, The Pittston Company, determines that it is time for BAX to have a president/CEO with full authority over the carrier's domestic integrated operations and its international freight forwarding activities. To that end, Alliant Food Service executive C. Robert Campbell is appointed to the post.

Santa Ana, California-based Ingram Micro Inc., a leading wholesale distributor of technology products and services, contracts with BAX Global on June 15 to handle its heavyweight shipments from its distribution centers at Memphis, Tennessee, Fullerton, California, Carrollton, Texas, and Carol Stream, Illinois.

On August 5, Irvine, California-based Ingram Micro contracts with BAX Global to handle its heavyweight import shipments from Asian manufacturers, mainly in China and Taiwan, for delivery to the company's Frameworks facilities, where computers are built from components.

After a lengthy search, Frito-Lay's vice president-planning, Daniel Crowley, is named the carrier's new chief financial officer on November 16. The appointment takes effect on the last day of the month.

The year's new products are Guaranteed First Arrival, Guaranteed Overnight, and Guaranteed Airport-to-Airport. All are part of an "Emergency Response" shipping program, with time-definite scheduling for heavier freight shippers in the U.S.

On December 10, BAX Global is awarded a multimillion contract by Air New Zealand Engineering Business Services to handle its air freight needs for an open-ended period based on service performance.

The company's two-year-old agreement with Xerox Corporation is renewed on January 11, 1999. The agreement calls for BAX to continue handling Xerox's heavyweight shipments throughout the U.S. and Canada.

BAX increases its ownership position in BAX Global (Taiwan), Ltd., on March 11 and assumes greater control of its multimodal freight forwarding operations. Once government regulations limiting foreign ownership of Taiwanese companies is changed, BAX intends to acquire the remaining shares.

Guaranteed Second Day delivery service is added on April 28.

Twice-weekly nonstop B-747F all-cargo roundtrips commence on July 14 between Toledo and São Paulo, Brazil.

Service continues apace during the remainder of the year. Record profits are earned during the 12 months.

Hurt by its own high costs and competition from domestic trucking concerns, the carrier loses \$16.4 million during the first two quarters. The loss brings a 10% cut in the workforce and rumors that the company's parent, Pittston, may elect to sell it.

The company takes its first steps into a full wide-body commitment in July 2000 when it leases a DC-10-30F to operate between its Toledo hub and Los Angeles (LAX). After almost a year of unsuccessful mediated contract talks, the Teamsters Union suggests a possible fourth quarter strike.

In September, the company occupies a new terminal at Richmond International Airport.

BAXTER AIR (BAXTER AVIATION, LTD.): P.O. Box 1110, 50 Anchor Way, Nanaimo, British Columbia V9R 6E7, Canada; Phone (604) 754-1086; Fax (604) 754-1075; <http://www.baxterair.com>; Code 6B; Year Founded 1985. Tom and Linda Baxter establish this small passenger transport operation at Nanaimo in 1985. Following receipt of a Class 3 license from the Canadian government, the CEO and vice president launch daily return flights to downtown Vancouver with a Cessna 185.

Flights continue apace for the remainder of the decade and into the next. In 1992, Tom's son establishes a scenic trip subsidiary, Plane Adventure Tours, operating nine different types of floatplane charters around the Vancouver area. Celebrities who will experience Plane Adventure Tours include John Travolta, Robert De Niro, and Tom Selleck.

By 2000, President Baxter oversees a workforce of 20 and a fleet of 2 C-185s and 8 de Havilland Canada DHC-2 Beavers. A total of 22 daily flights are made over the company's single route.

BAY AIR: United States (1985–1986). Monte R. Handy establishes Bay Air at Naknek, Alaska, in January 1985 to undertake scheduled passenger and cargo services to local communities and bush destinations. Employing Cessna and Piper lightplanes, revenue flights are launched linking the company's base with King Salmon, South Naknek, Egegik, and Levelock.

Viability cannot be achieved and the company stops flying in September 1986.

BAY AIR EXECUTIVE JET CHARTER, A.O.: Ataturk Airport, Istanbul, Turkey; Phone 90 (212) 272-5046; Fax 90 (212) 288-1122; Year Founded 1995. BAE is established at Istanbul in 1995 to offer worldwide executive and small group passenger charters. Flights begin with a single Dassault Falcon 20.

BAYERISCHE LUFT LLOYD, A.G.: Germany (1919–1923). On June 16, 1919, the Bavarian state government and the aircraft manufacturer Rumpler Luftverkehr, GmbH, form this carrier to provide service between its Munich base and the Lake Constance area.

In April 1920 in accordance with terms of the Treaty of Versailles, the airline's fleet of ex-military aircraft is confiscated by the Allies and the company is forced to cease operations.

In early 1921, the partners again elect to mount airline operations. Provision is made for the purchase of two Junkers F-13s, which are christened *Nachtigall* and *Schwalbe*. These are employed to launch service on April 21. During the summer, two war-surplus DFW-CVs are employed on the Munich to Constance service.

As competition stiffens with the **Lloyd Luftdienst, GmbH**. In late 1921 and into 1922, **Junkers Luftverkehr, A.G.** reaches out to locate members for a countering confederation. On May 14, 1923, the **Trans-Europa Union** is formed; simultaneously, Junkers assumes 50% interest in Bayerische Luft Lloyd, bringing it into the group.

BAYERISCHE LUFTVERKEHRS, A.G.: Germany (1925–1926). Bayerische Luftverkehrs is established at Munich on May 22, 1925, with most of its DM 1.5-million capitalization provided by Junkers Flugzeugwerke, A.G. Revenue operations commence during the summer with a sizeable fleet that includes 4 F-13s and 3 G.24s.

When **Deutsche Luft Hansa, A.G. (DLH)** is established in January 1926, Bayerische Luftverkehrs transfers its operations to the new state carrier in exchange for shares. The little Munich company will remain a paper airline until it is formally liquidated on June 25, 1928.

BAYLEE AIR CHARTER, LTD.: United Kingdom (1971–1980). A. W. Baylee forms his charter company at States Airport on Jersey in April 1971. Barry Collins becomes chairman with Baylee preferring to serve as managing director. Employing Piper PA-23 Aztecs, revenue passenger and cargo charters are initiated between the company base and Guernsey, Aberdeen, and Exeter.

During the remainder of the decade, the fleet is increased to 6 Aztecs, 1 de Havilland Canada DHC-6 Twin Otter, and 2 Beech B80 Queen Airc. Unable to maintain viability in the face of declining traffic and huge expenses, led by energy costs, the carrier ceases trading in 1980.

BBA CARGO (PTY.), LTD.: Australia (1949–1976). Z. A. Brain and W. L. Brown form **Brain and Brown Airfreighters (Pty.), Ltd.** at Cheltenham, Victoria, in 1949 to provide domestic, all-cargo charter and contract service flights. The company also serves as freight forwarding operation. Operations continue apace for the next quarter century.

In 1973, the carrier and its 3 Douglas DC-3Fs are purchased by Signet Insurance Holdings, Ltd., Linfox Transport, Ltd., and Donlin Investments, Ltd. The freighter's name is changed to BBA Cargo (Pty.), Ltd. in early 1976. However, as the result of serious financial losses, a pilot's pay dispute, and a dispute between the owners and managers over reequipment plans, the company shuts its doors in April.

BC AIRLINES, LTD.: Canada (1943–1970). This carrier is incorporated at Vancouver in 1943, but cannot begin operations due to a wartime lack of planes and crews. With two float-equipped Luscombes, local services are inaugurated in 1946 over routes transferred from **Queen Charlotte Airways, Ltd.**

In 1947–1958, the carrier establishes 10 bases at points between Vancouver and Prince Rupert and assembles a route network featuring more than 600 small stops.

The fleet progresses from 1 Globe Swift, 1 Fairchild Model 71, 1 Stinson 108, 1 WACO, 4 Luscombe Model 8 Silveraers, 6 Republic RC-3 SeaBees, and 2 de Havilland Canada DHC-2 Beavers to Cessna 170s/180s and Grumman G-21 Gooses; with each type, complete capability is the key.

As a result of a major Canadian route realignment, the company, on May 26, 1959, acquires the British Columbia routes of **Pacific Western Airlines, Ltd.**, together with that line's 2 Grumman G-73 Mallards. During the summer, one of the newly painted Mallards flies Queen Elizabeth II and Prince Philip from Kamloops to Pennash Lack, British Columbia, during the royal visit to Canada.

A third Mallard joins the fleet in 1960 and operations continue apace in 1961–1962. Enplanements in 1963 reach 77,905.

Airline employment in 1964 stands at 120 and the fleet includes 29 aircraft. The Air Transport Board upgrades the company's routes linking Prince Rupert and Queen Charlotte Islands from Class 3 to Class 2, making them regularly scheduled instead of irregular. Two more DHC-2s and 2 more Cessna 180s are acquired. Passenger boardings climb 16% to 92,744 and freight traffic rises 46.5%.

Twenty-eight employees are hired in 1965 and 4 more aircraft are acquired, including several FBA2Cs. Passenger boardings accelerate to 90,000. The first wheels-only aircraft, a DHC-6-100 Twin Otter, is purchased in 1967.

The small floatplanes are sold in 1968–1969 and 4 ex-**Allegheny Airlines** Nord 262s added as carriers begin to emphasize scheduled commuter services over routes from Vancouver to Tofino, Tahais, Bella Bella, Namu, Ocean Falls, Bella Coola, Penticton, Castlegar, Cranbrook, Kelowna, Kamloops, William Lake, Quesnel, Prince George, Smithers and Terrace.

BC Airlines, Ltd. is purchased by **Pacific Western Airlines, Ltd.** in 1970 and absorbed.

BCA (BRITISH CARIBBEAN AIRWAYS, LTD.) (1): Jamaica (1946–1950). BCA-1 is set up at Kingston on December 18, 1946.

Shareholding is divided between local interests (79%) and U.S. investors (21%). Employing a single Douglas DC-3, the company begins nonscheduled passenger charters in the spring of 1947.

Another Douglas transport is acquired and, in July 1948, a scheduled route is inaugurated from Kingston to Nassau via Montego Bay. Permission is now sought from the CAB for the start of scheduled flights to the United States.

With authority from Washington as of July 14, 1949, BCA is able to begin flying regularly scheduled return services from Kingston to Miami. In October, the company's stock is purchased by **British Overseas Airways Corporation (BOAC)**, which begins to integrate it into **British West Indies Airways, Ltd. (BWIA)**. The company loses its identity on March 31, 1950.

BCA (BRITISH CARIBBEAN AIRWAYS, LTD.) (2): British Virgin Islands (1981–1986). This small all-cargo operation is established at Tortola in April 1981. Equipped with 1 Douglas DC-7C and 1 DC-3F, the 18-person airline begins scheduled and charter services in May. Destinations include Antigua, Dominica, Montserrat, Nevis, Puerto Rico, St. Barthelmy, St. Kitts, St. Lucia, St. Martin, St. Vincent, and Miami. A Beech 18 is added in 1982.

In the spring of 1986, the carrier, employing the first of two British Aerospace BAe 146-100s, begins scheduled Tortola to Miami passenger service. Unable to maintain viability in a crowded market, the company stops flying on October 12 even before the second BAe can be acquired. The first one is returned to the U.K.

BCA (BRITISH COLONIAL AIRWAYS, LTD.): British Honduras (1952–1956). The charter carrier British Colonial Airways, Ltd. is formed at Belize, British Honduras, on March 1, 1952. The new entrant is a subsidiary of the American-owned Freiberg Mahogany Co.; John L. Freiberg is president and T. S. Baker, managing director. The operator's single Cessna 170 begins ad hoc revenue flights on the same day. A second Cessna 170 is purchased in late spring and on August 4, BCA inaugurates scheduled flights about the colony and to Chetumal, Mexico. These low-key operations continue in 1953–1955.

On October 24, 1956, the carrier is purchased by **British West Indies Airways, Ltd. (2) (BWIA)**, becoming a wholly owned subsidiary.

BCF AVIATION, S.A.: Zaire (1984–1991). BCF is established at Kinshasa in 1984 to operate international passenger charters with a Bristol Britannia 312. Dr. T. Mayani's company is grounded in 1991. Although the owner promises to resume operations, he actually begins a new carrier, **Blue Airlines, S.A.**, instead.

BCM AIRLINES, S.A.: Spain (1996–1999). BCM is set up at Palma de Mallorca in the late fall of 1996 to offer charter operations to Spain, Europe, and Mediterranean destinations. Bartolome Cursach is named president and he recruits an 85-person workforce. Painted in a blue and white livery with red, yellow, and blue titles, an Airbus Industrie A320-231 is subleased from the British nonscheduled operator **Airworld Aviation, Ltd.** on November 13. It enters service three days later.

Orders are placed early in 1997 for two more small, Airbus narrowbodies, which will begin flying in a red and green color scheme upon their receipt in the spring.

Although service is maintained in 1998, rising costs, led by fuel expenses, force the carrier to shut down its website and close its doors at the end of 1999.

BEARSKIN AIRLINES, LTD.: P.O. Box 1447, Sioux Lookout, Ontario P8T 1C1, Canada; Phone (807) 737-3473; Fax (807) 737-3093; <http://www.bearskin-airlines.com>; Code JV; Year Founded 1963. Established as Bearskin Lake Air Services, Ltd. at Sioux Lookout, Ontario, in July 1963, this operator initially provides charter and contract service flights to destinations in Ontario and Manitoba.

During the late 1970s, the company upgrades its lightplane fleet by assembling a fleet of multipassenger transports: 1 Beech 99, 1 DC-3,

and 1 Saunders ST-27, plus lightplanes. These are employed to inaugurate scheduled passenger flights to Winnipeg, Manitoba, and the Ontario destinations of Big Trout Lake, Dryden, Fort Severn, Kasabonika, Kenora, Minaki, Round Lake, and Thunder Bay. Airline employment is now 70.

In 1982–1983, more flight equipment is purchased: 1 Beech 99, 3 Piper PA-31-350 Navajo Chieftains, 3 Piper PA-34 Aztecs, 2 de Havilland Canada DHC-3 Otters, 1 DHC-2 Beaver, and 2 Cessna 185s. The company name is now changed to **Bearskin Airlines, Ltd.**

Early in 1984, President Harvey Ericson's company purchases and merges Thunder Bay-based **On Air, Ltd.** As a result, it takes over its acquisition's obligation to provide flight equipment and support under contract to the provincial carrier **NorOntair, Ltd.** Three DHC-6s are obtained.

By decade's end, the fleet comprises 9 Beech 99s, 5 Beech King Air 100s, 2 DHC-6-300s, and 2 Navajo Chieftains.

Passenger boardings in 1991 total 140,000. During takeoff from Red Lake on March 19, 1992, a DHC-6-300 with two crew stalls and crashes half way down the runway; there are no survivors. Enplanements for the year fall to 126,000.

Airline employment in 1993 stands at 225 and President Harvey Ericson's fleet includes 9 Beech 99s, 5 each Fairchild Metro IIIs and Beech King Air 100s, 2 DHC-6-300s, 2 Piper PA-31T Cheyennes, and 4 PA-31-310 Navajos.

Just after their July type certification by Transport Canada, 2 Fairchild 23s are delivered. Late in the year, the company begins to expand its route network once more.

The Cheyennes and 2 Navajos are replaced in 1994 with 2 Piper T-1040s.

Three risk-of-collision incidents involving 4 aircraft occur near Sioux Lookout in a two-minute period on November 2. A Bearskin Metro III arriving from the southwest on instruments passes within .7 mi. horizontal and 500 ft. vertical separation behind a **Canadian Regional Airlines, Ltd.** Fokker F.28-1000, also approaching for a landing. A minute later, the same Metro passes within .4 mi. horizontal and no vertical separation to the left of a private Cessna 152, which is conducting traffic observations. Discovering a Cessna 414 in a holding position for takeoff on the runway upon which it is preparing to land, the F.28-1000 initiates a missed approach. Although tragedy is averted, Canadian government investigators will fault the Bearskin pilot for not maintaining proper distance and ATC for not sorting out the risk incidents.

In 1995, one Beech 99 is withdrawn and replaced with a third Metro 23. The year will be a tragic one.

Just after takeoff from Sandy Bay, Saskatchewan, on a February 21 chartered flight to La Ronge, a King Air 100 with four passengers crashes onto the rocky shoreline of the Churchill River; there are no survivors.

A midair collision 4,500-ft. above sea level, 12 mi. NW of Sioux Lookout, occurs on May 1. Flight 3101, an Air Sandy Piper PA-31-350 Navajo Chieftain with five passengers, having just departed Sioux Lookout en route to Red Lake, collides with Flight 362, a company Metro 23 inbound from Red Lake with two crew and one passenger. As with the February disaster, there are no survivors.

Harvey Friesen is president in 1996–1997 and his fleet now includes 8 Beech 99s, 4 King Air 100s, 5 Metro IIIs, and 3 Metro 23s. A total of 37 destinations in Manitoba and Ontario are visited.

Services to Marathon and Manitouwadge, in northern Ontario, cease in March 1998. Later in the year, a Pilatus PC-12 is acquired.

Following a strike call, the company's pilots and management are able to settle on a new contract on June 20, 2000.

BECHUANALAND NATIONAL AIRWAYS (PTY.), LTD.: Botswana (1965–1966). BNA is established at Francistown on October 1, 1965 to provide regional scheduled passenger and cargo services. A management contract is signed with **Autair International Airlines, Ltd.** and the U.K. airline provides the new entrant with a pair of Douglas DC-3s with which to commence operations.

Revenue flights commence on November 15, linking the carrier's base with Bulawayo and Livingstone; another route is also started from Lobatse to Johannesburg. Additional destinations visited before the end of the year include Serowe, Gaborones, Ghansi, Serondellas, and Maun.

BNA takes over the services of **Bechuanaland Safaris, Ltd.** at the end of the year.

Twice-weekly roundtrip service is inaugurated at the beginning of **1966** between Francistown and Johannesburg. Operations continue throughout the first three quarters, with gradually diminishing traffic and fiscal return. The operation is closed down in the fourth quarter and enters receivership. The services are taken over by **Botswana National Airways, Ltd.**

BECHUANALAND PROTECTORATE AIR SERVICE, LTD. See **AIR CARRIERS, LTD.**

BECHUANALAND SAFARIS (PTY.), LTD.: Botswana (1964–1965). Capt. Bertie Bartuane is established at Francistown in **1964** to provide passenger charters throughout the region. Revenue flights commence with 1 each Piper PA-23-235 Aztec and PA-23 Apache.

Early in **1965**, Bartuane is bought out by the National Airways Corporation of South Africa, which operates his carrier as a commuter subsidiary. Scheduled flights are undertaken linking the company's base with Gaborones, Maun, and Ghansi.

When the concern stops flying during the fourth quarter, its services are taken over by **Bechuanaland National Airways, Ltd.**

THE BEE LINE. See **COLONIAL AIR TRANSPORT; EASTWIND AIRLINES**

BEECH AVIATION CENTER: United States (1965–1967). Employing a Beech 18, this Imperial, California-based service center inaugurates scheduled passenger and cargo flights on local routes out of El Centro on December 15, **1965**. Services are maintained until **1967**.

BEESON AVIATION: United States (1965–1967). Beeson is organized at Topeka, Kansas, in the fall of **1965** as the airline division of an FBO. Employing Cessna 172s and 207s, the company begins scheduled commuter flights to Concordia on October 31.

With Kansas City joining the route network, operations continue apace until the summer of **1968** when it is purchased by and merged into **Trans-Missouri Airlines**.

BEEWEE EXPRESS: P.O. Box 604, Piarco International Airport, Port of Spain, Trinidad and Tobago; Phone (809) 669-3000; Fax (809) 669-186; <http://www.bee wee.com>; Code BW; Year Founded 1999. Having been delivered in January–February, the 2 new de Havilland Canada DHC-8Q-300s, for which **British West Indies Airways, Ltd. (2) (BWIA)** has paid \$12.5 million apiece, enter service under the subsidiary name BeeWee Express, Ltd. on March 1, **1999**. The turbo-props fly thrice daily to Grenada, and twice daily to Barbados, St. Lucia, and Tobago, and daily to Caracas.

Arrival of a third Dash-8 allows flights to begin to St. Vincent at the end of June.

The company's parent, **British West Indies Airways, Ltd. (2) (BWIA)** is renamed **BWIA West Indies Airways, Ltd.** on December 2.

A tentative agreement is reached with **Helen Air, Ltd.** on February 7, **2000**, under which the St. Lucia-based commuter will operate for BWIA as a BeeWee Express franchise carrier. With its license due to expire on March 8, BWIA is recertified by the government on February 26 to operate air bridge services between Trinidad and Tobago; for the next four months, it will be permitted to add another daily roundtrip to the two that BeeWee currently operates.

The **Helen Air, Ltd.**'s BeeWee Express contract begins on April 2.

1478. BEL (BALTIC EXPRESS LINE, A.S.): Latvia (1994–2000). BEL is established at Riga late in **1994** to undertake passenger charters

to regional and European destinations. Revenue operations commence with a single Tupolev Tu-154M leased from A/S Elk.

Vladimir Litovar is general director in **1998–1999** and he oversees a workforce of 37. The fleet is enhanced by the acquisition of a Tu-134B and a large number of destinations are now visited, including Abu Dhabi, Agadir, Alicante, Almeria, Antalya, Bangkok, Barbados, Berlin, Cancun, Capetown, Catania, Chiang Mai, Ciego de Avila, Cologne, Colombo, Djerba, Dusseldorf, Erfurt, Faro, Ft. Myers, Frankfurt, Fuerteventura, Funchai, Hamburg, Hanover, Holguin, Hurgada, Ibiza, Kathmandu, Larnaca, Lanzarote, Los Angeles, Luxor, Maie, Malaga, Miami, Monastir, Montego Bay, Munich, Munster, New York (JFK), Nuremberg, Orlando, Palma de Mallorca, Phoenix, Phuket, Poriamar, Puerto Plata, Puerto Vallarta, Punta Cana, Saarbrücken, Salzburg, San Jose, Santa Cruz de la Palma, Santo Domingo, Seville, Stuttgart, Tenerife, Utapao, Varadero, Westerland, and Windhoek.

Higher fuel costs and intense competition forces the carrier into insolvency and it ceases operations on September 28, **2000**.

BELAIR, LTD.: Nigeria (1991–1992). Bel Air is established by former Nigeria Airways Chairman/CEO A. D. Bello at Lagos in December **1991** to offer domestic scheduled passenger and cargo commuter services with a pair of Dornier 228-202s.

Unable to maintain viability in a time of recession, the carrier folds in **1992**. The new entrant, Afrimex, Ltd., will assume operations.

BELAIR (AIR BELARUS): Korotkevicha Str. 5, Minsk, 222039, Belarus; Phone 375 (0172) 250 702; Fax 375 (0172) 253 045; Code BL; Year Founded 1991. Privately owned Belair is established at Minsk in **1991** and is entirely independent of the Aeroflot division and soon-to-be independent **Belavia**. The company is outfitted with a fleet that includes 2 Ilyushin Il-76MDs, 1 Tupolev Tu-134A, and 6 Yakovlev Yak-40s. These undertake all-cargo services on regional routes in **1992–1994** and, in addition, fly charters for other carriers, including some western operators.

While landing at Sarajevo after an all-cargo service from Luxembourg on December 3 of the latter year, an Il-76TD overruns the runway and strikes a ditch, causing its nosegear to collapse; there are no fatalities.

Operations continue apace in **1995–2000**, during which years the fleet is altered to comprise 3 Il-76TDs, 2 Tu-134As, and 1 Yak 40. Emphasis is placed on nonscheduled service to the Far East and among destinations visited are Da Nang, Hanoi, Ho Chi Minh City, Kaoshung, Macau, and Taipei.

BELAIR (ILE DE FRANCE, S.A.): France (1994–2000). Belair (Ile de France) is set up at Paris (ORY) in late **1994** to fly public passenger charters and operate promotional flights. Revenue services commence in September **1995** with a single Boeing 727-200A.

Flights continue in **1996–1998**. On January 18 of the latter year, a Douglas DC-10-30 is chartered from **Condor Flugdienst, GmbH**. The wide-body enters service at the end of March **1999**.

Due to rising fuel prices and declining income during the summer and fall holiday seasons, this charter airline ceases operations on January 21, **2000**. The German transport is returned.

BELAVIA (BELORUSSIAN AIRLINES): Minsk Aerodromnaya, Sr 4, Minsk, 220065, Belarus; Phone 375 (0172) 25 59 02; Fax 375 (0172) 25 15 66; Code B2; Year Founded 1993. The Aeroflot Soviet Airlines/Aeroflot Russian International Airlines (ARIA) directorate of Belarus CAD is reorganized at its Minsk Aerodromnaya base in November **1993**, being transformed into the flag carrier of the new republic. Oleg V. Ryzhikov is director general and his company assumes ownership of the former directorate's fleet of 19 Antonov An-24s, 7 An-26s, 21 Tupolev Tu-154BMs, 19 Tu-134As, and 8 Yakovlev Yak-40s. Scheduled services are undertaken to Berlin, Frankfurt, Shannon, Tel Aviv, Vienna, Warsaw, and Zurich. Charter flights are made to China, India, Cyprus, Turkey, Cyprus, and UAE.

The close cooperation maintained with **Aeroflot Russian International Airlines (ARIA)** begins to subside in **1994** as the new state airline starts to establish its own marketing approaches and operational strategies. Plans are made to launch flights to communities in Spain, Italy, and the U.K.

A cooperative pact is signed between Belavia and **Aeroflot Russian International Airlines (ARIA)** at the beginning of June **1995**. It is designed to allow the establishment of common rates for air transport services and the use of tickets for transit flights acquired in either Russia or Belarus. Within a month, Aeroflot offices in Russia will act as Belavia agents, selling tickets on services of the new partner.

Flights continue in **1996–1998**, during which years the fleet is reduced by one An-24. Scheduled destinations visited include Anapa, Berlin, Frankfurt, Moscow, Shannon, St. Petersburg, Tel Aviv, Vienna, Warsaw, Zurich, and other CIS points; charter flights are also made to markets in China, Cyprus, India, Turkey, and the U.A.E.

Regularly scheduled, weekly Tu-154BM roundtrips commence on July 26, 1997, from Minsk to Beijing via Novosibirsk.

Also, the regional subsidiary **Brest United Aviation Detachment** is set up at Brest Airport to operate domestic and regional passenger services. Under the direction of Gennadi V. Borisevich, Brest flies 4 Yak 40s and 20 An-2s.

Another regional, **Gomel Air Detachment**, is set up at the city of that name to operate scheduled flights to Russia and charters elsewhere. It will later be renamed Gomelavia.

During the first quarter of **1999**, a bilateral agreement is signed between the governments of Belarus and Egypt. Weekly Tu-154BM scheduled roundtrips between Minsk and Cairo begin on April 29.

On August 23, the carrier reports that its traffic has fallen by 39% in the first half year.

A comprehensive agreement is signed with **Aeroflot Russian International Airlines (ARIA)** on January 26, **2000**. Under its terms, the two carriers will undertake return code-sharing passenger flights from Russia to Belarus and from Belarus to Siberia, the Mideast, and Southeast Asia via Moscow, as well as on Aeroflot cargo services to Belorussian cities. The two also plan to establish joint hubs at Moscow and Minsk.

Between January and August, enplanements of 150,000 are reported, including 87,000 on international routes. In early September, weekly scheduled roundtrips are initiated between Minsk and Tallin and plans are announced for a new route to Paris in early 2001.

BELFAST AND WEST COAST AIR SERVICES, LTD. *See* **AERLINGUS IRISH AIRLINES**

BELGOROD STATE AIR ENTERPRISE: 166 Bogdan Khmelnitski St., Belgorod, Central Regions, 308209, Russia; Phone 7 (07222) 40205; Fax 7 (07222) 41300; Code BED; Year Founded 1995. BSAE is set up at Belgorod in **1995** to offer domestic and regional charter and scheduled passenger services. Petr I. Nuzhni is commander and he begins operations with a fleet that comprises 10 Yakovlev Yak-40s, 28 Antonov An-2 biplanes, and 13 Kamov Ka-26 helicopters.

BELL AIR, LTD.: New Zealand (1968–1997). A division of **Bell Air Executive Air Travel, Ltd.**, Bell Air is formed at Whakatane, on the North Island's Bay of Plenty, in **1968** to provide air taxi and charter services. Equipped with a Cessna 185, Chairman/Managing Director Graham R. Bell's company also undertakes marine surveys of fish stocks in the South Pacific. Nonscheduled but regular services to Auckland commence in October **1979** followed by licensed scheduled flights in **1980**.

In **1981**, Bell's 6-employee airline, which is now renamed **Bell Air Intercity Commuter Airlines, Ltd.**, possesses a fleet comprising 1 Beech 99, 3 Cessna 172s, and an Aero Commander 500. Neither service nor fleet changes during the next decade.

Airline employment stands at 10 in **1992** and the fleet includes 1 Beech 99 and 1 Aero Commander 500.

Operations continue in **1993–1995** and, in **1996**, the commuter division is merged back into **Bell Air Executive Air Travel, Ltd.**, which name is now painted on the carrier's lone scheduled Beech 99.

Scheduled services cease in **1997**.

BELL AIR EXECUTIVE AIR TRAVEL, LTD. *See* **BELL AIR, LTD.**

BELL AIR INTERCITY COMMUTER AIRLINES, LTD. *See* **BELL AIR, LTD.**

BELLAIR: United States (1978–1996). Sitka-based Bellair is established in **1978** by Kenneth Bellows to provide passenger and cargo air taxi flights to the southeast Alaskan destinations of Angoon and Kake. A large number of charter operations into the bush are also initiated. The fleet includes 1 each de Havilland Canada DHC-2 Beaver and Cessna 185.

In **1982**, the company seeks CAB authority to provide scheduled C-185 services connecting its base with Port Alexander, Little Port Walter, and Baranof. Permission is received in **1983** and flights commence in March **1984**. Operations continue apace, almost without incident, during the remainder of the decade; Sitka, Angoon, Kake, and 10 other small previously nonscheduled communities join the scheduled route network.

While en route from Sitka to Rowan Bay on August 18, **1988**, a DHC-2 encounters clouds while passing through a valley and crashes, killing its pilot.

In **1990**, the small regional employs 10 workers and operates a fleet of 2 Beavers and 1 Cessna 185. A total of 5,457 passengers are flown on the year.

Enplanements decline to 5,012 in **1991** and a total of 555,557 pounds of mail are flown. President Bellows' fleet in **1993** is down to 1 Beaver and 1 Cessna 185. Enplanements total 4,810.

Operations continue apace in **1994**, but passenger boardings slip 1% to 4,762. A total of 15,000 FTKs are also flown.

Ten workers employed in **1995** and President Bellows's fleet includes 1 Beaver, 2 Cherokee Sixes, and 1 Cessna 172, but traffic falls even further. Enplanements drop 37% to 3,007.

By the spring of **1996**, the company has become economically unviable. As a result, the facilities, routes, and aircraft are sold to **Taquan Air Services** in June.

BELLE FOURCHE AIR LINES. *See* **AIR CRUISES**

1486. BELLINGHAM-SEATTLE AIRWAYS: United States (1964–1967). Named after its route, B-SA is organized by Dick Mallberg at Bellingham, Washington, in the summer of **1964** to offer scheduled service to Seattle. Employing a Beech 18, the commuter inaugurates scheduled service on September 24.

Operations continue until the carrier is purchased by and merged into **Puget Sound Airlines** on August 28, **1967**.

BELLVIEW AIRLINES, LTD.: Bellview Plaza, P.O. Box 6571, 66 Opebi Road, Ikeja, Lagos, Nigeria; Phone 234 (1) 497-7715; Fax 234 (1) 493-4750; <http://www.bellviewairlines.com>; Code B3; Year Founded 1992. Bellview is set up at Lagos, Nigeria, in **1992** to operate charter domestic flights on behalf of its parent, Bellview Travels, Ltd. Kayode Odukoya, managing director of the tour company, is CEO with Tunde Yusuf as chairman of the board of directors. A Yakovlev Yak-40 is chartered from **Balkan Bulgarian Airlines** and is employed to launch revenue services. Mrs. Funmi Akano becomes service manager in November.

The decision to operate domestic and regional scheduled services is taken during the summer of **1993**. The company begins to recruit a workforce that will reach 165; Capt. Roy Ilegbodu arrives as head of operations in November, along with Capt. C. Imediegwu, chief pilot, and Alex Iheuwu, chief engineer.

A Douglas DC-9-32 christened the *Peace* is acquired from Boeing under charter. Scheduled services commence to Abuja and Port Harcourt, with nonscheduled flights offered to a variety of destinations all over Africa.

Operations continue in **1994–1996**, during which years Bellview begins to visit Abidjan, Abuja, Banjul, Conakry, Freetown, Kano, Nairobi, Port Harcourt. Another DC-9-32, first flown by **Delta Air Lines**, is received in June 1995. Late in 1996, the company becomes a member of IATA. Offices are opened in Gambia, Ghana, and Sierra Leone.

In January **1997**, company executives join those from ADC (Aviation Development Corporation, Ltd.) in a plan for unilateral fare hike of 200% on domestic routes. They are forced to abandon this plan after the Aviation Ministry threatens to ground their aircraft if they implement the tariff increases.

In February, officials from Bellview and ADC again propose a gigantic fare increase; the 100% increase is approved by the government and instituted on March 17.

A service dispute with Nigeria erupts on May 15 when the U.K. Department of Transport bars **Nigeria Airways, Ltd.** aircraft from landing in Britain due to safety concerns. In retaliation, Nigeria requires that **British Airways, Ltd. (2)** halt its daily B-747-136 flights to Lagos and its thrice-weekly DC-10-30 service to Kano. The British line flies Nigeria-bound passengers to Accra in Ghana, from which they are able to make arrangement for air charter or ground transport into Nigeria.

Nigeria Airways, Ltd. has other problems, particularly a lack of capacity. As a result, Bellview begins twice-weekly contract replacement services on its behalf on June 20 from Lagos to Nairobi. Also on behalf of **Nigeria Airways, Ltd.**, a DC-10-30 is briefly chartered to operate weekly roundtrip flights to Rio de Janeiro.

Simon Tumba reports in the November issue of *Airline Business* that the airline industry in Nigeria is on the verge of collapse, with only 10 aircraft from 8 carriers left to provide domestic services for 90 million people.

By October, **ADC Airlines, Ltd.** has only one operational B-727, while **Kabo Air, Ltd.** has two. Bellview, which has returned its Douglas wide-body, can fly only one DC-9-32. **Nigeria Airways, Ltd.** and several small operators fly the remaining six. All call upon the government to politically and financially guarantee a restructuring of the industry.

The government promises to end Nigeria Airways' international monopoly and accept applications from those wishing to fly to foreign points as a way of gaining hard currency. Bellview, which has returned the Douglas wide-body, is granted rights to Nairobi, Rio de Janeiro, and Bombay—but has no aircraft.

In November, the carrier becomes the second Airbus operator in Nigeria after the flag carrier. A chartered A300-600R enters service on November 21 on international replacement routes to Brazil, India, and Kenya.

Having concluded a code-sharing agreement with **Nigeria Airways, Ltd.**, dual-designator service commences to Amsterdam on April 10, **1998** employing the Nigeria Airways Airbus Bellview has been flying for the past six months. A dual-designator pact is also signed with **Air India, Ltd.** Offices are opened at Nairobi, Mumbai, and London, England.

An affiliate airline, Bellview Airlines (Sierra Leone), Ltd., is now set up and it provides services from Freetown to Lagos with a wet-leased DC-9-32.

Early in the first quarter of **1999**, two DC-9-32s are wet-leased from **JAT Yugoslav Airlines** for a year. Upon their arrival, wearing all white fuselages and blue tails, they begin operation of the Lagos Express.

With the outbreak of the civil war in Sierra Leone, Bellview and its local affiliate, Bellview Airlines (Sierra Leone), Ltd., are forced to halt Freetown flights.

At the beginning of **2000**, the company operates weekly A300-600R roundtrips to Amsterdam, Nairobi, and Bombay, while the Douglas transports maintain the domestic network with stops at Abuja, Port Harcourt, and Lagos. A regional service to Banjul is also flown.

With the reinstallation of the Sierra Leone government of President Tejan Ahmed Kabbah by the ECOWAS Intervention forces during the summer, Bellview is able to resume its service to Freetown.

BELLVIEW AIRLINES (SIERRA LEONE), LTD. See **BELLVIEW AIRLINES**

BELORUSSIAN AIRLINES. See **BELAVIA (BELORUSSIAN AIRLINES)**

BELUKHA CLOSED KOMPANIYA: Ulitsa Bolshaya Polyanka 11/14, Moscow, 109180, Russia; Phone 7 (0950) 971-6101. BAK is established at Moscow in **1994** to offer nonscheduled domestic passenger services. S. G. Nedorslev is general director and he begins nonscheduled flights with a mix of Tupolev Tu-154s and Kamov Ka-32s.

In addition to the helicopters, the fleet in **1999** includes just one Tu-154.

It is uncertain if the carrier has survived into the new millennium.

BELYA AIRLINES: Belya Office Building, Sanya International Airport, Sanya City, Hainan Province, 572000, China; Phone 899-289925; Fax 899-289925; Code 2B; Year Founded 1995. Belya is established at Sanya City in **1995** as a subsidiary of **China Northern Airlines Company, Ltd.** Revenue operations at President Jia Zhenxiao's company begin with a single McDonnell Douglas MD-80 leased from the parent.

Flights continue in **1996–2000**, during which years 3 MD-82s, leased from the parent, replace the earlier MD-80. It is anticipated that the company will be folded back into its parent.

BEMIDJI AIRLINES: P.O. Box 624, Bemidji, Minnesota 56619, United States; Phone (218) 751-1880; Fax (218) 759-3552; Code CH; Year Founded 1981. Privately owned Bemidji Airlines is established by Larry Diffley and Mark Shough at the Minnesota town of Bemidji in **1981** to offer scheduled passenger flights to regional destinations, especially Minneapolis (MSP). President Diffley's initial fleet comprises 7 Beech B-80 Queenairs, 2 Beech 99s, and 5 Piper PA-23 Aztecs.

Operations continue quietly apace, briefly under the marketing name Great Lakes Link, over the next 7 years and by **1988**, enplanements total 13,894.

Airline employment stands at 80 in **1989** and the fleet includes 5 Aztecs, 4 Queenairs, 2 Beech Barons, and 1 Beech 99. Destinations visited include Minneapolis (MSP), Thief River Falls, Mankato, and Worthington. Passenger boardings decline a huge 41% to 9,854.

Although there is no change in the workforce in **1990**, the fleet is increased by the addition of 5 Queenairs, 1 Beech 99, 3 Cessna 172s, and 1 Cessna 150. Customer bookings fall another 7.5% to 9,115 and freight drops 26.4% to 7,945 pounds.

Twice daily Bemidji–Minneapolis roundtrip flights continue in **1991**; however, the small regional faces toughening competition from Northwest Airlink partners. Consequently, enplanements are cut to 3,034. Another Queenair is acquired in **1992**.

In **1993–1994**, the workforce has 60 employees and President Diffley's fleet includes 2 Beech 99s, 10 Queenairs, 2 Beech 58 Barons, and 4 Piper Aztecs. Over the next 6 years, 5 more Beech 99s and 2 Queenairs are added as the Aztecs and Barons are retired.

BEMOAIR, A.S.: Czech Republic, 1994–1996. Bemoair is established at Prague in **1994** to offer domestic commuter services. Revenue flights commence with 3 Let L-410UVPs.

In **1995**, two Ilyushin Il-62s are leased from **CSA Czech Airlines** and are employed to inaugurate long-haul inclusive-tour charters to Mediterranean and Mideast destinations. Flights cease in **1996**.

BERGEN AIR TRANSPORT, A.S.: Norway (1961–1977). This company is originally formed in **1961** not to offer cargo services, but to

operate ice reconnaissance flights to, in, and from Greenland and to undertake oil industry support services.

In **1971**, the company, having acquired a pair of Douglas DC-4s, undertakes worldwide ad hoc charters to a variety of destinations. The operator ceases in **1977** after it is forced by hard times to sell its DC-4s to Zaire.

BERING AIR: P.O. Box 1650, Nome Airport, Nome, Alaska 99762, United States; Phone (907) 443-5422; Fax (907) 443-5919; <http://www.beringair.com>; Code 8E; Year Founded 1979. Taking its name from the nearby body of water, Bering is organized at Nome by James D. and Christine Rowe in September **1979** to offer nonscheduled passenger and cargo services to western Alaskan destinations from that city and Kotzebue. Equipped with Beech 18s, Piper PA-34 Senecas, Cessna 206s, and de Havilland Canada DHC-2 Beavers and DHC-3 Otters, Bering inaugurates revenue flights on October 3.

After several years of charter work, U.S. government certification is received and regular scheduled service begins on November 15, **1982**.

In June **1983**, the company enters into an agreement with **Alaska Airlines**, becoming an Alaskan Airlines Commuter affiliate. The original Cessna 206/207A fleet is increased by the addition of a Piper T-1020 and a PA-31 Navajo, as the Seneca, Beavers, and Otters are removed. Points served include Ambler, Brevig Mission, Buckland, Cape Lisburne, Der- ing, Elim, Gambell, Golovin, Kiana, Kivalina, Kobuk, Royuk, Nostak, Noorvik, Point Hope, Port Clarence, St. Michael, Savoonga, Selawik, Shaktoolik, Shismaref, Shungnak, Stebbins, Teller, Tin City, Wales, and White Mountain.

Operations continue apace in **1984** and the arrangement with Alaska Airlines is expanded into a full-blown code-sharing affiliation in **1985**. Traffic increases steadily through **1986**.

While en route on an air taxi cargo flight on the night of December 10, **1987**, a Cessna 207A strays some 15 mi. off course and crashes into the south side of Bismarck Mountain, near Ambler, Alaska; the pilot is killed and the aircraft is destroyed.

Enplanements for the year total 29,628.

In **1988**, airline employment stands at 48 and the fleet includes 5 PA-31-310 Navajos, 3 Beech 18s, 1 de Havilland Canada DHC-6-300 Twin Otter, 6 Cessna 206/207As, and 2 T-1020s. The company provides technical support for the Bering Land Bridge expedition of **Alaska Airlines** to Anadyr in the U.S.S.R. Meanwhile, the small regional's enplanements are up 7% over the previous year to 31,858.

The workforce is increased by 6.3% in **1989** to 51 and orders are placed for two Mitsubishi Mu-2s. The success of its previous year's work with **Alaska Airlines** allows the company to make history. It now becomes the first FAR 135 carrier to be authorized by both the FAA and Civil Aviation Ministry of the U.S.S.R. to operate charters to the Soviet Far East from Nome. These begin on July 12.

Passenger boardings ascend a further 6.3% to 34,000. Freight traffic rises 11.1% to 730,000 FTKs.

The number of employees increases 66.7% in **1990** to 85 as President Rowe obtains 3 Beech 18Ss. Additional cities now visited include Fairbanks, Anchorage, Council, and Unalakleet.

Customer bookings plunge to 26,313.

The fleet in **1991** includes 3 Piper PA-31-350 Navajo Chieftains, 4 Beech 18s, 4 Cessna 207As, 3 T-1020s, and 1 Cessna 206.

Enplanements inch up to 27,114 and a total of 3,959,381 pounds of mail are flown.

In **1992**, another T-1020 and a Mitsubishi Mu-2 are acquired. Passenger boardings decline 10% to 24,357. Airline employment in **1993** stands at 90 and the Rowe's fleet includes 6 Navajo Chieftains, 4 Beech 18s, 4 Cessna 207As, and 1 Mu-2.

Customer bookings stop their freefall and register a 12% gain to 27,346.

Operations continue apace in **1994**. During the fall, a Commuter Air Technology CATPASS 250 (modified Beech King Air) is delivered; it is specially equipped for severe climate operations. The new aircraft is dedicated to providing Alaska-Russia linkage with service to the Anadyr, Magadan, and Cape Schmidt areas.

Passenger boardings leap ahead by 18% to 32,213 and 322,508 FTKs are also operated.

The company employs 65 during **1995** and the fleet now includes 4 Cessna 207As, 7 Chieftains, 1 Grand Caravan, 1 CATPASS 250, and 4 Beech 18s.

Overloaded with Christmas mail, a Beech 18 fails its takeoff from Nome for a December 18 service to Gambell; the aircraft rolls left and crashes. Although the plane must be written off, the pilot is not injured.

Enplanements for the year jump 30% to 41,945.

There is no change in the employee population during **1996** and the company's 17 aircraft transport a total of 47,684 passengers, a 13.7% increase.

The workforce is increased a dramatic 30.8% in **1997** to 85.

While beginning to taxi from the ramp at Buckland for a September 8 service to Noorvik, a **Hageland Air** Cessna 402C, with one pilot and six passengers, collides with a parked Bering Cessna 208B, with one pilot and nine passengers; no injuries are reported and damages are slight.

Customer bookings decline by 5.8% to 44,924. A total of 4.3 million pounds of freight and mail are also operated.

Flights continue in **1998**. While en route from Memphis to Bowling Green, Kentucky, on March 5, a Cessna 208B, with one crew and under contract to FedEx, crashes 5 mi. SE of Clarksville, Tennessee; the pilot is killed.

Passenger boardings inch up 1% to 45,000.

By the beginning of **1999**, airline employment has been reduced by 23.5% to 65.

Customer bookings accelerate 7.7% to 49,000.

BERJAYA AIR SDN. BHD.: Suite 2.05 Officer Tower, Plaza Berjaya, 12 Jalan Imbi, Kuala Lumpur, 55100, Malaysia; Phone 60 (3) 245-2828; Fax 60 (3) 245-8689; Code J8; Year Founded 1994. Tengku Adrian Tengku Mansor, on behalf of Berjaya Land, establishes a new third-level operation at Kuala Lumpur in **1994**. Regional scheduled revenue services commence with 3 Pilatus-Britten-Norman PBN-2 Islanders and 2 Chinese-made Harbin YS-12s.

Flights continue apace in **1995-1999**, during which years the fleet is enlarged by the addition of 2 de Havilland DHC-7-102s, 1 Canadair 601 Challenger executive jet, and 1 each Bell 206L LongRanger and Eurocopter SA-361N Dauphin. Airline employment grows to 63.

Thrice-daily return charters are inaugurated on August 11, **2000** from Kuala Lumpur to Tioman Island.

BERLIN EUROPEAN U.K., LTD.: Germany (1987-1991). Retired **British Airways, Ltd.** (2) German director Capt. Richard A. Twomey organizes this commuter at Cardiff in April **1987**, where it is registered. Offices are opened at West Berlin's Tegel Airport, where Twomey assumes the post of managing director and recruits a staff of 40.

Two British Aerospace Jetstream 31s are acquired and international route authority is sought and allowed by Berlin's controllers. Scheduled, revenue services commence in July linking the divided former German capital with Basel, Copenhagen, Geneva, Friedrichshaven, and Zurich.

Services proceed smoothly until October when a competing service is launched by **Pan American World Airways (1)'s Pan Am Express** using larger Avions de Transport Regional ATR42s. Unable to fight back, the B.R. staff is cut back, one Jetstream 31 is sold, and an order is placed for a B-737-3L9, which will be employed to reorient operations. A total of 5,400 passengers are flown on the year and revenues of \$1.24 million are earned.

In **1989**, the company name is changed to **Berlin European U.K., Ltd.** and the carrier is reoriented as a travel-holiday charter operation. Flights commence with a Boeing 737-3L9 leased from **Germania Fluggesellschaft, GmbH**. Enplanements for the year total 105,208.

Company employment is increased a whopping 77.8% in **1990** to 48 as a second B-737-3L9 is leased from **Germania Fluggesellschaft, GmbH**. In March, flight planning, air crew management, and financial management computer packages are purchased from the

British company AirData, Ltd. Passenger boardings surge 47.6% to 200,778 and revenues reach \$19.3 million.

In April 1991, Berlin European is merged into **Germania Fluggesellschaft, GmbH**.

BERLIN REGIONAL U.K., LTD. See **BERLIN EUROPEAN U.K., LTD.**

THE BERLINE (BERLIN-BRANDENBURGISCHES LUFT-FAHRTUNTERNEHMEN, GmbH): Germany (1991–1994). The Berline is founded at Berlin on November 1, 1991 by a group of former **Interflug DDR Airlines** pilots who wish to launch nonscheduled charter flights to destinations in western Germany, southern Europe and North Africa. Employing five Ilyushin Il-18s (two of which are modified into freighters with side cargo doors) acquired from the assets of the former East German flag carrier, the new entrant begins flying to Tunisia, Greece, and Turkey.

Destinations visited in 1992–1993 include Palma de Mallorca, Saloniki, Ibiza, Athens, Erfurt, Dusseldorf, Nuremberg, Paris, and London. A total of 60,000 passengers are flown during the latter year.

Unable to achieve economic viability or the raise the capital necessary to launch its fall schedule, the carrier must stop flying at the end of October 1994.

BERLINER SPEZIAL FLUGGESELLSCHAFT, A.G. (BSF): Flughafen Tempelhof, Berlin, D-12101, Germany; Phone 49 (30) 6951 3355; Fax 49 (30) 6951 3856; Code FC; Year Founded 1991. Formed at Berlin in 1991, President Horst Huth's German commuter names Wilfried Otto as managing director. With an initial fleet of 6 Let L-410UVPs and 5 Mil Mi-8s acquired from the one-time East German state carrier **Interflug DDR Airlines**, revenue services are inaugurated from Tempelhof Airport to Dresden, Erfurt, and Braunschweig.

In 1992, the fixed-wing fleet includes 5 Lets and 1 Beech 1900C. A year later, in 1993, 4 Lets are withdrawn and replaced by 2 leased Beech 1900Cs and 5 Cessna 206s. A third Beech 1900C is acquired in 1994.

Managing Director Otto also establishes a rotary-wing subsidiary, **BSF Hubschrauberdienste, GmbH**, at Schoenfeld Airport, and adds one each Bell 206B JetRanger and 206L LongRanger.

Flights continue in 1995–2000, during which time 3 Cessna 206s are replaced with 2 C-207A and the fleet of the helicopter airline is increased by the addition of 5 Russian-made Mil Mi-8s.

BERNER OBERLAENDER HELICOPTER, A.G.: Postfach 1, Gsteigwiler, CH-8172, Switzerland; Phone 41 (36) 229 230; Fax 41 (36) 220 972; Year Founded 1990. Berner Oberlaender is established at Gsteigwiler in 1990 to undertake regional charter services of both passengers and cargo. Daniel Hofer is appointed manager and Guenther Amann chief pilot, who launch revenue flights with 3 Eurocopter SA-315Bs, 2 AS-319Bs, and 1 AS-350B.

Flights continue for the remainder of the decade, during which time 1 Eurocopter SA-315B is replaced with an Augusta A109C.

BERRY AVIATION: 1807 Airport Drive, San Marcos, Texas 78666, United States; Phone (512) 353-2379; Fax (512) 353-2593; Year Founded 1983. Berry is set up at San Marcos in 1983 to provide executive and small group passenger charters to Central and South America and the Caribbean. Over the next 17 years, President Harry M. Berry III establishes five additional bases at Austin, Las Vegas, Dallas (DFW), and San Antonio, from which to fly its 15 Fairchild Metros and 1 Merlin.

BEST AIRLINES: United States (1981–1985). The Fort Mitchell, Kentucky-based hotel and restaurant concern Columbia Sussex Corporation establishes this subsidiary in December 1981. Application is made to the CAB in January for scheduled certification, which is received in April. Two former **Ozark Air Lines** Douglas DC-9-15s are

now acquired and are employed to inaugurate revenue flights on June 24, 1982 from Buffalo to Tampa via Albany. Enplanements for the remainder of the year are 19,737.

During 1983, Best initiates markets in two phases; first are Cleveland, Detroit, Hartford, Philadelphia, Rochester, and Syracuse. The second phase brings service to Alexandria, Atlanta, Dallas, Gulfport-Biloxi, Pittsburgh, Providence, and Roanoke. Charters are also undertaken, largely from the northeast to Florida. Passenger boardings skyrocket 180% to 56,000.

Airline employment in 1984 is 102. Recessionary and start-up costs continue to cause significant losses. Early in the year, the company stops flying to all of the cities opened during its second phase of expansion in 1983. Still, the two Douglas transports ferry 92,346 passengers, an awesome 89.1% increase.

Operations cease on October 27, 1985, at which point the operator's jetliners and certificate are purchased by **Jet America Airlines**.

BETA AIR: Russia (1994–1996). Beta is set up at Taganrog in 1994 to offer regional passenger charters. V. S. Kobzev is appointed general director and he begins revenue flights with a pair of Antonov An-32s. Flights cease in 1996.

BETA CARGO, S.A.: Rua Ministro Nelson Hungria 239 CJ, 14, Morumbi, São Paulo 05690-050, Brazil; Phone 55 (1) 184-46000; Fax 55 (1) 184-20636; Code BS; Year Founded 1998. Originally established by Ioannis Ammeronis at São Paulo in March 1994 to undertake ad hoc cargo services to a variety of South American destinations, **Brasair Transportes Aereos, S.A.** is reformed late in 1998. Roberto Klouri becomes president and operations continue with an owned B-707-351C and two leased Stratofreighters, a Dash-336C and a Dash-330C. The alliance with **VASP Brazilian Airlines, S.A.** is maintained.

BGA (BRITISH GUIANA AIRWAYS, LTD.): British Guiana/Guyana (1939–1963). Employing an Ireland amphibian, A. J. Williams undertakes charter flights for the British Guiana-Brazil Boundary Commission in 1935. Four years later, on June 30, 1939, the colony's government signs a contract with Williams for operation of a subsidized air service. The fleet of the proprietor's new British Guiana Airways, Ltd. consists of two Ireland amphibians. Experiments are undertaken with the transport of meat from country slaughtering sights to Georgetown.

In June 1944, BGA and the government agree upon the inauguration of scheduled services. These flights run every two weeks from Georgetown to Tumereng and monthly from Georgetown to Lethem and Janari. Later in the year, the Tumereng service is extended to Imbaimadai and the Lethem route is stretched to Wichabai and Lumid Pau.

The Ireland amphibians in 1945 undertake monthly flights from Georgetown to Bon Success via Kurupukari and Apotari and twice monthly from the capital to Partang via Banana Landing, Kamakusa, and Tumereng.

On September 1, a newly acquired Grumman G-21 Goose begins twice-weekly contract shuttle flights on behalf of **British West Indies Airways (1) (BWIA)** from Georgetown to Mackenzie (now Linden), where passengers can connect with BWIA frequencies.

A second Goose is added to the fleet early in 1946; however, the Mackenzie shuttle is shut down in September. In November, the first Douglas DC-3 is placed in service, followed by a second in December.

A Georgetown to St. Vincent via Port of Spain, G-21 feeder frequency is initiated on behalf of BWIA in 1948. The "air beef" meat transport service is resumed in September. In 1949, flights are undertaken to Kaieteur Falls for tourists. This route is extended to Dominica in 1950.

BGA links St. Vincent with Barbados and Grenada in 1951. Passenger traffic is thin in 1952–1954; in the latter year, enplanements total 7,500. President Williams's shareholding is purchased by the government for £170,000 in July 1955 and a management contract is signed with **British West Indies Airways, Ltd. (2) (BWIA)** for operation of the colony's carrier.

In **1963**, three years prior to independence, the airline is renamed **Guyana Airways, Ltd.**

BHARAT AIRWAYS, LTD.: India (1945–1953). On August 11, **1945** Bharat Airways, Ltd., calling itself “The Biria Line,” is incorporated as a division of the Birla industrial group. Thrice weekly Calcutta to Lucknow via Gaya scheduled Douglas DC-3 services commence on June 30, **1947**. On October 21, four-times-per-week Calcutta to Delhi via Allahabad and Kanpur flights begin. Five days later, Delhi to Amritsar and Lucknow frequencies are initiated. The Delhi–Lucknow run is ended in January **1948** and that to Amritsar in March. Flights from Calcutta to Chittagong, in the new East Pakistan, begin in June.

On May 25, **1949**, fortnightly Douglas DC-4 services are inaugurated from Calcutta to Hong Kong via Bangkok and Saigon. The Chinese civil war prevents extension to Tokyo and poor traffic soon causes the Hong Kong stop to be withdrawn.

In the summer, the company begins flying from Agartala to Calcutta and Gauhati. The Bangkok end of the service from Calcutta is extended to Singapore in October **1950**.

In September **1952**, Douglas DC-4s begin flying to Djakarta from Singapore on a weekly schedule. Following parliamentary study and debate, the decision is taken to nationalize the Indian air transport industry. An Air Corporation Bill receives presidential assent on May 28, **1953**, resulting in the creation of **Indian Airlines Corporation** on August 1; the new state enterprise now takes over Bharat Airways, Ltd. and many of its competitors.

BHOJA AIRLINES (PTY.), LTD.: Bhoja Terrace, Shahrane-Liaquat, Karachi, 74200, Pakistan; Phone 92 (21) 2410 2001; Fax 92 (21) 262 5995; <http://www.jamals.com/bhoja>; Code B4; Year Founded 1993. Bhoja Airlines (Pty.), Ltd. is established by the Bhoja Group at Karachi in the summer of **1993** to provide scheduled passenger and cargo services. M. Farouk is named chairman, a single leased Boeing 737-2S3A is acquired, and revenue flights begin on November 7 linking the company's base with Lahore and Quetta.

Operations continue for the first two quarters of **1994** at Managing Director Capt. Aijaz Ali Faizi's airline as two Yakovlev Yak-42Ds are chartered from **Lithuanian Airlines** to replace the Boeing. After a shutdown that lasts 11 months, the Russian-made planes, with Lithuanian cockpit crews and Pakistani cabin crews, begin flying twice-daily roundtrips to Islamabad and thrice-daily returns to Lahore on June 5, **1995**.

Two more Lithuanian Yak Yak-42Ds are delivered under charter in **1996** and routes are extended to Faisalabad, Multan, Peshawar, and Sukkur. Airline employment reaches 400.

Flights continue in **1997–2000**. During these years, the company operates thrice daily from Karachi to Lahore and daily to Islamabad and Multan. From Lahore, the company operates thrice daily to Karachi and daily to Multan, while daily flights are offered from Multan to Karachi and Lahore and from Islamabad to Karachi.

An international schedule is also offered with daily roundtrips from Karachi, Multan, and Lahore to Dubai.

BHY BURSA AIR LINES (BURSA HAVA YOLLARI A.O.): Turkey (1977–1981). Formed at Bursa in northwest Turkey in early **1977**, Bursa initiates scheduled passenger service to Istanbul in June using a leased Vickers Viscount. Chairman Ali Osman Sonmez and General Manager Suphi Iscen elect to return the large turboprop in August, replacing it with two CASA C-212-CB Aviocars, of which the first is named *Sonmez II* upon delivery.

Airline employment in **1978** stands at 35. Enplanements for the first full year total 39,239. In **1979**, the schedule between the company's two markets is increased to four times daily. Passenger boardings accelerate 18.4% to 48,087.

Early in **1980**, a Douglas DC-8-20 is acquired and employed to inaugurate thrice-weekly flights between Istanbul and Dusseldorf. Although plans are made for services to other gateways, some of which are actu-

ally started with three leased DC-8-50s, higher expenses, led by surging fuel prices, lead to the company's demise. Operations cease in **1981** and efforts to resume service in **1982** fail.

BIEGERT AVIATION: 22022 S. Price Road, Chandler, Arizona 85248, United States; Phone (520) 796-2400; Fax (520) 796-5895; Year Founded 1970. From a base at Chandler, Arizona, Biegert operates aerial spraying applications (crops and oil spills) in addition to contract service and cargo charter flights with a fleet of 4 Douglas DC-4s and 1 Cessna 414. James C. Jefferies is president/CEO in **1998–2000** and enjoys income of \$1.5 million.

BIG BEND AIRWAYS: United States (1977–1978). BBA is set up at Alpine, Texas, late in **1977** to provide scheduled Beech 18 passenger and cargo services to Lubbock via Midland. Although daily roundtrip revenue flights are duly inaugurated, they can only be maintained for a year.

BIG HORN AIRWAYS: P.O. Box 4037, Sheridan, Wyoming 83801, United States; Phone (307) 672-3421; Fax (307) 674-4468; Code BH; Year Founded 1979. Organized as a subsidiary of Hawkins and Powers Aviation in **1979**, Big Horn undertakes regular and charter cargo flights between its Sheridan, Wyoming, base and Casper, Gillette, and Rock Springs. The company's Piper PA-31-310 Navajos also fly to Denver and to the Utah communities of Vernal and Salt Lake City.

Operations continue apace throughout the **1980s** and into the **1990s**. During these years Robert Eisele and P & G Inc. acquire the company. By **1994**, the fleet includes 1 CASA C-212 Aviocar, 1 Cessna 340, and 1 PA-31-350 Navajo Chieftain.

In **1995–1999**, a contract is accepted to fly on-demand cargo shipments for **UPS (United Parcel Service)** and the fleet is increased by the addition of 1 each Aviocar and Chieftain.

Destinations visited include Burketown, Cairns, Cooktown, Doomadgee Mission, Edward River, Karumba, Kowanyama, Mount Isa, Mornington Island, and Normanton.

In **2000**, the company operates 2 each Aviocar and Navajo Chieftain freighters.

BIG ISLAND AIR: P.O. Box 1476, Kailua-Kona, Hawaii 96745, United States; Phone (406) 329-0991; <http://www.ilhawaii.net:80/pt/bigair.html>; Code 2L; Year Founded 1985. Organized by Lew and Shay Mims at Kailua-Kona during the summer of **1985**, this small carrier undertakes, beginning in November, scheduled and nonscheduled flights to all Hawaiian cities with a pair of Cessna 402s. Late in the decade, orders are placed for a Piper PA-31-350 Navajo Chieftain. Operations continue apace until July 1, **1989** when the company reverts to charter flights.

Scheduled flights are resumed in **1991** and enplanements total 1,650, growing to 4,800 in **1992**.

Scheduled and nonscheduled services continue to be operated in **1993–1994**, including flight-seeing charters from Kona to Hawaii Volcanoes National Park. In October of the latter year, the FAA rules that air tour operators may not fly below a minimum of 1,500 feet. The following month, Big Island is one of three state concerns to obtain a waiver, which allows them to show tourists the glories of the volcanoes from 1,000 feet.

The **1995–1999** workforce includes President Gueary Buchman, Vice President-Operations Tom Beard, and two others. On September 25 of the latter year, Flight 58, a Piper PA-31-350, with one pilot and nine passengers on a VFR sight-seeing excursion from Keahole–Kona International Airport, crashes into the NE slope of Mauna Loa volcano on the island of Hawaii. There are no survivors.

Flight-seeing tours continue in **2000**. When the right engine of a PA-31-350 with a pilot and nine passengers catches fire during an August 26 VFR excursion, the Navajo Chieftain ditches at sea 200 yards off Honoli'i Point, on the east side of Hawaii (one dead).

BIG RIVER AIR: Box 688, Fort Smith, Northwest Territories X0E 0P0, Canada; Phone (867) 872-3030; Fax (867) 872-5202; <http://www.216.123.70.312>, Year Founded 1997. Big River is established at Fort Smith in 1997 to provide year round charter service into bush locations in the Northwest Territories and to Wood Buffalo National Park and other points on the border with Alberta.

Operations begin and continue with a mixed fleet that includes 1 float-equipped de Havilland Canada DHC-3 Otter, 1 each wheel-only Cessna 172 and C-210, and 1 each wheel-or-float convertible C-180, C-185, C-206, and DHC-2 Beaver.

BIG SKY AIRLINES: P.O. Box 31397, 1601 Aviation Place, Billings, Montana 59105, United States; Phone (406) 245-9449; Fax (406) 259-8750; <http://www.bigskyair.com>; Code GQ; Year Founded 1979. Incorporated at Billings, Montana, on August 2, 1979, Big Sky Airlines, employing the purchased certificate of the former **Hensley Flying Service**, is the marketing title for the air transport division of Big Sky Transportation Company. A million shares of common stock is issued on August 13 to acquire the assets and liabilities of the previous Big Sky Airlines, which Hensley had operated between June 1978 and July 30. Dale Norby is named president and the fleet is equipped with two British Aerospace BAe Jetstream 31s and a Cessna 402C.

The 96-employee company inaugurates scheduled services to destinations in Montana, Wyoming, Idaho, and Minnesota, primarily in support of the traffic generated by the intense energy development within their borders. Enplanements for the year total 20,611. Expenses significantly exceed income and investors suffer a \$296,000 net loss.

During 1980, the commuter's fleet is increased by the addition of 2 more Cessna 402Cs and 2 Swearingen Metro IIs. The route network is expanded to provide Essential Air Service (EAS) to eight small communities in western North Dakota and eastern Montana. Simultaneously, other low-yield routes to Idaho and western Montana are discontinued.

Passenger boardings skyrocket 106% to 41,574 and revenues do even better, ascending a spectacular 600.37% to \$3.88 million. The latter achievement, however, is dwarfed by a 449.23% boost in expenses (led by fuel bills) to \$4.58 million. As a result, losses for the year increase to \$787,414 (operating) and \$976,533 (net).

The company's first major connecting hub is added in 1981 as service is extended linking Minneapolis (MSP) with the North Dakota communities of Bismarck and Jamestown and Devil's Lake. The workforce grows by 69 and 5 new aircraft are added: 2 Metro IIs, 1 Jetstream 31, and 2 Cessna 402Cs. The company also aligns with the **Braniff International Airways** computerized reservations system, which it will be forced to abandon within a year.

Bookings skyrocket 104% to 60,058 and freight is up by 200% to 984,000 FTKs. Despite these positive developments, increased fuel costs and other recessionary difficulties result in further net loss. On revenues of \$7.7 million, a whopping 98.1% boost, expenses climb 63.4% to \$7.6 million. As a result, there is an operating profit of \$137,395. The net downturn "improves" to \$495,913.

The workforce is reduced 28.6% in 1982 to 125. In March, Big Sky becomes an international carrier when it steps in to replace **Western Airline's** service from Great Falls to Calgary. Twice-daily service is extended from the company's base.

Enplanements in this recession year drop to 26.3% to 48,952. Cargo traffic plunges 57.6% to 418,000 pounds. Operating income dips 1.3% to \$7.6 million as expenses jump 8.7% to \$8.2 million. The operating loss swells to \$617,321 as another huge net loss of \$954,741 is taken.

Eighteen additional employees are laid off in 1983 and the fleet now includes 7 aircraft: 3 Metro IIs and 4 Cessna 402Cs. Much of the route network is reorganized.

Bookings decline yet again, down 20.8% to 38,791. Freight falls 17.6% to 344,000 pounds. Revenues decline 13.4% to \$6.91 million and the net loss is lowered to \$369,000.

The workforce in 1984 totals 165 and the fleet comprises 3 Fairchild-Swearingen Metro IIs and 4 Cessna 402Cs.

Customer boardings accelerate 32.9% to 51,536 and cargo climbs a healthy 13.8% to 392,000. Growth is also shown in finances. Although revenues fall 4.7% to \$6.6 million, costs drop more, down 12.1% to \$6.26 million. Consequently, the airline records profits: \$338,893 (operating) and \$20,960 (net).

Employment declines to 117 in 1985 as the company enters into a brief code-sharing feeder arrangement signed with doomed **Frontier Airlines (1)**.

Enplanements swell 5.7% to 59,572, but freight is off by 17.1% to 325,000 pounds. Revenues ascend 3.9% to \$6.85 million; however, costs accelerate 6.6% and drop the operating profit to \$178,218. There is a net loss of \$132,171.

The payroll grows 61.7% in 1986 to 186 and the fleet includes 8 Fairchild-Swearingen Metro IIs (including 5 newly leased units) and 4 Cessna 402Cs. The failure of **Frontier Airlines (1)** and the purchase of **Republic Airlines** by **Northwest Airlines** gives the small regional a golden opportunity, beginning in June, to realign its route network as one of the latest members of the Northwest Airlink code-sharing partnership. Major emphasis will be on Airlink feeder service to Billings and Bismarck in support of the major.

By year's end, the company flies to 16 cities in North Dakota, eastern Washington, and Montana, linking them with the major's services into Bismarck, Spokane, and Billings.

Passenger boardings climb 50.8% to 90,179; however, cargo is down again, by 9.1% to 296,000 pounds. Revenues increase 32% to \$8.83 million, expenses grow by 29.2% to \$8.4 million, and the operating profit is \$432,098. The net figure is a complete turnaround into a \$112,559 profit.

One more employee is hired in 1987 as one Cessna 402C is withdrawn. Most aspects of the carrier's five-year Airlink agreement are completed in January, including a new aircraft livery, the introduction of new signs, coordination of flight schedules, and the regional's adoption of Northwest's CRS code.

Big Sky's cash flow situation is significantly improved by initiation of a weekly revenue settlement procedure with its major partner.

Customer bookings accelerate an additional 47.8% to 128,308 and freight jumps 18.4% to 356,000 pounds. Revenues advance 32.7% to \$11.7 million. Costs, however, grow 38.1% to \$11.6 million, forcing the operating profit down to \$104,286 and net gain down to \$61,112.

The workforce is increased by 16.3% in 1988 to 200 and the fleet now includes 6 Metro IIs and 3 Cessna 402Cs. Orders and options are outstanding for 12 British Aerospace Jetstream Super 32s.

Northwest Airlink service is initiated in January to Kalispell, Montana. In early May, President/CEO Terry D. Marshall announces that \$500,000 capitalization has been realized by the sale of half a million shares of redeemable preferred stock to a private, anonymous investor.

The first three Jetstream Super 32s enter service during the fourth quarter, too late to have much of an impact on the heavy competition being mounted against the airline by rivals **Horizon Air** and **SkyWest Airlines**.

Still, overall passenger boardings are up 3.9% to 133,327. Competition, bad weather, and Jetstream start-up costs impact the financial picture. Revenues grow by 6.8% to \$12.51 million, but costs climb 12.7% to \$13.08 million, leaving a \$570,487 operating loss. The net loss increases to \$740,261.

Financial and contractual difficulties force the carrier to seek Chapter XI bankruptcy protection on March 14, 1989. Despite \$2 million in assets, the airline faces a long-term \$2-million debt. This development, plus falling traffic, requires that the workforce be cut 57.5% to 85 and the fleet be reduced to 3 Metro IIs and 5 Cessna 402Cs.

In May, the Montana Legislature passes a bill that allows the Billings-based regional to seek relief from delinquent property tax payments for up to three years. A reorganization plan is filed with the bankruptcy court on November 14.

Customer bookings fall 24.6% to 100,098 and cargo declines by 41.9% to 48,000 FTKs. Revenues drop 19.2% to \$10 million and losses deepen to \$1.1 million (operating) and \$1.9 million (net).

The number of employees is reduced again in **1990**, by 11.6%, to 61. In January, Big Sky files its reorganization plan with the U.S. bankruptcy court. The document provides for a decade-long payoff of secured creditors, with unsecured creditors being given the option of two shares of common stock for every \$1 of debt obligated or a 5% cash allocation. At the same time, the annual Essential Air Service (EAS) allocation is increased from \$1.6 million to \$2.5 million.

The carrier loses its Northwest Airlink affiliation on July 15 and is forced to become, once again, an independent EAS carrier. This bad fortune, plus increased fuel prices in a recessionary period, lead to worsening traffic and fiscal difficulties.

Passenger boardings plunge 77.8% to 22,213 while freight drops by 74.4% to 88,000 pounds. Revenues decline 44.3% to \$6.72 million, expenses are down 50.8% to \$6.67 million, and a \$47,506 operating profit is realized. There is also a \$1.18-million net profit.

The payroll is increased a slight 1.3% in **1991** to 76 and the fleet now includes 3 each Metro IIs and Cessna 402Cs. Downsized, the Montana carrier emerges from Chapter XI in July, becoming one of the few regionals to successfully stage such a comeback.

Customer bookings climb 4.2% to 23,124 and revenues surge 32% to \$4.57 million. Operating profit balloons to \$242,441 and net gain reaches \$557,221.

The fleet is altered in **1992** to include 6 Metroliners. Passenger boardings accelerate 14.5% to 26,466 and freight climbs 10.8% to 98,863 pounds. Revenues ascend 3.9% to \$4.75 million, expenses are up only 3.2% to \$4.47 million, and operating income is \$282,000. Net profit doubles to \$1.12 million.

Airline employment at Chairman/CEO Marshall's regional in **1993** stands at 75 and the fleet comprises 5 Metro IIs and 2 Cessna 402Cs. Cities served from hubs at Billings and Bismarck are Havre, Lewistown, Glasgow, Wolf Point, Sidney, Miles City, as well as Glendive, Montana, and Williston, South Dakota. Service to Bismarck and Williston are terminated in May, along with the hub at the former city. Consequently, customer bookings slide 14% to 22,759.

A marketing agreement is signed with **Frontier Airlines (2)** in October **1994**; under its terms, the two offer joint fares, ticketing, and baggage transfer services.

On the year, passenger boardings fall another 7.8% to 20,890 and freight drops 22.5% to 72,000 pounds. Revenues are \$5.14 million and expenses are \$5.03 million. As a result, there are profits: \$113,000 (operating) and \$28,000 (net).

There is no change in the workforce in **1995** from what it had been two years earlier. What is different is a traffic turnaround. Enplanements jump 19.6% to 24,982 while 92,016 pounds of cargo are transported. A fiscal report is not made available.

The fleet in **1996** includes 5 Metro IIs and 1 Cessna 402C.

Customer bookings accelerate another 5.9% to 26,563, but freight figures are not released. Second-half financial figures are released and show revenues of \$2.41 million and expenses of \$2.25 million. There are profits: \$143,000 (operating) and \$87,000 (net).

Early in **1997**, a new EAS contract is signed for service to seven eastern Montana communities. Destinations now visited include Billings, Glasgow, Glendive, Great Falls, Havre, Helena, Lewistown, Miles City, Missoula, Sidney, and Wolf Point. The last Cessnas and Metro IIs are removed, leaving the fleet at 6 Metro IIIs.

Passenger boardings accelerate 13.4% to 30,204. Operating revenues jump 22.3% to \$5.89 million, while expenses climb 18.2% to \$5.53 million. The operating gain doubles to \$367,000 and net profit reaches \$285,000.

During late spring **1998**, new service is inaugurated to Kalispell and Spokane.

During the last week of October, the DOT selects Big Sky, in preference to three other applicants, to take over the EAS routes of bankrupt **Aspen Mountain Air** from DFW. Aspen begins to hand over the routes in mid-November, along with the two wet-leased **Merlin Express** Fairchild 23s it has been operating. Big Sky adds two aircraft of its own

and makes arrangements to dedicate a fifth turboprop. The transfer is completed on December 15 without loss of service.

Customer bookings during the 12 months skyrocket 107.5% to 63,000.

At the beginning of **1999**, Big Sky employs 214 people and operates a fleet of 13 Metro III and Metro 23 series turboprop aircraft. It offers services to 24 cities in Montana, Washington, North Dakota, Texas, Oklahoma, Arkansas, and Missouri.

During the first quarter, 3 Metro 23s are leased from CIT Group for a five-year period.

A code-sharing agreement is signed between **Northwest Airlines** and Big Sky on May 13. Two days later, Northwest begins to publish its code on select Big Sky flights between Billings and 11 other in-state markets, including Glasgow, Havre, Lewistown, Glendive, Miles City, Sidney, Missoula, Helena, Kalispell, Great Falls, and Wolf Point.

Dual-designator services are also offered on Big Sky flights between Billings and Spokane and between Bismarck and Sidney. Passengers traveling on Big Sky with Northwest-connect itineraries also benefit from one-stop passenger and baggage check-in and WorldPerks frequent flyer miles.

Customer bookings increase 87.9% to 118,000.

Metro flights commence on February 14, **2000** between Billings and Denver via Bozeman and from Denver to Dallas (DFW) via Enid and Ponca City.

Nonstop Metro service is introduced from Dallas (DFW) to Roswell, New Mexico, on October 11; it is followed by new flights from Dallas (DFW) to both Carlsbad and Hobbs on October 21.

BIMAN BANGLADESH AIRLINES/BANGLADESH BIMAN, LTD.: Biman Bhaban, 100 Motijheel Commercial Area, Dhaka, 1000, Bangladesh; Phone 880 (2) 956 0151-89; Fax 880 (2) 863 005; <http://www.bangladeshonline.com/biman>; Code BG; Year Founded 1972. Following the independence of the former East Pakistan and the cessation of operations into the area by **Pakistan International Airlines Corporation (PIA)**, this new state carrier is set up on January 4, 1972. With a Douglas DC-3 donated by India and the 2,500-member former local PIA staff, domestic services are launched from Dhaka to Chittagong, Sylhet, and Jessore, on February 4.

The new DC-3 with five crew crashes near Dhaka on February 10 during a training flight. There are no survivors and service must be halted. On March 1, 2 Fokker F.27-200s, also donated by India, replace the wrecked DC-3.

Beginning on March 4, and under contract, **British Caledonian Airways, Ltd.** B-707-320C Stratoliners handle the carrier's weekly Dhaka-London charter route as the carrier awaits its first owned jetliner. The British government waives the strict rules applied to charter operations, in this case on humanitarian grounds, and the service more or less becomes a scheduled one. The Fokkers resume flights to the carrier's inaugural destinations on March 9. The first scheduled international service is flown twice-daily with a leased DC-6B between Dhaka and Calcutta, beginning on April 28.

The governments of Australia and the Netherlands, beginning in May, provide Bangladesh's new carrier with 4 F.27-400s and 4 F.27-600s. Under Presidential Order No. 125, Biman Bangladesh is officially formed on October 27, with Musleh Uddin Ahmed as the first of many chairmen.

With a leased **Donaldson International Airways, Ltd.** Boeing 707-321C, twice weekly Dhaka to London scheduled service is inaugurated on January 1, 1973. The last of the donated Fokkers enters service by June. During the remainder of the year, the domestic network is increased to seven cities, including Comilla, Ishurdi, and Cox's Bazaar. Meanwhile, on June 18, a B-707-321 leased from **Pan American World Airways (1)** is employed to take over the London service previously flown with the Donaldson aircraft. On December 30, a B-707-331C is purchased from the American carrier **Northwest Airlines**. It replaces the Pan Am aircraft next day, with Dubai simultaneously added as a stop on the London service.

In early 1974, a route is opened with the ex-American jetliner to Bangkok. Freight traffic for the year grows 14% and a total of 431,753 passengers are flown.

Two Boeing 727-100Cs are delivered in 1975, allowing the opening of service to Frankfurt by the larger B-707-331C. Requests are made for additional Stratoliners and one, a Dash-340C, arrives from **Pakistan International Airlines Corporation** on November 6. Cargo skyrockets 83% and passenger boardings increase 5% to 453,000.

The workforce stands at 3,124 in 1976. The two B-727-100Cs are replaced after April, following delivery of the former **Transair Canada, Ltd.** B-707-351C *Fort Garry*, purchased on February 8. New service is extended to Dubai, Karachi, Bombay, and Abu Dhabi.

Passenger boardings accelerate a modest 2% to 459,565 and cargo soars again, up by a surprising 68%. International routes are started to Singapore, Jeddah, and Amsterdam in 1977. Two more F.27-600s are acquired and Thakurgaon joins the domestic network.

Chairman A. G. Mahmood and Managing Director Azimuddin Ahmed oversee a workforce of 3,200 in 1978 and a fleet that includes 3 B-707-331Cs and 6 F.27-600s. Under an Australian government aid program, 60 Bangladeshi engineering staff are trained at Sydney by **Qantas Airways (Pty.), Ltd.** Enplanements total 548,007.

The number of employees is increased by 5.2% in 1979 to 3,558. Routes are extended to Athens, Kuala Lumpur, Tripoli, and Muscat.

A Bengali-speaking hijacker commandeers an F.27 with 43 passengers en route from Jessore to Dhaka on July 24, and forces it to land in Calcutta, where he demands a \$1 million ransom. Authorities seize the pirate several hours after his arrival and all of the hostages are freed unharmed. The perpetrator will be extradited back to Bangladesh later in the year.

While on a training flight with four crew near Savar Bazar on November 18, both engines of an F.27-600 flame out, requiring a forced landing in a field; there are no fatalities.

Freight climbs by 26.4% and passenger boardings are up 12.2% to 624,154. On total revenues of \$51.9 million, a \$2.6-million net profit is earned.

Tokyo, Jakarta, Dhahran, and several local communities join the route network in 1980.

Just after takeoff from Singapore on April 4, all four engines of the B-707-373C, *The City of Bayezed Bostami*, with nine crew and 65 passengers, lose power. The Boeing sinks back onto the runway and skids 2,000 ft. stopping off the runway; although the aircraft must be written off due to its damages, there are no fatalities.

On June 13, an order is placed for 2 Fokker F.28-4000s. Customer bookings dip 1% to 558,000, but cargo is up 3% to 18.14 million FTKs.

The workforce in 1981 totals 4,450 and the fleet includes 11 aircraft. In April, Manzoor-ul-Karim is appointed managing director and service is started to Kuwait and Rome. To assist on domestic and regional routes, the 2 F.28-4000s are delivered in the autumn, replacing 2 F.27-600s on the main trunk route from Dhaka to Chittagong. They also fly to Kathmandu, Calcutta, and Rangoon.

Cargo is up 3.3%, but passenger boardings decline 3.5% to 592,000. Expenses are \$96.4 million on revenues of \$89.9 million, leaving an operating loss of \$6.5 million and a net loss of \$8.5 million.

An ICAO grant continues in 1982 to allow personnel training, which is provided under contract by **American Airlines, Pan American World Airways (1), Qantas Airways (Pty.), Ltd., KLM (Royal Dutch Airlines, N.V.), Linjeflyg, A.B., and Philippine Air Lines**. In the summer, an ICAO visiting team recommends a \$15-million aid program for the period through 1986. Operating and net losses mount.

As losses deepen in 1983, domestic service drops to six destinations. Three DC-10-30s are purchased from **Singapore Airlines, Ltd.**; led in by the *City of Dhaka*, all are delivered in August and allow retirement of the three oldest B-707 Stratoliners, which have spent most of the last decade ferrying primarily Bangladeshis to and from Europe. With a maintenance contract signed with **KLM (Royal Dutch Airlines, N.V.)**, the new Douglas wide-bodies are employed to inaugurate Royal Bengal service over the old Stratoliner routes.

Chief Engineer James McLachlan is the first of 12 ICAO expatriate experts joining the carrier in 1984 to provide assistance in key areas.

In the worst air disaster in the young country's history to date, an F.27-600 with 4 crew and 45 passengers and en route from Dhaka to Chittagong on August 5, lands 550 m. short of the runway in a driving rainstorm at the first named city; there are no survivors.

In November, Faizur Razzaque is named managing director, the 11th CEO in 12 years. A total of 563,734 passengers are carried on the year and a net gain of \$5.2 million is celebrated.

Business-class service is introduced in the summer of 1985. Heavy interest payments to Bangladeshi banks for the DC-10s eats up so much revenue that the airline turns itself from being profitable to a money loser. The carrier now becomes one of the few in the world to receive direct financial assistance from the United Nations. Funds from the UN Development Program, administered by ICAO, begin to come into the country and makes up about 10% of the annual UNDP allocation to the nation.

Passenger boardings are up 24% to 741,755, while freight skyrockets 57% and revenues advance to \$125 million. An operating profit of \$6.6 million is reported; however, there is a \$719,000 net loss.

In 1986, a ticket and reservations office is opened in Dhaka on a 24 hours-a-day basis and a B-707-351C, first operated by **Northwest Airlines**, is acquired. Traffic figures are not provided and the previous year's operating profit becomes a \$4.6-million operating loss and the net loss grows to \$1.8 million.

Enplanements total 878,392 in 1987 and the company continues to suffer significant financial losses: \$5.9 million (operating) and \$11.7 million (net).

Airline employment is increased by 2.7% in 1988 to 5,187 and the fleet now includes 3 F.27s, 2 F.28-4000s, 3 B-707-331Cs, 1 B-707-351C, and 3 DC-10-30s. In an effort to attract business travelers, the company eliminates first-class service aboard its DC-10-30s, replacing it with business-class.

A B-707-351C is leased to the Nigerian freight operator **GAS Air Cargo, Ltd.** in June. Coming in from Dar es Salaam on December 13, the Stratofreighter, with eight passengers, misses two approaches to Cairo and is diverted to Luxor. Running out of fuel, the plane crashes into a housing area near Kom-Omran, killing all aboard, plus one person on the ground.

Passenger boardings accelerate 12.1% to 999,308 (384,276 domestic) and freight grows a slight 1.5% to 74.26 million FTKs. Revenues increase by 4.3% to \$134.2 million and losses decline to \$3.3 million (operating) and \$8.47 million (net).

The payroll is cut by 5.2% in 1989 to 4,917. A fourth DC-10-30—the last manufactured at Long Beach—enters service early in the year as the last 3 B-707 Stratoliners are sold. In July, the government allows a 40% increase in domestic fares, the first such raise in two years, which still do not break even.

Customer bookings inch up to pass the million mark in annual boardings for the first time (1,007,000) and cargo surges 13% to 83.77 million FTKs. Profits enter the black for the first time in four years as a net gain of \$1.03 million is reported on revenues of \$154.7 million.

Company employment declines another 8.5% in 1990 to 4,500, but otherwise, this is a good year, highlighted by the September delivery of the first of 3 (later reduced to 2) ordered British Aerospace BAe ATPs (later known as the Jetstream 61). The aircraft, the first of their type in Asia, are flown from the U.K. over a route that avoids the Persian Gulf region, now in crisis.

The second ATP arrives on December 17, at which time it is revealed that part of the financing for the new turboprops has come from the governments of Canada and the U.S. All are employed on domestic service, with occasional regional flights to Calcutta, Katmandu, and Rangoon.

Passenger boardings swell 3% to 1,034,000 and freight climbs 9% to 93.9 million FTKs. Revenues total \$164.9 million and the net gain reaches \$4 million.

The fleet in 1991 includes the 2 BAe ATPs, 4 Douglas DC-10-30s, and 2 Fokker F.28-4000s. The 3 withdrawn Fokker F.27s are sold to **Satair**,

A.S. of Denmark for \$6 million per aircraft. In November, senior civil service official Abdul-Muyeed Chowdhury becomes president/CEO.

The workforce is increased to 5,280 in **1992** and a total of 1,081,322 passengers are transported. Additionally, the carrier flies 84.48 million FTKs.

In **1993**, President Chowdhury oversees a workforce of 3,280 and a fleet comprising 2 ATPs (now relabeled Jetstream 61s), 6 DC-10-30s, and 2 F.28-4000s. Domestic destinations visited include Chittagong, Cox's Bazaar, Sylhet, Jessore, Ishurdi, Saidpur, and Rajshahi. International markets are Abu Dhabi, Calcutta, Delhi, Dhaka, Dubai, Doha, Frankfurt, Jeddah, Karachi, Kuala Lumpur, Kuwait, London, Muscat, Nagoya, Narita, New York, Paris, Rangoon, Rome, Riyadh, Singapore, and Sharjah. One of the DC-10-30s is damaged in an accident, requiring a six-month lease of a replacement from McDonnell Douglas.

In March, twice-weekly DC-10-30 roundtrips commence between Dhaka and Jakarta via Singapore.

In **1994**, construction begins on a new six-story headquarters building near Zia International Airport, as well as a 72-building housing complex for Biman staff.

Destinations visited in **1995-1996** include Abu Dhabi, Bangkok, Bombay, Brussels, Calcutta, Delhi, Dubai, Doha, Frankfurt, Hong Kong, Jeddah, Karachi, Kathmandu, Kuala Lumpur, Kuwait, London, Muscat, New York, Paris, Rome, Riyadh, Singapore, Tokyo, and Yangon. During the latter year, 2 A310-324s are acquired and placed on the Asian routes.

A block-space code-sharing agreement is signed with **Korean Airlines/Korean Air (KAL)** in August **1997**. Under its terms, Biman purchases space on a weekly Korean B-747-2B5F service to transport locally made ready-to-wear garments to the U.S. via Bangkok and Seoul.

During October, the government of Saudi Arabia demands that thousands of illegal Bangladeshis leave the country. Many of these flock to Jeddah and Riyadh Airports, where they become stranded. On October 16, Biman, which operates four weekly flights to Jeddah and Riyadh, agrees to reroute two weekly return flights from New York via Jeddah to fly the Bangladeshis home. The airlift begins on October 21.

While on final approach to Sylhet in heavy fog on a December 3 service from Dhaka, Flight 609, an F.28-4000 with 4 crew and 85 passengers, makes a belly landing into a rice paddy field 3 km. N and short of the runway following several aborted landing attempts. The aircraft is badly damaged, and although 17 aboard are injured, there are no fatalities.

Enplanements total 1.2 million and operating revenues of \$263 million are generated. The net loss is estimated at \$6 million, despite the carrier's annual subsidy.

In a Dhaka interview with Reuters, Ltd. on June 26, **1998**, Managing Director Mohammad Rafiqul Islam confirms that his airline is seeking alliances with major foreign carriers to boost its passenger and cargo capacity. He also announces that, in the new fiscal year beginning on July 1, the company will add one new weekly flight each to Jeddah, Rome, and London and open a new service to Manchester in the U.K.

Having decided that it can no longer support the state airline's loss-generating domestic routes, State Minister for Civil Aviation and Tourism Mosharraf Hossain announces, on June 30, a program of privatization and diversification. Over the next six months, the government will divest itself of control over 49% of the carrier's shares, placing them up for sale by December. In addition, plans are made to turn domestic services over to the new domestic independent airlines, **Air Parabat, Ltd.** and **GMG Airlines, Ltd.**, leaving Biman to concentrate on international operations.

Asked if the closure of **Philippine Airlines (PAL)** the previous day has had any impact on privatization plans for Biman, Minister Hossain reassures reporters from Reuters, Ltd. and other media outlets on September 24 that it has not. The decision to sell 40% equity shareholding to the public and 9% to employees is firm.

Hossain also indicates that the World Bank will provide \$2 million to help the airline restructure its management and to appoint consultants.

The government, which has voted to allow Biman to seek a strategic airline partner, will purchase an F.28-4000 to replace the one lost in December and will sell 2 ATPs to a Nepalese operator for \$5.5 million.

It is announced on October 18 that the carrier is seeking to lease a fifth DC-10-30 as soon as possible. Capacity will be needed for next year's Hady flights.

A total of 1.26 million passengers and 31,490 tons of cargo are transported during the year. Its assets and properties are valued at 11.25 billion taka (\$231 million) and liabilities are 6.60 billion taka. Revenues reach 12 billion taka, but there is a 370-million taka operational loss.

The fleet at the beginning of **1999** includes 2 A310-324s, 4 DC-10-30s, 2 BAe ATPs, and 2 F.28-4000s. Airline employment stands at 5,500 and 25 international destinations are served.

During the first quarter, the government determines the details for the airline's privatization. A total of 49% will be sold in the private sector (40% to a foreign partner and 9% to employees) by the second half of the year 2000, with the remaining majority held by the government. As the process unfolds, the airline will employ a \$2-million grant from the World Bank to restructure its management and appoint consultants.

Also during these months, another purchased F.28-4000 is delivered by Fortis Jet Prop, acting as agent for Jakarta, Indonesia-based Tridaya Arta Mulia.

The fifth DC-10-30 enters service on April 25, immediately operating Hady flights to Saudi Arabia.

Invitations are let for bids and, on May 4, Corporate Affairs Manager Anwar Hossain Khan tells reporters that 44 airline specialist companies, consulting firms, and consortiums have submitted proposals. Khan indicates that the government will appoint a special consultant to select the equity partner.

On December 19, a DC-10-30 is chartered for 36 months for use on the London, New York, and Hong Kong routes.

Enplanements for the year total 1.11 million and 130.94 million FTKs are operated. Financial results are not released; however, it is commonly known that annual losses in the millions of dollars continue to be suffered.

Airline employment stands at 7,924 at the start of **2000**, a 3% increase over the previous year.

On February 1, 2 B-777-21Bs are wet-leased for two months from **China Southern Airlines Company, Ltd.** The wide-bodies operate 128 flights between Dacca and Jeddah transporting Muslim Hady pilgrims.

The government of Bangladesh shows renewed interest in privatization of the airline. During the summer, the World Bank, which has been involved with the airline on a financial basis, appoints a group of consultants to help find a foreign investor willing to take upwards of a 40% stake.

A third weekly DC-10-30 roundtrip from Dhaka to New York (JFK), this one routed via London (GTW) rather than Brussels, begins on June 3.

In response to a government privatization plan announced on August 1, heavily unionized company employees hold protest rallies on August 3-4 and threaten massive strikes if the privatization occurs.

On October 27, an ACMI contract is signed with **Corsair, S.A.** for use of a B-747-312 during the next Hady season. A sixth DC-10-30, leased from Pegasus Aviation, arrives at the end of the month and is assigned to the routes from Dhaka to Western Europe. The carrier now offers 16 domestic and 102 international frequencies.

BIMINI ISLAND AIR: 1625 West Commercial Blvd., Ft. Lauderdale, Florida 33309, United States; Phone (954) 938-8991; Fax (954) 938-9524; Year Founded 1992. Mike O'Brien sets up BIA at Ft. Lauderdale, Florida, in **1992** to offer executive and small group passenger charters to Bimini and other Caribbean destinations. Within eight years, the company employs eight pilots. From Ft. Lauderdale, the carrier flies 4 Cessna 402s and 2 Swearingen Metro IIs. One each C-402 and Metro II are also stationed at West Palm Beach.

BINTER CANARIAS, S.A.: Apto Gando, Apto So Gran Canaria, Apto Los Nonson 38.297, Tenerife, Canary Islands, 35071, Spain;

Phone 34 (28) 579 601; Fax 34 (28) 264 822; <http://www.bintercanarias.com>; Code NT; Year Founded 1988. Binter Canarias is formed by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** at Las Palmas in January 1988. The parent provides \$54 million capitalization, with another large grant also made available by the European Commission. It is one of several regional or feeder airlines which the state carrier has planned to use as replacements for **Aviacion y Comercio, S.A. (Aviaco)** on flights to the Canary Islands and in which it takes substantial ownership; it is also the first to inaugurate flights.

Manuel Barreto is named president and a fleet is assembled comprising 3 Avions de Transport Regional ATR72-210s and 4 Airtech (CASA/Nurtanio) CN-235s. The latter are the only ones operated in Europe by a commercial airline.

Scheduled return revenue services to various destinations in Spain and the Canary Islands commence in March 1989 with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** flight crews lent to the regional to help get it started. In May, the flag carrier's pilots, under union orders, go out on strike over the number of hours flown and shut the new entrant down for two days.

In July, Luis Dans Ricoy, the parent's commercial director, is named president with the general manager-engineering, Jose Manuel Chicot, as acting managing director. The schedule is reduced to just one route, Tenerife to Gran Canaria.

Passenger boardings total 219,817 and revenues of \$5.7 million are generated. Start-up costs force an operating loss of \$2.87 million and a net loss of \$6 million.

Company employment skyrockets 87.3% in 1990 to 281. During the winter season, the number of flights between the two islands increases to 10 rotations-per-day. Customer bookings double to 575,000.

The payroll is cut to 150 in 1991 as Joaquin Martinez-Vilanova becomes president, with Rodolfo Nunez as managing director. The fleet now includes 5 ATR72-210s and 4 Airtech CN-235s. Passenger boardings shoot up 66.3% to 868,182 and freight skyrockets 126% to 330,000 FTKs.

The workforce grows by 34% in 1992 to 201 as 2 additional ATR72-210s and 1 CN-235 join the fleet. Customer bookings balloon 91.4% to 1,661,745 and cargo is up an almost unbelievable 275.8% to 1.24 million FTKs.

Airline employment is increased in 1993 to 230 and the fleet now includes 6 ATR72-210s and 5 CN-235s. Scheduled departures total 36,900, passenger boardings climb another 12.8% to 1,873,863 while freight rises 41.4% to 1.75 million FTKs.

In 1994, Javier Alvarez Gonzales becomes president, with Luis Fonzelez Mantana as managing director. The Canary Island destinations visited include Lanzarote, Tenerife, Gran Canaria, Fuerteventura, and Las Palmas.

The number of scheduled departures ascends to 37,900 and customer bookings increase 2% to 1,910,680, but cargo drops 15.6% to 1.47 million FTKs.

While taxiing out for takeoff from Arrecife on an October 16, 1995 service to Las Palmas, Flight 585, a DC-9-32 with 5 crew and 26 passengers, misses the correct turn onto the ramp and goes over a 5-ft. high embankment onto rough ground, breaking its nose landing gear. There are no injuries reported.

Enplanements decline to 1,828,620 during the year and freight drops to 1.35 million FTKs.

Airline employment is increased by 34.8% in 1996 to 310. The company's 14 aircraft transport a total of 1,807,112 passengers, a 1.2% dip; cargo also falls, as freight FTKs operated drop 12.7% to 1.18 million.

Destinations visited in 1997 include El Hierro, Fuerteventura, Funchal, Lanzarote, Las Palmas, Santa Cruz de La Palma, and Tenerife.

Traffic is reported through October and show customer bookings down 11.5% to 1,341,278. Freight falls 8.4% during the same period to 881,000 freight FTKs.

Flights continue in 1998. Passenger boardings for the full 12 months rise 16.5% to 1.87 million, but cargo is down 9.2% to 19.55 million FTKs.

Airline employment at the beginning of 1999 stands at 310.

The company is sold on May 17 to a group of local banks and businesses for \$35 million.

The new ownership is divided between Hesperia, a tourism concern (51%), two banks (40%), and Mapfre Guanarteme, an insurance company (9%).

Passenger boardings rise 2.1% to 1,913,000 and 2,997,000 FTKs are operated. This year the workforce is cut 1.3% and totals 306 at the start of the new millennium.

BINTER MEDITERRANEA, S.A.: Aeropuerto de Malaga, Salidas Nacionales, Oficinas 36-37, Malaga, E-29004, Spain; Phone 34 (22) 264 822; Fax 34 (22) 224 5084; Code AX; Year Founded 1989. Binter Mediterraneo is formed at Madrid by **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** in late 1989. It is one of several regional or feeder airlines that the state carrier has planned and in which it takes substantial ownership; it is the second to inaugurate flights. Jose Maria Marin-Domenech is named president and a fleet is assembled during 1990 comprising one CASA/Nurtanio CN-235-100 and an Avions de Transport Regional ATR72-210. Operations, scheduled to commence in December, are delayed.

In 1991, Joaquin Martinez-Vilanova, president of **Binter Canarias, S.A.**, is named president of this carrier as well, with Marin-Domenech now managing director. Four more CN-235s are delivered and scheduled revenue services are initiated in June to Alicante, Almeria, Malaga, Barcelona, Seville, Zaragoza, and Valencia. Enplanements total 17,000.

Operations continue apace in 1992 as flights are inaugurated to the Eastern Levant, France, Italy, Malaga, and North Africa. Enplanements total 303,429.

Airline employment in 1993 stands at 170. Passenger boardings decline 23.6% to 245,493 while freight traffic is off by 57.1% to 151,000 FTKs.

The workforce is cut to 120 in 1994 as Javier Alvarez Gonzalez, CEO of sister **Binter Canarias, S.A.**, becomes president. The fleet now includes 4 CN-235-100s, 1 of which is leased back to its manufacturer.

Traffic figures are reported through September and show customer bookings up 2.9% to 198,042. Cargo, on the other hand, plunges another 59.4% to 52,000 FTKs.

The fifth CN-235-100 enters service in 1995 and enplanements total 229,797. The 5 aircraft haul a total of 189,446 passengers in 1996, a large 21.3% decline.

Destinations visited in 1997 include Almeria, Melilla, and Valencia. Traffic figures are provided through September and show customer bookings slipping 0.3% to 141,380.

Flights continue in 1998. Passenger boardings accelerate 13% to 223,000.

Airline employment at the beginning of 1999 stands at 70. Customer bookings rise 40.3% to 313,000. Weekly roundtrips between Granada and Marrakech are started on April 1, 2000.

BIRA AIR TRANSPORT, LTD.: Thailand, (1968-1975). In April 1968, **Continental Air Service**, the Southeast Asian subsidiary of **Continental Airlines**, provides support to Bangkok businessmen who form the air taxi operation Bira Air Transport, Ltd. to provide passenger and cargo flights about Thailand.

Operations continue apace until C.A.S. shuts down in 1975.

BIRD AIR FLEET: P.O. Box 373, 19 Upland Road, Atkinson, New Hampshire 03811, United States; Phone (207) 762-3150; Fax (603) 382-1697; Year Founded 1972. Peter E. Torosian establishes Bird at Atkinson, New Hampshire, in 1972, to provide executive and small group passenger charters to and between airports in the Boston region, as well as throughout the Northeast U.S. Flights operated by the company's seven pilots begin and continue from five locations.

Additionally, the company undertakes cargo services, air ambulance flights, aircraft repair and maintenance, and aircraft maintenance.

A Piper PA-31-350 Navajo is flown from Bangor as is another from Albany County Airport in New York. A PA-31-310 is based at Burlington,

Vermont, while 1 each PA-42 Cheyenne 400LS and PA-23 Aztec are based at Manchester, New Hampshire. Another Navajo is kept at Northern Maine Regional Airport at Presque Isle.

By 2000, the workforce totals 16 and annual revenues each \$2 million.

BIRGENAIR, A.O.: Turkey (1988–1996). Birgenair, A.O. is established at Istanbul in 1988 to provide ad hoc all-cargo and passenger charter flights into Europe, the Mideast, and North Africa on behalf of the Turkish travel company Oger Tours. Founder Cetin Birgen also becomes managing director and a leased fleet comprising 1 Boeing 757-200 and 1 ex-Spantax S.A. Transportes Aereos Douglas DC-8-61F is assembled.

Revenue services begin in early 1989 and the B-757 is withdrawn in 1991 in favor of a B-737-3M8. Operations continue apace in 1992. Airline employment in 1993 stands at 94, and as recovery from the recent economic downturn gathers momentum two B-757-225s are chartered.

Mohib Ishmal is appointed chairman/president in 1994 and the fleet now includes 2 B-737-3M8s and 1 leased B-757-225. The workforce now stands at 151 as the company begins to concentrate solely upon passenger lift.

By 1995, Birgenair has a full charter schedule that includes October–April winter flights to points in southern Europe and the Caribbean and April–September summer services in northern Europe. Also during the spring, the carrier is involved in the airlift of Muslim Hadj pilgrims to the holy sites in Saudi Arabia.

The fleet at the beginning of 1996 includes 1 owned B-737-2M8A, 1 B-737-2N8A leased from Yemenia (Yemen Airways), 1 owned B-757-225, and 1 B-767-269ER leased from Kuwait Airways Corporation.

After the B-767 scheduled to provide transatlantic service has hydraulic problems that force its grounding, the B-757-225 owned by Birgenair is wet-leased at the last moment to the Dominican Republic airline Alas de Transporte Internacional, S.A. It is used to transport European tourists to and from the Dominican Republic, largely on behalf of the German tour operator Oger Tours.

On February 6, just after takeoff from Puerto Plata's General Gregorio Luperon International Airport as Flight 301 for Gander, Berlin, and Frankfurt with 13 crew and 176 mostly German nationals aboard, the jetliner turns from an altitude of 7,000 ft. and crashes into the Atlantic Ocean; there are no survivors. The USN and NTSB assist and investigate, although their involvement is initially hobbled by a shortage of salvageable wreckage and dozens of missing bodies.

USN divers locate the black box flight recorders beneath the sea on February 15 and recover them on February 28. Dominican government officials announce the cause of the crash as a faulty airspeed indicator, which had misled the crew into believing the aircraft had sufficient speed to maintain its altitude.

Birgenair suspends operations right after the crash and although cleared of any role in the disaster, it never restarts.

BIRKETT AIR SERVICE, LTD.: United Kingdom (1932–1953). George Birkett forms his air charter operation at London (Heston) in 1932. Flights are started in February 1935 with a de Havilland DH 85 Leopard Moth and a Miles M.4 Merlin, the former aircraft being lost in a Heston crash on July 10.

Two more DH 85s are received in 1936 and these fly long-distance, on-demand services to the Middle East and Africa, as well as press and cargo flights about the U.K. Another Leopard Moth is received in June 1937.

All operations are suspended upon the outbreak of war on September 3, 1939; a DH 90 Dragonfly on order is accepted in December and sold in March 1940.

In January and March 1947, a DH 89A and an Airspeed AS.65 Consul are, respectively, accepted. These are employed to resume company business from London (Croydon) in May. Another Dragon Rapide is taken in April, followed by a third in May 1948, the same month in which a Percival Proctor 4 is acquired.

Under a British European Airways Corporation (BEA) associate agreement, scheduled flights Shoreham–Deauville are inaugurated on July 1, 1950. Summer pleasure charters are flown in 1951 and 1952, with sufficient demand in the latter year for some flights to be offered from London (Northolt).

Unable to begin two scheduled routes to Alderney in summer 1953 and without the previous year's pleasure charters, the carrier stops flying on July 31.

BIRMINGHAM EUROPEAN AIRWAYS, LTD.: United Kingdom (1989–1992). Maersk Air, A.S., Brymon Airways, Ltd., and British Airways, Ltd. (2) jointly acquire ownership of Birmingham Executive Airways, Ltd. in the spring of 1989 and rename it Birmingham European Airways, Ltd. The three begin to remodel their subsidiary into an important European regional and increase its employee population by 47.9% to 247.

During the summer, the old fleet of 3 Grumman G-159 Gulfstream 1As and 3 British Aerospace BAe Jetstream 31s is upgraded by the delivery of 2 leased BAe (BAC) 1-11-408EFs and 1 BAC 1-11-500 from British Airways, Ltd. (2) and 2 Fokker 50s from Maersk Air, A.S. The BACs inaugurate twice-daily scheduled passenger flights from Birmingham to Copenhagen while the Fokker 50s initiate services from the same British city to Amsterdam, Paris, and Stuttgart. The company's first domestic route, from Birmingham to Newcastle, is also started.

Enplanements skyrocket 90.7% for the renamed enterprise, climbing to 92,300. Revenues also increase an impressive 132.1% to \$30.7 million.

Company employment is increased by 39.7% in 1990 to 346. Five more BAC 1-11s enter service and they, together with the older aircraft, receive the new livery indicative of the company's new corporate identity. The Jetstreams are put up for sale as new jet routes to Belfast, Stockholm, and Cork are added to the system. Passenger boardings increase 170% to 215,000.

The fleet in 1991 includes 3 Jetstream 31s, 1 BAe (BAC) 1-11-401AK, 2 1-11-408EFs, 1 1-11-416EK, and 2 G-159 Gulfstream 1As. BAC service to Copenhagen is launched in January. Enplanements this year climb to 250,491 and freight reaches 433,000 FTKs.

One Jetstream 31 is taken out of service in 1992; otherwise, operations continue apace. In March, frequencies on the Belfast route are increased to five per day. On April 1, weekly BAC Saturday roundtrips to Rome and Milan are introduced. The new frequencies complement the twice-daily weekday and single Sunday return services already offered. On May 1, daily BAC return service is launched to Dublin, along with a Saturday roundtrip from Birmingham to Cork.

Later in May, it is announced that the carrier will be merged with Brymon Airways, Ltd., becoming Brymon European Airways, Ltd. The union is completed on October 25.

BIRMINGHAM EXECUTIVE AIRWAYS, LTD.: United Kingdom (1982–1989). To exploit several thin, long-haul routes abandoned by British Airways, Ltd. (2), Trevor G. Jones forms this regional at Birmingham Airport in November 1982. A pair of BAe Jetstream 31s are delivered in late April–early May 1983, allowing Birmingham Executive, with a staff of 47, to begin third-level passenger services over a Birmingham–Zurich route on June 8. To attract a desired clientele of business travelers, hot meals and complimentary beverages are offered on all flights. Enplanements through December total 7,000.

By 1984, the fleet has grown to include 3 Jetstream 31s and additional international regional routes are started to Amsterdam, Copenhagen, Geneva, Milan, and Stuttgart.

The carrier becomes the first U.K. operator of the SAAB-Fairchild SF340 early in 1985, placing the Swedish-American turboprop into business-class service to Switzerland, Denmark, and other European markets in March. Boardings for the year are 27,276.

Airline employment stands at 97 in 1986, as Geoffrey Simmonds becomes chairman. Unhappy with the SAAB 340A, it is returned to its manufacturer and the fleet reverts to 4 Jetstream 31s (1 leased) in the

spring. The first 2 of 3 ex-Philip Morris corporate Grumman G-159 Gulfstream 1Cs, refurbished and leased long-term, arrive in late fall. When the British government makes available a series of \$450,000 grants for new services out of provincial cities, BEA commences Birmingham–Dusseldorf and Frankfurt flights in September. Service to previous destinations is also so financed.

The workforce is increased to 130 in 1987; however, the leased Jetstream is returned. The third G-159 arrives in April. A total of 52,000 passengers are flown on the company's 9 routes. That figure increases to 50,000 in 1988. In the spring of 1989, **Maersk Air, A.S., British Airways, Ltd. (2), and Brymon Airways, Ltd.** jointly acquire the airline and rename it **Birmingham European Airways, Ltd.**

BISCAYNE HELICOPTERS: 13955 SW 127th St., Building. 121, Tamiami Airport, Miami, Florida 33186, United States; Phone (305) 252-3883; Fax (305) 378-4407; Year Founded 1970. BH is set up at Miami in 1970 to provide executive and public passenger charters in the South Florida area. In 1988, the company receives its first support contract from Channel 7, a local television station. An Aerospatiale AS-350B AStar is dedicated to the search for news; however, it is soon replaced with a Bell 206B JetRanger. The following year, the company begins flying a JetRanger on behalf of Channel 6.

In 1990, President Paul Barth's company enters the EMS medical helicopter field, employing a Bell 206L LongRanger on behalf of Lower Florida Keys hospital at Key West. The Bell is soon replaced with an Agusta A-109. Over the next three years, another Agusta A-109 enters service as the company begins flying on behalf of Fisherman's Hospital at Marathon Key and Mariner's Hospital at Taverner, as well as Baptist Hospital at Tamiami, near Miami.

When Hurricane Andrew slashes through South Florida in 1992, Biscayne is fortunate in that it has been able to relocate most of its aircraft to Kissimmee, outside Orlando, a day or so before the storm strikes. Still, all of the company's facilities, including its hangar, are destroyed. It will take several years before all of the facilities are replaced; however, the company is back flying within days of the disaster.

On August 1, 1995, the fleet is doubled at the stroke of a pen when Biscayne purchases Pompano-based Suncoast Helicopters from Huizenga Holdings and merges it under the Biscayne name. Company pilots now operate 9 JetRangers, 2 LongRangers, 2 AStars, and 2 A109s. During the year, the company begins flying a LongRanger on behalf of Channel 10.

Flights continue in 1996–2000. Daryl Martin is president and he employs 13 pilots at three bases. At Kendall–Tamiami Executive Airport, Biscayne stations 4 Bell 206B JetRangers, 2 Bell 206L LongRangers, 2 Agusta A-109s, and 1 Aerospatiale AS-350B AStar.

Two AStars and 3 JetRangers are based at Pompano Beach Airpark while another JetRanger flies from Tampa International Airport.

BISHOP-BARKER AEROPLANES, LTD.: Canada (1920). Famed Canadian World War I aces William A. "Billy" Bishop and W. G. Barker establish this pioneer charter service at Toronto Island in late spring 1920 for the purpose of flying customers to the Muskoka Lakes district resort area 110 miles to the north. Employing a single Curtiss HS-2L flying boat, weekend roundtrips are inaugurated in early June.

With four aboard, the American-made aircraft, piloted by R. F. McRae, suffers engine failure and makes a hard forced landing on September 10. Although no serious injuries occur, the plane must be written off. Although a replacement HS-2L is purchased in October, the year is too late for its delivery and the line closes.

BISMILLAH AIRLINES, LTD.: Arafat Tower, 94 Dit Road, Mailbag, Dhaka, 1217, Bangladesh; Phone 880 (2) 835-222; Year Founded 1995. With majority ownership by the Molah Group (80%), Bismillah is established at Dhaka in 1995. M. A. Mannan is appointed managing director and he negotiates provisional operating authority in 1996. Final approval is received from the government in December

1998 and scheduled Antonov An-26 all-cargo services are inaugurated to Bangkok in January 1999. The workforce in 2000 stands at 21.

BISON AIR LINES: United States (1962–1964). Established at Albuquerque, New Mexico, in 1962, Bison undertakes scheduled Aero Commander 500 passenger flights linking its base with Roswell, Artesia, and Carlsbad. Operations are maintained for two more years.

BIZJET CHARTER GROUP: Palm Beach International Airport, Building C, 1500 Perimeter Road, West Palm Beach, Florida 33406, United States; Phone (561) 478-5055; Fax (561) 233-8561; Year Founded 1967. BCG is set up at West Palm Beach in 1967 to provide executive and small group passenger charters throughout South Florida and the Caribbean. Operations continue apace over the next 30 years and, by 2000, the fleet includes 1 each Cessna 500 Citation I, Piper PA-31T Cheyenne II, and PA-23-250 Aztec F.

BKS AERO CHARTER, LTD. See **BKS AIR TRANSPORT, LTD.**

BKS AIR TRANSPORT, LTD.: United Kingdom (1951–1970). Four ex-Crewsair, Ltd. directors form **Aero Charters, Ltd.** on October 12, 1951 to provide contract services and charter flights. Crewsair's Douglas DC-3, accepted in lieu of severance, is provided a base at Southend Airport, but is immediately leased to **Skyways, Ltd.** for a nine-week charter in Kuwait. Upon its return, it is overhauled.

One of the original owners, J. P. Falconer, drops out in January 1952 and on February 7, the remaining three directors, James W. Barnby, Thomas D. Keegan, and Cyril Stevens, reregister their company as **BKS Aero Charter, Ltd.**, capitalizing it at £3,000. Revenue services commence the same day as the refurbished DC-3 transports livestock from Southend to Florence and Milan. Two more DC-3s are purchased in April and May and are christened *Whitten Brown* and *John Alcock*, joining a former Crewsair, Ltd. Avro Anson I purchased at the same time.

A variety of ad hoc charters are undertaken and destinations flown include Paris (LBG), Basel, Nicosia, Nantes, Luxembourg, Athens, Copenhagen, Amsterdam, Lisbon, Karachi, Oslo, Helsinki, Hamburg, Ankara, Calais, and Johannesburg, the latter as subcharters for Tropic Airways. The Anson is sold in July and 2 more DC-3s, the *Charles Lindbergh* and *Kingsford Smith*, are added in October. Enplanements for the year total 3,700.

Mediterranean charter flights commence in February 1953 and in March two of its DC-3s are leased to **Air Charter, Ltd.** for a month. During these months, the company receives government permission to open a number of internal scheduled routes as well as additional inclusive-tour destinations. A DC-3 undertakes the first scheduled flight on May 18, West Hartlepool–London (Northolt).

Other scheduled frequencies opened at this time include Newcastle–Jersey, Isle of Man, and West Hartlepool. Inclusive-tours are also flown and in June, a fifth DC-3 is acquired and named *Jean Batten*. Two more Ansons are added in August. Airline employment climbs to 50 and passenger boardings more than double to 7,717. At year's end, the company name is changed to **BKS Air Transport, Ltd.**, signifying a commitment to scheduled operations.

The *Jean Batten* enters service in February 1954. Two more Ansons are purchased in April, although one will be sold in August; four Austers are also brought in. During the summer, scheduled Isle of Wight–Newcastle and West Hartlepool flights begin while all previous inclusive-tour and scheduled services are maintained. Bookings for the year are 11,235. A Vickers Viking is purchased in December and christened *Jim Mollison*. In 1955 it will be followed by three more: in January (unnamed), February (*Amy Johnson*), and October (*Bert Hinkler*).

The carrier's first year-round international scheduled service is inaugurated in May as DC-3s fly Leeds/Southend to Belfast, Dusseldorf, and Paris (LBG); frequencies run as high as 10 per week during the summer. Also during the summer, services are begun from Leeds to Ostend, Jersey, and the Isle of Wight and to Paris (LBG) via Southend.

Both inclusive-tour and ad hoc charters are also flown and the year's passenger boardings advance to 28,142. To assist with the short-range services, two Airspeed AS.65 Consuls are acquired. One Anson is sold and the unnamed Viking purchased in January is withdrawn.

The Consuls and DC-3s maintain the previously opened scheduled services in 1956 while also opening a new one from Newcastle to the Isle of Wight via West Hartlepool, Leeds, and Bournemouth, plus direct services from Belfast to Edinburgh. Between November 16 and December 14, company Vikings participate in the delivery of Hungarian refugees from Austria to the U.K., bringing in 500 people in 13 flights. Bookings for the year accelerate to 45,007.

The Viking *Amy Johnson* is sold in January 1957. Direct Newcastle-Dublin service is initiated on April 1, the first flown under terms of the new Anglo-Irish air treaty. The associated company **BKS Air Survey, Ltd.** is now established. On July 27, an Airspeed AS.57 Ambassador is purchased from **British European Airways Corporation (BEA)** and placed in service on the Newcastle-Dublin route in August. Also in August, the *Charles Lindberg* is sold; the Viking *Jim Mollison* is sold in December.

Two more Ambassadors are purchased from **British European Airways Corporation (BEA)** in May 1958 and, at month's end, join the first in regularly scheduled services from Newcastle to Basel and Belfast via Edinburgh, Dublin, and Jersey; Newcastle to Belfast; and Newcastle via Heathrow to Bilbao and Santander. On June 4, weekly Newcastle-Bergen scheduled flights begin. A full schedule of summer tour flights is also flown.

During the year, the DC-3 *Jean Batten*, 1 Anson, 1 Auster, and the Viking *Bert Hinkler* are sold and, in October, 1 Bristol 170 Mk. 31 Freighter is purchased.

BKS Air Transport, Ltd. sells its first DC-3, the *Whitten Brown*, in January 1959. It next opens a thrice-weekly Newcastle-London (LHR) Ambassador service on April 6. Belfast-Newcastle Ambassador service begins on May 23 and Leeds to Dublin flights commence on July 31. Later in the year, frequencies are commenced Leeds and Bradford to Dusseldorf and Rotterdam. Meanwhile, ad hoc and inclusive-tour charter flights continue. A total of 83,877 passengers are carried on the year.

With the Bristol 170 Mk. 31 purchased in 1958 and a Mk. 21 leased from **Keegan Aviation, Ltd.** in April, the company inaugurates a Liverpool-Dublin car ferry service on April 25, 1960. An unnamed DC-3 is added to the fleet in May, followed by an Avro 19 in August. Another Mk.21 Freighter is leased from **North-South Airlines, Ltd.** in September. Five-times-per-week London to Belfast and Leeds to Belfast flights start on October 3. Five (later three) Hawker Siddeley HS 748s are now ordered as DC-3 replacements. In December, a license swap is made with **British European Airways Corporation (BEA)**; the state carrier receives the BKS ticket for scheduled London and Southend to Oporto service while the independent receives BEA's grant of London to Bordeaux and Biarritz. The number of scheduled passengers flown during the year climbs to 141,175.

The first of three Vickers Viscount 708s leased from **Maitland Drewery Aviation, Ltd.** is delivered on May 29, 1961 and enters service London-Newcastle on June 6. The second Viscount 708 starts flying on June 14. A Southend-Lille car ferry route is opened in the summer. All of the previous scheduled and tour services are maintained.

While completing a positioning flight and on approach to Carlisle Airport, the C-47B *Kingsford Smith* with four crew crashes at Groglin Fell on October 17; there are no survivors.

The Viscounts are returned at year's end. In the spring of 1962, the scheduled routes from Newcastle-Bergen, Guernsey, and Stavanger are suspended as are those from Leeds to Dusseldorf and Rotterdam. In March, however, frequency on the popular Newcastle-London route is increased. Various ad hoc and inclusive-tour charters are again flown during the summer. On September 30, an HS 748 is leased from **Skyways Coach-Air, Ltd.** and is placed on the Leeds to London route next day. The **North-South Airlines, Ltd.** Bristol Freighter is returned late in the year.

In 1963, the fleet comprises 4 AS-57s, 3 DC-3s, and 1 Bristol 170. Orders are placed for HS 748s and Bristol Britannia 102s and an Avro Anson I is destroyed in a nonfatal crash at Guiseley, Yorkshire, on April 9. The company's first owned HS 748 is delivered on April 20, allowing return of the **Skyways, Ltd.** machine.

The summer scheduled and tour services are maintained and scheduled twice-weekly London (LHR)-Newcastle all-cargo DC-3 flights commence on November 5. On November 26, an Ambassador, converted to freighter standard, begins a month of racehorse transport work. A total of 261,098 passengers are flown on the year.

BKS Air Transport, Ltd. in 1964 launches Hawker Siddeley HS 748 inclusive-tour flights to northern Spain and Portugal. The company's first Bristol Britannia 102, purchased in March, enters service on April 24 over the London (LHR)-Newcastle route. On June 10, **British European Airways Corporation (BEA)** purchases a 30% interest, later increased to 50%, in BKS Air Transport, Ltd. The last of the original founders still affiliated, Cyril Stevens remains as chairman/managing director.

A London-Teesside route is opened on November 2. It is seen as a forerunner of a planned network of routes that will be established to serve this north of England point from Ireland and the Continent. Bookings exceed 300,000 for the year.

With a fleet of 3 HS 748s, 4 Britannias 102s and 3 DC-3s, the carrier flies a total of 450,859 passengers in 1965. Airline employment is 424. Heavy losses are suffered as the result of a poor winter season.

The company's Bristol 170 Mk. 31 Freighter is sold in March 1966 and a Viscount 745 is purchased from **United Airlines** in April. Arrangements are now completed with **Channel Airways, Ltd.** for the lease of 6 Viscount 700s; 4 are added during the year with 3 returned at season's end. An unnamed DC-3 is sold in May, followed by the *John Alcock* in June. Scheduled Ambassador service is introduced on July 1 from Newcastle to Paris (LBG) via Leeds.

British Air Services, Ltd. (Britavia), is formed as a wholly owned subsidiary of **British European Airways Corporation (BEA)** in February 1967 to administer the affairs of associated carriers, including BKS Air Transport, Ltd. An Ambassador is withdrawn on February 13 and, in March, two HS 748s are sold to **Skyways Coach-Air, Ltd.** while the third is returned to its manufacturer on July 11. Three more Viscount 700s, leased from **Channel Airways, Ltd.**, are added during the first quarter.

On May 1, a new Bloodstock and Contract Cargo Division is formed to oversee the increasingly lucrative transport of racehorses. The company becomes a wholly owned subsidiary of the state airline on October 1. Allowed by **British European Airways Corporation (BEA)** to operate under its own name, the carrier continues to concentrate on its regional services to the northern part of Great Britain. The last Ambassador passenger service is flown on October 31, Belfast-Newcastle. Twice-weekly all-cargo Belfast to Leeds and Newcastle Ambassador flights are initiated on November 2. On December 31, the **Channel Airways, Ltd.** Viscounts are returned; however, two HS 748s are leased from **Skyways Coach-Air, Ltd.** Over 500,000 passengers are transported during the year.

The **Skyways Coach-Air, Ltd.** HS 748s are returned in March 1968, preparatory to the transfer of three ex-BEA Viscount 806s to BKS Air Transport, Ltd. in April followed by a fourth in July.

While putting down at London (LHR) with a cargo of eight horses on a service from Deauville on July 3, an Airspeed AS.57 Ambassador 2 with eight crew lands badly. It smashes into a pair of parked aircraft, catching fire and flipping onto its back; six aboard are killed, along with all of the horses.

The last remaining Ambassador is now transferred to the Bloodstock and Contract Cargo Division. On October 31, the last Belfast-Edinburgh service is flown; the route is now transferred to **Cambrian Airways, Ltd.** in exchange for a frequency from Belfast to Liverpool. Two Ambassadors and a Britannia 102 are withdrawn during the year.

The company's lone Avro 19 is sold in January 1969. The first of two HS 121 Trident 1Es to be delivered on the year arrives at the company's

Newcastle base on February 4, followed by the second on March 5. Another Britannia 102 is withdrawn in February 21, after completing its final service, Newcastle to London (LHR). The first Trident 1E begins commercial flying on April 1, London (LHR)–Newcastle while the second begins service with a Newcastle–Palma inclusive-tour flight on April 9. Viscount tour flights from Leeds to the Mediterranean begin on May 1.

Arriving from Paris (Orly) on July 26, an Airspeed As.57 Ambassador 2 freighter, with three crew and five passengers, suffers the failure of its nosewheel upon landing at London (LGW); there are no fatalities. The last Ambassador is withdrawn in October.

A Britannia 102 and the Viscount 745 are withdrawn in January 1970, followed by the last 3 Viscount 700s in March. The fleet now comprises 2 Trident 1Es and 6 Viscount 806s. Scheduled and inclusive ad hoc tour operations continue as before. On November 1, BKS Air Transport, Ltd. is renamed **Northeast Airlines, Ltd.**

Years later Arthur Whitlock will publish his memoirs of BKS as *Behind the Cockpit Door: The Illustrated Memoirs of an Airline Pilot* (Braunton, Eng.: Merlin Books, 1991).

BLACK SEA AIRLINES (CHERNOMORSKIE AVIALINII): Ulitsa Golbubye Dali 58/48, Ulitsa Lenina 204, Sochi, Southern Zone, 354000, Russia; Phone 7 (8622) 454308; Fax 7 (8622) 455614; **Year Founded 1996.** This Russo-Armenian joint venture company is established in 1996 to offer domestic and regional passenger charter services. V. E. Zumadzhyan is general director and he begins, and continues, flights with a pair of Tupolev Tu-134As.

BLACK SWAN JET CHARTER: 7930 Airport Blvd., Houston, Texas 77061, United States; Phone (713) 644-4359; Fax (713) 640-2752; Year Founded 1983. Black Swan is set up at Houston in 1983 to offer executive and small group passenger charters, many in support of oil barons and others in the energy industry. By 2000, the company's 8 pilots operate 1 each Cessna 650 Citation III, British Aerospace BAe (HS) 125-400 Hawker, Beech King Air 90, and King Air 100 from Hobby Airport.

BLACKHAWK AIRWAYS: United States (1970–1995). Mark T. Jacobsen establishes the Gail Force Corporation as an FBO at Rockford, Illinois, in 1970. Later, as part of the company enterprise, Jacobson establishes an airline division to operate FAA Part 135 all-cargo services. Revenue flights commence under the name Gail Force Air Charters.

Services continue during the next five years; however, during this time, the company moves to Rock County Airport at Janesville–Beloit, Wisconsin, and is renamed. Flights continue to link the carrier's base with various Midwest destinations, including Chicago (MDW), Columbus, Dayton, St. Louis, Springfield, and Minneapolis (MSP).

Six Beech 18s constitute the fleet until 1977, when the total is increased to 10. Freight poundage flown this year, the first for which there are figures, is 3.4 million. Cargo accelerates by 16.9% in 1978 to 4.09 million pounds. In 1979, the company's 10 Beech 18s haul 4.52 pounds of freight, an increase of 10.5%.

The fleet is increased in 1980 by the addition of 2 more Beech 18s, plus 1 Beech B-50 Twin Bonanza and a Beech B-80 Queenair. Still, cargo for the scheduled freight commuter plunges by 52.4% to 2.15 million-ton kilometers.

The number of pounds of freight operated falls 49.3% in 1981 to 1.09 million, forcing the withdrawal of two Beech 18s.

Following two years of traffic declines, Blackhawk's 10 Beech 18s reverse that trend in 1982, transporting a total of 1.94-million pounds of cargo, a 77.9% boost.

In 1983, 1 each: Beech Bonanza, Beech B-80 Queen Air, Cessna 140, Cessna 180F, and North American AT-6G are acquired. They join the Beech 18s in boosting cargo 18.4% to 2.3 million pounds hauled.

A total of 3,112,000 pounds of cargo are transported in 1984, a 35.5% boost. Blackhawk suspends its scheduled operations in February 1985 and becomes a full-time charter operator. Regular, if nonscheduled, flights continue apace for the remainder of the decade and into the next.

Chairman Jacobsen and President Richard Wixon oversees 22 employees in 1993–1994 and his services are offered essentially without change from the start-up years. The fleet now consists of 5 Beech 18s, 2 Beech 58 Barons, 1 Piper PA-31-310 Navajo, 1 Beech King Air, and 1 Cessna 182. In 1995, Blackhawk is renamed **Gail Force Express**.

BLACKPOOL AND WEST COAST AIR SERVICES, LTD.: United Kingdom (1933–1937). Supported by **Olley Air Services, Ltd.**, Blackpool and West Coast Air Services, Ltd., is registered on April 3, 1933. The fleet comprises 1 de Havilland DH 84 Dragon and 2 DH 83 Fox Moths, christened *Progress I* and *Progress II*. Regularly scheduled Blackpool–Liverpool daily flights begin on June 22, along with Blackpool–Isle of Man via Liverpool services, which are flown twice daily during the summer.

A British Post Office mail contract is received in early 1935 for the Liverpool–Isle of Man route; flying in opposite directions, two new DH 84s initiate the service on February 3. Two new direct services are offered from the Isle of Man, one to Belfast and one to Carlisle, beginning on June 1. The company is now a wholly owned subsidiary of **Olley Air Services, Ltd.**

The carrier puts up initial capitalization to allow registration of **Aer Lingus Irish Airlines** on May 22, 1936. The company's original DH 84 is transferred to Dublin, where it is christened *Iolar* (*Eagle*). Five days later the two companies, acting under the joint marketing title **Irish Sea Airways, Ltd.**, initiate service from Bristol–Dublin. Thrice-weekly **Irish Sea Airways, Ltd.** summer service Dublin–Isle of Man is started on May 30. On September 14, the partners commence weekday Dublin–Liverpool DH 84 service and simultaneously extend the Bristol route once per weekday to London (Croydon).

In January 1937, the carrier receives its first DH 86, which is assigned to the **Irish Sea Airways, Ltd.** operation. In February, the Isle of Man–Liverpool mail contract is reconfirmed. The Irish government holding company **Aer Rianta** takes over the capital shareholding of **Aer Lingus Irish Airlines** on April 5; however, the Anglo–Irish airline partnership continues.

Outside the partnership, the carrier begins a route Manchester–Isle of Man via Liverpool and Blackpool on May 14. The Dublin–Isle of Man summer season of Irish Seas Airways begins the same day and continues until September 4. The carrier is merged with **Isle of Man Air Services, Ltd.** in September, but is briefly allowed to continue under its previous identity. On November 2, the carrier is fully amalgamated into **Isle of Man Air Services, Ltd.** when the latter receives the Liverpool–Isle of Man–Belfast mail contract; the **Irish Sea Airways, Ltd.** operation is renamed **West Coast Air Services, Ltd.**

BLATZ AIRLINES. See NEVADA AIRLINES

BLOODSTOCK AIR SERVICES, LTD.: Australia (1981–1985). Privately owned Bloodstock is established at Perth on October 6, 1981 as an all-cargo airline specializing in the transport of livestock, mainly race horses. The company does not immediately launch services; however, a Boeing 727-77, leased from **Ansett Airlines of Australia (Pty.), Ltd.** is acquired in spring 1983 and flights begin to Melbourne on June 8. Airline employment is 13.

Unable to retain viability, the operation is shut down in 1985.

BLUE AIRLINES, S.A.: BP 1115, Kinshasa 1, Zaire/Democratic Republic of the Congo; Phone 243 (1) 220-455; Fax 243 (1) 220-455; Code BUL; Year Founded 1992. Blue Airlines is founded by Dr. T. Mayani at Kinshasa, Zaire, in 1992 to offer nonscheduled passenger and cargo flights to regional African destinations. The new entrant is actually a replacement for an earlier enterprise, **BCF Aviation, S.A.**, which had been grounded.

Revenue operations commence with one each Boeing 707-441 and B-727-81. Four Lockheed L-188As are acquired in 1993 and allow an expansion of service in 1994.

On March 13, **1995**, one of the L-188As is damaged in a landing accident at Kinshasa; no injuries are reported. Dr. Mayani's fleet is enhanced by the addition of 3 Polish-made PZL-Mielec (Antonov) An-28s, which replace the B-707-441.

Operations continue apace in **1996–1998**. In the wake of civil war, the country's name is changed from Zaire to the Democratic Republic of the Congo, or simply, Congo, in **1997**.

Just after takeoff from Kinshasa on a February 8, **1999** service to Mbandaka, an L-188A with seven crew crashes onto the premises of the Congolese Electric Company. The aircraft, which had been chartered by the Congolese armed forces, was on a mission to deliver fuel. Later in the year, the destroyed Electra is replaced with an Antonov An-26.

Domestic flights continue in **2000**.

BLUE DART AVIATION, LTD.: Lumbini Palace, 4 Tejpal Road, Vile Parie (East), Bombay 400057, India; Phone 92 (22) 832-8030; Fax 92 (22) 837-7439; <http://www.bluedart.com>; Code DXP1; Year Founded **1983**. With initial capitalization of Rs 30,000, Tushar Jani, Clyde Cooper, and Khushroo Dubash found Blue Dart Courier Services in the summer of **1983**. Jani becomes chairman, with Cooper as managing director and Dubash as the director charged with strategic planning. Suresh G. Sheth becomes chief financial officer. To gain access to a larger market, the company becomes affiliated with London-based Gelco Express International, Ltd. in October. When **Federal Express (FedEx)** purchases Gelco in **1984**, it also assumes the Blue Dart relationship.

In **1985**, Blue Dart pioneers the "hub and spoke" concept in India, while also introducing "10 a.m. delivery" throughout India. The company is restructured in **1986** to meet the challenges ahead.

Blue Dart Courier Services becomes Blue Dart Express on October 1, **1990**. The company is incorporated as a private limited company on April 5, **1991**. Later in the year, it introduces a door-to-door surface product called Dart Surfacerline.

A domestic tracking service is started in **1992**. A decade of service is celebrated in **1993**. The company also becomes the FedEx general sales agent in India.

On June 17, **1994**, Blue Dart is converted into a public limited company and goes public in September with an equity offer of 2.55 million shares valued at \$12.24 million.

On December 15, one each B-737-2A8 and B-737-2A8A are purchased from **Indian Airlines, Ltd.** and are sent to Stamborough Aviation in the U.S. for a \$2-million conversion into freighters.

Upon their return from the U.S. in November **1995**, the premier Boeing cargo planes are christened *Vision I*. The global service contract with **Federal Express (FedEx)** is renewed for another two years.

Company employment stands at 2,900 in **1996**. With the launching in April of the Blue Dart Aviation, Ltd. flying subsidiary under the personal direction of Managing Director Cooper, Blue Dart claims to be the first carrier to deploy an all-jet fleet on scheduled domestic routes in India. It is also achieves several other firsts in India: the first express company, the first to own and operate an all-jet express freighter system, and the first to open a homepage on the World Wide Web.

Nightly all-cargo services, flown in opposite directions, link Calcutta with Madras via Delhi, Bombay, and Bangalore beginning on June 17. Plans are made to establish a feeder network that will serve the company's 462 destinations, including 90 commercially important locations, linked to the airports by a fleet of over 1,500 ground vehicles.

In addition, the company negotiates two other interesting arrangements. One is with the Tatas to transport their Mercedes automobiles by air from the factory to the door of purchasers. The other is with the Karnataka Racehorse Owners Association to move race horses from Bangalore to cities like Madras, Calcutta, and Bombay during the racing season.

At the end of the year, the second B-737-2A8AF, *Vision II*, enters service. Blue Dart also becomes the first express company in India to receive ISO 9001 certification.

Revenues for the year total Rs14,865 lakhs and there is an Rs1,088 lakhs operating profit.

The marketing agreement with **Federal Express** is renewed in July **1997** for another five years. A Smart Box product is inaugurated and the number of domestic delivery locations reaches 1,000. The new FedEx contract takes effect on October 1.

On December 2, service is expanded to Sangli, Satara, and Karad in the western Maharashtra region of India. Fifteen days later, interline agreements are signed with **Air India, Ltd., Air France, Air Canada, Ltd., British Airways, Ltd. (2), Emirates Airlines, Singapore Airlines, Ltd., and Swissair, A.G.**

Revenues accelerate 8% to Rs 16,085 lakhs, but operating gain falls to Rs 805 lakhs.

Blue Dart opens a new service center in New Delhi on February 16, **1998**. Three days later, service is expanded to Warangal and Rajahmundry. An interline agreement is inked with **Cargolux Airlines International, S.A.** on March 26.

The company expands its B-737-2A8AF services on May 1 to provide charter flights on behalf of its interline partners, as well as freight forwarders and other Indian corporations. During the first three weeks of this activity, 127 tons of cargo will be flown on 12 charter flights. On May 13, service is expanded to the four southern locales of Pollachi, Namakkal, Ooty, and Palghat.

Interline agreements are signed with **Alitalia, S.p.A.** and **Asiana Airlines, Ltd.** on July 27.

When flooding devastates the area around Guwahati in August, all surface transport is cut off until the government can open a single emergency route. Except for Blue Dart, all Indian carriers suspend their services. Through September 17, the express company completes seven charter flights into the area to deliver goods into the flood-hit region.

Profits continue to be generated by the two "Baby Boeings" and by year's end the company has taken over 36% of the nation's domestic market share for express services.

Flights continue in **1999**. The company now provides interline cargo services on behalf of ten international airlines.

Headquarters are moved into a new administrative super-hub, Blue Dart Centre, at Mumbai. It also launches Power Dart 2000+, public package-tracking software.

After a cyclone strikes Orissa, 3,400 company employees from all over India collect 8 tons of relief supplies. On December 14, two containerized vehicles transport the goods to Kendrapara. Earlier, company vehicles had also taken relief supplies, on behalf of international air organizations, from Delhi to Calcutta.

For the year as a whole, operating income increases to Rs 2054.6 million and net profit doubles to Rs 123.1 million.

A third B-737-2K9AF is chartered during the first quarter of **2000** and is placed into scheduled return service from Bangalore to Delhi. The company website is revised during the summer to support interactive e-commerce.

The chartered B-737F is purchased (from **Air Sahara, Ltd.**) in early October.

BLUE LINE AIR EXPRESS: United States (1982). BLAE is set up at Dallas, Wisconsin, in early **1982** to provide scheduled passenger and cargo services with a fleet of Cessna lightplanes. Daily roundtrip and connecting flights are duly inaugurated to New Richmond, Rice Lake, Eau Claire, Duluth, Hayward, Madison, Milwaukee, and down to Chicago, Rockford, Springfield, and Indianapolis. Significantly overextended, the new commuter fails by midyear.

BLUE-LINE AIRWAYS, LTD.: United Kingdom (1946–1949). Businessman Leslie Cooper forms this independent charter carrier at Nottingham's Tollerton Airport during July **1946**, equipping it with two Percival Proctor 5s. After developing local travel agencies and acquiring an Auster J/1 Autocrat and an Avro 652 Anson I in February **1947**, Blue-Line, Ltd. inaugurates summer holiday flights to Guernsey and Jersey.

Success leads to the company's registration as an airline on June 30, **1948**, by which time the fleet includes the above named aircraft, plus

four more Ansons and a Miles M.65 Geminia 1A. At the end of the summer season in September, two months of charters are flown London (Croydon)–Paris (LBG).

In January 1949, an ex-British Overseas Airways Corporation (BOAC) Douglas DC-3 is purchased. This machine is employed to operate passenger and cargo charters from London's smaller airports while the Anson's continue to work the Channel Islands routes with summer traffic. During July–August, the DC-3 makes flights to Syria and Iraq on behalf of the Iraq Petroleum Company.

So far, all services during the year have been operated at a loss and on August 15, the company suddenly ceases operations—leaving 20 passengers stranded in Jersey and 200 passengers booked for future flights holding worthless tickets.

BLUE PANORAMA AIRLINES, S.p.A.: Astra Travel, Via L. Bisso-lai 76, Rome, 00187, Italy; Phone 39 (06) 4201 1513; Fax 39 (06) 4200 0757; Code BPA; Year Founded 1998. Blue Panorama is established by Astra Travel and the ITR Group at Rome's Fiumicino Airport in August 1998 to provide lift for customers on their holiday charter flights to regional destinations. Revenue services by President Franco Poggi's new airline are inaugurated in December with a Boeing 737-4K5 leased from Hapag-Lloyd Fluggesellschaft mbH.

Flights continue in 1999 as a second B-737-4K5 is also chartered, arriving in time for the beginning of the summer schedule at the end of March. Service to points in North Africa and Europe continue thereafter.

BLUE SCANDINAVIA, A.B. (SVENSKA FLYGBOLAG): Sweden (1997–1998). When Transwede, A.B. is restructured at Stockholm in 1996, the independent Transwede Leisure, A.B. is created to operate charter and inclusive-tour services from northern Europe to the Mediterranean and overseas destinations. On January 1, 1997, the concern is renamed Blue Scandinavia; ownership is divided between the carrier's management (4%) and the Fritidsresor group of companies KF Invest (38%), Nordic Capital (29%), and Electra (29%). Kjell Fredheim is president/CEO and a long list of charter clients is assembled, including the Fritidsresor concerns Star Tour, Royal Tours, Tema Resor, and Hasses, plus Ving, Always, and Spies from the Scandinavian Leisure Group.

Revenue services continue with a chartered fleet (painted in a new color scheme) that includes 3 McDonnell Douglas MD-83s; 2 Lockheed L-1011 TriStar 1s, including 1 leased from Air Atlanta Icelandic, H.F., and 1 each Boeing 757-225, B-757-2Y0ER, and B-757-236ER.

Destinations visited from Stockholm, Gothenburg, Malmo, Jonkoping, and Orebro include Oslo, Larnaca, Hurghada, London, Nice, Banjul, Athens, Chania, Heraklion, Santorini, Kos, Rhodes, Samos, Onda, Alghero, Rome, Catania, Agadir, Faro, Funchal, Porto Santo, Antalya, Dalaman, Bodrum, Izmir, Arrecife, Malaga, Alicante, Fuerteventura, Las Palmas, Palma, and Tenerife.

Painted in Blue Scandinavia colors, a B-727-2J4A is wet-leased from Sterling European Airways, A.S. of Denmark for the summer. The last TriStar charter is operated on October 31 and the aircraft are returned to their lessors.

While en route from Hurghada, Egypt, to Malmo on November 20, an MD-83 suffers an engine shutdown due to low oil pressure; the aircraft is diverted to Warsaw, Poland. No injuries are reported.

Enplanements for the year total 1,302,800.

Early in 1998, the Fritidsresor group is purchased by Thomson International, Ltd., parent of Britannia Airways, Ltd. The company is renamed Britannia Airways, A.B.

BLUE SKY CARRIER COMPANY, S.A.: Ul. Wojska Polskiego 9/2, Goleniow Airport, Szczecin, PL-70-952, Poland; Phone 48 (91) 883 266; Fax 48 (91) 340 325; Code YM; Year Founded 1992. Blue Sky Carrier Company, S.A. is established at Goleniow Airport at Szczecin on July 6, 1992 by officers of the Polish Steamship Company and Zegluga Polska, S.A. Zbigniew Jankowski is appointed president and a fleet of three Let 410UVPs is assembled.

Revenue flights commence on July 23, 1993 over domestic routes to Krakow and Wroclaw and international routes to Hamburg and Malmo. Charters are also undertaken to Tanzania.

The workforce stands at 17 in 1994 as Stanislaw Markowski is appointed managing director and a British Aerospace BAe Jetstream 31 is acquired.

Flights continue in 1995–2000, during which years the fleet is reduced to the Jetstream 31 and one L-410UVP.

BN AIR. See BRANIFF, INC.

BOB HARRIS FLYING SERVICE. See YUTE AIR ALASKA

BOCA AVIATION: 3700 Airport Road, Boca Raton, Florida 33431, United States; Phone (561) 368-1110; Fax (561) 394-3299; Year Founded 1989. BA is set up at Boca Raton in 1989 to offer executive and small group passenger charters throughout South Florida and to the Caribbean. It also provides executive management and pilots for a variety of aircraft owned by various corporations.

In 1998–2000, the company employs four pilots and flies a Piper PA-31-350 Navajo Chieftain from Boca Raton and a Beech A36 Bonanza from Palm Beach International Airport.

BODAIBO AIR ENTERPRISE: Aeroportovaya Str. 5, Bodaibo, Irkutsk Region, Southern Zone, 666910, Russia; Phone 7 (39513) 91470; Fax 7 (39513) 92331; Code BODA; Year Founded 1995. BAE is set up at Bodaibo in 1995 to offer domestic all-cargo charter services. Viktor Pankin is CEO and he begins, and continues, revenue flights with a fleet of 2 Antonov An-24s, 1 An-26, 7 An-2 biplanes, and 8 Mil Mi-8 helicopters.

BODE AVIATION: Albuquerque International Airport, 2501 San Pedro NE Suite 215, Albuquerque, New Mexico 87110, United States; Phone (505) 884-4530; Fax (505) 884-4551; Year Founded 1995. Diane Bode establishes this executive and small group passenger charter operation at Albuquerque International Airport in 1995. Flights throughout the Southwest are provided with 1 each Cessna 414 Chancellor, C-182 Skylane, and C-172P Skyhawk.

BODRUM IMSIK HAVA YOLLARI, A.O.: Bodrum Imsik Airport, Bodrum, Turkey; Phone 90 (6141) 1763; Fax 90 (6141) 2967; Year Founded 1989. Formed at Bodrum by President Ibrahim Fuat Imsik in 1989, this Turkish commuter carrier offers scheduled passenger and cargo services from its base to Istanbul and other major Turkish cities. The initial fleet comprises 2 Dornier 228-202s and 3 Pilatus-Britten-Norman PBN-2 Islanders.

A third Dornier is acquired in 1990, followed by a third Islander in 1992. It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

BOEING AIR TRANSPORT (BAT): United States (1927–1931). On January 15, 1927, the U.S. Post Office collects bids for operation of the country's transcontinental airmail route. Offered in two sections Contract Airmail Route No. 18 (CAM-18), the Chicago–San Francisco western half, has bids from Western Air Express, Stout Air Services, and timber magnate and aircraft builder William "Bill" Boeing, who has been encouraged by Edward Hubbard and Clairmont "Claire" L. Egrvedt. Having banked on the superior ability of his new Boeing Model 40A mailplane, designed by Egrvedt, Boeing underbids the competition and wins the contract on January 29 with an unprecedented low offer of \$2.88 per pound.

Departing his Seattle-Victoria Air Mail Line, Hubbard moves to Salt Lake City to organize and operate Boeing Air Transport. Philip G. Johnson is named president and he, in turn, appoints former second assistant Postmaster General Duard B. Colyer as vice president-operations. Meanwhile, engineer Egrvedt completes production of the necessary 24 aircraft.

In May–June, 21 former U.S. Air Mail Service pilots are hired, 4 of whom possess over 4,000 hours of flight time: James P. Murray (4,380), James H. Knight (4,282), E. Hamilton Lee (4,220), and Frank R. Yager (4,009). All of the Model 40As are prepositioned to their various stations by the end of June.

A pair of Air Mail Service DH 4Bs land at Omaha from Chicago at midnight on June 30/July 1; the mail sacks are loaded aboard a pair of new BAT 40As and the commercial carrier inaugurates CAM-18 in the dark.

During its first six months of operation, BAT's Boeing 40As undertake 2,300 flights, with a total of 8,282 flying hours over 815,256 miles. Altogether, 525 passengers are flown and, more importantly for income, 298,372 pounds of mail.

On January 1, 1928, after several months of discussions, the company pays Chairman Vern C. Gorst \$94,000 (\$200 per share) to acquire a controlling interest in his **Pacific Air Transport (PAT)**. The company is allowed to operate as a subsidiary under its previous name and with all of its employees. The acquisition gives BAT a direct route from Seattle to Los Angeles.

On February 26, a Boeing 40A en route to Cheyenne from Omaha crashes near Marquette, Nebraska (one dead). Near Federal, Wyoming, on March 17, a Boeing 40A crashes in a snowstorm (one dead). Designated as successor to the Model 40A, the trimotored Boeing Model 80 unequal-span biplane makes its maiden flight during August.

On October 30, Boeing Airplane and Transport Corporation is formed as the holding company for both BAT and PAT (the Boeing System). On December 17, PAT is merged completely, becoming a BAT division. Six days later, a Boeing 40B, caught in a snowstorm and seeking Omaha's airport, crashes.

An ungraded version of the Model 40, the Boeing Model 95 makes its inaugural flight on December 29.

During the year, airline employment grows to 120, including 35 pilots. BAT transports 1,863 passengers, 418.5 tons of mail, and 74.5 tons of express over 2.17 million miles.

The first three of six new Boeing 95 mail planes are delivered in January 1929.

While landing at Fort Crook, Nebraska, on January 6, a Boeing 40B, the pilot of which is blinded by floodlights, crashes.

On February 1, William E. Boeing and Frederick B. Rentschler of Pratt & Whitney Aircraft Company merge their operations and holdings to form United Aircraft and Transport Corporation. Combined capitalization is \$146 million. The Boeing System remains the airline operating subsidiary.

Twelve days later on February 13, a Boeing 95 strikes a tree while landing at Omaha; the pilot escapes injury. On March 11, an iced-up Boeing 40B crash-lands near Park City, Utah; no one aboard is hurt.

Later in the spring, BAT aircraft are equipped with the first U.S. airline aerial radiophone s, which allows direct ground-to-air voice contact with a series of ground stations, built under government supervision, between Oakland, California and Chicago. On May 1–2, three newly received 12-passenger Boeing 80s are employed to inaugurate regularly scheduled, nine-hour, night passenger service on the San Francisco to Salt Lake City route; BAT thus becomes the first U.S. airline to have regularly scheduled night frequencies.

On May 22, a Boeing 80 makes a forced landing while taking off from Elko, Nevada; none of the nine people aboard are injured.

With the delivery of seven additional Boeing 95s on June 30, the day United Aircraft and Transport Corporation gains control of **Stout Air Services**, BAT has significantly enhanced the speed with which its mail shipments can be delivered.

A Boeing 95 crash lands at Elm Creek, Nebraska, on October 18 and burns out; the pilot is not hurt.

Also in October, the success of the Model 80 leads Boeing to upgrade his transports into Model 80As, the first of which is placed into service between San Francisco and Salt Lake City in mid-month. On December 18–19, a Boeing 80 hits a hill and crashes near Loomis, California; a pi-

lot and passenger are hurt. A total of 2,850 passengers and 1.8 million pounds of mail are carried over 2.78 miles for the year.

On January 10, 1930, a Boeing 95 crashes near Sidney, Nebraska (one dead). In the spring, new Model 80A pilots are recruited and complete their orientation, primarily with Model 80s, on the California–Utah run. On April 29, Congress passes the McNary–Watres Act. During the spring, nurse Ellen Church proposes to airline official S. A. “Steve” Simpson that BAT add registered nurses to assist nervous and sometimes airsick passengers. When Simpson proposes the idea to President Johnson, he receives a one word answer: “No!” After reconsideration, Johnson authorizes Simpson to employ Church to recruit several single nurses under the age of 25.

On May 1, daily San Francisco–Chicago Model 80A flights begin via Salt Lake City, North Platte, Lincoln, Omaha, Des Moines, and Cedar Rapids. The western end of the route is flown in darkness. As a result of the acquisition of **National Air Transport (NAT)**, United Aircraft and Transport is able to inaugurate the first transcontinental airline system on May 7.

On May 15, eight female nurse flight attendants (Ellen Church, the world's first stewardess, plus her colleagues Alva Johnson, Margaret Arnott, Inez Keller, Cornelia Pederman, Harriet Fry, Jessie Carter, and Elis Crawford), clothed in special dark green uniforms, begin serving on BAT return flights San Francisco–Chicago. The initial duties of these pioneers are unglamorous. They provide cotton to passengers to muffle noise and aid them if they become ill and point travelers to the toilet door and not the similar emergency exit. They bolt seats to the floor before every flight and to oversee smoking and butt disposal. They take charge of any lunches provided, provide route information to the curious, and, in the event of forced landings, carry a railway timetable.

Between May 15–June 9, company officials participate in the so-called “Spoils Conference” held in Washington, D.C. between Postmaster General Walter Fogler Brown and representatives of major air transport concerns. Although President Johnson preserves the BAT routes, he obtains no new ones. A Boeing 80A crash-lands (without injury to its occupants) at Dix, Nebraska, on June 22.

On June 30, United purchases **Varney Air Lines**, expanding its services to the northwestern city of Seattle. On August 31, Stout Air Services is merged into NAT, disappearing as an independent entity but giving NAT the equipment necessary to carry passengers. Also in August, the first eight stewardesses complete their probationary period and Ellen Church is directed to recruit 20 more. United Aircraft now operates four airline divisions: BAT, PAT, NAT, and VAL.

On March 2, 1931, a Boeing 40B-4 catches fire while en route south of Glide, Oregon. The pilot puts the ship down in a clearing and is joined by his passenger in putting out the blaze, saving the express and mail aboard.

Meanwhile, each corporate division continues to operate under its own name until April 1, when BAT and NAT begin using the marketing name **United Air Lines**. On that day, the two divisions integrate their transcontinental operation, offering the first day and night airmail and passenger service. The westward flights require 31 hrs. 18 min. and the eastbound, 27 hrs. 39 min. A total of 18 stewardesses are available for the assigned airliners. On July 1, the **United Air Lines** title becomes official as the four operating airlines are organized into “The World's Largest Air Transport System.”

BOGAZICI HAVA TASIMACIGLI, A.O.: Turkey (1988–1990). Bogazici Air Transport, A.O. is established at Istanbul in 1988 to fly weekly all-cargo services to New York via Frankfurt. The fleet consists of 1 Douglas DC-8-61F freighter. In 1989, the fleet is substantially increased as service begins to additional destinations. Added are 2 owned Douglas DC-10-10s, 2 leased Boeing 707-321Cs, and 2 chartered B-727-264s.

Overextended and deprived of its Iraqi market after August 1990, the carrier stops flying in early fall. The government transfers its activities to THY Turkish Airlines (Turk Hava Yollari, A.O.).

BOHLKE INTERNATIONAL AIRWAYS: RR 2, Henry E. Rohlsen Airport, St. Croix, Virgin Islands 00850, United States; Phone (340) 778-9177; Fax (340) 772-5932; Year Founded 1959. Teddy Bohlke originally establishes this concern as an FBO on St. Croix in 1959. Over the next 40 years, the carrier also begins to undertake sight-seeing trips to other islands, as well as air ambulance, executive, and small group charters.

By 2000, the company employs two full-time pilots and operates 1 Grumman G-690 Turbo Commander and 1 Piper PA-34 Seneca from St. Croix and 1 Cessna 402C and 1 PA-31-310 Navajo from St. Thomas.

BOISE AIR SERVICE: United States (1967–1968). BAS is established as a division of the FBO Boise Aviation at the Boise, Idaho, airport in the late fall of 1967 to provide scheduled passenger and cargo flights to local communities. Aero Commander 680 flights commence on December 13.

Due to insufficient traffic, the company is unable to achieve viability and disbands in 1968.

BOLIVIAN AIR SYSTEM, S.A.: Bolivia (1965–1971). BAS is set up at La Paz in 1965 to operate all-cargo services with a pair of Curtiss C-46 Commandos. Flights cease in 1971.

BOLIVIAN AIRWAYS. See **TABSA (TRANSPORTES AEREOS BENIANOS, S.A.)**

BON ACCORD AIRWAYS, LTD.: United Kingdom (1992–1995). Bon Accord is set up at Aberdeen by John M. W. Begg and Brian W. Davis in September 1992. With Begg as president and Davis as CEO, 10 other employees are hired and 1 Shorts 360-100 is acquired. Revenue passenger and cargo flights commence on November 7 in support of the North Sea oil industry.

Operations continue apace in 1993–1994, with ad hoc charters provided to a variety of destinations in northern Europe, occasionally on behalf of major airlines.

Although a second Shorts 360-100 is ordered, the company encounters financial difficulties and is forced to shut its doors in December 1995 before it can be delivered.

BON AIR (BONAIR HAVACILIK, A.O.): Orman Sokak 10, TR-34810, Florya Istanbul, Turkey; Phone 90 (212) 663-1829; Fax 90 (212) 574-0147; <http://www.bonair.com.tr>; Year Founded 1996. Part of Airgroup Havacilik, Bon Air is set up at Istanbul in 1996 to offer passenger charter services to domestic and regional destinations. Operations begin and continue with a fleet that includes 1 each Cessna Citation I, C-421, C-172 Skyhawk, and Beech King Air 90.

BONANZA AEROLINEAS, S.A. de C.V.: Merida Mexico; Year Founded 1997. BA is established at Merida during the summer of 1997. A British Aerospace BAe Jetstream 31 is purchased from BAe Asset Management Turboprop and is employed to inaugurate and continue scheduled passenger services to Chetumal, Palenque, Tuxla, Villahermosa, and Belize City.

BONANZA AIR LINES: United States (1945–1968). Former USN officer Edmund Converse, one-time charter operator Charles Keene, and June Simon establish Bonanza Air Services at Sky Haven Airport at Las Vegas early in June 1945. Selling tickets from a counter in the lobby of the El Rancho Vegas Hotel and Casino, the small carrier is able to attract customers, which are flown to neighboring Nevada towns in the company's single Cessna Skymaster, piloted by Vice President/Chief Pilot Richard Hall. The firm is reformed and incorporated as the nonscheduled carrier Bonanza Air Lines on December 31.

Early in 1946, the new airline is awarded a contract to ferry merchant marine sailors from California to New Jersey. To operate this significantly-larger enterprise, Bonanza leases a Douglas C-47 (military DC-

3) from the War Assets Administration in March; it also relocates to Alamo Field. The first merchant marine C-47 service is flown by Vice President Hall at the beginning of April. During the month, he is also kept busy hauling items for merchants who might ordinarily ship via the railroads, which are out on strike. Much of this extra flying is concentrated on charters from Las Vegas to Reno.

Following the conclusion of the railroad strike, a decision is taken to further enhance company business by flying as a scheduled intrastate carrier. The C-47 is reconfigured to civil DC-3 standard and, on August 6, thrice-daily Las Vegas–Reno return service is inaugurated. Also during the summer, the fleet is enhanced by the addition of 2 Piper Cubs and 3 Cessna T-50 Bobcats. Several additional staff, flyers, and mechanics are hired, including Vice President/Secretary Florence Murphy, who is the first female commercial pilot certified by the State of Nevada.

During the fall, the airline moves to the inactive McCarran Field, now Nellis AFB. It is at this time that Keene and Simon sell out to Hall, who becomes president under Chairman Converse, and begins to emphasize scheduled service over the Reno route.

Because passenger load-levels have not been impressive, Bonanza is forced to announce, during the spring of 1947, that it is curtailing the number of flights offered. The Las Vegas Chamber of Commerce provides the funds needed for a new marketing campaign, "Route of the Gold Strikes," and ridership improves. During the summer and fall, new stops are added at Hawthorne and Tonopah.

Alamo Field again becomes company headquarters in 1948. The airport there is renamed McCarran Field (later McCarran International Airport), while the previous McCarran Field is activated as Nellis AFB. During the year, a DC-3 is purchased from **Western Air Lines** and the workforce is increased.

Certified a "feeder airline" by the Civil Aeronautics Board on June 15, 1949, the local service company launches scheduled Douglas DC-3 operations on December 19 over a Reno–Phoenix route transferred from **Trans-Continental and Western Airlines (TWA)**. Stops are made at Carson City, Hawthorne, Tonopah, Las Vegas, Boulder City, Kingman, and Prescott.

During the first half of 1950, the company's staff puts up a hangar at the McCarran base; the war-surplus edifice is ready to house the fleet by June. The CAB now also approves the company's application to fly mail over its multistop route. Plans for expansion are made in 1951 and arrangements made to take on new routes.

The first of several new Western routes is awarded by the CAB to Bonanza in July 1952. DC-3s begin flying from Phoenix to Los Angeles via Ajo, Yuma, Blythe, El Centro, San Diego, Oceanside, and Santa Ana-Laguna Beach. Service is maintained over these extended segments in 1953–1954.

President Dwight Eisenhower approves a measure in May 1955 that grants permanent certification to the 13 nonscheduled feeder carriers, including Bonanza, which are now renamed "local service airlines." During the year, scheduled roundtrips are initiated from Phoenix to Los Angeles via Blythe, Palm Springs-Indio, Riverside, and Ontario. Another route is also soon awarded, from Phoenix to Los Angeles via Apple Valley, Riverside, and Ontario.

During these middle years of the 1950s, several more DC-3s are acquired, including one from **United Air Lines** on December 18, 1956. In 1957 the CAB supports legislation that results in the Government Guaranty Loan Act. Bonanza is the first to seek and receive equipment financing support under the new law and quickly places orders for 6 Fokker F-27As, built by Fairchild under license to the Dutch manufacturer Fokker. Direct Phoenix–Salt Lake City authority is received early in 1958, along with a multistop Las Vegas–Los Angeles route.

Branding them "Silver Darts" (rather than the Fokker name Friendship) the company takes delivery of its first two F-27As on January 16 and February 25, 1959, respectively. These enter revenue service on March 29 over the Las Vegas–Los Angeles route.

A third F-27A arrives on August 17, as does a fourth on September 17, and a fifth on October 14. With the retirement of the carrier's last

DC-3, the company, on November 1, **1960**, becomes the first all turbine-powered airline in the Western Hemisphere.

With CAB approval, Bonanza, in **1961**, takes over the lucrative non-stop Los Angeles–Las Vegas route previously flown by **Western Airlines, United Air Lines, and Trans World Airlines (TWA)**. Another F-27A arrives on June 2, with another delivered shortly thereafter.

The eighth Fairchild is received on May 29, **1962**. In October, the company orders 3 1-11-206s from British Aircraft Corporation. Reacting to the foreign request, the CAB, in March **1963**, refuses to guarantee a U.S. government loan to cover the purchase. Particularly since it is already spending \$5.4 million to underwrite acquisition of the Fairchild F-27As.

Bowing to the regulator's demand, the company cancels the British order. On July 10, with CAB blessing, Bonanza places orders for 3 Douglas DC-9-11s.

By **1964**, airline employment has risen to 760 and the fleet includes 13 aircraft. Orders are placed for 2 additional Fokker F-27As and financing of \$10 million is arranged, allowing completion of the outstanding orders for 3 DC-9-11s.

On February 12, an F-27A with 34 aboard overshoots its landing at Las Vegas and crashes; injuries are slight. The CAB grants the company authority to initiate direct Santa Ana to Las Vegas service. In addition, an application is made for nonstop Las Vegas–Grand Canyon flights.

Flight 114, an F-27A with 29 aboard, disappears in a snowstorm on November 15 during a flight from Phoenix to Las Vegas; the wreckage is found on a mountain 9 mi. S of McCarran Field the next day and there are no survivors. It will later be determined that the navigation charts in use that fatal day were faulty.

Enplanements climb 16% to 620,497. Revenues jump 10% to \$14 million and net profits of \$677,166 are announced.

The workforce in **1965** is 837 and the fleet includes 14 Fokker F-27As. Orders are outstanding for 3 DC-9-11s. Although Bonanza has the fewest number of airliners of any local service carrier, it owns the most turboprops. Two of these are damaged in turbulence incidents on March 28 and April 1 respectively, the first over Prescott, Arizona, and the second southeast of Julian, California. Another F-27F, with two crew, groundloops during takeoff from McCarran Field, Las Vegas, on April 16 for a training flight and crashes; there are no fatalities, but the turboprop is badly damaged.

Nonstop Santa Ana to Las Vegas service is inaugurated. Flights operated to the Grand Canyon from Phoenix and Salt Lake City are transferred to the new Grand Canyon National Park Airport. With an average of 150.3 miles, the company's stages are the longest in its classification.

An F-27A with 17 aboard suffers a landing gear collapse and is damaged during landing at Yuma, Arizona, on December 8. The first DC-9-10 is delivered on December 9; it will spend the next two months in practice service. A shift of personnel and equipment to a new \$3-million administrative and maintenance facility at Phoenix is 50% complete by December 31.

Passenger boardings for the year jump 8% to 668,662. Revenues increase by 3% to \$14.51 million.

The second DC-9-11 is delivered in January **1966**. Bonanza is the first local service airline to launch DC-9 service when its premier machine begins flying the Los Angeles–Las Vegas route on March 1. Three more jetliners join the fleet before year's end.

With CAB Chairman Charles Murphy officiating, a new headquarters and maintenance facility, supported by the city of Phoenix, is opened at Sky Harbor Airport on June 25.

Enplanements for the year total 859,275. Revenues total \$18,011,800.

The workforce in **1967** totals 1,043 and the fleet includes 5 DC-9-11s, now nicknamed "Fun Jets," and 12 F-27As. Orders are placed for 2 DC-9-30s. Late in the year, the company agrees to a three-way merger with **Pacific Air Lines** and **West Coast Airlines**; the three file a joint application with the CAB seeking approval.

Customer bookings advance 14.5% to pass the million mark in annual boardings for the first time (1,005,000) and cargo traffic is up 10.15%.

Revenues are up by 15.7% to \$20,839,600 and a net profit of \$529,700 is posted.

Early in **1968** a sixth DC-9-11 is acquired, along with CAB approval to operate to Tucson and several destinations in Mexico. On April 17, the company loses its identity as it is merged with **West Coast Airlines** and **Pacific Air Lines** to form **Air West**, a predecessor of **Republic Airlines**.

BONANZA AIR SERVICES. See BONANZA AIR LINES

BONANZA AIRLINES: United States (1985). Jim Perry, founder-owner-president of **Mountain West Airlines (1)**, changes the name of his Aspen, Colorado-based commuter operation early in **1985**. Revenue flights continue to be provided with a Cessna 206 and Cessna 340, plus a Douglas DC-3, between the company's base and Grand Junction via Vail. Unable to maintain viability, the company shuts down on October 23.

BOND AIR SERVICES, LTD.: United Kingdom (1946–1951). Equipped with 1 Auster J/1 Autocrat and 1 Percival Proctor 1, Bond Air Services, named for its founder D. E. Bond, is formed at London (LGW) in June **1946**. Summer holiday flights are conducted.

In March **1947**, 1 Handley Page Halifax 8 is purchased, followed by a second in May; these 2 ex-RAF bombers are employed to haul fruit to London from towns in Spain, France, and Italy. On May 14, the Proctor is lost in a crash at Tonnere, France while on May 30, a Halifax is destroyed in a Barcelona crash. In July and October, the company receives 2 de Havilland DH 86s and another Halifax.

The produce charters continue in early **1948** as the fleet is upgraded by the addition of another Halifax in March and 5 Handley Page Haltons, leased from Freddie Laker's Aviation Traders. Bond becomes a major civil participant in the Berlin Airlift, beginning on August 4. Twelve company aircraft will eventually be involved over the next year. Meanwhile, between August 31 and October 31, a Halifax is released from the German operation to fly milk from Belfast to Liverpool and Blackpool.

A Halifax 8 is lost in a crash at Tegel Airport (Berlin) on February 15, **1949** while a Halton is destroyed at Schleswigland on April 9. Two Halifax 9s are purchased in June to replace 3 Haltons returned to Aviation Traders. Bond's participation in the Berlin Airlift ends on August 15; since the previous August, its transports have flown 2,577 sorties.

The general depression in the air cargo field that follows the end of the German success leads Bond to downsize its operation so that by summer **1950**, all of the Halifax es are withdrawn, leaving the company to offer DH 86 charters from London (LGW/Rearsby).

Demand for the company's services continues to fall and by February **1951**, Bond is an air taxi operator with aircraft that are too large. Consequently, the 2 DH 86s are sold and replaced by 1 DH 89A Dragon Rapide and 1 Fairchild Argus 3. Flight operations continue through the summer, but cease in late fall.

BOND HELICOPTERS, LTD.: United Kingdom (1984–1999). **Management Aviation and North Scottish Helicopters, Ltd.** is reformed in April **1984** and renamed; Stephen Bond remains managing director. Previous rotary-wing support services to North Sea oil explorers are continued from the company's bases at Cambridge and Aberdeen, employing a fleet of 5 Sikorsky S-76s, 6 Aerospatiale AS-332 Super Pumas, 14 Aerospatiale AS-365 Dauphins, 11 Bolkow Bo-105Ds, 4 Hiller 12Es, and 6 Hughes 500Ds. Orders remain outstanding for 4 Super Pumas and 4 Dauphins. Among the larger contracts serviced, with Dauphins, is British Gas' exploration, production, and development activity on the eastern fringe of Morecambe Bay, on the Irish Sea near Blackpool.

During the spring, the company purchases the North Denes heliport, just north of Great Yarmouth, and the subsidiary, North Denes Aerodrome, Ltd., is established to operate it. Employing S-76s, the company uses the base to fulfill contracts in support of the oil industry in the southern North Sea off East Anglia.

BP Petroleum contracts with the company to operate search and rescue missions on its behalf in the North Sea. In November, a SAR-equipped company SA-365N Dauphin 2 saves six fishermen from a life raft off the Forties Field. By year's end, support of the Blackpool operation involves two additional Dauphins.

The 4 Super Pumas and 4 Dauphins are delivered in **1985** and, during the first quarter of **1986**, the carrier succeeds in underbidding **British Airways Helicopters, Ltd.** for a £9-million contract from Total Oil Marine Engineering and Construction, Ltd. Beginning in April, 4 Super Pumas are dedicated to supporting Total's efforts in the North Alwyn Field off Aberdeen.

Meanwhile, falling oil prices drive down exploration work and, during the summer, the company is forced to lay 17 off from its staff at Aberdeen and another 12 at company headquarters at Cambridge. Managing Director Bond and his finance director prepare a company forecast that shows it going bankrupt the following April.

As of September 1, the company is able to begin flying support missions on behalf of British Gas; SA-365N Dauphin 2s are employed to fulfill the three Rough Field (North Sea) contracts, which are valued at £17 million. Late in the year, headquarters are transferred up to Aberdeen in order to consolidate control of offshore operations.

Operations continue apace in **1987**, with 34 aircraft active in offshore support roles. In April, the company pioneers the concept of helicopter air ambulance operations in the U.K. The initial service, Helimed 1, begins MBB BO-105 flights in the Cornwall and Isles of Scilly area. With support from its long-time venture capital backer 3i, Bond is able to get its creditors to repack the carrier's debt. Although cash flow dips to a trickle during the summer, Bond is able to scrape through until the oil support business starts to pick up in the fall.

Late in the year, a Dauphin, piloted by Capt. David Kinnell, rescues six fishermen shipwrecked in the North Sea. Kinnell will receive the Queen's Commendation for Valuable Service in the Air. Turnover for the year totals £26 million.

During the first quarter of **1988**, the company receives a renewed five-year support contract from Conoco. Employing an Aerospatiale AS Dauphin 2, the company flies to the V field from North Denes. In March-April, the BP offshore contract is extended for two years. The Northern Lighthouse Board approves a contract that will have the company's MBB BO-105s support remote lighthouses on the Scottish coast and Isle of Man through 1991. A five-year contract is received to provide Super Puma service on behalf of Total Oil Marine.

In May, the company purchases a Sikorsky S-76B from **KLM Helicopters, B.V.**, placing it into service in June. Also, a six-month extension of the AS-332L Super Puma contract with Phillips is received.

On June 1, the 17-year link between **British International Helicopters, Ltd.** and Total Oil Marine Engineering and Construction, Ltd. comes to an end. Total gives Bond a 5-year, £25-million award to not only support Total's Alwyn North platform, but the MCP01 pipeline pumping station and its exploration rigs as well. To handle what is thought to be the second largest contract in the U.K.'s North Sea oil business, Bond will continue to commit a minimum of three AS-332L Super Pumas.

The oil rig *Ocean Odyssey*, 138 nm. E of Aberdeen, takes fire on September 22 following a gas blowout. All but 1 of the 67 men aboard are able to escape by lifeboats to nearby work and supply boats. Military helicopters join a Bell 212 from **Helikopter Service, A.S.** and Bond's SA-365N Dauphin in evacuating these survivors to another rig, from which Bond aircraft fly them on to Scotland. At month's end, the carrier receives a two-year renewal of a Phillips Petroleum contract for the North Sea's Maureen Field, which it services with a single Super Puma. Income advances to £32 million.

The company diversifies its operation in January **1989** by creating Bond Holdings and a Heavy-Lift Division. Services will be provided by the company's 7 Super Pumas. The company's 6 Allison-powered S-76As are reengineered with Turbomeca Arriels during the spring, with

another S-76A, equipped with the French engines, purchased. At the same time, the number of MBB BO-105Ds is increased to nine.

Scotland's first dedicated air ambulance helicopter program begins operations on April 5 as a six-month experimental emergency medical service (EMS) contract with Bond, underwritten by a £110,000 (\$220,000) British Telecom grant, and employing an MBB BO-105 flying from Dundee's Ninewells Hospital. The Dundee BO-105 is the second Bond helicopter placed on medevac missions in two years. Meanwhile, the West Midlands Ambulance Service is established and planning begins with Bond for creation of an organization that will provide coverage to a five-county area of the central U.K. MBB BO-105s begin flying a pollution control operation in Sullom Voe in the Shetland Islands.

On April 25, a BO-105 experiences engine failure and is forced to ditch in Yell Sound in the Shetlands; both men aboard are rescued by a passing vessel and the helicopter, which remains afloat, is towed to shore for repairs.

The last significant event of the year is the acceptance, in mid-December, of the company's first Turbomeca Arriel-powered S-76A+. The aircraft represents the fruit of a \$6-million arrangement with Sikorsky Aircraft and Turbomeca for the introduction of new type to the North Sea. Plans are made to reengine the company's 6 other S-76s.

Airline employment stands at 670 in **1990** and a total of 43 aircraft are now active in offshore support roles. Noticing an upturn in North Sea support activity, Managing Director Bond, in January, places an order for up to 12 SA-365 Dauphin 2s. The experimental Dundee medevac service, extended into a 10-month test, ends in February after 412 missions. With renewed funding from various sources, the service becomes permanent.

At the same time, another BO-105 service is begun from Inverness. On May 6, an AS-332L Super Puma is badly damaged in a fire just after its main engine is started at the Aberdeen base. In June, a \$35-million order is placed for 7 S-76Cs. The Duke of Edinburgh officially opens the company's new Aberdeen passenger terminal on December 13. Turnover this year reaches £50 million.

Employing an MBB BO-105 leased from Bond, the West Midlands Ambulance Service begins operations in May **1991**. An ex-Australian MBB BO-105 is leased from Nash Helicopter Associates in June. The following month, the contract to provide Scottish Ambulance Service with an Inverness-based BO-105 is renewed. During the year, 3 AS-332L Super Pumas are leased from **Helikopter Service, A.S.** and a closer relationship with the Norwegian operator begins to develop.

During the first quarter of **1992**, a bid is made to purchase **British International Helicopters, Ltd. (BIH)**, on the market since the death of owner Robert Maxwell the previous fall. In July, a similar bid from **Bristow Helicopters, Ltd.** is withdrawn as the Bond move is referred to the U.K.'s Monopolies and Mergers Commission. Meanwhile, a fourth air ambulance contract is secured to provide medevac services in the Devon area. In December, the Scottish Ambulance Service awards the company a five-year contract worth £1.8 million (\$2.8 million) per year, to provide helicopter EMS service for all of Scotland. The flights will be coordinated with the fixed-wing air ambulance services that will be operated by Glasgow-based **Loganair, Ltd.**

In early January **1993**, two spray-fitted BO-105s participate in the control of oil pollution from the Liberian supertanker *Braer*, grounded at the south end of the Shetland Islands. In March, the long-standing Conoco contract is renewed for five more years.

Scotland-wide EMS services commence in April. Employed in conjunction with **Loganair, Ltd.**, the first integrated aeromedical service in the U.K. has one BO-105 based at Inverness for the north, one at Prestwick for the south, and a Eurocopter SA-365C Dauphin at Plockton for the central.

On May 4, Bond purchases Adelaide, South Australia-based **Lloyd Helicopters (Pty.), Ltd.** The new autonomous company becomes a member of the Bond Group and is allowed to retain its present management. Operations continue apace during the remainder of the year.

On July 1, 1994, the company's ownership sells the carrier to **Helikopter Service, A.S.** for \$112 million (\$75 million in cash and \$37 million in stock options). Leaving the carrier's previous owners Stephen (managing director) and Peter Bond holding a 12% stake, the Norwegian operator takes an immediate 49% interest, which will increase over the next three years to 100% control.

As part of the arrangement, the venture capital group 3i withdraws as do the carrier's other minority shareholders. The Bond trading name will be retained and the companies, now part of the world's largest civilian helicopter operation, will refrain from bidding against one another in the North Sea.

At the beginning of July, a review of working practices and manning levels is undertaken with an eye toward restructuring. In mid-July, a meeting of oil-industry officials is hosted at a Rotorcraft conference where Bond executives demonstrate its new AS-332L Helicopter External Liferaft Module (HELM).

Although the accounts of the Bond and HS are consolidated in October, officials of both emphasize that they will continue to operate as independent national entities. A long-term (11-year option) offshore support contract is signed with Hamilton Oil Company, Ltd., also in October.

A new base is established at Liverpool Airport where, beginning in November, an AS-365N Dauphin begins to serve the new \$1.5-billion Liverpool Bay development. While en route to Mablethorpe, Lincolnshire, on November 11, an S-76 is engaged in a near collision with a RAF Tornado fighter-bomber.

At month's end, it is announced that the company will reduce its 562-person workforce by 30 engineering and support staff positions.

Income of £87 million is reported for the year.

On January 19, 1995 a **Bristow Helicopters, Ltd.** AS-332L.1 is hit by lightning in the North Sea and ditched. Bond, after consultation with the Civil Aviation Agency in March, joins with Bristow, as well as **British International Helicopters, Ltd.** in a voluntary agreement to prohibit flights in actual lightning conditions. Aircraft will either be diverted around such areas or not allowed to depart.

The company is profiled in the lengthy article "Enterprise in the Skies," by Anita van de Vliet, which appears in the April issue of *Management Today*.

During July, plans by Helikopter Services and Bond to establish a holding company, Helikopter Services Group, are delayed. Also during the month, Bond hosts oil industry executives at a Rotortech gathering to show off a number of new technical developments it has been working on, including a Helicopter External Liferaft Module designed for use with Super Pumas.

Two important contracts worth \$18 million are received from British Gas on September 1, both of which will be fulfilled with Eurocopter AS-365N Dauphins. The first calls for support for production and drilling activities in the Morecambe Bay area while the second covers the Rough and Amethyst gas fields in the southern sector of the U.K. continental shelf.

At the beginning of 1996, Bond has 5 MBB BO-105s on lease to ambulance authorities throughout the U.K., with 2 others on permanent standby. On February 19, the delayed Helikopter Services Group holding company is formally established as an umbrella organization for itself, its subsidiaries, and Bond. Helikopter Services Chairman Christian Brinch is group chairman, with Bond briefly remaining as CEO of the Bond Group of companies and managing director of Bond Helicopters.

Managing Director Bond stands aside in April from the day-to-day operation of his concern and is succeeded as managing director by operations director Trevor Larman. Bond remains on the board of Helicopter Services Group.

Also during the spring, the company acquires the only short-term oil support contract of **Irish Helicopters, Ltd.** On July 1, in a move that surprises many, Irish Helicopters also loses to Bond the Irish Department of Marine's contract for its Irish Marine Emergency Service (IMES) station at Shannon. Bond establishes a new subsidiary, Bond

Helicopters (Ireland), Ltd. to operate the new Ir£14-million contract at the beginning of the following year. The Irish government agrees to provide pilots and winch crew from its Air Corps.

Also on July 1, the company wins away from **Bristow Helicopters, Ltd.** a three-year contract to provide support flights from Aberdeen to the Gryphon offshore field of Kerr-McGee; Bond places a Super Puma on the route.

On October 22, Trade Secretary Michael Heseltine, acting on the recommendation of the Monopolies and Mergers Commission, informs Bond Helicopter executives that it is not in the public interest for Bond to acquire **British International Helicopters, Ltd.** Both Bond and BIH indicate displeasure and Bond joins **Bristow Helicopters, Ltd.** as a former suitor.

In December, the company loses the Talisman offshore support contract to provide flight services to the former British Petroleum-owned North Sea fields at Beatrice, Buchan, and Clyde. The bid by **British International Helicopters, Ltd.** for the two-year deal is lower than Bond's.

In reaction, Bond, on behalf of Helikopter Services Group, challenges **British International Helicopters, Ltd.**'s right to a U.K. operating license. The High Court in London grants a judicial review.

The Shannon search and rescue (SAR) mission of **Irish Helicopters, Ltd.**, out of Cork and Dublin on the east coast and from Shannon on the west coast, is handed over to Bond Helicopters (Ireland), Ltd. on January 1, 1997. In an example of industry consolidation, execution of the contract is arranged by Norway's Helikopter Service Group employing a Sikorsky S-61N leased from **Court Helicopters (Pty.), Ltd.** of South Africa, in which Helikopter Service Group owns shareholding.

On January 30, an S-76A+ is leased to Scheiner Aviation Group in the Netherlands for a year.

On March 1, the Bond Helicopters (Ireland), Ltd. S-61N flying from Shannon endures a 5-hour mission some 150 nm. off the nation's southwest coast to rescue 13 crewmen from a burning British trawler. The lift is made against storm-force winds and 33-ft. seas.

In March, a 7-month, Nkr 6-million contract is received from Statoil for offshore support in Ireland's Connemara oil field. The contract may be renewed thereafter on an annual basis.

As the result of the \$35-million renewal contract with the Northern Lighthouse Board signed earlier, the carrier, beginning on April 1, is able to reaffirm for the next three years the use of a Eurocopter BO-105 in support of installations and vessels around the Scottish coast.

Also before the end of the second quarter, a second S-61N is posted to Shannon to assist in Bond Helicopter (Ireland), Ltd.'s SAR work.

On July 1, Bond challenges a 1993 determination by the Civil Aviation Authority that **British International Helicopters, Ltd.** complies with applicable U.K. and European licensing regulations with respect to ownership nationality.

Following the deaths of 12 people when a Norwegian Super Puma crashes during a routine flight over the North Sea, all 37 British Super Pumas, including the 9 flown by Bond, are grounded indefinitely on September 12. Spokesmen for the three helicopter companies that fly Super Pumas from Aberdeen issue a joint statement that the aircraft will not restart until appropriate safety inspections have taken place. Five days later, the Super Pumas are back in the air.

It is reported in *The Irish Times* on November 18 that, because of a shortage of Irish Air Corps pilots, the minister of marine is forced to renege on his previous year's commitment to employ only military crew for extended east coast search and rescue. Bond is asked, via a slight contract revision, to provide two of the seven pilots and one of the eight winch crewmen.

In late December, Bond receives a 5-year, \$57 million contract from British Petroleum to provide offshore support from Aberdeen to its Bruce and Foinavon/Schehallion oil fields.

To fulfill its new BP contract, Bond, on January 16, 1998, orders two new AS-355L.2 Super Puma Mk.IIs. It is anticipated that Bond will be the first firm to introduce the Mk.2 to the U.K. Continental Shelf.

In late February, the Bond Helicopters (Ireland), Ltd. Sikorsky S-61N from Shannon develops gearbox problems while engaged in picking up a casualty from a Norwegian fishing vessel off Mayo. In 50-kn. winds and 20-ft. swells, an Irish Air Corps Dauphin comes to the aid of its civilian colleagues, escorting the Bond helicopter into the Blacksod refueling pad and then flying back to assist the sick crewman and the IMES winchman left behind.

To support Total's oil and gas production and exploration on the U.K. continental shelf, a 3-year, £18-million contract is signed with Bond on March 2. Two AS-332L Super Pumas will fly supply and personnel transport missions. The deal contains a provision for two further one-year options.

On March 19, the Conoco contract is renewed, although this time it is put on the books as an alliance. Under its terms, the company will continue to provide support in the southern North Sea utilizing two AS-365Ns and, periodically, Sikorsky S-76A+s. The five-year arrangement, effective on April 1, has options on two one-year extensions.

On June 13, the Aberdeen (Scotland) *Press and Journal* reports that **Canadian Helicopter Corporation, Ltd. (CHC)** is targeting either Norway's **Helikopter Services, A.S.** or one of its subsidiaries (most likely U.K.-based Bond Helicopters, Ltd.) as a possible takeover target.

On June 29, a Sikorsky S-61N is based in Dublin in support of air-sea SAR missions of Bond Helicopters (Ireland), Ltd. on the east coast of Ireland. The new IMES is the last link in the government's chain of improved air-sea rescue cover and is kicked off by a ceremony at Howth, County Dublin, in which speeches are given and the Sikorsky makes a flyby for those gathered.

The new five-year contract with Bond for coverage of the east coast comes into effect on July 1, two-and-a-half years to the day after the death of a Wexford fisherman, Timmy Currid, that prompted the government to review its rescue cover. At this point, two-thirds of the IMES pilots are retired Irish Air Corps and Royal Navy personnel, and one-third are commercial pilots; half of the helicopter crewmen are former Air Corps.

Three safety problems are alleged during the month by the OILC, an offshore union. On two separate occasions, a loose pylon cover is found and a life raft cover not properly fitted in two Super Pumas. On July 20, an engine goes too fast and automatically shuts itself off during a Super Puma inspection test flight.

During the Tall Ships Race on August 24, nine naval divers are hurt while making a routine air-sea rescue demonstration jump from the Dublin-based Bond Helicopter (Ireland), Ltd. IMES S-61N on the River Liffey at Dublin Port. The men are all rescued by rigid inflatables and hospitalized. Bond quickly files a report of the incident with the marine ministry which, according to *The Irish Times* on August 25, will be further reviewed by the air accident investigation unit of the Irish department of public enterprise and employment.

The Super Puma Mk.2s arrive in September, allowing service to begin with them in mid-October from Aberdeen to the BP Bruce and Foinavon/Scheghallion fields. The aircraft are the first of their kind dedicated for use in the continental shelf of the U.K.

Also during the month, Bond undergoes a safety inspection by the Civil Aviation Authority. The OILC claims that the review, which has taken three weeks, is not routine, but has been triggered by the July Super Puma incidents and a concern that cost cutting has led to maintenance cutbacks. The company denies the union's charge; the CAA indicates that it carries out inspections on a regular basis and occasionally at random, but will not confirm a visit to Bond.

On October 14, the company acquires the £35-million contract previously held by its rival, **Bristow Helicopters, Ltd.**, for offshore support work out of Aberdeen on behalf of British Petroleum. The new contract will give BP additional access to Bond's Super Puma Mk.2s and will operate them to BP's Atlantic Margin, Bruce, Harding, and Miller fields.

The contract with Phillips and Mobil for helicopter support in the southern North Sea area is renewed for three years and takes effect on December 1. Signed on December 4 and effective January 1 is a seven-year contract with the Scottish Ambulance Service.

The Aberdeen (Scotland) *Press and Journal* reports on January 12, 1999, that the **Canadian Helicopter Corporation, Ltd.** has purchased a package of 5.1 million shares in **Helikopter Services, A.S.** The 25% stake in the Norwegian operator, valued at a "knock-down price" of £16 million (Nkr 40 per share), is acquired from an institutional investor via the CHC Norwegian subsidiary Vinland Helicopters. The purchase makes CHC the largest shareholder in HAS, as well as its subsidiaries, Bond and Australia's **Lloyd Helicopters (Pty.), Ltd.**

Shortly after departure from Conoco's McCulloch field after a January 21 scheduled freight service, a Super Puma, with 2 crew and 12 passengers and en route to Aberdeen, suffers severe in-flight vibration. The helicopter radios ahead and two lifeboats from Aberdeen and Peterhead are launched as a precaution. The aircraft is able to make a safe landing at Aberdeen Airport, with no injuries reported.

While 30 mi. out from Aberdeen en route to Agip (UK), Ltd.'s Tiffany platform on January 22, another Super Puma, with 2 crew and 14 passengers, is forced to return to its point of origin when a warning light in the cockpit begins to flash. A replacement helicopter is immediately available and the crew and passengers depart and complete their flight, slightly delayed.

An additional 5% stake in Helikopter Services Group is acquired on March 24, together with controlling interest. Interviewed by the *Press and Journal*, Helikopter Services Group Chairman Reidar Lund indicates that the action is regarded as an "unfriendly takeover" attempt. Canadian Helicopter Corporation's chief financial officer, Jo Mark Zurel, discourages "takeover speculation" and claims the share purchase is a moneymaking exercise.

The Norway Post reports on March 30 that Bond has extended its contract with British Petroleum for an offshore-based helicopter in the Forties field in the U.K. North Sea for another year, with options on two more. The contract is valued at Nkr 12-13 million.

On April 14, Reuters, Ltd. publishes news that the **Canadian Helicopter Corporation, Ltd.** will bid 45 crowns per share for the remaining shares in Helikopter Services Group and that the official offer will be released within a week, again through its Norwegian subsidiary, Vinland Helicopters. After a preliminary discussion, the Norwegian operator indicates that the offer, compared to booked capital, is too low.

Canadian Helicopter counters on April 26 with an offer, via Vinland, of Nkr 45 per share for the remaining shares. The purchase would be subject to successful completion of a due diligence review and government approvals. A statement from Canadian Helicopter also indicates that the offer is conditional upon Vinland gaining a minimum of 90% of Helikopter Services Group stock.

Rebuffed, Canadian Helicopter will raise its offer to Nkr 60 per share by early June.

On May 5, a 5-year, \$39.2-million contract is signed with Mobil North Sea, Ltd. for helicopter support to the energy provider's offshore activities on the U.K. continental shelf. With an option to extend the agreement for five years upon its conclusion, the new pact will take effect on August 1.

Canadian Helicopter obtains 90.2% of the shares in Helikopter Services Group on June 25. The takeover brings concern to workers at Bond that many may lose their jobs if the new owners elect to merge their concern with **British International Helicopters, Ltd.**, which Canadian Helicopters already owns.

Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** is able to announce on August 2 that all of the remaining conditions to its offer to purchase all shares in **Helikopter Services Group, A.S. (HSG)** have been satisfied or waived and that the acquisition is completed. In a move that foreshadows a corporation-wide integration a year later, Bond, the HSG U.K. subsidiary also acquired, is now renamed **CHC Scotia, Ltd.**

BOND HELICOPTERS (IRELAND), LTD. See **BOND HELICOPTERS, LTD.**

BOP AIR (PTY.), LTD. (BOPHUTHATSWANA NATIONAL AIR SERVICES [PTY.], LTD.): South Africa (1985–1994). In 1985, **Mmabatho Air Service, Ltd.**, which had been formed at the national capital on July 20, 1979, is redesignated the national airline of the South African black “homeland” Bophuthatswana. Operations are undertaken linking Johannesburg’s Jan Smuts International Airport with Pilanesberg Airport, near the resort community of Sun City.

In 1986, the carrier is renamed **Bophuthatswana National Air Services (Pty.), Ltd.**—or Bop Air. Within a year, Managing Director Ian J. Bond’s carrier establishes routes to all of the major airports in southern Africa.

The fleet in 1987 comprises 1 British Aerospace BAe (HS) 748-B2, 1 Cessna 550 Citation II, 3 Embraer EMB-110P1 Bandeirantes, 1 Piper PA-31-310 Navajo, and 2 Piper PA-34 Senecas. Orders are outstanding for 2 EMB-120 Brasilas. Enplanements for the year total 45,000. Operations continue apace in 1988–1989.

One Bandeirante is withdrawn in 1990 as 2 new EMB-120 Brasilas are acquired. J. Borstlap succeeds Managing Director Bond in 1991 and is followed, in turn, by J. L. Borstlap in 1992. During the latter year a Gulfstream G-3 is purchased. Services are maintained from Johannesburg to Mmabatho and Sun City and return flights are made from Thaba’Nchu to Mmabatho. Contract service and passenger and cargo charters are also undertaken.

In 1993, Managing Director Borstlap oversees a workforce of 132 and a fleet that includes 2 each EMB 110P1s and EMB-120s and 1 each Cessna 550 Citation II and BAe (HS) 748-B2. Cape Town joins the route network.

Flights continue; however, on May 1, 1994, the company is renamed **Sun Air (Pty.), Ltd.** as Bophuthatswana is integrated into South Africa.

BORDER AIR (PTY.), LTD.: South Africa (1972–1990). Formed at East London in 1972, **Border Air (Pty.), Ltd.** undertakes scheduled commuter services linking its base with Queenstown, Umtata, Butterworth, Durban, Grahamstown, and Port Elizabeth. Charters are also undertaken to Wild Coast resorts. For a decade, the fleet comprises 1 Piper PA-31-310 Navajo, 1 Cessna 402, and 2 Beech B-55 Barons.

In 1983, the fleet is enlarged by the addition of another Cessna 402, 2 Britten-Norman BN-2 Islanders, 1 Shorts SC-7 Skyvan, and 1 Piper PA-34 Seneca. In 1988, General Manager A. Barski adds another Skyvan and services are initiated to Bisho and Wild Coast. Bloemfontein becomes a destination in 1989.

Unable to continue in the face of significant economic difficulties, the carrier is forced to seek a partner or cease operations. Early in 1990, it is combined with **Magnum Airlines (Pty.), Ltd.** of Johannesburg and Durban-based **Citi Air (Pty.), Ltd.** to form **Link Airways (Pty.), Ltd.**

BORDER AIRLINES. See **TEXAS NATIONAL AIRLINES**

BOREAL AIRWAYS, LTD. See **NORDAIR, LTD.**

BORINQUEN AIR/AIR PUERTO RICO: P.O. Box 37309, Airport Station, San Juan, Puerto Rico 00937, United States; Phone (787) 791-5060; Fax (787) 681-8600; Code 3B; Year Founded 1961. Sixto Diaz Saldana establishes Borinquen Air at Luix Munoz Marin International Airport, Isla Verde, Puerto Rico, in 1961 to offer charter and contract service flights. Revenue services begin with a fleet of 3 Douglas DC-3s.

Often employing the marketing title “Air Puerto Rico,” Borinquen continues to fly Caribbean cargo charters over the next 37 years. Two of the Douglas transports are lost in accidents during the 1980s. The third is sold to **Delta Air Lines** for restoration to its original condition.

Just after takeoff from San Juan on a freight service to Basseterre on July 22, 1986, a C-54D with two crew suffers engine failure and crashes into a lagoon (one dead).

Early in the 1990s, the last Douglas is replaced with 1 de Havilland Canada DHC-6-200 Twin Otter. At mid-decade, it is replaced with 2 Beech 18s.

It is understood that operations continue for several years thereafter, but exact information is unavailable.

BORNEO AIRWAYS: Indonesia (1997–1999). Despite the Asian economic downturn, Borneo Airways is set up at Sarawak in late 1997 to offer domestic passenger charters, as well as scheduled regional feeder services for **Royal Brunei Airlines**. Shareholding is divided between Royal Brunei and the state government of Sarawak.

With management support provided by the Brunei airline, along with a single Fairchild Dornier 228-212, revenue flights begin on February 8, 1998.

Service is maintained with few charters and less profit until the company is shut down on October 4, 1999. The leased Fokker 50 and Fokker 100 are returned.

BORNEO AIRWAYS, LTD.: Malaya (1958–1965). To provide feeder services for **Malayan Airways, Ltd.**, the local British government (51% shareholding) and the **British Overseas Airways Corporation (BOAC)** (49% shareholding) reform the carrier Sabah Airways, Ltd. (formed as a Malayan Airways subsidiary the previous year) on March 1, 1958. Equipped with 3 Scottish Aviation Twin Pioneers and 2 old de Havilland DH 89A Dragon Rapides, it continues services to bush destinations in the states of Sabah and Sarawak as well as to Singapore.

Borneo Airways, Ltd. assumes responsibilities for domestic operations in 1960 as **Malayan Airways, Ltd.** concentrates on long-haul flights. Four Douglas DC-3s are transferred over from the parent. The fleet is upgraded in 1961–1963 by the addition of 8 Fokker F.27-100s, which allow removal of the de Havillands. Merger discussions begin between Borneo Airways and **Malaysian Airways, Ltd.** (successor to **Malayan Airways, Ltd.**) in 1964.

On April 1, 1965, Borneo Airways, Ltd. is acquired by Malaysian and merged. Borneo’s base at Kesseton is enlarged and its Sabah/Sarawak routes and fleet, comprising 1 Cessna 310, 4 DC-3s, 8 Fokker F.27-100s, and 3 Twin Pioneers, are likewise turned over. The Twin Pioneers will be replaced with additional C-310s.

BORONEZH AVIA: Ukraine (1993–1996). BA is established at Dnepropetrovsk Airport in the Ukraine during 1993 to offer regional third-level services. Comdr. Mikhail Demidenko is CEO and he begins revenue services with 1 each Antonov An-2, Yakovlev Yak-40 and Yak-42. Flights continue in 1994–1995, but cease in 1996.

BOSPHORUS AIRWAYS, A.O.: Abdullah Sk 4/4, Gumusuyu, Taksim, Istanbul, Turkey; Phone 90 (1) 249-3844; Fax 90 (1) 245-8348, Year Founded 1994. Bosphorus is established at Istanbul in late 1994 to offer domestic passenger services. Revenue flights commence and continue with 2 each Boeing 737-300s and B-727-200s.

BOSTON-MAINE AIRWAYS (1): United States (1930–1931). Boston-Maine Airways is jointly organized by officials of the Boston and Maine and Maine Central Railroads, led by Laurence Whittemore, on July 20, 1930. A management contract is signed with **Pan American Airways (PAA)**. The entire operation is now carried out by Juan Trippe’s airline, which flies a Fokker F-10A on Boston-Maine’s behalf over a Portland-Rockland-Bangor route, beginning on August 1, 1931.

A contract is also taken with **Pan American Airways (PAA)** for operations of its S-41Bs from Bangor to Halifax, Nova Scotia, via Calais and St. John, beginning the same day. One of these contracted Sikorsky crashes into Massachusetts Bay on August 27. BMA pilots take over the F-10 service on September 30 and the Sikorsky extension north of Bangor is discontinued.

The **Pan American Airways (PAA)** association is now concluded and without aircraft, the carrier enters a dormant stage.

BOSTON-MAINE AIRWAYS (2). See **PAN AMERICAN WORLD AIRWAYS (2)**

BOSTON-MAINE/CENTRAL VERMONT AIRWAYS: United States (1933–1940). With initial capitalization of \$10,000, **National Airways** is formed in early 1933 at New York by ex-New York, Philadelphia and Washington Airway (Ludington Airlines) employees Paul Collins and Eugene Vidal. Support is obtained from New York businessman Sam Solomon, famed aviatrix Amelia Earhart is signed on as spokesperson, and two Stinson SM-6000B Tri-Motors are purchased from Ludington.

A contract is arranged with Boston and Maine Railroad official Laurence Whittemore, responsible for the then-dormant **Boston-Maine Airways**, to operate his former route to Bangor, Maine, via Portland and Waterville. Revenue flight services commence on August 11.

Additionally, Collins contracts with newly formed **Central Vermont Airways**, owned by the Canadian National Railroad, to fly its routes as a feeder service from Boston to Montpelier, beginning on October 27. Soon the two airlines are operated as one coordinated enterprise, Boston-Maine/Central Vermont Airways.

Two extensions are added on February 7, 1934: Manchester is added as a stop and the Montpelier destination is stretched to Burlington. Service to Montreal, which makes the company an international airline, is launched on March 20. Since start-up, the New England entrant has flown less than 2,000 passengers. In the wake of the airmail scandal of February–March, the company bids for and receives a June 5 Post Office contract to fly mail between Boston and Burlington via Bangor. The Montreal service must be halted for winter as of October 22.

Beginning in summer 1935, flights are offered between Bangor and Bar Harbor. This railroad-sponsored aerial arrangement is continued with little change over the next three years. On April 8, 1936, a Stinson crashes at Burlington. Having determined that newer flight equipment is essential, the owners order two new Lockheed Model 10As for **National Airways**, which are delivered in October.

On March 1, 1937, the railroad interests buy out Collins and his associates when they are unable to come up with the money to pay for the Electras. **Boston-Maine/Central Vermont Airways** continues operations as before with the ex-**National Airways** Stinsons confined to a new Bangor–Caribou via Millinocket, Houlton, and Presque Isle route started on August 5. Lewiston–Auburn becomes a destination on December 1.

By 1938–1939, the carrier virtually controls the northeast corner of America's growing commercial air space. On November 19, 1940, the company is reorganized and renamed **Northeast Airlines**, a more geographically correct title free of railroad connotation.

BOTSWANA AIRWAYS CORPORATION (PTY.), LTD.: Botswana (1969–1972). Formed as official successor to **Botswana National Airways (Pty.), Ltd.**, BAC is formed at Gaborone in 1969 to operate scheduled passenger and cargo services between the capital and regional destinations. The fleet comprises 1 Vickers Viscount 754 and 1 Douglas DC-3. The company is succeeded by **Air Botswana (Pty.), Ltd.** in 1972.

BOTSWANA NATIONAL AIRWAYS (PTY.), LTD.: Botswana (1966–1969). The first of three national airlines to be formed at Gaborone within six years, BNA is established under the leadership of D. Morgan in summer 1966 to serve as the successor to **Bechuanaland National Airways, Ltd.** Outfitted with 1 Fokker F.27 Friendship and 1 Vickers Viscount 754, the company undertakes regional scheduled services from Gaborone to Johannesburg, Livingstone, and Lusaka. Simultaneously, 1 Britten-Norman BN2 Islander and 1 Beech 58 Baron are employed to operate a domestic network.

In October, the carrier launches a joint venture route to Bulawayo with **South African Airways (Pty.), Ltd.**

The fleet is increased in 1967–1968 with the addition of 1 Douglas DC-4 and 2 DC-3s, the former purchased from **Philippine Airlines (PAL)**. The four-engine Douglas is employed to fly fuel from Francistown to Livingstone each day, where it is off-loaded and sent by rail to the Roan Selection Trust Copper mines.

After three years service with diminishing returns, the company is forced to shut down in late 1969. It will be succeeded by **Botswana Airways Corporation (Pty.), Ltd.**

BOUGAIR (PTY.), LTD.: Papua New Guinea (1967–1986). Formed at Kieta in the North Solomons province of Papua New Guinea in 1967, Bougair (Pty.), Ltd. is initially employed as a charter carrier in support of its owners, Bougainville Copper. Scheduled services are initiated in 1973 linking Kieta with Wakunai, Buka, Nissan Island, Torokina, Inus, and Sabah.

The fleet in 1981 comprises 1 Shorts SC-7 Skyvan, 2 Britten-Norman BN-2 Islanders, and 2 Cessna 185s. During the next four years, another Islander is acquired, replacing the Shorts and Cessnas. In 1986, Managing Director P. Nerau's company is renamed **North Solomons Air Services (Pty.), Ltd.**

BOUNAVAD: Bulgaria (1928). This short-lived airline is founded at Sofia in 1928 and, with a Junkers F-13, runs scheduled service from Sofia to Ruschuk and Varna. Unsupported and unable to achieve economic viability, the enterprise quickly folds.

BOURAQ INDONESIA AIRLINES: PB 2965, 1-3 Jalan Angkasa, Kemayoran, Jakarta Pusat, 10720, Indonesia; Phone 62 (21) 629-5289; Fax 62 (21) 629-8651; http://www.bouraq.com; Code BO; Year Founded 1970. Private interests, led by J. A. "Gerry" Sumendap, form this nonscheduled passenger and cargo airline at Balikpapan, in eastern Kalimantan, on April 1 1970. The new entrant is a subsidiary of Sumendap's Porodisa Industrial Group, Ltd.. Employing 4 Douglas DC-3s, Bouraq begins ad hoc services toward the end of the month, linking its base with Jakarta, Surabaya, and Palu.

Finding a measure of success, the company now elects to commence scheduled operations and, beginning in June, Douglas frequencies are initiated from the previous points to Banjarmasin, Tarakan, Ujungpandang, and on to Tawau, in Malaysia. For the next 11 years, Sumendap will second executives from Porodisa to operate the airline.

A Nihon YS-11A is acquired from Japan in May 1971 and orders are placed for Fokker F.27s and Hawker Siddeley HS 748s. The Dutch-made Fokkers arrive in June 1972, the same month scheduled flights begin from Menado to Davao in the Philippines. The first HS-748 arrives in January 1973.

During this year, as in the last two, Bouraq is providing domestic scheduled flights from Jakarta and Balikpapan to many of the larger Indonesian islands. International routes are undertaken as well, including Pontianak to Singapore and Tarakan to Tawau in Malaysia and Zamboanga in the Philippines.

The charter carrier **Nusantara Air Service** is acquired by Porodisa Industrial Group to serve as a Bouraq sister carrier. Outfitted with a pair of F.27s leased from Garuda Indonesian Airways, the company operates the large turboprops for the remainder of the year.

In January 1974, **Nusantara Air Service** is reformed and renamed **Bali Air (Bali International Air Services)**. The Fokkers are withdrawn and replaced with a fleet of Britten-Norman BN-2 Islanders and BN-2A Trislanders. When Philippines President Ferdinand Marcos declares martial law for his nation in 1975, Bouraq is forced to suspend its Davao route.

An HS 748-2A with 5 crew and 27 passengers is destroyed as the result of a bad landing at Palu Airport on January 23, 1976; there are no fatalities.

Services otherwise continue apace for the remainder of the year.

Bouraq's various trunk line services to southern Sulawesi are rationalized in early January 1977 and on January 24, through services are initiated from Jakarta and Surabaya to Tarakan, Menado, and Ujungpandang. The company, through its parent, now takes a stake in the production of the Nurtanio-CASA 212-100 Aviocar, a Spanish turbo-prop manufactured in Indonesia, and orders three.

Another HS 748-2A with 5 crew and 46 passengers is destroyed as the result of a bad landing at Ujung Pandang on February 9; again, there are no fatalities.

The fleet of President Sumendar's 390-employee carrier in **1978** comprises 1 Nihon YS-11A, 7 Hawker Siddeley HS 748s, and 3 DC-3s. The fleet also includes 3 Islanders and 3 Trislanders, which are leased to Bali Air. The first two Aviocars arrive at the beginning of November and enter service early in the month on routes in and through Java.

Services expand during **1979** and into the **1980s**; additional domestic destinations include Maluku, Bali, and the Nusa Tenggara Islands.

In early August **1980**, 2 Vickers Viscount 748s and 1 V 812 are leased from **Far Eastern Air Transport, Ltd.** of Taiwan.

En route from Banjarmasin on August 26, the Vickers Viscount 812, with 6 crew and 31 passengers, suffers the separation of a part of its tail, causing it to crash into a swamp 26 km. NE of Jakarta; there are no survivors.

Flights continue without incident in **1981**, but, in **1982** Bouraq gains its independence from the Porodisa Industrial Group and employs its own group of executives and managers.

An HS 748-2A with 3 crew and 42 passengers is destroyed as the result of a bad landing at Manado on December 10; there are no fatalities.

By **1983**, the Hawker fleet has grown to 13 aircraft, but a larger aircraft is now required to keep up with demand for the airline's services. In September, 4 Viscount 843s are purchased from **CAAC (General Administration of Civil Aviation of China)**. All enter service in **1984**.

In **1985**, international return flights are offered from Tarakan in Indonesia and Tawau in Sabah, Malaysia. Additional frequencies are initiated during the remainder of the decade and the fleet grows to comprise 16 BAe 748s, 4 Vickers Viscount 843s, 3 Britten-Norman BN-2 Islanders, 3 Britten-Norman BN-2A Trislanders, 3 IPTN (CASA) NC-212-100 Aviocars, 1 Douglas DC-3, and 1 Cessna 404.

Operations continue apace in **1986–1987**. The 852-employee company enjoys an upturn in passenger traffic during **1988**, flying 449,483 passengers during the first three quarters, a 9.9% increase over the previous year. Freight is, however, down by 15.4% to 2.34 million FTKs.

An HS 748-2A with 5 crew and 47 passengers makes a wheels-up landing at Banjarmasin on January 4, **1989**; although the aircraft is destroyed, there are no fatalities.

As **Garuda Indonesian Airlines** withdraws from domestic operations later in the year and in **1990**, this 794-employee carrier fills the resultant niche. Passenger boardings increase 68% to 425,631. Freight climbs 81.5% to 2.8 million-ton kilometers. Operations continue apace in **1991** and enplanements total 180,245.

The fleet in **1992** includes 9 BAe (HS) 748-A2s, including 3 out of service; 5 BAe-B2s; 1 BAe-B2F; 3 out of service IPTN (CASA) NC-212-100 Aviocars; and 3 Viscount 843s, 1 of which is out of service.

An engine fire forces a Viscount 843 with 6 crew and 64 passengers to abort its takeoff from Banjarmasin on August 28; although the aircraft is damaged beyond repair, there are no fatalities.

In December, a Boeing 737-291A and B-737-205C are wet-leased for six months from **Air Atlanta Icelandic, H.F.**

Passenger boardings decline 13.5% to 158,807 and freight traffic plunges 70.5% to 419,000 FTKs.

By **1993**, General Manager V. P. Rungkat oversees a workforce of 731 and the Douglas transport, the Cessna, and the BN-2s/2As are withdrawn. One of the remaining 3 ViscounTs is out of service as are 3 of the 9 BAe 748-2As.

On January 9 just after takeoff on a service to Banjarmasin, a BAe (HS) 748-2A with 5 crew and 30 passengers returns to Surabaya due to problems with the Nos. 2 engine. The aircraft crashes in a swamp, breaks in two, and catches fire (15 dead).

Scheduled passenger and cargo services continue throughout the central and eastern parts of the archipelago. In October, a marketing agreement is signed with **Philippine Airlines (PAL)** calling for joint service on a route from Manado to Davao using Bouraq aircraft and crew.

A Viscount is restored to service in **1994**, but, more importantly, the company, under Operations Manager Aan Husdiana, begins jetliner frequencies with a new fleet of "Baby Boeings." Chartered and placed on

the route network are 4 B-737-2H6As, 3 B-737-230As, and 1 B-737-2K2A, the latter leased from the Dutch carrier **Transavia Airlines, N.V.**

The Vickers Viscount 843 is destroyed as the result of a bad landing at Pontianak on November 27; there are no fatalities.

Enplanements average 65,000 per month and reach a total of 780,000 for the year.

On May 29, **1995**, the government allows Bouraq Indonesia to add 17 new domestic and international routes. Five-times-a-week B-737-200 service is inaugurated on June 22 between Surabaya and Singapore. Other new routes started at this time include Ujungpandang, in south Sulawesi, with Singapore, and Manado, in north Sulawesi, with Singapore.

While en route from Tual to Kaimana on August 9, a BAe (HS) 748-2A with six crew and four passengers crashes into Mt. Komawa; there are no survivors.

In cooperation with **EVA Air, Ltd.**, frequencies are initiated in October between Surabaya and Taipei and between Surabaya and Perth, Australia. Customer bookings this year total 838,964.

The workforce is decreased 8.6% in **1996** to 731.

Engine failure forces an HS 748-2B, with 43 passengers, to abort its takeoff from Ambo on July 11; the turboprop overruns the runway and rams into a dyke. Although the plane must be written off, there are no fatalities.

Passenger boardings for the year soar 35.3% to 1,296,698, but cargo traffic plunges downward 73.5% to 8.27 million FTKs.

The South East Asian and national currency problems of late **1997** have a devastating impact upon the carrier's ability to function. Traffic declines, personnel are laid off, and aircraft are withdrawn.

With the rupiah now valued at 17,000 to the U.S. dollar, the nation's airlines are, in May **1998**, granted permission to increase fares by 37.5%. By late May, when President Suharto resigns, Bouraq is reported to be near collapse.

By the beginning of August, a cost-cutting plan that would have combined the domestic operations of Garuda, Bouraq, Merpati, and Mandala collapses; despite load factors as low as 30%, the smaller airlines refuse to join with the flag carrier.

The effects of the Asian currency crisis and the national economic downturn continue; at this point, the four companies are losing significant funds as 80% of their costs are in U.S. dollars, but only 20% of their income is in the same currency.

During the last week of August, the Indonesian parliament does grant a long-desired fare increase. Domestic tickets increase in price by 40% on September 1; they rise again another 14% on December 1.

Flights continue in **1999**. During the first six months of the year, the rupiah regains some 50% of its strength. The balance of the parliamentary-approved fare increase is postponed.

Enplanements for the year total 388,000 and 3.63 million FTKs are operated. Airline employment at the beginning of **2000** stands at 731.

BOWEN AIR LINES: United States (1930–1936). Two years after selling **Texas Air Transport**, Temple Bowen forms a new airline using his name in the fall of **1930**. Employing three Lockheed Model 5 Vegas, Bowen inaugurates scheduled passenger services linking Dallas (DFW) and Houston on October 1. Later in the month, this service is extended to Oklahoma City from Dallas. In November, a pair of Lockheed DL-1 Metal Vegas are acquired and employed to stretch a route down to Tulsa from Fort Worth.

In association with **Braniff Airways**, the company's Fort Worth terminus is extended to Oklahoma City in **1931**. In May, the company becomes the first to operate the ultrafast, 175-mph Lockheed Model 9 Orion, placing two into service with the five Vegas and increasing flights out of Fort Worth and Dallas to 18 per day. Operations continue apace in **1932–1933**. On June 2 of the latter year, one of the Orions crash-lands at Tulsa; the pilot and two passengers are injured.

As a result of investigations into the airmail scandal, the government cancels all existing mail contracts on February 9, **1934** (effective February 19) and orders the U.S. Army Air Corps to fly the mail.

As a result, Bowen now closes its services from St. Louis to Chicago, Springfield, and Tulsa. At the end of March, the Post Office, following the failure of the military operation, takes new bids on the mail routes. As a result, the company begins flying to Brownsville and a multistop to St. Louis.

Despite the lease of two Vultee V-1As from **American Airlines** in 1935, the company cannot effectively compete with **Braniff Airlines**. As a result, operations cease in February 1936 and the Vultees are returned to American.

BOWMAN AVIATION: 10811 West Perimeter Road, Fort Wayne, Indiana 46706, United States; Phone (219) 927-4040; Fax (219) 927-4048; Year Founded 1976. Bowman is originally established at Fort Wayne International Airport in 1976 to provide the services of an FBO. Over the next two decades, the company also undertakes executive and small group passenger charters. In 1998–2000, the company employs 11 pilots and operates aircraft from 2 major bases.

From Fort Wayne, Bowman flies 1 each Cessna 550 Citation II and 3 C-310s, while from De Kalb County Airport at Auburn, Indiana, it operates 3 C-310s and 1 each C-402, C-404 Titan, C-414 Chancellor, and C-421.

BRAATHENS, A.S.: P.O. Box 55, 1330 Oslo Airport, Oslo, 1330, Norway; Phone 47 (67) 59 70 00; Fax 47 (67) 59 13 09; <http://www.braathens.no>; Code BU; Year Founded 1998. Having initiated a program the previous October to change its corporate image, 3,290-employee **Braathens SAFE, A.S.** is renamed in January 1998. Work continues on the redesign of company publications, vehicles, signage, lounges, and aircraft livery.

Transwede Airways, A.B. is renamed **Braathens Sverige, A.B.** and continues to operate domestic flights from Stockholm to Lulea, Umea, Jonkoping, and Halmstad plus an international service to Oslo.

In April, the carrier's U.K. operations are transferred from London's Gatwick Airport to Stansted Airport. Plans are made to move into Oslo's new Gardermoen Airport, north of the capital.

In honor of the Norges Fotballforbund and its upcoming participation in the World Cup soccer matches to be held in France, the company paints "Vi Flyr Drill's" titles (Drill is the team nickname) on a B-737-405; the image of a player adorns the plane's tail.

On April 14, the first of the company's 3 B-737-7Q8s chartered from International Lease Finance Corporation is delivered, unveiling the airline's new aircraft color scheme. In addition to a stylized wing, an aurora borealis decal is worn on the sky blue tail.

The Dash-700s will be named for Norwegian royalty. The premier plane is christened *Ingeborg Eriksdotter*, followed by *Magnus Logoboter* (a Braathens B-737-505), *Erik Magnusson* (a B-737-505) and *Haakon Magnusson* (a B-737-405).

Following several months of negotiation, it is announced on August 17 that, effective in September, the Crafoord-Wiklund family, which owns Sweden's **Malmo Aviation Schedule, A.B.**, has sold its shares to Braathens for SKr 600 million (\$73.2 million). The Norwegian carrier offers to purchase the shares of the remaining minority shareholders, which includes board members and employees of Malmo.

Braathens Vice President Geir Olsen is placed in charge when, upon implementation of the sale, Malmo Chairman Stefan Wiklund steps down. The 450-employee Malmo continues operations, now as a member of the **KLM (Royal Dutch Airlines, N.V.)** alliance that includes Braathens as a major partner. Indeed, it will be revealed that the Dutch flag carrier has contributed \$19.5 million of the Malmo purchase price. The acquisition strengthens the Nordic leg of the **KLM-Northwest Airlines** alliance in its contest with **SAS (Scandinavian Airlines System)** for dominance of the Arctic market.

Plans continue to be made for the receipt of six purchased B-737-705s over the next three years.

A new route is inaugurated in October between Oslo and Haugesund, five times a day.

Passenger boardings for the year inch up 2.2% to 5.42 million, but cargo traffic is down by 5.5% to 5.73 million FTKs. Revenues jump 18.2% to \$823 million while expenses rise 25.5% to \$757 million. Although there is a \$66-million operating profit, there is also a \$2.9-million net loss.

It is announced on February 26, 1999 that the carrier will inaugurate B-737-7Q8 service in May from Bergen and Stavanger to Sandefjord Airport at Torp.

At the beginning of March, **Malmo Aviation Schedule, A.B.** is renamed **Braathens Malmo Aviation, A.B.** and its operations begin integration with those of **Braathens Sverige, A.B.** Its fleet of 11 BAe 146-200s is repainted to reflect the change.

The continuing political problems in the Yugoslav province of Kosovo boil over into a conflict between Belgrade and NATO on March 24. As aircraft from the NATO nations pound Yugoslavian targets in Operation Allied Force, hundreds of thousands of Kosovo refugees cross the borders into Albania and Macedonia. As aid workers struggle to provide relief, several governments step forward to provide sanctuary, agreeing to take some of the displaced persons.

Among the earliest nations to respond to the sanctuary plan is Norway. Prime Minister Kjell Magne Bondevik indicates that it will take in 6,000 refugees. As they arrive, return flights to the region will bring supplies obtained by the Norwegian People's Aid group. On April 5, the first group of 91 refugees bound for Norway is flown by a Norwegian military plane to Naples, Italy, where they are transferred to a Braathens B-737-405. Upon their arrival at Gardermoen Airport, Oslo, the passengers are taken by bus to a transit center, from which they are to be sent to communities throughout the country. Additional flights will follow.

When the situation in the Balkans changes, Soren Jessen-Petersen, deputy head of the UN's refugee agency, urges Norway and other countries to stop receiving refugees and instead help Kosovo Albanians in the area. Norway, which has received about 700 refugees and had committed to receiving up to 6,000, halts the organized contract transport after a last flight is completed on April 16. In announcing the cutback in parliament the previous day, Justice Minister Odd Einar Doerum notes that 1,100 refugees have thus far been flown into Norway by Braathens aircraft.

Daily nonstop B-747-451 roundtrips are started by **Northwest Airlines** on May 1, between Minneapolis (MSP) and Oslo. Simultaneously, the U.S. major and KLM partner begins to code-share with Braathens from Oslo to over 12 cities in Norway and Sweden.

In early May, the UN High Commission for Refugees asks Western nations to accept additional displaced Kosovans on a temporary basis. By May 11, Braathens and several Balkan-region carriers, also flying under contract, have delivered 2,783 ethnic Albanians to Oslo.

As a result of competition and problems at the new Gardermoen Airport, Braathens, on May 20, reports a growth in pretax losses from NKr 9 million to NKr 4,412 million, as well as an increase in the operating loss from NKr 2 million to NKr 379 million.

A total of 5,202 Kosovo refugees have been brought to Norway by May 27.

Widening competition and Nordic fare wars play havoc with the carrier. Overall passenger boardings are up 4.5% to 6,096,000 and cargo rises 3.2% to 5,917,000 FTKs. Even though operating income climbs 4.4% to \$827,838,000, expenses jump 10.5% to \$878,925. The previous year's small operating loss deepens to \$51,087,000 while the net downturn increases to \$76,072,000.

Airline employment stands at 3,978 at the beginning of 2000, an 11.1% decline. Two company B-737-505s make almost simultaneous emergency landings within 25 min. of each other, at two different airports—Oslo and Stockholm—in two countries—Norway and Sweden—on January 9 with identical faults. No injuries are reported from either incident.

A chartered B-737-3Y0 is returned during the first quarter; it will be repainted and leased to **Aeris, S.A.**

The company on April 27 enters into a sales and leaseback agreement with its largest shareholder, Braganza, A.S., for its Stavanger office

facilities and hangar. The Nkr 240 million price allows the airline a Nkr 160 million gain.

After two years at London (STN), the company shifts back to London (LGW) on May 3 for its Oslo–Bergen service.

As a result of the growing uncertainty at **KLM (Royal Dutch Airlines, N.V.)** caused by the April “demerger” with **Alitalia, S.p.A.** and the new merger talks with **British Airways, Ltd. (2)**, the joint venture planned by the Dutch carrier with Braathens is shelved on July 1.

BRAATHENS HELIKOPTER, A.S.: Norway (1989–1994). In 1983, the pioneer Norwegian airline **Braathens SAFE, A.S.** makes plans to enter the offshore helicopter market using Boeing Vertol 234LR Commercial Chinooks from Stavanger to Ekofisk for Phillips Petroleum (Norway). Discussions are held with Boeing Vertol later in the year toward acquisition of two helicopters.

When, in 1984, Phillips Petroleum (Norway) elects to retain its contract with **Helikopter Service, A.S.**, Braathens ends discussions with Boeing and makes no further effort to enter the offshore market for the remainder of the decade.

In September 1989, the company announces that it will, in fact, begin helicopter offshore support operations in the North Sea in the new decade. **Braathens Helikopter, A.S.** is established at a base at Stavanger’s Sola International Airport where company officials, led by President Bjorn Braathen and Managing Director Bjarne Sortland, sign several long-term contracts, worth between 800 and 900 million Krone (\$123.8 million to \$139.3 million) with Phillips Petroleum (Norway), Statoil, and Norsk Hydro. Work begins on another offshore support base, at Bergen’s Flesland Airport, and a \$50-million order is placed for 4 Aerospatiale AS-332L Super Pumas.

Airline employment in 1990 stands at 70 and the first Super Puma is delivered on May 21. Revenue operations commence on September 1. During the remainder of the year and into 1991, the 3 remaining Super Pumas are acquired. Braathens services contracts for Statoil and Norsk Hydro from Bergen and for Phillips from Stavanger and Sola. Late in the year, a fifth AS-332L is purchased.

Airline employment stands at 90 in 1992 and the investment in the helicopter line by parent **Braathens SAFE** totals 350-million Krone (\$54.2 million). A three-year contract with Amoco begins on February 1 and a sixth Eurocopter (formerly Aerospatiale) Super Puma arrives in May, followed by a seventh in September.

In November, the company begins to support a BP Oil contract from Sola. This contract, together with the Amoco arrangement, is worth 400–500 million Krone (\$62–\$77.4 million). Also during the month, the company makes a \$13.2-million order for two Sikorsky S-76Cs.

Services continue throughout the first three quarters of 1993. When Ludv. G. Braathens Rederi, A.S. elects to concentrate on the parent, the decision is taken to sell the company to **Helikopter Service, A.S.** The arrangement is completed in February 1994.

BRAATHENS MALMO AVIATION, A.B.: P.O. Box 37, Malmö-Sturup, S-20120, Sweden; Phone 040 (660) 29 00; Fax 040 (660) 28 49; <http://www.maviation.se>; Code 6E; Year Founded 1999. During late March 1999, **Malmö Aviation Schedule, A.B.** is renamed Braathens Malmö Aviation, A.B. to reflect its place in the airline group being established by **Braathens, A.S.**, its new owners. Malmö’s 11 BAe 146-200s are now repainted to reflect the new identity as its operations are integrated with **Braathens Sverige, A.B.** The new color scheme combines a red and blue cheatline similar to that employed in the parent’s new branding. Two of the BAes are introduced as “logojets.” The sponsors are the Swedish electric utility company Sydkraft and NetSys Technology Group’s “WebWare.”

Two Fokker 100s join the fleet in late summer. Arrangements are now concluded for the acquisition of 9 Avro RJ100s previously operated by **SAM Colombian Airlines, S.A.** Discovery of widespread fuel tank contamination in the SAM aircraft forces a postponement of the initial Malmö delivery scheduled for November 5. That confusion causes a delay in the trade-in to BAe-AMJ of several Malmö BAe 146-200s.

Having already lost SKr 300 million on unprofitable routes, company officials in mid-November institute a review of the route network. Only the profitable routes from Bromma to Malmö and Gothenburg are exempted as all others north of Sweden are closed on November 29, including those from Bromma to Lulea and Arlanda to Lulea.

It is learned in December that the first of the former SAM RJ100s will not be available before April. Customer bookings during the 12 months total 1,560,000.

Concerned with the adverse publicity generated by the route review, Managing Director Fons Brusselmans indicates in late January 2000 that the Malmö to London (LCY) route, slated to have been closed on January 10, is profitable and will be retained.

Flights between Oslo and Stockholm cease on June 25. On October 2, service is also discontinued between Malmö and London (LCY) and from Stockholm to Halmstad, in southwestern Sweden.

It is widely reported on October 8 that the carrier will probably revert to its old Malmö Aviation name.

BRAATHENS SAFE (BRAATHENS SOUTH AMERICAN AND FAR EAST AIR TRANSPORT, A.S.): Norway (1946–1998). Norwegian shipping magnate Ludvig G. Braathen forms his own charter airline on March 26, 1946. An order is placed for a fleet of 3 Douglas DC-4s, the first of which is received on February 11, 1947, and is christened *Norse Skyfarer*.

Revenue flight operations, initially on a monthly basis, but then weekly, are inaugurated; charters and inclusive-tour flights work the main shipping routes to northern South America and to Hong Kong that year and the next.

A Norwegian government license is acquired in 1949 to operate a scheduled Oslo–Hong Kong route. DC-4 service to the Far East begins on August 5, as the Douglas flies the longest overland service originating in Western Europe, from Oslo to Hong Kong via Amsterdam, Cairo, Basra, Karachi, Bombay, Calcutta, and Bangkok.

In 1950 and in cooperation with **Lofthedir/Icelandic Airlines, H.F.**, a connection is made to New York via Iceland.

Employing de Havilland DH 114 Herons, the airline opens scheduled domestic service in August 1952 over an Oslo–Stavanger via Tonsberg route; charter flights are also increased. Enplanements for the year total just 2,800.

A scheduled Oslo–Trondheim frequency begins in 1953. In anticipation of renewal of Far Eastern certification, orders are placed for 2 Lockheed L-1049E Super Constellations.

In July 1954, the Oslo–Hong Kong scheduled concession is acquired by **SAS (Scandinavian Airlines System)**, forcing Braathens to discontinue its flights on this route. Its external route concessions gone, the carrier is forced to cancel its Lockheed order and look to charters and inland Norwegian routes for its salvation; only 2,800 passengers are flown in 1955.

In 1956–1957, frequencies are initiated from Oslo to Stavanger, Alesund, Kristianstad, Molde, Roros, Kristiansund, Trondheim, and Farsund and from Bergen, Stavanger, and Alesund to Evenes, Bodo, and Tromsø.

On November 7 of the former year, the DH-114 Heron 2 B *Lars*, with 2 crew and 10 passengers, fails its climb away from Hommelfjell, Norway, and makes a forced landing near Tolga (2 dead). Parts of the wreckage will be employed to repair another Heron that is damaged on January 26, 1957.

In 1958, Braathens SAFE becomes Europe’s second Fokker Friendship operator when the first of several F.27s are delivered on December 20. Late in the year, the small carrier **Vestlandske Luftfartsselskap, A.S.** is acquired and merged, its equipment being employed to launch Bergen–Oslo operations.

The first Vickers Viscounts join the fleet in 1959. On April 2, the islands of Svalbard become accessible by air as a Braathens DC-4 from Bardufoss on the mainland, the *Norse Commander*, lands on a snow-covered tundra airstrip at Advent Valley (Adventdalen), Spitsbergen. In 1960, long-range Douglas DC-6Bs are placed in service for overseas charters.

Between 1961 and 1965, domestic Norwegian frequencies are improved and stepped up while overseas charter bookings for both cargo and passengers increase. On January 20 of the former year, a DC-6A is purchased from **Northwest Airlines**. During 1964, the new Tromsø Airport is opened; it will become the company's hub for flights to Spitsbergen.

In 1966, **Busy Bee Air Services, A.S.** is formed as a charter subsidiary. On April 18, DC-6Bs are introduced on the route from Bardufoss to Spitsbergen. A final DC-6B is acquired from the U.S.-based Boreas Corporation in June. As a result of Norway's discontent with **SAS (Scandinavian Airlines System)**, the country's new conservative government ends the conglomerate's privileged status over its domestic routes, turning them over to Braathens SAFE on May 15.

Operations continue apace in 1967-1968. The first Boeing B-737-205s and Fokker F.28-1000s are delivered in 1969; Braathens is launch customer for the Fokker jetliner, which begins its first scheduled service with the airline on March 28. The one-time Boreas Corporation DC-6B is withdrawn late in the year.

From 1970-1973, the route system increases to approximately 2,200 unduplicated miles and the fleet includes 2 B-737-205Cs, 5 F.28-1000s, 6 F.27s, and 6 DC-6Bs. Boardings average just under 1 million per year.

In 1972, **Busy Bee Air Services, A.S.** is rechristened **Air Executive Norway-Busy Bee, A.S.** in an effort to gain business traffic.

An F.28-1000 with 3 crew and 42 passengers crashes into a forest near Asker while on approach to Oslo on December 23 (40 dead).

In December 1973, the last of 121 DC-6B services flown to Spitsbergen over seven years is completed.

Jetliner service to Spitsbergen begins on January 17, 1974, when the B-737-205C *Halvdan Svarte* arrives at the tundra field at Advent Valley. The F.28-1000 *Olav Kyrre* is the first scheduled passenger liner to land at the city's new Svalbard Airport, on September 14. Enplanements for the year reach the 1-million mark, climbing to 1,381,680. The employee population is 1,181.

A sixth B-737-205 is acquired in 1975 and the 10 millionth domestic passenger is boarded on December 12. During the year, **SAS (Scandinavian Airlines System)** wins exclusive rights to operate the route from Tromsø to Spitsbergen. A total of 1,472,000 passengers are carried on the year while freight traffic climbs 6.6% above 1974.

The thirtieth anniversary is celebrated on March 26, 1976. A seventh B-737-205 is delivered in May and the fleet now also includes 4 F.28-1000s and 1 F.27s. The domestic community of Evenes joins the route network while inclusive-tour charter flights are inaugurated to Athens, Sicily, and Dubrovnik.

Passenger boardings jump 11.4% to 1.64 million while cargo accelerates 14.6%. Airline employment grows 3.6% to 1,223. The year ends on a sad note with the December 27 death of founder Ludvig G. Braathen.

Bjorn G. Braathen becomes president/CEO in January 1977, with his son, Erik G. Braathen, as executive vice president/chief operating officer. The last two F.27s are turned over to **Air Executive Norway-Busy Bee, A.S.** as yet another B-737-205 is added. Enplanements rise to 1,756,575.

Freight traffic rises 18.7% in 1978 and passenger boardings increase 7.5% to 1,899,000. Airline employment stands at 1,350 and the company now provides charters to 105 destinations in Africa, Europe, and the Middle East.

Three B-737-205As are delivered in 1979. Freight grows 10.2% and passenger boardings move ahead 9.5% to 2.04 million.

The workforce is increased by 5.4% in 1980 to 1,631. **Air Executive Norway-Busy Bee, A.S.** is renamed **Busy Bee of Norway, A.S.** in early spring and begins concentrating on military charters. Orders are placed for two high-tech Boeing 767-200s.

Passenger traffic jumps 9.3% to 2.2 million passengers flown and freight is up 11.8%. Revenue figures are released: on revenues of \$198.8 million, expenses are \$188.1 million, producing an operating profit of \$10.6 million, up 12.8%.

The employee population grows by 4.2% in 1981 to 1,700. Enplanements inch up 0.8% to 2,191,000 and freight grows 3.5% to 4.55 million

FTKs. Airline employees total 1,700 in 1982. Freight climbs 1.6% to 4.63 million FTKs and passenger boardings ascend 4.6% to 2,291,000.

One hundred new workers are hired in 1983. Braathens now makes plans to enter the offshore helicopter market using Boeing Vertol 234LR Commercial Chinooks from Stavanger to Ekofisk for Phillips Petroleum (Norway). Discussions are held with Boeing Vertol later in the year toward acquisition of two helicopters. In a joint venture with **Britannia Airways, Ltd.**, a rediffusion B-767 simulator is installed at the U.K. carrier's London (CTN) base.

Passenger traffic only increases 0.3% (2,298,000 passengers carried) and freight dips 0.8% to 4.59 million FTKs. An operating profit of \$13.2 million is, nevertheless, recorded.

Two new B-767-205s are received in 1984 and are placed in service flying inclusive-tours from Norway and Sweden to the Mediterranean and Canary Islands. When Phillips Petroleum (Norway) elects to retain its contract with **Helikopter Services, A.S.**, Braathens ends discussions with Boeing and makes no further immediate effort to enter the offshore market.

Passenger boardings rebound upward 8.7% to 2,572,824 and freight advances 7.5% to 3.18 million FTKs. Revenues are up 15.5% to \$168.7 million, but expenses rise 19.9%, forcing the operating profit down to \$8.9 million and the net profit to \$4 million.

The employee population numbers 7,628 (168 of them Busy Bee) in 1985. The fleet now comprises 10 B-737-205As, 2 B-767-205ERs, and 4 F.28-1000s, plus 1 B-737-205 and 8 F.27-100s dedicated to **Busy Bee of Norway, A.S.** As the result of a corporate decision taken during the summer to rationalize on the type, orders worth \$110 million are placed for 6 new B-737-205s.

An armed man, who wants to see Prime Minister Kare Willoch of Norway, hijacks Flight 139, Busy Bee's B-737-205, with 121 passengers en route from Trondheim to Oslo on June 21, but later surrenders at the plane's destination in exchange for some beer.

One B-767-205ER is sold back to Boeing in October for \$9.6 million, while 2 B-737-205As are now based in Sweden to operate inclusive-tour flights. **Busy Bee of Norway, A.S.** celebrates its twentieth anniversary late in the year and at year's end, corporate headquarters are moved from downtown Oslo to a new site at Fornebu. The route network now includes 14 airports from Kristianstad in the south to Tromsø in the north.

The parent's enplanements jump 11.4% to 2.87 million and freight skyrockets 69% to 5.39 million FTKs; **Busy Bee of Norway, A.S.** hauls 630,000 passengers. Revenues at Braathens jump 20.4% to \$240.7 million (not including \$3.18 million earned by Busy Bee) and expenses are up 12.5% to \$214.9 million. As a result, profits are \$25.8 million (operating) and \$22.5 million (net).

The payroll grows by 2.4% in 1986 to 2,400. Braathen's fortieth anniversary is celebrated on March 26. The F.28-1000s are taken out of service during spring and summer and sold, while in May, Erik Braathen becomes executive vice president/chief operating officer. The second B-767-205ER is also sold during the summer as the 6 B-737-205As ordered in 1985 arrive during the second and third quarters. Four F.27-100s are also leased for the **Busy Bee of Norway, A.S.** subsidiary.

Application is made for an Oslo-Spitzbergen via Trondheim and Tromsø route. Should Norwegian liberalization occur, services are also planned for Oslo-Brussels, Bergen and Stavanger-Paris, Bergen-Newcastle, and Stavanger-Manchester.

Passenger boardings accelerate 4.4% to 3,023,000 and cargo increases 22.4% to 5.96 million FTKs. Profits of \$31.97 million (operating) and \$21.6 million (net) are achieved.

Airline employment is increased by 11.4% in 1987 to 2,541. Several new Norwegian routes are inaugurated during the year and a hotel subsidiary is formed to operate two airport hotels on the outskirts of Stavanger and Oslo. On April 1, Braathens is once again granted certification for the Tromsø to Spitsbergen service; weekly flights over the route are started by the B-737-205A *Magnus Lagaboter* on August 14.

The company's leasing subsidiary orders 5 B-737-505s in a launch order bettered by the parent's request for 20. Braathens also orders 5 B-737-405s.

Passenger bookings jump 7.6% to 3,451,000 while freight dips 6.5% to 3.85 million-ton kilometers. Revenues advance 15.8% to \$340.3 million and costs are held low enough to generate an operating profit of \$43.15 million. Net gain totals \$54.6 million.

The employee population grows 10.9% in 1988 to 2,817 and the fleet includes 19 B-737-205s. Orders are outstanding for 20 B-737-505s and 5 B-737-405s. In December, the carrier appoints Manufacturers Hanover Trust to arrange with the Long Term Credit Bank of Japan a \$260 financing facility for the aircraft purchase, with both banks doing the underwriting.

Customer bookings increase a respectable 7.2% to 3,698,817, but cargo declines by 1.9% to 3.78 million FTKs. Revenues jump 8.7% to \$388.5 million, expenses climb 15.4% to \$360.3 million, and the operating income drops to \$28 million. Net profit is also down, to \$22.6 million.

The payroll inches up 2.9% in 1989 to 2,900. Erik Braathen, son of President/CEO Bjorn G. Braathen, succeeds his father as head of the company.

A B-737-205A carrying 55 shipping company officials to a ship christening in West Germany, crashes in the Skagerrak, the eastern arm of the North Sea on September 8, while en route from Oslo to Hamburg; there are no survivors.

Also in September, the carrier reenters the rotary-wing market, establishing **Braathens Helikopter, A.S.**, which will participate in the support of the offshore energy industry.

Passenger boardings dip 0.9% to 3,071,125, but freight moves ahead a slow 1.7% to 3.76 million FTKs. An operating profit of \$39.5 million is generated, along with net gain of \$3.3 million.

Company employment grows 3.1% in 1990 to 2,754 and fleet orders are outstanding for 1 B-737-405 and 15 B-737-505s, the first of which is delivered to the European launch customer in March. Passenger boardings jump 9.7% to 3,838,000 while freight inches up 1% to 3.8 million-ton kilometers. Revenues swell 25.1% to \$451.1 million and allow profits: \$59.7 million (operating) and \$4.7 million (net).

The workforce is cut 0.8% in 1991 to 2,733 and the fleet now includes 1 leased B-737-2E1, 4 owned and 6 chartered B-737-205As, 1 B-737-296A, 3 owned and three chartered B-737-405s, and 5 owned and 2 leased B-737-505s. Three B-737-205As are leased to **VASP Brazilian Airline (Viacao Aerea Sao Paulo, S.A.)** and orders are outstanding for 15 B-737-505s.

New routes are inaugurated to Newcastle, Manchester, and Malmo. Recession and the Gulf crisis limit growth in customer bookings to 0.9%, or 3,871,000. Cargo inches up a very slight 0.6% to 3.82 million FTKs. Revenues incline upward by 3.4% to \$466.5 million and operating income reaches \$66.3 million. Net profit slides to \$1.8 million.

Another 0.5% of the payroll is trimmed in 1992, reducing employee numbers to 2,719. Two of the 4 owned B-737-205As are withdrawn as 11 owned B-737-505s are added, one of which is chartered to **Xiamen Airlines**. The second, *Erik Magnusson*, is painted for the summer with a grey belly, white fuselage, and white tail with the Norwegian flag; additionally, different figures from author Tobjorn Egner's *Kardemomme by (Town of Kardemomme)* are painted on each side below the window-line forward of the wing.

Additionally, two B-737-405s are leased to **Malaysian Airlines, Ltd.** In November, a new route is inaugurated between Oslo and London (LGW).

Passenger boardings increased by 7.4% to 4,156,131 while freight swells 18.9% to 4.58 million FTKs. Revenues, of which a sixth comes from charter operations, advance 15% to \$536.4 million and expenses grow only 8.3% to \$433.4 million. As a result, the operating surplus jumps to \$103 million and net gain hits \$3.4 million.

In 1993, Chairman Ave Johnsen and President/CEO Erik G. Braathen oversee a workforce of 2,900, up 6.7% over the previous year. The fleet now includes 4 owned and 2 chartered B-737-405s, 1 B-737-296A, 1 leased B-737-205A, and 19 B-737-505s. The **Xiamen Airlines** lease is increased to include 2 of the latter type while 1 B-737-505 is chartered to **Deutsche Lufthansa, A.G.**

In January, service is initiated from Tromso to Murmansk. In addition to this new service, a multistop coastal return service is run from Tromso to Stavanger. Before the start of the summer schedule at the end of March, one of the B-737-505s is painted in a special "Sommerflyet" scheme, with markings designed by children. The name and age of the child who created it identify each individual piece of artwork on the fuselage of the plane. Per custom, the standard livery will be returned in early October.

The main network is, however, that operated from Oslo to Alesund, Bergen, Billund, Bodo, Evens, Haugesund, Kristianstad, Malmo, Molde, Roros, Stavanger, Svalbard, Tromso, Trondheim, and Newcastle, U.K. The company is listed on the Oslo Stock Exchange in December.

Customer bookings for the year rise 3.4% to 4,298,178 while cargo moves ahead by 6.1% to 7.7 million FTKs. A \$50.21-million operating surplus is reported, along with net gain of \$3.41 million.

Airline employment remains the same in 1994 as the fleet is increased by 1 B-737-505. Of the 20 machines of the type now on hand, 3 are leased out to **Xiamen Airlines**.

On January 10, the carrier's shares commence trading on the Oslo Stock Exchange. The largest shareholder is Ludvig G. Braathens Rederi, A.S., with approximately 1,000 other shareholders also providing equity. Arve Johnsen becomes board chairman.

The **Braathens Helikopter, A.S.** subsidiary is sold to **Helikopter Service, A.S.** in February, and in March the company enters into a marketing alliance with **Finnair, O/Y**. The arrangement calls for joint handling at Oslo, shared frequent flyer programs, and planning for joint flights with code-sharing. This year's "Sommerflyet" paint scheme honors the Olympic Games; the "Olympiaflyet" markings will be retained until the following January.

The B-737-296A is retired in September and is sold in October. In November–December, one B-737-505 is sold to Japanese investors and a purchase agreement is signed with Boeing for two more to be delivered in 1996–1997.

Passenger boardings during these 12 months swell 8.4% to 4,657,000 and operating revenues advance by 8.6% to \$522.22 million. With expenses at \$466.38 million, there is an operating profit of \$104.84 million and a net surplus of \$29.06 million.

The workforce grows by 6.8% in 1995 to 3,108. The big event of the year is integration of the carrier's BRA Card frequent flyer program into the Air Miles plan of **British Airways, Ltd. (2)**.

Customer bookings jump 7.1% to 4,991,023 while cargo moves upward 17.8% to 7.5 million FTKs. Most of the passengers flown are conducted over the company's scheduled domestic route network, one of the largest in Europe. At 5%, charter traffic is now just half of what it had been only four years earlier.

Operating revenues swell 9.6% to \$632.34 million but expenses climb just 8.4% to \$511.56 million. As a result, operating gain swells to 120.78 million and a net gain of \$37.81 million is posted.

Airline employment rises 5.9% to 3,290 in 1996 and the owned fleet includes 2 B-737-205A, which are leased out, 2 B-737-405, and 16 B-737-505s. Also operated under charter are 1 B-737-4Q8, 4 B-737-405s, and 4 B-737-505s, of which 3 are subleased to **Xiamen Airlines**.

The company celebrates its fiftieth anniversary and scheduled services are inaugurated to Nice, Rome, and Jersey from Oslo. In late June, a 50% stake is taken in **Transwede Airways, A.B.**, with the option of taking over the remainder at the end of the following year. In return for taking over a Sfr 35 million subordinated loan, Braathens receives significant benefits. These include 60 slots at Stockholm's Arlanda Airport, facilities, staff, and leased Fokker 100s.

The Transwede arrangement also gives Braathens a turnkey domestic scheduled network in Sweden; connection to this network is made in October when Braathens launches five-times-per-day return frequencies between Oslo and Stockholm.

Enplanements accelerate 8.6% to 5,420,644, but freight traffic declines 5.1% as 7.11 million FTKs are operated. A net profit of \$12 million is reported on operating revenues of \$350 million. Equity amounts to 33% of total assets at the end of the year and the net-debt-to-equity ratio is 58%.

A \$255-million order is placed with Boeing during the second week of February 1997 for the purchase of 6 Next Generation B-737-700s; deliveries will commence in 1998.

During the first quarter, a B-737-505 receives a special new livery to promote the one-thousandth birthday of the city of Trondheim. It is also renamed *Olav Trygvason*, after the Haarfagre clan king of Norway who established the city. Simultaneously, two former **SAS (Scandinavian Airlines System)** executives are hired; Geir Olsen becomes executive vice president and Vidar Meum is appointed vice president-commercial.

On the morning of August 17, a letter of intent signifying a new strategic relationship is signed in Oslo by the president/CEO of Braathens SAFE, Erik G. Braathen, and the managing director/CFO of **KLM (Royal Dutch Airlines, N.V.)**, Rob J. N. Abrahamsen. The Dutch flag carrier acquires a 30% holding in the Norwegian airline from its current major (68.8%) shareholder, the shipping company Ludv. G. Braathens Rederi. The acquisition price is Nkr200 million (\$95 million).

Simultaneously, spurred on by the pending alliance between **American Airlines** and **British Airways, Ltd. (2)**, the two negotiate a new working relationship in several areas. Among these will be greater coordination of connecting services, offering Braathens' customers the wide selection of connecting services through Amsterdam's Schiphol Airport using the KLM and partner global route network. The two airlines also consider increasing the frequency of service between Norway and Schiphol and intensifying cooperation between Braathens and **Air UK, Ltd.** on Norway-United Kingdom routes. KLM and its alliance partner **Northwest Airlines** will focus also on creating optimal connections between Scandinavian and U.S. markets.

Braathens and KLM will also join forces in marketing and sales and examine potential for cooperation in areas including equipment maintenance and purchasing and airport services. Braathens' frequent flyer program, BRACard, and KLM's Flying Dutchman program will be linked; points earned at the respective carriers' flights will be interchangeable.

A code-sharing agreement is entered into with **Finnair O/Y** during September for a total of six daily return frequencies between Stockholm and Oslo. Under its terms, the two carriers will book seats for sale on each other's flights, with Finnair operating one flight and Braathens the rest.

Details for the KLM equity purchase are finalized in October. At the same time, the Scandinavian Design Group is asked to come up with a new corporate identity for the carrier. Ten employees are assigned full-time to the account.

In addition to the KLM pact, which is seen as a way to contest **SAS (Scandinavian Airlines System)** domination of the Norwegian domestic and European regional markets, Braathens, according to the plan worked out with KLM on December 1, also initials a strategic, but non-equity, alliance with **Northwest Airlines**. Under its terms, the carrier will code-share on NWA flights between the U.S. and London (LGW) and Amsterdam and NWA is accorded dual-designator status on Braathens routes from London (LGW) and Amsterdam to Norway.

The final acquisition of **Transwede Airways, A.B.** is completed at the end of the year.

On the year, customer bookings jump 15% to 6,510,000 and operating revenues surge 20.8% to \$720 million. Costs climb 24.2% to \$683 million. Although the operating profit falls to \$37 million, a \$26-million net gain is celebrated.

Airline employment in 1998 stands at 3,290; it will be increased 7.4% to 3,534. In January, the carrier is reborn as **Braathens, A.S.**

BRAATHENS SVERIGE, A.B.: Sweden (1998-1999). Having acquired 100% ownership of **Transwede Airways, A.B.** at the end of 1997, **Braathens, A.S.** renames its acquisition early in 1998. Employing four, leased Fokker 100s, the carrier continues to operate domestic services from Stockholm to Lulea, Umea, Jonkoping, and Halmstad, plus an international route to Oslo, home of its parent.

In March 1999, **Malmo Aviation Schedule, A.B.**, a recent Braathens acquisition, is renamed **Braathens Malmo Aviation, A.B.** At this point, Braathens Sverige operations are taken over by and integrated into Braathens Malmo.

BRADFORD AIR TRANSPORT: United States (1985-1986). Mike Cardimone and Leo Angevine establish Bradford Air Transport at St. Mary's, Pennsylvania, during February 1985 to provide scheduled passenger and cargo flights to Pittsburgh. Employing a Piper PA-32 Cherokee Six, Bradford inaugurates daily roundtrips in March.

Operations continue apace until the following March when the company is renamed **West Penn Commuter**.

BRADLEY AIR SERVICE, LTD.: Canada (1946-1978). This pioneering Ontario operator is formed at Carp, Ontario, by Robert Bradley in 1946 as the small Frobisher Bay-based FBO and flight training operator Bradley Air Service, Ltd. A charter division is formed in 1954 to obtain aircraft and participate in the construction supply contracts being awarded for the Canadian DEW line. Operations become quite extensive and contract services, together with charters, are flown from bases at Eureka, Frobisher Bay, and Resolute Bay in the Northwest Territories.

The company is bought by pilot John G. Jamieson upon Bradley's death in 1970.

During the 1970s, operations are conducted with a fleet of 4 Douglas DC-3s, 2 Beech 18s, 3 de Havilland Canada DHC-2 Beavers, and 2 DHC-6-300s.

A DHC-6-300 and a DC-3 are destroyed in a hangar fire at Carp on January 28, 1974.

The operation remains largely unchanged until October 1978, when owner Jamieson is able to acquire the former *Nordair Arctic* service and two de Havilland Canada DHC-6-300 Twin Otters from **Survair, Ltd.**

At this point, Bradley Air Service, Ltd. is reformed and the scheduled commuter airline division **First Air, Ltd.** is established at Ottawa. Its fleet now comprises 6 DHC-6s and 7 Douglas DC-3s. Bradley continues charter and contract service flights into the Arctic under its own name.

A DHC-6-300, with two crew and four passengers, is 40 feet over the runway on final approach to Frobisher Bay on August 23 when it rolls left and hits the ground (one dead).

One of the DC-3s is withdrawn in September and another in November. A Hawker Siddeley HS 748-A2 is acquired in December.

BRAIN & BRAUN AIRFREIGHTERS (PTY.), LTD. See BBA CARGO (PTY.), LTD.

BRANIFF, INC.: United States (1983-1989). Chicago financier and Hyatt Hotel owner Jay Pritzker forms the Dalfort Corporation as a holding company in early 1983. This company now launches Braniff, Inc. as a national carrier and successor to the pioneer that had failed on May 12, 1982. Former **Trans World Airlines (TWA)** Vice President William Slattery is appointed president.

On June 23, Hyatt Air, an affiliate of the Hyatt Corporation, and the creditors of the old airline initial the "Hyatt Agreement," which will see Hyatt make equity investments in, and arrange for loans to, the new carrier. The agreement, the basis for a reworked reorganization plan filed on July 15, is confirmed by the U.S. Bankruptcy Court for the Northern District of Texas on September 1.

The new operation is incorporated in Nevada on November 29. Pritzker and other members of his family-owned company take the carrier out of bankruptcy on December 15, after raising \$21.4 million in a public offering and investing another \$100 million.

On February 10, 1984, the new entrant announces a promotional campaign in cooperation with the March of Dimes, in which the airline will distribute discount coupons to passengers and donate part of their ticket price to the charity.

Employing a fleet of 30 leased Boeing 727-227As leased from a trust established to benefit the secured creditors of the old **Braniff International Airways**, scheduled service, with the emphasis on business class, is inaugurated by the 2,200-employee airline between Dallas (DFW) and 19 other U.S. cities on March 1. The event is the largest one-day start-up in commercial aviation history. A total of 170 daily departures are now offered.

Losses during late spring and summer are heavy; Vice Chairman Patrick Foley, who is also president of Hyatt Hotels, now spends several days a week assisting President Slattery at Braniff HQ. A former local Teamsters official, Marvin Schlinke, is appointed vice president-customer services.

Unable to compete effectively at Dallas (DFW) against **American Airlines**, it is decided in September to shift away from corporate traffic in favor of low-fare tactics. The move to discount fares, which will prove unsuccessful, is accompanied by a 25% reduction in staff. On October 1, the number of flight frequencies in several markets is reduced; overall departures decline to 145 daily.

Two months later, in November, Ronald Ridgeway replaces President Slattery and a total restructuring of the carrier begins. Leases on 10 aircraft are ended, service is slashed, the workforce is cut, and the route system is downsized. Despite high hopes, the results of the first three-quarters of the reincarnation are initially bad.

Enplanements total 2,362,000 and 3.33 million FTKs of freight are hauled. Revenues total \$205.4 million, but expenses are \$300.9 million. The operating loss is \$95.5 million and the company suffers a net loss of \$86.5 million.

By the end of January 1985, airline employment is down to 1,200 and the fleet includes 20 leased Boeing 727-227As. In February, the carrier's creditors reject an offer of \$160 million for its remaining assets. A mini-hub is opened at Kansas City on April 28, as the Dallas (DFW) center is de-emphasized.

Enplanements for the year total 2,402,000 and a total of 9.41 million FTKs are flown. Revenues advance 18.9% to \$244.31 million, costs fall (largely as a result of restructuring) by 25.1% to \$225.19 million, and a \$19.11-million operating profit is achieved. The first net profit is \$23.04 million.

Airline employment jumps 32.6% in 1986 to 1,940, as Kansas City becomes the company's primary hub. Services are started to nine new markets from the Missouri hub, but in the process Braniff is caught up in the fare wars triggered by **Frontier Airlines (1)** and **PEOPLExpress**. Manhattan, Kansas-based **Capitol Airlines** becomes a "Braniff Express" code-sharing partner in December over three routes within the Sunflower State.

The year's passenger boardings jump 6.5% to 2,556,851 and cargo increases 121.3% to 21.39 million FTKs. Total revenues decline 2.2% to \$234.35 million, expenses incline upward by 9.6% to \$246.65 million, and the operating loss is \$12.29 million. The previous year's net gain now becomes an \$8.98-million loss.

The workforce is cut 22.7% in 1987 to 1,500. In February, twice-daily nonstop service is begun to Ft. Lauderdale from Washington, D.C., as are daily Dallas (DFW) to Ft. Lauderdale via Miami frequencies. Effects of the previous year's fare wars and the costs of the major expansion into Florida now hurt the carrier finances. In May, Hyatt Hotels Corporation chairman Patrick Foley becomes president/CEO, with the mission of making the company attractive to a prospective buyer.

During the fall, a new Encore frequent flyer program is introduced. In October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

Beginning in November, 10 former **American Airlines** B-737-223s are leased along with 5 more B-727-227As. Late in December, negotiations are undertaken and completed for the purchase of the financially troubled large regional **Florida Express**.

Ironically, the takeover will bring Braniff, under lease, 9 BAC 1-11-203AEs originally sold by **Braniff International Airways** to **Allegheny Airlines** years earlier and then passed on to Florida Express by **USAir**. At the same time, owner Pritzker approaches **Pan American World Airways (1)** seeking a merger. Although the major's chairman, C. Edward Acker, favors the move, his vice chairman, Martin R. Shugrue Jr., publicly opposes such a deal. In the face of these mixed signals, Pritzker retreats from his offer and seeks other buyers.

Despite these maneuvers, customer bookings still jump 38.7% to 3,546,000 while freight balloons 42.5% to 30.48 million FTKs. Although revenues rise 24.2% to \$297.4 million, expenses shoot up 24.8% to \$315.78 million. As a result, the operating loss increases to \$18.37 million and net loss falls to \$12.21 million.

Airline employment skyrockets 173.9% in 1988 to 4,108. On January 15, **Florida Express** begins "Braniff Express" BAC 1-11-203AE services throughout the Sunshine State; 3 more of the British-made jetliners will be delivered through the year as 12 are sold to Guinness Peat for \$30 million and then leased-back. Simultaneously, the parent initiates twice-daily B-727-227A flights from Orlando to Chicago, Detroit, New York, and Washington, D.C., and daily frequencies from Orlando to Dallas (DFW).

In February, daily nonstops commence from Cleveland and Atlanta to Orlando. **Florida Express** flights are fully incorporated into the Braniff system in March, the same month in which the last chartered B-737-200 is received. Fares are raised in the early spring and the **Florida Express** purchase is completed on April 19. Later in the month, daily nonstop "Braniff Express" flights begin from Atlanta to Orlando, St. Petersburg, and Clearwater, while B-727-200 daily service from Cleveland to Orlando becomes twice daily.

On June 9, the wealthy developers Jeffrey Chodorow of Philadelphia and New Yorker Arthur Cohen, having established the holding company BIA-COR Holdings in association with PaineWebber Group, purchases 80% control of the airline from the Pritzker family in a \$117-million leveraged buyout (LBO) completed six days later. Each partner contributes \$5 million and the rest comes from funds borrowed from PaineWebber (\$33 million), European American Bank (\$20 million), and **American Airlines** (\$21 million), plus assets sales.

The new owners bring in a new, mostly ex-**Piedmont Airlines** management team on June 25, led by the **USAir** subsidiary's former president/CEO William G. McGee. The company, also in June, begins daily B-727-227A frequencies from Kansas City to Cleveland and Seattle in June, plus twice-daily flights from Kansas City to Albuquerque, Denver, and Indianapolis.

On July 1, daily nonstop flights begin from Kansas City to Milwaukee, Omaha, and Wichita. On August 31, **Eastern Air Lines** pulls out of Kansas City, leaving it to Braniff. On September 12, the carrier is rescheduled on its new Kansas City hub (formerly operated by Eastern); daily departures from that point increase from 50 to 76. Frequencies are increased to 18 destinations and new service is opened to Boston, Philadelphia, Oklahoma City, and Houston.

The **Eastern Air Lines** commuter affiliate, **Air Midwest**, now becomes a "Braniff Express" carrier the same day; however, "Braniff Express" partner **Capitol Airlines** is served notice that its code-sharing agreement will be cancelled at the end of the fourth quarter. Simultaneously, Braniff sells four gates at Dallas (DFW), a hangar at Chicago (ORD), the **Florida Express** assets at Orlando, and slots at a few other airports to **American Airlines** for \$41 million.

Additionally, \$50 million in orders are placed with the BAC lessor for 24 Fokker 100s to replace the BAC 1-11s flown by subsidiary **Florida Express** and takes over the order for 50 Airbus Industry A320-200s abandoned by **Pan American World Airways (1)**.

A deal is made to obtain 7 B-737-293s, 3 B-737-2Q9s, 2 B-737-210Cs, and 1 each B-737-219, B-737-244, and B-737-247, plus eight B-737-3A4s from partner **American Airlines**. Departures from Kansas City increase to 82 per day on October 1, the most ever offered by a single airline from that city. Markets are entered at Tucson and Tulsa, and the new Kansas City hub is linked to the carrier's secondary hub at Orlando.

Braniff stockholders vote to approve the transfer of their carrier to BIA-COR Holdings on October 24, at which point long-term debt rises from \$22 million to \$53.5 million. These various changes and positive public moves result in traffic gains, even as the airline finds itself in the red.

Passenger boardings increase 40.4% to 4,977,000. Cargo, however, falls by 33.1% to 30.32 million FTKs. Revenues balloon 61.2% to \$479.4 million, but are exceeded by costs, which jump 62.9% to \$514.5 million. The operating loss deepens almost by half to \$35 million and net loss doubles to \$24.6 million.

Already in court over the matter, the cancellation of the code-sharing agreement with Manhattan, Kansas-based **Capitol Airlines** comes into effect on January 2, 1989. Later in the month, a sixth daily roundtrip is added between Dallas (DFW) and Kansas City. The integration of **Florida Express** is completed on January 31. In early spring, the company announces plans to relocate its corporate headquarters to Orlando, site of the carrier's secondary hub.

It will also build new maintenance facilities at both locations and reopen the Kansas City reservations center. In March, services are initiated to Washington, D.C. (IAD) and Seattle and Tacoma from most network destinations. Daily roundtrip nonstop flights are added in April from Kansas City to Newark and Ontario, California.

In May, Drexel Burnham Lambert and PaineWebber sell \$100 million in 10-year senior reset notes with warrants to purchase Braniff common stock.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. Braniff, with six security breaches, is faced with \$24,000 in punishment.

Also during the spring, a new "Reebok" livery is unveiled upon 2 B-737-293s and 2 SAAB 340As; however, company officials determine that the new colors are a mistake and order a new livery developed, reminiscent of the predecessor's "Flying Colors."

Twice-daily Newark-Orlando operations commence in July, the same month that the (first in the U.S.) Airbus Industrie A320s powered by V2500 engines are accepted. The new livery ordered earlier is first displayed on two new Airbuses: light blue undersurfaces, white top and tail, and large red "billboard" titles on one and, on the other, forest green undersurfaces, white top and tail, and large purple titles. At the same time, a B-737-293 is given a scheme with white undersurfaces, navy blue top and tail, and black titles and tail outline in robin's egg blue.

As of July 31, the carrier has \$177 million in long-term liabilities and a shareholder's deficiency of \$23 million; only \$3.6 million in cash is available and there is a working capital deficit of \$117 million.

Airbus flights commence in mid-August. The same month, the carrier agrees to pay the lessor, GPA Group, \$12 million for the early return of its 12 BAC 1-11s as well as \$31 million to switch its Fokker 100 order to one for 20 B-737-300s. Costs associated with the previous year's ownership change and huge aircraft order amendments cannot be covered. On September 28, the company files for Chapter XI bankruptcy; major creditors include **American Airlines**, which is owed \$21.3 million. The move forces the layoff of half the 4,700-person workforce. With only \$5 million on hand after the summer season, operations are continued until the cash runs out on November 7 and all services cease.

Employees are laid off over the next three weeks and on November 24 the national closes its doors. Through the year's first 11 months, Braniff flies a total of 4,868,000 passengers, a 6.5% increase over the same period a year earlier.

The company, which has retained a skeleton crew of 150 to operate charters, agrees in January 1990 to return 5 A320s that it has been leasing from GPA Group and for which it cannot make rental payments. During the first quarter, several B-727-227A charters are operated, but the airline cannot be reorganized and must enter Chapter VII liquidation.

On April 23, a bankruptcy judge authorizes the sale of the carrier's trademarks, flight certificates, and operating manuals, for \$313,000, to former owner Jeffrey Chodorow, who wants to begin his own airline, **BN Air**.

PAUL R. BRANIFF, INC.: United States (1928–1929). The pioneer passenger airline of the southwest initially joins the industry in May 1928 when insurance man Thomas E. Braniff and his younger brother, Paul, a World War I flyer and veteran of the 16th Aero Squadron, organize the company Paul R. Braniff, Inc. A significant financial backing is obtained from two Oklahoma oil concerns.

Employing 4 Stinson SB-1 Detroiters, the brothers' infant firm commences passenger-only operations on June 20 over a 116-mile route between Tulsa and Oklahoma City, and later Wichita Falls.

En route over Arcadia, Oklahoma, the plane is fired upon by moonshiners, who believe there are "revenuers" aboard.

Following the inaugural, thrice-daily roundtrips are continued between Oklahoma City and Tulsa. A total of 3,000 passengers are flown in the first six months.

With insufficient income caused by lack of a subsidized mail contract, the company is only able to continue flying until spring of 1929. On April 1, Paul R. Braniff, Inc. is purchased by the Universal Aviation Corporation, a forerunner of today's **American Airlines**, which will operate it as a subsidiary division of its **Universal Air Lines System**. Paul Braniff now heads off to Mexico where he will fly as a pilot for Theodore Hull's **CAT (Corporacion de Aeronautica de Transportes, S.A.)**.

BRANIFF AIRWAYS: United States (1930–1948). Braniff Airways is incorporated at Oklahoma City by the brothers Thomas E. (president) and Paul R. (secretary-treasurer-chief pilot) Braniff on November 3, 1930. A clause in the incorporation documents states that, as long as an airline operation is maintained under its terms, the concern must keep the name Braniff and it cannot be changed.

Ten days later, the new southwestern entrant commences passenger, cargo, and express revenue operations with two Lockheed Model 5 Vegas over the previous routes of **Paul R. Braniff, Inc.** to Tulsa and Wichita Falls. On December 5, the system is stretched from Tulsa to Kansas City.

A total of 54,944 miles are flown in 2 months and 1,181 passengers are transported.

On February 25, 1931, a Kansas City–Chicago segment is opened via St. Louis. Capitalization is now increased to \$100,000, half of it contributed by Windy City businessman Benjamin Clayton. Hoping to participate in a successful Midwest network of combined independents, the company instigates the formation of the Independent Scheduled Air Transport Operators' Association.

It now enters into agreements in April with **Reed Airline**, **Rapid Air Transport**, **Hanford Tri-State Air Lines**, **Wyoming Air Service**, **U.S. Airways**, **Midland Air Express**, **The Oklahoma-Texas Air Line**, **Transamerican Airlines Corporation** a.k.a. **Thompson Aeronautical Corporation**, and with Errett L. Cord, president and CEO of **Century Air Lines**.

On December 5, a Lockheed Model 5 Vega, piloted by Jack Ayres with five passengers en route to Chicago from Kansas City, is caught in a sleet storm and crashes while making an emergency landing at Kewanee, Illinois (two dead).

Assisted by a strong tailwind, pilot R. V. Carleton, flying a Lockheed Model 5 Vega with six passengers establishes a record for the Oklahoma City–Tulsa run on August 1, 1932: 244 mph.

As the result of investigations into an airmail scandal, the government cancels all airmail contracts on February 9, 1934 (effective February 19) and calls upon the U.S. Army Air Corps to fly the mail. Loss of business leads Braniff to close its Tulsa–St. Louis route.

When the military option fails, the Post Office takes new bids on the routes at the end of March. As a successful applicant, the Braniff brothers acquire in May the Chicago–Dallas via Kansas City, Wichita, Tulsa, Oklahoma City, and Fort Worth, route previously flown by **United Airlines**. Operated via Kansas City, Wichita, Ponca City, and Oklahoma City, the service becomes the source of the carrier's principal income in June.

Following passage of the new Air Mail Act in midyear, the carrier expands dramatically; in addition to new mail-subsidized flights over

CAM-8 from Dallas to Chicago, markets such as Wichita and Fort Worth begin to receive visits from the company's Lockheeds. Mail service is inaugurated on May 17 and passenger flights begin 13 days later.

Although mail continues to be flown, passenger service is suspended for the winter in November between Kansas City and Chicago. En route to Chicago from Dallas on December 8, a Lockheed Vega mailplane ices up over Columbia, Missouri, and crashes (one dead).

On January 1, 1935, the Braniff brothers acquire **Long and Harmon Airlines**, which holds AM-15 mail contracts for 10 Texas cities, including Dallas–Amarillo and Amarillo–Brownsville, plus other assets, including 2 Ford Tri-Motors, 5-AT-70 and 5-AT-86. At the same time, the company places an order for its first purchased twin-engine airliners, 7 Lockheed Model 10 Electra.

With the failure of **Bowen Airlines** in March, Braniff acquires its routes to Houston, Brownsville, and other south Texas destinations. The first Lockheed is delivered in March and enters service in April.

Because of the late delivery of an Electra, the company is unable to begin service to Tulsa on the specified July 1 date; as a result, the concession is withdrawn. Braniff now flies 13,000 miles per day over 3,000 route miles. Among the company's 50 employees is Charles E. Beard, the new general traffic manager who will one day become the company president.

En route to Waco from Dallas on November 9, a Vega encounters 75-foot visibility over Fort Worth and crashes, killing pilot William Maus. Late in the year, 2 Lockheed Model DL-1 metal fuselage Vegas join the fleet. On December 23, while one of these is being tested at the central maintenance operation in Dallas, it crashes (six dead).

By early 1936, the Fords are retired and 7 Electras are plying the firm's "Great Lakes to the Gulf" routes. In February, the company loses all competition to its Texas services when competing **Bowen Air Lines** folds. This year, future newsman Walter Cronkite serves as a ticket agent at Oklahoma City. A Lockheed Model 10A must be written off following a crash at Dallas' Love Field on December 23.

In March 1937, Braniff demonstrates its growing maturity through an order for 5 Douglas DC-2s. The Ford Tri-Motor 5-AT-86 is sold to the Ohio-based operator **Akron Airways** on April 30. The first of the new Douglas transports is placed into service on the Dallas–Brownsville run on June 12, the same day the airline's first air hostess service is inaugurated. The Ford 5-AT-70 is sold out of service on June 25.

Late in the month, the last of 10 Lockheed Vegas is withdrawn. During the summer, DC-2 service is started to Chicago. Late in the year, the company raises charges of unfair competition against **Trans-Continental and Western Air Lines (TWA)**. The charges against TWA are withdrawn in 1938. During the same year, the last DL-1 Vega is sold and the carrier posts its first profit: \$28,000.

A DC-2 fails its takeoff from Oklahoma City on March 26, 1939 and crashes (eight dead). In July, the company files a complaint with the CAB seeking to halt the start-up of the nation's premier "feeder" carrier, **Essair Line**, which would prove a competitor on trans-Texas routes.

An order is placed for four 21-passenger DC-3s "Super-B-Lines" in August, with the first of the \$100,000 acquisitions appearing on the Dallas–Amarillo run on February 3, 1940. Before the company retires its Douglas transports in April 1960, 34 will have been acquired. Four additional DC-3s are acquired in March, allowing retirement of the last two L-10s in June and an increase in the number of Douglas flights to 30-per-day. Flights to the new Love Field at Dallas, opened on October 6, begin.

Braniff acquires 3 more DC-3s in May 1941, bringing the fleet total to 11, plus 6 DC-2s. The company now serves all Texas cities (except El Paso) and operates to Chicago via Oklahoma City and Kansas City. On December 5, a connection is opened at Nuevo Laredo with the **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**. Enplanements for the year are 152,001.

The U.S. government takes about half of Braniff's fleet for service in World War II and during the conflict, the carrier employs its remaining transports to fly contract routes to Panama and domestic runs on behalf of the Army.

In 1942, the fleet numbers 5 Douglas DC-2s and 10 DC-3s.

At the request of Air Transport Association of America (ATA) President Edgar Gorrell and the War Department, **American Airlines** executive M. P. "Rosie" Stallter is sent in January on a week-long inspection tour of the U.S. Army Air Forces' Air Service Command bases in Pennsylvania, Ohio, Alabama, Utah, and California.

From this trip, Stallter and Gorrell devise and present the Army with a domestic military-cargo service plan to be operated by the airlines under government contract. Under the plan, five geographical segments are created, each assigned to a specific carrier: **American Airlines** the East Coast; **Northeast Airlines** the Northeast; **Eastern Air Lines** the Southeast; **Northwest Airlines** the Pacific Northwest; and Braniff the Southwest.

In addition to its domestic responsibilities, Braniff is assigned by the Air Transport Command to fly contract services from San Antonio to Albrook Field in the Panama Canal Zone, as well as to destinations in Guatemala and Mexico. The first roundtrip under this program begins on April 13.

Corporate headquarters are transferred to Love Field in Dallas.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at the underdefended Dutch Harbor. In a textbook example of the mobilization foreseen by ATA President Gorrell, the U.S. Army orders 11 airlines to halt their normal activities and dispatch aircraft to Edmonton, Alberta, for participation in a massive contract airlift which is quickly organized for the defense of Alaska.

Over 100 aircraft from Braniff and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Beginning in mid-July, the company contributes aircraft to a 50-transport group from 6 other contract carriers (**American Airlines, Northeast Airlines, Chicago & Southern Air Lines, Pennsylvania Central Air Lines, Transcontinental and Western Air Lines, and United Airlines**), which are rushed to Presque Isle. From here, the planes, joined by 110 Air Transport Command C-47s, will transport the supplies and men required to set up and man the bases at Newfoundland, Labrador, Greenland, and Iceland for "Operation Bolero," a mass ferry of bombers from the U.S. to England.

In 1943, Washington turns aside the company's complaint against the **Essair Line**. Late in the year, experimental Mexican permits (not permanent route concessions) held by Jose Navarro Elizondo are acquired and the Aerovias Braniff, S.A. subsidiary is established.

The Air Transport Command contract for flights to Central America and the Panama Canal Zone is completed in the spring of 1944. In just 2 years, the carrier has completed 2,300 accident-free flights south from San Antonio, transporting 17,000 passengers and 6.5 million pounds of cargo. A new airmail and freight division is formed on October 28 and Chicago–Mexico City air express flights commence on December 3.

On April 4, 1945, Aerovias Braniff, S.A., equipped with a Douglas DC-3 from its parent, inaugurates scheduled flights from Nuevo Laredo to Mexico City via Ciudad Victoria. The subsidiary receives some 7,000 miles of route awards from the Mexican government for routes out of the capital city to Cuba and Central America.

In late spring, two more Douglas transports are added and spurs are extended to Puebla and Veracruz while, on July 1, Mexico City–Merida services begin. Ordered by the Mexican government to halt services, Braniff goes to court to overturn suspension of the permit and continues to fly.

Braniff Airways renews its expansion at the close of World War II and into 1946, adding additional cities throughout the Midwest, including Wichita, Oklahoma City, Dallas, Fort Worth, Austin, Houston, San Antonio, Laredo, Brownsville, Denver, Memphis, and Kansas City. As its route network grows to some 3,600 unduplicated miles, the company obtains surplus C-54s for conversion to civil-standard DC-4s; the first of these is placed into service between Dallas, Kansas City, and Chicago in May.

Although owner of a contested inroad into Mexico, the carrier begins a far more vast leap southward during the month when the CAB and President Truman award the airline 7,719 miles of routes in Latin America. Also granted is the right to provide service to such nations as Panama, Colombia, Ecuador, Cuba, Peru, Bolivia, Paraguay, Brazil, Argentina, and Mexico.

To cope with the demands such service will entail, Braniff constructs new facilities and in June orders 6 Douglas DC-6s. On October 26, Mexico refuses to grant Aerovias Braniff, S.A. concessions and formally revokes its permit. With the failure of the Latin subsidiary, Braniff is reduced to flying charters to Mexico. The first 52-seater DC-6 begins service over the Texas–Chicago route in November.

To help finance all of this expansion, the company arranges for a \$10-million loan on February 3, 1947.

On June 4, 1948, scheduled DC-6 flights to South America are inaugurated from Houston to Lima; the same day, back in Dallas, company officials change the corporate identity to **Braniff International Airways**.

BRANIFF INTERNATIONAL AIRLINES: United States (1991–1992). Following the bankruptcy of **Braniff, Inc.** on September 28, 1989 and its cessation of operations on November 24, the carrier goes into liquidation under Chapter VII. On April 23, 1990, the bankruptcy judge authorizes the sale of the company's trademarks, flight certificates, and operating manuals to former investor Jeffrey Chodorow, who wants to begin his own airline, under the auspices of his holding company, the Dallas (DFW)-based **BN Air**.

Following acquisition of the Braniff assets in the spring of 1991, another small carrier, **Emerald Air**, is purchased and merged and a fleet of 4 Boeing 727-200s (2 Dash-25s chartered from **Express One International** and 1 each Dash-214 and Dash-291) and 3 Douglas DC-9-15s is assembled. These inaugurate scheduled passenger flights in July linking the company's base with Los Angeles, Orlando, Ft. Lauderdale, and Islip, New York.

Necessary facilities are not available at Los Angeles and force immediate cancellation of service into that market. Short on cash, the new entrant quickly files for Chapter XI bankruptcy protection on August 7, just 37 days after start-up.

A total of 170,000 passengers are flown on the year and revenues total \$4.75 million. Although costs force an operating loss of \$2.2 million, a net profit of \$3.9 million is generated.

Operations continue to limp along during the first half of 1992. The fleet is altered to include 12 B-727-277As and 1 DC-9-15. The last in a long line of colorful liveries is introduced in May, when one Boeing is painted chartreuse. Catering primarily to leisure passengers interested in low fares, Braniff makes one daily departure from each of its scheduled 16 East Coast markets and also undertakes charters to holiday destinations.

Unable to achieve economic viability with such a reduced schedule and in competition with the majors' half-price fares, the company stops flying on July 3. An estimated 3,500 passengers are stranded, with only three airlines (**America West Airlines**, **Continental Airlines**, and **United Airlines**) giving the unlucky any kind of break on their now-worthless tickets.

Unofficial websites for this defunct airlines are www.pwl.net.com/~billjl/bnf.html, and www.Ulink.net/~rudolfo/htryintro.html.

BRANIFF INTERNATIONAL AIRWAYS (BIA): United States (1948–1982). The only American air carrier ever to fly a supersonic transport (if only subsonically) is born in a flush of new expansion on June 4, 1948 when company officials, led by the brothers Thomas E. and Paul R. Braniff, change the carrier's identity from **Braniff Airways**. On this day, BIA's first scheduled Douglas DC-6 service to South America departs Houston for Peru (Lima) via Cuba, Panama, and Ecuador.

This premier Latin operation is followed by additional kick-off dates for flights to several more cities south of the border, including La Paz in February 1949. In order to take off with high gross weights from such a

high-altitude airport (11,800 ft.) and still comply with FAR regulations, the DC-4 on this service uses JATO (Jet Assisted Take Off) for the next year. The company now employs 210 pilots and is the seventh largest U.S. airline.

Services begin in March 1949 to Rio de Janeiro, in March 1950 to Asuncion, and in May 1950 to Buenos Aires, where Juan and Eva Peron personally welcome Tom Braniff. São Paulo is added in October 1951, and late in the year 3 more DC-6s join the fleet, including the 175th and last unit to come off the production line, arriving on November 2.

Not forgetting its domestic desires or responsibilities, Braniff International continues to maintain the domestic routes begun in the 1930s. Airline employment in 1952 is 2,857. Service is provided to 29 U.S. and 9 Latin American cities.

Flight 65, a C-54A with 4 crew and 45 passengers, is lost at Hugoton, Kansas, on March 26; although the plane must be written off, there are no fatalities.

The first of 25 Convair CV-340s is delivered in July. On August 15, **Mid-Continent Airlines** is acquired, together with its fleet of DC-3s and CV-240s. Twenty-six previously unserved cities are added to the route network, including New Orleans and St. Louis. On November 1, the enlarged company becomes the first in the world to offer scheduled flights employing the Convair CV-340.

On April 1, 1953, the carrier's mechanics' union undertakes a 44-day job action, but it fails to shut down Braniff operations. The company's twenty-fifth anniversary is celebrated on June 20.

On September 27, the carrier joins with **United Air Lines** in operating an interchange route from Dallas (DFW) to Seattle via Denver. The last DC-4 is retired in October.

Tragedy strikes the Dallas-based carrier on January 10, 1954 when CEO Thomas E. Braniff is killed with 10 others in the crash of a private Grumman Mallard near Shreveport, Louisiana. Three days later, he is replaced as board chairman by Fred Jones and as president by Executive Vice President Charles E. Beard, who had joined the company in 1935.

After an eight-year illness, Paul R. Braniff succumbs to bone cancer on June 1, survived by his wife and son, John Paul Braniff.

En route from Memphis to Minneapolis on August 22, a DC-3 with 3 crew and 16 passengers is caught by windshear during a storm near Mason City, Iowa, and is destroyed in the carrier's first fatal accident since 1939 (12 dead).

In cooperation with **Trans World Airlines (TWA)**, an interchange service is inaugurated on January 14, 1955, from Dallas to Las Vegas via Amarillo using TWA L-749As.

While on final ILS approach to Chicago (MDW) in dense fog on July 17, Flight 560 from Dallas (DAL), a CV-340 with 3 crew and 40 passengers, strikes a commercial sign outside the field and crashes through the boundary fence; 2 crew and 22 passengers are killed.

As the result of the CAB's finding in its New York–Balboa Case, Braniff is able to launch one-plane service between New York and Washington, D.C. in August. Together with **Eastern Air Lines** the company opens an equipment exchange at Miami, allowing continuing flights to Panama and key cities on both coasts of South America.

In September, 2 Lockheed L-049s are acquired from **LAV (Linea Aeropostal Venezolana, S.A.)** to increase capacity on domestic services. Orders are placed for DC-7Cs, 5 CV-440s, and 5 Boeing 707-227s. The 707s are equipped with Pratt & Whitney JT4A-3/4 engines, and will be the only ones of their model produced.

In November, the company begins all-cargo flights from Dallas with a pair of Curtiss C-46 Commandos. A letter of intent is signed with Lockheed on December 16 for 9 L-188s.

The carrier begins service on February 15, 1956 over a 1,050-mile route between Dallas and New York via Memphis, Nashville, and Washington, D.C. The actual L-188 Electra turboprop order is signed on February 25.

The interchange agreement with TWA ends on March 1.

In October, new DC-7Cs join the fleet and are integrated into the Dallas–New York operation on November 27.

Construction on a new maintenance base is started at Love Field in March 1957. The 5 CV-440 Metropolitans are placed in service in the spring. After diplomacy-caused delays, DC-6 El Conquistador service is inaugurated to Bogota on May 15, followed next day by DC-7C El Dorado flights.

Open house ceremonies for a new Love Field terminal are held on October 10. The company will complete its move into the new facility early the following year.

A new corporate headquarters building at Exchange Park in downtown Dallas is occupied on February 14, 1958. Simultaneously, the company introduces the world's first systemwide computerized reservations system. The fleet now comprises 75 aircraft, including 22 DC-3s, 10 DC-6Bs, 6 DC-7Cs, 2 Lockheed L-049s, 31 Convairs, and 2 Curtiss C-46 freighters.

A DC-7C with 5 crew and 19 passengers crashes 13 kilometers from Miami during its initial approach on March 25 (9 dead).

The new Love Field maintenance facility is completed in the fall; a new maintenance base is opened in Dallas.

The first turboprop airliner in company service, the Lockheed L-188A Electra, is delivered on April 29, 1959; delivery ceremonies at Dallas (DAL), include the appearance of an original Model 10 Electra from the 1930s.

The first Boeing 707-227 Stratoliner destined for the company makes its maiden flight on June 11. The new Electras are placed into service from San Antonio to New York via Dallas on June 15, as well as from Houston to Chicago via Dallas.

The two Constellations are retired in September.

On September 29, Flight 542, a Lockheed L-188A Electra with 6 crew and 28 passengers en route from Houston to Dallas on a late night air coach service to Washington, D.C. and New York, develops propeller problems. The turboprop breaks up in midair and smashes into the ground 3.2 nm ESE of Buffalo, Texas; there are no survivors. Accident investigators will never determine the disaster's exact cause, although the CAB reports on October 28 that the wings had snapped off the liner.

Electra service is inaugurated in November to Washington, D.C. (DCA), Denver, and Colorado Springs.

With Executive Vice President R. V. Carleton as pilot, the first of 4 new B-707-227s (the fifth having been lost on a test operation on October 19) is delivered from Seattle to Dallas (Love Field) on December 3 in 2 hrs. 52 min.

On December 19, Braniff International begins El Dorado Super Jet service employing the first B-707-227, piloted by Capt. Gordon Darnell, on Flight 6 from Dallas to New York. Dallas to Chicago B-707-227 service is inaugurated next day.

Dallas to Bogota DC-7C El Dorado service begins in January 1960 at the same time Dallas to Panama nonstop flights are initiated.

A nine-day El Dorado Super Jet preview service is conducted in South America during February; the itinerary runs from Dallas to Houston, Lima, Rio de Janeiro, São Paulo, then back to Rio, on to Buenos Aires, Asuncion, Panama, New York, and back to Dallas.

The first jet service to San Antonio is launched by BIA on March 1 when its new B-707-227s begin flying from that Texas city to Chicago. Chicago to Houston frequencies begin nine days later. Also in March, a \$15.5-million order is placed for 3 B-720-027s, plus 1 option.

L-188A service to Kansas City and Minneapolis (MSP) is also inaugurated at this time.

B-707-227 frequencies are inaugurated over the Braniff-Eastern interchange from Dallas and Miami to Panama, Lima, and Buenos Aires on April 1. Routes are also extended over the interchange to São Paulo on April 27, Bogota on July 18, and Rio de Janeiro on August 2.

A major Latin American destination is finally achieved on November 9, when company Electras begin landing at Mexico City from Minneapolis (MSP) via Kansas City, Dallas, and San Antonio. Airline employment is 5,800 and the 18,432-mile route system covers 16 states in the U.S. and 10 Latin American countries. During the year, the last DC-3 is retired.

The 3 B-720-027s join the fleet in 1961, one each on February 11, late March 22, and in August; all are painted in a subtle red, white, and blue color scheme. B-720-027 El Dorado Super Jet service is inaugurated on February 20 from Chicago to Dallas and Houston.

On February 25, the pilot of the first B-720-027 received makes a hard landing at Houston, causing minor injuries to all 31 aboard the new plane. In April, a fourth B-720 is requested. Senator William Blakley and the Blakley-Braniff Foundation, owners of over one million company shares, are bought out in May by four Dallas businessmen.

On August 2, an L-049, sold to the "non-sked" Lloyd Airlines the previous year, is impounded at Santa Cruz de la Sierra, Bolivia, by officials who suspect the plane of smuggling while on a charter flight from Miami to Uruguay.

A CV-340 makes a hard landing at Des Moines, Iowa, on October 10, causing minor injuries to all aboard. Five days later, an L-188 crashes at Fort Worth when its landing gear collapses. On October 20, the company announces its intention to acquire the new British Aircraft Corporation 1-11 for its domestic routes; the press release is significant in that it marks the first time a U.S. airline had ordered a new foreign jetliner "off the drawing board," so to speak.

A DC-7C is lost in a ground accident at Dallas on November 19.

The fourth B-720-027 joins the fleet in May 1962. Originally ordered by Capital Airlines, a 10th Electra is acquired on May 10.

Orders are officially placed on July 26 for 6 British-made BAC 1-11-203AE jetliners. C-46 Commando all-cargo flights from Dallas cease at year's end.

A B-707-227 with 57 aboard crashes near Panama City, Panama, on March 25, 1963; one stewardess is seriously hurt. A DC-7C with 52 aboard comes down in the same area on August 15, but no injuries are reported.

An attempt is made to acquire Pan American-Grace Airways (PANAGRA), and the board authorizes BIA to make a purchase offer on April 29. Officials of the jointly owned airline cannot agree upon the sale. The company's thirty-fifth birthday is celebrated on June 20.

Enplanements total 2,617,132. A net profit of \$1.25 million is reported.

Airline employment in 1964 stands at 5,404 and the fleet includes 54 aircraft. Nonstop Bogota to Miami B-720-027 flights are inaugurated in January. In the spring, the Greatamerica Corporation purchases controlling interest. With temporary British registration, Braniff's first new BAC 1-11-203AE is employed on July 6 to transport U.K. Minister of Aviation Julian Amery and his group to Melun Villaroche, France, for a meeting with Sud Est Aviation officials concerning the new Concorde supersonic transport.

Passenger boardings climb 9% to 2,875,969 and freight ton-miles flown are 32.1 million. Revenues advance 11.4% to \$109.7 million and a record net profit of \$5.97 million is posted.

The workforce in 1965 is up to 6,206. In January, B-720-027s replace DC-6Bs on the Texas-Seattle interchange. Greatamerica Corporation acquires a 57.5% stake in the company on January 11.

The first of 14 BAC 1-11-203AEs arrives at Newark on March 13 following a two-day flight from Prestwick, Scotland via Keflavik, Sondrestrom, Goose Bay, and Montreal. The same day it is flown on to Dallas where new crews begin the aircraft's workup.

A B-720-027 with 61 aboard is badly damaged as the result of a hard landing at Houston on March 19. The new BAC 1-11-203AE is the first aircraft to take off from the new 8,000-ft. Love Field runway after it is dedicated on April 2.

The first true short-haul jetliner service in the U.S. is inaugurated on April 25 as the company's new BAC 1-11-103AE Fastback Jet begins a flight on the multistop route from Corpus Christi to Minneapolis (MSP).

Introduction of the U.K. product marks the second most important penetration of the U.S. airline market by a British aircraft manufacturer to date, following the initial breakthrough of the Viscount with Capital Airlines some years earlier.

Begun during the previous year, negotiations continue with Pan American-Grace Airways (PANAGRA) for purchase of the airline.

The **Pan American World Airways (1)** share of the arrangement would be \$22 million, while Braniff reaches a similar agreement with W.R. Grace for ownership of the other half interest. Just as the contract is being drawn up for an August transfer, Braniff management changes.

On August 6, with stock shares worth only \$25 apiece, Troy V. Post is elected chairman and President Beard is succeeded by **Continental Airlines** Vice President Harding Lawrence. Greatamerica official C. Edward Acker becomes a senior vice president for finance and the carrier is now realigned into three major divisions.

The company renews negotiations for an agreement, subject to CAB approval, to purchase **Pan American-Grace Airways (PANAGRA)** and orders are placed for 12 Boeing 727-27s and 5 B-707-327Cs.

The B-720-048 *St. Brendan* is leased for a year from **Aer Lingus Irish Airlines, Ltd.**; in Braniff service, it will wear a lemon yellow upper fuselage color scheme, with its horizontals, wing, and engines left in bare metal finish.

The nose gear strut of a B-720-027, with 127 aboard, fails at Mexico City on September 11.

In the first week of November, the company begins an overt effort to change its public image by introducing a Pucci-designed BAC 1-11-203AE as the first in a long line of variously painted "Flying Colors" jetliners. This "new look," credited to Mary Wells of the New York advertising firm of Jack Tinker and Partners, will see the fuselages of Braniff airliners painted a variety of bright colors, e.g., yellow, green, orange, beige, blue, with new colors and a new logo. While this ploy is satirized in some quarters, it will prove effective in helping to generate increased traffic and is officially known as "The End of the Plain Plane" concept.

Seeking to end a perceived "plain" appearance in its stewardesses, enterprising junior officials make plans to introduce the "Air Strip" hostesses, who will remove layers of clothing during a flight. Wiser heads stifle the idea.

Service to Acapulco, Mexico, begins on December 1.

Passenger boardings for the year increase 18% to 3,371,985. On revenues of \$134.8 million, the operating gain is \$13.76 million and net profit skyrockets 58% to \$9.44 million.

Following a decade of steady domestic and Latin American progress, Braniff reaches out dramatically once more in the mid-to-late 1960s. In 1966, it joins other majors in submitting applications to the CAB, then examining the opening of new westward routes in its memorable Trans-Pacific Case. In addition, a new around-the-clock maintenance program is started, utilization of the jet fleet is increased by 50%, and the long-term debt is refinanced.

Additional Pucci-painted aircraft (labeled "Easter Eggs") are unveiled, each one different from the last, while female flight attendants are given new wardrobes with up to seven different iridescent-colored Pucci uniform combinations.

The first of 12 B-727-27QCs and 5 B-707-327Cs to join the fleet during the year begin to arrive in May; one of the first two units is painted yellow while the other displays an ochre color scheme. All 14 BAC 1-11-203AEs are in service by June, operating to 28 destinations in 13 states.

The Boeing trijets enter service on August 1 over the daytime passenger route from San Antonio to Washington, D.C. (DCA) via Austin and Dallas and, on August 1-2 on a freighter route from San Antonio to Chicago via Dallas.

Meanwhile, the long range Boeings based at Travis AFB, California, are employed to satisfy a large U.S. Military Airlift Command (MAC) contract which will stretch over six years for the support of American efforts in Southeast Asia.

Flight 250, a BAC 1-11-203AE with 4 crew and 38 passengers, crashes outside of Falls City, Nebraska, on August 6; there are no survivors.

Enplanements for the year are 4,515,487. Common stock rises to \$124 per share. The operating profit swells to \$24.42 million and net profit is up to \$17.8 million on total revenues of \$194.58 million.

Following a year of negotiations, the carrier reaches another milestone in its history in early 1967. On January 8, it finally acquires a ma-

jor, longtime Latin American competitor, **Pan American-Grace Airways (PANAGRA)**, an airline whose history is at least as illustrious as its own and that gives Braniff firm control of half the U.S. international routes to and within Latin America. The cost is \$15 million to each co-owner; however, the sale of surplus **Pan American-Grace Airways (PANAGRA)** aircraft and the consolidation of tax benefits quickly bring in revenues equal to the \$30-million purchase price. The merger, technically finished on January 16, is completed on January 31.

To celebrate the merger, a B-707-227 is given a solid paint scheme with PANAGRA yellow colors. The livery is created by the carrier's advertising department and Alexander Girard, a New Mexico architect; titles and logo are designed by Jack Tinker and Partners. Under terms of an interchange agreement with **Pan American World Airways (1)**, a Pan Am B-707-321B is able to fly over Braniff routes from Houston and Dallas to Chicago and then on to London and Frankfurt.

By spring, the fleet includes 69 aircraft, including 7 DC-8-62s, 4 DC-8-31s, and 1 DC-8-55F retained from its longtime competitor. Braniff now assumes the PANAGRA interchange agreement with **National Airlines** and **Pan American World Airways (1)**. Consequently, the company is able to provide one-plane through service from New York to Miami over National's routes, from Miami to Panama with Pan Am's, and over the old PANAGRA routes to Lima. To operate the Miami to Panama segment, Braniff leases a DC-8-62 to Pan Am, painting it in PAWA-1 livery.

The Pacific Northwest to Texas interchange agreement with **United Air Lines**, initiated back in 1953, ends on June 12. In early fall, the carrier and its Greatamerica owner are purchased (through a stock exchange) with Ling-Temco-Vought (LTV). A reorganization of the company's management structure is now begun. Harding Lawrence becomes both board chairman and CEO; C. Edward Acker is elected president, and Vice President-Operations John Casey also takes on the vice presidency for sales.

Twenty-two new jetliners are acquired during the year as all piston engine equipment is phased out. Meanwhile, the workforce climbs to 10,743. Passenger enplanements advance 19.3% to 5,595,398 and cargo traffic accelerates by 43.9%. On record total revenues of \$266.18 million, the operating profit is \$14,461,404 and net income drops to \$4,701,672.

On January 5, 1968, the \$2 million Braniff International Hostess College opens at Wycliff in Dallas. The wisdom of the **Pan American-Grace Airways (PANAGRA)** acquisition pays off when the CAB awards Braniff additional nonstop routes southward.

The entire Lockheed Electra fleet is sold to Citizens National Bank on March 28 and leased back for a year.

On April 1, a new "Fast Bucks" public relations campaign is begun, returning fare portions on late flights.

On May 3, a Lockheed Electra, with 88 aboard, crashes at Dawson, Texas, in a storm, while coming in to land at Dallas' Love Field (85 dead).

An \$8.5 million "Terminal of the Future" is opened at Love Field on December 4. The new concourse has 13 gates with jetways—the first available to the airline at its "home" airport. In downtown Dallas, a new \$2 million computer center is occupied.

In December, as the result of actions taken in the Trans-Pacific Case, Braniff is allowed to expand once more, receiving several routes to Hawaii from the southeast via Mexico. Late in the year, the CAB grants a number of nonstop, long-haul routes from U.S. gateways to South American capitals.

The employee population numbers 11,500 and the fleet comprises 71 aircraft. Customer bookings advance 9.6% on the year to 6,135,269 while freight traffic is up by 30%. The operating profit jumps to \$25.36 million and the net profit climbs to \$10.41 million on a record income of \$301.06 million.

The company's fleet in 1969 consists of 4 B-707-227s, 8 B-707-327Cs, 34 B-727-27s, and 7 DC-8-63s. Orders are placed for 2 Boeing 747-127s and 4 B-707-138Bs are acquired from **Qantas Airways (Pty.), Ltd.** of Australia. The airline sells time on its new computer system to the regional **Air West**.

On March 27, the leased Electra fleet is retired and turned over to its owners, Citizens National Bank.

At midyear, a "Fastpark Jet Rail" system begins to transport passengers between parking areas at Love Field. Employing a bright orange B-707-327C, the company begins Honolulu operations on August 14 as an extension of its Chicago-Los Angeles run. Passengers from New York and Atlanta are able to connect at O'Hare International Airport for the trip to Hawaii.

During the year, the South American division begins to suffer significant losses as Latin American carriers conspire to force Braniff off the continent. Texas millionaire H. Ross Perot in December organizes a "Mission of Hope Flight" to Vietnam.

Just before Christmas, a Braniff B-707-327C, wearing a Christmas bow decal that had been applied to its light green fuselage, carries Red Cross representatives, media personnel, and a cargo of food and gifts for POWs to Southeast Asia. North Vietnam refuses the aircraft permission to land; however, the Pathet Lao does allow the plane to put down at Vientiane and its occupants to visit POWs at a Laos camp.

Enplanements are 5,933,700. Revenues accelerate to \$332.98 million, but expenses insure that the operating gain dips to \$17.76 million and the net profit falls to \$6.24 million.

The employee population in 1970 is 9,586 and the fleet includes 74 aircraft. In the summer, the Security and Exchange Commission requires financially distressed LTV to divest itself of Braniff. Late in the year, an equipment swap is engineered with **British West Indies Airways, Ltd. (2) (BWIA)**. In exchange for its 4 B-707-227s, Braniff will receive the Caribbean carrier's 3 B-727-78s and an undisclosed amount of cash.

Passenger boardings decline 4.1% to 5.7 million while cargo traffic is off by 4.2%. As a result of these corporate maneuvers and traffic returns, a net loss of \$3.05 million is suffered atop a declined operating profit of \$8.17 million on total revenues of \$331.2 million.

The first and only operational B-747-127 is received on January 15, 1971; painted in a colorful orange livery, this "Big Orange" is placed into service on the Dallas to Hawaii run. The second, an all-green machine, is traded back to its manufacturer before delivery of 2 B-727QCs. At this point, the 3 B-727-78s arrive from Trinidad and the company begins to remove its B-720-027s.

The first of 4 DC-8-51s are acquired from **National Airlines**. Anxious to replace its two-decade old red, white and blue "Pepsi-Cola" livery, the airline adopts three two-tone color schemes: two-tone blue and green; orange and ochre; and red and an orange known as "Aztec Gold."

Despite all of these new color schemes, the carrier, needing still more capacity, leases a B-727-155C from **Executive Jet Aviation** in May for a year; its color scheme is all white, with black titles. This year, on its old southwestern turf, Braniff comes up against competition it cannot best. On June 18, upstart **Southwest Airlines** begins low-fare Houston-San Antonio Boeing 737-2H4 service, beginning a tariff battle that will become known as the "Texas Airline Fare War."

Carrying a pistol and a suitcase of explosives, U.S. Navy deserter R. L. Jackson and a female Guatemalan accomplice, L. Sanchez-Archilla, hijack Flight 14, a B-707-327C with 110 passengers en route from Acapulco to San Antonio, on July 2. They force it to land at Lima after first diverting it to Monterrey where a \$100,000 ransom is collected in exchange for a female hostage. The next day the Stratoliner is forced to fly on to Buenos Aires, following a stop at Rio de Janeiro where the hijackers evade a trap set for them. At Buenos Aires, the pirates demand that the airliner be refueled and cleared for a flight to Algeria. The Argentine government refuses both demands, whereupon the hijackers simply surrender. The pair will be put on trial in Argentina and sentenced to prison; in 1975, they will be extradited to Mexico, where they had been tried in absentia, and sentenced to Mexican prisons.

On December 12, FBI agents arrest one M. Petrovic at New York (JFK) for threatening to hijack a B-727-27 and for threatening a stewardess while en route from Washington, D.C.

Enplanements for the year increase to 6,096,744. Income rises to \$341.36 million and operating income triples to \$21.1 million; net profit also rebounds, increasing to \$8.61 million.

B. E. Hurst, a 22-year-old former mental patient, attempts to hijack Flight 38, a B-727-227 with 101 passengers en route from Houston to Kansas City on January 12, 1972. After threatening to blow up the craft with dynamite if he is not granted \$1 million in ransom, 10 parachutes, and safe passage to South America, he chooses not to jump and surrenders to police at Love Field in Dallas.

On March 15, the company's ads begin to refer to its trimotors as 727 Braniff Place while its B-747-127 is called 747 Braniff Place, in honor of its multi-lounge configuration.

In April, the carrier's top officers make a \$50,000 contribution to the Committee to Re-Elect the President (CREEP); \$40,000 of the money given Nixon's people is laundered via the company's South American operation.

Shortly before **Mohawk Airlines** is merged into **Allegheny Airlines** on April 12, the latter purchases 8 of Braniff's BAC 111-203AEs. The workforce is now 10,033. Passenger boardings jump 12.1% to 6,936,000 and cargo climbs 25.8%. Revenues rise 10.3% to \$383.89 million and the operating profit reaches \$29.32 million; net profit jumps an impressive 99% to \$17.15 million. Fiscally, the year is the best in the company's 45-year history.

The workforce in 1973 is 10,661. The carrier's fleet standardization program is completed as 20 new B-727-227s join the fleet and 12 older aircraft are withdrawn, including the 4 ex-**Qantas Airways (Pty.), Ltd.** B-707-138Bs and several of the B-707-327Cs. In February, Braniff begins the most determined effort of any major competitor to overcome LaMar Muse's **Southwest Airlines** by offering \$13 one-way daytime flights between Dallas (DFW) and Houston. Muse chooses to match the fare or, for those passengers wishing to pay full cost, provide a "valuable gift."

As many of the newcomer's passengers are commuting businessmen, the "gifts" turn out to be fifths of expensive spirits which the recipients can take home duty free by placing their fares on their expense accounts. For two months, until Braniff surrenders by withdrawing its \$13 offer, **Southwest Airlines** is the largest distributor of Chivas, Crown Royal, and Smirnoff in the entire state of Texas. Skirmishes with **Southwest Airlines** will continue for three more years.

On June 4, it is announced that artist Alexander Calder has been commissioned to paint the exterior of the airline's South American-bound DC-8-51s. Meanwhile, hourly service is introduced between Dallas (DFW) and Denver. Other frequencies are added from DFW to Nashville, New Orleans, Newark, Miami, and Chicago.

In the transatlantic route case being heard before the CAB, Braniff seeks nonstop authority from DFW to London, Paris, Amsterdam, Zurich, Rome, and Frankfurt. Other route requests made of the regulators include Houston to Fairbanks via Dallas (DFW), Calgary, Edmonton, and Anchorage; Houston to Cancun via Merida and Cozumel; and Dallas (DFW) to La Paz via Guadalajara, Puerto Vallarta, Mazatlan, and San Jose del Cabo. A DC-8-51, *Flying Colors of South America*, painted by Alexander Calder, makes its first flight over the Dallas (DFW) area on October 30.

Also in October, Braniff becomes the first airline to become fully converted to the wide-body interior in its non-wide-body B-727-27s.

Customer bookings accelerate 11.5% to 7,732,000, but freight is off by 0.9%. Still, overall revenues shoot up to a record \$445.63 million and profits are \$42.59 million (operating) and \$23.15 million (net). In fact, the pioneer has outscored the other U.S. trunk lines in percentage growth.

Only 23 new employees are hired in 1974. On January 13, Braniff relocates from Love Field to its new \$52-million complex at the recently opened Dallas (DFW). The company becomes the largest operator from the modern complex with 304 daily arrivals and departures. It also introduces the Docutel Automated Baggage Handling System.

On January 30, Ralph Nader's Aviation Consumers Action Project files a complaint with the CAB concerning Braniff's contribution to the Nixon campaign.

At the same time, the carrier announces an expanded sales program placing increased reliance upon field sales and tie-ins with travel agencies. As a result, a number of walk-in street-level ticket offices are closed and replaced with a nationwide toll-free telephone number.

Pilot members of Air Line Pilots Association (ALPA) strike the company between September 21–23; after the flyers return to work, negotiations continue and a mediated agreement is worked out on November 6.

Later in the year, an application is filed with the CAB seeking authority for a transatlantic route to London, continuing on to Paris, Frankfurt, and Rome.

Twenty more B-727-227s are delivered throughout the year and tour sales to South America increase by 80%.

Enplanements accelerate 9.3% to 8,459,000 and the number of FTKs flown rises by 2.8% to 126.5 million. The net profit climbs again, up to \$26.13 million, atop an operating profit of \$55.75 million on revenues of \$552.39 million. All of these statistics are record highs for the company.

The workforce in 1975 is 10,690. In an effort to increase bookings for newly formed **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**, the Peruvian military government on February 1 orders Braniff to reduce its Lima to Miami frequencies by 50%. On February 14, the company is indicted in Federal court, along with **Texas International Airlines**, under the Sherman Antitrust Act for conspiring to put **Southwest Airlines** out of business. The case is eventually resolved and those in favor of deregulation of the airline industry frequently cite the Southwest-Braniff battles.

Heavy emphasis is now placed upon the generation of additional pleasure travel to Mexico and South America. However, on March 12 the CAB Enforcement Division files a major action against Braniff. The suit involves not only Braniff's illegal campaign contribution, but also its operation of an understandable if illegal "anticompetitive practice campaign," or kickback operation, involving off-the-book tickets in South America since the **Pan American-Grace Airways (PANAGRA)** buyout.

A new holding company is now established, Braniff International, Inc., with the airline as its major subsidiary. C. Edward Acker, who becomes president of both, surprisingly resigns on September 30 and Harding Lawrence resumes the presidency. Plans are announced for a new campus-like headquarters complex at Dallas (DFW).

During the year, 5 B-727-27s are withdrawn and replaced by 7 new B-727-227s. One of these, *Flying Colors of the United States*, is the second commissioned art plane of Alexander Calder and is presented to the public on November 16. The plane is christened at Washington, D.C. (IAD) by the first lady, Betty Ford.

Passenger boardings grow a modest 2.5% to 8,669,000, but cargo is down by an almost equal amount, 2.8%. Revenues of \$598.85 million are earned, but costs force the operating profit down to \$47.38 million. The net profit falls to \$16.02 million, although this figure was \$20.38 million before the cumulative effect of an accounting change for vacation pay.

Fifty-four employees are laid off in 1976 or not replaced. On March 24, the CAB announces that Braniff has agreed to sign a consent decree. The company will pay a record civil penalty of \$300,000 for its failure to report an illegal \$40,000 contribution to President Nixon's 1972 reelection campaign and for a \$1-million scheme to hide ticket discounts.

Four days later, on March 28, it is announced that the lone Jumbojet, "Big Orange" or "747 Braniff Place," flies 14 hours per day and has the highest utilization rate of any aircraft operated by a U.S. airline. The craft has been aloft for 25,000 hours and has logged 13 million miles, operating at an average of 55% of passenger capacity and remained profitable since the day it began service in 1971.

The Dallas-based airline markets the Bicentennial spirit in all 40 of its domestic markets in the form of the B-727-227 sporting an Alexander Calder-designed red, white and blue abstract livery and christened *The Flying Colors of the United States* in late 1975. Now, an extensive new

Flying Colors marketing campaign is undertaken that is designed to promote patriotism, pride—and company success.

During June hearings before the Senate Commerce Committee's Aviation Subcommittee, President Lawrence opposes deregulation of the airline industry. Five more B-727-27s are withdrawn as 8 more B-727-227s arrive during the summer and fall. On October 23, African-American and Hispanic employees agree to a \$1.1-million out-of-court settlement of a class-action discrimination suit.

Customer bookings advance 7.4% on the year to 9,307,000 while freight increases 3.1% to 126.8 million FTKs. Revenues advance to \$679.71 million and expenses are \$622.98 million. The operating profit is \$52.07 million while net profits climb to \$26.36 million.

In 1977, Russell Thayer becomes CEO/president as Lawrence returns to the chairmanship. The number of B-727-27s in the fleet is now only 25, as more of the 18 B-727-227s on order are delivered. Halston-designed uniforms are provided to flight attendants during the summer and leather seats are installed aboard aircraft, many of which now begin to receive attractive solid-color livery, with the name Braniff prominently displayed in script along with modernized striping.

In July, service is inaugurated from Denver to Atlanta, Oklahoma City, and Miami. When the CAB awards the anticipated London route to **Pan American World Airways (1)**, an effort is made to have President Carter overturn the award, which he does. In the fall, the last work commissioned from artist Alexander Calder is introduced; painted on a new B-727-227 is an abstract artwork entitled "Salute to Mexico."

The company and U.S. Post Office at Dallas begin a controversial and experimental arrangement on December 18: airline tickets are issued by a computerized printer at the local post office, then sorted by postal clerks and mailed to travelers.

More than a dozen persons aboard a DC-8-62 are injured by heavy turbulence on December 25 during a flight from New York to Panama; an emergency landing is made at Miami to obtain assistance for the injured.

Enplanements reach 9,667,000. Net profits for the year are \$36.62 million, atop an operating profit of \$69.02 million on revenues of \$791.15 million.

Airline employment is increased 12.5% in 1978 to 13,500. After an initial delay, Dallas (DFW) to London (LGW) flights are inaugurated by the company's original B-747-127, now known as the *Great Pumpkin*, on March 18. It is joined within days by a B-747-123 leased from **American Airlines**.

During the spring, an interline agreement begins with **Western Airlines**. It links Dallas (DFW) with Calgary and Edmonton via Denver. On May 28, a \$97.5-million order is placed with Boeing for 2 B-747SP-27s.

The carrier's fiftieth anniversary is celebrated on June 20.

Corporate headquarters is transferred to a new facility on the west side of the Dallas-Fort Worth Airport on October 1; considered a study in opulence by many, it is known as Delta Place.

On October 19 the Airline Deregulation Act is enacted. Braniff leads all U.S. trunk and local service airlines in expansion as it seeks to battle its rivals in the intensive competition spawned by the legislation.

Braniff's fleet rises to 103 jetliners in the year of deregulation, all of which have by now been repainted in new shades of terra cotta, green, blue, chocolate, and burgundy. Among the deliveries are 10 B-727-227s, 1 DC-8-62, and the leased Jumbojet.

On October 31, the last of 588 pilots hired since 1974 is employed and the company now seeks 300 more plus 300 flight attendants for slots anticipated for the following spring.

On November 1, B-747-127 flights commence from Seattle and Portland to Honolulu. Later in the month, the CAB grants Braniff 67 new routes and, on November 29, a B-747-130, formerly flown by **Deutsche Lufthansa, A.G.**, is leased for the transatlantic service.

On one day, December 15—the day on which the Airline Deregulation Act takes effect—Harding Lawrence adds 17 new cities and 49 new nonstop segments to his domestic route network while opening a new line between the central U.S. and South American markets via Mexico

City. In almost a single stroke, unduplicated route mileage is increased by 50% to 60,000. Three days later, a third B-747SP-27 is requested.

On December 22, it is announced that, in a cooperative venture with **Air France** and **British Airways, Ltd. (2)**, Braniff will begin Concorde service between Dallas and London and Paris via Washington, D.C. in January.

On December 28, the carrier declines to contest charges of violating federal antitrust laws and is fined \$100,000 for using unfair tactics in squeezing rival **Texas International Airlines** out of the commuter business. A total of 238 new pilots are hired by year's end. All of this activity gives the company record traffic and profits.

Passenger boardings accelerate 17.7% to 11,745,000 while freight is also up, by 11.4%, to 150.74 million FTKs. Operating revenues jump 22.9% to \$972.1 million while expenses are \$889.89 million. The operating profit is \$80.15 million and net income climbs 33.9% to \$45.23 million, the highest in company history.

The workforce is reduced by 15.3% in 1979 to 12,700. In one of the most heavily publicized and costly experiments conducted by any U.S. air transport firm in decades, Braniff, in cooperation with **Air France** and **British Airways, Ltd. (2)**, begins supersonic service from Texas to London and Paris. Employing Concorde leased from the Europeans, Braniff flies the roundtrip Dallas (DFW) to Washington, D.C. subsonic leg, becoming the only American carrier ever to fly an SST. The inaugural flights into the new airport at Dallas-Fort Worth are landed at the airport's parallel runways within 2 seconds of one another on the morning of January 12 after coming in from Washington, D.C. (IAD) in 2 hrs. 27 min. at Mach 0.95. Concorde return service is inaugurated from Dallas to London and Paris later in the afternoon, after ceremonies.

A B-747-273C is leased from **World Airways** on April 20 and is followed by the arrival of a second chartered former German Jumbojet, a Dash-230B, on May 5 and a new B-747-227B on May 29.

Twenty new destinations are added to Braniff International's route system as it becomes a major transatlantic carrier by adding orange-painted Boeing 747 service from Dallas on July 1 to Amsterdam, Frankfurt, Paris, and Brussels. Perhaps surprisingly, Midland and Odessa, Texas, and Hartford, Connecticut, are the only two U.S. cities added. However, while **United Airlines** is on strike in early summer, a temporary service is undertaken from Los Angeles to Honolulu. Its western routes are pushed beyond Hawaii as company Jumbojets fly into Hong Kong and Guam on July 3, Seoul on September 15, and Singapore on October 31.

Meanwhile, on September 13, it is announced that the artwork done by the late Alexander Calder on two of the DC-8-62s will be erased due to a need for corrosion inspection. The first of 4 ordered B-747SP-27s arrives on October 30 to join in the Oriental operations.

Traffic for the year, meanwhile, increases 23.5% to 14,508,000 passengers carried while the number of freight FTKs operated rises 36.6% to 205.9 million.

The costs of experimentation and rapid expansion begin to mount. Although revenues accelerate 38.42% to reach a record high of \$1.34 billion, expenses (led by fuel cost increases of 94.2%) skyrocket 54.7% to \$1.38 billion. The result is a \$38.43-million operating failure and a net loss of \$44.33 million, an \$83.3-million downturn from the previous year's profit.

Financially, 1980 is the second straight disastrous year for Harding Lawrence's company and can, in retrospect, be seen as the beginning of the company's eventual failure. The second B-747SP-27 arrives on April 23.

With load factors too low, the Singapore route is closed on May 15. The third B-747SP-27 is delivered on May 20. Also in May, the leased **American Airlines** B-747-123 is returned.

A symbol of Braniff's difficulties is the cessation, on May 31, of the Concorde flights between Washington, D.C. and New York and Dallas-Fort Worth. Although a prestigious endeavor, the fuel costs of the flights are economically draining. The company is unable to afford a request by **British Airways, Ltd. (2)** to increase the number of weekly frequencies

by 2 to 14 to and from New York and from 1 to 4 to and from Washington, D.C. during the upcoming summer. As of July, the company halts payment of either interest or principal on its debts.

Over 165 Cuban refugees force their way onto California-bound Flight 920, a DC-8-2 at Lima, Peru, on August 29, and demand to be flown to the U.S.; the group surrenders about 9 hours later, freeing 15 hostages.

On September 1, Kansas City becomes a secondary hub and nonstop Dallas to continental Europe flights are discontinued and service to Paris and Amsterdam ceases. On October 1, the B-747SP-27 delivered just six months earlier is sold, via its manufacturer, to **Aerolineas Argentinas, S.A.**

A strong gust of wind blows a B-727-227 from a taxiway at Newark International Airport on November 11 and seven persons are injured in the evacuation that follows.

B-747-127 service on the South American routes is cut back and service into the Pacific is suspended. Consequently, the workforce is cut by 23.3% to 11,500. Although new services are launched from Texas to Toronto and Montreal in November, in mid-December serious merger discussions begin with **Eastern Air Lines**. On December 31, Harding Lawrence's error in quickly expanding Braniff's routes in the wake of deregulation leads the board to request his early retirement.

Passenger boardings for the year fall 15.3% to 12,153,000 as freight falls 5.2% to 182.63 million FTKs. The pioneer's revenues continue upward 7.9% to \$1.45 billion, but costs (led by fuel bills) increase 12.6% to \$1.56 billion, leaving a net loss of \$128.51 million atop an operating loss of \$107.49 million.

The workforce is reduced by 13% in 1981 to 10,000. On January 8, Lawrence is succeeded by Vice President-Operations John J. Casey, older brother of the **American Airlines** chairman. **Eastern Air Lines** Chairman Frank Borman notifies Braniff on January 27 that merger discussions are broken off and, on February 28, the line asks its employees to take pay cuts of up to 10% to help it recover from its losses.

A formal consent postponing payments on loans is signed by 39 Braniff creditors on March 5 and, on March 13, employees agree to contribute 10% of their salaries to help the company ease its severe cash shortage and approve a profit-sharing plan that runs through 1983.

On April 12, Braniff raises the salaries of approximately 1,000 management officials by an average of 11.4%; leaders of the unions, whose members had accepted pay cuts a month earlier, roundly criticize Chairman Casey. A Federal employment discrimination lawsuit is settled out of court on April 15. The airline agrees to give preferential treatment to African-Americans rejected as flight attendants between 1971 and 1975 and to pay each \$1,000. The original suit had been filed by Beverly J. Quigley on behalf of all African-American flight attendants.

On June 21, a B-727-227 narrowly misses a midair collision with a Bolivian Air Force jet fighter over Brownsville International Airport in Texas; traffic controllers blame the pilot of the Bolivian plane for the incident. During the summer, the two leased former **Deutsche Lufthansa, A.G.** Jumbojets are returned to their lessor, along with the **World Airways** unit. The domestic network is more fully centered upon the Dallas (DFW) hub.

On September 5, in an unrelated incident, 11 Texans, including 10 Braniff pilots, are indicted at Washington, D.C., for Federal tax fraud. Their leader, Jerome Daly, allegedly gained control of the tax-exempt Basic Bible Church in 1978. Also in September, President/CEO Russell Thayer is replaced by a new management team led by **Southwest Airlines** President Howard D. Putnam. This group immediately moves to trim costs while holding on in the tough competitive arena of the U.S. Sunbelt. A spirited marketing blitz is undertaken focusing on the company's traditional route strengths and all unprofitable foreign and domestic slots in the network are eliminated.

On November 1, a B-727-227 is tasked to become the team plane of the Dallas Cowboys professional football team. The aircraft wears a helmet with the team's star logo on its tail and "Dallas Cowboys" titles on the mercury blue fuselage forward of the wings. The Cowboys will only

fly the trijet twice, losing late season contests to the San Francisco 49ers and New York Giants.

Largely due to retrenchment and effects of the PATCO air traffic controllers' strike and ATC restrictions, traffic drops 14.2% to 10,494,000 while cargo plunges down by 43.2% to 127.39 million FTKs. Simultaneously, revenues decline 17.9% to \$1.18 billion and although the new management's activities cut costs 17.43%, expenses still total \$1.29 billion. A \$94.8-million operating loss is posted and a monstrous \$156.49 million loss is sustained.

Humor precedes corporate disaster in 1982. On February 1, President Putnam covertly tape records a conversation with **American Airlines** President Robert L. Crandall in which the latter suggests coordinating fares out of Dallas (DFW). Putnam turns the tape over to the Justice Department, which begins an embarrassing investigation of the rival.

A man wanting to hijack a Braniff jetliner, but who does not know how to fly, boards an empty B-727-227 on February 13 at Amarillo, Texas, and, after discovering his error, locks himself inside the cockpit where he remains until Federal agents can talk him into surrendering some hours later. Upon examination, the man will be found to be mentally unstable and sent to a psychiatric institution.

In March, the CAB begins an investigation into Braniff charges that **American Airlines** has been employing "dirty tricks" against it in Dallas; Braniff brings its own civil suit on similar charges.

During the first week of May, a deal is made to lease the company's South American routes to **Eastern Air Lines**, but by this time the company is out of cash and can neither complete the deal or operate. Unable to pay either principal or interest on its debts since mid-1980 and following two successive \$100 million-plus loss years, Braniff International Airways, \$733 million in debt, files for Chapter XI bankruptcy on May 12.

The next day, all aircraft are ordered back to Dallas from wherever they might be in order to prevent their seizure. By the day it closes its doors, the carrier—first to fail under deregulation—has flown 3,918,000 passengers (down 62.7%) and 34.74 million FTKs (off 72.7%) for the year. It has generated \$380.22 million in revenues and has \$427.58 million in expenses. The final bottom lines read: minus \$67.35 million (operating) and minus \$65.1 million (net). More important for the travelers who have been caught by surprise, hundreds of consumers are left with worthless tickets that no other airline will honor.

Once out of business, almost all of the company's South American routes are acquired on June 1 by **Eastern Air Lines**, while its domestic slots are divided up by other air transport companies. Among the latter is **Pacific Southwest Airlines (PSA)**, which files a plan to use its slots plus aircraft leased from Braniff's assets to start a joint venture Texas division at the ex-major's Dallas (DFW) base. The move is opposed by **American Airlines**, which now declares the Texas airport its principal hub.

In the spring of 1983, a U.S. Court of Appeals judge rules against the **Pacific Southwest Airlines (PSA)** initiative. At this point, 20 B-727-227s are sold and a B-747-127 is leased to **PEOPLExpress**. In July, the "dirty tricks" suit initiated against **American Airlines** is settled out-of-court when the surviving major pays \$20 million to takeover Braniff's Dallas (DFW) gate leases in exchange for a dropping of all charges.

The story of the airline's last years is covered from two different perspectives in books written after its failure. Former Chairman Putnam, with Gene Busnar, recalls the period in *The Wings of Turbulence: A CEO's Reflections on Surviving and Thriving on the Cutting Edge of Corporate Crisis* (New York: HarperBusiness, 1991). Earlier, an ex-Braniff pilot, now ABC News consultant, John J. Nance, had written *Splash of Colors: The Self-Destruction of Braniff International* (New York: William Morrow, 1984).

There is an unofficial website on Braniff that is maintained by Bill Jackson located at <http://users.acl.com.dispatcher/private/bnf.html>.

BRANSON AIRLINES: United States (1993–1994). Branson Airlines is established by Nick Herbst at Branson, Missouri, during the summer of 1993 to serve the country music and tour group attractions of the city.

Daily lightplane roundtrips are initiated to Kansas City, St. Louis, Little Rock, and Memphis.

As the result of low demand, the service to St. Louis and Kansas City is cancelled on November 15. Unable to survive until the following tourist season, the company goes out of business in early 1994.

BRASAIR TRANSPORTES AEREOS, S.A.: Brazil (1994–1998). BTA is established by Ioannis Ammeronis at São Paulo in March 1994 to undertake ad hoc cargo services to a variety of South American destinations. With himself as president and Sergio R. C. Siquera as director general, Ammeronis begins operations with a single leased Boeing 707-336C. An owned B-707-351C joins the fleet later in the year.

Business is expanded in 1995 as a B-707-330C is acquired. During 1996–1997, a marketing agreement is signed with **VASP Brazilian Airlines, S.A.** The company is reformed in late 1998, becoming **Beta Cargo, S.A.**

BRATSK AIR ENTERPRISE: Bratsk II Airport, Bratsk, Irkutsk Region, 665711 Russia; Phone 7 (39531) 71325; Fax 7 (39531) 71325; Code BRAT; Year Founded 1994. Bratsk, named for the city in the Irkutsk region of the CIS, is established in 1994 at Bratsk Airport to provide scheduled and charter passenger and cargo flights to destinations in Siberia, China, Mongolia, Turkey, and European Russia. Shareholding is divided between the state (51%) and company employees (49%).

Vladimir D. Odnostorontsev is appointed general director and he commences revenue services with a fleet containing an unspecified number of Antonov An-2 and Yakovlev Yak-40s, plus one Tupolev Tu-154 and several Mil Mi-2 helicopters. Enplanements for the year total 163,227.

The 35 aircraft in the fleet haul a total of 141,200 passengers in 1995, a 15.6% decline while freight carriage falls 26.5% to 3.96 million FTKs.

Flights continue in 1996–1999, during which years the fleet comprises 4 Tu-154Ms, 1 Tu-154B, 11 Yak-40s, 12 An-2s, and 7 Mi-8 helicopters.

On August 6, 2000, the carrier launches twice-weekly Tu-154M direct return service from Bratsk to Domodedov Airport at Moscow; one flight is direct while the other stops at Yekaterinburg.

BRAVIA: Bryansk Airport, Central Region, 341036, Russia; Phone 7 (08322) 48524; Fax 7 (08322) 40016; Code BYK1; Year Founded 1999. Bryansk Air Enterprise is reformed in the summer of 1999 and renamed in honor of a now-defunct U.K.–Russian joint enterprise set up to sell Rolls Royce-powered Tupolev Tu-204s.

Domestic and regional cargo services, both scheduled and cargo, continue to be offered during the remainder of the year and into 2000 with a fleet of 8 Yakovlev Yak-40s, 5 Antonov An-24s, 36 An-2 biplanes, and 15 Mil Mi-2 helicopters.

The media reports an aluminum theft at Bryansk on May 18—two propellers have been stolen from an An-2.

BRAZIL CENTRAL (LINHA AEREA REGIONAL BRAZIL CENTRAL, LTDA.): Brazil (1986–1996). To save it from collapse, the Brazilian government's Departamento de Aviação Civil (DAC) on July 31, 1986 authorizes the purchase of Rio de Janeiro-based **Votec (Serviços Aéreos Regionais, S.A.)**, operated by the nation's largest helicopter operator, **TAM (Taxi Aéreo Marília, S.A.)**.

Given government subsidy and having designed a marketing strategy to integrate the two carrier's sales and schedules, TAM officials act within five months to consolidate the fleets and maintenance divisions of the two airlines. Led by Jose Rebelo de Meira Vasconcelos, the new CEO, the company reeducates newly acquired personnel and launches Brazil Central, S.A. as a wholly owned subsidiary. **Votec (Serviços Aéreos Regionais, S.A.)** returns to the operation of helicopter services only.

With 8 former Votec Embraer EMB-110C/P Bandeirantes and 1 Fokker F.27-600 repainted in yellow and green, scheduled services are

undertaken, beginning in January 1987, to Berra do Garcas, Belem, Belo Horizonte, Cuiba, Pamphula, Brasilia, Golani, Minacu, Niquelandia, Palmas, Redencao, Ribeirao, Santana do Araguaia, Sao Felix de Araguaia, São Paulo, Uberaba, and Uberlandia. At the end of the year, the fleet is altered somewhat: 2 Bandeirantes are withdrawn from service and replaced by 1 F.27-200.

In 1988, services are inaugurated to Porto Nacional, Gurupi, Santa Terezinha, Confresa, Miracema do Norte, and Balsas with 3 Bandeirantes leased from TAM (Taxi Aereo Marilia, S.A.). Hubs are established at Belem, Brasilia, and Miracema do Norte and a new 2,000-sq.-ft. hangar is completed at the former point. Enplanements for the year reach 132,869.

Airline employment stands at 400 in 1989 and the fleet now includes 2 Friendships, 3 DC-3s, 6 Bandeirantes, and 1 Britten-Norman BN-2 Islander.

Passenger boardings accelerate 12.5% to 151,850 and freight traffic moves ahead by 9% to 314,000 FTKs.

As a result of national economic reversals, passenger boardings drop 11.6% in 1990 to 177,122 and freight falls by 31.4% to 393,000 FTKs.

Airline employment stands at 171 in 1991 and the fleet includes 3 EMB-110Cs, 4 EMB-110Ps, and 1 each leased EMB-110P1, F.27-200, and F.27-600. Statistics are reported only through September, but show customer bookings down 6.2% to 199,893 and cargo off 14.1% to 244,000 FTKs. Expenses exceed income and there is an operating loss of \$1.01 million. There is, however, a net gain of \$411,363.

The employee population is increased by 24.1% in 1992 to 283. The decision is taken by the government to end six years of subsidy, forcing the carrier to be operated purely on a commercial basis. For the year as a whole, traffic declines once again.

Passenger boardings are off 20.5% to 212,981 while freight declines 19% to 6.94 million FTKs. Revenues jump 10.5% to \$30.34 million while expenses are up only 2.6% to \$29.22 million. As a result, there is an operating surplus of \$1.12 million and a net profit of \$1.28 million.

In 1993, CEO Vasconcelos oversees a workforce of 275, down 3% from the previous year, and a fleet that includes 1 each leased F.27-200 and F.27-600 and 8 EMB-110 Bandeirantes, 3 of which are out of service. The Fokkers are phased out as 20 Cessna 208 Caravan Is are acquired.

Destinations outside the main urban centers continue to be visited, many lacking infrastructure support such as paved runways. Markets served include Barras do Garcas, Belem, Belo Horizonte, Confresa, Cuiba, Pamphula, Brasilia, Golania, Guropt, Minacu, Niquerlandia, Palmas, Redencao, Ribeirao, Santa Terezinha, Santana do Araguaia, Sao Felix de Araguaia, São Paulo, Uberaba, and Uberlandia.

Customer bookings fall another 19.9% to 168,759, but cargo, thanks to the new Caravans, skyrockets 101% to 14.7 million FTKs. Revenues, on the other hand, decline 14.5% to \$27.1 million as expenses plunge 25.9% to \$24.63 million. The operating surplus is \$8.53 million while a net \$2.74-million profit is generated.

The workforce is cut another 40.7% in 1994 to 163 as the Caravan I fleet is expanded to 41. Of the 8 Bandeirantes, 1 is taken out of service and 2 are leased to Pena Taxi, S.A. Toward year's end, consideration is given to the charter of a Fokker 50 to be placed on certain growing routes.

Passenger bookings recover and climb 6% to 178,919; cargo increases 82.6% to 862,131 FTKs. Revenues swell 5.8% to \$39.58 million while expenses are down 12.4% to \$25.45 million. Pretax income advances to \$14.3 million while net gain slips to \$2.38 million.

Twelve workers are hired in 1995, a 4.9% increase. Traffic figures are only available for the first quarter and show an increase in enplanements of 48.7% to 52,564.

Airline employment grows a major 59.6% in 1996 to 273. Five Bandeirantes are out of service, 1 remains out on lease to Pena Taxi, S.A., and only 1 Bandeirante is employed by the company. Meanwhile, the number of Caravan Is in operation grows to 48, all but 2 of which are chartered, with 2 subleased to Pena Taxi, S.A. The rotary wing fleet includes 1 Bell 206A, 7 Bell 206Bs, and 4 AS350Bs.

Destinations visited include Asuncion, Belem, Belo Horizonte, Brasilia, Campo Grande, Ciudad del Este, Cuiaba, Curitiba, Florianopolis, Fortaleza, Goliaia, Macapa, Maceio, Manaus, Natal, Palmas, Porto Alegre, Porto Velho, Recife, Rio de Janeiro, Salvador, São Paulo, and Vitoria.

To supplement its domestic feeder routes, the rapidly expanding TAM (Transportes Aereos Regionais, Ltda.) purchases Helisul Taxi Aereo, Ltda. in August for two million reais (\$2 million). The company, which is allowed to retain its independent identity, is assigned to this TAM subsidiary and continues to operate from its Foz do Iguaco base in Parana State.

In October, the company is granted long-haul authority by the Brazilian government. In recognition of this achievement, the carrier is renamed TAM (Transportes Aereos Meridionais, S.A.) in December.

This is an outstanding traffic year as customer bookings increase 50.3% to 643,102 and cargo skyrockets 111.6% as 2.59 million FTKs are operated.

BRAZILIAN INTERNATIONAL AIRLINES. See EMPRESA DE TRANSPORTES AEROVIAS BRAZIL, S.A.

BREMERTON AIR TAXI: United States (1964–1967). Robert Crowther established BAT at Bremerton, Washington, in early 1964 as a division of his Crowther Flying Center. Employing a Beech 18, he inaugurates scheduled roundtrip passenger and cargo services to Seattle on February 2.

When Puget Sound Airlines is created in mid-1967, Bremerton Air Taxi is one of the merger partners.

BREST UNITED AVIATION DETACHMENT. See BELAVIA (BELARUSSIAN AIRLINES)

BRINTEL HELICOPTERS, LTD. See BRITISH INTERNATIONAL HELICOPTERS, LTD.

BRISTOL BAY AIR SERVICES. See NORTHERN CONSOLIDATED AIRLINES

BRISTOW HELICOPTERS, LTD.: Redhill Aerodrome, Redhill, Surrey, England, RH1 5JZ, United Kingdom; Phone 44 (1737) 822353; Fax 44(1737) 822694; http://www.townpages.co.uk/html/client/bristow_helicopters; Year Founded 1951. Alan E. Bristow, formerly chief helicopter test pilot of Westland Aircraft and a pilot for Helicopair during French military operations in Indochina, forms this rotary-wing operator in 1951 as Air Whaling, Ltd.. The company, which provides FBO helicopter support for whaling fleets in the Antarctic, is reorganized in August 1953 to provide charter and contract service flights within the U.K. and receives its present name.

Flights continue through the remainder of the decade with both helicopters and a small fleet of fixed-wing Scottish Aviation Twin Pioneer 1s.

On July 1, 1960, Bristow is one of the small carriers acquired and merged into the Air Holdings Group (now British Air Transport Holdings, Ltd.) subsidiary British United Airways, Ltd., which now fields a large helicopter division.

Operations continue apace during the remainder of the decade, albeit under the BUA label.

A Scottish Aviation Twin Pioneer 1 with three crew crashes 12 nm off Chepbeica, Morocco, on January 17, 1963, during a ferry flight; all aboard are rescued.

Bristow Helicopters Nigeria, Ltd. is established at Lagos in early 1967 to offer support to Nigeria's growing energy industry. This subsidiary will operate more fixed-wing aircraft than all of the other units of the company combined, beginning with the Scottish Aviation Twin Pioneer 1 fleet transferred from the U.K.

While on a training flight near Ughelli Aerodrome in Nigeria on April 4, a Twin Pioneer 1 with two crew strikes a tree and crash-lands; although the plane catches fire, the crew scrambles to safety.

In the U.K., orders are placed for 20 Agusta/Bell 206B JetRangers. On July 26, Capt. Ernie Perrin ferries a Westland WS-55 Whirlwind from company headquarters at Redhill to Dyce Airport at Aberdeen, Scotland. The next day, having boarded passengers from a chartered Douglas DC-3, he pilots the first offshore-support helicopter flight, flying the Hamilton Brothers workers to a drill ship which has just begun work in the Moray Firth.

Service continues without further incident through the end of the decade and into the next.

On November 30, 1970, **British United Airways, Ltd.** is purchased by **Caledonia Airways, Ltd.** When the newly amalgamated carrier elects to sell its helicopter operations, Bristow is reborn. British Air Transport Holdings, Ltd., a subsidiary of British & Commonwealth, Ltd., and Eagle Star Insurance are principal owners (76%) with Alan Bristow and his associates holding the minority interest. With Bristow as chairman and G. Russell Fry as managing director, the carrier begins to develop into one of the world's largest rotary-wing operators.

Various activities are undertaken, including energy rig support operations, surveying, executive charter, search and rescue, pilot training, and aerial crane activities. By the end of the decade, airline employment stands at 1,400 and the fleet comprises 21 Sikorsky S-61Ns, 5 Aerospatiale AS-332 Pumas, 12 Wessex 60s, 6 Sikorsky S-58Ts, 6 Westland Whirlwinds (license-built S-55Ts), 32 Bell 212s, 2 Bell 204Bs, 12 Bell 205A, 22 Bell 206 JetRangers, 1 Bolkow 105, 6 Alouette IIIs, 27 Bell 47Gs, 18 Hiller UH-12s, and 4 Britten-Norman BN-2 Islanders, the company's only fixed-wing aircraft.

In April 1971, government coast guard contracts with Bristow to provide search and rescue (SAR) coverage along the southeast English Channel coast where it narrows before entering the North Sea. Based at RAF Manston in Kent and given coast guard livery, the Bristow Westland Whirlwind 3 will make 668 flights before the three-year contract ends in October 1974.

During the middle years of the 1970s, the company begins to operate Westland Whirlwinds and Wessex 60s into the southern North Sea area from a grass heliport at North Denes, above Great Yarmouth. The operations from this point will grow during the next two decades and the company will operate air traffic control from this base on behalf of all carriers.

In October 1977, major shareholding is taken in **British Executive Air Services, Ltd.** Early in 1978, the new purchase is integrated, minus its agricultural division, which is sold to David Dollar and becomes **Dollar Helicopters, Ltd.** Operations continue apace in 1979, during which year the company enters into a \$55-million arrangement with Boeing Vertol for the purchase of 5 Model 234 Civil Chinooks. In June, a contract is signed with Shell U.K. Exploration and Production (Shell Expro) and 2 Bell 212s are stationed on that company's "flotel" *Safe Gothia*, in the Brent field, for interstructure shuttle and day and night SAR.

As a result of the energy crisis, the Chinook deal is terminated in June 1980. The company makes the world's largest civil helicopter purchase in April 1981, ordering 35 Aerospatiale AS-332L Super Pumas, modified into Tigers, for \$200 million. During the same month, the company opens a base at Houma, Louisiana, and begins operations in the Gulf of Mexico. The venture is unsuccessful and almost all flight operations in the area cease on July 19.

Multifaceted operations continue in 1982 as the first Aerospatiale Tigers join the fleet. At the conclusion of the Falklands war, the company wins a contract from the Ministry of Defence to provide helicopter support to the Falklands Island garrison. Several Bells are sent to the South Atlantic to move passengers, freight, and underslung loads around the islands.

Meanwhile, charter flights increase significantly during the 1980s; in 1983, for example, a total of 1.9 million passengers are transported worldwide. The fleet is increased to include additional fixed-wing aircraft and the carrier offers domestic and overseas passenger, cargo, and charter services, particularly in support of oil resource development, from branches in nine nations.

Later in the year, the company is able to win the East Anglia S-61N support contract with Shell Exploration, Ltd. (Expro) away from **British Airways Helicopters, Ltd. (BAH)**. In December, BAH also loses to Bristow the long-time government coast guard contract centered on Sumburgh in the Shetland Islands. Employing a specially equipped S-61N, Bristow pilots inaugurate SAR flights at year's end.

Operations continue apace in 1984, by which time the workforce totals 2,000 and the fleet includes 150 helicopters. When **Bond Helicopters, Ltd.** purchases North Denes Airport in April, Bristow, the senior operator from this base, becomes a renter. An S-61N is outfitted for SAR duties, which are begun under a contract with the British Coast Guard.

Outbound to an Amoco jackup rig 30 miles off the Yorkshire coast on November 20, a Bell 212 disappears into the sea (two dead). At year's end, the **United Helicopters, Ltd.** subsidiary purchases 49% shareholding in **Okanagan Helicopters, Ltd.** of Canada for C\$22 million.

The fleet assigned to the North Sea in January 1985 includes 19 Aerospatiale AS-332L Tigers, 13 Sikorsky S-61Ns, 8 Sikorsky S-76s, and 8 Bell 212s. During the spring, 4 Bell 212s are modified and begin operating under control of the automatic helicopter position recording system installed by Offshore Navigation, Inc. at Shell's Cormorant Alpha platform in the North Sea.

Founder Alan Bristow retires on June 30, selling his last 13.4% shareholding to British & Commonwealth, Ltd.'s designated holding company, United Helicopters, Ltd. His son, Lawrence, departs as North Sea regional manager in September. Flying on behalf of the British Coast Guard on a new three-year contract, an SAR-equipped S-61N assists in the rescue on November 5 of 140 men from the storm-damaged BP oil rig support vessel *Tharos* in the North Sea. During the year, this helicopter increases the number of its rescue missions by 100% to a total of 73.

During February 1986 the BP Forties and Buchan Field support contracts are renewed for three years. In April, BAH regains the Shell Expro account. With falling oil prices, the demand for exploration in the North Sea declines and a substantial number of employees (between 60 and 90) are dismissed at Aberdeen during the summer.

At the same time, a new passenger terminal is opened at the North Denes Airfield; since the company began operations from this base in 1965, 1.5 million passengers and 60 million pounds of cargo have been transported. On July 11, an S-61N transporting oil workers is nearly involved in a midair collision over the North Sea with a Danish Air Force F-16 fighter plane en route to an air show at Lossiemouth, Scotland.

In August, it is reported that, since its founding 33 years earlier, the company has transported a total of 21.4 million passengers and 1.18 billion pounds of freight in 2.2 billion flight hours. When Shell Expro, in response to the oil exploration slowdown, withdraws its floating hotel, the *Treasure Hunter*, from its Brent Field in the Shetlands in September, the company must relocate 3 Bell 212s to Unst. The S-61N, under contract to the coast guard at Sumburgh, participates in the attempt to save survivors from the crash site of a **British International Airways, Ltd. (BIH)** Boeing Model 234 Civil Chinook in November. At year's end, the company has a total of 52 aircraft active in offshore support roles.

The company begins an "SAR War" in February 1987 when it proposes that private companies assume all U.K. helicopter search and rescue operations from the military. In May, it secures a coast guard contract to initiate SAR service from Stornoway, on the Outer Hebrides. In addition, medevac flights are also provided within and between those islands and the mainland. United Helicopters, Ltd., the holding company parent, purchases 1.7-million common shares in the new **CHC Canadian Helicopters Corporation, Ltd.** when it is formed during the summer.

During October, the company receives two offshore contracts from Fina Petroleum Development, Ltd. One calls for the use of an S-76 to support drilling in the Morecambe Bay area, and the other calls for another S-76 to support similar operations in the southern North Sea.

Following the takeover of **British Caledonian Airways, Ltd. (BCAL)** by **British Airways, Ltd. (2)** on November 11, the former independent's subsidiary, **British Caledonian Helicopters, Ltd. (BCHL)** is purchased by Bristow in December and merged. The

arrangement strengthens the Bristow fleet through the addition of 4 Bell 214STs, 3 S-61Ns, and 1 S-76.

An Aerospatiale AS 332L Tiger records the carrier's five-millionth flight on January 6, 1988 when it transports a crew from Marathon Oil's Brae Field. To celebrate the event, all of the passengers are presented with a bottle of Scotch whisky as they disembark. Since its introduction, the Tiger variation of the Aerospatiale Super Puma has recorded 2.5 million flight hours.

An SAR-equipped S-61N based at Stornoway rescues an injured seaman from a fishing vessel in Gale Force 9 winds later in the day; the dangerous extraction is effected by Bristow winchman Jeffrey Todd, who is lowered to the ship's deck. A year later, he will receive the "Prince Philip Helicopter Rescue Award" from the Guild of Air Pilots and Air Navigators. Additionally, the other S-61N crew on the flight, Capt. John Bleadon and First Officer Andy Hudson will join Todd in receipt of the "Edward and Maisie Lewis Award" from Queen Elizabeth for the country's most outstanding air-sea rescue.

On February 11, the Minister of State for Armed Forces rejects the Bristow proposal that civilian operators take over all U.K. SAR activities; however, he states that civil operators may continue to seek supplemental contracts via the Secretary of State for Transport.

Inbound at 3,000 ft. to the Scottish coast, 22 nm. from a Shell Expro rig on February 22, an AS-332L Tiger, with 13 aboard, is able, via ATC guidance, to avoid a collision with an RAF F-4K Phantom.

Also in the first quarter, it is announced that the company will replace its Bell 47 training fleet in May with 5 Robinson piston-powered R22 Betas. At the same time, a nine-month support contract is received from Mobil to employ a Bell 212 in support of the energy company's platform development in the Daryl field.

Three new North Sea support contracts are received in April; AS-332L flights will be provided for Ranger Oil, while Bell 214STs will fly for Kerr-McGee Oil and S-76s for Lasmo North Sea. In May, the Secretary of State for Transport awards Bristow a third coast guard rescue helicopter contract; worth \$12.1 million, the arrangement will provide a specially equipped S-61N around-the-clock in the Lee-on-Solent area of the English Channel coast.

The new unit's first call comes on May 24 when it joins a pair of RAF Wessex helicopters in delivering medical teams and provides passenger evacuation to a ferry afire in the English channel.

In June, company experts are sent to the U.S.S.R. to examine the possibilities of acquiring Mil Mi-26 helicopters for heavy-lift work; aware that U.K. certification will be difficult if not impossible to obtain, no deal is struck. An SAR crew from rescues several climbers from a mountain ledge.

On July 13, an SAR S-61N crew saves all 21 evacuees from a **British International Helicopters, Ltd. (BIH)** S-61N that has been forced down in the North Sea with a burning engine; the stricken machine sinks just after the rescue.

When the oil rig *Piper Alpha* takes fire later in the month following a gas blowout, an SAR-equipped S-61N provides rescue assistance for survivors. In August, the long-time Bell 214ST contract with Sun Oil for support of its Balmoral Field in the North Sea is lost to competing BIH. The company begins to seek replacements for its Bell 212 fleet. At the Farnborough Air Show in September, a Bell 412 is exhibited in the company's livery as pilots evaluate the four-bladed ship. The same month, a pair of AS-332L Tigers and a Bell 212 are dispatched to Dhaka, Bangladesh, to provide flood relief services.

The company's 25-millionth passenger is transported on November 30; however, with 750 flights daily company-wide, it proves impossible to identify the exact flight. Publicly owned since 1960, Bristow is a component of the Bricom Group management buyout.

In April 1989, Bristow places the most valuable civil helicopter order to date when it becomes launch customer for the new Aerospatiale AS-332 Super Puma Mk.2, placing an order for 20 to begin delivery in 1992. Later in the month, a baby girl is born aboard the S-61N based at Stornoway as it flies to the local hospital; she will be named Kirsty Macleod.

Bristow Helicopters Nigeria, Ltd. begins flying a pair of de Havilland Canada DHC-6-300s during the year while an AS-332L Super Puma is leased to the Norwegian domestic helicopter carrier **A.S. Morefly**, which has won a government contract to offer SAR services.

Flying from North Denes on November 8 under guidance of a circling RAF Nimrod reconnaissance aircraft, two company S-76As rescue a total of 51 oilmen from the *Introcean II*, a jackup rig drifting in heavy North Seas swells. The rig capsizes minutes after the last men are lifted off. In December, an AS-332L Tiger suffers serious damage in a fire while making ground turns at Aberdeen Airport.

Airline employment stands at 2,000 in 1990 and the company has a total of 60 aircraft active in offshore support roles. On January 9, two of eight mooring cables from the East Shetland Basin accommodation rig *Safe Gothia* are lost. A company Bell 412ST and 2 Bell 212s assist 11 **British International Helicopters, Ltd. (BIH)** helicopters in airlifting some 400 oilmen, in storm-force winds and darkness, to nearby platforms and Sumburgh. The thirtieth anniversary of the pilot training school is celebrated in April. Three Scandinavian companies formed under the general control of Nobel Industries and known as Rochfield, Ltd. purchase Bricom and Bristow Helicopters, Ltd. A consolidated pretax operating profit of £24.7 million (\$43.7 million) is reported.

A total of 3 S-61Ns are contracted to the coast guard in January 1991 and are based at the English base of Lee on Solent and at Scottish facilities at Stornoway and Sumburgh. Since the former was placed into service, it has made 540 calls; the Stornoway machine has flown SAR 417 times while the one at Sumburgh has been out on 363 occasions.

Several AS-332L Super Pumas on contract with a Chinese offshore firm participate in the August 16 rescue of 158 survivors from an oil exploration rig that capsizes during a typhoon in the South China Sea. The majority of those saved are lifted out by Sikorsky S-76A+s of the Royal Hong Kong Auxiliary Air Force.

As the result of another downturn in the demand for offshore oil support during the fall, contract rates remain flat and activity is sluggish. At the request of BP Exploration, the company's 3 S-61Ns on North Sea contract are replaced by 2 AS-332L Tigers. Meanwhile, 1 each Tiger and Bell 214ST are dispatched to Australia, where the subsidiary Bristow Helicopters Australia (Pty.), Ltd. will employ them in expanded offshore work "down under."

Led by the helicopter airline's Managing Director Bryan Collins, Caledonia Investments Plc and Morgan Grenfell Development Capital, Ltd. subscribe 45% equity in November and join Collins in Bristow management's successful buyout scheme. The carrier's 2,000 personnel are allowed the opportunity to acquire stock from the 10% stake held by management. The £200-million (\$354-million) financing package covers both the acquisition of Bristow Helicopters, Ltd. for £155 million (\$274 million) and the flight school Air Services Training, Ltd. In December, a contract is signed with the Maldives-based operator **Hummingbird Helicopters, Ltd.** for the lease of 2 S-61Ns.

The first S-61N is delivered to **Hummingbird Helicopters, Ltd.** during January 1992. Just after lifting off from the Cormorant Alpha oil platform off the Shetland Islands on March 14, an AS-332L Tiger with 17 aboard loses lift and crashes (11 dead). Also during the first quarter, a bid is made for BIH; however, it is withdrawn at the end of June.

In the April 8 issue of *The North Sea Letter* it is pointed out that since 1979, the Bristol Bell 212 SAR unit based on the Shell Expro accommodation vessels *Safe Gothia* and *Treasure Finder* have carried out over 450 search and rescue missions.

Bristow Helicopters Nigeria, Ltd., under the leadership of J. T. Black, now employs 300 and operates a fixed-wing fleet that includes 2 Twin Otters, 1 Scottish Aviation Twin Pioneer, and 1 de Havilland DH 104 Dove 6, as well as helicopters.

By July, 5 additional AS-332Ls have been supplied to Bristow Helicopters Australia (Pty.), Ltd. **Hummingbird Helicopters, Ltd.** places a second Bristow S-61N into service during November.

In early January 1993, the Liberian supertanker *Braer* grounds at the south end of the Shetland Islands. In heavy rain and turbulence, the

S-61N from Sumburgh participates in the rescue of 34 crewmen. In addition, when the ship goes on the rocks, spilling much of its 25-million-gallon cargo of oil, the Sikorsky rescues an unsuccessful salvage team and then flies numerous surveillance missions to monitor the tanker's condition and the extent of oil pollution.

On April 6, Scottish judge Alexander Jessop rules, in a 76-page document, that the March 14, 1992 accident in the Shetland Islands was caused by pilot error.

The SAR unit based at Lee on Solent completes its 1,000th mission on June 15 when its S-61N investigates a report of a fire.

In September, a pair of USAF Boeing B-52 Stratofortresses nearly collide with a company S-61N. On October 1, Bristow cancels an order for 6 AS-332L-2 Super Puma Mk. 2s.

On November 9, the company performs its most spectacular SAR rescue to date. A coast guard-contracted S-61N rescues 56 of 60 crewmen from the Latvian fishing vessel *Lunokhod*, which has run aground at the base of 100-ft. cliffs below the lighthouse on Bressay, in the Shetland Islands, during a storm. With four men escaping by lifeboat, the Sikorsky completes its mission in just two lifts, transporting 25 people to Lerwick in the first and 31 in the second. The mission establishes a world record for the number of persons rescued by a civil SAR helicopter winching operation.

In December, the company, with a 32% stake, joins with the shipping companies Leifhoegh and Andreas Ugland to establish a Norwegian joint venture subsidiary, **United Helicopter, A.S.**, which will operate as **Norsk Helicopter, A.S.** in competition with the giant **Helikopter Service, A.S. (HS)**. United purchases a hangar in Stavanger at year's end.

In February 1994, a \$25-million, five-year extension of the company's long-running North Sea support contract with Mobil Oil is signed. A pair of AS-332L Tigers will continue to be dedicated to servicing the Beryl Field, which is located approximately 180 nm. NE of Aberdeen. Also during the first quarter, one each Super Puma and S-61N are dispatched to Stavanger as the fleet of **Norsk Helicopter, A.S.**; unhappily, the subsidiary will be unable to win any of the major North Sea contracts awarded during much of the remainder of the year.

As the result of a Department of Transport decision in early May, the company's contract for government coast guard service from Sumburgh is renewed on June 1. Since that operation began, Bristow's S-61Ns have flown 600 missions. During the summer, the Italian associate company, **Helitalia, S.p.A.**, is established at Florence and in October, a Super Puma based at Aberdeen conducts a successful trial with a satellite tracking system manufactured by the Danish firm of Thrane & Thrane.

In December, subsidiary **Norsk Helicopter, A.S.** is finally able to outmaneuver HS, winning the lion's share of two Phillips Petroleum contracts for shuttle services to and from the Ekofisk oil field in the southern North Sea. At the same time, Bristow retains its Conoco support contract for another three years and will continue to utilize its Unst-based S-61N and Aberdeen based Super Puma on it.

Meanwhile, Shell Expro reverses an earlier decision and contracts to retain a second offshore Bell 212 in its Brent field. Late in the year, Aer Lingus Group indicates that it will privatize its **Irish Helicopters, Ltd.** subsidiary via its sale.

A total of 429 SAR missions are flown during the year on behalf of the U.K. Department of Transport.

Bristow in 1995 continues to operate offshore and coast guard activities in the U.K. from bases at Aberdeen, Great Yarmouth, and Sumburgh and sponsor subsidiaries and activities in Australia, Indonesia, Malaysia, Singapore, and Trinidad.

While flying at a point 140 nm NE of Aberdeen on January 19, a company Super Puma's tail rotor is hit by lightning; the helicopter is able to make a controlled ditching and all 16 aboard are rescued, although the machine is lost.

At month's end, the Conoco support contract is renewed for three years; it will continue to utilize an Aberdeen-based AS-332L Super Puma and an S-61N out of Unst. Simultaneously, an earlier decision by Shell Expro to cancel services for a Bell 212 at its Brent field is reversed.

A worldwide staffing review is completed at the beginning of February. As a result, 50 positions are cut at the Aberdeen base, including 15 voluntary retirements.

Following the January 19, ditching of a company AS-332L.1 in the North Sea because of a lightning strike, Bristow, after consultation with the Civil Aviation Agency in March, joins with its rivals **Bond Helicopters, Ltd.** and **British International Helicopters, Ltd.** in a voluntary agreement to prohibit flights in actual lightning conditions. Aircraft will either be diverted around such areas or not allowed to depart.

At the beginning of April, an S-61N is dry-leased to the Brazilian operator Aeroleo Taxi Aero, Ltda.

While landing at Lagos after an April 23 charter from Port Harcourt, a **Bristow Helicopters Nigeria, Ltd.** DHC-6-300 with two crew and seven passengers is caught in a microburst that causes the Twin Otter to hit the runway nosegear first. The turboprop bounces and attempts to go around, but collides with a parked Nigerian Air Force Fokker F.27-200MP. The civilian pilot is killed.

On July 28, Bristow takes a 51% stake in **Irish Helicopters, Ltd.** while **Petroleum Helicopters** of Louisiana purchases the remaining 49% interest, the maximum allowed for foreign ownership under European Commission rules. The combined price is \$8 million. The Dublin-based rotary-wing operator is allowed to retain its current identity and management.

Having won a short-term contract for offshore support in the Black Sea, a Bell 214ST, with a team of five pilots and engineers, departs from Aberdeen on August 8 for a 1,500-nm. flight to Varna, Bulgaria. Upon its arrival, the American-made helicopter begins transporting workers to and from *Ocean Liberator*, a platform located 150 nm offshore.

When the Royal Navy pulls the Westland Sea Kings of No. 848 Squadron out of Portland in September, the Department of Transport contracts with Bristow to station its coast guard S-61Ns at that point in Dorset.

A coast guard S-61N from Lee on Solent is called to an emergency 30 miles from its base on December 16. There a man is seen trapped under ice. Using a short-term air supply, aircrewman John Spencer dives under the ice several times to retrieve the casualty, who is brought up and revived by CPR administered by aircrewman Don Sowden.

During the year, the company operates a total of 550 SAR missions on behalf of the U.K. Department of Transport; in comparison, the RAF flies on 1,287 calls.

While taxiing away just after its passengers depart at Aberdeen Airport on January 4, 1996, a Super Puma is hit by a 29-kn. gust of wind that blows it over; flying main-rotor debris causes some property damage, but no injuries are reported. Having won a competitive bid, the company, in early March, dispatches five pilots to Brindisi, Italy, where they will begin flight-testing the new EH Industries EH-101 helicopter. The test program will continue through October 1997.

On March 26, a letter of intent for purchase of up to a 49.9% stake in the helicopter carrier is signed by Offshore Logistics. The arrangement, to be completed by June 30, will include a strategic alliance. Long-time Bristow Managing Director Collins, who is due to retire on April 1, agrees to stay on in an advisory capacity for the next two years. Until a new CEO is appointed, Chief Financial Officer Stephen Palframan is named deputy managing director.

On July 1, the company loses the Kerr-McGee contract to provide Bell 214ST support service from Aberdeen to the Gryphon offshore field. The company flies one of its most northerly SAR missions on July 6 when one of its S-61Ns from Sumburgh evacuates a sick seaman from a U.S. Navy survey vessel almost 200 nm. NW of Shetland. The 4 hr. 35 min. sortie is flown via an exploration rig used for refueling on the out-bound and inbound legs and is given communications and weather support by an RAF Nimrod during the extreme fog, mist, and wind conditions encountered. The U.S. vessel lacks a helideck and it takes nearly 24 min. to winch the sailor from the ship.

Late in the third quarter, the company, despite fierce competition, is able to achieve a three-year renewal of its offshore Texaco support

contract. The company will continue to support the energy concern with S-61N flights from Aberdeen.

Aircrewmembers John Spencer and Don Sowden receive the British Chief Coast Guard's Commendation on October 1 for their rescue the previous December.

Also on October 1, Bristow, FR Aviation, Ltd., and Serco, Ltd. are awarded a £400-million, 15-year contract to provide support for the Joint Service Defence Helicopter Flying School at RAF Shawbury, Shropshire, and the School of Army Aviation at Middle Wallop, Hampshire.

While on an October 6 offshore passenger transfer, the S-61N leased to Aeroleo Taxi Aero, Ltda. with 17 passengers crashes off the Brazilian coast (two dead).

The Offshore acquisition is completed in November and marks the end of independent period enjoyed by the U.K.'s major helicopter operators (both **Bond Helicopters, Ltd.** and **British International Helicopters, Ltd.** being owned by foreign interests). Their combined annual revenues will now be second only to those of Helikopter Services Group.

In December, the company loses the Talisman offshore support contract to provide flight services to the former British Petroleum-owned North Sea fields at Beatrice, Buchan, and Clyde. The two-year deal is bid lower by **British International Helicopters, Ltd.**

Toward Christmas, the Department of Transport announces that it will retain coast guard S-61Ns at Portland, Dorset, and Lee on Solent, Hampshire. The possible provision of a Manston-based unit for the eastern Channel is cancelled.

In 1997, the company continues to operate a large fleet of aircraft both from Redhill, Surrey, and from overseas destinations. One each AS-355 Twin Squirrel, Bell 106B JetRanger, and Sikorsky S-76 Spirit II fly from the British base while from Aberdeen Scotland, the company provides service with two Bell 212s and one each Super Puma, Spirit II, Sikorsky S-61N, and Bell 214ST.

At the same time, a JetRanger, Bell 212, and Spirit II are stationed at Perth in Western Australia and two Beech Super King Air 200s are flown from Lagos, Nigeria. Capt. T. H. Collins is area manager for Bristow Helicopters Singapore, Ltd. and he operates one each AS-332L Super Puma and SA-330J Puma.

During March, the company purchases controlling interest in Andover, U.K.-based Lindair (Europe), Ltd., a helicopter parts, components, and trading concern. The minority stake in **Irish Helicopters, Ltd.** held by **Petroleum Helicopters, Inc.** is sold to Bristow in March for an unannounced amount.

On April 1, the long-held Marathon contract for supply of Aberdeen-based Eurocopter AS-332Ls to support the Brae field and other installations is renewed; the five-year contract is valued at some \$23 million.

Following a corporate hospitality incident at the British Open golf championship at Toon during the summer, Tony Jones, regional director for the U.K. and Europe, resigns.

In August, the British coast guard renews its contract for a Stornoway-based S-61N for five years.

On August 24, two climbers on 2,009-ft. Stac Pollaidh Mountain, 10 mi. N of Ullapool in Wester Ross, fall and sustain injuries. While attempting to complete the rescue of the second climber, a main rotor blade of the Stornoway S-61N, piloted by Capt. Allan Elphinstone, strikes a rock, forcing the Sikorsky to crash-land upright in a peat bog. A second helicopter, from RAF Lossiemouth, completes the mission. Beyond scrapes and bruises, none of the helicopter crew or survivors is hurt further in the incident.

On August 27, a team from the Joint Air Transport Establishment at RAF Brize Norton, in Oxfordshire, flies to Scotland to prepare for the salvage of the £8-million Stac Pollaidh S-61N. The next day, an RAF CH-47 Chinook hoists the Sikorsky and, suspended underneath on three hooks, airlifts the machine across Scotland to Aberdeen in a 7-hr. flight. The operation costs Bristow £100,000; the S-61N's retrofit will require another £500,000 expenditure. Capt. Elphinstone and his crew will be cleared of blame when the U.K. Air Accident Investigation Branch issues its report in February.

Following the deaths of 12 people when a Norwegian Super Puma crashes during a routine flight over the North Sea, all 37 British Super Pumas, including the 19 flown by Bristow, are grounded indefinitely on September 12. Spokesmen for the three helicopter companies that fly Super Pumas from Aberdeen issue a joint statement to the media that the aircraft will not restart until appropriate safety inspections have taken place. Five days later, the Super Pumas are back in the air.

A memorandum of understanding is signed with the Scottish Customs and Excise Office on November 18 for the use of a helicopter to fly fast-response officers to remote areas on an hour's notice. The move is designed to enhance law enforcement's antidrug and smuggling activities in Scotland.

While attempting to rescue a crew from the stranded cargo ship *Green Lily* in 30-ft. seas off Brassy, Shetland, on November 19, a Bristow helicopter winchman is lost. Bill Deacon is swept into the sea from the deck of the ship and lost after ensuring that the last two survivors have been winched to safety.

As storms continue to pound the Orkney Islands on November 20, a second ship, the *Minoan Bay*, en route to Aberdeen from Mexico, is caught in high seas and Gale Force 8 to 9 winds. The standby coast guard helicopter at Sumburgh is alerted, but is, in the end, not required.

It is reported on December 5 that the company's Super Puma fleet has clocked up one million flying hours with their Turbomeca Makila engines. That figure represents a third of the French-built engine's three million worldwide flying hours by all operators.

Flights continue apace in 1998. In February, former Bristow Managing Director Tony Jones takes a job as a line pilot with **British International Helicopters, Ltd. (BIH)**. On March 27, the company wins a £175-million, seven-year contract from Shell Expro for operations in the central and northern North Sea, effective July 1, with support flights from Aberdeen and Shetland. The contract had previously been held for 31 years by BIH (and its predecessors) and, in fact, made up more than half of that operator's business. Bristow also wins a £50-million, five-year contract from Shell Expro to work on that oil company's southern North Sea fields, flying to them from Norwich and Den Helder in the Netherlands.

Many of the 350 workers employed by British International fear for their jobs during the next month until an unexpected turn of fate brings some relief. On April 27, the Ministry of Defence transfers the contract for helicopter support to the Falklands Island garrison from Bristow—which has operated it since the end of the Falklands war in 1982—to BIH. The deal will not make up for the Shell Expro shortfall at BIH and many employee jobs remain in jeopardy.

Under a deal signed on April 23, **Helikopter Air Service, A.S.** begins to operate a support contract for Norsk Hydro's Visund oil field from Florø, Norway, on June 15 employing an S-76C provided by sister company Bond. HAS already supports Saga Petroleum's Snorre field out of the Florø base.

Two BIH Sikorsky S-61Ns replace Bristow's rotary-wing assets in the Falkland Islands on July 1. Simultaneously, Bristow begins to satisfy the Shell Expro contracts in the North Sea. For the contract based out of Aberdeen, the company hires 30 more engineering and administrative staff and 30 pilots, while another 20 ground staff and 20 pilots are taken on by Bristow for the southern contract. Many of the new pilots had previously flown for BIH, but had lost their positions in the wake of the Shell contract loss. Bristow must also bring 6 more helicopters to Scotland from elsewhere in its worldwide empire.

On July 2, a Bristow Helicopters Nigeria, Ltd. Bell 212 returning from an offshore rig with six passengers, crashes into a river in the southeastern part of the country (four dead). The workers had been employed by the U.S. oil service company Western Atlas.

A one-year contract with the UN's World Food Program begins on August 1.

Just after landing at Lagos following an August 5 service from Warri, a Bristow Helicopters Nigeria, Ltd. Beech Super King Air 200, with one pilot and eight passengers, suffers the collapse of its landing gear; the aircraft slides to a stop, but all nine aboard are injured.

Late in the month, the company hosts, at its Aberdeen base, an industry briefing and local media preview of Bell Augusta's BA-609 tilt-rotor mockup. Long-awaited by North Sea oil companies, crews, and helicopter pilots, the civil version of the Osprey is due to enter U.K. service in 2002. At the conclusion of the briefing, the mock-up is transferred to Farnborough.

At the beginning of October, a newly established consortium of oil companies (including Amoco, British Gas, and Phillips Petroleum) awards Bristow a \$35-million, three-year contract, with two 12-month options. The support agreement will require the employment of two or three of Bristow's Aberdeen-based AS-332L Tigers to serve installations in the northern and central North Sea area.

On October 14, the company loses the £35-million contract for offshore support work out of Aberdeen on behalf of British Petroleum to its rival **Bond Helicopters, Ltd.** The new contract will give BP additional access to Bond's Super Puma Mk. 2s, which will operate them to BP's Atlantic Margin, Bruce, Harding, and Miller fields.

On November 15, the Shipwrecked Fishermen and Mariners' Royal Benevolent Society, in a ceremony at the Fishmongers' Hall in London, posthumously honors Bristow winchman Bill Deacon with the "Edward and Maisie Lewis Award" for his heroic efforts a year earlier in the *Green Lily* rescue. Bristow operations director Capt. John Follis receives the award from Lord Lewin on behalf of Mrs. Deacon.

In December, Scotland's Court of Sessions rules that post-traumatic stress as part of a helicopter accident is not an injury. It dismisses two claims made against Bristow Helicopters by offshore employees who had not worked since allegedly developing a fear of flying.

A joint venture is formed on February 22, 1999 with the civil aviation authority of Turkmenistan. Under its terms, Bristow will provide helicopter support services to the oil and gas industry throughout Turkmenistan and the surrounding areas.

A coast guard helicopter rescues six sailors from the fishing boats *Kestrel* and *Falcon*, 100 mi. SE of Shetland, on February 25.

On March 12, the company contract to operate the Sumburgh coast guard helicopter service is renewed for another five years. During the past year, the dedicated S-61N has been involved in 86 incidents in which 1,089 people are rescued or assisted.

A second one-year contract with the World Food Program is signed in July. The UN effort will continue to be centered in Kosovo, where company helicopters provide a wide range of activities, including medevac, police support, VIP transport, and logistical resupply. Flights are operated from a base at Skopje, Macedonia.

In January 2000, ARCO British, Ltd., as a result of its pending merger with BP/Amoco, drops its longtime contract with Bristow in favor of a one-year, \$2.75-million support deal with **Bond Helicopters, Ltd.**

With the demand for North Sea offshore operations having fallen 35% in the past year, Bristow announces on July 3 that it must cut costs by laying off between 60 and 80 nonflight crew at its Shetland and Aberdeen bases. Discussions with union members and staff concerning the reduction in force will be held throughout the month.

The company joins with **Air Logistics** in July to form the joint venture United Helicopter Maintenance to offer technical services for rotary- and fixed-wing operators worldwide. UHM branches will be housed at the main bases of both companies.

BRISTOW HELICOPTERS AUSTRALIA (PTY.), LTD. See **BRISTOW HELICOPTERS, LTD.**

BRISTOW HELICOPTERS NIGERIA, LTD. See **BRISTOW HELICOPTERS, LTD.**

BRIT AIR (BRITTANY AIR INTERNATIONAL, S.A.): *Aerodrome de Ploujean, BP 156, Morlaix, F-29204, France; Phone 33 (2) 98 62 10 22; Fax 33 (2) 98 88 20 47; Code DB; Year Founded 1973.* With FFr 40,000 capitalization, local Breton interests found Brit Air at Morlaix in 1973; the city of Morlaix's chamber of commerce and industry, a

principal organizer, becomes majority owner (52%). Xavier Leclercq is named chairman with Jacques Pellerin as general manager.

Late in 1974, the enterprise is certified as a public transport company, which allows Piper PA-23 Aztec air taxi services to begin from Morlaix Airport throughout France and the rest of Europe on behalf of local businesses. A total of 590 passengers are carried in the inaugural year. A second Aztec is acquired in 1975 and bookings increase to 1,300. Flights continue in 1976.

The company goes public in 1977 and Chairman Leclercq also assumes the post of managing director. He is also named president of Morlaix's chamber of commerce. Plans are laid in 1978 for the inauguration of scheduled services as flights are inaugurated to London (LGW). Income reaches FFr 29.5 million.

Capitalization is increased and commuter liner orders are placed. Scheduled services begin on April 2, 1979 with a fleet comprising 4 Embraer EMB-110P1 Bandeirantes and 2 Piper Aztecs. These link Morlaix, Quimper (near Brest), Le Havre, Caen, and Rennes with London (LGW). Summer season schedules are initiated in 1980 from Morlaix to Jersey Island and Cork, Ireland.

In 1981, airline employment reaches 84 and the fleet is increased by the addition of a Beech Super King Air 200. The first domestic route is opened during the latter year, from Rennes to Lyons, and enplanements total 32,312.

Two Fokker F27s are wet-leased from **Air Inter, S.A.** in 1982 and are employed to begin replacement services from Quimper and Rennes to Paris under contract to **Air Inter, S.A.**

Traffic increases slightly, rising to 34,315 passengers flown.

In 1983, the company begins another new domestic route from Caen and Le Havre to Lyons. The fleet at year's end includes 2 Friendships, 1 Aztec, 2 Super King Air 200s, 2 Piper Cheyennes, and 4 Bandeirantes.

Bookings this year skyrocket to 140,428 and revenues total FFr 72 million.

In 1984, Cork and Jersey are added to the route network. The company also provides contract feeder services for **Air Inter, S.A.** between additional cities in Bretagne and Normandy to Paris. In addition, it participates with Bretagne Province's "Golden Years" promotional campaign, designed to recapture the spirit of its 16th-century past.

In 1985-1986, a pair of Avions de Transport Regional ATR42-320s is acquired. A 6-year contract signed with **Air France** for 6,500 hours of replacement services per year, from Lyons to Vienna. The state carrier agrees to link the regional with the ALPHA 3 computerized reservations system to provide passenger handling at Paris and share 50% of the profits generated over costs of operation. Brit agrees to maintain the two Fokkers, but this work is sub-contracted back to the **Air Inter, S.A.** maintenance shops at Paris.

Enplanements in the latter year total 232,000.

On March 29, 1987, the French terminus of the Morlaix to London (LGW) route is switched to Brest. Later in the year, Rennes to Toulouse flights begin. Passenger boardings increase to 280,000.

Two more ATR42-320s and a SAAB-Fairchild SF340A join the fleet in 1988. Service is inaugurated from Brest to Lyons and Toulouse and seasonal summer routes are opened from Brest and Rennes to Cork in Ireland and from Deauville to Nice. Profits are \$2.77 million (operating) and \$237,000 (net).

The workforce is increased by 18% in 1989 to 314 as 1 ATR42-320 and 5 SF340As are delivered. Destinations now visited from Brest, Caen, Le Havre, Quimper, and Rennes include Cok, London, Lyon, Caen, Nice, Toulouse, Nantes, Dusseldorf, Brussels, and Deauville.

Enplanements rise 32.1% over the previous year to 436,361 and revenues ascend to \$50.8 million, a 30.7% boost. Profits are made: \$363,636 (operating) and \$1.1 million (net).

Company employment grows 24.2% in 1990 to 395. Fleet expansion continues as a new ATR72-210 is purchased, along with 3 ATR42-320s. A marketing arrangement is made with the French charter operator **Euralair, S.A.** and Brit Air is now the third largest regional airline in France.

Passenger boardings shoot up 18.1% to 492,000 and freight rises a spectacular 52.6% to 29.15 million FTKs. Revenues jump 29.9% to \$64.3 million and the operating profit is \$990,000. Net gain falls to \$236,363.

The employee population slides 1.3% in **1991** to 50,000.

As the result of the conditions placed upon **Air France** for its takeover of **Air Inter, S.A.** and **UTA French Airlines, S.A.**, the flag carrier is required to relinquish a number of regional routes to the smaller independent airlines.

In January, the company receives a license to fly from Nantes to Dusseldorf and Milan and from Toulouse and Brussels. A newly delivered ATR42-320 begins flying from Paris to Limoges at the end of March on behalf of **Air Inter, S.A.** The company's second ATR72-210 arrives in May and is leased to **Corse Mediterranee, S.A.** for seven months.

Customer bookings climb 8.7% to 535,000, of which 345,000 are flown on **Air Inter, S.A.** replacement services. Revenues ascend to \$69.4 million, but the net profit plunges to only \$267,000.

The fleet in **1992** includes 4 owned and 7 leased ATR42-320s, 2 of which are newly delivered, 2 leased ATR72-210s, 1 chartered Piper PA-31T Cheyenne II, and 2 owned and 4 leased SAAB 340As, 1 of which is subleased to the British carrier **Business Air, Ltd.**

Replacement flights continue to assist in traffic development as passenger boardings slide up 2.8% to 550,000. Revenues increase 7% to \$77.9 million.

In **1993**, Chairman/President Xavier Leclercq oversees a workforce of 470. His fleet is increased by the addition of 1 owned and 1 leased ATR42-320s. From Brest, Caen, Le Havre, Quimper, and Rennes flights are operated to Cork, London, and Lyon; from Rennes to Caen, Le Havre, Nice, and Toulouse; from Nantes to Cork and Dusseldorf; from Caen to London, Lyon, Nice, Toulouse, and Rennes; from Le Havre to London and Lyon; from Toulouse to Brussels; and from Deauville to Nice.

Enplanements total 760,000 and revenues are \$113.7 million.

Thirty employees are hired in **1994** and the fleet now includes 14 ATR42-320s, 6 SAAB 340As, and 2 leased ATR72-210s. A third chartered ATR72-210 arrives later in the year as \$60 million in orders are placed with Bombardier Regional Aircraft at the beginning of October for 6 Canadair CRJ200 Regional Jets.

Revenues jump 8.6% to \$126 million and allow a net gain of \$1.3 million. This is the last year in which independent figures will be available.

In January **1995**, Brit receives the 1994 "Regional Airline of the Year" award from *Air Transport World* magazine. The first CRJ200ER is delivered in June. On December 1, the carrier signs an "Air France Express" franchise agreement with **Air France**. Under its terms, the company will offer feeder services coordinated with the flights of **Air France** and **Air Inter, S.A.** The second and third CRJ200ERs arrive in November and December.

As is the case with other commuter alliances, the carrier's aircraft are painted, early in **1996**, in a modified version of its partners' colors. CRJ200ER roundtrips between Paris (CDG) and Southampton commence in June.

The French flag carrier, for its part, now begins to turn over some 23 routes to its new affiliate, some of which are flown by the newly received CRJ200ERs, four more of which will arrive before December.

A total of 1,007,000 passengers are flown and a \$4.3-million net profit is earned on operating revenues of \$130 million.

Airline employment is increased by 9.7% in **1997** to 600. The fleet now includes 9 CRJ200ERs, 9 ATR42-320s, 4 SAAB 340As, and 2 leased ATR72-210s. During the third week of February, Brit Air becomes launch customer for the Canadair CRJ-700, ordering 4 from Bombardier of Canada for delivery during the first quarter of 2000.

In April, the franchise arrangement with **Air France** is deepened. When the revised arrangement takes effect in October, the company will, in effect, be the major's regional feeder arm at Paris (CDG). During the second quarter, a cost-cutting plan is completed for implementation over the next three years; it is designed to cut costs by 15% and provide a 20% boost in load factor.

A \$43-million order is placed with Bombardier Regional Aircraft on August 1 for 2 more Canadair CRJ200ERs to be delivered in October and January.

The franchise agreement takes effect in October as planned. Beginning on October 1, Brit Air begins ticketless travel and offers 150 daily flights per day linking Paris (CDG) with regional airports. **Air France** and its newest partner link their frequent flyer programs, share codes, and Brit Air is authorized to provide point-to-point replacement flights for the major as necessary.

By November, the company is flying 9 Canadair CRJ200ERs; a 10th is delivered later in the month.

For the year as a whole, customer bookings move up 2.8% to 1,157,000. Operating revenues climb 15.3% to \$152.5 million, while costs go up 16% to \$146.5 million. This year's \$6-million operating gain is the same as last year's; however, the \$5.1-million net profit is higher.

One of the Canadairs ordered in August is delivered toward the end of January **1998**. To assist with the costs of expansion and the **Air France** franchise, the company, during the first week of February, floats 37% of its shares in a public stock offering.

In May, requests are placed with Bombardier for 6 more CRJ200ERs and 2 of the stretched CRJ-700s.

The fleet at the end of the year includes 9 ATR42-320s, 2 ATR72-210s, 14 Canadairs, and 1 Fokker 100.

Passenger boardings during the 12 months accelerate 25.1% to 1.39 million.

Airline employment at the beginning of **1999** stands at 880.

On October 25, "Air France Express" flights between Paris (CDG) and London (LCY) are increased from four each day to six. At the same time, new ATR42-320 service is launched from Paris (CDG) to Rennes and Le Havre.

The year's enplanements climb 48.4% to 2,062,000. Net income of 8.2 million euros is earned on revenues of 257 million euros.

Airline employment stands at 701 as **2000** begins, a 3.1% increase.

On June 19, **Air France** purchases 100% majority control of the regional for \$90 million. Brit Air is allowed to retain CEO Xavier Leclercq and his management team, together with its bases at Morlaix and Lyon Satolas.

Wearing Brit Air colors, a Bombardier Aerospace CRJ700 is displayed at the Farnborough Air Show in July.

"Air France Express" CRJ twice-daily roundtrips are started on October 29 from Toulouse to Nantes while those from Toulouse to Rennes and Lyon become thrice daily.

BRITANNIA AIRWAYS, A.B.: P.O. Box 135, Arlanda Airport, Stockholm, S-19426, Sweden; Phone 46 (8) 5936 5000; Fax 46 (8) 5936 0705; <http://www.britanniaairways.se>; Code TW; Year Founded 1998. Having been formed in 1997 from the charter department of **Transwede Airways, A.B.**, **Blue Scandinavia, A.B.** and its tour agency owner, **Fritidsresor, A.B.**, are purchased by the Thomson Travel Group, parent of **Britannia Airways, Ltd.** in early 1998 for \$427 million.

Jan Carizon, one-time chairman of **SAS (Scandinavian Airlines System)**, is chairman. Kjell Fredheim, formerly executive vice president/chief operating officer of SAS and currently managing director of **Air Baltic, A.S.**, is appointed to the same post with this charter operation. The two former SAS leaders oversee the carrier's establishment in Sweden and the operation of 1 each leased Boeing 757-225, B-757-2Y0ER, and B-757-236ER, which fly from airports in Sweden and Norway to the Canaries, the Mediterranean, and Israel. Charters continue to be operated mainly for the new Fritidsresor Group (Fritidsresor, Thomson, Star Tour, Royal Tours, Tema Resor, and Hasses).

Managing Director Fredheim departs on October 15 to become president/CEO of **Air Botnia, O/Y**, the fully owned Finnish subsidiary of SAS. He is succeeded by Goran Gardo. Two more B-757-236s are chartered from the parent in November.

Passenger boardings this year total 1.25 million.

By the beginning of 1999, airline employment has been increased by 23.4% to 475. During the first quarter, a Next Generation B-737-8Q8 is subleased from the Danish carrier **Sterling European Airways, A.S.**

BRITANNIA AIRWAYS, LTD.: London Luton Airport, Luton, Bedfordshire, England, LU2 9ND, United Kingdom; Phone 44 (1582) 424 155; Fax 44 (1582) 458 594; <http://www.britanniaairways.com>; Code BY; Year Founded 1962. Formed on May 5, 1962, **Euravia, Ltd.**, a major British inclusive-tour operator controlled by Universal Sky Tours, Ltd. makes an arrangement in summer 1964 to purchase the recently retired Bristol Britannia 102 fleet of **British Overseas Airways Corporation (BOAC)**. In celebration, the company, based at London's Luton Airport with a fleet of 8 Lockheed Constellations, changes its name to **Britannia Airways, Ltd.** on August 16.

The first Britannia, dressed in a white livery with blue lines and markings and the seated image of Britannia in a blue circle on the tail, is delivered to London (CTN) in November. It begins inclusive-tour revenue services on December 6, flying from London (CTN) to Tenerife. The first L-049 is retired late in the month.

Two more Britannia 102s are delivered in January 1965 followed by the fourth in June. Meanwhile, Britannia Airways, along with previous owner Universal Sky Tours, becomes a wholly owned subsidiary of the International Thomson Organization, better known as Thomson Holidays, on April 26. Implementation of the new parent's total commitment to inclusive-tour group charters is begun with flights to Kuala Lumpur and Hong Kong.

Six more Constellations are retired during the year, including two sold and one leased to **ACE Freighters, Ltd.** Enplanements for the year are up to 184,630 and the workforce is 230.

In February, April, and May 1966, 3 more Britannia 102s join the fleet. During the latter month, a new terminal is opened at London (CTN). The year's charter work proceeds normally until September 1.

Coming into Ljubljana Airport from London (CTN) on September 1, the first Bristol 175 Britannia 102 to enter company service back in 1964, with 7 crew and 110 passengers, is below minimum altitude and crashes into a line of trees (98 dead). This is the worst accident to befall a British transport aircraft to date.

When **ACE Freighters, Ltd.** ceases operations on September 14, the leased L-749 is returned; when sold in March 1967, the company becomes strictly a turboprop operator. Orders are placed for 4 Boeing 737-204s. During that year, the airline's 7 Britannias fly 322,680 passengers to a variety of destinations outside of the U.K.

In 1968, Britannia Airways' business increases steadily and, as delivery of the "Baby Boeings" have been delayed, requires the company to add capacity by leasing Britannias from **BKS Air Transport, Ltd.** and **Laker Airways, Ltd.** Airline employment is 430 and charters are flown on behalf of at least 7 other travel agencies.

Wearing a new livery that will be applied throughout the fleet, the first B-737-204 is delivered to Luton on July 8. Following several workup and public relations flights, the aircraft enters revenue service on August 16 with a roundtrip Bristol-Venice tour. The carrier is the second in Europe after **Deutsche Lufthansa, A.G.** to operate the Boeing short-haul jetliner and the first charter operator.

Following receipt of the 737, the 2 leased Britannia 102s are returned to their owners in October.

In 1969, the fleet includes 4 Britannia 102s, 6 B-737-204s, and 4 B-737-204Cs. A £1.5-million Ministry of Defense contract is received in the spring for the continuing transport of military personnel and dependents to and from West Germany. A supplemental MOD arrangement is concluded that sees the airline transport troops to Belfast, Northern Ireland, to help deal with the disturbances that will soon be known as "the troubles."

The carrier's unduplicated route mileage for the year totals 35,000, principally between the U.K. and the Mediterranean.

Airline employment is 623 and bookings for the year total 817,800.

In 1970, the Britannia workforce climbs 14% to 724. During their final year, the remaining Bristols undertake both passenger and cargo charters to destinations in Africa. Additional Britannia flights are undertaken for tourists visiting Rotterdam and Beauvais while the MOD contracts for German and Irish frequencies continue.

On December 29, the last Britannia 102 charter is flown to London (CTN) from Gerona, Spain. The plane is now retired and the company becomes an all-jet operation.

Enplanements during the 12 months reach upward 6% to 870,000.

In February 1971, a B-707-373C lease held by **World Airways** is acquired and the Stratoliner is employed, beginning in April, to initiate transatlantic flights to the Caribbean and to Los Angeles via Keflavik. A second combi, a B-707-355C, is leased from Executive Jet Aviation in October.

The new Boeings now provide an immediate increase in capacity and support for the year's winter schedule. During the year, a blue and red livery is adopted.

The second long-haul jetliner joins the first in transatlantic charters in the spring of 1972 with both aircraft occasionally employed on all-cargo flights to East Africa in support of the **East African Airways Corporation** subsidiary **Simbair, Ltd.** The first British inclusive-tour to Moscow is flown by the B-707-373C on November 2.

Unwilling to open North American offices under new charter rules announced late in the year, Britannia returns the leased B-707s in April and May 1973, choosing to become an all B-737-204 operator. During the year two more short-haul jets are acquired, bringing the fleet total to 11. One aircraft is leased out to **Yemen Airlines Corporation**.

The world financial situation, especially the fuel crisis, places a hardship on the tour industry in 1974; as bookings and revenues fall, Britannia leases out several of its jetliners, including two to **Transavia Holland, N.V.** With the failure of competing **CourtLine, Ltd.** and **Donaldson International Airways, Ltd.**, the carrier finishes the year as the nation's number one charter carrier.

Enplanements for the year are 1,809,720.

Airline employment in 1975 stands at 1,075. In need of the two aircraft leased to **Transavia Holland, N.V.**, the carrier in early spring leases two B-737-222s from **United Airlines** and then subleases these American planes to the Dutch carrier in exchange. The fleet is thus brought up to strength at 13 B-737s. In addition to the MOD West German contract, charters are initiated to the Mediterranean, Greece, Russia, the Canary Islands and North Africa. Due largely to an increase in this inclusive-tour traffic, passenger boardings accelerate 20.8% to 2,285,000.

During 1976-1977, the number of inclusive tours increases significantly and another B-737-204 is acquired. Enplanements in the latter year total 2,344,672.

Passenger boardings jump 12% in 1978 to 2,664,400. As the decade ends, Chairman Lord Thomas of Remenham and Managing Director Derek Davison employ 1,300 workers. Enplanements in 1979 total 3,321,030.

The workforce in 1980 totals 2,100, including former Horizon Holidays Managing Director Steven Allen, who becomes the airline's first marketing and sales director.

Britannia Airways books 3,571,000 travelers for its fleet of 14 B-737-204s, a 7% boost.

Still, profits are down and thus the employee population drops 2.5% in 1981 to 1,961.

Passenger boardings jump 13.3% to 3,942,000; these figures, in terms of passenger volume, make the carrier the second largest British airline after **British Airways, Ltd. (2)**. Cargo accelerates 37.9% to 630,000 FTKs.

In 1982, tour charters are extended to Cyprus and Yugoslavia. To help meet capacity requirements, a B-737-296 is leased for six months from **Quebecair, Ltd.**

Enplanements pass the 4-million mark in annual bookings for the first time, up 5.1% to 4,156,607. Recovery allows a workforce increase of 4.9% to 2,074.

The number of employees is further increased in **1983**, up 1.7% to 2,244. In cooperation with **Braathens SAFE, A.S.**, a rediffusion B-767 simulator is installed at Britannia's London (CTN) base. Two new Boeing 767-204As join the 29 B-737-204s already in the fleet late in the year; part of the increased capacity in small Boeings is dedicated to the provision of charter flights to the Greek islands.

Passenger boardings rise 7.8% to 4.4 million and in terms of enplanements, Britannia is now the largest independent airline in Europe.

Britannia becomes the first airline in Europe to operate the type when Boeing 767-204A service is inaugurated on February 18, **1984**; on the year, the two Boeings, sporting a new livery, carry over 500,000 passengers between the U.K. and Mediterranean points.

Britannia's B-737-204s now have a 99% dispatch reliability, one of the highest in the world. Also during the year, Britannia becomes the first U.K. holiday airline to offer passengers free in-flight radio and video entertainment.

Overall passenger bookings accelerate 1.1% to 4,473,568.

Employment climbs 1.3% in **1985** to 2,177. When Harry Goodman, head of the new rival International Leisure Group (ILG), declares that he will overtake the company and become the U.K.'s top package holiday company within a year, Thomson launches a price war designed to make certain ILG is not successful. The contest between the two will continue for six years.

Captain Roy McDougall, Britannia's senior employee, retires on July 31. Scheduled services are started from Manchester to Palma and Malaga. During the year, 2 more B-767-204As are placed in service, replacing 2 B-737-204s, which are sold.

Enplanements dip 4.8% to 4.26 million. Financial figures become available; on total revenues of \$358.1 million, an operating profit of \$37.5 million is earned, the 23rd highest among the world's airlines. By year's end, the carrier is originating daily flights from 20 British airports to over 70 destinations in Europe, the Mediterranean, the Canary Islands, West Africa, East Africa, and North Africa.

The payroll is upped 8.4% in **1986** to 2,360 and the fleet now includes 25 B-737-204As and 5 B-767-204As, with 1 more of the latter type on order.

During the busiest year in company history to date, David Hopkins is appointed managing director and passenger boardings shoot up by 27.9% to 5,500,000 and revenues climb by 20.3% to \$467.3 million. With costs low, the operating profit ascends to \$55 million. Net gain is even higher at \$61.9 million.

Airline employment at the world's largest charter carrier is increased by 3.8% in **1987** to 2,700 as orders are placed for 2 more B-767-204ERs and a number of B-737-304s to supplement the company fleet of 5 B-767-204As and 27 B-737-204As.

With the arrival of several B-767-304ERs, long-haul service to the U.S. is resumed, along with flights to Mexico, the Maldives, India, and Sri Lanka.

This year is even more productive than the record previous period as customer bookings shoot up 12.7% to 6.2 million. Revenues swell 16.9% to \$614.5 million and with costs kept down, a pretax profit of \$66.6 million is achieved.

The workforce grows another 26% in **1988** to 3,150 and the fleet includes 7 B-767-204ERs, 27 B-737-204As, and 7 B-737-304s. Orders are placed in January for 8 additional of the former, with 8 options.

In August, the carrier's parent, Thomson Travel Group, receives permission from the government's Monopolies and Mergers Commission to complete its purchase of rival Horizon Travel, Ltd. and its airline, **Orion Airways, Ltd.** The new East Midlands Airport-based prize adds 6 B-737-3T5s, 2 B-737-2T5s, and 2 Airbus Industrie A300B4s to the Luton-based charter operator's fleet. The Airbus equipment, first operated by **Deutsche Lufthansa, A.G.**, is quickly sold.

The process of integrating the two carriers begins in the fall and, in October, David Hopkins succeeds Derek Davison as chairman, with Roger Burnell named managing director. During November, a series of charters are initiated to Australia. When, in December, an eighth

B-767-204ER is delivered, it is christened in honor of the pioneer Australian aviator *Sir Ross Smith*.

Britannia's enplanements, meanwhile, decline by 1.6% on the year to 6,100,000. The year's profits are \$66 million (operating) and \$73 million (net).

The employee population jumps 18.7% in **1989** to 3,368, the fleet remains unchanged, and 2 B-737-204As are leased to the new Egyptian charter carrier **Transmed Airlines, Ltd.** The company's first scheduled service is inaugurated from London (CTN) to Belfast and charters are pioneered to New Zealand.

With the fall of the Berlin Wall, the company's long-standing MOD contracts for the transport of military personnel to German bases begin to decline in both number and value.

Passenger boardings for the company, now the world's largest charter operator and the second largest British airline, climb a slight 1.4% to seven million. Revenues, however, ascend 27.1% to \$726 million. Expenses swell 32.3% to \$668 million and force the operating profit down to \$58 million. Net gain drops to \$65 million.

A third B-737-204A is leased to **Transmed Airlines, Ltd.** in **1990**. In February, the company sends a \$2,240 bill to a passenger who, acting in a violent and unruly manner, forces a charter flight to divert from its Tenerife-East Midlands route to land at Lisbon where he is taken off. The invoice includes landing and handling charges at the Portuguese capital, along with the extra fuel required for the change in flight plan.

Boeing's 6,000th manufactured airliner, a B-767-204ER, is delivered in Seattle ceremonies on March 10. After a six-month review, Chairman Hopkins, Managing Director Burnell, and their management team publish a long-term *Flight Plan for the 1990s* later in the month. The report calls for a reduction in employment, customer service improvements, disposition of the older B-737-204As, and the acquisition of 6 B-757-204s.

A number of new services are introduced during the year, including Jet Cadet frequencies for children. High British interest rates and the rising cost of home mortgages combine to push down the British charter market. Consequently, the company tour partner is forced to cut nearly 1 million holidays from its annual program and close 8 regional offices, with the loss of 180 positions.

Customer bookings plunge 11.5% to 6.2 million, with much of the decline attributed to recession and the Mideast situation after August. Although revenues are \$769 million, operating profit declines to \$13.1 million. The net profit falls to \$19.4 million.

Company employment climbs 4.1% in **1991** to 3,183 and the fleet now includes 3 B-737-204s, 1 out of service B-737-2D6A, 1 B-737-2K2A chartered from **Transavia Airlines, N.V.**, 16 B-737-204As, 1 each leased B-737-219A and B-737-3Q8, 4 owned and 1 chartered B-737-3T5s, 1 B-757-204 leased from **Icelandair**, 1 each chartered B-757-23A and B-757-27B, 2 owned and 1 leased B-767-204s, and 3 owned and 4 chartered B-767-204ERs, with 1 of the owned machines leased to **Air Aruba**.

A traffic surge occurs during the first quarter as the result of the end of the Gulf War and the collapse of the International Leisure Group and its flagship airline, **Air Europe, Ltd.** During the second quarter, over 350 new cabin crew are recruited as an additional 2,000 flights are laid on for the summer season.

Passenger boardings climb 5.5% to 6,540,000, but revenues inch up only 1.8% to \$755.2 million. Operating profit increases to \$57.6 million and net gain reaches \$45.9 million.

Thirty-three fewer workers are employed in **1992** as 1 B-737-204A and 3 B-737-3T5s are removed in favor of 2 more B-757-204s.

At this point, the carrier upgrades both its cabin interiors and its airline meals. It also introduces an OBK (On-Board Kids) program for younger customers.

Early in the year, permission is received to inaugurate charter services to Sydney via Mombasa; the flights commence in November.

Customer bookings advance 8.9% to 6,864,601 while freight skyrockets an almost unbelievable 285.9% to 15.7 million FTKs. Revenues drop 30.3% to \$790 million, but costs are only \$727.6 million.

The operating surplus slides to \$62.4 million while net profit is down to \$47.7 million.

In 1993, Managing Director Burnell oversees a workforce of 3,300, up 4.8% over the previous year. The fleet now includes 8 B-737-204As, 2 of which are leased to the American carrier **National Airlines**, a leased B-757-2T7, 6 B-757-204s, with 4 on order, 1 chartered B-757-27B, 4 leased B-757-28As, with 2 on order, 2 owned and 1 chartered B-767-204s, 1 leased and 6 owned B-767-204ERs.

In January, the company receives the 1992 "Market Development Award" from *Air Transport World* magazine. Flights begin to Cape Town and Durban. Customer bookings increase 10.9% to 7,616,000. Profits total \$71 million (operating) and \$72 million (net).

The employee population declines to 3,004 in 1994. In January-February, the company continues the removal of its B-737-204A fleet; 6 machines are now leased to the Irish airline **Ryanair, Ltd.** Later in the year, a B-767-204ER is leased to the new Argentine charter operator **Dinar Lineas Aereas, S.A.**

Passenger boardings accelerate by 3.5% to 7,862,000 and revenues grow by 5% to \$898 million. Expenses are up only 4% to \$819 million and allow an operating profit of \$81 million and a net gain of \$76 million.

The number of workers is reduced again in 1995, falling to 2,865. During March, a B-737-204A is leased to **Air New Zealand, Ltd.** for six months; the plane, wearing dual Britannia and ANZ titles, will help provide capacity while the B-737-200 fleet of the New Zealand line is grounded for engine repairs.

At the beginning of the year, Britannia becomes deeply involved in the support of the Born Free Foundation (BFF), an animal rescue agency. The company begins a campaign to raise £80,000 in support of the group over the next three years. In March, the airline, on behalf of BFF, transports a pair of lions, Raffi and Anthena, from Tenerife, where they had lived in the rooftop cage of a local nightclub, to London (LGW) for transfer to the Big Cat Sanctuary.

Traffic and revenues are nearly flat this year. Enplanements rise only 0.6% to 7,959,347 while operating revenues increase just 0.9% to \$940 million. Expenses grow by a slight 2.7% to \$874 million and allow the posting of a \$66-million operating gain, down from the previous year.

Airline employment moves up 3.7% in 1996 to 2,945.

The leopard Rikki is rescued from the same Tenerife nightclub in May and, again on behalf of BFF, is flown gratis back to the Big Cat Sanctuary via London (LGW).

Three B-767-304ERs join the fleet during the summer and new markets are opened at Calgary, South Africa, and in the Maldives.

Customer bookings drop 6.5% to 7,494,371, but freight traffic increases 57.1% to 22.69 million FTKs.

The workforce is increased by 5.3% in 1997 to 3,100. New on-board services are now introduced, along with a new route to Nassau. Destinations visited include points in Europe, the Caribbean, the Mediterranean, North and South Africa, Australia, India, New Zealand, and the U.S.

The airline's commitment to the Born Free Foundation deepens. Following a meeting between Britannia's public relations manager, Richard Hedges, and Adrian Gardiner, owner of the Shamwari Game Reserve in South Africa, arrangements are made to fly the lions Raffi and Anthena to Johannesburg on April 28. They will be trucked to a new three-acre enclosure especially constructed for their preservation. As the new on-board services are introduced to Britannia customers, so is the BFF; envelopes are placed in seat backs seeking donations and on-board videos urge support of the foundations.

Kept in appalling conditions in Italy, the lioness Kimba is rescued in June and Britannia transports her back to London (LGW).

In cooperation with the German tour operator Frosch Touristik, the company's parent, Thomson International, sets up **Britannia Airways Germany, GmbH.** at Berlin (Schoenefeld Airport) in July. Also in midyear, the carrier signs an \$85-million, 10-year contract with Greenwich Air Services for the repair and overhaul of the carrier's aircraft engines.

In October, arrangements are made to charter a B-767-300ER from International Lease Finance Corporation (ILFC) for seven years beginning in April; the airline also contracts with ILFC for the charter of a B-757-200ER for seven years from February 1999. One of Britannia's new B-767-304ERs is wet-leased to **Britannia Airways Germany, GmbH.**, which begins revenue operations in November.

Five tigers, King, Royale, Taras, Harak, and Zeudy, are rescued in Italy in December and are returned to London (LGW) in the hold of a B-737-304ER.

Customer bookings this year inch up only 0.4% to 7,526,200.

Early in 1998, Thomson International purchases the Stockholm-based charter carrier **Blue Scandinavia, A.B.** for \$427 million. It receives a corporate makeover and begins flying as **Britannia Airways, A.B.**

In February, arrangements are completed with ILFC for the seven-year charter of a B-757-2Q8ER beginning in April.

The entire Thompson Travel Group, including the airline, is floated on the London Stock Exchange in May. The share issue is oversubscribed and nets £1.9 billion. The prospectus for the action implies that Britannia will never again, as it did in 1985, set off a price war to rid itself of rivals.

Also in May, Britannia undertakes a yearlong campaign to raise £150,000 in donations to help the Born Free Foundation build a sanctuary for elephants near Mombasa, Kenya. Martin Clunes writes, produces, and stars in a short film that encourages Britannia passengers to donate their spare currency to the cause.

While his B-767-304ER, with 255 passengers aboard, is on its take-off roll from Majorca on an August flight to Newcastle, the pilot catches his sore foot under the steering rudder. A near-disaster is avoided when the copilot steers the jetliner back on course after it veers 265 yards across the grass.

On September 7, Frosch Touristik, GmbH. announces that it will set up its own airline to operate a trio of Airbus A320s, subleased from **Airtours International Airways, Ltd.**, on routes from Germany to the major Mediterranean holiday destinations. It is noted that FTi's current contract with **Britannia Airways Germany, GmbH.** for flight services, due to end in 2001, will be progressively scaled back.

The BBC will report early the following year that according to data compiled by the Air Transport Users Council, 19.5% of the flights made by the nation's largest charter airline during the summer are more than an hour late. The number of late services is double the number recorded in the previous 12 months, with an average delay of 44 minutes.

Three B-737-3Q8s are chartered from ILFC in November for delivery in the year 2000. At the same time, 2 A320-231s are chartered to **Ryan International Airlines**; Ryan will operate the aircraft for Trans Global Tours on winter season package tour vacation flights from Minneapolis (MSP) and the upper Midwest to Florida, Mexico, the Caribbean, and Las Vegas.

Customer bookings during the 12 months accelerate 14.8% to 8.64 million.

Flights continue in 1999 as the value of the company reaches £1.5 billion. Airline employment by now has been increased 18% to 3,659.

When the Air Transport Users Council's report on on-time performance the previous summer is released on February 19, Britannia acknowledges that the information is correct. On the other hand, it is noted that strikes by air traffic controllers in Spain and Greece, Caribbean hurricanes, and internal expansion difficulties were more severe in 1998 than in earlier periods.

The 25-year reign of Thomson Travel Group as the U.K.'s top package holiday company is seriously threatened during the last week of April when Airtours, plc, which counts **Airtours International Airways, Ltd.** in its air division, makes an £800-million hostile bid to take over First Choice Holidays, Ltd., parent of **Air 2000, Ltd.** The ultimately unsuccessful gambit would have resulted in an enlarged Airtours, which would have controlled 34% of the U.K. market to the 27% held by Thomson.

Thomson CEO Paul Brett reacts to the Airtours move by pledging to keep his company on top and, as occurred in 1985, begin a campaign to

sell as many extra low-price holidays as is necessary to remain in first place. Additionally, if the Airtours ploy is successful, Thomson will refuse to sell either Airtours or First Choice holidays in its Lunn Poly outlets, an 800-store chain of travel agencies. There is even a possibility that Thomson will make a counterbid for First Choice.

Rather than bolster the resolve of company stockholders in the face of a new foe, Brett's price war threats set off a storm among shareholders. Stockbrokers Cazenove and Warburg Dillon Read make it perfectly clear that they will move to defend the previous year's prospectus. A number of other shareholders also revolt; they seek meetings with Thomson's board of directors and warn Brett that, if he carries out his threat, he may ousted. By May 2, it is clear that the company's stockholders would rather be in second place than lose large sums of money in a package holiday price war.

The fear of a price war gradually subsides and, by June, its investors have made certain that the price of shares in Britain's leading charter operator are once more on the rise.

Although service is maintained without a public hitch during the remainder of the month and through July, sales of summer holidays prove more difficult. Consequently, the huge package holiday group issues a profit warning on August 1—at which point, CEO Brett resigns.

While landing in heavy rain at Gerona, Spain, after a September 14 service from Cardiff, Flight 226A, a B-757-204 with 9 crew and 256 passengers hydroplanes 1,730 m. down the runway and ends up 90 ft. off the end in a muddy field. The aircraft splits into three sections as it skids to a stop, but the bad weather prevents the remaining 4,000 liters of avgas aboard from exploding. A total of 43 people, including 3 children, are hurt, but most injuries are slight. One of the tourists, an 84-year-old man, dies three days later just after he is released from a local hospital.

Charles Gurassa, **British Airways, Ltd.** (2) cargo and passenger director, is named Thomson Travel CEO at the beginning of November.

Overall passenger boardings drop 5.3% to 8,176,000 and cargo falls 12.6% to 44,131,000 FTKs.

Airline employment at the beginning of 2000 stands at 3,200, a 12.6% decrease.

Garuda Indonesia wet-leases 6 Britannia B-767-204ERs (with Garuda providing cabin crews) on February 17 to help it deliver Muslim pilgrims on their annual Hadj to Mecca. Supported by 50 operations and engineering personnel, 108 company pilots transport 40,000 worshipers to Jeddah on 119 flights during the month. The return trip of equal demand is completed in April.

In April, the carrier's parent, Thomson Travel Group, rejects as inadequate a £1.45-billion (\$2.3-billion) takeover bid from Germany's second largest tour operator, C&N Touristik, A.G., which is affiliated with **Deutsche Lufthansa, A.G.** and **Condor Flugdienst, GmbH**. Thomson had refused to take an earlier £1.3-billion offer from the same concern.

In less than a month, the fate of Thomson is settled when, in something of a surprise, it is acquired by Preussag, A.G. on May 19 for £1.8 billion (\$2.8 billion). To allay competition concerns, the new German owners promise to divest themselves of their 50.9% stake in Thomas Cook Group.

It is confirmed at the beginning of October that Thomson group CEO Charles Gurassa will remain with the company for the next two years; among his principal assignments will be the merger of Britannia with **Hapag-Lloyd Fluggesellschaft, mbH**.

BRITANNIA AIRWAYS GERMANY, GmbH.: Zeppelinstrasse 3, Waltersdorf, D-15732, Germany; Phone 49 (33) 7625 5900; Fax 49 (33) 7625 5977; <http://www.wide.de/html-de/britanniahome.htm>; Code BY; Year Founded 1997. In cooperation with the German tour operator Frosch Touristik International, GmbH. (FTi), Thomson Travel group, parent of **Britannia Airways, Ltd.**, establishes this subsidiary at Berlin (Schoenfeld Airport) in July 1997. Peter Steiner is named managing director and during November he is able to begin nonscheduled passenger charters to holiday destinations in the

Caribbean and Mideast with a Boeing 767-304ER wet-leased from the company's parent.

A second B-767-304ER enters service in April 1998. Charters on behalf of FTi and Thomson Travel are flown, with new attention paid to the Mediterranean destinations of Majorca and Malta. During the summer, Thomson rival, Airtours, plc, acquires a 29.03% stake in FTi.

On September 7, Dietmar Gunz, Frosch Touristik, GmbH. founder/managing director announces that Frosch will set up its own airline to operate a trio of Airbus A320s, subleased from **Airtours International Airways, Ltd.**, on routes from Germany to the major Mediterranean holiday destinations. Britannia Germany's Vice President-Operations Herbert Kracker is appointed managing director of the unnamed entity. FTi's current contract with Britannia Germany for flight services, which is due to end in 2001, will be progressively scaled back.

While these changes are afoot, Managing Director Steiner adds a third leased B-767-304ER to its fleet and begins flying to Orlando, Florida, Cancun, Mexico, and Banjul, Gambia.

Since FTi is not able to establish its short-haul airline subsidiary as quickly as anticipated during the fourth quarter, Britannia Germany continues to operate to the Mediterranean on behalf of the German travel operator.

Employing three leased German-registered A320-231s in livery similar to that of Airtours, **FTi Fluggesellschaft, GmbH.**, doing business as **Fly FTi**, begins revenue operations on May 1, 1999. The Frosch subsidiary operates to the major Mediterranean vacation destinations previously visited on its behalf by Britannia Germany.

Although the current agreement with Britannia's German arm is not due to expire until April 2001, Frosch Touristik CEO Dietmar Gunz begins renewal talks in April 2000. Gunz seeks a two-year extension, but hopes that his own in-house airline, **FTi Fluggesellschaft, GmbH.**, doing business as **Fly FTi**, will eventually be able to take over the long haul services.

Biweekly B-767-304ER roundtrips commence on May 4 between Dresden and Varadero, Cuba.

As a result of the takeover of Frosch Touristik by Airtours on July 14, **FTi Fluggesellschaft, GmbH.** informs the German Britannia that it will not renew after April 2001 since **Airtours International Airlines, Ltd.** and Britannia are now direct competitors.

The press learns at the beginning of November that Britannia Airways Germany is scheduled to be shut down in April 2001.

BRITISH AERIAL TRANSPORT, LTD.: United Kingdom, (1919–1920). This little-known company is formed at London by furniture manufacturing notable Samuel Waring during the summer of 1917; Dutch aircraft designer Frederick Koolhoven is retained to provide technical backing. Plans are made for commercial air service, the inauguration of which must be delayed until the end of World War I.

Piloted by Maj. C. Draper, a BAT Koolhoven FK-26 makes a London–Birmingham proving flight on September 29, 1919; the return flight with four passengers is made three days later. Twice-daily flights over the route reportedly begin the next day. On October 7, pilot Cyril Turner, flying an FK-26 with cargo only, inaugurates a weekly London–Amsterdam service.

Thereafter, the carrier flies only on-demand charters, which last into late fall. Once Koolhoven returns to Holland in January 1920, the enterprise folds.

BRITISH AIR FERRIES, LTD. (BAF): United Kingdom, (1967–1993). **British United Air Ferries, Ltd.**, is formed at Southend Airport by **British United Airways, Ltd.** parent Air Holdings, Ltd. on January 1, 1963 by the merger of **Air Charter, Ltd./Channel Air Bridge, Ltd.** and **Silver City Airways, Ltd.** The amalgamated carrier continues the charter flights and car ferry services of the merger partners with a fleet of 28 aircraft, all of which are either Aviation Traders ATL-98 Carvairs (heavily modified Douglas DC-4s) or Bristol 130 Freighters. Late in the year, long-haul, 2.5-hr., roundtrip cargo-passenger flights are launched from Southend to Geneva, Basel, and Strasbourg.

The most spectacular flights during the next three years occurs in **1965** when an ATL-98 Carvair is employed in January to fly the Black Knight rocket from Southend to Woomera, Australia. A failure of the on-board air conditioning, however, forces the plane to return. Later in the year, another Carvair flies from RAF Lyneham, Wiltshire, to Zambia with a huge radio mast which, when installed, will allow the British Broadcasting Corporation (BBC) to transmit into Rhodesia.

On October 1, **1967**, the airline becomes a separate division within the Air Holdings, Ltd. group and is renamed British Air Ferries, Ltd. (BAF). Faced with intense competition, the carrier abandons all of its long-haul routes to European destinations other than those just across the English Channel and begins to de-emphasize vehicle carriage in favor of passengers and cargo.

In **1968**, two Bristol 170 Mk. 32s, the *City of Winchester* and the *City of Glasgow*, are retired. The ATL-98 Carvair *Fat Albert* is acquired in **1969**; however, two more Bristol 170 Mk. 32s, the *City of Hereford* and *Quatorze Juillet*, are withdrawn.

The first all-passenger service is flown during the summer of **1970**; a Vickers Viscount 803, leased from **Aer Lingus Irish Airlines, Ltd.**, flies Southend–Ostend and Le Touquet. During the year, 4 more Bristol 170 Mk. 32s, *City of Bristol*, *City of Aberdeen*, *City of Hull*, and *Viceroy*, are withdrawn along with the ATL-98 Carvair *Chelsea Bridge*. In November, a Hawker Siddeley HS 748 is leased from **Courtline, Ltd.** for a year.

A half-year lease on a second HS 748 is taken from the same carrier in April **1971**. These, together with the Viscount, resume the 1970 route. In March–April, the Bristol 170 Mk.32s *Valiant* and *City of Edinburgh* are sold.

While landing at Le Touquet in heavy crosswinds on April 20, the nose gear of an Aviation Traders ATL-98 Carvair *Meani Bridge*, with 7 crew and 11 passengers, collapses; the aircraft is badly damaged, but there are no fatalities. The aircraft will be written off.

The Viscount is returned to the Irish state carrier in September with the HS 748s returning home in October–November. Meanwhile, T. D. Keegan's **Transmeridian (London), Ltd.** purchases the carrier from Air Holdings, Ltd. on October 27, but elects to maintain the acquisition's separate identity.

Flying on behalf of a consortium of Guernsey businessmen interested in seeing weekday roundtrips to the Channel Islands, a Carvair, on January 13, **1972**, undertakes a proving flight from Guernsey to Castle Donington, later East Midlands Airport. In March and May, respectively, two Canadair CL-44Ds are purchased. On March 19, the ATL-98 Carvair *Pont du Rhin* initiates scheduled passenger and cargo flights from Coventry to Jersey and Guernsey while a CL-44D is used to initiate flights from Southend to Ostend.

On April 1, the carrier opens passenger-cargo-vehicle service from Southend to Basel and London (STN). Late in the month, an ATL-98 Carvair, *Porky Pete*, is purchased. The second CL-44D is placed in service in May but, like the first, proves unsuitable, and is thus transferred to **Trans-Meridian (London), Ltd.** in July. During the remainder of the year, thrice-weekly roundtrips are started from Southend to Basel, Switzerland and the BAF Carvair fleet is extensively refurbished and a new livery is unveiled.

A Vickers Viscount 812 is leased from **Alidair, Ltd.** in April **1973**. In August, yet another ATL-98 Carvair is added and christened *North Sea Viking Express*. An agreement is signed with **Intra Airways, Ltd.** for pooled freight service from Jersey and Guernsey to Bournemouth. A Carvair is employed during August to create "crosswinds," which are employed in special BBC tests, code-named *Invacar*.

During the following month, the withdrawn **Eastern Provincial Airways, Ltd.** Carvair, which the Gander-based airline had earlier received from **Aer Lingus Irish Airlines, Ltd.**, where it was known as the *St. Jarlath*, is purchased for spare parts. Independent charters in support of the Scottish oil industry are also flown and the Viscount 812 is returned in October.

During **1974** a variety of charters are flown, including West Germany to Liverpool and Southend for Ford Motor Company and night cigarette

flights Belfast to Southend during an autumn Ulster dock strike. The *North Sea Viking Express* is sold in November.

In January **1975**, three Handley Page Heralds are purchased from **Eastern Provincial Airways, Ltd.** in Canada; christened *Ruper Keegan*, *Jeremy Keegan*, and *Rory Keegan*, they begin Southend–Le Touquet, Ostend, Rotterdam flights between February 20 and July 31. Meanwhile, several of the Carvairs, including the *Plain Jane* and *Fat Albert*, are now rebuilt into all-cargo configuration, although one, the *Big Joe*, is sold in February. These begin a variety of ad hoc charters, the most popular of which is the "star-trekking" of pop music personalities around Europe during the summer.

Until **1978**, the carrier flies freight charter around the globe and scheduled operations within Europe; route mileage exceeds 3,250 and passenger enplanements average 30,000 per year. The fleet is reconfigured to comprise 6 (later 4) ATL Carvairs, 2 Canadair CL-44Ds, and 3 Handley Page Heralds.

Previous BAF concentration on scheduled domestic and international services, including car ferry, is abandoned in **1978** in favor of passenger group and cargo charter. Airline employment at the Keegan family enterprise stands at 450. BAF contract charter services grow in **1979–1982**. During the latter year, a Carvair is sold to Alaska-based **Gifford Aviation**.

The London-based development company, Jadepoint, Ltd., jointly owned by barrister Robin Pesskin and real estate tycoon Nicholas Skinner, acquires the company (including 5 Viscounts, 2 Dart Heralds, a small inclusive-tour operation, and two year-round freight routes) from T. D. Keegan on March 1, **1983**. Pesskin becomes chairman, Skinner deputy chairman, and a minority shareholder, Alan Weiner, is named managing director. Charter operations are split off from commercial contracting services. Guernsey–London flights are started on April 1.

Guernsey Airlines, Ltd. is purchased in August. Pesskin, Skinner, and Weiner continue their management relationship over the new airline as well. Keegan's Southend-based aircraft engineering and overhaul business is acquired late in the year. Overall passenger boardings for the two carriers, which are allowed to continue operating under their previous identities, total 99,658 on the year.

To increase year-round business, the Jadepoint executives in **1984** extend the BAF inclusive-tour season from March through October and undertake additional freight contracts for newspaper distributors and the British Post Office. Nine more Viscounts are added to the fleet, including most of those still flown by **British Airways, Ltd. (2)** and a freighter purchased from **Aer Lingus Irish Airlines**.

A three-year contract is won from Shell U.K. Exploration & Production (Shell Expro) for the transport of its staff and oil workers year round from Aberdeen to Sumburgh, in the Shetland Islands. From there they will be flown to the company's energy platforms by helicopters from **British Airways Helicopters, Ltd.** and other concerns. Scheduled flights from 14 mainland destinations to the Channel Islands are now also undertaken as British Air Ferries/Guernsey Airlines enplanements skyrocket to 300,000.

Airline employment for the two reaches 1,200 in **1985** as BAF, with 120 departures per week, becomes the big air operator into the Channel Islands. A catering unit is opened at Jersey Airport and a \$500,000 reservations center is opened at the same location, linked to the carrier's main reservations center at East Midlands Airport.

During the spring, thrice-weekday and twice-daily weekend international Viscount service is inaugurated from London (LGW) to Rotterdam. In August, the daily roundtrip feeder route, operated on behalf of **Virgin Atlantic Airways, Ltd.** between London (LGW) and Maastricht in Holland by **British Island Airways, Ltd.**, employing a wet-leased BAC 1-11-416 in modified Virgin colors, is taken over by BAF. As with British Island Airways, although the crews are BAF, staff uniforms are Virgin Atlantic Airways. Joint bookings this year soar to 750,000.

In **1986**, with a fleet of 16 Viscount 802s/806s, 1 Viscount 808C, and 3 Handley Page Heralds, British Air Ferries, Ltd. flies Guernsey–Manchester, Jersey–Aberdeen, Edinburgh, Carlisle, Newcastle, Humber, Manchester, Gloucester, Cambridge, Southend, Manston, Zurich, and London (LGW)–Rotterdam.

The **Guernsey Airlines, Ltd.** fleet includes 1 Vickers Viscount 802, 1 Viscount 806, and 2 Shorts 330s. Scheduled services are maintained from Guernsey to Aberdeen, Edinburgh, Glasgow, Newcastle, Manchester, Humberside, Gloucester, Cambridge, Southend, London (LGW), and Manston.

The BAC 1-11-400 employed on the **Virgin Atlantic Airways, Ltd.** Holland contract is replaced in the spring with a Vickers Viscount 806, *The Maastricht Maiden*. The BAF turboprop begins flying to Maastricht from London (CTN).

Late in the year, BAF adds a Shorts 330 and, in October, sells a Viscount 815 to the Essex Company's new **Baltic Airways, Ltd.** The failure to report traffic figures is an omen of bad times ahead.

A second Viscount 806, *Dublin Lady*, is wet-leased by **Virgin Atlantic Airways, Ltd.** and is employed to launch services in June 1987 from London (CTN) to Dublin.

In financial trouble for some time, the world's largest Viscount operator encounters fatal cash flow problems, largely as the result of a policy by its owners of diverting capital into non-aviation companies. **Guernsey Airlines, Ltd.** is sold, but still the carrier is unable to meet its short-term financial commitments.

At year's end, the **Virgin Atlantic Airways, Ltd.** contract ends as the large independent signs up the new Irish airline **Club Air, Ltd.** to operate a B-727-46 over the Dublin-Luton route.

While taxiing at Southport preparatory for a flight to Biggin Hill for maintenance on January 11, 1988, a **Fairflight, Ltd.** Shorts 330-200 with two crew suffers the failure of its nose gear steering. Consequently, the aircraft makes an uncommanded left turn and crashes into a parked BAF Vickers Viscount 806. Although both aircraft are damaged beyond repair, the two pilots escape without injury.

In late January, BAF enters Administration, the equivalent of U.S. Chapter XI bankruptcy. Scheduled services to the Channel Islands are suspended, although the contract to fly Shell Expro personnel is honored and renewed. Mostjet, Ltd. is created as a holding company that will take over the company.

When **Club Air, Ltd.** goes bankrupt in June, **Virgin Atlantic Airways, Ltd.** turns once again to BAF to operate its feeder service from London (CTN) to Dublin.

Meanwhile, efforts are made to reorganize BAF and during the first nine months of the year, for which it reports figures, enplanements plunge by 53% to 20,608. Even in Administration, the company is able to earn a profit of \$1.2 million, its sixth annual profit in a row.

The 450-employee airline is able to emerge from bankruptcy in May 1989 via the process of absorbing **Baltic Airways, A.B.** and its 4 Viscounts. British Air Ferries is acquired and restructured by Mostjet, Ltd. in a deal worth a total of £10 million. The Mostjet partners now include County NatWest Ventures, Ian Herman, and Baltic's owners, Coggeshal Holdings, Ltd.

The London (LGW) to Maastricht route, operated for **Virgin Atlantic Airways, Ltd.**, is closed down in March. At the same time, VAA's Irish service arrangement with BAF is also cancelled and turned over to new entrant **Capital Airlines, Ltd.**

In August, the company wins a **Federal Express (Fed Ex)** contract and will begin operating Fokker F.27-600s provided by Fed Ex over regional routes.

Scheduled low-fare, half-hour Viscount shuttle flights between Southend and Ostend, and a variety of ad hoc charters are also offered. Additionally, overnight newspaper-distribution flights are made within the U.K. and frequencies are undertaken on behalf of Aersecuricor, a joint **Aer Lingus Irish Airlines-Securicor** delivery service. In October, an unsuccessful bid is made for **National Commuter Airways, Ltd.**, which is also in Administration.

Customer bookings accelerate 11.9% to 102,173, but cargo drops 4.1% to 3.1 million FTKs.

The number of employees plunges 57.8% in 1990 to 190 and the fleet now includes 14 Viscounts, 3 Handley Page Dart Heralds, and Baltic's

BAC 1-11-200. Three BAC 1-11-500s, formerly owned by **Braniff International Airways**, are acquired.

Daily London (CTN)-Maastricht flights, flown by BAF under contract, cease in January. During the first quarter, the Belgian regionals **Flanders Airlines, S.A.** and **Servisair, S.A.** are taken over, complete with Flanders' fleet of 1 Fokker F.27 and 3 Fairchild Metro IIs and the latter's 4 F.27s and 3 Embraer EMB-110P Bandeirantes.

The Fairchild and Embraers are put up for sale and the Fokkers are employed to inaugurate night freight services on behalf of **Federal Express (Fed Ex)**. Chairman/CEO Ian Herman resigns in August and is succeeded by Robert Sturman, a chartered accountant by profession. Passenger boardings for the year climb to 118,485.

In 1991, there are 10 Viscounts and 1 Herald remaining in the fleet. Four of the former are in passenger configuration while the remainder, plus the Handley Page, are freighters. One Viscount is flown under contract to Shell Oil, transporting 110,000 passengers per year between Aberdeen and Sumburgh in Shetland.

The Herald, meanwhile, is employed on night cargo runs between London (STN) and Dusseldorf, transporting newspapers and mail for British troops in Germany, as well as Ford Motor Company automobile parts. In September, a British Aerospace BAe 146-200QC is purchased; it had previously been leased from **Princess Air, Ltd.** and flown under contract for the Austrian Air Force.

Customer bookings accelerate to 178,356 and a total of 5.15 million FTKs are operated.

Airline employment in 1992 stands at 180. In March, BAF joins with the American carrier **Evergreen International Airlines** to form the British registered all-cargo airline Evergreen International Europe, Ltd. Based at Southend Airport, the company begins freight charter and contract service flights to European, African, and Mideast destinations with a Boeing 747-200F provided by the American partner.

In May, Managing Director Neil Hansford's company inaugurates BAC 1-11-500 courier service between Hong Kong and Singapore. An inclusive-tour operation is conducted to Mediterranean destinations with a pair of McDonnell Douglas MD-83s leased from **Adria Airways**.

In November, the company wins a Royal Mail contract to operate nightly return flights from Edinburgh to Coventry. Repainted in the colors of Parcel Force, a Viscount 800 Freightmaster undertakes these exclusive post office services in December.

Enplanements rise 38.7% to 281,237, but cargo drops 20.6% to 4.92 million FTKs. Revenues total \$45 million and grant a profit of \$3 million.

In January 1993, the company leases 8 former **Dan Air/Dan Air Services, Ltd.** BAC 1-11-500s. It is hoped that the company can employ them not only to increase its own capacity, but to charter to new entrants requiring aircraft for start-up routes or to tour operators requiring smaller-capacity lift.

During the last two weeks of March, the carrier completes the transfer of a large portion of its fleet from Southend Airport. The Herald and all of the Viscount freighters, along with 5 BAC 1-11-500s, are now based at London (STN), while 3 passenger Viscounts are sent to Aberdeen, and a leased British Aerospace BAe 146-300 is stationed at Manchester. On April 6, the carrier is renamed **British World Airlines, Ltd.**

BRITISH AIR NAVIGATION COMPANY, LTD. (BANCO): United Kingdom (1932-1935). BANCO is formed on February 10, 1932. Equipped with a Fokker F-VIIa christened *Spider*, the company offers four flights per day service from Bristol (Whitchurch) to Cardiff (Splott); between July 11-18 a total of 199 passengers are carried over 1,160 unduplicated miles.

Having obtained 2 DH 84s and 1 Ford 5-AT christened *Voyager*, the company resumes experimental service over the previous route on May 17, 1934. On June 29, pilot T. W. Morton initiates weekend Ford Heston-Berck-Dieppe flights; the *Voyager* also begins a daily London-Deauville frequency on July 12 that continues until September 3. The Dieppe ser-

vice is suspended for the winter on September 18 and the Cardiff route on September 30.

The DH 84 *Vagrant* is employed to operate ad hoc passenger and cargo flights from Heston to Saarbrücken on December 22 and 24; a daily run is made between December 27 and January 22, 1935, after which the company ceases operations.

BRITISH AIR TOURS, LTD. See BRITISH AIRWAYS, LTD. (2)

BRITISH AIRWAYS, LTD. (1): United Kingdom (1935–1939). **Allied British Airways, Ltd.**, is formed by Whitehall Securities, Ltd., on September 30, 1935, through the merger of the small independent carriers purchased earlier—**Spartan Air Lines, Ltd.** and **United Airways, Ltd.**

The Hon. Clive Pearson is named chairman, with W. D. L. Roberts as vice chairman. J. Ronald McCrindle is appointed managing director and other directors include Harold Balfour, Gerard d'Erlanger, J. R. Bryans, E. L. Granville, F. W. Jones, and W. C. Tomlinson. These officials continue discussions, begun even earlier, with the post office concerning an airmail subsidy.

The amalgamated carrier's fleet will comprise 7 de Havilland DH 84 Dragons, 6 DH 86As, 9 Spartan Cruisers, 10 DH 89A Dragon Rapides, 2 DH 83 Fox Moths, 2 DH 60G Moths, 1 Armstrong-Whitworth Argosy II, and 1 DH 80A Puss Moth.

The corporate identity is changed to **British Airways, Ltd. (1)**, on October 29. **Hillman's Airways, Ltd.** is purchased on December 11.

Services over the previous routes of the merger partners are inaugurated from Heston Airport at London on January 1, 1936. During the month, an airmail subsidy is received from the GPO.

Following a February 12–13 de Havilland DH 89A route-proving flight by Capt. W. F. Anderson, regularly scheduled DH 86 mail service is launched on February 17 from London to Malmö via Amsterdam, Hamburg, Brussels, and Copenhagen.

The next day, **Imperial Airways, Ltd.**, under pressure, agrees to turn over to the new entrant its inactive routes north of a line between London and Berlin. It is also agreed that the older company will cooperate on business and operational matters with the non-monopoly carrier. On February 18, BA-1 receives a post office mail contract to operate in this area, as well as a government subsidy.

Four Fokker F-XIIs are purchased from **Crilly Airways, Ltd.** late in the month and are employed to start London to Paris flights on March 2; two ex-KLM (**Royal Dutch Airlines, N.V.**) F-XIIs will be acquired later in the year.

With the backing provided by government subsidy, DH 86s begin the first U.K.–Scandinavia flat-rate "Viking Royal Mail Express" airmail service on March 17; Brussels passenger service is halted on March 31. Also during the month, Sir Warren Fisher, chairman of the government's Interdepartmental Committee on International Air Communications, recommends that **Imperial Airways, Ltd.** concentrate on servicing empire routes and that a second company be invited to develop an airmail service to compete with the Germans and French on the South Atlantic. After all, this year alone, the post office will pay the state carriers of those two nations £87,500 to fly British letters to Brazil.

All of **Crilly Airways, Ltd.**'s foreign routes are acquired in April, including those into southeastern Europe, through the takeover of that company. Cooperation between **Imperial Airways, Ltd.** and BA-1 now begins to disintegrate. The state carrier, as agent for **Deutsche Luft Hansa, A.G. (DLH)**, against which BA-1 is now in direct competition, refuses to carry British Airways advertisements in its publications or to book potential passengers of the partners on BA aircraft.

Headquarters and flight operations are transferred to London (LGW) on May 17 as the carrier becomes the first British independent to employ that facility as its base. Gatwick, with its railway connection to Victoria Station and its grass landing field, is meanwhile officially opened on June 6.

On July 1, the Malmö route is extended to Stockholm (summer only) and on July 26, de Havilland DH 86A night airmail service is launched to Cologne and Hanover. On July 27, DH 86As replace Fokker F-XIIs on the Paris service. The same night, and in cooperation with **ABA Swedish Air Lines, A.B.**, London–Stockholm night mail service is started via Cologne and Hanover; company DH 86s fly the London to Hanover sector.

British Continental Airways, Ltd. is purchased and merged on August 1; 1 de Havilland DH 84, 5 DH 86s, and 3 DH 89As are acquired in the process. The former London to Lille service is restarted under new livery on September 9 (having come as part of the purchase of BCA.). Fokker F-XIIs displace the DH 86s on the German night mail route from London to Cologne and Hanover on November 7.

In early December, government permission is granted to the independent allowing it to purchase foreign-made airliners. On December 8, an order for 7 Lockheed Model 10A Electras is placed.

Enplanements over the 1,200-mi. route network for the year total 15,500, but despite a government subsidy of £2,960, a huge £159,618 loss is suffered.

The former **ABA Swedish Airlines, A.B.** Junkers Ju-52/3m *Vastmanland* is acquired in January 1937; rechristened *Juno*, it is assigned to the London–Hanover night mail service. On February 7, the operations base is transferred to Croydon from Gatwick. The new London airport offers a rail service into the central city and is equipped with electronic landing aids; unfortunately, it will also have a tendency to become easily flooded.

The next day, the first of four Lockheed Model 10A Electras to be delivered during the month arrives from the United States. Also during the month, the British government announces that the carrier has been chosen to operate to Bathurst, Gambia, with the intention of extending across the Atlantic to Brazil.

The first Junkers Ju-52/3m is delivered; christened *Juno*, it is placed on the Cologne and Hanover night mail run on March 2. London–Lille flights end on March 6. One-time **Aircraft Transport and Travel, Ltd. (AT & T)** pilot, Alan Campbell Orde, most recently chief test pilot for Armstrong-Whitworth, is now appointed the carrier's operations manager.

Following familiarization and promotional flights, the speedy U.S.-built Electras are placed on the twice daily London to Paris service on April 5. They fly the route in 1½ hours, significantly faster than the planes of state-owned rival **Imperial Airways, Ltd.** L-10A operations begin to Malmö and Stockholm on April 17 and 19, respectively.

Also during April, the ex-**ABA Swedish Airlines, A.B.** Ju-52/3m *S. A. Andre* is acquired; rechristened *Jupiter*, it is also assigned to the German night airmail route.

A fifth Electra is delivered on May 29 and will later be followed by a sixth purchased from Minneapolis-based **Northwest Airlines**. A two-class Paris service is introduced on May 20—first class is flown by L-10As and second class by DH 86s.

Following a meeting at the Greyhound Hotel, near Croydon Airport, during the month, the British Airline Pilots' Association is formed, with Lord Chesham as president and Lord Amhurst as vice president. Two BA-1 pilots, together with two pilots from **Imperial Airways, Ltd.** and one each from **Olley Air Services, Ltd.** and Surrey Flying Services, Ltd. establish an organizing committee.

Unable to build a South Atlantic service alone, the company turns to the government for help in July; officials at the Air Ministry agree that the carrier will require financial assistance to establish any airmail service to Brazil. Also during the month, the London to Paris service is doubled to four times a day.

In cooperation with **Deutsche Lufthansa, A.G.**, the Cologne to Hanover night mail route is extended to Berlin on August 9. This is a direct service that transports all British first-class mail for central and eastern Europe.

On August 12, the carrier joins London Midland and Scottish Railway and David MacBrayne, Ltd., in forming the subsidiary **Scottish Airways, Ltd.** Later in the month, Air Ministry officials persuade the

Portuguese to grant BA-1 landing rights in Lisbon for the first stop on its proposed South Atlantic service.

During the fall, two ex-KLM (**Royal Dutch Airlines, N.V.**) Fokker V-IIIs are acquired and, on October 1, the Air Ministry imposes new safety requirements on the company and other British carriers. These include compulsory use of seatbelts by passengers and crew on all aircraft. For planes seating more than 10, oxygen equipment is mandatory for flights above 15,000 ft., a pair of fire extinguishers must be carried, and cockpits must include directional gyroscopes and artificial horizons.

The Malmo–Stockholm sector is closed on October 4 for the winter. Representatives from the company and the Air Ministry depart London on November 17 to survey the Bathurst–Lisbon segment of a proposed South Atlantic route. Orders are now placed for 9 Lockheed L-14s. An Electra crashes at Croydon Airport on December 13. Having been unprofitable for a second consecutive year, the company again refuses to release its traffic figures. E. H. Murrant succeeds F. W. Jones on the board of directors and is joined by the new government director, Viscount Monsell, the retiring First Lord of the Admiralty. The year's enplanements are 17,130 and the loss is £177,975.

A third Junkers trimotor, the new Ju-52/3m named *Jason*, is placed into service on January 28, 1938. In February, the Bathurst–Lisbon survey group returns and submits its report. Orders are placed for Lockheed L-14 Super Electras.

Company officials sign an agreement on March 23, with the Air Ministry assuming responsibility for surveying proposed routes from the U.K. to South America and West Africa. The Malmo to Stockholm route is reopened on April 11, and day operations are returned to Heston Airport on May 29.

In South America during June, company representatives test a possible Natal–Buenos Aires route on the ground. An Electra ditches in Copenhagen harbor on August 15. The first of 8 Lockheed L-14 Super Electras is delivered to Southampton by ship; unloaded and reassembled, it is flown to Heston the same day. It will be followed by two more on August 26 and 28; the last of these is the first in the fleet to be christened, receiving the name *Lafayette*. These are employed to inaugurate nonstop Stockholm service on September 18.

Prime Minister Neville Chamberlain is flown by one of the company's Electras roundtrip from Heston Airport to Oberwiesenthal Airport at Munich on September 15–16 and to Cologne on September 22–24. The company's first L-14 Super Electra returns the prime minister to Munich on September 29–30, where accords are signed to end the Czech crisis. The initial flight requires three hours and is a turbulent introduction to commercial flight for the British leader. The use of U.S.-made flight equipment for the diplomatic mission brings complaints from various segments of U.K. public opinion and helps the government to accelerate plans for the improvement of British air services.

The new L-14 *Livingstone* enters service on September 30 and L-14 survey flights are made over the 1,000 miles to Lisbon and Seville on October 7, 25, 27; the first is seven-hours nonstop as is the third while the second halts briefly at Bordeaux. A fourth L-14 is acquired on November 9 and is christened *Lochinvar*.

As a result of a 1937 parliamentary investigation of the British air transport industry, the government, in the person of Sir Kingsley Wood, on November 11 announces its intention to merge the independent with **Imperial Airways, Ltd.** to form a new state-owned **British Overseas Airways Corporation (BOAC)**. Company shareholders will be bought out and former BBC Chairman Lord Reith is appointed the new flag carrier's first chairman. From offices near Victoria Station, he and his chief assistant, Leslie Runciman, draft guidelines for the new state entity. The L-14 *Lothair* is received on November 16; six days later on November 22, the first L-14 to be received is the first lost when it crashes at Wiltar in Somerset.

Early in December, Air Ministry officials announce that British Airways, Ltd. (1) will commence direct London to Lisbon flights in January and that the government will subsidize the service at an annual rate of £116,000. Only proving flights and the acquisition of permission

from General Franco's government for overflights have yet to be achieved, though Franco intimates that, if Britain recognizes his government, the granting of authority will not be a problem.

Capt. V. E. Flowerday flies an unnamed L-14 from London on December 28 on a four-day route proving flight to Bathurst. He stops while en route at Lisbon, Casablanca, Agadir, Port Etienne, and Dakar. This will be the only such mission flown in connection with a possible South Atlantic airmail service. The British government will recognize that it cannot establish such an operation with war clouds on the horizon and, consequently, the post office will be forced to pay the British and French national airlines a huge £118,000 to fly U.K. mail to Brazil during the upcoming year.

Customer bookings over the carrier's 3,800-mi. route network total 22,500 this year. Despite the government's subsidies of £110,653, the loss is £80,721, although when accumulated deficits are deleted, that figure falls to minus £24,128.

The first of two Lockheed L-12A Electra Juniors to be delivered to a frontline operation is received in January 1939 and is immediately and secretly taken in hand for clandestine work. In a cooperative project between British Intelligence and the French Deuxieme Bureau, the plane is outfitted with high-resolution cameras. Piloted by Australian aerial photographer and Dufaycolor, Ltd. executive Sidney Cotton, it is flown in company or Dufaycolor, Ltd. livery on regular routes, but over military installations in Germany and Italy. Cotton recruits a former German World War I ace to serve as his Berlin sales representative for color film and thus obtains a reason to visit the German capital. The spy flights continue, with particular success over the Mannheim area.

Two more L-14s are received on February 27 and March 7, respectively; the first is unnamed while the second is christened *Leander*. A third of this type, the *Lepelaar (Spoonbill)* is purchased from **KLM (Royal Dutch Airlines, N.V.)**. Government officials are surprised when General Franco, in March, refuses BA-1 permission to overfly Spain during its proposed new service to Lisbon. Consequently, flights cannot immediately begin. The authority question will be resolved within a few weeks, but the ban on flights will remain in place due to the threat and later, the fact of war.

On April 15, the last Croydon–Paris flight is made; the next day, the route is operated jointly with **Imperial Airways, Ltd.**, using the latter's de Havilland DH 91s, as the process of merger begins in earnest.

Also on April 16, company L-14s are employed, under contract, to fly **Imperial Airways, Ltd.'s** London–Basel–Zurich service.

Twice-daily L-10A Brussels service is resumed on April 17, the same day daily L-14 flights are begun to Frankfurt and Budapest and to Berlin and Warsaw while Electras extend the Malmo weeknight mail route to Stockholm.

Beginning in May, a second camera-equipped Lockheed L-12A in company markings enters service; it is employed by Sidney Cotton and his intelligence colleagues during the next four months to repeatedly photograph Axis positions in Somaliland.

Financial arrangements for the carrier's purchase are completed in June, allowing introduction of the **British Overseas Airways Corporation (BOAC)** Bill into Parliament; BA-1 shareholders will receive £262,500 for their company.

After the BOAC Bill passes through the legislative process, it receives royal assent on August 4. On August 11, the second delivered L-14, operating an **Imperial Airways, Ltd.** replacement service, catches fire in midair and crashes at Luxeuil, France; there are no fatalities.

Four days later, on August 15, an L-10A crashes into the sea off the Zealand coast of Denmark (five dead). Following the announcement of the Russo–German nonaggression pact on August 23, Poland begins to transfer units of its airline fleet to Great Britain. Six Super Electras are ordered to serve with BA-1 in England, but only the *Lublin* escapes before the Nazi invasion of September 1, the same day on which Sydney Cotton completes his final spy flight.

Meanwhile, a midnight on August 30, the U.K. government orders the company's aircraft, along with those from **Imperial Airways, Ltd.**, to

evacuate Croydon Airport as the entire east coast of England is closed to civil aviation. Most are sent to Whitchurch, near Bristol, as war breaks out on September 3; there, officers of the two carriers will set up their headquarters at the Grand Spa Hotel.

Many of the carrier's pilots and other personnel in the RAF Reserve, now transfer to the military and, on September 9, part of the BA-1 fleet is diverted to Exeter to begin National Air Communications flights on behalf of the government. The Scandinavian service, meanwhile, is rerouted from Perth to Stockholm via Stavanger and Oslo and is flown by the 3 Ju-52/3ms and 1 L-14. **British Overseas Airways Corporation (BOAC)** is formally established on November 24 with Sir John Reith as chairman and former BA-1 Chairman Clive Pearson as his deputy. BA-1's Operations Manager Campbell Orde is given the same post with the new state carrier. The former Dutch Super Electra *Lepelaar* (*Spoonbill*) is lost in a crash at Malta on December 21.

On January 15, 1940, the unnamed Super Electra acquired the previous February is lost when it overshoots the runway at Heston and crashes. Beginning in February and continuing for two months, Sidney Cotton flies one of his BA1-registered Electra Juniors on commercial routes that just happen to take his camera-equipped aircraft over Italian airfields in North Africa. In March, Deputy Chairman Pearson succeeds Sir John Reith as chairman; the latter has been given a peerage and named U.K. Minister of Information.

On April 1 **British Overseas Airways Corporation (BOAC)** officially acquires British Airways, Ltd., along with **Imperial Airways, Ltd.**, its routes and assets, in an event totally obscured by the winds of war. Two of the three camera-equipped L-12As officially in service since the previous January are transferred to France and the third is taken over by the RAF at Heston.

BRITISH AIRWAYS, LTD. (2): Speedbird House, P.O. Box 10, London Heathrow Airport, Hounslow, Middlesex, England, TW6 2JA, United Kingdom; Phone 44 (181) 759-5511; Fax 44 (181) 562-9930; <http://www.british-airways.com>; Code BA; Year Founded 1974. The Civil Aviation Act becomes law on August 5, 1971, providing for the formation of the British Airways Board (BAB). At its inaugural meeting on January 10, 1972, the BAB prepares for ownership and control of **British Overseas Airways Corporation (BOAC)** and **British European Airways Corporation (BEA)**, which is assumed on April 1. On July 14, the first *Report on British Airways Organization* is approved by the government. On July 17 it is announced that **British Overseas Airways Corporation (BOAC)** and **British European Airways Corporation (BEA)** will be merged under unified top management in the British Airways Group, which is accomplished on September 1. The least noticed addition during the year is creation of the British Airways Band, which will travel internationally to play at promotional events.

The second and third *Reports* are approved by the British government on January 22 and November 22, 1973. A new union jack and blue speedbird color scheme is introduced for company aircraft late in the year and Chairman Keith Granville is knighted. Consolidated BOAC/BEA results on the year show a 7.5% rise in passenger boardings to 14,390,000, a 6.5% boost in freight traffic, and a group net profit of £5.2 million.

BOAC and BEA are dissolved on March 31, 1974, under the Air Corporation (Dissolution) Order of 1973 and the new entity, British Airways, Ltd. (2), or BA, appears the following day. As initially organized under Chairman Sir David Nicholson, with Sir Keith Granville as deputy chairman, the flag carrier has seven divisions. The Regional division comprises the acquired companies of **Northeast Airlines, Ltd.**, **Cambrian Airways, Ltd.**, **Channel Island Airways, Ltd.**, and **Scottish Airways, Ltd.**, and **British Airways Helicopters, Ltd. (BAH)**. The other six divisions are Overseas (ex-BOAC), European (ex-BEA), British Airways Associated Companies, British Airways Engine Overhaul, and International Aeradio.

The fleet, rapidly repainted in a new livery featuring the national colors of red, white, and blue, now comprises 16 Boeing 747-136s, 24

B-707-336s, 21 Vickers VC10s, 64 de Havilland Tridents, 25 BAC 1-11s, 35 Vickers Viscounts, 10 Merchantmen, 10 Sikorsky S-61s, 1 Bell 212, and 1 Bell 206L LongRanger. With 53,213 employees, the new carrier is the largest airline employer in the world.

Long Island, New York, businessman Leo Kaye is indicted on April 25 for obtaining 247 transatlantic airline tickets from the carrier by fraudulent means. A May 6–20 strike by cabin crews and baggage handlers forces the temporary cancellation of international flights and costs the state company \$15 million. The final flight by a Vickers Vanguard 951 is made on June 16 from Jersey to London (LHR).

The Provisional Wing of the Irish Republican Army admits to placing a bomb aboard the B-707-336 en route from Belfast to London on July 25 with 85 aboard. It is forced to make an emergency landing at Manchester in response to a warning telephoned in by an anonymous caller.

The first of 9 Lockheed L-1011 TriStar Is ordered by **British European Airways Corporation (BEA)** several years earlier is delivered in October. Also during mid-month, a Concorde makes a worldwide publicity tour. The SST is the first supersonic transport to land at Los Angeles (LAX), where it remains on exhibit October 23–24.

The flight crew of a B-747-136 at Sydney on November 3 refuses to board two Soviet diplomatic couriers who refuse to undergo routine security checks prior to a departure for London.

The first Jumbojet delivered since the corporate changeover arrives on November 6 and is christened *Portsmouth*. Three Lockheed L-1011s arrive during the fourth quarter.

On November 23, 4 PFLA terrorists seize Flight 870, a Super VC10 with 93 passengers, after it lands at Dubai from London en route to Brunei. An Indian stewardess is shot in the back during the takeover, but is released for medical aid. From Dubai, the plane is forced to fly to Tunis, where the gunmen demand the release of 13 other guerrillas, jailed in Egypt, after releasing 4 hostages. The Egyptians at first refuse, but the next day, 5 guerrillas are freed in Egypt and 2 in the Netherlands in return for 13 more people from the VC10. Later in the day, the pirates murder West German hostage Werner G. Kehl in public view, claiming the Tunisians are operating in bad faith. On November 25, after receiving assurances from Tunisia that they will receive asylum, the gunmen surrender and free their remaining prisoners.

Passenger boardings on the year dip 6% to 13.5 million, but freight traffic is up by 5%. Net income is \$38.5 million.

A total of 1,111 employees are laid off in 1975 or not replaced.

An unidentified hijacker commandeers a BAC 1-11 during a Manchester–London flight on January 7 and releases the 45 passengers at Heathrow Airport, where he threatens to blow up the plane and shoot the crew if he is not given a parachute, \$230,000, and flown to Paris (ORY). Tricked into believing he has landed in France, the man is instead flown to the U.K. and captured by British police at Stansted Airport in Essex. His weapon turns out to be a toy gun. He is later convicted of the first U.K. domestic airline skyjacking and given a seven-year prison term. BA subsequently orders improved anti-hijacking measures be implemented by its personnel.

The first of 3 new L-1011-100s received in late 1974 and christened *The Sunilk Rose* enters service on January 12, over a London–Malaga route. The same day, walk-on London (LHR)–Glasgow Airport shuttle service is introduced, modeled on that of **Eastern Air Lines** in the U.S. Hourly (except on Sundays, when flights are every two hours) no-booking, guaranteed-seat service is guaranteed by use of the carrier's nine Trident ICs.

The B-747-136 *Dundee* is delivered on March 14. Joint DC-10-40 London–Los Angeles–Auckland operations are initiated with **Air New Zealand, Ltd.** on May 7 and, on June 26, a contract is let for 4 Rolls-Royce powered B-747-236Bs. Hawker Siddeley HS 748s are introduced on internal Scottish routes on August 4. Preparation for the introduction of supersonic transport continues with the fourth production aircraft beginning on July 7.

A series of 128 proving or "shadow flights" are launched over projected revenue routes in a campaign designed to demonstrate to the

public and the airline industry the need for and desirability of the Anglo-French Concorde. With full passenger loads carried on every flight, trips are made to a variety of long-haul destinations, beginning with Hong Kong and Singapore. On August 4, the 3,852 miles from Singapore to Melbourne are covered in just 3 hrs. 37 min., while on August 11, flights are made to Bombay and Kuala Lumpur to test flying operations under monsoon conditions. The test series ends on September 13 following six roundtrips on seven consecutive days between London and Gander, Newfoundland.

An HS 121 Trident 2E with 7 crew and 110 passengers encounters a significant amount of standing water on the runway while taking off from Bilbao on September 15; the maneuver is aborted, but the aircraft runs off the runway and is badly damaged. No injuries are reported.

The Concorde receives its British airworthiness certificate on December 4 and Sir David Nicholson retires as chairman on December 31.

An HS 121 Trident 1C is destroyed in a ground accident at Heathrow Airport on December 28.

On the year, passenger boardings grow 13.8% to 13,638,000. Cargo is down to 684.15 million FTKs, a 5.5% drop.

Sir Frank McFadzean becomes chairman on January 1, 1976. In a joint operation with **Air France**, British Airways, Ltd. (2) opens the world's first regularly scheduled supersonic passenger service on January 21 with a London-Bahrain flight piloted by Capt. Norman Todd. Upon landing after a 3-hr. 37-min. flight, the British Concorde, G-BOAA, is the first of its type to complete a revenue service between two planned destinations.

The new computerized reservations system BABS is fully integrated on February 1 and, on February 4, U.S. transportation secretary William T. Coleman announces that the Concorde will be allowed landings at New York (JFK) four-times-per-day and Washington, D.C. (IAD) twice-daily for a sixteen-month trial period.

London-Edinburgh shuttle service commences on April 1. The same day, a B-747-148 is chartered from **Aer Lingus Irish Airlines, Ltd.** The 18th B-747-136 is delivered on April 8 and is christened *Aberdeen*. Marking the start of London-Washington, D.C. Concorde service on May 24, an aircraft from the British line is joined by one from **Air France** in making a spectacular joint arrival at the American facility. There, with the two SSTs parked nose-to-nose, special ceremonies are held, speeches given, and references made to the U.S. bicentennial.

A Concorde is forced to return to Washington, D.C. (IAD) on June 20 after an engine overheats. In August, the carrier becomes launch customer for the long-range Lockheed L-1011-500 TriStar, ordering six.

En route from London (LHR) to Istanbul on September 9, Flight 475, an HS 121 Trident 3B with 9 crew and 45 passengers, collides in midair with **Inex Adria Aviopromet** Flight 550 en route from Split to Bonn. The collision with the DC-9-31 carrying 5 crew and 108 passengers occurs 33,000 ft. over Vrobec, near Zagreb, Yugoslavia. Both aircraft crash and there are no survivors from the worst midair collision in civil aviation history to date. Six years later, the tragedy will be reported in Richard C. Weston and Ronald Hurst, *Zagreb One-Four—Cleared to Collide?: A Study of Human and Technological Conflict in Aviation* (London: Granada, 1982).

A joint announcement from London and Paris, made on November 2, confirms an end to the production of Concorde SSTs; at this point, the British line owns five, with two more to be delivered. The fourth *Report on British Airways Organization* is released on November 15.

Passenger traffic during the 12 months climbs 4.2% to 14.2 million, but freight grows only 1.6%.

In January 1977, the carrier and **Air France** share the 1976 "Airline of the Year" award from *Air Transport World* magazine for their introduction of Concorde. The fleet now includes 5 Concorde, 15 VC10s, 20 B-707-436s, 25 B-747-136s, 15 Viscounts, 61 Tridents, 25 BAC 1-11s, 2 HS 748s, and 9 TriStar 1s.

A British Air Tours, Ltd. B-707-436, with four crew, aborts its takeoff on a training flight from Prestwick on March 17 and crashes; the undercarriage collapses and all four engines are torn off, but there are no fatalities.

The last vestige of the old BOAC/BEA inheritance is removed on April 1 when the Overseas, European, and Regional divisions are consolidated; henceforth, there will be departments for commercial operations, flight operations, engineering, planning, catering, and personnel plus central services for public relations and finance. London-Belfast jet shuttle service opens the same day and the "Queen's Award for Export Achievement" is received on April 21.

On May 6, engine trouble forces a Concorde to return to Washington, D.C., after departing for London with 100 passengers. Pooled flights with **Gulf Air** commence late in the month between London and the Gulf States. The last two Pratt & Whitney powered Jumbojets, Dash-236Bs, are delivered on June 16 and 22, respectively, and are christened *Liverpool* and *Manchester*. The first Rolls Royce powered B-747-236B to be delivered is the *Cardiff*, which arrives on July 27.

A B-747-136 carrying 420 people makes a safe emergency landing at London (LHR) on August 1 after losing 1 of its 16 wheels upon takeoff for Bahrain. Five days later, a three-week repair program is undertaken for the fleet's 25 Trident 3Bs, nearly half of which have been grounded with hairline wing cracks. On September 16, 17 of the 25 Trident 3Bs are permanently grounded.

On September 23, President Jimmy Carter approves a U.S. Department of Transportation decision that will allow the Anglo-French Concorde to land at any U.S. airport pending local approval.

A Concorde takes Queen Elizabeth II from Barbados to London on November 1. Barbados will remain one of the few destinations in the world with regularly scheduled SST service.

After years of opposition from environmental groups, the premier London-New York roundtrip Concorde service is launched on November 22. At 8:30 a.m. on that date, a company SST arrives at New York (JFK) from London on a flight that has cost its passengers \$716 one way; ceremonies are held along with an **Air France** Concorde that arrived from Paris.

A Concorde aborts its takeoff from New York (JFK) on December 1 as its engines fail. In association with **Singapore Airlines, Ltd.**, London-Bahrain-Singapore Concorde operations begin on December 9; the service will be suspended after only three flights due to political difficulties. The 4 BAE-ordered TriStar 1s now commence revenue services from London to Malaga.

Passenger traffic for the year falls to 13.3 million passengers flown.

Standby fares on certain North Atlantic flights are introduced on March 18, 1978. Between March 27 and June 16, 4 more B-747-236Bs are received—the *Glasgow*, *Plymouth*, *York*, and *Oxford*. The fleet, on April 18, still operates 19 Vickers Viscounts, which this date are toasted in celebrations marking them as the first turboprop type to complete 25 years of regularly scheduled airline service.

The 100,000th Concorde passenger is greeted on August 10. On August 31, the company joins with **Eastern Air Lines** to become launch customer for the Boeing 757; the British firm orders 19 units. Frequencies on the New York to London Concorde route are increased from 10 to 12 per week beginning on October 29.

Late in the year, a massive reequipment order is placed with Boeing for 19 B-757-236s, 19 B-737-236s, 3 BAC 1-11-539s, and the first Vertol Model 234 Civil Chinook helicopter. A BAC 1-11-537 is chartered from **Cyprus Airways, Ltd.** on October 15.

Foote, Cone & Belding, the U.K.'s contract advertising agency since 1947, is appointed the airline's worldwide agency; the U.S. advertising campaign, built around British actor Robert Morley by the previous advertiser, Campbell Ewald, is retained intact.

A route exchange, valued at £4 million, is arranged with **British Midland Airways, Ltd.** Passenger boardings this year jump 17.7% to 15.7 million.

Sir Ross Stainton becomes the third chairman on January 1, 1979; Roy Watts becomes CEO. On January 12 and in cooperation with **Air France**, Concorde services are extended to Dallas (DFW); the Washington, D.C.-Texas subsonic leg is flown by crews from **Braniff International Airways**. The American pilots bring the two SSTs (the British

ship has 90 passengers) onto two parallel runways within 2 seconds of one another after a flight of 2 hrs. 17 min. made at Mach 0.95.

British Airways, Ltd. (2)/Singapore Airlines, Ltd. joint London-Singapore operations are restarted on January 24. A flight from London to New York makes an emergency landing at Bradley International Airport, Windsor Locks, Connecticut, on January 27 because of low fuel and bad weather. The airport manager reports minimal reaction from people living nearby to the first-time landing of a Boeing Jumbojet.

Explosive booms are heard over the U.S. East Coast between Massachusetts and Pennsylvania on February 8 and 10. The FAA investigates the possibility that a Concorde caused sonic booms; however, on both occasions, the carrier's SST had decelerated to subsonic speeds 60 miles out to sea.

The Queen and Prince Philip fly the Concorde to Kuwait on February 12, returning from their Middle East tour on March 2 aboard a VC10 boarded at Muscat. A Concorde pilot reports his aircraft and a small private plane narrowly miss each other on March 15, 23 mi. E of New York. The B-747-236B *Edinburgh* arrives on March 27.

Piloted by Capt. Brian Trubshaw, the 16th and last Concorde makes its maiden flight from Filton on April 20. When ready, it will join the BA fleet. Easily recognizable by its shortened fuselage and increased wing span, the world's first Lockheed L-1011-500 is delivered on April 30 and enters service on May 5; it is named *The Harry Wheatcroft Rose* and recognizes one of the nation's best-known rose growers.

In July, the new Conservative government of Prime Minister Margaret Thatcher announces its intention to sell shares in the airline and sends legislation to Parliament to enable this privatization plan.

A Concorde makes an emergency landing in Scotland on a flight from Toronto to London on September 2 after losing engine oil pressure. Flights to Iran are indefinitely suspended on December 2 because of the political situation there.

During the year, the company gradually retires its Vickers 953C Merchantman fleet and retrofits much of its fleet, particularly its 1-11s, with engine hush kits. Employing flight attendants as spokespersons, Foote, Cone & Belding launches a "Looking Up" advertising campaign in the U.K. stressing the patriotism citizens could display by frequenting the national flag carrier.

Enplanements rise 7.6% to 16,906,318 and freight traffic accelerates 11.2%. Total revenues reach \$3.2 billion (a 28% increase over 1978) allowing a 108% jump in operating profits to \$176 million.

Airline employment is decreased by 4.2% in 1980 to 52,600 and the first BAC 1-11-539 is delivered on February 22. It will later be christened *County of West Midlands*. It is followed by a second unit, later called *County of Stafford*, which arrives on March 3. The ninth B-747-236B, the *Cambridge*, is delivered on March 5. On March 12, the carrier introduces its new Club Class Service, a business-class service offered at regular fares. The last VC10 flight, Dar es Salaam-Heathrow, is completed on March 29.

At the end of March, BA is forced, in the name of economy, to abandon a number of domestic routes, including services from London and Manchester to the Isle of Man. London to Singapore via Bahrain Concorde service is discontinued on April 1. Fresh off a charter to **Air Malawi, Ltd.**, the BAC 1-11-530 *Isle of Raasay* is chartered from **British Caledonian Airways, Ltd. (BCAL)** on April 24, allowing the April 28 return of the leased **Cyprus Airways, Ltd.** BAC 1-11-537. The 10th B-747-236B arrives on May 2 and is christened *Birmingham*.

Unable to accommodate its British partner's request for increased services from Dallas (DFW) to New York and Washington during the upcoming summer season, **Braniff International Airways** cancels its subsonic Concorde services on May 31.

A private aircraft comes within 450 feet of colliding with a B-707-436 10 mi. E of New York (JFK) on July 10.

Beginning on August 15, the Cunard Steamship Company offers a free flight from New York to London to any of its passengers sailing the

Queen Elizabeth II from Great Britain to Manhattan. The offer will remain in effect for five years. The third and final BAC 1-11-539, later christened *County of Warwick*, is handed over on August 18.

On September 5, Gerald J. Tobias sets a speed record of 3 hrs. 33 min. for a flight between central London and downtown New York by flying the Concorde across the Atlantic and using helicopter shuttles between airports and downtown areas. BA and **SAS (Scandinavian Airlines System)** jetliners brush each other on a runway at London (LHR) on September 20; no injuries are reported. The B-747-236F *British Trader* enters service on September 30.

London-Peking service is begun on November 13 via Bahrain and Hong Kong.

A Concorde reports a near miss with a **Ransome Airlines** turboprop 25 mi. E of New York on December 1. During the year, other new routes are opened to Seattle, Manila, and Salisbury, Zimbabwe, and **Transavia Holland, N.V.** begins to fly two of its B-737-2K2s under contract to the British flag line. At this point, all Trident 1Es are withdrawn.

The Civil Aviation Act passes parliament during the year and provides for privatization of the airline.

Passenger boardings remain level at 16.09 million, while freight increases by 3.5% to 996.34 million FTKs. With the world economic situation worsening, the financial picture begins to darken as, led by fuel price increases, expenses begin to mount. Still, an operating profit of \$28.76 million is registered along with net gain of \$7.08 million.

Sir John King, later Lord King of Wartonby, a colleague of Prime Minister Margaret Thatcher, chairman of FKI Babcock International, Ltd., and a board member for a year, becomes chairman on January 1, 1981. Not only is he charged by the secretary of state for trade to take all steps necessary to prepare for privatization, but is faced by a fiscal crisis. As the result of an unresolved pay dispute, 9,000 employees stage a one-day strike on January 15.

The **Aer Lingus Irish Airlines, Ltd.** Jumbojet is returned in May and a total of 117 domestic and international flights must be cancelled on June 26 because of a strike by traffic controllers at Heathrow Airport.

During takeoff from New York (JFK) on August 9, a left-hand tire of a Concorde bursts, putting a hole in the No. 5 fuel tank and causing damage to the No.2 engine by ingestion. Departure is successfully aborted and no injuries are reported.

Meanwhile, a series of economic moves designed to regain profitability are begun on September 1. One-million-sq.-ft. of London office space is sold and staffing is reduced to 43,000 on a volunteer basis, with severance pay further contributing to financial woe. In addition, early model Tridents, VC10s, and B-707s begin retirement to make way for 24 new B-737-236s, christened *River Tamar*, *River Tweed*, *River Humbar*, and *River Tees*.

A decision is taken that all services north of Glasgow, operated by the Highlands and Islands division, be closed down and licenses for the various affected routes be distributed to private regionals. As a result of union opposition, BA gives its Scottish operation permission to operate for one year longer on an experimental basis.

Beginning on October 1, frequent travelers are offered a \$100-a-year membership package of various conveniences. On October 16, BA introduces \$249 London-New York roundtrip fares. Fare cutting against **Laker Airways, Ltd.** becomes both ruthless and reckless.

While piloting a Jumbojet, Prince Phillip reports a near miss with a lightplane shortly after takeoff from London (LHR) on December 1.

Employing the advertising agency of the Conservative Party, Saatchi & Saatchi, the company now begins a £25-million advertising campaign on the theme "The World's Favourite Airline."

The fleet now includes 7 Concorde, 15 B-707-436s, 27 Jumbojets, 9 TriStar 1s, 8 Viscounts, 52 Tridents, 26 BAC 1-11s, 6 HS 748s, and 24 B-737-236s.

Still, passenger boardings for the year dip 5% to 15,272,000 and freight falls 5.6% to 940 million FTKs. Revenues are up 5.8% to \$3.1 billion, but expenses jump 13.3% to \$3.3 billion, leaving the carrier to suffer a horrendous \$900-million loss.

Economic restructuring continues in 1982. Despite a strike by 2,000 baggage handlers and other ground staff at London (LHR) on February 15, most flights operate normally. The B-747-236F *British Trader* is sold to **Cathay Pacific Airways (Pty.), Ltd.** in March. In April, the Highlands and Islands division is replaced by a new Highlands Division, with Gerry Devine as executive in charge, who is given a mandate to change the previous year's £6-million loss into a £1-million profit. The staff is cut from 600 to 167 and the division's Vickers Viscounts are replaced with 5 British Aerospace BAe (HS) 748-B2s. Because of a slowdown in the demand for supersonic flights, the Concorde *Alpha Golf* is grounded and used for spare parts. It will later be upgraded and refurbished.

When Argentine marines invade the Falkland Islands in April, service between London and Buenos Aires is cancelled.

On June 24, Flight 009, the B-747-236B *City of Edinburgh* flying at 37,000 feet with 263 aboard en route from Kuala Lumpur to Perth, near Bandung, Indonesia, suddenly plunges five miles to 12,500 feet before the pilot, Capt. Eric Moody, can restart the engines. A cloud of volcanic ash from Indonesia's erupting volcano, Mount Galunggung, had choked them. The aircraft will later be entered into the *Guinness Book of World Records* as the "world's heaviest glider." The incident will be reported by Betty Tootell in her *"All Four Engines Have Failed": The True and Triumphant Story of BA 009 and the "Jakarta Incident"* (London: Andre Deutsch, 1985).

In an effort to contain sonic booms over the east end of Long Island during its arrivals and departures, the Concorde is rerouted out of New York (JFK) beginning on August 29.

Staff cuts now bottom out, leaving a workforce of 37,500. The last of 17 stations to be cut are closed, 33 additional routes are ended, and 65 airliners are disposed of, including all 6 L-1011-500s. Lord King, in October, ends BA's 35-year relationship with Foote, Cone & Belding and requests that the Saatchi & Saatchi advertising firm develop a worldwide advertising campaign designed to enhance the airline's image. The agency agrees and resigns its account with **British Caledonian Airways, Ltd.** In November, the liquidator of **Laker Airways, Ltd.** files suit against BA and several other carriers and manufacturers in U.S. District Court, Washington, D.C.

The year's enplanements fall another 2.9% to 13.6 million and freight declines 13.1% to 748.9 million FTKs. Concorde service to New York and Washington is a bright spot as 63,678 and 9,793 passengers are carried on the two routes, respectively. On total revenues of \$2.07 billion, the net loss is \$337 million. Even the Highlands Division misses its \$1-million profit goal, but not by enough to be eliminated.

The workforce grows to 36,700 in 1983. The first of 17 B-757-236s is delivered on January 25; christened *Dover Castle*, it begins service on the London-Belfast shuttle route on February 9. Former Avis President Colin Marshall becomes CEO during the month with a mandate to turn the company around. On March 15, the company contracts with the new U.S. commuter, **Americair**, to provide shuttle flights for its passengers between Washington, D.C. (IAD) and both Washington, D.C. (DCA) and Baltimore (BWI).

The last Trident 1C revenue flight is made over the Glasgow to London (LHR) shuttle route on April 4. A £1-million "Manhattan Landing" advertising campaign planned by Saatchi & Saatchi during the first quarter is launched in the U.K. on April 10. Actors Peter O'Toole, Joan Collins, and Omar Sharif emphasize the idea that BA is "the world's favourite airline" and "every year, flies more people across the Atlantic than the entire [1.4 million] population of Manhattan." The 90-second television commercials are also unveiled in Casablanca, India, and South Africa and "the world's favourite airline" will be the company's slogan for years to come.

The last Trident 2E service is flown between Glasgow and London (LHR) on April 24 and, by May 1, the new advertising campaign has spread to 20 countries.

On July 11, 50 senior executives are laid off and a team of younger executives (many without airline experience) is hired in their place. A

major reorganization is now initiated as the company is split into eight major market centers. Additionally, the TriStar fleet is largely retired with some units sold to the RAF for conversion into aerial tankers while most of the BAC 1-11s (except those backing up the shuttle) are retired to avoid costly modifications necessary to meet new noise regulations.

In August, the first of several major charter adventures with a dedicated Concorde takes place: an around-the-world flight from London to London via Washington, D.C., Las Vegas, San Francisco, Honolulu, Edmonton, and New York.

On September 9, in the wake of the Soviet downing of **Korean Airlines/Korean Airlines (KAL)** Flight 007, BA announces a suspension of its four weekly London-Moscow flights.

After several years of complaints concerning the uncaring attitudes of shuttle cabin crews that culminates in an open letter printed in *Flight International*, the internal U.K. shuttle is upgraded, becoming the Super Shuttle. The ability to buy a ticket on board is exchanged for the facility to purchase tickets in the departure lounge until 10 minutes before departure; limited catering is also provided. A Concorde flies subsonically from London to Glasgow in a promotional move to highlight launch of the Super Shuttle. **British Midland Airways, Ltd.**, which also flies the route, counters by briefly scheduling its Boeing 707-320C charter aircraft upon it.

On October 1, joining in the price war between **Trans World Airlines (TWA)** and **PEOPLExpress**, BA reduces its roundtrip London-New York fare to £249. The company's largest promotional contract to date is signed on November 7, an \$8.25-million renewal of the pact with Cunard Steamship Company. This arrangement provides for the Concorde, beginning next April, to fly passengers one-way over the Atlantic after they cross on the *Queen Elizabeth II*.

The shuttle arrangement with **Americair** ends when the U.S. company fails at the end of the year.

Passenger boardings overall dip 4.2% to 14,307,000 while cargo grows 13.3% to 911.35 million FTKs. A \$110-million operating profit is announced and, with 130,728 international departures, the carrier is still the largest international airline in the world.

The payroll is increased again in 1984, jumping 3.1% to 37,833. A B-747-236B, the *City of Winchester*, is leased to the company's charter subsidiary, British Air Tours, Ltd., for eight months beginning on February 9; it will operate transatlantic charters from London (LHR) and Manchester. The company withdraws an offer of a 4% pay increase on February 25 in retaliation for a one-day flight attendants' strike.

Between March 12-14, about 100 passengers and crew develop salmonella food poisoning from hors d'oeuvres served aboard 13 flights; British health officials trace the source of contamination to a powder used by a London catering service's in the food's preparation.

En route from Hong Kong to Beijing on March 22, Flight 003, a B-747-236B with 354 passengers, is taken over by a lone assailant, who claims to have a bomb and demands to be flown to Taiwan. When the perpetrator steps down onto Nationalist Chinese soil, he is quickly arrested. He will be tried and given a 1 1/2-year prison term.

Thrice-weekly roundtrip London-Miami Concorde service begins on March 27 as an extension of the Washington, D.C. run. At this time, there are insufficient terminal facilities at Washington, D.C. (IAD) to handle incoming SST traffic, so passengers are deplaned during refueling to a mobile "people-mover," there to wait for 50 minutes.

As a first step toward privatization, British Airways, on April 1, is declared a "public limited company." Pursuant to the Civil Aviation Act of 1980, the property, liabilities and obligations, and assets of the British Airways Board, formed back in 1971, are transferred to the new entity. Prior to privatization a few years later, shares will be held by the secretary of state for transport. Thereafter, press and other references to BA usually cite **British Airways, plc**, but this work will continue to refer to the company as British Airways, Ltd. (2).

The CAA issues a report recommending more competition for BA and the transfer of certain of its routes to BCAL. An alliance of officials

from the state carrier and the treasury are able to block implementation of the suggestions on the grounds that they would hinder BA's forthcoming privatization.

The dedicated SST charter service is expanded when the BA-Cunard contract takes effect late in the month. Baltimore-London flights begin on May 14. Simultaneously, regularly scheduled Concorde flights are initiated to Washington and Miami.

On December 4, the new color scheme and corporate image are revealed as a prelude to the next year's expected privatization. Designed by the San Francisco firm Landor Associates, the livery is controversial. The familiar "Speedbird" logo, despite employee petitions for retention, is discarded in favor of the company's coat of arms and a portion of the Union Jack on aircraft tails. Politically sensitive third world countries even voice disappointment.

Passenger boardings zoom upward 11.6% to 15,964,000 scheduled while another 2.2 million travelers are flown in charters; freight traffic jumps 22.9% to 1.12 billion FTKs. On total revenues of \$1.8 billion, an operating profit of \$283 million and a net profit of \$224 million are earned. Still, a £900-million debt remains on the books.

Employment is up 4.9% in 1985 to 37,955. The fleet now comprises 57 Concorde, 30 B-707-436s, 10 Jumbojets, 26 BAC 1-11s, 6 HS 748s, 9 TriStar 1s, 46 B-737-236As and 24 B-757-236s.

In January-February, implementation of the "new image" concept continues. The first repainted and upgraded Concorde, *Alpha Golf*, is rolled out of the London maintenance base to the skirling of a Scottish bagpipe. Following Iraq's warning to the world's airlines to stay out of Iranian airspace as the Persian Gulf war escalates, BA suspends flights to Tehran on March 17.

On April 1, the carrier introduces the only direct London to Orlando and Tampa weekday service, together with weekday nonstop New York to Manchester flights. The last of 43 B-737-236As is received during the month and christened *River Yslwyth*.

A Concorde, en route from London to New York on May 8, is forced by engine trouble to make an emergency landing at Boston. Next day, a B-747-2B4C is leased from **Middle East Airlines, S.A.L. (2)** and is christened *Lincoln*. Privatization does not now occur as residues of litigation in the Laker antitrust case and new Bermuda II contentions with the U.S. conspire to keep the company off the stock market.

Indeed, an out-of-court settlement in the Laker case is reached on June 12. As the result of a government white paper's recommendations, British Airways, Ltd. (2)'s Saudi Arabian routes are transferred to **British Caledonian Airways, Ltd. (BCAL)** while the latter's South American routes come to the state carrier. Employing several Lockheed L-1011-500s purchased from **Air Lanka, Ltd.**, the company, after a two-decade service gap, undertakes nonstop twice-weekly flights from London (LHR) to Caracas, Bogota, and Rio de Janeiro, continuing to São Paulo. The Concorde, which carries over 800,000 passengers on the year, is named "flagship" of the fleet.

One woman is killed and at least 27 people are wounded when a bomb destroys the carrier's downtown Madrid offices on July 1. A B-737-236 makes an emergency landing in Dinard, France, on July 5, because of a warning that a bomb is aboard. The plane, en route from London to Malaga, Spain, is evacuated by all 79 people aboard down emergency slides, but no bomb is found.

In early August, a Concorde "steals the show" at the Experimental Aircraft Association "fly-in" at Oshkosh, Wisconsin; arriving with charter passengers, the SST remains for several days offering \$400-per-head demonstrations to the Canadian border and back. The company announces on August 21 that Sir Freddie Laker has accepted the out-of-court settlement reached in June. It requires BA to pay the Laker liquidators \$32.5 million of the \$48-million agreement.

On August 22, an engine fails on British Air Tours, Ltd. Flight 328M, a B-737-236 charter with 6 crew and 131 passengers, as it roars down the runway at Manchester for takeoff on a service to Kerkira, Corfu. The plane bursts into flames and breaks into two parts (55 dead).

Three days later, on August 25, a B-737-236 with 80 aboard makes an emergency landing at London (LHR) after a faulty signal light indicates an engine failure.

A Concorde, with 105 aboard, makes a safe emergency landing at Shannon on October 12 after engine trouble develops out over the Atlantic.

A second B-747-2B4B is chartered from **Middle East Airlines, S.A.L. (2)** on November 1 and is named *Lancaster*. Also in November, the five-millionth passenger is welcomed aboard the domestic Super Shuttle service while Manchester-Hong Kong service is inaugurated via Munich and Dubai.

During takeoff from London (LHR) on November 15, a left-hand tire of a Concorde bursts and forces a section of the main landing gear door to create a 1" x 1.5" fuel tank hole. Although two engines are damaged by ingestion, the departure is successfully aborted and no injuries are reported.

A B-747-236B with 17 crew and 254 passengers loses two wing-flap sections as it approaches Boston on December 15; although the plane lands safely, a 10-ft. section of the flap strikes a car and a house, but no injuries are reported.

The last two Trident 3Bs are retired on December 31, one after completing a shuttle flight to London from Manchester and the second after a Heathrow landing from Amsterdam. In 22 years, the short-haul type has logged 1.59-million flight hours and operated over 500-million miles.

Passenger boardings rise 8.7% to 17.4 million and freight transport increases 3.4% to 1.16 billion FTKs. Total revenues for the year are \$4.65 billion, from which a \$307.5-million operating profit and a \$274.5-million net profit are made. As the year closes, the carrier ranks 11th among world airlines in terms of passenger volume, 9th in freight and fleet size, and 5th in total number of employees.

The payroll dips 0.4% in 1986 to 37,810. In January, British Airways, Ltd. (2) joins **Air France** in celebrating the 10th anniversary of Concorde supersonic operations and acquires a 14% share of **Brymon Airways, Ltd.**

A Concorde charter is flown to the famous Rio de Janeiro carnival in February. Two B-747-236Cs and a B-757-236 are ordered, also in February, with three of the latter type purchased earlier delivered in March.

Formerly flown by **SAS (Scandinavian Airlines System)** a B-747-283B is leased on March 3; christened *City of Swansea*, it is assigned to the **British Air Tours, Ltd.** subsidiary to fly transatlantic charters. In late winter, 11 Trident 3s, made obsolete by U.K. noise regulations, are sold to **CAAC (General Administration of Civil Aviation of China)**.

Following a ribbon-cutting ceremony on April 1 when Prince Charles and Princess Diana open the new \$275-million Terminal 4 at Heathrow Airport, long-haul services are started from that facility on April 12. Culminating a year of terrorist activity, the U.S. bombs Libya on April 14; in the week that follows, BA reservations fall to only 20,000—the most severe business plunge in company history.

Later in the month, a seventh Concorde is taken from storage and placed into service. Privatization set for June is again postponed, while also in June, the subsidiary **British Airways Helicopters, Ltd. (BAH)** is sold to Robert Maxwell's new **British International Helicopters, Ltd. (BIH)**.

As summer approaches, airline employment climbs 3,500 to 40,000, but fear among U.S. travelers concerning Libyan terrorism and possible reprisals dampens traffic. A massive \$6-million "Go for It America" advertising and promotional campaign is undertaken in the U.S. The initial promotion entails a drawing for of every one of the carrier's 5,000 seats over the Atlantic on one day. A few winners are promised tea with Prime Minister Thatcher at No. 10 Downing St.

In July, the cockpit of a retired Trident 3B is transferred by truck to Manchester and with the aid of a crane, is placed into the Museum of Science and Industry. Promotions of various kinds continue through the summer, including scratch-off coupons good for free Rolls-Royce automobiles and shopping sprees at London's Harrods department store.

In August, BA orders 16 B-747-436s valued at \$4.1 billion, with deliveries set for 1991–1994. The Concorde, on September 21, visits California for the first time since its stopover in summer 1984.

The inspiration of flight attendants Patricia Pearce and Derek Pereira, the first annual Dreamflight is made in October. Through funds raised by the two workers and hundreds of other people, the airline transports nearly 200 incurably ill and disabled children from London (LHR) to Disneyworld in Orlando, Florida.

In November, the flag carrier is forced to begin rerouting flights to the Far East and Australia around Syria following the U.K.'s diplomatic break with that Middle Eastern nation. Secretary of State for Transport John Moore in November announces details of the carrier's forthcoming privatization.

Simultaneously, a Concorde is employed to fly 100 financial journalists from London to Scotland and then down the east coast of the U.K. at twice the speed of sound while the privatization story is retold. On December 20, the airline begins to offer a series of short-duration Concorde charter flights from New York.

Customer bookings during the 12 months rise a slight 0.6% to 17,467,000 and freight jumps 8.2% to 1.26 billion FTKs.

Airline employment grows 5.3% in 1987 and the fleet includes 166 aircraft, exclusive of the B-747-283B, 10 B-737-236s, and six L-1011-500s operated by the **British Air Tours, Ltd.** subsidiary.

In January, the company receives the 1986 "Airline of the Year" award from *Air Transport World* magazine.

BA is officially privatized on February 1. The 341.4-million, 125-pence shares of stock (worth \$1.4 billion) offered in a flotation, beginning on February 11, quickly increase in worth on public exchanges, bringing a charge of government undervaluing by the Labour Party. Over one million applications are received for shares in the flotation and a massive oversubscription (by 11 times) occurs. This development is accommodated by a reduction in the number of shares allowed to applicants.

When 100.3% (due to rounding) of the public limited company ownership process is finished, the British public will own 35.4% of the airline; other owners will include company employees (8.6%), overseas private markets (0.7%), overseas business markets (16.5%), and others (2.7%).

A Jumbojet combi is received on February 25; the B-747-236C is christened *Derby*. The B-747-236C *Stoke on Trent* arrives on March 17, followed by the last B-747-236B, *Bath*, on April 23.

New routes are inaugurated to Luxor, San Juan, and Grenada and in July, four extra weekly Jumbojet flights are added to the daily B-747-236B service from Chicago (ORD) to London (LHR). Later in the month, the company participates with other European airlines in the unveiling of the Galileo computerized reservations system. It also announces that a merger with **British Caledonian Airways, Ltd. (BCAL)** will shortly occur.

Five tires of a Concorde, carrying 93 passengers, blow out as the plane lands at New York on August 11; no injuries are reported. The third weekly frequency from London to São Paulo, Brazil, via Rio de Janeiro is suspended late in the month as the merger with BCAL is referred to the Monopolies and Mergers Commission. Orders are placed for 11 B-767-336s.

In October, it is announced that the carrier, a member of the Galileo reservations system, will invest \$86.9 million over the next three years to upgrade its computer systems; additionally, \$60.7 million will be expended upon new equipment and \$9.8 million on extending its data centers. During the same month, the one-millionth Concorde passenger is carried on supersonic transatlantic services and the Jumbojet *City of Swansea*, operated by the **British Air Tours, Ltd.** subsidiary, is purchased by the parent.

Five months into takeover negotiations with **British Caledonian Airways, Ltd. (BCAL)**, U.K. Trade and Industry Secretary Lord Young on November 4 indicates that the acquisition's merits, as examined by the Monopolies and Mergers Commission, outweigh the disadvantages. Government approval for the merger is thus obtained.

Also in November, new baggage rules are introduced, based on the number of pieces rather than weight, on certain subsonic flights in and out of the U.K. Later in the month, improved Club Europe and Club business-class services are introduced replacing Super Club as its business travel market product; the enhancement is offered with 2,500 new "super seats" installed on Jumbojets and TriStars.

The second large event of the year occurs officially on December 1 when the carrier, after six months of negotiation and review, officially purchases its next largest U.K. rival, **British Caledonian Airways, Ltd. (BCAL)** for \$450 million. The amalgamated airline will possess almost 200 aircraft and combine BA's 500,000-kilometer route network with the largely unduplicated 110,000-kilometer system flown by BCAL.

BCAL's launch order for 3 MD-11s with 6 options is cancelled. Weekend Concorde service is inaugurated on December 12 from London (LHR) to Barbados. A worldwide marketing agreement is announced with **United Airlines** late in the month.

Hidden during the year's events is the initial appointment of Coopers & Lybrand employee Barbara Cassani to a low-visibility project to study the possibility of selling airline tickets via television home shopping shows.

Passenger boardings accelerate 11.7% to 19,504,000, to which may be added 2.7 million additional bookings on British Air Tours. Cargo is up 13.2% to 1.41 billion FTKs. BA Group earns revenues of \$5.9 billion and with costs kept low, the operating profit is \$416 million and net gain reaches \$244 million.

The employee population grows by 17.6% in 1988 to 48,700 and the fleet comes to include 34 BAC 1-11-500s, 7 Concorde, 12 BAe (HS) 748-B2s (all assigned to the Highlands Division), 8 DC-10s, 50 B-737-236s, 16 B-747-136s, 24 B-747-236s, 32 B-757-236s, and 17 L-1011s. Orders remain outstanding for 6 B-757-236s, 19 B-747-436s, and 6 A320s.

CEO Marshall receives a knighthood from Queen Elizabeth II on January 1. Also in January, the new Club World and Club Europe business-class brands are introduced; this relaunch of the carrier's business-class product requires an expenditure of £25 million.

During takeoff from London (LHR) on January 29, 10 of the 22 tie bolts that hold the wheel halves of a Concorde together burst, with one of the bolts putting a 0.5" hole in the No. 7 fuel tank. The flight continues on to New York (JFK) where the incident is discovered.

The final B-747-236C, the *Salisbury*, arrives on February 24.

A new north terminal is opened at London (LGW) in early March, to which company services are transferred. The weekend Concorde service to Barbados ends in late March. At the same time the first A320-111, originally intended for BCAL, is delivered and is christened *Isle of Jersey*; three more (*Isle of Skye*, *Isle of Mull*, and *Isle of Scilly*) will be received by year's end.

Also in March, Speedbird Insurance, an in-house captive company based in Bermuda, is established as a wholly owned subsidiary with share capital, paid in full, of £10 million.

Integration of BCAL is completed on April 14 and BCAL Charters, Ltd. is combined with **British Air Tours, Ltd.** to form a new subsidiary, **Caledonian Airways, Ltd. (2)**. A320-111 services are inaugurated in April–May and new routes are launched to Seoul and San Diego. Also in May, a new WineCellar service is introduced aboard Concorde flights between the U.K. and U.S. Following a 16-year hiatus, daily service is inaugurated to Ankara in June via Istanbul.

Plastic restraints are issued to flight crews on July 2 with instructions that they be slapped onto the wrists of drunk or violent passengers who may pose a risk to others aboard company flights.

During the peak summer period, twice-weekly Concorde flights are operated over the same Dallas (DFW) to London via Washington, D.C. route once flown by **Braniff International Airways**. When the first SST arrives in Texas from London, it is given a king-sized cowboy hat that is held in place for a photo op, along with pilot Capt. David Leney, also sporting a hat.

During the peak summer period, twice-weekly Concorde flights are operated over the same Dallas (DFW) to London via Washington, D.C. route once flown by **Braniff International Airways**. When the first SST arrives in Texas from London, it is given a king-sized cowboy hat that is held in place for a photo op, along with pilot Capt. David Leney, also sporting a hat.

During the same month, Lord King announces a £120-million order for 8 BAe ATPs (later Jetstream 61s) for the Highlands Division. New orders worth \$1.7 billion are placed for 17 B-767-336s and 24 B-737s and an 11% shareholding is taken in Covia Partnership, owner of the **United Airlines** Apollo reservations system. A costly Air Miles promotional campaign is launched as is the Four Corners chain of travel shops.

In August, a code-sharing operation is begun with **United Airlines** under which the American carrier shares BA's designator on its domestic flights from Denver to the British flag line's Chicago (ORD) and Washington, D.C. (IAD) gateways.

When a local handling agent refuses the credit card of a B-737-236 captain at Madeira on September 3, the pilot is forced to borrow \$2,000 from his passengers to buy avgas; all are reimbursed when the plane touches down at London (LGW). A survey conducted by readers of *Business Traveler Magazine* reports in September that BA has replaced **Swissair, A.G.** as their choice for the world's No. 1 airline.

On October 26, a Japanese woman identified only as Mrs. Yamamoto is the lone passenger on the 353-seat B-747-236B Tokyo-London Flight 008. She was the only 1 of 191 passengers who did not take up BA's offer of a transfer to another flight when the original flight was delayed 20 hours.

Also in October, direct Dallas (DFW) to London (LGW) daily Concorde flights begin, and, as a result, the SST service to Dallas (DFW) via Washington, D.C. is suspended. As of October 30, smoking is banned on all flights within the U.K. In addition, between Halloween and December 28, the airline offers passengers originating in five U.S. gateway cities and flying Club Class service to London and beyond a hand-tailored shirt from Hilditch & Key.

Meanwhile, twice-weekly flights are introduced in November from London (LHR) to Madras. In December, twice-weekly L-1011-500 service is resumed from London (LHR) to Tehran and, for the winter season, low cost "short stay" three- to six-night package tours are offered from London to the U.S.

Customer bookings for the year climb a combined 10.8% for BA/Caledonian to 24,600,000. Freight, flown only by the parent, moves upward by 44.1% to 2.03 billion FTKs. Overall revenues advance 25.9% to \$7.44 billion and expenditures are low enough to allow a \$507-million operating profit and net income of \$274 million.

The payroll is increased by 4.6% in 1989 to 50,959 giving the carrier the largest airline workforce in Europe. In January, the company receives the 1988 "Passenger Service" award from *Air Transport World* magazine. Twice-weekly L-1011-500 service is initiated to Madras via Kuwait and weekly TriStar flights begin from London (LHR) to Baghdad via Cairo. In addition, B-747-236B service from London to Tokyo (NRT) is stepped up to 12 weekly flights: 6 nonstop, 4 one-stops via Anchorage, and 2 one-stops via Moscow. Late in the month, a three-year program is launched, including inclusive-tours, to promote travel to the state of Texas in conjunction with that state's tourism agency.

In February, the carrier and **American Airlines** settle a dispute over their computerized reservations systems. After American removes display bias from its SABRE system against interline flights, it is allowed to issue tickets for BA flights in the U.K. In addition, much to the dismay of competitors, the two begin sharing passenger-booking information generated via their systems. During the same month, the megacarrier begins a new marketing campaign aimed at increasing its market share on the Atlantic coast of South America.

In March, it is announced by CEO Marshall that the carrier's first-class service has been redesigned at a cost of \$40 million. The move is made to cash in on what the airline believes is a billion dollar market for such a product as well as to prevent customer erosion from first-class into Club Class. A third weekly London-Rio de Janeiro-São Paul, sus-

pended in August 1987, is resumed, while four Brazilian flight attendants are assigned to every U.K.-Brazil flight and a new South American Visitors' Service is introduced at the London ticket offices. On March 31, it is announced that 100 Americans, paying between \$39,000 and \$40,500, will join William F. Buckley Jr. the next day during a Concorde's attempts to set a speed record for an around-the-world tour.

A delay in the delivery of the first B-747-436s forces a revision in the summer operating schedules. During the first week of April, Chairman King and CEO Marshall share the second "Aerospace Laureate" award in the field of commercial air transport made by *Aviation Week and Space Technology*.

While climbing through FL440 en route from Christchurch to Sydney during its speed record attempt, the Buckley Concorde suffers the separation of a 9-ft. section of its upper rudder over the South Pacific. Aircraft handling is not affected and a normal approach and landing is made in Australia. No injuries are reported, but there is no record.

The corporation joins with **Brymon Airways, Ltd.** and **Maersk Air** to acquire **Birmingham Executive Airways, Ltd.** That new regional subsidiary is renamed **Birmingham European Airways, Ltd.** and its fleet is upgraded during the summer with aircraft leased from its parents. Meanwhile, in June, it is announced that, during the remainder of the year, 100 management positions (10% of the white-collar workforce) will be cut in an effort to save \$338 million.

The first Dash-436 Jumbojet, *City of Cardiff*, enters service in July. The other new aircraft type first acquired during the year is the BAe ATP. Four of the Advanced Turbo Props (*Stratblane*, *Strathallan*, *Strathconon*, and *Strathdon*), are assigned to the Highlands Division at Glasgow, while four (*Strathiam*, *Strathfilan*, *Strathnaver*, and *Strathpeffer*) are posted to Berlin for use on the carrier's internal German service.

Following the lead of **KLM (Royal Dutch Airlines, N.V.)**, and **Sabena Belgian World Airlines, S.A.**, BA in July seeks 20% shareholding in **Sabena World Airlines, S.A.**, a move questioned by many in the British government. The subsidiary of **Sabena Belgian World Airlines, S.A.** will establish a major Eurohub at Brussels. Late-saver summer discount fares of \$459 roundtrip from London to New York are also introduced during the month for travelers booking and paying for their flights two days before departure.

Enhanced Super Shuttle services are announced in August (effective September 1) for the flights scheduled between London (LHR) and Glasgow (14 per day), Belfast (7 per day), Edinburgh (11 per day), and Manchester (12 per day). Beginning in September, a series of improvements worth \$18 million will be introduced over the next year, including reservations, self-service ticketing and check-in, and hot meals. Two versions are available, one for business-class and one for savers, the latter including a range of promotional fares. The second two of 19 B-747-436s are delivered in September and are the subject of an elaborate welcoming ceremony.

In October, the carrier selects Gulf Aircraft Maintenance Company (GAMCO) of Abu Dhabi to provide modification, overhaul, repainting and other work on many of its Lockheed TriStars. During the same month, a heavily restricted U.K. Air Pass is offered to North American travelers who may employ it—once—to fly between London and any BA U.K. point for \$66 or between any other domestic sector for \$49. Stockholders approve a 15% investment in **United Airlines**, which is a takeover target. The bid is withdrawn when the British company's other partners fail to raise sufficient capital.

On November 21, a B-747-136, approaching London (LHR) from Bahrain in thick fog must abort its landing when it is discovered that the giant aircraft is outside the airport fence and nearly parallel to a highway crammed with commuter traffic. Taking evasive action, Capt. William Glen Stewart is able to initiate a climb and return for a successful landing on his second attempt.

Later in the month, the carrier joins with **United Airlines** to offer through check-in for passengers connecting on the two airlines' flights. Final agreement between the airline partners is reached in December for creation of **Sabena World Airlines, S.A.**

Not immediately noticed is the appointment during the year of Dr. Hugh Somerville to head what will become the airline's award-winning environmental section. Somerville sets to work on designing an Environmental Management System.

The company, including its **Caledonian Airways, Ltd.** subsidiary, watches as passenger boardings inch up only 0.4% on the year to 24,700,000. Freight does better, growing by 7.5% to 2.18 billion FTKs. Revenues ascend 3.8% to \$7.72 billion, expenses swell 2.4% to \$7.09 billion, and the operating profit grows to \$628 million. Net gain is elevated to \$348 million.

Employment decreases 0.6% in 1990 to 50,658, which is still sixth highest in the world and the largest airline workforce outside of the U.S. save **Aeroflot Soviet Airlines**. Again, save for the Russians, BA leads the non-American world in fleet size, with its 227 aircraft placing it in ninth place.

En route from London to Miami with 360 aboard on January 6, a B-747-436 is forced to make an unscheduled landing at Boston after an anonymous caller warns that a bomb will explode in-flight; no bomb is found.

Having stolen a jeep at Port of Spain, Trinidad, on January 14, an American tourist rams it into the side of a B-747-436 that is preparing for departure. Although the jeep is totaled, the wounded Yank climbs out, covers his wounds with grease, and throws himself into one of the Jumbojet's engines, killing himself in a most gruesome fashion.

London to Buenos Aires flights are resumed twice weekly in February; as diplomatic relations between Argentina and the U.K. do not exist, the services are operated under temporary agreements. A new bilateral agreement between the U.K. and U.S. causes company planners to examine the possibilities of new services and arrangements in America. Taking advantage of fifth freedom rights between the U.S. and Canada, the airline, later in the month, begins to offer daily roundtrips between Philadelphia and Montreal for U.S. skiers; the flights are part of a package at Quebec's Mont Tremblant ski resort.

With **United Airline's** access to London (LHR) under the pact, its comprehensive marketing alliance with BA ends. The carrier's first B-767-336ER, christened *City of Brussels*, is delivered in March, the same month in which the airline's marketing and operations departments are merged. Upon the resignation of Operations Director Peter Owen, Marketing Director Liam Strong is appointed to oversee both units. Also at month's end, daily roundtrip service is launched from London (LHR) to Newark, the carrier's 22nd North American gateway city.

As the result of delays in the upgrading of New Delhi's ILS, the company has suffered 18 days of delays during the recently completed winter season. This is lengthy enough to require the company to provide accommodations for 5,000 passengers, the cost of which wipes out all of the carrier's India route profits for the period.

The first direct service between Glasgow's Abbotsinch Airport and New York (JFK) is inaugurated in April.

Through a commercial alliance with **Air New Zealand, Ltd.**, the British carrier is able, beginning in May, to offer around-the-world daily services in both directions. Early in the month, Sir Keith Granville, the last chairman/CEO of **British Overseas Airways Corporation (BOAC)** and the first vice chairman of British Airways, Ltd. (2) dies at his Swiss home, Speedbird.

For the peak summer season, twice-daily flights are started between London and Chicago (ORD) on May 31, every day but Tuesday. Also in May and as a result of the carrier's initiative, the world's airlines, under IATA aegis, establish an Infrastructure Action Group at Geneva to work for the elimination of restraints that may hinder growth in the air transport industry.

Beginning on June 1, the company offers a special Concorde or first-class 6-day/5-night package, in conjunction with Abercrombie & Kent, between London and Kent for those who wish to watch Prince Charles' participation in summer polo matches. The same day, in a limited pact with **United Airlines**, a joint program is unveiled. This will allow BA passengers, through August 31, to fly Concorde at no extra cost when

connecting from selected **United Airlines** U.S. gateways, after having completed a first-class trip aboard a United aircraft over a U.S. domestic route. Also during the first week, the European Commission (EC) announces its objection to the creation of **Sabena World Airlines, S.A.**

Pilot Timothy Lancaster is partly sucked out of the cabin window onto the nosecone of his jetliner after its windshield blows out at 23,000 feet on June 10. He is saved by fellow crew who cling to his ankles for 15 minutes until the copilot is able to land safely in southern England. Lancaster, alive but suffering from shock, a fractured elbow, wrist, and thumb, plus frostbite, is rushed to hospital.

The second daily London to Chicago (ORD) Tuesday flight is added on June 27. Also in June, the company begins a \$135-million transfer of its Jumbojet engineering base from London (LHR) to the airport at Cardiff, in Wales.

The government clears BA's planned investment in **Sabena World Airlines, S.A.** on July 25, following an investigation that finds the 20% intended stake in the foreign airline will not operate against the public interest. During the month, however, the carrier and its other partners receive a statement of objections to the new entity from the European Commission, a move that dooms the new entity. Thrice-weekly service is inaugurated on August 3 between Glasgow and New York (JFK).

The next day the company reports that 367 passengers on its B-747-136 Jumbojet Flight 149 are being held hostage. A number of the hostages are French nationals who were in Kuwait Airport when Iraq invaded on August 2 and seized the BA airliner. They are released two weeks later.

Also in August, a second daily London-Boston service is offered. Late in the month, the carrier temporarily grounds its B-767-336ERs after engine-pylon cracks are discovered on several aircraft. Trials are completed aboard 3 Jumbojets and lead to a \$7.6-million order for 1,500 Fieldtech Hathrow, Ltd. first-class personal video screens.

Since the beginning of the month and continuing into September as plans are made for Operation Desert Shield, services are suspended to Riyadh, Dhahran, Jidda, Abu Dhabi, Muscat, Doha, Tel Aviv, Damascus, and Amman. Service to the Ivory Coast is also suspended, but for economic reasons.

Negotiations begin with **Aeroflot Soviet Airlines** on October 12 concerning the possible creation of a joint venture international airline to be known as **Air Russia**. An "alignment of service" agreement is signed with **MGM Grand Air** in early November. In the "ultimate in luxury travel," passengers are able to fly Concorde from London to New York and first-class DC-8 service on to Los Angeles; the \$3,966 fare includes an overnight stay at the Parc Fifty One Hotel in New York.

In December, five-times-per-week courier services are started between Birmingham and Milan. Also, the **Sabena World Airlines, S.A.** project is officially dropped.

Customer bookings rise 5.2% to 25,172,000 and, in terms of enplanements, the British carrier is now the world's 9th largest airline. On the other hand, the bottom falls out of the cargo business with a total of only 765 million FTKs.

The payroll is sliced another 1.3% in 1991 to 50,000 and the fleet now includes 230 aircraft. Portions of the lower rudder separate from a Concorde while it is en route from London (LHR) to New York (JFK) on January 4; the SST lands without incident.

Concorde service to Miami is suspended on January 13 and, the next day, citing the airport's poor security against terrorism, the carrier halts all cargo flights to Athens. During the week following the January 17 outbreak of war in the Mideast, passenger bookings decline by 13%, bringing on an announcement of pending cost-cutting measures.

Also in January, the airline begins a three-year program to replace its standard coach-economy-class service with upgraded World Traveler and Euro Traveler services. The company enters into the frequent flyer program of **Alaska Airlines** and merger negotiations are undertaken with **KLM Royal Dutch Airlines, N.V.** Meanwhile, the marketing and operations divisions are integrated into a single worldwide management system based on four geographical areas. To accomplish

this aim, an overseas structure is designed with responsibility for commercial and profit assigned to management teams operating in the four geographical areas; service delivery functions are consolidated as sales and marketing.

For three months, a package of Preferred Vacations, including a flat in London, is offered to BA passengers staying in the British capital for a week.

Responding to the fuel crisis and growing world recession, the carrier, during February, announces a decision to cut 4,600 positions—13% of the workforce—and place 2,000 other employees on half-pay for the next 10 months. In addition, delivery of 5 B-767-336ERs is delayed and major fare cuts are announced for the North Atlantic route.

As Iraq pulls out of Kuwait, its military forces on February 18 blow up the B-747-136 that had been captured the previous August 2 when the little country was invaded.

Later in the month it is announced that, effective March 24, the company's service between the U.K. and the Republic of Ireland will be halted after 44 years—the first major casualty of European airline deregulation.

Beginning during the second week of March, services are gradually resumed to those Middle East destinations suspended the previous fall; Riyadh and Dhahran are the first revisited.

In an effort to regain traffic lost during the Gulf War, the company, in mid-month, announces The World's Biggest Offer. The unique six-month campaign will be launched on April 23 when the flag carrier gives away every seat on its international services in and out of Heathrow and Gatwick Airports that day.

With the start of the summer schedule on March 24, the company not only stops its service to Ireland, but also halts Concorde service to Miami and regular service from London to Nassau, Bergen, and Amsterdam.

A marketing and code-sharing agreement is signed with **Aer Lingus Irish Airlines, Ltd.** in early April, linking the services of the two carriers at London. Aer Lingus will assume some of the carrier's cancelled service across the Irish Sea. Also during the month, the Air Miles Latitudes plan is announced giving free Air Miles to the carrier's frequent travelers. In a continuing effort to cut costs, unprofitable flights to Freetown, Karachi, and Banjul are eliminated.

In a 10-2 verdict on May 8, a jury at HM Crown Court in Isleworth convicts former Capt. William Glen Stewart guilty of negligent endangerment for his near crash-landing at London (LHR) in November 1989. Stewart is the first civil pilot in British history to be found a criminal in the pursuit of duties and the verdict will lead directly to his suicide 19 months later.

For three months beginning in June, roundtrip flights from London to Miami and Washington, D.C. become twice daily; the former route will be flown by Jumbojets and the latter by L-1011-500s. At the same time, the Miami sector of the Miami-Washington-London Concorde service is dropped for lack of interest. At the same time, unprofitable services are halted between London (LHR) and Nassau and Bergen and from London (LGW) to Amsterdam.

The airline's private shareholders are, in June, introduced to the low-cost Personal Equity Plan, based on privatization stocks, and to a similarly inexpensive postal share dealing service.

Plans are announced in early July for a 31% investment in a new **Air Russia**, to be established as a partnership with the Russian Federation, the Soviet Ministry of Civil Aviation, and **Aeroflot Soviet Airlines**. In mid-July, company representatives visit travel agencies throughout the Middle Atlantic states of the U.S. promoting the company's leisure product.

Also in July, a worldwide ban on the carriage of wild birds into the U.K. is imposed and the airline asks the British government to halt the issue of import permits for birds captured in the wild.

The "London on the Town" program is extended through the end of October. Flights to Tehran resume on July 21 and also in July and August American business travelers are offered a reduced roundtrip Concorde fare of \$6,999 for travel between London (LHR) and either New York or Washington.

Early in August, the company places a £4.3-billion order with Boeing and British Aerospace. Over the next several years, the carrier will receive 15 GE-powered B-777-236s, 24 Rolls Royce powered B-747-436s, and 11 turboprop ATPs. At the same time, the business of British Airways Engine Overhaul, Ltd. is sold to General Electric for £272 million.

Out of proper radio contact, a DC-10-30 en route to Chicago (ORD) from Toronto nearly collides with a **Midway Airlines** DC-9-10, which has been assigned a wrong radio frequency, seven miles above Cleveland, Ohio, on August 29. The Midway flight crew, which can no more communicate warning than its U.K. counterpart, is able to see the danger and take effective evasive action to save the 277 aboard both jetliners from a midair catastrophe.

On a less exciting note, the company, displeased with government plans to allow Heathrow slots to **Virgin Atlantic Airways, Ltd.**, halts at month's end the £40,000 per year political contribution that it had been making for two years to the Conservative Party.

During September, a new £7-million benefits package for Club Europe passengers is unveiled, including a new lounge—the largest in Europe—at London (LHR). Express parking at that airport, improved catering, and a new seat selection process are also part of the benefits.

The first 3 B-737-436s are delivered during October and are christened *River Ballinderry*, *River Bush*, and *River Aafric*.

In preparation for upcoming U.K. general elections, the airline, in November, issues a 40-page *Manifesto for Civil Aviation in the 1990s*, designed to acquaint politicians with the flag carrier's view of major issues facing the nation's airline industry. Later in the month, the company joins in discussions with **KLM (Royal Dutch Airlines, N.V.)** concerning future cooperation. In actuality, the dialogue, code-named Project Sahara, are full-flown merger negotiations designed to create a megacarrier capable of competing on more even terms with such U.S. giants as **United Airlines**.

The carrier also announces that its European customers will soon be able to enjoy the benefits of a \$12-million service upgrade, including enhanced catering and, at London (LHR), a new Club Europe Lounge, the largest airline lounge in Europe, and express parking service. It is also made known that lounges are being built or improved at Boston, Miami, LAX, and Washington, D.C. (IAD). Simultaneously, a new marketing agreement is signed with Marriott Hotels.

A Concorde aborts its landing less than 150 feet from the end of the runway at New York (JFK) on December 5 after the pilot of the SST sees a small lightplane in an unauthorized location ahead of him.

Recession and the Gulf crisis have a significant impact on traffic as passenger boardings slide 8.8% to 23,058,779 and cargo slips 2.5% to 2.26 billion FTKs. Revenues reach \$8.6 billion and allow major profits: \$478.5 million (operating) and \$427.5 million (net).

The number of employees is cut an additional 2% in 1992 to 49,000. Following agreement the previous November, SITA acquires BA's Fare-share passenger fares and itinerary pricing system on January 1. The company's third and largest reservation center is also opened during the month and features all-digital ACD technology from Aspect Telecommunications, Ltd. At the same time, a three-year plan to restore the profitability of operations from Gatwick Airport is announced.

The property maintenance branch is sold to Drake and Scull Technical Services, Ltd. in February. The Project Sahara discussions between BA and **KLM (Royal Dutch Airlines, N.V.)** concerning a possible merger of the two pioneers are abandoned in early March as the result of a dispute over how to divide anticipated profits between the two carriers.

At the same time, the two airlines go to court to recover the BFR 1 billion (\$30 million) each invested in the stillborn **Sabena World Airways, S.A.** enterprise.

Having reported engine trouble on its flight from London, a Concorde lands at New York on March 21 with a 5-ft. by 10-ft. section of its rudder sheared away.

Also in March, **Brymon Airways, Ltd.** begins flying between London (LCY) and Paris (CDG) under a BA flight number. Flights between Florida and the U.K. are increased at the end of the month when a second

daily Jumbojet frequency is launched from Miami to London (LHR) and a fourth weekly run is made between Orlando and London (LGW). The unprofitable Tampa-London via Bermuda DC-10-30 route is eliminated. Plans are announced now for the creation of a new company, **British Airways Regional, Ltd.**, to replace the company's uneconomical operations at Birmingham, Manchester, and in Scotland.

Company officials meet with counterparts from **Air France**, as well as British Aerospace, Aerospatiale, and U.K. and French government safety officials in Paris during April to find a fix for the Concorde rudder problem. During the month, the airline's 50% share in British Caledonian Flight Training is sold to Rediffusion Simulation.

With the carrier's post-World War II rights to provide internal German service ending, the British giant gains renewed entry into the German domestic market at month's end by purchasing 49% minority shareholding in the regional **Delta Air Regionalflug-verkehr, GmbH.**, based at Friedrichshafen.

By German law, majority ownership must remain in Germany and is thus held by a consortium of local banks. The new German subsidiary, under the name **Deutsche BA Luftfahrt-gesellschaft, GmbH.**, will maintain Delta's SAAB-340 network and operate B-737-300 services over BA's former Allied-grant routes. Delta's managing director, Richard Heideker, is named managing director of the new subsidiary. A comprehensive alliance is signed with the new German subsidiary; it calls for the major to provide worldwide marketing and sales representation and for cooperation between the two on engineering, purchasing, and information technology.

Accusing it of unfair practices, **Virgin Atlantic Airways, Ltd.** now files suit against the carrier.

On May 1, a frequent flyer program is introduced for U.S. passengers and is linked into BA's Executive Club program. The Brymon service is altered in May when the small carrier merges with **Birmingham European Airways, Ltd.** to become **Brymon European Airways, Ltd.** New routes are inaugurated to Bergamo, Entebbe, Jakarta, Leipzig, Kuala Lumpur, and Mexico. Lord King resigns in July, but agrees to remain as chairman for a year.

It is announced in August that the expanding British pioneer wishes to obtain a 44%, \$750-million stake in the American carrier **USAir** and, with assumption of significant control, thereby create the world's first global airline, with a global brand name, since the demise of **Pan American World Airways (I)**. The three largest American passenger carriers, **American Airlines**, **United Airlines**, and **Delta Air Lines**, joined by **Federal Express**, immediately protest the move to the U.S. DOT demanding greater traffic rights from the U.K..

On September 28 Paris agreement, the megacarrier takes a 49.4%, £17.2-million (\$30-million) interest in **TAT (Transport Aerien Transregional, S.A.)**, effective January 1; the deal also includes a conditional option allowing BA to secure the remaining 50.1% by April 1, 1997. Also in September, the company joins with Spafax Airline Network, Ltd. to form a new company, Spafax Passenger Electronic Entertainment Development, Ltd. (SPEED) to manage and improve the airline's communication and passenger entertainment services. The airline is now given an "A" grade or credit rating by the leading investor agencies Moody's and Standard and Poors.

At the same time, it is announced that, because of continuing protests by unionized cabin crews at Manchester and Birmingham, consideration is being given to the sale or closure of the new BA Regional (BAR) division. An accord with the attendants is reached in October, allowing the BAR emergence to continue. In October, the carrier's cargo business is renamed British Airways World Cargo and its first fully integrated global advertising campaign, "Feeling Good," is launched.

Meanwhile, BA and **Singapore Airlines, Ltd.** bid for 25% shareholding in **Qantas Airways (Pty.), Ltd.**, which is being privatized by the Australian government. Following its November acquisition of domestic rival **Australian Airlines (Pty.), Ltd.**, the quarter interest in Qantas is awarded to BA in early December. The British bid is worth £296 million (\$465 million) and allows the U.K. airline three seats on the Qantas board.

Simultaneously, the DOT rejects the **USAir** arrangement, forcing BA to withdraw its bid to the former **Allegheny Airlines** until completion of the forthcoming change in presidential administrations. A late but personal appeal from Prime Minister John Major to President George Bush cannot change the situation. An agreement is reached with the Russian government for the creation of a new joint venture airline, **Air Russia**, in which the British pioneer will hold a 31% interest.

When the charter carrier **Dan Air/Dan-Air Services, Ltd.** shuts its doors in December, CEO Marshall steps in to take over its parent, Davies & Newman Holdings, plc, which includes all of the airline's assets and principal European and domestic routes out of London (LGW). The cost is a symbolic £1 sterling. The former charter carrier becomes a part of BA Regional and responsibility for its integration is assigned to BA's Gatwick Airport General Manager Barbara Cassani. The former **Dan-Air/Dan-Air Services, Ltd.** headquarters at Newman House, near Gatwick Airport, are closed and the former charter operator's 12 B-737-2Q8s/-3Q8s are repainted in BA livery. Only 450 of Dan-Air's 2,000-employee staff is retained and these are subjected to a 10% pay cut.

During the same period, the megacarrier enters into negotiations with unions representing 1,000 ground workers and 250 cabin crew based at Gatwick in an effort to avert a strike.

A yearlong and well-publicized dirty tricks campaign against rival **Virgin Atlantic Airways, Ltd.** begins to bring very bad press.

During the year, the company becomes the organizing body and chief sponsor (\$150,000 per year expenditures) of the "Tourism for Tomorrow" award, which had been established by the U.K. Federation of Tour Operators and British Tour Authority two years earlier. By choosing the winners, BA gains exposure with the travel industry and with those members of the general public concerned with environmental affairs.

Customer bookings recover and climb 8.3% to 25,373,000 and freight rises 8.5% to 2.65 billion FTKs. Revenues increase 6.6% to \$6.39 billion and expenses are \$5.88 billion. The operating surplus is increased to \$495.8 million, but net profit slides to \$328.6 million.

In 1993, the workforce is 48,960, down a minor 0.1%. Wishing to see the New Year in twice, a group of 97 "Time Tunnelers" depart a party at Shannon, Ireland, for the U.S. aboard a chartered Concorde at 12:10 a.m. on January 1. They arrive at New York (JFK) at 11:21 p.m. on December 31 the previous day, in time for a second celebration. Their flight, incidentally, is the fastest west-east transatlantic crossing yet—2 hrs. 51 min.

A few days later, company officials are notified that they will receive the 1992 "Airline of the Year" award from *Air Transport World* magazine.

On January 11, the carrier agrees to settle an estimated \$3-million libel suit filed by **Virgin Atlantic Airways, Ltd.** Chairman Richard Branson by admitting that it made improper attempts to undermine its upstart rival; it will pay £610,000 (\$945,000) in damages and court costs. Following the inauguration of U.S. President Bill Clinton on January 20, BA is again able to approach **USAir**, now in significant financial trouble. This time, an initial \$300 million is paid up front for a new series of **USAir** convertible preferred stock (19.9% voting interest) and code-sharing rights to 38 U.S. cities. Provided the U.S. DOT approves and **USAir** remains financially viable, an option to invest a further \$450 million in two phases would later be implemented, giving the British 43.7% shareholding.

The arrangement with **Qantas Airways (Pty.), Ltd.** is further solidified during the month. Plans are unveiled for scheduling designed to allow interlining, the joining of frequent flyer programs (BA now abandons its arrangement with **Ansett Australia (Pty.), Ltd.**) and, wherever possible, reciprocal ground handling and joint cargo operations, financing, engineering, and capital equipment purchasing.

Consideration is also given to code-share or utilization of each other's aircraft, particularly B-747-400s. Late in the month, a marketing alliance is inked with **TAT (Transport Aerien Transregional, S.A.)**; under its terms, BA will act to provide worldwide marketing and sales representation and the two will cooperate on engineering, purchasing, and information technology.

After a public apology, the state line's chairman, Lord King, resigns on February 5, along with Public Relations Director David Burnside, the man most mentioned in connection with the **Virgin Atlantic Airways, Ltd.** affair. The senior management structure is reorganized to allow more influence for outside directors. King is succeeded as chairman by CEO Marshall with Sir Michael Angus as his deputy and Robert Ayling as group managing director. The former becomes more deeply involved in planning and corporate strategy while the latter assumes day to day operational responsibility. Lord King is now invited by the board to become the airline's first-ever president.

Also in February, a code-sharing agreement is signed with **Korean Airlines/Korean Air (KAL)** covering joint freight flights from London to Seoul via Anchorage.

Following clearance from the U.K. Secretary of State for Trade and Industry, the **Qantas Airways (Pty.), Ltd.** shareholding takes effect on March 10. Negotiations between the two big U.K. international airlines now bring a compensation offer of £9 million (\$12.6 million) from BA and a demand that **Virgin Atlantic Airways, Ltd.** pledge not to raise past disputes in future proceedings.

In order to avoid insult to the People's Republic of China, a new airline partner, British Asia Airways, Ltd., is created for trade with Taiwan. The B-747-436 *City of Perth* is seconded to the subsidiary wearing the basic BA livery with BAA titles.

The feud between BA and **Virgin Atlantic Airways, Ltd.** reignites on March 20. VAA's Chairman Branson turns down BA's compensation plan, refuses to take the BA pledge, and calls for special inspectors to be appointed, under the Companies Act, to learn the facts behind the dirty tricks campaign. Branson's request is enlarged by members of the opposition Labour Party into a demand for an investigation into BA's "fitness to operate"; however, the call is turned aside by U.K. Transport Secretary John MacGregor. The VAA chairman threatens to take the case to court in the U.S.

First officer Barbara Harmer becomes the first woman to copilot a commercial supersonic plane on March 25 aboard a Concorde flight from London (LHR) to New York (JFK).

Branson joins with Airbus Industrie Managing Director Jean Pierson in early April to announce, at BA's home base at Heathrow Airport, a £300-million (\$445-million) order for the lease-purchase of 4 A340-311s, certain components for which are manufactured in Britain. In light of the state carrier's decision to purchase the U.S.-made Boeing 777, the rival chairman delights in pointing out that Virgin will be the first U.K. airline to acquire the A340.

During the month, additional common shares are purchased in **USAir** sufficient to maintain its 24.6% holding in the American line's equity share capital on an undiluted basis.

Fast Track service is now introduced for premium passengers at Terminal 4, Heathrow Airport.

Also in April, the 10% pay cut imposed on the 450 employees retained from **Dan-Air/Dan-Air Services, Ltd.** is lifted. Simultaneously, new twice-weekly, one-stop roundtrips are inaugurated from London (LHR) to Taiwan via Hong Kong. The services are made possible as the result of an agreement between the company's new subsidiary, British Asia Airways, Ltd., and the Taipei-based private carrier **EVA Airways, Ltd.**

On May 1, the company announces that it will begin sharing flight codes with **USAir** in a move that will give the codes of both airlines on **USAir** domestic services that connect with BA's transatlantic flights. The first code-sharing flights with **USAir** are inaugurated from New York to Rochester, Syracuse, and Cleveland via Philadelphia. At the American carrier's annual meeting, the increased shareholding by the British line is approved by stockholders.

Currently chairman of the Thames Water Authority, former BA CEO/Deputy Chairman Sir Roy Watts dies in London on May 4.

Virgin Atlantic Airways, Ltd. files suit against BA at High Court, London, on May 6, contending that BA tapped into its computerized reservations system for information.

Effective May 10, the carrier announces that it is raising £442 million, net of expenses, by way of a Rights Issue on the basis of one new share of stock for every four ordinary shares held by stake owners; each new share is valued at 245 pence.

Also in May, the company joins with **Maersk Air, A.S.** of Denmark to implement a rescue package designed to secure the future of the U.K. regional **Brymon European Airways, Ltd.** as well as the jobs of 500 employees of its parent organization, The Plimsoll Line, Ltd. (TPL). Under the joint agreement, the two airlines will each inject £6 million pounds into TPL to enable it to meet its outstanding debts and restructure its three core subsidiaries. Meanwhile, Brymon Aviation and Plymouth City Airport will both become wholly owned subsidiaries of BA while BEA becomes a wholly owned subsidiary of **Maersk Air, A.S.**

Later in the month, the company integrates its frequent flyer program with that of **Qantas Airways (Pty.), Ltd.** on those routes where the Australian airline does not fly in competition, particularly the code-shared Auckland to Los Angeles service. It also introduces its Surespeed time-definite cargo service throughout the U.K. and raises approximately £442 million in a stock split.

Daily nonstop flights from London to Pittsburgh are inaugurated in June; a USAir B-767-201ER flies the wet-lease service wearing BA livery and staffed by **USAir** crews in BA uniforms. The carrier joins with the Chase Manhattan Bank on June 20 to issue joint Visa credit cards that will earn their users frequent flyer miles on international and domestic U.S. flights.

A B-747-436, en route from New York to London on June 26, is diverted to Bangor, Maine, when Clemens Markus Stumm suggests there might be a bomb aboard; after a search, no bomb is found and Stumm is arrested.

At month's end, a new £70-million, wholly owned subsidiary, British Airways Maintenance Cardiff, is opened at Cardiff-Wales Airport. The new facility initially employs 300 workers, with the prospect for an additional 700.

The quarrel with **Virgin Atlantic Airways, Ltd.** heats up again on July 12 when Richard Branson's upstart accuses BA of hindering competition by paying kickbacks to travel agents and corporate clients.

As a Concorde is landing at London (LHR) on July 15, one of its right-hand tires bursts due to brake seizure, with fragments penetrating the lower wing skin in two places. The aircraft is able to stop and, after emergency deplaning, damage is also detected to the No. 3 engine now stuck in the reverse position, where the landing gear strut door latch is found.

An arrangement, effective August 1, is reached with **CityFlyer Express, Ltd.** for the operation of "British Airways Express" flights from London (LGW); a full transfer will take effect the following spring.

CityFlyer is the first of several franchise partners that the major will recruit under a program that, in exchange for subsidy and other assistance, has an independent regional fly routes on BA's behalf with their aircraft painted in modified BA livery.

Together with **Maersk Air, A.S.**, the carrier, on August 1, completes a restructuring, begun in May, of The Plimsoll Line, Ltd. (TPL) in which it holds 49.9% equity. Under the plan, The Plimsoll Line and its subsidiaries, **Brymon Airways, Ltd.** and Plymouth City Airport, Ltd. become wholly owned BA subsidiaries, while **Birmingham European Airways, Ltd.** becomes a subsidiary of Maersk Air Holdings.

Also in August, it is announced that, as a result of the redeployment of aircraft and the airline's drive to improve levels of utilization under the Performance Improvement plan, the last 4 B-737-436s, due for delivery through December, will, upon receipt, be placed in storage pending disposal.

Later in the month, a higher level of cooperation is jointly announced with **Qantas Airways (Pty.), Ltd.**, including the introduction of seamless service on the 35 weekly Kangaroo route flights and on the Australian carrier's network of services between Australia, Singapore, and Bangkok.

On September 16, combination of the Covia Partnership and The Galileo Company, Ltd. into the Galileo International Partnership is

completed, with the British major taking a 14.65% stake. British Airways World Cargo joins with Chicago-based Airmax, also in September, to announce creation of a new overnight, roundtrip U.S.-U.K. freight service.

The company now announces the "British Airways Dream Ticket," a sales drive designed to earn £100 million in new business-class income. The first of the B-737-436s to be stored arrives during the month.

Daily flights commence on October 1 from London (LHR) to Thessaloniki, Greece, via Turin. Taxiing at London (LHR) on October 25, the left forward inboard tire of a Concorde bursts due to brake seizure. The aircraft is immediately halted and evacuated, after which pieces of the glass water deflector are found to have punctured the No. 1 fuel tank.

On October 21, **Virgin Atlantic Airways, Ltd.** files an antitrust suit against BA in Federal District Court, Manhattan, seeking \$325 million in damages. Chairman Branson admits he wishes to block BA's efforts to extend its alliance with **USAir**.

Twenty-years-old, the British Airways Band sponsors its first mini-music festival at London, also in October. At the same time, the company announces that it will operate three World War II commemorative tour packages, in association with Travellers International, Ltd., to Europe the next year. Service highlight of the month is the introduction of a second daily wet-lease B-767-201ER service to the U.S. with **USAir** equipment, this time to Baltimore (BWI).

Given the uncertain political situation in the former U.S.S.R., Chairman Sir Colin Marshall announces in November that the start-up of **Air Russia** is indefinitely delayed. Talks with **LOT Polish Airlines, S.A.** aimed at giving the megacARRIER additional frequencies into Warsaw break down in November and direct services between the two capitals are suspended. At the same time, BA joins with **Cathay Pacific Airlines (Pty.), Ltd.**, **Malaysia Airlines, Ltd. (MAS)**, and **Singapore Airlines, Ltd.** in the new Passages frequent flyer program.

Early in December, a new £23-million avionics facility is opened at Cardiff-Wales Airport, the airline's second major investment in South Wales this year. The new workshop is designed to handle over 130,000 avionics components a year.

Late in the year, a further alliance is entered into with **Aer Lingus Irish Airlines** under which BA will provide the Irish carrier with general sales agency in the U.K., connections to its flights to and from Dublin, and worldwide cargo cooperation. With European flights increased 22% in two years, the company, by year's end, is operating 350 flights a day within Europe.

Passenger boardings for the year shoot up 11% to 28,134,000 while cargo rises 13% to 2.9 billion FTKs. Revenues advance by 13.4% to \$7.15 billion while expenses increase only 11.9% to \$6.49 billion. A decade after its troubled period, BA now shows an operating surplus of \$748.8 million and a net gain of \$438.4 million.

Airline employment inches up 1.4% in 1994 to 49,628 and a new £23-million (\$35-million) avionics facility is opened in South Wales during January. Also in January, a third wet-lease service is opened between London (LGW) and the U.S.; a **USAir** B-767-201ER in BA livery is flown to Charlotte, North Carolina. Again, the flight is staffed by **USAir** crews, wearing BA uniforms and working to BA standards.

Faced with a U.S. government March 17 deadline on provision of additional access to London (LHR), the government's position in bilateral discussions with America are strengthened when BA, in early March, upon learning that **USAir** will lose more money this year than last, freezes further investment in the Pittsburgh-hubbed major. Despite the action, Chairman Marshall, in announcing it, stresses his long-term commitment to the partnership.

Its posturing concerning Heathrow access having been found to be of no avail, the U.S. DOT approves the carrier's code-sharing pact with **USAir** for another year, but refuses to act on the U.K. line's application to extend its pact to other U.S. destinations. Also during the month, the dispute with **LOT Polish Airlines, S.A.** is settled when both agree to allow the number of weekly flights from London to Warsaw to increase to nine. Prices to 50 destinations are cut by an average of one-third as the company introduces its short-term World Offers program.

In April, the flag carrier joins with tiny **Loganair, Ltd.** in a plan to protect jobs and uneconomical Scottish services; the commuter will become a franchise partner as a result of the pact. All of the company's engineering activities are placed into a separate profit center in April in an effort designed to reduce overall maintenance costs and expand third-party services and profits.

On May 13, BA acquires the remaining 49% stake in the customer-loyalty program, Air Miles Travel Promotions, Ltd. The number of weekly frequencies between London and Warsaw are increased from 9 to 12 on May 27.

Under terms of a European Commission ruling, the French are required to open Paris (ORY) to BA flights as of June 13. Chairman Marshall reacts angrily when they limit his carrier, and its **TAT European Airlines, S.A.** partner, to just four flights per day under their common flight designator.

To improve its service pattern to the Caribbean, seats from underutilized first-class sections aboard Jumbojets are reconfigured into the World Club cabin.

Also during the summer, a 10-day World War II commemorative tour is offered to the U.K. for the purpose of visiting air bases employed by the Allies.

Peter Shaw is appointed to the new post of head of World Alliances in September. In mid-month, a \$108.5 million package of Club Europe business-class improvements is announced, centering around installation of the adjustable-width seats made by North Carolina-based Burns Aerospace Corporation and an advertising and promotional campaign.

The Scottish carrier **Loganair, Ltd.** commences "British Airways Express" services in July; its aircraft wear modified BA colors.

During August, BA and **Qantas Airways (Pty.), Ltd.** announce a greater level of cooperation on services between Europe and Australasia, including coordinated scheduling, sales, and marketing on their 35 weekly services over The Kangaroo Route. Kenneth Walker is appointed secretary/legal director on September 1.

In early fall, a nine-day World War II commemorative tour brings veterans and history buffs to Europe to visit the areas contested during the Battle of the Bulge. In October, the third round-the-world Concorde charter is flown. Originating at Gatwick Airport, London, daily B-737-436 roundtrip flights commence on October 23 to Rome via Paris.

Also in October, the company joins with several other European airlines to challenge in the European Court the European Commission's July approval of a FFr 20-billion state-aid package to **Air France**.

Manx Airlines (Europe), Ltd., a subsidiary of Manx Airlines Holdings, Ltd., which also operates **Manx Airlines, Ltd.**, signs a BA franchise agreement that will come into effect on January 9.

Beginning on November 1 and continuing for the next two months, Club World business-class and World Traveler economy-class services are gradually introduced on certain routes of BA's code-sharing partner, **USAir**. Under the airlines' global alliance licensing agreement, the two different services are available on BA/USAir flights from Charlotte to Frankfurt, Pittsburgh to Frankfurt, and Philadelphia to Paris.

Also in November, BA and **Qantas Airways (Pty.), Ltd.** petition the Australian Trades and Practices Commission for a reconsideration of its draft decision to withhold approval for the two airlines to enter into a joint services agreement on The Kangaroo Route.

It is announced on December 1 that, effective February 1, 49%-owned **GB Airways, Ltd.** will become the sixth BA franchise or regional carrier; its aircraft will be painted in a modified BA livery and the company will share the BA reservations system designator.

Concorde service between London and Washington (IAD) ends on December 4, with the available aircraft employed to increase SST charter flights from New York (JFK); a connecting service from Washington to New York is offered for those wishing to fly Concorde from the northern point. Meanwhile, capacity on the twice-daily subsonic service between the U.S. and British capitals is raised from a Jumbojet and B-767-336 to two Jumbojets.

On December 5, service to Beirut, suspended since 1983, is resumed, while the company also returns to Amman, Jordan, after an absence of four-and-a-half years.

One of the company's 7 Concorde is now based at New York (JFK) and begins a series of 12 weekly 2 hr. 10 min. charters on December 12 to Bridgetown, Barbados. At the same time, officials begin to plan for the inauguration of new services the following summer to Baku, Tampa, San Juan, Nassau, Grand Cayman, and Damascus.

Two days later, on December 14, the carrier announces the sale, effective March 31, of its charter subsidiary, **Caledonian Airways, Ltd.**, and its 5 L-1011s, to the travel concern Inspirations, plc, for \$7.65 million in cash and \$18.27 million in debt assumption.

Late in the month, the Australian Trade Practices Commission provisionally vetoes the billion-dollar revenue sharing plan with **Qantas Airways (Pty.), Ltd.**, especially noting its refusal to approve joint services over The Kangaroo Route. Both the British and Australian lines ask the TPC to reconsider.

To celebrate the 12 days of Christmas, a B-737-236A is painted and flown in a festive holiday livery designed by British school children.

Overall, passenger boardings jump 7.3% to 30,342,352 while freight rises 13.1% to 3.13 billion FTKs. In both passenger and cargo traffic, BA now ranks as the 9th largest airline in the world. With 24 million passengers—6.5 million more than its nearest rival—the airline is the world largest international passenger carrier; it is the 7th largest international cargo airline and the only airline in IATA's top 10 cargo airlines without a dedicated freighter fleet.

Revenues swell 9.3% to \$8.44 billion, while expenses grow only 6.8% to \$7.5 billion. As a result, there are increased profits: \$939.2 million (operating) and \$478.4 million (net). As the company continues to come out of the toughest recession in aviation history, its profits will exceed a billion dollars the following year.

The number of employees is reduced 3.3% in 1995 to 48,000. On January 3 in New York City, Federal District Judge Miriam Goldman Cedarbaum refuses to block the **Virgin Atlantic Airways, Ltd.** lawsuit that charges BA with monopolizing air routes between the U.K. and U.S. Noting that part of the suit charges that American laws have been broken, she also rejects BA's contention that the dispute is between the two British carriers and should not be heard in a U.S. court.

Also in early January, BA suspends flights from Birmingham to New York. The carrier had wanted to introduce smaller aircraft, but is caught in a dispute with employees over staffing levels.

The first B-777-236 powered by a GE90 engine, for which BA is launch customer, makes its maiden flight from Paine Field in Everett, Washington, on February 2. The company has 15 on order with the first scheduled for delivery in the fall.

On February 21, company officials announce the launch of scheduled service from London (LHR) to Baku in Azerbaijan.

A controller at Chicago (ORD) accidentally guides a departing company Jumbojet onto a collision course with a **United Airlines** DC-10-10 on February 25. Although the error is quickly discovered and the Douglas is advised to climb, the 2 wide-bodies, with 507 people aboard, miss one another by just 300 feet.

After a 12-year absence and under a new bilateral with Lebanon, the company resumes service to Beirut on February 27 with two weekly B-767-336ER flights which continue on to Amman.

Also in February, **GB Airways, Ltd.** becomes a BA franchise partner. The Gibraltar-based airline paints its aircraft in modified BA livery and operates flights on behalf of its partner to Spain and North Africa. The arrangement also calls for joint engineering, maintenance, frequent flyer plan, passenger handling, marketing, freight cooperation, and freight.

Caledonian Airways, Ltd., the new name for the former BA charter division sold to Inspirations, PLC, the previous December, undertakes replacement scheduled flights for its onetime parent, beginning on March 1, between London (LGW) and Tampa, San Juan, Grand Cayman, and Nassau. As the summer season gets underway a month later, 2 DC-10-30s and 3 B-757-236s are chartered to **Caledonian Airways, Ltd.**

A near-miss is registered over St. Anthony, Newfoundland, on March 8, when Flight 49, a **Delta Air Lines** L-1011 TriStar 1 en route to Cincinnati from Europe, comes within 1,800 ft. above and one mile south of the company's Flight 92X, a B-747-436 eastbound to London. The required separation is 2,000 vertical feet; the error is laid to Canadian air traffic control.

On March 26, a new code-sharing connection service is inaugurated with **Qantas Airways (Pty.), Ltd.** Passengers on any of the thrice-weekly London (LHR) to Los Angeles services are able to transfer to a Qantas Jumbojet for nonstop service on to Auckland. The new route takes three hours off the twice-weekly frequencies to New Zealand offered by BA over a route east from London.

The official turnover of the last **Caledonian Airways, Ltd.** assets to Inspirations occurs on March 31. The sale generates a £10-million profit. Also on this date, the company restructures its leases with the British Airport Authority, gaining security of tenure for its core 244 acres at Heathrow Airport for the next 150 years.

The company's new summer schedule begins on April 1 and features, as it does every year, new routes and frequencies. Markets entered initially or restarted after long absence include Damascus, Baku, and Azerbaijan. The new frequency from Heathrow to Baku via Moscow is the first company service beyond the Russian capital into the CIS.

At the same time, new daily nonstop return flights to Moscow from London (LGW) complement the nine daily nonstop roundtrips to Moscow already being flown from London (LHR). The number of flights from London to Miami is doubled as a B-747 from Gatwick joins the Jumbojet that flies to Miami from Heathrow. When coupled with the **Caledonian Airways, Ltd.** replacement services, BA offers more flights into South Florida from Europe than any other foreign operator.

Further north, a B-747 frequency replaces that flown by a B-767 from London to both Boston and Washington, D.C. (IAD), with both routes now enjoying two daily nonstop Jumbojet return flights. At the same time, B-747s are placed on all eight daily nonstop roundtrips from London into the New York/Newark area; these are offered in addition to two daily Concorde premium services from London into New York (JFK).

It is announced in London on April 6 that one of the several lawsuits with **Virgin Atlantic Airways, Ltd.** has been settled out of court.

During May, BA announces that it must take a \$200-million write-down to reflect the decline in value of its 24.6% stake in **USAir**.

The Australian Trade Practices Commission reverses its December decision during the third week of May and gives the carrier and **Qantas Airways (Pty.), Ltd.** permission to cease price competition on The Kangaroo Route from Australia to London. It also undertakes arrangements during the month with **Sempati Air** for connecting flights in Indonesia.

Services discontinued to Damascus, Amman, and Beirut long ago are resumed on June 1 in competition with the new **British Mediterranean Airways, Ltd.** New frequencies are also offered from London to Ho Chi Minh City.

Also during the month, the Civil Aviation Authority files a complaint that the carrier is overcharging business-class passengers on flights from London (LHR) to Madrid, Milan, and Munich.

At the same time, the U.K. and U.S. governments reach agreement on a new "mini-deal" annex to the Bermuda 1 bilateral air service pact; the DOT approves applications to add another 57 code-share points to the 65 already in place.

Meanwhile, BA announces that, during the following spring, it will transfer 11 weekly Central and East African services to Gatwick Airport, freeing up additional slots and terminal capacity at Heathrow Airport for the initiation of more intercontinental flights.

On August 1, the World Offers low-fare program introduced 18 months earlier is expanded; discounted holidays, hotels, and ground transport are added to a previous all-air program. Plans are made to transfer early in the new year 11 weekly flights from Heathrow Airport to Gatwick Airport; destinations affected will include Lusaka, Entebbe, Nairobi, Dar es Salaam, Harare, and Lilongwe.

Following an August 11 incident with a blade in one of its GE90 engines, the B-777-236 being test flown in company livery is forced to stand-down following another engine problem on August 18.

During the month and into the fall, BA begins its first flight crew recruitment campaign in five years. Especially sought are women and minority candidates and advertisements are placed in women's magazines and ethnic publications. Two hundred cadets are needed and will be trained not only at England's Oxford Air Training School and Cabair College of Air Training, but at the Australian Aviation College as well.

In an effort to obtain more income from the premium-priced business travel market, BA announces on September 18 a three-year £500-million improvement program for its Club World long-haul flights to the U.S. and Asia. The company's Jumbojets and DC-10-30s devoted to those services will be innovatively redesigned to feature first-class sections with individual semi-enclosed compartments with armchairs that can be converted into beds.

Due to GE90 engine problems, the September 29 delivery date for the company's first B-777-236 must be delayed. Also in September, two joint freighter services are inaugurated with **Singapore Airlines, Ltd.** between the U.K. and Singapore.

The number of dual-designator U.S. cities flown in partnership with **USAir** reaches 62 in September with the addition of 10 more communities in New Hampshire, Georgia, Florida, Georgia, Alabama, Indiana, Missouri, and South Carolina. At the same time, a specialized information management system is moved to the **USAir** computer center at Winston-Salem, North Carolina.

At the end of the month, the U.K. government rejects the CAA complaint, filed in June, concerning the airline's business-class fares to cities in Spain and Germany. At the same time, BA opens a new £6.5-million (\$9.7-million) maintenance hangar in Manchester.

On October 2, **USAir** admits that it is holding merger talks with the parent companies of **United Airlines** and **American Airlines**. The next day, the former state-owned airline announces that its is reevaluating its alliances in North America in light of the **USAir** announcement.

During the third week of the month, the carrier introduces its Executive TravelWorks product that allows potential customers to review schedules and make reservations via the Internet.

Under the May TPC ruling, the British major and **Qantas Airways (Pty.), Ltd.** are able to launch code-sharing and joint operations in October over The Kangaroo Route from London to Sydney at the beginning of Australia's tourist season on October 29.

Also during the month, the company cosponsors, with the Drusillas Children's Zoo in Alfriston, England, the International Children's Conference on the Environment. Some 750 children from around the world attend and at the end of the meeting, BA flies two young representatives to New York to present their group's 26-point charter to the director of the UN Environmental Program, Elizabeth Dowdeswell.

A French court, on November 8, orders the UK airline to pay cash damages to 61 passengers who were held hostage by Iraqi soldiers for up to three months following the destruction of their B-747 on the ground at Kuwait City Airport when Iraq invaded the emirate in August 1990. It had been alleged that the British major had made an unscheduled stop to drop off a commando unit. Each plaintiff held for 30 days is to receive \$80,000 and each held the full three months is awarded \$120,000. BA appeals the decision.

The first GE90-powered B-777-236 enters service later in the month over a route from London (LHR) to Dubai and Muscat.

In early December, the tail of the B-747-436 *City of Litchfield* is given special artwork to be worn for a month in celebration of the U.K. National Children's Conference.

Also in December, the DC-10-30 *Loch Torridon*, which is out on lease to **Caledonian Airways, Ltd. (2)**, is recalled in anticipation of the additional capacity required for the next summer season. Chairman-designate Ayling announces his new executive team, located after a wide-ranging consultation exercise.

During the year, the carrier's six commuter partners transport a combined 3.4 million passengers to 80 destinations with a fleet of 76 aircraft. They also generate over £50 million (\$77.7 million) in service fees and feed revenues for BA and more than justify the "British Airways Express" franchise concept.

Passenger boardings move ahead by 3.5% to 31,716,000 while freight rises 4.2% to 3.1 billion FTKs. During the first nine months of the financial year through December 31, the company's revenues are up 7.2% to \$9.18 billion, with expenses rising 6.1% to \$8.13 billion. Operating gain is up to \$1.04 billion and a net profit of \$637.05 million is posted.

Airline employment stands at 55,295 in 1996, a 4.2% increase. Included in this number are 1,000 personnel hired to help the company continue its expansion of activities at Gatwick Airport. At the beginning of the year, Robert Ayling succeeds Sir Colin Marshall as CEO, with Marshall elevated to the position of nonexecutive chairman.

A major winter storm cripples airline operations on the U.S. East Coast between January 7 and 11. On the first day of the weather crisis, the carrier is forced to divert seven flights inbound to New York (JFK), Washington (IAD), and Philadelphia to Detroit (DTT), Montreal (YUL), Bangor, Boston, and Chicago (ORD). Concorde service is cancelled all five days and another 16 frequencies into the Northeast are scrubbed on January 8 and 9.

BA announces on January 19 that it will not exercise two options to buy another \$450-million worth of preference shares in **USAir Group**. At month's end, a request is placed with aircraft manufacturers for bids on a proposed \$1-billion order for regional jetliners.

During the month, the carrier receives the 1995 "Public Relations Award" from *Air Transport World* magazine.

In February, Gillian MacIntosh Hernandez of New York City is accused by BA security personnel of abandoning a newborn in a trash can in a bathroom near her departure gate at Heathrow Airport in London. The lady and a detained friend are black while the baby is white, a fact initially overlooked by the arresting officers. After the two women are freed and return to the U.S., they hire a lawyer and file a \$10-million defamation suit for emotional distress in Federal District Court in Manhattan.

The twentieth anniversary of Concorde service is celebrated on January 21. Since the first flight between London and Bahrain, over 42,000 flights (120,000 hours) have been completed by the company's 7 SSTs. Plans are made to operate the supersonic planes through 2010.

Two more B-777-236s are now received and are employed for crew training on services from London (LHR) to Paris (CDG).

In remarks made during the first week of March that will come back to haunt them, company officials, led by CEO Ayling, strongly criticize the request made by **United Airlines** and **Deutsche Lufthansa, A.G.** for U.S. antitrust immunity for their strategic alliance. Also during the month, east and central Africa services begin hubbing out of Gatwick Airport.

On March 12, **Virgin Atlantic Airways, Ltd.** agrees to settle its remaining legal dispute with BA over allegations of dirty tricks and will pay \$607,800 in court costs to BA for the subsequent case in which Virgin had claimed \$44 million in damages for reported misuse of computerized passenger data.

As the result of recent BA announcements concerning its European expansion, speculation begins anew in late winter concerning the possible merger of the British airline with the Dutch pioneer **KLM (Royal Dutch Airlines, N.V.)**. On March 20, KLM stock rises more than 3% as speculators guess—wrongly, as it turns out—that a deal between the two companies is imminent.

A 10-year, \$2.3-billion repair contract is signed with GE Aircraft Engine Services on March 24. Roundtrip service is inaugurated four times per day on March 31 between London (LGW) and Edinburgh and thrice-daily roundtrips are also undertaken from the same airport to Stockholm and Zurich.

With crew training completed, the two newest B-777-236s are withdrawn from Paris service at the end of the first quarter and are

now dispatched on frequencies from London to Cairo and from London to Riyadh and Jeddah in Saudi Arabia.

A new code-sharing alliance is formed with **America West Airlines** on April 18; it will link AWA's network of U.S. routes with BA's new transatlantic service to Phoenix. The two airlines also agree on reciprocal frequent flyer programs.

Beginning on April 28 and continuing for the next three months, all British Airways flights out of Britain offer New Zealand apples to first-class passengers. The fruit is specially flown to the U.K. for the promotion.

The London-based airline confirms on April 29 that it is shelving plans to purchase over \$1 billion-worth of regional jetliners (60 aircraft) from 5 manufacturers because it has failed to trim sufficient costs from its short-haul business.

Additional bans on smoking are instituted on May 1. The routes to the U.S. and Caribbean as well as the twice-weekly London-Madras-Singapore route are affected. Indeed, as a rule, smoking is now only permitted on those long-haul routes where more than one daily roundtrip is offered. The January request for regional airliner bids is suspended during the first week of May.

A partnership involving reciprocal frequent flyer programs and code-sharing on selected routes is entered into with **Canadian Airlines International, Ltd.** on May 20.

When the company announces a new plan on May 20 to cut out \$1.52 billion in costs over the next three years, the local British Air Line Pilots Association (BALPA) chapter, which has recently rejected a 3.6% pay increase, threatens to strike. As maneuvers continue by both sides on the labor front, it is reported in the press on May 23 that BA has under active consideration the purchase of a \$100-million, 15% stake in the Spanish airline **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Although the pilot strike does not occur, the threat will cost the company £25 million.

Also in May, the airline introduces new print advertisements for business-class "cradle-seating" which fail badly. Harsh criticism is heard from some consumers who object to the depiction of a young mother cradling a baby, whose face has been covered with that of a businessman's head.

Thrice-daily roundtrips commence on June 2 between London (LGW) and Zurich.

In a move that will remain controversial for years, the company signs a comprehensive marketing agreement with **American Airlines** on June 11. The two profitable giants will enjoy a route network stretching from North and South America to Europe and Asia and anticipate winning government approval. AA Chairman Robert L. Crandall notes, however, that his carrier will not cede its slots at London (LHR) to gain that approval.

Unnoticed in the publicity surrounding the AA arrangement, the BA alliance with **Canadian Airlines International, Ltd.** takes effect on June 15. In addition to linking the two carriers' frequent flyer programs, the pact provides for code-sharing on CAI flights from Calgary to London (LHR) and to and between Montreal, Calgary, and Vancouver.

British regulators begin the long-running approval debate on June 21 when they find the linkage plan between BA and AA constitutes a merger, which requires further scrutiny. At this point, BA announces that it will switch its Latin American services from Heathrow Airport to Gatwick Airport in mid-March.

Daily dual-designator flights between **Virgin Atlantic Airways, Ltd.** and **Delta Air Lines** are inaugurated on June 26 between London (LHR) and Washington, D.C. (IAD). The American major purchases blocked seats upon the British line's flights to its eighth U.S. gateway city. A340-311s perform the service Monday through Thursday and Saturday while B-747-238Bs take over on Fridays and Sundays.

The inaugural flight brings VAA Chairman Richard Branson to Washington, where he spends a week lobbying U.S. lawmakers against the proposed strategic alliance of BA and **American Airlines**. Spectators at Dulles are surprised when the A340-311 taxis up to the gate wearing the slogan "No Way BA-AA" boldly painted on its fuselage. The air-

craft, however, is only the first indication that Virgin has opened a multimillion campaign in the U.S. to block the pact between its British rival and the U.S. major.

Also in June, the carrier signs a nonequity-transfer franchise agreement with **Comair (Commercial Airways [Pty.], Ltd.)**. Under the arrangement, the South African regional's fleet is repainted in the colors of the U.K.-based major, which will also cooperate in sales and marketing and make its frequent flyer program available to Comair passengers.

The number of U.S. gateways served grows to 21 on July 1 as the company begins daily DC-10-30 nonstops in cooperation with **America West Airlines** from London (LGW) to Phoenix, with continuing service to San Diego. Additional frequencies are added on routes from the British capital to New York, Tampa, Washington, D.C., Atlanta, and San Francisco. During the first week of July, **Virgin Atlantic Airways, Ltd.** code-sharing partner **Delta Air Lines** joins in the VAA lobbying effort against the BA-AA alliance.

The U.S. Justice Department begins an antimonopoly probe of the BA-AA alliance on July 8 and seeks information from **Virgin Atlantic Airways, Ltd.**, which opposes the merger, concerning its 1993 antitrust suit against the former British state carrier. Meanwhile, members of the local BALPA chapter, displeased with the company's pay increase proposals, threaten to strike.

On July 10, BA suspends its outstanding aircraft orders with Boeing, while simultaneously raising its pay offer and making other concessions to the pilots. Satisfied, the pilots call off their plans for a job action the next day.

After six months, the company has completed a major shift to Gatwick Airport from Heathrow Airport; the fleet stationed at London's second airport is increased by 4 B-747s, 3 B-737s, and 5 B-767s. As many short-haul flights are now mounted from Gatwick as from Heathrow.

Formal negotiations between the U.S. and U.K. governments concerning a new bilateral air service agreement, cut off earlier, resume on July 24. They will end almost immediately without a compact.

On July 30, **USAir Group** files suit in Federal court against BA over its marketing partner's new alliance with **American Airlines**; the brief charges antitrust violations and breach of contract and fiduciary duty on the part of BA. While the main runway at Stuttgart Airport is closed for repairs between July 31 and October 4, a BAe 146-200 is chartered from **Flightline, Ltd.** and employed to replace the major's four normal daily B-737 services to the German airport from London.

On August 1, **Sun Air of Scandinavia, A.S.** becomes a franchise partner of **British Airways, Ltd. (2)**. Sun Air is the first BA franchise carrier from outside the U.K. to begin operations; the British major does not take equity, preferring to leave the Danish carrier an independent airline. The new partner's fleet includes 9 J-31s and 7 J-41s that are repainted in "British Airways Express" livery.

The same day, "E-Ticket" electronic ticketing is introduced on the company's service from Gatwick Airport to Aberdeen; the trial, if successful, will lead to the introduction of ticketless travel over the carrier's entire domestic network by the following spring.

The defamation lawsuit with Gillian MacIntosh Hernandez is settled out-of-court on August 2 for an undisclosed amount. Negotiations aimed at recruiting **British Mediterranean Airways, Ltd.** as a franchise partner begin. Permission is now received from the European Commission for the acquisition of majority control in **TAT European Airlines, S.A.**

Also in August, BA announces that in two months it will withdraw from its unprofitable Scottish internal services, including six routes serving Orkney, Shetland, and the Western Islands. Airlines of Britain, plc. subsidiary British Regional Airlines (Holdings) in September changes the name of **Manx Airlines (Europe), Ltd.** to **British Regional Airlines, Ltd.** Plans are announced for the new BRA, which is based at Ronaldsway Airport on the Isle of Man, to take over the previous **British Airways Regional, Ltd.** services at the end of October as a BA franchise partner.

Under terms of this agreement, BRA will enjoy all of the benefits of franchise partnership, including dual-designator flights, reservations

system, frequent flyer linkage, and passenger and airport services. Meanwhile, **Loganair, Ltd.** operations are incorporated into **BRA. Manx Airlines, Ltd. (2)** continues separate operations.

On August 28, having lost millions on its Mideast services since the end of the Gulf War—especially on the routes started the previous year—BA announces that it will turn over its routes in Syria, Lebanon, and Jordan to BMA and withdraw from Amman, Beirut, and Damascus on October 26.

Company executives on September 9 deny a press report that the carrier plans to cut 10,000 positions; they do, however, admit that further cost cutting will be necessary in order for BA to remain competitive. Just nine days later, CEO Ayling, in meetings with senior managers and union leaders, announces that a new streamlining program will be put in place over the next four years designed to achieve £1 billion in savings. Although a number of points are covered, it is the leader's contention that 5,000 jobs in Britain will end as part of the \$1.56-billion reorganization that draws the most attention. Even though it is hoped that most of the lay offs will be voluntary, the figure represents approximately 10% of the company's entire workforce.

At this point, the contract handling unit, which has carried out ground handling for other airlines at Heathrow Airport, but has suffered consistent losses the past several years, is closed down.

At the Farnborough Air Show during the month, BA announces that it is placing an order for 3 more B-777s, 4 additional B-747-400s, and a further 3 B-757-200s. It is also noted that delivery schedules for 10 B-747-400s will be advanced in order to allow earlier retirement of B-747-100s.

Financially troubled **Air Liberte, S.A.** is placed into receivership on September 26 and its chartered Douglas wide-bodies are returned to Finland. Given six months by the French bankruptcy court at Creteil to develop a workable reorganization plan, its chairman promises to write a recovery program by the end of October, at which time \$120-million fiscal year losses must be reported.

On a lighter note, the company now places a multimillion pound order with the French Remy-Cointreau Group for a two-year supply of champagne; the request is for 84,000 cases, which equals over one million bottles or enough to fill an Olympic-sized swimming pool.

Comair (Commercial Airways [Pty.], Ltd.) begins to feed franchise passengers to BA from its domestic South African routes on October 1. The carrier now becomes launch customer for the Honeywell TCAS 2000 system. The avionics suit will be installed on all of the company's A320s and Boeing 737/757s.

Virgin Atlantic Airways, Ltd., beginning on October 3, becomes the first U.K. airline to break the **BA-South African Airways (Pty.), Ltd.** monopoly on services between London and Johannesburg.

Following further exploration into the finances of **Air Liberte, S.A.** during the first week of October, the bankruptcy court determines that its fiscal situation is worse than was originally reported. Even though a number of unprofitable routes are now cut, the Creteil court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, **Air France** expresses interest. Under EC restrictions against acquisition of other carriers during the time of its \$4-billion state bailout, it appears unlikely that the independent will be placed under the major's umbrella.

Other companies showing an interest include **AOM French Airlines, S.A.**, which has been seeking a merger, along with **British Airways, Ltd. (2)**, **Virgin Express-Eurobelgium Airlines, Ltd.**, **TAT European Airlines, S.A.**, and **Corsair, S.A.**, the in-house airline of France's largest tour operator, **Nouvelles Frontieres**. Seeking to protect the interest of its TAT subsidiary, BA CEO Robert Ayling complains to the European Commission that AOM should not be allowed to seek ownership. He points out that it, too, is up for sale as the result restructuring plans announced in the wake of a 1995 state aid package to its parent, **Credit Lyonnais**.

On October 7, a memorandum of understanding, effective in November, is signed between BA's German subsidiary **Deutsche BA Luftfahrtgesellschaft, GmbH.** and **Regional Airlines, S.A.** for the sale of its turboprop international and domestic operations originating from Bremen, Stuttgart, and Friedrichshafen to the French company.

With **AOM French Airlines, S.A.** and **Air France** out of the picture, two airlines, **Nouvelles Frontiers**, and a group of private investors submit offerings for **Air Liberte, S.A.** to the Creteil Court on October 14.

The weakest offering is made by an unnamed French pilot acting on behalf of a group of private investors; no details are provided. **Virgin Express-Eurobelgium Airlines, Ltd.**'s offering, for which details are also not provided, is not, as company officials put it, "fully compliant with the court's requirements."

Nouvelles Frontiers notes that it has partners in the Rivaud Bank and **Royal Air Maroc** who would be willing to take over **Air Liberte, S.A.** (including its \$300-million debt) and make it profitable within 18 months. It would also make an offer to acquire **AOM French Airlines, S.A.** The two independents would be merged with its own in-house carrier, **Corsair, S.A.**, to create a major independent airline which could then compete with **Air France**.

Working together, **British Airways, Ltd. (2)** and **TAT European Airlines, S.A.** agree on a three-year plan for **Air Liberte, S.A.** TAT Chairman/CEO Marc Rochet is asked to manage the offer on behalf of the British major.

In addition to an initial payment of \$5 million for AL's assets, the BA/TAT plan would essentially retain the present **Air Liberte, S.A.** fleet and routes, concluding a code-sharing agreement for routes now flown in competition and pledging not to begin new routes that overlap. French management would be maintained, 1,250 employees would be hired, and the British would make a major capital investment. The company would be reformed into the new French carrier **Societe Nouvelle Air Liberte, S.A.**

The BA franchise agreement with **British Mediterranean Airways, Ltd.** collapses during mid-October when the British major announces that BMA has not met the requirements for partnership. As a result, BA must continue to operate the money-losing Mideast routes it had planned to turn over on October 26.

As the dispute with **USAir Group** continues, the U.S. partner continues to evidence its displeasure. On October 24, **USAir** announces that it will end its marketing and code-sharing agreement with BA on March 29 next. At the same time, the American carrier applies to the DOT for permission to inaugurate its own services to London (LHR) from its gateways in Pittsburgh, Charlotte, Philadelphia, and Boston.

Also during the month, the South African regional **Comair (Pty.), Ltd.** becomes a franchise partner, feeding BA international flights from its South African routes. At the end of the month, senior managers Paul Giblin and Adrian Hunt are sent to Germany to assist **Deutsche BA Luftfahrtgesellschaft, GmbH.** implement its emphasis changeover from domestic to international service. It will be reported in the German press during the following June that the British major has also arranged an interest-free DM 340-million line of credit for its subsidiary in order to assist it in refinancing its debts and keeping it from bankruptcy.

During the last week of October, the Rivaud bank and **Nouvelles Frontiers** abandon their efforts to take over **Air Liberte, S.A.**; Rivaud throws its support behind BA, with the two pledging to invest \$124 million in the ailing French independent. BA would hold 70% interest with the remaining 30% stake held by Rivaud. Meanwhile, **Virgin Atlantic Express, Ltd.** is joined by a number of unnamed investors in presenting an alternative to the French bankruptcy court handling the case; the court extends the deadline for its decision from October 30 to November 5.

On November 1, a new reciprocal frequent flyer program begins with the Indian carrier **Jet Airways (Pty.), Ltd.** Since the previous October, weekly frequencies on the route from London to Johannesburg have been increased from 14 to 17.

The same day, President Ayling announces that the carrier will invest \$16 million to improve domestic services throughout the U.K.

The upgrade will include the full introduction of electronic ticketing and self-service check-in. The 7 B-757s tasked to fly the Super Shuttle routes from Heathrow to Belfast, Manchester, Glasgow, and Edinburgh will all receive new cabin interiors and seats.

Virgin Atlantic Express, Ltd. does not submit a bid and, on the fifth day of November, the Creteil Court accepts the BA-Rivaud joint offering to acquire **Air Liberte, S.A.** Under terms of the agreement, which will become final on December 15, TAT Chairman/CEO Rochet will assume the same post at **Air Liberte, S.A.**; he will be joined by other TAT officials, as well as by Warren Tucker, head of BA's investment and joint ventures division. No immediate plans to merge the carriers are announced; however, schedules will be coordinated and flight operations streamlined.

Because of a growing series of problems at London (LHR) in late October and into early November, thousands of BA passengers do not receive their baggage for up to eight days, if at all. A significant number of compensation forms are filed. Also during November, the company begins looking for 5,000 employees willing to take early retirement or voluntary severance over the next 18 months. In mid-month, a French appeals court upholds the damage award made the previous November to 61 French nationals held as human shields when Iraqi forces captured a BA Jumbojet at Kuwait City in August 1990. BA again appeals.

British regulators announce on December 6 that, in order to avoid a full scrutiny of their proposed alliance, both BA and **American Airlines** must give up some of their takeoff and landing slots at London (LHR); both companies had earlier warned that such a requirement could destroy the pact. On December 9, the European Commission issues a set of concerns about the alliance, holding that it will dominate transatlantic air travel. The EC advises that it has the legal power to block the arrangement, but BA disputes that stand.

Although the acquisition of **Air Liberte, S.A.** is scheduled for completion on December 15, paperwork complexities will force a delay into the new year.

The British carrier makes the decision on December 18 to sell off its shareholding in **USAir** and, in light of the suit filed by the American carrier during the summer, to disentangle itself from any further relationship. **USAir** is given the option to purchase the \$500 million in preferred shares or, if it becomes necessary, they can be sold privately or through a public stock offering.

During the year, the carrier begins to publish an *Annual Environmental Report* under which it rates its progress toward specific goals in relation to energy usage, water consumption, and other objectives.

Customer bookings increase by 3.4% to 32,900,126 while cargo accelerates 8% to 3.5 billion FTKs. Revenues jump 7.7% to \$13.62 billion and costs are up 11.1% to \$12.73 billion. Due largely to a \$202.5-million write-down of its **USAir** interest and a 33% increase in fuel prices, BA reports its operating gain down 25% to \$906.36 million on revenues of \$13.6 billion. Still, an all-time record net profit of \$895.86 million is posted; that figure will later be adjusted upward to \$1.06 billion.

The workforce is reduced by 4% in 1997 to 53,060. Many of the BA passengers who lost their baggage at Heathrow Airport in October and November have, as of January 4, yet to receive any compensation from the airline. On the same day, the Creteil tribunal officially approves the BA purchases of a 67% stake in **Air Liberte, S.A.** with the remainder held by Banque Rivaud. **TAT European Airlines, S.A.** Chairman Rochet is also confirmed as chairman of **Air Liberte, S.A.**'s board of directors. French government permission is simultaneously acquired by the British major to take over complete control and to integrate AL's operations into those of its other French franchise partner, **TAT European Airlines, S.A.**

Also during the year's first week, the U.K. Office of Fair Trading announces that it will approve the BA-AA alliance if the two majors agree to promote competition by relinquishing 168 weekly slots at Heathrow Airport. Meanwhile, the carrier continues to lease both of the BAe 146-200s of **Flightline, Ltd.**; they are employed on services from London (LGW) to Toulouse and Bordeaux.

On January 10, **Delta Air Lines** joins **Continental Airlines**, **United Airlines**, **USAir**, and **Trans World Airlines (TWA)** in submitting requested comments to the U.K. Office of Fair Trading (OFT) concerning the proposed strategic alliance between BA and **American Airlines**. All five protest that such a pact would make the British and American giants the dominant positions the two would enjoy in transatlantic and other markets and that the OFT's proposal to require them to relinquish 168 weekly slots at Heathrow is insufficient to counterbalance the alliance. BA replies with a 148-page response to raised questions.

On January 13 some 500 members of the British Airline Stewards and Stewardesses Association (BASSA) turn down the carrier's offer of onetime bonuses in exchange for pay cuts of as much as 40%. The rejection causes the carrier to delay a \$1-billion order for short-haul jetliners.

American Airlines, in the midst of its own labor difficulties with its pilots and also having had to delay an aircraft deal, is reassured when BA issues a statement on January 14 stating that it remains optimistic that the pact with AA will be completed by summer. This despite a new threat from the EU's Competition Commission, which is insisting that the two huge carriers turn over some slots to be employed by competitors at London (LHR). If the U.K. Board of Trade and Industry approves the BA-AA compact under its present arrangement, the EU warns, it will take the U.K. to the European Court of Justice.

It is announced on January 28 that BA will sell its ground fleet services units at Heathrow and Gatwick Airports to Ryder Systems, Inc.; the price is not disclosed.

Almost unnoticed is the appointment of Ian Gray as the first regional general manager whose job it is to manage the alliance between BA and **Qantas Airways (Pty.), Ltd.** He will work out of a new joint office at The Promenade, in Singapore, with an integrated sales, marketing, and business development team.

A new London tourist package designed for business travelers is initiated on February 4; the product includes return airfare from New York or Boston and a three-night hotel stay.

En route from London to New York, a Concorde must make an emergency landing in Halifax, Nova Scotia, on February 7 after developing engine trouble.

To celebrate the tenth anniversary of the carrier's privatization, a promotion is now offered guaranteed to attract public attention. For a few days, BA offers telephone callers the opportunity to win 10 roundtrip London-New York Concorde tickets priced at just £10 and good for 10 days. Over 30 million people respond and, surprisingly, over 300 who manage to get through do not accept their prize, either because they do not have the required credit card for payment or because they cannot travel on the dates offered. As an additional note to the anniversary, the company, promising a more complete revision soon, introduces a slight aircraft color scheme change on its new B-777-236s.

During the week of February 2, European Union officials, led by Competition Commissioner Karel Van Miert, hold closed hearings at Brussels on the BA-AA merger proposal. CEO Ayling puts forward the case for the compact while officials from **Virgin Atlantic Airways, Ltd.**, **Delta Air Lines**, **United Airlines**, and **Continental Airlines** speak in opposition.

The first B-777-236 IGW (Increased Gross Weight) arrives at London (LHR) from Seattle on February 6. Three days later, the new aircraft begins revenue service by flying a replacement service to Boston and back when the B-777-236 originally slated for the run is withdrawn for engine repairs.

Regularly scheduled Heathrow-Philadelphia B-777-236 IGW frequencies commence on February 10. Also during this period, CEO Ayling, in a speech before the Aviation Club of Great Britain, challenges the views of the other majors and indicates that, as a result of the BA-AA pact, transatlantic passenger growth should increase by 20% for all companies.

USAir Group, on February 18, refuses to exercise its option to purchase the 24.6% stake in the carrier owned by BA. At this point, CEO

Robert Ayling, CFO Derek Stevens, and Investments Director Roger Maynard all resign from the **USAir** board of directors.

After several attempts to reach agreement, the franchise agreement with **British Mediterranean Airways, Ltd.** is finally signed during the third week of February. At the same time, the company's ground fleet service division is sold to Ryder plc; the transfer will include 500 workers at Heathrow and Gatwick Airports plus 7,300 vehicles.

On February 24, Airlines of Britain, plc, the holding company which owns **British Midland Airways, Ltd.**, **British Regional Airlines, Ltd.**, **Manx Airlines, Ltd. (2)**, **Loganair, Ltd.**, and **Business Air, Ltd.** elects to split up British Regional Airlines (Holdings) and all of the carriers except BMA. The move will technically allow BRA (Holdings) to continue its BA affiliations without fear of conflict of interest decisions being made by Airlines of Britain, which is partnered with BA's competitors, **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)**; still, Sir Michael Bishop retains ultimate ownership in both groups.

Manx Airlines, Ltd. (2), **Loganair, Ltd.**, and **Business Air, Ltd.** will continue a confederation with **British Regional Airlines, Ltd.** in a British Airlines Regional Group of BA franchise partners. Activities for each company will continue to be reported separately.

Also during the month, the company receives 3 B-777-236s, 2 B-747-436s, and 1 B-767-336ERs, the largest number aircraft ever delivered by Boeing to a single airline during a single month.

The September 1995 suit against **American Airline's** Miami (MIA) terminal project by six other international airlines receives a blow in early March when the DOT rules that Dade County's charges for the carrier's expansion are fair and just.

On March 15, transatlantic flights with the carrier's 2 B-777-236 IGWs are voluntarily suspended because the pieces of metal that help support gears of the GE 90-76B engines are breaking in flight. As a precaution, the three new aircraft are temporarily shifted to European and Mediterranean short-haul routes as company and Boeing engineers work to solve the difficulty. The three planes will be shifted back to the North Atlantic before month's end.

The next day, 24 ground personnel are taken to hospital from Heathrow Airport after their exposure to toxic chemical fumes, probably from pesticide, in the cargo bay of a company jetliner which has just arrived from Bombay.

On March 17, services to and from Latin America are shifted to Gatwick Airport from Heathrow. Three B-747-436s are transferred to the sister hub to operate BA's 13 weekly flights to Mexico, Venezuela, Colombia, Brazil, Argentina, and Chile.

On March 21, marketing officials note the outstanding success of one of their promotion campaigns. Over the past several months, a free roundtrip ticket for travel within the U.S. or Canada has been promised to any BA business-class passenger who thinks the airline's transatlantic service is not the most comfortable they have ever had. Only 0.1% of those eligible have requested their free ticket, which takes the form of 25,000 frequent flyer miles with one of the carrier's North American partners. The cheerful bragging is short-lived as rival **Virgin Atlantic Airways, Ltd.** places ads over the next month suggesting that businessmen pay closer attention to the BA boast and take up its free-ticket offer. Some do and the promotion ends.

On March 27, the New York press reports that BA will invest \$100 million to expand its terminal at JFK International Airport and to build a service road to it. The extensive marketing and code-sharing agreement with **USAir** officially ends two days later. Two separate Concorde flights are forced to return to New York (JFK) on March 31 because of mechanical problems. The same day, the contract handling unit at Heathrow Airport is closed.

As the month closes, three new Rolls Royce-powered B-757-236ERs are delivered. BA withdraws frequencies to Beirut, Amman, and Damascus on March 30 and the next day, its feed from the Mideast is facilitated by the 2 A320-231s of its newest franchise partner, **British Mediterranean Airways, Ltd.** which, in modified BA livery, commence service on its behalf to Beirut, Damascus, and Amman.

Also on April 1, summertime frequencies are reintroduced on the transatlantic routes from London to Washington, Philadelphia, and Boston; all are flown by the company's 4 new B-777-236 IGWs.

The same day, British Airways World Cargo is made nominally separate from BA under Managing Director Kevin Hatton, but is required to purchase all of its cargo belly space in BA's passenger planes. Any additional freight capacity required will be obtained from alliance partners or under lease to **Atlas Air** or **DHL Worldwide Express**. Within weeks, 6 of these outsourced freighter flights will be moved from Gatwick Airport to Stansted Airport.

The battle over the proposed alliance with **American Airlines** returns to Washington, D.C. during the second week of April. EU Competition Commissioner Karel Van Miert meets with Attorney General Janet Reno and Federal Trade Commission Chairman Robert Pitofsky to attack the plan.

On April 22, **Virgin Atlantic Airways, Ltd.** Chairman Richard Branson testifies before the U.S. Senate Judiciary Committee's Subcommittee on Antitrust, Business Rights, and Competition, chaired by Sen. Michael De Wine (R-Ohio), which is looking into the proposed alliance between BA and **American Airlines**. The lawmakers are told that higher prices and poor service would result from the union.

BA offers a strong protest on April 25 when French officials allow **Air Algerie, S.A.** to resume operations from Paris (CDG). Rather than share an adjacent check-in counter with the Algerians—who had been banned in early 1995 for harboring terrorists—BA petitions for permission to transfer to Paris (ORY) and moves its check-in operations first to curbside at a nearby hotel, and then to a facility across from airport headquarters. When French aviation authorities require the British to abandon their ad hoc security measures, BA indicates that it will have to continue flying from CDG, but will accept no hold baggage and will appeal the French order to a French high court.

Also during April, the agreement with Ryder, plc. to takeover the airline's ground fleet services is concluded; the five-year contract is worth £160 million. The company now enters the photographic services business, offering its own cameras, films, and developing.

An agreement is signed with ground service staff at London (LHR); in exchange for job security, the workers agree to a pay freeze over the next two years and lower starting salaries for new employees. At the same time, the company begins a recruiting campaign to attract 5,000 new employees by the Millennium, including 2,000 cabin crew.

Further in April, the code-sharing arrangement with **Canadian Airlines International, Ltd.** is expanded. CAI will place its codes on BA flights from London to Montreal and from London to Aberdeen, Amsterdam, Edinburgh, Glasgow, Manchester, and Prague. BA will share codes on CAI flights from Toronto on to Halifax and Quebec City.

The company's frequent flyer agreement with **American Airlines** is now also expanded. In addition to the base agreement that permits members of one program to claim awards by flying on the other airline, Executive Club and AAdvantage are strengthened to permit members of either to earn and redeem miles on all routes except transatlantic.

Previous plans to spin off the airline's aircraft maintenance division as a cost-cutting measure are shelved on May 1 until at least the year 2000. The same day, B-777-236 IGW flights commence from London (LHR) to Detroit (DTT). Fourteen days later, B-777-236 IGW service is inaugurated from London to Montreal (YUL) and New York (JFK).

On May 6, six European airlines, led by BA, launch a court challenge to **Air France's** right to receive the FFr 20 billion (£2.12 billion) in state subsidy approved by the European Commission in 1994, the last tranche of which was paid in April. The case, filed by BA, **TAT European Airlines, S.A.**, **SAS (Scandinavian Airlines System)**, **KLM (Royal Dutch Airlines, N.V.)**, **Air U.K., Ltd.**, and **Euralair, S.A.**, will be heard by the European Court of First Instance at Luxembourg. The governments of the U.K., DENMARK, Sweden, and Norway also support the plaintiffs.

On May 7, the legal battle over BA's request to move to Paris (ORY) to get away from the next-door check-in counter of **Air Algerie, S.A.** is resumed. BA continues to argue that Air Algerie's security is insufficient, while French authorities continue to refuse the airport transfer request.

Announcement of the "Star Alliance" on May 14 between **United Airlines, Deutsche Lufthansa, A.G., SAS (Scandinavian Airlines System), Thai Airways International, Ltd., and Air Canada, Ltd.** brings a surprisingly positive reaction. As its share price rises on the London Stock Exchange, BA has renewed hope that its alliance with **American Airlines** will win regulatory clearance.

A service dispute with Nigeria erupts on May 15 when the U.K. Department of Transport bars Nigerian aircraft from landing in Britain due to safety concerns. In retaliation, Nigeria requires that BA halt its daily B-747-136 flights to Lagos and its thrice-weekly DC-10-30 service to Kano. The British line flies Nigeria-bound passengers to Accra in Ghana, from which they are able to make arrangement for air charter or ground transport into Nigeria.

To help celebrate the tenth anniversary of privatization, the airline, on May 19, announces that 58,000 workers will each receive a bonus in cash and BA shares worth £1,100.

On May 21, BA sells the last of its 14.5 million 22.5% stake in **US Airways** to the public for \$499 million, or, \$34.50 per share. The sale comes about through an agreement with Goldman Sachs & Co. Work begins at the end of the month on a \$100-million upgrade and expansion of the company terminal at New York (JFK); the project is slated for completion in mid-1999.

The May general election sweeps the Labor Party into power and Tony Blair becomes prime minister. The immediate effect of the voting is to require that the BA-AA alliance question be put on hold while new government ministers are appointed. **Virgin Atlantic Airways, Ltd.** Chairman Branson, however, still finds something to complain about when, at the same time, the British Airport Authority signs a tentative agreement with BA that will provide the carrier and its alliance partners occupancy of the proposed fifth new terminal at London (LHR).

Late in the third week of May, EU Competition Commissioner Van Miert meets with Margaret Beckett, Secretary for Trade and Industry in the cabinet of the new U.K. Labour government, to once again oppose the BA-AA alliance.

As part of its new business efficiency program, the company announces that it has reached pay cut agreement with one of its two cabin crew unions; the other, the Transport and General Workers Union, demands a strike vote of its membership.

At the same time, BA World Cargo staff agree to the two-year salary freeze of January 1 and the loss of 400 positions in exchange for a promise from the airline not to outsource its freight operation.

With regard to outsourcing, the company now announces plans to sell its Heathrow flight kitchen, without job losses. It also begins to make its engineering department more efficient by selling its landing-gear, wheel, and brake overhaul divisions, outsourcing information technology systems, and investing \$32 million in a new profit center built around pneumatics and hydraulics. Plans to convert the engineering department into a free standing subsidiary company are put on hold until the Millennium.

During the same month in Philadelphia, BA becomes the first major airline to host a booth at the annual convention of the Gay & Lesbian Travel Association. There it is announced that, as part of BA Holiday's "Affordable Africa" inclusive tours this summer, two dedicated gay and lesbian safari packages to South Africa will be offered.

The carrier's U.S. general manager in New York, Barbara Cassani, is covertly asked by CEO Ayling to return to the U.K. during the month. She is to undertake a study concerning the possibility of establishing a low-cost carrier that will be able to compete with **Ryanair, Ltd.**, as well as the likes of **easyJet, Ltd.** and **Debonair, Ltd.** Like others in Europe who have travelled the deep-discount path, Cassani immediately begins her review with an examination of **Southwest Airlines (2)**.

Toward the end of the month a near tragedy occurs at Chicago (ORD). While on its takeoff roll down runway 14R, a B-747-436 with 335 passengers is ordered to abort its liftoff when wind causes a **United Airlines B-737-322**, with 58 passengers, to land long on intersecting runway 27L directly in the path of the Jumbojet. Blowing 6 tires, locking up 12 brakes, and stunning all aboard, the heavily loaded British jet screeches to a stop just 2,000 ft. from the little Boeing.

At the beginning of June, the company introduces a new line of health care products, developed by the London-based Body Shop, to its World Club business-class passengers as part of a "Well Being in the Air" program.

The U.S. Senate's Commerce Committee opens hearings on June 5 concerning the BA-AA alliance and the majors encounter significant opposition in testimony given to the lawmakers. The Government Accounting Office recommends that the two give up a number of valuable landing rights at Heathrow Airport in order to increase competition on transatlantic service into the British airport. The Department of Transportation testifies as to its desire to reach an "open skies" agreement with the U.K. which would allow carriers of both countries to fly to and beyond the two countries.

In a controversial move unveiled on June 10, the carrier abandons its previous corporate identity and livery in favor of a new "global" look. In a worldwide marketing effort that includes simultaneous satellite transmissions to 126 locations in 63 nations, the company introduces its new "World Images" livery on 15 repainted B-747-436s and several B-757-2YOs. The first Jumbojet opened to the media is dedicated to Emmly and Martha Masanabo, women of the Ndebele peoples of South Africa while the first B-757 wears a design based on the woodcarving of the Tla O Qui Aht Native Americans of northwest Canada.

Although the British Airways name is retained on aircraft fuselages (all of which, save Concorde, have pearl white tops and navy blue bottoms), the historic angular red speedbird is superseded by a red and blue ribbon-shaped three-dimensional speedmarque, designed by the London-based design firm Newell and Sorrell, Ltd. The most gripping change involves some 50 different new tail designs. Gone is the stylized Union Jack and airline crest introduced during privatization in the early 1980s, replaced by ethnic artwork from artists, sculptors, and calligraphers from around the world.

Tails will display such things as a Polish folk-art design, a geometric pattern from South Africa, a Pacific Northwest wood carving, and a Dutch stencil. The Concorde will be given a highly stylized tail image representing the British Union Flag, based on the ensign flown by Adm. Horatio Nelson at the 1805 Battle of Trafalgar. In each case, the color scheme extends below the fin to encircle the rear fuselage.

This campaign is designed to suggest that the airline is "reaching out" to travelers in every country it serves, what CEO Ayling terms "not just a British airline but a global airline based in Britain." It is noted that 12 aircraft, new or repainted, will be added in the new livery annually through the year 2000. Although the design change costs \$3.3 million and the three-year introduction will demand \$98 million more, most of these figures would have been expended on repainting costs anyway.

It is anticipated that the designs will be applied to other company assets, including ground vehicles, check-in counters, ticket wallets, and uniforms, and will lead to a number of marketing opportunities. "British Airways Express" partners will apply similar or modified versions.

The EU Competition Commission announces on June 12 that it will rule on the proposed alliance with **American Airlines** before November 30.

During the second half of the month, 9,000 ground handlers at Heathrow and Gatwick Airports are balloted concerning a job action. To prepare the manpower needed to carry on during any strike, BA dispatches 2,000 managers to airports abroad and RAF bases in the U.K. for training in a variety of skills necessary to operate the carrier.

On the last day of the month, ground staff vote to strike over company plans to transform its catering service into a separate profit center. Cabin crews also vote, 75% to 25%, in favor of a job action if their pay is not increased. The reasons for a strike expressed by the two groups only

scratch the surface of employee discontent over downsizing, outsourcing, and even the new, but expensive, corporate identity redesign.

Others, it turns out, are also displeased with the livery makeovers. *The Weekly Telegraph* reports that the BA exhibit at the Conservative Party conference of a model Boeing 747 featuring a design honoring the Ncoakhoe tribe of the Kalahari draws the ire of Lady Margaret Thatcher. The former prime minister describes the concept as "terrible" and wraps her handkerchief over the model's tail to hide it. "We fly the British flag, not these awful things," she informs BA's corporate resources director, David Holmes, asking him, as she leaves, to tape her camouflage in place. Rival **Virgin Atlantic Airways, Ltd.**, meanwhile, adopts the Union Jack as its own symbol.

On July 1, Ft. Lauderdale-based **Laker Airways** files suit against BA in U.S. District Court for the Southern District of Florida charging that the U.K. major is barring Laker from obtaining commercially viable landing and takeoff slots. He also charges that BA is refusing to enter into the same standard interline ticketing and baggage agreements that it has with 150 other competitors.

Claiming that BA is violating U.S. and Florida antitrust laws, Laker seeks treble damages, a preliminary injunction, and a permanent injunction against BA, as well as better takeoff and landing slots, and standard interline ticketing and baggage agreements. Florida Attorney General Robert Butterworth meets with both sides in his office on July 9 to resolve their difficulties.

Also by the first of July, 5 B-777-236s and 7 B-777-236 IGWs are in hand. The lease on one **Flightline, Ltd.** BAe 146-200 is renewed; the other is returned. Negotiations between the carrier and the British Airlines Stewards and Stewardesses Association (BASSA) designed to prevent a job action break down on July 6, even as a breakaway splinter group known as Cabin Crew 89 agrees to a pay deal. Union officials in rejecting a management-proposed contract announce a three-day strike and the new Labour Prime Minister Tony Blair refuses to mediate the dispute. The carrier unwisely suggests that it will break any strike with nonunion labor.

A bright note for the company is a decision made by ground workers not to strike over the carrier's decision to sell off its catering operation; both sides agree to discuss the situation. On July 7, the major increases its stake in **Deutsche BA Luftfahrtgesellschaft, GmbH.** from 49% to 65% by purchasing the 16% shareholding of Munich-based Bayerische Verinsbank, A.G.

The scheduled industrial action begins at 12:01 a.m. on July 9; the carrier is able to complete eight nonstop flights from London to New York (JFK), but cancels four others: two from JFK to Heathrow Airport; one from JFK to Gatwick Airport; and one from Newark (EWR) to Heathrow. At London (LHR), nearly 70% of all BA flights are cancelled.

BA threatens to fire the cabin crews on job action and files suit against the Transport & General Workers' Union. Acting in support of their British colleagues, **Air France** workers bring Charles de Gaulle International Airport to a standstill and words of encouragement to union leaders are received from U.S. labor unions and the civil aviation division of the Brussels-based European Transport Workers' Federation.

By July 12, the carrier's domestic and international schedules are in shambles; although BA continues to fight through the dispute, it has been forced to cancel 75% of its domestic and European flights and half of its intercontinental services.

Excluding those out on sick leave, most cabin crew begin to return to work on July 13 after the company agrees to reopen negotiations with their union. The BASSA want their proposals accepted, which are an alternative to BA's effort to effect \$70.5 million in labor savings. Meanwhile, company shareholders at their annual meeting criticize CEO Ayling not only for the airline's labor problems but for its new livery as well.

While on approach to London (LGW) on July 16, a B-737-436 nearly collides with a Russian Ilyushin Il-76 tanker and two Sukoi Su-30 fighter planes.

The code-sharing Millennium agreement with **Qantas Airways (Pty.), Ltd. (2)** is expanded during July as both carriers now begin to

sell seats on the other's services. Qantas begins dual-designator service with BA on the latter's flights from London (LHR) to Aberdeen, Amsterdam, Belfast, Edinburgh, Glasgow, Manchester, Paris, and Vienna. BA, in turn, is allowed to share its code on Qantas services from Sydney to Adelaide, Canberra, and the Gold Coast; from Melbourne to Adelaide and Hobart; and from Perth to Adelaide.

Also during the month, BA exercises options for 5 more B-777s for delivery between September 1998 and April 1999, and 3 B-767s, to be received in April-May 1998.

A wide-ranging new strategic partnership between **Iberia Spanish Airlines (2)** (**Lineas Aereas de Espana, S.A.**) and **American Airlines** is tentatively concluded at the end of July. Under its terms, AMR Corporation, American's parent, will acquire a 10% stake in Iberia's owner, SEPI, which also controls the Argentine carriers **Aerolineas Argentinas, S.A.** and **Austral, S.A.**, and lead an effort to find additional investors who will purchase up to 35% additional shareholding. In addition, Iberia and American will begin to share codes on flights from Spain to the U.S. and link their frequent flyer programs. In South America, American would establish reciprocal frequent flyer arrangements with both **Aerolineas Argentinas, S.A.** and **Austral, S.A.** and code-share on certain of their internal routes.

Meanwhile, BA and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent flyer program linkage and code-sharing on routes between Madrid and London. Negotiations will drag on for months.

Significant opposition to the AMR-BA-Iberia arrangement quickly materializes from **Continental Airlines** and **United Airlines**, which fear not only a BA-AA linkup, but the potential domination of Latin American routes by the Dallas (DFW)-based megacARRIER.

As July ends and August begins, company cabin crew continue to call in sick at a higher than usual rate, forcing the carrier to cancel a number of short- and long-haul flights. Talks between BA and the cabin crew union continue along with the growing cost of the lingering job action. Earlier estimates of £80 million in losses are upgraded to £125 million.

During the first week of August, BA officials hire the market consultancy Howell Henry Caldecott & Lewry to investigate the possibility of establishing a low-cost, no-frills airline to compete with **easy-Jet, Ltd.** and **Debonair, Ltd.**, which have begun to cut into the major's markets.

On August 19, **Virgin Atlantic Airways, Ltd.** Chairman Branson goes before the U.S. House of Representatives' Committee on Transportation and Infrastructure to again condemn the proposed alliance between **American Airlines** and BA. Ammunition is provided in a position paper from the EU Competition Commission, which demands that BA relinquish 350 weekly Heathrow slots as a condition of EU approval.

While operating a replacement service into London (LHR) from Brussels on behalf of **Sabena Belgian World Airways, S.A.** on August 27, **Virgin Express Airlines, S.A.** Sabena Flight 603 experiences a near miss. The B-737-229A with 29 passengers and on ILS approach, comes within 200 ft. horizontally and 600 ft. vertically at 2,400 ft. with BA Flight 818, a departing B-757-236 with 29 aboard. Both aircraft, in cloud, respond to ATC instructions and avoid disaster, although the near miss is caused by initially faulty ATC.

In September, BA presses ahead with a plan to save £1 billion (\$1.59 billion) per year annually through 2000. The entire fleet of 14 B-747-100s, plus their spare engines, are sold to AMR's Aircraft and Engine Group and will be turned over beginning next year. In addition, EDS is given a \$56 million, 10-year contract to develop and install an information technology system in the carrier's new global accounting center. Once operational, the new system is expected to bring a 30% reduction in accounting costs.

BA Catering orders Systems EES, manufactured by the Swedish-based Industri-Matematik International, A.B. Installation of the system is expected to help the carrier save £400 million per year by tracking distribution. There will no longer be eight toothpicks for every passenger flying out of Nairobi, Kenya, as reported in the October issue of *Air Transport World*.

On September 12, the carrier and its cabin crew union come to terms. BA drops its sanctions against the 300 employees actively involved in the \$199-million strike while the union agrees to \$66.8 million in new cabin crew cost savings that include rescheduled hours and lower starting salaries for new cabin crew.

The stock of BE Aerospace, Inc. falls 17% after the airline confirms on September 16 that it will not purchase the manufacturer's upscale in-flight video system. To help boost bookings in the wake of its summer sale, the company, on September 19, announces that it will cut fares for travel in November by up to 35% for those purchasing tickets before October 31.

During the third week of September, EU Competition Commissioner Van Miert refuses to compromise requirements for approval of the BA-AA pact; to win approval, the two must relinquish 353 weekly departure and arrival slots to other carriers wishing to compete with the alliance. The two argue that, should they be forced to reduce any slots, they have the right to sell them, rather than just have them handed over to competitors. Meanwhile, the two continue to work together on the peripheries of the agreement, utilizing enhanced frequent flyer benefits and joint pricing on certain routes.

Another important capacity move is made during the month when the company approaches the Civil Aviation Authority for permission to lease B-747-476s from alliance partner **Qantas Airways (Pty.), Ltd.** for daytime use. The idle Jumbojets arrive at Heathrow Airport in early morning and do not return until evening.

Simultaneously, in an effort to counterprogram for the new **Ansett Australia (Pty.), Ltd.-Air New Zealand, Ltd.-Singapore Airlines, Ltd.** alliance, Qantas and BA also seek regulatory clearance to extend their code-sharing program to services on The Kangaroo Route from seven Australian cities to London via Singapore.

A collision between a company B-777-236 taking off from New York (JFK) on September 27 and an arriving **Tower Air** B-727-212B is narrowly avoided; the two wide-bodies have 200 feet of vertical separation and 1.3 miles of lateral separation.

Three days later, on September 30, BA sends shockwaves through the business and tourist industries located in the Scottish Highlands. Ian Reid, general manager for Scotland, announces at a news conference that the major will switch its Inverness to London (LHR) route to London (LGW) and franchise it to its subsidiary **British Regional Airlines, Ltd.** and operate it with BAe 146-200s. Despite the transport of 214,000 passengers over the route the previous year, BA declares that it has lost £8 million since beginning the thrice-daily service in 1992. The move, as might be expected, causes a flurry in northern Scotland and provokes a strong protest from the members of a newly established pan-Highland pressure group that includes Highland Council, Highlands and Islands Enterprise, Scottish Council Development and Industry, and the Inverness Chamber of Commerce. Chairman Stelios Haji-Ioannou of rival **easyJet, Ltd.** indicates that his carrier will launch a new daily roundtrip from London (CTN) to Inverness to help fill the gap left by BA.

On October 1, BA sells its wheel and brake repair and overhaul subsidiary to Allied Signal Aerospace; the transfer, effective January 1, includes a decade-long contract for repair and overhaul of the wheels and brakes of BA aircraft. It also transfers its short-haul and long-haul kitchens at Heathrow Airport to the Gate Gourmet unit of SAirRelations for £65 million.

During the month, work begins on a new \$143-million terminal at New York (JFK); check-in areas, lounges, and road access will all be expanded. Alliance partner **Qantas Airways (Pty.), Ltd.** joins with the company to expand dual-designator flights from London to Australia via Singapore. At the same time, an agreement is signed with Mastercard International giving cardholders airline mileage awards every time they use their card.

This year's Poppy Appeal campaign, again sponsored by the airline, is launched during the last week of October by the Spice Girls at Royal Albert Hall, with Dame Vera Lynn.

Weekly return service starts on October 28 from London (LGW) to Cancún, Mexico.

On October 28, BA announces major changes to its services linking Aberdeen with Birmingham and Manchester. From July next, the de Havilland Canada DHC-8-301s of **Brymon Airways, Ltd. (2)** will replace the **British Regional Airlines, Ltd.** ATPs currently employed. The new Brymon services are expected to create 100 new jobs within the BA organization, with 75 of them in Aberdeen. Frequencies to Manchester will increase from four to six each day, while those daily services to Birmingham will jump from two to three.

The first 100 passengers in line at the carrier's Pittsburgh check-in on October 30 are invited to pay what they weigh—pound for £—to travel roundtrip to London. The special offer tickets must be employed between November 7–December 9 or January 11–31. All of the funds collected are turned over to The Children's Hospital of Pittsburgh.

After losing \$11 million on the route over the past three years, BA, on November 1, ceases its nonstop roundtrip service from Glasgow to New York (JFK) and Boston's Logan Airport. CEO Ayling expresses his hope that, once the BA-AA alliance is approved, nonstop services between Scotland and the U.S. can be resumed.

On the other hand, on the same day it expands its pact with **America West Airlines**, adding Las Vegas and Columbus, Ohio, as connecting points on the dual-designator London service.

With a stylized poppy designed by Newell & Sorrell painted on its tail in honor of Remembrance Day, a refurbished B-737-236A begins flying from London (LGW) on November 7; the aircraft will fly U.K. routes until Christmas with the Royal British Legion motto "Pause to Remember" on its fuselage.

Company officials must admit, during the second week of November, that the hoped-for alliance with **American Airlines** will not be in place in time for the start of the 1998 summer travel season. Without government approvals, it is impossible for the two to schedule a hearing before the IATA slot committee (which sets international airport slot arrangements) when it meets in early December.

Meanwhile, diplomatic negotiations involving the U.S. and British governments and the European Commission, which has taken a hard line on competition, continue toward an EC preliminary recommendation goal of January 1, followed by a final decision on April 1. U.S.-U.K. discussions on a new "open skies" bilateral air agreement remained stalled.

The Inverness to London (LGW) route is handed over to **British Regional Airlines, Ltd.** on November 15.

On November 18, the decision to form a low-cost, no-frills airline early in 1998 is announced; it will compete against the several discount carriers taking wing in the U.K. and on the Continent. The autonomous company, tentatively named Blue Sky, will have its own employees and management team, headed by Managing Director Cassani, who has been studying start-up possibilities since May.

The start-up will fly from Stansted Airport to points in Scandinavia, France, and Germany with a fleet of leased B-737-200s. Competitors denounce the BA strategy and **easyJet, Ltd.** Chairman/CEO Stelios Haji-Ioannou threatens a lawsuit. During the last week of November, the discount airline's Managing Director Cassini consults with the London image consultancy Wolff Olins on a realistic shortlist of marketing names.

Also during November, Australia's International Air Services Commission, in a draft ruling, determines that the carrier's plans to code-share with **Qantas Airways (Pty.), Ltd.** over routes to London via Singapore, will not prove beneficial and therefore rejects the request. It defers a similar application to fly to London via Bangkok.

The first B-737-236 repainted in the carrier's new ethnic color scheme is unveiled on December 1; it sports a Chinese inscription on its tail that provides directions on how to make a cup of tea.

A large fire breaks out in Terminal One at Heathrow Airport on the morning of December 12, forcing the cancellation of numerous of the carrier's domestic and international flights. After the efforts of the

London Fire Brigade and the Heathrow Airport Fire Service, Terminal One is reopened at 1 p.m.

The first of three new B-757-236ERs is delivered in December.

The Australian International Air Services Commission, facing protest from the airlines, Australian tourism council, and the state of Queensland, reverses its November decision and grants permission for BA and **Qantas Airways (Pty.), Ltd.** to launch dual-designator return service from London to Australia via Singapore.

Also during the month, the sale of the Heathrow catering units to Gates Gourmet is completed; 1,200 employees are transferred to Gates. Meanwhile, Paul Giblin, the general manager for Germany—the company's third largest market after the U.K. and U.—transfers to **Deutsche BA Luftfahrtgesellschaft, GmbH**. BA selects Robert Kujala, general manager of operations at London Heathrow Terminal One, for the position.

At year's end, officials prepare to open a new \$403-million automated cargo center at London (LHR) in January; the new facility will allow the British major to double its mail and cargo capacity.

Customer bookings for the year inch up 1.6% to 34,159,000; cargo figures are not available. It is reported that air crews have dealt with 260 disruptive passengers during the year. Operating revenues move up 3.4% to \$14.34 billion and costs hit \$13.5 billion. The operating gain dips to \$836.64 million, while net profit falls to \$962.8 million.

At the beginning of 1998, BA is the 3rd largest airline in the world in terms of operating revenues, 4th in net profit, 5th in employee number, 6th in operating profit, 8th in fleet size, and 9th in passenger boardings.

The 248 planes in the fleet are 85.1% Stage III certified and include 7 Concorde, 65 B-737s, 69 B-747s, 49 B-757s, 25 B-767s, 15 B-777s, 10 A320s, and 8 DC-10-30s.

A report published by the London *Observer* on January 11 and transmitted worldwide via the BBC, states that a Concorde, inbound to London (LHR) from New York (JFK) on January 3, had called in a fuel "Mayday" alert that was picked up by plane enthusiasts monitoring radio communications. A BA spokesperson blames the extraordinary situation on high winds that had caused flights to stack up for up to 90 minutes; it was necessary to alert ATC concerning the SST's fuel situation in order that it might be given priority.

A new strategic alliance is entered into with **LOT Polish Airlines, S.A.** in January; dual-designator flights are planned and discussions begin concerning a possible equity agreement in the Warsaw-based flag carrier by the British giant.

Virgin Atlantic Airways, Ltd.'s application to fly from London to Las Vegas made the previous fall is turned down by the CAA in January. The regulatory body awards the last nonstop U.K.-U.S. route to BA, which had also requested permission to fly from London to Denver. Chairman Branson reacts angrily and promises to appeal the government's "anticompetitive" decision.

At the same time, the company begins moving from Speedbird House, the original **British Overseas Airways Corporation (BOAC)** headquarters opened at Heathrow Airport in the late 1940s, to a new £200-million (\$380-million) base located on 280 acres outside the airport. When dedicated in a public ceremony led by Prince Charles in late September, the new Waterside complex will have as its central feature a main street connected by bridges to levels of offices on either side.

An incident occurs at Heathrow Airport on January 25 when an unnamed foreign airliner fails to recognize a company A320-211 bound for Copenhagen as a group of planes move towards the runway. It is normal ATC procedure for controllers to give taxiing planes directions in relation to aircraft around them and the CAA concludes that the carrier's new livery makes incorrect identification possible.

On January 26, ticketless travel is introduced on all routes from the U.K. to Germany and on return from Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg, Munich, and Stuttgart. On January 30, a company jetliner en route to Japan has among its passengers 50 members of the British Olympic bobsled and curling teams.

At the end of the month, the carrier announces that the name finally chosen for its low-cost unit will be GO. The new unit will be based at London (STN) and commence operations later in the spring with 8 B-737-300s leased from the parent and elsewhere. The division's new World Wide Web site is unveiled.

easyJet, Ltd. Chairman Haji-Ioannou calls for an investigation of the new entrant by the CAA, calling it a camouflaged ploy designed to drive the other British discount operators out of business before again raising ticket prices. He specifically seeks a court injunction against the new operation, pointing to BA's guarantee of leases on 8 B-737-300s and claiming that the pledge will allow the new entrant to obtain the aircraft at below market value, a move which is against European Union law.

Another case of livery confusion occurs on February 3 when a taxiing B-747 from another concern fails to identify a British Aerospace BAe 146 of **Manx Airlines, Ltd. (2)**, which is wearing one of the new color schemes. A call comes from members of the Transport Select Committee of the House of Commons for hearings on the safety aspects of the already heavily criticized livery.

In just 82 minutes on the evening of February 11, 6 million people jam BA's Valentine's Day Love Line seeking to win 100 £14-roundtrip tickets for two to New York, which will be honored on February 13-16. The prize, worth £2,500, includes three nights at a four-star hotel.

Late in the month, the company rejects **easyJet, Ltd.**'s claims that it will abuse its dominant market position by cross subsidizing GO by guaranteeing the new unit's leases for 8 B-737-300s.

At the same time, the £2-billion (\$3.2-billion) fleet renewal plan is revived as BA asks both Boeing and Airbus to recommend "creative" ways to meet such a funding goal.

At month's end, the company announces that it will equip 100 of its long-haul jetliners with a Rockwell Collins in-flight entertainment system.

Discussions continue in early March with **Iberia Spanish Airlines (2) (Lineas Aerea de Espana, S.A.)** concerning an equity stake. BA wishes to take 25% shareholding, but 5% is all the Spanish are willing to offer.

On March 4, a joint marketing pact is entered into with **Finnair O/Y**. In addition to frequent flyer program integration, the agreement allows for code-sharing on 15 daily return flights from London (LHR) and Manchester to Stockholm and on to Helsinki.

The next day, the company donates £2,000 to the London Fire Brigade and the Heathrow Airport Fire Service in appreciation for their prompt assistance with the Terminal One fire in December. Both groups donate their checks to charity.

The Commerce Committee of the U.S. Senate again holds hearings in mid-March that focus upon the proposed BA-AA alliance. Following presentations by CEO Ayling and AA Chairman Crandall, Assistant Attorney General Joel Klein indicates that, unless the two companies surrender a significant number of gates and slots at London (LHR), the U.S. Justice Department will recommend to the DOT that it disapprove the partnership.

A B-777-236 is placed on the company's long-haul service from London to Dallas (DFW) on March 25. To promote the new flight, the company announces a week earlier that the first 100 customers at the Dallas (DFW) ticket counter that day will be able to purchase a roundtrip economy-class ticket to London "paying what they weigh." All proceeds are donated to the Texas Scottish Rite Hospital for Children.

Later in the month, service is resumed to the Ivory Coast after an eight-year hiatus; twice-weekly B-777-236 roundtrips are operated between London (LGW) and Abidjan via Accra. In addition to passengers, the company hopes to increase its cargo services into the West African nations by filling the 20-ton cargo holds of the Boeings with freight.

Dual-designator service begins with **Finnair O/Y** on March 29 on 15 daily return frequencies from Heathrow Airport and Manchester to Stockholm and Helsinki. Codes are also shared on a new twice-daily BA service from London (LGW) to Helsinki.

Also on this first day of the summer season, 40 extra flights are added each week to the existing European network, with new routes stretched to Ljubljana, Trieste, and Vilnius from Gatwick Airport and to Stavanger from Heathrow.

The largest increase in capacity is on flights to South America, Central America, the Caribbean, and North America. In addition to the launch of new services to Cancún and Tobago, new frequencies are added to Buenos Aires, Santiago, Barbados, Rio de Janeiro, São Paulo, Tampa, Nassau, Grand Cayman, Seattle, Orlando, Newark, Bermuda, Toronto, San Juan, Kingston, and Montego Bay.

In the Middle East and Africa, the airline continues to grow its network with the initiation of a new daily service to Doha, Qatar, and a twice-weekly service to Abidjan. Capacity is also increased to Dubai and nonstop service to Abu Dhabi is started.

Due to a lack of traffic, the carrier's thrice-weekly flights to Seoul are suspended at the end of the month. With a new code-sharing partnership with **Asiana Airlines, Ltd.**, BA will continue to serve the South Korean capital via Tokyo and Hong Kong. At the same time, service to Colombo, Sri Lanka, from London ends and plans for a sixth weekly service from Heathrow Airport to Osaka (KIX) are shelved. The same day, smoking is banned on all company flights.

The service cuts are partially offset on April 1 when the company increases its frequencies to Singapore to twice daily, two extra weekly flights are routed to Brisbane, and an extra weekly flight is added to Jakarta, Kuala Lumpur, and Beijing.

The last 35% stake in **Deutsche BA Luftfahrtgesellschaft, GmbH** is purchased in April, making the German airline a 100% wholly owned subsidiary. Also during the month, a 2-year accord is reached with the carrier's 14,000 cabin crew members, while 6 unions representing 15,000 staff also accept an agreement. Both groups will receive an immediate 4.2% pay increase, with 0.5% above inflation in 1999.

The low-cost unit, GO, releases its inaugural schedule. Seeking to avoid direct competition with its discount rivals, GO will fly from London (STN) to Rome, Copenhagen, and Milan. Only **Debonair, Ltd.** flies a similar route, London (CTN) to Rome. One-way fares will be just £100 (\$160).

On April 21, the company introduces sales of electronic ticketing for flights operating May 11 from London (LGW) to San Diego, Phoenix, Houston (IAH), Dallas (DFW), Atlanta, Orlando, Charlotte, Baltimore (BWI), Pittsburgh, and Bermuda. It also announces that it will retire its fleet of 8 DC-10-30s now operating long-haul services from London (GTW); 2 will be returned to lessors and 6 put up for sale.

The company now announces plans to invest £20 million (\$32 million) to equip its entire fleet with Allied Signal's Enhanced Ground Proximity Warning System (EGPWS) avionics.

The carrier closes all 17 of its U.S. ticket agencies on May 1, preferring to rely on the Internet. Also in May, the **Finnair O/Y** code-share is deepened to allow an additional daily dual-designator flight on the Finnair service between Manchester, Stockholm, and Helsinki.

On May 7, the company announces that it must delay the launch of its new daily service to Denver from Gatwick Airport from June 1 to August 1 because it is still awaiting approval for the new route from the U.S. DOT.

Also on May 7, Capt. Jock Lowe, the world's longest serving Concorde pilot and commercial manager for the Concorde at BA, is installed as president of the Royal Aeronautical Society.

During the second week of May, a U.K. high court denies a request from **easyJet, Ltd.** for an immediate injunction to prevent BA from guaranteeing the leases of "Baby Boeings" that will be employed by the low-cost GO division. It does, however, promise that, within two months, it will hear easyJet's original complaint regarding the major's unfair subsidization of GO through aircraft charter guarantees. At the same time, GO, acting on its own behalf, enters into a five-year contract with FLS Aerospace to provide total maintenance of its aircraft.

As the political situation in Indonesia has disintegrated over the previous week, BA operates a special evacuation flight for 268 U.K. citi-

zens from Jakarta to Kuala Lumpur on May 19. As other airlines and many businesses desert the city's business center, the foreign ministry and Indonesian authorities hail BA's Claire Hatton. The story of her effort to help more than 2,000 people flee the country while keeping the Jakarta BA office open is related by the BBC later in the day. The next day, a regularly scheduled B-747-436 operates as scheduled, with its crew reporting the situation around Jakarta Airport as calm, even as Ms. Hatton's BA team finally shuts down the company's central city offices.

With all of the pieces in place (including £2 million in booked business), GO launches services from London (STN) to Milan and Rome on May 22 with 3 B-737-340s, which wear snow white fuselages and black "go" markings, along with the word "go" inside small green tail logos. Having "a bit of fun," **easyJet, Ltd.** Chairman Haji-Ioannou and six colleagues, all dressed in bright orange company overalls, are passengers on the first GO Rome service.

To assist its passengers, GO offers inexpensive rail tickets for train and coach travel to and from Stansted Airport and runs its own bus service from Rome's airport to the central city.

In competition with GO, **Virgin Express-Eurobelgium Airlines, S.A.**, also beginning on May 22, inaugurates deep discount service from London (STN) and Rome. It announces that, beginning on May 23, flights to Milan and Copenhagen will begin on June 5. VE does not compete directly on any routes, but offers fares from Stansted via Brussels to Rome, Milan, Copenhagen, Madrid, Barcelona, and Nice for £98 pounds return, with direct flights to Brussels priced at £78 return.

Under the leadership of Assistant Attorney General Klein, the U.S. Justice Department now issues an advisory ruling under which it recommends disapproval of the proposed BA-AA alliance to the DOT unless the pact is "significantly restructured."

An hour into its May 25 service to New York, Flight 3, a Concorde with 9 crew and 53 passengers, loses a "small section" of a control surface at the back end of the 83-ft. wing. The aircraft returns to London (LHR) where a safe emergency landing is made as emergency services stand by. All of the passengers are put up in hotels for the night as the aircraft is repaired; Flight 3 is completed next day without incident.

Also during the month, the carrier's pilots union meets with its colleagues from **American Airlines** to discuss ways in which they can cooperate. On May 31, GO's £100 introductory flat ticket fare ends, although executives note that it will continue on some seats as part of a new fare structure. It is also announced that £500,000 in bookings had been sold in just the past nine days, with every departing flight full.

It is widely expected that **British Airways, Ltd. (2)**, with which **Malev Hungarian Airlines** has been holding strategic discussions, will succeed **Alitalia, S.p.A.** in the privatization process. In May, the Malev board turns down a draft equity contract with BA because the terms offered do not allow for sufficient integration of Malev into the British carrier.

A strategic marketing and code-sharing partnership is entered into with **Malev Hungarian Airlines** on June 1. Efforts continue to persuade BA to integrate Malev more than is common in strategic alliances.

While **easyJet, Ltd.** and **Debonair, Ltd.** attempt to limit GO via legal and regulatory means, an even stronger competitor threatens to take it on head-to-head in the marketplace. In a speech before the Aviation Club at London on June 1, Michael O'Leary, CEO of Dublin-based **Ryanair, Ltd.** pledges that his concern "will compete with lower fares rather than wait for the bureaucrats in Brussels to rescue us."

To help cope with additional demand caused by the strike at **Air France**, BA, on June 2, begins to increase its capacity on some London-Paris flights for the remainder of the week by up to 50%. A mix of B-747-136s and B-767-236s are brought in to replace smaller B-757-236s on the three daily return services.

The latest expansion of the code-share partnership with **Canadian Airlines International, Ltd.** begins on June 2 with three weekly non-stop roundtrips between London (LHR) and Ottawa. BA will place its code on a CAI B-767-375ERs on Tuesdays and Saturdays and a DC-10-30ER on Sundays.

During the Norwegian ATC controller's strike from June 12–16, the carrier's flights to Norway are cancelled. An extra daily service is, however, operated to and from Goteborg, Sweden.

A number of competitors, including BA, which had brought the original complaint, rejoice on June 25. The European Commission issues a ruling that the \$3 billion in government assistance provided to **Air France** in 1994 had been illegal because it was linked to a restructuring plan and gave the flag carrier an unfair advantage over its competitors. The judgement in the French case has no bearing on any other aid given by European governments to their airlines or on the EC's state aid policy in general.

Also on June 25, the company joins with **American Airlines** in making a new proposal designed to speed acceptance of the planned alliance between the two majors. Under their new suggestion, the pact would be frozen until rival carriers are given 196 weekly takeoff and landing slots at London (LHR). The slots would not be taken from either BA or AA, but would be made newly available. Even as the proposal is filed with the DOT, competitors reject it, claiming that the two companies would still dominate the profitable U.S. to Heathrow market.

Also during the month, a long-term contract is signed with **Atlas Air**, under terms of which the American freight operator will fly a B-747-400F on behalf of the U.K. major.

Leading aviation barrister Robert Webb, who had won the **easyJet, Ltd.** High Court ruling in May and had previously represented **Virgin Atlantic Airways, Ltd.** during the 1993 dirty tricks libel action, is recruited on June 30 to serve, effective September 1, as BA's own general counsel.

In honor of the British World Cup team in its heroic June 30 contest with the Argentine national squad, CEO Ayling orders the team returned home on July 1 aboard a Concorde rather than the B-737 that had been originally scheduled.

A headline on the front page of the July 7 issue of *The Weekly Telegraph* reveals "BA Wants 'Aloof' Stewardesses To Be Less British." The accompanying story announces the new Kaleidoscope program designed to make flight attendants more "customer friendly" as part of the carrier's effort to market itself as a global airline.

EU Competition Commissioner Van Miert, also on July 7, offers tentative terms to AA and BA for the approval of their planned linkup. In order to avoid concerns of their dominance of the best positions at U.K. airports, the two majors will be required to give up 267 of their present weekly landing and takeoff slots at London (LHR and LGW). Additionally, if other carriers request it within six months after the alliance is launched, the two must also cut their frequencies from London to Dallas (DFW), Miami, and Chicago (ORD). AA and BA, simultaneously, object to the EU terms.

On July 8, the U.S. Justice Department begins an antimonopoly probe of the alliance between **British Airways, Ltd. (2)** and **American Airlines** announced on June 11 and seeks information from **Virgin Atlantic Airways, Ltd.** concerning its 1993 antitrust suit against BA.

Made by the British Broadcasting Corporation in cooperation with British airport authorities and BA three years earlier, the documentary *Airport* is first shown in the U.S. over Public Broadcasting Stations on Thursday evenings, July 9, 16, and 23.

Also on July 23, BA kicks off a new U.S. traveling exhibit "Ride the Rocket," dedicated to the supersonic Concorde, at New York City's Bryant Park. Contained in a 70-ft-long semi-truck, the vehicle provides 800-sq.-ft. for displays. In addition, a "Space Travelers" contest will be held at each city visited; the 50 best-dressed "Space Travelers" will receive a pair of free roundtrip economy-class BA tickets.

Before closing, the exhibit will be shown in Washington, D.C., Baltimore, Philadelphia, Jersey City; Pittsburgh, Detroit (DTT), Chicago (ORD), Denver, Phoenix, San Diego, Los Angeles, San Francisco, Seattle, Houston (IAH), Dallas (DFW), Orlando, Tampa, Miami, Atlanta, Charlotte, and Boston.

On July 24, the airline announces an extraordinary 23-day Concorde Grand World Tour to be operated April 5–28, 1999. Teaming up with

three of the world's most famous trains (Venice Simplon-Orient Express, Eastern & Orient Express, Great South Pacific Express), the \$64,000-per-head tour will enable 80 people to ride and fly to, through, and over 10 countries on 3 continents.

The carrier, on July 26, begins selling \$198 economy-class roundtrips on its new Denver–London route, now set to start on September 1. Within 48 hours, BA has sold 60% of the 197 economy-class seats at a discount on every flight between September 1 and November 28.

During July, reports begin to surface that, under terms of the rumored equity discussions, **Malev Hungarian Airlines** will have to forfeit its long-haul services to New York and Bangkok, and cease planning for Toronto and Beijing flights, in order for a pact to be signed with BA. Both airlines vigorously deny the allegations.

Still, the new Hungarian government steps in and puts a temporary freeze on Malev's privatization process (indeed, it stops all privatization efforts in Hungary). Still, both the airline and BA are confident that some arrangement will be completed, perhaps as early as August, with the British line acquiring a stake in Malev, or in the Hungarian state holding company APV.

A B-777-236 IGW lands at Lagos on July 29, signaling the end of a 14-month dispute between the U.K. and Nigeria over safety concerns. Five-times-a-week roundtrips are offered.

Thrice-weekly B-777-236 IGW roundtrips commence on August 9 between London (LHR) and Tehran. The service begins following safety and facility improvements at the hotel where crew members will stay while in Iran.

Dual-designator reciprocal service is launched on August 10 over the respective thrice-weekly BA and **LOT Polish Airlines, S.A.** routes between Manchester and Warsaw, as well as on LOT's two weekly return services between Gdansk and London (LGW).

Due to a 400% increase in air rage incidents during the past three years, the company, on August 19, announces a new disruptive behavior policy that will take effect on September 1.

On August 20, the company begins to code-share with **Malev Hungarian Airlines** on its six-times-a-week Fokker 70 services between Budapest and London (LGW). The carriers will not code-share on the London (LHR) to Budapest route, but discussions continue concerning the possibility of dual designator services from Birmingham and Manchester to Budapest.

In order to stem the company's losses on the route, BA announces on August 24 that it will suspend daily flights from Birmingham to New York and Toronto during the upcoming winter season.

Also on this Monday, the carrier places a £3-billion (\$5-billion) order with Airbus Industrie for 59 A321/A320/A319 aircraft for its European subsidiaries and routes, while remaining loyal to Boeing for its Jumbojet and B-777 long-haul requirements.

The next day, Prime Minister Blair, speaking at Toulouse, announces that, in fact, a \$14-billion order has been placed for 249 new Airbus Industrie aircraft to be delivered over the 7 years following September 1999.

Following several postponements caused by delays in receiving Washington approval, daily B-777-236 IGW roundtrip service is started on September 1 to Denver, the largest U.S. city not now served by a direct flight to or from London.

Based on the soccer penalty system, the company, on September 1, institutes a new program designed to cut down on air rage incidents aboard its flights. Drunk or abusive passengers will be handed a yellow-colored card that clearly warns them that its receipt is a last warning. Should miscreants fail to cease their disruptive behavior, they will be arrested upon landing and will be billed for diversion costs if their actions force pilots to land at the nearest available airport.

A deep-discount fare sale takes effect on September 7 for flights to the U.S. Through September and October, agents are able to offer one-way service from London (LHR) to Los Angeles for just £363. One-way frequencies to Boston or New York (JFK) can be had for £265.

Thrice-daily B-737-3Y0 roundtrips are inaugurated by GO on September 8 between London (CTN) and Edinburgh. The route is the first

domestic service provided by the deep-discount division, which enters direct competition over the distance with **easyJet, Ltd.** Additionally, frequencies from London (STN) to Milan and Copenhagen are increased from twice daily to thrice daily, while a new daily roundtrip is inaugurated between London (STN) and Bologna.

As the leased B-737-300s enter service, each is given highlighted "Go Today" titles atop an all-white fuselage. Each title has a different color accent (purple, red, green, etc.).

To help cut costs, the staff of **Flugfelag Islands, H.F. (2)/Icelandair, H.F.** at New York (JFK) is significantly reduced on September 15. From that date, Icelandair operations at JFK are handled under contract by BA, under the supervision of five Icelandair employees.

The carrier also competes with **Virgin Atlantic Airways, Ltd.** to win permission to launch a second weekly frequency from London to Capetown. On September 18, the CAA grants the South African frequency to BA. Virgin appeals the decision, pointing out that with 18 of the weekly services, the former state airline has become the dominant U.K. carrier on the route.

It is announced at a London news conference on September 21 that **Cathay Pacific Airways (Pty.), Ltd.** has joined its first airline alliance, the new "OneWorld" grouping established to compete with the "Star Alliance" headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by **American Airlines** and BA, which are battling to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.**, both of which already have marketing partnerships with AA and BA, are also charter members.

Leaders of the five companies indicate that they will coordinate ticketing and flight schedules, while cooperating on frequent flyer programs. Other carriers will be invited to join and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces its membership before the day is over.

One airline that will not be invited to join, **Virgin Atlantic Airways, Ltd.**, hires a truck with a sign painted on its side proclaiming "no way" and has it parked, illegally, outside the building where the "OneWorld" news conference is held. A spokesman for Virgin indicates that his airline will gladly pay the parking ticket to get its point over.

Service to and from Miami and Orlando is cancelled on September 25 in the face of Hurricane Georges. A memorandum of understanding is signed with **Nigeria Airways, Ltd.** on September 29 that allows for the resumption of U.K.-Nigeria service.

Since very few employees are watching, the BA-TV internal television service is discontinued at the end of the month.

Oil driller-passenger Neil Whitehouse, who has refused warnings from flight attendants and the pilot of a B-737 en route to Manchester to switch off his mobile phone, is arrested when the aircraft reaches its destination.

On October 1, it is announced that GO will double its staff to 400 and that it will lease 8 B-737-300s over the next 15 months, including 6 new models from GE Capital Aviation Services.

Also on October 1, BA, in conjunction with a British newspaper, offers a 50% discount on international flights with the collection of tokens. **Virgin Atlantic Airways, Ltd.** immediately moves to reduce its fares to certain international destinations by the same amount, in most cases undercutting BA's special rates. As part of the contest, the BA low-cost division GO cuts the cost of certain fares to Rome, Bologna, Lisbon, and Milan.

A lady flight attendant and a passenger who were aboard the first transatlantic BOAC jet service join celebrations at London (LHR) on October 4 to mark the fortieth anniversary of the Comet 4 flight.

While en route from London (LHR) to New York (JFK) during the day, Flight 001, a Concorde with 9 crew and 62 passengers, experiences a partial separation (40%) of the lower rudder while in cruise flight at 47,500 ft. over the North Atlantic off the coast of Newfoundland. The SST lands at its destination without incident and no injuries are reported.

After three days of unproductive talks, U.S. negotiators in London, talking to their British counterparts concerning an "open skies" bilateral air agreement, depart the conference on October 7. Complicating the talks has been a British demand that the U.S. accept without further delay the BA-AA alliance and U.S. insistence that the pact will not be given antitrust status until the British agree to "open skies."

With no further talks scheduled on the "open skies" accord, DOT officials, on October 9, cancel planned October 26 hearings on the proposed BA-AA alliance. American simultaneously puts out a press release indicating that it is committed to the BA relationship despite the failure of government talks. AA Chairman/CEO Carty does remind the public that the new "OneWorld" alliance will prove helpful to customers of both BA and AA.

On October 10, GO reduces all of its Tuesday, Wednesday, and Thursday midweek fares for the next two months. The promotion requires a minimum stay of two nights. The ticket price cuts include a reduction on the London (STN) return routes to Rome, Lisbon, and Bologna from £100 to £60; from London (STN) to Milan and Copenhagen from £100 to £50; and from London (STN) to Edinburgh from £70 to £40. The latter rate is carefully set as to remain £2 higher than that of competing **easyJet, Ltd.**

With the dispute between the NATO allies and the government of Yugoslavia deteriorating to a point where air strikes may occur, BA, on October 12, cancels its flights into Belgrade as a precautionary measure. Military action does not happen.

At the same time, a fare war erupts on the London-Copenhagen route as the result of a ticket price reduction by GO. Two days later, a newspaper in Uganda reports that the carrier will replace DC-10-30s on the Entebbe service with larger B-747-436s as of January 22.

Following a celebrity send-off, the 12th annual Dreamflight service departs London (LHR) for Orlando and Disneyworld on October 19. This year 193 incurably sick and disabled children from the U.K. and overseas, including two from Chernobyl and four from Hong Kong, are transported. Also during the day, BA leads an effort by several European airlines to delay implementation of an Italian government decree splitting service between the airports in Milan; Italian courts will reject the legal brief.

Just after midnight on October 21, a B-747-436 en route from Washington, D.C. (IAD) to London (LHR), makes an emergency landing at St. John's, Newfoundland, after the pilot reports smoke in the cockpit. It is determined that the "smoke" is, in fact, haze from a cockpit humidifier and the aircraft is allowed to proceed.

Having failed in its efforts to block split service at Milan, BA is forced to notify its passengers on October 23 that certain flights will be operated to Linate and others to the new Malpensa facility.

With the start of the winter schedule on October 25, a 14th weekly flight is started from London to Tokyo. In addition, a third direct route to Sydney via Kuala Lumpur is initiated, with a company B-747-436 replacing a B-767-338ER of dual-designator partner **Qantas Airways (Pty.), Ltd.** on the Malaysia-Australia segment. At the same time, a sixth weekly roundtrip is started between London and Cape Town.

Because the economic situation does not support five weekly flights to Jakarta, the number is now cut to two. On days with no direct flights, BA customers will be able to obtain connections at Singapore.

In Italy this Sunday, all 12 weekly roundtrips to Milan from Manchester and the twice-daily roundtrips from London (LGW) are switched to the new Malpensa Airport. Franchise partner **Maersk Air, Ltd.** continues to operate its 17 weekly return flights from Birmingham into Linate Airport.

easyJet, Ltd. Chairman Haji-Ioannou claims that the GO £40 promotional fare on the London (STN) to Edinburgh route is designed to drive his London (CTN) to Edinburgh service out of business. On October 27, he organizes a high-profile protest flight from London (CTN) to Brussels to deliver a formal complaint against his rival's ticket price to the European Union. In a statement, the discount airline's leader indicates that he has been forced to match the GO fare, which is believed to be predatory.

The price war between BA and **Virgin Atlantic Airways, Ltd.** continues through October 28. The next day, *The Financial Times* reports that BA will scale back plans for an alliance with **American Airlines** because the demand by regulators for the exchange of hundreds of takeoff and landing slots at London (LHR) in exchange for approval is too high. The journal suggests that the U.K. major will seek ways to integrate with American in phases.

BA denies the story and the existence of any plans for a scaled-back pact. Across the Atlantic at Dallas (DFW), however, an **American Airlines** spokesman confirms that the two majors have held discussions concerning a gradual phase-in of their transatlantic partnership in order to please regulators. While remaining committed to a full-fledged alliance, the two recognize that a slower integration would allow U.S. and British officials time to solve the Heathrow slot controversy.

Also at the end of the month, the thrice-weekly return service to Osaka (KIX) is suspended as the result of lowered passenger demand and the continuing drop in the value of the Japanese yen.

In cooperation with **Nigeria Airways, Ltd.**, thrice-weekly B-747-436 flights to Nigeria from London (LHR) begin on November 3.

After 20,917 flights and 6 million passengers, the carrier's first B-747-136 is retired in a ceremony at London (LHR) on November 5. For the occasion, BOAC titles and a gold Speedbird logo are painted on the port side of the fuselage. Afterwards, the Jumbojet is piloted to Cardiff, from whence it is ferried to Roswell, New Mexico, where it is turned over to its new owners, AAR Leasing. At the same time, the company accepts its 50th B-747-436.

BA announces a drop in half-year profits on November 9 and indicates that it will continue to curb capacity in the face of what is predicted to be an economic downturn. For the six months ending September 30, pretax profits are down to £385 million (\$640.7 million), compared to £430 million (\$688.4 million) a year earlier.

Continuing tensions in the Gulf region cause the company to change its Kuwait flight schedule on November 13. Henceforth, the daily B-777-236 London-Kuwait-Bahrain service will depart Heathrow Airport two hours later and spend only one hour on the ground at Kuwait City instead of the previous three.

The carrier's November 13 service from Cairo to London is delayed for 1 hr. 15 min. after flight attendants hear a kitten frantically meowing in the passenger cabin, where animals are banned. After a search, the young cat is found in the handbag of a Romanian passenger, who had found the cat en route to the airport and did not have time to change travel plans or dispose of the animal. Rather than surrender his new companion, the customer departs the aircraft for a later flight. No interference charges are pressed.

On November 18, electronic ticketing is extended from London (LGW) to 21 U.S. routes.

The discount division GO inaugurates thrice-weekly service from London (STN) to Munich on November 23. Two days later, it increases the number of its frequencies between London (STN) and Edinburgh from three per day to five.

A significant foreign relations embarrassment occurs on November 26 and is reported in the pages of *The Times of India* four days later. Following the first-ever official visit to Bangladesh by representatives of the Indian Navy, Indian Navy chief of staff Adm. Vishnu Bhagwat is refused permission to take aboard a BA flight to New Delhi the free extra baggage granted by his VIP pass. An argument ensues, but by the time the matter is cleared up, the flight has departed. Bhagwat and his staff spend an unscheduled night in a Dhaka hotel and return home on November 27 aboard a **Biman Bangladesh Airlines, Ltd.** service. A protest is lodged with the airline by the distressed Bangladeshi government.

Alistair Cummings, the former COO/director of engineering, who had retired in June 1997, dies in Nettlesbed, England, on November 29 at the age of 64.

On November 30, subject to government approval, a conditional agreement is reached with the backers of CityFlyer Express, Ltd. for the regional's purchase. Having acquired full ownership of its first franchise

partner for £75 million, BA will allow it to continue operations under its own name, air operators certificate, fleet, board of directors, and the management team headed by Managing Director Burgess. The two airlines will, however, more fully integrate their networks and schedules.

In an effort to compete head-to-head with the GO division, **Deutsche Lufthansa, A.G.**, on December 1, inaugurates thrice-daily roundtrips from Munich to London (STN). The introductory roundtrip price is just £80.

It is reported the next day that BA has extended electronic ticketing to 21 U.S. routes and a number of European cities, including Amsterdam, Brussels, Copenhagen, Nice, Oslo, Paris, and Stockholm.

GO launches daily roundtrips on December 8 from London (STN) to Venice and adds a second daily roundtrip to Bologna. The low-cost division also begins to receive additional B-737-300s, leading to a total of 13 by the end of March, and increasing its staff to 400.

As the result of a new air service agreement between Australia and Malaysia, **Qantas Airways (Pty), Ltd.** is able to code-share, starting on December 10, aboard BA thrice-weekly B-747-436 return flights from Sydney to London (LHR) via Kuala Lumpur.

Although it has no plans to enter the "OneWorld" alliance, **Japan Air Lines Company, Ltd. (2)** indicates during the day that it is in talks with BA concerning the formation of a possible strategic marketing arrangement.

As a result of the September restoration of diplomatic relations between the U.K. and Iran, BA, which has been leery, finally lifts a nine-year travel ban on December 18 against Salman Rushdie, author of the controversial book *The Satanic Verses*. Rushdie, who has a price on his head from more extreme Islamic sects, is now free to use the carrier.

Rather than BA, the CAA, on December 23, awards authority to **Virgin Atlantic Airways, Ltd.** to be the first British airline to operate to Shanghai.

Yuletide is celebrated by the airline on December 25 as it serves turkey dinners, mince pies, and Christmas pudding on all 132 of its flights in and out of London.

It is announced on December 31 that the company is conducting a month of tests employing disposable paper luggage tags equipped with a silicon chip designed to prevent lost bags. The "smart baggage" is being handled on flights between London (LHR) to Manchester and Munich.

Passenger boardings jump 10.8% to 36,671,000, while freight traffic accelerates 4.5% to 3.88 billion FTKs. It is reported that the GO division adds another 312,000 bookings to the enplanements total.

Overall revenues during the 12 months increase by 3.2% to £8.92 billion (\$14.16 million), but the Asian economic situation and stiffer competition brings higher costs. The operating profit falls 12% to £442 million. Net gain falls 61% to £225 million (\$357 million). Still, a cost cutting program is credited with saving the company £610 million during the year. Although the pretax loss is the worst in six years, BA is still able to orchestrate a 7.8% higher payout for investors, with individual shares of common stocks rising in value from 16.6 pence to 17.9 pence.

Coming into London (LGW) from Helsinki on January 5, 1999, a B-737-436 with 91 passengers and piloted by Capt. Renny Manclark, must call for permission to make a priority landing. The request comes after the copilot had collapsed during the approach, twisting violently and moving the plane's rudder. Once the pilot has regained control, the cabin crew are, with difficulty, able to move the unconscious woman out of her seat and down into the forward galley. Upon landing, the pilot is transferred by ambulance to hospital; she will be assigned to desk/ground duties upon her discharge until medical testing is completed.

Newly appointed Secretary for Trade and Industry Stephen Byers reacts to a complaint by **Virgin Atlantic Airways, Ltd.** in early January. Executives of Richard Branson's carrier claim that, although they had been interested, they were not given a chance to bid on **CityFlyer Express, Ltd.** before its takeover by BA was arranged on November 30. Additionally, Byers indicates that the move raises competition concerns in that BA would gain control of 39% of all the takeoff and landing slots

at London (LGW). Consequently, the proposed acquisition is referred to the U.K.'s Monopolies and Mergers Commission, which will report its findings on April 26.

The B-777-236 IGW return flight from Jamaica to London (LGW) must be cancelled on the evening of January 9 because 80% of the crew rostered to take the plane back has come down with the flu. The laid up crew is unable to return the wide-body before January 12.

Also on January 12, a new corporate loyalty plan is launched; aimed at small businesses, Venture Club will allow member companies to employ accumulated mileage points to purchase office equipment or use as employee rewards.

After some months of discussion, a strategic alliance is entered into with **Japan Air Lines Company, Ltd. (2)** on January 13. The bilateral, which does not include entry of JAL into BA's "OneWorld" alliance network, provides for the linking of frequent flyer programs on June 1 and the initiation of code-sharing on JAL's daily service from London (LHR) and Osaka (KIX) and Tokyo (NRT). The latter route will not be implemented due to lack of demand.

The same day, it is announced that the carrier is equipping its long-haul jetliners with air-to-ground cardiac monitors, to complement the heart defibrillators aboard all its planes.

While en route from London (LHR) to Bangkok on January 14, Flight 009, a B-747-436 with 395 passengers, is subjected to a significant act of air rage. Seven hours into the 12-hr. flight, a Hong Kong-based electrician, Lee Thresher, who has been drinking heavily (three double whiskies) after taking a Valium tablet, begins annoying passengers near him. When flight attendants warn him, he attacks another passenger, jumps up and races down the aisle to the rear of the plane where he attempts to break the window of a door, hitting it so hard with his fist that he breaks the inner protective panel and cuts his hand. The copilot, who has left the cockpit, leads three cabin crew and three passengers in overpowering the man who is handcuffed and restrained by seatbelts in a rear seat. The aircraft is diverted to India, where the man is turned over to authorities for transport back to England.

The next day, while en route from London (LHR) to Johannesburg, crew members of another B-747-436 with 406 passengers must restrain plumber Ian Bottomley of Larch Grove, Witham, Essex, who has become aggressive and endangers operations. Bottomley, who has caused £30,000 in damages and injured 3 stewards, is turned over to police when the Jumbojet lands.

Both Thresher and Bottomley are returned to the U.K. in handcuffs by security personnel on January 17 and charged at Uxbridge Magistrates Court on January 18. Their cases have made headlines around the world and have added further fuel to the international debate over remedies for the air rage problem.

A new £250-million world cargo center is opened for business at Heathrow Airport on January 19. Twice-weekly B-747-436 roundtrips begin on January 22 between London (LGW) and Entebbe, Uganda. The Tuesday return service is direct, while the Saturday flight stops at Nairobi.

On January 25, worldwide concern over the potential Y2K computer problem brings the first test at the airline's Surrey-based reservations center of the ability of the system to print a ticket dated January 1, 2000. The test is a success. Nevertheless, and in an effort to calm passenger fears of impending disaster in the skies, it is announced on February 1 that 16 senior BA executives will be in the air at midnight on December 31. The presidents of China's airlines will also be in the air that night as will U.S. FAA Administrator Jane Garvey.

The "OneWorld" global alliance is formally implemented, also on February 1, with **American Airlines, Canadian Airlines, Ltd., Cathay Pacific Airways (Pty.), Ltd., and Qantas Airways (Pty.), Ltd.**

Also on February 1, BA creates history when two Concorde arrive at Barbados to inaugurate the winter 1998-1999 SST service. One aircraft arrives from London and the other from New York, making Barbados the only destination in the world to receive Concorde service from both sides of the Atlantic Ocean.

Forewarned of BA's dismal economic picture, CEO Ayling tours the boardrooms of important investment houses in London's "City" region during the first week of February to blunt the expected disappointment. On February 8, the CEO is forced to report the carrier's first quarterly loss in four years—£75 million for the period ending in December. Simultaneously, he notes that a company team has been appointed to review BA's European route structure, suggesting that some services may be cut.

Also during the week, it is announced that due to a recent spate of kidnappings resulting in a decline of travel to the country, the April launch of scheduled service to Yemen has been cancelled. If the situation improves, flights may be started in November.

On February 12, BA, **American Airlines, Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, and SEPI (the state holding company that presently owns Iberia) sign an important agreement in Madrid, one which has been delayed since November by management disputes. Under its terms, the Spanish flag carrier strengthens its relationship with the Anglo-Americans by selling to them, via SEPI, a combined 10% equity stake. For £226 million, BA takes the majority 9% share, with AA acquiring 1%; each of the foreign airlines receives a seat on Iberia's board of directors. SEPI will sell an additional 30% of the airline in a June flotation on the Madrid stock exchange.

Also on February 12, a memorandum of agreement is signed with **Aeroflot Russian International Airlines (ARIA)** concerning the establishment of a strategic commercial alliance. The document, reflecting negotiations carried out in secret since the fall of the previous year, paves the way for the creation of specific marketing and other cooperative measures.

In the latest episode in a war of words that never seems to end, **Virgin Atlantic Airways, Ltd.**, also on February 12, complains to the U.K. Advertising Authority concerning BA's use of the slogan "World's Favourite Airline."

Twice-weekly B-777-236 IGW roundtrips begin on February 14 between London (LGW) and San Juan, Puerto Rico.

Most of the CEOs of the "OneWorld" alliance meet in Sydney, Australia, on February 15. There, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** is formally welcomed into the group.

Found in Shetland two weeks earlier where it had been blown off course during its yearly migration from South Africa to Portugal, a cattle egret is flown to Lisbon aboard a company aircraft on February 16.

Given the uncertain state of the Kosovo peace talks, BA cancels its daily roundtrip from London (LGW) to Belgrade on February 21; it promises further cancellations if the situation warrants.

Virgin Atlantic Airways, Ltd. Chairman Richard Branson dons a rabbit costume, also on February 21, to celebrate the Chinese Year of the Rabbit—and his carrier's new route to Shanghai, which will begin twice-weekly in May. Branson indicates that he has learned that the Transport Ministry has denied BA's appeal of the route decision.

GO CEO Cassani announces on February 23 that her low-cost division will inaugurate four routes to Spain and Portugal between the end of March and July.

On February 26, U.K. Ambassador to Cuba David Ridgway announces that BA will launch direct flights from London (LGW) to Havana in April.

The same day, Nikolai Smirnov, director of the Nizhni Novgorod Department of Popular Crafts, in an interview with *Itar-Tass*, indicates that BA will soon sport Russia's traditional Khokhloma paintings on the tail fins of certain of their jetliners. The pictures will be worn via a special film designed to withstand low temperatures and will be applied in time for celebrations marking the fortieth anniversary of the beginning of scheduled service between Great Britain and the U.S.S.R.

On the evening of March 1, Barbara Cassani, CEO of GO, delivers the annual Lindbergh Lecture before a London meeting of the Royal Aeronautical Society. Having agreed to take questions afterward, she and others are startled when the first question concerning financial performance, is posed by none other than Stelios Haji-Ioannou, chairman of **easyJet Airlines, Ltd.**

A three-month experiment also begins on March 1 under which the carrier will place catalogs from the SkyMall firm aboard all of its aircraft flying transatlantic from Boston and New York (JFK).

On March 2, the world celebrates the thirtieth anniversary of the first flight of the French-built Concorde prototype, called 001, which made its maiden flight from the Aérospatiale airfield at Toulouse this day.

On March 3, the U.S. House of Representatives begins to debate a retaliatory bill in response to the European Parliament vote in February calling for an EU crackdown on U.S. airliners equipped with hush-kitted engine mufflers that are ineffective at controlling air pollution. Should the EU go ahead as planned and vote on March 28 to prohibit flights by the Stage 3 U.S. planes (as early as April 1), the bill, voted to the floor by the House Rules Committee, would authorize a ban on Concorde flights to the U.S.

Spokesmen from both **Air France** and BA, the only carriers operating the SST, deplore the action calling Concorde "an inappropriate target for sanctions in a purely trade dispute." They also indicate their confidence that a diplomatic solution will be found.

The March 3 issue of *Flight International* reports that BA will be reorganized with new divisions in order to stress greater regional focus, boost revenues, and improve customer services. The enterprise will be carved into short-haul and long-haul units, which eliminate the prior geography-based organization.

The current four-way division of the passenger and cargo units will, by summer, be replaced by a new short-haul division that combines operations in the U.K. and in Europe, while two new long-haul units will cover services provided to the Americas and the rest of the world. The 15 current area offices will be replaced with 12 "global business units."

On March 7, **Virgin Atlantic Airways, Ltd.** announces that it will match any BA bid for **CityFlyer Express, Ltd.** As the value of the BA bid is at present unknown, Virgin is bidding blind.

Although expected to arrive at London (LHR) aboard an evening **United Airlines** flight, Monica Lewinsky, instead, arrives aboard the Concorde from New York (JFK). On March 8, she signs autographs of her book, *Monica's Story* (detailing the recent White House scandal), at Harrods Department Store.

The airline receives Alpha and Omega ratings in a satisfaction survey of 20,000 airline travelers, released on March 9 by the Consumers' Association's magazine, *Holiday Which?* The discount subsidiary GO is voted best value for the money, while BA itself is at the bottom of the list for U.K. domestic flights. It does, however, climb back to the top for service on routes to Portugal, Italy, Greece, and Spain.

Chris Jasper and Paul Phelan's report, "Alleged Rule Bending Stymies BA Plans to Start Italian Airline," appears in the March 10 issue of *Flight International*. The article details a rescue package that is allegedly part of a complicated secret enterprise between the struggling Irish airline **CityJet, Ltd.**, the **Qantas Airways (Pty.), Ltd.** partner **National Jet Systems (Pty.), Ltd.**, and BA to gain access to CityJet's existing air operators certificate. Such access would thereafter allow the launching of a BA franchise airline in Italy with five former **UNI Airways Corporation, Ltd.** BAe 146-300s that NJS would lease from Global Air Australia (Pty.), Ltd. and operate from Fiumicino Airport in Rome under the working name Italian National Airlines (ILAN).

CityJet's board of director's rejects the offer, even though NJS has already paid a part of the purchase price. In addition to the downsizing, concern exists that the arrangement will be blocked by European Union regulations prohibiting non-EU nations from holding majority shareholding in EU airlines. None of the players involved will offer comment; however, both the Irish public enterprise ministry and the EU launch investigations.

Barrie Clement writes in the U.K. *Independent* on March 15 that the airline now faces a bitter interunion row between the groups representing its cabin crews. Thousands of cabin crews have recently elected to join the Amalgamated Engineering and Electrical Union, which now represents GO, setting the stage for a row with the Transport and Gen-

eral Workers Union (the largest union in the U.K.), which has traditionally represented all BA cabin crews.

Still hurting from the company's treatment by BA and U.K. regulators over service from Lagos to London, officials of **Nigeria Airways, Ltd.**, also on March 15, according to an article by Tony Egbulufu in *The News*, enter into a new, and controversial, pact with **Virgin Atlantic Airways, Ltd.** Under terms of a memorandum of understanding signed between the two carriers and due to take effect in April, a phased-in arrangement between the two lasting 15 years will eventually see profits—and losses—shared on a fifty-fifty basis. Virgin will use its good offices to help Nigeria in the employment of third parties to achieve resolution of its foreign debt problem. The document also calls for immediate termination of Nigeria's partnership with British Airways and a replacement of BA's codes with its own on all of Nigeria's services, including the lucrative routes from Lagos to Johannesburg, Amman, and Dubai.

On behalf of the National Association of Aircraft Pilots and Engineers, Vice Admiral Okhai Akhigbe, chief of the general staff challenges **Nigeria Airways, Ltd.** Director of Corporate Information Chris Aligbe on the VAA deal. Aligbe informs the admiral and the press that no agreement, pact, or joint venture "has been contemplated or signed with Virgin Atlantic Airways." The denial leads to speculation that the new arrangement will be scrubbed, a view that becomes fact a few days later.

A man identified as Godfrey Sekajja is arrested at the BA office in Kampala, Uganda, on March 19 and held as part of an international racket using stolen credit cards to purchase airline tickets. He will be released under mysterious circumstances and sought again.

Following the failure of the Kosovo peace talks, BA, which had resumed its Yugoslav service at the beginning of the month, cancels its flights to Belgrade beginning on March 21 due to imminent NATO air strikes.

The British weekly *Hospital Doctor* reports on March 23 that BA reported 3,026 medical incidents during 1996–1997 (the last year for which figures are available). Requests for the help of a doctor from among the passengers occurred in 941 of those cases and the airline had to divert flights 76 times due to in-flight medical emergencies.

Air France indicates on March 24 that, due to high maintenance costs, it may well phase out its Concorde in or after 2007. Reacting to the announcement, BA states that it has no plans to curtail its SST services and suggests that it is ready to "welcome on board our Concorde" passengers from France who will not be able to fly on the Air France aircraft if the report is accurate.

Also on March 24, in anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, BA, as most of Europe's major carriers, halts scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that night, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

When ground handlers open the cargo hold of the B-747-436 just arrived at London (LGW) from Dar es Salaam and Entebbe on March 25, they find the body of a young unidentified stowaway, frozen to death in the unheated space.

Service to Belgrade remains halted on March 25–31 and for the duration of the NATO bombing campaign Operation Allied Force. Flights to south-central and southeastern Europe experience delays of 30–60 min. due to airspace closure.

Federally mandated negotiations recessed with the machinists union in the U.S. on March 26 will, according to an adjournment announcement, be resumed on April 6. On March 27, the company flies its inaugural B-777-236 IGW service into Crown Point Airport at Tobago.

European transport ministers agree on March 28 to postpone by a month a proposed ban on old aircraft upgraded with noise mufflers in order to avoid a transatlantic trade dispute.

Daily B-737-36N GO roundtrips are initiated on March 28 between London (STN) and Faro. The main line of BA also inaugurates its

summer schedule on March 28, although most major changes will occur a month later.

In conjunction with its "OneWorld" code-share partner **Canadian Airlines, Ltd.**, the airline, on March 28, begins daily dual-designator return flights from Toronto to Moscow via London (LHR).

On March 29, GO begins to fly from London (STN) to Malaga.

On March 30, a London court sentences Lee Thresher, the unruly man who had smashed an inside window on a London-Bangkok flight back in January, to 15 months in prison.

Having had increasing difficulties competing with the faster one-stop flights now offered by other carriers, BA ends its daily two-stop flights to Melbourne, Australia, on April 1. BA customers are, however, able to travel on three new weekly flights to Melbourne, operated by **Qantas Airways (Pty.), Ltd.**, but flown by the two airlines carrying the BA code. The new flights connect at Bangkok.

The U.K. major gains a foothold in The Netherlands on March 31 when **Base Regional Airlines, B.V.** becomes its 10th franchise partner. The same day, company officials join with those from U.S. NASA in announcing that they have found an effective cure for jet lag.

Following a review of BA's Southern Africa timetables, new schedules, developed with **Comair (Pty.), S.A.**, come into effect on April 1. These schedules not only offer passengers daily connecting flights between Durban and Johannesburg, but a choice of daily departure times. The new revised schedules replace BA's four-times-weekly Durban services.

Pursuant to an earlier announcement, the carrier, also on April 1, ceases its unprofitable twice-weekly service to Gaborone, Botswana. Passengers seeking entry to that nation are now referred to **South African Airways (Pty.), Ltd.** or **SA Express Airways (Pty.), Ltd.** A new nonstop service to Tehran is started, while flights to Accra and Ghana are increased to five per week.

Also on April 1, weekly return service is started to Havana, with frequencies to Buenos Aires, Santiago de Chile, and Mexico City increased.

As a result of the UN's lifting of its air restrictions against Libya on April 15, BA indicates that it will soon launch thrice-weekly B-737 roundtrips to Tripoli.

The negotiations with the machinists union in the U.S. resume on April 6. The same day, working with the Abbey National Group, BA launches a program at six of its U.K. travel shops which offers travel loans of between \$800 and \$24,000. The two-year loans to qualified passengers carry a 15.9% annual interest rate, but may be paid back within 90 days "same-as-cash."

The company serves public notice on April 9 that it will shut down its headquarters at the Bulova Corporate Center in Queens, New York, when its lease expires in 2002.

Ending a three-day working visit to Cuba on April 10, British trade minister Brian Wilson is joined on the tarmac at Havana Airport by Cuban Vice President Carlos Lage and other senior officials of the island nation to greet an arriving BA B-777-236 IGW. After appropriate speeches, Wilson departs for London (LGW) on the first of the airline's new weekly flights.

Plagued by technical snags, the B-747-436 *City of York* is not able to depart from Bombay for London (LHR) on either April 12 or 13. On Monday, the Jumbojet experiences a malfunction in its air-conditioning system, two of its doors will not shut properly, and there is a hydraulic leak. While on its takeoff roll early Tuesday morning, the aircraft suffers a multiple tire burst, causing the pilot to abort the departure.

While en route from Sydney to London (LHR) via Singapore, also on April 13, Flight 16, a B-747-436 with 235 passengers, encounters severe turbulence over the Indian Ocean. Thirty-two people receive injuries, 2 of them serious. Prime Minister Tony Blair's daughter, Kathryn, is not injured. The flight is delayed several hours in Singapore while people are treated and arrives safely in London on April 14.

Also on April 14, a replacement B-747-436 arrives at Bombay to provide lift for those passengers stranded by the *City of York*.

Flight 2781, a BA B-737-236A with 137 passengers enroute to London (LGW) from Goteborg, Sweden, on April 15, is mistakenly ordered

to circle at the same altitude as a **United Airlines** B-777-222 IGW with just 19 passengers, which is en route to London (LHR) from Amsterdam. At 24,000 ft. off the Essex coast near Southend, the TCAS systems in the two planes sound, allowing the BA aircraft to climb and the UAL aircraft to descend. The jetliners miss each other by four seconds.

At a Dublin press conference called on April 15 to report the previous year's economic returns, Chairman Cahill informs reporters that **Aer Lingus Irish Airlines, Ltd.** will deliver a report to the government by month's end that will suggest which of several possible strategic partners the carrier may choose. Discussions have been held with representatives from several of the world's big airline alliances, including "OneWorld."

Despite the passing of a strike deadline, negotiations with the machinists union in New York continue on April 17. The union has been negotiating with the carrier to reach a contract since December 1995 and has already rejected one agreement.

A B-767-336ER transports Queen Elizabeth and Prince Philip to Seoul, South Korea, on April 18 for a state visit. The departing Boeing becomes the first aircraft, other than the Concorde, to fly with the Chatham Dockyard red, white, and blue design.

Following an announcement by Jamaican Finance Minister Omar Davies that taxes on diesel, gasoline, and fuels would be increased by 30%, demonstrations on the island flare up on April 19 and rage into full-scale civil unrest. BA, joined by **Air Canada, Ltd.**, **BWIA (British West Indies Airways, Ltd.) (2)**, and **American Airlines**, are forced to cancel services to Jamaica on April 20.

Following the Queen's service to Seoul in a BA jet wearing the Union Jack, company officials announce on April 20 that they may extend the logo to six more of the subsonic fleet, which has been wearing the controversial "world colours" for the past two years. On June 7, BA will announce that half of its aircraft will be repainted with a redesigned Union Flag logo by 2001.

Following three days of deadly protest, arson attacks, and clashes between demonstrators and police that leave seven people dead, calm is finally restored on Jamaica on April 21. BA resumes its services to Kingston the next day.

Also on April 22, BA contracts with IBM to install a new global customer database known as OceanWave. Using Java, it will allow BA staff anywhere in the world to access a single customer record. Also, authority is received from the Port of London Authority for construction of the world's largest observation wheel, the British Airways London Eye. It will be constructed horizontally over the Thames and then lifted into position.

In ceremonies at Seattle on April 23, the 57th and last B-747-436 is delivered. Also on April 23, a fire damages the offices of BA, **Air France**, **Deutsche Lufthansa, A.G.**, **Japan Air Lines Company, Ltd. (2)**, and **Indian Airlines, Ltd.** in the cargo terminal at New Delhi's Indira Gandhi Airport.

While over the Atlantic Ocean three hours into a service from San Francisco to London (LHR) on April 24, a recorded message is triggered aboard Flight 286, a B-747-336 with 391 passengers, warning that the plane is about to ditch into the ocean. Cabin crew quickly inform passengers that the message is incorrect, but two elderly passengers suffer anxiety attacks and must be assisted by a doctor on board.

While the fiftieth anniversary of NATO is being celebrated in Washington, D.C. on April 24, EU officials announce that, on April 29, ministers from the 15 member states will adopt the controversial "hush kit" restrictions against older aircraft. This will ban the addition of newly noise-modified aircraft to national aircraft registers from this point on. In addition, from April 2002, it will prevent the use of any non-EU noise-modified aircraft that were not operating in the EU in April 1999. All are aware that the U.S. Congress is still considering a ban on Concorde flights in retaliation and pledge to amend the law, which stands to destroy a potentially huge resale market for older Boeing jets, after further consultation with the U.S.

Following an investigation into the crash warning incident two days earlier, company officials on April 26 blame an unknown passenger for

triggering the pre-programmed warning, which can be set off by pushing a button on a panel in the cabin crew area. The airline again apologizes for what it calls "an amazingly stupid prank."

EU officials vote on April 28 to grant a one-year delay in imposing an aircraft engine rule opposed by the U.S.

CEO Gary Cullen and Strategic Director Larry Stanley, representing the airline's management, ask the **Aer Lingus** board on the morning of April 29 to join the "OneWorld" airline alliance, headed by BA and **American Airlines**. Both the U.K. and U.S. majors, with whom Aer Lingus will have direct marketing agreements, have agreed to sponsor the Irish line's membership in the multi-airline grouping. The board accepts this recommendation, which is passed along to Mary O'Rourke, Ireland's public enterprise minister.

The Irish Times, in reporting the move later in the day, indicates that one or both of the major alliance partners may take a small equity stake (5% to 10%) valued at approximately £60-million, with company employees also gaining shares. Completion of the alliance arrangement will clear the way for a public offering of Aer Lingus stock which, in turn, would raise the funds needed for future growth and expansion.

BA, reacting for "OneWorld" to the Irish line's announcement, expresses its pleasure, but notes that definitive arrangements must still be completed both with itself and **American Airlines** before entrance into the multi-airline grouping can be accomplished.

Also on April 29, the British Advertising Standards Authority (ASA) in a letter to BA's marketing department, rejects the calls from **Virgin Atlantic Airways, Ltd.** to prevent BA from using its 16-year-old advertising slogan "the world's favourite airline." A Virgin spokesman indicates that his company is confident of winning a bid in the U.S. to prevent BA's use of the tag.

The Kampala-based *New Vision* reports, also on April 29, that Godfrey Sekajja, wanted in connection with an international credit card fraud case involving the purchase of airline tickets, has been rearrested, together with an accomplice, Gerald Mukasa, formerly a senior official with the Ugandan tour company Afrique Voyage.

On April 30, the *Irish Independent* reveals that Ms. O'Rourke has, with some reservations, given her approval to the strategic alliance plan the previous evening, as had representatives from the airline's unions. The latter also express fear that **Aer Lingus** management is placing too much emphasis on getting partners who are willing to purchase shareholding. The airline staff, which already has a 5% stake, largely wishes to remain state employed.

After both BA and **Sabena Belgian World Airlines, S.A.** pull out of the tender process, **South African Airways (Pty.), Ltd.** and its protegee, **Alliance Air (African Joint Air Service)**, are the only prequalified bidders to make an offer for the 49% stake in Uganda Airlines Corporation, now to be known as **Uganda Airlines, Ltd.** The Ugandans are apparently very surprised by the BA withdrawal. Sources indicate to Reuters, Ltd. that the British major could not accept a prospectus clause requiring it to employ Entebbe as a regional hub after already investing heavily in a hub at Nairobi.

On April 30, the Ugandan government, via the cabinet subcommittee for privatization, cancels the tender process and invites SAA to negotiate the airline's purchase during the week of May 3.

On May 1, daily flights begin from Birmingham to Madrid. The same day, the number of frequencies from London (LHR) to Copenhagen and Oslo are increased to five a day. Also on May 1, continuing service is offered from Baku on to the Uzbekistan capital of Tashkent.

In an effort to jump-start struggling business travel during the off-peak season, BA, on May 3, launches a £200-million special offer on 750 flights. Anyone booking and flying Club World, first class, or Concorde before the end of July will receive a free ticket for a companion to use on their next flight.

Also on May 3, the security committee of the British ALPA, chaired by BA B-777 pilot Capt. Bill Lucas, asks BA to back a list of demands for actions to be taken against violent customers. A catalog of recommendations is also sent to the government, which already has a task

force examining unruly passenger behavior on aircraft. After deliberation, British Airways, on May 4, indicates that it cannot fully support the Lucas memo because punishment of offenders remains with the judicial system. It suggests that prison sentences, currently running at 12–14 months for each offense, are an adequate deterrent.

On May 3, an incident involving the Church of God's superintendent for Southern Africa, Bishop John Mambo, is reported by the *Times of Zambia*. Mambo, who is scheduled to fly to the U.S. via London on a mission to lobby for cancellation of Zambian debt cancellation, is denied boarding because he is late. Mambo, who had sent his wife on ahead to tell the airline he would be delayed, is angered, claiming that a white lady with children, also late, was boarded, while he was kept off. Claiming racism, Mambo makes his complaints known to the carrier's Zambian general manager, who refers to company policy on predeparture passenger arrivals.

Just after departure from London (LGW) for Genoa on May 5, Andrea O'Neill, a flight attendant aboard the B-737, makes a bet with the aircraft's captain that he cannot bring in his flight ahead of schedule. The aircraft arrives 10 minutes early. Before new passengers board for the return service, Ms. O'Neill, having lost her bet and feeling obliged to pay, takes off her skirt, rolls up her blouse, dons a safety vest like a mini-dress, and puts on the captain's hat. Thinking she is out of sight of the airport building, the flight attendant tiptoes down the steps and runs around the empty Boeing to cheers from crew members, baggage handlers, and cleaning staff. Appearing before her supervisors on May 6, the Dublin University graduate expects to be fired for her "bit of a giggle"; instead, she is allowed to retain her job after receiving, as the *Newcastle Chronicle & Journal* reports in its headline—"a dressing down."

Also at the beginning of May, a massive 15,000-lb. flight deck and first-class passenger cabin of a B-747-136 retired by BA in 1998 is moved overland under the coordination of **Emery Worldwide's** Global Project Management group from Roswell, New Mexico, to the Hiller Aviation Museum in San Carlos, California. The move is funded by retired **The Flying Tigers Line** pilot Al Silver. The unit will be displayed adjacent to the two-story exhibit building and will open later in the year.

Reminiscent of the bird in the motion picture *Paulie* is the story of Yuri the Parrot, released to the media on May 14. Hidden in a sailor's carry-on bag, the bird gives himself away by screaming loudly during a flight from Cape Town to London (LHR). Upon landing, officers from the Endangered Species Division of the U.K. Customs and Excise service board the BA Jumbojet and eventually take possession of the noisy bird. The seamen have been unsuccessful in their attempts to divert attention from the noise, even after they claim to have hidden a snake named Sasha somewhere aboard the plane. As in the case with the kitten the previous November, the airline does not press charges.

The low-cost division GO inaugurates daily B-737-36N roundtrips on May 20 between London (STN) and Bilbao, Spain. The deep-discount unit celebrates its first anniversary on May 22; during its first year, approximately 700,000 passengers have been flown.

While landing at New York (JFK) on May 24, a Concorde comes within 500 ft., both horizontally and vertically, of an **American Airlines** B-767-223ER that has just taken off on a service to Frankfurt.

At a news conference called in advance of a disappointing economic report the next day, CEO Ayling indicates that the company will enhance his carrier's cost-cutting program and will scrap most of its unprofitable domestic flights to London.

On May 25, BA reports that the previous year's £70-million, first-quarter pretax profit has, for the same period this year, become a £85-million (\$135-million) loss—this on a slight increase in revenue to £2.05 billion (\$357 million). The previous year's financial figures are also reported, as noted above.

BA, on May 28, places a \$420-million order with Embraer for 21 ERJ-145 regional jets that will be delivered to its subsidiary, **Brymon Airways, Ltd.** Also during the day, air rage defendant Ian Bottomley, who had gone berserk aboard a January flight from South Africa to London, is sentenced to three years in prison.

A major power failure at Terminals 3 and 4 at London (LHR) on May 29 causes hundreds of passengers to be stranded. BA is forced to cancel 20 flights.

On June 1, BA and **Japan Air Lines Company, Ltd. (2)** link their frequent flyer programs. Executive Club members are able to gain mileage credits on Japan's international route network while Mileage Bank loyalists may accumulate credit on the British line's routes.

Service to Tripoli is launched on June 3. Concorde Flight 2, inbound from New York (JFK) on June 6, makes a safe emergency landing at London (LHR) following hydraulic problems. On June 7, another false emergency announcement is accidentally made aboard Flight 69, a B-777-236 IGW en route from London (LHR) to Philadelphia, when the chief steward accidentally triggers the warning.

Miramax films CEO Harvey Weinstein is fined £200 by Uxbridge magistrates on June 10 for a December incident in which he had set off a smoke alarm by puffing on a cigarette in a toilet aboard a transatlantic Concorde flight. Released by police after the incident, Weinstein sends both his regrets and payment of the fine by mail.

A 28-year-old B-747-136, withdrawn from storage at Cardiff, Wales, arrives at the Sandia National Laboratories on June 18; it will be taken apart and analyzed for safety and airworthiness, with particular reference to the crash of the similar TWA Flight 800.

En route from Istanbul to London on June 21, a B-757-236 with 162 passengers is forced to divert to Budapest after the pilot reports engine problems. A safe emergency landing is made, after which the travelers are taken to a transit lounge to await a replacement aircraft.

Artist Damien Hirst files suit against BA and GO on June 26, claiming that one of their advertisements for the low-cost division had unfairly copied one of his spot paintings. The airline denies the charge.

A trial begins in Manchester Crown Court on June 28 for oil driller Neil Whitehouse, who had refused warnings from flight attendants and the pilot of a B-737 en route to Manchester from Madrid with 91 passengers back in September, to switch off his mobile phone. The defendant admits that his behavior was "unnecessarily awkward," according to a report in *The Express*, but denies endangering the flight.

Flight 027, a B-747-436 with 400 passengers en route from London to Hong Kong, accidentally drops down to just 200 m. above a **Korean Airlines/Korean Air (KAL)** B-747F en route from Seoul to Uzbekistan, also on June 28. The move sets off collision warnings aboard both aircraft, which are able to maneuver out of danger.

Daily roundtrips are started by GO on July 1 between London (STN) and Madrid.

Defendant Whitehouse is found guilty, also on July 1.

Simultaneously, this first day of the month, **Qantas Airways (Pty.), Ltd.** begins code-sharing on BA flights from London to Copenhagen, Stockholm, and Oslo.

As the result of a two-year inquiry set off by a pair of formal complaints from **Virgin Atlantic Airways, Ltd.**, BA, on July 14, is fined 6.8 million euros (\$7.19 million) by the executive commission of the EU for allegedly paying British travel agents to direct customers onto its flights. Stung, BA immediately appeals the EU decision.

The first man to be prosecuted under Article 55 of the Air Navigation Order 1995, Neil Whitehouse is sentenced to a year in prison on July 20.

U.K. Trade and Industry Secretary Stephen Byers grants approval on July 26 for BA's £163.75-million (\$117-million) takeover of **CityFlyer Express, Ltd.** The authority is contingent upon the major's agreement to an hourly cap on its London (LGW) slots under a plan to be worked out with the U.K.'s competition commission and director general of fair trading, John Bridgeman.

A marketing agreement is signed with the Indian carrier **Jet Airways (Pty.), Ltd.** on July 28. Under its terms, the frequent flyer programs of the two carriers are linked, while passengers flying on both airlines are granted through check-in.

After months of lobbying, hearings, and debate, the DOT, on July 30, dismisses the joint **American Airlines/BA** application for antitrust immunity, which has been pending before it since January 1997. Principals

from the two carriers indicate that they will seek other ways to expand their global partnership, concentrating on the possibilities of the new "OneWorld" alliance.

On August 1, BA announces that, in light of continuing fiscal losses, it is cutting its capacity by 12% over the next 5 years, will end service to Jakarta and Pittsburgh, and will reduce frequencies on other routes as well. Simultaneously, the carrier introduces a new and adjustable infant's seat, designed by a British car seat manufacturer. Over 1,000 of the units are installed aboard company aircraft.

As Western governments take heed of the first anniversary of the terrorist destruction of two U.S. embassies in Africa, BA, on August 14, tightens security on all of its flights departing London (LHR), with particular attention to services leaving for the Mideast or U.S.

Claiming that it has been unfairly singled out by the EU fines of July 14, BA informs the press on August 16 that it now expects to issue writs against some of its European rivals in their own countries, charging them with employing illegal travel agent schemes as well.

The online edition of *The Guardian* on August 15 reports that the company will soon announce a plan to lay off up to 1,000 middle managers in an effort to save £225 million. The same day, the *Newcastle Chronicle & Journal* notes that the pregnancy rate among the 9,482 female flight attendants based at London (LHR) is 30% higher than in 1998 and that, already this year, 600 who are in a family way have been grounded, being given desk jobs.

The *Financial Times* reveals the August 15 reduction-in-force figures of August 15 to be in error; actually, the carrier will retire 300 managers from a list of 1,000.

On August 24, Concorde Flight 2 departs off Runway 22R at New York (JFK) just as Concorde Flight 1 is inbound to intercept the localizer to Runway 4R. The SSTs just avert a midair disaster, passing within 800 ft. vertically and .7 mi. horizontally of each other.

The carrier's unique "flying bed" first-class service is introduced on the company's daily service between London (LGW) and Baltimore (BWI), beginning on September 2.

In the most radical restructuring in the past three years, CEO Ayling, on September 4, announces the reduction in the number of its business groups from 14 to 6: finance, strategy, commerce, customer service and operations, technical, and people. The overhaul is designed to reduce costs and streamline structure.

A Concorde brings the European Ryder Cup Team to Boston on September 20 for what will prove to be successful golf matches with its American counterpart.

Skopje, the capital of Macedonia, is served for the first time by a British airline when new twice-weekly roundtrips from London (LGW) commence on October 4. The next day, the carrier announces that it will dispose of 34 of its 53 B-757-236s.

As a result of the military coup in Pakistan on October 13, that day's flight to Islamabad from London (LHR) via Manchester is cancelled; although the 14 crew already in Pakistan are reported well, BA chooses not to risk stranding a Jumbojet. Service is resumed on October 15.

On October 25, U.S. District Court Judge Miriam Cedarbaum dismisses all outstanding claims raised by **Virgin Atlantic Airways, Ltd.** in its lawsuits against BA in the United States.

Beginning on October 31, **Qantas Airways (Pty.), Ltd.** code-shares aboard BA services from London (LHR) to both Hamburg and Berlin.

Wearing a "Chatham Historic Dockyard" Union Jack flag livery, the first of 39 A319-131s to be delivered arrives at Birmingham on November 9; it enters "British Airways Express" revenue service next day.

As part of the alliance with **Nigeria Airways, Ltd.**, a new joint service between London (LHR) and Lagos begins on December 1. BA supplies a B-747-236B—wearing a computer-generated "green wave" livery—pilots, and several of the cabin crew; a number of Nigerian flight attendants also serve.

The British major signs, subject to shareholder approval, an agreement on December 15 with SEPI, the government holding company which oversees **Iberia Spanish Airlines (2)** (**Lineas Aereas de**

Espansa, S.A.). Under its terms, BA will invest approximately 41 billion pesetas (£155 million/\$250 million) for a 9% stake in the Spanish flag carrier. Two BA executives are also to take seats on the Iberia board.

GO initiates new daily roundtrips, also on December 15, from London (STN) to Zurich and Lyon.

When the CAA awards **Virgin Atlantic Airways, Ltd.** a second frequency to Cape Town during the month, BA appeals.

As the result of problems in the adjustment of their ticketing and reservation systems, BA and **Japan Air Lines Company, Ltd. (2)** are forced, also in December, to indefinitely postpone the launch of their already delayed code-share on JAL flights between London (LHR) and Osaka (KIX).

Although it has been planned to open the £35-million BA-sponsored London Eye, a giant Ferris wheel located opposite the Houses of Parliament, on Millennium Eve, safety concerns over its pods forces a postponement on December 30.

The company-sponsored Millennium Dome in North Greenwich, which is twice as large as the Georgia Dome in Atlanta and so big it could contain the Eiffel Tower laid on its side, does have a successful opening, attended by thousands on New Year's Eve, including Queen Elizabeth II.

Having spent £100 million to swat the Y2K bug, some 2,000 passengers toast the new millennium at 35,000 ft. The company reports problem-free flights for all 15 of its aircraft in the skies as Big Ben strikes midnight.

Mainline customer bookings dip 2% to 36,346,000, although cargo is up 6.1% to 4.53 billion FTKs. Passenger boardings at the GO subsidiary skyrocket 332.7% to 1,614,000. Financially, the year is a disaster. Operating income inches up 0.4% to \$14.3 billion, but expenses accelerate 4.8% to \$14,169,600,000. The operating profit falls to \$134,400,000. The company is able to avoid reporting its first annual loss since privatization by selling \$398 million in assets, thereby achieving an \$8-million pretax profit. Still, after taxes and minority interests are worked out, an actual \$33.6-million net loss is suffered.

The mainline workforce stands at 53,060 at the beginning of 2000, a 17.1% cut over the previous 12 months. At GO, the number of workers has been increased 57.1% to 550. Among the world's top 25 airlines at the start of the new millennium, BA is 11th in passengers, 7th in FTKs, 9th in employee number and fleet size, 6th in operating revenues, and 25th in operating profit.

Sir Alan Cockshaw, former chairman of the building concern AMEC, now succeeds David Holmes as CEO of the BA regional division. Also during the first week of January, BA completes the sale of its second tranche of shares in Eqant, a telecommunications company for £58 million.

Although only 1% of its ticket sales are generated online, BA, in January, establishes a separate unit to handle Internet sales. The new division is given a mandate to move half of all company sales online by 2003.

On approach to London (LHR) following a January 29 flight from Barbados, a chartered Concorde suffers an engine failure; a safe emergency landing is made and no injuries are reported.

Just after takeoff from London (LHR) on January 30, Flight 9010, a Concorde charter with 9 crew and 100 passengers en route on a 3½-hr. sightseeing trip to and from the Bay of Biscay, is forced to turn back and land after a warning light comes on in the cockpit. This is the last Concorde incident prior to the fatal **Air France** crash of July 25.

All safety concerns resolved, the Millennium Wheel, also known as the London Eye, finally opens on February 1.

Following considerable debate among investors, the British major announces on February 12 that it has finally concluded execution of an agreement with SEPI, the government holding company that oversees **Iberia Spanish Airlines (2) (Lineas Aereas de Espansa, S.A.)**. Under its terms, BA pays approximately 41 billion pesetas (£155 million/\$250 million) for a 9% stake in the Spanish flag carrier. The investment can be removed if a public flotation of Iberia stock does not occur by December 31 or the deal does not gain EU approval.

The unprofitable GO routes to Lyon and Zurich are dropped during February. Also during the month, BA purchases a £17 million (\$27.9 million) 18.3% stake in its South African franchise partner **Comair (Commercial Airways [Pty.], Ltd.)** from Gensec and CNI. GO, on February 29, announces that it will suspend service to Munich at the end of March; it simultaneously files an official complaint with the European Commission complaining of the predatory practices of **Deutsche Lufthansa, A.G.** on the route over the past 15 months.

On March 6, the company and **USAirways** announce that they have resolved the litigation pending between them in the U.S. District Court in New York in a manner satisfactory to both sides.

By mutual consent of the BA board, CEO Robert Ayling, who has taken the blame for the carrier's bad economic showing, as well as the lingering flap over the now-changed "World Image" tailfin painting policy, resigns on March 10. Chairman Lord Marshall picks up his duties on an interim basis. The London *Daily Mail* will report on June 9 that he has received a £2-million golden parachute.

Equipped with 84 convertible beds and marketed as the "Biggest Bedroom in the Sky," the B-747-436 *The City of New York* enters service on March 23 between London (LHR) and New York (JFK). The last of eight weekly Concorde services between New York (JFK) and Barbados, begun on February 5, is concluded on March 25.

A new code-sharing agreement begins with **Cathay Pacific Airways (Pty.), Ltd.** on March 26. Under its terms, Hong Kong-based Cathay places its designator on BA flights operating from London (LHR) to Belfast, Edinburgh, Glasgow, and Manchester. A dual-designator pact with **Aer Lingus Irish Airlines, Ltd.** simultaneously starts, with BA adding its code to the Irish line's services from Dublin to London (LHR/LGW), Birmingham, Bristol, Edinburgh, Glasgow, Manchester, and Newcastle and from Cork to Birmingham.

Also during the month, the British government denies BA's latest application to continue its wet-leasing contract with **Atlas Air**. The B-747-47UF employed will be returned to the American operator, who will scrub off its "Chelsea Rose" color scheme prior to reassignment. The BA service to Almaty, begun in March 1995, ends on March 31. The "Chelsea Rose" will continue, being painted on the tails of the two B-747-436s assigned to British Asia Airways, Ltd.

New six-times-a-week B-777-236ER return service is launched on April 2 to Kuala Lumpur and thrice weekly to Bangkok.

On April 5, BA wins its appeal against the CAA decision to award **Virgin Atlantic Airways, Ltd.** a second Cape Town frequency; Secretary of State John Prescott, who overturns the agency's decision, awards the authority to BA, which will employ it to take its Cape Town service to daily flights.

Under terms of an agreement signed on April 19, BA will replace its in-house reservations system BABS with Amadeus. Over the next decade, most BA systems will be transferred over, while Amadeus will also take over the BA Speedwing contracts that provide services to 40 other airlines. The same day, GO launches six-times-a-week roundtrips between London (STN) and Naples.

As a result of the political and economic chaos in Zimbabwe, BA diverts its London (LHR) to Harare flights to Lusaka, beginning on April 24.

Coming upon the heels of the April 28 breakup of the nearly concluded operational merger between **Alitalia, S.p.A.** and **KLM (Royal Dutch Airlines, N.V.)**, BA, in early May, begins discussions with the Dutch flag carrier concerning a similar arrangement. The initially denied move reflects a certain amount of frustration by the British line over its inability to fully align with **American Airlines**.

Appointed on April 25, **Ansett Australia (Pty.), Ltd.** Executive Chairman Rod Eddington becomes CEO of "the world's favourite airline" on May 1.

At the beginning of May, the British government grants British Airways Cargo short-term approval to continue its **Atlas Air B-747-47UF** charter; the Jumbojet makes twice-weekly return freight runs from London (STN) to Osaka (KIX) and provides a weekly service to Frankfurt.

Never having enjoyed French market success, BA, on May 5, sells its 86% stake in the unprofitable British Airways Express franchise **Air Liberte, S.A.** to Taitbout Antibes, B.V., a **Swissair, A.G.** affiliate, for £47 million. For its part, BA requests that the "World Image" tailfin livery on Air Liberte's aircraft be removed, along with the "Speed Marque" (ribbon), as soon as possible.

Claiming the new CEO's plans have been "taken out of context," a spokesperson indicates on May 9 that half the fleet will continue to wear the controversial "World Image" ethnic tailfin designs for at least a while longer. As a condition for a further £29-million pound grant from the Millennium Commission, former Chairman Ayling is forced, on May 24, to also resign his post as head of the loss-taking Millennium Dome attraction.

On May 18, BA becomes the first airline in the world to successfully transmit live human data from a commercial flight over the ocean to land; the ground-breaking trial uses a recording from a cardiac monitor to transmit a heart rate reading to Medlink's medical experts on the ground.

With **Olympic Airways, S.A.** still in difficulty, BA announces on June 2 that it will not purchase a 20% equity stake in the Greek flag carrier. In fact, it has also terminated its Speedwing, Ltd. management consultancy early, but under a timetable agreeable to the Greek government.

By mid-June, BA has completed the paperwork and financial arrangements necessary to pass 7 B-767-336ERs under lease to **Qantas Airways (Pty.), Ltd.** These are employed to boost services between Australia, England, and Singapore.

At the end of the month, the government, having reviewed the issues involves, grants permission for BA to wet-lease an **Atlas Air** freighter for a full year, allowing it to continue its four weekly roundtrips to Hong Kong from London (STN).

Daily B-747-436 roundtrips start on July 3 between London (LHR) and Cape Town.

CEO Eddington and KLM CEO Van Wijk meet with EU Competition Commissioner Mario Monti on July 7 to launch the official EU Commission review required before the proposed BA/KLM marriage can be launched. Principal concerns include the number of flights by the merged partners to and from London and Amsterdam as well as international route rights.

Also in July, the company joins with **National Jet Systems (Pty.), Ltd.** to launch its first Italian franchise carrier, **National Jet Italia, S.p.A.** The new entrant begins flying eight times daily between Rome and Palermo on July 11 employing British Aerospace BAe 146-300s leased out of Taiwan. Service from Rome to Catania is promised for later in the year.

In a rescue mission made at the request of Monkey World, BA, on July 19, completes Europe's largest shipment ever of saved Asian monkeys; eight gibbons and an orangutan illegally smuggled into Taiwan are flown into London (LHR) from which they are trucked to the Dorset-based sanctuary.

On July 24, the airline first announces that it has been monitoring for several months the two-inch long cracks found in the rear spars of the wings of seven Concorde; one aircraft has been grounded because its cracks have worsened.

When the CAA elects to await further information, BA, which had temporarily grounded its Concorde in the wake of the fatal July 25 **Air France** SST disaster, resumes flying the speedy aircraft on July 26. Although the move is controversial, the airline points out that this was, in point of fact, the first fatal accident, that company experts had immediately consulted **Air France** and crash investigators at Paris and that, unlike the French, BA has made certain modifications to its supersonic transports, including the installation of a flight deck alarm system designed to provide tire burst warning.

Although not judged serious, but nevertheless receiving intense media exposure, are three Concorde incidents on the weekend of July 29-30. On Saturday, Flight 4, arriving from New York (JFK) with 18 passengers, experiences a backfire in one of its engines; emergency ve-

hicles at London (LHR) are alerted, but the aircraft lands safely. On Sunday, a Concorde's departure from London for the Big Apple is delayed over 90 minutes by a fault that forces transfer of its 53 passengers to a 747 service. Later that day, Flight 3, the SST en route to New York (JFK) from London (LHR) with 57 passengers, including singer Tony Bennett and musician George Bengers, is diverted to Gander after the pilot smells smoke in the passenger cabin. The customers complete their trip on a chartered jetliner.

Under terms of a new code-sharing agreement with "OneWorld" partner, **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**, the previous BA service from London (LHR) to Santiago via Buenos Aires is halted at the Argentine city on August 1. The connection between Buenos Aires and the Chilean capital are now flown by LanChile, with these flights also operating with a BA designator.

News circulates over the weekend of August 5-6 that merger talks with KLM had nearly collapsed; they are reportedly saved by KLM's chairman, Van Wijk, who lowers from 35% to 26% his company's stake demand in a consolidated carrier. The two announced on August 10 that discussions will continue.

With several days notice, the French DGAC and the CAA suspend the Concorde's airworthiness certificate on August 16, a day after BA grounds its SST fleet. With the exception of several ferried aircraft, all BA SSTs are immediately grounded.

En route from Los Angeles to London (LHR) on August 19, Flight 278, a B-747-436 with 16 crew and 394 passengers is forced to divert to Chicago (ORD) after a married American couple physically brawl and trade punches in the economy class cabin. The disruptive couple is restrained aloft and detained by local police on the ground; the Boeing arrives at its destination three hours late.

Late in the month, CEO Eddington reveals the names and resumes of the 12 new members of his Leadership Team.

At the beginning of September, capacity on the carrier's twice-daily flights from London (LHR) to Newark is increased by the substitution of 2 B-747-436 for the Jumbojet and 1 B-777-236 previously employed. The move signals an expectation that Concorde flights will not be resumed anytime soon.

Having found that the final issues between them cannot be resolved, BA and **KLM (Royal Dutch Airlines, N.V.)** end their merger discussions on September 22. On September 29, the low-cost GO subsidiary launches four-times-a-week B-737-300 overnight return service from London (STN) to Tenerife.

BA reports on October 1 that, after 50 years, the route from London (LHR) to Kuala Lumpur has become too unprofitable to operate and will be suspended at the end of March. New CEO Eddington announces his first major strategic initiative two weeks later. Under his plan, capacity will be cut 10% in the new summer schedule from the end of March, with the largest reductions coming to services from London (LGW). Further reductions will be made in the Jumbojet fleet, with the 4 B-747-336s already withdrawn put up for sale.

The *London Sunday Times* reports on October 22 that BA has begun talks with **Air France** and **Delta Air Lines** concerning its possible membership in their "SkyTeam" alliance.

Daily roundtrip frequencies from London (LGW) to Verona are reduced on October 28 from three to two as the service to Venice is shifted from Heathrow to Gatwick; the number of London (LHR) flights to Bologna are increased to three every day.

On October 29, frequencies to Paris (ORY) are reduced from 6-a-day to 3, while those to Paris (CDG) are doubled to 12; frequencies from London (LHR) to Tel Aviv jump from 10 to 17 every day. Elsewhere, frequencies from London (LHR) to Frankfurt, Munich, Prague, and Rome are increased while those to Salzburg and Ljubljana are suspended. Flights are boosted from London (LGW) to Barcelona, Bilbao are increased while those to Jersey are transferred to **CityFlyer Express, Ltd.**

Direct service from Dhaka to New Delhi is halted on October 30 and the current weekday Dhaka to London via Delhi flight becomes a thrice-weekly service route via Calcutta instead.

GO introduces four-times-a-day B-737-340 return service on November 1 between London (STN) and Glasgow. The next day, the *London Daily Mirror* reports that, after an extensive survey, company officials will allow mainline female ground staff in promotions, marketing, ticketing and sales to henceforth wear newly designed pants suit uniforms. Female flight attendants at GO are already in pants suit uniforms and now those at BA proper will also be accorded the same right; additionally, they will be able to ditch their "trademark" wide-trimmed hats.

On November 5 the *Independent* reports that the airline is adding U.K. provincial routes from Birmingham and Manchester to a portfolio of services to be axed early in the new year. The move is part of a plan improve returns on the carrier's unprofitable European short-haul routes. A number of the routes could be turned over to the airline's franchise partners.

BRITISH AIRWAYS, PLC. See BRITISH AIRWAYS, LTD. (2)

BRITISH AIRWAYS (SCOTLAND), LTD.: United Kingdom (1988–1992). This BA subsidiary is formed at Glasgow in 1988, following the 1987 privatization of its parent, to operate the company's scheduled services throughout Scotland. Originally known as the Highland Division, BA (Scotland) employs Gerry Devine as managing director and is given a fleet of 3 British Aerospace BAe ATPs, 2 Fokker F.27-200s, and 2 Shorts 360s. Under lease, **British Airways, Ltd. (2)** provides Boeing 737 and Douglas DC-9 services on longer segments.

In 1990, the carrier opens branch offices at Aberdeen and Inverness and Ian Reid is named managing director. The fleet is upgraded as the Fokkers and Shorts are removed in favor of 5 additional ATPs and 8 BAe 748-B2s.

A ninth BAe-748 is delivered in 1991 and the carrier is renamed British Airways (Scotland), Ltd. In late March 1992, the parent, wishing to end losses not only in Scotland but those generating from the Manchester and Birmingham hubs as well, merges its Scottish operation into the new **British Airways Regional, Ltd.**

BRITISH AIRWAYS EXPRESS, LTD. See AIR LIBERTE, S.A.; BASE REGIONAL AIRLINES, B.V.; BRITISH MEDITERRANEAN AIRLINES, LTD; BUSINESS AIR, LTD.; CITYFLYER EXPRESS, LTD.; COMAIR (PTY.), LTD.; DEUTSCHE BA LUFTFAHRTGESELLSCHAFT, A.G.; GB AIRWAYS, LTD.; MANX AIRLINES EUROPE, LTD.; NATIONAL JET ITALIA, S.p.A.; SUN-AIR OF SCANDINAVIA, A.S.; TAT EUROPEAN AIRLINES, S.A.

BRITISH AIRWAYS HELICOPTERS, LTD.: United Kingdom (1974–1986). Formed as **British European Airways Helicopters, Ltd.** in 1954, this rotary-wing carrier becomes a subsidiary of **British Airways, Ltd. (2)** as a result of the merger of **British European Airways Corporation (BEA)** into the new state airline in 1974. The head office is retained at London (LGW South) with branch stations at Penzance, Aberdeen, Beccles, and Sumburgh.

Previous routes and schedules are continued, in particular Europe's only scheduled passenger service (the Sikorsky S-61N route from Penzance to the Scilly Isles) and those providing service to offshore North Sea oil facilities. A new passenger terminal is opened on St. Mary's, Scilly Isles, in April 1975.

The contract with the coast guard for search and rescue (SAR) service off the Scottish coast is also maintained, employing a Sikorsky S-61N for which a portable winch has been company-developed. In January 1978, the Coastguard helicopter operation is transferred to Sumburgh in the Shetland Islands.

In the largest civil helicopter sale in terms of monetary value, to date, the company orders 3 Boeing Vertol Model 234 Civil Chinooks in January 1979 for \$33 million. In May, BAH accepts an S-61N simulator from Redifon Simulation; the machine is the world's first six-axis commercial helicopter simulator.

The Civil Chinook request is increased to five machines in 1980. In the first completely successful (i.e., no casualties) helicopter ditching in

the North Sea, a company S-61N puts down out of control on July 12. The first production Model 234 makes its maiden flight on August 19.

As launch customer, BAH places the first of its five new Model 234 Civil Chinooks into service for client Shell Exploration, Ltd. (Shell Expro) on the North Sea on July 1, 1981, flying from Aberdeen to the Brent Field in the East Shetland Basin. During the next six months, the machines transport a total of 82,000 passengers.

On January 6, 1982, several Westland 30s enter service from the Beccles base in East Anglia; these ships will be joined by Sikorsky S-76s. The latter are employed to operate a 120-nm. shuttle service to the jack-up rig Penrod 92, east of the mouth of the Humber River. The second Civil Chinook enters service in July, flying a 290-nm. roundtrip from Aberdeen to BP Petroleum's Magnus Field, the longest direct flight operated by the carrier. Parent **British Airways, Ltd. (2)** suffers increasingly significant losses and the push begins for privatization of the airline.

While on a Shell Expro North Sea support flight in February 1983, a Model 234 Civil Chinook suffers an in-flight fire; no injuries are reported. However, the situation is different on July 16 when an S-61N, with 26 aboard, crashes into the sea in foggy conditions while on final approach to St. Mary's airfield on the Isle of Scilly (20 dead).

After servicing a contract with Shell Expro in the gas fields in the southern North Sea off Beccles, East Anglia, with S-61Ns for 16 years, the company now loses it to competing **Bristow Helicopters, Ltd.** The Hong Kong government grants a license to provide shuttle flights to Macao. In December, the Sumburgh contract with the coast guard is also lost to **Bristow Helicopters, Ltd.** During the year, the carrier adopts its own new color scheme.

On December 31, it is reported by company officials that, since the type entered service in 1979, the Model 234s of BAH have made 3,971 roundtrip flights to energy industry platforms, carrying 298,300 passengers in 17,246 total revenue flying hours.

Plans for the Hong Kong–Macao service are dropped in 1984. Even so, 2 S-61Ns are sent out to Zhuhai across the border from Macao to support energy exploration in the South China Sea. At the same time, an S-61N and S-76 are dispatched to Bombay to support similar efforts in the Bombay High Field. In May, former Reed Mining Tools, Ltd. Managing Director Michael Graham-Cloete is appointed assistant to Managing Director John Garton. At the end of the same month, a Civil Chinook, flying over the East Shetland Basin, suffers a hydraulic-system malfunction; an uneventful emergency landing follows.

In August, and during a winching operation above the Mobile Searcher, an oil rig 50 mi. N of the Shetland Islands, an S-61N makes an unexpected wheels-up landing on the platform's helideck, damaging its keel.

A Civil Chinook is sold to **Columbia Helicopters** of Aurora, Oregon, in September. At Aberdeen, a company S-61N participates in a successful Civil Aviation Authority test of the automatic helicopter position recording system developed by Offshore Navigation, Inc. In December, a Civil Chinook moves by sling an 8.5 ton, 60-ft. silo over a distance of 300 yards, installing it through a hole in the roof of Brooke Bond Oxo's Trafford Park factory near Manchester.

The subsidiary Dublin City Helicopters, Ltd. is established in early 1985 with backing from **British Airways, Ltd. (2)** and British Rail. Employing an S-61N leased from BAH, the Irish concern opens Europe's first scheduled international helicopter service in years on April 3, flying from Dublin to Holyhead, Wales. The contract calls for five years of five-times-per-day roundtrips; passenger fares are £53 roundtrip or £30 one way.

Also during the first two quarters, a BAH Model 234, contracted by the Swedish state power board, loads 520 electrical transmission towers, each weighing upwards of 17,000 pounds, which are positioned along 116 miles of wooded area in the southern part of the country. By the end of June, company headquarters have been transferred from London (LGW) to Aberdeen.

A Civil Chinook with 47 aboard is forced to ditch in the East Shetland Basin on May 2; although all aboard are rescued, the helicopter sinks

due to a faulty rear ramp door seal. When the machine is raised, it, too, is sold to **Columbia Helicopters**. In July, Capt. Jack Jessop is named chairman. As in previous years, traffic and financial data is reported in the parent's annual accounting.

The fleet now includes 5 Boeing Vertol 234s, 22 Sikorsky S-61Ns, 4 Sikorsky S-76s, 2 Bell 212s, 1 Bell 206, 3 Aerospatiale AS-332L Super Pumas, and 3 leased Westland 30s. In September, the company chooses **HeavyLift Cargo Airlines, Ltd.** as its sole agent for its external-lift business throughout the U.K. and mainland Europe. It is reported in October that, since their introduction, the company's Model 234s have flown 514,000 passengers over 3.46 million revenue miles.

The carrier contracts with the government's Central Electricity Generating Board in November to help repair a 275,000-volt electrical line stretched over the Usk River near Newport in South Wales. The mission, employing a lightweight cradle, is the first such helicopter operation undertaken in Europe. On November 23, the main-rotor blades of an S-61N strike a company hangar while the aircraft is taxiing on a Sumburgh apron; shattered pieces cause damage to adjacent buildings and another Sikorsky.

Late in the year, BAH completes a six-month transfer of its headquarters and engineering facility from London (LGW) to Aberdeen (Dyce Airport).

The fleet in 1986 includes 4 Boeing Vertol Model 234s, 17 S-61Ns, 4 S-76s, 3 AS-332Ls, and 3 chartered Westland 30s. During the first quarter, the company loses out to **Bond Helicopters, Ltd.** on the award of a \$16.8-million contract for support of Total Oil Marine Engineering and Construction in the North Alwyn oil field. At this point, Managing Director Garton is succeeded by his assistant, Graham-Cloete.

In April, the Shell Expro contract is regained from **Bristow Helicopters, Ltd.** Three of the company's Civil Chinooks, in 25 weekday morning and afternoon services, fly from Aberdeen to the Brent, Dunlin, Cormorant, Fulmar, and Auk fields. During the month, former **Bond Helicopters, Ltd.** Scottish Operations Chief Capt. C. H. "Kit" Chambers becomes BAH's general manager in Scotland and is charged with boosting the carrier's North Sea presence.

In May, BA, wishing to exit the rotary-wing business before privatization, negotiates with Martyn Meade of London-based Coln Valley Investments, Ltd. to take it over. Any arrangement would see the venture capitalists acquire 70% shareholding, with 19.9% left to the airline and 10.1% to its employees. Dissatisfaction with this move at the airline and in Parliament lead to plans for a management buyout. In June, Robert Maxwell, publisher of the Mirror Newspaper Group, makes a \$33-million bid to BA for its helicopter subsidiary, which now eliminates Meade's proposal and considers only the Maxwell and management plans.

Falling North Sea oil prices in June, together with the company's uncertainty, cause the planned lease of a Civil Chinook from **Columbia Helicopters** to be placed on hold. Still, a Britoil Clyde support project is begun during the month employing Chinooks and Super Pumas. Simultaneously, a \$4.3-million contract is obtained from Total Oil Marine to provide an S-61N and an AS-332L in its support for two years. In addition, the Super Puma contract for support of BP's Magnus Field is renewed for two years.

In July, **British Airways, Ltd. (2)** sells its 550-employee helicopter subsidiary to a new company. **British International Helicopters, Ltd. (BIH)** is jointly owned by British publisher Robert Maxwell and two of his Scottish newspapers, the *Scottish Daily Record* and the *Sunday Mail, Ltd.*, following a vote of approval by the National Joint Council's union members. SDR Helicopter Plc. completes the takeover on September 26. At this point, it is reported that bookings for the year total 73,900.

BRITISH AIRWAYS REGIONAL, LTD.: United Kingdom (1992-1996). BAR is formed by **British Airways, Ltd. (2)** in late March 1992 to take over the major's regional unprofitable services operated out of the Manchester and Birmingham hubs, as well as those operated in Scotland by the subsidiary **British Airways (Scotland), Ltd.** Ian Reid is

named general manager and, although none of the 1,000 employees are laid off, direct annual employee costs are ordered reduced by £8.25 million.

A number of revenue services are inaugurated over previous routes on April 1. Four hundred weekly flights emanate from Birmingham to 17 cities with 13 British Aerospace BAe (BAC) 1-11s; 100-per-day in Scotland with 8 BAe ATPs (including 4 returned from Berlin) and 8 BAe (HS) 748-B2s; and 2, 70-per-week flights from Manchester to 20 destinations with 10 BAC 1-11s. Among the most popular of routes is that from London (LHR) to Inverness, which is operated thrice daily.

Unhappily for BA planners, the carrier's Manchester and Birmingham unionized cabin crews threaten to strike over the reorganization, holding up full implementation. In September, it is announced that the parent is considering the subsidiary's sale or closure; however, development of the carrier proceeds following an October accord with the attendants.

When **Dan Air, Ltd.** goes under at year's end, BA acquires its assets and routes out of London (LGW), turning them over to this division. The airline's statistics are reported as part of its parent's.

Airline employment in 1993 stands at 1,000. Several of the 11 Boeing 767-336ERs delivered to BA are leased to BAR during the first quarter and are employed, beginning on March 28, to offer flights from Manchester and Glasgow to New York and from Manchester to Los Angeles. Beginning with **CityFlyer Express, Ltd.** on July 1, BA enters into a series of "British Airways Express" franchise contracts with independent regional carriers. These companies, which will receive access to BA's computerized reservations system, marketing, frequent flyer, ticketing, airport and passenger services, will paint their aircraft in modified BA livery and begin to take over the domestic and regional services flown by British Airways Regional. Enplanements for the year total 1,533,926.

George Cooper is managing director in 1994 and the owned fleet includes 13 BAe ATPs; a 14th ATP will be delivered in July. During the year, a total of 22 B-737s are leased from **British Airways, Ltd. (2).**

On March 28, the regional carrier **Loganair, Ltd.** is detailed by its owner, Airlines of Britain, plc, to concentrate exclusively on Scottish service to the Orkney and Shetland Islands as a "British Airways Express" carrier. Retaining only its Pilatus Britten-Norman PBN-2 Islanders and a de Havilland Canada DHC-6-300 Twin Otter, it transfers 21 routes plus all of its ATPs and J-41s to **Manx Airlines, Ltd. (2)**, which now establishes a Jetstream 41 base at Southampton. Manx starts 36 new services of its own and becomes the largest regional airline in the U.K. Henceforth, all BAR traffic statistics will be reported with those of its parent.

On January 9, 1995, the Airlines of Britain, plc., Manx Airlines (Holdings) subsidiary is renamed British Regional Airlines (Holdings) and the airline operating subsidiary of Manx Airlines, Ltd. is divided into two separate divisions: **Manx Airlines, Ltd. (2)** and **Manx Airlines (Europe), Ltd.** The latter becomes a **British Airways, Ltd. (2)** franchise partner and flies BAe Jetstream 41s, ATPs, and 2 BAe 146-200s in "British Airways Express" livery. **Manx Airlines, Ltd. (2)** will operate all of the routes to and from the Isle of Man while **Manx Airlines (Europe), Ltd.** will fly the remainder, including those from Southampton, Cardiff, Belfast, and Manchester to Brussels, Rotterdam, and Paris. In addition, the regional carrier receives access to BA marketing, frequent flyer program, and airport service support.

On February 1, **GB Airways, Ltd.** becomes the sixth BA franchise partner. British Airways Regional, meanwhile, continues to soldier on, losing significant funding in competition with the AofB carriers.

Late in January 1996, **Manx Airlines, Ltd. (2)** takes over management control of the "British Airways Express" carrier **Loganair, Ltd.** In April, Aberdeen-based **Business Air, Ltd.** becomes the property of Airlines of Britain, plc. Its addition allows Sir Michael Bishop's group to blanket the U.K. with regional services, in addition to the international flights provided by BMA. The entrepreneur's success will soon bring a response from the nation's former state carrier. In May, **Sun Air of Scandinavia, A.S.** becomes the first BA franchise partner from outside of the U.K. The following month, a franchise agreement is reached with **Comair (Pty.), Ltd.** of South Africa.

In August, **British Airways, Ltd. (2)** announces that, two months hence, it will withdraw from its unprofitable Scottish internal services, including six routes serving Orkney, Shetland, and the Western Islands. A month later, British Regional Airlines (Holdings) in September changes the name of **Manx Airlines (Europe), Ltd.** to **British Regional Airlines, Ltd.**

Plans are announced for the new BRA to take over the previous British Airways Regional, Ltd. services at the end of October as a BA franchise partner. Under terms of this agreement, BRA will enjoy all of the benefits of franchise partnership, including dual designator flights, reservations, frequent flyer linkage, and passenger and airport services. Meanwhile, **Loganair, Ltd.** operations are incorporated into BRA. **Manx Airlines, Ltd. (2)** continues separate operations.

This arrangement, together with the rise of the franchise program, causes **British Airways, Ltd. (2)** to merge the BAR unit into itself and to employ its resources from London (LGW) to offer additional direct connections and short-haul Continental services. Activities involving the carriers in the British Regional Airlines Group are largely reported below under their respective names.

BRITISH AMPHIBIOUS AIR LINES, LTD.: United Kingdom (1932–1933). Two gentlemen named Kirston and Mace form British Amphibious Air Lines, Ltd., on February 22, 1932, to offer port city flying boat services; initial capitalization is £3,500 and the first aircraft is a Saunders-Roe Cutty Sark christened *Progress*. In March, irregular flights are started Blackpool to the Isle of Man. In cooperation with the bus operator W. Armitage and Sons, Ltd., regular services are offered from June 3–September 30, during which 348 passengers are transported over 8,920 unduplicated miles.

The *Progress* resumes Blackpool–Isle of Man service June–October 1933. Finances force the company out of business at the end of the season.

BRITISH CALEDONIAN AIRWAYS, LTD. (BCAL): United Kingdom (1971–1987). On April 1, 1969 the British government's civil aviation industry study, chaired by Sir Ronald Edwards, is published. The *Edwards Report* calls for the creation of a Second Force carrier, large enough to offer various services but not large enough to challenge **British European Airways Corporation (BEA)** or **British Overseas Airways Corporation (BOAC)**, which many interpret as **Caledonian Airways, Ltd.**, now Britain's largest independent.

Following parliamentary debate and various negotiations, the larger **British United Airways, Ltd. (BUA)** is acquired for £6.9 million by **Caledonian Airways, Ltd.** on November 30, 1970, the amalgamating carrier being known as **Caledonian/BUA Ltd.** With the assimilation of BUA fully completed, the name British Caledonian Airways, Ltd. and a new livery are adopted in September 1971. The BAC 1-11s of the merger partners form the backbone of the fleet, most of which are now named after Scottish locations.

In October, the BAC 1-11-201 *City of Edinburgh* is sold to the Ministry of Defence (Aviation) for use by the Blind Landing Experimental Unit at Bedford.

Adam Thomson remains chairman/CEO, with former **British European Airways Corporation (BEA)** Managing Director Sir Peter Masefield as deputy chairman. Shareholders in the new entrant include Bland Payne, Lyle Shipping, Proprietary Finance, Hogarth Shipping, Royal Bank Development, Industrial and Commercial Finance Corporation, Norwich Union, Midland Bank, General Accident Insurance, the Automobile Association, and Refuge Insurance. Associated companies include British Caledonian Aircraft Trading, Ltd., Caledonian Airways (Prestwick), Ltd., and the four travel agencies that make up British Caledonian Travel Holdings, Ltd.

Affinity group charters continue and a new wet-lease arrangement is entered into with **Saber Air, Ltd.** The company provides the Singapore-based airline with a B-707-399C, which takes over the Singapore–London charters previously operated in association with the U.S. supplemental carrier **Overseas National Airways**. On October 7, the Boeing 707-399C

Flagship Bonnie Scotland moves from London (LGW) to Cardiff and from there launches the company's first transatlantic charter to New York via Keflavik from Wales. Scheduled London (LGW)–Paris flights commence on November 1. Enplanements are 2,558,000.

While on a ferry flight, a VC10, with four crew is severely damaged in a bad landing at London (LGW) on January 28, 1972; there are no fatalities.

Planning for scheduled North Atlantic service is undertaken as the British government on February 18 grants licenses to the company for both New York and Los Angeles service. Daedalus Travel, of New York, involved in the plight of more than 100 American travelers stranded at London (LGW), reports on August 29 that it cannot provide transportation home, but will pay refunds.

The next day, the British Airport Authority informs the travelers that arrangements have been completed between Wimpy International, Ltd., a London travel agency, and British Caledonian for their free passage back to New York.

Nine additional regional sales centers are opened, including one in the U.S.

During the year, new Interjet BAC 1-11-201 services are introduced from Southampton and Newcastle to Glasgow. A BAC 1-11-515, leased from its manufacturer while the BAC 1-11-501 *Isle of Barra* is under repair, is returned on October 18.

On November 1, the *Isle of Barra* initiates scheduled Edinburgh–Copenhagen service via Newcastle. Later in the month, the remaining Vickers VC10s are withdrawn from the ex-**British United Airways, Ltd.** South American routes and replaced with Boeing 707-399Cs. Also in November, a deep-discount agreement is signed with **Cathay Pacific Airways (Pty.), Ltd.**

The workforce is increased to 5,478 while passenger boardings accelerate 2% to 2.6 million. The fleet at year's end includes 8 Boeing 707-399Cs, 3 Vickers VC10s, 13 BAC 1-11-500s, and 7 BAC 1-11-200s.

Flying on behalf of the Singapore charter airline **Saber Air, Ltd.**, British Caledonian begins daily flights to Singapore on January 1, 1973. Deep-discount service is inaugurated, in association with **Cathay Pacific Airways (Pty.), Ltd.**, from London to Perth via Hong Kong, Singapore, or Jakarta.

A former **Court Line, Ltd.** BAC 1-11-518 is purchased on March 15 and is christened *Isle of Hoy*. Sold out of service in early 1971, the BAC 1-11-201 *City of Edinburgh* is finally delivered to the RAF on March 26.

Scheduled North Atlantic service is launched aboard the B-707-399C *Flagship Bonnie Scotland* on April 1, with a variety of dignitaries, including Earl Mountbatten; unfortunately, the flight is diverted to Boston by bad weather. The carrier is the first British independent to operate scheduled flights to New York. An initial frequency of 12 weekly flights to the U.S. is laid on, including daily London (LGW) to New York (JFK) flights and five-times-per-week London (LGW)–Los Angeles (LAX) carriage, over the North Pole.

During April–May, 1 VC10 and 2 B-707-399Cs, including the *Flagship Bonnie Scotland*, are sold; the B-707-349C *County of Angus* is renamed *Flagship Bonnie Scotland*. BAC 1-11-201s/501s introduce Interjet services from Glasgow and Newcastle to Amsterdam. They also fly to Paris (Le Bourget) and take over the Gatwick to Le Touquet segment of the London–Paris air coach service known as Silver Arrow.

The old **British United Airways, Ltd.** BAC 1-11-201 Interjet route from London (LGW) to Belfast, Edinburgh, and Glasgow is expanded to Manchester on November 1; it is flown by Handley Page Herald's leased from **British Island Airways, Ltd.** In December, the Argentine carrier **Austral Airlines, S.A.** charters the BAC 1-11-509 *Isle of Iona* for three months.

Airline employment during the year is 5,530. As concentration on long-haul scheduled service increases, the carrier's commitment to charter and inclusive-tour work is reduced, contributing to a 10% dip in passenger bookings to 2,340,000 and a net loss of £1.5 million.

A BAC 1-11-530 is chartered to **Transbrasil, S.A. (Linha Aereas)** in February 1974. On March 20, a leased Herald arrives at

Paris (CDG) and British Caledonian becomes the first British airline to fly into that new French airport. The London intercity hub and spoke routes are adjusted again on June 4, as 19-times-per-week BAC 1-11 service is simultaneously started to Brussels. Back from Brazil in December, the BAC 1-11-530 is immediately leased to **Air Malawi, Ltd.**

A stabilization program is adopted. North Atlantic scheduled service to New York is ended on October 31, due to lack of traffic (only 96,000 passengers have been transported) and increased jet fuel costs, and operations on some short-haul routes are suspended or transferred (e.g., the Brussels route is given to **British Midland Airways, Ltd.**). Five BAC 1-11-509s are grounded and two VC10s are sold in October–November; the number of employees is reduced by 15% to 4,675. Simultaneously, service is extended to Dakar, a record Hadj traffic is recorded, and London–Brazil frequencies are stepped up.

Losses due to changes in service orientation are larger than expected; passenger boardings fall 25% to 1,915,000, although freight is up 23%.

Cost-cutting efforts continue in 1975 and increased emphasis is placed on nonscheduled cargo operations, to which 4 B-707-399Cs are fully dedicated. On May 1, a route is opened from London (LGW) to Kinshasa via Lagos. Three 1-11s are sold in October–November, including the Dash-509 *Isle of Ionna* and Dash-501 *Isle of Staffa* to **Austral Airlines, S.A.** The Dash-509 *Isle of Eriskay* is leased to **Monarch Airlines, Ltd.**, which will purchase the aircraft on November 14.

Following the British government's civil aviation review and realignment of the route networks of its international airlines, BCA's long-haul network will change significantly. At year's end, the workforce is 4,930. Passenger boardings drop 16% to 1,603,000, but cargo is up a healthy 37% to 226.05 million FTKs flown.

In early 1976, the BAC 1-11-509 *Flagship Isle of Skye* and BAC 1-11-501 *Isle of Arran* are sold to **Dan Air, Ltd./Dan Air Services**. British Caledonian, recertified as a national flag carrier, becomes the sole U.K. flag airline to West and Central Africa and to all of South America, except Guyana; service to East Africa is terminated. Flights from London to Bogota, Caracas, Tunis, and Algiers are inaugurated in October. During the fourth quarter, the BAC 1-11-501 *Isle of Mingulay* is sold to **Philippine Air Lines (PAL)**.

Charter flights comprise 52% of business, but will fall off henceforth. During the year, employment is increased 3% to 5,068. Orders are placed for 2 DC-10-30s.

Passenger boardings move upward 15% to 1,846,172 and a pretax profit of £6 million is earned.

The carrier's first Douglas DC-10-30, which had originally been ordered by **China Air Lines, Ltd. (CAL)** but not taken, arrives in March 1977 and is christened *Robert Burns: The Scottish Bard*. It enters long-haul service on the West African routes in April. A new DC-10-30 charter service to New York is launched in May.

A B-747-148 is chartered from **Aer Lingus Irish Airlines, Ltd.** and is employed to inaugurate a service from London (LGW) to Houston on October 23.

The carrier also undertakes three all-cargo runs: Africargo (London–Tripoli), WestAfriCargo (London–Lagos–Kano), and Texicargo (London and Prestwick–Houston). The BAC 1-11-501 *Isle of Islay* is leased to **Air Malawi, Ltd.** between December 3 and 17.

Although passenger boardings dip 3.5%, operating revenues still exceed \$250 million. Airline employment stands at 5,500. Chairman/CEO Adam Thomson possesses a fleet comprising 2 DC-10-30s, 9 B-707-399Cs, 9 BAC 1-11-50s, 7 BAC 1-11-200s, and 2 Piper PA-31-350 Navajo Chieftains.

The newly opened London–Houston route becomes the carrier's star performer in 1978, with enplanements on that one service reaching 67,000 (20,000 forecast), generating revenues of \$22 million. Domestically, London (LGW) to Birmingham Piper PA-31-350 Navajo Chieftain flights are started as is a Sikorsky S-61N helicopter Airlink operation between London's airports (LHR and LGW) in cooperation with **British Airways, Ltd. (2)**.

Long-haul service is inaugurated to Abidjan and Benghazi and Alistair Pugh is appointed Managing Director.

Passenger traffic falls 3.5% to 1,890,125, but overall cargo carriage rises 10.7% over 1977. An 18% jump in total revenues is recorded to \$296.4 million.

The number of workers is decreased by 1.2% in 1979 to 6,136 and the Boeing 747-148 leased from **Aer Lingus Irish Airlines, Ltd.** is returned and replaced with a third DC-10-30. Service is launched to Ecuador and Algeria. A new DC-10 engineering center is commissioned and construction of a new headquarters building is started. Three Airbus Industrie A-310s are ordered with options for three more. Following the acquisition of **Ferranti Helicopters, Ltd.**, a new subsidiary, **BCAL Helicopters, Ltd.**, is formed to operate in the North Sea area.

Weekly cargo service between London and Atlanta begins on September 24. In October, the BAC 1-11-524 *Isle of Raasay* is chartered to **Air Malawi, Ltd.** A license is received in November from the Hong Kong Air Transport Licensing Board (ATLB) for four-times-per-week services between London and Hong Kong.

Passenger boardings rise 10.5% to 2.1 million, but freight traffic slips by 2.6% to 229 million FTKs. Still, the company banks a \$10-million net profit. The fleet at decade's end includes 4 DC-10-30s, 7 B-707-320Cs, 16 BAC 1-11s, 1 Navajo Chieftain, and 2 S-61Ns. A \$10-million profit is posted.

Airline employment in 1980 stands at 6,511, a gain of 6.1%. Following protracted hearings that end on February 8, the carrier is granted permission by the Civil Aviation Authority to inaugurate its new Hong Kong frequencies. The *Isle of Raasay* returns from Malawi in April and is immediately leased to **British Airways, Ltd. (2)** for its regional network.

Beginning on June 1, service is launched from London to the three U.S. destinations of Atlanta, St. Louis, and Dallas (DFW). The aircraft employed on the London to St. Louis and Dallas (DFW) route is the DC-10-30 *James S. McDonnell—The Scottish American Aviation Pioneer*, named in honor of the cofounder of the aircraft builder McDonnell Douglas.

On June 17, the U.K. Secretary of State grants permission for **Laker Airways, Ltd.** to join BCAL and Cathay in offering unrestricted services to Hong Kong. Four-times-per-week DC-10-30 flights are inaugurated by BCAL on August 1, with the company dramatically unveiling a \$120 stand-by fare. Between August 14 and October 18, a BAC 1-11-524 is chartered from its manufacturer.

Cargo traffic rises 9.1%, but overall passenger boardings decline .05% to just over 2 million. DC-10-30 enplanements account for 55% of British Caledonian capacity as the percentage of charter traffic declines to only 12% of business. Revenues surge 35.8% to \$510 million, but expenses are up 36.6% to \$483 million; an operating profit of \$26.8 million is earned, but the net profit declines to \$7 million.

The number of employees is increased a slim 1.9% in 1981 to 6,344. The new DC-10-30 *Flora McDonald* joins the fleet and, by June, all 7 of the BAC 1-11-201s have been sold and delivered to **Pacific Express**. The former **Bavaria Fluggesellschaft mbH. & Co.** BAC 1-11-528s *Jakob Fugger* and *Albrecht Durer* are purchased on October 29.

Despite success on the London–Hong Kong route, the carrier joins many others in suffering severe financial distress, particularly over the North Atlantic route, as expenses exceed income.

Passenger traffic jumps 6.5% to 2,255,825 and freight soars 25.3% to 310.76 million FTKs. Total revenues rise 20.1% to \$612.4 million, but expenses shoot up 25% to \$604.2 million, sending operating income down to \$8.2 million and leaving the airline with an \$11.85-million net loss.

The workforce grows again, slightly, in 1982, up 1.4% to 6,462. A BAC 1-11-515 is acquired from **Dan Air, Ltd./Dan Air Services** on March 1 and is christened *City of Glasgow*. Purchased from the wreckage of **Laker Airways, Ltd.** during the first quarter, 4 BAC 1-11-301s arrive at the carrier's base during the first week of April. The carrier also buys a BAC 1-11-523 from **Faucett Peruvian Airlines, S.A.**

Due to the Falklands War between early April and June, service ceases to both Argentina and Chile and terminates in South America at São Paulo, Brazil.

With the arrival of its first owned Jumbojet, a B-747-230B christened *Mungo Park: The Scottish Explorer*, on April 15, a new service can be started from London (LGW) to Lagos on May 1. A new route is opened to Los Angeles on May 21.

On the domestic front, a new subsidiary, **British Caledonian Commuters, Ltd.**, is established to offer regional feeder links into the company's hub airports. Operated in a fashion similar to that of the "Allegheny Commuter" network in the U.S., BCAL coordinates schedules with several small contracted airlines, including **Brymon Airways, Ltd.**, **Connectair, Ltd.**, **Guernsey Airlines, Ltd.**, **Jersey European Airlines, Ltd.**, and **Metropolitan Airways, Ltd.**

Aircraft from all of the participating airlines carry a BCC logo and bookings for 23 destinations can be made through travel agents or BCAL London offices (or those it maintains throughout the world). The commuters carry their own costs of doing business, but BCAL now promotes the new network through its marketing organization and issues a joint timetable.

Following its acceptance of a contract from **British Airways, Ltd. (2)** in October, the carrier's longtime advertising firm Saatchi & Saatchi resigns its BCAL account in early November.

The U.K.'s largest independent airline suffers a reversal that is attributed directly to losses on South American routes.

While freight falls 17% to 259 million FTKs, enplanements rise 19% to 2,683,498. British Caledonian suffers a loss of just under \$1 million on total revenues of \$521 million.

For the first time since the early 1970s, the carrier embarks upon a significant return to the charter field in 1983. In a fifty-fifty partnership with the Rank Organization, a new subsidiary, **BCAL Charters, Ltd.**, begins operations in March. With 2 dedicated DC-10-30s, holiday flights are begun to resorts in Europe, the Mediterranean, Africa, and the Canary Islands.

British Caledonian becomes the first U.K. carrier to order the Airbus Industrie A-320; 7 are to be delivered in 1988. In September, the 4 former **Laker Airways, Ltd.** BAC 1-11-301s are sold to the new Nigerian carrier, **Okada Air, Ltd.**

Freight traffic grows 8% to 280.89 million FTKs, but overall passenger boardings decline 17% to 2.2 million. Still, with the Falklands conflict settled, revenues increase \$21 million to \$522 and a net profit of \$3.5 million is recorded.

Airline employment in 1984 stands at 6,747. Previously operated by **Faucett Peruvian Airlines, S.A.**, a BAC 1-11-523, refurbished by its manufacturer, is placed into service during the first quarter.

On July 16, British Civil Aviation Authority white paper report *CAP 500* is issued; it recommends the transfer of **British Airways, Ltd. (2)**'s Saudi Arabian routes to Second Force independent and BCAL's South American network to the state airline.

The first 2 A310-200s are delivered late in the year at a time when the carrier suspends its London to St. Louis service.

An arrangement is made with **Ozark Air Lines** for the American national to feed passengers to the British independent at Atlanta. During early fall, BCAL budgets £300,000 for an advertising and promotional campaign on behalf of the British Caledonian Commuter network. When underway, this "road show" is complete with colored lights and dancing girls and visits 10 British cities to show off the commuter network to travel agents and business managers.

Overall enplanements rise 3.9% to 2,319,616, while freight is up 17.1% to 328.9 million FTKs. Revenues climb 14.6% to \$453.3 million, and earnings total \$23.1 million—the highest net profit since 1970.

The payroll shoots upward by 13.1% in 1985 to 7,628.

To promote a new New York to London service, the carrier initiates a \$5.5-million advertising campaign on February 15. A new \$103-million financing package allows the company to acquire a DC-10-30 from **Ar-**

iana Afghan Airlines and, on March 18, the B-747-2D3BC *Princess Haya* from **Alia Royal Jordanian Airlines**. Direct A310 London–Riyadh service begins on March 31 and daily nonstop flights from London (LGW) are resumed to New York (JFK) with the ex-Ariana Douglas wide-body on May 1.

Also in May, Managing Director Alistair Pugh becomes executive vice president while Chief Operating Officer David Coltman succeeds him as managing director. This switch coincides with the consummation of the huge route swap initiated by the CAA the previous July.

In June, the former **Alia Royal Jordanian Airlines** Jumbojet, now known as the *Andrew Carnegie: The Scottish-American Philanthropist*, replaces the DC-10-30 on the New York route, with the latter being transferred to the Africa service. **Air Zaire, S.A.**'s DC-10-30 is acquired in June.

The number of employees jumps 13.1% to 7,628 and the fleet now includes 27 aircraft: 2 B-747-200s, 10 DC-10-30s, 13 BAC 1-11-500s, and 2 A310-200s, with orders outstanding for 2 more Jumbojets and 7 A320s.

Passenger boardings increase 6% to 2.45 million and cargo is up 8% to 354.39 million FTKs. Total revenues jump 17.2% to \$700 million, sending net gain up to a new record of \$31.3 million.

On January 23, 1986 the British government grants authority for initiation of Tokyo service, but in late spring, it disallows the Gatwick–Heathrow helicopter Airlink. It will be a year before the Japan service can be launched.

Because terrorism has made Americans afraid to travel to Europe and has forced down the carrier's U.S. bookings by 40%, the airline is forced to announce, on May 15, that it will lay off 1,000 of its 7,750 employees. Also in May, the first B-737-300 EFIS simulator in the U.K. is delivered by Rediffusion Simulation to the company's flight training center at Gatwick Airport.

The workforce downsizing occurs in June, while 3 DC-10-30s begin thrice-weekly one-stop London–Hong Kong service. To advertise its "Door to Door" transatlantic service, the airline later in the month kicks off a special eight-week, \$230,000 series of four-per-day sight-seeing flights over London by an Airship Industries Skyship 500. Costs to passengers will be \$153 each, although the first aboard, U.K. Minister of Aviation Sir Michael Spicer flies free.

In July, an A310-200, leased earlier to **Service Airways (Pty.), Ltd.** of Hong Kong, disappears from Amman before it can be impounded in a legal dispute. In the same month, flights to Libya cease. During the summer, construction is begun on a new first-class lounge at Gatwick Airport. In September, Priority Plus small package express service is launched to London from the North American gateways of New York (JFK), Atlanta, Houston, Los Angeles, and Dallas (DFW).

On October 1, the former **Wardair Canada, Ltd.** B-747-211B *Herbert Hollick-Kenyon* is purchased; it is employed on a Hong Kong service beginning in November. British Caledonian receives CAA approval to launch Gaborone service, also in November, and joins **Sabena (Belgian World Airlines, S.A.)** in starting a joint daily Brussels–London–Atlanta route employing a Belgian B-747-129 with a Sabena crew.

On December 3, BCAL becomes initial launch customer for the McDonnell Douglas MD-11, successor to the DC-10, as it places an order for 3 aircraft with 6 options.

Fear of terrorism causes a significant passenger decline for the year; bookings fall by 3% to 2,383,000; freight, however, is up by 17% to 414.36 million FTKs. Revenues fall 3% to \$753 million and a \$40-million operating loss is suffered.

Airline employment falls 4% in 1987 to 7,000. The former **Wardair Canada, Ltd.** B-747-211B *H. A. "Doc" Oaks* is purchased on March 7 and is employed to inaugurate nonstop London–Tokyo flights on April 1; the new route is the operational highlight of the year. Continuing to lose money, the nation's largest independent becomes a takeover target for various rival carriers and negotiations are held with several. On September 10, the former **Royal Jordanian Airlines** B-747-2D3B *Prince Hamzah* is acquired.

Through November, a total of 2,530,000 passengers are flown, a 15% increase; freight also rises, up 12% to 424.23 million FTKs. In December, the historic competitor, **British Airways, Ltd. (2)**, becomes the successful suitor and acquires BCAL for \$450 million. The MD-11 order is immediately cancelled.

Integration of the two carriers is completed in 1988, including the merger of BCAL Charters, Ltd. with **British Air Tours, Ltd.** to form the new holiday airline **Caledonian Airways, Ltd. (2)**.

Two years later, in 1990, Adam Thomson publishes his recollections of BCAL, *High Risk: The Politics of the Air* (London, Eng.: Sidgwick & Jackson). There is an unofficial website at <http://members.aol.com/cvswitch/blueskies/Default.htm>.

BRITISH CALEDONIAN COMMUTERS. See **BRITISH CALEDONIAN AIRWAYS, LTD.**

BRITISH CALEDONIAN HELICOPTERS, LTD. (BCHL): United Kingdom (1979–1987). Ferranti Helicopters, Ltd., is purchased by **British Caledonian Airways, Ltd. (BCAL)** in the spring of 1979 and is reorganized as a Caledonian group subsidiary to provide charter contract services in the North Sea area. The fleet grows to include 2 Sikorsky S-61Ns, 1 S-76, and 3 Bell 214STs. The former machines begin participation in the new Airlink shuttle between Gatwick and Heathrow Airports, begun in cooperation with the British Airports Authority on June 9, 1978.

Operations continue apace in 1980–1982 with ten daily 15-min. roundtrips connecting the international airports. Enplanements in 1981 total 86,481, declining to 81,029 in 1982.

During the summer of 1983, the company wins permission to begin flying a Bell 214ST from Aberdeen to a pipe-laying barge north of Stavanger in a gas field operated by Elf Aquitaine Norge, A.S. **Helikopter Service A.S.**, Norway's largest rotary-wing carrier, voices opposition to the contract before U.K. and Norwegian regulatory officials. In October, BCHL Helicopters elects to abandon its contract, which is reassigned to HS.

Operations continue apace in 1984. After losing a main-rotor drag brace, a company Bell 214ST makes an emergency landing in a field north of Aberdeen Airport in Scotland on August 14, 1985; none of the crew or 16 passengers are injured. On November 5, a Bell 214ST, flying from Aberdeen participates in the rescue of 140 men from the storm-damaged BP oil-rig support vessel *Tharos* in the North Sea. The company machine saves 62 crew.

The Airlink airport shuttle ends in February 1986 following the completion of the new M25 motor highway linking the Gatwick and Heathrow facilities. Still, the Civil Aviation Authority (CAA) recommends that the Airlink be maintained and BCHL, in response to earlier noise complaints, refurbishes a Sikorsky and makes plans to operate the service on a new route structure at higher altitudes. The CAA recommendation is rejected by the secretary of state for transport and the service is not resumed; since its beginning, Airlink has transported 600,000 passengers and generated \$140 million in revenues.

Despite the end of Airlink, North Sea operations continue, on a somewhat reduced basis, as the price of world oil declines. The company's fleet of 4 Bell 214STs complete achievement of a record 656 flight hours on May 1. However, on May 15, one of these machines, with 18 aboard, loses collective control and is forced to ditch near the Magnus field, 16 nm. north of Fraserburgh on the Scottish coast. On the bright side, no one is hurt in only the second completely successful North Sea ditching on record.

In July–August, 19 employees, mostly pilots and engineers, are laid off; BCHL becomes the first North Sea operator to actually dismiss workers due to the deflated offshore oil market. The subsidiary is among the assets passed along when BCAL is purchased by **British Airways, Ltd. (2)** on November 11, 1987. Less than a month later, BCHL, together with its 4 Bell 214STs, 3 S-61Ns, and 1 S-76, is purchased by **Bristow Helicopters, Ltd.** and merged.

BRITISH COMMONWEALTH PACIFIC AIR LINES (BCPAL): Australia/New Zealand/United Kingdom (1946–1954). Formed to offer long-haul service from Australia and New Zealand to the United States and Canada, BCPAL is registered at Sydney on June 24, 1946. Capitalized at £1 million, shareholding is divided between the governments of Australia (50%), New Zealand (30%), and the United Kingdom (20%); Sir Arthur Coles is named chairman. The company initially owns no aircraft, but instead contracts with ANA (**Australian National Airlines [Pty.], Ltd.**) for use of the Australian carrier's DC-4s.

Painted in BCPAL livery, the ANA-owned and piloted DC-4 *Warana* inaugurates every-two-week service on September 15, flying the 8,383 nm. from Sydney to Vancouver via Fiji, Canton Island, Honolulu and Oakland, serving San Francisco (the latter two destinations being transit stops only). The Skymaster arrives at Vancouver's Sea Island Airport to an enthusiastic welcome by over 1,000 people on September 18.

The Vancouver service becomes weekly on February 21, 1947; Oakland, serving San Francisco, landing rights are obtained later in the year. Flights from New Zealand to Vancouver via the U.S. are inaugurated on April 25. ANA's contract is terminated on April 21, 1948, at which point the long-distance carrier takes over the service with its two DC-4s purchased from ANA and another chartered for a year from **Trans-Australian Airlines (Pty.), Ltd.**

Capt. A. A. Barlow is named the company's first non-seconded general manager, with Capt. John Bennett as operations manager. Given competition from **Pan American Airways (PAA)**, plans are made, beginning in August, to upgrade the aircraft fleet. When 4 DC-6s ordered by **SAS (Scandinavian Airlines System)** become available at Santa Monica they are quickly purchased by Chairman Coles. All are ferried down to Australia by the end of December and are christened *Resolution*, *Endeavour*, *Adventure*, and *Discovery*.

The *Discovery* is the first of the new DC-6s to enter service, flying out from Auckland to San Francisco via Fiji, Canton, and Honolulu, on February 16, 1949. As the other 3 DC-6s commence operations, the DC-4s are retired.

In the 12 months between July 1950 and July 1951, BCPAL carries twice as many transpacific passengers as **Pan American World Airways (1)**. **Qantas Empire Airways (Pty.), Ltd.** Chairman Hudson Fysh pens a memorandum in November suggesting that his carrier take over and merge BCPAL.

In January 1952, orders (never filled) are placed for 6 de Havilland DH 106 Comet 2s. On October 14, 1953, the decision is taken to reorganize the tripartite arrangement when the U.K. announces its withdrawal from the consortium.

Just after departing San Francisco for Honolulu's John Rogers Airport on October 28 with 8 crew and 11 passengers, including world famous pianist William Kapell, the *Resolution* crashes into Kings Mountain at the 1,950-ft. level, 7.5 mi. SE of Half Moon Bay, California; there are no survivors. Edward Davies reviews "The Mystery of Flight 304: BCPAL DC-6 Crash," in *Propliner*, no. 51 (Summer 1992): 36–40.

At this point, there is no turning back from BCPAL's liquidation. Its transpacific routes are given to **Qantas Empire Airways (Pty.), Ltd.** on April 1, 1954; the Australian long-haul operator formally merges its onetime rival on May 15, taking on BCPAL's 260 employees and passing its 3 remaining DC-6s to **Tasman Empire Airways, Ltd.**

BRITISH CONTINENTAL AIRWAYS, LTD.: United Kingdom (1935–1936). Capitalized initially at £25,000 by its owner, Sir Percy MacKinnon, chairman of Lloyds of London, and his son Graham, BCA is registered at London on April 15, 1935. The fleet comprises 1 de Havilland DH 84 Dragon, 5 DH 86s, and 3 DH 89A Dragon Rapides. Thrice-daily London (Croydon)–Oste–Le Zoute service is inaugurated on July 2, with weekend extensions to Brussels. The Le Zoute route is closed on September 28; however, regular flights to Brussels via Lille are initiated in October. Daily London–Amsterdam via Antwerp flights begin on November 1.

On February 7, 1936, the DH 86 *St. George* undertakes a London–Malmö via Amsterdam, Hamburg, and Copenhagen demonstration flight, returning the next day. Regular service over the route begins later in the month. With **British Airways, Ltd. (1)** having received the government subsidy to operate flights to Scandinavia, BCA is unable to receive assistance. Indeed, the SSA on May 13 actually suggests that the MacKinnons seek a merger with BA-1.

On July 1, the Malmö route is extended (summer only) to Stockholm. In pool with **KLM (Royal Dutch Airlines, N.V.)**, Liverpool–Doncaster–Amsterdam operations commence the same day.

Like several of the other independent British carriers of the mid-1930s, BCA, without government support, encounters fiscal difficulties when the four national railroads, which are running their own airline, attempt to stifle competition by enforcing a bookings ban on travel agents. As a result, the carrier, its routes, and equipment, are purchased by **British Airways, Ltd. (1)** and merged on August 1. The MacKinnons receive seats on the BA-1 board, which they will occupy for a year.

BRITISH EAGLE INTERNATIONAL AIRWAYS, LTD. (BEIA): United Kingdom (1963–1968). Harold Bamberg purchases 60% majority shareholding in **Cunard-Eagle Airways, Ltd.** in February 14, 1963. Additional regional routes are added and the company is granted permission to begin serving Scotland's two largest cities in competition with **British European Airways Corporation (BEA)**—the first independent to be so allowed. The two Viscount 707s purchased in 1960 are sold in July. In order to demonstrate his control and interest in regional achievement, Bamberg renames the company **British Eagle International Airways, Ltd.** on August 9.

A Bristol Britannia 312 is purchased in September; christened *Enterprise* and following an October 22 proving flight, it inaugurates London (LHR) to Glasgow (Renfrew) weekday service on November 3. The following day, the *Enterprise* begins weekday service to Edinburgh, adding a frequency to Belfast before month's end. Meanwhile, in late October another Britannia 312 is delivered and christened *Endeavour*.

On November 19, the entire route network of Liverpool-based **Starways, Ltd.** is purchased. As a result, BEIA is able to take over its routes from London (LHR)–Liverpool, Liverpool–Edinburgh, Glasgow, and Cork, Blackpool–Glasgow, plus charter opportunities from Liverpool and Manchester.

On January 1, 1964, the remnants of **Starways, Ltd.** (minus the company's fleet that was sold by its previous owners) are acquired and redesignated as the subsidiary **British Eagle (Liverpool), Ltd.**

Simultaneously, frequencies on the London (LHR) to Belfast service are increased to six per week. During January, 5,000 passengers are carried on the London (LHR)–Liverpool route.

A new Britannia 312 is purchased in January and christened *Bonaventure*. Two former **Transcontinental S.A.** Britannia 308Fs named *Trojan*, and *New Frontier* are also added, and the 3 DC-6As are sold.

The Bristol Britannia 308F *Trojan* with 8 crew and 75 passengers crashes into Austria's Mt. Glungetzer, near Innsbruck, on February 29; there are no survivors.

There is considerable additional fleet activity in the spring. In addition to the Britannias added in January, 7 more Bristol turboprops are added between April and June, along with 3 ex-military Douglas C-54s converted to civil DC-4 standard. One of these does not enter service and is immediately sold.

Also in the spring, the carrier becomes embroiled in additional disputes and hearings before the ATLB. Although some requests are refused, frequencies are increased, on April 1, on both the Glasgow and Edinburgh services. The Britannia freighters are placed on the Adelaide contract route, also in April.

During the summer, new holiday flights are undertaken to Brindisi and Nice and the large inclusive-tour bookings of **Starways, Ltd.** are flown with the new DC-4s. Scheduled services are now offered London

(LHR)–Stuttgart, Manchester–Rimini and La Baule, and nightly service from Liverpool and Birmingham to Palma. Two leased Viscounts are returned to their owners in December.

Unable to win ATLB approval for increased frequencies on the London (LHR)–Belfast and Glasgow routes, BEIA withdraws from them on April 20, 1965. The company's dormant North Atlantic license is revoked by the ATLB and given to arch rival BOAC–Cunard, Ltd. in June. All previous regional scheduled and nonscheduled flights offered in 1964 are repeated save the April cancellations. Efforts to upgrade the fleet continue.

The 2 DC-4s are removed in February and, between March and June, 6 Vickers Viscount 701/707s are sold; these are replaced by 4 more Bristol Britannia 312s. British Eagle becomes the first U.K. independent airline to order the Dash-400 version of the BAC 1-11 when it places a request for 3 Series 406s.

The workforce is now 2,200 and enplanements reach 580,000.

In early 1966, the carrier leases the 4 surplus BAC 1-11-301s from **Kuwait Airways, Ltd.** As a result, the Dash-406 order is cancelled. On April 22, a BAC 1-11-301 that is slated for delivery to **Central African Airways Corporation** is instead—due to political developments in Rhodesia—leased by BEA. Painted in its livery and christened *Swift*, the jetliner enters BEA service on May 9 with an inaugural flight from London (LGW) to Glasgow (Abbotsinch Airport).

In May, a Britannia 313 is purchased and christened *Talisman*. The year's passenger boardings exceed a million and, at year's end, Bamberg's growing number of flying and nonflying companies are reorganized under the holding company Eagle International, Ltd. Simultaneously, Cunard's minority 40% interest is purchased. An £80,000 loss is suffered.

During initial climb away from London (Heathrow Airport) for an April 20, 1967 flight to Kuwait City, the landing gear of the Bristol Britannia 308F *New Frontier* with 11 crew and 54 passengers becomes jammed. After circling, a safe emergency landing is made on a foamed runway at RAF Manston and no injuries are reported.

In order to allow return of the **Central African Airways Corporation** BAC 1-11-301, 2 BAC 1-11-304s, *Salute* and *Supreme*, are delivered on April 28 and May 25. An arrangement is made to purchase Boeing 707s as new transatlantic licenses are sought from the ATLB. Three BAC 1-11-301s, *Stalwart*, *Spur*, and *Superb* are purchased from **Kuwait Airways Corporation** on June 8.

The new BACs fly domestic routes from London to Glasgow and Liverpool. They also undertake inclusive tour passenger charters to Stuttgart, Rimini, Pisa, Dinard, Luxembourg, La Baule, Perpignan, Palma, Tunis, and Djerba.

A new B-707-365C arrives from Seattle while a B-707-138B is obtained from **Qantas Empire Airways (Pty.), Ltd.** Arrangements are now made to lease a number of Viscounts and BAC 1-11s to other carriers, including **KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, and **SAS (Scandinavian Airlines System)**. When the *Stalwart* reaches Copenhagen, it is repainted in SAS colors and receives the name *Arnold Viking*; however, British registration is retained.

Liverpool–Cork scheduled service (a money loser) ceases on November 1 as Glasgow to Liverpool and London services remain the most profitable. East African Britannia charter flights commence in late fall.

Enplanements during the 12 months total 823,251 and cargo carriage climbs by 11%.

Airline employment in 1968 stands at 2,800. A Boeing 707-138B purchased from **Qantas Airways (Pty.), Ltd.** arrives at London (LHR) on February 3 and is christened *Enterprise*. A new B-707-465 reaches Ireland in February and is leased to **Middle East Airlines, S.A.L. (2)**. A second ex-**Qantas Airways (Pty.), Ltd.** 707-138B arrives at London (LHR) on March 15 and is named *Phoenix*.

A BAC 1-11-301, leased from **Zambia Airways Corporation**, is returned to that company, while a BAC 1-11-301 is chartered to **Swissair, A.G.** for the remainder of the year. The government contract for flights to Australia is closed out in March and during the year, over £1 million

in tour bookings are lost. On March 29, the BAC 1-11-301 *Stalward* is chartered to **KLM (Royal Dutch Airlines, N.V.)**.

The two former Australian Boeings are employed during the summer to fly inclusive-tour charters to the Caribbean, while the BAC 1-11-304s blanket Europe with tourists.

While en route from London to Innsbruck on August 9, the pilot of a BAC 1-11-304 with 4 crew and 44 passengers loses control of his aircraft and crashes beside the autobahn at Pfaffenhofen, near Munich; there are no survivors and a motorist is injured.

When on November 1, BEIA's Bermuda and Bahamas inclusive-tour license is revoked, despite the ATLB award of a transatlantic scheduled license, the banks backing Bamberg withdraw their support. Consequently, the carrier ceases trading on November 7.

BRITISH EMERALD AIRWAYS, LTD. (BEA): United Kingdom (1983–1987). BEA is organized at Belfast, Northern Ireland, in early 1983. An application to the Civil Aviation Authority for a license to operate low-fare transatlantic services is granted later in the year, but flights do not immediately begin.

After obtaining a pair of Douglas DC-10-40s, revenue flights to New York from Belfast, London (LGW) and Prestwick commence in 1985. The company is not able to achieve economic viability in a time of recession and thus is forced to shut its doors in early 1987.

BRITISH EUROPEAN, LTD.: Exeter Airport, Exeter, England, EX5 2BD, United Kingdom; Phone 44 (1392) 366 669; Fax 44 (1392) 445 237; <http://www.british-european.com>; Code JY; Year Founded 2000. Company officials at **Jersey European Airways, Ltd.** now believe that the airline's name does not reflect the size or mission of the carrier. Consequently, JEA changes its name on May 8, 2000, taking pains to assure the public that it is not taking the moniker once held by BEA, an historic British airline, which is still owned by **British Airways, Ltd. (2)**.

CEO Bayy Perrott's inaugural fleet includes a mix of 11 de Havilland Canada DHC-8-300s, 5 British Aerospace BAe 146-300s, and 1 new Canadair CRJ200ER. Previous routes are maintained, as is the new five-year "Air France Express" franchise contract signed on March 31.

All publicity material, as well as airport and in-flight announcements and signage are changed by early June; the first aircraft wearing the new company livery, a BAe 146-200, arrives from the paint shop on June 9. It is anticipated that all aircraft will wear the new livery by the end of March 2001.

Received wearing the company's new livery, the second CRJ200ER begins five-times-a-day roundtrips between London (LCY), Leeds Bradford, and Belfast on June 12, the same day four-times-a-day Dash-8 services are started from Birmingham to Edinburgh. Thrice-daily roundtrips are simultaneously begun from London (LCY) to Jersey, with twice-daily connections to Exeter.

Jack Walker, longtime owner/chairman, dies of cancer in hospital on Jersey on August 18. Thrice-daily return service is inaugurated on September 4 between London (LCY) and Leeds-Bradford.

Nonexecutive board member David Brown is named Chairman Walker's successor on September 22.

A contract with **CityJet, Ltd.** for the wet-lease operation of a BAe 146-100 ends on October 20. Nine days later, Aberdeen replaces Leeds-Bradford as a destination from London (LCY). BAe 146-300 thrice-weekday return flights are offered, along with a Sunday night service.

Wearing its own colors, a company BAe 146-300 is wet-leased to **Augsburg Airways, A.G.** on November 3 to operate out of the Augsburg base on behalf of "Team Lufthansa."

BRITISH EUROPEAN AIRWAYS CORPORATION (BEA): United Kingdom (1946–1974). After V-E Day, a European committee of the British state carrier **British Overseas Airways Corporation (BOAC)** studies ways to provide services to the Continent and proposes in late 1945 implementation of some "progressive, efficient, and eco-

nomical expansion in the public interest." The best manner to accomplish this goal appears to be the creation of an autonomous section within the government-owned airline.

Meanwhile, the government has changed from coalition rule under Winston Churchill, to that of the Labour Party. It has put forward a plan, first published in March as the "Swinton Plan" and named for its author, the first Minister of Civil Aviation Viscount Swinton, which will see the retention of one and the creation of two additional state airline corporations.

The British European Airways division of **British Overseas Airways Corporation (BOAC)** is officially formed as the No. 1 Line on January 1, 1946, to take over the continental operations of RAF No. 110 Wing (of No. 46 Group), based at Whitechurch. Douglas C-47A Dakotas (military Douglas DC-3s) in RAF livery and crews in RAF uniforms on February 4 start regularly scheduled commercial services from Northolt to Amsterdam, Brussels, Helsinki, Lisbon, Madrid, Paris, and Stockholm.

The Northolt Airport is loaned to **British Overseas Airways Corporation (BOAC)** by the RAF on March 1 and on March 4, No. 1 Line begins to operate its aircraft in civil livery and its crews in state airline uniform. The Ministry for Aircraft Production places an order for 50 Vickers-Armstrong Viking 1 transports, the first of which receives its Certificate of Airworthiness on April 24. Meanwhile, DC-3 routes are opened to Oslo on March 11, Copenhagen on March 12, and Marseilles, Rome, and Athens on March 14. A 30% shareholding is taken in **Aer Lingus Teorante** on May 5.

Under the Civil Aviation Act of 1946, the No. 1 Line/BEA division is split off from its parent on August 1 to form the British European Airways Corporation (BEA). Sir Harold Hartley becomes chairman and Gerard d'Erlanger managing director. The fleet of this new public company consists of 21 DC-3s transferred from **British Overseas Airways Corporation (BOAC)** and the motto *Clavis Europae* is adopted ("the key to Europe"). Arrangements are also made to lease from the Ministry of Supply a number of war reparation Junkers Ju-52/3ms; only a very small stock of spare parts is, however, available for them.

The first official service begins with an 8:40 a.m. departure from London (Northolt Airport) to Athens via Marseilles and Rome. Although the carrier now runs its own European services, internal operations are contracted out to private airlines.

A C-47A with 5 crew and 11 passengers crashes while on initial approach to the airport at Oslo, Norway, on August 7 (3 dead).

New Douglas transport routes are opened to Prague on August 7, Rome on August 9, Hamburg and Berlin on September 1, and Frankfurt am Main and Vienna on September 2. Several new Vickers-Armstrong Viking 1s are acquired; the first of these, christened *Valerie* and commanded by Capt. L. G. James, is placed into service on a new route from London (Northolt) to Kastrup, Copenhagen on September 1. Additional Viking 1 routes begin from Northolt to Stavanger, Oslo, and Amsterdam on September 2, Zurich on September 9, Ankara on September 17, Göteborg and Stockholm on October 6, plus Lisbon, Madrid, Gibraltar, and Prague on November 1.

Meanwhile, on September 16 the Italian carrier **Alitalia, S.p.A.** is formed, with BEA providing assistance and taking a 30% interest. Eleven former Luftwaffe Ju-52/3ms in BEA livery, converted by Short & Harland, Ltd. at Belfast and renamed Jupiters, are employed by **Railway Air Services, Ltd.** to begin contract Croydon–Liverpool and Belfast flights on November 18.

While on a repositioning flight near Lons le Saulnier, also on November 18, a DC-3 with four crew is involved in an accident; although the aircraft must be written off, there are no fatalities.

Due to icing problems, the 12 units of the Viking 1 fleet are grounded on December 8. Enplanements since August 1 have totaled 71,177.

In accordance with the provisions of the Civil Aviation Act of 1946, British European Airways Corporation (BEA) on February 1, 1947 acquires the carriers and services of the wartime **Associated Airways Joint Committee**. These domestic service providers include **Railway Air Services, Ltd.**, **Scottish Airways, Ltd.**, and **Isle of Man Air**

Services, Ltd., plus the assets of the former, currently inoperative, **West Coast Air Services, Ltd.**, **Highland Airways, Ltd.**, **Western Isles Airways, Ltd.**, and **North Eastern Airways, Ltd.** The whole lot is purchased by the government for £550,000.

As a result of these acquisitions, the state carrier's fleet is enlarged by 8 Ju-52/3ms, 2 DC-3s, 13 Avro 19s, 39 DH 89As, 1 DH 84, and 1 DH Gipsy Moth. The enlarged airline's first domestic services begin the same day as a DC-3 opens Northolt to Prestwick via Renfrew services and DH 89As and Ju-52/3ms begin flying over various Scottish routes.

The weather in February and March is horrific. The new enterprise gains something of a reputation for unreliability when snow and ice force cancellation of 3 of every 10 Continental services during this period.

Nonstop Ju-52/3m London-Belfast flights are started on March 20; the following day, BEA acquires the Greek carrier **Technical and Aeronautical Exploitations Co., Ltd.**, reselling it to the American **Transcontinental and Western Airlines (TWA)** later in the year. On the last day of the month, it is announced that, since start-up, the corporation has run up a deficit of £2,157,937. **Channel Island Airways, Ltd.** and its 6 DH 89As are purchased and merged on April 1; **Allied Airways (Gandar Dower), Ltd.** and one of its 4 DH 89As is taken over on April 12.

A Viking 1B proving flight is made to Geneva on April 18 and the 19 machines in the Viking fleet, upgraded to Mk.1A and 1B standard, are reinstated on the Continental routes beginning on April 21. BOAC/BEA jointly form Airways Training, Ltd., on May 1; 14 days later, BEA takes 51% controlling interest in newly created **Gibraltar Airways, Ltd.** Viking service is started to Geneva on May 19, the same day DC-3s launch London to Edinburgh, Aberdeen, and Shetland flights and replace Ju-52/3ms on the Belfast route. In addition, flights are made from the Isle of Man to Belfast, Blackpool, Carlisle, Glasgow, Liverpool, and Newcastle.

On June 26, orders are placed for 3 Sikorsky S-51s and 2 Bell Model 47s and, on July 1, a helicopter unit is established at Yeovil (Somerset). Also on July 1, Chairman Sir Harold Hartley becomes **British Overseas Airways Corporation (BOAC)** chairman. He is succeeded at BEA by Managing Director Gerard d'Erlanger, who is succeeded in his post by J. V. Wood. Before the day is done, weekly DH 89A flights begin Belfast to Carlisle and Newcastle.

The first BEA scheduled all-cargo service is opened on a daily basis by DC-3s on August 10 over the London-Brussels and Prague route. The next day, London-Renfrew and Prestwick and Copenhagen-Glasgow Viking flights are kicked off. The last Ju-52/3m is retired on August 31. The premier British postwar "all-up" (no aerial surcharge) mail service is opened on September 29 over the Glasgow-Belfast route.

Six unprofitable domestic plus the Helsinki routes are closed on October 6. The same day and in conjunction with **Cyprus Airways, Ltd.**, London-Nicosia operations are inaugurated, with the British line flying the Athens-Nicosia over-water sector under contract. National economic conditions require the discharge of 2,000 employees on October 2. London-Malta via Marseilles and Rome service is launched on December 1.

Bookings for the first full year total 511,522. Revenues total £1.2 million, but costs bring a £2.1-million loss.

Airline employment at the beginning of 1948 stands at 4,200. On January 6, while en route from Scotland to London, the Vickers 610 Viking 1B *Veracity* crashes while on approach to Ruislip (one dead).

On January 27, the helicopter unit's S-51s and Model 47s launch a series of practice mail services from Yeovil to Sherborne, Blandford, Gillingham, Poole, Wimborne, Dorchester, Weymouth, Warham, Lyme, Regis, and Bridgeport. A total of 570 missions are started and 547 completed by the time the operation is finished on March 7. Meanwhile, during February the carrier's 10 ex-Luftwaffe Ju-52/3m Jupiters are retired and scrapped.

Over Berlin's Gatow Airport on April 5, the Vickers 610 Viking 1B *Vimy*, piloted by Capt. John Ralph with 3 other crew and 10 passengers arriving from London over its normal route via Hamburg, is rammed head-on by a Soviet Air Force Yakovlev YAK-3 fighter, which is per-

forming aerobatics. The Viking, with its starboard wing taken off, spirals slowly without control until it crashes into the city's British sector; all aboard are killed. The Russian warplane falls into the Soviet sector and its pilot is also killed.

On April 18, **Cyprus Airways, Ltd.** assumes the Rome-Nicosia sector of the U.K.-Cyprus service flown by the British airline since the previous October.

On April 21, a Vickers 610 Viking 1B with 4 crew and 16 passengers is involved in an accident at Irish Law Mountain in the U.K.; although the aircraft must be written off, there are no fatalities.

In May, several independent carriers begin the provision of additional domestic services as BEA Associates.

Following a public ceremony hosted by the Lord Mayor of Peterborough on June 1, two S-51s, piloted by Captains J. Theilmann and G. A. Ford, open the U.K.'s first helicopter mail service from Peterborough to 12 East Anglia stops with 140 pounds of post. The six-days-per-week operation will continue until September 25, during which time a little over 15 tons of mail are transported. On June 18, the Soviet Berlin governor, Marshal Sokolovsky, orders a halt of all western rail and ground transport into the Russian zone of Germany at midnight.

The participation of civil aircraft in the Berlin Airlift begins on July 19 when **American Overseas Airlines (AOA)** C-54s commence twice-weekly flights into the city from Frankfurt. The British independent **Flight Refueling, Ltd.**, employing Avro Lancastrians, begins its own contract into the closed off city on July 27.

On August 1, E. P. Whitfield, BEA's Germany manager, is placed in charge of managing the contribution made by the West's civil airlines. Company representatives from the Charter Section, led by Charter Superintendent G. Wharton, are sent out to make preliminary arrangements to coordinate the work of the chartered civil operators who will fly in support of the Allied military airlift.

The first civil aircraft arrive at Gatow on August 4 and the coordinated civil lift commences next day. The carrier's helicopters, on August 23-24, begin a month of practice night flights, Peterborough-Downham, four times per week. The C-47s assigned to the Berlin Airlift have, by August 26, flown coal into the German city from RAF Fassberg. On August 27, Whitfield's headquarters are transferred to Lubeck and the cargo is changed to flour. Over 1,000 sorties are flown by month's end.

Orders are placed with Airspeed on September 20 for 20 of its new AS.57 Ambassador, designed to a requirement of the wartime Brabazon Committee for a DC-3 replacement. By September 21, the administered Berlin Airlift fleet from British independents, now known as "Whitfield's Circus," has doubled in size; aircraft employed include DC-3 Dakotas (3 from BEA), 1 C-87 Liberator, 1 Short Hythe flying boat, and 3 Handley Page Halifaxes. On September 22, orders are placed for 20 Airspeed AS.57 Ambassador 2s, which the carrier will call Elizabethans. Through September 25, Mr. Whitfield's charges have flown 15.92 million pounds of food, coal, and gasoline into Berlin.

The one-millionth passenger since the airline's inception is boarded by BEA on October 17. From November 10-17, company mechanics strike at London (Northolt) over a bonus plan; 80 flights must be cancelled. By mid-month, BEA is administering aircraft from 20 independents on the Berlin Airlift; during the first 100 days, the civil airlift has provided 17,487 metric tons in 3,994 sorties. As their contracts expire, the civil C-47s are withdrawn during the 10-day period ending on November 20 and are replaced by 10 Handley Page Haltons.

Through the month, the civil side of the airlift has cost £500,000. Under contract, flights begin, also in November, from Malta-Rome and London, on behalf of newly formed **Malta Airways, Ltd.** On December 17, an interline agreement is signed with **Pan American Airways (PAA)**.

Boardings for the year accelerate to 577,122.

At the beginning of 1949, the workforce totals 7,100. The government announces on February 10 that BEA will no longer have to employ the Ministry of Supply as its agent for aircraft purchases. An S-51 Peterborough-Norwich night proving flight is made on February 14-15 with 23 bags of fake mail.

While en route from London's Northolt Airport to Renfrew Airport at Glasgow on VFR, a C-47A with four crew and six passengers is hit in midair at 4,500 ft. over Exhall by an RAF Avro Anson. The RAF plane carried four crew on a training flight from Middleton; there are no survivors from either plane in this February 19 disaster.

Regular night S-51 dummy mail operations begin on the Norwich route on February 21–22 and will continue through March 17–18. Meanwhile, Lord Douglas of Kirtleside on March 14 succeeds Gerard d'Erlander as chairman.

The Civil Airlift Division is formed on April 1 under the leadership of BEA Charter Superintendent G. Wharton to assume formal overall control of the civil portion of the Berlin Airlift. London–Malta via Nice and Rome DC-3 all-cargo flights are launched on April 3; on April 11, DH 89A Cardiff–Liverpool, as well as Manchester and Birmingham to Paris routes are started.

Foreign Secretary Ernest Bevin announces, on May 5, that an agreement has been reached to lift the Berlin Blockade; four days later, Berlin's Soviet military governor, Gen. Chuikov, suggests that the siege will end within days. Vikings begin German internal flights from West Berlin to Hamburg and Dusseldorf as the Soviet blockade of the former Nazi capital officially ends on May 12. The West will continue to fly supplies into the city to build up its supply stocks. Night return fares of £10 are introduced on the London–Paris service on May 29 and on June 5, new Viking flights are kicked off London to Dusseldorf and Munich. Because of Spanish currency exchange problems, London–Madrid operations are extended to Malta during July.

The civil portion of the Berlin Airlift ends on August 16, at which point the BEA-administered Civil Airlift Division is closed down. Over the last year, E. P. Whitfield and G. Wharton's organization has formally and informally overseen the transport of some 132,000 short tons of cargo and fuel to the former German capital in almost 22,000 sorties. The British civil and military contribution to the airlift has cost £8.6 million and accounted for some 23.5% of the total contribution. The American contribution is larger, the French, smaller.

Later in the month, direct London–Rome service is begun and the London–Frankfurt am Main and Prague service is combined. On August 19, a DC-3 with 32 aboard en route to Manchester from Belfast crashes near Manchester (24 dead).

On October 17, engineer/pilot Peter Masefield is appointed managing director and that night the U.K.'s first night helicopter mail service (by S-51) with actual mail is inaugurated, Peterborough–Norwich. London–Dusseldorf and West Berlin Viking operations commence on November 14. The carrier, having lost substantial money on the routes from the Isle of Man, now announces that only "essential services" would be flown from that destination.

The year's enplanements are 751,512. Revenues climb to £5.3 million, but the loss reaches £2.5 million.

London–Hanover DC-3 all-cargo service is kicked off on February 3, 1950 followed by a similar service to Paris on March 1.

Over the English Channel en route to Paris from Northolt on April 13, a Viking 1B commanded by Capt. I. R. Harvey with 4 other crew and 28 passengers, is rocked by a saboteur's bomb. It explodes in the rear toilet, and although a flight attendant is severely injured, the aircraft is successfully returned to London and makes a safe landing after a runway overshoot. Capt. Harvey is later awarded the George Medal.

The Peterborough–Norwich night helicopter mail service ends on April 15 with over 95,000 pounds of mail having been carried since the previous October.

On April 16, the carrier begins operations from London (Heathrow) Airport, opening a direct Rome Viking service; a Glasgow and Manchester to Paris frequency is added the same day. Belfast–Birmingham services begin on May 1 and in cooperation with **Swissair, A.G.**, night excursion flights are begun London to Zurich and Geneva.

The corporation now elects to group all of its DH 89As into a single unit to serve Scottish routes, the Channel Islands, and the Scilly Islands. All of these de Havillands are named for famous writers, generals, or

politicians, e.g., *Lord Tennyson*, *General Chinese Gordon*, *Robert Louis Stevenson*, *James Kier Hardie*, and *Sir Colin Campbell*. DH 89A London (Gatwick)–Aldernay flights commence on May 6.

On May 13 and 26, respectively, DC-3 summer-only operations are started Manchester–Birmingham and Jersey and London–Le Touquet. On May 27, the London to Lisbon route is turned over to **British Overseas Airways Corporation (BOAC)**.

The world's first sustained and regularly scheduled passenger helicopter service is launched by 2 S-51s over a Liverpool–Cardiff route on June 1. The first helicopter is piloted by Capt. J. Theilmann and among his passengers are Lady Douglas, wife of the chairman, and Minister of Civil Aviation Lord Pakenham.

On June 29, Vickers Viscount 630 service is started Northolt–Paris (Le Bourget), the world's first scheduled commercial operation with a propeller-turbine (turboprop) powered aircraft. The aircraft employed is one of the prototypes that has been issued a special certificate of airworthiness and with a complement of fare-paying passengers is flown by Capt. R. Rymer and W. J. Wakelin. The experimental London–Paris Viscount service ends on June 13. BEA reports July earnings of £1.5 million, the first time it has earned £1 million in revenue in a single month.

On August 3, the corporation signs a contract for 20 (later 26) Viscount 701 turbine-powered (turboprop) transports. Viscount 630 London–Edinburgh service is inaugurated on August 15 and will continue until August 23 for the Edinburgh festival traffic. A total of 1,815 passengers are flown in the June and August operations; the 127 flying hours are the first flown under schedule by a civil propeller-turbine powered air transport.

On August 13, a bomb explodes aboard a Paris-bound Viking over northern France; one person is hurt and the plane lands safely.

While climbing away from Mill Hill (U.K.) for Glasgow in mist on October 17, a C-47A with 5 crew and 24 passengers suffers engine failure, loses height, and crashes into trees (28 dead).

Thrice-weekly London–Barcelona Viking flights are launched on October 22. Coming in from Paris in dense fog, the Vickers 610 Viking 1B *Ventnor* with 4 crew and 26 passengers is lost while landing at Northolt Airport on October 31 (29 dead).

The year's boardings are up to 939,586.

The workforce is cut by 100 employees in 1951. London–West Berlin Viking service is rerouted via Dusseldorf on January 1. In cooperation with **The Malta Airlines, Ltd.**, five-stop London–Cairo Viking operations are launched on January 7. *Charles Ulm*, the first of 7 ordered DC-3 Pionair-Leopard combis, enters service on January 24.

Thrice-weekly London–Milan Viking operations are inaugurated on February 12. Manchester–Belfast night DC-3 mail service begins on March 12–13. The Liverpool–Cardiff S-51 passenger operation is concluded on March 31; some 819 passengers have been carried in 1,086 flying hours since the service was started in June 1950; 96.5% of all scheduled flights have been completed.

London–Prague service ceases on May 21 and London–Birmingham S-51 service is launched on June 1.

Three hundred engineers strike the company on July 21, forcing the cancellation of 50 flights. The prototype de Havilland DH 104 is tested on the Northolt–Channel Islands services from August 4 to September 2.

Beginning on August 15, the DC-3 testbeds *Sir Henry Royce* and *Claude Johnson*, employed to develop the Rolls Royce Dart power plants introduced on the Vickers Viscount, are used to offer the first nighttime, pure all-cargo service by turboprop aircraft over a route from Northolt Airport to Hanover, Germany.

On November 9, the Bristol 171 freighter *Sir Gareth* is delivered on loan from the Ministry of Supply. Four-times-per-week mixed cargo-passenger Viking service to Hanover starts on November 19.

Bookings for the year pass the million mark for the first time, rising to 1,135,579. Revenues increase to £8.9 million, while the loss falls to £800,000.

The Transport Ministry withdraws the BEA rotary-wing shuttle subsidy on March 12, 1952. On March 13, an Airspeed AS.57 Elizabethan

London–Paris proving flight is made, followed by the regularly scheduled introduction of the type on that route on March 17.

London–Birmingham passenger helicopter flights end on April 9 and are replaced in an all-cargo operation. AS.57s are now introduced to Milan, Zurich, and Vienna on April 20, the same day London–Manchester and Manchester–Zurich Viking flights begin.

London–Basel Viking operations commence on May 2 and on June 7 weekly London–Nicosia AS.57 service is started, the Athens–Nicosia segment again being flown under contract to **Cyprus Airways, Ltd.** Lunchtime 90-min Elizabethan “Silver Wing” luxury service for a maximum of 40 passengers per flight is initiated on the London–Paris route on June 16.

On July 11, London–Helsinki Viking flights begin, lasting for the duration of the year’s Olympic Games. A London–Nicosia via Rome and Athens proving flight is made with the prototype Viscount 701 on August 25 and, on September 30, DH 89As are withdrawn from most Scottish routes and replaced by DC-3s.

On October 1, BEA claims it is the first European airline to fly over 200,000 passengers in a single month (September). On October 1–2 and in cooperation with **Air France**, low fare London–Paris night flights are initiated. AS.57s are put on the London–Copenhagen and Stockholm service on October 26. October 30 marks the boarding of the carrier’s five-millionth passenger.

An Elizabethan undertakes the airline’s first royal flight on November 29 when Prince Philip is flown London–Malta; he returns on December 2 aboard the same aircraft.

Enplanements this year soar to 1,400,122 and a total of 14.1 million tons of freight are flown.

By the beginning of **1953**, the workforce has grown to 8,500. After completing its trials and acceptance tests, the first production Vickers Viscount 701 is delivered on January 3.

Two days later, the Vickers 610 Viking 1B *Lord St. Vincent*, with 4 crew and 31 passengers en route from London to Belfast, strikes a beacon pylon line and crashes while landing at Nutt’s Corner in Belfast (27 dead); salvagers recover radioactive radon seeds from the plane’s debris.

During the Dutch floods, 2 S-51s, operating from a point near Eindhoven from February 6–11, rescue 76 people while flying relief sorties.

On February 11, the Viscount 701 is christened *Discovery* (becoming fleet flagship) and orders worth £4 million are placed for 12 Viscount 801s.

On March 13, a Viking 1A bound for West Berlin strays outside its corridor; four Soviet MIGs push it back on course with warning shots. Also in March, after 5,319 hrs. of cargo service from Northolt to Hanover, Copenhagen, Paris, and Milan, the Dart Dakotas *Sir Henry Royce* and *Claude Johnson* are reconverted to piston status; their Twin Wasp radials are reinstalled and the aircraft are sold out of service.

AS.57s are placed on the London–Manchester service on April 17. The next day, the world’s first sustained, regularly scheduled propeller-turbine airline service begins as the second Viscount 701, *Sir Ernest Shackleton*, piloted by Captains A. S. Johnson and A. Wilson, inaugurates service London–Nicosia (again the Athens–Nicosia leg is flown under **Cyprus Airways, Ltd.** contract). AS.57 London–Amsterdam, Brussels, Dusseldorf, Hanover, Hamburg, and Frankfurt am Main flights begin on April 19.

Discovery launches Viscount service to Zurich the same day and on May 14, the third Viscount 701, *William Baffin*, carries Princess Margaret to Oslo. Twice-weekly London–Palma flights start on May 15 and London–Geneva Viscount 701 operations begin on June 1.

On July 1, *Discovery* begins service on the Copenhagen–Stockholm route. Seventeen Vikings are grounded on June 20 for precautionary modifications. On July 13, a Bristol 171 Mk. 3A, christened *Sir Geraint*, enters regular all-cargo service London–Birmingham. An accident at Le Bourget Airport, Paris, on August 12 destroys a Vickers 610 Viking 1B; there are no fatalities among the 4 crew and 30 passengers.

First-class “Clansman” Glasgow Viscount 701 service begins on October 2, on October 4 Viscount 701s are placed on the regular Glasgow–

London and London–Zurich–Vienna routes, and AS.57s enter Brussels–Cologne service. Manchester and Birmingham–Paris AS.57 and London–Geneva–Milan Viscount 701 service starts on October 6, followed the next day by London–Nice and Malta AS.57 operations.

Also in October, to evaluate transport, a multistop promotional air race from Amsterdam to New Zealand is staged between a **KLM Royal Dutch Airlines, N.V.** DC-6, a BEA Viscount 701, and a Royal New Zealand Air Force Hastings. KLM supports publication of a 95-pp. booklet by Henrik Scholte commemorating the adventure, *We Flew to Christchurch: The Story of a Memorable Long Distance Flight* (The Hague, KLM, 1954).

First-class “Ulster Flyer” Viscount 701 service is introduced London–Belfast on November 16. In December, the fleet includes 9 DH 89 Dragon Rapides, 46 Vickers Vikings, 1 Bristol Freighter, 4 Viscounts, 20 Airspeed Ambassadors, and 50 DC-3s.

The year’s bookings climb to 1,656,700. Revenues surge to £13.1 million, while the loss climbs to £1.1 million.

Nonstop London–Paris Viscount 701 flights commence on January 10, **1954** followed by London–Barcelona operations on January 13. The next day, the Bristol 171 is withdrawn from the Birmingham freight service.

On February 2, Viscount 701 service begins London–Madrid; simultaneously, Gibraltar–Madrid connecting DC-3 flights are introduced. Viscount 701s replace AS.57s on the Nice and Rome routes on February 21.

On March 1, the Dusseldorf AS.57 route is extended to West Berlin. Nonstop weekly Viscount 701 London–Gibraltar flights are inaugurated on March 3 and on April 10 the type begins flying to Oslo. On April 11, AS.57 twice-weekly London–Naples flights start and AS.57s are assigned to the German internal services; the same day, Viscount 701s launch London–Manchester and Birmingham and Manchester–Birmingham–Paris flights.

On April 13, Viscount 701s are placed on the Stockholm/Dusseldorf services and, in cooperation with **Cyprus Airways, Ltd.**, are employed to extend the twice-weekly London–Nicosia route on to Beirut. Next day, Viscount 701s assume the twice-weekly London–Dusseldorf, Munich, and Athens route. Later in the month, an order is placed for 12 Viscount 802s.

On May 12, AS.57s take over the BEA–**Malta Airlines, Ltd.** Malta–Cairo service. From May 18–29, Vikings and DC-3s airlift newspapers during a nationwide British rail strike. Direct London–Biarritz Viking operations begin on May 28 and on June 15, Bristol 171 Mk.3A services are launched from London–Southampton.

A Viking brushes wings with an **Air France** Constellation over Paris on August 11; both planes land safely. The last scheduled passenger service from Northolt aerodrome is flown on October 30 and next day the Viking fleet is retired.

On December 17, 315 engineers are fired for defying a company order; 3 days later, all are rehired after agreeing to abide by their contract and joint council rules. BEA charges that “certain elements,” presumably Communists, are trying to disrupt its services. Two Westland-Sikorsky WS-55s, christened *Sir Ector* and *Sir Lionel*, are assigned to the Southampton service on December 22.

Boardings advance to 1,874,316. On March 31, the carrier’s first annual profit will be reported: £552,314 (operational) and £63,039 (net).

Airline employment in **1955** is increased by 600. On January 15, BEA lends nine pilots to **Deutsche Lufthansa, A.G.** to command the new West German carrier’s liners.

The first de Havilland DH 104 Dove is delivered to BEA on February 12 and is employed to commence ambulance charters on March 4. On March 31, the one-third investment in **Alitalia, S.p.A.** is sold to **British Overseas Airways Corporation (BOAC)**.

The 500,000th (cumulative) Viscount passenger is boarded on April 6. An Airspeed AS.57 Ambassador 2 with 6 crew and 47 passengers fails its takeoff from Dusseldorf on April 8 and makes an emergency landing 9 km. SW of the airport; there are no fatalities, but the aircraft must be written off.

Full helicopter service is inaugurated from London Airport Central on April 17. At a ceiling minimum of 500 feet over the Thames River

and 1,000 feet over the city, Westland-Sikorsky S-55s fly between the airport and city center. London–Munich and Athens Viscount 701 service begins on April 20 and London–Salzburg DC-3 flights two days later.

Manchester–Milan Viscount 701 night flights are inaugurated on June 16–17 and Westland-Sikorsky S-55 service from London Airport to Southbank Heliport in Waterloo begins on July 25. Twice-weekly London–Cairo via Munich and Athens Viscount 701 frequency commences on August 17 and 7 days later, Mrs. Susan Burrough is boarded as the carrier's 10 millionth passenger.

Twice-weekly London–Vienna Viscount 701 nonstop operations are launched on October 4 while on October 17, orders are placed for 20 Vickers Vanguard 900 turboprops with options on five more.

Enplanements for the year total 2,224,747; the airline is the first outside of the U.S. to board 2 million passengers in 12 months. Revenues reach £17.1 million and there is a small profit of £60,000.

A Viscount 701 fails takeoff from Blackbushe on January 21, 1956; although the turboprop must be written off, none of the five persons aboard are killed.

The Ministry of Supply, on January 25, pulls together executives from the carrier and BOAC, together with representatives from seven aircraft and engine builders, to begin consideration of the possibilities for manufacturing a British supersonic transport (SST).

BEA's tenth anniversary is celebrated in early February. Viscount 701s replace AS.57s on the Frankfurt am Main route on February 15. DH 89As are withdrawn from the Channel Islands routes on March 9. An RAF jet fighter, on March 27, narrowly avoids colliding with a Viscount with 23 aboard near London. A 25% interest is taken in **Jersey Airlines, Ltd.** on March 31.

Twice-weekly Venice-bound Viscount 701 flights commence on April 22 and the next day, the type replaces DC-3s on the Manchester–Dusseldorf route. London–Göteborg and Oslo Viscount 701 service begins on April 25.

On May 9, a 10-year agreement is signed with **Cambrian Airways, Ltd.** covering the latter's Channel Island and West of England services. The London Airport–Waterloo WS-55 helicopter service is withdrawn on May 31; 3,822 passengers have been carried since July 1955.

Twice-weekly Viscount 701 Bergen service is opened on June 15 and three days later, a Viscount flies Queen Elizabeth II and Prince Philip from Stockholm to London.

The helicopter service is upgraded and Capt. J. A. "Jock" Cameron becomes general manager. Twice-daily WS-55 Birmingham–Nottingham via Leicester flights are kicked off on July 2. On July 20, orders are placed for 20 Vickers Vanguard 951s and 16 Viscount 800s.

A new agreement is signed with **Aer Lingus Irish Airlines, Ltd.** on September 1 that reduces the British carrier's holding to 10%, but grants traffic rights to Dublin beginning in 1957.

Under a charter with **Cyprus Airways, Ltd.**, the Nicosia route is extended to Tel Aviv on October 7. On October 10–11, twice-weekly Viscount 701 night cargo flights are started to Milan.

Established by the Ministry of Supply earlier in the year, the Supersonic Transport (SST) Aircraft Committee, chaired by Morien B. Morgan, holds its first meeting on November 5. The WS-55 Nottingham service is closed down on November 10; 1,829 passengers have been carried on it since July. The first Viscount 802 is delivered on November 27 and is christened *Sir Samuel White Baker*.

As the year ends, the fleet includes 19 AS.57s, 1 Viscount 802, 36 Viscount 701s, 19 DC-3s, 3 DH 104s, and 3 DH 89As. Traffic for the year swells to 2,461,065.

At the beginning of 1957, BEA employs 10,400 workers. It also flies more services per day than any other European airline and owns the shortest average sector distance.

The first operations-ready Viscount 802, *Sebastian Cabot*, is placed on the London–Glasgow route on February 13; two days later, it opens international service by flying to Amsterdam. Queen Elizabeth II flies to Lisbon aboard the Viscount 701 *Gino Watkins* on February 16, returning

aboard the same plane on February 27. Viscount 802s replace AS.57s on the Paris service on February 18.

On March 14, the first BEA Viscount 701, *Discovery*, with 5 crew and 15 passengers and inbound from Amsterdam, develops wing flap problems after overshooting the runway at Ringway Airport, and crashes into a Manchester housing development before it can go around again. In addition to 20 deaths aboard the airliner, a mother and child are killed in one of the three houses destroyed. The wing flaps of all Viscounts are subsequently checked.

Dragon Airways, Ltd. is purchased by British Aviation Services on March 22.

On April 8, the *Gino Watkins* flies the Queen to Paris for a state visit and Viscount 802 London–Dublin service is inaugurated on April 14. Twice-weekly Viscount 701 London–Valencia operations start on May 3.

On June 1, Viscount 802s displace AS.57s on the Brussels and Dusseldorf route and Viscount 701s on the Zurich service. Viscount 701s on June 4 extend the Zurich sector twice weekly to Belgrade and on July 1, Viscount 701s are placed on the Hamburg and West Berlin flights and Viscount 802s on the Copenhagen route.

A DH-114 Heron 1B with three crew aboard is lost while landing at Port Ellen, on September 28; there are no survivors.

Viscount 701 service to Prague is reopened on October 7 after a six-year lapse, and service is started London–Tel Aviv via Milan and Athens. Viscount 701s begin flying the London–Malta via Rome and Naples routes on October 8 and 12, respectively, while on October 10, all-cargo DC-3 flights begin to Dusseldorf and Stuttgart.

En route over Anzio, Italy, on October 22, a Vickers Viscount 701C with 5 crew and 26 passengers is involved in a midair collision at 23,000 ft. with an Italian Air Force F-86 Sabre fighter; there are no survivors.

The first Viscount 802, *Sir Samuel White Baker*, with five crew and two passengers, is lost at Nutts Corner in Belfast on October 23; there are no survivors.

The first Viscount 806 is delivered on December 23 and is christened *William Harvey*.

Boardings for the year advance to 2,765,591. Revenues are £30.1 million and there is a £210,000 profit.

On behalf of the Cypriot government, BEA's *William Harvey*, on January 27, 1958, takes over the operations of **Cyprus Airways, Ltd.** On February 6, the chartered Airspeed AS.57 Ambassador 2 *Lord Burleigh* fails its takeoff from Munich to Manchester. The plane, carrying 6 crew and 38 passengers, including 7 members of the British champion Manchester United Football Team, encounters snow and slush on the runway that causes a slower-than-normal acceleration rate. The aircraft crashes and 23 aboard are killed. It is revealed the next day that the soccer team is insured for \$588,000. The event is examined in a book by Frank Taylor, *The Day a Team Died* (New Rochelle, N.Y.: Sport Shelf, 1960, 1983), as well as in Stanley Williamson's *The Munich Air Disaster* (Plymouth, Mass.: Bowering Press, 1972).

A minority share of **Cambrian Airways, Ltd.** is purchased on February 7.

On March 28, 6 de Havilland DH 104 Comet 4Bs are ordered while twice-weekly London–Warsaw Viscount 701 flights commence on April 8. A Vickers Viscount 802 with five crew is lost while positioning at Craigie on April 28; there are no fatalities.

The Viscount 806 enters service on May 1 in a mixed-class configuration and is placed on the German routes on May 6. A DC-3 freighter with three crew is lost at Chatenoy, France, on May 16; there are no survivors.

Queen Elizabeth II opens Gatwick Airport, 25 mi. S of London, in ceremonies on May 30. The first official flight, 30 min. after the proceedings, is a company DC-3 en route to the Channel Islands.

Mixed-class London–Oslo and Stockholm Viscount 806 service starts on July 1. Flights are suspended to the Mideast between July 15–17. On July 30, the last scheduled Airspeed AS.57 Ambassador 2 service is flown from Cologne to London, after which the Elizabethan class is retired.

On October 22, the Viscount 701 *Sir Leopold McClintock*, en route from London to Malta via Naples collides with an Italian Air Force F-86 Sabrejet off Anzio, not far from Nettuno; both aircraft crash (31 dead). The military pilot escapes to safety by parachute and the following June an Italian court will rule that the Viscount was off course in a restricted military zone.

The year's bookings grow to 2,828,715.

At the beginning of 1959, the workforce totals 11,500. On January 1, the carrier's women employees protest an order to shorten their skirts; next day, the stewardesses seek new uniform designs. Sporting BEA colors, the prototype Vickers Vanguard 951 makes its maiden flight on January 20.

In conjunction with **Swissair, A.G.**, pooled London-Switzerland flights are launched on April 1 while Gibraltar-Tangier Viscount 701 flights are launched on April 2 under contract to **Gibraltar Airways, Ltd. (2)**. BEA begins testing bright luminous paint markings on its liners on April 27 as a safety aid.

A London-Moscow via Copenhagen Viscount 806 route is inaugurated on May 14. On June 11, Handley Page, Ltd. receives a £2.25-million request for 3 Heralds powered with Rolls-Royce Dart engines, and on August 12, orders are placed for 24 de Havilland DH 121 Tridents.

Showing BEA's new black and red livery, the first Dart Herald begins test flights on October 30. A pilot training college is established on November 11 to overcome a pilot shortage. The first 2 de Havilland DH 106 Comet 4Bs are delivered on November 16 and christened *Edmond Halley* and *Walter Gale*, one of which enters service on the Moscow route on December 5. A Dart Herald makes three days of demonstrations flights late in the year between Inverness, Orkney, Shetland Islands, and Stornoway.

Enplanements for the year total 3,289,606. Revenues are £31.8 million and there is a £230,000 gain.

A Vickers Viscount 701 with 5 crew and 46 passengers is destroyed as the result of a hard landing at Luqa Airport on Malta on January 5, 1960; there are no fatalities. On January 8, Poland refuses permission for the airline to use Comet 4Bs on its London to Warsaw route.

A 51% majority interest is taken in **Gibraltar Airways, Ltd.** on February 2. The next day, Comet 4B service is initiated by Capt. W. Baillie's *William Denning* from London to Moscow, the first such offering made under a reciprocal agreement with **Aeroflot Soviet Airlines**. Employing chartered Avro 685 Yorks, twice-weekly London-Paris all-cargo night service is launched on February 18-19. Vanguard 951 proving flights also begin during the month.

In March, an early production unit visits Canada, the U.S., and the West Indies. On tour in Brazil, a Dart Herald demonstrator, in BEA colors and piloted by Capt. R. Shilton, who had been seconded to the state carrier from **Silver City Airways, Ltd.**, deviates from its schedule to provide emergency flood relief flights in the Fortaleza district near Recife. The Civil Aviation Act now strips BEA of many of its statutory rights and the company begins seeking ways to economize.

Comet 4B flights are inaugurated on April 1 when Capt. A. N. Werner flies the *Walter Gale* over a route Tel Aviv-London via Athens and Rome; the same day, a consortium agreement is signed with **Olympic Airways, S.A.** for operations over the Eastern Mediterranean. A Comet 4B Copenhagen frequency is initiated on June 3; two days later, nonstop weekly Comet 4B London-Malta service is kicked off. Comet 4Bs are placed on the Oslo and Stockholm route on July 1.

On August 1, London-Frankfurt am Main Comet 4B operations begin; simultaneously, Viscount 701s introduce London-Guernsey flights. A Viscount 806 narrowly avoids a midair collision with a **Pan American World Airways (1)** Boeing 707-321 over Rome's Ciampino Airport on August 11; 23 aboard the British airliner are injured.

BEA and **Aeroflot Soviet Airlines** begin to pool their London-Moscow services on October 26; three days later, Comet 4B service is halted after a craft loses a nosewheel. The final BEA scheduled DC-3 service is flown London-Birmingham on October 31; the flight also marks the

last scheduled service to be operated from Heathrow Airport by a piston-engine aircraft.

After two accidents, the carrier begins to replace its Comet 4B nosewheels on November 7. The first Vickers-Armstrong Vanguard 951s are delivered on December 2 and are christened *Euryalus* and *Victory*; they are quickly placed on several nonscheduled European routes: to Paris on December 17, Zurich on December 19, Geneva and Glasgow on December 20, and Dusseldorf on December 21. Incidentally, as of December 19, an additional third pilot is assigned to the Vanguards in a safety test.

Boardings for the year rise to 3,990,957.

At the beginning of 1961 the fleet comprises 3 Dragon Rapides, 62 Viscounts, 2 Herons, 6 Vickers Vanguards, 7 DH Comet 4Bs, and 7 DC-3s. Airline employment is now 17,900.

In January, a consortium agreement is signed with **TAP-Air Portugal, S.A.** for contract Comet 4B service on a London-Lisbon route. On the 20th of that month, a new five-year agreement is reached with **Cyprus Airways, Ltd.** and Comet 4Bs are slated to begin that carrier's service to Kuwait, Doha, and Bahrain. Having flown on an ad hoc basis since December, Vanguard 951s now enter regularly scheduled service on March 1.

Vanguards are also placed on the Scottish routes on April 1 and 3 Armstrong-Whitworth Argosy freighters are ordered on April 27. The company sets its London to Scotland service at 2.33 cents per mile on July 4, claiming it is the lowest rate in the world.

On August 15, contracts are signed with AT & T for a computerized reservations system. Although the new rate reduction scheduled is protested by the railroads, it takes effect on October 15 from London-Glasgow-Belfast.

On November 1, low-fare night Vanguard service is launched to Edinburgh and Belfast. En route from London to Tel Aviv on December 22, a Comet 4B with 7 crew and 27 passengers explodes and crashes just 4 minutes after takeoff from its intermediate stop at Ankara (27 dead).

The fleet now includes 10 DH 104 Comet 4Bs, 20 Vanguards, 19 Viscount 806s, 24 Viscount 701s, 3 DH 114s, 27 DC-3s, 2 WS-55s, and 1 Bristol 171 Mk. 3.

Enplanements total 4.3 million and in terms of passengers carried, BEA now ranks as the sixth largest airline in the world. Revenues increase to £42.3 million and a £1.54-million profit is generated.

Fleet standardization continues in 1962; 20 DC-3s are sold and the fleet now numbers 62 Viscounts, 20 Vanguards, 13 Comet 4Bs, and 5 DH 114s.

Prince Philip tours South America aboard a company Vanguard between February 9 and April 5. A de Havilland DH-89A Dragon Rapide disposed of five years earlier is reacquired, named *Lord Baden Powell*, and assigned to provide the basic daily service between Land's End and the Scilly Isles.

Meanwhile, the last Vanguard 951 is delivered on March 31. Later in the year, Capt. Cameron and his associates at the helicopter unit plan for equipment upgrades.

Airline employment in 1963 grows to 16,100. Employing Vanguards, BEA inaugurates the world's first standby service on April 1. Ten days later, the company abandons all routes to the Isle of Man. Rights to operate the services are awarded to **Cambrian Air Services, Ltd.** of Cardiff, Wales.

A DH 114 operates the 5,000th flight of the Scottish Air Ambulance Service on September 23. After a review of all proposals, the helicopter service orders a pair of Sikorsky S-61Ns, the first in Europe, during November. The first de Havilland (HS) 121 Trident 1C is delivered to the airfield at Hatfield on December 19 for crew training.

Enplanements total 4.91 million and revenues almost double, reaching £51.2 million. Unfortunately, there is also a £300,000 loss.

A wholly owned subsidiary, **BEA (British European Airways) Helicopters, Ltd.**, is formed on January 1, 1964. The workforce now totals 17,676. Certified on February 18, the first DH 121 Trident 1C is accepted in ceremonies at London (LHR) on February 28.

On March 11, the Trident 1C is placed on the London–Copenhagen route. The fleet now includes 13 Comet 4Bs, 5 Argosy freighters, 5 Vanguard 951s, 14 Vanguard 953s, 39 Viscount 800s, 3 Sikorsky S-61Ns, and will receive a total 18 Trident 1Cs by year's end.

As the second quarter begins, Trident 1Cs are in service to stations at Frankfurt, Geneva, Nice, Helsinki, Rome, Stockholm, and Zurich. Other sectors added include London to Athens.

On May 2, a Sikorsky S-61 of **BEA Helicopters, Ltd.** replaces the DH-89A *Lord Baden Powell* on the Land's End–Isles of Scilly service; with 12,634 hrs. of flying time, the aircraft is sold to **British Westpoint Airlines, Ltd.** Since 1947, the company's Dragon Rapides have transported a total of 337,500 passengers to and from the Scilly Isles.

In December, it is announced that 5.6 million passengers have been flown on the year and \$143.6 million in revenues have been earned.

Airline employment at the beginning of **1965** totals 17,700. An automatic seat reservation system at West London Air Terminal comes on line on April 17. New routes are opened from London–Shannon, Corfu and Dubrovnik, Berlin–Stuttgart, and Birmingham–Edinburgh. On June 10, the world's first automatic landing in scheduled airline service is made by a Trident 1C arriving at London from Paris.

An Armstrong-Whitworth AW-650 Argosy 222 freighter with two crew crashes near Piacenza on July 4 while on initial approach to Milan on a flight from London (LHR); there are no fatalities.

A £30-million contract is signed on August 26 for 15 long-range Trident 2Es, with options taken for 10 more.

A Vanguard 951 with 6 crew and 30 passengers arriving from Edinburgh on October 27, crashes while landing at London (LHR) in fog; there are no survivors.

On the year, the carrier's 102 aircraft fly 6,707,022 passengers, a 12.2% increase over 1964. Freight traffic accelerates by 25% and express traffic by 3%. Revenues reach £66.1 million and a £4.1-million profit is reported.

The first jet service between London (LHR) and Glasgow is inaugurated by a BEA Comet 4B on May 2, **1966**. Executive Express coach service to central London is introduced on certain domestic services, along with pier and gangway loading at Heathrow Airport on flights to Paris and Glasgow.

In June, the company receives a significant number of passenger complaints due to repeated delays caused by a shortage of spare parts for the Rolls Royce engines of the Vanguard turboprops.

On July 4, the carrier's senior pilots sign a petition expressing a lack of confidence in the board of directors, headed by Sir Anthony Milward, and charging that their pay is below international standards; the petition is presented to the government on July 11. Chairman Milward, on August 2, is informed by the government that he may not purchase Boeing aircraft, but must, instead, continue to "buy British."

The workforce now totals 18,011 and enplanements reach 6,843,000.

A total of 20,200 workers are employed by BEA at the beginning of **1967**. On January 27, a £32-million contract is signed with British Aircraft Corporation for 18 BAC 1-11-510s, plus 6 options. British Air Services, Ltd., a new wholly owned subsidiary, is formed on February 7 to handle the affairs of associated companies **BKS Air Transport, Ltd.** and **Cambrian Airways, Ltd.**, both of which officially become wholly owned subsidiaries themselves on October 1. Meanwhile, on June 22, the first BAC 1-11-510 makes its maiden flight over Hurn, England.

Operating on behalf of **Cyprus Airways, Ltd.** on October 12, Flight 284, a Comet 4B with 7 crew and 59 passengers en route from Athens to Nicosia, crashes into the Mediterranean, 150 km. ESE of the island of Rhodes. The wreckage sinks in 6,000 ft. of water, making recovery impossible. Initial reports, based on the condition of recovered seat cushions, suggest a bomb explosion in the rear of the tourist cabin caused the accident.

The airline reports on October 24 that hairline cracks have been found in the compressor casings of two Comet 4B engines during routine checks; all of the engines of the Comet 4B fleet are ordered examined.

On December 4, the pilot of an Armstrong Whitworth AW-650 Argosy 222 with 2 other crew, loses control on takeoff and crashes at London (STN). Although there are no fatalities, the plane must be written off for the damages sustained during this training flight in which the crew was to be responding to the simulated emergency of the No. 4 engine being out.

The last Trident 1C is delivered on December 20.

Passenger boardings for the year accelerate to 7,377,259; however, British economic difficulties and political problems in the Mediterranean and Middle East, including the Arab–Israeli War, hold these gains to two %. As a result, the company posts only a £700,000 net profit on revenues of £87 million.

Airline employment in **1968** is 22,992. On February 7, the premier production BAC 1-11-510 makes its maiden flight. The first Trident 2E is delivered for crew training and route proving on February 15. On March 13, following a two-year search for a new aircraft, the president of the Board of Trade announces in the House of Commons that the carrier has placed an order for 26 Trident 3Bs.

The Trident 2E is delivered to London (LHR) on April 16 and enters service two days later on the route to Milan. Additional Trident 2s, as delivered, back up Trident 1Cs until June 1, when they begin regular service over routes from London to Madrid, Stockholm, Dublin, Alicante, Lisbon, Moscow, and the eastern Mediterranean.

A **BKS Air Transport, Ltd.** Airspeed Ambassador crashes while landing at Heathrow Airport on July 3 and collides with two parked BEA Trident 1Cs, one of which is so badly damaged that it must be scrapped.

The first BAC 1-11-510 arrives on August 29 and, the next day, Scotland Yard reports that the October 1967 Comet 4B crash off Turkey was caused by a bomb planted in an attempted insurance swindle.

In September, BAC 1-11-510 service is inaugurated on the German internal routes, including flights to Berlin's Tempelhof Airport from Bremen, Bonn and Cologne, Dusseldorf, Frankfurt, Hamburg, Hanover, and Munich.

The new BAC 1-11-510 is placed in service on the Berlin–Stuttgart route on November 17. With 18 of the new short-haul BACs on hand, the company also launches flights to Berlin from London, Manchester, and Glasgow, from Glasgow to Dusseldorf, and from London to Bremen, Dusseldorf, and Hanover.

Orders are outstanding for 4 Trident 2s, 10 BAC 1-11-510s, and 26 Trident 3Bs. Retirement of the Comet 4B fleet begins, except for several assigned to charter work. In addition, 9 Vanguards are taken in hand for conversion into Merchantman freighters.

Enplanements for the 12 months reach 7,334,962 and revenues total \$221.4 million.

By the beginning of **1969**, the workforce has been increased to 22,200. Having lost power to both engines, a BAC 1-11-201 with 33 passengers crashes just after takeoff from Milan's Linate Airport on January 14 on a flight to London (LGW). Although no one aboard is killed, seven people are injured.

The first Trident 1E is delivered to British Air Services, Ltd. on March 28. It is placed into service on April 1 over a route from London (LHR) to Newcastle. BEA Airtours, Ltd., a wholly owned subsidiary, is formed on April 24 and equipped with the Comet 4Bs being removed from frontline service with the parent.

An HS 121 Trident 1C is lost in a ground accident at London (LHR) on July 29.

Ten BAC 1-11-510s are delivered during the remainder of the year. These not only undertake service to and within Germany, but on routes from Birmingham to Dublin and Glasgow, from Glasgow to Manchester, and from London to Manchester, Birmingham, Dublin, and Shannon.

The fleet at year's end includes 33 ViscounTS, 2 Herons, 19 Vanguards, 7 Comet 4Bs, 4 Argosies, 33 Tridents, and 10 BAC 1-11s.

Customer bookings reach 7.73 million while revenues are £117.6 million. Profit slides to £1.8 million.

The employee population reaches 24,932 in **1970**, 6.6% over 1969. Converted into freighters by Aviation Traders, the first 2 of 9 rebuilt Vickers Vikings, called Model 953Cs or Merchantmen, enter service on February 7, with one machine operating the initial commercial flight from London (LHR) to Stuttgart via Vienna. On March 6, the first Comet 4B charter flight by BEA Airtours, Ltd. is flown Gatwick–Panama.

On June 18, the corporation receives the Queen's Award to Industry for pioneering automatic landing of civil aircraft. The **BKS Air Transport, Ltd.** subsidiary is renamed **Northeast Airlines, Ltd.** on November 1, on which date a London–Sofia service is opened by its parent. The company's Trident 1E is repainted in a black, yellow, and grey color scheme.

Between October 13 and November 18, several Comet 4Bs of the tour subsidiary BEA Airtours, Ltd. are leased to **Northeast Airlines, Ltd.** In November, it is announced that BEA Airtours, Ltd. will purchase 7 Boeing 707-123Bs from **American Airlines** for £10.4 million. This contract is subsequently cancelled and replaced by one for an equal number of ex-**British Overseas Airways Corporation (BOAC)** B-707-436s.

Passenger boardings increase 4.2% to 8,665,103 and freight is off 14.5%. In terms of passenger boardings at the dawn of the new decade, BEA is now the 8th largest airline in the world; it is the 7th largest in terms of employment and with 101 aircraft, its fleet ranks 9th.

At the start of **1971**, airline employment is 28,100. Unions end a six-week work stoppage on January 29. The Provisional Wing of the Irish Republican Army bombs the company's offices at Belfast on February 7. The next day, the first of 26 Trident 3Bs is delivered for crew training and, on March 1, it is placed in service, London–Paris and Lisbon. Meanwhile, a final Comet 4B is added to the BEA Airtours, Ltd. fleet in February.

During the spring, Trident 3B service is initiated from London to Dublin, Palma, Milan, Madrid, Amsterdam, and Glasgow. The Civil Aviation Act becomes law on August 5, providing for the formation of the British Airways Board.

On October 1, **BEA Helicopters, Ltd.** becomes responsible for rescue operations off the Scottish coast. En route from London to Salzburg the next day, a Vanguard 951 with 8 crew and 55 passengers explodes over Aarsele, Belgium, near Ghent; there are no survivors.

BEA Airtours, Ltd. on December 30 takes delivery of the first of 7 Boeing 707-436s from **British Overseas Airways Corporation (BOAC)**.

This year's boardings climb to 8.66 million, while revenues total £152.4 million. Profits increase to £11.4 million.

The British Airways Board holds its inaugural meeting on January 10, **1972** and assumes ownership and control of British European Airways Corporation (BEA) and **British Overseas Airways Corporation (BOAC)** on April 1. Orders are now placed for 6 Lockheed L-1011 TriStar 1s with options on 12 more. Meanwhile, **Northeast Airlines, Ltd.** acquires a Trident 1E from the failed **Channel Airways, Ltd.**; a second 1E is accepted into the BEA fleet.

On June 18 in the worst crash in British civil aviation history to date, Flight 548, a Trident 1C en route to Brussels with 9 crew and 109 passengers, stalls and crashes into a field near the A30 highway at Staines, Middlesex. The crash occurs just minutes after takeoff from London (LHR) and there are no survivors. The jetliner had stalled because the wing's leading edge devices had been prematurely retracted. John Godson reviews the disaster in his *Papa India: The Trident Tragedy* (London: Compton Press, 1974).

On July 17, it is announced that the two carriers will be merged under unified top management in the British Airways Group, a move accomplished on September 1. An L-1011 TriStar 1 of **Eastern Air Lines** is displayed at the Farnborough Air Show wearing BEA tail and fuselage markings.

The final four BEA Airtours, Ltd. Comet 4Bs are sold in November after the final unit, G-ARJL, completes the last service by the type with a U.K. carrier on October 31, a flight from London to Paris (LBG). P. C. F. Lawton becomes BEA chairman in December, with Sir Roy Watts as managing director.

Airline employment is now 25,012 and enplanements are up to 9.4 million. Freight jumps upward by 25%.

A Vickers Viscount 802 with two crew crashes into a mountain at Ben More while on a January 19, **1973** test flight; both crewmen are killed in BEA's final accident.

Consolidated BEA/BOAC results for the year show a 7.5% increase in passenger boardings to 114,390,000 and a 6.5% climb in freight traffic. At £178.8 million, revenues are the highest ever; there is, however, a £300,000 loss.

BEA itself continues to employ 24,138 workers. The fleet includes 15 Viscounts, 2 Herons, 15 Vanguard, 60 Tridents, 21 BAC 1-11s, 2 HS 748s, and 9 L-1011s.

BEA and BOAC are dissolved on March 31, **1974** under Air Corporation (Dissolution) Order 1973 and the new entity, **British Airways, Ltd. (2)**, appears the following day.

BRITISH EUROPEAN AIRWAYS HELICOPTERS, LTD. (BEAH): United Kingdom (1964–1974). After 14 years of success with its special helicopter unit, **British European Airways Corporation (BEA)** forms the wholly owned subsidiary BEA Helicopters, Ltd., with Capt. J. A. "Jock" Cameron as managing director, on January 1, **1964**. The principal base is at London (LGW), with branches at Penzance, Aberdeen, and Sumburgh. The rotary-wing carrier continues to provide airport link and intra-urban service. Ordered the previous year, 2 Sikorsky S-61Ns, the first in Europe, are delivered in March–April to replace 3 de Havilland DH 89A Dragon Rapides.

Following a ceremony at St. Mary's, the first Sikorsky is employed on May 1 to inaugurate Europe's only scheduled helicopter route 24-times-per-day over the 28 miles from the Scilly Isles to St. Just on the mainland. Later in the year, Sikorsky S-61N services are provided to other offshore islands. The first heliport in Europe is opened at Penzance in September and the company is transferred to it from St. Just.

A total of 40,000 passengers are carried on the St. Just–Penzance service, 14,000 more than the DH 89As in their final year of service. BEAH thus becomes the first company to make scheduled helicopter-passenger transport successful.

The company begins active support of oil resource development platforms in the North Sea in **1965**. During the year, the company establishes northwest Europe's first offshore oil support base at a derelict World War II airfield at Beccles, south of Great Yarmouth in East Anglia. Shell Oil, based nearby at Lowestoft, becomes BEAH's first Beccles client and its offshore platforms are visited by both of the carrier's new Sikorsky S-61Ns.

Operations continue apace in **1966–1970**; in October **1968**, the carrier boards its 250,000th passenger. During the winter of that year, the company receives BEA's new livery.

On October 1, **1971**, BEA Helicopters, Ltd. (BEAH) is made responsible for air-sea rescue missions off the Scottish coast; under contract to the coast guard, search and rescue (SAR) flights begin with an S-61N in December. In March **1972**, BEAH becomes the first operator to clear the S-61N for flight in light icing conditions.

Late in the year, the subsidiary is merged into the British Airways Group, operating as part of a consolidated BEA/BOAC throughout **1973**. **British European Airways Corporation (BEA)** is dissolved on March 31 **1974** and **British Airways, Ltd. (2)** appears the next day. BEA Helicopters, Ltd. is thereafter renamed **British Airways Helicopters, Ltd. (BAH)** and becomes a division of the new state carrier.

BRITISH EXECUTIVE AIR SERVICES, LTD. (BEAS): United Kingdom (1970–1978). BEAS is formed at Coventry in **1970** to operate helicopters on agricultural duties, aerial crane work, flight training, executive charter, and passenger and cargo support services in support of the North Sea oil and gas industry.

In **1977**, **Bristow Helicopters, Ltd.** purchases the carrier and operates it as a subsidiary for a year. In **1978**, all but the agricultural division is merged into the new parent. Former BEAS Marketing Director David

Dollar purchases that division, along with the subsidiary's fleet of 10 Aerospatiale Alouettes and Lamas and Bell Model 47Gs, reorganizing it into **Dollar Helicopters, Ltd.**

BRITISH FLYING BOATS, LTD.: United Kingdom (1932). British Flying Boats, Ltd. is registered at London on June 12, 1932. The board is chaired by the Duke of Montrose and the general manager is Lord Malcolm Douglas Hamilton. A contract is let for a new Saunders-Roe Cloud amphibian, which is launched at Cowes on July 15 and christened *Cloud of Iona*.

On August 14, the carrier initiates a proving flight from Stranraer-Belfast, with a week of experimental flights beginning next day, Greenock-Belfast. Revenue services do not commence.

BRITISH HONDURAS AIRWAYS, LTD.: British Honduras (1956-1963). On October 24, 1956, **BCA (British Colonial Airways, Ltd.)** is purchased by **British West Indies Airways, Ltd. (2) (BWIA)**, becoming a wholly owned subsidiary. Equipped with two Cessna 180s and renamed British Honduras Airways, Ltd., the company begins nonscheduled flights to 15 public and private airfields.

Douglas DC-3s join the fleet in 1957 and one of these, with 12 aboard, fails its takeoff on August 30 and crashes near Juticalpa.

Service is maintained until 1963, when the carrier is purchased by the Maya Corporation, Ltd. and merged into its subsidiary, **Maya Airways, Ltd.**

BRITISH INDEPENDENT AIRWAYS, LTD.: United Kingdom (1990-1991). British Independent is organized by former **Pan American World Airways (1)** executive Kenneth Hilton at Lydd's Ashford Airport in Kent in 1990; Peter Elwell is named managing director. With a workforce of 30 and a fleet of 2 British Aerospace BAe (HS) 748-B2s, scheduled passenger services are inaugurated to Le Touquet and Beauvais.

Unable to secure economic viability, the carrier ceases operations on July 5, 1991. Prior to shutdown the company hauls a total of 24,429 passengers.

BRITISH INTERNATIONAL, LTD.: Buchan Road, Dyce, Aberdeen, Scotland, AB21 0BZ, United Kingdom; Phone 44 (0) 1224 771353; Fax 44 (0) 1224 771632, Year Founded 2000. Working with the Welsh Development Agency, the U.K. managers of **British International Helicopters, Ltd.** open negotiations with their parent organization, **Canadian Helicopter Corporation (CHC)**, during the first quarter concerning a possible management-buyout. With the acquisition of **Bond Helicopters, Ltd.**, now **CHC Scotia, Ltd.**, BIH has become a redundant U.K. subsidiary for the giant North American concern.

A satisfactory arrangement is concluded on May 17 under which BIH, sold for \$51 million, once again becomes the largest U.K.-owned helicopter operator. The Canadian corporation's U.K. offshore activities will now center fully on **CHC Scotia, Ltd.**

Trading as British International, Ltd., the new company retains or acquires from CHC 6 Sikorsky S-61Ns, 2 Eurocopter AS-365N2 Dauphins, and 2 light helicopters. The scheduled passenger service to Penzance is maintained, as are operations for the Ministry of Defence in Plymouth, England, and the Falkland Islands. Light helicopter operations are also undertaken in Cardiff.

In June, executives note that planning has begun for the possible initiation of new scheduled helicopter flights between Cardiff and London. In early September, BIH officials announce that plans are now definitely afoot to expand onshore helicopter operations, probably into the area of rotary-wing feeder flights between London (LHR) and several regional airports, including Cardiff. The EH Industries EH101 and Sikorsky S-92s are being considered for possible future scheduled services.

BRITISH INTERNATIONAL AIRWAYS, LTD.: British West Indies (1947-1948). Having obtained control of this carrier from its orig-

inal owner, **TACA (Transportes Aereos Centro Americanos, S.A.)**, on October 1, 1947, **British South American Airways Corporation** combines **British West Indies Airways, Ltd. (1) (BWIA)** and **British International Airways, Ltd.**, under the latter's name, into a single airline.

Service is maintained over the previous routes and, in February 1948, a route is started to Kingston via Caracas; in March, flights begin to Curacao. On June 24, the company is reorganized once more and becomes **British West Indies Airways, Ltd. (2) (BWIA)**.

BRITISH INTERNATIONAL HELICOPTERS, LTD.: United Kingdom (1986-2000). **British Airways Helicopters, Ltd. (BAH)**, the rotary-wing subsidiary of the state airline, is sold for £13.5 million in July 1986 to this organization, jointly formed by British publisher Robert Maxwell and two Scottish newspapers, the *Scottish Daily Record* and the *Sunday Mail*. Succeeding Michael Graham-Cloete when SDR Helicopter, plc. completes the takeover on September 26, Laurence Middleton is appointed managing director, with Stewart Birt as operations director.

Headquartered at London (LGW), BIH maintains bases at Aberdeen, Sumburgh, Penzance, and Beccles. The workforce totals 500 and the fleet comprises 30 helicopters. Previous routes and services are maintained, including the Sikorsky S-61N scheduled flights linking Penzance with the Scilly Isles. The sale includes transfer of some £9 million for BIH employees from the pension funds of **British Airways, Ltd. (2)**.

Emphasis on charter support of the North Sea oil industry is continued, with 26 aircraft active in the market, even as that industry enters into recession. During September, when Shell Expro is forced to remove its floating hotel, the *Treasure Finder*, from its Brent Field, BIH must call back two of the three S-61Ns which had been supporting it from Sumburgh, Shetland Islands.

Less than 5 miles from Sumburgh Airport on November 6, a Boeing Vertol Model 234LR Civil Chinook, with 47 aboard and inbound from Shell Expro's Brent oil field in the North Sea, crashes into the sea (45 dead). Not only does the carrier immediately ground its Civil Chinooks, but Shell Expro cancels its contract with BIA, causing fiscal difficulty. Since its introduction by BAH in July 1981, the carrier's Model 234LRs have transported a total of 604,000 passengers over 4 million revenue miles.

Operations continue apace in 1987 with Capt. C. H. "Kit" Chambers as general manager. After a complete in-house review of the Civil Chinook, Shell Expro, fearing an employee backlash against the type, awards BIH a new support contract in mid-June covering its transportation requirements in the East Shetland Basin region. The Model 234LR is specifically excluded as 4 Sumburgh-based S-61Ns are designated to undertake the work; fixed-wing flights will also be provided to and from Aberdeen.

Although its 4 remaining Civil Chinooks continue to be kept out of offshore support operations, they are employed on several other missions. One such mission is the 40-mile airlift of a 7-ton yacht. Stranded in Chichester Harbour by a hurricane that swept the southern U.K., the boat is taken to a shipyard on October 16. One unit is dispatched to Spain in November to transport car components from a Spanish factory to a dockside on behalf of Ford Motor Company. En route back to the U.K., the aircraft flies via Lyon so that a French ski lift owner might evaluate it for possible purchase.

During the first quarter of 1988, General Manager Chambers moves up in the Maxwell aviation structure and is succeeded by former Royal Navy Capt. Robert McQueen. Construction on Shell Expro's Eider and Tern production platforms in the East Shetland basin beginning in the spring leads to an increase in the Aberdeen-based fleet from 4 to 6 S-61Ns. At the same time, the airline's helicopters are all painted in a new livery (white bottom, blue top, red cheatline separating the two).

In April, a contract is received to provide Super Puma service on behalf of AGIP in the North Sea while another energy support contract, for S-76 flights, is obtained from Occidental Petroleum.

Since the fatal crash 18 months earlier, the company has been unable to employ its 3 Civil Chinooks in operations other than heavy-lift assignments. In late spring BIH awards Aberdeen-based Nash Helicopter Associates a contract to sell the machines. The company's Chinook simulator is sold to the Ministry of Defence. With no buyers stepping forward by the end of June, the carrier allows 2 Civil Chinooks to fly passengers on a revenue contract with Cabair. With champagne breakfasts before liftoff, blocks of 40 travelers fly to and from the British Silverstone automobile race during the first weekend in July.

On June 1, the last pegs in the 17-year link between **British Airways Helicopters, Ltd.**, BIH, and Total Oil Marine Engineering and Construction, Ltd. are removed. The latter gives **Bond Helicopters, Ltd.**, a five-year, £25-million award to not only support Total's Alwyn North platform, but the MCP01 pipeline pumping station and its exploration rigs as well. To handle what is thought to be the second largest contract in the U.K.'s North Sea oil business, Bond will continue to commit a minimum of 3 AS-332L Super Pumas.

Also during June, the company establishes a new world record for passengers carried over the Scilly Isles route by one helicopter on one day; shuttling back and forth between Penzance and St. Mary's between 0645 and 2040, the S-61N *Isles of Scilly* transports an amazing 730 passengers.

When a new Shell Expro contract begins on July 1, the company, in need of additional capacity, brings its fleet of Super Pumas to 5. Purchased from the former **Okanagan Helicopters, Ltd.**, now the western division of **Canadian Helicopter Corporation, Ltd. (CHC)** for C\$4.5 million, is one AS-332L, while another arrives new from its manufacturer. The third is leased long-term from **Helikopter Service, A.S.** of Norway.

While over the North Sea on July 13, the engine of an S-61N with 21 aboard catches fire, requiring the aircraft to make an emergency ditching. Before the Sikorsky sinks, all of the travelers safely evacuate and are rescued by a coast guard S-61N operated by **Bristow Helicopters, Ltd.** Also in July, when the Piper Alpha offshore rig explodes, company helicopters provide SAR assistance.

In two trips on the same August day, an S-61N lifts the 60-ft. long trimaran *The Spirit of Apricot* from its dockyard at Easton-in-Gordano, Bristol, to the docks. Also during the month, the company is awarded a three-year contract by Sun Oil to support its Balmoral Field in the North Sea. The arrangement replaces a contract previously held by **Bristow Helicopters, Ltd.**

In September, a Civil Chinook installs 13 treatment plant process tanks; the helicopter is able to reduce the construction phase of this project by half. Following vibration and an oil leak, an S-61N with 13 aboard ditches in the North Sea 100 mi. NE of Aberdeen on October 16. Although all aboard are rescued, the helicopter sinks before it can be salvaged.

Only Japan's **Aero Asahi Corporation** has expressed any major interest in purchasing the carrier's Civil Chinooks, but no sale can be arranged. Late in the year, officials from **Columbia Helicopters** sign a letter of intent to take over the giant helicopters. The last U.K. mission of the Model 234 occurs in December when a machine lifts 200 huge boulders that are used to repair a sea wall along Britain's southern coast.

The fleet of the 400-employee carrier in 1989 includes 14 S-61Ns, 4 S-76As, 3 Westland W-30s, and 5 Aerospatiale AS-332L Super Pumas. In February, the sale of the Civil Chinooks to **Columbia Helicopters** is completed; the arrangement, with spares, is worth between \$20 million and \$25 million. The first Model 234 leaves England on the 17th, with the other two following at monthly intervals.

In March, the S-61 at Aberdeen completes its 10th year of work, having flown some 21,000 hours. The six-days-per-week roundtrip service from Penzance to the Isles of Scilly now celebrates its twenty-fifth anniversary. In the previous year, the service has transported a total of 87,683 passengers. A new route is now opened from Penzance to Tresco.

In May, the company is awarded Sovereign Oil's Emerald Field contract, which will be supported by an S-61N from Sumburgh. Through

the first six months of the year, enplanements are up 7.4% over the same period a year earlier to 38,547.

Airline employment stands at 480 in 1990 and, following the addition of 2 more S-61Ns to the fleet, the company averages 24 aircraft active in offshore support roles.

Following the loss of 2 of 8 mooring cables from the accommodation rig *Safe Gothia* in the East Shetland Basin on January 9, 8 S-61Ns and 3 Super Pumas, flying in storm-force winds and darkness, evacuate some 400 oil workers to nearby platforms or Sumburgh.

While preparing to land on the Brent SPAR tanker-loading installation in the East Shetland Basin on July 25, the tail rotor of an S-61N carrying 2 pilots and 11 passengers strikes a crane structure A-frame. The contact causes the aircraft to drop 50 feet onto the helideck and then topple another 105 feet into the sea; it sinks within one minute (six dead). Although the U.K.'s eighth S-61N ditching since 1970, it is the first fatal occurrence and it leads to several wildcat work stoppages while oil workers, politicians, and union leaders discuss safety reforms for offshore employees.

Passenger boardings for the year ascend 2.6% to 234,650.

Another Super Puma is added to the fleet in 1991 and, early in the year, flights are started to and from Newquay. As the result of another downturn in the demand for offshore oil-support, the company is forced to layoff 24 pilots in October, along with other nonflying staff.

During the first 9 months of the year for which statistics are provided, records show that customer bookings are up 5.4% to 81,248. Cargo falls 15.4% to 11,000 FTKs. Following the death of Robert Maxwell, the carrier goes into receivership with the rest of Maxwell Aviation International Group on December 12.

The workforce is sliced 21.2% in 1992 to 382. With the death of owner Robert Maxwell, his entire financial empire is ruined, including BIH, now forced into Administration—the U.K. equivalent of Chapter XI bankruptcy in the U.S. During the first quarter, purchase bids for BIH are received from **Bristow Helicopters, Ltd.** and **Bond Helicopters, Ltd.** The former offer is withdrawn in July as the two proposals are referred to the U.K.'s Monopolies and Mergers Commission for approval.

Meanwhile, over the objections of Bond and bidders that include **KLM/ERA Helicopters, N.V.**, **Evergreen International Airlines**, and **Lloyd Helicopters (Pty.), Ltd.**, a joint buyout team from BIH management and **Canadian Helicopter Corporation, Ltd.** receive U.K. approval and CAA licenses in August to form two BIH subsidiaries. The establishment of BIH (Isle of Scilly), Ltd. and BIH (North Sea), Ltd. are part of a complicated effort by CHC to secure a better position in its attempt to buy the administered helicopter line.

Also during the summer, 60 employees are laid off from the Aberdeen base and Oxford headquarters. On the other hand, Shell Expro increases its S-61N fleet usage at Sumburgh to six aircraft and delays for three years its decision to replace the type with Super Pumas leased from **Bristow Helicopters, Ltd.**

On October 22, Trade Secretary Michael Heseltine, acting on the recommendation of the Monopolies and Mergers Commission, informs Bond Helicopter executives that it is not in the public interest for Bond to acquire BIH. Both Bond and BIH indicate displeasure and Bond joins **Bristow Helicopters, Ltd.** as a former suitor.

On December 1, it is announced that the management buyout team from **Canadian Helicopter Corporation, Ltd.** and BIH, together with the British merchant bank of Brown and Shipley, Ltd., has secured sale of BIH from its court-appointed administrators. Both the bank and Canadian operator are required to pay \$8 million each for matched 40% stakes, while BIH managers acquire 20% shareholding. On December 8, the Department of Transport voids the August licenses for subsidiaries and requires reapplication.

With its main base at Aberdeen and with other facilities at Penzance, Beccles, Farnborough, and Sumburgh, BIH continues to operate 26 helicopters in support of the North Sea oil industry. Passenger boardings for the year slide 7.5% to 87,725.

Brintel Helicopters, Ltd., the official name of the CHC-banking partnership, completes purchase of the carrier and its assets out of administration on January 27, 1993. Major shareholders in this \$45.5-million buyout and refinancing deal include the **Canadian Helicopter Corporation, Ltd.** (80%), British venture capitalists, and the new company directors; BIH will be allowed to trade under its previous name.

Brown Shipley executive David Wills becomes chairman and Stewart Birt is named managing director. The fleet comprises 15 Sikorsky S-61Ns, 1 Sikorsky S-76A, and the original 5 Aerospatiale AS-332L Super Pumas. The lone Westland 30 is returned to its manufacturer on March 19, at which time airline employment stands at 382, many of whom are also shareholders.

Also in March, the reorganized company wins its first major new contract, a three-year support pact from Elf Enterprise Caledonia, Ltd. During May, two S-61Ns are assigned to the Elf contract. Later in the year, upon the commissioning of two more Elf platforms, an AS-332L Super Puma joins the fleet and is dedicated to the new operation and 40 laid-off workers are recalled.

Through September, customer bookings fall 6.7% to 69,371. In October, the company's S-76As are sold to **Canadian Helicopter Corporation, Ltd.**, while an S-76A+ is chartered from Germany's **Wiking Helikopter Service**. Revenues for the year's first 10 months total \$56 million and leave a \$6-million net profit.

During January 1994, **Canadian Helicopter Corporation, Ltd.** purchases 100% interest in BIH for C\$27 million as its chairman/CEO, Craig Dobbin, obtains Irish citizenship to help satisfy U.K. and EEC ownership requirements and, additionally, 10 million new shares are issued to BIH administrators. Employment at the fully owned Canadian subsidiary is increased by 9.5% during the year to 460 and 7 AS-332L Super Pumas are added to the fleet.

In February, a yearlong contract is obtained from the United Nations to support its aid operations in Mozambique. Five Super Pumas are delivered from London (STN) to the African nation within five days of the arrangement's completion aboard an An-124 of **Heavylift Cargo Airlines, Ltd.**

In March, the Civil Aviation Authority agrees to let the **Canadian Helicopter Corporation, Ltd.** purchase stand. In April, the company hires 12 pilots and 12 engineers, who are dispatched to Mozambique to fly 5 Eurocopter Super Pumas on a long-term UN contract. The thirtieth anniversary of the Penzance to St. Mary's route is celebrated on May 1.

During the summer, Managing Director Birt establishes a business development center in Camberley, Surrey, to examine the possibilities of diversification into other civil and military markets. Traffic figures are once more provided for the first nine months and show passenger boardings recovering, growing 4.3% to 74,352. When CHC management elects to refocus on the company's core business of North Sea offshore support and scale back the new Camberley center, Managing Director Birt resigns on October 11. He is succeeded by chemical engineer David Wood.

At year's end, in light of changing offshore-oil work patterns, company officials begin to worry over the renewal of the five-year Shell Expro contract due to expire the following June 30.

The workforce does not change in 1995. The concern that Managing Director Wood continues to lead maintains its emphasis on aerial support of the North Sea oil industry and to offer scheduled service from Penzance to the Scilly Isles.

Following the January 19 ditching of a **Bristow Helicopters, Ltd.** AS-332L.1 in the North Sea after a lightning strike, BIH, after consultation with the Civil Aviation Agency in March, joins with that rival, as well as **Bond Helicopters, Ltd.** in a voluntary agreement to prohibit flights in actual lightning conditions. Aircraft will either be diverted around such areas or not allowed to depart.

At the beginning of May, **KLM-ERA Helicopters (UK), Ltd.** wins its first major North Sea contract, a three-year award from Shell Expro for support of its activities in the southern sector. The contract, formerly

held by BIH, will require assignment of 3 Sikorsky S-61Ns and an S-76. Still, BIH is able to retain the major share of the new Shell Expro awards, winning the energy concern's two other contracts worth \$97 million. Under the first, 7 S-61Ns will serve the East Shetland basin from Sumburgh while 2 or 3 AS-355L.1 Super Pumas will fly under terms of the second in the central North Sea area from Aberdeen.

Through September, enplanements inch up 0.8% to 74,908.

On October 1, the company unveils a new livery and shortens its marketing name to British International. While the red, white, and blue colors remain, the standard British lion logo is replaced with the hummingbird logo of parent **Canadian Helicopters, Ltd.**

Airline employment declines 14.1% in 1996 to 395 and the fleet now includes 8 AS-332L Super Pumas, 1 AS-332L-1 Super Puma, 2 Sikorsky S-76A+s, and 15 Sikorsky S-61Ns, one of which is leased to **Court Helicopters (Pty.), Ltd.** in South Africa.

Despite significant competition, during the first quarter the carrier is able to gain a three-year renewal of its Elfo support contract; the company will continue to support this energy operation with Super Puma flights from Aberdeen.

The company now forms a new subsidiary, Flight Handling, Ltd., to provide airport management, aircraft ground handling, freight movement, and passenger logistics. It will receive 3 sizeable contracts within the next 10 months.

Deputy Managing Director Paul Conway succeeds Managing Director David Wood on June 19. On September 1, the Enterprise Oil Super Puma support contract is extended for another three years, as of October 10, with two further one-year extensions possible.

Cardiff-based **Veritair, Ltd.** is acquired on October 31.

In early November, the company enters into a strategic alliance with Forde, Norway-based **Airlift, A.S.** Its Canadian parent, **Canadian Helicopter Corporation, Ltd.**, takes 10% equity in Airlift, with the later acquisition of 23% more a possibility. The carrier also wet-leases a Eurocopter AS-332L.1 Super Puma from CHC for the coastguard contract.

In December, the two-year Talisman offshore support contract to provide flight services to the former British Petroleum-owned North Sea fields is won away from **Bond Helicopters, Ltd.** and **Bristow Helicopters, Ltd.** In reaction, **Bond Helicopters, Ltd.**, acting on behalf of its new partner, the Norway-based Helikopter Service Group, challenges the operator's right to a U.K. operating permit, claiming that less than a third of BIH is owned by European Union nationals. Bond hopes to show that such a minority shareholding exists and that BIH is in violation of U.K. and EU laws. A London High Court agrees to a judicial review.

Piloted by expatriate U.S. Vietnam veteran Capt. James Spyker on behalf of **Airlift, A.S.**, the AS-332L.1 is no sooner brought to Svalbard, still in BIH livery, than it is called upon to perform a dramatic rescue. On December 23, a Russian Antonov An-72 with 22 passengers crashes while taking off from Nagurskoye in the Franz Josef Land archipelago, then a military reserve. Unable to dispatch a rescue mission from Murmansk, the Russians seek assistance from Norway. The new civilian SAR team at Svalbard is assigned the mission, which, in turn, tasks Capt. Spyker and his powerful helicopter.

With a medical team aboard, the Super Puma, with a crew of seven, a doctor, and a nurse, departs in -35° C weather for Nagurskoye at 00:10 a.m. on Christmas Eve. Due to bad weather, the helicopter must fly to Kong Karis Isle for refueling before proceeding 232 nm. to the Russian crash site. After three hours of medical work on scene at Nagurskoye, the refueled AS-332L returns to Svalbard with the three most seriously injured Russians. The success of the Nagurskoye mission further cements good relations between the governments of Russia and Norway, assists Airlift in its goal to acquire additional SAR contracts, and deepens the commercial relationship between that company and BIH.

For the year as a whole, BIH passenger boardings soar 19.5% to 103,690.

Airline employment grows 1.3% in 1997, up to 400. Two S-61Ns are withdrawn early in the year. On January 9, BIH is formally awarded the two-year contract (with an optional year's extension) by Talisman

Energy (UK), Ltd. to provide helicopter support of the energy concern's North Sea drilling operations at the Beatrice, Buchan, and Clyde fields. The new deal will be supported with AS-332L Super Pumas, Sikorsky S-61Ns, and S-76s out of Aberdeen.

Early in the first quarter, **Airlift, A.S.** purchases another Super Puma from BIH and has it modified at the Eurocopter facility at Marignane, France. Special attention is paid to the addition of avionics that will allow the helicopter to find fuel deposits that the company has stashed at various refueling points. It returns to Norway to join the leased unit at Spitzbergen.

Somewhat later in the spring, BIH acquires Cardiff, Wales-based **Veritair, Ltd.**, a small operator specializing in police support. It is the first BIH move into the rapidly expanding U.K. onshore helicopter market.

On July 1, **Bond Helicopters, Ltd.**, a subsidiary of **Helikopter Services, A.S.**, challenges the ruling of a London court concerning a 1993 determination by the Civil Aviation Authority that BIH complies with applicable U.K. and European licensing regulations with respect to ownership nationality.

Flights continue apace during the second half. Following the deaths of 12 people when a Norwegian Super Puma crashes during a routine flight over the North Sea, all 37 British Super Pumas, including the 9 flown by BIH, are grounded indefinitely on September 12. Spokesmen for the three helicopter companies which fly Super Pumas from Aberdeen issue a joint statement to the media that the aircraft will not restart until appropriate safety inspections have taken place. Five days later, the Super Pumas are back in the air.

Having reviewed the Bond claim, the CAA informs CHC that it has advised the U.K. Secretary of State of its belief that the nationality requirements have not been met and that BIH's license may be revoked.

After lengthy discussions, CHC, on December 10, enters into an undertaking with U.K. authorities whereby the issue may be resolved. CHC issues additional equity share capital to a company indirectly owned by Craig L. Dobbin, a citizen of both the Republic of Ireland and Canada, which in turn buys into BIH.

For the year as a whole, customer bookings climb 2.1% to 105,875.

Flights continue in 1998. In February, former **Bristow Helicopters, Ltd.** director Tony Jones, who had resigned the previous summer, takes a job as a line copilot with BIH.

On March 27, Bristow wins a £175-million, 7-year contract from Shell Expro for operations in the central and northern North Sea, effective July 1, with support flights from Aberdeen and Shetland. The contract had previously been held for 31 years by BIH (and its predecessors) and, in fact, made up more than half that operator's business. Bristow also wins a £50-million, 5-year contract from Shell Expro to work on that oil company's southern North Sea fields, flying to them from Norwich and Den Helder in the Netherlands.

Top BIH executives meet in Aberdeen on March 30 to decide future strategy in light of the loss of the Shell Expro contract. In an interview with that city's *Press and Journal*, Managing Director Conway admits that the Shell Expro decision had come as a big surprise—and quite a shock—to BIH. Conway and his lieutenants begin a series of consultations with company staff and unions, including the British Airline Pilots Association and the Transport and General Workers' Union.

Meanwhile, the CEO of BIH parent **Canadian Helicopter Corporation, Ltd.**, Rudy Palladina, resigns in a move described in the press release as having come because of disagreements over the long-term direction of CHC. Loss of the Shell business is not mentioned.

Former Bristow executive Tony Jones is promoted to senior pilot at Sumburgh at the beginning of April. For the rest of the month, many of the 350 workers employed by British International fear for their jobs, until an unexpected turn of fate brings some relief.

On April 27, the Ministry of Defence transfers the contract for helicopter support to the Falklands Island garrison from Bristow, which has operated it since the end of the 1982 war with Argentina, to BIH. However, the deal will not make up for the Shell Expro shortfall at BIH and many employee jobs remain in jeopardy.

On May 1, Sumburgh Chief Pilot Jones is named the company's flight operations manager. He succeeds Steven Stubbs, who has been assigned to special projects prior to his July retirement. Jones, whose star is rising fast, becomes commercial director in late June. At the same time, Managing Director Conway is succeeded by Neil Calvert.

Two BIH Sikorsky S-61Ns replace Bristow's rotary-wing assets in the Falkland Islands on July 1. Simultaneously, **Bristow Helicopters, Ltd.** begins to satisfy the Shell Expro contracts in the North Sea. For the contract based out of Aberdeen, the company hires 30 more engineering and administrative staff and 30 pilots, while another 20 ground staff and 20 pilots are taken on by Bristow for the southern contract. Many of the new pilots had previously flown for BIH, but had lost their positions in the wake of the Shell contract loss.

While preparing to land at Aberdeen Airport after an August 26 return from the *Ocean Princess* drilling rig, an S-61N, with two crew and eight passengers, suffers a control failure and goes into a spin. The Sikorsky, skillfully handled by its pilot, is put down without further damage and no injuries are reported by any of the 10 people aboard.

Preparations are now made to celebrate the thirty-fifth anniversary of the Penzance to St. Mary's, Scilly Isles, route the following year. The route provides the world's oldest scheduled helicopter service and is fully and enticingly described when **Canadian Helicopter Corporation, Ltd.** opens a British International-Penzance homepage on the Internet's World Wide Web on September 21—<http://www.chc.ca/bipz>.

In November, options are taken on 5 Bell Agusta BA-609 tiltrotors, the civil version of the military Osprey now under development. The request, part of a 10-ship deal made by the CHC parent, is designed to assist in the long-term restructuring the carrier's fleet. Initial deliveries are expected during the summer of 2002.

During the 12 months, passenger boardings accelerate 4.7% to 111,000; 53,000 FTKs are also operated.

The Aberdeen (Scotland) *Press and Journal* reports on January 12, 1999 that the **Canadian Helicopter Corporation, Ltd.** has purchased a package of 5.1 million shares in **Helikopter Services, A.S. Group**. The 25% stake in the Norwegian operator, valued at a "knock-down price" of £16 million (Nkr 40 per share), is acquired from an institutional investor via the CHC Norwegian subsidiary Vinland Helicopters. The purchase makes CHC the largest shareholder in HAS, as well as its subsidiaries, **Bond Helicopters, Ltd.** and Australia's **Lloyd Helicopters (Pty.), Ltd.**

An additional 5% stake in HSG is acquired on March 24, together with controlling interest. Interviewed by the *Press and Journal*, Helikopter Services Group Chairman Reidar Lund indicates that the action is regarded as an "unfriendly takeover" attempt. CHC Chief Financial Officer Jo Mark Zurel discourages "takeover speculation" and claims the share purchase is a moneymaking exercise.

On April 14, Reuters, Ltd. publishes news that CHC will bid 45 crowns per share for the remaining shares in Helikopter Services, A.S. Group and that the official offer will be released within a week, again through its Norwegian subsidiary, Vinland Helicopters. After a preliminary discussion, the Norwegian operator indicates that the offer, compared to booked capital, is too low.

BIH Managing Director Calvert announces on April 23 that his concern has signed a five-year contract (with an option for three one-year extensions) with Maersk Olie og Gas, A.S. in Denmark. Under terms of the agreement and beginning on July 1, BIH will employ two Super Pumas, an S-76A+, and a back-up helicopter to service the Danish Undergrund Consortium offshore oil and gas exploration operated by Maersk on behalf of itself and its Shell and Texaco partners.

CHC counters the HSG concern on April 26 with an offer, via Vinland, of Nkr 45 per share for the remaining shares. The purchase would be subject to successful completion of a due diligence review and government approval. A statement from CHC also indicates that the offer is conditional upon Vinland gaining a minimum of 90% of HSG stock.

Following another rebuff, the offer is increased to Nkr 60 in early June. CHC obtains 90.2% of the shares in HSG on June 25. The

takeover brings concern to workers at **Bond Helicopters, Ltd.**, which is now renamed **CHC Scotia, Ltd.**, that many may lose their jobs if the new owners elect to merge their concern with BIH, which CHC already owns.

Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** is able to announce on August 2 that the remaining conditions to its offer to purchase all shares in **Helikopter Services Group, A.S.** have been satisfied or waived and that the acquisition is completed. CHC now finds itself with two major U.K. rotary-wing subsidiaries.

The BBC reports on September 13 that BIH and **CHC Scotia, Ltd.** are, in fact, combining their operations at Aberdeen Airport. Some 71 permanent and 23 temporary positions at the carriers will be lost by November and upwards of 100 positions overall.

Enplanements for the year increase by 9% to 121,000.

On January 26, 2000, the U.K. Department of Trade and Industry and the Competition Commission both clear the merger of CHC's UK operations and those of **Helikopter Services Group, A.S.**

Working with the Welsh Development Agency, the U.K. managers of BIH open negotiations with their parent organization, **Canadian Helicopter Corporation (CHC)**, during the first quarter concerning a possible management buyout. With the acquisition of **Bond Helicopters, Ltd.**, now **CHC Scotia, Ltd.**, BIH has become the redundant U.K. subsidiary (publicly referred to as a noncore operation in the United Kingdom) for the giant North American concern.

A satisfactory arrangement is concluded on May 17 under which BIH, sold for \$51 million, once again becomes the largest U.K.-owned helicopter operator. The Canadian corporation's U.K. offshore activities will now center fully on **CHC Scotia, Ltd.**

Trading as **British International, Ltd.**, the new company retains or acquires from CHC 6 Sikorsky S-61Ns, 2 Eurocopter AS-365N2 Dauphins, and 2 light helicopters. The scheduled passenger service to Penzance is maintained, as are operations for the Ministry of Defence in Plymouth, England, and the Falkland Islands. Light helicopter operations are also undertaken in Cardiff.

BRITISH ISLAND AIRWAYS, LTD. (1): United States (1970–1980). Complete with new logo, livery, and uniforms, this regional carrier is formed on July 20, 1970 as successor to **British United Island Airways, Ltd.**, itself founded in the 1963 merger of **Silver City Airways, Ltd.** and **Jersey Airlines, Ltd.** Although associated with BUIA, BIA is excluded from the November amalgamation with **Caledonian Airways, Ltd.** BIA is now owned by the British and Commonwealth Shipping Group (91%) and the Eagle Star Insurance Group (9%).

On April 1, 1971, a new route, flown by Handley Page Herald, is opened in cooperation with **Sabena Belgian World Airlines, S.A.** from London (LGW) to Antwerp. An Antwerp–London (LHR) service is simultaneously started on behalf of the Belgian state carrier. Hurn–Channel Island flights resume in May 1973, but are suspended for the winter in late October. On November 1, twice-daily replacement flights for **Caledonian Airways, Ltd.** are initiated between London (LGW) and Manchester.

Flights from Hurn to the Channel Islands resume in the spring of 1974. The final DC-3 flight is completed on May 30. The fleet now comprises 12 Herald, one of which, with 54 passengers, groundloops at Jersey on December 24 and breaks in two; there are no fatalities.

During 1975, Managing Director C. P. W. Villa's company undertakes night newspaper runs to Ireland and a variety of charter flights. Between 1976–1979, a 2,900-mile route network of U.K., Northern Ireland, French, Channel Island, and Dutch destinations is completed. The fleet during this period includes 6 DC-3s, 6 Handley Page Herald, 4 BAC 1-11-416s, and 3 BAC 1-11-432s. The latter are named *Island Envoy*, *Island Endeavour*, and *Island Esprit*.

On January 4, 1980, BIA is one of four small airline partners merged to form **Air U.K., Ltd.**; the amalgamation results in the total absorption of the former independent and the disappearance—at least temporarily—of its name.

BRITISH ISLAND AIRWAYS, LTD. (2): United Kingdom (1982–1990). Chairman/Managing Director Peter Villa and BAC 1-11 Pilot/Marketing Director Roy Hope launch a new British Island Airways, Ltd. in early 1982 and purchase **Air U.K., Ltd.**'s charter division. With money and 4 BAC 1-11-432s—3 of which are named *Island Envoy*, *Island Endeavour*, and *Island Esprit*—borrowed from the British and Commonwealth Shipping Group, contracts to fly inclusive-tours to Mediterranean resort cities are recruited and begin from Gatwick Airport on April 1.

An interline arrangement with **Air Florida** is made to feed the American carrier's passengers bound to Amsterdam, Brussels, Frankfurt, and Dusseldorf. Enplanements total 350,000. Expecting a loss, the company actually turns in a small £28,000 (\$33,600) profit for the first year.

In 1983, Prime Minister Margaret Thatcher leases a BAC 1-11-432 for her reelection campaign. In May, a BAC 1-11-416 is acquired under charter and named *Island Ensign*. The profit climbs to \$699,600.

Air Florida's collapse in 1984 forces BIA to seek other interline and charter arrangements. Two ex-**Cayman Airways, Ltd.** BAC 1-11-500s are purchased at Miami and, upon upgrade, are placed in service in the spring. The *Island Esprit* is leased to **Airways International CYMRU, Ltd.** for the eight months after April 1.

An interline deal is worked out with **Virgin Atlantic Airways, Ltd.** to feed its Continent-bound passengers to and from Maastricht, Holland. Back from its previous charter, the *Island Esprit* is assigned to undertake this task.

The **Virgin Atlantic Airways, Ltd.** contract is completed in August 1985 and not renewed. Two BAC 1-11-400s are leased to **Air U.K., Ltd.** as holiday charter and inclusive-tour flights to points in Europe, the Mediterranean, North Africa, and the Middle East continue. Among the most romantic operations are 3, 10-day "air cruises" to Egypt designed to evoke the nostalgia of the days of **Imperial Airways, Ltd.** The company goes public and its profit reaches £1.1 million.

In January 1986, BIA's hush-kitted BACs have no difficulty meeting tough new noise regulations. The carrier applies to the Civil Aviation Authority for permission to introduce "seat-only" sales on all charters out of London. The profit level grows by £500,000. Charter operations continue apace in 1987 as the first two leased McDonnell-Douglas MD-83s are placed into service and there is a £1.9-million profit.

The fleet in 1988 totals 4 BAC 1-11-400s, 4 BAC 1-11-500s, and 3 chartered MD-83s, the third arriving in November. The MD-83s allow nonstop services to such destinations as Tel Aviv, Turkey, Luxor, and the Canary Islands. In the spring, scheduled service is inaugurated to Palermo and Catania in Sicily.

Enplanements total 1.5 million, but expenses cause the airline a \$4.9-million net loss.

The fleet in 1989 includes 6 BACs and 4 leased McDonnell Douglas MD-83s. In June, the company joins with SAS Service Partner, a subsidiary of **SAS (Scandinavian Airlines System)**, to develop the joint venture enterprise In-flight Services International, Ltd., a 6,000-sq.-ft. flight kitchen located at London (LGW).

Losses for the first half-year total \$8.3 million and continue to deepen throughout the remainder of the year. The company's shares are temporarily suspended in November, but, in December, a consortium of financiers concludes a restructuring of finances in a sale-leaseback arrangement. A cash injection of \$33 million is pledged, of which \$21 million will repay existing loans, leaving the remainder for use as working capital.

Unable to continue as a result of the severe downturn in the British package tour industry, BIA-2, with debt equivalent to \$17 million, enters receivership on February 1, 1990. The receiver, Touche Ross, is forced to immediately lay off 420 of the carriers 500 employees and eventually sells off the entire airline.

BRITISH LATIN AMERICAN AIR LINES, LTD. See **BRITISH SOUTH AMERICAN AIRWAYS, LTD.**

BRITISH MARINE AIR NAVIGATION COMPANY, LTD.: United Kingdom (1923–1924). Hubert Scott-Paine of Supermarine Aviation Works, Ltd. and officers of South Western Railway—the first British rail company to express any interest in commercial air transport—begin planning an air service in late spring 1922. On June 21, they announce plans for the introduction of frequencies between Southampton (a terminal at the Itchen River town of Woolston) and Le Havre, Cherbourg, and the Channel Islands. On October 1, the British government introduces a revised subsidy scheme to support private airlines. As part of the plan, £10,000 are set aside for Scott-Paine's enterprise, then being formed, to operate a route from Southampton–Cherbourg via the Channel Islands.

Capitalized at £15,000, the British Marine Air Navigation Company, Ltd. is officially registered on March 23, 1923. Three newly designed Supermarine Sea Eagle flying boats are delivered into the summer. On August 14, one of these, flown by H. C. Biard, with Sir Sefton Brancker, Scott-Paine, and an Air Ministry representative, undertakes a trial flight from Southampton (Woolston)–Cherbourg via Guernsey; the stop on the island is reported as the first by a civil aircraft. Regularly scheduled Southampton (Woolston)–Guernsey Sea Eagle flights commence on September 25.

On March 31, 1924, British Marine Air Navigation Company, Ltd. is one of four pioneer operators acquired by the government and merged to form **Imperial Airways, Ltd.**; BMAN's chairman, Scott-Paine, becomes a member of the state airline's board of directors.

BRITISH MEDITERRANEAN AIRWAYS, LTD.: Cirrus House, Bedfont House, London Heathrow Airport, Staines, Middlesex, England TW19 7NL, United Kingdom; Phone 44 (171) 4266300; Fax 44 (171) 4266354; <http://www.british-airways.com/ins/partners/franchise/docs/bmed.shtml>; Code KJ; Year Founded 1994. BMA is established at London (LHR) in September 1994 to offer scheduled passenger flights to nations in the eastern Mediterranean, beginning with Lebanon.

British Aerospace's nonexecutive director, Lord Alexander Hesketh, a doyen of U.K. motor sport during the 1970s, is appointed chairman, with Hugh Parry as managing director/CEO. Employing a leased Airbus Industrie A320-231, daily roundtrip service is inaugurated to Beirut on October 28, just five days after the U.K. government lifts the travel ban to Lebanon imposed at the height of the war in 1985.

Traffic figures are not released for the last two months of the year.

Former **Kenya Airways, Ltd.** executive Des Hetherington becomes managing director early in 1995. Service is extended from Beirut in May to Amman and Damascus.

In an effort to capture the trade for itself, **British Airways, Ltd. (2)** now also begins flying to the three BMA destinations. Company officials report to ICAO on the company's first anniversary in November that it has, over the past year, transported a total of 28,994 passengers along with 1.3 million FTKs.

The fleet is not increased in 1996 and plans are made to enter into a franchise agreement with **British Airways, Ltd. (2)**. On August 28, BA announces that it will turn over its routes in Syria, Lebanon, and Jordan to BMA and withdraw from Amman, Beirut, and Damascus on October 26. The airline has lost millions on these Mideast services since the end of the Gulf War, and especially on the new routes started the previous year.

The BA franchise agreement collapses during mid-October when the British major announces that BMA has not met the requirements for partnership. As a result, BA must continue to operate the unprofitable Mideast routes it had planned to turn over toward month's end.

BMA enplanements for the year decline 21.3% to 36,713. Freight, on the other hand, grows by 33.2% to 1.85 million FTKs.

After several attempts to reach closure, the franchise agreement with BA is finally signed during the third week of February 1997. That company's feed from the Mideast is facilitated when BMA's two new A320-231s, in modified BA livery, begin new services to Beirut, Damascus,

and Amman on April 1. Thrice-weekly services to Tbilisi in Georgia and Alexandria, Egypt, commence in mid-April.

A reciprocal code-sharing agreement is signed with **Armenian Airlines** in December.

The new BA franchise deal is largely responsible for a traffic bonanza. Customer bookings skyrocket 203.3% to 111,337.

Destinations visited in 1998 include Damascus, Amman, Beirut, Tbilisi, Bishkek, Alexandria, and Yerevan. Passenger boardings climb to 143,000; 1.3 million FTKs are also operated.

Airline employment at the beginning of 1999 stands at 200.

A third A320-231 is delivered during the fall. Overall customer bookings accelerate 9.8% to 168,000, but cargo plunges 35.3% to 692,000 FTKs.

Airline employment at the beginning of 2000 stands at 220, a 10% increase.

A third A320-231 arrives in April and is employed to launch a new twice-weekly return service in June from London (LHR) to Aleppo, Syria, and weekly roundtrips to Alexandria, Egypt.

In mid-October, it is announced that the carrier will take over the Tehran service of **British Airways, Ltd. (2)** with the beginning of the summer schedule in late March.

Service to the company's 10th scheduled Mideast destination, Luxor, Egypt, begins on October 29.

BRITISH MIDLAND AIRWAYS, LTD. (BMA): Donington Hall, Castle Donington, Derby, England, DE74 2SB, United Kingdom; Phone 44 (1332) 85 4000; Fax 44 (1332) 85 4662; <http://www.iflybritishmidland.com>; Code BD; Year Founded 1964. On October 1, 1964, **Derby Airways, Ltd.**, based since April at East Midlands Airport serving Nottinghamshire, upgrades its corporate identity, becoming BMA. Michael Bishop remains principal owner and chairman. A new Douglas DC-3 freight route is inaugurated on October 6 from Derby to Amsterdam via Birmingham. Canadair C-4 Argonaut inclusive-tour charters to Tenerife, Canary Islands, are maintained with the three machines acquired by Derby.

The routes of **Mercury Airways, Ltd.**, including its important service to Manchester, are taken over at the end of the month with the company itself following into the BMA fold in December.

The carrier's first turboprop, a Handley Page Herald, is delivered on February 1, 1965 and is followed by a second machine, leased from its manufacturer, in August. Meanwhile, the carrier completes its move from Burnaston to its new base at East Midlands Airport. On March 15, a DC-3 transports a power station generator and its instrumentation (2.5 tons) from Derby to Moscow's Sheremetyevo Airport via Copenhagen in a roundtrip flight that will require 23 hrs. 20 min. flying time.

The new H.P. Herald is placed into service on the Derby–Glasgow route on April 1 and new frequencies to Palma and Gerona are initiated, also in April. The second Herald is returned in October and the first DC-3 all-freight service to the Channel Islands from East Midlands Airport commences on December 1.

During the first quarter of 1966, the DC-3s *Peak Dale* and *High Dale* are sold; another Handley Page Herald is leased in April but returned in September following the summer inclusive-tour season. The first Herald purchased in 1965 is sold in December in trade on new aircraft to be soon delivered.

At the start of 1967, airline employment is 770 and the fleet includes 4 DC-3s and 3 C-4 Argonauts. On January 10, a Vickers Viscount 736 is purchased; it is followed by a Viscount 831 on February 15, another in April, and 2 Viscount 815s added in June and July. The Viscount 736 enters service in June followed by the others during the remainder of the summer. These Vickers-made turboprops will allow retirement of the Argonauts and DC-3s and form the fleet's backbone for the next 21 years.

On June 6, the Canadair C-4 Argonaut *Aurora* with 5 crew and 79 passengers loses power to two of its four engines while on approach to

Manchester Airport on a service from Palma de Mallorca. Attempting to overshoot and go around, the wing of the plane hits a building at Stockport, Cheshire, England, causing the aircraft to crash. As rescuers approach the aircraft from every direction, it explodes (72 dead). The disaster is laid to a previously unknown design flaw in the aircraft's fuel system.

The surviving two Argonauts are withdrawn on October 16 and November 2 respectively. At year's end, the final DC-3s are withdrawn from passenger services. A total of 247,000 passengers are flown on the year.

A Viscount 760 is added on April 12, **1968**, followed by a Viscount 785 on May 27. These replace the Canadair C4s on the scheduled route to Ostend from East Midlands and Manchester. New aircrew uniforms are introduced during the spring and the DC-3s *Derwent Dale* and *Dove Dale* are sold in July and October, respectively. During the latter month and in November, a pair of Viscounts are wet-leased, one each to **Ghana Airways, Ltd.** and **Nigeria Airways, Ltd.**

Control of the carrier is taken by **Invicta Airways, Ltd.**'s owner Minister Assets in January **1969** and a Viscount 814 and a Viscount 831 are purchased. The two airlines begin integration in early February.

Attempting a second go-around at East Midlands Airport on February 20, the Viscount 736, with five crew and 48 passengers, lands 1,000-ft. short of the runway in a snowstorm, shearing off its undercarriage; although the plane will be written off, there are no fatalities.

A separate air cargo division, **British Midland-Invicta Air Cargo, Ltd.** is now established. Meanwhile, **Invicta Airways, Ltd.**'s two Viscount 755s are simultaneously transferred to BMA. The merger takes effect on March 18, at which point Peter Cannon is chairman with R. R. Paine vice chairman and managing director. Fourteen redundant staff are dismissed and the reservations offices at Derby, Nottingham, Leicester, and Sheffield are closed.

While on a simulated engine-out test during a March 20 training flight from Manchester, the Vickers Viscount 815 with four crew inverts and crashes (three dead).

The same day, Chairman Cannon is succeeded by James Hodgson, while former Chairman Bishop returns to become the new general manager. A Viscount 833 is leased from **British United Airways, Ltd.** on April 4, the same day a Viscount 702 is purchased.

On June 3, orders are placed for 2 (later 3) British Aircraft Corporation BAC 1-11-523FJs for delivery later in the year. Hugh Kennard repurchases **British Midland-Invicta Cargo, Ltd.** and its 3 C-54s in July, renaming the acquisition **Invicta Air Cargo, Ltd.** The last of several fleet changes is made in July as the final DC-3, *Millers Dale*, is sold. Upon the failure of **Autair International Airways, Ltd.**, BMI seeks several of that carrier's routes, which are awarded. The first of these scheduled services to be flown opens London (LHR)-Teesdale on November 1.

BMA's first jetliners, 3 BAC 1-11-523FJs, are delivered between January 5 and March 12, **1970**; they are placed on frequencies to London (CTN), Dublin, and Glasgow.

Just after takeoff from London (LHR) on January 22, the No. 4 engine of a Vickers Viscount 814 with 4 crew and 34 passengers catches fire. Although a safe emergency landing is made, during which there are no injuries, and the fire extinguished, the aircraft is damaged beyond repair.

Also during the first quarter, Viscounts begin services to Jersey, the Isle of Man, Coventry, and Birmingham. New cabin staff and ground staff uniforms are introduced to mark the entry of the new jetliners into service.

The **British United Airways, Ltd.** Viscount 833 is returned in February. A Viscount 833 is sold to **Ariak Israeli Airlines, Ltd.** on February 21 while the Viscount 760 and 785 are withdrawn in April.

A Boeing 707-321 Stratoliner, purchased for £1.6 million from **Pan American World Airways (1)**, is delivered at Nassau, in the Bahamas, on April 1. Following a period of training, the aircraft is flown to East Midlands Airport via Gander and Keflavik on April 26, becoming the first Boeing and largest aircraft yet to land at that airport. Having obtained a permit from the U.S. CAB, BMA inaugurates

B-707-321 transatlantic inclusive-tour operations on June 3 from London (STN) to New York (JFK).

New sales offices are opened at New York and London on July 9 as plans are made to acquire a second Boeing from the American major. The last scheduled service from Staverton is operated on September 19. At year's end, the company exits the flight school business, 32 years after beginning at Derby as Air Schools, Ltd. On December 29, a second B-707-321 is purchased from **Pan American World Airways (1)**.

The fleet at the beginning of **1971** includes 3 Viscount 831s, 1 Viscount 815, 3 BAC 1-11-523FJs, and 1 B-707-321. The first U.S. station is established at Seattle on March 1 and the year's first IT flight from Washington State to East Midlands via Keflavik arrives on March 28. Leeds to Glasgow service must be ended on March 31 for lack of capacity. Refurbished, the second Pan Am B-707-321 is received the same day.

The previous year's scheduled routes are maintained and additional inclusive-tour routes are undertaken to the U.S. following receipt of an upgraded operating permit from the CAB on June 2. Meanwhile, Stratoliner tours from Manchester and Liverpool to Ostend commence on May 26.

A fleet of 7 Viscount 813s, together with a spares stock, is purchased from **South African Airways (Pty.), Ltd.** for £150,000. On September 5, a B-707-321 tour from Seattle to East Midlands is made direct (due to favorable winds) without the usual Keflavik stop.

During January **1972**, the 7 Viscount 813s are flown to England for refurbishment. BMA applies for and wins the Channel Islands routes of **Channel Airways, Ltd.**, which ceases operations on February 29. Viscounts begin two of the failed carrier's three routes in March, with the third going to **Dan Air/Dan-Air Services, Ltd.**

Direct services are inaugurated on April 7 from East Midlands Airport to Amsterdam; three days later, flights begin to Brussels and Frankfurt. The Viscount 813s enter service in June, at which time a BAC 1-11-523FJ is leased to **Court Line, Ltd.**

In midyear, General Manager Bishop becomes managing director. Flights to the Continent are offered five-times-per-week beginning on September 4 and a Viscount 831 is sold to **Arkia Israeli Airlines, Ltd.** on September 21.

Finding the inclusive-tour business too competitive, the carrier begins to search for additional employment for its two Boeings. On November 11 and December 15, respectively, the two begin a two-year charter to **Sudan Airways, Ltd.**, flying "Blue Nile" service from Khartoum to London (LHR) via Addis Ababa, Nairobi, Jeddah, Cairo, Beirut, Tripoli, Athens, and Rome. The aircraft are entirely manned by BMA personnel, except for two Sudanese stewardesses per aircraft to make announcements in Arabic.

BMA's available fleet by **1973** comprises 7 Viscounts and 3 BAC 1-11-523FJs. A. R. G. McGibbon succeeds Chairman Cannon in January.

Four Viscount 814s are acquired in February from failed **Nora Air Services, Ltd.** Three Handley Page Herald, purchased from **Transbrasil S.A. (Linha Aereas)** are delivered in March, but will not enter service until late fall. They are part of an arrangement under which the U.K. independent will sell its 3 BAC 1-11-523FJs to the São Paulo-based airline. New uniforms for ground and cabin crews are introduced at the end of the first quarter.

On April 1, daily East Midland-Paris Viscount flights are initiated; on April 30 in competition with **Air France**, twice-weekly London (LHR)-Strasbourg frequencies begin. Simultaneously, service is initiated between London (LHR) and Newquay Airport in Cornwall.

A Viscount is badly damaged on June 8 when, inbound from Glasgow, the landing gear collapses upon landing at East Midlands Airport; no injuries are reported. Two of the BAC 1-11-523FJs are sold, one each in March and September, the latter being withdrawn on the 24th of that month following the last service by the type in BMA colors. The Yom Kippur war in October brings a significant fuel crisis. Refurbished, the first ex-**Brasilian Herald** enters service on November 9 while **Arkia Israeli Airlines, Ltd.** purchases another of the Viscount 831s on December 21.

Two Viscounts and two Heralds are dispatched to Aberdeen in January 1974 to operate oil industry support service flights under contract to Site Aviation, Ltd. These are operated to the new North Sea oil bases being established at Aberdeen and at Sumburgh in the Shetland Islands. When Site Aviation fails in April, the BMI commitment continues.

The last BAC 1-11-523FJ is sold in April and the two Boeings, leased out to **Sudan Airways, Ltd.** in 1972, complete their contract and return in July. As the airline cuts back its charter routes and changes its fleet, the two American-made B-707-321 jetliners are regularly leased to other airlines by a new leasing division, which becomes known as "Instant Airlines."

The first Boeing back from Africa is repainted and chartered out to **British Caledonian Airways, Ltd. (BCAL)** for three months. It operates charters for that company from London (LGW), Manchester, and Prestwick to Toronto, Ottawa, Vancouver, Oakland, Accra, Lagos, and Nairobi. The second, beginning on August 10, is wet-leased to **Iraqi Airways**; the BCAL charter ends on September 30.

The former BCAL scheduled route to Belfast from London (LGW) is taken over on November 1 and flown by Viscounts. As the result of a VC10 accident at Nairobi on Christmas Eve, **East African Airways Corporation** charters the B-707-321, recently off its **British Caledonian Airways, Ltd. (BCAL)** service, for four months; it will operate from London to Kenya, Seychelles, Rome, and other points. Enplanements for the year are 568,534.

At the start of 1975, the employee population reaches 1,000 and the fleet comprises the 2 leased Boeings plus 10 Viscounts and 3 Heralds. As a result of the failure of **Court Line, Ltd.** late the previous year, the Glasgow office, which had handled arrangements for the carrier, must close for lack of business. On January 31, 2 Viscount 813s begin a long-term lease to **Cyprus Airways, Ltd.**, providing services from Larnaca to Athens, Heraklion, Beirut, and Tel Aviv beginning on February 10.

The final Herald service is operated on February 16, Jersey to East Midlands Airport; the Handley Pages are put up for sale (or lease) and their place is taken by Viscounts. In March, the Iraqi charter ends and the B-707-321 on that service is passed along to **Biman Bangladesh Airlines**.

The other Boeing returns from its Nairobi lease on April 1. It is immediately chartered by the *London Daily Mail* and is sent to Saigon on April 4 to return 100 war orphans. The company aircraft is the only British aircraft to rescue children from the South Vietnamese capital and the last of any nation to rescue orphans before the city's fall at month's end.

On May 1, the aircraft, together with its sister returned from Bangladesh, begin a one-year, £2.5-million service on behalf of **Syrian Arab Airlines**. Two former **Donaldson International Airways, Ltd.** Stratoliners are acquired to fill in the capacity gap, along with two from **British Caledonian Airways, Ltd. (BCAL)**.

On September 16, two Boeings are chartered by **Malaysian Airlines System, Ltd. (MAS)** to operate services from Kuala Lumpur to Hong Kong, Taipei, Sydney, Melbourne, and Tokyo. Two days later, another is dispatched to **Pakistan International Airlines Corporation (PIA)** to fly routes out of Karachi under a £500,000 lease. In October, two Viscount 814s are sold to **Skyline Sweden, A.B.** and, on November 1, thrice-daily London (LHR) to Birmingham Viscount flights begin.

A total of 561,919 passengers are flown on the year, a 1.3% decrease from 1974. Freight, on the other hand, jumps 18% to 1.02 million FTKs.

The Teesside-London service breaks all records, with 12,272 bookings in March 1976. The London-Strasbourg service is dropped on April 1 for lack of traffic; two Boeings are chartered to **Tunis Air, S.A.** the same day. The company once again becomes an active domestic jetliner operator as the DC-9-14 *Dove Dale* is acquired on June 18 and is placed into service over the route from London (LHR) to Teesside on September 27. The company's senior and first scheduled pilot, Capt. Eric Lines, retires on October 16.

In January 1977, a Viscount 815 is sold and a Herald is passed to **Brymon Airways, Ltd.** In early February and on only 48-hours notice,

newly established **Kenya Airways, Ltd.** charters a B-707-321 to take over the services of the defunct **East African Airways Corporation** from Nairobi and Mombasa to Rome, Frankfurt, Zurich, and London.

On February 7, two Boeings are chartered to **Kuwait Airways Corporation** and are delivered in March. The same month, **Kenya Airways, Ltd.** leases two more Boeings.

New uniforms are introduced in April. En route from Beirut to Kuwait on July 9, a B-707-321 is hijacked by armed Palestinians and flown to Kuwait, where the release of 200 prisoners is demanded. Although some of the passengers are released, the aircraft now begin an odyssey to Damascus, where, in the end, the air pirates turn upon themselves and surrender. At month's end, the company joins the **British Airways, Ltd. (2)** computerized reservations system BABS.

Early in August, a second DC-9-14 is leased from **Finnair O/Y**; christened *Merseyside*, it begins services from London (LGW) to Belfast on September 12. Two new B-707s, a Dash-399C and a Dash-373C, are acquired, from, respectively, **British Caledonian Airways, Ltd. (BCAL)** and **World Airways**, and are sent out to Kenya and Kuwait under charter as replacements for several of the gas-hungry earlier models. Government permission is also received to commence operations to Brussels, Copenhagen, and Frankfurt. Meanwhile, a slight drought is suffered at year's end in the wet-leasing business and two older Stratoliners are parked.

Airline employment reaches 950 in 1978. A third DC-9-14 is leased from **Southern Airways** in February and the two idle Stratoliners are replaced by a pair of B-707-338Cs formerly operated by **Qantas Airways (Pty.), Ltd.** The ex-Australian machines are quickly leased out to **Yemen Airways Corporation** for two years. The Kuwait arrangement is extended, at a cost of £1.9 million.

On July 20, three Stratoliners are chartered to **Air Algerie S.A.**, with a B-707F sent out to **Pakistan International Airlines Corporation (PIA)**. The next day, the company's executive directors, M. Bishop, John Wolfe, Stuart Balmforth, and G. Elliott, purchase 75% shareholding from Minster Assets for £2.87 million. Managing Director Bishop also becomes corporate chairman of the new British Midland Holdings, which has the airline as its principal subsidiary.

Continental routes from Birmingham to Brussels and Frankfurt are exchanged on October 15 with **British Airways, Ltd. (2)** for the flag carrier's services from Liverpool to London (LHR), Belfast, Dublin, Jersey, the Isle of Man, and Glasgow. The deal is valued at £4 million.

Additional route exchanges are made with BA in 1979, allowing the start-up of flights from Leeds and Bradford to London (LHR) and from Glasgow to Jersey and the Isle of Man. The Queen's Award for Export Achievement is received.

Passenger boardings for the year total 1,167,000, a 39% increase over the previous 12 months.

At decade's end, the fleet stands at 2 B-707-321s, 1 B-707-324C, 2 B-707-338Cs, 1 B-707-373C leased from **World Airways**, 1 Viscount 836, 3 Viscount 814s, 7 Viscount 813s, and 3 DC-9-14s.

At the end of March 1980, **British Airways, Ltd. (2)** is forced, in the name of economy, to abandon a number of domestic routes, including services from London and Manchester to the Isle of Man. Meanwhile, the world recession forces Chairman Bishop to sell off two B-707-321 Stratoliners. Still, in the years since the introduction of its "instant airline" program for overseas carriers, the company has assisted, by lease, 25 airlines and earned £4 million in foreign exchange.

The workforce in 1981 stands at 1,120 and the fleet includes 17 airliners. When the Civil Aviation Authority (CAA) turns down company applications for route inaugurations from London (LHR) to Glasgow and Edinburgh, BMA appeals and, in early March, wins a ruling reversal.

Consequently, London (LHR) to East Midlands flights commence on March 30. A Shorts 330 is leased from its manufacturer during the summer and is employed to begin trial services beginning on September 25. Tourist arrivals on the Isle of Man from Manchester, London, Liverpool, and Belfast drop below the 100,000 level.

BMA is impacted by the world economic recession that causes fiscal losses; passenger traffic dips as 1,135,000 passengers are carried.

Fokker F.27-200 Friendship flights begin over a Birmingham–Brussels route on April 1, **1982**. The 2 B-707-338Cs are reconfigured to wide-body standard and commence flights from East Midlands to 10 Mediterranean holiday destinations.

On October 1, discounted service is introduced six times per weekday from London (LHR) to Glasgow as the result of the U.K.'s liberalization of its internal air routes. Customers are won from **British Airways, Ltd. (2)** by offering low fares and superior service, including full English breakfasts served on china with real cutlery.

To promote its feed, the company joins with British and Commonwealth Shipping Group, owners of **Air U.K., Ltd.**, to form **Manx Airlines, Ltd. (2) (MAL-2)**. Shareholding is divided 25% to 75% in favor of BMA. At the same time and, in need of headquarters space, the company relocates from East Midlands Airport to Donington Hall, Leicestershire.

A BAC 1-11-401 is wet-leased from Westinghouse Electric on October 25. MAL-2 launches Isle of Man to London (LHR) flights on November 1.

Passenger boardings increase 10% to 1,248,000 while freight increases by 70.4% to 1.16 million FTKs.

Although passenger traffic is level in **1983**, the carrier continues to challenge **British Airways, Ltd. (2)** on various domestic trunk routes, including a new link from London (LHR) to Edinburgh. The BAC 1-11-401 is returned to Westinghouse Electric on January 10.

To counter BA's use of a Concorde flying subsonically from London to Glasgow to help introduce Super Shuttle, BMA briefly schedules one of its B-707-338Cs on the same route. Simultaneously, charter services are inaugurated from East Midlands and Birmingham to North America and parts of Europe abandoned a decade earlier, including Tenerife, Crete, and Corfu.

A third B-707-338C joins the holiday fleet based at Birmingham and commences flights to Malaga, Palma, Rimini, Tenerife, Athens, and Toronto via Belfast. For feed, 75% control is taken in the Scottish regional **Loganair, Ltd.**

By **1984**, the workforce has climbed to 1,200. The company begins to phase out its Viscounts, replacing them with 3 more F.27-200s and 1 Shorts 360. Although B-707-338C charters are inaugurated from London (LGW) to Los Angeles, the government refuses a request for the launch of nonscheduled flights from Manchester to New York and from Birmingham to Belfast, Edinburgh, Glasgow, Amsterdam, Dublin, Frankfurt, Dusseldorf, and Paris.

Still, new scheduled service begins between London (LHR) and Belfast. Several Boeing 707s are withdrawn from service in October followed by all but one of the remainder by year's end.

Customer bookings for the 12 months still total 1.8 million.

The fleet in **1985** includes 8 DC-9-14/15s, 1 B-707-338C, 3 Viscounts, 4 F.27-200s, and 1 Shorts 360s. The workforce totals 1,200 as Austin Reid becomes chief financial officer.

With an emphasis on European routes and domestic scheduled service, BMA begins to change its service emphasis during the year. Additionally, the corporate image is revised in October for the first time in 20 years. Aircraft are painted in a new red, white, and blue livery and are given a new logo.

On November 5, a BAC 1-11-304AX is leased from Airways International Cymru, Ltd. as the wet-lease program is ended and the last B-707-338C is retired. In December, orders are placed for three of the ultramodern British Aerospace BAe advanced turboprop ATPs. Enplanements slip to 1,633,000.

The workforce grows a slight 1.9% in **1986** to 1,387 and four-times-per-day roundtrip London (LHR)–Amsterdam service is inaugurated on June 29, in direct competition with **British Airways, Ltd. (2)** and **KLM (Royal Dutch Airlines, N.V.)**.

British Minister of Aviation Michael Spicer travels on the first BMA flight on the new route; the service is also employed to introduce Dia-

mond Service business class. The number of frequencies over the route will be increased to five a day in December.

Passenger boardings climb 4% to 1,733,830, but freight plunges 17.5% to 1.51 million FTKs.

While on final approach to East Midlands Airport during a January 18, **1987** training flight, an F.27-200 with three crew stalls and hits the ground. The aircraft is found with its wings and elevator leading edge covered with 1" of clear ice, and must be written off, there are no fatalities.

In March, Airlines of Britain Holdings, Ltd. is formed under Chairman Bishop and Chief Financial Officer Reid to act as a holding company for the carrier and its subsidiaries. Plans are made for recapitalization and investment discussions are opened with at least three other carriers.

The Diamond Club frequent flyer program is started on September 1. At the same time, the DC-9 fleet is rechristened in honor of famous diamonds, e.g., DC-9-15 *Dove Dale* becomes *The Tiffany Diamond*.

Enplanements for the year decline to 1,273,464.

In **1988**, the 1,500-employee independent owns a fleet that includes 9 DC-9-14/15s, 4 DC-9-32s, 3 Viscount 810s, 2 Shorts 360s, and 3 Fokker F.27-200s. The first of 5, later 6, ordered Boeing 737-33As arrives in January; it had formerly been operated by **Ansett Airlines of Australia (Pty.), Ltd.**

The last Viscount 810 service is performed on February 9 and the first BAe ATP is delivered on May 9 and begins flying at month's end from Birmingham to Brussels. Also in the spring, flights begin from London to Dublin.

Daily frequencies on the London (LHR) to Amsterdam Diamond Service are increased to nine in July. **SAS (Scandinavian Airlines System)** takes a 24.9% stake in the new parent during December for £25 million.

Passenger boardings recover, zooming upward by 25.4% to 1,707,056. Freight also does well, climbing by 51.3% to 835,000 FTKs. Pretax profit totals £14.3 million.

The fleet is downsized in **1989** as 3 DC-9-15s are withdrawn, to be replaced late in the year by 5 (4 chartered) B-737-33As and 3 leased B-737-4Y0s.

After takeoff from London (LHR) on a January 8 service to Belfast, Flight 092, a B-737-4Y0 with 8 crew and 118 passengers, suffers the failure of its No. 2 engine. The aircraft is diverted to East Midlands, but while on final approach, loses its No. 1 engine. The Boeing strikes a line of trees and smashes into the westbound lane of the M1 highway, coming to rest 900 m. short of the runway near the Leicestershire village of Kegworth (47 dead).

On April 28, six-times-per-day Diamond Service roundtrips are launched from London (LHR) to Dublin.

London City Airways, Ltd. is formed in partnership with **Sabena (Belgian World Airlines, S.A.)** to operate STOL services to Brussels, but loses £5.75 million in start-up.

Enplanements for the first eight months are up 28% over the same period a year earlier, reaching 2,014,395. Freight drops 13.2% to 1.02 million FTKs. Competition with **British Airways, Ltd. (2)** over the domestic trunk routes intensifies at year's end as BA upgrades its Super Shuttle service.

Company employment is increased by 28.4% in **1990** to 2,966. The fleet now includes 3 leased British Aerospace ATPs, 6 B-737-33As (4 leased), 2 leased B-737-4Y0s, 1 chartered B-737-46B, 2 DHC-7-102s, 2 leased DC-9-14s, 4 chartered DC-9-15s, 1 owned and 7 leased DC-9-32s, including 3 from **Austrian Airlines, A.G.** and 1 from **Adria Airways**, and 1 Shorts 360, which is chartered out to **Loganair, Ltd.** The latest leased B-737-33A is the 1,833rd "Baby Boeing" built and breaks the old record for the most commercial aircraft built held by the B-727.

Chairman Bishop grants a summer interview, "British Midland Set Fair for Europe," which appears in *Interavia-Aerospace World* 45 (July 1990): 564–567.

DC-9-32 London (LHR) to Paris (CDG) service is started in August, along with daily flights between Manchester and Paris; the Dash 7s,

meanwhile, inaugurate STOL flights from London (LCY) to Paris. Beginning on October 1 a new Diamond Club product, the Silver Card, allows frequent flyers even greater privileges. The costs of the new services, coupled with much steeper fuel prices following Iraq's August 2 invasion of Kuwait, bring fiscal difficulty.

Passenger boardings leap upward by 16.2% to 3,624,981. Costs exceed income and there is an operating loss of \$12.4 million. The net loss is \$21.6 million.

The payroll rises 8.4% in 1991 to 2,957 and the fleet is increased by 1 B-737-4Y0, 2 DC-9-14s, 4 DC-9-15s, and 1 DC-9-32. One ATP is leased to **Loganair, Ltd.** along with the Shorts 360; one of the B-737-33As is chartered to **Air 2000, Ltd.** Chairman Bishop makes the Queen's New Year's honors list and is knighted. A new £10-million training center is occupied at Whitwick Business Center in Coalville, Leicestershire, in February.

Traffic declines 20% during the first quarter as a direct result of Operation Desert Storm. In the spring, plans are made to begin flying from Birmingham to Berlin; however, in May, following the government's grant of a license over the same route to **British Airways, Ltd. (2)**, BMA elects not to commence this service.

Like other national-size carriers, BMA is now allowed to operate internationally from Heathrow Airport and plans to launch flights to Brussels in competition with **Sabena (Belgian World Airlines, S.A.)**.

The Heathrow move alone helps the company to increase its traffic; customer bookings accelerate 6.9% to 4,076,885 and cargo rises 32.7% to 4.81 million FTKs. Revenues jump 21.2% to \$506.5 million and with costs down, there are profits: \$17.6 million (operating) and \$4.8 million (net).

The workforce grows to 3,140 in 1992 and the leased fleet now includes 3 ATPs (Jetstream 61s), 2 B-737-3Q8s, 4 B-737-33As, 1 each B-747-4Q8 and B-747-4S3, 3 B-737-4Y0s, 1 B-737-46B, 2 DHC-7-102s, 2 DC-9-14s, 4 DC-9-15s, 8 DC-9-32s, and 1 Shorts 360. The Shorts and one ATP remain out on lease to **Loganair, Ltd.** while a Dash 7 is chartered to **Wideroe's Flyveselskap, A.S.**

In light of the upcoming new London (LHR)–Brussels competition, **Sabena (Belgian World Airlines, S.A.)** switches its affiliation to **Brymon Airways, Ltd.** in January; BMA now halts flights into London (LCY) from Paris. The unprofitable London (LHR) to Liverpool route is simultaneously suspended. The **Air 2000, Ltd.** lease ends in February.

In March, the **SAS (Scandinavian Airlines System)** interest in ABH Holding is increased to 35%. Chief Financial Officer Reid is now tasked with a restructuring of the company's accounting framework and a redirection of its sophisticated financing structure.

Simultaneously, a major expansion of the marketing arrangement with **United Airlines** is concluded, including code-sharing on routes from five U.S. gateways through Heathrow Airport to Frankfurt, Glasgow, Brussels, Nice, Belfast, Edinburgh, Leeds/Bradford, Teesside, and Amsterdam.

Also in March, the European Economic Commission's competition directorate in Brussels fines **Aer Lingus Irish Airlines, Ltd.** for refusing to grant the company reciprocal ticketing rights on the Dublin–London route.

During the month, an impressive new Diamond Club lounge and Diamond Service lounge are opened at London (LHR). On March 29, the company inaugurates six daily return flights from Heathrow to Brussels and a daily roundtrip service from East Midlands Airport to Frankfurt.

The code-sharing and marketing agreement already announced is signed with **United Airlines** in April; services of both carriers at Heathrow Airport will be promoted. Among the benefits to passengers are discounted Visit U.K. Air Passes for United travelers and participation in United's Silver Wings program for those using BMA. Dual-designator service with **United Airlines** from London (LHR) to Brussels begins in September, eight times per day. Later, code-sharing frequencies will be offered to Brussels from Birmingham and East Midlands and via Brussels to Washington, D.C. (IAD).

During the year, the company publishes the report *A Fair Deal?* in which it argues that the lack of competition on Europe's major air routes is costing British businesses up to £236 million per year.

The airline is now the second largest scheduled airline in the U.K. behind **British Airways, Ltd. (2)**. Passenger boardings balloon 15.3% to 4,342,044; freight, however, is off 28.3% to 3.29 million FTKs. Income exceeds expenses and there are profits: \$35.55 million (operating) and \$1.25 million (net).

In 1993, Chairman Bishop oversees a workforce of 3,720, up 14.8% over the previous year. Delivery is taken of a B-737-33A, which replaces a DC-9-15. Destinations visited from hubs at London (LHR) and Amsterdam (Schiphol) include Belfast, Birmingham, Edinburgh, Glasgow, Leeds/Bradford, Teesside, Jersey, East Midlands, Paris, Nice, Brussels, Dublin, and Palma.

In March, low-fare, Diamond EuroClass business-class services are introduced on the European routes, along with new four-times-per-day routes from London (LHR) to Hamburg, followed later by Frankfurt. Within each flight's separate business-class cabin, customers are offered a choice of business-class fares. During the summer, a run is begun from Leeds/Bradford to Jersey.

A code-sharing agreement is signed with **American Airlines** at Heathrow Airport on August 13 under which more connecting passengers are pushed onto each other's flights.

A route replacement arrangement is signed with MAL-2 on October 11. Beginning on November 1, Manx, which has purchased two more ATPs from BMA, launches four-times-per-day Belfast to London (LHR) and East Midlands service. It also takes over, initially for the winter schedule, the East Midlands–Birmingham–Jersey service of BMA.

In October, 4 Fokker 100s and 4 Fokker 70s are ordered under a long-term lease agreement with the Dutch manufacturer.

Beginning in November, BMA and AA begin to code-share through Heathrow on flights from six U.S. points to Amsterdam, Belfast, Brussels, Frankfurt, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. The first chartered Fokker 100 arrives at month's end. Customer bookings increase by 7.1% to 4,734,871 while cargo jumps 16.8% to 3.2 million FTKs. Revenues ascend 11.4% to \$447.98 million, while expenses climb only 10.9% to \$406.35 million. Consequently, an operating surplus of \$41.63 million and a net profit of \$1.76 million can be reported.

In early 1994, new services are initiated from Edinburgh to Jersey. An alliance is entered into with **SAS (Scandinavian Airlines System)** in February; under its terms, BMA joins the SAS frequent flyer program and offers its new partner connections via London (LHR) to its domestic U.K. markets at Belfast, Dublin, Leeds/Bradford, and Teesside. Code-sharing is also arranged on flights from Copenhagen to Glasgow and from Bergen to Heathrow.

The first service to Scandinavia, Glasgow–Copenhagen, begins on February 28. London (LHR) to Bergen and East Midlands to Brussels flights commence on March 27.

Orders are now placed during the spring for 8 B-737-59Ds and the remainder of the Fokker 100 order begins to arrive, starting in April. On May 1, the company signs a code-sharing agreement with **Air Canada, Ltd.** that will provide joint services and linkage of the two airlines' frequent flyer programs.

The **SAS (Scandinavian Airlines System)** share of parent ABH grows to 40% and, on June 13, Paris (ORY) becomes a destination. A code-sharing route with **American Airlines** via Heathrow to Frankfurt is added on July 1. The new pact with **Air Canada, Ltd.** comes into effect the same day. Code-shared flights commence from Vancouver, Winnipeg, Toronto, Ottawa, Montreal, St. Johns, and Halifax to London (LHR) and beyond to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

A commercial agreement is signed with **Viva Air, S.A.** in July under which through fares and connections are provided for business travelers from the U.K. to Spain. Also, the company enters into a code-sharing pact with **Alitalia, S.p.A.** on routes from Rome, Milan, and Turin via London (LHR) to Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford,

and Teesside. The same month, the company leases its first BAe Jetstream from its sister carrier, **Manx Airlines, Ltd. (2)**.

The company's first commercial code-sharing agreement with another European airline, **Austrian Airlines, A.G.** is announced in August. Under its terms, Austrian purchases blocks of seats on BMA services from Vienna via London (LHR) to Belfast, Glasgow, Dublin, Teesside, Edinburgh, and Leeds. At the same time, BMA is able to make two new connections into Vienna, with direct services on to Eastern Europe, the Mideast, and Africa. The last of four Fokker 100s is delivered in September.

Contending that a French government rescue package worth \$3.77 billion for **Air France** would create a "huge distortion" of the European air market, seven European airlines and the British government vow on October 4 to take legal action to try and block the subsidy. Six carriers declare they will file a joint complaint with the European Court of Justice in Luxembourg while the British government announces plans for a separate action, as does BMA.

A code-sharing agreement is entered into with **Malaysia Airlines, Ltd. (MAS)** in November; the pact covers flights from Kuala Lumpur via London (LHR) to Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. In addition, BMA travelers have access to some 40 destinations in Australia, New Zealand, and Southeast Asia.

During December, plans are made to introduce the Fokker 70 into service during the spring, making BMA the first European airline to do so. Through expansion of its international routes, BMA has transformed its business; a domestic carrier five years earlier, it is now a European regional carrier, with a sixty-forty split of revenues.

Passenger boardings swell 9.3% to 5,173,800; however, figures for freight are not released. Revenues jump 9% to \$647.2 million and allow an operating profit of \$8.7 million and a net gain of \$7.04 million.

Airline employment is increased by 6% in 1995 to 4,135. On January 9, with Airlines of Britain, plc. approval, Manx Airlines (Holdings) is renamed British Regional Airlines (Holdings) and the airline operating subsidiary of **Manx Airlines, Ltd. (2)** is divided into two separate divisions: MAL-2 and **Manx Airlines (Europe), Ltd. (MA[E]L)**.

The latter becomes a **British Airways, Ltd. (2)** franchise partner and flies BAe Jetstream 41s, ATPs, and two BAe 146-200s in "British Airways Express" livery. MAL-2 will operate all of the routes to and from the Isle of Man while MA(E)L will fly the remainder, including those from Southampton, Cardiff, Belfast, and Manchester to Brussels, Rotterdam, and Paris. In addition, the regional carrier receives access to BA marketing, frequent flyer program, and airport service support.

Also in January, the company receives the 1994 "Market Development Award" from *Air Transport World* magazine.

The flag carriers from the Iberian Peninsula become BMA partners in February. Codes are shared with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on routes to London (LHR) from Barcelona, Bilbao, Madrid, Valencia, and Seville and with **TAP (Air Portugal, S.A.)** from Lisbon, Madeira, Oporto, and Faro. Both of the foreign carriers are thus allowed access to the BMA domestic destinations of Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

The first of five Fokker 70s is delivered in April and begins service to European destinations. BMA is the first European airline to accept the aircraft, which will replace DC-9s.

In July, **Cathay Pacific Airways (Pty.), Ltd.** begins code-sharing with BMA on services from Hong Kong via London (LHR) to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. The same five U.K. destinations become simultaneously available to passengers of **Virgin Atlantic Airways, Ltd.** arriving at London (LHR) from six U.S. gateways, plus Johannesburg and Tokyo (NRT).

The company reports that the Eurostar English Channel tunnel impacts only its London-Brussels service during the summer. On October 29, flights commence four-times-daily between Heathrow Airport and Zurich. Daily service to Prague begins in November. On the domestic front, new flights begin from Leeds/Bradford to Glasgow and from East Midlands Airport to Belfast.

On December 11, BMA becomes the first airline to sell tickets on the Internet's World Wide Web, when it begins to offer bookings via its "Cyberseat" system. Tickets can be received from travel agents, at check-in, or by mail.

Enplanements jump 8.5% to 5,850,047 while cargo moves ahead by 11.3% to 4.23 million FTKs. Revenues for recently scheduled services total \$559.5 million and allow an operating profit of \$8.3 million, down from the previous year.

Sixty-five new workers join the company in 1996. Late in January, MAL-2 takes over management of the Scottish regional **Loganair, Ltd.** Code-sharing is expanded with **Virgin Atlantic Airways, Ltd.** during February to include services to Amsterdam, Brussels, and Hong Kong.

As part of its commercial policy of developing services to major European capitals, BMA, in March, applies to the CAA for a license to serve Moscow, beginning on February 1, 1999, with return services four times a week. This application will eventually bring BMA into conflict with its code-sharing partner, Virgin Atlantic.

In April, Aberdeen-based **Business Air, Ltd.** becomes a property of Airlines of Britain, plc. Its addition allows Sir Michael's group to blanket the U.K. with regional services, in addition to the international flights provided by BMA.

Also in April, three new alliances are signed with Pacific operators. The first, with **Air Lanka, Ltd.**, provides for code-sharing on flights from Colombo via London (LHR) to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

Air New Zealand, Ltd. simultaneously starts sharing its code on flights from Auckland via London (LHR) to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. The same five domestic U.K. destinations are also opened up via London (LHR) to **Royal Brunei Airlines** passengers coming in from Dubai, Yangon, Bandar Seri Begawan, and Singapore. BMA is now the second largest operator at Heathrow Airport after **British Airways, Ltd. (2)**.

Also during the spring, new regional flights commence from Leeds/Bradford to Paris (CDG) and from East Midlands to Dublin.

At the beginning of June, the new high-speed railway Eurostar lowers its fares in an effort to compete with the airlines. On June 6, it starts a high-speed rail service, Thalys, connecting Amsterdam, Brussels, and Paris. To date, Eurostar has cut 25% from **Air France's** Paris-London business, while BMA is forced to end its service to Paris (ORY).

In August, **British Airways, Ltd. (2)** announces that, two months hence, it will withdraw from its unprofitable Scottish internal services, including six routes serving Orkney, Shetland, and the Western Islands.

A \$15-million package of service enhancements is introduced during late summer and early fall. Updated BMA aircraft livery and new uniforms for crews and ground staff are presented, along with separate business-class departure lounges at important European regional airports, electronic ticketing, wider business-class seats, and an intensive new advertising campaign.

British Regional Airlines (Holdings) in September changes the name of MA(E)L to **British Regional Airlines, Ltd.** Plans are announced for the new BRA to take over the previous **British Airways Regional, Ltd.** services at the end of October as a BA franchise partner. Under terms of this agreement, BRA will enjoy all of the benefits of franchise partnership, including dual-designator flights, reservations and frequent flyer linkage, passenger and airport services.

Meanwhile, **Loganair, Ltd.** operations are incorporated into BRA. MAL-2 continues separate operations. On September 30, business-class is extended to all BMA domestic services.

Customer bookings inch up 1.4% to 5,394,762 and a total of 4.77 million FTKs are operated, a 10.6% increase. Operating revenues are £478.2 million, while pretax profit is £5.3 million.

The workforce is cut 1.6% in 1997 to 4,135. In January, BMA begins code-sharing flights with **Gulf Air** on services from Bahrain, Muscat, and Abu Dhabi via London (LHR) to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. Beginning in February, Dublin, Belfast, and East Midlands via Glasgow become available to passengers arriving

at London (LHR) on board **Flugfölag Islands/Icelandair, H.F.** frequencies from Reykjavik.

Deutsche Lufthansa, A.G. now begins discussions with British Midland concerning a possible strategic alliance and acquisition of a 40% equity stake in the British carrier, shareholding which would equal that held by **SAS (Scandinavian Airlines System)**.

On February 24, Airlines of Britain, plc, the holding company which owns **British Midland Airways, Ltd.**, **British Regional Airlines, Ltd.**, **MAL-2, Loganair, Ltd.**, and **Business Air, Ltd.** elects to split up British Regional Airlines (Holding) and all of the carriers except BMA. The move will technically allow BRA(H) to continue its **British Airways, Ltd. (2)** affiliations without fear of conflict of interest decisions being made by Airlines of Britain, which is about to become partners with BA's competitors, **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)**. Still, Sir Michael Bishop retains ultimate ownership in both groups. Airlines of Britain, plc, itself is renamed British Midland, plc.

MAL-2, Loganair, Ltd., and **Business Air, Ltd.** will continue a confederation with **British Regional Airlines, Ltd.** in a British Airlines Regional Group of BA franchise partners. In March, **Loganair, Ltd.** will be purchased and taken outside of the group. Activities for each company will continue to be reported separately.

On May 1, BMA enters into strategic franchise alliance with **Deutsche Lufthansa, A.G.** Under terms of the agreement, the companies link their frequent flyer programs and undertake joint marketing, customer, and ground support services. BMA operates its own fifth-freedom flights to Cologne and introduces dual-designator flights with DLH between Cologne and Rome.

When formation of the "Star Alliance" between **SAS (Scandinavian Airlines System)**, **Air Canada, Ltd.**, **Deutsche Lufthansa, A.G.**, **Thai Airways International, Ltd. (THAI)**, and **United Airlines** is announced on May 14, negotiations are already under way to bring BMA in as another partner. The talks will drag on for months.

Also during the spring, BM Engineering, Ltd. is established at Heathrow Airport. The first international airline to contract with the new subsidiary for regular maintenance checks is **Virgin Atlantic Airways, Ltd.**

When, due to economic decline, **US Airways** loses 57 Airbus delivery positions early in July, many are quickly taken up by BMA. In mid-month, the carrier announces that it will take delivery of 8 machines (4 A320s and 4 A321s) the following month and lease 12 others from the International Lease Finance Corporation (ILFC).

The work slowdown by striking **British Airways, Ltd. (2)** cabin staff provides the carrier with additional passenger traffic and a £3-million net windfall.

The alliance with **Deutsche Lufthansa, A.G.** is deepened in August into a full code-sharing partnership. A new Diamond EuroClass premium product is later introduced.

Under its arrangement with the German major, the carrier inaugurates daily dual-designator services on October 27 from London (LHR) to Dresden via Cologne and Bonn.

A code-sharing agreement is signed with **Qatar Airways** at the beginning of November.

Customer bookings this year jump 7.5% to 5.7 million. Turnover increases 11% to £529.3 million, while pretax profit almost triples to £17.3 million.

BMA, at the beginning of 1998, is the second largest U.K. scheduled airline. It operates over 1,500 weekly flights to 19 European destinations.

Anticipating a closer relationship between the U.S. and U.K. air transport industries, the company, in February, petitions the CAA for route licenses to serve 10 additional U.S. destinations.

On March 29, BMA challenges **British Airways, Ltd. (2)** on its previous monopoly route from London (LHR) to Manchester; eight-times-daily B-737-59D service is initiated.

Aberdeen-based **Business Air, Ltd.** is renamed **British Midland Commuter, Ltd.** during the first quarter. Although BMA CEO Bishop

becomes the little carrier's chairman, the founder and president, Ian Woodley, remains managing director. With a fleet of 1 owned SAAB 340A and 2 leased SAAB 340Bs, the small regional continues to schedule visits linking its base with Dundee, Edinburgh, Esbjerg, Glasgow, and Manchester.

The first of 5 A321-231s and 7 A320-231s leased from ILFC is turned over during ceremonies on April 1.

A321-231 service begins on April 6 over the company's London (LHR) to Belfast route. A new daily B-737-59D roundtrip route is opened on July 10 between London (LHR) and Warsaw. The service is started in anticipation of the August launch of dual-designator code-sharing between **LOT Polish Airlines, S.A.** and **British Airways, Ltd. (2)**.

On August 10, a code-sharing agreement is signed with **Continental Airlines**; seven days later, BMA will begin operating as a feeder for Continental's transatlantic services, while CA will place its codes on BMA flights from Manchester to Aberdeen, Edinburgh, and Glasgow.

Under an agreement signed on July 20, BMA and **Virgin Atlantic Airways, Ltd.**, also on August 17, begin dual-designator service over the BMA route between London (LHR) and Warsaw.

On September 1, thrice-daily dual-designator roundtrips commence in cooperation with **Deutsche Lufthansa, A.G.** between Manchester and Dusseldorf; the new schedule enables the carriers to offer an increase from two to three weekly flights.

In mid-September, the U.K. CAA chooses **Virgin Atlantic Airways, Ltd.** rather than BMA to operate a second available weekly frequency from London (LGW) to Moscow. BMA appeals.

Beginning on October 7, **American Airlines** places its "AA" code on BMA services to Aberdeen, Edinburgh, and Glasgow via Manchester.

The decision of the CAA to award the Moscow route to **Virgin Atlantic Airways, Ltd.** is overturned by Deputy Prime Minister John Prescott on October 22. Acting in his dual role as Secretary of State for the Environment, Transport and the Regions, Prescott orders that a new hearing be held on November 26. At the same time, Managing Director Reid issues a statement of appreciation on the decision, noting that BMA will begin daily service from London (LHR) to Budapest in March.

At the beginning of November, a \$2000-million order is placed with Embraer for 10 EMJ-145s with options on another 5. Deliveries will commence in May.

The hearing ordered by Deputy Prime Minister Prescott occurs on November 26, with attorneys from both carriers making presentations backed by various witnesses, including Chairmans Bishop of BMA and Richard Branson of VAA. On balance, the CAA now finds for BMA and grants it the Moscow route license on December 16. The case is reported for the general public on the CAA website, <http://www.caa.org.uk/airlinelic/decision498.htm>.

During the 12 months, passenger boardings rise 5.1% to 5.97 million. Turnover climbs 3% to £558.8 million (\$905.25 million), while net gain falls 35% to £11.02 million (\$17.84 million). The "disappointing" fiscal results are blamed on intense competition with deep-discount carriers.

By the beginning of 1999, airline employment has been increased 32.8% to 5,490. On January 8, many of the 79 survivors of the 1989 Kegworth disaster join staff from the Queen's Medical Centre in Nottingham for a tenth anniversary memorial service in the hospital chapel. An A320-232 joins the fleet later in the month.

BMA and **Deutsche Lufthansa, A.G.** further strengthen their code-sharing agreement on March 28, when they launch joint services between London (LHR) and both Stuttgart and Hanover. The twice-daily nonstop roundtrip flights offered by Lufthansa are increased to thrice daily by the addition of one BMA B-737-59D nonstop roundtrip service into each German market.

Three days later, the company announces that it has won CAA route licenses to serve New York, Washington, D.C., Miami, and Boston from London (LHR) if and when a new bilateral air agreement between the U.K. and the U.S. opens up competition at Heathrow Airport.

It is reported in an April 16 article by Keith Harper in the online edition of *The Guardian/The Observer* that the CAA has just approved a

second British route to Moscow that BMA has won against strong competition, again from **Virgin Atlantic Airways, Ltd.**

To raise money in aid of the National Society for the Prevention of Cruelty to Children, 20 employees stage an aircraft pull at Leeds-Bradford Airport on April 24; a 28 1/2-ton Fokker 70 is dragged 200 m. along the tarmac at Yeading in an effort which generates £1,500.

On May 11, BMA presses a long-running bid to enter the transatlantic market by making a special request to the U.S. DOT that it be allowed to start services between London (LHR) and New York (JFK) under a special exemption from the U.S.-U.K. bilateral air agreement. Even though the company has already received a route license from CAA, there is no immediate response from Transportation Secretary Rodney Slater.

Daily nonstop B-737-59D roundtrips commence on May 28 between London (LHR) and Budapest.

Finding the arrangement no longer profitable, BMA, on June 24, serves notice on **American Airlines** that it will be terminating its code-share agreement with the U.S. major in March 2000.

In July, James Hogan becomes operating chief and a report is commissioned from branding consultants Landor Associates. The findings, due within a month, may result in a new name, logo, and livery for BMA by the end of the year.

Although it is not currently for sale, *The Sunday Times* on August 29 indicates that BMA has received purchase offers from **Air France**, **Deutsche Lufthansa, A.G.**, **KLM Royal Dutch Airlines, N.V.**, and **Virgin Atlantic Airways, Ltd.** Only Virgin's Richard Branson confirms his interest.

At the beginning of September, Michael Bishop ups the ante for those airlines seeking a piece of his carrier by applying to the government for authority to begin transatlantic services; the stalled U.K.-U.S. bilateral agreement will be circumvented by flying out of Manchester.

Employing the first of three newly delivered ERJ-145s, the company launches twice-daily roundtrips between East Midlands Airport and Frankfurt on October 31. On November 9, the German major **Deutsche Lufthansa, A.G.** purchases half of the 40% stake in BMA formerly held by **SAS (Scandinavian Airlines System)** for £91.4 million. The equity purchase is criticized by a number of competitors, including **British Airways, Ltd. (2)**, but also practically guarantees the company's entry into the "Star Alliance."

Overall customer bookings accelerate 9.6% to 6,504,000 and 6,956,000 FTKs are operated. Income rises by 9.8% to \$981,280,000 and allows net profits to reach \$21,920,000.

The workforce is 4,743 at the start of 2000, a drop of 13.6% over the previous year.

In continuing anticipation of a possible opportunity to offer transatlantic service, the company, on February 22, places a firm £1.2-billion order for 4 A330-200s, with 8 options.

In celebration of its entry into the multinational grouping, BMA, on March 5, places "Star Alliance" decals on one of the newly repainted A321-231s, A320-231s, and B-737-33As.

In order to feed transfer passengers onto the long-haul airliners of its new "Star Alliance" partners, BMA, on May 2, inaugurates new four-times-a-day B-737-59D services from London (LHR) to Madrid, Rome, and Milan. A simultaneous withdrawal from the Frankfurt, Prague, and Warsaw routes confirm a shift in company focus away from its earlier Eastern European expansion.

On July 1, the company officially becomes the 13th member of the multinational group; its Heathrow hub now becomes the only European airport to host two competing associations, "Star Alliance" and "OneWorld."

On September 18, the company announces that, with CAA route licenses in hand, it intends to employ the A330-200s ordered earlier to launch its first transatlantic services, code-shared with **United Airlines**, from Manchester to Washington, D.C. (IAD) on April 30 and to Chicago (ORD), on May 21.

Thrice-daily B-737-59D roundtrips begin on November 1 between London (LHR) and Barcelona.

BRITISH MIDLAND COMMUTER, LTD.: **Kirkhill Business House, Howermoss Drive, Dyce, Aberdeen, Scotland, AB2 0GL, United Kingdom; Phone 44 (0) 1224 401 900; Fax 44 (0) 1224 770 141; <http://www.flybritishmidland.com>; Code BD; Year Founded 1998.** Aberdeen-based **Business Air, Ltd.** is renamed during the first quarter of 1998. Although BMA CEO Michael Bishop becomes the carrier's chairman, the founder and president, Ian Woodley, remains managing director. With a fleet of 1 owned SAAB 340A and 2 leased SAAB 340Bs, the small regional continues to schedule visits linking its base with Dundee, Edinburgh, Esbjerg, Glasgow, and Manchester.

Enplanements during the year total 134,000.

By the beginning of 1999 airline employment has been boosted 75% to 245.

Following the September 30 failure of **Debonair Airways, Ltd.**, **Lufthansa CityLine, A.G.** in early October awards the defunct line's "Team Lufthansa" contract to BMC. Plans are made to take over the 5 BAe-146s leased by Debonair, hire required personnel, and continue the flights from Munich. Unfortunately, the relaunch is delayed by difficulties in transferring the 146 leases and the November service resumption is pushed into the new year.

Also during the year, the capacity is substantially increased and night-mail services are undertaken under contract to the Royal Mail. Aircraft and crews are also wet-leased to **British Regional Airlines, Ltd.** Enplanements reach 301,000.

The delayed inauguration of "Team Lufthansa" service from Munich begins on February 7, 2000, employing a single leased BAe 146-200.

By March, one each chartered ERJ-145, B-737-59D, BAe 146-200, and Airbus A321-231 have been stationed at Munich to fly the **Lufthansa CityLine, A.G.** subservice previously operated by **Debonair Airways, Ltd.**

On April 17, the B-737-59D and ERJ-145 are returned to **British Midland Airways, Ltd.** and replaced with 2 more BAe 146-200s. BMC joins "Team Lufthansa" in May and its BAes are repainted.

BRITISH NEDERLAND AIR SERVICES, LTD.: **United States (1947-1950).** Equipped with 2, later 3, Miles M.57 Aerovans, this non-scheduled operator is registered on June 4, 1947. Charter services begin at the end of the month, but are suspended in November at the close of the summer season and two of the Aerovans are withdrawn.

In March and April 1948, 2 Douglas C-47s are acquired; converted to DC-3 civil standard, they join with those of Dutch associate **Aero Holland, B.V.** in hauling produce. From May through December, a wide variety of ad hoc charters are flown. Meanwhile, between September 21 and November 14, 1 DC-3 is employed as a freighter flying 76 cargo sorties into Berlin from Lubeck and Hamburg during the Berlin Airlift.

On January 6, 1949, the company begins flying textiles from the Continent to England under contract to **Lep Air Services**. As the season wears on, additional ad hoc charters are undertaken, including produce and machinery flights. Nonscheduled passenger services are also undertaken, including DC-3 operations to Finland, Spain, France, and Norway.

In January 1950, a Vickers Viking is purchased and passenger charters to Amsterdam are undertaken. Textile flights, produce runs, and miscellaneous charters complete the carrier's service roster. A DC-3 is sold in November and failing to find sufficient work for the remaining Douglas and Vickers, the company ceases operations on December 31.

BRITISH OVERSEAS AIRWAYS CORPORATION (BOAC): **United Kingdom (1939-1974).** As a result of a study by the Cadman Committee concerning U.K. air transport, particularly **Imperial Airways, Ltd.**, on November 11, 1938, Minister of State for Air Sir Kingsley Wood announces the British government's intention to merge **Imperial Airways, Ltd. (IA)** and **British Airways, Ltd. (1)** (BA-1) to form the new British Overseas Airways Corporation (BOAC). The private shareholders will be bought out and former British Broadcasting Corporation Director General Sir John Reith will be appointed chairman; from

offices near Victoria Station, Reith and his chief assistant, Leslie Runciman, draft guidelines for the new organization.

Minister Wood introduces the BOAC Bill in the House of Commons on June 12, 1939; it receives a second reading on July 10 and Royal Assent on August 4. Under its terms, the former state airline is purchased for £2,659,086 while the shareholders of the unprofitable BA-1 are given only £262,500. Reith's management overhaul is completed and BA-1 Operations Manager Campbell Orde assumes the same post under Sir John.

A Lockheed L-14 Super Electra formerly owned by BA-1 catches fire in midair over Luxeuil, France on August 11 and crashes. Both IA and BA-1 are assigned one of the two L-14s of **LOT (Polskie Linie Lotnicze)** to escape following the German invasion on September 1. The *Lowicz* of the former is assigned to routes running into France.

IA and BA-1 schedules and operations are integrated, beginning after the outbreak of war in September. Many of the pilots of the two carriers, members of the RAF Reserve, depart for military service, some flying of transports or antisubmarine aircraft. A number of the flying boats, now operating from Poole Harbour instead of Southampton Water, are impressed into RAF maritime service, including the S30s *Cabot* and *Caribou*, and the new S26 G-Class *Golden Hind*. The Handley Page HP 42s and de Havilland DH 89A Dragon Rapides of the merging carriers are sent to Exeter Airport to assist in a national communications program.

The British Overseas Airways Corporation is officially established on November 24, with Sir John Reith as its first chairman; his deputy is the former BA-1 chairman, Clive Pearson. Other directors include Leslie Runciman and Harold Brown. Acquired from **KLM (Royal Dutch Airlines, N.V.)**, the L-14 formerly known as the *Lepelaar (Spoonbill)* crashes at Malta on December 21.

A former BA-1 L-14 overshoots the runway at Heston on January 15, 1940 and crashes. On March 6, Deputy Chairman Pearson succeeds Reith as chairman, when the latter is given a peerage and named U.K. Minister of Information. Also during the first quarter, the S23s *Cordelia* and *Clio* pass to the RAF, along with the new S26s *Golden Fleece* and *Golden Horn*.

BOAC officially acquires the assets, routes, and operations of IA and BA-1 on April 1. The first BOAC Empire Service departs Durban on April 3. On April 9, German forces invade Norway; Perth–Oslo and Stockholm service is ended, but not before the carrier's Junkers Ju-52/3m *Jason* is captured during the morning at Oslo's Fornebu Airport. The L-14 *Lochinvar* is lost in a crash near Loch Lomond on April 22.

While attempting to fly supplies to the Allied bases in northern Norway for RAF's 119th Squadron, the Shorts S23 flying boats *Cabot* and *Caribou* fall victim to German bombers at Bodo on May 5 and 6. On May 22–23, Armstrong-Whitworth AW-27 Ensigns fly foodstuffs to Allied forces surrounded at Merville; the *Elysian* is caught on the ground by Luftwaffe Me-110s and destroyed.

On June 1, with the battle of France in high gear, the AW-27 *Ettrick* is damaged at Paris (LBG) by Nazi air raid and then abandoned. The DH 91 Albatross *Fingel* inaugurates twice-weekly London–Lisbon via Bordeaux flights on June 4. The frequencies are scheduled to link up with the Lisbon–New York flying boat service of **Pan American Airways (PAA)** thereby preserving a vital communications chain to the U.S. Italy enters the war on June 10 and in India on this day, the joint BOAC/**Indian Trans-Continental Airways, Ltd.** AW XV Atalanta service is suspended on the Karachi–Calcutta route and the twice-daily joint service operated with **Air France** is indefinitely suspended on June 13.

France capitulates on June 17 while Empire-class flying boat service is opened to Lisbon on June 19, the same day weekly flying boat service is launched on an emergency Empire ("Horseshoe") Route to Australia and New Zealand via Lourenco, Marques, Beira, Dar es Salaam, Mombasa, Kioumu, Khartoum, Cairo, Habbaniyah, Baera, Karachi, Calcutta, Rangoon, Bangkok, Penang. **Qantas Empire Airways (Pty.), Ltd.** and **Tasman Empire Airways, Ltd.** operate the Singapore–Sydney and Sydney–Auckland segments, respectively. The Khartoum–Takoradi route, formerly flown in cooperation with **Elders Colonial**

Airways, Ltd., is now closed as is the Bordeaux stop on the London–Lisbon route. On June 28, France forbids British flights across the Sahara and the London–Khartoum Lockheed L-14 route opened on June 10 is now closed.

The S23 *Clare* begins, on August 3, the first of four high-priority Poole–New York flights via Botwood and Montreal; the last is completed on September 23. On August 6, the S23 *Clyde* departs Poole for a survey, which will be completed on August 9, via Lisbon, Bathurst, Freetown, and Lagos, of the new West African route. During the month, the Takoradi–Khartoum DH 86 route is reopened.

On August 19, the *Clyde* flies British and Free French representatives to a meeting at Leopoldville; in a conference aboard the flying boat (anchored in the Congo River), officials of French Equatorial Africa agree to bring that colony into the war on the Allied side.

The S23s *Cassiopeia*, *Corinthian*, and *Coote* fly from Poole to Lagos, with the latter continuing on to Leopoldville; afterwards, the three fly on to Lake Victoria to join the England–Australia "Horseshoe" operation. During the war, Short C-class flying boats will operate from the surface of the Dead Sea which, at 1,292-ft. below sea level, is the lowest destination ever regularly visited by commercial aircraft.

The last nonstop service to Stockholm is flown on September 12. Due to difficulties in obtaining clearance for flights over Indochina, the Hong Kong service is closed down on October 15. The same day, the Empire Airmail Scheme, which has been in operation for almost a decade, is suspended; the no-surcharge transport of letters has been a success, but cannot be continued due to the war.

Four days later, the S23s *Clyde* and *Clare* begin every-10-day priority flights Poole–Lagos via Lisbon, Bathurst, and Freetown. Late in the month, **Sabena Belgian World Airlines, S.A.**, with BOAC cooperation, begins weekly Takoradi–Cairo multistop flights.

Earlier in the fall, the Ministry of Aircraft Production head Lord Beaverbrook suggests establishment of an organized ferrying service for the transport of American lend-lease aircraft across the Atlantic. An organization is established in Canada when the Canadian Pacific Railway sets up an Air Ferries Department under the command of Maj. George E. Woods-Humphrey, longtime managing director of Imperial Airways.

Led by BOAC Capt. D. C. T. Bennett, 7 Lockheed Hudsons (the military version of the Model 14 airliner) make the first ferry flight, from Gander, Newfoundland, to Belfast, Northern Ireland, in 10½ hrs. on November 10–11.

Enplanements for the first three quarters of the first year total 19,579.

On January 19, 1941, the Super Electra *Lafayette* is lost in a crash at El Fasher, Sudan, while the S23 *Clyde* is destroyed by a Lisbon storm on February 15. An L-14 begins Stockholm service from Lauchars, Scotland, on March 2, completing the first of 1,200 high-priority flights that will be made by the corporation before V-E Day. In addition to the transport of important passengers, the aircraft involved are able to return to Great Britain small quantities of urgently required items, such as electrical equipment, watch springs, and unique ball bearings.

The American Lend-Lease Act is signed by President Franklin D. Roosevelt at Washington on March 11 and twice-weekly Khartoum–Asmara flights commence on March 12. Also in March, the carrier, places its first of 39 ordered Lockheed L-18 Lodestars into service.

Greek troops in Macedonia and Epirus surrender on April 22, leaving supporting British forces exposed to German attack. Immediately, the S23s *Cambria* and *Coorong* make the first of 13 Alexandria–Crete (Suda Bay) return evacuation flights; when the operation is completed on May 5, 569 British soldiers have been saved.

The S23 *Cathay* replaces the *Clyde* on the Lisbon service as the outbreak of rebellion in Iraq on May 2 forces suspension of services via Habbaniyah.

On May 4, Capt. D. C. T. Bennett departs Montreal for Blackpool via Gander in the formal inaugural of the Return Ferry Service; when his Consolidated Liberator I lands next day, it has the honor of completing the first regularly scheduled British landplane passenger flight over the North Atlantic.

Following the surrender of Italian Ethiopia in mid-May, BOAC inaugurates a weekly service to Addis Ababa from Cairo; British government officials must approve every passenger to and from the Ethiopian capital.

On May 22, *Bristol*, the first of 3 Boeing 414s to be delivered by July (the others are *Berwick* and *Bangor*) arrives at Foynes from New York via Bermuda and Lisbon, and is placed on the Lagos route on May 26. These 3 planes, purchased from **Pan American Airways (PAA)** for £259,250 each, will be the only British aircraft to forgo austere wartime conditions and continue to offer their passengers comfort, tea, and fine food.

At month's end, **Sabena Belgian World Airlines, S.A.** terminates its Takoradi–Cairo service at Juba. Air Chief Marshal Sir Frederick Bowhill is appointed on June 13 to lead the organization that will ferry U.S. military aircraft across the Atlantic; it is officially named RAF Ferry Command in July.

S23s open a Lagos–Cairo frequency on July 4 via Libreville, Points Noire, Leopoldville, Cocquilhatville, Stanleyville, Port Bell, and Nile River; the same day, DH 95s launch Bristol–Dublin flights. The L-14 *Livingstone* is destroyed in a crash at Khartoum, Sudan, on August 4. En route from Prestwick to Gander on an August 10 return ferry run, a Liberator, with 27 aboard, crashes into 2,868-ft. Goat Fell on the Isle of Arran; there are no survivors. Four days later, another Liberator, with 27 aboard, also crashes on takeoff from the Scottish base; all aboard are killed, including Arthur Purvis, chairman of the British Supply Council in North America.

On August 19, President Franklin Roosevelt announces that **Pan American Airways (PAA)** will establish a subsidiary that will transport U.S.-made aircraft to the RAF in Egypt via West Africa. Also during August, the last surviving Handley Page HP 42W, the *Helena*, is dismantled at the Royal Navy Air Station at Donibristle.

Weekly Asmara–Port Sudan and Cairo service is kicked off on September 12 and on September 24, pursuant to the requirements of RAF Ferrying Command, BOAC takes over management of the Return Ferry Service. Under its charter, the RFS, initially employing six Liberator Is, is able to fly aircraft crews back to the U.S. or Canada from the U.K., allowing them to avoid time-consuming sea voyages and ferry planes back more quickly.

U.K.–Cairo service via Lisbon, Gibraltar, and Malta, is begun weekly on October 12 by the S23s *Clare*, *Champion*, and *Cathay*. The Takoradi–Cairo service is withdrawn on October 28 as **Pan American Airways (PAA)** begins Accra–Khartoum service, later extended to Takoradi; the replaced British aircraft open a Cairo–Khartoum four-times-per-week operation.

On November 3, weekly Asmara–Tehran service is initiated via Port Sudan, Wadi Halfa, and Cairo. The U.S. Army Air Corps turns its C-55, the Curtiss-Wright CW-20 prototype, over to the U.K. and, on November 12, the 24-seat transport is flown to Prestwick by Capt. A. C. P. Johnstone in 9 hrs. 40 min.

On December 7, Japanese forces bomb Pearl Harbor, Hawaii, and invade Malaya. The Rangoon–Singapore sector is immediately revised, with flights going via Port Blair, Sabang, and Medan. The next day, the U.S. and Great Britain declare war on Japan. On December 22, the S23 *Cassiopeia* flies ammunition to Singapore via Port Blair and Rangoon. Late in the month, **Pan American Airways (PAA)** withdraws its Khartoum service as the American carrier's resources are now needed to directly support the U.S. war effort.

As the need for military transport increases during the year, the RAF acquires the Armstrong Whitworth AW 15s *Atalanta*, *Artemis*, *Astraea*, and *Aurora*. At the first annual meeting after Christmas, it is reported that 28,829 passengers have been carried during this first full year of service.

Following his Christmas visit to Washington, Winston S. Churchill, on January 15–17, 1942, flies Norfolk, Virginia, to Bermuda and Bermuda to Plymouth aboard the BOAC-operated B-314 *Berwick*, piloted by Capt. Kelly Rogers, becoming the first British Prime Minister to make a transatlantic flight. While approaching England, 6 RAF Hur-

ricane fighters are dispatched to destroy the unidentified aircraft believed to be a hostile bomber; the Hawkers, as Churchill will later record in his *History of the Second World War*, “failed in their mission.”

On January 25–26, a civil Liberator flies nonstop Hurn–Cairo in 11 hrs. 15 min.; returning, the plane is mistakenly shot down off the English coast, possibly by the same aircraft sent to intercept the *Berwick* 10 days earlier.

The Empire Route to Singapore and Australia is terminated at Calcutta on February 13; two days later, Singapore surrenders to the Japanese. Also on February 15, a civil Liberator, with five crew and four passengers, is accidentally shot down by RAF interceptors south of Plymouth and crashes into the English Channel near Eddystone Lighthouse; there are no survivors.

The Frobisher–Dublin route is altered to Shannon on February 21; five days later, the S23s operating the Mediterranean Cairo route are, due to the military situation in Libya, transferred to West Africa.

The Takoradi–Khartoum frequency is stopped on April 30; however, L-14s inaugurate Cairo–Malta night flights on May 697. On May 11, a Lockheed L-18 Lodestar opens a new Hadramaut 10-stop Cairo–Karachi route.

Armstrong-Whitworth Whitley 5s are placed on the U.K.–Malta operation on June 11. During the spring, the prototype Curtiss-Wright CW-20, which was received by the government from the U.S. Army Air Force for use as a special courier transport the previous November, is christened *St. Louis* and is placed into service on the routes to Gibraltar, Malta, and the Middle East.

Piloted by Capt. Kelly Rogers, the B-314 *Berwick* flies Prime Minister Churchill on June 17 from Stranraer, Scotland, to the Potomac River at Washington, D.C. in 27 hrs. Following discussions with President Roosevelt, Churchill returns to Britain the same way he came.

Designed as a transport version of the popular Avro Lancaster bomber, the Avro 685 York makes its maiden flight at Ringway on July 5. On July 14, a BOAC Liberator begins the first of 24 Lyneham–Gibraltar–Cairo flights that will end on December 10. The new Shorts S26s *Golden Hind* and *Golden Horn* are placed on the West African service on July 18.

Due to engine problems, the Whitley 5s on the Malta service are restricted to the London–Gibraltar segment; the Gibraltar–Malta run is made by L-14s. At month's end, the government announces that 995 of every 1,000 American-made aircraft flown to the U.K. have arrived safely.

On August 15, famed BOAC pilot Air Commodore D. C. T. Bennett is placed in charge of the Pathfinder Force of RAF Bomber Command. The S23 *Clare* crashes near Bathurst on September 14, leading to the withdrawal of all the S23s from the West African service. Cairo–Karachi Wellington flights are launched at month's end and as the Whitley 5s are retired, the RAF assumes responsibility for the carrier's Gibraltar–Malta operations.

On behalf of BOAC, **KLM (Royal Dutch Airlines, N.V.)** on October 15 contracts to extend its London–Lisbon route to Gibraltar. Piloted by Capt. J. R. Percy with two other crewmen and eight travelers, a Liberator I transport makes the company's first experimental passenger flight to Russia on October 21–22, flying from Prestwick, Scotland, to Ramenskoye, outside Moscow, in 13 hrs. 9 min.

Weekly Cairo–Lydda–Basra Wellington flights are begun on October 26, but together with the Cairo–Lagos and Takoradi route, these end on November 8 as the corporation's transports in the area are needed to support the El Alamein offensive. The first of 200 flights to points in the Western Desert to be made by year's end is flown on November 10.

On December 17, Member of Parliament W. D. Perkins rises in the House of Commons to note how impossible it has become for BOAC's fleet to fulfill demands now being placed upon it. Plans are made to ask the Americans, under lend lease, to supply additional aircraft. The year's enplanements total 49,928.

On January 4, 1943, a Liberator I makes the first of six passenger proving flights to the U.S.S.R. over a route from RAF Lyneham, Wiltshire,

and Ramenskoye, near Moscow via Cairo, Habbaniyeh, Pahlevr, and As-trahan. Five days later, the new S26 *Golden Horn* crashes at Lisbon.

S23s on January 25 commence Kisumu–Diego Garcia service via Mombasa, Dar es Salaam, Lindi, and Mayotte. An L-14 lands at Tripoli on January 26, just hours after the last German outfit departs Castle Ben-ito airfield.

The first DH 98 civil Mosquito begins Leuchars–Stockholm night flights through German-controlled air space on February 4–5. En route from Prestwick to Gander with 22 aboard, a Liberator I crashes on approach to the Canadian destination short of fuel and in bad weather (19 dead).

Under Secretary of State for Air Lord Sherwood rises in the House of Commons on February 10 to announce the findings of a technical committee established under Lord Brabazon of Tara. The committee's charge was to consider the five types of postwar civil aircraft that will be required after the war. From these recommendations will come the Brabazon Mk. 1 (inoperative), the Airspeed Ambassador/Elizabethan, the Bristol Britannia, the de Havilland DH 106 Comet I, and the Miles Marathon/de Havilland DH 104 Dove.

U.K.–Egypt Liberator flights are resumed on February 27 via Lisbon, Gibraltar, and Algiers. The last of six Liberator proving flights to the U.S.S.R. is completed on March 3 and, on March 23, the AW-27 Takoradi route is extended weekly to Freetown. Two days later, Air Secretary Sinclair replaces four BOAC directors refusing to work with RAF Transport Command. At month's end, Short S25 Sunderland IIIs are placed on the West African route and it is reported in April that, since February, the corporation has received six passenger-configured Douglas C-47s (military DC-3s).

DC-3s open a London–Lisbon operation on May 11, replacing the **KLM (Royal Dutch Airlines, N.V.)** contract.

Following the Trident Conference, Prime Minister Churchill, accompanied by U.S. Army Chief of Staff George C. Marshall and Gen. Sir Alan Brooke, chief of the Imperial General Staff, departs the Potomac River at Washington, D.C. on May 26 aboard the B-314 *Bristol* for Gibraltar, arriving next day.

Lord Knollys is named chairman of BOAC, also on May 26; the next day, the S26 *Golden Hind* is put on the Poole–Foyne run.

The London–Lisbon DC-3 frequency is increased to four per week on June 1. A week later, Tripoli replaces Algiers as a stop on the London–Cairo Liberator route. Liberators on June 10 introduce Lyneham–Moscow service via Tripoli, Cairo, Habbaniyeh, Pahlevr, and Astrakhan, the route tested during the first quarter. As of June 30, corporation transports have completed some 270 military-support flights into Western Desert points.

The BOAC civil air service to Russia via the Mideast is revealed in the British and American press on July 3, but is denied by the Soviet Central Civil Aviation Directorate on July 4.

DH 91 Albatross service Bristol–Shannon halts on July 6 and on July 18, L-18s commence weekly Cairo–Khartoum flights via Wadi Halfa. Five-times-per-every two weeks AW-27 Ensign service is introduced on July 25 Cairo–Takoradi, replacing the Khartoum–Lagos and Cairo–Takoradi routes.

On August 4, twice-weekly DC-3 U.K.–Gibraltar flights begin. Weekly DC-3 services are started London–Lisbon via Madrid on October 24; a thrice-weekly S25 Cairo–Karachi operation is begun the next day.

The Lockheed Model 10A *Lea*, acquired earlier from BA-1, is involved in a landing accident at Aimazzah, Syria, on November 19; the plane cannot be repaired and will be scrapped. U.K.–Algiers flights commence regularly on November 20. A Liberator on the Return Ferry Service crashes at Gander, Newfoundland, on December 27; there are no survivors.

In something of a footnote on the year, the carrier employs its first female flight attendants, outfitted in Women's Auxiliary Air Force uniforms.

Passenger boardings since January rise to 72,614.

On January 10–11, 1944, Capt. John H. White flies his DH 98 civil Mosquito roundtrip Stockholm–Leuchars in a record 9 hrs. 36 min. On

February 28, AW-27s are withdrawn from the trans-Africa route; they are placed, as of March 2, on a twice-weekly Cairo–Calcutta route via Bahrain and Karachi. Two days later, weekly Cairo–Karachi flights commence. The first specification is issued on March 10 for the Avro Tudor airliner, a conversion of the Lincoln bomber. A four-times-per-week L-18 service is launched Cairo–Khartoum–Nairobi on March 13 and, on March 20, chartered **KLM (Royal Dutch Airlines, N.V.)** DC-3s resume London–Lisbon–Gibraltar flights.

The Lockheed Model 10A *Leith*, acquired earlier from **British Airways, Ltd. (1)**, is wrecked at Asmara, Eritrea, on April 14. Two days later, on April 16, BOAC assumes control of the Lagos route from the RAF; DC-3 services begin Bristol–Lagos via St. Mawgan, Lisbon, Rabat, Port Etienne, Dakar, Bathurst, Freetown, Abidjan, Takoradi, and Accra.

A DC-3 overshoots the runway while landing at Stockholm's Bromma Airport on April 21; although no injuries are reported, the plane is a total loss. The first Avro 685 York is delivered and placed on the Lyneham–Cairo route via Gibraltar and Tripoli, on April 22 and on April 29, all B-314s are placed exclusively on the North Atlantic service.

The Karachi S25 route is extended to Calcutta on May 10. On June 2, the Cairo–Tehran L-18 flight is rerouted via Damascus and Baghdad. On June 6, Allied forces invade Normandy. The same day, in response to a recommendation from the Committee on Civil Air Transport, construction begins on a new airport on the site of the Fairey Aviation, Ltd. facility at the village of Heath Row, near Harmondsworth.

With the landing of an aircraft at Prestwick on August 12, the Return Ferry Service has completed its 1,000th transatlantic flight in three months. Piloted by Capt. L. J. White and with six others aboard, a DC-3 crashes into the Atlas Mountains at Telmet near Casablanca on August 28.

DC-3s join DH 98s on the Stockholm route on September 1 and the Return Ferry Service completes its 5,000th flight on September 7 and, two days later, BOAC records its 20,000th wartime transatlantic crossing.

In October, various interests begin the process of suggesting the possible direction of U.K. postwar civil aviation. BOAC Chairman Lord Knollys suggests that his carrier maintain its international monopoly while allowing financial participation by private interests. The four major railroads, for their part, recommend both a U.K. and Continental service, which can be operated without government subsidy. These two approaches will eventually be joined to some degree in the legislation creating **British European Airways Corporation (BEA)**. DC-3s launch London to Lisbon and Madrid flights on October 23.

On November 1, the corporation's U.K. base is transferred to Hurn. A Cairo–Ankara L-18 route is started on November 11. Following an October proving flight, the S26 *Golden Hind* inaugurates regular Kisumu–Ceylon service on November 28 via Mombasa, the Seychelles, and Maldiv Islands. The last DH 98 is withdrawn from the Stockholm service on November 30. On Christmas Eve, Cairo–Jeddah weekly L-18 flights begin via Port Sudan. The year's enplanements are 103,804.

On January 1, 1945, the London–Cairo Avro York route is extended to Karachi. Cairo to Lydda and Damascus and Baghdad to Besra DC-3 flights commence on February 18. Also in February, the company receives its first long-range Avro 691 Lancastrian, a nine-passenger converted Lancaster bomber.

The British War Cabinet, on January 24, approves the "Swinton Plan," which will confine BOAC postwar operations to the Commonwealth, the North Atlantic, and the Far East in order to allow the new **British Latin American Airways, Ltd.** the opportunity to develop services to and within Latin America. Also, European services will be handed over to a new private airline, which will be backed by ocean shipping and railroad concerns. The Minister of Aviation's scheme draws on the proposals advanced by BOAC and the railroads the previous fall. Lord Beaverbrook and Minister of Information Brendan Bracken, fearful of a BOAC monopoly, oppose the plan, which is presented to Parliament as a White Paper in March.

Cairo–Ankara L-18 flights extend to Istanbul on April 6 and two days later, a DC-3 must be written off after its landing gear collapses during a takeoff from El Adem.

The International Air Transport Association (IATA) is set up at Havana on April 19 as successor to the International Air Traffic Association founded in 1919.

Between April 23 and 27, the first Avro 691 Lancastrian Makes a Hurn–Auckland proving flight. L-18s replace DC-3s on the Syrian routes on April 30.

A DC-3 is lost in a nonfatal crash at Basra on May 1 and on May 6 regularly scheduled transatlantic services are started for the summer, four times per week from Foynes to Baltimore. As of May 8, V-E Day, the company has received a total of 59 C-47s/DC-3s since February 1943. Flying from the Empire Air Navigation School in Canada, the Avro Lancaster *Aries* begins two weeks of training flights from Iceland to Canada via the North Pole and Magnetic Pole. DC-3s begin to operate a combined U.K.–West Africa–Cairo passenger-cargo service on May 12.

In cooperation with **Qantas Empire Airways (Pty.), Ltd.**, weekly Hurn–Sydney Lancastrian “Kangaroo” service starts on May 31 via Lydda, Karachi, Ceylon, and Learmouth. Two days later, a **Qantas Empire Airways (Pty.), Ltd.** crew flies an Avro 691 Sydney–Ceylon–Karachi, where it is handed over to BOAC for the London run. Twice-weekly U.K.–Karachi DC-3 flights commence on June 3 via Istres, Malta, El Adem, Cairo, Baghdad, and Sharjah. Onetime Imperial Airways, Ltd. Air Superintendent now Air Commodore Herbert G. Brackley returns to BOAC as a member of the chairman’s staff.

Lydda and Basra are added as stops on the U.K.–Karachi DC-3 service during the first week of July. On July 3, the corporation endorses the Brabazon Committee’s call for the development of the jetliner that will eventually be born as the de Havilland DH 106 Comet I. The U.S.–Australia service becomes twice weekly on July 15 and, also in July, 7 Lockheed Lodestars are transferred to the Norwegian military. The British national election replaces Prime Minister Churchill with Clement Atlee and the Labour Party.

War with Japan ends on August 15 and the Misumu–Diego Garcia service is withdrawn on August 30. The surrender of Japan is signed aboard the U.S.S. *Missouri* on September 2. On September 29, the Cairo–Tehran via Damascus and Baghdad frequency is halted and, on October 9, the Poole–Calcutta S25 route is extended to Rangoon. The same day Capt. O. P. Jones, flying a Lancastrian, undertakes a survey flight from Hurn Airport in Hampshire to Lima, Peru, via West Africa, Chile, and Argentina.

The *Bristol* launches thrice-weekly Bermuda–Baltimore B-314 flights on October 18. Having been worn-out in courier service, the Curtiss-Wright CW-20 *St. Louis* is withdrawn toward month’s end and broken up. Lord Winster, Minister of Civil Aviation in the new Labour government, confirms the demarcations of the “Swinton Plan” on November 1, but insists that the companies involved be public.

Nine passenger-carrying Avro 685 York Is are leased to **South African Airways (Pty.), Ltd.** When the first of these arrives on November 7, it is christened *Springbok*. As part of a pool arrangement with the British state carrier it is employed on November 10 to commence weekly Johannesburg–London (Bournemouth) “Springbok” return service via Nairobi, Khartoum, Cairo, and Tripoli. Named for the majestic antelope, the two-day flights enter the history books as the first commercial landplane service from South Africa to Europe and SAA’s first international service. For its part, the BOAC Avro York *Manchester* opens the “Springbok” the route next day thrice weekly from Johannesburg to London (Hurn Airport) via Livingstone, Brazzaville, Kano, and Tripoli.

Thirteen British Yorks are dedicated to the South African service, which is the first postwar British commercial service not under the control of the wartime Air Transport Priorities Board, which had been set up to allocate air passages.

On December 1, the U.K.–Gibraltar contract of **KLM (Royal Dutch Airlines, N.V.)** is cancelled. In December, the company orders 10 de

Havilland DH 106 Comet I jetliners while the Hurn–Karachi Avro York route is extended to Calcutta on December 31.

During the year, the Armstrong Whitworth AW 27 *Ensigns Ensign* and *Euterpe* are taken out of service and scrapped. Boardings for the year rise to 143,950.

All wartime restrictions on U.K. civil flights are withdrawn on January 1, 1946, the same day the Air Ministry transfers operation of Heathrow Airport to the Ministry of Civil Aviation. Some months will be required yet before the airport opens to commercial service.

The next day, BOAC DC-3s take over the Hurn–Lisbon service previously flown under contract by **KLM (Royal Dutch Airlines, N.V.)**. A C-47A is lost in an accident at El Adem, Libya, on January 23.

The Hurn–Karachi operation is suspended on January 24; later in the day, the corporation’s order for 5 Lockheed L-049 Constellations is announced in the House of Commons. The Lockheed order, coupled with one later for Boeing Stratocruisers, raises considerable public concern over the choice of American aircraft over British.

On January 29 and 30, respectively, Cairo–Karachi and Port Sudan L-18 services are withdrawn. S25 flying boat service U.K.–Singapore is reopened thrice weekly on January 31; however, S25 service to Rangoon is withdrawn on February 3.

The British European Airways Division, formed on January 1, begins Continental DC-3 service on February 4 and a civil Liberator completes the 2000th Montreal–Prestwick Return Ferry Service flight on the same day.

On February 17, the S25 *Hythe* departs Poole on a 35,313-mile, 45-day roundtrip proving flight to Australia and New Zealand. A Liberator, with 13 aboard, makes a forced landing at Charlottetown, Prince Edward Island, on February 21 in foul weather (two dead).

As the result of negotiations begun with the Americans at Bermuda in February, BOAC is finally allowed access to Hawaii, as well as other American-controlled Pacific islands, while **Pan American Airways (PAA)** receives reciprocal authority. The Bermuda I arrangement becomes a model for commercial air transport bilateral agreements.

The *Berwick* departs Poole for Baltimore on March 7 on the last weekly transatlantic B-314 flight. During its return flight on March 19, the *Hythe* becomes the first British flying boat to land on Shanghai’s Wang-poo, and on March 21 at Tokyo Bay; the S25 reaches Poole on April 2.

Meanwhile, an Avro 691 Lancastrian 1, piloted by Capt. O. F. Y. Thomas with four other crew and five passengers, disappears on March 23 during a flight from Colombo to Cocos Island in the Indian Ocean; there are no survivors. Following the loss, the BOAC/**Qantas Empire Airways (Pty.), Ltd.** U.K.–Australia route is altered on April 6 and operations henceforth proceed via Singapore rather than the Indian Ocean.

Meanwhile, on April 5, a bilateral agreement is signed between the governments of Ireland and the U.K.; under its terms, **Aer Lingus Irish Airlines, Ltd.** will be the only carrier authorized to fly scheduled services between the two nations. Weekly Hurn–Lydda DC-3 flights are inaugurated on April 8; twice-weekly Hurn–Cairo Avro York service is launched two days later.

A C-47A with four crew and nine passengers is lost while landing at Lugo de Lanera, Spain, on April 17; there are no fatalities. On April 25 and 26, respectively, weekly Cairo–Athens and Athens–Cairo and Tehran operations commence; Cairo–Khartoum L-18 frequencies are withdrawn on April 30.

Nigerian Air Services, Ltd. is now set up at Lagos under order of the West African colonial government. A contract is entered into with BOAC to provide twice-weekly Douglas DC-3 roundtrips linking the capital city with Jos, Kano, and Port Harcourt.

An Avro 691 Lancastrian 1 with five crew is seriously damaged in a landing accident at Mascot, Australia, near Sydney, on May 2; no injuries are reported.

On May 9, multistop DC-3/L-18 Northolt–Tehran services start. The first postwar U.K.–Australia flying boat service is begun on May 12; the flight requires 5½ days and is operated over various segments between Poole and Sydney by 4 S25s (*Hudson, Hobart, Howard, and Henley*).

Also on this day, U.K.–Calcutta S25 service is terminated; flights begin from London to Tehran on May 17. Also on May 17 an Avro 691 Lancasterian 1 with five crew and an undisclosed number of passengers, is destroyed while landing at Mauripur, India; there are no fatalities.

The S23 Cairo–Calcutta service is cut back to a Cairo–Karachi run on May 28; the same day, the first BOAC service from London's about-to-open Heathrow Airport is a joint "Kangaroo" Lancasterian operation with **Qantas Empire Airways (Pty.), Ltd.**

On May 29, weekly Poole–Cairo S23 services begin. Heathrow Airport is officially opened on May 31 and all of the state carrier's operations are now transferred to it from Hurn Airport in Hampshire. At this point, what will become Europe's most important civil airport has but one runway and tents to accommodate passengers.

The last remaining AW-27 Ensign, the *Eddystone*, arrives at Hurn from Cairo on June 3 and is then retired from passenger service. She, together with the *Egeria*, *Elsinore*, *Explorer*, *Empyrean*, and *Echo*, withdrawn earlier in the year, are now scrapped. A joint airline pact is signed with the government of Italy on June 10. An Avro York departs Hurn for Cairo on June 14; henceforth, all BOAC landplane flights will be operated from Heathrow.

The 5 Lockheed Constellations are delivered in June and the first of these, christened *Balmoral*, is, on June 16, flown by Capt. W. S. May on the first of 10 London–New York roundtrip proving flights.

On June 29, the Italian government approves both BOAC and **Transcontinental and Western Airlines (TWA)** contracts governing civil airlines in Italy.

The L-049 *Bristol II*, opens twice-weekly Heathrow–New York (LGA) service on July 1; the same day, London–Beirut via Lydda DC-3 flights start. The *Bristol II* arrives at New York (LGA) from Ireland on July 2; among its passengers is Lord Knollys, who undertakes an inspection of the airline's New York facilities. The Constellations are grounded on July 10 and North Atlantic services are suspended.

An S25 leaves Poole on July 16 on a preservice proving flight to Hong Kong while the first of 9 Handley Page HP 70 Haltons (civil version of the Halifax bomber) is delivered on July 18 and is christened *Falkirk*.

On August 1, in accordance with the Civil Aviation Act, the BEA Division is split off and formed into a separate corporation, **British European Airways Corporation (BEA)**. An Avro 691 Lancasterian 1, with only its four-man flight crew aboard, fails its takeoff from Bournemouth–Hurn Airport on August 5. Although the aircraft must be written off, there are no fatalities. A C-47A freighter with five crew is lost while climbing away from Luqa Airfield on Malta on August 14 (one dead).

An Avro 691 Lancasterian 1 with nine crew aboard crashes near Rouen, France, on August 20 while on a training flight (eight dead). Weekly S25 multistop service is kicked off Poole–Hong Kong on August 24, followed two days later by inauguration of flying boat flights Singapore–Hong Kong.

Having connected with the S25 *Haslemere* at Karachi, the S25 *Hunter* is the first postwar flying boat to arrive at the crown colony. Lord Winster, Minister of Civil Aviation, announces on August 30 that BOAC will acquire 6 Boeing 377 Stratocruisers, along with as many as 200 more "aircraft of the future" from the U.S.

On August 31, the L-049s are returned to operations and commence thrice-weekly North Atlantic service on September 2. HP 70s replace Avro Yorks on the twice-weekly London–Cairo frequencies on September 9. On September 30, the Return Ferry Service, no longer required after five years in light of the Constellation introduction, is terminated; the same day, the S26 *Golden Hind* takes over the weekly Poole–Augusta–Cairo route, the first purely commercial service for the giant flying boat. The Liberators, displaced from the Return Ferry Service, continue to maintain their London–Montreal roundtrip schedules, hauling freight and mail and training crews.

The astrodome of the L-049 *Balmoral*, en route from New York to London on October 28 via Gander and Shannon, blows out at 20,000 feet over the mid-Atlantic; the Constellation descends to 7,000 feet and makes an emergency landing at Shannon, where no injuries are reported.

In accordance with the company's requirement of the previous December, the Ministry of Supply orders two prototype DH 106 Comet I jetliners from de Havilland on September 4.

A Constellation, damaged on takeoff on November 14, circles Prestwick Airport for 10 hours to exhaust 2,500 gallons of avgas before it can land. Ten extra Baltimore to Bermuda flying boat services are laid on weekly between December 21 and January 5.

The year's bookings, now devoid of military personnel, dip to 129,928. Losses total £8.07 million.

At the beginning of 1947, airline employment stands at 24,500. While on a positioning flight, a C-47A with three crew crashes while landing at Whitchurch, England, on January 3; although the aircraft must be written off, there are no fatalities.

On January 4, the first racehorse flown by BOAC departs England aboard an Avro York for California via New York City.

A C-47A with 5 crew and 11 passengers is lost near Stowting, U.K., on January 11 (8 dead). Beginning on January 13, the Empire ("Horseshoe") Route is closed down, the last section being withdrawn on March 2. The first Avro Tudor I is delivered on January 21 and christened *Elizabeth of England* by Princess Elizabeth; the plane will never enter service.

On January 29 and 30, respectively, the Cairo–Karachi and Port Sudan services are withdrawn. A Lancasterian is damaged in a nonfatal landing accident at Mascot, Australia, on the month's last day. London to New York service is increased on February 4 and a new Montreal to London route is pretested.

To protect its local interests in the area, the corporation forms **Hong Kong Airways (Pty.), Ltd.** on March 4. The last S23 flight is made Durban–Southampton on March 12 by the *Caledonia*; three days later, L-749 London–Montreal flights begin via Prestwick and Gander and are the first commercial BOAC operations into Canada. Bought out in December 1946, the carrier's share in **Qantas Empire Airways (Pty.), Ltd.** is turned over to the Australian company on March 21.

On May 1, BOAC and BEA form Airways Training, Ltd. The next day, the first S25 Sandringham is placed in service on the Poole–Karachi via Bahrain route; on June 23, Sandringhams will begin weekly multistop Poole–Hong Kong operations, replacing the previously employed S25 Hythes.

On May 28, Sir Alan Cobham, chairman of **Flight Refueling, Ltd.**, accepts a contract from the British Ministry of Civil Aviation to undertake a series of refueling experiments for commercial airliners on long-distance flights. In the first of 22 missions, Cobham and Air Vice Marshal D. C. T. Bennett fly a Lancasterian nonstop from London to Bermuda, being refueled in-flight over Bermuda with 1,700 gallons of avgas from a Lancaster tanker.

Sir Harold Hartley, ex-**British European Airways Corporation (BEA)** chairman, becomes BOAC chairman on July 1; he takes over a state monopoly with 24,000 employees and 175 aircraft of 18 different types. Also on July 1, DC-3s replace L-18s on the Cairo–Nairobi route and twice-weekly HP 70 London–Karachi flights begin. On July 14, multistop London–Colombo HP 70 service is inaugurated.

On July 16, an Avro 685 York I with 6 crew and 12 passengers is lost during its final approach to Az-Zubair, Iran; only the crew is killed. The next day, the Lagos DC-3 frequencies are withdrawn. The S25 Sandringham *Portland* crashes at Bahrain on August 23 (10 dead) and a new London–Tehran DC-3 route via Marseilles, Rome, Athens, Nicosia, Lydda, and Baghdad, is opened on August 25.

HP 70 trans-Sahara London–Accra flights start on September 1, the same day on which the carrier begins participation in the evacuation caused by the partition of India and Pakistan. A formal contract is signed with the Pakistan government on September 2 for the transfer of officials from India. Avro Yorks replace HP 70s on the London–Karachi route on September 11.

"Operation Pakistan," under the command of Air Commodore Herbert G. Brackley, is completed by September 15; since September 1, 2 Avro Yorks, 1 Lancasterian, and 12 DC-3s have flown 7,000 people Delhi–Karachi and 1,500 Karachi–Delhi. Additionally, food and medicine

are flown in to Delhi and Lahore. The S26 *Golden Hind* is withdrawn from the Poole–Cairo service on September 21 and, together with the *Golden Horn*, is retired.

The newly formed **West African Airways Corporation** assumes authority for the contract Lagos to Kano service of **Nigerian Air Services, Ltd.** in early October.

On October 20, BOAC joins seven independent carriers in “Operation India,” another population-shifting airlift under Air Commodore Brackley on the subcontinent. Weekly London–Delhi six-stop Avro York service is launched on November 25. The London–Sydney Lancastrian service becomes mail and freight-only on December 2; two days later, six-stop London to Dar es Salaam Avro York flights begin. On December 31, Poole–Singapore S25 and London–Cairo HP 70 services are withdrawn.

When its contract ends in December, BOAC turns over responsibility for the Lagos to Jos and Port Harcourt contract routes of the contract **Nigerian Air Service, Ltd.** to **West African Airways Corporation**.

BOAC enplanements for the year are 142,404. Revenues total £11.5 million, but there is a loss of £7.3 million.

Piloted by Capt. J. W. Burgess, the *Bristol* makes the last B-314 flight Bermuda–Baltimore on January 17, 1948; the class is thereafter retired. Since her acquisition from America at the beginning of the decade, the aircraft and her sisters *Bristol* and *Bangor*, have flown a total of 4.25 million miles, transporting 40,042 passengers and 432 tons of mail and express on 596 transatlantic crossings. In addition, the BOAC flying boat base at Baltimore is also closed.

The L-049 *Baltimore* on January 17 and 18, respectively, inaugurates thrice-weekly roundtrip Baltimore–Bermuda and thrice-weekly roundtrip Bermuda–New York service. The twice-weekly Lagos–Kano DC-3 service is terminated on January 24 and taken over by **West African Airways Corporation**.

Lancastrians replace Avro Yorks on the London–Colombo route on February 2; simultaneously, BOAC refuses a Ministry of Supply request that it order 25 of Bristol’s new Type 175 turboprop to be known as the Britannia.

Two days later as part of midair refueling trials conducted for the Ministry of Civil Aviation, a civil Liberator launches nonstop London–Montreal all-cargo operations. On February 10, the weekly Cairo–Hargeisa DC-3 service is withdrawn, but on February 16, weekly Cairo–Nairobi flights begin. Lancastrians replace Avro Yorks on the Colombo–Singapore route on February 19.

On February 21, weekly Aden and Cairo–Addis Ababa routes are opened and two days later, London–Nairobi Avro York operations commence. Also in February, the last nine Lockheed L-18 Lodestars are sold to **East African Airways Corporation**.

Fortnightly Aden–Mukalla DC-3 service is launched on March 15 and on March 19, the S25 Sandringham Poole–Hong Kong route is extended to Iwakuni, Japan. S25s supplement Avro Yorks on the Karachi run as of March 20. Weekly Freetown and Lagos–Dakar DC-3 services are suspended on March 27 and 29, respectively.

The U.K. flying boat base is transferred to Southampton from Poole on March 31. The same day, the Russian command in occupied Berlin informs representatives of Great Britain, France, and the U.S. that stringent new ground traffic regulations will come into effect the next day covering traffic from West Germany into the former capital.

Also in March, a former military C-69 is acquired; converted to civil L-049 standard, it brings the corporation’s Constellation fleet to 6. Air Commodore Brackley departs during the month to become CEO on the board of **British South American Airways, Ltd.**

On April 1, the S25 *Hanwell* makes the first departure (for Sydney). London–Karachi Avro York services are suspended on April 4. Weekly Singapore–Hong Kong Sandringham flights begin on April 7; weekly London–Basra Avro York flights are launched on April 10, but will be ended within a month.

In association with **South African Airways (Pty.), Ltd.**, seven-stop London–Johannesburg Lancastrian mail and freight operations

are inaugurated on April 11; these will cease on August 12. Meanwhile, on April 14, Lord Nathan, Minister of Aviation, officially opens the new flying boat base at Berth 50, Southampton. Simultaneously, the mayor of Southampton christens the premier 30-passenger Short S45 Solent, an upgraded version of the wartime Sunderland flying boat, *Southampton*.

The Arab-Israeli war forces cancellation of London–Lydda DC-3 services on April 28 and on May 1, Avro Yorks replace HP 70s on the Accra route. The S25 Southampton–Bahrain service is withdrawn on May 3; the next day, the first Short S45 Solent, *Southampton*, is placed in multistop service Southampton–Johannesburg. The state of Israel is proclaimed on May 14, the day the British mandate over Palestine is terminated.

The Russian military governor of Berlin, Marshal Sokolovsky, orders all passenger train and motor traffic between the Russian and western zones of Germany to cease at midnight June 18–19. The Solents (now also including *Southsea*, *Severn*, and *Salisbury*) are withdrawn in June for wingtip float modifications.

Set up to allocate air passages during the war, the Air Transport Priorities Board is closed down on July 1. Following BOAC’s refusal to order the Bristol Type 175 in February, the Ministry of Supply steps in on July 5 to guarantee the project.

A DC-3 freighter, en route from Malta to Marseilles, crashes at Cap Sicié, near Toulon, on July 14 (six dead). Eight days later, Sir Frank Whittle joins the corporation as adviser on the development and operation of gas turbine engines. The Berlin Airlift begins on July 27; civil aircraft, under the direction of **British European Airways Corporation (BEA)**, begin participation in the resupply effort on August 4.

As a result of the Irish government’s refusal the previous fall to allow **Aerlinne Eireann Teoranta**, the long-haul partner of **Aer Lingus Irish Airlines, Ltd.**, to begin North Atlantic flights, the 5 Lockheed L-749 Constellations acquired for that purpose are put up for sale during the summer. The British flag carrier, without the need for dollar expenditure, is able to acquire the lot for £1,575,000 and the Irish are able to make a profit of £65,000 per aircraft. The *St. Patrick* is the first ship turned over and she is rechristened *Banbury*.

Having lost its No. 4 engine following departure from Tengah, Australia, on August 27, an Avro 691 Lancastrian 1, with five crew and nine passengers, returns to its point of origin and makes a nonfatal crash landing; the aircraft, however, is wrecked beyond repair.

On September 9, the Hythe *Hanwell*, piloted by I. C. Peirce, is lost during its takeoff run from Sourabaya; all aboard escape. Avro Yorks replace DC-3s on the London–Tehran route on September 19. Three DC-3s begin Berlin Airlift operations for a month on October 20, the same day the S25 Sandringham Iwakuni route is extended to Tokyo. Modified, the S45 Solents return to service in late October.

The corporation’s 3 dedicated DC-3s complete their Berlin Airlift participation on November 25; since October 20, they have flown 81 sorties and transported 294 tons of supplies in 224 flying hours. On November 28, Avro Yorks replace DC-3s on the London–Cairo route; two days later, weekly Nairobi–Aden DC-3 frequency begins. Also during the month, former **Imperial Airways, Ltd.** Air Superintendent Herbert G. Brackley drowns in a Rio de Janeiro accident.

Having been acquired from **Aerlinne Eireann Teoranta**, the L-749 *Banbury* kicks off Constellation service on the London–Sydney route on December 1. S25 Sandringham services are launched Southampton–Shanghai on December 30. The year’s boardings are 143,000 (19,000 on the North Atlantic routes).

The government announces on January 10, 1949, that the corporation will no longer have to order its aircraft via the Ministry of Supply. Baltimore–Bermuda L-049 service is suspended on January 17 and Aden–Addis Ababa DC-3 flights stop on January 26.

An Avro 685 York I, with six crew and nine passengers, fails its take-off from Castel Benito Airfield, Libya, on February 1; although the aircraft must be written off, there are no fatalities. The last Hythe-class S25, *Honduras*, arrives at Southampton from Sydney on February 16

and thereafter the class is retired. S45 Solents replace Avro Yorks on the U.K. to Dar es Salaam frequency on February 23. On March 15, daily roundtrip L-049 service is inaugurated Bermuda–New York.

The first of 22 Canadair C-4 Argonauts (Douglas DC-4s powered by Rolls Royce Merlin 626s and also nicknamed “Canadair Fours”) is delivered on March 29, just a month after the type’s roll-out.

Thrice-weekly London–Cairo Avro York service is launched on April 11. The same day **SAS (Scandinavian Airlines System)** announces that it will henceforth standardize its flight equipment on product from Douglas Aircraft and sells its 4 Boeing 377 delivery positions to BOAC; the action will increase the number of British Stratocruisers to 10.

On May 5, Foreign Secretary Ernest Bevin announces in the House of Commons that an agreement has been reached for an end to the Berlin Blockade; four days later, the Soviet’s Berlin commander, Gen. Chuikov, announces that the siege will be lifted within days. The Russian ground blockade of Berlin ends on May 12 and, on May 15, thrice-weekly London–Nairobi Avro York frequency is replaced by operations flown by S45 Solents from Southampton to Lake Naivasha, near the Kenyan capital. Solents replace Sandringhams on the weekly Southampton–Karachi frequency on May 26.

On June 5, Aden–Mukalla DC-3 flights are restarted. Sir Harold Hartley is succeeded, on June 30, as chairman by Welsh automobile tycoon Sir Miles Thomas. Thomas will serve seven years, which is longer than any of his successors. At the same time, the corporation is reformed; the board now has three full-time and seven part-time members and the principal divisions are operations, commercial, and central services.

The premier second-class mail is flown across the North Atlantic in the cargo bay of an L-049 on July 1. Soon to become the world’s first commercial fan-jet airliner, the DH 106 Comet I prototype, piloted by John Cunningham, makes its maiden flight on July 27 from Hatfield airfield in Hertfordshire. As a result of the Airways Corporation Act, the assets and aircraft of **British South American Airways Corporation** are taken over on July 30, including shares in **British West Indies Airways, Ltd. (2) (BWIA)**.

The weekly London–Johannesburg Lancastrian mail and freight service stops on August 12 and, on August 21, London–Lydda DC-3 service is resumed. The premier BOAC all-landplane service to the Far East is inaugurated on August 23 as the first purchased Canadair Four Argonaut, *Arcturus*, departs London for Hong Kong on a weekly service, flying via Rome, Cairo, Basra, Kartachi, Calcutta, Rangoon, and Bangkok.

Three days later, the second Argonaut, *Atlanta*, launches London–Yokohama service as S25 Sandringhams are withdrawn from their Oriental routes. Twice-weekly Singapore–Hong Kong Argonaut flights commence on August 27. Cooler-pump difficulties force the C-4 Argonaut fleet to stand down at month’s end; the move temporarily closes the new Japan route.

On September 2, the weekly London–Delhi Avro York route is closed and, two days later, the huge, but unsuccessful Bristol Brabazon Mk. 1 eight-engine airliner is flown at Filton, Bristol. The first production Handley Page HP 81 Hermes 4, *Horatius*, is delivered on September 12. The all-cargo civil Liberator service launched to Montreal in early 1948 is withdrawn on September 27 and the Berlin Airlift is officially closed down three days later.

The first Boeing 377 Stratocruiser, *Cathay*, is delivered on October 15. Late in the month, all shares of **British Caribbean Airways, Ltd.** are purchased.

On November 5, 7, 11, 15, 16, and 17 (respectively), York-replacing C-4 Argonaut routes are introduced London–Kuwait; London–Abadan, via Rome and Damascus; London–Bahrain via Rome and Damascus; London–Colombo and Singapore via Rome, Cairo, Bahrain, Bombay (Lancastrian replacement); and London–Calcutta via Malta, Cairo, Bahrain, Karachi, and Delhi. Eight months ahead of its contract date, the final C-4 Argonaut arrives on November 19 and is christened *Avion*. Avro Yorks replace Short Solents on their previous route to Karachi beginning on November 19.

The B-377 *Cathay* begins London and Prestwick to New York Speedbird Stratocruiser service on December 6. Later in the month, the first Handley Page HP 81 Hermes 4, the *Hecuba*, is handed over to the company for use in crew training at Hurn; the aircraft will not be accepted, but rather leased to **Airwork, Ltd.**

The year’s bookings increase to 155,557 (19,000 transatlantic). Revenues advance to £15.1 million, while the loss drops to £6.2 million.

The New York terminus is changed from La Guardia Airport to Idlewild on January 1, 1950 and the B-377 *Caribou* is placed into service on January 10. The first HP 81 to be officially accepted is the *Hanno*, received on February 7 and placed into service on February 22, one day after the first prototype of the de Havilland DH 106 Comet I jetliner makes its first pressurization flight. Meanwhile, the B-377 *Canopus* enters service on February 17.

On March 2, C-4 Argonauts reopen Central Atlantic service to the Caribbean and South America via Bermuda. The next day, another HP 81, the *Horsa*, is accepted, followed by the B-377 *Cabot* on March 9 and the HP 81 *Heracles* on March 20. The final Stratocruiser built is christened *Castor* and is delivered to London on March 24. New York–Bermuda L-049 services are suspended on March 31.

The London to Tokyo service is doubled on April 2 and C-4 Argonauts replace Avro Yorks on the London–Buenos Aires route on April 16, extending on to Santiago. The B-377 *Castor* begins London–Montreal flights on April 23; en route, the aircraft suffers an engine fire and loss of the No. 4 engine, but is able to make a safe emergency landing at Sydney, Newfoundland, with no injuries reported.

Due to Portuguese capacity rulings, BOAC assumes the Lisbon regional route from **British European Airways Corporation (BEA)** on June 2; the next day, C-4 Argonauts replace Avro Yorks on the London–Tehran multistop route. During June, the HP 81s *Hano* and *Horsa* undertake route-proving flights on the West African sector of the company’s route network.

The B-377 *Caledonia* is christened at Prestwick on July 1. The HP 81s *Hannibal* and *Hengist* are received on July 6 and 7, while a C-4 Argonaut en route to Formosa from Hong Kong on the latter day is attacked, but not damaged, by Chinese Communist MIG-15s.

The 10th Handley Page HP 81 Hermes 4 is delivered on July 11 and is christened *Helena* by Lord Pakenham during the handover ceremony at Heathrow Airport. Three sisters, *Hero*, *Horus*, and *Heron*, arrive between July 17 and July 20 while the world’s first turboprop airliner, the Vickers Viscount 630, is employed on experimental London to Paris service during July and August.

On August 6, the first operationally ready Hermes 4, the *Hengist*, begins HP 81 operations, replacing Avro Yorks on the London–Accra route, flown via Tripoli, Kano, and Lagos. Two more HP 81s, the *Homer* and *Herodotus*, join the fleet on August 24 and 29, respectively, followed by the *Hesperides* and *Hestia* on September 6 and 13.

On September 24, the HP 81s launch a four-times-per-week London–Nairobi frequency via Rome, Cairo, Khartoum, and Entebbe, replacing the Solent services while the L-049 *Bristol II* starts replacing Avro Yorks on flights to South America’s west coast. The HP 81 *Hera* is delivered on September 29.

The last Avro York service is flown Santiago–Nassau on October 7, after which the entire class is retired from passenger operations. The Hermes 4 *Halcyone* is delivered on October 12, followed by the *Helios* on October 30.

The HP 81 *Herodotus* inaugurates London–Johannesburg thrice-weekly multistop service via Kano, Brazzaville, and Livingstone on November 7, replacing the Solents which are now retired, thus ending the era of British flying boat operations that began in 1924.

The next day, B-377s inaugurate twice-weekly, direct 4½-hr. New York–Nassau services. The last regularly scheduled Solent arrives at the Marine Terminal, Southampton, from Johannesburg, on November 14. The next to last HP 81, the *Hyperion*, arrives on December 13. The year’s boardings rise to 196,512 (36,000 on the North Atlantic).

The L-049 *Baltimore* is so badly damaged in a crash at Filton, Bristol, on January 8, 1951, that it must be written off. The last production HP 81 *Hermes* 4, the *Honor*, is accepted on January 16; however, the last of the type to be acquired is the *Hector*, which arrives on February 21.

The B-377 *Champion* launches luxury, thrice-weekly London–New York “Monarch” service on March 1. During the month, proving flights are undertaken with a prototype de Havilland DH 106 Comet I. In an interline agreement with **Eastern Air Lines** and **Colonial Airlines**, the carrier begins roundtrip tours on March 24 from New York to the Bahamas and West Indies.

The first direct Montreal to Paris service is initiated on April 7. The nosewheel is lost and the fuselage and propellers are damaged when the B-377 *Cabot* makes a bad landing at Prestwick on April 25; no injuries are reported and the ship will be rebuilt.

Due to poor traffic, service along South America’s west coast to Santiago is withdrawn on April 28. “Monarch” frequencies become daily on May 1 and, two days later on May 3, New York to Bermuda service is resumed.

In July, East African services through Malta are dropped in favor of a Rome connection. Flights to the Far East are cut on August 19 as a result of the Iranian oil crisis.

On October 1, 51% control is taken in Bahrain-based **Gulf Aviation Company, Ltd.** The B-377 *Canopus* on October 8 flies Princess Elizabeth to Montreal for a Canadian tour while, on November 20, a Stratocruiser flies from Newfoundland to Scotland in a record 4 hrs. 23 mins.

Another B-377, on December 8, flies from Montreal to London in a record 9 hrs. 28 min. During an outbreak of mob violence in Cairo on Boxing Day, the offices of BOAC are destroyed.

Enplanements for the year total 243,692 (51,000 transatlantic).

On January 22, 1952, the company-sponsored de Havilland DH 106 Comet I, the world’s first Certificate of Airworthiness ever granted to a turbojet-powered civil airliner receives from British Minister of Civil Aviation J. S. Maclay. Due to riots in Cairo, HP 81 *Hermes* 4 services to East Africa and the Mideast are rerouted via Tripoli–Khartoum and Nicosia–Damascus from January 26 and February 10.

Meanwhile, on February 7, Queen Elizabeth II arrives at London from Entebbe aboard the C-4 Argonaut *Atalanta*; the day marks her accession to the throne. During takeoff from Tripoli later in the month, the *Hermes* 4 *Hannibal* sheds a starboard propeller blade that penetrates its fuselage alongside the galley; no injuries are reported and the HP is able to make a safe landing.

The first service operated through West Germany is inaugurated on April 2 as Frankfurt am Main is added as a stop on the London–Hong Kong frequency.

A DH 106 Comet I flies from London to Rome and back in just 4 hrs. 46 min. on April 21, cutting the conventional time in half. “Mayflower” and “Beaver” class flights are launched to the U.S. and Canada, respectively, on May 1. These are the world’s first North Atlantic tourist fares.

On May 2, the world’s first regularly scheduled service by a turbojet aircraft is inaugurated by a DH 106 Comet I (G-ALYP), with 36 passengers and piloted in turn by Capt. A. M. Majendie, J. T. A. Marsden, and R. C. Alabaster, over the 6,724-mile Johannesburg route. The flight is made in 23 hrs. 38 min. with stops (17 hrs. 16 min. actual flying time, which is two-thirds that of conventional airliners) at Rome, Beirut, Khartoum, Entebbe, and Livingstone. The Comet I returns to London on May 6. Three days later, it returns to South Africa, beginning a thrice-weekly roundtrip schedule.

Comet I proving flights to Singapore begin on May 15. On May 23, a DH 106 makes a VIP flight with Queen Elizabeth II, the Queen Mother, Sir Geoffrey and Lady de Havilland as passengers, over the Continent. The 4-hr. flight, which departs Hatfield, England, at 12:25 p.m., covers 1,850 miles at an average speed of 462 mph.

On May 26, after take-off from Tripoli for Kano, the HP 81 *Horus* with 8 crew and 10 passengers crash-lands in the Sahara southeast of

Port Etienne in French West Africa, 1,300 miles off course (1 dead). The cause of the accident is determined to have been a navigational error and the pilot and copilot will later be fired.

A Comet I proving flight departs for Tokyo on July 3, arriving 6 days later, and by July 10 the carrier has 6 Comet Is on U.K.–South Africa service. Weekly London–Colombo Comet I service is launched on August 11, with the DH 106 completing the 5,925-mi. voyage in 21 hrs. 35 min. (12 hrs. 10 min. less than that for a C-4 Argonaut) via Rome, Beirut, Bahrain, Karachi, and Bombay. The inaugural jetliner returns on August 14, but, due to fog, is 3 hrs. 42 min. late and must be diverted to Prestwick, Scotland.

The prototype of the Bristol Type 175 Britannia, powered by four turboprop engines, makes its maiden flight from Filton, Bristol, on August 16. On September 6, Capt. A. M. Majendie completes a 250,000-mile London–Singapore roundtrip Comet I proving flight.

As of October 1, BOAC has 135 trained crewmen available for jetliner service; 9 days later, on October 10, the company reports that its first 3 months of Comet services have been very profitable. On October 14, regularly scheduled Comet I flights begin over the route to Singapore. Late in the month, due to political upheavals, Tehran service is suspended.

On October 26, a Comet I en route from London to Johannesburg, lands safely at Rome after one engine fails. Tourist-class HP 81 services are started to Khartoum, Entebbe, Nairobi, and Tanganyika on November 17 and 21, respectively. The second U.K. to Japan Comet I test flight is completed on December 15.

Boardings for the year climb to 281,692 (66,000 on the North Atlantic). Revenues jump to £23.5 million and the loss falls to £3.3 million.

All of the company’s B-377s on transatlantic service are grounded between January 22 and January 30, 1953 as their engines are inspected and faulty bearing lubrication is discovered. London–Aden via Rome and Cairo, HP 70 operations start on February 4, with the Cairo–Aden segment being flown under contract to **Aden Airways, Ltd.** The Comet I fleet records its 10,000th (cumulative) flight hour on February 20 and, on March 1 HP 70 tourist-class flights begin to Lusaka.

London–Tokyo DH 106 Comet I service is introduced on April 3; the £260 one-way (£468 for roundtrip) flight over the carrier’s longest route (10,379 miles) requires 36 hrs. 20 min. Destinations visited en route include Paris, Dakar, Johannesburg, Colombo, and Singapore.

Two days later, on April 5, following a delay at Rome the previous day with engine trouble, the Comet arrives at Tokyo after a 36-hr. flight, still 50 hrs. less than conventional time on the route. A second Comet I, prepositioned at Tokyo, arrives at London on April 6, after a multistop flight of 92 hrs. 22 min. On April 15, Comet I pilot Capt. E. E. Rodley becomes the first commercial pilot to log 1,000 flight hours on jetliners.

On May 2, the first, Capt. M. W. Haddon’s Comet I (G-ALYV), having taken off from Calcutta’s Dum Dum Airport and ascending toward 10,000 feet, suffers structural failure six minutes later (as asserted by an Indian court on June 15) in a storm and crashes (43 dead). The disaster, which sees wreckage strewn over an 8-sq. mile area, is the first fatal accident involving a commercial turbojet airliner in scheduled service, and ironically occurs on the first anniversary of the Comet I’s successful and profitable operation.

A Comet I pilot lands safely on a 3,800-foot runway at Bombay on July 16, one which he has mistaken for the 7,000-ft. regular strip; he safely takes off from the same runway on July 24. In August, Jordan-based **Arab Airways (Jerusalem), Ltd.** is reorganized and an interest is acquired. During the summer, two former **American Overseas Airlines** L-049s are purchased from **Pan American World Airways (1).**

On September 13, the first South American-bound Comet I, commanded by Capt. A. P. W. Pain, leaves London and reaches Rio de Janeiro in a record 12 hrs. 30 min. the next day, half the time required by a propeller aircraft. The flight is made via Lisbon, Dakar, and Recife. At Rio, Capt. A. M. Majendie takes over the controls and returns the ship to London, flying via Natal, Dakar, Casablanca, and Madrid. The overall roundtrip requires 31 hrs. 40 min.

C-4 Argonauts replace HP 81s on the East African service on October 1; thereafter, the 19 Hermes 4s are temporarily retired. An order for their sale to independent charter carriers is frustrated when unionized BOAC maintenance workers protest and their union places a ban on their servicing any which might be transferred. In the first week of October, BOAC extends tourist-class services to its subcontinent, Persian Gulf, and African routes.

The B-377 *Canopus* on November 23 and 24 transports Queen Elizabeth II and Prince Philip to Bermuda for the start of a Commonwealth tour. In December, the company establishes **British International Airlines, Ltd.** in Kuwait.

The fleet at year's end includes 6 Avro Yorks, 9 HP Hermes 4s, 8 DH Comet 1s, 22 Canadair Argonauts, 10 B-377s, and 12 Constellations.

Enplanements are 290,156 (76,000 transatlantic) and the company enjoys its first profits since 1940. On revenues of £35.7 million there is a gain of £60,000.

En route from the Orient to London on January 10, 1954, a Comet I G-ALYP, commanded by Capt. A. Gibson, disintegrates 26,000 feet above a point between Elba and Monte Cristo, 25 min. after takeoff from Rome's Ciampino Airport (35 dead). Among the victims is Australian author Chester Wilmet. The entire jetliner fleet is grounded for inspection on January 12.

On January 23, weekly nonstop B-377 "Jamaican" flights start, London–Montego Bay.

The Comets are cleared to resume service on February 5. On February 28, a B-377 crash-lands at Reykjavik; no one is hurt. A Sikorsky S-51 is employed on March 8 to fly from New York's La Guardia Airport to Idlewild International Airport, also in New York.

The Constellation *Belfast* with 9 crew and 31 passengers en route from Australia to London, crashes while landing at Singapore on March 13 (33 dead). Comet I operations are resumed on March 23, the first service being run on the Johannesburg route.

En route from Rome–Cairo on a leg of that route operated on behalf of **South African Airways (Pty.), Ltd.**, a Comet I with a SAA crew crashes 70 miles off Naples on the evening of April 8, just after takeoff from Rome's Ciampino Airport (21 dead). All Comet Is are withdrawn from service the next day and its airworthiness certificate is revoked by Minister of Transport and Civil Aviation A. T. Lennox-Boyd.

C-4 Argonauts are introduced on the South American routes on April 11. **Qantas Empire Airways (Pty.), Ltd.** sells 5 Constellations to BOAC on June 20 to bolster the British carrier's long-haul fleet.

Due to a shortage of aircraft, 6 B-377s are purchased from **United Air Lines** on July 17; the next day, HP 81 Hermes 4s are reintroduced on the weekly African tourist routes to Nairobi and Dar es Salaam.

In August, an arrangement is concluded with **Capital Airlines** that will further increase the corporation's piston-engine capacity. Seven L-749A Constellations are acquired from the American carrier in exchange for all 7 of the corporation's L-049s, plus £1,375,000 cash and the cost of refurbishment. At the same time, the L-749A *Star of Colorado* is purchased from Howard Hughes and rechristened *Buckingham*.

After five years of service, the **United Air Lines** B-377 *Mainliner Hilo* is forwarded to BOAC on September 2. The "Monarch"-class New York–London frequency is extended to Cairo on September 4. *Balmoral*, the first L-049 received in 1946, is the first sent to the U.S., departing the U.K. on October 8. On October 19, the Royal Aircraft Establishment publishes the results of its probes into the Comet crashes of January and April; both, it concludes, were caused by metal fatigue. The former **United Air Lines** B-377 *Mainliner Kauai* is acquired on October 27; it will be refurbished and repainted and enter service as the *Coriolanus*.

The window of a B-377 en route from New York to London on November 29 with 33 passengers blows out at 25,000-ft. off the Irish coast; no one is hurt by the depressurization and the pilot drops his aircraft to 11,000 ft.

The *Mainliner Kano* is secured from **United Air Lines** on December 1 and the HP 81s are again withdrawn on December 4. The Stra-

tocruiser *Mainliner Hana Maui* is delivered from **United Air Lines** on December 16.

While landing at Prestwick Airport on December 25, the B-377 *Cathay*, with 11 crew and 25 passengers, underflies the runway, turns over, and crashes (28 dead); USAF personnel are able to rescue 7 crewmen and 1 passenger.

On December 29, the B-377s *Mainliner Hawaii* and *Mainliner Waipahu* are brought in from **United Air Lines**. Also, between this day and December 30, a diamond shipment valued at \$2.2–\$2.8 million is recovered from the Prestwick wreck of the *Cathay*; however, a number of gems remain missing.

Bookings for the year drop to 281,373 (68,000 on the North Atlantic).

The court of inquiry appointed to look into the previous year's Comet I disasters makes its official report on February 11, 1955, blaming metal fatigue. On February 16, the government reports that the Comet Is on hand will not be modified due to the cost of the changes; all will be scrapped.

Reconfigured, the former United Stratocruiser *Mainliner Hawaii* is rechristened *Cleopatra* and inaugurates service on March 1 from London to Lagos via Kano and Accra. Early in March, 48% interest is taken in **Middle Eastern Airlines, S.A.L. (1)**. During the same month and with support from **British European Airways Corporation (BEA)** and **Hunting-Clan Air Transport, Ltd.**, the holding company Associated British Airlines (Middle East) is established to coordinate investments in several of the Mideast's carriers. On March 31, a third of **British European Airways Corporation (BEA)**'s interest in the Italian carrier **Alitalia, S.p.A.** is purchased.

Having been refurbished and renamed *Calypso*, the former United Stratocruiser *Mainliner Hilo* reaches London on April 9. Also in April, the 3 Lockheed L-1049D Constellations *American Air Trader*, *Paris Air Trader*, and *Zurich Air Trader* are leased from **Seaboard & Western Airlines** to operate roundtrip New York–Bermuda all-cargo services over the next two years.

Tourist-class London–Sydney Constellation service is started on May 9, and on May 14 London–Karachi C-4 Argonaut flights are inaugurated, followed by the introduction of a London–Hong Kong "Majestic"-class Constellation frequency on May 19. Meanwhile, the former *Mainliner Kano*, refurbished and rechristened *Clio*, arrives at London on May 15; it will be used exclusively for charter flights. It will be joined by the *Cabot* and *Canopus*, which have been diverted from their transatlantic service. Constellations assume the weekly Singapore–Hong Kong Service on May 22 and, the next day, the weekly Johannesburg run. Refitted and renamed *Cordelia*, the ex-United B-377 *Mainliner Hana Maui* arrives at London, also on May 23.

The first-class London–Singapore route is taken over by Constellations on June 14 and the Lockheed type replaces C-4 Argonauts on the Karachi flights beginning June 25. The last L-049 to be handed over to **Capital Airlines** arrives in the U.S. at month's end.

In August, orders are placed for Douglas DC-7Cs and on September 21, the C-4 Argonaut *Altair* with 7 crew and 40 passengers crashes near Idris, Libya, while attempting to land at Tripoli during a sandstorm (14 dead).

Piloted by de Havilland's chief test pilot, John Cunningham, a Comet 2 completes a test run in early October on the U.K. to South Africa route, with a stopover at Rome, and return flight. In November, Cairo is dropped as a stop on the Johannesburg route and the first two Bristol Britannia 102s are delivered on December 30.

Despite the Comet I disasters, boardings total 371,215 overall, as transatlantic enplanements rise to 74,000. Revenues are £35.6 million and there is a profit of £1.2 million.

On February 2, 1956, Frankfurt am Main and Milan are added as stops on the Singapore freight service, which now employs HP 70s instead of Avro Yorks. The Ministry of Supply pulls together representatives from BOAC and BEA, together with engineers from seven British aircraft and engine builders, to form a working group to examine the possibilities of creating a U.K. supersonic transport (SST).

Former **British European Airways Corporation (BEA)** Chairman Gerard d'Erlanger succeeds Chairman Sir Miles Thomas during the first quarter.

In April, the 3 Constellations leased from **Seaboard & Western Airlines** are returned as **British West Indian Airways, Ltd.** (2) Vickers Viscounts take over the Bermuda–London cargo service that they had been providing. An Avro 685 York C.1 is destroyed in a ground accident at Idris, Libya, on April 22.

Refurbished and renamed *Cameronian*, the former **United Airlines** Stratocruiser *Mainliner Waipahu* is delivered to London on June 6.

Having failed its initial climb away from Kano, Nigeria, on June 24, the C-4 Argonaut *Argo* with 7 crew and 38 passengers is destroyed during a forced landing after hitting a stand of trees (32 dead).

Service to Egypt is ended during the Suez Crisis in the fall, while the first DC-7C is delivered on October 15.

Also during the fall, senior flight attendant Cynthia Apthorp recalls *How I Became an Air Stewardess* (London: Thomas Nelson, 1956).

Established by the Ministry of Supply earlier in the year, the Supersonic Transport (SST) Aircraft Committee holds its first meeting on November 5. On November 8, orders are placed for 16 Boeing 707-436s, powered by Rolls Royce Conway turbojets.

Traffic this year recovers only slightly as 395,989 passengers are carried; the North Atlantic continues to grow, up to 90,000.

The fleet, at the beginning of 1957 includes 7 Bristol Britannias, 8 Argonauts, 16 Stratocruisers, 9 Constellations, and 6 DC-7Cs.

DC-7C London–New York “Monarch” frequency is inaugurated on January 6. On February 1, Bristol Britannia 102 “whispering giant” London–Johannesburg flights commence—the first BOAC service with turboprop aircraft. The inaugural flight is made via Rome, Khartoum, and Nairobi in 22 hrs. 50 min. DC-7Cs on first-class flights are replaced with Stratocruisers on February 11.

Thrice-weekly London–Sydney Britannia 102 operations are launched on March 2 and on March 10–11, nonstop London–San Francisco via New York, DC-7C service is begun. Also in March, the carrier stops flying to Damascus in sympathy with **Air France**, which has been banned from Syrian air space.

On May 3, the B-377 *Calypso* inaugurates service to London on behalf of **West African Airways Corporation (WAAC)**. On May 25, Egypt authorizes the carrier to resume services to Cairo; the airline weighs the offer and declines. Also in May, a 10-year contract is signed with **Central African Airways Corporation** for the operation of that carrier's long-haul routes.

Flights to Damascus resume on June 26. In the course of a June 29 proving flight, a Britannia 310 with 139 passengers makes the first non-stop airliner flight London–Vancouver in 14 hrs. 40 min.; Britannia 102 Tokyo service is inaugurated on July 16.

Flown for nearly 20 years, the Canadair C-4 *Arcturus* is finally sold in early August. On August 22, Britannia 102s replace Constellations on the London–Aden run; the Bristols also replace Lockheeds on the Colombo routes as of September 17.

The first proving flight of a Britannia 312 from London (LHR) to New York (IDL) is completed without incident on September 27 in 11 hrs. 39 min. The return, three days later, is marred by icing that puts two engines out and forces the plane to divert to Miami (MIA) for repairs. On October 18, weekly nonstop Montreal–Nassau DC-7C flights begin.

The last two Avro Yorks are retired on November 22 and BOAC Associated Companies, Ltd. is formed on November 30 to take over the management and assets of its subsidiary companies. A Britannia 312 (G-AOVC) piloted by Capt. A. Meagher on December 19 undertakes the first transatlantic London–New York passenger proving flight by a turbine-powered (turboprop) airliner; regularly scheduled service commences on December 22.

At a point 500 miles E of Gander on Christmas Day, a B-377 has a runaway propeller on its No. 4 engine. With advice from a nearby **Pan American World Airways (1)** Stratocruiser crew, Capt. Val Croft is able to reach his Canadian destination and land his giant piston-engine airliner safely.

The year's bookings increase to 459,144; transatlantic enplanements remain a bright spot, rising to 105,000. A £2.1-million profit is made on revenues of £48.6 million.

A contract is signed with Vickers on January 14, 1958 for the eventual delivery of 15 VC10 jetliners. With 1,135 Atlantic crossings to her credit, the Stratocruiser *Cabria* is retired on January 21. Holding 49% interest, BOAC Associated Companies participate in the creation of Labuan-based **Borneo Airways, Ltd.** in March.

Britannia 312 London–Chicago (ORD) via Prestwick, Montreal (YUL), and Detroit (DTT), services are launched on April 17 while Tehran frequencies are restarted with Britannia 102s on April 22. On May 3, a London–Melbourne Britannia 102 route is introduced; three days later, 312s replace DC-7Cs on the San Francisco run.

Under BOAC management, **Kuwait Airways, Ltd.** is reorganized on June 1. The B-377 *Cordelia*, under charter to **Ghana Airways, Ltd.** and painted in its colors, commence London–Accra flights on July 16 and on July 27, Britannia 312s are placed on the Johannesburg route. After 1,115 Atlantic crossings, the Stratocruiser *Caledonia* is retired on August 4; it is followed by the *Cabot*, a veteran of 956 transatlantic flights, on September 12.

Two days later, on September 14, the first DH 106 Comet 4, piloted by Capt. John Cunningham, arrives at London via Bombay and Cairo from Hong Kong in a record 16 hrs. 16 min. The second Comet 4 departs London later in the day for a tour of the Americas. Both are officially delivered on September 30.

On October 4, the two new acquisitions, G-APDC piloted by Capt. R. E. Millichap and G-APDB flown by Capt. T. B. Stoney, operate the first simultaneous east–west/west–east turbojet service over the North Atlantic, passing within 300 miles of each other at 47 degrees west at 13.35 GMT. The flight from New York to London, with BEA Managing Director Basil Smallpiece as guest, is completed in a record 6 hrs. 12 min., while the London to New York service requires 10 hrs. 20 min. Weekly transatlantic Comet 4 service is thereafter begun, but after only a few flights it is suspended due to a strike.

The Constellation *Bournemouth* lands at London from Abadan on October 6; thereafter, all Constellations are retired. From October 14–17, maintenance workers strike and return to work only after government intervention; a court of inquiry finds that the strike has been caused by “disruptive” Communist elements among the workers. In mid-month, 6% minority interest is acquired in the Turkish carrier **Türk Hava Yolları, A.O.** Britannia 312s begin thrice-weekly London–Caracas flights on October 28, thereby reopening South American service.

On November 11, regularly scheduled New York–London and New York Comet 4 daily service officially begins as the last vestiges of the work stoppage end. With **Trans World Airlines (TWA)** still flying Constellations, the corporation becomes the second-ranking North Atlantic carrier after **Pan American World Airways (1)**.

Early in December, Constellation freighters of **Seaboard & Western Airlines** begin operating charter London–New York all-freight services for BOAC under contract. Weekly London–Montreal Comet 4 service is undertaken on December 19. A Bristol Britannia 312, with five crew and seven passengers, crashes at Winkton while on a December 24 training flight (nine dead).

The year's enplanements accelerate to 470,437, including 149,000 transatlantic travelers.

Multistop London–Doha Britannia 102 service is inaugurated on January 6, 1959. Later in the day, after 1,145 Atlantic crossings (first to New York and then to the Caribbean), the B-377 *Caribou* is retired. Just after takeoff from Accra on January 18, the B-377 *Coriolanus* sheds a propeller; the Stratocruiser is able to return and land safely. On January 20, Prince Philip departs on a Comet 4 on the first leg of a Commonwealth tour and the next day a Comet 4 undertakes a London–Tokyo proving flight.

On February 14, the company charges that two Nationalist Chinese jet fighters buzzed the Comet 4 en route to Tokyo as the jetliner winged

north from Hong Kong; although the Taipei government denies the charges, the Comet crew is able to produce photographs showing a near collision. A San Francisco–Tokyo Britannia 312 proving flight is undertaken on February 23.

In early March, 30% shareholding is acquired in **Malayan Airways, Ltd.** Unable to find a buyer for its last unsold HP 81 Hermes 4, the *Heron*, BOAC now sells it for scrap. On March 12, the B-377 *Canopus*, a veteran of 1,043 Atlantic crossings, is sold out of service; she is followed on March 14 by the *Castor*, which has 1,087 transatlantic flights to her credit. The first London–New York nonstop Comet 4 flight is made on March 24.

An around-the-world service is started by the Britannia 312 G-AOVT on March 31; the turboprop, flying from Heathrow via New York, San Francisco, Honolulu, and Tokyo, arrives at Hong Kong where it meets the Comet 4 G-APDH, which has also flown in from Heathrow via Tokyo. The Bristol's passengers transfer to the jetliner and continue on to London. Failure to obtain transpacific rights from San Francisco to Honolulu forces scheduled operation of the route to be postponed. The situation will be debated at the highest levels.

London–Lagos Britannia 102 flights commence on April 13 followed by introduction of the type on the Accra run three days later.

The first Boeing Stratoliner powered by Rolls Royce Conway Mk. 508 engines makes its maiden flight May 19. The B-377 *Coriolanus* lands at London from Accra via Kano and Barcelona on May 31, completing the final Stratocruiser service; thereafter, the type is retired.

Scheduled Comet 4 London–Singapore service is inaugurated on June 1–3, the first regular jetliner service between Europe and the Far East. The return Singapore–London flight is made on June 3–5. A Comet 4 with 43 aboard lands safely after crashing through a steel runway barrier at New York (IDL) on June 21.

Under contract, a multistop all-cargo route with **Skyway, Ltd.**'s L-749As is opened to Hong Kong on July 22; four days later, a high-speed, same-day 5-stop Hong Kong–London Comet 4 frequency is started. After 376 Atlantic crossings, the B-377 *Cleopatra* is sold on July 27 and, on July 28, Prime Minister Harold Macmillan publicly reports that BOAC has repeatedly sought permission for transpacific traffic rights from the U.S.

While en route from Zurich to Boston on July 29 on its final transatlantic service, the B-377 *Cameronian* is forced to feather its No. 4 engine and divert to London. After repairs, the plane takes off again for America the next day. Some hours out of Shannon, Ireland, No. 4 blows again and must be feathered once more. The giant plane successfully reaches Shannon and lands safely; those aboard are put up at airline expense at hotel near the airport. The carrier dispatches a DC-7C to Ireland and the next morning the *Cameronian's* customers continue across the Atlantic. The Boeing returns to the U.K.

The Stratocruiser *Coriolanus*, which has flown across the Atlantic 290 times, is sold on July 31; it is followed by the *Cameronian*, a veteran of almost 282 crossings, on August 3.

On August 7, President Eisenhower personally authorizes transpacific stops for BOAC. Two days later, on August 9, a B-377 en route to London is forced to return to New York after a passenger's child chews 13 pieces of provided medicated gum designed to prevent air sickness; the incident costs the airline \$1,425. On August 22, the regularly scheduled around-the-world service finally begins with a Britannia 312 from London flying via New York, San Francisco, and Honolulu, and connecting at Tokyo with a Comet 4 from the east.

On September 9, two Japanese writer-passengers arrive at Tokyo after making the around-the-world flight, encouraging fellow citizens to fly with BOAC. Also in September, the B-377 *Clio*, which has made 288 Atlantic crossings on charter flights, is withdrawn. A London competition is started with **Trans World Airlines (TWA)** on October 17 for the recruitment of British women to become stewardesses.

Comet 4 three-day multistop London–Sydney flights begin on November 1 followed by the introduction of London–Rome–Johannesburg service on December 2. The jetliner arrives in South Africa from London

(LHR) on December 3. Later in the day, the first return trip is started; however, bad weather forces it to divert from a stop at Rome to Naples. Still, the 11,169-mile roundtrip is accomplished in 32 hrs. 29 min.

Meanwhile, on November 25, the carrier joins with **British European Airways Corporation (BEA)** in setting up a pilot training college to overcome pilot shortages. On December 4, an agreement is signed with **Air India, Ltd.** and **Qantas Empire Airways (Pty.), Ltd.** for integrated services on the Europe–Australia route, effective April 1, 1960.

The year's bookings jump to 587,372 (211,000 on the North Atlantic). Revenues jump to £57.9 million, while profits fall to £800,000.

On January 1, 1960, BOAC becomes coequal owner with **Qantas Empire Airways (Pty.), Ltd.** and **Tasman Empire Airways, Ltd.** of reconstituted **Fiji Airways, Ltd.** Comet 4s reopen service to Brazil, Chile, Argentina, and Uruguay on January 25 and 26, following with services to Montego Bay on February 2. A new pool agreement comes into effect with **Trans-Canada Airways, Ltd.** on March 1 as BOAC Comet 4s begin flights to Toronto.

Dusseldorf is added as a stop on the Sydney and Delhi routes on April 2 and the C-4 Argonaut *Aurora* lands at London from Abadan on April 8 completing the last Canadair Four service; thereafter, the type is retired. Cairo is reinstated to the route network (after a four-year absence) on April 10 as a stop on the London–Hong Kong Comet 4 frequency. Britannia 102s replace Argonauts on the Abadan service on April 13.

The first Boeing 707-436 is delivered on April 29 and is placed on the New York route on May 27. The first of 18 on order to be received, the new aircraft is powered by Rolls Royce Conway 508s and is the only version of the B-707 to use British engines. On June 13, London–Boston Comet 4 flights commence and orders worth £25 million are placed on June 23 for 10 Vickers VC10s. During the month, BOAC sells a number of its withdrawn C-4 Argonauts to Overseas Aviation, Ltd., an aircraft broker.

Sir Matthew Slattery succeeds Sir Gerard d'Erlanger as BOAC chairman on July 29. At the end of the summer, flight attendant Irene Milburn publishes her recollections, *Runways to Adventure* (London: Robert Hale, 1960).

Operating its aircraft in pool, the carrier assists **East African Airways Corporation** on September 4 to open Comet 4 jetliner service from England to Nairobi via Rome. Twice-weekly London and Prestwick–Montreal (YUL), Detroit (DTT), and Chicago (ORD) B-707-436 flights are launched on September 24 and on October 1, economy class is introduced on the Johannesburg run.

Low-fare "Skycoach" flights are introduced on October 4 on routes to central and east Africa. These fares are also initiated on services to Montego Bay and Kingston on October 15, Singapore and Hong Kong on October 17, Barbados and Trinidad on October 22) and Bermuda and Nassau on November 5.

The last scheduled twice-daily Comet 4 North Atlantic flight is made New York–London on October 16; in two years of operation, the Comet 4s have completed 2,304 transatlantic flights with no in-flight engine problems, a new record for an aircraft type. The B-707-436 New York route is extended, on October 20, to San Francisco.

On November 1, a **Middle East Airlines, S.A.L. (1)** Comet 4 leased from BOAC begins Bahrain–London service; the same day, the British flag carrier introduces 6-stop London–Karachi Comet 4 frequency.

A Bristol Britannia 102 with 9 crew and 18 passengers makes a hard landing at Khartoum on November 11; although the aircraft must be written off, there are no fatalities.

Twice-weekly London–Tripoli and Benghazi Britannia 102 flights commence on December 1, followed three days later by the introduction of DC-7F all-cargo runs from London and Prestwick to New York.

On December 8, the carrier's Stratoliners take over the around-the-world service previously operated by Britannias. Twice-weekly London–Hong Kong B-707-436 service is introduced via New York, San Francisco, Honolulu, and Tokyo, connecting with the Comet 4 westbound

service from Hong Kong to London. The first of the new circumnavigations is completed after a Comet 4 departs Hong Kong for London (LHR) on December 11.

The year's boardings are up significantly, to 785,082, with 254,000 of those booked on the North Atlantic.

The fleet in 1961 now includes 15 B-707-436s, 19 Comet 4s, 17 Britannia 312s, 15 Britannia 102s, 8 DC-7Cs, 2 DC-7Fs, and 1 Argonaut, with orders outstanding for 15 VC10s and 30 Super VC10s. Engineers and ground crew strike between January 2 and June 30. Los Angeles to London B-707-436 flights begin on March 3 and, on March 9, the Arab League threatens to blacklist the airline if it begins Tel Aviv service. The company becomes self-insured for its propeller liners on March 28.

BOAC loses its monopoly on British service to the U.S. on June 22 as the government grants a route to **Cunard Eagle Airways, Ltd.** Six Britannias suspected of having cracked tail-hinge brackets are withdrawn for X-ray inspection on July 8–10. Maintenance workers strike between July 15–20, forcing the cancellation of services in and out of London.

Passenger operations are transferred from London (Heathrow) Airport North to London Airport Central on November 13. During the year, Monica E. Tyndall, BOAC's cabin services training unit instructor and former flight attendant, publishes her memoirs, *Air Hostess* (London: Robert Hale, 1961).

In terms of passenger miles flown, the carrier now ranks 8th in the world; it is 9th in terms of freight ton-miles (5th on the North Atlantic). Transatlantic bookings alone top 270,000, out of 890,000 sold. Revenues surge to £88 million pounds and costs allow a £4.3-million gain.

Weekly, 25-hr. Britannia 312 service is inaugurated in January 1962 from London (LHR) to Mauritius via Rome, Khartoum, Nairobi, and Antananarivo. The relationship it enjoyed with **KLM (Royal Dutch Airlines, N.V.)** ends on March 30, when **Air Ceylon, Ltd.** signs a technical and commercial contract with BOAC. The Dutch Electra previously employed returns to Amsterdam and the Singalese routes are flown under charter by the British line's de Havilland Comet 4s, painted in Air Ceylon colors.

The Cunard Steamship Company, having deserted **Eagle Airways, Ltd.**, joins with the state-run carrier to form BOAC-Cunard, Ltd. on June 1. A B-707-436 crash-lands at sea between Antigua and Barbados on July 23 (one dead).

Test pilot Brian Trubshaw commands the first flight of the British-assembled Concorde 002 from the Filton Airport at Bristol on September 9.

Delivery positions for the Concorde supersonic transport are booked with Aerospatiale/BAC on November 15. Comet 4s replace Britannia 312s on the Mauritius route in November, cutting the travel time to 17 hrs.

During the year, 3 more B-707-436s are placed in service as 3 Britannias are retired. North Atlantic bookings accelerate to 298,000.

On September 20, 1963, in protest of South Africa's racial policies, the company joins with **Central African Airways Corporation** in withdrawing from a profit-sharing pool with **South African Airways (Pty.), Ltd.**

Canadair CL-44 cargo transports are introduced on the North Atlantic route on October 1.

Systemwide, enplanements total 1,108,000 with 280,673 of these on the transatlantic frequencies. Although revenues are up to £92.4 million, there is a £4.7-million loss.

Sir Giles Guthrie becomes chairman on January 1964 and brings in a new management team that features Charles Hardie, accountant/chief financial officer, who will sort out the company's finances.

A Comet 4B with 69 aboard en route from Southern Rhodesia to London on February 4, lands in a Kenya game preserve that the pilot mistakes for Nairobi Airport; the confused pilot is fired a week later. Meanwhile, on February 7, the carrier becomes the 10th to place orders for the U.S. supersonic transport that is yet to be built; although 6 delivery positions are acquired, none will ever be activated.

Paris to Leopoldville flights are initiated on April 21 and VC10 passenger service is launched over the London–Lagos route on April 29. Later, VC10s extend the African routes from London to Tokyo via India.

In a highly embarrassing incident, a B-707-436 pilot dies minutes after his plane lands at New York (JFK) on November 11 on a flight from London. It is determined that the man is dead of acute alcoholism and a probe is launched to find out why medical and flying tests failed to reveal his condition.

Airline employment is 19,948 and BOAC/BEA Medical Services are merged on December 18. During the year, the Canadair C-4 *Arcturus*, a longtime favorite that flew for nearly 20 years before its 1957 retirement and 1964 sale, is reacquired and assigned to the company's Heathrow Airport Air Training School.

On the year, passenger boardings rise 16% to 1.2 million—366,893 on the North Atlantic, a 23.5% jump. A record operating profit of \$42 million is recorded. The first "clear profit" in eight years (\$19 million) is realized on record revenues of \$319.2 million.

The fleet, at the beginning of 1965, includes 3 Britannias, 17 Comet 4s, 12 VC10s, and 20 B-707s. Airline employment grows to 18,996.

In March, the British Minister of Aviation announces that BOAC's 25-year accumulated £80-million debt will be written off. On April 25, BAC Super VC10s are introduced on the North Atlantic. The company reveals, on June 20, that a jetliner on a Far Eastern flight in May was contaminated by a Chinese A-bomb test.

On September 28, the airline's marketing director for Germany bans an ad featuring Marlene Dietrich; her alleged anti-German statements during World War II are given as the reason.

The logotype is changed with BOAC lettering altered and Speedbird symbol redesigned. Routes are extended to Freeport, Georgetown, and Nandi, and on November 24 Auckland–Fiji service is opened as the first step in a plan to operate across the South Pacific. A new freight terminal is opened at New York (JFK).

Longtime company aviator Capt. Wilfred Ercon retires during the year; 15 years later, he will publish his memoirs, *Three Decades a Pilot* (Tunbridge, Eng.: Spellmount, 1990).

Freight traffic rises and enplanements for the 12 months jump 14% to 1,333,069. Revenues reach £114.4 million and there is a profit of £16.8 million.

The Air Corporation Act, providing for the carrier's capital reconstruction, receives Royal Assent in March 1966. On March 5, a B-707-436 with 11 crew and 113 passengers crashes into Mt. Fujiyama, Japan, after takeoff from Tokyo to Hong Kong. All aboard are killed, including 75 sales representatives from the Therma King company.

Super VC10s are placed on the New York to Scotland route on April 2 and, two days later, jetliner service is opened London–Bermuda and Mexico City. The same month, service is resumed to Brisbane and new flights are inaugurated to Perth and Dubai. A B-707-436, with 70 aboard, returns to London on May 5 after being hit by lightning just after takeoff.

Stewards and stewardesses on August 22 sign a petition protesting that the faster aircraft being introduced make it difficult for them to serve passengers the more elaborate meals advertised; they also protest a lack of proper attention to on-board equipment. Chairman Guthrie denies the charges. On September 1, 6 B-747 Jumbojets are ordered from Boeing.

Profit on the year is \$22.4 million and 1,446,000 passengers are flown.

The 45-plane all-jet fleet in 1967 includes 19 B-707-432s, 3 B-707-336Cs, 12 VC10s, and 11 Super VC10s. Orders are outstanding for 6 Super VC10s, 11 B-747s, 1 B-707-336C, and 14 SSTs, the latter on option.

South Pacific service begins on April 1, as a B-707-432 departs London for Sydney via New York, San Francisco, Honolulu, and Fiji. On the same day, BOAC Engine Overhaul, Ltd., a wholly owned subsidiary, starts trading at Treforest, South Wales.

On August 9, a VC10 lands safely after losing a wing flap during its approach to New York (JFK); the flap falls on a new Hyde Park home.

The employee population reaches 19,416 and enplanements for the year total 1,530,642. Net profit climbs to £23.2 million (\$66.9 million) on revenues of £137.4 million.

The workforce in 1968 is 20,921. Just after takeoff from London on April 8, the engine of Flight 712, a B-707-436 with 11 crew and

116 passengers, catches fire and causes the jetliner to crash near Heathrow Airport (5 dead). The undamaged nose and cockpit will later be employed to repair that of **Trans World Airlines (TWA)** B-707-331B that was blown off by a terrorist bomb.

Pilots strike over pay and productivity between May 17 and July 1; over 1,000 pilots are idled and 46 planes are grounded. The job action demonstrates that these flyers work less and earn more than their European or U.S. colleagues. On the other hand, the company is not ready to support their demand that they be allowed to work longer hours.

All-cargo B-707-336C service is begun on October 1 on the London–Australia routes.

On November 1, the Boeing order is increased to 12 Jumbojets and, on November 7, the BOADICEA computer complex is formally opened. A two-week pilot strike costs the carrier its ranking as the largest non-Communist international airline outside of the U.S., an honor that briefly passes to **Air Canada, Ltd.** An estimated \$17–\$20 million in losses are incurred for the year, due mainly to the work stoppage.

Enplanements are 1.52 million and revenues total \$360.7 million.

Keith Granville succeeds Sir Giles Guthrie as chairman/managing director on January 1, 1969; the fleet now includes 28 VC10s and 23 B-707-432s.

A B-707-432 London–Anchorage–Osaka polar route is now opened. Meanwhile, pilots strike for higher pay on March 31 and all company services are halted the next day. The issues of the job action are settled on April 5, allowing flights to resume the next day. The first Anglo-French Concorde assembled at the BAC plant at Filton makes its premier subsonic flight on April 9.

On September 12, the company announces U.K. tours for American bachelors, which include blind dates with British girls to be arranged by a computer dating service. The plan stirs protests in the House of Commons the next day and although the airline defends the concept, it suspends its plan on September 14 “pending further investigation.” The premier Concorde supersonic flight is completed on October 1; the SST will reach Mach 2 the following year.

Traffic during the 12 months rebounds to 1.8 million. Revenues are £169.6 million and there is a gain of £21.9 million.

On February 27, 1970, the carrier offers its pilots a pay raise of up to \$3,600 per year for piloting Jumbojets. Delivered in the famous golden Speedbird color scheme, the first 2 B-747-136s arrive on April 20 and May 22, respectively, and are christened *Peterborough* and *Newcastle*.

The start-up of B-747-136 service is delayed on May 27 by a dispute with the British ALPA as to whether there should be two or three pilots on the flight deck, in addition to a flight engineer. The new Jumbojets will be idled at London (LHR) for the remainder of the year causing huge financial losses.

A B-707-432 trans-Siberian London–Moscow–Tokyo service is inaugurated on June 2. The third B-747-136 is delivered on June 29 and is named *Belfast*. En route from Bangkok to Hong Kong with 124 aboard on August 25, a B-707-432 is forced to dive 2,000 feet over the South China Sea to avoid collision with 3 USN aircraft; 14 passengers are injured.

En route from Bombay to London on September 6, Flight 775, a Super VC10 with 114 passengers is hijacked by Popular Front for the Liberation of Palestine guerrillas. Just after takeoff from an intermediate Bahrain stop, they force the plane to fly to Zerqa, a military air base 20 mi. N of Amman, Jordan. Like the passengers from **Swissair, A.G.** and **Trans World Airlines (TWA)** jetliners also captured this morning, those aboard the BOAC aircraft will be held for 6 days and then freed, as the aircraft are all flown to Syria and blown up.

Princess Alexandra officially opens the airline’s new passenger terminal at New York (JFK) on September 24.

Having been first acquired in the summer of 1949, the Canadair C-4 *Arcturus*, for the past six years at the company’s Heathrow Airport Air Training School, is withdrawn and scrapped.

In November, **Air Ceylon, Ltd.** announces its decision to terminate its commercial relationship with BOAC and to enter into a new affiliation with **UTA French Airlines, S.A.**

Freight traffic for the year drops 5.7%; however, passenger boardings rise 4.7% to 1.9 million. Employment jumps 8.6% to 24,000. In terms of freight ton-miles at the dawn of a new decade, BOAC ranks as the 8th largest airline in the world. It is also 8th in terms of employment and with 53 airliners and its fleet is ranked 21st.

In February 1971, a new London Inter-Continental Hotel, The Portman, is opened. Two more B-747-136s, the *Southampton* and *Westminster*, arrive on March 5 and 14, respectively.

By government order, BOAC routes to West Africa and Libya are transferred to **British Caledonian Airways, Ltd. (BCAL)** on March 31. The same day, the BOAC commercial pact with **Air Ceylon, Ltd.** is officially terminated, although technical arrangements continue. The British line’s contract will allow it to put wet-leased Vickers Armstrong VC10s onto **Air Ceylon, Ltd.’s** trunk routes.

Early in April, a contract worth \$7.2 million is obtained to provide complete management computer services for **Malaysia-Singapore Airlines, Ltd.**

Following resolution of the manpower disagreement with BALPA and settlement of a pay dispute with flight engineers, the first B-747-136 service is inaugurated on the North Atlantic on April 19 from New York to London and Bermuda, four days later than advertised. The same month, the carrier receives the Queen’s Award to Industry for Export Achievement. Daily B-747-136 transatlantic flights commence on May 9.

On July 15, Jumbojet flights are started from London to Toronto via Montreal. En route from Montreal to London on August 3, a B-747-136 is diverted to Denver, Colorado—which has an altitude of 5,300 feet—after receiving a phone call warning that there is a bomb aboard the Jumbojet set to go off at a low altitude and demanding \$250,000 in cash. The Boeing lands safely and no bomb is found.

On August 5, the Civil Aviation Act becomes law, providing for the formation of a British Airways Board. The sixth B-747-136, *London*, arrives on September 8 and, for financial reasons, mid-Pacific service is eliminated on November 1, with San Francisco dropped from the route that connects Hong Kong with Tokyo and Honolulu. The B-747-136 *Inverness* is delivered on November 23 and a B-707-432 is turned over to BEA Air Tours, Ltd. in December.

Enplanements for the year are 1.89 million and revenues are up to £195.5 million. Profit plunges to £5.9 million.

Airline employment in 1972 stands at 24,682 and an unnamed B-747-136 arrives on January 7. The British Airways Board holds its first meeting on January 10 and, on April 1, assumes ownership of British Overseas Airways Corporation (BOAC), **British European Airways Corporation (BEA)**, and their associated companies. Meanwhile, on March 21 and 24, the B-747-136s *Sheffield* and *William Shakespeare*, are received.

Beginning on April 9, the carrier offers a series of 29-day Himalayan wildlife tours in northern India, Sikkim, and Nepal. The B-747-136 *Nottingham* arrives on April 19 and, also in April, the Queen’s Award to Industry is again received. On June 1, the company signs a contract for 5 Concorde SSTs. The first *Report on British Airways Organization* is approved by the government. During the summer, B-747 Jumbojet routes are opened London–Chicago (ORD), Detroit (DTT), Boston, and Miami.

On September 1, BOAC/BEA and their associated companies are merged under unified top management in the British Airways Group. On December 22, more than 300 Christmas travelers are stranded in London after the airline cancels ITGS charter flights to New York on the grounds that the passengers are not eligible under international air charter regulations to be members of their charter group.

On Christmas Eve, the carrier, not wishing to offend America from where most of the passengers originate, makes arrangements for the travelers to give “undertakings regarding payment of scheduled fares” and flies them back to New York.

Passenger boardings on the year rise 18.2% to 2,325,000 and freight traffic, with a 25.8% boost, makes BOAC the 4th largest North Atlantic cargo carrier.

The second and third *Reports on British Airways Organization* are approved on January 22 and November 22, 1973, respectively. The B-747-136 *Bristol* is delivered on May 3 and London–Washington, D.C. Jumbojet service is begun in late spring.

A B-747-136 en route from London to New York on June 21 with 153 passengers, skids off the runway during its landing at New York (JFK); no injuries are reported.

When the Anglo-French Concorde arrives at the new Dallas (DFW) from Caracas, Venezuela, to participate in the dedication of the world's largest airport on September 20, it is the first SST to visit the United States.

In recognition of the Europeans' supersonic technology and the day's occasion, President Richard M. Nixon awards the plane's test pilots, Captains Andre Turcat and Brian Trubshaw, the Harmon International Aviation Trophy in special White House ceremonies. In cooperation with New York's Vision Travel Agency, the airline, on October 1, offers a 22-day Australian tour timed to coincide with the opening of the new Sydney Opera House.

The B-747-136 *Leicester* enters service on November 7, followed by the Jumbojet *Durham* on December 7. Beginning on December 9, the Cunard Steamship Lines offers travelers, who pay at least \$740 for their accommodations on the *Queen Elizabeth II*, a free one-way trip via BOAC between London and either Boston or New York.

As a result of the energy crisis, supplies of jet fuel in London are nearly exhausted. Consequently, on December 13, company officials announce the cancellation of nearly every flight from U.S. cities, with the exception of New York, during the year's last week. Four days later, it is revealed that the company must also reduce its European and domestic flights by 30%–40% through December 31.

Combined results for BOAC/BEA on the year demonstrate a 7.5% rise in enplanements to 114,390,000, a 6.5% hike in freight traffic, and a group net profit of \$5.2 million. Individually, BOAC brings in £267.7 million.

BOAC itself continues to employ 24,239 workers as 1974 begins. Its fleet comprises 27 VC10s, 27 B-707-436s, and 12 B-747-146s. An ad campaign is begun on March 1 informing the public that the company will fly as **British Airways, Ltd. (2)** after April 1.

En route from Bombay to London two days later, a VC10 with 101 aboard is taken over by two Palestinian youths, Abu Said and Abu Ali, following its landing for a scheduled stop at Beirut. Following the refusal of Greek authorities to allow a requested landing, the plane is forced to fly to Amsterdam's Schiphol Airport. There, all of the hostages are allowed to deplane before the hijackers set the aircraft ablaze and then surrender to Dutch police. The pirates will be tried and sentenced to five-year prison terms.

BOAC/BEA is dissolved on March 31, and the new entity, **British Airways, Ltd. (2)**, appears the next day.

There is an unofficial website at <http://expage.com/page/boac>.

BRITISH REGIONAL AIRLINES, LTD.: Isle of Man (Ronaldsway) Airport, Ballosalla, Isle of Man, IM 9 2JE, United Kingdom; Phone 44 (1624) 826000; Fax 44 (1624) 826001; <http://www.british-regional.com>; Code JE; Year Founded 1996. In August 1996, **British Airways, Ltd. (2)** announces that, two months hence, it will withdraw from its loss-making Scottish internal services, including six routes serving Orkney, Shetland, and the Western Islands. In September, Airlines of Britain, plc's subsidiary, British Regional Airlines (Holdings), changes the name of Manx Airlines (Europe), Ltd. to **British Regional Airlines, Ltd. (BRA)**. British Airways, Ltd. (2) Resources Director David Holmes is named president.

Plans are announced for the new BRA, which is based at Ronaldsway Airport on the Isle of Man, to take over the previous **British Airways Regional, Ltd.** services at the end of October as a BA franchise partner. Under terms of this agreement, BRA will enjoy all of the benefits of franchise partnership, including dual-designator flights, computerized reservations and frequent flyer linkage, and passenger and airport ser-

vices. Meanwhile, **Loganair, Ltd.** operations are incorporated into BRA. **Manx Airlines, Ltd. (2)**—a separate subsidiary—continues separate operations. Combined enplanements for the year are 1,038,173 on 51,300 scheduled departures.

Two momentous announcements are made on February 24, 1997. Effective that date, Airlines of Britain, plc, the holding company that owns **British Midland Airways, Ltd.**, BRA, MAL-2, **Loganair, Ltd.**, and **Business Air, Ltd.** elects to split up British Regional Airlines (Holding) and all of the carriers except BMA. The move will technically allow BRA (H) to continue its **British Airways, Ltd. (2)** affiliation without fear of conflict of interest decisions being made by Airlines of Britain, which is partnered with BA's competitors, **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)**. Still, Sir Michael Bishop retains ultimate ownership in both groups. Airlines of Britain itself is renamed British Midland, plc.

MAL-2, **Loganair, Ltd.**, and **Business Air, Ltd.** will continue a confederation with BRA in a British Airlines Regional Group of BA franchise partners. Activities for each company will continue to be reported separately.

Also on February 24, Managing Director Terry Liddiard announces an order for up to five Embraer EMB-145 Amazon regional jets, with options taken on another two. After a management buyout in March, **Loganair, Ltd.** reestablishes its independence outside of the British Regional Airlines Group. It will fly specialist services for Scottish Air Ambulance and scheduled services to the Orkneys and Shetlands with Twin Otters and Islanders.

The first EMB-145 is accepted during the Paris Air Show in June and begins service in July–August from Manchester to Berlin. It is the first of the type to enter service with any British airline. In September, new Amazon service is inaugurated from Southampton to Zurich.

On September 30, BA sends shock waves through the business and tourist industries located in the Scottish Highlands. Ian Reid, Scotland general manager, announces at a press conference that the major will switch its Inverness to London (LHR) route to London (LGW) and franchise it to its subsidiary BRA, which will operate it with BAe 146-200s. Despite the transport of 214,000 passengers over the route the previous year, BA declares that it has lost £8 million since beginning the thrice-daily service in 1992. The move, as might be expected, causes a furor in northern Scotland and provokes a strong protest from the members of a newly established pan-Highland pressure group that includes the Highland Council, Highlands and Islands Enterprise, Scottish Council Development and Industry, and the Inverness Chamber of Commerce. Chairman Stelios Haji-Ioanou of rival **easyJet, Ltd.** indicates that his carrier will launch a new daily roundtrip from London (CTN) to Inverness to help fill the gap left by BA.

On October 28, **British Airways, Ltd. (2)** announces major changes to its services linking Aberdeen with Birmingham and Manchester. From July next, the de Havilland Canada DHC-8-301s of **Brymon Airways, Ltd. (2)** will replace the BRA ATPs currently employed. The new Brymon services are expected to create 100 new jobs within the BA group organization, with 75 of them in Aberdeen. Frequencies to Manchester will increase from four to six each day, while those daily services to Birmingham will jump from two to three.

A previously owned BAe 146-100 is acquired in November. The Inverness to London (LGW) route is handed over to BRA on November 15 and inaugurated by the just-received 146-200.

Just after takeoff from London (LGW) to Inverness on November 29, the BAe 146-100 with 62 passengers is forced to return to its point of origin when the pilot notices an electrical fault on the control panel. When BRA is unable to bring in a backup aircraft, the passengers are put up in a Brighton hotel at the airline's expense and, with a second BRA aircraft made available, complete their trip to Scotland more than 18 hours later. The incident is the first in a series of cancelled flights reported by Aberdeen's *Press and Journal* that will increase tensions between northern Scotland citizens and BA.

The fleet in December includes 9 British Aerospace BAe ATPs, 13 BAe Jetstream 41s, 1 BAe 146-100, 8 Shorts 360-300s, and 1 EMB-145.

Just after takeoff an hour late from London (LGW) for Inverness on the evening of December 21, the fully loaded BAe 146-100 develops additional problems with the engine that had delayed the flight in the first place. The BAe returns to its point of origin, where the passengers are bussed to a Brighton hotel for a 3-hr. rest before returning to Gatwick. The flight arrives at Inverness 15 hrs. behind schedule, with customers again complaining about the lack of BRA backup.

Enplanements for the year total 1,574,449. It is reported that British Regional Airlines Group has generated an operating profit of \$254.2 million and a net gain of \$5.9 million, a 21% increase over the previous year.

In 1998 as the largest BA franchise partner, BRA flies scheduled services over 70 routes throughout the U.K., Scotland, and into Western Europe. Among the destinations visited are Aberdeen, Barra, Belfast City and International Airports, Benbecula, Berlin, Blackpool, Brussels, Campbeltown, Cardiff, Cork, Donegal, Edinburgh, Glasgow, Guernsey, Hanover, Islay, Jersey, Kirkwall, Knock, Leeds/Bradford, Lerwick, Liverpool, London (CTN, LGW, STN), Londonderry, Manchester, Newcastle, Paris (CDG), Shannon, Southampton, Stornoway, Sumburgh, Unst, Waterford, and Wick.

The London (LGW) to Inverness service continues as a source of embarrassment for the airline in the new year. On January 8, Brian Stewart, CEO of the Western Isles Council, demands that BRA publish its operating records for the past three months amid claims of the airline's deteriorating standards.

The early morning Inverness to London (LGW) service and its return is cancelled on January 9 when the BAe 146-100 develops an electrical problem prior to departure. The 32 southbound passengers depart Inverness just after noon on an ATP switched from BRA's Manchester to Belfast service. Meanwhile, the 35 passengers stranded at Gatwick Airport are put on the service to Edinburgh, where another ATP is made available to fly them on to Inverness.

Details on this incident are reported to the Environment, Transport, and Regional Affairs Committee of the House of Commons, which is preparing to launch an inquiry into the access of regional airports to London (LHR).

Just after landing at Stornoway on February 10 following a service from Benbecula, a Shorts 360-300 with 30 passengers suffers the collapse of its port-side undercarriage and skids along the runway to a stop. Although the aircraft is badly damaged, no injuries are reported. The same day, Angus Macmillan, director of the Western Isles Tourist Board, calls for BRA to be stripped of its franchise to operate services in the Scottish Highlands, claiming it has lost passenger confidence.

Two days later, council presidents from the Highlands, Western Isles, Orkney, and Shetland meet in Glasgow with BA's general manager for Scotland, Ian Reid, and BRA officials led by the Scotland general manager, Gerry Devine, concerning improvements in Scottish airline service. Although promises of revised and improved procedures are made, they cannot be implemented soon enough to prevent or ease additional service incidents.

As February begins, the future of the airline's Benbecula to Stornoway service is thrown into doubt because of a growing decline in passenger boardings. Company officials suggest that they may not tender again for the service, authority for which comes due for renewal in August.

Just hours after the Highland Council expresses support for BRA on February 21, another service incident occurs. When a technical hitch causes the mid-afternoon service from London (LGW) to Inverness to be scrubbed, 59 people are at Inverness waiting to catch the return flight. BRA is able to fly 37 of the Inverness-stranded passengers, who will make connections elsewhere, to Glasgow on a scheduled Shorts 360-300 flight via Stornoway. The remaining 22 passengers wait until 10 p.m. when a plane chartered by the airline departs. This plane carries not only the passengers stranded mid-afternoon, but those scheduled for the unavailable 7:55 p.m. departure as well.

A technical fault in a BAe ATP forces a significant delay in February 25 service from Inverness to Stornoway until a backup ATP can be made

available; the replacement aircraft also operates the connecting Stornoway to Glasgow segment.

The Shorts 360-300 scheduled to operate from Glasgow to Inverness breaks down on March 5, causing the airline to cancel the service. It must also cancel the March 6 return flight from Inverness to Glasgow. Significant press attention is paid to the plight of a Nairn couple, Charles and Althea McInnes, who are forced to miss a friend's funeral at Greenock.

Four delegates from Scottish Highlands organizations offer testimony on BRA service before the Environment, Transport, and Regional Affairs Committee of the House of Commons on March 11. They argue that any review of regional air policy should guarantee London (LHR) slots for areas like theirs, areas whose fragile local economies need effective links to the U.K. hub of world travel. More importantly, they try to have the national legislature reverse the BA decision to shift its Inverness service to London (LGW).

Just after landing at Manchester on a March 18 service from Southampton, an ATP with 4 crew and 58 passengers suffers the collapse of its nosegear; although the aircraft is badly damaged, no injuries are reported.

Also during the first quarter, new frequencies are inaugurated from Southampton to Zurich and from Manchester to Geneva.

A BAe 146-200 replaces the 146-100 on April 1 over the London (LGW) to Inverness route.

On April 28, British Regional Airlines Group CEO Liddiard acquires the services of Dresdner, Kleinwort Benson to act as sponsor and stockbroker for an initial public offering (IPO) on the London Stock Exchange during the summer. Chairman Michael Bishop's 50% stake is valued at £50 million and he will cut his holdings by some 20%.

In fact, frequencies from Aberdeen to Manchester change hands on May 4 and are increased by **Brymon Airways, Ltd. (2)** from four to six each day. Those daily services from Aberdeen to Birmingham are started on June 8 and jump from two to three.

Although already electronically recorded, a shipment of 250 individual customer checks paid at the Abbey National bank branch in Inverness between July 10 and 13 disappear from the secure area aboard the carrier's Inverness to London (LGW) flight on July 14.

It is reported on July 17 that BRA's UK-wide services have only a 59% on-time rating, although those over the attention-gaining Inverness route are now running at 80% to 85%, or within 15 min. of scheduled departure times. On July 20, the carrier launches a campaign to raise that figure to 65% and to improve reliability on the London (LGW) to Inverness route.

Plans to replace the aging Shorts 360-300s on the twice-daily Glasgow to Shetland roundtrips and the daily roundtrips from Edinburgh to both Kirkwall and Shetland are shelved on July 28 when BRA decides to turn these Orkney Island routes over to **Loganair, Ltd.** Word of the changeover is leaked to the press before BRA can make a public announcement the next day, causing further alienation between the airline and the political leadership of northern Scotland.

The summer IPO brings in income to pay for the additional acquisition of Embraer ERJ-145 Amazons. On July 29, Scotland General Manager Devine indicates that BRA will devote an Amazon to the northern Scotland routes in early 1999, increasing them by one daily roundtrip, and that, meanwhile, the company is seeking a larger BAe 146-300 to replace the BAe 146-200.

The loss of the Abbey National bank checks is reported in the press on August 15. Contacted for comment, an airline official indicates that the bank has not contacted the company concerning them and that BRA is unaware of any missing checks.

BRA tenders and wins renewal of its Benbecula to Stornoway route in August.

While on approach to Inverness on a service from Stornoway on October 16, an ATP with 23 passengers is forced to shut down an engine following a warning light. An uneventful one-engine out landing is completed and no other damages or injuries are reported.

On November 2 on-time and reliability figures are released by the government. In the period between April and October, only one Inverness to London (LGW) flight has had to be cancelled and regularity on the route has been boosted to 99.9%, a welcome turnaround. A spokesman for the Western Isles Council dismisses the figures, indicating that efforts to improve service on the Inverness route has resulted in inadequacies on the routes to the Western Isles.

After a year of worrying about permanency of the landing slots it has borrowed from **British Airways, Ltd. (2)** at London (LGW), BRA announces on November 3 that Airport Coordination, Ltd., the umbrella organization that manages traffic at both Heathrow and Gatwick Airports, has awarded the regional three of its own Gatwick slots.

A BAe 146-300 is received and enters service on the London (LGW) to Inverness route on December 15, increasing capacity by 35% or 40,000 seats a year.

The fleet at year's end includes 2 BAe 146-200s, 1 BA3 146-300, 11 BAe ATPs, 13 BAe Jetstream 41s, 7 Embraer ERJ-145s, 1 Shorts 360-300, and 1 SAAB 340.

During the 12 months, passenger boardings accelerate 8% to 2.33 million even as cargo traffic plunges 12% to 168,000 FTKs. Revenues jump 14.4% to \$305 million and an \$8.3-million operating profit is enjoyed.

Huge winter storms with 70-kn. winds in Scotland on January 4, 1999 force BRA to cancel all of its flights from Glasgow and Edinburgh to Belfast, Cardiff, Southampton, and the Western Isles. These are the same storms that days earlier had hit the U.S. Midwest.

Hurricane force winds in Shetland on February 3-4 again cause problems for the airline. Unable to get its own aircraft to Sumburgh Airport on the first of the two storm days, BRA contracts with **British World Airlines, Ltd.** for the use of its ATR72-210, which is on-scene in connection with an oil industry contract. As the four-person crew taxis the turboprop on the morning of February 4, a gust of wind turns it to one side on its wing. The aircraft rights itself and is taken into shelter. The flight and all others for the day are cancelled.

Daily ERJ-145 roundtrips commence on February 22 between Edinburgh and Paris (CDG).

Employing an ERJ-145, BRA launches a fourth daily roundtrip service on March 1 between Southampton and Edinburgh. The company also flies four daily roundtrips between Southampton and Glasgow. The jet service between Edinburgh and Paris (CDG) is upgraded to thrice-daily on March 15; two flights are offered in Saturdays and Sundays.

In response to a surging demand for flights on its ERJ-145s, shares in BRA jump 14% on March 26, rising from 10p to 80p. CEO Liddiard informs *The Independent* that he has bought 6 more jets and plans to convert his entire fleet of 45 aircraft as soon as possible.

On March 29, London City Airport announces a new four-times-per-day service for scheduled flights to Sheffield to be operated by BRA beginning in September. Frequencies are planned for Edinburgh, Glasgow, and Paris during the winter season.

Thrice-daily Jetstream 41 roundtrips begin on June 14 between Sheffield and Belfast, along with daily J-41 return service from Sheffield to Dublin.

While descending out of cloud in unregulated airspace to land at Inverness on a scheduled service from London (LGW) on July 1, a BAe 146-200 with 6 crew and 84 passengers is nearly hit by an RAF Bulldog training plane that comes within 200 ft. of the jetliner. The flight crew of the BAe takes evasive action and puts their aircraft into a steep climb, avoiding disaster.

It is announced on July 26 that President Holmes will retire at year's end. His successor will be former AMEC (a building contractor) Chairman Sir Alan Cockshaw.

Company capacity over the routes from Cardiff to Paris, Belfast, and Aberdeen are increased by 50% in mid-September when the BA franchise replaces BAe Jetstream 41s with larger and faster ERJ-145s. Employing an Express Jet, the company simultaneously launches the first-

ever regional jet service from Southampton to Frankfurt. The company also takes over the Southampton to Jersey route previously flown by **KLM uk, Ltd.**

The company takes delivery of its 13th ERJ-145 in November and, with an order for 10 more, will become the largest Express Jet operator outside the U.S.

Customer boardings dip 0.4% to 2,328,000 while cargo traffic is level at 169,000 FTKs.

Airline employment stands at 1,231 at the beginning of 2000, a 0.4% cut over the previous 12 months.

With the beginning of the summer program in April, the carrier operates over 200 scheduled flights each weekday, serving 35 airports with 77 routes.

Just after takeoff from Manchester to Belfast on May 16, Flight 7787, an ATP with 4 crew and 44 passengers, is unable to retract its left main landing gear. Pilot Capt. Nick Davies is diverted to Liverpool Airport, which he circles for three hours burning off fuel. In a shower of sparks, the turboprop touches down and comes to a halt, tilting on to its left wing. Surrounded by rescue and fire vehicles, passengers escape down a chute and no injuries are reported.

New thrice-weekly Jetstream 41 roundtrips are introduced on July 3 between Cardiff and Dublin.

Special ceremonies are held in Brazil on August 25 to mark delivery of the company's 16th ERJ-145, which is also the 300th Express Jet built by Embraer.

Daily (except Sunday) ERJ-145 roundtrips are started on October 29 from Manchester to Toulouse.

Employing a BAe Jetstream 41, the carrier, on October 30, replaces **Maersk Air, Ltd.** on the route from Birmingham to Newcastle. The now-abandoned route between Dublin and Sheffield City is simultaneously taken over by Aer Arann Express, Ltd.

BRITISH REGIONAL AIRLINES GROUP. See BRITISH REGIONAL AIRLINES, LTD.; BUSINESS AIR, LTD.; LOGANAIR, LTD.; MANX AIRLINES, LTD. (2)

BRITISH SOUTH AMERICAN AIRWAYS, LTD./BRITISH SOUTH AMERICAN AIRWAYS CORPORATION: United Kingdom (1944-1949). Capitalized at £10,000 and with J. W. Booth as chairman, **British Latin American Air Lines, Ltd.** is formed at London in January 1944. The new carrier is a cooperative venture between the shipping concerns Blue Star Line, Ltd., Booth Steamship Company, Ltd., Lamport and Holt Line, Ltd., Royal Mail Lines, and Pacific Steam Navigation Company. In October, the name of the enterprise is changed to **British South American Airways, Ltd.** During the summer of 1945, D. C. T. Bennett is appointed managing director and a small fleet of Avro 691 Lancastrians is assembled following V-J Day.

Piloted by Managing Director Bennett, the Avro 691 Lancastrian 1 *Starlight* departs London on January 1, 1946 on the first of six proving flights to Buenos Aires via Lisbon, Bathurst, Natal, and Montevideo. Bennett's departure is the first aircraft movement from what will be London's new civil airfield, Heathrow Airport. During the same day, which is the first for postwar U.K. civil operations, the unfinished airport is turned over by the Air Ministry to the Ministry of Civil Aviation.

Regularly scheduled London-Buenos Aires service—the first by a British airline to South America—is inaugurated on March 15. The Lancastrian *Star Glow* on April 5 cuts the scheduled flight time from 77 to 56 hours and on June 27, the Buenos Aires route is extended to Santiago.

On August 1, under the Civil Aviation Act, the company becomes a wholly owned state corporation, similar to BOAC, at which time its fleet consists of 2 Lancastrians and 4 Avro 685 York Is. On September 2, every-two-weeks London-Caracas via Azores, Bermuda, Jamaica, Lancastrian flights are begun by the *Star Glow*.

An Avro 691 Lancastrian 1 with five crew and six passengers fails its takeoff from Bathurst, Gambia, on August 30; although the aircraft must be written off, there are no fatalities.

On September 7, the Avro York *Star Leader* with 4 crew and 24 passengers and scheduled to fly from London and Lisbon to South America, crashes on takeoff from Bathurst, Gambia (24 dead); Dakar replaces Bathurst as a stop on the Buenos Aires run as of September 23. On October 12, London–Rio de Janeiro Avro York service is begun via Lisbon, Dakar, and Natal.

On January 18, 1947, the Caracas route is extended to Lima/ and Santiago. On March 31, it is announced that, in the period since start-up, the company has earned a surplus of £20,507. The Avro York *Star Speed* with six crew and nine passengers crashes in fog at Dakar on April 13 (six dead).

Employing Lancaster bombers, the carrier starts a series of in-flight refueling tests over its South American routes, beginning on May 28. On June 5, weekly London–Azores, Bermuda, Nassau, and Jamaica flights commence. Multistop London to Lima flights begin on July 7.

On August 2, the Avro 691 Lancastrian 3 *Star Dust* crashes on Bermuda in bad weather (11 dead). Six days later, São Paulo replaces Rio de Janeiro as a stop on the Santiago frequency. After having held for a weather improvement over Bermuda on September 5, the Lancastrian *Star Trail* with 5 crew and 15 passengers and nearly out of fuel, hits an aerial mast at the 300-ft. level and crash-lands; amazingly, no significant injuries are reported.

The first Avro 688 Tudor 4, *Star Lion*, is delivered on September 29 and is flown by Managing Director Bennett on a South American proving flight the next day.

On October 1, the remaining shares of **British West Indian Airways, Ltd. (1)**—47% was taken in August—are purchased and the new subsidiary is renamed **British International Airlines, Ltd.** The Caribbean route is pushed to Havana on October 31 as the *Star Lion* begins commercial service. An Avro 691 Lancastrian 3 with three crew is involved in a landing accident at Heathrow Airport on October 23; although the aircraft must be written off, there are no fatalities.

Required to shut down an engine, the Lancastrian *Star Light* with 4 crew and 12 passengers makes an emergency crash landing at Bermuda, its point of origin, after dark on November 13; although the aircraft must be written off, there are no fatalities.

Two additional Tudor 4s, *Star Aerial* and *Star Tiger*, are delivered late in the year as orders are placed for 6 de Havilland DH 106 Comet I jetliners.

On January 29–30, 1948, the Tudor 4 *Star Tiger* disappears somewhere between the Azores and Bermuda (31 dead). On February 1, second-class mail is initially transported on the South American route, making the carrier the first U.K. airline to carry subsidy mail on scheduled service; the same day, an Avro York Nassau–Miami route is begun.

Herbert G. Brackley succeeds D. C. T. Bennett as managing director on April 1. Bennett's time as managing director will be well remembered by Alan Bramson in his *Master Airman: A Biography of Air Vice Marshal Donald Bennett, CB, CBE, DSO* (Shrewsbury, Eng.: Airlife, 1985).

On June 24, **British International Airlines, Ltd. (1)** reverts to its purchase name of British West Indian Airways. Nassau–Havana Avro York service commences on August 21. During the month, **Bahamas Airways, Ltd.** is acquired. Weekly London–Havana flights are inaugurated on December 6 via Lisbon, Azores, Gander, and Nassau.

An Avro 685 York I with six crew and nine passengers is lost at Brazil's Caravellos Bay on January 5, 1949 (three dead). The Tudor 4 *Star Aerial* disappears between Bermuda and its destination of Kingston, Jamaica on January 17 (20 dead). The Airways Corporation Act becomes law on July 30 and BSAAC is merged into **British Overseas Airways Corporation (BOAC)**.

BRITISH UNITED AIR FERRIES, LTD.: United Kingdom (1962–1967). On October 1, 1962, the closely coordinated vehicle ferry divisions of **Silver City Airways, Ltd.** and **Channel Air Bridge, Ltd.** are merged into this single entity. Operations are conducted from both of the bases, Southend and Lydd, employed by the merger partners. A to-

tal of 29 aircraft, mostly Aviation Trader ATL-98 Carvairs and Bristol 170 Freighters are in the combined fleet. On December 28, the Carvair *Pont de L'Europe* is destroyed in a Rotterdam crash. Passenger boardings for the year of merger partner **Channel Air Bridge, Ltd.** exceed 300,000.

During the first full year of combined work in 1963, the company breaks all previous ferry records, combined or single; during the summer season 4,762 cross-Channel flights are made carrying 51,269 passengers and 12,150 automobiles. Additionally, charter flights are made as far inland as Basel, Geneva, and Strasbourg.

The Bristol 170 Mk. 32 *City of London* is destroyed in a crash on Guernsey on September 24. In October and November, 3 more Bristol 170 Mk. 21s, the *City of Exeter*, *City of Bath*, and *City of Carlisle*, are withdrawn. Meanwhile, 2 ATL Carvairs, *Pont du Rhin* and *Massburg*, are purchased in March and July and, in December, 1 makes the first landing at Lydd Airport.

In January 1964, ferry routes are granted by the Air Transport Licensing Board (ATLB) for services to France from the Midlands. As a result, flights are soon in operation from Coventry to Calais, Le Touquet, Cherbourg, Lege, Geneva, and Rotterdam and from Lydd to Mimes. Two more Carvairs, the *Channel Bridge* and *Pont d'Avignon*, are added in February. On June 6, it is announced that since the creation of **Silver City Airways** in 1948, a million cars have been flown from the U.K. to Europe. Jersey to Hurn roundtrips commence on October 31.

Cross-Channel and Continental flights continue in 1965, as do several governmental contract flights to the Middle East. In December, 2 ATL Carvairs are leased to **Air Ferry, Ltd.** for use in the Rhodesian crisis. During the year, 2 additional ATL Carvairs, the *Menai Bridge* and *Big John*, are added while 3 Bristol 170 Mk. 32s, the *Venture*, *Voyager* and *City of Durham*, are withdrawn. Enplanements total 366,454.

The preexisting joint freight service flown with **Sabena Belgian World Airlines, S.A.** to Ostend ends in 1966, with BUA maintaining the route alone. An ATL Carvair is acquired, but 2 more Bristol 170 Mk. 32s, the *City of Leicester* and *City of York*, are retired. New routes added include London (LGW) to Coventry and Le Touquet; Le Touquet to Ostend; Southampton to Cherbourg, Jersey, and Guernsey; Manchester to Rotterdam; and Jersey to London (LGW). The vehicle ferry network is stretched into the north of England with a total of 23 routes flown systemwide. Despite this expansion, the number of vehicles ferried drops to 90,000.

The Coventry–Calais route is closed on February 28, 1967. At this point, the company elects to discontinue all flights to destinations other than those just across the Channel. The first ATL-98 Carvair, *Golden Gate Bridge*, acquired by predecessor **Channel Air Bridge, Ltd.** at the beginning of the decade, makes its final flight in March and will be sold in May. The Bristol 170 Mk. 31 *Victory*, together with the Mk. 32s, *City of Salisbury*, *City of Edinburgh*, *Vigilant*, and *Valour*, are also grounded. On October 1, the carrier becomes a separate Air Holdings, Ltd. division and is renamed **British Air Ferries, Ltd.**

BRITISH UNITED AIRWAYS, LTD.: United Kingdom (1960–1970). **Airwork, Ltd.** changes its name to **British United Airways, Ltd.** on May 19, 1960. As the result of negotiations, a new carrier by this name is officially formed on June 27 through the merger of BUA (ex-**Airwork, Ltd.**), **Hunting-Clan Air Transport, Ltd.**, **Air Charter, Ltd.**, **Morton Air Services, Ltd.**, **Olley Air Services, Ltd.**, **Transair, Ltd.**, **Airwork Helicopters, Ltd.**, and **Bristow Helicopters, Ltd.** The company's three major divisions are air transport, helicopters, and overseas contracts.

Channel Air Bridge, Ltd., a BUA subsidiary prior to the merger, is left to operate as a subsidiary under its own identity. Shareholders in the new concern include Furness Withy & Co. (20%), Blue Star Line (20%), Clan Line (16%), British and Commonwealth Shipping Group (16%), Hunting Group (8%), and 20% private interests. Miles Wyatt is named chairman, with Freddie Laker as managing director. The combine is now the largest British air transport concern after

British European Airways Corporation (BEA) and British Overseas Airways Corporation (BOAC).

Scheduled and nonscheduled routes of the merger partners within the U.K. and to Gibraltar, Accra, Milford Haven, Rotterdam, Salisbury, Swansea, and Johannesburg (cargo) are maintained, along with routes flown under government contract. In association with **British Overseas Airways Corporation (BOAC)**, **East African Airways Corporation**, and **Central African Airways Corporation**, "Skycoach" Viscount service is inaugurated from London to various African destinations. Weekly London (LGW) to Canary Islands flights begin on October 7. Some 100,000 passengers are carried in the first six months.

The BUA fleet in 1961 includes 2 Bristol Britannia 312s, 2 Douglas DC-6As, 3 DC-3s, 2 Vickers Viscount 833s, 2 Viscount 831s, 2 Viscount 804s, 2 Viscount 736s, and 1 Viking, plus 2 DH 114 Herons, 6 DH 104 Doves, and 1 DH 89A Dragon Rapide.

During January, the company and **Cunard-Eagle Airways, Ltd.** approach the ATLB for additional licensure to visit a large number of new charter and scheduled European markets at the beginning of the summer season in March. Many of these are awarded: Amsterdam, Athens, Barcelona, Basel, Genoa, Madeira, Malaga, Palma, Paris, and Zurich.

Also during the month, the carrier publicly announces its intention to reequip with 5 de Havilland Tridents and 4 VC10s, 3 of which are ordered. After additional deliberation, CEO Laker elects to scrap these requests and turn to British Aircraft Corporation.

On May 9, orders are placed for 10 new BAC 1-11s, for which the airline is official launch customer for the Dash-200. Slated for delivery to **Channel Air Bridge, Ltd.**, the first Aviation Traders, Ltd. ATL-98 Carvair passenger-vehicle freighter, the *Golden Gate Bridge*, is rolled out at Southend Airport on the morning of June 17 and makes its initial test flight during the afternoon. The aircraft's model name, a contraction of the phrase "car-via-air," is suggested by two local businessmen won a naming contest.

A Vickers Viking 736 with 4 crew and 12 passengers crashes during final approach to Frankfurt on October 30; there are no fatalities.

On November 3, the carrier announces plans to join with the British Aviation Services (Britavia) group to form the holding company Air Holdings, Ltd. The ATLB partially ends **British European Airways Corporation (BEA)**'s monopoly on European routes on November 29, opening the way for BUA to commence Continental services.

Channel Air Bridge, Ltd. enplanements reach 265,000. Overall income reaches £1.14 million and profits approach £625,000.

In January 1962, British Aviation Services Group and its airline subsidiary, **Silver City Airways, Ltd.**, is purchased and joins BUA under a new holding company, Air Holdings, Ltd. On January 30, the *Golden Gate Bridge*, first of 10 Aviation Traders ATL-98 Carvairs, receives its government certification and, on February 16, is turned over to subsidiary **Channel Air Bridge, Ltd.**; in ceremonies, it is christened by the wife of the Swiss ambassador, Mr. Daeniker. A proving flight for VIPs is made across the English Channel to Ostend during the afternoon, with revenue charters beginning the next day with the plane hauling a shipment of new automobiles to Malaga, Spain. Additional charters are flown during the remainder of February.

Regularly scheduled roundtrip car ferry flights commence on March 1 with a service to Rotterdam. The second ATL-98 Carvair *Atlanta* is test flown on March 25 and, also in March, a DC-6B is leased for 18 months from **Canadian Pacific Air Lines, Ltd.** The *Atlanta* joins **Channel Air Bridge, Ltd.** in April and, on May 20, **Jersey Airlines, Ltd.** is acquired. Vickers Viscount 800 flights are launched to various European cities.

The Aviation Traders Carvairs begin new scheduled car ferry operations Southend-Strasbourg on June 1. Employing a Vickers-Armstrong VA-5 hovercraft, BUA, on July 20, inaugurates the world's first scheduled commercial hovercraft service in the Dee Estuary, near Wallasey. Also in July, it is announced that **Channel Air Bridge, Ltd.** and **Silver City Airways, Ltd.** will be merged, effective October 1, into a new airline, **British United Air Ferries, Ltd.**

On September 1, the DC-6As begin "Africargo" flights from London (LHR) to various African destinations. The experimental hovercraft service in the Leeds Estuary ceases on September 16; during the eight weeks of its schedule, over 20,000 passengers have been transported.

After an initial one-year experiment is completed by **Silver City Airways, Ltd.** for the trooping of soldiers between the U.K. and Germany, the government awards BUA, in late September, a large contract under which 11,000 troops will be flown roundtrip each month in company Viscounts.

Following a reorganization of Air Holding, Ltd.'s subsidiaries, **British United (Channel Islands) Airways, Ltd.** is formed on November 1. The **Airwork, Ltd.** interest in **Commercial Air Services (Pty.), Ltd.** of South Africa, acquired at the time of merger in 1960, is sold to J. M. S. Martin, Leon Zimmerman, and Max Geffin.

Three Viscount 804s are sold in November-December. Net gain this year totals £750,000.

A large number of inclusive-tour destinations are added in 1963. On April 11, **British European Airways Corporation (BEA)** withdraws its services to the Isle of Man; plans are made to take them over. However, **Cambrian Air Services, Ltd.** wins the rights to fly the abandoned routes. The company's DC-4 is sold in July while 2 Bristol Britannia 313s are briefly operated for the Israeli carrier **El Al Israel Airlines, Ltd.**

In October, a second weekly DC-6A "Africargo" service is initiated. BUA, which had previously earned as much as £4 million each year from trooping contracts (55%) of income, now begins to gradually withdraw from them, ending one commitment in order to redeploy its VC10s.

Twice-weekly Blackpool-Bournemouth via Manchester DC-3 operations commence on January 1, 1964. Weekly London (LGW)-Seville Viscount flights are launched on March 12. Orders are placed for jetliners and, in September and October, the first 2 Vickers VC10s are received. Two Britannias are sold during the year and the **Canadian Pacific Air Lines, Ltd.** Douglas is returned.

In December, the company receives government permission to fly the South American routes recently abandoned by **British Overseas Airways Corporation (BOAC)**.

A total of 559,543 passengers are carried on the year and the workforce totals 1,800.

A new network of U.K. twice-daily jet services, called "Interjet," is begun in January 1965, linking Belfast, Edinburgh, Glasgow, and London (LGW). Simultaneously, the first Super VC10 is acquired and employed to begin flights to Rhodesia.

As launch customer, a company BAC 1-11-201, piloted by Capt. S.G. Websper with Chairman Laker and Horizon Holidays Chairman Lord Douglas of Kirtleside as passengers, inaugurates the world's first short-haul jet service on April 9 with a 690-mi. flight from London (LGW) to Genoa.

Flight 1030X, a C-47B with 4 crew and 23 passengers en route from Paris (ORY) to Jersey, crashes near the latter point on April 14; there are no survivors.

A Britannia 309 is delivered in July for charter work while a Britannia 313 is simultaneously sold. At the same time, twice-weekly scheduled service to Santiago, Chile, begins over the ex-**British Overseas Airways Corporation (BOAC)** routes.

Late in the fall, nonstop VC10 service to the Canary Islands is inaugurated. The new short-haul BAC jetliners replace Viscounts on a number of European frequencies by November with all 10 aircraft in service by year's end.

Freight traffic accelerates 37% and enplanements jump 20% to 690,678. Still, a £115,000 loss is suffered.

Airline employment reaches 2,400 in 1966 and the fleet total includes 10 BAC 1-11-201s, 5 Britannia 312s, 7 Viscount 800s, 3 VC10s, and 2 DC-6As. Max Stuart becomes managing director on January 1, the same day scheduled London (LGW)-Belfast, Glasgow, and Edinburgh BAC 1-11-201 Interjet flights begin. These services represent the first scheduled domestic jet schedules marketed in the U.K.

During the year, BAC 1-11-201 service is also introduced to the Channel Islands, Rotterdam and Amsterdam, Lourdes, Malaga, Majorca, Barcelona, Lisbon, Gibraltar, Malta, Las Palmas, and the African cities of Bathurst, Freetown, and Accra. A total of 773,895 passengers are carried, including those transported on behalf of Horizon Holidays.

By 1967, the company payroll has 2,500 names and the fleet has shrunk by 2 Britannias, 2 DC-6As, and all 7 Viscounts. Orders are placed for 5 BAC 1-11-501s. Service to Brazil and Argentina is introduced.

The year's bookings are up 17% to 920,335, but loss reaches £825,370. In an effort to stem the mounting losses, Air Holdings decides to sell out.

Airline employment stands at 3,000 in 1968 and the fleet comprises 4 VC10s and 10 BAC 1-11-201s. Orders are outstanding for 8 BAC 1-11-501s.

During the first quarter, the carrier and most of its subsidiaries is sold to British & Commonwealth Shipping, Ltd. and Eagle Star Insurance, Ltd. Continuing expansion, the new partners in turn pay £17 million to the previous owners and form a new holding company, BUA Holdings, Ltd., which they divide on a 92% to 8% basis. The original Air Holdings, Ltd. retains control of only **British Air Ferries, Ltd.** and the New Zealand cargo operator **SAFE Air, Ltd.**

Passenger traffic increases 77% and freight 36% on the VC10 South American service and overall enplanements for the year climb another 17% to 921,860. A small profit is also reported.

A BAC 111-201AC with 7 crew and 26 passengers fails its initial climb away from Milan for a January 14, 1969 flight to London (LGW) and makes a forced landing; although the aircraft must be written off, there are no fatalities.

A replacement Dash-408, is leased from **Channel Airways, Ltd.** on April 3.

During the year, the British government's Edward Committee begins to assess the nation's air transport system with the possibility of allowing creation of a "second force" airline to compete with the state carriers, should they be combined into a single entity.

During the summer, Chairman Anthony Cayzer discusses merger possibilities with Adam Thompson, chairman of **Caledonian Airways, Ltd.** Five BAC 1-11-501s and a VC10 are added during the year and a Viscount 833 is sold to **Arkia Israeli Airlines, Ltd.** on December 20. Profits are again announced for the 12-month period.

Three additional BAC 1-11-501s are acquired in March 1970. On August 30, the company announces the beginning of in-flight secretarial services for businessmen traveling between London and East Africa.

While the government continues to debate creation of a "second force" airline, BUA Holdings, Ltd. decides to sell out. After unsuccessful feelers to the two state carriers, an October 20 meeting results in **Caledonian Airways, Ltd.** acquiring BUA on November 30, the new carrier being named **Caledonia-BUA, Ltd.** For the final year, passenger boardings reach the highest point ever—2,243,000.

BRITISH UNITED (CHANNEL ISLAND) AIRWAYS, LTD.: United Kingdom (1962–1968). On November 1, 1962, the passenger and cargo networks of **British United Airways, Ltd./Air Holdings** group members **Silver City Airways, Ltd.** and **Jersey Airlines, Ltd.**, are combined into British United (Channel Island) Airways, Ltd. From their bases at Blackpool and Jersey, company Douglas DC-3s, de Havilland DH 104s/114s, Handley Page Heralds, and Vickers Viscount 700/800s fly scheduled services to the Channel Islands and the Isle of Man. The company is comprised of two major divisions: the Manx division offers services from the Isle of Man to Scotland and Ireland while the Channel Islands division served its namesakes.

On August 1, 1963, BUA associate **Jersey Airlines, Ltd.** is merged into the carrier. The route networks do not change and no new aircraft are purchased during the remainder of the year or into 1964.

In 1965, a number of aircraft are transferred to another BUA associate, **Morton Air Services, Ltd.** London (LGW)—Channel Islands via Southampton air-rail services are now offered. A DC-3 with 26 aboard

crashes on Jersey Island while coming in from Paris on April 4; there are no survivors. Airline employment in 1966 stands at 770 as preparations are made to eliminate the DC-3s and Herons.

In 1967, all piston-engine equipment is removed and, with 8 Heralds and 4 Viscounts, the company by December is an all turboprop operation. Enplanements for the year are 681,991.

On November 1, 1968, **Morton Air Services, Ltd.** is merged and the company name is changed to **British United Island Airways, Ltd.**

BRITISH UNITED ISLAND AIRWAYS, LTD.: United Kingdom (1968–1970). This carrier is formed on November 1, 1968 when the **British United Airways, Ltd./Air Holding** group members **British United (Channel Islands) Airways, Ltd.** and **Morton Air Services, Ltd.** are combined. Significant changes are not made for a year until December 31, 1969, when scheduled services Southampton and London (LGW) to Alderney and Jersey to Dinard, St. Brieuc, and Quimper are dropped. At this point, the fleet of de Havilland Doves and Herons is sold. On July 20, 1970 the company name is changed to **British Island Airways, Ltd.**

BRITISH WEST INDIES AIRWAYS, LTD. (1) (BWIA): British West Indies (1940–1947). With the complete collapse of communications in May 1940 and air services between Trinidad and Barbados suspended, the islands throughout the entire Caribbean find themselves virtually cut off from each other and from the outside world.

Legendary **TACA (Transportes Aereos Centro Americanos, S.A.)** founder Lowell Yerex meets Lady Young, wife of the colonial premier of Trinidad and Tobago at a cocktail party in mid-November and is persuaded, so the story goes, to come to the island and examine the prospects of establishing a new West Indian airline.

Yerex and his chief pilot, "Snark" Wilson, fly a Lockheed L-18 Lodestar from their larger operation to Trinidad on November 27 and then continue on for an hour to Tobago. While Wilson makes a proving flight to Barbados, Yerex meets with the governor and receives a one-month provisional airline certificate.

By the week before Christmas, Yerex and Wilson have set up shop at the future site of Piarco International Airport, complete with parking spaces, a ticket office, and other amenities. The new entrant's CEO launches service on December 26; daily Port of Spain–Bridgetown, Barbados, and thrice-weekly Port of Spain–Tobago flights are undertaken.

During 1941, a total of 381 of 383 scheduled flights are completed and, with the addition of occasional charters, the company turns in an \$80,000 profit. No one notices that the initial operating certificate is not renewed.

An additional **TACA (Transportes Aereos Centro Americanos, S.A.)** L-18 and 2 L-14Hs are diverted to Trinidad in 1942 as connections are opened to Grenada, St. Vincent, St. Lucia, and St. Kitts in the Windward and Leeward Islands. The new entrant also begins flying to U.S. military bases.

Once flown on clandestine photo reconnaissance missions over Africa under cover of **British Airways, Ltd. (1)** registry and then passed to the RAF, a Lockheed Model 12A Electra Junior is purchased from England in December.

The carrier is incorporated as a public limited company on May 13, 1943, with Yerex as managing director and three-fifths owner. During the summer, Port of Spain–Grenada flights begin and one of the company's two Super Electras is burned out at Piarco Airport on August 26. Yerex resigns on October 5; his holdings are reduced to 40%, most of which is now held by **TACA (Transportes Aereos Centro Americanos, S.A.)**.

Late in 1944, 3 ex-RCAF Lockheed Hudson IIIs, reconfigured to civil L-14 standard, are delivered from Canada.

Additional new Lockheed routes are opened in 1945: to Belize on March 4, to Georgetown and Mackenzie on September 6, and to Ciudad Trujillo on October 3. By this time, the carrier has expanded its routes across the 2,000 miles of sea and islands of the Caribbean, from the

British Honduras to Guyana. The area linked by BWIA-1 is as large as one that could be formed enclosing the region between London, Moscow, Athens, and Marseilles. With the return of unprotected ocean shipping after V-E Day, company revenues decline and it becomes necessary to seek additional capitalization in order to purchase longer-range aircraft. The routes are maintained in 1946 while officials seek permission to begin services from Trinidad to Miami via Puerto Rico.

The **TACA (Transportes Aereos Centro Americanos, S.A.)** shareholding is reduced to 28% on January 11, 1947. In August, TACA's remaining interest is sold to the Trinidad government, which has come to fear that a resurgent **Pan American Airways (PAA)** might acquire a stake, and thus eventual control. In September, colonists take 25% interest and **British South American Airways Corporation (BSAA)** gains 47% shareholding. Finally, on October 1, the BSAA subsidiary **British International Airways, Ltd.** takes the remaining 28%; BSAA, now holding 75% control, combines **British West Indies Airways, Ltd. (1) (BWIA)** with BIA, under the latter name.

BRITISH WEST INDIES AIRWAYS, LTD. (2) (BWIA INTERNATIONAL AIRLINES, LTD.): Trinidad and Tobago (1948–1999). On June 24, 1948, **British International Airways, Ltd.** is reorganized; capitalized at £3 million and with J. W. Booth as chairman/managing director, the company is named **British West Indies Airways, Ltd. (2)**, but will come to be known in the industry as "BeeWee." Late in the year, 5 Vickers-Armstrong Vikings are placed in service.

Three ex-**British European Airways Corporation (BEA)** Vikings are acquired in 1949, along with a Shorts SA-6 Sealand I; the latter is not placed in service. On March 14, an application is made with the American CAB for a Miami route.

British Overseas Airways Corporation (BOAC) takes over **British South American Airways Corporation** and its **British West Indies Airways, Ltd. (1) (BWIA)** subsidiary on July 30.

To ensure that the carrier retains its West Indian character, navigational and engineering schools are established at the headquarters in Trinidad to train staff drawn from the Caribbean. In October, **British Caribbean Airways, Ltd.**, together with its Miami route, is purchased by BOAC and merged into BWIA.

At the beginning of 1950, the Lodestars are replaced with 3 Douglas C-47s, converted to DC-3 civil standard. The BCA integration is completed on March 31. Viking service is inaugurated from Port of Spain to Nassau, Miami, Haiti, Martinique, Puerto Rico, and Guadeloupe.

These routes are maintained in 1951. During this period, the BWIA-2 operation is losing \$3 million and the new managing director, John Rahr, is assigned the task of stemming the flow of red ink.

The international services of **Bahamas Airways, Ltd.** to Nassau, Miami, West Palm Beach, and Havana are taken over in 1952 at **British Overseas Airways Corporation (BOAC)** direction. Vickers Viscount 702s are ordered in 1953 and two former **Bahamas Airways, Ltd.** Three more Douglas transports join the fleet in 1954. All of the Lockheed Lodestars and Hudsons are now retired.

The first of 3 Viscount 702s to arrive in 1955 is delivered on July 28, followed by the other 2 in summer and fall. A branch station is opened in Puerto Rico in September.

On December 2, the carrier becomes the first in the Caribbean to start turboprop operations when its Viscounts inaugurate twice-weekly Port of Spain–Barbados–San Juan service.

Viscounts replace Vikings on the twice-weekly Port of Spain–Caracas–Kingston route on December 15; under contract to **British Overseas Airways Corporation (BOAC)**, the company now extends the Kingston service to Montego Bay and Nassau and, on December 16, Nassau to Miami service begins. Meanwhile, following the British Guiana government's acquisition, British Guinea Airways, Ltd. management is also assumed.

On January 1, 1956, in cooperation with **British Overseas Airways Corporation (BOAC)**, Viscount 702 service is started to New York via Miami; simultaneously, Viscount 702 flights commence

from Bermuda to Port of Spain. Four Viscount 772s are ordered during the first quarter, while a Viscount is chartered for use pending the delivery of the owned units.

The Vikings are withdrawn from passenger service in June. They now replace the Lockheed L-1049D Constellations that BOAC has leased from **Seaboard & Western Airlines** to operate all-cargo services from Bermuda to New York.

On October 24, money-losing **British Colonial Airways, Ltd.** is purchased; the new subsidiary is renamed **British Honduras Airways, Ltd.**, and its fleet of 2 Cessna 180s continues service over routes to 15 colonial destinations.

Taking 51% interest and providing a Piper PA-23 Apache, the carrier assists in the formation of **Leeward Island Air Transport Services, Ltd. (LIAT)** late in the year; the remaining shares are held by the island's colonists.

In December, the 4 new Viscount 772s are received.

Concerned in 1957–1959 that the winds of Caribbean independence blowing through negotiations between the British West Indies Federation and the U.K., **British Overseas Airways Corporation (BOAC)** begins to take over all of the company's international services and most of its profitable interisland routes. BWIA-2's reputation for service suffers; some say its initials stand for "Better Walk If Able."

Upon the independence of the colonial British West Indies, BWIA-2 is but a shadow of its former self, possessing no international routes of its own and a fleet of just 2 Viscounts, 1 DC-3, and 2 de Havilland DH 114 Herons.

The carrier applies for Miami and New York certification in its own right and places an order for a large turboprop. In December 1959, BWIA-2 receives authority to fly from London to Jamaica and from London to Barbados, both via New York.

Employing a wet-leased **British Overseas Airways Corporation (BOAC)** Bristol Britannia 312, BWIA inaugurates transatlantic London–Barbados and Trinidad via Miami and New York, service on April 29, 1960, flying the same aircraft eastward for the first time on May 1. The route is operated in pool with BOAC. The Port of Spain to New York route, also flown with Britannias in pool, becomes daily on December 11.

Britannia services are launched to Miami on January 22, 1961. In June, the Britannias are replaced on the New York and London runs by a Boeing 707-436 chartered from BOAC. To keep the airline from collapse, the government of Trinidad and Tobago on November 1 purchases 90% of the carrier's stock for TT\$2.5 million, with **British Overseas Airways Corporation (BOAC)** retaining 10% shareholding and providing 4 Viscount 772s.

A Viscount 736 is leased in 1962 from Norway's **Fred Olsen's Flysel-skap, A.S.** In February, a delegation is sent by the Trinidad and Tobago government throughout the region seeking to sign up additional Caribbean interests; although shareholding, board seats, and immunity from subsidizing the airline's losses are offered, no additional participants are ever found. Indeed, regional differences will keep the carrier from receipt of the financial backing from the very area its routes support.

Local businessmen buy out **British Honduras Airways, Ltd.** in 1963. In association with local interests, a new subsidiary, **Air Jamaica, Ltd. (1)** or **Jamaica Air Services, Ltd.**, is formed in May. Three B-727-78s are ordered in November.

The first B-727-78, painted in green and white and christened a "Sun-jet," is delivered in December 1964 and placed in service on the Miami route in January 1965. The two other Boeings are also received and, by May, are placed on the New York and Miami routes. In August, a de Havilland DH 114 Heron 2 enters service with **Jamaica Air Services, Ltd.**

Boeing 720Bs are introduced early in 1966 and, on May 1, a BWIA-2 B-727-78, in dual markings, begins service with **Air Jamaica, Ltd. (1)** to New York via Miami. In the fall, **British Overseas Airways Corporation (BOAC)** sells its remaining interest to the Trinidad government. During the year, computer reservations are introduced at Sunjet House.

With the U.K. flag carrier out of the picture, North Atlantic services, previously flown in pool with it, ends in 1967. Hawker Siddeley HS

748s and Convair CV-440s are purchased and introduced, but income and morale suffers. In September, the government of Trinidad and Tobago announces that it has accepted, in principle, a proposal for the reorganization, financing, and expansion of the company as presented to the government by the New York investment banking firm of Allen & Co. The American concern is retained under a management contract.

Convinced that government officials have taken bribes to purchase U.S. rather than British jetliners, pilots walk off the job early in 1968. When the flyers refuse to return to work, all are fired and replaced. In July, 2 Viscount 772s are sold to **LAV (Linea Aeropostal Venezolana, C.A.)**.

A Boeing 707-338C is leased from **Qantas Airways (Pty.), Ltd.** on December 14. It arrives painted in bright gold and white; christened a "Sunjet," the Stratoliner immediately begins flying to New York.

The Australian-owned B-707-338C resumes New York service in January 1969.

On February 1, the Viscounts and DC-3 begin flying a "00" shuttle service between the nation's principal islands; the route becomes known as the Tobago Air Bridge.

A B-727-78 captain thwarts the attempt by passenger J. S. Pinckney to seize the controls during the plane's approach to Miami (MIA) on February 11; Pinckney is turned over to local police when the jetliner lands.

On February 21, new financing is arranged and additional minority shareholding is taken by Allen and Co. In March-April, 2 purchased B-707-138Bs replace the chartered **Qantas Airways (Pty.), Ltd.** jetliner.

A Canadian license is obtained on May 2 and B-707-138B flights direct to Toronto from Antigua and Barbados commence the next day.

In August, a bilateral air agreement is negotiated between Trinidad and Ottawa. Enplanements for the year are 279,625.

Airline employment in 1970 totals 1,452. Propeller aircraft operations cease and, with an all-jet fleet, the airline becomes the dominant carrier in the eastern Caribbean, from North American gateways.

En route from Kingston to Miami on May 1, a B-720B with 60 passengers and 8 crew is diverted to Cuba by a hijacker. He drops his plans to fly to Algeria after talking with Cuban officials and British embassy personnel, who convince him that such a flight is beyond the aircraft's range.

Toward the end of the year, services to Miami are restructured to concentrate on fast, direct services to and from the south Florida gateway.

Passenger boardings jump 11.7% to 314,539 and freight traffic rises 11.1%.

The withdrawn Viscounts, CV-440s, and HS 748s are all sold in 1971 as the fleet is stabilized at 3 B-727-78s and 2 B-707-138Bs. Early in the year, the 3 former aircraft are traded to **Braniff International Airways** for its 4 B-707-227s.

During the year, BWIA-2 triples the number of charters into the U.K. from 8 to 24 and continues to improve its scheduled flights to and from Miami.

Passenger and freight traffic decline, but the unduplicated route system grows to some 7,000 miles.

The first 2 B-707-227s are placed in service in 1972 and additional direct services are instituted to the New York and Toronto gateways from the Eastern Caribbean. The first Canadian reservations complex is opened at Toronto and a total of 262,080 passengers are carried on the year.

The third ex-Braniff B-707-227 joins the fleet in 1973. **Leeward Island Air Services, Ltd.** is sold to the British carrier **Court Line, Ltd.**, which had previously been turned down in its efforts to take over BWIA-2. The company also receives route rights to fly into London (LHR) as a scheduled airline.

Passenger bookings rise 0.4% to 273,600 and freight traffic is down by 13%.

The workforce in 1974 totals 1,526. A B-707-351C is purchased from the Minneapolis/St. Paul-based carrier **Northwest Airlines** on February 15 as a B-727-78 replacement.

On April 5, thrice-weekly Trinidad and Barbados to London (LHR) via Miami and New York scheduled flights are inaugurated. The service

is considered a company milestone as all previous frequencies to the U.K. have been of a periodic charter nature and have only been allowed to use Gatwick Airport.

Frequencies from North America to the eastern Caribbean are increased to meet the demand created by a suspension of **British Airways, Ltd. (2)** flights and a second **Northwest Airlines** B-707-351C arrives on July 12.

A Boeing 747 is leased in October for use during the winter tourist season and plans are made to remove the ex-Braniff Stratoliners during the following spring.

Cargo increases 36% while passenger boardings leap upward 21% to 368,784.

The Trinidad government resumes complete corporate control in 1975 by purchasing back the minority interest formerly held by Allen & Co. and others in the U.S. Two more B-707-351Cs arrive from Minneapolis between January 16 and May 21. The fleet now also includes 1 B-707-227B, 1 B-727-227, and 2 B-707-138Bs. Passenger boardings swell 9.9% to 369,000, and freight is up 6.3%.

Landing rights recently won for Jamaica and Guyana are now exercised.

Airline employment totals 7,288 in 1976. The 2 B-707-138Bs and 1 B-707-227 are retired and replaced by 1B-707-351C and 1 leased DC-9-51. Orders are placed for 4 DC-9-51s with which to replace the B-707-138Bs.

A new carrier, Arawak Airlines, Ltd., is established to take over the Tobago Air Bridge; it is unsuccessful and within months the shuttle between Tobago and Trinidad is returned to BWIA-2. Meanwhile, McDonnell Douglas schedules 5 DC-9-51s for delivery rather than the 4 originally ordered. When this becomes known in Trinidad, the local press and political opposition charge the government with corruption.

Passenger bookings grow 4.3% to 385,000 and cargo moves ahead by 20%.

Having been found to be too large for its needs, the airline, continuing to suffer from charges of corruption, determines in early 1977 not to take the DC-9-51s. A last minute negotiation with McDonnell Douglas for a substitution prior to delivery of the purchased models will allow 3 Dash-43CFs to join the fleet, beginning with the first on June 28, instead of the 4 Dash-51s originally ordered. Enplanements this year soar to 567,876.

The employee population at Chairman John E. N. Scoon's airline in 1978 stands at 1,573. Two additional DC-9-34CFs are delivered following a five-month pilots strike.

In August, the airline expands its ticket offices with the opening of Ibis House, bringing to three (with Sunjet House and Kent House) the number of facilities available to the traveling public in Port of Spain.

At the end of the year, orders are placed for 2 (later 4) Lockheed L-1011-500s.

The pilots strike brings a passenger traffic decline as boardings fall 27.9% to 444,532; freight, surprisingly, is up by 20.7%.

The merger operations begun the previous year are completed in early spring 1979. A new management team is put into place, headed by the London-educated managing director/CEO, Ian Bertrand.

The first L-1011-500 is delivered in December. Simultaneously, the cutover to the IBIS I Realtime reservations system occurs, which provides more effective control over passenger reservations.

Enplanements this year rebound to 625,000.

The workforce in 1980 totals 2,200. **Trinidad and Tobago Air Services, Ltd.**, plus its routes and fleet of 6 HS 748s, is acquired and with BWIA is merged on January 1 into a new company called Trinidad and Tobago Airways Corporation; BWIA International Airlines, Ltd. is retained as the trade and marketing name.

The newly delivered TriStar 1, one of the first wide-bodies delivered to the third world, is christened *Flamingo* and enters service on the London route on January 29. It is followed by a second L-1011-500, the *Sunjet Antigua*, in August. It briefly flies a route to Frankfurt.

In October, U.S. reservations are centralized at Miami with a more advanced computer system.

Passenger boardings advance 29.7% to 889,331, but cargo is down 13.9%.

The third L-1011-500 joins the fleet in late spring 1981. An upgraded version of IBIS I comes on-line in November and provides improved access to the reservations system from Antigua, Barbados, Puerto Rico, Miami, New York, and Toronto.

Freight soars 58.5% to 7.1 million FTKs and passenger bookings for the year pass the one million-mark for the first time, rising to 1,350,000.

Service to Paramaribo ends in February 1982, but is started to Curaçao. The fourth long-range TriStar is delivered during the summer as a B-707-351C is sold.

Passenger boardings grow 6% to 1,392,484, but freight is down 27.4% to 5.35 million FTKs. An undisclosed financial loss is suffered.

The workforce in 1983 is now 2,150. The last 2 B-707-227Bs and 2 B-707-351Cs are sold. After 14 months of installation work, the new IBIS II system, purchased from KLM (Royal Dutch Airlines, N.V.), is turned on on September 18. Shortly thereafter, London frequencies are increased from two to three each week.

Passenger bookings dip 3.2% to 1,347,603, but the off again/on again cargo situation is on again, up 43.4% to 7.67 million FTKs.

The employee population is reduced by 150 in 1984. BEMIS (BWIA Engineering & Maintenance Information System) is progressively implemented; the new system controls all aircraft inventory and purchasing.

"BWIA Sunjet in Bond" is opened in December, allowing passengers to acquire a wide range of duty free items. The carrier's inaugural first-class lounge is simultaneously opened at Trinidad.

Bookings decline 9.5% to 1,240,888. However, 27.82 million FTKs are operated. On revenues of \$105.6 million, losses are significant: \$32 million (operating) and \$10.5 million (net).

Airline employment is increased 6% in 1985 to 2,085. A McDonnell Douglas MD-82 joins the fleet, which now includes 6 BAe (HS) 748s, 4 DC-9-34CFs, 1 DC-9-34C, and 4 L-1011-500s. Orders are placed for 2 MD-83s.

Service is initiated in October to Frankfurt, Zurich, Boston, Martinique, and St. Martin. The flights to Martinique are made with BAe (HS) 748s. The Information Services Department moves into a new data center on December 7.

Passenger boardings accelerate 4.4% to 1,297,695 and cargo rises 26.9% to 36.4 million FTKs. Still, the financial picture worsens. Although revenues advance 7% to \$169 million, expenses soar to \$203 million; the operating loss is \$34.2 million and the net loss is \$13 million.

The payroll is increased 2% in 1986 to 2,127 and phaseout of the 6 BAe (HS) 748s begins as the 2 MD-83s arrive to replace them.

Flights to Zurich and Frankfurt are suspended at the end of March. Service is inaugurated in June from Jamaica and San Juan to Haiti and from Trinidad to Baltimore (BWI). At year's end, the fleet includes 4 L-1011-500s, 4 DC-9-34CFs, 2 MD-83s, and 2 BAe (HS) 748s.

Passenger bookings climb to 1,303,000 and cargo rises 19.3% to 12.56 million FTKs. Revenues ascend to \$159.4 million, but costs cause losses of \$25.7 million (operating) and \$28.1 million (net).

A third MD-83 arrives 1987 and a Boeing 747-123 is wet leased from Cargolux Airlines International, S.A. in April. Automated Ticketing and Farequote are implemented in IBIS II and the first tickets are produced in July.

The BEMIS System assists in the planning and execution of the first DC-9 "D Check" accomplished at Trinidad's Piarco International Airport. Service to Frankfurt is resumed in October. Meanwhile, BWIA's duty free shop is allowed to sell duty free items to all arriving passengers.

The company reports no traffic or financial figures for the year and only partial information for several thereafter. It does, however, note that it has carried more than nine million passengers since November 1940.

In 1988, traffic statistics are available for only the first six months. These show customer boardings down 4.7% over the same period a year earlier to 603,070, but freight up 20.5% to 6.45 million FTKs.

A fourth MD-83 arrives in July and is placed into service on the New York and Baltimore routes. A no-smoking ban is put into place on all short-haul segments.

Airline employment stands at 2,040 in 1989 and the fleet rationalization continues. Weekly roundtrips begin on January 16 between Trinidad and Stockholm, Sweden. The fifth MD-83 arrives in March.

In August, *Silver Ibis* business-class service is introduced on the L-1011-500s and the first-class product is renamed *Golden Ibis*. Economy-class service is known as *Scarlet Ibis*. As a first step toward eventual privatization, First Boston Corporation is engaged as the airline's financial advisor.

Enplanements for the year are 1,322,000, with 13.46 million FTKs. Revenues total \$187 million.

The chartered fleet, by January 1990, contains just 2 aircraft types, 4 L-1011-500s and 7 MD-83s. Two more MD-83s arrive by April.

The last DC-9-34CF service to Tobago is operated on July 18. A coup attempt on July 27 forces the airline to curtail, but not cease, operations for a number of months thereafter.

In November, the company's fiftieth anniversary is celebrated with an interfaith service in Wildflower Park. It is also remembered in the addition of two more MD-83s and the addition of a second weekly TriStar flight from St. Lucia to London. Service to Cologne begins in December.

The fleet in 1991 includes 1 out of service DC-9-34CF, 9 leased MD-83s, and 4 leased L-1011-500s. In January, the carrier increases its service from New York to both Trinidad and Tobago to five weekly flights.

A daily L-1011-500 route is opened in February from New York to Barbados, continuing on to Trinidad. An Integrated Check-In System (ICIS) is introduced in June.

In October, six-times-per-week MD-83 flights commence from New York to Tobago, along with five-times-per-week to Port-au-Prince. Weekly frequencies are also started on October 29 from Stockholm to Barbados, while daily runs are made from Miami to St. Kitts. The New York to Barbados route is increased from four times a week on November 1 to daily service. At the same time, five-times-a-week MD-83 frequencies commence from New York to Georgetown via Port of Spain. L-1011-500 roundtrips are launched to Munich.

Ian G. Bernard is named chairman/managing director in February 1992. A joint marketing agreement is signed with LIAT (Leeward Islands Air Transport, Ltd.) in March providing for through baggage service, joint fares, and joint scheduling at the Antigua and Barbados hubs. Simultaneously, twice-weekly flights commence from Miami to St. Martin; the return flight stops at Antigua.

Daily flights commence on May 1 from New York (JFK) to Barbados and Grenada. The same day, the New York to Port of Spain service is upgraded from MD-83 to L-1011.

In July, the carrier begins twice-weekly flights from Antigua-London (LHR). A cooperative agreement is signed with the American major Delta Air Lines. Late in the year, the carrier is commended by the UN for its ban on the transportation of exotic and endangered birds.

Although revenues reach \$200 million—over 4% of the nation's GDP—a total of \$9.1 million is lost on the year. A drought on the release of annual traffic figures resumes.

Airline employment stands at 2,500 in 1993. In an effort to compete with Caribbean encroachment by American Airlines and United Airlines, BWIA in January inaugurates daily nonstop service from Miami to St. Martin. It also creates a tour subsidiary, Funventure Tours, to market holiday packages to travelers visiting the eight markets served. Additionally, a heavy new marketing campaign is begun in Caribbean-oriented news outlets.

While en route from Miami to Barbados on October 30, an MD-83 with 7 crew and 76 passengers suffers the explosion of a water heater in its forward galley due to a worn-out relay and a faulty security valve; two flight attendants are injured.

Tobago-Zurich L-1011-500 roundtrips commence on October 31.

A \$28.6-million loss is suffered on the year.

The workforce is boosted by 19.3% in 1994 to 2,945 and, in January, the joint marketing agreement with **LIAT (Leeward Islands Air Transport, Ltd.)** takes effect and a Cost Reduction Improved Service and Profitability (CRISP) program is implemented. In the spring the company enters into a partnership for a new flight kitchen with Airline Caterers and ALPHA Airports Group, plc.

In July, a memorandum of understanding is signed with The Acker Group and Loeb Partners for the recapitalization and privatization of the airline. German interpreters are introduced on European flights.

World Tracer, an integrated baggage tracing and management system, is implemented in September, while the BEMIS II system is turned on on September 30.

As part of the CRISP program, 2 MD-83s are returned to their lessors and the workforce is reduced by December to 2,221.

For the year plus one month, the operating deficit is \$9.4 million and the net loss reaches \$31.5 million.

Employment is cut in 1995 to 1,950. Royal Hibiscus premier-class service is introduced on January 8. At the end of January, domestic service between Trinidad and Tobago over the Tobago Air Bridge is withdrawn.

The carrier is incorporated on February 15 and, on February 22, the company is privatized. A 51% shareholding is purchased by a group of Caribbean and American investors led by former **Pan American World Airways (1)** and current **Atlantic Coast Airlines** Chairman C. Edward Acker and President/COO Edward J. Wegle. The government stake is reduced to 33.5%, with employees holding the last 15.5%.

With the government assuming responsibility for previous \$83-million debt, an entirely new BWIA corporation is incorporated.

A number of staff changes are made. After 30 years of service, Vice President-Marketing and Sales Nelson Tom Yew departs to become general manager of **Air Caribbean, Ltd.**

Plans are announced for the purchase of Boeing 757s/767s, which will never be delivered. Orders will, instead, be placed for 2 each Airbus A340-300s and A321-131s, plus 5 Embraer EMB-145s. Meanwhile, a Lockheed L-1011-500 TriStar is leased from **TAP-Air Portugal, S.A.**

In early April, BWIA begins operations into Vigie Airport in St. Lucia. During the last week of April, a strategic alliance is entered into with **American Airlines**. The company begins transferring its New York operations into the AA terminal at New York (JFK) and its reservations personnel are familiarized with the SABRE computerized reservations system.

Traffic figures are reported through June and show enplanements of 421,000.

Specialized Airline Services takes over all BWIA-related freight and cargo handling in Trinidad under a July 1 agreement with the airline. The same day, a self-service Sunjet Duty Free Shop is opened at Trinidad's Piarco International Airport.

The arrangement with **American Airlines** begins on July, with the conversion to the SABRE system. In addition to shared reservations, marketing, ground handling, and airport amenities, the two begin to share codes on each other's flights. Specifically, the BWIA code appears on AA flights from New York and Miami to Orlando, Washington, D.C., and Boston. The AA designator is shown on BWIA flights from Antigua via Miami to New York and from Barbados to Antigua, St. Lucia, Port of Spain, and St. Martin and between Port of Spain and Grenada and Georgetown.

A baby girl is delivered on board a New York flight on September 12.

In November, plans are made to establish a BWIA Express, Ltd. subsidiary and a 29% stake is purchased in **LIAT (Leeward Islands Air Transport, Ltd.)**, making BWIA the largest investor in the newly privatized regional. For the winter season, the company begins flying to São Paulo and Buenos Aires. Direct services are inaugurated from Tobago to New York and to Miami. A ceremony marking 55 years of service is held at Trinidad on November 27.

For the whole year, the operating loss is reduced to \$3.6 million.

The all-leased fleet in 1996 includes 7 MD-83s and 5 L-1011-500 TriStars, including one chartered from **TAP-Air Portugal, S.A.** Early in the year, Chairman Acker steps down. President Wegle continues to direct operations and starts a rigid cost control program.

Also in January, weekly flights begin from Trinidad to São Paulo via Barbados. In February, the Port of Spain headquarters begins handling all BWIA reservations for the entire North American region. The Trinidad to São Paulo service via Barbados is withdrawn in April.

In June, a cooperative marketing agreement is entered into with **Bahamasair, Ltd.** covering services to Antigua, Barbados, and Port of Spain. The carrier now begins replacing its TriStars and MD-83s with a fleet from Airbus Industrie. The first of 2 A321-131s is delivered on July 3 and, 10 days later, enters service from Port of Spain to New York via Barbados. The second A321-131 arrives in August.

In October, German tourists become prime marketing targets as charters are brought in from Frankfurt and Zurich; flights to Munich are, however, suspended. At the same time, Giles Filiatreault becomes chairman/CEO and a new air cargo division is started. A321-131 service to Georgetown begins in November. Enplanements total 896,407.

The employee population inches up 0.2% in 1997 to 2,470. At the end of May, a memorandum of understanding is signed with **Air Jamaica, Ltd.**; the document pledges mutual cooperation in areas which will reduce costs for both airlines, including joint purchases, engineering and support services, customer services, and some flight operations. A working group from both carriers is assembled to look into the possibilities of code-sharing and aircraft cross utilization.

During the summer, both A321-131s are returned to their lessors. They will be repainted and sent to the Turkish charter operator **Air Alfa, A.O.**

On December 3, **Leeward Islands Air Transport Services, Ltd. (LIAT)** takes over the carrier's twice-daily Tobago Air Bridge roundtrip service. The move is contested in court by the designated air bridge carrier, **Air Caribbean, Ltd.**

Passenger boardings for the year fall to 892,005. Revenues total \$210 million, but operating expenses reach \$223 million; consequently, there is an \$18-million loss.

Flights continue in 1998. During the first quarter, Conrad Aleong is asked to perform a business audit of the airline. The audit reveals a dreadful picture: no cash, short-term borrowing of \$11.6 million, a long-term \$16.8 million debt, and capital of just \$950,000. In the face of these findings, Chairman Lawrence Duprey, a 2.6% shareholder, declares the company bankrupt.

Aleong's report lead the airline's board of directors to invite him to succeed President/CEO Giles Filiatreault at least through that time when the company will be strong enough to make an initial public offering of its stock.

Based on his report, Aleong and the board of directors unveil a business plan in April. As part of the new approach, employees are committed to individually purchasing up to 100 shares of common stock each, or almost 90,000 shares. Unfortunately, other shareholders reject the chairman's plea to put up proportionate funding to raise the critically needed \$10 million. "Plan B" is developed whereby BWIA will take a \$50-million rights issue to the NASDAQ Exchange on November 1.

On June 18, Justice Fyrd Hosein grants the **Air Caribbean, Ltd.** request and orders LIAT to halt flights on behalf of BWIA over the Tobago Air Bridge. BWIA and LIAT, in turn, appeal Hosein's decision to the court of appeals. On July 1, that high court overturns Judge Hosein's finding and permits BWIA and LIAT to return to the air bridge effective August 31.

On August 20, **Air Caribbean, Ltd.** Executive Chairman Leslie "Lucky" Samaroo and General Manager Nelson Tom Yew meet in a "peace conference" at the Red House at Port of Spain with BWIA Chairman Duprey and CEO Aleong. The session, brokered by Works and Transport Minister Senator Sadiq Baksh, is designed to create an atmosphere under which previous operational differences between the two carriers might be resolved. During the meeting, Baksh expresses a hope

that BWIA will fly more services over the air bridge and that Air Caribbean might be designated a national air carrier, which would allow it to expand its regional and international activities.

Plans to issue its stock in November are dashed during the month when the New York stock exchange becomes uncertain. The issuance is pushed back to June 1999. Depressed fuel prices help the airline gain a trickle of hard currency with which to pay creditors; the carrier has been as much as 90–120 days behind on its invoices this year.

When **Air Canada, Ltd.** pilots go on strike on September 3, effectively shutting down that carrier, BWIA makes a number of MD-83 flights to Toronto to help transport nationals and visitors stranded in Trinidad and Canada.

During the month, the carrier finds itself with a major drug-smuggling problem with flights originating from Cheddi Jagan International Airport at Timehri, Guyana.

While en route from Guyana to New York via Trinidad on September 8, an L-1011-500 is delayed on the ground at Trinidad when 7.5 kilos of cocaine in 7 packets is found under 7 seats aboard the airliner. *The Trinidad Express* reports on September 9 that on August 20 and September 4, Canadian customs and the RCMP have found 10 kilos of cocaine hidden under the seats of BWIA MD-83s arriving at Toronto from Trinidad. No suspects are immediately identified as investigations continue, but suspicion falls upon the airline's maintenance staff. On September 11, company officials meet with representatives from the governments of Trinidad and Guyana seeking ways to smash the smuggling operation.

Realizing that BWIA must make a profit in 1998, in September President Aleong backs off from the mutual cooperation pact signed with **Air Jamaica, Ltd.** the previous year. Its value to BWIA is limited as no significant yield has been realized from the plan that is aimed at growth through volume and profits in the new century. On a more practical note, the company does engage in discussions with Air Jamaica concerning a possible cargo joint venture, as well as shared ground-handling and check-in services at Miami (MIA).

Also in September, a memorandum of understanding is signed with **Continental Airlines**. Planning begins for code-sharing with the U.S. major before the end of the year.

In other moves designed to increase income, an MD-83 replaces an L-1011-500 on the route between Guyana and New York and a new engine overhaul program is started in cooperation with Rolls Royce.

At Toronto on October 3, RCMP officers find 11 kilos of cocaine on a rotating carousel among luggage off-loaded from a BWIA service that had, again, originated in Guyana. Joining with local authorities, airport security police, and agents from the U.S. Drug Enforcement Administration, the RCMP announces a plan on October 6 to search all arriving BWIA aircraft.

Just after takeoff from Trinidad for New York on November 17, Flight 426, an MD-83 with 6 crew and 88 passengers, suffers problems with an engine that must be shut down. An emergency is declared and the aircraft makes an uneventful landing back at its point of origin.

An order is placed with Bombardier Aerospace in late November for a pair of de Havilland Canada DHC-8Q-300s. Upon their arrival early in the new year, the turboprops will connect will connect passengers arriving at Port of Spain and Barbados on long-haul flights with the regional destinations of Tobago, Grenada, St. Lucia, St. Vincent, Georgetown, and Caracas.

While deplaning from a flight that has just arrived at Guyana from New York on December 21, 56-year-old Chandra Bheir slips on the third step of the air stair and falls down its remaining length to the ground. The lady is pronounced dead shortly thereafter.

It is reported that, on Christmas Eve, the body of an Antiguan man wanted on criminal charges has been found in the wheel well of an MD-83 at Trinidad. Security issues are raised as to the causes of this incident, the second unusual death involving a company aircraft within a week.

It is announced at year's end that the company will initiate twice-weekly MD-83 roundtrips on July 1 from Port of Spain to Houston; the flights will be code-shared with **Continental Airlines**.

A total of 879,591 passengers are carried on the year, along with 36.5-million pounds of freight. Due largely to a dramatic decline in fuel prices, the company is able to increase revenues from \$210 million to \$225 million, and reduces its operating expenses from \$223 million to \$214 million. The previous year's \$18-million loss is turned into a \$9.1-million profit, the first in the airline's 58-year history.

The fleet at the beginning of 1999 includes 5 MD-83s and 4 L-1011-500s. The 2 A321-231s chartered from ILFC are subleased to **Air Alfa, A.O.** CEO Aleong makes a serious effort to get out of the Airbus lease, even agreeing to pay a small fee if necessary.

During the mid-February sick-out by pilots at **American Airlines**, BWIA is able to assign a pair of MD-83s to fly the lucrative Miami route, bringing passengers in for the Carnival celebrations.

After numerous security breaches over the last year, including the as-yet unsolved cocaine smuggling episodes, BWIA indicates on February 22 that it will replace 12 Guyanese security officers at Cheddi Jagan International Airport with men from the local office of a Trinidadian security firm.

Having been delivered in January–February, the new DHC-8Q-300s, for which BWIA has paid \$12.5 million apiece, enter service with the new subsidiary **BeeWee Express, Ltd.** on March 1. The turboprops fly thrice daily to Grenada, twice daily to Barbados, St. Lucia, Barbados and Tobago, and daily to Caracas.

Following the Guyanese carrier's acceptance of a local interest's offer to take equity control of **Guyana Airways Corporation**, BWIA, on March 1, withdraws its privatization bid. The Trinidad carrier moves to formalize a code-sharing pact with **Continental Airlines**. The pact should be in operation in time for the Miss Universe Contest, which BWIA will host at Trinidad on May 26.

CEO Aleong holds a press conference on March 22 to announce the positive fiscal results of the previous year, highlighted by the carrier's first-ever profit. To celebrate, a \$1-million bonus will be paid to employees in appreciation for their dedication and in recognition of their role in helping the carrier to achieve its success. Aleong also notes that new uniforms and a new livery will be unveiled by the new year.

At the beginning of April, a \$360-million order is placed for 7 Next Generation B-737-800s, to be delivered by the end of the year 2000, while an option is simultaneously taken for receipt of another 3 in 2001. The first plane will arrive in December.

Following an announcement by Jamaican Finance Minister Omar Davies that taxes on diesel, gasoline, and fuels would be increased by 30%, demonstrations on the island national flare up on April 19 and rage into full-scale civil unrest. BWIA, joined by **British Airways, Ltd. (2)**, **Air Canada, Ltd.**, and **American Airlines** are forced to cancel services to Jamaica on April 20.

Calm is restored on Jamaica on April 21, following three-days of deadly protest, arson attacks, and clashes between demonstrators and police that have left seven people dead. BWIA resumes its services the next day.

As a consequence of the St. Lucia government ending its annual \$1.7-million subsidy to **American Airlines** on April 30, BWIA, as the result of negotiations completed on April 12, steps in and begins thrice-weekly direct flights to the U.S. from St. Lucia.

Leased from ILFC for a year, a Next Generation B-737-7Q8 arrives at Piarco International Airport at Trinidad on May 12; it enters service on routes to Miami within a few days.

The Miss Universe Contest goes off without a hitch on May 26 and brings the airline valuable good will.

Smoking is banned from all BWIA flights beginning on July 1, the same day twice-weekly MD-83 return flights, jointly operated with **Continental Airlines**, are started from Port of Spain to Houston.

Former BWIA vice president and **Air Caribbean, Ltd.** general manager, Nelson Tom Yew, returns to the company on July 14 as general manager for strategic alliances and government relations.

Four-times-a-week B-737 roundtrips are launched on October 31 from Trinidad to Washington, D.C. (IAD). More important in the long term, however, is the corporate renaming of the carrier to **BWIA West Indies Airways, Ltd.**, which occurs on December 2. In a special ceremony at Port-of-Spain, the company's new "steel pan" livery is unveiled on an L-1011-500 TriStar.

Passenger boardings surge 33.3% to 1,173,000 while 54.72 million FTKs are operated. Operating revenues advance 6.2% to \$239 million and allow a \$3.7 million (TT23 million) net gain, the second in a row after 57 consecutive years of losses.

BRITISH WESTPOINT AIRLINES, LTD.: United Kingdom (1960–1966). Frank and Jack Mann's **F & J Mann Airways, Ltd.** is registered on December 2, 1960 with capitalization of £100. The need for additional partners and aircraft results in a successful search, including 2 Douglas DC-3s purchased in March and July 1961. Operating as Westpoint (later British Westpoint) Airlines, Ltd., the company begins nonscheduled Douglas service from Exeter Airport in late March. During the summer, the DC-3s fly inclusive tours from London (LGW) to France and Austria. Additional tour points are served through the winter.

A third DC-3 is acquired in March 1962 and joins the others in offering a variety of ad hoc charter and inclusive-tour flights during the summer. The first scheduled service is started Newquay–London via Exeter on April 1, 1963. The primary tour destinations this year are in France and Holland. A bid to takeover **Mayflower Air Services, Ltd.** during the fall is unsuccessful.

DC-3 replacement service (for **Air France**) is flown London (LHR)–Lille, beginning in the spring of 1964. **Mayflower Air Services, Ltd.** is successfully purchased in May, along with its 2 de Havilland DH 89A Dragon Rapides and a scheduled route network to the Scilly Isles. Another DH-89A is purchased from **British European Airways Corporation**. Two DC-3s and a Mayflower Dragon Rapide are sold during the year.

A number of ad hoc passenger and cargo charter flights are flown in 1965 along with the previously operated scheduled routes. Early in 1966, financial difficulties force the carrier into bankruptcy.

BRITISH WORLD AIRLINES, LTD.: Viscount House, Southend Airport, Southend-on-Sea, Essex, England, SS2 6YL, United Kingdom; Phone 44 (1702) 354 435; Fax 44 (1702) 331 914; <http://www.british-world.co.uk>; Code VF; Year Founded 1993. On April 6, 1993, the regional **British Air Ferries, Ltd.** is renamed and adopts a new corporate image, including logo and aircraft livery. Still owned by Mostjet, Ltd., the carrier not only wet-leases out aircraft to other airlines, but operates scheduled and charter services. Chairman Robert Sturman and Managing Director Neil Hansford's fleet now includes 5 British Aerospace (BAC) 1-11s in storage, as well as 3 leased 1-11-518FGs, 1 each chartered 1-11-520N and 1-11-531FS, and 2 leased BAe 146-300s. Still the world's largest Viscount operator, BWA flies 2 802s, 4 806s, and 1 each 807 and 808C.

Scheduled services include flights from the company base at London (STN) to Dusseldorf and Bucharest, the latter point becoming a destination on June 28. Viscount freight services are flown from Dublin and Birmingham to Brussels on behalf of **Federal Express**. One each Viscount 813 and 836 are joined in this service in June by an 810.

Three others are also employed to operate contract 76-passenger flights from Aberdeen to the Shell U.K. Exploration and Production (Shell Expro) base at Sumburgh, in the Shetland Islands. Charter flights are also conducted, although the previously significant number of troop flights to Germany are being progressively reduced as British troops stationed there are progressively withdrawn.

An interline agreement is signed with **TAROM (Transporturile Aeriene Romane, S.A.)** in July and thrice-weekly scheduled flights are inaugurated from London (STN) to Bucharest using the BAC 1-11-520N and 1-11-531FS. A mail and express delivery contract is

won from the British Post Office while plans are made to undertake year-round charter services between London (STN) and Manchester with the BAe 146-300s.

Enplanements for the year total 354,125 and a total of 2.8 million FTKs are operated. A net \$957,000 profit is earned atop an operating income of \$230,000.

Airline employment is increased by 12.8% in 1994 to 203.

Recognizing that it has few customers in the Southend area, the company, on January 25, relocates its headquarters from Southend Airport to Longford, near Heathrow.

While en route from Edinburgh to Coventry on February 25, Flight 4272, a Vickers Viscount 813 freighter with two crew, loses power to its No.2 and No. 3 engines and is ordered to divert to Birmingham. Although the No. 2 engine is restarted while on the new heading, the No. 4 now quits and, just 5 min. short of landing, the aircraft descends into trees and breaks up (one dead).

In the spring, British World drops its scheduled services to concentrate on contract and charter operations.

Late in the year, against heavy competition, the carrier begins preparations to regain the \$85-million Shell Expro contract that is about to come due for rebidding. Not only is it won, but 5 Viscounts are painted bright red and are assigned to the postal service operation.

The 5 chartered BAC-111s are purchased from ILFC in November.

Passenger boardings slide by 1% to 485,919 but revenues advance 8.3% to \$21.5 million. With expenses at \$20.4 million, a \$1.02-million operating profit is generated.

The workforce is cut to 180 during 1995. The company now moves into the business of assisting new start-up carriers, offering a complete Air Operators' Certificate (AOC) infrastructure. The first customer to contract for this service will be **Debonair Airways, Ltd.** When that new airline is started on October 1, BWA holds its AOC and provides all of the named management, business and accounting plus engineering services as Debonair is built.

On November 1, the carrier is awarded a 5-year, £55-million charter contract by Shell Exploration and Production UK (Shell Expro) for the transport of oil industry workers from Aberdeen to Sumburgh, Shetland Islands. To handle the new award the carrier orders 2 Avions de Transport Aerien ATR72-212s with which to replace the Viscounts currently operating the route.

Revenues total \$57.35 million and costs are low enough to allow a \$1.55-million net profit.

Airline employment stands at 213 in 1996, as the company celebrates its fiftieth anniversary. The first ATR72-21—the first new aircraft in the company's history—is delivered in March. It immediately begins to ferry oil workers between Aberdeen and the Shetland Islands community of Sumburgh on behalf of Shell Expro.

While landing after its second training flight of the night of March 24, a Vickers Viscount 808's crew fails to extend the landing gear and the aircraft makes a belly landing on the Belfast Airport runway. After coming to a stop, the crew secures and evacuates the aircraft, which is badly damaged.

The last passenger Viscount flight in the U.K. is made from London on April 18 when a Dash-802 filled with VIPs, including the aircraft's designer Sir George Edwards and former **British European Airways Corporation** Managing Director Sir Peter Masfield, makes a 45-minute flight between Heathrow and Stansted Airports. The withdrawn turboprops begin conversion into Freightmaster cargo planes.

With BWA contract support and employing its AOC, **Debonair Airways, Ltd.** inaugurates services on May 1 from its London (CTN) base. Meanwhile, the second ATR72-212 arrives in May.

A total of 475,000 passengers are transported and 1.64 million FTKs are operated. A \$2.3-million operating profit is reported.

The workforce is increased by 4.2% in 1997 to 222. Early in the year, orders are placed with BAe Asset Management, trading turboprops for a pair of ATPs.

In May, the company, together with the aircraft broker Independent Aviation Group, undertakes to assist **Classic Airways, Ltd.**, a start-up based at Stansted Airport that is planning to fly Lockheed L-1011s on international charters.

With **Debonair Airways, Ltd.** having achieved a significant measure of viability, it is awarded its own AOC in September as the BWA contract is renegotiated into a maintenance support package.

Also in September, the company acquires its first BAe ATP; after crew training and route proving, it enters service at the beginning of October.

Classic Airways, Ltd., established in May by British World and the aircraft broker Independent Aviation Group, is ready to commence the provision of wet-leased, standby aircraft for ad hoc charters or replacement services. David Chubalashvili is chairman and he begins revenue services with a single Lockheed L-1011-100 TriStar, which is operated under the British World AOC.

In November, the carrier completes takeover of Sydney-based **Australian Jet Charter (Pty.), Ltd.**, a fixed base operator.

Customer bookings this year inch up 0.5% to 413,000. Operating revenue, however, declines 8.9% to \$50.8 million. Fortunately, expenses also plunge 15.5% to \$45.2 million. Consequently, the operating profit doubles to \$5.6 million and there is a \$2-million net profit.

Flights continue in 1998. On May 9, **Classic Airways, Ltd.** charters an L-101-50 TriStar from Investors Asset Holdings; the wide-body had previously been operated by **Caledonian Airways, Ltd.**

During the summer, arrangements are completed for the purchase of two of the last three BAe ATPs to be manufactured. The first is delivered in late September, with the second set to arrive at Southend Airport in mid-November.

On September 20, BWA suspends permission for **Classic Airways, Ltd.** operations on its AOC. The move forces Classic to ground its two TriStars, one of which is the subject of a maintenance dispute with Marshall Aerospace.

Following the September 25 fatal crash of a **Pan Air Lines Aereas, S.A.** BAe 146-100QC during a service from Malaga to Mellila on the North African coast, BWA is contracted to take over the route. As soon as the first of the new ATPs becomes available, it inaugurates four daily roundtrips.

The arrival of the second ATP on November 16 allows BWA to start an all-cargo service on behalf of **DHL Worldwide Express**. Nightly, the turboprop transports 6.5 tons of cargo from Palma to Barcelona and Madrid and back to Palma.

Passenger boardings total 211,000, while 112,000 FTKs are operated.

By the beginning of 1999, airline employment has been increased by 74.3% to 387.

Hurricane force winds in Shetland on February 3-4 again cause problems for the local air carrier, **British Regional Airlines, Ltd.** Unable to get its own aircraft to Sumburgh Airport on the first of the two storm days, BRA contracts with British World for the use of its ATR72-212, maintained at the Scottish point in connection with an oil industry contract. As the four-person crew taxis the turboprop on the morning of February 4, a gust of wind turns it to one side on its wing. The aircraft rights itself and is taken into shelter. The flight and all others for the day are cancelled.

Max Kingsley-Jones reports in the April 14 issue of *Flight International* that BWA will begin a fleet renewal program in midyear and will standardize on a fleet by 2002 with just 2 aircraft types—BAe ATPs and Boeing 737-300s. Having already sold 1 of its 4 remaining BAC 1-11-500s, Managing Director Ian Vanderbeek reports that his concern now also flies 2 ATR72-212s and 4 ATPs.

One of the former in "British Airways Express" colors is dry-leased to **CityFlyer Express, Ltd.** at the beginning of the month, while two ATPs have simultaneously been wet-leased for two-and-a-half years to **Jersey European Airways, Ltd.** The ATPs allow JEA to increase capacity and frequencies on its Southampton to Guernsey route.

Toward the end of April, a third ATP is readied for departure on a six-month charter in New Zealand.

During late summer, a British Aerospace ATP is leased to **CityJet, Ltd.** for use on an express service between Belfast and East Midlands Airport.

A BAC 1-11-518FG is chartered to **Air Nostrum, S.A.** in October and, on behalf of Shell, BWA introduces daily ATP roundtrips in November between Aberdeen and the Shetland Islands.

Passenger boardings plunge 37% to 143,000 while freight soars 45.5% to 179,000 FTKs.

The workforce stands at 233 at the start of 2000, a decline of 39.8% over the past 12 months.

The carrier's first leased B-737-340 is delivered in January; it will be employed for two months in crew training and route proving from London's Gatwick Airport, to which the carrier has returned after a two-year absence.

Later in the month, a five-year contract is signed with the Integrated Aviation Consortium's (representing BP Amoco, DNO Heather, Kerr McGee, and Shell) lead operator, **Bristow Helicopters, Ltd.**, to operate three dedicated ATPs daily beginning in April, flying oil workers between Aberdeen and Scatsta. Also, in order to increase its ad-hoc charter presence in Germany, the company simultaneously stations six ATPs (later reduced to one) at Hanover. ATPs also undertake replacement services for **Crossair, Ltd.**, **Brymon Airways, Ltd.**, and **Jersey European Airways, Ltd.**

After training nine crews and completing a successful final route proving flight to Dublin on March 29, the premier B-737-340 enters service on April 2, operating replacement flights from London (LGW) to Hamburg, Hanover, and Dresden for **Hapag-Lloyd Fluggesellschaft, mbH**. A second B-737-353, previously operated by **Debonair Airways, Ltd.**, is delivered at the end of April. In May, it begins a six-month wet-lease to **easyJet, Ltd.**

Previously flown by **Braathens, A.S.**, a B-737-305 leased on April 5 enters service at the beginning of July, flying Mediterranean tours on behalf of Independent Tour Operations Association member companies. Introduction of the Boeings allows removal of the last two BAC 1-11-500s.

During the first week of August, it is announced that Managing Director Ian Vanderbeek has resigned; he is succeeded by former Askern France, S.A. Chairman/Managing Director Christopher Bakhurst.

All three of the carrier's BAC 1-11-500s are put up for sale in mid-October.

BRITT AIRWAYS: United States (1975-1991). When **Allegheny Airlines**, with which William C. "Bill" Britt's **Vercos Air Service** has been affiliated as an "Allegheny Commuter" partner for five years, changes its marketing plans and cuts back commuter operations in early 1975, Britt augments his contract by establishing his own independent passenger service, Britt Airlines, in February. Two more Beech 99s are placed into service from the Terre Haute, Indiana, base, joining a fleet which includes a Volpar Beech 18 and another Beech 99.

Enplanements for the year reach 117,779.

The four-plane carrier is divided into two operations in 1976; Britt Airlines continues to service the Allegheny Commuter contract while the new Britt Airways allows the former **Vercos Air Service** to grow and serve the key regions surrounding its hub, flying independently over routes not covered by the Allegheny contract. The new title allows the company to avoid legal complications, particularly as feeder flights are now also being flown on behalf of **Ozark Air Lines**.

Destinations visited include Decatur, Champaign, Fort Wayne, Danville, Lafayette, Indianapolis, and Chicago. In July, flights begin from Galesburg and Sterling to Chicago and to Indianapolis from Danville and Bloomington.

Passenger boardings accelerate 17% to 141,902 and a total of 1.8-million pounds of freight are hauled. Three more Beech 99s are acquired in 1977.

As is the case with many regional carriers, the signing of the Airline Deregulation Act in October 1978 is a catalyst for Britt expansion. As

the major carriers abandon smaller, unprofitable segments in favor of long-haul routes, Britt, equipped with a 12 Beech 99s and the first of 4 ordered Swearingen Metro IIs, is able to come to the rescue and make the short hops profitable.

Immediately on the heels of the Federal legislation comes a strike by flight attendants of **Ozark Air Lines** in 1979 that allows the company to launch services to communities such as Peoria, Springfield, and Evansville.

In 1980, the fleet comprises 12 Beech 99s and 8 Fairchild Swearingen Metro IIs. Service is provided to five Midwestern states from hubs at Indianapolis, St. Louis, and Chicago. The first of three requested Fairchild Hiller FH-227s arrives in October.

On April 20, 1981, Britt severs all remaining relations with the "Allegheny Commuter" network and merges both of his divisions under the Britt Airways name. The founder and his staff then watch as their passenger, freight, and mail services blossom to additional markets.

New flights begin to Burlington and Quincy as 2 Fairchild Hiller FH-227s, formerly operated by **Air New England**, join the fleet, which now also includes 12 Beech 99s and 8 Metroliners.

Enplanements for the year total 319,677 and 52,530 FTKs are operated.

The carrier, with 900 employees, remains in family hands in 1982 and, in April, two former **Allegheny Airlines** Fairchild F-27As are acquired as capacity is increased on routes within Illinois. Customer bookings skyrocket 150.5% to 798,538 and in terms of passenger boardings, Britt now ranks as the second biggest (behind Empire Airlines) large regional.

Britt does not remain in second place among large regionals for long. In 1983, the Terre Haute, Indiana-based company's enplanements accelerate 18.9% to 949,237, sufficient to give it the top spot in terms of passenger bookings. Part of the load is handled by two newly delivered FH-227s.

The fleet in 1984 includes 12 Beech 99s, 7 FH-227s, 7 Fairchild F-27A/Js, and 16 Metroliners.

Just after takeoff from Terre Haute on a January 30 training flight, a Swearingen Metro, with two crew and one passenger goes into a steep descent and crashes 6,300 ft. from the end of the runway; there are no survivors.

During early spring, two BAC 1-11-416s are acquired; the first is delivered via Keflavik and New York on June 23. Beginning in October, one of the British-made jetliners begins scheduled flights over the high-volume route from Chicago to Champaign, Evansville, and Cedar Rapids. The other, under an arrangement with Sterling Transportation, is employed to fly gamblers from the Windy City to Atlantic City.

The one million-mark in annual passenger bookings is passed for the first time as enplanements climb 26.9% to 1,204,775.

In 1985, the 950-employee company owns 2 BAC 1-11-416s, 7 Fokker Fairchild FH-227s, 7 Fokker F.27A/Js, 16 Fairchild-Swearingen Metroliners, and 12 Beech 99s.

Thrice-daily BAC 1-11-400 roundtrips to Walt Disney World are inaugurated during the first quarter from Chicago to Orlando. The jetliners join the company's other units in visiting 27 cities in 8 states—Illinois, Indiana, Ohio, Iowa, Kentucky, Michigan, Missouri, and Tennessee.

On August 9, the company joins the "Piedmont Commuter" system in an extensive joint marketing program and begins to feed the major's Dayton hub on November 1. Majority control of Britt is purchased by **PEOPLExpress** for \$36.5 million on December 23; however, the regional will continue operations as a subsidiary.

Customer bookings for the year ascend 3.9% to 1,252,000, including 46,000 flown out of Dayton on behalf of Piedmont during the year's last month. Profits of \$1.6 million (operating) and \$428,600 (net) are reported on revenues of \$90 million.

Twenty new employees join the airline in 1986 and the fleet includes 12 Beech 99s, 19 Metroliners, 14 F-27A/Js and FH-227s, and 2 BAC 1-11-416s. All outstanding stock in the commuter is purchased by **PEOPLExpress** on February 26.

The Hoosier carrier suffers a major passenger traffic downturn as enplanements fall 21.1% to 985,000. With **PEOPLExpress** piling debts

upon the carrier as it attempts to save itself, the large regional finds itself with negative fiscal figures. Revenues decline 9.6% to \$35 million and expenses are so high that the operating profit is given as only \$3,663. Net profit is just \$5,882.

In February 1987, the doomed **PEOPLExpress** is purchased by Texas Air Corporation (TAC), parent of **Continental Airlines** and **Eastern Air Lines**, and together with TAC's **New York Air** subsidiary, is integrated. Britt, which is acquired along with the national, becomes both a "Continental Express" partner operating to Houston (HOU) and an "Eastern Express" carrier flying into Chicago.

At this point, company founder Bill Britt retires and is succeeded as president by former **Precision Airlines** executive Norman McInnis. The new man oversees 700 employees and a fleet of 33 aircraft. In December, Britt begins flights between six cities feeding Continental's new hub at Cleveland Hopkins Airport. Enplanements drop to 703,913.

Seeking smaller aircraft with which to operate its Continental's Houston Proud Express shuttle service, **Continental Airlines**, on January 15, 1988, drops its contract for trans-Houston service with Conroe, Texas-based **Emerald Airways** and enters a new arrangement with Britt. Under its terms, company Fairchild inaugurates Hobby Shuttle flights between the airport of that name and Houston (IAH).

During the year, the onetime independent's "Eastern Express" slots at Chicago (ORD) are sold to **American Airlines**. When President McInnis becomes vice president/general manager of Britt Central in May, he is succeeded as president of the airline by former **Bar Harbor Airlines** official John Prendergast. Enplanements total 759,142.

The 530-employee large regional replaces its Chicago (ORD) hub in 1989 with one based at Cleveland Hopkins Airport. From that location and despite the grounding of its parent by a strike in March, Britt flies as "Continental Express," with 2 new Avions de Transport Regional ATR42-300s and 15 Embraer EMB-120 Brasilias. Meanwhile, the carrier's slots at Chicago (ORD) are sold on February 19 and flights from **Continental Airline's** Houston hub continue with 3 ATR42-300s and 10 Brasilias; the new European turboprops are especially welcome on the half-hourly Hobby Shuttle. Passenger boardings fall 9.8% to 691,387.

On May 15, 1990, Britt is combined with **Rocky Mountain Airways** to form **Jet Link**. The following month, nonstop roundtrip service is introduced from Jackson, Mississippi, to Houston. Still, the two linked regionals fly their separate ways for one more year. On November 8, the crew of an ATR42-300 puts their aircraft down at Hawkins Field at Jackson, Mississippi, 7 miles from the intended destination of Thompson Field. Britt's two-hub operation sees company enplanements skyrocket 92.2% to 1,328,072.

Britt and Rocky Mountain are absorbed by **Continental Airlines** in 1991, officially becoming **Continental Express**. The former Britt Airways is now CE's eastern division.

BROCKWAY AIR: United States (1983–1989). On October 1, 1983, Pennsylvania-based Brockway Corporation, owners of the "Allegheny Commuter" operator **Crown Airways**, purchases **Clinton Aero** and its network of routes in central and upstate New York, Vermont, and New York City. The new acquisition is renamed Brockway Air and commences services on May 1, 1984 over its previous system.

During the summer, **Air North**, based in Burlington, Vermont, since its 1972 founding, is also purchased and its integration is completed by September 1. John Sullivan is named chairman/president of Brockway's 303-employee airline division (with **Clinton Aero** founder Anthony von Elbe as vice president-general manager), which does not amalgamate **Crown Airways**, but does adopt a new logo and livery. Sullivan initially directs the Brockway Air (Vt.) Part 121 operation from Burlington and the Brockway Air (N.Y.) Part 125 component from Plattsburgh.

From hubs at Burlington, Boston, Albany, and Binghamton, the company dispatches its 8 Fokker F.27s, 6 Beech 1900s, and 2 Shorts 360s to 21 destinations in the northeast. These include Elmira, Massena, New York (LGA), Ogdensburg, Plattsburgh, Poughkeepsie, Saranac

Lake, Syracuse, Washington, D.C. (National), Waterford, White Plains, and Wilkes-Barre. Late in the year, Ithaca, Nantucket, Newark, Philadelphia, Rochester, and Scranton join the route network.

Enplanements for the large regional, including pre-merger figures, total 276,322.

In 1985, a 7th and 8th Beech 1900 are acquired; orders are outstanding for 3 more of the former plus 5 SAAB SF340As. A year of code-sharing discussions begin with **Piedmont Airlines** in the spring.

Passenger boardings jump 19.1% to 329,058.

Airline employment in 1986 stands at 256 and the fleet includes 8 Beech 1900s and 5 F.27s. The company's **Clinton Aero** and **Air North** divisions join the "Piedmont Commuter" network on March 15, becoming responsible for the major's New England feed; the **Crown Airways** unit remains part of the "Allegheny Commuter" network. Late in the year, **Piedmont Airlines** begins construction of a new concourse for its affiliate, 10 gates, and a ramp at the onetime **Empire Airlines** hub at Syracuse.

Enplanements climb 30.4% to 429,173.

The first of 5 SF340As begin to arrive in May 1987 to replace the 5 Fokker Friendships. Ten Beech 1900s are also operated. In midyear, Toledo, Ohio-based Owens-Illinois begins a successful effort to purchase Brockway's corporate parent.

Passenger boardings jump 25% to 534,368. Revenues rise 19.9% to \$50.51 million.

The fleet in 1988 includes 6 SAAB 340As, 3 Shorts 330s, 4 Twin Otters, and 11 Beech 1900s. Orders remain outstanding for 4 more SAABs. Owens-Illinois wins control of the Brockway Corporation early in the year.

Customer bookings rise 4.9% to 906,030 and revenues climb 11.8% to \$56.5 million.

On April 7, 1989, the Owens-Illinois subsidiary is purchased by Dallas (DFW)-based **Metro Airlines** for \$14.2 million. The carrier is converted into a code-sharing partner of **Trans World Airlines (TWA)** and inaugurates "TWExpress" flights on July 1 to Washington, D.C., Philadelphia, New York, Boston, and other northeastern destinations.

BROOKER-WHEATON AVIATION, LTD.: Canada (1965–1995). Contract passenger, cargo services, and charters are undertaken by this little-known carrier from Edmonton, Alberta. The fleet in the 1980s comprises a mix of Learjets and small Cessnas and the workforce averages 25.

Operations continue and in 1993 William Welsh is president.

Flights cease in 1995.

BROOKS AIRWAYS, LTD.: Canada (1932–1934). Brooks Airways, Ltd. is established at Prince Albert in early 1932 and on June 7, inaugurates contract airmail service from its base to Lac la Ronge. On March 16, 1933, every-two-weeks passenger and mail flights are launched from Big River to Ile a la Crosse.

Fourteen months later, on May 1, 1934, scheduled service is initiated from Prince Albert to Ile a la Crosse via Beauval. Operations cease late in the year.

BROOKS FUEL: P.O. Box 61143, Fairbanks, Alaska, 99706, United States; Phone (907) 479-8330; Fax (907) 479-0578; <http://www2.polarnet.com/users/brksfuel>; <http://members.tripod.com/~WAVEBOT/brooks.html>; Year Founded 1986. Roger Brooks forms this Alaskan freight operation at Fairbanks in late 1986 to specialize in the transport of fuel oil to remote locations, mines, and farm communities. A workforce of seven is recruited and flights commence and continue with a fleet that includes 1 ex-USAF C-45G (Beech 18S) and 3 Douglas DC-4s.

On February 21, 1997, a homepage is opened on the World Wide Web.

Services continue into the new millennium. During this time, the fleet is enhanced by the addition of 6 additional DC-4s and 2 DC-7s and airline employment grows to 13.

BROTHERS AIR SERVICES COMPANY, LTD. (BASCO): South Yemen (1968–1971). Following the British withdrawal from South Yemen and the collapse of **Aden Airways, Ltd.** in 1968, young men from a well-to-do local Yemeni family, the Baharoon brothers, step into the void and create their own airline. With 3 Douglas DC-3s and 1 DC-6B, the private carrier attempts, often with great difficulties, to operate domestic and international services to some of the points visited by its predecessor.

The concern is not a lasting success and, on March 11, 1971, the government steps in and nationalizes it. **Alyemda** begins services next day.

BROWER AIRWAYS: United States (1968–1980). Thomas J. Whitman forms Brower Airways as a division of the FBO at Fort Madison, Iowa, in 1968. Employing a Beech 55 Baron, he inaugurates scheduled daily passenger and cargo roundtrips to Chicago via Keokuk and Macomb.

Operations continue apace during the remainder of the decade and into the 1970s. During the latter period, corporate headquarters are transferred to Jacksonville, Illinois. The route network is altered into two major segments: Jacksonville to Chicago via Macomb and Jacksonville to St. Louis via Springfield.

Services cease on February 20, 1980.

BROWER FLIGHT SERVICE. See BROWER AIRWAYS

THE BROWER'S AIR SERVICE CORPORATION: United States (1929–1931). BASC is established at Wichita, Kansas, in the summer of 1929 to offer scheduled passenger service to Omaha, Nebraska. Equipped with a fleet of Curtiss Robins and Stinson SB-1 Detroiters, the company inaugurates flights on September 29 via Salina, Concordia, Belleville, and Lincoln.

The operation is purchased by Western Air Service Corporation on July 15, 1930 and continues, largely without change (except for the introduction of a Sioux City to Tulsa route), until December 1931. After transporting 2,653 passengers, the company, renamed **Western Air Service** the previous year, ceases operations.

BRYANSK AIR ENTERPRISE: Russia (1995–1999). The Bryansk directorate of **Aeroflot Soviet Airlines** is reformed into a joint stock company in 1993 under this new name. Under the direction of CEO Vasili S. Yushenko, regional and domestic passenger and cargo services, both scheduled and charter, are offered with a fleet that includes 8 Yakovlev Yak-40s, 5 Antonov An-24s, 36 An-2 biplanes, and 15 Mil Mi-2 helicopters.

BAE is reformed in the summer of 1999 and renamed in honor of a now-defunct U.K.–Russian joint enterprise set up to sell Rolls Royce-powered Tupolev Tu-204s.

BRYMON AIRWAYS, LTD. (1): United Kingdom (1969–1993). Formed in Marcannoh 1969 by New Zealander William R. "Bill" Bryce and Ferrari racing team leader Chris Amon, Brymon Aviation, Ltd. begins Cessna 337 Super Skymaster flights from Plymouth, moving on to the airfield at Fair Oaks in November, taking over Fair Oaks Flying Service and its Cessna fleet.

In September 1970, the company begins nonscheduled passenger and cargo operations with a new Britten-Norman BN-2.

Scheduled third-level Islander flights are inaugurated from Plymouth to Jersey and the Scilly Isles in May 1972 and a month later, on June 15, the company's air transport division, operating from RAF St. Mawgan (later Newquay Civil Airport) is renamed Brymon Airways, Ltd. In October, a second BN-2 is purchased and, in November, all flights are concentrated on Plymouth Airport.

In 1973 service is extended to the Scilly Isles from Exeter and, beginning on November 2, four-times-weekly Plymouth–Morlaix.

The French service becomes twice daily in early 1974. In April, the company receives a new de Havilland Canada DHC-6-200, becoming

British launch customer for the Twin Otter. The new aircraft initiates frequencies from Exeter, Plymouth, and Newquay to St. Mary's, Scilly Isles, and London (LGW).

During the summer, a third Islander is leased from **Douglas Arnold Aviation, Ltd.** In November, twice-daily Plymouth–Cardiff flights begin.

The Airwork FBO operation at Plymouth Airport is taken over on March 24, 1975. Meanwhile, a four-times-per-week route is opened from Plymouth to Cherbourg, along with service to Alderney. In May, **Intra Airways, Ltd.** provides another Islander on a seven-month lease. During the summer, Plymouth to Cork flights begin.

A Handley Page Herald is acquired in 1976, at which point the fleet includes the larger aircraft plus 2 DHC-6-300 Twin Otters and 1 Cessna 337. Airline employment is 56. Passenger enplanements reach 53,400 in 1977.

In 1978, new routes are extended from Plymouth–London (LGW) and Birmingham and from Newquay to Aberdeen and Manchester. Passenger boardings increase 11% to 61,500.

Two DHC-7s are ordered in 1979, a third DHC-6 is delivered, and a route is opened from Plymouth–London (LHR). The workforce is increased by 25.4% to 89 and passenger boardings soar 58% to 92,000.

Operations continue apace in 1980 and in the fall of 1981 2 DHC-7s enter service on a long-term charter operation on behalf of Chevron Oil, from Aberdeen to Unst, Britain's most northerly airport.

A third DHC-7 is acquired in 1982 as the carrier joins the British Caledonian Commuter network and begins flying under that banner from London (LHR) to Cork and the Channel Islands. Airline employment grows to 110 and the fleet now comprises 3 DHC-7s, 1 Handley Page Herald, and 5 DHC-6 Twin Otters.

In 1983, losses total £2.8 million (\$5.6 million). To save Brymon Airways from collapse, de Havilland-Canada takes a 75% controlling interest and places it under the operational control of former **British Airways, Ltd. (2)** executive Charles Stuart. Although DHC-7 service to the Scilly Isles had been planned, the refusal of the local authorities to improve the airport at St. Mary's forces Brymon to halt services altogether.

Productivity increases in 1984, by which time the nonunion employee population reaches 170.

The British government announces in 1985 the upcoming creation of a STOL port in the Royal Docks area to be called London City Airport; Brymon will be the lead entrant.

On the year, 175,000 scheduled and 50,000 charter passengers are carried, but a \$160,000 loss is suffered.

On January 1, 1986, six senior Brymon Airways executives with assistance from BA, led by CEO Stuart and collectively known as the Plimsoll Line, purchases the carrier from de Havilland-Canada; **British Airways, Ltd. (2)** takes a 14% minority interest. A DHC-7 is the first aircraft to overfly groundbreaking ceremonies for London City Airport, located in a Docklands site.

The fleet now includes 3 DHC-7s, 2 DHC-6s, and 1 Shorts 360, and the employee population totals 214. Destinations served now include Birmingham, London (LGW), Newquay, Aberdeen, the Channel Islands, and Bristol. Branch offices are established at Aberdeen and Newquay.

Although traffic figures are not released, a \$1.4-million profit is generated.

In 1987, three more DHC-7s join the fleet and an office is opened at London City Airport. The first ever Dash 7 landing is made at the latter facility on October 14. Paris joins the route network and the weekly 465-mile nonstop DHC-7 roundtrip service is the longest route in the U.K. A \$616,000 profit is reported for the year.

Enplanements in 1988 total 273,371, a 46% increase over the previous year, but a \$1.37-million loss is posted. In early 1989, the company joins with **British Airways, Ltd. (2)** and **Maersk Air, A.S.** to acquire tripartite ownership of **Birmingham Executive Airways, Ltd.** They rename their new subsidiary **Birmingham European Airways, Ltd.** The Aberdeen office is now closed as 2 DHC-7-110s are withdrawn to make way for 2 DHC-8-102s.

Enplanements total 300,230 and a \$233,000 net profit is created.

Airline employment in 1990 stands at 370 and the fleet now includes 1 DHC-6-310, 6 DHC-7-110s, and 2 DHC-8-102s are now delivered. CEO Stuart retires on April 1 and is succeeded by Malcolm Naylor. The company now flies to eight destinations from London City Airport.

New DHC-8-102 daily services are initiated in November from Bristol to Paris, Glasgow, and Edinburgh.

Passenger boardings climb 15.5% to 212,969. Revenues rise 26.3% to \$43.4 million, but expenses grow quickly. As a result, the operating profit slides to \$8.55 million and there is a net loss of \$2.3 million.

The payroll is sliced 13.6% in 1991 and, in January, the company receives the 1990 "Market Development" award from *Air Transport World* magazine. The Twin Otter is withdrawn and replaced by 2 DHC-8-301s, the first of which arrives in March. Flights begin from Bristol to Jersey, Newcastle, and Aberdeen.

During the year, the company invests £40 million to build up Bristol Airport as its European hub. Enplanements swell to 301,461.

The partnership between **British Midland Airways, Ltd.** and **Sabena (Belgian World Airlines, S.A.)** ends in January 1992 when the former challenges the latter's income by introducing jetliner flights from London (LHR) to Brussels. **Sabena Belgian World Airlines, S.A.** switches its affiliation to Brymon, which introduces four-times-per-day turboprop flights into London City Airport. The second DHC-8-301 is received in April.

On May 1, the company significantly increases its services to Ireland. The new de Havilland is employed to launch regular services to Belfast and Cork. At the same time, the number of frequencies on company routes from Bristol to Glasgow and Edinburgh are increased.

Later in May, it is announced that the carrier will be completely merged in November by its owner, the TPL Group, with another subsidiary, **Birmingham European Airways, Ltd.**, to form **Brymon European Airways, Ltd.** Managing Director Naylor resigns in July and for the remaining four months, Birmingham European Managing Director Mike Brenton also assumes the mantle of acting managing director. The union is completed on October 25.

BRYMON AIRWAYS, LTD. (2): Meridian, Worle Parkway, Worle, Weston Super Mare, England, PL6 8BW, United Kingdom; Phone 44 (01934) 523 600; Fax 44 (01934) 523 650; <http://www.brymon.com>; Code BA; Year Founded 1993. In July 1993, the merger between **Brymon Airways, Ltd. (1)** and **Birmingham European Airways, Ltd.** unravels, with the partners electing not to continue the **Brymon European Airways, Ltd.** operation. Unable to exist separately, both are acquired by larger airlines. The British Office of Fair Trading gives its approval for the breakup and **British Airways, Ltd. (2)** official Ray Sayer is seconded down to handle the disbandment.

Brymon Aviation becomes a wholly owned **British Airways, Ltd. (2)** subsidiary (along with Plymouth City Airport) in August and is allowed to function under its previous identity. Regional flights in support of the parent are undertaken with a fleet that includes 2 each de Havilland Canada DHC-8-102s and DHC-8-301s and 6 DHC-7-110s, including one leased from **British Midland Airways, Ltd.** All are painted in "British Airways Express" colors and markings. Enplanements total 325,527.

Two DHC-7-110s are withdrawn by the new managing director, Mike Jones, in 1994, but their removal has no impact on traffic. Through November, passenger boardings accelerate 28.9% to 419,494.

Airline employment stands at 180 in 1995. Again, through November, enplanements are up, by 10.2% to 462,420.

During the first four months of 1996, Brymon accepts delivery of 5 used DHC-8-301s from Bombardier Aircraft Trading Unit. These are employed to replace 3 DHC-7-110s and 2 DHC-8-102s.

Summer only roundtrips are inaugurated from Sheffield to Jersey in May.

In September, the carrier wins a five-year, \$16-million contract from BP Exploration to transport oil workers from Aberdeen to the Shetland Islands. The subsidiary Brymon Offshore Air Charter, Ltd. is established

and 2 of the former "British Airways Express"-dedicated DHC-7-110s are based at Aberdeen for the service. Both are repainted in a new "Flying Puffins Over the Ocean" color scheme.

Customer bookings for the whole year rise 6.4% to 524,568.

Airline employment increases 30.3% in 1997 to 430. Destinations visited include Aberdeen, Bristol, Cork, Edinburgh, Glasgow, Guernsey, Jersey, London (LGW), Newcastle, Newquay, Paris (CDG), Plymouth, and Southampton.

When **British Airways, Ltd. (2)** unveils its new "World Image" marketing and livery makeover on June 10, Brymon is ready to participate. The tail of one of the regional's DHC-8-301s is repainted as "Colour Down the Side," a depiction by artist Terry Frost of the light and landscape of Cornwall.

On October 28, **British Airways, Ltd. (2)** announces major changes to its services linking Aberdeen with Birmingham and Manchester. From July next, the de Havilland Canada DHC-8-301s of Brymon will replace the **British Regional Airlines, Ltd.** British Aerospace (BAe) ATPs currently employed. The new Brymon services are expected to create 100 new jobs within the BA organization, with 75 of them in Aberdeen.

Orders are placed at year's end for eight additional DHC-8Q-300s. Customer bookings accelerate 23% to 567,000.

The first of the new Canadian-built turboprops enters service in April 1998. It is reported in the *Aberdeen Press and Journal* on April 6 that the carrier has also increased its staff at Aberdeen airport. Added are 18 pilots, 19 cabin crew, and 19 engineering and ground staff under the direction of Capt. Syd Fleet.

Frequencies from Aberdeen to Manchester in fact change hands on May 4 and are increased from four to six each day. Extra weekend services are also added. Those daily services from Aberdeen to Birmingham are started on June 8 and jump from two to three.

Passenger boardings accelerate 34.3% to 764,000.

By the start of 1999, airline employment has been cut back 47.7% to 225.

Just after landing at Plymouth on February 28 following a service from Bristol, the left landing gear of a DHC-8Q-300 with four crew and nine passengers, collapses; although no injuries are reported, the turboprop cannot continue on to Cork. A replacement aircraft is brought in, to which the passengers are transferred.

Daily nonstop DHC-8Q-300 roundtrips commence on March 28 between Aberdeen and Oslo.

Weekend charters are inaugurated in early May from Jersey to the new Sheffield City Airport. **British Airways, Ltd. (2)**, on May 28, places a \$420-million order with Embraer for 21 ERJ-145 regional jets, which will be delivered to its subsidiary, Brymon.

Later in the year, a dedicated lounge is opened at Bristol International, a new flight information system goes on-line at Plymouth City Airport, and extra services are introduced to Southampton, Belfast, Newcastle, and Exeter. The airline completes a move to Weston Super Mare and opens a new training center at its head office where the recruitment of 160 new staff is completed.

Customer bookings accelerate 20.7% to 922,000. Revenues shoot up 29.9% to \$147,563,000 while expenses climb only 26.3% to \$133,920,000. There are healthy profits: \$13,643,000 (operating) and \$16,293,000 (net).

The workforce stands at 700 at the start of 2000, a 27.3% increase over the past 12 months.

Two of 7 new Embraer ERJ-145s ordered the previous year are received early in March. The first is placed into "British Airways Express" service from Birmingham to Glasgow, Edinburgh, and Munich on March 28. Express Jet flights from Glasgow and Edinburgh to Frankfurt and Brussels follow on April 5.

When Managing Director Gareth Kirkwood becomes the managing director of British Airways World Cargo on May 1, he is succeeded as Brymon's managing director by Louise Fowler. The next day, Brymon moves the Northern Ireland end of the Newcastle-originating route from Belfast International to Belfast City Airport.

Employing the newly received, fifth ERJ-145, daily "British Airways Express" roundtrips are begun on October 11 from Bristol to Munich.

BRYMON EUROPEAN AIRWAYS, LTD.: United Kingdom (1992-1993). In May 1992, **Brymon Airways, Ltd. (1)** and **Birmingham European Airways, Ltd.** are merged by their owner, the TPL Group, to create this stronger regional carrier. Shareholding is divided between **British Airways, Ltd. (2)** and **Maersk Air, A.S.** (40% each), and Jim Harris Holdings, Ltd. (20%); Harris is chairman with Michael Brenton as managing director. Airline employment is 320 and the enlarged fleet now comprises 4 BAe (BAC) 1-11-400s, 3 BAe Jetstream 31s, 4 de Havilland Canada DHC-7s, 2 DHC-8-100s, and 2 DHC-8-300s. Schedules and personnel are gradually integrated.

At this point, Operations Manager Tony Auld and executive Brian Beal depart as **Maersk Air, A.S.** management places more of its own people into the airline. Unhappily, the new Danish leadership team has very little experience with U.K. operations.

Revenue flight operations officially commence on October 25, the day the union is completed. Destinations visited include Aberdeen, Amsterdam, Belfast, Birmingham, Bristol, Brussels, Copenhagen, Cork, Dublin, Edinburgh, Geneva, Glasgow, Humberside, Jersey, London (LCY/LHR), Milan, Newcastle, Newquay, Paris, Plymouth, and Stuttgart. Passenger boardings inch up 0.8% to 353,953.

Claiming the route is unprofitable, Brymon, which had pioneered the service, stops flying Dash-7s into London (LCY) in March 1993 and Brussels in April. Former Chairman/CEO Charles Stuart dies in May at age 64. The same month, **Maersk Air, A.S.**, the A.P. Moller Group, and **British Airways, Ltd. (2)** enter negotiations designed to disband Brymon European as a way of ending its heavy fiscal losses. In May, a rescue plan worth £6 million from each carrier is announced designed to bolster the TPL Group and save Brymon European's 500 jobs.

The merger between the two regionals comes apart in July. With neither able to function alone, they are taken over by larger operators in August. Brymon Aviation becomes a wholly owned subsidiary of **British Airways, Ltd. (2)** while **Birmingham European Airways, Ltd.** is purchased by the Danish carrier **Maersk Air, A.S.** and reformed into **Maersk Air U.K., Ltd.**

BSF BERLINER SPEZIALFLUG, A.G. See BERLINER SPEZIAL FLUGGESELLSCHAFT, A.G.

BSF HUBSCHRAUBERDIENSTE, GmbH. See BERLINER SPEZIAL FLUGGESELLSCHAFT, A.G.

BSL AIRLINES: 33/2 Vozdukhrolotski Prospect, Kiev, 252186, Ukraine; Phone 380 (044) 276-3194; Fax 380 (044) 276-6301; Code BSL; Year Founded 1994. BSL is set up at Kiev in 1994 to offer domestic and regional passenger and cargo charter services. Yuriy Semushiev is general director and he begins services with a fleet of 6 Ilyushin Il-76MDs and 1 Tupolev Tu-154B. In 1997, a scheduled route is inaugurated from Kiev to Krivoy Rog.

It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

BUCKEYE AIR SERVICE: United States (1967-1971). BAS is set up at Elyria, Ohio, in 1967 to provide scheduled daily roundtrip passenger and cargo services east along the shore of Lake Erie to Cleveland and west to Chicago via Detroit. Beech 18 frequencies are duly inaugurated and are maintained into 1971.

BUDDAH AIR, LTD.: Jawalakhil Lalipur, GPO Box 2167, Kathmandu, Nepal, Phone 977 (1) 52 1015; Fax 977 (1) 53 7726; http://www.nepalonline.net/buddahair; Year Founded 1999. Buddah Air is established at Kathmandu in 1999 to offer domestic charters, with emphasis on tourist flights. Managing Director Birendra Basnet begins and continues services with 3 Beech 1900Ds.

BUDYER AIR: United States (1981–1982). Budyer Air is set up at Evanston, Wyoming, in **1981** to provide scheduled passenger and cargo services to Salt Lake City via Rock Springs and Casper.

Unable to achieve viability in this recessionary year, the Piper light-plane operator goes out of business in early **1982**.

BUFFALO AIRWAYS: United States (1982–1998). Buffalo Airways is founded at Waco, Texas, in late **1982** to operate passenger and cargo charter services, primarily to Las Vegas. Start-up authority and financing are sought in **1983**, along with a suitable freighter.

Authorized to undertake international passenger and cargo flights and cargo and contract service flights, Buffalo Airways inaugurates operations from Waco in **1984** with 1 each Boeing 707-323C and B-707-351C. Contracts are flown on behalf of other operators, including **HeavyLift Cargo Airlines, Ltd.** of the U.K.

Enplanements for the first full year total 65,382. An operating loss of \$219,000 is suffered as is a net loss of \$385,000.

Although passenger boardings are down 28.2% in **1985** to 51,000, revenues are up 12.5% to \$7.4 million. Expenses, on the other hand, jump 25% and cause an operating loss of \$1.1 million. Still, a net gain of \$25,000 is achieved.

Two additional Stratoliner freighters, 1 B-707-324C and 1 B-707-341C, are chartered in **1986** as the carrier's contract with HeavyLift ends, but new ones are acquired from **Burlington Air Express** and the Spanish airline **Cargosur, S.A.** Flights for the former are undertaken from a new hub at Toledo and for the latter from Madrid.

Profits for the year total \$484,672 (operating) and \$600,235 million (net).

On April 13, **1987**, Flight 721 is on final approach to Kansas City in bad weather. The B-707-351C with three crew and a passenger and under contract to **Burlington Air Express** descends below the 100-ft. ceiling and crashes three mi. short of the runway. All aboard are killed and the aircraft is destroyed.

Having abandoned passenger charters entirely, freight traffic accelerates by 33.3% to 3.58 million FTKs. Revenues rise 10.9% to \$7.5 million and with costs held low, the operating profit swells to \$953,762 and net gain reaches \$1 million.

Airline employment is increased by 1.1% in **1988** to 91 and a B-707-399Cs is added to the fleet. The Stratoliners cannot stem a traffic and fiscal downturn.

Cargo plunges 35.9% to 173,268 FTKs. Revenues fall 42.3% to \$4.35 million, costs drop 34.3% to \$4.32 million, and the operating gain is only \$27,000. Net profit declines all the way to \$79,000.

The employee population increases 64.8% in **1989** to 150 and the fleet now includes the 5 Boeings and 4 BAC 1-11-204AFs. A passenger subsidiary christened **Classic Air** is established in the spring and begins charter services with the 4 BACs.

Freight recovers 25.8% to 57.73 million FTKs. Revenues also recover and almost double to \$8.3 million. Expenses shoot up and losses are suffered: \$669,448 (operating) and \$608,437 (net).

The previous year's losses cause company employment to drop in **1990** to 85 and the fleet to be cut to just the B-707-323C, B-707-341C, and B-707-399C. The Texas-based freight operator continues its passenger charters with the 4 BAC 1-11-204AFs and, on the year, enplanes 13,000 passengers. Having decided the effort is not paying off, the charter subsidiary **Classic Air** is closed down at year's end.

Cargo accelerates 41.3% to 64.1 million FTKs and revenues increase to \$20.94 million. Expenses climb more quickly, to \$21.55 million, and force a \$601,359 operating loss. Net loss deepens to \$945,529.

1991 is another bad year, not only from a financial viewpoint, but now from one of traffic as well.

Passenger work is again halted and freight is down by 28.6% to 45.77 million FTKs. Revenues are off 27.1% to \$15.26 million. Expenses decline by 28.1% to \$15.5 million and the operating loss is cut to \$236,128. Net loss is down, too, to \$376,332.

Company employment is increased by 10% in **1992** to 165 and the fleet now includes 11 Stratoliners. Application is made during the spring and approved in December for the resumption of passenger charters.

Meanwhile, freight traffic skyrockets 151.3% to 115.02 million FTKs. Revenues jump 11.5% to \$17.02 million, expenses rise 5.9% to \$16.4 million, and a \$614,196 operating profit is generated. There is also a net profit of \$796,675.

In **1993**, Chairman/CEO John Burwell oversees worldwide operations that employ 165 workers. The fleet now includes 8 Boeing freighters and 4 Douglas DC-8-55CFs. A major contract is signed with Azerbaijan for the provision of oil exploration support services, including the leasing of aircraft.

Charter passengers are transported for the first time since 1990 and number 50,000. The year's cargo traffic declines 36.8% to 71.27 million FTKs and there are financial losses: \$171,000 (operating) and \$278,000 (net).

Buffalo withdraws from passenger services in **1994** and reforms its leased fleet to include 2 each DC-8-61Fs and DC-8-62Fs, plus 1 each B-707-323C, B-707-324C, B-707-351C, B-707-399C, and DC-8-63F. The last Canadair CL-44 Conroy is chartered for medium-haul, out-sized-cargo work.

In June, the B-707-341C, which had been withdrawn from service at the end of the previous year, is chartered to **Azerbaijan Airlines (Azerbaijan Hava Yollari)**.

Freight slides 6.1% to 79.84 million FTKs, but revenues still increase by a significant 20.9% to \$25.26 million. Expenses are only up 8.8% to \$22.92 million, leaving a \$2.34-million operating surplus and a net gain of \$2.22 million.

The workforce stands at 165 in **1995**, a 10% increase. Early in the year, the B-707-323C and B-707-399C are also leased to AHY; unhappily, the former is lost in a crash at Baku in November.

The company's six aircraft operate 83.93 million FTKs, a decline of 26.9%.

The employee population is cut 9.1% in **1996** to 150 and the fleet is reduced by 1 Douglas. Cargo traffic is only reported through May and shows a decline of 80.3% to 6.11 million FTKs. Revenues for the entire year are \$20 million.

Airline employment is increased during **1997** to 223. Having outlived its usefulness, the CL-44 Conroy is returned to its lessor in early the year. It will be repainted and also leased to **Azerbaijan Airlines (Azerbaijan Hava Yollari)**. In late spring, company headquarters are transferred to Kansas City.

The company suspends operations early in **1998**.

BUFFALO AIRWAYS, LTD.: 1000 Buffalo Dr., Hay River Airport, Hay River, Northwest Territories X0E 0R9, Canada; Phone (403) 874-3333; Fax (403) 874-3572; Code J4; Year Founded 1970. Established by Joseph McBryan at Fort Smith, Northwest Territories, in **1970**, Buffalo undertakes charter and contract service flights, largely on behalf of the energy industry, throughout the province from both its main base and a branch at Fort Simpson. The initial fleet comprises 4 Douglas DC-3s, including 3 surplus craft obtained from Canadian Forces as C-47s and refurbished.

The recession of **1980** brings a temporary end to mining, oil, and gas exploration in the Western Arctic and causes McBryan to constantly reduce his fleet until only 1 DC-3 remains. Some energy industry recovery occurs in **1981–1982** and the company, once on the brink of closure, is stabilized.

In **1983–1984**, the fleet grows to also include 2 Britten-Norman BN-2 Islanders, 2 Beech 18s, 2 de Havilland Canada DHC-3 Otters, 2 DHC-2 Beavers, and 2 Bell 206B JetRanger helicopters.

Scheduled services are begun to Fort Chipewyan, Hay River, Pine Point, Snowdrift, and Uranium City.

Two DC-3s are withdrawn in **1986** and the company is reformed into Buffalo Airways (1986), Ltd., with Joe McBryan as president. New

scheduled operations are launched from the base at Hay River to Fort Simpson and Yellowknife and continue apace through the remainder of the decade and into the **1990s**.

In **1992**, 2 DC-4s join the fleet of 4 DC-3s. Flights continue and, by **1994**, the fleet includes not only the 2 Skymasters, but 12 DC-3s.

While on final approach to the airport at Fort Simpson on June 26, a DC-3C with two crew finds it necessary to make a forced landing on a gravel road nearby; the plane is damaged, but neither flyer is hurt.

The number of Dakotas is reduced to seven in **1995**; however, 2 Curtiss C-46 Commandos arrive to replace these departing DC-3s.

Also available are 3 Consolidated PB5Y-5A Cansos and 4 Canadair CL-215-1A10s, which are all employed as fire-fighting air tankers on behalf of the provincial government. CEO McBryan also maintains a float-equipped Noorduyn Norseman V. It had originally been delivered to the Saskatchewan government, restored over a seven-year period, and is now flown only in summer.

On November 30, **1996**, a striking new kelly green-and-white livery is unveiled in a ceremony at Red Deer, NWT.

Operations continue in **1997–2000**, during which years 3 additional DC-3s are acquired. These Dakotas provide daily scheduled service from Yellowknife to Hay River, across the Great Slave Lake. The C-46s, meanwhile, operate weekly supply flights from Yellowknife to Norman Wells via Wrigley, Fort Norman, Fort Good Hope, and Fort McPherson.

BUGULMA AIR ENTERPRISE: Airport 8, Bugulma, Privolzhskiy Zone, 423200, Russia; Phone 7 (84314) 51900; Fax 7 (84314) 53700; Code KAZ1; Year Founded 1994. BAE is set up at Bugulma in **1994** to offer domestic and regional passenger and cargo services, both scheduled and charter. P. V. Trubaev is general director and he begins flights with 15 Yakovlev Yak-40s. Five more of the type are added by **2000**.

BUKER AIRWAYS: United States (1966–1974). BA is created at North Springfield, Vermont, in the spring of **1966** to undertake scheduled mail services to Cincinnati via Boston, New York, and Pittsburgh, under terms of the Post Office Departments Air Taxi Mail Program. A fleet is assembled comprising 2 Learjet 24s and several Beech 18s, which are employed to inaugurate flights on April 18. The executive jets are seldom employed, except on overnight runs which other Post Office contractors cannot complete.

The Post Office program continues through June 30, **1974**.

BUKHARA UNITED AIR SQUADRON: Bukhara Airport, Bukhara, 705010, Uzbekistan; Phone 7 (36522) 32 466, Year Founded 1995. BUAS is set up at Bukhara in **1995** to provide domestic charter service, both passenger and cargo. Djura A. Madzhirov is CEO and he begins flights with 6 each Yakovlev Yak-40s and Antonov An-24s, plus 12 An-2s.

BULAIR. See BALKAN BULGARIAN AIRLINES

BULGARSKE VAZDUSHNE SOBSTENIE. See BALKAN BULGARIAN AIRLINES

BULORO GOLDFIELDS AEROPLANE SERVICE, LTD.: Australia (1926–1928). Ray "Battlin" Parer and Eric Gallet form Buloro Goldfields Aeroplane Service, Ltd. at Sydney in November **1926** to provide service to the goldfields of the New Guinea's Bulolo River. The two obtain a de Havilland DH 4 and take the crated aircraft to Rabaul, New Britain, arriving on March 27, **1927**. Hurt in a test crash of the ex-bomber, Gallet returns to Australia in May. Parer, having repaired his aircraft, inaugurates Rabaul to Wau flights on June 23. The largely non-scheduled service is successful and provides the funds with which to acquire a DH 9 and a Bristol F-2b in November.

In early **1928**, the Bristol is destroyed in a crash and the DH 4 is rated unsafe to fly. Parer, planning to expand, makes several proving flights

from Lae to Port Moresby; however, nonrenewal of his pilot's license and stiff competition from **Guinea Airways (Pty.), Ltd.** forces the owner to cease operations before the year's end.

BURL AIR FREIGHT. See BURLINGTON AIRWAYS

BURLINGTON AEROPLANE COMPANY: United States (1983–1984). Established at Burlington, Washington, in **1983**, BAC undertakes scheduled Piper Aztec flights to Mount Vernon and Seattle. Slight traffic in a recession and start-up costs force the new third-level entrant into bankruptcy in **1984**.

BURLINGTON AIR EXPRESS (BAX): United States (1986–1997). Early in **1986**, Burlington Northern Air Freight is renamed and begins initial operation of its own hub and spoke system with a fleet which comes to include 4 DC-8-63Fs, 11 B-707-320Cs, 4 B-727-100QCs, and 4 Convair CV-580s. Although no traffic figures are released, it is understood that in excess of a million pounds of freight are hauled nightly, some of it by **Buffalo Airways** under contract. At year's end, a new management team, headed by President/CEO Robin H. W. H. Wilson, is brought in to reverse a \$12.2-million operating loss.

Burlington's parent, Pittson, is acquired by WTC International in March **1987** through an exchange of stock. The new owner, an internationally experienced freight forwarder, begins to combine its own freight operation with Burlington's to create a new daylight shipping service that will employ the Fort Wayne hub and the unchanged BAX fleet. The amalgamation continues over the next 12 months and no traffic figures for the year are released.

Now one of the world's larger air-cargo operations, 2,375-employee Burlington owns a fleet in **1988** that includes 4 DC-8-63Fs, 2 DC-8-54Fs, 11 B-707-320Cs, 4 B-727-100QCs, and 2 CV-580s. Direct freighter flights are inaugurated in June between the Fort Wayne hub and Newark while, in October, daily B-707-320C flights begin from Fort Wayne to Des Moines.

A total of 474,500 pounds of freight are transported on the year and revenues reach \$800 million.

Early in the spring of **1989**, work begins on a \$50-million, 279,000-sq.-ft. air-cargo hub at Toledo, Ohio. In October, the company reports that its second quarter operating profit is up 300% and that, for the first time in company history, revenues from international operations exceed those from domestic work. Cargo capacity is increased by 25% in November when two DC-8-61Fs are acquired.

The new hub continues construction in **1990**. The year's good work brings a \$9.1-million operating profit.

Using Brussels as a hub, the company, in May **1991**, begins a short-term DC-8-63F supplemental weekend lift program from Belgium to Fort Wayne. Services are also expanded deeper into Latin America and the Pacific.

Although traffic figures are not released, it is noted that revenues are up to \$875.9 million and operating income is \$19.8 million.

The new hub facility is opened at Toledo Express Airport in Ohio during January **1992**. Over four million pounds of cargo can be moved through the 279,000-sq.-ft. facility daily. Revenues total \$888.22 million and the operating profit is \$15.1 million.

The fleet in **1993** includes 7 DC-8-63Fs, 4 B-707-320Cs, 3 DC-8-71Fs, and 2 B-727-100QCs.

Following the collapse of Time Air Sweden, A.B. in February, BAX is able to acquire its only freighter, the DC-8-71F *Italian Rainbow*.

On July 1, the company receives an international transportation logistics contract from General Motors; under its terms, the freighter will move automotive products between the U.S. and Europe.

Although traffic figures are still not released, it is announced that a \$38-million operating profit is earned on revenues of \$998 million. The operating income is 24th highest among all of the world's airlines.

It is announced in May **1994** that Burlington has received a two-year, \$1.6-million contract from IBM de Mexico under which the air transport

concern agrees to handle shipments of computers and peripheral equipment from Mexican facilities to South American markets. Also during the spring, a contract is signed with **Air Transport International** under which the Detroit-based cargo carrier agrees to operate 9 of BAX's DC-8-71Fs to more than 30 U.S. markets.

An agreement is signed with Copenhagen's Inter Express, under which the Danish freight forwarder takes on the Burlington name and begins handling BAX's air ocean and surface transportation business, including customs brokerage, on June 1. Traffic is considerably increased during the year by a nationwide trucking strike.

Between July and mid-August, capacity is increased by 20% with the addition of 3 more DC-8-71Fs, 1 B-727-21C, and 1 B-727-173C to the North American next-day jet fleet. A total of 5 million worldwide shipments are made, allowing an operating profit of \$69.22 million.

Early in **1995**, company officials credit a truckers strike for the previous year's good economic fortune. New operations are launched in Belgium, Denmark, Portugal, the Philippines, and China. Worldwide shipments jump 5.7% to 5.1 million. Operating income advances 16.4% to \$1.41 billion while costs rise an identical 16.4% to \$1.35 billion. Operating income reaches \$58.72 million, down from 1994.

Operations continue apace in **1996**. As in earlier years, contracts are let to other carriers, e.g., **American International Airlines**, for the actual operation of the company's freighters.

On May 29, a contract is received from SAAB Automobile, A.B. to handle spare part shipments from the U.S., Canada, and Japan to its Swedish spare part distribution center at Nykoping.

On June 11, BAX joins with **Air France** to transport four classic Type D Jaguar racing cars from Los Angeles and Chicago to Coventry and then to Le Mans to participate in special anniversary events surrounding the Grand Prix. The cars are returned to their owners at the end of the month.

BAX teams with **Qantas Airways (Pty.), Ltd.** on October 5 to introduce BAX Downunder Direct, a weekly roundtrip B-747F service from the American company's Toledo hub to Sydney and Melbourne, with connections to major cities throughout Australia and New Zealand.

Jo-Burg Direct two-day cargo service is introduced on January 27, **1997**, from New York, Los Angeles, Chicago, and Atlanta to Johannesburg. From that point, distribution is made possible via BAX offices in that city, Cape Town, Durban, Port Elizabeth, and Richards Bay.

Having originally been unscrupulously traded on the black market to a family in Fingal, Ireland, a rare, 8-month-old Siberian tiger cub named "Jodie" is turned over to the Irish Seal Sanctuary. Nursed back to health over a two-month period, the cub is readied to go to its new home at the San Fernando Wildlife Way Station in California. Flown to London on April 25, the small cat is sent to Los Angeles via an **American Airlines** flight next day and is then transported by Burlington to San Fernando. Both airlines donate their services to save what might otherwise have been 1 of only 470 Siberian tigers remaining in the wild.

A multiyear "global logistics" contract is signed with the personal computer peripherals manufacturer NEC Technologies in June. Under the arrangement, the carrier will undertake the company's material returns.

The giant Arkansas-based retailer Wal-Mart selects BAX on June 30 as its primary carrier for heavyweight international-air shipments. The contract covers time sensitive shipments over 50-lb. to the retailer's 197 international outlets in Canada, Mexico, Puerto Rico, Brazil, Argentina, China, and Indonesia. The carrier is also endorsed as Wal-Mart's secondary carrier for domestic shipments over 50-lb.

On July 29, **Air New Zealand, Ltd.** retains BAX to handle its logistics under an open-ended, multimillion dollar contract. BAX does not fly goods, but manages the carrier's supply chain to ensure that the parts it is transporting are received where and when they are needed.

On August 21, the company is awarded a two-year contract by Southampton, England-based Racal Records, Ltd., an electronics concern, to provide both inbound and outbound services for the company from the U.K., with emphasis on shipments from subsidiary companies in the U.S. and Europe.

Later in the year, the concern is renamed BAX Global.

BURLINGTON AIRWAYS: United States (1980-1982). Bernard F. "Bernie" Golding sets up Burlington Airways at Kenosha, Wisconsin, in **1980** to provide scheduled passenger and cargo services to Chicago via Manitowoc and Milwaukee. Beech 18 and Piper PA-31-310 Navajo revenue flights are duly inaugurated.

The fleet is increased in **1981** to include 1 Convair CV-240, 1 Aero Commander 680, 5 Beech 18s, and 1 Cessna 172; the Navajo is retired. All-cargo flights commence to Indianapolis, Louisville, Cincinnati, and Lexington; these operations are flown under the name **Burl Air Freight**.

The financial effects of the previous summer's PATCO air traffic controllers' strike put the company out of business during the first quarter of **1982**.

BURLINGTON NORTHERN AIR FREIGHT: United States (1972-1986). Burlington Northern Air Freight is established in **1972** as an air freight forwarder subsidiary of the Burlington Northern Railroad; Lawrence Rodberg is named chairman. Relations are established with the scheduled airlines for the provision of service with competitive rates.

During the remainder of the decade and into the next, many shipments are made on behalf of the automobile industry and a significant number of charter flights are undertaken from the Midwest to Texas. The first small planes are chartered in **1980** for the transport of small packages and, in **1982**, the railroad sells this division to Pittston Company.

Fiscal difficulties caused by the national recession bring a major management change in **1984**. Chairman Rodberg resigns and is succeeded as president/CEO by George Ryan. After receiving unreasonable quotes from both **Eastern Air Lines** and **United Airlines**, the long-established transportation firm now elects to begin flying its own freight.

In excess of \$100 million is invested in the development of a cargo hub at Fort Wayne Airport and long-term leases are taken on a fleet made up of 2 Boeing 727-100QCs, 2 B-707-320Cs, and 3 DC-8-63CFs. Choosing not to become a small-package specialist, general commodities transport operations are launched from the Indiana hub by **Orion Air** personnel under contract to 22 cities nationwide.

Over 750,000 pounds of freight are moved nightly and bring a \$15.7-million operating profit for the year.

Operations continue apace in **1985** as the carrier's commitment to transporting its own freight is intensified. The fleet is increased by the addition of 6 additional leased B-707-320Cs. A contract is entered into with **Spectrum Helicopters** to provide rotary-wing pickup and delivery services to Manhattan and Wall Street and to suburban heliports in Connecticut, New Jersey, and New York's Westchester County.

In December, Burlington contracts with **Pan American World Airways (1)** for all of the pioneer's belly cargo space on its four-times-per-week B-747-200 San Francisco and Los Angeles to Frankfurt flights. The new Fort Wayne hub loads 2.7-billion pounds of express. Revenues decline 2.6% to \$459.3 million and a \$9.2-million operating loss is suffered.

Early in **1986**, the operator is renamed **Burlington Air Express**.

BURMA AIRWAYS CORPORATION, LTD.: Burma (1972-1989). Late in December **1972**, **Union of Burma Airways, Ltd.** is reformed and takes this name; the carrier's autonomous status is withdrawn and the managing director reports directly to the government. Employing the fleet's 6 Douglas DC-3s, 7 Fokker F.27s, 1 Boeing 727-191, and 3 Vickers Viscount 761s, BAC maintains service to 30 domestic and several foreign destinations. A DC-3 with 25 aboard crashes into the Bay of Bengal, near Sandoway, on August 18; there are no survivors.

Enplanements for **1973**, the first full year of service under the new name, are 409,200.

Service continues apace in **1974**. An F-27-200 with 4 crew and 36 passengers overruns the runway while landing at Bassein, Burma, on April 30 and suffers the collapse of its nosegear; there are no injuries reported, but the aircraft is damaged beyond repair.

Serious problems occur in early **1975** with the end of the Vietnam conflict. Prevented from flying over the former French colonies after

April, the company's route to Hong Kong via Bangkok and Communist-occupied Phnom Penh, must be suspended. Without the route, there is no further need for the company's Boeing trijet, and it is sold. Orders are placed for Fokker F.28-1000 Fellowships and de Havilland Canada DHC-6-100 Twin Otters.

The fleet grows in the next year to include 1 Fokker F.28-4000, 2 Fokker F.28-1000s, 7 F.27s, and 5 de Havilland Canada DHC-6-100s.

F.28-1000 service is inaugurated from Mandalay to Tavoy on April 1, 1976, followed by introduction of the Fellowships on routes to Bangkok and Singapore on May 2. The first Twin Otter begins flying for the company on September 19. The F.28-4000 inaugurates service to Jakarta before year's end.

A DHC-6-300 with 3 crew and 22 passengers crashes into Mt. Loi Hsam Hsao on September 8, 1977; the wreckage is not found for three days and there are no survivors.

The company becomes involved in the support of the offshore energy industry during the year. Three Aerospatiale AS-332 Puma helicopters are acquired for this work.

Managing Director U Maung Maung Nyunt's carrier employs 1,300 workers in 1978. An F.27-200 with 4 crew and 44 passengers strikes trees during its takeoff from Okaraba, near Rangoon, on March 25, loses control, crashes into a rice paddy, and catches fire; there are no survivors.

While on its initial climb away from Moulmein on a scheduled August 26 service to Paan, a DHC-6-300 with 3 crew and 11 passengers explodes at 400-ft. altitude and crashes near Papun, Kayin; there are no survivors. Crash investigators will not be able to conclude whether the blast is the result of explosives or a physical defect.

While on initial climb away from Sagaing on October 3, both engines of an F.27-200 with 4 crew and 40 passengers lose power. The crew is able to carry out a forced landing on the banks of the Irrawaddy River (2 dead).

Traffic statistics, reported infrequently, are given this year; it is reported that 609,000 passengers are carried on domestic routes and 42,000 on international flights.

Service is started to Singapore in 1979. An F.27-400 with 4 crew and 24 passengers is destroyed as the result of a bad landing at Moulmein on August 19, 1980; there are no fatalities.

During 1981-1985, routes are extended or frequencies improved to Calcutta, Dhaka, and Kathmandu. There are losses.

A DHC-6-300 with three crew and five passengers crashes into a hill at Mindat on August 12, 1982; there are no survivors.

Losing power while climbing away from Lankin on October 8, 1983, another DHC-6-300 with 3 crew and 11 passengers turns left, strikes trees, and crashes (9 dead).

While on final approach to Putao on October 12, 1985, an F.27-600 with two crew and two passengers overflies the runway and crashes into soft ground a mile away; there are no survivors.

Following the withdrawal of an F.28-1000 and the Canadian-made turboprops, a second Fokker F.28-4000 is delivered in March 1986.

1987 is a tragic year as two Fokker Friendships are lost. The first occurs a quarter of an hour after takeoff from Taungyi on June 21. An F.27-200 with 4 crew and 41 passengers crashes into an 8,200-ft. mountain 24 km. SE of Hopong in the eastern part of the country; there are no survivors. In the second incident, an F.27-500 en route from Rangoon on October 11 with 4 crew and 45 passengers, crashes into a 1,500-ft. mountain 25 km. S of Pan-An; again, there are no survivors.

Although domestic services are maintained, all international routes, except that to Bangkok, are suspended in 1988.

While on an all-cargo service from Myitkyina to Putao in fog on June 16, an F.27-600 with three crew and a passenger crashes into high ground 9 mi. NW of its destination; there are no survivors.

During takeoff from Rangoon on February 3, 1989, an F.27-600 with 4 crew and 25 passengers enters into a fogbank. The turboprop veers left and collides with a line of trees near the end of the runway, crashes, and catches fire (26 dead).

On April 1, the company is renamed **Myanma Airways, Ltd.**

1666. BURNTHILLS AVIATION, LTD.: United Kingdom (1974-1985). This nonscheduled carrier is formed at Glasgow Airport in the spring of 1974 and launches Piper PA-23 Aztec passenger and cargo charters in May. Additional operations are flown throughout the year on behalf of the oil industry, including missions to Norway and Denmark. In early 1975, Burnthills establishes an FBO at Glasgow and in May acquires competing air taxi operator **Assistair, Ltd.** and its Piper Aztec.

Two Bell 206B JetRanger helicopters are acquired in the summer of 1978 and, with a subsidy from the Highlands and Islands Development Board, the company begins scheduled rotary-wing flights in October between Glasgow Airport and the heliport at Fort William. Operations continue apace in 1979-1980.

On May 1, 1981, service begins to the helipads at Rothesay and Lochgilphead. During the next two years, additional charters are accepted and the fixed-wing fleet grows by the addition of 3 Piper PA-31-350 Navajo Chieftains. Helicopter service to Oban begins in 1982.

In April 1983, the fixed-wing division is sold to rival **Air Charter (Scotland), Ltd.** The scheduled helicopter services are suspended in the spring of 1984, although charter services are continued until the operator ceases flying in 1985.

BURRARD AIR, LTD.: Canada (1983-1990). Burrard is established at Vancouver in 1983 to provide scheduled services to Nanaimo, as well as nonscheduled charter and contract work. Revenue flights begin with a mixed wheel- and float-equipped aircraft, including at least 1 each de Havilland Canada DHC-3 Otter, DHC-2 Beaver, Cessna 185, and Britten Norman BN-2A Islander.

Services are maintained without incident until December 1990.

BURSA AIR LINES, A.O. See BHY BURSA AIR LINES, A.O.

BURUNDAI AVIATION COMPANY: Kazakhstan (1995-1999). Burundai is set up at Alma-Ata in 1995 to offer domestic charter services. Commander Valeri A. Mastenko begins flights with a fleet comprising 5 Antonov An-24s, 1 An-30, 5 Mil Mi-2 and 12 Mi-8/17s.

In 1999, the company is renamed **Burundaiavia**.

BURUNDAIAVIA: Burundi Airport, Durundai Village, 483162, Kazakhstan; Phone 7 (3272) 357939; Fax 7 (3272) 357878; Code IVR; Year Founded 1999. Commander Valeri A. Mastenko's **Burundai Aviation Company** is renamed in 1999. Domestic and regional cargo charters and helicopter support operations continue with a fleet of 2 Antonov An-26s, 3 An-26Bs, 9 An-30s, 5 Mil Mi-2s, and 12 Mi-8/17s.

BURYAT AVIA: Russia (1996-1999). Having suffered traffic and associated financial problems since its founding in 1994, **Ulan Ude Aviation Enterprise** is reformed and renamed in 1996. A. P. Abasheev remains director general and he continues to provide domestic and regional scheduled passenger services with a fleet of 10 Antonov An-24s, 3 An-26s, 2 Let L-410UVPs, 24 An-2s, and 1 Tupolev Tu-154B. Helicopter support operations are provided with a large rotary-wing fleet that includes 15 Mil Mi-8/17s and 15 Mi-2s.

The company is renamed **Buryatia Airlines** in 1999.

BURYATIA AIRLINES: Ulan Ude Airport, Irkutsk Region, Eastern Siberian Zone, 670018, Russia; Phone 7 (20122) 33559; Code UUD1; Year Founded 1999. Buryat Avia is renamed in 1999. A. P. Abasheev remains director general and his fleet is rationalized to include just 2 aircraft types: An-24s (7 An-24Bs and 2 An-24Vs) and An-26s (2 An-26s and 1 An-26B).

Scheduled trunk and regional passenger services are maintained as before. Early in 2000, Buryat, which has been unable to maintain its economic viability, enters receivership. It is sold to ZAO Media Gray on June 1.

BUSAIR, GmbH: Uerdinger Strabe 532, Dusseldorf, Germany; Phone 49 (02) 02151 508 615; Fax 49 (02) 02151 508 609; Year

Founded 1993. Business Air Charter Service, GmbH., known as Bus-Air, is set up at Dusseldorf in 1993 to provide executive and small group passenger charters throughout Germany. Revenue operations begin and continue with a single Beech King Air 90.

BUSH AIR: United States (1979–1983). Bush Air is established at Bethel, Alaska, by Ronald Petolta in 1979 to offer commuter services to surrounding destinations. Employing a fleet of Cessna and Piper light-planes, revenue flights are inaugurated linking the company's base with Russian Mission, Marshall, Scammon Bay, and Tununak.

A feeder agreement is signed with **Wien Air Alaska** in 1980 and remains in effect until the company, unable to maintain viability in a time of recession, must shut its doors in 1983.

BUSH PILOTS AIR SERVICE: Lake Hood, Anchorage, Alaska, United States; Year Founded 1960. Beginning in 1960, this operator undertakes charter and contract flights for both passengers and cargos to remote areas from Lake Hood, Anchorage, Alaska. The fleet always consists of float-equipped small aircraft, such as Cessna 185s and de Havilland DHC-2 Beavers.

Operations at President Gary W. Archer's concern continue.

BUSH PILOTS AIRWAYS (PTY.), LTD.: Australia (1951–1982). **Bush Pilots Airways (Pty.), Ltd.**, is formed as an air taxi operation on June 21, 1951 to provide on-demand services to cattle ranges and stations in northern Queensland from an airfield at Cairns. Charter, survey, mail and air ambulance flights begin in June. Scheduled services begin on August 4, 1957, but cease in June 1960 as the little carrier reverts to charter flying.

In May 1972, **Queensland Pacific Airways (Pty.), Ltd.** is acquired and merged and scheduled operations resume. Over the next 6 years, the fleet is upgraded to comprise 5 Douglas DC-3s, 5 Swearingen Metro IIs, 4 Britten-Norman BN-2A Trislanders, 6 Cessna 402s, and 2 each Cessna 310s and 404 Titans.

In 1978, the commuter operation of Chairman H. S. Williams and Managing Director R. H. Entsch employs 120 workers. One Trislander and 1 Cessna 310 are withdrawn in 1979 and replaced by 1 Cessna 402, 3 Cessna 210s, and 1 Britten-Norman BN-2 Islander.

In October 1980, a Fokker F27 is introduced on routes from Cairns to Groote Eylandt, Ramaga, Lockhart River, and Thursday Island. On December 1, the company acquires 4 de Havilland Canada DHC-6-300 Twin Otters from **Trans-Australia Airlines (Pty.), Ltd.** and begins flying them to Brampton Island, Great Keppel Island, and Schute Harbor on the Great Barrier Reef.

Airline employment in 1981 stands at 179 and orders are placed for 3 SAAB-Fairchild SF340s and 3 DHC-8s. A leased Swearingen SA.226TC Metro freighter is damaged beyond repair in an aborted take-off from Emerald, Australia, on April 2; the pilot is not hurt.

The company is renamed **Air Queensland (Pty.), Ltd.** in January 1982.

BUSINESS AIR: United States (1957–1999). David Corey forms Business Air at Bennington State Airport in Vermont in 1957 to offer cargo charter and contract service flights throughout North America and internationally.

By the late 1980s, a workforce of 30 is recruited and revenue flights begin with a fleet of 5 Douglas DC-3s, 4 Beech 58 Barons, 3 Piper PA-31-310 Navajos, 2 Cessna 208A Caravan Is, 4 Cessna 402Cs, 2 Cessna 404 Titans, and 2 Mitsubishi Mu-2s.

By 1998, Walter L. Fawcett Jr. is president and the fleet has been altered to include 3 Beech 58 Barons, 3 DC-3s, 1 Cessna 402C, 2 Cessna 404 Titans, 4 PA-31-310 Navajos, and 11 Embraer EMB-110 Bandeirantes. In 1999, the carrier is renamed **AirNow**.

BUSINESS AIR, LTD.: United Kingdom (1987–1998). Ian G. Woodley organizes Business Air, Ltd. at Dyce Airport, Aberdeen, Scotland, in

August 1987 to provide charter brokerage service to the offshore oil industry and to operate night airmail services. Revenue flights, including Skynet night mail operations under contract to the Post Office, commence in early 1988 with a fleet of 4 Embraer EMB-110P2s; destinations visited from Aberdeen include Dundee, Esbjerg, and Manchester.

In 1989, the fleet is increased by the addition of 1 Cessna 404 Titan and 1 Shorts 360.

The 45-employee regional's major shareholders in 1990 are **Crossair, Ltd.** of Switzerland and Abela Holdings of the U.K. Both acquire 15% shareholding, later increased to 32%; the company flies a total of 4,417 passengers.

Stewart Adams is named general manager in 1991 and 2 SAAB 340As are acquired under lease from **Crossair, Ltd.** Airline employment is increased by 64.4% to 74 and the company's destinations now include Aberdeen, Edinburgh, Inverness, Manchester, Sumburgh, and the Danish city of Esbjerg. Customer bookings skyrocket to 13,933.

The workforce is increased by 35.1% in 1992 to 100 and, in July, after **Aberdeen Airways, Ltd.** shuts its doors, Business Air increases its frequencies on its Aberdeen, East Midlands, and Edinburgh routes. During the fall, 3 additional **Crossair, Ltd.** SAAB 340As and 1 BAe (HS) 748-B2 are placed in service and 1 BAe 146-200 is requested from **Crossair, Ltd.**

Passenger boardings increase 164.6% to 52,729.

Airline employment in 1993 stands at 100. Following delivery of the chartered BAe 146-200 in early April, the company becomes, on August 31, the first U.K. jet operator to use London City Airport when it inaugurates scheduled flights to it from Frankfurt.

At the same time, an alliance is entered into with **Deutsche Lufthansa, A.G.** under which the service to London is code-shared and the British airline is able to participate in the German major's frequent flyer program. Hoping to appeal to banking and financial-oriented passengers, Business Air calls its service the Bank Shuttle.

A code-sharing agreement is signed with **Air Kilroe, Ltd.**, which begins to provide feed from Cardiff to the Business Air stations at Aberdeen, Dundee, and Inverness. Skynet mail stations visited now include Aberdeen, Belfast, Bristol, Edinburgh, East Midlands, Inverness, Isle of Man, Liverpool, Norwich, and London (STN).

Customer bookings through November skyrocket another 142% to 107,237.

The workforce is cut to 95 in 1994 and the BAe 146-200 lease agreement is changed during the summer from dry to wet. In September, **Deutsche Lufthansa, A.G.** assumes commercial responsibility for the Bank Shuttle. A code-sharing agreement with the German flag carrier purchases a 38% stake and allows Business Air to feed it at Manchester from its own stations at Aberdeen, Dundee, and Inverness.

Traffic figures are again reported for 11 months, and show passenger bookings increasing 41.8% to 152,024.

Although there is no change in the workforce during 1995, the company conducts negotiations for its takeover by the Airlines of Britain Group. During the first quarter, the company begins to code-share with **Deutsche Lufthansa, A.G.** on those routes to and from Manchester that connect with the German major's flights. Through November, enplanements are up 17.7% to 178,892.

Airline employment is increased to 225 in 1996 and the fleet now includes the BAe 146-200 and 5 SAAB 340As leased from **Crossair, Ltd.**, plus 3 owned 340As.

The company becomes a part of the Airlines of Britain Group in April. It is allowed to continue operations under its previous identity and is managed from its Aberdeen base. In addition, a wet-lease agreement is signed with **British Midland Airways, Ltd.** under which the BA subsidiary will diversify into a service-providing role on behalf of BMA.

In a September 10 ceremony European Commission Transport Commissioner Neil Kinnock, Airlines of Britain Chairman Sir Michael Bishop, and **Deutsche Lufthansa, A.G.** Chairman Jurgen Weber preside over the opening of Superhub, a joint initiative between Manchester Airport, Business Air, Ltd., and the German major. The project is designed

to stimulate and speed transfer traffic growth for commercial flights operating from northern England and the Continent.

Two SAAB 340Bs are leased from their manufacturer on October 1 to increase feeder operations from Manchester. They will also be available on a wet-lease basis to **British Midland Airways, Ltd.**

During the month, a code-sharing agreement is signed with **Continental Airlines**. Under its terms, CA will place its designator on company services from Manchester to Aberdeen, Dundee, Edinburgh, and Glasgow. Its DC-10-30 Flight 20 will depart Newark the previous evening and arrive in Manchester at 7:50 a.m., in time to offer its passengers easy connection to Business Air flights north. Services to the Shetlands end on October 27.

Passenger boardings for the year drop a significant 21.3% to 154,538.

The workforce is downsized by 37.8% in **1997** to 140. Destinations visited include Aberdeen, Dundee, Edinburgh, Esbjerg, Glasgow, and Manchester.

On February 24, Airlines of Britain, plc, the holding company which owns **British Midland Airways, Ltd.**, **British Regional Airlines, Ltd.**, **Manx Airlines, Ltd. (2)**, **Loganair, Ltd.**, and Business Air elects to split up British Regional Airlines (Holding) and all of the carriers except BMA. The move will technically allow BRA (H) to continue its BA affiliations without fear of conflict of interest decisions being made by Airlines of Britain, which is partnered with BA's competitors, **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)**; still, Sir Michael Bishop retains ultimate ownership in both groups.

Manx Airlines, Ltd. (2), **Loganair, Ltd.**, and Business Air will continue a confederation with **British Regional Airlines, Ltd.** in a British Airlines Regional Group of BA franchise partners. Activities for each company will continue to be reported separately.

Customer bookings recover, shooting up 18.4% to 175,888.

British Regional Airlines (Holdings) transfers ownership of Business Air to **British Midland Airways, Ltd.** on January 1, **1998**.

On March 29, the carrier is renamed **British Midland Commuter, Ltd.**

BUSINESS AIR CHARTER SERVICE, GmbH. See **BUSAIR, GmbH.**

BUSINESS AIRCRAFT GROUP: **Burke Lakefront Airport, 2301 N. Marginal Road, Cleveland, Ohio 44114, United States; Phone (216) 348-1415; Fax (216) 348-1432; Year Founded 1994.** BAG is set up at Burke Lakefront Airport in **1994** to provide executive and small group passenger charters to destinations in North America and Europe. Revenue flights begin with one each Canadair 600 Challenger, Cessna 550 Citation II, and Mitsubishi Mu-300 Diamond IA.

BUSINESS AIRLINES, B.V. See **BASE BUSINESS AIRLINES, B.V.**

BUSINESS AVIATION: **Coeur d'Alene Airport, 10960 Airport Drive, Hayden Lake, Idaho 83835, United States; Phone (208) 772-0922; Fax (208) 772-0582; Year Founded 1995.** BA is established as an FBO in **1995**. In addition, the concern offers a wide variety of executive and small group passenger charters, including flight-seeing, hunting and fishing flights, and express services. Aircraft are based at two airfields.

From Coeur d'Alene, BA operates 2 Cessna 182 Skylanes and 1 each Cessna 501 Citation, Grumman G-690B Turbo Commander, Cessna 421C Golden Eagle, C-180 Skywagon, C-210, and C-T210M Turbo Centurion. A Swearingen S-227TT Merlin 300 is flown from Felts Field at Spokane, Washington.

BUSINESS AVIATION (PTY.), LTD. See **COUNTRYWIDE AIRLINES (PTY.), LTD.**

BUSINESS COMMUTER: United States (1976-1980). BC is established at Bridgeport, Connecticut, in **1976** as the scheduled airline divi-

sion of Business Aircraft Corporation. Employing Piper PA-23 Aztecs, PA-31-310 Navajos, and PA-32 Cherokee Sixes, the company duly inaugurates daily roundtrip commuter services to Philadelphia, Farmingdale, and Albany. Summer seasonal flights are also offered to Martha's Vineyard and Nantucket.

Due largely to the energy crisis, operations cease in **1980**.

BUSINESS EXPRESS (BEX): 14 Aviation Ave., Portsmouth, New Hampshire 03801, United States; Phone (603) 334-4000; Fax (603) 334-4050; http://www.flybex.com; Code HQ; Year Founded 1983. In late **1983**, negotiations are completed that will allow Bridgeport, Connecticut-based **Atlantic Air** to be purchased by James R. McManus' Westport-based Marketing Corporation of America, in which George Valassis is principal shareholder. Operations at the 40-employee company, however, continue as before during a yearlong period of integration. Destinations visited by the carrier's 5 Beech 99s include Baltimore, Boston, Martha's Vineyard, Nantucket, Philadelphia, and White Plains.

Flights are started to Bedford, Newark, and Worcester in **1984**, but traffic figures are not released. The corporate identity of **Atlantic Air** is reformed into Business Express (BEX) in November.

In **1985**, the small regional moves up in status by a grade to large regional when it acquires the Groton-based large regional **Pilgrim Airlines** for \$1 million. The arrangement calls for the bigger carrier to be operated as **Pilgrim Business Express** during an integration period. Business Express Chairman/President McManus becomes CEO of the combined operation with **Pilgrim Airlines** founder Joseph Fugere a special transition advisor.

Meanwhile, **Pilgrim Airlines'** 8 de Havilland Canada DHC-6 Twin Otters are replaced by 5 of BEX's Beech 99s, while McManus' original carrier purchases 8 Beech 1900Cs.

Unofficial indications show the combined transport of 459,380 passengers on the year.

The integration period is completed on February 28, **1986** and the Pilgrim name disappears. The BEX fleet now includes 4 Fokker F.27-100s, 4 Shorts 360s, and 16 Beech 1900Cs. In a unique arrangement with SAAB, the company orders and receives 2 340As that it may try for a certain period and return if unsatisfied—a "walk-away provision." Negotiations are undertaken with **Delta Air Lines** aimed at making New England's largest regional a member of the major's commuter network. Negotiations are successfully completed on April 22.

Customer bookings for the year accelerate 12.6% to 525,000.

The 450-employee large regional undertakes "Delta Connection" code-sharing flights early in **1987** and President McManus upgrades his fleet by the addition of 8 Beech 1900Cs, 2 SAAB 340As, 4 Shorts 360s, and 1 Fokker F.27-100.

In October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

Passenger boardings for the year rise 24% to 651,000.

The fleet in **1988** includes 6 SAAB 340As, 16 Beech 1900Cs, 5 F.27-100s, and 4 Shorts 360s. The Fokkers are all retired.

In January, twice-daily service is initiated from Bangor, Maine, to Boston. Frequencies begin from Islip, New York, to Boston in August with four daily Shorts 360 roundtrips and three Beech 1900C roundtrips per day.

Customer bookings during the 12 months jump 17.6% to 765,400.

Airline employment is increased by 25% in **1989** to 750 as 4 additional SAAB 340As are added, while 1 Shorts 360 and all of the Fokkers are withdrawn.

Six-times-per-week SAAB 340A service is started from Boston to Baltimore (BWI) and four daily nonstop 340A flights begin from Philadelphia to Hartford. In addition, nine-times-per-day service is inaugurated from Newark to Providence, Rhode Island.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. BEX, with five security breaches, is faced with \$50,000 in punishment.

In July, 10 peak-hour landing slots at New York (LGA) are purchased from **East Hampton Air** for an undisclosed sum. On September 1, the "Delta Connection" partner acquires troubled **Mall Airways**, which is based at Albany, New York, and flies U.S.-Canada transborder routes.

Passenger boardings zoom upward by 22.4% on the year to 936,000.

The workforce is reduced in **1990** to 525 even as a significant acquisition of flight equipment occurs. Two more Beech 1900Cs, 5 more SAAB 340As, and 9 additional Shorts 360s are delivered, many of the American and Swedish built turboprops coming over from bankrupt **Metro Airlines Northeast**. During the summer, flights commence from Boston to Baltimore (BWI).

Service is now provided to 27 cities in the Northeast, with over 500 daily departures. Customer bookings accelerate 16.2% to 1,126,059.

The payroll increases by 62.5% in **1991** to 1,300. James Malski becomes president as Jim McManus moves up to chairman/CEO. The fleet is further expanded by the addition of 2 Beech 1900Cs and 7 SAAB-340As. The fleet now includes 35 SAABs, 11 Shorts 360s, and 19 Beech 1900Cs.

Plans are made to acquire **Pan Am Express** and, during the year, the carrier's first jetliners, 5 British Aerospace BAe 146-200s, are placed into service. A \$450-million order is placed in mid-December for 20 British Aerospace BAe RJ70s, on top of the outstanding \$250-million request for 48 more SAAB 340As.

The growing regional introduces "Delta Connection" service to Boston and New York (LGA) and between June and November, 17 new routes are opened in existing markets, with the company now the ninth largest regional airline in the U.S.

While on a training flight from Bridgeport on December 28 a Beech 1900C crashes into the sea off Block Island, Rhode Island; all three crew aboard are killed.

Customer bookings ascend 19.3% to pass the 1-million mark in annual boardings for the first time (1,343,197). Revenues total \$109.3 million and with costs held down, profits are earned: \$7.96 million (operating) and \$3.79 million (net).

Company employment is increased by 25.1% in **1992** to 1,626 as the onetime regional is elevated to the status of a national airline.

Service is expanded to Delta's new New York (JFK) hub, feeding the major's transatlantic flights from there.

The five chartered British Aerospace BAe 146-200s are employed to in March to inaugurate "Delta Connection" flights from Boston to Baltimore (BWI), Norfolk, Mountpelier, and Hartford.

It will later be alleged that in May, Marketing Corporation of America and Creditanstalt-Bankverein use BEX assets as collateral for a \$17-million loan to BEX by the latter. BEX, in turn, passes \$12.5 million back to MCA, which uses the money to repay outstanding loans to two Connecticut banks. These charges, which will be placed by a Committee of Unsecured Creditors when the carrier runs into fiscal problems four years hence, will note that from 1989 to this point, MCA has withdrawn more than \$20 million.

In June, it is announced that the carrier will become the first major tenant at the former Pease AFB in New Hampshire, now the Pease International Tradeport. The airline will sign a long-term lease with the Pease Development Authority and construct its fourth maintenance facility at the ex-USAF base. The State of New Hampshire provides a \$10-million loan guarantee. Service is started during the fall to Cleveland, Detroit, Philadelphia, and Richmond.

The first public stock offering is made and the fleet at year's end, in addition to the BAes, includes 17 SAAB 340As, 20 SAAB 340Bs, 19 Beech 1900Cs, and 8 Shorts 360-300s.

All of this expansion assists passenger boardings to jump 18% to 1,584,606 and revenues increase 50.4% to \$162.5 million.

In **1993**, Chairman/CEO McManus oversees a workforce of 1,500, down 126 from the previous year. The fleet is also reduced to 34 SAABs

and 15 Beech 1900s as 3 additional Shorts 360-300s are acquired. During the spring, nonstop SAAB flights commence from the former Pease AFB in New Hampshire to Manchester, Boston, and Providence.

Plans to abandon service at Bridgeport and Presque Isle, Maine, are shelved in August following meetings between company officials and leaders of those communities. The BAe 146-200s are replaced, beginning in October, by 3 RJ70 Avroliners, which are the U.K.-Taiwan joint venture upgrade of the BAe 146-300.

In the face of continuing fiscal problems, President Malski resigns in December.

Although customer bookings swell 9.5% to 2,026,913, the carrier encounters severe financial loss: \$47.39 million (operating) and \$50.9 million (net).

As a result of the economic downturn, former Phoenix Airline Services CFO Bryan K. Bedford is appointed president in February **1994**. As a first step toward profitability, Bedford returns the Shorts aircraft to their lessors and suspends payments on the Avros and Beechcraft. Deliveries for 20 SAAB 340Bs and 9 RJ70s are rescheduled.

A marketing alliance is signed with **Northwest Airlines** in July and, although several replacement services have been flown on behalf of other airlines, BEX elects, in August, not to expand southward from its New York (LGA) hub to Norfolk and Richmond, Virginia.

Service to Canada is significantly increased in September and is timed to connect with **Delta Air Lines** jetliner flights from Boston, as well as other "Delta Connection" services to cities in the Northeast and Midwest. Employing Beech 1900Cs, frequencies are initiated from Logan International Airport to Quebec City, Halifax, and Moncton.

The year's passenger boardings plunge 19.1% to 1,640,000 and revenues decline by 9.4% to \$180.3 million. Expenses fall 24.3% to \$186.6 million, generating an operating loss of \$6.3 million. Still, a \$7.4-million net gain is reported.

The workforce stands at 1,500 in **1995**. The fleet grows to include 37 SAAB 340As, 16 Beech 1900Cs, and 2 Avro RJ70s. BEX is now the largest airline operating in the Northeast.

When **Delta Air Lines** realigns its hub system on May 1, it significantly reduces the number of its jetliner departures from Boston. To help take up the slack, BEX expands its own Logan site and adds 22 flights, raising its total from 125 to 147 daily departures.

Enplanements for the year dip 1.6% to 1,742,000 and there is a net loss of \$9.13 million.

Deeply in debt, BEX is placed into involuntary Chapter XI bankruptcy in U.S. Bankruptcy Court for the District of New Hampshire on January 22, **1996** by SAAB Aircraft Credit, A.B. and two other creditors who fear loss of company assets before aircraft payments are completed. It will be revealed some months later by a Committee of Unsecured Creditors (CUC) that a long list of debts are owed: SAAB and various of its divisions, \$30,311,000; Creditanstalt-Bankverein, \$9.3 million; BAe Finance, \$8 million; Raytheon Aircraft Credit Corp., \$22 million; Pease Development Authority, \$8 million; Others, \$7 million.

Former American Eagle head Robert E. Martens is appointed the company's new chairman/CEO replacing McManus and Malski and is given a mandate to reorganize the carrier.

"Delta Connection" and Northwest Airliner services continue, though in reduced number. The airline operates 400 departures per day, including 38 from New York (JFK), 42 from New York (LGA), and 120 from Boston.

The RJ70s are withdrawn at the end of March and orderly retirement of the Beech 1900Cs, scheduled to take 12 to 18 months, begins. There are no personnel reductions.

Late in the year, SAAB files a reorganization plan with the U.S. Bankruptcy Court. Under its terms, BEX will be forced to sell all of its slots at New York (JFK) to **Delta Air Lines** for \$5 million (if Delta elects not to purchase, SAAB will be free to auction them off). What remains of the company will then be turned over to John Sullivan's Champlain Enterprises, which owns **Commutair**.

At the same time, the management of BEX submits its own plan. It would feature a code-sharing pact with **American Airlines**, as well as a continuance of the alliances with Delta and Northwest.

Customer bookings plunge 40.7% to 1,033,711 and financial figures, released only for the first quarter, show an \$11.771-million net loss. There are 151,640 scheduled departures.

The fleet in 1997 is cut to just the SAABs as the last of the leased Beech 1900Cs are returned. The code-sharing agreements with **Delta Air Lines** and **Northwest Airlines** continue, pending a ruling from the bankruptcy court.

In January, the CUC proposes to sue former Chairman McManus, President Malski, and investor Valassis for misappropriation of funds back in 1989–1992—misappropriation that they claim left BEX with so little capitalization as to render it insolvent.

In March, the carrier's management, together with SAAB Aircraft of America, combine their revitalization efforts and jointly file a reorganization plan with the U.S. Bankruptcy Court. Left out of the action, John Sullivan's Champlain Enterprises files suit against BEX and SAAB for breach of contract.

BEX emerges from Chapter XI on May 22 when its new reorganization plan is approved. Although secured creditors receive a greater amount, unsecured creditors, including SAAB, receive only 21 cents on the dollar of investment. The SAAB 340A lease amounts are also reduced and taxpayers in New Hampshire will ultimately foot a \$13-million bill, including interest payments. All assets are sold to a new Business Express operating company formed by the Philadelphia-based investment partnership of Dimeling, Schreiber & Park.

As part of the arrangement, the carrier continues its code-sharing and alliances with **Delta Air Lines** and **Northwest Airlines** and agrees to fly from Boston as "American Eagle." The fleet of 37 SAAB 340s will continue to fly 320 daily departures from its hubs at Boston and New York (LGA).

On September 24, a contract is entered into with **American Airlines** to provide feed to the major at Boston. At month's end, the city of Portland, Maine, refuses a company bid to relocate its headquarters and maintenance facility in exchange for tax credits.

The American Connection service is offered to Burlington, Portland, Bangor, and Lebanon, plus Quebec City, beginning on October 1, with the new network later expanded to Syracuse, Rochester, Albany, White Plains, Islip, Ottawa, and Halifax.

By the end of the year, the number of daily departures has been increased by 20 and the company is now the largest regional operator in the Northeast.

Passenger boardings drop 2.3% to 1,326,300 on 100,052 scheduled departures. Revenues total \$145.31 million and allow an operating gain of \$312,000. Interest expense in excess of \$2 million and \$3 million in restructuring costs create a net loss.

In January 1998, the company's Delta Connection emphasis is shifted to Boston and New York (LGA) after the major signs a code-sharing pact with **Trans States Airlines** covering feed at New York (JFK).

SAAB 340A roundtrips from Boston to Presque Isle, Maine, begin on November 1, four times a day.

Strengthening its regional presence in the Northeast, **American Eagle Airlines (2)** purchases Business Express for an undisclosed price on December 4, thereby gaining the much-desired BEX slots at New York (LGA). The regional will operate as a separate entity until all takeover arrangements are completed. BEX, meanwhile, negotiates with **Delta Air Lines** and **Northwest Airlines** concerning its regional partnerships with those majors and manages to hold on to them.

The fleet at the end of the year includes 43 SAAB 340As. A total of 350 daily flights are made between 16 cities. During the 12 months, customer bookings dip 0.9% to 1.31 million.

While en route from Boston to Philadelphia on March 3, 1999, Flight 6277, a SAAB 340A with 3 crew and 30 passengers encounters turbulence at 7,000 ft., 40 nm. NE of Atlantic City; the flight attendant is se-

riously injured when thrown onto the deck. She is rushed to the hospital upon landing at the Pennsylvania airport.

The acquisition of BEX by **American Eagle Airlines (2)** is completed on March 11. Initially, it is operated as a separate company, with President Ellmer remaining in place, but now reporting to American Eagle President Bowler. Marketing relationships, including code-sharing with several other airlines, is continued. Rather than perform costly modifications to conform BEX aircraft to Eagle specifications, Eagle begins to retire units of the BEX SAAB fleet as their leases expire and to replace them with American Eagle aircraft.

By an 89% margin, the company's ALPA-represented pilots ratify a new two-year labor contract on June 29.

Customer bookings accelerate 5.8% to 1,391,000 and operating revenues total \$150 million.

Airline employment at the beginning of 2000 stands at 1,000, a 33.3% decrease over the previous 12 months. The decision is taken not to repaint any of the SAAB 340Bs, which are being replaced by Embraer jetliners.

Thrice-daily ERJ-135 roundtrips commence on January 25 from Boston to Columbus, Ohio; 4 of the 12 daily nonstops between Boston and Philadelphia are simultaneously upgraded to ERJ-135.

Thrice-daily ERJ-135 return flights from Boston to Richmond begin on March 21, as do twice-daily ERJ-135 roundtrips from Boston to Nashville.

ERJ-135 roundtrips from Boston to Norfolk commence on April 2 and twice daily from New York (JFK) to Columbus. Thrice-daily SAAB 340B return flights are simultaneously launched between New York (JFK) and Worcester, Massachusetts.

The code-sharing agreement between the American Eagle subsidiary and **Midwest Express Airlines** is deepened in May. Under terms of the enhanced arrangement, the Milwaukee-based carrier will share its designator on 15 Eagle flights from Boston to cities in the Northeast, Virginia, and Canada beginning during the year's third quarter.

On July 6, the carrier launches the only service to New York (JFK) from Worcester, thrice-daily SAAB 340B roundtrips. Four-times-a-day ERJ-135 roundtrips, code-shared with **Midwest Express Airlines**, begin on July 17 from Boston to Toronto.

New daily service is launched on August 31 from New York (LGA) to Greensboro, High Point, Winston-Salem, Norfolk, and Richmond.

SAAB 340B frequencies are initiated on September 11 from Boston to Montreal, four times a day.

On October 27, a historic agreement is signed between **American Eagle Airlines** and **Trans World Airlines (TWA)**. The American Eagle subsidiary Business Express will provide "Trans World Express" services to nine new markets and the five existing "Trans World Express" cities of Baltimore, Boston, Hartford, Pittsburgh, and the District of Columbia, from which **Trans States Airlines** will withdraw by January 5.

Employing SAAB 340Bs, a new "Trans World Express" service is launched on December 2 from New York (JFK) to Albany, Buffalo, Montreal, Providence, Rochester, Syracuse, and Worcester. ERJ-135 "Trans World Express" flights also start from JFK to Cleveland and Columbus.

Thrice-daily roundtrips are launched on December 15 from Chicago (ORD) to Greensboro, North Carolina.

BUSINESS FLIGHT OF SCANDINAVIA, A.S.: Denmark (1988–1995). **Business Flight Service, A.S.** is reorganized in late 1988 and renamed. Jasper Hougaard remains as managing director, however, the fleet is dramatically increased to include 7 Beech Super King Air 200s, 1 Beech 1900, 2 Beech King Air 90s, 4 Beech Bonanzas, and 2 Fokker F.27s.

Scheduled services are introduced in early 1989 to both domestic destinations and markets in Germany and Luxembourg. In September, financially troubled Danish competitor **Midtfly, A.S.** is taken over and merged. Enplanements total 20,000.

The fleet is revised during **1990**. Gone are 2 Super King Air 200s, replaced by 1 F.27, 1 Beech 1900, and 1 Fairchild Metro III. Citing heavy costs, the company abandons scheduled passenger flights in July to concentrate solely on all-cargo services. Two Super King Air 200s are withdrawn in **1991**.

Operations continue in **1992** and in **1993–1994**, Managing Director Hougaard's fleet is upgraded to include 6 Beech Super King Air 200s, 2 Beech King Air 90s, 2 Beech 58 Barons, 6 Beech 33 Bonanzas, 2 Fokker F.27s, and 2 Beech 1900s.

A victim of economic reversal, the company shuts down in **1995**.

BUSINESS FLIGHT SERVICE, A.S.: Denmark (1985–1988). Michael Burgess establishes this carrier at Copenhagen in **1985** to provide air taxi, air ambulance, charter and cargo services to local and regional destinations. Jasper Hougaard is appointed managing director and a fleet is assembled comprising 1 Beech 55 Baron, 1 Beech King Air 100, 1 Beech King Air 90, 1 Beech Super King Air 200, 1 Piper PA-28 Cherokee, and 1 Rockwell Aero Commander.

Revenue flights commence and in **1986–1987**, the fleet is upgraded. Gone are the Beech King Air 100 and the Aero Commander, replaced by 2 more King Air 90s and 3 Super King Air 200s. The company is reorganized in **1988** and renamed **Business Flight of Scandinavia, A.S.**

BUSINESS FLYERS BASEL, LTD.: Switzerland (1975–1978). Aimed at the executive market, Business Flyers Basel, Ltd. is formed as an air taxi service on February 14, **1975** by **Swissair, A.G.** DC-9 pilot Moritz Suter. Employing a Cessna Citation executive jet, flights are initiated from both Basel and Zurich to destinations throughout Western Europe. Suter's company is renamed **Crossair, Ltd.** on November 14, **1978** in preparation for the start-up of scheduled operations.

BUSINESS JETSHARES, LTD.: 8631 Lemmon Ave., Hangar J, Dallas, Texas 75209, United States; Phone (214) 357-7477; Fax (214) 352-3066; Year Founded 1992. This concern is set up as an FBO at Dallas in **1992**. It also undertakes executive and small group passenger charters. By **2000**, BJ employs seven pilots and stations aircraft at three different locations.

Four Grumman G-1159A Gulfstream IIIs are flown from Dallas (DAL) along with 2 British Aerospace BAe (HS) 125-800 Hawkers and 2 BAe (HS) 125-700 Hawkers. A BAe (HS) 125-600 Hawker is based at Ft. Lauderdale Executive Airport in Florida and 1 Canadair 604 Challenger is flown from Salt Lake City.

BUSOL AIRLINE: 46 Leiptzgskaia Street, Kiev, 252015, Ukraine; Phone 380 (44) 290 4391; Fax 380 (44) 290 4278; Code BUA; Year Founded 1992. Busol is established at Kiev in **1992** to provide all-cargo charters around the CIS and throughout Europe. Grigory Bododisty is president and his fleet includes 1 Antonov An-26 and 6 Ilyushin Il-76MDs.

It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

BUSY BEE AIR SERVICES, A.S.: Norway (1966–1980). Oslo-based **Busy Bee Air Services, A.S.**, the charter subsidiary of **Braathens SAFE, A.S.**, is formed in **1966** and reorganized in **1972**, receiving the upgraded title of **Air Executive Norway-Busy Bee, A.S.** Managing Director Hans A. Grotterad employs a small workforce of 30–35 and operates a fleet of 3 Fokker F.27-100s and 3 Shorts 330s.

A fourth F.27-100 arrives in **1976**, followed by 3 more in **1977–1979**. Flights around northern Europe as well as contract service flights for the Norwegian Armed Forces are continued until **1980**. In early spring the carrier is renamed **Busy Bee of Norway, A.S.** and begins a concentration on military charters.

BUSY BEE OF NORWAY, A.S.: Norway (1980–1993). Reformed in early spring **1980**, Busy Bee continues to provide inclusive tour and ex-

ecutive charter flights and to provide contract service to the Norwegian government, especially military charter. The fleet now includes 8 Fokker F.27s and 3 Shorts 330s. In addition, it now begins to undertake regularly scheduled replacement flights for both **Braathens SAFE, A.S.** and **SAS (Scandinavian Airlines System)**. Customer bookings for the year are 214,630.

In **1981**, the 125-employee company possesses a fleet of 8 Fokker F.27s, to which is added 1 **Braathens SAFE, A.S.** B-737-205A under lease. Enplanements this year total 254,000, a 15.5% boost. They will rise to 374,000 in **1982** and 435,000 in **1983**.

Additional replacement flights are added in **1984–1985**, as Managing Director Hans A. Grotterud's company also becomes a subcarrier for **Netherlines, B.V.** and **Wideroe Norskair, A.S.** The workforce in the latter year totals 168 and enplanements are 630,000. Revenues reach \$3.18 million. Busy Bee celebrates its twentieth anniversary late in the year.

In **1986–1987**, 4 F.27-200s, leased by **Braathens SAFE, A.S.** for its subsidiary, join the fleet's 7 F.27-100s and 1 F.27-300.

Airline employment grows by 13.3% in **1988** to 340. The F.27-300 is now replaced by 4 new Fokker 50s. On May 6, an F.27-100 with 36 aboard crashes near the coast; there are no survivors. Passenger boardings jump 24.4% over the previous year to 1,600,000.

A fifth Fokker 50 is added in February **1989**. Einer Fjeldstad becomes managing director in **1991** and 1 F.27-100 is withdrawn. The fleet now includes 11 Friendships and 5 Fokker 50s.

Operations continue apace in **1990**. The workforce stands at 150 in **1991**. Per G. Braathens remains chairman while Managing Director Fjeldstad's fleet now includes 5 Fokker 50s and 4 Fokker F.27-200s. Operations continue apace for the 175-employee airline in **1992**. A significant government contract is lost at year's end and this reversal so significantly impacts Busy Bee's finances that it is forced to declare bankruptcy and close.

In January–February **1993**, Managing Director Fjeldstad is able to acquire financial backing from Chemical Bank. His airline is restructured and renamed **Norwegian Air Shuttle, A.S.**

BUTLER AIR TRANSPORT (PTY.), LTD.: Australia (1934–1959). C. Arthur Butler wins a contract in April **1934** for a mail route from Charleville to the Cootamundra rail junction to be flown under subsidy as part of the overall England–Australia airmail system. To undertake his service, Butler forms Butler Air Transport, Ltd., equipping it with a de Havilland DH 84 Dragon. On December 10 and again on December 21, Butler participates in his portion of the opening of the England–Australia route, picking up the mail at the QANTAS Charleville field and handing it off at Cootamundra.

The route is continued with little change in **1935–1937**.

On August 4, **1938**, Sydney replaces Cootamundra as the terminus on Butler's mail route. On November 11, **1940**, the carrier takes over the Sydney–Bega via Moruya route, a daily service previously flown between the New South Wales coastal towns by **Adastra Airways (Pty.), Ltd.** This service continues in **1941–1946**.

On April 1, **1947**, the company purchases 93% majority control in **Queensland Airlines (Pty.), Ltd.**, which is allowed to continue operations under its own identity.

While on a June 3 training mission, a DC-3 with two crew fails its takeoff from Schofield; although the aircraft must be written off, there are no fatalities.

New destinations and frequencies are introduced on the New South Wales network in **1948**. Routes and schedules are further integrated in April **1949** when **New England Airways (Pty.), Ltd.** is acquired and merged, its Avro Ansons being passed on to **Queensland Airlines (Pty.), Ltd.**

The first DH 114 Heron arrives in late fall **1952**; christened *Warrawee*, it is placed in service in November. Orders are placed for Vickers Viscount 747s in **1953**. Service continues in **1954**.

The first Viscount 747 is delivered on September 27, **1955**; christened *Warral*, it is placed on the New South Wales routes in October. Butler is the ninth operator in the world to operate the British turboprop.

While climbing away from Bourke on December 15, a DC-3 with 3 crew and 10 passengers suffers an engine failure, but is able to make a successful emergency landing; although the plane is destroyed, there are no fatalities.

Another Viscount 747 joins the fleet in **1956**.

During late spring of **1957**, 3 Airspeed Ambassadors are purchased from **British European Airways Corporation (BEA)**; they are placed into service on August 5. Ansett Transport Industries buys the Butler subsidiary **Queensland Airlines (Pty.), Ltd.** on October 4. There follows a period of protracted, unhappy negotiations between Butler officials and those of **Ansett-ANA, Ltd.**; on February 5, **1958**, Butler is purchased by the larger carrier.

Butler is allowed to retain its own name during a period of integration that ends on December 17, **1959** when the Ansett subsidiary is named **Airlines of New South Wales (Pty.), Ltd.**

BUTLER AIRLINES (PTY.), LTD.: Australia (1977–1982). Butler Airlines (Pty.), Ltd. is formed at Brisbane in **1977** to offer charter services to various small destinations in Queensland. At the same time, twice-daily scheduled service is offered from Brisbane to North Stradbroke Island. The carrier's fleet grows to include 1 Mitsubishi MU-2B, 1 Beech B-58 Baron, 1 Cessna 206, and 1 Hughes 269.

Unable to absorb the losses caused by the higher fuel prices of the early 1980s, the company stops flying in **1982**.

BUTLER AVIATION: United States (1979–1980). Butler Aviation begins flying San Francisco–Eureka Cessna services in the summer of **1979** employing a de Havilland Canada DHC-7-102. The turboprop, with 2 crew and 10 passengers, strikes trees on the crest of Surveyor Mountain at Klamath Falls, Oregon, on September 14 and crashes; there are no survivors.

Unable to recover and refinance, the carrier closes down at the start of **1980**.

BUZZ: Endeavour House, Stansted Airport, Essex, England, CM24 1RS, United Kingdom; Phone 44 (0870) 240 7070; <http://www.buzzaway.com>; Year Founded 1999. This new entrant is formed by **KLM uk, Ltd.** in the fall of **1999** to offer low-cost service from London (STN) to various European destinations employing the former **Air UK, Ltd.**'s fleet of 8 BAe 146s painted in yellow, purple, and lime green livery. BUZZ will fit into KLM uk's plans to reorganize its scheduled services into a concentrated focus on feeder services to and from Amsterdam. KLM uk CEO Floris van Pallandr commits £10 million (\$16.1 million) to start-up costs and promises that the airline will break even by the end of 2001.

The company's booking phones are opened on October 31 and take 3,000 calls on the first day. By December 3, £1 million in advance booking sales have been completed.

During December, the company polishes its plans to make both ticketless travel and pay-as-you-go passenger services available on the ground and in the air.

Revenue flights commence on January 4, **2000** with Done Deal restricted and flexible Open Deal fares on roundtrips between Stansted Airport and Berlin, Frankfurt, Dusseldorf, Vienna, Milan, Paris and Lyon.

To take advantage of the summer tourist trade, Buzz, on March 26, introduces holiday flights from London (STN) to Montpellier and Toulouse, as well as Jerez, in southern Spain. These flights will cease on September 28. Employing a pair of B-737-3L9s purchased from **Deutsche BA Luftfahrtgesellschaft, GmbH.**, Buzz simultaneously opens more permanent routes from London (STN) to Helsinki, Hamburg, and Bordeaux. Introduction of its "Baby Boeings" allows Buzz to become the only European low-cost airline offering food service both on the ground and in-flight.

Frequencies are initiated on March 27 from London (STN) to Bordeaux, Marseilles, Hamburg, and Helsinki. Simultaneously, **KLM uk, Ltd.** withdraws from its last two domestic British routes, Stansted to Edinburgh and Glasgow.

The thrice-daily London (STN) to Hamburg route is suspended on October 28 and the next day the aircraft that had been employed for that service is used to boost capacity for parent **KLM uk, Ltd.**'s London (STN) to Amsterdam service.

BWIA WEST INDIES AIRWAYS, LTD.: Administration Building, Golden Grove Road, Piarco International Airport, P.O. Box 604, Port of Spain, Trinidad and Tobago; Phone (809) 669-3000; Fax (809) 669-1865; <http://www.bwee.com>; Code BW; Year Founded 1999. In honor of the new millennium, **British West Indies Airways, Ltd. (2) (BWIA)** is renamed on December 2, **1999**. In a special ceremony at Port of Spain, the company's new "steel pan" livery is unveiled on an L-1011-500 TriStar.

The first of 6 leased ILFC Next Generation B-737-8Q8s arrives at Trinidad from Seattle on January 8, allowing the company to become the first operator of the type in the Latin American and Caribbean regions. The new aircraft, incidentally, has brought 5,000 pounds of donated medical supplies, which will be transshipped to flood-ravaged Venezuela.

A tentative agreement is reached with **Helen Air, Ltd.** on February 7 under which the St. Lucia-based commuter will operate as a **BeeWee Express** carrier. Twice-weekly B-737-8Q8 return flights are launched on February 10 from Bridgetown, Barbados, to Boston, with continuing service to Port of Spain, Trinidad.

With its license due to expire on March 8, BWIA is recertified by the government on February 26 to operate **BeeWee Express** air bridge services between Trinidad and Tobago. For the next four months, it will be permitted to add another daily roundtrip to the two currently its regional affiliate already operates.

The second Next Generation B-737-8Q8 enters service in March. Frequencies throughout the Caribbean are consequently increased and enhanced, while new flights are started to Washington, D.C. (IAD).

To feed its increasing number of international services, the carrier, in April, begins to operate on the "hub-and-spoke" system, employing two newly established major hubs at Trinidad and Barbados. On April 14, BWIA becomes the first Caribbean-based airline to receive regulatory permission for ETOPS operations. The new B-737-8Q8s will be the first to enjoy the designation, which will be employed to cut 20 min. off the Trinidad–New York (JFK) run.

A new daily nonstop roundtrip is inaugurated on May 24 between Trinidad and Jamaica; the three earlier one-stops are also maintained.

In honor of 60 years of flying, BWIA now applies special decals to all its aircraft.

A code-sharing agreement is signed with **United Airlines** on July 25, with an immediate linkage of frequent flyer programs. Dual designator flights with United commence on September 1 on routes from Washington, D.C. (IAD) and New York (JFK) to Trinidad, from Miami to Antigua, Barbados, and Port of Spain, and on connecting flights to Tobago.

The introduction by BWIA of thrice-weekly services from Trinidad to Montego Bay causes **Air Jamaica, Ltd.** to terminate its recently resumed daily frequency on that route as of October 22.

The collapse of **Air Caribbean, Ltd.** on October 23 leaves BWIA as the only carrier on the Trinidad and Tobago air bridge. Accordingly, it steps in and increases the number of its daily frequencies to eight, with three being operated by MD-83s or B-737-8Q8s. Although it honors true "hardship" cases, the airline does not, in general, honor the tickets of most passengers who had booked with Air Caribbean. Chairman Aleong, commenting upon his competitor's receivership, indicates that he may hire a few of its employees, but has no interest in purchasing any of the AC fleet.

In the wake of the Air Caribbean failure, **Caribbean Star, Ltd.** on October 27 applies to the Air Transport Licensing Authority to operate a

service on the Trinidad and Tobago air bridge. After an objection by BWIA, ATLA Chairman Ramsaran Bissessar announces that law and international treaties exclude the Antigua-based carrier's bid.

BYERS AIRWAYS. *See WIEN AIR ALASKA*

BYKOVO AVIA (BYKOVO AVIATION ENTERPRISE): **Russia (1993–2000).** Prior to its reformation in **1992**, **Aeroflot Soviet Airlines** has four major divisions at the airports around Moscow. The Central Region Civil Aviation Department (CRCAD) (Bykovo Avialinii) is based at Bykovo, 30 miles SW of the capital. The CRCAD is responsible for all medium- and short-range commercial flights in the nation west of the Ural Mountains. Ivan S. Makarov is director general and the fleet includes some 125 Russian-made airliners, including Tupolev Tu-134s, Yakovlev Yak-40s/-42s, and Antonov An-24s/-26s/-32s.

While on final approach to Ivanov on an August 27 service from Donetsk, a Tu-134A with 7 crew and 77 passengers strikes a line of trees 2,962 m. from the runway and crashes; there are no survivors.

Enplanements for the year total 1,928,784.

A large portion of Aeroflot's Bykovo directorate becomes a joint-stock company in **1993**, with shareholding divided between the state (51%) and company employees (49%). The fleet is reduced to 25 An-24s, 10 An-26s, and 12 Yak-42s, plus 5 Mil Mi-8/-17 helicopters. The name "Bykovo Avia" appears on airplane titles and A. A. Mukhin is director general, with Gennady I. Sytnik as general manager. Customer bookings fall off 43% to 1,342,230 while cargo traffic drops 35.1% to 172.4 million FTKs.

Service is maintained in **1994**, but traffic begins an even more spectacular plunge.

The cockpit crew of an An-24B with 4 crew and 28 passengers retracts the landing gear prematurely while taking off from Kherson, Ukraine, on July 17; the aircraft settles onto the runway on its belly and there are no injuries reported. Passenger boardings decline 39.6% to 810,700, while freight falls another 12.8% to 150 million FTKs.

Although there are no reported accidents, business steadily declines in **1995** with only 497,608 passengers flown. Boardings are down to 466,000 in **1996**, but bounce back to 182,268 in **1997**.

The fleet during these years is reduced to 10 An-24s, 6 An-26s, and 10 Yak-42s.

The currency devaluation of summer **1998** has a dreadful impact on company revenues. A new management team arrives in December and optimistically announces the planned inauguration of international services the following summer. Customer bookings this year again drop to 166,000.

Airline employment stands at 2,500 at the beginning of **1999**. With only half of the 12-unit Yak fleet airworthy, 2 more of the type are leased short-term in June from the Irish concern Corvette Aviation, while the others are refurbished. All wear new liveries.

Service to Stuttgart and Hanover begins in late summer.

The airline is renamed **Tsentr Avia** on May 5, **2000**.

BYLINA: Bykovo Airport 19, Sovetskaya Str., Moscow, 140150, Russia; Phone 095-558-4504; Fax 095-501-6500; Code BA; Year Founded 1992. Bylina is established at Bykovo Airport in **1992** to provide regional charter passenger and cargo services. By **2000**, Valentine A. Cherkasov is general manager and he oversees a 57-person workforce and flights provided by 3 Yak 40s.

C AIR: United States (1964–1966). Long Beach, California-based C & W Aviation establishes this flight division in the fall of **1964**. Employing a de Havilland DH 104 Dove, the unit inaugurates scheduled passenger and cargo commuter flights to Los Angeles, Riverside, and Redlands on November 16, maintaining them until **1966**.

C & M AIRLINES: United States (1979–1982). C & M is established at Inyokern, California, in early spring **1979** to offer scheduled passen-

ger services to Los Angeles. Airline employment is 18 and 2 Cessna 402s are employed to inaugurate flights on May 1. Enplanements total 6,000 by December 31.

The employee population is increased by 27.8% in **1980** to 23 and 3 more Cessna 402s are acquired. The 5 aircraft together board 13,411 passengers, a 123.7% boost.

The workforce grows to 50 in **1981** and the equipment numbers 6 Cessnas. Flights are inaugurated to Las Vegas, Palmdale, and Edwards AFB. Again, exact boardings are not made known; however, RPKs advance to 2.88 million.

Upon its sale, the privately owned airline changes its name to **Mojave Airlines** in early **1982**.

C & N CONDOR NECKERMANN TOURISTIC, A.G. *See CONDOR FLUGDIENST, GmbH.*

CAA (CENTRAL AMERICAN AIR LINES, S.A.): Honduras (1925–1927). Dr. T. C. Pounds, who had started the first air service in Central America in 1923 but who went out of business following the defection of his pilot to **Empresa Dean, S.A.**, returns to the Honduran air transport scene in early **1925**.

Having persuaded a pilot named Morgan to contribute an Aeromarine flying boat to this new enterprise christened CAA (Central American Airlines), Pounds relaunches service to the capital city of Tegucigalpa—this time from Puerto Cortes, 200 kilometers away on the Gulf of Honduras. On December 4, the company's northern terminus is transferred to San Pedro Sula, headquarters town for United Fruit Company.

A Caudron is added to the fleet in **1926** and services are maintained, but by **1927** the Pounds-Morgan partnership is finished, along with the airline.

CAAC (GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA): 155 Dong-si Xi Dajie, P.O. Box 644, Beijing, 100710, China; Phone 86 (1) 401-2233; Fax 86 (1) 401-2210; Code CA; Year Founded 1952. After decades of struggle, by the summer of 1949 the supporters of Communist leader Mao Tse-tung are in possession of almost all of mainland China. Regularly scheduled operations by the airlines of the Nationalist government, **Central Air Transport Corporation (CATC)** and **China National Aviation Corporation (CNAC-1)** cease on August 17 and they begin sending their aircraft to safety in Hong Kong. Mao Tse-tung announces the formal creation of the People's Republic of China on October 1. The only Western company still flying is **Hamiata**, the Sino-Soviet joint stock company that is providing small-scale services in the northwest part of the country.

On November 1, the new government in Peking establishes the China Civil Aviation Administration (CCAC) to operate ad hoc air services on 12 routes linking the capital with the southern communities of Canton, Hankow, Chongqing, and Kunming.

C.Y. Liu, CNAC-1's Chinese managing director, defects to Tientsin on November 9 with 8 Douglas C-47s and 3 Curtiss C-46 Commandos from the company's 56-plane fleet, plus the CATC Convair CV-240, the only one in China.

Among the defectors is future CAAC Director General Hu Yizhao, now an airplane mechanic. Following their arrival, the aircraft crews are treated to a great feast at the Peking Hotel, where Premier Chou En-lai presides. Shortly thereafter, the Convair is christened *Beijing* and is named flagship of the new airline that the government orders formed.

Those CNAC/CATC fleet elements at Hong Kong are now grounded under guard, but a British court in the crown colony acts on December 3 to prevent the Nationalists from taking control of the aircraft. Over the next several weeks, hundreds of out-of-work CNAC-1 technicians and aircrew flee to Peking, secretly smuggling out maintenance manuals and spare parts for the planes acquired on November 9. A three-year legal battle will follow before **Civil Air Transport (CAT)** is able to claim the contested aircraft.

The Civil Aviation Bureau of the PRC is established at Peking in January **1950** as the first step in the establishment of a national airline. To

take over services previously provided by CATC/CNAC, now based on Formosa, the People's Aviation Corporation of China is formed on March 27, with Soviet interest and assistance. The new concern's name is longer in both Chinese (Ren Ming Hong Kong Kun Sze) and Russian (Sovetskio-Kitaysko Aktsioneren Obschestvo Grazhdanskoi Aviatsii) than it is in English (Sino-Soviet Joint Stock Company). As a result, the company is familiarly known as SKOAGA. It will, at least for awhile, coexist with CCAC, in what might be seen as two autonomous divisions of a young national system.

Shareholding in SKOAGA is divided on an equal fifty-fifty basis between China and Russia and the previous Sino-Soviet joint carrier **Hamiata** is merged. A Russian fleet of Lisunov Li-2s is delivered to supplement the CNAC and CATC units acquired earlier. The airline takes over the **Hamiata** routes, including the strategic service to Alma Ata, while simultaneously starting services in Manchuria over a network earlier flown by the Japanese. A new frequency is also initiated to Chita, in Siberia, where a connection can be made with **Aeroflot Soviet Airlines** flights to Moscow.

CCAC continues to operate its routes in southern China. On August 1, it inaugurates a new service from Canton to Chengtu via Hankow, Tientsin, and Chongqing. Operations continue apace over the next three years. A new route is opened to Irkutsk in Siberia in December 1952. A 1,200-mile Urmuchi-Kashgar route is started in 1953, linking the western Chinese provinces to those in the east.

Having matured both in its administrative ability and in its jurisdiction, the Civil Aviation Bureau is able to organize a merger of SKOAGA and CCAC in March 1954. The new concern is named the Civil Aviation Administration of China (Zhonghua Ming Hong Jui) or Minkaiduy and is placed under the direction of Air Force General Kuang Jen-nun, a Korean War Mig-15 pilot.

Modeled upon the organization of **Aeroflot Soviet Airlines**, the company's major administrative units are established as directorates at Peking, Shanghai, Canton, Shenyang, Sian, and Hankow, with subdirectorates at Lanchow and Chongqing. The establishment of the new carrier is completed by December 30.

The year 1955 is one of amalgamation as the new airline's DC-3 and Li-2 fleet successfully integrates operations over the combined new route network. An initial few (later hundreds) Antonov An-2 biplanes are acquired and employed to start services from Lanchow to Hofei and Sining. Imported Soviet Ilyushin Il-12s/14s begin to supplement the Li-2s and plans are made for modest foreign expansion the following year to nations of similar political outlook.

The first international expansion (other than the Soviet Union) is an April 11, 1956 Il-14 route from Kunming to Rangoon via Mandalay. An Li-2 route proving flight is made from Peking to Lhasa, Tibet, on May 25, with regularly scheduled service beginning on June 27. Meanwhile, Canton to Hanoi service is launched on May 29 via Nanning.

A comprehensive domestic route network is developed between 1957-1960. It is reported during these years that, since the creation of the CAAC, the route network has doubled in length to 16,000 miles, 29 routes are operated, and 42 Chinese communities have obtained air service. It is also suggested that PRC commercial aviation has a perfect safety record.

Under unknown circumstances, an Il-14 is lost 70 km. from Xian on April 5, 1958.

In the international arena, a new route is opened on April 3, 1959, from Beijing to Pyongyang, North Korea, via Shenyang. Five Vickers Viscount 843s are ordered from the U.K. in 1961.

In April 1962, the Civil Aviation Administration of China is reformed into the **General Administration of Civil Aviation of China** (also known as CAAC) and, again on the Soviet model, is assigned such additional duties as cargo, training, agricultural flying, rotary-wing support operations, etc. The commercial division, now operating under the historic China National Aviation Corporation (CNAC-2) name, comprises 20 Li-2s, 50 Il-12s/14s, and 6 Il-18s.

The five Viscount 843s are delivered in 1963 and placed into service. Simultaneously, an interline agreement is signed with **British Overseas Airways Corporation (BOAC)** and negotiations are undertaken with **Aeroflot Soviet Airlines** to make the Soviet's Moscow-Peking service a joint operation.

On April 29, 1964, **Pakistan International Airlines Corporation (PIA)** inaugurates Boeing 707-340 Stratoliner service from Dacca to Shanghai via Canton. The Karachi-based company has the distinction of offering the first Western airline service into the PRC since the 1949 revolution and its Boeing is the first Western jetliner to visit China. Direct propliner flights from Canton to Phnom Penh also begin during the year. Events of 1965 have nothing so spectacular to offer.

In early 1966, Antonov An-2s are employed to begin weekly services from Urumchi to Sharasume and from Urumchi to Tahcheng via Karamai. A twice-weekly service is also offered from Lanchow to Sinang. As a result of the establishment of diplomatic relations with France two years earlier, **Air France**, on September 20, gives Chinese customers a direct Stratoliner link from Shanghai to Paris; this first European connection is flown via Phnom Penh, Karachi, Cairo, and Athens.

Beginning on April 22, 1967, reciprocal services to Pakistan are widened. Orders are made in 1968 for a number of Antonov An-24s, 2 Tupolev Tu-134s, and 6 Mil Mi-6 helicopters. An Il-14 crashes at Beijing on December 5.

As political difficulties with the Soviet Union intensify toward decade's end, little is heard of the Chinese carrier in the West. Orders are placed in Great Britain during 1969 for 6 Hawker Siddeley (HS) Trident 3Bs.

To replace aging Soviet aircraft, 4 HS Trident 1Es are purchased from **Pakistan International Airlines Corporation (PIA)** in 1970. The carrier's 20 Li-2s and 30 Il-12s are retired as new An-24s enter service. An order is sent to Moscow for 5 Ilyushin Il-62s.

A policy of more relaxed relations with the outside world is implemented and plans are made to expand international services. An Il-14 is lost at Guiyang on November 14.

The first of 5 Il-62s arrives in early May 1971 and, with an all-Chinese crew, makes a roundtrip on May 13 over the trunk line from Beijing to Guangzhou; the long-legged jetliner allows cancellation of the previous propliner stop at Wuhan. The flight is the first indigenous civil jetliner flight in Chinese aviation history.

Orders worth \$48 million are placed on August 24 for 33 Trident 2Es as 2 Nihon YS-11A-200s join the fleet. Future **Air China International** President Xu Bai Ling is a crew member on the flight bringing Secretary of State Henry Kissinger to Beijing. One of the ex-PIA HS Trident 1Es transporting out-of-favor Defense Minister Lin Piao on a specially arranged flight crashes north of Beijing in September. It is widely rumored that the loss is an act of sabotage.

In addition to some 300 Antonov An-2s involved in agricultural flying, the fleet in 1972 comprises approximately 50 Il-14s, 9 Il-18s, 6 Viscount 843s, and 2 YS-11A-200s. Air Force One brings U.S. President Richard M. Nixon to China on February 21; the dramatic visit will have an important impact on PRC aviation, as well as world diplomacy.

On July 24, orders are placed for 3 Anglo-French Concorde at \$34-million-per-copy (they will never be delivered). On August 6, an Il-18 shows an in-flight motion picture for the first time in China. Huge, new—some say historic—orders for Western flight equipment are now placed: \$56 million in August for 6 Trident 2Es and \$120 million on September 12 for 10 B-707-3J6B Stratoliners, plus \$26 million the same day for 40 spare Pratt & Whitney JT3D jet engines.

The first Trident 2E arrives from the U.K. on November 13. The same day, another \$59 million is committed for 6 more Trident 2Es and 2 Trident 3Bs.

Five more Il-62 jetliners are purchased from the Soviet Union in 1973. The first domestic Trident 2E service is flown on March 15 between Beijing and Shanghai. The An Il-62 arrives in Tokyo from Shanghai on March 23 on a flight designed to pave the way for direct flights between the People's Republic and Japan. On April 18, scheduled weekly Il-62 European flights are started to Bucharest and Tirana via

Tehran. The first B-707-3J6B arrives at Beijing in August and is initially employed on a proving flight to Albania.

A Trident 2E makes a flight from the mainland to Hong Kong on September 28, the first such flight since the Communists came to power 23 years earlier. Orders are placed for 15 Australian Aircraft Factory Nomad N.2s while a \$100-million request of December 4 for 13 additional Trident 2Es and 2 3Bs is the last made for that aircraft type.

Direct Peking to Moscow Il-62 flights commence on January 30, **1974**. In commemoration of the second anniversary of the establishment of diplomatic relations, CAAC and **Japan Air Lines Company, Ltd.** (2) initiate direct B-707-3J6B services between Peking and Tokyo on September 29. CAAC will be allowed to use Tokyo as a stopover on its forthcoming flights to Canada and the U.S.

Weekly roundtrip Stratoliner service from Beijing to Paris is launched on October 27 via Karachi. Tirana is dropped from the route map on November 29 as B-707-3J6Bs replace Il-62s on the China–Iran–Romania service.

During **1975–1977**, additional international routes are started, growing in number from 107 to 160 and the number of weekly flights increases from 273 to 500. Director General Ma Jen-Hui's fleet is upgraded and comes to include 13 Li-2s, 50 Il-14s, 11 Il-18s, 7 An-12s, 5 Viscount 843s, 20 Trident 2E/3Es, and 5 Il-62s, 10 B-707-3J6Bs. In addition, there are 37 An-24s, 31 An-26s, 300 indigenously built Y-5s, and 30 N-30s.

Osaka joins the Asian route network in 1976 while an An-24, with 40 passengers, crashes at Changsha on January 21, while on final approach to Baiyun Airport, Guangzhou; there are no survivors.

Shen Tu is named director general early in **1978**. A de Havilland Canada DHC-6-200 Twin Otter is delivered on April 1 and, simultaneously, Stratoliner service is inaugurated to Addis Ababa via Karachi. Weekly B-707-3J6B flights commence to Zurich via Urumchi (technical stop) and Bucharest.

The 117th and last Trident built, a 2E, is delivered on June 17, followed by another 2E on October 11. One of the new units inaugurates regularly scheduled services from Guangzhou to Hong Kong on October 12.

An order is placed with Boeing on December 16 for 3 B-747SP-J6s. The request is the first from CAAC since the Stratoliner order of September 1972.

A three-year old service to Phnom Penh is suspended on February 1, **1979**.

A HS-121 Trident 2E with 12 crew crashes into a factory while climbing away from Guangzhou on March 14; all aboard are killed, along with 32 people on the ground.

Weekly Il-62 service is launched to Frankfurt on May 3 via Tehran and Bucharest.

Flights to Manila commence on September 4 and Nagasaki becomes the carrier's third Japanese destination on November 1. The carrier begins recruiting female flight attendants at Peking on December 23; within 3 days, 800 have applied for an estimated 140 positions.

The first B-747SP-J6 is delivered on February 29, **1980**. An An-24V is lost at Changsha on March 20; there are no other details on the accident.

The new B-747SP-J6 Jumbojet is employed to inaugurate weekly roundtrip Beijing to Paris flights on April 2.

A pooled daily service with **Cathay Pacific Airways (Pty.), Ltd.** on June 21 between Guangzhou and Hong Kong. Two more Special Purpose Jumbojets also arrive, one each on June 26 and September 23, respectively. B-707-3J6B service to Bangkok is initiated on August 29.

Under charter to General Motors, 6 B-747SP-J6 flights are conducted in October between Beijing and Seattle. On November 15, one of the new SPs extends the Frankfurt route on to London.

It will be reported 15 years later that enplanements for the year are 3.42 million and 90,000 tons of freight are transported.

During the first week of **1981**, the press notes that CAAC has upgraded its operations for the initiation of flights to America; among the

improvements cited are new uniforms, in-flight movies, improved cuisine, and more courteous service.

Scheduled B-747SP-J6 passenger services between the U.S. and China are resumed on January 7, after a 32-year hiatus, when a B-747SP-J6 piloted by Xu Bai Ling, with 139 aboard, lands at San Francisco after a nonstop flight from Beijing. Passengers are welcomed by Mayor Dianne Feinstein and Chinese Consul General Hu Ding-yi. The aircraft continues on to New York.

The carrier now begins to launch or upgrade passenger and cargo service to 17 countries in Asia, Africa, Europe, and North America. Domestically, the route network grows to 171 services tying together 29 provinces. The fleet is increased by 2 Trident 3Es, 7 Trident 2Es, 5 B-737-2J6As, 1 B-707-3J6C, and 2 MD-80s. Direct Trident 2E roundtrips are initiated between Kunming and Hong Kong on November 3.

Service from Shanghai and Beijing to Los Angeles begins on April 12, **1982**.

En route from Guangzhou to Builin on April 26, Flight 3303, an HS 121 Trident 2E with 8 crew and 104 passengers crashes into Mt. Yangsu; there are no survivors.

In the spring, a B-737-200 demonstrator tours the country for 6 days, landing on occasion at difficult points such as the 11,800-ft. high city of Lhasa in Tibet.

When five men attempt to commandeer Flight 2502, an Il-18, on July 25, they are attacked by both crew and passengers and the two would-be pirates are nearly bludgeoned to death. As later described by a group of New Jersey tourists aboard, one of the hijackers dropped a live hand grenade that exploded, blowing a hole in the fuselage and causing the aircraft to nearly crash during its Shanghai landing. After a trial, the five failed pirates are executed at Shanghai on August 18.

Orders are placed with Boeing on December 15 for 10 B-737-2T4As.

A passenger's cigarette butt starts a fire aboard an Il-18B with 11 crew and 58 passengers as the Ilyushin is landing at Guangzhou on December 24; the aircraft is evacuated on the runway, but 25 passengers die and 28 others are injured in the process.

Built for **Braniff International Airways** but not accepted, a B-747SP-27 is sold on December 23 to CAAC instead.

As a result of the July hijacking attempt, the Chinese government assigns security guards to all company flights as of February 23, **1983**.

After landing at Fuzhou on February 27, an HS 121 Trident 2E with 96 passengers overruns the runway and suffers the collapse of its nosegear; there are no fatalities.

Despite the new guards and because of inadequate airport policing, five men and a woman are able to smuggle two pistols aboard a Trident 2E with 105 aboard on May 5. They shoot two crew members while taking over the plane during a flight from Shenyang to Shanghai. The pirates demand to be flown to Taiwan, but the pilot flies over North Korean airspace, perhaps desiring to put down in friendly territory. The North Koreans put up a cloud of anti-aircraft fire and force the plane to divert south, where it is allowed to land at a U.S. base northeast of Seoul, South Korea. The incident marks the first successful skyjacking of an aircraft from the People's Republic.

CAAC Director Shen Tu and South Korean Deputy Foreign Minister Ro Myung meet in Seoul on May 7 to negotiate the return of the hijacked Trident 2E and prosecution of the six hijackers. Shen, the first Communist Chinese official to visit South Korea since 1953, is able to also sign the first official accord between the two nations, a document limited to the repatriation of the passengers, crew, and jetliner—but not the hijackers. A local court sentences the pirates on August 18 to prison terms ranging in length from four to six years; the Peoples Republic protests the leniency of the sentences. After a year, they will be released and sent to Taiwan.

A fourth B-747SP-J6, the one accepted in December because **Braniff International Airways** could not pay for it, is delivered on June 15. It will continue to wear its U.S. registration numbers for five-and-a-half years.

While taxiing onto the runway at Guilin and preparing for takeoff on a service to Beijing on September 14, an HS 121 Trident 2E with 6 crew

and 100 passengers is struck on its starboard side by a taxiing military aircraft. The military plane rips a hole in the forward right side of the Trident's fuselage (11 dead). This is the fourth incident since the previous April.

Two McDonnell Douglas MD-80s are sent to China as demonstrators on December 9 and are placed into a trial service with the Shanghai directorate.

A B-747-2J6B Combi (BC) is delivered on December 20 and it is reported that, despite very bad service, the airline earns \$100 million in profits for the year. Still, the four accidents and safety incidents between April 1982 and September 1983 bring about concern for the airline's operational management.

At the beginning of 1984, CAAC has only 15 commercial aircraft; these are primarily outmoded Soviet-built units.

A lone hijacker is overpowered when he attempts to hijack an An-24 on June 25 as it flies from Nanchang to Fuchou.

Also in June, CAAC service standards and safety are officially criticized for the first time.

In September and October, Gu Mu, the state councillor in charge of China's modernization program, and CAAC Director General Shen Tu announce that the carrier is being restructured and that CAAC will cease to exist as an operational airline. The plan, which will be approved by the state council in December, calls for CAAC to remain as the administrative body for (initially) four new regional airlines, each with a different geographical name (e.g. **China Southern Airlines Company, Ltd.**), that will be phased in during the years ahead. In addition, the international routes will be placed into an autonomous unit to be known as Air China, and all utility work will be passed to **China General Aviation Company**.

Passenger enplanements for the year reach 3,942,000.

Throughout 1985, a total of 76 airliners of a wide variety of types are ordered via the China Aviation Supplies Corporation: 8 B-737-300s, 26 MD-82s, 5 B-767-2J6ERs, 5 B-757-2J6s, 1 B-747-2J6C, 3 Airbus Industrie A310-222s, 3 Tupolev Tu-154Ms, 5 B-707-3J6Cs, and 8 Short 360-300s. With 217 aircraft already on hand, CAAC ranks 6th among world airlines in terms of fleet size.

The year starts out badly with another fatal accident. While performing a missed approach in fog and rain at Jinan on January 18, an An-24B with 7 crew and 34 passengers crashes near the airport (38 dead).

Also in January, Xinhua reports the State Council's December decision to split up CAAC and indicates that there may be as many as six independent airlines. Twenty-seven routes are added during the year, including 7 domestic and 20 to such international destinations as Kuwait and Singapore.

On April 1, 57-year-old Hu Yizhou succeeds Shen Tu as director general and, on April 15, after 6 years of negotiations, an \$800 arrangement is made with McDonnell Douglas for the purchase of 28 MD-82s. All but one of the aircraft will be assembled at a plant in Shanghai from parts supplied by the manufacturer from Long Beach.

In May, 5 B-707-3J6Cs are delivered. A B-747-243B, previously flown by **Alitalia, S.p.A.**, enters service on May 20 on a six-month lease from Boeing. According to CAAC CEO Hu Yizhou in June, only four other independent airlines will be created aside from the CAAC-controlled international unit. Also in June, the first two A310-222s enter service and a memorandum of understanding for a two-phase technical cooperation project is signed with **Deutsche Lufthansa, A.G.** Phase 1 begins on July 1 as German airline executives provide advice on improvements to the Chinese airline's workshops. Later Phase 2 will emphasize maintenance assistance. The first Shorts 360-300s arrive during the month and begin flying from Shanghai.

In early August, one-hour \$55 helicopter tours are initiated to the Great Wall and Ming Tombs. At the same time, 4 more Shorts 360-300s are delivered and begin operations from Wuhan. En route from Canton with 89 aboard on August 30, a Trident 2E crashes while landing at Hong Kong (6 dead). In September, an agreement is signed with **Qantas Airways (Pty.), Ltd.** for maintenance of the carrier's B-747s, B-767s, and B-707s.

Another aircraft, carrying 46 workers being rewarded for recent good performances, crashes into a hotel in Linfen on October 7 (42 dead). A Shorts 360-100 is damaged beyond repair as the result of a bad landing at Enshi on October 22; there are no fatalities.

Equipped with a B-737-2J6A, the former Xinjiang Province division, based at Urumqi, inaugurates service in November as **Xinjiang Airlines Company, Ltd.**, the first of the new regional carriers. Another regional, **Yunnan Airlines of China, Ltd.**, based at Kunming and named for its province, receives a B-737-2J6A in December.

Passenger boardings soar 46% to 7.3 million and freight traffic rises 33.4% to 403 million FTKs.

For the Chinese New Year holiday the first week of February 1986, 108 additional flights are made to Hong Kong. The staff now totals approximately 50,000 and the company continues to operate three training colleges for the education of future personnel. There are more than 90 civilian airports in the country, including 8 that can accommodate Jumbojets and 32 large enough to take B-737-2J6As. Early in the year, passenger services are inaugurated with the first commercial aircraft developed and built in China, the Xian Y-7-100.

Operated by the Wuhan municipal authorities, the regional **Wuhan Airlines Company, Ltd.** inaugurates services in May to Hubei, Hunan, Guangdong, and Sichuan provinces. Some \$850 million in orders are placed in June for 4 (later 5) Jumbojets (2 Dash-2J6BCs and 3 Dash-4J6Bs), 4 B-767-2J6s, and 2 A310-300s.

The fleet now comprises 410 aircraft, including 300 small Soviet machines and as of October, the first of 10 BAe 146-100s to be delivered. **China Southwest Airlines Company, Ltd.**, based in Sichuan Province, is the only one of the regional carriers, other than Xinjiang and Wuhan, which appears close to start-up, although **Shanghai Airlines Company, Ltd.**, with 5 B-707-320Cs, announces plans for services to Beijing and Guangzhou by year's end.

Just after takeoff from Lanzhou on December 15, an An-24RV with 7 crew and 37 passengers develops engine problems in its No. 2 power plant due to severe icing. The aircraft attempts to return to its point of origin, but crashes en route (6 dead).

Customer bookings jump 33% to 10 million and cargo accelerates 21.4% to 489.82 million FTKs.

The giant carrier, which is soon to begin de-emphasizing its CNAC-2 flying operations in favor of the regional airlines it will regulate, opens 22 new domestic markets and 17 international services in 1987, bringing the system to 318 routes, including 35 international segments. Among the first of these is a new B-747SP run from Beijing to Melbourne via Guangzhou and Sydney, which replaces service formerly operated (minus the Guangzhou stop) by **Qantas Airways (Pty.), Ltd.** Overall, more than 229,000 km. of domestic air routes are operated, along with some 94,000 international km. Orders remain outstanding for 3 B-747-400s, 2 B-767-200ERs, 40 Y-7-100s, 6 BAe 146-100s, 5 MD-82s, and 2 A310-300s. However, 2 new B-747-2J6BCs enter service, 1 each on March 28 and December 10.

Three new regional carriers are launched, including **China Northeast Airlines Company, Ltd.** at Shenyang, in Liaoning Province, near North Korea, **China Northwest Airlines Company, Ltd.** in Shaanxi Province, and **China Southern Airlines Company, Ltd.** based at Guangzhou in Guangdong Province, not far from Hong Kong.

Currently, CAAC maintains working relations with some 386 foreign airline companies and the Chinese government has bilateral air service agreements with over 40 countries. Under terms of its February pact with East Germany, an **Interflug DDR Airlines** Il-62 initiates weekly service on May 1 between East Berlin's Schoenefeld Airport and Beijing; the 8,100-km. flight, completed via Moscow, requires 9 hrs. 50 min. The route is the shortest link between China and Europe, being 2,000 km. less than services operated by **Air France** and other carriers.

The first MD-82 assembled in China is delivered in July and it is announced that it is assigned to the **China Northeast Airlines Company, Ltd.** **China Eastern Airlines Company, Ltd.** receives 2 Airbus

Industrie A310-300s in July–August. In cooperation with **Royal Nepal Airlines, Ltd.**, weekly charter service is inaugurated in September between Lhasa and Kathmandu.

The international division launches Beijing–Vancouver via Shanghai B-747-2J6BC flights in October. Three B-757-221Bs are accepted by CAAC in November and are handed over to **China Southern Airlines Company, Ltd.**

Passenger boardings rise 28% to 12,800,000 and 647.49 million FTKs are flown. Revenues advance 45% and operating income is up 53.6%, although the airline fails to reveal exact monetary figures; an after-tax profit of \$263 million is declared.

Organization and promotion of the regional airlines continues apace in 1988.

While on initial approach to Chongqing on January 18, an Il-18D with 10 crew and 98 passengers literally loses its No. 4 engine; the resulting vibration causes the plane's pilot to lose control of the Ilyushin and crash. There are no survivors.

Employing a B-707 leased from CAAC, **Royal Nepal Airlines, Ltd.** is able to begin participation in the shared charter service the two airlines have between Lhasa and Kathmandu. The service will be operated annually from April through October, although the Nepalese will substitute a B-727-100.

In May, a B-707-3J6B is hijacked to Taiwan. In early June, CAAC indicates that it will soon be primarily a regulatory body and airport authority. The regional carrier **China Eastern Airlines Company, Ltd.** is established on June 25.

On July 1, the Beijing-based international division is renamed **Air China International Corporation**. CAAC Deputy Administrator Xu Bai Ling, who headed the former division, is named president as the CAAC continues to divest itself of its actual airline operations. His fleet is immediately equipped with all 4 B-747SP-J6s.

While landing at Kai Tak Airport at Hong Kong on August 31 after a service from Guangzhou, a HS 121 Trident 2E with 11 crew and 78 passengers strikes approach lights and suffers the collapse of its right main landing gear. The aircraft veers off the side of the runway and into Kowloon Bay (7 dead).

Later in the month, an Il-14 with 46 passengers aboard crashes into a hotel at Linfen, Shaanxi Province, while on a sight-seeing flight (42 dead).

In December, the second indigenous MD-82 goes to **China Eastern Airlines Company, Ltd.**

Revenue passenger kilometers flown increase by 37.5% to 25.6 billion as enplanements total 21.4 million. Freight traffic also accelerates upward by 13.9% to 731.83 million FTKs. The year's profit is officially put at \$269 million.

Beginning in 1989, CAAC no longer regularly flies operations or reports traffic statistics, leaving these matters to be largely managed by **Air China International Corporation** and the regionals. It does, however, act as a central purchasing agent for aircraft as well as a regulatory body, controlling the allocation of route in a manner similar to that practiced by the old U.S. CAB. Although the exact impact of this political disaster on Chinese airline traffic figures is not revealed, by all informed reports, it is significant.

Demonstrations occur in Beijing between May 4 and June 4. On the latter date, soldiers sweep through protestors in Tiananmen Square, dispersing the crowds at a dreadful cost in lives.

While on its takeoff roll from Honggalae Airport at Shanghai on August 15, an An-24 with 40 aboard overruns the runway and plunges into the river (34 dead). The first 2 B-747-4J6s arrive during the year.

Flights continue in 1990. During the year, CAAC authorizes the undertaking of a five-year experimental program by **China Southwest Airlines Company, Ltd.** to provide airlift for the Chinese Air Force from Chengdu to the capital of the Tibet Autonomous Region.

China's worst-ever air disaster occurs on October 2 when a hijacked **Xiamen Airlines Company, Ltd.** B-737-247A crashes into aircraft

from **China Southwest Airlines Company, Ltd.** and **China Southern Airlines Company, Ltd.** while landing at Canton (131 dead).

Director General Hu Yizhou is succeeded in April 1991 by Jiangxi Province Communist Party Secretary Jiang Zhuping. A large number of independent air carriers have now been established in the nation, most being owned by large manufacturers, municipal, or provincial governments. All report to the CAAC, which continues to allocate routes and order aircraft. In a statement that will be recanted, Director General Zhuping announces in November that the new carriers will be open to private and foreign investment.

In 1992, all of the surviving Il-18s are transferred to **China United Airlines**. In June, a new agreement is signed with McDonnell Douglas for the production of 40 additional MD-82s. When Airbus Industrie sells Dassault Mirage jet fighters to Taiwan, it incurs the wrath of the PRC government and damages, at least temporarily, its prospects for sale to China of its Airbus jetliners.

Late in the year, four airliners (covered under their company profiles) are destroyed in crashes (276 dead). During the year, \$340 million is spent on new "fixed assets," including construction and ATC radar. Six new airports have been opened since January.

Enplanements increase 31.7% to 28.68 million.

In 1993, the three largest ex-CAAC divisions-now-airlines (**Air China International Corporation**, **China Southern Airlines Company, Ltd.**, and **China Eastern Airlines Company, Ltd.**) are granted the status of autonomous, indeed independent, "aviation groups." The three are given responsibility for their own aircraft acquisitions and finances, and are allowed to float shares on the new Chinese stock exchanges. In March, CAAC announces tightened regulations for new entrants and sets minimum levels for working capital and experienced management, maintenance, and ground-support staff.

On behalf of the nonindependents, the central organization takes delivery of 71 aircraft during the year and begins to operate the aviation college outside Chengdu in Sichuan Province. Through April, Boeing has delivered 125 aircraft since President Nixon's visit in 1972.

On June 3, Hong Kong Aircraft Engineering (HAECO) and **Cathay Pacific Airways (Pty.), Ltd.** agree to establish a maintenance outfit with local authorities in Xiamen.

A report by John Bailey in the June 23 issue of *Flight International* indicates that there are now some 35 airlines in service in China and that CAAC influence with them is rapidly disappearing. Still, poor safety records require CAAC to begin blocking marginal airlines from acquiring new aircraft, a rule soon extended to all PRC airlines. The move is supported by the big American manufacturers Boeing and McDonnell Douglas, as well as Airbus Industrie in France.

New airports are opened during the year at Wuhan, Kunming, Lhasa, and Dayong.

Charged with lax safety standards that have resulted in crashes and 10 hijackings within the past year, Director General Jiang Zhuping is demoted to deputy director in January 1994. Zhuping is succeeded by Chen Guanyi, a member of the Communist Party Central Committee, whose new post is now elevated to government cabinet level. In April, the airline regulatory leadership lets it be known that foreign investment will be sought in an effort to maintain a growth rate of 13% for its carriers and for an upgrade of infrastructure (airports and ATC). Meanwhile, Director General Guanyi launches a campaign to improve passenger service standards at the companies.

CAAC is able to effect a major reform in air traffic management in May when it is allowed to take over ATC responsibility from the military for the routes linking Beijing with Shenzhen and Guangzhou. These busiest routes are returned to civilian oversight after more than 40 years. Meanwhile, CAAC begins to compile the CCARS (China Civil Aviation Regulations) modeled on the Federal Aviation Regulations of the U.S. Federal Aviation Administration.

In September, the dormant China National Aviation Corporation (CNAC-2) division, named in honor of the famous pre-revolution carrier established with the help of **Pan American Airways (PAA)**, is

reactivated and takes majority 51% interest in **Air Macau, S.A.**, the first airline to operate from the Portuguese enclave in modern times.

Enplanements encompassing all airlines in China total 37,344,191. Since 1980, total passenger volume has increased 12-fold to 78 million passengers flown (including those served by private and foreign carriers).

CAAC joins with Rosaero Navigatsia of Russia on January 4, 1995 to authorize a new air route from North America via Siberia to China. In March, China National Aviation Corporation (CNAC-2) announces that it will begin a rival airline in Hong Kong before the British colony is handed back to the PRC in 1998.

During the last week of April, CNAC-2 applies for a scheduled license to operate service into Hong Kong as a complement to the charter flights into Kai Tak already made with aircraft leased from **China Southwest Airlines Company, Ltd.** The PRC move is bitterly opposed by **Cathay Pacific Airways (Pty.), Ltd.**, even though CNAC-2 is a 10% shareholder in Cathay.

The five-year experimental airlift program by **China Southwest Airlines Company, Ltd.** on behalf of the Chinese Air Force is completed during the spring. CSA will continue to offer flights for the military between Chengdu and the capital of the Tibet Autonomous Region. The experimental project has proven to be such a success that CAAC now orders a Chinese Air Force liaison office set up in each of the country's major regional airlines.

China National Aviation Corporation (CNAC-2) in July is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas; beginning in August, it will offer double boarding passes to outbound customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection.

During the year, the agency continues to aggressively improve the PRC aviation infrastructure. Hundreds of airport facilities are improved, with special attention paid to the 40 airports from which 95% of the carrier's domestic and international departures are made. Zhuhai Airport and the airport at Macau, the Portuguese enclave, are opened as the fourth and fifth airports in the Pearl River Delta.

As part of a new Five-Year Plan, several new procedures come out of the 14th Meeting of the Chinese Communist Party in October. As soon as Macau Airport is ready in November, **Air Macau, S.A.**, the indirect CAAC subsidiary, launches service. **China Northern Airlines Company, Ltd.** and **China Northwest Airlines Company, Ltd.** begin services to the facility on December 8.

Also in December, discussions on a proposed \$144.4-million joint venture with **Cathay Pacific Airways (Pty.), Ltd.** for the joint operation of a new airport at Xiamen are dropped.

A new bilateral air agreement between China and the U.S. is signed on December 24; under its terms, **China Southern Airlines Company, Ltd.** will be able to begin transpacific service the following year.

Once again, CAAC, acting as something of a clearinghouse, reports annual traffic figures to ICAO for all of the country's airlines. These show passenger bookings ahead by 27% to 51,156,426. Freight carriage increased 20.2% to 2.16 billion FTKs. It will also be noted that the Boeing concern has trained over 1,000 Chinese pilots and maintenance personnel at its Seattle facilities during the past two years. In addition, the nation's airlines have recorded 1.2 million accident-free hours of flight time.

Implementation of the nation's ninth Five-Year Plan begins in January 1996. CAAC now begins to relax its two-year ban on aircraft purchases and begins to phase in a new "down to Earth effort" designed to withhold new aircraft from those carriers with poor business management practices or safety records. Under these new rules, plans are made for the acquisition of 240 new airliners by the year 2000.

During the second week of the month, approval is given to Flight-Safety International for construction of a flight training center near Kunming. At month's end, officials inform the Orient Airline Association that it will not support the applications for membership of its three largest airlines, **China Southern Airlines Company, Ltd.**, **China Eastern Airlines Company, Ltd.**, and **Air China Interna-**

tional Corporation. Rather, they insist that China National Aviation Corporation (CNAC-2) be the first admitted.

The PRC expands its stake in Hong Kong's major airlines during the last week of April. Under a stock offering arrangement worked out between Swire Pacific (Pty.), Ltd. and China's foreign investment firm Citic Pacific, Swire sells out its majority stake in Cathay, while retaining its management contract. It also turns over 35% controlling interest in **Dragonair (Pty.), Ltd.**, along with the right for the Chinese to appoint their own management team.

Citic Pacific, on its part, will acquire 572.9 million shares of Cathay stock for HK\$6.3 billion (\$815 million) and advance its shareholding from 10% to 25%. Meanwhile, China National Aviation Corporation (CNAC-2)'s stake shrinks from 10% to 8%, public shareholding falls from 27.40% to 23.10%, and the 52.60% holding of Cathay Pacific is reduced to 43.9%. The infusion from the stock offering is almost twice what is needed by Cathay to cover the costs of the new headquarters and training center it is building at Chek Lap Kok Airport, which is due to open in April 1998.

At the same time, Cathay loses its control of **Dragonair (Pty.), Ltd.** Under the same agreement, China National Aviation Corporation (CNAC-2) takes over with a 35.86% majority stake. For this, the CAAC unit pays HK\$1.97 billion (\$254.8 million), including HK\$971.1 million (\$125.6 million) each to Swire Pacific and Citic Pacific and \$4 million to the founding Chao Family. Swire Pacific's stake drops from 43.16% to 25.50%, that of Citic Pacific falls from 46.15% to 28.50%, that of the Chao Family from 5.57% to 5.02%; public interest of 5.12% remains unchanged.

During the first week of July, CAAC-2 announces that it will expend \$700 million on air navigation aids over the next five years. The announcement comes as a Raytheon AutoTrac ATC system is turned on by the North China Regional Administration at Beijing; it will be followed by installations at Taiyuan, Kunming, Nanchang, Xian, Zhuhai, and Zhengzhou.

Also during the summer, the Taikoo (Xiamen) Aircraft Maintenance concern, built by local investors in association with Hong Kong Aircraft Engineering (HAECO) and **Cathay Pacific Airways (Pty.), Ltd.** opens at Xiamen.

The *China Women's News* is chosen to announce on August 21 that CAAC is implementing new security rules. Passengers stealing luggage, aircraft fittings, or life vests, smoking in nonsmoking areas, sneaking dangerous goods through safety checks, or getting drunk and fighting with other passengers will be severely punished.

During September, Beijing's Capital International Airport becomes the first in the PRC to seek membership (which will be approved two months later) in the Airports Council International. During the month, CAAC announces that it has spent \$2.2 billion over the past five years making upgrades at 44 airports and authorizes Shanghai officials to begin building the new Pudong International Airport.

CNAC-2 takes over Hangzhou-based **Zhejiang Airlines Company, Ltd.** in mid-October for an undisclosed sum.

China's first international air show, "Airshow China '96," is hosted at Zhuhai Airport, 30 miles west of Hong Kong, from November 5-10. Every CAAC subsidiary, including airlines, airports, training, ATC, and maintenance units, have an exhibition in CAAC's large pavilion.

At year's end, a total of 27 CAAC-approved airlines are in operation, although only six are fiscally viable. Between them, **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, **China Northern Airlines Company, Ltd.**, **China Northwest Airlines Company, Ltd.**, **China Southern Airlines Company, Ltd.**, and **China Southwest Airlines Company, Ltd.** are responsible for 82% of the revenue transport kilometers flown by Chinese carriers.

Following the completion of a review by a joint team from CAAC and the U.S. FAA, it is announced in March 1997 that the Chinese body meets all requirements of international safety oversight standards, but will require additional resources if it is to monitor the safety aspects of its various air carriers.

A **Shenzhen Airlines Company, Ltd.** B-737-300 crashes while landing at Shenzhen on May 8 (35 dead). Although the accident is the 15th major PRC incident within the past decade, it is the first since CAAC began a safety crackdown 3 years ago. Also during the month, a \$1.5-billion order is placed with Airbus Industrie for 20 A321s and 10 A320s.

It is reported that, by June, CAAC has established 62 jointly funded or cooperative ventures involving contracted foreign investments of some \$500 million. Total investment in civil aviation projects over the past decade now tops \$15 billion.

On July 1, CAAC authorizes an adjustment in ticket prices for the country's domestic routes and airlines. Henceforth, PRC citizens and foreigners will both be charged the same tariff. The move, brought about by Beijing's desire to join the World Trade Organization, is widely heralded in air transport and travel circles. The same day, the British hand Hong Kong back to PRC control and China National Aviation Corporation (CNAC-2) assumes final management control of **Dragonair (Pty.), Ltd.**

For the third straight time, the Shanghai based company **China Eastern Airlines Company, Ltd.** is cited by air passengers as the best among large Chinese airlines which carry more than six million passengers annually. The survey, which has been conducted for three consecutive years, sent out a total of 1.33 million questionnaires to solicit passenger opinion on the service quality of 25 airports and 16 major Chinese airlines. Other winners announced on July 17 are **Xiamen Airlines Company, Ltd.** and **Shenzhen Airlines Company, Ltd.**, which each win first place in separate contests for the annual passenger volume exceeding two million and less than two million.

In mid-July, \$2.4 billion is authorized for the construction of a new airport at Guangzhou; on July 21, **China Southern Airlines Company, Ltd.** becomes the first carrier to operate a twin-engine jetliner, its B-777-21B IGW, on a transpacific service flying from Guangzhou to Los Angeles in 14 hours.

In the first joint decision since CNAC-2 obtained final management control a month earlier, officials from that PRC regional and **Dragonair (Pty.), Ltd.** announce during the first week of August that they will jointly construct a \$6.9-million office building at Hong Kong's new Chek Lap Kok Airport. Pains are taken to assure the world that CNAC-2 will not take over **Cathay Pacific Airways (Pty.), Ltd.**; however, CNAC-2 Vice President Zhang Xianlin does note that the possibility exists of leveraging its 35.86% interest **Dragonair (Pty.), Ltd.** via a listing on the Hong Kong stock exchange.

In line with Chinese government policy designed to reduce the number of regional airlines in order to increase the efficiency of competition, six carriers are encouraged in September to form the New Star Alliance. When activated the following January 1, the informal compact between **China Hainan Airlines Company, Ltd.**, **Shenzhen Airlines Company, Ltd.**, **Shandong Airlines Company, Ltd.**, **Sichuan Airlines Company, Ltd.**, **Wuhan Airlines Company, Ltd.**, and **Zhongyuan Airlines Company, Ltd.** will hopefully begin to boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes.

Also during the month, CNAC-2 receives government approval to go public in Hong Kong.

CAAC and its regional subsidiaries all sponsor exhibits at the "Airshow China '97" held at Beijing from October 8-12. CAAC employs the gathering to unveil its new Raytheon ATC system at Beijing Capital Airport.

U.S. President Bill Clinton announces, on October 29, that China will sign a letter of intent for the purchase of 20 Boeing jetliners, valued at \$1.1 billion. On the eve of his visit to the U.S., President Jiang Zemin, the next day, announces another \$1-billion request for 30 B-737s. Orders and options within two days thus come to \$3 billion, atop the \$1.5-billion order placed with Airbus Industrie in May.

Also during the month, China National Aviation Corporation (CNAC-2) plans to make a 30% initial public offering (IPO) on the Hong Kong Stock Exchange. Shareholding will be sold in **Dragonair (Pty.), Ltd.**, Jarine Air Services, and a property investment company on the island.

The crash of regional stock markets at the end of the month forces CNAC-2 to postpone its 30% IPO, which it had hoped to start trading in Hong Kong markets at the beginning of November.

It is announced in November that all Chinese cabin crews must be proficient in English by the end of 1998.

Lead manager Peregrine Capital, Ltd. is able to work around the Hong Kong economic problem and launch the IPO in early December. It is oversubscribed 17 times and raises HK\$613 million (US\$79 million).

At year's end, Director General Chen Guangyi's ministry continues to operate the domestic subsidiaries **Air China International Corporation** and Management Information System of CAAC, plus the domestic division known as the CAAC Flying College. Having witnessed the success of the CNAC-2 stock offering, the government now allows Beijing Capital Airport, Shenzhen Huangtian Airport, Shanghai Hongqiao Airport, Guangzhou White Cloud Airport, and Xian Airport to begin planning for their own domestic stock market listings.

CAAC now oversees the operations of 43 airlines, with a combined fleet of 760 aircraft. Although exact figures are not released, it is estimated that the top 11 carriers have lost \$199 million this year. Load factors on domestic routes have averaged only 68.8%, down from 75.9% just two years earlier. China National Aviation Corporation (CNAC-2) generates a profit of HK\$401 million.

In February 1998, CAAC imposes fines of up to 700,000 yuan (\$84,000) on eight aviation firms for their poor safety records in 1997. **China Eastern Airlines Company, Ltd.** is, however, singled out for praise.

Also during the first quarter, the regulatory body significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered around major carriers. It is hoped that, by 2001, **Guizhou Airlines Company, Ltd.** will be taken over by **China Southern Airlines Company, Ltd.**; that **China Southwest Airlines Company, Ltd.** will be acquired by **China Eastern Airlines Company, Ltd.**; and that **Changan Airlines Company, Ltd.** will become part of **China Northwest Airlines Company, Ltd.**

On March 1, CAAC authorizes its 10 international carriers to begin flying on July 1 over 18 new routes to Japan, the Philippines, North Korea, Macau, Malaysia, and Mongolia. The expansion will give the airlines a total of 124 international destinations.

The Asian financial crisis, competition from foreign airlines, retrenchment of state enterprises, and falling business traffic caused by improved road infrastructure all contribute to a decline in demand for air transport. The situation is exacerbated by an increase in domestic airline capacity.

The airlines, with little success, introduce a variety of fare reductions. CAAC now steps in and requests that domestic companies delay new aircraft deliveries. Some will lease out or park their latest additions.

During the summer China National Aviation Corporation (CNAC-2) opens a Chinese-language homepage on the World Wide Web, <http://www.zjair.com>.

China and Great Britain sign a memorandum of understanding on civil aviation on October 7; British Prime Minister Tony Blair attends the signing ceremony at Beijing on October 7.

It is reported on November 1 that, due to the Asian economic "flu," slower national economic growth, and fare discounting, China's airlines have collectively lost \$120 million during the first half of the year. Stressing that existing formal orders are not affected, CAAC now freezes all new orders by the country's air carriers.

"Airshow China '98" is again hosted at Zhuhai Airport, east of Hong Kong, from November 17-23. Every CAAC subsidiary, including airlines, airports, training, ATC, and maintenance units, have an exhibition in CAAC's large pavilion. Boeing introduces its new B-717-200 to potential customers.

Led by Deputy Assistant Secretary David Marchick, a U.S. DOT delegation visits with officials of CAAC in Beijing on December 4 to urge the PRC to expand its air services to the U.S.

The Xinhua news agency reports on December 18 that Boeing China Company officials have helped their U.S. parent to place 40 of their airliners with Chinese airlines this year.

It will also be reported early in the new year that, during the year, 20 flights have been the subject of bomb hoaxes or air rage incidents. In addition, 595 criminal complaints (a 22% increase) are filed concerning incidents at the airlines involving everything from hijackings and drug-smuggling to murder.

Midway through the next year's second quarter, it will be reported that China's airlines have collectively lost at least 2 billion yuan (\$242 million) in 1998. When the books on the year are finally closed, the figure will be closer to 3 billion yuan. China National Aviation Corporation (CNAC-2) loses HK\$5.9 million (\$766,000).

CAAC makes news on January 15, 1999, when the BBC and other international news organizations report that it will order the heads of all of the country's airlines to board flights on December 31, amid growing fears that the Y2K computer problem could ground their planes next day. The carrier chiefs thus become involved in a frantic race against time to make certain that their computer systems are ready. At the same time, the individual airline leaders are warned by CAAC director Liu Jianfeng that they will be fired if they are unable to reverse their 1998 fiscal losses.

Following the February crash of a **China Southwest Airlines Company, Ltd.** Tu-154 near Wenzhou (61 dead), CAAC orders that the older Soviet-made jetliners be gradually withdrawn from China's fleet. Also during the month, the regulators ban discounts on domestic airfares.

It is reported on March 17 that, because of the Asian economic slump and in an effort to improve safety and efficiency, the CAAC will oversee the removal of 71 of the older aircraft from commercial fleets during the remainder of the year. A total of 48 new aircraft will be added, for a net reduction of 23 jetliners. The older planes may be converted into freighters or leased out if opportunities arise. In addition, Boeing and Airbus have been requested to postpone future deliveries. Presently, China operates a total of 447 jetliners, including 324 from Boeing, 70 from Airbus, and 83 miscellaneous.

On April 22, a spokesman for CAAC announces that the local service carriers will cut 766 flights from 95 domestic routes during the summer and autumn to ease airline industry losses. The losses are blamed on low passenger rates.

Orders valued at \$400 million are placed on April 23 for 10 Next Generation B-737-700/800s. The China Aviation Supplies Corporation, on behalf of CAAC, will provide the planes to **Air China International Corporation**, **Xiamen Airlines Company, Ltd.**, **China Hainan Airlines Company, Ltd.**, and **Wuhan Airlines Company, Ltd.**

Several Hong Kong morning newspapers report on July 9 that PRC officials may force the merger of **China Southern Airlines Company, Ltd.** with **Air China International Corporation**. The report had first been carried in the British industry magazine *Flight International*. The confusion causes the Hong Kong stock exchange to temporarily suspend trading in CSA shares. Later in the day, the restructuring office of CAAC issues a statement denying plans to forcibly amalgamate the two companies.

Following up on the *Flight International* and local newspaper reports, executives at China Southern confirm on July 13 that preliminary discussions have been held with **Air China International Corporation** concerning a possible merger or partnership sometime in the future. Analysts suggest a merger might be a difficult feat to accomplish.

The *China Daily* reports on August 20 that the nation's domestic airlines have, collectively, registered profits of 262 million yuan during the first 7 months of the year.

Without elaboration, Senior Minister Liu Jian-feng informs a news conference in December that, because his country has too many airlines, CAAC will soon move to form "larger groups or consortiums" the makeup of which will be "determined by market forces."

To counteract large airline losses due to excessive ticket price-cutting, CAAC, on April 1, 2000, bans all Chinese airfare discounting and im-

poses unified pricing on certain routes. On May 31, in anticipation of the China's pending fall entry into the World Trade Organization, the agency announces that the amount of shares foreign investors may hold in Chinese airlines will be increases from 35% to 49%.

Demand for air travel immediately falls and by June the government agency is forced to ease the restriction, allowing domestic carriers to offer savings of up to 35% through mid-September on group travel over eight routes.

Media reports out of China in July indicate that CAAC's dual role of regulator and operator of eight airlines may soon end. It is speculated that, similar to the U.S. FAA, the CAAC will continue its regulatory role in a new Transport Ministry.

With Chinese airlines required to purchase fuel from the China Aviation Oil Supply Corp., which has raised its prices five times since November, it comes as little surprise in July when the carriers report a collective 560 million yuan (\$68 million) loss since January.

In response to a fatal June 22 **Xian Airlines** Y-7-100C crash, CAAC delivers a major reorganization plan to the China State Council in mid-July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into three groups built around **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, and **China Southern Airlines Company, Ltd.**

The CAAC proposal becomes policy on July 22; the three groups will initially, but on no specific timetable, merge seven carriers and each receive approximately \$6 billion in additional assets.

Merger discussions between **Air China International Corporation** and **China Southern Airlines Company, Ltd.**, broken off earlier, resume and quietly conclude during the year. However, it is reported on October 2 that a merger proposal submitted by the two to the CAAC has been rejected on the grounds that the resultant carrier would be too large.

Reacting to rising fuel costs, the CAAC on November 1 grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies increase fares on November 5.

CAAK (CHOSONMINHANG KOREAN AIRWAYS). *See* AIR KORYO

CAAV (CIVIL AVIATION ADMINISTRATION OF VIETNAM): North Vietnam (1956–1976). CAAV is established at Hanoi's Gialam Airport on January 1, 1956 to provide scheduled and nonscheduled civil aviation services throughout the Democratic Republic of Vietnam. Services are inaugurated on April 20 with a number of Lisunov Li-2s and Ilyushin Il-14s donated by the Soviet Union, which, joined by East Germany, provides air crew and technician training. The initial route is from Hanoi to Peking (later Beijing); it is followed in October by the introduction of domestic services from Hanoi to Dong Hoi via Vinh.

During the fall of 1958, a route is initiated linking the capital city with Dien Bien Phu via Nasan. The company's services develop very slowly and convert to a war footing after 1961. Three Soviet-made Il-18s arrive in 1967 and are employed to link Hanoi with Moscow. Little more is heard of CAAV until **Hang Khong Viet Nam** begins to develop a unified national system under its direction following the conclusion of the Second Indochina War in 1975.

CABLE COMMUTER AIRLINES: United States (1966–1969). Organized at Ontario, California, by Roger Cable and Bill Myers in the fall of 1966, CCA is equipped with a fleet of Cessna 402s and de Havilland Canada DHC-6 Twin Otters, which are employed to inaugurate scheduled passenger services to Los Angeles and Santa Ana on November 21.

Operations continue apace in 1967. On November 1, flights are started to Palmdale and Inyokern. Late in the year, the carrier begins

providing feed to and sharing an LAX gate with **Trans World Airlines (TWA)**.

In **1968**, frequencies are opened from Ontario to Lake Havasu via Palm Springs and to Lake Havasu direct from LAX, as well as directly to Colton, Ventura, El Monte, Burbank, and Santa Barbara. A Twin Otter with two crew and seven passengers crashes on the freeway at Santa Ana while on approach to Orange County Airport on November 23; there are no survivors.

Passenger enplanements reach 100,000. By year's end, the company has become the third largest commuter in the U.S.

In May **1969**, the company and its 10 Twin Otters are acquired by **Aero Commuter**, joining with it to form the regional **Golden West Airlines**.

CABLE FLYING SERVICE. See **CABLE COMMUTER AIRLINES 3002**

CABO VERDE AIRLINES. See **TACV (CABO VERDE AIRLINES)**

CAH (COMPANIA AEREO HONDURENO, S.A.): Honduras (1927–1934). The Tela Railroad, a primary customer of **Empresa Dean, S.A.**, forms a company airline at Tela in **1927**. After purchasing a pair of Lincoln Standards, it contracts out its flights to itinerant aviators, who operate to the capital at Tegucigalpa via Puerto Castilla and San Pedro Sula.

On August 3, **1928**, railroad officials notify the government that the company would not renew the license of its air transport division; however, shortly thereafter, this position is altered 180 degrees and the division is now officially named CAH. The same pilot, Morgan, who had partnered with Dr. T.C. Pounds in **Central American Air Lines, S.A.** the previous year, is named chief pilot.

Six years later in **1934**, Morgan, in partnership with the Nicaraguan airline **LANEP (Lineas Aereas de Nicaragua, Empresa Palacios, S.A.)**, takes over CAH, its assets and routes, and renames it **Morgan Airlines, S.A.** By the end of the year, he has crashed both the company's Ford 4-AT and its Bellanca CH-300, thereby grounding his company for good.

CAICOS INTERNATIONAL, LTD.: Turks and Caicos Islands (1973–1975). Caicos International is established at Grand Turk in **1973** to operate nonscheduled passenger and cargo charters throughout the Caribbean and into south Florida. Revenue operations commence with a single Douglas DC-4, which is employed until the company shuts its doors in July **1975**.

CAIRO AVIATION, LTD.: Egypt (1991–1994). **Cairo Charter & Cargo, Ltd.** is established at the Egyptian capital in October **1991** to offer all-cargo services to destinations in the CIS, Germany, and Eastern Europe, as well as to Egyptian domestic locations. The airline commences revenue flights with a pair of Ilyushin Il-76TD freighters. In March **1992**, a pair of Tupolev Tu-154Ms is acquired and employed to launch passenger services to historic and other Nile Valley destinations beginning in May.

Among the principal sources of tourists for the Soviet-made airliners is Germany, with tourist flights to Egypt beginning in July. When Islamic fundamentalists attack a sight-seeing bus in the fall killing and wounding travelers, the European market all but dries up.

The company's name is changed to **Cairo Aviation, Ltd.** in November, and flights are continued throughout **1993** until the company ceases operations in January **1994**.

CAIRO CHARTER & CARGO, LTD. See **CAIRO AVIATION, LTD.**

CAL-AERO AIRWAYS: United States (1969–1970). Cal-Aero is set up at Van Nuys, California, in **1969** to fly scheduled passenger and cargo flights to local destinations. Although Beech 18 and Cessna 402 revenue flights commence, they cannot be maintained beyond early **1970**.

CAL AIR. See **CALIFORNIA AIR COMMUTER**

CAL AIR INTERNATIONAL AIRWAYS, LTD. See **NOVAIR INTERNATIONAL AIRWAYS, LTD.**

CAL CARGO AIRLINES, LTD.: 11 Galgale Haplada Strete, Herzlia, 46722, Israel; Phone 972 (9) 952-6666; Fax 972 (9) 951-3232; Code ICL; Year Founded 1976. This carrier is established in June **1976** by the Israeli Agricultural Board (Agrexco) and labor organizations to provide perishable goods transport to Europe, with general cargo on the return trip. The organization is the result of a government compromise between Agrexco and **El Al Israel Airlines, Ltd.** and requires CAL to lease its aircraft from the state airline. A Boeing 747-258F is thus acquired and begins revenue flights, with a Tel Aviv–Cologne operation undertaken on November 2. Airline employment in **1978** is 25 and the fleet grows to comprise 2 leased 747-258Fs and 1 Douglas DC-8-63F.

In **1979–1980**, routes are extended to London, Brussels, Cologne, Rome, Amsterdam, and other Western European cities. The fleet remains the same, but services are also opened throughout the Middle East. The workforce is doubled to 50. FTKs operated in the latter year total 110,852. That number falls by 3.6% in **1981** to 107,000.

The carrier's B-747-258F operates 148.92 million FTKs in **1982**, a dip of 4.7%. The 50-employee freighter shows renewed strength in **1983** as the number of FTKs flown climbs 29.5% to 132.24 million.

Operations continue apace with little fanfare over the next decade. Ownership is now divided between the Organization of Agricultural Cooperatives and the Production and Marketing Boards of Ornamental Plants, Fruits, and Vegetables.

The automobile dealer Goldberg Leo, Ltd. contracts with the company in **1991** to import Opel cars from Cologne on its return flights from Germany. BMW and Volkswagen autos will also be flown.

In **1993–1998**, President S. Nelkin's 65-employee airline flies a leased B-747-258F on high-frequency services to Bonn, Cologne, and Amsterdam.

The continuing prohibition against flights by **El Al Israel Airlines, Ltd.** on the Jewish Sabbath brings a government investigation of alleged violations early **1999**. After El Al publishes advertisements claiming it is being discriminated against because of the no-fly rule, Israeli Transport Minister Shaul Yahalom receives complaints that the flag carrier has been transporting cargo to Europe on the Sabbath using flight numbers of privately owned CAL Cargo, to which it leases aircraft. These charges come just days before Yahalom is to decide whether or not to follow an earlier special panel recommendation to grant CAL its own license to fly in competition with El Al.

In an attempt to thwart El Al's efforts to block it from getting its own license to fly scheduled freight operations, CAL Cargo offers a Shabbat compromise on February 9; in return for authority, it will respect the status quo and not launch new flights on the Jewish Sabbath.

Freight operations continue apace into **2000**. In April, an Airbus A300-600F is wet-leased from Brussels-based **City Bird, S.A.**

CAL-NAT AIRWAYS: United States (1967–1969). Cal-Nat is set up at Grass Valley, California, in **1967** to provide scheduled lightplane mail services to Los Angeles, Mojave, Fresno, and Palm Springs. Operations last only two years.

CAL-NEVA AIR: United States (1966–1967). Cal-Neva is established at San Jose, California, in the summer of **1967** to provide scheduled and passenger commuter flights on local routes out of the city. Beginning on September 1, de Havilland DH 104 Dove service is flown, but lasts less than a year.

CAL SIERRA AIRLINES: United States (1980–1981). Employing a Convair CV-440, Cal Sierra launches scheduled passenger and cargo flights on December 18, **1980** between its San Diego base and Burbank

and Lake Tahoe. ATC restrictions occasioned by the PATCO air traffic controllers' strike during the summer of 1981 cause severe fiscal difficulties and the company goes out of business in December.

CAL-STATE AIRLINES: United States (1968–1970). Cal-State is set up at Long Beach, California, in the fall of 1968 to offer scheduled passenger and cargo commuter services to Santa Barbara and Fresno via Los Angeles and Bakersfield. Beech 99 flights commence on November 11 and continue until the company goes out of business in May 1970.

CAL-WEST AIRLINES: United States (1988–1989). C-W is founded at Concord, California, in spring 1988 to offer scheduled passenger and cargo services to Bakersfield. Dean Hanson is named managing director. Initial plans call for a fleet of 3 Piper T-1040s, but instead, the new small regional acquires a Piper PA-31-350 Navajo Chieftain.

Revenue services commence in February 1989. Unable to establish economic viability, the carrier closes down before year's end.

CALASIA AIRLINES: United States (1945–1947). One of many all-freight operations established by returning World War II airmen, Calasia (the name is a play on its California and Asian gateways), employing a surplus Douglas C-54, inaugurates transpacific charters in the fall of 1945.

Service can only be maintained for two years and ends in 1947.

CALEDONIAN AIRWAYS, LTD. (1): United Kingdom (1961–1970). John de la Haye and Adam Thomson, together with their travel club and travel agency backers, form the inclusive-tour carrier **Caledonian Airways, Ltd.** at Prestwick, Scotland, on April 27, 1961. In August, an application is placed with the U.S. CAB for the operation of an 1,800-hour charter program under terms of the Civil Aeronautics Act (Section 402).

With the Douglas DC-7C *Star O' Robbie Burns*, leased from **Sabena Belgian World Airlines, S.A.**, the first charter flight is made from Barbados to London on November 29. Thomson himself on December 3 undertakes a charter from Luxembourg to Lourenco Marques (Maputo) via Khartoum, returning via Lagos and Lisbon. The first group charter is undertaken to New York on December 21.

On March 4, 1962, the original DC-7C with 10 crew and 101 passengers, in the worst single-plane crash in aviation history to date, crashes during takeoff from Douala, Cameroon, on a Mozambique–Luxembourg charter flight; there are no survivors.

Another DC-7C is leased from **Sabena Belgian World Airlines, S.A.** in April. The American CAB hears Caledonian's Section 402 case. Additional holiday destinations in Europe and the Mediterranean are opened during the remainder of the year and into the next as 4 additional DC-7Cs and 3 Bristol Britannia 312s join the fleet.

In August 1963, Caledonian's Foreign Air Carrier closed group charter permit is granted by the CAB and ratified by President Kennedy. Enplanements reach 81,000.

Managing Director Thomson replaces Chairman de la Haye in 1964.

A chartered DC-7C with 8 crew and 89 passengers crashes short of the runway at Istanbul on September 28; there are no fatalities.

A total of 110,730 passengers are flown and revenues skyrocket 139% to \$6,449 million; a net profit of \$253,000 is earned.

As many as 28 weekly transatlantic Britannia 312/DC-7C flights are offered during summer 1965. Long-haul flights to Africa and aerial participation in the Hadj retreat to Jeddah are also undertaken. The company's headquarters are moved to Crawley, West Sussex, and 3 of the 4 DC-7Cs are replaced by 3 Britannia 314s. Two Boeing 707-320Cs, the company's first jetliners, are ordered in November. At year's end, several Britannias are employed on the Zambian airlift.

Passenger boardings jump 39% to 132,948 and revenues climb 48.7% to \$6.5 million.

Additional frequencies are added in 1966 as plans are laid for the introduction of the carrier's first jetliners. Airline employment is now 240 and the fleet comprises 3 Britannia 312s, 3 Britannia 313s, and 1 DC-7C.

The Britannias return to Britain from the Zambian airlift in March. The last DC-7C is sold in the spring of 1967. The first Boeing 707-339C is accepted on July 13; christened *Flagship Bonnie Scotland*, it remains in the U.S. for a year's charter to **The Flying Tiger Line**. The second B-707-399C is delivered in December and christened *County of Ayr*. Airline employment is 306 and enplanements rise to 189,672.

The *County of Ayr* inaugurates the carrier's jetliner service on January 16, 1968 with a charter flight to North America. Two Britannia 312s are retired during the year as 2 more B-707-349Cs join the fleet. The B-707-339C leased to **The Flying Tiger Line** is returned in July. In flying 430,000 passengers on the year, the carrier becomes Britain's No. 1 charter airline.

During 1969, transatlantic and Mediterranean frequencies are increased as plans are made and negotiations conducted for expansion.

Three BAC 1-11-509s and the B-707-355 *County of Caithness* are delivered as 3 Britannias, which have briefly flown charters for the Swiss carrier **Tellair, Ltd.**, are retired.

On April 1, the British government's civil aviation industry study, chaired by Sir Ronald Edwards, is published. The Edwards Report calls for the creation of a Second Force carrier (large enough to offer various services but not large enough to challenge either **British Overseas Airways Corporation** or **British European Airways Corporation**), which many interpret to be Caledonian, now Britain's largest independent.

In March 1970, another BAC 1-11-509 is added and in the spring, the carrier begins another successful season of inclusive-tour flying. In June, 2 additional B-707s are purchased. Following parliamentary debate and various negotiations, the larger **British United Airways, Ltd.** is acquired for £6.9 million by Caledonian Airways on November 30, the amalgamated carrier being known as **Caledonian/BUA**.

CALEDONIAN AIRWAYS, LTD. (2): United Kingdom (1995–2000). Although originally established in 1988 as its charter subsidiary, **British Airways, Ltd. (2)** announces Caledonian's sale on December 14, 1994, effective March 31. Included in the sale are a lease on BA's L-1011-1 *Loch Iver* and 4 L-1011-100s, *Loch Earn*, *Loch Fyne*, *Loch Avon*, and *Loch Rannoch*, to the travel concern Inspirations, plc, for \$7.65 million in cash and \$18.27 million in debt assumption.

Clare Hollingsworth is named managing director early in 1995 and his chartered fleet initially comprises the 5 TriStars. During the summer, he will charter 3 Airbus Industrie A320-231s from Kawasaki. The aircraft are all named after Scottish lochs and are painted in a blue and white livery that prominently displays the historic golden lion symbol on each plane's tail. One has yellow titles instead of the dark blue given the other two.

Replacement scheduled flights on behalf of BA commence on March 1 between London (LGW) and Nassau, San Juan, Tampa, and Grand Cayman. International charter flights under the new owner commence on April 1 to destinations in North America, the Caribbean, Africa, Europe, and the Far East. During the summer, 2 DC-10-30s and 2 B-757-236ERs are leased from the pioneer U.K. flag carrier; however, the DC-10 *Loch Torridon*, is returned at the end of the year, along with the 3 A320-231s.

With the beginning of the winter schedule, charters are flown to Munich, Geneva, Salzburg, and Zurich.

Enplanements for the year are 2,037,400, a 6.6% increase over the carrier's last 12 months with British Airways.

Airline employment stands at 900 in 1996. Caledonian is now the only British carrier flying the Lockheed TriStar. In February, the L-1011-100 *Loch Fyne* is withdrawn from service and repainted; given **Aer Lingus Irish Airlines, Ltd.** tail livery, it is leased to the Dublin-based national carrier for the summer season.

During the fall, arrangements are completed with London-based Premier Magazines for the production of an entertaining holiday magazine to be distributed to customers during the following year.

Business is not as good this year and passenger boardings decline to 1,869,000. Additionally, a total of 5.76 million FTKs are operated.

The workforce is cut in 1997 to 817. During March, the *Loch Fyne* is again repainted and chartered to **Aer Lingus Irish Airlines, Ltd.** for the

summer. The first issue of *Caledonian* magazine appears in April; a second edition will be distributed in November.

In the spring, the carrier joins with Goldcrest Aviation to form the subsidiary **Peach Air, Ltd.** at London (LGW). The new company is equipped with 2 used Boeing 737-204s and 2 Lockheed L-1011-385 TriStar 1s formerly operated by **Air Atlanta Icelandic, H.F.**

Charter and inclusive-tour flights to holiday destinations in Europe and the Mediterranean commence in May and continue. Destinations visited also include the U.S., Canada, Bangkok, and Kenya.

At the same time, Caledonian subleases a Douglas DC-10-30 from the Belgian operator **ChallengeAir, S.A.** Arrangements are completed with the International Lease Finance Corporation (ILFC) for the five-year lease of two A320-231s, beginning in the spring of 1998.

In October, the *Loch Fyne* is returned from **Aer Lingus Irish Airlines, Ltd.** Knowing that the aircraft will be reassigned to the Irish carrier the following spring, it is not repainted in full Caledonian colors but rather, wears the line's titles and tail logo over the Aer Lingus green when it returns to service in November.

For the year, passenger bookings swell to 2,256,000 while freight doubles to 10.02 million FTKs.

A Lockheed L-1011-385 TriStar 1 with 377 passengers makes a precautionary landing at Athens on January 6, 1998 with engine problems.

While on approach to London (LGW) on August 13, a B-737-200 experiences a rapid decompression. The little Boeing makes an emergency landing and no injuries are reported. The CAA undertakes an investigation.

In September, an L-1011 strikes its tail while landing on the Greek island of Kos; the aircraft is not as badly damaged as first feared and only minor repairs are required.

Arrangements are concluded with **Air Atlanta Icelandic, H.F.** in late October under which Caledonian will wet-lease 4 of Air Atlanta's L-1011s for the upcoming 1999 summer season (May 1–October 31).

Also in late October, Thomas Cook Group, which has recently purchased and begun to merge Sunworld and its house carrier **Airworld Aviation, Ltd.**, as well as **Flying Colours Airlines, Ltd.**, acquires Carlson Leisure Group and its airlines Caledonian and Peach Air. By November 1, the U.K. charter airline business is rapidly approaching consolidation.

Through the move, Thomas Cook gains Caledonian's slots at London (LGW) and Manchester and, with 32 aircraft, now owns the second largest fleet among the nation's charter carriers. Plans are announced for an increase of service from London (STN), Bristol, Cardiff, Birmingham, and Glasgow. The fleet will also be rationalized, with only the TriStars seen as certain for retention.

As the year ends, Thomas Cook Group, which has assigned its own name to the enlarged travel group, is conducting marketing surveys to determine which airline brand name has the best public image and should be retained for the larger carrier. Early betting is that the names Caledonian (with its memory of delays and incidents) and Peach Air will disappear in addition to that of Airworld, with the romantic Flying Colours winning the label. A final decision is promised before the start of the 1999 summer holiday season.

Meanwhile, there are flights to be operated. One of these, on December 6, nearly ends in tragedy. As the result of ATC confusion, Flight 5199, an L-1011, must quickly climb following a TCAS alarm to avoid Flight 66, a **Delta Air Lines** B-767-332, which has received a similar prompt to descend. The two airplanes pass each other with 1.5-mi. horizontal and 900-ft. vertical separation.

During the 12 months, passenger boardings accelerate 30.3% to 2.24 million.

Although Flying Colours is, indeed, the surviving airline, the Caledonian brand does not immediately disappear. The two companies, with their enlarged fleet of 34 aircraft, begin the new summer holiday season at the end of March 1999. The amalgamation of travel concerns comes as the European Commission grants permission for Thomas Cook to merge with the Carlson Leisure Group's U.K. travel interests.

Caledonian, for its part, launches direct weekly return charter flights from London (LGW) to St. Thomas, U.S. Virgin Islands. Plans are announced in early August for biweekly service between the two points during September.

Plans for amalgamation with **Flying Colours Airlines, Ltd.** at the conclusion of the summer holiday season in November proceed; it is anticipated that the two carriers will officially become one by the end of March 2000. Caledonian Operations Director David Newall and Operations Manager Barry Fitzgerald resign in July, as Robert Willis becomes operations general manager for the combined operation.

The engineering facilities of the two companies are also combined at Manchester, with some job loss, while fleet rationalization and repainting continues. Arrangements are also made under a new fleet rationalization plan to replace 4 L-1011s with 3 B-757-200s and to return 3 wet-leased TriStars to **Air Atlanta Icelandic, H.F.**

On September 1, Thomas Cook Group establishes a new holiday travel concern to replace its Sunworld, Sunset, and Inspiration holiday subsidiaries, as well as both Caledonian and **Flying Colours Airlines, Ltd.** Under the direction of Managing Director Simon Vincent, the new travel brand, to be known as JMC after the son of Thomas Cook (John Mason Cook), will complete this changeover within five years, assisted in the process by a £200-million (\$320-million) investment program. As aircraft are repainted and other vestiges of corporate image are altered, the names of the tour operating division, JCM Holidays, Ltd., and in-house airline, JCM Airlines, Ltd., will be gradually introduced during the next six months. Terry Soult is named managing director of the new **JCM Airlines, Ltd.**

This is the last year in which traffic figures are maintained. During these 12 months, customer bookings fall 6.4% to 2,621,000 and cargo traffic has plunged 71.2% to 2,656,000 FTKs.

Caledonian disappears completely on March 26, 2000 when **JMC Airlines, Ltd.** becomes operational under a single air operator's certificate.

CALEDONIAN/BUA, LTD.: United Kingdom (1970–1971). Following parliamentary debate and various negotiations, the larger **British United Airways, Ltd.** is acquired for £6.9 million by **Caledonian Airways, Ltd.** on November 30, 1970, the amalgamated carrier now taking the name Caledonian/BUA, Ltd. Just as Caledonian Airways had operated domestic and international scheduled flights, so, too, is the new company able to provide the same service. The employee population reaches 4,635 and the fleet is increased to 34 aircraft. Together, the two carriers fly 2,243,000 travelers on the year.

On March 31, 1971, the airline is awarded the old **British Overseas Airways Corporation (BOAC)** West African scheduled routes from London to Accra, Lagos, and Kano, with Tripoli being added in July. Meanwhile, in June a Boeing 707-323C is leased for three months from **American Airlines**, and while with the British it is named *County of Renfrew*. With the assimilation of BUA fully completed, the name **British Caledonian Airways, Ltd.** and a new livery are adopted in September. London (LGW)–Paris (LBG) flights commence on November 1. Enplanements are 2,558,000.

CALIFORNIA AIR CHARTER: United States (1983–1987). CAC is set up at Burbank, California, in 1983 to provide charter and contract service flights to intrastate and regional destinations. Employing 1 Dassault Falcon 20 executive jet, 1 Piper PA-31-350 Navajo Chieftain, 1 PA-31-310 Navajo, 1 Cessna 208 Caravan I, and several smaller Piper aircraft, the company begins on-demand flights.

Service continues without incident until 1987. On January 16, the Cessna Caravan en route from Ontario, California, to Las Vegas crashes into the top of a 6,500-ft. mountain peak near Cima; the pilot is killed and the aircraft is destroyed. CAC closes its doors shortly thereafter, its assets being acquired by **Ameriflight**.

CALIFORNIA AIR COMMUTER: United States (1975–1977). During the summer of 1975, the Oakland, California-based FBO

Marine Aviation sets up an operating division to provide scheduled passenger and cargo commuter service. A Piper PA-31-310 Navajo is secured and revenue flights commence in October, linking the company's base with Truckee and with Redding via Chico.

Frequencies are maintained until the unit goes out of business in the fall of 1977.

CALIFORNIA AIR SHUTTLE: United States (1990). President Steven Lay forms CAS at Oxnard in early January 1990 as a reincarnation of failed **Qwest Air**; a code-sharing agreement is signed with **America West Airlines** on January 7. Employing a single Fairchild Metro II, the new entrant inaugurates services in February to Las Vegas, Sacramento, San Francisco, San Jose, and Bullhead City.

Although plans are made to expand services to additional California cities, the bankruptcy of Fairchild ends efforts to acquire new Metroliners. When Iraq invades Kuwait in August, fuel prices skyrocket. A lack of capacity combined with higher expenses conspires to put the small regional out of business by year's end.

CALIFORNIA AIRFREIGHT. See **AAXICO AIRLINES**

CALIFORNIA AMPHIBIAN TRANSPORT: United States (1980-1982). CAT is set up at Long Beach, California, in the late spring of 1980 as a division of All Seasons Air Pacific. Employing a Piper PA-31-310 Navajo and a Grumman Mallard, the company inaugurates scheduled passenger and cargo services to Avalon, on Santa Catalina Island, on June 13.

Services are maintained until January 15, 1982.

CALIFORNIA CENTRAL AIRLINES: United States (1947-1954). Colonel Charles Sherman founds CCA at Burbank in 1947 to offer low-fare intrastate service to Oakland. Meanwhile, an associate concern, **Airline Transport Carriers**, is also formed and comes to offer relatively scheduled services between Burbank and Oakland until the CAB forces it to stop them.

Col. Sherman, meanwhile, assembles a fleet of 6 Douglas DC-3s and 2 DC-4s, and \$9.99 one-way revenue flight operations commence between Burbank and Oakland on January 2, 1949. Flying under jurisdiction of the California Public Utilities Commission, Cal Central's aircraft, in their red, white, and blue livery, become very attractive to travelers. Flights to San Diego are initiated in 1950 as enplanements exceed 100,000.

Indeed, the \$9.99 one-way fare is so popular that the company has to acquire new equipment in 1951 just to keep up with demand.

Two C-54Ds, each with three crew, collide over Oakland Range at 3,000 ft. on November 17. The empennage of the **Overseas National Airways (1)** Curtiss is torn off and it crash-lands on a highway and catches fire; all three aboard are killed and eleven persons on the ground are injured. The CCA aircraft is able to complete a successful emergency landing.

The entire Douglas fleet is now traded to **Northwest Airlines** for 5 Martin 2-0-2s.

In 1952, Sherman's carrier enjoys 137,000 passenger boardings, but the bottom falls out in the following year. Reequipping and operational costs do not allow enough return on the small fares charged.

By the end of 1953, CCA, which has leased a Lockheed Constellation to enhance its Martinliner fleet and is suffering from a bad case of financial mismanagement, is \$1 million in debt. To cover the bills, the 2-0-2s are put on the auction block and, in February 1954, the airline voluntarily shuts its doors.

Ironically, during its 1958-1962 second life, this time as a temporarily certified Supplemental Air Carrier, **Airline Transport Carriers** employs the California Central moniker as a marketing title.

CALIFORNIA EASTERN AIR LINES (1): United States (1946-1948). CEA begins irregular Douglas C-47 transcontinental cargo and

passenger charter flights in May 1946, increasing its flights to four per day in 1947.

Caught in economic difficulty, it ceases service in May 1948, almost two years to the day of start-up.

CALIFORNIA EASTERN AIR LINES (2): United States (1953-1954). CEA-2 is reborn on January 6, 1953, when its owners sign a 10-year agreement with **Japan Internal World Airways Company, Ltd.** to operate the Japanese line's Douglas C-54s on a route from Tokyo to São Paulo, Brazil. It also prepares to operate its own Douglas transports on contracts received from the U.S. Military Air Transport Service (MATS). The company begins training crews for JIWA on January 8 and, on February 22, a DC-4 is leased to **AVENSA (Aerovias Venezolanas, S.A.)**.

En route to Honolulu and Tokyo on March 27, a Douglas R5D-1 with three crew and one passenger ditches into the ocean off San Francisco after suffering engine failure; there are no fatalities.

A C-54 chartered to MATS crashes into the Pacific on takeoff from San Francisco for Honolulu and Tokyo on May 2; four aboard are rescued after six hours on a raft. Like many other irregulars, CEA-2 is unable to make a profit. Consequently, on July 26, 1954, a merger is announced with **U.S. Airlines**.

CALIFORNIA NEVADA AIRLINES: United States (1976-1977). California Nevada is set up at Stateline, Nevada, in late 1976 to provide scheduled passenger and cargo commuter flights to Las Vegas and to Oakland, Concord, Reno, and Lake Tahoe. Aero Commander 500 revenue flights commence, but cannot be maintained.

CALIFORNIA SEABOARD AIRLINES: United States (1985-1986). Newport Beach, California-based **Catalina Seaboard Airlines** is renamed in 1985. Employing Piper PA-31-310 Navajo equipment, the company provides scheduled daily passenger and cargo flights linking its base with Catalina Island, Orange County Airport at Santa Ana, and Palm Springs.

When Washington State-based **Aeronautical Services, Inc.** is offered a contract by **UPS (United Parcel Services)** in 1986, it purchases and merges CSA, making the airline its California branch. AS flies its parcels back and forth with a pair of Beech 18s.

CALLENS FLYING SERVICE. See **ROSWELL AIRLINES**

CALM AIR INTERNATIONAL, LTD.: 90 Thompson Drive Thompson, Manitoba R8N 1Y8, Canada; Phone (204) 778-6471; Fax (204) 778-6954; http://www.calmair.com; Code MO; Year Founded 1961. Based at Lynn Lake in Manitoba and the Keewatin District in the Northwest Territories, Calm Air is founded by Mr. and Mrs. C. Arnold Morberg in 1961 to provide lightplane services to a variety of small communities. Land is acquired at Black Lake in northern Saskatchewan where a fishing camp is built and the remote location is maintained by Morberg's small planes. In 1962, Morberg receives a charter license to fly passengers from nearby Stony Rapids to their lodge.

Chupika Air, Ltd., formed by Fred Chupika at Lynn Lake, is purchased in 1969; the Morbergs move to Lynn Lake, commuting by air to Black Lake during the summers that follow. Scheduled services are inaugurated.

The first large aircraft are purchased in 1971, a Shorts SC-7 Skyvan and a de Havilland Canada DHC-6 Twin Otter. Service continues apace over the next three years and, in 1975, flights commence to Churchill, which is known as Manitoba's "Arctic Seaport." A DHC-2 Beaver is acquired in 1976.

Transair, Ltd.'s Twin Otter operation at Rankin Inlet and in the Keewatin are acquired in 1977. A metal building is put up and the area gains its first year-round airline. A second DHC-6 is acquired in 1978.

A second Skyvan is purchased in 1979 and also a Hawker Siddeley HS 748 leased from **Gateway Aviation, Ltd.** The turboprop is employed to replace Transair's turbine-powered service in the Keewatin area.

The SC-7s are both sold in January **1980**. Airline employment in **1981** is 56. Manitoba destinations visited by Chairman Gordon Brooker and President/General Manager Morberg's carrier from its principal Lynn Lake base plus branches at Thompson and Leaf Rapids include South Indian Lake, Brochet, Lake Brochet, Tadoule Lake, Coop Point, Flin Flon, Wollaston Lake, and Granville.

From a base at Rankin Inlet, the company flies to Whale Cove, Eskimo Point, Chesterfield Inlet, Coral Harbour, and Repulse Bay. The fleet now comprises the leased HS 748, 4 DHC-6s, 1 Beech King Air 90, 1 DHC-2 Beaver, and 1 Cessna 185.

To allow additional all-cargo capacity, 2 Douglas DC-4s are purchased in January–February **1982**. One of the primary destinations visited by the Skymasters is the Cullaton Lake Gold Mine, W of Arviat in the Northwest Territories.

On March 19, the leased HS 748 is badly damaged in a landing accident. While it is being rebuilt, a similar aircraft is leased for a year from New Zealand's **Mount Cook Airlines, Ltd.** The refurbished HS 748 returns to service in August **1983**.

A Beech King Air 90 arrives in February **1984**, but it is lost in a December 22 crash at Sanikiluaq. Meanwhile, in September, a second HS 748 Series 2B, refurbished and rebuilt after a decade of experimental use by Hawker Siddeley, joins the fleet.

At the beginning of the second quarter of **1985**, company headquarters are transferred to Thompson, Manitoba. A Beech Super King Air 200 arrives in May and a DC-4 is sold in July.

During the summer of **1986**, CAI becomes a Spirit commuter affiliate of **Pacific Western Airlines, Ltd.** In September, the carrier begins three new HS 748 routes out of Winnipeg—to Thompson and Lynn Lake, to Thompson and Flin Flon, and to The Pas and Flin Flon.

A Douglas DC-3 joins the fleet in February **1987**. In June, PWA Corporation, owner of **Canadian Airlines International, Ltd.**, purchases 45% shareholding; the former PWA Spirit associate now becomes a member of the Canadian Partner team.

While landing at Hidden Bay, Saskatchewan, after a service from Kasba Bay on June 16, the last DC-4, with four crew, undershoots the runway; the right main landing gear strikes the edge of the runway and then the wing fails. Although the Douglas is badly damaged, there are no fatalities. The hull will be withdrawn for scrap in October.

The decade-old DHC-2 is sold in July and 3 new aircraft are added in September—2 Piper PA-31-350 Navajo Chieftains and 1 HS 748. They are followed into the fleet by 3 more Pipers in October.

A pair of **Eastern Provincial Airways, Ltd. (EPA)** HS 748s are purchased in March **1988** and employed to inaugurate new services from Winnipeg to Brandon and Lynn Lake in April. The fleet now includes 4 748s, 3 DHC-6s, 6 Piper Chieftains, 1 Beech King Air 200, and 1 DC-3.

The company suffers intense competition in the Northwest Territories and in northern Manitoba during **1989** and is consequently forced to downsize to 23 destinations. The workforce is cut and the fleet is stabilized on 14 aircraft. Revenues fall 23.4% to C\$13.2 million.

Operations continue apace in **1990** with the 4 748s, King Air 200, 2 DHC-6-100s and 1 DHC-6-200. A DHC-6-100 is withdrawn in **1991**, but is reinstated the following year. In **1992**, Chairman Gordon Brooker and President Morberg oversee a workforce of 144 employees. Hubs are maintained at Winnipeg, Thompson, and Churchill. The fleet now includes 4 HS 748s, 2 DHC-6-100/200s, and 1 PA-31-350 Navajo Chieftain.

Airline employment is increased to 180 in **1993**, as scheduled services are maintained over a regional network in northern Manitoba and throughout the Keewatin district of the Northern Territories.

The fleet in **1994** includes 4 HS 748s, 2 Beech Super King Air 200s, and 1 each DHC-6-100 and DHC-6-200. The Navajo Chieftain is withdrawn in the fall when orders are placed for 2 SAAB 340B+s, the first of which arrives in December.

The new SAAB enters service on January 15, **1995**, flying from Winnipeg to the Pas, Flin Flon, and Thompson.

Following the arrival of the second SAAB 340B+ in December, the carrier places its new Swedish-made turboprop into Canadian Partner service to Dryden, Thunder Bay, Gillam, and Churchill.

A third SAAB 340B is delivered in **1996**. Represented by CUPE, the company's flight attendants begin to negotiate for a new labor contract.

Airline employment stands at 230 in **1997**. In addition to feeding CAI, the company continues to serve 29 communities in northwest Ontario, northern Manitoba, and throughout the Northwest Territories.

Coming to the brink of a strike on March 14, the carrier's management and pilots, the latter represented by the Air Line Pilots Association (ALPA), agree to the intercession of a conciliator from the National Mediation Board (NMB).

Flights continue in **1998–2000**.

CAM-AIR. See **CAMEROON AIRLINES, S.A.**

CAM AIR INTERNATIONAL: United States (1983–1984). Miami-based **Fleming International Airways** is reformed in **1983** and renamed. Previous operations are maintained, including scheduled cargo flights to Atlanta, Baltimore, Boston, Chicago, Dallas (DFW), Detroit, Miami, and New York (JFK).

The fleet of 4 Boeing 727-100s and 8 Lockheed L-188AF Electras is also employed to subcontract work from freight forwarders, package express firms such as **UPS (United Parcel Service)** and other cargo airlines, like **Emery Air Freight**.

The lack of traffic, coupled with mounting expenses during a recessionary year, bring significant fiscal difficulties that force the carrier to shut down in **1984**. The company's assets will be purchased into **Spirit of America Airlines**.

CAMAI AIR: P.O. Box 787, Bethel, Alaska 99559, United States; Phone (907) 543-4040; Fax (907) 543-2369; Code R9; Year Founded 1977. Founded by Joseph C. Angalak at Bethel, Alaska, in **1977**, Camai undertakes charter passenger and cargo flights to a variety of statewide destinations, including St. Mary's. The fleet grows to include 3 Shorts SC-7s, 2 Piper PA-32 Cherokee Sixes, 2 Cessna 207As, and 1 Cessna 206. Among the first contracts is one with the province of Ontario for emergency medical service flights; over the next twenty years, helicopters from the Toronto EMS base will deliver more than 12,000 patients to life-saving facilities.

Nonscheduled operations continue with little change throughout the remainder of the **1970s** and into the **1980s**. Regularly scheduled commuter flights are inaugurated in May **1986**, linking the company's base with Scammon Bay, Hooper Bay, Chevak, and other local communities and bush sites.

Airline employment stands at 42 in **1990** and the fleet now includes 6 Cherokee Sixes and 3 Cessna 206s. Enplanements for the year total 4,194. That figure jumps to 6,657 in **1991**. In addition, a total of 2,065,840 pounds of mail are flown.

Operations continue apace in **1992**. Airline employment in **1993** stands at 41 and the fleet is increased by the addition of 2 Cessna 207As, 2 Cessna 172s, and 3 Shorts SC-7 Skyvans. Enplanements total 6,835. The workforce stands at 25 in **1994** and passenger boardings jump 8% to 7,429.

The fleet is radically reduced in **1995**; gone is all equipment previously employed except for 2 Cessna 207As, 2 Cherokee Sixes and 1 Cessna 206. Still enplanements climb further, growing by 24% to 9,183. The employee population stands at 25 in **1996**. Customer bookings increase 62.5% to 14,919.

Don King is president in **1997–2000** and his fleet now includes 5 Cessna 207As, 1 Piper Cherokee Six, and 1 Cessna 206.

CAMAVIA, S.A.: Cameroon (1986–1989). Camavia is established at Douala in December **1986** by local businessman Charley Eba a Moise. With financial backing from the small business department of the Cameroon government, Camavia is able to purchase a de Havilland

Canada DHC-4 Caribou and, in February 1987, all-cargo charters are inaugurated to domestic destinations and stops in neighboring countries. Operations cease in 1989.

CAMBODIAN INTERNATIONAL AIRLINES, LTD.: Thailand (1992–1995). A consortium of Thai and Cambodian businessmen establish this joint venture airline at Chiang Mai, Thailand, in 1992 to operate flights between Bangkok and Phnom Penh. Udom Tantiprasonchai is named CEO and revenue operations commence with a leased Boeing 737-247.

Operations continue in 1993 and a route is opened to Hong Kong during the summer of the former year with a leased British Aerospace BAe 146-300. The Thai-owned and managed company is threatened with closure in June 1994 because the government at Phnom Penh plans to set up its own national carrier, **Royal Air Cambodge**, with assistance from Singapore; CIA is given a temporary reprieve when the Singapore arrangement falls through.

On December 22, the CAA of Cambodia orders CIA to halt all operations by December 24 so as to permit the launch of **Royal Air Cambodge**. CIA officials unhappily comply, noting however, that the order is precipitous. All inquiries concerning refunds for passengers with tickets are referred to the Cambodian government.

Early in January 1995, the grounded carrier is divided in two. One division is renamed **Orient Airlines, Ltd.** and is transferred to a base at Phnom Penh. The other becomes **Orient Express Air, Ltd.** Tantiprasonchai remains CEO of the latter and a director on the board of the former.

CAMBRIAN AIR SERVICES, LTD.: United Kingdom (1935–1955). Capitalized at £750, CAS is registered at Cardiff, Wales, on April 25, 1935 by its founder S. Kenneth Davies, who is also board chairman, managing director, and chief pilot. Employing his own de Havilland DH 60G Gypsy Moth, Davies undertakes nonscheduled passenger and cargo charters, pleasure flights, and military contracts around south Wales until civil flying ceases upon the outbreak of World War II on September 3, 1939.

Following V-E Day, Davies prepares to resume service, completing the purchase of 3 Auster J/1 Autocrats, which he christens *Pembroke*, *Caernarvon*, and *Cardigan*, as well as Percival Proctor 1, the *Denbigh*. The original Gypsy Moth is sold for £375.

On January 1, 1946, when all government restrictions on civil operations are lifted, Davies becomes the first British operator to resume charter flights, with a cargo to Bristol from Cardiff's Pengam Moore Airfield.

Miscellaneous charters are undertaken throughout the remainder of the year and through 1947. In June of the latter year, the company purchases another Proctor 1, the *Montgomery*, and, more importantly, its first de Havilland DH 89A Dragon Rapide, which is named *Carmarthen*. During the year, the company operates the café at the Cardiff Airport and makes a £31 profit from the eatery—more than is generated from airline activities.

Another DH 89A, the *Monmouth*, is delivered in May 1948 and, in conjunction with **Western Airways, Ltd.**, Cambrian, during the same month becomes the first charter airline to be granted **British European Airways Corporation (BEA)** associate status. As a result, regularly scheduled flights are started between Cardiff and Weston-super-Mare with Western's Anson I and CAS's Dragon Rapide.

The governance of the carrier is revised in February 1949; John H. Watts becomes chairman with founder Davies retaining the reins of managing director. One more DH 89A, the *Flint*, and 2 Fairchild F-24Ws, the *Angelsey*, and the *Merionydd*, are acquired in May and the Weston run is undertaken independently of Western Airways. During the summer, BEA grants several additional associate routes from Cardiff: to the Channel Islands, Barnstaple, and London. All scheduled services cease at the end of the tourist season; however, charters are flown. Bookings for the year are 1,611.

In April 1950, a third F-24W, the *Caernarvon*, is acquired and joins its sisters on the company's summer services, beginning with a May 6

twice-daily frequency Cardiff to Weston-super-Mare. Other summer routes are started on June 3. Meanwhile, the Auster fleet, as has become practice, is based at Pwllheli for pleasure charters; there on August 1, one is destroyed in a crash landing. A total of 2,202 people are transported this year.

Founder Davis is appointed a board member at BEA and resigns as managing director on March 13, 1951. He is replaced by joint managing directors L. B. Elwin and W. W. Stanley. Beginning in the spring, the BEA associate contracts are renewed for a five-year period with two new ones added—Haverfordwest–Swansea–Cardiff–London and Cardiff–Guernsey and Jersey–Liverpool.

Only the second contract, a replacement for **British European Airways Corporation (BEA)**'s experimental helicopter service, is opened during the year and in December, records show a total of 328,460 miles flown. Airline employment is now 40, including personnel at a new auxiliary base at Haverfordwest, and the year's enplanements are 4,382.

On May 24, 1952, the **British European Airways Corporation (BEA)** scheduled replacement route Harverfordwest–Cardiff via Swansea is inaugurated. The other routes are also operated, although the Fairchilds *Carmarthen* and *Merionydd* plus the Auster *Caernarvon* are sold. Later in the year, Capt. Geoff Perrott becomes chief pilot, a post he will hold until his 1975 retirement. A total of 6,600 passengers are flown on the year.

In February 1953, part of pioneer **Ole Air Service, Ltd.**, as well as Staverton-based Murray Chown Aviation, Ltd. is purchased and the company acquires another DH 89A plus 2 Airspeed AS.65 Consuls. Simultaneously, in February and March, CAS receives 4 DH 104 Dove 1s/2s. Murray Chown's Staverton–Jersey and Guernsey is started and new **British European Airways Corporation (BEA)** routes are awarded; as a result of the latter, thrice-weekly scheduled Cardiff–Bristol and Paris flights are inaugurated on May 24.

During the year, the Auster *Pembroke*, the 2 Consuls, 1 DH 89A, and 1 Dove 1 are all retired and the company takes over management of Staverton Airport, located between Gloucester and Cheltenham. Enplanements for the year skyrocket to 15,932.

On April 1, 1954, the base is moved from Pengam Moore to Rhoose Airport. The Douglas transports now enter service with Ms. Pamela Morris serving as the company's first stewardess. The company's published schedule remains unchanged from the previous year. In June, the Fairchild F-24W *Angelsey* is sold along with 2 Dragon Rapides. Passenger boardings for the year total 25,535. In November, the first Douglas DC-3 is purchased followed by a second in January 1955. Both American transports are employed on the Channel Island and Paris services. Introduction of the DC-3s marks a significant upgrade for CAS and on May 23, the carrier changes its name to **Cambrian Airways, Ltd.**

CAMBRIAN AIRWAYS, LTD.: United Kingdom (1955–1976). Cardiff-based **Cambrian Air Services, Ltd.** is renamed Cambrian Airways, Ltd. on May 23, 1955. On July 20, weekly Cardiff–Nice scheduled flights begin.

En route from Cardiff to Paris on July 20 via Southampton, a de Havilland DH 104 Dove with six passengers and a pilot crashes at Fritham; pilot Robert Carson is killed in the company's first fatal accident. A French traffic controllers' strike forces cancellation of Paris service from November–December. The year's bookings are 34,631.

Two DH 114 Heron 2s are acquired in March 1956 and one is employed to inaugurate twice-weekly Cardiff–Bristol and Belfast service. Flights also begin from Cardiff and Bristol to Nice. On May 9, a 10-year contract is signed with **British European Airways Corporation (BEA)** to provide support for the development of scheduled Cambrian services linking Wales and the west of England with London and Manchester, as well as a subsidized Liverpool–Channel Islands route.

The last Fairchild F24W, the *Caernarvon*, is retired in July and replaced by another Heron. Manchester–Cardiff–Bristol–Channel Islands flights via DC-3 transport commence on October 29. The company's Douglas DC-3 transports participate in the Hungarian airlift between

November 16 and December 14, flying 500 refugees to Britain from Austria in 16 roundtrips, including the last flown by a civil airliner from the U.K. The contract for management of Staverton Airport is concluded. Enplanements for the year jump to 46,044.

A Dove is sold in June 1957 and simultaneously, three-times-per-week Swansea–Jersey flights begin. A company Heron is the first scheduled aircraft to operate from the new Lulsgate Airport at Bristol. Passenger boardings reach 57,765.

On February 7, 1958, **British European Airways Corporation (BEA)** takes a one-third minority interest and, on July 1, John Morgan is named to succeed John H. Watts as company chairman. No new routes are opened during the year, although a Heron 1B is leased for a year from **Overseas Air Transport, Ltd.** Heavy losses force the company to cease all operations during the winter except the Manchester–Cardiff–Bristol–Jersey service, which is flown by **Jersey Airlines, Ltd.** under contract.

Enplanements drop to 52,915 and a £53,473 loss is reported for the year.

On January 1, 1959, Mr. Morgan takes up his duties as the new chairman and the carrier is reorganized. Two Herons are sold and 3 DC-3s are leased from **British European Airways Corporation (BEA)** in February and are employed, along with the company's 1 Heron, to reopen services on March 2 from Liverpool to Jersey via Cardiff and Bristol and from Cardiff and Bristol to Paris via Southampton. In May, the last DH 89A, *Flint*, is sold, followed by the Percival Proctor 1 *Denbigh* in June.

The number of travelers carried dips to 45,045, but the £40,025 net profit is reinvested in the company.

In January 1960, a DC-3 is purchased and christened *Horatio Phillips*; it is followed by a second but unnamed Douglas in February. On April 1, direct flights are started from Bristol and Cardiff to Belfast. The last Heron is sold in December.

Enplanements for the year are 56,031 and net gain dips to £35,000.

Three more DC-3s are delivered in April 1961 and in September, Cambrian's DC-3s become the first British aircraft to operate from the new airport at Cork. Passenger bookings increase 36% to 83,629.

On April 2, 1962 a route is opened Glasgow–Cardiff via Manchester and Bristol. A new engineering and headquarters facility is opened at Rhoose Airport in May. In September, the carrier takes over all BEA operations linking the Isle of Man with the rest of the U.K. The *Horatio Phillips* is sold in October. Enplanements jump to 119,362.

Airline employment in 1963 stands at 275. During the first half of the year, Cambrian purchases 5 Vickers Viscount 701s and a stock of spares from **British European Airways Corporation (BEA)** for just £750,000. The first turboprop is placed in service on February 2 on a charter for Welsh rugby fans. Eighteen days later, the Viscounts are introduced on the scheduled routes, beginning with the Cardiff–Dublin via Bristol frequency.

The former BEA routes from Liverpool to Belfast and from Belfast to London via Liverpool and Manchester, are assumed on April 1. On behalf of a Cardiff-based travel agency, Cambrian undertakes its first inclusive charters during the summer to Nice, Rimini, and Valencia. An older DC-3 is sold in August to **Gibraltar Airways, Ltd.**; it is followed by two others sold to the King of Morocco. Enplanements reach 276,090.

During 1964, following the appointment of Leslie Castlemaine as commercial and sales manager in January, the company becomes a significant inclusive-tour operator, with flights to points as distant as Yugoslavia, and undertakes night freight services to Ireland. Many of the Continental tours are arranged with South Wales travel agents.

Also in January, the Isle of Man–Liverpool route is extended to London, while in February *Champagne Flights* are initiated to the Isle of Man for those traveling to the casino at the Castle Mona Hotel.

Passenger boardings jump 21% to 349,051 and turnover is £1,481,620. The net profit is £32,837.

Another ex-BEA Viscount 701 is delivered in January 1965.

A Vickers Viscount 701 freighter with two crew crashes while on fi-

nal approach to Liverpool on July 20; both airmen are killed along with two people on the ground.

Shortly thereafter, **Aer Turas, Ltd.**'s DC-4 is contracted to take over the Cardiff–Liverpool service. Regularly scheduled all-cargo services are initiated during September from Liverpool to the Isle of Man.

Another Viscount 701, once flown by BEA as its *Sir John Franklin*, is acquired from **British Eagle Airways, Ltd.** in December. The Christmas period from December 20 to New Year's is the busiest in the company's history to date; 12,000 extra travelers are carried, many on replacement flights offered on behalf of **British European Airways Corporation (BEA)**. Passenger boardings climb to 400,708.

An additional Viscount 701 is delivered in January 1966. Five more are purchased from **Channel Airways, Ltd.** for £750,000. In April, a three-year replacement contract is begun on behalf of **Air France** over a route from London to Lille. During the year, four-times-per-week Swansea–Channel Islands Dakota services and weekly Swansea–Dublin flights are undertaken.

Bookings swell to 476,271 and revenues total £3.25 million, but the net profit is only £66,000.

Three former **Channel Airways, Ltd.** Viscount 701s enter service in January 1967. British Air Services, Ltd., a wholly owned **British European Airways Corporation (BEA)** subsidiary, is formed on February 7, to manage the affairs of the state carrier's associated companies, including Cambrian Airways. John H. Davies succeeds John Morgan as company chairman on May 1.

During the year, the **Air France** service is expanded into two separate route structures: London to London via Lille, Lyon, Lille, and London to London via Lille, Geneva, Bordeaux, Geneva, and Lille. Swansea–Dublin services end on September 29. Upon the completion of the 1956 contract, the independent is purchased by **British European Airways Corporation (BEA)** and becomes, itself, a wholly owned subsidiary on October 1.

The year's enplanements are 491,467.

Managing Director William Elwin resigns in March 1968. Although suspended over the winter, Swansea–Channel Islands is restarted on April 6. Bristol and Cardiff–Paris flights are suspended on September 4 and all services from Swansea on September 30. On October 31, the last DC-3 flight is made over the route and all of the Douglas transports are withdrawn and will be sold over the next year.

Elsewhere, the London–Liverpool service is advanced to five per day and a new aircraft livery is unveiled. Following the November collapse of **British Eagle Airways, Ltd.**, Cambrian assumes its routes from Liverpool to Glasgow and London. James Callan is appointed the new managing director in December.

The year's passenger boardings increase to 590,796.

The company's route network is compacted during 1969. The **Air France** replacement service ends in March. During the first half of the year, the five DC-3s are sold to World Inter. On November 1, new service is, however, launched from Cardiff to London via Hawarden. In December, a BAC 1-11-408EF, previously operated by the **Court Line, Ltd.** as the *Halcyon Cloud*, is delivered along with a promise to turn over 3 BAC 1-11-416s. Bookings for the year dip to 589,111.

Airline employment in 1970 stands at 781. A Vickers Viscount 701 with 4 crew and 59 passengers is destroyed as the result of a bad landing at Bristol's Lulsgate Airport on January 19; there are no fatalities.

The Christmas delivery of the carrier's first jetliner is followed in January by the arrival of a second from the **Court Line, Ltd.**, a BAC 1-11-416EK. The December unit is placed on the London–Liverpool run on January 15 and, on February 15, the Cardiff–London Viscount service is suspended for lack of traffic. The Dash-416ER is used to begin jetliner service from Cardiff on March 9. Both are painted in the company's new livery.

Meanwhile during the first quarter, Managing Director Callan resigns and is succeeded by David Davies. The BACs also fly a variety of inclusive-tours from Bristol during the summer tourist season before one is leased to **British European Airways Corporation (BEA)** for its

summer inclusive-tour schedule. Four Viscount 806s are delivered between July and October and 2 Viscount 701s are withdrawn.

Passenger boardings for the year reach 790,961.

Another Viscount 806 is delivered in January 1971, followed by an additional former **Court Line, Ltd.** BAC 1-11-416EK on February 15. Services similar to those of 1970 are again offered. George T. Cantlay becomes the new chairman on July 1.

The remainder of the Viscount 701s are retired and during the final quarter, four more Viscount 806s are placed in service. The world's oldest surviving Viscount 701, once flown by **British European Airways Corporation (BEA)** as its *Sir John Franklin*, completes its final revenue flight on Christmas Eve; the machine has completed 25,938 and is estimated to have transported some 800,000 passengers over 7 million miles in the air.

Enplanements for the year jump to 910,527.

On April 1, 1972, Cambrian comes under control of the British Airways Board, the new and transitional owner of the two state carriers. Two of the unsold Viscount 701s are chartered to **British Overseas Airways Corporation (BOAC)** to operate feeder services from Edinburgh and Belfast to Prestwick. A scheduled service, in cooperation with **JAT (Yugoslav Air Transport)**, is started from London (LGW)–Dubrovnik on April 1. On April 12, the world's oldest surviving Viscount 701, formerly flown by **British European Airways Corporation (BEA)** as its *Sir John Franklin*, is turned over to the Viscount Preservation Trust.

During the summer, one BAC flies inclusive tours from London (LGW) on behalf of BEA Air Tours. BAC 1-11s are introduced on the Cardiff and Bristol–Paris route and a Southampton–Paris route is started. In addition, Edinburgh–Prestwick feeder services are now undertaken on behalf of the British Airways Board.

Passenger boardings decline 4.7% to 892,607; however, freight traffic is up by 19%.

Airline employment in 1973 stands at 873. In April, Orly Airport becomes the new Parisian destination. Later in the same month and in cooperation with **Air France**, thrice-weekly jetliner return flights are started from London to Lyon. Cyril A. Herring becomes the final board chairman on May 1, succeeding Mr. Cantalay, while Managing Director David Davies is succeeded on July 1 by David Moscrop.

Also in midyear, BAC 1-11s are introduced on the Cardiff to Paris via Bristol service. To assist with this schedule, a BAC 1-11-408 formerly operated by **Channel Airways, Ltd.** is delivered on September 5; it is christened *County of Gloucestershire*. Two BAC 1-11-401s, first flown by **American Airlines**, are also received. They will operate as *County of Shropshire* and *County of Worcestershire* on routes to and in Scotland for over a decade.

A BAC 1-11-416EK is chartered out to **Gulf Air, Ltd.** in October; the wet lease includes four crews that will fly the jetliner between Jeddah, Dubai, Bahrain, Kuwait, Ryat, Beirut, and Karachi. Although **Gulf Air, Ltd.** titles are painted on the aircraft in both English and Arabic, the basic Cambrian red colors and motifs are retained.

Customer bookings accelerate 8.9% to 911,804 and cargo traffic is up by 0.6%.

The Gulf Air charter is concluded in February 1974. When **British Airways, Ltd.** (2) officially comes into existence on April 1, Cambrian becomes part of its regional division. Simultaneously, a new Cardiff–Brussels via Bristol BAC 1-11 service is undertaken; a financial loss, it is abandoned within a year. Meanwhile, the carrier's aircraft take on the BA livery and inclusive-tour services are cut back. Cardiff to Brussels via Bristol services commence in early December. During the year, the workforce has been cut to 641. Enplanements drop to 823,470.

The company celebrates its fortieth anniversary in 1975; however, its parent begins to significantly downsize Cambrian's route network, under the direction of new Managing Director John Gimblett. In February, the new Brussels service is eliminated. Within a month, services from Glasgow, Liverpool, Bristol, and Cardiff are suspended. After 23 years service, Flight Operations Manager Geoffrey Perrott retires. The final boarding figures reveal that bookings are down to 724,105.

Cambrian Airways disappears into its parent when **British Airways** divisions are abolished on April 1, 1976. The company's entire 561-member staff is transferred to the state carrier's payroll.

CAMEL FLYING SERVICE: United States (1939–1940). While operating the North Carolina sales franchise for Stinson SR Reliants and Piper Cubs at Winston-Salem in 1939, L. S. McGinnis founds CFS to undertake demonstration flights and charters. During the summer, he employs Thomas H. Davis as a salesman and instructor.

A wealthy young man, Davis is able to buy out McGinnis during the spring of 1940. As principal stockholder and president, Davis reforms Camel on July 2 and renames it **Piedmont Aviation, Inc.**

CAMEROON AIRLINES, S.A.: BP 4092, 3 Ave. General de Gaulle, Douala, Littoral, Cameroon; Phone 237 42 25 25; Fax 237 42 34 59; <http://home.global.co.za/~afdev/Airline.htm>; Code UY; Year Founded 1971. To permit Cameroon's withdrawal from the multinational long-haul consortium **Air Afrique, S.A.** in 1971, this national carrier, sometimes known by its marketing title of Cam-Air, is formed at Douala on July 26. Ownership is divided between the Cameroon government (75%) and **Air France** (25%), with the latter providing technical assistance and, under a marketing alliance, leasing to the beginner a Boeing 707-328C. The new concern also takes over the assets of **Air Cameroon (Societe Anonyme des Avions Meyer et Compagnie, S.A.)**, including 2 DC-4s.

Membership in **Air Afrique, S.A.** ends on September 2 and Boeing flight operations are started on November 1 with a link between Douala and Yaounde.

Chartered from **Aer Lingus Irish Airlines, Ltd.**, the first B-737-248 is delivered on July 14, 1972 for domestic and regional services. It joins the 2 Douglas DC-4s, a purchased Convair CV-440, and another DC-4 leased from **Air Niger, S.A.** The B-707-328C now flies to Paris via Rome. Late in the year, the fleet is increased by the addition of 2 B-737-2H7Cs (named *Mangu* and *Bonoue*), which replace the Irish airliner, and an owned B-707-3H7C Stratoliner, the *La Sanaga*.

During 1973–1978 in addition to domestic routes, regional services are begun to the Ivory Coast, Central African Republic, Congo Republic, Burundi, Benin, Nigeria, Zaire, Equatorial Guinea, Kenya, and Gabon. Long-haul operations are flown to Paris and Rome while a joint service with **British Caledonian Airways, Ltd.** takes passengers on to London. During these years, the fleet is increased by the addition of 1 de Havilland Canada DHC-6-300 Twin Otter and 1B-737-2K9A, the *Le Noun*.

President Theodore Koule Njanga's 1,344-employee carrier comes to operate a fleet comprising 1 Boeing 707-3H7C, 2 B-737-2H7Cs, 1 B-737-2K9A, 2 Douglas DC-4s, and 1 de Havilland Canada DHC-6 Twin Otter. Two Hawker Siddeley HS 748-A2s are acquired in 1979–1980.

A B-747-2H7B is delivered on February 26, 1981; christened *Mont Cameroon*, it begins European service replacing the Stratoliner, initially to Paris, on April 1.

Barely into its takeoff from Bafoussam on October 31, a DHC-6-300 with 2 crew and 22 passengers aborts; the turboprop cannot be stopped and runs off the runway (1 dead).

Two Hawker Siddely HS-748-2As are placed on the domestic route network during 1982.

During 1983, Marseilles and Geneva join the European route network. Passenger boardings now average some 600,000 per year.

In 1984, the technical base at Douala Airport performs the first-ever B-737 D check in West or Central Africa.

While taxiing out for a flight from Douala to Garoua via Yaound on August 30, Flight 786, the B-737-2H7C *Le Noun* with 7 crew and 109 passengers, suffers the explosion of its No. 2 engine. Debris punctures the wing and fuel tank, causing a fire. Two are killed as the plane is evacuated and thereafter burned out.

Thrice-weekly Jumbojet flights commence from Douala to London via Geneva in July 1985 and a replacement B-737, another Dash-2K9A named *Nyong*, is placed in service in August. In November, Samuel

Eboua becomes chairman with Louis-Claude Nyasa as general manager; they immediately sell the B-707-3H7C and the B-747-2H7B, which will be leased back. The two early-model British Aerospace BAe (HS) 748-A2s are traded in for 2 Dash-B2s.

Employment totals 2,100 in **1986** and the fleet includes 2 B-737-2K9As, 2 B-737-2H7Cs and 2 BAe (HS) 748-B2s. In an effort to save costs, the earlier owned B-747-2H7B, which was sold the previous year, is leased back under the same name, *Mont Cameroon*. The year's enplanements total 600,000.

In February **1987**, former Transportation Minister Andre Bosco Cheuoua becomes chairman, with Cameroon Railways Managing Director Youssoufa Daouda as director general. Air France official Alain Bordin now fills the long-vacant post of deputy director general, under contract. Ernest-Jean Pfrimmer, another executive from the French carrier, becomes chief financial officer. The fiscally troubled airline is owed over \$18 million by its own government for services provided.

As **1988** begins, the largest source of revenue continues to be the four-times-per-week Jumbojet service from Douala to Geneva and Paris via Rome and Frankfurt. However, because of the nation's economic problems, domestic traffic falls and funds are unavailable to maintain the long-haul operations, which are suspended in May. Plans are made to find smaller aircraft to replace the Boeings and BAes.

Operations continue with little change in **1989**. On the third landing attempt to Yaounde in stormy weather at the conclusion of a June 28 service from Douala, an HS 748-2B with 2 crew and 45 passengers touches down 400-m. short of the runway and collides with an embankment (3 dead).

The onset of recession and the substantially higher fuel costs caused by Iraq's August invasion of Kuwait, bring enormous, but undisclosed, fiscal losses in **1990**. In October, former **Air France** Inspector General Claude Keinz becomes director general.

In an effort to cut costs, many workers are laid off in early **1991** and the Jumbojet is temporarily replaced by smaller jetliners.

Operations continue apace in **1992**. In **1993**, the B-747 rejoins Director General Keinz's 1,400-employee operation. The fleet now includes 1 BAe (HS) 748-B2, 1 B-737-2K9A, and 2 B-737-2H7Cs. Keinz returns to **Air France** in May and is succeeded by another official from the French flag carrier, Jean-Gabriel Ceccarelli.

In February **1994**, a new route is opened from Douala to Djedah, N'Djamena, and Johannesburg. Louis Claude Nyassa is named general manager. The company's reputation for wildly inconsistent domestic schedules, flights cancelled at the last moment or rerouted without warning, and rampant overbooking, continues.

In **1995**, the company begins to cooperate with **Nigeria Airways, Ltd.** on flights to Paris. Four-per-week roundtrips commence from Douala to Paris (ORY). Talks between the two carriers are undertaken concerning a possible joint service to the Orient.

While on final approach to Douala after a December 3 service from Cotonou, the B-737-2K9 *Nyong* with 5 crew and 71 passengers, elects to abort and try a second approach. While on this maneuver, the aircraft goes into a steep dive and crashes into a mangrove swamp 6-km. short of the runway (71 dead).

During **1996**, one of the services to Paris is extended to London (LGW) via Brussels. Flights continue to 4 domestic and 25 regional and international destinations.

In **1997**, marketing agreements are also entered into with **Oman Air** and **Air Gabon**, as well as **Air Zaire, S.A.** before it becomes **Congo Airways, S.A.** A de Havilland DHC-7 is received under lease in late August.

In September the government announces that the company, which currently has a negative net worth of \$20 million, has been scheduled for privatization during the next 18 months.

As part of newly initiated planning, up to 800 positions will be cut, although not before severance funds are available. New managers will attempt to improve customer service and otherwise improve the company to a point where it will attract foreign investment.

If interested investors cannot be attracted, the company will be sold off and its traffic rights transferred elsewhere.

In October, a flight from East Africa to Douala in Cameroon stops over in Kigali and Kinshasa. Connecting flights can then be made to different locations in West Africa, including Lagos and Abidjan.

The East African regional manager, Ndoumbe Isidore, signs a General Sales Agency agreement in Kampala, Uganda, on October 21. He informs the newspaper *New Vision* that if preliminary studies are positive, Cameroon Airlines will extend its operations to Uganda. No timetable is provided.

Flights continue in **1998**. Having accused Chairman Joseph Belibi and Managing Director Sameul Minko of bad management while seeking increased salaries, the carrier's entire workforce goes out on strike on January 20. The job action affects operations at all of the airports in Cameroon. Five days later, after Belibi and Minko are fired, the workers return and air traffic is resumed.

At this point, a whole new management team is brought in. Jerome Abondo becomes chairman, with Cyrille Etoundi-Atangana as director general and Louis-Paul Motaze as chief financial officer.

During the fall, a homepage is opened on the World Wide Web. In addition, a contract is signed with **Air Affaires Afrique, S.A.** under which the Douala-based competitor begins to operate scheduled and charter flights on behalf of Cameroon with a Bombardier DHC-8-300.

The airline's pilots and flight engineers stage a 24-hour "warning" strike on March 26, **1999**. The flyers are demanding payment of allowance arrears owed by management. Two flights out of every five scheduled are allowed to takeoff from Douala Airport.

In March **2000**, a cooperative agreement is signed with **Air Gabon, S.A., Air Afrique, S.A.,** and **Air Madagascar, S.A.** Under its terms, the four will provide joint handling, coordinate schedules, and purchase common equipment.

CAMEROON HELICOPTERS, S.A.: BP 5439, Akwa, Douala, Cameroon; Phone 420222; Fax 5395; Year Founded 1984. CH is established at Douala in **1984** as a subsidiary of the French rotary-wing operator **Heli-Union, S.A.** to undertake passenger and cargo charters around the country. Operations continue apace into **1999** with equipment leased from the parent; the usual complement of the concern is 20 employees and 1 Aerospatiale SA-318C Alouette II.

CAMEROONS AIR TRANSPORT, S.A.: Cameroon (1962–1970). CAT is established at Douala in late **1962** to offer both scheduled and nonscheduled services in the Anglo-French Cameroons. Ownership is divided between the West Cameroon Development Agency (50%), the Crop and Culture Agency (25%), and the aircraft manufacturing Britten Norman Group (25%). W. P. Lebaga is chairman, with J. Patient as general manager.

Revenue services commence in **1963** with a fleet that includes 2 de Havilland DH 104 Doves, 1 Dornier Do-28A, 1 Piper PA-23 Aztec, and 2 Britten-Norman BN2 Islanders. The initial service is operated between Douala, in French Eastern Cameroon, and Tiko, in British West Cameroon.

Enplanements reach 2,628 by the end of **1965**. Service continues apace in **1966–1970**, with flights added to Bali and Mamfe. Operations end during the latter year.

CAMPLING BROS. & VANDERWAL, LTD.: Kenya (1946–1963). Keith Campling establishes, with his brother, an FBO at Nairobi West Airport in **1946**, together with a flight school and a lightplane charter service. Additionally, a sight-seeing service, **Caspar Air Charter & Agencies, Ltd.** is formed as a subsidiary to offer flights around Lake Victoria from bases both at Nairobi and at Entebbe, Uganda. Revenue flights commence with 2 Piper J-3 Cubs and 1 PA-12 Super Cruiser.

During the early **1950s**, several de Havilland DH-89A Dragon Rapides are acquired and they begin twice-weekly roundtrips linking Nairobi and Entebbe with Bukoba and Mwanza. If there is demand, stops can be arranged at Ukerewe Island and Geita. The latter two points are dropped

in 1957 when, in cooperation with **East African Airways Corporation**, the route becomes scheduled.

By the start of the 1960s, the fleet includes 2 Dragon Rapides, 2 Cessna 180s, 2 C-182s, and 1 C-150. Yugoslav-born Zivota Boskovic is chief pilot and one of four directors, with L. K. Campling, F. K. Campling, and H. van der Wal.

In June 1963, 77% of the company is sold to New York-based Blackwell Enterprises for £120,000. The chief pilot, Boskovic, moves across the airport to form his own airline, now known as **ZB Air, Ltd.** Blackwell reforms Campling into **Safari Air Service, Ltd.**, but leaves intact the Entebbe-based portion of the Caspar subsidiary.

CAMSA (COMPANIA AEREO MERCANTIL, S.A.): Peru (1947–1957). This operation is formed in February 1947 to offer feeder services from Tingo Maria. Employing a fleet that would come to comprise 1 converted B-18 bomber, 1 Fairchild C-82 Packet, and 6 Cessna T-50s, the carrier offers intermittent services until 1951.

Following a brief suspension of operations, CAMSA resumes flying until 1957.

CANADA 3000 AIRLINES, LTD.: 27 Fasken Drive, Toronto, Ontario M9W 1K6, Canada; Phone (416) 674-0257; Fax (416) 674-0256; <http://www.canada3000.com>; Code 2T; Year Founded 1988. **Air 2000 Airlines, Ltd.** is formed at Toronto on April 1, 1988 as a Canadian associate of the U.K. charter operator by that name, which is the airlift arm of the tour group Owners Abroad. The Manchester-based airline, with quarter ownership, holds too much “foreign” interest and is forced to divest itself in order for the Canadian operation to get started.

Accordingly, the 25% shareholding is sold to Toronto-based Deluce Investments, Ltd. and Robert Deluce becomes president. Other shareholders include Colin Hunter, Paul Jervis, and Chairman John Lecky. Angus Kinnear is appointed managing director, with Capt. David “Dusty” Thompson as vice president-operations and chief pilot.

A Boeing 757-28A leased from **Air 2000, Ltd.** in the U.K. arrives in late November; it is painted in Air 2000 livery with a maple leaf painted on the forward passenger door.

The company receives an operating license from the National Transportation Agency of Transport Canada on November 29; certification allows the Canadian company to begin nonscheduled flights to Caribbean, Mexican, and Florida holiday destinations on December 1.

Airline employment in 1989 stands at 165. In accordance with the terms of its license, the company begins seeking a new name with which to replace the one employed. An initial idea, Air 3000, Ltd., is submitted to the NTA at the end of April; the regulators will turn the concept down.

The company receives the first B-757-28A it has chartered from ILFC on May 5, allowing return of the leased unit. The new plane, with Air 3000, Ltd. titles, will have to be repainted.

Agreeable to NTA, the carrier disassociates itself entirely from the British carrier on May 10 by changing its name to **Canada 3000 Airlines, Ltd.** With 2 chartered B-757-28As in hand by mid-month, the reformed company is able to launch its first service on May 17, from London (LGW) to Toronto.

In 1990–1992, the company builds up a Canadian network and introduces additional services to Europe. Destinations visited from gateways at Calgary, Edmonton, Montreal, Toronto, Vancouver, and Winnipeg are continued. These include Acapulco, Amsterdam, Antigua, Barbados, Belfast, Birmingham, Cancun, Costa Rica, Cuba, Dublin, Dusseldorf, Edinburgh, Ft. Lauderdale, Ft. Myers, Glasgow, Grenada, Halifax, Huatulco, Ixtapa, Las Vegas, Lisbon, London, Los Cabos, Manchester, Manzanillo, Margarita Island, Nassau, Nice, Oaxaca, Oporto, Orlando, Palm Springs, Paris, Ponta Delgada, Puerto Plata, Puerto Vallarta, Quebec City, St. Johns, St. Kitts, St. Lucia, St. Martin, St. Petersburg, St. Thomas, San Juan, Shannon, Terceira, and the Turks and Caicos Islands.

New routes are opened to Honolulu and Maui from Vancouver on behalf of Fiesta West as enplanements total a million. The winter lease of B-757s from the British independent **Air 2000, Ltd.** continues.

Airline employment in 1993 stands at 752. Employing the carrier’s 7 leased Boeing 757-200ERs, President Deluce adds charter and tour frequencies from Toronto to Copenhagen early in the year. The first of 3 chartered Airbus Industrie A320-211s arrives on May 29 on lease from **Monarch Airlines, Ltd.**

Frequencies from Vancouver to Glasgow, Manchester, Amsterdam, and Dusseldorf are introduced during 1994. On behalf of Fiesta West, a route is opened from Vancouver to Kona. The fleet is expanded by the addition of 2 A320-212s, while the number of chartered B-757-200ERs is reduced to 1 Dash-23A and 3 Dash-28As.

Flights continue in 1995. On behalf of Fiesta West, a route is stretched from Vancouver to Kauai. On September 16, Flight 5516, a B-757-28A en route from Denmark to Toronto, comes within 3-mi. horizontal and 2,000-ft. vertical of **American Airlines** Flight 53, a B-767-323ER en route from Scotland to Chicago; the loss of required separation is blamed on an ATC trainee at Gander, Newfoundland.

On January 10, 1996, Sunquest Vacations, Ltd. signs a deal giving Sunquest access to Canada 3000 flights, including destinations throughout Canada, as well as Florida, California, and the U.K. Canada 3000 will provide lift for Sunquest tours. Chartered from ILFC for seven years, an A320-212 enters service in March.

A record is established on October 23 when an entire female crew—Capt. Nicole Sauve, First Officer Linda Galipeau, and seven flight attendants—operates the service between Toronto and Manchester.

The workforce stands at 1,406 in 1997 and the carrier operates a leased fleet of 4 A320-212s, 2 B-757-23As, 3 B-757-28As, and 1 each B-757-23AER and B-757-28AER.

Destinations visited include Acapulco, Amsterdam, Antigua, Barbados, Belfast, Birmingham, Cancun, Costa Rica, Dublin, Dusseldorf, Edinburgh, Ft. Lauderdale, Glasgow, Honolulu, Manchester, Nice, Nassau, Las Vegas, London, Paris, Shannon, and numerous Caribbean markets.

During the year, flights begin to Australia; Canada 3000 is the first Canadian charter carrier to offer direct service down under. The carrier also begins a yearlong experiment to see if changing its tail titles from “Canada 3000” to “C-3” will have any marketing advantage.

When major contractor Signature Vacations announces in November that it will transfer to another airline a year hence, the company begins to sign up new charter operators or increase its relationship with older clients, including Sunflight and Sunquest.

When the summer schedule is unveiled on March 1, 1998, Newcastle, Belfast, and Stuttgart have been added to the European network, while Moncton, New Brunswick, is placed on the domestic map.

An A330-202 arrives under charter from ILFC on April 29; a second is delivered at the end of May. The carrier is the first in North America to operate this advanced type. The first A330-202 revenue flight occurs on May 10, from Vancouver to Amsterdam via Calgary.

Also in May, the company opens the first office of its new wholesale tour operation, Canada 3000 Holidays, in Vancouver. Finding no advantage in the “C-3” tail titles, the concept is dropped.

Departures and arrivals at Toronto are transferred from Terminal 1 to Terminal 3 on December 15.

Enplanements for the year total 2.5 million, while revenues of C\$270 million are earned.

Airline employment at the beginning of 1999 stands at 1,890.

The company now aligns with the North American Leisure Group.

Two more A330-202s join the fleet during spring and summer.

The company’s domestic services continue to expand, reaching 12 points and yielding 750,00 passengers during the 12 months. On the year, customer bookings reach 2.7 million.

Airline employment stands at 2,100 at the beginning of 2000, an 11.1% increase. To insure competition for the new Air Canada-Canadian Airlines combine, the government on February 17 grants Canada 3000 immediate rights to offer scheduled flights to France, Germany, and the U.K. Authorization of the carrier’s request to serve Japan, India, and the Philippines is delayed.

Weekly A330-202 roundtrips commence on May 2 from Toronto to Brisbane via Vancouver, Honolulu, and Sydney. The next day, A330-202 service is initiated to Berlin from Calgary and Vancouver. On May 14, orders are placed for 4 (later increased to 5) A319-100s with which to expand domestic service.

An initial public offering (IPO) of three million shares is completed on July 13, raising gross proceeds of C\$30 million. Trading of the carrier's common shares begins on the Toronto Stock Exchange.

During the summer, new service is started from Toronto to Abbotsford, from Vancouver and Calgary to Moncton, from Toronto to New Orleans, and from Vancouver and Calgary to Berlin. Just in time for the XXVII Olympiad in Australia, new flights are introduced in September from Toronto to Brisbane via Vancouver.

In mid-October the carrier places an order for 6 A319-100s for use on domestic routes beginning in late 2001; it also receives authority for service from Vancouver to New Delhi via Toronto and London (LGW).

Weekly A320-211 roundtrips commence on November 1 from Toronto to Abbotsford, British Columbia.

CANADIAN AIR-CRANE, LTD.: 7293 Wilson Ave., Delta, British Columbia V4K 4E2, Canada; Phone (604) 940-1715; Fax (604) 904-1735; <http://www.air-crane.com>; Year Founded 1991. Canadian Air-Crane is established at Delta in 1991 to engage in such heavy-lift operations as construction, forestry work (including helilogging), and fire fighting. Within six years, Operations Manager/Chief Pilot Paul Mavrinac operates a fleet that includes 3 huge Sikorsky S-64 Sky Cranes leased from **Erickson Air Crane** and 1 Bell 206B JetRanger.

At the 1997 FireExpo held at Abbotsford, British Columbia, during the summer, a pair of S-64s steal the show, wowing crowds with demonstrations of their 3,000-gallon belly-dump systems. Commercial flights also continue during the year and over the next three.

CANADIAN AIRLINES, LTD.: #2800-700 2nd Street, SW, Calgary, Alberta T2P 2W2, Canada; Phone (403) 294-2000; Fax (403) 294-2066; <http://www.cdnair.ca>; Code CP; Year Founded 1999. Canadian Airlines International, Ltd. is given a new name on January 13, 1999, as well as a new look and a "Proud Wings" logo featuring a stylized bright blue Canada goose.

The first aircraft painted in the new livery is a B-747-475, which arrives at Calgary from Beijing just in time for a celebratory news conference.

In addition to aircraft, the new look will appear on over 1,900 customer promotions, from cargo trucks to ticket jackets and frequent flyer cards. Canadian also has a new uniform collection designed by Canadian Brian Bailey to complement the new look is to be shown for the first time on January 14.

A severe winter storm hits Toronto on the evening of January 14, forcing the airline, together with **Canadian Regional Airlines, Ltd.**, to cancel over 30 departures, to say nothing of the Bailey uniform show. Additional manpower is laid on at Montreal, Calgary, and Vancouver to accommodate customer inquiries. Blizzard conditions continue at Toronto the next day forcing the two carriers to cancel all of their departures. The situation returns to normal by January 17.

The delayed showing of the carrier's new uniforms is rescheduled and held on the evening of January 19 at the opening of the airline's new domestic departure lounge at Toronto. Over 100 separate pieces have been designed by the Alberta-born Bailey for the carrier's 12,000 uniformed employees, including flight attendants, pilots, concierges, cargo handlers, baggage handlers, reservations and check-in personnel, and others.

The "OneWorld" global alliance is formally implemented on February 1 with **American Airlines British Airways, Ltd. (2), Cathay Pacific Airways (Pty.), Ltd., and Qantas Airways (Pty.), Ltd.**

On the evening of February 8 in Vancouver, Canadian illuminates one of the largest signs in Canada with the help of three generations of the company family, headed by retired Capt. Robert Randall Jr., 90. His Canadian Airlines aviation family includes three sons and two grandsons

who are all current or retired pilots. The new 4.5-ton sign displays the new "Proud Wings" logo using over 4 miles of neon. It is made of aluminum and measures 56-ft. high by 105-ft. wide, and features the word "Canadian," which has been created in canvas and measures 117-ft. The sign is visible in the night sky from two miles away.

On February 16, it is announced that Canadian will place its code on **Alitalia, S.p.A.'s** nonstop roundtrips between Milan and Toronto five times a week beginning on June 1.

On March 11, the Allied Pilots Association respond to Canadian's request to Canada's Department of Transport to consider relaxing the restriction that limits foreign ownership to 25%. The statement notes the union's opposition to any increased ownership of the Canadian carrier by AMR Corporation, parent of **American Airlines**. The AA pilots had not been in favor of the original investment.

In conjunction with its "OneWorld" code-share partner **British Airways, Ltd. (2)**, the airline, on March 28, begins daily dual-designator return flights from Toronto to Moscow via London (LHR).

When the code-sharing agreement with **Alaska Airlines** and **Horizon Air** takes effect on April 1, the three companies begin to participate in each other's frequent flyer programs and begin code-sharing on routes between Vancouver, Seattle, and numerous cities across the western U.S. and Canada.

Daily nonstop B-737-275A roundtrips commence on April 4 between Edmonton and Chicago (ORD) and is the only nonstop service between the two cities.

The same day, the carrier's code-sharing agreement with **Japan Air Lines Company, Ltd. (2)** is expanded from two to four daily flights between Vancouver and Tokyo (NRT). This new service brings the number of nonstops offered by the two airlines from Vancouver to Tokyo and Nagoya to 42 each week.

In conjunction with code-sharing partner **Canadian North**, thrice-weekly B-737-275C roundtrips begin on April 6 linking Ottawa with Iqaluit in the Northwest Territories. Plans are announced to double the schedule in October.

On April 23, the company closes the sale and lease-back of 2 DC-10-30s to San Francisco-based Pegasus Aviation. The Douglas wide-bodies are being replaced by a pair of leased B-767-300ERS due to arrive in midyear. Two more B-767-300ERs will be received during the fourth quarter to replace another pair of DC-10-30s, which, again under a sale lease-back deal, will depart the fleet in early 2000.

The company adds three Asian languages to its already bilingual World Wide Web site on April 30, becoming the first airline in Canada to offer multilingual online services for all of its customers.

Despite this technological achievement, the company continues to struggle financially. On May 3, its stock is down from C\$5 per share a year ago to just C\$1.75. The next day, the airline reports that its quarterly revenues are up 4.4% to C\$704 million from C\$674 a year earlier. The boost is due to strong traffic between Canada and the U.S. as well as improvements in Asian business.

The good news quickly turns gloomy as operating costs of C\$806 million are shown. Thus there is a first quarter operating loss of C\$102 million, compared to C\$62 million a year earlier. The net loss of C\$108 million (\$74.1 million), while less than expected, follows a C\$150-million fourth quarter loss.

Even as the airline seeks a capital infusion, the amount of its cash on hand at the end of the three months (a large concern to analysts) is C\$101 million, compared with C\$55 million at the end of March 1998.

Meeting with other "OneWorld" CEOs at Vancouver on May 14, Chairman Kevin Benson indicates to reporters that his carrier is making progress on required operational restructuring. Canada's second-largest airline is focusing on its troubled short-haul business and hopes to have a plan to stem losses in hand within a few months, one which can be presented to equity markets by late fall.

Canadian and **American Airlines** become, on June 17, the first airlines to implement technology allowing two carriers to issue electronic interline tickets on each other.

CEO Benson informs the company's annual meeting at Calgary on June 29 that their carrier has been in discussions, requested by the government, with **Air Canada, Ltd.** concerning the possibility of dividing the two carrier's weak domestic routes rather than competing over them. Although no agreements are reached, discussions are scheduled to resume in October.

Following a C\$17.8-million second quarter loss (C\$124 million for the first half), Canadian, in July, announces plans to cut passenger capacity by 7%, using aircraft smaller than DC-10s in a number of markets. Although voices are raised for government assistance, ministers in Ottawa make it known that none will be forthcoming.

Still, there are other possibilities to keep the airline aloft. At a news conference on August 13, Transport Minister David Collette and Industry Minister John Manley announce an Order-in-Council, pursuant to Section 47 of the Canada Transportation Act. The edict will relax competition rules for 90 days in order to allow Canadian and Air Canada to discuss a possible corporate restructuring plan. Press speculation of the outcome of such a plan range from domestic route sharing to a takeover of Canadian international routes by Air Canada, to a full-blown merger with the Montreal-based major.

On August 23, **Air Canada, Ltd.** offers to purchase Canadian's profitable international routes, along with certain associated assets and liabilities, and to offer Canadian passengers code-sharing opportunities on its international routes. The arrangement guarantees transfer of Canadian personnel associated with international operations, liquidity, and continued maintenance of company headquarters at Calgary. Competition on domestic routes would be maintained. The exact monetary terms are kept confidential. Canadian rejects the bid within hours of its receipt, fearing that its acceptance would reduce it to a domestic-only airline.

The stakes are raised once again on August 24. After some days of speculation in the Canadian press, Gerald Schwartz, CEO of Toronto-based Onex Corporation, a buyout specialist that also operates Lantic Sugar, Ltd. and the airline catering company Sky Chefs, comes forward at Montreal with an ambitious plan to purchase and merge both airlines. Indeed, an accommodation is quickly gained and approved by Canadian Airlines under which Onex would purchase it.

Under the Onex scheme, valued at C\$5.7 billion (\$3.81 billion), a new concern, AirCo, would be created. Shareholders in Canadian Airlines are to be paid C\$2 cash or 0.2424 common share of AirCo for each of their common stock. Shareholders in **Air Canada, Ltd.**, when given the chance, will be offered C\$8.25 cash or one AirCo share for each of their common stocks. Retaining the name Air Canada, the enlarged Canadian operator would retain headquarters in Montreal.

For its part, Onex, according to Schwartz, will invest C\$1.2 billion in AirCo. Of this amount, the corporation will invest C\$475 million, including C\$225 million financed by a loan from AMR Corporation, parent of **American Airlines**, while AMR itself will put in C\$275 million in AirCo equity and convertible debt. In addition, both concerns will join together in investing a further C\$250 million in AirCo debts and warrants. When the paperwork is finished, Onex will own a 31% stake, AMR 14.9%, and public shareholders, 54% or the majority. Key to this venture will be a shift of the reformed Air Canada away from its membership in the "Star Alliance" and into the AA-dominated "OneWorld" international grouping. AA would also provide reservations and accounting systems for the single carrier. Efficiencies would be gained by the elimination of 5,000 jobs, as well as other cost-cutting measures such as route consolidations.

The offer is to be sent to both airlines by certified mail within two weeks and will expire on November 8. In 1995, Onex made a hostile takeover attempt on John Labatt, Ltd., which it eventually lost.

The Onex bid, viewed as "unsolicited" and "below-market" in value, is not welcome at **Air Canada, Ltd.**, and officially says so in a press release on August 27. Meanwhile, Air Canada President/CEO Robert Milton, in a message to employees also on August 24, indicates that other bids and counteroffers may be expected. Initial responses from shareholders and analysts are surprise and caution.

Figuratively speaking, the stadium is filled in anticipation when the contest, on August 25, begins to take on the trappings of the first international alliance dual. Speaking on behalf of the "Star Alliance," **Deutsche Lufthansa, A.G.** announces that the grouping will do everything reasonable to maintain the presence of Air Canada "in the team for the sake of our customers and fair competition."

At midday on August 26, the three airlines involved plus Onex agree on one point; they will exercise a vow of silence until their business is completed.

On August 31, the **Air Canada, Ltd.** board of directors adopts and announces shareholders' rights plan designed to give the carrier time, beyond November 8, to consider alternatives. Under the plan's "poison pill" provisions, should any bidder not approved by the company board attempt a takeover (by purchasing more than 10% of Air Canada's common stock), shareholders will receive one share of new stock for each one they already own, thereby diluting the bidder's airline stake. The directors also call for a special shareholders meeting on January 7 to consider proposals. The move is immediately protested by Onex and the company files suit in court to force a meeting on or before November 8.

Analysts immediately express concern that the **Air Canada, Ltd.** move will delay a buyout long enough for Canadian Airlines to go bankrupt, at which point there will be nothing left of Onex Corporation to merge. In this way, the present Air Canada will remain intact, and Canadian assets, particularly long-haul routes, will be available for purchase. Both national political parties, the ruling Liberal and the opposition Reform, now enter the picture, debating the merits of extending the 90-day waiver of competition rules.

The Canadian Transport Ministry indicates, on September 2, that it will not grant an extension of the 90-day limit. Simultaneously, the leadership of the International Association of Machinists and Aerospace Workers (IAM) indicates that its 18,500 members at the two major airlines and airline service companies will stage an illegal strike on September 27 unless Ottawa guarantees no jobs will be lost in an Onex deal.

A new code-share service begins with **Cathay Pacific Airways (Pty.) Ltd.** on October 31, with Canadian placing its code on Cathay services from Hong Kong to Vancouver and to Toronto.

On November 6 a Quebec court rules on a case filed by **Air Canada, Ltd.** that the hostile takeover bid by Onex Corporation, which is supported by Canadian Airlines and **American Airlines**, violates the 10% individual limit rule on Air Canada share ownership. The stipulation had originally been written into Air Canada's 1988 privatization document to guarantee diverse ownership. Onex Chairman Schwartz, having been proven wrong in his assumption that the government would quickly change the provision, is forced to end his acquisition attempt.

Air Canada, Ltd. now makes a C\$92 million offer to take over Canadian, but this move is resisted by Canadian CEO Benson, who is receiving credits from **American Airlines**, which really does not want to lose its "OneWorld" partner. Analysts, including Transport Minister Collette, now predict that Canadian will soon be acquired by its rival and planning for Canada's post-merger skies begins.

The company's long effort to avoid failure ends on December 4 when its board votes to accept Air Canada's C\$92 million (\$63 million) buyout. On December 23, Canadian stockholders agree to sell their outstanding shares; the same day, an agreement is facilitated with **American Airlines** under which the Dallas (DFW)-based major will sell its Canadian shares to AC for \$59 million.

Customer boardings during these tumultuous 12 months fall 6.5% to 7,799,000, although cargo traffic rises 5% to 714.1 million FTKs. Revenues are up 2.9% to C\$3.26 billion as are expenses, which rise 6.6% to C\$2.34 billion. The operating loss quadruples to C\$97.67 million while the net loss nearly doubles, reaching C\$222.3 million.

The workforce stands at 16,807 at the beginning of 2000, a 5% increase. Acquisition of the **American Airlines** and Canadian Airlines shares by **Air Canada, Ltd.** occurs on January 4. The company in January begins intense negotiations with its creditors in an effort to

restructure its C\$3.5-billion debt; responses are positive. The federal Competition Bureau simultaneously orders the sale of the **Canadian Regional Airlines, Ltd.** subsidiary but grants permission for its integration into the Air Canada commuter network if it is not sold by August 30.

Service from Toronto to Boston is suspended on February 6, although the Vancouver to Boston route is maintained.

In a joint ceremony at Toronto on February 9, 60 AC and CAI employees roll out the first Canadian jetliner to be painted in modified AC colors. Reliveried, the B-767-375ER wears Canadian titles, with the famous goose logo shown in smaller format behind the titles.

Seconded over from **Air Canada, Ltd.**, its executive vice president, Paul Brotto, succeeds Kevin Benson as chief operating officer on February 29; Benson remains a Canadian board member.

On March 14, **American Airlines** confirms that it has received word that Canadian Airlines will depart the "OneWorld" alliance on June 1. Air Canada is a member of the rival "Star Alliance."

Also in March, ALPA-represented pilots reach agreement with Air Canada on a new five-year contract with major pay increases. Late in the month, Canadian seeks and receives bankruptcy protection from its U.S. and Canadian creditors as it seeks to restructure C\$3.5 billion (\$2.4 billion) in debt.

Despite the carrier's administrative position, it is still permitted to launch new services. On April 3, daily B-737-200 nonstop roundtrips are started from Edmonton to Los Angeles and Montreal; both routes are code-shared with **Air Canada, Ltd.**

By April 15, Canadian has reached agreement with 90% of its aircraft creditors concerning the restructuring of its debt towards aircraft leases. The company's reorganization plan receives internal approval on April 21 and is forwarded to an Alberta court for approval on April 24.

A first quarter loss of C\$255.9 (\$173.1 million) is reported on May 5, a figure worse than that provided for the same period a year earlier.

AC and Canadian announce on May 19 that the two will end their code-sharing arrangements with **American Airlines** on or before October 1. Canadian and American had been partners for a decade.

Employing the B-767-375ER unveiled February 9 in revised colors, the company on July 2 resumes a daily service from Toronto to Sydney via Vancouver and Honolulu.

Financial restructuring of Canadian is completed on July 4, on which date CEO Milton announces the reorganization of Air Canada into five main divisions. In anticipation of the year end completion of the two airlines' integration, the pair jointly indicate next day that the Canadian Plus loyalty program will be merged into Air Canada's Aeroplan on January 1.

Canadian, on July 7 becomes an indirect, but wholly owned Air Canada, Ltd. subsidiary. At this point, **Air Canada, Ltd.** is permitted to actually place Canadian's regional subsidiary up for sale.

During the summer, the three **Air Canada, Ltd.** regionals, **Air BC, Ltd.**, **Air Nova**, and **Air Ontario** take a major step towards their consolidation into a single unit when a head office for a joint carrier is established in Halifax and a western hub at Calgary. Having failed to find a buyer, AC is permitted to take over **Canadian Regional Airlines, Ltd.** on August 30 and add that feeder into its regional airline consolidation process. When the integration process is completed at year's end, it is anticipated that the (as yet) unnamed airline will be one of the largest regional airlines in the world, with over 5,000 employees and some 135 aircraft, mostly Dash-8 turboprops.

An important foreign blessing of the majors' merger is received on August 31 when the British Competition Commission, ruling in response to complaints from other airlines, approves the takeover and agrees to allow **Air Canada, Ltd.** to retain all of its important London (LHR) landing slots.

Technical problems prevent Canadian's conversion to the **Air Canada, Ltd.** reservations system as scheduled on October 1; the use of two different reservation systems continues to cause problems for passengers. Meanwhile, operational and service problems caused by the

merger process cause additional frustrations for passengers, who complain in record numbers.

Flight CP096 to London (LHR) on October 8 is the last Canadian international service to be flown from Calgary.

Plagued with a barrage of service complaints, **Air Canada, Ltd.** officials now move to speed up integration of the operations of both carriers. By October 15, just fewer than 200 employees remain at Canadian's Calgary headquarters and it is anticipated that the flying goose corporate symbol will disappear from the aviation landscape in 2001.

When the winter schedule, coordinated with **Air Canada, Ltd.**, begins on October 30, the two add new B-737-375ER roundtrips from Vancouver to New York (JFK); nine additional domestic nonstop services begin the next day.

New B-737-375ER flights, coordinated with **Air Canada, Ltd.**, commence on December 10 from Calgary to Honolulu.

CANADIAN AIRLINES INTERNATIONAL, LTD.: Canada (1986–1999). A merger of **Canadian Pacific Air Lines, Ltd.** and **Pacific Western Airlines, Ltd.** is announced on December 2, 1986. Calgary-based Pacific Western Airlines Corporation, parent of the latter, has paid C\$300 million to effect the merger, which also includes various amounts of shareholding in the subsidiaries **Nordair, Ltd.**, **Quebecair, Ltd.**, **Eastern Provincial Airways, Ltd.**, **Time Air, Ltd.**, and **Transair, Ltd.** In addition, shareholding in **AirBC, Ltd.** is sold to **Air Canada, Ltd.** Rhys T. Eyton, former Pacific Western chief, is appointed chairman/CEO, with Murray Sigler as president/chief operating officer.

The new carrier's official name is adopted on March 26, 1987, with a start-up date of April 26. The initial fleet comprises 70 Boeing 737-200s and 9 Douglas DC-10-30s, plus 3 leased (later purchased) from **United Airlines**.

An order is placed for 6 (later 8) B-767-375ERs and 1 B-737-2E1 is sold. It will take two years to complete the changeover to the carrier's new livery. Meanwhile, the workforce of the combined enterprise increases by 53.9% to 13,454.

During the year, chairman Eyton's carrier establishes a nationwide commuter network, Canadian Partner. Members include **Time Air, Ltd.**, **Norcanair, Ltd.** prior to its takeover by **Time Air, Ltd.**, **Calm Air, Ltd.**, and **Air Saint-Pierre, Ltd.** In Quebec, **Nordair Metro, Ltd.** and **Quebecair, Ltd.** are merged to create **Inter-Canadian, Ltd.**, while a new Ontario partner is established in **Ontario Express, Ltd.**

Many of the routes and services of the merger partners are continued, including Canadian Pacific's international flights to South America, the Pacific, Asia, Italy, Portugal, Holland, and the U.S. markets of San Francisco, Los Angeles, Pittsburgh, and Ft. Lauderdale (the last two gateways having belonged to **Nordair, Ltd.**).

In October, the new entrant trades certain routes with **Air Canada, Ltd.**, giving the Montreal-based airline rights to Korea and Portugal in exchange for the German cities of Munich and Frankfurt. CAI is also now designated the nation's link to Scandinavia and the U.S.S.R. In all, some 90 destinations are served in 13 countries.

During late fall, the previous Attache Class and Empress Class services are replaced by a new Canadian Business Class. First-class service aboard the carrier's B-737-200s is dropped; however, a temporary ban on smoking aboard that aircraft type becomes permanent.

Passenger boardings for the new megacARRIER increase by 2.1% over the previous year's individual totals to 9,538,623. Freight rises 21.7% to 303.7 million FTKs. Revenues increase by 20.2% to C\$1.4 billion and expenses are low enough to allow an operating profit of C\$96.3 million. Merger costs, on the other hand, force the net profit down to C\$13.8 million.

The employee population is increased by 2.6% in 1987 to 13,800. In February, two former **Nordair, Ltd.** Fairchild FH-227s are sold to **Malmo Aviation, A.S.** The second of two Hawker Siddeley HS 748s sold to **Calm Air, Ltd.** is delivered in March while the first B-767-375ER is delivered in April and is placed into service on the carrier's trans-Canada routes in May. Later in the same month and with an inter-

line agreement from **Aerolineas Argentina, S.A.**, the carrier inaugurates a weekly route from Toronto to Rio de Janeiro.

In July, orders are placed for 4 B-747-475s and 10 Airbus Industrie A320-211s. In the fall, thrice-weekly DC-10-30 service is inaugurated from Vancouver to Bangkok via Hong Kong. Thirteen B-737-200s are sold to Polaris Aircraft Leasing during the year and leased back. Two B-737-200s are leased to other carriers, one to **Britannia Airways, Ltd.** and one to **Transavia Holland, A.S.** A second Rio frequency is introduced in December.

For three months beginning on January 6, 1988, passengers traveling first- or business-class from Vancouver to Bangkok receive hotel accommodation through a Bangkok Executive Stay program.

En route from Amsterdam to Vancouver with 263 aboard on January 12, a DC-10-30 makes an emergency landing in Edmonton after a note is found warning of a bomb in a washroom; no bomb is found. Also in January, thrice-weekly DC-10-30 service is started to Bangkok.

In March, a feeder agreement is signed with Chicago-based **Midway Airlines (I)**. In April, 3 B-737-3Y0s are leased to **Monarch Airlines, Ltd.** while 1 B-737-2K9A is chartered to **Air Atlantis**. Nonstop service is introduced in May from Toronto to Buenos Aires, Santiago, and Lima.

In September, twice-weekly roundtrip, nonstop service is initiated between Toronto and Mexico City. Nonstop service is initiated on October 1 between Vancouver and Shanghai, with continuing service to Beijing. Late in the year, a new Northern Division is established and provided a fleet of B-737-200s with which to operate northern airlifts.

Customer bookings accelerate 6.4% to 9,848,533 and cargo rises by 23% to 432.7 million FTKs. Revenues swell by 16.3% to C\$1.8 billion. Expenses grow more quickly, however, and cut the operating profit to C\$64.6 million. Net gain moves ahead slightly to C\$25.2 million.

The workforce grows in 1989 by 20.7%, to 16,877 and the fleet now includes 55 B-737-375ERs, 8 B-767-275ERs, 1 B-747-1D1, 1 B-747-133, 12 A310-304s, and 10 DC-10-30s. Orders are placed or outstanding for 3 B-747-475s, 4 B-767-375ERs, and 18 A320-211s.

A takeover offer is made to Wardair, Inc., parent of **Wardair Canada, Ltd.**, in January. In February, the company introduces Super Skysaver fares with a "best price guarantee" against ticket price increases. Weekly roundtrip and nonstop B-767-375ER flights begin in late April from Montreal's Mirabel Airport to Munich. Also during the month, thrice-daily nonstop B-737-3Y0 flights are inaugurated from Toronto to Chicago (MDW). The services are timed to connect with **Midway Airlines** and Midway Connector flights under a new joint marketing program with the U.S. carrier. On April 25, 100% interest is taken in Ward-air, Inc. for C\$250,800,000, of which C\$146.2 million is paid in cash.

Beginning on May 4, weekly nonstop roundtrips commence from Toronto to Tokyo and from Vancouver to Nagoya.

A strategic alliance is entered into with **Deutsche Lufthansa, A.G.** during the first week of May. In addition to joint marketing and promotions, ground handling, and frequent flyer program linkage, the two will code-share on an increasing number of flights between Canada and Germany.

On June 25, weekly nonstop flights are initiated from Edmonton to Tokyo, with flights originating and ending in Calgary. Also in June, weekly roundtrips are launched from Toronto to Copenhagen via Amsterdam.

With a few issues outstanding, integration of **Wardair Canada, Ltd.** is completed on July 1, while, later in the month, weekly Edmonton-Tokyo flights commence. Other new nonstop frequencies begun during the year include Toronto to Tokyo, Vancouver to Nagoya, and Toronto to Chicago (MDW). Marketing agreements are signed with **Aeroflot Soviet Airlines** and **SAS (Scandinavian Airlines System)**. The latter pact, made in December, calls for the joint operation of flights from Toronto to Copenhagen.

The joint-venture alliance with **Deutsche Lufthansa, A.G.** begins on December 20 with weekly nonstop roundtrips between Toronto and Frankfurt.

In addition, the company's 32% investment in Intair (formerly Inter-Canadian) is sold for C\$15.5 million.

Passenger boardings dip 1.9% to 9,450,000 and freight climbs 4.1% to 215.2 million FTKs. Revenues increase 16% to C\$2.23 billion. Expenses, however, climb 20.5% and guarantee an operating loss of C\$8.7 million. The net loss—the first in 19 years for PWA Corporation—is C\$48.6 million.

The workforce inches up by 0.7% in 1990 to 17,000 and the fleet now includes 89 aircraft. The latter figure makes the airline the 23rd largest in the world. The Wardair, Inc. merger is finally finished on January 1.

Dropped for the winter season, Edmonton and Calgary to Tokyo service resumes on April 29 while flights on the Vancouver to Nagoya route are increased to thrice weekly on the same day.

In accordance with the terms of the previous December's marketing agreement with **SAS (Scandinavian Airlines System)**, CAI and SAS inaugurate joint, thrice-weekly nonstops in May between Toronto and Copenhagen. Canada's first B-747-400, a Dash 475, is placed into service and inaugurates services to Taipei. Following up on the success of the previous year's joint arrangements, new marketing agreements are entered into with **Air France** and **China Airlines, Ltd. (CAL)**. In September, the company elects to divest itself of its 50% ownership in GPA Jetrop, Ltd. of Shannon, Ireland.

Daily B-747-475 service is launched in October from Vancouver to London and from Toronto to Paris. In November, a twice-weekly nonstop Ottawa to London schedule is introduced while a fifth flight is added from Toronto to Paris and nonstop B-747-475 frequencies are initiated from Toronto to Mexico City.

Services are aligned with **Air New Zealand, Ltd.**, beginning on December 2, the two airlines offer joint flights, with joint seat capacity and marketing promotional activities, including the Canadian Plus frequent flyer program. Enhanced flight schedules are also inaugurated between the two nations, employing the second Dash-475 Jumbojet delivered in mid-month; 10 services per week are operated from Canada to Fiji and New Zealand. Minority interest (46%) is taken in **Time Air, Ltd.**

Customer bookings leap up by 10.8% to 9,450,056 while cargo moves ahead by 23% to 594.5 million FTKs. Revenues are up a slight 3.7% to C\$2.38 billion and the operating loss deepens to C\$10.1 million. The net loss "improves" to minus C\$12.7 million.

Company employment is cut by 7.3% in 1991 to 15,300. The last 54% interest in **Time Air, Ltd.** is acquired in January, in consideration of C\$11 per share. Also in January, twice-weekly DC-10-30 flights begin from Toronto to Mexico City. A supplemental marketing agreement is signed with **Deutsche Lufthansa, A.G.**; taking effect on April 12, the code-sharing project allows the German carrier to purchase and market seats on up to 19 weekly Canadian flights to Germany.

New Terminal 3 facilities are opened at Pearson International Airport at Toronto and the first of five A320-211s arrives at Vancouver on April 15. A code-sharing agreement is inked with **Qantas Airways (Pty.), Ltd.**, providing for joint service on routes from Sydney to Honolulu with Australian aircraft and from Honolulu to Melbourne, Vancouver, and Toronto on board CAI jetliners.

A second B-747-475 enters service, on routes to the South Pacific, while the first A320-211 is placed on domestic flights, beginning in May. The holding company **Canadian Regional Airlines, Ltd.** is established to control the carrier's Canadian Partner affiliates. In October, an alliance is sealed with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** instituting code-sharing flights from Canada to Brazil, Argentina, and Chile and, in November, a marketing agreement is signed with the **China Airlines, Ltd. (CAL)** subsidiary **Mandarin Airlines, Ltd.** covering joint services from Vancouver to Formosa.

Six-times-per-week B-757-475 frequencies are opened from Vancouver to Honolulu in late December. As with most of the larger airlines in Canada, CAI is visited by recession in the wake of the first quarter's Gulf War.

Passenger boardings slide 15% to 8,034,000 and freight declines 4.4% to 565 million FTKs. Revenues increase 4.5% to C\$2.44 billion,

but spiraling costs guarantee a hike in operating loss to C\$89.7 million. Net loss zooms to C\$129.4 million.

The payroll declines a slight 0.5% in 1992 to 15,547. Three A310-304s are sold to the Canadian armed forces for \$C50 million. Early in the year, PWA Corporation, the airline's parent, enters into cooperative discussions with **American Airlines**. **Air Canada, Ltd.**, which would like to purchase its competitor's international routes, protests the talks even as its Canadian rival continues its attempts to resign from its Gemini computerized reservations system commitment.

In August, the employees of PWA Corporation form the Council of Canadian Airlines Employees (CCAEE) to provide their company with a capital infusion via payroll deductions and to help keep it independent. Discussions are dropped with the Americans and taken up with **Air Canada, Ltd.** and, in September, it is reported that the former Trans-Canada has purchased PWA Corporation.

Under terms of the "premerger" deal announced in October, which remains subject to shareholder, government, and regulatory approval, a new holding company will be created. Shareholders of each airline will receive one share of common stock in it for each share of common owned in the two earlier firms, with Air Canada shareholders owning 60% interest and PWA 40%. A joint management board will employ an equal number of directors from each airline and it is hoped that merger-related layoffs can be kept below 6,000.

Concerned over the size of the debt load it might be taking on as it also negotiates a takeover of **Continental Airlines**, the board of **Air Canada, Ltd.** announces, on November 3, that it has rejected management's effort to take over CAI's parent, PWA Corporation. Although somewhat surprised, leadership of the latter wastes no time in reopening merger discussions with **American Airlines**, which quickly stall as the American major awaits the outcome of the U.S. government's hearings on a merger between **USAir** and **British Airways, Ltd.** (2).

Also on November 24, the national transport minister, Jean Corbeil, offers PWA Corporation a C\$50-million loan guarantee, sufficient to cover operations for 80 days. Five days later, PWA Corporation is forced to temporarily cease payments to lenders as part of its restructuring.

In an effort aimed at keeping itself aloft, CAI announces in December that it has reached agreement with union leaders for huge salary cuts. It also cancels delivery of 3 A320-211s while returning a fourth to its lessor, and accepts a C\$50-million (\$39-million) loan from the Canadian government offered the previous month.

On December 18, the provincial governments of Alberta and British Columbia provide loans of C\$50 million and C\$20 million, respectively, on the same terms as that of the Ottawa government. A tentative deal, subject to approval by the U.S. and Canadian governments and dependent upon PWA Corporation's successful financial restructuring, is announced on December 29. Under its terms, **American Airlines'** parent, AMR Corporation, will purchase \$195 million in convertible preferred stock, a 33.3% equity investment, in exchange for 25% control, two AMR members on the airline's eight-person board, and a service contract worth \$2 billion over a 20-year period.

At year's end, a C\$1 billion suit is filed against **Air Canada, Ltd.**, charging that it is trying to drive CAI out of business with predatory pricing.

Customer bookings inch up by 1.3% to 8,136,649 and cargo rises 5.7% to 597 million FTKs. Revenues decline 0.2% to C\$2.3 billion and expenses rise 0.8% to C\$2.38 billion. Although the operating loss is cut to C\$87 million, the net loss triples to C\$434.6 million.

In 1993, Chairman/CEO Eyton and President Kevin J. Jenkins oversee a workforce of 15,200, down 2.2% from the previous year. Still, starting early in the year and continuing for four years, employee members of the CCAEE contribute a cumulative total of C\$210 million.

Beginning in early January, travelers paying full-fare for economy class seats are allowed to fly business class on a space available basis. Another promotion allows any first-, business-, or full-fare economy-class international passenger to make a domestic connecting flight to his

or her overseas gateway for only C\$1. On January 11, scheduled capacity is cut by 15%. Employees now vote overwhelmingly to invest C\$200 million in PWA over a four year period through 5-20% wage cuts.

The pilot twins, Captains Ted and Robert Randall Jr., both retire on March 31; both had begun their company service on April 15, 1952.

Also in March, **Time Air, Ltd.** and **Ontario Express, Ltd.** officially begin to merge under the single **Canadian Regional Airlines, Ltd.** banner.

The struggling line is dealt a serious blow on April 22 by the government's regulator, the Canadian Competition Tribunal (CCT). It refuses to allow CAI to walk away from its Gemini reservations partnership with **Air Canada, Ltd.** in order to join the SABRE system of **American Airlines**; the government body admits it lacks jurisdiction to permit the action. In May, the National Transportation Agency (NTA) of Transport Canada concludes that an AMR Corporation 25% buy would not be against the public interest as control of CAI would remain with PWA.

Two B-737Fs, the first pure freighters in the fleet, are placed into service in June on overnight cargo services within Canada. At the same time, the government, despite appeals by various interests, refuses to overturn the NTA decision. A Federal Court of Appeals decides in July that the Competition Tribunal does, indeed, have the necessary jurisdiction required to release CAI from its Gemini hosting agreement. At the same time, 70% of the carrier's creditors sign a debt restructuring agreement (DRA). Preferred and common shareholders vote overwhelmingly in August to support the DRA and corporate restructuring.

A marketing agreement is signed with **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** opening up increased frequencies from Toronto to São Paulo and allowing the carrier's customers to readily connect with VARIG flights in Brazil and Argentina. Other major overseas destinations visited now also include Auckland, Buenos Aires, Frankfurt, Hong Kong, Honolulu, London, Los Angeles, Manchester, Milan, Munich, Nadi, Paris, Rio de Janeiro, Rome, San Francisco, Santiago de Chile, Shanghai, Sydney, Taipei, and Tokyo. Transborder and domestic services are maintained to 125 communities.

In September, parent PWA Corporation rejects a takeover bid by rival **Air Canada, Ltd.**. If completed, the deal would have provided C\$200 million (\$150.9 million) in cash and the assumption of C\$800 million (\$603.6 million) in debt and lease obligations in exchange for all of CAI's international routes and 8 jetliners. A B-767-375ER is, however, sold for C\$15.5 million. The arrangement fails primarily because officials realize that the resulting domestic-confined CAI would not be financially viable in the long run.

The Canadian Supreme Court, in October, rules that **Air Canada, Ltd.**, Gemini, and Covia may not challenge the appeal court's July ruling. At this point, the remaining creditors sign the DRA. The major hurdle to an agreement with **American Airlines** is removed on November 24 when the Canadian Competition Tribunal orders the dissolution of the Gemini partnership with **Air Canada, Ltd.** within a year.

In December, PWA Corporation announces AMR's extension of its deadline to complete business until the following June. At the same time, PWA, CAI, and AMR settle out of court with Gemini; however, mediated talks with **Air Canada, Ltd.** to resolve the Gemini issue cannot be resolved and a second merger offer from the Montreal-based major is rejected. Gemini, Covia, and Air Canada appeal the CCT's November ruling to the Federal Appeals Court; however, the national government, as well as the provincial governments of Alberta and British Columbia, restore and extend PWA Corporation's loan guarantees.

Passenger boardings for the year decline 6.2% to 7,629,962 while freight jumps 7% to 656.3 million FTKs. Although revenues are up 3.4% to C\$2.25 billion, expenses climb 1.7% to C\$2.3 billion. The company's losses are down to C\$46.45 million (operating) and C\$207.32 million (net).

Interested in a possible relationship, **Air Canada, Ltd.**, on January 16, 1994, drops its opposition to CAI's pullout from the Gemini reservations system and discontinues its appeal of the CCT's November

ruling. It joins with AMR, Gemini, Covia, and PWA Corporation to negotiate an end of differences. A settlement between the Canadian firms is reached in February, the same month in which employees ratify amended terms of the company's employee investment program.

The equity-for-service arrangement is finally concluded with **American Airlines** on April 27, and is seen by the Canadian carrier as the final stage in a restructuring which enhances the balance sheet by more than C\$1 billion (C\$720 million). In return for the transfer of a total of C\$186 million (\$177 million) north of the border, the Dallas (DFW)-based megacARRIER receives 25% shareholding in CAI and a multibillion-dollar computer services contract worth \$115 million in year one.

AA will also provide CAI with a host of other services including data processing, communications, accounting, operations planning, pricing and yield management, passenger services, and U.S.-originated reservations. The two will also link their frequent flyer programs and AA receives two seats on the CAI board of directors, with one of the new members being AA's own strong-minded Chairman/CEO Robert L. Cranial.

CAI is able to reach agreement with **Air Canada, Ltd.** for dissolution of their partnership in the Gemini reservations system, reportedly by allowing its Montreal-based rival uncontested access to Osaka (KIX) in September. In other financial moves, the carrier is able to achieve C\$530 million in debt restructuring and C\$150 million in employee concessions. The national government and the provincial governments of Alberta and British Columbia provide C\$120 million in loan guarantees.

Meanwhile, as financial restructuring continues, Chairman/CEO Eytton retires and is succeeded by President Jenkins, who assumes leadership of both the PWA holding company and its airline subsidiary.

On May 4, twice-weekly scheduled service, suspended after the Tiananmen Square massacre, is resumed to Beijing. Additional service to Asia is also offered, including an increase in the number of flights from Toronto to Hong Kong (from 7 to 10 flights per week); from Toronto to Tokyo (from 4 to 5), and from Vancouver to Hong Kong (from 6 to 8).

Operations continue apace during the remainder of the year and, for the winter tourist season, include charter flights to Orlando, Ft. Lauderdale, St. Petersburg, Phoenix, Palm Springs, and Las Vegas. On October 30, nonstop flights commence between Toronto and Mexico City.

After a brief shutdown of certain commuter services following the November ban on ATR operations by the U.S. FAA, the airline manages to maintain its schedule by redeploying several DHC Dash-8 aircraft from its western carriers; these join leased Dash-7, Dash-8 and Convair aircraft. The company's two wholly owned eastern subsidiaries, **Canadian Regional Airlines, Ltd.** and **Inter-Canadian Airlines, Ltd.** work to maintain 60% to 70% of their schedule on a week-by-week contingency basis. The two carriers operate Canada's only ATR aircraft with eight and seven ATR42s, respectively. They are forced to ground a combined 15 aircraft when the ban was enforced at an estimated total cost of \$220,000 per day.

In December, Transport Canada rules that **Air Canada, Ltd.** will not be allowed to serve Hong Kong as a "second carrier."

Customer bookings inch up 1.5% to 7,744,746 while cargo advances by 6.6% to 699.84 million FTKs. Revenues jump 7.2% to C\$2.09 billion while expenses rise only 2.2% to C\$2.04 billion. There is a C\$50.33-million pretax gain, later adjusted upward to C\$40.15 million. The net loss is cut to C\$26.83 million upon initial reading, but later becomes an actual minus C\$39.2 million.

The workforce stands at 15,200 in 1995. On January 4 the Russian and Chinese air ministries authorize a new route from North America via Siberia to China. The ATR ban is lifted during the month.

Under terms of a new bilateral "open skies" agreement signed between Ottawa and Washington in February, **Air Canada, Ltd.** and CAI on March 10, are allocated by Transport Canada a total of 24 new landing slots at New York (LGA) and Chicago (ORD). Indeed, a total of 32 new routes into the U.S. will be started.

To help direct this incursion south of the border, **American Airlines** executive Barbara Amster is appointed CAI vice president of management and sales; she will be joined by two other former AA officials.

The same day as the U.S. decision is announced, the government agency also reverses its December "second carrier" decision and establishes new criteria for such airline designations on international routes. **Air Canada, Ltd.** now becomes eligible to start Hong Kong flights even as CAI receives authority for such other Asian destinations as Malaya, Vietnam, and the Philippines plus Germany.

In order to develop a market at Seattle, the company, beginning on March 15, offers Vancouver-London tickets to U.S. citizens only in the Washington State city for C\$535 (US\$379); the same tickets are sold in Vancouver for C\$768.

Twice-daily nonstops commence on April 1 between Montreal and Toronto and Mexico City; the new frequencies represent a three-fold increase in weekly services over the previous year.

A company DC-10-30 makes a proving flight on April 21 from Vancouver to Beijing, flying via Anchorage, Magadan, Khabarovsk, and Haiqag, and returns two days later. Problems with the Canadian Holidays, Ltd. reservations system are resolved during the second quarter.

Thrice-weekly B-747-475 return service begins at month's end over the new Vancouver to Beijing route; passengers are saved 2½ hr. from the previous service flown by way of Tokyo (NRT).

When the "open skies" pact with the U.S. takes effect, CAI launches new cross-border frequencies in June. The previous charter services to the Southwest are converted into six new scheduled routes. On June 3, daily nonstop roundtrip flights begin between Toronto and Ft. Lauderdale and Hollywood, Florida.

Additional cross-border frequencies started on June 19 include a daily nonstop return service from Vancouver to Chicago, two daily nonstop roundtrips between Toronto and Chicago, and five daily nonstop return flights between Toronto and New York.

A fourth B-747-475 arrives and begins return frequencies from Vancouver to Taipei and Vancouver to Nagoya; the summer schedule also features the initiation of a new Mexican market at Monterrey, served from Montreal and Toronto. Additional services are also laid on to Tokyo, Paris, Frankfurt, Honolulu, Mexico City, and Shanghai.

Additionally, Canadian Shuttle service is initiated to further business markets while business-class service itself is upgraded. New and competitive Value fares are introduced in an effort to counter the deep discounts offered by other carriers. Having obtained C\$27 million in concessions from its unions with which to launch its "summer initiative," CAI managers and representatives of five of the airline's six unions continue to discuss issues even after a June 30 company deadline for agreement passes.

In association with **American Airlines**, dual-designator flights are undertaken as of July 3 on new CAI routes from Toronto to New York and from Toronto and Montreal to Chicago, Miami, and Dallas (DFW). Indeed, 12 daily roundtrip frequencies are now offered between Toronto and New York (LGA). By month's end, CAI offers 208 weekly departures to American markets, including 64 daily flights from Toronto alone, to 16 U.S. communities.

Conversely, AA launches new Canadian frequencies of its own, which it code-shares with CAI, from Chicago to Ottawa, Calgary, and Winnipeg and from DFW to Calgary and Vancouver. Passengers arriving at Vancouver are able to connect to CAI's Beijing flights.

To the tune of a C\$44.5 million onetime restructuring cost, several unprofitable operations are removed by the end of September, including cancellation of the carrier's weekly Montreal-Rome flights, closure of the pilot base at Dorval Airport, and transfer of Halifax-St. John's service to **Air Atlantic, Ltd.** The B-737-200s removed from the six-times-per-week Nova Scotia-Newfoundland frequencies are assigned to the new services into the U.S.

A C\$20-million arrangement is entered into with the National Hockey League's Calgary Flames on July 20. Under its terms, the airline's name will be placed on the Olympic Saddledome and it will transport the Calgary Flames team to its destinations free of charge; cost of the flights are estimated to value C\$850,000 annually.

At the beginning of August, a strategic agreement is signed with **Alitalia, S.p.A.**; code-sharing flights will be undertaken between Toronto and Rome.

On August 24, it is announced that the carrier will, with the start of its winter schedule, double its service from Toronto to Florida to six non-stops per day, including two each to St. Petersburg, Orlando, and Ft. Lauderdale. Extra flights will continue to be offered on weekends.

In addition, heavy maintenance is consolidated in Vancouver, and 18 aircraft are sold and leased back, including two DC-10-30s and a B-767-375ER which are employed to enhance services between Halifax and Vancouver, via Toronto and Calgary. Funding for the three aircraft comes as a direct result of successful negotiations with the Canadian Air Line Pilots Association (CALPA).

Also in September and into October, services into the Far North are restructured and consideration is given to transferring such B-737-275C destinations as Cambridge Bay, Repulse Bay, Baker Lake, Yellowknife, and Norman Wells to regional affiliates. Deep discount fares are offered on a number of routes, but, where the schedules overlap, these are matched by **Air Canada, Ltd.**

While on its takeoff roll from Vancouver for Taipei on October 19, the engine of Flight 17, a B-747-475 with 257 passengers stalls, forcing the pilot to initiate a rejected takeoff. The aircraft cannot be stopped on the runway and its nosewheel gear collapses as the Jumbojet rolls through the soft ground, coming to rest in a nose-down attitude some 400 ft. off the end of the runway. Six passengers are slightly injured during the emergency evacuation that follows.

In November, seven-times-per-week passenger and freight Toronto to Rome code-sharing flights are inaugurated with **Alitalia, S.p.A.** CAI will operate the services during the winter and spring seasons and Alitalia in summer and fall. At about this same time, South African native Kevin Benson, who has just completed the economic rescue of the big real estate developer Trizec, Ltd., is named senior vice president/chief financial officer.

Also during the 11th month, code-sharing begins with **Malaysia Airlines, Ltd. (MAS)** aboard MAS aircraft flying from Kuala Lumpur to Vancouver via Taipei. Plans are announced on November 24 for the consolidation of all maintenance in Vancouver, including closure of the base at Calgary and a reduction in workers.

Notice is given by the Germans on December 5 that the 6-year old code-sharing pact with **Deutsche Lufthansa, A.G.** will end in six months.

On December 20, a B-737-217 cleared to land touches down at Calgary and applies reverse thrust before noticing that a Piper Cheyenne that had landed ahead of it had ceased its movements toward the terminal and had come to rest with its nosegear just off the edge of the runway. The jetliner passes the Piper, with about 15 ft. of clearance, at between 100 and 115 knots. No injuries are reported.

Passenger boardings ascend 3.8% to 8,625,559 while freight climbs 12.9% to 716.62 million FTKs. Although operating revenue is up 5.9% to C\$2.29 billion, costs rise 8.8% to C\$2.31 billion. As a result, the previous year's operating profit becomes a C\$19.49-million loss. The net loss deepens to C\$142.13 million.

The workforce is reduced by 2.9% through 1996 to 13,228.

At the beginning of the year, CAI becomes the first Canadian airline to offer a designated concierge program. A total of 43 trained concierges are made available to assist VIP and business passengers at the airports at Toronto, Montreal, Ottawa, Calgary, Vancouver, London (LHR), Tokyo (NRT), Honolulu, and Hong Kong.

Matched wherever possible by **Air Canada, Ltd.**, CAI expands its shuttle services during the year's first two months. From Toronto, 41 daily flights are undertaken to Montreal, with another 33 flown to Ottawa. This schedule represents an increase of 10 flights per day on each leg of the eastern triangle. At the same time, 42 daily frequencies are inaugurated between Calgary and Edmonton; a total of 31 daily flights are made from Calgary to Vancouver and 14 per day are initiated from Edmonton to Vancouver.

This schedule represents an increase of four daily frequencies on each leg of the western triangle. B-737s are employed on the CAI shuttle; in

a new departure, 20 seats on each plane are converted from economy to business-class.

Flight 48, a B-767-375 coming in from Toronto on March 8, crosses the Halifax runway threshold about 20 ft. above ground level while landing and touches down 200 ft. further on. The tail of the aircraft strikes the runway, causing substantial damage to the tail skid and rear fuselage.

Code-sharing is inaugurated with **Japan Air Lines Co., Ltd. (2)** on April 1 on board CAI jetliners flying four times a week from Nagoya to Vancouver.

On April 18, company officials, in a complex arrangement, sell 11 B-737s to **Arkia Israel Airlines, Ltd.** for \$60 million. The planes (3 Dash-275Cs, 2 each Dash-242Cs, Dash-217As, and Dash-296As, and 1 each Dash-2T5A and Dash-2T2C) are then leased back to CAI for US\$1,079,100 per month for a six-year period, bringing Arkia a profit of US\$17.7 million. As part of the arrangement, CAI is given the option of continuing the lease of individual aircraft for two-year periods, up to four years, after 2002.

The code-sharing pact with **Deutsche Lufthansa, A.G.** ends on June 1. Also in June, a marketing agreement begins with **British Airways, Ltd. (2)** covering CAI services from Calgary to London (LHR) direct and to the U.K. capital from Vancouver, Calgary, and Montreal. Links between the frequent flyer programs of the two carriers are also made.

A three-year arrangement is entered into with Pepsi-Cola Canada Beverages on June 7. In return for exclusive Pepsi beverage service aboard its aircraft, CAI will receive, gratis, 250,000 cases of canned soft drink products annually.

On June 19, CAI sells its Canadian Holidays, Ltd. unit to an undisclosed management concern for an undisclosed price. Hereafter, the airline will outsource its holiday charter business to independent contractors.

Citing personal exhaustion, President Jenkins resigns on June 28; Chief Financial Officer Benson succeeds him. At the same time, the machinists' union, which represents 5,000 employees, ratifies a 38-month contract that will result in cost savings for the company of C\$34 million.

During July and August, CAI moves to cut unprofitable routes, convert some shuttle routes to smaller, cheaper jets, and move its B-737 fleet to the most profitable routes in Asia and Europe. Routes to Frankfurt, Paris, and Shanghai are eliminated; the European suspension frees up planes for use on more profitable Asian services. Only two aircraft are employed in northern Canada to fly the profitable routes to Yellowknife, Rankin Inlet, and Inuvik.

Some Calgary-Edmonton shuttle flights are converted to smaller F.28s, thus allowing 2 B-737s to be added to the general fleet. Extra aircraft as they become available are stationed at Vancouver to accommodate the alliance with **American Airlines**, while the number of frequencies to Hong Kong, Beijing, Japan, and Southeast Asia are boosted.

A cargo alliance signed between the Canadian Air Cargo subsidiary and **American Airlines** takes effect on September 1. Under its terms, each acts as the other's sale agent in respective territories and creates a cargo network of over 420 destinations worldwide.

Philippine Airlines (PAL) employs its newly received A340-312 on September 19 to commence four weekly nonstop dual-designator round-trips with CAI between Manila and Vancouver, with continuing service to Newark. The Philippines was, previously, the largest airline market still unserved by direct flights from Canada.

Also in September, a C\$20-million advertising campaign designed by Gee Jefferey & Partners Advertising, begins; it is designed to improve the airline's image and will be run in business publications and as TV spots during sports and news programs.

In early October, the code-share arrangement with **American Airlines** is expanded to cover "American Eagle" services from New York (JFK) to Baltimore (BWI), Boston, Philadelphia, Pittsburgh, and Washington, D.C. (IAD). Chicago will become part of the agreement within a month.

CAI initiates its portion of the PAL code-sharing pact on October 28 with three weekly flights from Vancouver to Manila via Hong Kong.

Through the summer and into the fall, rising energy costs, competition from new deep-discount entrants, and a fall in the value of the

Japanese yen plague the company. As part of a rescue plan designed to save CAI from bankruptcy, CEO Benson seeks 10% wage cuts (valued at C\$70 million) from the carrier's workers, who are represented by six trade unions. On "Black Friday" November 1, he announces that, unless the wage cuts, route restructuring, and an AMR Corporation concession could be gained, thereby allowing C\$200 million in savings, CAI will fail by year's end.

The next day, the company begins turning its domestic flights in Ontario and Quebec over to its regional partners, while long-haul services to Paris and Frankfurt are also cut.

On November 4–5, company executives at domestic hubs begin to outline the carrier's survival plans to employees. In the words of CEO Benson, "there is no Plan B." In Ottawa, Transport Minister David Anderson indicates that the Canadian government is prepared to consider proposals to assist the airline—if the unions will accept the restructuring plans.

The carrier's entire 10-member board of directors, including CEO Benson, former Alberta premier Peter Lougheed, and CTV CEO John Cassady, resigns on November 15. The move is taken on the advice of legal counsel in order to avoid personal responsibility for the airline's payroll in the event of bankruptcy. Until a new board is appointed (within about two weeks), the airline is operated under the direction of two of its major shareholders, Canadian Airlines Corporation and Aurora Airline Investments, Inc., a wholly owned subsidiary of **American Airlines**.

Benson remains in control as CEO and is closeted in one meeting after another seeking both labor concessions and to reassure corporate clients and travel agents that CAI will remain viable.

By November 28, CEO Benson has secured approval from four of the unions, with the Canadian Union of Public Employees (CUPE) and Canadian Automobile Workers (CAW) refusing to agree. That day the CEO, rather than calling upon these company employees to vote directly on the cut, refuses to extend talks with the two remaining groups. The next day, the CUPE president, convinced that the cut is in the best interest of the 2,700 flight attendants she represents, agrees to endorse the salary-slashing plan. Passenger service staff are requested to voice their yea or nay.

At the close of business on the last day of November, stock that CAI employees had purchased upon the airline's creation for C\$13 a share closes at C\$2.20 per share.

On December 2, CAI announces that it is planning to defer more than half of its debt and lease payments during the next six months and will begin discussions with lenders and aircraft suppliers to suspend payments of about C\$170 million over the next six months. Canadian Labor Minister Alfonso Gagliano requests that the 3,700 reservations and ticket agents vote, even though their union remains opposed to the CAI bailout plan. He warns that, unless workers agree to wage cuts and other concessions, the company will run out of money in January.

Having received daily reports on the airline crisis during a tour of Asia during the last week of November, Prime Minister Jean Chretien becomes convinced that something must be done to avoid CAI's failure. Upon his return to Ottawa on December 3, Chretien summons Transport Minister Anderson and Labor Minister Gagliano. The latter suggests that seldom-invoked Section 107 of the Canadian Labour Code can be employed to force a vote among CAW workers, despite continuing opposition from that union leader's, Basil ("Buzz") Hargrove.

Section 107, which allows the federal government to "maintain or secure industrial peace," is invoked on December 4. The national labor relations board is ordered to organize and conduct an election of the CAW membership. After CAW President Hargrove voices the outrage expected of him, an intense flurry of last-minute negotiation begins between union executives, government ministers and bureaucrats, and airline officials.

With the company's future placed squarely upon their shoulders, leaders of the Canadian Auto Workers union come to terms on December 8 for a rescue plan that includes pay cuts averaging 3.7%. The company's immediate labor crisis appears over. In addition, the federal, Alberta, and British Columbia governments agree to continue C\$35 million in

tax reductions while AMR Corporation promises to accept a 35% reduction (\$35.5 million) in its annual fees.

At this point, CEO Benson and his airline must convince customers that the airline is open for Christmas business and will be so for many more to come.

Enplanements inch up 2.6% to 8,852,578 and 714.1 million FTKs are operated, a 0.4% decrease. Operating income slips 1.3% to C\$2.25 billion and expenses move up a slight 0.9% to C\$2.32 billion. Although the operating loss deepens to C\$70.44 million, the net loss "improves," with only C\$136.58 million loss reported. That negative figure is readjusted later to read an even better C\$104.3 million.

The workforce is increased by 7.6% in 1997 to 14,233. Early in the year, the company drops charter flights to Florida. Domestic service is cut back sharply and frequencies to Paris and Frankfurt are withdrawn. A new four-year restructuring plan is put in place designed to save C\$146 million.

In April, the code-sharing arrangement with **British Airways, Ltd.** (2) is expanded. CAI will place its codes on BA flights from London to Montreal and from London to Aberdeen, Amsterdam, Edinburgh, Glasgow, Manchester, and Prague. BA will share codes on CAI flights from Toronto on to Halifax and Quebec City.

Also during the month, the frequent flyer relationship with **American Airlines** is modified. Heretofore, it has only been possible for members of one carrier's program to upgrade on the other airline if the flight was dual designator; now, members may upgrade from economy to the next class up on any of each other's flights.

Daily roundtrip A320-211 nonstop service is inaugurated on May 5 between Vancouver and Boston. These are the first nonstop flights by any airline in this market.

On May 29, the company announces that it has obtained formal agreement for all of its lenders and lessors and is able to implement the payment deferral plan announced the previous December.

In June, CAI becomes the first Canadian airline to offer scheduled service to Central America. Via its code-sharing agreement with **American Airlines**, it inaugurates dual-designator services from Toronto to Miami, where American takes over and flies through passengers to El Salvador and Guatemala.

Also during the month, Pacific Coastal Airlines is contracted to operate daily roundtrip replacement service on behalf of CAI from Vancouver to Nanaimo.

The decision having been taken to discontinue operations, Greyhound Canada, parent of the failing discount carrier **Greyhound Air, Ltd.**, works out an arrangement on September 1 with CAI. The major agrees to honor all reservations made before September 2 for travel after the new entrant's shutdown, subject to availability. Affected Greyhound passengers or their travel agents will be rebooked by September 15.

During takeoff from Beijing on September 6, a company B-767-375ER suffers an uncontained failure of its No. 1 GE CF6-80C2 engine; the takeoff is rejected and no injuries are reported. A few fragments are recovered from the runway.

On September 8, **American Airlines** begins to code-share on CAI wide-body flights from Vancouver to Taipei. The dual-designator flights commence in Boston, Chicago, Dallas (DFW), Las Vegas, Los Angeles, New York, Portland, Seattle, or San Francisco and transit via the British Columbia capital on to Taiwan. At the same time, AMR management fees are reduced. A new service to New Zealand is announced on September 18.

The last **Greyhound Air, Ltd.** service is operated on September 21.

Helijet Airways, Ltd. joins the Canadian Plus frequent flyer program on October 6. Passengers of the helicopter line are able to earn loyalty points on Helijet scheduled flights between Vancouver, Victoria, and Seattle.

On October 26, the company and **Mandarin Airlines, Ltd.** begin to sell tickets on each other's flights between Vancouver and Taipei and from Taipei to Vancouver. The same day, the company expands its direct service from Toronto to Buenos Aires via São Paulo to six times a week.

When the winter shuttle schedule begins on October 26, service on the Western Shuttle between Vancouver and Calgary increases to 34 flights a day, while that from Calgary to Edmonton reaches 47. Connections between Vancouver and Calgary increase to 34 flights a day and the Vancouver–Edmonton corridor is served by 16 flights every day. Flights from Vancouver–Kamloops and from Vancouver–Prince George jump to 12 flights every day. Service from Vancouver–Campbell River reaches 3 daily roundtrips while that between Vancouver and Comox grows to 5.

The Eastern Shuttle is significantly expanded. Its flights from Toronto to Ottawa jump to 38 roundtrips each day, while that between Toronto and Montreal is just 2 fewer.

Twice-weekly B-767-375ER return flights commence from Vancouver to Auckland, New Zealand, via Honolulu on October 29. The one-stops replace a service previously provided by **Air New Zealand, Ltd.**

Transcontinental service from Toronto to Vancouver is boosted to 7 daily roundtrips, while that to Calgary is increased to 8. Flights from Toronto to London, Ontario, jump to 12 returns per day.

Service to Dallas (DFW) becomes daily and that to Orlando, twice-daily. Seating to London from Calgary is increased by using a DC-10-30 instead of a B-767-375ER while the Calgary departure time to Los Angeles is advanced 2½ hours to provide better connections in California.

Three bridges (covered walkways) are modified and taxiway construction is completed at Calgary International Airport at month's end.

On November 7, negotiators in Chile place the finishing touches on a new strategic alliance with **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**. It will be formally signed after Christmas. The pact is a follow-up to the Canada–Chile Free Trade Agreement signed on July 5.

It is announced on November 17 that CAI and **Japan Air Lines Company, Ltd. (2)** will link their frequent flyer programs in two phases, beginning in January.

Dual-designator flights with **American Airlines** commence on November 19 from Toronto to Nicaragua and Costa Rica. Again, CAI flies the Toronto to Miami leg, where the U.S. major takes over and continues the services into Central America.

As the year ends, the company completes several of the goals set in its restructuring plan. President/CEO Benson will note that the redeployment of the narrow-body fleet is completed, with an emphasis on transborder operations, while capacity is shifted away from Europe and toward Asia. Increased revenues, fleet building, and recruitment of new investments remain as targets.

The carrier's leisure travelers are, as of December 15, able to fly between Vancouver and Honolulu 28 times a week. Twice-daily roundtrips commence on December 17 between Vancouver and San Diego.

As a result of a shift in capacity toward the transborder operation and restructuring, passenger boardings are down 2.9% to 8,594,000; freight, however, rises 2% to 728.68 million FTKs.

Operating revenues of C\$2.2 billion are earned, allowing a C\$3.8-million net profit, the first net gain the company has been able to celebrate since 1988.

The fleet at the beginning of 1998 includes 76 planes, only 44.7% of which are Stage III certified; the numbers show 42 Stage II B-737s and a remaining Stage III contingent of 4 B-747s, 9 B-767s, 12 A320s, and 9 DC-10s.

CAI and **Canadian Regional Airlines, Ltd.** cancel all regularly scheduled flights into and out of Ottawa and Montreal on January 8–10, during a huge ice storm. Beginning on Sunday, January 11, CAI transports the Team Canada '98 trade mission, headed by Prime Minister Chretien, on a two-week mission to Mexico, Brazil, Argentina, and Chile.

Between January 13–20, CAI waives the normal advance ticket purchase requirements to help victims and their families hurt in whatever way by the recent ice storms and who wish to travel to and from Montreal and Ottawa. At the same time, company aircraft transport badly needed generators to supply power to those who have been without heat and electricity.

During an official ceremony in Santiago on January 23, a commercial alliance agreement is signed with **LanChile Airlines (Linea Aerea Na-**

cional Chile, S.A.). When the pact takes effect on March 11, the two will coordinate their schedules and link their frequent flyer programs. Initially, passengers will be able to travel on LanChile from Santiago to Los Angeles four-times-a-week and connect with Canadian service to Vancouver. The signing by the airline representatives is witnessed by Eduardo Frei, president of the Republic of Chile, and Canadian Prime Minister Chretien.

Also in January, the first phase of the linkage of frequent flyer programs with **Japan Air Lines Company, Ltd. (2)** begins; the second phase will kick in during November.

Dual-designator flights with **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** commence on April 8. In addition to the daily Los Angeles connection announced earlier, the two companies also share daily return flights between Toronto and Santiago. Customers fly Canadian to Miami, where they seamlessly board LanChile for the remainder of their trip; the process is reversed on the return.

While en route from Beijing to Vancouver on April 13, Flight 30, which had filed an approved flight plan, is denied permission to enter Russian airspace per usual practice; the service returns to Beijing, where passengers are deplaned. A protest is filed by Canada with the Russian government and its federal aviation authority.

In "celebration" of the third anniversary of the U.S.–Canadian "open skies" pact, the company launches eight daily A320-211 roundtrips on May 4, between Toronto and Boston. May 5 is "Canadian Airlines Day" in Newton, Massachusetts.

This introduction helps to bring about a larger change than is anticipated. Having watched the **American Airlines** share of cross-border traffic drop from 95% to 50% since 1995 and concerned that CAI's success may impact U.S. pilot jobs, the U.S. major's Allied Pilots Association now triggers a related contract clause. American, as a result, is forced to drop code-sharing with CAI during the second week of May over 14 of 35 cross-border routes.

An application by **Air Canada, Ltd.** and **Air China International Corporation** to code-share over routes from Canada to China is rejected by Transport Canada during the last week of May. The National Transportation Agency of Transport Canada, some years earlier, had designated China as a single-market country and assigned Canadian service to it to CAI.

The company and **Philippine Airlines (PAL)** expand code-sharing on services between the two countries on June 1. PAL places its code on CAI flights between Vancouver and Toronto, allowing passengers the ease of seamless travel from Manila to Toronto, with a short stopover at Vancouver.

The latest expansion of the code-share partnership with **British Airways, Ltd. (2)** begins on June 2 with three weekly nonstop roundtrips between London (LHR) and Ottawa. BA will place its code on a CAI B-767-375ERs on Tuesdays and Saturdays and a DC-10-30ER on Sundays. CAI labels the services Dayliner and Starliner.

The dispute between APA members and code-sharing partner **American Airlines** concerning CAI services deepens as the union recommends that its members not accept additional flying time. American is forced to cancel hundreds of flights during July for lack of flight crews. Finally, on August 15, an arrangement is reached between the major and its flyers. Under its terms, AA is allowed to maintain its code on six CAI flights added after January 7, 1997 and to add its code to one more flight later in the year.

On August 27, it is announced that the carrier will terminate its commercial agreement with **Air Atlantic, Ltd.** on October 24 and that that regional will cease all scheduled flight operations. Only half of the small carrier's 118 pilots will be taken on by **Inter-Canadian Airlines, Ltd.**, which will assume the Air Atlantic routes the next day. After that date, IMP Group, which owns the St. John's-based regional, maintains the company's operating certificate and studies the viability of undertaking nonscheduled flights over the winter season.

As is the case with the **Northwest Airlines** strike in the U.S., a number of other carriers provide accommodation for displaced **Air Canada**,

Ltd. passengers when a job action begins against that airline on September 2. Chief among these is CAI, **Canadian Regional Airlines, Ltd.**, and CAI's domestic partners. All accept AC tickets, space permitting, and without penalty or service charge. In addition, CAI responds to the increase in passenger and cargo demand by adding flights wherever possible, including the eastern and western triangle cities and flights from Toronto to both Halifax and Vancouver.

As the demand for transcontinental booking increases on September 3, CAI tasks a B-747-475 and two DC-10-30s to the Toronto-Vancouver route. A dedicated CAI group works hand in glove with a similar unit from **Air Canada, Ltd.** to minimize Canadian air passenger travel disruption.

With **Air Canada, Ltd.** remaining shut down, CAI is flooded with travelers over the three-day Labor Day holiday, September 5-7. Nearly 100 flights are added to the CAI schedule to help accommodate the influx and a systemwide load factor of 95% is experienced on September 7. A total of 19 extra flights are ordered for September 8, 21 for Wednesday, and 10 on September 10 and crews and personnel across the country continue to meet overtime requirements.

The **Air Canada, Ltd.** strike is settled on September 11, allowing CAI to gradually return its overtime services over the next few days to normal levels of operation.

It is announced at a London news conference on September 21 that **Cathay Pacific Airways (Pty.), Ltd.** has joined its first airline alliance, the new "OneWorld" grouping established to compete with the "Star Alliance" headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by **American Airlines** and **British Airways, Ltd. (2)**, which continue their battle to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. CAI and **Qantas Airways (Pty.), Ltd.**, both of which already have marketing partnerships with AA and BA, are also charter members.

Leaders of the five companies indicate that they will coordinate ticketing and flight schedules, while cooperating on frequent flyer programs. Other carriers will be invited to join and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces its membership before the day is over.

One airline that will not be invited to join, **Virgin Atlantic Airways, Ltd.**, hires a truck with a sign painted on its side proclaiming "no way" and has it parked, illegally, outside the building where the "OneWorld" news conference is held. A spokesman for Virgin indicates that his airline will gladly pay the parking ticket to get its point across.

A new code-sharing partnership is announced on September 29 with **Helijet Airways, Ltd.** Effective October 14, CAI passengers with premium-fare tickets will have the option to travel on one of 10 daily Helijet-operated shuttles between Vancouver's South Airport and Victoria's downtown inner harbor.

The next day, electronic "Virtual Ticketing" becomes available on all CAI flights from Canada to the U.S.

Also during the month, the airline's northern division is sold to the 100% aboriginal-owned holding company NorTerra Inc., which is jointly owned by Inuvialuit Development Corporation and Nunasi Corporation. Under the name **Canadian North**, the division, based at Yellowknife with a regional office in Iqaluit, immediately enters into a comprehensive agreement with CAI. Under its terms, CAI will provide operational and maintenance support, including wet-leased B-737-200s, as well as joint marketing, scheduling, and fare structures. All flights operate with the CP code and Canadian North is included in CAI's frequent flyer program, is a partner in Canadian Cargo, and is included in the major's travel agency Sales Incentive Program.

Canadian North continues to offer services to and from Iqaluit, Rankin Inlet, Cambridge Bay, Resolute, Yellowknife, Norman Wells, Inuvik, Hay River, and Fort Smith.

It is announced on October 6 that the Toronto-based designer Brian Bailey has been chosen to create new uniforms for the carrier's 12,000 employees. The new clothes will be unveiled and tested early in 1999 with an eye toward their introduction during the year 2000.

The pact with **Air Pacific, Ltd. (2)** is expanded on October 16. Under its terms, the two carriers, beginning on December 7, combine their marketing and fleet strengths to provide three weekly flights between Auckland and Honolulu. Canadian offers daily nonstop flights from Toronto to Honolulu and 13-times-a-week service from Vancouver to Honolulu. At the Hawaiian city, passengers seamlessly transfer to the Air Pacific B-767-3X2ER for any of the three onward nonstop weekly flights on which they are booked.

A strategic marketing agreement is signed with **Reno Air** on October 23. On November 2, a lease is taken with GE Capital Aviation Services for the charter of 4 B-767-375ERs, including 2 not yet built, and an A320-211. The 5 aircraft will be added to the fleet in 1999 and will allow retirement of the carrier's older DC-10-30s.

The new winter schedule is announced three days later. In addition to more frequencies before Christmas, the airline will, in association with **American Airlines**, offer daily nonstop roundtrips between Ottawa and Raleigh/Durham beginning on January 4.

On November 6, the number of weekly flights from Toronto and Vancouver to Tokyo (NRT) and Nagoya, respectively, are increased from three to five, while the number of weekly flights to Manila rise by one. The use of B-767-375ERs instead of B-747-475s in the Japan marketplace will insure that the increase in frequencies will not result in unneeded capacity.

The number of weekly services from Vancouver to Taipei are increased by two on November 10, while the number of roundtrips to Beijing are boosted by one. Simultaneously, the number of dual-designator flights operated with **British Airways, Ltd. (2)** between Toronto and London grows from 14 each week to 17.

Two Canadians, David Spencer and Christine Lamont, who had kidnapped Brazilian businessman Abilio Diniz to fund leftist guerrillas in 1989 and had been caught and sentenced, are turned over to Canadian officials at São Paulo on November 20 under terms of a bilateral prisoner exchange treaty. They are whisked aboard a company B-767-375ER in handcuffs just before its regular departure for Canada.

Beginning on November 22, **Reno Air** places its QQ designator on CAI flights from Vancouver to San Jose and San Diego. The arrangement will continue even though Reno is purchased by **American Airlines** shortly thereafter.

On December 3, company officials announce a major Vancouver hub expansion in the spring that will triple daily connections in North America, Asia, and the South Pacific from over 500 to more than 1,450.

While on final approach to New York (LGA) on December 8 following a service from Toronto, Flight 528, a B-737-275A with 6 crew and 46 passengers, is nearly involved in a midair collision with a Cessna 172, which quickly dives at the last possible moment. At 4,000 ft., the planes have 0-ft. vertical and 500-ft. horizontal separation.

Due to heavy snowfall in Vancouver on December 24, the carrier is forced to cancel a number of flights in and out of the British Columbia city, while delaying others.

Traffic figures during the 12 months are mixed. Passenger boardings advance by 4.7% to 28,804,318, while freight drops 5.1% to 714.37 million FTKs. As the result of plummeting fares, intense competition, and a weak domestic economy, the carrier's revenues for the year increase only 3%, to C\$3.2 billion. Costs bring about a C\$137.6-million loss.

By the start of 1999, airline employment has been increased by 12.4% to 16,000. A severe winter storm hits the U.S. Midwest and eastern Canada between January 2-4; CAI and **Canadian Regional Airlines, Ltd.** are forced to cancel all of their traffic to and from Toronto, Montreal, and Ottawa on January 3.

In association with **American Airlines**, Canadian begins to offer daily nonstop roundtrips between Ottawa and Raleigh/Durham on January 4. A comprehensive marketing agreement, effective April 1, is announced by CP on January 12 with **Alaska Airlines** and its sister carrier, **Horizon Air**.

The next day, the company is renamed **Canadian Airlines, Ltd.**

CANADIAN AIRWAYS, LTD.: Canada (1926–1942). Organized at Trois Rivières, Quebec, in early 1926, CAL's first move is to take over Harold S. Quigley's **Dominion Aerial Exploration Company, Ltd.** The new entrant, of which Quigley is also president, begins operations on May 1 with 4 Curtiss HS-2L flying boats, while orders are placed for 7 more. During the next 7 months, a total of 537 passengers, 9 tons of cargo, and 100 pounds of mail are flown.

While attempting to make a transatlantic flight from Paris in early May 1927, Charles Nungesser and François Coli disappear. Canadian pilot B. W. "Bill" Broach, piloting an HS-2L, undertakes a search pattern from Trois Rivières to the Rivière aux Outardes to Natashquan. An engine failure on May 21 inhibits the search. Flying a second Curtiss, pilot F. V. "Turk" Robinson continues the unsuccessful search between May 28 and June 4, concentrating along the St. Lawrence River and into Labrador.

Flying an HS-2L from Montreal to Rimouski via Trois Rivières on September 12, President Quigley makes the first of 10 successful airmail linkups with ocean liners, beginning with R.M.S. *Doric*. The route is followed in reverse four days later with 37 bags of incoming mail from R.M.S. *Empress of Australia*. The seven additional experimental flights made between September 28 and November 11 are supported by a C\$75,000 government subsidy.

Twice-weekly airmail flights are inaugurated between Montreal and Toronto on May 5, 1928 by HS-2L pilot Harold P. Ayres. On October 1, the weekday service is subcontracted to the **Fairchild Aviation Company, Ltd.**

During the year, the fleet is enhanced by the delivery of 1 Junkers W.34 and the last of 7 additional HS-2Ls requested two years earlier. In addition, 3 HS-2Ls are upgraded into HS-3Ls by Canadian Vickers, Ltd. at Montreal. A total of 22 tons of mail is transported on the Montreal–Toronto run.

On July 15, 1929, the company extends its Toronto run to Detroit; international mail is carried on the weekly flights. Simultaneously, CAL begins the first official airmail service between the Ontario cities of London and Windsor. Experimental daily Montreal–St. John via Quebec City and Moncton airmail service begins on December 9. Late in the year, the carrier is absorbed into the Aviation Corporation of Canada, Ltd. At this point, all HS-2L/HS-3L operations cease and the Curtiss seaplanes are sold.

Mail flights begin during the first half of 1930 from Lac du Bonnet to Wadhope via Bissett; from Montreal to Moncton via St. John, and from Montreal to Ottawa. As the result of discussions between the company's owners, the Aviation Corporation of Canada, Ltd., Canadian Pacific Railway, Ltd. and Canadian National Railway, Ltd., the carrier is merged with **Western Canada Airways, Ltd.** on November 25. The emerging operation retains the name Canadian Airways, Ltd.

The combined fleet of the merger partners now includes 1 Junkers W.34, 1 Fokker Model 8 Super Universal, 1 Fokker F-XIVa, and 1 Lockheed Vega. All are painted in new livery that employs WCA's famous Canada goose emblem. Late in the year, plans are made to inaugurate a Prairie Air Mail service in fulfillment of a new contract from the central government.

A lighted airway is built with searchlights installed at high points near the airfields at Winnipeg, Brandon, Regina, Moose Jaw, Medicine Hat, Calgary, Saskatoon, North Battleford, and Edmonton.

Night-airmail service is launched by pilot Hollick-Kenyon, flying the Fokker F-XIVa, between Calgary and Lethbridge on January 15–16, 1931. This is the beginning of scheduled night service in Canada.

Winnipeg–Pembina mail flights begin in early February. Contract mail flights from Lac du Bonnet to Wadhope via Bissett are dropped on May 9. The experimental mail routes between Montreal and Moncton via St. John and from Montreal to Ottawa end on June 1.

Beginning on August 1 and extending through November, a mail service is provided between Vancouver and Seattle via Victoria. Two weeks later, on August 15, the Regina–Edmonton and Montreal–Quebec City mail services are ended; simultaneously, the Regina–Calgary service is

extended to allow a Winnipeg and Edmonton connection. The contract mail service from Montreal to Toronto ends the next day.

Winnipeg–Edmonton contract mail flights stop on March 1, 1932 and on April 30, the Toronto–Detroit mail link is severed. Indeed, the entire carriage of airmail in Canada ends when postal estimates are cut back as an economy measure during the Depression. Beginning on May 1, passenger and express service is operated between Calgary and Edmonton, Lac du Bonnet to Wallace Lake, and between Toronto and Windsor for three months. At the same time, Montreal–Quebec City flights begin.

En route to Cameron Bay from Fort Rae in the Northwest Territories on July 5, the Fokker Model 8 Super Universal crashes; among the three killed is pilot David "Andy" Cruickshank, onetime general manager of **Yukon Airways and Exploration Company, Ltd.**

Later in the month, a Travelair 6000A is purchased from the American carrier **Northwest Airways**. A contract mail route is opened between Fort Resolution and Great Bear Lake on December 6.

The Fort Resolution–Great Bear Lake service is stretched to Camsell River on November 29, 1933. On December 14, a winter airmail route is extended from Quebec City to Natashquan via Sept Îles. During the year, Canadian Pacific Railways acquires a C\$ 50,000 block of stock.

Between May and September 1934, the carrier offers twice-weekly service from Moncton to Charlottetown to New Glasgow and from Vancouver to Bridge River. In December, a previous Sioux Lookout–Gold Pines–Red Lake service is replaced by a new route from Sioux Lookout to Gold Pines to Casummat Lake via Jackson Manion and Narrow Lake. The same month, a frequency is initiated from Kenora to Red Lake via Mackenzie Island.

Weekly Winnipeg to God's Lake service begins on January 13, 1935. Weekly Kenora–Whitefish Bay flights commence later in the month. On February 3, the railroad-backed operator begins flying from Berens River to Norway House on a weekly basis; the Norway House terminus is simultaneously stretched monthly to Cross Lake.

During the spring, a National Geographic Society expedition, headed by U.S. explorer Bradford Washington, surveys and maps the border between Alaska and Canada from the air. From a Canadian aircraft piloted by Capt. Robert Randall Sr., every major peak is photographed and named. Randall is elected a Society member in April.

A new associated company, **Quebec Airways, Ltd.**, assumes the carrier's St. Lawrence River area services, also in April.

Other services operated during the year include a Sioux Lookout to Collins via Pickle Lake run and weekly flights from Prince Albert to La Ronge via Big River and Ile à la Crosse.

Services continue without significant change until November 15, 1939 when new daily services are inaugurated between St. John's and Moncton and between Halifax and Moncton. These provide a link to the new transcontinental route of **Trans-Canada Air Lines, Ltd. (TCAL)**. In July 1941 the Canadian Pacific Railway purchases CAL. Its operations are now combined with those of **Mackenzie Air Service, Ltd.** and are flown under the marketing name of **United Air Services, Ltd.**

Six months later, CAL is one of several companies merged on January 30, 1942 to form **Canadian Pacific Air Lines, Ltd.**

CANADIAN-AMERICAN AIRLINES: United States (1929–1930). This little-known international carrier is established at St. Paul, Minnesota, in the summer of 1929 to offer scheduled flights through the Dakotas to Winnipeg. The entire fleet consists of but one Travel Air 6000, which begins scheduled revenue flights in August.

Without mail subsidy and with poor passenger traffic, the enterprise is forced to fold in January 1930.

CANADIAN COLONIAL AIRWAYS (1): United States (1928–1934). Canadian Colonial Airways is formed on March 6, 1928 to offer international service from New York to Montreal via Albany. A bid is made and awarded for Foreign Air Mail Route No. 1 (FAM-1) from New York to Montreal via Albany. Simultaneously, the sixth Canadian

government airmail contract for the year is awarded to the carrier providing for six-a-day subsidized roundtrips in reverse to New York.

Daily New York and Montreal to Albany on to Montreal and New York Fairchild FC-2 and Pitcairn PA-6 Super Mailwing service, with contract mail, is inaugurated on October 1. Flights are conducted by the company's four pilots, D. S. Bondurant, W. H. Hughes, Paul Reeder, and O. C. Wallace. On December 31, records reveal that an amazing 15.5 tons of mail has been transported.

In 1929, the company is merged into Colonial Airways Corporation and is then purchased in May by The Aviation Corporation (AVCO), a forerunner of today's **American Airlines**.

On January 25, 1930, **American Airways** is created as AVCO's principal operating airline by an exchange of stock with its former subsidiaries. Colonial receives 2,226 shares and becomes not only a division, but also a stockholder in the new entity. In April, a Fairchild 71 crashes at Newark, killing all aboard, including Count George de la Vaux, former president of the Federation Aeronautique Internationale.

The New York-Montreal route continues to be flown in 1931-1933 under the name Canadian Colonial Airways. Following **American Airways'** reincorporation as **American Airlines** in April 1934 and passage of the new airmail law in the summer, Canadian Colonial is allowed to continue operating passenger and mail flights over its previous route, again as a subsidiary.

CANADIAN COLONIAL AIRWAYS (2): United States (1935-1942). As a result of the divestiture of AVCO the previous year, a new Canadian Colonial, a separate entity from the old carrier of the same name and of **American Airlines**, is created on January 1, 1935. Outfitted with a Stinson Model U and a Vultee V-1A, both leased from its former parent, CCA undertakes the same New York-Montreal route. Operations continue in 1936-1937 with leased **American Airlines** aircraft, including Douglas DC-2s.

The first owned aircraft, a DC-2, is purchased from C.R. Smith's fleet in August 1938. Largely forgotten during the remainder of the decade, the airline is acquired in October 1939 by an investors' group led by Sigmund Janas.

A pair of DC-3s are ordered and begin operations in early 1940. At the end of 1941, the carrier is still operating over FAM-1, the 333-mile New York to Montreal route, but is doing so with 6 DC-3s. A separate entity, CCA is renamed **Colonial Airlines** on May 1, 1942.

CANADIAN FLYING SERVICE, LTD.: Canada (1929-1931). Six-times-per-week international contract mail flights begin from the company's base at Toronto to Buffalo, New York, on July 1, 1929.

The route is withdrawn and the company stops flying on June 1, 1931, another air transport victim of the Depression.

CANADIAN FRONTIER, LTD.: Canada (1988-1991). Based at Thunder Bay, Ontario, since its founding, CF, also known as Frontier Air, Ltd., undertakes local services with a fleet of 2 Beech King Air 100s and 5 Beech 1900s. A contract is accepted to undertake flights as part of the provincial government's **NorOntair** air service. Passenger, cargo, and mail services are provided to 11 northern Ontario communities: Timmins, Moosonee, Fort Albany, Kashechewan, Attawapiskat, Peawanuck, Geraldton, Naikina, Ogoki, Fort Hope, Thunder Bay, Hearst, Timmins, Chapleau, Sudbury, Wawa, and Sault Ste. Marie.

In March 1989, the company's parent, Rog-Air, Ltd., along with the airline, is purchased by **Ontario Express, Ltd.** Duncan Fischer now succeeds Robert Mauracher as general manager and the 2 King Airs are withdrawn.

Operations continue under the previous name during the amalgamation process, which is concluded at the end of 1991. The company now flies as **Ontario Express**.

CANADIAN HELICOPTER CORPORATION, LTD. (CHC): P.O. Box 5188, Hangar 1, St. John's Airport, St. John's, Newfoundland

A1C 5V5, Canada; Phone (709) 570-0700; Fax (709) 570-0506; <http://www.chc.ca>; Year Founded 1987. To increase market share, the Canadian helicopter carriers **Toronto Helicopters, Ltd.**, Richmond, British Columbia-based **Okanagan Helicopters, Ltd.**, and **Sealand Helicopters, Ltd.** of St. John's, Newfoundland, join together to form CHC Helicopter Corp., Ltd. during the summer of 1987. Corporate headquarters are located in St. John's and Sealand's chairman, Craig Dobbin, provides the amalgamation's leadership. The merger partners continue under their own identities through the end of November as their combined fleet reaches 163 helicopters, each of which must now receive a new red, white, and blue livery.

The new corporation, under Chairman/CEO Dobbin and President J. C. Jones, reports a significant start-up loss for its first quarter, ending January 31, 1988. On revenues of C\$18.1 million, the loss is C\$2.4 million. In late February, an experimental Sikorsky S-76A EMS service provided in the Vancouver area by **Okanagan Helicopters, Ltd.** is halted. The specially equipped helicopter is sold to Englewood, Colorado-based **Air Methods** for use in a Minnesota EMS program.

A letter of intent for purchase is signed in late April with **Ranger Helicopters Canada, Ltd.** of Sault Ste. Marie, Ontario. The takeover adds 31 light helicopters to the huge CHC fleet, 20 of which are immediately assigned to the company's western division. The second-quarter loss is C\$800,000.

In July, following approval by Prime Minister Brian Mulroney, a project is started by five oil companies to develop the Hibernia oil field off the nation's east coast. The former Sealand Helicopters, now the eastern division based at St. John's, begins to position itself to involve the corporation in Hibernia.

At the company base, the FBO Aero Flight Holdings, Ltd. provides services while the former **Okanagan Helicopters, Ltd.** division, Helicopter Survival Rescue Services, Ltd., offers rescue services to government agencies. A new VFR base is opened at Halifax and a new hangar is built at Goose Bay, Labrador, to handle local charter work.

Based at Toronto, the former **Toronto Helicopters, Ltd.** is the central division. During the year, its fleet is expanded from 8 light helicopters to more than 30, which operate a variety of charter services from 4 bases. Three EMS contracts are accepted on behalf of the communities at Sudbury, Thunder Bay, and Toronto.

The former Vancouver-based Okanagan, now the western division, sells an Aerospatiale AS-332L Super Puma to **British International Helicopters, Ltd. (BIH)** for C\$4.5 million, while accepting 20 of the former Ranger helicopters. Four new bases are established and greater emphasis is placed on the unit's logging business. Okanagan's award-winning Advanced Mountain Flight Training School at Penticton, British Columbia is maintained.

An international division is also established at Vancouver to recruit non-Canadian contracts. During the remainder of the year, the division is awarded contracts for work in Trinidad and Ecuador and also accepts jobs in Thailand, China, Bangladesh, Gabon, Egypt, the U.S., the Philippines, and Morocco. Export sales will come to account for 60% of the company's business.

On October 1, the carrier reports a C\$4.4-million net profit for the third quarter and a C\$1.8 million for the period since January 1. During the same nine months, CHC sells C\$12.9 million in aircraft assets, while purchasing C\$13.5 million worth. At the same time, the western division becomes an approved S-76 service provider at its Richmond base. In November, an AS-332L Super Puma is purchased from **ERA Aviation** and is delivered from that firm's Dead Horse, Alaska, base.

In December, Chairman Dobbin's personal holding company, Discovery Helicopters, Ltd., purchases 1.7 million common shares in CHC from United Helicopters, Ltd., the U.K. holding company that owns **Bristow Helicopters, Ltd.** Discovery's stake thus rises from 29% minority to 52% majority shareholding. Revenues total C\$114.91 million (\$94.6 million U.S.) and a net C\$4.02-million (US\$3.3-million) profit is generated.

At the beginning of 1989, CHC operates five divisions: Eastern, Central, Western, international, and engineering support. From St. John's,

the eastern unit focuses on offshore support with 17 light helicopters and 3 AS-332L Super Pumas. The central division based at Toronto administers the company's 3 EMS contracts (Thunder Bay, Toronto, and Sudbury) and undertakes a variety of charter operations with a fleet of 30 helicopters from 4 bases. The western division continues the work of its noted Okanagan predecessor while the international division recruits all non-Canadian contracts. The engineering support division is an outgrowth of **Okanagan Helicopter, Ltd.**'s successful and profitable maintenance and overhaul operation.

On a contract with Arco Oil, 2 Sikorsky S-76s begin offshore oil support in Ghana, West Africa, in early March. The S-76 offshore support with Gabon is continued while a Bell 212 supports Egyptian government exploration offshore and another is active off Morocco. On April 6, Montreal-based **Viking Helicopters, Ltd.** joins the helicopter conglomerate and expands its fleet with some 60 light aircraft. In August, company officials evaluate a Kamov Ka-32 Helix during its visit to Airshow Canada at Vancouver; discussions are held for several months of test service.

On December 1 and employing a pair of AS-350Bs, daily scheduled rotary-wing flights commence from Vancouver International Airport and Vancouver's downtown heliport to the winter sports destination of Chateau Whistler, at Whistler, British Columbia, some 87 miles away. Net gain is C\$1.6 million.

After a period of poor loads due to lack of snow, more wintry weather leads to full loads for the Whistler shuttle by February 1990. It is reported, on April 30, that the first quarter's income has declined by 9%. The reason is identified as declining income and higher maintenance costs for the Super Puma fleet. Consequently, the carrier begins to reduce its 9 AS-332Ls by sale or lease, with 2 of the French-made helicopters acquired by other carriers during the summer. The fiscal picture does not improve during the remainder of the year. Net gain for the year skyrockets to C\$7 million.

In January 1991, to prepare itself for a period of recession, CHC begins to amalgamate its four domestic divisions into two. Over 60 employees are laid off and underutilized assets continue to lead a program of selective disposition.

On July 1, it is announced that Montreal-based **Heli-Littoral, Ltd.** will be absorbed by the new CHC Viking Helicopters, Ltd. division. The liaison will bring 12 more Aerospatiale AS-350B and Bell 206B Jet-Rangers into the Canadian fold. Operations continue apace during the remainder of the year; however, bad weather and the nation's slumping economy bring a decrease in operating revenues.

Following the death of Robert Maxwell, **British International Helicopters, Ltd. (BIH)** goes into receivership with the rest of Maxwell Aviation International Group on December 12. The death of Maxwell ruins his entire financial empire in 1992, including BIH, which is now forced into Administration (the U.K. equivalent of Chapter XI of the U.S. bankruptcy law). During the first quarter, purchase bids for BIH are received from **Bristow Helicopters, Ltd.** and **Bond Helicopters, Ltd.** The former offer is withdrawn in July as the two proposals are referred to the U.K.'s Monopolies and Mergers Commission for approval.

Meanwhile, over the objections of Bond, as well as newer bidders that include **KLM/ERA Helicopters**, **Evergreen International**, and **Lloyd Helicopters**, a joint buyout team from BIH management and CHC (Canadian Helicopter Corporation, Ltd.) receive U.K. government approval and CAA licenses in August to form two BIH subsidiaries. The establishment of **BIH (Isle of Scilly), Ltd.** and **BIH (North Sea), Ltd.** are part of a complicated effort by CHC to secure a better position in its bid to buy the administered helicopter line.

During these maneuvers in Europe, the company also receives a number of contracts from the United Nations to provide helicopter support services in five nations in Africa. The arrangement will eventually lead to the commitment of some 40 helicopters.

On December 1, it is announced that the management buyout team from CHC and BIH, together with the British merchant bank of Brown and Shipley, Ltd., has secured sale of **British International Helicopters, Ltd. (BIH)** from its court-appointed administrators. Both the bank and Canadian operator are required to pay \$8 million each for matched 40% stakes, while BIH managers acquire 20% shareholding. On December 8, the Department of Transport voids the August licenses for subsidiaries and requires reapplication.

Brintel Helicopters, Ltd. completes purchase of the carrier and its assets out of administration at the end on January 27, 1993. Major shareholders in this \$45.5-million buyout include the CHC (80%), British venture capitalists, and the new company directors.

The world's second-largest commercial helicopter operator after **Petroleum Helicopters**, CHC now operates a total of 242 helicopters, including 2 Bell 412s, 2 dozen Bell 212s, 3 Bell 204s, 14 S-76As, 4 AS-332Ls, and 7 S-61Ns. In October, the corporation purchases all of the S-76As owned by BIH. Late in the year, a public securities offering is made, generating \$C85 million for use in paying down long-term debt. Brintel shareholding on December 15 is 90%.

In January 1994, CHC completes a buyout of **British International Helicopters, Ltd. (BIH)** for C\$27 million. CHC Chairman/CEO Dobbin obtains Irish citizenship, which allows the Canadian corporation to meet U.K. and EEC ownership regulations. Additionally, 10 million new shares are issued to the BIH management team, which is initially left in place. The British operator, a fully owned subsidiary, continues to fly under its previous name.

As of February, the Brintel ownership is 100%. In March, the U.K.'s Civil Aviation Authority (CAA) determines that the purchase of BIH complies with EC regulations on air carrier licensing.

During the summer, several of the company's repair and overhaul operations are merged together into one large Vancouver facility. Meanwhile, the United Nations' requirements for the company's support in five African countries are significantly reduced.

In October, BIH Managing Director Stewart Birt abruptly steps down. A month later, a major management change occurs at the Canadian parent. CEO Dobbin resigns his operational post to concentrate on the board chairmanship while President/COO Patrick Callaghan departs. Mark Dobbin is now vice president, while former CHC Western Division President Rudy Palladina becomes overall president/chief executive officer.

During the first quarter of 1995, the company and several of its subsidiaries receive contracts from Diamond Field Resources to provide helicopter support for its new mining operations at a major new nickel find at Voisey Bay, Labrador.

In July, the company is awarded a contract from a major 11-company multinational oil consortium for support of offshore shore operations in the Caspian Sea. The five-year arrangement is a joint venture with **Azerbaijan Airlines**. In August an S-76A+ and its crew are dispatched to Baku and on September 1 begin shuttling workers out to a number of drilling platforms.

From its base at Penticton, British Columbia, the company's Advanced Mountain Flight Training School continues to train helicopter pilots from around the world; much of the flying occurs in the nearby Cascade Mountains.

Airline employment stands at 1,600 in 1996. During mid-February, Jan Rustad, CEO of the Advanced Mountain Flight Training School, confirms that plans are being made to expand the facility and its curriculum.

Designed for greater lift capacity by Helipro International Corporation, a shortened S-61 enters service with CHC from Vancouver on March 12. A second shortened S-61 joins the fleet three days later; both machines begin heli-logging contracts with the western division in British Columbia.

Despite a reduction in revenues and a onetime cost of merging its eastern and Viking operations, CHC reports, for its fiscal year ending April 30, its highest-ever earnings—C\$7.6 million (US\$5.85 million).

On June 7, the company enters into a strategic partnership with Frde, Norway-based **Airlift, A.S.** via its Brintel Helicopters, Ltd. parent, **British International Helicopters, Ltd.** A specially equipped AS332L1 Super Puma is sold to the new partner for deployment at Spitzbergen.

The international division and its Thai Aviation Services partner receive a five-year, C\$70-million contract in August to support the offshore production operations of Unocal Corp. in the Gulf of Thailand.

A third shortened S-61 joins the heli-logging fleet of the western division in early fall. In mid-November, the company, through its affiliate **Thai Aviation Services, Ltd.**, receives a C\$70-million, five-year contract (with an additional two-year option) from Unocal of Thailand, Ltd. Support of Unocal offshore production will be provided by a Sikorsky S-76 and an S-61N.

In December, the company's British International Helicopters, Ltd. subsidiary wins the two-year Talisman offshore support contract previously operated by **Bond Helicopters, Ltd.** and **Bristow Helicopters, Ltd.** to provide flight services to the former British Petroleum-owned North Sea fields at Beatrice, Buchan, and Clyde.

In reaction, **Bond Helicopters, Ltd.**, acting on behalf of its new partner, the Norway-based Helikopter Service Group, challenges the operator's right to a U.K. operating permit, claiming that less than a third of BIH is owned by European Union nationals. Bond hopes to show that such a minority shareholding exists and that BIH is in violation of U.K. and EU laws. A high court in London agrees to a judicial review.

A two-year contract with Shell Prospecting and Development (Peru) B.V. is landed by CHC on December 11. A few days later, the western division renews a helicopter support contract with British Columbia-based Alcan Smelters and Chemicals, Ltd. that the carrier has held for 45 years.

Income for the year reaches C\$334.2 million and there are net earnings of C\$7.6 million.

The Shell contract, employing a dedicated Bell 212, begins in January 1997. The helicopter provides transportation to a remote project 500 km. east of Lima. In early April, President Rudy Palladina signs an order for 2 Bell Boeing BB-609 civil tilt-rotors. As of April 30, the company operates 222 helicopters in Canada and overseas.

Two new contracts are received on July 1. The first is a C\$24-million award that will require two medium-sized helicopters to operate from Yangon, Myanmar, for a minimum of five years and a third to fly from a remote campsite for a year.

The second contract, valued at C\$7 million, sends a medium-sized helicopter to Baku, where it will support the Caspian Sea offshore operations of a major oil consortium, Azerbaijan International Operating Company, for the next three years. During the year, helicopter operations account for 65% of the carrier's income, with the remainder coming from the ACRO Aerospace aviation repair and overhaul group.

Also on July 1, **Bond Helicopters, Ltd.**, a subsidiary of **Helikopter Services, A.S.**, challenges the ruling of a London court concerning a 1993 determination by the CAA that BIH complies with applicable U.K. and European licensing regulations with respect to ownership nationality.

At the year's FireExpo held in Abbotsford, British Columbia, during the summer, an S-61L demonstrates impressive water drops for crowds of spectators.

A major contract is completed in Argentina during the fall, somewhat earlier than expected.

Revenues increase to C\$351.7 million and profits jump to C\$10.1 million.

Following the major ice storm in Quebec on January 8–10, 1998, CHC, using its patented Helinas technology, is able to help speed power restoration throughout the province. The technology involves transporting of people and equipment to the tops of transmission towers for live-line maintenance and repair.

The company's stake in **Airlift, A.S.** is increased on January 30 from 10% to 45%, making CHC the major shareholder in the Norwegian helicopter operator.

On February 18, CHC receives two major contract extensions valued at C\$15 million. The first is a two-year extension of the arrangement with Azerbaijan International Operating Company while the second is a three-year extension of a deal with Mobil Equatorial Guinea, with a two-year option.

A two-year, C\$12-million contract is received from Sable Offshore Energy, Inc. on March 2 for support of the company's activities off Halifax. Also in the second quarter, support renewal contracts are received from utilities, including a two-year renewal with Newfoundland Hydro and a three-year renewal with the New Brunswick Power Commission. Newfoundland Telephone retains CHC's services until 2001.

On March 27, **Bristow Helicopters, Ltd.** wins a £175-million, seven-year contract from Shell Expro for operations in the central and northern North Sea, with support flights from Aberdeen and Shetland effective July 1. The contract had previously been held for 31 years by CHC subsidiary **British International Helicopters, Ltd.** (and its predecessors) and, in fact, made up more than half that operator's business.

Top BIH executives meet in Aberdeen, Scotland, on March 30 to decide future strategy in light of the loss of the Shell Expro contract. In an interview with that city's *Press and Journal*, Managing Director Conway admits that the Shell Expro decision had come as a big surprise—and quite a shock—to BIH. Meanwhile, CHC President Palladina resigns in a move described in the necessary press release as having come because of disagreements over the long-term direction of CHC. Loss of the Shell business is not mentioned.

Under terms of the March 2 Sable arrangement, CHC begins operations in Halifax in April, employing a Sikorsky S-76A and an S-61N to transport workers to offshore platforms. The company's EMS contracts in Ontario and Nova Scotia are renewed.

On May 19, the company signs a five-year, C\$19-million pact with the Arabian Oil Company, Ltd. and a one-year, C\$2.5-million deal with the Georgian Pipeline Company.

Due to unusual weather in western Canada during the annual fire fighting season, which begins in May, the demand for air drops of retardant will, by November, reach a near record low.

On June 13, the *Press and Journal* reports that CHC is targeting either Norway's **Helikopter Services, A.S.** or one of its subsidiaries (most likely U.K.-based **Bond Helicopters, Ltd.**) as a possible takeover target.

Also in June, a Bell 212 is dispatched to Tbilisi, Georgia, to assist the Georgian Pipeline Company in its construction of a 600-km. pipeline in the Caspian Sea area. The company also receives a two-year contract to provide helicopter support services to the C\$2-billion first phase of the Sable Offshore Energy Project, a consortium enterprise on the Scotian Shelf led by Mobil Oil.

On July 27, an agreement is signed with the government of Newfoundland and Labrador, whereby the province will contribute C\$9.5 million to help CHC to establish company at St. John's. The high-technology CHC subsidiary, Newfoundland Bonding and Composites, Ltd., will manufacture composite aerospace materials.

A second Sikorsky S-61N is added to the Halifax support group in early September. Simultaneously, preparations are made by the **British International Helicopters, Ltd.** subsidiary to celebrate the thirty-fifth anniversary of the Penzance to St. Mary's, Scilly Isles, route the following year. The route provides the world's oldest scheduled helicopter service and is fully and enticingly described when CHC opens a British International-Penzance homepage on the World Wide Web on September 21 (<http://www.chc.ca/bipz>).

The Arabian Oil Company contract begins in December. A Bell 212 is dispatched to Al-Khafji, Saudi Arabia, to assist the energy company in its oil and gas exploration, development, and production activities in the offshore area of the divided Ex-Neutral Zone between Saudi Arabia and Kuwait.

Also in December, Canadian Helicopter is outbid by **Cougar Helicopters, Ltd.** on a new C\$20-million contract from Terra Nova. Under the agreement, Cougar will employ its Super Pumas in support of Terra Nova's glory hole, subsea construction, drilling and operations activities off Newfoundland for 1999–2002.

CHC's helicopter operations generate operating income of C\$224.5 million and operating gain of C\$32.1 million. The corporation's overall net profit hits C\$10.1 million.

The *Aberdeen Press and Journal* reports on January 12, 1999, that the corporation has purchased a package of 5.1 million shares in **Helikopter Services, A.S. Group**. The 25% stake in the Norwegian operator, valued at a "knock-down price" of £16 million (Nkr 40 per share), is acquired from an institutional investor via the CHC Norwegian subsidiary Vinland Helicopters. The purchase makes CHC the largest shareholder in HAS, as well as its subsidiaries, **Bond Helicopters, Ltd.** and Australia's **Lloyd Helicopters (Pty.), Ltd.**

An additional 5% stake in HSG is acquired on March 24, together with controlling interest. Interviewed by the *Press and Journal*, Helikopter Services Group Chairman Reidar Lund indicates that the action is regarded as an "unfriendly takeover" attempt. CHC CFO Jo Mark Zurel discourages "takeover speculation" and claims the share purchase is a moneymaking exercise.

On April 14, Reuters, Ltd. publishes news that CHC will bid 45 crowns per share for the remaining shares in Helikopter Services, A.S. Group and that the official offer will be released within a week, again through Vinland Helicopters. After a preliminary discussion, the Norwegian operator indicates that the offer, compared to booked capital, is too low. CHC requires acceptances from those who hold 90% of HAG shares in order to accomplish the takeover.

CHC counters on April 26 with an offer, via Vinland, of Nkr 45 per share for the remaining shares. The purchase would be subject to successful completion of a due diligence review and government approval. A statement from CHC also indicates that the offer is conditional upon Vinland gaining a minimum of 90% of HSG stock.

Because it has not yet received the required consent from HSG for the shares previously acquired, Vinland Helicopters (acting on behalf of CHC), on May 10, extends its voluntary offer to acquire all the shares of HSG to May 28.

A major minority shareholder with a 20% stake, the U.S.-based investment firm Tiger Management moves on May 21 to block the CHC takeover of HAG. Tiger, like the HAG management, believes CHC's 45 crowns per share bid is too low. A spokesperson tells the Norwegian business daily *Dagens Naeringsliv* that the current share price does not reflect the real value of the company.

CHC will again counter, raising its offer to Nkr 60 per share.

Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** announces on August 2 that all of the remaining conditions to its offer to purchase all shares in **Helikopter Services Group, A.S.** (HSG) have been satisfied or waived and that the acquisition is completed. CHC now finds itself the owner of two major U.K. rotary-wing subsidiaries, as well as the giant Norwegian operator's foreign subsidiaries, that include **Court Helicopters (Pty.), Ltd.** of South Africa and **Lloyd Helicopters (Pty.), Ltd.** of Australia. In a move that foreshadows a corporation-wide integration a year later, **Bond Helicopters, Ltd.**, the HSG U.K. subsidiary also acquired is now renamed **CHC Scotia, Ltd.**

On October 28, HSG is deleted from the Oslo Stock Exchange. This is the final step in CHC's takeover of its former rival; with completion of the acquisition, the Canadian giant is now the world's largest helicopter operator.

By November, the activities of CHC's **British International Helicopters, Ltd.** subsidiary and **CHC Scotia, Ltd.** at Aberdeen, Scotland, have been amalgamated and over 100 nonflight positions are eliminated.

This year, the company's rotary-wing services have generated operating income of C\$214.6 million and operating gain of C\$37.7 million. Sale of the company's overhaul business and other costs drop corporate net profit to C\$8.7 million.

The carrier's famous Mountain Training School at Penticton, British Columbia, is awarded a new contract by the National Defence Department on January 6, 2000. Special-conditions flying will not only be taught to RCMP and other Canadian personnel, but to crews from the USN and USCG. On January 26, the U.K. Department of Trade and Industry and the Competition Commission both clear the merger of CHC's UK operations and those of **Helikopter Services Group, A.S.**

Two days later, the company sells its 33% stake in **Helicsa, S.A.** to its other major partners, **Helicoptereros, S.A.** and **Schriener Airways, B.V.**, for C\$6.8 million.

Working with the Welsh Development Agency, the U.K. managers of **British International Helicopters, Ltd.** open negotiations with the parent organization during the first quarter concerning a possible management buyout. With the acquisition of **Bond Helicopters, Ltd.**, now **CHC Scotia, Ltd.**, BIH has become the redundant U.K. subsidiary (publicly referred to as a non-core operation in the United Kingdom) for the giant North American concern.

A satisfactory arrangement is concluded on May 17, under which BIH, sold for \$51 million, once again becomes the largest U.K.-owned helicopter operator. The Canadian corporation's U.K. offshore activities will now center fully on **CHC Scotia, Ltd.**

Trading as **British International, Ltd.**, the new company retains or acquires from CHC 6 Sikorsky S-61Ns, 2 Eurocopter AS-365N2 Dauphins, and 2 light helicopters. The scheduled passenger service to Penzance is maintained, as are operations for the Ministry of Defence in Plymouth, England, and the Falkland Islands. Light helicopter operations are also undertaken in Cardiff.

The sale of non-core operations continues in July as Norway-based **Lufttransport, A.S.** is sold to the **Norwegian Air Shuttle, A.S.** for C\$14.3 million. Proceeds from the sale are applied to the senior debt associated with the previous year's takeover of Helikopter Services Group.

Effective October 19, all of the corporation's subsidiaries adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, **Helikopter Services, A.S.** becomes **CHC Helicopter Service, A.S.**, **Court Helicopters (Pty.), Ltd.** is renamed **CHC Helicopters Africa (Pty.), Ltd.**, and **Lloyd Helicopters (Pty.), Ltd.** emerges as **CHC Helicopters Australia (Pty.), Ltd.** Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

CANADIAN NORTH, LTD.: Northwest Tower, Suite 300, 5201 50th Ave., Yellowknife, Northwest Territories X1A 3S9, Canada; Phone (867) 669-4000; Fax (867) 669-4040; <http://www.nunavut.com/cgi-bin/nbse...nuit>; Year Founded 1998. In September 1998, the northern division of **Canadian Airlines International, Ltd.** is sold to the 100% aboriginal-owned holding company NorTerra Inc., which is jointly owned by Inuvialuit Development Corporation and Nunasi Corporation. Under the name Canadian North, the division, based at Yellowknife with a regional office in Iqaluit, immediately enters into a comprehensive agreement with CAI.

Under its terms, CAI will provide operational and maintenance support, including wet-leased B-737-200s, as well as joint marketing, scheduling and fare structures. All flights operate with the CP code and Canadian North is included in CAI's frequent flyer program, is a partner in Canadian Cargo, and is included in the major's travel agency Sales Incentive Program.

Canadian North continues to offer services to and from Iqaluit, Rankin Inlet, Cambridge Bay, Resolute, Yellowknife, Norman Wells, Inuvik, Hay River, and Fort Smith.

CAI is renamed in early 1999 as **Canadian Airlines, Ltd.** In conjunction with code-sharing partner CA, thrice-weekly B-737-275C roundtrips are started by Canadian North on April 6 linking Ottawa with Iqaluit, capital of Canada's newest territory, Nunavut. Plans are announced to double the schedule in October.

After four months of maneuvering, the carrier's larger partner, **Canadian Airlines, Ltd.** is taken over by **Air Canada, Ltd.** in January 2000. During the majors' integration period, no change occurs in the Canadian North-CP relationship.

CANADIAN PACIFIC AIR LINES, LTD. (CPAL): Canada (1942–1986). With an interest in Canadian commercial aviation since its acquisition of shareholding in **Canadian Airways, Ltd.** in 1930, the Canadian Pacific Railway makes a survey of the country's private airlines during 1939, learning many are in deep financial difficulty. In 1940, the railway plays a major role in organizing the Air Transport Auxiliary to ferry aircraft across the North Atlantic to England. Acting on the suggestion of the British Ministry of Aircraft Production, an Air Ferries Department had been established on November 11 for the purpose and placed under the direction of Maj. George E. Woods Humphrey, long-time managing director of **Imperial Airways, Ltd.** During that year and next, the railway begins to purchase control of the nation's independent air transport concerns.

On January 30, 1942, CPAL is founded as a subsidiary of the Canadian Pacific Railway. Amalgamated into the new entrant are three smaller airlines, which are themselves the results of earlier mergers, **Yukon Southern Airlines, Ltd.**, **Canadian Airways, Ltd.**, **United Aircraft Services, Ltd.**, and four bush lines, **Arrow Airways, Ltd.**, **Dominion Skyways, Ltd.**, **Prairie Airways, Ltd.**, and **Starrett Airways, Ltd.**

The resulting combined fleet totals 77 single- and twin-engine planes, including Junkers W.33s and W.34s and de Havilland DH 84 Dragons and DH 89A Dragon Rapides. Five Boeing 247Ds, first flown by **United Air Lines** but acquired by the Canadian Department of Munitions two years earlier, are leased and enter service.

Former **Yukon Southern Airlines, Ltd.** CEO Grant McConachie, one of the nation's most famous pilots, is named managing director. His biography by Ronald A. Keith, *Bush Pilot with a Briefcase: The Happy Go-Lucky Story of Grant McConachie* (Toronto: Doubleday, 1972) will recognize his dual accomplishments as aviator and executive.

All flight personnel wear new uniforms; those for pilots and flight attendants are military-style suits in dark colors and gloves and hats are *de rigueur* for female flight attendants.

A variety of British Commonwealth Air Training Plan responsibilities are inherited as is the completion and operation of five repair and overhaul plants.

A Lockheed Model 14H Super Electra acquired from **Yukon Southern Airlines, Ltd.** crashes on Mt. William Knight, 70 mi. E of Vancouver, on December 20; there are no survivors from the aircraft, which will not be found until August 10 of the following year.

Enplanements for the first 11 months of the new operation total 29,267.

In 1943–1945, the mixed fleet provides service over the acquired routes. One of the most unusual flights occurs in November 1944 when 26 orphaned babies aboard a B-247D sleep through their transfer from Montreal to Chicoutimi. Many of the aircraft are withdrawn during this period in preparation for newer types, including the first of 17 Douglas transports. Bookings for this three-year period are, by year: 1943, 56,634; 1944, 82,858; 1945, 125,110. In the spring of the latter year, 3 Boeing 247Ds are sold to Bert Zimmerly, who places them into service during July with his Idaho-based carrier, **Zimmerly Airlines**.

As **Trans-Canada Airways, Ltd. (TCA)** has neither the equipment or personnel to participate, the Canadian government declines to join the 1946 consortium forming **British Commonwealth Pacific Air Lines (BCPAL)**. Enplanements for the year are 175,461.

During 1947, the fleet of 17 Douglas DC-3s (converted to civil standard from war surplus C-47s) finishes entering service. McConachie is promoted to president/CEO on February 7. Due to TCA-biased parliamentary legislation, little progress is made with plans for long-haul service. An exchange of a Vancouver–Victoria shuttle service is arranged with **Trans-Canada Airways, Ltd. (TCA)** in return for a Vancouver–Prince Rupert coastal route. The swap is followed by government awards for operations Vancouver–Calgary and Winnipeg to Dauphin, The Pas, Flin Flon, and Seven Islands to Knob Lake. Bookings drop significantly, down to 71,847.

The Canadian Air Transport Board in 1948 awards McConachie a monopoly route to Hong Kong and Australia. With the nation's currency frozen, thereby preventing orders to the U.S., CPAL requests 4 Canadair

C-4-1 (pressurized DC-4) North Stars. Pride of the airline is a fleet of 11 Lockheed L-18 Lodestars operated by the western division. Bookings rebound to 96,015.

The 4 North Stars are delivered in May and June 1949. One, the *Empress of Sydney*, makes the first overseas flight for the carrier on July 10, a proving run from Vancouver to Sydney via San Francisco, Honolulu, Fiji Islands, and Auckland. Meanwhile on May 11 and July 9, two Consolidated PBY Cansos are lost in crashes, one at Prince Rupert and the other at Asisko Lake, British Columbia. Regularly scheduled service is inaugurated on July 13, almost exactly in reverse of the route flown by BCPAL, but omitting the New Zealand stop.

On September 9, a DC-3 of **Quebec Airways, Ltd.**, operating as an affiliate since 1942, is destroyed by a time bomb over St. Joachim, Quebec (23 dead). C-4-1 Vancouver–Tokyo and Hong Kong flights via Anchorage and Shemya, commence on September 19. On December 15, the carrier announces an order for 2 de Havilland DH 106 Comet 1A jetliners.

Enplanements for the year soar to 126,826.

Quebec Airways, Ltd. is integrated in 1950. Although all aboard are safe, the C-4-1 *Empress of Vancouver* with 5 crew and 10 passengers must be written off following a hard landing at Tokyo (HAD) on February 9.

Also in December, the first 2 of 5 Douglas DC-4s purchased from **Pan American World Airways (1)** are delivered. On December 2, one of these establishes a new Honolulu to Vancouver flight record of 9 hrs. 7 min.

Approaching Penticton on initial approach to Vancouver Airport on December 22, a DC-3 with 3 crew and 15 passengers flies too low and smashes into trees of the Okanagan Mountain at 4,500 ft. (2 dead).

The year's bookings accelerate to 145,000.

Flying via the Great Circle Route to Japan, BCAL participates in the UN's Korean War airlift, beginning in early 1951.

After several years of disuse, the company's original Canada goose symbol is now returned, replacing the beaver previously employed.

A contract is started on June 15 to operate the RCAF No. 10 Repair Station at Calgary.

A C-54A with 6 crew and 31 passengers disappears into the Gulf of Alaska during a flight from Sitka to Yakutat on July 21; there are no survivors.

Auckland is added as a stop on the Sydney route and the 3 surviving C-4-1s are sold to TCA in November–December, the same months in which the last 3 DC-4s are delivered.

Boardings this year climb to 175,903.

The carrier in the spring of 1952 announces its intention to fly the Sydney–Honolulu leg of its transpacific route with DH 106 Comet 1As just as soon as they can be delivered. Meanwhile, orders are placed for 4 Douglas DC-6Bs. Arrangements are made to acquire 5 Convair CV-240s from **Continental Airlines** and the first arrives in December. Enplanements are up again, to 193,189.

The first 3 DC-6Bs arrive during January and February 1953. CV-240 service begins on February 2 over the Vancouver–Sandspit route. The remaining 4 CV-240s are delivered in February–March.

En route to Australia from England on March 3, the DH 106 Comet 1A *Empress of Hawaii* crashes on takeoff from Karachi; all 11 aboard are killed in the world's first fatal crash of a pure-jet airliner. Investigators will report that the tragedy is due to the nose of the airliner being held too high upon takeoff. The British aircraft's manufacturer will make modifications to the Comet, including the addition of drooped wing leading edges.

Resolved that his carrier will not operate the type, President McConachie orders the second Comet 1A, *Empress of Vancouver*, sold to the **British Overseas Airways Corporation (BOAC)**. In April, 3 newly received DC-6Bs are placed on the Pacific routes as more of these Douglas-made Comet replacements are ordered.

On May 1, a Consolidated PBY-5A crashes while landing at Prince Rupert, British Columbia (two dead).

During the summer, the UN's Korean War airlift ends; in its support since 1951, BCAL has made a total of 703 roundtrip 4,800-mile flights

to Japan ferrying 39,313 U.S. and Canadian personnel and logging over 7 million miles. The DC-6B *Empress of Lima*, on October 16, launches a frequency from Vancouver to Lima via Mexico City.

On November 16, an order is announced for 3 DH 106 Comet 2s; they will never be delivered. The year's bookings skyrocket to 218,886.

On June 23, 1954, a DC-6A is sold to **Northwest Airlines** in the U.S. The year's enplanements total 233,376.

In January–April 1955, 8 Curtiss C-46s are acquired from **The Flying Tiger Line** and the first are placed in all-cargo services in support of DEW-Line construction on March 15.

Two de Havilland Canada DHC-3 Otters are purchased in April and begin operations from Edmonton to Norman Wells, Fort Norman, Aklavik, and other destinations in the Northwest Territories.

On April 11, a DC-6B leaves on a preinaugural Vancouver–London flight, which is completed next day via the Great Circle Route.

The DC-6B *Empress of Amsterdam*, piloted by Capt. R. B. Leslie, links western Canada and the Pacific with Europe on June 3–4 when it inaugurates Amsterdam–Sydney service over the Polar route via Sondrestromfjord, Greenland, Edmonton, and Vancouver.

On November 1, the **Quebec Airways, Ltd.** routes in Ontario and Quebec are traded to TCA for a Toronto–Mexico City route. The DC-6B *Empress of Auckland* launches nonstop service over the new route on November 6, thereby providing a link to Lima. The year's boardings swell to 269,509.

The Lima route is extended to Buenos Aires on June 1, 1956.

En route to Tokyo on August 29, Flight 307, a DC-6B with 8 crew and 22 passengers catches fire and attempts, unsuccessfully, to make an emergency landing at Cold Bay, Alaska (15 dead).

Enplanements for the 12 months drop to 251,542.

Orders are placed in 1957 for 6 C\$2.9-million Bristol Britannia 314s. On May 30, the DC-6B *Empress of Lisbon* inaugurates central Atlantic flights Toronto and Montreal to Lisbon; five days later, the route is extended down to Madrid.

On September 1 the Winnipeg–Churchill route is sold to **Transair, Ltd.** Santiago de Chile is added to the South American network on September 23.

In November, the carrier's Prairies Service, Edmonton–Regina via Prince Albert, Moose Jaw, and Saskatoon, is transferred to **Pacific Western Airlines, Ltd.** Boardings rebound to 268,602.

Transport Minister George Hess, on February 7, 1958, announces a new air transport policy for regulated competition on domestic routes. Late in the first quarter, aviation history is made during a DC-6B service to Amsterdam via the polar route. Capt. Robert Randall Sr. is pilot, his son Ted is copilot, and his second son, Bob Jr., is second officer.

The first Britannia 314 is delivered on April 9; christened *Empress of Buenos Aires*, it launches nonstop Vancouver–Amsterdam service on June 1. As additional 314s are received, they are placed on the Vancouver–Tokyo run, beginning on August 23. Bookings for the year dip to 245,182.

A second DC-6A is sold to Northwest Airlines on April 19, 1959. Daily Britannia 314 transcontinental Canadian Empress service, Vancouver–Montreal via Winnipeg and Toronto is inaugurated on May 4.

Eleven days later, on July 14, **Northwest Airlines** purchases a DC-6B. Also in July, the Mackenzie Service, linking Edmonton, Uranium City, Yellowknife, and Inuvik, is transferred to **Pacific Western Airlines, Ltd.** The Britannia 314 *Empress of Montreal*, on September 11, extends the Tokyo route to Hong Kong.

Enplanements soar to 296,567.

On March 1, 1960, Britannia 314s stretch the Lisbon and Madrid twice-weekly frequencies on to Rome. The last PBY-5A Canso is sold as the coastal routes of British Columbia are transferred to **B.C. Airlines, Ltd.** Livery and logos are changed and orders are placed for Douglas DC-8-43s. Bookings climb to 336,072.

The first DC-8-43 is delivered on March 25, 1961; christened *Empress of Vancouver*, it is placed in service on April 30 over a route from Amsterdam to Sydney via Edmonton, Vancouver, Honolulu, Nadi, and

Auckland. Upon its return, it is assigned to the European Polar route on May 31, flying from Vancouver to Amsterdam. The fleet now comprises 6 Bristol Britannia 314s, 2 Bristol Britannia 324s, 8 DC-6Bs, 5 Convair CV-240s, 2 Curtiss C-46s, and 3 DC-3s.

While attempting an overshoot of Hickam Field at Honolulu on July 22, the *Empress of Vancouver* crashes; it will be repaired. A second DC-8-43 is received in late summer and is placed on the Tokyo service on October 10. In terms of passenger kilometers flown, the carrier now ranks as the world's 27th largest airline.

One DC-6B is retired in 1962 as 2 additional DC-8-43s enter service.

A Britannia 314 with 7 crew and 40 passengers crashes in flames at Honolulu, Hawaii on July 23; the plane was returning for propeller repairs after takeoff for the Fiji Islands 20 minutes earlier (27 dead).

Enplanements for 1963 total 498,245. A net profit of C\$347,000 is earned.

Airline employment in 1964 stands at 2,634. As another DC-8-43 is placed into operation, the fleet is decreased through the retirement of 1 DC-6B, 5 CV-240s, 2 C-46s, and 6 Britannia 314s. A sixth DC-8 (a Dash-54) is ordered for 1965 delivery.

Passenger boardings increase to 541,014 during the 12 months and freight traffic rises a strong 47%. The Pacific route is now the company's fastest growing, up 36%. The average trip length is 1,817 miles. The net profit is C\$4.8 million, the largest in the company's 22-year history to date.

The workforce is increased to 3,080 in 1965. The DC-8-54 is received and orders are placed for 3 DC-8-63s. CEO McConachie dies on June 29.

On July 8, en route from Vancouver via Prince George to Whitehorse, Flight 21, the DC-6B *Empress of Buenos Aires* with 6 crew and 46 passengers, including several Winnipeg Blue Bomber CFL All-Stars, is blasted from the sky by a suspected bomb over Dog Creek, British Columbia. There are no survivors and no one is ever charged in what is widely believed to be a suicide-for-insurance plot by an unknown passenger.

A deposit (later refunded) is filed with the U.S. FAA for 3 Boeing SSTs, which are never built. Nonstop Toronto–Rome service begins during the summer.

Boardings accelerate to 630,816 and passenger miles jump 16.5% to pass the billion mark for the first time (1,144,936,200).

John C. Gilmer becomes president/CEO on January 1, 1966. Another DC-8-43 enters service.

En route for Vancouver from Hong Kong on March 4, Flight 402, the DC-8-43 *Empress of Edmonton* with 10 crew and 62 passengers, crashes after striking several support lights 2,800-ft. from the runway while landing at Tokyo (HAD). The jetliner then strikes a sea wall and catches fire (64 dead).

Toronto to Hawaii nonstop flights begin on October 9. Passenger boardings grow to 739,000.

The employee population in 1967 is now 3,402. An order is placed for 4 DC-8-63s and 7 Boeing 737-217s.

Flight attendants on the Vancouver to San Francisco route are now wearing a special tartan uniform to celebrate the Canadian Centennial and the first U.S. service.

On March 27, a new Canadian air transport policy is announced, dividing international routes between CPAL and **Air Canada, Ltd.** CPAL is designated carrier the on routes to the Pacific area, Asia, Australia, New Zealand, southern and southeastern Europe, the Netherlands, and Latin America.

Also, capacity on domestic routes for the carrier will be allowed to increase to 25% of transcontinental capacity by 1970 and new stops at Calgary, Edmonton, and Ottawa are authorized. While awaiting delivery of the DC-8-63s, a Boeing 707-138B is wet-leased on October 15 from Seattle-based **Standard Airlines** and is operated as the *Empress of Sydney* by that carrier's pilots. Passenger enplanements rise to 885,599.

Airline employment in 1968 is 4,270. Coming in from Honolulu on February 7, Flight 322, the B-707-138B *Empress of Sydney* with 9 crew

and 52 passengers, overruns the runway while landing at Vancouver and collides with parked planes, vehicles, and two buildings; one person aboard the aircraft is killed, as is one on the ground.

The carrier accepts delivery of 5 B-737-217s and 4 DC-8-63s and orders are placed for 2 B-727-17s.

Late in the year, a new corporate image and new name (CP Air in Canada and Canadian Pacific Air overseas) are adopted. The Canada goose symbol is replaced by a logo of five rectangles, standing for "wings across five continents." New uniforms are also introduced for employees; those for flight attendants are also available to the public at Toronto's Eaton's department store.

Freight soars 38% and passenger boardings for the year pass the million-mark for the first time, up 17% to 1,036,641. Revenues exceed C\$100 million for the first time (C\$106,700,000).

The last DC-3s and DC-6Bs are retired in 1969 and the Auckland frequency is suspended. A C\$24-million Air Operations Center (maintenance, overhaul, training) is opened on 52 acres on the north end of Vancouver International Airport.

En route from Shannon to Toronto on June 29 with 260 aboard, the No. 3 engine on a DC-8-63, 600 mi. W. of Shannon breaks away, punctures the aircraft's fuselage, and damages a fin. The jetliner suffers an engine shutdown and emergency descent before recovery and turnback; no injuries are reported and a USAF C-130 is able to intercept and escort the Douglas back to Ireland.

Enplanements for the year are 1,257,375 and the net profit is C\$3.5 million.

The 2 B-727-17s ordered in 1968 join the fleet during 1970. Passenger boardings jump 12.5% to 1,437,000. Revenues grow 23.9% to C\$149.6 million and the net profit shrinks to C\$1 million.

The unduplicated miles in the route system total 58,450 in 1971 and the fleet now includes 11 DC-8s, 14 B-737-217s, and 2 B-727-17s, one of which is delivered on March 11. **Pacific Western Airlines, Ltd.** purchases the carrier's old hangars on the south end of Vancouver International Airport. Orders are placed for 2 B-747-217s. Enplanements are 1,505,438.

The workforce in 1972 stands at 5,787. The fleet receives 1 more B-727-17 and 1 DC-8-55F, the latter being converted during the late spring and early summer to passenger standard. In September, the re-configured aircraft flies three charters to Peking for the Canadian Department of Industry, Trade and Commerce.

Passenger boardings accelerate 9.8% to 1,669,000 and freight swells 2.9%. A C\$5.2-million net profit is recorded.

A lone assailant takes over a CV-640 at Vancouver on January 4, 1973 and demands to be flown to North Vietnam. During negotiations, the man releases the plane's passengers and, finally convinced that the turboprop does not have the range to fly across the Pacific Ocean, surrenders to the RCMP.

An agreement is signed during the spring with the People's Republic of China for the start-up of Vancouver to Peking and Shanghai service in 1974.

Late in the year, Transport Minister Jean Marchand details a new division of international air routes between **Air Canada, Ltd.** and CP Air, Ltd. Except for Colombia, Venezuela, and the three former Guianas, CP Air is allocated all of South America, Morocco, Algeria, Tunisia, south and southeastern Europe plus the Netherlands, Australia, New Zealand, the Pacific Islands, Israel, Iran, China, Japan, and 4 of the 18 destinations contained in the new bilateral agreement with the U.S.

The first 2 of 4 ordered B-747-217Bs are delivered on November 15 and December 3 and are christened *Empress of Italy* and *Empress of Japan*, respectively. One is leased to **Braniff International Airways**, while the other enters service on December 16 on the Vancouver to Tokyo and Hong Kong service. Interestingly, the upstairs lounge of the *Empress of Japan* features an early Canadian railroad decor. Traffic suffers somewhat due to a two-month strike.

Enplanements drop to 1,596,516. Operating revenue climbs 7.5% to C\$185.8 million, but increased fuel costs in the fourth quarter cause an overall 9.1% jump in expenses. The profit falls to C\$4.2 million.

The employee population in 1974 is 6,780. Two additional Jumbo-jets are received and join a fleet that now includes 2 B-747-217s, 4 B-727-17s, 2 B-727-217s, 7 B-737-217s, 5 DC-8-43s, 1 DC-8-53, 1 DC-8-55, and 5 DC-8-63s. The Peking and Shanghai inaugural route is postponed indefinitely. A third B-747-217B, the *Empress of Canada*, is delivered on November 5 and placed into service between Vancouver and Toronto.

En route from Winnipeg to Edmonton on November 29, Flight 71, a B-737-217 with 86 passengers is captured by a lone assailant, who holds a knife to a stewardess. Demanding to be flown to Cyprus, the aircraft lands at Saskatoon for refueling, where the hijacker surrenders to the plane's captain. Tried, the Turkish-speaking man is sentenced to seven years in prison.

The second and the last of 4 B-747-217Bs arrives on December 2; christened *Empress of Australia*, it begins operations to Italy.

Passenger boardings soar 30.1% to 2,284,000. Revenues skyrocket 47% to a record C\$279.5 million, but expenses, led by an 8% jump in fuel costs, climb 49%, reducing the profit to C\$2.5 million.

Airline employment in 1975 continues to grow and is up to 7,541. In April, nonstop Vancouver-Los Angeles service is begun. A DC-8-55 is leased to **ABC Charters, Ltd.** for its final four years. Late in the year, President/CEO John Gilmer retires and flights begin to Morocco.

Passenger boardings jump 11.6% to 2,548,967 and freight zooms upward by 25%. Revenues reach C\$322 million, but operating expenses explode by 25%, forcing a C\$6.4-million loss.

On January 1, 1976, Ian A. Gray is named president/CEO. As a result of the previous year's loss, airline employment is reduced 6.8% to 7,027. The Customer Service and Marketing departments are consolidated into a single Sales and Service group. Frequencies are suspended to Madrid and Tel Aviv and reduced to Mexico City; however, a new route is opened to Lima. A new operations and maintenance center becomes operational at Toronto.

Although freight is up 9.1%, passenger boardings climb only 0.5% to 2,561,253.

The 4 B-727-17s are sold in May 1977, 2 to **Mexicana Airlines, S.A. de C.V.** and 1 each to **Nigeria Airways, Ltd.** and **LAB (Lloyd Aero Boliviano, S.A.)**. Service to Amsterdam is now suspended as recession is felt. Two hundred employees are laid off. Still, orders are placed for 3 DC-10-10s, 2 DC-10-30s, and 3 B-727-217s.

A total of 2,685,120 passengers are carried during these 12 months.

The workforce is boosted 6.2% in 1978 to 7,117. Total unduplicated route mileage is now 66,644. A government ruling allows the company to increase its percentage of transcontinental traffic from 25% to 35% of that flown by **Air Canada, Ltd.**; the percentage can be boosted to 45% in the next year. A Courier Jet package express service is introduced, along with a program of domestic ABC Charters and Apex Charters. The 3 DC-10-10s and the last B-747-217B are received.

Passenger boardings jump 12.6% to 1,960,440 and cargo soars 12.2%. On revenues of C\$411.9 million, a record C\$18.5-million profit is realized.

Three DC-10-30s and 3 B-737-217s join the fleet in 1979 as 1 DC-8-43 and the DC-8-55 are sold. Orders are placed for 4 B-767-200s and 14 more B-737-217s. Government rights to unlimited transcontinental services are awarded in May. On June 1, no frills B-747-217B Skybus Service is initiated between Toronto and either Edmonton, Calgary, or Vancouver; DC-10-63s replace the Jumbojets in October.

Passenger boardings advance by 10.7% to 3.28 million and freight is up 2.6%. Revenues expand by 13% to C\$465.4 million, but profit falls to C\$13.9 million.

Two DC-10-30s and 2 B-737-217s are delivered in 1980 and 2 DC-8-43s and 1 DC-8-53 are retired. A new marketing approach emphasizing premium Express Service at premium fares is adopted on Canadian and Pacific routes in October, following introduction of what would prove an unsuccessful launch of business-oriented Montreal-Toronto "The Company Jet" service in September.

Government route concessions for Victoria and Halifax are awarded and construction of a new hanger is begun at Toronto. An agreement is reached

with **Philippine Airlines** to begin offering C\$1,999 economy/\$2,999 around-the-world flights utilizing resources from both carriers.

Cargo swells 19.5% and passenger traffic grows by 10.7% as 3.6 million passengers are flown. Although revenues jump 25% to C\$684 million, expenses skyrocket 28.5%—due largely to increases in fuel costs—to C\$677 million, cutting the operating profit down to C\$6.8 million.

Six B-737-217s and 1 DC-10-30 are placed in service in **1981** as the remaining DC-8s are all sold. Amsterdam is returned to the route network, but Mexico City is dropped. Montreal–Halifax flights begin in March. Upgraded full-fare Express Service is extended to most Canadian and European destinations during the summer and DC-10-30 charters are started to Reno, Nevada from Vancouver and Alberta. The Skybus Service approach is dropped during the fall, with ABC Charters stepped up.

Reclining sleeper seats are installed in the first-class cabins of the carrier's DC-10-30s and B-747-217s. A C\$16.3-million expansion of the Vancouver operations center is begun while a C\$54-million contract is let for the construction of a gas turbine overhaul facility, also at Vancouver. Two B-727-217s are sold to **Dan Air/Dan Air Services, Ltd.** in November.

Passenger boardings rise 7.5% to 3.9 million and freight grows 8.9%. Revenues total C\$680 million, but expenses, led again by fuel, swell to C\$682 million. Losses are C\$2.3 million (operating) and C\$14.6 million (net).

As a result of the losses, the workforce is cut back more sharply in **1982** than at any time in the carrier's history, declining 9.8% to 7,994. Regina, Saskatchewan, is added as a stop on the Vancouver–Toronto run in April, followed by Saskatoon in June. Nightly Vancouver–Toronto frequencies are increased, with Calgary and Winnipeg added as stops. In October, **Eastern Provincial Airways, Ltd.** and CP Air, Ltd. announce plans to integrate their services from Halifax to Montreal, Ottawa, or Toronto.

Having resigned in April, CEO Gray is succeeded in November by former **Pan American World Airways (1)** boss Daniel A. Colussy. The carrier's fortieth anniversary is celebrated throughout the year. Two DC-10-30s and 1 B-737-217 are placed in service while, in November–December, the first 3 of 5 B-737-217s are sold to **PEOPLExpress**.

Passenger boardings dip 4.9% to 3,708,000, but cargo bolts skyward by 27.8%. Revenues are C\$690.7 million, but expenses are now up to C\$712 million. The operating loss worsens to C\$21.3 million and the net loss doubles to C\$28.2 million.

Airline employment is cut another 7.8% in **1983** to 7,370. The previous order for 4 B-767-200s is cancelled and replaced by one for 10 B-737-317s. The last **PEOPLExpress** B-737-217s are delivered to that U.S. carrier in March and May. After trading **United Airlines** 3 DC-10-30s for 3 DC-10-10s for 3 (later 5) years, the fleet now includes 4 B-747-217s, 5 DC-10-30s, 3 DC-10-10s, and 19 B-737-217s.

An interchange is begun with **Eastern Provincial Airways, Ltd.** in June integrating that company's Halifax–Montreal and Toronto flights with CP Air's transcontinental frequencies. All but one Vancouver–Victoria frequency is turned over to CP Commuter associate **Air BC, Ltd.** in October. **Pem Air, Ltd.** begins a CP Commuter route from Pembroke to Toronto in Ontario. Saskatchewan service, suspended in late winter, resume in November with weekly B-747-217B flights from Regina to Honolulu via Vancouver.

Cargo climbs again, up 11.2%, but passenger enplanements are down once more, off 0.6%, to 3,270,000. Revenues drop to C\$675.2 million, and thanks to a stringent cost-cutting program, expenses decline to C\$676.4 million. The operating loss is cut to C\$1.2 million and a tiny C\$350,000 net profit is earned.

Again in **1984**, the employee population is chopped, down 2.2% to 7,207. Service is started to Saskatoon and Regina. Negotiations are begun for the acquisition of both **Nordair, Ltd.** and **Eastern Provincial Airways, Ltd.** The latter is purchased in April for C\$15.6 million. Majority control is also taken in **Nordair, Ltd.** and an interest is obtained in the newly formed commuter **Air Atlantic, Ltd.** Government approval for the purchases is given during the summer.

Attache business-class service is introduced aboard B-737-217s that have been configured to 62 seats and given a special livery; the service proves extremely successful. Also during the summer, a second South American service is begun that allows DC-10-30s to fly twice weekly from Toronto and Vancouver, meet in Lima, and continue to Buenos Aires via Santiago de Chile. Charter flights are initiated between Vancouver and Kelowna, British Columbia in October.

Overall passenger boardings grow 2.1% to 3,774,000 and freight, seemingly always strong, accelerates another 13.1%. The worst of the financial reversals suffered during the world economic downturn appear over as revenues rebound 7.9% to C\$686.5 million and expenses drop to C\$647.5 million. Profits are C\$35.3 million (operating) and C\$2.1 million (net).

The employee total rises 5.5% to 8,578 in **1985**. A fleet standardization program is begun, designed to have the carrier become an all-DC-10/B-737 operator. After delivery of the first three machines early in the month, the first B-737-317 service in Canada is initiated on April 17 over the Vancouver–Toronto via Winnipeg transcontinental run. Also in April, former **American Airlines** Senior Vice President/Controller Donald J. Carty is named president/CEO, effective at the first of the year.

After taking on connecting passengers and baggage from Tokyo at Vancouver on June 22, Flight 003, a B-747-217 flies to Tokyo. There, a bomb explodes as the luggage, scheduled to be shifted over to Air India Flight 301 for a Bangkok service, is being unloaded; two baggage handlers are killed and four injured.

The B-747-217Bs are sold to **Pakistan International Airways Corporation (PIA)** while B-737-217s are delivered and 6 DC-10s (3 Dash-10s and 3 Dash-30s) are leased out. Nine more B-737-217s (one-third of the fleet) are converted to 62-seat configuration and placed on the Attache business-class service.

As part of CEO Colussy's plan for the achievement of greater domestic feed, **Eastern Provincial Airways, Ltd.** (and its fleet of 7 B-737-217s and 4 Hawker Siddeley HS 748s) begins final integration; it will be allowed to finish out the year as a separate entity.

In July, the former name, logo, and livery of CP Air, Ltd. is dropped in favor of a return to the original Canadian Pacific Air Lines, Ltd., this time with the last two words merged into the single "Airlines." (For the sake of consistency in this work, the original two words will be retained.) After 18 years of a noticeable orange livery, all aircraft are repainted in red, white and blue.

Internally, the airline negotiates new contracts with its unions. Moderate wage hikes and job security is given in exchange for work-rule concessions and a two-tier wage structure. The first Jumbojet is delivered to **Pakistan International Airways Corporation (PIA)** in December.

Passenger traffic for the enlarged carrier grows dramatically. Boardings soar 20.2% to 4,530,000. Freight, for the first time in the memory of many, dips down, but only by 1% to 324 million FTKs. Revenues grow 16% to C\$801.7 million and the operating profit is C\$24.8 million. Increased competition under deregulation, a weak Canadian dollar, higher interest costs, and the price of acquisitions and interests in other carriers bring a net loss of C\$26.6 million.

On January 1, **1986**, **Eastern Provincial Airways, Ltd.** is fully absorbed and ceases to exist as a separate airline. During January, Donald J. Carty becomes president/CEO.

In February, the small package Dispatch Service is introduced, followed in March by Airpac, a joint effort with CANPAR in Ontario. During late winter and spring, Hong Kong–Vancouver services become nonstop and are extended on to Toronto. The Amsterdam and Tokyo runs are, simultaneously, made daily and service is reintroduced to New Zealand.

On April 30 after more than a decade's wait, weekly Vancouver–Shanghai and Beijing flights begin. Also in April, the last 2 B-737-317s are delivered and it is again decided to withdraw service from low-yield Saskatchewan.

Phaseout of the B-747-217Bs continues in May as another unit is turned over to **Pakistan International Airways Corporation (PIA)**. In

June, feed arrangements are announced with **Air Atlantic, Ltd.** and **Norcanair, Ltd.** In cooperation with the latter, Toronto-Pittsburgh service is launched.

The 5 B-737-317s are in service by July, at which time the decision is taken to discontinue use of the type and to replace it with additional B-737-217s. All 5 are sold to **VASP Brazilian Airlines (Viacao Aerea São Paulo, S.A.)** by year's end.

In August, the carrier begins a joint service with **The Flying Tiger Line**, linking Montreal with the American freighter's Columbus, Ohio, hub for cargo shipments worldwide.

The B-747-217B phaseout is completed on October 25, the same day a DC-10-30 flight is subjected to a bomb threat from a disgruntled **Quebecair, Ltd.** employee. Under a new Canadian-Thailand bilateral agreement, the carrier announces new scheduled service to Bangkok. On December 2 and in something of a surprise, parent CP, Ltd. sells the carrier to **Pacific Western Airlines, Ltd.** parent PWA, which pays the CPA holding company C\$217 million in cash while assuming the C\$600-million debt of its acquisition.

On April 26, 1987, PWA Corporation integrates its two subsidiaries under the new name **Canadian Airlines International, Ltd.**

CANADIAN PARTNER/PARTNAIRE CANADIAN. See **AIR ALMA, LTD.; AIR ATLANTIC, LTD.; AIR LABRADOR, LTD.; AIR SAINT-PIERRE, S.A.; AKLAK AIR, LTD.; CALM AIR INTERNATIONAL, LTD.; CANADIAN REGIONAL AIRLINES, LTD.; INTER-CANADIAN AIRLINES, LTD. (1); NORCANAIR, LTD. (1); ONTARIO EXPRESS, LTD.; TIME AIR, LTD.**

CANADIAN REGIONAL AIRLINES, LTD.: 8050 22 St., NE, Calgary International Airport, Calgary, Alberta T2E 7H6, Canada; Phone (403) 974-2300; Fax (403) 974-7760; <http://www.cdnair.ca/eng/corp/01corp/cdnreg.html>; Code KI; Year Founded 1991. CRA is initially formed at Calgary, Alberta, in December 1991 as a holding company for the commuter affiliates in **Canadian Airlines International, Ltd.**'s Canadian Partner network. **Calm Air, Ltd., Inter-Canadian, Ltd., Ontario Express, Ltd., and Time Air, Ltd.** Air Atlantic, Ltd. also participate in the network, but CRA is not, like the others, owned in part by CIS.

In March 1993, **Inter-Canadian, Ltd.** and **Ontario Express, Ltd.** are amalgamated and the holding company's corporate identity also becomes the new regional's name. Overseeing all CIS commuter operations under the holding company's banner, President Duncan Fischer employs a workforce of 1,600 and his fleet includes 14 British Aerospace BAe Jetstream 31s, 5 Beech 1900s, 2 de Havilland Canada DHC-8-100s, 14 DHC-8-300s, 4 Embraer EMB-120 Brasílias, 7 Fokker F.28-1000s, and 3 Shorts 360s. Orders are outstanding for 3 more EMB-120s and 12 Avions de Transport Regional ATR42-300s.

Destinations visited now include Allentown, Attapiskat, Bagerville, Baie-Comeau, Blanc-Sablon, Bonaventure, Buffalo Narrows, Calgary, Campbell River, Castellar, Charlo, Chevery, Columbus, Comox, Cranbrook, Dayton, Dryden, Edmonton, Fort Albany, Fort Nelson, Fort McMurray, Fort St. John, Fort Smith, Gaspé, Grande Prairie, Harrisburg, Haver St. Pierre, Hay River, High Level, Iles-de-la-Madeleine, Kamloops, Kashechewan, Kegaska, Kelowna, Kingston, La Tabatière, La Grande, La Romaine-Gethesmaine, Lethbridge, London, Medicine Hat, Minneapolis/St. Paul, Mont-Joli, Montreal, Moosonee, Nanatimo, Natashquan, North Bay, Ottawa, Peace River, Penticton, Port Hardy, Quebec, Rainbow Lake, Regina, Rouyn-Noranda, Sandspit, Sarnia, Saskatoon, Sault St. Marie, Schefferville, Seattle, Sept-Iles, Smithers, St. Augustin, Toronto, Val d'Or, Vancouver, Victoria, Wabush/Labrador City, Watson Lake, Windsor, Winnipeg, and Yellowknife.

In December, **Time Air, Ltd., Ontario Express, Ltd., and Inter-Canadian, Ltd.** align their marketing efforts under this parent.

Pilots, members of the Canadian Union of Public Employees rather than the Canadian Air Line Pilots Association, go on strike at the beginning of July 1994 over working conditions and salaries. There are 283

pilots involved and their action causes scheduling nightmares for the company as it attempts to keep up service between Kingston, Ontario, and Comox, British Columbia. The dispute is resolved on July 30.

Company flight attendants threaten to strike; however, their concerns are more peacefully resolved.

On November 2, three near-collision incidents involving four aircraft occur within a period of about two minutes of each other at Sioux Lookout, Ontario. A **Bearskin Airlines, Ltd.** Fairchild Metro III, arriving from the southwest on instruments, passes within 0.7 mi. horizontal and 500 ft. vertical separation behind a Canadian Regional F.28-1000, also approaching for a landing. A minute later, the Metro passes within 0.4 miles horizontal and no vertical separation to the left of a private Cessna 152, which is conducting traffic observations. The F.28-1000 initiates a missed approach procedure when it discovers a private Cessna 414 in a holding position for takeoff from the runway upon which it is preparing to alight.

Also in November, the company, in competition with the SAAB 340 service of **Business Express Airlines (BEX)**, inaugurates the first non-stop roundtrip service between Toronto and Washington, D.C. (IAD).

The carrier's 8 new ATR42-320s and 7 SAAB 340s are grounded on December 10 in the wake of icing warnings from the U.S. FAA and an order from Transport Canada.

Still, enplanements for the year total 1,988,060.

The fleet is increased to its full complement of 12 ATR42-320s in 1995 and equipment increases are also reflected in the addition of 6 F.28-1000s and 5 DHC-8-300s. The ATRs return to service early in the new year.

Added capacity, the new Canada-U.S. "open skies" agreement, and the beginning of the end of the world airline depression combine to provide the company a good traffic year, with passenger boardings up 17% to 2,461,348.

The legal consolidation of **Time Air, Ltd.** and **Ontario Express, Ltd.** is finally completed in 1996. Enplanements for the year total 3.1 million.

Company business dramatically increases after January 9, 1997, when competing "Air Canada Connector" pilots go on strike.

A group of 12 company employees, led by Alain Horchower, gather up the provisions required to host a traditional pancake breakfast for Winnipeg area flood workers on May 2.

On June 22, twice-weekday F.28-1000 roundtrips commence between Toronto and Raleigh/Durham. The Fokkers are also assigned to a number of new "shuttle" routes on behalf of business travelers.

The Raleigh/Durham service proves so popular that it is increased on October 2 to twice daily.

On October 21, the carrier announces the introduction of a Business Class product on its western fleet of 6 F.28-1000s. The refurbished jetliners feature new interiors, along with a new seating configuration.

The upgraded Fokkers enter the following markets: Calgary, Edmonton, Fort St. John, Fort Smith, Hay River, Kelowna, Prince George, Regina, Sandspit, Saskatoon, Vancouver, and Winnipeg.

The number of daily roundtrip F.28-1000 frequencies from Toronto to Raleigh/Durham is increased on November 2 from two to three.

In support of CAI's continued commitment to Alberta's energy industry, the company, on December 1, inaugurates six-times-a-day roundtrips from Calgary and Fort McMurray. Two frequencies are non-stop; four are operated via Edmonton.

Due to increased economic activity, the company simultaneously boosts its direct services out of Grand Prairie. The number of F.28-1000 roundtrips to Edmonton reach five a day, with four a day to Calgary.

The number of roundtrip flights from Vancouver to Comox is increased from four to five; to Cranbrook from five to six; and to Portland, Oregon, from three to four.

Passenger boardings reach 4 million.

The carrier, Canada's largest regional airline, seeks new leadership at the beginning of 1998. Its fleet now includes 10 DHC-8-100s, 14 DHC-8-300s, and 30 Fokker 28-1000s.

Canadian Regional and **Canadian Airlines International, Ltd.** cancel all regularly scheduled flights into and out of Ottawa and Montreal on January 8–10, during a great ice storm. Service from Toronto to Sault Ste. Marie is increased on January 12 from four flights each day to five, with new Beech 1900Ds employed on the services.

In May, former **Reno Air** President/CEO Robert W. Reding is appointed president/CEO. The union of Time Air and Ontario Express is legally amalgamated in June.

As is the case with the **Northwest Airlines** strike in the U.S., a number of other carriers provide accommodation for displaced Air Canada passengers when its pilots go out on strike September 2. Chief among these is **Canadian Airlines International, Ltd.**, Canadian Regional, and CAI's domestic partners. All accept AC tickets, space permitting, and without penalty or service charge, until the strike is concluded.

Due to heavy snowfall in Vancouver on December 24, the carrier is forced to cancel a number of flights in and out of the city, while delaying others.

Although boarding figures for the year are unknown, it is noted that a total of 1.94 million revenue passenger kilometers have been flown by the 2,221-worker company.

A severe winter storm hits the U.S. Midwest and eastern Canada between January 2–4, 1999; CRA and **Canadian Airlines International, Ltd.** are forced to cancel all of their traffic to and from Toronto, Montreal, and Ottawa on January 3.

The company's Canadian Partner parent, **Canadian Airlines International, Ltd.** is renamed **Canadian Airlines, Ltd.** on January 13.

Another severe winter storm assaults Toronto on the evening of January 14, forcing the airline, together with **Canadian Airlines, Ltd.**, to cancel over 30 departures. Additional manpower is laid on at Montreal, Calgary, and Vancouver to accommodate customer inquiries. Blizzard conditions continue at Toronto, Ottawa, and Montreal the next day forcing the two carriers to cancel all of their departures. The situation returns to normal by January 17.

The federal Competition Bureau in January 2000 orders the sale of the **Canadian Airlines, Ltd.** subsidiary, but grants permission for its integration into the Air Canada commuter network if it is not sold by August 30. Five-times-a-day return flights are launched on April 3 between Toronto and Detroit.

The commuter is put on the block for 60 days beginning on July 1.

Canadian Airlines, Ltd., on July 7, becomes an indirect, but wholly owned **Air Canada, Ltd.** subsidiary. At this point, **Air Canada, Ltd.** is permitted to officially place the regional subsidiary up for sale.

During the summer, the three **Air Canada, Ltd.** regionals, **Air BC, Ltd.**, **Air Nova**, and **Air Ontario** take a major step towards their consolidation into a single unit when a head office for a joint carrier is established in Halifax and a western hub at Calgary.

At the same time, a number of Canadian Regional DHC-8-300s are transferred to Toronto, from which they begin flying to the Ontario cities of London, Sault Ste. Marie, and Sudbury.

Having failed to find a buyer, AC is permitted to take over Canadian Regional on August 30 and add that feeder into its regional airline consolidation process. When the integration process is completed at year's end, it is anticipated that the (as yet) unnamed airline will be one of the largest regional airlines in the world, with over 5,000 employees and some 135 aircraft, mostly Dash-8 turboprops.

CANADIAN TRANSCONTINENTAL AIRWAYS, LTD.: Canada (1927–1930). Established in the new year, CTA inaugurates mail service on February 19, 1927 between Moncton, New Brunswick, and Charlottetown, Prince Edward Island. Two days after Christmas, Romeo Vachon, flying a Fairchild FC-2, initiates on a weekly basis the first mail service along the north shore of the St. Lawrence river, flying from La Malbaie to Sept Iles via intermediate stops.

On January 11, 1928, J. Cooper's FC-2 begins weekly contract mail service from Moncton to the Magdalen Islands. This frequency is followed on February 8 by pilot Vachon's introduction of a monthly con-

tract mail service from Sept Iles to Port Menier. These January flights end in April, as do the Moncton–Charlottetown and La Malbaie–Sept Iles mail operations begun the previous year.

During the 30-week St. Lawrence River shipping season beginning on May 1, the company's 4 FC-2s launch twice-weekly scheduled flights from Rimouski to Montreal, saving passengers anywhere from 24 to 96 hours. Simultaneously, a weekly service is begun from Montreal to Ottawa. While returning to La Malbaie from New York City with a ski-equipped Fairchild FC-2W, pilot Vachon overflies Quebec City on December 21 and drops a bag of unofficial mail, the first dropped by parachute in Canadian commercial history.

Four days later, he makes the year's only airmail delivery to points along the north shore of the Gulf of St. Lawrence from La Malbaie to Sept Iles, leaving 753 pounds of Christmas mail. During the year, a total of 67,195 pounds of mail are carried over 41,360 miles in 94 flights.

Winter mail services are flown as earlier and the St. Lawrence route is resumed the following spring. Flying the company's new Fairchild, J. Cooper inaugurates scheduled mail service from Moncton to Grindstone Island on January 11, 1928. On February 28, Romeo Vachon makes the first airmail flight to Anticosti Island. On May 5, a new contract is obtained for the Ottawa–Rimouski via Montreal route and it is busily flown by the company's four pilots into late fall.

In late 1929, the carrier is acquired by the holding company Aviation Corporation of Canada, Ltd. On November 25, 1930, the company is one of several merged to form **Canadian Airways, Ltd.**

CANAFRICA, S.A.: Spain (1987–1989). Canafrika, S.A. (CTA Espana) is established at Palma in 1987 to operate inclusive-tour and other passenger charter flights to destinations in Spain and the Mediterranean. Operations commence with 2 Douglas DC-8-61s and 2 McDonnell Douglas MD-83s leased from GPA Group.

Operations continue apace in 1988; however, by 1989 the company is in such financial distress that it must shut down.

CANAIR CARGO, LTD.: Canada (1995–1997). Canair Cargo is established at Mississauga, Ontario, in 1995 to offer international, regional, and domestic cargo services. Flights begin with 2 Boeing 737-2E1Fs, 7 Convair CV-580s, and 1 Shorts 330-100, all leased. Business is good and during the year 2 more chartered CV-580s enter service, together with 1 each B-737-275CA, B-737-242C, and B-737-242CF.

In the fall, a contract is signed with four Toronto air travel firms to offer winter inclusive-tour services. Two Airbus Industrie A320-231s, formerly flown by **Translift Airways, Ltd.**, are subleased from the Irish carrier on October 31 and flights from Toronto commence on November 4.

Service is maintained throughout 1996, with company freighters visiting St. John's, Moncton, Halifax, Montreal, Toronto, Hamilton, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, and Vancouver.

One of the A320-231s is returned to Translift, which, in May, is renamed **Transaer, Ltd.** It is subleased to **America West Airlines**.

Although passenger traffic figures are not released, it is reported that 474.2 million FTKs are operated.

On August 19, 1997, those assets related to CanAir Cargo's transcontinental network are acquired by **Royal Aviation, Ltd.**, including 2 B-737-2E1Fs and 1 each B-737-2A9C and B-737-242C. Nine Convair CV-580s are also acquired; one is out of service, the two leased units are returned, and the six remaining are sold. CanAir President Daniel Goliger joins Royal as VPC.

CANARIAS REGIONAL AIR, S.A.: Avda, Generalisimo, 8, Puerto de la Cruz, Tenerife Islas Canarias, 38400, Spain; Phone 34 (928) 360 438; Fax 34 (928) 360 445; http://www.irinfo.es/aviacion/can_reg.html; Code FW; Year Founded 1996. CR is established as an independent operator at Puerto de la Cruz, Tenerife, during May 1996. Mario Hidalgo is named director general, with Juan Socrasto as president. Plans are unveiled to operate independent, high-quality scheduled

services throughout the Canary and Balearic Islands, linking them with the Spanish mainland at Barcelona. Orders are placed with BAe Asset Management-Turboprops for eight British Aerospace ATPs.

On October 1, **Air Europa, S.A.** takes a 50% stake and the new regional becomes its first "Air Europa Express" franchise partner. The first three ATPs to arrive are painted in a modified Air Europa livery and are employed, beginning in November, to operate scheduled flights from Palma, Mallorca, and Madrid.

Two additional ATPs arrive in January 1997 and services are increased from Tenerife to additional Canary Islands destinations.

Also during the first quarter, Canarias, along with **Spanair, S.A.** and **Futura, S.A.**, complain to the European Commission that part of the government funds injected into **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** during the fall of 1995 have been employed to finance a fare war against them. In addition, Canarias claims that Iberia has engaged in predatory pricing, arranging some of its schedule to directly affect private carriers such as itself. The Commission investigates.

A sixth ATP arrives in April and enters service on a route from Las Palmas to Lanzarote. The last two leased ATPs are delivered in May. Later in the year, the company is divided. One unit retains the "Air Europa Express" moniker and flies in the Canaries. The other reverts to the original Canarias Regional name and operates in the Balearics.

Air Europa, S.A. signs a franchise agreement with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** in January 1998. During the year, the company acquires a pair of wet-leased B-737-36Qs from its new partner.

Scheduled flights end on January 31, 1999 as the company begins to concentrate on charter flights from the Canary Islands to Europe. This service reorientations lasts only a short time before scheduled frequencies are resumed.

Two more ATPs are acquired in the fall, bringing the total to ten. FW now operates the world's largest ATP fleet, and anticipates delivery of four more units during the first year of the new Millennium.

Air Europa, S.A. mainline pilots vote on May 5, 2000 not to fly with Canarias on "Air Europa Express" services. Yet another ATP joins the fleet on May 20.

The new **Spanair, S.A.** regional **AeBal (Aerolineas de Baleares, S.A.)** begins direct competition on July 4 employing 2 new Boeing 717-2CMs. Within days, Canarias and **Air Europa, S.A.** officials are reconsidering their turboprop fleet.

CANBERRA AIRLINES (PTY.), LTD.: Australia (1992-1993). Canberra Airlines is formed at the federal capital in 1992 to offer scheduled third-level passenger and cargo flights to Sydney. Revenue operations commence with 3 Embraer EMB-110 Bandeirantes, but cease within a year.

CANJET AIRLINES, LTD.: Halifax International Airport, Suite 300, 693 Barnes Road, Enfield, Nova Scotia B2T 1K3, Canada; Phone (902) 873-2650; Fax (902) 873-2619; <http://www.canjet.com>; Year Founded 2000. In February 2000, taking advantage of Canada's liberalized skies occasioned by the bankruptcy of **InterCanadian, Ltd.**, as well as **Canadian Airlines, Ltd.**'s takeover of **Air Canada, Ltd.** the IMP Group of Halifax announces plans to begin a competing low-fare jet passenger service. The IMP Group also owns **Exeaire, Inc., Air 500, Ltd.**, and had owned the defunct **Air Atlantic, Ltd.** Flights will be made from a base at Hamilton, Ontario, to major airports between St. John's and Winnipeg.

When Calgary-based **WestJet, Ltd.** introduces its own deep-discount service from Toronto and Hamilton at the end of February, IMP Chairman Kenneth Rowe postpones the start-up to the summer. The airline will use Toronto slots that **Air Canada, Ltd.** is being forced to relinquish as part of the Canadian merger.

Plans for the new entrant proceed apace during the spring as IMP seeks an operating certificate from Transport Canada, recruits ground staff and flight crews, and makes arrangements to acquire 6 B-737-201s

under lease from **USAirways**. Maintenance will be provided at **Exeaire, Inc.** bases throughout Canada. Public progress reports are regularly made to promote the coming new services, modeled after those of **Southwest Airlines**.

Former "Air Canada Connector" executive and **Cayman Airways, Ltd.** President/CEO Mark Winders is named chief operating officer under Chairman Kenneth Rowe on May 11. As spring turns into summer, the company eagerly awaits its Transport Canada operating certificate, which finally arrives on August 31. Six days later, the carrier's two "Baby Boeings" launch thrice-daily roundtrips from Toronto to Halifax via Ottawa and twice-daily roundtrips from Toronto to Windsor.

Within a week, Chairman Rowe files a complaint with the federal Competition Bureau alleging that **Air Canada, Ltd.** is engaged in predatory pricing tactics against CanJet on the new routes.

With the arrival of a B-737-296A, the new carrier, on September 25, inaugurates a revised schedule which features the addition of linked stops at Montreal, St. John's, and Winnipeg. New thrice-daily frequencies are instituted from Toronto to Winnipeg and Montreal and from Halifax to Montreal, along with twice-daily roundtrips between Halifax and St. John's.

The federal Competition Bureau on October 17 orders **Air Canada, Ltd.** to stop selling special discount fares on the five CanJet routes in eastern Canada. Commissioner of Competition Konrad von Finckenstein issues the temporary, but renewable, order on the grounds that CanJet would otherwise "likely be eliminated" from the routes. The first of its kind issued by the Bureau since Parliament amended the Competition Act earlier in the year, the order allows Bureau officials time to examine CanJet's charges. **Air Canada, Ltd.** immediately challenges the ruling.

Due to poor loads, the morning roundtrip between Toronto and Windsor is suspended on October 30; when the situation does not improve, the afternoon service is discontinued on November 27.

Meanwhile, the arrival of 2 more B-737-201As since October allows initiation in mid-December of additional frequencies from Halifax to Winnipeg, Toronto, and St. John's.

CANNON AVIATION (1): United States (1966-1968). Emerging as the air transport division of a Tulsa-based FBO, Cannon acquires FAA certification on January 3, 1966. With 1 each Piper PA-23 Aztec and PA-32 Cherokee Six, the commuter inaugurates scheduled passenger and cargo flights on December 7 to Muskogee and McAlester.

A route is stretched from Albuquerque to Lubbock via Clovis in 1967 and operations continue until the carrier goes out of business in 1968.

CANNON AVIATION (2): United States (1974-1976). Cannon Aviation is established at Hickory, North Carolina, in 1974 as the airline division of Carolina Airways, Inc. Daily Cessna lightplane passenger and cargo flights to Charlotte are duly inaugurated, but last only a few months.

The route is reopened again in 1975 and is operated into 1976.

CANTERBURY AVIATION COMPANY, LTD.: New Zealand (1921). New Zealand's first commercial airmail carrier is founded at Christchurch in early January 1921. Equipped with a fleet believed to have comprised 4 Avro 504Ks and 3 de Havilland DH 9Cs, Canterbury inaugurates services from Christchurch to Ashburton via Timaru on January 31. The unsubsidized operation survives until April 7, when it is taken over by the government to form the New Zealand Permanent Air Force.

CAP (COMPANIA AEROVIAS PERUANAS, S.A.): Peru (1934-1938). To begin servicing Peru's smaller cities while concentrating on long-haul operations, the giant U.S. airline **Pan American-Grace Airways (PANAGRA)** forms CAP on August 8, 1934. Ford 5-ATs are transferred to the subsidiary while the traffic rights held as a result of PANAGRA's 1929 acquisition of **Peruvian Airways, S.A.** are turned in for a new concession on July 23, 1935. Two weekly services, one each

from different directions, are now started along the coast, linking towns from Talara to Arequipa.

Inland scheduled passenger and cargo flights from Lima to Huancayo are inaugurated on May 1, 1936. Between June 28 and August 26, the carrier transports 350 tons of mining equipment to Piaz from Huamachuco. The passenger route is stretched south to Taca on December 1.

Service is maintained in 1937 against competition from **Faucett Peruvian Airlines, S.A.** In order to avoid difficulties with the government, PANAGRA trades CAP to Faucett on April 26, 1938 in exchange for a 20% interest in Elmer Faucett's enterprise.

CAP (COMPANIA DE AVIACION PERUANA, S.A.): Peru (1991–1992). CAP is established at Lima in 1991 to offer nonscheduled passenger and cargo flights throughout the nation and to neighboring regional destinations. Revenue operations commence and continue with a pair of Antonov An-12Bs leased from **Aeroflot Soviet Airlines**. Operations cease in 1992.

CAP AIRLINES, S.A.: BP 720, Auiray-sur-Bala, F-93613, France; Phone 33 (1) 48 14 94 94; Fax 33 (1) 48 14 94 99; Year Founded 1995. E. Chambard sets up CAP in April 1995, together with G. Simon and R. Amout to provide all-cargo services on behalf of the French parcel concern Extand; the three owners also plan to offer passenger charters. A. Doma is named director general and he recruits a staff of 18. Three Avions de Transport Regional ATR42-320s are ordered and, following the receipt of the first, revenue flights commence in October.

Flights continue in 1996–2000 as the two other turboprops arrive.

CAPAIR SERVICES. See AIR NEVADA (2)

CAPE AIR: Barnstable Municipal Airport, East Ramp, Hyannis, Massachusetts 02601, United States; Phone (508) 790-3122; Fax (508) 778-1870; <http://www.flycapeair.com>; Code 9K; Year Founded 1979. Based at Barnstable Municipal Airport in Hyannis, Massachusetts, Cape Air is formed by Daniel Wolf in 1979 to fly scheduled passenger and cargo services with a pair of Cessna 402s. Revenue services begin to Martha's Vineyard and Nantucket and Boston to New York (JFK). The first two destinations are passenger markets and the last two are cargo markets.

Enplanements in 1980, the first full year of service, total 12,000. Flights continue without change in 1981–1983.

Scheduled services are suspended in 1984; however, charter operations continue quietly apace for the remainder of the decade. A pair of Cessna 402s and several pilots are obtained from **Provincetown-Boston Airline (PBA)** when it folds.

On October 16, 1989, passenger flights are restarted to Boston.

In December 1990, four-times-daily scheduled roundtrip frequencies are inaugurated from Hyannis to Martha's Vineyard, over a route purchased from **Edgartown Air**.

The fleet in 1991 includes 4 Cessna 402s. During the year, President Wolf signs a joint-fare agreement with **Delta Air Lines** and another with **USAir** covering his company's services from Boston to Hyannis, Provincetown, and Martha's Vineyard. Enplanements reach 10,000.

The Cessna fleet is increased by one in 1992 and, in June, an interline agreement is signed with **American Airlines**. Under its terms, the two will provide joint ticketing and interline baggage handling on Cape Air's flights from Boston to Provincetown, Martha's Vineyard, and Hyannis and from Hyannis to Martha's Vineyard. Enplanements for the year reach 74,988.

At the beginning of 1993, President Wolf oversees a 50-person workforce and a fleet of 4 Cessna 402s. Another 16 aircraft increase the fleet during the year and the workforce grows to 200.

In June, the company enters into full participation in the Gemini computerized reservations system at Toronto; the agreement allows the carrier's schedule to be made known to travel agents throughout Canada. The expansion allows services to be started in December linking Naples and Key West, Florida.

Customer bookings increase 20.2% to 89,567.

In 1994, the carrier combines its resources and route system with that of Naples, Florida-based **Nantucket Airlines**; however, both carriers continue operations under their own identities. During the winter holiday season, the number of C-402Cs in Florida is increased from 3 to 8. These north-south swaps had been pioneered by board member John Van Arsdale Sr.'s **Provincetown-Boston Airline (PBA)** years earlier.

Overall passenger boardings for both locations swell 17.4% to 39,294.

The workforce for the combined CapeAir-Nantucket concern is increased by 16% in 1995 to 45 and the fleet now operates 27 Cessna 402Cs. Destinations visited from the Naples hub include Key West and Ft. Myers. An official merger with **Nantucket Airlines** occurs in February.

Enplanements accelerate 12.8% to 282,000 and revenues total \$12 million.

Five new employees are hired in 1996. The company's short-stage routes are particularly damaging to the Cessnas' Continental TSIO-520 VB piston engines, leading to the retirement of 5 of them. Daily roundtrips commence on January 15 from Ft. Myers to Key West.

Following the example of **Pacific Western Airlines (Westpac)**, several Cessna's receive theme liveries, including one, designed by the Provincetown-based artist Jurek, promoting the Nantucket High School Whalers football team. The "Art in Flight" program will result in memorable liveries being applied to several Cessnas in the years ahead.

Customer bookings this year move up 3.8% to 293,201 and operating revenues climb to \$15 million.

During the first quarter of 1997, another theme-livery Cessna 402C is unveiled, this one, also painted by Jurek, promotes the attractions of the Florida Keys. The nose of the Cessna from the windshield forward is designed to resemble a gray shark.

Board member and PBA founder van Arsdale dies during the year.

Passenger boardings increase 25.8% to 368,808 on 80,000 scheduled departures. Revenues reach approximately \$25 million.

In June 1998, the company receives a special citation from the FAA for its outstanding safety record of 100,000 accident-free flight hours.

The southern operation is expanded with the introduction of every-other-hour roundtrip service between San Juan and St. Thomas on December 8. Upwards of 26 daily departures are flown.

Cape Air is now the largest nonaffiliated U.S. regional airline. Enplanements during the 12 months jump 19.5% to 441,000.

Cape Air's flights from Boston to Provincetown, Martha's Vineyard, and Hyannis and from Hyannis to Martha's Vineyard are all disrupted by a severe winter storm on February 25–27, 1999.

Customer bookings jump 16.4% to 513,000.

CAPE & ISLANDS FLIGHT SERVICE: United States (1951–1970). George Parmenter establishes this third-level operation at Hyannis, Massachusetts, in early 1951 to fly scheduled Beech 18 passenger and cargo service to Nantucket and additional offshore islands. Operations commence on April 15 and continue apace.

Over the next 15 years, the airline, employing Beech 18s, changes ownership twice, being taken over by the FBOs **Wiggins Airways** of Norwood, Massachusetts, and **Transair** of Bangor, Maine.

On June 16, 1969, Cape & Islands signs an agreement with **Northeast Airlines** to takeover the latter's local routes between Maine and Nantucket. This expansion makes the company an ideal takeover target and it is acquired by **Air New England** in 1970.

CAPE COD AIRWAYS: United States (1929). Also known as Ludington Flying Service, short-lived Cape Cod is formed by the Philadelphia brothers C. Townsend and Nicholas Ludington in the late spring of 1929. The brothers purchase a Travel Air 6000 and a Fairchild 71 to fly a July–September passenger service from Camden Airport (which they had set up in 1927) to Newport, Rhode Island, and Woods Hole, Massachusetts.

CAPE COD FLYING SERVICE. *See* **PROVINCETOWN-BOSTON AIRLINE (PBA)**

CAPE SMYTHE AIR SERVICE: P.O. Box 549, Barrow, Alaska 99723, United States; Phone (907) 852-8333; Fax (907) 852-8332; <http://www.capesmythe.com>; Code P6; Year Founded 1975. Long the nation's northernmost small regional carrier, Cape Symthe is formed as **Fel Air** at Barrow, Alaska, in February 1975 to link its base with Point Lay, Atkasuk, Nuiqsut, Barter Island, Deadhorse, and Kotzebue. Nonscheduled charter operations commence with 3 Cessna 207As. From the Kotzebue base above the Arctic Circle, flights are also operated to the villages of Noatak, Kivalina, Kiana, Noorvik, Selawick, Buckland, Deering, Ambler, Shungnak, Kobuk, Point Hope, and Point Lisburne.

In 1976 the company name is changed after it is purchased by Thomas P. Brower.

Late in the decade, the carrier, upgraded with 3 de Havilland Canada DHC-6-100 Twin Otters, signs an exclusive contract with **Wien Air Alaska** for scheduled commuter and cargo services. These are initiated in July 1979 from Barrow's Wiley Post Memorial Airport to Nuiqsut, Point Lay, and Wainwright.

Passenger enplanements in 1980 total 14,374 while airline employment is 28.

A year later in 1981, the workforce grows by 21% to 34 while bookings climb 3% to 14,983. President Brower's fleet includes 2 DHC-6-100s, 5 Cessna 207As, and 1 Cessna 210.

A Shorts SC-7 Skyvan and a DHC-2 Beaver join the fleet in 1982, along with a Cessna Citation 501. Enplanements are 16,986.

In 1983, a new hub is established at Kotzebue and new services are undertaken to Point Hope, Barter Island, Deadhorse, and Anaktuvuk Pass.

During its landing rollout from Barrow on September 1, a DHC-2 with a pilot and four passengers collides with a ditch and one of the main landing gears collapses. No injuries are reported.

Bookings for the year climb to 18,564.

In 1984, the fleet is upgraded by the addition of 2 DHC-6-100 Twin Otters. Operations continue apace in 1985-1989, during which years 6 Piper PA-31-310 Navajos are added to the fleet.

Airline employment in 1990 stands at 45 and the fleet now includes the 2 Twin Otters, 2 Cessna 185s, 5 Cessna 207As, 2 Piper PA-31-350 Navajo Chieftains, 4 Piper T-1020s, and 1 T-1040. A total of 28,039 passengers are flown on the year.

The sixth largest Alaskan operator adds 2 Beech 99s in 1991 and, with 28,563 boardings, passenger traffic is level. A total of 5,970,307 pounds of mail are also flown.

Airline employment in 1992 stands at 45 and the fleet is altered by the deletion of 1 Cessna 185 and 1 T-1020, plus the addition of 1 Cessna 207A. Passenger boardings jump 27% to 36,342.

In 1993, Chairman/CEO Brower's fleet includes 7 207As, 2 DHC-6-100s, 6 PA-31-310 Navajos, 2 C-185s, and 1 Piper T-1040. Customer bookings accelerate 18% to 42,906.

Three Beech 99s are acquired in 1994, but cannot prevent passenger boardings from falling by 8% to 39,294. A total of 510,000 FTKs are also operated.

The workforce in 1995 is unchanged from 1992. The carrier's 17 aircraft, including 2 recently acquired Beech 99s and a PA-31-350 Navajo Chieftain, transport a total of 36,702, a 7% decline.

Neither employee population nor fleet is altered in 1996.

While on approach to Barrow on May 21, a small duck penetrates the windshield of the copilot of a Beech 99, glancing off the man's face; the aircraft is able to complete its landing without additional incident.

Two days later while on takeoff from Point Hope on a service to Wainwright, the nose baggage door of a departing Piper PA-31-350, with a pilot and five passengers, comes fully open. Baggage and boxes spew out, one of which hits the left-hand propeller. The pilot elects to land on sea ice, but just prior to touching down the plane rolls left and crashes. Four aboard are injured, two seriously.

While landing at an off-airport beach site at Wainwright on August 2 with a load of cargo, the pilot inadvertently applies too much braking, causing her Cessna 185 to nose over.

Customer bookings for the year rebound, accelerating 15% to 42,220. Charter passengers are also flown.

Grant B. Thompson is president in 1997 and his fleet now includes 7 Cessna 207As, 3 Piper T-1040s, 3 Piper Navajos, 3 Beech 99s, 2 Cessna 185s, and 1 Douglas DC-3 freighter.

While landing at Stebbins in bad weather on April 7, the right wing of a Piper PA-31-310 Navajo, with a pilot and six passengers, strikes the runway; although no one aboard is injured, the aircraft is damaged.

On October 31, a Cessna 185F with a pilot and a passenger sustains substantial damage during an aborted takeoff from a remote camp some 83 mi. SE of Barrow. Neither man aboard is hurt.

Although scheduled passenger boardings decline 5.4% to 39,954, the 45-employee company also flies 11,150 charter customers and operates 5.9 million pounds of mail and freight.

Flights continue in 1998. While on final approach to the airstrip at Point Lay Long Rang Radar Station on December 3 after a night service from Kotzebue, a Navajo freighter collides with level terrain some 1,500 ft. short of the runway; the pilot receives minor injuries and the aircraft is damaged.

Scheduled customer bookings ascend 24.3% to 50,000.

The year passes quietly. Customer bookings slide 1.3% to 49,000.

The carrier suffers three crashes in the first three quarters of 2000, the last of which is fatal.

Flight 350, a Piper T-1040 with a pilot and eight passengers, crashes while landing at Wales, Alaska, after a February 9 service from Nome; the flyer and one customer are seriously injured.

While on final approach to Kotzebue on a February 21 cargo service from Barrow, Flight 170, a Piper T-1040 is destroyed after colliding with frozen pack ice in the Chukchi Sea; the pilot is badly hurt.

Flight 181, another Piper T-1040 with one pilot and nine passengers, crashes while landing at the North Slope village of Nuiqsut during a multistop September 18 service from Deadhorse to Barrow; five aboard are killed and the rest are injured. The carrier's first fatal disaster is the 9th accident for the company in the past 5 years and the 12th in the last decade.

CAPE YORK AIR (PTY.), LTD.: Australia (1995-1996). Privately held CYA is established at Cairns in January 1995 to offer third-level passenger and cargo service to Cooktown. A fleet of 3 Piper PA-31-350 Navajo Chieftains is assembled and twice-daily return flights commence in February. Traffic and financial data is not released and the company shuts down within a year.

CAPITAL AIR (PTY.), LTD.: Capital Hangar, Rand Airport, P.O. Box 18009, Germiston, 1419, South Africa; Phone (11) 827-0335; Fax (11) 827-3898; Year Founded 1982. Capital is established at Rand Airport in 1982 to offer air taxi, passenger and cargo charters, and aerial agricultural rotary-wing work.

By 1998-2000, Managing Director Joao Francisco Vinagre oversees the operation of a fleet that comprises 1 Beech King Air 90, 1 Beech Bonanza, 5 Bell 206B JetRangers, 2 Bell 206L LongRangers, and 3 Robinson R.22s.

CAPITAL AIR SERVICES. *See* **JAMES AIR, LTD.**

CAPITAL AIRLINES: United States (1948-1961). On April 21, 1948, **Pennsylvania-Central Airlines** is renamed Capital Airlines. C. Bedell Monro is board chairman, with James H. Carmichael as president/CEO and James B. Franklin as vice president-operations. The Detroit Lions become the second professional football team to fly with the carrier following the Baltimore Colts the previous year. In late summer, 2 Douglas DC-3s transport a total of 51 players, officials, and press representatives to Akron, Ohio, for an exhibition game with the Cleveland Browns.

Beginning on November 4, the carrier makes passenger airline history by offering a \$33.50 one-way fare during off-hours—the first American trunk line to offer sustained coach-class, low-fare service. The austere flights are labeled Nighthawk or Skycoach Service.

Operations continue apace in 1949. En route from Norfolk to Milwaukee on August 7, a DC-3 collides with a private plane over Maitland Field, Wisconsin. Despite the loss of an aileron and four feet of wingtip, the Douglas transport lands safely, but the private aircraft crashes, killing its pilot.

On November 5, two DC-3s are leased for the first aerial trip of the Pittsburgh Steelers professional football team; a total of 50 players, club officials, coaches, newspapermen, trainers, and equipment people are flown to Washington, D.C. for a game with the Washington Redskins.

Five more flights are made during the season and the team will remain a loyal Capital charterer for the life of the airline. Also in the fall, a contract is signed with the Douglas Aircraft Company for 3 DC-3S conversions at \$275,000 each. They will be the only such conversions ever sold to a U.S. carrier.

While attempting to land at Washington, D.C. (DCA) in heavy fog on December 12, a DC-3 crashes (four dead). On December 23, a Douglas is involved in a near-miss with a Piper Cub over the Port Erie Airport in Pennsylvania.

In June 1950, President Carmichael authorizes purchase of the ex-KLM (Royal Dutch Airlines, N.V.) Lockheed L-049 *Utrecht*; the Constellation is placed into service between New York and Atlanta as *Capitaliner United States*. Two other ex-Dutch Constellations follow, along with two converted U.S. Air Force C-69s. The Lockheeds are refurbished to include 4-abreast seating for 56 passengers in their main cabins and 8 people in a "Cloud Club Room" in the forward part of the fuselage.

Meanwhile, nonstop Washington–Chicago DC-4 flights begin on July 1; in an effort to deceive uninitiated passengers into believing they are boarding a DC-6, a square of dark paint edged with a white strip is painted around the Skymaster's circular windows.

The 3 DC-3Ss are delivered on July 24, August 22, and September 15, respectively, with the latter christened *Capitaliner Cotton Queen*. All three are assigned to Air Mail Route 51, Washington, D.C. to Memphis via Norfolk, Elizabeth City, Rocky Mount, Raleigh/Durham, Greensboro, Winston-Salem, Charlotte, Asheville, Knoxville, Chattanooga, and Huntsville. This Flight 201 requires 7–8 hrs. in each direction.

Access to Miami is obtained in an around-about fashion on March 16, 1951 when Capital and National Airlines sign an interchange agreement that allows them to alternate flights from Detroit to Miami via Cleveland, Pittsburgh, and Washington, D.C. (DCA).

During the late summer, arrangements are made to purchase 7 Lockheed L-749A Constellations that had been traded back to their manufacturer as partial payment by KLM (Royal Dutch Airlines, N.V.) on new Super Constellations. At the end of the year, Capital contracts with the Dutch line to modify and refurbish the Connies to its U.S.-oriented specifications.

On January 28, 1952, loose binding tape from the left elevator causes a DC-4 with 23 aboard to nose-dive 2,200 feet before it can be leveled off over Pittsburgh; five aboard are hurt. While claiming satisfaction with the type, company officials, nevertheless, sell their three DC-3Ss to the US Steel Company at Pittsburgh on April 15.

In an effort to expand, company officials join with those from Northwest Airlines, including President Croil Hunter, in presenting a merger proposal to the stockholders of the latter carrier on May 19; it fails to win approval.

On February 18, 1953, an L-049 flies from Birmingham, Alabama, to New York in record time. On August 22, in cooperation with Pan American World Airways (1), the carrier begins an experiment with Pittsburgh–Bermuda package tours on an installment payment basis. During the year, KLM (Royal Dutch Airlines, N.V.), having modified 5 of its old L-749As to Capital specifications in company workshops at Amsterdam's Schiphol Airport, ferries the aircraft across the Atlantic to America, where Capital places them into service on its northeast U.S. routes.

With the beginning of the winter schedule, the interchange with National Airlines is extended to the Capital cities of Milwaukee and Minneapolis/St. Paul.

Following a CAB study, undertaken during the remainder of the year and in 1954 of the whole service area between New York and Chicago, the so-called Chicago Service Case, Capital is awarded, at the expense of most other majors, nonstop authority to many significant markets in the examined region.

To some, it appears that Capital is being employed as a CAB tool against the prior dominance of the "Big Four" group over the nation's most lucrative routes. For Capital, this is an extremely risky business as the reward of these several new routes (many of them very short) means that a new aircraft must be financed and employed, one which is clearly superior to other available types.

To meet the challenge, Capital elects to become the first large American launch customer for a foreign-built airliner. The machine chosen is Great Britain's Vickers Viscount 745D, the world's first turboprop passenger transport.

In May 1954, President Carmichael announces an order for 3 of the British-made turboprops; the order is increased to 40 in August and augmented by an additional 20 in November. Meanwhile, 2 more former Dutch L-749As are placed into service during the year.

During the summer, Capital agrees to a major equipment exchange with British Overseas Airways Corporation (BOAC), which is badly in need of additional aircraft after the grounding of its de Havilland DH 106 Comet Is. The Americans turn over their 7 L-749As for an equal number of L-049s, plus £1,375,000 in cash. The first ex-British Constellation received is the *Balmoral*, which arrives in the U.S. on October 8.

The first Viscount 745D is flown by Carmichael and a crew from Weybridge, England, to New York on June 16, 1955 via Prestwick, Reykjavik, Narsarsuaq, and Montreal. The last of the L-049s obtained in trade the previous year arrives at month's end. The first Viscount service in the U.S. begins on the carrier's Washington–Chicago run on July 26 and proves a great success.

Everywhere the British-made airliner flies (to New York, New Orleans, Detroit, Pittsburgh, etc.), Capital's traffic grows. The new aircraft inspire impressive titles for their services, i.e., Independence, Diplomat, President.

Still, there are some defeats. In the face of growing competition from Northwest Airlines in late fall, the interchange service with National Airlines is withdrawn from Milwaukee, Minneapolis/St. Paul, Detroit, and Cleveland. The only points the two companies jointly serve north of Washington, D.C. are Buffalo and Pittsburgh.

Late in the year, the CAB grants the company nonstop authority from New York to Chicago and such additional segments as Pittsburgh to Birmingham and Atlanta.

Capital is now at its apex. Frequencies on all major routes are increased and by February 20, 1956, the former chief route from Washington, D.C. to Chicago sees six roundtrips every day.

A Vickers Viscount 744 with 5 crew and 37 passengers is destroyed in a bad landing at Chicago's Midway Airport, also on February 20; although the aircraft must be written off, there are no fatalities.

As the boarding level jumps, the company orders more Vickers aircraft. On May 25 after completing a Baltimore–Pittsburgh flight, 22 deplaning a Viscount are urged to get polio inoculations after it is discovered that a container of live virus still aboard had broken and leaked during an earlier flight from Washington, D.C.

The Viscount order book receives another 15 entries (for a total of 75) on July 24, while President Carmichael also requests 14 de Havilland DH 106 Comet 4B jetliners.

On August 1, 6 daily Viscount frequencies are initiated from New York to Buffalo via Rochester. Unfortunately, the expense of fleet improvement and continued operations over an inadequate route structure overshadows and, indeed, impacts upon the profits earned. Capital's bright future begins to dim beginning in September.

As profits fall, an order for 14 de Havilland DH 106 Comet 4Bs must be suspended. Still, frequencies on the New York to Chicago run are in-

creased to four per day on October 1 and five-times-per-day flights from New York to Minneapolis/St. Paul via Cleveland, Detroit, and Chicago begin on November 13. For its part, the CAB refuses to grant longer segments until the carrier has jetliners.

Nonstop New York to Norfolk Viscount service is inaugurated on January 17, 1957 followed by the opening of daily New York–Washington service on February 20. A DC-4 with 4 crew and 51 passengers is destroyed in an accident at Pittsburgh on April 18; there are no fatalities.

On July 24, Carmichael becomes board chairman; former USAF Maj. Gen. David H. Baker is named president/CEO. Vickers quickly approaches him for Viscount progress payments.

Chairman Carmichael and **Continental Airlines** Chairman Robert "Bob" Six discuss merger possibilities in September, but they come to naught. With finances still headed downward, the Comet order is cancelled and the company petitions the government for subsidy.

On January 24–25, 1958, the CAB, convinced that Capital is at a critical stage, authorizes a fare increase. It also authorizes routes from the East and Midwest to Florida in March. As Vickers officials, in the wake of late equipment payments, intensify collection activities, President Baker, in what can only be termed a surprise, turns around and orders 9 Convair CV-880s. Direct government support, in the form of \$12.2 million in subsidies to be spread over two years, is now received.

En route from Newark to Chicago on April 6, a Viscount 745D with 3 crew and 44 passengers crashes while landing at Tri-City Airport in Midland, Michigan; there are no survivors of this first U.S. disaster for the aircraft type.

A Maryland Air National Guard Lockheed T-33 trainer with 2 crew crashes into the forward left side of the fuselage of a Vickers Viscount 745D with 4 crew and 11 passengers, near Brunswick, Georgia, on May 20. Both aircraft crash and are destroyed; the T-33 pilot safely ejects and is the only person involved not killed in the airline's second tragedy of the year.

A DC-3 with three crew is lost on a training flight at Martinsburg, West Virginia, on June 4 (one dead).

Chairman Carmichael now begins secret merger negotiations with William "Pat" Patterson of **United Air Lines**. These nearly succeed, except that Patterson objects to certain Capital board members and in the boardroom politics attempted for their removal, Carmichael cannot succeed.

He thus resigns on July 23. Longtime director and major shareholder George R. Hann becomes the new board chairman, with Thomas D. Needlands Jr. as president. Fate and competition now play hardball with the carrier. Beginning on October 15, the IAM strikes Capital, closing the company down and plunging it farther into red ink.

The machinists accept a 41-cents-per-hour-wage increase on November 26, ending the 37-day job action. The interchange agreement with **National Airlines** ends on December 14.

The new routes to Florida are finally inaugurated in January 1959. On February 18, a Viscount pilot reports to the FBI that his craft was apparently fired on by tracer bullets from the ground during his landing at Baltimore's Friendship Airport. The next day, a Viscount and a USAF B-47 bomber narrowly avoid collision over Charlotte, North Carolina. Despite these isolated incidents, traffic is brisk until May 12, when two of the carrier's airliners crash the same day.

En route from New York to Atlanta, a Viscount 745D with 4 crew and 27 passengers disintegrates in the air near Baltimore during a thunderstorm (31 dead). Meanwhile, Flight 983, an L-1049E Super Constellation with 6 crew and 38 passengers en route from Rochester to Atlanta, skids off the runway while making a scheduled landing at Kanawha Airport in Charleston, West Virginia (2 dead). Journalists and historians are quick to claim this to be the first case of two fatal crashes for the same U.S. airline in occurring one day.

An unoccupied DC-3 is destroyed on the ground at Pittsburgh on August 2 when it is hit by a **Northwest Airlines** B-377.

These accidents hurt Capital's public image, as rivals trumpet their new jetliner or Lockheed Electra services, stealing passengers made

squeamish by Capital's crashes. Even the August 15 inauguration of a new reservations system using a Univac computer does not help much. With Vickers in England still demanding payment, the carrier orders its own Lockheed L-188s in October. Meanwhile, a stopgap Douglas DC-6B is leased from **Pan American World Airways** (1).

A Viscount 745D with 4 crew and 46 passengers en route from Chicago to Norfolk, develops engine trouble due to icing and crashes into a swampy ravine at Holdcroft, Virginia, near the city of Richmond, and burns on January 18, 1960; there are no survivors. The tragedy is the fourth fatal Viscount crash since the line began their use in 1955.

On March 3, a DC-3 lands at the wrong Michigan airport and then takes off from the wrong—too-short—runway; the FAA suspends the plane's captain the next day. The Pan Am DC-6B *Clipper Liberty Bell* arrives in mid-month.

The 10 Constellations are withdrawn from service and parked, beginning in April. In what will prove the airline's death sentence, Vickers-Armstrong, Ltd., unable to collect \$34 million in overdue Viscount payments, initiates a foreclosure suit against Capital in May. Simultaneously, President Needlands reopens merger negotiations with **United Air Lines**' Patterson.

By June, Capital is in terminal financial difficulty; over \$5 million is lost in the year's first quarter. Only two avenues of escape are open to company officials—shut down or merge. Meanwhile, on June 1, the Pan Am DC-6B *Clipper Liberty Bell* runs into severe turbulence over Charlotte, North Carolina, resulting in injuries to all 88 passengers. Following successful negotiations, Needlands and Patterson announce on July 28 that United will take over the ailing Capital early the next year.

The boards of directors of the two airlines approve the union on August 11 and hearings on the pact begin before the CAB on September 15. Meanwhile, on September 13, a Viscount crashes at Minneapolis on takeoff due to a blown tire; no significant injuries are reported.

The stockholders of the two carriers approve the marriage on October 14; the **United Air Lines** vote is 3,291,237 to 35,014 while the Capital margin is closer, 677,687 to 34,604. Hearing examiner Thomas L. Wrenn, on December 15, recommends CAB approval.

On January 8, 1961, 2 B-720-22s (B-720Bs) are leased for 6 months from **United Air Lines**; while flying for Capital, they will retain their United colors and titles. The new jetliners inaugurate twice-daily roundtrips each from Cleveland to Miami and from Pittsburgh to Miami.

All but 3 of the 44 persons aboard a Viscount receive minor injuries when the British-made turboprop crashes at Pittsburgh on January 24. The CAB entertains oral arguments regarding the United-Capital merger the next day, issuing its final approval of the petition from the two companies on January 31. Meanwhile, four days earlier, a Viscount's landing gear had collapsed during a landing at Knoxville, Tenn., resulting in minor injuries to all 27 passengers.

The CAB publicly announces its January 31 decision on April 4. On April 30, the B-720Bs initiate twice-daily day and night roundtrips from New York's Idlewild Airport to New Orleans via Atlanta. The next day, a New York to Cleveland nonstop roundtrip is offered.

Also on May 1, the Florida service is cut back to a single Cleveland–Pittsburgh–Miami roundtrip. A DC-6B with 20 aboard encounters clear air turbulence near Vero Beach, Florida, on May 9, resulting in severe injury to a flight attendant.

The merger takes effect on June 1 when **United Air Lines** assumes Capital's assets and liabilities. The last flight by a DC-4 is completed on June 30, the airline's final day of existence. The schedules of the two companies are integrated on July 1 with the new owner retaining, in its own colors, only the 41 Viscount 745Ds, now finally paid off. The amalgamation is the largest (to that date) in the history of the U.S. passenger airline industry.

CAPITAL AIRLINES, LTD.: United Kingdom (1987–1990). The former **Brown Air Services, Ltd.**, a wholly owned subsidiary of Brown Group International, Ltd., is organized at Leeds–Bradford Airport in November 1987 to offer scheduled commuter services. Adrian Thompson is

appointed managing director of the new concern and the world's first production model Shorts 360-300 certified for 39-seats is secured.

Revenue flights commence early in **1988** linking the company's base with Cardiff, Glasgow, and Jersey. Four additional 360s are acquired and Luton, Belfast, and Dublin join the route network. The Luton-Dublin route is a transfer from **Virgin Atlantic Airways, Ltd.** Orders are placed for 2 British Aerospace BAe 146s.

The fleet in **1989** includes 2 BAe 146-200s and 6 Shorts 360-300s. In late March, a feeder arrangement between **Virgin Atlantic Airways, Ltd.** and **British Air Ferries, Ltd.** is cancelled; Virgin officials contract with Capital, which begins BAe 146-200 service from London (CTN) to Dublin on behalf of VAA on March 29 using Virgin's license.

A total of 300,000 passengers are transported on the year.

The fleet in **1990** includes 2 BAe 146-200s and 6 Shorts 360s. Rapid expansion and steep increases in expenses in a time of recession prove disastrous and the carrier is forced to cease operations in July, being officially shut down on October 11.

Hungarian-born Sal Berkowitz and his new managing director, Donald MacKenzie, unsuccessfully attempt a financial rescue in November. When the CAA rules that foreign ownership in this case is illegal, the regional is liquidated at year's end.

CAPITAL AVIATION OF SANTA FE: United States (1992-1993). Jerry Wigger establishes a charter and contract service airline at Santa Fe, New Mexico, in **1992**. A workforce of 25 is recruited and revenue services commence and continue with a fleet of 1 each Cessna 210, Cessna 182, Cessna 172, Cessna 152, and Beech Super King Air 200. Flights cease a year later.

CAPITAL CARGO INTERNATIONAL AIRLINES: P.O. Box 622334, Orlando, Florida 32862, United States; Phone (407) 855-2004; Fax (407) 855-6620; <http://www.capitalcargo.com>; Code PT; Year Founded 1994. Freight consolidator Peter F. Fox and Clinton Beaty, who together own Capital Management Corporation, found CCA at Orlando in **1994** to provide FAA Part 121 all-cargo services linking that city with points in Latin America. Charles Greene is named vice president and general manager.

A Douglas DC-8-62 is wet-leased from **Emery Worldwide** and on October 1, **1995**, begins flying ad hoc charters on weekdays and services specifically to Puerto Rico, Guatemala, and Costa Rica on weekends. At the same time, the subsidiary, Capital Cargo Logistics, is established to provide cargo warehousing.

Over a million pounds of perishable goods are transported by year's end, largely via **Emery Worldwide**. Revenues for the year total \$16 million, costs are \$14 million, and a \$2-million profit is generated.

The employee population stands at 30 in **1996**. On April 15, the company wins airline certification from the U.S. government. The carrier returns the Emery Douglas and replaces it with a Boeing 727-2J7F, the first of 3 ordered B-727-200Fs. The company's mission statement now calls for it to provide contract lift to domestic and foreign air carriers who need additional capacity, or for other concerns requiring flights without themselves entering the airline business.

With a shipment of machines, auto parts, and other general freight, the Boeing makes its first official flight on April 18 to Port-au-Prince, Haiti. Thereafter, the aircraft flies fabrics from Greensboro, North Carolina, to Mexico City, returning with completed clothes.

A total of 16.7 million FTKs are operated and revenues of \$725,000 are generated through July. Expenses for the same period are \$946,000 and leave an operating loss of \$221,000 and a net loss of \$228,000.

The request for 3 Boeings is cut back to 2 and the second, a B-727-214AF, arrives early in **1997**. Services continue and cargo traffic jumps 12.7% on the year to 18.81 million FTKs.

Operating revenues skyrocket 180% to \$12 million, while expenses climb even more, rising 165% to \$11.93 million. Still, the previous year's operating loss becomes a \$67,000 operating gain, while the net loss is turned into a \$108,000 net gain.

Freight traffic during the 12 months of **1998** increases by 28% to 55.88 million FTKs. Revenues rise 73.7% to \$22.05 million, while costs are held to \$20 million. The operating profit increases to \$2.04 million, while net gain jumps to \$1.3 million.

Flights continue in **1999-2000**.

CAPITAL CITY AIR, INC.: Suite 203, 11710 Kingsway Ave., Edmonton, Alberta T5G 0X5, Canada; Phone (780) 482-6400; Fax (780) 482-6500; <http://www.capitalcityair.com>; Year Founded 2000. To take advantage of western Canada regional route opportunities provided in the wake of the **Air Canada, Ltd.** takeover of **Canadian Airlines, Ltd.**, Capital City Air is established at Edmonton in the spring of **2000**. Under the direction of President/CEO David McPherson, the new concern obtains authority from Transport Canada, recruits ground and flight staff, and acquires a fleet of British Aerospace BAe Jetstream 31s.

The first of several new airlines to start flying this year, CCA launches an Edmonton to Calgary shuttle service on July 1. Additionally, flights are started on August 15 to Fort McMurray, Grand Prairie, Peace River, and Prince George. Route expansion to nine additional destinations will occur during the winter schedule, with frequencies to nine more Alberta and Northwest Territories slated to follow in 2001.

CAPITAL JET CHARTER (PTY.), LTD.: P.O. Box 13, Canberra International Airport, Piallago ACT, 2609, Australia; Phone 61 (2) 6262 6222; Fax 61 (2) 6262 6226; <http://www.capitaljetcharter.com>; Year Founded 1998. CJC is set up at Canberra in **1998** to provide executive and small group passenger charters, particularly for businessmen needing transport into and out of the nation's capital city. Revenue flights begin and continue with a Cessna Citation bizjet.

CAPITOL AIR: United States (1982-1984). On January 6, **1982**, **Capitol International Airways** is reorganized and renamed Capitol Air. The fleet comprises 12 Douglas DC-8-61/63s, 1 Airbus Industrie A-300B4, 3 Douglas DC-10-10s, and 2 Boeing 727-200s; airline employment is 1,571. Frequencies to former CIA destinations are maintained or stepped up.

A DC-10-10 with 215 aboard loses cabin pressure and falls 20,000 feet over Nebraska on January 12 before recovering to make a safe landing at Denver.

New York to Aquadilla, Puerto Rico, service begins on October 12. For the first three quarters of the fiscal year, the carrier sets new records for itself: passenger boardings rise by 51.2% and earnings of \$7.2 million are posted.

During the fourth quarter, a dispute arises with **Eastern Air Lines** over 5 DC-8-61s leased several years earlier. Unable to successfully dispute the major's claim, Capitol returns the aircraft. As a result of this conflict, owner George E. Batchelor's company begins a period of financial turbulence, reduced capacity, traffic decline, and revenue loss, exacerbated by national recession.

Although the year's overall enplanements skyrocket 51.2% to 1,824,000 and cargo grows 36.8% to 20.18 million FTKs, revenues drop, expenses shoot up, and a \$21-million net loss is suffered.

The payroll is cut by 28.3% in **1983** to 1,130. Faced with intense discount competition, the carrier on January 10 begins to reduce services. Nonstop flights between New York and Los Angeles or San Francisco are replaced with one-stop frequencies. Flights from the U.S. to Europe are cut from nine per week to seven. It is also announced that the workforce will, as noted above, be significantly trimmed.

En route from San Juan to Miami on May 1, Flight 236, a DC-8-61 with 212 passengers, is subjected to a cruel hoax. A passenger, claiming to have a bomb, threatens to blow up the aircraft and goes up and down the aisles distributing notes describing his unemployment and unhappiness and demanding the plane's diversion to Cuba. At Havana, Cuban police take the pirate in hand and he is committed to a mental facility.

Flight 236, a DC-8-61 carrying 17 crew and 231 passengers between Puerto Rico and Chicago via Miami, is hijacked to Havana on May 12 by a woman armed with a flare pistol.

Claiming to be armed with dynamite, a man with a pistol (in reality a toy gun) hijacks a third Flight 236, this DC-8-61 with 264 passengers en route from San Juan to Miami, to Cuba on August 4. The diversion from the U.S. to Fidel Castro's island is the ninth of the year to date; once again, the pirate is taken into Cuban custody.

In September, controlling interest in Capitol Air is acquired by Capitol Holding Company, a firm controlled in turn by Farhad Azima, majority owner of **Global International Airways**. Among the first decisions taken by the new ownership is elimination of the 3 DC-10-10s. Of the 11 DC-8s, 4 maintain charter commitments while 7 work the major long-haul scheduled route from Los Angeles to Frankfurt via Chicago, New York, and Brussels. In mid-December, service is also started, five times per week, from New York to Miami.

Bookings drop 29.3% during the year to 1,335,000 and freight is off an equal percentage, 29.9%, to 14.15 million FTKs. Significant losses continue and by year's end, the carrier has fallen from its national CAB classification category into the ranks of the large regionals. While not as terrible as that of 1982, the net loss is still a dismal \$11,147,000.

Early in **1984**, Capitol lays off 1,200 employees and withdraws its DC-10-10s as ownership changes again. Daily New York to Miami flights commence on February 1, followed by \$89 one-way frequencies over the route beginning on February 9.

During the summer, a five-times-per-week schedule is initiated from Miami to San Pedro Sula and San Salvador, while service to Port-au-Prince becomes daily. In September, the Airbus and 9 DC-8-60s stand down and passenger flights are suspended. For the first 9 months of the year, the company has flown 924,000 passengers, a 6.8% decline.

Hard times reach a peak on November 25, when the company ceases operations and lays off all but 80 of its employees. A spokesman claims that the carrier is in a state of involuntary bankruptcy by virtue of a creditor's petition filed by 4 employees with the U.S. Bankruptcy Court in New York seeking \$29,000 in back wages, retroactive pay increases, and vacation pay. It is reported by the Associated Press that the employees had missed paychecks for several weeks and were growing more concerned that the airline did not have the resources to handle their compensation. By November 28, 176 additional workers have joined the action of the original 4.

The carrier's majority interest is sold on December 9 to an investor's group headed by Puerto Rico's state senator, Nicolas Nogeras. However, the line must formally file for Chapter XI bankruptcy on December 14, at which time all it has left in its fleet are 2 leased DC-8-61s and 1 Boeing 727-200.

Hoping to resume operations, company officials in **1985** fight the DOT's efforts to lift the dormant airline's operating certificate. In March, John Jackson, president since the December takeover, resigns and Capitol Air expires.

CAPITOL AIR EXPRESS: 823 11th Ave., 5th Floor, New York, New York 10019, United States; Phone (615) 223-0233; Fax (615) 459-0825; Code C6; Year Founded 1993. With its paperwork completed, CAE is officially established at Philadelphia on January 2, **1993** to offer regional and domestic charter flights with a fleet of 2 Boeing 727-251s. Revenue flights begin the same day from a base at Smyrna, Tennessee.

Although traffic figures are not provided, it is reported that revenues of \$4.2 million are generated. The operating loss is \$1.9 million and the net loss is \$1.76 million.

The fleet in **1994** includes 3 B-727-251s and 1 B-727-227. Passenger boardings for the first full year total 76,000. Revenues for the entire 12 months inch ahead by 1.6% to \$6.42 million. Even though expenses decline by 13.6%, they still total \$7.17 million and leave losses of \$752,000 (operating) and \$751,000 (net).

Operations continue apace in **1995–1998**, during which time a fourth B-727-251 joins the fleet.

CAPITOL AIR LINES: United States (1928–1929). Capitol is established at Detroit in the fall of **1928** to offer scheduled, multistop passenger services to Chicago and Louisville. The company assembles a fleet that grows to comprise 4 Ryan B-1 Broughams and 3 Alexander Eaglerocks, which are employed to inaugurate scheduled flights on October 22.

Operations cease in **1929**.

CAPITOL AIRLINES (1): United States (1966–1990). In **1966**, the Manhattan, Kansas-based air taxi and charter operator Gary Cromer, owner of **Capitol Air Service**, creates a scheduled airline division, calling it Capitol Airlines. Employing 5 Cessna 402s and 5 Cessna 207s, CA-1 inaugurates flights linking the company's base with Topeka and Kansas City.

Operations continue with little change through the remainder of the decade and into the **1970s**. Allen Aviation is purchased on August 13, **1975** and the fleet is enhanced by the addition of a de Havilland Canada DHC-6-100 Twin Otter.

During the early **1980s**, Lawrence and Salina join the route network and the fleet includes 2 Twin Otters plus the Cessna lightplanes owned earlier. Enplanements in **1983** total 83,700.

During **1984**, the FAA revokes the carrier's FAR Part 135 operating certificate for irregularities and grounds the company. The decision is taken to close down the airline division and continue operations under the previous name. John Jackson is named president in November, but resigns in April **1985**. Enplanements for the year total 41,280.

The 52-employee small regional enters into a code-sharing agreement with **Braniff, Inc.** in late fall **1986** and begins to feed the national's Kansas City hub on December 15 via three routes from the Sunshine State. Passenger boardings jump 14% to 48,000. "Braniff Express" flights continue apace in **1987**.

William Fogerson becomes general manager in **1988**. In September, **Braniff, Inc.** restructures its hub at Kansas City and serves notice that its agreement with Capitol will be cancelled at the end of the fourth quarter. The regional airline goes to court.

Fogerson becomes president in **1989**; however, he is powerless to halt the implementation of **Braniff, Inc.**'s code-sharing cancellation on January 2. The affiliation loss causes a dramatic downturn and the fleet is changed. Gone are the Twin Otters, replaced by a Cessna 421. In deep fiscal difficulty for two years, the carrier ceases operations on March 30 and files for Chapter XI bankruptcy protection.

Attempts are made during the remainder of the year to reorganize, but prove unsuccessful. Just after New Year's **1990**, the bankruptcy court orders the regional liquidated, a process which is completed by October.

CAPITOL AIRLINES (2): United States (1993–1995). Coeur d'Alene, Idaho-based **Empire Airlines** establishes this separate subsidiary at Minneapolis (MSP) in the fall of **1993**. Equipped with 3 Fairchild Metro III, the new regional inaugurates scheduled flights to Chicago (MDW) in December.

Early in **1994**, routes are stretched to Omaha and Milwaukee. Financial losses are significant enough to force the company to suspend operations at year's end. The carrier is purchased by **Air LA** during the first quarter of **1995**.

CAPITOL AIRWAYS: United States (1946–1967). American Airlines pilot Jesse Stallings (87.5%) and a partner (11.5%) found Capitol Airways at Cumberland Field in Nashville, Tennessee, on June 11, **1946** as an FBO and flying school. Three years later, Stallings resigns his job with American to devote more time to his prospering business.

In early **1950**, a war-surplus Lockheed L-18 is acquired for charter work, followed by a Douglas DC-3 in **1951** and a second Douglas transport in **1952**. A significant portion of the company's flight business revolves around the transport of Grand Ole Opry performers.

To take advantage of the income to be earned from USAF "Mercury" resupply flights, predecessor to the Logair program, Stallings purchases 3 Curtiss C-46 Commandos in **1954**. These are used to operate contract

military flights in the continental U.S. Simultaneously, the entrepreneur also acquires 2 Douglas DC-4s that are introduced on long-haul transatlantic passenger charters.

In September, the newly established subsidiary **Volunteer Airlines** (1) begins operating the DC-3s on scheduled intrastate commuter flights. Although this venture is profitable, Stallings closes it down on August 12, 1955 in order to devote his full attention to the larger supplemental business.

During the remainder of the decade, Capitol engages in a full menu of supplemental operations, specializing in low-cost, long-haul passenger and cargo charters. Employing over 40 surplus military C-46s, 5 Lockheed L-749As and L-1049E Super Constellations, Stallings's company spreads its wings over both transatlantic and Caribbean routes.

This expansion is not cost-free. A C-46F with two crew is lost near Fort Collins, Colorado, on November 16, 1958; there are no survivors. An L-1049H is purchased from the Babb Company in April 1959.

The carrier's first L-1049G is purchased in January 1960. The company suffers two crashes in one day later in the year. On October 4 at Sacramento, a private Cessna fails to see a taxiing C-46; no one is hurt in the resulting collision. A second Commando suffers an in-flight wing failure at Plain City, Utah, but lands without injury to its crew.

A C-46F with two crew crashes at Plain City, Utah, on October 15; both men are killed and the aircraft must be written off.

An in-flight fire causes a C-46F to crash near Katy, Texas, on January 22, 1961, killing its two-man crew.

Three L-1049Ds, previously flown by **Seaboard World Airlines**, are leased in May 1962. When **Riddle Airlines**, because of financial difficulties, is forced to sell its 6 Armstrong-Whitworth AW.650 Argosy Is back to their manufacturer in late June, Chairman Stallings acquires 5 for his own Logair military contracts. The landing gear of one of these fails while it is on a training flight at Wilmington, Delaware, on July 2; none of the six crewmen is hurt. A second Argosy I makes a wheels-up landing at Rome, New York, on July 23.

Later in the summer, 4 L-1049Hs are chartered from **Seaboard World Airlines**. Later, the carrier will purchase 2 Super Ds and 1 Super H. At the same time, 4 ex-Hughes Tool Company L-1049Hs are leased from **Trans-International Airlines**, which also sells the company an L-1049G previously flown by **Qantas Empire Airways (Pty.), Ltd.**

The Argosy Is continue to have difficulties in 1963. While landing at Fairfield, Ohio, on June 9, the pilot of one inadvertently retracts the landing gear, causing the aircraft to crash. A hydraulic failure aboard a second aircraft, while it is parking at Seymour Johnson AFB in North Carolina on November 21, causes it to ram into an obstruction.

In 1964, the company employs 323 workers and owns a fleet that still includes the Argosies plus 17 C-46s. Certification as a Supplemental Air Carrier, good for five years, is received from the CAB on April 18. A C-46 suffers substantial damage at Charleston, South Carolina, on October 10 when one of its engines catches fire. Five C-46s are wet-leased to **Deutsche Lufthansa, A.G.** and are employed to operate night cargo flights in Northwest Europe.

This year, a total of 141,000 charter passengers are carried and 12.58 million freight ton-miles are flown. Revenues total \$18.27 million.

In 1965, as a result of the withdrawal of the Argosy Is, the fleet is down to 9 aircraft, which will fly 23,330 million freight ton-miles over the next 12 months.

A Lockheed L-1049E is leased from **Cubana (Empresa Consolidada de Aviacion, S.A.)** on June 1. The carrier must inform a teachers group on June 30 that four charter flights to Europe, for which each member had prepaid \$300 to a New York State teachers study group, will be cancelled because of the disappearance of the persons who took the reservations. Revenues for the year total \$19.8 million and a net profit of \$1.18 million is reported.

Two of the three leased **Seaboard World Airlines** L-1049Ds are purchased in March 1966. Revenues for the year climb to \$31.18 million. The operating profit is \$102,545 and the net profit is \$75,244.

On March 22, 1967, the company is reformed into a public stock company and its name is changed to **Capitol International Airways** to reflect its worldwide capability.

CAPITOL HELICOPTERS: United States (1983–1984). An unsuccessful attempt to create a helicopter commuter airline for Washington, D.C.'s airports begins in late 1983 with the establishment of this company at Dulles International Airport. With the acquisition of 3 Aerospatiale 365N Dauphin 2 helicopters, rotary-wing flights begin in early 1984 linking Capitol's base with Baltimore (BWI) via the downtown district's National Airport.

As the result of high operating costs associated with the Dauphin 2s, ticket prices quickly reach a point more than double ground transport costs. In addition, maintenance problems contribute to a service suspension. Without subsidy and with little public demand for its high-priced, uncompetitive service, the debt-ridden new entrant cannot generate the traffic or finances to continue. Consequently, it shuts down in the fall.

CAPITOL INTERNATIONAL AIRWAYS: United States (1967–1982). To better reflect and finance its worldwide capability, **Capital Airways** is reorganized into a public stock company on March 22, 1967 and its name is changed. Airline employment totals 660 and the fleet includes 2 Douglas DC-8-61CFs, 2 DC-8-31s, and 3 DC-8-11Fs. Orders are outstanding for 4 DC-8-63CFs as the Super Constellation fleet is put up for sale. Among the last charters flown by the Connies before their removal are a series of inclusive-tour flights out of West Berlin on behalf of the travel agency Berliner Flug Ring.

In August, a Lockheed L-1049H Super Constellation is sold to James Flannery of Pendel, Pennsylvania. The aircraft is dismantled at New-castle Airport in Delaware and trucked to the owner, where it is erected on 25-ft. high pillars, just behind a sign that reads "Joe Flannery's Constellation Lounge and Restaurant."

Now the third largest supplemental carrier, CIA operates 33.4 million freight ton-miles and originates 312,804 charter passengers. Overall revenues are up 5% to \$32,661,694. The operating profit is \$4.78 million while the net profit is \$2.17 million.

The employee population numbers 583 in 1968. Two DC-8-63CFs join the fleet and the last of the Super Constellation freighters are phased out.

While executing a go-around, one of the new jetliners, on an April 28 training flight, yaws to the right, crashes, and burns at the National Aviation Facilities Experiment Training Center at Atlantic City; the four crewmen aboard are injured.

In anticipation of renewed growth, the company opens new offices at Cleveland and Detroit and upgrades six others.

On June 2, nearly 1,000 New York City area residents are delayed up to 8½ hours at Freeport, in the Bahamas, when a company aircraft fails to arrive on time for the chartered return flight to the Big Apple. **Eastern Air Lines** returns 537 of the passengers.

Customer bookings fall to 304,270 and freight ton mileage is down to 12.54 million. Still revenues are up 36% to \$44,392,244. The operating profit climbs significantly to \$4,745,766 and net income rises by a million dollars to \$3,453,376.

The workforce in 1969 is 820 and the fleet is increased by the addition of 2 more DC-8-63CFs. The night cargo contract with **Deutsche Lufthansa, A.G.** is concluded and the 5 Curtiss C-46s employed, the last owned by Capitol, are withdrawn from service and sold.

Enplanements rise to 359,379. Revenues advance to \$48,118,890 and an operating profit of \$1.52 million is reported; there is, however, a \$105,411 net loss.

The fleet in 1970 includes 4 DC-8-63CFs, 4 DC-8-55Fs, and 1 DC-8-31. A total of 180 new employees are hired.

On November 27 en route from McChord AFB in Washington State to Cam Ranh Bay via Anchorage and Yokota, Flight C2C3/26, under U.S. Military Airlift Command (MAC) charter, fails its takeoff from an icy Anchorage runway. T DC-8-63CF with 10 crew and 219 passengers makes a forced landing off the pavement, coming to a stop in a 12-ft.

drainage ditch where it catches fire (47 dead). John Godson remembers the disaster in his *Runway* (New York: Scribner, 1974).

Charter bookings jump 10% to 399,309 and cargo tonnage flown skyrockets 81.9%. Still, the decline in Vietnam business and the U.S. recession hurt income. Revenues fall to \$43,096,404 while the profit lines show more red ink: \$578,399 (operating) and \$1,193,449 (net).

In 1971, company headquarters are transferred from Wilmington, Delaware, to the deactivated Stewart AFB at Smyrna, Tennessee, near Nashville. Enplanements total 454,770.

Passenger boardings increase by 2.2% in 1972 to 465,000 and freight traffic grows a healthy 20.4%. Income is \$38.58 million and with expenses nearly under control, the charter operator is able to report profits of \$181,000 (operating) and \$754,000 (net).

The workforce in 1973 is 508. Passenger boardings accelerate 18.7% to 552,000, but freight traffic is off by a huge 50.9%. Revenues, however, increase to \$46 million with expenses trailing at \$42.48 million. The operating profit is \$1.86 million and net profit declines slightly to \$709,000.

The workforce is reduced in 1974 to 467. On July 9, the Federal District Court in Philadelphia orders the carrier to hire male applicants for flight attendant positions and to seek out males who had sought such jobs with the airline earlier, but who had been rejected because of their sex.

Enplanements decline 9% to 503,779 and freight traffic is down a whopping 84.9%.

While only 22% of Capitol's charter customers are military, almost all of its freight business comes from MAC, which is rapidly downsizing its transport needs now that the Indochinese situation is cooling.

Total income grows by 7.9% to \$47.8 million, but fuel costs force expenses to shoot up by 17.6% to \$49.9 million. As a result, the supplemental has an operating loss of \$2.12 million and a net loss of \$551,000.

Seventeen employees are laid off or not replaced in 1975, a drop of 25%. In addition to this and other cost-cutting measures, the Smyrna-based supplemental begins to concentrate on higher-yield charters.

As a result, it is able to transport 25% fewer passengers (367,880) while increasing its income. On revenues of \$43.97 million, expenses are \$43.84 million. As a result, the operating profit is \$131,000 and net gain reaches \$1.62 million.

The workforce in 1976 is increased by 24% to 528. Three DC-8-61s are purchased to increase capacity.

Nonscheduled operations with a fleet of 2 DC-8-63Fs, 5 DC-8-61s, and 5 DC-8-30s continue into the era of deregulation. During these years, CIA, one of the largest American supplemental carriers, derives 80% of its income from commercial charter work, mostly across the North Atlantic to Frankfurt and Brussels. The remaining 20% is derived from contract cargo flights made for the USAF.

Customer bookings accelerate 30.5% to 479,675. Expenses are \$50.71 million, but are submerged by total revenues of \$51.88 million. As a result, the operating profit is \$1.17 million and net income doubles to \$2.94 million.

Eighteen are reported injured on January 16, 1977 when a DC-8-30 catches fire on the runway at Baltimore (BWI). A DC-8-61 with 250 aboard catches fire at Shannon, Ireland, on October 2; 24 are injured. Twice-weekly tourist charter flights to Cuba are initiated on December 1 and help to bring the year's passenger charter total to 702,000.

Bookings in 1978 are 857,000, an 18.2% increase. The Tennessee-based operation, losing money in the face of stiff competition from challengers, now elects to begin offering scheduled service.

New York to Brussels return services commence on May 4, 1979. Employing a pair of leased DC-10-10, Capitol introduces \$180 one-way transcontinental Sky Saver flights from New York to Los Angeles.

Flight engineers, members of the Teamsters, strike the company between September 23 and October 6; a mediated agreement between the parties takes effect on October 17.

Bad traffic news, however, continues as CIA's 6 aircraft haul only 753,000 passengers, a 12.1% decline. Revenues total \$89.9 million, but

expenses are \$103 million. Consequently, an operating loss of \$13.5 million and a net decline of \$9.2 million are reported.

The fleet is cut to 6 DC-8-61s (including 5 leased from **Eastern Air Lines**) and 2 DC-8-63s in 1980. These continue to specialize in low-cost, long-haul, sometimes nonscheduled flights, despite the supplemental's being relabeled as a national carrier under the CAB's new airline classification scheme.

George E. Batchelor of Miami, who also controls **Arrow Airways** (2), acquires the carrier and its 829-employee workforce on June 30. A DC-8-61 must be evacuated at New York (JFK) on July 14 when an engine catches fire prior to takeoff.

Customer bookings fall 21% to 611,397. Revenues accelerate to \$109.9 million and, for the first time, income from scheduled services exceeds that from charters. Costs also jump, to \$111.9 million. Despite these larger numbers, the decline in both capacity and traffic lessens the flow of red ink. This year, the losses are down to \$2 million (operating) and \$3.8 million (net).

The workforce increases 89.5% in 1981 to 1,571. CIA now acquires a variety of new long-haul routes utilizing 3 Douglas DC-10-10s. Destinations now served include Boston, Chicago, Kansas City, Las Vegas, Los Angeles, Miami, New York (JFK), Philadelphia, Aguadilla, Port au Prince, Puerto Plata, San Juan, San Pedro Sula, and San Salvador. Other gateways include the European terminals of Brussels and Frankfurt, plus Tel Aviv in the Middle East.

Enplanements skyrocket 89.3% to 1,153,000 while freight is up 85.5% to 14.75 million FTKs. Operating revenues total \$185.03 million and expenses are \$180.52 million; as a result, there are profits: \$4.5 million (operating) and \$2.58 million (net).

Capitol International is reorganized on January 6, 1982 and renamed **Capitol Air**.

CAPRIVI AIRWAYS (PTY.), LTD.: Namibia (1978–1982). Formed as a subsidiary of the Chantenis Group at Windhoek in early 1978, Chairman/Managing Director B. Drew's 65-employee carrier begins scheduled services in September. Five Douglas DC-3s undertake daily return flights to Khorixas, Ondangwa, Bundu Katima, and Muillo.

Traffic proves too light and expenses, led by surging fuel price increases in 1979–1980, too high, forcing Caprivi to halt operations in 1982.

CARAIBBENNE DES TRANSPORTES AERIENS. See **AIR FRANCE; AIR MARTINIQUE (COMPAGNIE ANTILLAISE D'AFFRETEMENTS AERIENS, S.A.); AIR SAINT MARTIN, S.A.; SATA (SOCIETE ANTILLAISE DE TRANSPORTS AERIENS, S.A.-AIR GUADELOUPE)**

CARAVAN AIRLINES: United States (1965–1967). Caravan Airlines is set up at Phoenix, Arizona, in 1965 to provide scheduled passenger and cargo flights on local routes out of the city.

De Havilland DH 104 Dove and DH 114 Heron flights continue into 1967, when the company is purchased by and merged into **Apache Airlines**.

CARCO AIR SERVICE: United States (1963–1973). When William P. Cutter and Clark Carr, founders and operators of **Cutter-Carr Flying Service**, split up in 1963, Carr forms his own airline, Carco Air Service, to take over the Atomic Energy Commission contract previously operated.

The company receives CAB commuter certification in 1964 and continues to operate scheduled air services for workers at the nuclear station at Los Alamos, New Mexico.

Competition from **Ross Aviation** results in that firm winning the government contract in 1970 and the first great oil crisis puts the company out of the flying business in 1973.

The company does not, however, fail entirely. Under the direction of William R. Cutter, William P's son, Carco, remains an FBO operator with stations at Albuquerque, El Paso, and Phoenix.

CARDIFF & PEACOCK AIR LINES: United States (1933–1934). Established at Bakersfield, California, in early 1933, C & P inaugurates scheduled, multistop passenger flights to Los Angeles with Travel Air 6000s and Stinson Juniors.

During early summer, a new Lockheed Model 9 Orion is acquired and operations are added linking Fresno with San Francisco. On July 11–12, the Orion and its pilot, Donald MacIntyre, is lost when it unexplainably dives into a swamp northwest of Fresno.

Without a mail subsidy, traffic proves to light to justify the continuance of operations too far into 1934.

CARDINAL AIRLINES: United States (1968–1976). Rodney Jaeger, owner of the Lynchburg, Virginia-based FBO Flight America, establishes Cardinal Airlines in the early fall of 1968 to provide scheduled passenger and cargo services to the two principal airports at Washington, D.C. (DCA and IAD) plus Charlottesville, Va.

Employing a fleet of Britten-Norman BN-2 Islanders, Beech 99s, and Cessna lightplanes, Cardinal inaugurates daily roundtrips on October 1, maintaining them into 1976. Jaeger will establish **Air Virginia** in 1979.

CARDINAL AIRWAYS: United States (1968–1969). Established at Jefferson City, Missouri, in 1968, Cardinal offers scheduled air taxi services to local destinations employing a Piper PA-31 Navajo. The operation can only be maintained into 1969.

CARE AIRLINES (PTY.), LTD.: South Africa (1991–1996). NAC, established at Lanseria Airport in 1991 to provide scheduled and charter regional, as well as domestic passenger and cargo services, initially remains dormant. Vernon Bricknell is named managing director.

Revenue services commence in 1993 with a single British Aerospace BAe (HS) 748-B2. Thrice-weekly scheduled return services are added between Johannesburg and Margate.

The BAe is sold in 1994 as the company elects to lease its future capacity, chartering a Series-A2 in its place. Managing Director Bricknell now assembles a larger fleet that includes 3 British Aerospace (BAC) 1-11-537GFs, 4 Beech Super King Air 200Cs, and 1 each BAC 1-11-531FS, BAC 1-11-518FG, BAC 1-11-509EW, and BAC 1-11-409AYF.

Scheduled services are inaugurated by the 85-employee company in January 1995, linking its primary base with Cape Town and the Transkei. Services are also provided for the South African Post Office to Cape Town and Durban. Traffic and financial figures are not released.

Two Boeing 727-100Fs and 2 more BAC 1-11-500s are acquired in 1996. The little-known carrier is now the second largest BAC operator in the world. Charters are flown throughout Southern Africa. Operations continue as before until the company takes a new corporate identity later in the year, becoming **Nationwide Airlines (Pty.), Ltd.**

CARGA AEREO TRANSPORTADA, S.A.: Bolivia (1983–1991). CAT is set up at La Paz Airport in 1983 to offer nonscheduled all-cargo flights around the country. Flights commence and continue with a Convair CV-440. During the next eight years, at least four Convairs are employed, one after the next.

CARGA DEL CARIBE, S.A. de C.V.: Espino 352, Col Santa Maria La Rivera, Mexico City, Mexico; Phone 52 (5) 547-3308; Fax 52 (5) 547-6648; Year Founded 1994. CDC is established at Mexico City in 1994 to offer all-cargo charter and contract service flights to Mexican and regional destinations in Central America and the Caribbean. Operations commence and continue with a single Douglas DC-6 freighter.

CARGO D'OR, LTD.: Ghana (1989–1997). Cargo d'Or, Ltd. is set up at Accra in 1989 to offer regularly scheduled weekly all-cargo roundtrip services to London. Revenue flights commence with a single Douglas DC-8F. The following year, the company is taken over by London-based **MK Air Cargo, Ltd.**, which will provide it with chartered aircraft and operate it as a subsidiary for seven years.

CARGO LION, S.A.: Lion Aviation Building, Findel Airport, Luxembourg, Luxembourg 1110, Luxembourg; Phone 32 (59) 513 984; Fax 32 (59) 513 985; <http://www.cargolion.com>; Code TLX; Year Founded 1991. During the summer of 1991, Bertram Pohl, Konrad Homberger, and Thomas Hamilton decide to form an all-cargo airline in Switzerland. As the name *Swisscargo* is not available, the new entrant is named Cargo Lion, A.G. in honor of the pioneering American line named for a big cat, **The Flying Tiger Line**. Start-up is postponed due to a combination of the economic downturn caused by the Gulf War and the inability of the partners to obtain a suitable fleet.

With Homberger remaining behind, Pohl and Hamilton decide to look elsewhere, and, early in 1992, join with Roger Tolley and Richard R. Le Lion to establish Lion Aviation Holdings, Ltd. at St. Peter Port, Guernsey, in March, with Cargo Lion, Ltd. as the principal subsidiary. Founder Pohl is named president with Le Lion as commercial director. Although the head office is established at St. Peter Port, Guernsey, operations are centered at Ostend Airport.

A workforce of 13 is recruited and 1 Douglas DC-8-62F is leased from **AOM French Airlines, S.A.** to be flown from the Belgian base. The inaugural revenue flight is made on August 1; a shipment of machinery, medicine, and general cargo is flown to Ghana and the narrow-body returns with 40 tons of pineapples.

African markets fill the company's itinerary for the remainder of the year and over the next two. In 1993–1994, the company begins to consolidate and slowly moves away from the ad hoc charter market to the operation of long- and medium-term contracts. Clintele comes to consist of major airlines such as **Air France**, **Deutsche Lufthansa, A.G.**, and **Sabena Belgian World Airlines, S.A.** and air freight consolidators and brokers such as ACS, Chapman Freeborn, East African Flowers, and Raeford. Many charters are also accepted from relief organizations such as the International Red Cross and the UN.

During the spring of 1994, the company enters into negotiations to purchase the Irish all-cargo airline **Aer Turas, Ltd.**; however, that company is eventually acquired by **Aer Lingus Irish Airlines, Ltd.** Another unsuccessful effort is simultaneously made to begin a passenger charter operation with Toronto-based **Advance Air Charter, Ltd.**; however, the Canadian company goes out of business.

In the fall, the paper airline Translux International Airlines, S.A., formed by Airmec Aviation Services, is taken over and its license application is completed in Luxembourg under the Cargo Lion name.

A second DC-8-62F is acquired in March 1995 as the company transfers its base and licensure to Luxembourg. As the only independent European all-cargo airline entirely equipped with hush-kitted aircraft, Cargo Lion finds itself in heavy demand for the operation of replacement services for major carriers into airports where noise control measures are in place. Indeed, the new plane's first flight is operated on April 7 on behalf of **Deutsche Lufthansa, A.G.** In September, both aircraft are in Ostend for routine overhauls.

During the summer, the company begins to operate a long-term contract on behalf of **British Airways, Ltd. (2)**, transporting cargo between London (LGW) and Johannesburg. At the same time, a one-year contract is received from **Lufthansa Cargo Airlines, A.G.** to operate on its behalf to India.

Airmec Aviation Services is purchased on October 1 and the company is able to open its own maintenance department in Luxembourg one month later.

The **Lufthansa Cargo Airlines, A.G.** expires in August, at which point a new service to Sweden and the Middle East is launched on behalf of the Panalpina Group.

Ground is broken in February 1997 for a new maintenance facility in Luxembourg. The BA contract service to Johannesburg ends during the summer. At this point, the company enters into a long-term contract with **Air France** to operate a pair of DC-8-62Fs from Paris to points in the former colonies in Africa. At the same time, arrangements are made to operate a passenger Airbus Industrie A310-203 on behalf of Air Charter, the French major's charter subsidiary.

A third DC-8-62F is acquired in January 1998 and is immediately sent for an inspection. The **Air France** DC-8 contract ends at the beginning of March. Meanwhile, on March 8, an agreement is reached by **Gemini Air Cargo** with **Air France** under which Gemini will operate a trio of DC-10-30Fs for the French line, replacing the DC-8Fs that it had previously wet-leased from Cargo Lion.

The Air Charter service is concluded in April. At this point, the two original DC-8-62Fs begin flying under contract to **DHL Worldwide Express** to points in Europe and Africa. The third DC-8-62F enters service in June. In late October, it is wet-leased to **Air Afrique, S.A. (2)** to serve their link between West Africa and Europe.

During the first quarter of 1999, a DC-8-62F flies nightly domestic express service in France on behalf of **Aeropostale, S.A. (2)**. On May 21, a letter of intent is signed for the acquisition of two retired **British Airways, Ltd. (2)** DC-10-30s. Both are sent to Aeronavali, Curtis & Co. for conversion into freighters, with the first scheduled for delivery in November and the second the following July.

The freight operator actually takes delivery of its first Douglas DC-10-30F on February 16, 2000. On March 12, the company is approached by **Atlas Air** with a proposal that it become the U.S. carrier's European operating arm. A month later plans to add the second DC-10F are shelved.

CARGOLUX AIRLINES INTERNATIONAL, S.A.: Luxembourg International, S.A., Luxembourg Airport, L-21990, Luxembourg; Phone 352 4211; Fax 352 4354; http://www.cargolux.com; Code CV; Year Founded 1970. Luxair, S.A., Loftleider Icelandic Airlines, H.F., and the Swedish shipping concern Salenia, A.B. form this all-cargo carrier at Findel Airport on March 4, 1970. The carrier's first aircraft, a Canadair CL-44, is delivered on April 4 and worldwide cargo charters begin in May. As additional work is undertaken during the next year, four additional freighters are received.

On final approach to the airport at Dacca, Bangladesh, on December 2, a Canadair CL-44J with four crew crashes into a farmhouse; all aboard the aircraft are killed, plus four people on the ground.

By 1972, the workforce totals 35 and the fleet includes 5 Canadairs. Operations to the Far East and South Africa are expanded and freight traffic grows 100%.

The workforce is expanded to 190 during 1973. The first Douglas DC-8-63CF is delivered on October 8, on lease from **Loftleider Icelandic Airlines, H.F.** The **Loftleider Icelandic Airlines, H.F.** maintenance base at Findel Airport is acquired and freight service to West Africa is inaugurated. Frequencies to the Far East and other African destinations are increased. A total of 146 million FTKs are flown, a 64.9% increase over the previous year.

The fourth anniversary is celebrated in March 1974. A new head office and maintenance center begins construction along with a new freight terminal while a DC-8-55F is chartered. Cargo traffic soars by 35% with 201.18 million FTKs flown.

Freight traffic rises 30% in 1975 to 261 million FTKs as another DC-8-63CF joins the fleet.

Airline employment stands at 385 in 1976. Outside maintenance contracts are increased and air freight frequencies are begun to a number of new areas, including the Arabian Gulf, Vietnam, and the People's Republic of China. The first stage of the new cargo terminal is activated during the fall.

Cargo carried climbs 16% to 261 million FTKs.

A third DC-8-63CF and 2 Boeing 707-331Cs, formerly flown by **Trans World Airlines (TWA)**, are delivered in 1977 as 2 CL-44s are deleted. An interest is taken in the new **Aero Uruguay, S.A.** and DC-8-41s/53s are leased on behalf of **Air Algerie, S.A.** in 1978 to transport Muslim pilgrims on Hadj flights to Mecca. The remaining Canadairs are all retired as a Boeing 747-2R7F is added to the fleet in December. President Roger Sietzen's company employs 450 workers and the year's freight traffic is up 16%.

The new B-747-2R7F *City of Luxembourg* is placed on the Luxembourg to Hong Kong route in February 1979. The airline is now the first European all-cargo carrier to operate a dedicated Jumbojet.

Cargo frequencies on the Europe-Taiwan weekly route are doubled and, under the leadership of Vice President Lucien Schummer, development is begun on a CHAMP (Cargo Handling and Management Planning) computerized cargo management system. New sales offices are opened in London and Paris as the workforce is increased by 16.4% to 469. Again, cargo climbs 16%, to 472 million FTKs.

Twenty-three new employees are hired in 1980. Weekly DC-8-63CF service to Mexico City and Houston is launched in February and twice-weekly flights begin in May to Nairobi. A second B-747-2R7F is delivered in September.

The B-747-2R7F *City of Esch-sur-Alzette* is purchased on October 10. On October 23-24, the company becomes involved in the U.S.-Iran hostage crisis. A company DC-8-41F, chartered by the Israeli government, transports a cargo of F-4 fighter jet tires from Nice to Tehran using a call sign supplied by **Iran Air** in an unsuccessful "spares-for-hostages" release scheme.

Freight traffic climbs a scant 2.9% to 486.17 million FTKs.

The workforce is increased by a scant 1.9% in 1981 to 500. Frequencies to the U.S. are doubled and contract maintenance work is increased. Service from Europe to the Far East is also stepped up.

Cargo traffic zooms upward by 29.4% to 629.28 million FTKs.

An agreement is signed with **China Airlines, Ltd. (CAL)** in May 1982 providing for the exchange of space on flights between Luxembourg and Taipei. The world recession catches up with the carrier; freight traffic falls 10% to 564.7 million FTKs. As a result, the workforce is cut to 350 and the number of DC-8-63CFs in the fleet is reduced to 3. Hadj service is provided to Mecca by DC-8-61s and B-747-100s leased on behalf of **Nigeria Airways, Ltd.** Late in the year, the first three elements of CHAMP I come on line.

Following the introduction of cost-cutting procedures and with slight recoveries in some traffic regions in 1983, cargo grows a tiny 0.6% to 568.31 million FTKs. The 3 remaining DC-8-63CFs are all sold as a loss of Flux 230 million is suffered.

The world economic upturn in 1984 allows the carrier's 2 B-747-2R7Fs to boost the freight traffic a whopping 31% to 744 million FTKs.

A Flux 82-million (\$1.3-million) net profit is posted by the 296-employee Luxembourg-based cargo airline, on top of an operating gain of \$7.06 million.

The carrier's fifteenth anniversary is celebrated in 1985 and, in February, the B-747-2R7F *City of Esch-sur-Alzette* is sold to the Government of Taiwan for delivery to **China Airlines, Ltd. (CAL)**. A new route is extended to Fukuoka, Japan, and, in May, a B-747-254F is chartered from **Korean Airlines/Korean Air (KAL)**. A leased B-747-100 provides Hadj flights to Mecca on behalf of **Air Afrique, S.A.**

Late in the year, the B-747-2R7F *City of Luxembourg* is employed to deliver 281,000 pounds of a special Spanish pink granite rocks from Carrara, Italy to Seattle on behalf of a contractor completing the facade of a 30-story office building.

Despite a 9.7% drop in freight traffic to 672 million FTKs, the carrier, in terms of cargo carried, ranks 19th among all world airlines. Other services (e.g., maintenance) are expanded. Revenues advance 30% to \$130.6 million and costs are kept low, allowing an operating profit of \$8.1 million and net gain of \$24.5 million.

The employee population is increased 15.6% in 1986 to 364 and the Icelandair shareholding is purchased by Italian and Arab interests. The **Korean Airlines/Korean Air (KAL)** B-747-254F is replaced in April by a B-747-271C, previously flown by **Transamerica Airlines**, leased on a long-term basis.

During July, 3 B-747-123s, formerly operated by **American Airlines**, are leased for 10 months from Citicorp; 2 are leased to **Iran Air** and provide Hadj services from Mashad and Teheran to Mecca, during which 90,000 passengers are flown.

In November, another ex-Transamerica B-747-271C freighter is leased for use on routes to the U.S. and the Far East. Service to the Far East is now the major source of the company's revenues, with over 40% of its income originating in Asia.

Cargo traffic revives, jumping upward by 22.5% to 823.21 million FTKs. Revenues accelerate to \$127 million, expenses total \$114.5 million, and the operating profit is \$12.5 million.

The payroll grows 18.2% in **1987** to 436. A GE-engine model replaces the carrier's Pratt & Whitney-powered B-747-271C, also from **Transamerica Airlines**, giving the fleet 4 GE freighters. The leasing of the B-747-123s continues, both on an individual trip basis and to **Iran Air** for Hadj flights.

Bangkok joins the route network and frequencies to Asia are increased to four-per-week. During the fall, the carrier (45%) joins with **Luxair, S.A.** (55%) to form the passenger charter operator **Lionair, S.A.** In December, the German state airline **Deutsche Lufthansa, A.G.** purchases a 24.7% interest. The arrangement calls for cooperation and coordination in a number of areas.

Freight traffic this year ascends 21.7% to one billion FTKs.

Airline employment climbs 19.7% in **1988** to 522 and the fleet includes 5 Jumbojet freighters. Employing a pair of 505-seat B-747-121s formerly flown by **Pan American World Airways (1)** and delivered on January 13 and 20, respectively, **Lionair, S.A.** passenger charters begin in February. On behalf of the national airline of Barbados, **Caribbean Airways, Ltd.**, one Jumbojet undertakes scheduled roundtrip service over a route from Manchester to Barbados.

In November, the company's entire fleet is chartered to transport, in time for the official uncorking, the year's Beaujolais Nouveau to the world's wine connoisseurs.

Cargo traffic for the 12 months rises 8% to 1.08 billion FTKs.

The workforce swells 33% in **1989** to 694. During the spring, the frequency of the decade-old weekly return service between Luxembourg and Taiwan, flown via Dubai in cooperation with **China Airlines, Ltd. (CAL)**, is doubled.

Three Dash-271C Jumbojet freighters are acquired in July after refurbishment at Seattle from B-747-271Cs previously flown by **Transamerica Airlines**. In August, French fertilizers are flown to Alaska to aid in the cleanup of the *Exxon Valdez* oil spill disaster.

Freight moves ahead by 7% to 1.16 billion FTKs and a \$13.9-million operating profit is reported.

Company employment falls 3.5% in **1990** to 670, as one Jumbojet is withdrawn. Recession causes the **Lionair, S.A.** experiment to fold and its two Jumbojets are put up for sale. In September, the company enters into a lease arrangement with **Air Foyle, Ltd.** to operate a Soviet-made Antonov An-124 on weekly out-size cargo flights from Luxembourg to Singapore. Following three trial flights, regularly scheduled weekly flights commence on September 22.

A regional office is opened at Seattle in October, taking over services previously leased from Aviation West.

Freight traffic ascends a slight 2% to 1.18 billion FTKs. Although revenues are \$266.3 million, higher fuel costs, occasioned after Iraq's August 2 invasion of Kuwait, lower the operating profit to \$10.9 million.

The payroll is sliced another 9% in **1991** to 610 and orders are placed for 4 B-747-4R7Fs. In January, the carrier receives U.S. DOT authorization to offer seven roundtrip weekly flights from Houston, New York, San Francisco, Seattle, and Miami to Luxembourg.

During the spring, the company contracts with **Air Foyle, Ltd.** to operate 3 Antonov An-124 Ruslans on out-size service flights to the Persian Gulf and Asia. In September, a second weekly flight is added from Luxembourg to Edmonton, Alberta, using the carrier's newly received B-747-228F.

Cargo swells during the year by 9% to 1.29 billion FTKs.

The workforce is revitalized in **1992** and increased by 10.4% to 873 as a fifth B-747-2D3BC is delivered. The carrier now leases, on an almost monthly basis, service from **Air Foyle, Ltd.**'s Antonov An-124 freighter. The last B-747-100 passenger plane is sold and new all-cargo flights are initiated to Damascus and Colombo.

On November 8, a Cargolux B-747-200F becomes the first foreign airliner to land at Shenzhen Airport, on the Chinese border with Hong Kong.

Freight slips 1.9% to 1.26 billion FTKs. Long-term debt stands at \$142 million.

In **1993**, Chairman Robert Stetzen and President/CEO Sten Grotenfelt oversee a workforce of 610, down 30.1% from the previous year. The fleet now includes 3 B-747-271Cs, 1 chartered B-747-2D3F, 1 B-747-228 that is leased to **El Al Israel Airlines**, and 2 B-747-4R7Fs. The latter, valued at \$275 million and received in November, are the first of their type delivered anywhere in the world.

From Luxembourg, all-cargo flights are made to Abu Dhabi, Athens, Bangkok, Colombo, Damascus, Dubai, Fukuoka, Hong Kong, Houston, Huntsville, Istanbul, Kuala Lumpur, Kuwait, Mexico City, San Francisco, Seattle, Singapore, Tacoma, and Taipei.

New service to Los Angeles begins in the fall and, in October, a new alliance is signed with **Deutsche Lufthansa, A.G.** Under its terms, the two carriers agree to code-share their flights over the routes from Luxembourg to Frankfurt and from Frankfurt to Los Angeles and San Francisco.

Cargo remains level at 1.26 billion FTKs and, despite an operating loss of \$1.7 million, there is a net profit of \$1.44 million.

Operations continue apace in **1994**. Permission is received from the Japanese government in January to shift services from Fukuoka to Komatsu Airport. Traffic rights to Bahrain are also acquired. Early in the year, **Deutsche Lufthansa, A.G.** purchases block-space on the carrier's Dash-4R7F Jumbojet service to Los Angeles and abandons its own.

During the last week of July, the company begins its first around-the-world scheduled freight route; twice weekly, a B-747-4R7F flies to Taipei, Komatsu, Khabarovsk, and Fairbanks and then, via the North Pole, returns to Luxembourg.

In August, a joint development agreement is signed with **Vietnam Airlines**. On August 8 weekly all-cargo flights commence between Ho Chi Minh City and Luxembourg employing a Cargolux B-747F.

Overall freight traffic increases dramatically during the year, rising 37% to 1.73 billion FTKs. Revenues swell 27% to \$307 million and with expenses only up 20.1% to \$296.3 million, there is an operating surplus of \$3.2 million. This year, however, there is a net loss of \$1.7 million.

Airline employment is increased by 20.5% to 735 in **1995**, the twenty-fifth anniversary year.

During the spring, new services are started to Madras, Detroit, and New York. In July, the carrier's fully integrated, on-line cargo system, CHAMPS, is successfully introduced.

Late in the year, weekly service is inaugurated between Europe and the South African cities of Johannesburg and Cape Town. The weekly roundtrip service to South Africa is doubled on December 18.

Cargo traffic jumps again during these 12 months, up 12% to 1.94 billion FTKs. Revenues total \$389 million and there is a \$15.3-million net gain.

The workforce grows another 7.3% in **1996** to 886 and the owned fleet now includes 2 B-747-271Cs and 1 each B-747-428F and B-747-4R7Fs. Also operated, under charter, are 1 B-747-4R7F and 1 B-747-228F, which is subleased to **Atlas Air**.

Doubling the size of existing storage facilities and warehousing, a new cargo terminal is opened at Luxembourg early in the year. When the giant Swiss forwarder agrees to take half of the space on every flight, Cargolux launches weekly roundtrips to São Paulo, Brazil.

Weekly roundtrip service to Chile is inaugurated in July.

A total of 2.02 billion FTKs are operated, a 4.1% increase. There are profits on top of the \$404 million in revenues: \$4.77 million (operating) and \$7.33 million (net).

Airline employment jumps 13.7% in **1997** to 1,007. In early October, a \$825-million order is placed for 4 B-747-400Fs that will begin to be delivered in 12 months.

When **Lufthansa Cargo, A.G.** determines during the month that it no longer requires its 25.4% stake in Cargolux, that shareholding is sold by parent **Deutsche Lufthansa, A.G.** to **Swissair, A.G.**'s **Swisscargo**, which is owned by SAirGroup's SAirLogistics subsidiary.

Meanwhile, the company continues to visit destinations throughout Europe, as well as Abu Dhabi, Bangkok, Damascus, Detroit, Fairbanks, Houston, Huntsville, Los Angeles, Miami, Mexico City, Miami, New York, San Francisco, São Paulo, Santiago de Chile, Seattle, and Tacoma.

On August 19, a contract is signed with **Southern Air Transport**, which will serve eight cities from a Luxembourg base on behalf of Cargolux, including Huntsville, Miami, and Bradley, Connecticut, as well as cities in Scotland, Mexico, Colombia, and Venezuela.

Two B-747-4R7Fs are delivered at the end of the year.

FTKs this year surge 19% to 2.41 billion, which also translates into 273,696 tons of goods flown. Revenues climb 20% to \$477.43 million, while expenses grow only 12.5% to \$440.7 million. Consequently, the operating profit surges to \$36.72 million and a huge \$30.7-million net gain is celebrated.

At the beginning of **1998**, Cargolux is the 15th largest airline in the world in terms of freight carried.

In January, the company receives the 1997 "Cargo Development Award" from *Air Transport World* magazine.

During the spring, the company's 2 B-747-271Cs are sold to **Southern Air Transport**. Although scheduled to depart the fleet, they will be leased back until the remaining 2 B-747-400Fs on order are received.

At a special ceremony at Cargolux Headquarters in Luxembourg on May 18, the 2 new B-747-4R7Fs received in December are christened *City of Dudelange* and *City of Grevenmacher*. The mayors of Dudelange and Grevenmacher unveil the city names on coats of arms of the two giant freighters. Each aircraft is configured with six-seat upper-deck passenger compartments, plus two bunks. A reserve crewman occupies one seat during long-haul flights, while couriers, staff accompanying shipments, company officials, and even grooms for horses, will use the others.

A long-term agreement is signed with **Atlas Air** on July 16 for the use of the American company's second new B-747-47UF as soon as it is delivered. The second Atlas B-747-47UF arrives in early August and is immediately put to work under contract to Cargolux.

The B-747-271Cs, off the table to **Southern Air Transport** and still operated by Cargolux are purchased by **Atlas Air** on September 30; it is anticipated that the trio will be operating in the U.S. line's colors by year's end.

A third B-747-47UF is delivered to **Atlas Air** in mid-October and, on October 20, Atlas signs a second contract to provide air freight services for Cargolux.

President/CEO Heiner Wilkens travels to Everett, Washington, on December 8 to take delivery of a B-747-4R7F. At the same time, he delivers a \$335-million order for two more of the type. The freighter now accepted returns to Luxembourg with a full load of cargo, making the delivery flight its first revenue-earning flight.

Several new services are undertaken at mid-month. The weekly flight to Damascus and Istanbul is rerouted to allow resumption of service to Beirut on December 16. Services to South America are enhanced with the simultaneous introduction of a B-747-47UF routing from Luxembourg–Recife–Santiago de Chile–Buenos Aires–Vittoria–Luxembourg. With this added frequency, Cargolux now offers two weekly roundtrips from Santiago de Chile to Europe and three from Buenos Aires.

A fourth stop (after Prestwick, Shannon, and Keflavik) on the European network is added on December 16 when one of the carrier's B-747-47UFs begins stopping at Manchester during its weekly service from Luxembourg to Seattle. It will later be noted that, during the 12 months, the company has transported various cargos, ranging from a huge Rolls Royce Trent engine to over 900 racehorses.

Freight traffic this year climbs by 11% to 2.68 billion FTKs, while actual tonnage carried increases to 321,982. Revenues jump 5.2% to \$578 million. There is an operating profit of \$38.5 million and a net gain of \$92 million, which includes income generated from the sale of the last B-747-271Cs.

Airline employment stands at 1,087 in **1999**, a 7.9% increase. Pilots come from every European country, including Iceland. The company

provides both scheduled and charter all-cargo service to 33 destinations around the world. It also operates a ground transportation network between major European cities from its Brussels base.

Beginning on April 13, the company introduces a weekly B-747-47UF roundtrip route from Luxembourg to Luxembourg via Mexico City, Dallas (DFW), and Prestwick, Scotland.

At the end of April, Vice President Schummer informs reporters that the company will make a public offering later in the year designed to raise \$100–\$150 million. The income, derived through an expansion of 25–30% in share capital, will be employed to increase the fleet from 7 to 12 B-747-47UFs by 2002.

Twice-weekly service to Melbourne and Auckland begins on September 18, with the return flight via Los Angeles and Portland; on September 3, twice-weekly roundtrips are operated from Luxembourg to Sydney, with returns via Asia and Abu Dhabi.

The Airbus A300-600F *Toucan* is wet-leased from **City Bird, S.A.**, also in September; the wide-body is employed to operate twice-weekly cargo roundtrips to Ghana and the Ivory Coast.

Thrice-weekly B-747-47UF roundtrips to Johannesburg via Nairobi are introduced on October 3.

Another highlight of the year is the placement into service of the world's first B-747-400 simulator in freighter configuration.

Although FTKs surge 20.8% to 3,246,555,000, fuel costs have an impact on the financial return. Revenues advance 11% to \$644 million and expenses are \$634 million. The operating profit falls to \$10 million and the net gain to \$30 million.

Airline employment stands at 1,300 at the beginning of **2000**, a 1.9% increase. Among the world's top 25 airlines at the beginning of the new millennium, Cargolux is 13th in terms of FTKs.

On March 31, the carrier suspends its Johannesburg–Luxembourg service operated via Harare, Nairobi, and Maastricht. The deteriorating political and economic situation in Zimbabwe is cited as the principal reason.

Concentration on information technology and e-commerce growth occupies much of the first quarter. In April, the carrier, like others hit by rising fuel prices, levies fuel surcharges. The **City Bird, S.A.** wet-lease now ends.

In May, the carrier, on behalf of Panalpina, undertakes a new dedicated weekly service between Luxembourg and Macau, adding a weekly service to Brazil in June. On June 11, in cooperation with **Asiana Airlines, Ltd.**, twice-weekly B-747-47UF roundtrips are started from Brussels to Seoul.

Also in June, the London *Daily Telegraph* reports that the carrier will undertake a flotation later in the year that will value the company at an estimated £500 million (\$1.3 billion).

In July, it begins a daily Jumbojet freight run between Luxembourg and Huntsville, Alabama. Stops, also on behalf of the Swiss forwarder, are made at Shannon and Guadalajara beginning in August.

CARGOMAN, LTD.: Oman (1977–1983). Cargoman, Ltd. is established by its principal owner, Dr. Omar Zawawi, at Muscat's Seeb International Airport in January **1977** to provide ad hoc freight services between Oman and Europe. General Manager T. M. Longmore acquires a single Douglas DC-8-55F from the former **Affretair, Ltd. (1)** subsidiary **Air Gabon Cargo, S.A.** and employs a large number of that carrier's Caucasian workers. Weekly flights are launched from Dubai to Amsterdam late in the month.

Additional leased freighters come and go from various sources and flights link the nation with various cities in Europe, Africa, and the Middle East.

Until **Air Zimbabwe, Ltd.** acquires Affretair's assets in 1983, reports persistently link Cargoman and the owners of the ex-Rhodesian operation. Cargoman itself appears to have ceased trading in **1983**.

CARGOMASTERS AUSTRALIA (PTY.), LTD.: Australia (1981–1985). Established at Melbourne in **1981** as a joint venture between **Airlift, Ltd.** and **Alaska International Air** (later **Mark Air**), Cargomaster's fleet is leased, as required, from its parents. Revenue flights by

the new domestic and international all-cargo and contract services carrier commence in August 1982 and cease three years later.

CARGOSERVICE OF BERKSHIRE AIRLINES: Ufa, 4500059, Russia; Phone 3472-143-332; Fax 3472-245-971; Year Founded 1990. Initially established as Shonkar Airlines, this all-cargo division of Bashkirskie Airlines changes its name. By 2000, Vilmir K. Gaziyeu is the unit's chief and he operates freight flights with aircraft leased from the parent.

CARGOSUR (COMPANIA DE EXPLOITACION DE AVIONES CARGUEROS, S.A.): Avenida de la Hispanidad No. 13, Edificio Iberfreight, Madrid, E-28042, Spain; Phone 34 (1) 320-3721; Fax 34 (1) 320-4015; Code OW; Year Founded 1988. Cargosur, S.A. is established by Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.) at Barajas Airport at Madrid in 1988 to undertake supplemental all-freight flights to destinations throughout Europe, the Mideast, the Canary Islands, and Africa. Manuel Mederos Cruz is appointed managing director and his fleet comprises 1 leased DC-8-62CF and 2 DC-8-62Fs.

Revenue flights to London (STN), Paris (ORY), Frankfurt, Hamburg, and Maastricht commence during the fall; return flights south not only stop at Madrid, but Barcelona as well. One Douglas narrow-body is dedicated to a daily morning flight transporting perishables, newspapers, and general cargo to Tenerife and Las Palmas. An owned DC-8-62F, the former Japan Air Lines Company, Ltd. (2) *Taisetsu*, is acquired from bankrupt Interstate Airlines in October. The Detroit-based carrier had only been able to employ it for a few rotations before closing down.

Service continues apace in 1989–1992 without change in fleet or employment. Airline employment increases to 130 in 1993. The two chartered DC-8-62Fs are returned late in the year and in early 1994 are placed with a DC-8-71F leased from GPA Group, Ltd.

In July 1995, the company is authorized to provide all-cargo, scheduled replacement services from various destinations in Spain to points in the United States on behalf of Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.). Another DC-8-71F is acquired and employed to inaugurate a new route from Madrid to Mexico City via Montreal and Chicago. Additional DC-8-71F routes are also started to New York and, via Miami, to Los Angeles.

These and other flights continue in 1996–2000, during which years airline employment slips to 127 and a third chartered DC-8-71F is received and used to stretch the Mexico City route to Bogota and São Paulo. A Boeing 747-256BC chartered from Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.) inaugurates thrice-weekly service to Tokyo via Moscow.

CARIB AVIATION, LTD.: P.O. Box 318, V.C. Bird International Airport, St. Johns, Antigua, West Indies; Phone (268) 462-3147; Fax (268) 462-3125; <http://www.candoo.com/carib/>; Code K7; Year Founded 1990. Carib Aviation is established at V.C. Bird International Airport in 1990 to provide executive and small group passenger charters from Antigua and from St. Kitts and Nevis to destinations throughout the eastern Caribbean.

During the remainder of the decade, the company provides not only VIP transport, but also shuttles for island events, general cargo service, special-handling cargo service, and, upon request, medevac flights. The fleet in 2000 includes 1 each Partenavia P.68C, Cessna 402C, Beech B80 Queenair, and Britten-Norman BN-2 Islander.

CARIB EXPRESS, LTD.: Barbados (1995–1996). Carib Express is established at Bridgetown during January 1995 to provide regional scheduled services. Shareholding is divided between private investors (70%), British Airways, Ltd. (2) (20%), and the governments of Barbados, Dominica, St. Lucia, St. Vincent, and Grenadines (10%). Geoffrey Cave is named chairman with Roy Barnes as managing director; a workforce of 100 is recruited.

A British Aerospace BAe 146-100 is chartered from Asset Management Organization and revenue services commence on February 15 be-

tween Bridgeport and Dominica, Grenada, St. Lucia, and St. Vincent. Two more leased BAes, one equipped with TCAS, join the fleet in April and are employed to inaugurate services to Antigua, Guyana, Port-of-Spain, Tobago, and San Juan. For lack of traffic, flights to Guyana and Antigua are suspended in November.

Traffic and financial figures for the year are not released. By the date of the first service anniversary in February 1996, an estimated \$6.5 million has been lost.

During the first quarter, negotiations are begun with British West Indies Airways, Ltd. (2) (BWIA) concerning a possible franchise arrangement. Under its terms, Carib Express would take over several of that airline's Caribbean routes. Company employees would tender two months of unpaid labor and take a 10% cut in pay for the next 10 years, receiving shares in the airline in return.

The proposal is also made to Barbados Prime Minister Owen Arthur. Arthur, through a spokesman, informs airline officials that he will see that it receives a \$1-million interest-free loan if the employees accept the wage proposal and if additional financial support can be found.

The carrier is unable to achieve this degree of viability and shuts its doors for good on April 18.

CARIB SKY ALLIANCE. See AIR CARAIBES, S.A.; LIAT (1974), LTD.; WIA (WINDWARD ISLANDS AIRWAYS INTERNATIONAL, N.V.)

CARIB WEST AIRWAYS, LTD.: Barbados (1971–1980). Barbadian investors form Carib West in January 1971 to develop and provide charter cargo flights. Chairman Harold A. Went and his eight employees acquire a pair of Douglas DC-3s and use them to inaugurate services in March. Flying from Bridgetown's Seawall International Airport, the freighters fly to islands in the Windward and Leeward groups, plus Jamaica, Trinidad, Puerto Rico, and Miami.

Having arrived from Trinidad and Dominica on September 9, a DC-3 with two crew strikes a mountain while on approach to Guadeloupe; there are no survivors.

Following removal of the DC-3s in mid-decade, the company is able to lease one each DC-6A and Lockheed L-188CF, the latter first flown by Eastern Air Lines. The chartered Electra is returned in 1978.

Unable to maintain viability in the face of economic downturn and increased fuel bills, the carrier stops trading in 1980.

CARIBA AIR: United States (1980–1982). Frederick H. Rehm founds Cariba Air at San Juan, Puerto Rico, in 1980 to undertake scheduled passenger and cargo services to St. Thomas in the U.S. Virgin Islands. Employing a fleet of 2 Douglas DC-3s, the company undertakes revenue flights in the spring.

Unable to overcome fiscal hardships in a year of recession, the Cariba ceases operations in 1982.

CARIBAIR (1). See CARIBBEAN ATLANTIC AIRLINES (CARIB-AIR)

CARIBAIR (2). See CARIBBEAN AIRBOATS

1804. CARIBBEAN AIR CARGO, LTD. (CARICARGO): Trinidad and Tobago/Barbados (1979–1993). Organized on December 28, 1979, this all-cargo operation begins revenue service in 1980 with a pair of Douglas DC-4Fs. Later in the year, it acquires 2 former Northwest Airlines Boeing 707-351Cs. Regular, but nonscheduled, flights are inaugurated on February 27, 1981. New York, Miami, and Houston are the principal U.S. destinations; however, a Caribbean feeder service is linked via Dominica, Grenada, Martinique, Puerto Rico, St. Kitts, St. Lucia, and St. Vincent.

After losing the No. 3 engine to fire, a DC-4 with two crew suffers control difficulties and is ditched at sea off St. Croix on March 28; there are no fatalities.

Flights continue in **1982–1986**.

Following the **1987** demise of **Caribbean Airways, Ltd.**, Barbados takes a financial interest and a leased Curtiss C-46A is brought into the fleet.

In May **1988**, the carrier begins to offer weekly B-707-351C services from New York (JFK) to Trinidad and Barbados on Saturdays, with connecting service to Guyana, Grenada, St. Kitts, St. Vincent, St. Martin, Dominica, Martinique, Guadeloupe, and Antigua. Specific commodity rates to the U.S. and Canada are offered for manufactured goods, agricultural products, and seafood.

Beginning in **1989**, the marketplace becomes more difficult and by **1992**, the 200 employees of what is sometimes known as “Caricargo,” led by Chairman Peter Look-Hong are down to a single Boeing freighter. Unable to maintain its viability, the company closes down in **1993**.

CARIBBEAN AIR SERVICES (CASAIR) (1): United States (1968–1979). When **Virgin Island Airways** ceases operations in **1968**, its assets are purchased by Bill Bohike Sr., who establishes this successor company at St. Croix and resumes Beech 18 flights to San Juan, Puerto Rico.

On May 1, **1974**, the company is purchased by Midland Capital. The earlier emphasis on scheduled and nonscheduled air taxi operations is now changed. The company’s new certificate from the CAB grants it authority to operate a scheduled commuter line with an exemption to operate large aircraft. Priority is now given to cargo operations as a fleet of Curtiss C-46s, eventually 8 in total, is assembled to supplement the Beech 18s and Douglas DC-3s already available.

Daily, roundtrip, revenue passenger flights commence to San Juan, St. Lucia, St. Kitts, Antigua, and Guadeloupe. All-freight services are flown from St. Lucia to Haiti.

Other destinations served during the remainder of the decade and in the **1970s** include Miami, Aguadilla, St. Martin, and St. Thomas. Douglas DC-3s and DC-6s join the fleet and airline employment in **1978** stands at 60. The base of operations is transferred to San Juan in **1979** when the airline is sold to the owners of **Southern Air Transport**.

CARIBBEAN AIR SERVICES (CASAIR) (2): United States (1979–1984). In early **1979**, the base of **Caribbean Air Services** is transferred to San Juan, Puerto Rico, where the company is purchased by the owners of **Southern Air Transport**. Jack Bastian is named president. Reformed as a wholly owned subsidiary operating under the name CASAIR (Caribbean Air Services), flights are resumed in the spring. Passenger operations are halted as renewed emphasis is placed on cargo service. The Beech 18s are withdrawn and 2 Douglas DC-3s and 2 Curtiss C-46s are flown on scheduled air frequencies to Antigua, St. Croix, St. Thomas, and St. Lucia.

A total of 3 million FTKs are operated in **1981**. The carrier’s 4 freighters stretch routes in **1982** to St. Martin and St. Kitts. Cargo blossoms to over 500,000 pounds per month and reaches a 6 million FTK high by December 31.

Operations cease in August **1984**. Unable to restart, the company’s assets are liquidated in October, with 1 of the C-46s sold to **Air Manitoba, Ltd.**

CARIBBEAN AIRBOATS: P.O. Box 37942, International Airport Station, San Juan, Puerto Rico 00937, United States; Phone (787) 791-1240; Fax (787) 791-4115; Code B9; Year Founded 1991. Fred Berkobin founds CA at St. Croix, U.S. Virgin Islands, in the spring of **1991** to offer amphibious flights to other regional destinations in the eastern Caribbean. Operations are inaugurated with a Grumman Mallard and a Turbo-Mallard.

Landplane services appear to be a more profitable approach to additional markets and thus, in **1992**, the company relinquishes its Grumman in favor of 2 de Havilland Canada DHC-6 Twin Otters.

Operations continue apace in **1993–1996**. During the latter year, a total of 8,678 passengers are flown. Alfred Ramos is president in **1997–2000** and his fleet comprises 3 Pilatus Britten-Norman PBN2 Islanders and 3 Piper PA-31-350 Navajo Chieftains.

CARIBBEAN AIRLINES: United States (1995). CA is one of the shortest-lived airlines on record. Officially founded at Miami on January 1, **1995**, it leases a Boeing 737-247 from **Viscount Air Service** and begins daily roundtrip service to Kingston and Montego Bay. Flights continue only until January 11, when the company shuts down and returns its aircraft.

CARIBBEAN AIRWAYS, LTD.: Barbados (1972–1989). English financier Norman Ricketts, who had established airlines in the Bahamas, sets up **International Caribbean Airways** at Barbados in September **1970**. After leasing a former **Northwest Airlines** Boeing 707-351B, ICA inaugurates discount flights to Luxembourg beginning on December 14. These low-cost services are continued on to London (LGW), beginning on December 14, **1971**. Later, **Laker Airways, Ltd.** DC-10-30s are occasionally wet-leased.

Upon its independence, the Barbados government designates ICA as the national airline and purchases 51% majority shareholding in January **1975**; the remaining 49% is subscribed by **Laker Airways, Ltd.**, which provides management and air crew support. “International” is dropped from the title in April **1976** and operations continue apace in **1977**.

Airline employment in **1978** is 65 and service is initiated to Boston, Washington, and Montreal. Passenger boardings jump 44% to 62,000 (of which 50,000 are carried on transatlantic flights). A total of 892,000 FTKs are also flown.

The U.S. markets are dropped early in **1979** at which time the company is flying 4 DC-10-30s and 3 B-707-351Bs. Enplanements total 57,000.

By the early **1980s**, the North American destinations have been suspended and replaced by Brussels and Frankfurt; much of the traffic is seasonal and includes tour and other promotional groups. The Barbados-based company transports 54,000 customers in **1980** with one less Boeing. Passenger boardings jump 12% in **1981** to 61,424.

The sudden collapse of **Laker Airways, Ltd.** in February **1982** removes its interest and assistance. Leased equipment is now obtained from other sources. For example, a B-747-123 is leased from **Cargolux Airlines International, S.A.** in December **1986** and is flown over a route from Barbados to Frankfurt via London and Brussels.

The revenues generated are insufficient to maintain operations and, without a backer, the company suspends operations in April **1987**, following the return of the Belgian Jumbojet in March.

Barbados now looks to **Caribbean Air Cargo, Ltd.**, joining that enterprise in **1988**. Meanwhile, during the year, the physically dormant airline contracts with **Lionair, S.A.**, a subsidiary of **Luxair, S.A.** and **Cargolux Airlines International, S.A.**, to provide scheduled roundtrip flights between Manchester and Barbados with one of its two B-747-121s.

One DC-10-30 is brought back into service during five months of **1989**, but is again grounded after flying just 28,776 passengers. The company ceases flying and elects to make money another way—running a duty free shop at the Bridgetown Airport, a pursuit which continues into **1994**.

CARIBBEAN AIRWAYS INTERNATIONAL, LTD.: Barbados (1994–1995). CAI is established at Bridgetown as the flag carrier of Barbados on November 1, **1994**. A Boeing 757-3M8 is wet-leased from the Turkish carrier **Birgenair, A.S.** and is employed, beginning in December, to offer two regularly scheduled roundtrips per week on a rotating basis via Gander, Newfoundland, to Vienna, Munich, Hamburg, Stuttgart, and Cologne. Charters are flown on weekends.

Flights cease within a year.

CARIBBEAN ATLANTIC AIRLINES (CARIBAIR): United States (1939–1973). Caribair, as it is nicknamed, is incorporated under territorial law at San Juan, Puerto Rico, by Dionisio Trigo on February 27,

1939 to take over the **Powelson Air Service's** year-old operation from the capital to Ponce. Employing a Stinson SR Reliant, the company inaugurates nonscheduled services on June 1. Late in the year, flights commence to the U.S. Virgin Islands.

Trigo's third-level carrier receives a CAB route certificate on July 23, **1942**. Scheduled roundtrip service is now inaugurated between San Juan and Mayaguez via Ponce and from San Juan to Christiansted via Charlotte Amalie.

A Lockheed Model 18 Lodestar is leased from **National Airlines** in April **1945** as the mainland major unsuccessfully proposes to extend its own Atlantic and Gulf coast routes into the Caribbean through the company's purchase.

A year later, in **1946**, the company's first large purchased airliners arrive—3 Douglas DC-3s. The final significant development of the 1940s is the inauguration of a December 27, **1948** frequency to Ciudad Trujillo in the Dominican Republic.

The CAB license is renewed on November 13, **1952** and again in **1957**. Flights to St. Martin, capital of the Netherlands West Indies, commence on January 15, **1958**. Late in the decade, the fleet is upgraded by the addition of 2 Convair CV-340s. In **1961**, the same year in which scheduled services are initiated to Guadeloupe, **Trans Caribbean Airways** obtains minority shareholding.

Airline employment by **1964** stands at 551. As the result of a premature takeoff, a DC-3 crashes at San Juan on September 22.

With a fleet of 13 aircraft, the company boards 815,892 passengers on the year and flies a total of 343,000 freight ton-miles. Revenues are \$7.98 million.

Thirty-eight employees are hired in **1965** and the fleet now includes 7 CV-340s (several of which have been converted to CV-640 status) and 1 each DC-3 and Lockheed L-18 Lodestar. One of the former, with 44 aboard, is damaged during its April 27 landing at Ponce, Puerto Rico. A CV-640 joins the fleet in December. Enplanements total 923,995.

In **1966**, CAB permission is received to extend company service over an 11-stop network through the Leeward and Windward Islands as far out into the Caribbean as Port of Spain, Trinidad.

Airline employment in **1967** totals 825. On January 23, Caribair begins daily service to the eastern Caribbean resort islands between San Juan and Trinidad and Tobago and is the first scheduled U.S. local service carrier permitted to compete with foreign lines in that area.

The same day, Flight 101, a CV-640 with 3 crew and 25 passengers touches down 250-ft. short of the runway while landing at San Juan. Although the nose and right main landing gear collapse, the right wing separates, and the No. 2 engine comes off, no fatalities are reported.

The Lodestar freighter is forced to ditch into the sea, near Lima, Peru, on April 2 (five dead). In December, the company begins to fly the first of 3 ordered DC-9-31s, marketed as "Fiesta Jets," to its new destinations.

At this point, direct connections are made possible between San Juan, Port-au-Prince, Aruba, and Curacao. The fleet now includes not only the jetliner, but also 2 CV-340s, 1 CV-440, 6 CV-640s upgraded from previously owned CV-340s, and 6 DC-3s.

Enplanements for the year total 968,000.

The employee population in **1968** is 858 and after 2 more DC-9-31s are delivered, the fleet totals 13 aircraft.

Enplanements total 1,008,000 and the number of freight ton-miles flown increases to 636,000. Revenues are \$13.69 million.

An unsuccessful **1969** application for a route from San Juan to Miami and increasing competition from **PRINAIR (Puerto Rico International Airlines)**, when added to financial difficulties, leads to company decline.

A DC-9-31 with 103 aboard crashes through the fence at the end of the runway while landing at Harry S. Truman Airport, Charlotte Amalie, St. Thomas, on August 12 and hits a bus; remarkably, no one aboard either the plane or the bus is hurt. In November, officials announce that merger discussions have begun with **Eastern Air Lines**. Enplanements are 654,641.

Employment in **1970** is 669 and the fleet includes 11 aircraft. On October 22, **Eastern Air Lines** completes purchase of the carrier for \$10.4 million—routes, DC-9s, properties, and all. Caribair is operated as a subsidiary under its own name pending required Federal approval of the takeover. Passenger boardings drop 36.1% to 481,000 and freight traffic falls by 13.7%.

The major's acquisition move receives the support of the CAB examiner on May 21, **1971**. The takeover is opposed by **Pan American World Airways (1)**, fearful of losing its grandfather rights into the Caribbean. As the case engages the lawyers, the company enplanes 531,790 customers for the year.

Failure to achieve required White House approval in early October **1972** results in **Eastern Air Line's** withdrawal of financial support, already totaling \$5 million. On October 31, the CAB, at presidential suggestion, rejects Eastern's buyout. The issue drags on. Meanwhile, the customer bookings for the year are down 7% to 497,000 and freight is off by 11.5%.

In late **1973**, the go-ahead is received for the 1970 arrangement and Caribair disappears.

CARIBBEAN EXECUTIVE AIRLINES: United States (1969–1972). CEA is established at San Juan, Puerto Rico, in **1969** to provide scheduled air taxi services to St. Thomas in the American Virgin Islands. Daily Beech 18 roundtrips are duly inaugurated and are maintained into **1972**.

CARIBBEAN EXPRESS: United States (1983–1988). This international third-level commuter airline is established at Miami in late **1983** to provide scheduled passenger and cargo services from Miami, Ft. Lauderdale, and West Palm Beach to the Bahamian destinations of Treasure Cay, Freeport, Georgetown, Governor's Harbour, North Eleuthers, and Rock Sound. Initial airline employment is 48 and the fleet comprises 6 Cessna 402Bs. A total of 542 passengers are carried during the remainder of the year.

Operations continue apace in **1984–1985**, although the fleet is reduced to 4 Cessnas. Enplanements in **1986** total 13,758 as orders are placed for 13 Embraer EMB-110P Bandeirantes.

In **1987**, President Richard Caswell's carrier receives the first 5 Bandeirantes. A major expansion of services is started and passenger boardings skyrocket to 71,103.

Overextended, the Miami-based small regional operates only the first two months of **1988**, transporting 13,000 passengers. Unable to continue, the company now shuts down and in July, files for Chapter VII liquidation.

CARIBBEAN HELICORP: Fernando Luis Ribas Dominicki Airport, Pan Am Dock Lot 1-2, San Juan, Puerto Rico 00935, United States; Phone (787) 722-1984; Fax (787) 724-8260; Year Founded 1995. Roberto Villami sets up CH at San Juan in **1995** to provide executive and small group passenger charters and various other forms of aerial contract work. By **2000**, he employs three pilots and flies one each Beech Super King Air 200, Aerospatiale AS-350B Astar, and a McDonnell Douglas MD-500E.

CARIBBEAN INTERNATIONAL AIRLINES: United States (1980–1981). CIA is established at Santurce, Puerto Rico, in **1980** to provide scheduled passenger and cargo services linking San Juan with St. Thomas in the U.S. Virgin Islands. Although daily Douglas DC-3 roundtrips are duly inaugurated, they are only maintained for a year.

CARIBBEAN INTERNATIONAL AIRWAYS, LTD.: Cayman Islands (1948–1953). When King Parker loses his **Cayman Islands Airways, Ltd.** to creditors in 1947, his backers, the following year, establish a successor company at Grand Cayman. Former RAF wing commander Owen Roberts is named managing director and seaplane operations commence to Tampa. Service is maintained apace over the

next four years, although during this time, three seaplanes are lost in bad weather incidents.

Roberts is also able to persuade various constituencies to construct an airport on Grand Cayman that is named in his honor. Roberts lands the first aircraft at the new facility on November 28, 1952.

Late in the first quarter of 1953, CIA receives a significant upgrade when a Lockheed Model 18 Lodestar is acquired. Unhappily, the aircraft crashes at sea in April, killing Roberts and all others aboard save one passenger; the tragedy ends this second Cayman-based airline.

CARIBBEAN ISLAND AIRWAYS: United States (1969–1975). Caribbean Island is formed at St. Thomas, U.S. Virgin Islands, in 1969 to offer scheduled third-level Beech 18 passenger and cargo flights to San Juan, Puerto Rico.

On October 28, 1970, Robert Manley, copilot of a Beech 18 making a San Juan to St. Thomas flight falls to his death while attempting to close a door that had opened during flight.

Operations continue with no further problems until the carrier ceases operations in 1975. During these years, the fleet is enhanced by the addition of a single de Havilland Canada DHC-6-100 Twin Otter.

CARIBBEAN STAR AIRLINES, LTD.: Airport Road, Coolidge, Antigua, Year Founded 2000. Caribbean Star is established at Antigua in the late spring of 2000 by R. Allen Stanford, a Texan and owner of the local newspaper *The Antigua Sun*. Former **BWIA West Indies Airways, Ltd.** President Gilles Filiatreault is named president. Orders are placed for 5 de Havilland Canada DHC-8-100/300s, necessary government applications are filed, a staff is hired and trained, and arrangements for participation in the Gabriel reservations system are completed.

After several delays, the carrier receives its aircraft operating certificates in early September, along with authority to launch scheduled services to several Caribbean destinations. Ground is broken for an 11,000-sq.-ft. hangar that will be completed at V. C. Bird International Airport in November. The first two proving flights, to St. Lucia, are completed by the three available DASH-8s at mid-month.

On October 6, Grenada becomes the first government to grant route rights; **LIAT (1974), Ltd.**, the most probable competitor, files objections to permits from Barbados, Dominica, Trinidad, and St. Lucia. To protect cash-strapped LIAT, the Antigua and Barbuda government refuses Caribbean Star flying rights on the profitable route to St. Martin.

Even before scheduled flights commence, the airline is engaged in moneymaking charters. On October 7–8, the Antigua Hash House Harriers employ the carrier for its weekend flights to and from St. Kitts. A special charter to Dominica is flown on October 13 for persons attending the funeral of the late Prime Minister Rosie Douglas. Two days later, three charters transport citizens from St. Kitts to a special Gem Radio event at San Haven Beach.

On October 14, the new entrant receives a provisional Trinidad and Tobago route license and the inauguration of scheduled services from Antigua to that point, as well as Puerto Rico, are announced for October 18.

Employing 3 DASH-8-100s and 1 DASH-8-300, Caribbean Star launches low-cost roundtrip service on October 18 from Antigua to Trinidad via Grenada. Receipt of route rights from Dominica allows the inauguration of service between Antigua and Roseau on October 23.

In the wake of the failure of **Air Caribbean, Ltd.**, Caribbean Star on October 27 applies to the Air Transport Licensing Authority to operate a service on the Trinidad and Tobago air bridge. After an objection by **BWIA West Indies Airways, Ltd.**, ATLA Chairman Ramsaran Bissessar announces that law and international treaties exclude the Antigua-based carrier's bid.

CARIBBEAN UNITED AIRWAYS, S.A.: Trinidad and Tobago (1973–1974). Originally established at Trinidad as Arawak Airlines, S.A. in June 1970, this company changes its name in 1973. Revenue flights to Tobago continue until January 1974 with a single Beech 99 and 3 Convair CV-440s.

CARIBJET, S.A.: Belgium (1995–1996). Caribjet is established at Brussels in 1995 to operate long-haul charters, both for it and for other carriers. A pair of Airbus Industrie A310-324s, previously operated by **Delta Air Lines**, are put into service on behalf of **Air India, Ltd.** Later, two Lockheed L-1011-500s are chartered from **TAP-Air Portugal, S.A.** and also begin flying on behalf of the New Delhi-based major.

During the first quarter of 1996, the two TriStars go out of service. They are, however, replaced by a third Portuguese L-1011-500 on March 8. After it has been repainted, it begins flying on behalf of **Air Mauritius, Ltd.** on March 15. Flights end after the summer season.

CARICARGO, LTD. See **CARIBBEAN AIR CARGO, LTD.**

CARL MILLER, LTD. See **MILLARDAIR, LTD.**

CARNIVAL AIR LINES: United States (1989–1997). At the instigation of former **El Al Israel Airlines, Ltd.** executive, Reuven Wertheim, and CCL's majority shareholder, Theodore Arison, the charter carrier **Majestic Airlines** is reformed into this new subsidiary in 1989 and renamed. (Majestic was formed from the assets of bankrupt **Pacific Interstate Airlines** in 1988 and owned by Ft. Lauderdale-based Carnival Cruise Lines.)

Under the direction of Chairman Wertheim and President Daniel Ratti, Carnival's single Boeing 727-51 is repainted and employed to help cruise passengers make rendezvous with the company's holiday steamships. Scheduled services are now initiated linking the carrier's Miami base with cruise ship destinations in the Caribbean, especially its Crystal Palace in Nassau, as well as New York, Islip, Ft. Lauderdale, Newark, Santo Domingo, Puerto Plata, and Santo Domingo.

Although passenger traffic figures are not released, the company makes known that its airline division has earned revenues of \$17.1 million. Costs are high and the losses are \$162,880 (operating) and \$183,038 (net).

The company is acquired outright by Theodore Arison's son Mickey Arison in 1990. The new owner, chairman of the Carnival Corporation, retains Wertheim as the airline's chairman and openly pledges that his airline will henceforth function as neither a division nor subsidiary of his Carnival Cruise Lines. Just 90 days after inaugurating services to the Dominican Republic, it is found that the island is too seasonal to be profitable; Carnival reverses course and pulls out.

Enplanement figures are released and show a total of 316,956. Revenues advance 101.9% to \$34.49 million, expenses rise 94.7% to \$33.59 million, and operating income is \$900,498. Net gain climbs to \$383,358.

The fleet in 1991 totals 3 each B-727-100s and B-727-200s. Plans are made at year's end to offer scheduled service from the northeast's underserved airports to Florida, replacing capacity lost by the failure of **Eastern Air Lines**.

Passenger boardings shoot up by 56.7% to 732,000, but freight is down by 35.2% to 183,000 FTKs. Revenues surge 53.8% to \$53 million, but rising costs bring an operating loss of \$2.3 million and a net downturn of \$5.1 million.

Company employment is increased a spectacular 98.1% in 1992 to 634 and the fleet is increased by the addition of 1 B-727-200, 4 B-737-200s, and 1 B-737-400. From Ft. Lauderdale, the company continues to fly to Islip, New York, and Newark. Operations are also conducted from Miami to San Juan, Santo Domingo, and Puerto Plata and from New York (JFK) to Miami.

Customer bookings increase 43.9% to 1,046,442 and a total of 88,000 FTKs are operated. Revenues jump 67.8% to \$88.48 million, expenses climb 50.5% to \$82.86 million, and operating income is \$5.61 million. There is a \$3.08-million net profit.

The payroll grows another 17.4% in 1993 to 723. Chairman Wertheim and President Daniel Ratti operate a fleet comprising 7 Boeing 727-200As, 4 B-737-200s, and 4 B-737-400s. Orders are outstanding for 1 each B-737-400 and Airbus Industrie A300B4.

Early in the year, the company joins with the Spanish national airline, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, to

petition the U.S. DOT for permission to code-share flights from Miami to New York, Chicago, New Orleans, Los Angeles, and Houston. The arrangement calls for the Spanish flag carrier to purchase blocks of 150 seats per Carnival flight. Authority is granted on June 11 and all but the New York are new destinations for the cruise line's airline.

On October 1, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** drops its thrice-weekly service from Madrid to Los Angeles. The first trial code-shared flight with the Madrid-based major, from Miami to Los Angeles, is completed on October 11 employing an A300B4 leased from **Viasa (Venezolana Internacional de Aviacion, S.A.)**.

Later, a B-767-284ER of **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** is employed on an interchange basis. Following completion of the wide-body's overnight service from Santiago to Miami, it is taken over by a Carnival crew that flies it on to New York (JFK); in the evening, Carnival operates a return flight to Miami.

During the year, the fuselage of the carrier's first B-727-51, which has been sold out of service, is sunk to become an artificial reef off the southeastern Florida coast. Also, a maintenance base is established in a former **Eastern Air Lines** hangar at Miami (MIA) and a fifth anniversary celebration is held aboard the sister corporation's newest cruise ship, the *Sensation*.

On December 3, daily (except Saturday) roundtrips are inaugurated from Ft. Lauderdale to White Plains, New York; 15 days later, daily flights begin to and from Worcester, Massachusetts.

Passenger boardings ascend by 5.2% to 1,067,797 and freight skyrockets 104.4% to 2.12 million FTKs. Revenues swell 39.8% to \$123.74, expenses rise 43.4% to \$118.92 million, and operating profit slips to \$4.82 million. Net gain rises slightly to \$3.75 million.

Airline employment is increased 24.5% in 1994 to 900. Following receipt of DOT authority on February 4 Carnival acquires an A300B4, formerly operated by **Eastern Air Lines**, under lease from **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, as the two carriers begin to regularly code-share Miami to Los Angeles service.

The Airbus was originally to have been provided by **Viasa (Venezolana Internacional de Aviacion, S.A.)** and had even been painted in Carnival colors; however, that arrangement falls through. On June 23, service is inaugurated from Orlando to Islip, Ft. Lauderdale to San Juan, and West Palm Beach to New York (JFK). During the summer, B-737 pilots are trained for **Air Ukraine**.

During the fall, the airline introduces the world's first frequent flyer program for dogs and cats; for every 10 roundtrip flights an animal makes, accompanied by a fare-paying owner, the animal receives a free roundtrip ticket. The same provisions apply to humans not owning pets.

The airline becomes the official carrier for the Miami Heat professional basketball team. A B-737-201, painted with the team's logo and markings, is dedicated to transporting the players to and from their games. At the end of December, Carnival is the largest scheduled passenger airline based in Florida and plans are made to replace the **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** connection with a **LADECO (Linea Aerea del Cobre, S.A.)** arrangement.

Customer bookings for the year move ahead by 29.4% to 1,399,000 and 6.09 million FTKs are operated. Revenues increase 35.4% to \$199.29 million, while expenses grow 38.3% to \$195.3 million. The operating surplus declines to \$3.91 million and the net gain slides to \$2.15 million.

The workforce stands at 1,300 in 1995, a 44.4% increase. The **LanChile Airlines (Linea Aerea Nacional, S.A.)** agreement ends in February, but a new code-sharing agreement is almost immediately signed with **LADECO (Linea Aerea del Cobre, S.A.)**. Prior to its inauguration, the U.S. carrier employs one of its B-737-225s to provide connecting "USAir Express" service on behalf of the Chilean line between Miami, Washington/Baltimore, and New York. Dual-designator service with LADECO officially begins on April 28 over the route and is provided daily by a CAL A300B4 wearing "USAir Express" colors.

Daily nonstop scheduled service begins on June 23 between New York and Nassau. During the summer, passengers presenting airport

ticket agents with a wedding certificate less than 60 days old are granted an automatic class upgrade. In August, partner **LADECO (Linea Aerea del Cobre, S.A.)** is taken over by former partner **LanChile Airlines (Linea Aerea Nacional, S.A.)**. Contact between LanChile and Carnival is, by necessity, resumed.

During the fall, the maintenance hangar is closed down at Miami (MIA) and repair and overhaul work is moved to the former **Federal Express** building at Ft. Lauderdale Airport.

When the winter vacation schedule begins in October, two B-737-4Q8s are leased from the Turkish operator **Pegasus Airlines (Pegasus Hava Tasimaciligi, A.O.)** and are sent to Miami wearing a hybrid color scheme.

A code-sharing agreement is initiated with **SAETA (SA Ecuatorianas de Transportes Aereos)** in November covering several services out of Miami. When Pat Riley transfers from the New York Knicks to become head coach of the Miami Heat, he finds the team plane inadequate. As a result, the previous aircraft is replaced with a B-727-225 similarly painted.

In December, service is inaugurated from Ft. Lauderdale and West Palm Beach to Hartford; from West Palm Beach to New York (JFK); from Ft. Myers to Islip; and from Newark (EWR) to Nassau.

Enplanements accelerate 39.2% to 1,948,000 while cargo skyrockets a remarkable 511.9% to 37.26 million FTKs. Revenues well exceed costs and allow the company to enjoy an operating gain of \$7 million and to post a net \$4.47-million profit.

The employee population is increased by 23.1% in 1996 to 1,600 as the 2 B-737-4Q8s from **Pegasus Airlines (Pegasus Hava Tasimaciligi, A.O.)** are retained.

In January, **LanChile's** B-757-2Q8 is dry-leased and employed to open a new dual-designator service with Carnival from Miami to Punta Cana, Dominican Republic, over the existing LanChile route that continues on to Santiago de Chile.

Martin R. Shugrue, principal in an effort to launch a new **Pan American World Airways (2)**, reaches a tentative agreement on July 17 to buy CAL for a price that includes \$100 million in cash and about half of Pan Am's stock. If consummated, the arrangement would, by use of CAL's papers, give the new Pan Am the necessary certificates to immediately begin flying again.

Also during the month, the carrier petitions the DOT for three weekly frequencies to Peru over a route from Ft. Lauderdale and Miami to Lima.

Two weeks later, on August 1, Carnival Chairman Wertheim calls off the tentative agreement with the new Pan Am, stating that he and Shugrue have been unable to come to terms for what would essentially be Carnival's sale.

The DOT, on August 16, fines Carnival \$10,000 for its failure to disclose the passenger facility charge in an ad promoting fares from Miami to New York. Payment of half the fine must be made immediately; however, the government agrees to suspend the remainder in a year if the airline commits no further violations.

On August 17, an A300B4 flight from Newark to Puerto Rico returns to its point of origin shortly after takeoff when a passenger finds a note warning that the plane is going to explode. An intensive search is made, no bomb is found, and the plane lands safely, where another search is conducted, still without finding an explosive.

On September 15, Carnival and **Paradise Island Airlines** enter into a five-year code-sharing agreement under which the latter cancels its participation in the "USAir Express" program, while adding more flights in cooperation with the potential Pan Am-2 merger partner. During the fall, CAL becomes the first low-fare carrier to offer cyber-fare deals over the World Wide Web.

Under the five-year, block-seat, dual-designator pact of September 15, Carnival and Paradise Island on November 15 increase the number of flights between Florida and Paradise Island, a Bahamian resort island. Paradise also adds connecting service from Ft. Lauderdale to Key West, from Miami to Ft. Myers, and from Orlando to Key West.

Former **Alaska Airlines** Chairman/CEO Raymond Vecchi succeeds Daniel Ratti as president/chief operating officer in December.

Customer bookings accelerate 12.8% to 2,197,000, but cargo is down by 12.6% to 32.58 million FTKs. Revenues rise 7.8% to \$263.51 million, but expenses jump 18.4% to \$281.01 million. The previous years gains are turned into losses: \$17.49 million (operating) and \$19.77 million (net).

The employee population is slashed 15.6% in 1997 to 1,350. Executive-class service replaces first-class service in January. The new product is marketed primarily to corporate passengers. In late winter, merger discussions with Shugrue of **Pan American World Airways (2)** resume as Shugrue once again seeks to accelerate his carrier's expansion plans.

After marathon negotiations on March 19–20, Shugrue is able to announce on March 21 that the new Pan Am will acquire CAL. Carnival's majority owner Mickey Arison will invest \$30 million in the combined company, thus gaining 42% shareholding. Chairman/CEO Wertheim resigns on April 17 and is succeeded by President Vecchi.

On May 22, the company's FunPass becomes a partner in Pan Am's WorldPass frequent flyer program. Carnival flight attendants vote to join the Association of Flight Attendants union on May 29. The next day, the two merging carriers agree to code-share flights as of May 30.

Consolidation and integration of the two companies occupies the remainder of the year. On July 8, Chairman Vecchi resigns to accept a senior executive position with **Northwest Airlines**; he is succeeded by former **Eastern Air Lines** Vice President Lee Steele.

On July 18, Carnival secures \$25 million in revolving credit to assist with the costs of the merger. The funds are guaranteed by **Pan American World Airways (2)** and Carnival's principal shareholder, Mickey Arison.

On September 4, the company inaugurates direct B-737-4Q8 services from MacArthur Airport in Islip, New York, and Southwest Florida International Airport at Ft. Myers via Orlando.

In early September, the DOT grants an exception to PAA-2 to complete its stock acquisition of Carnival even before the government completes its review of the merger of the two airlines.

The takeover by PAA-2 is officially completed on September 26, the first anniversary of the new Pan Am. The Articles of Merger are filed with the Florida Secretary of State. Meanwhile, Carnival Corporation Vice Chairman/Chief Financial Officer Howard Frank is elected to the board of directors of Pan Am Corporation. Plans are announced for the launch of a joint World Wide Web site later in the year.

Revenue figures are provided for Carnival's last three independent quarters. These show operating income down 1.3% to \$203.94 million, while expenses are up a huge 33.7% to \$283.67 million. The operating loss reaches \$79.73 million and a net \$82.35-million net loss is suffered.

By fall, the combined workforce has been reduced to the figure given above. Having encountered financial reversals, Pan Am in October grounds its long-haul Airbus A300B4 fleet and halts flights from New York to Los Angeles. Hereafter, it concentrates on operating its merged Pan Am and Carnival network of routes from the Northeast to Florida and the Caribbean.

With completion of the merger of the two carriers' reservations systems on November 16, both airlines operate all flights under the well-known "PA" code. Carnival, however, retains its DOT and FAA certificates.

Boardings through integration decline 5.1% to 2,085,000.

CAROLINA AIR TRANSPORT: United States (1933–1935). Joseph Musleh and George M. Keightly establish CAT at Greenville, South Carolina, in the spring of 1933 to offer all-cargo services to southeastern destinations. Keightly of Jacksonville, Florida, supplies the Ford Tri-Motor 4-AT-50 that he had acquired from the **Curtiss Flying Service of Boston (New England)** at the close of the previous year.

The Ford 4-AT-51 is purchased from **Curtiss Flying Service of New York** on April 7 and undergoes modification, including the fitting of a large cargo door built by the plane's manufacturer. With Musleh at the controls, the 4-AT-50 commences company revenue flights on May 15. When the aircraft enters service on November 10,

it is dedicated to the transport of a race horse on a special charter that continues until May 15, 1934.

CAT maintains services for two more years. The 4-AT-50 is lost in a landing accident at Asheville, North Carolina, on June 15, 1935, leaving the 4-AT-51 to soldier on until it is sold to two Pittsburgh brothers on July 1, 1936.

CARPATAIR (CARPATHIAN AIR TRANSPORT): 7 Rarier Lorand 40, Budapest, 1185, Hungary; Phone 373 (0422) 529 365; Fax 373 (0422) 529 367; Code KC; Year Founded 1999. Carpatair is set up at Chisinau in the spring of 1999 as the regional affiliate of **Moldavian Airlines**. Scheduled flights linking Moldavia and Budapest are operated with a Yakovlev Yak-40 wet-leased from the parent. A new hub is later established at Timisoara, Romania.

As **Crossair, Ltd.** continues to eliminate its SAAB 340A fleet, arrangements are completed by Carpatair in the spring of 2000 for the dry-lease of two of the Swedish-built turboprops. With the arrival of the second Swiss aircraft in June, new regional services are launched from Timisoara to the Italian cities of Bergamo, Verona, Treviso, Trieste, Bologna, and Firenze.

CARPATHIAN AIR TRANSPORT. See **CARPATAIR (CARPATHIAN AIR TRANSPORT)**

W. R. CARPENTER AND COMPANY (PTY.), LTD.: Australia (1934–1944). In the spring of 1934, J. R. Carpenter of the trading firm W. R. Carpenter and Company, Ltd. obtains a three-year New Guinea mail and passenger contract from the civil administration of the territory. After purchasing 1 de Havilland DH 84 Dragon and 2 DH 83s, Carpenter, flying under the trading house's name, begins service on August 1. The initial mail routes are Wau–Port Moresby, Bulolo–Wau, and Salamaua–Wau, Port Moresby, and Bulolo. Passengers and freight are soon carried from Salamaua and Lae to the mining towns of Wau, Surprise Creek, and Upper Ramu.

The air transport branch of W. R. Carpenter and Company is merged with **Pacific Aerial Transport (Pty.), Ltd.** on October 16, 1936 to form **Mandated Airlines (Pty.), Ltd.** The new entrant, a subsidiary of the trading company, obtains additional contracts, destinations, and a fleet comprising 3 Dragons, 3 Fox Moths, 1 Avro 642, 1 Australian-built de Havilland DH 50A, and 1 Fokker V-II.

W. R. Carpenter and Company prepares to resume aerial activities in 1938 when it obtains a five-year mail contract, separate from that held by **Mandated Airlines (Pty.), Ltd.**, and takes delivery of 3 DH 86Bs. The renewed operation begins weekly return flights from Sydney–Rabaul via Port Moresby and Salamaua on May 30.

Following the Japanese attack in December 1941, the carrier's DH 86Bs are taken over by the Royal Australian Air Force. Service is, however, maintained with 2 Lockheed Model 14H Super Electras. One is lost to enemy action. The W. R. Carpenter and Company mail route from Australia to New Britain via Papua expires on February 13, 1942. It is resumed on February 1, 1943, although Port Moresby is the northern terminus. The operation, flown by the carrier's one remaining aircraft, the L-14H *Coronia*, is suspended on March 16.

Following a year of contract work by the Lockheed, the assets of Carpenter's air transport division are acquired for A£44,000 by **Qantas Empire Airways (Pty.), Ltd.** in October 1944. The traders, however, still control its other subsidiary, **Mandated Airlines (Pty.), Ltd.**

CARSON HELICOPTERS: 32-H Bloomberg Glen Road, Perkaspie, Pennsylvania 18944, United States; Phone (215) 249-3535; Fax (215) 249-1352; Year Founded 1957. Carson Helicopters is established by Franklin Carson at Perkaspie, Pennsylvania, in October 1957 to offer passenger and freight charter and contract helicopter services within the eastern U.S. Operations commence in April 1958.

By the middle to late **1980s**, Carson has been renamed and acquired a large rotary-wing fleet of Sikorsky S-61s and S-58Ts. President Carson's operation continues in **1994** with 2 S-58Ts and 3 S-61Ns. By **1998–1999**, the fleet has been altered to include 6 S-61Ns.

The **2000** fire season is the worst in the U.S. West since 1994, with over 67,000 fires consuming in excess of five million acres in Washington, Oregon, California, Idaho, New Mexico, and Montana by mid-summer.

Spectacular fires first grasp the attention of world viewers in May and June when television networks picture the huge fires raging through New Mexico, including the Los Alamos area where a nuclear facility is located. The Cerro Grande fire consumes over 47,650 acres of federal forest and wildlands in the Bandelier National Monument while the stubborn Viveash fire in Santa Fe National Forest burns over 30,000 acres. Carson is 1 of 10 civil helicopter operators assigning assets to the blazes; its S-61s first battle the New Mexico blazes before moving on to other states as the summer fires spread.

CARVER AERO: 5701 Grandview Ave., Muscatine, Iowa 52761, United States; Phone (319) 263-8672; Fax (319) 263-8693; Year Founded 1951. Carver is established in **1951** as the FBO at Muscatine Municipal Airport in Iowa. Over the next 46 years, the company also branches out into the executive and the small group passenger charter business. By **2000**, the company employs seven full-time pilots and operates from three locations in Iowa and one in Illinois.

A Beech 58 Baron is flown from Muscatine, a Piper PA-23 Aztec is based at Clinton, and the largest contingent in the state is housed at Davenport. Here Carver maintains 1 each Beech King Air 90 and King Air 100, 1 Piper PA-31-310 Navajo, and 1 PA-32 Cherokee Six. A Baron is also operated from Moline.

CASAIR (CASAIR AVIATION, LTD.): United Kingdom (1980–1988). Established at Teesside Airport as a charter operator, Casair, Ltd. at first supports the England–Scotland commuter network of **Genair, Ltd.** After the failure of that small carrier, Casair takes over its scheduled network in **1982**. Employing a fleet comprising 2 Cessna 404 Titans and 1 Piper PA-31-350 Navajo Chieftain, services are maintained linking the company base with Glasgow and Humber-side. A number of flights are undertaken in conjunction with **Air Ecosse, Ltd.**

In **1986**, Managing Director Jack Cassidy adds a Piper PA-23 Aztec to the fleet to assist with air ambulance and air taxi portion of the business. Another Cessna 404, a second Navajo Chieftain, and a Twin Commanche are purchased in **1987** as Aberdeen, Belfast, and Manchester join the route network.

Overextended in a time of airline recession, the carrier is forced to shut its doors in March **1988**. Efforts to reestablish are unsuccessful.

CASCADE AIRWAYS: United States (1969–1986). Cascade is established at Spokane on April 1, **1969** to provide scheduled commuter service to points in the Pacific Northwest. Founder Mark M. Chestnut is named president. Over the next year, the carrier is organized and a fleet of Beech 99s is assembled.

Revenue flights commence on May 24, **1970** over a Spokane–Seattle route. Operations continue apace in **1971–1972** as service is also extended to Yakima and Wenatchee. A mail service is introduced connecting Spokane with Portland via Pasco.

In **1973**, officials report their boardings up by 12% and freight by 63%. The number of scheduled flights climb by 7% and the completion factor is 96.7%. Enplanements are 87,630 in **1974**.

The workforce in **1975** is 126 and the sixth Beech 99 is acquired, painted in the company's new livery and logo. A lease is for the use of the computerized reservations system of **Braniff International Airways** is undertaken. On behalf of **Hughes Airwest**, replacement flights are inaugurated to Pullman and Moscow and to Walla Walla. Passenger boardings jump 31% to 126,832.

Operations continue apace in **1976** and fleet now includes 11 Beech 99s and 2 Swearingen Metro IIs. Enplanements for **1977** total 152,123.

Airline employment is increased 48.2% in **1978** to 295. In November, the routes of **Columbia Pacific Airways** are purchased and merged.

Bookings for the year total 217,952, a 43% increase, and freight traffic accelerates 31.5% to 656,000 FTKs. Still, a \$21,000 net loss is suffered.

The number of employees is increased 19.4% in **1979** to 339. The fleet now comprises 10 Beech 99s and 3 Embraer EMB-110 Bandeirantes. Orders are placed for 2 BAC 1-11s and 4 British Aerospace BAe (HS) 748-B2s, marketed by its builder as the Intercity 748.

Passenger boardings rise to 305,404, a 40% boost, and cargo is up 21.4% to 797,000 FTKs. On revenues of \$12.17 million, expenses jump 48.4% to \$12.56 million. The operating loss is \$431,000 and the net decline grows to \$350,000.

Despite its certification as a large regional carrier under terms of the CAB's new airline classification scheme in **1980**, passenger boardings drop by 8% to 280,865. Freight, on the other hand, accelerates by 3.2% to 822,024 FTKs. Sixty employees are laid off, despite the cargo growth and a \$10,085 operating profit.

As the situation begins to improve in **1981**, the workforce is increased by 1.5% to 347.

As the result of a premature descent, Flight 201, a Beech 99A with two crew and seven passengers en route from Moses Lake to Spokane on January 20, crashes into a 2,646-ft. high hill 3 mi. from the runway (seven dead).

During the remainder of the year, 2 British Aerospace BAe (HS) 748-B2s are acquired, with orders outstanding for 2 more. Frequencies are initiated to the Montana cities of Butte and Missoula.

Customer bookings plunge 16.2% to 235,268 and only 95,000 FTKs are operated. Operating income rises 2.4% to \$15.62 million and expenses grow only 0.1% to \$15.24 million. As a result, the operating profit improves to \$376,000 and net income jumps to \$1.92 million.

The workforce in **1982** totals 347 and the fleet consists of 2 British Aerospace BAe (HS) 748-B2s, 4 Swearingen Metroliners, 2 Embraer EMB-110s, and 7 Beech 99s. The carrier begins replacement service to Yakima in February on behalf of **Republic Airlines**.

Enplanements begin to surge, rising 29.8% to 305,412. Freight traffic is also up, by 19%, to 822,387 pounds.

The payroll grows to 367 in **1983**. As preparations are made for the acquisition of new equipment the following year, 1 Bandeirante and 5 Beech 99s are replaced by 2 Fairchild-Swearingen Metro IIIs.

Boarding figures are up 14.5% to 349,776 and cargo increases 58.2% to 189,889 FTKs. Revenues total \$35 million.

In **1984**, 1 Metro III arrives in early spring, while the first 3 of 5 new Beech 1900s to enter service during the late spring and summer is delivered in May, followed by a fourth in June.

In July, 2 BAC 1-11-401s arrive from **Bahamasair, Ltd.**, along with 3 leased BAC 1-11-201s operated by **Pacific Express**. Eleven-times-per-week service linking Spokane and Olympia is now begun, with stops at the Tri-Cities Airport that services Pasco, Richland, and Kennewick.

Although enplanements jump 11.3% to 389,279, cargo plunges 18.7% to 1.05 million pounds.

In June **1985**, the company's stock is largely acquired by Sarasota, Florida-based Aerospace Leasing Company, which outlines new plans for route and fleet expansion, a broader service territory, and an Oregon mini-hub. Among the ideas are hopes that, within six months of the takeover, the BAC 1-11s will be phased out and replaced by an equal number of Boeing 737-200s. An effort is made, beginning in August, to sell the carrier to major rival **Horizon Air**.

At this point, the carrier is so cash-poor that Beech Acceptance Corporation is forced to step in and repossess the 6 Beech 1900s so far delivered. This dreaded step pushes Cascade into Chapter XI bankruptcy on August 19 and, henceforth, its traffic figures plunge. In September, service is suspended to several communities and 80 employees are laid off.

As discussions with **Horizon Air** continue, Horizon takes over operation of Cascade's 2 BAC 1-11-401s and provides certain cash infusions. The government repossesses the 2 BAe (HS) 748-B2s purchased years earlier with FAA-guaranteed loans.

As a result of good bookings during the first 8 months, the year's overall enplanements advance 4.6% to 323,472, although cargo is off 0.1% to 1.05 million FTKs.

On January 31, 1986, a day after the DOT approves the merger, **Horizon Air** pulls out of the arrangement, citing certain government-imposed competitive restrictions as the reason. All Cascade services are ended on March 7 after Beech repossesses 6 of its 1900s from the Spokane-based regional.

Unable to find new financing, the carrier files for Chapter VII liquidation in April. The last remaining assets of the once-viable regional are sold at public auction on September 17, with the bankruptcy judge approving the use of the proceeds to settle accounts with Cascade's creditors.

CASEMENT AVIATION: United States (1965-1969). Robert W. Sidley sets up Casement as the FBO at Painesville Airport in northeast Ohio. During the summer of 1965, the decision is taken to offer daily scheduled roundtrip shuttles to Cleveland. Employing Cessna light-planes and a refurbished Lockheed Model 10A Electra, revenue frequencies are inaugurated on July 29 and are maintained into 1969.

CASINO AIRLINES: 1500 Airport Dr., Suite 155, Shreveport, Louisiana 71107, United States; Phone (318) 227-2121; Fax (318) 424-0000; <http://www.shreve.net/casinoair>; Code CALA; Year Founded 1996. CA is set up at Shreveport in April 1996 to operate passenger services under the direction of founder David Belcher. Operations are not immediately begun. Brad Galbraith becomes president in the fall, with Lewis McPherson as chief financial officer. All three men and two others are the company shareholders.

Plans and the permits required for a launch of scheduled service are finished and acquired during the fourth quarter of 1997. A workforce of 42 is assembled, along with a pair of used, but owned British Aerospace BAe Jetstream 31s. The latter commence daily return services to Baton Rouge and to Dallas (DAL) on December 16.

A third Jetstream 31 arrives in February 1998. The company unsuccessfully bids to take over the Essential Air Service routes of **Aspen Mountain Air**, losing out to **Big Sky Airlines**. Still, a total of 3,000 passengers are flown during the year.

Service is maintained in 1999-2000.

CASINO EXPRESS: 976 Mountain City Highway, Elko, Nevada 89801, United States; Phone (702) 738-6040; Fax (702) 738-1881; <http://www.redlioncasino.com/CasinoExpress>; <http://travelgazette.com/casair1.htm>; Code XP; Year Founded 1989. Previously under contract with **Spirit of America Airlines**, the Red Lion Inn and Casino of Elko, Nevada, elects in early 1989 to provide its own air service. The casino owns a Boeing 737-214, the *King of Hearts*, whose green tail has the face card painted on it, that has been employed by the contractor for Reno-bound charter flights.

Spirit of America Airlines hands off the airliner in July and through the year's second half, the 46-employee casino airline division, under General Manager Bud Phillips, transports a total of 54,956 passengers. Revenues total \$3.84 million, but costs are high and an operating loss of \$439,000 is suffered.

Airline division employment is increased by 4.3% in 1990 to 48 as passenger boardings increase to 87,000. Revenues increase 69.8% to \$6.51 million, expenses explode by 95% to \$8.34 million, and the operating loss worsens to \$1.82 million. The net failure is \$1.74 million.

Certification is received for scheduled service on July 11, 1991. On August 1, to settle charges that it has operated gambling junket flights in violation of the DOT's charter rules for the past two years, the parent Red Lion Inn and Casino agrees to pay a \$40,000 penalty and of-

fer cash refunds to hundreds of passengers. Had it not settled under the consent order, the organization could have faced a \$300,000 civil penalty.

Despite the recession and fine, this is a very good traffic year for the specialty carrier as customer bookings accelerate 32.8% to 115,532. The financial picture is not nearly as bright. Although revenues are up 30.2% to \$8.48 million, expenses swell 25.4% to \$10.46 million and guarantee an operating loss of \$1.97 million. The net loss moves up to minus \$1.91 million.

Although enplanements continue to multiply in 1992, finances continue their deterioration. A second B-737-200, a Dash-282A with the face of the *Queen of Hearts* displayed on its red tail, joins the fleet during the fall.

The 48-employee Nevada-based charter operator flies 156,000 passengers, a 35.7% increase. Although revenues ascend 18.8% to \$10.08 million, expenses jump 18.2% to \$12.36 million and cause an operating loss of \$2.28 million. The net loss deepens to \$2.23 million.

The workforce is increased by 9.8% in 1993 to 90 as customer bookings shoot up to 269,266. Revenues increase 46.3% to \$14.82 million, but expenses grow by 55.3% to \$16.09 million and cause an operating loss of \$1.26 million. The net loss grows to \$4.53 million.

Airline employment falls 11.1% in 1994 to 80. A third B-737, a Dash-2P5A, is chartered from Polaris/GE Capital in the summer; painted in a blue and white livery with the *Ace of Clubs* on its tail, the airliner begins flying services on behalf of **Turks and Caicos Airways, Ltd.** between that Caribbean island destination and Miami. Following its certification check in September, the red fuselage top paint scheme of the *Queen of Hearts* is exchanged for white.

Enplanements through September total 198,506 and revenues for the whole year increase by 5.6% to \$15.4 million. Expenses decline 4.2%, but still total \$17.62 million. Consequently, there is an operating loss of \$2.22 million and a net downturn of \$4.53 million.

The workforce is increased by 27.5% in 1995 to 102 but the leased B-737-2P5A *Ace of Clubs* is returned. The company's planes fly a total of 205,000 passengers, a 1.9% decline. Costs again exceed operating income and losses, although down, are still suffered: \$1.64 million (operating) and an equal \$1.64 million (net).

The employee population remains the same in 1996, but customer bookings inch up 1.5% to 208,000. Revenues move up 0.3% to \$16 million and expenses fall 7.3% to \$16.31 million. The fiscal picture brightens as an operating loss of \$310,000 and a net \$309,000 loss are reported.

The workforce is reduced by 21.6% in 1997 to 80. Destinations now visited include Cedar Rapids, Elko, Eugene, Kalispell, Lewiston, Omaha, Salt Lake City, San Jose, Santa Maria, Seattle, Springfield, Wichita, and Wichita Falls.

Passenger boardings rise 3.8% to 216,000. Unhappily, operating revenues climb just 2.2% to \$16.34 million, while expenses are up 16.5% to \$19 million. The operating loss worsens significantly, rising to \$2.65 million. The net loss is just as bad, hitting the same \$2.65 figure.

Service is maintained without fanfare in 1998. Customer bookings decline 13.9% to 205,000 and revenues are down 8.2% to \$15 million. Although expenses are down by 16.6%, they still total \$15.85 million. The bottom line remains black, but "improves"; the operating loss is \$848,000 and the net downturn is also \$848,000.

Arrangements are completed in late spring 1999 to lease 85% of the seats aboard the carrier's B-737-214 to start-up **Tahoe Air**. The aircraft is painted in Tahoe colors and allows the company to launch services on July 1.

Customer bookings accelerate 18.5% to 243,000.

During the first quarter of 2000, the B-737-282A *Queen of Hearts* is repainted; wearing the colors of the affiliated Red Lion Hotels and Inns, the plane is rechristened *Red Lion-I*.

The B-737-214 *King of Hearts* is withdrawn on August 1 and sold for scrap.

CASPAIR AIR CHARTERS, LTD.: Uganda/Kenya (1963–1979). Following the reformation of **Campling Bros. & Vanderwal, Ltd.** into **Safari Air Service, Ltd.** in early 1963, the subsidiary, **Caspar Air Charters & Agencies, Ltd.**, the majority of which has also been sold to Blackwell Enterprises, is likewise renamed, becoming Caspair Air Charters, Ltd.

Maxwell Dove becomes general manager of the renamed concern, which continues basing at Entebbe. Plans are immediately made to upgrade the fleet of his 17-employee company with 2 de Havilland DH 89A Dragon Rapides and 5 small Cessnas.

During the remainder of the year and into early 1964, 2 new C-206 Super Skywagons, 2 more C-182s, and another C-150 are acquired. With these additions, Caspair is able to retire its last Dragon Rapide in March.

In cooperation with **East African Airways Corporation (EAAC)**, scheduled service continues to be offered between Entebbe and Mwanza via Bukoba in addition to a variety of nonscheduled bush operations, including stops at Ukerewe Island and Geita.

Considering the company to be a security risk, the government of Uganda shuts the airline down in 1965; all but one aircraft are flown to Nairobi, where a new base is established at Wilson Airport. Although one Rapide remains available, the mainline Cessna flies a total of 3,150 passengers on the year.

Operations continue apace during the remainder of the decade and into the early 1970s. During these years, W. J. Cardwell becomes general manager and new routes, again, in cooperation with EAAC, are opened from Nairobi to Kisumu via Kericho, and from Musoma to Bukoba via Mwanza.

Investco Africa purchases the concern in 1972. During the middle part of the decade, the fleet comprises 1 each Cessna 401, 1 Britten-Norman BN-2 Islander, 1 Douglas DC-3, and 1 Hamilton Westwind 3. Two more Douglas transports are acquired from EAAC in 1977, just before its failure. Flights continue in 1978–1979 and, during July of the latter year, the carrier is reformed into **Sunbird Aviation, Ltd.**

CASPAR AIR CHARTER & AGENCIES, LTD.: Kenya/Uganda, (1946–1963). Keith Campling establishes, with his brothers, an FBO at Nairobi West Airport in 1946, together with a flight school and a lightplane charter service. In addition to **Campling Bros. & Vanderwal, Ltd.**, this sight-seeing service, **Caspar Air Charter & Agencies, Ltd.**, is formed as a subsidiary to offer flights around Lake Victoria from bases both at Nairobi and at Entebbe, Uganda. Revenue flights commence with 2 Piper J-3 Cubs and 1 PA-12 Super Cruiser.

During the early 1950s, several de Havilland DH-89A Dragon Rapides are acquired and they begin twice-weekly roundtrips linking Nairobi and Entebbe with Bukoba and Mwanza. If there is demand, stops can be arranged at Ukerewe Island and Geita. The latter two points are dropped when, in cooperation with **East African Airways Corporation**, the route becomes scheduled in 1957.

By the start of the 1960s, the fleet includes 2 Dragon Rapides, 2 Cessna 180s, 2 C-182s, and 1 C-150. Yugoslav-born Zivota Boskovic is chief pilot and one of four directors, with L. K. Campling, F. K. Campling, and H. van der Wal.

In June 1963, 77% of the company is sold to New York-based Blackwell Enterprises for £120,000. Chief pilot Boskovic moves across the airport to form his own airline, now known as **ZB Air, Ltd.** Blackwell reforms Campling into **Safari Air Service, Ltd.**, but leaves intact the Entebbe-based portion of the Caspar subsidiary.

CASPIAN AIRLINES: Enghiab Ave., Kaledge, Apt. No. 1020, Tehran, Iran; Phone 98 (2) 451-4702; Fax 98 (2) 67-8547; Code CPN; Year Founded 1993. Iranian and Russian businessmen establish Caspian at Tehran in 1993 to offer domestic services. M. Rajabian is named president and he begins revenue operations with 3 leased Yakovlev Yak-42Ds and 1 Tupolev Tu-154M.

Invisible service is maintained in 1994–1999, with enplanements of 191,000 reported in 1998.

While taking off from Tehran on August 29, 2000, two tires burst on the Tu-154M. The aircraft circles for three hours burning off fuel and then completes a safe emergency landing back at its point of origin.

CASSOVIA AIR: Slovakia (1991–1994). Cassovia is established at Bratislava in 1991 to offer regional charter services with a single Beech Super King Air 200. In late 1993, a British Aerospace BAe Jetstream 31 is ordered for a planned new scheduled route between Kosice and Vienna and Munich. Operations cease in 1994.

CASTLE AVIATION: Portage County Airport, 8101 State Rte. 44, Ravenna, Ohio 44266, United States; Phone (330) 296-5563; Fax (330) 296-2265, Year Founded 1984. Castle is established by Michael Grossmann at Ravenna, Ohio, in 1984 to provide executive and small group passenger charters as well as express cargo services in the U.S. east of the Mississippi River.

By 2000, Castle employs four pilots and operates 1 each Grumman 690A Turbo Commander, Piper PA-31-325 Navajo, and PA-60 Aerostar in passenger configuration and 1 each Navajo, PA-31-350 Navajo Chieftain, PA-32 Cherokee Six, and Cessna 208B Caravan I strictly for freight.

CAT (CORPORACION DE AERONAUTICA DE TRANSPORTES, S.A.): Mexico (1929–1932). Los Angeles banker Theodore Hull, who is also a private pilot, sets up his airline at El Paso in early 1929. With 2 Ryan B-1 Broughams and ex-major Bernard Law as managing director, CAT initiates service on March 9 over a route from Brownsville to Matamoros; this service is soon extended to Mazatlan on the Pacific coast via Torreon.

Three \$18,500 Lockheed Model 5 Vegas are now delivered to new company headquarters at Torreon and a number of pilots are employed, including four who later become widely known: Lowell Yerex, Gordon Barry, Paul Braniff, and Wiley Post. On August 11, an 1,104-mile route is opened from El Paso to Mexico City via Chihuahua, Torreon, Zacatecas, and Aquascalientes.

The fleet is increased in 1930 as 7 additional Vegas, a Bellanca P-200, and a Bach 3-CT-6 Air Yacht are purchased; the initial Ryan Broughams are lost in crashes in the Sierra Madre. Enplanements total 2,283.

Founder Theodore Hull is killed in the crash of a new Bellanca in Pennsylvania on November 25, 1931. Despite the company's success in transporting nearly 4,500 passengers on the year, Managing Director Law is unable to keep the carrier going and it ceases operations on February 9, 1932.

CAT CAY AIRLINES. See **SOUTHEAST AIRLINES**

CATA LINEA AEREA SACIFI, S.A.: Argentina (1989–1993). Roque Publiese's Moron-based air taxi CATA is upgraded at Buenos Aires in 1989 to provide scheduled, third-level commuter service. A pair of former **Horizon Airlines** Fokker Fairchild F-27Js are purchased and placed into service to Iguazu and Bariloche.

The fleet grows to comprise, by 1992, 4 Fokker-Fairchild F-27Js, 1 Israeli Aircraft Industries IAI Arava 102, and 2 Aero Commander 690s. Passenger flights continue to be undertaken from Buenos Aires to Bariloche, Viedma to Buenos Aires, and Viedma to Bariloche.

In 1993, the company is renamed **LASA (Linea Aerea Sacifi, S.A.)**.

CATAIR. See **COMPAGNIE D'AFFRETEMENTS ET DE TRANSPORTS AERIENS, S.A.**

CATALINA AIR LINES (1). See **AVALON AIR TRANSPORT; AERO COMMUTER AIRLINES**

CATALINA AIR LINES (2): United States (1955–1959). Catalina is established at Long Beach, California, in the spring of 1955 to provide scheduled Douglas DC-3 and de Havilland DH 104 Dove passenger and cargo service to Catalina Island. The company should not be confused

with the renamed **Avalon Air Transport**. Revenue flights commence on May 1 and continue until the company goes out of business on May 1, 1959.

CATALINA AIRLINES (3): United States (1978–1981). Catalina Airlines is established at Long Beach in mid-1974 to provide scheduled passenger and commuter flights to San Pedro and Catalina Island. Grumman Goose frequencies commence in July and continue into 1978 when the company is reformed into a scheduled helicopter carrier. Rotary-wing flights are begun to Avalon on Catalina Island with a fleet of 2 Sikorsky S-58Ts and 2 Bell 206s. Enplanements reach 58,383 in 1979, the first full year of service.

Recession and higher fuel costs cause significant decline in 1980. Passenger boardings plunge downward by 49.7% to 38,945 and cargo falls 15.9% to 257,146 pounds.

After operating only into February 1981 and flying 3,183 passengers, the fiscally depleted California helicopter carrier goes out of business on February 22.

CATALINA AIR TRANSPORT: United States (1941–1942). Originally formed as **Wilmington-Catalina Air Lines** in 1931, this Douglas Dolphin operator changes its name on March 29, 1941. On July 22, the CAB changes the route certificate making Los Angeles the main terminus with Long Beach and Wilmington as intermediate stops.

Work is begun on the creation of a landplane airport at Avalon and orders are placed for two Lockheed Model 18 Lodestars. The transports, however, are needed for the British war effort and are not delivered. Meanwhile, the company's two Dolphins continue to operate twice daily the 31-mile scheduled route—the industry's shortest. Enplanements for the year total 31,164.

Operations cease due to wartime restrictions on September 3, 1942 and the Dolphins are transferred to the U.S. Army Air Forces. In 11 years of operation under two names, the company has made 44,000 trips and transported just over 300,000 passengers.

CATALINA CHANNEL AIRLINES: United States (1958–1965). CCA is established at Long Beach on December 26, 1958 to offer scheduled passenger flights to Avalon, which is located on Santa Catalina Island, 32 miles offshore. Revenue flights are inaugurated during the first week of January 1959, employing Grumman G-21 Goose amphibians. Charters are also available.

Operations continue without change until 1965 when the mainland base of operations is shifted to San Pedro and the company is renamed.

CATALINA FLYING BOATS: 3215 East Spring Street, Long Beach, California 90806, United States; Phone (310) 595-5080; Fax (310) 990-0777; Year Founded 1993. Steve Franklin sets up CFB at Long Beach in 1993 to provide all-cargo services around the Los Angeles area and to Santa Catalina Island. Revenue flights begin and continue with 3 Beech 18s and 2 Douglas DC-3 freighters.

CATALINA SEABOARD AIRLINES: United States (1983–1985). Catalina Seaplanes is reformed and renamed on December 21, 1983. Employing a Piper PA-31-310 Navajo, the airline links its Orange County base with Santa Catalina, Bullhead City, and Bermuda Dunes.

Operations continue apace in 1984; in 1985 the company is renamed **California Seaboard Airlines**.

CATALINA SEAPLANES (1): United States (1965–1983). Catalina Channel Airlines is relocated to San Pedro in 1965 and renamed Catalina Seaplanes, doing business as **Air Catalina**. Scheduled passenger operations between the California coastal city and the island town of Avalon, which is 32 miles out to sea on Santa Catalina Island, are maintained without much fanfare with Grumman G-21 Geese. Charters are also available.

In 1978, the year of the Airline Deregulation Act, the carrier's 3 Geese board a total of 87,000 customers. Costs begin to accelerate in 1979 and bookings fall by 13.9% to 77,000. Freight, on the other hand, climbs 17.3% to 306,000 pounds.

Operations continue apace during 1980–1985; however, traffic figures are not released in these years. On December 21 of the latter year, the company is renamed **Catalina Seaboard Airlines**.

CATALINA SEAPLANES (2): United States (1983–1984). A second Catalina Seaplanes is reformed from the amphibious assets of the first during November 1983. The Grumman Geese, joined by a Cessna 421, maintain services between Long Beach, Avalon, and Santa Barbara for just over a year before the company ceases in December 1984.

CATALINA-VEGAS AIRLINE: United States (1964–1981). Catalina-Vegas is set up at San Diego, California, in the early fall of 1964 to provide seasonal scheduled passenger and cargo flights to Catalina Island and to Las Vegas. Beech 18 and de Havilland DH 104 Dove services commence on October 1 and continue until the company goes out of business in 1981.

CATAWBA AIR TRANSPORT: United States (1972–1991). CAT is established at Charlotte, North Carolina, in 1972 to provide daily round-trip air taxi flights to Wilkesboro via Hickory. Cessna lightplane revenue frequencies are duly inaugurated, but because of energy costs cannot be maintained beyond 1973.

Charter flights are, however, continued for the next 15 years and, in 1987, Catawba resumes a limited schedule of air taxi flights to Hickory. The company ceases operations in 1991.

CATHAY PACIFIC AIRWAYS (PTY.), LTD.: Swire House, 9 Connaught Road, Central Hong Kong, Hong Kong; Phone 852 747-5000; Fax 852 845-2039; <http://www.cathaypacific.com>; <http://www.cathay-usa.com>; Code CX; Year Founded 1946. Having returned to the U.S. after V-J Day in September 1945, Roy Clinton Farrell, like many other ex-G.I. flyers, has dreams for his own air service. He joins with four other **China National Aviation Corporation (CNAC-1)** veterans, Millard Nasholds, Bob Russel, Bill Geddes-Brown, and Australian Sydney de Kantzow, to purchase a war-surplus Douglas C-47 for \$30,000 from the War Liquidation Commission.

Christened *Betsy*, in December the plane acquires a cargo of toothbrushes and tuxedos and departs with it for China via Miami, Recife, Dakar, Karachi, Calcutta, Kunming, and Kweilin. The *Betsy* arrives at Shanghai on January 6, 1946, following a 26,000-mi., 26-day flight.

Farrell decides that the future lies in flying cargo from China to Australia and, on February 4, the *Betsy* ferries a load of freight down to Sydney via Hong Kong. Joined by de Kantzow, the American pilot forms the Roy Farrell Export-Import Company, Ltd. in Sydney on March 11 to legitimize the operation. Nonscheduled roundtrips between China and Australia continue.

Farrell and de Kantzow are forced by political unrest to flee the mainland to Hong Kong's damaged Kai Tak airfield in May. There they hold a number of meetings with journalist colleagues to discuss future possibilities. It is decided to form a real Hong Kong-based air cargo concern. The group subscribes capital of HK\$5 million, purchases a second Douglas transport (the *Nikki*), and formally incorporates its airline at Hong Kong on September 24. The registration fee is HK\$1 for each aircraft.

Nonscheduled service is now extended to Manila, where, legend has it, the company's name, Cathay Pacific Airways, is created by Farrell and several journalists at the bar of the Manila Hotel. The fleet is increased by the addition of 4 more war-surplus C-47s and several Consolidated PB5Y-5A Catalina flying boats.

One of the latter evacuates the Vietnamese emperor Bao Dai from Tourane, now Da Nang, at month's end. In November, 2 Avro Ansons are acquired and employed to ferry fish from Hong Kong to Malaya and Burma.

On January 5, 1947, Farrell and de Kantzow open a new DC-3 route across the harbor to the new grass landing field at the racetrack at Macau. The inaugural flight is something of an embarrassment as the Douglas, on final approach, hits the retaining wall of a water reservoir, loses its landing gear, and must execute a belly landing. When the dust settles, the pilots step out onto a red carpet which leads to a reviewing stand where dignitaries are waiting to give speeches before a large crowd.

It is thereafter decided to operate what will prove to be a profitable "gold run," twice-daily Catalina Hong Kong to Macau service. Additional frequencies are available on demand.

With support and equipment from **British Overseas Airways Corporation (BOAC)**, **Hong Kong Airways (Pty.), Ltd.** is set up on October 22 to feed traffic coming out of China to the British flag carrier at the crown colony's airport. Another purpose is to regain commerce lost to **Pan American Airways (PAA)** via its subsidiary **China National Airways Corporation (CNAC-1)**. Outfitted with Douglas DC-3s from BOAC, HKA inaugurates twice-daily service to Shanghai on December 2.

Twice-daily frequencies are initiated by HKA on January 10, 1948 between Hong Kong and Canton. While on a fish flight, a Cathay Avro Anson crashes in Burma on February 9. Meanwhile, the new HKA route proves so rewarding that it is doubled to four times per day on March 22. Later in the spring, HKA begins flights to Manila and a spirited competition is undertaken with Cathay.

On July 1, the 3 Cathay flying boats are transferred, for financial reasons, to a subsidiary, the Macao Air Transport Company, Ltd.

Ten minutes out en route from Macao to Hong Kong on July 16, a four-man robbery team seizes the company's Consolidated PB5-A *Miss Macao*, with 3 crew and 26 passengers, killing pilot Dale Cramer and his copilot. Their bodies jam the controls forcing the aircraft to crash in the Pearl River estuary 10 mi. NE of the twin-engine aircraft's point of origin. The lone survivor of the wreck is one of the pirates, who survives long enough to tell the story of what has been labeled the first nonpolitical skyjacking (actually, it is second after the 1932 **Panair do Brazil, S.A.** incident) and the first crash during an airline hijacking. The scheduled Macao to Hong Kong service is suspended.

Later, with considerably less fanfare, new DC-3 services begin to Singapore and Bangkok. Late in the summer, Hong Kong's British administration enacts legislation requiring local financial participation in foreign-owned companies based in the Crown Colony. Cathay's owners are notified that, unless their interest is reduced to just 10%, the airline's landing rights will be cancelled.

On October 18, **Australian National Airlines (Pty.), Ltd.** and the old and established Hong Kong-based *hong*, or trading house, Butterfield and Swire, Ltd., acquire 80% shareholding and the 6 DC-3s and 3 PB5s, leaving Farrell (operating as Cathay Holdings) and de Kantzow with 10% shareholding each. John K. Swire is named chairman. Cathay Pacific Airways (Pty.), Ltd. is formally registered the same day, with nominal capital of HK\$10 million.

To handle the airline's logistics and repairs, Cathay's owners establish the Pacific Maintenance and Supply Company (Pty.), Ltd. (PAMAS) on November 4.

A DC-3, coming into Hong Kong from Manila on February 24, 1949 with 23 aboard, crashes while attempting to land and burns; there are no survivors.

On May 13, the Hong Kong government, acting on orders from the Colonial Office in London, divides the routes emanating out of Hong Kong between HKA and Cathay. The BOAC-supported company receives all of those to the north, except Manila, which it must share with Cathay.

Cathay places its first DC-4 into service on September 23, joining the 5 remaining DC-3s in the fleet. The four-engine Douglas transport is employed to inaugurate services to Saigon on November 2 and to Hanoi and Haiphong on November 12.

When the forces of Mao Tse-tung take power in China, they order all Chinese contact with the West be severed, including HKA services. As a result, BOAC, on November 30, sells its stake to Jardine, Matheson. The new owners sell the Douglas transports and consider new services.

By January 1950, **Hong Kong Airways (Pty.), Ltd.**, which had once aspired to a large area of operation, is reduced to a single route to and from Taipei, Formosa, with a Curtiss C-46 Commando leased from **The Flying Tiger Line** and a DC-4 chartered from **Northwest Airlines**. This service is the company's entire business for the next five years. Cathay, on January 5, initiates frequencies to Sandakan, Labuan, and Jesselton in British North Borneo. Rangoon and Calcutta also become DC-4 stops during the first quarter. In April, shareholder de Kantzow reduces his stake to just 5%; Cathay Holdings retains 10%, with Swire and ANA owning the rest.

Economics dictate that HKA seek avenues of cooperation with its former rival. On November 23, it merges its own Jardine Aircraft Maintenance Company (Pty.), Ltd. with PAMAS to form Hong Kong Aircraft Engineering Company (Pty.), Ltd. (HAECO), which becomes one of the world's best known aviation support organizations during the next half-century.

Late in the year, Cathay founder Farrell sells his interest and returns to the U.S. Meanwhile, the airline acquires another DC-4.

In April 1951, cofounder de Kantzow departs to his Australian home, even as the four-engine Douglas opens a route to Singapore via Saigon. Shareholding is again rearranged. The Butterfield and Swire interest is placed in control (66%), ANA's percentage drops dramatically (to 14%), and the Peninsular & Oriental Steam Navigation Co. becomes the chief minority shareholder (30%).

Service continues apace in 1952 and, on May 23, 1953, the Manila route is extended to Labuan and North Borneo while new services are started westward to Bangkok, Rangoon, and Calcutta.

As the First Indochina War reaches a conclusion in early 1954, Cathay finds it increasingly difficult to conduct its operations. In April, the company suspends flights to Haiphong and Hanoi. The Geneva accords take effect on July 21, dividing North and South Vietnam; political and military tensions in the area are high.

Mistaken for a Nationalist Chinese aircraft, the leased DC-4 piloted by Capt. Cedric Carlton and with 18 aboard, while en route from Bangkok to Hong Kong, is shot by Red Chinese MIG-15s on July 23, and forced to ditch in the South China Sea off Hainan Island (2 dead). A Grumman Albatross from Clarke AFB at Manila rescues seven people and eight are still missing when the U.S. rescue operation is broken off due to its proximity to the Chinese mainland.

A week later, Peking radio admits the attack was a mistake and offers compensation to victims or their families. DC-4 services are now suspended until August 12 when a replacement aircraft, leased from **Canadian Pacific Air Lines, Ltd. (CPAL)**, becomes available. During the stand-down, it is announced that flights to North Borneo will be suspended.

In October, longtime competitor **Hong Kong Airways (Pty.), Ltd.** orders a pair of Vickers Viscount 760Ds, while its Curtiss lease with **The Flying Tiger Line** ends in November. Meanwhile, receipt of £367,000 compensation for the July tragedy is announced in the British House of Commons on November 3. A DC-6 is purchased from **Pan American-Grace Airways (PANAGRA)** on December 30 and a route is opened to Kuala Lumpur.

In January 1955, BOAC reenters the local picture, taking back the stake in **Hong Kong Airways (Pty.), Ltd.** it had sold six years earlier. In the interim, while awaiting delivery of the Viscounts, an effort is made by the British company to revitalize HKA and expand its services with leased aircraft.

The PANAGRA DC-6 purchased by Cathay arrives in April. The signal event of the year for Cathay, not recognized at the time, is the sale out of service to Australia of the carrier's first plane, the DC-3 *Betsy*.

When the Borneo Company, Ltd. purchases a 4% stake in the Swire airline in 1956, flights to North Borneo, suspended in 1954, are resumed.

The HKA Viscounts arrive in January 1957 and enter service on February 25 between Hong Kong and Seoul, South Korea. The turboprops expand HKA business in March when they begin flying to Manila, following up with services in April to Taipei and in May to Tokyo. Strong, but unprofitable, competition now resumes with Cathay Pacific.

Cathay, meanwhile, is not standing still. New services are inaugurated during the spring and summer to Phnom Penh in Cambodia, Vientiane in Laos, Kuching in Sarawak, and Kuala Lumpur, Malaysia. Orders are placed in September for 2 Lockheed L-188s. Cofounder Sydney de Kantzow is killed in an automobile accident on November 21.

Taking a new approach, Cathay receives a HK\$6.75 million DC-6B on June 22, **1958**; it is the first airliner purchased new by the carrier, as well as its first pressurized aircraft. Eighteen months into the fiscal bloodletting, BOAC, acting on behalf of HKA, and Cathay officials agree to rationalize the situation by combining forces. Cathay Pacific Holdings (Pty.), Ltd. is established in December for the purpose of organizing a merger of the two airlines.

Management of HKA passes to Cathay Pacific on February 1, **1959**. Cathay becomes the first East Asian turboprop operator as its initial Lockheed L-188A is delivered on April 1 and begins service on the Manila-Bangkok-Singapore route on April 24.

Assimilation of HKA, already begun, is formally announced on June 8; the process is completed on July 1. Cathay Pacific Holdings (Pty.), Ltd. formally receives **Hong Kong Airways (Pty.), Ltd.** from BOAC Associated Companies on July 1 with shareholding divided three ways: Butterfield and Swire (73%), BOAC (15%), and **Ansett-ANA, Ltd.** (12%). HKA's 2 760Ds are sold to **Malayan Airways, Ltd.**

The second L-188A now arrives and begins operations on routes to Saigon, Kuala Lumpur, Darwin, and Sydney on July 25. The same day, service to Seoul is ended.

Service to Labuan is dropped in mid-February **1960**, while flights to Brunei commence on February 25. Twice-weekly DC-6B flights are inaugurated on April 1 over routes to Taipei and Kyoto and to Osaka and Tokyo; the frequency to Osaka is the first international service to Japan's second-largest city. Service to Vientiane is suspended as civil war flares.

As the result of structural concerns raised by a series of L-188 crashes in the U.S., the company's 2 Electras are withdrawn from service on December 4 for modifications. On December 12, a Bristol Britannia 102, leased from **British Overseas Airways Corporation (BOAC)**, replaces them in service. The market at Kuching is abandoned on December 15; however, flights to Seoul are restarted. Enplanements reach 100,000.

The Electras return to service on February 4, **1961**. As the result of a generous financial incentive from General Dynamics, orders are placed for Convair CV-880-22M jetliners. At the same time, the last DC-3 is sold. Routes are extended to Jakarta and Jesselton (now Kota Kinabalu) on September 7, but, as a result of poor loads, flights to Sydney are halted.

The first CV-880-22M is delivered on February 20, **1962**, and enters service on the Tokyo run via Manila, Bangkok, Singapore, and Taipei, on April 8. The flight marks the company's first jetliner service. The fleet now comprises 1 DC-4, 1 DC-6, 2 L-188As, 1 Convair CV-880-22M, and 2 Viscount 820s.

On January 9, **1963**, a pooled-service agreement is signed with **Thai Airways International, Ltd. (THAI)** and **Malayan Airways, Ltd.** Cathay holds a 32% stake, with the THAI stake pegged at 30% and Malaya's at 28%. All fleet units, except for the Convair and 2 Lockheeds, are retired and service to Kuala Lumpur is suspended.

Due to decreasing traffic, the Rangoon office is closed in July **1964** and the last flight to that point, following the end of U.K.-Burmese negotiations, is made in late August. Nineteen years of service is thus ended. Meanwhile, the company's flight kitchen at Kai Tak Airport is expanded. It now prepares over 11,000 meals per month for Cathay, plus meals for **Malaysian Airways, Ltd.**, **Philippine Airlines**, and **Thai Airways International, Ltd.** In September, H. J. C. Browne succeeds the retiring W. C. G. Knowles as chairman. A second Convair CV-880-22M enters service on November 15, replacing one L-188A.

Enplanements increase 14% as the one-millionth passenger (cumulative) is boarded in mid-November.

Airline employment in **1965** stands at 958. CV-880-22M services to Osaka and Tokyo begin on February 15. The Japanese city of Fukuoka joins the route map on September 2 and the Vientiane route (operated

briefly in 1960) is reopened during the month. In late fall, following the opening of the new Subang International Airport, services are restarted to Kuala Lumpur after a two-year hiatus. At year's end, a third CV-880-22M is received and undergoes acceptance checks. Enplanements grow to 227,891.

The third CV-880-22M joins the fleet in early January **1966**, allowing the Japan frequency to be increased to 10 times per week on January 10 and giving Nagoya its first international jet service. Orders are placed for 2 additional CV-880-22Ms.

A total of 297,000 passengers are flown on the year.

The last L-188A is retired in **1967** as the fourth CV-880-M enters service during the summer; simultaneously, service is withdrawn from Brunei. Flights to Okinawa commence on October 1.

While taking off from Hong Kong on a November 5 service to Saigon, Flight 30, a CV-880M with 11 crew and 116 passengers, suffers a severe vibration. The crew attempts to abort the takeoff, but the jetliner overshoots the runway and crashes into Kowloon Bay (Hong Kong Harbor), where it breaks into three parts (one dead).

Passenger boardings for the year increase to 313,423.

Airline employment in **1968** is 1,381. A fifth CV-880-22M enters service on Southeast Asian routes and, in something of a surprise, the company purchases majority control of **Bahamas Airways, Ltd.** in October. In **1969**, orders are placed for 2 Boeing 707-367Bs as 2 more CV-880-22Ms join the fleet. Service is withdrawn from Phnom Penh and Calcutta.

The work force totals 2,082 and enplanements reach 490,230.

On April 1, **1970**, CV-880-22M thrice-weekly services are inaugurated to Perth via Kuala Lumpur, linking Western Australia with Hong Kong, Tokyo, Osaka, and Taipei. Hong Kong to Singapore and Bangkok jet service begins on December 1.

Freight traffic is up 7% and passenger boardings jump 16% to 583,607.

The workforce rises 6% in **1971** to 2,215. The corporate structure is revised again on April 14 when the Hong Kong and Shanghai Banking Corporation purchases a 25% stake for HK\$21 million. Swire Butterfield and Swire, through its China Navigation Company subsidiary, Ansett Transport Industries, and BOAC hold the remaining shares. On June 15, Swire severs the Australian connection begun by Sydney de Kantzow when it purchases Ansett's 12% stake. On July 2, two IBM reservations computers, known as CPARS, come on line.

A deal is now struck with **Northwest Airlines** in the U.S. for the purchase of a number of Boeing 707-351B Stratoliners fitted with wide-body interiors and B-707-351Cs. The first of 2 B-707-351Bs to be received on the year enters service on August 24 and begins flying to Denpasar, Bali, on September 17. Within a month, Jakarta must, by an Indonesian government order instigated by **Garuda Indonesian Airways**, be made a stop on the Bali route. The second B-707-351B arrives on December 27.

Bookings for the year are 573,498.

The second B-707-351B begins flying on company revenue routes in March **1972**; two CV-880-22Ms are sold during March and April.

Flight 700Z, a CV-880-22M en route from Singapore via Bangkok to Hong Kong with 10 crew and 71 passengers, crashes into the mountains in the Central Highlands of South Vietnam near Pleiku, on June 15; there are no survivors from the suspected bombing.

It is reported on July 1 that a bomb has definitely caused the Flight 700Z disaster when it exploded on the plane's right side near the wing. Services to Kagoshima, Japan, commence on August 17 and the third former **Northwest Airlines** B-707-351B arrives on August 28.

A Thai police lieutenant, S. Chaiyasut, is arrested on August 31 for the fatal June bomb. His motive was to collect \$225,000 from insurance policies on his daughter and fiancée, who were passengers on the ill-fated flight and in whose luggage the device was placed. The following spring he will be charged with premeditated murder, but later acquitted by a Thai court on because of insufficient evidence.

The fourth B-707-351B is delivered on November 18. Also in November, the company enters into a pool agreement with **British**

Caledonian Airways, Ltd. (BCAL) to provide low-fare service from London to Perth via Singapore or Jakarta.

Passenger traffic accelerates 27.68% to 793,000 while freight skyrockets 78.6%.

Airline employment stands at 2,791 in **1973**. Following a six-year suspension, service is resumed via Kota Kinabalu to Brunei on January 27. New in-flight amenities are now introduced, including new interior designs by Walter Dorwin Teague Associates. The five-millionth passenger (cumulative) is transported on March 14.

The largest order in Hong Kong trading history to date is made on July 3 when HK\$120 million in requests are placed with Northwest Airlines for 4 additional Stratoliners. A B-707-351C joins the fleet on August 6 as 3 CV-880-22Ms are retired. Bankrupt **Bahamas Airways, Ltd.** is shut down in late summer.

The year's customer boardings soar 33% to 1,054,690, the first time in which the annual passenger count surpasses a million. Cargo traffic is up a spectacular 64.9%.

The employee population grows to 2,952 in **1974**; new flight attendant uniforms are introduced and the 4 former **Northwest Airlines** B-707-351Cs are added. On January 1, the airline is appointed general sales agent for the Peninsula Hotel Group and receives shareholding. It also establishes Peninsula Overseas Management, Ltd. to develop and manage hotels in the Far East, including Singapore's Marco Polo, which opens in February.

The next day, Butterfield & Swire is reformed into John Swire & Sons (Pty.), Ltd.

On March 14, orders are placed for 2 Lockheed L-1011 TriStar 100s. As Hong Kong and Japan engage in new bilateral negotiations during the month, the Japanese restrict Cathay access to Osaka. In retaliation, **Japan Air Lines Company, Ltd. (2) (JAL)** is forced to drop Hong Kong from its Tokyo to Sydney service. Two more B-707-351Cs join the fleet as another CV-880-22M is sold.

In pool with **British Airways, Ltd. (2)** and **Qantas Airways (Pty.), Ltd.**, the only nonstop service both ways is added from Hong Kong to Sydney.

Following the collapse of **Court Line Aviation, Ltd.** on August 15, Cathay is able to purchase that carrier's 2 L-1011 TriStar 1s, *Halcyon Days* and *Halcyon Breeze*.

On September 15, JAL is prohibited from Hong Kong altogether. This action has a positive impact on bilateral discussions between Tokyo and Hong Kong and a new agreement is shortly thereafter signed, allowing reciprocal services by the flag carriers of each to resume on November 1.

Cargo soars 29.7% while passenger bookings advance 13.7% to 1,215,000.

A total of 280 flight attendants are added in **1975** as the payroll grows to 3,334. The company closes its Saigon office on April 25 and terminates weekly flights between that city and Hong Kong. The first carrier to acquire the extended-range TriStar, Cathay Pacific takes delivery of its first L-1011-100 on August 8, and a second shortly thereafter. On September 15, the two are placed in service on routes connecting Hong Kong with Taipei, Tokyo, Manila, Singapore, and Jakarta.

The last 2 CV-880-22Ms are now retired and, together with 5 withdrawn earlier, are sold to Miami-based International Air Leases. Following increases and reorganization of share capital since 1970, the carrier's parent, Cathay Holdings (Pty.), Ltd. in May holds 60% of the issued capital. Cathay Holdings (Pty.), Ltd. is made up of Swire Pacific, Ltd., the new name for combined China Navigation Company and John Swire & Sons (Pty.), Ltd. and Peninsular & Oriental Steam Navigation Co., Ltd. Other shareholders include the Hong Kong and Shanghai Banking Corporation, Ltd. (25%) and British Airways Associated Companies, Ltd. (15%).

Freight traffic this year jumps 22% and passenger boardings move ahead 18% to 1,429,000.

Employment rises 1% in **1976** to 3,363. On February 10, Flight Operations Director Capt. Bernard Smith admits that he had taken a US\$10,000 bribe from Lockheed back in 1973-1974 to promote the carrier's choice of the TriStar; he resigns.

B-707-351C freight service is started from Hong Kong to Seoul, Singapore, and Bangkok in July. In September, a third L-1011-100 enters service. Routes are extended thrice weekly to Bahrain on November 16 and twice weekly to Melbourne in December.

Freight swells 38% and passenger boardings in this thirtieth anniversary year rise 14.4% to 1,622,000.

Penang is added as a stop on the Singapore route on April 3, **1977**, bringing to 18 the airline's total number of destinations. Daily nonstop return flights commence on November 1 to Osaka and Tokyo, bringing the number of weekly services between Hong Kong and Japan to 41. The two Lockheed units acquired from failed **Court Line, Ltd.** join the fleet and enplanements are up to 1,789,575.

Airline employment at Managing Director D. R. Y. Bremridge's carrier totals 3,500 in **1978**. The fleet now comprises 5 TriStar 100s and 9 B-707-351Bs/Cs. Daily return service to Jakarta via Singapore begins on April 1. Frequencies to Australia are now 17 per week with 18 roundtrips flown each week to Manila.

Needed to expand capacity on the route to London, B-747-267Bs are ordered in October. TriStar flights to Kaohsiung, Formosa, and Nagoya commence on November 1 while B-707-351B roundtrips commence to Port Moresby on November 3. The 22nd weekly service to Bangkok is started on December 18.

An order is placed in **1979** for 1 additional L-1011 while 2 B-707-351Cs are sold. A bilateral air services agreement is signed between Hong Kong and the People's Republic of China, opening the possibility of services to mainland China. The first B-747-267B is delivered on July 20 and in late August it begins operations from Hong Kong to Melbourne and Sydney and north to Seoul via Taipei and Tokyo. Darwin now disappears from the company's route map.

Capacity on existing routes is increased through the use of TriStars in preference to B-707s and the average passenger trip length is 1,270 miles. The Hong Kong Air Transport Licensing Board (ATLB) in November approves the company's application to begin long-desired services to London.

Freight traffic this year moves ahead by 18.1% while passenger traffic increases 13.6% to 2.6 million passengers flown.

The workforce is increased during **1980** by 7.9% to 5,549. On January 1, D. R. Y. Bluck assumes the airline's chairmanship. The **British Airways, Ltd. (2)**, ex-BOAC, 15% interest is bought out and the shareholding realigned; Cathay Holdings, the Swire parent group, now holds 50.59% with the remaining 29.41% taken by the Hong Kong and Shanghai Banking Corporation (HK&SBC). For the first time since its founding, the airline is completely owned by Hong Kong interests.

Almost 30 years after retiring from China, flights to the People's Republic commence on February 1 with a service to Shanghai. Three additional B-747-267Bs are received on April 24, July 16, and December 19, respectively, and 3 more B-707-351Cs are sold.

Following the receipt of London route authority on June 17, thrice-weekly B-747-267B service is inaugurated to Gatwick Airport at the U.K. capital on July 16 via Bahrain and Dubai. During the fall, Cathay Capt. Martin Willing discovers the carrier's first aircraft, the DC-3 *Betsy*, in Australia and arranges for Swire Group to purchase her back.

Largely as a result of the new U.K. frequency, passenger boardings grow 9.5% to 2,879,683 while cargo leaps 17.4% to 229.77 million FTKs.

Airline employment grows by 4.4% in **1981** to 5,795. A fifth B-747-267B joins the fleet on June 25 and another is ordered; one L-1011-100 is sold. A passenger route is opened to Abu Dhabi and the multistop London frequency becomes daily on July 1. In cooperation with **Deutsche Lufthansa, A.G.**, joint Hong Kong-Frankfurt freight service is introduced on October 1 with a German B-747F. A new computerized reservations system is placed into operation.

Freight soars 28.8% to 295.92 million FTKs and passenger bookings jump 10.9% to 3,192,245.

The workforce is increased 1.7% in **1982** to 5,895. After a 12-year suspension, service to India resumes on January 2 when Bombay is added as a stop on the company's route to the Mideast.

The last remaining B-707-351Cs are sold as a new B-747-267B is acquired, together with a B-747-267C, the former *British Trader*, from **British Airways, Ltd. (2)**. As *Hong Kong Trader*, the latter begins twice-weekly cargo flights, in cooperation with **Deutsche Lufthansa, A.G.**, to destinations in Europe, including Frankfurt via the Middle East and thrice-weekly operations to Tokyo. The freighter assists the airline in increasing by 18% its annual mail and cargo revenues.

Passenger service is also inaugurated to Brisbane on August 1, simultaneously becoming nonstop to Perth. In cooperation with **Air New Zealand, Ltd.** and **Air Niugini (Pty.), Ltd.**, flights commence to Auckland via Port Moresby the same day. The partnership requires that every three months each company takes a turn flying the service. The average passenger trip length is now 1,725 miles and the entire route network covers 56,535 unduplicated miles. The last B-707-351C departs Hong Kong on November 12.

Freight traffic skyrockets 59.6% to 472.2 million FTKs while passenger traffic is up 7.3% to 3,425,404 passengers carried.

The employee population is 5,987 in 1983, up 1.6%. A ninth B-767-267B is acquired on May 23 and immediately takes over the new Hong Kong to Vancouver nonstop route begun at the beginning of the month. The trip requires 11 hrs. 15 min. to Canada and 13 hrs. 15 min. back. Simultaneously, the company takes over the Auckland service from **Air New Zealand, Ltd.**, flying via Port Moresby.

Beginning on July 2, the first nonstop London to Hong Kong service (taking 12 hrs. 30 min.) is offered once every week. It will take a year to reengine with Rolls Royce RB211 power plants sufficient to provide nonstop outward bound service. An order is placed for a B-747-367 with an option taken on another.

The company's first aircraft, the *Betsy*, restored by HAECO and repainted in her original 1947 livery, makes her final flight, across Hong Kong harbor, on September 24. Thereafter she is donated to the Hong Kong Science Museum at Tsimshatsui East to which she is taken, disassembled, by barge across Kowloon Bay and put back together on static display.

Longtime company pilot Capt. Charles E. Eather now publishes a book of recollections and history, *Syd's Pirates: A Story of an Airline* (Sydney: Durnmount, 1983). The work will be followed in 1993 by a second, *We Flew in Burma: A Story of Flying in Burma, with Cathay Pacific Airways and Union of Burma Airways* (Surfer's Paradise, Queensland: Ching Chic Publishers, 1993).

Freight continues to expand, up by 20.1% to 566.93 million FTKs, but passenger boardings hold level.

Airline employment rises 6.9% in 1984 to 6,400 and the fleet now includes 9 B-747-267Bs, 9 B-747-267Cs, and 9 L-1011-100s. On January 1, Peter D. A. Sutch becomes managing director, succeeding Duncan Bluck. Thirty days later, B-747-267B service is inaugurated from Hong Kong to the Saudi city of Dhahran. Also during the month, the company receives the 1983 "Passenger Service Award" from *Air Transport World* magazine.

Passenger flights to Frankfurt commence on March 3. The last B-747-267B is delivered on April 27 and is employed, beginning on May 5, to fly nonstop from Hong Kong to London on 13 hr. 15 min. passages.

Customer bookings accelerate 10.1% to 3,550,000 and freight increases 17.8% to 668.03 million FTKs.

The employee population is increased 9.4% in 1985 to 7,043. In April, thrice-weekly L-1011 service is initiated to Shanghai and to Vancouver. The first B-747-367 is delivered on June 13 after a 14-hour delivery flight from Seattle via Vancouver and twice-weekly service begins to Amsterdam via Frankfurt in October.

In cooperation with **Air New Zealand, Ltd.**, Cathay begins direct, weekly B-747-267B flights from Hong Kong to Auckland on December 3. The United Kingdom and Peoples Republic of China sign a Basic Law agreement returning Hong Kong to China in 1997; Annex Four of the document specifically guarantees that Cathay and **Dragonair (Pty.), Ltd.** will be able to operate beyond the turnback.

Passenger enplanements rise 8.5% to 3,850,000 and cargo accelerates 10.8% to 739.94 million FTKs; in terms of freight traffic, Cathay Pacific

now stands 15th among all of the world's airlines. A net HK\$115.2-million profit is reported.

A second B-747-367 arrives on February 14, 1986 and is deployed on the Hong Kong to London and Frankfurt route. When a two-year **CAAC (General Administration of Civil Aviation of China)/British Airways, Ltd. (2)** agreement for weekly joint service from Hong Kong to Beijing ends at the end of March, Cathay remains as the only British-registered airline on the route.

The carrier is now listed on the Hong Kong Stock Exchange and, in a partial privatization move, the 7,000-employee airline in April places 397 million shares (15% of total) up for sale, bringing to 22.5% the total offering since the first of the year. The offering is a huge success and is oversubscribed 55 times, bringing in \$6.5 billion U.S., and shattering all local records to become the largest stock distribution in the history of the Hong Kong Stock Exchange.

The same month, an L-1011 route is opened to Beijing while a second weekly B-747-267B service begins to Paris and Rome, with two more London frequencies added, bringing the total flown to the British capital to 10 per week. Flights to Amsterdam start in May.

A legal battle is enjoined against the new entrant **Dragonair (Pty.), Ltd.** In June, 2 B-747-467s powered by Rolls Royce RB211-524G engines are ordered and in July five-times-per-week B-747-267B service is launched to San Francisco via Vancouver.

During late summer, a fifth B-747-367B is ordered and the carrier joins **United Airline's Mileage Plus** frequent flyer program. A second B-747-367 is delivered on October 10 and on October 31 it begins twice-weekly service to Amsterdam as an extension of the nonstop Hong Kong-Frankfurt route.

In November, two airlines and a number of employees from the subsidiary Swire Air Caterers, Ltd. (SACL) are arrested on corruption charges. On December 4 and in cooperation with **Air New Zealand, Ltd.**, weekly joint service, halted for a year, is restarted Hong Kong-Auckland with Cathay Pacific Jumbojets.

As a result of the November scandal, Deputy Managing director Patrick Tsai now also becomes acting director of SACL.

Customer bookings jump 9% to 4,198,000 and a 15.9% boost is seen in freight traffic, to 857.28 million FTKs. Profits are HK\$206 million (operating) and HK\$190 million (net).

The workforce is increased by 12.1% in 1987 to 8,581 and the fleet is improved by the addition of a 10th L-1011, 2 B-747-367s, and 1 B-747-267CF. Orders remain outstanding for 2 more L-1011s, 1 B-747-367B, and 2 B-747-467Bs.

In January, over 30 changes are made at middle and senior management levels. Simultaneously, the Peoples' Republic of China purchases a 12.5%, HK\$1.94-billion interest through its China International Trust & Investment Corporation (CITIC). Holdings of the Swire Group are reduced to just over 50%, while the HK&SBC holds the remaining 16%.

Also during the first month of the year, the carrier is named 1986 "Airline of the Year" by *Air Transport World* magazine.

Existing B-747-367B routes to Frankfurt, Paris, and Rome are cancelled in August in favor of a new schedule, which has service to Paris routed via Frankfurt while Rome becomes a turnaround destination routed via Dhahran.

By September, the average passenger trip length is 2,230 miles. Twice-weekly L-1011 frequencies are initiated from Hong Kong to Kaohsiung, Taiwan, in October, along with a new, daily TriStar turnaround service from Hong Kong to Taipei. In December, the carrier joins with **Thai Airways International, Ltd.** and **Singapore Airlines, Ltd.** to develop a computerized reservations system to be called ABACUS. It also purchases 2 TriStars from **Air Lanka, Ltd.**

Passenger boardings accelerate 21.2% to 5,085,825 while cargo climbs 25.2% to 1.03 billion FTKs and makes Cathay the fourth largest Asian freighter. Revenues increase by 29.2% to \$1.5 billion as predictable fuel prices and helpful currency movements keep operating costs down. Operating income ascends to HK\$376.8 million and net profit to HK\$330 million.

The payroll grows again in 1988 by 18.2% to 10,142 and the route system now covers 96,861 unduplicated miles. Cathay operates two of the world's longest routes from Hong Kong—7,225 miles to London and 6,632 miles to Vancouver.

Beginning in January, the company offers its first-class and business-class passengers a personal mobile telephone for a nominal fee plus charges when they visit Hong Kong. During the month, Cathay receives *Air Transport World* magazine's 1987 "Airline of the Year" award.

A 50% interest is taken during February in Cathay Performa Consulting (Pty.), Ltd.

Marco Polo business-class service is unveiled and, in April, a fourth daily L-1011 service is added from Hong Kong to Bangkok.

Workers unloading an **Air New Zealand, Ltd.** B-747-219B that had flown to Auckland under the joint pact with Cathay on April 27, are unable to find NZ\$300,000 (US\$181,000) shipped in the diplomatic locker of a service container. The Hang Seng Bank of Hong Kong and the Bank of New Zealand file suit against the two airlines seeking restitution.

Twice-weekly B-747-267B service from Hong Kong and Zurich via Frankfurt is begun on June 1. The same month, Deputy Chairman D. A. Gledhill becomes chairman of Cathay Pacific, as well as other companies in the Swire Pacific group; Peter Sutch remains managing director. Later in the month, a 50% interest is acquired in Abacus Distribution Systems (Pty.), Ltd.

Two more Lockheed L-1011s are acquired in August, both from **Eastern Air Lines**. The B-747-467B order is increased to five and, in cooperation with **Air New Zealand, Ltd.**, frequencies on the Hong Kong to Auckland return service is increased in December from one weekly service to two. During the year, an *ab initio* program is started to recruit Hong Kong Chinese as pilots; successful applicants are sent to the British Aerospace Flying College in Prestwick, Scotland.

Customer bookings zoom upward 21.6% to 6,193,000 and cargo climbs 18.9% to 1.17 billion FTKs. Revenues jump 29% to HK\$1.9 billion and net profit swells to HK\$363.3 million.

The number of employees swells 15.6% in 1989 to 11,728 and the fleet this year comes to include 2 B-747-467Bs, 6 B-747-367Bs, 8 B-747-267Bs, 2 B-747Fs, and 17 L-1011s. Orders remain outstanding for 2 B-747-467Fs and 10 Airbus Industrie A330-300s. In January, improved *Marco Polo* business-class service is introduced and six more flights are initiated from Hong Kong to Brisbane, Melbourne, and Sydney. Later in the month, 49% shareholding is taken in Metro Travel (Pty.), Ltd.

In February a fifth weekly roundtrip is inaugurated, in cooperation with **Malaysian Airlines, Ltd. (MAS)**, between Hong Kong and Kuala Lumpur; simultaneously, a nonsmoking flight is offered between Hong Kong and Taipei. Late in the month, the airline switches from the frequent flyer program of **American Airlines** to that of **United Airlines**.

In March, a third daily service is added from Hong Kong to Manila and, also in cooperation with Malaysian, a third joint weekly flight begins to Kota Kinabalu in April. Also in April, the 2 B-747-467Bs are delivered; Cathay is the second airline after **Northwest Airlines** to take delivery of the long-range Jumbojet and the first to accept such a plane powered by Rolls Royce engines. CityCheck, Hong Kong's first full-service downtown check-in center, is opened in May.

On June 1, service to Seoul is increased from twice daily to 10 times per week; these are followed on July 1 by the initiation of a second daily nonstop to London and a fourth roundtrip service to Paris. At the same time, smoking is banned on all turnaround flights from Hong Kong to Taipei, Kaohsiung, Bangkok, and Manila. In August, the airline launches *Cathay Pacific Express*, a new small package express and cargo airport-to-airport service between Hong Kong and the U.K.

For the summer season in Australia beginning in September, the airline lays on over 150 additional frequencies. Two regular supplementary B-747 services are initiated weekly between Hong Kong, Melbourne, and Brisbane, including the company's first ever nonstop from Brisbane back to Hong Kong. Additionally, 24 Jumbojet roundtrips are provided from Hong Kong to Sydney for a 4-month period. A number of these

flights are made on behalf of **Qantas Airways (Pty.), Ltd.** and **Australian Airlines (Pty.), Ltd.**, whose pilots are on strike.

On October 28 and in cooperation with **Air Mauritius, Ltd.**, joint weekly nonstop service is introduced between Hong Kong and Mauritius. Twice-weekly roundtrip flights between Hong Kong and Manchester, England via Frankfurt commence on October 31. Earlier in October, check-in-by-telephone service is introduced for passengers departing Hong Kong with only cabin baggage and the operational base at Paris (ORY) is transferred to Terminal One at Charles De Gaulle International Airport.

The contract with its local rival calls for the pioneer to provide management, administrative, and technical services. In cooperation with **Air Niugini (Pty.), Ltd.** and employing its A310-324, joint weekly nonstop and roundtrip service is initiated between Port Moresby and Hong Kong on November 3. Employing an **Air New Zealand, Ltd.** B-747-219B, joint service is inaugurated with the New Zealand flag carrier, also in November, over a third weekly route from Auckland to Hong Kong.

In December, service is increased from Hong Kong to Brisbane, Melbourne, Sydney, and Perth for the Australia and Asia summer season. The Swire Group acquires a 30% share in **Dragonair (Pty.), Ltd.** during the month, ending forever any possibility that the new entrant will emerge as a competitor.

Passenger boardings jump 14.5% to 7,057,000 and freight is up 8.7% to 1.32 billion FTKs. Revenues surge ahead by 14.4% to HK\$2.21 billion, expenses are up 13.2% to HK\$1.72 billion, and operating income moves ahead to HK\$504.7 million. Net gain balloons to HK\$425.8 million.

Company employment grows another 8.8% in 1990 to 12,764. In January, longtime Vice President Jerry Penwarden is seconded to **Dragonair (Pty.), Ltd.** as its day-to-day manager under a 15-year management contract. An additional 5% stake in Dragonair is acquired on February 1 and the total arrangement is valued at \$125 million, of which a third is tied up in Dragonair's 4 B-737-200s. Hong Kong-based CITIC, with backing from China, increases its share in Dragonair to 38%.

The company's ground staff and cabin crews begin, also in February, to introduce new uniforms designed by Nina Ricci of Paris. The same month, a new service agreement is signed with **China Airlines, Ltd. (CAL)**. In an effort by CAL to freeze out proposed newcomer **Evergreen Airways** (later **Eva Airways, Ltd.**), its terms call for only Cathay and CAL to exercise technical third and fourth freedoms between the two regions.

Passengers of a B-747-267B are evacuated and 27 are injured when their Jumbojet begins leaking fuel after landing at Tokyo (NRT) on March 24. Also in March, the company receives certification from the Hong Kong Civil Aviation Department (CAD) for Category 3A landings by its B-747-467s and joins with **American Airlines** to announce an expansion of the joint code-sharing agreement to include over 100 Canadian and U.S. cities served by the U.S. major.

In April, the company is licensed by the Hong Kong government to inaugurate scheduled service to Hanoi and Ho Chi Minh City. During the month, **Dragonair (Pty.), Ltd.** takes over Cathay's China route network to Shanghai and Beijing. Employing a B-747-200F, twice-weekly all-cargo flights are inaugurated on May 26 between Hong Kong and Paris. Also in May and in cooperation with **Korean Airlines/Korean Air (KAL)**, joint freight flights commence from Hong Kong to Seoul. At the same time and acting through a subsidiary, Cathay acquires 50% interest in International Aviation Services (Hong Kong), Ltd., previously known as Caledonian Far East Airways, Ltd.

In June, the company's ban on smoking is extended to all of its Southeast Asian routes. In addition, a code-sharing agreement is signed with **American Airlines** for the transpacific shipment of freight over Cathay's nonstop Jumbojet route from Los Angeles to Hong Kong.

As part of the code-sharing agreement with **American Airlines**, four-times-per-week roundtrip B-747-467 flights begin on July 1 between Hong Kong and Los Angeles and San Francisco and are the only nonstop service on the market between those destinations. **American**

Airlines is responsible for the westbound flights with Cathay marketing cargo space out of Hong Kong and Southeast Asia. Under a cooperative code-sharing agreement with **Air Canada, Ltd.** that comes into effect on the same day, the Hong Kong company purchases blocks of seats aboard the Canadian line's B-767-233ER services from Vancouver to Toronto; the move essentially extends the Hong Kong route into Eastern Canada.

Also on July 1, the company joins IATA. A dual-designator understanding is signed with **Japan Air Lines Company, Ltd. (2)** signed later in the month for the start of joint thrice-weekly flights to Sapporo.

In August, a new nonstop route replacing the Vancouver and San Francisco run is opened five times per week from Los Angeles to Hong Kong. Many extra frequencies are added in September. Coordinating with **Air France** frequencies, the company begins twice-weekly B-747F flights from Hong Kong to Paris in October.

The joint L-1011 service with JAL to Sapporo opens in November. Daily nonstop B-747-467 frequencies commence from Hong Kong to London in December.

Customer bookings accelerate 9.5% to 7,731,254 while cargo jumps 13.8% to 1.44 billion FTKs, 13th highest among all of the world's airlines. Revenues ascend 14.7% to HK\$2.54 billion, expenses total HK\$2.07 billion, and operating income dips to HK\$463.8 million, which is still 17th best among all world carriers. Net gain falls to HK\$384 million, but ranks third in the world after **Singapore Airlines, Ltd.** and **Japan Air Lines Company, Ltd. (2)**.

The payroll is sliced 0.2% in 1991 to 12,747 and the fleet now includes e8 B-747-267Bs, 1 B-747-236F, 2 B-747-267Fs, 6 B-747-367s, 10 B-747-467s (half of which join the fleet during the year), 16 L-1011 TriStar 1s, and 2 L-1011-TriStar 100s. One of the latter aircraft is leased to **Dragonair (Pty.), Ltd.** Meanwhile, orders are outstanding for 6 B-747-467s, 2 B-747-467Fs, and 10 Airbus Industrie A330-300s.

Flights begin from Hong Kong to Rome via Zurich on March 31. The same day, the service to Amsterdam via Frankfurt is increased from twice to thrice weekly and the frequencies to London via Bahrain are reduced to thrice weekly. On April 30, Heathrow Airport London is regularly visited for the first time.

Daily nonstop service is inaugurated from Hong Kong to Los Angeles on May 1, along with similar flights to Johannesburg. In July, the new CATCH computer system, just four days after it is turned on, intercepts its first stolen ticket.

On December 16, twice-weekly joint service is opened with **Vietnam Airlines** from Hong Kong to Ho Chi Minh City employing Cathay's TriStars under a code-sharing agreement signed between the two companies. Meanwhile, the Vietnamese flag carrier takes a 60% stake in Cathay Pacific Catering Services, Ltd. and that airline subsidiary acquires 40% shareholding in Vietnam Air Caterer.

As a result of recession and high fuel costs generated by the Gulf situation, Cathay suffers its worst fiscal year in memory. Passenger boardings fall 4.4% to 7,391,429 and freight grows only 0.6% to 1.45 billion FTKs. Revenues swell 5.6% to HK\$2.68 billion and the operating profit is up to HK\$471.2 million. Net gain declines, however, to HK\$380.55 million.

A B-747-267B is withdrawn in 1992 as 4 B-747-467s arrive. An order is placed for 11 Rolls Royce-powered B-777-200s. Early in the year, *Cathay Pacific First* upgraded first-class service is introduced on transpacific flights. Also in the first quarter, shareholding in **Dragonair, Ltd.** becomes 35% as CITIC, the foreign investment department of the People's Republic of China, boosts its stake to 48%. At the same time, the Vietnam service is doubled to four weekly flights. Managing Director Sutch is promoted deputy chairman in April and is succeeded by Rod Eddington.

Sutch becomes chairman of both the airline and its parent, Swire Pacific, on June 1. Shortly thereafter, a productivity-enhancement program, *Operation Better Shape*, is unveiled, along with corporate restructuring. Twice-weekly transpacific B-747F freighter flights connecting Hong Kong with Los Angeles begin in June and represent the carrier's first all-cargo transpacific service.

Toward month's end, the airline acquires additional holdings: Steels Aviation Services, Ltd., Steels Aviation Services (Pty.), Ltd., and Steels Aviation Services (In-flight) (Pty.), Ltd., which will be reformed into Cathay Pacific Catering Services, Ltd., Cathay Pacific Catering Services (Pty.), Ltd., and Cathay Pacific Catering (Holdings) (Pty.), Ltd.

Nonstop flights begin to London (LHR) and Paris (CDG) in July. Later in the month, it is announced that the company is changing the configuration of its aircraft as it reworks its first-class cabins and services. In addition, shareholding in International Aviation Services (Hong Kong), Ltd. is reduced from 50% to 20%.

CAAC (The General Administration of Civil Aviation of China)'s subsidiary, **China National Aviation Corporation (CNAC-2)**, and China Travel Service, each purchase 5% shareholding in August from Port Hall, Ltd., itself a subsidiary of the HK&SBC. Mainland Chinese interests now control 22.6% of the airline as the deal is worth HK\$440 million.

A 10% interest is acquired during September in Hong Kong Air Cargo Terminals, Ltd., which provides cargo handling at Kai Tak Airport. In October, direct flights are inaugurated to Adelaide returning via Melbourne. A new accounting subsidiary, Guangzhou Guo Tai Information Processing, Ltd. is formed.

Nonstop passenger service is also initiated during the year to Jakarta and Penang, Hanoi, Ho Chi Minh City, and Amsterdam. A new first-class lounge, the largest in Asia, is occupied at Kai Tak Airport. Stringent cost-cutting measures bring a flight attendants' strike.

Customer bookings increase 13.1% to 8,362,673 and cargo jumps 14.7% to 1.67 billion FTKs. Revenues ascend 11.9% to HK\$3 billion and expenses rise 13.9% to HK\$2.53 billion. As a result, the operating surplus is HK\$423 million and net profit hits HK\$385.3 million.

Chairman Sutch and Managing Director Eddington oversee a workforce of 13,240 in 1993 and a fleet of 53 aircraft, increased this year by 3 B-747-467s and 1 Lockheed TriStar. Two L-1011-1s are leased to **Dragonair (Pty.), Ltd.** for use on the subsidiary's routes to Beijing and Shanghai. When **Philippine Airlines (PAL)** is unable to take delivery of a pair of Airbus Industrie A340-211s, the manufacturer arranges to dry-lease them to Cathay.

Coinciding with the Lunar New Year holiday, the company's busiest period, 25% of the company's cabin crews go on strike during the last 10 days of January. With their numbers too insufficient to shut down the airline, the cabin crews must watch it successfully fly with its own and wet-leased airliners.

The new accounting subsidiary, Guangzhou Guo Tai Information Processing, Ltd., with some staff, is transferred to Guangzhou Province on the mainland in February. In March, Taikoo Aircraft Maintenance Company, Ltd. is established as a joint venture aircraft maintenance operation in Xiamen, Fujian province.

New services are initiated to Colombo and Cairns, which joins a network that includes stops at Amsterdam, Auckland, Bahrain, Bangkok, Bombay, Brisbane, Brunei, Denpasar, Dubai, Frankfurt, Fukuoka, Hanoi, Ho Chi Minh City, Jakarta, Johannesburg, Kaohsiung, Kuala Lumpur, London (LHR), Los Angeles, Manchester, Manila, Melbourne, Nagoya, Osaka, Paris, Penang, Perth, Rome, Sapporo, Seoul, Singapore, Sydney, Taipei, Tokyo, Vancouver, Zurich.

In June, the company takes a 10% stake in Taeco Engineering; other partners include **Japan Air Lines Co., Ltd. (2)** and **Singapore Airlines, Ltd.** In July, the company becomes, with **Malaysia Airlines, Ltd. (MAS)** and **Singapore Airlines, Ltd.**, a founding partner in the joint *Passages* frequent flyer program. At the same time, CPA takes a 10% stake in the Taeco maintenance concern and 28% shareholding in Royal International Air Catering, Ltd.

Weekly scheduled freighter service is initiated to Bombay along with 10-times-per-week passenger flights from London (LHR) and daily service from Manchester.

A new position, deputy managing director, is created in November and filled by Linus Cheung, who will soon resign to take a more lucrative position elsewhere. When an order for 4 A340-211s is cancelled in December by **Philippine Airlines**, they are quickly spoken for by

Cathay for delivery a year hence as interim replacements for an order, now made, for 6 owned A340-300s.

Passenger boardings increase by 5.7% to 8,866,930 and freight moves ahead by 19.4% to 1.99 billion FTKs. The previous year's flight attendants strike continues and, when combined with recession and local inflation, contributes to only 3% growth in revenues, or HK\$3.07 billion. Expenses swell 8.5% to HK\$2.78 billion and cut the operating surplus to HK\$294.5 million. Net gain is exactly the same figure: HK\$294.5 million.

The number of employees is cut by 2.7% in 1994 to 13,772. Early in the year, in anticipation of a new livery, the company begins to paint out the Union Jack on the tails of its aircraft. It will be replaced with a new Landor Associates-designed "brushwing" design, a Chinese calligraphy stroke which suggests the wing of a bird and is designed to help the British-oriented company project a "more Asian" image. At the same time, first-class service is gradually eliminated on intraregional L-1011 flights.

Also in January, the final 20% stake in International Aviation Services (Hong Kong), Ltd. is sold to **Dragonair (Pty.), Ltd.** In February, a strategic alliance is entered into with **Air Mauritius** that provides for a joint flight between Hong Kong and Mauritius.

On March 1, all flights between Hong Kong and Europe become non-smoking. In April, the carrier purchases 75% majority control of **Air Hong Kong (Pty.), Ltd.** from Shun Tak Holdings for HK\$200 million (\$26 million). The former independent all-cargo operation, now operated as a subsidiary on the **Dragonair (Pty.), Ltd.** model, places a third chartered B-747-200F into service.

In response to the murder of 24 Taiwanese tourists on the mainland, the government of Taiwan bans group travel to China during May. Consequently, Cathay reduces its Hong Kong to Taipei schedule in response. Also in May, a 40% interest held in Cathay Pacific Catering Services, Ltd. in Canada is sold to **Deutsche Lufthansa, A.G.** and a management contract is inked with **Air Hong Kong (Pty.), Ltd.**

An unfounded rumor that John Swire & Sons, Ltd. will divest itself of its 52% interest in Cathay is circulated in June, but quashed. Meanwhile, the Taiwanese ban on flights to the mainland begins to have a financial impact.

During August, the carrier makes a conditional agreement to purchase a one third interest in Xiamen International Airport Group Company, Ltd. for HK\$366 million.

First to wear the company's paint scheme and to mark the first livery change in 20 years, an A330-342 is displayed at the Airbus Industry factories in France on August 31 and then flown to England for participation in the annual Farnborough Airshow in England.

A joint venture with its Japanese partner, Cathay Kansai Terminal Services Company, Ltd., begins operations when the new air facility opens in September.

The first of two leased ex-**Philippine Airlines (PAL)** A340-211s arrives at the end of October; in two days of training prior to its introduction into scheduled services, 10 pilots make a total of 62 practice take-offs and landings at the Thai air force base at Utapao.

The chartered A340s will fly with Cathay until new, purchased A340-300s can be delivered in 1996. Retirement of the TriStar fleet begins on November 5. Also during the year, service is initiated to Toronto. Plans are made for the inauguration of scheduled flights in the following 12 months to Stockholm and Surabaya.

Customer bookings climb 10% to 9,750,000 while cargo swells 19% to 2.37 billion FTKs. Revenues advance by 13.3% to HK\$3.5 billion, leaving profits of HK\$306 million (operating) and HK\$333 million (net).

A total of 128 employees are hired in 1995, an increase of 0.9 per cent. Early in the year, airline officials publicly condemn **Qantas Airways (Pty.), Ltd.** for turning Hong Kong Kai Tak Airport into an unofficial hub where it picks up passengers to fly onward to Singapore and Bangkok. It is stated that the Australian carrier exceeds the normal 50% "fifth freedom" norm.

The first of 9 ordered A330-342s joins the fleet in February; when it enters service, Cathay will become the first carrier to fly both the A340 and A330 as complementary aircraft on regional and international services. It is this concept which Airbus Industrie originally had in mind when it launched the expanded Airbus family.

In March, the dormant **CAAC (The General Administration of Civil Aviation of China)** subsidiary **China National Aviation Company (CNAC-2)** announces that it will begin a rival airline in Hong Kong before the British colony is handed back to the PRC in 1997.

Negotiations to resolve the "fifth freedom" difficulty commence between the Hong Kong and Australian government aviation ministries, but are broken off in mid-April. At this point, the Hong Kong Economic Service Branch decrees that, after July 1, no more than 50% of Qantas' passengers flying to Singapore and Thailand may originate at Kai Tak. The Australian Transport minister now shortens Cathay's operating permit to Australia to June 30, at which point Hong Kong threatens to cut off all Australian flights to Hong Kong the same day.

During the last week of April, **China National Aviation Company (CNAC-2)** applies for a scheduled license to operate service into Hong Kong as complement to the charter flights into Kai Tak already made with aircraft leased from **China Southwest Airlines Company, Ltd.** Cathay bitterly opposes the PRC move, even though CNAC is a 10% shareholder in the British colony's flag carrier.

Simultaneously, a temporary accord is signed between Taiwan and Hong Kong that enables the two to circumvent difficulties that have occurred in their bilateral air negotiations and permit Cathay and **China Airlines, Ltd. (CAL)** to continue exchanging services.

With no direct air service between the two Chinas, Hong Kong continues to serve as Taiwan's PRC gateway. Talks between the U.S. and Hong Kong and Hong Kong and India are also stalled over "fifth-freedom" issues.

During the second week of June, **Qantas Airways (Pty.), Ltd.** threatens to sue the Hong Kong CAD for its July 1 proposal. The following week, the Australian Transport Minister Christopher Pratt weighs into the conflict. Offering to extend Cathay's Australian operating permit through the end of June rather than the usual October 28, he also proposes that the number of seats allowed to the Hong Kong flag carrier in Australia be reduced by 60%. **Cathay Pacific Airways (Pty.), Ltd.** also files suit in Sydney to overturn any such Australian government action.

Negotiators from the two countries resume talks on June 26. While neither gives in to the assertions and demands of the other, a six-month "cooling off" period is imposed during which time both sides will seek a solution to their difference.

A new B-747-267F is received in July. In August, the company begins to implement a policy of cross-crew qualification training for the pilots of its A330-342s and A340-313s. Although the practice will be successful for this airline, it will prove difficult to institute with others with more complex union arrangements, e.g., **Deutsche Lufthansa, A.G.**

During the last week of October, the carrier pledges itself to a move in April 1998 from Kai Tak Airport to the new Chek Lap Kok airfield. The new B-747-267F is employed in November to open a regularly scheduled freight-only route, in cooperation with **Air Canada, Ltd.**, to Toronto via a technical stop at Anchorage. The new service will replace a previous one that had been flown on a nonscheduled basis using B-747-267Bs with a technical stop at Seoul.

Code-sharing begins with **British Midland Airways, Ltd.** in September on frequencies from Hong Kong to London (LHR) and on to Belfast, Edinburgh, Glasgow, and Leeds/Bradford. During the second week of November, plans are announced for the construction of a HK\$453-million headquarters at the new Hong Kong Airport at Chek Lap Kok, which will open in 1998.

Late in the year, 3 B-747-200s are sent to Boeing's Wichita Division for conversion into freighters for **Air Hong Kong, Ltd.** Also during the year, service is inaugurated to Stockholm and Surabaya.

A compromise arrangement in December ends the dispute with **Qantas Airways (Pty.), Ltd.** Under its terms, Hong Kong gains the

principle of imposing a cap on lift out of the Crown Colony. Qantas will only have difficulties if it increases Hong Kong-originating boardings beyond 50% of capacity or 200 passengers per day.

Also in December, the carrier withdraws from a HK\$144.4-million joint venture that has been discussed with CAAC for the operation of a new airport at Xiamen. A number of differences suggest that a 33% stake will not prove commercially attractive.

At the same time, a September decision to relocate Cathay's flight training center from Hong Kong to Sydney is opposed as being more expensive than leaving it in place.

Passenger boardings move ahead by 6.5% to 10,381,407 and freight accelerates 17.5% to 2.78 billion FTKs. Revenues rise 11.9% to HK\$3.94 billion and costs climb only 10.9 per cent. The result is a HK\$482 million operating profit and a net gain of HK\$389 million.

Airline employment stands at 13,857 in 1996, a 0.4% increase. In an effort to save \$26 million in costs, a number of the new hires are American and Canadian cargo pilots. The fleet includes 56 aircraft and orders are placed for 7 B-777-300s, 1 A330-300, and 6 A340-300s. Thirteen L-1011s, including the 2 now returned by **Dragonair (Pty.), Ltd.**, are retired and 4 leased A340-200s are returned. The TriStars are soon placed with other carriers, including **Air Operations of Europe, A.B.**, **Nordic East Airlines, A.B.**, and **Air Atlanta Icelandic, H.F.**

In January, Cathay receives the "Media/Public Relations Award" from *Air Transport World* magazine. Although it had originally decided to transfer its flight simulators to Australia and the U.K., the company announces during the second week of January that the move will not, in fact, be made.

In March, a marketing agreement is begun with **Ansett New Zealand, Ltd.** In addition to reciprocal frequent flyer program participation and reciprocal lounge and club access, Cathay passengers may enjoy code-sharing flights on ANZ between Christchurch and Auckland.

The PRC expands its stake in Hong Kong's major airlines during the last week of April. Under a stock offering arrangement worked out between Swire Pacific (Pty.), Ltd. and China's foreign investment firm CITRIC Pacific, Swire will sell out its majority stake in Cathay, while retaining its management contract. It will also turn over 35% controlling interest in **Dragonair (Pty.), Ltd.** along with the Chinese right to appoint its own management team.

Citic Pacific, on its part, will acquire 572.9 million shares of Cathay stock for HK\$6.3 billion (\$815 million) and advance its shareholding from 10% to 25%. Meanwhile, **China National Aviation Company's** stake shrinks from 10% to 8%, public shareholding falls from 27.40% to 23.10%, and the 52.60% holding of Cathay Pacific is reduced to 43.9%. The infusion from the stock offering is almost twice what is needed by Cathay to cover the costs of the new headquarters and training center it is building at Chek Lap Kok Airport, which is due to open in April 1998.

At the same time, Cathay loses its control of **Dragonair (Pty.), Ltd.** Under the same agreement, **China National Aviation Company** takes over with a 35.86% majority stake. For this, the **CAAC (The General Administration of Civil Aviation of China)** subsidiary pays HK\$1.97 billion (\$254.8 million), including HK\$971.1 million (\$125.6 million) each to Swire Pacific and Citic Pacific and \$4 million to the founding Chao family. Swire Pacific's stake drops from 43.16% to 25.50%, that of CITIC Pacific falls from 46.15% to 28.50%, and that of the Chao family from 5.57% to 5.02%; public interest of 5.12% remains unchanged.

After company stockholders approve the arrangement during late spring, the sale by Cathay of its share in its **Dragonair (Pty.), Ltd.** subsidiary will bring a pretax gain of HK\$69 million. Meanwhile, an A330-342 arrives in April under charter from the International Lease Finance Corporation (ILFC).

The first of 4 B-777-267s is delivered as May begins and for the media its arrival largely overshadows the boardroom ownership changes. During the month's final week it enters service on routes from Hong Kong to Bangkok, Seoul, Taipei, Osaka (KIX), Tokyo (NRT), Bahrain, and Dubai.

This is the company's fiftieth anniversary year and during the spring, the airline launches a \$5-million saturation campaign advertising the inauguration of its return service from New York to Hong Kong. The first of 4 owned A340-342s to be delivered this year arrives on June 1; it will be employed to inaugurate the new frequencies.

In June, the Beijing government opens airspace over central and northern China allowing for the creation of new air routes for Cathay services to Europe, North America, and Hanoi. For European flights, the fastest of these from Hong Kong is via Wuhan, Beijing, Mongolia, and Novosibirsk and is over 540 nm. shorter than the existing route via southwest China, India, and Iran. In winter, the route offers a timesaving of 2 hrs.—even more in the summer.

While approaching the gate at Hong Kong's Kai Tak Airport on June 19 following a flight from Hong Kong, the cockpit crew of a B-777-267 with 321 passengers receives a fire warning from the cargo hold; the aircraft is immediately halted and all aboard are evacuated down slides without incident. The emergency is, in fact, a false alarm caused by moisture vapors from 2, 12,000-lb. containers of live frogs, plus additional cargo of fruit, flower, and seafood, much of which, like the frogs, is more or less uncovered.

All-cargo B-747-467F flights commence between Hong Kong and New York via Anchorage on July 1. Cathay is the first Asian airline to introduce the sophisticated Jumbojet freighter. The same day, Cathay begins B-747-467 code-sharing flights with **United Airlines** from Hong Kong to New York via Vancouver five times per week. The American major sells seats to Cathay for its thrice-weekly nonstop B-747-238B frequencies from Chicago to Hong Kong, which begin on July 16.

The weekday dual-designator flights with **United Airlines** become daily on September 1. Three more B-777-267s arrive and enter service on Asian routes to Bangkok, Seoul, Taipei, Osaka (KIX), Bangkok, Sydney, Melbourne and to Dubai and Bahrain in the Mideast. Also during the month, orders are placed for 3 A330-300s and 2 A340-300s. Managing Director Eddington, citing "family reasons," resigns at the end of the month, effective in December. He will return to Australia to become executive chairman of **Ansett Australia (Pty.), Ltd.**

The final roundtrip L-1011 service is flown on October 13 from Hong Kong to Taipei and Nagoya. The type is now withdrawn after the fleet, in 21 years, has accumulated 487,000 flight hours for the carrier.

A Frequent Traveler's Medical Card is issued to regularly flying disabled passengers beginning during the last week of November.

Upon the departure of Managing Director Eddington in December, Managing Director-Corporate Development David Turnbull assumes the Australian's post. Turnbull is, in turn, succeeded by Director-Service Delivery Tony Tyler, while General Manager-Cargo Robert Cutler becomes the new director-service delivery.

Enplanements move ahead by 5.8% to 10,984,774 and 3.23 billion freight FTKs are operated, a 15.8% increase. Operating income climbs 6.3% to HK\$4.15 billion and costs ascend 7.1% to HK\$3.66 billion. Operating gain increases by HK\$4 million to HK\$488.91 million and a HK\$490-million profit is reported.

The workforce grows a scant 0.3% in 1997 to 13,900. During the first week of January, Cathay begins to warn those passengers flying under British Dependent Territory Citizen (BDTC) passports that their documents will not be valid after June 30. Former Managing Director Eddington officially becomes the new executive chairman of **Ansett Australia (Pty.), Ltd.** on January 9.

Also during the month, one additional A330-300 is ordered. The industry magazine *Air Transport World* in its January issue honors Cathay with the journal's annual "Airline Media/Public Relations Award" for its work in handling news concerning the airline's place in the transition of Hong Kong to the PRC, scheduled for July.

The two A340-211s dry leased from Airbus three years earlier are turned over to **Philippine Airlines (PAL)** during the first quarter. On March 29, another frequency is added to Sapporo.

During the spring, a "Heart of Asia" print advertising campaign is begun as part of the preparation for return of the British colony to China

on July 1. A special "Heart of Asia" paint scheme, designed by artist Annie Lee, is scheduled by Taikoo Aircraft Engineering Company for a Boeing 747-267B. When it appears, *The Spirit of Hong Kong '97* has a depiction of the Hong Kong skyline and the Chinese character *Ga* (Home) on the side of the fuselage. There is also a message in Chinese that reads "May Prosperity and Progress Lead Us to a New Era." It enters service to various destinations around mainland China.

A340-313 flights commence on May 1 from Hong Kong to Johannesburg and Auckland. For the second time this month and the third since the previous November, a company A330-342 on May 10 suffers an unexplained in-flight shutdown of one of its Rolls Royce Trent 700 engines. The carrier suspends its ETOPS flights and begins to inspect its fleet. Two days later, the colony's CAD withdraws its ETOPS approval for Trent 700-powered Airbuses.

On May 23, an A330-342 of **Dragonair (Pty.), Ltd.**, en route from Hong Kong to the Malaysian tourist destination of Kota Kinabalu, also suffers a Trent 700 in-flight shutdown and must divert to Subic Bay in the Philippines. At this point, the A330 fleets of both Cathay and Dragonair, plus that of **Gardua Indonesia**, are grounded.

Five days later on May 28 a short-term deal is signed with **Air Canada, Ltd.** Under terms of the arrangement, the Hong Kong-based major will wet-lease an Air Canada A340-313 for a few flights at the end of May and beginning of June as its own A340-313 fleet is being modified. The wet-lease commences with Cathay's May 29 return service from Toronto to Hong Kong. The last wet-leased flight is operated on June 4.

While the long-haul jetliners are under repair from May 26 to June 5, Cathay must reshuffle its schedules, cancel some flights, and consolidate others. A B-747-230B is leased short-term from **Deutsche Lufthansa, A.G.** and is employed, with other units in the Cathay fleet, to maintain 85% of the company's flights. Bookings for the July 1 political transfer of the British colony to the PRC are not affected.

Chairman Sutch estimates, however, that the grounding of his fleet has cost Cathay between HK\$120–150 million (US\$15.5–19.4 million) and weighs a suit for compensation against Rolls Royce. Three-class A340-313 service begins to Auckland in mid-June. Simultaneously, service to Osaka (KIX) becomes daily. Cathay now operates 80 weekly flights to Japan.

At the end of June, the B-747-267B *Heart of Asia* aircraft is unveiled; Chinese brushstrokes along the fuselage depict the Hong Kong skyline along with the Chinese symbols for "Home."

After much pomp and ceremony, the former British colony of Hong Kong is reclaimed by the PRC on schedule on July 1. The same day, **China National Aviation Co. (CNAC-2)** assumes final management control of **Dragonair (Pty.), Ltd.**

For the June 30–July 1 handover period, Cathay notes an overall downturn in traffic, including a sharp decline in arrivals at Hong Kong from Japan. Chairman Sutch will later note that the anticipated boom in business has not materialized largely due to visa uncertainties and overpriced hotel rooms.

On July 5, the *Heart of Asia* Jumbojet becomes the first Cathay jetliner to have its former Hong Kong registration changed to PRC, from VR-HIB to B-HIB. It will take six months to finish reregistering the remainder of the fleet.

According to a chart in an article by Dave English, Cathay A340-313s now operate one of the longest routes in the world—Hong Kong to Toronto, a distance of 7,788 st. mi. via Anchorage in 15 hrs. 15 min. (*Airways* [July–August 1997]: 21.)

After a nine-year legal battle waged in the Hong Kong Courts, Judge William Waung finds on August 25 that under the terms of the Warsaw Convention governing civil aviation, neither Cathay nor **Air New Zealand, Ltd.** are liable for the loss of the NZ\$300,000 (US\$181,000) that mysteriously disappeared from a jointly operated Hong Kong to Auckland service on April 27, 1988. The two airlines are ordered to pay the Hang Seng Bank of Hong Kong and the Bank of New Zealand the maximum legal compensation of NZ\$100 and the two banks are required to pay the cost of the legal action.

Pains are taken at the beginning of August to assure the world that CNAC-2 will not take over Cathay Pacific; however, CNAC-2 Vice President Zhang Xianlin does note that the possibility exists of leveraging its 35.86% interest in **Dragonair (Pty.), Ltd.** via a listing on the Hong Kong stock exchange. In September, CNAC-2 receives Chinese government approval to go public on the Hong Kong stock exchange.

Enplanements continue to slide as summer fades. Currency fluctuations in the region have an impact on pricing.

On October 28, three additional roundtrips are inaugurated to Sydney employing A340-313s. In an effort to help revive Hong Kong's slumping tourist industry, the company, on November 20, begins to offer economy roundtrips from either New York or Los Angeles for just US\$999 plus taxes.

It is announced on December 12 that, under terms of a recent agreement between the government of North Korea and IATA, Cathay has agreed to employ a B-747-467s to make the first overflight proving flight by an international carrier through that country's formerly closed airspace on March 1. Cathay's international operations manager, Paul Horsting, who is also a pilot and chairman of IATA's Asia-Pacific Coordinating Group, will fly the trial, which will depart from the carrier's normal route from Anchorage to Hong Kong via Takhtayamsk, Khabarovsk, Harbin, and Beijing.

To help recover lost traffic, the company introduces a two-for-one ticket sale; initial response to the promotion is good.

New services are introduced between October 26 and November 22. These include the addition of two flights between Hong Kong and Kuala Lumpur, bringing the total number of flights to 13 per week. In addition, one more weekly flight is added to Jakarta; Cathay now offers 14 flights a week to the Indonesian capital, the highest frequency of any carrier on that route.

An additional nonstop flight from Hong Kong to Singapore gives customers the option of three nonstop flights per day. Four new frequencies are added on the Manila service, bringing the total number of flights to that city from Hong Kong to 32 per week.

In late December, the company newspaper *The Weekly* reports that traffic for the first 10 months is down 7.4% over the same period the previous year. In light of the Asian economic crisis and its own traffic downturn, the carrier will now hold onto its 25 aircraft options, but will decide on which to turn into firm orders at a later date.

All of the year's challenges and problems lead to an 8.8% drop in passenger boardings, to 10,018,072; however, cargo rises 10.4% to 3.6 billion FTKs. Revenues are off by 3% to HK\$3.95 billion, while costs of HK\$3.64 billion are taken. Operating profit falls to HK\$309.72 million, while net gain drops to HK\$218 million.

At the beginning of 1998, Cathay is the 15th largest airline in the world in terms of operating profit, 18th in net profit, and 19th in operating income. Airline employment stands at 14,000 and the fleet, all of which is Stage III certified, includes 38 B-747s, 4 B-777-267s, 11 A330-342s, and 6 A340-313s.

Cathay, in January, receives the "Passenger Service Award" from *Air Transport World* magazine. In mid-month, the company must report the unhappy news that the success of its two-for-one ticket sale has been blunted. Asian tourists, especially those from Taiwan, are cancelling reservations at the rate of 15% because of the Hong Kong bird flu, which has caused the government to slaughter thousands of chickens to prevent human disease.

The Hong Kong Airport Authority now announces that, due to delays in operation of a connecting railway, the opening of the new Chek Lap Kok Airport will be pushed back two weeks to July 6.

In response to the continuing Asian economic downturn, the company announces in February that it will phase out all 7 of its B-747-267Bs by the end of the year, laying off the 40 flight engineers assigned to them.

A Cathay flight during the month results in a documented case of air rage. According to the Australian Broadcasting Corporation, while en route from Hong Kong to Sydney the British rock group *Oasis* and, in

particular its lead singer Liam Gallagher, and his 30-person entourage behave obnoxiously, disturbing many other passengers with their swearing, drunkenness, and other juvenile actions. The pilot and crew are largely unsuccessful in their attempts to control the group. After landing, Gallagher is interviewed by an Australian television crew and threatens to stab the pilot who had tried to provide discipline. The broadcast tape is provided to Cathay, which, after reviewing it, bans the rock group on March 12 from ever flying with Cathay again.

In accordance with the announced December 12 agreement between the government of North Korea and IATA, Cathay, on March 1, makes the initial trial flight through a North Korean corridor opened to international civil transport. Departing from the carrier's normal Anchorage to Hong Kong route flown via Takhtayamsk, Khabarovsk, Harbin, and Beijing, Cathay's pilot, Horsting, flies a B-747-467 from Anchorage to Takhtayamsk. He then flies to Yedinka, then south to the North Korean coastline (spending 20 min. in Communist airspace), across the South Korean border to Seoul, and then to Hong Kong.

Depending on weather, it is anticipated that the new routing can save as much as 50 min. on flights from East Asia to North America. Beginning on April 1, connecting passengers are able to obtain a free night in Hong Kong as part of their booking on the new daytime service that will be launched to or from Los Angeles.

On behalf of the *Star Alliance*, **Deutsche Lufthansa, A.G.** undertakes negotiations with Cathay during April concerning its possible membership in the consortium.

The company receives its first B-777-367 during a special ceremony at Everett, Washington, on May 21. Cathay is the first airline in the world to take delivery of the physically longest airliner type ever built.

At the beginning of June, Chairman Sutch announces his transfer, the following May, to the London headquarters of John Swire & Sons, Ltd. He will be succeeded by James Hughes-Hallett. At month's end, plans are announced for the inauguration of nonstop service in December from Hong Kong to San Francisco. A memorandum of understanding is signed with **Swissair, A.G.** on June 29.

Twice-daily B-747-467 nonstops commence on July 1 between Hong Kong and Los Angeles; one aircraft departs in the morning and one in the evening. Additional personnel changes also occur on July 1. Deputy Chairman Tsai retires and is succeeded by Managing Director Turnbull, who now becomes the airline's CEO. Turnbull's replacement is his lieutenant, Deputy Managing Director Philip Chen, who is named managing director/chief operating officer.

Capt. Horsting on July 5 again pilots a Cathay B-747-467 on a record-breaking flight. This time, while conducting a FANS-1 satellite navigation system test, his aircraft also conducts a revenue service from New York that departs on July 5.

Meanwhile, in the 12 hours before midnight on July 5, the entire administration, support services, and all tenants of Kai Tak Airport are transferred to the new Chek Lap Kok Airport some miles away. Trucks, vans, service carts, air stairs, and all other available vehicles are pressed into service to help handle the switch.

After departing Vancouver and Anchorage, Capt. Horsting's Jumbojet passes over the North Pole and then down to Hong Kong via Russian, Mongolian, and Chinese airspace. Having cut the normal 20 hrs. 20 min. flight time by 4 hrs. 30 min., the aircraft arrives at Chek Lap Kok Airport on its opening day, July 6.

Also on July 6, under terms of the new pact with **Swissair, A.G.**, the two companies introduce code-sharing on their seven weekly nonstops between the Zurich and the new Chek Lap Kok Airport.

The cargo-handling capability of the new airport is severely strained by start-up difficulties, leading to an embargo on air cargo by Hong Kong Air Cargo Terminals, Ltd. The move will have an impact on numerous airlines, including Cathay, as will the airport's dramatically increased landing, parking, and terminal charges, which are up by as much as 60%.

Cathay begins discussions with **KLM (Royal Dutch Airlines, N.V.)** on July 14 concerning a possible strategic partnership. The talks are announced by KLM's CEO, Leo van Wijk, during a visit to Bombay. Per-

mission is received from the U.S. government on July 22 for the launch of new daily nonstops to San Francisco.

Management and the carrier's pilot union become deadlocked during the month as contract negotiations break down.

Twice-weekly B-747-467 nonstops from Hong Kong to Istanbul commence on August 8. On September 6, an A340-313 with 260 passengers en route from Zurich to Hong Kong, narrowly avoids a midair collision with an **Aeroflot Russian International Airlines** Tu-154 passenger liner over Samara, Volga region. Turbulence eddies in the wake of the Tupolev jolt the Airbus, causing its onboard warning system to sound. Air traffic control on the ground does not inform the Hong Kong crew that the Tu-154 is close; however, its commander later radios an apology. Cathay officials report the incident in writing to both Russian and Hong Kong aviation authorities.

It is announced at a London news conference on September 21 that Cathay has joined its first airline alliance, the new *OneWorld* grouping established to compete with the *Star Alliance* headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by **American Airlines** and **British Airways, Ltd. (2)**, which continue their battle to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.**, both of which already have marketing partnerships with AA and BA, are also charter members.

Leaders of the five companies indicate that they will coordinate ticketing and flight schedules, while cooperating on frequent flyer programs. Other carriers will be invited to join and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces its membership before the day is over.

One airline that will not be invited to join, **Virgin Atlantic Airways, Ltd.**, hires a truck with a sign painted on its side proclaiming "no way" and has it parked, illegally, outside the building where the *OneWorld* news conference is held. A spokesman for Virgin indicates that his airline will gladly pay the parking ticket to get its point over.

After months of labor-management discord, **Philippine Airlines (PAL)** shuts down at 12:01 a.m. local time on September 23. A government-appointed management committee, which had begun negotiating with several foreign carriers concerning equity shareholding, agrees when President Joseph Estrada's administration, via its partially owned holding company PBN, contracts with Cathay on September 26 for the operation of short-term cabotage charter flights. Estrada defends his action to the media as having been taken on a temporary and emergency basis so as not to disrupt tourism and commerce.

Under the direction of Cathay Managing Director Chen, the Hong Kong-based major begins flying Philippine domestic routes on September 28, initially operating six roundtrip flights each day from Manila to Cebu City, Davao, Cagayan de Oro, Bacolod, Tacloban, and Puerto Princesa. The airline contributes 5 A330-342s to the endeavor, while also employing 3 PAL aircraft staffed by PAL pilots and flight attendants. PAL ground crews service the aircraft. Cathay continues to maintain its 38 weekly roundtrips between Hong Kong and Manila.

President Estrada is a passenger on the first flight between Manila and Cebu City, where he meets with local officials and again stresses that these cabotage flights will only be maintained until Filipino carriers can take over.

The sight of the Cathay aircraft in Philippine skies has a significant impact on businessmen, government officials, members of the public, and, perhaps most importantly, upon those continuing in the negotiations between management and labor at PAL. During the day, President Estrada is able to announce an end to the strike and notes that the Cathay cabotage flights will cease as soon as PAL returns to service, hopefully as early as the first week of October.

While these overseas activities continue, Cathay works to position itself for a healthy recovery from the regional economic crisis that has been labeled "the Asian flu." By October 1, the fleet includes 63 aircraft, including 10 added so far this year and at least 3 to be added throughout

1999. Plans are also well underway for the deployment of these jetliners to more stable markets, such as Los Angeles and Sydney, and for the improvement of one-on-one customer services.

In Hong Kong on October 5, Managing Director Chen announces that he has received word that PAL will return to service within two days. Given this development, it is further noted that Cathay will cease its temporary cabotage operations for the island nation on October 7, having provided a total of 60 chartered flights. The last Cathay cabotage service operated in the Philippines is the 10 p.m. Wednesday flight from Manila to Cebu City.

On October 8, it is revealed that the Asian economic crisis has caused a 20% drop in 1998 revenues for the carrier. A net loss of HK\$175 million (\$22.6 million) is posted for the first half of the year, compared to a HK\$1.07-billion profit at the same point in 1997.

Rumors concerning the future of **Philippine Airlines (PAL)** become rampant. Although Cathay is in negotiations with the government of President Estrada concerning a possible investment, the talks are far from finished. PAL scraps plans to resume international flights on October 13 at the request of potential investors, including Cathay. The foreign companies wish to undertake feasibility studies.

On October 15, two Hong Kong newspapers run reports that a deal has been struck and that **Northwest Airlines**, another suitor for PAL's hand, has withdrawn from negotiations. Both airlines deny these assertions.

On a more factual basis, it is also reported on October 15 that Cathay has entered into a strategic alliance with **Japan Air Lines Company, Ltd. (2)**. Under its terms, the two will share codes on some routes between Hong Kong and Japan and their frequent flyer programs will be linked. The pact will take effect in early 1999.

Four days later, the company admits to the media that "active discussions" are underway concerning a possible equity stake in PAL, but emphasizes that no decision has been taken on whether or not to invest in the troubled Philippine flag carrier.

Also on October 19, the company's Flight Training Center at Hong Kong's new airport is topped off. When completed, the building will house flight simulators and provide flight safety training.

The carrier eliminates smoking on flights between Hong Kong and Japan beginning on October 25, thereby becoming totally smoke-free. It also eliminates service to Sapporo and cuts back the number of weekly return flights to Indonesia from 24 to 19.

Swissair, A.G.'s five weekly frequencies from Zurich to Hong Kong are augmented on October 25 by four additional weekly flights operated by Cathay under the new dual-designator pact. A company spokesperson on October 26 insists that no decision on acquisition of a stake in **Philippine Airlines (PAL)** has yet been made. The next day, a PAL executive expresses interest that Cathay will acquire a 40% interest and that its proposal will be submitted before the close of business.

Philippine Airlines (PAL) Executive Vice President Aquino informs the press on November 5 that Cathay had made a conditional equity offer for PAL two days earlier. President Estrada indicates that Cathay has his blessing to take over management control.

At Cebu for a meeting, Philippine Finance Secretary Edgardo Espiritu also confirms to the media the existence of a proposal, while adding further detail. He, however, raises a number of management issues yet to be ironed out. Among these is a Philippine law which requires that certain of the airline positions be held by citizens, including 60% of the board seats, and that no more than 40% of a utility may be owned by foreign interests.

Espiritu indicates that the process for the transaction will be for PAL to implement a capital hike that will dilute the holdings of Chairman Lucio Tan's group from the present 56.63% and allow the new partner to join. Tan, himself, will be stripped of his management roles, but will retain a board seat. Stockholders, old and new, will need to infuse P 6 billion (\$150 million). At least two or three weeks will be required to complete final arrangements in order to allow Cathay time to study PAL's technical systems.

When contacted for his reaction to the optimistic Filipino comments, Cathay Chairman Sutch indicates that the airline will insist on having

management control. "That will need quite a lot of negotiations," he tells Reuters, Ltd., "I expect them to continue for a long time yet."

While negotiations between PAL and Cathay continue, **Northwest Airlines** makes an offer on November 6. It involves only management support, without a capital infusion.

During the talks between the airlines, Cathay also unveils a new frequent flyer program called *Asia Miles*. The program will take effect in February and replace the previous *Passages*, for which only premium-class passengers were eligible.

A "source involved in the talks" refuses on November 9 to confirm Asian media reports of the past few days that Cathay is willing to inject \$75 million-plus into **Philippine Airlines (PAL)**, but does note that the figure will be less than the carrier had sought. Additionally, the unnamed reporter indicates that PAL will not only accept the figure, but also turn over management control to Cathay in any manner the Hong Kong-based major desires. The Filipino laws will be followed and methods will be found to bend them to meet necessity.

Cathay Pacific and the interim rehabilitation receiver of **Philippine Airlines (PAL)** jointly announce on November 10 that the PAL receiver has accepted Cathay's conditional proposal for a possible investment in PAL. Their statement indicates that the two sides will now work together to draw up a comprehensive rehabilitation plan for the financially troubled Filipino flag carrier, which will be submitted to the Philippine Securities and Exchange Commission (SEC) and creditors for final approval. Although the exact amount of equity infusion by Cathay and the Tan Group and local investors is not yet determined, it is expected to be in the \$75 million-plus range the media has been reporting. It is anticipated that as much as a month may be required to complete the rehabilitation plan.

The next day, Cathay CEO Turnbull indicates that his carrier has made a provisional offer of P 3-4 billion, but that he expects the offer will include a group of foreign investors, which together will hold the 40% stake allowed under Filipino law. It is also reported that Cathay wishes the Philippine government to divest its shareholding in **Philippine Airlines (PAL)**, although PAL Executive Vice President Aquino stresses that such a divestment is not an absolute condition of Cathay's investment.

Jaime Bautista, the Filipino company's chief financial officer, informs reporters that it would be perfectly acceptable for Cathay to link up with the Philippine National Bank or a local affiliate of the American International Group to obtain 50% control of the airline. This would skirt the national law limiting foreign ownership to a 40% maximum.

On November 13, PAL, in light of developments, requests that the SEC extend its deadline for the submission of a rehabilitation plan. In light of foreign creditor's support and the relaunch of two more long-haul routes on November 18, the SEC approves the request on November 19. The new due date will be December 7, the same day Cathay is set to complete its 25-day final due diligence leading to the hoped-for injection of fresh capital.

Having become restless over fears of retrenchments should a deal with Cathay actually be struck, an independent group of PAL workers calls for a rally outside company headquarters in Manila's Makati business district on November 20. Few workers turn up.

Of greater concern are mounting losses, which must also be reported this Friday. The net loss for the period from March through the end of September has accelerated to P 6.099 billion (\$154 million), up from P 2.11 billion a year earlier. Revenues for those six months, meanwhile, have plunged to P 11.74 billion from P 17.58 billion the previous year. PAL officials from Executive Vice President Aquino on down realize that the loss will have an impact on Cathay's valuation of the company and may eventually undermine talks between the two carriers. There is no immediate comment from Hong Kong.

While en route from Auckland to Hong Kong at 33,000-ft. on November 21, Flight 108, an A340-342 with 232 passengers, suffers the failure of an air valve in its pressurization system, which causes loss of cabin pressure. An emergency dive, requiring just 2-3 min., is made

down to the 10,000-ft. level and the aircraft diverts to Sydney. The wide-body lands without incident and no injuries are reported; the customers all make it to Hong Kong the next day aboard another flight.

A senior Philippine government official, noting on November 25 that the proposed arrangement with Cathay is in significant difficulty and probably will not go through, now openly suggests that **Northwest Airlines** might be better suited for a tie-up with his country's flag carrier. The source, Executive Secretary Ronaldo Zamora, in a radio interview reported by Reuters, Ltd., indicates that Cathay has put forward new and unacceptable conditions, including the removal of pilots who had returned to work following the June pilots' strike. He confirms, as does President Estrada in a separate interview, that Chairman Tan is in the U.S. for talks with Northwest.

Daily nonstop A340-342 return service is inaugurated on December 1 between Hong Kong's new Chek Lap Kok Airport and San Francisco. Having negotiated for another week, both Cathay and **Northwest Airlines** pull out of investment discussions with **Philippine Airlines (PAL)** on December 2.

Philippine President Estrada confirms that the Northwest talks have fizzled, but expresses hopes that he can convince the Hong Kong-based major to continue. In a statement from Manila, a Cathay spokesman indicates that the parties involved could not resolve "certain critical issues" and, consequently, the airline chooses not to pursue this investment opportunity.

Insiders let it be known to the media that neither PAL's unions or Estrada himself have been flexible in the matter of management control issues, particularly requested staff cuts, while Cathay has also been troubled by valuation of the airline and the lack of profit margins on domestic routes. These are now mostly unprofitable as a result of the depreciation of the Philippine peso.

Estrada indicates the next day that he has a letter of assurance from Cathay that it will return to the bargaining table. There is disagreement on that point from Cathay. In Manila, Cathay's local station manager Peter Foster bluntly indicates, "We are not having talks with them, the talks are over." In Hong Kong, Cathay CEO Chen more gently but just as firmly confirms withdrawal from talks with PAL and thanks the Philippine government for allowing the carrier an opportunity to pursue the opportunity. "We wish Philippine Airlines well," he adds, "and we will remain open to future cooperation in other areas of mutual benefit."

Following a directive from the U.S. FAA on December 4 urging that the fuel pumps of B-747s employed on very long-haul routes be inspected, a spokesman for the airline indicates that a crew will be sent to Anchorage, just in case head winds force weekend Los Angeles services to stop for fuel.

Philippine Finance Secretary Espiritu announces on December 7 that his government's financial institutions could provide bridge financing for **Philippine Airlines (PAL)** through April if necessary. At the same time, President Estrada indicates that he has once again invited Cathay to a meeting the next day where the parties may resume talks.

On December 8, Espiritu sweetens the deal for Cathay, indicating that the Filipino government will provide bridge financing through April if Cathay will come in; no capital infusion would be expected from Cathay before that time. The company rehabilitation plan presented to the SEC the previous day envisages an injection of fresh capital of \$150 million. The first tranche of \$90 million, to be paid as soon as the plan is approved, would be put up by PAL Chairman Tan and other investors.

Despite the new offer, Cathay does not send a representative to meet with Chairman Tan or other PAL officials during the day. A disappointed President Estrada indicates a meeting has been rescheduled for sometime within the next week.

Cathay Managing Director Chen notes for reporters on December 9 that the airline has had no formal approach by the Philippine government for a resurrection of equity discussions, despite all of the information coming out of the Philippines to the contrary. Indicating that his airline has put a lot of financial and manpower resources on the due diligence, Chen reiterates that talks to acquire a stake in PAL are over.

At the same interview, Chen reports that the carrier's workforce has been trimmed by 1,000 staff since the beginning of the year to a present 14,100. Additionally, it is admitted that the air cargo problems at Hong Kong's new Chek Lap Kok Airport will cost the airline HK\$400 million in lost revenues by year's end.

In a radio interview on Christmas Day, Philippine Executive Secretary Zamora indicates that **Philippine Airlines (PAL)** is holding discussions with both **Northwest Airlines** and Cathay Pacific concerning their possible investment. Although both foreign airlines had indicated weeks earlier that talks were dead, Zamora is quoted to the contrary by the Associated Press. "The truth is their discussions are continuing," the official notes, "However, in order not to disturb the talks, they are not disclosing this to the public."

Four days later, on December 29, President Estrada also confirms the talks and optimistically hopes that a settlement, probably with Cathay, will be concluded "by next month."

On every flight since July, Cathay has distributed envelopes to passengers encouraging them to donate all of their small change to help UNICEF. It will be reported on March 15 that the effort has brought in HK\$24 million for the children's organization.

During the 12 months, passenger bookings have risen a slight 2.8% to 10.29 million. Cargo traffic is off by 7.8% to 3.33 billion FTKs.

Revenues of HK\$3.44 billion are generated; however, costs, at HK\$3.52 billion, are high. At least HK\$100 million is tied up in the move to the new Hong Kong airport as well as in the delivery of 10 B-777-367s and A340/330s. The net loss, for one of the world's most consistent airline money makers, is HK\$542 million (\$70 million). Cathay records show an annual net loss last reported in 1963.

It is announced on January 8, 1999, that PAL has hired a team of former Cathay officials to help it restructure. Regent Star Services (Pty.), Ltd., a consultancy firm established and led by former Cathay Taiwan/Philippines General Manager Foster and Swire Pacific (Pty.), Ltd. Financial Director Michael Scantlebury, receives a five-year technical services contract. The new management team is given extensive powers to turn around the debt-ridden carrier and Foster is personally guaranteed by President Estrada that the investment required to restructure the airline will be provided.

Once the team takes over on January 13, Foster quickly moves to revisit a number of creditors who have so far rejected the airline's rehabilitation plan. He also rejects the idea of renewed negotiations with Cathay, his former employer.

After weeks of negotiation, the union representing Cathay's flight attendants put forward a proposal on January 14 which would see its members fly more hours (though not as many as the carrier desires) in exchange for a pay increase. Management rejects the plan. Matthew Cheung, the territorial commissioner for labor, is drawn into the talks, which continue amidst rumors of a possible strike.

Six days later, on January 20, the flight attendants back off of their demands of the struggling airline and agree to work an extra four hours each month for a 3.5% pay increase.

The *OneWorld* global alliance is formally implemented on February 1 with **American Airlines**, **British Airways, Ltd. (2)**, **Canadian Airlines, Ltd.**, and **Qantas Airways (Pty.), Ltd.**

Cathay joins with **Japan Air Lines Company, Ltd. (2)**, also on February 1, in linking their frequent-flyer programs as part of the implementation of their new code-sharing agreement.

A new "Spirit of Hong Kong Into the New Millennium" campaign is launched on February 6 designed to remind citizens of the resilience of Hong Kong and urging them to work together to overcome the challenges faced by the former British crown colony. To that end, a design contest, running through April 1, is announced for a livery design to be painted on a B-747-467. The winner will receive HK\$25,000 and a trip to Seattle to join in the delivery flight of the new Jumbojet.

Documents are completed on February 8 to lease a pair of B-747-267Bs to **Virgin Atlantic Airways, Ltd.** for five years on a lease-purchase

contract. Cathay will refurbish and repaint the Jumbojets to Virgin's specification before delivery.

Also on February 8, the U.S. trade magazine *Aviation Week & Space Technology* announces its aerospace laureates for 1998. Among those honored, in the category of commercial air transport, is Chairman Sutch. The award winners will receive their prizes at a dinner at the Smithsonian Air and Space Museum at the end of April.

The *South China Morning Post* reports on March 2 that the carrier's management will seek permission from the board of directors at their March 10 meeting to offer stock options to pilots during salary negotiations that would also have the flyers facing maximum 27% pay cuts. The threat of industrial unrest is raised again the next day when the Hong Kong Aircrew Association (HKACA) says it will not accept any form of salary reductions unless the airline can prove it faces serious long-term financial difficulties. The situation is reminiscent of that faced by **Air France** in mid-1998.

After some weeks of negotiation, a long-term agreement is signed with **Pakistan International Airlines Corporation** (PIA) on March 5 under which the North Asian airline will charter all 6 of Cathay's B-747-367s. Meanwhile, 2 B-747-267Bs are chartered to **Virgin Atlantic Airways, Ltd.**, 2 are leased by **Air Atlantic Icelandic, H.F.**, and 3 are parked.

Having posted its first net loss in 35 years, the company's directors, on March 10, authorize management to proceed with its plan to cut pilot salaries an average of 8% under a stock option plan. News of the implementation, minus the details, is released to the public on March 16.

On March 19, the HKACA, with 1,040 members, files a writ in the High Court alleging "continual erosion" of their contracts through a series of amendments in the operations manual made in 1996 and 1997.

The HKACA action is in addition to the separate battle being waged by the airline's pilots over proposed pay cuts. On March 20, representatives of the pilots' union, which does not accept the plan and does not rule out industrial action, meets with management for further discussions.

On March 26, management offers its pilots the opportunity to choose, by April 9, from a number of pay cut and stock options to be made available as part of the airline's cost-cutting exercise. The principal choices are the acceptance of stock options in return for pay cuts of up to 27% or resignation with six months severance pay.

Under its terms of the accord signed in the fall, Cathay and JAL begin dual-designator service on March 28 from Osaka (KIX) to Hong Kong. Two days later, the company extends its pay-stock deadline for pilots from April 9 to April 30.

Flights with JAL between Nagoya and Hong Kong start on April 1.

For the second time, the company, on April 26, resets to May 31 the deadline for pilots to accept a proposal for pay cuts.

A memorandum of understanding is signed at Hong Kong on April 28 by Deputy Chairman Turnbull and **South African Airways (Pty.), Ltd.** President/CEO Coleman Andrews for a long-term commercial agreement. Under its terms, the two companies will link their frequent flyer programs, offer code-sharing flights, and cooperate on ground handling.

On April 30, Cathay signs with CNN International and Time, Inc., becoming the first category-exclusive sponsor of CNNI's weekly interactive discussion program *Q & A Asia*.

Given the pilot situation and the general Asian economic climate, Cathay, in early May, puts out feelers to other airlines concerning the possible lease to them of two A340-342s and one B-747-467.

With the time for the pilots decision fast approaching, Cathay management, on May 26, informs its 650 senior pilots that their employment contracts will be cancelled if they reject the company's latest offer.

Three days later, the pilots begin a 12-day slowdown that forces the company to cancel hundreds of flights and costs HK\$25 million (US\$3.2 million) daily. Following intercession by the Hong Kong Labour Department, the HKACA caves in on June 10 and accepts the management offer.

Following an upswing in the regional economy and an improvement in the economic outlook, including bookings, for the airline, Cathay, on July 15, withdraws its May offer to lease three large aircraft.

Typhoon Sam plays havoc with service at Chek Lap Kok Airport on August 22-24. Following the **China Airlines (CAL)** crash on August 22 that causes delays, additional problems are encountered by Cathay and CAL, in particular, during the next two days. A total 77 incoming flights are delayed on August 23, 20 are cancelled, and 14 diverted, with 122 outgoing flights delayed and 16 cancelled. The next day, a total of 175 scheduled flights in and out of Hong Kong are delayed, none are diverted, and 39 are cancelled.

A new code-share service begins with **Canadian Airlines, Ltd.** on October 31, with Cathay placing its code on Canadian services from Toronto to Hong Kong via Vancouver.

The company's new corporate headquarters, Cathay Pacific City, is opened in November. By year's end, the fleet has been increased by the addition of 3 A340-313s chartered from **Air China International Corporation**, while, also in December, 3 more of the same type are ordered new, along with 2 B-747-400Fs.

Customer bookings this year climb 2.1% to 10,516,000 while cargo accelerates 14.3% to 3.76 billion FTKs. Operating revenues swell 7.9% to HK\$3.69 billion, while costs are held to HK\$3.33 billion. The operating profit is HK\$363.19 million while the previous year's net loss becomes a HK\$281.98 gain. The carrier's cargo division is justly proud that it has been able to turnover HK\$1 billion.

By the start of 2000, airline employment has been reduced by 5.3% to 13,224. Among the world's top 25 airlines at the start of the new millennium, Cathay is 10th in FTKs, 22nd in operating revenue, 14th in operating profit, and 12th in net gain.

On January 26, a comprehensive code-sharing agreement is signed with **American Airlines**. Pending government approval, Cathay will place its designator code on American's U.S. domestic services beyond Cathay's U.S. gateway cities, as well as flights between the U.S. and certain Latin American destinations. Another A340-300 is requested of ILFC in February.

A new code-sharing agreement begins with **British Airways, Ltd. (2)** on March 26. Under its terms, Cathay places its designator on BA flights operating from London (LHR) to Belfast, Edinburgh, Glasgow, and Manchester.

A proposal to purchase a minority stake in **China Eastern Airlines Company, Ltd.** is rebuffed by the management of the mainland carrier on April 1. In May, plans are announced for the employment of another 80 pilots.

Also in the spring, landing and parking fees at Hong Kong's international airport are lowered and help the airline to somewhat offset steadily rising fuel costs.

On May 18, Flight 829, an A340-313 with 16 crew and 127 passengers, operates for proving purposes via the Polar 2 route directly over Hudson Bay, the first nonstop commercial service between Toronto and Hong Kong. The first transpolar flight from Canada and the first transpolar service operated with an Airbus product comes within 50 nm. of the North Pole and covers the 7,221 nm. distance in 14 hrs. 59 min.

A new company one-month boarding record of 1,085,533 passengers is set in July. The same month extra frequencies are added to Cebu, Bahrain, Dubai, Rome, and Seoul.

The number of company cargo destinations is increased to 19 on September 1 with the inauguration of twice-weekly B-747F service to San Francisco, thrice-weekly flights to New Delhi, and a weekly run to Penang.

On September 2, the thrice-weekly Hong Kong-Bangkok return route is extended with A340-313s to Karachi. Thrice-weekly B-747F flights begin on September 20 from Hong Kong to London (LHR) via Delhi. Twice-weekly B-747F return flights to the Malaysian city of Penang start on September 23.

A code-sharing agreement is signed with **THY Turkish Airlines (Turk Hava Yollari, A.O.)** on September 22 covering service over the Hong Kong-Istanbul route.

During the month, extra frequencies are also added to Jakarta, Johannesburg, Kuala Lumpur, Los Angeles, Rome, Seoul, and Singapore.

During its climb after takeoff from Rome for Hong Kong on November 1, Flight 292, an A340-313, encounters a flock of birds that damage two of its four engines; a safe emergency landing is made back at the point of origin and no injuries are reported.

CATSKILL AIRWAYS: United States (1966–1989). Stephen Low forms this New York air taxi operation in the summer of 1966 to offer daily roundtrip scheduled as well as charter and contract service flights from a base at Oneonta Municipal Airport to New York (LGA). A Rockwell Aero Commander 500 is employed to launch scheduled revenue frequencies in September, while a Beech B-58 Baron is assigned to handle nonscheduled work.

The Aero Commander is traded in during 1967 for a Beech B-80 Queenair. One plane-one route operations continue apace during the remainder of the decade and through the 1970s.

By 1981, enplanements are 8,675. The Queenair is replaced by a Beech 99 in 1982, but does not arrive in time to prevent a slip in bookings to 8,175. Passenger boardings do rise to 9,550 in 1983 and to 10,818 in 1984.

Following the purchase of **Empire Airlines** by **Piedmont Airlines** in 1985, founder Low elects to expand his tiny origin and destination carrier. In a move unique at this time, the founder appoints Sandra Wallace as general manager and promotes Capt. Carol Lind operations director.

The two women begin recruiting additional staff and order 2 more Beech 99s. In November, flights commence from Oneonta to Utica and Rome. Bookings reach 11,163.

With the recession largely over by 1986, Low's workforce is increased 400% to 60 and 2 more Beech 99s are acquired. Scheduled service is inaugurated to Boston and Newark. Enplanements soar 144.8% to 27,315.

In 1987, Islip and Philadelphia are added to the route network, but traffic statistics are withheld. By 1988, the company has added routes to Boston, Newark, and Utica. During the summer, the company moves to the latter destination.

Robert Peach Jr., son of the longtime president/CEO of **Mohawk Airlines** (1), establishes the holding company **Horizon Air, Inc.** at Syracuse in early 1989. Peach employs the new entity to acquire **Catskill Airways** in the spring. The new owner at first plans to name his prize **Mohawk Airlines** (2) after Peach Sr.'s company. **USAir**, the renamed **Allegheny Airlines** that had purchased Mohawk in 1971, files an objection.

At this point, the Catskill subsidiary is labeled **Manhattan Air** and is shifted to a Syracuse hub. On June 24, service is introduced to Martha's Vineyard and Nantucket from Islip, New York, and New Bedford, Massachusetts. **USAir** now agrees to Peach's moniker request and Manhattan Air becomes the second Mohawk, launching service in July with a fleet of 2 Beech 1900s and 7 Beech 99s.

CATSKILL HOLIDAY AIRLINES. See **HOLIDAY AIRLINES** (4)

CAUSA (COMPANIA AERONAUTICA URUGUAYA, S.A.): Uruguay (1936–1967). Uruguayan industrialist Luis J. Supervielle forms CAUSA at Montevideo on December 29, 1936. With initial capitalization of a million pesos (approximately \$550,000), the new entrant acquires a pair of Junkers Ju-52/3m floatplanes from Germany. Christened *El Uruguayo* and *El Argentino*, they are used to inaugurate daily service to Buenos Aires on March 12, 1938.

The route is extended beyond Montevideo to Punta del Este in January 1940. Colonia, opposite Buenos Aires, becomes a destination in 1943.

In 1946–1962, in cooperation with first Dodero shipping line subsidiary **ALFA (Aviacion del Litoral Fluvial Argentino, S.A.)** and after 1949, its state-run successor, **Aerolineas Argentinas, S.A.**, CAUSA runs twice-daily turnaround flights between the two national capitals. This service is initially undertaken by 3 Short S.25 Sunderland 3s and later 2 ex-**British Overseas Airways Corporation (BOAC)** Short S.25 Sandringham 7s.

Although a Sandringham 7 is lost on October 22, 1955 and a Sunderland 3 on September 11, 1956, the route proves successful enough for the carrier to add a third Sandringham flying boat, along with 4 Curtiss C-46 freighters.

Facing increasingly stiff competition from the Douglas DC-3s and Vickers Viscount 745s of **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)** and Curtiss C-46s of **ARCO (Aerolineas Colonia, S.A.)**, the latter offering coach-air service, CAUSA's finances and service begin to deteriorate. Despite the addition of 3 former **KLM (Royal Dutch Airlines, N.V.)** Lockheed L-749A Constellations in 1963, the carrier cannot maintain its viability and suspends operations in 1966.

In 1967, an effort is made to restart operations as backers apply to the Dynallectron Corporation for the lease-purchase of 3 Lockheed L-1049H Super Constellations, including one once flown by **Resort Airlines**. The company again encounters financial difficulties and this time the Uruguayan government cancels its operating permit at year's end.

CAUSEY AVIATION SERVICE: 6120 Smithwood Rd., Liberty, North Carolina 27298, United States; Phone (910) 685-4423; Fax (910) 685-4419; Year Founded 1967. B. Winfield Causey Jr. sets up this concern as an FBO at Liberty, North Carolina, in 1967. Simultaneously, executive and small group passenger charters are also undertaken.

Thirty-three years later in 1998–1999, Causey employs seven pilots and operates the following aircraft from Causey Field: a pair of Beech King Air 100s and Cessna 550 Citation IIs, plus one each Super King Air 200, Beech 58 Baron, and Piper PA-325 Navajo.

CAVE (COMPANIA AEREA VIAJES EXPRESOS, S.A.): Venezuela (1992–1994). Established as an air taxi at Caracas in 1987, CAVE begins to undertake scheduled passenger and cargo commuter flights to surrounding destinations beginning in early 1993. Managing Director Dr. William Pacanins's fleet comprises 3 Cessna 402Cs, 3 Swearingen Metro IIIs, 1 Britten-Norman Islander, and 1 Britten-Norman Trislander. A fourth Metro III arrives in 1994, just before the company shuts its doors.

CAVSA (COMUNICACIONES AEREAS DE VERACRUZ, S.A. de C.V.): Mexico (1934–1945). At Jalapa, capital of Veracruz state, Francisco "Pancho" Buch de Parada forms CAVSA in early 1934. A number of route concessions are obtained within the state, which the owner begins flying with a bright red Fairchild 71 christened *El Espinazo del Diablo* (*The Devil's Backbone*).

During the late 1930s, the fleet is upgraded by the addition of Pilgrim 100s and multistop service is inaugurated to Puerto Mexico. Two Curtiss Condor IIs are added in 1940.

William T. Churchill Morgan purchases CAVSA in June 1943 for 575,000 pesos. Immediately, the new owner purchases Garrett "Peck" Woodside's **Compania Aeronautica del Sur, S.A. de C.V.** Lockheed Model 10 Electras are placed in service. In 1945, Morgan changes the carrier's name to **ALASA (Aerovias Latino Americanas, S.A.)**.

CAYMAN AIRWAYS, LTD.: P.O. Box 1101, Grand Cayman, Cayman Islands; Phone (809) 949-8200; Fax (809) 949-7607; <http://www.cayman.com.ky/com/cal/index.htm>; http://www.caymans.com/~caymans/cayman_airways.html; Code KX; Year Founded 1968. Cayman Brac Airways, Ltd., founded by **LACSA (Lineas Aereas Costarricenses, S.A.)** of Costa Rica in 1955 to operate a feeder service on behalf of **British West Indies Airways, Ltd. (2)**, is reorganized by the Cayman Islands government in July 1968 to form the present carrier. Shareholding is divided between the government (51%) and **LACSA (Lineas Aereas Costarricenses, S.A.)** (49%). Services to Jamaica are maintained with a British Aircraft Corporation BAC 1-11-409 leased from the airline partner.

In 1971, Cayman is designated the U.K. carrier to serve the Miami–Grand Cayman route under the Bermuda Agreement between Britain

and the U.S. Flights over the new route commence and operations continue apace through **1976**.

During these years, LACSA upgrades its BAC contribution to Cayman, providing the *Arenal*, a chartered DASH-531 that operates under the name *Cayman Progress*. The British-made jetliner flies from Georgetown to Kingston, Miami, and later, to Houston.

For the winter season of **1977** that begins in October, a Douglas DC-9-15RC is leased from **Air Florida**.

In December, the government purchases the **LACSA (Lineas Aereas Costarricenses, S.A.) interest** and the carrier becomes state-owned and operated.

The domestic route of Cayman Brac, Grand Cayman, and Little Cayman is maintained in **1978** with a Britten-Norman BN-2A Trislander and a Douglas DC-3. The **Air Florida** Douglas is returned in March. A Douglas DC-6F is employed on an all-cargo route to Miami and the fleet's BAC flies not only to Miami, but also to Jamaica and the Turks and Caicos Islands. A second 1-11, a BAC 1-11-523 previously operated by **Transbrasil, S.A. (Linha Aerea)**, is delivered in late May. Christened *Cayman Victory*, it, too, flies to Miami.

By the end of the **1970s**, Chairman V. G. Johnson's airline employees 52 workers.

Financial difficulties caused by high fuel prices, low traffic totals, and the world economic situation plague the carrier throughout the early **1980**.. Still, the fleet is upgraded by the addition of 2 Boeing 727-227As (previously operated by **Air Florida**) and a DC-8-51F in **1982** the 1-11s are returned to BAC and sold.

In December **1984**, Miami to Grand Turk and Providenciales service becomes thrice-weekly. Enplanements for the year total 226,177.

In mid-December **1986**, the B-727-227As inaugurate holiday charter and inclusive-tour flights to the Cayman Islands from Chicago, New York, Detroit, Tampa, Atlanta, Philadelphia, Baltimore, Boston, and St. Louis. Simultaneously, and in cooperation with **Piedmont Airlines**, the company expands its Cayman Caper vacation program to nine Florida cities.

Cayman inaugurates thrice-weekly nonstop service from Grand Cayman to Tampa and twice-weekly flights from Grand Cayman to Atlanta in September **1987**. Operations continue apace in **1988**.

In **1989**, the fleet of the government-owned flag carrier includes 2 leased B-727-227As and 1 owned Shorts 330. Orders are placed for 2 leased B-737-4Y0s, the first of which is placed into service on November 26. On Fridays, Saturdays, and Sundays beginning on December 15, the new "Baby Boeing" makes roundtrip flights to New York (JFK).

In **1990**, the trimotors are replaced when the second chartered B-737-4Y0 arrives. From February through March 31, the airline offers deep discount same day fares from its Miami (\$186) and New York (\$286) gateways, respectively, to the Cayman Islands. In December, twice-weekly flights are initiated to Grand Cayman from Houston and 21 per week coming in from Miami. Enplanements for the year total 356,073.

Cayman increases its number of short-haul jetliners significantly in **1991**, adding by lease one each B-737-205A, B-737-236A, and B-737-2S2C. An order is placed for a B-737-4Q8 and the Shorts is withdrawn. In January, five weekly return flights are inaugurated from New York to both Grand Cayman and Grenada. In June, roundtrip flights begin from Miami to Provo Island.

In a protest against **American Airlines'** decision to add a second daily flight between Miami and the islands, the flag carrier places an open letter into *The Wall Street Journal* on June 18. The company asks the major's chairman, Robert Crandall, to discontinue his new service at the risk of jeopardizing the jobs of Cayman's 360 employees. American's schedule is not altered. Late in the year, a B-737 overshoots the runway at Roberts Airport and crashes into the bay; no injuries are reported.

Passenger boardings climb 6.5% to 380,826.

The fleet in **1992** grows by the addition of the B-737-4Q8. Cayman becomes a code-sharing partner of **USAir** in January and inaugurates services to Baltimore-Washington International Airport in April, along with connecting service at Tampa. Not only does the company face com-

petition in its markets from **American Airlines**, which doubles its frequency to twice-daily in July, but, beginning in November, but from **United Airlines** as well.

In **1993**, Chairman Leonard Ebanks and Managing Director Ray Wilson oversee a workforce of 300. The chartered B-737-4Q8 enters service and markets served from George Town include Atlanta, Houston, Kingston, Miami, and Tampa. Cayman Brac and Little Cayman are linked. A huge \$8.8-million operating loss is suffered.

Operations continue apace in **1994**. In December, a comprehensive code-sharing and marketing agreement is signed with **United Airlines**. In addition to linked frequent flyer programs, schedule coordination, and joint advertising and promotion, the two code-share services from Miami and Tampa to Grand Cayman and Cayman Brac.

Although traffic figures are not released, financial figures are; these show an operating loss of \$3.2 million on revenues of \$30.9 million.

The number of U.S. gateways served directly or by dual-designator stands at five in **1995**—Charlotte, Baltimore (BWI), Houston, Tampa, and Miami. On May 1, **1996**, daily nonstop B-737-236A roundtrips commence between Grand Cayman and Orlando.

Destinations visited in **1997** include Atlanta, Houston, Miami, Montego Bay, Tampa, and various markets in the Caribbean. In April, the Boeing 727-23 of U.S. start-up carrier **Panagra Airways** is chartered for six weeks while Cayman's two B-737s undergo certification maintenance checks. The trijet is operated on all Cayman routes; the aircraft comes with a first-class section that is test-marketed as a business-class. A \$1.62-million operating loss is reported.

Flights continue in **1998**. On November 1, the company posts a choice of six new aircraft color schemes on its website and asks visitors to vote for their favorite.

On May 1, **1999**, Cayman aviation minister Truman Bodden presents information on the airline's finances to the national parliament. Despite a \$5.38-million government subsidy, the airline's operating loss for 1998 grew by 32.2% to \$2.15 million.

Having acted as deputy board chairman in the absence of now-retired chairman Leonard Ebanks, Caymans lawyer Sheridan Brooks-Hurst is elevated to the airline's top post on October 15. She becomes one of, if not the, first women to head a Caribbean airline.

Despite a \$5.38 million government subsidy, the year's operating loss jumps 32.2% to \$2.15 million.

Service and income continues to deteriorate during the first quarter of **2000**. In early March, over 400 passengers are stranded at Miami awaiting CAL services. Blaming the airline's problems on President/CEO Mark Winders, the Cayman Airways Pilots Association calls for his resignation. Following a controversial meeting with staff, during which irate employees continually shout him down, Winders resigns on March 17. Two months later, he signs on as the new chief operating officer of **CanJet Airlines, Ltd.**

CAYMAN ISLANDS AIRWAYS, LTD.: Cayman Islands (1945–1947). Just after the end of World War II in **1945**, King Parker, a former U.S. Army Air Forces bomber ferry pilot, establishes a single-seaplane service to operate charter passenger and cargo flights between Grand Cayman and Tampa, Florida.

Operations continue apace for 14 months; however, when engine trouble forces Parker to make an unscheduled landing at Miami in **1947** creditors seize his aircraft, putting the company out of business.

CCAIR: P.O. Box 19929, Charlotte, North Carolina 28219, United States; Phone (704) 359-8990; Fax (704) 359-0351; <http://www.ccairinc.com>; Code ED; Year Founded 1985. Following its acquisition in July **1984** by a group of private investors, including minority owner Air Transportation Holding Company (Air T), which also owns **Mountain Air Cargo**, Hickory North Carolina-based **Sunbird Airlines 1984, Inc.** is transferred to Charlotte-Douglas International Airport by Roy Hagerty, founder and president.

When in the spring of 1985 both **American Airlines** and **Eastern Air Lines** seek commuter affiliates at Charlotte, **Piedmont Airlines** responds by working out a code-sharing arrangement with Hagerty. His desire to avoid any further traffic or financial decline leads to the birth of Sunbird, the "Piedmont Commuter" on May 1.

Employing a fleet of 5 Beech 99s and 3 Shorts 330s, given new paint schemes and livery, the company undertakes the mission of feeding the major at Charlotte and Atlanta. It undertakes 64 daily departures to Asheville, Hickory, Raleigh/Durham, and Winston-Salem, Greenville, Spartan, and Atlanta.

During the year, new services are inaugurated to Charleston, Knoxville, and Macon. A Beech 99 crashes while on a training flight at Conover, North Carolina, on August 28, killing the pilot trainer and two pilot trainees.

In December, the fleet of 3 Shorts 330s and 5 Beech 99s is enhanced by delivery of the first 3 of 8, later 10, ordered British Aerospace BAe Jetstream 31s on order. Enplanements for the year shoot up 120.7% to 149,093.

Airline employment rises 68.9% in 1986 to 309 and, to avoid continuing confusion with Murray, Kentucky-based **Sunbird**, the company's name is changed to CCAir on January 1. The fleet grows further when 5 Shorts 360-200s and 7 Jetstream 31s arrive, the latter beginning in May.

The route system is increased from 13 cities in 3 states to 20 destinations in 6 states. Now a large regional, the "Piedmont Commuter" partner once again significantly increases its passenger bookings, this year by 155% to 380,232.

The fleet in 1987 includes 5 Beech 99s, 10 Jetstream 31s, and 7 Shorts 360-200s. Customer boardings increase 59.5% to 606,299 and the carrier earns profits of \$2.1 million (operating) and \$1.58 million (net).

The workforce is increased by 35.1% in 1988 to 550 and the fleet is increased by the addition of 5 more Jetstream 31s and 6 Shorts 360-300s. One Shorts 360-200 is withdrawn and orders are placed for 2 more Dash-300s. As the fleet is changed, so too is the carrier's code-sharing affiliation.

Negotiations begin with **USAir** concerning a transformation from "Piedmont Commuter" to "Allegheny Commuter." During the year, the company begins to offer overnight cargo services for freight forwarders. The flights, undertaken by the new CCAir Cargo subsidiary, are made with 3 Beech 99s and 2 each leased Shorts 330s and Dornier Do-228-212s.

Passenger boardings balloon another 36.7% to 828,560. Revenues rise 50% to \$52.4 million, expenses climb 46.5% to \$48.13 million, and operating income doubles to \$3.37 million. Net gain is \$2.67 million. The company owes \$5 million in long-term debt and holds only \$2.1 million in equity.

The employee population grows another 23.6% in 1989 to 680 and the fleet now includes 15 Shorts 360-200/300s, 16 Jetstream 31s, and 2 Beech 99s. Service is provided to 23 cities in 6 states. In July, the company goes public, via an offering of 1.8 million shares of common stock valued at \$60 million.

With **Piedmont Airlines** absorbed in August, the company, having renegotiated its code-sharing future with **USAir**, becomes a "USAir Express" partner. It is quickly realized that the fare proration with the major is extremely unfair and the remainder of the year is necessary to obtain a more equitable contract and retroactive payments.

Customer bookings, meanwhile, move ahead by 12.6% to 932,797. Revenues zoom upward by 43% to \$60 million. The operating profit is \$3.86 million and, despite a \$5.8-million net loss during the year's second half blamed on the proration formula, net gain reaches \$2.09 million.

The payroll is cut by 21.9% in 1990 to 539 and the fleet now includes 10 Jetstream 31s and 13 Shorts 360-200/300s. The CCAir Cargo operation is sold to **Martinaire** on January 2 for \$478,000, to be received in monthly installments for the next three years. The commuter's relationship with its major partner continues to deteriorate, along with CCAir's operational reliability (down to 88%) and the removal of 20 flights from its published schedule in violation of its code-sharing contract.

Recession and a claim that **USAir** is not fairly settling weekly ticket revenues combine to push the company into Chapter XI bankruptcy on July 5.

The steep rise in fuel prices following Iraq's August 2 invasion of Kuwait add further to the company's problems.

Just prior to boarding at Charlotte on August 20, a sudden 70-mph gust of wind blows a Shorts 360-300 and its two-person crew into an electrical power cart. The aircraft catches fire and is damaged, but no injuries are reported.

In September, the board is faced with a **USAir** ultimatum to remove its president or lose affiliation; there is no question as to its decision.

Former **MGM Grand Air** official Kenneth W. Gann succeeds President Hagerty in November and immediately orders the company downsized.

Passenger boardings for the year fall 2.4% to 910,006 and losses total \$7.59 million (operating) and \$8.67 million (net).

The employee population is reduced another 22.5% in 1991 to 416. President Gann continues to oversee the required financial reorganization, as well as a revision of the large regional's route network. The fleet is also changed as the number of Jetstream 31s is increased by 3 and the number of Shorts 360-200s is cut by 4.

By late spring, the company offers 160 daily departures centered on Charlotte and, in July, the U.S. Bankruptcy Court located in that city approves a new reorganization plan under which customers, employees, and creditors agree to accept an average \$700,000 per year payment for eight years. The company emerges from Chapter XI in September. Despite this progress, both traffic and finances are negative.

Customer bookings decline another 17.2% to 753,370 and revenues drop 9% to \$55.19 million. Expenses drop 19.9% to \$57.4 million and guarantee an "improved" operating loss of minus \$1.73 million. The net loss is cut to \$5.91 million.

Company employment grows 8.9% in 1992 to 634 and the fleet now includes 12 Jetstream 31s, 4 DHC-8-102s, and 9 Shorts 360-300s.

As the result of a crew error while on a training mission from Knoxville's McGee Tyson Airport on March 12, a Jetstream 31 with two crew makes a wheels-up landing, which turns into tragedy when control is lost and the plane crashes; there are no survivors.

The carrier sells its leasehold in the hangar facilities occupied at Hickory, North Carolina.

Passenger boardings stop their descent during the year and actually gain 13.1% to 852,047. Revenues ascend 13.6% to \$58.82 million, expenses rise 17.6% to \$59.59 million, and the operating loss is cut to \$669,000. The net loss is \$1.86 million.

In 1993, President Gann oversees a workforce of 450 and a fleet of 9 Shorts 360-300s, 4 DHC-8-102s, and 12 Jetstream 31s. Destinations now visited include Pittsburgh, Baltimore, Hunting, Charleston, Beckley, Bluefield, Shenandoah Valley, Danville, Rocky Mount/Wilson, Raleigh/Durham, Hickory, Winston-Salem, Asheville, Greenville, Kingston, Pinehurst/Southern Pines, Wilmington, Charlotte, Greenville/Spartanburg, Anderson, Columbia, Tri-Cities, Knoxville, Chattanooga, Athens, Augusta, Huntsville, and Montgomery.

During the spring, all administrative and maintenance operations are moved into a brand new 55,000-sq.-ft. facility at Charlotte. On May 2, new nonstop service is inaugurated between Charlotte, and Columbus, Georgia.

Customer bookings for the year inch up 1.8% to 866,813. Although revenues climb 18.8% to \$63.1 million, expenses jump 24.8% to \$65.8 million and force a \$2.7-million operating loss. The net loss is \$1.86 million.

Early in April 1994, the financially troubled carrier, after turning down two inquiries in the first quarter, agrees to be taken over by **Mesa Airlines** in a \$32-million exchange of stock. The arrangement is not consummated and company executives are able to gain concessions from its employee groups and lessors that will help it to cut costs and survive.

Operations continue and passenger boardings inch up 1% to 875,486. Revenues total \$62 million and losses are suffered again: \$3.9 million (operating) and \$4.8 million (net).

"USAir Express" services continue in **1995** as the route structure is rationalized and employment grows 3.3% to 630. In March, the FAA issues a directive requiring airlines to inspect the windscreens of any BAe Jetstream 31s in operation. CCAir flies 21 flights without performing the necessary reviews, an oversight that is discovered by company maintenance workers in June. The airline discloses its violations to the FAA immediately.

Enplanements fall 14.8% to 389,235, but revenues increase 4.7% to \$64.3 million. Expenses inch up 0.3% to 63.27 million and allow a \$1.03-million operating profit. The previous year's net loss is turned into a small \$188,000 net profit. Both of these latter figures are later rewritten to show a \$55,153 operating gain and another net loss, \$362,123.

The employee population is increased 7% in **1996** to 867 and the fleet now includes 14 Jetstream 31s, 4 DHC-8-102s, and 9 Shorts 360-300s. An average of 200 daily departures are made to points within the southeastern U.S.

Customer bookings rise 3.8% to 806,124 and operating income ascends 5.1% to \$66.23 million. Costs inch up 1.4% to \$65.34 million and leave an \$886,315 operating gain. A net \$95,755 profit is reported.

The workforce is cut 25.5% during **1997** to 646. On February 27, **US-Air** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional begins to repaint its aircraft in a modified version of the major's grey and dark blue livery.

In May, minority owner (6.6%) Barlow Partners, in which **Virgin Express Airlines, S.A.** CEO Jonathan Ornstein is a principal, is asked by President Gann to provide assistance in the redeployment and choice of future aircraft. Negotiations begin with several unnamed aircraft manufacturers.

Peter Murname, a **CCAir** board member and principal in Barlow Partners, together with former **Mesa Air Group** executive Ornstein, makes a \$50-million offer in October for Mesa's "United Express" operation at Denver, along with **WestAir Commuter Airlines**. The tender is rejected.

The FAA, on December 4, proposes a \$94,500 fine against the airline for the windscreen inspection lapses reported by the carrier 18 months earlier. The carrier proposes to protest the fine on the grounds that it had voluntarily made the lapses known.

On December 5, Mickey Bowman is named vice president-marketing. At the same time, Barlow Partners assists the company with its request for the lease of 20 BAe Jetstream 32EPs from British Aerospace AMT. Fourteen of the new aircraft will replace the company's current Jetstream 31/DHC-8 fleet, while 6 will succeed, on an interim basis, the Shorts 360-300s that are to be returned to their lessor.

At the same time, the carrier completes a private placement of 545,000 shares of common stock at \$2.75 per share. The placement is arranged by Barlow Partners.

Passenger boardings fall 3.3% to 779,450. Revenues rise 3.4% to \$68.48 million, while expenses are up 2.7% to \$67.09 million. The operating gain reaches \$1.39 million, while a net \$886,000 profit is reported.

While climbing from of Charlotte on January 4, **1998** for the day's "USAirways Express" flight to Augusta, Georgia, a DHC-8-102 with 3 crew and 32 passengers begins to vibrate. The aircraft returns to Charlotte without incident and the passengers are deplaned. A subsequent examination of the turboprop reveals that the right wing inboard leading edge is missing; 26 screws are found missing on the leading edge of the right wing. Records show they had not been replaced during an earlier maintenance inspection.

Return of the Shorts 360-300s to their lessor is completed on January 7. The carrier now operates an average of over 185 "USAirways Express" departures per day.

Early in the year, Barlow Partners acquires a sufficient enough level of stock in **Mesa Air Group** to enable partner Ornstein to acquire a seat on its board. There is also some speculation that that CCAir and Mesa might merge. As Mesa's difficulties worsen through the spring, Ornstein is persuaded to become its CEO on May 1.

Thrice-daily "USAirways Express" Jetstream 31EP roundtrips are started on June 1 between Washington, D.C. (IAD) and Raleigh/Durham. By the end of the month, the independent carrier operates 6 DHC-8-102s and 20 Jetstream 32s to 27 communities in 7 southeastern U.S. states. Earnings for the second quarter total \$2.1 million.

Given the history between the leadership of the two organizations, it does not come as a surprise when, on August 27, it is announced that **Mesa Air Group** has signed a letter of intent for the acquisition of CCAir. The all-stock transaction, valued at approximately \$60 million (including \$15 million in debt assumption), will be complete as soon as shareholders and government regulators approve. Mesa will operate CCAir as a wholly owned subsidiary, which will retain its own name. Through their relationship with **USAirways**, the acquisition is also seen as a way for the combined "USAirways Express" companies to serve all of the major's hubs on the East Coast.

On October 4, nonstop "USAirways Express" DHC-8-102 roundtrips commence between Charlotte and Tallahassee, four times a day.

Customer bookings during the 12 months jump 11% to 865,000. Revenues climb 5.9% to \$71.32 million, while costs are held to \$66.96 million. Consequently, there are profits: \$4.35 million (operating) and \$3.38 million (net).

By the beginning of **1999**, airline employment has been increased by 2.2% to 660.

In a move calculated to rebuild the strength and size enjoyed before the "United Express" disaster, **Mesa Air Group**, on February 1, officially moves to fold CCAir into its "USAirways Express" division, with the merger to be complete by early June. Under terms of the \$54-million stock deal, each CCAir share will be exchanged for between 0.435 and 0.6214 Mesa share. There are no initial plans to change CCAir's operations or to link the carrier's route system to that of MAG.

Mesa CEO Ornstein and CCAir CEO Gann jointly sign an extension of the "USAirways Express" service contract on March 5; the renewed marketing agreement is good through December 31, 2003.

The Mesa Airlines, Air Midwest, and CCAir divisions of **Mesa Air Group** all complete 100% of their flights on May 2. To celebrate this achievement, on May 6 President/CEO Ornstein hosts a company-wide pizza party, ordering pizza for all 3,800 employees in every unit spread over 100 locations.

Another direct result of the carrier's MAG purchase is the November consolidation of the seniority lists for the 1,305 ALPA represented pilots of CCAir and Mesa Airlines.

Passenger boardings drop 8.6% to 845,000.

CCF MANAGER AIRLINE, GmbH: Hangar 3, Room GR-317, Cologne Airport, Cologne, D-51147, Germany; Phone 49 2203-95280; Fax 49 2203-95286; Year Founded 1984. CCF is established at Cologne in 1984 to offer worldwide executive and small group passenger charters. By **2000**, the concern employs six pilots and operates two Cessna 421s, a C-441, and a C-550 Citation II executive jet.

CDA (COMPANIA DOMINICANA DE AVIACION, S.A.): Dominican Republic (1944-1957). Guillermo Santoni Calero forms CDA (Compania Dominicana de Aviacion) on May 4, **1944**; cooperating and providing support, **Pan American Airways (PAA)** assumes 40% shareholding. Employing a Ford 5-AT-11 leased from **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**, domestic services are started on July 5 over a route from Ciudad Trujillo to La Romana via Santiago.

During **1945-1950**, the fleet is improved by the addition of several Douglas DC-3s and 8 Curtiss C-46 Commandos. In addition to the maintenance of local routes, the Curtiss transports, beginning in **1948**, make 70 trips each month flying chilled beef to San Juan, Puerto Rico. A total of 18 million pounds will be transported in the next 3 years. The U.S. CAB refuses to allow the freighters to transport anything home, so the aircraft are only laden one way.

In **1951**, the CAB grants the company foreign air carrier route certification for scheduled services from Santo Domingo via San Juan to

Miami; C-46 flights begin before the end of the year. In 1955, Port-au-Prince, Haiti, is added as a stop, but it will be discontinued early at the end of 1956.

Pan American World Airways (1)'s last 40% shareholding is purchased by the *Corporacion Dominicana de Empresas Estables* in 1957 and the carrier becomes the national flag line, **Dominicana (Compania Dominicana de Aviacion, S.A.)**.

CEA (COMPANIA ECUATORIANAS DE AVIACION, S.A.): Ecuador (1957–1970). CEA is formed at Quito in February 1957. U.S. citizen Elly Heckacher holds 19% of the shares with a pair of Ecuadorians owning control. Two Curtiss C-46 Commandos are purchased, an association is entered into with Cornell N. Shelton's **TAN (Transportes Aereos Nacionales, S.A.)**-sponsored airline consortium, and traffic rights from Quito to Miami are obtained in August. In association with Shelton-controlled carriers, CEA, at year's end, inaugurates Miami-Lima C-46 flights via Panama, Cali, Quito, and Guayaquil.

Quito–Antofagarta, Chile, C-46 service is started in 1958; the first of seven ordered DC-6s joins the fleet, allowing retirement of one Curtiss aircraft. Enplanements reach 5,990 in 1959 and a DC-6B is placed in service in 1960. A DC-6, with 38 aboard en route from Guayaquil to Quito on November 7, crashes near the latter city; there are no survivors.

The Antofagarta route is suspended in 1961 as service is extended southward only as far as Talara, Peru. Bookings exceed 20,000.

During 1962–1966, Cali is dropped from the route network, domestic service Quito–Guayaquil is intensified, a DC-6B is acquired, and an order is placed for 4 Douglas DC-4s and 8 Lockheed L-188s. A merger tender from rival **AREA (Aerovias Ecuatorianas, S.A.)** is rejected. Meanwhile, on September 17, 1965, a C-46 with nine aboard crashes on a domestic flight (eight dead).

The first Lockheed Electra is acquired from **Cathay Pacific Airways (Pty.), Ltd.** on March 11, 1967 and enters service over a route from Santiago de Chile–Lima–Guayaquil–Quito–Panama City–Miami. Cali operations resume in December. The DC-4 freighters commence all-cargo services to Miami. Quito–Mexico City via Panama L-188 flights commence in March 1968. At this point, the last C-46 is withdrawn. Rival **AREA (Aerovias Ecuatorianas, S.A.)** ceases trading in November.

Ten persons unsuccessfully attempt to take over a Lockheed turboprop with 88 aboard during a Guayaquil to Quito flight on January 19, 1969; all will receive prison terms.

On April 11, 3 gunmen divert a DC-6 with 60 persons aboard en route from Guayaquil to Quito, to Cuba. The L-188 order is completed with the delivery of the eighth Electra. The fleet now comprises 8 Lockheeds, 7 DC-6s, 1 DC-6A, 1 DC-6B, and 4 DC-4s.

The company is reorganized in 1970; the new name **Ecuatoriana Airlines, S.A.** is chosen along with a new livery and logo.

Plans are made to acquire up to 3 former Boeing 720-023Bs, first flown by **American Airlines**, from **Pan American World Airways (1)**.

CEBU PACIFIC AIR: 30 EDSA Cor Pioneer, Mandawiyong City, Metro Manila, 5505, Philippines; Phone 63 (2) 637 1810; Fax 63 (2) 637 9170; <http://www.jgsummit.com.ph/cebuair.htm>; <http://www.cpacific.com.ph>; Code 5J; Year Founded 1995. Philippine industrialist John Gokongwei founds CPA at Manila Domestic Airport in late 1995 as a division of his JG Summit Holdings. With Gokongwei himself as chairman and Lance Gokongwei as president/CEO, the carrier purchases 4 Douglas DC-9-32s, formerly operated by **Garuda Indonesia**, and prepares to inaugurate deep-discount services.

Emulating the American carrier **Southwest Airlines (2)**, Cebu, with advertising, onboard contests, and minimal snacks, launches twice-daily frequencies to Cebu and Cagayan on March 16, 1996. On April 1, twice-daily flights commence to Tacloban. By month's end, twice-daily frequencies have been introduced to Bacolod and three times per day to Davao. A variety of seat sales are offered throughout the year, including one in December which cuts prices on the Manila–Cebu run to just \$32.

At the beginning of 1997, plans are announced for the acquisition of 4 McDonnell Douglas MD-83s with which to undertake services to Bangkok, Jakarta, Kuala Lumpur, Hong Kong, and Seoul. In July, 2 DC-9-32s are purchased from **Air Canada, Ltd.**

In August, the company enters into an alliance with **Aboitiz Air Transport** for domestic cargo operations. Aboitiz leases all of the cargo holds of Cebu's Douglas transports. Wearing bright yellow and white liveries, the **Air Canada, Ltd.** DC-9-32s arrive at year's end. Turnover for the year is P 1.22 billion, and Cebu is the only profitable domestic airline this year.

En route from Tacloban to Cagayan de Oro on February 2, 1998, as a continuation of a flight from Manila, Flight 387, a DC-9-32 with 104 passengers, crashes near the 8200-ft. level of Mount Balatucan. There are no survivors from the worst airline crash in Philippine aviation history.

The airline is grounded on February 5 and its 220 employees are laid off. On February 24, the Philippine Air Transportation Office (ATO) undertakes a detailed review of the airworthiness of the Cebu fleet in an effort to make certain that all safety and maintenance standards are maintained.

On April 6, the ATO finds the crash to have been caused by pilot error and completes safety inspections of three of Cebu's seven aircraft. At this point, the carrier recalls its workers and resumes services. Plans are made to charter two more DC-9-32s from **Air Canada, Ltd.** and to inaugurate international services to Singapore.

From June onward, the air transport situation in the Philippines enters crisis as labor and management at **Philippine Airlines (PAL)** moves toward closure for Asia's oldest airline. When this fate becomes inevitable in mid-September, the leaders of the nation's four independent airlines are summoned to a meeting with Philippine President Joseph Estrada in Malacanang. It has become necessary to find a way to increase the gap between the 230,000 monthly domestic seats provided by them and the 280,000 offered by PAL.

Meeting with Estrada on September 22, President/CEO Gokongwei and the leaders of **Asian Spirit**, **Grand International Airways**, **Air Philippines**, and several other small operators promise to acquire additional aircraft and fill any vacuum left by PAL within a month. For its part, the government indicates a willingness to grant incentives, including higher fares and concessional loans, designed to help them speed up their capacity build-up.

Specifically, Gokongwei indicates that the 2 former **Air Canada, Ltd.** DC-9-32s will arrive under charter in October and December and will allow the carrier to increase its monthly passenger capacity from 180,000 to 300,000. Negotiations will also be opened shortly for two more planes.

Simultaneously, the number of daily flights to points in 6 major provinces is increased from 38 to 48. The Asian economic "flu" and the currency situation do not warrant overseas flights.

Although all of the company's Douglas transports are in service, the company is unable to immediately and significantly increase its domestic commitment following the grounding of **Philippine Airlines (PAL)** at 12:01 a.m. local time on September 23.

Frequencies are increased during October and arrangements are made to purchase another DC-9-32 in January and two more in March. Deep discount fares are continued on flights from Manila to Bacolod, Cagayan, Cebu, Davao, Iloilo, Kalibo, and Tacloban. All flights originate from Manila except two, from Cebu to Davao and to Iloilo.

One of the former **Air Canada, Ltd.** DC-9-32s arrives on schedule during the month. It wears a bright color scheme that features a red and blue ribbon across the forward fuselage, along with six stars and two large suns on the rear fuselage just inboard of the engine nacelles.

By the end of the month and despite the return of PAL, the carrier is able to seize 30% of the domestic market.

In November, a new homepage is opened on the World Wide Web. Among the data it provides are ground statistics: 11 city ticket offices, 9 airport ticket offices, 262 subagents in Metro Manila, and 228

subagents throughout the Visayas and Mindanao. The page admits that, while public confidence and patronage have remained remarkably unscathed as a result of the February crash and the PAL situation, Cebu is, quite frankly, redoubling its efforts to provide safe, on-time, and affordable transportation.

The on-line news service *Asia Pulse (Pty.) Ltd.* reports the results on March 10, 1999, of a two-week snapshot of domestic market share, compiled for February 1–15. Between them, **Air Philippines**, Cebu Pacific, and **Philippine Airlines (PAL)** offered 31,714 seats during the period (not all were occupied). Of the total number of passengers boarding planes of the 3 airlines, PAL got 15,250 or 63%, followed by Cebu Pacific with 7,715, and Air Philippines with 1,350.

Now a line pilot for Asian Spirit, former Vice President-Operations Capt. Rolando Salandanan is killed, along with 16 others, when the plane he is flying crashes while on a December 7 scheduled flight.

CELTIC AIRWAYS, LTD.: United Kingdom (1988–1993). Organized at Bristol Airport in December 1988, Celtic Airways, Ltd. names Graham Mimms as managing director. A fleet comprising 3 Shorts 330s and 3 Fokker F.27-200s and the company inaugurates its specialized service, the six-night-per-week delivery of letters and Datapost.

These charter operations continue apace in 1989–1991 and the fleet in the latter year includes 3 Shorts 330s, 1 of which is leased, and 2 Friendships.

The fleet is decreased in 1992 by 1 aircraft of each type and its workforce, in 1993, stands at 40. In deep financial difficulty, the company stops flying early in the year.

CENTENNIAL AIR: International Cargo Terminal, Pasay City, Manila, Philippines; Phone 63 (2) 831 1061; Fax 63 (2) 552 5106; Year Founded 1997. Jose Alvarez establishes his domestic all-cargo charter airline in 1997, but problems in the national aviation industry prevent the launch of operations for two years. Employing a single Boeing 737-205C, Centennial begins flying newspapers, perishables, and livestock in 1999 from Manila to Cebu and Davao City.

CENTENNIAL AIRLINES: United States (1981–1987). Established at Worland, Wyoming, in 1981, CA undertakes scheduled passenger services to Cody, Powell, and Laramie, as well as Denver and Billings. Operations commence on June 15 with a fleet of 2 Beech 99s. The privately owned commuter does not release its traffic figures during the first half of the decade. Flights to Powell are suspended in December 1984.

Two Beech 1900s are purchased in 1985 as enplanements reach 13,025. Airline employment is increased by 75.6% in 1986 to 72 as service is inaugurated to Logan, Utah, and Lander, Wyoming. Passenger boardings balloon 65.4% to 37,646.

During 1987, the company enters into merger discussions with the large regional **Mesa Airlines**. When creditors cannot be brought to terms on an arrangement, the planned takeover fails. Centennial now suspends operations and is liquidated; the Wyoming-based company's routes are taken over by **Mesa Airlines**.

CENTENNIAL AIRLINES, S.A.: Spain (1993–1996). Centennial is established at Madrid in 1993 to undertake regional passenger charter flights. Revenue operations begin with a pair of McDonnell Douglas MD-83s leased from **Transwede Airways, A.B.** By year's end, a total of 267,600 passengers have been transported to holiday destinations.

Passenger traffic explodes for the operator in 1994, requiring the addition of two more MD-83s. Charters are inaugurated from a variety of north European destinations to the Spanish holiday locations. For example, U.K. vacationers are transported from London (LGW) and Manchester to Palma and other points, beginning in February. Customer bookings accelerate 114.9% to 575,000.

The workforce stands at 80 in 1995 as the nonscheduled Spanish airline enjoys another wonderful traffic year. Costs climb as the company engages in a start-up war with several other new entrants that also serve Palma de Mallorca. Enplanements increase 43.1% to 822,900.

The company is wildly overextended in 1996 and runs up significant debt that is later reported to be in the neighborhood of \$23 million. By fall, it is unable to keep up payments on its aircraft leases; indeed, one MD-83 is impounded by Gatwick Airport at the request of the aircraft's owner, the aviation finance company GECAS. The aircraft is literally seized at the departure gate by airport security police.

Centennial stops flying and goes into voluntary liquidation on October 30. A number of foreign passengers are stranded in Spain as a result.

CENTENNIAL FLIGHT CENTRE, LTD.: Building 15, 25 Airport Rd., Edmonton, Alberta T5G 0W6, Canada; Phone (403) 451-4951; Fax (403) 452-3575; <http://www.ccinet.ab.ca/centflt/charter.html>; Year Founded 1967. Centennial is established as an FBO and charter operation at Edmonton Airport in 1967. Executive charter and cargo flights, together with air ambulance, flight training, and maintenance services continue with little fanfare over the next 30 years.

Robert Lamoureux is president/general manager in 2000 and employs a 30-person workforce. The fleet comprises 1 Cessna 152, 5 C-172s, 1 C-182, 2 C-337s, 3 Piper PA-31-350 Navajo Chieftains, and 2 PA-34 Senecas. Revenues total C\$1.5 million.

CENTRAL AEREA, S.A.: Brazil (1948–1950). Central is formed at Rio de Janeiro on March 29, 1948 to offer scheduled services into northern São Paulo state. A fleet of 3 ex-military Douglas C-47s (reconfigured to DC-3 civil standard) is assembled and regular operations begin on June 11 over a route from Rio to Belo Horizonte.

Late in the year and into 1949, flights are initiated into the states of Mato Grosso and Goiás and in April 1950 additional stops in the former jurisdiction are inaugurated. Six months later, the expanding **TAN (Transportes Aereos Nacional, S.A.)** persuades company officials to join the consortium it is assembling and thus the carrier is merged in October.

CENTRAL AFRICAN AIRWAYS CORPORATION (CAAC): Southern Rhodesia/Northern Rhodesia/Nyasaland (1946–1967). Absorbing the functions of the Rhodesian Air Force's 1941–1945 **Southern Rhodesian Air Services**, this multinational air carrier is incorporated at Salisbury on June 1, 1946. With the motto *Conservimus Africae Alis* (We Serve Africa With Wings), the company's ownership is divided between the governments of Southern Rhodesia (50%), Northern Rhodesia (35%), and Nyasaland (15%). T. Ellis Robins is chairman, with P. J. S. Wimbush as general manager.

The initial fleet of 5 Avro Ansons and 13 de Havilland DH 89As Dragon Rapides begin services over routes previously flown by the military. Orders are placed for 12 Vickers Viking Mk. 1Bs.

The first DH 104 Dove is delivered on October 8; seven others join the fleet, of which five are named: *Luorie*, *Egret*, *Ibis*, *Weaver*, and *Hoopoe*. The premier Vickers Viking Mk. 1B joins the fleet on November 3 and is placed in service over the Johannesburg–Salisbury–Nairobi run on November 19. Dove service is begun on December 9 over routes from Salisbury to Bulawayo and Blantyre. Bookings for the first half-year are 11,670.

Kasama–Abercorn Viking Mk. 1B flights are inaugurated on January 1, 1947. Freight tariffs are reduced on September 1 in an attempt to make air cargo more competitive with surface transport. Passenger boardings for the year double to 23,000.

Twice-weekly Copper Viking flights link Northern Rhodesia with Johannesburg, beginning in January 1948. Flights from Salisbury to Elisabethville commence on April 12. On May 4, Sunday-only Johannesburg–Ndola newspaper service is started.

Leased from the British Ministry of Civil Aviation, the first of two Bristol 170 Wayfarer delivered in Africa arrives at Salisbury on August 2, entering freight operations shortly thereafter. The Bristol Copper Trader flights that started in September represent the first indigenous all-cargo services provided anywhere on the continent. The route started is from Johannesburg to Ndola via Bulawayo and Lusaka and from Salisbury to Lusaka. In September, the Copper Trader service is extended to Dar es Salaam and Lindi via Mbeya and Kasama.

Enplanements reach 38,000.

It is reported in April 1949 that, during its first six months of operation, the Bristol Copper Trader route has logged 246,711 ton-miles.

CAAC introduces the first family excursion fare anywhere outside of the U.S. on June 1. Frequencies for the Copper Viking route are increased to thrice-weekly during July. Technical problems with the Bristol Freighters plague the airline during the year's second half and, in December, their lease is terminated and they are sent back to the U.K.

Bookings accelerate to 42,000.

On April 1, 1950, a Viking Mk. 1B route is extended from Johannesburg to Dar es Salaam via Salisbury. The same day, nonstop roundtrip Viking flights begin between Salisbury and Johannesburg. Package express service is introduced on July 1 over routes to Johannesburg and throughout central Africa. On July 29, Skybeach charter flights are undertaken to Lake Nyasa.

Late in the year, the first 2 of 6 de Havilland Canada DHC-2 Beavers are delivered. Passenger boardings reach 50,000.

The new Beavers are introduced on flights to bush communities, including Bulawayo, Fort Victoria, Gatooma, Gwelo, Que Que, and Umtali, on January 1, 1951, while £10 Salisbury to Victoria Falls day charters begin on March 25. Twice-weekly Johannesburg–Victoria Falls nonstop Viking Mk. 1B service begins on April 1 and the same frequency is established between Lusaka and Fort Jameson on October 9.

Meanwhile, the first local African low-fare night service, Starflights, begins on the Salisbury–Bulawayo–Johannesburg route on July 1. Weekly Salisbury–Lourenço Marques via Bulawayo Viking Mk. 1B operations begin on August 10 and, on December 1, DHC-2s replace DH 104s on local service flights in Nyasaland. Enplanements climb to 70,777.

On January 1, 1952, DHC-2 service is started to local points in the Rhodesias, as the Doves are phased out. Simultaneously, package express service is begun between Salisbury and Bulawayo and twice-weekly Nairobi–Victoria Falls–Johannesburg Viking Mk. 1B service is opened.

Daily Salisbury–Nairobi service is inaugurated on February 14. Passengers are flown from Southern Rhodesia to Kenya via Blantyre and Dar es Salaam or Lusaka, Ndola, and Tabora. CAAC ends its own services to South Africa from Livingstone and Bulawayo in May as **British Overseas Airways Corporation (BOAC)** introduces its de Havilland Comet Is over the route.

A total of 94,216 passengers are carried on the year.

A Vickers 616 Viking 1B with five crew and eight passengers disintegrates in the air over Mkwana, Tanganyika, on March 29, 1953; there are no survivors. Low-cost Zambezi Viking Mk. 1B coach-class service is opened on April 3 between London and Salisbury via Malta, Wadi Halfa, and Nairobi. The fare is lower than that offered by BOAC. Although the service requires 4 days, it is still 10 days faster than that offered by the steamships of the Union Castle shipping line, the airline's principal competitor on the route.

In late spring, the first 4 Douglas DC-3s are delivered.

During the year, Southern Rhodesia joins with Northern Rhodesia and Nyasaland to form the Federation of Rhodesia and Nyasaland. Bookings advance to 108,783.

Coastal Viking Salisbury–Durban flights commence on April 3, 1954. Many of the customers on this new service are Rhodesian vacationers headed to the beaches of Natal. Four Vickers Viscount 748s are ordered on May 15 in a deal valued at £2 million—including spare parts. Frequencies on the Zambezi route are doubled in June.

Passenger traffic continues to grow, rising to 131,431 passengers flown.

Flight 626, a DC-3 with 5 crew and 21 passengers fails its initial climb away from Salisbury on February 23, 1955, and makes an emergency belly landing (1 dead).

A Vickers 616 Viking 1B is lost on the ground at Belvedere, Rhodesia, on March 17; there are no fatalities.

Specially priced excursions begin on April 1 from Johannesburg to Victoria Falls. Salisbury to Beira flights commence on September 10.

A total of 151,507 passengers are transported during the year.

The first Viscount 748 is delivered on April 25, 1956 and is christened *Malvern*; as additional machines join the fleet, Viscount service is started on June 1 over routes to Nairobi, Johannesburg, Durban, Lusaka, Ndola, and Blantyre. Orderly retirement of the Viking Mk. 1Bs begins as the remainder of the Viscount order is filled in succeeding months through July; only one additional machine is named, the *Mlanje*.

A new airport opens at Salisbury on July 1. Tourist-class Zambezi Viscount service now begins from Johannesburg and Salisbury to London.

Having failed its climb away from Salisbury on October 5, a Vickers 610 Viking 1B with two crew is destroyed in the ensuing forced landing (two dead).

Bookings this year are 169,446.

Thrice-weekly Viking 1B service is initiated on April 1, 1957 between Bulawayo and Johannesburg. In May, a 10-year contract is signed with **British Overseas Airways Corporation (BOAC)** authorizing the British flag carrier to operate all CAAC long-haul service in return for a guaranteed £1.34-million profit. BOAC C-4 Argonauts undertake intercontinental flights for CAAC beginning on July 1, the day the May contract takes effect.

The Queen Mother flies in a Viscount 748 during her July visit to central Africa and, in August, Viscounts replace Viking Mk. 1Bs on the Salisbury–London run. Enplanements for the year are 174,981.

With the Viscount fleet underutilized, it becomes possible to lease one of the units to **Kuwait Airways Corporation** in May 1958 for six months.

Bearing CAAC titles and livery, leased BOAC Bristol Britannia 312s, with British crews, are introduced on the company's long-haul routes on July 31.

On August 9, a Vickers Viscount 748D with 7 crew and 47 passengers is lost SE of the city of Benina, Libya, while on approach to Benghazi (36 dead).

Also in August, a pooling agreement is signed with **East African Airways Corporation**, to take effect on January 1. In addition, a long-standing agreement with the Witwatersrand Native Labour Association's carrier, Wenela Air Service, Ltd., is terminated as that concern acquires a DC-6 of its own.

Commercial Air Services (Rhodesia), Ltd., at CAAC behest, takes over a number of DHC-2 routes in November, ending the pioneering bush operation launched back in 1951.

Bookings for the year dip to 158,841.

On January 3, 1959, Viscounts are introduced on the Salisbury–Bulawayo–Johannesburg route; the midway stop is completed at a new airport. Late in the month, the last Viking is sold and all-inclusive Sky-coast holiday charter services to the Natal coast are initiated in partnership with the Union Castle Steamship Line. It is operated with the Viscount 748 returned from **Kuwait Airways Corporation**.

When a state of emergency is declared for Nyasaland in March, CAAC ends scheduled service to and from that region. On the other hand, DC-3 and Beaver charters are operated on behalf of the government for the transfer of goods and equipment.

During the summer, the DC-3s operated on tourist flights are refurbished, with larger passenger windows the principal feature installed. In the fall, a new livery is unveiled, featuring blue and white stripes on aircraft tails.

The first Comet 4s, operated under contract by **British Overseas Airways Corporation (BOAC)**, enter long-haul service on December 4. Enplanements drop further, down to 153,717.

In January 1960, shared Skycoast service to East Africa is opened with **East African Airways Corporation**. The Central African Airways Corporation Act of February 1 transfers ownership to the separate governments of the Central African federal government.

The same day, low-fare, weekly DC-3 Skybus service is introduced between Salisbury and Blantyre, increasing to thrice-weekly on July 4.

During the summer tourist season, the company introduces Skycruise and Flame Lily package tours to South Africa.

The last Salisbury to London Zambezi service is flown by the *Malvern* on October 1. Simultaneously, Skybus flights are started to Northern Rhodesia, with stops at Fort Jameson, Fort Rosebery, Lilongwe, and Ndola. On October 8, weekly Viscount service is begun over the Salisbury to Nairobi route via Blantyre and Dar es Salaam. Passenger boardings soar to 191,741.

Corroded stress cracks are found in the wings of several Viscounts during January 1961 and the Vickers fleet is grounded for repairs. While the 4 turboprops are being repaired (2 in England), a contract is entered into with the Royal Rhodesian Air Force, which will fly 129 hours on behalf of the airline.

A Viscount 754 is purchased from **Middle East Airlines (2), S.A.L.** in March and is christened *Zambezi*; it replaces the unit lost back in 1958.

The leased Britannia 312 arrangement with **British Overseas Airways Corporation (BOAC)** is terminated; all long-haul flights are now made by Comet 4s, which extend their southern service south from Salisbury to Johannesburg beginning April 1.

The regional fleet now includes 4 Viscount 748s, 1 Viscount 754, 6 DC-3s, and 6 DHC-2s. On April 5, Chairman A. E. P. Robinson resigns to accept a government post in London; he is succeeded by Sir Robert Taylor.

DC-3 service to Kitwe begins on June 30. Tourists are able to visit the Cape Province under a new Protea travel package unveiled on September 1. The following month, a new route is started from Salisbury to Kasama via Lusaka and Kitwe.

Direct Viscount 748 roundtrips commence on January 7, 1962 between Salisbury and Lourenco Marques. The route's Jameson-Kitwe segment is dropped and replaced with a stop at Lusaka. Another Viscount 748 is acquired and is employed in April.

Salisbury to Fort Victoria Sunday DC-3 service begins on July 1; the next day, Beavers begin flying tourists to the Wankie Game Reserve.

On October 26, orders are placed for a pair of BAC 1-11-207s; together with spare parts, the purchase is valued at £3 million.

In November, Skycoach service between Central Africa and London is reduced to twice-weekly roundtrips.

In January 1963, DHC-2 service is initiated to a number of domestic points in the Mongu to Kalabo region. Points visited include Balovale, Fort Hill, Fort Johnson, Kalabo, Karonga, Lilongwe, Lukulu, Mankoya, Mbeya, Mongu, Monkey Bay, Mumbwa, Mzimba, Mzuzu, and Zomba.

A second weekly Comet 4 route from Salisbury to London is opened on March 1. Extra capacity is provided in the spring by DC-6s operated under wet-lease from **British United Airways, Ltd.** DC-3 services between Salisbury and Beira are withdrawn in June.

In July, DC-3s replace Beavers on the Wankie Game Reserve service, with flights operating via the Reserve from Salisbury, Bulawayo, Kariba, and Livingstone. A DC-6B, to be employed on long-haul charters, is leased in August for three years from **Alitalia, S.p.A.**

On September 20, the company joins with **British Overseas Airways Corporation (BOAC)** in withdrawing from a profit-sharing pool with **South African Airways (Pty.), Ltd.** in protest against South Africa's racial policies. A contract is signed to provide maintenance and training support to **Aden Airways, Ltd.**

Corporate shareholding is redistributed on December 4. Ownership is shared between the governments of Rhodesia (45%), Zambia (45%), and Malawi (10%).

On January 1, 1964, CAAC is reconstituted as the jointly owned national carrier of Southern Rhodesia, Zambia, and Malawi. Three wholly

owned subsidiaries are created to operate as the national airlines of the respective countries; given considerable autonomy, they must all still depend on the parent for technical and accounting functions.

The new national airlines include **Air Malawi, Ltd.** founded in March, **Zambia Airways, Ltd.**, founded in April, and **Air Rhodesia, Ltd. (1)**, set up in June. CAAC retains the Viscounts, while the DC-3s and Beavers are distributed among the new entrants.

Viscount service is initiated on April 1 from Salisbury to Kariba and Livingstone, while the contract to train personnel for **Aden Airways, Ltd.** is concluded. On April 18, Ndola to Salima service is initiated.

Enplanements for the year total 223,171. Revenues increase by 6% over 1963 and the net profit is \$1.35 million.

The workforce stands at 1,387 in 1965. The fleet now includes 4 DHC-2s, 7 DC-3s, and 5 Viscount 748s. D. F. Fairbairn becomes the new chairman on April 1.

Southern Rhodesia Premier Smith makes his unilateral declaration of independent speech on November 11, causing the country's neighbors to regard Rhodesia as an illegal regime against which sanctions must be applied. Other nations will also join in the punishment. Only **TAP-Air Portugal, S.A.** and **South African Airways (Pty.), Ltd.** will continue to operate through Salisbury.

Passenger boardings rise 12.7% to 255,637 and cargo traffic is also up. A net \$1.6-million profit is earned on total revenues of \$9,558,000.

Receipt of the BAC 1-11-207s is deferred in 1966 as preparations are begun to end the CAAC consortium. Denied landing rights in Madagascar, the company's Viscounts must complete their service to Mauritius by flying via Nampula.

R. P. Hartley becomes the last chairman in early 1967.

Zambia Airways Corporation is established on September 1 and the **Alitalia, S.p.A.** DC-6B is returned. The Central African Airways Corporation is disbanded on December 31, when Zambia ends its direct air link as part of the anti-Rhodesia sanctions policy. Its responsibilities pass to the newly independent **Air Malawi, Ltd.**, **Air Rhodesia, Ltd. (1)**, and **Zambia Airways Corporation**.

CENTRAL AIR TRANSPORT: United States (1977–1978). CAT is established at Nashville in 1977 to provide daily scheduled passenger and cargo roundtrips to Indianapolis. Beech B-80 Queenaire revenue frequencies are duly introduced, but cannot be maintained beyond 1978.

CENTRAL AIR TRANSPORT CORPORATION (CATC): China (1943–1949). Central Air Transport Corporation (CATC) is established at Shanghai on March 1, 1943 from the remnants of the former **Deutsche Luft Hansa (DLH)**-sponsored **Eurasia Aviation Corporation**, which had been taken over by the Chinese government following its break with the Third Reich in August 1941. Total assets consist of one Junkers W.34 and a captured **Japan Air Lines Company, Ltd. (1)** Nakajima AT. Shareholding is divided between the Nationalist government's Ministry of Communications (80%) and private Chinese investors (20%).

Given the intensity of the war against Japan, CATC undertakes only limited operations during the remainder of the year and into 1944–1945, even though the fleet by the beginning of the latter year is increased by the addition of 3 lend-lease Lockheed Hudsons.

Employing 12 Douglas C-47s purchased in India during December of the previous year, CATC undertakes a full schedule of domestic services in 1946, often in competition with **China National Aviation Corporation (CNAC-1)** and the new **Civil Air Transport (CAT)**. The principal duty is the transport of government and other personnel from inland cities such as Chongqing back to their offices in communities like Hankow, Shanghai, Nanking, and Canton.

In July, the company is given access to a stock of 150 surplus C-47s and C-46s in the Chongqing area; many will be taken up to be cannibalized for spare parts.

A Curtiss C-46 with 49 passengers fails its takeoff from Tsinan on July 13 and crashes a mile from the runway (13 dead).

During the year, a total of 45,000 passengers and 4,000 tons of freight are flown.

The fleet in **1947** grows to comprise 32 DC-3/C-47s and Curtiss C-46 Commandos. On July 15, orders are sent to the U.S. for 6 Convair CV-240s. Passenger services from Shanghai to various Chinese cities are maintained, although flights into various markets now begin to cease in the face of the developing civil war.

Still, the carrier books 116,080 passengers and flies 14,050 tons of freight and 1,377 tons of mail.

In **1948**, 5 DC-3s are purchased from **Northwest Airlines**. During the year, the route network includes 27 destinations.

During the civil war now grown in intensity, CATC is often called upon by the government to aid the air force and its competitors in providing support to Nationalist troops surrounded in key cities. A C-46 with 3 crew and 37 passengers is lost at Kiangwan on December 5 (9 dead).

These operations continue into **1949**, occasionally with losses. During the months January to April, 10 C-46s—one-third of the company's fleet—are committed to the resupply of Taiyuan, which cannot, however, be held.

Early in the second quarter, the first CV-240 enters service; until the demise of the airline, it will remain the only one of its type in service in China.

A C-36 with 3 crew is lost 200 miles north of Chongqing, on June 2; there are no survivors.

Late in the year, the carrier is disbanded and its men and planes are transferred to Hong Kong. There the aircraft are claimed by the Civil Air Transport. On October 1, Mao Tse-tung proclaims the establishment of the new People's Republic of China. On November 9, pro-Peking CNAC employees fly the Convair and 11 other aircraft to Tientsin, where they are welcomed by Premier Chou En-lai and the Convair becomes the *Beijing*, flagship of the new Red Chinese airline.

CENTRAL AIRLINES (1): United States (1928–1929). Short-lived Central Airlines is established at Kansas City in mid-**1928** to provide passenger service to Oklahoma City via Wichita and Tulsa. Employing Travel Air 4000 biplanes, Central inaugurates scheduled flights on July 28.

The carrier completes less than a year of service when, in April **1929**, it is purchased by the Universal Aviation Corporation and made a subsidiary division of its **Universal Air Lines System**.

CENTRAL AIRLINES (2): United States (1934–1936). On February 9, **1934**, as a result of investigations into an airmail scandal, the U.S. Post Office cancels all existing airmail contracts and the White House orders the Army Air Corps to fly the mail. When the military option fails, the post office rebids the routes at the end of March.

At Pittsburgh, Central is established by James G. Condon and Theodore Taney, backed by John D. and Richard W. Coulter, to bid against **Pennsylvania Airlines** for the latter's old Washington to Cleveland route, which it wins when bids are opened on April 20.

The carrier now begins to hire pilots and the first man chosen is James H. Carmichael, who will eventually run the company. Helen Richey wins out over seven male applicants to achieve a position as a copilot, the first female flight crew member hired in the U.S. for regularly scheduled services.

Central, equipped with 2 Lockheed Model 5 Vegas, 2 Stinson SM-6000 Tri-Motors, and 1 Pitcairn PA-5 Mailwing, commences scheduled passenger, mail, and air express services on May 31 linking Washington, Pittsburgh, Cleveland and Detroit. The competition between Central and **Pennsylvania Airlines** now becomes quite intense.

A Vega crash-lands at Pittsburgh on June 1; there are no injuries reported. En route to Providence, Rhode Island, from Pittsburgh on a September 12 charter carrying 395 pounds of tear-gas shells, a Vega flown by Theodore Taney encounters difficulty over Everett, Pennsylvania. Taney bails out, but his parachute does not open.

Following a publicity ceremony in which she shakes hands for photographers with Assistant Postmaster General William Howes, Helen

Richie makes her first official flight as a copilot on December 31. Her pilot is Horace Stark and the Washington, D.C.–Detroit trip is undertaken in the 5-AT-67, the first Ford Tri-Motor leased from **American Airlines**. Central now also begins to operate two other chartered **American Airlines** Ford Tri-Motors, 5-AT-28 and 5-AT-43..

Although company officials support her work, copilot Richie is discriminated against by her male colleagues, who complain to the Air Line Pilot's Association (ALPA) and the Air Commerce Bureau (ACB). Less than a week into **1935**, the latter "suggests" to the carrier that women might not be suitable crew members. Richie's story is told years later by Glenn Kerfoot in his *Propeller Annie: The Story of Helen Richie, the Real First Lady of the Airlines* (Lexington: Kentucky Aviation Historical Roundtable, 1988).

On April 21, a Tri-Motor, piloted by James H. Carmichael Jr. (future president of **Capital Airlines**) with six passengers, literally loses an engine just after departure from Washington's Hoover Airport for Detroit. The damaged aircraft is successfully returned to Bolling Field, coming to rest without any injuries following a spectacular one-wheel landing and ground loop. On October 29, pilot Carmichael will be awarded the Air Mail Flyer's Medal of Honor by President Franklin Roosevelt in White House ceremonies.

The **American Airlines** Ford Tri-Motor lease ends during the first quarter of **1936**. Five new Stinson Model A Tri-Motors are, however, purchased in July and August and are employed to upgrade frequencies on the Washington to Detroit service. C. Bedell Monro, chairman of competing **Pennsylvania Airlines**, recommends a merger as Central, like his carrier, is in deep Depression-era financial difficulty.

Meanwhile, the ACB, acting at the request of the airline's male pilots, issues a regulation limiting women pilots on scheduled carrier routes to flying only in fair weather. Helen Richey, against whom the new regulation is aimed, resigns in protest in November.

His merger offer spurned, the Pennsylvania chairman also watches as Central's owners lose control to **American Airlines**, which then secretly resells Central's stock to Monro. Following a bitter negotiation, the outmaneuvered Central is taken over by the larger and older **Pennsylvania Airlines** on November 1, **1936** to form **Pennsylvania-Central Airlines**.

CENTRAL AIRLINES (3): United States (1944–1967). Founded at Fort Worth in March **1944** to provide feeder service in Texas and Oklahoma, Central is certified by the CAB on November 14, **1946** and begins commercial flight operations on September 15, **1949**, employing Beech Bonanzas. Early routes continue in Oklahoma and Wichita–Dallas–Fort Worth in Texas.

Traffic grows and Douglas DC-3s are introduced toward the end of **1950**; indeed, the last of these is acquired from **Northwest Airlines** on June 7, **1957**. In **1958**, the fleet is made up of 13 Douglas transports. Convair CV-240s join the fleet in **1959–1960**. The Fort Worth-based airline expands somewhat by replacing **Braniff International Airways** and **American Airlines** on several routes in **1961**.

This move, however, proves to be counterproductive, as Central encounters financial and traffic difficulties during **1962–1963** in attempting to compete on its unviable network. Efforts are made to convert the company's Convairs into CV-580 turboprops.

Airline employment in **1964** is 839. Applications are filed with the CAB for permission to operate from St. Louis to Albuquerque via Kansas City, Wichita, and Amarillo. On July 20, a DC-3 with 14 aboard encounters clear air turbulence over Pueblo, Colorado that severely injures a stewardess.

Enplanements for the year total 413,381. Revenues advance by 7.3% to \$11.45 million; the carrier now ranks third among local service carriers in terms of revenues originated at military bases. A net profit of \$107,040 is announced, about half the 1963 figure.

Early in **1965**, Marion Lamar Muse, who will become CEO of **Southwest Airlines** a decade later, is named president. The workforce grows to 868 and the fleet includes 14 DC-3s and 7 CV-240s. One of the latter, with 12 aboard, makes a wheels-up landing at Tulsa on January 8;

no injuries are reported. To win traffic, Muse begins a series of marketing promotions, while also changing the corporate image, symbol, and colors.

In December, Central is able to offer service with new equipment as 2 CV-660s, powered by Rolls Royce Dart turboprop engines, begin flying the longer route segments. A total of 441,712 passengers are originated during the year, the lowest by any of the U.S. local service airlines.

Due to lender objections, the carrier is unable to merge with **Ozark Airlines** in 1966. In a lightning move completed between May 4 and October 1, 1967, Central is purchased by and merged into **Frontier Airlines** (1).

There is an unofficial website at <http://members.tripod.com/~LAMKINS/central>.

CENTRAL AIRLINES (4): United States (1974). This short-lived Central Airlines is set up at Omaha, Nebraska, in 1974 to provide scheduled daily roundtrips to Omaha. Employing an Aero Commander 500B, the commuter inaugurates revenue passenger flights, but cannot maintain them beyond year's end.

CENTRAL AIRLINES (5): 411 Lou Holland Drive, Kansas City, Missouri 64116; Phone (816) 472-7711; Fax (816) 472-1682; Code CT; Year Founded 1993. The fifth Central Airlines is founded by Dewey Towner at Kansas City in 1993 to operate regional scheduled cargo services. Operations commence with a fleet of 30 Rockwell Aero Commander 500s. Flights continue during the remainder of the decade as 3 more Aero Commander 500s and 1 Turbo Commander are acquired.

CENTRAL AIRWAYS: United States (1985). Central Airways is set up at Ft. Lauderdale, Florida, in 1985 to provide daily roundtrip **Air Florida** commuter services to Sarasota. Although Cessna 402 revenue frequencies are duly inaugurated, **Air Florida's** failure brings the same result for this new commuter.

CENTRAL AMERICAN INTERNATIONAL: United States (1978–1982). CAI is established at Louisville, Kentucky, in 1978 to offer on-demand worldwide cargo charter and contract service flights. Operations commence with a fleet of 3 Convair CV-880s, 1 Lockheed L-18 Lodestar, and 1 Douglas DC-3. Much of the business is undertaken for the air freight forwarder Profit Express.

Unable to maintain viability in a recessionary environment, the carrier stops flying in 1982. Its assets will later be purchased by **Trans International Airlines** (2).

CENTRAL BRITISH COLUMBIA AIRWAYS, LTD. (CBCA): Canada (1945–1953). Bush pilot Russell Baker and mining executive Earl Springer form CBCA at Fort St. James on July 1, 1945 to operate charter and contract service flights throughout British Columbia. Revenue flight operations commence with a single, leased Beech 17 Staggerwing.

On-demand services are provided to remote mining camps and logging operations in 1946–1947, particularly in support of the British Columbia Forest Service.

The first production de Havilland Canada DHC-2 Beaver, registered CF-FHB, is purchased and placed in service in 1948.

During 1949, aerial surveys are flown and support services provided under contract to the developers of the aluminum and power complexes at Kitimat and Kemano. While "ordinary" on-demand flights continue, the carrier now hauls 95% of the Alcan air traffic.

The small bush operation **Kamloops Air Services, Ltd.** is purchased in the spring of 1950 and CBCA headquarters are transferred to Richmond. Terrace-based **Skeena Air Transport, Ltd.** is acquired in July 1951 and in 1952, the licenses of **White Horse Flying Services, Ltd.** and **Port Alberni Airways, Ltd.** are assumed.

After taking over larger rival **Associated Air Taxi, Ltd.** (and its Vancouver to Powell River and Port Alberni routes), Baker's carrier is renamed **Pacific Western Airlines, Ltd.** on May 15, 1953. The combined

fleet now comprises 1 Douglas DC-3, 4 DHC-2 Beavers, 2 Consolidated PB-Y-5A Cansos, 4 Norsemen, 1 Grumman Widgeon, 2 Fairchild 71s, 1 Beech 17 and 1 Beech 18.

CENTRAL CANADA AIR LINES, LTD.: Canada (1926). CCAL is established at Kenora, Ontario, in May 1926, with J. M. Clarke as president and W. M. Emery as general manager and chief pilot. James A. Richardson of Winnipeg, noted for his later work with **Western Canada Airways, Ltd.**, purchases controlling interest and the new entrant is outfitted with a single Curtiss HS-2L flying boat acquired from **Elliot-Fairchild Air Service, Ltd.**

Nonscheduled passenger and cargo services are undertaken during the summer, including the delivery of newspapers to mining camps. Dissatisfied with his company's progress, Richardson withdraws his financial backing and the company shuts down in October. The Curtiss is sold to **Patricia Airways, Ltd.**

CENTRAL FLYING SERVICE: United States (1975–1978). CFS is set up at Little Rock, Arkansas, in 1975, to provide scheduled local air taxi services. Cessna lightplane revenue flights are duly begun and continue through the next three years.

CENTRAL HIGHLANDS AIR TAXI (PTY.), LTD.: Australia (1991–1992). This air taxi operator is established by Jim Johnson at Emerald, Queensland, in 1991. The 17-employee company undertakes both passenger and cargo charters and contract service flights with 2 Piper PA-31-350 Navajo Chieftains, 2 Piper PA-23 Aztecs, 1 Piper PA-34 Seneca, 1 Rockwell SR.2, and 3 Piper PA-32 Cherokee Sixes. Operations continue for approximately a year.

CENTRAL IOWA AIRLINES: United States (1973). CIA is set up at Davenport in the spring of 1973 to provide daily scheduled roundtrips to Minneapolis and Ottumwa. Douglas DC-3 passenger and cargo flights are duly inaugurated, but cannot be maintained beyond October.

CENTRAL JAPAN AIRLINES. See **NEW CENTRAL AVIATION COMPANY, LTD.**

CENTRAL MOUNTAIN AIR, LTD.: P.O. Box 998, Smithers, British Columbia V0J 2N0, Canada; Phone (604) 847-4780; Fax (604) 847-3744; Code 9M; Year Founded 1991. Pilots Neil Blackwell and Douglas McCrea join **Central Mountain Air Service, Ltd.** at Smithers, British Columbia, in 1983. The company, one of Canada's numerous north country bush operations, flies a de Havilland Canada DHC-2 Beaver, Cessna 185, and Piper PA-31-310 Navajo to back country villages and airstrips.

When the air service's owner retires in 1986, he sells out to the two flyers, who rename the company and work to establish a scheduled airline with five employees, themselves included.

Following two years of additional on-demand frequencies, Central Mountain is able to offer its first scheduled service in 1988, a thrice-weekly Piper Navajo return run from Smithers to Prince George.

Although charter flights continue, additional scheduled destinations are added in 1989—Dease Lake, Telegraph Lake, Sturdee Valley, Vancouver, and Bronson Creek. A total of 2,000 travelers are accommodated on scheduled services during the first full year they are offered. Revenues total \$C2 million.

The Smithers–Vancouver frequency becomes twice, later thrice, daily in 1990 and, in 1991, scheduled services are launched to Watson Lake, Edmonton, Kelowna, Kamloops, and Fort St. John. The fleet now includes 3 Beech 1900Cs, 3 Beech King Air 200s, 3 de Havilland Canada DHC-3 Otters, 2 Douglas DC-3s (one an unconverted military C-47B), 1 Beech 18, and 1 Piper PA-31-350 Navajo Chieftain.

While on a service in heavy snow squalls from Sturdee on April 4, the C-47B with three crew and four passengers crashes into frozen Lake Thutade (six dead).

Income for the year reaches C\$10 million.

Airline employment in **1992** stands at 97. The 1900Cs and King Air 200s maintain scheduled operations to 12 destinations, while the other aircraft fly charter and nonscheduled services.

Climbing away from the airport at Bronson Creek, British Columbia, at too steep an angle on January 13, **1993**, the surviving Douglas transport stalls and noses over to crash 500 feet from the end of the runway and explode; the two crewmen aboard are killed. The tragedy casts a pall over the rest of the year and finances nose-dive.

In an effort to cut costs in **1994**, 1 Beech 1900C, the Otters, the Chieftain, and 1 Super King Air 200 are withdrawn. Nevertheless, the company must file for bankruptcy protection in April. Flights continue and Central Mountain prepares a restructuring plan.

The reorganized regional offers service to 10 communities in **1995**. The company's fleet is increased in **1996** by the addition of 2 Beech 1900Cs and, in July, it signs a marketing agreement with the **Air Canada, Ltd.** subsidiary **Air BC, Ltd.** The airline transports a total of 60,000 passengers.

At the beginning of **1997**, CMA serves 20 destinations throughout Alberta, the Yukon, and British Columbia. In the spring, a C\$50-million order is placed for 10 Beech 1900Ds, with options for 10 more. They will be rapidly delivered during the remainder of the year and into the next, together with spare parts, manuals, and training, which are provided for under terms of the initial contract.

In March, following a costly strike by pilots at its regional subsidiaries, **Air Canada, Ltd.** begins a review of its regional airline arrangement designed to stem losses. **Air BC, Ltd.** is directed to drop 6 of its 24 destinations and to sell 3 turboprops. Most of the dropped routes are picked up by Central Mountain, which, under a new code-sharing agreement with Air BC, facilitates passenger connections with **Air Canada, Ltd.** flights in Vancouver and Calgary.

On April 6 services are expanded to seven new destinations. Service is now offered from Vancouver to Castlegar, Cranbrook, Nanaimo, and Penticton; from Calgary to Castlegar, Cranbrook, and Penticton; from Prince George to Dawson Creek and Grande Prairie; and from Grande Prairie to Fort St. John.

Two new destinations join the company network on October 26. From Vancouver, six new frequencies are introduced to Campbell River, including four which are nonstop, while five daily roundtrips are simultaneously started to Comox, three of which are nonstop.

In November, thrice-daily return service is inaugurated between Calgary and Spokane; it is the only nonstop route operated between Alberta and eastern Washington. CMA passengers flying from Spokane to Calgary are able to connect at the Alberta city with **Air BC, Ltd.** flights elsewhere.

The fleet in **1998–2000** includes 11 Beech 1900Ds, 3 Beech 1900Cs, 3 Beech 1900Cs, and 2 King Airs.

CENTRAL MOUNTAIN AIR SERVICE, LTD. *See* **CENTRAL MOUNTAIN AIR**

CENTRAL STATES AIRLINE: United States (1980–1982). **Green Bay Airlines** (founded in 1978) is renamed CSA in **1980**. President Terry Kunes's 2 Cessna 421s and 2 Cessna 402s continue to maintain scheduled passenger and cargo flights between the home of the pro football Packers and the state capital at Madison.

Fiscal difficulties, largely due to the recession, force the company out of business in January **1982**.

CENTRAL STATES AIRLINES: United States (1989–1990). CSA is founded by Thomas Small and associates at Cleveland's Cuyahoga County Airport in the summer of **1989** to offer daily roundtrip scheduled passenger and cargo service to Cincinnati Lunken Airport, Pittsburgh, and Detroit City Airport. Two British Aerospace Jetstream 31s are acquired from their manufacturer. A September inauguration date is pushed back to November when limited services finally begin.

A full schedule of services begins on January 2, **1990**. With substantial start-up debt already accumulated, the carrier is ruined by a traffic slowdown in the wake of Iraq's invasion of Kuwait. Unable to make payments on its flight equipment, the carrier has no option but to return the Jetstreams to BAe on October 11 and shut down.

In its 10-month life, the little Ohio regional never does start service to Pittsburgh, but does fly 10,000 passengers.

CENTRAL TEXAS AIRLINES (1): United States (1967–1970). Jim Hadden establishes CTA-1 at Kileen during the summer of **1967** to provide scheduled intrastate passenger and cargo services with a fleet of Cessna 402s. Daily roundtrips commence on August 31 linking the commuter's base with Dallas, Tempe, Waco, Lafayette, New Orleans, Lake Charles, and Houston.

Operations continue apace until **1970** when the state's aeronautical commission, which has jurisdiction, revokes CTA's operating certificate for regulatory omissions.

CENTRAL TEXAS AIRLINES (2): United States (1981–1983). CTA-2 is established at Brownwood, Texas, in **1981** to provide scheduled Piper lightplane shuttle flights from a base at Waco to Houston.

Also known as Cen-Tex Airlines, the little carrier maintains daily roundtrips until late **1983**.

CENTRAL VERMONT AIRWAYS. *See* **BOSTON-MAINE/CENTRAL VERMONT AIRWAYS**

CENTRE AVIA. *See* **BYKOVO AVIA; TSENTR AVIA**

CENTRE D'AVIATION GENERALE, S.A.: Aeroport de Charleroi, Brussels South Airport (S7), Gosselies, B-6041, Belgium; Phone 32 (71) 357777; Fax 32 (10) 655749; Year Founded 1976. CAG is established at Brussels in **1976** as a flying school and aircraft rental operation. Over the next quarter century, employing a variety of lightplanes, the company also undertakes ad hoc air taxi, charter, and special cargo flights.

In **1999–2000**, Flight Manager Etienne Verhellen has available a fleet that numbers 5 Cessna 150s, 2 each C-172s, C-182s, and Piper PA-34 Senecas, plus 1 each Grumman American AA-1B, AA-5B, and Piper PA-32.

CENTRE SOUTH (TSENTR-YUG TOO): Russia (1994–1995). Centre South is established at Belgorodskaya's airport in **1994** to offer scheduled third-level services to regional destinations. S. P. Sidorov is appointed general director and he begins revenue flights with a pair of Yakovlev Yak-40s. Flights cease in **1995**.

CENTRELINE AIR CHARTER, LTD.: Bristol International Airport, Bristol, North Somerset, England, BS19 3DP, United Kingdom; Phone 00 (44) 1275 474 501; Fax 00 (44) 1275 474 851; <http://www.b-f-c.co.uk>; Year Founded 1987. Gordon Olson and Martin Barnes form the Bristol Flying Centre as an FBO at Bristol International Airport in **1987**. With the former as managing director, the company over the next 13 years establishes a reputation as both a flight training and charter operation.

Charter flights, managed by Chief Pilot Barnes, are operated under the name CentreLine Air Charter. By **2000**, the fleet includes a mix of 14 Piper PA-34 Senecas and PA-31-350 Navajo Chieftains. Nonscheduled passenger and cargo flights are mounted throughout the U.K. and into Western Europe.

CENTURION AIR SERVICE: United States (1973). CAS is established at Bangor, Maine, in early **1973** to provide scheduled air taxi services to Greenville and Augusta. Although daily Cessna 402 roundtrips are duly inaugurated, they are only operated for a few months.

CENTURY AIR LINES: United States (1931–1932). Century Air Lines is founded at Chicago Municipal Airport by Auburn Motor

Company owner Errett Lobran Cord to provide low-fare passenger service with single-pilot Stinson SM-6000Bs. Eighteen-per-day operations in the Great Lakes area are begun between Detroit and Cleveland and Chicago and St. Louis with the first 8 SM-6000Bs on March 23, 1931. The public flocks to Cord's carrier and, in July, the auto magnate begins another, **Century Pacific Lines**, in California.

By fall, extra stations are being added at Springfield and Toledo and the senior carrier is linked to its junior via a multistop route from St. Louis to Cleveland. Passenger boardings through October total 40,213. Late in November, four-times-per-day nonstop Detroit to Chicago roundtrips are introduced. Only three other airlines will book more passengers than Century for the entire year. The fleet now totals 14 Stinson Tri-Motors.

Errett Cord is able to operate economically during the Depression because he offers his customers discount fares and his employees rock-bottom wages. In February 1932, the new ALPA, led by David L. Behncke, in one of its first job actions, strikes Cord's airborne empire. Much of the dispute is played out at Chicago, scene of Century's base.

Replacement pilots are found and enter training. On March 8–9, while practicing night landings at East St. Louis, Illinois, an SM-6000B crashes on its 23rd approach, killing two of the five pilot-trainees aboard.

Meanwhile, Errett Lobran Cord, who is under intense pressure, offers a cut-rate mail service to the U.S. government in an effort to obtain subsidy. The move is turned down in Washington due largely to what such liberal members of Congress as Fiorello H. La Guardia and the press point out as the evils of the "Century Strike."

Unable to obtain a mail contract and with his people still unhappy, Cord sells his airlines in a 140,000 share stock exchange to The Aviation Corporation (AVCO), a forerunner of today's **American Airlines**, in April.

As part of the arrangement, which, incidentally, ends the strike, Cord receives an AVCO directorship.

CENTURY AIRLINES (1): United States (1972–1992). S.S. Airways is set up at Olathe, Kansas, in 1972 to provide both charter and scheduled passenger and cargo flights. Employing both an Aero Commander 500B and a Beech B-80 Queenaire, the company, employing the Century name, inaugurates scheduled frequencies in September, linking its base with Kansas City, Springfield, Lake of the Ozarks, and St. Louis.

Scheduled operations cease in 1980. Although air cargo and mail flights are continued, these, too, end in the recession of 1991–1992.

CENTURY AIRLINES (2): United States (1979–1981). Willi Jilke establishes a third-level commuter operation at Eureka, California, in the summer of 1979 under the name **Six Rivers Air Service**. Scheduled Cessna 402 passenger and cargo services are inaugurated in August linking the carrier's base with San Francisco, Sacramento, Medford, Crescent City, and Santa Rosa.

In 1980, the carrier is renamed and the fleet is expanded by the addition of an Australian-made GAF Nomad II. Significant fiscal problems are encountered.

The carrier is in such economic difficulty at the beginning of 1981 that it is must shut down after its final flight on March 24. Company assets are literally turned over to the tax collectors.

CENTURY AIRLINES (3): United States (1980). This short-lived Century Airlines is set up at Kansas City, Missouri, in early 1980 to provide scheduled air taxi flights to Dodge City via Salina. Employing a Beech 18, the company duly begins daily revenue flights, but cannot maintain them beyond year's end.

CENTURY AIRLINES (4): 7002 Highland Road, Pontiac, Michigan 48054, United States; Phone (810) 666-1200; Fax (810) 666-1450; Code CT; Year Founded 1983. Originally established as **Cryderman Air Service**, this Pontiac-based contract and charter freighter operator is renamed in 1983. Operations during the remainder of the decade and

into the 1990s are maintained with a fleet of Douglas DC-3s and a Piper PA-31-310 Navajo.

In 1993–1994, President C. F. Cryderman operates 5 Douglas freighters, 1 Rockwell Aero Commander, and 1 Learjet 25B. Domestic flights continue during the remainder of the decade, however, the fleet is changed. Gone are 2 DC-3s, replaced by 1 Convair CV-640.

CENTURY PACIFIC LINES: United States (1931–1932). Given the popular support of his eastern enterprise, **Century Air Lines**, Errett Lobran Cord establishes another deep discount carrier at Glendale, California, in early summer 1931. Using the first of 10 delivered Stinson SM-6000Bs, he opens scheduled passenger and air express service on July 3 linking Glendale with San Diego, Fresno, Oakland, and San Francisco. In August, routes are stretched to Sacramento and Tucson.

Some 26 daily schedules are offered by October and by year's end, services have been extended from Glendale to Yuma and Phoenix and from Phoenix to Tucson. The Arizona segments are challenged before that state's railroad commission by **American Airways**, which has similar routing.

For the year, CPL transports 26,167 passengers and 36.6 tons of small packages.

En route to Los Angeles from Bakersfield on January 29, 1932, a Stinson SM-6000B, piloted by James V. Sandbloom, crashes into a canyon wall northwest of Lebec, California (eight dead). CPL is unaffected by the pilot strike which hits **Century Air Lines** on February 1 and during the month begins flying to El Paso.

It is, however, adversely affected when the Arizona Railroad Commission sides with **American Airways** in March and orders the Cord company to cease its flights in that state. CPL is now shut down, but becomes a part of the Cord sale of **Century Air Lines** to The Aviation Corporation (AVCO) in April.

CESKOSLOVENSKE-CSA. See **CSA CZECHOSLOVAK AIRLINES (CESKOSLOVENSKE STATNI AEROLINIE)**

CESSNYCA, S.A.: Columbia (1962–1974). Following the closure of **AVISPA (Aerovias Pilotas Asociados, S.A.)** in 1962, one of the associated founders of that carrier, Jaime Castro, elects to continue. Forming a new company, Cessnyca, S.A., Castro purchases and employs a number of AVISPA's Douglas DC-3s, Beech 18s, and 2 DC-6Bs to continue services from Medellin to such destinations as Chigorodo, Caucasia, and Puerto Berrio.

A DC-3, with 14 aboard, crashes near Chigorodo on January 17, 1974; there are no survivors. Unable to overcome the adverse impact of the tragedy or to compete in the cutthroat airline war raging between **Aerocondor (Aerovias Condor de Colombia, S.A.)** and **SAM Colombian Airlines, S.A.**, Jaime Castro is forced to quit the air transport business later in the year.

CETA. See **COMPAGIA ESPANOLA DE TRAFIC AEREO, S.A.**

CEYLON AIRWAYS: Ceylon (1947–1948). Ceylon Airways is formed at Colombo's Ratmalana Airport in the spring of 1947 and is the marketing name taken by the Air Transport Branch of the government's Directorate of Civil Aviation. A technical assistance contract is signed with **Air India, Ltd.** and 3 Douglas DC-3s arrive from the subcontinent. They are christened *Sita Devi*, *Sunethra Devi*, *Vihara Maha Devi* (*devi* means "queen" in Sinhalese).

In June, the *Viharamaha Devi* completes a nine-day roundtrip flight to London to obtain a set of electoral registers for use in the upcoming national elections.

During the summer, cockpit and cabin crews fly the Douglas transports on training missions and route-proving flights. Emergency supply and rescue flights are operated in August when floods ravage the country.

On December 10, four-times-per-week Douglas DC-3 Colombo to Madras via Kankasanturai service is launched. The initial flight is operated by the *Sita Devi*, piloted by Capt. Peter Fernando.

Ceylon's independence from Great Britain is achieved on February 4, 1948. All three DC-3s participate in a celebratory air show. Early in the year, frequency on the Colombo to Madras route becomes daily and a daily Colombo to Trichinopoly via Jaffna service is introduced.

A fourth DC-3 is acquired in May and is christened *Sri Lanka Devi*. The Douglas transports begin to fly Muslim pilgrims to Jeddah as part of the Hadj. In June, the *Sunethra Devi* is ordered to fly Ceylonese Navy personnel to Sydney via Singapore for additional training. The DC-3 becomes lost over Malaya, but is put back on course by an RAF aircraft that answers its distress calls. Upon its arrival, it becomes the first plane from Ceylon to land in Australia.

During the summer, the former British crown colony of Ceylon is granted dominion status and, in August, the company is renamed **Air Ceylon, Ltd.**

CF AIRFREIGHT: United States (1987–1989). When **Eastern Air Lines** cancels its Moonlight Special arrangement with the air freight forwarder on March 1, 1987, CF AirFreight parent Consolidated Freightways, Inc. moves to begin its own cargo service. Donald G. Berger is named the subsidiary's president and the hub is transferred from Houston to Indianapolis.

Initially, a facility is shared with **Purolator Courier**, which is scheduled to move into its own new facility in midyear. Over \$5-million worth of ground equipment is purchased, including 8 elevating loaders, 40 tractors, 300 dollies, and 40 forklifts. A fleet is assembled comprising 4 DC-8-50Fs, 2 B-707-320Cs, 9 B-727-100Cs, 1 Convair CV-580, and 1 Shorts SC-7 Skyvan. By summer, the company is providing its own airlift.

The route system is restructured in September–October. Following Purolator's purchase by **Emery Air Freight**, the Purolator facility is purchased by **Federal Express**, which gives CF AirFreight until the beginning of the next year's second quarter to vacate. B-727-100Cs are positioned at Austin, Syracuse, Baltimore, Atlanta, and Ft. Lauderdale while three newly received and hush-kitted DC-8-50Fs are based at Oakland, Phoenix, and Orlando.

At this point, 900,000 pounds of freight pass through the Indianapolis hub nightly. Overall, the company has 115 U.S. and Canadian terminals and service is offered to over 125 international destinations.

As operations continue apace in 1988, the CF AirFreight fleet grows by the addition of 9 more DC-8-50Fs and 2 CV-580s; 4 B-727-100s are withdrawn. Service begins in January to five new destinations—Norfolk, Raleigh/Durham, Peoria, Champagne, and San Diego. A 4,000-sq.-ft., \$427,000, expansion is added to the carrier's warehouse and distribution space at the Charlotte, North Carolina, terminal in April. In May, the company begins operating from its own new Indianapolis facility.

In October, nightly B-727-100C flights commence from Indianapolis to Detroit and Nashville, while DC-8-50F frequencies are begun from Indianapolis to Oklahoma City, Shreveport, and Ontario, California. Tampa and Jacksonville from Indianapolis DC-8-50F routes are opened in November. Although traffic figures are again not provided, company officials reveal that the year's revenues are \$389 million. The operating profit is \$10.2 million.

In the spring of 1989, Consolidated Freightways, Inc. purchases struggling **Emery Air Freight** for \$247 million. Berger takes charge of the new acquisition and combines it with his own to form **Emery Worldwide**, a CF Company.

CFI, INC.: 135 E. Reno Ave., Suite F-6, Las Vegas, Nevada 89119, United States; Phone (702) 736-0077; Fax (702) 736-6258; Year Founded 1985. Ira Eichenfield sets up CFI at Las Vegas in 1985 to provide corporate charters. By 2000, 11 full-time pilots are employed and the company flies 2 Beech 2000 Starships and 1 each British Aerospace BAe (HS) 125-800 Hawker executive jet, Beech Super King Air 200, and King Air 90.

CFRNA. See COMPAGNIE FRANCO-ROUMAINE DE NAVIGATION AERIENNE, S.A.

CGEA. See COMPAGNIE DES GRANDS EXPRESS AERIENS, S.A.

CGT. See COMPAGNIE GENERALE TRANSAERIENNES, S.A.

CHALK'S FLYING SERVICE. See CHALK'S INTERNATIONAL AIRLINES

CHALK'S INTERNATIONAL AIRLINES (1): United States (1919–1996). Arthur Burns (A. B. or "Pappy") Chalk, an Illinois farmer-turned-mechanic, starts **Chalk's Flying Service** on newly formed Watson Island, across the causeway from downtown Miami, on June 1, 1919. Burns had received his first flying lessons in 1911 from the barnstormer Tony Jannus in exchange for repairs on a Benoist flying boat.

With its headquarters under an umbrella at a rented base on Flagler Street, the world's first air taxi begins flying a float-equipped three-seat Stinson Voyager on charters to Bimini during the 1920s. The heydays of Prohibition, many of Chalk's best customers are gangsters, including the likes of Al Capone, a sometime resident of nearby Star Island.

A Waco ASO is purchased in 1930, but more importantly, Chalk marries in 1932. Mrs. Chalk will remain an active partner in the airline as long as A. B. owns it. Following repeal of the 18th Amendment in 1933, Chalk's clientele become somewhat less colorful, although a pet raccoon, remembered by many for the hours it logs, is now acquired. Most are big game fishermen, who base their boats at Bimini for easier access to the sport fishing grounds.

During summer, a newly added Fairchild 71 and the Waco are supposedly employed to rescue Cuban leader Gerardo Machado from Havana. Arriving at Mariel on August 24 to carry the dictator and his party to exile, the aircraft are fired upon by the forces of Fulgencio Batista; too riddled to fly, the Waco must be left behind, but Chalk does manage to fly Machado to exile at Nassau.

This story, repeated down through the history of the Chalk company, is legend, not fact. General Machado had peacefully departed Havana on August 12 aboard a **Cubana (Compania Nacional Cubana de Aviacion, S.A.)** Sikorsky S-38 piloted by Cubana's chief pilot Capt. Arthur Lee. Cubana at that time was a subsidiary of **Pan American Airways (PAA)** and both the aircraft and flyer had been seconded over from the U.S. carrier.

Chalk continues Fairchild 71 fishing flights in 1934–1935; among his passengers are Wilbur Wright, Howard Hughes, Errol Flynn, and Ernest Hemingway. A formal terminal building (actually just a tiny building built from hand-gathered seashore rocks) replaces the umbrella headquarters on Watson Island in 1936, at which time the company is renamed. A. B. continues to fly charters in 1937–1939, while management is largely left to Mrs. Chalk.

In 1940, the one-plane fleet is tripled by the addition of a pair of Sikorsky S-38s. During World War II, Chalk serves as a ferry pilot, training Navy pilots and flying Civil Air Patrol antisubmarine patrols. Although several Grumman G-21 Geese are acquired by his company, scheduled services are intermittent.

In 1945–1946, the Chalk's enter into a loose business association with former barnstormer Dean Franklin, who contributes a Stinson SRH and his considerable experience to the operation. At the same time, orders are placed for Grumman G-44 Widgeons.

Services become somewhat more regular following the official post-war announcement of their inauguration on November 21, 1947, the same day Chalk receives certification from the CAB as an irregular carrier.

As an aside, we might note here that it is this official certification date which long caused a debate as to which of two airlines, Chalk's or **KLM (Royal Dutch Airlines, N.V.)**, is the world's oldest. The debate will become mute in 1996.

In 1948, a Grumman G-44 Widgeon is finally acquired. Permanent certification is received on July 18, 1950.

For the next 20 years, traffic continues to consist primarily of sport fishermen intent upon flights to Bimini. Frequencies return to their intermittent pattern during the 1950s and early 1960s and income is slight.

In 1955, the City of Miami attempts to evict the carrier from its Watson Island base for nonpayment of rent; fortunately, Chalk and his friends are too politically acute to allow such an event to occur, and squatter's rights are successfully defended.

In October 1962, 3 Geese are temporarily based at Great Inagua Island in the Bahamas to fly members of the media on charters during the Cuban Missile Crisis. With an excess of 16,000 flight hours in his logbook, 75-year-old Arthur Chalk retires in 1964 following the death of his wife. He does, however, remain chairman of the company.

Longtime Chalk colleague Franklin purchases 100% shareholding in the company from Chalk in 1966 in exchange for an \$800-per-month pension and A. B.'s personal Widgeon. During the remainder of the decade and into the next Franklin increases the fleet. In addition to 2 of his own Geese, 2 more are added, and orders are placed for 5 Grumman G-73 Mallards. At the same time, a "Route 9" certificate is acquired from the Bahamian government, which allows the company access to any point in the islands from Ft. Lauderdale, Orlando, Palm Beach, Miami, or Tampa.

The first Mallard, formerly operated by the Japanese air taxi service Nitto Aviation, Ltd., is acquired in late 1968; christened *City of Miami*, it is placed into service during 1969. The company changes its corporate identity to Chalk's International Airlines in 1970 and also acquires access to Cat Cay. The attraction of taking off from water and low cruising speeds that allow excellent sight-seeing appeals to numerous passengers.

During those years of growth, the most compelling incident occurs on March 7, 1972. After shooting and wounding the pilot, Jim Cothron, and a mechanic on the ground at Miami (MIA), J. W. Brewton and another member of the National Black Liberation Army, armed with shotguns, hijack a Grumman G-73 Mallard and force copilot Douglas McKenzie to fly them to Havana. In 1975, one of the pirates will be shot and killed in Jamaica; the other will return to the U.S. a decade later and will be captured, tried, and sentenced to 10 years in prison.

After this incident, no Chalk's aircraft is ever fueled sufficiently to reach Cuba.

Late in the month, a sixth Mallard N73556 is obtained from Canada. Chalk's now operates the largest number of Mallards by a single owner.

The hijacking is extremely bad for publicity and the company begins to fail in 1973. At this point, Franklin sells controlling interest to Pennsylvania contractor Edward F. Dixon. Fiscal difficulties continue and, with the sale of 2 G-73s to **Antilles Air Boats**, the fleet is reduced to only 4 Mallards.

With Chalk's near extinction, Dixon, having held the company for less than a year, resells it in 1974 to aviation buff James Crosby, owner of Resorts International. The company, under its new owners, continues flying to the Bahamas, with half of the passengers enplaned for Paradise Island (formerly Hog Island) and the others for Nassau, Bimini, and the islands of south Florida.

Meanwhile, on his 85th birthday, founder and former owner A. B. Chalk makes his final flight, being required by the FAA, successor to the CAA, to surrender his license that day. Chalk will continue to be a welcome visitor at the Watson Island base, where he will feed the birds and regale customers with stories of the early days of aviation.

In 1975, President I. G. Davis Jr.'s fleet comprises the 4 Grumman Mallard amphibians. Enplanements for the year total 40,000. Airline employment in 1976 stands at 40. Another Mallard is acquired and all 5 are now provided new livery. In addition, the company establishes a certified repair station at its new Miami maintenance facility, adding a night shift. Passenger boardings accelerate to 44,762.

Founder Chalk is killed on May 26, 1977, when he falls out of tree at home while pruning it. Operations at his former airline continue apace both during that year and in 1978, when owner Crosby begins to look for a larger seaplane.

Hoping to fill a long-existing need for a medium-sized amphibian for the Caribbean island-hopping scene, company engineers visit Grumman in 1979 and join in the redesign of the HU-16 Albatross, several units of which are made surplus by the government. An order is placed for 13 of the ships. While awaiting the new aircraft, Chalk's receives its first G-73T Turbo Mallard on November 27.

The surplus HU-16s are modified to 28-passenger configuration at the manufacturer's St. Augustine facility in 1980. Meanwhile, the Mallard fleet is increased by the addition of 4 additional machines, all G-73Ts. On May 15, gunman James Thomas Wright surrenders to Miami police following his unsuccessful attempt to commandeer a Mallard to Cuba. Badly managed and overextended, Chalk's has lost nearly \$1.5 million during the past two seasons.

Having been initially test flown on February 13, 1981, the first G-111 Albatross is received in the fall and is placed into service on December 15 over the route from Ft. Lauderdale and Miami to Nassau and Bimini. With added capacity, Chalk's passenger traffic grows rapidly. A total of 45,000 travelers are boarded on the year.

Two more G-111s join the fleet in 1982 and, with over 32 flights per day offered between Florida and Bimini, Cat Cay, and Paradise Island, customer bookings jump to 118,000.

In 1983, services are maintained and the 115-employee company becomes one of the nation's most unique amphibious air transport companies and the oldest continuously operated carrier in the world. Enplanements for the year total 93,234.

The fleet in 1984 includes 3 G-111s and 5 Grumman G-73T Mallards. Three direct roundtrip flights are offered daily between Ft. Lauderdale and Paradise Island and Nassau and one roundtrip from West Palm Beach. There are five roundtrips between Miami's downtown Watson Island to Paradise Island and Nassau; four to Bimini Island; two between Nassau and Bimini; and one between Cat Cay Island and Miami. In addition to passengers, the carrier also transports more than 2.5 tons of essential food supplies and perishables each month.

Destinations served in 1985 include Miami, Ft. Lauderdale, West Palm Beach, Bimini, Cat Cay, Nassau, and Walker's Cay. During the Southern Ocean Racing Conference, company aircraft fly world-class crews and thousands of pounds of hi-tech sails for the racing boats in Nassau Harbour.

During the former year, the company becomes the beneficiary of five years worth of free publicity as its aircraft are prominently displayed in the weekly opening scenes of the popular television police drama *Miami Vice*.

Enplanements in the latter year total 118,773.

The fleet of the 85-employee small regional in 1986 includes 3 G-111s and 5 G-73T Turbo-Mallards. Following the sudden death of owner Crosby, the airline passes to his sisters. They make plans to construct a STOL strip on Paradise Island, to begin landplane services, and to retire the noisy, uneconomical G-111s. Passenger boardings climb 7.3% to 128,126.

In 1987, Donald Trump purchases Resorts International from the Crosby sisters and authorizes the construction of their 3,000-ft. runway STOL airport on Paradise Island, one capable of handling de Havilland Canada Dash 7s. The seaplane fleet is reduced to 4 Turbo Mallards while all of the Albatross amphibians are withdrawn and placed into storage at Evergreen Air Center at Marana, Arizona.

Customer bookings for the year decline by 11.7% to 112,668.

In late 1988, Resorts International, which has been forced by its junk-bond play to enter Chapter XI bankruptcy protection, is purchased by TV mogul Merv Griffin who sees the airline as a vehicle with which to transport passengers to the newly completed STOLport on Paradise Island. To qualify for Part 121 certification, the airline is renamed **Paradise Island Airlines**, doing business as Chalk's International Airlines. General Manager S. P. Allen's company, having lost its independence, sees the fleet revised to include 4 Grumman Turbo Mallards and the first company landplanes, 2 DHC-7s. Beginning on March 25, the Canadian-built turboprops operate five round trips per day from Ft. Lauderdale to

Paradise Island and four per day from Miami, while the Mallards maintain their earlier routes to the U.S. Virgin Islands. Enplanements for the year grow by 12% to 96,000.

In May 1989, Resorts International, under requirements of its bankruptcy proceedings, splits Griffin's air transport subsidiary into two divisions: Chalk's International Airlines and **Paradise Island Airways**. Retaining the original Chalk's certificate but not its name, the landplane operation is turned over to Paradise. It is announced that the Chalk's, retaining its name but with a new Part 135 license, will be sold on December 15. Due to public outcry and a request from the Bahamian government, the sale does not occur and the Mallards continue their amphibious shuttle flights from Watson Island Seaplane Base at Miami to Nassau and Bimini. Because it is operating under bankruptcy protection, the carrier does not release traffic figures.

Miami Vice is cancelled in the spring of 1990 ending five years of free worldwide television exposure for the carrier. During the summer, negotiations are opened with Seth G. and Connie Atwood, owners of Rockford, Illinois-based United Capital Corporation and original investors in **Midway Airlines**. The Atwoods form a new subsidiary, Flying Boats, Inc., and, in December, purchase from Resorts the new Part 135 operating certificate, the Chalk's name, and all 16 seaplanes. Meanwhile, the year's traffic figures are reported with those of **Paradise Island Airways**.

Seth G. Atwood becomes chairman/CEO with Bill Jones as vice president operations on January 1, 1991. The carrier, Flying Boats, Inc., doing business as Chalk's International Airlines, is born and an Albatross is reinstated. Four G-73T Turbo Mallards join it in undertaking service between the Watson Island seaplane base at Miami and Bimini, Paradise Island, and Ft. Lauderdale. Additional charters, in the form of air tours, are undertaken over Miami and south to the Florida Keys. In June, the company inaugurates its first domestic route to downtown Key West.

The harbor of Fort Jefferson in the Dry Tortugas joins the route network in 1992. In August, Hurricane Andrew devastates the company terminal at Bimini. Enplanements for the first full year under Atwood's direction reach 40,000. Airline employment in 1993 stands at 65 and a new Bimini terminal is opened in September. The success of the Atwoods in boosting the company's fortune leads to the need for a reintroduction of a stored Albatross.

A fifth Mallard is acquired in 1994 by the world's last scheduled international flying boat (not floatplane) operation is now in its 75th year, but the Key West service is suspended for lack of traffic. If one overlooks the ownership changes and certification date, Chalk's remains the oldest continuously operated airline in the world, four months and a week senior to **KLM (Royal Dutch Airlines, N.V.)**. At the very least, it is the world's first air taxi and the oldest water-based operator.

Except for Christmas Day, services continue to be offered all-year-round in 1995. Much of the Mallard fleet is placed into storage at Ft. Lauderdale or in Arizona. Two Mallards, together with an Albatross, work the Miami-Ft. Lauderdale-Bimini-Paradise Island route network. During the summer, new turboprop engines are fitted to the Albatross. Plans are laid to commence service to Havana as soon—or if—the political climate improves. Traffic figures are still not released.

On January 30, 1996, Charles Cobb, Craig Robins, and Chuck Slagle, interested in a possible feeder link with the new **Pan American World Airways (2)**, purchase the historic carrier and rename it **Pan Am Air Bridge** in honor of the earlier pioneer, **Pan American World Airways (1)**. Although the Chalk's name will remain (for awhile) on the terminals at Paradise Island, Bimini, Miami, Watson Island, and Ft. Lauderdale, the first repainted Mallard begins Air Bridge flights on March 1.

There is an unofficial website at http://pages.prodigy.com/jttoad/pam_am.html.

CHALK'S INTERNATIONAL AIRLINES (2). See **PARADISE ISLAND AIRWAYS**

CHALK'S OCEAN AIRWAYS: 704 S.W. 34th Street, Ft. Lauderdale, Florida, United States; Phone (800) 414-2557; <http://www.chalksoceanairways.com>; Code OP; Year Founded 1999. On Wednesday, February 10, 1999, **Pan Am Air Bridge** files for Chapter XII bankruptcy protection with the U.S. Bankruptcy Court at Dallas, Texas, and suspends service next day. On February 12, the court reaches an agreement with **Gulfstream International Airlines** to resume service to Bimini on a temporary basis, effective February 26, as the historic carrier attempts to reorganize under the protection of the bankruptcy laws.

The U.S. Bankruptcy Court at Dallas, on February 24, requests that Gulfstream, also, continue to operate **Paradise Island Airways** as it, too, reorganizes under the protection of the bankruptcy laws.

GIA's President Cooper indicates that the historic airlines will be preserved and that they will resume 12 daily Grumman amphibian roundtrips on February 26 from Miami to Bimini and Paradise Island and from Ft. Lauderdale to Bimini, Paradise Island, and Walker's Cay. While a final decision on the future of **Pan Am Air Bridge** is made, its planes, like those of **Paradise Islands Airways**, are repainted in the colors of Chalk's International Airlines (2).

As Chalk's International Airlines (2), PIA and PAAB continue and expand daily services as of February 26.

In August, the seaplane operation is purchased out of bankruptcy by South Florida businessman and former **Eastern Air Lines** pilot James Confalone for \$925,000. A holding company, Flying Boat, Inc., is established under Chairperson Patricia Long to provide management and recapitalization, and William "Bill" Jones is named airline president. Reclaiming for the carrier the title of world's oldest continuously operated scheduled air carrier, Confalone renames the venture in honor of founder Arthur B. Chalk and financier Ocean Bank. Work begins to upgrade and modernize the Albatross and Mallard fleet and flying, temporarily halted, is resumed to, from, and between Watson Island at Miami, Ft. Lauderdale, Palm Beach, Bimini, and Walker's Cay.

With the airstrip on Paradise Island fortuitously closed in September, Confalone now approaches Sun International, owner of the Atlantis resort on the island and offers a direct seaplane service to replace the 45-min. taxi ride now the only way to the resort from Nassau. Mallard service to Atlantis is inaugurated on December 17.

Due to the changing ownership and financial situation, customer boardings for the variously named carrier over the year fall 12.7% to 29,000.

At the beginning of March 2000, a de Havilland Canada DHC-6-300 is acquired for charters from Ft. Lauderdale to Walker's Cay and Great Harbour.

On May 24, Chalk's opens a site on the World Wide Web and its summer schedule with an increased number of flights begins on June 1.

When a new seaplane terminal opens at Freeport in the Bahamas, Chalk's initiates thrice-daily Mallard flights to the resort from Ft. Lauderdale in December.

CHALK'S PARADISE ISLAND AIRWAYS. See **CHALK'S INTERNATIONAL AIRLINES**

CHALLENGEAIR, S.A.: Avenue Louise 416, BTE 17, Brussels, B-1050, Belgium; Phone 32 (2) 647-2515; Fax 32 (2) 646-5997; Code CH; Year Founded 1994. Owned by Luc Mellaerts and Pierre Jottrand, ChallengeAir, S.A. is set up at Brussels on April 12, 1994 to operate inclusive-tour and other charter passenger flights on behalf of other airlines and travel industry groups. With Mellaerts as chairman and Jottrand as president/chief pilot, ChallengeAir recruits a workforce of 12 and leases 1 Douglas DC-10-30 from **Air France**.

Revenue operations commence on June 1 as the company begins flying weekend roundtrips between Manchester and Tenerife on behalf of **Britannia Airways, Ltd.** Later in the year, services are also provided for **Air Europe Italy, S.p.A.**

A second DC-10-30, also painted in an all-white scheme with olive drab and red markings, is acquired in **1995**. It is almost immediately wet-leased to the French charter operator **Corse Air International, S.A.**, better known as **Corsair**, to assist that tour operator to meet its summer capacity requirements.

The first Douglas wide-body is also wet-leased to **Corsair** in **1996** and the carrier operates relatively few flights of its own this year. In **1997-1998**, the capacity charter is split between Corsair and **Caledonian Airways, Ltd.**

It is understood that flights continue without change during the remainder of the decade; exact information is, however, unavailable.

CHALLENGE AIR CARGO: 3401 NW 67th Ave., Building 805, Miami, Florida 33122, United States; Phone (305) 590-1850; Fax (305) 590-1860; <http://www.challengeaircargo.com>; Code WE; Year Founded 1985. The second of two wholly owned subsidiaries created by **Challenge Air Transport**, CAC is born in **1985** and provided with the parent's Boeing 707-320C under lease. Regularly scheduled and charter all-freight revenue operations commence in the fall over several of CAT's previously flown cargo routes.

In June **1986**, the subsidiary severs its connections with its parent and becomes a separate entity under William F. Spohrer, the founder and chairman/CEO. Employing 2 B-707-320Cs, the carrier's extensive network of Latin American destinations is maintained; places visited come to include Bogota, Cali, Guatemala City, La Paz, Lima, Managua, San Pedro, Sula, San Salvador, São Paulo, and Manaus.

Freight traffic skyrockets 113% this year to 62.17 million FTKs.

During **1987**, the carrier transports 69.5 million FTKs. Although a \$2.7-million operating profit is generated, there is a \$740,000 net loss. Airline employment is increased by 50.5% in **1988** to 167. In December, the fully owned subsidiary **Challenge Air Express** is established at Miami to employ dedicated space on regular CAC flights.

Cargo rises by 38.7% to 110,553 FTKs. Revenues accelerate 25.1% to \$26.6 million and even though costs rise only 2.2%, operating income falls to reach \$1.5 million. The net bottom line turns around and shoots up to \$263,700.

The workforce swells 55.2% in **1989** to 450 and the fleet includes 1 B-707-330C and 2 DC-8-63Fs. Orders are placed with Ansett Worldwide for 2 more B-757-23PFs as Challenge Air Express overnight, international document, and small package service to Bogota and Cali and second-day service from Miami to any other major city in Colombia begins in January. Weekly scheduled routes are stretched in July to Asuncion, San Salvador, Caracas, Quito, and Guayaquil.

The Luxembourg-based all-cargo airline **Cargolux Airlines International, S.A.** now becomes the company's general sales agent in Europe. The first B-757-23PF, *Spirit of Miami*, is received on August 1. During the summer, U.S. Customs discovers 120 pounds of cocaine aboard a company aircraft just landed in Miami and imposes a \$2 million fine.

The carrier reacts by expending \$500,000 in security investments and hiring a well-trained seven-man crew of security agents, ex-policemen all. Impressed by the good-faith effort, the government drops its fine in September. Also in September, twice-weekly service begins from Miami to Chicago and weekly flights start from Miami to Los Angeles; the Douglas freighters bring in, via both routes, flowers, fruit, and vegetables from Chile, Ecuador, and Venezuela.

Beginning in October the *Spirit of Miami* is employed to offer weekly freighter service from Miami to Chicago and Los Angeles.

Freight traffic nearly doubles, accelerating 49.8% to 166.42 million FTKs. Revenues do even better, jumping 59.6% to \$42.5 million. Operating income ascends to \$10.26 million and net gain reaches \$2.48 million.

Airline employment is cut by 33.3% in **1990** to 300, but the fleet is increased by the addition of another B-757-23PF. A second hub is opened at Atlanta, from which flights are scheduled to Panama City and San Jose, Costa Rica.

Cargo moves ahead by 6% to 173.24 million FTKs and revenues climb 27.3% to \$54.08 million. Expenses, however, increase by 73.3%

to \$55.8 million and force an operating loss of \$1.72 million. The net loss is \$2.09 million.

The employee population increases by 50% in **1991** to 450 as a code-sharing agreement is signed in December by Chairman Spohrer with **Deutsche Lufthansa, A.G.**

Orders are placed for a fourth B-757-23PF and freight traffic climbs 3.3% to 192.08 million FTKs. Revenues jump 18.5% to \$64.11 million, expenses ascend only 4.2% to \$57.96 million, and there is an operating profit of \$6.14 million. Net gain surges to \$3.38 million.

Company employment is increased by another 50% in **1992** to 675. In accordance with the new pact, the German flag carrier in January adds a B-747F to its Frankfurt-Miami route, feeding European cargo to Challenge for continuation to Bolivia, Costa Rica, Ecuador, Guatemala, and Peru. A marketing agreement is signed in March with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, providing for Central American connecting flights to and from Madrid.

In July, a marketing agreement is signed with **Aeroflot Russian International Airlines (ARIA)**; under its terms, the two carriers pledge to feed each other's routes between Europe and Latin America via Miami. Scheduled all-freight flights commence in August from Miami to Brazil, followed by Los Angeles to Brazil service in September, as well as Miami-Honduras frequencies.

Cargo advances by 21.1% to 236.33 million FTKs and revenues move up 22.2% to \$78.3 million. Expenses are lower and allow profits—also lower—to be generated: \$1.66 million (operating) and \$407,787 (net)

The payroll is slashed by 35.6% in **1993** to 435 and the fleet includes 3 B-757-203PFs and 1 B-707-330C. A new air cargo center is opened at San Juan, Costa Rica, in January and new flights commence from Miami to San Pedro Sula in Honduras. Weekly service is initiated in April between Los Angeles and Brazil.

Freight falls 9.4% to 214.05 million FTKs and revenues ascend 14.9% to \$90.03 million. Expenses rise 18.4% to \$91.09 million and the operating loss is \$1.06 million. The net loss is \$1.31 million.

Airline employment is increased by 2.1% in **1994** to 661 and papers are signed for the construction of a 165,000-sq.-ft., \$20-million, fully automated cargo center at Miami (MIA).

Cargo recovers, moving ahead by 3.1% to 257.34 million FTKs, and revenues advance by the same percentage to \$91.62 million. Expenses decline 1.9% to \$69.46 million, allowing a pretax gain of \$22.13 million and a net profit of \$2.3 million.

The workforce grows another 21% in **1995** to 800. In August, a DC-8-73F is leased from **Southern Air Transport** for eight months.

The company's 5 aircraft operate a total of 250.2 million FTKs, an increase of 11.2%. The operating profit plunges to \$197,000 and there is a \$674,000 net loss.

The employee population does not change in **1996**. The carrier's status as the only all-cargo operator between the U.S. and Peru is challenged by seven other carriers, who request routes from the DOT.

In May, Challenge leases a B-767-34AFER from **UPS (United Parcel Service)** on a month-to-month basis. The wide-body, which replaces a DC-8F previously leased from **Southern Air Transport**, will be employed to operate weekend all-cargo services from Miami (MIA) to Venezuela and Brazil.

Cargo moves up 5.9% to 264.87 million FTKs and revenues (through September) reach \$79.84 million. Unhappily, expenses total \$87.15 million and the previous year's small operating gain becomes a \$7.5-million loss. The net loss deepens to \$8.26 million.

Destinations visited in **1997** include Bogota, Cali, Caracas, Guatemala City, Guayaquil, La Paz, Lima, Managua, Manaus, Panama City, Quito, San Jose, San Pedro Sula, San Salvador, and São Paulo.

Arrangements are made to acquire 3 (with 2 options) former **Japan Air Lines Company, Ltd. (2)** Douglas DC-10-41s that are being converted into freighters by Aeroavali for Ten Forty Corporation.

A total of 310.56 million FTKs are operated, a 17.3% increase over the previous year.

Operating revenues advance 18.8% to \$131.43 million, while expenses climb 5.8% to \$124.97 million. The previous year's loss becomes a \$6.45-million operating gain. In addition, a \$6.65-million net gain is celebrated.

In early September 1998, the carrier leases the newly completed 205,000-sq.-ft. Air Cargo Center at Dallas (DFW). The center becomes a second hub and is employed to help Challenge service its growing South American business.

At the same time, as the result of a recently signed strategic agreement with UPS, enhanced scheduled express service via Brazil to South America becomes available five days a week. Beginning on September 15, Challenge operates a wet-leased UPS B-767-34APF into Campinas, one hour from São Paulo.

This service complements additional Latin American routes also announced by UPS and Challenge as part of their pact. Under this agreement, Challenge has contracted with UPS to operate wet-leased B-757-24APF freighter flights between Miami and the Dominican Republic on Tuesdays, Thursdays and Sundays and between Miami and Venezuela on Wednesdays and Fridays. A wet-leased B-767-34APF is also operated by Challenge for UPS from Miami and Honduras to Costa Rica on Saturdays.

The first 2 of 3 ex-JAL DC-10-41Fs are acquired in October–November; they will be joined by the third in June.

Freight traffic during the 12 months advances by 8.61% to 324.79 million FTKs. Revenues climb 5.1% to \$138.19 million, while expenses move ahead by 14% to \$142.53 million. The resulting operating loss is \$4.33 million and there is also a \$5.5-million net loss.

Following several weeks of negotiations, the company's assets, including all leased facilities, ground equipment, computer systems, and route authorities, but not including aircraft, are sold to UPS (**United Parcel Service**) on June 28, 1999.

Overall cargo traffic declines 5.7% to 306.28 million FTKs. Revenues advance 7.8% to \$148.95 million, while expenses jump 12.4% to \$160.26 million. The operating loss almost triples, deepening to \$11.3 million, while the net loss doubles to \$10.9 million.

Airline employment at the beginning of 2000 stands at 704, a 12.3% reduction in force over the previous 12 months.

CHALLENGE AIR EXPRESS. *See* CHALLENGE AIR CARGO

CHALLENGE AIR INTERNATIONAL: United States (1984–1987). CAI is established at Miami in the fall of 1984 as the passenger division of **Challenge Air Transport**, itself founded in 1978 and now concentrating on all-cargo operations. Employing a Boeing 737-2K2 leased from **Transavia Holland, N.V.**, the semi-autonomous operator inaugurates charter and inclusive-tour flights on December 31 from Miami to San Pedro via Tegucigalpa.

In early 1985, a second leased B-737-2K2 is acquired and scheduled passenger flights begin in the spring. Destinations visited now include San Pedro, Sula, Tegucigalpa, San Salvador and Belize City. Charters are offered from Baltimore and Philadelphia to Nassau and Freeport in the Bahamas. Two more B-737-2K2s are acquired and almost 100,000 passengers are transported during the start-up year.

The 100,000th customer is boarded on January 6, 1986 and, later in the month, another B-737-2K2 is delivered from **Transavia Holland, N.V.**

Following a June reorganization, which sees the cargo division become the separate **Challenge Air Cargo**, the company is purchased for over \$1 million by the Airline Holding Company investment group headed by Eli Timoner, **Air Florida's** founder and former chairman. Timoner becomes chairman of Challenge Air International, with another onetime **Air Florida** executive, Robert "Bobby" Booth, as president/CEO.

CAI expands to additional markets, including Guatemala City, Kingston, Montego Bay, Port au Prince, Grand Turk, Providenciales, San Jose, Belize, Panama City, and the Dominican Republic. Traffic and financial figures are not made available; however, expansion proves very costly.

The fleet is reduced to 1 B-727-200 and 1 B-737-2K2 in 1987. Thrice-weekly scheduled flights begin in June from Washington, D.C. (IAD) to Miami, offering through service from the nation's capital to El Salvador and Belize and connecting services to Costa Rica and Honduras through its Miami gateway. Northbound flights continue to Newark.

On September 28, the company stops flying and in November it files for Chapter XI bankruptcy. During the first 11 months of the year, the carrier flies a total of 120,000 passengers and earned revenues of \$21.3 million. Although an operating profit of \$552,000 is generated, a net loss of \$699,000 is suffered. In December, an unsuccessful effort is made to sell 80% of the carrier's assets to Milam International, a Colorado-based corporation.

Efforts to resume in 1988 are unsuccessful and the airline contracts with **LACSA (Lineas Aereas Costarricenses, S.A.)** in January to handle many of its Latin American contracts. The DOT revokes its operating permit in the fall.

CHALLENGE AIR TRANSPORT: United States (1978–1987). Established by William F. (Bill) Spohrer in 1978 to provide scheduled and charter cargo flights to Latin America, CAT's initial fleet comprises 2 Douglas DC-6s and 1 Boeing 707-320C. Service is started from the Miami base to Panama City and from Miami to Lima via Iquitos. The principal cargo is fresh cut flowers.

Two years later, in 1980, 1 DC-8-55F freighter is acquired. It is, however, returned in 1981 and replaced by another DC-6A and 2 Curtiss C-46As. Challenge now operates 1.18 million FTKs of piston-engine freight. Expenses of \$1.38 million exceed operating income of \$1.11 million, leaving an operating loss of \$270,000 on a net downturn of \$385,000.

The fleet in 1982 includes 2 DC-6As, 2 Curtiss C-46As, and the DC-8-55F, which is reintroduced. The jetliner's arrival helps to insure a significant upturn in cargo to 7.19 million FTKs.

Freight drops at the 28-employee concern in 1983, to 6.4 million FTKs. Service to Peru is temporarily halted for diplomatic reasons in May 1984. Late in the year, a new passenger subsidiary, **Challenge Air International**, is established.

Although cargo flights to Peru remain grounded in early 1985, the new CAI subsidiary inaugurates scheduled passenger services with a leased B-737-2K2. At this point, CAT establishes a second wholly owned subsidiary, **Challenge Air Cargo**. The parent's B-707-330C is chartered and operations begin in the fall.

In June 1986, CAC severs connections with CAT and becomes an independent airline under Chairman Spohrer. Of CAT's two subsidiaries, only CAI remains and, when it suspends operations on September 30, 1987, the parent retires, giving up on a plan to fly to South America.

CHALLENGE AIRWAYS (PTY.), LTD.: Australia (1988–1989). The new Queensland third-level passenger and cargo commuter inaugurates regional services from Coolangatta in October 1988 with a Piper PA-31-310 Navajo and a Beech B-58 Baron. The operation is not successful and shuts its doors in June 1989.

CHALLENGE INTERNATIONAL AIRLINES. *See* CHALLENGE AIR INTERNATIONAL

CHALLENGER AIRLINES: United States (1946–1949). Originally formed as **Summit Airways** at Denver in January 1946, this local service carrier is equipped with DC-3s. After receiving CAB certification on March 29, the company opens scheduled passenger and cargo flights to Salt Lake City via Cheyenne on May 5.

Summit is renamed in January 1947 and continues to grow. Destinations served during the year and in 1948 increase and include Casper and Billings in the north and Colorado Springs, Pueblo, and Grand Junction in the south.

Late in 1949, the airline is purchased by and merged into **Monarch Air Lines**.

CHAMPAGNE AIRLINES, S.A.: Aéroport de Reims Champagne, Reims, France; Phone 7 07265 34 2107; Fax 7 07265 13 640; Code CPH; Year Founded 1998. Champagne is established in the summer of 1998 to offer on-demand executive and small group passenger charters. The seven-worker company begins revenue operations with 1 Beech 1900C and 2 Beech King Air 90s.

CHAMPION AIR (PTY.), LTD.: Australia (1979–1982). Formed at Adelaide in 1979, Champion Air launches scheduled commuter service from that city to Kimba and Wudinna with a Piper PA-34 Seneca and Smith Aerostar 600.

Unable to maintain viability in the face of world economic recession and steadily higher fuel costs, the flights are suspended in 1982.

CHAMPION AIRLINES: 5101 Vernon Ave., S., Suite 300, Edina, Minnesota 55436, United States; Phone (612) 920-6822; Fax (612) 920-8513; <http://www.championair.com>; Code MG; Year Founded 1995. During the first week of January 1995, American International Airways (3) purchases the failed MGM Grand Air and its fleet of 3 DC-8-62s. American International is now restructured into Grand Holdings, Inc., with AIA and MGM Grand Air as its two subsidiaries. Grand Holdings, Inc. President David P. Ahles indicates that MGM's outstanding charters will be honored.

On July 1, majority interest in MGM is sold to Richard Page's Minneapolis-based Front Page Tours; AIA continues to hold a 20% interest. President Page renames his new unit Champion Airlines and it is provided with 1 DC-8-62 and 1 each Boeing 727-91, B-727-223, and B-727-224A, all leased from AIA, plus a 200-person workforce (a 66.7% increase over what it had been under MGM), that includes most of the former MGM employees.

Public charters from a new base at Los Angeles begin in August with emphasis placed upon the transport of professional sports franchises. These include the NBA teams of the Chicago Bulls, Denver Nuggets, Utah Jazz, Indiana Pacers, and Minnesota Timberwolves; the San Jose Sharks and Los Angeles Kings NHL teams; and the Minnesota Twins and Chicago White Sox MLB teams. The B-727-91 briefly carries the logo of the Denver Nuggets.

Enplanements total 41,000 and operating income reaches \$20.3 million. Expenses are high and leave a \$3.89-million operating loss and a net \$3.55-million loss.

There is no change in either employee population or fleet during 1996. Although the transport of professional sport teams remains a prime business focus, team affiliation is not displayed on the carrier's aircraft. Dallas-based Adventure Tours is a major client.

Customer bookings skyrocket 182.9% to 116,000 and revenues of \$8.15 million are generated. With costs at \$8.11 million, the previous year's start-up losses continue: \$3.78 million (operating) and \$2.73 (net).

The workforce is cut 17.5% in 1997 to 165. The company, which is still struggling during the first quarter, receives a major increase in capitalization on March 26 when Northwest Airlines and Carl Pohlad purchase stakes of 40% and 60%, respectively. The Northwest shareholding is acquired via its MLT Vacations subsidiary. Northwest and Pohlad Companies form a holding company, GHI-CA Corporation, to manage the acquisition. Lawrence J. Tighe is named executive vice president/chief operating officer under President Page, with Stephen M. Spellman as chief financial officer.

In addition to sports team flights, the company now undertakes public charter flights to a variety of popular vacation destinations, e.g., Cancún. MLT Vacations, which is owned by Northwest Airlines, becomes a major client. In July, a B-727-212A is delivered under a 7-year lease from The CIT Group.

New pilots and flight attendants are now trained by Northwest at its Minneapolis training center.

The company experiences a mixed traffic and fiscal year. On the plus side, passenger boardings soar 159.5% to 301,000 and operating revenues climb 22.9% to \$38.29 million. On the down side, costs increase

46.5% to \$51.17 million, boosting the operating loss to \$12.88 million. The net loss also significantly worsens, growing from \$2.73 million to \$20.77 million.

Airline employment in 1998 stands at nearly 300. Destinations visited include Acapulco, Cabo San Lucas, Cancún, Cozumel, Dallas (DFW), Des Moines, Detroit, Ft. Myers, Grand Cayman, Las Vegas, Los Angeles, Minneapolis (MSP), Montego Bay, Oklahoma City, Orlando, Puerto Plata, Puerto Vallarta, Steamboat Springs/Crested Butte, Purgatory, Reno/Lake Tahoe, San Francisco, and Seattle.

Founder Page resigns during the second quarter to pursue other interests. Former Wisconsin Brewing Co. president and principal owner, Michael J. Gerend, is named the airline's president/CEO on July 15. Gerend had earlier served as a mid-level executive with Northwest Airlines.

Company pilots on September 24 vote to be represented by ALPA.

Flights continue during the remainder of the year. Cross-town rival Sun Country Airlines monitors Champion's growth, concerned that it might become a low-cost division of Northwest in the manner of Metro-Jet with USAirways.

During the 12 months, customer bookings skyrocket 79.4% to 540,000. Revenues increase 68.3% to \$64.44 million, while costs, up 37.5%, reach \$70.4 million. Losses lessen and include \$5.96 million (operating) and \$7.67 million net.

By the beginning of 1999, airline employment has been boosted 21.2% to 200.

In February, 2 hush-kitted B-727-290As are received on 7-year leases from the CIT Group.

Customer bookings increase 95.4% to 1,055,000 while operating revenues rise 58.1% to \$101,878,000. With expenses up only 28% to \$90.13 million, the previous year's losses are turned into profits: \$11.73 million (operating) and \$10.22 million (net).

CHAMPLAIN AIR TRANSPORT: United States (1932–1934). CAT is formed at Plattsburgh, New York, in the spring of 1932 to offer scheduled passenger and air express flights across Lake Champlain to Burlington, Vermont. A single Stinson SM-8A is employed to begin revenue flights in April.

Unable to maintain viability in a time of depression, the carrier folds in 1934.

CHANGAN AIRLINES COMPANY, LTD.: P.O. Box 2, Laodongnan Road, Xi'an, Shaanxi, 710082, China; Phone 86 (29) 792 483; Fax 86 (29) 792 483; Code 2Z; Year Founded 1992. Changan Airlines is established at Xian on December 24, 1992 to provide passenger and cargo flights to destinations within Shaanxi province. Briefly known as Air Changan, the new entrant is a joint venture between the local municipal government and the Xian and Shaanxi aircraft manufacturers.

She Yining is named president and he begins services at the beginning of 1993 with a pair of Xian Y-7s, Chinese license-built Antonov An-24s.

Operations throughout Shaanxi province continue apace in 1994. One more Y-7 is placed into operation. Enplanements reach 120,900 in 1995.

Airline employment stands at 280 in 1996 and the fleet includes 5 Y-7s. Passenger boardings skyrocket 93% to 130,000. Freight traffic increases 106.9% to 700,000 freight FTKs.

Flights continue in 1997. During the first quarter of 1998, the regulatory body CAAC (The General Administration of Civil Aviation of China) significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered around major carriers. It is hoped that, by 2001, Changan Airlines will become part of China Northwest Airlines Company, Ltd.

President She, together with Bai Zhijian, president of China Aviation Supplies Corporation, travel to Toronto where, on April 16, 1999, they sign an agreement with Bombardier Aerospace for 3 DHC-8Q-400 turboprops. The transaction, valued at over C\$89 million (\$60 million), represents the first sale of Bombardier's Next Generation DHC-8 in the People's Republic of China.

The year's enplanements total 93,000 and 36,000 FTKs are operated.

During the spring of **2000**, Changan becomes the first airline in China to order the DHC-8-Q400 from Bombardier Aerospace, placing an order for three. Deliveries are slated to begin at the end of October.

On September 1, an arrangement is signed between the provincial government and **China Hainan Airlines Company, Ltd.** under which that carrier will acquire Changan, the identity of which will, for now, be retained.

As a subsidiary, Changan will continue to operate as before with its fleet of 6 Yun Y-7-100s and 2 Y-7-200s, but the new DHC-8-Q400s will be delivered to China Hainan instead.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Changan, increase fares on November 5.

CHANNEL AIR BRIDGE, LTD. See AIR CHARTER, LTD.

CHANNEL AIR FERRIES, LTD.: United Kingdom (1936–1939). Channel Air Ferries, Ltd., is registered at London on May 8, **1936** as a subsidiary of **Olley Air Services, Ltd.** Employing a Short Scion, the company begins daily summer-only Brighton–Ryde service on May 23. Flights cease in late September.

In the spring of **1937**, the Great Western and Southern railroads purchase shareholding. On July 3, a new London (Croydon)–Deauville weekend de Havilland DH 84 Dragon service is undertaken, with the frequency changed to daily in August and ad hoc in September; flights to Deauville from Brighton are offered on the same basis during August–September. Timed to connect with the Cornish Riviera express of the Great Western Railway, a weekday Penzance–Scilly Dragon return service is initiated on September 15. From the new Land's End airfield near St. Just on the mainland, the DH 84 flies to a golf course on St. Mary's, Scilly.

In order to transport staff and gramophone disks for Radio Luxembourg, twice-weekly London (Croydon)–Luxembourg service is started in June **1938**. On August 8, alternating with **Railway Air Services, Ltd.**, the company undertakes a Bristol–Cardiff–Plymouth route.

Other routes undertaken include Penzance–Scilly–Plymouth, Brighton–Bembridge–Bournemouth, which becomes London (Croydon) to Cardiff, via Brighton, Bembridge, Bournemouth, and Bristol. Also, a summer-only, on-demand London (Heston)–London (Croydon) is initiated. In accordance with the Air Navigation Order of September 16, the new Air Transport Licensing Board (ATLB) issues a provisional permit to the company for operation of a Land's End–Scilly service.

Following the formation of **Great Western and Southern Air Lines, Ltd.** on December 5, the new entrant gradually assumes Channel Air Ferries' services plus several of Railway Air Services, operating them under the Channel Air Ferries name until March 24, **1939**.

CHANNEL AIR LIFT: United States (1966–1970). CAL is set up at Honolulu in **1966** to operate all-cargo services between the major islands of the state with a pair of Curtiss C-46 Commandos. Operations continue apace for the remainder of the decade and the fleet grows to comprise 5 Curtiss freighters. With the cutback in Vietnam war-related shipping opportunities, the carrier is forced, by dwindling business, to close down in August **1970**.

CHANNEL AIR SERVICE, LTD. See AIR CHARTER, LTD.

CHANNEL AIR SERVICES, LTD. See FAIRWAYS AVIATION (JERSEY), LTD.

CHANNEL AIRWAYS, LTD.: United Kingdom (1962–1972). Although the marketing title has been employed since **1952**, Channel Airways, Ltd. is officially born from **East Anglian Flying Services, Ltd.** in an October 25, **1962** renaming ceremony. On December 31, the financially troubled **Tradair, Ltd.** is purchased along with its 4 Vickers Vikings and 1 Viscount 707.

On April 11, **1963** the ex-**Riddle Airlines** DC-4, purchased by EAFS the year before, enters services with the Viscount on passenger flights across the Channel from Southend to Ostend and seasonally, to Paris.

During the 12 months, 5 Vikings and 3 DC-3s are removed while, in December, 3 more of **British European Airways Corporation (BEA)**'s Viscount 701s are purchased.

Enplanements for the year total 258,739 (30,649 charter).

Three Vikings are withdrawn in **1964** and 4 Viscount 701s, 1 Viscount 702, and 1 Viscount 707 are added. A new route is opened from Southend to Rotterdam. Former Southend Airport Manager Bernard Collins becomes deputy managing director in July.

Passenger boardings jump 27% to 369,890.

In addition to the regularly scheduled routes, Channel's Viscount fleet mounts a large number of inclusive-tour flights during **1965** from Manchester and Southend. One Bristol 170 Mk. 21 remains in operation on the Ostend run and in May, an order is placed for 4 Hawker Siddeley HS 748s.

The last Viking is withdrawn, along with a DC-3 and 2 Viscount 701s. The first 2 HS 748s are delivered in October and December, but are leased out to North American carriers. The company considers jet aircraft and obtains detailed studies on the BAC 1-11, Douglas DC-9, and Boeing 737.

Enplanements jump 18.4% to 437,950.

Two more HS 748s are delivered in February and March **1966**, respectively, with the first beginning service on the Southend–Jersey scheduled route on February 24. The Viscount 812s operated by **Continental Airlines** in the U.S. are purchased for just under £3 million and the first three are delivered during the second quarter. A subsidiary travel agency, Mediterranean Holidays, Ltd., is now established to take advantage of the Viscounts' ability to fly inclusive tours to southern Europe and North Africa.

During the summer, HS 748s replace DC-3s on the Ipswich–Jersey via Southend and Portsmouth, scheduled service while in September they open a new frequency from Southend to East Midlands Airport. Also on September 5, orders are placed for 4 BAC 1-11-408EFs, with options taken on 2 more. Other fleet changes during the year include the retirement or sale of 2 DC-3s and 5 Viscount 701s.

The majority of the ex-**Continental Airlines** Viscount 812 fleet is delivered in early **1967**; 8 machines are placed in service between February and April.

While on a test flight from Southend on May 3, the wing of one of the new Vickers Viscount 812s with three crew hits the ground during a turn. The aircraft crashes into a fence and catches fire; although no one aboard the plane is hurt, two people on the ground are killed.

The first BAC 1-11-408EF arrives at Southend on June 14 and is placed in service on June 26–27 on a night charter flight to Palma. The mission allows Channel the honor of being the first British independent to operate the Dash-400 version of the BAC.

The HS 748s succeed DC-3s and Viscount 701s on such routes as those from Portsmouth to Paris and to the Channel Islands. On the afternoon of August 15, 2 HS 748s are damaged in landing accidents at Portsmouth, but are repaired there.

On October 5, orders are placed for 5 Hawker Siddeley Trident 1Es. Four days later, a BAC 1-11-408EF undertakes a proving flight over a new scheduled multistop route from Portsmouth to Aberdeen. An HS 748 is sold in December.

A Trident 1E and a BAC 1-11-408EF are delivered in May **1968** followed by another of each type in June, the same month another HS 748 is sold.

A Vickers Viking 812 with 4 crew and 79 passengers is destroyed by a bad landing at Southend Airport on May 4; there are no fatalities.

The first Trident 1E revenue service is flown on June 1. Plans to lease a BAC 1-11-408EF to Compania Dominicana de Aviacion, C. por A. fall through in June just after the plane is painted in the colors of the Caribbean carrier.

Environmental and landing difficulties force removal of the BAC 1-11s to London (STN). At this time, a BAC 1-11-408EF is chartered to **Bavaria Fluggesellschaft, mbH.** for six months.

Two more HS 748s are sold during the year and the first of 5 ordered DH 114s is delivered in November. Over the holidays, another BAC 1-11-408EF is leased to **Austral/ALA, S.A.** of Argentina.

The multistop Portsmouth–Aberdeen service proven in 1967 is started by a Viscount 812 on January 20, 1969; it is marketed as The Scottish Flyer. Simultaneously, connecting feeder flights begin Norwich–East Midlands Airport. This “bus route” and its feed prove unprofitable, losing £160,000 before suspension on November 28.

Having been refurbished after its South American lease, a BAC 1-11-408EF is sold to **Bavaria Fluggesellschaft, mbH.** in February. As the summer schedule begins, a BAC 1-11-408EF is leased to **Autair International Airways, Ltd.** on weekends. Meanwhile, in response to the April award of a £5-million inclusive-tour contract from Lyons Tours, the carrier, on August 27 purchases 6 ex-**British European Airways Corporation (BEA)** Comet 4Bs. Five DH 114 Heron 1Bs are added during the year and 5 Viscount 812s are sold in October.

Five Comet 4Bs are added in the first half of 1970, one each month except March. The first revenue service flown by a former state-owned jetliner is a Lyons Tours flight undertaken on May 17, East Midlands Airport to Palma. Once per week London (STN) to Rimini night flights commence on May 25.

In September, three West German tour operators contract with the airline to fly charters from West Berlin to the Mediterranean. Other fleet changes during the year include the deletion of 1 DH 104 Dove 1B, 2 DC-3s, the Viscount 702 and both Viscount 707s, the last HS 748, and 2 Viscount 812s.

The year 1971 marks the company's last full year of operations. The £1.5-million West German contract is started in March. Although a full variety of scheduled and nonscheduled services are provided, a lack of spare parts for company jetliners leads to delays, leasing of aircraft from other fleets, and a severe financial drain. A **Mexicana Airlines, S.A. de C.V.** Comet 4 is purchased for spare parts in June.

At the end of the summer, cash flow difficulties force Channel to retrench. In October, a Viscount 812 is sold and the carrier's 2 Trident 1Es are purchased by **British European Airways Corporation (BEA)** in December. Bookings for the year are 542,000.

Although scheduled routes are maintained, the fiscal picture becomes so bleak that the company enters receivership on February 1, 1972. Jetliner operations cease on February 15 and the last revenue service is a DH 114 flight Ostend–Southend on February 29.

CHANNEL EXPRESS (AIR SERVICES), LTD.: Building 470, Bournemouth International Airport, Christchurch, Dorsetshire, England, DH23 6SE, United Kingdom; Phone 44 (1202) 593 344; Fax 44 (1202) 573 512; <http://www.channel-express.co.uk>; Code LS; Year Founded 1978. Express Air Services, Ltd. is formed at Bournemouth–Hurn Airport in 1978 to offer passenger and cargo charter flights, contract cargo operations, and aircraft leasing. The initial fleet comprises 2 Handley Page HPR 7 Dart Heralds, which initiate daily roundtrips to the Channel Islands. The following year, the company is merged with Jersey-based **Intra Airways, Ltd.** to form **Jersey European Airways, Ltd.**

In 1984, Channel Express (Air Services), Ltd. is set up at Bournemouth Airport as successor to Express Air Services, Ltd. and the fleet is upgraded by the addition of a de Havilland Canada DHC-6 Twin Otter and a Partenavia P-68.

Services from Bournemouth to the Channel Islands continues for the remainder of the decade. In addition, the carrier undertakes night all-cargo flights on behalf of various express companies, including **Federal Express**, and the British Royal Mail.

By 1989, the fleet has grown to include 8 Dart Heralds; a Lockheed L-188CF arrives under lease from **Zantop International Airlines** in December.

A dedicated Fokker F.27-600 added in 1990 to handle the FedEx contract. During the first quarter, 2 L-188CFs are acquired from **Evergreen International Airlines**.

Through the first 8 months of the year, cargo tonnage rises to 4.9 million.

Airline employment stands at 300 in 1991 and the fleet now includes the FedEx F.27-600, 9 Heralds, and 4 Lockheed L-188AF and CFs, including the 1 leased from **Zantop International Airlines**.

As of October, freight is up 20.3% to 7.78 million FTKs.

One L-188AF is replaced in April 1992 by 2 L-188CFs acquired from **Evergreen International Airlines**. Enplanements for the first 9 months total 2,622.

In 1993, President/CEO Philip Meeson, who remains the company's majority shareholder, and Managing Director Ian Fox employ 150 workers and possess a fleet of 9 Heralds and 4 Electra freighters.

Passenger boardings through September are off 10.4% to 2,375.

Airline employment is increased a whopping 87.5% in 1994 to 300 and the fleet now includes 1 Fokker F.27-600, 1 F.27-500 leased from **Jersey European Airways, Ltd.**, 10 Heralds (2 are out of service), and 5 Electras.

Customer bookings decline 3.6% to 2,455 while cargo falls 6.9% to 403,000 FTKs.

There is no change in the workforce in 1995 as traffic falls again. The company remains a subsidiary of the Aviation Division of the Dart Group, plc. An Electra begins to participate in the Royal Mail Skynet system.

Enplanements are off by 8.7% to 2,242 through September.

Airline employment is reduced 16.7% in 1996 to 250. The fleet now includes 4 F.27-500s, 2 of which are chartered from **Jersey European Airways, Ltd.**, 2 chartered F.27-600s, 10 Heralds (2 of which are still in storage), 2 Lockheed L-188CFs, and 3 L-188AFs, including 2 leased from **Zantop International Airlines**.

Despite the size of its capacity, Channel operates only 11.24 million FTKs and passenger traffic is not reported.

An Airbus Industrie A300B4-203F is placed into service during the spring of 1997, followed by a second later in the year.

Just after landing at Jersey Airport on May 6, the nose landing gear of an F.27-500CRF freighter collapses; there are no injuries reported.

A contract is signed on July 1 with **TNT Express Worldwide**. Cargo more than doubles, growing to 23.5 million freight FTKs.

Following delivery of a third A300B4-203F during the summer of 1998, the carrier inaugurates freight flights on behalf of TNT in September, from the U.K. to Liege, Belgium. In the fall, an Electra is chartered to **Lyden Air Cargo**.

Freight traffic increases 4.5% to 45.75 million FTKs.

By the beginning of 1999, airline employment has been increased by 28% to 320.

A fourth A300B4-203F is acquired and the schedule for ad hoc charters throughout Europe, North Africa, and the Mideast is increased.

In mid-May 2000, CE sells its original A300B4-203F to **TNT Express Worldwide**. The fleet remaining comprises 3 A300B4-203Fs, 8 F.27Fs, and 4 Lockheed L-188AFs.

Displeased by progress at the renewed U.S.-U.K. bilateral talks in London in mid-August, **Federal Express** Chairman Frederick Smith allegedly threatens to withdraw his line's arrangements with all British airlines. Channel Express' expectations of a renewal of the FedEx contract are dashed when a new agreement is not offered.

CHANNEL FLYING SERVICE: United States (1954–1989). Established by Ken and Craig J. Loken at Juneau, Alaska, in 1954, CFS undertakes scheduled and nonscheduled air services to destinations in the southeastern portion of the territory, plus the Canadian provinces of British Columbia and the Yukon. Most of the operations are conducted with floatplane types, such as the de Havilland DHC-2 Beaver, amphibians like the Grumman G-21 Goose, and small convertible landplanes such as the Cessna 206.

In addition to bush charters, the company introduces scheduled air transport in 1971 to Angoon, Corner Bay, Eight Fathom Bight, Elfin Cove, Fresh Water Bay, Funter Bay, Hobart Bay, Juneau, Kake, Pelican,

and Tanakee. Many of these flights are performed under contract with **Alaska Airlines**.

As the result of a fatal **Ryan Air Service** crash in 1987, the FAA, in early 1989 launches a regulatory crackdown on Alaska's regional carriers. At the beginning of the year, Channel employs 13 people, operates 5 aircraft, and offers scheduled flights to 11 destinations in southeast Alaska.

While en route from Juneau to Pelican on April 19, a DHC-2 with two aboard crashes into a 1,950-ft. high vertical rock wall while crossing over Chichagof Island some 12 mi. E of its destination; there are no survivors.

CFS continues flying until May 21, when the FAA, alleging the airline guilty of five counts of safety violations, issues an emergency license revocation.

The Lokens spend the remainder of the year working with government officials, who eventually drop many of their complaints. The FAA allows the owners of the closed airline to recertify a reduced number of aircraft and to resume operations as the charter and air taxi operation **Loken Aviation**.

CHANNEL ISLAND AIRWAYS, LTD.: United Kingdom (1934–1947). Once Whitehall Securities takes an interest in **Jersey Airways, Ltd.**, this airline, capitalized at £100,000, is formed as a nonflying holding company. **Guernsey Airways, Ltd.** is formed on November 24, 1934 by Jersey Airways owner W. L. Thurgood with support from Whitehall Securities. On December 1, Channel Islands Airways, Ltd. is registered at Jersey to coordinate the work of the two carriers. On March 2, 1943, two railroads, the Great Western Railway and the Southern Railway, purchase control of the holding company, naming K. W. C. Grand as chairman.

On September 1, 1945 the railroad owners merge **Jersey Airways, Ltd.** and **Guernsey Airways, Ltd.** into one carrier, giving it the name of the holding company and equipping it with a fleet of 6 DH 89A Dragon Rapides. One is a former RAF Dominie, modified by de Havilland to civil Dragon Rapide standard.

Southampton–Jersey and Guernsey six-times-per-day passenger and mail flights are reopened on September 10 and thrice-weekly DH 89A Jersey–Alderney service is resumed, beginning on December 20.

In the spring of 1946, Douglas DC-3s, leased from **British Overseas Airways Corporation** with BOAC crews, are placed in service to cope with an expected large summer holiday traffic. Wanting to test its new Bristol 170 Wayfarer in actual operations, the manufacturer provides example G-AGVB under lease; it begins proving flights to the Channel Islands from London (Croydon) on May 9.

These proving flights are concluded on June 21, revenue service begins on July 1, and continue until November 4, during which time the aircraft makes 399 flights, carrying 10,961 passengers, 37.5 tons of cargo, and 2.3 tons of mail. **British European Airways Corporation (BEA)** is established on August 1. Total passenger boardings for the year are 74,626.

Despite a month-long legal battle waged by the carrier and the states of Jersey and Guernsey, on April 1, 1947 the new state carrier takes over the independent's services, personnel, and aircraft, thereby bringing its history to an end.

CHANTILLY AVIATION. See AMERICAN FLIGHT SERVICES

CHAPARRAL, INC.: United States (1979–1996). Wallace Thrash establishes an FBO and charter operation at Lubbock, Texas, in 1979. Services are inaugurated and by 1994 the company has 16 full- and 10 part-time pilots on the payroll. From its main Lubbock base, President Thrash's concern flies passenger charters with a fleet that includes 1 each Gates Learjet 24F, Beech Super King Air 200, King Air 90, and Turbo Commander 690C. All-cargo services are available from a Falcon 20 and a Lear 24D stationed at Dallas (DFW), as well as a Lear 24D based at Pontiac, Michigan.

Operations cease in 1996.

CHAPARRAL AIRLINES: United States (1975–1990). This small regional is organized at Abilene, Texas, in August 1975 as the scheduled airline division of Ollie Higgins and Kent Waddell's FBO Abilene Aero, Inc., later **Abilene Aero-Lubbock Aero**. John Stevens is named president and is assigned to oversee 11 employees.

The new commuter inaugurates scheduled Piper PA-31-310 Navajo (with two aircraft) service to Austin on September 15, 1976. Enplanements in 1977, the first full year of service, total 18,271.

The fleet in 1978 includes 3 Piper PA-31-350 Navajo Chieftains and 1 Beech 99. Following an increase in customer bookings to 27,482 passengers—a 50.4% jump—the fleet is increased by the addition of 5 Beech 99s. Incidentally, freight traffic rises an incredible 320.6% to 166,140 pounds.

The workforce is increased by 66.7% in 1979. Destinations visited now include Austin, Houston, Midland, Lubbock, San Antonio, Dallas (DFW) and Alexandria, Louisiana.

The carrier's 6 Beech 99s assist boardings to skyrocket by 85.5% to 50,716. Cargo is up by 60% to 266,000 pounds.

In 1980, frequencies are significantly increased to Dallas (DFW) and Houston and the carrier joins the **American Airlines** computerized reservations system and provides feed for the major.

Passenger boardings increase 43.7% to 73,013 and freight rises 9.7% to 291,508 pounds.

Airline employment reaches 142 in 1981. The company replaces all but 1 of its Navajos with 3 CASA C-212 Aviocars. The schedule now offers 50 flights each day. Orders are placed for 2 Grumman Gulfstream G1-Cs.

Customer bookings rise by 48% to 107,908 and cargo increases 62.5% to 474,000 pounds.

Traffic rises 8.4% to 119,248 passengers plus 360,000 pounds of freight (down 24%) carried in 1982. The G1-Cs are received in 1983 and help passenger boardings leap 6.5% to 127,019. Cargo is, however, down 11.4% to 239,609 pounds.

In late 1984, as its flights continue into Texas and Louisiana markets, the company is completely reorganized and becomes a part of the **American Airlines** "American Eagle" commuter network on December 1.

As a result of feeding passengers to the major's Dallas (DFW) hub, passenger traffic and profits begin a dramatic ascent, traffic rising 30.2% for the remainder of the year. Since January, Chaparral has booked 165,370 passengers and flown 212,000 pounds of cargo, the latter figure representing an 11.4% decline.

Traffic continues to boom for the "American Eagle" affiliate in 1985. Passenger boardings jump 10.3% to 182,406 and cargo increases 56% to 332,000 pounds.

The 145-employee small regional enjoys a good 1986 as customer bookings rise 8.4% to 197,707. Freight, however, falls 10% to 300,000 pounds. Revenues total \$14.1 million.

The carrier is purchased for \$5.7 million in cash by Dallas (DFW)-based **Metro Airlines** in August 1987. The fleet is repainted in "American Eagle" livery.

Prior to its takeover, the small regional shows passenger boardings off during the first 6 months by 2.8% to 123,849. Freight is off by 20.4% to 164,000 pounds.

In 1988, President Steven's fleet comprises 3 Beech 99s, 5 Grumman 1-Cs, and 2 Shorts 330s.

While on approach to Dallas (DFW) on March 25, a BAe Jetstream 31 with two crew and on a positioning flight suffers the failure of its No. 1 engine and must land in uneven terrain near Decatur, Texas; although the aircraft is damaged beyond repair, no injuries are reported.

As one of two Metro divisions providing "American Eagle" services at Dallas (DFW), Chaparral's traffic figures for the year are released as part of its parent's.

From Abilene in 1989, flights are made to Austin, San Antonio, and Laredo and from Dallas (DFW) service is undertaken to Abilene and to Shreveport and Alexandria, Louisiana. Statistics show enplanements of 580,034.

In May 1990, Chaparral and its 19 aircraft are merged into Metro's main Texas division, **Metroflight**.

Prior to its disappearance, the operator flies a total of 312,185 passengers, a 46.2% decline from the same period a year earlier.

CHAPLIN AIR LINE: United States (1919). One of the nation's first, if unsustained, airlines is formed at San Pedro by actor Charlie Chaplin's brother Syd in late June 1919. Employing a single Curtiss MF flying boat, the three-employee carrier inaugurates thrice-daily return flights on July 4 to the holiday resort of Avalon on Catalina Island, 34 miles offshore. Service is maintained until mid-September.

The regular schedule is then abandoned in favor of a single pilot's ad hoc flights, which are offered until the end of December when the company is purchased by Foster Curry's **Pacific Marine Airways**.

CHARDZHOU AIRLINE: Chardzhou Airport, Chardzhou, Turkmenistan; Phone 7 (37822) 21032; Year Founded 1995. Chardzhou Airline is set up at Chardzhou in Turkmenistan in 1995 to offer domestic passenger services as a feeder for **Turkmenistan Airlines**. Kadyr Khatamov is general director and he begins flights with 10 Yakovlev Yak-40s and 30 Antonov An-2s, plus a rotary-wing fleet of 14 Mil Mi-8/17s and 11 Mi-2s.

CHARRAK (PTY.), LTD.: Australia (1996–1997). The all-cargo carrier Charrak is set up at Cairns, North Queensland, in early 1996. Outfitted with a single Lockheed L-188CF Electra first flown by **Northwest Airlines**, the company begins hauling shipments of tuna to Japan on April 23. Flights continue through January 1997.

CHARTAIR: United States (1988–1991). Chris and Jamie Marsden set up Chartair at Friday Harbor, Washington, during the summer of 1988 as successor to **San Juan Airlines**. Employing Cessna 172s, Cessna 402s, and a Piper PA-34 Seneca, scheduled passenger and commuter flights are inaugurated on August 1, linking the company's base with Seattle, Bellingham, Anacortes, and other of the San Juan islands.

Operations continue until recession puts the company out of business in 1991.

CHARTAIR, LTD.: United Kingdom (1946–1961). Equipped with a single Percival Proctor 1, Chartair, Ltd. is formed at Aylesbury (Thame) airfield on August 8, 1946. A one-third interest is taken, together with **Instone Airlines, Ltd.** and the British Aviation Services (Britavia) company **Silver City Airways, Ltd.**, in the new **Air Malta, Ltd.** In December, the company purchases 4 Airspeed AS.65 Consuls, which are sent to the Mediterranean to operate **Air Malta, Ltd.**'s scheduled services.

Four more Consuls are acquired during the first half of 1947 and these, too, are sent to the Mideast, specifically to fly services in Israel on behalf of the UN Commission. Also, in late winter, Thame airfield is purchased and the company agrees to operate it, registering its FBO Airtech on February 11; Airtech will become a major rework facility.

In May, Chartair merges with **British American Air Services, Ltd.** Chartair General Manager Guy Lawrence is named operations chief of both carriers, which will continue to operate under their previous names. A delineation of emphasis is agreed upon; Chartair will pursue passenger charter and BAAS will seek cargo work for its ex-military Handley Page Halifax 8s.

Operating from London (Croydon), Chartair, Ltd. Consuls undertake a variety of long-distance charter operations during 1947–1948. At the end of the latter year, the company's interest in **Air Malta, Ltd.** is sold.

The Israel operation ends in early 1949 and all but 3 Consuls are sold.

Two of the 3 surviving AS.65s are sold to **Air Jordan, Ltd.** in December 1950 and all charter flights cease in early 1951. The Chartair name, however, remains viable until November 1961 when Airtech absorbs the title and the few remaining assets of its associate.

CHARTER AIRLINES: United States (1977–1979). CA is established as **Charterair** by the Charter Air Center at Gainesville, Florida, in February 1977 to offer scheduled third-level passenger and cargo services to Tallahassee, Tampa, Ft. Lauderdale, and Marsh Harbour in the Bahamas. Daily roundtrip revenue operations commence during March with 2 Cessna 402s and 2 C-404s. Enplanements during the following 10 months reach 2,958.

The corporate identity is changed in 1978 and passenger boardings increase 438.7% to 15,934. Skyrocketing fuel and expansion costs force the carrier to cease operations in 1979.

CHARTER CRUISE AIR (PTY.), LTD.: Australia (1983–1994). Charter Cruise is formed at Mascot in 1983 to provide inclusive-tour services and sight-seeing flights. At decade's end, Managing Director Nancy Knudson's commuter employs 20 workers and has a fleet of 1 Fokker F.27-100 and 1 F.27-500. In early 1990, the company receives government authority to inaugurate scheduled services.

Operations continue apace in 1991–1994; during the latter year the company name is changed to **Air Cruising Australia (Pty.), Ltd.**

CHARTER FLIGHT: 5400 Airport Drive, Charlotte, North Carolina 28208, United States; Phone (704) 359-9124; Fax (704) 359-9128; Year Founded 1993. CF is established at Charlotte in 1993 to provide executive and small group passenger charters throughout the U.S., Canada, and Caribbean. By 2000, the company employs 6 pilots and operates 2 Cessna 550 Citation IIs and 1 each C-560 Citation V, Beech Super King Air 200, King Air 90, and Cessna 340.

CHARTER SERVICES: West Ramp, Mobile Regional Airport, Mobile, Alabama 36608, United States; Phone (334) 633-6090; Fax (334) 633-6850; Year Founded 1991. Bobby Marks establishes Charter Services at Mobile in 1991 to offer executive and small group passenger charters throughout the U.S., Canada, Mexico, and the Caribbean.

By 2000, Marks' concern operates 2 each Cessna 501 Citation Is and C-550 Citation IIs, plus 1 each Beech King Air 90 and C-414 Chancellor.

CHATHAM AVIATION: United States (1964–1970). Chatham is established by Jack Cullen as **Lemco Flying Service** at Teterboro Airport in New Jersey in the fall of 1964. Scheduled Cessna 207 flights are inaugurated to New York (LGA) in November.

In early 1965, the company is reformed, renamed, and in September, becomes one of five small third-level operators joined together to feed **American Airlines** at its New York City gates under the major's Metro Air Service scheme.

Operations halt in the recession year of 1970.

CHAUFFAIR, LTD.: General Aviation Terminal, London Heathrow Airport, Hounslow, Middlesex, England, TW6 3AE, United Kingdom; Phone 44 1252 377880; Fax 44 1252 377872; Year Founded 1980. Chauffair is established at London (LHR) in 1980 to provide executive and small group passenger charters first throughout the U.K. and then on into Northwest Europe.

By 2000, the carrier, which occasionally also stations aircraft at Farnborough, is operating 2 each British Aerospace BAe (HS) 125 Hawkers and Cessna 550 Citation IIs and 1 each C-560 Citation V and Learjet 35A.

CHAUTAUQUA AIRLINES: P.O. Box 160, 2500 South High School Road, Indianapolis, Indiana 46241, United States; Phone (317) 484-6000; Fax (317) 484-6040; <http://www.flychautauqua.com>; Code CHQ; Year Founded 1972. Created by Edward Joel and Gloria Hall at Jamestown, New York's Chautauqua County Airport in early 1972, this new entrant is invited, in the spring of 1974, to become a member of the "Allegheny Commuter" network. Within months, preparations are com-

pleted and initial Beech 99 service is inaugurated over a route to Pittsburgh on August 1.

Enplanements in **1975** total 50,019. They increase by 10% in **1976** to 55,576. A total of 746,837 pounds of freight are carried during the year. By **1977**, the Beech 99 operator has increased its passenger enplanements to 66,906.

Local commuter service is dramatically extended in **1978** following passage of the Airline Deregulation Act. In this landmark year, the carrier boards 75,224 passengers (a 12% increase) and opens additional frequencies to Pittsburgh, which becomes the carrier's hub, and to Buffalo via Jamestown from Bradford, Pennsylvania.

Also under "Allegheny Commuter" auspices, Chautauqua begins a Florida division on February 1, **1979**, launching service from Orlando to Vero Beach, Lakeland, and Ocala. Two new Shorts 330s come on line to help the 4 Beechcraft handle an expected growth in enplanements. Still, employment is cut by 42.2% during the year to 52.

The Florida service does result in a large traffic surge, as boardings skyrocket 93% to 145,526.

That upswing levels off in **1980**, however, as 148,190 passengers are boarded, an increase of only 1.9%. Upward growth occurs again in **1981** as Chautauqua officials see their fleet of 2 Shorts 330s and 4 Beech 99s fly 165,974 travelers, a 12% increase. New flights are inaugurated from Pittsburgh to Akron and Canton, Ohio, on June 2, replacing service previously provided by **USAir**.

The fleet in **1982** includes 3 Shorts 330s and 4 Beech 99s. Enplanements grow an additional 9.4% to 181,643.

Passenger boardings are sluggish in **1983**, climbing only 2% to 185,239.

The "Allegheny Commuter" affiliate moves into the ranks of the large regionals in **1984**. Frequencies from Pittsburgh to Akron and Canton jump from 8 daily roundtrips in February to 10. On March 15, service is inaugurated five times a day to Hagerstown, Maryland, and Martinsburg, West Virginia. Five-times-per-day roundtrips from Pittsburgh to Charlottesville, Virginia, commence on May 1.

Passenger bookings jump 46.3% to 271,017.

As **1985** begins, the fleet comprises 3 Beech 99s, 2 Shorts 330s, and 3 Fairchild-Swearingen Metroliners and serves 12 cities in 7 states—Pennsylvania, Virginia, New York, Maryland, Ohio, West Virginia, and Florida. Customer boardings swell 32.3% to 358,607.

The 100-employee large regional is no more successful in **1986** than it was the previous year. Indeed, passenger bookings actually dip 0.1% to 358,087.

Airline employment is up by 100% in **1987** to 200 and the fleet includes 7 Fairchild Metro IIIs, 3 Beech 99s, and 2 Shorts 330s. During the year, the founders sell the commuter to Guarantee Security Life Insurance Corp.

Customer boardings recover and rise 7.4% to 384,726.

In January **1988**, the 200-employee "Allegheny Commuter" carrier orders 2 SAAB 340As, which are delivered in August and September. Enplanements ascend 8.3% to 416,534.

The fleet is altered in **1989** to include 7 Metro IIIs, 3 Beech 99s, and 2 SAAB 340As. On July 1, **USAir** revamps its "Allegheny Commuter" network into "USAir Express" and Chautauqua's aircraft and facilities are revamped and repainted accordingly.

Passenger boardings jump another 5.8% to 440,840.

The payroll is increased by 9% in **1990** to 206 and the fleet gains 3 Metro IIIs. One of these is destroyed on the ground at Washington County Airport, Pennsylvania, on January 4.

A new route is stretched from Jamestown to Buffalo and Syracuse and authority is sought for a Pittsburgh to London, Ontario, route.

Customer bookings ascend 8.7% to 479,078 and revenues rise by 18.9% to \$29 million.

The workforce is cut by 2.9% in **1991** to 200 and the fleet now includes 8 owned and 2 leased Metro IIIs, plus 5 SAAB 340As and 3 Beech 99s.

The carrier's parent, Guaranteed Security Life Insurance Company, goes into receivership in August, leaving the State of Florida to put the airline up for sale and handle its business. President Thomas Hall attempts to recruit the financing necessary for purchase.

Passenger boardings slip 2.1% to 469,200 and freight drops 5.1% to 196,853 pounds.

Company employment grows 2% in **1992** to 256; however, during the summer, President Hall resigns to seek other opportunities. I. Edward London is appointed his successor. At the same time, a long-term contract is signed with FlightSafety International for the initiation of a single-source pilot training and upgrade program.

In September, following the announcement of a probable merger between **USAir** and **British Airways, Ltd. (2)**, the State of Florida takes the commuter off the market and continues to provide oversight as it operates to 14 northeastern cities with a fleet of 10 Metroliners and 5 SAAB 340As. A sixth 340A arrives in November and overall customer bookings for the year swell 16.6% to 546,930.

In **1993**, President London oversees 270 employees and the fleet includes 10 Metros and 6 SAAB 340s.

The Guaranty Reassurance Corporation (GRC), based at Jacksonville, Florida, is set up to dispose of the airline's assets. John Erickson becomes president of GRC; however, Ed London remains president of the airline.

A major route swap is engineered late in the year with fellow "USAir Express" partner **Jetstream International Airlines**. A new hub is established at Indianapolis and the company inaugurates twice-daily flights from the Indiana capital to Fort Wayne. Customer bookings slide 3.5% to 528,274 and revenues are \$38 million.

Airline employment is increased by 18.2% in **1994** to 292. The operator now begins to realign its route network, with emphasis on connections to Detroit City Airport via Indianapolis in accordance with the previous year's network redistribution.

Smaller eastern routes are turned over to **Mesa Airlines**, which has acquired **Crown Airways**.

In the wake of the "American Eagle" Lake County crash, Chautauqua passenger loads plunge 40%.

Passenger boardings decline 24.6% to 398,573 and freight is off 12.7% to 244,826 pounds. Revenues plunge 18.3% to \$30.99 million. The fiscal downturn, attributed to the fallout from the competitor's disaster, is the first major loss in 20 years.

The workforce is increased a huge 54.6% in **1995** to 425 and the fleet grows through the addition of 6 SAAB 340Bs and 8 British Aerospace (BAe) Jetstream 31s.

Despite the increase in capacity and new route network, traffic continues to fall. Enplanements fall 3.9% to 414,067, but cargo swells to 372,000 pounds. Revenues rebound by 34.9% to \$41.82 million.

The employee population grows 20.5% in **1996** to 512. Nine additional Jetstream 31s join the fleet and 6 of the 10 Metro IIIs are retired.

On January 6, **USAir** replaces its jet service into Fort Wayne from Pittsburgh with 5 new Chautauqua SAAF 340 frequencies. SAAB 340s replace Jetstream 31s on the twice-daily Fort Wayne to Indianapolis service.

As of April 15, the carrier has 41 daily departures to more than 20 destinations.

The British-made turboprops are largely withdrawn by year's end. The company's owner, Guaranty Reassurance Corporation, enters into takeover discussions late in the year with an investor group led by Timothy Coon.

Customer bookings increase 65.3% to 684,432 and operating income soars 63.9% to \$68.58 million.

The workforce is increased by 10.4% during **1997** to 565. GRC, in January, authorizes its agent, Alex Brown & Son, to complete arrangements with Coon's investment group for a purchase agreement. To facilitate the process, President London resigns and is succeeded by Mr. Coon. James Muroski is named vice president operations and is, in effect, chief operating officer.

On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional will begin to repaint its aircraft in a modified version of the major's new grey and dark blue livery. The fleet now includes 4 Metro IIIs, 8 Jetstream 31s, and 12 SAAB 340s.

Challenging the penetration of Ohio by **Air Ontario, Inc.**, Chautauqua, on June 15, inaugurates thrice-daily roundtrips from Columbus to Toronto. Toronto is the only international nonstop market served from the Buckeye capital city.

The Metros are withdrawn at the end of the year when the company is purchased by Greenwich, Connecticut-based Wexford Management, a diversified investment company well known for its airline activities.

Passenger boardings rise 3% to 704,809.

Subject to government approval, Wexford Management acquires 100% shareholding in January 1998. President/CEO Coon is succeeded by Edward Wegel. Several of the 20 Embraer ERJ-145 ExpressJets that Wexford has on order are expected to be placed with Chautauqua. This does not, at least immediately, turn out to be the case. Instead, the fleet is increased to include not only the 12 SAAB 340s, but 17 Jetstream 31s as well.

"USAirways Express" Flight 4205, a Jetstream 31 with 2 crew and 11 passengers strikes 4 deer while taking off from Johnston, Pennsylvania, on February 19; the aircraft runs off the runway, but no serious injuries are reported.

On September 9, thrice-daily "USAirways Express" Jetstream 31 nonstops are inaugurated between Newark and Harrisburg, with continuing service to Hagerstown. Beginning on September 13, the carrier introduces twice-daily flights to Harrisburg, with one continuing to Hagerstown.

By fall, the carrier is operating 211 daily flights to 25 communities.

On December 2, the company announces that it will launch thrice-daily SAAB 340 roundtrips on January 6 between Washington, D.C. (IAD) and Dayton.

Customer bookings during the 12 months advance by 7.7% to 759,252.

By the beginning of January 1999, airline employment has been boosted 6.2% to 600.

The new "USAirways Express" services duly commence on January 6. They are followed on March 3 by the introduction of thrice-daily nonstop SAAB 340 roundtrips between Washington, D.C. (IAD) and Buffalo. Like the Dayton service, this new one includes a single nonstop Sunday roundtrip. Twice-daily nonstop "USAirways Express" SAAB 340 roundtrips are also initiated from Washington, D.C. (IAD) to Indianapolis.

Twice-daily "USAirways Express" SAAB 340 roundtrips commence on April 7 between Washington, D.C. (IAD) and Grand Rapids, Michigan.

On May 3, the company enters into an agreement with **USAirways** to operate 10 Embraer ERJ-145LR Express Jets on "USAirways Express" services. The first 2 aircraft will enter service in July, with the remaining 8 coming on line every other month between September and the end of 2000.

Two daily SAAB 340 and two daily J-31 roundtrips are launched on May 24 between Pittsburgh and Hamilton, Ontario.

Mesaba Airlines President/CEO Bryan K. Bedford assumes the same post with Chautauqua on June 30.

Daily "USAirways Express" ERJ-145LR roundtrips commence on July 9 between New York (LGA) and Columbia, South Carolina. ExpressJet roundtrips begin daily between New York (LGA) and Charleston, South Carolina, on August 6, followed by the same "USAirways Express" service from La Guardia to Savannah, Georgia, starting on September 9.

The first of 10 newly ordered SAAB 340As is delivered in December.

Passenger boardings climb 4.6% to 793,000.

Another SAAB arrives in January 2000; it will be followed by two aircraft each month through May. The new aircraft expand the company's route network and replace its Jetstream 31s.

New SAAB 340A "TWExpress" service is initiated on April 2 from St. Louis to Knoxville and Lincoln, Nebraska; the carrier also replaces **Trans States Airlines** on flights from the Missouri hub to Fort Wayne, Lexington, and Sioux City.

ERJ-145 roundtrips between Indianapolis and Boston begin in mid-June.

At the end of August, company ERJs replace TWA's DC-9s on the route from St. Louis to Cincinnati; the new "TWExpress" return service is flown five-times-a-day.

"USAirways Express" service from Pittsburgh to London, Ontario, ends on December 1.

CHC (CILENROC HELICOPTER SERVICE, S.A.). See **HELI EUROPE, S.A.**

CHC HELICOPTERS AFRICA (PTY.), LTD.: P.O. Box 2546, Cape Town, 8000, South Africa; Phone 27 (21) 934-0560; Fax 27 (21) 934-0568; <http://www.chc.ca/court>; Year Founded 2000. Effective October 19, 2000, all of the subsidiaries of **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, **Court Helicopters (Pty.), Ltd.** is renamed. Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

Managing Director Jeremy Labuschagne's 160-employee concern continues operations as before, employing a fleet of 29 aircraft. The main focus remains support of oil and gas exploration, although a variety of EMS, search and rescue, and charter flights continue to be offered.

CHC HELICOPTERS AUSTRALIA (PTY.), LTD.: 45 Greenhill Road, Wayville, South Australia, 5034, Australia; Phone 61 (8) 373-0700; Fax 61 (8) 373-3366; <http://www.chc.ca/lloyd>; Year Founded 2000. Effective October 19, 2000, all of the subsidiaries of the **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, **Lloyd Helicopters (Pty.), Ltd.** emerges as CHC Helicopters Australia (Pty.), Ltd. Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

Employing a mixed fleet of Bell and Eurocopter aircraft, including Super Pumas and Dauphins, the concern continues operations as before. The main focus remains support of oil and gas exploration, although a variety of EMS, search and rescue, and charter flights continue to be offered, including the dedication of 2 AS-332Ls and 1 Bell 212 to the UN effort in East Timor.

CHC HELIKOPTER SERVICE, A.S.: P.O. Box 522, Stavanger Lufthavn, N-4055, Norway; Phone 57 (51) 941000; <http://www.chc.ca/helikopter>; Year Founded 2000. Effective October 19, 2000, all of the subsidiaries of the **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, **Helikopter Services, A.S.** becomes CHC Helicopter Service, A.S. Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

Operations continue as before, employing a fleet of 30 aircraft, including 19 AS-332L Super Pumas. The main focus remains support of oil and gas exploration, although a variety of EMS, search and rescue, and charter flights continue to be offered, along with a scheduled passenger service from the north Norway town of Bodo to the island of Vaeroy.

Norsk Hydro awards the operator a C\$26-million, 3-year contract on October 20 that renews the existing crew change contract for 2 major North Sea oil fields and grants a 5-year component for a search and rescue service to be flown from the Oseberg Platform. A minimum of two Super Pumas and a Sikorsky S-61N will be dedicated to the contract.

CHC SCOTIA, LTD.: Aberdeen Airport East, Dyce, Aberdeen, Scotland, AB21 7BZ, United Kingdom; Phone 44 (0) 1224 846000; Year Founded 1999. Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** announces on August 2 that all of the remaining conditions to its offer to purchase all shares in **Helikopter Services Group, A.S. (HSG)** have been satisfied or waived and that the acquisition is completed. In a move that foreshadows a corporation-wide integration a year later, **Bond Helicopters, Ltd.**, the HSG U.K. subsidiary also acquired, is now renamed CHC Scotia, Ltd. Interestingly enough, Bond Helicopters (Ireland), Ltd. is not renamed.

In addition to a continuation of its offshore activities, CHC Scotia is almost immediately tasked to operate four helicopters out of Esbjerg in Denmark to service a contract for Maersk Helicopters, A.S., the rotary-wing subsidiary of **Maersk Air, A.S.**, in the Danish sector of the North Sea.

The BBC reports on September 13 that CHC Scotia and **British International Helicopters, Ltd.**, the CHC U.K. subsidiary, are, in fact, combining their operations at Aberdeen Airport. Some 71 permanent and 23 temporary positions at the 2 carriers will be lost by November and upwards of 100 positions overall.

On January 7, 2000, ARCO British, Ltd., as a result of its pending merger with BP/Amoco, drops its longtime contract with **Bristow Helicopters, Ltd.** in favor of a 1-year, C\$4-million (\$2.75-million) support deal with Bond. The new contract will be filled by an S-76 operating out of the North Dunes Airport.

On January 26, the U.K. Department of Trade and Industry and the Competition Commission both clear the merger of CHC's UK operations and those of Helikopter Services Group.

Working with the Welsh Development Agency, the U.K. managers of **British International Helicopters, Ltd.** open negotiations with CHC during the first quarter concerning a possible management buyout of this now-redundant U.K. subsidiary. A satisfactory arrangement is concluded on May 17, under which BIH, sold for \$51 million, once again becomes the largest U.K.-owned helicopter operator. The new company trades as **British International, Ltd.** The Canadian corporation's U.K. offshore activities will now center fully on CHC Scotia, Ltd.

Despite hard times in the North Sea oil support business, CHC Scotia, in July, places \$60 million in firm orders for 15 copies of the Next Generation Eurocopter EC-135; deliveries will begin later in the year.

Effective October 19, all of the subsidiaries of the **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of CHC Scotia, Ltd.

CHEBOKSARY AIR ENTERPRISE (CHEBOXSRKOE A/P): Cheboksary Airport, Privolzhskiy Zone, 428021, Russia; Phone 7 (8352) 21 31 17; Fax 7 (8352) 22 33 61; Code CBK; Year Founded 1995. CAE is set up at Cheboksary in October 1995 just as the airport at that city gains international status. Anatol Mikhailov is CEO and he begins, and continues, scheduled services to Moscow, Ekaterinburg, Surgut, Mineralnye Vody, and Siktivkar with a fleet of 5 Tupolev Tu-134As. Charter flights are also established to Antalya, Istanbul, and the United Arab Emirates.

CHECK AIR: United States (1979–1981). Jack Kravit forms Check Air at Milwaukee in 1978 to offer scheduled Essential Air Service (EAS) cargo flights to local communities. Employing a Douglas DC-3, the carrier hauls 2.76 million FTKs during the year.

With a workforce of 16, freight traffic is increased by 22% in 1979 to 3.54 million FTKs.

The company's fleet is altered in 1980 to comprise 1 Fairchild Hiller FH-227 and 2 Israel Aircraft Industries 1123 Westwinds. The capacity

shift cannot prevent recession and higher fuel prices from causing a 48.5% downturn in cargo traffic to 2.29 million FTKs. Operations cease in 1981.

CHEE AIR (PTY.), LTD.: Papua New Guinea (1966–1976). Formed at Lae in 1966, Chee undertakes a decade of passenger and cargo charters and contract service flights within Papua New Guinea. Most of the aircraft employed are lightplanes.

CHELAI-CHELYABINSK AIRLINE (CHELYABINSK CHIEF AVIATION ENTERPRISE): Chelyabinsk Airport, Urals Zone, 454043, Russia; Phone 7 (3512) 290325; Fax 7 (3512) 280886; Code H6; Year Founded 1993. Chelyabinsk Avia, taking its name from its Chelyabinsk Airport base in Russia's Urals District, is established in 1993 to offer regional and domestic passenger and cargo charter flights. Edward M. Bobrovskiy is general manager and a huge workforce of 4,000 is recruited. Shareholding is divided between employees (51%), the state (15%), and other private investors (34%).

Revenue operations commence with a fleet that includes Tupolev Tu-154s, Tu-134s, and Yakovlev Yak-42s.

Operations continue in 1994, although Mr. Bobrovskiy is demoted to deputy manager and is succeeded at the top by Gennadiy P. Osintsev. Enplanements for the year total 398,102.

Airline employment stands at 4,000 in 1995 and the fleet includes 3 Tu-134As, 6 Tu-154Bs, 4 Yak-40s, and 7 Yak-42s.

Passenger boardings decline 10.4% to 360,600, but freight traffic is up by 11% to 6.96 million FTKs.

Flights continue in 1996–1998. During these years, Yevgeni Razu-mov becomes general manager and the fleet is increased by the addition of 2 Tu-154Ms. Enplanements during the latter year total 245,000.

Although traffic figures for all of 1999 are not available, it is reported on September 20 that the carrier's passenger volume has increased by 3.3% during the first half of the year.

Weekly Tu-154 roundtrips commence on June 4, 2000 from Ekaterin-burg to Hanover. It is admitted in July that the company has lost \$900,000 during the past 12 months.

CHEREMSHANKA AIRLINE: Cheremshanka Airport, Krasnoyarsk, Krasnoyarsk Zone, 6603022, Russia; Phone 7 (3912) 236741; Fax 7 (3912) 233341; Code YME1; Year Founded 1994. Cheremshanka is established at Krasnoyarsk in early 1994 to provide scheduled regional and domestic passenger flights. Rafkat R. Nabiulin is general director and he operates a large fleet that includes 12 Antonov An-24s, 85 Let L-410s, and 60 Yakovlev Yak-40s, plus a rotary-wing unit of Mil Mi-2s, Mil Mi-6s, Mil Mi-8s, and Mil Mi-26s.

Bad weather prevents a Yak-40 with 4 crew and 28 passengers on a service from Krasnoyarsk to land at Tura on September 26; the aircraft is diverted to Vanavara, 450 km. SSE. While still 41 km. NNW from its new destination, the aircraft runs out of fuel. A forced landing is attempted onto a river, but the plane hits the riverbank instead and explodes. There are no survivors.

Flights continue without further incident into the new millennium.

CHERNOMOR SOYUZ AIR COMPANY: 204 Lenin Street, Sochi, 354353, Russia; Year Founded 1996. CSAC is set up at Sochi in 1996 to offer nonscheduled domestic and regional passenger charters. Flights begin and continue with a single Tupolov Tu-134.

CHEROKEE AIRLINES: United States (1972–1973). Cherokee Airlines is established at Flushing, New York, in 1972 to provide scheduled passenger and cargo services linking its New York (JFK) base with Islip and Wilmington.

Although daily Beech 18 roundtrips are duly inaugurated, they cannot be maintained beyond 1973.

CHEROKEE AIRWAYS: United States (1968–1970). When service to Albany, Georgia, is cancelled in 1968, **Albany Air Service and Athens Aviation** is renamed Cherokee Airways. The fleet now includes 1 Beech 18, 1 Piper PA-32 Cherokee Six, and 1 PA-23 Apache and the previous route is maintained from Athens to Atlanta, Jefferson, Winder, and Gainesville.

Services are now inaugurated from Atlanta to Auburn, Lanette, and LaGrange/Pine Mountain. Flights continue until the company closes down in 1970.

CHERRY RED AIR LINE, LTD.: Canada (1929–1930). Cherry Red is established in Saskatchewan in 1929 to offer scheduled passenger and express services using a float-equipped Buehl CA Airedan. Operations cease in late 1930.

CHESTER COUNTY AIR: United States (1988–1989). CCA is established at Coatesville, Pennsylvania, in 1988 to offer six-times-per-day service to Philadelphia with a Piper PA-23 Aztec and a Mitsubishi Mu-2.

Operations cease in the spring of 1989 as the result of poor traffic.

CHICAGO AIR: United States (1986–1987). Chicago Air is established in the spring of 1986 to offer feeder service to Midway Airport on behalf **Midway Airlines** under a code-sharing agreement between the new commuter and the national.

With 6 Fokker F.27s leased from **Midstate Airlines**, Chicago Air inaugurates scheduled services on May 29, linking its base with Peoria, Springfield, Moline, Madison, La Crosse, Green Bay, Traverse City, Eau Claire, and Wausau. Orders are placed for 10 SAAB SF340s, the first of which are to be delivered (but are not) in August.

The new operator is soon in deep financial difficulty and in order to save itself, its officials offer the carrier to **Midstate Airlines** in October. President Bryce Appleton's large regional agrees to operate Chicago as a subsidiary, beginning on October 14. Even with this support, the new affiliate must stop flying at the end of December.

Midstate Airlines steps in during the first week of January 1987 and takes over the dormant airline's Midway Connection. Unable to proceed, Chicago Air files for Chapter XI bankruptcy in February and is shortly thereafter liquidated.

CHICAGO AND SOUTHERN AIR LINES: United States (1935–1955). A new company name, Chicago and Southern Air Lines, which is much more geographically correct, is chosen when Carleton Putnam incorporates **Pacific Seaboard Air Lines**, under Delaware law, on February 1, 1935.

A Stinson SM-6000B crashes at Yorkville, Illinois, on February 11 while a second is lost in an accident at Maywood, Illinois, near Chicago, on May 28 (two dead).

The company's headquarters at Memphis will be moved to St. Louis in September, but will return to Tennessee five years later. The Pacemakers and Pitcairn PA-6 are all sold between February and November and are replaced by 3 more Stinson SM-6000Bs (purchased from **Eastern Air Lines**, **Rapid Air Transport**, and **Central Airlines**) and a Stearman C3R mailplane. An order is now placed for modern Lockheed Electras.

The first Lockheed Model 10B Electra is delivered on March 31, 1936. Christened *City of New Orleans*, it is placed into service just before the arrival of another 10B on April 11, the *City of Memphis*. Two more Electras are received in April, the *City of St. Louis* and *City of Jackson* and between April and May, all five of the company's Stinsons are retired.

En route from New Orleans to Chicago, the *City of Memphis* crashes at St. Louis on August 5 (eight dead). A replacement Lockheed arrives on September 10 and is also named *City of Memphis*. The Stearman C3R is sold in November.

In September 1937, a fifth Lockheed Model 10B is acquired from Eastern Air Lines and is christened *City of Springfield*. The Electras are

now able to maintain three, daily Chicago–New Orleans return frequencies. The first profits are recorded in 1938–1939.

Four new Douglas DC-3s join the fleet in April 1940, followed by a fifth in September. In some cases, given names are removed from the Electras and given to the DC-3s. Three are christened as *City of St. Louis*, *City of Memphis*, and *City of Chicago*. These not only enhance frequencies but make expansion possible as well.

The primary destinations served, however, continue to be those located along The Valley Level Route from New Orleans to Chicago. Meanwhile, between December and January, 4 Lockheed Model 10Bs are withdrawn and 3 are sold to the British Purchasing Commission.

With CAB permission granted on March 1, 1941 Chicago and Southern opens a branch route on June 12 from Memphis to Houston, Texas, via Little Rock, Hot Springs, Pine Bluff, El Dorado, and Shreveport. Company headquarters are shifted to Memphis in August.

A week after Pearl Harbor, Putnam accepts a contract to fly new aircraft from factories to the Mississippi and forms a C&S Military Transport Division (MTD). The fleet at year's end includes 6 DC-3s and enplanements for the period are 62,125.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, 1942, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen by Air Transport Association (ATA) President Edgar Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities and dispatch aircraft to Edmonton, Alberta. There they will participate in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Beginning in mid-July, the company contributes aircraft to a 50-transport group from 6 contract carriers (also including **American Airlines**, **Braniff Airways**, **Northeast Airlines**, **Pennsylvania Central Air Lines**, **Transcontinental and Western Air Lines**, and **United Airlines**) that are rushed to Presque Isle. From here, the planes, joined by 110 Air Transport Command C-47s, will transport the supplies and men required to set up and man the bases at Newfoundland, Labrador, Greenland, and Iceland that will facilitate "Operation Bolero," a mass bomber ferry from the U.S. to England.

Also in July, 2 DC-3s, including the *City of Chicago*, having survived the Alaska airlift, are taken over by the government as C-49s and are reassigned to the C&S MTD. One crashes at Memphis on November 6 and the other, formerly *City of Chicago*, at Del Valle, Texas, on March 10, 1943.

During the spring of 1944, Col. Roscoe Turner, employing single-engine Stinson SR Reliants, undertakes what he calls "scheduled charters," multistop flights from Detroit to Memphis, on behalf of his Roscoe Turner Aeronautical Corporation (later **Turner Airlines**). The new service is protested by C&S and the CAB orders it shut down.

Two ex-military C-49s (military DC-3s) are obtained in June and are christened *City of Detroit* and *City of Little Rock*.

Late in the year, the carrier is awarded route certification by the government for an extension to Detroit.

Four additional C-49 converted DC-3s are received from the USAAF between February and May 1945 and the last 3 are christened *City of Fort Wayne*, *City of Memphis*, and *City of Chicago*. Like those received the previous year, they are assigned to the airline's Military Transport Division. When it commences operations on a CAB-approved route from Houston to Detroit on June 1, Carleton Putnam's airline "owns" a vast airspace over the central United States.

New stops between the Memphis base and the Detroit include Paducah, Evansville, Terre Haute, Indianapolis, Anderson, Fort Wayne, and Toledo. The last 2 C-49s to be received from the military arrive

in August and are christened *City of Hot Springs* and *City of Evansville*. Five more are purchased from the Reconstruction Finance Corporation later in the month and shortly thereafter the Military Transport Division is closed.

The first DC-4, converted to civil standard from a military C-54, is delivered on November 23, but is not named. Four more C-54 conversions are received in December and are christened *City of Caracas*, *City of Kingston*, *City of San Juan*, and *City of New Orleans* in anticipation of CAB approval of a Latin American route application.

During the year, founder Putnam publishes his recollections, *High Journey: A Decade in the Pilgrimage of an Air Line Pioneer* (New York: Scribners, 1945).

On January 1, 1946, the company flies a 2,153-mile route network throughout the Mississippi Valley and offers the shortest flights from Chicago and Detroit to New Orleans and Houston. It has route applications before the CAB requesting that its present routes be extended to 50 new cities. A New Orleans-Havana route certificate is received on May 22.

Chicago and Southern inaugurates Douglas DC-4 domestic service on June 1, and on November 1, begins flying to Havana, Cuba, from New Orleans, thus becoming the first U.S. airline to launch a route awarded as the result of CAB hearings on the "Latin American Case."

An interline agreement is reached with **PIA (Peruvian International Airways, S.A.)** in the fall of 1947 allowing passengers to continue on as far as Lima. The Memphis-based airline initiates New Orleans-Caracas, Venezuela, flights in August 1948 and, on September 9, begins a new domestic route linking its base with Kansas City via Springfield.

In 1949, orders are placed for Lockheed Constellations. The first L-649A is delivered on August 12, 1950; christened *City of Houston* (later *Ciudad Trujillo*), it is placed into service on the main domestic trunk route in October prior to assignment to the Caribbean in December. Meanwhile 2 more arrive in September and October, but only 1 is named, *City of Detroit* (later *City of Caracas*). During the last half of the year, 4 DC-4s are withdrawn and sold, including the *City of New Orleans*, which goes to Brown & Brown on December 15.

The last named Constellations, *City of San Juan* and *City of Kingston*, are received in February 1951 and the last 2 DC-4s are sold in March. On March 15, the carrier completes a billion miles of safe flying. A final L-649A is delivered on May 18 but is not named.

Operations continue apace in 1952 and the Havana route is stretched to Port au Prince, Ciudad Trujillo, and San Juan on January 10, 1953. On April 1, an interchange agreement is made with **Trans World Airlines (TWA)**, which results in the availability of a through service from New York to Houston for both carriers. By this time C&S's independent days are numbered. Chairman Putnam engages in negotiations with **Delta Air Lines**, which agrees to buy him out on May 1.

For two years of integration, the combined company will be known as **Delta-C&S Air Line**, but by late 1955, all vestige of the earlier pioneer has disappeared.

CHICAGO AND SOUTHERN AIRLINES: United States (1969-1971). Having failed to legally protect the name of its 1955 merger partner, **Delta Air Lines** cannot prevent this small regional, established at Peoria, Illinois, in the late spring of 1969, from assuming the C&S moniker. Employing a Beech 18S and de Havilland Canada DHC-6-100, the new company inaugurates scheduled daily passenger and cargo roundtrips on July 7, linking its base with Chicago, Springfield, and St. Louis.

Operations continue in 1970 but, after the Beechcraft crashes, with the loss of 16 lives, near Peoria, Illinois, on October 21, 1971, the company is forced to shut down.

CHICAGO-DETROIT AIRWAYS: United States (1931). Attempting to fight the failure rate for small Midwestern airlines started during the Depression, C-DA is formed at Chicago in late spring 1931 to offer scheduled Travel Air 6000 passenger services to Detroit. The attempt proves futile as traffic is so light that operations last only from June 1 to September 30.

CHICAGO EXPRESS AIRLINES: Midway Airport, 5700 South Cicero Avenue, Chicago, Illinois 60638, United States; Phone (312) 585-0585; Fax (312) 585-4877; <http://www.chicago-express.com>; Code C8; Year Founded 1993. CEA is established at Chicago (MDW) in early summer 1993 as an affiliate of Phoenix Airline Services, the holding company for Northwest Airlink partners **Express I** and **Express II**.

Outfitted with a fleet of 6 British Aerospace BAe Jetstream 31s, the new regional begins revenue services on August 9, linking its base with Cedar Rapids, Green Bay, Lansing, Madison, Milwaukee, South Bend, and Toledo. By year's end, Chicago Express has transported 22,888 passengers.

Operations continue apace in 1994 and plans are made to begin flying from Raleigh/Durham in the following year, as a feeder for **Midway Airlines (2)**. Customer bookings accelerate to 156,372.

The move to North Carolina is completed in early 1995, but the company's 9 aircraft are only able to board 104,718 passengers during the year, a 32.7% decline.

The traffic picture improves for President Courtney Anderson in 1996 as customer bookings decline only 2% to 102,571. Destinations visited in 1997 include Daytona Beach, Des Moines, Grand Rapids, Lansing, and Madison.

During the summer, the company becomes the Chicago (MDW) feeder for **American Trans Air** under the marketing name "ATA Connection." Daily nonstop Jetstream 31 roundtrips from that point on behalf of the larger carrier commence on October 26 to Madison, Lansing, Des Moines, Dayton, Milwaukee, and Indianapolis.

Passenger boardings jump 22.2% to 125,349.

Flights continue in 1998. Customer bookings accelerate 40.9% to 177,000.

Airline employment stands at 200 at the beginning of 1999.

Daily ATA service from Milwaukee to Orlando is discontinued on April 30. Customers may, however, continue to take advantage of the 6 daily roundtrips from Orlando to Chicago (MDW), where connections with ATA service to Milwaukee and 21 others cities might be made.

Effective the end of March, **American Trans Air**, on February 26, purchases Chicago Express for an undisclosed sum.

On May 26, the ATA's Amtran parent announces that it has completed the previously announced acquisition of all outstanding stock of Chicago Express.

Brokered by the manufacturer, the airline signs an agreement in December to take nine refurbished SAAB 340Bs previously operated by **American Eagle Airlines (2)**. Overall passenger boardings for the year surge 18.8% to 210,000.

Wearing a new blue and yellow color scheme, the first former AMR SAAB is delivered in mid-March, followed by one per month through May. The large turboprops begin to replace the carrier's smaller Jetstream 31.

Employing Embraer ERJ-145s, the company opens "Trans World Express" service to Cincinnati and Shreveport in August. On September 1, twice-daily ERJ "Trans World Express" roundtrips are started over a new route from St. Louis to Jackson, Mississippi. Two weeks later, four-times-per-weekday SAAB 340B roundtrips are launched from Chicago (MDW) to South Bend, site of the carrier's new SAAB maintenance base.

To help provide pilots for this growing expansion, the carrier, in October, signs a three-year training contract with Pan Am International Flight Academy.

Thrice-daily SAAB 340B roundtrips are started on November 9 between Indianapolis and Chicago (MDW). The commuter liners replace ATA mainline jets.

CHICAGO HELICOPTER AIRLINES: United States (1949-1965). Selected by the CAB to operate local mail routes in the Windy City area, **Helicopter Air Services**, the second helicopter mail shuttle in the U.S., is founded on August 26, 1949. Employing 6 Bell Model 47s

equipped with special saddle boxes for mail sacks, the new entrant inaugurates 18 daily return flights between Midway Airport and the downtown post office building, in addition to over 30 suburban heliports. During the first five years, seven tons of mail are flown.

In an effort to augment the high cost of the postal operation, the CAB encourages the chopper carrier to expand into the transport of passengers. On June 8, 1956, the regulators authorize HAS to establish this passenger service and the enterprise is renamed Chicago Helicopter Airways on August 20.

An interline ticket contract is signed with **United Air Lines** on September 7 and, on October 5, service is opened between the Conrad Hilton Hotel and the city's two airports.

CHA, employing Sikorsky S-55s, now maintains scheduled 16-times-a-day (\$6 one-way) roundtrip frequencies between Midway and O'Hare Airports in what proves, at least initially, to be a successful undertaking.

Traffic grows and, in June 1957, the company adds larger Sikorsky S-58s to its fleet. Service is launched to lakefront Meigs Airport. Enplanements for the year total 55,000.

The fleet in 1958 comprises 8 Sikorskys. Flights begin from Chicago to the new heliport at Gary, Indiana, on May 3. The new aircraft and route help CHA to become the first rotary-wing scheduled airline to fly 100,000 passengers (actually, 108,911) in a year.

Flights are extended in 1959 to the city of Winnetka, Illinois. With a load factor of 51% and 158 daily flights, bookings swell to 204,000.

On January 5, 1960, a Bell 47G hits an obstruction at Frankfort, Illinois, and crashes, injuring its pilot. In order to operate jet equipment, the major airlines now begin to transfer much of their business to O'Hare International Airport.

The company now suffers its first fatal accident and, indeed, the first ever in the scheduled rotary-wing airline industry. En route from Midway Airport to O'Hare with 13 aboard on July 27, an S-58 crashes when a lifting rotor fails; there are no survivors.

Still, with a 53% load factor, enplanements increase by 34% to 309,000 passengers flown.

At this point, the helicopter airline's fortunes begin to decline as the major airlines speed their shift away from Midway Airport to O'Hare and a new freeway provides rapid ground transport to that complex.

A Bell 47G crashes near Joliet, Illinois, on March 9, 1961, injuring the pilot. Another of the same type goes down at Chicago on April 17, followed by a third on April 21; again, only the pilots are hurt. A fourth Bell 47G crashes on October 4, at Lambert, Illinois; this time the pilot dies. In December, CHA is forced to suspend mail services.

The majors' shift away from Chicago (MDW) continues in 1962–1963. To help make ends meet, the company, which now provides only 34 scheduled daily services, undertakes a number of unconventional services, including training flights, helicopter maintenance, and aerial traffic survey work on behalf of both the Chicago police and local radio stations. CHA does turn in a slight \$21,401 profit in the latter year.

United Air Lines resumes Midway operations in July 1964, allowing the 81-employee rotary-wing carrier to initially increase frequencies on its airport shuttle. While conducting a nonscheduled cargo flight to Joliet on October 31, an S-58C with four aboard crashes; one crewman is seriously hurt. Overall bookings decline 21% to 39,233. Revenues total \$1.21 million and a net profit of \$207,057 is earned.

The workforce is reduced in 1965 to 41 and the fleet includes 7 helicopters, 4 of which are Sikorsky S-58Cs. When Congress terminates the mail subsidy to all helicopter carriers in April, the end is in sight.

Without federal aid or a feeder contract with a fixed-wing airline, the operationally expensive experiment in rotary-wing passenger service, which can only generate 32,125 riders for the year, is unable to continue and shuts its doors to scheduled passengers on December 31.

CHICAGO JET CHARTER GROUP: 907 North Elm Street, Suite 100, Hinsdale, Illinois 60521, United States; Phone (847) 808-0812; Fax (847) 808-0813; Year Founded 1996. CJCG is founded at Chicago

(MDW) in 1996 to provide executive and small group passenger charters throughout the U.S. Four years later, the company employs 10 pilots and operates 2 Learjet 25s and 1 each Learjet 35A and British Aerospace BAe (HS) 125-400 Hawker.

CHIEF AIR, LTD.: P.O. Box 200, Ben Gurion Airport, Tel Aviv 70150, Israel; Phone 09-504095; Fax 03-9699113; http://www.givat-hayeladim.co.il; Year Founded 1997. Chief Air is established at Ben Gurion Airport in 1997 to provide executive and small group passenger charters to and from all airports in Israel. Equipped with a pair of Cessna King Airs, the company undertakes charters, as well as flightseeing, air ambulance, and VIP services.

CHIEFTAIN AIRWAYS, LTD.: United Kingdom (1986–1987). William "Bill" Stevenson establishes Chieftain Airways, Ltd. at Edinburgh, Scotland, in November 1986. Government authority is received, 2 British Aerospace BAe (HS) 748-B2s painted in soft green and lilac livery are acquired, and George Gilson and Max Gaunt are appointed joint managing directors. Capitalization of £9 million is raised from financial and private investors.

With **British Caledonian Airways, Ltd. (BCAL)** acting as general sales agent and £450,000 subsidy from **British Airways, Ltd. (2)**, Chieftain inaugurates daily return service from Edinburgh and Glasgow on March 30, 1987 to Brussels, Frankfurt, and Hamburg.

On May 1, daily roundtrips are introduced to Hamburg from London (LGW). Unable to achieve fiscal viability, the company is forced out of business at year's end.

CHILEINTER, S.A.: Chile (1998). It is reported on January 4, 1998, that the Canadian carrier **Royal Airlines, Ltd.** has joined with a local Chilean investor to establish the charter operator Chileinter, S.A. The new company leases one of Royal's L-1011-100s, with a second scheduled to join the new entrant at Santiago within three months.

During April, Chileinter begins to operate TriStar passenger charters to Caribbean destinations on behalf of the Argentine all-cargo carrier **STAF Airlines (Servicios de Transportes Aereos Fuenguinis, S.A.).**

Chileinter is purchased outright by STAF Airlines on September 20.

CHINA AIR CARGO (1): China (1987–1988). CAC is organized in the People's Republic in 1987 to offer scheduled cargo services to Japan and Hong Kong with a pair of Lockheed L-100-30 Hercules freighters acquired in September. Flights continue for less than a year.

CHINA AIR CARGO (2). See **CHINA CARGO AIRLINES COMPANY, LTD.**

CHINA AIRLINES, LTD. (CAL): 191 Nanking East Road, Section 3, Taipei, 104, Taiwan; Phone 886 (2) 715-2626; Fax 886 (2) 514-5689; http://www.china-airlines.com; Code CI; Year Founded 1959. With capitalization of US\$14,000, retired Nationalist Chinese Air Force personnel privately form this airline at Taipei on December 16, 1959. In January 1960 the 26-person concern inaugurates domestic charter services with 2 Consolidated PBY-5A Catalina flying boats.

Nonscheduled ad hoc flights are also undertaken, in 1961–1962, with ex-military Curtiss C-46s. Destinations visited include Hualien, Kaohsiung, and Makung. Taitung becomes the carrier's first scheduled route in October of the latter year.

In October 1963, scheduled domestic Douglas DC-3 services begin. The employee population in 1964 is 329 and the fleet now comprises 1 DC-3 and 3 former NCAF C-46s. A total of 116,000 passengers are carried on the year and revenues of \$526,000 are generated.

Orders are placed in 1965 for 2 Boeing 727-109s as the fleet grows to include 2 Beech 18s, 2 ex-military C-123s, 4 C-46s, and 1 DC-3. A Lockheed L-1049H and 3 DC-4s are acquired from **The Flying Tiger Line** in 1966, joining 10 C-46s and several other aircraft already on hand. International service (primarily for the convenience of U.S. ser-

vicemen) is launched on December 2 over a Taipei–Saigon route. During the second half of the year, 6 C-46s are leased to **Air Vietnam, S.A.** to help the South Vietnamese carrier provide additional required cargo lift in support of the war.

The B-727-109s are delivered in March 1967 and in April commence new tour flights to Hong Kong, Osaka, and Tokyo. A DC-3 freighter crashes into the sea off South Vietnam on August 21 (two dead).

Another chartered Douglas transport with 3 crew and 13 passengers is lost taking off from Phan Rang, Vietnam, on October 24. At month's end, CAL takes over the **Civil Air Transport (CAT)** services from Taipei to Seoul and Manila.

Airline employment in 1968 is 2,387. In January, the carrier succeeds CAT as the principal flag airline of Taiwan. That airline, operated for years as a proprietary company of the U.S. CIA, now turns over to CAL its routes to Bangkok, Kuala Lumpur, and Singapore. An order is now placed for a third B-727-109 and 2 B-707-309Cs, plus 2 Nihon YS-11As. CAT is shut down on May 29.

Enplanements total 509,111 and revenues are \$16.3 million.

Service is started to Okinawa on January 1, 1969.

En route from Taitung to Kaohsiung from Hualien on January 2, Flight 227, a DC-3D with 5 crew and 19 passengers crashes into Mount Paku in the southern part of Taiwan near Nan-Pao Shan; the wreckage is found the next day and there are no survivors.

The carrier now joins IATA and inaugurates service to Okinawa. Domestic and international frequencies are increased by 38.5% as the 2 B-727-109s, 2 B-707-309Cs, and 1 of the 2 YS-11As are placed in service through the year. In anticipation of transpacific operations, offices are opened in Los Angeles and San Francisco. Bookings decline to 492,794.

The workforce is increased 43% in 1970 to 2,894. Daily (except Monday) B-707-309C service is inaugurated from Hong Kong to San Francisco via Taipei, Tokyo, and Anchorage, on February 2 and Taipei to Los Angeles via Tokyo and Honolulu on April 26.

One of the two YS-11As with 5 crew and 26 passengers arriving from Hualien, crashes in bad weather on final approach to Taipei on August 12 (4 dead).

Passenger boardings increase 41% to 835,522 while freight traffic skyrockets 352%.

Service is started to Bangkok and Singapore in early 1971 and a B-707-351B is purchased from **Northwest Airlines** on March 6. Additionally, in April, four-times-per-week flights to Los Angeles from Hong Kong via Taipei and Honolulu are inaugurated. The fleet now includes 2 Stratoliners, 3 B-727-109s, 1 Caravelle III, 3 DC-3s, 1 YS-11A, 4 DC-4s, 3 C-46s, 2 C-123s, and 2 Beech 18s. The 6 C-46s out on loan to **Air Vietnam, S.A.** are now returned.

When the Taiwan government is evicted from the UN on October 25, China Airlines is no longer eligible for membership in the UN-sponsored ICAO.

En route from Osaka to Hong Kong via Taipei on November 20, the Caravelle III, operating as Flight 824 with 8 crew and 17 passengers, suddenly disappears from ATC radar screens as it is flying at 25,000 ft. near the Pescadores Islands. A small amount of debris washes ashore on Penghu Island, but no other wreckage or any bodies are ever found. Sabotage is suspected as the cause of the disaster, but cannot be proved.

Enplanements for the year drop to 348,300.

Orders are placed in 1972 for 2 Sud-Est SE-210 Caravelles as a third B-707-309C is placed in service. The staff now numbers 3,456. A C-123, chartered to **Air America**, crashes at Pleiku, South Vietnam, on August 26 (eight dead). The company's lone active Caravelle is forced to ditch into the Formosa Strait on November 25 (25 dead). At month's end, permission to land at Kuala Lumpur is withdrawn by the Malaysian government.

Passenger boardings jump 14% to 405,000 and cargo climbs 12%.

The 2 Caravelles join the fleet in 1973. Increasingly, foreign governments, facing a two-China dilemma, elect to withdraw landing rights; in Europe, only the Netherlands permits operations.

Passenger traffic soars 72% to 1.4 million and cargo accelerates by 38%.

The employee population is increased in 1974 to 3,662. The 18-machine fleet is enhanced by the addition of another SE-210, although the last C-46 is now retired. A diplomatic dispute between governments over the two-China policy leads to a suspension of Tokyo service. Taipei to Los Angeles B-707F all-cargo service is inaugurated on June 1.

Under terms of the IATA constitution that requires its members be eligible for ICAO, the carrier must now also depart the trade association, which it does on September 15. President Ben Y. C. Chow becomes board vice chairman and is succeeded, late in the year, by Gen. Cliff Yen-Chun Louie.

Freight traffic soars 75% to 85.9 million FTKs while passenger bookings are up a slight 0.7% to 1,388,000.

General Louie, in January 1975, also assumes the post of chairman. The workforce is reduced by 162 and orders are placed for 3 B-737-281s and 1 B-747F.

A DC-3 is involved in a midair collision with an L-19 over Kompong Chom, Cambodia, on March 26; there are no survivors from either aircraft.

The company closes its Saigon office on April 25 and ceases flights to South Vietnam from Taiwan. A B-747-132 formerly flown by **Delta Air Lines** in the U.S. and leased from its manufacturer, is delivered on May 16 and is placed in service in June on the Taipei–Los Angeles via Honolulu route. Service is resumed to Tokyo on August 10 following a 14-month hiatus.

Although cargo is up 44%, passenger boardings dip 3% to 1,342,000.

The workforce is up 1% in 1976 to 3,363. Chang Lin-teh becomes president on February 1; two days later, an order is placed with Boeing for a single B-747SP-09. CAL is the first airline in Asia to request the long-range Jumbojet.

On February 27, a marketing agreement is signed with **Saudia (Saudi Arabian Airlines)**, covering services between the two company's home countries.

A second ex-**Delta Air Lines** B-747-132 leased from Boeing arrives on June 15 as 3 B-737-281s join the fleet to begin service on a 6-point domestic network. The 2 Caravelles, 1 DC-4, and the last C-123 are retired. A route is opened to Jeddah, the carrier's first destination in the Middle East, on July 1, while flights to Fukuoka via Seoul are launched the same day.

Passenger bookings this year soar 41% to 1,894,000 and freight increases 14%.

When the carrier pulls out of an arrangement to accept a Douglas DC-10-30, it is sent to **British Caledonian Airways, Ltd. (BCAL)** in February 1977. Following acquisition of the B-747SP-09 on April 6, non-stop transpacific Taipei to Los Angeles and San Francisco frequencies are initiated twice-weekly on May 18. Another B-727-109 is placed in service during the summer.

Enplanements are 2,518,839. Revenues are \$220.2 million and the net profit is \$9.8 million.

Airline employment is up 8.2% in 1978 to 4,460. In January, weekly, direct Taipei–Seoul service is inaugurated, frequency on the route is increased to thrice-weekly in July. Meanwhile, on March 9, the flight engineer of a B-737-281 en route from Taipei to Hong Kong attempts to take over the scheduled service, with 101 passengers, and divert it to Communist China. The plot is foiled when a security guard shoots the pirate dead.

In April, the Jumbojet leased from Boeing is returned as a new B-747-209B combi is delivered. On July 28, orders are placed for 4 Airbus Industrie A300B4s. A second B-747SP-09 is requested on December 8.

Passenger boardings grow 9.1% to 2,771,000 and freight moves ahead 26.1%. On total revenues of \$300 million, a \$28-million net profit is recorded.

One B-727-109 and 1 B-737-281 are sold as orders are placed in 1979 for 4 additional Jumbojets; 1 B-747-209B joins the fleet in July, allowing commencement of service to Amsterdam via New York.

A B-707-324C with six crew crashes into the sea off Taipei while on a September 11 training flight; there are no survivors.

Freight drops 13.6% and passenger bookings decline 6.9% to 2,580,452. Profits are \$4.7 million (operating) and \$10.9 million (net).

The workforce is reduced by 0.07% in 1980 to 4,956.

A B-707-309C with 11 crew and 124 passengers undershoots the runway while landing at Taipei on February 27 and catches fire (2 dead). A third B-747SP-09 is ordered in March.

A B-747SP-09 enters service on April 30 and a B-747-209F in July; the freighter begins all-cargo services to Amsterdam, Dhahran, Dubai, and Luxembourg. Jeddah service is rerouted via Singapore and a new freight route is started to Los Angeles via Fairbanks, Alaska. The third B-747SP-09 is delivered on September 30.

Just after landing at Manila on an October 16 flight from Taipei with 135 aboard, a B-707-309C catches fire and explodes (1 dead).

Passenger boardings drop another 16.3% to 2.16 million and cargo remains level. World economic conditions and the introduction of new domestic service transport options allow revenues of \$371.9 million and an increase of 22.5% in expenses to \$392.1 million. The resulting losses are \$20.1 million (operating) and \$19.2 million (net).

A total of 4,956 people work for China Airlines in 1981. Another B-747-209B is added on April 17 as 2 B-707-309Cs and 4 B-727-109s are retired. An order is placed for 6 more Airbus Industrie A300B4s and 3 B-767-209s. Direct Taipei to New York City all-cargo B-747-209F flights commence in January.

Freight traffic soars 60.1% to 304.62 million FTKs. Passenger traffic also rebounds, up 8.89% to 2,352,025 passengers flown.

The employee population in 1982 stands at 4,956. On May 10, the company joins with **Cargolux Airlines International, S.A.** to provide exchanged space cargo flights between Taipei and Luxembourg via Singapore and Jeddah westbound and Jeddah and Dubai eastbound.

The first of 3 A300B4s delivered during the year arrives on June 22 and is placed into service on regional routes. The last of 4 B-747SP-09s arrives on June 29; it is the last passenger-configured 747SP constructed.

One passenger is killed and 17 are hurt as a B-747-209B with 300 aboard hits air turbulence over the China Sea on August 16. In December, a B-767-209 arrives as 3 B-707-309Cs are sold. China Airlines is now the first airline in the world to operate the advanced Boeing and Airbus wide-bodies simultaneously.

Freight traffic dips 4.3% to 291.41 million FTKs, but passenger boardings increase 20% to 2,822,130.

The workforce is increased 12.6% in 1983 to 5,562 and Gen. Wu Yueh becomes chairman. The first B-767-209 enters service on January 1. The last of 4 A300B4-220s enters service in July.

On August 21, a B-707-309C returns former Filipino senator Benigno S. Aquino Jr. from exile to Manila, where he is assassinated as he steps off the plane; the flight results in the carrier losing its Philippine landing privileges on September 3. Two B-767-209s are placed in service later in the year.

Freight rebounds, up 44% to 420.04 million FTKs, and bookings accelerate 10.3% to 3,113,532. On revenues of \$513.5 million, an operating loss of \$25.8 million is suffered.

The airline staff is up another 1.6% in 1984 to 5,652. The fleet now includes 7 Jumbojets, 3 B-707-309Cs, 3 B-737-281s, and 2 B-767-209s, as 2 B-747-209Bs and all 4 A300B4-220s are leased out.

Dynasty Class luxury service is introduced on April 1. The New York route is extended on April 12 to Amsterdam, the carrier's only European passenger destination for several years to come. The B-747-132 is sold to Guinness Peat, also in April.

Cargo grows 13.8% this year to 478.02 million FTKs and passenger boardings jump 5.9% to 3,297,441. While the operating profit is \$11.3 million, the net loss is \$15.9 million.

The workforce is increased 2.8% in 1985 to 5,908.

En route to the U.S. from Taiwan on February 19 with 272 aboard, a B-747SP-09 that is 300 nm. NW of San Francisco loses power to all 4 engines. The aircraft stalls, rolls—almost inverted—and dives at a

60-degree angle, plunging 32,000 feet (6 miles) in less than 2 minutes. Just 36 seconds before the plane would have crashed into the ocean, the pilot is able to restart the engines and flies 500 miles with a damaged tail before making a safe emergency landing at San Francisco. Only four injuries are reported. The incident is reviewed by Peter Garrison in his "Tumbledown Jumbo: A Trans-Pacific 747 Falls More Than 30,000 Feet to the Brink," *Flying*, 113 (October 1986): 22–25.

A B-747-2R7F is acquired on February 26 from **Cargolux Airlines International, S.A.** for \$60 million. En route from Taipei to Kaohsiung on April 26, a B-737-281 with 80 passengers is hijacked by a disgruntled Taiwanese soldier, who wishes to be flown to Hong Kong. The aircraft lands, instead, at its original destination and the perpetrator surrenders to police.

Freighter service is now inaugurated from Taipei to New York (JFK) and Dallas (DFW) and, in terms of cargo carried, CAL now ranks 24th among all world airlines.

Passenger boardings for the year rise 1.9% to 3,360,000 and freight climbs 11.8% to 559 million FTKs. On revenues of \$539.4 million, expenses grow 4.1% to \$545.9 million, leaving a \$6.46-million operating profit; the net loss is down to \$8.35 million.

Employment is reduced by 0.6% in 1986 to 5,871.

Following a missed approach to the offshore island of Penghu on a February 16 service from Taipei, a B-737-281 with seven crew and six passengers goes around, but in the process crashes into the sea; there are no survivors.

Defector and pilot Wang Hsi-chuen subdues his two fellow crew members and commandeers his B-747-209F on May 3, flying it to Guangzhou in order to see his 82-year-old father.

The first negotiations between Nationalist and Communist representatives of the two Chinas in 37 years are completed on May 20 and result in the return of the Jumbojet to Taiwan via a formal Hong Kong ceremony 4 days later.

Customer bookings decline 4.2% to 3,217,454, but freight jumps 21.4% to 646.18 million FTKs. Revenues accelerate 14.2% to \$703 million and costs are low, allowing an \$56.4-million operating profit and a net of \$17.7 million.

The payroll grows 2.1% in 1987 to 5,960. Work begins on a \$13-million, 55,000-sq.-ft. air cargo building at New York (JFK). In July, cargo space is purchased on **Japan Asia Airways Co., Ltd.** flights between Tokyo and Taipei.

During the year there is a general relaxation in relations between the two Chinas. The Nationalist government abolishes martial law and relaxes travel restrictions on its citizens. Passenger boardings jump 27.9% to 4,115,000 and cargo rises 15.6% to 777 million FTKs. Revenues increase by 42% to \$971.6 million and with expenses in line, the operating line rises to \$116.9 million and net gain reaches \$70.9 million.

The number of employees is cut 1.5% in 1988 to 5,871. In January, the weekly New York to Amsterdam service ends, as does the carrier's status as an around-the-world airline.

While en route on a February 22 domestic service, an A300B4 is subjected to an attempted hijacking; before the aircraft can be diverted to mainland China, the lone assailant is overpowered by the crew.

In September, the company is placed under control of a newly formed supervisory body, the China Aviation Development Foundation (CADF). Nominally private, the carrier is controlled by the Kuomintang, with that party's Wang Chin-hail as chairman.

Still, the flag carrier of the Republic of China increases enplanements by 15.8% to 4,764,036. Freight grows by a more modest 2.6% to 773.27 million FTKs. Income exceeds expenses and there are profits: \$134.48 million (operating) and \$65.28 million (net).

The workforce is increased a slight 0.7% in 1989 to 6,805 and the fleet is enhanced by the introduction into service of the first 3 of 6 new A300-600Rs. The company now joins the Asian Abacus computerized reservations system and opens a cargo sales and service office in Europe. The weekly roundtrip cargo service from Taiwan to Luxembourg via Dubai is now doubled.

Beginning in May, Boeing is forced to pay the company \$5 million in compensation for delays in the delivery of the airline's first B-747-400s. The shootings in Beijing's Tiananmen Square scuttle plans for the inauguration of scheduled services between the two Chinas while a government decree prevents CAL from withdrawing from domestic services on July 1.

Just three minutes after takeoff from Hualien on October 26, Flight 204, a B-737-209 with 7 crew and 47 passengers flies into the side of a 7,000-ft. mountain in rain and darkness after the pilot makes a wrong turn during the initial climb; there are no survivors.

A frequent-flyer program, Dynasty Flyer, is unveiled and passenger boardings move ahead by 3.7% to 4,938,300. Freight is up 11.8% to 858.03 million FTKs. Revenues advance by 18.1% to \$1.24 billion, expenses rise 14.6% to \$1.05 billion, and operating income advances to \$190.83 million. Net gain reaches \$115.63 million.

Company employment inches upward in 1990 by 0.5% to 6,841. In February, new service agreements are signed with **Cathay Pacific Airways (Pty.), Ltd., Thai Airways International, Ltd. (THAI), and Philippine Airlines**. As there are no diplomatic links between Taiwan and the countries of the other three flag carriers, routes are covered by interline agreements. Indeed, route access between any two countries is controlled by the airlines involved.

In an effort to freeze proposed newcomer **Evergreen Airways** (later **Eva Airways**) out, the agreement states that only Cathay and CAL will operate technical third and fourth freedoms between the two areas. The arrangement with THAI calls for the expansion of weekly frequencies from 20 to 28, while that with PAL boosts services from daily to 10 per week.

The first of 5 ordered B-747-409s arrives in March, the same month the company announces plans to begin discussions concerning the resumption of airline service to Vietnam. A new code-sharing agreement with **Garuda Indonesia** begins in October covering passenger flights from Taipei to Denpasar and cargo frequencies from Taipei to Jakarta.

Customer bookings jump 8.2% to 5,345,096 as cargo balloons 25.4% to 1.11 billion FTKs, a figure 18th highest among all world airlines. Revenues ascend 8% to \$1.4 billion, 24th best in the world, and expenses allow a 17% net gain of \$152 million.

The payroll is increased by 2.3% in 1991 to 7,309 and the fleet now includes 1 owned and 5 leased A300B4-220s, 5 leased A300-600Rs, 3 B-737-209As, 4 B-747-209Bs, 2 B-747-209Fs, 1 owned and 3 chartered B-747SP-09s, and 1 owned and 2 leased B-747-409s. Orders are outstanding for 1 A300-600R, 2 B-747-409s, and 4 McDonnell Douglas MD-11s. Flights begin during the first quarter to Phuket and Bali; in April, service is undertaken to Vancouver, Johannesburg, and Phuket.

A new subsidiary, **Mandarin Air, Ltd.**, is formed with backing from the Koo family's China Trust group to fly into those areas where its parent's name is still anathema. It is, for example, allowed to resume flights in August between Taipei and Ho Chi Minh City. In order not to offend the PRC, the Hanoi government, in September, orders the service halted.

Just after takeoff from Taipei on December 29, the No.3 engine of a B-747-2R7F separates from the plane; while falling, it also takes off the No. 4 engine. Control is lost and the freighter carrying 5 crew crashes into the 700-ft. level of mountains near Wanli; there are no survivors.

Passenger boardings climb 2.6% to 5,483,464 and freight is up 3% to 1.12 billion FTKs. Expenses exceed income and there are profits: \$171.3 million (operating) and \$154.75 million (net).

The workforce grows again in 1992, climbing 8% to 7,894. New services are initiated from Kaohsiung to Manila and flights resume from Kaohsiung to Ho Chi Minh City in August. Indeed, the service is code-shared with **Vietnam Airlines** and includes a route from Taipei to Hanoi.

The Koo family interest in **Mandarin Air, Ltd.** is purchased, making that airline a fully owned subsidiary. The first of 4 MD-11s is delivered in December, making the company the fifth Asian carrier to operate the trijet.

Customer bookings advance by 5.6% to 5,790,000, but cargo slides 0.4% to 1.34 billion FTKs. Revenues move ahead by 3.7% to \$1.63 billion and produce an operating surplus of \$155.66 million. There is also a net profit of \$143.61 million.

The employee population stands at 8,104 in 1993, up 2.7%, and a fleet that is increased by the addition of 1 A300B4-622R, 1 B-747-409, and the 3 outstanding MD-11s. In January, Mandarin Air Chairman Liu Teh-min becomes China Air's chairman with former Civil Aeronautics Administration Director General Yuan Hsing-yuan as president; former China Air President Peter Bien becomes **Mandarin Air, Ltd.**'s new chairman.

Frankfurt via Mandarin joins the route network, which also now includes flights from Taipei to Amsterdam, Anchorage, Bangkok, Chicago, Dallas, Denpasar, Dubai, Fukuoka, Ho Chi Minh City, Hong Kong, Honolulu, Kaohsiung, Jakarta, Johannesburg, Kuala Lumpur, Los Angeles, Luxembourg, Manila, Nagoya, New York, Okinawa, Phuket, San Francisco, Seoul, Singapore, and Tokyo. Frequencies to San Francisco become daily and 10 per week to Los Angeles. The domestic network is reduced to flights only between Taipei and Kaohsiung.

In late May, representatives from several airlines, including CAL, visit Shanghai to discuss with PRC authorities a proposed opening of direct commercial air links across the Formosa Strait.

For the first time, company stocks are listed on the Taiwan Stock Exchange.

While landing at Hong Kong on a November 4 service from Taipei in heavy weather caused by tropical storm Ira, Flight 605, a B-747-409 with 22 crew and 374 passengers, is unable to stop on the wet runway. The Jumbojet steers to the left to avoid approach lights, skids, and stops just dipping into Hung Hom Bay and partially blocking departures. There are no fatalities, but airport engineers must blow off the vertical tail, destroying the airliner and bringing an insurance claim of \$145 million.

Passenger boardings accelerate 7.8% to 6,241,000 and freight rises 33.2% to 1.43 billion FTKs. Revenues inch up 0.7% to \$1.64 billion, but costs climb 1.8% to \$1.5 billion and lower the operating surplus to \$140.17 million. Net gain falls to \$115.43 million.

The number of employees is cut by 1.7% in 1994 to 7,969 and it is announced, in January, that the L-1011 fleet will be retired within the next 18 months.

On April 26, on a flight from Taipei, the crew of an A300B4-622R becomes confused in the use of certain instruments while attempting to execute a go-around maneuver on its final approach into the airport at Nagoya, Japan. Under command of Capt. Wang Lo-chi with 14 other crew and 256 passengers, the aircraft stalls at 1,800 ft. and crashes tail-first 300 ft. to the right of the runway, bursting into flames (264 dead). The fatal accident, specifically attributed to crew error and problems with the plane's automatic pilot, is the second-worst civil aviation disaster in Japanese history after the August 12, 1985 **Japan Air Lines Company, Ltd. (2)** crash that killed 520.

Assuming responsibility for the disaster, Director General Sun Chao-liang of Taiwan's Civil Aeronautics Administration resigns on May 6 and is replaced by Mao Chih-kuo. At approximately the same time, the airline's chairman, Liu Teh-min, and president, Yuan Hsing-yuan, also step down; the president of **Far East Air Transport** succeeds Liu and Fu Chun-fan, CAL's chief auditor, becomes president.

Following the murder of 24 Taiwanese tourists on the mainland during the month, the government bans group tour flights to China. The airline is forced to cut back its flights between Taipei and Hong Kong, a major transit center, in response. The move begins to have an economic impact as early as June. During the fall, a contract for wet-lease use of a B-747 freighter is signed with **Atlas Air**.

In an effort to increase business, a pair of A320-231s are leased from **Region Air, Ltd.** in December and plans are made to increase frequencies, early in the new year, to Kuala Lumpur, Singapore, Nagoya, and Jakarta.

Customer bookings for the year decline by 5.3% to 5,911,284, but cargo increases 29.2% to 1.84 billion FTKs. Revenues inch up 1.2% to

\$1.64 billion and expenses jump 11.2% to \$1.34 billion. Consequently, the operating profit falls to \$306.44 million and net gain plunges to \$17.25 million.

Airline employment in 1995 stands at 8,100. During the first week of February, the company accepts 2 Beechjet 400As for use in its new Jet Spectrum advance pilot training program, which it has designed and implemented with the University of North Dakota.

During late April, a temporary accord is signed between Taiwan and Hong Kong that enables the two to circumvent difficulties that have occurred in their bilateral air negotiations and permits **Cathay Pacific Airways (Pty.), Ltd.** and CAL to continue their exchange of services. With no direct air service between the two Chinas, Hong Kong continues to serve as Taiwan's PRC gateway.

Service is launched to Zurich and Rome. In May, the carrier joins with **Singapore Airlines, Ltd.** as each carrier takes a 24.5% stake in a Taipei-based engine compressor repair venture. At the Paris Air Show in June, a letter of intent is signed with Boeing for 4 B-777-200s.

CAL passengers are the beneficiaries in July when seven PRC carriers agree to make service with Taiwan easier for passengers from both Chinas. Beginning in August, **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, **China National Aviation Corporation (CNAC-2)**, **China Northern Airlines Company, Ltd.**, **China Northwest Airlines Company, Ltd.**, **China Southern Airlines Company, Ltd.**, and **China Southwest Airlines Company, Ltd.** will offer double boarding passes to customers traveling via Hong Kong on a CAL connection.

During the last week of October, the company unveils a new corporate identity. In a significant gesture, the flag of Taiwan, which disturbs political leaders in Beijing, is removed from the tails of the company's jetliners and replaced with a plum blossom, a Chinese symbol of renewal.

A new five-year pact is entered into with **Atlas Air** on November 13 for utilization of the American carrier's Jumbojet freighters. Plans are also announced for the addition of 44 additional jetliners to the fleet over the next 7 years.

In December, CAL becomes the Asian launch customer for the Next Generation B-737-800 with a \$750-million order to Boeing for 15 machines, for delivery beginning in 1998.

Traffic growth resumes as enplanements accelerate by 9.5% to 6,473,521 and freight jumps 14.9% to 2.1 billion FTKs. Revenues jump 11.6% to \$1.73 billion, while costs are up 13.2% to \$1.71 billion. Profits of \$20 million (operating) and \$45 million (net) are posted.

Fifty-two people retire or are laid off from the workforce in 1996. A B-747-412 is leased from **Singapore Airlines, Ltd.** while an MD-11 is chartered to **Mandarin Airlines, Ltd.** Aviation authorities in Hong Kong and the Philippines make a list of recommendations to assist the carrier to improve on its safety record. Lufthansa Technik, A.G. is contracted to build up complete operations and maintenance systems that will enhance its aircraft safety.

All-cargo service is launched to Miami and, by June, the Nationalist Chinese carrier is fully-utilizing 4 wet-leased Jumbojet freighters from **Atlas Air**.

Also in June, the company becomes an alliance partner with **Continental Airlines**; preparatory to the signing of a full dual-designator pact in the fourth quarter, the two begin jointly marketing frequent flyer programs, shared airport lounges, and one-stop check-in.

In the wake of the **ValuJet Airlines** and **Trans World Airlines (TWA)** disasters, CAL, on August 12, bans all dangerous cargo from passenger aircraft.

A code-sharing pact begins with **American Airlines** in September. The arrangement covers CAL flights from Taipei to Los Angeles and San Francisco and AA domestic routes.

A code-sharing agreement is entered into with **Continental Airlines** during October covering return flights from Taipei to Houston. On October 27, after South Africa refuses to grant CAL fifth freedom rights to fly passengers and cargo from Singapore to Johannesburg, CAL sus-

pends its already unprofitable twice-weekly services between Taipei and Johannesburg. The B-747SP-09 employed on the service is transferred to the carrier's Hawaii route.

Customer bookings jump 8.1% to 6,996,471 while cargo climbs 13.3% to 2.388 billion FTKs. A pretax profit of \$68.13 million is reported.

The airline's employee population increases by 8.4% in 1997 to 8,728.

To promote business links between Taiwan and Latin America, a B-747-209F launches weekly roundtrip cargo services on March 15 to Miami (MIA). An A300B4-622R arrives in April under charter from the International Lease Financing Corporation (ILFC).

Plans to make a public stock offering of 16.6% in two tranches are delayed when the government insists on adding four members to the CADF, the organization that owns 71% of the airline.

Following two years of planning and construction, a \$74-million joint venture catering operation, **China Pacific Catering Services, Ltd.**, is launched at Taipei during July. Designed to produce 30,000 meals per day, the project is held with **Swire Pacific (Pty.), Ltd.**

According to an article by Dave English, CAL now operates one of the longest routes in the world, Taipei to New York (JFK). The distance of 7,790 st. mi. is flown via Anchorage in 14 hrs. 30 min. (*Airways* [July-August 1997]: 21.) Also during August, the government's Ministry of Transport and Commerce wins control of the CADF, renaming it the **China Airlines Foundation (CAF)** and reconstituting its board of directors with its own appointees.

In a follow-up to the Russian Federation's establishment of a representative office in Taipei the previous December, the Ministry of Foreign Affairs announces on September 4 the opening of direct commercial aviation links between Taiwan and Moscow. CAL and Moscow-based **Transaero Airlines** are authorized to fly the route.

In mid-September, 2 B-747-209Bs are sent to Boeing's Wichita facility for conversion into freighters. They are due back between November 1998 and June 1999. Code-sharing is started with **Continental Airlines** on September 20 over a weekly return-route from Taipei to Houston via San Francisco.

In November, a contract is signed with ILFC for the charter of an A300-600R the following February.

A new agreement with **American Airlines**, signed on November 5, comes into effect on December 1. In addition to linking frequent-flyer programs and simplifying check-in procedures, the two will code-share on services between Taipei and Dallas, Chicago, Miami, New York, and Washington, D.C. via the CAL gateways at Los Angeles and San Francisco.

Late in the year, officials of the airline and Transport Minister Tsay Jaw-yang become embroiled in a dispute over the interest rate the carrier must pay on a major aircraft lease initiated 19 years earlier.

Passenger boardings accelerate 5.7% to 7,395,755 while 2.76 billion FTKs are also operated. Sales total T\$55.85 billion and allow a profit of T\$2.34 billion.

At the beginning of 1998, CAL is the 12th largest airline in the world in terms of freight carried.

Arriving at Taipei's Chiang Kai Shek Airport on February 16 on a flight from Denpasar, the pilot, Capt. Kang Long Lin, of Flight 676, an Airbus Industrie A300-622R with 197 passengers misses his approach in light rain and fog. After turning around to make another approach, the airliner smashes into buildings in a residential area and bursts into flames; there are no survivors and 6 people are killed on the ground. Since 1959, CAL has suffered 12 fatal accidents in which 622 people have died.

At the end of the month, Premier Vincent Siew, in the wake of the nation's worst-ever airline accident orders the government-owned CAF to reduce its 71% stake in the carrier. Directors of the foundation had enjoyed immunity from lawsuits and were not accountable to public stockholders. Premier Siew believes that CAL must become more accountable before it can get a handle on its terrible safety record.

As a result, a new board of directors is put in place representing the three main factions within Taiwan's government and President Fu Chun Fan resigns. Under the direction of Chairman Hung-I Chiang and acting

CEO Cheong Choong Kong, the search is begun for an equity partner who can provide outside assistance and what some refer to as a "fast track" recovery from the problems of the past year.

Simultaneously, a fleet revision study is undertaken. It will reveal a corporate desire to emphasize B-777s and B-747-400s in long-haul operations. Should this approach come to pass, the company will remove and sell 5 B-747SP-09s, 5 A300B4-220s, 8 A300B4-622Rs, and 4 MD-11s.

In May, Taiwan aviation authorities order CAL not to purchase or lease any additional aircraft until it has improved its air safety standards. The freeze does not include plane purchases already approved.

A memorandum of understanding is signed with **Singapore Airlines, Ltd.** on August 1 to form a strategic alliance. SIA will acquire up to 10% equity in the Taipei-based flag carrier within six months, with the possibility of increasing its stake at a later time. At mid-month, it is announced that the equity stake will actually be closer to 30% and that the next CAL president will undoubtedly be appointed from SIA.

It is reported in mid-September that, for the year's first half, CAL has lost \$1.56 billion (\$45 million). This is the airline's first deficit in 12 years and reflects the impact of the Asian economic crisis.

Capt. Pow Tuk Kwan, a former SIA A340 chief pilot, is seconded to CAL on September 1 to serve as the airline's vice president-flight operations and training. Meanwhile, Capt. Gui Wee Kee becomes special assistant to the CAL president for flight safety.

While en route from Tokyo (HND) to Honolulu on September 11, Flight 018, a B-747-209B, encounters clear air turbulence at a point 1,230-mi. NW of Honolulu at 37,000-ft.; 11 people aboard are injured.

On October 26, CAL takes delivery of a brand new Next Generation B-737-809 passenger airliner, the first of its type in Asia, and announces that 7 more will be received by the end of the year. The new aircraft will replace the carrier's 5 existing B-737-409s on short- and medium-haul domestic and regional routes.

During a meeting of the CAF on October 30 the decision is taken to sell more than 50% of its 71% stake in the airline in order to improve its operational structure by finding additional long-term investors. A financial consulting firm will be retained to help the foundation plan its share release. Also, the board, aware of the fact that CAL has been unable to find a president, recommends that the airline consider a promotion from within.

That suggestion is taken and, on November 6, Sandy Liu, a longtime CAL executive, is named acting president.

Negotiations with **Singapore Airlines, Ltd.**, which have continued since August, become difficult in December. CAL and nationalistic Taiwanese government officials balk at the prices suggested as well as the percentage to be sold and management responsibilities to be surrendered. They demand that the foreign stake be capped at just 10%.

Passenger boardings dip 1% to 7.32 million, while freight traffic inches up 1.4% to 2.79 billion FTKs. Revenues are down 7.2% to \$1.58 billion, while costs are up 3.4% to \$1.7 billion. The operating loss is \$118.95 million, while the net loss is \$66.76 million.

Airline employment stands at 9,100 at the beginning of 1999. It is announced on January 7, that the company's top 400 managers will take pay cuts this year totaling \$T10 million (US\$310,000). Chairman Liu's income will be reduced by a full 10%, but pay will not be cut for flight crews or technical personnel.

When political interference in the talks becomes too intolerable, they collapse on January 9. Although the SIA captains assigned to assist CAL with safety and training will be allowed to remain, the memorandum of understanding is torn up and there will now be no equity stake in CAL purchased by SIA.

Having elected not to take a stake in CAL, **Singapore Airlines, Ltd.** will now turn its attention to **Ansett Australia (Pty.), Ltd.**

Later in the month, in an effort to cut costs, the company cuts out the unprofitable Germany to Switzerland segment of its twice-weekly roundtrip service from Taipei to Zurich via Frankfurt.

In March, the company's board of directors approves the merger of the two subsidiaries **Formosa Airlines, Ltd.** and **Mandarin Airlines,**

Ltd., with the latter the surviving partner. Plans are announced for the transfer of domestic and certain secondary regional routes to Mandarin, with CAL taking over Mandarin's international flights.

Relatives of the 264 passengers who died in the 1994 Nagoya disaster gather on April 26 at a memorial to mark the fifth anniversary of the accident.

After a safety audit uncovers major continuing deficiencies and Captains Pow Tuk Kwan and Gui Wee Kee report that significant differences exist between their ideas on training and those of CAL instructors, the two-year SIA pilot training contract is cancelled during the last week of May, 16 months ahead of its scheduled conclusion.

A third weekly MD-11 roundtrip from Taipei to Rome via Abu Dhabi is added on June 18. At this point, the China Aviation Development Foundation (CADF) contracts with the U.S. investment bank Salomon Smith Barney to help broker a divestiture.

During July, plans continue by the CADF for a 35% reduction in its 71% stake in the carrier by year's end. The sell-off is seen as central to a strategy of modernization needed to forge alliances with leading foreign airlines.

While landing at Hong Kong after a service from Bangkok and Taipei on August 22, Flight 642, an MD-11 piloted by Capt. Gerardo Lettich with 14 crew and 300 passengers, is caught in the fierce winds and heavy rains of Typhoon Sam, which is moving through the area. A wingtip catches the runway and the aircraft flips over, killing three passengers and trapping the remainder of the occupants, some for as long as two hours. A total of 211 aboard are injured; many will remain in hospital for several days. The CAL incident is the first major accident at Chek Lap Kok Airport since its opening.

Typhoon Sam continues to play havoc with service at Chek Lap Kok Airport on August 23-24. Following the CAL crash on August 22 that adds to that day's delays, additional problems are encountered by CAL and **Cathay Pacific Airways (Pty.), Ltd.**, in particular, during the next two days. A total of 77 incoming flights are delayed on August 23, 20 are cancelled, and 14 diverted, with 122 outgoing flights delayed and 16 cancelled. The next day, a total of 175 scheduled flights in and out of Hong Kong are delayed, none are diverted, and 39 are cancelled.

The MD-11 crash sends company stock prices downward, but does not impact on CADF plans for divestiture. In Taipei on August 25, a leading potential bidder, the China Development Industrial Bank, indicates that it must have a full 36% and management control if it is to invest.

On August 31, in light of continuing government safety concerns over CAL, the airline announces that for the month of September only it will suspend one daily roundtrip between Taipei and Hong Kong, as well as two daily roundtrips from Taipei to Los Angeles and to San Francisco.

As the result of a quota dispute with Manila, service between Taiwan and the Philippines is suspended on October 2. In November, **Mandarin Airlines, Ltd.** trades its Vancouver, Sydney, and Brisbane routes to CAL for the parent's Taipei-Kaohsiung route.

As the year ends, the company has made much progress on its three principal goals: cost control, flight safety, and enhanced passenger service.

Customer bookings jump 7.7% to 7,883,000 while cargo increases 20.9% to 3.38 billion FTKs. Revenues surge 17.3% to \$1.93 billion and permit the previous year's net loss to rebound into an \$87.31-million net gain.

Among the world's top 25 airlines at the beginning of the new millennium, CAL is 12th in FTKs.

The dispute with the Philippines is settled on January 28, 2000, but resumed service between the two countries is again suspended on March 16 for the same reasons as before.

Flights begin from Taipei to Auckland, via Sydney, on March 26.

A weekly B-747-200F cargo route is opened on May 5 from Taipei to Frankfurt and back, via Bangkok and Abu Dhabi. Flight 652, an A300-600 en route from Taipei to Ho Chi Minh City the next day is forced to return to its point of origin when the pilot dies of a heart attack; a safe emergency landing is made by the copilot.

During the first five months, company unit costs fall 7% and productivity rises 20%; sales advance 13% to NT\$5.56 billion (\$180 million).

As the summer begins, the carrier launches negotiations with **China Eastern Airlines Company, Ltd.** and China Ocean Shipping (Group) Company, Ltd. concerning a possible minority buy into Shanghai-based **China Cargo Airlines Company, Ltd.**

The previously operated twice-weekly MD-11 route from Taipei to Sydney and Auckland flown by **Mandarin Airlines, Ltd.** is replaced on July 4 by a new CAL thrice-weekly MD-11 service.

Despite the marked improvements, the administration of incoming Taiwanese President Chen Shui-bian sets the stage for wholesale changes at the 71% state-owned CAL in early July. Chairman Chiang Hung-i is replaced by former **Far Eastern Air Transport Corporation** Vice President Lee Yun-ling. Of the nine members of the China Aviation Development Foundation, which administers CAL, all but Chiang are sacked. With no airline experience, former Kaohsiung city government consultant Christine Tsai-yi Tsung succeeds Sandy Liu as president.

Flight International reports on August 15 that the new board is reconsidering the carrier's ambitious Airbus and Boeing order announced a year earlier.

At the beginning of September, **China Eastern Airlines Company, Ltd.** is granted permission to sell CAL a 25% stake in **China Cargo Airlines Company, Ltd.**

An A300-600 with 256 passengers makes two emergency landings at Nagoya on September 6. En route to Taipei, a warning light comes on in the aircraft's cockpit and it makes a safe emergency landing where repairs are made and the plane is cleared to takeoff again. Once it departs, the same warning light comes on for a second time, requiring return for a second safe emergency landing.

The yearlong aviation dispute between Taiwan and the Philippines ends on September 26 with an agreement for the restoration of services. On September 29, weekly charters are started from Taipei to New Delhi.

Ten MD-11 roundtrips between Taipei and Manila occur between October 8 and October 27. Meanwhile, on October 13, it is revealed that CAL is one of four international airlines with which **Philippine Airlines** Chairman Lucio Tan is negotiating a possible sale of his carrier.

Regularly scheduled, daily Next Generation B-737-809 return flights commence the same day between Kaohsiung and Manila, with the schedule advanced to 14 weekly roundtrips between the cities as of October 29. Also on October 29, five-times-a-week Next Generation B-737-809 return service is inaugurated from Taipei to Medan, Indonesia, via Penang, Malaysia.

CHINA AIRWAYS CORPORATION (ZHONGHAU HANG-KONG GONGSI): China (1938–1945). Fifteen days after the establishment of **Japan Air Lines Company, Ltd. (1)** on December 1, 1938, the Japanese Army in China, seeking a more effective support tool than is currently available to it via **Huitong Hangkong Gongsi** or **Huitong Airways**, directs the establishment of this carrier. Publicly, it is created as a joint investment by JAL-1 and three local Chinese governments to provide commercial service. In fact, the carrier is an air transport arm of the military, which provides most of its passengers and all of its income.

The new entrant is outfitted with 20 Manshu Hayabusas and these conduct military support operations exclusively in 1939–1940. With a number of Fokker Model 8 Super Universals and Nakajima AT-2s transferred over from the airline parent, scheduled passenger operations commence in June 1941. A total of 31 destinations in China and Manchuria are visited. In October, the company establishes a special transport group, which is dispatched to French Indochina in preparation for war with the West, which erupts on December 7.

China Airways Corporation reaches its peak on January 1, 1942. At bases at Saigon and north China, the company employs a total of 4,000 and operates 100 aircraft, including 20 new Mitsubishi MC-20 Is. The service network in China and Manchuria covers 12,000 unduplicated km. On July 10, the unit in Indochina is merged, with similar groups

from JAL-1 and **Manchurian Air Transport Co.**, into the Army's Southern Air Transport Command.

Flight operations continue through 1943–1944 and until Japan surrenders on August 15, 1945. Little is known of specific operations or losses.

CHINA AIRWAYS FEDERAL, LTD.: China (1929–1930). Curtiss-Wright/North American Aviation CEO Clement M. Keys dispatches a group of experts, led by Maj. William R. Robertson, to China in February 1929 to form an airline. With shareholding divided between American (60%) and Chinese (40%) interests, **China National Aviation Corporation (CNAC-1)** is founded at Shanghai on April 12; Minister of Railways Sun Fo, son of political hero Sun Yat-sen, is named president. On April 20, he signs an exclusive 10-year airmail contract with CNAC-1 to operate three routes radiating from Shanghai, as well as for the construction of airports and aircraft and the operation of flying schools.

As the result of opposition from the Chinese military, the new airline is prohibited from the use of most airfields in the nation. Consequently, President Sun Fo requests that Curtiss-Wright fund the use of amphibians, thereby avoiding the cost of constructing private airports. Curtiss-Wright, also controlled by Clement Keys, agrees, although he additionally dispatches Harry G. Smith to manage CNAC-1 under Sun Fo. Five Leoning Air Yachts are crated up and, together with support personnel, depart Seattle for China on July 29.

China Airways Federal is established on August 22 as a wholly owned subsidiary of the Curtiss-Wright subsidiary Intercontinental Aviation and is incorporated under provisions of the China Trade Act of 1922. Ernest R. Price is appointed president and plans are made to initiate service under a contract with CNAC-1. Employing the first reassembled Leoning Air Yacht amphibian, the company undertakes Yangtze River proving flights on October 12–13.

CAF inaugurates scheduled service on October 21 over a route from Shanghai up the Yangtze River to Hankow via Nanking, Anking, and Kiuking. As the other 4 Leonings come on line, daily flights are undertaken.

On November 15, President Price approaches CNAC-1 for an initial payment on the company's contract. CNAC-1 drags its feet to a point where Sun Fo feels obligated to resign. He is succeeded by Communications Minister Wang Po-chun, who had originally supported military opposition to CNAC-1 creation. Still unpaid, CAF halts services on December 15. Price now seeks the assistance of Chinese Finance Minister T. V. Soong, who authorizes contract payment.

CAF is able to resume its Yangtze River services on December 17; however, a fatal split occurs between Price and Wang Po-chun, who stop communicating. It is reported at year's end that, since start-up, a total of 354 passengers have flown over 8,650 miles.

As the result of CNAC financial difficulties and the feud between Price and Communications Minister/CNAC President Wang, the CAF contract with CNAC-1 is cancelled on January 31, 1930. Price publicly protests the government action and the State Council overrules the cancellation order on February 7. The rift between Price and Wang is now too deep to repair and the former is dismissed on March 31.

Max S. Polin arrives in Shanghai in April to negotiate a new contract and the protracted talks drag on. On July 8, Polin and the Chinese government complete their discussions and enter into a new contract. Under its terms, a new **China National Aviation Corporation (CNAC-1)** is created into which CAF will be merged. CAF ceases operations on July 26, the day the deal is confirmed by the Chinese State Council.

CHINA ASIA AIRLINES, LTD.: Taiwan (1987–1994). China Asia Airlines is established at Taipei in 1987 and is controlled by the Kaohsiung Industrial Group. Two former air force generals, Lee Chia-Wen and Yin Heng-Yuan, are appointed joint general managers. Employing 1 Shorts 360-200, flights are inaugurated to Kaohsiung and Makung.

During 1988–1989, the original route is maintained and three more are opened, including a monopoly sector between Kaohsiung and the Kinmen Islands. A second Shorts 360-200 is added in 1991. In 1992,

both Dash-200s are replaced by 2 360-300s with an order outstanding for a third.

In 1993, President Gen. Lee and Gen. Yin, the vice president-operations, oversee a workforce of 100. Only 1 Shorts is in service during 1994 and the carrier shuts down at year's end. In early 1995 the company is purchased by the U-Land Enterprise group and is renamed **U-Land Airlines, Ltd.**

CHINA CARGO AIRLINES COMPANY, LTD.: 2550 Hingqiao Road, Hongqiao International Airport, Shanghai, 200335, China; Phone 86 (21) 6268 2868; Fax 86 (21) 6268 6505; Code CK; Year Founded 1998. Late in the second quarter of 1998, **China Eastern Airlines Company, Ltd.** joins with the state-owned China Ocean Shipping Company (COSCO) to create a seventy-thirty joint venture, all-cargo subsidiary, which will be known as China Air Cargo (2). The two partners provide \$63-million capitalization, with the airline arranging for cargo aircraft and providing management under contract.

The new freight operation, China's second all-cargo airline, will at first employ B-747Fs leased from **Polar Air Cargo** or **Evergreen International Airlines**. Meanwhile, CEA will convert its 11 passenger MD-11s into freighters, while assigning its only MD-11F to the concern. That aircraft currently operates a twice-weekly roundtrip all-cargo service between Shanghai and Chicago.

Revenue services by the new freight subsidiary, now renamed Cargo Airlines, commences from Hongqiao International Airport on August 18. Initial operations include domestic and international freight and mail delivery plus the subcontracting of aircraft for the delivery of goods for China Ocean and other non-airline concerns.

It is noted early in 1999 that CEA will send its 5 MD-11s to Boeing for conversion beginning in September. The first MD-11F will be received back in December and, like the others, will be transferred to China Cargo.

As the summer of 2000 begins, **China Airlines Company, Ltd.** launches negotiations with **China Eastern Airlines Company, Ltd.** and China Ocean Shipping (Group) Company, Ltd. concerning a possible minority buy into Shanghai-based **China Cargo Airlines Company, Ltd.**

At the beginning of September, CEA is granted permission to sell CAL the desired 25% stake in China Cargo. On September 7, an ACMI contract is signed with **Atlas Air**.

CHINA EASTERN AIRLINES COMPANY, LTD.: 2550 Hingqiao Road, Hongqiao International Airport, Shanghai, 200335, China; Phone 86 (21) 268-8899; Fax 86 (21) 268-8668; <http://www.china-on-the-web.com/sh-air/index.htm>; <http://www.chinaeastern-air.com>; Code MU; Year Founded 1988. China Eastern Airlines is the primary enterprise of China Eastern Air Group, one of the 55 experimental large enterprise groups approved by Chinese government. With its headquarters at Shanghai and additional hubs at Nanchang, Jian, and Hefei, it is a government-owned business separated from the former Shanghai Administration Bureau of **CAAC (The General Administration of Civil Aviation of China)** on June 25, 1988.

Although the company is involved in developing other industry-related business, CEA is first and foremost committed to air transportation.

The carrier is outfitted with a fleet that includes the first 4 of 10 McDonnell Douglas MD-82s coproduced in China. In addition, a fleet of 4 Xian Y-7 (Chinese license-built Antonov An-24s) is acquired to fly local routes, plus 5 Airbus Industrie A310-304s—the first Airbus product to be delivered in the PRC—4 MD-82s, 6 British Aerospace (HS) Trident 3Bs transferred from CAAC, and 3 British Aerospace BAe 146-100s.

In November–December, the carrier begins eight new routes. Fuzhou–Xian and Yantai–Beijing using the Trident 3Bs; Nanjing–Guangzhou and Nanjing–Hong Kong using the BAe 146s; Jinan–Hangzhou using the Shorts 360; Nanchang–Changzhou using the An-24; Nanchang–Gangzhou using the Xian Y-7; and Shanghai–Xiamen using the A310-200. Passenger boardings total 2,700,000 and 64.36 million FTKs are operated.

In early spring 1989, orders are placed for 3 A300B4-605Rs and 5 MD-11s. Two freight-configured Lockheed L-100-30 Hercules begin to fly fish products to Japan on behalf of Taiyuan-based China General Aviation Corporation (CNAC-2).

When the pro-democracy movement at Beijing is crushed on June 4, the U.S. government delays shipment of aircraft navigation equipment and McDonnell Douglas employees, engaged with China in airliner joint manufacture, are evacuated from Shanghai to Hong Kong until June 26. Still, the CAAC “associate” will add 4 more MD-82s in late summer and early fall.

Just after takeoff from Shanghai on August 15, an An-24RV with 6 crew and 34 passengers loses power and crashes into a river (34 dead).

The first A300B4-605R arrives in November, followed by 2 others in December.

In 1990 routes are served from Shanghai's Hongqiao Airport to Beijing, Fuzhou, Hangzhou, Hefei, Jiman, Nanchang, Tunxi, Wuhan, Xi'an, Xiamen, and Zhengzhou. The three new Airbus aircraft enter service on regional routes to Hong Kong, cities in Japan, and from Shanghai to Beijing. A new \$80 fare is instituted for non-Chinese citizens flying between Shanghai and Beijing. In May, the airline receives its two-letter designator code, MU.

In 1991, the fleet includes 4 A300B4-605Rs, 2 A310-304s, 3 Antonov An-24RVs, 3 BAe 146-100s, 14 MD-82s, 1 MD-11 (which arrives in June), 1 MD-11F, 4 Shorts 360s, 5 Xian Y-7s, and 5 Y-7-100s. A number of personnel are sent to **Japan Air Lines Company, Ltd. (2)** and a Japanese travel college to learn Western cabin service standards.

En route to Los Angeles from Shanghai on April 5, Flight MU53B, an MD-11 with 340 passengers, encounters severe turbulence over the North Pacific and is forced to make a nonscheduled landing at Shemya Air Force Base in the Aleutians; 160 passengers are injured, several seriously.

During the Easter Sunday holiday, eight MD-82 charters are flown to Hong Kong. Employing the MD-11, the carrier takes over **Air China International Corporation's** twice-weekly Shanghai to Los Angeles route in August, becoming the only Chinese airline to serve Shanghai roundtrip from the U.S. West Coast. The MD-82s now fly regional routes to Hong Kong, during off-peak hours to Singapore, and other provincial capitals in China.

A total of 3,600 workers are employed at the company's Shanghai hub in early 1992 and the fleet is altered again. One A300B4-605R is withdrawn along with 2 An-24RV. Added are 3 Fokker 100s and 2 MD-11s, 1 of which is a freighter. Weekly MD-11F roundtrip, all-cargo flights are initiated in January from Beijing to Chicago via Seattle and Tacoma.

In May, an order is placed for 7 (later 10) leased Fokker 100s. International passenger frequencies are launched in June from Shanghai to Madrid via Bahrain and Brussels.

With the assistance of 36 technicians from **Swissair, A.G.** over a 41-day period, the carrier completes its first MD-82 home-base D-level maintenance check on June 27. Los Angeles service is increased during the summer and capacity to Hong Kong and Japan is augmented. Passenger service to Chicago begins during the third quarter and, during the fourth quarter, nonstop roundtrip service is initiated to Hong Kong from the regional cities of Fuzhou, Hefei, Jinan, Nanchang, Nanjing, Ningbo, and Qingdao.

It is reported several years later that enplanements for this year total eight million.

In 1993, President Wang Lian and Vice President Operations Hu Ding Zhou oversee a workforce of 6,290. Along with **Air China International Corporation** and **China Southern Airlines Company, Ltd.**, China Eastern is one of three former state airline divisions elevated in stature by CAAC, now acting as a regulatory body, to that of an independent “aviation group.” It is given the authority to acquire its own fleet and responsibility for its own finances, including permission to trade shares on the newly allowed Chinese stock exchanges.

As a result, the fleet includes 4 leased A300B4-605Rs, 2 chartered A310-304s, 1 An-24RV, 10 Fokker 100s, 13 MD-82s, 2 owned and 3 leased MD-11s, 1 MD-11F, 4 Shorts 360s, 4 Xian Y-7s, and 3 Y-7-100s.

On April 6, an MD-11, en route from Los Angeles to Shanghai with 256 aboard, suffers an accidental deployment of its wing slats at altitude over the North Pacific. This lapse in control causes the aircraft to pitch so wildly that 2 passengers are killed and 160 are injured before the plane can be successfully diverted to Shemya AFB in the Aleutians.

Evergreen International Airlines complains to the U.S. DOT in September charging that CEA has threatened its Chinese customers with retaliatory actions if they ship with the American carrier; in October, the DOT terminates China Eastern's all-cargo operating rights to the U.S.

Just after landing at Fuzhou on October 26, Flight 5398, an MD-82 with 9 crew and 71 passengers overruns the runway into flooded ground, where the landing gear is sucked in and the fuselage breaks into 3 pieces (2 dead).

Operations continue apace in 1994. A company MD-82, en route from Seoul to Shanghai with 99 passengers makes an emergency landing on South Korea's southern Cheju Island on September 22 because of mechanical trouble. With the aid of **Korean Airlines/Korean Air (KAL)** maintenance personnel, repairs are made within half an hour and the plane is allowed to proceed. This is the first emergency landing by a Chinese airliner on Korean territory since China and South Korea opened an irregular air service the previous year. Negotiations, under way between the two nations to open regular flight services, continue.

The airline receives acclaim from the National Quality Management Association and is awarded "Best Cabin Service" for the year.

In January 1995, China Eastern begins revenue sharing with **Asiana Airlines** on services between Shanghai and Seoul. Orders are now placed for 9 McDonnell Douglas MD-90-30s.

It should be noted that China Eastern Air Group is responsible for the professional and specialized training of staff. Its training center, equipped with a cockpit simulator of an MD-82 and certified by the U.S. FAA, allows CEA to train its own pilots, as well as offer instruction to pilots of other airlines. All its MD-11 and MD-11F crews are trained by McDonnell Douglas Aircraft Company Training Center in California. Transport staff training, cabin attendant training, aircraft maintenance training, and management staff training are all provided by China Eastern Air Group.

When the summer schedule begins on March 26, the carrier begins twice-weekly services from Shanghai to Singapore, Qingdao, Jinan, Xian, and Harbin. Previously operated twice weekly, the route from Shanghai to Los Angeles is increased to thrice weekly. Frequencies from Shanghai to Seattle, Chicago, Brussels, Madrid are doubled from weekly to twice weekly, while services are resumed, expanded, or introduced from Shanghai, Dalian, Ningbo, Wenzhou, Yantai, Nanjing, and Yanji.

China Eastern in July is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas; beginning in August, it will offer double boarding passes to customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection. Service from a new hub at Qingdao begins on August 1 with service to Osaka (KIX).

At the same time, seven female Japanese cabin attendants begin working on company flights from Shanghai to Tokyo and Osaka (KIX); their appointment represents an experiment designed to test the actual response of business passengers who, in surveys, have expressed a preference for such cabin crew on Japan frequencies.

The company, at year's end, receives CAAC's annual "Flying Horse" award as well as the honor of being named one of the 50 best service companies in China.

Enplanements total 6,285,820 passengers, while 176,000 tons of cargo and mail are also transported. A net profit of \$76.4 million is reported, which now ranks the carrier 11th in terms of profit and 60th in sales revenue in the world aviation industry.

Airline employment stands at 9,300 in 1996 and the owned fleet now comprises 4 A300B4-605Rs, 1 A340-313, 5 Fokker 100s, 13 MD-82s, 2 MD-11s, 4 Xian Y-7s, and 3 Y-7-100s. The company also charts 6 A300-600Rs, 5 Fokker 100s, 3 MD-11s, and 1 MD-11F. Orders from the largest Airbus customer in China are outstanding for 4 more A340-313s, which will be delivered over the next two years.

In January, officials from **CAAC (The General Administration of Civil Aviation of China)** inform the Orient Airline Association that it will not support the applications for membership of its three largest airlines, **China Southern Airlines Company, Ltd.**, China Eastern Airlines, and **Air China International Corporation**. Rather, they insist that China National Aviation Co. (CNAC-2) will be the first admitted.

During March, the carrier contracts with FlightSafety International to dispatch a group of *ab initio* pilots to the American concern's Flight Academy at Vero Beach, California. CAAC's Civil Aviation Flying College participates in the design of their curriculum that will conclude with flight training on the company's Fokker 100 and MD-82 simulators.

The company has an exhibit in the CAAC pavilion at "Airshow China '96," the first PRC international airshow, which is held at Zhuhai Airport on November 5-10.

CAAC, the parent company, ranks CEA as the top Chinese airline in terms of management, service, on-time performance, and operating performance.

Passenger boardings surge 13.1% to 6,938,000, while 474.67 million FTKs are operated, a 7.7% increase over the previous year. Operating revenues reach \$870 million but, due largely to a 23% drop in international yields and an increase in interest rates, pretax gain falls to \$65 million. The carrier's debt and equity ratio, at 3 to 1, is now higher than that for any other airline in Asia.

There is no change in the size of the employee population during 1997.

On February 5, the Shanghai-based carrier, which has spent two years preparing its issue and waiting for the right market conditions, becomes the first Chinese airline to complete a public stock offering. It floats about one-third of its equity, or 1.4 million shares, for \$250 million, listed on the Hong Kong and New York exchanges. Those American depository shares that trade in New York are equal to 100 Hong Kong shares—the shares are not traded in Shanghai.

Partially due to a last-minute decision by the Beijing government to hike the voting rights of foreign shareholders to one vote per share, the issue is oversubscribed. Originally, foreign investors were to be limited to only 25% of the voting rights. Encouraged by the new terms, foreigners buy up 65.4% of the issue.

During April, a memorandum of understanding for cooperative, interline services is signed with **American Airlines**. The two will develop reciprocal code-sharing programs for flights between the U.S. and Shanghai and Beijing.

China Eastern now adds flights to cope with the spring and summer peak seasons. The Shanghai-Los Angeles flight becomes daily on May 1, and the route is extended to New York and Chicago. Daily flights also become available on the route linking Shanghai and Yellow Mountains in East Anhui Province. The route between Shanghai and Guilin, a tourist attraction in South Guangxi Zhuang Autonomous Region, will be flown with larger aircraft.

On May 6, the route between Shanghai and Quanzhou City, Fujian Province, is given two flights weekly. The direct service between Shanghai and Chongqing, a newly established municipality in southwest China, are resumed in July as is a link between Shanghai and Zhangjiajie, a tourist city in central China's Hunan Province.

On July 17, air passengers cite China Eastern for the third consecutive time as the best among large Chinese airlines that carry more than six million passengers annually. The survey sent out a total of 1.33 million questionnaires to solicit passenger opinion on the service quality of 25 airports and 16 major Chinese airlines. Other winners are **Xiamen Airlines Company, Ltd.** and **Shenzhen Airlines Company, Ltd.**, which each win first place in separate contests for the annual passenger volume exceeding two million and less than two million.

The first of 9 MD-90-30s is delivered in August and, in September, **Shanghai Airlines Company, Ltd.** wins CAAC approval to begin competing with CEA on international routes. With the arrival of the second MD-90-30 in October, the new jetliners are placed into service in eastern China's Anhui Province.

During the fall, CEA becomes the first to acquire one of the country's smaller regional airlines. The process, which will require 18 months, is begun in November for the takeover of **China General Aviation Corporation**. Meanwhile, CEA establishes a management working group to study additional acquisitions.

As the year closes, the carrier seeks a European code-sharing partner and enters into marketing discussions with **Deutsche Lufthansa, A.G., Air France**, and **British Airways, Ltd.** (2). A code-sharing agreement, which requires government approval, is signed with **American Airlines**. Pro rata agreements are also sought from **Qantas Airways (Pty.), Ltd.** and **Ansett Australia (Pty.), Ltd.** The European marketing partner is **Air France**.

For the year, passenger enplanements total 6,987,000, a 0.7% increase, while cargo moves up 14.6% to 544.01 million freight FTKs. On a 17.7% increase in revenues to \$1.03 billion, a \$76.5-million net gain is reported.

Reciprocal code-sharing flights are announced at the end of January 1998. In February, the carrier is specifically praised by **CAAC (The General Administration of Civil Aviation of China)** for its excellent 1997 safety record.

Also during the first quarter, an A320-214, leased from GE Capital Aviation Services, is delivered and enters service.

At the same time, the regulatory body **CAAC** significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered on major carriers. It is hoped that **China Southwest Airlines Company, Ltd.** will be acquired by China Eastern by 2001.

On March 1, the company signs a full code-sharing marketing alliance with **American Airlines**. Once government approvals are received, the two will share codes on flights from Los Angeles, Chicago (ORD), and Washington, D.C. (IAD) to Shanghai and Beijing.

Dual-designator roundtrip flights with **Air France** commence on April 1 thrice weekly from Shanghai to Paris.

Late in the second quarter, the company joins with the state-owned China Ocean Shipping (COSCO) to create a seventy-thirty joint venture all-cargo subsidiary, which will be known as China Air Cargo (2). The two partners provide \$63 million in capitalization, with the airline arranging for cargo aircraft and providing management under contract.

The new freight operation, China's second all-cargo airline, will at first employ B-747Fs leased from **Polar Air Cargo** or **Evergreen International Airlines**. Meanwhile, CEA will convert its 11 passenger MD-11s into freighters, while assigning its only MD-11F to the concern. That aircraft currently operates a twice-weekly roundtrip all-cargo service between Shanghai and Chicago.

A new twice-weekly route is inaugurated on July 1 between Shanghai and the Japanese city of Okayama.

The Asian financial crisis, competition from foreign airlines, retrenchment of state enterprises, and falling business traffic caused by improved road infrastructure all contribute to a decline in demand for air transport. The situation is exacerbated by an increase in domestic airline capacity.

The airlines, with little success, introduce a variety of fare reductions. **CAAC (The General Administration of Civil Aviation of China)** now steps in and requests that the companies delay new aircraft deliveries. Some will lease out or park their latest additions.

Revenue services by the new freight subsidiary, now renamed **China Cargo Airlines Company, Ltd.**, commences from Hongqiao International Airport on August 18. Initial operations include domestic and international freight and mail delivery plus the subcontracting of aircraft for the delivery of goods for China Ocean and other non-airline concerns.

Under terms of a fifty-fifty code-sharing agreement worked out with **Korean Airlines/Korean Air (KAL)** in July, a KAL MD-11F inaugurates scheduled weekly all-cargo roundtrips into China from Seoul at the end of August.

Just after takeoff for Beijing from Shanghai on September 11 on the continuation of a service from Los Angeles, Flight 586, an MD-11 with 17 crew and 120 passengers, suffers a jammed landing gear. Rather than

dump fuel, the jetliner circles Shanghai for three hours, while airport officials apply a coat of protective foam to the airport's main runway. The wide-body lands with its front gear retracted and skids along the runway, with emergency vehicles keeping pace spraying it with water and foam. When the plane comes to rest, all aboard are safely evacuated, with only minor injuries reported.

On September 15, CEA becomes the first airline from the PRC to place its codes on the flights of a U.S. airline. The company's two-letter designator is assigned to selected **American Airlines** flights between Los Angeles (LAX) and New York (JFK), Chicago (ORD), Dallas (DFW), and Washington, D.C. (IAD) as well as on services between San Francisco and Chicago (ORD).

The largest and most advanced pilot training center in the PRC is opened by CEA at Shanghai on October 5; the Eastern Flight Training Center has cost \$100 million to build and equip.

American Airlines begins dual-designator service in October when it places its AA code aboard CEA flights from Los Angeles (LAX) and San Francisco to both Shanghai and Beijing.

Just after takeoff from Shanghai on a November 2 service to Osaka (KIX), Flight 515, an A300B4-605R with 15 crew and 87 passengers, loses a wheel from its front landing gear. The pilot seeks permission to return to his point of origin, where he circles for 90 min. while airport workers clear the runway and race fire trucks and ambulances to the scene. A safe emergency landing is made and, with local television broadcasting live, once the aircraft is stopped, all aboard deplane via the aircraft's stairs and not its emergency slides.

A strategic alliance is entered into with **All Nippon Airways Company, Ltd. (ANA)** on November 11. Under its terms, code-sharing is scheduled to begin on February 1 over routes from Osaka (KIX) to Shanghai and also to Qingdao and Beijing.

Richard Branson, the chairman of **Virgin Atlantic Airways, Ltd.**, visits Shanghai on November 24. He announces plans to meet with representatives of China Eastern in London in the new year to conclude a commercial agreement in the event that they are both designated to operate services on the London to Shanghai route. Both the British and Chinese governments will decide in December which of their carriers will be authorized to operate the two weekly roundtrips.

Early in December, Virgin gains route authority from the CAA in Great Britain. Also at the start of the month, CEA enters into a major code-sharing agreement with **Asiana Airlines**. In addition to the usual sharing of frequent flyer programs, marketing, and ground handling, the two undertake regular shared roundtrip service from Seoul to Yantai, four times a week.

In response to the Asian financial situation, which has an impact on all of China's airlines, CEA withdraws 5 MD-82s late in the year. These are returned to a lessor, which will pass them on to **Spanair, S.A.** just after Christmas.

The dual-designator arrangement with **Asiana Airlines** is enhanced on December 29. Two additional weekly roundtrips are added from Seoul to Yantai and new twice-daily nonstop roundtrips are inaugurated between Seoul and Shanghai.

Enplanements for the year total 8.37 million and 631 million FTKs are operated. Revenues fall 5.3% to \$942 million.

Early in January 1999, **Air China International Corporation**, which has lost upwards of \$25 million the previous year, receives a new chairman/CEO, succeeding the retiring Yin Wenlong. CEA Executive Chairman/CEO Wang Lian, once vice minister of the CAAC, receives the prestigious post.

Discussions concerning the formation of a strategic alliance with **Qantas Airways (Pty.), Ltd.** are announced on February 10. Under its terms, the two would begin code-sharing flights at the end of March. The Australian line will operate thrice-weekly B-767-338ER return flights from Sydney to Shanghai, while CEA will fly the same number of flights using an A340-313X between Beijing, Shanghai, and Sydney. The CEA Beijing-Shanghai segment will replace the same segment now dropped by Qantas.

After a month's delay, the dual-designator service with **All Nippon Airways Company, Ltd. (ANA)** duly begins on March 15. CEA codes are placed upon ANA flights between Shanghai and Osaka (KIX) and between Osaka (KIX) and Beijing via Qingdao. ANA's flight codes are added to CEA's similar flights. ANA has more than 50 weekly flights to China and CEA has more than 30 to Japan. The code-sharing automatically doubles the two airlines' flights between China and Japan.

General Manager Li Zhong-ming informs Reuters, Ltd. on March 19 that, instead of the loss projected, CEA will, in fact, show a profit for 1998. Due to increased travel over the Chinese Lunar New Year holiday, the company was profitable in February and, to raise cash and repay debt, the carrier will dispose of 13 MD-82s over the next 3 years, including 8 this year. The retirements are part of a program announced by **CAAC (The General Administration of Civil Aviation of China)** to trim the size of the overall domestic airline fleet and thereby help cut costs. CEA will receive 3 A320s and 2 MD-90-30s before December, which, after the MD-82 sales, will leave it with a net fleet reduction.

The company announces on April 13 that it has sold the 13 MD-82s to GE Capital Aviation Services, but leased back 3. Six of the others will be leased to **Spanair, S.A.** and 4 sold to **Spirit Airlines**.

The commercial arrangement with **Qantas Airways (Pty.), Ltd.** is formally signed on May 6.

On May 28, twice-weekly return service is inaugurated from Jinan to Chejudo, in the Republic of Korea.

Twice-weekly A300B4-605R return service is launched on June 17 from Shanghai to Fukushima, Japan, NE of Tokyo.

Flight MU-583, an MD-11 with 17 crew and 172 passengers en route to Los Angeles from Beijing, bounces hard three times and raises a cloud of smoke while landing at its intermediate Shanghai stop on August 8, skidding off the side of the runway and coming to a halt. All aboard are evacuated down emergency chutes and no injuries are reported.

By midyear, the carrier has sold 5 MD-82s, replaced 2 Fokker 100s with 2 leased A320-214s, acquired 2 additional MD-90-30s, and incorporated 3 B-737-3B1s. Part of these changes had been earlier indicated. In September, an agreement is signed with GE Capital Aviation Services for the 10-year lease of 10 more A320-214s.

During the third and fourth quarters, the company's route network is optimized, with over 20 routes, mostly domestic, closed down; the principal foreign casualty is the unprofitable San Francisco service.

Joining with IMB and the Shanghai Branch of the Industrial and Commercial Bank of China, CEA, in October, turns on the Online Ticket Booking and Payment System; the event marks inauguration of the first complete e-commerce system in China's aviation industry.

Chairman Li Zhongming's carrier enjoys a good traffic year, with passenger boardings jumping 6.4% to 8.6 million and 668.94 million FTKs operated. The previous year's net loss is turned into a net gain of \$18.19 million. This success is largely attributed to a rebound from the Asian economic crisis and the government's curb on ticket discounting.

The process of integrating **China General Aviation Corporation**, begun on schedule in November, continues apace as CEA purchases and leases CGAC's aircraft and absorbs its technicians.

A **Cathay Pacific Airways (Pty.), Ltd.** proposal to purchase a minority stake in China Eastern is rebuffed by the management of the mainland carrier on April 1, 2000. Plans to charter 8 A340s from ILFC are cancelled on June 25.

In response to a fatal June 22, **Xian Airlines Y-7-100C** crash, CAAC delivers a major reorganization plan to the China State Council in late July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around **China Eastern, Air China International Corporation**, and **China Southern Airlines Company, Ltd.**

As the summer begins, the **China Airlines Company, Ltd. (CAL)** launches negotiations with China Eastern and China Ocean Shipping

(Group) Company, Ltd. concerning a possible minority buy into Shanghai-based **China Cargo Airlines Company, Ltd.**

During the last week of August, China Eastern takes a controlling 55% stake in **Air Great Wall**. Plans are announced to initially operate the company as a subsidiary, supplying it with funds to purchase 3 Next Generation B-737s.

At the beginning of September, CEA is granted permission to sell **China Airlines Company, Ltd. (CAL)** a 25% stake in China Cargo.

In mid-month, the first air service is launched from Ningbo, in Zhejiang Province, a Friday-only A320-214 return frequency to Bangkok; simultaneously, weekly roundtrips are started from Shijiazhuang, capital of Hebei Province, to Chogiu, South Korea.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including China Eastern, increase fares on November 5.

CHINA FLYING DRAGON AVIATION COMPANY: 15 Youxie St., Pingfang, Harbin, 150066, China; Phone 86 (45) 802541; Fax 86 (45) 802541; Code CFA; Year Founded 1981. CFDA is established at Harbin as a joint venture between the Harbin Aircraft Manufacturing Co. and the Chinese Ministry of Geological Mineral Resources in 1981 to offer short-haul passenger and cargo charters under the name Feilong Airlines. One of the earliest free-enterprise operators in the People's Republic of China, President Han Jinsheng's nonscheduled carrier grows throughout the remainder of the decade. Additional responsibilities added during these years include forest fire protection, maritime surveillance, and aerial photography.

In 1993, airline employment stands at 507 and the fleet includes 8 Harbin Y-12s, 14 Y-11s, 4 de Havilland Canada DHC-6-300s, and 8 Eurocopter AS-350B2 Ecureuil helicopters.

Operations continue apace during 1994-1995.

While on final approach to Changai on a June 21, 1996 service from Dalian, a Harbin Y-12II, with three crew and nine passengers, collides with a hill (two dead). The company receives its present name late in the year.

Despite the corporate makeover, in 1997 the fleet of the new president, Wu Cabao, remains the same as it was at the beginning of the 1990s. The workforce in 1998-1999 stands at 610.

The exact status of operations at the beginning of the new millennium is unknown.

CHINA GENERAL AVIATION CORPORATION: China (1952-1999). China's only large general aviation operator, 40-year old China General is established at Taiyuan in 1952; scheduled passenger services are inaugurated with Yakovlev Yak-42s in 1989. Over the next 5 years, some 58 routes are established linking the company's base with 18 local and regional destinations, including Beijing, Shanghai, and Guangzhou.

Tourist flights over the Great Wall of China are provided with Mil Mi-8 helicopters and the current color scheme is introduced in 1991. The service, operated by Beijing United Aviation Tourism, is a joint venture with the Handan Helicopter Company.

Just after takeoff from Nanjing Airport en route for Xiamen on July 31, 1992, Flight 7552, a Yakovlev Yak-42D with 10 crew and 116 passengers, fails in its ascent, crashes into a pond 1,970 feet beyond the runway, and burns (106 dead).

Shortly after takeoff for a routine sight-seeing trip on August 11, an Mi-8, with 24 passengers, including the crew and Japanese tourists, crashes 35 nm. NW of Beijing in a rural area; there are no survivors.

In 1993, President Zhang Chang-jing oversees a workforce of 3,791 and his fleet includes 6 de Havilland Canada DHC-6-300 Twin Otters, 5 Yak-42s, 5 Harbin Y-12Hs, 3 Antonov An-30s, and 2 each An-12Bs, Xian Y-7-100s, and Beech Super King Air 200s.

Flights continue in 1994 and enplanements reach 721,480 in 1995.

Airline employment stands at 4,100 in 1996 and the company's 46 aircraft transport a total of 680,000 passengers, a 6.1% decline over the previous year. Cargo traffic grows by 4.6% to 7.04 million FTKs.

During 1997, CAAC announces an airline rationalization plan designed to eliminate some of the nation's 27 regional carriers.

China General is the first targeted and, in September, **Air China International Corporation, China Eastern Airlines Company, Ltd., China Hainan Airlines Company, Ltd., and Shandong Airlines Company, Ltd.** all submit bids for the financially ailing concern.

The largest domestic carrier among the four is chosen by **CAAC (The General Administration of Civil Aviation of China)** to acquire the company. During the fall, China General begins an 18-month assimilation into **China Eastern Airlines Company, Ltd.**

CHINA GREAT WALL CORPORATION: No. 30, Haidan Nanlu, Hai, Dian Dishoe, Beijing, 100080, China; Phone 10-687-48800; Fax 10-687-48865; Code G8; Year Founded 1992. Established at Jiangbei Airport at Chongqing in Sichuan Province on July 21, 1992, President Huang Ming-shun's new carrier, which is initially known as the Civil Aviation Flying Institute of China, employs 150 workers and offers domestic passenger and cargo services with 2 Tupolev Tu-154s and 3 Xian Y-7-100s.

Flights continue in 1993-1999, during which time the fleet grows through the addition of 3 Boeing 737-2T4As, transferred over from **CAAC (The General Administration of Civil Aviation of China)**.

The exact status of operations at the beginning of the new millennium is unknown.

CHINA HAINAN AIRLINES COMPANY, LTD.: 29 Haixiu Road, Haikou, Hainan, 570206, China; Phone 86 (898) 671-1524; Fax 86 (898) 679-8976; http://www.hainanair.com ; Code H4; Year Founded 1989. This new Chinese entrant is formed on October 18, 1989 by **CAAC (The General Administration of Civil Aviation of China)** and the Hainan provincial government to provide scheduled services to destinations in southern China. The company will go through a long gestation period before that goal is realized.

The company becomes a public airline in 1992 when stakes, collectively valued at Rmb 250 million, are purchased by 10 major concerns, chief among which are China Guangda International Trust & Investment Corporation, American Aviation LDC, Sanya Company, and Halkou Station. On the basis of the shareholding, a Rmb 6,660-million loan is acquired. Orders are placed with Ansett Worldwide Aviation Services for the lease of a fleet of Boeing 737s.

At their base at Haiku in Hainan Province, the carrier's chairman, Yuan Feng Po, and President Chen Feng recruit a workforce of 472, including two Australian pilots hired in October from **Ansett Australia (Pty), Ltd.**

Equipped with 2 of 4 ordered Boeing 737-33As, services are inaugurated on May 1, 1993, linking Haiku with Beijing, Chengdu, Guangzhou, Shanghai, and Xian.

During the remaining seven months of the year, China Hainan boards a total of 164,623 passengers and hauls 2.36 million FTKs. Revenues are \$13.5 million and, with no airline taxes in the province, the company realizes a \$7.9-million net profit.

The employee population is dramatically increased in 1994, up 51.6% to 829 and the last 2 B-737-33As are delivered. Orders are placed during the spring for 2 Fairchild Metro 23s and a cadre of pilots for them are sent to the manufacturer's San Antonio plant in July for training.

The route network is increased to 20 destinations and, employing 2 new Fairchild Metro 23s upon their delivery in the fall, CHA initiates a shuttle service between Haikou and Sanya. A new office building is occupied at the company base and two joint venture companies are created, Hainan Air Catering and Phoenix Information Systems.

Passenger boardings skyrocket an almost unbelievable 268.9% to 606,442 while freight increases 346.2% to 5.04 million FTKs. Revenues jump a remarkable 231.6% to \$46.05 million while expenses climb even

more, up 303.1% to \$36.16 million. The operating profit is increased to \$9.89 million and net gain reaches \$10.33 million.

Operations continue apace in 1995. On March 10, farmer Jin Xiaoping unsuccessfully attempts to take over a B-737, en route from Yiu to Guangzhou, and force it to Taiwan. He is overtaken by the jetliner's passengers and crew.

The subsidiary **China Hainan VIP Flight Service** is established under its own chairman, Zhizheng Tu, to provide on-demand passenger charters.

In October, a memorandum of agreement is signed with Fairchild Aircraft for the purchase of a number of Metro 23s. During the last week of November, **CAAC (The General Administration of Civil Aviation of China)** and the PRC Ministry of Foreign Trade and Economic Cooperation grant the company the right to have foreign investors. American Aviation Investment, partially controlled by the financier George Soros, becomes the first to take a stake in a PRC airline when it acquires 25% shareholding in November for \$25 million.

The first 2 Metro 23s are delivered in December. Enplanements this year reach 953,560 and revenues climb to \$58.8 million. A net \$9.8-million profit is recorded.

Airline employment stands at 1,500 in 1996 and the owned fleet now includes 2 each B-737-33As and Fairchild Metro 23s plus 1 Learjet 55. Also flown, under charter, are 2 B-737-3Q8s, 1 B-737-4Q8, and 1 Learjet. Orders are outstanding for 1 B-737-3Q8, 2 B-737-4Q8s, and 2 Metro 23s.

On January 16, the company signs an agreement with Ningbo City to establish a hub at the Zhejiang Province port city. It is the first time a local Chinese airline establishes a hub in another area. As soon as they are delivered, the 2 new B-737-4Q8s are assigned to the new base.

En route from the eastern Chinese city of Yiwu to Guangzhou on March 10, a B-737-33A is hijacked toward Taiwan; after the pilot lands at Zhuhai Airport, 30 miles west of Hong Kong, which the knife-wielding attacker believes to be Taipei, security police subdue the pirate without further incident.

In April, a letter of intent is signed with Fairchild Aircraft for the purchase of 10 more Metro 23s.

Plans are announced on June 1 for the company to be listed on the Shanghai stock exchange late in the year or early in the next. The offering would represent upwards of 30% of the company's 400 million shares.

Two additional B-737-4Q8s arrive under charter in August. The first 5 Metro 23s are delivered on October 16.

The company has an exhibit in the CAAC pavilion at "Airshow China '96," the PRC's first international airshow, which is held at Zhuhai Airport on November 5-10. For the year, an on-time performance rate of 95.5% is registered. President Cheng Feng receives a trophy as China's "national top entrepreneur" for 1996.

Passenger boardings soar 23.1% to 1,240,000 for the full year, while freight is up a remarkable 361.2% to 1.43 million freight FTKs. Through September, operating income is \$75.7 million and a net gain of \$11.9 million (later corrected to \$10.8 million) is announced.

In mid-February 1997, orders are placed for 10 more Metro 23s.

The carrier receives permission from CAAC, on March 19, to extend its services into the area of domestic air cargo transportation. Seven Metro 23s are introduced into service on March 24.

On May 13, it is announced that the carrier will sell space on its planes' sides for ads in a program reminiscent of the "logo jet" program of **Western Pacific Airlines**.

A total of 71 million Class B shares of common stock are traded on the Shanghai Stock Exchange on June 16; they yield \$33.4 million to the airline and allows it to increase its capitalization from Rmb 400.2 million to Rmb 471.2 million.

At the CAAC conference on July 24, Hainan receives a trophy for having provided the best in-flight service in China.

The last 2 Metro 23s from the original order arrive on August 1. Five more from the supplemental request are to be delivered by year's

end and the remainder in 1998. Also during the month, the company sells 71 million shares of its Class B stock on the Shanghai stock exchange; the placement raises \$31.4 million, which is applied to the leases of 3 B-737s.

In September, China Hainan is one of six carriers to form the New Star Alliance. This is in line with the Chinese government's policy designed to reduce the number of regional airlines in order to increase the efficiency of competition. When activated the following January 1, the informal compact will, hopefully, begin to boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes.

Three Metro 23s are delivered in October and one each in November and December. Meanwhile, Chairman/President Feng is a delegate to the APEC Summit conference held in Vancouver on November 21 to 24.

Enplanements total 1.49 million and the company doubles its net gain to \$20.1 million.

Flights continue in 1998. Passenger boardings shoot up 26% to 2.02 million, while cargo traffic jumps 22.1% to 28.65 million FTKs. China Hainan is one of the few mainland Chinese carriers to generate a profit during the year. On turnover of 1.3 billion yuan, a net 100 million yuan gain is realized.

On January 5, 1999, China Hainan is able to sign for a 6.5 billion yuan (US\$785 million) line of credit with the Bank of China. The funds will be employed as financing guarantees for the airline's plans to expand its fleet later in the year through the addition of 1 B-767 and 2 B-737s.

Twice-weekly scheduled MD-11 charters are initiated on March 18 between Taipei and Guam.

On August 30, CHAC becomes the first PRC airline to order a regional jetliner, placing a \$226-million order with Fairchild Aerospace Corporation for 19 328JETs, with 20 options.

Deliveries of the new 328JET commence on November 3; China Hainan, as part of the arrangement, returns 9 Metro 23s to Fairchild. Also in the fall, another new Next Generation B-737-84P is received. Like the other "Baby Boeings" in the fleet, this one also wears a colorful livery reflecting the island's wildlife.

As the year ends, hopes are high that the carrier might also be able to obtain 3 B-767-300ERs. Both the aircraft and approval for international service had been approved in 1997, but were shelved due to the Asian economic crisis. The second 328JET arrives in December.

Enplanements for the year total 1.82 million and 4 million FTKs are operated. A net profit of \$15.9 million is reported.

Air Transport World reveals in its April 2000 issue that the carrier has borrowed \$132.8 million from the Agricultural Bank of China to finance the purchase of 10 more 328JETs. The company's first international route is inaugurated on June 30 with a daily B-737-84P roundtrip from Sanya to Macau.

With approval from both CAAC and officials of the provincial government at Haikou, Hainan raises its stake in Haikou Melan Airport from 25% to 60% on July 1. The company takes over the airport on July 11, becoming the first airline in China to administer an airport.

The sixth B-737-84P arrives on August 4. Also during the month, Hainan becomes the first mainland Chinese carrier to hire Caucasian crew members to serve on its flightdecks.

On September 1, an arrangement is signed between the provincial government and China Hainan under which that carrier will acquire **Changan Airlines**, the identity of which will, for now, be retained.

As a subsidiary, Changan will continue to operate as before with its fleet of 5 Yun Y-7-100s and 2 Y-7-200s, but the 3 new Bombardier Aerospace DHC-8-Q400s it had ordered during the spring will be delivered to China Hainan instead.

The mainline carrier's 10th 328JET arrives from Fairchild Aerospace on September 17.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including China Hainan, increase fares on November 5.

CHINA HAINAN VIP FLIGHT SERVICE: Jingchao Building, No. 5 Nungzhanguan, Naniu, Chaoyang District, Beijing, 100026, China; Phone 86 (10) 6506 8280; Fax 86 (10) 6949 7853; Year Founded 1995. A subsidiary of **China Hainan Airlines Company, Ltd.**, this company is established at Beijing Capital Airport in late 1995 to provide on-demand passenger charters. Zhizheng Tu is appointed chairman.

The first new business jet sold in China's private sector is a Learjet 60, which arrives in September 1996, followed by a Learjet 55. The two planes begin and continue revenue flights.

CHINA NATIONAL AVIATION COMPANY. See CAAC (THE GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA)

CHINA NATIONAL AVIATION CORPORATION (CNAC-1): China (1930-1952). Following the creation of a semi-stable Nationalist Chinese government by Chiang Kai-shek in early 1928, the U.S.-based Curtiss-Wright Corporation (CWC) dispatches R. O. Hayward, president of its Aviation Exploration, Inc. subsidiary, to China in December. He is to discuss creation of an American-backed airline with Minister of Railways Sun Fo, son of Chinese political hero Sun Yat-sen.

By January 1929, negotiations have proven favorable and CWC dispatches former airline executive William B. Robertson to Shanghai, where he arrives in mid-February. A number of proving and demonstration flights are made in March and April. A proposal is put to the Chinese government under the China Trade Act for the creation of an airline that can link Shanghai with Hankow, Peking, and Canton.

President Chiang officially signs off on the April 12 creation of China National Aviation Corporation (CNAC-1), with shareholding divided between U.S. (60%) and Chinese (40%) interests. Sun Fo is named president and he, in turn, signs a 10-year contract with Aviation Exploration for the operation of at least one daily roundtrip over three routes, with payment made on a sliding scale based on aircraft capacity.

Not all factions within the Nationalist cabinet are pleased with this new arrangement. The War Minister and Minister of Communications Wang Po-chun jointly express their opposition, with the former prohibiting use of the nation's land airfields, which he declares to be military bases. Wang Po-chun goes even further, contracting with the Stinson Company in May for four aircraft with which to start a competing carrier, the **Shanghai-Chengtu Air Mail Line**. Faced with this opposition, Sun Fo convinces CWC to fund the purchase of 5 Leoning Air Yachts that can operate as amphibians. Curtiss CEO Clement Keys goes even further, sending Harry G. Smith out to manage CNAC-1. Smith also agrees with the decision to acquire amphibians.

The **Shanghai-Chengtu Air Mail Line** launches Stinson SM-1F De-troiter services to Nanking on July 8, becoming the first operator in Chinese civil air history to offer sustained passenger and mail services. On July 27, the crated Leonings, together with a support team, depart Seattle for Shanghai by ship.

China Airways Federal (CAF) is established at Shanghai on August 22 as a wholly owned subsidiary of the CWC subsidiary Intercontinental Aviation and is incorporated under provisions of the China Trade Act of 1922. Ernest R. Price is appointed president and plans are made to initiate service under a contract with CNAC-1. Employing the first re-assembled Leoning Air Yacht amphibian, the company undertakes Yangtze River proving flights from a base on the Whangpoo River at Shanghai on October 12-13.

CAF inaugurates scheduled service on October 21 over an inaugural route from Shanghai up the Yangtze River to Hankow via Nanking, Anking, and Kiuking. As the other 4 Leonings come on line, daily flights are undertaken.

On November 15, President Price approaches CNAC-1 for an initial payment on the company's contract. CNAC drags its feet to a point where Sun Fo feels obligated to resign. He is succeeded by Minister Wang Po-chun, who had originally supported military opposition to CNAC-1

creation. Still unpaid, CAF halts services on December 15. Price now seeks the assistance of Chinese Finance Minister T. V. Soong, who authorizes contract payment. CAF is able to resume its Yangtze River services on December 17; however, a fatal split occurs between Price and Wang Po-chun, who stop communicating. It is reported at year's end that, since start-up, a total of 354 passengers have flown over 8,650 miles.

As the result of CNAC financial difficulties and the feud between Price and the Communications Minister/CNAC President Wang, the CAF contract with CNAC is cancelled on January 31, 1930. Price publicly protests the government action and the State Council overrules the cancellation order on February 7. The rift between Price and Wang is now too deep to repair and the former is dismissed on March 31.

Max S. Polin arrives in Shanghai in April to negotiate a new contract; he succeeds Price as CAF president, but, in the typical Chinese fashion of the day, the talks are protracted. On July 8, Polin and the Chinese government complete their discussions and enter into a new contract.

Under its terms, a new China National Aviation Corporation (CNAC-1) is created, with shareholding divided between the Ministry of Communications (55%) and **China Airways Federal** (45%). Capitalization is increased to 10 million yen (\$3.3 million) and plans are made to amalgamate CAF and the **Shanghai-Chengtu Air Mail Line**. K. C. Huang is named chairman, with Polin becoming president and Gen. Neih Kai-I taking the post of vice president operations. The fleet acquired from the two submerged operators includes 5 Leoning amphibians and 5 SM-F1 Stinson Detroiters. The mail routes from Shanghai to Canton, Peking, and Chongqing are confirmed and a new 10-year contract is executed.

During the next several weeks, agreements are reached with authorities in those areas not controlled by the Nationalist government, including Shantung Province, Szechwan, Peiping, and Hopei. The Chinese State Council confirms the entire arrangement on July 26, the day CAF ceases operations under its own name and assumes its role as the American holding partner. Its previous routes and those of the **Shanghai-Chengtu Air Mail Line** are maintained as preparations are made to expand services.

On September 12–16, Gen. Neih, flying one of the Detroiters, makes a pioneering four-day roundtrip survey flight to Chongqing.

In boardroom battles in the U.S., CEO Clement M. Keys now loses control of CWC/North American Aviation to Thomas A. Morgan. CNAC's fleet, meanwhile, is improved through the addition of up to 5 Air Yachts.

During the fall, mail and passenger traffic between Shanghai and Hankow is significantly increased and by December 1, a total of 3,000 passengers have been safely carried over 40,000 miles in the year since **China Airways Federal, Ltd.**'s start-up. On December 9, an Air Yacht with six aboard crashes in the Whang Poo River, near Shanghai, while taking off (four dead); the event is the first fatal airline crash in Chinese history.

Although his aide had previously reserved an Air Yacht for a charter to Nanking for his entire party, Chiang Kai-shek arrives at the Hankow base on December 24 only to learn that the American field manager has dispatched the Leoning on its normal scheduled service. Considering himself to have been slighted, an angry Chiang orders the manager jailed, even though the plane is called back for him. When the plane arrives back at Hankow, the Chiang has its pilot jailed, refuses to employ CNAC, and proceeds to Nanking on a gunboat.

Meanwhile, the entire operation, capitalized at \$7 million, is not financially viable, losing money at an annual rate of \$260,000 per year. Former naval aviator and CWC official George C. Westervelt arrives at Shanghai on Christmas Day to improve the company's fortunes and win a subsidy from the Chinese government. Westervelt immediately recommends the appointment of a new CNAC-1 management team. William Langhorn Bond is named CEO, with the title of operations manager, and ordered to Asia.

Gen. Neih, on March 4, 1931, completes a three-day roundtrip Stinson Detroit proving flight from Shanghai to Peking. Eleven days later, two SM-1Fs complete a nonstop flight to the nation's northern capital in just seven hours. New CEO Bond arrives in China on March 17.

Leoning service is inaugurated on April 1 to Ichang via Wuhu and Shasi. On April 15, employing Detroiters, CNAC inaugurates airmail flights from Shanghai and Nanking to Peking via Suchow, Tsinan, and Tientsin. The Stinsons are taken out of service on June 8 for engine modifications and the Shanghai to Peking route is closed until these are completed on September 12.

Service is extended along the Yangtze River on October 31 to Chongqing via Wahsien. Poor weather in November–December causes three Detroiters to crash, one onto Taishan Mountain in Shantung and the other two near Peiping (four dead).

Enplanements for the year total 2,296, with 75,742 pounds of mail and freight flown.

In January 12, 1932, the Japanese bomb Shanghai and further attacks the city on January 28. On February 28, Japanese forces complete the occupation of Manchuria and break it off from China to form the puppet state of Manchuko.

Meanwhile, CNAC-1, despite a protest to the American consul by the Japanese, continues to maintain service to Nanjing. Bond keeps the airline in operation in the face of dwindling CWC support and difficulties with the Chinese board chairman K. C. Huang. Several more aircraft are lost in crashes and Morgan seeks a buyer.

On the year, the airline flies a total of 3,153 passengers and hauls 111,872 pounds of mail, a 25% increase over the previous 12 months.

CNAC-1 starts 1933 with a fleet of 5 Stinson Detroiters and 5 Leoning Air Yachts; 7 pilots (1 German, 5 U.S.) are employed. The irregular airmail route to Peking from Shanghai is made permanent by Capt. E. M. Allison on January 12; the twice-weekly SM-1F service is flown via Haichow, Tsingtao, and Tientsin. The first passenger is flown over this route on February 1.

Pan American Airways (PAA) emissary Harold M. Bixby conducts survey flights in China preparatory to a tender offer. On March 31, **China Airways Federal's** 45% interest and responsibilities are purchased from Intercontinent Aviation by Juan Trippe for \$282,238.69, including \$181,385 in Pan Am stock.

The Yangtze River route is extended from Chongqing to Chengtu on June 4, but is discontinued within days. Under terms of the original contract, Shanghai–Canton airmail service must commence by July 8, but efforts have been blocked by Chinese officials seeking bribes.

Two Sikorsky S-38s arrive at Shanghai on June 26; one flies on to Canton, completing the stipulated terms with a mail flight (made possible by a European postmaster) back to Shanghai on the appointed day.

On October 8, agreement for operations to the coast is arranged with the government. Although the arrangement is actually formed between the Chinese and the PAA subsidiary Pacific American Airways, the deal is concealed so as not to raise the interest of the expansionist Japanese. Regularly scheduled S-38 mail-only service is started on October 24 from Shanghai to Canton via Wenchow, Foochow, Amoy, and Swatow. The Chongqing to Chengtu route is reopened thrice weekly on November 23.

The next day, November 24, an S-38 departs its Whang Poo River base to launch passenger flights to Canton. Encountering thick fog, it turns back, only to crash into Hangchow Bay while attempting an emergency landing. During Christmas week, the schedule on the Chongqing–Chengtu Detroit route is increased to four flights weekly.

Boardings for the year decline slightly to 3,132 while freight and mail slips to 110,403 pounds.

On April 10, 1934, the second S-38 disappears en route to Canton from Shanghai; it too is found to have crashed near Hangchow killing all aboard. Although a replacement S-38 will later be delivered, the coastal Canton–Shanghai route is temporarily closed down.

Bixby, Bond, and associates take this opportunity to reorganize the carrier; the board of directors now has five Chinese and five American members. It is also decided that the company will upgrade flight equipment, bringing in new aircraft to join the available fleet—in short, they start over.

Two of the 4 Douglas Dolphin commercial amphibians built are delivered to Shanghai in August. The company's first modern airliner, a Douglas DC-2, is ordered for Chinese service on September 8; 3 more will also be purchased. An agreement is reached with **Pan American Airways (PAA)** for the U.S. carrier to operate a Shanghai-Hong Kong route and a coastal route to Canton. The agreement is initiated on November 2 when the two Dolphins restore airmail service from the company base on the Whangpoo River at Shanghai to Canton.

Bookings accelerate to 5,223 for the year and mail and express jumps to 139,115 pounds flown.

Pan American Airways (PAA) dispatches the first of 3 Ford Tri-Motors, the 5-AT-115, by ship from San Pedro to Shanghai on February 3, 1935; it is followed by the first of 4 DC-2s in March. After a survey flight is completed to Kunming on March 25, Tri-Motor flights commence to Kweiyang in April while Shanghai to Peking DC-2 service is inaugurated in May.

The company extends the Shanghai-Kweiyang service to Kunming with Fords in July and, on August 12, the Ford 5-AT-116, the final Ford Tri-Motor built, is disassembled on the dock at San Pedro, California, and is shipped to Shanghai aboard the S.S. *Nora Maersk*. It will be followed by the 5-AT-101, shipped on October 23. The last S-38 crashes near Hankow on August 13. The fleet now comprises 11 aircraft.

The CNAC-PAA agreement of the previous September now becomes reciprocal as the Martin flying boats begin to arrive. During December, the fleet is increased by the addition of one each Tri-Motor and DC-2.

A total of 11,004 passengers are flown on the year over a record 2.9 million kilometers. Even more spectacular for the company's participants is the carrier's first profit.

A Ford 5-AT-115 Tri-Motor with six aboard en route from Chongqing to Kweiyang crashes near Tzukung, 30 mi. E of the latter point, on March 5, 1936. Although no one is injured, Capt. Byron G. O'Hara must walk 30 mi. to Pengyi to send a telegram reporting the accident site.

Later in the month, Capt. Charles L. Sharp is able to land his flaming 5-AT at Nanking; no one aboard is hurt but the plane is lost in the subsequent fire. A crated DC-2 is delivered by ship on June 26; assembled, it joins the CNAC fleet. During the summer, Capt. Moon Chin surveys a route to India.

In September, service to Yunnan is suspended due to insufficient aircraft availability. After several years of negotiations between PAA and the British government, Hong Kong becomes a stop on the Shanghai to Canton route on November 1. On November 15, thrice-weekly Shanghai-Hong Kong service is started.

Pan American Airways (PAA) delivers a Sikorsky S-43 on December 18; piloted by Capt. Julius Barr, the amphibian becomes the personal aircraft of Madame Chiang Kai-shek. The first DC-2, delivered back in 1934, crashes at Nanking on December 25. During the month, Chinese Nationalist and Communist forces agree to form a united front against the Japanese.

Passenger boardings climb to 18,588, with 190,225 pounds of mail and 57,011 pounds of freight flown; the year's profit is \$150,000.

Bixby and the Chinese sign a transpacific airmail contract on January 19, 1937. On April 16, the Dolphins shift their schedules so as to connect with PAA Sikorsky S-42s. These now begin to provide a link between the Whangpoo River CNAC-1 base at Shanghai and Manila, where the Martin 130s arrive from and depart for California.

Two Douglas DC-2s are delivered on May 18 and 30. A third is delivered to Pan Am on May 25 for transfer, but will not arrive due to the Japanese invasion. By summer, when Bond returns to the U.S. for his first vacation in seven years, the CNAC-1 fleet numbers 18 aircraft in operation or on order, including 4 DC-2s, 1 Ford Tri-Motor, and the 2 newly delivered ex-New York, Rio and Buenos Aires Line Consolidated Commodore *Trinidad* and *Argentina*.

The payroll includes 34 pilots and copilots and the company coffers hold \$15,000. The route network includes 20 Chinese destinations, including Hong Kong, Shanghai, Canton, Kweilin, Chongqing, Chengtu, Ichang, Kunming, Lungchow, Hankow, and Changsha.

Fabricated by Tokyo in an effort to prevent a united China, an incident between Japanese and Chinese troops at the Marco Polo Bridge near Peking on July 7 leads to the Sino-Japanese War and invasion of the nation by Japanese forces. Another flare-up occurs on July 9 at Shanghai, which is bombed on July 14. The Japanese attack results in the destruction of both Dolphins, anchored on the Whangpoo River. Peking is occupied by the Japanese on July 28 and Tientsin the next day. Although 10,000 Imperial marines are landed at Shanghai, the city cannot be quickly taken; a siege begins.

Company aircraft are now often commandeered by the Nationalists for various missions. In one such incident on August 14, a DC-2, piloted by Capt. Sharp, is taken over by Nationalist forces while refueling at an intermediate point en route to Shanghai, which had been bombed that day. Loaded with bomb racks and machine guns, the Douglas is forced to fly on to Hangchow.

All services are suspended on August 22 and Bixby directs the evacuation of American pilots and managers to Manila. Whatever equipment is not destroyed in Japanese bombing raids is seized by the Chinese Air Force in September. The Chinese appoint Colonel Lem Wei-Shing as managing director; he fires the departing American pilots and replaces them with Chinese. The airline's headquarters are relocated to Hankow. In a publicity move, Madame Chiang is placed in charge of civil aviation.

Returning from the U.S. in late fall, William Bond attempts to reclaim the civil airline from the Chinese military. Shanghai falls to the Japanese on November 8. In early December, Bond reaches an agreement with Chiang Kai-shek to resume American participation in CNAC, the main base of which is now transferred to Chongqing on December 13 following the capture of Nanking that day.

From its poorly situated island airfield, CNAC-1 inaugurates DC-2 service from Chongqing to Hong Kong's Kai Tak Airport on December 16 while maintaining schedules to the new, hopefully temporary, Chinese capital at Hankow. Late in the year, the company's contract with Pacific American Airways is renewed, guaranteeing continued **Pan American Airways (PAA)** support.

The onset of war sees the year's traffic figures decline. Customer bookings drop to 14,896 and mail is down to 188,034 pounds; conversely, freight doubles to 111,665 pounds.

CEO Bond "resigns" from **Pan American Airways (PAA)** in January 1938 and, with Madame Chiang's blessing, assumes control of CNAC; "volunteer" American pilots and managers, many fired by Colonel Lem, are signed on as well. Full service is resumed by May, with new routes started to Luchow, Suifu, and Kiating.

Following the spring floods, repairs are made on Chongqing's runway and tarmac; unable to find concrete, a local builder uses flat tombstones to complete his contract.

On August 1, new frequencies are initiated from Chongqing to Kweiyang, Kunming, Kweilin, and Hong Kong. En route to Chongqing from Hong Kong on August 24, the DC-2 *Kweilin*, piloted by Hugh Woods, is attacked by five JNAF fighters that force the plane to crash land on the banks of the Pearl River near Wangmoon, 360 km. W of Macao. All but three (Capt. Woods, his radioman, and a passenger) of the 17 passengers are killed by strafing. The *Kweilin* is the first commercial airliner in aviation history to be lost to hostile aerial assault. The plane will be salvaged and all but three of the bodies recovered.

Flights to and from Hong Kong are now made secretly at night or in bad weather. Canton falls to the Japanese on October 21 and Hankow is besieged. Between October 22-25, a pair of DC-2s rescue Chinese officials from Hankow. With the airfields lit with oil lamps, 238 people are flown out in 15 nighttime flights, including Chiang Kai-shek, aboard the Douglas piloted by Capt. Sharp. Before the temporary capital falls on October 25, both Consolidated Commodore flying boats are also pressed into the rescue effort, saving 58 additional passengers. One of the former Caribbean boats, piloted by Capt. Moon Chin, makes the last flight to the doomed city, landing at Shasi, on the Yangtze River west of town.

The Hong Kong-Chongqing route becomes the nation's major commercial air link to the outside world. During the year, the company flies

a total of 14,505 passengers and 477,819 pounds of freight and mail over 810,910 miles.

On January 25, **1939**, a bilateral air agreement is signed between Great Britain and China that will permit the inauguration of services to Burma. On March 15, Chongqing to Hanoi service is started via Kunming—CNAC-1's first foreign route.

Operating from Hong Kong this year and next, mail and passenger service is maintained from that British outpost to Chongqing. DC-2s and several newly received DC-3s flown by U.S. pilots haul cargos of tin and tungsten out of China, returning with medical supplies. Chinese pilots fly Commodores and Dolphins into the Chinese interior. As in 1938, all schedules are indefinite and carried out only at night or in bad weather.

On October 30, Chongqing to Rangoon flights commence. Passenger bookings for 1939 advance to 16,546.

On January 20, **1940**, a Ford 5-AT Tri-Motor crashes into a mountain near Kian. On October 29, the repaired *Kweilin*, piloted by Capt. Walter Kent and carrying 13 passengers, is again forced down by Japanese aircraft and again the survivors are strafed (9 dead).

The Indochina service is withdrawn following Japanese occupation of the French colony in November. The same month, Capt. Moon Chin makes a proving flight from China to India over the Himalayan Mountains. Boardings this year are level at 16,546.

During treacherous winter operations in early February **1941**, a DC-2 is lost in when it crashes into a peak in southern Hunan. Beginning on March 25 and continuing for the next four months, a Hong Kong to Nanshiung freight service is operated with 5 old Curtiss T-2 Condors purchased from the aircraft dealer Babb Corporation for \$25,000 each.

During early May, a DC-3 makes a hard landing at Suifu, to the west of Chongqing, losing its starboard wing. There is no replacement wing available and so an extra DC-2 wing is flown in from Hong Kong, strapped to the fuselage side of another DC-2. Even though it is 10 feet shorter than a DC-3 wing, the spare is welded into place, allowing this "DC 2-and-half" to return to base, flying into airline lore in the process.

On May 22, CEO Bond has the results of pilot Moon's Himalayan Mountains survey flight in hand. He recommends to U.S. President Franklin D. Roosevelt, through his aide Lauchlin Currie, the transfer to CNAC-1 of a group of C-47s (military DC-3s) to CNAC, which will be employed to establish an aerial supply route between China and India. The White House quickly authorizes delivery of the requested aircraft as part of a larger lend-lease package for Chiang Kai-shek, but they will not reach China before Pearl Harbor. Originally delivered in January 1935, a DC-2 is sold to **Panair do Brazil, S.A.** on May 29.

En route from Chongqing to Kunming on October 29, a DC-2 with nine passengers is attacked by Japanese aircraft, forcing it to crash-land 120 km. NE of its destination. The Rising Sun warplanes strafe the wreckage, but two crew members and three passengers survive.

On November 23, CEO Bond, with seven other Americans and two Chinese officials in a DC-3 piloted by Capt. Sharp, surveys a route from India to China over the Himalayan Mountains called "The Hump." War in the Pacific begins for the U.S. and U.K. on December 7—December 8 in the Philippines and China—at Pearl Harbor in Hawaii and all along the southwestern Pacific rim.

When the Japanese attack Hong Kong's Kai Tak Airport on December 8, 2 CNAC DC-2s and 3 Condors are destroyed by strafing; 2 DC-3s, 1 DC-2, and 2 Condors are hidden in nearby fields and remain serviceable. On December 8–9 and 9–10, the survivors make 16 flights evacuating nearly 400 people from Hong Kong to Namyung, 200 miles inland. Among the evacuees are 275 airline employees, Madame Chiang Kai-shek, industrialist H. H. Kung, and Madame Sun Yat-sen, widow of the founder of the Chinese republic.

One of the DC-3s surviving the Hong Kong onslaught is Capt. Sharp's aircraft, the same unit he had employed to fly CEO Bond over "The Hump" in November. After arriving at Namyung on the last overnight evacuation flight, the plane is immediately drained of its flammable liquids. At dawn on December 11, Japanese fighter aircraft strafe

the airfield, pumping an estimated 3,000 machine gun bullets into Sharp's aircraft.

Employing spare engines and fabric patches, mechanics are able to make sufficient repairs on the Douglas to allow Capt. Sharp to take off with it for Lashio the next day. During the flight, most of the patches on the fuselage sides fall off and the bullet holes, reacting to the airstream, begin to make almost-musical sounds. Still airworthy, Capt. Sharp lands safely at his Burmese destination, where his "Whistling Willie" takes on passengers and cargo before flying on to Calcutta.

Despite the spreading Pacific conflict, the company's operations for the year are the most successful to date. Semi-regular Chongqing to Calcutta flights commence on December 18 over the route started by "Whistling Willie."

A total of 21,292 passengers and 1.27 million pounds of mail and freight are flown over 1,005,000 miles.

The supposedly mighty British fortress of Singapore falls to the Japanese on February 15, **1942**, followed by Rangoon on March 8. Following closure of the Burma Road, the carrier's few remaining planes attempt to assist with logistics for the Allied military. The day of Rangoon's loss, company aircraft begin a daily logistics shuttle between Myitkyina in north Burma and the RAF base at Dinjan in Assam. The carrier's last two DC-2s crash-land at Kunming on March 14 (20 dead). Within days, **Pan American Airways (PAA)** orders a DC-3 transferred to CNAC-1 from its Pacific Alaska Airways subsidiary.

On April 8, the company completes a month of urgent flights between India and Burma. Some 16 tons of supplies are flown in daily for Gen. Joseph Stillwell's retreating forces, while a total of 2,400 personnel and 50 tons of cargo are flown out.

On May 5, a DC-3 piloted by Moon Chin and transporting six passengers including Col. Jimmy Doolittle returning from his raid on Tokyo, lands at Myitkyina from Chongqing to refuel. Sixty-six refugees clamor aboard and the plane, now piloted by Capt. Paul Kessler, flies on to Calcutta, where it deplanes its incredible all-time-record 72-person manifest. This is the famous scene often shown in films and videos commemorating the DC-3.

Ten of the C-47s approved for CEO Bond by President Roosevelt late the previous spring arrive at Kunming during May and June. These, together with the 3 remaining in CNAC inventory (including the new PAA unit) are able to open regular "Hump Ferry" service to Calcutta via Dinjan on July 1. A connection is also undertaken from Kunming to the Nationalist Chinese capital at Chongqing. In August, flights commence to Lanchow and Kweilin.

During the remainder of the year and into **1943**, company aircraft bear the brunt of the Himalayan service until U.S. 10th Air Force reinforcements begin to arrive in April of 1943. The main base of operations is transferred from Kunming to Calcutta and night flights are introduced. In October 1943, the company base at Chongqing is shifted to Suifu. Flights per month rise from 225 in January 1943 to 1,068 in November 1944.

On March 20, **1944**, **Pan American Airways (PAA)** advertises for pilots for a Burma Road supply service, which CNAC-1 resumes on May 27. The road itself, having moved out of danger, becomes the subject of a massive six-month rebuilding program, an effort partially sustained by these special CNAC supply flights. This year and next, lend-lease DC-3s and C-54s replace lost owned aircraft and expand the fleet.

The rebuilt Burma Road, now known as the Ledo Road after its Assam destination, reopens in early **1945**. It is reported on January 21 that, since the previous October 22, CNAC-1 alone has made 523 support flights to Paoshan and Myitkyina and 224 C-47 airdrop missions to workers along the highway. Service from Lanchow to Hami is inaugurated on March 28 and a connection is made with the Sino-Soviet airline **Hamiaita**. With the supply line from the U.S. fully open by late spring, CNAC receives 45 new aircraft, primarily Curtiss C-46 Commandos, in May alone. Six C-47s and 3 C-54s (military DC-4s) are acquired in June.

Following the atomic bombing of Hiroshima and Nagasaki in early August, Japan surrenders on September 2 and World War II is finally concluded. In the 80,000 flights made between April 1942 and September 1945, CNAC loses 46 planes and 25 crews on "The Hump" route.

Scheduled services from Shanghai resume in September. A new five-year agreement is signed in December between the Chinese government and **Pan American Airways (PAA)**; under its terms, the company's shareholding is redivided. The Ministry of Communications assumes an 80% stake while PAA sells all of its previously held shares for \$5.1 million and then buys back 20% of them for \$1.55 million. At this point, CNAC's principal base is returned to Shanghai from Calcutta.

Six C-54s are purchased from war surplus stocks in early 1946 and revenue flights are resumed over the prewar Chinese route network. The airline is taken over by the Chinese Air Force on June 18, 1946. Many aircraft are lost during the Chinese Civil War; some scheduled services are, however, maintained and permissions are even obtained for international routes.

A Curtiss C-46 with 3 crew and 25 passengers crashes while climbing away from Sichang, China, on September 20; there are no survivors.

In late fall, 8 war-surplus C-54s are converted to civil DC-4 standard in the U.S. for CNAC. With Nationalist and Communists forces in conflict, the national economy is faced with disaster; still, services are initiated or improved to Hong Kong, Calcutta, Bangkok, and Manila.

A DC-3 with five passengers is lost in an accident at Lung Wa Airfield, Shanghai, on December 16; there are no survivors.

On Christmas Day, three transports are lost in crashes near Shanghai in bad weather (71 dead).

The CNAC fleet at the beginning of 1947 stands at 6 DC-4s, 17 DC-3s, and 18 C-46s. More losses are suffered in January than in any other month of the year.

A DC-4 with 5 crew and 33 passengers is lost during initial approach near Tsingtao on January 5; there are no survivors.

A DC-3 with 3 crew and 16 passengers is lost 120 mi. S of Chungqing, China, on January 25; there are no survivors.

A C-46 with 2 crew and 24 passengers is lost near Hankow on January 28 (25 dead).

With 156 dead since December, the loss rate during the past month has been higher than at any comparable point of "The Hump" airlift during the war.

A C-46 freighter fails its initial climb and crashes at Lung Wa on April 25; both crew and three people on the ground are killed.

Operations continue apace during the remainder of the year, and even improve with the introduction of long-haul international service. Shanghai to San Francisco roundtrips commence on June 10 via Guam, Wake Island, and Honolulu.

A DC-3 freighter with three crew is lost near Yulin, China, on October 27 (two dead).

In November, **British Overseas Airways Corporation (BOAC)** forms a subsidiary, **Hong Kong Airways, Ltd.**, to compete with CNAC while protecting certain transport aspects of British commerce in China. HKA launches its first scheduled service, to Shanghai, on December 2.

Enplanements for the year total 202,510, with 8,826 tons of freight transported.

Hong Kong Airways, Ltd. initiates twice-daily flights to Canton on January 10, 1948, doubling the service on March 22. A C-46 with 11 aboard is lost at Mukden on January 20; there are no survivors.

Between April 21 and July 23, CNAC's Douglas and Curtiss transports fly 3,418 tons of supplies to the city of Mukden, which is besieged by Communist forces. The airline is taken over by the Chinese Air Force for three weeks on June 18 in order to avoid a strike by its unpaid personnel.

In early December, the company's base of operations is transferred from Shanghai to Hong Kong. A C-54 crashes on Basalt Island, near Hong Kong, on December 21, killing all 35 aboard, including President Theodore Roosevelt's son Quentin, who is now CNAC's vice president.

En route from Shanghai to Tsingtao on January 30, 1949, a DC-3 is diverted by 6 of the 20 passengers to fly to Tainan, Taiwan. The 6 are granted political asylum and the others are held for a month and released. The plane is confiscated by the Chinese Nationalist government.

Also in January, Harold Bixby is sent to China to see if CNAC can be saved in the face of Mao's advance; the pioneer's response is negative. William L. Bond is also sent out to conduct a survey and stiffen employee resolve.

Flights to the U.S. end on August 16; regularly scheduled operations cease the next day and the airline starts sending its aircraft to safety in Hong Kong. Mao Tse-tung announces the formal creation of the People's Republic of China on October 1.

C. Y. Liu, the carrier's Chinese managing director, defects to the Communists on November 9 with 10 of the company's 56-plane fleet plus the **Central Air Transport Corporation (CATC)** Convair CV-240, the only one in China. Other Communist-oriented employees seize the remaining ships, bringing about their grounding when Nationalist officials revoke their airworthiness certificates. A group of pilots specifically pledge their loyalty to representatives of the U.S. partial-owners on November 13 and two days later, Nationalist Gen. Shen is asked to take over the company.

Those elements at Hong Kong are now grounded, but a British court in the crown colony acts on December 3 to prevent the Nationalists from taking control of the aircraft. Over the next several weeks, hundreds of out-of-work CNAC-1 technicians and air crew flee to Peking, secretly smuggling out maintenance manuals and spare parts for the 10 planes acquired on November 9.

Realizing the subsidiary cannot be saved, Bond returns to New York and begins negotiations with Chinese Nationalist representative T. V. Soong seeking \$2 million (the appraised value of **Pan American Airways's** 20% interest) for the carrier. Following completion of a \$1.25 million sale on December 16, Bond and the subsidiary's Chinese directors meet at Hong Kong on December 31 to dissolve Pan Am's interest and pass the remainder of the airline to the Nationalist government for **Civil Air Transport (CAT)**. In 16 years, CNAC has earned a net \$3.87 million net profit for its American owner and its sale is seen as the conclusion of a successful investment.

Following the collapse of the Nationalist cause and the evacuation to Formosa, **Civil Air Transport (CAT)** bids to purchase the carrier's entire fleet of C-46s/C-47s. At the same time, CEO Bond, having lost all interest in the airline business, retires. Following a three-year legal battle, CAT emerges successful in 1952 and CNAC-1 is no more.

An aviator active with CNAC-1 and CAT, Capt. Felix Smith, writes of his experiences in *China Pilot: Flying for Chiang and Chennault* (London, Eng.: Brassey's, 1995).

CHINA NATIONAL AVIATION CORPORATION (CNAC-2). See **CAAC (THE GENERAL ADMINISTRATION OF CIVIL AVIATION OF CHINA)**

CHINA NATIONAL RELIEF AND REHABILITATION AIR TRANSPORT. See **CIVIL AIR TRANSPORT**

CHINA NORTHEAST AIRLINES. See **CHINA NORTHERN AIRLINES COMPANY, LTD.**

CHINA NORTHERN AIRLINES COMPANY, LTD.: 3-1 Xiao He Yan Road, Dadong District, Shenyang City, Liaoning Province, 110043, China; Phone 86 (24) 829-4435; Fax 86 (24) 829-4433; Code CJ; Year Founded 1988. CNA is one of several regional carriers officially established in July 1988 under the auspices of **CAAC (General Administration of Civil Aviation of China)**. Originally formed during the previous December as China Northeast Airlines, it is quickly renamed China Northern. Based at Shenyang, in Liaoning Province near North Korea, the carrier operates the world's only scheduled international route with a de Havilland (HS) DH 121 Trident, a 2E, from Beijing to the North Korean capital of P'yongyang.

In July 1989, CNA receives the first of 10 McDonnell Douglas MD-82s coproduced in China and earmarked for it a year earlier. The MD-82 begins charter services throughout Manchuria on August 4. The last of its 10 twin-engine aircraft arrives by December. In May 1990, the carrier receives its own two-letter designator code, CJ.

When scheduled services begin in the province and internationally to Siberia and Japan during 1991, the fleet includes 1 Antonov An-24V, 16 MD-82s, 11 Harbin Y-7-100s (Chinese-built Antonov An-26s), and 15 Harbin Y-5s (Chinese-built An-2 biplanes). After the Trident 2E P'yongyang service is suspended at the end of March and its aircraft retired, there are no more scheduled Trident flights in the world. Revenues for the year total \$102 million.

Four leased An-24Vs arrive in 1992, along with 5 MD-82s, one of which is permanently placed on the North Korean service.

In 1993, President Wang Kai-yuan oversees a workforce of 4,720 and a fleet that includes 2 leased Airbus Industrie A300-600Rs, 4 An-24V, 2 chartered and 21 owned MD-82s, and 11 Y-7-100s. The route network now includes 120 services to domestic locations as well as stops in North Korea, Japan, and Southeast Asia.

While en route from Changchun to Fuzhou on November 12, an MD-82, with 82 passengers is hijacked to Taiwan by state economic agency employee Li Xiangyu and Dr. Han Shuxue; the aircraft is allowed to return to the PRC and both pirates are held for trial. Li will receive a 13-year prison term and Han 11 years.

While landing at Urumqi following a November 13 service from Beijing, the autopilot of Flight 6901, an MD-82 with 10 crew and 92 passengers reengages and causes the plane to undershoot the runway, hit power lines, and crash into a field 3 km. short of the runway (12 dead).

An MD-82 with 137 aboard en route from Qingdao to Fuzhou is hijacked to Taiwan on December 17 by clothing salesman Gao Jun. Again, the aircraft is allowed to return to China and the pirate is tried and jailed, this time for 10 years.

The next day, a Chinese couple, accompanied by their 11-year-old son, divert another flight from Ganzhou to Taipei.

An MD-82 with 139 aboard is hijacked to Taipei on June 7, 1994.

Operations continue apace in 1995. China Northern in July is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas; beginning in August, it will offer double boarding passes to customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection.

In late November, it is announced that McDonnell Douglas will assist the airline in setting up and operating a 30,000-sq.-ft. training facility at Dalian.

Four-times-a-week roundtrips commence on December 8 between Shenyang and the new airport at Macau.

Enplanements for the year reach 4,837,450.

Airline employment stands at 7,100 in 1996 and the owned fleet now includes 4 A300B4-622Rs, 4 An-24Bs, 23 MD-82s, and 9 Xian Y-7-100s. Also operated, under charter, are 2 A300-600Rs and 3 MD-82s. Orders are outstanding for 2 A300B4-622Rs and 9 MD-90-30s. A new route to Macao is inaugurated during the spring and the first MD-90-30 is turned over to the company at Long Beach in ceremonies on June 27.

The company has an exhibit in the CAAC pavilion at "Airshow China '96," the first PRC international airshow, which is held at Zhuhai Airport on November 5-10.

Passenger boardings accelerate 3.6% to 5,018,101 and cargo jumps 20.5% to 79.16 million FTKs.

There is no change in the size of the employee population during 1997. Destinations visited include Beijing, Changchun, Changsha, Chengdu, Chongqing, Dalian, Dandong, Fuzhou, Guangzhou, Haikou, Hangzhou, Hefei, Jilin, Jinan, Macau, Nanjing, Manning, Pyongyang, Shanghai, Shantou, Shenyang, Shenzhen, Tianjin, Urumqi, Wenzhou, Ziamen, Xian, Yantai, and Zhengzhou.

When the auto-throttle of an MD-82 with 10 crew and 126 passengers fails during takeoff from Dalian on July 20, the aircraft runs 130 m. off

the runway and its landing gear collapses. Although the jetliner is badly damaged, there are no fatalities.

An arrangement is reached during August by **DHL Worldwide Express** with both China Northern and **Air Koryo** to provide all-cargo shipments between Beijing and P'yongyang, employing belly space aboard the airliners of those two companies.

Enplanements drop 6.2% to 4,708,488, but cargo rises 17.2% to 92.78 million FTKs.

Flights continue apace in 1998. On June 18, weekly roundtrips are inaugurated from Dalian to Toyama, Japan.

Passenger boardings fall again, down to 4.48 million, but freight traffic climbs again, up to 153.46 million FTKs.

In May 1999, orders are placed with Britten Norman at Bembridge, Isle of Wight, for 3 BN-2A Trislanders. The aircraft, which will be assembled from kits made in Romania, will be delivered beginning in January and will supplement the carrier's aging Y-5s on regional services.

Enplanements for the year dip 1.6% to 4,417,000, but cargo is up a healthy 15.8% to 177.64 million FTKs. An 80-million yuan profit is reported.

Airline employment at the beginning of 2000 stands at 8,000, a huge 69.5% boost. The company now has 13 billion yuan (US\$2.73 billion) in assets.

Fleet expansion continues into the new millennium as, on March 7, the carrier signs a contract with Airbus Industrie for the delivery of 10 A321s, beginning at year's end.

Two Chinese-manufactured McDonnell Douglas MD-90-30s are received on September 19.

Weekly MD-82 return service is inaugurated on October 6 from Harbin to Vladivostok via Mudangijang.

It is reported on October 8 that a new marketing and code-share agreement has been signed with **Angel Airlines, Ltd.** Under its terms, CNA provides a pair of A300B4-622Rs in November with which to operate Angel's domestic and international routes from Bangkok.

A week later, the western press reports that the company is in merger discussions with **China Southern Airlines Company, Ltd.** and that a possible amalgamation (with CSA the surviving partner) may occur before year's end.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including China Northern, increase fares on November 5.

CHINA NORTHWEST AIRLINES COMPANY, LTD.: Laodong Naniu, Xian, Shaanxi, Shaanxi Province, 710082, China; Phone 86 (29) 426-3029; Fax 86 (24) 426-2022; <http://www.virtual-airline.co.uk/China-Northwest.html>; Code WH; Year Founded 1989.

CNWA is one of several regional carriers established in May 1989 under the auspices of **CAAC: General Administration of Civil Aviation of China**. Based at Xi Guan Airport, at Xian City in Shaanxi Province, the new entrant, formerly a directorate of the monolithic state carrier, offers regional domestic and charter services in Shaanxi and Gansu provinces for the next two years.

In May 1990, the carrier receives its own two letter designator code, WH. Drawing on an old northwestern China legend that whenever a Feitian (flying Apsaras) appears there is good luck and happiness, the company now adopts an Feitian in flight around a globe as its symbol.

Scheduled operations commence in early 1991, at which time the fleet includes 3 Antonov An-24s, 3 British Aerospace BAe 146-100s, 10 Tupolev Tu-154Ms, 2 Xian Y-7s (Chinese-built An-26s), and 5 Y-7-100s. Revenues for the year total \$81 million.

Flight equipment is significantly increased in 1992. Initially added are 2 leased Airbus Industrie A300B4-605Rs and 2 A310-222s. Orders are placed at the end of June for 12 BAe 146-300s.

Upon its arrival from Toulouse in July, the premier A310-222 becomes the airline's first wide-body aircraft. A network of 70 routes links

the Xian base with nearly every city in the People's Republic. The first 4 BAe 146-300s are delivered in the fourth quarter.

In 1993, President Gao Jun Uue oversees a workforce of 4,000 and a fleet comprising 5 leased A300B4-605Rs, 3 A310-222s, 1 An-24V, 2 An-24RVs, 3 chartered BAe 146-100s, 4 BAe 146-300s, 10 Tu-154Ms, 2 Y-7s, and 5 Y-7-100s. Three more BAe 146-300s are delivered in the spring and the first international routes are initiated from Xian City to Hong Kong, Singapore, and Nagoya.

Flight 2119, a new BAe 146-300 with 5 crew and 108 passengers, fails its takeoff from Yinchuan on July 23 for a service to Beijing. The aircraft impacts earthen banks and lands in shallow water, exploding and splitting into 3 sections (55 dead).

Flights begin to Bangkok in 1994. Its passenger service standards noticeably bad, the airline becomes the object of a lawsuit by 81 disgruntled passengers in April; the suit is heard by the Chaoyang District Court at Beijing.

While en route from Guangzhou on June 6, auto-pilot induced oscillations cause Flight 2303, a Tu-154M with 14 crew and 146 passengers, to shake so violently that it crashes near Xian, its point of origin; there are no survivors in the country's worst aviation disaster to date.

In July, the company joins with the Nanjing local government to form the regional carrier **Nanjing Airlines Company, Ltd.**

China Northwest in July 1995 is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas. Beginning in August, it will offer double boarding passes to customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection.

Twice-weekly roundtrips commence on December 8 from Shenyang to Macau via Tianjin and from Dalian to Macau via Yantai.

Enplanements reach 2,545,511.

Airline employment stands at 4,700 in 1996 and the owned fleet now includes 2 A300B4-605Rs, 7 BAe 100-300s, 9 Tupolev Tu-154Ms, 2 Xian Y-7s, and 3 Y-7-100s. Also operated, under charter, are 2 A300-600Rs, 3 A310-222s, and 3 BAe 146-100s. Orders are outstanding for 4 A300-600Rs.

The company has an exhibit in the CAAC pavilion at "Airshow China '96," the PRC's first international airshow, which is held at Zhuhai Airport on November 5-10.

Passenger boardings surge 17.3% to 3,078,005 and cargo climbs 36.3% to 56.23 million FTKs.

There is no change in the size of the workforce in 1997. In addition to 70 domestic markets, the company also flies to Hong Kong, Nagoya, Singapore, and Tashkent.

On February 10, security guards are aboard an A300B4 en route from the central city of Wuhan to Zhuhai at the border with the Portuguese enclave of Macau. With the help of some of the 173 passengers on board, the guards are able to overpower a hijacker in his attempt to force the flight to divert to Taiwan. The plane puts down at Guangzhou where the pirate is arrested.

Customer bookings advance by 1.5% to 3,125,000, while freight increases by 69% to 94.98 million FTKs.

During the first quarter of 1998, the regulatory body **CAAC (The General Administration of Civil Aviation of China)** significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered on major carriers. It is hoped that, by 2001, **Changan Airlines Company, Ltd.** will become part of China Northwest.

Passenger boardings fall to 2.85 million, while cargo traffic jumps to 109.87 million FTKs.

Flights continue in 1999. During mid-May, a pair of Airbus Industrie A320-200s are chartered from ILFC.

Recovering from the Asian economic crisis, the company is able to report passenger bookings up 4.5% to 2,982,000 and a 30.1% freight surge to 142.97 million FTKs.

The workforce totals 4,900 at the start of 2000, an 18.8% rise. The carrier now operates 116 domestic air routes, 5 regional routes, and approximately 10 international charter flights, connecting over 50 large and medium cities at home and abroad.

Flights from Xian to Seoul begin on April 1. The company's fifth China-Japan air route is inaugurated on August 11 from Xian to Okinawa; the roundtrip A320-200 service is offered twice weekly.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including China Northwest, increase fares on November 5.

CHINA OCEAN HELICOPTER CORPORATION: 19-20 Floors Agricultural Bank Tower, 188 Jielang Road West, Shenzhen, Guangdong, 418001, China; Phone 86 (755) 559-0779; Fax 86 (755) 559-0757; Year Founded 1982. China Ocean Helicopter Corporation is established at Nantou-Xili in 1982 to provide logistical support for the nation's new offshore oil industry. Ownership is divided between the state-owned China International Trust & Investment Corporation (CITIC), China National Helicopter Corporation, and four other smaller concerns. Over the next decade, President/General Manager Ma Xian Shi is able to open facilities in Beijing and Shenzhen and total investment reaches \$275 million.

The initial fleet comprises 3 Aerospatiale AS-332L1 Super Pumas, which will be joined later in the decade by 3 AS-365N1 Dauphins, license-built in China and known as Z-9s. One of the European-made helicopters is leased from **Bristow Helicopters, Ltd.** of the U.K., which also supplies personnel and management expertise.

As the 1980s close and the 1990s begin, COHC finds itself with additional responsibilities in the areas of search and rescue (SAR) and the emergency evacuation of oil platforms in the South China Sea prior to typhoons.

The most spectacular event in the company's history occurs in August 1991 when its Super Pumas resume 18 survivors from a capsized DB29 oil drilling barge in the South China Sea during the advent of a typhoon. The crew of one of the AS-332L1s is awarded the "Crew of the Year" citation by the Helicopter Association International.

The following year, 1992, the company begins to offer charter services to the growing number of foreign tourists flocking to the People's Republic of China. President Ma oversees a workforce of 400 that operates with 6 Eurocopter Super Puma and Dauphin helicopters.

Flights continue apace in 1993-1998. One AS-332L is withdrawn during the latter year as airline employment reaches 340.

It is understood that service is maintained without change during the remainder of the decade; exact information, is, however, unavailable.

CHINA SOUTHERN AIRLINES COMPANY, LTD.: Baiyun Airport, Guangzhou, Guangdong, 510406, China; Phone 86 (20) 667-8901; Fax 86 (20), 666-7637; http://www.cs-air.com; Code CZ; Year Founded 1987. CSA is one of several regional carriers established under the auspices of **CAAC (General Administration of Civil Aviation of China)**; Capt. Yu Yanen is named chairman/president. Created in the fall of 1987 and based at Guangzhou in Guangdong Province near Hong Kong, the former CAAC directorate receives 3 B-757-221Bs in November.

When the pro-democracy movement is suppressed at Beijing and other cities on June 4, 1989, the U.S. State Department places a temporary ban on the delivery of B-757 navigation systems (and hence further delivery of the aircraft) to the airline. The hold is lifted in July, despite opposition from members of the U.S. Congress.

The airline receives its own two-letter designator code in May 1990, CZ. In July it negotiates an arrangement with GPA Group for the lease of 10 B-737s beginning in December. Also in July, the carrier is officially named China Southern. Hardly have flights begun when tragedy occurs.

En route from Canton to Xiamen on October 2, Flight 8301, a **Xiamen Airlines Company, Ltd.** B-737-247A with 104 passengers, is hijacked by "active criminal" Jiang Xiaofeng, who claims to have 15 pounds of explosives strapped to his body. The pirate demands to be flown to Taiwan and refuses an offer to be flown to Hong Kong, instead.

With fuel nearly exhausted, the government orders Capt. Cen Longyu, the same pilot hijacked to Taiwan in May 1988, to try a ruse in an effort to convince Xiaofeng that his demand has been met and that he is landing. When this gambit fails, a fight breaks out in the cockpit as the little Boeing completes its final approach to Canton's Baiyun Airport.

The aircraft hits hard, veers off the runway, sideswipes a **China Southwest Airlines Company, Ltd.** B-707-336C Stratoliner and then slams into a China Southern B-757-21B, with 118 passengers, preparing to depart on a domestic service to Shanghai. In the explosion and fire that follows and that will burn out both the B-737 and B-757, 84 are killed aboard Flight 8301, 47 aboard the B-757, plus the driver of an airport service vehicle. Fifty other passengers are wounded, including the pilot of the Stratoliner. The fireball creates China's worst air disaster ever.

Operated by the Guangzhou Civil Aviation Bureau, CSA in 1991 flies 1 leased B-737-247A, 5 chartered B-737-3YOs, 6 chartered B-737-2T4As, and 12 B-757-221Bs, as well as 3 Shorts 360s and 5 Xian Y-7s (Chinese-built Antonov An-26s). The first of 10 ordered B-737-5YOs arrives under lease in February. Destinations visited include Beijing, Changsha, Guangzhou, Hefei, Kunming, Nanning, Shantou, Xiamen, Yichang, and Zhanjiang.

Nonstop flights begin from Beijing to Hong Kong in May; these frequencies are followed by flights from Beijing to Kuala Lumpur that begin in August. In December, flights commence from Guangzhou to Surabaya, via Jakarta, in a reciprocal arrangement with **Garuda Indonesia**. Also in December, orders are placed for four SAAB 340Bs.

Enplanements for the year total 3,235,650 and revenues are \$312 million.

Airline employment stands at 3,801 in 1992 and the first of 4 SAAB 340Bs arrive in April as replacements for the Shorts and Y-7s. Based in Shenzhen, it is the first new technology turboprop aircraft to enter commercial service in the People's Republic of China.

Also added are 4 leased B-737-247A, 10 chartered B-737-5YOs, 1 chartered B-757-21B, 1 leased B-767-35HER, and 2 chartered B-767-375ERs. International services are inaugurated to Bangkok, Jakarta, Kuala Lumpur, Manila, Penang, and Surabaya. A former CAAC route linking Beijing with Hanoi via Nanning is resumed.

On November 24, Flight 3943, a B-737-3Y0 with 10 crew and 131 passengers en route from Guangzhou, crashes into a 7,000-ft.-high mountain 20 mi. outside of Guilin Airport while on approach; there are no survivors.

Passenger boardings increase 44.5% to 5.83 million. Revenues total \$537 million and expenses are low enough to allow a \$102-million operating profit.

President Capt. Yu Yanen oversees a workforce of 7,820 in 1993. His fleet comprises 4 owned and 15 leased B-757-21Bs, 10 chartered B-737-5YOs, 6 B-737-2T4As, 5 each B-737-3YOs and Xian Y-7s, 4 each Antonov An-24Vs, B-737-31Bs, SAAB 340Bs, and Sikorsky S-76As, 3 each B-767-375ERs and Shorts 360s, 2 B-737-3Q8s, and 1 each An-24RV and B-767-35HER, the latter leased. Orders are outstanding for 5 B-737-31Bs and 6 B-777-21Bs.

Along with **Air China International Corporation** and **China Eastern Airlines Company, Ltd.**, China Southern is one of three former CAAC divisions now elevated in stature by CAAC, now acting as a regulatory body, to that of an independent "aviation group." It is given the authority to acquire its own fleet and responsibility for its own finances, including permission to trade shares on the newly allowed Chinese stock exchanges.

En route from Beijing to Shenzhen on April 6, a B-757-21B with 204 passengers is taken over by steel firm buyer Huang Shu-gang and businessman Liu Baocai, who order the aircraft diverted to Taiwan. At Taipei, the two will receive their requested political asylum in the form of seven-year prison sentences.

In June, the government's requirement that Chinese domestic passengers produce a letter of reference in order to make a booking is changed to presentation of an identity card. By the third quarter, the company is operating along 90 domestic and 10 intra-Asia routes, plus Hong Kong.

After several years of talks, flights finally begin to Hong Kong in 1994. Early in the year, company representatives begin talking with their counterparts at **United Airlines** concerning the possibilities of schedule coordination, code-sharing, and joint marketing.

While en route from Fuzhou to Guangzhou on June 6, a B-737-31B with 139 passengers and a crew of 5, is hijacked to Taiwan by food company purchaser Zou Weiqiang. The aircraft and its passengers are allowed to return to the PRC; Zou will be tried and sentenced to 13 years in prison.

Upon its formation, Shenzhen-based **Shenzhen Airlines Company, Ltd.** becomes an operational subsidiary of China Southern. The company will come to own 60% stakes in four more regional carriers: **Xiamen Airlines Company, Ltd.**, **Shantou Airlines Company, Ltd.**, **Guangxi Airlines Company, Ltd.**, and **Zhuhai Airlines Company, Ltd.**

China Southern in July 1995 is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas; beginning in August, it will offer double boarding passes to customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection.

During the summer, a B-777 flight simulator is installed at the company's Zhuhai training center; it trains pilots for the first B-777-21B, which is delivered at the end of December. On December 24, a new bilateral air agreement is signed between China and the U.S. that will allow the new Boeing to fly a transpacific service.

Enplanements for the year reach 11,711,804.

Airline employment stands at 14,100 in 1996 and the fleet of China's largest airline comprises 82 aircraft, including the first B-777-212B, which enters service during the first quarter over the "golden triangle" between Guangzhou, Beijing, and Shanghai. Two more B-777-21Bs will be delivered by year's end.

In the spring, officials from **CAAC (The General Administration of Civil Aviation of China)** inform the Orient Airline Association that it will not support the applications for membership of its three largest airlines: China Southern, **China Eastern Airlines Company, Ltd.**, and **Air China International Corporation**. Rather, they insist that China National Aviation Co. (CNAC-2) will be the first admitted.

As the result of a block-space code-sharing agreement signed in April, a **Martinair Holland, N.V.** B-747-21AC inaugurates twice-weekly roundtrips on October 1 between Guangzhou and Amsterdam via Beijing. Under the agreement, China Southern will transport incoming Martinair freight to other Chinese destinations.

The company has an exhibit in the CAAC pavilion at "Airshow China '96," the PRC's first international airshow, which is held at Zhuhai Airport on November 5-10.

Passenger boardings rise 4% to 12,199,795 and 220.95 million FTKs are operated, a 19.2% increase over the previous year. The passenger total statistically represents one of every four passengers enplaned in the PRC. Revenues hit \$1.1 billion. Even so, with its heavily discounted domestic tickets, the company's local yield is 20% lower than that for rival **China Eastern Airlines Company, Ltd.**

Employment remains the same throughout 1997 as it had the previous year.

Flights to the Persian Gulf market of Sharjah commence in February; it is the company's 14th international destination. China Southern also operates 270 domestic routes serving 68 locations.

The first B-777-21B increased gross weight (IGW) is delivered on March 3. Two more of the twin-engine wide-bodies are delivered during the month, neither being IGWs. It is announced during the month that the carrier's debt is now \$2.3 billion.

In April, **Delta Air Lines** joins with the carrier to offer a block-seat, code-sharing service on CSA aircraft operating on the four-times-a-week Guangzhou to Los Angeles route. The Chinese company agrees to purchase seats on Delta's flights Los Angeles on to 13 U.S. destinations. The second B-777-21B IGW arrives during the month.

China Southern takes delivery of its first Airbus A320-232 at Baiyun International Airport in Guangzhou on June 24. The premier aircraft will fly two routes from Guangzhou to Chengdu, the capital of southwest

China's Sichuan Province, and to Xi'an, the capital of northwest China's Shaanxi Province.

Following **Air China International Corporation** and the **China Eastern Airlines Company, Ltd.**, China Southern Airlines on July 20 becomes the third Chinese airline to fly between China and the U.S. It also becomes the first to operate a B-777 in transpacific service when one of its Dash-21BAs launches thrice-weekly Guangzhou to Los Angeles return service on July 21. The 7,800-mile route to CSA's 27th international destination requires a flight of 12–14 hrs.

The Boeing is met with a welcoming ceremony, during which speeches are given by John Driscoll, executive director of Los Angeles World Airports, and China's deputy consul general in Los Angeles, Wu Zhong-hua. About 100 representatives from local communities are present to greet the flight crew and 60-member Chinese delegation, which is led by Zhang Hanqin, vice chairman of the Standing Committee of the Guangdong Provincial People's Congress.

To further celebrate the opening of China's first twin-engine, transpacific route, the airline offers introductory fares of just HK\$500 for tickets purchased in the former British colony.

Also in July, the company is listed on the New York and Hong Kong stock exchanges and plans are announced for a domestic offering the following year.

CAAC's ownership in the carrier is reduced to 68.1% on July 30–31 when Goldman Sachs (Asia), acting as global coordinator, sponsor, and lead manager, places H shares of the airline on the Hong Kong Stock Exchange and American Depository Shares on the New York Stock Exchange. The transactions are the largest stock offering ever by a Chinese firm overseas.

The \$632 million raised will be employed to purchase new aircraft, pay debts, and expand facilities.

China Southern begins a 7,200-kilometer, twice-weekly B-777-21B air route from Beijing to the city of Brisbane via Guangzhou, capital of southern China's Guangdong Province, on September 21. This is the 30th international air route on the carrier's charts. The Australian city is followed onto the network by Kuala Lumpur.

With a 27.1% share of the domestic market and 273 routes throughout the country, CSA at year's end is the nation's dominant domestic airline with the largest route network. It is also the 17th largest airline in the world in terms of operating profit and 20th in passenger boardings and net profit.

Customer bookings total 15.24 million, while operating revenues jump 12.6% to \$1.55 billion. With costs of \$1.26 billion, the operating profit moves to \$284.35 million and there is a \$137.94-million net profit. There will, however, be no dividend for the year as the company will turn the profits into business expansion.

During the first quarter of 1998, the regulatory body **CAAC (The General Administration of Civil Aviation of China)** significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered around major carriers. It is hoped that, by 2001, **Guizhou Airlines Company, Ltd.** will be taken over by China Southern.

The acquisition actually comes more quickly than envisioned. In April, China Southern takes a 60% stake in Guizhou.

The Asian financial crisis, competition from foreign airlines, retrenchment of state enterprises, and falling business traffic caused by improved road infrastructure all contribute to a decline in demand for air transport. The situation is exacerbated by an increase in domestic airline capacity.

The airlines, with little success, introduce a variety of fare reductions. **CAAC (The General Administration of Civil Aviation of China)** now steps in and requests that the companies delay new aircraft deliveries. Some will lease out or park their latest additions. CSA parks its 3 B-777-21Bs at its Guangzhou hub in early August. On August 27, it announces plans to cut two aircraft leases ahead of schedule and not renew two others.

Major product changes occur on the nonstop B-777-21B service from Guangzhou to Los Angeles on September 22. Eighteen formerly first-

class seats are relabeled Premium Business Class seating, while the former business-class seats become Premium Economy Class seating. In both classes, the seats are larger.

On November 2, CSA announces that it will launch its own frequent flyer program, Sky Pearl Club.

The company is a participant in "Airshow China '98" at Zhuhai Airport between November 16–23. On opening day of the event, CSA officials inform Reuters, Ltd. that they are in discussions with numerous other carriers concerning the possibility of an early launch of all-cargo services to the U.S. and Europe. Among the airlines seen as partners in these endeavors are **Delta Air Lines**, **Federal Express**, **Martinair Holland, A.S.**, and **Asiana Airlines, Ltd.**

A comprehensive strategic marketing alliance is entered into with **Delta Air Lines** on December 10. In the new year under its terms, the two will link their frequent flyer programs. In addition, CSA will purchase blocks of seats for sale under its code on Delta flights from Los Angeles to Atlanta, Boston, Dallas (DFW), Chicago (ORD), Honolulu, Las Vegas, Miami, Minneapolis (MSP), New York (JFK), Philadelphia, Portland, San Francisco, and Washington, D.C. (DCA). Delta, meanwhile, will place its code on CSA's thrice-weekly Los Angeles to Guangzhou B-777-21B roundtrips.

Passenger boardings increase 27% to 15.05 million, while 479.01 million FTKs are also operated, a 6.7% boost. As the result of fierce price competition and a slowdown in air travel, the mainland's largest airline suffers a 7.6% downturn in revenues to 11.8 billion yuan (\$1.43 billion). Operating costs reach \$1.36 billion, leaving an operating gain of \$65.1 million. On the down side, there is a 543-million yuan (\$65.7-million) loss.

At the beginning of 1999, CSA is the largest PRC airline in terms of passenger volume, number of scheduled flights per week, number of hours flown, number of routes, and size of aircraft fleet. A total of 300 domestic, 21 Hong Kong regional, and 40 international routes are flown and an average of 2,698 scheduled flights per week are operated to 90 destinations. The fleet contains 102 aircraft, including 81 Boeing and 15 Airbus units, with a combined age of 5.38 years.

The carrier's first advertising campaign in the U.S. begins on February 16, when outdoor billboards go up in the Los Angeles area and an ad appears in the business pages of *The Los Angeles Times* and the western edition of *The Wall Street Journal*. In addition, ads also appear in the Asia/China sections of the February issues of *Travel Weekly* and *Travel Age* magazines, which come out the next day.

Chairman Yan En Yu announces on February 25 that CSA will commit US\$250 million over the next 20 years to upgrade facilities and pilot training center, Western Australia Flying College, at the airport facilities in Merriden and Jandakot, 250 km. E of Perth, Australia. The airline expects to educate 3,000 flyers.

On March 12, CSA gives a guarantee that its computer systems will be Y2K compliant by July.

Following the christening ceremony for the CSA B-777-21B *The Pearl of the South* and a media presentation by senior executives, a pre-service code-sharing flight with **Delta Air Lines** is undertaken, also on March 12, from Los Angeles to Guangzhou.

Thrice-weekly, nonstop B-777-21B block-seat, dual-designator service with Delta begins on March 28 from Los Angeles to Guangzhou. In addition to the seats the American major has purchased on the Chinese line's transpacific flights, CSA is able to book space on Delta flights from Los Angeles to Atlanta, Las Vegas, Honolulu, Dallas (DFW), New York (JFK), Portland (Oregon), and San Francisco.

The company, on April 14, announces the official opening and commercial use of its first A320 flight simulator as part of its more than 100,000-sq.-ft. expansion at Zhuhai; CSA now operates the largest pilot training facility in Asia.

Twice-weekly A320-232 roundtrips commence on May 19 between Jinjiang and Manila.

At the annual general meeting held at Hong Kong on June 15, Director Yang Yuan resigns and the nonexecutive director, Jin De Qin, is removed; they are succeeded by Han Ma Zhang and Simon To, respectively.

Several Hong Kong morning newspapers report on July 9 that PRC officials may force the merger of CSA with **Air China International Corporation**. The report had first been carried in the British industry magazine *Flight International*. The confusion causes the Hong Kong stock exchange to temporarily suspend trading in CSA shares. Later in the day, the restructuring office of **CAAC (The General Administration of Civil Aviation of China)** issues a statement denying plans to forcibly amalgamate the two companies.

Following up on the *Flight International* and local newspaper reports, executives at China Southern confirm on July 13 that preliminary discussions have been held with **Air China International Corporation** concerning a possible merger or partnership sometime in the future. Analysts suggest a merger might be a difficult feat to accomplish.

Twice-weekly A320-232 nonstop roundtrips are inaugurated on August 9 between Guangzhou and Phnom Penh. In a grand ceremony at Toulouse on August 20, CSA accepts the last of 20 A320-232s first ordered in 1997.

During the fall, CAAC executive, aviation media types, and various airline employees join in a wide-ranging, but ultimately empty discussion concerning the possible merger of CSA with **Air China International Corporation**. *Flight International* reports on October 13 that the discussions have broken down due to CSA concern over the financial shape of Air China.

Two A320-232s are subleased to **Swissair, A.G.** Weekly frequencies between Guangzhou and Los Angeles are increased from three to four on December 6.

Assisted by recovery from the Asian economic crisis and the government's curb of domestic fare discounting, passenger bookings inch up 0.4% to 15,112,000 while 616 million FTKs are operated, a 10.4% improvement. Operating revenues jump 12.2% to \$1.6 billion while expenses rise 1.2% to \$1.38 billion. The operating profit rises to \$223.4 million and the previous year's net loss becomes a \$9.95-million net profit.

By the start of **2000**, annual figures for airline employment have increased 103.4% to 15,902. Among the world's top 25 airlines at the beginning of the new millennium, CSA is 24th in terms of passengers and 19th in operating profit.

Saturday-only A320-232 roundtrips between Guilin and Seoul commence on January 7.

On February 1, two B-777-2B1s are wet-leased for two months to **Biman Bangladesh Airlines, Ltd.** The wide-bodies will operate 128 flights between Dacca and Jeddah transporting Muslim Hadj pilgrims.

During the first quarter, the company sells and leases back 4 B-757-2B1s and begins to emphasize e-marketing over the Internet via a new website.

Twice-weekly B-757-2B1 roundtrips commence on March 28 between Shanghai and the Tibetan capital of Lhasa.

Employing a B-747-200F chartered from **Atlas Air**, CSA, on March 29, inaugurates its first international freighter service over a three-weekly roundtrip route from Shenzhen to Chicago (ORD). Previously a charter, the Wuhan-Hong Kong B-737-300 route is converted into a daily scheduled roundtrip on May 1. A marketing and code-share agreement is signed with **Japan Air System, Ltd.** on June 19.

In response to a fatal June 22 **Xian Airlines** Y-7-100C crash, CAAC delivers a major reorganization plan to the China State Council in late July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into three groups built around China Southern, **China Eastern Airlines Company, Ltd.**, and **Air China International Corporation**.

A code-sharing agreement is signed with **Vietnam Airlines** on July 26 providing for dual-designator service from Guangzhou to Ho Chi Minh City.

CSA is the first to take operational and managerial control of another airline under the CAAC mandate. Although it will be allowed to retain its name, **Zhongyuan Airlines**, based at Zhengzhou in Henan Province,

almost immediately becomes part of the Southern Airlines Group on August 1. It is anticipated that **China Southwest Airlines Company, Ltd.** and **Yunnan Airlines Company, Ltd.** will be acquired later in the year.

Also in August, the company unveils a new and ambitious cargo plan; to further its freight effort, CSA will acquire 3 B-747-400Fs and build a 25,000-sq.-ft. cargo center at Shenzhen by 2002.

E-ticketing for domestic services is expanded in September and is now available from the company base at Guangzhou to over 60 Chinese cities. A B-747-47UF ACMI contract begins with **Atlas Air** on September 15 over a route from Shenzhen and Shanghai to Chicago (ORD).

A code-sharing agreement is signed with **JAS (Japan Air System, Ltd.)** on September 22 covering service over a route from Guangzhou and Osaka (KIX).

Merger discussions with **Air China International Corporation**, broken off earlier, have been resumed and quietly concluded during the year. However, it is reported on October 2 that a merger proposal submitted by the two to the CAAC has been rejected on the grounds that the resultant carrier would be too large.

Two weeks later, the Western press reports that the company is in merger discussions with **China Northern Airlines Company, Ltd.** and that a possible amalgamation, with CSA the surviving partner, may occur before year's end.

Thrice-daily B-757-2B1 roundtrips are inaugurated on October 29 from Guangzhou to Singapore via Hong Kong and to Kuala Lumpur via Bangkok.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including China Southern, increase fares on November 5.

New Australian B-777-2B1 return service from Guangzhou is launched on December 6, twice weekly to Sydney via Melbourne and once per week directly to Sydney.

CHINA SOUTHWEST AIRLINES COMPANY, LTD.: Shuangliu Airport, Chengdu, Sichuan, 610202, China; Phone 86 (28) 581-4466; Fax 86 (28) 558-2630; <http://www.cswa.com>; Code SZ; Year Founded 1987. CSWA is one of several regional carriers established in October 1987 under the auspices of CAAC (**General Administration of Civil Aviation of China**). Based at Shuangliu Airport at Chengdu in Sichuan Province and based on its parent's former Chengdu regional directorate, it inaugurates service in early 1988 with 9 B-737-200s. In 1989, the fleet is altered to include 4 B-737-3Z0s, 5 B-707-336B/Cs, and 2 Tupolev Tu-154Ms.

By 1990, the company is visiting some 30 large and small destinations over 50 routes in Sichuan province, as well as Lhasa, Tibet's airport at an altitude of 11,600 feet. In May, it receives its own two-letter airline designator code, SZ.

En route from Canton to Xiamen on October 2, Flight 8301, a **Xiamen Airlines Company, Ltd.** B-737-247A with 104 passengers, is hijacked by "active criminal" Jiang Xiaofeng, who claims to have 15 pounds of explosives strapped to his body. The pirate demands to be flown to Taiwan and refuses an offer to be flown to Hong Kong instead. With fuel nearly exhausted, the government orders Capt. Cen Longyu, the same pilot hijacked to Taiwan in May 1988, to try a ruse in an effort to convince Xiaofeng that his demand has been met and that he is landing. When this gambit fails, a fight breaks out in the cockpit as the little Boeing completes its final approach to Canton's Baiyun Airport.

The aircraft hits hard, veers off the runway, side-swipes a **China Southwest Airlines Company, Ltd.** B-707-3J6B Stratoliner and then slams into a **China Southern Airlines Company, Ltd.** B-757-21B with 12 crew and 110 passengers preparing to depart on a domestic service to Shanghai. In the explosion and fire that follows and that will burn out both the B-737 and B-757, 84 are killed aboard Flight 8301, 47 aboard the B-757, plus the driver of an airport service vehicle. Fifty other passengers are wounded, including the pilot of the Stratoliner. The fireball creates China's worst air disaster ever.

The fleet in **1991** includes 1 B-707-3J6B, 3 B-707-3J6Cs, 5 B-737-3Z0s, 5 Tu-154Ms, and 5 Xian Y-7-100s, which are Chinese-built Antonov An-26s. Revenues total \$118 million.

The amount of flight equipment available is significantly increased in **1992**. Added are 3 B-737-3Z0s, 2 B-757-2Y0s, 4 B-757-2Z0s, and 4 Harbin Yu-12 IIs. One Tupolev is withdrawn.

In **1993-1994**, President Zhou Zhengquan oversees a workforce of 3,400 and a fleet comprising 6 owned and 5 leased B-737-3Z0s, 4 Tu-154Ms, 4 each Yu-12 IIs, B-737-3Y0s, and B-737-3Q8s, 3 each Y-7-100s, B-707-3J6Cs, B-757-2Y0s, and B-757-2Z0s, and 1 B-707-3J6B.

The number of domestic routes is increased to 70 and a new service is offered linking Lhasa to Katmandu. On February 18 of the latter year, a B-737-3Y0 with 5 crew and 130 passengers is hijacked to Taiwan while en route from Chengdu to Fuzhou. Businessman-pirate Lin Wen-qiang has also brought along his wife, foster mother, and two sons. The aircraft and its passengers, minus the Lin family, are allowed to return to the PRC; Lin, himself, will be tried and sentenced to nine years in jail.

Enplanements reach 5,481,433 in **1995**. The company leases aircraft to China National Aviation Corporation (CNAC-2), a subsidiary of CAAC, which employs them to launch charter flights to Kai Tak Airport at Hong Kong.

A five-year experimental airlift program ordered performed by the airline by CAAC (**The Civil Aviation Administration of China**) on behalf of the Chinese Air Force is completed during the spring. CSA will continue to offer flights for the military between Chengdu and the capital of the Tibet Autonomous Region. The experimental project has proven to be such a success that CAAC now orders a Chinese Air Force liaison office set up in each of the country's major regional airlines.

China Southwest in July is one of seven PRC carriers agreeing to make service with Taiwan easier for passengers from both Chinas; beginning in August, it will offer double boarding passes to customers traveling via Hong Kong on a **China Airlines, Ltd. (CAL)** connection.

Airline employment stands at 7,000 in **1996** and the fleet includes 39 aircraft.

The company has an exhibit in the CAAC pavilion at "Airshow China '96," the PRC's first international airshow, which is held at Zhuhai Airport on November 5-10.

Passenger boardings rise 3% to 5,650,961 and 98.37 million FTKs are operated, a 16.4% increase over the previous year.

The workforce in **1997** remains the same as the previous year. Among the markets served by the company are Bangkok, Beijing, Dalian, Guangzhou, Hong Kong, Kunming, Lhasa, Shanghai, Singapore, Urumqi, Wuhan, Xiamen, and Zhengzhou.

The company on June 13, announces the launch of a new route on June 26 linking Chengdu and Wuhan, capitals of Sichuan and Hubei provinces and the famous scenic spot of the Huangshan Mountain (Yellow Mountain) in eastern China's Anhui province. The move is made to promote the '97 China Tourism program. The company's Boeing 737s take off at 9:05 a.m. every Thursday and Sunday from Chengdu and return the same day.

Customer bookings drop 4.3% to 5,407,675, while cargo is up 1.9% to 100.2 million FTKs.

During the first quarter of **1998**, the regulatory body CAAC (**The General Administration of Civil Aviation of China**) significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered around major carriers. It is hoped that, by 2001, China Southwest will be acquired by **China Eastern Airlines Company, Ltd.**

Weekly return service begins on November 20 between Chengdu and Lhasa, the capital of the Tibetan Autonomous Region. The first of 3 A340-313s on order is received at month's end.

Passenger boardings fall to 4.74 million, while freight traffic climbs to 166.7 million FTKs.

While en route from Chengdu, capital of Sichuan province, to the port city of Wenzhou on February 24, **1999**, a Tu-154M with 10 crew and 51 passengers slams into a hilly rural area some 18 mi. from its destina-

tion; there are no survivors. At least one passenger, businessman Lei Ming, has missed the flight for which he was booked. "The flue saved my life," he informs the *Shanghai Express*.

The carrier's 4 remaining Tu-154Ms are withdrawn from service for inspection on February 26 and will not fly again until the cause of the February 24 disaster is determined. Meanwhile, 1 each leased A340, B-737, and B-757 are brought in to ensure regular services.

A one-year aircraft, crew, management, and insurance (ACMI) wet-lease contract is signed with **Royal Nepal Airlines Corporation** on March 8. Under its terms, China Southwest will fly a B-757-2Z0 on behalf of the Nepalese on routes from Kathmandu to Singapore, Hong Kong, New Delhi, and London.

On April 16, weekly roundtrips commence between Lhasa and Xining in Qinghai Province. The 1,500-km. route passes over the Kunlun, Tanggula, and Nyainquetanglha mountain ranges where the weather is often risky.

The first of 3 new B-737-8Z0s joins the company on November 1; China Southwest is the third Chinese carrier to take delivery of this Next Generation jetliner. The new plane is placed into service between Chongqing and Shenzhen, Haikou, Kunming, and Urumqi.

The year's enplanements rise 3.9% to 4,925,000, but cargo traffic dips 0.1% to 155.16 million FTKs.

Airline employment by the start of **2000** has risen an impressive 115.1% over the previous 12 months to 8,603.

Two passengers unsuccessfully attempt to hijack to Taiwan a company flight en route Chengdu to Nanchung on February 29; after they are subdued, the plane diverts to Fuzhou.

Employing the leased B-757-2Z0, twice-weekly roundtrips are inaugurated on March 28 from Lhasa to Shanghai via Xian. The next day, the company places an order for three new aircraft of that type for delivery beginning in May 2001. Delivery of an earlier order for B-737-700s will be turned over to another Chinese carrier.

Twice-weekly B-737-8Z0 return service is inaugurated on July 1 between Chongqing and Seoul. The flights are the first to be directly operated by a Chinese airline from southwestern China to South Korea.

In response to a fatal June 22 **Xian Airlines** Y-7-100C crash, CAAC delivers a major reorganization plan to the China State Council in late July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into three groups built around **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, and **China Southern Airlines Company, Ltd.** China Southwest is scheduled for takeover by the latter.

Also in June, China Southwest becomes the first airline to recruit air hostesses from Tibet, with over 400 applications soon received. In a September 5 Lhasa lottery and ceremony, 15 Tibetan girls are chosen to take the carrier's three-month flight attendant training course.

Reacting to rising fuel costs, the CAAC, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including China Southwest, increase fares on November 5.

CHINA TOURISM AIRLINE COMPANY. See AIR CHINA

CHINA UNITED AIRLINES: No. 14, Xisanhuan Nanfu, Beijing, 100073, China; Phone 86 (1) 801-6879; Fax 86 (1) 326-7285; Code HR; Year Founded 1984. A transport unit of the Chinese Air Force, United China Airlines is established in **1984** to provide regularly scheduled services outside of the control of CAAC (**General Administration of Civil Aviation of China**). Operations continue apace as a total of 11 regional routes, primarily to military airfields, are operated from a base at Beijing. The enterprise is brought under civil control in December **1986** and, beginning in January **1987**, the company is known as China United Airlines.

President Zhang Rui Ai's airline, equipped with a reliveried fleet of 11 former CAAC BAe Tridents, 3 Ilyushin Il-18s, 5 Tupolev Tu-154Ms,

and 4 Xian Y-7-100s books 100,000 customers by year's end. Enplanements climb to 275,000 in **1988**.

No information is released for **1989–1990**. The fleet in **1991** includes 3 British Aerospace (HS) Trident 1Es, 4 Trident 2Es, and 2 Trident 3Bs, plus 3 Il-18s, 5 Tu-154Ms, and 4 Y-7-100s. Little is known of the operational activities of the world's only Trident operator.

Two leased Boeing 737-33As join the fleet in **1992**, along with an Ilyushin Il-76TD, 3 Tu-154Ms, and all of the remaining Il-18s retired by **CAAC (General Administration of Civil Aviation of China)**. In **1993–1994**, China United operates 44 domestic routes making 150 flights per week.

The last of the Tridents, a 2E, is withdrawn during the summer of **1995** and placed on exhibit at Labour Park at Dalian. Enplanements this year reach 390,010.

The company operates 47 aircraft in **1996**. It has an exhibit in the CAAC pavilion at "Airshow China '96," the PRC's first international airshow, which is held at Zhuhai Airport on November 5–10. A total of 430,000 passengers are flown during the year, a 9.3% increase.

During the first quarter of **1997**, **CAAC (General Administration of Civil Aviation of China)** orders 5 Canadair Corporate JetLiners, the corporate version of the company's Regional Jet. Three are delivered for operation by the airline during the remainder of the year, with two more to follow in **1998**.

Service is maintained without fanfare in **1998**. Enplanements for the year are 359,000.

It is understood that flights continue without change in **1999–2000**; exact information is, however, unavailable.

CHINA XINJIANG AIRLINES. *See* **XINJIANG AIRLINES**

CHINOOK AIR: United States (1984–1985). Chinook Air is set up at Everett, Washington, in **1964** to provide scheduled passenger and cargo commuter flights to Seattle and Mount Washington. Employing Piper lightplanes, the company provides services for only a few months, going out of business during the summer of **1985**.

CHIPOLA AVIATION: Marianna Municipal Airport, Marianna, Florida 32446, United States; Phone (850) 482-8480; Fax (850) 482-7991; Year Founded 1970. Chipola is established by Harrell Foran as the FBO at Marianna in **1970**. Over the next quarter century, Foran also undertakes executive and small group passenger charters and air ambulance flights. A Learjet 25A is employed in **1998–2000**.

CHIPPEWA AIR COMMUTER: United States (1977–1978). CAC is set up at Manistee, Michigan, during the early summer of **1977** to provide scheduled daily roundtrip passenger service to Mt. Pleasant and Detroit. Employing a Britten-Norman BN-2 Islander, the company inaugurates frequencies in August, but these can only be maintained into January **1978**.

CHISUM FLYING SERVICE OF ALASKA: United States (1985). CFS is established at Cordova, Alaska, in early **1985** to provide scheduled passenger and cargo flights to local communities and bush destinations. Revenues services commence with a de Havilland Canada DHC-2 Beaver and a Cessna 185, but are only maintained for a few months.

CHITAAVIA AIRLINES COMPANY: Chita Airport, Chita, Irkutsk Region 672018, Russia; Phone 7 (30222) 41045; Fax 7 (30222) 66396; <http://www.chitaavia.ru>; Code X7; Year Founded 1993. Chitaavia, formerly the Chita division of **Aeroflot Soviet Airlines**, is formed at the Russian city and airport of Chita, in the Irkutsk region, during **1993** to continue the provision of trunk and regional services following the breakup of the parent airline.

Nikolai Semenov is appointed general director and he undertakes to offer scheduled revenue flights to Harbin and Beijing, and throughout

the Chita Region. The fleet includes 4 each Tupolev Tu-154Bs, Tu-154Ms, 9 Antonov An-24s, 3 An-26s, 7 An-2s, 44 An-2s, and a rotary-wing department that includes 10 Mil-2s and 3 Mil-8s.

Operations continue apace in **1994** as enplanements total 405,790. Passenger boardings decline 6.2% in **1995** to 382,100 while freight carriage falls 26.5% to 9.63 million FTKs. Flights continue in **1996** as enplanements decline to 229,140.

The traffic situation continues to deteriorate in **1997**. Customer bookings fall another 5% to 228,000.

In April **1998**, it is announced that in accordance with details worked out in a three-year economic and social pact between the Chita and Irkutsk regions, the company would be merged with **Baikal Airlines**. Before this can occur, however, Baikal goes bankrupt in September.

Chitaavia continues to fly solo in **1999–2000**.

CHITREANA (COMPANIA DE AVIACION, S.A.): Panama (1964–1994). Chitreana is formed by the Valderrama family at Chitre in **1964** and begins scheduled services from Panama City's Paitilia Airport to Chitre in Herrera Province. Initial operations are conducted with a Stinson V-77, which has been employed unofficially for charters since 1952. Within a couple of years, two Douglas DC-3s are placed in service.

During the **1970s** and early **1980s**, flights are also undertaken to destinations in the provinces of Los Santos and Veraguas. In **1989**, General Manager Antonio Valderrama's fleet comprises 1 Piper PA-23 and 1 Britten-Norman BN-2A Trislander.

Early in the **1990s**, a Piper PA-31-310 Navajo is also acquired. Operations continue, however, by **1993** only one Trislander is flown. Flights cease in **1994**.

CHOSONMINGHANG KOREAN AIRWAYS. *See* **AIR KORYO**

CHRISTENSEN AIR SERVICE. *See* **CORDOVA AIRLINES**

CHRISTMAN AIR SYSTEM: United States (1977–1992). In the final year before deregulation becomes the law of the U.S. airline industry, the Christman Trucking Corporation of Washington, Pennsylvania, establishes two air transport subdivisions: the passenger group, CAS, and Christman Air Freight. The former is outfitted with 2 Piper PA-31-350 Navajo Chieftains, which are employed to launch scheduled passenger flights on September 6, **1977** from Pittsburgh to Parkersburg, West Virginia, via Wheeling.

In **1978**, President/CEO Walter L. Christman's passenger fleet is expanded by the addition of a Beech 99 and 3 more Navajo Chieftains. Enplanements total 7,122.

The workforce is increased by 50% in **1979** to 18. The route network is also enlarged as new deregulation-inspired markets are opened in Charleston, Columbus, Akron, and Canton. Passenger boardings leap 109.8% to 8,000. Revenues skyrocket 143.3% to \$523,000.

Enplanements explode in **1980**, climbing by 112.6% to 17,709.

The fleet in **1981** includes 4 Navajo Chieftains and 3 Beech 99s. They are employed to fly 16,165 passengers, an 8.7% drop. Customer bookings at the 45-employee airline are up 29.8% to 20,982 in **1982**.

Two Chieftains are withdrawn in **1983** as the number of boardings at the 11 served destinations rise 17.1% to 24,573. Freight, however, plunges 59.3% to 1 ton.

The payroll is boosted 12.7% in **1984** to 71 and 2 more Beech 99s are delivered. Service is inaugurated to Baltimore, Beckley, Bluefield, Harrisburg, and Washington, D.C. (DCA).

Customer bookings climb 37.7% to 33,834 and cargo skyrockets 242.9% to 7,000 pounds.

The year **1985** is also good for the small regional as an Embraer EMB-110P Bandeirante is acquired and passenger boardings ascend 3.2% to 34,924; freight rises 6.2% to 7,250 pounds.

With seemingly all of its fellow regionals entering into code-sharing agreements, Christman remains independent in **1986** and pays dearly for the decision. In an effort to remain fiscally viable, the

company in April sells all eight of its slots at Washington, D.C. (DCA) to **Suburban Airlines**.

Still, the carrier's 4 Beech 99s, 1 Chieftain, and Bandeirante are unable to stem a significant downturn in enplanements to 30,412, a 12.9% decline.

Traffic figures are again disappointing for the 70-employee small regional in **1987**. Passenger boardings drop 22.8% to 23,471 and freight falls by 85.1% to 4,000 pounds.

The workforce is reduced by 50% in **1988** to 35 and the fleet now includes 3 Beech 99s, 1 Bandeirante, and 1 Chieftain. Customer bookings decline another 25.8% to 17,422 and cargo plunges 64.6% to 1,000 pounds.

Christman suffers yet another bad year in **1989** as passenger bookings plunge 50.5% to 8,628 and freight falls 25.1% to just 945 pounds.

The 35-employee small regional reduces its fleet to 1 Beech 99 and the Bandeirante in **1990**, but cannot seem to improve its traffic figures. Customer bookings are off again, by 25.3%, to 6,444.

The workforce is cut by 28.6% in **1991** to 25. This and other cost-cutting measures and promotions cannot improve the traffic picture. Passenger boardings fall 39.4% to 3,902 and freight is off 31.4% to 285,000 pounds.

Reduced to but 1 Beech 99, President Walter's carrier ceases operations in **1992**.

CHRISTOWITZ AIR SERVICES (NYASALAND), LTD.: Nyasaland (1931-1933). Convinced by an aerial trip the previous October of the need for air transport in Nyasaland, cartage contractor C. J. Christowitz forms this company at Blantyre in July **1931**. Revenue services commence on August 5, when Capt. Henry Hollingdrake flies two passengers over a scheduled roundtrip route from Blantyre to Beira in the de Havilland DH 80A Puss Moth *Nyasa I*.

Following the temporary grounding of the Puss Moths for safety reasons, the fleet is increased in early **1932** by the addition of 2 DH 60G Gypsy Moths.

Capt. Robert Bourlay begins Salisbury to Blantyre Puss Moth service on August 3, **1933**. On October 12, the carrier is combined with competing **Rhodesian Aviation Company, Ltd.** to form **Rhodesia and Nyasaland Airways, Ltd.**

CHRYSLER PENTASTAR AVIATION: 7310 Highland Road, Waterford, Michigan 48327, United States; Phone (248) 666-3630; Fax (248) 666-8580; Year Founded 1974. CPA is set up as the FBO at Oakland-Pontiac Airport in **1974**. A decade later, a charter division is established to fly executives of the automobile industry and others to destinations throughout North America and later, the world.

In **2000**, the company flies 2 Grumman G-1159 Gulfstream IIs, 1 G-1159A Gulfstream II, 2 G-1159C Gulfstream IVs, 1 British Aerospace (BAe) (HS) 125-800 Hawker, and 1 IAI-1124 Westwind from its Michigan hub and Gulfstream IV from Dallas (DAL).

CHS (CILENROC HELICOPTER SERVICES, S.A.): Avenue d'Hougoumont 2, Brussels, 1180, Belgium; Phone (2) 375-6030; Fax (2) 375-4409; Year Founded 1993. Heli Europe, S.A. is established at Brussels National Airport in the summer of **1990** to provide charter passenger, cargo, and other miscellaneous services. Employing 1 Agusta A109, 1 Bell 206B JetRanger, and 1 McDonnell Douglas MD-500, in September Heli Europe inaugurates VIP transport, sight-seeing flights, organ transport, cargo express, and aerial photography work.

Operations continue apace in **1991-1993**. During the latter year, the company identity is changed to **CHS (Cilenroc Helicopter Service, S.A.)** with Roger and Michael Cornelis as directors.

Despite the corporate makeover, there is little change in service over the next seven years, although several Robinson R-22s join the earlier fleet.

CIDNA. See COMPAGNIE INTERNATIONALE DE NAVIGATION AERIENNE, S.A.

CIELOS DEL PERU, S.A.: Ofc. 17, Ave. Elmer Faucett 4800, Callao 1, Peru; Phone (00511) 484-0596; Fax (00511) 484-0405; http://www.staf-airlines.com/br/peru; Code EXD; Year Founded 1997. Cielos del Peru is established at Lima on November 30, **1997** as the latest in a long line of Chilean all-cargo carriers. Shareholding is divided between Chairman Alfonso Conrado Rey, Carlos Benjamin Lopez Costa, Manual Eduardo Francesqui Navarro; Herman Granda is named president.

The small concern Export Air, S.A. is purchased on January 31, **1998** and amalgamated. At this point, revenue flights linking the company's base with Miami commence with a single Boeing 707-320C named *Petete*.

Service is extended to Guayaquil and Santa Cruz de la Sierra and, during the next two years, two more Stratoliner freighters and a B-727F are acquired. The company comes to operate three million FTKs to Miami annually.

On October 27, **2000**, a Douglas DC-10-30CF is leased from CIT Aerospace for five years.

CILENROC HELICOPTER SERVICES, S.A. See CHS (CILENROC HELICOPTER SERVICES, S.A.)

CIMARRON AIR. See COLORADO AIRLINES

CIMBER AIR, A.S.: Lufthavnsvej 2, Sonderborg Airport, Sonderborg, DK-6400, Denmark; Phone 45 74 42 22 77; Fax 45 74 42 65 11; http://www.cimber.dk; Code QI; Year Founded 1950. Organized in **1950** by Capt. Ingolf L. Nielsen and named for a Viking tribe that had conquered Northern Europe, Cimber Air, A.S. initially provides air taxi, cargo, and charter flights from its base at Sonderborg Airport on the border between Denmark and Germany.

The company, employing lightplanes, begins a regular passenger and mail feeder service in **1963** linking its base with Copenhagen and surrounding communities.

Three years later, in **1966**, Nielsen obtains a scheduled service license to fly roundtrips from Sonderborg to Copenhagen. The fleet now includes 7 de Havilland DH 114 Herons. The first of 8 Nord 262s are acquired in **1967** and are employed to begin flying a commuter network in Germany on behalf of **Deutsche Lufthansa, A.G.**

In April **1971**, Cimber joins with SAS (Scandinavian Airlines System) and Maersk Air, A.S. to form a consortium carrier, **Danair, A.S.** Cimber's shareholding is 15% and for its part, it supplies the aircraft and crews necessary to link its base with Skrydstrup, Thisted, Stauning, Odense, and Copenhagen.

Two years later, in **1973**, the contract with **Deutsche Lufthansa, A.G.** ends and the Nord fleet is mostly sold-off to **Ransome Airlines** of Philadelphia. Traffic continues to grow and enplanements in **1975** total 56,000.

Three years later, in **1978**, Managing Director Nielsen's fleet comprises 3 Fokker-VFW 614s, 1 Nord 262, 1 Dassault Falcon 20, 1 Piper PA-31-350 Navajo Chieftain, and 1 Beech Super King Air 200. Two Fokker F28-1000s are acquired in **1979** and the decade is closed out with a passenger boardings figure of 100,000.

Despite the introduction of a new airport at Sonderborg, the company is badly hurt by the oil crisis of **1980**. Fuel prices cause significant financial losses. The F28s are wet-leased to **Saudia (Saudi Arabian Airlines)** for six years and an F27 is dry-leased from Fokker to operate the Sonderborg-Copenhagen service. With capacity reduced, traffic figures drop dramatically.

Three Nord 262s are repurchased from **Ransome Airlines** in **1981** and these turboprops prove the company's savior. The F27 is returned and traffic and financial figures improve in **1982** and, by **1983**, the fleet has been upgraded; gone are the VFW 614s, the Falcon 20, and the Chieftain, replaced by the 2 Fokker F28s and 3 Nord 262s. Daily Nord 262 flights are offered nonstop between Sonderborg and Copenhagen.

Orders are placed in **1984** for 3 Avions de Transport Regional ATR42-200s. The 35th anniversary is celebrated in August **1985** and, in November, delivery is taken of the first of 3 ordered ATR42s.

The second ATR42 arrives in January **1986** and the third in August. Late in the year, Hans Nielsen succeeds his father as company president, although the founder remains chairman. All top posts continue to be occupied by Nielsen family members.

Dagali joins the route network in **1987** as the F.28s return from the Middle East. Passenger and cargo service begins to Esbjerg and Humberston in **1988**.

Airline employment is increased by 16.7% in **1989** to 105 and, to handle an increased traffic load, a fourth ATR42-200 is placed in service. Enplanements reach 126,817, a 44.3% boost while freight climbs 6.9% to 61,640 pounds.

The fleet in **1990** includes 2 F.28s, 4 ATR42-200s, and 2 Nord 262s. As the world airline recession hits, this company, like many others, begins to suffer traffic and fiscal downturns and stops reporting its figures.

During **1991**, 3 more ATR42s, Dash-320s, join the fleet. The **Danair, A.S.** Sonderborg-Copenhagen service continues in **1992**, as does a route from the base city to Montpellier.

A large number of replacement services are also flown for the **Deutsche Lufthansa, S.A.** subsidiary **Lufthansa CityLine, mbH.** These are launched from Kiel to Frankfurt, Paris, Berlin, Munster, Cologne, Osnabruck, and Lyon and from Berlin to Bremen employing 6 ATR42-320s leased from Cimber.

In **1993**, airline employment at Chairman Nielsen's carrier stands at 226 and the fleet comprises 2 Nord 262s, 8 ATR42-320s, including the 6 out with **Lufthansa Cityline, mbH.**, 1 Beech Super King Air 200, and 1 Dassault Falcon 20.

One of the ATR42-320s is leased to the new Swedish regional **Holmstrom Air, A.S.** in **1994**. The Falcon is replaced with a Cessna 501 Citation I, while the Nords and King Air are retired. Operations continue apace in **1995** as the company orders 5 ATR42-520s. Four ATR42-320s are chartered to **Lufthansa Cityline, mbH.** Enplanements, reported for the first time this decade, total 100,533.

Airline employment stands at 230 in **1996** and the fleet includes 7 ATR42-320s, including the 4 still with **Lufthansa Cityline, mbH.** and the Cessna 501 Citation I. The first 2 ATR42-520s are delivered, 1 each in February and April. Passenger boardings skyrocket 81.1% to 531,917.

Having proven unprofitable, the year-old return route from Copenhagen to Newcastle operated by **SAS Commuter, A.B.** is turned over to Cimber Air on April 1, **1997**.

Also during the spring, a German subsidiary, **Cimber Air, GmbH.**, is established at Kiel. Destinations now visited also include Aalborg, Aarhus, Copenhagen, Karup, and Sonderborg.

Enplanements for the year climb to 717,000.

Cimber Air Holdings, A.S., the airline's parent, sells a 26% equity stake to **SAS (Scandinavian Airlines System)** in June **1998** to strengthen its domestic code-share partnership with the major.

The third ATR42-520 is delivered in early **1999**. It is placed into service on the route from Copenhagen to Karup. On March 29, the five-times-a-day nonstop MD-81 return service from Copenhagen to Karup, Denmark, provided by **SAS (Scandinavian Airlines System)** is discontinued and replaced by ATR-520s of Cimber Air, which operate an equal number of turboprop flights.

Through September, the company receives 3 ATR72-520s, several in "Team Lufthansa" colors. In October, one of the ATR42s is employed to launch five-times-a-day roundtrips between Copenhagen and Esbjerg Airport. The following month, a firm order is placed for 2 Canadair CRJ200ERs, along with 4 options.

Wearing "Team Lufthansa" livery, the first CRJ200ER is received on August 10, **2000**.

CIMBER AIR, GmbH.: Flugplatz Kiel Holtenau, Kiel 17, D-2300, Germany; Phone 49 (431) 323 656; Fax 49 (431) 321 420; Code QI; Year Founded 1997. Cimber Air, GmbH. is established at Kiel Airport in the spring of **1997** as a subsidiary of the Danish airline. Bernd Luettkie is named managing director and he begins domestic services with a single Aero International (Regional) ATR42-320.

Destinations visited in **2000** include Berlin, Bonn, Bremen, Cologne, Dortmund, Kiel, and Nuremberg.

CINCINNATI AIRLINES: United States (1969–1970). Established at Lunken Airport and named in honor of its base city, Cincinnati Airlines initiates daily Cessna 402 passenger roundtrips to Cleveland's Lakefront Airport in **1969**. The trans-Ohio shuttle is only maintained into **1970**.

CINTA (COMPANIA NACIONAL DE TURISMO AEREO, S.A.): Chile (1953–1957). Following a decision by the Chilean government in early **1953** to allow the start-up of private airlines, CINTA is formed by the air carrier specialist, Jorge Carnicero, at Santiago in November as a division of the Compania Sud Americana de Vapores steamship line. After acquiring a fleet of 3 Lockheed Model 18 Lodestars and 2 ex-**LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** Lockheed Model 10A Electras, the carrier begins domestic passenger and freight service in **1954**.

After a year of successful operations in **1955**, weekly Miami to Santiago flights are initiated on October 26, **1956**. Late in the year, Carnicero persuades the company's directors that tourist dollars could be made if charter flights were undertaken to and from the U.S.

As a result, 2 Douglas DC-3s and the first of 4 DC-4s are purchased from **United Air Lines** and in October **1957** are employed to initiate low-cost, roundtrip Inter-Americano services to Miami via Antofagasta, Arica, Talara, and Panama City. Somewhat overextended in a slender market, CINTA, in December, merges with another new Chilean entrant, **ALA (Sociedad de Transportes Aereos, S.A.)**.

CIRCLE RAINBOW AIR: United States (1983–1995). Honolulu-based CRA begins interisland air tours, flight-seeing, and passenger charters in **1983** with a fleet of 3 Beech 18s.

A decade later in **1994**, President M. Otsuka's company employs two pilots and owns a fleet of 5 Pilatus-Britten-Norman PBN-2 Islanders. Operations cease in **1995**.

CIRRUS AIR: 8605 Lemmon Avenue, Dallas, Texas 75209, United States; Phone (214) 358-3174; Fax (214) 358-0430; http://www.aerosearch.com/companies/cirrus; Code BS; Year Founded 1976. Reggie Parson establishes Cirrus as an independent FAR Part 135 charter operator at Dallas (DAL) in **1976** to offer charter and contract service all-cargo flights. Operations commence with a fleet of 13 Beech 58 Barons, 5 Beech 36 Bonanzas, 2 Cessna 402s, 2 Cessna 401s, and 1 Cessna 210.

Operations continue over the next two decades, during which time the company also establishes hubs at New Orleans, Albuquerque, Midland, San Antonio, and Amarillo. In **2000**, John R. K. Tinkle is chairman/president and the company flies from Dallas a mixed fleet of 4 Barons, 2 Bonanzas, 1 Cessna 402, and 1 Mitsubishi Mu-2.

CIRRUS LUFTFAHRTGESELLSCHAFT, mbH.: Flughafen Saarbrücken, Saarbrücken, D-66131, Germany; Phone 49 6893-986037; Fax 49 6893-83318; http://www.cirrus-airlines.de; Code C9; Year Founded 1990. The German Cirrus is established in **1990** to provide fleet management, executive, and small group passenger charters. The company employs six pilots by **1998** and at Stuttgart Airport bases 1 each Cessna 551 Citation II, Piper PA-34 Seneca, and Beech Super King Air 200. Additional small aircraft are housed at Saarbrücken.

In March, the company receives government authority to operate scheduled services. Two de Havilland Canada DHC-8-100s are leased and employed to initiate roundtrips from Karlsruhe and Baden to Berlin and from Saarbrücken to Leipzig, Dresden, and over the border to Salzburg.

Enplanements during the 12 months total 21,000.

During **1999**, Cirrus becomes a "Team Lufthansa" partner and, in the fall, places a firm order and two options with Embraer for a regional jet.

During the first quarter of 2000, Dash-8 "Team Lufthansa" flights commence from Saarbrücken to Dresden and Mannheim.

The company takes delivery of an ERJ-145 at the beginning of April. After workup, it is placed on the "Team Lufthansa" route between Düsseldorf and Birmingham on April 24.

DHC-8-100 roundtrips from Berlin to Karlsruhe and Baden-Baden are launched on May 15. New "Team Lufthansa" Dash-8 service is started on June 2 from Saarbrücken to Leipzig via Dresden.

CISKEI INTERNATIONAL AIRWAYS (PTY.), LTD.: South Africa (1988–1989). M. L. Potter establishes CIA at Bisho, the capital of the black African homeland of Ciskei, situated within the borders of the Republic of South Africa, in 1988. One each Convair CV-880 and CV-990A Coronado are acquired.

Revenue flights linking the company's base with Johannesburg are started by the Coronado late in the year; however, the airline is not viable and it is shut down in 1989 and the two aircraft are put up for sale.

CITI AIR (PTY.), LTD.: South Africa (1985–1990). Margate Air (Pty.), Ltd. is reformed in August 1985 and moved to Durban, where it begins operations under the name **Citi Air (Pty.), Ltd.** D. White is chairman, with S. Ord as managing director.

Employing 1 Piper PA-31-350 Navajo Chieftain, Cessna 402B, and 2 Piper PA-28 Cherokees, scheduled feeder services are continued by the 10-worker company to Ladysmith, Margate, Nelspruit, Newcastle, and Vryheid.

Over the remainder of the decade, the fleet is enhanced by the addition of 1 Cessna 402B, 1 Cessna 310, and 2 Cessna PA-32 Cherokee Sixes while Pietermaritzburg and the Transkeian capital of Umtata join the route network. Early in 1990, the company is combined with East London-based **Border Air (Pty.), Ltd.** and **Magnum Airlines (Pty.), Ltd.** of Johannesburg to form **Link Airways (Pty.), Ltd.**

CITY AIR SCANDINAVIA, A.B.: Sweden (1992–1993). City Air Scandinavia, A.B. is established by former **SAS (Scandinavian Airlines System)** executives Bosco Janzon and Peter Hilgsoe at Malmö in early 1992 to provide scheduled passenger services to destinations in Sweden, Norway, and Denmark. Janzon, the founder and shareholder, becomes chairman and Hilgsoe becomes managing director. On February 11, they purchase the assets of **Malmö Aviation, A.B.** from Salenia A.B., recruit a workforce of 220. They assemble a fleet of 5 leased British Aerospace BAe 146-200s, as well as a BAe 146-200QT and a Dash-300QT that are operated under contract to **TNT Express Worldwide**. There is also a leased Fairchild Hiller FH-227E.

While the new City Air title is litigated with another carrier in court, passenger flights begin in March under the **Malmö Aviation, A.B.** moniker linking the company base with Stockholm, Oslo, Copenhagen, and other Nordic destinations.

Twice-daily flights are inaugurated on June 28 between Stockholm and London (LCY). CAS is the second company to begin flying BAe 146s into the new downtown British facility. **TNT Express Worldwide** cargo runs are made between Cologne and eight Scandinavian destinations. In December, orders are placed for 5 British Aerospace RJ85s; they will be delivered in 1994–1995.

A new route is initiated early in 1993 from Bromma Airport to Malmö. Financial problems take central stage as increased fees at domestic airports, depreciation of the Swedish krona, and fare dumping by other airlines conspire to push the company toward bankruptcy. In the early spring, Chairman Janzon and Executive Director Hilgsoe propose the elimination of the service between Stockholm and London (LCY).

On April 15, the carrier goes under; the next day it is purchased by Viklund Crafoord, owner of Viklund Inter Trade, A.B., and is provided with a new corporate identity, livery, logo, uniforms, etc. under the name **Malmö Aviation Schedule, A.B.**

CITY AIRLINK, LTD.: Japan (1987–1991). Japan Air Lines Company, Ltd. (2) and Asahi Air Lines, Ltd. jointly establish this

rotary-wing affiliate in late spring 1987 to provide shuttle service between Tokyo's Narita and Haneda Airports. Choji Tomita is appointed president and capitalization of \$666,000 is subscribed equally by the partners (35% each), with the remainder financed by Mitsui & Co. Employing 2 Bell/Fuji 412SPs and headquartered in JAL's Tokyo head office, the new company begins revenue services in June.

Operations continue apace in 1988–1990. Enplanements during the latter year reach 13,211. As has become the U.S. pattern, the helicopter carrier—the only scheduled one in Japan—builds up a heavy financial burden that forces it to cease operations in November 1991.

CITY BIRD, S.A.: Rue de Livoume No. 13, 1000 60, Brussels, Belgium; Phone 32 (2) 752-5252; Fax 32 (2) 752-5210; <http://www.citybird.com>; Code H2; Year Founded 1996. With Eurobelgian Airlines, S.A. founder Victor Hasson as chairman/managing director, City Bird Holdings and its airline subsidiary City Bird, S.A., also marketed as "The Flying Dream," are established at Brussels on August 7, 1996 with the express purpose of offering international low-cost scheduled passenger service to the U.S. The majority of the capitalization (62.5%) is provided by City Hotels, S.A., which Hasson also heads.

After the necessary certificates and permissions are received, 2 McDonnell Douglas MD-11s are ordered. The first leased jetliner, in dark green and gray livery with CityBird and "The Flying Dream" titles, is delivered on December 4 and is christened *Albatross*. The new entrant now advertises both economy and business classes at reasonable fares, without restrictions such as minimum stay requirements. Charters to the French Antilles and La Reunion commence in December.

At the beginning of 1997, twice-weekly nonscheduled charters are also undertaken to the Dominican Republic, two Mexican locations, and Cuba.

Scheduled flights to and from Brussels for selected cities are introduced: Mexico City, Mexico, with service every Thursday, on March 27; Orlando with service every Sunday and Miami with biweekly service Sunday and Wednesday, on March 30; Los Angeles, with biweekly service Saturday and Tuesday, on June 2. Finally, Oakland, serving San Francisco with weekly service every Saturday and Newark, serving New York with 4-times-per-week service on Mondays, Wednesdays, Fridays and Saturdays, on June 6.

Meanwhile, the second MD-11, wet-leased from **World Airways**, arrives toward the end of May. After a month of \$148 introductory fares, tariffs on the new routes climb to \$184 on July 1.

Flights continue throughout the fall and plans are made to introduce additional nonstop North American gateways. It is reported in the aviation press that possible merger discussions are being held with **Sabena Belgian World Airlines, S.A.**

On October 30, City Bird undertakes its initial public offering (IPO) of stock. The IPO of a 24% stake is made on the Easdaq stock exchange and brings in \$33.8 million. Ownership is now divided between City Hotels' Chairman Victor Hasson (52%), Flight Invest (24%), and private investors (24%).

In November, Sabena's President/CEO Paul Reutlinger and Chairman Hasson hold a joint news conference. Sabena will, indeed, take a 15% equity stake in City Bird Holdings. In return, City Bird will operate routes on the major's behalf from Brussels to Montreal, São Paulo, and Newark.

The two also announce that they will share two jetliners, each with its own cabin crews, in-flight catering, and cabin decor. On the outside, both will wear Sabena livery.

By year's end, City Bird has lost \$22 million since start-up.

On January 12, 1998, **Sabena Belgian World Airlines, S.A.** exercises an option to acquire 16% in City Bird parent City Bird Holdings for BFr 68 million (US\$1.9 million); it also has an option for a further 8.4% by November 1999.

A second MD-11 ordered by City Bird is delivered to Sabena at the end of March and is dispatched to the **Swissair, A.G.** modification center at Zurich for cabin modifications. Due to enter service in just three days, the City Bird, S.A. MD-11 being modified at Zurich is damaged

by a scissors lift on April 12. Repairs are quickly made as both companies await the delivery of a third MD-11 by the end of the month.

On April 15, the two airlines begin to code-share with **Delta Air Lines** on City Bird's daily roundtrip route from Newark to Brussels, where passengers are able to connect with Sabena flights elsewhere. The airlines employ 1 each City Bird MD-11 and B-767-33AER, painted in **Sabena Belgian World Airlines, S.A.** colors, which have been reconfigured to include business and economy cabins for Sabena passengers and a separate City Bird cabin. The duo is placed onto a new twice-weekly route between Brussels and Montreal on May 6.

Announcing that it will start freight operations in the following July, a pair of Airbus A300-600Fs are ordered in midyear.

Flights continue during the remainder of the year.

A major expansion of the company's cargo interest in the year 2000 is emphasized by the March 3, 1999 order for 2 B-747-400Fs.

During the month, a five-year code-sharing agreement is signed with **Lignes Aeriennes Congolaises, S.A.** Under its terms, the new Belgian entrant will fly passengers and cargo between Europe and Kinshasa on a weekly basis, using LAC flight codes. The arrangement will allow LAC to resume international air links abandoned in 1992, with passenger services starting in May and A300-600F freighter flights beginning in summer.

The B-767-33AER is wet-leased to **Luxair (Luxembourg Airlines, S.A.)** on March 30; with two City Bird pilots, six City Bird flight attendants and two Luxair flight attendants, the aircraft inaugurates roundtrip service from Luxembourg to Newark, four times a week.

A public row between City Bird and **Sabena Belgian World Airlines, S.A.** erupts in Brussels on April 27 over the former's dual-designator pact with LAC. Claiming that the new arrangement is a surprise action that will damage the pioneer line, which operates between Brussels and Kinshasa four-times-a-week, Sabena demands \$9.22 million in damages. It also indicates that it is seeking an arbitration ruling that City Bird's actions constitute a unilateral termination on its part of the commercial arrangement with Sabena.

City Bird President/CEO Hasson calls a news conference to rebut the Sabena action. He complains that Sabena had not wanted the LAC link in the first place and should have known about it since its 11.2% stake in City Bird gives it a seat on the City Bird board. Both companies, which do not suspend their existing pact, indicate that there are no plans to terminate their cooperative agreement and acknowledge that arbitration may take six months to a year.

The wet-lease pact with LAC begins on May 17. Weekly B-767-33AER roundtrips, conducted in the manner of those launched by City Bird with Luxair at the end of March, are undertaken between Brussels and Kinshasa. At month's end, a B-767-33AER is wet-leased to **Condor Flugdienst, GmbH** for two months. To avoid a repainting, the phrase "On behalf of Condor" is added behind the City Bird titles.

The two A300C4-605Rs arrive, one each in June and July, at which point City Bird launches intra-European all-cargo services.

As the concentration on wet-lease activities intensifies, flights to California and Mexico are withdrawn.

A newly received Airbus A300C4-605R, the *Toucan*, is wet-leased to **Cargolux Airlines International, S.A.** in September; the wide-body is employed to operate twice-weekly cargo roundtrips to Ghana and the Ivory Coast. The aircraft, one of two chartered for ACMI service, work as part of a new City Bird Cargo division located in Luxembourg.

With the beginning of the winter schedule, the carrier launches charters to Mediterranean holiday points employing a pair of leased B-737-46Qs.

A total of 83,000 passengers are flown on the year. Operating revenues surge 44% to \$153.1 million, allowing the first net profit (\$3.8 million) in company history. City Bird Cargo, in its only full quarter of operation, generates \$8.7 million, 95% of that from the Airbus ACMI's.

The workforce stands at 450 as the new millennium begins. On February 15, an agreement is reached with **Virgin Express Airlines, S.A.** under which City Bird will take over all Virgin charters as of October 1.

In March, **Swissair, A.G.** terminates its exclusive block-space contract with City Bird, which is unable to fill the bellies of its passenger planes flying to Miami and various charter points.

The offices of City Bird Cargo are shut down at the end of the month and the executives hired to run it are discharged; the operation is returned to Brussels where, in April, the Cargolux contract is replaced with another from **Air France**. The second Airbus is leased to the Israeli freighter **CAL Cargo Airlines, Ltd.**

Two chartered Next Generation B-737-86Qs arrive in June, while the first Dash-300, the B-737-3L9 previously operated by **Air Holland Charter, N.V.**, is delivered on July 31. These fly from Paris (CDG), the latter beginning in September after it has undergone technical changes.

Flights to Miami and Orlando end on September 9, although in-transit flights through the former are operated for a short period thereafter.

Employing one of the company's MD-11s under an ACMI contract, **ALM (Antillean Airlines, N.V.)** launches thrice-weekly roundtrips on December 3 between Curaçao and Amsterdam.

CITY CONNEXION AIRLINES, S.A.: 20 Boulevard de la Nation, Bujumbura, BP 6, Burundi; Phone 257 212426; Fax 257 213398; http://www.cca-airlines.com; Code G3; Year Founded 1998. Originally known as Congo Commercial Airlines, S.P.R.L., City Connexion is established at Kinshasa by Tony Goetz en Zonen, one of the largest European independent gold refiners and traders, in early 1998. Chairman Tony, who remains based in Antwerp, appoints his son Alain president. Neil Robertson is appointed chief operating officer, with Claude Piquard as general manager. Employing 3 leased Let 410UVs, regional services are initiated on August 31.

In April 1999, South African-based **Transoceanic Airways (Pty.), Ltd.**, which operates as Africargo Airlines (Pty.), Ltd., is taken over; initially, it is allowed to retain its previous identity. Congo Commercial, to escape continuing hostilities in the Congo, is now relocated to Bujumbura and renamed. Operations continue, much as before, employing the 2 Africargo Canadair CL-44Ds, 3 Lets, and 1 Piper Aztec. Medical and evacuation flights become a specialty.

During the remainder of the year, a strategic plan is put into place designed to make City Connexion into what President Goetz terms "a real airline." Agreements are finalized for joint ventures on routes to Kenya, Tanzania, the United Arab Emirates, and destinations in Europe. At the same time, an \$8.5-million order is placed for 2 Ayres 7000 turboprops.

City Connexion launches regularly scheduled weekly L-410 UVP flights from Bujumbura to Johannesburg during the first quarter of 2000. It also operates ad hoc jet charters throughout Africa south of the Sahara. Destinations are visited in Uganda, Rwanda, Tanzania, and the Democratic Republic of the Congo.

CITY EXPRESS, LTD.: Canada (1984-1991). Ailing **Air Atonabee, Ltd.** is purchased in March 1984 for C\$2 million by former the **Nordair, Ltd./Quebecair, Ltd.** vice president, Victor Pappalardo. Among the AAL assets are 5 Canadian-built Saunders ST-27s, which are stretched de Havilland DH 104 Doves with Pratt & Whitney of Canada PT-6 turboprop engines. Passenger boardings rise to 3,000 per month by June. A de Havilland Canada DHC-7 is acquired from **Arkia Israeli Airlines**, allowing retirement of 3 ST-27s.

The original services are continued from a base at Toronto Island Airport over two routes—to Ottawa via Peterborough and to Montreal (YUL). The DHC-7 and 2 ST-27s launch City Express service on September 13, the same day the carrier's name is officially reregistered under that title. Employing buses to transport passengers between airports and downtown locales, the carrier's boardings grow to 8,715 within a month.

A second DHC-7, acquired from **Henson Aviation** in the U.S., is placed in service in March 1985. The former **Nordair, Ltd.** route from Hamilton to Pittsburgh is now assumed with ST-27s. Hamilton is added as a stop on the Toronto-Ottawa run in August. Pappalardo's commuter, spurred on by deregulation, becomes the first airline to receive loan insurance guarantees from the Canadian government.

The AAA credit rating that the guarantees represent allows the borrowing of C\$15 million for the acquisition of 2 DHC-8s. The new turboprops are received in early September, allowing two more firsts: the first DHC-8s purchased by a privately owned Canadian airline and the first Canadian airline ever to take delivery of two Canadian-built aircraft on the same day. The newcomers are employed on September 13 to inaugurate daily service to Montreal in celebration of the carrier's first official anniversary under its City Express name. Ottawa-Hamilton service, begun in August, is stepped up in September.

In fall, daily Montreal-Ottawa service begins and with a Grumman Gulfstream I chartered from **Air Inuit, Ltd.**, weekend flights begin to Peterborough. Orders are placed for 2 more DHC-8s (with 4 options) as service Hamilton-Pittsburgh, Pennsylvania, begins on October 21. Enplanements for the year total 120,000.

Hamilton-Pittsburgh service is suspended in January 1986. A DHC-8-100 is leased from DHC between January and February and a new purchased machine replaces it in March. Flights from Toronto to St. Catharines begin seven times daily on July 28 with single-engine Cessnas and Pipers. Charter flights to Atlantic City are launched from Toronto, Montreal, and Hamilton in April under the title Atlantic City Express.

Direct Toronto-Quebec City service is inaugurated in October, in conjunction with offerings from the holiday package tour operator Pronto Tours. Nine daily ST-27 return flights begin Toronto Island to London, Ontario, in September. Passenger boardings increase to 295,450. City Express is now the largest remaining independent regional carrier in the nation.

Airline employment grows by 8.7% in 1987 to 350. The fourth and fifth DHC-8-100s are delivered in January and a sixth is leased for two months in February, the same month twice-weekly ski charters are undertaken from Toronto Island to Quebec City for transport overland to Mount St. Anne de Beaupre. Service to Peterborough is dropped in March and to Hamilton in May.

Late in May, another DHC-7 is acquired, this one from **Air Niugini (Pty.), Ltd.**, and joins the others in offering new routes to Newark and Detroit. **Southern Jersey Airways, Ltd.** provides another Dash-7 in August. It is employed to operate hunting charters to Schefferville during the fall. In December, the Montreal route is stretched on to Quebec City, Sept Iles, and Wabush.

Customer bookings for the nation's last remaining independent swell 18.8% to 353,000.

All 6 remaining ST-27s are retired on August 15, 1988, the same day scheduled services from Toronto Island to London and Rochester, New York, are dropped. The year's enplanements are kept confidential. Service from Montreal to Quebec, Wabush, and Sept Iles is cancelled in February 1989; however, flights continue between Montreal and Ottawa. In October, it is announced that City Express will become the first Canadian member of the **Continental Airlines** "Continental Express" commuter network.

"Continental Express" Dash-7 flights commence five days per week in May 1990, linking Toronto Island Airport and Ottawa with the Continental hub at Newark (EWR). Although traffic and financial statistics have not been available for some time, it is clear by midyear that the pioneer Toronto carrier is in trouble.

In July, the 4 DHC-8s are repossessed by Mutual Life of Canada, Ltd., which reports that no payments have been received for them since March and that almost C\$1 million is owed in principal and interest. The airline is restructured in September and although flights to Montreal end, the "Continental Express" schedule is maintained.

The company is forced into receivership and ceases operations in late February 1991 after creditors reject a tickets-for-debt plan. The carrier is now liquidated in an effort to recover the C\$46 million it owes.

CITY LINK, LTD.: Dubai, United Arab Emirates; Year Founded 1995. City Link is established by businessman Adel Khalifa al-Otaiba at Dubai in the fall of 1995 to offer amphibious third-level service between the Dubai Creek Marina, located at the Golf & Yacht Club and

the Al Ain Palace Hotel on the Abu Dhabi Corniche. A Dubai business association, the Al Qaisar Group, provides capitalization. Henning Norby, an experienced seaplane operator from the Maldives, is named managing director, with British pilot Capt. John Nowell as operations director.

Twenty-two-times-per-day revenue flights commence in December with a pair of float-equipped Cessna 208 Caravan Is. The aircraft are dressed in very bright livery depicting holiday scenes.

Operations continue apace in 1996-1999 as 5 more floatplane Cessnas join the carrier, allowing the initiation of charter flights throughout the U.A.E.

CITY LINK, LTD.: India (1991-1992). City Link, Ltd. is established in New Delhi in the fall of 1991 to offer scheduled passenger services to Calcutta and Bombay. Revenue flights begin in November with a single Rombac (BAC) 1-11-516 wet-leased from the Romanian manufacturer. Operations cease just after the start of the new year.

CITY LINK AIRLINES, LTD.: Port Harcourt International Airport, Port Harcourt, Nigeria; Phone 234 (90) 500 843; Fax 234 (90) 230 238; Code CRG; Year Founded 1988. Established as an FBO/charter operation at Port Harcourt in 1988, Managing Director Capt. Theo Onu's concern adds a scheduled airline division in March 1993. Employing an Embraer EMB-110 Bandeirante, flights begin to Abuja and Enugu.

By 2000, the fleet of the 26-employee company has grown to include 2 Embraer EMB-110 Bandeirantes and 1 EMB-120 Brasilia. These allow frequencies between the three communities to be increased.

CITYFLYER EXPRESS, LTD.: Iain Stewart Centre, Beehive Ring Road, Gatwick Airport, West Sussex, England, RH6 0PB, United Kingdom; Phone 44 (1293) 567 837; Fax 44 (1293) 567 829; <http://www.british-airways.com/inside/wrldwide/partners/franchise/docs/cityfly.shtml>; Code FD; Year Founded 1992. Euroworld, Ltd. is reorganized in January 1992 and is given this new title. Robert Wright remains as chairman with Brad Burgess as managing director. The company is 40% owned by its directors with financial support from the 3i Corporation. Airline employment is increased by 66.7% to 150. The fleet comprises 2 Shorts 360-300s, which are quickly repainted. The first of 2 Avions de Transport Regional ATR42-320s, the first to be operated in scheduled service by a U.K. airline, is delivered in April.

Scheduled passenger services are launched under the new name in May linking the 135-employee company's base at London (LGW) and Antwerp, Rotterdam, Leeds, Guernsey and Jersey.

The second ATR42-320 arrives in June and a third ATR42-320 is delivered in October. The third new turboprop allows the carrier, in November, to begin a roundtrip frequency over the old **Dan-Air/Dan-Air Services, Ltd.** route between Newcastle and London (LGW).

Enplanements total 236,292 and freight grows by 10.4% to 280,000 FTKs. Revenues total £6 million, but there is a loss of £506,000.

The workforce is increased by 30.7% in 1993 to 196 and the fleet is increased by 1 Shorts 360-300. Scheduled services are launched in January from London (LGW) to Leeds and Dublin. A fourth ATR42-320 is acquired under lease in early spring and is employed to inaugurate flights to Dusseldorf on May 1.

In August, the company becomes a code-sharing partner of **British Airways, Ltd. (2)** and begins to fly under the marketing name of "British Airways Express." The five-year franchise, or licensing, arrangement with the U.K. flag line involves no equity stake by the larger company and is designed to increase feeder traffic for both carriers at London (LGW), Leeds, and Bradford, providing service that appears "seamless."

It does, however, mean that in outward appearance the regional will resemble its patron. Aircraft are painted in modified BA colors, with BA interiors. Cabin crew and airport staff wear BA uniforms, while check-in and ticket counters resemble BA's and meals are served using BA sup-

plies. This pact, pioneered in essence by **Allegheny Airlines** over 25 years earlier, will be the model for later BA arrangements with regionals, as well as the franchise arrangements developed by the other European majors, including **Air France** and **Deutsche Lufthansa, A.G.**

The leased ATR42-320 is replaced in November by an owned unit. Passenger boardings swell 39.1% to 388,000 and revenues jump 36.5% to £16.8 million. Net gain totals £144,000.

Four new employees are hired in **1994** and the new ATR42-320 enters revenue service in January. Business-class service is introduced for European schedules; passengers are eligible to earn credits in BA's Executive Club frequent flyer program.

In April, flights begin from Leeds to Dublin and from London (CTN) to Paris (CDG).

Traffic figures are released through November and show that customer bookings have increased 45.5% to 496,418. Cargo dips 2.6% to 343,000 FTKs. Revenues reach £25.6 million and allow a £632,000 net profit, a 339.5% increase.

In **1995** airline employment is increased by 62.5% to 325 as a sixth ATR42-320 arrives in April under lease from **TAT European Airlines, S.A.**, another new BA affiliate. Additionally, the French line provides CityFlyer with 2 of the 3 new ATR72-202s that enter service beginning in November.

From Gatwick Airport, where the regional is now the second largest operator, flights are operated to Leeds, Newcastle, the Channel Islands, Ireland, Germany, and the Netherlands. The last Shorts 360-300 is retired in November.

During the year, the company complains to the European Union (EU) that the decision of the Flemish government to provide **VLM (Vlaamse Luchttransport, N.V.)** with an interest-free, unsecured BFr 20 million (\$680,000) loan is anticompetitive state aid, which is illegal under EU guidelines.

Enplanements skyrocket 85.8% to 730,000 and revenues reach £33.8 million. A net £956,000-million profit is posted.

The workforce is significantly increased in **1996**, growing another 23.1% to 400. Two more ATR72-202s arrive in January and February and a chartered ATR42-320 is delivered in March.

During the first quarter, the EU agrees with CityFlyer that the Flemish government loan to **VLM (Vlaamse Luchttransport, N.V.)** constitutes state subsidy. It rules that VLM must pay market rate interest to the government, backdated to the date of the loan, but rejects the British call that the loan be secured or repaid.

Thrice-daily frequencies are introduced from London (LGW) to Cologne and Bonn. During late spring, orders are placed for 2 Avro RJ100 jetliners.

Passenger boardings soar 28.4% to 862,284. Revenues surge 43.1% to £48.4 million, while net profit increases 196% to £2.83 million.

Once again in **1997**, the employee population grows dramatically, rising 55% to 620. The Avros enter service in March and April. Frequencies are inaugurated to Bremen and Luxembourg.

On September 20, a malfunctioning air conditioner fills the cockpit of an RJ100, with 47 passengers en route from Bremen to London (LGW) with smoke, necessitating an emergency landing at the destination; no injuries are reported.

In early October, the company purchases a fifth Avro RJ100 for delivery in the second quarter of the following year.

The company's fifth ATR72-202 is received in November, replacing the chartered ATR42-320. The following month, a third RJ100 is requested with a fourth taken as an option.

Customer bookings accelerate 31.5% to 1,134,226. Revenues accelerate 35.8% to £65.7 million and allow the net gain to climb 44.3% to £4.08 million.

On April 6, **1998**, thrice-daily RJ100 roundtrips begin from London (LGW) to Zurich. The flights are timed to link with **British Airways, Ltd. (2)** Gatwick departures to North and South America, the Caribbean, and Africa. In order to get the necessary slots, CityFlyer terminates its services to Leeds and Bradford.

The new RJ100 arrives at the end of May. When it enters service on June 1, it is the third of its type to operate on behalf of the company. By midyear, the carrier is offering 636 weekly departures from London (LGW) to 13 U.K., Irish, or Continental destinations.

In August, service is increased from London (LGW) to Luxembourg to four roundtrips every weekday.

After some months of planning, the decision is taken to become a full member of the BA Group. Consequently, on November 30, subject to government approval, the airline's financial backers reach a conditional agreement with **British Airways, Ltd. (2)** for the regional's purchase. Having acquired full ownership of its first franchise partner for £75 million (\$125 million), BA will allow it to continue operations under its own name, air operators certificate, fleet, board of directors, and the management team headed by Managing Director Burgess. The two airlines will, however, more fully integrate their networks and schedules.

Passenger boardings accelerate 15.4% to 1.31 million, while 4,000 FTKs are also operated.

Newly appointed Secretary for Trade and Industry Stephen Byers reacts to a complaint by **Virgin Atlantic Airways, Ltd.** in early January **1999**. Executives of Richard Branson's carrier claim that although they had been interested, they were not given a chance to bid on CityFlyer before its takeover by BA was arranged. Additionally, Byers indicates that the move raises competition concerns in that BA would gain control of 39% of all the takeoff and landing slots at London (LGW). Consequently, the proposed acquisition is referred to the U.K.'s Monopolies and Mergers Commission on January 20. A report of that body's findings will be made on April 28.

On March 7, **Virgin Atlantic Airways, Ltd.** announces that it will match any BA bid for CityFlyer Express. As the value of the BA bid is at present unknown, Virgin is bidding blind.

At the beginning of April, CityFlyer orders an eighth Avro RJ100 for delivery in the spring of 2000. Repainted in "British Airways Express" colors, an ATR72-212 is simultaneously wet-leased for two-and-a-half years from **British World Airlines, Ltd.**

The company currently flies 5 RJ100s in "British Airways Express" service, with 2 more aircraft scheduled for delivery in July and August. When the sixth RJ100 enters service in July, it is the first from any BA franchise partner to wear the new stylized Union Jack on its tail.

U.K. Trade and Industry Secretary Stephen Byers grants approval on July 26 for **British Airways, Ltd. (2)**'s £163.75 (\$117 million) takeover of CityFlyer. The authority is contingent upon the major's agreement to an hourly cap on its London (LGW) slots under a plan to be worked out with John Bridgeman, the U.K. competition commission and director general of fair trading.

Thrice-daily roundtrips commence on October 31 between London (LGW) and Hanover. Two services are operated with ATR72s and the third with an AVRO RJ100.

A proposal is made during the first quarter of **2000** to transfer the Manchester, Glasgow, Edinburgh, Paris, Aberdeen, Frankfurt, and Geneva routes to CityFlyer from the European unit of **British Airways, Ltd. (2)** at London (LGW). On March 26, **Aer Lingus Irish Airlines, Ltd.** begins to code-share on company frequencies between London (LGW) and Dublin.

The fleet is increased to 10 in April and May with the delivery of 2 additional AVRO RJ100s.

Having found efficiencies and cost savings from its London (LGW) ground staff worth £8 million, BA officials decide after all not to transfer seven routes from the major to its wholly owned subsidiary.

In mid-July, a \$360-million order is placed for up to 12 more AVRO RJ100s and RJXs, with 6 of the RJ100s to be delivered by November. At the end of September, the carrier is given the green light to take over in March the routes from London (LGW) to Toulouse and Bordeaux previously operated by the "British Airways Express" partner **Air Liberte, S.A.**

With the beginning of the winter schedule on October 29, all BA services to Jersey are consolidated at London (LGW); under the

franchise agreement, CityFlyer performs these services six times a day using AVROs.

CITYJET, LTD.: The Mezzanine, Terminal Building, Dublin Airport, Dublin, Ireland; Phone 353 (1) 844-5588; Fax 353 (1) 844-4588; <http://www.greenwich2000.com/lcy/cityjet.htm>; Code WX; Year Founded 1993. Under the leadership of Patrick Byrne, founder and managing director, CityJet is established at Dublin in late December 1993 as a franchise subsidiary of **Virgin Atlantic Airways, Ltd.** Equipped with a pair of former **Crossair, Ltd.**-operated British Aerospace BAe 146-200s in modified Virgin livery, the new regional begins daily roundtrip service on January 10, 1994, over a route linking its base with London (LCY). A BAe 146-100 chartered for a year from the Australian concern **National Jet System (Pty.), Ltd.** joins the fleet in July.

A new dual-designator route is opened with **Virgin Atlantic Airways, Ltd.** on June 16, 1995, between Dublin and Brussels. When the "Air France-Air Inter Express" program is established late in the year, CityJet holds discussions with the Paris-based major concerning its possible transfer into a code-sharing partnership. In exchange for subsidy, CityJet agrees that it would repaint its aircraft and fly medium- and low-density domestic or regional routes for the Air France Groupe.

The franchise agreement with **Virgin Atlantic Airways, Ltd.** is not renewed in 1996. Indeed, the British major on April 23 purchases **Eurobelgian Airlines, S.A.**, which will be reformed into **Virgin Atlantic Express, Ltd.** An "Air France Express" contract is signed instead.

The Irish airline now encounters financial difficulties. In December, CityJet is put into examinership (equivalent to U.S. Chapter XI bankruptcy) with accumulated losses of Ir£13 million and debts of Ir£2.4 million.

The carrier enters into survival discussions with **Malmo Aviation Schedule, A.B.** while also seeking a capital injection from Irish financiers. The Swedish carrier agrees to assist, providing as part of its Ir£1.75-million (\$6.6-million) rescue plan a BAe 146-200 that it has recently purchased from **USAirways**, as well as leasing and maintenance services valued at Ir£650,000.

In February 1997, the Malmo rescue plan is approved by the courts, giving the Swedish airline a 43% stake in Managing Director Byrne's concern. Another new investor is Yeoman International, which takes a 17% stake; Yeoman Chairman/CEO Paul Coulson becomes the airline's nonexecutive chairman. In addition, creditors agree to write off Ir£6 million in debts, including Ir£1.8 million of the Ir£2.4 million owed to London City Airport.

Two BAe 146-200s are now leased from **USAirways**. Although CityJet withdraws from its Dublin to Brussels route, it increases its frequencies from Dublin to London (CTY) to eight daily roundtrips in April.

In May, it also begins flying from Dublin into the new **Air France** facilities at Paris (CDG). In addition, a frequent flyer program, **Simply-City**, is introduced. In October, the company announces a 50% increase in passenger boardings on the Dublin-London (CTY) route in the six months ending September 30.

Given that it does not share the same strategy for the future of the company, **Malmo Aviation Schedule, A.B.** sells its 43% stake in CityJet on December 16. Following the buyout, Yeoman International has become the largest investor, having increased its shareholding from 17% to 20%; Standard Life boosts its stake from 16% to 20%, while four private shareholders, including Brendan McDonald, also increase their shares.

Simultaneously, the company purchases the two leased **USAirways** BAes, plus spare engines, for about Ir£12.8 million (\$18.5 million). The acquisition is partially funded through a \$10-million loan from the Anglo Irish Bank. The Malmo BAe 146-200 is retained on lease.

In October 1998, CityJet enters into discussions with **Air France** concerning the possibilities of deepening its franchise relationship with the French major. Negotiations are also held on the value of starting joint flights between London (LCY), Paris (CDG), and Strasbourg. These dual-designator flights commence, as do services to Malaga.

Late in December, **National Jet System (Pty.), Ltd.** of Australia offers Ir£3.5 million (\$3.7 million) over a seven-week period for a 60% stake in CityJet, Ltd. Plans are made to revamp the financially challenged Irish airline into a holding company in which a 40% interest would be owned by CityJet shareholders.

The NJS proposal also envisions the elimination of several routes from Dublin, including those to London (CTY) and East Midlands, and the reduction of the staff from 350 to 250.

On February 24, 1999, CityJet's board of directors, at the recommendation of senior management, rejects the offer, even though NJS has already paid a part of the purchase price.

In addition to the proposed downsizing, concern exists that the arrangement will be blocked by European Union regulations prohibiting non-EU nations from holding majority shareholding in EU airlines.

As reported in the March 10 issue of *Flight International*, the entire package had been part of a complicated secret enterprise between NJS, CityJet, and **British Airways, Ltd.** (2). The plan was to gain an existing air operators certificate that would allow the launching of a BA franchise airline in Italy with 5 former **UNI Airways Corporation, Ltd.** BAe 146-300s that NJS would lease from **Global Air Australia (Pty.), Ltd.**

Following the conclusion of the failed Australian gambit, CityJet begins to operate another of its 7 BAe 146-200s in "Air France Express" colors. One more of the type is wet-leased in late March from **Titan Airways, Ltd.** The aircraft will not be repainted while in service with the Irish line.

At the beginning of April, Managing Director Byrne negotiates a completely noncontroversial arrangement with London (CTN)-based **Air Foyle, Ltd.** Under its terms, the British carrier would assume controlling interest in exchange for a significant equity investment.

Acting via Air Foyle (Ireland), Ltd., **Air Foyle, Ltd.**, on May 17, completes and formalizes its deal with CityJet. In exchange for a £4-million (£Ir8-million) investment, the British carrier acquires a 50.01% majority stake. Air Foyle Chairman W. R. C. "Chris" Foyle becomes the Irish line's new chairman, while CityJet's founder Byrne retains his post as managing director.

Nonexecutive Chairman Coulson steps down as a director, but his company is approved to continue to organize the airline's aircraft leasing. Other minority shareholders include Standard Life, Murphy Insurance Group, Eugene Murtagh, and Brendan McDonnell. In reporting the story, *Irish Independent* reporter Gerald Flynn speculates that some of these existing shareholders may invest another £2 million, but notes that all now suffer a major dilution of their stakes.

In addition, **Air France** invests £2 million as a convertible loan. The French major's contribution will result in CityJet enhancing its role as an "Air France Express" carrier. As an additional number of its aircraft are repainted, CityJet expands its commuter services from Dublin to Paris, Florence, Nice, Toulouse, Madrid, and Strasbourg to a point where these flights account for half of the company's business. Service under its own name to London (CTN) and East Midlands brings in 25% of income, while wet-lease operations coordinated by Air Foyle (Ireland), Ltd. make up the rest.

The arrangement between CityJet and **Air France**, called a "sweet deal," is fully detailed in the financial pages of the May 21 issue of *The Irish Times*.

During the fall, a British Aerospace ATP is leased from **British World Airlines, Ltd.** and is placed on "Midland Cities Express" service five times a day between Belfast and East Midlands Airport.

Four-times-weekday (reduced on weekends) BAe 146-300 return service from Dublin to London (LCY) is begun by **Aer Lingus Commuter, Ltd.** in direct competition with CityJet on November 1. This competition causes a severe loss of market share for CityJet. With costs mounting and expenses for expansion pending, **Air Foyle, Ltd.** on December 19, elects to sell its 66% stake in the Irish airline.

Although **Air France** maintains that it has no plan to take the tendered shares, the 33% minority owner assumes the stake on February 17, 2000, naming Jacques Bankir CEO. The French promise to keep

their prize Irish-owned and licensed even as seven of its eight aircraft operate "Air France Express" flights from Paris (CDG) to Cologne, Dublin, London (LCY), and Florence.

A strange equipment exchange occurs on April 3 when CityJet dry leases a BAe 146-200 for six months from **Jersey European Airways, Ltd.** while JEA wet-leases a CityJet BAe 146-100 to operate its routes from Dublin to London (LCY).

The wet-lease BAe contract with **British European** (the renamed JEA) ends on October 20. Repainted in "Air France Express" colors, the jetliner begins flying from Paris (CDG) to Nantes on October 29. The same day, the company is selected by **Air France** to park a BAe 146 at Paris for use as a "hot spare," instantly ready for short-haul replacement service.

On November 6, CityJet becomes the first **Air France** franchise partner to have its entire fleet painted in "Air France Express" livery.

CIVAIR CHARTER SERVICES (PTY.), LTD.: P.O. Box 120, Newlands, Cape Town, 7725, South Africa; Phone 27 (21) 934-4488; Fax 27 (21) 934-4462; <http://www.civair.co.za>; Year Founded 1981. CivAir is set up at Cape Town in 1981 as a rotary-wing operation designed to provide domestic passenger air taxi and charter flights. Over the next decade, an extensive program of charter services, particularly to big game parks, is undertaken. In addition, various kinds of aerial work operations are initiated, including tourist flight-seeing, corporate transfer packages, and offshore helicopters up the nation's west coast.

By 1991, Chairman Andrew Cluver and General Manager James Blomenus oversees a 20-person workforce and a fleet made up of 3 Bell 206B JetRangers, 1 Bell 206L LongRanger, 1 Eurocopter BO-105CBS, 1 McDonnell Douglas MD-500E, and 1 each Robinson R-22 and R-44. All are painted in a bright red livery.

Flights continue in 1992-1996. In 1993, the MD-500E, in a distinctive pink and blue livery, is outfitted to provide medical evacuation and to serve as a flying traffic reporter, the Radio Good Hope Traffic Patrol. Medics from the Cape Town Fire Service are aboard every flight, making it possible for the helicopter to land and provide assistance.

The company continues to provide helicopter charters to various bush destinations. In the summer of 1997, for example, the company transports **Virgin Atlantic Airways, Ltd.** Chairman Richard Branson and his family in three helicopters from Bushmans Kloof. Microsoft Chairman Bill Gates and his wife Melinda are taken on a Peninsula tour, while actor Val Kilmer, according to the company newsletter, lives up to his reputation as an "enfant terrible" on a trip to Springbok.

In late summer, CEO Cluver determines that a need exists for a fixed-wing charter service to tie in with the offshore helicopter business. Consequently, the company is reformed during September into a two-division concern.

Leaving Blomenus to handle the day-to-day operations of the helicopter unit, CEO Cluver takes personal charge of the new fixed-wing division, establishing a base at Cape Town where a hangar with offices and workshops is erected. A Beech 58 Baron and a Beech King Air 90 are acquired, given the carrier's familiar red colors, and begin flights to tourist destinations, including Tswalu in the Northern Cape. Like the helicopters, the two fixed-wing aircraft are also leased for corporate charter and film work. A Learjet 45 is available for on-demand subcharters.

Meanwhile, in support of the bid by Cape Town for the 2004 Olympic Games, CivAir repaints a JetRanger in the bid color scheme. The Bell 206B has the impact of a flying billboard as it shuttles IOC officials to, from, and over the city.

The company's BO-105CBS completes a support contract for the exploratory phase of work to develop the deep offshore diamond mining company NAMCO. CivAir receives a contract to support the mining operation once full-scale mining begins.

It is reported that, since 1993, the Radio Good Hope Traffic Patrol aircraft has participated in the rescue of several lost hikers, saved victims of automobile accidents, delivered babies at the side of the road (two from cars and one from a bus), and even participated in the arrest of a fleeing murder suspect.

The offshore NAMCO contract begins in January 1998, with the BO-105CBS committed to the transport of workers and supplies to the mining vessel *Kovambo*.

When, during the spring, the resort at Bushmanskloof opens a new landing strip, it also acquires a Cessna 414, which CivAir agrees to fly under contract. CivAir also purchases a Pilatus PC-12. In addition, a Jet-Ranger is contracted to provide support to the Working for Water Project in the Eastern Cape, while the R-44 undertakes aerial observation service for a large Gauteng-based security firm.

The MD-500E is repainted in a glowing white livery, but continues to provide its traffic and medical assistance service.

The Bell 206B continues to provide flights for IOC members, the most distinguished being Prince Albert of Monaco. Other celebrities provided lifts include boxer Evander Holyfield, actor Wesley Snipes, and model Naomi Campbell, who takes a fast scenic tour and provides her autograph—on her credit card slip.

Flights continue apace during the remainder of the year and into 1999-2000. A homepage is opened on the World Wide Web.

CIVIL AIR TRANSPORT, LTD.: Taiwan (1946-1968). On October 25, 1946, ex-Flying Tigers chief Claire L. Chennault, his associate Whitney Willauer, and Chinese business leader Dr. Wang Wen-san sign a contract with the Chinese National Relief and Rehabilitation Administration creating **CNRRA Air Transport (CAT)** for charter operations. Up to \$2 million is supplied by Fiorello La Guardia's UN Relief and Rehabilitation Administration to purchase the new airline's aircraft, fuel, and supplies. The remainder of the year is occupied in setting up shop at Shanghai and recruiting a group of former U.S. 14th Air Force pilots and mechanics.

The first 3 CNRAA C-47s arrive at Shanghai from the Philippines on January 27, 1947. The initial mission to be flown is a nonscheduled all-cargo operation designed to carry relief to famine-plagued areas of three Chinese provinces cut off from land transport. The first proving operation is conducted on January 31 with a flight between Shanghai and Canton.

An aviator active with CNAC-1 and CAT, Felix Smith, recalls them both in *China Pilot: Flying for Chiang and Chennault* (London, Eng.: Brassey's, 1995).

On February 2, two of the three Douglas transports begin a medical relief contract that will eventually see 9,000 pounds of supplies flown Shanghai-Liuchow. Three days later, the third aircraft is employed to inaugurate scheduled passenger services between Shanghai and Canton. Between March 22 and May 22, C-47's in Operation Boo Peep shuttle 625 sheep Shanghai-Lanchow and Peking.

Throughout the remainder of the year, additional freight routes are opened and airline employment grows to 822. An additional DC-3 is acquired from the U.S. carrier **Northwest Airlines** in September and a significant number of war-surplus Curtiss C-46 Commandos are placed into service during the fourth quarter. CNRAA Air Transport makes its final flight on December 31, the same day it is officially liquidated.

For the year, a total of 27,600 passengers and 6,987,394 revenue ton-miles of cargo are flown, making the short-lived airline the world's largest cargo carrier.

Gen. Chennault and his colleague Willauer sign a new contract with the Chinese government on January 2, 1948, and resume operations the same day as Civil Air Transport, CAT. On January 18, CAT C-46s and C-47s begin flying a roundtrip supply and evacuation contract from Shanghai to Peking and Mukden.

Flights to Tihwa, in Sinkiang, commence on February 20. In April, 3 DC-3s arrive from **Northwest Airlines**. By May 25, 2,210 tons are taken into Mukden and 22,173 passengers taken out. Most of the carrier's aircraft are now employed in support of Nationalist forces during the civil war as various contracts are flown.

A final DC-3 arrives from **Northwest Airlines** in July. A C-46D, with 24 passengers, is lost near Tsingtao, on July 29 (18 dead).

The first international route is inaugurated on September 24 between Canton and Haiphong, in Indochina.

Between October 1 and 31, when Mukden falls, CAT delivers 1,289 tons of food and evacuates 10,000 people from the besieged city in 20 flying days. Between November 23 and December 31, the airline brings in 37,136 soldiers, 135 tons of ammunition, and 1,501 tons of rice to besieged—then lost—Hsuehchow.

A C-54B with 4 crew and 29 passengers is lost on Basalt Island on December 21; there are no survivors.

On the year, CAT registers 223,700 bookings and flies 88,238 tons of cargo.

CAT, **China National Aviation Corporation (CNAC-1)**, and **China Air Transport Corporation (CATC)** in January 1949 commit 14, 12, and 10 aircraft, respectively, to the relief of Taiyuan; they fly and air-drop 1,869 tons of food and 14 tons of cargo losing one C-46 (crew rescued) to AA fire. Although the supplies allow the city to hold out for three months, Taiyuan is lost on April 24 and the airlift ceases. Still, the operation will provide lessons for those undertaking the year's other big aerial supply operation, the Berlin Airlift. In June, an airlift is also inaugurated from Mentze to Haiphong in Indochina; it allows reopening of the tin mines in Yunnan Province.

With the disintegration of the Nationalist cause, to say nothing of runaway Chinese currency inflation, CAT faces economic ruin unless new capitalization can be located. During the summer, Gen. Chennault meets with executives of the U.S. CIA in Washington, D.C. concerning the airline's use as a covert asset.

Regularly scheduled operations by CATC and CNAC cease on August 17 and the airlines start sending their aircraft to safety in Hong Kong.

Mao Tse-tung proclaims establishment of the People's Republic of China on October 1. Early in the month, George Kennan, head of the Policy Planning Staff of the U.S. State Department, provides an analysis of the Chennault plan for the covert use of CAT. Although Kennan has not endorsed the idea, the CIA now enlists CAT in its secret war effort to save Nationalist China on Taiwan. On October 10, CAT and the CIA agree to enter into a formal charter arrangement. With the Nationalist cause on the mainland lost, CAT evacuates to Hong Kong on October 11.

On behalf of CAT, Tommy Corcoran, once an advisor to President Franklin D. Roosevelt, signs the formal charter agreement with Emmet D. Echols of the CIA's Office of Finances on November 1. The pact is good for \$500,000 to CAT, including \$200,000 up front. Alfred T. Cox is sent to Hong Kong by the CIA to represent company interests at the airline's new headquarters site.

C. Y. Liu, CNAC-1's Chinese managing director, defects to the Communists on November 9 with 10 of the company's 56-plane fleet plus the CATC Convair CV-240, the only one in China. Other Communist-oriented employees seize the remaining ships, bringing about their grounding when Nationalist officials revoke their airworthiness certificates. A group of pilots specifically pledge their loyalty to representatives of the U.S. co-owners on November 13 and two days later, Nationalist Gen. Shen is asked to take over CNAC.

At the end of November, plans are made to fly to the assistance of Gen. Ma Pu-fang, a Muslim leader in northwest China who claims to have 50,000 troops ready to combat the Chinese Communists. Before any missions can be laid on, however, Gen. Ma is defeated. The man manages to steal out of China aboard a CAT Douglas with his personal \$1.5-million fortune; he then books a Hadj flight to Mecca, where he retires.

On the year ending in November, the carrier has delivered 81,411 passengers and flown 21,964,565 revenue ton miles.

Those elements of the CNAC/CATC fleet at Hong Kong are now grounded under guard, but a British court in the crown colony acts on December 3 to prevent the Nationalists from taking control of the aircraft. Over the next several weeks, hundreds of out-of-work CNAC technicians and aircrew flee to Peking, secretly smuggling out maintenance manuals and spare parts for the planes acquired on November 9.

A C-46 with 38 passengers is lost near Lanchow on December 9; there are no survivors. Another Commando, with 40 passengers, is lost at Hoikow on December 10 (17 dead).

Civil Air Transport moves from the British crown colony to Taiwan on December 16. Realizing that the CNAC-1 operation on the mainland cannot be saved, its former CEO, William Langhorne Bond, returns to New York and begins negotiations with Chinese Nationalist representative T. V. Soong, seeking \$2 million (the appraised value of **Pan American Airways'** 20% interest) for the carrier. A \$1.25-million sale on behalf of PAA is completed, also on December 16.

Three days later, Gen. Chennault and Whiting Willauer, on the basis of a bill of sale to themselves, register a large fleet of transports in the U.S., including some previously flown by CNAC and CATC. Ex-CEO Bond and CNAC's Chinese directors meet at Hong Kong on December 31 to dissolve Pan Am's interest and pass the remainder of the airline to the Nationalist government for CAT.

On behalf of attorneys for PAA and the new People's Republic of China, the Hong Kong Supreme Court on December 31 grants an injunction against the removal of the former CNAC/CATC fleet to Taiwan.

All operations on mainland China stop in January 1950 after the fall of Mengtze. CAT's owners, represented by former Office of Strategic Services (OSS) chief William J. "Wild Bill" Donovan, now become embroiled in a legal battle for possession of the remaining transports of CNAC and CATC at Hong Kong, some of which they had registered in the U.S. in December.

Financially distressed, CAT's officials sign an option on March 24 to sell the carrier to "undisclosed principles," i.e., the U.S. CIA, which option is exercised by August. CAT is now reorganized as a Delaware-based subsidiary, CAT Incorporated, of a new CIA holding company, the Pacific Corporation. The airline will continue to provide public, commercial services throughout Asia under its previous CAT moniker, but, as CAT Incorporated, it will also provide the men and airplanes for covert operations.

During these corporate and covert dealings, the airline continues to provide commercial services. On April 20, the company launches from Taipei a weekly roundtrip service that visits Hong Kong, Bangkok, Singapore, and Tokyo. Following the North Korean invasion of South Korea on June 25, CAT C-46s and C-47s, in Operation Booklift, begin flying various cargos Japan-South Korea in association with the U.S.

On September 8, an extensive contract is awarded by the Far East Air Material Command, USAF. In December, following the Chinese invasion, CAT participates in the evacuation of wounded and other passengers from Yonpo, losing three C-46s in crashes between December 8-10.

The legal battle in Hong Kong has, meanwhile, gone against Chennault and Willauer, with the civil courts ruling in favor of Communist claims on several occasions, even agreeing, once the Peking-based lawyers had settled certain financial claims with CNAC-1 creditors, to release \$300,000 in CNAC-1 funds to the mainland Chinese.

The U.S. government protests to the U.K., which orders the disputed aircraft held pending a local court ruling, which, as it turns out, again favors Peking. Meanwhile, a U.S. Federal Court in San Francisco also hears evidence and awards the remaining CNAC-1 assets to Chennault and Willauer.

In February 1951, 3 Civil Air Transport C-46s and 1 C-47 are assigned to support Operation Paper, a CIA covert incursion into Yunnan. Employing ex-Nationalist Chinese troops from the Shan states of northern Burma under Gen. Li Mi, CAT aircraft stationed at Bangkok under Agent Cox drop arms acquired from a CIA depot on Okinawa. They also drop agents into northern Burma where they are to assist and train the general's soldiers for operations in Yunnan Province.

With air drops from CAT aircraft, 2,000 of Gen. Li Mi's troops advance into Yunnan in April, but are driven out by Communist troops within a week.

In the spring, the carrier contracts with the U.S. Special Technical and Economic Mission to begin flying medical supplies Tokyo-Hanoi. About the same time, a domestic Taiwanese route network is established, possibly as cover for clandestine operations. Between April and December, C-47s parachute CIA-backed guerrilla and intelligence teams into North Korea.

A second operation into Yunnan Province in July by soldiers of Gen. Li Mi, again supplied by air, is thwarted as quickly as the first attempt. Undaunted, the CIA hires engineers to open a World War II landing field at Mong Hsat for CAT aircraft.

On December 16, international scheduled service is inaugurated to Bangkok and Tokyo. Even as the Korean War rages, the legal battle for possession of the CNAC fleet at Hong Kong continues. This year the Communists, blocked by hostilities from appearing before the Hong Kong Supreme Court, still manage to win that body's approval to take over the planes. The decision is delayed when the U.S. again pressures Great Britain, but the British reaffirm Hong Kong's decision on December 29.

In March 1952, unmarked Boeing B-17s and C-47s from Taiwan begin support of CIA covert operations on the Chinese mainland and Manchuria by flying in and air dropping agents, supplies, and leaflets; the aircraft are piloted by expatriate pilots from Eastern Europe. Operation Paper remains in full bloom as CAT aircraft support Nationalist Chinese troops, which have joined the forces of Gen. Li Mi in northern Burma. When the Soviet Union raises the question of covert U.S. aid at the UN, it is claimed that financing for the general has been acquired through the sale of drugs.

Overt scheduled service is inaugurated from Taipei to Pusan on March 30 and to Manila on June 25.

During July, Gen. Chennault is, by special arrangement, allowed to argue CAT's legal case before the Privy Council in London and also before the Hong Kong Supreme Court. On July 29, the British government awards 40 CNAC aircraft to CAT, which takes possession of them on August 1.

Gen. Li Mi returns to Burma from Taiwan in August and leads 2,100 Nationalist troops, again supported by air, some 60 miles into Yunnan Province. Following another expulsion, the Nationalist leader turns against his unwilling Burmese hosts, becoming a renegade whose actions will poison relations between Rangoon and Washington for a decade.

Two other DC-4s impounded at Hong Kong are leased to the carrier on September 19 and are immediately placed into service on commercial routes, sometimes being employed on night covert flights over the People's Republic of China. The Hong Kong Supreme Court follows suit and agrees to release 31 ex-CATC aircraft on October 9.

A C-47 is lost on November 29 during an Operation Tropic agent pickup flight to Kirin Province. Aboard are two CIA operatives, Richard G. Fecteau and John T. Downey, who are captured by the Communists and imprisoned until 1971 and 1973, respectively. The loss of Fecteau and Downey more or less ends the covert assault on Manchuria.

The huge fleet that is finally won far exceeds CAT's requirements and plans are made to dispose of most of it, although the C-46s will be retained for cargo work on Taiwan and throughout Southeast Asia.

Alfred T. Cox becomes president/general manager on January 19, 1953. Between May 6 and July 11 in Operation Squaw I, CAT pilots, flying C-119s supplied to the French by the USAF, drop supplies to French paratroopers in the Plaine des Jarres, Laos. A total of 21 CAT pilots, familiar with the C-119, are dispatched to Indochina to assist the French and, in fact, outnumber the number of French Air Force in-country pilots tasked to operate the "Flying Boxcar." The Korean War ends with an armistice and partition of the country on July 27.

As the result of a conference held in Bangkok, it is arranged that CAT will remove the troops of Gen. Li Mi from Burma. On November 9 in Operation Repat, 8 C-46s commence flying Li Mi's ex-Nationalist soldiers from Burma and Thailand to Taiwan; 2,250 people are repatriated by December 8.

Between February 14 and March 20, 1954, CAT C-46's fly 3,475 people in Operation Repat flights to Taiwan. When the project is completed, CAT has flown a total of 5,583 soldiers and 1,040 of their dependants to Taiwan, receiving payment of \$125 per head from U.S. foreign aid funds. Also returned are 1,000 rifles, 69 machine guns, and 22 mortars, which represent only a fraction of the arms CAT had dropped earlier.

Meanwhile on March 13, airline pilots in French C-119s, led by chief pilot Paul R. Holden, commence Operation Squaw II relief flights from Haiphong to besieged troops at Dien Bien Phu. Holden is wounded by antiaircraft fire on his fifth flight.

By May 7, when the garrison surrenders, the CAT-manned aircraft have flown 684 airdrop missions. Piloted by James B. "Earthquake McGoon" McGovern and Steve A. Kursak, a C-119 is shot down over Dien Bien Phu just hours before the collapse; McGovern is killed. The CAT pilot with the most Squaw II missions is A. L. Judkins, with 64, followed by Steve A. Kusak with 59.

From May–July, isolated French outposts are also supplied by air. Following the Geneva settlement, CAT is contracted to assist in the exchange of refugees.

Between August 22 and October 4, in Operation Cognac, 19,808 passengers are flown out of North Vietnam while simultaneously—and covertly—arms and agents are smuggled in from the south. Overt scheduled services are launched on September 9 from Taipei to Seoul via Pusan. Also during the year, legislation is enacted requiring Chinese Nationalist citizens to own a majority interest in the airline.

In 1955, the Chinese Nationalist government on Taiwan officially acquires controlling interest in Civil Air Transport. Civil Air Transport Company, Ltd. is established to take over from Civil Air Transport, Inc. Shareholding is divided between the government (51%), CAT, Inc. (41%), and private Chinese interests (9%). No new capital is invested and, in fact, the company's assets are now transferred to Asian Aeronautical Company, Ltd. (later Air Asia Company, Ltd.), which leases aircraft to the carrier and provides its personnel.

During the remainder of the year and also in 1956–1957, additional commercial routes are opened, covert missions flown, and new aircraft ordered. Registers show 23 C-46s in operation. In October of the latter year, an unmarked CAT B-17 flying from Kermittola, Pakistan, initiates Operation Stbarnum, the aerial delivery of U.S.-trained Tibetan agents into Chinese occupied Tibet.

During 1958 the carrier's legitimate and covert aircraft provide logistical and operational support to the insurgents attempting to overthrow the government of Indonesian President Sukarno. CAT pilots, acting in the guise of soldiers of fortune, fly B-26 raids in support of insurgent forces on Sumatra. One of these, Allen Pope, is shot down during the operation on May 18 and held prisoner for four years. Gen. Chennault dies in New Orleans on July 27.

A Douglas DC-6B is placed in service in October 15 and begins to operate an international service from Taipei to Hong Kong known as "The Mandarin Flight." Another DC-6, a military C-118, is secretly acquired from the USAF 322nd Troop Carrier Squadron on Okinawa for use in support of an expanded Operation Stbarnum.

In March 1959, during the Tibetan revolt against Chinese Communist occupation, the C-118 drops agents into Tibet who are able to assist the flight out of the Dalai Lama. CAT aircraft begin to support guerrilla raids into Tibet and to bring the first of 700 potential guerrilla fighters out for transfer to and training in the U.S. When the airlift of the newly trained agents begins during July, it is operated nightly by contract CAT pilots employing unmarked USAF Lockheed C-130 Hercules freighters.

In 1960, CAT Incorporated is split into three separate subsidiaries of the Pacific Corporation. The original company launched by Gen. Chennault, CAT, provides scheduled domestic service for the Chinese Republic, as well as open and covert charter flights. Air America acquires most of CAT's former Indochinese responsibilities and Air Asia becomes a huge Taiwan-based maintenance and service organization.

Operation Stbarnum, for all intents and purposes, ends on May 1 when the Soviets shoot down the U-2 of Francis Gary Powers. Since the previous November, CAT aircraft have not only delivered agents into Tibet, but almost 400 tons of cargo for the resistance as well. Only two or three more missions will be operated after the election of President John F. Kennedy in November.

The first jetliner, a Convair CV-880M, is ordered and on June 5, 1961 it is delivered at San Diego and christened by Madame Chiang Kai-shek

as the *Mandarin Jet*; it will become famous for its elaborate interior motif depicting ancient China. The first M model delivered, the *Mandarin Jet* begins Mandarin services on July 12 from Taipei to Hong Kong, followed by flights to Okinawa on July 14, and Tokyo and Seoul on July 17. The last DC-4 is retired on July 31.

Between **1962–1963**, the CAT fleet grows to include 4 DC-3s, 4 DC-4s, 1 CV-880, 2 PBV-5As, and 17 C-46s. Covert missions continue into Indochina. Plans are made to divest the company of its domestic services.

In **1964**, the CIA elects to divest itself of the noncharter portion of the carrier and begins a three-year process of turning it over to the Nationalist government, which already “officially” controls it, but is not prepared either technically or psychologically to assume full responsibility. Employing C-46s and Beech 18s, another “Company” proprietary airline, Air America, assumes CAT’s services to Okinawa and the Ryukyu Islands.

The first domestic route to be withdrawn, from Taipei to Taitung, is turned over to **Foshing Airlines** on January 18. While on a June 21 Pescadores to Taipei flight, a C-46, with 5 crew and 52 passengers, crashes at Shengkang under mysterious circumstances, killing all aboard, including Malaysian movie mogul Dato Loke Wan Tho, reportedly the richest man in Asia. Flights to the offshore island of Makung end on July 18 and frequencies from Taipei to Hualien are turned over to **China Airlines, Ltd. (CAL)** on December 31.

Operations continue apace in **1965** and, in **1966**, President George A. Doole (who is also a career CIA officer and ex-pilot for **Pan American World Airways-1**) oversees 5,000 employees of the Pacific Corporation, a company that, on paper, has a net value exceeding \$22 million. Services are suspended to Manila on October 5 and Seoul on October 11.

In late **1967**, a B-727-92C jetliner is acquired by lease from another CIA proprietary airline, **Southern Air Transport**, which delivers it in January **1968**, the same month in which the CV-880M is sold to **Cathay Pacific Airlines (Pty.), Ltd.** It will be delivered to the Hong Kong-based flag carrier on October 1.

Coming into Chang Kai Shek Airport at Taipei after a flight from Hong Kong on February 16, Flight 1010, the new B-727-92C *Mandarin Jet* with 11 crew and 52 passengers descends below the glide slope, touches down, and rolls 200 m. before becoming airborne again. The plane then strikes a line of trees and crashes into a farmhouse on a tea plantation at a point 11 km. NW of the runway. Twenty-one people are killed aboard the jetliner and one on the ground.

The *Mandarin Jet*’s U.S. pilots S. E. Dew and H. H. Hicks go on trial for manslaughter on March 25, even though there is no precedent for the trial of commercial pilots on criminal charges in an aircraft accident.

At this point, **China Airlines, Ltd. (CAL)**, having received a large cash payment from the CIA, is authorized to take over the remaining international services in the following spring. The trial of Dew and Hicks ends on May 21 before a verdict is rendered; the novel *A Band of Brothers*, by famed aviation writer Ernest K. Gann, will be based on this incident. On April 2, the company announces that it will suspend international passenger service and limit its flights to cargo runs. CAT domestic operations continue a short while longer, but end, together with the airline, on May 29. In a footnote, the trial of Dew and Hicks is resumed in late fall, but both men are acquitted on January 20, **1969**.

CLAIRWAYS, LTD.: Kenya (1947–1952). With a base at Nairobi West Airport, Clairways is established in **1947** to provide charter and scheduled services to regional destinations. The company’s primary route, from Nairobi to Aden via Kismayu, Mogadishu, Hargeisa, and Berbera, is operated with 3 Avro Anson Vs until **1952**.

CLARKSBURG AIRWAYS: United States (1930). The first indigenous West Virginia airline, C.A. is established north of that city in the fall of **1930** to offer scheduled passenger service via Fairmont and Morgantown to Pittsburgh. A Travel Air 6000 is acquired and revenue services commence in October. The air transport experience is so new to the region and traffic is so light that the carrier folds within a month.

CLARKSVILLE FLYING SERVICE: United States (1972–1975). CFS is established at Clarksville, Tennessee, in **1972** to offer scheduled daily air taxi flights to Nashville and to local airfields on the border between Tennessee and Kentucky. Cessna lightplane frequencies are duly inaugurated and are maintained until **1975**.

CLASSA. See **CONCESSIONARIA LINEAS AEREAS SUBVEN- CIONADES, S.A.**

CLASSIC AIR. See **BUFFALO AIRWAYS**

CLASSIC AIR, A.G.: Ackerstr. 2, Buelach, CH-8180, Switzerland; Phone 860-4424; Fax 860-4707; http://www.classicair.ch; Year Founded 1985. Classic Air is established at Grenchen on November 7, **1985**, 50 years after the inaugural flight of the Douglas DC-3, to undertake nostalgic passenger charters with refurbished examples of “The Plane That Changed the World.” The first Douglas transport is ready to offer exclusive tour and passenger charters to various European destinations from Zurich Airport in **1986** and the initial months of service prove so successful that a second DC-3 is acquired in **1987**.

Flights are operated without incident in **1988–1990**. While over Heidelberg on a December 22, **1991** service from Frankfurt, a DC-3A with 3 crew and 29 passengers encounters turbulence; the Douglas transport makes a standard left turn to escape, but strikes a cloud-shrouded, tree-covered hill (28 dead).

Operations continue apace in **1992–1994**, with a replacement DC-3 placed into service. A total of 9,000 passengers are transported during the latter year.

The workforce is reduced by 17.2% in **1995**, falling to 29 while customer bookings are off 35.5% to just 6,200. The 2 Douglas transports remain in operation during the remainder of the decade.

CLASSIC AIR AVIATION SERVICES: 9, Frishman Street, Tel Aviv, 63578, Israel; Phone 972 (3) 527-4057; Fax 972 (3) 522-1648; Year Founded 1995. CAAS is set up at Tel Aviv in **1995** to provide aircraft leasing, passenger services specializing in refugee movements, and cargo services, primarily the delivery of automobile parts and perishables. In **1996**, a single scheduled cargo route is opened to Liege. By **1998–1999**, General Manager Joseph Ades fleet includes 1 each Antonov An-124-100 Ruslan and an Ilyushin Il-76.

CLASSIC AIRWAYS, LTD.: United Kingdom (1997–1998). Classic Airways is established in May **1997** by **British World Airlines, Ltd.** and the aircraft broker Independent Aviation Group to provide wet-leased, standby aircraft for ad hoc charters or replacement services. David Chubalashvili is chairman and he begins revenue services in October with a single Lockheed L-1011-100 TriStar under British World’s operating certificate.

On May 9, **1998**, Classic charters an L-1011-50 TriStar from Investors Asset Holdings; the wide-body had previously been operated by **Caledonian Airways, Ltd.**

On September 20, **British World Airlines, Ltd.** suspends permission for Classic operations on its certificate. The move forces Classic to ground its 2 TriStars, one of which is the subject of a maintenance dispute with Marshall Aerospace.

Unable to regain an operating certificate, Classic shuts down.

CLASSIC HELICOPTER CORPORATION: 6505 Perimeter Road, South, Boeing Field, Seattle, Washington 98108, United States; Phone (206) 767-0515; Fax (206) 767-4018; Year Founded 1982. While teaching high school English in Texas in the **1970s**, Karen Walling makes the social acquaintance of Torrance, California-based helicopter manufacturer Frank Robinson. She accepts his invitation to become Robinson Helicopters director of marketing and takes the opportunity to train on the firm’s R-22s.

Finding western Washington state to be a rich potential market without a Robinson dealership, Walling resigns and moves to Seattle, where she opens Classic Helicopter at Boeing Field in **1982** with two R-22s.

Focusing on flight training and sales, the new owner/president later moves into charters, adding one new helicopter per year.

Operations continue apace during the remainder of the decade and, by **1990**, Classic is the largest helicopter training firm in its region. During the year, the Plum Creek Timber Company signs a contract to employ Classic helicopters for aerial reconnaissance and tours.

Other corporate clients attracted during the early **1990s** include The Boeing Company, Weyerhaeuser, and several motion picture and documentary filmmakers. Revenues from flight operations, maintenance and service, and sales approach \$6 million per year.

In **1994**, Walling and Chief Pilot Roger McKean oversee the operation of 7 Robinson R-22s, 2 Bell 206B JetRangers, 1 Hughes 500E, and 1 Eurocopter AS-350B. Work is begun on a \$2-million headquarters building, scheduled to open in late **1995**.

In **1996-1999**, President Walling's fleet is increased by the addition of an eighth R-22 and several Bell 206L-3 LongRangers equipped to battle wildfires.

The **2000** fire season is the worst in the U.S. West since 1994, with over 67,000 fires consuming in excess of 5 million acres in Washington, Oregon, California, Idaho, New Mexico, and Montana by mid-summer.

Spectacular fires first grasp the attention of world viewers in May and June when television networks picture the huge fires raging through New Mexico, including the Los Alamos area where a nuclear facility is located. The Cerro Grande fire consumes over 47,650 acres of federal forest and wildlands in the Bandelier National Monument while the stubborn Viveash fire in Santa Fe National Forest burns over 30,000 acres. Classic is one of 10 civil helicopter operators assigning assets to the fires; its Bells will later move on to fight the summer forest fires in Washington and Montana.

CLAY LACY AVIATION: 7435 Valjean Ave., Van Nuys, California 91406, United States; Phone (818) 989-2900; Fax (818) 989-2953; <http://www.claylacy.com>; Year Founded 1968. Former United Air Lines pilot and noted national air racing champion Clay Lacy establishes this jet charter FBO and flight business in **1968**. Two years later, Lacy, who continues to race, captures the Unlimited Air Race Championship.

In association with Bill Lear, developer of the Learjet, Lacy continues to expand his charter operation during the next three decades. During these years, Lacy branches out into aerial photography, developing the camera system known as "Atrovision," and assists in the filming of scores of commercials and feature motion pictures with aviation themes. In January **1988**, Lacy is pilot of the 36 hr. 54 min. record-making world circumnavigation made by the United Airlines Boeing 747SP *Friendship One*.

By **1997**, Lacy maintains facilities at 3 locations around the country and employs 28 full-time pilots. In the east, a Grumman G-1159 Gulfstream III is based at Gwinnett County-Briscoe Field in Lawrenceville, Georgia, from which location it flies passenger, cargo, air ambulance, patient transport, and aerial photography missions.

The same mission is performed by 1 each Cessna 525 Citation, Beech Super King Air 200, and King Air 90 based at Boeing Field, King County International Airport at Seattle.

The bulk of Lacy's charter fleet is based at Van Nuys. Flown from California are 4 Grumman Gulfstreams, 3 Learjet 35As, 2 each Learjet 24s and Learjet 25s, and 1 Learjet 55.

Flights continue in **1998**. Having reported the progressive loss of all electrical systems while en route from San Diego, a Learjet 55B with two crew and five passengers makes a gear-up landing at Los Angeles (LAX) on December 17. Although the aircraft is badly damaged, no injuries are reported.

Service is maintained in **1999-2000**.

CLINTON AERO SERVICE: United States (1972-1984). Clinton Aero is formed as an FBO by Anthony von Elbe and E. James Drollette at Clinton County Airport, Plattsburgh, New York, in **1972**. In addition to ground operations, the company forms the usual adjunct air taxi service.

The decision is taken in **1981** to establish a scheduled airline division, equipping it with a Cessna 172 and a Piper PA-23 Aztec. These are employed to begin daily roundtrips to Burlington, Vermont, on April 1.

In **1982**, the company applies for and obtains a contract to begin Essential Air Service (EAS) flights with a mixed fleet that over the next year comes to comprise 2 Beech 99, 2 Piper PA-31-350 Navajo Chiefs, 1 Cessna 404, 2 Cessna 172s, and 1 Cessna 340A. Provided with a \$1.9-million EAS subsidy from the federal government, Clinton initiates flights from Plattsburgh across Lake Champlain to Burlington, Vermont.

In **1983**, former Air North President John Sullivan joins the carrier as vice president-finance. Sullivan and von Elbe approach Brockway, Inc., which earlier had purchased the "Allegheny Commuter" partner Crown Airways, to ascertain that corporation's interest in investing funds in Clinton for the purchase of Beech 1900s. In fact, negotiations completed on August 1 result in the commuter's sale, effective early the following year. Enplanements for the first EAS year total 46,000.

Early in **1984** the carrier's purchase by the Pennsylvania-based Brockway Corporation is completed and on May 1 it begins flying as Brockway Air. Later in the summer, Brockway acquires Burlington-based Air North as well; the two neighboring companies are amalgamated, with Sullivan as airline division president and Clinton founder von Elbe as vice president/general manager.

On September 1, Brockway Air, comprising two internal divisions, the former Clinton as Brockway Air (N.Y.) and the former Air North as Brockway Air (Vt.), commence integrated operations over the combined route network of the merger partners.

CLINTONDALE AVIATION: West Bridge, Ltd. Business Centre, Leningradsky Pr 37, Building 14, Moscow, 125167, Russia; Phone 7 (095) 967-8660; Fax 7 (095) 155-6536; <http://www.clintondale.com>; Code CD6; Year Founded 1995. This Russo-American joint venture company is set up by Colin J. Hamilton and Yuri Konovalov at Moscow in January **1995** to operate executive and small group passenger charters. CEO Konovalov works out of the operating headquarters in Moscow, while President Hamilton remains at corporate headquarters in Highland, New York. Managing Director Konovalov begins revenue flights with a single Tupolev Tu-134.

A 50% equity stake in the concern is taken on June 5, **1996** by Louisiana-based Petroleum Helicopters, specializing in the provision of rotary-wing air transport. Its chairman, Carroll W. Suggs, becomes Clintondale board chairman, while PHI CFO Michael J. McCann joins the board. The two begin to jointly operate a Bell 212 on an oil-industry support contract in Kazakhstan.

Under the direction of Chairman Carroll Suggs and International Vice President Gary Weber, plans are made to further enlarge, via Clintondale, the PHI presence in the CIS.

Between **1997-1999**, the fleet is enlarged to include 2 each owned Let 410UVPs and Mil Mi-8MTVs, plus 2 Tupolev Tu-134As, 4 Yakovlev Yak-40s, and 4 Mi-8MTVs under charter. Other aviation assets are also available under lease. Clintondale comes to specialize in VIP air tours, aviation project support, and medical evacuation. Indeed, successful medevacs are completed from Kazakhstan and Russia to Helsinki, Budapest, and London. The affiliated subsidiary KazAir West is acquired.

On December 23 of the latter year, Clintondale begins the operation of two each chartered Mi-8MTVs and Mi-26s as part of an international relief effort in East Timor.

The Clintondale participation in East Timor comes to an end in March **2000**; the U.S. Department of Defense sends the carrier a certificate of appreciation for its work.

Longtime operations executive Konstantin Safronov becomes chief operating officer on June 12, while, on June 30, the board of the Central

Asian American Enterprise Fund is flown to its annual meeting at Baku aboard one of the carrier's Yak-40s.

One each VIP-outfitted Cessna Citation X and KazAir West Yak-40 become available for charter throughout Kazakhstan and the CIS on July 27.

CLIPPER AIR INTERNATIONAL: United States (1975–1976). J. S. Jervis establishes CAI at St. Croix in the U.S. Virgin Islands in the fall of 1975 to provide scheduled passenger services to regional Caribbean destinations. Daily Beech 18, Piper PA-23 Apache, and PA-34 Seneca revenue roundtrips commence linking the company's base with St. Juan, St. Martin, and Tortola.

The company is not a success and fails before its first birthday in 1976.

CLIPPER INTERNATIONAL, LTD.: Switzerland (1980–1983). Organized at Basel in late 1980, Clipper International initiates intercontinental jet charter and contract service flights to West Africa with a Boeing 707-320C in early 1981. The carrier is unable to achieve financial viability and after being dormant for a part of 1982, shuts its doors in 1983.

CLS CZECHOSLOVAK AIRLINES (CESKOSLOVENSKA LETECKA SPOLECNOST): Czechoslovakia (1927–1939). The Czech Ministry of Public Works organizes this rival to the established state carrier in the spring of 1927 in order to offer flights to Western Europe. A joint stock company, shareholding is also held by the giant Skoda armaments concern.

Smaller than competing **CSA Czechoslovak Airlines**, CLS is, throughout its 12-year history, equipped with more modern aircraft, beginning with 4 Fokker F-VIIb/3ms and 5 Avia BH-25s. Working in cooperation with **Deutsche Lufthansa, A.G. (DLH)**, subsidized services are started from Prague via Leipzig and Essen to Amsterdam; from Prague via Munich and Zurich to Basel; and from Berlin to Vienna via Prague.

Enplanements total about 3,500 in 1930 and the fleet includes 2 Fokker F-VIIAs and 7 F-VIIb/3ms. In 1931, a fleet of 5 Avia BH-25s is acquired and placed into service on the company's Prague to Berlin and Rotterdam frequencies.

The fleet is enhanced further as the decade develops. Among the newer types received are the 2 former **KLM (Royal Dutch Airlines, N.V.)** Fokker F-XVIII *Rijstvogel* and *Kwartel*, purchased in 1935–1936; they enter service on routes from Prague to Berlin and Vienna.

An unidentified Fokker en route to Amsterdam from Prague crashes at Bruelon, Germany, on April 7 of the former year (seven dead). The first of 3 Douglas DC-2s is delivered on November 5.

In 1937, in cooperation with **KLM (Royal Dutch Airlines, N.V.)**, the carrier launches a weekday Blue Danube Air Express from Rotterdam via Prague and Vienna to Budapest. The fleet is now enlarged by the addition of 2 more Douglas DC-2s (on July 12 and November 29) and 4 of the first DC-3s employed in Europe.

The Rotterdam end of the Vienna route is extended to London (Croydon) in 1938. On August 14, a DC-2 crashes at Kehl, Germany (17 dead). Late in the year, flights are offered from Prague to Marseilles via Munich, Zurich, and Geneva and from Prague to Berlin via Vienna in cooperation with Austroflug, A.G.

Following the German invasion in the spring of 1939, CLS ceases flying and its resources are acquired by **Deutsche Lufthansa, A.G. (DLH)**, beginning with 3 DC-3s on August 24 and the remaining DC-2s and DC-3s in July–August 1940. In March 1941, the DC-2s are transferred to the Finnish line **Aero O/Y** and christened *Voima* and *Sisu*.

CLTM AIRLINES (CARABISCHE LUCH TRANSPORT MAATSCHAPPIJ, N.V.): Netherland Antilles (1962–1986). This privately owned all-cargo airline is formed at Curacao on November 17, 1962. Equipped with a Douglas DC-3, the carrier began service in early 1963, initially operating cargo feeder flights for **KLM (Royal Dutch Airlines, N.V.)** between Curacao and Miami. A DC-4 is acquired in 1964.

Later, in 1969, the company is designated the nation's official freight airline and scheduled services are started. To provide additional lift, 1 DC-6A and 2 Curtiss C-46 Commandos are purchased. The U.S. CAB authorizes a three-year foreign air carrier permit in 1972. When the certification is renewed in 1975, the C-46s are withdrawn and sold.

Flights continue into the 1980s with 3 leased DC-6A freighters, which permit several weekly frequencies between Curacao, Aruba, and Miami. Airline employment in 1985 stands at 12. Operations cease in 1986.

CLUB AIR, LTD.: Ireland (1987–1988). Club Air is established at Dublin in late 1987 to offer inclusive tour and other charter passenger flights to European and Mediterranean holiday destinations, as well as a scheduled service linking its base with London (CTN). Operations commence with a single Boeing 727-046 leased from **Virgin Atlantic Airways, Ltd.**

Early in 1988, Virgin upgrades its lease to a B-727-225. Unable to generate sufficient revenues, the company closes its doors by September.

CLUB BAJA AIRLINES. See **BAJA AIRLINES**

CLUBAIR (PTY.), LTD.: Australia (1976–1982). Grahame Swanson forms Clubair (Pty.), Ltd. at Sydney in the summer of 1976 and equips it with a Cessna 402, which inaugurates scheduled services between Rutherford Airport, Maitland and Sydney in October. The Cessna is replaced by a GAF Nomad N.22B in June 1978, the first to enter commercial service in Australia. A second Nomad joins the fleet in November.

Although the route network out of Sydney is expanded, the company is unable to absorb the higher fuel prices and other difficulties caused by the world economic situation in the early 1980s and ceases operations in 1982.

CMA. See **COMPAGNIE DES MESSAGERIES AERIENNES, S.A.**

CMA (COMPANIA MEXICANA DE AVIACION, S.A. de C.V.): Mexico (1924–1956). U.S. pilot William "Slim" Mallory, on July 11, 1924, receives a Mexican government route award (Concession No. 3) for services from Mexico City to Tampico. Joining with American businessman George L. Rihl, who is backed by Randal G. Piper and Carl V. Schlaet, the two form **Compania Mexicana de Aviacion, S.A. de C.V.** The government contract is shifted to CMA on August 16, amended to include Concession No. 4, Mexico City–Tuxpan and Tampico–Matamoras.

Capitalized at \$25,000, the new airline is officially registered on August 24; Mexican citizen Lic Gustavo Espinosa Mireles is named president. The assets of financially distressed **CMTA (Compania Mexicana de Transportation Aerea, S.A. de C.V.)**, formed as the nation's first air carrier in 1921, are acquired and merged. The initial fleet comprises 3 Lincoln Standards obtained in the merger; it will eventually contain 8 Standard biplanes.

CMA enters into the delivery of payrolls by air business in 1925, dropping money orders and sacks to specified areas in the oil fields near Tampico from Lincoln Standard biplanes. The service is undertaken as a method of avoiding bandits, but at least one sack is lost when dropped off-target into a jungle. The bombardier, who later becomes a **Pan American Airways (PAA)** vice president, is fired. During the year, Sherman Fairchild purchases a 20% interest and agrees to supply all of the airline's equipment needs.

A 10-year Mexican government airmail contract is received on August 16, 1926 for the route from Mexico City to Tampico via Tuxpan. Flying a Lincoln Standard, M. A. Nimenin makes an extended survey flight on December 9, Mexico City to Matamoras via Tampico, in 6 hrs. 5 min.—the first direct flight to the U.S. border for the Mexican carrier.

Capitalization is increased in 1927 to 150,000 pesos and 7 Fairchild FC-2Ws join the fleet; the last three are christened, *Ciudad de Veracruz*, *Ciudad de Mexico*, and *Ciudad de Merida*. Nonscheduled mail services are maintained.

A revised and enlarged mail contract is accepted from the government on February 28, 1928. On April 25, the FC-2W *Ciudad de Mexico* launches the carrier's first scheduled service, thrice-weekly over the Mexico City–Tuxpan–Tampico route. Four Travel Airls join the fleet during the year and 2 employees are killed by aircraft propellers in separate accidents. On October 15, 2 FC-2Ws, *Ciudad de Merida* and *Ciudad de Veracruz*, initiate Mexico City to Merida flights via Minatitlan, Villahermosa, Ciudad de Carmen, and Campeche.

On January 2, 1929, the U.S. Post Office requests bids on Foreign Air Mail Route No. 8 from Brownsville, Texas to Tampico and Mexico City. Through a stock exchange, on January 23 **Pan American Airways (PAA)** purchases all CMA shares for \$150,000; the buyout leads the American government to award Juan Trippe's airline the Brownsville–Tampico–Mexico City roundtrip FAM-8 route on February 16.

Meanwhile, the new Ford Tri-Motor 5-AT-12 *Mexico*, complete with both U.S. and Mexican registration numbers painted on the wings and fuselage, is delivered on February 2, followed by the 5-AT-22 on March 5 and 5-AT-27 on March 7.

Piloting the *Mexico*, Charles A. Lindbergh, on March 10, inaugurates PAA's Mexican service southward from Brownsville; the return flight north is made by Mexican pilots. A fourth Tri-Motor is delivered on March 28 and, during the remainder of the year, CMA will receive from its U.S. parent 2 Fokker F-VIIB/3ms, 4 Fairchild 71s, 6 Stearman C-3Bs, and the 5-AT-11, which is turned over in May, along with the 5-AT-40. New routes are now opened by the Stearmans and Fairchilds—Tejeria to Tapachula on May 15, Tampico to Tejeria on September 1, and Tapachula to Guatemala City on October 9.

Meanwhile, on September 9, the carrier enters into an arrangement with two U.S. railways (Missouri-Kansas City-Texas and the New York Central) and two airlines (**Southern Air Transport** and **Universal Aviation Corporation**) for participation in a 49-hr. Mexico City–New York multistop air-rail service. The Ford Tri-Motor 5-AT-27 is returned to **Pan American Airways (PAA)** on December 2 for use on a route in the Panama Canal Zone.

The American parent takes back another Ford 5-AT-31 on May 19, 1930; Ford Tri-Motors replace Fairchilds on the Guatemala City route on September 16. During the year, the fleet is enlarged by the addition of 3 ex-**Pan American Airways (PAA)** Fokker F-10As plus a Curtiss C-1 Robin. CMA is now the largest airline in Latin America, in terms of total passenger kilometers flown.

In 1931, a Merida interchange with PAA allows CMA to offer a through service to Havana. Following the February 9, 1932 failure of Corporacion de Aeronautica de Transportes, S.A. de C.V., **Pan American Airways (PAA)**, on February 26, forms the CMA subsidiary **Aerovias Centrales, S.A. de C.V.** to operate the late Theodore Hull's former routes with a fleet of 4 F-10As and 2 Fairchild 71s.

The 5-T-22 is returned to **Pan American Airways (PAA)** on July 19 for transfer, a month later, to **Pan American-Grace Airways (Panagra)**. The same day, the 5-AT-27, previously employed on a Panama Canal service, is reacquired. Dismissing the central portion of the newly acquired **Aerovias Centrales, S.A. de C.V.** network, Ford Tri-Motors are placed on the Pacific coast link Torreón–Durango–Mazatlan on September 12.

A Northrop Delta 1B, en route for delivery to Aerovias Centrales in early 1933, is lost in a crash. In March, a five-stop coastal route is opened Mazatlan–Ciudad Obregon; this run is extended via Hermosillo to Nogales in midyear. For this service, the Ford 5-AT-31 is reacquired from **Pan American Airways (PAA)** on July 6.

To meet competition from Walter Varig's **Lineas Aereas Occidentales, S.A. (LAO)**, **Aerovias Centrales, S.A. de C.V.**, in April 1934, employs 5 Lockheed Model 10Cs to open Los Angeles to Mexico City same-day service. Additionally, CMA acquires an ex-**Aerovias Centrales, S.A. de C.V.** Consolidated Model 20 Fleetster and a Lockheed Model 9 Orion; PAA supplies a second Orion. The daylong California to Mexico City service makes CMA the first foreign airline to serve a major U.S. destination on a regular basis.

Following the withdrawal of its Mexican government mail contract, **Lineas Aereas Occidentales, S.A. (LAO)** ceases trading in January 1935. Following three years of **Pan American Airways (PAA)** service, the Ford 5-AT-74 is purchased on March 5. **Aerovias Centrales, S.A. de C.V.** is dissolved on December 18 and what is left of its fleet is passed to CMA.

On January 3, 1936, CMA begins service to Los Angeles, becoming the first foreign airline to service a point in the U.S. (other than a border city) on a regular basis. The Tri-Motor route extends to California from Mexico City via Guadalajara, Mazatlan, Hermosillo, and Mexicali. Chartered by the Hamburg-America Line to fly German tourists from Mexico City to Guatemala, the Ford 5-AT-12 with 14 aboard crashes in a pass between two volcanoes near Amecameca on March 26; there are no survivors.

The Electras, formerly employed by **Aerovias Centrales, S.A. de C.V.**, begin to be superseded by 3 Boeing 247Ds, purchased from **United Air Lines (UAL)**, **Pennsylvania Central Airlines**, and **National Air Transport (NAT)**. Orders are placed for 9 Douglas DC-2s and the Ford 5-AT-40 is sold to **Pan American Airways (PAA)** on November 1, followed by the 5-AT-74 on November 10. Reregistered several times, the Ford 5-AT-27 is also sold to the American parent on November 30 for transfer to **Cubana (Compania Nacional Cubana de Aviacion, S.A.)**.

A Lockheed Model 10C crashes 30 mi. SE of Playa Vicente, Veracruz, on January 11, 1937; there are no survivors. After two-and-a-half years service with the parent, the first of the new DC-2s is transferred and placed in service on May 17 and, on August 27, the often-traded Ford 5-AT-31 is once again passed to **Pan American Airways (PAA)**, which will turn it into a freighter.

In the fall, a request is made for 5 DC-3s, which begin to join the fleet in 1938 as the first of 39 to be employed over the next several decades. A Lockheed Model 10E Electra must be written off following a bad landing at Mexico City on February 9. On July 11, a Lockheed Model 10C crashes into the eastern slope of Tuxtla Volcano at Palo Blanco, Veracruz; there are no survivors. Another Electra, a Model 10E, is destroyed in a December 2 crash landing at Mexico City.

The Mexico City–Brownsville frequency is increased to twice daily on May 1, 1939. In terms of passenger kilometers flown, in 1940 CMA ranks as the largest airline in Latin America. En route to Chetumal in Quintana Roo Territory on March 5, the Ford 5-AT-45 crashes into trees on a mountain between Veracruz and Minatitlan; the plane is a total loss but only the copilot is injured. The Ford 5-AT-74 is reacquired from **Pan American Airways (PAA)** on March 26. The first DC-2 acquired back in 1937 is sold to **Aerovias de Guatemala, S.A.** on November 28.

The last Ford Tri-Motor 5-AT-74, flying the Ciudad del Carman–Campeche segment, is retired in February 1941; it is sold to the Guatemalan airline **Aviateca (Compania Guatemalteca de Aviacion, S.A.)** in May. Direct Mexico City to Monterrey flights commence on September 5, with a Monterrey–Nuevo Laredo extension started on December 5. A Cessna T-50 is acquired for the fleet by transfer from **Pan American Airways (PAA)**.

A second international route, to Havana, is opened on October 25, 1942. Night flights to Los Angeles are inaugurated on February 16–17, 1943, and are made possible by the completion of an illuminated airway. A route is opened during the year to Tapachula, via Oaxaca.

In 1944, the fleet is enlarged by the addition of 3 Avro Anson Vs and 7 Douglas C-39s (military DC-2s). Elton "Tubby" Stillman becomes general manager. On December 30, capitalization is increased to 12.5 million pesos, including 4.5 million from private Mexican investors; Pan Am's share is now 56%.

Between March 6–14, 1945, a pilots' strike halts service to 13 states and 25 cities. Mexico City to Monterrey night service is started and the Vera Cruz route is extended to Monterrey. A DC-3 crashes at San Luis Potosi on August 2 (12 dead). A second is lost 12 days later near Mexico City (16 dead).

Following enactment of prejudicial legislation by the Mexican government, **Pan American Airways (PAA)**, on March 28, 1946, is forced

to reduce its CMA interest to 45% by selling 13,750 shares; the American giant continues lavish equipment support. On June 6, the first of 3 DC-4s (converted to civil DC-4 standard from ex-military C-54s) to be delivered during the year arrives at Mexico City.

While climbing away from Mexico City on June 25, the new DC-4 with 5 crew and 42 passengers stalls and crashes; although the plane must be written off and 42 aboard receive various injuries, there are no fatalities.

The **Pan American Airways (PAA)** interest is cut to 41% on August 5.

Additional DC-4s to a total of 7 are placed into service throughout 1947. On April 29, one of these takes Mexican President Miguel Aleman nonstop Mexico City–Washington, D.C., in 9 hrs. 45 min. A number of older aircraft are discarded, including the Ford 5-AT-11, which passes to Compania Dominicana de Aviacion, S.A. in the Dominican Republic. The first DC-4 overhaul in Mexico is completed at the CMA maintenance facility at Mexico City on May 12, 1948.

A cargo division is formed on July 14, 1949. Orders are placed for a 6 DC-6s. On September 26, a DC-3, en route from Guatemala to Mexico City with 25 aboard, crashes into a volcano in heavy fog; there are no survivors.

During the year, the company receives a U.S. license for the maintenance and repair of aircraft with American registry; so efficient will the carrier's engineers and mechanics continue to be over the years that the certificate will never be lost. Equipped with special high-power Pratt & Whitney engines, the first DC-6 is delivered on November 6, 1950 and enters service on December 6.

During 1951, the fleet is enlarged by the addition of 5 more DC-6s. Orders are placed on April 20 for 3 DC-6Bs. Airmail is forwarded to Madrid and London as the result of a cooperative agreement signed with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** followed by **SAS (Scandinavian Airlines System)**. On September 1, a DC-6 en route from Los Angeles to Mexico City, crash-lands on the lake shore at Mexico City; no injuries are reported.

En route from Mexico City to Oaxaca de Juarez on September 25, 1952, a DC-3 with 20 passengers is rocked by an explosion caused by a bomb hidden in a suitcase in the baggage compartment. Although two passengers are badly hurt, the Douglas manages to land safely. On September 29, police capture 2 suspects who had sought to collect \$208,000 in insurance had their crime destroyed the aircraft.

As might, perhaps, be expected, passenger traffic is reported down for the remainder of the year following this incident. The first of 2 DC-6Bs to be delivered on the year arrives at Mexico City on June 12, 1953.

On January 7, 1954, CMA purchases the carrier **TAJ (Transportes Aereos de Jalisco, S.A. de C.V.)** for its Puerto Vallarta route. During the year, the 3 DC-6Bs, having been found unsuitable, are sold (2 to the American carrier **Northwest Airlines**) as 6 additional DC-6s are ordered and begin delivery.

During 1955–1956, the last DC-6s are placed in service, along with 5 Fairchild C-82A freighters.

Three Douglas transports are lost during the former year. While on a scheduled flight from Puerto Vallarta, a DC-3 with 3 crew and 23 passengers is lost at Mascota on March 8; there are no survivors. The second catches fire and crashes in the mountains of Oaxaca State on July 14 (22 dead). A third DC-3, with 3 crew and 13 passengers is lost at Poza Rica, Mexico, on September 8 (1 dead).

During 1956, the marketing title **Mexicana Airlines, S.A. de C.V.** is introduced.

CMTA (COMPANIA MEXICANA DE TRANSPORTACION AEREA, S.A. de C.V.): Mexico (1921–1924). Three U.S. citizens resident in Mexico, Harry J. Lawson, Lloyd A. A. Winship, and Elmer C. Hammond form Mexico's first airline at Mexico City early in 1921. In the spring, 2 Lincoln Standards are purchased in and flown down from Nebraska. On July 1, the central government awards these Americans Airmail Concession No. 1. Routes are initiated for charter and air taxi flights from the capital city to Tampico and Matamoros and to San Luis

Potosi, Saltillo, Monterrey, and Nuevo Laredo. Humberto Jimenez is the first passenger carried.

It is quickly established that the most profitable business is located at the oil field stops on the Mexico City–Tampico run, which is extended down to Tuxpan. The work is also potentially dangerous, as the principal cargo is payroll for the energy workers.

By July 1922, the carrier has flown 1,956 hours; 1,248 passengers are transported, including 289 on intercity flights. In 1923 charter and air taxi work continues, primarily into the oil field areas and the fleet is increased to a reported 10 Lincoln Standards.

Due to competition from American aviator William Mallory, the operation declines badly in 1924; in September, its assets, including 3 Lincolns, are sold to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**.

CNA (COMPANIA NACIONAL DE AVIACION, S.A.): Guatemala (1930–1935). Also known as the Central American Aviation Corporation, Ltd., CNA is established at Guatemala City on June 4, 1930; W. Hodkinson is named president. Employing Kreutzer Tri-Motors, the airline soon inaugurates service to Retalhulen via Quezaltenango; to Puerto Barrios; and to Peten.

These routes are maintained almost without change until 1935, when the carrier is purchased by **TACA (Transportes Aereos Centro Americanos, S.A.)**.

CO-AIR (COORDINATED AIR SERVICES (PTY.), LTD.): Papua New Guinea (1975–1986). Formed as a nonscheduled charter carrier at Lae in June 1975, Co-Air undertakes flights that link the nation with various destinations in Morobe, the Western Provinces, and Siassi Islands. The government grants the 50-man airline a license for scheduled services in March 1983.

Having upgraded the fleet to comprise a total of 3 Cessna 206s, 1 Beech B-55 Baron, 2 Cessna 402Bs, and 3 Britten-Norman BN-2A Trislanders, the company inaugurates commuter flights in the late summer. Destinations visited from Lae include Aseki, Finschhafen, Kabwum, Kiunga, Lablab, Menyamy, Pindiu, Siassi, Tabubil, and 14 on-demand stops.

Unable to maintain viability, the company ceases trading in 1986.

COAST AIR (1): United States (1971–1975). Stan Hewitt, Art Hack, and Terry Wills establish coast Air at Ketchikan, Alaska in 1971 as successor to the nonscheduled operator **Simpson Air**. Employing a variety of Cessna lightplanes and de Havilland Canada DHC-2 Beavers, the owners continue passenger and cargo charters until 1973, when scheduled flights are introduced to a number of previously served points, including Klawock, Craig, Hydaburg, Annette Island, Nanaimo, Vancouver, Metlakatla, and Thorne Bay. A Grumman G-21 Goose is added in 1974 and, in 1975 the carrier is sold to Kirk Thomas, who changes its name to **Tyee Airlines**.

COAST AIR (2): United States (1975–1977). Coast Air is established at Ketchikan, Alaska, in 1975 to provide scheduled passenger and cargo flights to Craig, Klawock, and Hydaburg. Revenue flights commence with a de Havilland Canada DHC-2 Beaver and Grumman G-21 Goose. When it is found impossible to maintain economic viability, the carrier shuts down in 1977.

COAST AIR, A.S.: Haugesund Lufthavn Postboka 163, Avaldsnes, N-4299, Norway; Phone 47 (52) 834 110; Fax 47 (52) 840 374; http://www.coastair.no; Code BX; Year Founded 1990. Coast Air, A.S. is established at Haugesund Airport in 1990 to offer scheduled commuter services to various domestic Norwegian destinations. Ashjorn Utne is appointed managing director and his initial fleet comprises 1 each Beech Super King Air 200, de Havilland Canada DHC-6-300, Cessna 206, and Cessna 208 Caravan I.

Services are maintained in 1991 and, on January 28, 1992 a second Canadian turboprop is added. It will operate an oil company contract.

Operations continue apace in **1993** and, in **1994** 1 Twin Otter is replaced when 3 British Aerospace BAe Jetstream 31s are placed into service. Enplanements total 9,064.

Airline employment stands at 17 in **1995**, a very good year for the company. Passenger boardings skyrocket 67.1% to 27,548 just through September.

Fifteen new workers are hired in **1996**, a 68.2% increase in the employee population. The 3 J-31s transport a total of 41,644 passengers, a 45.5% growth rate.

Destinations visited in **1997** include Aberdeen, Bergen, Gello, Hauge-sund, Kristiansand, Oslo, Skien, and Stavanger. In October, 2 more Jetstream 31s are purchased from the U.K.-based concern DK Aviation, Ltd. Customer bookings jump 29% to 53,708.

Flights continue in **1998**. Service is extended to Farsund, Lista and Kristiansund. Passenger boardings fall 13.1% to 48,000.

By the start of **1999**, airline employment has been boosted 56.3% to 50.

During the year, pilot ranks swell from 45 to 60 in anticipation of the receipt of 2 recently ordered Avions de Transport Aerien ATR42-520s.

Passenger boardings plunge 10.9% to 41,000.

After weeks of negotiation, members of the carrier's pilot association strike on February 16, **2000**, demanding that only senior pilots be assigned to fly the ATRs when they are introduced.

The new ATR42-520s are received by April 10 and is placed into service from Floro to Bergen and Oslo.

COAST AIR, LTD.: Kenya (1979–1982). Originally a coastal branch of Nairobi's **Wilkenair Services, Ltd.**, this division, based at Mombasa, becomes **Air Kenya (Coast)**, with other branches at Malindi and Nanyuki. When the Air Kenya (Coast) operation is sold in November **1979**, the Malindi and Nanyuki components are left out of the arrangement and are, in turn, combined to form **Coast Air, Ltd.**

Chairman R. N. Maina's company, in addition to safari, air taxi, and air ambulance charter flights, undertakes daily scheduled service from Mombasa to Lamu. The initial fleet comprises 2 Piper PA-31-310 Navajos, 1 Cessna 402, 2 Beech B-55 Barons, 4 Piper PA-34 Senecas, and 2 Piper PA-32 Cherokee Sixes.

Unable to achieve economic viability in the face of low traffic yields and high expenses, the company halts operations in **1982**.

COAST AIR CHARTER, LTD.: New Zealand (1991–1994). B. L. Waghorn establishes CAC at Christchurch in **1991** to undertake passenger and cargo charters and contract service flights. Revenue operations commence and continue with a fleet of 1 each Cessna 206, Cessna 177, Cessna 172, and Piper PA-31-310 Navajo. Operations continue for three years.

COAST AIRWAYS: United States (1931–1932). CA is established at Santa Barbara, California, in mid-**1931** to offer multistop, scheduled Stinson passenger flights up the coast to Los Angeles. Flights commence in the fall, but without mail subsidy, the company is gone by July **1932**.

COASTAL AIR: United States (1975–1979). Roy Hagerty establishes Coastal Air at Auburn, Alabama, during the summer of **1975** to provide scheduled passenger services to Atlanta and Tuskegee. Employing a Britten-Norman BN-2 Islander, Hagerty inaugurates daily roundtrips on August 1 and maintains them apace until **1979**, when he reforms the carrier into **Southeastern Commuter Airlines**.

COASTAL AIR TRANSPORT: P.O. Box 3985, Christiansted, St. Croix, Virgin Islands 00822, United States; Phone (809) 773-6862; <http://www.coastalair.com>; Code DQ; Year Founded 1976. CAT is formed by Mike Foster at St. Croix, U.S. Virgin Islands, in the spring of **1976** to provide third-level passenger charter service in the eastern Caribbean. Nonscheduled lightplane flights commence in June.

After six years of charter flights, the company elects to offer regularly scheduled commuter frequencies in the summer of **1982**. Employing a Beech B-58 Baron, daily roundtrip revenue passenger service begins on July 4 between St. Croix and Nevis.

During the fall, markets are opened at St. Barthelemy and Anguilla and the fleet is strengthened by the addition of a Cessna 402 and a Britten-Norman BN-2 Islander. Bookings for the year total 1,200. There are 10 employees at the beginning of **1984**.

Operations continue apace in **1985–1987**. In **1988**, the workforce is increased by 20% to 6 and an order is placed for 1 de Havilland DHC-6-300 Twin Otter. Enplanements rise by 15.6% over the previous year to 1,785.

The new Twin Otter enters service early in **1989**, replacing the Cessna. The carrier is forced to stop flying in the wake of September's Hurricane Hugo.

President Michael Foster's small carrier recovers during **1990** and the first part of **1991**, resuming flights during the second half of the latter year. Employing its original Baron and Islander, services are relaunched to St. Barts, Nevis, and Anguilla. Operations continue apace in **1992–1993**, but, by **1994** the Baron and Islander have been retired in favor of a single Cessna 402C. Enplanements are slightly over 2,500 and an operating gain of \$31,000 is reported.

Five people are employed in **1995** as an order is placed for 1 de Havilland Canada DHC-6 Twin Otter. Passenger boardings inch up 0.8% to 2,875 while 64,000 FTKs are operated. Revenue figures show operating revenues are up 9.1% to \$304,000 while expenses are up just 0.2% to \$253,000. A \$51,000 operating profit is posted.

The fleet in **1996** includes 1 Piper PA-31-310 Navajo and 2 PA-34 Senecas. Customer bookings swell 13.1% to 3,253. A Cessna 402C is acquired in **1997**. Unhappily, passenger boardings fall 19.4% to 2,623.

Service is maintained in **1998**, even though business worsens. Customer bookings fall another 19.7% to just 2,000. Only 7 people are employed by the carrier at the start of **1999**.

Customer bookings remain level at 2,000.

COASTAL AIRWAYS (1): United States (1928–1929). An outgrowth of two-year old **Atlantic Airways**, Coastal Airways (1) is founded at New York by Fitzwilliam W. Dalrymple and Enzo De Angelis in late **1928** through the merger of Atlantic and Mill Basin Aircraft, Inc., a fixed base hydroplane concern based in Brooklyn.

The first aircraft, a Leoning amphibian, is purchased on March 18, **1929** from Eastern Trimotor, a subsidiary of the Boston Airport Corporation. At the same time, an order is placed for 6 pontoon-equipped Fairchild 71 cabin-monoplanes. A pair of Curtiss Seagull flying boats are acquired from New Haven Air Terminal between April 23 and May 7 and are employed to inaugurate charter and flight-seeing services. On-demand destinations visited include points in Long Island, New Jersey, Connecticut, Albany, Lake Champlain, and Lake George.

Following delivery of the first Fairchild 71, scheduled twice-daily roundtrip passenger service is started on May 22 from North Beach (later La Guardia) Airport up the Hudson River 150 miles to the state capital at Albany. Fares for the 1¼-hour flights are \$17.50 one-way and \$33.50 roundtrip. A week later, on May 29, President Dalrymple, flying without a pilot's license, suffers the first of many company accidents when he crashes a Curtiss Seagull into Flushing Bay off North Beach. Although no one is injured, the plane must be written off. Dalrymple is succeeded as president by cofounder De Angelis.

On June 12, pilot Clifford McMillin's brand new Fairchild 71 with four passengers crashes into the Hudson River while making a hard landing. All are seriously hurt, but survive; the plane is lost.

Just nine days later, on June 22, the first Fairchild is lost when its pilot, Guy McLaughlin, taxis it onto a sand bar off Barren Island (later Floyd Bennett Field) on Jamaica Bay. It will be destroyed during salvage operations.

On August 1, President De Angelis announces that Coastal will merge with five-month old competitor **Airvia Transportation Company**. A

week later, Airvia's new president, James A. Stader, announces that the two companies will complete their arrangements on September 25, integrating completely by October 15. Joint plans are announced for a new service to Montreal by the Airvia Coastal Transportation Company, employing a pair of Italian-built Savoia-Marchetti S-55 seaplanes made famous by Airvia's pilots, the transatlantic flyers Roger Q. Williams and Lewis A. Yancey.

A second Curtiss Seagull is lost on August 15 when pilot Raymond Brown, with two charter passengers, is unable to get his plane aloft from Loon Lake, in New York's Adirondack Mountains, and crashes; none of the three are hurt, but the plane must be written off.

The entire Coastal-Airvia deal comes unraveled on August 17 when postal inspectors arrest Austin Montgomery and Harry Taylor for the unauthorized sale of some 35,000 shares of company stock through the federal post. Airvia goes out of business, but Coastal, with a severe cash-flow problem, does survive a little longer.

In late August, a second Leoning amphibian arrives in time to help Coastal maintain its schedules in the wake of the Curtiss accident and Airvia near-disaster, while 3 new \$18,075.92 Fairchild Model 71s are delivered, secured by mortgage liens from New York's Commercial Investment Trust, Inc. These are placed into service on the company's routes to Albany, Saratoga, Lake George, and nonscheduled points.

Out of fuel and attempting to make an emergency landing near Coney Island on September 7, pilot William H. "Bill" Alexander's Fairchild strikes a sign in the water and crashes into swimmers on the beach; two children are killed and nine other vacationers are injured. The next day, pilot Henry Ramsdell's Fairchild, just aloft from Jamaica Bay in fog, strikes the motorboat *Carrie D* with a pontoon, slicing it in half and killing fisherman William Brown. Ramsdell, who will later state his belief that he had hit a log, returns to Mill Basin Terminal to install a new float, where he is arrested by New York City detectives and charged with homicide—the first airplane "hit and run" accident. He, like Bill Alexander, who was charged with murder the day before, will be cleared.

Faced with costs from pending lawsuits from these accidents, aircraft rentals, Fairchild repair bills, and dwindling passenger traffic, Coastal soon fades. Beginning on September 17, the company attempts to gain cash by selling parts of the two salvaged Seagulls crashed earlier. The \$2,000 income is, together with proceeds from the sale of the third Curtiss, insufficient to stave off the inevitable. With the stock market crash in October, Coastal's stock, 170,000 shares of which had been offered in the spring at \$17.50 per share, is worthless and the company declares bankruptcy. Its remaining assets are either sold or repossessed.

COASTAL AIRWAYS (2): United States (1967–1969). Initially formed as **Coastal Aviation (1)**, this small Florida commuter begins scheduled passenger and cargo services from Orlando's Herndon Airport in 1967. Employing 1 Grumman G-21 Goose and 1 Beech 99, CA duly inaugurates daily roundtrips to Tallahassee, Tampa, Nassau, Freeport, and West End.

CA-1 is reformed and renamed in 1968 and operations continue apace until the carrier goes out of business in 1969.

COASTAL AIRWAYS (3): United States (1976–1978). The third Coastal is established at Gulfport, Mississippi, in 1976 to provide scheduled passenger and cargo flights to regional destinations. Daily Cessna 402 roundtrips are duly inaugurated linking the company's base with Patterson, Hattiesburg, and New Orleans; these services are maintained into 1978.

COASTAL AIRWAYS (4): United States (1989–1993). Privately owned Coastal Airways (4) is established at Sequim, Washington, in late spring 1989. Founder Jack Sallee is president and his fleet is made up of 2 Cessna 402s. During the summer, scheduled passenger and cargo flights are inaugurated linking Bremerton with Seattle.

In regulatory difficulty, Coastal is shut down by the FAA in August 1990. Sallee is able to put his house back in order during 1991, acquiring 2 additional Cessna 402s and resuming flights. Even though service

is expanded to several destinations in the San Juan island group, traffic figures for the 40-employee firm continue to be held in confidence.

The company encounters financial difficulties in 1992 and the new owner and president, Jack Eagan, cannot redress them. As a result, the small regional must shut its doors in 1993.

COASTAL AVIATION (1). *See* COASTAL AIRWAYS (2)

COASTAL AVIATION (2): United States (1978–1984). Terry Yeager establishes Coastal Aviation at Bethel, Alaska, in 1978 to provide scheduled passenger and cargo services to local and regional destinations. Revenue flights commence with a fleet of Cessna 207s, 402s, and de Havilland Canada DHC-6 Twin Otters.

A feeder arrangement is signed with **Wien Air Alaska** in 1980 and remains in effect until both carriers fail in 1984.

COASTAL CARGO COMPANY: United States (1951–1959). CCC is set up at West Trenton, New Jersey, in 1951 to operate all-cargo contract flights on behalf of the USAF with a pair of leased Curtiss C-46 Commandos. The CAB grants the company an interim supplemental air carrier certificate in 1959, but when this expires on May 9, 1962, Coastal is taken over by **Zantop International Airlines**.

COASTAL HELICOPTERS: 8995 Yandukin Dr., Juneau, Alaska 99801, United States; Phone (907) 789-5600; Fax (907) 789-7076; <http://www.AlaskaONE.com/coastal>; Year Founded 1990. Coastal is established by Mike and Dot Wilson at Juneau in 1990 to provide nonscheduled rotary-wing services to bush locations, as well as flight-seeing and ice field excursions for tourists. During its first decade of operation, Coastal also flies year-round for companies maintaining Juneau's hydroelectric and telephone systems, provides support for the mining and logging industries, and flies professional photographers and filmmakers.

In 2000, the business, which includes maintenance support services, employs 13 pilots, 4 of them full-time, to fly its 5 Eurocopter AS-350 Astars and 2 Bell 206B JetRanger IIIs.

COASTAL PLAINS COMMUTER: United States (1978–1979). CPC is set up on Hilton Head Island, South Carolina, in 1978 to provide seasonal scheduled passenger and cargo services to Charleston and Savannah. Cessna lightplane daily roundtrips are duly inaugurated and are maintained through 1979.

COBDEN AIRWAYS (PTY.), LTD. *See* COUNTRYWIDE AIRLINES (PTY.), LTD.

COBETA. *See* COMPAGNIE BELGE DE TRANSPORTS AERIENS, S.A.

COBHAM AIR ROUTES, LTD.: United Kingdom (1935). Legendary flyer Sir Alan Cobham establishes Cobham Air Routes, Ltd. at London on May 3, 1935; capitalized at £30,000, the fleet comprises an Airspeed Courier and a Westland Wessex. The two aircraft, each flying half the route, begin twice-daily London (Croydon)–Guernsey via Portsmouth and Bournemouth operations on May 6.

On July 3, the Wessex is lost between Bournemouth and Guernsey (one dead) and the company stops trading. Its assets are later acquired by **Olley Air Services, Ltd.**

COBHAM-BLACKBURN AIR LINES, LTD.: United Kingdom (1928–1930). Robert Blackburn's Blackburn Aircraft subsidiary **North Sea Aerial and General Transport, Ltd.**, which had been conducting proving flights in central Africa, is merged with Sir Alan Cobham's company Alan Cobham Aviation, Ltd., on April 24, 1928, to form Cobham-Blackburn Air Lines, Ltd. The Khartoum–Kisumu flights started the previous year continue.

In November 1929, the company contracts to join in an operational and technical survey of the Cairo–Cape Town route sponsored by the Air

Ministry and **Imperial Airways, Ltd.**; the test is completed by April 11, 1930. In midyear, this small operator is acquired by the state airline, which has taken the decision to extend routes into Africa.

COCHISE AIRWAYS: United States (1971–1982). Named for the famous Native American chief, this third-level carrier is organized at Tucson, Arizona, in summer 1971 to offer scheduled Cessna 402 passenger and cargo commuter services to Phoenix, Kingman, Winslow, Prescott, Flagstaff, Grand Canyon, and Yuma. Revenue flights begin in September, as Cochise becomes one of the first commuter airlines to receive official certification from the CAB.

During the next 5 years, the new entrant acquires a fleet of 4 402s, 2 Convair CV-440s, and 3 Fairchild-Swearingen Metro IIs. Enplanements in 1977 total 20,000, revenues total \$712,000, expenses are \$901,000, and the loss is \$189,000.

In 1978, the year of the Airline Deregulation Act, bookings advance by 25% to 25,000. Revenues advance to \$941,000, but costs remain uncontrolled, climbing by 46% to \$1.31 million. Losses rise to \$377,000.

Passenger boardings reach their highest point 1979, increasing by a staggering 340% to 110,000. Revenues, as a result, rise 404% to \$4.74 million and expenses increase only 208% to \$4.05 million, leaving the company with a \$688,000 profit. Indeed, this is the commuter's best—and last really profitable—year.

The fleet of the Tucson-based carrier in 1980 includes 4 Cessna 402s, 3 Swearingen Metro IIs, and 1 Convair CV-440.

Although traffic and income decline, there is sufficient optimism to plan new services to Bakersfield, Santa Monica, and Palm Springs and to order 3 SAAB-Fairchild 340s.

Passenger boardings dip 2.7% to 107,401 as cargo skyrockets 82.4% to 29,000 pounds. Expenses (led by increased fuel prices) climb to \$5.64 million. But, on revenues of \$5.77 million, the profit falls to \$134,000.

However, if the 1980 decline is not bad enough, the PATCO air traffic controllers' strike in the summer of 1981 proves fatal. Despite the addition of a second CV-440, ATC restrictions in the fall help to ensure that overall enplanements plummet 10.3% to 96,392 and freight drops 5.1% to 27,300 pounds.

The severe financial impact caused by the job action cannot be overcome and Cochise is forced to shut its doors on June 2, 1982.

COGEAIR (COMPAGNIE GENERALE AERIENNE AFRICAINE, S.A.): Belgian Congo/Congo/Democratic Republic of the Congo (1955–1971). Cogear is established at Kinshasa's N'Dolo Airport in 1955 to provide passenger and cargo charters throughout the country with a fleet of Piper and Cessna lightplanes. The carrier also provides feeder services on behalf of **Sabena Belgian World Airlines, S.A.** to communities within several hours of the capital.

Service continues apace during the remainder of the decade. A pair of de Havilland DH 114 Heron IBs are acquired and destinations visited from Kinshasa include Boma, Manimba, Masi, Luluabourg, Port Francqui, Lumbashi, Kingolo, Kalem, Goma, Buni, and Beni.

Service becomes somewhat sporadic in the hectic years following the independence of the Belgian Congo in 1960. By the middle of the decade, the company has resumed steady operations, often in competition with the new **Air Congo, S.A. (2)**.

When the Democratic Republic of the Congo becomes Zaire in 1971, Cogear is taken over by **Agence et Messagers Aeriennes du Zaire, S.A.**

COHATA (COMPAGNIE HAITIENNE DE TRANSPORTS AERIENS, S.A.). See **HAITI AIR TRANSPORT, S.A.**

COLEMAN AIR TRANSPORT CORPORATION: United States (1977–1980). CATC is set up at Rockford, Illinois, in 1977 to operate scheduled passenger and cargo services to regional destinations. Employing a fleet of Beech King Air 100s and Grumman Gulfstream G-1 turboprops, daily flights are inaugurated linking the company's base with Milwaukee via Moline.

Services continue apace in 1978, as Des Moines, Cedar Rapids, Waterloo, Detroit, Indianapolis, and Cincinnati join the route network. On November 12, 1979, taking advantage of the expansion possibilities of the Airline Deregulation Act, the carrier announces that it will inaugurate Douglas DC-9-10 service from Rockford to New York the following spring.

Having encountered regulatory difficulties with the FAA, the company loses its operating certificate on July 20, 1980, before it can start jetliner flights.

COLEMILL ENTERPRISES: Cornelia Fort Airpark, Nashville, Tennessee 37206, United States; Phone (615) 226-4256; Fax (615) 226-4702; <http://www.colemill.com/charter.html>; Year Founded 1944. Colemill Enterprises is an FBO established at Cornelia Fort Airpark in 1944. In addition to the traditional overhaul and gas station activities of such a facility, the company also comes to operate domestic, later regional, passenger and express charter services.

By 2000, Operations Director Bill Colbert Jr. oversees a staff of eight full-time and six part-time pilots. The mixed piston- and turboprop-engine fleet includes 2 each Piper PA-31-310 Navajos and PA-31-350 Navajo Chieftains and 1 each Beech King Air 90, King Air 100, B-55 Baron, and Cessna 172 Skyhawk.

COLGAN AIR: P.O. Box 1650, Manassas, Virginia 20108, United States; Phone (703) 368-8880; Fax (703) 331-3116; <http://www.colganair.com>; Code 9L; Year Founded 1991. Following his experience with **Colgan Airways**, Charles J. Colgan Sr. returns to the commuter airline scene in late spring 1991. With joint Executive Vice Presidents Michael J. Colgan and Mary Colgan Finnigan, he establishes another small family-owned regional, **National Capital Airways**, the name being quickly changed to Colgan Air during the summer. Other Colgan family members directly involved are the director of reservations, Dorothy Colgan Chaplin and the purchasing director, Patrick S. Colgan.

Employing a single Beech 1900, the small carrier pioneer opens scheduled passenger flights in the fall linking Washington, D.C. (IAD) with Binghamton, New York, via White Sulphur Springs and Ekins, West Virginia.

Airline employment stands at 49 in 1992 and the fleet is increased by the addition of 2 Beech 1900s and 1 Beech 99. A new route is opened from Boston to Bar Harbor and Rockland in Maine and from Newark to Hyannis and Nantucket. Enplanements for the first full year of service total 18,267.

The workforce is increased to 80 in 1993 as 2 more Beech 1900s join the fleet. Passenger boardings skyrocket 138.8% to 43,000.

The fleet in 1994 totals 2 Beech 99s and 5 Beech 1900Cs. Customer bookings shoot up another 48% to 63,633.

Airline employment grows 6.7% in 1995 to 125. The fleet now comprises 6 Beech 1900Cs, but orders are placed for 2 1900Ds and 1 SAAB 340B. Enplanements soar 24.6% to 79,269.

Twelve new workers join the company in 1996 and the first Beech 1900D enters service in May. A code-sharing agreement is signed with **Continental Airlines**; under terms of the arrangement, the airline will offer "Continental Connection" flights from various Northeast and Middle Atlantic destinations to the major's hubs at Boston, Charlotte, and New York (LGA).

Passenger boardings accelerate 11.4% to 88,344.

The workforce is slashed 64.2% in 1997 to 49. In April, the "Continental Connection" contract with **Continental Airlines** is expanded and now allows that major's passengers to connect via Colgan flights to destinations in Beckley and Bluefield, West Virginia, Charlottesville, Virginia, Hyannis and Nantucket, Massachusetts, and several points in Maine. Over 60 flights per day are now offered on behalf of Continental.

Enplanements during the 12 months total 90,888.

Service is maintained without fanfare in 1998. Customer bookings accelerate 8.2% to 99,000.

On September 24, Colgan joins the "USAirways Express" network, bringing six new cities into the major's commuter system. Beginning on October 11, "USAirways Express" flights are initiated to Boston from Augusta, Bar Harbor, and Rockland, Maine, as well as Rutland, Vermont, and to Washington, D.C. (IAD) from Beckley and Bluefield, West Virginia.

To help provide needed capacity, the company requests three SAAB 340Bs in November. Documents bringing the carrier into the "USAirways Express" family are officially signed in December.

Customer bookings surge 32.4% to 131,000.

Airline employment at the start of 2000 stands at 224, a 17.9% increase during the previous 12 months.

The Swedish-made turboprops are delivered during the first quarter and are employed in February to launch new "USAirways Express" service from Charlottesville to New York (LGA). SAAB 340B service from New York (LGA) to Hyannis via Nantucket begins on June 15.

COLGAN AIRWAYS: United States (1970–1989). In 1970, Manassas, Virginia-based FBO operator Charles J. Colgan Sr., who has enjoyed success in providing charter flights in support of the local IBM facility, establishes an airline division. Employing a Piper PA-31-350 Navajo Chieftain, he inaugurates scheduled passenger and cargo commuter flights on June 19 from his base to Poughkeepsie, New York, via Washington, D.C. (DCA).

During the next eight years, the carrier is gradually expanded, first with services to Binghamton and then to Raleigh, North Carolina. With 2 Beech 99s now available, Colgan boards 17,997 passengers in 1978 and hauls 35.5 tons of freight.

Passenger boardings drop 8.3% in 1979 to 17,000; however, cargo traffic operated accelerates 13.1% to 80,000 pounds. In 1980, Colgan oversees 9 employees and a fleet comprising 2 Beech 99s and the Navajo Chieftain. Enplanements plunge again, down by 40.2% to 9,861. Freight falls too, by 28.5%, to 57,507 pounds.

On April 1, 1981, two new routes are initiated out of Washington, D.C., one to Atlantic City and the other to Hot Springs, Virginia. Enplanements for the year total 14,847, a boost of 50.6%.

During 1982–1983, services are introduced to Baltimore, Philadelphia, Asbury Park, New Jersey, and to Virginia's Shenandoah Valley. Additional Beech 99s are acquired. Passenger boardings skyrocket 85.7% to 29,139 in the former year and 37.4% to 37,754 in 1983.

Following the demise of Clarksburg, West Virginia-based **Aeromech Airlines** and its successor **Wright Airlines** in late 1984, Colgan is awarded their Essential Air Service (EAS) contract and reorganizes its route network.

All of the services added in 1982–1983 plus flights to Hot Springs are suspended. In their place are new frequencies to Pittsburgh and Allentown and the West Virginia cities of Elkins, Clarksburg, and Morgantown, all flown out of Washington, D.C. (DCA). Customer bookings jump 9.6% to 41,535.

The fleet in early 1985 comprises 7 Beech 99s. On November 15, the carrier becomes a code-sharing partner of Texas Air Corporation (TAC) subsidiary **New York Air**. In December the fleet is expanded by the addition of 2 purchased CASA C-212 Aviocars and 2 leased Shorts 330s as New York Air Connection feeder flights are initiated.

Support from the nonunion national helps passenger boardings to jump 21.5% to 50,482.

The 100-employee small regional is acquired on August 13, 1986 by **Presidential Airways** to provide feed to the new large regional's base at Washington, D.C. (IAD). Customer bookings skyrocket 94.5% to 98,165.

When **Continental Airlines** absorbs **New York Air** in February 1987, new opportunities are opened for both Presidential and Colgan. In March, the former abandons its efforts to become a national carrier and instead agrees to become a "Continental Express" airline dedicated to providing feed to Dulles from midsize regional airports.

Colgan, on the other hand, re-signs as a "Continental Express" partner with the mission of serving the same destination from smaller communities. The fleet now includes 7 British Aerospace BAe Jetstream 31s.

Operations continue in 1988–1989, but when Presidential declares Chapter XI bankruptcy in October of the latter year and ceases on December 4, Colgan must immediately follow suit.

COLLONDALE AIR SERVICE (PTY.), LTD.: South Africa (1959–1968). Kenneth Brown establishes CAS at East London in 1959 to provide passenger and cargo charters to local destinations. Revenue operations begin and continue with a Cessna 175, C-206, and a Piper PA-32 Cherokee Six.

John Roderick & Co. (Pty.), Ltd., which owns **Rodair (Pty.), Ltd.** at Bloemfontein, takes over CAS in 1964, operating it as a subsidiary and allowing it to keep its previous name. A small PA-11 Colt is added to the fleet in 1967. Operations cease about a year later.

COLOGNE COMMERCIAL FLIGHT, GmbH: Germany (1988–1992). This small privately owned carrier is formed at Cologne in 1988 to offer charter and air-taxi flights to regional destinations. A fleet comprised of 2 Piper PA-34 Senecas, 2 Cessna 421s, and 1 Cessna 404 Titan is assembled and revenue flights commence. During 1989, the company undertakes charters to Southend Airport in Great Britain and petitions for permission to inaugurate scheduled service over that route.

A Piper PA-31T Cheyenne is acquired in 1990 and operations continue apace in 1991. Unable to maintain either traffic or financial viability in the recessionary year of 1992, the carrier is forced to shut its doors.

COLONIAL AIR LINES (1): United States (1924–1926). Incorporated at Naugatuck, Connecticut, in 1923 as the **Bee Line**, this small carrier offers charter and sight-seeing flights. These activities give rise to claims that it is America's first airline.

In May 1924, the company name is changed to **Colonial Air Lines (1)**. Nonscheduled and unsubsidized passenger and express flights continue. The operation now becomes more substantial and attracts backers from both Connecticut and Massachusetts, including the former state's governor, John Trumbull.

In September 1925, the U.S. Post Office bids out Contract Air Mail Route No. 1, CAM-1, from Boston to New York. Four companies make offers and Colonial triumphs over a newly formed **Eastern Air Transport (1)**, established largely through the efforts of 26-year old Juan T. Trippe. In October, EAT-1 is renamed **Colonial Air Transport**. In January 1926, the two small airlines merge under the latter name.

COLONIAL AIR LINES (2): United States (1942–1956). Canadian **Colonial Airways** is founded on March 6, 1928 to fly the foreign air mail route (FAM-1) between New York and Montreal; actual operations commence on October 1. In 1929, this "Colonial," like **Colonial Western Airways** and **Colonial Air Transport**, is purchased into the holding company, The Aviation Corporation (AVCO), becoming the Colonial Division of **American Airways**.

From 1929 to 1939, the semiautonomous unit is allowed to retain its original name and to operate its mail and passenger route to Canada. As it falls into something approaching neglect, Sigmund Janas and a group of associate investors purchases Canadian Colonial in October 1939, pour new resources (including four Douglas DC-3s) into it, and, on May 1, 1942, rename it **Colonial Air Lines**.

Two of the 4 DC-3s are now handed over to the Army. Janas is able to keep the operation afloat until they are returned in late 1944. The Canadian route is maintained and a substantial interchange of traffic occurs at New York with passengers able to easily board the airliners of **American Airlines**, **United Air Lines**, and **Eastern Air Lines**.

Following the end of World War II, Colonial, on August 10, 1945, is awarded CAB authority for a Washington, D.C. to Montreal route via New York and Ottawa. Twenty Martin 2-0-2s are purchased on November 28. On December 3, the company adopts a 5-day, 40-hour week for all of its employees, except executives and pilots.

During the year, the company files a number of route extension applications with the CAB, including one that would allow the carrier to

fly down the eastern seaboard to the Bahamas, Bermuda, the Caribbean, and Latin America.

The CAB grant is followed in May 1946 by authority to fly to Bermuda. On June 2, Watertown and Massena are added as stops on the New York to Ottawa service. Year-round service to Plattsburg, Rutland, Lake Placid, Saratoga Lake, and Glen Falls is begun on August 4 and the number of New York to Montreal frequencies is increased on October 27.

After a three-year lapse, the Newark to Montreal schedule is resumed on April 28, 1947. Wilkes-Barre and Scranton become company destinations on May 30. After being christened by Mrs. James A. Farley, the inaugural plane begins Bermuda service from New York and Washington, D.C., on August 1. Despite newly won frequencies, the carrier, equipped with DC-3s, finds rough flying weather financially. Passengers, on the other hand, must still endure a 13-point trip between New York and Washington. Flying from New York City (LGA), stops are made at Poughkeepsie, Albany, Saranac, Lake Placid, Massena, Bennington, Watertown, Syracuse, Binghamton, Allentown, Harrisburg, and Washington.

Operations continue apace in 1948–1949 and, on February 5, 1950, the carrier drops a suit, which has made it all the way to the U.S. Supreme Court, to bar **Trans Canada Airlines, Ltd.** from a New York to Montreal route under the United States–Canada bilateral agreement. Two DC-4s establish speed records for Montreal–New York–Montreal service on February 20.

On January 22, 1951, it is announced that the carrier is equipping its aircraft with Visual Omni-Directional-Range (VOR) equipment. On March 24, as part of an interline pact with **Eastern Air Lines** and **British Overseas Airways Corporation (BOAC)**, the airline is able to begin roundtrip tours to the Bahamas and West Indies. Colonial now becomes the object of a long, confused, and involved corporate battle between **National Airlines** and **Eastern Air Lines**, both of which seek its acquisition.

The first to seek the company is George Baker of National who, in the initial year, reaches a tentative merger agreement calling for the absorption of the smaller airline in exchange for 450,000 shares of **National Airlines** stock. However, certain Eastern shareholders have acquired 21% interest in Colonial and are able to defeat the proposed merger.

Meanwhile, the CAB, which has long disapproved certain of President Janas's devious methods, has successfully pressured Colonial's board for a change. On May 31, A. B. Landa is elected a board member and he succeeds the colorful and dictatorial Janas as president. The U.S. sues Colonial and Janus on June 29 for allegedly falsifying company records and accounts and for diverting funds to Janas for his personal use; simultaneously, the government sues both over their issuance of free rides and cut rates.

Although he denies the government charges on July 3, the former president begins repaying \$75,000. On July 18, Colonial pleads not guilty to cut rates, free rides, or record falsifications. The family plan, meanwhile, is resumed on most flights as of September 30. On November 28, Colonial is fined \$10,000 for violating foreign exchange regulations. On December 12, the company accepts a merger offer from **National Airlines** on a stock trade basis.

President Landa is succeeded in early 1952 by Branch T. Dykes. Despite Colonial's December action, **Eastern Air Lines** President Rickenbacker next proposes the highest proportional cost for any airline attempting to take over another and wins the board recommendation of Colonial President Dykes on March 23. Washington, D.C. to Syracuse coach service is opened on September 15.

Charging "prior control" because **Eastern Air Lines** shareholders have nearly a quarter of Colonial's stock, Baker is unable to prevent the CAB's approval of the merger. However, President Dwight Eisenhower rejects the amalgamation and sends it back to the regulatory body for further hearing in early 1953. Daily Lockheed Constellation flights to Bermuda begin on March 10.

The National and Eastern takeover battle continues throughout 1954 and 1955; however, during these years, Eastern's shareholders quietly

unload their interest and the company increases its bid. While Colonial's 5 DC-4s and 8 DC-3s continue to fly their routes, the airline's management is able to convince its board that Rickenbacker's proposal is far superior to Baker's.

Eastern Air Lines and Colonial reapproach the CAB and on January 11, 1956 the regulatory body again agrees to the merger. This time, on January 25, Eisenhower agrees. The two companies are integrated on June 1 and the 25-year-old Colonial—which is remembered today, if at all, as a passenger carrier that flew its entire life without a single fatality—disappears.

COLONIAL AIR TRANSPORT: United States (1923–1929). Having lost the September 1925 contest for Contract Air Mail Route. No. 1 (CAM-1), the New York–Boston run, to competing **Colonial Air Lines (1)**, **Eastern Air Transport (1)** founder Juan T. Trippe changes the name of his concern on October 5 to Colonial Air Transport.

Trippe and his board of directors, including Lorillard Spencer, L. L. Odell, Sherman Fairchild, Robert Thach, William Rockefeller, John Hambleton, and Cornelius "Sonny" Whitney, now negotiate with CAL's board of directors, led by Connecticut governor John Trumbull and includes Howard Coonley, Harris Whittemore Jr., and Irving Bullard. Two days later, the two companies merge under the CAT banner, effective the following January 1926.

With the 26-year-old Trippe as managing director, the 30-member joint board agrees to form a voting trust of 7 members (Trumbull, Trippe, Rockefeller, Hambleton, Bullard, Coonley, and Whittemore). Initial capitalization is \$500,000. The U.S. Post Office now officially makes its award and Trippe sets about establishing, hiring, or purchasing the routes, landing fields, rosters, and flight equipment necessary for a going concern. A Curtiss Lark and 2 Fokker Model 4 Universals are acquired and prepositioned at Hadley Field at New Brunswick, New Jersey.

At 6:45 a.m. on July 21, pilots Hustis I. Wells and Talbot O. Freeman, flying the Lark and a Universal, depart for East Boston Airport via Hartford where they arrive at 9:35 a.m. They are joined later in the morning by LeRoy Thompson with the second Universal. The three aircraft depart Boston after lunch and fly to Teterboro Field at Hasbrouck Heights, New Jersey, where they are greeted by a crowd of 5,000 upon their 8:57 p.m. landing. The company's first day of operations is an unqualified success. Another 308 flights are scheduled during the remainder of the year, of which 242 are completed.

A total of 110 forced landings are made (42 of which result in flight cancellations); however, Trippe's pilots complete 60,867 scheduled miles without an in-flight accident and deliver 6,632 pounds of airmail. On October 1, retired Brig. Gen. John F. O'Ryan becomes president. Vice President Trippe now begins to lobby for westward expansion to Buffalo's new airport.

During the winter and early spring of 1927, the government makes CAM-1 its first lighted airway. Four emergency landing fields are established and two million candlepower beacons are placed every 10 miles from New York to Boston. By March, the carrier has accomplished its first 100,000 miles, all accident-free. One of the Universals and the Curtiss Lark are lost in a hangar fire at Hadley Field on March 28.

Unable to convince his cost-conscious board to expand, at odds with President O'Ryan over a bid for a new airmail contract, and unable to deliver support from his voting trust, Juan Trippe resigns on April 30. Within months, he will form new alliances, which result in the creation of **Pan American Airways (PAA)**.

Employing a recently acquired Fokker C-2 trimotor, Colonial inaugurates New York to Boston passenger flights on April 4. The event is historic as the first experimental scheduled night passenger service. Due to limited airfield facilities at Teterboro Field, the operation cannot be continued. As a result, the Fokker is reassigned to sight-seeing flights over New York until June 18 when it is damaged in a forced landing.

Air express flights between Boston and New York are launched on September 2 when pilot E. G. "Dan" Cline departs the Massachusetts

metropolis with his Fokker Universal, transporting 41 pounds of mail, 10 express packages, and one passenger. Weather forces him to land at Dudley where his passenger departs. Taking off again, he crashes into a tree near Willington, northeast of Hartford, and is killed. Late in the month, 3 new Fairchild FC-2 cabin monoplanes are acquired and employed on the New York–Boston route, as well as on sight-seeing tours from Hadley Field.

While on one of those \$5 rides on October 3, Leroy H. Thompson's FC-2 goes into a spin and crashes (four dead). In December, the two surviving Fairchild aircraft are turned over to the company's new subsidiary, **Colonial Western Airways**, for the inauguration of its new service from Albany to Cleveland.

On the year, CAT has transported 4,016 passengers, 1,140 pounds of freight, and 10.4 tons of mail over 97,767 miles.

Operations continue apace in 1928. A clogged oil line forces the surviving Fokker Model 4 Universal, en route from Boston to Hasbrouck Heights on March 26, to crash New Canaan, Connecticut. During an August weekend, the company is forced to fly extra sections to transport the 512 passengers who wish passage between Boston and New York. Conversely, only 134 passengers are flown in December.

On January 5–6, 1929, Ned Carrington, en route with mail from Boston to New York in an FC-2, crashes into a mountain near Stafford Springs, Connecticut (1 dead). The new Ford Tri-Motor 5-AT-33 is delivered to the company at New York City on March 30, followed by the 5-AT-36 on April 6 and 5-AT-35 on April 12.

In early spring, the board creates the holding company Colonial Airways Corporation to operate CAT, plus its subsidiaries, **Colonial Western Airways** and **Canadian Colonial Airways**. In May, CAC and its operating airlines, by an exchange of stock, are acquired by a larger holder, The Aviation Corporation (AVCO), parent of the emerging **American Airways**.

COLONIAL AIRLINES: United States (1975). Colonial Airlines is founded by Novara Nichols at Cambridge, Ohio, in the summer of 1975. Employing a Volpar Beech 18, he inaugurates daily scheduled passenger roundtrips on September 10, linking his base with Akron to the north and Columbus and Dayton to the west. When traffic does not materialize, the company is shut down in December.

COLONIAL WESTERN AIRWAYS: United States (1927–1929). CWA is organized in late fall 1927 as a subsidiary of **Colonial Air Transport** to develop a service from Albany to the west. An application is made to the U.S. Post Office, which grants the carrier the 452-mile Contract Air Mail Route No. 20 (CAM-20). Equipped with 3 Fairchild FC-2s, 2 of which are transferred over from its parent, the new entrant inaugurates scheduled passenger, mail, and express flights from Albany to Cleveland via Buffalo and Erie on December 17.

On January 8, 1928, an FC-2 crashes at Rural Grove, New York, in dense fog (three dead). Pitcairn PA-5 Super Mailwings are added in the spring.

On June 1, the Mohawk Valley extension, CAM 20, is initiated, linking Buffalo with Albany via Rochester, Syracuse, Utica, and Schenectady. The Ford Tri-Motor 4-AT-41 is delivered on September 28 and a total of 850 passengers are transported by year's end.

On March 17, 1929, the Tri-Motor is on the last of several sight-seeing tours over Newark for the day with 14 aboard and with Louis Foote as pilot. The plane's left and center engines quit just after takeoff, causing the aircraft to crash into a railroad gravel car and break in half (14 dead). The northeastern newspapers label the tragedy "the worst accident in the history of heavier-than-air aeronautics in this country." Relatives of the survivors bring suit against the airline in a trial that begins on March 25.

While attempting to take off from a wet field at Syracuse on April 10, an FC-2 ends up in a creek at the end of the runway. Despite expert testimony from such aeronautical notables as Clarence Chamberlain and Bernt Balchen, the jury in the Tri-Motor crash trial finds against the air-

line and surviving pilot Foote on April 11, awarding the 6 plaintiffs a total of \$89,000. Two other surviving relatives will receive \$71,000 at year's end from another trial.

Also in April, along with **Canadian Colonial Airways** and Colonial Air Transport, CWA becomes an operating subsidiary of the holding company Colonial Airways Corporation. Through an exchange of stock, CAC is taken over by The Aviation Corporation (AVCO) in May.

COLOR AIR, A.S.: Norway (1998–1999). In January 1998, Air Foyle Charter Airlines, Ltd., the charter and replacement services division of the U.K. heavylift airline **Air Foyle, Ltd.**, signs a contract with Color Air, A.S., a Norwegian deep-discount start-up airline owned by the Scadilion Group. Scadilion also controls Color Line, A.S., the Oslo-based ferry boat operator and Norway's largest shipping company that had once owned **Norway Airlines, A.S.**

Scadilion's chairman and owner, Olav Nils Sunde, appoints former **Norway Airlines, A.S.** executive Morton Anderson as Color Air's president and through him will manage the launch of the new operator. Start-up capital of \$40 million is provided.

A workforce is recruited and 2 Boeing 737-3Q8s, previously operated by **TACA International Airlines, S.A.**, are chartered from ILFC. Shortly before flights commence, the new entrant scores an airline record by becoming the first carrier to take its initial reservation via its Internet website. It also sells tickets through the country's largest grocery chains.

Repainted at the Air Foyle workshops at Castle Donnington in the U.K., one of the little Boeings, the *Trondheim*, is employed by Chief Pilot Capt. Tord Tangvik to inaugurate revenue flights on August 7 from Oslo to Aalesund.

When the second plane becomes available, the two jetliners initially link the company's base with Aalesund and Trondheim. The new entrant will compete with **SAS (Scandinavian Airlines System)** and **Braathens, A.S.** Flights to Bergen commence on August 15.

Winning a bet placed three years earlier, Capt. Tangvik is able to depart with his Flight 361 from the new Gardermoen Airport at Oslo on October 8 ahead of the planned premier departure by SAS Flight 303, which is also headed for Bergen.

Flights to Stavanger commence in November. Direct return service is inaugurated on December 1 between Oslo and London (STN). By the end of the year, the company operates 3 Boeing 737-3Q8s and employs 122 workers, including 15 captains and 11 first officers.

Although service continues in 1999, the airline is not profitable. The carrier is declared bankrupt on September 26; all further flights are cancelled and the fleet is deleted.

COLORADO AIR FREIGHT SERVICES. See COLORADO AIRLINES

COLORADO AIRLINES: United States (1976–1984). Upon the completion of Crested Butte Airport in the summer of 1976, its owners, Ronald D. and Sharon Y. Rouse, establish two airline divisions of their Crested Butte Air Service, Inc. to fly passengers and cargo to Denver and Aspen. Passenger services are operated by Colorado Airlines and freight by **Colorado Air Freight Services**. Flights commence in October with a pair of Cessna 206s.

Operations continue apace for the remainder of the decade, although the fleet is enhanced by the addition of Britten-Norman BN-2 Islanders.

In June 1981, the couple takes over the FBO operation of **Cimarron Air** at Grand Junction. Company headquarters are moved to this new base and C-206 operations continue between Grand Junction, Denver, Crested Butte, and Aspen. Cargo flights are extended to other Colorado towns and cities before the operation is forced, by mounting debts, into bankruptcy in 1984.

COLORADO AIRWAYS: United States (1926–1927). Having obtained Contract Air Mail Route No. 12 (CAM-12), Anthony F. Joseph forms Colorado Airways at Denver in the spring of 1926 to link Col-

orado Springs, Pueblo and the state capital with Cheyenne on the transcontinental mail route. Employing a pair of Standard biplanes, Joseph inaugurates service on May 31. Later in the year, the mail-only flights are improved by the replacement of the Standards with Ryan M-1 Mailplanes.

The company is acquired by **Western Air Express** on December 10, 1927.

COLORADO RIVER AIRWAYS: United States (1966–1968). Colorado River is set up at Long Beach, California, in April 1966 to provide scheduled passenger and cargo services with a fleet of de Havilland DH 104 Doves and DH 114 Herons. Roundtrip revenue flights commence on May 26, linking the company's base with Burbank, Bullhead City, and Havasu City, and continue until the company goes out of business in 1968.

COLUMBIA AIRLINES: United States (1935–1936). Very short-lived, Columbia is formed at Curtiss-Steinberg Field at East St. Louis on August 15, 1935 to offer scheduled passenger and small package express services to Detroit via St. Louis, Louisville, and Cincinnati. Five Stinson Model U Tri-Motors are purchased from **American Airlines** and **Canadian Colonial Airlines** and are employed to commence operations in September. Traffic is so poor (984 passengers and 2.9 tons of express) that the company, without affiliation or subsidy, must shut its doors in mid-February 1936.

COLUMBIA HELICOPTERS: P.O. Box 3500, Portland, Oregon 97208, United States; Phone (503) 678-1222; Fax (503) 678-5841; <http://www.colheli.com>; Year Founded 1957. Edward and Wesley Lamatta form Columbia Helicopters at Troutdale Airport, near Portland, Oregon, in 1957. While the two men supplement their incomes as truck drivers and longshoremen, they employ a single used Hiller 12B on contract service flights. Revenues for the start-up year total \$22,000.

Piloting the Hiller 12B, Wesley gains national attention in 1958 when he rescues 17 seamen from a sinking dredge off Coos Bay. A new Bell 47-G2 is purchased in 1959, followed in 1960 by the acquisition of a new Hiller 12B. Company headquarters are transferred to Swan Island, near Portland's downtown area, in 1962.

Operations continue apace during the 1960s, with Columbia providing lift for transmission-tower construction and the stringing of communication lines. The most unusual feat during the first half of the decade is the towing of two water skiers from Portland to the mouth of the Columbia River in order to set a new world record.

In 1967, President Wesley Lamatta, who had let his dream to start helicopter logging be known three years earlier, is approached by representatives of Sikorsky Aircraft Corporation, which sell him an S-61 and recommend the purchase of the Boeing Vertol 107s currently operated by **New York Airways**. The scheduled rotary-wing operator needs to find a buyer for its older aircraft before it can obtain, under an agreement with **Pan American World Airways (1)**, Sikorsky S-61s.

Lamatta approaches **New York Airways** in 1968 and is able to purchase three machines. The first of these enters service and helps the company execute a contract to set power line towers across the Continental Divide in Colorado. These, along with the Sikorsky S-61, are employed in construction work during 1969–1970.

In 1971, **New York Airways'** last 4 Boeing Vertol 107s are purchased. With the requisite lift now available, Columbia is ready to initiate the first trial use of helicopter logging in the U.S. (helicopters had first carried logs in Scotland in 1956). The initial effort is a cooperative venture between Columbia, the U.S. Forest Service, and Erickson Lumber Company of Marysville, California. One of the 107s on this Lights Creek Timber Sale experiment is piloted by joint venture partner Jack Erickson, who will later form competing **Erickson Air Crane** to log with Sikorsky S-64 Skycranes.

A second heli-logging experiment and the first commercial timber sale occurs in early summer in Plumas National Forest, in northern Cal-

ifornia, during the Drum Timber Sale. The 107s prove Lamatta's concept is sound and, in the first successful commercial heli-logging operation in the west, harvest 3 million board feet of wood in 12 weeks.

A third commercial timber sale and another study involve the Siskiyou National Forest in Oregon and the Boulder Overstory sale. The research is designed to study the feasibility of helicopter yarding of large Douglas fir trees, as well as the fire hazard potential and aesthetics associated with heli-logging. This operation, netting 5 million board feet of wood, is completed between August 8 and October 7.

The company's first big overseas contract is accepted during the year. Two BV-107s are dispatched to Papua New Guinea to provide oil rig movement and support flights on behalf of Texaco and the Australasian Petroleum Company.

During the remainder of the decade, the Boeing Vertol 107 fleet grows to 12 and are employed to undertake both logging and construction contracts. Overseas business is also accepted as oil companies hire Columbia to transport oil rigs, often to such inhospitable locations as Papua New Guinea. Transport work is also carried out in Africa, including sandstorm-ridden Sudan.

Between 1975–1976, two BV-107s support energy development operations in Peru. During the latter year, 4 Kawasaki-Vertol 107s are acquired from the government of Thailand. In 1977b, 2 BV-107s are sent to Saudi Arabia, where they provide fire suppression and search and rescue flights during the Hadj, the annual Muslim pilgrimage to Mecca.

In 1978, **Alaska Helicopters** is taken over and 2 Boeing Vertol 107s are sent north to join the new acquisition's choppers in providing passenger and cargo charters throughout Alaska.

Over 128,000 acres of forest are blown down when Mount St. Helen's explodes on May 18, 1980. Consequently, a massive log salvage operation is announced by the U.S. Forest Service, the Washington State Department of Natural Resources, and Weyerhaeuser Industries. Columbia dispatches several of its Boeing Vertol 107s to Gifford Pinchot National Forest to participate in the clearance and these begin to remove over four million board feet of timber.

Operations continue apace in 1981 and, in 1982, a Boeing Vertol 107 is shipped to Lae, Papua New Guinea, where it provides support flights under contract to Chevron Oil at Moro, in the central, Lake Kutubu area. Also during the year, a BV-107 tows a hover barge through 50 miles of broken ice to an offshore drilling island; loaded with 220 tons of equipment, it is then towed back to shore.

In 1983, pilots from the carrier operate 2 Boeing 234s, which ARCO Alaska has chartered to fly workers from Nome to its Navarin Basin Cost #1 platform, some 400 nm. out in the Bering Sea.

A Boeing 234 Commercial Chinook is purchased from **British Airways Helicopters, Ltd.** in the spring–summer of 1984 and is delivered in September. Assigned to the **Alaska Helicopters** subsidiary, the first owned Commercial Chinook to be operated by a North American carrier is employed to make an inaugural passenger flight from Nome to one of Amoco's Navarin Basin oil platforms 400 miles offshore. A contract is now received to regularly fly Amoco Production Company rig workers from St. Paul Island to the Navarin Basin in the Bering Sea.

Following the ditching of a second **British Airways Helicopters, Ltd.** Boeing in the East Shetland Basin on May 2, 1985, the damaged machine is acquired during the summer. Repaired, it, too, enters service in support of Amoco fields off Alaska. In 6 months of operation from St. Paul to the drilling rigs, the 2 aircraft operate 439 hrs. of primarily IFR support, maintaining 100% mission availability.

The fifteenth year of heli-logging is celebrated and it is reported that, since this type of operation began, Columbia has yarded more than 2.04 billion board feet of timber, enough for the construction of 408,600 houses. On behalf of Marathon Oil Company, a BV-107 now transports an Adeco Heli-rig from its base camp to a well site at an elevation of 7,650-ft. near Cody, Wyoming.

During 100 days ending December 5, the company undertakes a contract in the Darfur region of western Sudan on behalf of the U.S. Agency for International Development (AID). Employing three Boeing Vertol

107s, company pilots fly over 8.8 million pounds of food, fuel, and medical supplies.

The 3 BV-107s fly 2,598 hours on this contract, then a world record for helicopter utilization, with 100% aircraft availability and mission completion. At year's end, a USAF C-5A Galaxy returns the 3 helicopters to Portland, Oregon.

The company's fleet of 11 Boeing Vertol 107s enjoy a productive 1986, particularly in July–August. Beginning in June and continuing through July, a BV-107 moves oil rigs and provides oil-company support in Papua New Guinea; at month's end, the rotary-wing aircraft is flown back to the company base at Aurora, Oregon, aboard a Lockheed L-100 Super Hercules of **Transamerica Airlines**.

During August, several 107s, employing the newly developed CORDS (Columbia on-board retardant dispensing system), join in a two-and-a-half week forest fire fighting campaign in Idaho and Oregon. During the same period, another 107, leased to Whonnock Industries of Vancouver, British Columbia, establishes a logging record during work at Hovel Bay on Bute Inlet. In August, the machine flies 338½ hours (a 30-day record) and lifts out over 52 million pounds of timber. In total, the Boeing Vertols have, thus far, amassed over 160,000 flight hours. Meanwhile, the decline in North Sea oil prices causes a planned lease of a Civil Chinook to **British Airways Helicopters, Ltd.** to be put on hold.

Beginning on August 31, 1987 and continuing throughout the fall in a fire fighting campaign termed "unprecedented" by forestry officials, Columbia's entire Northwest fleet of 7 BV-107s and a Civil Chinook are committed to fire suppression flights in northern California, southern Oregon, Idaho, Washington. The Model 234L is particularly impressive as it battles a blaze in California's Mendocina National Forest. Through October 31, the 107s fly over 800 hours and the Civil Chinook another 73.

During a two-day contract with Cincinnati Gas & Electric Co. in December, a two-man crew, suspended from a company BV-107, replaces aircraft in marking spheres on power lines stretching across the Ohio River. At year's end, one of the 107s acquired from **New York Airways** back in 1971, completes its 30,000th flight hour during a logging operation; the mark is a civil record for the type.

One of the company's Model 234 Civil Chinooks is reconfigured for helicopter logging in 1988. Its first contract is the harvest of timber from the Olympic Peninsula near Hoodport, Washington. A Boeing Vertol 107 is placed on a logging contract at Big Jeff, Oregon, in April; the aircraft will yard about four million board feet of timber from elevations nearing 2,500 feet.

During the summer and fall, three 107s are dispatched to Papua New Guinea. The contract has them transporting oil rigs and supporting exploratory drilling in the nation's southern highlands. The logging Chinook is dispatched to Grant's Pass, Oregon, to begin a year's work cleaning up valuable and salvage timber from the Silver Complex burn. Late in the year, a letter of intent is signed with **British International Airways, Ltd. (BIH)** for the purchase of the U.K. airline's final 3 Commercial Chinooks.

In February 1989, the company completes its purchase of the 3 **British International Airways, Ltd. (BIH)** Model 234s at a cost of between \$20 million and \$25 million, including spare parts. The first of these Civil Chinooks departs the U.K. for Portland, Oregon, on February 17, with the other two following at monthly intervals.

A Civil Chinook is assigned to participate in suppression of the King Gulch Fire at Idaho City, Idaho, between July 29 and 31. Delivering 3,000-gallon bucket loads at a time, the giant helicopter flies nearly 23 hours and drops a total of 426,896 gallons onto the blaze.

After 8,158 hours of service over five-and-a-half years in the Southern Highlands of Papua New Guinea flying support for oil rig operations, the leased Boeing Vertol 107 returns to Aurora, Oregon, in August.

On the U.S. West Coast, the Chinook works in Happy Camp, California, on a contract to log timber from Ten Bear Mountain and then returns to Grant's Pass in Oregon. During December, the company accepts a contract from Fiberboard Corporation to begin the salvage,

with its Civil Chinooks, of 10 million board feet of dead, but valuable, old growth timber from Stanislaus National Forest, just north of Yosemite National Park.

In January 1990, a Civil Chinook is dispatched to South Carolina to heli-log upwards of 20 million board feet of pine and red oak blown down during Hurricane Hugo the previous fall. In February, a second Model 234 begins working on the Stanislaus National Forest contract, taking upwards of 400,000 board feet of timber daily in 13-ton slingloads to 3 designated landing zones.

Also in the first quarter, Columbia Helicopters receives timber salvage contracts to remove valuable dead trees from Sequoia, Plumas, Lassen, and Eldorado National Forests. The Boeing 107s are sent to deal with these tasks, which will remove timber killed by fires in 1987 and a 1988 bark beetle infestation.

During the summer, company helicopters are also involved in West Coast fire fighting operations. While combating a blaze near Wenatchee in northwest Washington on August 4, a BV-107 crashes and burns; although its crew escapes without injury, the aircraft must be written off as a total loss.

Between August 8 and 19, 2 Boeing 234s operate 134 flight hours helping to combat the great "Stormy Fire," near Kernville, California. Dropping 3,000-gallon bucket loads of water at a time, the two helicopters deliver a total volume of 1,346,000 gallons during their effort.

After six months of negotiations, the company purchases the 2 Civil Chinooks flown by **Trump Air**. With 7 such machines, each certified by the FAA to lift underslung loads of up to 14 tons, Columbia now operates the largest Boeing 234 fleet in the world, along with 12 Boeing Vertol 107s. Two of the latter, under contract in Papua New Guinea, operate in excess of 2,500 hours.

Columbia pilots ferry the 2 former **Trump Air** Civil Chinooks from Farmingdale, New Jersey, to Aurora, Oregon, during a four-day period in January 1991. Under contract to Mobil Oil, one of the older Model 234s is transported to Lae, Papua New Guinea, where it arrives on May 5. Within days, the Civil Chinook is transporting drilling equipment over high mountain ridges, some in excess of 8,800 feet.

The huge helicopter joins 4 Boeing Vertol 107s already on station in Papua New Guinea providing, as they have for nine years, support for Chevron, Mobil, Command, and British Petroleum. Flights continue, as they have from the beginning, to be made in association with the local concern Milne Bay Air (Pty.), Ltd.

During the year, the concern, which had begun the practice the previous year, continues its work in support of fish habitat enhancement by placing boulders, logs, and root wads into streams and creeks previously disturbed by logging activities.

Operations continue apace in 1992. During November, the Civil Chinook in Papua New Guinea and a BV-107 relocate more than two million pounds of Chevron drilling rig and support equipment owned by Parker Drilling Company in a record number of flight hours. The BV-107 handles 54% of the mission in just under 52 hours, while the Model 234 flies its 46% share in just 12 hours. In North America, heli-logging, as it has for some time, continues to account for the majority of the carrier's flight hours.

During the spring of 1993, the Papua New Guinea helicopters accept another contact to move Parker Drilling equipment; altogether, 1.8 million pounds are transported in just 12 days.

President Roy M. Simmons's corporation is now a worldwide operator of contract and charter passenger and cargo services. Its large fleet of rotary-wing aircraft exceeds 50 in number of various types. During the fall, one of these, a Boeing Vertol 107, N6674D, breaks the 40,000-hr. mark to become the world's highest-time helicopter. Five more BV-107s are acquired from the Swedish armed forces, bringing the total number of civil CH-46 Sea Knights in its inventory to 16.

Airline employment in 1994 stands at 700. Following a presentation to the Malaysian forestry department, the company inaugurates heli-logging operations during the first quarter for a company based at Sarawak. The logging will be done in both Malaysia and Laos.

At the same time, the first of the 5 BV 107s from Sweden undergo refurbishment and enter services during the summer. Six used Sikorsky CH-54As Skycranes are also purchased and refurbished.

Once again, the line is engaged in its annual April 15–October 15 seasonal fire fighting activities. By mid-August, the 3 Model 234s and 9 BV-107s assigned to the mission have set company flight-hour records in fighting over 30 fires in nine states.

After it stops providing Chinook service to Phillips Petroleum in the North Sea's Ekofisk oil field during April 1995, **Helikopter Air Service, A.S.** puts its last 2 B-234s up for sale. Also in April, a Model 234 begins operating on behalf of Helifor, Ltd. from a floating base near Campbell River, British Columbia. In May, the Civil Chinook flies a record 274.6 hrs. and transports 84 million lbs. of timber from logging sites to fjords, from which shipment is completed to sawmills.

The first CH-54A enters service on September 8; it is assigned to a logging contract at Burney, California. The HAS Chinooks are purchased by Columbia later in September and are delivered at the end of December. Arriving at Baltimore by ship, the B-234s are then flown to Columbia's base at Aurora, Oregon. With 9 units, Columbia becomes owner of all of the world's operating Civil Chinooks.

Heavy-lift work increases 20% during the year to 34,157 hrs. The heli-logging business grows 50% by volume and now represents approximately 90% of Columbia's work.

In January 1996, one of the former HAS Chinooks is shipped to Papua New Guinea, where it joins another unit and a BV-07 in moving oil rigs for multiple customers. In May, the two Chinooks move the 99th rig transferred by the company in Papua New Guinea; the Parker Drilling Company's Rig 140 is set up for Chevron Niugini at the Moran 1X site in the central highlands. Bad weather slows the process and it requires 73 flight hours over 12 days to complete the rig's transfer.

Logging protesters attempt to disrupt heli-logging activities at Enola Hill, Oregon, in early June, by lying down among the trees being hoisted up. One protester grabs onto the hook that hangs down from a hovering helicopter; workers scramble to pry him loose and dissuade him from this dangerous tactic. Shortly thereafter, the BV-107 assigned is called away to help fight forest fires at Mount Jefferson.

During July–August, company helicopters assist in the rebuilding of flood-damaged streams in King County, Washington, by hoisting in root wads and logs to help establish ponds and fish breeding sites.

While undergoing a maintenance test flight near company headquarters at Aurora on October 4, a BV-107 crashes while approaching to land; Chief Pilot James Davy and two others aboard are killed.

During the year, the company's helicopters transport 2.5 million tons, more tonnage than is flown by any other helicopter operator in the world. In logging, it delivers sufficient logs to load 98,700 trucks, which, if lined up end-to-end, would stretch from Seattle to Los Angeles.

By March 1997, Columbia has four Civil Chinooks supporting overseas activities. One is heli-logging around Sarawak, Malaysia; two are engaged in the support of energy development in the southern highlands of Papua, New Guinea, and the fourth now enters a new contract to support Shell Oil's oil explorations in eastern Peru.

In early June, the company completes a selective heli-logging operation near Juneau, Alaska, at Echo Cove. The esthetic beauty of the forest is retained because the loggers and helicopters remove only about one in every eight trees.

A sixth B-234 joins the fleet in July, joining 9 others, 3 of which are inactive. It is designated to support a second unit engaged with Canada's Helifor in Pacific Northwest heli-logging operations.

During the first week of February 1998, a BV-107 passes the 50,000-hr. flight time mark, a record for this aircraft type. A second 107 will pass the same mark in midyear.

Although as noted, Columbia's helicopters have been involved in fighting a variety of fires in western states, Mexico, and elsewhere over the years, the company is largely unknown in the eastern U.S. until the spring. Fortunately, the Interagency Fire Center, at Boise, Idaho, has, on behalf of the Federal Emergency Management Administration, had the

foresight to contract with Columbia and several other companies, including **Erickson Air Crane**, for airborne fire fighting support.

Hundreds of lightning strikes ignite the drought-stricken swamplands and underbrush in northern Florida toward the end of May. As these wildfires sweep across the state in the weeks after Memorial Day, local firefighters are nearly overwhelmed. Even the Daytona 500 car race must be cancelled.

By the fourth week of June, 45 of 67 Florida counties are on fire. Fire fighting aircraft, as well as personnel and equipment, are mobilized from across the U.S. and these volunteers arrive from around the country to assist in combating the inferno engulfing over a third of the state.

Columbia dispatches 3 BV-107s, equipped with 1,000-gallon water buckets, to Florida to assist in the campaign against the wildfires. One of the tandem helicopters is reassigned to Lake City from a heli-logging operation in Texas, while a second is moved from logging operations in Redding, California, to De Land. A third is dispatched into the state from Covelo, California. In addition to flight crews and mechanics, the company also provides its own support crews, with maintenance service vehicles and fuel trucks.

Columbia's helicopters are engaged in water drops for 25 days from June 22.

Flights continue during the remainder of the year and into 1999, during which months a new homepage is opened on the Internet's World Wide Web.

Company helicopters again fight fires and harvest logs. Due to environmental and wildlife regulations, logging in many locales can only be completed during strictly regulated monthly windows of opportunity.

The U.S. suffers its second driest summer on record, leading to a rash of wildfires in California, eastern Oregon, and other Western states during July–September. All of the fires spread rapidly, requiring quick responses. With most of the company's helicopters working on logging operations in the Pacific Northwest, all concerned are proud of the rapid response made to calls from the U.S. Forest Service or state forestry departments. During this period, as many as 10 of the company's 12 heavy helicopters simultaneously become involved in fire fighting.

Several fires in California are so large that they must be fought by 8 Boeing-Vertol 107s and a Skycrane, while one blaze, the Pilot Fire near Sonora, is extinguished by a BV-107 and a Model 234 Civil Chinook, working, as is always the case, with ground firemen. Another 234 joins the fleet at the end of August.

Late in the year, the company achieves a milestone of 500,000 tandem-rotor helicopter flight hours. The achievement is finalized through the addition of 92.6 hrs. logged by a BV-107 and 23.2 hrs. performed by a Civil Chinook.

The 2000 fire season is the worst in the U.S. West since 1994, with over 67,000 fires consuming in excess of five million acres in Washington, Oregon, California, Idaho, New Mexico, and Montana by mid-summer.

Spectacular fires first grasp the attention of world viewers in May and June when television networks picture the huge fires raging through New Mexico, including the Los Alamos area where a nuclear facility is located. The Cerro Grande fire consumes over 47,650 acres of federal forest and wildlands in the Bandelier National Monument while the stubborn Viveash fire in Santa Fe National Forest burns over 30,000 acres. Columbia is one of 10 civil helicopter operators assigning assets to the blazes; through June, company Boeing-Vertol 107s dump 53,000 gallons of water and 27,000 gallons of retardant on the Cree fire near Ruidoso and 146,000 gallons of water on the Cerro Grande fire.

The most severe damage occurs in Montana, where Columbia, under contract, assigns 10 of its 13 U.S.-based heavy helicopter fleet. Working daily through June, the operator's BV-107s, Model 235 Chinooks, and a Sikorsky CH-54 Skycrane drop over 250,000 gallons of water and retardant.

Although the conflagration continues, Columbia is required to cycle aircraft in and out of heli-logging commitments. Still, by the end of August, eight helicopters are engaged at five fire sites.

COLUMBIA PACIFIC AIRWAYS: United States (1973–1978). Originally established at Execuair, Inc. in January 1973, this Richland, Washington-based commuter is quickly renamed. Employing 1 Piper PA-31-350 Navajo Chieftain and 1 Beech 99, CPA inaugurates scheduled passenger and cargo services on February 1, linking its base with Seattle, Bremerton, Walla Walla, Spokane, and Portland.

The Beech 99 is lost in an accident at Richland, Washington, on February 10, 1978. Although operations continue until November, the financially troubled regional is unable to recover from the loss of its flagship airliner and shuts its doors. Its routes are purchased by **Cascade Airways**.

COLVIN AVIATION: 1080 Ben Epps Drive, Athens Ben Epps Airport, Athens, Georgia 30605, United States; Phone (706) 548-0717; Fax (706) 549-2038; <http://www.colvinair.com>; Year Founded 1980. Colvin is established at Athens, home of the University of Georgia, in 1980 to provide executive and small group passenger charters. Over the next 20 years, the company also undertakes air ambulance and express flights and its fleet grows to include 3 Learjet 35As, 2 Learjet 25s, and 1 Learjet 24.

COMAG, S.A.: Mozambique (1977–1980). In 1977, the government of Mozambique moves to establish a single domestic airline operation by combining all of the private local and general aviation companies in the country. Bought out and taken over are CASS (Companhia Aerea do Sul do Save), ETAPA (Empresa de Transportes Aereos de Pemba), EMAC (Empresa Mocambicana de Aviacao Comercio), OTA (Organizacoes de Transportes Aereos), SAB (Servicios Aereos de Beira), SAM (Servicio Aereo do Mocambique), SAN (Servicio Aereo do Norte), TAM (Transportes Aereos de Mocambique), TAC (Transportes Aereos Comerciais), TAN (Transportes Aereos de Niassa), TAT (Transportes Aereos de Tete), and TAZ (Transportes Aereos de Zambezia).

The initial fleet comprises the aircraft of the merger partners, including Pilatus-Britten-Norman Islanders, Britten-Norman Islanders, Piper Aztecs, Aero Commanders, Piper Pawnees, and even a Hawker Siddeley HS 125 executive jet.

Medical evacuation, survey and agricultural flights are made, along with charters. The principal business, however, is scheduled services to 24 cities, towns, villages and airstrips.

In 1980, the carrier is reformed and renamed **TTA (Empresa Nacional de Transporte e Trabalho Aereo, S.A.)**.

COMAIR: P.O. Box 75021, Cincinnati International Airport, Cincinnati, Ohio 45275, United States; Phone (606) 525-2550; Fax (606) 525-3420; <http://www.fly-comair.com>; Code OH; Year Founded 1977. Raymond A. Mueller and his corporate-pilot son David R., with two other investors, purchase **Wings Airways**, a small regional airline based at Cincinnati, on January 31, 1977, largely on the basis of \$60,000 of their own assets, and change its name. When service begins in March, the new entrant is so tiny that its only aircraft, the former **Wings Airways** Piper PA-31-310 Navajo, is piloted by David, the company's executive vice president. A Piper PA-23 Aztec owned by Raymond is the fleet backup. Incidentally, the name Comair is not an abbreviation, but reflects the belief of the organizers in the concept of community service. Intrastate flights are undertaken between Cincinnati and Cleveland via Akron and Canton.

Comair's growth in the era of deregulation is remarkable. Two more Navajos are acquired in 1978 and the company's two other investors are bought out. Service is inaugurated to Detroit. Enplanements total 26,502 for the first full year of service.

To meet the growing 1979 service demand born of deregulation, a new Evansville route is added, ground facilities at Greater Cincinnati Airport are expanded, and 7 Piper PA-31-350 Navajo Chieftains supplement the 3 Navajos.

While taking off from Cincinnati on October 8, a Navajo, with the pilot and seven passengers aboard, stalls out and crashes; there are no survivors.

Despite the adverse publicity of the crash, the year's passenger boardings still skyrocket by 93% to 51,151.

The year 1980 is a good one for the company. Its hub is temporarily transferred to Dayton and Chairman Raymond is able to secure sufficient financial backing to cover the \$5 million in losses occasioned by the previous fall's disaster. The company's aircraft now fly to a total of 11 destinations in Michigan, Ohio, South Carolina, Indiana, and Kentucky. Passenger boardings climb 34% to 68,420.

The employee population skyrockets 82.6% in 1981 to 168. Comair, Inc. is organized in Ohio as a Kentucky company on May 22 and, on May 28, goes public, offering stock that improves the financial base. Two million shares of common stock are traded on the NASDAQ and stockholders, in July, approve a merger of the previous Comair into Comair Holdings, Inc.

Orders are placed for a pair of Brazilian-made Embraer EMB-110 Bandeirantes. Meanwhile, a new hangar and headquarters facility are occupied at Greater Cincinnati Airport. In December, the company joins the Deltamatic computerized reservations system of **Delta Air Lines**.

Despite a national recession, enplanements climb 64.6% to 112,610. Profits are earned: \$322,000 (operating) and \$174,000 (net).

Employment increases in 1982, climbing 98% to 303. The fleet now includes 10 Bandeirantes and 6 Navajo Chieftains. Three Shorts 330s are delivered in March and orders are outstanding for 2 Fairchild-Swearingen Metro IIIs and 4 SAAB-Fairchild SF340s, for the company is the American launch customer. New routes are opened in early spring to Toledo, Lexington, and Charleston, West Virginia.

Passenger boardings for the year nearly double, accelerating 95.7% to reach 220,347. Revenues increase 86.5% to \$10.62 million and expenses, even though up by 90.9%, are kept at \$10.17 million. Consequently, a \$445,000 operating profit is generated while the net gain is \$365,000. As a result of its fiscal achievement, the five-year-old carrier is able to advance into the CAB's category of large regionals and almost in celebration, 3 new Shorts 330s are acquired.

The payroll is increased 59.4% to 483 as the rapid pace of expansion continues in 1983. During the year, the carrier adds 2 more Shorts 330s and 5 Fairchild-Swearingen Metro IIIs to its fleet while announcing its order for SAAB-Fairchild SF340s has been expanded to a total of 12. Talks are held with **Delta Air Lines** concerning the possibility of code-sharing operations and, in October, Servair, the FBO at Greater Cincinnati, is purchased.

Passenger traffic jumps another 38.3% to 303,953 and cargo climbs 61.8% to 235,000 FTKs. Revenues rise to \$19.5 million, up 87.7%, as costs grow only 80% to \$18.3 million. The operating profit is \$1.16 million and net gain ascends to \$1.35 million. Airline employment is now 525.

If earlier years are exciting, 1984 proves a landmark. Employment increases 50.9% to 800 and in late winter, Comair receives the first 2 of its 340s and an additional 3 Metro IIIs. The service from Cleveland to Milwaukee is expanded on June 1, as two nonstop frequencies and a one-stop are offered every working day. The SAABs come on-line in late July, at which time the FAA grants a company request to operate under the provisions of FAR Part 121, rather than Part 135. Agreement is now reached with the company's pilots, newly organized by ALPA.

Cleveland's Fred Nance becomes the company's millionth passenger (cumulative) on July 30 when he boards a flight from Cleveland to Louisville.

A code-sharing agreement is signed with **Delta Air Lines** on September 1 and on the same day, flights commence to Fort Wayne, Indiana. On October 1, service is inaugurated to Roanoke and Richmond, Virginia. On December 1, Comair officially becomes the fourth "Delta Connection" commuter network partner, emphasizing its growing role in the interlining of passengers between its markets and those of its major affiliate. Although Delta's reservations code is acquired, Comair retains its corporate identity and livery.

Passenger bookings accelerate 37.1% to 417,601 and freight jumps 31.2% to 308,700 pounds. Revenues ascend to \$32.2 million and

expenses are held to \$29.51 million. The difference between income and disbursements allows a \$2.7-million operating profit and a net gain of \$2.84 million.

Airline employment grows again in **1985**, up 21.2% to 1,000 and the fleet is increased by the addition of 7 SF340s, 1 Metro III, and 2 Embraer EMB-110 Bandeirantes. New international service is introduced, and frequencies are increased or upgraded to the domestic cities of Akron, Charleston, Chattanooga, Cincinnati, Cleveland, Columbus, Dayton, Detroit, Evansville, Fort Wayne, Huntington, Indianapolis, Knoxville, Lexington, Louisville, Milwaukee, Naples, Nashville, Richmond, Roanoke, and Toledo. During the spring, flights begin to Chicago (ORD).

In July, 1.2 million shares of common stock are sold in a public offering that generates \$13 million toward the line's expansion. In December, all of the SF340s are grounded by an Airworthiness Directive from the FAA.

Customer boardings accelerate a whopping 49.8% to 625,537 and cargo skyrockets 81% to 558,000 pounds. Revenues rise 45.1% to \$46.75 million, costs climb 44.9% to \$42.75 million, and the operating profit doubles to \$4 million. A net \$4-million gain is also generated as the year proves the best in company history to date.

The payroll is reduced 2% in **1986** to 980 as 3 more SF340s arrive. The SF340 fleet returns to service in January. On March 10, a tornado strikes Greater Cincinnati Airport at Covington, Kentucky, causing several million dollars worth of damage. Two SF340s and two Metroliners are damaged, along with two company hangars and almost all of the administrative offices.

Delta, for its part, acquires a \$16.8-million, 20% interest (1.85 million shares) in its partner during July and, in October, the regional withdraws from Chicago (ORD) selling its 26 slots to **Simmons Airlines** for \$7 million. In November, the company receives its 401 Certificate from the DOT.

Also during the final quarter of the year, the large regional incurs significant costs as it expands its Cincinnati base of operations in preparation for the enhancement of that hub by interline partner **Delta Air Lines** on December 15. Among these are construction difficulties, bad weather, and a protracted bond issue approval process. On the hub's start-up day, daily departures increase from 48 to 104.

Meanwhile, passenger bookings ascend a slight 1.5% to 634,665. Cargo, on the other hand, actually plunges 13.1% to 485,000 pounds. Revenues decline 1.7% to \$59.81 million, expenses fall 12.2% to \$62.59 million, and the operating loss is \$2.78 million. There is a \$1.31-million net loss.

The new "Delta Connection" partner fully initiates service from its major's Cincinnati hub in **1987**. Having discharged its passengers on March 9, an SF340, after losing hydraulic power, crashes into a fuel truck and a **Delta Air Lines** B-767-232. Both aircraft are substantially damaged; however, there is no explosion.

Beginning in April, some 300 Midwestern travel agents are brought to Cincinnati to view the Comair operation. Daily roundtrip service is inaugurated on July 1 between Cincinnati and the Tri-Cities Regional Airport at Bristol, Tennessee, Kalamazoo, Michigan, and the Greenbrier resort at White Sulphur Springs, West Virginia.

On November 1, the regional opens a new Florida division to provide feed to and from Ft. Lauderdale and Orlando. While the company's 15 SAAB 340s and 21 Fairchild Metro IIIs are retained in Ohio, the 12 Bandeirantes repositioned in Florida add 23 new flights per day and, for the first time in company history, none are connected to the Cincinnati hub.

Overall customer bookings for the year increase 30.5% to 828,734. Revenues turn around and climb by 38.7% to \$63.09 million while costs rise 16.4% to \$56.76 million. The operating profit is \$5.41 million while the net profit is \$4.01 million.

The large regional's workforce is increased by 16.1% in **1988** to 1,380. The fleet grows to include 16 SAAB 340As, 12 Bandeirantes, and 23 Metro IIs. Orders are outstanding for 20 Embraer EMB-120 Brasilias and 3 additional SAABs.

The "Delta Connection's" board on November 1 authorizes establishment of Comair Holdings, incorporated in Kentucky, with Comair, Inc. and CVG Aviation (the former Servair) as its major subsidiaries. Also in November, EMB-110 daily nonstop service is initiated from Ft. Lauderdale to Treasure Cay, Bahamas. The first Brasilia enters service in December.

Passenger boardings top the million-mark in annual boardings for the first time, climbing 43% to 1,184,823. Cargo also does well, jumping 26.1% to 717,000 pounds. Revenues continue to zoom upward, rising by 38.1% to \$110.48 million, expenses jump 37.8% to \$101.74 million, and operating income reaches \$8.73 million. The net gain is \$5.83 million.

The employee population swells a further 17.4% in **1989** to 1,620 and the fleet now includes 10 Bandeirantes, 22 Metro IIIs, 19 SAAB 340As, and 12 Brasilias. Orders are outstanding for 28 additional EMB-120s.

In August, four-times-per-weekday flights start between Chicago and Louisville. The Airline Aviation Academy is acquired on October 20 and renamed Comair Aviation Academy. Also in October, daily roundtrip service begins from Jacksonville to Nassau along with thrice-daily roundtrips from West Palm Beach.

West Palm Beach is visited thrice-daily roundtrip from Jacksonville, beginning in November, while, in December, twice-daily roundtrips begin from Cleveland to London, Ontario, and daily roundtrips commence from Dayton to Tri-Cities Regional Airport, Asheville, and Knoxville.

Customer bookings increase 26.2% to 1,495,899 and revenues move ahead by 30.5% to \$144.2 million. Expenses rise only 24.8% to \$126.94 million and allow operating income to almost double to \$14.14 million. Net profit jumps to \$9.29 million.

The payroll is increased by 23.5% in **1990** to an even 2,000 as the fleet is increased by the addition of 1 EMB-110P and 6 Brasilias. Two Metroliners are withdrawn. Daily roundtrip nonstops begin in January from Cincinnati to Birmingham, while twice-daily nonstop roundtrips begin to Birmingham from Orlando. Twice-daily roundtrips are launched in February from Cincinnati to Greensboro, South Carolina.

Major improvements are now unveiled at Orlando. In March, a new maintenance facility is occupied, followed by the opening of a new terminal in June. Also, on June 5, Raymond A. Mueller retires from the board of directors, turning the entire company over to David R.

Passenger boardings jump 25% to 1,869,644 and revenues swell 32.1% to \$147.87 million. Costs climb 34.9% to \$131.9 million and permit operating income to swell to \$20.15 million. Net profit is up to \$13.01 million.

The Cincinnati-based "Delta Connection" partner enjoys a good **1991**. In January, the carrier is named "Regional Airline of the Year" by *Air Transport World* magazine.

Two more EMB-120s join the fleet in September and an additional Brasilia flight is now initiated from Memphis to Cincinnati and twice-daily Brasilia roundtrips are added from Memphis to New Orleans, along with a fourth daily, direct EMB-120 service from Washington, D.C. to Cincinnati.

In October, daily service is reintroduced from Cincinnati to Huntsville and a fifth daily Brasilia service is added from Orlando to Key West. Brasilia nonstops begin from Orlando to Greenville and Spartanburg in November, along with thrice-daily nonstops from Orlando to Savannah.

While on a November 21 descent to Toronto, the right propeller separates from a SAAB 340A and falls into Lake Erie; the aircraft lands safely and no injuries are reported.

On December 15, the company inaugurates twice-daily Brasilia roundtrips from Cincinnati to Charlotte and increases EMB-120 service from Cincinnati to Greenville and Spartanburg to six times per week.

Customer bookings jump 8.2% to 2,022,032 and cargo climbs by 15% to 866,632 pounds. Revenues ascend 27.9% to \$201.71 million, expenses grow by 30.9% to \$179.98 million, and operating income is \$13.63 million. Net gain is \$7.95 million.

Company employment grows 6% in **1992** to 2,023 and the fleet grows to include 19 SAAB 340s, 40 Brasilias, and 9 Metroliners. Passenger

boardings climb 14.4% to 2,312,391 and revenues swell 12.6% to \$179.9 million. Expenses are up only 10% to \$160.57 million and thus operating income moves ahead to \$19.13 million. Net profit zooms to \$11.45 million.

Airline employment in **1993** stands at 2,200 and the fleet includes 83 aircraft.

On January 4, thrice-daily EMB-120 roundtrip service is inaugurated between Ft. Lauderdale and Tallahassee. Complementing the weekend nonstops already offered, the carrier inaugurates a weekday roundtrip flight on February 1 between Savannah, Georgia, and Orlando.

On April 4, daily service is launched between Raleigh/Durham and Cincinnati while, on April 12, Chairman Mueller announces a 3-for-2 common stock split for shareholders of record, payable 10 days later.

Other destinations now regularly visited include Toronto, Buffalo, Pittsburgh, Baltimore, Washington, D.C. (IAD), Charlottesville, Roanoke, Greensboro, Raleigh/Durham, Charlotte, Chenille, Greenville/Spartanburg, Columbia, Charleston, Cleveland, Akron/Canton, Columbus, Dayton, Toledo, Huntington, Ashland, Louisville, Tri-Cities, Knoxville, Chattanooga, Memphis, Nashville, Grand Rapids, Detroit, Lansing, Kalamazoo, South Bend, Indianapolis, Evansville, St. Louis, Appleton, Madison, Milwaukee, Chicago (MDW), Springfield, Savannah, New Orleans, Birmingham, Pensacola, Panama City, Gainesville, Jacksonville, Daytona Beach, Melbourne, Tampa, West Palm Beach, Naples, Ft. Lauderdale, Miami, Key West, and Freeport/Nassau.

On May 28, the carrier is awarded \$21.6 million for willful patent infringement against it by the Japanese conglomerate Matsushita. Acquisition of the first 2 of 20 Canadair CRJ100 Regional Jets in May allows their introduction of nonstop roundtrip service flights on June 1 from Cincinnati to Toronto and Chicago (MDW) and from Columbus to Akron/Canton. The same day, new nonstops are initiated between Orlando and Sarasota, Florida. Huntsville to Cincinnati daily roundtrips begin on June 7.

Three more CRJ100s enter service on July 1 and are placed on new, twice-daily roundtrip routes from Cincinnati to Lexington, Kentucky, and thrice daily from Cincinnati to Des Moines. On July 15, the new jetliners begin thrice-daily nonstops from Cincinnati to Providence, Rhode Island.

The new jetliners attain near 98% reliability in August, their first full month of operation. Later in the month, Salomon Brothers place a hold rating on shares, fearing that the company's poor financial condition and potential for over capacity might affect its future earnings. CRJ100 service is expanded on November 1 from Cincinnati to Providence and Montreal, while new routes are opened to Des Moines and Toronto. At mid-month, the new jetliners expand service from the Queen City to Allentown, Bethlehem, and Easton, Pennsylvania.

Customer bookings for the year ascend 13% to 2,612,939. Revenues climb 22.1% to \$219.38 and expenses rise only 13.4% to \$182.03 million. The \$37.34-million operating profit is the 25th largest gained by any world airline. Net profit doubles to \$22.51 million.

The workforce is increased by 300 in **1994** as the company completes a move into a new terminal at Greater Cincinnati International Airport. Pleased with its new CRJ100s, Comair, during the summer, employs its newest units to open service from Cincinnati to six new American cities, including Kansas City and Portland, Maine.

Passenger boardings accelerate 25.5% to 3,279,703 and revenues jump 22.1% to \$267.9 million. Expenses rise 25.8% to \$229.05 million and, as a result, pretax income inches up to \$38.84 million and net gain reaches \$24.28 million. Both figures are later adjusted upward to \$47.02 million (operating) and \$29.3 million (net).

Airline employment stands at 2,500 in **1995** and orders are outstanding for 3 Canadair CRJ100s and 20 SAAB 2000s. Plans are announced for the acquisition of the Michigan-based charter operator **Spirit Airlines**.

On May 1, **Delta Air Lines** realigns its hub system; among new developments is a large increase in daily jetliner departures from Cincinnati and a corresponding cutback at Orlando. Comair is called upon to

expand into Miami and Orlando and increases the number of its daily departures by 79%, from 79 to 103. At Cincinnati, Comair, in order to accommodate its partner and reposition its fleet, reduces daily departures from 232 to 222.

Enplanements for the year soar 16.9% to 3,834,577. Revenues accelerate 28.4% to \$463.29 million while costs increase only 17.5% to \$368.47 million. Profits exceed even the previous year's adjusted figures; there is a \$94.82-million operating gain and a net \$60-million net profit is posted.

The workforce is increased by 24% in **1996** to 3,100 and the fleet now includes 43 Canadair CRJ100s, 37 Brasilias, and 5 SAAB 340As. The SAAB 2000 order remains outstanding. Wearing a special red, white, and blue livery with a Canadian maple leaf on the tail under the company name, the landmark 100th CRJ100 built is delivered to Comair on January 25. It is the 29th CRJ to enter service with Comair.

On March 1, a second daily Canadair CRJ100 service is inaugurated from Cincinnati to Appleton, Wisconsin, and Charlotte; the same SAAB 340A frequencies are added or increased between Appleton, Lansing, and Pittsburgh. The number of departures from Cincinnati now number 240, including 62 to nonstop destinations.

On April 1, a \$20-million arrangement is completed for the purchase of the Part 121 charter operator **Spirit Airlines**. The buyout requires government approval which, if forthcoming, would make the Detroit-based airline Comair's seventh subsidiary. Thrice-daily CRJ100 nonstop roundtrips commence on May 1 from Greenville and Spartanburg, South Carolina, to New York via Newark.

Four nonstop daily CRJ100 roundtrips are initiated on June 1 between Miami and Tallahassee; the regional jets also inaugurate five-times-per-day roundtrips between Boston and Montreal the same day. Simultaneously, one of the three daily roundtrips from Cedar Rapids to Cincinnati is upgraded into jet service.

While on final approach to Orlando on a June 23 service from Nassau, Flight 3599, an EMB-120RT with 3 crew and 29 passengers, is unable to lower its landing gear due to a total loss of hydraulic pressure. A wheels-up belly landing is made and there are no serious injuries reported from it. The aircraft is badly damaged.

A second flight from Cedar Rapids to Cincinnati is upgraded to jet service on July 1.

Through the expedient of a service upgrade, Comair is able to introduce daily roundtrip jet service on September 9 between Cincinnati and South Bend, Indiana. The last 3 Metro IIIs are retired at the end of December.

Customer bookings accelerate 21.3% to 4,650,796 and operating income advances 21.7% to \$563.81 million. Expenses jump 21.5% to \$447.69 million and the bottom line of the ledger book shows a \$116.17-million operating profit and a net \$75.42-million gain.

The year **1997** marks the carrier's 20th anniversary and celebrations are in order. Unhappily, the year begins badly.

On January 9, while on final approach during a snowstorm to Detroit Airport from Cincinnati, Flight 3272 suddenly goes into an uncontrolled roll at the 4,000-ft. level. The EMB-120RT with 3 crew and 26 passengers and piloted by Capt. Dann Carlsen crashes into an unpopulated area of Raisinville Township, near Monroe, Michigan, some 18 miles short of the runway outside the city of Detroit, and catches fire; there are no survivors. The crash casts a pall over the North American International Auto Show gala because many of the dead are automobile company employees.

The 48th Canadair CRJ is delivered in April painted in a special anniversary livery; on the side of a plain white fuselage forward of the wing is the phrase "20 years in flight." The number of Canadairs in the fleet reaches 50 in late May. Plans are made for the acquisition of Michigan-based **Spirit Airlines**.

Company executives join with their colleagues from **Airtran** on May 1 in signing a letter of intent to enter into a code-sharing agreement that will connect the two carriers' service through Orlando. The arrangement, when completed, will cover Airtran's 23 cities as well as Comair's nine-stop Florida network.

On May 30, a \$330-million order is given to Bombardier Regional Aircraft for the delivery of 18 additional CRJ200ERs, beginning in September; the request also includes a conditional order for 12 more CRJs with options on 45 more. When the first plane arrives, it is painted in the new white with navy and red livery approved for "Delta Connection" carriers. The scheme is designed to coordinate with the new livery of **Delta Air Lines**.

With **Spirit Airlines** showing a significant decline in possibilities following the May 11 crash suffered by fellow discount airline **Valujet Airlines**, Comair withdraws from merger talks with Spirit in June.

A record high in monthly traffic is recorded in October as 494,422 passengers are boarded, an 18.7% increase over the same period a year earlier. As a result, the carrier converts 12 options for CRJ100LRs into firm orders worth \$250 million. Deliveries will begin a year hence; a total of 45 CRJ options remain.

During the month, a new 21,000-sq.-ft. maintenance facility is opened at Denver. It will accommodate the carrier's growing CRJ100 fleet. It also begins offering jet service over every one of its routes out of Cincinnati.

CRJ100 service to Tri-Cities Regional Airport in Tennessee becomes twice daily on November 2. With the intention of possessing an 80-jet fleet by 1999, Comair, during the third week of November, converts conditional orders for 12 CRJ200s into firm requests; these are in addition to the 54 already on hand. The company may still elect to exercise options on 45 more, some of which may be CRJ-700s.

A new single-day boarding record is established on December 1, the Monday after Thanksgiving, when 20,701 passengers are enplaned.

Two daily nonstops are launched on December 17 between Orlando and Ft. Lauderdale, bringing a total of four per day. Having leased a 21,000-sq.-ft. facility from Wright Brothers Aero, the company, at year's end opens a new maintenance base at Dayton.

Passenger boardings climb 13.9% to 5,298,293. Operating revenues advance 15.5% to \$651.16 million, while expenses are up 9.4% to \$489.56 million. Operating gain increases to \$161.59 million while the net profit soars to \$102.21 million.

At the beginning of **1998**, Comair is the 23rd largest airline in the world in terms of operating profit and 25th in net profit. Airline employment stands at 2,500, a 19.4% reduction.

A major service expansion is announced on January 16, on which date the company has a total of 56 Canadair Regional Jets in service.

Also during January, "Comair University," an in-house management training program, is opened at Thomas More College at Crestview Hills, Kentucky. The 12-course, \$1-million program of executive-style sessions will graduate 400 employees by 2005. Space at Thomas More's Institute for Management Education and Services is also rented for the administrative training of pilots and flight attendants.

Beginning on February 1, six of the carrier's eight daily frequencies between Cincinnati and Detroit become jet flights. Canadairs also take over two of four daily flights to Milwaukee as well as all seven to St. Louis. Initial daily roundtrips commence the same day between Cincinnati and Madison, Wisconsin.

All six daily frequencies between Cincinnati and Charlotte become jet flights on March 1, along with all seven roundtrips to Knoxville. Jet service is also expanded that day to Chattanooga, Charlottesville, and Roanoke and introduced four times a day between the Cincinnati, Wilkes-Barre, and Scranton and Cedar Rapids and Iowa City.

On April 5, a major code-sharing agreement, originally announced on February 19, begins with **Sabena Belgian World Airlines, S.A.** Under its terms, the carriers will share codes on Comair flights from the international hub at Cincinnati to Akron, Canton, Dayton, Detroit, Des Moines, Kalamazoo, Lexington, and Louisville. Europe-bound passengers from those points may connect at Cincinnati for Brussels and links to Sabena's European and African networks.

Two morning Canadair flights are added from Boston to Toronto on April 6 and one afternoon jet flight from Boston to Montreal for a total of six daily roundtrips in each market.

Ground is broken in May for a \$25-million expansion of the company's facilities at the Cincinnati-Northern Kentucky International Airport. Completion of the new addition of offices, maintenance, and training facilities is anticipated within a year.

Also during the month, the carrier retains the Chicago-based law firm of Merlo, Kanofsky and Brinkmeier and files suit against the Brazilian aircraft manufacturer Embraer in U.S. District Court in Louisville, Kentucky. The company charges that the manufacturer of the EMB-120 had failed to warn it concerning design problems, especially icing difficulties, such as those believed to have caused the crash of Flight 3272 on January 9, 1997.

Thrice-daily nonstop CRJ service is inaugurated on June 1 from Newburgh, New York, to Cincinnati and Atlanta. These services replace mainline **Delta Air Lines** flights. The same day, direct Saturday and Sunday roundtrip jet service is started from St. Louis to Nassau, Bahamas.

In addition, daily nonstop CRJ roundtrips are started from Dayton to New York (LGA); two more flights are simultaneously added between Dayton and Cincinnati, bringing the total of daily roundtrips between the Ohio cities to 10.

Also on June 1, thrice-daily nonstop CRJ roundtrips commence from Cincinnati to Long Island MacArthur Airport at Islip, New York. The same day, a third CRJ nonstop roundtrip is initiated between Cincinnati and Myrtle Beach, South Carolina, bringing to three the number of daily jet services between the two communities.

The first scheduled nonstop return jet service between Cincinnati and Nassau, Bahamas, is flown by company CRJs on Saturdays and Sundays beginning on June 6.

Thrice-daily RJ-200 roundtrips commence on July 1 between Cincinnati and Houston (IAH). Simultaneously, thrice-daily nonstop CRJ roundtrips begin from Bush International to Cincinnati.

The code-sharing arrangement with **Sabena Belgian World Airlines, S.A.** is expanded on July 15 to include service to Brussels from Toledo, Indianapolis, St. Louis, Charlotte, and Birmingham. The new dual-designator flights allow Comair passengers from the five cities to travel to and from Brussels via Cincinnati under Sabena's SN code.

Daily service between Cincinnati and Fort Wayne is upgraded on August 1 with the addition of a third CRJ roundtrip; two other frequencies continue to be offered with turboprops.

Bringing Cincinnati Bengals and Green Bay Packers fans and travelers together for the first time, Comair, on August 3, initiates thrice-daily nonstop CRJ flights between the two NFL cities in Ohio and Wisconsin.

A fifth nonstop roundtrip frequency is added on August 10 between Cincinnati and Chattanooga. At this point, four of the daily trips between the Ohio hub and the Tennessee community are operated by CRJs. Simultaneously, a third CRJ roundtrip is offered from Cincinnati to Kalamazoo and Battle Creek; two other daily frequencies between the two points are offered by turboprops.

While en route from Covington, Kentucky, to Columbia, South Carolina, on August 13, Flight 431, a CRJ with 4 crew and 45 passengers, receives a smoke cargo warning message. With triple chimes sounding and a smoke aural, an emergency is declared and the aircraft is diverted to Knoxville. A rapid evacuation is effected once the aircraft is on the ground, but no evidence of fire in the cargo bay is found. The airplane is released to continue to its destination.

On September 23, a day after **Gulfstream International Airlines** begins air shuttle flights to assist in the evacuation of Key West in the face of Hurricane Georges, Comair also lays on additional frequencies to Orlando in order to assist in the removal of people from the path of the storm. Flights between Key West and Orlando are suspended from September 24-29.

On October 1, a \$1-billion contract is signed with Bombardier Aerospace for the acquisition of 50 aircraft over the next decade, including 30 CRJ200s and 20 of the manufacturers new 70-seat regional jets, plus 115 options. Simultaneously, a sixth daily roundtrip *Delta Connection* frequency is initiated between Cincinnati and Chattanooga; five of the frequencies from the Ohio hub to the south Tennessee city are operated by CRJs.

Daily nonstop roundtrip *Delta Connection* CRJ frequencies are launched between Cincinnati and Nassau on October 1; it also introduces two daily flights to Colorado Springs and two additional daily frequencies to Washington, D.C. (IAD).

Also at the start of the fourth quarter, a \$1-billion order is signed with Bombardier Aerospace for the acquisition of 50 more regional jetliners, including 20 of the new 70-passenger models. The company will take delivery of its 80th CRJ in August 1999 and in each month thereafter until the order is finished.

The *Delta Connection* carrier, which has three daily Embraer EMB-120 and three Canadair services from Cincinnati to Ft. Wayne, Indiana, upgrades the service on November 1 to all-jet; a seventh daily jet frequency is simultaneously added. The carrier, which operates three jet and four turboprop roundtrips per week from Cincinnati to Toledo upgrades the Embraer flights to Canadair frequencies on the same day.

Daily CRJ *Delta Connection* roundtrips are begun on December 1 between Cincinnati and Boston. The same day, the carrier announces that it will add one daily CRJ roundtrip on January 3 between Cincinnati and Columbia, Des Moines, Greenville/Spartanburg, Houston (IAD), and the Tri-Cities Regional Airport in Tennessee.

A Comair press release is put out on December 2 revealing that the airline will begin thrice-daily CRJ *Delta Connection* roundtrips on March 2 between Cincinnati and Bangor, Maine. The new service will replace mainline jet service previously provided by **Delta Air Lines**.

Passenger boardings at the nation's largest regional surge 16.6% to 6,175,295. Operational revenues total \$651.1 million, while expenses are \$489.6 million. There are profits: \$161.5 million (operating) and \$102.2 million (net).

The carrier, on January 3, 1999, adds one daily *Delta Connection* CRJ roundtrip between Cincinnati and Columbia, SC; Des Moines, IA; Greenville/Spartanburg, SC; Houston (IAD); and Tri-Cities, TN. Also during the month, Comair Holdings is added to the NASDAQ-100 Index. The airline becomes the first regional to install automatic external defibrillators on all of its aircraft.

Beginning on February 1, Comair upgrades two nonstop flights to jet service between Nassau and Orlando, adds a nonstop CRJ jet flight between Orlando and New Orleans, and upgrades one roundtrip flight to jet service between Orlando and Ft. Myers.

The company's spring schedule is announced on February 4. When all of the flights are implemented, 42 of the 66 cities Comair serves nonstop from Cincinnati will be all-jet. More than 80% of all seats out of Cincinnati will be jet; and Cincinnati will be the only hub in North America where passengers can travel exclusively on a jet plane to every city.

This fact is celebrated on the fuselage of the newly received 70th CRJ, which wears a livery highlighting Cincinnati's skyline as seen from Kentucky east of the Licking River. Titles reading "Cincinnati: The Jet Hub" also appear over the forward half of the windowline.

Also during the month, Comair presents a plan to Cincinnati Airport planners for a new \$25-million, 150,000-sq.-ft., 5-story office building to replace the current 38,000-sq.-ft. building, which will become a training center.

On March 1, a second of the six daily *Delta Connection* roundtrips between Cincinnati and Akron-Canton Regional Airport is upgraded to CRJ as is one to Richmond and Williamsburg, Virginia.

Comair begins thrice-daily CRJ *Delta Connection* roundtrips on March 2 between Cincinnati and Bangor, Maine. The new service replaces mainline jet service previously provided by **Delta Air Lines**.

Simultaneously, *Delta Connection* jet service is increased from Cincinnati to Allentown, Bethlehem, Easton, and Harrisburg, Pennsylvania (2 flights to 4), to Toronto (2 to 7), to Wichita (2-4), and to White Plains, New York (3 to 4).

Just weeks after the board of directors approves a 3 to 2 stock split, company shares, on March 8, hit a high of \$40 each.

On April 1, daily *Delta Connection* Canadair roundtrips are increased to St. Louis (1 to 8) and to Washington, D.C. (IAD) (1 to 7). One daily

Delta Connection roundtrip between Tallahassee and Orlando is upgraded to CRJ on April 4.

Electronic ticketing becomes available on all flights beginning on April 26. The next day, lawyers for members of the ALPA chapter of **Delta Air Lines** file suit against management in an effort to block a move by the parent to employ Comair CRJs on Delta Shuttle flights between Boston and Washington, D.C. (DCA) starting on June 1.

The number of daily *Delta Connection* CRJ roundtrips between Cincinnati and Memphis are increased on May 1 (1 to 4), to Newburgh, New York (1 to 4), and to Tulsa (1 to 4).

The airline wins three major awards during the month. Chairman Mueller is named "Airline Executive of the Year" by *Regional Airline World*; President/CEO David A. Siebenburgen wins the "Regional Airline Executive of the Year" award from *Commuter/Regional Airline News*; and Comair itself is named "Best Managed Regional Airline" for 1999 by *Aviation Week & Space Technology*.

With 24,460 customer enplanements on May 28, the carrier sets the best single-day boarding record in its history.

One daily *Delta Connection* CRJ roundtrip is added on June 1 from Cincinnati to Bangor, Maine (3 to 4), to Columbia, South Carolina (5 to 6), to Houston and to Sarasota and Bradenton (through October 31). Thrice-daily *Delta Connection* roundtrips from Cincinnati to Savannah and Hilton Head, South Carolina, are initiated.

One *Delta Connection* daily roundtrip is upgraded to CRJ on June 3 from Cincinnati to Appleton and Fox Cities, Wisconsin (5 to 6), to Grand Rapids (3 to 4), and to Milwaukee (3 to 4).

Two *Delta Connection* roundtrips between Dayton and Cincinnati are upgraded to CRJ on July 1 (7 to 9), while one daily *Delta Connection* roundtrip is simultaneously upgraded from Cincinnati to Indianapolis (5 to 6), Kalamazoo and Battle Creek (4 to 5), and to Tri-Cities, Tennessee (3 to 4). Twice-daily *Delta Connection* roundtrips from Cincinnati to Charleston, South Carolina, are introduced.

Daily Saturday and Sunday CRJ nonstop *Delta Connection* return service is launched on July 17 from Myrtle Beach, South Carolina, to both Chicago (ORD) and New York (LGA).

Twice-daily *Delta Connection* roundtrips begin on August 1 from Cincinnati to Jacksonville, Florida.

As the October 31 date for renewal of the carrier's *Delta Connection* contract nears, negotiations over a new prorate with **Delta Air Lines** intensify during the summer. A new code-sharing agreement with **Air Canada, Ltd.** that begins on October 7 allows connections for the Canadian major's passengers traveling to 18 U.S. cities.

Unable to come to an acceptable agreement, **Delta Air Lines** (which already holds a 22% stake and believes itself to be under compensated), in early October, makes a \$23.50 per share/\$1.8-billion cash offer to purchase outright the remainder of its Cincinnati-based affiliate. Comair's board agrees to the transaction on October 16 and it is announced two days later. The new wholly owned *Delta Connection* subsidiary will join **Atlantic Southeast Airlines** (taken over earlier in the year) as a Delta division, with the entire commuter network falling under the direction of Comair President/CEO David A. Siebenburgen.

On November 1, frequencies between Cincinnati and Columbia, South Carolina, are increased to seven and those to Minneapolis are increased to five.

Also in November, a number of Comair shareholders file two class action lawsuits (one each in Kentucky and New York) against the airline and its board charging that the takeover price is inadequate and seeking to halt the sale.

On December 1, CRJ roundtrips from Cincinnati to Akron are increased to six, Charleston, West Virginia, to five, Evansville to seven, Madison to four, Orlando to Ft. Lauderdale to seven, and Ft. Myers to five.

Following an illegal job slowdown in mid-December, the airline obtains a court order from the U.S. District Court in Kentucky stopping a work slowdown by its pilots.

Overall passenger boardings climb 14% to 7,032,000.

Airline employment at the start of **2000** stands at 4,536, a 17.7% increase over the previous 12 months. Comair owns the 25th largest fleet among the world's top 25 airlines at the beginning of the new millennium.

When President/CEO Siebenburgen launches his revamped *Delta Connection* network on January 18, he is succeeded as Comair Holdings president by Randy D. Rademacher.

Until they can be replaced with Canadairs, all of the company's EMB-120s are based at Orlando during the first quarter. Thrice-daily CRJ roundtrips are started on March 16 between New York (LGA) and Charleston, South Carolina.

Air France begins to code-share on company flights to 31 U.S. domestic destinations on March 26.

The largest regional jet order in airline history is placed on March 29. Siebenburgen, acting on behalf of Comair and **Atlantic Southeast Airlines**, signs a \$10-billion, 4-year order with Bombardier Aerospace for a mix of 94 CRJ100, CRJ200s, and CRJ700s. Comair's share will include 25 CRJ100s and 20 CRJ200s.

On April 2, CRJ100s double to eight the number of roundtrips offered between Cincinnati and Atlanta, thereby replacing all four of **Delta Air Lines's** daily roundtrips in this market. It also replaces the twice-daily return service from Cincinnati to Colorado Springs. New twice-daily return flights simultaneously begin from New York to Savannah.

A month later, daily CRJ100 flights are initiated from the Queen City to Norfolk and twice daily to Oklahoma City.

Also in the spring, a new Comair Jet Express charter service is established at Cincinnati-Northern Kentucky International Airport. To accelerate the growth of CJE, the company, on July 1, opens a new \$8-million FBO at the same location. Also during the month, 400 IAM-represented maintenance workers ratify a new four-year contract.

Four-times-a-day CRJ100ER roundtrips commence on July 1 from New York (LGA) to Buffalo and Manchester.

A proposal to merge the pilot unions of the *Delta Connection* partners Comair and **Atlantic Southeast Airlines** with that of **Delta Air Lines** is rejected by the ALPA executive council in late August.

Thrice-daily CRJ100 *Delta Connection* roundtrips, code-shared with **Aeromexico (2), S.A. de C.V.**, commence on September 1 between Dallas (DFW) and Mexico City, along with a single roundtrip from Dallas (DFW) to Puebla. The world's largest RJ operator takes delivery of its 100th CRJ100ER on September 29.

On October 1, thrice-daily CRJ100 "Delta Connection" return service is started from Orlando to Greensboro, High Point, and Winston-Salem and from Cincinnati to Sarasota and Brandenton. Twice-daily CRJ flights between New York (LGA) and Birmingham, Alabama, begin on November 1.

Daily CRJ100ER *Delta Connection* roundtrips begin on December 1 from Cincinnati to Augusta, Georgia, along with twice-daily return service to Syracuse.

COMAIR (COMMERCIAL AIRWAYS [PTY.], LTD.): P.O. Box 7015, Bonaero Park, Kempton Park, 1622, South Africa; Phone 27 (11) 921-0111; Fax 27 (11) 973-3913; <http://www.comair.co.za>; Code MN; Year Founded 1967. Comair is formed at Transvaal's Jan Smuts Airport on November 1, **1967** as successor carrier to **Commercial Air Services (Pty.), Ltd.** and as the airline division of the Comair Group. A second subsidiary, Aircraft Distributors of Southern Africa (Pty.), Ltd., concentrates on the airline's previous role as South Africa's Cessna lightplane and Hughes helicopter distributor.

Equity participant Piet van Hoven is named managing director and the fleet comprises 5 Douglas DC-3s, 2 Cessna 404s, and 1 Cessna 401, the 4 surviving Lockheed L-18 Lodestars having been withdrawn. A full schedule of commuter services are undertaken to link Johannesburg with Phalaborwa, Welkom, Durban, and Skukuza.

Flights on behalf of **Lesotho Airways (Pty.), Ltd.** are maintained in **1968**, while Letaba Safaris' stake in a joint service to the national game parks is purchased and the subsidiary is renamed Comair Safaris (Pty.), Ltd.

The government of Lesotho purchases the Comair stake in its national airline in **1969** for R 100,000. Comair Holding's Aircraft Distributors of Southern Africa subsidiary now becomes South Africa's Learjet distributor. The first DC-3, acquired in Canada in 1963, is withdrawn and replaced by a newer model DC-3D, purchased from **Austrian Airlines, A.G.**

In **1970**, South African Marine Corporation (Pty.), Ltd. (Safmarine) purchases a 50% stake in Comair Holdings (Pty.), Ltd. for R 20,000 and 100,000 shares of Safmarine stock. D. Novick becomes chairman during August.

Flights continue apace in **1971-1974**. On behalf of the government, the company inaugurates on-demand charters to Phalaborwa, a mining community just outside of Kruger National Park. Billing itself as "The Safari Airline," Comair carries 39,510 passengers during the latter year.

Airline employment in **1975** is 65. Passenger boardings increase by 6.3% to 42,166. Freight traffic skyrockets by 92% to 398,000 FTKs. The employee population is increased by 28% in **1976** to an even 100 workers. Corporate headquarters are transferred from Ran Airport to Jan Smuts Airport.

Customer bookings accelerate 34% to 53,200 while freight traffic increases 51% to 314,000 FTKs.

Managing Director van Hoven's company changes its fleet somewhat in **1977**, adding a Fokker F.27-200, deleting one 404, and trading the Cessna 401 for a Cessna 206. The Fokker enters service on a Phalaborwa-Skukuza route on January 31 while a new commuter stop is added, under contract to **South African Airways (Pty.), Ltd. (SAA)**, at Richards Bay. Regular aerial safari and tour services are also begun to Skukuza, within Kruger National Park, while charters continue to be flown to various points within the country.

The workforce in **1978** totals 140 and the fleet includes 1 F.27-200, 5 DC-3s, and 1 Cessna 404. Two more Friendships join the fleet in **1979-1980** and service is initiated to Sun City. Enplanements in **1981** reach 96,000.

Two DC-3s are sold to **Ethiopian Airlines, S.C.** in **1982**.

On October 12, a Douglas transport with 3 crew and 27 passengers is involved in an accident at Graskop; no serious injuries are reported.

Customer bookings this year ascend to 105,000.

Margate receives a new service in **1983**. Flights are undertaken to the Margate resort area and, beginning at the end of the year, to Gaborone, Botswana, under contract to SAA. This is the first international route authorized to a South African private airline. These flights help passenger boardings ascend to 110,000.

Airline employment reaches 150 in **1984** and the longtime service to Welkom is contracted to **Magnum Airlines (Pty.), Ltd.** During the year the fleet is increased through the purchase of 2 more F.27-200s and a new fleet livery is unveiled. On December 17, **1985**, a company DC-3 participates in a flyby over the air force base at Swartkop to help celebrate the fiftieth anniversary of the Douglas transport.

Between **1986-1989**, the company removes its Cessnas and a DC-3 and orders a Fokker F.28-4000 that will be placed in service at the beginning of the new decade. Meanwhile, on March 1, 1988, Flight 206, an EMB-110P1 with 2 crew and 15 passengers en route from Phalaborwa to Johannesburg, crashes 13 km. S of its destination. It will later be determined that a nitroglycerine bomb has caused the disaster.

In January **1990**, the company seeks government authority to open scheduled competition with **South African Airways (Pty.), Ltd.** on the Johannesburg-Durban route; the state carrier offers no objection.

Chairman Novik and Managing Director van Hoven oversee a workforce of 200 in **1991**. The Fellowship is replaced by a fourth F.27-200. Enplanements total 131,328, including 13,980 flown on charters. Income exceeds costs and there are profits: \$7.38 million (operating) and \$6.81 million (net).

With the deregulation of South Africa's air transport industry in **1992**, Comair enters a period of rapid expansion. The workforce is increased by 35.4% to 218 and a Boeing 737-244, acquired from **South African Airways (Pty.), Ltd.**, allows the initiation of low-fare flights from

Johannesburg to Cape Town, Gaborone, and Manzini. In August, Comair joins IATA.

Later in the year, the F.28-4000 is reacquired and, by year's end, 12 Boeing and 8 Fokker weekly flights are offered over the new run.

Passenger boardings increase 34.6% to 161,534 while freight skyrocket 131.8% to 9.45 million FTKs. Revenues increase 18.5% to \$39.19 million and expenses climb 30.7% to \$29.65 million. The operating surplus that results is \$9.54 million and net gain reaches \$9.68 million.

Airline employment is increased by 5.8% in 1993 to 290 and the fleet now includes 2 B-737-244s, 4 F.27-200s, and 1 F.28-4000. A new Johannesburg-Durban route is launched in September and pushes customer bookings up a remarkable 92% to 310,730. Cargo traffic, however, declines 11.1% to 24 million FTKs.

In 1994, the workforce is cut by 31% to 200; however, orders are placed for 2 Avions de Transport Regional ATR42-300s. Flights begin linking Johannesburg with Maputo and Harare and, through July, passenger boardings skyrocket 60.9% to 249,000 and 81,000 FTKs of freight are flown.

The first ATR42-300 is delivered in May 1995 and enters service between Johannesburg and the Botswana town of Gaborone via Skukuza in Kruger National Park. The second turboprop arrives in June and begins flying the Richards Bay Line. The fleet is enhanced not only through delivery of the 2 ATRs, but by the addition of 1 more B-737-244, 2 B-737-230As, and 2 B-737-236As.

Two F.27-200s are withdrawn in 1996. On June 12, the carrier signs a nonequity transfer franchise agreement with **British Airways, Ltd. (2)**. Under the arrangement, the South African regional's fleet is repainted in the colors of the U.K.-based major, which will also cooperate in sales and marketing and make its frequent flyer program available to Comair passengers.

The company begins to feed passengers to BA from its domestic South African routes on October 27.

Operations of the BA franchise partner continue in 1997. During the fall, 3 of the company's aircraft are repainted in the new and controversial color scheme of **British Airways, Ltd. (2)** that features a different tail design (representing a BA region served) on each aircraft.

The company during the remainder of the year repositions itself as an all-jet operator on the major trunk routes and makes plans to go one-on-one with **South African Airways (Pty.), Ltd.** Managing Director van Hoven orders the ATRs sold.

Five of Comair's turboprop destinations are passed to **SA Express (Pty.), Ltd.** during late summer; its managing director, Israel Skosana, refuses to disclose the purchase price. Comair will continue to market the routes and retain a share in any profits gained from them.

In October, stated-owned **Sun Air (Pty.), Ltd.** is sold to a consortium that includes Comair (25%), the Black empowerment consortium Rethabile and Coordinated Network Investments (55%), National Empowerment Fund (15%), and company employees (5%).

Given their alliances with rivals **British Airways, Ltd. (2)** and **Virgin Atlantic Airways, Ltd.**, Comair and Sun Air will continue to compete with one another over established trunk routes. There will be no changes in branding or management. The two will, however, seek synergies in the joint purchase of equipment, will coordinate schedules, and will refrain from launching routes in opposition to one another.

In 1998, Comair operates over 250 flights weekly on routes between Johannesburg and Cape Town, Durban, and Port Elizabeth, as well as across borders to Harare, Victoria Falls, and Windhoek. Direct twice-weekly flights are also offered between Cape Town and Windhoek.

On July 23, the company is listed on the Johannesburg Stock Exchange.

SA Express Airways (Pty.), Ltd. sparks a fare war on October 5 when it reduces its domestic ticket prices by up to 15%. Competing Comair indicates that it will immediately match the lower tariffs, but **Sun Air (Pty.), Ltd.** refuses to join the conflict.

Comair joins with **Sun Air (Pty.), Ltd.** and **Nationwide Air Charter (Pty.), Ltd.** during January 1999 in lodging a complaint with the South

African Competition Board. The three allege that **South African Airways (Pty.), Ltd.** has reduced prices and increased capacity on a number of domestic routes to the point where it is engaged in predatory pricing violations. Some SAA fares on the routes between Johannesburg and Durban are less expensive than motor buses. The board indicates that it will undertake an investigation over the next few months. When made aware of the Competition Board complaint, officials from SAA indicate that they will contest the claims.

Leaders of East Africa end their 2½-year embargo of Burundi on January 26; Comair, which has honored the sanctions since their imposition in July 1996, indicates that it will resume flights to Bujumbura in mid-February.

Following a review of its Southern Africa timetables, new schedules, developed by **British Airways, Ltd. (2)** with Comair, come into effect on April 1. These schedules not only offer passengers daily connecting flights between Durban and Johannesburg, but a choice of daily departure times. The new revised schedules replace BA's four-times-per-week Durban services.

During the first week of November, two more daily roundtrips are initiated between Johannesburg and Cape Town and two new weekly return services are started from Johannesburg to Windhoek.

Traffic figures for the year are not released. It is, however, revealed that revenues have increased by 19% to \$283.54 million. With operating expenses of \$268.45 million, there are increased profits: \$15.09 million (operating) and \$14.61 million (net).

During the last week of January 2000, **British Airways, Ltd. (2)** purchases a £17-million (\$27.9-million) 18.3% stake in its South African franchise partner from Gensec and CNI. Comair continues to be listed on the South African stock exchange.

On March 26 **Austrian Airlines, A.G.** begins to code-share on Comair's twice-weekly return flights between Johannesburg and Harare, Zimbabwe. Daily B-737-244 roundtrips simultaneously start from Johannesburg to Lusaka.

Plans are announced during the summer for an increase of frequencies to Harare, Lilongwe, and Victoria, plus expansion of service into Ndola and Nairobi. A new marketing and code-sharing agreement is signed with **Air Namibia (Pty.), Ltd.** on October 9, offering 15 weekly roundtrips between Johannesburg and Windhoek.

COMBS AIRWAYS: United States (1983–1984). **Combs Freightair** is established at Denver in October 1983 to offer scheduled third-level passenger service in Wyoming, Colorado, and Idaho under the name Frontier Commuter. Revenue flights commence with Convair CV-580s leased from **Frontier Airlines (1)**. When the parent files for Chapter XI bankruptcy in April 1984, Combs Airways also fails. Two months later, the CA assets are sold to another new entrant, **ITR Airlines**.

COMBS FREIGHTAIR: United States (1957–1984). Formed in 1957 at Billings, Montana, as **Combs-Pickens Montana Aircraft Company**, the company undertakes nonscheduled cargo charters to various local destinations. A decade later, on September 29, 1967, the operator, renamed Combs Freightair two weeks earlier, begins scheduled Aero Commander 500B flights to Williston, Lewistown, Cody, Spokane, and other regional destinations. An airmail contract is received from the U.S. Post Office. In 1969, Combs joins in an agreement with local service carrier **Frontier Airlines (1)** for a route from Billings to Williston.

During the 1970s, the carrier flies to a total of 40 cities employing a fleet that grows by decade's end to include 10 Convair CV-340s/440s, 14 Aero Commander 680FLs and 7 Aero Commander 500Bs. Retaining its rating as the Post Office's longest continuous contract carrier, Combs sees its freight business increase a huge 132% in 1981.

Operations continue apace in 1982, during which year the amount of cargo carried increases to 34.9 million pounds. The fleet at year's end includes 7 Aero Commander 500Bs, 10 Commander 680FLs, 4 Commander 800FLs, and 10 CV-440s.

An arrangement is reached with **Frontier Airlines (1)** in the summer of **1983** for Combs to begin offering a significant number of scheduled replacement passenger flights for the larger airline as the first Frontier Commuter. Employing a fleet of 8 CV-580s provided by the national under lease, the small regional's Combs Airways division inaugurates hub-and-spoke services on October 17 from Denver to 8 surrounding communities.

Late in the year, to bolster the freight service, the all-cargo division of **Providence Airline Corporation** is purchased and merged, together with its routes and aircraft. The fleet now comprises 8 CV-440s, 4 CV-240s, 11 Aero Commander 680s, and 7 Aero Commander 500Bs.

As a result, the overall freight carried jumps 5.5% to 39.3 million pounds. Enplanements in the fourth quarter total 32,547. Revenues from both freight and passenger services total \$10.7 million and costs are \$11.23 million. Losses total \$535,000 (operating) and \$774,000 (net).

Four additional cities become Frontier Commuter destinations in early **1984**. The company's expansion in recessionary times brings significant financial shortfall and, in April, it files for Chapter XI bankruptcy. While a search is made for new investors, a full schedule is maintained. Two more Frontier Commuter markets are inaugurated in June.

For several months while reorganization is attempted, both freighter and passenger services continue; however, the company shuts down after its last flight on January 14, **1985**.

COMBS-PICKENS MONTANA AIRCRAFT COMPANY. See COMBS FREIGHTAIR

COMED AVIATION, LTD.: Building 28, Blackpool Airport, Blackpool, Lancashire, England, FY4 2QY, United Kingdom; Phone 44 (1253) 349072; Fax 44 (1253) 349073; Code 5W; Year Founded 1994. Comed is established as an air taxi at Blackpool Airport in **1982** and lightplane *ad hoc* charter flights to destinations around the U.K. continue without change for over a decade.

In **1994**, an Embraer EMB-110 Bandeirante is acquired and is employed to launch scheduled services to Belfast, Dublin, and the Isle of Man.

Operations continue without change during the remainder of the decade. Company employment in **2000** stands at 52.

COMITE D'ETUDES POUR LA NAVIGATION AERIENNE DU CONGO, S.A.: Belgium (1919–1920). CENAC is formed on June 26, **1919** to provide survey flights over the Belgian Congo. Aerial photographs are also taken on behalf of mining interests. Early in **1920**, the enterprise is combined with **Syndicate National pour l'Etude des Transport Aeriens, S.A. (SNETA)** to form the **Sabena Belgian World Airlines, S.A.** Congo predecessor **Ligne Aerienne du Roi Albert, S.A. (LARA).**

COMMAND AIR: United States (1966–1968). Command Air is set up at Detroit Lakes, Minnesota, during the spring of **1966** to provide scheduled passenger and cargo flights to Minneapolis. Cessna 441 and Aero Commander 500B services commence on June 22 and are maintained until **1969**, when the company is merged with **Red Baron Airlines.**

COMMAND AIRWAYS: United States (1951–1991). Originally organized by Theodore "Ted" Lafko as the **FBO Mid Hudson Airline** at Wappingers Falls, a suburb of Poughkeepsie, New York, in **1951**, this air taxi and charter operator is purchased for \$40,000 by former **American Airlines** and General Foods Corporation executive Kingsley G. Morse on June 1, **1966**. Reformed, renamed, and employing 2 Beech 18s, 6 Cessna 172s, and 1 Aero Commander 560, Chairman/President Morse begins scheduled operations on July 1 to New York (JFK) from its base at Dutchess County Airport.

An exclusive contract is signed later in the year with IBM for the transport of its personnel and a third Beech 18 is placed into service. For years, the company will be known as "the IBM airline."

During January **1967**, the first of 3 ordered Piper PA-23 Aztecs enter service and for the year—the first full one completed under Morse's direction—a total of 8,684 passengers are boarded. Turboprop operations commence in **1968**; the Aztecs are all replaced by 3 Beech 99s. Another IBM contract is acquired for transport of "Big Blue's" people from Poughkeepsie to Burlington, Vermont.

The company's two routes, together with charter operations, are maintained in **1969** and traffic increases, especially after the introduction of its first de Havilland Canada DHC-6 Twin Otter. Frequencies are also undertaken to Red Bank and Morristown, New Jersey, Islip, New York, and New London, Connecticut.

During **1970**, the fleet is increased by the addition of another Twin Otters. In December **1971**, the Pittsfield to New York route is purchased from Boston-based **Executive Airlines** and, by **1974**, enplanements are up to 80,580.

Airline employment stands at 69 in **1975**. Command is the American launch customer for the Shorts 330 turboprop, ordering 3 from the manufacturer in Belfast, Northern Ireland. Dispatch reliability with the carrier's Beech 99s reaches 97.4% and on-time performance grows to 86%. Joint fares are implemented to 43 communities. Passenger boardings are off by 2% to 79,000.

A Beech 99A with two crew and seven passengers is damaged after aborting takeoff from Dutchess County Airport on March 16, **1976**; no serious injuries are reported.

The 3 Shorts 330s join the fleet of the 80-worker airline beginning in July and orders are placed for 3 more. The new "wide-body" commuter liners are placed into service on the Poughkeepsie to Boston via White Plains route.

Two more Twin Otters are purchased and by **1977** enplanements reach 92,740. They advance to 122,945, up 12.1%, in **1978**.

Passenger boardings climb by 7% to 125,451 in **1979**, and advance by the same percentage to 133,690 in **1980**. Among the destinations now served are Ithaca, White Plains, Boston, Pittsfield, Binghamton, and Lebanon, New Hampshire.

By **1981** passenger boardings have climbed 15% to 153,279. The number of employees rises from 165, up from 140 the year before. The second set of 3 Shorts 330s are placed in service during the year and the Ithaca service is turned over to **USAir**.

The workforce is increased 4.4% in **1982** to 168 and a sixth Shorts 330 joins the fleet. Orders are placed for 3 (later 6) Avions de Transport Regional ATR42-100s at \$6 million per aircraft.

Super-saver fares are introduced and a total of 177,055 travelers are flown—a boost of 15.9%. Revenues jump 25.1% to \$10.5 million.

The fleet in **1983** includes 9 Shorts 330s; the 3 ATR42s remain on order. A public stock offering is made in October and \$6.5 million is garnered within 2 days. To court business travelers, the carrier enters into frequent flyer agreements with **Eastern Air Lines** and **Trans World Airlines (TWA)**. The year's passenger boardings accelerate 18.9% to 210,551.

Enplanements jump 22.8% for the publicly owned large regional in **1984** to 258,585 as service is inaugurated to Albany and Lebanon. Primarily to service a General Electric corporate account to transport executives to GE's turbine division facility at Lynn, Massachusetts, a 12-times-per-day service is undertaken linking Albany with Boston. Command is now listed on the NASDAQ stock exchange.

The ATR order is increased to five in **1985** as the two-millionth passenger (cumulative) is boarded. During the year, GE moves its turbine plant to Schenectady and the previous 12-per-day flights from Albany to Boston are now cut to 4. Still, business travelers account for 76% of total traffic, with largest corporate customers being IBM, the State of New York, GE, NYNEX, General Foods, AT & T, and Dartmouth College.

Customer boardings ascend a weak 1.6% to 262,651, but small profits of \$352,000 (operating) and \$185,000 (net) are still generated on revenues of \$15,762,600.

In January **1986**, Command, the 33rd largest regional airline in the U.S., is named "Regional Airline of the Year" by *Air Transport World*

magazine. The first ATR42-300 is delivered to its North American launch customer on January 27 and enters service in March on such long-haul segments as White Plains to Boston and Boston to Albany. Flights to Providence and Hartford also begin.

Long opposed to code-sharing, the 250-employee Command is forced by the trend to yield its independence. On April 27, the large regional becomes an "American Eagle" partner, agreeing to feed **American Airlines** at Albany, Boston, and New York (LGA and JFK). The 9 Shorts 330s are given Eagle livery, as are the first 3 ATR42-300s, which are all leased.

Customer bookings ascend 22.7% to 322,178 and revenues grow 2.7% to \$16.2 million. Expenses, unfortunately, accelerate 15.6% to \$18 million, leaving an operating loss of \$1.8 million and an equal \$1.8-million net downturn.

Airline employment climbs by 18% in **1987** to 295 and the fourth chartered ATR42-300 is delivered in July, the same month frequencies are initiated to Philadelphia. In November, an agreement is reached with Short Bros., Ltd. for the lease of 3 new Shorts 360-360s; the arrangement includes the sale of Command's 3 older Shorts 330s for \$1.2 million each.

Simultaneously, President Morris reports that published reports of the company's takeover by **Simmons Airlines** are untrue. The first Shorts 360-300 enters service in October.

Passenger boardings jump 30.1% to 419,158 and revenues increase 46.3% to \$23.4 million. With expenses held down, the company becomes profitable, showing gains of \$2.3 million (operating) and \$683,956 (net).

The workforce is increased by 35.6% in **1988** to 400. In January, the fifth ATR42-300 arrives. In March, 20 slots at Washington, D.C. (DCA) are purchased from bankrupt **AVAir** for \$800,000, allowing the start-up of service to the nation's capital in July.

The Poughkeepsie-based regional is one of three "American Eagle" code-sharing partners purchased into the **American Airlines** family. AMR Corporation pays \$24.5 million for the company's independence in July, with the transaction completed on September 30. The year's customer bookings advance by 35% to 565,900 and revenues rise 39% to \$32.5 million. Net profit is a record \$2.1 million.

The Command fleet in **1989** includes 12 chartered Shorts 360-360s and 5 ATR42-300s. The carrier is now reconfigured to provide feed to its parent exclusively at New York (JFK) from 14 northeastern cities. The inaugural flight of an ATR42-300 in "American Eagle" colors occurs in January, between White Plains and Washington, D.C. (National Airport).

Passenger boardings during the 12 months swell 8.8% to 615,667.

Unknown at the time, **1990** is Command's last full year. A sixth ATR42-300 is leased, but, despite the introduction on December 2 of thrice-daily SAAB 340B roundtrip services to Rochester and Washington, D.C. (IAD), Command is the only "American Eagle" subsidiary to suffer a traffic decline. The Poughkeepsie-born large regional sees its customer bookings decline 17% to 510,951.

On June 1, **1991**, the carrier is merged into **Nashville Eagle** to form **Flagship Airlines**.

COMMAND AIRWAYS (PTY.), LTD.: South Africa (1977–1983). This helicopter shuttle is formed at Johannesburg in September **1977** to provide a connection between Jan Smuts Airport and heliports in Pretoria. Return services are initially flown, beginning on November 1, six times daily under the name **Magnum Helicopter Airlines (Pty.), Ltd.** employing 4 Bell 206B JetRangers.

Upon the formation of **Magnum Airlines (Pty.), Ltd.** in **1978**, the rotary-wing operator is renamed **Command Airways (Pty.), Ltd.** As a result of the early **1980s** decline in traffic arriving in South Africa, the carrier is unable to maintain viability and shuts down in **1983**.

COMMERCIAL AIR HIRE, LTD.: United Kingdom (1934–1936). Capitalized at £500 and equipped with a single de Havilland DH 84, the specialized CAH is registered at London on August 7, **1934**. Thereafter early morning newspaper flights are undertaken London (Croydon)–Paris by a Monospar ST.4.

The company's 3 Monospar ST.4s and single de Havilland DH-84 Dragon are employed on April 14, **1935** to start an ad hoc London airport service (Croydon–Heston); designed to eventually link all area airports, the service does not significantly grow. The company is renamed **Air Dispatch, Ltd.** in **1936**.

COMMERCIAL AIR LINES, INC.: Philippines (1946–1948). With backing from Filipino-Chinese millionaire Alfonso SyCip, a group of former USAAF pilots establish this small nonscheduled carrier at Manila during the first quarter of **1946**. A pair of former military Douglas C-47s and are employed to start ad hoc flights around the archipelago, all the way south to Davao.

The company receives a scheduled service permit from the Philippine Civil Aeronautics Commission on July 22, **1947**, and with a newly acquired C-54, launches roundtrip flights to Amoy, Shanghai, and Hong Kong.

The fleet at the beginning of **1948** comprises 12 C-47s, the DC-4, and 9 Noorduynd C-64 Norsemen. On April 15, one of the latter, conducting a flight-seeing service over Mati, close to Davao, crashes; all 12 passengers are killed, including 9 children. The disaster turns public opinion against this irregular company and on September 1 it sells out to **Philippine Air Lines (PAL)**.

COMMERCIAL AIR SERVICES (PTY.), LTD.: South Africa (1943–1967). The brainchild of three South African airmen, A. C. Joubert, Leon Zimmerman, and J. M. S. Martin, while in Egypt in September **1942**, CAS is formed and registered at Johannesburg as a small charter and FBO company during **1943**. World War II prevents the start-up of operations until **1945**, when the Cessna dealership for South Africa is procured.

Joubert, Zimmerman, and Martin locate 10 Cessna UC-78 Bobcat military utility transports (some sources will suggest the planes are Fairchild UC-61 Arguses) at Cairo. Purchased for £1,000 each from the U.S. Foreign Liquidations Commission, they are ferried to Rand Airport, Germiston, near Johannesburg, between March and May **1946**.

The inaugural return charter is flown on July 14 to Durban. The following month, the company receives a pair of Cessna 140s, which it quickly sells. The sale of additional units over the years will enhance corporate profits. At the beginning of the third quarter, L. E. Shagam establishes **Commercial Air Services (Natal) (Pty.), Ltd.** as a subsidiary at Durban and starts nonscheduled services employing a Bobcat leased from Joubert & Co. A Bobcat is also chartered to D. A. Eardley's new **Commercial Air Services (Rhodesia), Ltd.**, which is based at Bulawayo.

Destinations visited by Commercial Air Service during the year and into **1947** include Nairobi, Leopoldville, Stanleyville, Cairo, Luanda, Lagos, and Accra, as well as points throughout South Africa. Additionally, plans are made to operate scheduled services as a feeder for **South African Airways (Pty.), Ltd. (SAA)**.

In need of additional capitalization, the carrier sells a half interest in itself to **Airwork, Ltd.** during the year. Airwork, which for some years has been widely known for its work in Egypt as Misr Airwork, Ltd., is winding down its involvement in that country and is ready for a new challenge. Miles D. M. Wyatt, the chairman of Airwork, becomes chairman of Commercial Air Services, but the three cofounders are left to operate the company on the scene.

Employing 3 Cessna 195s, the company launches scheduled services in July **1948** over a route from Johannesburg to Durban via Kroonstad, Odendaalsrust, Bloemfontein, Bethlehem, and Ladysmith.

The route is not profitable and, in May **1949**, the service becomes a daily return flight between Rand Airport and the gold-mining Orange Free State town of Welkom. This route is not profitable either. When Mr. Martin, now company leader in South Africa, and his associates announce their intention to drop it, the Anglo American Corporation, which operates the Free State Goldfields, steps in with subsidy. The funds thus gained allow Commercial Air Services to purchase a pair of

de Havilland DH 89A Dragon Rapides from **Central African Airways Corporation** in October.

When L. E. Shagham departs for Israel late in the year, his stake in **Commercial Air Services (Natal) (Pty.), Ltd.** is acquired and that company becomes a wholly owned subsidiary.

Operations continue apace in **1950** and late in the year, and in **1951** the fleet is further enhanced by the addition of two de Havilland DH 104 Doves (one purchased and one leased) from **Airwork, Ltd.** These enter service in May, but will prove extremely unreliable and expensive to operate.

Employing Cessna 195s, the company finally begins flying a return service 20 times a week from Durban to Margate in late **1952**. Anxious that it be maintained, the Anglo American Corporation steps forward to offer a £10,000 grant with which to acquire spare parts for the costly Doves. Despite this funding, the company loses money; to no one's surprise, auditors point out that the loss is due to the continuing high cost of flying DH 104s.

CEO Martin signs a £25,000 contract for the purchase of 2 ex-SAA Lockheed Model 18 Lodestars and spare parts from **East African Airways Corporation** in January **1953**. The purchase is made after consultations with **Airwork, Ltd.**, Anglo American Corporation, and undoubtedly with **South African Airways (Pty.), Ltd. (SAA)**, which has flown the Lodestars. The owned Dove is sold to raise funds with which to make the initial payment. Lodestar service begins in April.

The Durban–Margate route is withdrawn in May **1954** and replaced the following month with a brief Welkom–Prieska service via Bloemfontein and Kimberley.

Operations continue apace in **1955–1960**. Cofounder A. C. Joubert departs the company during the former year to seek his fortune in Rhodesian tin mining. During these years, the Durban–Margate service is resumed and a newspaper delivery route is opened between Durban and Port Elizabeth. Three more Lodestars are acquired. During the latter year, **British United Airways, Ltd.** acquires **Airwork, Ltd.**, together with the CAS stake.

By **1959–1961**, Commercial Air Services is providing 11-times-a-week return services between Johannesburg and Welkom, plus Saturday-only flights between Welkom and Durban. Also during the decade's final year, a daily roundtrip is inaugurated from Bulawayo to Umtali via Fort Victoria and Salisbury.

The **British United Airways, Ltd.** interest is purchased by Martin and Zimmerman in **1962**. The following year a Douglas DC-3 is purchased out of Canada and is placed into service on the Johannesburg to Welkom route. A new Cessna 195 service is initiated to Phalaborwa in **1963**, but proves so popular that the lift capacity of the L-18s must be assigned to it.

In **1964**, a Cessna 205, later replaced by Lodestars and a larger C-206 Super Skywagon, launches a new roundtrip route from Johannesburg to Sishen via Vryburg, Kuruman, and Hotazel. Later in the year, a second DC-3 is purchased by **Swissair, A.G.**

By **1965**, the company is operating a fleet of 5 Cessnas, 2 Douglas DC-3s, and 5 L-18 Lodestars; M. McFarland becomes general manager. The Welkom terminus is extended by Cessnas to Norvalspont beginning on February 1.

Having shared the risk with Martin and Zimmerman for three years, Max Geffin is now bought out by the latter. A third DC-3 is purchased from **Alitalia, S.p.A.**; a total of 15,711 passengers are flown on the year.

Airline employment in **1966** stands at 155. DC-3 service is undertaken from Johannesburg to Durban, Phalaborwa, and Skukuza.

Plans are made to completely restructure the company and it public. At the end of the year, a new subsidiary, Aircraft Distributors of Southern Africa (Pty.), Ltd., is formed to handle aircraft sales, which now include Hughes Helicopters, as well as Cessna.

In partnership with Letaba Safaris, CAS undertakes Cessna flight-seeing and tourist services to the national game parks during the spring of **1967**.

More importantly, company airmen begin operating SAA DC-3s on scheduled flights to, from, and between Cape Town, Oudtshoorn,

George, Plettenberg Bay, Port Elizabeth, Grahamstown, Queenstown, and East London. This contract service allows the state carrier to assign its own flyers to its newer Vickers Viscounts and Boeing 727-44s.

Basutair, Ltd. is reformed into **Lesotho Airways (Pty.), Ltd.** during midyear, with the assistance of Commercial Air Services. Basutair's founder and managing director, Richard Southworth, remains in charge. A Douglas DC-3 is wet-leased from CAS and, under contract to the government, it is employed, beginning on October 2, to offer a scheduled weekly roundtrip between Maseru and Johannesburg. A second weekly roundtrip is offered as a pooled frequency in partnership with **South African Airways (Pty.), Ltd.**

The long-anticipated CAS corporate reorganization occurs on November 1 with the formation of Comair Holdings (Pty.), Ltd., which will operate the renamed **Comair (Commercial Airways [Pty.], Ltd.)** and Aircraft Distributors of Southern Africa as subsidiaries. Shareholding is traded on the Johannesburg Stock Exchange.

COMMERCIAL AIR SERVICES (NATAL) (PTY.), LTD.: South Africa (1946–1952). L. E. Shagham establishes CAS (Natal) as a subsidiary of **Commercial Air Services (Pty.), Ltd.** at Durban on **1946**. Revenue flights to Margate commence with a single Cessna UC-78 Bobcat leased from the parent.

When Shagham departs for Israel in **1949**, his stake is purchased by CAS, which continues to operate under the direction of E. T. Watkinson. A Cessna 170 is leased from **Commercial Air Services (Pty.), Ltd.** and flights continue into **1952**.

COMMERCIAL AIR SERVICES (RHODESIA), LTD.: Southern Rhodesia (1946–1960). The brainchild of three South African airmen, A. C. Joubert, Leon Zimmerman, and J. M. S. Martin, while in Egypt in September 1942, **Commercial Air Services (Pty.), Ltd.** had been formed and registered at Johannesburg as a small charter and FBO company during 1943. World War II prevented the start-up of operations until 1945, when the Cessna dealership for South Africa is procured.

Joubert, Zimmerman, and Martin locate 10 Cessna UC-78 Bobcat military utility transports (some sources will suggest the planes are Fairchild UC-61 Arguses) at Cairo. Purchased for £1,000 each from the U.S. Foreign Liquidations Commission, they are ferried to Rand Airport, Germiston, near Johannesburg, between March and May **1946**.

During the ferry flights south, Joubert and Martin stop at Bulawayo, where they enter into a relationship with local entrepreneur D. A. Eardley. In August, with assistance from the South Africans in the form of a leased Bobcat, Eardley forms Commercial Air Services (Rhodesia), Ltd. and launches nonscheduled services.

A hangar is purchased at Kumalo Airport in February **1947** and a Piper J-3 Cub and de Havilland DH 82 Tiger Moth are acquired with which to begin a flight school. It also becomes Rhodesia's Cessna dealer and brings in one each Cessna 120 and C-140. Late in the year, the flight school aircraft are sold as an order is placed for a C-170.

The larger Cessna is delivered in October **1948**. A year later, a C-195 is acquired from **Commercial Air Services (Pty.), Ltd.** In **1950**, the company receives a contract from the Bechuanaland Protectorate to operate a scheduled twice-monthly return service from Bulawayo to Maun via Francistown. It is launched in early **1951** with a second C-195, which was acquired with funds received from the sale of the C-120 and C-140.

A third C-195 arrives in August **1952** as the C-170 is withdrawn and sold. Early in **1953**, an asbestos concern contracts for personnel flights with the company, but specifies that a twin-engine plane be employed. As a result, a Beech 18 is acquired with which to begin the corporate service in August. Flights continue apace in **1954**.

In **1955**, the Central Africa Air Authority grants CAS (Rhodesia) permission to inaugurate a C-195 route from Bulawayo to Livingstone via Wankie. This is the last significant development in the carrier's history prior to its merger, with several other small airlines, to form **Rhodesia United Air Carriers, Ltd.** in December **1960**.

COMMERCIAL AIR TRANSPORT: United States (1928–1930). CAT is organized at Seattle in late fall 1928 to offer international flights to Vancouver, British Columbia. Employing a Ryan B-1 Brougham, the carrier inaugurates scheduled service in December to take advantage of the possibilities of generating Christmas traffic.

The operation is continued until 1930.

COMMERCIAL AIRLINES. See **AMERICAN INTERNATIONAL AIRWAYS (2)**

COMMERCIAL AIRWAYS, LTD.: Canada (1929–1930). Employing the Fokker Model 4 Universal of **Western Canada Airways, Ltd.**, C. H. “Punch” Dickens makes the first airmail flight into the northern part of western Canada on January 23, 1929. The route runs from Fort McMurray to Fort Simpson.

A monthly service is opened from Fort McMurray to Herschel Island via Aklavik and Mackenzie River on November 26. Between December 10 and 30, 2 Bellancas are employed by W. R. “Wop” May and I. Glyn Roberts to carry mail (a remarkable 120,000 letters) the 1,676 miles from Fort McMurray to Aklavik; this is the first official airmail flown in the Canadian Arctic and is a 17-day, multistop undertaking.

A scheduled service is operated in early 1930 between Lethbridge and Edmonton via Calgary. On November 25, the company is one of several merged to form **Canadian Airways, Ltd.**

COMMERCIAL AVIATION COMPANY (PTY.), LTD.: Australia (1927–1934). Late in 1927, Capt. H. C. Miller founds the **Commercial Aviation Company (Pty.), Ltd.** at Adelaide. With financial support from Sir MacPherson Robertson, Miller purchases a de Havilland DH 61 in the spring of 1928; it is christened *Old Gold* and employed to inaugurate thrice-weekly and weekly, respectively, Adelaide–Renmark and Adelaide–Mount Gambier services.

A route is established to Broken Hill in 1929; Adelaide–Port Pirie service is started in 1930 and Whyalla is added to the route network in 1931. A Fokker Model 4 Universal is purchased in 1933.

Robertson subsidizes the start of weekly Fokker service on January 19, 1934 over a route Adelaide–Kimba via Port Pirie and Whyalla. As a result of the investment, the carrier’s name is now changed to the **MacRobertson-Miller Aviation Company (Pty.), Ltd.**

COMMODORE AVIATION (PTY.), LTD.: Australia (1979–1986). Privately owned, this commuter operator is formed at Port Lincoln, South Australia, in January 1979. Employing a Cessna 402 and a Piper PA-23 Aztec, nonscheduled charter services commence in March. Once government permission is received, scheduled flights are able to begin on May 23 over a route from Adelaide and Ceduna. During the next two years, the fleet is upgraded by the addition of 3 Cessna 337s; Minlaton and Streaky Bay are added to the route network.

In 1981–1983, another Cessna 402 and a Piper Navajo are acquired. Following the failure of **Trans-Regional Airlines (Pty.), Ltd.** in 1984 the company enlarges its service area to include Broken Hill, Leigh Creek, Penneshaw, Port Augusta, and Whyalla.

Unable to fiscally handle the expansion, Commodore is forced to shut its doors in 1986.

COMMUNITY EXPRESS, LTD.: United Kingdom (1994–1996). Brian Day establishes Community Express at Bristol’s Lulsgate Airport in July 1994 to offer scheduled domestic commuter services. A significant 49% minority shareholding is taken by the U.S.-based **Mesa Air Group**. Mesa executives Robert Dynan and W. Stephen Jackson are named to CE’s five-member board of directors.

Plans are announced for the inauguration of four-times-a-day round-trips between London (LGW) and Birmingham.

After considerable start-up difficulty is resolved, a single Shorts 360-100 is leased from Mesa during the summer of 1995. It is employed by

the 30-worker company to inaugurate the four daily flights in November from Birmingham and East Midlands to London (LGW).

A second chartered Shorts 360 enters service in the spring 1996, followed by a pair of leased British Aerospace BAe Jetstream 31s, one each in May and June. These initiate new services from London (LGW) to Bristol and Cardiff.

The added capacity and destinations cannot reverse a decline in fortunes. In September, the carrier halts service and is placed into receivership. During the 9 months of the year it has operated, CE transports a total of 24,745 passengers.

COMMUTAIR: 518 Rugar Street, Plattsburgh, New York 12901, United States; Phone (518) 562-2700; Fax (518) 562-8030; <http://www.commutair.com>; Code TH; Year Founded 1989. Following the sale of **Brockway Air** to **Metro Airlines**, unemployed officials of the former, led by Anthony von Elbe, establish Commutair at Clinton County Airport in Plattsburgh, New York in late spring 1989. Von Elbe becomes chairman/CEO, with John A. Sullivan Jr. as president. A contract is negotiated with **USAir** and a fleet of 9 Beech 1900Cs is acquired.

“USAir Express” feeder flights begin on August 1 from communities in northern New York, including Syracuse and Albany, and throughout New England to the major’s hubs at Boston and New York.

By year’s end, a total of 31,724 passengers have been transported.

The fleet is increased in 1990 by the addition of 3 more Beech 1900Cs. Passenger boardings accelerate to 237,801. Thrice-daily “US-Air Express” service is initiated in September 1991 from Boston to Binghamton and Utica, New York. In December, an order is placed for 20 Beech 1900Ds.

The company’s 18 Beech 1900s haul a total of 342,899 passengers, a boost of 44.2%. Revenues are \$29.64 million.

Nine Beech 1900Ds join the fleet in 1992. While on initial approach to Saranac Lake, New York, on a January 3 service from Plattsburgh, a Beech 1900C with two crew and two passengers strikes a 2,280-ft. wooded mountaintop near Gabriels and crashes (two dead).

The first of 20 Beech 1900Ds is delivered in August. Customer bookings rise 12.5% to 385,609 and revenues ascend 27.7% to \$41 million.

In 1993, airline employment stands at 175 employees and the fleet totals 23 Beech 1900s. Passenger boardings climb another 26.5% to 487,983.

Four additional Beech 1900s arrive in 1994 and help customer bookings to advance 12.7% to 550,174. The workforce is 280 in 1995 as one more Beech 1900 enters service. Enplanements jump 11.5% to 613,576. Operating income of \$61,240,348 is generated.

The employee population is increased by 13.8% in 1996 to 370 and the fleet now comprises 19 Beech 1900s. Passenger boardings accelerate 10.5% to 662,568 and revenues jump 23.3% to \$79.84 million.

On February 27, 1997, **USAir** is renamed **USAirways** and “USAir Express” becomes “USAirways Express.” During the remainder of the year, Chairman/CEO von Elbe’s regional will begin to paint its aircraft in a modified version of the major’s new grey and dark blue livery.

Customer bookings inch up 0.2% to 663,954, while operating revenues 2.9% to \$77.8 million.

Flights continue in 1998. The fleet at the beginning of the year includes 30 Beech 1900Ds. Passenger boardings fall 6.1% to 635,729. Revenues slide to \$76.4 million.

Passenger boardings fall 3.4% to 601,000. Operating revenues advance 7.8% to \$82.43 million as expenses climb 9.8% to \$69.93 million. At \$12.41 million, the operating gain is nearly level, but net profit rises to \$11.49 million.

On June 15, the carrier signs a comprehensive marketing agreement with **Continental Airlines** under which it becomes a “Continental Connection” carrier before the end of the year. The carrier serves notice on September 12 that it will end its ‘USAirways Express’ relationship in December.

The company's fleet replacement program continues apace towards the goal of exchanging 26 of 31 aircraft. By late October, 11 Beech 1900Ds have been delivered, including the 400th of its type to be manufactured.

CommutAir formally becomes a "Continental Connection" affiliate on November 12; the same day, service to Plattsburg, Poughkeepsie, and Saranac Lake ends.

The 'USAirways Express' arrangement officially ends on December 4. Two days later, four-times-a-day "Continental Connection" Beech 1900D return service is inaugurated from New York (LGA) to Rochester, along with five-times-a-day roundtrips to Syracuse and Albany.

COMMUTAIR OF MICHIGAN: United States (1975–1976). Commutair of Michigan is set up at Pontiac in 1975 to provide scheduled passenger and cargo services to regional destinations. Employing a single de Havilland Canada DHC-6-100 Twin Otter, the commuter duly inaugurates daily roundtrip frequencies linking its base with Detroit, Toledo, and Lima. Services cannot be maintained a year.

COMMUTAIRE INTERNATIONAL AIRWAYS: United States (1976–1977). CIA is established at Miami in 1976 to provide scheduled roundtrip passenger and cargo services to intrastate destinations. Employing a pair of Britten-Norman BN-2 Islanders, the commuter duly inaugurates daily frequencies linking its base with West Palm Beach, Boca Raton, Ft. Lauderdale, and Key Largo.

Services are maintained into 1977.

COMMUTE AIR: United States (1967–1968). Chester C. Johnson founds Commute Air at Spokane, Washington, in early 1967 to offer scheduled passenger and cargo services to regional destinations. Employing a Cessna 402 and a Grumman G-44 Widgeon, the new entrant inaugurates flights on April 1 linking its base, by year's end, with Kalispell, Moses Lake, Wenatchee, Seattle, Sandpoint, Libby, Kalispell, Poison, and Missoula.

Having expanded rapidly, "The Northwest's Fastest Growing Air Carrier," as it bills itself, cannot achieve economic viability and becomes one of the fastest dying, shutting its doors in 1968 before its first birthday.

COMMUTER AIR PHILIPPINES: Philippines (1990–1996). CAP is formed at Domestic Airport in Pasay City in 1990 to provide scheduled regional passenger and cargo services. Charles Miller Jr. is named managing director and revenue services are inaugurated with a start-up fleet of 4 Beech 18s.

Operations grow during 1991–1995 and a Douglas DC-3 is placed into service, replacing 2 of the Beechcraft. The concern shuts down in late 1996.

COMMUTER AIRLINES (1): United States (1962–1982). With the most generic of names, this third-level carrier is established by Jerry Winston at Binghamton, New York, in the summer of 1962 to offer nonscheduled passenger and cargo services to Washington, D.C. (DCA). Employing a Beech 18 and several Piper PA-23 Aztecs, the company initiates revenue services on October 12. Operations continue apace through 1963 and, beginning on October 12, 1964, the New York–Washington, D.C., route becomes scheduled.

On March 22, 1970, a Beech 18 fails its takeoff and crashes at Binghamton's Broome County Airport (three dead). No more fatalities are reported throughout the 1970s. The fleet is altered, with the Beech 18s replaced by de Havilland DH 104 Doves followed by Piper PA-31-10 Navajos and Fairchild-Swearingen Metroliners. A significant northeastern route network is established as Boston, New York (LGA), Utica, Ithaca, Elmira, and White Plains are all visited.

Convair CV-580s are acquired in 1978. On September 23, White House official Midge Shubow reports the opening of a government investigation into the question of why commuter airlines are exempted from CAB over-booking regulations. The action stems from the com-

pany's attempt to bump consumer adviser Esther Peterson from a flight despite the purchase of a ticket four weeks in advance.

A Midwest division is established in 1979 and operated under the name **Freedom Airlines**. The company's 12 aircraft transport 10,000 passengers and 6,000 pounds of freight during the year.

By 1980, President Winston's eastern company is also serving Elmira, Ithaca, White Plains, New York (JFK and LGA), Newark, Boston, and Wilkes-Barre/Scranton. The fleet comprises 4 Swearingen Metro IIs, 7 Piper PA-31-350 Navajo Chieftains, and 1 PA-31 Navajo. Collectively, these transport 83,000 passengers during the year, a spectacular increase. A 10-day strike by pilots ends on December 5 with a 9.5% wage increase over the next five years.

In November 1982, Commuter Airlines and its **Freedom Airlines** subsidiary combine services under the Freedom name, choosing to emphasize flights into the Midwest.

COMMUTER AIRLINES (2): United States (1965–1970). Paul G. Delman sets up the second Commuter Airlines at Sioux City, Iowa, in the fall of 1965 to provide scheduled passenger and cargo flights to Chicago via Marshalltown and Ames. Daily roundtrip Beech B-80 Queenaire revenue services commence on November 17 and continue apace through 1966.

One of the first regional airlines to adopt the hub-and-spoke pattern of airline operations over a traditional linear route network, Commuter transfers its headquarters to Chicago's Meigs Field in 1967. Employing Beech 99s, the enlarged operator begins flying to Springfield, Elkhart, Detroit, Sheboygan, and Peoria.

The airline is able to remain in business until May 1970.

COMMUTER AIRLINES OF CHICAGO: United States (1966–1970). Chuck Downey establishes Commuter Airlines of Chicago at Meigs Field in 1966. Employing a Beech B-80 Queenaire and a Beech 99, Downey's firm inaugurates scheduled daily roundtrips linking its base with Chicago (ORD), Detroit (DET), Elkhart, and Springfield.

Operations continue apace until the carrier is purchased by and merged into **Hub Airlines** in September 1970.

COMMUTER EXPRESS, LTD.: Canada (1984–1988). Founded in 1979, **Soundair, Ltd.** (formerly **Owen Sound Air Service, Ltd.**) undertakes charter services from its base at Wiarton, Ontario. As a result of the USA/Canada Special Air Services Agreement signed in 1984, the company receives government permission to begin a two-year experiment in providing third-level international commuter flights from a base at Toronto.

At the same time, **Soundair, Ltd.**, having purchased the assets of financially distressed **Aero Trades Western, Ltd.** of Winnipeg, is reconfigured as a holding company for the operation of two airline subsidiaries, **Soundair Express, Ltd.** and **Commuter Express, Ltd.**

Employing a fleet of Fairchild-Swearingen SA-226 Metro IIs and Merlin IVs painted in burgundy and gray livery, Commuter Express, Ltd. inaugurates its first scheduled passenger service in the fall linking Winnipeg with Calgary via Prince Albert. Thrice-daily international roundtrip passenger frequencies to and from Columbus commence on December 17.

Thrice-daily flights begin to Dayton, Ohio, in May 1985, followed by service to Toledo in December. Enplanements for the first full year reach 25,000.

Daily flights begin to Akron and Canton in March 1986. Metro III frequencies are also inaugurated to Lansing, Michigan, and Youngstown, Ohio, in late spring and early summer, with twice-daily service to Fort Wayne, Indiana, beginning in November. The fleet now comprises 10 Fairchild Metro IIIs.

Discussions are begun with **Air Canada, Ltd.** on the possibility of the experimental carrier, which is now deemed a success worthy of expansion, becoming an "Air Canada Connector" code-sharing partner. Meanwhile, bookings for the year climb to 35,000.

The Toledo and Fort Wayne frequencies are suspended in April 1987 for lack of traffic and are replaced by services to the Michigan cities of Saginaw and Grand Rapids. Toronto to Allentown and Harrisburg frequencies commence in August. The operation becomes an **Air Canada, Ltd.** commuter partner in November; the fleet is now repainted in "Air Canada Connector" livery. Passenger boardings increase by 50% to 60,000.

The company image is further reformed in March 1988 when it is re-named **Air Toronto, Ltd.**

COMMUTERS AIR SERVICE: United States (1932). Employing a Travel Air 6000, this short-lived New England feeder is formed at Springfield, Massachusetts, in the late spring of 1932. Once a Stinson Jr. S and a Sikorsky S-39B are acquired, the operator inaugurates scheduled passenger and air express services to Hartford, Connecticut, in August.

Traffic is insufficient to justify the continuance of operations beyond October.

COMPAGNIE AERIENNE DU LANGUEDOC, S.A. (CAL): France (1976–1988). CAL is formed at Aerodrome d'Albi in 1976 to provide scheduled regional passenger flights; Robert De Ros is appointed chairman. With a fleet of 4 Swearingen Metro IIs and 2 Beech 99s, twice-daily flights are inaugurated linking Le Puy and Paris and Clermont-Ferrand with Bordeaux, Toulouse, and Lyon. These services are maintained throughout the remainder of the decade.

In the early 1980s, the fleet is upgraded to include 3 Metro IIs, 2 Nord 262s, and 1 Embraer EMB-110. Additional destinations are added in southern and central France, including Marseilles, Nice, and Bergerac.

In 1986, Managing Director Rene Mauries acquires another Nord 262 and three additional Metroliners. Epinal and Clermont join the route network in 1987. Expenses outrun income in 1988, forcing the carrier to stop flying.

COMPAGNIE AERIENNE FRANCAISE, S.A. (CAF): France (1919–1922). This company is formed at Paris in early 1919 and launches service between Nîmes and Nice on April 17. In cooperation with the British carrier **Aircraft Transport and Travel, Ltd. (AT & T)** and the French railroads, air and rail operations begin in February 1920, allowing passengers the possibility of flying or riding from London to Nice. Following the arrival of an AT & T aircraft at Paris, customers ride the rails to Avignon before boarding a CAF airliner for Nice.

A similar service is opened in 1922, Paris–Cherbourg. However, the carrier ceases operations before year's end.

COMPAGNIE AERIENNE FRANCO-CANADIENNE, LTD.: Canada (1927–1930). The Compagnie Aérienne Franco-Canadienne is established at Gaspé (Quebec) in 1927 to undertake aerial mapping flights over the Gaspé Peninsula on behalf of the provincial government. The noted World War I French squadron commander, Count de Lesseps, is persuaded to become general manager and chief pilot.

A base is established at Gaspé Basin and another at Goose Lake and the operation is outfitted with 5 Schreck FBA-17 amphibians. While photographing the Gaspé shoreline on October 18, de Lesseps is forced down in a storm near Mont Joli. Seven weeks later on December 4, his body is found at Clambank Cove, Port au Port Peninsula, Newfoundland.

Operations continue in 1928 and, during 1929, this Quebec-based pioneer employs a Schreck FBA-17 amphibian to inaugurate passenger flights along the St. Lawrence River. A weekly contract mail route between Oskelaneo and Chibougamau begins on December 20. When the mail subsidy ends in 1930, the carrier stops flying.

COMPAGNIE AERIENNE GABONAISE, S.A. See AIR GABON (COMPAGNIE AERIENNE GABONAISE, S.A.)

COMPAGNIE AERIENNE GABONNAISE, S.A. See TRANS-GABON (COMPAGNIE AERIENNE GABONNAISE, S.A.)

COMPAGNIE AERO AFRICAINE, S.A. See AERO AFRICAINE (COMPAGNIE AERO AFRICAINE, S.A.)

COMPAGNIE AERONAUTIQUE EUROPEENNE, S.A. (CAE): Aeroport Marseilles, Provence BP127, Marcella, F-13729, France; Phone 04.42.79.70.40; Fax 04.42.89.96.09; http://www.com2i.fr/cae; Code C9; Year Founded 1991. CAE is established at Liege in May 1991 to offer regional charter services and to undertake a scheduled service to Paris (CDG). Charles Petiteau is appointed chairman and revenue flights commence in September with a pair of Fairchild Metro IIIs.

asis upon cargo services. The carrier begins daily delivery of Italian newspapers into France.

Flights to Maastricht are started in 1993 and to Orly Airport at Paris in 1994. For the latter service, a Beech Super King Air 200 is placed into service. Air ambulance services are also introduced.

Operations continue apace in 1995–2000. During these years, capitalization reaches FFfr 1.9 million and the Super King Air 200 is replaced with another Metro III and orders are placed for 2 British Aerospace (BAe) Jetstream 32s. The workforce reaches 25, including 15 pilots.

The company also comes to specialize in the transport of dangerous goods, flying over 80% of all such services in France during 1996 alone.

Charters are operated further abroad, particularly along the Mediterranean coast and in Northern Europe. In mid-1997, scheduled flights are inaugurated from Paris to Maastricht via Liege.

COMPAGNIE AIR LITTORAL, S.A. See AIR LITTORAL, S.A.

COMPAGNIE AIR PROVENCE INTERNATIONAL, S.A. See AIR PROVENCE INTERNATIONAL, S.A.

COMPAGNIE AIR TRANSPORT, S.A.: France (1946–1953). A subsidiary of **Air France** and **Compagnie Generale Transatlantique, S.A.**, CAT is set up in 1946 to provide scheduled Douglas DC-3 services to North Africa. Revenue flights commence from Paris, Lyon, Marseilles, Toulouse, and Basel to Algiers, Constantine, and Oran. During the summers, charter flights are offered to vacation travelers between London and Deauville and Le Touquet.

Services continue apace, but, as profits decline in the early 1950s, the carrier appears headed for bankruptcy. Instead, on May 23, 1953, the airline is merged with **Compagnie Generale de Transport Aériens, S.A.** to form **Air Algeria (Compagnie Generale de Transport Aériens, S.A.)**.

COMPAGNIE ALGERIENNE DE TRANSPORT AERIENS, S.A. (CATA): France (1947–1950). CATA is set up at Philippeville in 1947 to provide Algerian local services. Employing a fleet of 4 Douglas DC-3s and 4 Nord NC-702 Martinets, the company undertakes scheduled flights from Algiers to Biskra, Constantine, and Setif.

Service continues apace until January 1950, when the airline is taken over by **Societe Aigle Azur, S.A.**

Two Fairchild Merlin IVs join the fleet in 1992, allowing further emphasis. **COMPAGNIE BELGE DE TRANSPORTS AERIENS, S.A. (COBETA): Belgium (1945–1950).** This independent is formed at Brussels in 1945 to provide contract services. Employing Douglas DC-3 aircraft leased from **Scottish Aviation, Ltd.**, twice-weekly flights are undertaken between the Belgian capital and Manchester and Glasgow, beginning on July 12, 1947. Operations continue apace in 1948–1949.

Unable to successfully compete against the state-owned **Sabena Belgian World Airlines, S.A.** the airline ceases trading in 1950.

COMPAGNIE CHERIFIENNE DE L'AIR, S.A. See AIR ATLAS (COMPAGNIE CHERIFIENNE DE L'AIR, S.A.)

COMPAGNIE CHERIFIENNE DE TRANSPORT AERIENS, S.A. See AIR MAROC (COMPAGNIE CHERIFIENNE DE TRANSPORT AERIENS, S.A.)

COMPAGNIE CONGOLAISE DE TRANSPORT AERIENS. See **AIR CONGO, S.A. (1); AIR CONGO, S.A. (2)**

COMPAGNIE CORSE MEDITERRANEE, S.A. See **CORSE MEDITERRANEE, S.A.**

COMPAGNIE D'AFFRETEMENTS ET DE TRANSPORTS AERIENS, S.A (CATAIR): France (1969–1981). Catair is organized at Paris (CDG) in the spring of 1969 to offer passenger and cargo operations. C. Slama is named president with J. Prabonneau as managing director. A fleet is assembled that initially comprises 4 Lockheed L-1049C Constellations purchased from the flag carrier **Air France**.

An L-1049C with four crew is cleared to land at Douala on August 9—and disappears. Wreckage is found three days later 80 km. NE of the airport and there are no survivors.

A fifth replacement L-1049C arrives from **Air Fret, S.A.** in 1970. Revenue flights are, meanwhile, inaugurated to various destinations in Europe, the Mediterranean, and North Africa.

Operations continue throughout the 1970's and the fleet is changed; gone are the Super Connies, replaced with 1 Sud-Est SE-210 Caravelle XII and 5 Caravelle VIs. As energy expenses rise and traffic falls due to recession, the carrier is unable to maintain viability and shuts its doors in 1981.

COMPAGNIE DE CHARGEURS REUNIS, S.A.: France (1936–1943). Chargeurs Reunis is established at Dakar during the first quarter of 1936 to offer scheduled roundtrip services along the West African coast to Casablanca from harbor buoys employed as seadromes. The first 2 Sikorsky S-43s arrive on June 27 and July 7, respectively, and enter service.

Operations continue apace in 1937 and a third S-43 is delivered on January 21, 1938. Acquired in an unsuccessful effort to establish a new flying boat route, the S-43 owned by **DNL Norwegian Airlines, A.S.** is purchased by the French line on September 14.

Services continue following the establishment of Vichy in 1940; however, the carrier ceases in 1943 and the surviving aircraft escape to join the Free French service being operated from Abidjan.

COMPAGNIE DE TOURISME MONDIAL. See **LEBANESE INTERNATIONAL AIRLINES, S.A.L.**

COMPAGNIE DE TRANSPORT AERIEN, S.A. (CTA GENEVA): Switzerland (1978–1993). This carrier is organized at Geneva on September 28, 1978 to assume the assets and services of the bankrupt charter carrier **Societe Auxiliare de Transport Aerien, S.A. (SATA)**, which ceases trading in October. Upon formation, 57% of the \$18-million shareholding is taken by **Swissair, A.G.**, with the remaining 43% going to the French-speaking Swiss cantons.

With a staff of 116 (mostly ex-SATA employees) and 3 ex-SATA Sud SE-210 Caravelle XRs purchased out of receivership, inclusive-tour flights commence on November 2. En route from Geneva, a Caravelle crashes into the sea near Funchal, Madeira, on December 18 (33 dead).

Destinations are added in North Africa and Europe in 1979, including Greece and the Canary Islands. Enplanements for the first full year of operation total 119,551. In December, a net loss of \$791,871 is reported for the period of operation since start-up.

Airline employment is increased by 12.1% in 1980 to 130. **Swissair** installs a new management team for its subsidiary; **Swissair, A.G.** Vice president Rolf Kraehenbuehl becomes chairman with Rolf Kressig as president; a fourth Caravelle XR joins the fleet.

As the result of increased efficiencies and a boost in passenger boardings of 51.1%, to 244,480, the charter airline begins to turn around. Revenues advance by 58.2% to \$25.3 million, but expenses are up by 52.4% to \$25.6 million. Although an operating loss of \$330,864 is absorbed, a net profit of \$163,965 is earned.

The workforce is increased by 3.3% in 1981 to 124. The 4 Caravelle XRs transport a total of 149,000 passengers, a 21.1% boost. On rev-

enues of \$28.2 million and expenses of \$29.4 million, a \$1.75-million loss is suffered. Boardings in 1982 are 281,700.

Enplanements drop to 273,000 in 1983; however, sufficient revenues are generated to allow payment of an initial 5% dividend to shareholders.

As additional revenues are received in 1984–1985, the profit lines grow; in the latter year, the net income is a record \$600,000 and the dividend is increased to 6%.

Capitalization is increased in 1986 from SFr 10,500,000 to SFr 23,600,000 (\$12 million), with a portion of the new stock offered to the public. At this point, 39% of all traffic is to Greek holiday destinations and all 4 Caravelles are fully amortized. The refinancing allows a \$115.6-million order to be placed for 4 MD-87s.

Enplanements for the year total 135,205 and the profits are \$850,000 (operating) and \$2 million (net).

While anticipating the arrival of its new jetliners, the Swiss operator suffers a difficult 1987. Passenger boardings decline 8% to 125,190 and revenues are off 13.3% to \$37.8 million. Operating income declines to \$550,000, but net gain rises to \$2 million.

The first MD-87 arrives in May 1988 followed by the second shortly thereafter. In June, the first of the McDonnell Douglas aircraft begins replacement flights for **Swissair**, operating five-times-per-week flights to Warsaw, Birmingham, Amsterdam, and Paris (CDG).

Operations continue apace in 1989 as the last 2 of the new MD-87s are placed into service. Profits generated during the year total \$500,000 (operating) and \$3.3 million (net).

Company employment is increased by 10.9% in 1990 as passenger boardings ascend 15.2% to 380,000. Revenues jump 17.1% to \$55.6 million, but expenses force the operating profit down to \$100,000. Net gain drops to \$1.6 million.

The payroll is sliced 4.5% in 1991 to 148 and the fleet now includes 4 MD-87s.

Recession and the Gulf crisis force customer bookings down by 12.1% to 334,600. Revenues inch up 1.8% to \$51.7 million, but expenses climb 3% and force an operating loss of \$500,000. There is, however, a \$1.1-million net profit.

In 1992 the 150-employee **Swissair** subsidiary enjoys a resurgence in traffic as passenger boardings jump 16.2% to 388,800.

In 1993, Chairman Eric Geitlinger and President Kressig employ 140 workers and possess a fleet of 4 McDonnell Douglas MD-87s. The company is now merged with another **Swissair** subsidiary, **Balair Air Charter, A.G.**, to create a larger enterprise, **Balair-CTA**.

COMPAGNIE DE TRANSPORTS AERIENS INTERCONTINENT-AUX, S.A. (TAI): France (1946–1963). Following the French government's decision to allow the creation of certain independent airlines, this carrier is formed by Colonel Genain on June 1, 1946, as successor to the prewar **Air Afrique, S.A. (1)**, of which he had been managing director. As the Bristol 170s ordered are not available, service begins to North Africa on July 1 with French-built Junkers Ju-52/3ms. These wear the new TAI livery, which includes the winged griffin logo of **Air Afrique, S.A. (1)**.

Three Bristol 170s are delivered in 1947, along with 7 DC-4s purchased from **KLM (Royal Dutch Airlines, N.V.)**. Long-haul passenger and cargo routes are opened to many points of the French Empire, including Dakar, Saigon, Tananarive, and Casablanca.

Routes are briefly extended to Martinique and Guadeloupe in 1950–1951, and during the latter year the company test flies the first production model Sud-East SE-2010 Armagnac on freight services from Paris–Casablanca and Dakar, and orders 4.

The first 4 SE-2010s are placed in service on December 8, 1952, flying freight Paris–Casablanca and Las Palmas; uneconomical, they will quickly be returned to their manufacturer within six months.

As the first Indochina War heats up in 1953, TAI becomes a partner in the newly formed **Societe Auxiliare de Gerance et de Transports Aeriens, S.A. (SAGETA)**. Seven SE-2010s are taken out of storage and operated by TAI crews on special resupply flights from Toulouse to

Saigon via Beirut, Karachi, and Calcutta. DC-6Bs begin to replace the DC-4s in 1954 and, in 1955, following French agreement to withdraw from Indochina, the SAGETA effort ends.

On January 1, 1956, France reorganizes its overseas air network. **Air France** retires from Australia and the South Pacific where the routes are turned over to TAI, which, in turn, retires from Africa.

The Paris to Saigon DC-6B route is extended to Darwin and New Caledonia on January 6. On February 20, a DC-6B en route from Saigon via Karachi to Paris with 64 aboard loses 2 engines and crashes in the desert near Cairo (52 dead).

A DC-6B completes the world's longest scheduled flight to date without an aircraft change on February 8, 1957. The new Paris–Auckland route, opened on February 4, is flown in four days as the carrier inaugurates Paris to Australia and New Zealand service.

Connecting with a flying boat service to Tahiti, DC-6B frequencies are extended to Bora Bora in the Society Islands via Noumea on September 28, 1958. A controlling interest is taken in the **Reseau Aerien Interinsulaire, S.A.**, a small carrier providing service between the French Pacific islands.

Just after takeoff from the Ivory Coast on September 24, 1959, a DC-7C with 65 aboard crashes on takeoff from Bordeaux (54 dead).

On May 6, 1960, a partnership is entered into with **Air France**, whereby TAI will fly the South Pacific leg of the state carrier's around-the-world service via New Caledonia and Tahiti. Douglas DC-8-32 service from Paris to Darwin, Australia begins on September 4 via Athens, Teheran, Karachi, Bangkok, Phnom Penh, and Karachi. On September 12, the Douglas jetliner inaugurates a route from Sydney to Los Angeles via Noumea, Nandi, Papeete, and Honolulu.

DC-8 frequencies are inaugurated to South Pacific points on May 6, 1961. On September 14, the carrier agrees, in principle, to a future merger with **Union Aeromaritime de Transport, S.A. (UAT)**. A DC-7C leased to **Madair, S.A.** inaugurates Tananarive–Paris flights on October 20.

TAI and UAT fleets and schedules are integrated in 1962 and the amalgamation of the two carriers is completed on October 1, 1963, resulting in a new airline, **Union de Transports Aériens, S.A. (UTA French Airlines)**.

COMPAGNIE DES GRANDS EXPRESS AERIENS, S.A. (CGEA): France (1919–1923). A Lt. Villier and other officers of the French Service d'Aviation form this carrier at Le Bourget airfield near Paris in May 1919. On March 29, 1920, a pilot named Landry flies a Farman F-50P Goliath on a proving flight to Croydon airfield, 10 miles south of London. Paris–London service is initially irregular, but, with subsidy, is quite competitive after its regular start in July. Meanwhile, Farman F-50Ps and F-60s inaugurate service to Brussels and Amsterdam.

In 1921, **Compagnie Generale Transaériennes, S.A. (CGT)** and its fleet of Nieuports and Salmsons is acquired. On April 7, 1922, the company's most memorable—and unhappy—event occurs when it is party to the first collision between civil airliners.

En route to the U.K. in poor visibility along a road from Le Bourget field, a company Farman F-60 Goliath is piloted by M. Mier. The CGEA aircraft crashes into a **Daimler Airways, Ltd.** de Havilland DH 18 piloted by Robin Duke and inbound over the same course, over Thieuloy-Sainte-Antoine, 18 miles north of Beauvais (seven dead).

Flying a Farman Goliath, pilot Rene Labouchere inaugurates the first civil airline night flights between the Continent and the U.K., Paris (LBG)–London (Croydon), on June 9–10. Beginning on July 23, a frequency is opened by Farman Goliaths from Paris to Geneva; this route is stretched to Aix-les-Bains in October via Lausanne and Evian. Despite subsidy, the carrier and its principal rival are now flying parallel services and thus elect to entertain a merger.

On January 1, 1923 CGEA and **Compagnie des Messageries Aériennes, S.A. (CMA)** are amalgamated into **Air Union**.

COMPAGNIE DES MESSAGERIES AERIENNES, S.A. (CMA): France (1919–1923). Before the Farman brothers break away to form their own **Lignes Aériennes Farman, S.A.**, they join a consortium of the most famous names in French aviation development to plan the inauguration of postwar French commercial air transport. Among the other pioneers providing leadership are Louis Bleriot, Louis Breguet, Rene Caudron, Louis Renault, Robert Morane, and Louis Saulnier. The company they form is CMA, which is registered on April 6, 1919. Employing a Breguet 14A2, the new entrant initiates its first service, for mail and freight only, between Paris and Lille on April 18. This route is extended to Brussels in early August.

On August 26, regularly scheduled services begin between France and Great Britain. Complementing the flights begun by de Havilland DH 4As of **Aircraft Transport and Travel (AT & T)** the previous day, a CMA Farman Goliath initiates a proving flight Le Bourget–London (Hounslow). Regularly scheduled CMA passenger services begin on September 16 when a Breguet 14 flies a Mr. Massot; the first return flight from London occurs three days later. The British and French companies now agree to pool their flights and, at month's end, passenger service is started from Paris to Le Havre.

The London frequencies are maintained with Bleriot Berline SPAD 27s throughout 1920. On May 2, 1921, early morning newspaper service between the two capitals is started; later in the month, the first of 15 new Bleriot Berline SPAD 33s are introduced on the passenger frequencies.

On June 2, a route is opened between Paris and Amsterdam, with stops at Brussels and Rotterdam.

On May 15, 1922, flights are initiated to Marseilles via Lyons while, on August 2, the Paris leg is thrust to London and in September the Lyon destination is pushed to Geneva. Late in the year, the SPAD 33s are converted into SPAD 50s. At this point, competition between the carrier and its principal rival, especially on the London run, is extensive. As a result, CMA and **Compagnie des Grands Express Aériens, S.A. (CGEA)** merge their operations and equipment (including 15 Farman F-60 Goliaths) on January 1, 1923 to form **Air Union**.

COMPAGNIE DES TRANSPORTS AERONAUTIQUES DU SUD-OUEST, S.A.: France (1919–1920). This carrier is formed at Biarritz in July 1919 to offer Bay of Biscay charter flights with Farman F-60 Goliaths. Regularly scheduled Biarritz–Bordeaux service begins in August while in September flights are started from Biarritz to the Spanish town of San Sebastian. Early in 1920, this operator is reorganized and renamed **Societe Franco-Bilbaine des Transport Aériens, S.A.**

COMPAGNIE FRANCO-ROUMAINE DE NAVIGATION AERIENNE, S.A. (CFRNA): France (1920–1925). Designed to expand French air service to southeast Europe, this pioneer is formed at Paris on April 23, 1920. Former French chief of military aeronautics Maurice Duval is chairman, with Pierre de Fleurieu as director general and Albert Duellin as chief pilot. Capitalization of FFr 2.5 million is provided by Aristide Blank, director of the Romanian Banque Marmorosh while the French government, in the person of Assistant Secretary of State for Aeronautics Pierre-Etienne Flandin, promises subsidy. A Poetz 7 piloted by Duellin, with Fleurieu as passenger, completes the first France to Romania survey flight later in the month.

As the result of negotiations with the governments of Czechoslovakia and Poland, the new entrant receives not only landing rights, but additional annual subsidies of five million crowns and FFr 1,000,000-worth of free avgas as well.

Meanwhile, a fleet of Salmson 2A2s and Potez 7s is assembled. These open daily Paris (LBG) to Strasbourg roundtrip service on September 20 and the route is extended on to Prague thrice weekly on October 4 and daily on October 7.

Due to weather conditions, the number of flights are reduced in November and are suspended entirely in December. At year's end, the company has 15 pilots and 31 aircraft on strength. Revenues for the year total FFr 366,000, of which FFr 347,800 come in the form of subsidy.

A number of new subsidies are received during the first quarter of 1921 and, to support the acquisition of new aircraft, shareholders invest FFr 8,500,000, bringing the company's overall capitalization to over FFr 10 million. The first of 20 expensive new Bleriot Berline SPAD 33s, 12 Poetz 9s, and 39 Bleriot Berline SPAD 46s now begin to join the fleet. On April 12, a Poetz 9 inaugurates thrice-weekly Paris–Warsaw roundtrip service via Strasbourg, Prague, and Breslau.

By July with 20 new Bleriot Berline SPAD 33s in service, the fleet totals 47 aircraft and the Warsaw service becomes daily. Also during the summer and fall, maintenance and repair facilities are established at Le Bourget Airport, as well as the airfields at Strasbourg, Prague, and Warsaw. Air service agreements are negotiated with Austria, Hungary, and Romania and plans are made to extend service to Bucharest and Constantinople. A pair of survey and publicity flights are made to Constantinople via Bucharest by a SPAD 46 and Poetz 9; at Bucharest on the return flight, King Ferdinand hosts an official reception. Services are again suspended in December and enplanements for the year total 2,136.

Franco-Roumaine begins 1922 with 21 pilots and 71 aircraft and service resumes in February. Flown by Claude Beaugerard, a SPAD 46 inaugurates a route extension from Prague via Vienna to Budapest on May 1. Service from Budapest to Bucharest via Arad begins on September 21; flying another of the 38 new SPAD 46s, Louis Guidon completes the 3,150-km. transcontinental route on October 3 with a flight from Bucharest to Constantinople.

The achievement is important to the history of commercial aviation, as the service is the first transcontinental air route not only in Europe but the world. The Balkan sector will be flown infrequently due to poor weather and political difficulties and is not profitable; from May to December, only 232 passengers are transported on segments between Prague and Constantinople. Overall passenger boardings decline to 1,174.

Chief Pilot Deullin dies on May 29, 1923, and is succeeded by Maurice Nogues. On July 27–28, a Caudron C-61 trimotor makes the first experimental Paris–Strasbourg passenger-carrying night flight over a route marked by Barbier-Bernard acetylene beacons. Three trimotor Caudron C-61s are employed on night services between Belgrade and Bucharest beginning on September 2–3. These are the world's first regularly scheduled night services.

Jules Bertrand succeeds Director General Fleuriu on September 20 and, the same day, he is a passenger on the first service over a new extension from Budapest to Bucharest via Belgrade. **Trans-Europa Union**, a German company, initiates a competitive Vienna–Budapest route during the year. Customer bookings increase to 12,305.

A total of 22 pilots are on the roster at the beginning of 1924 and the fleet now includes 8 Salmson 2A2s, 5 Poetz 7s, 12 Poetz 9s, 14 SPAD 33s, 38 SPAD 46s, and 3 C-61s. Aero 45s, Poetz 32s, and a giant Caudron C-81 trimotor are placed in service on the Paris–Constantinople route during the year. Daily service is continued to Budapest and Warsaw, with Bucharest added in the summer; flights from Budapest to Constantinople via Bucharest are biweekly.

As the result of worsening financial conditions and a failure of the French Parliament to vote requested subsidies, the company's stockholders on June 26 elect to make major changes. The board of directors, known as an administrative council, is enlarged by four members and shared capital is reduced to FFr 8,250,000. Henceforth, the company will be owned by French (50%), Czech (20%), Romanian (19%), and other (11%) interests and can be viewed as one of the world's first multinational corporations.

Meanwhile, plans are made to inaugurate service to Moscow and Ankara and, in preparation for these routes, night flights from Paris to Strasbourg are terminated. Chief Pilot Nogues, flying the new C-81, makes the first flight from Paris to Moscow via Strasbourg on November 14. Later in the month, the new Ankara extension is started.

In accordance with a vote of the stockholders the previous summer, the carrier is renamed **Compagnie Internationale de Navigation Aérienne, S.A. (CIDNA)** on January 1, 1925. It will eventually be one of the 1933 merger partners forming **Air France**.

COMPAGNIE GENERALE AERIENNE AFRICAINE, S.A. *See* **COGEAIR (COMPAGNIE GENERALE AERIENNE AFRICAINE, S.A.)**

COMPAGNIE GENERALE AEROPOSTALE DE VENEZUELA, S.A. *See* **AVIACION NACIONAL VENEZOLANA, S.A.**

COMPAGNIE GENERALE CHERIFIENNE DE TRANSPORT AERIEN. *See* **ROYAL AIR MAROC**

COMPAGNIE GENERALE DE TRANSPORTS (CGT). *See* **AIR LIBAN, S.A.L.**

COMPAGNIE GENERALE DE TRANSPORT AERIENS, S.A. *See* **AIR ALGERIE; COMPAGNIE GENERALE DE TRANSPORT AERIENS, S.A.**

COMPAGNIE GENERALE TRANSAERIENNES, S.A. (CGT): France (1919–1921). A pioneer air transport firm, this company is created at Billancourt and Paris as a subsidiary of the French Societe Aeronautique Astra (SAA). Both rigid and nonrigid proving flights are launched in 1909. Later in that year, a contract is signed with the **Aero Association Lucerne** to support that Swiss city's local tourist business. With both biplanes and the nonrigid airship *Ville de Lucerne*, CGT operates summer-only flight-seeing services for AAL between 1910 and 1914.

Following the signing of the Versailles peace treaty in the spring of 1919, CGT elects to return to the civil aviation business. Employing biplanes like those from Salmson, Nieuport, or Poetz and working in co-operation with the British carrier **Aircraft Transport & Travel (AT & T)**, CGT flies London–Paris services in November–December and in March–December 1920.

The operation is acquired by rival airline **Compagnie des Grands Express Aériens, S.A.** in mid-1921.

COMPAGNIE GERMAIN, S.A.: France (1934–1938). Henri Germain establishes a small airline at Algiers in 1934 to offer scheduled return services to Oran. Thrice-weekly flights commence employing a Farman 190 and a de Havilland DH 84 Dragon. A year later, service is also initiated between Constantine and Bone.

Flights cease at the time of the Munich crisis in 1938.

COMPAGNIE INTERNATIONALE DE NAVIGATION AERIENNE, S.A. (CIDNA): France (1925–1933). This carrier appears on January 1, 1925, as the reformed and renamed version of **Compagnie Franco-Roumaine de Navigation Aérienne, S.A. (CFRNA)**. A Farman F-4X *Jabiru (Stork)* opens Paris to Zurich service on March 16.

Six Bleriot-Berline SPAD 56-3s, 1 SPAD 46, and 5 SPAD 56-4s are delivered in 1926–1927. These, together with several later modifications of the same machines, Caudron C-81s, and the only C-183, are employed on routes from Paris to Bucharest via Strasbourg, Zurich, Innsbruck, Vienna, Budapest, and Belgrade, from Vienna–Warsaw, and from Bucharest–Constantinople. Caudron C-81, Aero 45, and Poetz 32 service over routes to Warsaw and Constantinople is maintained.

Eight Bernard 190Ts join the fleet in 1929 and are placed on the European routes. In addition, 13 Poetz 29-4s are operated on trans-European services from bases at Paris, Prague, Belgrade, and Constantinople. Two new Aero A-38-2s are placed into service in May 1930 and enplanements reach 10,000 for the year.

Operations continue apace in 1931–1932 and, in early 1933, 2 new Wibault-Penhoet 282s, *Le Diligent* and *Le Frondeur*, are received and placed on the Paris–Warsaw via Prague service. On May 17, CIDNA joins with **Air Orient**, **Air Union**, and SGTA to form the **Societe Centrale pour l'Exploitation de Lignes Aériennes, S.A.** With government backing and the assets of **Aeropostale, S.A. (1)**, the consortium combines in August to form the national carrier **Air France**.

COMPAGNIE NATIONALE AIR GABON, S.A. *See* **AIR GABON (COMPAGNIE NATIONALE AIR GABON, S.A.)**

COMPAGNIE NATIONALE AIR GUINEE, S.A. *See* **AIR GUINEE (COMPAGNIE NATIONALE AIR GUINEE, S.A.)**

COMPAGNIE NATIONAL ROYAL AIR MAROC, S.A. *See* **ROYAL AIR MAROC (COMPAGNIE NATIONAL ROYAL AIR MAROC, S.A.)**

COMPAGNIE SENEGAL DES TRANSPORTS AERIENS, S.A. *See* **AIR SENEGAL (COMPAGNIE SENEGAL DES TRANSPORTS AERIENS, S.A.)**

COMPAGNIE SENEGALAISE DE TRANSPORTS AERIENS, S.A. *See* **AIR SENEGAL (COMPAGNIE SENEGALAISE DE TRANSPORTS AERIENS, S.A.)**

COMPAGNIE TRANSAFRICAINE D'AVIATION, S.A. *See* **AIR AFRIQUE, S.A. (1); REGIE AIR AFRIQUE, S.A.**

COMPAGNIE TRANSPORTS AERIENS DU GABON, S.A. *See* **TRANSGABON (COMPAGNIE TRANSPORTS AERIENS DU GABON, S.A.)**

COMPANHIA AERONAUTICA BRASILEIRA. *See* **AERO-POSTALE (COMPAGNIE GENERALE AEROPOSTALE, S.A.)**

COMPANHIA DE TRANSPORTES AEREOS, S.A. (CTA): Portugal (1945–1947). This tiny airline is formed at Lisbon in early 1945 to provide lightplane service between the capital and Oporto. Flights continue for a little over two years; however, the operation cannot be financially maintained and the carrier is taken over by **Transportes Aereos Portugueses, S.A. (TAP)** on July 15, 1947.

COMPANIA AERONAUTICA DEL SUR, S.A. de C.V.: Mexico (1930–1943). Having obtained the concessions of a small airline network started by J. Hans Mattes in 1930, American Garrett "Peck" Woodside forms his own company at Villahermosa, state capital of Tabasco. Employing Travel Air 4000s and Ryan Broughams, Woodside offers both passenger flights and cargo service for chicle and coffee growers.

Additional concessions are obtained in 1936. The feeder operation of **TACH (Transportes Aereos de Chiapas, S.A. de C.V.)** in neighboring Chiapas state are acquired in 1938. The network is maintained until the summer of 1943, when the carrier is taken over by William T. Churchill Morgan's **CAVSA (Comunicaciones Aereas de Veracruz, S.A. de C.V.)**.

COMPANIA ANONIMA ESPANOLA DE TRANSPORTE AEREO, S.A. (SAETA). *See* **IBERIA SPANISH AIRLINES (2) (LINEAS AEREAS DE ESPANA, S.A.)**

COMPANIA ARGENTINA DE AERONAVEGACION DODERO. *See* **ALFA (AVIACION DEL LITORAL FLUVIAL ARGENTINA, S.A.); CORPORACION SUDAMERICANA DE SERVICIOS AEREOS, S.A.; FAMA (FLOTA AEREA MERCANTE ARGENTINA, S.A.)**

COMPANIA BOLIVIANO DE AVIACION, S.R.L. (BOA): Bolivia (1965–1971). BOA is formed at La Paz in 1965 to operate domestic all-cargo charters with 3 Curtiss C-46 Commandos and 2 former military Boeing B-17s. Flights cease in 1971.

COMPANIA BOLIVIANO DE RUTAS AEREAS, S.A. (COBRA): Bolivia (1964–1967). Another short-lived Bolivian all-cargo charter operator, COBRA also begins flying from La Paz, in 1964. This company also makes use of former military Boeing B-17s; however, in March

1967, it acquires a single Curtiss C-46 Commando. Flights cease by year's end.

COMPANIA DE AVIACION FAUCETT, S.A. *See* **FAUCETT PERUVIAN AIRLINES (COMPANIA DE AVIACION FAUCETT, S.A.)**

COMPANIA DE AVIACION PERUANA, S.A. *See* **CAP (COMPANIA DE AVIACION PERUANA, S.A.)**

COMPANIA DE TRANSPORTES AEREOS GELABERT, S.A.: Panama (1935–1941). Marcos A. Gelabert, a former air force officer, forms the carrier named for him at Panama City in 1935. Service is offered to 14 destinations in the country, including thrice-weekly flights to David and Puerto Armuelles. The company's fleet grows to include 1 Hamilton Metalplane, 1 Stinson Reliant, 1 Lockheed Model 5 Vega, and 1 Sikorsky S-38.

A route is briefly operated to San Jose in Costa Rica during 1938. Persuaded not to close down upon the outbreak of World War II in September 1939, Gelabert receives a \$1,000 per month subsidy beginning in November. Operations are continued until December 8, 1941, when they are suspended permanently.

COMPANIA DE TRANSPORTES AEREOS MEXICO-CUBA, S.A. de C.V.: Mexico (1931–1932). This little-known and short-lived operation is founded at Vera Cruz by Abel R. Perez and Gonzalo Abaunza in January 1931 to offer service across the Caribbean to Havana via Fronterera/Progreso. Three Bellanca cabinplanes and two Savoia Marchetti S.55s are purchased and one of the latter, the *Mexico*, inaugurates service on June 19; while taking off, the engine takes fire, forcing the plane's 17 passengers to abort the first flight.

The business does not prosper and although a timetable is printed in 1932, no regularly scheduled services occur.

COMPANIA ESPANOLA DE TRAFICO AEREO, S.A. (CETA): Spain (1921–1929). CETA is formed at Seville in the summer of 1921. With British assistance and equipped with 2 de Havilland DH 9s delivered on September 19, it opens a mail service between Seville and Larache in Spanish Morocco on October 15.

A Dornier Komet is placed on the route in 1922. Operations continue throughout the decade with subsidies received from the Madrid government, the French and the Germans. The carrier ceases operations on March 13, 1929 when it becomes one of the three small airlines merged to form **Concessionaria Lineas Aereas Subvencionadas, S.A. (CLASA)**.

COMPANIA FRANCO-ARGENTINA DE TRANSPORTES AEREOS, S.A. *See* **CRPA (COMPANIA RIO PLATENSE DE AVIACION, S.A.)**

COMPANIA INTERNACIONAL AEREA, S.A.: Ecuador (1966–1974). CIASA is set up at Quito in late 1966 by a group of former Air Force officers wishing to enter the all-cargo business. Having acquired 3 Curtiss C-46 Commandos, the concern inaugurates non-scheduled freight charters to Panama, Venezuela, and Mexico in October 1967.

The U.S. CAB grants the company a foreign air carrier permit in 1968, allowing the start of weekly flights from Quito to Miami via Panama City. These flights continue until the carrier's operating authority is withdrawn in July 1974.

COMPANIA NACIONAL DE AVIACION, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA NACIONAL TACA DE COSTA RICA, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA NACIONAL TACA DE EL SALVADOR, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**; **TACA INTERNATIONAL AIRLINES, S.A.**

COMPANIA NACIONAL TACA DE GUATEMALA, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA NACIONAL TACA DE HONDURAS, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA NACIONAL TACA DE MEXICO, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA NACIONAL TACA DE NICARAGUA, S.A. *See* **LANEP (LINEAS AEREAS DE NICARAGUA, EMPRESA PALACIOS)**; **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA NACIONAL TACA DE VENEZUELA, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

COMPANIA PANAMENA DE AVIACION, S.A. *See* **COPA (COMPANIA PANAMENA DE AVIACION, S.A.)**

COMPANIA TABASQUENA DE AVIACION, S.A. de C.V.: Mexico (1945–1970). In 1945, Francisco Somoano purchases the old network started by Garrett “Peck” Woodside at Villahermosa. He forms *Compania Tabasquena de Aviacion* to fly the chicle contracts given up when William T. Churchill Morgan upgraded Woodside’s **CAVSA (Comunicaciones Aereas de Veracruz, S.A. de C.V.)** into **ALASA (Aerovias Latino Americanas, S.A. de C.V.)**.

During the 1950s, roads are built to the areas of the chicle plantations, forcing Somoano to change his carrier from a freight charter operation to a passenger charter airline. Employing Douglas DC-3s and light-planes, the company begins flying tourists from Villahermosa to the Mayan ruins at Palenque. The carrier ceases flying in 1970 and its concessions are transferred to *Aeronaves Alimentadoras*.

COMPASS AIRLINES (PTY.), LTD. (1): Australia (1989–1991). In anticipation of Australian airline deregulation, former **East-West Airlines (Pty.), Ltd.** owner Bryan Grey establishes **Compass Airlines (Pty.), Ltd. (1)** at Melbourne in the fall of 1989 to fly domestic routes throughout the continent. In November, Grey uses his own funds to place deposits with Polaris Aircraft Leasing on 4 Airbus Industrie A300-600Rs and 1 A310-304.

Meanwhile, the holding company Southern Cross Airlines Holdings is established to offer competition with a fourth domestic carrier, **Southern Cross Airlines (Pty.), Ltd.**

Potter & Partners, an underwriting firm, is retained in early 1990 to make a share flotation. The Australian financial community responds with such surprising enthusiasm that the company’s prospectus must be printed three times and by mid-July, all 100 million A\$50 shares are sold. A supplementary 30-million share issue is made and taken up within a week.

Having acquired several Airbus aircraft under lease from the U.K.’s **Monarch Airlines, Ltd.**, CEO Gray’s new entrant begins revenue services in November, the same month the new liberalization law takes effect. Frequencies are offered linking the company’s base with Perth, Adelaide, Sydney, Brisbane, the Gold Coast, and Cairns.

Compass flies a total of 52,817 passengers by year’s end. Although revenues are \$A4.75 million, start-up costs produce an undisclosed, but substantial loss.

The 510-employee company in 1991 now visits Brisbane, Sydney, Melbourne, Adelaide, Cairns, and Townsville. Beginning in March, the Monarch aircraft are returned as Compass’ own planes arrive under charter from France. Sir Leo Hielscher becomes chairman, with former **Southwest Airlines (2)** Vice President Sam Coates as CEO.

Representatives of Polaris appear at company headquarters on December 18 to repossess 2 of the 5 A300-600Rs. With 125,000 advance bookings in hand and a 12% market share, Compass, in light of the adverse publicity the visit engenders, is unable to raise desperately needed funds. As a result, it suspends operations on December 20 when it cannot pay either its overdue airport charters or the aircraft leases. A total of 1,393,612 passengers are flown on the year; however, thousands of holiday travelers are stranded at the end.

COMPASS AIRLINES (PTY.), LTD. (2): Australia (1992–1993). With its own carrier not yet off the ground, Southern Cross Airline Holdings purchases the assets of **Compass Airlines (Pty.), Ltd. (1)** on February 14, 1992 and merges them with its own under the Compass name and logo, while requesting chartered replacements for the Airbuses. A consortium, including **Air Nauru**, threatens legal action to prevent a resumption of operations. Recession and adverse publicity conspire to make the airline’s public offering of A\$50 (\$37 million) difficult; although it is fully underwritten, only 54% shareholding is acquired by the public.

Chairman Sir Leo Hielscher and CEO Sam Coates, holdovers from **Compass Airlines (Pty.), Ltd. (1)**, are able to recruit a workforce of 550 and launch low-fare, high-frequency flights between Brisbane and Melbourne, Sydney, and Adelaide on August 31 with 2 leased McDonnell Douglas MD-83s and 3 MD-82s, the latter chartered from **SAS (Scandinavian Airline System)**.

Cairns and Townsville join the route network during the fall. In December, an MD-82 receives a special Christmas livery, complete with Santa Claus cap; however, reports show that a “grinch” has stolen over A\$10 million since September.

Operations continue apace in early 1993. On March 4, the carrier reports to the Australian Stock and Exchange and Securities Commission (SESC) that, during its first four months, revenues have been A\$27.8 million, but losses are A\$10.9 million (\$7.7 million). When this news reaches investors and the public, ongoing efforts to raise additional capital collapse. The company is put into receivership on April 11 with debts of A\$11.97 million and is liquidated.

The SESC launches an investigation that will lead to the indictment of Douglas Reid, the former director. On December 2, 1997, Reid will be sentenced to 10 years in prison, having been convicted of 22 charges relating to the theft of A\$11 from **Compass Airlines (Pty.), Ltd. (1)** over a 15-month period, while systematically deceiving the officers of the company, auditors, the SESC, and investors.

COMTEL MESSEFLUG, GmbH. & CO.: Computerstrasse 6, Vienna, A-1101, Austria; Phone 43 (1) 7007-5097; Fax 43 (1) 7007-5097; Year Founded 1989. The corporate carrier Comtel is established in 1989 to provide executive passenger charters from Vienna Airport. By 2000, the company, under the direction of fleet chief Edward Meisel, employs four pilots and operates 1 each Cessna 501 Citation I, C-550 Citation II, C-650 Citation III, and Piper PA-31-350 Navajo Chieftain.

CONAIR (PTY.), LTD.: Australia (1970–1981). In 1970, **Connellan Airways (Pty.), Ltd.** is renamed Conair (Pty.), Ltd. Employing light-planes, services continue to various tiny Northern Territories outback destinations from the base at Alice Springs. E. J. Connellan remains chairman and major shareholder, with S. J. Marshall as general manager.

Service continues without incident until October 23, 1975. A Riley Turbo-Skyliner—a de Havilland DH-114 Heron reequipped with Lycoming IGO-540-B1A5 engines—crashes while on approach to Cairns (11 dead).

By 1978, airline employment stands at 130 and the fleet comprises 3 Douglas DC-3s and 5 Riley Turbo-Skyliners.

In 1980, Conair is renamed **Northern Airlines (Pty.), Ltd.**, but soon thereafter ceases operations, being replaced in May 1981 by the Ansett Airlines of Australia subsidiary **Airlines of Northern Australia (Pty.), Ltd.**

The story of Connellan and Conair were written down by chairman Connellan and, after his death, edited by Peter Donovan and published as *Failure of Triumph: The Story of Connellan Airways* (Alice Springs, NT: Paradigm Investments, 1992).

CONAIR AVIATION, LTD.: P.O. Box 220, Abbotsford, British Columbia V2S 4N9, Canada; Phone (604) 855-1190; Fax (604) 855-1189; Year Founded 1969. Destined to become one of the world's largest charter and fire fighting organizations, Conair is established at Abbotsford in 1969 to take over the spraying, charter, and fire fighting divisions of Skyway Air Service, Ltd. Employing lightplanes, Conair provides charter and contract air services, including air cargo, aerial survey work, and agricultural applications.

A single Douglas DC-6B, first operated by **Pan American-Grace Airways (PANAGRA)**, is purchased in 1972. It is joined by two more, one each in 1973 and 1974, the latter having begun service 30 years earlier as the **United Air Lines Mainliner Diamond Head**.

The 1972 Douglas must be withdrawn after a crash landing near Kamloops on February 8 of the latter year that kills its three-man crew. Business continues to expand throughout the remainder of the decade, with four more DC-6s acquired, two each in 1975 and 1976.

In 1980, the company enters the forest fire fighting business; it purchases, modifies, and deploys 3 former Canadian Forces Grumman CS2F Trackers, which it labels Firecats. The DC-6 fleet is significantly increased in 1982 as 1 DC-6 and 2 DC-6As are purchased.

The fire wars continue into the mid-1980s as the company adds additional Firecats and a pair of converted Douglas A-26 bombers.

In 1985, the former **Pacific Western Airlines, Ltd.** base at Edmonton is purchased and turned into a water tanker base. Another DC-6 and a Fokker F.27-600 are purchased in April–May 1986 and the first DC-6B purchased, the ex-PANAGRA machine, is scrapped.

Business continues apace in 1987. The F.27-600, given a drop tank and rechristened a "Firefighter," is sent to Australia to assist during that nation's 1987–1988 fire season.

The A-26s are sold early in 1988 as a DC-6A arrives from **NWT Air, Ltd.** A Firecat is lost in an accident in central British Columbia on August 27. A year later, in September 1989, the Fokker Firefighter is also lost in a crash.

Conair continues operations into the 1990s. Early in the decade, a rotary-wing division, **Frontier Helicopters, Ltd.**, is established to operate executive and small group passenger charters and express services, to participate in high wire survey work, aerial photography, and forest fire fighting. A DC-6B is withdrawn and scrapped in 1994.

By 1998, General Manager Terry Dixon employs 6 DC-6Bs, 2 DC-6ACs, 25 Bell 205s, 10 Bell 206B JetRangers, 2 Bell 212s, and 1 Bell 206L LongRangers. An MBB BK 117 and an Aerospatiale AS-350B Ecureuil previously employed are removed.

Founder Les Kerr is elected to the Canadian Aviation Hall of Fame on January 13, 1999.

The 2000 fire season is the worst in the Western U.S. since 1994, with over 67,000 fires burning over five million acres by the end of July. With American resources stretched to the limit, Conair accepts a U.S. Forest Service contract to provide support. On August 9, the company reports that it has provided 6 DC-6 air tankers to battle the fires.

CONAIR OF SCANDINAVIA, A.S. (CONSOLIDATED AIRCRAFT CORPORATION, LTD.): Denmark (1964–1993). The travel organization Simon Spies Holdings forms this airline in October 1964 to undertake its passenger charter and inclusive-tour flights to holiday destinations in southern Europe, the Mediterranean, and Africa. It will be successor to the failed **Enterprise, A.S.** Revenue flight operations are started on April 1, 1965 with Bristol Britannia equipment.

During 1966–1968, the fleet is upgraded by the addition of 3 Douglas DC-7Cs. Orders are placed for 5 Boeing 720-025s in 1969. Bookings for the year total 127,112.

Enplanements climb to 138,768 in 1970. The 5 B-720-025s are placed into service beginning on June 9, 1971 as the company also occupies new administrative and hangar spaces at Copenhagen Airport South.

Services are maintained during the remainder of the 1970s with little change except in gradual traffic growth and equipment changes as the piston-engine aircraft are retired. By 1978, Chairman/President Simon Spies and his managing director, Verner Moller, employ 250 workers and fly 4 Boeing 720-025s. Enplanements for the year are 237,130.

In 1979 the workforce is reduced by 1.3% to 233 while passenger boardings dip 3.1% to 230,000. Operating income, however, jumps 21.2% to \$35.2 million and a net profit of \$959,657—up 47%—is posted. During the early 1980s the fleet is upgraded; gone are 3 of the 720-025s, replaced by 5 B-720Bs.

In 1985–1986, orders are placed for Airbus Industrie equipment as revenue passenger kilometers (RPKs) flown by the 310-employee company advance an average of 3%. The company continues to withhold its boarding figures in 1987, but does acknowledge 1.04 million RPKs.

In 1988–1989, the Boeings are replaced with 3 A300B4s and orders are placed for 6 A320-231s. Enplanements in the 1988 total 731,200, but during 1989 drop to 408,000.

Company employment is increased by 7.1% in 1990 to 375 and the fleet remains unchanged. Customer bookings double to 858,600.

With the first of the A320-231s available, four-times-per-week Airbus flights are inaugurated in spring 1991 from Stockholm to Ft. Lauderdale. Enplanements for the year, nevertheless, slip to 853,501.

Airline employment in 1992 stands at 560 and the fleet now includes 6 A320-231s and 3 A300B4s, which are all leased to **ZAS Airline of Egypt, Ltd.** Passenger boardings increase to 1,152,600.

Director Moller's workforce in 1993 is 475. In September, the parent Simon Spies Holdings signs an agreement with SAS Leisure, a subsidiary of **SAS (Scandinavian Airlines System)**, to merge the company with **Scanair, A.S.** to form the larger **Premiair, A.S.**

CONCESSIONARIA LINEAS AEREAS SUBVENCIONADES, S.A. (CLASSA): Spain (1929–1932). On April 11, 1927, the Spanish government forms a Superior Aviation Council (CETA) to oversee airline development and subsidy distribution. Having determined that a unified state carrier is required, CETA halts subsidy to three small carriers, **Compania Espanola de Trafico Aereo, S.A. (CETA)**, **Iberia Spanish Airlines (I) (Lineas Areas de Espana, S.A.)**, and **Union Aerea Espanola, S.A. (U.A.E.)**.

On March 29, 1929 these are merged into the new national airline **Concessionaria Lineas Aereas Subvencionadas, S.A. (CLASSA)**. Employing the Rohrbach Rolands, Junkers G-23s, and F-13s of the merger partners, CLASSA, in cooperation with the French carrier **Aeropostale, S.A. (I)**, opens frequencies to Biarritz, across the French border, in July. It is Spain's first international commercial air service.

Madrid's airport is opened near the village of Barajas on April 30, 1930. Following a proving flight on May 27, regularly scheduled flights from Madrid to the Canary Islands begin with new Fokker F-VIIB/3ms.

World financial conditions impact the airline and on October 1, its system is restricted to a single Madrid–Barcelona route. Subsidy for this route is provided by **Deutsche Luft Hansa, A.G. (DLH)**, which needs an affiliate connection at Barcelona. During the year, 6,000 passengers are transported.

The situation worsens in 1931; often the company's 3 G-23s and 4 Fokkers do not fly. Perhaps the greatest event of the final year is the arrival of the Ford Tri-Motor 4-AT-F, the first American transport employed by a European airline. In September, the national concession is lost.

Despite the addition of two new Junkers G-24s in March, CLASSA ceases operations on April 8, 1932. When the Spanish Republic is declared, the new government changes CLASSA's name to **Lineas Aereas Postales Espanolas, S.A.** or LAPE.

CONCIERGE AIR: 2770 Polo Island Dr., B-202, West Palm Beach, Florida 33414, United States; Phone (561) 616-0809; Fax (561) 795-

5425; Year Founded 1995. Neal Rauch sets up Concierge at West Palm Beach in **1995** to offer executive and small group passenger charters throughout the U.S., Mexico, and the Caribbean. Within five years, the concern is flying 1 each Learjet 24, Cessna 421, and Piper PA-23 Aztec.

CONCORD AIRLINES, LTD.: Nigeria (1990–1994). Concord is established at Kaduna in **1990** to provide passenger and cargo services, both scheduled and nonscheduled, to domestic and regional destinations. Bashorun M. K. O. Abiola is named managing director.

Revenue operations to Nigerian domestic destinations begin with 5 Fairchild Hiller FH-227Bs and 1 each Fokker-Fairchild F-27J, British Aerospace BAe 125-403F and 125-700B. Flights are also offered via Calabar to Santa Isabel in Equatorial Guinea.

One FH-227B is withdrawn in **1993** and these largely unheralded services continue apace thereafter for a year.

CONCORS, A.S.: P.O. Box 63, Riga, LV-1029, Latvia; Phone 371 2 207404; Fax 371 7 207479; Code CDS; Year Founded 1991. Although established on November 22, **1991**, the actual start-up of this small regional is long delayed. At the end of **1994**, President Sergey Ratnikov has assembled a fleet that includes 1 each Ilyushin Il-18D and 3 Let 410s. These are employed in January **1995** to inaugurate passenger and cargo charters to destinations within Europe, Russia, and the CIS.

These unscheduled services are continued through the remainder of the decade. In **2000**, airline employment stands at 50.

CONDOR AIR LINES: United States (1936). Condor is formed at San Francisco (Alameda) in the summer of **1936** to offer scheduled passenger flights to Salinas. Although revenue service begins in August, it cannot be maintained beyond November.

CONDOR BERLIN, GmbH.: c/o Condor Flugdienst, GmbH., Marketingforschund, FRA HL 1, Axel Bechmann, Am Grunen Weg 3, Keisterbach, D-65440, Germany; Phone 49 (6107) 939 488; Fax 49 (6107) 939 472; Code CIB; Year Founded 1998. Late in October 1997, plans are announced by **Condor Flugdienst, GmbH.** for the creation of a Berlin-based subsidiary. The new DM 400 (US\$250-million) entity will be based at Schoenefeld Airport and compete in the Berlin market with **Aero Lloyd, GmbH.** and other deep discount airlines which are offering prices that only a smaller low-cost carrier can match. Orders are placed for 4 A320-212s, which will be leased to the start-up by **Germania Fluggesellschaft, GmbH.**

According to schedule, the creation of Condor Berlin, GmbH. occurs on January 1, **1998**, just as **Condor Flugdienst, GmbH.** itself is combined into C&N Condor Neckermann Touristik, A.G.

The first CFM International CFM56-powered A320-212 is delivered in February, and begins operations on March 1 to Erfurt, Hanover, and Stuttgart. Two more leased jetliners are delivered in March and April and, by the middle of April, the company is flying them to 16 points in the Mediterranean and the Canary Islands from Berlin's Tegel and Schoenefeld Airports.

The previous order for A320s is increased from four to six. The leased units are replaced with these owned models in time for the beginning of the fall schedule in October. Services are continued in **1999–2000**.

CONDOR FLUGDIENST GmbH.: Marketingforschund, FRA HL 1, Axel Bechmann, Am Grunen Weg 3, Kelsterbach, D-65440, Germany; Phone 49 (6107) 939 488; Fax 49 (6107) 939 472; http://www.condor.de; Code DE; Year Founded 1961. Deutsche Lufthansa, A.G. determines to establish a large passenger charter and inclusive-tour operation by combining its two small charter associates **Condor Luftrederie, GmbH.** and **Deutsche Flugdienst GmbH.** In the summer of **1961**, the former is merged into **Deutsche Flugdienst GmbH.** The enlarged, amalgamated, and wholly owned subsidiary receives its present name on October 25, given in honor of the prewar subsidiary so closely linked to South American aviation.

Additional Convair CV-440 Metropolitans are transferred to the charter airline from its parent as well as Vickers Viscount 814s and 2 Lockheed L-1649A Super Star Constellations; Condor begins operations in early spring **1962**.

Seasonal Frankfurt–Canary Islands flights begin in May **1963** as Boeing 707-330Bs are acquired from **Deutsche Lufthansa, A.G.** After significant traffic growth in **1964**, the carrier receives, through an April **1965** transfer from its parent, 2 Boeing 727-30 “Europa Jets.”

The first Frankfurt–Moscow jet charter is flown on April 6, **1966** and the company's tenth anniversary—actually, that of its merger partners—is celebrated on April 22. With 15% of the market share, Condor is now the Federal Republic's largest charter airline.

As additional B-727-30s join the fleet in **1967**, the Viscount 814s begin orderly retirement. On January 1, **1968**, all shares of the competing charter group **Sudflug International GmbH.** are acquired.

Three Boeing 747-230Bs are ordered in **1969** and by now the carrier's aircraft are easily identifiable by virtue of their all-white fuselages with canary yellow tails. On July 20, **1970**, a light plane, with 3 aboard, collides with a B-727-30 over northeast Spain. The liner, with 93 aboard, is badly damaged, but lands safely without injuries, while the smaller craft crashes (3 dead).

The first Jumbojet is delivered on April 2, **1971**, with a second arriving later in the year. On May 1, Condor becomes the first charter airline to operate an owned Jumbojet, undertaking its initial flights from West German cities to holiday destinations in the Canary Islands, Majorca, and Spain. In August, a record one-plane load of 490 passengers is flown Frankfurt–Canary Islands.

Enplanements reach the million-mark (1,040,000).

Airline employment stands at 772 in **1972** and the second B-747-230B is delivered on March 31. The two Jumbojets open service to New York, Acapulco, and Los Angeles (the latter via the polar route), as well as to Bangkok and other points in the Far East. On September 6–7, Condor becomes the first West German airline to fly into East Germany, transporting visitors to the Leipzig Trade Fair. Passenger boardings jump 20% to 1.3 million.

In **1973** charter flights are inaugurated to London, Lisbon, and Chicago. A total of 1,589,874 travelers are carried in **1974**. The workforce in **1975** is 937. Two B-727-230s arrive and replace 2 B-727-30s; the fleet now includes 2 B-747-230Bs, 2 B-707-330Bs, and 13 B-727-30/230s. Charter enplanements increase by 14.2% to 1,853,000.

Condor's 981 employees celebrate the twentieth anniversary of flight operations on April 22, **1976**. A B-747-230B, with 483 passengers, is diverted from fog-bound New York (JFK) on July 18 and makes a forced landing at Chicago (ORD) with three flat tires and a damaged landing gear, but no injuries. Enplanements dip 4.6% to 1,768,367.

Operations continue apace in **1977–1978** as Managing Directors Herbert Wendlik and Ernst August Koch plan to reshuffle the airline's fleet by ordering 3 DC-10-30s replace the Jumbojets. A B-747-230C is leased from **Deutsche Lufthansa, A.G.** on January 11, **1979**, replacing a Jumbojet sold out of service in February. The second B-747-230B is withdrawn in June.

The B-747-230C is returned to the West German flag carrier in May **1980** as the 3 DC-10-30s arrive to replace it on the company's long-haul routes to North America and the Far East.

In **1981–1983**, B-737-230s join a reduced number of B-727-230s in flying tourists to the Mediterranean, Canary Islands, East Africa, and Black Sea areas. During these years, the company also becomes the carrier for the West German national soccer team. During the latter year, 2 ex-**Deutsche Lufthansa, A.G.** Airbus Industrie A300B4s are operated.

Enplanements reach (2,439,738) in **1984** and a \$2.5-million net profit is reported, atop an operating gain of \$4 million.

The employee population is increased 8.8% to 1,125 in **1985**. The fleet now includes 3 DC-10-30s, 2 A300B4s, 6 B-727-230s, and 4 B-737-230s. During the summer, 3 A310-200s are acquired. Markets are initiated at Kathmandu, Banjul, Goa, and Dakar. In November, an A310-200 is leased to **Kenya Airways, Ltd.**

Passenger boardings accelerate 6.3% to 2,601,000 and operating income climbs 2.4% to \$265 million. Expenses rise rapidly and cut operating profit to \$2 million and net gain to \$1.2 million.

The payroll grows again in **1986**, up 9.6% to 1,233. A third A300B4 joins the fleet. In June, orders are placed for 5 B-737-330s and 1 A310-304.

Customer bookings rise 2.2% to 2,658,351 and revenues climb by 2.2% to \$489.6 million. With costs down by 1.5% to \$470 million, profits are able to rise tenfold to \$19.2 million (operating) and \$11 million (net).

The requested A310-304 joins the fleet in **1987** along with, in November, the first two B-737-330s. One B-727-230 is converted into a 72-seat luxury liner and is employed on round-the-world trips lasting upwards of three weeks.

Enplanements for the year total 3,024,064 and profits are \$44.5 million (operating) and \$21 million (net).

The workforce is increased by 8.8% in **1988** to 1,427.

While en route from Stuttgart to Izmir on January 2, Flight 3780, a chartered B-737-230 with 5 crew and 11 passengers, crashes near Seferihisar, Turkey; there are no survivors.

The remaining B-737-230s are sold to **TAP-Air Portugal, S.A.** and 5 more B-737-35Bs are delivered, wet-leased from **Germania Fluggesellschaft, GmbH.**

Passenger boardings increase by 3.5% to 3,133,752 and revenues climb 8.2% to \$551.2 million. Expenses also jump and cut the operating profit to \$38 million. Net remains level at \$21.2 million.

The fleet in **1989** includes 3 DC-10-30s, 2 each A310-200s/-300s, and 9 B-737-35Bs, 2 of which are delivered during the year. Customer bookings decline by 6.2% to 2,939,763.

One A310-200 is withdrawn in **1990** along with 2 leased B-737-330s, to be replaced by 9 B-757-230s. Three more B-737-35Bs and 1 more B-757 are ordered. Passenger boardings stabilize and advance 6% to 3,116,626.

Customer bookings move ahead by 3.4% in **1991** to 3,218,522 and cargo climbs 6.8% to 1.13 billion FTKs.

Airline employment in **1992** stands at 1,118 and the fleet now includes 7 B-737-330s, 2 B-737-35Bs leased from **Germania Fluggesellschaft, GmbH.**, 13 B-757-230s, 1 B-757-27B, 5 B-767-330ERs, and 3 DC-10-30s.

Flights begin to the former Soviet republics in the CIS and, in July, it is announced that by the end of the year the carrier will have acquired a 26% interest in the Austrian tour operator ITAS and 26.5% shareholding in **Lauda Air Luftfahrtgesellschaft, A.G.** In November, the carrier joins with **Air Mauritius, Ltd.** to provide shared services between Germany and Mauritius.

Passenger boardings leap upward 33.4% to 4,293,026.

In **1993**, joint Managing Directors Franz Schoiber, Claus Gillman, and Rudolf von Oertzen oversee a workforce of 1,812, down 10.5% from the previous year. Five B-737-35Bs are withdrawn and replaced by a B-747-430C chartered from **Deutsche Lufthansa, A.G.**, along with 3 B-757-230s and 1 B-767-330ER. Flying from Frankfurt, Munich, Stuttgart, Dusseldorf, and other German cities, the company continues to undertake charters to the Mediterranean, Canary Islands, North Africa, Kenya, CIS, Southeast Asia, India, Nepal, the Mideast, the Caribbean, and the U.S., particularly Florida.

In July, the B-767-330ER, operating under a **Deutsche Lufthansa, A.G.** flight number, takes over the scheduled thrice-weekly roundtrips to Detroit, as well as several routes into Spain. At the same time and in a similar mode, the Jumbojet launches twice-weekly roundtrips from Frankfurt to Taipei via Bangkok.

Customer bookings for the year accelerate 16.8% to 5,002,720 and a \$19.7-million net profit is recorded.

The number of airline employees is increased to 1,953 in **1994** and the leased fleet includes 17 B-737-230s, 8 B-767-330ERs, 3 DC-10-30s, 2 each B-737-330s, B-737-35Bs, B-737-330QCs, and Airbus Industrie A310-304s, plus 1 B-757-27B.

St. Lucia and Antigua begin to share weekly roundtrip charters from Germany over routes that were previously flown separately.

Passenger boardings leap upward by 14% to 5.7 million and revenues swell 5.7% to \$1.22 billion, allowing a net gain of \$87.3 million.

The workforce grows by 5.5% in **1995** to 2,117. The company now allies itself with various tour companies and provides lift for their flights. Enplanements rise 6.7% to 6,029,528.

Airline employment is increased to 2,205 in **1996**, as the company becomes launch customer for the Boeing 757 stretch; orders are placed on September 2 for 12 B-757-300s (with 12 options) for delivery beginning in January 1999. Destinations visited include the U.S., Caribbean, Mediterranean, India, Nepal, the Canary Islands, North Africa, Kenya, Taiwan, and the former Soviet Union.

Customer bookings accelerate 7.1% to 6,457,272 and revenues of \$1.2 billion are generated.

The workforce is increased a slight 0.8% in **1997** to 2,223. The owned fleet now includes 6 A320-200s, 7 B-757-230s, and 4 B-767-330ERs. Also operated under contract are 10 B-757-230s, 5 B-767-330ERs, 5 DC-10-30s, 2 each B-737-330s and B-737-35Bs, and 1 each B-737-330QC and B-757-27BER.

In January, orders are placed for 6 A320-200s, powered by CFM56s. The CFMI engine order is valued at \$65 million. The company continues to hub from 18 German cities to over 100 holiday destinations.

On September 18, parent **Deutsche Lufthansa, A.G.** announces that, effective January 1, Condor will join with and provide capacity for Germany's second largest tour operator, Neckermann Reisen, GmbH. (owned by the giant retail group Karstadt, A.G.), in a fifty-fifty joint venture company to be known as C&N Condor Neckermann Touristik, A.G. The new entity will also contain the DLH interest in the Turkish charter line **Sun Express, A.O.** and five German tour operations. The new group is Germany's second largest travel and tour concern after Touristik Union International (TUI) and Condor is its core airline. It is expected that the combined company will have revenues of DM 7 billion (\$3.8 billion) and compete with the travel conglomerate being formed around **Hapag Lloyd, A.G.**

Late in the year, plans for the creation of a **Condor Berlin, GmbH.** subsidiary are announced. The new DM 400 (US\$250 million) entity will be based at Schoenefeld Airport and will compete in the Berlin market with **Aero Lloyd, GmbH.** and other deep discount airlines that are offering prices that only a smaller low-cost carrier can match. Orders are also placed for 4 more A320-200s, which will be leased to the start-up.

Customer bookings accelerate 10.5% to 7,268,000 and a net profit of \$74.71 million is generated.

According to schedule, the C&N Condor Neckermann Touristik, A.G. affiliation occurs on January 1, **1998**, along with the creation of **Condor Berlin, GmbH.** Dr. Dietmar Kirchner becomes managing director.

The owned fleet includes 6 A320-200s, 7 B-757-230s, and 4 B-767-330ERs. Also operated under contract are 10 B-757-230s, 5 B-767-330ERs, 5 DC-10-30s, 2 each B-737-330s and B-737-35Bs, and 1 each B-737-330QC and B-757-27BER. Orders are outstanding for 6 A320-200s and 12 B-757-330s, for which it is a launch customer.

Arrangements are completed in February to sell a pair of DC-10-30s to **Omni Air International**, with deliveries in November of this year and June 1999. The first B-757-330 makes its maiden flight at Renton, Washington, on August 2. Plans remain on schedule for delivery of the aircraft to Condor in late March-early April 1999.

The premier B-757-330, painted in the carrier's new white-and-yellow livery, makes its debut in Europe on December 7, stopping at Frankfurt. The visit marks the first of 17 scheduled flights to 11 destinations on the aircraft's four-day, service-ready demonstration tour for Condor. A public ceremony, presided over by Condor Managing Director Kirchner, shows the new aircraft to the German public. He explains that the new ship will be operated on charters to the Canary Islands and other Mediterranean holiday destinations.

Enplanements for the year dip 1.8% to 7.13 million. Revenues inch up 1.9% to \$1.29 billion and a \$65.44-million net profit is realized.

Although weekly roundtrips from Germany to St. Lucia are maintained, Antigua is dropped from the schedule on March 1, 1999. With all of the testing completed, the carrier accepts delivery of the first 2 B-757-330s at Seattle on March 13. The new aircraft go into service immediately, joining the other units in the Condor fleet in providing charters from 13 German cities. Destinations visited will include Greece, Turkey, Spain, Egypt, Cyprus, Tunisia, Morocco, the Balearic Islands, and the Canary Islands. Seven additional B-757-330s are to be delivered before the end of the year.

Delivery difficulties with the remaining new aircraft for Condor, in late May, to wet-lease a B-767-339ER from **City Bird, S.A.** for two months. To avoid a repainting, the phrase "On behalf of Condor" is added behind the City Bird titles.

An agreement is signed with the government of Grenada on June 19 under which the carrier agrees to begin a regular service to St. George's on November 5. The weekly service will replace flights to Munich dropped by **British West Indies Airways, Ltd. (2) (BWIA)** in 1996.

In an effort to stem the two-year-old dispute within C&N Touristic (Condor and Neckermann) for airline or tour-operator dominance between joint Managing Directors Wolfgang Beeser and Willie Schoiber, Stefan Pichler becomes the single CEO at year's end. Schoiber is retained as chief financial officer.

The company has 13 of its new Dash-300s in service by year's end.

Passenger boardings in the 12 months accelerate 15.6% to 8,249,000 and revenues of \$1,353,887,000 are generated.

On behalf of Boeing, one of the company's new B-757-330s is flown on a 16-city world tour during February 2000, providing exposure for both the airplane and the airline.

On April 12, Boeing and Condor report that the carrier's B-757-330s have had a dispatch reliability percentage of 99.64%, the highest reliability rate in history for any new airliner in its first year of operation.

Weekly B-767-330ER roundtrips are launched on May 7 between Frankfurt and Ft. Myers, with a stop at Tampa on the westbound leg.

Also during the spring, C&N courts First Choice, the fourth largest holiday operator in the U.K. Unhappily, its offer for the parent of **Air 2000, Ltd.** is trumped on May 15 by a £1.8-billion tender from rival Preussag. Speculation thereafter centers on a possible takeover of C&N by the parent of **Airtours International Airlines, Ltd.**

In November, a B-757-330 is leased to **Deutsche Lufthansa, A.G.** for a month of domestic service trials.

CONDOR LUFTREDEREI, GmbH.: Germany (1955–1961). Condor Luftrederei is established in 1955 to offer passenger charter and inclusive-tour services to destinations in Europe, the Mediterranean, and Mideast. After less than four years of competition with the **Deutsche Lufthansa, A.G.** subsidiary **Deutsche Flugdienst, GmbH.**, the company is purchased by the German flag line in 1959.

Allowed to continue as a subsidiary, Condor receives a pair of Con-vaire CV-440s from its new parent. In 1961, it is decided to create a large German charter and tour organization and the two subsidiaries are combined to create **Condor Flugdienst, GmbH.**

CONDOR PERUANA DE AVIACION, S.A. See LINEA DE AVIACION CONDOR TAMPA, S.A.

CONDOR SYNDIKAT, GmbH.: Germany/Brazil (1924–1927). **Deutscher Aero Lloyd A.G.**, one of the forebears of **Deutsche Luft Hansa, A.G. (DLH)**, the Hamburg trading company Schlubach Theimer, and **SCADTA (Sociedad Colombo Alemana de Transportes Aereos, S.A.)** establish the Condor Syndikat in Berlin on May 5, 1924. Given the opportunity, SCADTA Chief Dr. Peter Paul von Bauer subscribes 10% of Condor's initial \$200,000 capitalization. Fritz W. Hammer is appointed director general. The syndicate's goals are the sale of German aircraft overseas, the support of SCADTA's plan to set up an "interamericana" network between Colombia, Central America, and the U.S., and furthering **Deutscher Aero Lloyd, A.G.**'s ambition for

transatlantic service from Europe to South America. To get around certain provisions of the Treaty of Versailles, 2 Dornier Wals, built by CMASA at Pisa, Italy, are purchased. Christened *Atlantico* and *Pacifico*, they are crated up and sent to Colombia by ship.

The two Dorniers, which are actually leased from the Condor Syndikat, arrive at SCADTA's Barranquilla base in early summer 1925. They depart Rio Magdalena at Barranquilla on August 18 on a route proving and goodwill flight to the U.S. via Central America and Cuba. After calls at Cartagena, Cristobal, Puerto Limon, San Jose del Norte, Managua, Amapala, La Libertad, San Jose, Lake Amatitlan, Puerto Barrios, Belize City, and Cozumel, the flying boats arrive at Havana on September 19.

U.S. expedition leader von Bauer spends the first months of 1926 negotiating with Americans interested in financing intra-American service and with the U.S. government over traffic rights. The *Pacifico* is allowed to make a trial flight from Havana to Palm Beach via Miami. The negotiations fail and the *Pacifico* returns to Cuba. The *Atlantico* is crated up and returned to Germany.

Following the establishment of what would become Brazil's **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** at Porto Alegre in midyear, its founder, Otto Ernst Meyer travels to Berlin in November to meet officials of the Condor Syndikat. In exchange for a 21% stake in the German-influenced airline, Meyer is sold the *Atlantico*. Having been shipped by **DLH (Deutsche Luft Hansa, A.G.)** back to Montevideo, the *Atlantico* is now reassembled and flown on to Buenos Aires.

On November 17, what would become the famous "Luther Flight" begins. Former German Reich chancellor Hans Luther, along with Director General Hammer and Herman Teegen, fly the *Atlantico* via Florianopolis, São Francisco, and Santos, to the Ilha das Enxadas, in Rio de Janeiro's Guanabara Bay, arriving on November 27.

The *Atlantico* flies the Brazilian minister of transportation, Dr. Victor Kondor, to Florianopolis on New Year's Day 1927. The flight is officially referred to as "the start of civil aviation in Brazil." On January 26, the Condor Syndikat becomes the first airline company to get a concession in Brazil for passenger and mail operations on the coastal route between Rio de Janeiro and Porto Alegre. On January 29, with Otto Meyer as passenger, the *Atlantico* is prepositioned to Porto Alegre from whence, on February 3, it initiates the "Linha da Lagoa," by flying down the Lagoa dos Patos lagoon to Rio Grande.

Although this is remembered as the inauguration of commercial aviation in the nation, regularly scheduled services do not begin until February 22, after the *Atlantico* has been overhauled. The first mail sacks are carried on the flight of March 28 and the flight of May 17 marks 50 safe missions. Meanwhile, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** is officially registered on May 7; it will receive its official concession on June 10.

Meanwhile, the newly received Condor Syndikat Junkers G-24 *Ypiranga* makes a proving flight from Porto Alegre to Rio de Janeiro on June 3, returning six days later. The *Atlantico* and its route are turned over to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** on June 15, following the its 65th flight over the "Linha da Lagoa"; since February, 800 passengers have been transported without mishap.

The Condor Syndikat officially ceases operations on July 1, but, in fact, continues flying for the remainder of the year while Fritz W. Hammer and **Deutsche Luft Hansa, A.G. (DLH)** work out plans with Brazilian officials for its replacement. A license for a route from Rio de Janeiro to Recife is granted by the government in on August 27 along with rights to operate flying boats between the island of Fernando Noronha, off the Brazilian northeast coast, and the mainland.

Two more Dornier Wals, the *Santos Dumont* and the *Bartholomeu de Gusmao*, are placed in service. On November 9, regularly scheduled, four-day Wal and G-24 flights are inaugurated from Rio de Janeiro–Porto Alegre, with an extension down to Rio Grande. By year's end, 13 passengers have been carried on 2 flights to Recife and 160 on

22 services from Rio to Porto Alegre. On December 1, a new Brazilian company, **Syndicato Condor, S.A.** is registered as an airline.

CONGO AIRLINES, S.P.R.L. (CAL): 1928 Ave. Kabambare, Commune de Barumbu, P.O. Box 12847, Kinshasa, 1284, Democratic Republic of the Congo; Phone 243 (88) 46 947; Fax 243 (88) 00 235; <http://www.congoairlines.com>; Code EO; Year Founded 1994. Express Cargo of Kinshasa forms the airline subsidiary **Zaire Express, S.A.** in 1994 to offer scheduled domestic and regional passenger and cargo services. Stavros Papaioannou is chairman with Jose Endundo as president. A workforce of 1,200 is recruited and revenue flights commence with 1 Boeing 707-358C Stratofreighter and 3 British Aerospace BAe (BAC) 1-11-500s.

Despite the civil war that will result in the replacement of the government of Zaire with a new Democratic Republic of the Congo, services continue in 1995–1996.

One each B-727-30 and B727-214 are acquired and destinations visited include Bauavu, Beni, Bunia, Butembo, Gbadolite, Gemena, Goma, Isiro, Kananga, Kindu, Kisangani, Lubumbashi, Mbandaka, and Mbuji-Mayi.

In the spring of 1997, after the rebel forces of Desire Kabila come to power, this most important privately owned airline in the Congo changes its name to Congo Airlines, S.P.R.L. (CAL). It also makes an unsuccessful claim on the traffic rights of defunct **Air Zaire, S.A.**, which rights are instead passed to **Lignes Aeriennes Congolaises, S.A. (LAC)**.

Services continue during the remainder of the year and into 1998. Destinations visited include Brussels, Bukavu, Gbadolite, Gemena, Goma, Isiro, Johannesburg, Kalemie, Kananga, Kindu, Kisangani, Lubumbashi, Mbandaka, and Mbuji-Mayi.

Civil war is renewed on August 2 and the Stratofreighter is seized on the ground at Goma as the fighting begins, along with a B-707F of **Lignes Aeriennes Congolaises, S.A. (LAC)**. President Kabila receives support from Angola, Zimbabwe, Sudan, and Chad, while Uganda, Rwanda, and Burundi assist his opponents.

A number of charter pilots are also captured and they are required to fly military equipment and troops from Uganda and Rwanda to rebel positions in the eastern part of the country. In addition, the Stratoliners haul freedom fighters from their strongholds to points in the west, where they battle for towns held by forces loyal to Kabila.

Government forces suffer serious setbacks in their efforts to put down the rebellion and enemy forces move into the mineral-rich province of Eastern Kasai. Communities ranging in size from villages to cities the size of Kindu are surrounded, attacked, and often captured.

To assist in resupply efforts, anti-Kabila forces charge, the Kinshasa-government employs the civil airliners of LAC and CAL as troop transports. A rebel missile shoots down one of these, the B-727-30, over Kindu, 440 km. SW of Goma, on October 10. A spokesman for antigovernment forces claims that the aircraft, with 40 troops and military equipment, is downed while landing at the city's airport from Kinshasa. CAL Chairman Papaioannou tells Reuters, Ltd. that the little Boeing with 3 crew and 38 passengers, primarily women and children, had been destroyed as it was taking off. Both sides agree that there are no survivors and the Kabila government asks the UN to condemn the downing.

Despite the conflict, in early November the airline is able to open a homepage on the World Wide Web. There it posts a message indicating that it is "searching after an aircraft Boeing 707-300 Cargo. Lease or Sale. Please make offer."

During the first quarter of 1999, a hush-kitted B-727-227A, first operated by **Braniff International Airways**, is acquired.

Flights continue during the remainder of the year and into the new millennium. Destinations visited include Kinshasa, Lubumbashi, Johannesburg, Mbuji-Mayi, Kananga, Mbandaka, and Gemena.

Political unrest continues in the nation during the first half of 2000. A large explosion rocks Kinshasa Airport on April 12 and three company aircraft are reported damaged.

CONGO AIRWAYS, S.A. See **LIGNES AERIENNES CONGO-LAISES, S.A.**

CONGO COMMERCIAL AIRLINES, S.P.R.L. See **CITY CONNEXION AIRLINES, S.A.**

CONGRESSIONAL AIR CHARTERS: 7940 Airpark Road, Gaithersburg, Maryland 20879, United States; Phone (301) 840-0880; Fax (301) 926-2340; Year Founded 1995. Monty Lilley establishes CAC at Montgomery County Airpark in 1995 to provide executive and small group passenger charters throughout the U.S. and to Bermuda. By 2000, the concern employs seven pilots and operates three Beech 58 Barons and a Beech King Air 90.

CONIFAIR AVIATION, LTD.: 800-8E Rue, Aeroport de Quebec, Sainte-Foy, Quebec G2E 5W1, Canada; Phone (418) 877-2934; Fax (418) 877-5638; Code RO; Year Founded 1979. Conifair is established at Aeroport de Quebec, Sainte-Foy, Quebec, in 1979 to provide seasonal charter services to regional destinations.

Operations continue apace throughout the 1980s and into the early 1990s with a fleet that grows to include 3 Convair CV-580s, 4 Douglas DC-4s, and 5 DC-6s. Aerial fire fighting becomes a company specialty.

While climbing along a steep hill near St. Anne-des-Monts on a water bombing service from Boneventure on June 26, 1989, a C-118A (a military DC-6A), with four crew, crashes; there are no survivors.

Victor M. Rivas is chairman/CEO in 2000 with John R. Walters as president/chief operating officer. The fleet now includes 1 CV-580, 4 DC-4s, and 5 DC-6s.

CONNECTAIR: United States (1984). Established at Santa Barbara, California, in the spring of 1984, Connectair inaugurates scheduled third-level passenger service on May 1 to Los Angeles, San Jose, and Las Vegas with a pair of Fairchild F-27s leased from Champion Spark Plug. The company cannot sustain operations and files for Chapter VI bankruptcy on October 11, halting all flights.

CONNECTAIR, LTD.: United Kingdom (1984–1988). Connectair, Ltd. is founded at London (LGW) by Robert Wright in early 1984 to provide charter and air taxi service with an Embraer EMB-110P1 Bandeirante. Capitalization is provided by the Bank of England's Investors in Industry, the U.K. Department of Trade and Industry, and the Quadrant Development Capital Fund. In late spring, the company joins the British Caledonian Commuter network of **British Caledonian Airways, Ltd. (BCAL)** and begins to fly scheduled services between London (LGW) and Antwerp in May.

In 1986–1987, the fleet is upgraded by the addition of a Shorts 330 and a Shorts 360 and revenue flights are inaugurated from London (LGW) to Rotterdam and from Manchester to Antwerp and Rotterdam. Following the takeover of **British Caledonian Airways, Ltd. (BCAL)** in December of the latter year, a code-sharing agreement is signed with the new owners, **British Airways, Ltd. (2)**. Enplanements reach 65,000.

Airline employment stands at 45 in 1988 and, early in the year, Dusseldorf is added to the route network from Gatwick. On June 17, the airline is purchased by **Airlines of Europe, Ltd.** for £6.3 million, cash. Connectair, Ltd. is merged in July with **Guernsey Airlines, Ltd.** to form **Air Europe Express, Ltd.**

CONNELLAN AIRWAYS (PTY.), LTD.: Australia (1939–1970). On July 31, 1939, the Australian Post Office, the Department of Civil Aviation, and the Australian Flying Doctor Service grant subsidies to Edward J. Connellan to start a 17-point, every-two-weeks service in the Northern Territories between Alice Springs and Wyndham. With 2 Percival Gull 6s, the bush operation begins on August 8 with a mail-only flight; the initial route includes stops at Mount Doreen, The Granites, Tanami, Nicholson, Iwerway, Victoria River, and Auvergne.

After five years of regular—if meandering—services, the operation is registered as Connellan Airways (Pty.), Ltd., on September 20, 1943.

Between 1944 and 1970, the carrier's equipment is upgraded; many new small-plane types, such as Cessnas and Pipers, enter service. Additional local fields are served, including the Darwin-Goote Eylandt mission station service taken over from **MacRobertson-Miller Airlines (Pty.) Ltd.** on July 1, 1960. The route network exceeds 10,000 miles to about 100 tiny destinations.

In 1970, the carrier is renamed **Conair (Pty.) Ltd.**; flights in the Northern Territories continue.

CONNER AIR LINES: United States (1983-1991). F. A. Connor establishes this passenger and cargo charter operation at Miami (MIA) in 1983. Employing 4 Douglas DC-8-33s, 2 DC-8-62s, and 9 DC-6A/Bs, the 60-employee carrier undertakes nonscheduled passenger and cargo flights to destinations in the Caribbean and Latin America.

Although passenger charters will be dropped and the jetliners retired, Conner, otherwise, continues apace in 1984-1986, but offers no statistics for the period.

In 1987, the company reports to the U.S. DOT that it has flown 3,814,210 FTKs. Revenues reach \$876,000, but costs are greater, and Conner loses \$39,000.

Conner's fleet in 1988 includes only 3 DC-6As. Cargo declines 36.3% to 2.33 million FTKs. Revenues also fall, by 24.7%, to \$660,000 and both operating and net losses are the same: \$26,000.

Freight traffic not only recovers, but skyrockets by 159.4% in 1989 to 6.05 million FTKs. Revenues jump 23.9% to \$818,001, but costs leave an operating loss of \$247,796. The net loss is \$1,000 higher.

The previous year's good traffic report brings a growth in capacity in 1990; added to the fleet are 3 DC-6As, 2 DC-7Fs, and 1 DC-8-33F. The expansion is a mistake as recession depresses rather than improves the air cargo market. In addition, the company faces a significant fine from the FAA in September for not submitting the drug testing plan required by the previous December 18 for all Part 121 carriers operating aircraft over 31 seats.

As of October, the carrier fails to respond to government inquiries. Cargo plunges 47.2% to 3.19 million FTKs. Revenues, however, grow by 63.7% to \$1.33 million and expenses, up 20.4%, are controlled at \$1.28 million. The operating profit is \$56,634 and the net loss is cut to \$4,243.

Conner flies a total of 1.36 million FTKs during the first half of 1991, a decline of 57.3%. The slump in traffic, together with continuing, if unspecified, difficulties with the FAA and recession-related fiscal loss, forces the company to shut down in late summer.

CONNIE KALITTA SERVICES: United States (1972-1998). This privately owned charter and contract service carrier is founded by world champion drag racer Conrad A. "Connie" Kalitta at Detroit's Willow Run Airport in the fall of 1972. Outfitted with Beech 18s and Learjet 23s, the operator launches revenue services to various midwestern destinations in November. Operations continue apace during the remainder of the decade and into the next.

While on final approach to the airport at Kansas City on December 5, 1983, a Hamilton Turbolineer freighter (converted Beech TC-45J) descends too fast and crashes into a railroad yard; the aircraft is destroyed by impact and fire and the pilot is killed.

In 1984, another Willow Run operator, **Jet Way**, is acquired, along with its fleet of DC-8s and DC-6s. As a result, the Kalitta workforce grows to 80 and the fleet comes to include 2 Douglas DC-8-54Fs, 2 DC-6As, 6 Learjet 23s/24s, 11 Beech 18s, and 3 Mitsubishi Mu-2s.

A DC-9-15 is purchased in 1986 and service continues apace in 1987. A Hamilton Turbolineer takes off from Memphis on October 8 with its tail stand—used to prevent the aircraft from tipping on its tail while being loaded—still attached. When advised of this fact, the pilot turns to return to the runway. The aircraft, however, stalls and crashes, killing the flyer.

In 1988, the company purchases the fitness certificate of **American International Airlines** and makes plans to restart it.

The 260-employee airline in 1989 operates a fleet of 34 aircraft, including 2 DC-8-54Fs, 3 DC-8-51Fs, 1 DC-9-15F, 11 Beech 18s, 1 Mu-2, 1 Cessna 310, 4 B-727-100s, 6 Learjet 23/24s, and 5 Learjet 25s. Having returned to drag racing, owner Kallita, in his car the *Running Hunter*, becomes the first in his field to drive 290 mph.

A total of 199.62 million FTKs are flown. Revenues total \$51.4 million and the operating profit is \$10.3 million.

In 1990, the fleet is increased by the addition of 1 DC-8-54F, 1 DC-8-73F, 1 DC-8-63F, 4 DC-8-55Fs, 1 DC-8-52F, and 1 Cessna 310. Three B-727-100s are withdrawn. At 199.52 million FTKs, cargo traffic is level.

In 1991, the company is reformed into Kallita Group. The name of the new holding company's airline division is changed to that of an earlier acquisition, **American International Airlines (AIA)**. Meanwhile, charter services continue via the Connie Kalitta Flying Services unit.

Operations continue over the next seven years. Donald L. Schilling is president of the charter division in 1997. The company provides both passenger and cargo services from hubs at Willow Run Airport, as well as Morristown, Tennessee, Brownsville, and El Paso, Texas, with a fleet of 19 Learjets, 11 Volpar Turboliners, 3 Mitsubishi Mu-2s, 3 Hansa Jets, 1 Piper Cherokee Six, and 1 British Aerospace BAe (HS) 125-700 Hawker.

On September 22, Conrad Kalitta signs a letter of intent to combine the Kalitta companies with Kitty Hawk, Inc. Kalitta will receive 5.1 million shares of Kitty Hawk common stock, \$22 million in cash, and a "significant management role" in the combined operation. At the same time and in a related transaction, **Kitty Hawk Air Cargo**, the airline operating subsidiary of Kitty Hawk, Inc., purchases 16 AIA B-727s for \$51 million in cash. The first three aircraft will start flying under their new livery on October 1, with the remainder arriving at approximately one per month thereafter.

The next day, a public offering of 4.1 million shares of common stock are sold by Kitty Hawk. Net proceeds of the equity offering and proceeds from a \$340 million offering of senior secured notes of the company (due in 2004) will fund the merger with Kalitta, retirement of existing debt, and for general corporate purposes. Late in the year, CKS and the other Kalitta concerns are officially acquired by Texas-based **Kitty Hawk Air Group**. All will be absorbed by the end of the first quarter of 1998.

CONQUEST AIRLINES: United States (1988-1997). After obtaining \$1.5 million start-up capital, former **Texas Airlines** CEO Victor Rivas and his brother Rafael set up Conquest Airlines at Beaumont, Texas, in February 1988. An order is placed, and then cancelled, for 4 CAT 200 modified Beech King Air 200s. During March, Chairman/CEO Rivas receives Conquest's Part 125 operating certificate from the FAA. A new order is made for 5 Beech 1900Cs, the first of which arrives at the end of the month, with the remainder delivered in April and May. Meanwhile, the first revenue flight is operated on April 14 to Austin.

With the other aircraft in hand, the company employs them during late spring and early summer in the inauguration of scheduled flights linking the company base with Corpus Christi. At the same time, orders are placed for 7 CASA/Nurtanio CN-235s. It is hoped they will arrive by August and allow the inauguration of services from Houston's Hull Airport to Dallas (DAL). When their arrival is delayed, the Beechcraft are employed instead. A \$922,000 net loss is suffered.

The 216-employee company goes public in May 1989, by which time 4 more Beech 1900s have been delivered. During the year, the schedule grows to include 90 departures per day from Beaumont to Abilene, Austin, Brownsville, Corpus Christi, Houston, Laredo, McAllen, San Angelo, San Antonio, and Tyler.

Passenger boardings reach 118,766 and revenues \$5.57 million. Start-up and operating expenses bring losses of \$712,127 (operating) and \$2.16 million (net).

In 1990, the carrier tenders takeover bids to **GP Express** and **Exec Express II**. Its own customer bookings accelerate to 156,658 and an

operating loss of \$1.6 million must be absorbed. Neither acquisition is completed by the 150-employee carrier. In **1991** the company returns its 9 Beech 1900s to their manufacturer, replacing them with 5 Fairchild Metro IIIs. The move leads to a court fight. Conquest Leasing, Inc. is formed on April 17.

Passenger boardings plunge 42.3% to 90,402 and revenues fall 26% to \$6.1 million. Expenses drop 44.9% to \$6.56 million and guarantee an operating loss of \$464,446. Unhappily, a net \$5.1-million net loss is suffered.

The legal matter with Beech is settled in Conquest's favor in early **1992**, at which point the carrier trades in its Metroliners and replaces them with 8 Beech 1900Cs, 2 Beech 1300s, and 1 Beech 58 Baron.

Customer bookings recover and grow by 15.3% to 104,249. Revenues descend 18.2% to \$8.4 million while costs rise. As a result, the operating loss is \$340,837. The \$7.8-million Beech settlement allows the posting of a \$6.9-million net profit.

From Birmingham, Alabama, on May 17, **1993**, Conquest inaugurates four daily nonstops to Mobile, thrice-daily nonstops to Little Rock, and thrice-daily nonstops to Greenville and Spartanburg. On June 16, President Rivas's company inaugurates daily nonstop roundtrips from Birmingham to Knoxville and Charleston, South Carolina.

In November, the carrier introduces a total of 21 daily nonstops from Sugar Land Municipal Airport at Houston to Austin, Dallas, and other Texas cities.

Overall, Conquest transports a total of 125,869 passengers, a 20.7% increase over the previous year.

Airline employment stands at 250 in **1994** and a new hub is opened at Austin, to which corporate headquarters are transferred. The fleet is altered again as 8 Metro IIIs replace the previous equipment. Flights also begin from San Antonio to the Mexican community of Monterrey.

Cofounder Raphael Rivas dies in June and the concern is merged with WICO holding Corp. of Niles, Illinois, a vending machine distributor. Flights to all locations outside of Texas are halted and, in September, WICO executives sell the aviation operations to a new group, Conquest Industries.

Still, customer bookings leap ahead by 27.7% to 160,730.

The fleet is reduced by one Metro III in **1995**. Service is maintained to Sugar Land, Abilene, Corpus Christi, Beaumont/Port Arthur, McAllen, San Antonio, Tyler, and Dallas, but it is severely trimmed. In February, service to Austin is reduced to twice daily and on April 30 the flight to Houston is suspended altogether.

On June 30, Conquest Industries officials and executives from **Air L.A.** begin merger discussions. Given all the difficulties faced by the concern, it is not surprising that enplanements for the year plunge 43.7% to just 90,530.

The company files for Chapter XI bankruptcy protection in January **1996**, listing liabilities of \$1 million to \$9.9 million and assets of \$1 million to \$9.9 million. Conquest continues to fly as it reorganizes.

In March, a letter of intent is signed with **Air L.A.** for purchase of that company. The deal is canceled in early April, but concluded, for \$6 million and assumption of debt, on June 22. James A. McLean becomes chairman with former **Wings West** President William Hirsh is appointed interim president of the new subsidiary.

Passenger boardings recover and require the addition of 2 more Metro IIIs. Conquest comes out of Chapter XI on December 9 and is able to report that bookings have grown 7.1% during these 12 months to 96,962.

Chairman McLean is appointed president/CEO of the reformed Conquest in January **1997** and his fleet includes 7 Metro IIIs. Rigid financial controls are instituted, the budget is trimmed, and a number of new executives are appointed, including W. Daniel Shields, the vice president-marketing. By now, over 90% of the carrier's customers are business travelers and an aggressive advertising and marketing program is undertaken by Shields to make certain that those numbers do not falter.

Destinations visited include Abilene, Austin, Beaumont/Port Arthur, Corpus Christi, Laredo, McAllen, San Angelo, San Antonio, and Tyler. Through the first quarter, McLean reports customer boardings of 21,657. Service from Austin to Tyler is offered five times a day as of June 23.

At the end of June, plans are announced for the inauguration of new or renewed services to New Orleans, Houston, Bryan, and College Station. These goals are not implemented as, once again, the company's finances fail, forcing it to shut down in August. Attempts at revival will be made.

CONSOLIDATED AIR LINES: United States (1935–1936). After a year of hauling newspapers from San Francisco, Consolidated is formed as an airline at Alameda on July 1, **1935** to offer scheduled passenger flights to the state capital at Sacramento, replacing those formerly provided by **Pacific Seaboard Airlines**.

Employing a Fokker Model 8 Super Universal and a Buhl Airedan, the carrier begins thrice-daily (except Sunday) roundtrip services in early September. The fleet is greatly enhanced by the addition of the Ford Tri-Motor 4-AT-16 on September 23. By year's end, a total of 1,388 passengers and 91 tons of express have been carried.

Although services are maintained, traffic is so poor that the carrier must shut its doors in early November **1936**.

CONSOLIDATED AIRWAYS (PTY.), LTD.: South Africa (1965–1966). Consolidated is set up by Louis Malan and other investors at Pietersburg in **1965** to operate nonscheduled flights throughout the northern Transvaal. Operations begin with 2 Piper PA-30 Twin Comanches, 2 Cessna 210s, and 1 C-320 Skyknight. Service continues for about a year.

CONSORCIO AVIAXSA, S.A. de C.V.: Hangar 13, Zona "D" Zona Hangares, Apto. Intal Co de Mexico, Mexico City, 15520, Mexico; Phone 52 (5) 756-0650; Fax 52 (5) 756-455; Code 6A; Year Founded 1990. CA is set up at Mexico City on May 5, **1990** as a subsidiary of **Aeroexo (Aeroejecutivos, S.A. de C.V.)**. Alejandro Morales Mega is chairman, with Eduardo Morales Mega as president. Revenue flights commence in September with a pair of Boeing 727-31s leased from the parent.

Charters (both passenger and cargo) and replacement services are flown on behalf of Aeroexo and by **2000** airline employment has grown to 375. The fleet now includes the original Boeings, plus 7 chartered B-727-276As. Destinations visited include Cancún, Chetumal, Merida, Monterrey, Oaxaca, Tapachula, Tuxtla Gutierrez, and Villahermosa.

CONSTANTA STATE AIRLINE: Zaporozhye Airport, Zaporozhye, 330013, Ukraine; Phone 380 (612) 604 323; Fax 380 (612) 688 423; Code UZA; Year Founded 1994. CSA is established in the early spring of **1994** to offer charter passenger and cargo services to domestic, regional, and international destinations. Viktor M. Gostishev is named CEO and is authorized to recruit a workforce that will eventually total 164. With 3 Antonov An-32s and 7 Yakovlev Yak-40s, revenue flights commence on June 1.

Service is maintained in **1995–1999**. During the latter year, 11,000 passengers are flown. The company employs 164 workers at the beginning of **2000**.

CONSTELLATION INTERNATIONAL AIRLINES, S.A.: Belgium (1995–1999). E. Serimozu founds CIA at Brussels National Airport in March **1995** to operate passenger charters and inclusive-tour flights around Europe and to North Africa. Serimozu is chairman and C. H. Heinzman is named director general. A leased Boeing 727-2X3 is acquired and inaugurates nonscheduled services in April.

Operations continue apace in **1996–1998**, during which years 2 Airbus Industrie A320-200s enter service and the Boeing is returned to its lessor. Enplanements during the latter year total 3.2 million.

Airline employment at the beginning of **1999** stands at 63.

Rising fuel prices and falling income force the carrier to cancel all flights as of December 4. After unfruitful deliberation as to the feasibility of a restart, the company shuts its doors the following week.

CONTACT AIR, LTD.: P.O. Box 5175, Fort McMurray, Alberta T9H 3G2, Canada; Phone (403) 743-8218; Fax (403) 743-8225; Code 3T; Year Founded 1995. Contact Air is set up at Fort McMurray in 1995 to offer regularly scheduled, third-level passenger and cargo services to domestic destinations, as well as on-demand charters. John Rodgers is managing director and he begins operations with a fleet of 2 de Havilland Canada DHC-2 Beavers, 3 Beech King Air 100s, 2 Piper PA-31-350 Navajo Chieftains, 1 Beech 99, and 1 Cessna 207A.

CONTACTAIR FLUGDIENST, GmbH. & CO.: Echterdingen Str. 30, Stuttgart, D-70599, Germany; Phone 49 (711) 1 676 541; Fax 49 (711) 1 676 565; Code VJ; Year Founded 1969. Contactair is established by Gunter Eheim at Stuttgart in 1969 to offer charter, air ambulance, and air taxi flights to surrounding West German communities. In 1974, the carrier begins scheduled replacement operations to Munster and Hamburg on behalf of the new **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)**. Services are maintained throughout the remainder of the decade and in the early 1980s the 40-employee company offers not only daily scheduled flights between Munich and Munster, but continues its charter and contract service work, with emphasis on executive flights.

A British Aerospace BAe Jetstream 31, the first production model, joins the fleet on December 15, 1982, followed by 2 more in 1983. The fleet in 1984 comprises 2 Gates Learjet 35As and 3 British Aerospace BAe Jetstream 31s.

In 1986, Managing Director Heinz Landes enlarges his fleet through the purchase of another Learjet 35A, a Beech King Air 90, and a Super King Air 200. A fourth Jetstream 31 is added in 1987. In 1988–1989, 3 new de Havilland Canada DHC-8-102s join the fleet, leased from **Tyroler Airways, GmbH.**

A new group of replacement services are now offered on behalf of **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)** In 1990, the King Air 90 and all but 2 Jetstream 31s are removed as Europe's first 2 DHC-8-301s enter service and 1 Super King Air 200 is purchased.

The fleet in 1991 includes 2 leased Jetstream 31s, 2 chartered DHC-8-102s, and 2 owned DHC-8-301s. **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)** changes its name to **Lufthansa CityLine, GmbH.** However, contract services for the major's subsidiary continue as before.

Orders are placed in the spring of 1992 for 2 Dornier 328s and services are initiated from Munich to Lugano. Two DHC-8-311s enter service and, in December, a \$14-million order is placed for another DHC-8-301.

Airline employment in 1993 stands at 185. While attempting to land at Paris (CDG) in darkness and fog on January 6, a DHC-8-301, inbound from Bremen on behalf of **Lufthansa CityLine, GmbH.** with 22 aboard, crashes short of the runway (4 dead). What would have been the fifth DHC-8, a Dash-311, is delivered in August.

The number of employees in the workforce falls to 170 in 1994 and the fleet includes 2 DHC-8-102s, 1 DHC-8-301, and 3 DHC-8-311s. One Jetstream 31 is removed and the second is subleased to the Danish carrier **Sun Air of Scandinavia, A.S.** As before, operations continue.

As **Lufthansa CityLine, GmbH.** moves towards all-jet status in 1995–1996, it turns over its Fokker 50s to Contactair, which in turn retires its DHCs and Jetstreams. In May of the former year, the carrier signs a franchise agreement with **Deutsche Lufthansa, A.G.** Wearing Team Lufthansa colors, Contactair operates flights for the major and **Lufthansa CityLine, GmbH.** from Stuttgart to Munich, Brussels, Cologne, Dusseldorf, and Munster. It also flies from Bremen to Munich and Paris and from Munich to Geneva, Paris, Marseilles, and Bologna.

By the beginning of 1997, President Eheim's fleet, now largely operated in Team Lufthansa livery, includes 2 Beech King Airs, 1 Cessna Citation II, and 11 Fokker 50s. **Lufthansa CityLine, GmbH.**'s twelfth and final Fokker 50 is received late in the first quarter.

Flights continue in during the remainder of the decade.

CONTI-FLUG INTERNATIONAL AIRLINES, GmbH.: Germany (1964–1994). Conti-Flug is formed at Cologne by Baron von Ketteler in 1964 to operate international charters. Nonscheduled services are undertaken with a Hawker Siddeley HS 125 executive jet and are maintained for most of the next three decades. During those years, the fleet is upgraded by the addition of another HS 125, 2 Beech Super King Air 200s, 1 Canadair CL-601 Challenger, and 1 Learjet 35A.

A British Aerospace BAe 146-200 is leased in 1991 as Managing Director Markus Schacher's German charter operator begins to provide dedicated British Aerospace BAe 146-200 weekday roundtrip charters on behalf of Airbus Industrie between Hanover and Toulouse. It also offers nonscheduled weekend incentive flights to Riga, Vilnius, and Venice. Negotiations are completed and an announcement is made that the carrier will become the third (actually, fourth) operator to begin scheduled services into the new London City Airport.

A second BAe 146-200 is purchased in May 1992, allowing flights to London (LCY) to begin from Berlin (Tempelhof Airport) on October 26. Conti-Flug is the first scheduled jet operator to do so. Flights to Riga and Vilnius are ended due to lack of traffic and increased insurance costs associated with doing business in volatile Latvia and Lithuania.

Airline employment in 1993 stands at 130. The company receives significant domestic competition from **Deutsche Lufthansa, A.G.**, which also flies twice daily between Berlin and London (LHR), and begins to suffer financial difficulties. Still, 40,000 passengers are transported on the route to London City.

Continuing to suffer fiscal reversal in 1994, Conti-Flug begins to make changes in its executive management. Baron von Ketteler warns Managing Director Schacher and CEO Ernst von Dornberg that new sources of income must be found to avoid disaster. During the summer, the profitable shuttle service operated between Hamburg and Toulouse on behalf of Deutsche Aerospace is lost, along with aid from those few banks still offering support. As a result, the 30-year old airline ceases scheduled operations in September and files for bankruptcy.

CONTINENTAL AIR, LTD.: India (1991). In light of the need for additional capacity on India's short-haul routes, the government, in 1990–1991, encourages a number of small taxi operators to expand their operations and become regularly scheduled carriers. One of those electing to make the effort is Continental, which begins the provision of passenger services from Bombay during the latter year.

Employing a Boeing 720B and several Fokker F.27-200 Friendships, CA inaugurates services to Delhi, Hyderabad, Nagpur, and other points. Unable to achieve economic viability, the concern fails within months of start-up.

CONTINENTAL AIR CHARTER: United States (1948–1953). John Belding forms CAC at Miami in 1948 to offer nonscheduled passenger and cargo flights throughout the eastern U.S., with special emphasis on service between Pittsburgh, Buffalo, and stops in Florida. Operations commence with Curtiss C-46 Commandos reconfigured for passenger seating.

Operations continue without incident until December 30, 1951, when a C-46 charter with 38 passengers is reported missing while on a Miami–Buffalo run. Government officials and the media report the aircraft as being down 100 mi. N of Pittsburgh, possibly in Lake Ontario. As searchers frantically seek survivors, a passenger, upon hearing the news, calls from Miami the next morning to report that the Curtiss has simply been delayed by mechanical repairs and will arrive in New York later in the day.

The false alarm is followed by a real tragedy a year later. En route from Pittsburgh to Buffalo on December 29, 1952, a C-46 with 40 aboard crashes near Salamanca, New York, in a blizzard (26 dead); George Albert, one of the survivors, is able to make his way to a farmhouse through the snow for aid.

Unable to survive the affects of this disaster, CAC closes down in 1953.

CONTINENTAL AIR EXPRESS: United States (1929–1930). CAE is established at Los Angeles, California, in early summer 1929 to offer scheduled passenger and air express flights to San Diego via Bakersfield, Fresno, and Alameda. Acquired from **Scenic Airways**, the Ford 4-AT-24 is employed to begin service on September 14. Revenue operations continue until November 6, 1930.

CONTINENTAL AIR LINES (1): United States (1927–1928). On October 10, 1927, CAL is organized at Cleveland, Ohio to bid for the U.S. Post Office's Contract Air Mail Route No. 16 (CAM-16) and to offer scheduled multistop mail and passenger service over it to Louisville.

Having won the bid, a fleet of 3 Travel Air 6000s is assembled and revenue flights commence on August 1, 1928 via Columbus, Dayton, and Cincinnati. The Columbus–Cleveland leg is stretched northeast to Akron on November 15.

On Thanksgiving Day, November 25, pilot Tilden "Pete" Johnson, en route to Louisville from Cleveland with mail and no passengers, is caught in a snow squall west of Massillon at Lebanon and killed when his Travel Air crashes.

On December 31, the small carrier is one of several taken over by Universal Aviation Corporation, which will operate it as a subsidiary division of its **Universal Air Lines System**.

CONTINENTAL AIR LINES (2): United States (1937–1958). On July 1, 1937, **Varney Air Transport** is renamed Continental Air Lines. Passenger, cargo, and mail operations are now relaunched under a new marketing slogan, "Fly the Old Santa Fe Trail." Operations are continued apace by President Louis Mueller and Executive Vice President Robert Six over the 520-mile airmail route AM-29. Running from Pueblo, Colorado to El Paso, via Albuquerque, and from Pueblo to Denver, the company flies the route with a fleet of 3 Lockheed Model 12 "Baby Electras" received the previous month, plus a Lockheed Model 5 Vega. Company headquarters are transferred to Denver on October 31.

Six succeeds Mueller as president/CEO on February 3, 1938. On February 15, the Denver–Albuquerque frequency is increased. A regional identity is promoted with the unveiling of a new American Pueblo Indian head insignia. Former **Transcontinental and Western Air (TWA)** official Oscar R. "Ted" Haueter is appointed vice president operations.

Continental receives "Grandfather rights" on its routes under the new Civil Aeronautics Act as of July 11, effective November 20. An application—in fact, the first—is also filed with the new Civil Aviation Authority (CAA) for unclaimed AM-43, a 430-mile route from Pueblo to Wichita via Garden City, Kansas. With the help of Lehman Brothers, a \$280,000 public stock offering is made late in the year. The first profit is reported on December 31.

The first of 2 Lockheed Model 14H Super Electras purchased from **Northwest Airlines** arrives in April 1939. A chartered Lockheed Model 10E Electra is obtained on May 5, while the second Super Electra is delivered during June.

After a year of litigation and challenge caused as much by government bureaucrats as competitors, the Pueblo to Wichita Lockheed Vega flights commence on July 5. Late in the year, 2 Lockheed Model 14 "Super Electras" are acquired; they replace the Electra Juniors on the main north to south route and allow the Model 12s to begin flying to Wichita.

On May 14, 1940 a new service is opened from Albuquerque to El Paso, mostly over poorly settled territory, with stops at Roswell Hobbs, and Carlsbad, site of the caverns. The fleet is further strengthened in August when 3 Lockheed Model 18 Lodestars are purchased, replacing the Model 12s.

In late fall, stops are added at Las Vegas, New Mexico, and La Junta, Colorado. A total of 17,232 passengers are carried on the year, providing revenues of \$218,000. Still, most of the company's income is derived from mail contracts, which render \$491,000 in subsidies.

In March 1941, via Lehman Brothers, another public stock offering nets \$170,000; additional financing is obtained from a \$425,000 Chase Manhattan Bank loan. The funds are employed to obtain 6 additional

Lodestars. On April 27, the Indian head logo is replaced with a new and modern Thunderbird insignia, which is among the first service marks registered with the U.S. Patent Office.

On June 21, the CAB awards Continental an extension of its Wichita route to Tulsa. During the summer, a new maintenance facility is occupied at Denver and the new Model 18s are delivered. On August 21, a San Antonio route is requested and, on December 15, eight days after the Japanese attack on Pearl Harbor, the company's new airliners initiate the Tulsa service. On Christmas Day, the airline's first female flight attendant begins work.

A total of 20,293 passengers are carried on the year.

Full stewardess service becomes available as of January 5, 1942—just in time to be discontinued as a wartime luxury. On February 16, the U.S. Army Air Forces (AAF) contract with Continental to begin a bomber modification program in Denver, initially at the United Air Lines hangar. The first job entails changes to 49 Boeing B-17 Flying Fortresses. Although still essentially a local service carrier, Continental responds to wartime requirements in March and begins to fly a transcontinental Air Transport Command charter cargo route between San Francisco and Harrisburg, Pennsylvania.

One-half of the carrier's Lodestar fleet is requisitioned by the government in June. In September, Robert Six, along with **American Airlines'** C. R. Smith, joins the government's Ferrying Command. He is sworn in as a captain and stationed in New Caledonia. In his place, Terry Drinkwater, executive vice president, is left in charge. Work is undertaken on a company-owned modification center in Denver for military aircraft work. On December 11, a Denver–Kansas City route (AM-60) award is received from the CAB. Passenger boardings total 11,400.

In 1943, Six is shifted to the Caribbean, where he becomes responsible for maintaining the military air routes between the U.S. and Brazil. Under the direction of the company's chief engineer, Stanley Shatto, the modification center in Denver is occupied on October 1; 1,000 B-17s will eventually be worked on in the \$5-million, 2-hangar facility. Two weeks later, on October 15, the fleet is strengthened when the Army Air Forces (AAF) releases a Lodestar for domestic operations. On December 8, a new CAB route award from Hobbs to San Antonio is announced.

In February 1944, the modification center begins work on B-29 changes. The contract does not open smoothly, as Acting President Drinkwater and Chief Engineer Shatto alienate workers; production rates decline and a job action is threatened. Lockheed Lodestar service is inaugurated over the Denver–Kansas City via Topeka AM-60 route on March 1.

In the spring, AAF Commanding General Henry "Hap" Arnold sends Colonel Six back to Denver to resolve differences at the modification center; Six accomplishes his mission through a show of military authority. In May, flights begin from Hobbs to San Antonio via Midland, Odessa, Big Spring, and San Angelo, and direct from El Paso to San Antonio. On June 11, Six is released from the military. Upon his return, Drinkwater resigns and is subsequently hired by **American Airlines**.

The first of several Douglas C-47s (military DC-3s) are obtained in an AAF-sponsored lottery at the manufacturer's Santa Monica facility; returned to Denver, they are modified to civil standard and the first enters service on December 22.

Enplanements are now 51,800 and, for the first time in company history, passenger income (\$846,000) exceeds mail subsidy (\$687,000). In addition, wartime government contracts have provided the company with \$900,000 in cash, allowing the debt to be reduced to only \$500,000.

Additional modified C-47s join the fleet in the first half of 1945 and 11 are available by June 30. From its offices in the Municipal Air Terminal at Denver, Continental's officers direct operations over a 2,327-mile route network covering five states. On July 1, nonstop direct Denver to Kansas City flights begin, together with a service featuring one stop at Topeka.

Later in the summer, a new route award is received and, following the lifting of the wartime priority reservation system on October 15, frequencies are initiated from El Paso to Tulsa via Wichita Falls, Lubbock, and Oklahoma City. The last Lodestar is retired on December 5.

Continental is the only large U.S. airline not to jump on the postwar bandwagon and seek foreign routes from the CAB.

Passenger boardings for the year climb to 167,000 and revenues from them total \$3.24 million; government mail payments provide another \$637,000.

The company's first air freight is carried on January 1, 1946. An AM-29 expansion is inaugurated on March 5; company DC-3s begin flying from Hobbs to Tulsa. Direct El Paso to Tulsa service is also started, being followed on July 16 with direct flights from Denver to Oklahoma City.

On August 16, upon the advice of Douglas official Edward Burton, orders are placed for 5 Convair CV-240s. An employee contest is held to name the Douglas transports and as a group, the title "Skystreamers" is applied. Fourteen are available by late December.

In 1947, the marketing initiative "The Blue Skyway" is adopted for Continental Air Lines; the DC-3 Skystreamers are appropriately painted. On April 16, 1948, Lawton and Fort Sill stops are added to the Tulsa-El Paso route, along with Socorro, Truth or Consequences, Los Cruces, and Raton. The first CV-240 is delivered on July 23 and, when the initial unit is placed into service on December 15, the carrier is able to announce that it is first to install radar equipment for every flight. Coach-class service is introduced at year's end.

In the summer of 1949, the CAB refuses President Six's attempt to take over the certificate of **Parks Air Lines**, preferring to give it to the new entrant, **Ozark Air Lines**, instead. On July 15, Continental follows **Capital Airlines** in introducing coach-class services, beginning with \$22 one-way Denver-Kansas City flights.

VOR (variable omni-range) direction-finding equipment is installed systemwide with the project completed on October 15, 1950. At this time, the CAB certifies Continental as the first carrier to be fully operational with the new technology.

As a result of the CAB's February 8, 1951 ruling in the Southern interchange case, Continental is able to join with **American Airlines** and **Braniff International Airways** in exploratory flights aimed at opening that service. On February 28, \$7.6 million in orders are placed for 7 CV-340s and 2 DC-6Bs; the expenditure almost equals the carrier's entire gross income for the year.

The government regulators, however, turn down an April 5 request to purchase fiscally distressed Minneapolis (MSP)-based **Midwest Airlines**. **Braniff International Airways** withdraws from the southern transcontinental arrangement and surrenders its authority to Continental. The action receives CAB approval on July 13 and is tantamount to authorizing Bob Six's airline to start service from San Antonio to Houston.

The carrier begins the El Paso-Houston service on July 26. The joint interchange through service flown with AA (and employing the latter's DC-6Bs) to Los Angeles is known as Arrow Service. Continental places orders for 2 of its DC-6Bs on October 10, but, on October 22, the CAB rejects a company request to take over **Mid-Continent Air Lines**.

Via an interchange with **Mid-Continent Air Lines**, El Paso to St. Louis service begins on February 1, 1952. Not having been merged with anyone, **Midwest Airlines** fails on May 16. **Braniff International Airways** is allowed to acquire **Mid-Continent Air Lines** on August 16. During the year, President/CEO Six makes a spirited application during the CAB hearings into the celebrated Denver Service Case.

Manhattan, Kansas, joins the route network on April 6, 1953, followed by direct Tulsa to Kansas City flights which begin on July 1. The 2 DC-6Bs ordered in 1951 arrive and are placed into service on the California-Texas interchange route. At the same time, the first of the 7 CV-340s requested the same year also join the fleet.

Via an interchange agreement with **United Air Lines**, Seattle and Portland to Tulsa service is inaugurated on September 15. Continental leases 2 DC-6Bs from **United Air Lines** to use on the new frequency until its own can be delivered. On December 10, officials of the company sign merger papers with those from **Pioneer Air Lines**, which continues, initially, as a subsidiary under its own name.

Flight 46, a CV-340 with three crew and eight passengers, fails its initial climb away from Midland, Texas, on March 16, 1954, and makes a belly landing in a field 3.5 mi. NE of the runway; although the aircraft must be written off, there are no fatalities.

On September 1, Socorro, Truth or Consequences, and Los Cruces service is halted and replaced by frequencies to Alamogordo. The CAB approves the **Pioneer Air Lines** takeover on December 7 and among the officers who come into Continental's ranks through this acquisition is the company's new vice president-finance, Harding Lawrence, future president of **Braniff International Airways**.

To operate the new local service routes throughout Texas and New Mexico, a fleet of Convair CV-440s is ordered at year's end.

An owned DC-6B arrives on January 5, 1955; employed on the interchange service with **United Air Lines**, it is painted with dual markings. The first important and direct postwar route awarded to the airline occurs on November 14. As the result of its finding in the Denver Service Case, the CAB certifies the company to fly between Chicago and Los Angeles via Denver and Kansas City, with nonstop rights between city pairs on the route.

Although challenged in court, the award will turn the small local company founded by Walter Varney into a major U.S. trunk line. So buoyed are company officials that, in December, they place \$64 million in orders for 24 new airliners, including 4 Boeing 707s, 15 Vickers Viscount 812Ds, and 5 DC-7Bs.

Continental becomes the launch customer for the Convair CV-440 Metropolitan on April 1, 1956. At the end of the year, the company begins to advertise plans for an upcoming special service to Los Angeles.

On January 17, 1957, the U.S. Court of Appeals upholds the carrier's right to offer a special Chicago-Los Angeles service. The first DC-7B arrives on April 5 and is christened *City of Los Angeles*. On April 28, it begins Gold Carpet Service between Chicago and Los Angeles via Denver; nonstop and one stop (Denver) frequencies are offered. The service is very elaborate, featuring gold-helmeted, welcoming ground crews in California. At travel agencies and other company stations, midjets—outfitted in gold-colored spacesuits with finned helmets and smoking rocket backpacks—are available to promote the new routing. On July 8, an alternate stop becomes available at Kansas City.

Enplanements for the year total 829,000.

On January 1, 1958, Harding Lawrence succeeds Clarence C. West as executive vice president. On February 14, Continental receives its first 812D, becoming the second major U.S. airline (after **Capital Airlines**) to take delivery of the Vickers Viscount British-made turboprop. In the spring, Continental applies for new routes as the CAB considers the Southern Transcontinental Service Case.

All ground crew, reservations personnel, and flight crews receive new uniforms on May 1. Vickers 812D Jet Power Viscount II service is inaugurated on May 28 on the Chicago-Los Angeles route with stops in such cities as Kansas City and Denver. The DC-7Bs are employed exclusively on the nonstop Illinois-California frequencies.

The CAB, on July 22, authorizes the carrier to operate nonstop flights from its Dallas (DFW) hub to Santa Fe, Albuquerque, Abilene, Amarillo, Midland/Odessa, Lubbock, and El Paso. During the year, the two names "Air Lines" are dropped in favor of a single **Continental Airlines** title.

CONTINENTAL AIR SERVICES: United States (1965-1975). Agency for International Development (AID) and Central Intelligence Agency (CIA) contractor William Bird & Son sells its Vientiane (Laos)-based air transport division to **Continental Airlines** on September 1, 1965 for over \$1 million. Bird & Son, back on May 20, have already lost the first man to the Pathet Lao when a pilot, Ernest C. Brace, is captured at a small Laotian airstrip. He will become the longest-held "civilian" POW of the Vietnam conflict.

The contractor's general manager, Robert L. "Dutch" Brogersma, a CIA and **Civil Air Transport (CAT)** veteran from whom the Bird enterprise had originally been purchased in 1956, is kept on to lead the

350-employee Continental Air Services. CAS had been formed in April as a wholly owned, Nevada-registered subsidiary of Continental Airlines.

Brogersma's affiliation with CAS now leads to one of the stranger events in covert air operations—competition between an established but secret spy airline, Air America, and a private, public carrier, Continental. In order to avoid revelation of Air America's real owners—knowledge that would surely become public should Continental sue the government to gain a share of the AID contracts being awarded for the transport of goods into Laos—CAS is allowed by the CIA to receive, under public contract, AID airlift business.

The company, originally set up to operate aircraft and ground facilities in support of construction and engineering businesses and the energy industry, is now soon divided into two overseas divisions. The first, stationed at the old Bird facility at Vientiane, operates under contract to AID. The second division, based at Saigon, is chartered to **Air Vietnam, S.A.**, flag carrier for the Republic of Vietnam. Airline employment will reach 800.

The inherited fleet includes 5 each Douglas DC-3s and Curtiss C-46s Commandos, 6 Dornier Do-28s, 3 Scottish Aviation Pioneers, 12 Pilatus Porters, plus a number of Cessnas and helicopters. Those operating from Laos are employed, sometimes with and sometimes in competition with, **Air America**, to fly supplies and men to provincial destinations.

Those supplementing the national carrier of South Vietnam undertake missions into the mountainous regions of the country as well as other nonmilitary and quasi-military delivery services in support of the government. Significant amounts of supply work are accomplished for the American RMK-BRJ construction group.

Flights continue apace for the next decade. An average of 4,000 hours per month is logged; upwards of 20,000 passengers and 6,000 tons of supplies are transported every 30 days. On September 30 of the inaugural year, the company takes delivery of the first production Lockheed L-100, a civilian derivative of the C-130 Hercules. It will be flown over Laos.

Flights continue over the next two years, during which two aircraft are lost in fatal accidents. A DC-3 with two crew crashes at Sam Neua, Laos, on April 17, 1966 while on a supply drop; there are no survivors. After suffering the loss of an engine, a C-46D with five crew crashes near Phu Cum, Laos, on August 13, 1967; there are no survivors.

On April 11, 1968, CAS provides support to Bangkok businessmen who form the air taxi operation **Bira Air Transport, Ltd.** at Don Muang Airport to provide passenger and cargo flights about Thailand. Thai citizens hold 70% shareholding with CAS the remainder. Price Bira, for whom the company is named, is elected president by the combined board of directors. Twin Beech and Pilatus Porter equipment is leased from CAS.

While making an emergency landing in northeast Thailand on January 6, 1969, a DC-3 overcrowded with 55 aboard, crashes; there are no survivors. In August, fearful of its neutral stance in the Vietnam War, the Swiss government embargoes the delivery of further Porters to **Air America** and CAS. Finally, by December, Continental Air Services is able to convince the Swiss that its Porters are employed only in refugee work and not as troop transports. A total of 73 CAS personnel are now present at Vientiane.

In October 1970, the Americans create **Air Alliance**, a CAS subsidiary designed specifically to assist in the organization and operation of Phnom Penh-based **Khmer Akas (Cambodia Air)**. Initial DC-3 service from Battambang is inaugurated on October 21. Until the Khmer Rouge takes over the country, this is Cambodia's single air carrier. Demilitarized, the prototype of the first Au-23A armed Pilatus PC-6C Porter, built in Maryland by Fairchild, is turned over to CAS in March 1971. It will crash before year's end. During the year, three additional C-46s are received.

CAS, itself, is closed down in July 1972, at which point Continental Chairman Robert Six reports that, since 1965, CAS has generated \$24,288,000 in AID contracts. **Air Alliance**, meanwhile, continues its

southeast Asian operations until May 26, 1975 when its operations are halted in response to increased Pathet Lao activities and student demonstrations. **Air Alliance** is disbanded on December 19.

CONTINENTAL AIRLINES: P.O. Box 4607, 2929 Allen Parkway, Houston, Texas 77019, United States; Phone (713) 834-5000; Fax (713) 523-4085; <http://www.flycontinental.com>; Code CO; Year Founded 1958. Robert Six's steadily growing **Continental Air Lines** is renamed Continental Airlines during 1958. The Dallas–Albuquerque route award is officially confirmed on February 12, 1959 and in April the carrier inaugurates new nonstop routes between Dallas (DFW) and the other Texas and New Mexico cities authorized. When the CAB opens its Transpacific Route Case, Continental applies for flights to Honolulu.

Having meanwhile completed its premier flight on March 25, the first of 5 Boeing 707-124 Stratoliners is delivered on April 19, followed by a second on May 27. The aircraft are painted with a streamlined thunderbird logo on the forward and aft fuselage atop a red, white, and blue color scheme completed with a gold upper tail. Inside, the first-class lounge features television.

These pure jets are employed to launch nonstop daily Golden Jet 707 service over the Chicago to Los Angeles route on June 8. The frequency is increased to thrice daily on June 22.

The Boeings begin stopping at Kansas City and Denver on August 15 with six daily frequencies offered from Illinois to California and back beginning on September 5. With five jetliners now available, the carrier is able to sell many of its piston-engine aircraft as well as two Viscount 812Ds.

During the fall, President/CEO Six accepts an invitation to address the Newcomen Society in New York concerning the history of his airline. As is the Society's custom, Six's remarks are published as a small pamphlet, *Continental Airlines: A Story of Growth*.

Revenues for the year allow record profits of \$4 million (operating) and \$1.7 million (net).

Early in 1960, President/CEO Six turns down a serious offer from Howard Hughes to take over leadership of financially distressed but larger **Trans World Airlines (TWA)**. A Viscount 812D crashes while landing at Tulsa on February 9; although no one is injured, the plane is badly damaged. The fifth B-707-124 arrives on March 17.

While refueling a Viscount 812D at Lubbock, Texas, on June 8, an attendant inadvertently backs into a rotating propeller and is badly injured. Employing DC-7Bs retired from the Chicago–Los Angeles service, Continental, on July 1, doubles service on its interchange route with **American Airlines** between Houston and Los Angeles, adding a stop at San Antonio in the process. Between June 30 and October 10, the company's flight engineers stage a job action, the first in the airline's history.

Willing, in light of its growth, to withdraw from a number of local service routes, the carrier, on November 2, is allowed by the CAB to transfer its 10-city Denver to Tulsa route to **Central Airlines**. On November 17 in the Southwestern Area Local Service Case, a CAB examiner suggests that the company also surrender authority to 10 other destinations in Texas, Colorado, and New Mexico. Passenger boardings for the year are 1,337,000.

A B-707-124, with 24 aboard, suffers an in-flight engine fire over Rockford, Illinois, on January 9, 1961; the plane is able to land safely at Chicago. Although Continental is denied a Pacific route when the Transpacific Route Case is settled early in the year, it does receive a new domestic award when the CAB closes its Southern Transcontinental Service Case on March 13.

The **American Airlines**–Continental interchange agreement California–Texas, initiated in 1951, ends on June 11 when Six's aircraft begin through flights from Los Angeles to Houston via Phoenix, Tucson, El Paso, and San Antonio. Also in June, orders are placed for 4 Boeing 720Bs.

On August 3, Flight 54, a B-707-124 with 73 passengers en route to Houston from Los Angeles, is hijacked by ex-convict L. Bearden and his son Cody, 16, who board the craft at Phoenix and order the pilot at gun-

point to fly to Havana. Both are seized during an El Paso refueling stop after FBI and border patrol marksmen cripple the plane by shooting out its tires as it attempts takeoff.

The U.S. as yet does not have an air piracy law. Therefore, Bearden will be convicted of extortion and "intrastate transportation of a stolen aircraft" and sentenced to 20 years in prison; his son Cody will receive a three-year term in a juvenile facility.

Also in August, the carrier seeks route authority to the U.S. East Coast. The route exchange with **Central Airlines** takes effect on December 1, the same day Continental introduces economy-class service on its main routes. After six months of discussion, President/CEO Six joins George "Ted" Baker, CEO of **National Airlines**, on December 12 in announcing a merger. **Frontier Airlines (1)** owner Maytag secretly purchases **National Airlines**, however, and the merger possibility dissolves.

On May 22, 1962, just before boarding Flight 11, a B-707-124 with 8 crew and 36 other passengers, passenger T. G. Doty purchases dynamite and a \$275,000 insurance policy. At 39,000 feet over a point approximately 5 mi. NNW of Unionville, Missouri, en route from Chicago (ORD) via Kansas City to Los Angeles, Doty sets off his bomb in a towel container in the right rear lavatory. The resulting blast destroys the jetliner in midair, killing almost everyone aboard. One passenger is actually found alive in the wreckage, but he will die within 2 hrs.

Doty's suicide-for-insurance plot marks the first successful sabotage of a commercial jet airliner. The tragedy is also the first fatal accident in Continental's 24-year history and, as a result, the carrier's order for 4 Boeing 720Bs placed earlier in the year is increased to 5.

Equipped with fan-jet engines, the carrier's first Boeing 720-24B (720B) enters service on June 3. The jetliner introduces the carrier's new black, white, and gold livery. When the captain's attention is diverted during the takeoff of a Viscount 812D, with 2 other crew and 13 passengers from Amarillo, Texas, on July 8, the plane, with 16 aboard, returns to the runway, where the propellers from Nos. 2 and 3 engines hit the pavement. The aircraft is returned to the gate, with no serious injuries reported.

The fourth B-720B is delivered the next day. The new plane inaugurates the company's first pure jet service at Dallas, Midland, and Albuquerque on July 13.

A three-tier tariff schedule is introduced in August: first class, business class, and jet economy class. On September 8, the Continental Casualty Company sues to deny payment of benefits to the widow of bomber Doty. Slightly altered to change the names and provide a better ending, the entire episode will appear in Arthur Hailey's 1968 novel *Airport*.

Coming in from Texas on January 28, 1963, a Viscount 812D with three crew and five passengers crashes while on initial approach to Kansas City; there are no survivors.

Following its February 1 finding in the Southwestern Area Local Service Case, the CAB orders Continental to divest itself of 14 unprofitable local feeder destinations in Texas, New Mexico, and Colorado and to give up its government subsidy for their maintenance. It is allowed to retain stops at Amarillo, Midland, and Odessa. Corporate headquarters are moved to Los Angeles on July 15.

Also in July, a deposit of \$550,000 is made for 3 Anglo-French Concorde; no SSTs will be delivered and the money buys the carrier excellent publicity at the time. The CAB final order calling upon the carrier to divest itself of 14 southwestern destinations is made on October 11. By November 12, Continental has transferred 14 local southwestern destinations to **Frontier Airlines (1)** and **Trans-Texas Airways**.

The CAB concludes its Transpacific Route Case in November and denies all requests for California to Hawaii service.

Enplanements total 1,690,200 during the 12 months and the net profit is \$2.41 million. A total of \$389,771 is earned from charter and contract service flights.

Airline employment in 1964 stands at 3,632 and the fleet includes 26 aircraft. That number is reduced by one in March as the DC-7B *City of Los Angeles* is withdrawn. In May, Continental obtains a U.S.

Military Airlift Command (MAC) contract to ferry soldiers to and from the Orient.

A pair of Boeing 707-324Cs are acquired and employed to begin this service from California's Travis AFB on September 4. Initial roundtrip routes extend from the Norton and El Toro military bases (near Los Angeles) to Honolulu or Anchorage and hence to Taipei, Okinawa, Tokyo, Clark AFB (Philippines), Saigon, Bangkok, Danang, and Cam Ranh Bay. The operations to and in the Far East will continue for a decade.

Domestically, a sixth Boeing 720B enters service. Executive Vice President Lawrence resigns at the end of the year and is succeeded by former **Trans World Airlines (TWA)** official Alexander Damm.

Passenger boardings jump 6.1% to 1.81 million. Overall revenues advance 12.5% to \$88 million, including a \$3.96-million increase in charter and contract service operations. Record net profits of \$5.68 million are banked.

The workforce in 1965 is up to 4,143. In March, orders are placed for 12 DC-9-10Cs and Harding Lawrence becomes president of **Braniff International Airways** on April 5. Meanwhile, former presidential press secretary Pierre Salinger joins the board of directors for a two-year stint. The Nos. 1 and 2 engines of a B-720B, with 22 aboard, fail during the plane's May 3 takeoff from Los Angeles; no one aboard is hurt.

Additional Boeing 707-324Cs begin to join the fleet as the Vietnam airlift is expanded from McGuire AFB, New Jersey, and Kelly AFB, Texas. The additional Boeing long-haul equipment allows the carrier to undertake 50 inclusive-tour flights to European destinations such as Copenhagen, Rome, Paris, Frankfurt, and London. As the result of Salinger's assistance and Chairman Six's persistence, the carrier now receives a military contract to provide air transport services within Southeast Asia.

Coming in from Los Angeles on July 1, Flight 12, a B-707-124 with 6 crew and 60 passengers, overshoots the runway while landing at Kansas City and strikes an earthen mound; there are no fatalities and injuries are minor.

While descending to Leavenworth, Kansas, on August 17, a B-720B with 110 aboard must take evasive action to avoid a midair collision.

On September 1, the subsidiary **Continental Air Services** is established at Vientiane, Laos, to take over the air transport division of William Bird & Son. CAS will operate in concert with the Air America, the CIA's secretly operated airline, but will not, officially, engage in any CIA activities.

To continue its lure to businessmen travelers, the company joins others in promoting the sexiness of its stewardesses; it even runs a magazine ad showing a female flight attendant's backside as an on-board attraction. On October 17, a B-707-324C with 114 aboard encounters clear air turbulence over Glenwood Springs, Colorado; injuries are minor.

On the last day of the year, the fleet includes 26 aircraft. Enplanements for the year total 1,992,000 and cargo also rises. Revenues swell 32% to \$116,772,000, passing the million-mark in income for the first time in the company's history. Net income doubles to \$12.1 million.

Pioneer Louis H. Mueller resigns as board chairman on February 28, 1966 and, following its final shuttle run from Denver to Colorado Springs, the last DC-3 is withdrawn in April. The first DC-9-10C enters service on April 10; joined by others of its type, it will replace the carrier's Viscount 812Ds, which are sold to **Channel Airways, Ltd.** of the U.K. in November.

Meanwhile, the DC-9-10s offer Golden Jet Service to communities losing their British-made turboprops. A \$600,000 refundable deposit is made for Boeing's SST. A net profit of \$17 million is reported.

New liveries are introduced on company aircraft in March 1967, timed to coincide with a new Discover America service while, in April, Continental is awarded a new route to the Pacific Northwest. Simultaneously, as the result of the bankruptcy of the supplemental carrier **Transocean Air Lines**, the U.S. government is forced to find some other concern to provide air transport in the Marshall, Caroline, and Mariana Islands, collectively known as Micronesia.

In the spring, the U.S. Interior Department reviews bids and chooses to offer its contract to a new firm, **Air Micronesia**, which is a partnership between **Aloha Airlines** (20%), Continental Airlines (31%), and the United Micronesia Development Corporation (48%). The UMDC will eventually come to control 60% of "Air Mike," but the carrier itself will remain, essentially, a shell with a profit-sharing arrangement with the major, its true parent. Within Continental, the operation is considered primarily as a division, Continental Air Micronesia, based on Honolulu. Although the mainland operator has not a single foreign route, it has considerable Pacific experience flying 8 Boeing 707-324Cs on contract service for the MAC to South Vietnam.

Employing a leased Boeing 727-100, New Orleans to Portland and Seattle flights begin on June 13 via Houston, Tulsa, and Wichita. The inauguration takes place a day following the end of the overall 1953 interchange agreement with **United Air Lines**. On July 1, the Continental-United interchange association Texas to the Northwest is ended. Two days later, the interchange service to St. Louis flown with **Braniff International Airways** is also suspended.

The fleet now includes 10 DC-9-10s and 10 B-707-324Cs; in December, a withdrawn B-707-124 is sold to **Trans World Airlines (TWA)**. On the year, 1,323 roundtrip Vietnam airlift flights are made. The workforce at year's end totals 6,000 and the fleet also includes 19 other aircraft. A total of 3,013,000 passengers are originated and freight ton-miles flown total 70.47 million.

A further \$1.5-million refundable investment in the Boeing SST is made on January 12, 1968; no such aircraft will ever be developed, let alone delivered. With **Aloha Airlines** entering the picture later, Continental starts initial Air Micronesia service under contract, on May 16, as its B-727-024Cs fly eastward from Micronesia to Hawaii and westward to Okinawa. Attention is also focused on expanding the company's Pacific hotels. Also in May, the first B-727-224s are placed into service on the New Orleans-Seattle run.

The world's largest air cargo building is occupied at Chicago (ORD) in June and, during the year, Austin and Colorado Springs join the route network. A new modern orange, red and gold livery is introduced along with a new tail insignia; the SONIC 360 computerized reservations system is also placed on line.

While on final approach to Denver after a November 19 service from Los Angeles, Flight 18, a B-707-324C with 70 passengers is rocked over Gunnison by an explosion in its rear lavatory, which sets off a fire that is extinguished by the crew. No injuries are reported and after the plane lands a passenger, seen exiting the lavatory just before the blast, is detained by the FBI.

On December 19, President Johnson overturns the CAB Pacific Route Case findings and makes a substantial route award to Continental. Three additional B-707-324Cs, 3 DC-9-10s, and 13 B-727-224s augment the fleet throughout the year. The employee population numbers 6,928.

Passenger boardings climb 13% to 3,855,000 and freight traffic accelerates by 26.5%. Revenues surpass 2 million for the first time—\$208,195,100—and the operating profit is \$43.32 million; net gain is \$4.13 million.

All of Continental's transpacific service stands Robert Six's company in good stead in Washington, D.C. and, as a result of the CAB's Transpacific Route Case findings, Continental is awarded a route to Honolulu on January 4, 1969, from Chicago, Kansas City, Phoenix, and three California cities. Authority is also granted to Australia and New Zealand and delivery is accepted on 4 B-747-124s. At first deferring the Hawaii award on January 24, President Nixon orders the CAB on February 11 to vacate all Pacific certificates awarded by Johnson, including Six's.

The Hawaii route is, however, confirmed by Nixon on April 14 and made official by a CAB order of July 22. Unable to immediately employ the Jumbojets, Continental is forced to place them in storage at a New Mexico hangar for \$13 million per year.

Just after takeoff from El Paso on July 26, Flight 156, a DC-9-10 with 30 passengers is taken over by a knife-wielding hijacker, who orders the

aircraft flown to Cuba. The passengers are allowed to deplane at the Midland, Texas, refueling point, before the Douglas flies on to Havana. The pirate will return to the U.S. before the end of the year, but will quickly be caught by police; he will be tried in 1970 and sentenced to a prison term of 50 years.

B-707-324C flights to Honolulu commence on September 9 as an extension of the Chicago-Los Angeles run while direct Chicago to Honolulu service begins on November 1.

Enplanements for the year are 4,172,000. Operating revenues are \$255.66 million and with expenses low, profits are made: \$48.81 (operating) and \$3.21 million (net).

Airline employment in 1970 is 8,329 and the fleet includes 63 aircraft. Mutual Computer Services is acquired in April and its computer reservation system is subleased to **Hughes Airwest**, **Ozark Airlines**, and **Piedmont Airlines**.

The first Jumbojet is received on May 18 and Continental's new B-747-124, known as a "Proud Bird of Paradise," is introduced on its Chicago-Hawaii route on June 26. With a cabin interior decorated by CEO Six's third wife actress Audrey Meadows, the Boeing's seating arrangement will prove unusual in that it has the lowest (290 passengers) for any Jumbojet employed to date.

The second B-747-124 arrives on July 13 and, also in July, orders are placed for 8 DC-10-10s. While on approach to Los Angeles (LAX) from Hilo, Hawaii, on August 4, a B-707-324C with 91 aboard collides with a Cessna 150; the jetliner is able to land safely, but the occupants of the lightplane are killed. The third B-747-124 is delivered on August 12 and the first Los Angeles to Chicago all-jet, all-cargo service is inaugurated in September via Denver and Kansas City.

In October, **Air Alliance** is created as a **Continental Air Services** subsidiary designed specifically to assist in the organization and operation of Phnom Penh-based **Khmer Akas (Cambodia Air)**.

An unarmed hijacker unsuccessfully attempts to take over Flight 144, a DC-9-10 with 30 passengers en route from Albuquerque to Tulsa on December 19. He is subdued by his fellow passengers and will later receive a five-year prison term.

Customer bookings advance by 12.5% to 4,768,000 and freight traffic swells by 48.2%. Revenues of \$289.37 million are produced, an increase of 13.2%. The operating profit increases slightly to \$51.53 million, but the net profit falls to \$3.74 million.

Beginning on May 5, 1971, a special \$10 ticket is offered for round-trips between 20 selected cities on the route network; the fare is designed to provide flight experience for those who have never flown before. Capitalization is increased by \$125 million in June, acquired as loans from investment banks. The last of 4 B-747-124s enters service on June 24.

In the first of four consecutive triumphs, a contestant representing Continental is chosen "Miss Airlines International." A new advertising slogan, "We Really Move Our Tails for You," meets with mixed reactions.

On August 4, a B-707-324C is involved in an accident with a Cessna 150J owned by **Floyd Flying Service** at Compton, California.

Enplanements are 5,735,157. Revenues total \$331.55 million and the operating profit is \$64.75 million; net gain doubles to \$7.48 million.

M. B. Davenport, a 56-year-old resident of Vancouver, Washington, is arrested by the FBI at Portland, Oregon, on April 11, 1972 after he attempts to hijack a B-707-324C and demands a \$500,000 ransom. On April 24, options are taken on 4 additional DC-10-10s.

One of the older wide-bodies is involved in an accident at Tucson, Arizona, on May 2. The first Douglas DC-10-10s, with cabin decor again by Audrey Meadows, are delivered in late spring and enter service over the Chicago to Los Angeles via Denver route on June 1.

Continental Air Services is closed down in July, at which point Continental Chairman Six reports that, since 1965, it has generated \$24,288,000 in U.S. Agency for International Development (AID) contacts. **Air Alliance**, meanwhile, continues to help **Khmer Akas** run its DC-3 service.

The tail engine of a DC-10-10 falls off shortly after takeoff from Los Angeles on July 28; debris falls on Hollywood and Beverly Hills.

Despite this, the DC-10 options are converted into firm orders on September 20, bringing the total number to 16 machines requested, including 8 Dash-10CFs. A total of 29 older jetliners are sold to other carriers throughout the year, bringing in a \$90-million profit.

The 116 persons aboard a B-727-224 en route from Phoenix to Los Angeles on November 27, escape injury after the craft's tires blow out on landing, causing a fire in the affected wheel well. A group of ten DC-9-10s are purchased by **Hughes Airwest**, also in November.

Passenger boardings ascend 6.7% to 6,147,000 and cargo advances by 18%. Revenues are \$365,904,000 and the net profit, the 34th in 35 reporting periods, is \$9.18 million and comes atop an operating gain of \$76.63 million.

The workforce in **1973** is 9,109. Continental joins with **Western Airlines** in July to seek a new interchange route from Texas to Alaska. A B-747-124 is removed on September 15 and retired to temporary storage at Roswell, New Mexico. Also in September, new transatlantic route authority is sought.

During the year, it is decided to standardize the fleet on two aircraft types, the DC-10 and B-727. A total of 35 aircraft are consequently withdrawn—all of the B-707-324Cs, 18 DC-9-10s, and the majority of the B-720Bs. MAC transpacific airlift contracts now also end.

Customer bookings accelerate 5.6% to 6,493,000, but freight is down by 25.5%. Record revenues of \$387.33 million are chalked up, but expenses associated with the fuel crisis soar. Consequently, a \$61.94-million operating profit is secured while the net profit declines to \$100,000.

A total of 329 new employees are hired in **1974**. To conserve fuel, the 4 B-747-124s are withdrawn on January 10 and put up for sale. After a long dispute with the CAB, Continental finally reaches the East Coast on February 1, as B-720B service is opened between Houston and Miami.

On June 1, the carrier begins its interchange frequency with **Western Airlines** to Anchorage, Alaska, from Houston and Dallas (DFW) via Seattle. The Houston to Anchorage route is operated by a Continental DC-10, while that from Dallas (DFW) to Anchorage is flown by a Western B-727-247.

The National Organization for Women (NOW) awards Continental its "Hall of Shame" award for its "Fly Me" ads. A B 720B is sold to **Ethiopian Airlines, S.C.** on September 16 and is delivered in November.

The fleet at year's end comprises 12 DC-10-10s and DC-10-10CFs, 33 B-727-224s, 2 B-720Bs, and 3 DC-9-10s, plus two B-727-024Cs leased to **Air Micronesia**. The special relationship with **Air Vietnam** ends late in the year and a B-747-124 is sold to **Wardair Canada, Ltd.** in December.

Enplanements grow 2.9% to 6,679,000 and the total FTKs flown increases to 246.69 million, a rise of 16%. Income moves ahead to \$457.27 million and expenses are held in check. The operating profit is \$98.97 million and the net income skyrockets to \$8.11 million.

The workforce in **1975** grows to 9,709. When President/Chief Operating Officer Six becomes Chairman/CEO, he is replaced by Executive Vice President Damm. The last 4 of 16 ordered DC-10-10s are received in March, with 8 being converted to all-cargo configuration.

The operations of **Air Alliance** are halted on May 26 in response to increased Pathet Lao activities and student demonstrations that force American interests out of the country. Major capital investment programs begun earlier are completed and an automated dispatch and flight following system called SAFE (System for Automated Flight Efficiency) is placed in service.

Flight 426, a B-727-224 with 7 crew and 124 passengers, encounters severe windshear in a thunderstorm as it takes off from Denver on August 7 and is forced to crash into a wheat field near the departure end of the runway. There are no fatalities, but 38 aboard are injured; the plane, itself, must be written off.

On September 15, Fred Salomon, who has already collected five hostages on a crime spree begun earlier in the day, commandeers a

B-727-224 on the ground at San Jose, California. Two of the hostages, maintenance workers, are ordered to start the engines and taxi out on to the runway, but police shoot out the tires. The pirate kills physician Dr. Frank I. Weifels in the exterior doorway. In sight of the police after the shooting, Salomon is shot dead by marksmen.

Later in the month and in October, the 3 remaining Jumbojets are sold to the Iranian Air Force. Air Alliance is disbanded on December 19.

Passenger boardings jump 8.6% to 7,256,000 while FTKs flown increase a substantial 41.6% to 324.54 million. Despite operating income of \$86.38 million, the company loses \$9.72 million net on total income of \$515.4 million.

The number of employees is reduced by 1% in **1976** to 9,608. Pub lounges and condensed double feature movies are introduced on DC-10 flights. Nonstop Denver to San Diego service is inaugurated on May 21. Petitions for new route authorities are filed with the CAB and an award of a Saipan to Japan route is made.

The Air Line Pilots Association (ALPA) grounds the carrier during a job action lasting from October 23 to November 17. Still, the striking pilots volunteer, six days into the work stoppage, to fly two flights weekly on the routes to Micronesia since air service is the lifeline of those islands.

The strike impacts on the year's total customer bookings, which decline 3% to 7,077,000. Cargo is down 1% to 321.15 million FTKs. Revenues advance to \$551.46 million while expenses are kept in check at \$508.72 million. As a result, the operating profit is \$91.13 million and net gain improves by \$19 million to \$9.21 million.

Peoria joins the route network on February 28, **1977**. As a result of CAB findings in the Denver-Southeast Route Case, Continental receives access to the Florida cities of Miami, Ft. Lauderdale, Tampa, and St. Petersburg from Denver, Tulsa, and Wichita. The Saipan-Japan route is inaugurated on behalf of **Air Micronesia**. A B-727-224 is involved in an accident at Tucson, Arizona, on June 3.

Enplanements for the year total 8,134,000 and, on revenues of \$657.07 million, the operating profit is \$97.49 and net gain is \$25.64 million. Following a lapse begun during the 1973 fuel crisis, the carrier is now able to resume dividend payments.

The number of employees is increased a dramatic 74.2% in **1978** to 11,502.

Capt. Gene Hersche of Flight 603, a DC-10-10 with 14 crew and 186 passengers, attempts to reject takeoff from Los Angeles (LAX) on February 1, after suffering three blown tires while on his takeoff roll. The wide-body goes off the right corner of the runway, catches fire, and comes to rest 664 feet away (2 dead). His last trip before mandatory retirement, Capt. Hersche is credited with saving many other lives by keeping the plane from plunging into a gasoline storage area and car rental parking lot.

In early spring, with airline deregulation becoming U.S. government policy, officials of **Western Airlines** and Continental discuss joining forces and announce plans for a merger on June 1. The same day, the two carriers launch an interchange route from Houston to Calgary (Alberta) via Denver.

The exact plans of the airline merger are made public on July 12. Also in July, President Carter approves transpacific service to Australia and New Zealand. A formal and joint merger application is filed with the CAB on September 19.

Phoenix to Las Vegas direct service is initiated on October 1 and, two weeks later on October 13, Continental launches its longest route as DC-10 service from Los Angeles to Taipei via Honolulu and Guam is inaugurated.

During the fall, frequencies are increased from El Paso and San Antonio. Australian-U.S. relations become increasingly strained on November 12 as the result of a U.S. threat to ban or curtail **Qantas Airways (Pty.), Ltd.** flights to the West Coast unless Australia allows Continental to join **Pan American World Airways (1)** as the second American carrier on the South Pacific route.

Australia rejects the threat on November 3 and indicates that Continental can enter the route only if **Pan American World Airways (1)**

agrees to cut its flights by 50%. After a month of further negotiations, American and Australian diplomats agree on December 15 to let Continental fly between the West Coast and Sydney. The CAB turns down the Western merger request at year's end.

Passenger boardings jump 14% to a record 9,458,000, while cargo moves ahead by 4.5% to 385.53 million FTKs. Operating income advances 17.9% to a record \$771.9 million while expenses are held down to \$729.27 million. The operating profit is \$42.69 million and a record net profit of \$49.19 million is reported.

The workforce is increased by 1.7% in 1979 to 11,700. Houston to Washington, D.C. (IAD) flights commence on January 2 and two long-range DC-10-30s are ordered on February 8.

John Carleton Kivlen commandeers Flight 62, a B-727-224 with 94 passengers en route from Los Angeles to Miami on March 16, soon after its scheduled stopover at Phoenix. There, the pirate demands \$200,000 in ransom and passage to Cuba. However, he becomes isolated after the flight attendant he holds as hostage escapes and must surrender to FBI agents to save his life. Kivlen will be found mentally unstable and will be sent to a psychiatric institution.

On April 29, the carrier receives British permission for service from Los Angeles to Hong Kong via Honolulu and Guam. As the result of the previous fall's negotiations, the older, golden DC-10-10s begin, on May 1, multistop flights to Australia and New Zealand. As the result of the **American Airlines** crash at Chicago on June 9, Continental's DC-10-10 fleet (42% of its aircraft) is grounded for 38 days.

On July 18, the new passenger service to Taiwan is suspended and replaced by an all-cargo service to Taipei. Denver is now elevated to major hub status and from it Continental initiates new or expanded services, beginning on September 1, to the Mexican communities of La Paz, Los Cabos, Acapulco, and Puerto Vallarta and Manzanillo via El Paso and Albuquerque.

Denver to Newark service is inaugurated on October 1, the same day a branch all-freight line is opened from Guam to Hong Kong, while service to Okinawa is ended. Houston to New York flights are launched on October 28. Other markets entered include Las Vegas, San Francisco, San Jose, San Antonio, Phoenix, Peoria, and Washington, D.C. In December, the routes to Taipei and Hong Kong are shut down.

Passenger boardings climb 4.5% to 9,880,000 and cargo ascends 2.7% to 395.8 million FTKs. Coupled to this activity are increased costs (led by surging fuel prices) which get out of hand by rising 29.29% to \$942.85 million on operating income of \$922.33 million, itself a 19.48% rise. The result is an operating loss of \$20.52 million and a net loss of \$13,185,000.

The employee population is cut by 18.7% in 1980 to 10,614. In January, 4 DC-10-10CFs are sold to **Federal Express**; three aircraft will be delivered to the freight line by year's end, bringing in \$28 million.

When President Damm and his executives cannot stem the flow of red ink, Chairman/CEO Six and his board put a new management team into place on February 1. It is led by ex-**Frontier Airlines** (1) President A. L. "Al" Feldman.

On April 14, upon hearing of a possible mechanical defect, the air pirate that has taken over Flight 11, a B-727-224 on the ground at Denver demanding that it depart for California, now elects not to take any chances—and surrenders. He will be tried and sentenced to prison for 20 years.

As the financial crisis worsens and losses exceed \$20 million, a number of routes are closed or altered. The route structure is now changed from a linear network to one employing the hub-and-spoke system, in this case centered on Denver, Houston, and El Paso. Flights from San Jose to Portland and Seattle end on June 1.

New flights are initiated on July 1 from Denver to Casper and Grand Junction. Alexander Damm, former president and current board vice chairman, retires the same day.

Continental and **Western Airlines** again file a joint merger application with the CAB on August 8, but it, too, comes to naught. However, the Alaskan interchange service ends. Significantly, the hard-won Chi-

cago to Los Angeles service, which cannot now be operated at a profit, is cancelled on September 8.

Cuban refugee Rafael A. Castando Reys threatens to set fire to Flight 67, a B-727-224 with 132 passengers en route from Miami to San Antonio on October 25, unless he is taken to Havana. Before he can act, he is seized by crew members, who hold him prisoner until the plane can land and he is arrested. Castando Reys will be indicted on charges of air piracy, tried, convicted, and sentenced to prison for 30 years.

The 2 new DC-10-30s are introduced on the transpacific route on October 26. Two more B-727-224s arrive in November. Flight attendants, members of the Union of Flight Attendants Local No. 1, go on strike from December 5 to 20; despite a mediated agreement first tentatively reached on December 16, the job action will have a morale-busting effect, to say nothing of an impact on holiday traffic. In a further effort to cut losses, two hotels on the islands of Truk and Palau are sold.

Still, customer bookings plunge 18% to 7,420,000 and cargo drops by 35% to 318.5 million FTKs. Expenses rise 11.4% to \$1.05 billion, dwarfing the 7.16% boost in operating income to \$988.32 million. A net loss of \$20.7 million is reported, along with an operating loss of \$61.92 million.

The number of employees grows a scant 1% in 1981 to 10,722. Houston becomes the carrier's main international hub in January and from it, beginning on January 10, the carrier launches scheduled frequencies to the Yucatan peninsula holiday cities of Merida, Cozumel, and Cancún. The CAB's administrative law judge approves the merger plans of Continental and **Western Airlines** on February 6.

Gunman Victor Malassauskas seizes Flight 72, a B-727-224 at Los Angeles on March 5, and demands a \$3-million ransom, but peacefully surrenders to authorities after an 11-hour standoff.

The **Western Airlines** merger plan collapses in March; however, Texas Air Corporation (TAC), parent of **Texas International Airlines**, led by its Chairman Frank Lorenzo, begins buying up Continental stock, initially seeking 48.5% shareholding, up from 4.54%. In response to the Lorenzo announcement, two Continental pilots, Paul Eckel and Charles "Chuck" Cheeld organize a plan for an employee buyout. Company workers vote 8,932 to 359 in favor of the idea and a total of 9 banks are lined up to help with the \$185 million takeover.

The Denver hub is further strengthened and from it many new spokes soon radiate, beginning with service to Tucson on April 1, Indianapolis and Omaha on April 28, Boston and Lincoln on June 1, Philadelphia and Milwaukee on June 1, and Minneapolis on August 1.

The PATCO air traffic controller's job action, which begins on August 3, and a fight for control of the floundering one-time local service carrier darkens the picture significantly.

Tragedy occurs on August 9 when President Feldman, despondent over the recent death of his wife, takes his own life. He is succeeded on August 11 by George Warde as the banks withdraw their support from Eckel and Cheeld's initiative. A DC-10-10 is outfitted with winglets and begins six months of trials on August 31.

Additional markets are opened during the fall, including Salt Lake City on September 15, Pensacola on October 1, Melbourne, Australia, on October 23, and New York (LGA), Green Bay and Louisville on October 25.

On November 25, TAC wins control of 50.8% of Continental's stock while service to Orlando and Tampa begins on December 1. During the year, Patricia Burr, hired two years earlier, becomes the first woman appointed to a managerial position within the carrier's finance department.

Passenger boardings dip 0.4% to 8,407,000 and cargo is up 0.9% to 249.12 million FTKs. The percentages on operating income are higher than on expenses, but the actual figures are reversed. Revenues ascend 8.78% to \$1.07 billion while costs climb 8.05% to \$1.13 billion. As a result, a \$59.71 million (operating) loss is taken and the year's \$95,299,000 net decline is the largest fiscal reversal in company history to date.

Announced as a "prosperity plan," a new cost cutting and staff reduction program is introduced on January 25, 1982. A new board is elected

in March made up of TAC nominees, including Lorenzo and duplicate time tables for TIA and Continental are published on June 1. On July 13, Texas International and Continental merge under the TAC umbrella; Bob Six retires. A whole new airline, cleared of overlap and built around the former Continental's name and route structure, takes to the air on the effective operational date of October 31.

New destinations taken over from TIA include Cleveland, St. Louis, Jacksonville, Hartford, Monterrey, and Guadalajara. New slots are now taken at Great Falls, Billings, and Rapid City while the Venezuelan cities of Maracaibo and Caracas join the Latin route network. A new Alaskan interchange arrangement is worked out with **Alaska Airlines**; service is undertaken to Anchorage, Fairbanks, and Prudhoe Bay via Portland.

Houston (IAH) becomes the principal hub, from whence departures rise to 240 per day, and once the 13-year-old interline partnership with **Metro Airlines** is terminated, the major reenters the Houston-Beaumont and Port Arthur market that the large regional had previously served on Continental's behalf.

The combined workforce of 13,800 is 1.9% smaller than that for the two carriers when they were independent. The amalgamated 110-aircraft fleet comprises 11 DC-10-10s, 2 DC-10-30s, 45 B-727-200s, 15 B-727-100s, 22 DC-9-30s, and 17 DC-9-10s.

Former **Pan American World Airways (1)** Vice President Stephen M. Wolf is named president/CEO on December 1, with ex-president Warde sent to Hawaii to oversee **Air Micronesia**. Company executives Michael Conway and Al Frei now depart to participate in the founding of **America West Airlines**.

Traffic and financial results for Continental and TIA are now combined. Overall passenger boardings accelerate 7.4% to 13,181,000 and freight climbs 10.2% to 280.82 million FTKs. Operating income jumps 2.95% to \$1.42 billion, but expenses balloon to \$1.46 billion, including \$90 million to meet interest payments on debt. Losses, though down, continue: \$34.6 million (operating) and \$41.8 million (net). The company's long-term debt is now \$642 million against \$142 million in shareholders' equity.

Financial loss, low production, additional layoffs, cost cutting, and traffic declines continue in **1983**, with the fiscal red ink eventually reaching \$218.5 million. In March, the wholly owned subsidiary Airline Development Corporation is formed to acquire Continental Computer Systems. Also during the spring, Patricia Burr departs the company's finance department for **America West Airlines**, where she will rise to become corporate treasurer a decade later.

Company headquarters are moved from Los Angeles to Houston and the carrier's unions spar with management continuously. The International Association of Machinists and Aerospace Workers (IAM) walks out on strike on August 13. Late in the month, pilots and flight attendants reject a request for \$100 million in temporary concessions.

Nonstop service is begun between Houston and Pensacola on September 1 while additional flights are added between Houston and Midland and Odessa.

On September 14, Chairman Lorenzo offers employees the opportunity to purchase 35% of the carrier's stock in exchange for \$150 million in benefit cuts and productivity increases spread over several years. The local chapters of the pilots' and flight attendants' unions join the IAM in rejecting this plan.

President/CEO Wolf resigns on September 21 and Philip J. Bakes is named as his successor; the same day, the board learns that the airline has only a nine-day cash supply. Lorenzo makes one final appeal for concessions to the pilots, but receives no union response. On September 24 the carrier ceases operations to its 78 domestic cities, lays off 12,000 employees (65% of the workforce), and files for Chapter XI bankruptcy.

Within 56 hours, under court protection, Continental resumes flights to 25 domestic markets while its international routes are maintained as they were before the bankruptcy filing. All of the DC-10-10s and 30 B-727s are grounded and the remainder undertake low-cost, \$49, one-way fares between city pairings.

Only 4,000 employees remain when, on October 1, both pilots and flight attendants strike the company. All union contracts are now cancelled and new, lower wage rates are imposed. While the unions continue their job actions and discussions are held, the carrier begins to rebuild its domestic network and introduces a new round of low-cost fares—\$49 on any nonstop flight—on October 23.

Unions representing Australia's airline employees vote on November 4 to deny support service for the carrier's daily flight from Los Angeles to Sydney and Melbourne, an action designed to halt the flights in sympathy for their Continental comrades.

A DC-9-30, with Frank Lorenzo among its passengers, lands by mistake on a taxiway between two runways at Denver on November 10. Service to Portland is resumed on November 15, at which point just under half of the former capacity is flown. A new two-tier pricing structure is introduced on December 16 and service is resumed by year's end from Denver to Minneapolis, Salt Lake City, and Colorado Springs.

The year's traffic reflects the turmoil as enplanements fall 24.3% to 9,978,000 and cargo plunges 28% to 202.33 million FTKs. Although revenues are down 5.10% to \$1.1 billion, costs jump 2.25% to \$1.24 billion. The operating loss deepens to \$145.1 million and the net loss is, as noted above, a huge \$218.5 million—the largest suffered by any U.S. carrier this year.

The 10,614-employee carrier gradually expands its markets in **1984**. Houston-Miami and Denver-Phoenix flights begin on January 15 followed by service to Omaha in February. Detroit and Philadelphia provide slots on March 1. New Pacific routes are also opened from Guam to Tokyo nonstop on March 18 and Honolulu to Guam nonstop on March 31.

Meanwhile, on March 24, the rear stairway of a B-727-224 comes open in flight, forcing the plane's pilot to make an emergency landing at Denver; the inner door had remained closed and no injuries are reported.

McAllen, Texas becomes a stop on April 1. Frequencies are launched to Albuquerque and Ontario, California in May and to San Jose, Dallas (DFW), and Boston in July.

Continental now makes an attempt to take over controlling interest of the UMDA, 60% owner of **Air Micronesia**. As the 4 B-727-024Cs operated under "Air Mike" colors continue to service their routes, negotiations with the Pacific Ocean islands involved continue. Simultaneously, the mainland major combines its south and mid-Pacific operations under George Warde's Continental Air Micronesia division, based in Honolulu.

Two new DC-10-30s are now placed on the transpacific service, beginning with a July 1 routing from Guam to Taipei and Hong Kong. Pensacola resumes its previous network position on August 1 and service to Milwaukee and Cincinnati starts on September 5.

In the fall, 3 McDonnell Douglas MD-80s are leased to assist with the domestic load and President Bakes promises a plan of reorganization and repayment will be presented to the bankruptcy court during the following June. TAC in October orders 24 B-737-3T0s, announcing that half will be leased to an expanding Continental. When creditors object, the court rules that the first 4 be delivered on schedule and that the arrival of the remainder be pegged to the company's first-half success.

Before the month is over, the holding company also announces creation of a joint-marketing airline to be owned with Continental and known as **Continental West Airlines**. Based at Los Angeles, it will be TAC's agent to receive and employ the B-737-3T0s ordered for Continental but blocked from delivery by the court. Late in the year, orders are placed for 3 new and 3 used Airbus Industrie A300B4s.

Assisted by a suspension of various economies, including payments on debts incurred before Chapter XI, Continental increases its passenger boardings by 9.45% to 11,100,000 and freight traffic by 3.5% to 215.17 million FTK. Revenues grow by 6.2% to \$1.19 billion and costs (led by gains made through the cancellation of all union contracts and imposition of lower wage rates) drop 14.9% to \$1.08 billion. Operating income turns around to post a \$109.54-million gain and a net profit of \$50.3 million (largely assisted by a suspension of debt payment) is posted, the first gain enjoyed since 1978.

The payroll grows 20.6% in 1985 to 12,800. In May, the company reaches agreement with **Garuda Indonesian Airways** for the start of joint operations to the holiday island of Bali. Simultaneously, the carrier closes down Continental Air Micronesia and all routes to the Pacific are now operated as full Continental services. The reorganization plan promised for June is pushed later into the summer, and then beyond. Meanwhile, in late July, frequencies are begun to Reno, Nevada, bringing to 48 the number of domestic cities served.

Weekly service begins in cooperation with the Indonesian flag carrier on August 18. Employing a **Garuda Indonesian Airways** DC-10-30 painted with its own colors on one side and Continental's on the other, Garuda crews operate the Bali-Guam sector and Continental flies on from Guam to Los Angeles via Honolulu. The same segments are handled in reverse on the return. Minority interest in **New York Air** is purchased on August 28 for \$32.5 million. On August 29, **Continental West Airlines** begins low fare services on the West Coast, from Los Angeles to San Jose and Seattle.

In the fall, a new subsidiary, Cargo Development Group, is established to control company freight operations and a suit is filed against **American Airlines** charging that its SABRE computerized reservations system demonstrates bias against Continental flights. The joint **Garuda Indonesian Airways** service to Bali becomes twice-weekly in November. During the year, the fleet is increased by 26 airliners, including the first of 3 new and 3 used A300B4-203s.

Customer bookings increase 45.2% to 16,165,000 and cargo climbs 26.9% to 272.98 million FTKs. Revenues jump a huge 45.9% to \$1.73 billion and expenses are up 44.6% to \$1.57 billion. The operating profit is \$156.7 million. Despite outlays of \$15.7 million in reorganization expenses, \$17.5 million for employee profit sharing, and \$17.8 million as severance pay for former striking pilots, Continental earns, while in bankruptcy, record net profits of \$64.28 million.

Airline employment is increased by 1.9% in 1986 to 13,000. During the first quarter, the long-awaited Continental reorganization plan is unveiled. Under its terms, TAC proposes buying all 20% of the available Continental common shares and completing the merger with **Texas International Airlines**. This approach, received well by creditors, facilitates the financial assistance the carrier requires. Continental, which had delayed its reorganization plan and even its West Coast subsidiary **Continental West Airlines**, is instructed by the court to raise its initial offer by 25% per share, now receives favorable court review, and emerges from Chapter XI.

The block on further B-737-3T0 deliveries to the major is lifted and quickly leads to Continental West's absorption into the major. The entire ploy has an ironic ending—the B-737-3T0s received for employment on the routes of the “complementary” carrier are immediately shifted elsewhere, being replaced by older DC-9-30s.

The joint service with **Garuda Indonesian Airways** to Bali becomes thrice-weekly in April, while additional Airbus Industrie A300B4-203s join the fleet. On May 1, the carrier begins flying in and out of Dallas (DAL) and it is decided to inaugurate a shuttle service between the two airports in Houston.

Ailing competitor **PEOPLEExpress**, launched by former Frank Lorenzo associate Donald Burr, is purchased in early spring, but is allowed to maintain its separate identity during a period of integration. The takeover also brings **PEOPLEExpress'** recent **Britt Airways** and **Provincetown-Boston Airlines (PBA)** acquisitions into the Continental fold. Additionally, the assets of **Frontier Airlines (1)**, recently purchased by **PEOPLEExpress**, also become available, including the significant Denver hub.

While en route over the Gulf of Mexico on August 5, a B-727-224 with 103 passengers encounters turbulence; a passenger, who has disregarded warnings to fasten his seatbelt, is seriously injured.

Continental, later in the year, begins to employ the ex-Frontier and People equipment and facilities at Denver and purchases **Rocky Mountain Airways** and interlines with **Trans-Colorado Airlines** to provide guaranteed “Continental Express” feed.

With the purchase of **Eastern Air Lines** on November 26, Texas Air Corporation now becomes the largest airline holding company in the U.S. While operations of the pioneer member of the “Big Four” are separately maintained, TAC integrates sales into Continental-Eastern Sales, Inc.; freight comes to be handled by the Cargo Development Group. Employing a DC-9-10 under contract, Conroe, Texas-based **Emerald Airways** initiates Continental's Houston Proud Express shuttle flights on August 18 between International and Hobby Airports. In September, the company is \$925 million in debt.

Former chairman Bob Six dies at his home in Beverly Hills, California, on October 6 at age 79. **American Airlines** executive Thomas Platt becomes president in October, at which time TAC Chairman Lorenzo and **Eastern Airline's** new president, Philip Bakes, begin to employ the threat of further intersubsidiary amalgamations or outright divisional and asset sales in negotiating with Eastern's unions.

Also in October, thrice-weekly nonstop DC-10-30 service is initiated from New York to Honolulu, continuing on to Sydney, and twice-weekly DC-10-30 flights originate from Los Angeles to Tahiti, Auckland, Sydney, and Melbourne. The purchase of **PEOPLEExpress/Frontier Airlines (1)** is completed on December 30.

Enplanements for the year accelerate 26.4% to 20,409,000 while freight advances 39.6% to 378.67 million FTKs. Revenues jump 18.55% to \$2.05 billion and costs climb 21.16% to \$1.9 billion. Operating profit declines to \$143.21 million and net gain falls by \$47 million to \$17.94 million.

Airline employment stands at 35,000 in 1987. Police seize Norwood Emmanuel at Washington, D.C., on January 10. Emmanuel had demanded to speak to the leader of the Black Muslim group after passing a threatening note aboard a jetliner en route to the nation's capital from Newark.

Also in January, the route system is expanded by 19 daily roundtrip flights out of New Orleans to Houston (HOU), New York (LGA), Mexico City, Cancún, Los Angeles, Miami, Newark, Orlando, and Las Vegas. During the same month, TAC completes the buyout of minority stockholders at the court-required share price and Continental becomes a wholly owned subsidiary.

On February 1, operations and assets of the TAC subsidiaries **New York Air** and **PEOPLEExpress** are integrated with those of **Frontier Airlines (1)** into Continental in a “big bang” merger. Lorenzo now controls 20% of all U.S. airline seats and, at his height, is labeled “master of the skies” by *Fortune* magazine. Even after the older names are removed from the schedule board, however, they are retained to label corporate divisions and to segregate employment populations and fleets. With 72% of Continental's common stock in hand, TAC moves, on February 6, to acquire the remainder, paying \$16.50 per share.

A twin-engine private plane crossing the runway at Los Angeles on February 25 is clipped by a B-727-224A with 91 aboard during its take-off; no injuries are reported and the flight is not aborted.

The corporate reorganization causes significant difficulty for passengers, who flood the government and media with complaints concerning hundreds of cancelled flights and much lost baggage. In April, System One Direct Access and EAL Automation Systems are acquired from **Eastern Air Lines** and merged.

As a result of the perceived turmoil and during the spring, the U.S. Congress holds hearings on ways to improve airline service quality. Simultaneously, the DOT begins a massive safety examination of Continental and **Eastern Air Lines** and a financial review of TAC itself. Meanwhile, the threat of further cuts into **Eastern Air Lines** is demonstrated by the transfer of 6 A300B4-203s to Continental, along with various airport gates and traditional **Eastern Air Lines** routes.

Work is begun on building up the former **New York Air** Newark hub and continues on the **PEOPLEExpress** center at Denver; new efforts are made to build hubs at New Orleans, Cleveland, and Washington, D.C. (IAD). **Presidential Airways** becomes the “Continental Express” feeder at the latter point, with the major purchasing the large regional's terminal, located in a choice midfield location. At Cleveland, a major

marketing campaign is fought with the airline's rival from Pittsburgh, during which Continental employs the slogan "Nuts to USAir."

A **Delta Air Lines** Jumbojet and a Continental DC-10-30 come extremely close to colliding over the Atlantic Ocean on July 8, missing each other by as little as 100 feet.

During October President Plaskett is forced out, due largely to the operational glitches occurring after February 1.

Also in October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

Flight 1713, a DC-9-14 with 5 crew and 77 passengers, crashes while taking off for Boise in a snowstorm from Denver on November 15 (28 dead). The accident is attributed to icing and pilot error, the captain and copilot having only 203 hours of experience in DC-9 operations between them. An account by surviving Capt. Robert Linck will appear in the December 21 issue of *People Weekly*. Henry Hurt will expand on the incident in his "Miracle in the Blizzard," *Reader's Digest* 106 (February 1990): 101-132.

Late in the year, Continental abandons its Dulles initiative, driving **Presidential Airways** to depart its "Continental Express" affiliation and become a code-sharing partner of **United Airlines**. Orders are now placed for new equipment for the remaining "Continental Express" feeders, **Bar Harbor Airlines**, **Britt Airways**, **Provincetown-Boston Airline**, and **Rocky Mountain Airways**. The orders include 20 EMB-120s, 10 Beech 1900s, and 16 (later 50) Avions de Transport Regional ATR42-300s.

Customer bookings decline by 5% during the 12 months to 40,294,000 while cargo climbs 13.8% to 596.3 million FTKs. Revenues swell 18.19% to \$3.97 billion, costs jump 15.49% to \$3.94 billion, and the operating profit is a slight \$26.51 million. Integration of the subsidiaries results in a net \$258.08-million loss.

The workforce grows by 1.9% in 1988 to 35,649. Early in January, former **Pan American World Airways (1)** Vice Chairman Martin R. Shugrue Jr. becomes president, succeeding Thomas Plaskett, who now wins Juan Trippe's old chair. Shugrue immediately puts into place both operational and financial monitoring and control systems previously lacking. Continental's Houston Proud Express contract is concluded with **Emerald Airways** on January 15, the same day that **Britt Airways** steps forward to assume, with less expensive Fairchild Hiller FH-227B turboprops, the route, now relabeled *Hobby Shuttle*. Also in January, the One Pass frequent flyer program is initiated.

Meanwhile, the government's safety investigation receives wide media attention and does business no good. Surplus capacity problems are encountered and force a 7% systemwide cutback in departures, including 20% at Denver.

Cincinnati Reds Manager Pete Rose apologizes to the company on April 15 for the rowdy behavior of some of his players during a flight from San Francisco to Houston. The pilot of a DC-9-30, bound from Boston to Cleveland on May 30, takes evasive action to avoid hitting a small private plane southeast of Cleveland.

To maintain liquidity, Continental is forced to borrow \$273 million from **Eastern Air Lines** and TAC. In July, it also sells 15 gates at Washington, D.C. (IAD) to **United Airlines**. At this point, **SAS (Scandinavian Airlines System)** steps into the picture, seeking to play a larger role in what it perceives as an airline world rapidly moving toward total deregulation. **SAS (Scandinavian Airlines System)** enters into a broad-based marketing arrangement with Continental—a move that will be followed by **KLM (Royal Dutch Airlines, N.V.)** with **Northwest Airlines** and **British Airways, Ltd. (2)** with **USAir**. The Scandinavian airline consortium purchases 9.9% shareholding in TAC and agrees to move its New York operations to Newark from New York (JFK), meshing schedules at both locations. Joint marketing and frequent flyer programs are undertaken on flights connecting to Scandinavia through the New Jersey airport.

A quality service training institute for employees is also funded and none too soon. A *Fortune* magazine survey of products and services from 306 U.S. companies finds Continental rated the worst. A new domestic and international cargo hub is opened at Newark in August on behalf of the wholly owned cargo services subsidiary Cargo Development Group. Daily nonstop, roundtrips begin in September between Los Angeles and the Mexican community of Los Cabos; departures are cut back another 14% at Denver, from 236 to 202.

In October, twice-weekly B-747-238B flights, employing the first of four Jumbojets leased from **Qantas Airways (Pty.), Ltd.**, are inaugurated from Honolulu to Cairns, with continuing service to Brisbane. In conjunction with the new Cairns service, thrice-weekly San Diego to Honolulu services commence on October 31. Twice-daily Cleveland to St. Louis frequencies begin, along with daily Cleveland to Denver service. Two one-stops to Tampa and Orlando are made nonstop.

In December, flights are initiated from Newark to the Caribbean destinations of Aruba, Montego Bay, Puerto Plata, and St. Martin.

Passenger boardings fall 6% to 37,861,000 while freight holds steady and actually grows by 20.3% to 717.59 million FTKs. Revenues rise 14.6% to \$4.55 billion, expenses jump 13.26% to \$4.46 billion, and operating income of \$83.46 million is generated. A net loss of \$315.52 million must be absorbed. Shareholder's equity drops to \$94.8 million and interest costs reach \$298 million on \$2.2 billion in long-term debt.

The payroll is cut 7.4% in 1989 to 33,000. In February, almost 12 months after becoming president, Martin Shugrue resigns. Shortly thereafter, TAC appoints former **Trans World Airlines (TWA)** Executive Vice President Joseph Corr as the carrier's chairman/CEO; Frank Lorenzo vacates that chair, but holds on to his chairmanships of both TAC and **Eastern Air Lines**. The latter now leases 6 DC-9-30s from Continental.

While on final approach for a landing at Houston after a March 1 service from San Antonio, the cockpit crew of an MD-82 with 117 passengers misunderstands ATC instructions. It begins a 360-degree turn toward a **Trans World Airlines (TWA)** MD-82 with 57 passengers arriving from Austin in the opposite direction. At 900-m. altitude, the two planes miss each other by just 120 m.

In accordance with its shareholding agreement, **SAS (Scandinavian Airlines System)** in March arranges for the election of its chairman, Jan Carizon, to the TAC board of directors.

On April 26, Jumbojet flights commence over the newly won Seattle to Tokyo route.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. Continental, with 19 security breaches, is faced with \$127,000 in punishment.

Four-times-per-week Portland, Maine, to New York (LGA) service is introduced in June, along with new thrice-daily nonstop flights from Groton and New London to Newark, from Bridgeport to Newark, and from Newark to Harrisburg. Also in June, a \$2.8-million order is placed for 50 B-737-300s, with options taken on 50 more.

A B-727-224A aborts its Denver takeoff on August 13 when its tail engine disintegrates, scattering pieces of metal and rotor blades on the runway.

President Corr resigns in mid-October and Chairman Lorenzo takes his position; shortly thereafter Continental's Vice President-Finance Mickey Foret is promoted to the company's presidency. In mid-December, as part of the sale of **Eastern Air Line's** South American routes to **American Airlines** for \$349 million in much-needed funds, Continental agrees to drop its long-standing suit charging bias in American's SABRE computerized reservations system. In addition, **Eastern Air Lines** and Continental slots are turned over at New York (JFK and LGA), Washington, D.C. (DCA), and Chicago (ORD), as well as Eastern's interest in four South American ground handling companies and property in Puerto Rico.

On the gain side of the ledger, a gate exchange is made with **American Airlines** at Dallas (DFW), an agreement to purchase certain computer services from SystemOne is signed, and Continental flights into

Washington, D.C. (DCA) are handled by **American Airlines** ground crews. For the total route and assets exchange, TAC receives \$471 million.

A \$4.5-billion order is placed with Airbus Industrie in November for 20 A330/340 jetliners. During the year, the Continental Airlines Historical Society is formed and acquires the former **Provincetown-Boston Airline (PBA)** high-time DC-3 N130PB.

The year's customer bookings fall 6.1% to 35,350,000; however, cargo grows 5.8% to 759.36 million FTKs. At \$885.6 million, TAC's consolidated net loss is the largest in airline history to date. Continental, for its part, manages to return to profitability, although just barely. Revenues ascend by 8.58% to \$4.94 billion, expenses are up 7.12% to \$4.78 billion, and the operating profit is \$156.21 million. A slim \$3.05-million net profit is achieved, based largely upon a nonrecurring net gain from debt retirement and asset sales of \$81.2 million.

The workforce remains level in 1990, but is still the 10th largest in the world. The fleet (6th largest) now consists of 339 jetliners, including 7 B-747-200s, 2 B-747-100s, 89 B-727-200s, 13 B-727-100s, 10 DC-10-30s, 7 DC-10-10s, 28 DC-9-30s, 7 DC-9-10s, 65 MD-80s, 55 B-737-300s, 25 B-737-200s, 14 B-737-100s, and 17 A300B4-203s. Orders are outstanding for 100 B-737s, 40 A330/340, and 50 B-757-200s, while 5 former **TranStar Airlines** DC-9-51s are leased from **Southwest Airlines**.

On January 8, the company introduces \$9 one-way fare within Texas and to a few destinations outside the Lone Star State. Also in January, nonstop Denver to London service is increased from three to five frequencies per week. Meanwhile, a share of TAC stock purchased in 1980 is now worth \$1,317.

In February, Electronic Data Systems (EDS) proposes acquisition and merger of the SystemOne reservations system in a new partnership with TAC. Continental will become not only a prime contractor, but a 25% shareholder with **Eastern Air Lines** as well. Later in the month, in anticipation of major expansion, the carrier commits \$76 million to improve its facilities at Cleveland Hopkins Airport.

In early March, Continental agrees with the City of Denver to support the construction by the city of a new airport, scheduled to open in 1993, by promising to take a 20-year lease. A \$336-million lawsuit against **United Airlines** that had charged UA with unfair competition through the use of its reservations system, is settled on March 29 just before jury deliberation in a 10-week trial in Los Angeles federal court.

Nonstop flights from Houston to Nicaragua end on April 10. Also in April, the bankruptcy court removes **Eastern Air Lines** from TAC management and TAC changes its name to Continental Airlines Holdings, Inc. (CAHI), with Continental as its major subsidiary. The change eliminates bankrupt **Eastern Air Lines**.

The captain of Flight 1129, a Ft. Lauderdale to Houston service, returns his aircraft to the Florida city on May 14 when a belly compartment fails to pressurize after takeoff, endangering a kitten being transported; the action is quick enough to avoid harm to the feline.

Service is started from Honolulu to Tokyo in June and twice-weekly frequencies are stretched from Guam to Sapporo. Its improvements completed, the carrier increases its Cleveland departures from 126 to 159 every day. Nonstop service is initiated from El Paso, Texas, to Mexico City on July 1; the carrier is the first U.S. major to fly directly from a border city into Mexico since the early 1980s.

During early August, a significant management restructuring is announced. Frank Lorenzo steps down as chairman/CEO and his 2.25 million shares of airline common stock are bought up for \$31 million. Allowed to remain a board member, he also receives \$19.7 million in salary and severance pay, i.e., a "golden parachute." **SAS (Scandinavian Airlines System)** takes a substantially larger stake (from 9.8% to 16.8% total) through its purchase of the former chairman's shares, both in the carrier and his personal investment vehicle, Jet Capital Corp.

Executive vice president and Lorenzo associate, Robert Snedeker and Carl Pohlard, also step down. Senior Vice President-Flight Operations Donald J. Breeding is promoted to vice president operations and former "Continental Express" President Neil F. Meehan becomes senior vice president-customer services.

Iraq invades Kuwait on August 2 and fuel prices begin to dramatically increase. Lorenzo is succeeded as chairman/CEO three days later by former **Delta Air Lines** President/CEO Hollis L. Harris, the seventh president in seven years.

Four-times-per-day roundtrip flights from Atlanta to Newark commence in September and a new "Continental Express" division is now created under President Stephen J. Kolski to combine contract commuters **Bar Harbor Airlines**, **Britt Airways**, and **Rocky Mountain Airways**. At month's end, a DC-10-30 is purchased from **Eastern Air Lines**.

Company officials vehemently deny October rumors that the heavily leveraged company faces bankruptcy.

The EDS proposal fails in November as the two partners cancel their agreement; however, daily Houston to Honolulu service begins, continuing on to Tokyo.

Having acquired both deteriorating finances in a time of recession and high fuel prices and inherited pension plan liabilities from **Eastern Air Lines**, Chairman Harris is forced to again put Continental Airline Holdings (formerly TAC) into Chapter XI bankruptcy, on December 3. Immediately, the 5 DC-9-51s leased from Southwest are returned.

Passenger boardings rise a slight 1.5% to 35,496,000 and, in terms of enplanements, the airline is now the seventh largest in the world. Freight moves upward by 4% to 789.72 million FTKs. Although revenues are up 5.22% to \$5.2 billion (good enough for ninth among all world carriers), expenses are up 13.7% to \$5.44 billion. The operating loss doubles to \$241.81 million and net loss is a mind-boggling \$1.23 billion. CAHI, the parent, sees its revenues down by 6.8% to \$6.23 billion and its operating loss, including the airline's, up to \$426.6 million. The net loss, including the write-off of Eastern, is \$2.3 billion, more than twice the amount ever lost in a single year by the entire U.S. scheduled airline industry combined.

The payroll is increased by 12.1% in 1991 to 37,000 and the fleet now includes 337 aircraft.

In January, the DOT approves the company's Seattle-Tokyo route sale to the AMR Corporation, parent of **American Airlines**, for \$150 million. The bankrupt airline is able to persuade its creditors during March to allow it to take over **Eastern Air Line's** obligations—and thus ownership—for 67 slots at New York (LGA), a flight kitchen, and 6 A300B4-203s.

With funding achieved through reallocation of advertising funds, the carrier introduces a new corporate image in March, designed to help it refurbish its sagging image. Designed by New York-based Lippincott & Margulies, the change includes a new logo that features a stylized globe, blue-and-gold livery, and new aircraft interior designs. Also unveiled are new employee uniforms, facilities, amenities, and corporate materials.

The makeover costs \$50 million and some airline enthusiasts will decry the change from the carrier's former bright colors to what they consider an insipid "corporate white" color scheme.

In April, Chairman Harris announces that plans to sell all or part of Continental in the wake of its bad 1990 have been dropped, but, in self-defense, the company must now engage in the discount frenzy set off by **American Airlines'** new four-tier Value Pricing Plan fare structure.

During the first quarter, Continental acquires 6 more A300B4-203s from **Eastern Air Lines** as well as 64 of that carrier's slots and 6 gates at New York (LGA); a total of 44 new La Guardia departures are started, many replacing Eastern frequencies to Florida. During April, Continental Airlines Holdings and EDS announce a 10-year, \$2.1 billion agreement under which the latter will assume responsibility for all information technology services for SystemOne and Continental.

Following EDS's refusal to follow through on a deal to buy the SystemOne reservations system, a new purchaser is found in Atlanta-based Worldspan. In May, Continental confirms that purchase discussions are underway with a number of potential buyers and, in June, Chase Manhattan Bank agrees to a \$120-million debtor-in-possession loan.

On August 7, the Federal District Court in Atlanta converts an antitrust lawsuit against nine airlines into a class-action suit that could benefit many consumers and cost the carriers millions of dollars. The antitrust suit charges that this company and the others conspired to

keep ticket prices high at 23 hub airports. As the result of the power struggle that now ensues over the future direction of the airline, Chairman Harris and Executive Vice President Lamar Durrett are ousted, also in August.

Carl Pohlad becomes nonexecutive board chairman and Harris is succeeded as CEO by Vice Chairman Robert R. Ferguson III, who must oversee preparation of a new reorganization plan for presentation to the U.S. Bankruptcy Court. Other proteges of the former chairman, Frank Lorenzo, are also promoted, including, Charles Goolsbee, who becomes executive vice president, and Lewis Jordan.

In September, financial considerations cause Continental to eliminate another 890 positions (including 9 vice presidents) and cut management wages. This is on top of the earlier removal of 600 positions, grounding of 22 aircraft, and cut back of the flight schedule by 6%.

A B-727-224A brushes an **American Airlines** aircraft at Newark on October 16 and 23; people suffer minor injuries in the emergency evacuations that follow. An agreement is reached with a Hong Kong investment group on October 27 for the sale of the carrier's Micronesian routes for \$270 million.

Still more cost-cutting measures are put in place in November and December, with most operations centered on New York (LGA) sold to **USAir** in December, as are a number at Washington, D.C. (DCA). A total of 114 slots plus the East End Terminal at La Guardia are sold for \$61 million.

Customer bookings for the year ascend 4.4% to 37,818,000 and cargo rises a similar 4.2% to 823.07 million FTKs. Although revenues are up by 1.56% to \$5.28 billion, expenses increase 1.99% to \$5.55 billion and cause an operating loss of \$269.14 million. The net loss improves to minus \$340.91 million. Meanwhile, parent Continental Airline Holdings sees its revenues fall 10.9% to \$5.55 billion. The operating loss is cut in half to minus \$218.9 million and the net loss is \$305.7 million.

Company employment grows 3.5% in **1992** to 38,300, despite the fact that massive wage cuts of \$108 million (10% average per worker) are put in place. In the spring, former President/CEO Harris becomes president/CEO of **Air Canada, Ltd.** In June, a new contract, the first in nine years, is signed with the carrier's flight attendants union and, during the summer, service is inaugurated to Paris, Quito, Leon, Little Rock, and Midland from Houston and to Munich, Frankfurt, and Madrid from Newark.

In July, it is reported that Houston investor Charles Hurwitz has reached tentative agreement with the airline's parent whereby a group he leads will acquire 72% majority ownership. Another Houston businessman, Alfredo Brener, leading the consortium's acquisition vehicle Houston Air, offers \$385 million for Continental Airline Holdings in August, bettering the Hurwitz bid by \$60 million; under U.S. law, Brener, a Mexican citizen, can only obtain 25% shareholding.

In the fall, company officials file a new reorganization plan with the bankruptcy court, one which has been approved by its unsecured creditors and, not long afterward, by the judge. Under its terms, three new companies are to be created from existing subsidiaries. **Continental Micronesia, Inc.** will continue to operate the Pacific routes started as **Air Micronesia** while former subsidiary SystemOne Corp., Inc. remains in charge of reservations services. **Continental Express, Inc.**, formed the previous year, combines the operations of **Britt Airways** and **Rocky Mountain Airways**.

As of September, Continental leads the list of U.S. majors providing sports charters. In addition to providing a total of 225 nonscheduled flights for 17 professional baseball teams, the carrier has 11 National Football League (NFL) teams under exclusive contract, including the Buffalo Bills, Cleveland Browns, Houston Oilers, Indianapolis Colts, Los Angeles Raiders, Los Angeles Rams, New England Patriots, New York Jets, Philadelphia Eagles, San Diego Chargers, and Tampa Bay Buccaneers. So much sports charter work is undertaken that 4 to 8 aircraft, ranging in size from B-737s to an A300, are dedicated to it; flight attendants who service the flights receive special training.

The most important news of the year arrives just before the holidays in November. Continental Holdings signs an agreement with **Air**

Canada, Ltd. and Air Partners I.P. under which the new Canadian and American partners will purchase majority (62.2%) interest (\$140 million in equity and \$310 million in new debt securities). Business First is introduced in December, combining elements of both first-class and business-class services.

Passenger boardings ascend 2.6% to 38,791,000, but freight is down 3% to 798.18 million FTKs. Revenues decline 1.4% to \$5.2 billion and expenses fall 2.7% to \$5.4 billion. The operating loss is cut to \$107.6 million and net loss descends to \$125.3 million.

The workforce is reduced by 5.5% in **1993** to 36,191, the 10th largest airline employee population in the world. The world's 7th largest fleet consists of 316 aircraft, including 3 leased B-747-200s, 2 chartered B-747-100s, 1 owned B-727-100, 80 chartered B-727-200s, 6 leased DC-10-10s, 13 chartered DC-10-30s, 3 owned DC-9-30s, 31 chartered DC-9-30s, 10 owned and 55 leased MD-80s, 10 owned and 48 chartered B-737-300s, 12 leased and 8 owned B-737-200s, 13 owned B-737-100s, and 2 leased and 19 owned A300B4-203s.

In February, the creditors approve the carrier's new reorganization plan. Federal Judge Marvin H. Shoob approves a \$458-million settlement of a class-action antitrust lawsuit on March 22 that charges the carrier and five others with price-fixing. Travelers will now be able to receive discount airfare coupons to compensate for overcharges by the carriers on flights between January 1988 and June 1991. Also in March, a firm order for 20 A330/340s is cancelled, along with options for 18 others.

Virgin Atlantic Airways, Ltd. complains to the national advertising division of the Council of Better Business Bureaus on April 11 concerning the line's Business First service.

While landing at Denver on April 26 following a service from Salt Lake City, an MD-82 loses 40 km. in air speed when caught in a wind-shear; the aircraft stalls and its after undercarriage hits the ground hard. No injuries are, however, reported.

Just after landing at Denver the next day, on a service from San Francisco, an MD-82 with 113 passengers suffers a landing gear collapse that causes the aircraft to skid to a halt with its wing touching the ground. An emergency evacuation is carried out and there are two slight injuries.

The financial rescue package of **Air Canada, Ltd.** and Texas-based Air Partners I. P., together with a large loan from General Electric, takes effect on April 27, allowing Continental to emerge from Chapter XI bankruptcy for the second time in 11 years. Under U.S. foreign ownership law, the Canadians hold only a 24% minority voting interest (28.7% on an undiluted basis), with Air Partners having 41% more, along with 39.8% held by unsecured creditors and 2.8% assigned to the employee pension fund. "Fresh start" accounting methods go into effect the next day as Air Partners' David Bonderman takes office as chairman. The long-term debt is now \$1.7 billion (down from \$5 billion) and \$600 million in cash is on hand.

As part of its investment, **Air Canada, Ltd.** simultaneously signs a comprehensive marketing agreement with Continental that includes code-sharing and joint frequent flyer programs with links through Continental's Newark and Houston hubs to other U.S. destinations. Other aspects of the arrangement include reciprocal ground handling and general sales, joint purchasing, inventory sharing, and maintenance cooperation. Daniel P. Garten is named senior vice president/chief financial officer on May 1. Orders are now placed for 50 B-737-300s, 12 B-767s, 25 B-757-200s, and 5 B-777s with options are taken on 98 more.

Company pilots vote to join the upstart union, Independent Association of Continental Pilots, on July 7, rejecting membership in ALPA. A week later, on July 14, service is inaugurated from Houston to Vera Cruz. On July 27, a comprehensive agreement and strategic marketing alliance is signed with **Air France**, which is designed to see the two carriers blend their schedules and share passenger check-ins, allowing greater convenience for passengers traveling across the Atlantic.

On August 2, Continental is one of seven carriers to win an Air Force contract to provide long- and short-range international airlift services under the Civil Reserve Air Fleet program; the pact is valued at \$9 million.

The airline is taken to court in August by **UltrAir**, which has ceased scheduled operations from Houston (IAH) charging illegal, anticompetitive, and predatory behavior by the major.

Under the direction of President Ferguson, who promises profits within a year, the company, on September 9, begins testing a new strategy for short-haul routes, adding more frequent service for flights of less than 2 hours on a network of some 12 cities in the East, while lowering ticket prices.

Also in September, it is announced that capacity will be reduced by 10%; in addition to the return of 30 older aircraft, including 8 B-727-200s to lessors, Continental will cut service to 9 cities (including all of those served in Australia and New Zealand) and eliminate up to 2,500 positions.

Company officials on October 1 will unveil Ferguson's CALite low-fare operation as their vehicle with which to challenge both **Southwest Airlines** and **USAir**. (CALite is an internal term, not marketed, but seized upon by the media.) The famous "Peanuts Fares" from the early 1970s are reintroduced as the carrier, betting its future on its new approach, signals a willingness to resume the famous airline war fought—and lost—by predecessor **Texas International Airlines** 20 years earlier.

After several years of restoration, the CAHS DC-3 N130PB, wearing 1950s livery and with cabin and flight attendant crews in historic uniforms, is in Baltimore for the CALite kickoff which sees the new division offering point-to-point service in 50 markets.

As the result of a push by the U.S. House of Representatives to have the FAA check air quality in airliner cabins, the Federal Center for Prevention Services issues its report on October 20. It shows that there is compelling evidence that a Continental flight attendant with active tuberculosis infected 23 crew members who worked with her during the early fall.

The agreement with **Air France** comes into effect on November 1.

On November 17, a B-727-224A arriving from Houston with 88 aboard nearly lands at Chicago (ORD) without its landing gear down. An accident is averted after the pilot of another jetliner notices the situation and radios a last-minute warning.

In response to the public's acceptance of CALite during its first weeks, the program is expanded in December. In addition to the extension of the low-cost service to Providence and Boston, Continental boosts frequencies to 256 daily departures between 79 city pairs in the eastern U.S. The company is unable to keep up and runs into great difficulty as it attempts to reposition spares, ground crews, and other tooling while employing 10 different Boeing, McDonnell Douglas, and Airbus plane types.

Customer bookings for the year inch up 0.7% to 38,628,000, still 6th best in the world, while cargo falls 11.7% to 704.53 million FTKs. Although revenues rise 5.1% to \$5.77 billion, expenses move ahead by 3.4% to \$5.79 billion. Consequently, there is a \$17.68-million operating loss. Net profit skyrockets to \$2.6 billion, but is actually a total write-off of the debt accompanying emergence from Chapter XI.

Airline employment is reduced another 4.8% in 1994 to 37,800. Early in the year, Continental joins in the bankruptcy reorganization of **America West Airlines** by signing a commercial alliance with the Phoenix-based major. Continental puts in some \$13 million, gains 4% shareholding, and will share ground-handling, frequent flyer programs, airport facilities, marketing, purchasing, and codes. Gates are now requested at Dallas (DAL), home base of arch rival **Southwest Airlines**.

In its continuing effort to mimic its rivals, CALite, on February 1, spreads its discount fares to more than half of its 2,000 daily departures and adds Chicago (MDW) and Greenville, South Carolina, to its route network. The first new jetliner delivered in 6 years arrives on February 8, a B-737-524; it is one of 50 "Baby Boeings" on order.

Boeing Commercial Aircraft executive Gordon Bethune becomes president/chief operating officer and begins his service on February 14. Shortly after his arrival, he is buttonholed by a company pilot, who explains how the airline is about to fail.

USAir counterattacks CALite on February 16, increasing frequencies in a number of its short-haul markets. Problems with CALite continue

to mount and the decision is taken to reduce the workforce by 40% through Labor Day.

Flight 795, an MD-82 piloted by Capt. Philip A. Wright with 6 other crew and 81 passengers, fails to gain sufficient speed for take-off from New York (LGA) on March 2 in a snowstorm. When the liftoff is rejected, the aircraft runs off the end of Runway 13 and stops just 8 feet from Flushing Bay, its nose dangling above the water. All aboard are evacuated, some with minor injuries.

The CALite "Peanuts Fares" operation is doubled on March 9, with daily departures growing to 875 in 293 markets; the figures represent 25% of the airline's total capacity.

On March 17, the U.S. government settles an antitrust suit against Continental and five other airlines. They agree to changes in their reservations systems, which the government had complained were used to fix airfares. Without admitting or denying the accusation, it is agreed by the companies to end the practice of communicating proposed fare increases to each other through the system maintained by the Airline Tariff Publishing Company. Also during the month, daily departures at the Denver hub are reduced from 139 to 107.

In April, the airline announces that 1,000 additional positions will be eliminated. Talks are initiated for the sale of the "Continental Express" division and service is suspended to 10 cities, 7 of which are "Continental Express" destinations. Pay cuts instituted during the bankruptcy are restored and a block of one million shares, equal to 4% of the airline's total stock, is turned over to employees.

A strategic marketing and code-sharing agreement is signed with the Italian flag line **Alitalia, S.p.A.** on May 1. Under its terms, the two agree to link their Newark to Rome routes, employing a Continental DC-10-30 painted in the Italian line's colors on one side and the American carrier's on the other. This code-sharing arrangement will be complemented by joint marketing and frequent flyer programs that will help customers of the Italian line make connections with over 140 flights per day to and from U.S. domestic destinations.

Two days later, the prices of unrestricted flights to Europe are cut by as much as 67% from 28 U.S. cities. On May 5, it is announced that CALite will be expanded as more no-frills, coach-class seats will be taken from first-class seats now in service.

Ten days later, the company begins to raise by one-third the number of flights on which it offers unrestricted low fares, expands its no-frill short-haul service, and hires 400 more pilots. The first of two B-757-224s to arrive during the month is delivered on May 12 and enters service eight days later.

As part of a humorous promotion offering low-cost "Peanuts Fares," the company, on June 22, offers families with the last name of Nutt the chance to join in ribbon-cutting ceremonies at 14 airports where service is being expanded.

In July, the CALite identity of the company's low fare, no-frills service is changed to Continental Lite (CO Lite); the division's 100 aircraft and dedicated gate areas are painted in this new livery and title, including the first B-737-524 available at the changeover ceremony. The company notifies its employees on July 7 that it will close its Denver crew base on October 31 and transfer 529 pilots and 863 flight attendants to other bases.

Joint service with **Alitalia, S.p.A.** from Rome to Newark begins in July. Later in the month, the third of 25 B-757-224s is delivered.

At the same time, the Flight Test Group is established under the direction of Capt. Bob Hutton, contract flight training director. Fifteen senior captains over age 60 will perform critical flight tests and ferry flights, saving the carrier more than \$1 million within a year.

With the expansion of services on September 7, CO Lite accounts for more than half of the airline's daily departures (998 of 1,675) and is in 70 U.S. market pairs.

Code-sharing flights with **America West Airlines** commence on October 1 over 59 domestic airports via the AWA hubs at Phoenix and Las Vegas and the Continental hubs at Houston and Newark. The Denver crew base is closed, as scheduled, on October 31.

On November 3, the carrier announces that it is conducting an internal analysis that may result in the transfer of as many as 1,400 maintenance positions out of Los Angeles (LAX). Five days later, on November 8, Continental sends an internal memorandum to its employees announcing that it will begin immediately to close its maintenance bases at LAX and Denver, subcontracting its maintenance work in both cities. Plans are outlined on November 12 for the elimination of \$150 million in costs during 1995, including an elimination of 1,640 jobs from the maintenance bases at both LAX and Denver.

Also in November, Vice Chairman/CEO Ferguson, having failed to make good on his promise to turn a profit within a year, is replaced by Gordon Bethune. Bethune, who had threatened to depart unless he received a board seat, now receives a \$1.5-million bonus and the board cochairmanship. He also has the board elect Bain & Company consultant Greg Brenneman to the post of president/chief operating officer. He also begins the replacement of 50 of the airline's top 61 executives with 20 of his own choice.

The Independent Association of Continental Pilots, in December, asks for federal mediation of its contract differences with the carrier. At the same time, the airline becomes the first to operate aircraft equipped with a predictive windshear detection system, the RdR-iB equipment of Allied Signal recently certified by the FAA. Later in the month, a 10-year, \$200-million agreement is reached with GE's Engine Services Department for the overhaul of jetliner engines.

According to a report in the July 4, 1997 on-line issue of the *Knight-Ridder/Tribune Business News*, CEO Bethune and Chief Operating Officer Brenneman now forge a plan to turn the airline around "over a few bottles of wine at Bethune's dining room table."

Overall passenger boardings for the year accelerate by 9.3% to 42,202,000, but freight drops 11.3% to 624.75 million FTKs. Revenues slip by 1.7% to \$5.66 billion even as expenses fall 1.8% to \$5.68 billion. The pretax loss is down to \$10.97 million and there is a \$613.34-million net loss.

The workforce declines 16.6% in 1995 to 33,700. Four A300B4-203s are grounded and the 13 others will be withdrawn from service before the end of the year.

During the first week of the year, it is announced that 40 daily CALite flights will be added out of Greensboro, North Carolina. At the same time, it is noted that services out of Cleveland will also be reshuffled.

Four of the company's international flights must be diverted to Bangor, Maine, for customs clearance on January 9, because of early morning electrical power problems at Newark. The same disruption also causes the carrier to cancel most of its 62 New Jersey departures and 37 arrivals. Services return to normal next morning.

On January 10, the number of daily departures from Cleveland to Chicago, Milwaukee, and Indianapolis are cut by two, from Greensboro, Baltimore, and Houston by one, and flights to Providence are eliminated. Seven daily jet flights to Detroit, Buffalo, and Louisville are replaced with commuter services.

Five days later, an announcement is made that, in the process of weeding out unprofitable routes, as many as 4,000 jobs may be lost, most to early retirements, leaves of absence, normal attrition, and some layoffs.

On January 26, a DOT consent order is agreed to under which Continental will pay a \$38,000 penalty and distribute 60,000 discount travel coupons to settle charges that it failed to disclose fuel surcharges in its advance advertising of fares. During the month's third week, CEO Bethune launches a "Go Forward" plan to revive the carrier. Its tenants include large cuts in the CO Lite operation, an 18% reduction in capacity, a deferment in Boeing aircraft deliveries, suspension of payments on major leases and debts, and a postponement in pay increases.

The airline is one of three majors that announce, on January 30, an average \$40 fare increase for those passengers flying roundtrips into or out of the new Denver International Airport when it opens at the end of February.

On February 1, Greenwich Air Services of Miami signs a five-year contract to provide renovation and maintenance services for the airline's aircraft engines.

Beginning on February 2 and continuing through April 23, the carrier and **America West Airlines** implement a second phase of their 1994 agreement. During these weeks, AWA performs ground handling and customer service functions for Continental at the airports at Salt Lake City, Albuquerque, El Paso, Tucson, Seattle, and Omaha. Continental returns the favor for AWA at Baltimore, Philadelphia, Chicago (O'Hare), Orlando, and Tampa. As a result of the changes, 157 Continental and 130 America West employees are offered transfers to cities where the new jobs are created.

Company officials announce on February 14 that they will match the fare cuts for winter and spring travel to the U.S., Europe, and the Caribbean started by **American Airlines** and **America West Airlines** two days earlier.

On February 27, Flight 34, a DC-10-30 en route for London, is the last scheduled airliner to depart Denver's Stapleton International Airport. Operations are transferred to the new Denver International Airport the next day.

On March 1, in the face of complaints from thousands of travelers, Continental officials admit that they erred the previous year in changing the travel rewards for its most frequent flyers and reinstates its previous One Pass Elite program. On the same day, the CO Lite flights and others are boosted from Greensboro, North Carolina. Of the company's 162 daily departures from the airport, 100 are Continental—57 jet and 43 commuter.

A few days later the company, in partnership with **America West Airlines** under the marketing agreement signed the previous October, increase by 30 the number of dual-designator airports visited.

A new in-flight communications system, FlightLink, is introduced; available on select flights, the interactive service operates from personal seatback-installed viewing screens and a keyboard at each seat.

Although the cap on travel agent commissions remains officially in place, the company, together with **Delta Air Lines**, breaks the majors' February collective decision on payments on March 28 by beginning to offer financial incentives that will reward larger travel agencies for exceeding their sales goals.

On April 13, company executives announce an end to CO Lite low-fare services. Although many operational changes instituted for the scheme will be retained, the company will reduce flooded routes to such cities as Greensboro and raise the previous bargain-basement fares. First-class service will be returned to all-coach planes. Overall, CO Lite is held responsible for \$120 million in company losses in 1994 and \$140 million since its start in late 1993.

En route over Utopia, Texas, on April 19, an MD-82 with 58 passengers encounters clear air turbulence while trying to avoid a line of thunderstorms; one flight attendant is seriously injured.

E-Ticket, a new ticketless travel program that allows passengers to make reservations and select seats through an automated ticket machine, is introduced on April 20. The system has been jointly developed by AT & T's Global Information Solutions, General Motors' Electronic Data Systems, and Continental.

Continental launches what has become a seasonal airfare competition on May 1 by offering discounts of up to 35% on off-peak summer travel on certain days. The other majors quickly match the carrier. At the same time, Lawrence Kellner, the chief financial officer for American Savings Bank, is named Continental's executive vice president/chief financial officer.

When **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)** announce a new alliance on May 11, the latter also reports that it will drop its strategic relationship with Continental in favor of a new relationship with **United Airlines**.

While waiting to takeoff from Newark on May 19, the right horizontal stabilizer and elevator of a B-737-524 with 288 passengers is brushed by the left wing of an **SAS (Scandinavian Airlines System)** B-767-283ER. Neither plane is evacuated.

Meanwhile, a second B-737-3TO with 95 passengers on approach to Tallahassee encounters a downdraft that causes the aircraft to lose 400 ft. of altitude. A passenger, against orders to remain seated, falls and breaks her right ankle walking toward the lavatory.

The same day, Continental offers its pilots a 38% pay raise via the leadership of the Independent Association of Continental Pilots.

It is reported on May 25, that **Mesa Air Group** has entered into discussions with Continental for the purchase of its **Continental Express** subsidiary. Under terms of negotiation, Mesa would take over the major's commuter in exchange for a 33% investment in MAG by Continental valued at \$90 million. **Mesa Air Group**, which had lost its president, Jonathan Ornstein, to **Continental Express** the previous year, rejects the estimated \$90-million offer on June 2.

The effects of Hurricane Allison cause the company's daily on-time performance to fall to just 77% during the first week of June. Reflecting the company's growing success this year is the decision, implemented on June 12, to raise fares on certain of the carrier's Business First services from Newark and Houston (IAH) to London and from Los Angeles to Paris.

On June 26, it is announced that **Air Canada, Ltd.** will add eight more daily flights to the U.S. as part of its expanding alliance with Continental. Such nonstop Continental routes as Vancouver to Newark and to Houston (IAH) will seamlessly open to the Canadian carrier's passengers while Air Canada will provide 26 daily flights to Continental.

Following 18 months of negotiations, the airline and the Independent Association of Continental Pilots reach agreement on June 28 for a new contract. Subject to member ratification, the pact provides for 13.5% and 5% pay increases in the next two years.

Lawrence "Larry" Kellner is appointed chief financial officer during the month.

After considerable effort, all of the carrier's airliners, by July 1, wear the same livery for the first time in years. Daily roundtrip B-757-224 service is inaugurated on July 15 between Newark and Manchester, England.

During the last week of the month, an extensive marketing alliance is entered into with **USAfrica Airways**. The new entrant, which had suspended operations in February and entered Chapter XI bankruptcy protection, has (wrongly as it turns out) expectations of emerging in November and resuming its flights. Continental, for its part, will code-share on **USAfrica Airways** flights and provide ground handling at Newark.

On August 26, Continental, followed closely by **Northwest Airlines**, temporarily cuts fares by up to 58% on certain routes.

Retroactive to July 1, the pilot contract is ratified by vote of the local union's membership during the first week of September; it is the first collective bargaining agreement for Continental flyers since 1983.

On September 7 a total of 95 skycaps—the uniformed airport porters who check bags at curbside—are eliminated at 10 Continental cities. The service is contracted out to Cleveland-based International Total Services; displaced workers are allowed to transfer to the new employer.

Thrice-daily B-737 roundtrips commence the same day between Houston and Nashville. Jet service from Houston to Corpus Christi is simultaneously increased from two daily roundtrips to three. At the same, the carrier's four-times-a-week nonstop roundtrips from Houston (IAH) to Puerto Vallarta, Mexico, are increased to daily.

By mid-month, the carrier is operating a total of 404 jet and commuter flights per day from Houston (IAH).

On September 29, all warrants held by **Air Canada, Ltd.** for future purchase of Continental Airlines common stock are purchased by the American major for US\$50.5 million, giving the Canadian carrier a significant third-quarter gain. The warrant sale does not affect the northern airline's ownership of 18.5% of Continental's outstanding stock or its voting rights stake of 23.8%.

By October, E-Tickets are available in 86 originating cities and via travel agents for departures from San Antonio, Houston, Dallas (DFW), and New Orleans.

While en route from Houston to Los Angeles on October 22, "blue ice"—toilet fluid frozen onto the fuselage—breaks loose and is ingested into the left engine of an MD-82, putting it out of commission. The jetliner is diverted to El Paso, where a safe emergency landing is made.

While a shipment of 2,800 pounds of phosphorus matches is being loaded aboard a B-727-224A at Panama City, Panama, on November 7 for a flight to Houston, a fire erupts in cargo bins 3 and 4. No one is hurt among the three crew, three security agents, and four cleaning personnel aboard and the aircraft is safely evacuated. Continental immediately suspends the acceptance of hazardous material cargos from Latin American countries while checks are made; the trijet will be ferried back to the U.S. for repairs.

During the third week of November, directors of the Independent Association of Continental Pilots vote to join ALPA. After significant reformation of finances and management, the company, by month's end, is out of default and has negotiated much of its debt down with lower interest rates.

ATC notices sparks coming out of the left engine of an MD-82 as it is taking off from Newark on December 1; the departure is quickly aborted.

Also during the last quarter, Continental, which has made significant progress in its on-time performance rating, also tops the industry in baggage handling. Employees are rewarded with a \$100 bonus.

At the same time, a new marketing alliance is signed with **World Airways** for a route to be inaugurated to Johannesburg next summer. The decisions to eliminate CO Lite focus on hubs, boost service levels to improve unit yield and revenues, and dispose of excess capacity brings about what Chairman Bethune labels "one of the most dramatic [fiscal] turnarounds in U.S. business." Company morale has also improved—so much so that employees provide Chairman Bethune with a surprise Christmas gift of a Harley Davidson motorcycle.

Traffic figures reflect these changes, dropping 11% in enplanements to 37,575,000 and 22.6% in cargo to 2.97 billion FTKs. Operating income moves up 2.7% to \$5.82 billion and costs fall 4.2% to \$5.44 billion. This year there are profits: operating gain totals \$385 million and a \$224 million net profit is widely reported.

Airline employment stands at 43,000 in 1996, a 27.6% increase.

On January 5, Continental outbids AT & T, American Express, and Bell Atlantic to win a \$29-million, 12-year contract to place its name on the Brendan Byrne Arena in East Rutherford, New Jersey. The facility, home of the New Jersey Nets NBA basketball team and the New Jersey Devils NHL hockey team will henceforth be known as Continental Airlines Arena.

A major winter storm disrupts airline operations on the East Coast between January 7 and 11. Although the carrier must cancel over 1,500 flights during this period, its Severe Weather Action Plan allows Continental to divert aircraft from the region. Services resume from the Newark hub late on January 11.

The January issue of *Air Transport World* magazine names Continental as its 1995 "Airline of the Year." During the third week of January, a code-sharing pact is signed with the TACA Group, controlled by El Salvador's **TACA International Airlines, S.A.** Under its terms, CO codes will be added to the flights of the TACA partners to Santo Domingo, Cali, Guayaquil, Quito, and Panama City while the TACA designator will appear on Continental frequencies from Houston to Los Angeles and from Houston, Miami, and Dallas (DFW) to Newark.

It is reported on January 30 that Continental has begun to target elite-level participants in its competitors' frequent flyer plans by offering to automatically enroll them as elite members of its One Pass program if they can document a similar status with a competitor.

During the winter, America West Vacations, a subsidiary of **America West Airlines**, begins to offer vacation services to Tampa and Orlando from Boston, Houston, and Newark and from Cleveland to Las Vegas; the flight portion is handled by Continental Airlines.

Also in January, the company negotiates a code-sharing agreement with **CSA Czech Airlines** covering its daily flights from Prague to

Newark. It also covers 24 selected Continental domestic services originating from the New Jersey airfield.

The *Houston Chronicle* reports on February 6 that CEO Bethune and five other senior officials have purchased a total of \$600,000 in company stock on the open market.

Also during the first week of February, **All Nippon Airways Co., Ltd., (ANA)** joins with Continental, **Delta Air Lines**, and **American Airlines** in calling for renewed bilateral discussions between the U.S. and Japan. Hopes are expressed by ANA President/CEO Seiji Fukatsu, during a Washington, D.C. visit, that operations originally authorized in 1952 will be liberalized for those airlines not original partners to the first bilateral.

On February 19, the flight crew of Flight 1943, a DC-9-32 with 5 crew and 82 passengers coming in from Washington, D.C. (DCA), miss a portion of their checklist and continue an unstabilized approach that results in a wheels-up landing at Houston (IAH). Twelve passengers receive minor injuries after the plane skids 6,915 ft. down Runway 27 and comes to rest in the grass. The flyers are both soon thereafter dismissed.

The very next day, a B-737-130, with 79 passengers, lands at Washington, D.C. (DCA) at an excessive speed, causing the plane to touch-down too far down the runway to avoid an overrun. The aircraft exceeds the end of the runway by 250 feet and encounters mud, with both in-board main landing gear tires blown from the attempt to stop. No injuries are reported.

A daily roundtrip service is inaugurated in March between Newark and London (LGW) while three more additional weekly flights are introduced to London (LGW) from Houston (IAH). The number of weekly frequencies to London from the Texas community now stands at 10.

The DOT now requires that the company provide several slots to discount carriers, such as **ValuJet Airlines**.

The dual-designator flights with **CSA Czech Airlines** commence on April 1. On April 7, smoking is banned on all 530 weekly flights from the U.S. to markets in the Caribbean and Latin America.

On April 22, **Air Canada, Ltd.** begins to reduce down to 4% the 24% stake in Continental that it purchased in 1993. Since March 4 and the end of the month, Continental has inaugurated daily nonstop jetliner roundtrips from Cleveland to Seattle, Tacoma, Dallas (DFW), Norfolk, Providence, and Raleigh/Durham.

Nonstop daily roundtrips commence on May 1 between Newark and Myrtle Beach simultaneously; Saturday-only flights begin between Myrtle Beach and Cleveland.

Also in May, the company receives the J. D. Power & Associates award as the top long-haul U.S. carrier based on customer satisfaction; the carrier is the first firm in any industry to go from last to first in the Power survey in a one-year period.

A significant number of flights are added on June 6 from the company's Houston, Newark, and Cleveland hubs while the Greensboro hub is dramatically cut.

At Houston, the number of daily departures jumps from 406 to 429 and includes inauguration of services to three new destinations—Lubbock, Portland, and San Jose—and the introduction of new nonstop frequencies to 4 cities previously served via Cleveland or Newark. In addition, the number of international flights is increased on routes to San Pedro Sula, Panama City, Guatemala City, and London.

Newark, Continental's second-largest hub, benefits from a 14% increase in business; the number of daily departures grow to 359, including 237 provided by jetliners. The emphasis at New Jersey is placed on international frequencies; new Continental flights are inaugurated to Lima, Quito via Bogota, and to Guatemala City via San Salvador. A new daily domestic roundtrip to Newark is begun from San Antonio, Texas.

At the same time, a new code-sharing agreement with **World Airways** takes effect. Not only does World transfer four of its long-haul flights to Newark to connect with Continental's, but the two offer weekly dual-designator nonstop flights to Johannesburg, Tel Aviv, Dublin, and Shannon as World inaugurates its new South African service.

Cleveland, the newest Continental hub, also sees a dramatic increase in the number of departures, up to 235 from 172 a year earlier. The number of nonstop frequencies grows from 46 to 61. At the same time, the airline continues to upgrade its Hopkins International Airport facilities, adding new ticket counters, doubling its baggage spaces by adding a third baggage carousel, and boosting the number of check-in stations from 17 to 30. CEO Bethune offers hope that international service to Europe might one day be offered, but also notes that, should Cleveland to London (LGW) flights be started now, Continental would lose \$4 million.

At Greensboro, which had been a significant company station prior to the disbanding of CO Lite in 1994, departures are reduced from 40 to 11. In addition, the flight crew base at the airport is closed; the 139 pilots and 170 flight attendants based at it are transferred to the carrier's three other hubs.

Also in June, the company becomes an alliance partner with **China Airlines, Ltd. (CAL)**; preparatory to the signing of a full dual-designator pact in the fourth quarter, the two begin jointly marketing frequent flyer programs, shared airport lounges, and one-stop check-in.

On June 27, Continental and its machinists union-represented flight attendants reach tentative agreement on a new contract, details of which are not released.

Employing two leased DC-10-30ERs, the company, on July 6, begins weekly Saturday over and Sunday back nonstops between Newark and Dusseldorf. The service complements the airline's daily flights to Frankfurt and plans are made to enhance the Dusseldorf frequencies to daily in 1997.

Also in July, officials of **TACA International Airline, S.A.** (TACA Group) and **American Airlines** sign a memorandum of understanding for establishment of a strategic partnership. Due to intense opposition from other Latin American carriers, as well as Continental and **United Airlines**, the pact will remain enmeshed in bureaucratic regulatory wrangling during the next year.

Also in July, **Continental Micronesia** assumes \$160 million of its parent's debt, helping the major to ease out of a number of restrictive requirements imposed by Chapter XI financing.

The landing slots at New York (LGA) surrendered to **ValuJet Airlines** in the spring are returned on August 26. The discount airline, which suffered a terrible crash in May, is unable to make use of them or pay fees associated with them.

Also in August, the 5,600 flight attendants ratify a new multiyear contract that includes both productivity increases and wage raises.

On September 2, **Continental Express** President David Siegal announces a \$375-million order for 25 Embraer EMB-145 Amazon regional aircraft, with options on another 175 over the next 12 years. The planes will be leased by parent Continental from the manufacturer and subleased to the regional on a 16 1/2-year operating lease; financing is arranged by Embraer.

On September 3, four other major airlines follow Continental's lead and agree in principle to settle a suit by the American Society of Travel Agents charging the carriers illegally conspired to cap travel agent commissions on domestic airline tickets. The five will reportedly pay a total of \$87 million, but will be able to retain the controversial \$50 commission cap.

While taxiing for takeoff from New York (LGA) for Cleveland on September 5, ground crew spy what they believe to be flames shooting from the Number 2 engine of an MD-83. Alerted, the pilot stops the plane and orders his 83 passengers to exit via emergency evacuation chutes now deployed. Maintenance will later determine that the engine had suffered a false start.

A \$1.8-billion order is placed during the first week of October for 60 B-737s to be delivered between July 1997 and December 1999.

A code-sharing agreement is entered into with **Asiana Airlines** during October covering return flights from Taipei to Houston that will begin in a year.

Also during the month, a code-sharing agreement is signed with **Business Air, Ltd.** Under its terms, Continental will place its designator on

the Scottish regional's services from Manchester to Aberdeen, Dundee, Edinburgh, and Glasgow. Continental's DC-10-30 Flight 20 will depart Newark the previous evening and arrive in Manchester at 7:50 a.m., in time to offer its passengers easy connection to Business Air flights north.

After two months of negotiations, Continental is able to participate in something of a first in the rapidly growing world of international airline alliances. On October 16, it signs major marketing and code-sharing agreements with **Air France**, which simultaneously signs the same kind of accord with **Delta Air Lines**. The arrangements will allow **Air France** to tap into the huge U.S. travel market to feed its growing global market, while the American carriers will have a ready-made group of French customers to carry within the U.S.

With the election of former U.S. Treasury Secretary Lloyd Benson in early November, the board of trustees is expanded to 13 seats. At the same time, Mr. Bethune becomes chairman and CEO, while David Bonderman, the former board chairman, remains a director and becomes chairman of the executive committee.

The U.S. State Department and Continental, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide the State Department with a passenger list within 3 hours of a crash.

Press reports leak out on December 3 concerning talks between company representatives and those of **Delta Air Lines** concerning a possible merger. Three days later it is revealed that the Continental ALPA chapter has hired its own financial adviser to evaluate the effects of any merger with Delta.

Following a Latin-style celebration and ceremony, the carrier, on December 12, inaugurates daily nonstop B-757-224 flights from Newark to Panama City, Panama, and continuing on to Guayaquil, Ecuador. At the same time, additional frequencies are added from Newark to southern holiday destinations, including Miami, Ft. Lauderdale, West Palm Beach, Ft. Myers, Sarasota, Bradenton, Phoenix, Cancún, St. Martin, and Antigua.

Chairman Bethune announces on December 15 that Continental has ended merger talks with other airlines and has no immediate plans to resume them. No explanation is offered and no "other" airlines are identified.

The first EMB-145 Amazon regional jetliner is handed over to **Continental Express** on December 18 at Embraer's São Jose dos Campos facility in Brazil.

Customer bookings ascend 2% to 38,332,000 and 524.35 million FTKs are operated, a 27.6% increase. Operating revenues jump 9.2% to \$6.36 billion while expenses, headed by increased fuel costs, move up 7.3% to \$5.83 billion. Operating gain swells to \$525 million while a \$319-million net profit is recorded.

The employee population is reduced by 7% in 1997 to 40,000. On January 10, Continental joins **Delta Air Lines**, **United Airlines**, **USAir**, and **Trans-World Airlines (TWA)** in submitting requested comments to the U.K. Office of Fair Trading concerning the proposed strategic alliance between **American Airlines** and **British Airways, Ltd. (2)**. All five protest that such a pact would make the British and American giants the dominant carriers in transatlantic and other markets. They claim that the OFT's proposal to require AA and BA relinquish 168 weekly slots at London (LHR) is insufficient to counterbalance the alliance. BA files a 148-page response to these and other remarks.

Discussions begin during the second week with **Aeroflot Russian International Airlines (ARIA)** concerning a possible code-sharing and marketing agreement, contingent upon the American carrier receiving permission to fly to Moscow.

On January 15, a marketing alliance is signed with ARIA, under which the state-owned Russian carrier guarantees the sale of half of the seats on a code-sharing service for five years.

Simultaneously, as soon as government approvals can be achieved, code-sharing service is readied with **China Airlines, Ltd.** for flights from Taipei to the West Coast. In ceremonies during the month, the company, in recognition of its rapid transformation, is named "Airline of the Year" by the industry magazine *Air Transport World*.

Just after landing at Newark on February 17 following a service from Denver, an MD-82, with 141 passengers, suffers a nosewheel collapse; although the aircraft is damaged, there are no injuries.

It is announced in February that the company and **Alitalia, S.p.A.** will increase their capacity on three daily nonstops between New York and Italy. Under terms of a new agreement, a daily frequency is added to the one already operated from Newark to Rome, along with a daily service to Milan. On February 28, the previous seasonal service to Dusseldorf from Newark becomes a regularly scheduled daily DC-10-30 destination.

On March 7, hydraulic fuel is sucked into the auxiliary power unit that provides air conditioning in the cabin of an MD-82 as it prepares to depart from Newark. When thick smoke fills the rear of the cabin, the 59 passengers are evacuated down an emergency chute at the front of the plane and 12 are slightly injured.

An extensive code-sharing and marketing deal is signed with **Virgin Atlantic Airways, Ltd.** on March 13 that gives Continental access to London (LHR). The arrangement replaces one between VA and **Delta Air Lines**, which is now left without a British partner. The new partnership provides Continental with blocked space on VA flights to London from Newark, New York (JFK), Washington, D.C. (IAD), Los Angeles, San Francisco, Boston, Miami, and Orlando and from Orlando to Manchester. Full implementation will be completed by the next February 2.

On April 1, Chairman/CEO Bethune is named an "Aerospace Laureate" by *Aviation Week and Space Technology*. The alliance with **Air France** is activated in April. In addition to schedule coordination and linked frequent flyer programs, preparations are made to launch extensive code-sharing flights from Newark to Paris (CDG) and beyond just as soon as a new U.S.-France bilateral agreement is signed. Simultaneously, **Air France** and Continental move their Paris operations to the French major's Terminal 2 at Charles de Gaulle International Airport.

During the first week of the second quarter, negotiations, aimed at reaching a contract by the June 30 due date, are launched between the airline and the Independent Association of Continental Pilots. The pilots' union, whose 5,100 members took a pay cut in 1993, accuse management of lowballing on wages, but CEO Bethune believes an amicable agreement will soon be reached.

The carrier agrees to purchase from its largest shareholder, Air Partners, a total of 3.8 million shares of Continental Class B common stock for \$94.2 million.

Also in April, a business agreement is signed with **Colgan Air** that allows that major's passengers to connect via Colgan flights to destinations in West Virginia, Virginia, Massachusetts, and Maine. At the same time, **Gulfstream International Airlines** becomes a "Continental Connection" partner; it provides feed to the major in Florida, Nassau, Eleuthera, Marsh Harbor, and Treasure Cay in the Bahamas.

Flight 1181, a B-737-200 with 5 crew and 70 passengers encounters turbulence just after takeoff from Atlanta on April 28; a flight attendant suffers a broken ankle and the plane returns to its point of origin.

New nonstop international service is now added on May 1 from Houston to Vancouver, Honolulu, and Caracas. At the same time, daily nonstop B-757-224 flights commence from Newark to Lisbon, Portugal.

Terminal improvements are undertaken at Houston (IAH), including a \$70-million renovation of Terminal B, and Cleveland, where an \$80-million concourse is constructed for RJ ExpressJet service.

Flight 1760, a B-737-3T0 with 5 crew and 49 passengers arriving from Houston on May 11, mistakenly lands on the wrong landing strip—the USN's Cabaniss Field—six miles away from its Corpus Christi destination; both pilots are suspended. The next day, the FAA reports that Continental had unknowingly carried a shipment of oxygen generators in the cargo hold of a passenger jet during a recent flight.

Despite the May 11 Houston incident, the company, for the second year running, receives the J. D. Power & Associates crown on May 15; it is based on customer satisfaction and ranks Continental as the top U.S. long-haul airline.

During the month, Continental becomes the first "official" airline of Broadway after it signs a five-year, seven-figure marketing contract with the League of American Theaters and Producers. The airline will sponsor a relaunched "Broadway Line," a national show and ticketing telephone line, as well as the "Broadway on Broadway" season opener and "Stars in the Alley," a free Manhattan concert that closes the season.

At the beginning of June, Continental launches a \$1-million program to "Latinize" U.S. and Mexican airports to attract Spanish-speaking passengers and increase its share of the growing Latin American market. The program includes bilingual airport signs, information booths, and a larger number of bilingual employees, both on the ground and as flight attendants.

While being moved from a maintenance area at Washington, D.C. (DCA) to its terminal on June 7, a B-727-227 overshoots the jetway and collides with the terminal building of **USAirways**. The plane is damaged, but no injuries are reported.

Daily B-737-3T0 roundtrips commence on June 12 between Houston (IAH) and Vancouver.

Continental begins a media advertising campaign on June 17 designed to remind those in the New York City area that Continental, flying out of Newark, is the leading domestic airline hubbed in their region and urging them to enhance their services from the New Jersey airport. New York City Mayor Rudolph Giuliani complains that the promotion disparages the image of his metropolis and company officials suspend it on June 24.

Also on June 24, a letter of intent is signed to purchase the 9% stake in **Continental Micronesia** still held by the United Micronesia Development Association, thereby allowing the carrier to end its contractual obligations. The \$73-million sale will be approved by the UMDA at its annual meeting on July 10. Twice-weekly B-727-224A roundtrips commence on June 26 between Houston and Nassau.

Also in June, the company signs a 20-year exclusive contract with Boeing, subject to later definitive details, for the purchase of 5 B-777-200s and 30 B-767-400ERs, with options possible on the types later. Boeing will provide all of the company's airplanes in the future, with the exception of regional jets. The timetable for the first delivery of the 5 B-777-200s already on order is pushed up to September 1998.

During the month, after having made over \$75 million in terminal and connector improvements, Continental takes over Terminal B at Houston (IAH) from **American Airlines** and **Delta Air Lines**, which have moved to Terminal A.

The DOT grants the airline route authority on June 30 for a new service from Newark to Moscow, beginning on April 30.

Following a statement from the Independent Association of Continental Airline Pilots that a contract might not be finished before October, the carrier asks that the process be speeded up for conclusion by July 1. Both sides bring in a negotiator from the National Mediation Board (NMB). At the same time, the Teamsters begin an organizing drive among the carrier's nonunion mechanics.

On July 9, company pilots stage the first of four planned airport pickets at Newark in support of their demand for a pay raise. The next day, daily DC-10-30 return service is inaugurated from Newark to Rio de Janeiro via São Paulo.

During midyear, services are optimized at the carrier's Houston, Cleveland, and Newark hubs. Special emphasis is placed on Newark, now marketed as more convenient than New York (JFK); Continental is now called "New York's airline." New international routes are launched from the New Jersey airport to Dusseldorf, Lisbon, and Birmingham, England.

At the end of July, **American Airline's** almost-partner **British Airways, Ltd. (2)** and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent flyer

program linkage and code-sharing on routes between Madrid and London. Significant opposition quickly materializes from Continental and **United Airlines**, which fear not only an AA-BA linkup, but the potential domination of Latin American routes by American.

Continental, meanwhile, institutes a \$1-million "Latinization" program of its own, aimed at easing its way into new markets in South America, particularly Brazil. Personnel are given training in Spanish and Portuguese and bilingual English-Spanish signage appears at its facilities at those airports visited. Bilingual electronic information displays are placed at the top 20 U.S.-originating Latin traffic centers.

At this point, daily services are started from Houston to Guayaquil and Lima and from Newark to Panama City, São Paulo, and Rio de Janeiro. The Business First frequent flyer program for business travelers is available on these flights.

Also during July, the carrier purchases 4 MD-82s and 6 B-737-300s it had previously operated under lease.

A marketing alliance is signed on July 30 between Continental and **Hawaiian Airlines**, which includes **Continental Micronesia** as well. The pact, scheduled to start on October 1, will allow the Continental to tie its feed to Hawaiian's 12 daily nonstops from Honolulu to the West Coast. In addition, Continental will be able to increase feed for Hawaiian and **Continental Micronesia** on their services from Hawaii to Guam.

On August 1, the company launches daily DC-10-30 roundtrips between Houston and Honolulu, with a connection to **Continental Micronesia's** service on to Guam. Simultaneously, the company announces that it will build the first and only wide-body maintenance hangar in Hawaii—a 112,000-sq.-ft., \$24-million facility that will open during the spring of 1998.

Tragedy strikes at Lima, Peru, on August 2 during the boarding of 141 passengers a B-757-224 being readied for departure to Miami. An 86-year-old male customer is assisted in his wheelchair by a gate agent to the top of the rear portable stairs. There he is instructed to remain at the top of the steps while the gate agent loads his wheelchair into the cargo bin. Instead, the passenger continues into the aircraft and then through the catering door, from which he falls to the tarmac, landing between the catering truck and the aircraft. Although the senior is rushed to the hospital, he subsequently dies from his injuries.

In a reflection of the competition for new business and leisure travelers, the company during the month elects to seek a new advertising agency, ending its four-year relationship with Dallas-based Richards Group in favor of N. W. Ayer & Partners. At the same time, it records its highest load factor for any month in the carrier's 63-year history—76.8%.

On August 26, a code-sharing agreement is signed with **EVA Air, Ltd.** of Taiwan; it represents an expansion of the 1994 all-cargo arrangement between the two carriers. When the pact becomes operational in the new year, it will apply to Continental connections with EVA services to Taipei and 15 Southeast Asian destinations from Seattle, Honolulu, Newark, Los Angeles, and San Francisco. Joint marketing, maintenance coordination, and linked frequent flyer programs will also be included.

Daily dual-designator flights aboard **Aeroflot Russian International Airlines (ARIA)** DC-10-30ERs commence on August 30; the 4,668-mile nonstop trips from Newark to Moscow's Sheremetyevo International Airport require 10 hrs. 30 min. flying time.

In early September, Continental is granted approval from the DOT to start direct nonstop DC-10-30ER service between Newark and Moscow, starting on April 1. Moscow will be Continental's 11th European destination. This announcement follows on the heels of an earlier agreement reached with **Aeroflot Russian International Airlines (ARIA)** under which the Russian carrier will purchase, market, and sell half of the seats on Continental's Newark-Moscow service.

While en route from Los Angeles (LAX) to Cleveland on September 4, Flight 1740 is forced to make an emergency landing at Omaha after a 36-year-old female passenger is found unconscious in a restroom. Attempts to revive her in-flight and on the ground are unsuccessful.

Plans are announced on September 11 for a transfer of all headquarters functions into a 600,000-sq.-ft. leased space in the Cullen Center Office complex in downtown Houston, owned by Toronto-based TrizecHahn Corp., Ltd. The move will be completed by January 1999.

A \$4-million contract is now signed with Unisys for installation of its Customer Loyalty System software; when fully implemented, Continental's One Pass frequent flyer program, Presidents Club Lounge, and Seniors Club will all be combined into one system.

Code-sharing is finally started with **China Airlines, Ltd. (CAL)** on September 20 over a weekly return-route from Taipei to Houston via San Francisco.

On September 24, the carrier announces that it will raise the wages of all of its employees by the year 2000 in a move expected to cost \$500 million. The news is not welcomed by members of the company's pilot union, who have been negotiating with the company since April, which sees the move as an attempt to divide the carrier's workers. The next day, pilot leaders indicate that if a settlement is not reached by October 1, they will distribute strike authorization ballots.

Although the majors disagree over Latin American routing, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 with no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing.

This payment initiative is immediately matched by Continental, **American Airlines**, **Delta Air Lines**, **USAirways**, and **Northwest Airlines**. **Southwest Airlines** and **Kiwi International Air Lines** announce that they will maintain the 10% scale. The travel agency industry, which, despite ticketless travel still writes 80% of all tickets sold, protests.

On October 3, the important relationship with **Air France** still cannot be implemented; French Transport Minister Jean-Claude Gayssot in a statement this Friday stresses his absolute opposition to the U.S. "open skies" approach. Later in the day, it is announced that, to celebrate the upcoming tenth anniversary of the One Pass frequent flyer program, the carrier will hold a sweepstakes during the remainder of the year. One Pass members flying through December 31 will be eligible for a variety of prizes, including free first-class travel for one winner for a decade.

The company begins a second daily Newark-Paris service during the month.

On October 7, the pilot of Flight 2051 is required by an ATC controller to abort his takeoff from Cleveland Hopkins Airport after taxiing onto the wrong runway. The B-737-3T0 charter is flying the Cleveland Indians baseball team to the first game of the 1997 American League Championship Series in Baltimore. No injuries are reported and the aircraft departs later without further incident.

On October 15, it is announced that the carrier will begin nonstop Houston-Aruba service on Wednesdays and Sundays beginning on May 15. At the same time, a code-sharing agreement is entered into with **China Airlines, Ltd. (CAL)** covering return flights from Taipei to Houston. Another is signed with **EVA Air, Ltd.**; under its terms, connections to Taipei will be made via Newark, Seattle, San Francisco, Los Angeles, and Honolulu.

A300B4-203 copilot Tammy Blakey, who had filed a sexual harassment suit against the company in 1991 because it would not require pilots to remove pornographic materials routinely left in cockpits, is, during the month, awarded \$875,000 by a federal court.

Also during October, a commercial agreement begins with **ACES Colombia, S.A.** ACES shares codes on the American major's daily return services from Newark and Houston to Bogota and Quito and acts as its general sales agent in 23 Colombian cities.

On October 31, the carrier agrees to award frequent flyer miles to supermarket shoppers who use the credit card of Houston-based Randalls Food Markets.

On November 1, Continental moves out of **Air Canada, Ltd.**'s Terminal 2 in Toronto, making room for "Star Alliance" partner, **United**

Airlines. Simultaneously, **Air Canada, Ltd.** transfers from Continental's Newark terminal to United's.

During the first week of November, management and the Independent Association of Continental Pilots reach tentative agreement on a salary dispute; resolve had been met following 15 days of talks brokered by Stephen E. Crable, chief of the NMB.

Continental and **LOT Polish Airlines, S.A.** sign a pro rata accord at Warsaw on November 6, cutting fares on joint routes. The reduced fares will apply on LOT's services to Frankfurt, London, Manchester, and Paris, with onward connections by Continental to 130 destinations in the U.S.

After several months of negotiations with the office of Newark Mayor Sharpe James, who had approached the company earlier in the year, Continental on November 15 agrees to recruit and hire 1,000 local residents to staff full- and part-time support positions at Newark.

In December, company officials negotiate with those from **Northwest Airlines** concerning the possibility of the Minneapolis-based major's purchasing a 14%, \$450-million equity stake in Continental and the two carriers creating a new global operating alliance under which each airline will continue its separate identity and maintain its own workforce. Both would, however, share many marketing functions and would offer dual-designator flights. Such an arrangement would allow the Minneapolis-based carrier to take over the shareholding of Continental Chairman Bonderman and his Air Partners and thereby gain a 52% voting majority.

USA Today reports, on December 10, the newly-released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; Continental demonstrates a 78.7% achievement, good for 7th place.

Thrice-weekly nonstop roundtrips commence on December 15 between Miami and Santiago de Chile.

When apprised of the possible arrangement with **Northwest Airlines**, the leadership of NWA's pilot union, whose members hold an 11.5% stake, refuses on December 16 to relax the scope clause in its contract. This prohibits the company from placing its flight code on the flights of other airlines without their exemption. Negotiations continue at NWA continue for two more days, during which time Steve Zoller, the union executive committee chairman, admits that his body does not have the authority to make such a deal. Management officials hint that talks with Continental will have to be broken off.

A third daily B-737 nonstop return service is inaugurated on December 18 between Houston and Guadalajara, as well as from San Diego to Mexico City. Simultaneously, daily B-737 nonstops commence between Houston and Caracas, the carrier's 26th Latin American destination.

Late in the month, the company's plans to code-share with **EVA Air, Ltd.** are approved by the U.S. DOT.

Passenger boardings advance 7.5% to 42,210,000, while cargo traffic jumps 31.5% to 689.53 million FTKs. Operating revenues advance 13.4% to \$7.21 billion, while expenses are up 11.3% to \$6.49 billion. A record \$716-million operating profit is earned while a net \$385-million gain is enjoyed.

At the beginning of 1998, Continental is the 7th largest airline in the world, in terms of passenger boardings, fleet size, and operating profit, 8th in number of employees, 12th in operating income, and 11th in net profit.

The workforce numbers 40,000 and the fleet, 74.6% of which is Stage III certified, consists of 315 aircraft, including 30 B-727-200s, 133 B-737s, 28 DC-9s, 23 B-757s, 32 DC-10s, and 69 MD-80s.

On January 26, the company joins with **Northwest Airlines** in announcing creation of a "global strategic alliance." As negotiated, the pact allows NWA to take the 14% of Continental's common stock equity held by Air Partners I.P. Acquisition of these shares will provide NWA with 51% controlling (voting) interest, but will cost \$519 million—\$311 million in stock and the remainder in 4.1 million shares of NWA common stock.

Fears concerning an end to Continental's independence are assuaged when NWA officials pledge to place their holding into a "voting trust" for six years, which will be exercised as a block only if another airline seeks to takeover Continental. Both the DOT and NWA pilots must grant approval, the latter for any code-sharing.

On January 30, a new bilateral air agreement is announced between the U.S. and Japan. Under its tentative terms, the company will be allowed to add 90 weekly roundtrip flights to the 46 already flown.

On February 2, Continental, under a new block-space, dual-designator pact, begins to code-share on **Virgin Atlantic Airways, Ltd.** flights from New York (JFK), Newark, Los Angeles, San Francisco, Miami, and Washington, D.C. (IAD) to London (LHR). Virgin will place its codes on Continental's twice-daily frequencies from New York to London (LGW). In essence, the two airlines attempt, with six daily flights, to create a shuttle service between New York and London. Continental will also purchase seats on Virgin's seasonal services between Manchester and Orlando.

San Diego to Mexico City frequencies commence at the beginning of February while frequencies on the previously instituted routes from Newark to Cancún and from Houston to San Jose, Guatemala City, and San Salvador are doubled from daily to twice-daily.

Passengers are now allowed to use cellular phones while aircraft doors are open during boarding and unloading.

On February 13, the company receives DOT authorization to inaugurate scheduled services from Newark and Houston (IAH) to Tokyo (NRT). The carrier announces plans to initiate the flights in December.

The company's board of directors, at month's end, authorizes the expenditure of up to \$100 million to repurchase shares of the company's common stock or convertible securities owned by others. Simultaneously, after 10 months of negotiations, a tentative agreement is reached with the Independent Association of Continental Pilots on a new five-year contract. The arrangement is sent to the carrier's line pilots for ratification.

A third daily roundtrip frequency is introduced on March 1 between Houston (IAH) and Toronto.

Also at the beginning of March, the company loses out in a bidding fight to **Delta Air Lines** over investment in **AeroPeru, S.A.** At the same time, executives and representatives from the Independent Association of Continental Pilots reach tentative agreement on a new five-year contract.

Just prior to departure from Manchester, England, for Newark on March 8, a small fire breaks out in the No. 2 engine of a DC-10-30 due a fuel leak; all 249 passengers are quickly evacuated.

On March 11, it is announced that, pending approvals, the company will inaugurate daily nonstop service between Cleveland and London (LGW) by April 30, 1999.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

Two days later, the DOT authorizes 64 weekly flights to Japan for carriers that have previously had their services severely limited. Continental is given permission for 14 weekly flights, which will include new daily services to Tokyo from Houston and Newark.

It also grants new code-sharing permission, including authority for Continental to offer dual-designation on any 14 of the 28 weekly services which **Northwest Airlines** flies to Tokyo from Detroit, Los Angeles, and San Francisco or from Detroit (DTT) to Osaka.

On March 26, a code-sharing agreement, to take effect during the summer, is signed with **VASP Brazilian Airlines, S.A.**

At a meeting in Paris, Chairman/CEO Bethune and **Air France** Chairman/CEO Jean-Cyril Spinetta reaffirm "a mutual commitment to the marketing alliance initiated in October 1996." Despite the absence of a U.S.-France bilateral, the two will engage in all activities possible short of code-sharing.

Dual-designator block-seat connections with **EVA Air, Ltd.** to Taipei begin on March 30 via Newark, Seattle, San Francisco, Los Angeles,

and Honolulu. Continental provides the U.S. transcontinental lift while an EVA B-747-45E links the West Coast with Taiwan.

With international investor interest in Colombia having declined during January and February in the face of its poor economy, officials of **ACES Colombia, S.A.** elect to reduce from 30% to 20% the equity stake it will sell to foreigners. The share sale is completed at the end of March with 19% being taken by Continental.

A new flight schedule is introduced at the carrier's three main hubs on April 5. Cleveland offers the least new mainline changes, adding a third daily jet flight each to San Francisco and Providence, Rhode Island.

From Houston, new three-times-per-week DC-9-32 jet service is introduced to Merida, daily ERJ-145 service to Tampico, and four-times-per-week DC-9-32 service to Vera Cruz, raising to 14 the number of cities Continental serves in Mexico—more than any other U.S. major. Five more flights are added to Detroit, two to Portland, Oregon, and seven to Washington, D.C. (DCA).

Daily jet nonstop roundtrips are inaugurated from Newark to Manchester, New Hampshire, and Austin, Texas. Also from the New Jersey hub, additional daily jet service is laid on to key West Coast cities, including seven to Los Angeles, five to San Francisco, and three to San Diego, while two more flights are sent to Chicago O'Hare, bring its total number to nine.

A new "open skies" bilateral agreement is signed between the U.S and France on April 8. The arrangement will allow the company to strengthen its alliance with **Air France**. This memorable day also sees introduction on the carrier's first Next Generation B-737-724s; until familiarization is complete at month's end, the new aircraft will fly short-haul routes.

At the same time, the carrier places orders for 15 Next Generation B-737-924s, to be delivered during the second quarter of 2001.

During x-ray inspection of bags checked for a flight from Houston (IAH) to Bogota on April 23, U.S. Customs Service inspectors find and seize \$1.5 million in cash hidden in shrink-wrapped board games.

Transcontinental and Latin American B-737-724 service is inaugurated on April 30. Among the services flown is a new nonstop roundtrip between Newark and Caracas, Venezuela.

A fourth daily roundtrip is introduced on May 1 between Houston (IAH) and Minneapolis (MSP), with a third roundtrip also being added from Houston to Pittsburgh.

Following the discovery of two small holes apparently burned through a 0.5-in. conduit aboard a B-737-200 by sparks from worn wiring, the FAA, on May 7, issues an airworthiness directive requiring that fuel tank wiring on older B-737s, B-747s, and B-767s must be immediately inspected. Systemwide, the demand causes Continental to cancel fewer than 1% of its 1,346 scheduled departures.

Twice-weekly Sunday and Wednesday B-737-524 roundtrips commence on May 10 from Houston to Aruba. These are the only scheduled nonstops to Aruba from a U.S. destination west of the Mississippi River.

Starting with Panama City on May 14, the company begins to make electronic ticketing available for passengers visiting 27 countries; all should be on line by year's end.

Houston-Aruba roundtrips commence on May 15. Continental and **America West Airlines** jointly announce in May that they are engaged in finding a way to make it possible to interline E-tickets, which cannot now be transferred between airlines, even among those in alliance. A solution is promised by spring 1999.

American Airlines, which is engaged in a legal battle with Dallas aviation authorities to prevent interstate service from Dallas Love Field, now announces that it will, itself, engage in direct competition with **Southwest Airlines (2)** from the historic battleground airport, where Southwest is currently the only major operator. The first service will be operated 14 times a day to Austin during the summer employing MD-80s.

Continental holds two gates at Love Field, but, after an initial announcement on May 20 that it will launch seven-times-a-day service to Houston (IAH) on June 11, it elects not to go up against Southwest by itself again.

It does, however, announce that its subsidiary, **Continental Express**, will inaugurate nonstop Embraer ERJ-145 roundtrips to Cleveland Hopkins Airport in July. The announcement causes the governing board of Dallas (DFW) to file suit in state court seeking an injunction to block the service.

Fares on advance purchase tickets are raised by 5% late on May 20; the move is quickly followed by other airlines.

Also on May 20, a DC-10-30 with 285 passengers hits a pocket of clear air turbulence at 35,000 ft. over the Pacific Ocean while en route to Honolulu; seven persons are injured.

The carrier in May expands its alliance with **Northwest Airlines** to include the Minneapolis-based major's associates **Air China International Airlines**, **America West Airlines**, and **Alaska Airlines**. All four will link their frequent flyer programs, coordinate schedules, offer joint marketing and maintenance where appropriate, share lounges, and plan for code-sharing.

Thirty minutes into a service from Los Angeles to Hawaii on May 21, Flight 75, a DC-10-30ER with 13 crew and 285 passengers, encounters turbulence, which causes it to drop twice within eight seconds. The aircraft makes a safe return to LAX where three badly injured flight attendants are sent to hospital, along with five passengers with minor injuries.

Daily nonstop DC-10-30 roundtrips commence on May 30 between Newark and Santiago de Chile, the company's sixth South American city visited from New Jersey.

Also in May, a 49% stake in the parent holding company of **COPA (Compania Panamena de Aviacion, S.A.)** is acquired. Subject to "certain conditions," the two will enter into a comprehensive marketing and code-sharing alliance.

Anticipating a strong summer, the company, in May and June, hires 400 additional airport agents and 200 "service ambassadors." An additional 352 ground service vehicles are also purchased, at a cost of \$12 million.

A joint announcement from the airline and the Transport Workers Union of America on June 3 heralds the signing of a tentative collective bargaining agreement extension to the end of 2003. The pact comes after four days of intense direct negotiations and replaces the previous contract, which does not, in fact, become amendable until April 1999.

On June 11, twice-daily nonstop roundtrips commence between Charlotte and Houston. This service is in addition to Continental's existing thrice-daily frequencies between Charlotte and Newark.

Daily, nonstop, 10-hr. DC-10-30 return flights are inaugurated on June 11 from Newark to Honolulu, with continuing service to Guam and Manila. Simultaneously, twice-daily B-737-524 roundtrips are initiated from Houston (IAH) to Calgary with thrice-daily ERJ-145 roundtrips being started to Amarillo.

Daily nonstop B-737-524 flights commence on June 12 from Chicago (MDW) to Houston (IAH). A third daily flight is also added between Chicago (MDW) and Newark.

The same day, the carrier's 2,063 eligible pilots cast ballots to approve a new contract good for 5 years; 1,066 ALPA members vote against the contract.

The U.S.-France bilateral accord reached on April 8 is formally signed on June 18 in a ceremony by French Foreign Minister Hubert Vedrine and U.S. Secretary of State Madeleine K. Albright and Secretary of Transportation Rodney E. Slater. The pact opens the way for new transatlantic code-sharing, expansion of the company's agreement with **Air France**, and additional frequencies.

Continental and **Air France** waste no time in implementing the code-sharing plan under the new U.S.-France bilateral. On June 19, the two begin code-sharing on each other's transatlantic flights between Paris and Newark and Paris and Houston. Additionally, Continental shares its codes on Air France flights beyond Paris to destinations in France, Germany, Belgium, Denmark, Sweden, Norway, Switzerland, Austria, and Finland. Likewise, **Air France** applies its code to Continental domestic services from Newark and Houston to Cleveland, Dallas (DFW), San

Antonio, Austin, Detroit, Philadelphia, Syracuse, Pittsburgh, Buffalo, Norfolk, Rochester, and Albuquerque.

Also, daily roundtrips begin in June from Newark to Dublin and Shannon. Electronic ticketing is expanded to international flights, beginning with services to Panama and Mexico.

In June, it is announced that the carrier, employing as yet undelivered B-777s, will commence daily nonstops from Newark to Tokyo on November 30 and from Houston to Tokyo on December 30. Also in June, the company receives its first 3 B-737-824s.

Late in the month, the company and its pilots sign a new five-year agreement which prohibits any in-house Metrojet-type division. Meanwhile, on June 25, leaders of the pilots union at **Northwest Airlines** vote to file a grievance challenging the proposed alliance with Continental.

June is also the month in which CEO Bethune sees the book he had coauthored with Scott Huler published, *From Worst to First: Behind the Scenes of Continental's Remarkable Comeback* (New York: John Wiley & Sons, 1998).

Having received formal approval from the U.S. and Brazilian governments, the code-share agreement with **VASP Brazilian Airlines, S.A.** takes effect on July 1. Continental places its two-letter code on VASP flights from São Paulo to Miami, Los Angeles, and 14 cities in Brazil. Simultaneously, VASP places its code on Continental services from Newark to São Paulo, Rio de Janeiro, and 20 domestic U.S. destinations. The service employs freshly painted DC-10-30s wearing logos from both companies.

Daily nonstop B-737-724 roundtrips commence on July 7 between Newark and San Jose, Costa Rica. The company now also introduces its first B-737-824 on July 15 over a route from Washington, D.C. (DCA) to Los Angeles via Newark. As more of the Next Generation 800s are received, they will be flown on routes from Newark to Los Angeles and from Tampa to Seattle via Houston.

Special ceremonies during the day, also on July 15, highlight the introduction of new daily roundtrip service to Scotland. A reception is held at Gate 74, Terminal C, of Newark International Airport at 4:30 p.m. during which a Scottish band and bagpipers perform. A special ceremony, including readings from the poetry of Robert Burns, is held an hour later, with the inaugural B-757-224 flight departing for Glasgow at 6:45 p.m.

A 3,500-sq.-ft. Presidents Club opens at Dallas (DFW) on July 20. During the summer, the headquarters move into office space in downtown Houston begins.

The first of two peak travel period seasonal flights to Costa Rica commence on August 1; daily B-737-524 nonstop roundtrips will continue through September 9.

On August 10, a code-sharing agreement is signed with **British Midland Airways, Ltd.**; BMA, beginning on August 17, will operate as a feeder for Continental's transatlantic services, while Continental will place its codes on BMA flights from Manchester to Aberdeen, Edinburgh, and Glasgow.

Like other airlines, Continental recommends reservations, but also agrees to honor on a stand-by basis the tickets of stranded **Northwest Airlines** passengers after its pilots walk out on strike on August 29.

During the second week of September, **Trans World Airlines (TWA)** Chairman/CEO Gerald L. Gitner, speaking before the Wings Club in New York, comes out squarely against the proposed domestic code-sharing alliance between **Northwest Airlines** and Continental. He has less to say about the apparently derailed deal between **United Airlines** and **Delta Air Lines**.

Pilots from **Northwest Airlines** ratify a new contract on September 12, ending the longest U.S. airline strike since 1989. Service is gradually reinstated over the next week. On September 17, Continental announces that it will begin daily nonstop return service from New York and Newark to Zurich on April 14 and to Brussels on May 3.

A strategic marketing agreement between the airline and **ASERCA (Aerolineas Regional de Centro, C.A.)**, plus its new partner **Air Aruba, N.V.**, is signed on September 18. The pact will lead to code-sharing on

Continental flights between the U.S. and Venezuela and on ASERCA flights to domestic Venezuelan destinations beyond Caracas. It will also allow Continental to code-share on Continental services from Houston to Aruba and on Air Aruba flights from Aruba and New York, Newark, Miami and Tampa. Customers will be able to earn Continental One Pass frequent flyer miles aboard flights of either of the Latin carriers.

On September 21, a company MD-80 makes the first differential-GPS instrument approach by a revenue-service aircraft in the U.S. when it comes into both Newark and Minneapolis (MSP).

During the end of the month, the company engages in preliminary discussions with **Northwest Airlines** concerning a possible global alliance to counter "OneWorld," the pact recently signed by **American Airlines, British Airlines, Ltd. (2)** and several other airlines. The Continental-NWA alliance would also include the extant alliance partners of the two carriers.

The carrier and its **Continental Express** subsidiary bitterly criticize the decision by the 48th Judicial District Court of Tarrant County, Texas, on October 16 that grants a summary judgment to the plaintiffs and prohibits the initiation of commuter service from Love Field in Dallas to Cleveland. Both companies promise to appeal in federal court.

Just after landing at Guadalajara on the night of September 16 following a service from Houston, Flight 475, a B-737-524 with 6 crew and 102 passengers, veers off the runway and suffers the collapse of its nose landing gear. Although the jetliner is badly damaged, all aboard are safely evacuated and no injuries are reported.

The first of 5 B-777-224 IGWs to be delivered before the end of the year arrives at Houston on October 2. Following its arrival, the plane, of which Continental is only the second U.S. operator, enters a period of shakedown training and route testing flights.

A B-727-224A aborts its takeoff from Miami (MIA) on October 7 due to a catastrophic uncontained engine failure in its No. 2 engine.

A tentative contract agreement is reached between the airline and its mechanics union, the Teamsters, on October 12.

The Associated Press reports on October 20 that the U.S. Department of Justice (DOJ) has held several days of talks with representatives of **Northwest Airlines**, Continental, and Air Partners concerning the NWA-Continental alliance. The DOJ is reportedly very concerned over the plan of the Minneapolis (MSP)-based major to gain a controlling stake in Continental and then merge the two carriers' routes. Sources suggest the DOJ may file suit before the end of the week in an effort to stop the plan.

Simultaneously, Continental receives final DOT approval for the initiation of daily B-757-224ER roundtrips from Cleveland to London (LGW) beginning on February 19. The new service is contingent upon the carrier's receiving commercially viable slots.

On October 23, the DOJ files suit in the Federal District Court in Detroit to block the **Northwest Airlines** plan to acquire majority voting control of Continental via a stock purchase. The government contends that the purchase by NWA would effectively merge the nation's fourth- and fifth-largest airlines and thus unlawfully limit competition in the U.S. airline industry.

Voting 2,085 against and 257 for, the carrier's Teamster-represented mechanics on November 1 reject the offer negotiated with management back on October 12.

Also at the beginning of November, the premier B-777-224 IGW undertakes scheduled return service from Houston (IAH) to Newark and Los Angeles.

While en route from Seattle to Newark on November 16, the crew of a company airliner is surprised when a man assaults a flight attendant and attempts to enter the cockpit; he is restrained and turned over to police when the plane lands. He will be indicted by a federal grand jury on December 18.

The arrangement with **Northwest Airlines** to start a joint frequent flyer program is put on hold on November 19 when the DOT rules that the two majors cannot begin their loyalty offering before December 4.

The next day, **Northwest Airlines**, which has vowed to complete its deal with Continental despite the antitrust lawsuit, completes its acqui-

sition of a controlling stake in Continental. The arrangement gives the nation's fourth-largest airline a 14% equity stake in Continental as well as voting control of up to 51% of the No. 5 carrier. Executives from both airlines indicate that they will proceed to implement domestic code-sharing involving upwards of 850 flights.

Also on November 20, an order is placed for 10 B-767-224ERs, which will begin delivery in the year 2000 and will be employed to serve international markets in Europe and South America.

Agreement is reached between management and representatives of the Teamsters on November 22 on a new 3-year contract for the carrier's 3,000 mechanics. The document will now be put to a vote of the membership.

The carrier, on November 30, inaugurates its first-ever return service from Newark (EWR) to Tokyo (NRT). Flight 14, which will be operated daily, will employ Continental's first B-777-224 IGW. Continental now becomes the only airline to provide daily nonstop service to Japan from a hub in the Northeast U.S.

Also on November 30, **Air France** President Jean-Cyril Spinetta announces at a news conference in Paris that his company will make a decision, by the end of 1999, on whether to invite Continental or **Delta Air Lines** to join it in building a global alliance.

A five-year contract is signed between the carrier and the Independent Association of Continental Pilots on December 14; the pact, which becomes amendable in October 2002, provides company flyers with pay increases and improved working conditions.

Daily nonstop Next Generation B-737-724 roundtrips commence on December 15 between Houston (IAH) and San Juan, Puerto Rico. At the same time, daily B-737-3T0 roundtrips are launched between Houston (IAH), Reno, and Tahoe and from Birmingham, Alabama, to Newark via Atlanta. The second of the year's two peak seasonal travel time B-737-524 roundtrips are begun from LAX to San Salvador; they will continue through January 6.

On December 17, a cooperative marketing agreement is signed with **Avant Airlines, S.A.** of Chile. Beginning in the new year, the two airlines will offer code-sharing on flights between the U.S. and Chile and over domestic U.S. and Chilean routes.

Two days later, a fourth daily nonstop return service is initiated to San Juan from Newark. Simultaneously, weekly Saturday Next Generation B-737-724 flights to San Juan are started from Cleveland.

While flying a rented single-engine lightplane on December 27, an Illinois pilot becomes lost and flies in restricted airspace near Giants Stadium, East Rutherford, New Jersey, just as a football game between the New England Patriots and New York Jets is ending. Worse, the plane comes within 300 ft. vertically and a quarter-mile horizontally (30 seconds) of colliding with an approaching Continental jetliner with 146 passengers. ATC warns the B-737-724 to halt its descent as the Cessna veers off at the last moment.

Continental and **Northwest Airlines** begin dual-designator flights on December 29 on 28 weekly international flights between the U.S. and Japan and 21 weekly flights beyond Japan. From the mainland U.S., Continental places its code on Northwest flights between New York (JFK) and San Francisco to Tokyo (NRT) and between Detroit and Osaka (KIX). Similarly, Northwest applies its code to Continental's new B-777-224 IGW daily roundtrips between Newark and Tokyo (NRT).

At year's end, plans are made to welcome the second B-777-224 IGW and, on January 31, the inauguration of Houston (IAH) to Tokyo (NRT) service.

Customer bookings during the 12 months advance by 5.9% to 43.62 million, while freight traffic rises 10.6% to 834.85 million FTKs. Revenues jump 10.2% to \$7.95 billion, while expenses rise 11.6% to \$7.25 billion. The operating profit slips to \$701 million while net gain is off \$2 million to \$383 million.

When the January 1999 issue of *Fortune* magazine is published, Continental is listed as one of the "100 Best Companies to Work for in America."

The new three-year contract between Continental and its Teamster-represented mechanics is ratified on January 5.

On January 7, B-777-224 IGWs replace DC-10-30s on one of the company's two daily roundtrips between Newark and London (LGW).

Also on January 7, Continental and **Northwest Airlines** begin linking a major portion of their domestic flight schedules and implementing more international dual-designator flights. The two majors, despite DOT opposition, initiate code-sharing on approximately 850 domestic and international flights to 95 destinations.

As part of the arrangement, Continental code-shares daily on **Northwest Airlines** and Northwest AirlinK domestic flights, including cities where it does not currently fly, such as Sioux City, Boise, Knoxville, and Spokane. Northwest, likewise, code-shares daily on Continental and **Continental Express** flights, including cities where it has no service, such as Corpus Christi, Charleston, Scranton, and Daytona Beach.

Additionally, Continental starts to code-share on select **Northwest Airlines** flights to Canada, such as Calgary, Vancouver, Edmonton, Saskatoon, and Winnipeg. Although Continental already provides daily service to Calgary and Vancouver, it does not operate its own flights to Edmonton, Saskatoon, or Winnipeg.

Following a failure to its left engine, an MD-82 with 120 passengers aborts its takeoff from Baltimore (BWI) for Houston on January 8; the plane skids off the runway and stops some 100 m. from the end of the pavement. No emergency evacuation is ordered and no injuries are reported.

In keeping with the code-sharing agreement implemented between Continental and **Northwest Airlines** in December, **Mesaba Airlines**, on January 14, enters into a dual-designator arrangement with Continental. Under terms of the pact, the major's "CO" designator will be placed on all of Mesaba's Northwest AirlinK flights in and out of Detroit (DDT) and Minneapolis (MSP) that connect to Continental flights in their hubs at Newark (EWR), Houston (IAH), and Cleveland.

It is announced on January 20 that daily nonstop B-777-224 IGW roundtrips will begin in August between Newark and Tel Aviv.

Also on January 20, while en route from Tokyo (NRT) to Honolulu, Flight 910, a B-747-238B with 18 crew and 336 passengers, encounters turbulence at 33,000 feet. Three hours out from its destination, 18 passengers and 4 flight attendants in the rear of the aircraft are injured, although only 1 is seriously hurt.

Also on January 20, **America West Airlines** announces that it has been contacted by a number of airlines expressing interest in a variety of business transactions ranging from strategic alliances to mergers. It confirms that **United Airlines** has made an offer to take it over in a merger; the action is similar to the pact concluded in December between **Northwest Airlines** and Continental. Analysts see the alliance as a move by the Chicago-based major to counter the recent acquisition for western growth of **Reno Air** by **American Airlines**.

The next day, it is revealed that **Delta Air Lines** has also been in conversation with America West. **Southwest Airlines** (2), which is the second most dominant carrier at Phoenix, denies any interest in taking over the company. Texas Pacific (46.9%) and Continental (8%), which between them own 54.9% of the company and have a right of first refusal on any shares that Texas Pacific may offer for sale. Continental Chairman Bethune indicates that his carrier "would assert its rights" over those shares in the unlikely event that an offer for America West is cleared by federal regulators and labor unions.

On January 25, the company announces that, beginning in June, it will increase its daily service from Cleveland to the West Coast by adding a fourth flight to Los Angeles, a third flight to San Francisco, a second flight to Seattle, and a new daily flight to Portland, Oregon. In addition, a third daily service will be started to Dallas (DFW).

When **Delta Air Lines** on January 29 raises business ticket prices by 2% and leisure ticket costs by 4%, Continental is one of four majors to quickly follow suit. The move, the first airfare boost for U.S. airlines in 18 months, is seen as the opening salvo in an opening series of across-the-board fare hikes.

Daily nonstop B-777-224 IGW roundtrips commence on January 31 between Houston (IAD) and Tokyo (NRT). U.S. Assistant Secretary of Transportation Charles Hunnicutt is a guest aboard the first ever nonstop flight made between Houston and Asia.

On February 5, **America West Airlines** CEO William Franke, speaks before a Goldman, Sachs conference in Miami. He lets it be known that the airline's major minority shareholder, TPG Partners L.P., will support the sale of the airline only if the buyer purchases all of its stock, Class A and B shares alike, valued at approximately \$1 billion. Continental, seeking to block a takeover by **United Airlines**, has contended that it could take control merely by acquiring TPG's Class A stock at an estimated cost of \$50 million. This position, seconded by TPG Chairman Bonderman later in the day, is seen by analysts as an effort by America West to maximize for shareholders the value of any purchase.

Leaders of the pilots' unions from Continental and **Northwest Airlines** sign a formal letter of cooperation on February 10 pledging mutual support and cooperation between the two labor groups.

An anonymous caller claims a bomb is aboard a company jetliner bound from Houston (IAH) to Quito, Ecuador, on February 11. Departure of the flight is delayed as the aircraft is searched; no explosives are found.

Twice-daily B-737-300 service begins on February 12 from Birmingham, Alabama, to Newark. Also on February 12, the airline announces that it will begin new daily nonstop return service to Brussels and Zurich in early spring and daily nonstop roundtrips between Newark and Tel Aviv on August 2. It also notes that a number of transatlantic B-757 flights will be upgraded to DC-10-30 while B-777-224 IGWs will replace DC-10-30s on other routes.

The *London Sunday Times* reports on February 14 that the carrier is engaged in talks with **Air France**, **Alitalia, S.p.A.**, **Delta Air Lines**, and **Northwest Airlines** concerning the possibility of forging a global alliance with which to challenge the existing—and growing—international pacts, "OneWorld" and the "Star Alliance."

According to a report in the February 19 issue of *The Wall Street Journal*, **Delta Air Lines**, which has been considering entry into the bidding war for AWA, has withdrawn as of February 17. Also on that Wednesday, UAL, Inc., parent of **United Airlines**, tenders an undisclosed cash offer for the airline. The newspaper sees the prospect of a bidding war with Continental.

The Italian news agency Ansa reports on February 21 that **Air France** is in discussions with **KLM (Royal Dutch Airlines, N.V.)**, **Northwest Airlines**, and **Alitalia, S.p.A.** concerning the possibility of Air France joining their global alliance. Northwest and KLM are also alliance partners of Continental, which is one of two U.S. airlines seeking a partnership with the French line. None of the suggested participants will confirm the story.

Air France Chairman Spinetta, basking in the success of the carrier's initial public offering on February 22, takes the opportunity to reaffirm to radio interviewers his intention to choose, before the end of the year, either **Delta Air Lines** or **Continental Airlines** as the carrier's major global alliance partner.

Perhaps more important to the moment, on February 22 **America West Airlines** halts its talks with **United Airlines** concerning a merger.

Breaking ranks with its partners, on February 23, **Alitalia, S.p.A.**, through an unidentified spokesman, confirms that his carrier, along with **Northwest Airlines** and **KLM (Royal Dutch Airlines, N.V.)** are at the "very beginning" of alliance talks with **Air France**.

Also during the day, the carrier announces that it will begin daily nonstop DC-10-30 roundtrips on July 1 between Newark and Amsterdam.

A broad strategic marketing agreement is entered into with **Alaska Airlines**, and its sister carrier **Horizon Air**, on February 25. As soon as government approvals are received, the three will link their frequent flyer programs and commence code-sharing flights.

During the week of March 1, the last B-747 and B-737-200 are removed from the fleet, dropping from 9 to 7 the number of jetliner types utilized; the carrier will use only 4 types by 2005. During the year, 57

aircraft are scheduled to be retired and 60 added, dropping the average age of units to just 7.6 years and giving Continental one of the youngest domestic fleets in the U.S. airline industry.

At the same time, the carrier announces that, like **USAirways**, it has finally won economically viable takeoff and landing slots at London (LGW) for which it has held DOT authority from Cleveland for over a year. Daily return service will commence at the end of June.

B-777-224 IGWs replace DC-10-30s on the westbound leg of one of the daily nonstop roundtrip services from London (LGW) to Houston on March 2.

On March 3, a B-737-3T0 with 5 crew and 60 passengers prepares for departure from Newark to Jacksonville. With the pilot's permission, the door of Flight 517 is reopened to admit a late passenger, but a flight attendant falls out and down onto the tarmac. The aircraft captain rushes to the side of the seriously injured attendant, who has been flying with the company for four months, and remains with her until she is placed aboard an ambulance.

An MD-82 suffers a right main landing gear fire while landing at Houston on March 10; no injuries are reported.

While en route from Ft. Lauderdale to Newark on March 16, an MD-82 with 146 passengers, suffers the failure of its left engine at 28,000 ft. over the Bahamas. Metal fragments pierce the aircraft's tailcone, causing those in the cockpit to believe the tailcone had fallen off. An emergency is declared and the plane returns to its point of origin, where a safe landing is made and no injuries are reported.

A second DC-10-30 on the westbound route is replaced on April 5. Also on April 5, DC-10-30s replace B-757-224ERs on the westbound leg of the daily nonstop roundtrip from Glasgow to Newark; the Boeings will return to both legs on October 30.

Also on April 5, the previously combined daily B-757-224ER roundtrip from Newark to Dublin and Shannon is separated into two roundtrips, one each from Newark to Shannon and Newark to Dublin. The route will be merged again on October 30.

Later in the day, it is announced that daily Next Generation B-737-724 roundtrips will begin on December 16 between Cleveland and San Juan, Puerto Rico.

On April 9, the airline announces that it will increase prices by 3% for advanced-purchase tickets and 1% for walk-ups (business travelers). When other major competitors refuse to go along and raise their fares, most ticket prices are returned to their previous levels.

B-777-224 IGWs replace DC-10-30s on the westbound segment of the carrier's nonstop roundtrip service between Paris (CDG) and Newark on May 2. Daily nonstop DC-10-30 return service from New York and Newark to Brussels begins on May 3-4.

At a May 10 press conference in New York it is announced that **Alitalia, S.p.A.** will join the multinational airline alliance operated by **Northwest Airlines** and **KLM (Royal Dutch Airlines, N.V.)**. The representatives of the partners indicate that their companies are asking the DOT to grant antitrust immunity to their joint venture, after which they will be able to set ticket prices together, code-share, manage seat inventories, and share services, costs, and revenues. Following approval, the first routes to be operated under the new joint venture will be from Detroit to Rome and Milan.

This new partnership will form the core of a long-awaited fourth major global airline alliance, "Wings," which will be formally announced later in the year, probably in the fourth quarter. Before that time, it is anticipated that Continental will also become an alliance partner.

On May 11, *El Comercio* notes that the financially troubled and grounded **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** has completed negotiations with Continental on a plan that will have the U.S. company take a 49% stake in exchange for a significant equity investment. As part of the arrangement, however, Continental asks the Peruvian government to grant it exclusive rights to AeroPeru's long-haul routes. It is simultaneously reported that AeroPeru has reduced its debts from \$174 million to \$70 million.

The next day, it is reported by *Gestion* that the debt is actually down to \$40 million. Given the possible Continental interest, President Fujimori now extends to June 1 his May 17 deadline for the submission of a reorganization plan by AeroPeru.

Two days later, it is announced that the company will turn its six-times-a-day nonstop Newark to Dallas (DFW) route into a roundtrip shuttle service on September 9 by the addition of three more frequencies.

En route from Mexico City to Newark on May 25, Flight 236, a B-737-724 with 8 crew and 68 passengers encounters turbulence while on approach to its destination. One flight attendant sustains a serious injury to his ankle; no one else aboard is hurt.

The restructuring concept of **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** is officially presented as scheduled on June 1 and lays out the manner in which AeroPeru will process its \$174-million debt. It is also noted that the fine points of a compact with Continental have nearly been worked out; a few days later, Continental, having completed its due diligence and uncovered serious potential problems, pulls out of the unsigned pact.

Chartered from Tombo Aviation Services, the first of 12 Next Generation B-737-71Qs is delivered to **COPA (Compania Panamena de Aviacion, S.A.)** in ceremonies at Seattle on May 24. The aircraft wears the company's new image, which emphasizes the new alliance with Continental. Following its arrival at Tocumen International Airport at Panama City, additional ceremonies are held, with a ribbon cutting by Panamanian first lady Dora Perez Balladares and comments from COPA Chairman Motta. Simultaneously, the code-share with Continental is implemented through a linkage of the two carriers' frequent flyer programs. Plans are announced for the opening of a new Presidents Club by the two at the Panama Airport later in the year.

Daily nonstop DC-10-30 roundtrips from Newark to Zurich commence, also on June 1. Continental's newest B-777-224 IGWs replace DC-10-30s on the westbound segment of the carrier's daily nonstop roundtrips to Zurich next day.

President Roberto Abusada of AeroPeru is very relieved to announce the final details of his airline's restructuring plan at a press conference on June 2. Under the new agreement, Continental assumes a 49%, \$30-million equity stake. Creditors take on 30% of the shares, with the remainder split between employees (5%) and an independent institutions set up by the Peruvian government (16%). Domestic service is to be resumed on June 22, with international flights restarting in September.

COPA (Compania Panamena de Aviacion, S.A.) and Continental begin code-sharing on June 10. The Panamanian line places its "CM" code on approximately 35 Continental flights serving 22 destinations (including Houston, Newark, and Los Angeles), while the American major puts its "CO" code on COPA's flights to Latin America, as well as Miami.

On June 11, B-777-224 IGWs replace DC-10-30s on the westbound leg of the daily nonstop roundtrip from Frankfurt to Newark. Also on June 11, DC-10-30s permanently replace B-757-224ERs employed on the westbound leg of the daily nonstop roundtrip service from Birmingham to Newark.

Seasonal nonstop B-737-724 Saturday roundtrips commence on June 12 from Newark to San Salvador via Guatemala City. Flights will continue until September 4.

The whole **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** restructuring plan comes unglued on June 17 when Continental informs President Fujimori and airline officials that, having completed its survey, it, like **American Airlines**, is abandoning its interest.

Angered due to the lateness of her flight and the alleged rudeness of a flight attendant, a 54-year-old woman attacks attendants and attempts to force her way into the cockpit of a flight, which must be diverted to Buffalo. The woman, who is restrained, is charged and appears in court on June 24.

Considered a candidate, President/Chief Operating Officer Brennehan withdraws on June 29 from consideration for the presidency at Compaq Computer Corp.

When **Sun Jet International Sales** suddenly collapses on June 25, Continental is one of several companies to step in and assist its more than 2,500 stranded passengers by offering them substantially discounted fares.

Daily nonstop roundtrip B-757-224ER roundtrips commence on June 30 between Cleveland and London (LGW). This is the first transatlantic service ever operated out of Hopkins International Airport.

En route from Newark to San Juan on July 9, Flight 743, a B-737-824 with 6 crew and 153 passengers encounters severe turbulence at a point 180 mi. S of Bermuda. A safe emergency landing is made at Bermuda and 16 aboard are hospitalized with serious injuries, with another 45 people, including all 4 flight attendants, treated for minor hurts and released.

An expanded code-sharing agreement is signed with **Gulfstream International Airlines** on July 14. Under its terms, Gulfstream will expand its services on November 1 between San Juan and St. Thomas, St. Croix, St. Martin, and St. Kitts in the Virgin Islands.

Daily nonstop DC-10-30 roundtrips begin on July 15 between Newark and Amsterdam.

Beginning on July 16 and continuing through October 30, DC-10-30s replace B-757-224ERs on the westbound leg of the company's daily nonstop roundtrips between Lisbon and Newark.

Passenger John C. Davis Jr. is arrested at Newark on July 22 on charges of aggravated assault. In an air rage incident, he is alleged to have thrown gate agent Angelo Sottile to the ground, breaking his neck. Davis will undergo surgery, while Davis will be released on \$50,000 bail pending his trial.

The next day, the carrier experiences 222 aircraft delays at Newark International Airport alone; the average delay is 1 hr.17 min.

In a speech before the Aero Club on July 26, Chairman Bethune demands that violent passengers be permanently barred from U.S. airlines.

Chairman Bethune also appears on the ABC-TV weekly news show *This Week with Sam Donaldson and Cokie Roberts* on August 22 to discuss the problems of nationwide flight delays, blaming many of them on the inadequacy of the nation's ATC.

The August 23 issue of Malcolm Ginsberg's *Air and Business Travel News* reports that the proposed "Wings" global alliance is in serious jeopardy. Abstracting a report from the previous day's London *Financial Times*, the newsletter notes that a significant disagreement between Continental and **KLM (Royal Dutch Airlines, N.V.)** concerning linkage and revenue sharing on transatlantic flights risks termination of the grouping and creation of a new alliance without Continental.

Much to Chairman Bethune's delight, the FAA issues a report on September 1 accepting most of the blame for the air traffic delays that have plagued the traveling public this summer.

By the beginning of September, Continental has received 12 B-777-224 IGWs and these have replaced DC-10s on flights from Houston to London and from Newark to London, Paris, Frankfurt, and Tel Aviv. The new long-range Boeings also serve Tokyo.

A sixth transatlantic B-777 service is launched on September 7 as the new aircraft replace DC-10s on the daily flight to Manchester, England. B-777 service from Newark to Rome will start on November 1 and to Milan on November 16.

The number of daily roundtrip flights between Newark and Dallas (Dallas (DFW)) are increased on September 9 from six to nine. On September 16, the carrier retires its last Stage II aircraft, a DC-9 at Cleveland.

In late September, the carrier and **America West Airlines** become the first two U.S. airlines to offer interline e-ticketing, via SABRE or Amadeus, on each other's flights. On October 31, the two expand their code-share to include the international cities of Toronto, Ottawa, Montreal, Manchester, Birmingham, Glasgow, Frankfurt, and Dusseldorf.

In another move toward diversity at the airline, Capt. Deborah McCoy is named senior vice president-flight operations, also in October.

As a corporate sponsor of "NYC 2000," Continental honors the "Big Apple" on November 16 when a new B-777-224, wearing a special mil-

lennium color scheme commissioned from pop artist Peter Max, begins service from Newark. Three days later, B-777-224s replace DC-10-30s on the Newark-Milan service.

Also in November, Senior Vice President-Asia James Ream is named president of **Continental Express**. Daily DC-10-30 roundtrips from Houston (IAH) to São Paulo commence on November 30.

Anticipated for some months, a joint marketing agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** on December 15. Under its terms, the two carriers pledge to undertake code-sharing, reciprocal frequent-flyer and lounge programs, and through check-in of passengers and baggage.

A code-sharing agreement with **CSA Czech Airlines** on the Prague-Bucharest route comes into effect on December 21.

Passenger boardings ascend 5.6% to 44,012,000, while cargo jumps 26.8% to 1,114,941,000 FTKs. Operating revenues rise 9% to 8,639,000 while costs are up 11.3% to \$8,039,000,000. Operating profit slips to \$600 million, but net profit surges to \$455 million.

Among the world's top 25 airlines at the beginning of the new millennium, Continental is 7th in passengers, fleet size, and net gain, 11th in employee numbers and operating revenues, and 8th in operating profit.

In February 2000, Chairman/CEO Bethune announces that Continental wishes to purchase back the majority stake held by **Northwest Airlines** in a 10-year voting trust. He promises that the strategic alliance between the two airlines will not be impacted. The leader also seeks consumer support by actually issuing legal challenges to competitors over their use of airport "bag sizer" to review carry-on luggage.

On February 25, it is announced that the year-and-a-half-old code-sharing agreement with **VASP Brazilian Airlines, S.A.** will be terminated.

Saturday nonstop B-737-524 roundtrips commence on March 4 between Newark and Albuquerque. Lack of competitive landing slots at Tokyo (NRT) forces the company, on April 3, to cancel its thrice-weekly services from Honolulu.

The carrier's 8,500 AFA-represented flight attendants ratify a new four-year contract in April. When the merger between **KLM (Royal Dutch Airlines, N.V.)** and **Alitalia, S.p.A.** fails on April 28, Continental maintains its transatlantic code-sharing partnership between Newark and Italy with the former and its friendly arrangements with the latter.

Twice-daily B-737-524 roundtrips are started on May 2 between Houston (IAH) and Sacramento.

The Houston (IAH) to Lima B-737-724 roundtrip service is expanded thrice weekly to Santa Cruz, Bolivia, on June 14. Twice-daily B-737-524 return service also begins from Houston (IAH) to Oakland, along with new daily roundtrips between Cleveland and Austin. Thrice-weekly B-757-224 roundtrips commence from Newark to Santa Cruz, Bolivia, via Lima with daily return flights also added between Houston (IAH) and Anchorage.

On July 1, Chairman/CEO Bethune and his top four deputies sign five-year contract extensions. At the same time, the company's relationship with **Delta Air Lines** ends as the Delta-based major moves into the new "SkyTeam" alliance.

The carrier, beginning on July 16, places its "CO" code on **Northwest Airlines** daily return flights from Los Angeles to Osaka (KIX) and Tokyo (NRT) and from Seattle to Tokyo (NRT).

It is strongly suggested that a thrust reverser wear strip lost from Flight 55, a DC-10-30 taking off down Runway 26R at Paris (CDG) for Newark four minutes earlier on July 25, is the infamous metal piece causing the tire explosion which brings down **Air France** Concorde Flight 4590.

At the end of the month, it is announced that the company will fly the first nonstop B-777-224ER roundtrips between New York (JFK) and Hong Kong beginning on March 1. At 7,337 nm., the 16 hr. 30 min. services will be the longest nonstop flights offered by any U.S. airline.

Twice-daily nonstop B-737-724 roundtrips are launched on August 1 from Oakland to Newark. The carrier's first B-767-424 arrives on August 30; the delivery flight from Boeing Field to Newark had been

piloted by Chairman/CEO Bethune. The new plane and others like it will replace the company's DC-10-30s on international service, particularly on the Newark to South America routes.

At Houston (IAH) on September 2, Continental fully cooperates with representatives of the FAA, NTSB, and British and French safety agencies as they inspect the DC-10-30 suspected of leaving the metal strip that played a crucial role in the Concorde disaster. Although a strip like the one in question is missing from the Jumbojet, inspectors do not definitely determine that it is "the" suspect piece.

B-767-424 service is inaugurated on September 14 as a series of route proving flights between Newark and Orlando.

It is announced on September 28 that **Air France** will sue Continental for allegedly causing the July 25 Concorde disaster; Continental maintains that there is insufficient evidence that a 17" metal strip, which supposedly fell off of one of its DC-10s, was involved in the accident.

After two weeks of practice runs between Newark and Orlando, the carrier's premier B-767-424 is deployed to the airline's Newark-Rio de Janeiro route on October 1. On October 5, a DC-10-30 is scheduled on the Houston (IAH) to Belize City route to provide extra lift to and from hurricane-damaged Belize. With an order for 15 (with the first arriving in November 2001), Continental becomes the second U.S. carrier to request the B-757-300.

B-767-424s replace DC-10-30s on the Newark to Paris (CDG) route on October 29 and the Newark to London (LGW) service the next day. The B-767-224ERs received from a group of ten ordered in August go into service on December 1 over the Newark to Zurich route and from Houston (IAH) to São Paulo on December 14.

Four-times-per-day B-737-724 roundtrips also commence on December 14 from Newark to Aruba, the carrier's tenth Caribbean destination.

CONTINENTAL AIRWAYS: United States (1930-1932). Established at Chicago in late spring 1930, Continental is equipped with 2 Travel Air 6000s that inaugurate scheduled passenger services to Columbus via Indianapolis and Dayton on June 30. During the remainder of the year, a total of 995 passengers are carried.

On July 18, 1931, the route is stretched via Pittsburgh to Washington, D.C. and 2 new Lockheed Model 9 Orions are placed into service over it.

A Chicago hangar fire destroys both Orions on February 5, 1932. Without sufficient capacity in the remaining Travel Airs, nor funds to purchase replacement aircraft, the company must shut its doors.

CONTINENTAL AVIATION, LTD.: E-4/130 Arera Colony, Bhopal, 462016, India; Phone 91 (755) 566 625; Fax 91 (755) 563 447; Year Founded 1991. This new regional airline is formed at Bhopal in 1991. Sam Verma is named managing director and the initial fleet comprises a Boeing 720-025 and a Fokker F.27-100 Friendship. Revenue flights begin late in the year to cities in the province of Madhya Pradesh, but last only briefly. When the government grounds the two aircraft, the carrier goes out of business.

New investment is found in 1992 and allows the carrier to resume operations. The Fokker is employed to fly short-haul services. Services continue in 1993-1994 and the short-haul operation is strengthened by the addition of a Piper PA-31-310 Navajo.

Service continues apace in during the remainder of the decade as two more F.27-100s are acquired.

CONTINENTAL AVIATION CORPORATION. See **UNIVERSAL AVIATION CORPORATION**

CONTINENTAL CONNECTION COMMUTER NETWORK. See **AIR MIDWEST; AIR NEW ORLEANS; ATLANTIS AIRLINES; BAR HARBOR AIRLINES; BRITT AIRWAYS; COLGAN AIR; COMMUTAIR; EASTERN METRO EXPRESS; GULFSTREAM INTERNATIONAL AIRLINES; GULL AIR; MID PACIFIC AIRLINES; PARADISE ISLAND AIRWAYS; PIONEER AIRLINES (2); PRECISION AIRLINES; PROVINCETOWN-BOSTON AIR-**

WAYS (PBA); ROCKY MOUNTAIN AIRWAYS; ROYALE AIRLINES; SKY WEST AIRLINES; SURAIR; TRANS COLORADO AIRLINES

CONTINENTAL EXPRESS, INC.: 15333 JFK Blvd., Suite 600, Gateway II, Houston, Texas 77032, United States; Phone (713) 985-2700; Fax (713) 590-3820; Code RU; Year Founded 1990. Britt Airways and Rocky Mountain Airways, which have operated Continental's commuter services under contract for some time, including the previous quarter under the moniker **Jet Link**, are consolidated with the assets of **Bar Harbor Airlines** into a single division of **Continental Airlines** in August 1990. The amalgamation process takes six months, during which time the merger partners finish out operations under their own names.

When Continental Express emerges at New York (JFK) as a single entity in January 1991, Stephen J. Kolski is president and airline employment is 2,100. Operating from the hub cities of Cleveland, Denver, Newark, and Houston is a fleet that comprises 37 Avions de Transport Regional ATR42-320s, 15 Beech 1900s, 5 de Havilland Canada DHC-7-102s, and 33 Embraer EMB-120 Brasílias. Four-times-per-day roundtrips commence between Houston and Jackson, Mississippi, in June.

On September 12, Continental Express Flight 2574, a Brasília owned by the Britt Airways division, with 3 crew and 11 passengers en route from Laredo, suffers an in-flight structural breakup and crashes into a corn field near Eagle Lake, Texas, 75 mi. from its Houston destination; there are no survivors. Witnesses on the ground report that the aircraft appears to have been on fire before impact. It will be determined that company mechanics have left 47 screws out of the leading-edge flap of the EMB-120's left horizontal stabilizer during scheduled maintenance and when that edge separates, the airplane goes out of control.

A total of 3,298,811 passengers are flown on the year, down 2.6% from the previous year's combined total.

Company employment is cut 22.2% in 1992 to 2,100, but 5 more ATR42-320s are delivered in December. Passenger boardings multiply by 14.6% to 3,774,719.

The payroll grows 5.8% in 1993 to 2,200 and the fleet now comprises 96 aircraft, including 15 Beech 1900s, 32 EMB-120s, 42 ATR42-320s, 5 DHC-7-102s, and 1 ATR72-212. President Kolski is succeeded by Dennis Crabtree in February.

While taking off from Grider Field Airport at Pine Bluff, Arkansas, on April 29, an EMB-120 stalls at 17,000 ft. and goes out of control. The flight crew is able to regain control after losing over 11,000 ft. and makes a safe forced landing back at the point of origin. Although no injuries are reported, in-flight loads cause extensive engine damage.

Four-times-per-day nonstop roundtrips are initiated on May 7 between Newark and Atlantic City. Also in May, a contract is signed with Messier Services, Inc., a wholly owned subsidiary of Messier-Bugatti of Sterling, Virginia, to provide maintenance and repair service for the entire ATR42-320 fleet.

On December 3, the company takes delivery of its second ATR72-210, which, incidentally, is the 350th ATR built. At month's end, the aircraft begins service from Denver to various Colorado ski communities, including Aspen.

Customer bookings rise another 10.7% this year to 4,177,648.

Airline employment is increased by 22.7% in 1994 to 2,700.

The former executive vice president of **Mesa Airlines**, Jonathan G. Ornstein, becomes the carrier's new president on July 1. Service is suspended on many Denver routes in the fall and the Beech 1900s and DHC-7-102s are withdrawn.

The major event of the year is the grounding of the Newark-based ATR72-212 fleet on December 10, following the FAA's order that the Franco-Italian aircraft not fly in icy conditions. Passenger boardings decline 5.9% on the year to 3,933,154.

There is no change in the workforce during 1995. The government ban on ATR operations is lifted on January 11. It is reported on May 15 that **Continental Airlines** has entered into discussions with **Mesa Air**

Group concerning the possible sale of this commuter subsidiary to MAG in exchange for a 33% investment in the nation's largest regional. Mesa rejects the estimated \$90 million deal on June 2.

Enplanements drop 7% to 3,658,000 and 458,000 freight FTKs are operated. Still, operating income exceeds costs and there are profits: \$17.25 million (operating) and \$4.46 million (net).

The employee population falls to 2,200 in **1996** and the fleet now includes 3 ATR72-212s, 38 ATR42-320s, 32 EMB-120s, and 8 Beech 1900Cs.

Daily ATR42 roundtrip service is initiated on March 4 from Cleveland to Kalamazoo and South Bend.

On April 1, a \$260-million order is placed for 20 ATR42-512s. Eight will be delivered between the third week of May and November and stationed at the carrier's Houston hub.

After a three-year absence, daily ATR42 service is restarted between Cleveland and Akron-Canton Regional Airport on June 6. Simultaneously, thrice-daily nonstop return services begin from Cleveland to New York (JFK) and daily from the Lake Erie metropolis to Greensboro and Raleigh/Durham. In addition, four flights are added to Buffalo, Flint, and Indianapolis, bringing to 123 the total of departures from Cleveland.

On September 2, President Siegel announces a \$375-million order for 25 Embraer EMB-145 Amazon regional aircraft, with options on another 175 over the next 12 years. The planes will be leased by parent **Continental Airlines** from the manufacturer and subleased to the regional on a 16½-year operating lease; financing is arranged by Embraer.

ATR42-512 thrice-daily roundtrips commence on November 1 between Cleveland and Toronto. During the month, a number of company pilots, together with FAA flyers, travel to Embraer's São Jose dos Campos facility in Brazil to undergo flight training on the new regional jets. The first two EMB-145 Amazons are handed over to the company on December 18 in São Jose dos Campos ceremonies. Two more are received on December 26.

Customer bookings accelerate 12.1% to 4,101,000 while cargo falls 3.5% to 442,000 FTKs. Revenues surge 27.1% to \$386.76 million while expenses rise only 16.1% to \$333.34 million. Operating gain moves up to \$53.41 million and a \$27.23-million net profit is posted.

The employee population dips 0.1% in **1997** to 2,200. The fifth EMB-145 arrives in February and crew training is undertaken for them at Lubbock, Texas. Plans to put them into operation on March 1 are shelved late in February in order that additional aircraft might be received and training finished.

EMB-145 ExpressJet services are inaugurated from the Cleveland hub on April 6. Four of the six new aircraft—one of them acting as a spare backup—begin flying thrice-daily roundtrips to Milwaukee and Greensboro and twice-daily roundtrips to St. Louis and Hartford. The inaugural flight, however, is Flight 4109 from Cleveland to Milwaukee; the start of thrice-daily roundtrip frequencies from Milwaukee to Newark by the same plane is twice delayed by weather.

On May 1, ExpressJet flights are launched from Cleveland to Minneapolis, Buffalo, Raleigh/Durham, and Providence. Plans to open flights from the Ohio city to White Plains, New York, four times daily hit a snag when airline officials learn that their ExpressJet is 7 ft. longer than the airport allows under its commuter aircraft classification. The airport's restriction of the EMB-145 to its "large" aircraft category requires Continental Express to half its planned frequencies and operate them at the odd hours of 8:30 a.m. and 7:30 p.m. President Siegel protests the aircraft size ruling as "arbitrary."

In June, nonstop ExpressJet flights commence from Newark to Savannah, Georgia. A new Terminal B concourse is opened at Houston (IAH) in September.

On September 10, thrice-daily nonstop EMB-145 service is inaugurated from Houston to Wichita, Kansas. Also at this time, company officials agree to delay their first flight to comply with the voluntary noise curfew at Westchester County Airport at Valhalla, New York.

On October 1, the carrier inaugurates four-times-per-day EMB-145 service from that destination to Corpus Christi and Wichita. EMB-145

service begins from Cleveland to Toronto on November 1. The same day, two more daily flights are added between Houston (IAH) and Houston Ellington Field and between Houston (IAH) and Beaumont and Port Arthur, Texas.

Passenger boardings jump 19.3% to 4,888,000, while freight advances 16.9% to 515,000 FTKs. Operating revenues ascend 18.9% to \$459.65 million, while expenses rise 17.2% to \$390.52 million. The previous year's operating gain is better, rising to \$69.13 million, while the net profit increases to \$36.12 million.

At the beginning of **1998**, Continental Express is the 21st largest airline in the world in terms of fleet size. Embraer renames its EMB-145 the ERJ-145 to emphasize its regional-jet capabilities. The fleet now includes 38 ATR42-320/520s, 3 ATR72-212s, 25 Beech 1900Ds, 32 EMB-120s, and 34 ERJ-145s.

Just after landing at Windsor Locks, Connecticut, on January 21, the right engine of Flight 3332, an ATR42-320 with 3 crew and 36 passengers, explodes into fire. The aircraft is stopped on the runway and all aboard are evacuated as smoke fills the cabin. Airport fire trucks put out the blaze.

While on a training flight at the Jefferson County Airport at Beaumont, Texas, on February 11, a new ERJ-145 ExpressJet with 4 crew is badly damaged when it rolls into a grass area 15–20 ft. off the ground during a takeoff maneuver; no one aboard is badly hurt.

Thrice-daily nonstop ERJ-145 roundtrips are inaugurated on May 1 between Newark and Ottawa.

On May 8, Continental Express places \$315 million in orders with Embraer for 25 ERJ-135s, plus 50 options. Officials from the North American launch customer are on hand at São Jose Dos Campos, Brazil, on May 12 when the first of the \$12.6-million jetliners is rolled out.

Also at the beginning of May, parent **Continental Airlines** finds itself drawn into a dispute between Dallas civil bodies and **American Airlines**, which wishes to operate scheduled long-haul flights out of Love Field in competition with **Southwest Airlines** (2).

Continental Airlines holds two gates at Love Field, but elects not to go up against Southwest again. It does, however, announce on May 19 that its subsidiary, Continental Express, will inaugurate nonstop Embraer ERJ-145 roundtrips to Cleveland in early July. The announcement causes the governing board at Dallas (DFW) and **American Airlines** to file suit in state court seeing an injunction to block the service.

On June 11, the company launches uncontested nonstop intrastate ERJ-145 ExpressJet return service from Dallas (DAL) to Houston (IAH) seven times a day.

While taxiing preparatory to departure from Newark on June 27, Continental Express Flight 4280, an ATR42-320 with 3 crew and 45 passengers, is subjected to an electronic engine fire warning. The aircraft is halted on the taxiway and a precautionary passenger evacuation follows, using only the main cabin entrance door. One passenger receives a minor injury and, upon examination, no evidence of smoke or fire is found.

Employing three ERJ-145 ExpressJets and a B-737 leased from **Continental Airlines**, Continental Express, on July 1, increases the frequency of flights between Newark and Montreal from three to four every day. Simultaneously, twice-daily ERJ-145 ExpressJet nonstop roundtrips commence from Houston (IAH) to Cincinnati.

The 48th Judicial District Court of Tarrant County, Texas, issues a temporary injunction on July 9 barring the launch of Continental Express service from Dallas (DAL) to Ohio; the airline appeals immediately.

On August 11, it announced that, as part of its transition to regional jets, it will retire its fleet of 32 EMB-120s by December 2000.

Intrastate **American Airlines** Fokker 100 and MD-80 roundtrips commence on August 31 between Dallas (DAL) and Austin, 14 times a day. Meanwhile, the major and the city of Fort Worth continue to oppose an effort by Continental Express to overturn the July 9 court ban against its flights to Cleveland.

The number of daily ERJ-145 ExpressJet nonstop roundtrips frequencies from Houston (IAH) to Cincinnati is increased on September 1 from two to three.

Twice-daily nonstop ERJ-145 ExpressJet roundtrips begin on October 1 between Houston (IAH) and Greenville and Spartanburg, South Carolina.

The carrier and its parent, **Continental Airlines**, bitterly criticize the decision by the 48th Judicial District Court on October 16, which grants a summary judgment to the plaintiffs and prohibits the initiation of commuter service from Dallas (DAL) to Cleveland. Both companies promise to appeal in federal court.

As contract talks between management and the Independent Association of Continental Pilots drag on, company pilots, on October 13, begin informational picketing at selected airports to draw public attention to the failing negotiations.

Following weeks of negotiation with involvement of the NMB, a tentative agreement is reached between management and the pilots on October 30.

ERJ-145 ExpressJet nonstop roundtrips begin on November 1 between Cleveland and Indianapolis.

On December 5, **Northwest Airlines**, which has vowed to complete a deal with **Continental Airlines** despite an antitrust lawsuit from the government, completes its acquisition of a controlling stake in Continental. The arrangement gives the nation's 4th-largest airline a 14% equity stake in Continental as well as voting control of up to 51% of the No. 5 carrier. Executives from both airlines indicate that they will proceed to implement domestic code-sharing involving upwards of 850 flights.

On December 14, the five-year pact between Continental Express management and the pilots is finalized and signed.

Customer bookings during the 12 months accelerate 16.24% to 5.68 million, while cargo traffic rises 4.83% to 539,000 FTKs.

Revenues surge 24.2% to \$570.67 while expenditures grow by 25.8% to \$491.38 million. The operating gain moves up to \$79.29 million, while net gain moves ahead to \$47.25 million.

Continental Airlines and **Northwest Airlines** begin linking a major portion of their domestic flight schedules and implementing more international dual-designator flights on January 7, 1999. The two majors, despite DOT opposition, initiate code-sharing on approximately 850 domestic and international flights to 95 destinations.

As part of the arrangement, **Northwest Airlines** code-shares daily on **Continental Airlines** and Continental Express flights, including cities where it has no service, such as Corpus Christi, Charleston, Scranton, and Daytona Beach.

At a joint news conference at McGee Tyson Airport on March 5, President Siegel and Congressman John Duncan (R-Tenn.) announce that the carrier will establish a mid-network maintenance facility for its regional jets. It will be located in a new 65,000-sq.-ft. hangar to be built on the northeast quadrant of the Knoxville airport. In addition, daily ERJ-145 ExpressJet roundtrips will be inaugurated from Knoxville to Houston (IAH) on July 7, increasing to twice daily on August 1. Flights to Cleveland and Newark are promised by year's end.

An ERJ-145 is forced to return to Cleveland on March 6 after smoke is reported in the cabin. No one aboard is injured and the incident is traced to deicing fluid in the air conditioning system.

It is announced on March 12 that Continental Express will initiate daily nonstop ERJ-145 return service from Houston (IAH) to Chihuahua, Saltillo, and Torreon, Mexico, starting on June 10, August 1, and November 22, respectively.

Wearing a special star-speckled livery and titles indicating the company is "En Route to an All Jet Fleet," Continental Express accepts its 100th ERJ-145 ExpressJet at the end of the month.

Twice-daily ERJ-145 ExpressJet roundtrips commence on April 1 between Cleveland and Montreal (YUL). Three days later, twice-daily regional flights start from Cleveland to Providence, Rhode Island, operating in conjunction with the main line service of **Continental Airlines**.

Twice-daily ERJ-145 roundtrips begin on May 1 from Cleveland to Islip, New York, and to Memphis. Simultaneously, an ERJ-145 daily roundtrip is initiated between Lubbock and Houston (IAH), bringing the number of daily regional services on the route up from four to five.

On June 1, the carrier's new \$90-million Regional Jet Concourse D is opened at Cleveland. The new facility connects to Concourse C via an underground tunnel with moving sidewalks. The concourse provides 12 regional jet gates with the convenience of jet bridge loading, together with 24 turbojet loading positions.

The first service from the new facility, also on June 1, is the introduction of twice-daily ERJ-145 roundtrips to Manchester, New Hampshire. Nine days later, ExpressJet flights are launched to Chicago (ORD) thrice daily and timed to complement the main line flights of **Continental Airlines**. The same day, ERJ-145 roundtrips to Chihuahua, Mexico, begin.

On July 1, a major expansion of ExpressJet service from Cleveland is inaugurated. On that day, twice-daily roundtrips are begun to both Charlotte, North Carolina, and Omaha and daily roundtrips start to Burlington, Vermont, and Jacksonville, Florida.

Frequencies between Houston and Dallas (DAL) are boosted on July 9 from 9 to 11 each day.

A ground crew member imitating a wing walker is killed on July 28 when he walks into a rotating propeller of Flight 3402, an ATR42-520 with 3 crew and 33 passengers, which is just terminating its flight at Gate 7 of Adams Field, Little Rock, Arkansas.

The company's first new ERJ-135 enters revenue service on September 9, operating to Knoxville, White Plains, Chicago (MDW), and St. Louis.

Following the October departure of President David Siegel to become president/CEO of the Budget Group, **Continental Airlines** Senior Vice President-Asia James B. Ream, who had been president/CEO of **Continental Micronesia** in 1996-1998, is appointed as his successor. In November, ground is broken on a new maintenance facility at Knoxville's McGee-Tyson International Airport.

Older frequencies are now increased and several new routes introduced, including Knoxville to New York (LGA), Charleston to Cleveland, Cleveland to Madison, and Houston (IAH) to Mazatlan, Mexico.

Overall passenger boardings surge 17.3% to 6,664,000 while cargo falls 6% to 507,000 FTKs. Revenues jump 22.4% to \$698.67 million, while expenses are up 19% to \$584.79 million. The operating profit ascends to \$113.87 million while net gain reaches \$71.43 million.

Airline employment at the beginning of 2000 stands at 3,576, an 18.7% increase over the past 12 months. Among the world's top 25 airlines at the beginning of the new millennium, Continental Express has the 19th largest fleet.

New daily nonstop ERJ-145 roundtrips commence on February 10 between Houston (IAH) and Mazatlan, Mexico. Simultaneously, four-times-a-day ERJ-145 return flights begin from Cleveland to Charleston, West Virginia. On February 12, weekend ERJ-145 roundtrips are begun from Cleveland to Charleston, South Carolina, and Savannah, Georgia.

In a mammoth purchase announced at the Asian Aerospace exposition, the company requests that Embraer deliver 75 ERJ-145s and 25 ERJ-135s by the end of 2003.

On March 2, nonstop ERJ-145 daily return service is started from Houston (IAH) to Potosi, Mexico, thrice daily from Cleveland to Hamilton, Ontario, and from Houston (IAH) to Abilene.

Twice-daily ERJ-145 roundtrips begin on April 2 from Houston (IAH) to Columbia, South Carolina. A daily ERJ-145 roundtrip is initiated on May 2 between Houston (IAH) and Puebla, Mexico.

Four-times-a-day ERJ-145 return service begins on June 1 from Cleveland to Dallas (LOV). Aguascalientes, served with a daily ERJ-145 roundtrip from Houston (IAH) beginning on June 14, is the company's 20th Mexican destination. The daily ERJ-145 frequency from Houston (IAH) to both Chihuahua and Tampico are simultaneously doubled and an ERJ-135 replaces an EMB-120 on one of the three daily roundtrips between Cleveland and Albany. New daily ERJ-145 return service is also started from Cleveland to Austin.

Also in a June ceremony, a 32,000-sq.-ft., \$25-million training facility, the airline's first at Houston, is opened; it will be employed by the company's flight operations, in-flight and airport services training departments.

With an order for 75 (with 100 options) announced at the Farnborough air show, the regional becomes launch customer on July 26 for the Embraer ERJ-145XR (extended range).

Daily ERJ-145 roundtrips from Houston (IAH) to Hermosillo begin on August 1.

On September 7, four daily ERJ-145 roundtrips are initiated from New York (LGA) to Richmond and to Buffalo. Buffalo becomes an all-jet city when ERJ-135s upgrade the carrier's route to Cleveland.

The ERJ maintenance base at Knoxville is dedicated on October 4.

Thrice-daily ERJ-145 return service is initiated on December 1 from Norfolk to New York (LGA), along with daily ExpressJet roundtrips from Norfolk to Jacksonville.

CONTINENTAL MICRONESIA: P.O. Box 8778, A B Won Pet International Airport, Tamuning, Guam, 96911, United States; Phone (671) 649-5208; Fax (671) 646-7498; <http://www.flycomairontinental.com/g1/micro.micro.html>; Code CS; Year Founded 1993. In November 1992, Air Canada, Ltd. and Texas-based Air Partners I. P. accept a reorganization plan presented by Continental Airlines officials and agree to take over the financially troubled U.S. major. One of the points of reorganization is a plan to spin off Continental's Air Micronesia division into a separate subsidiary.

Air Micronesia is elevated in status in May 1993. Personnel, services, and organization remain the same as does the fleet of 10 Boeing 727s, including 5 Dash-224As, 2 Dash-30s, 2 Dash-232As, and 1 Dash-92C. Continental's ownership stake is now 91%.

Destinations visited from Saipan include Fukuoka, Guatn Yap, Honolulu, Johnston Island, Kwajalein, Majuro, Manila, Nagoya, Okinawa, Ponape, Rota, Tokyo, and Truk. The DOT labels the new carrier a national airline.

Reflecting its new billing, Continental Micronesia flies a total of 1,354,000 passengers and 59.31 million FTKs by year's end. Revenues are \$189.21 million, expenses are \$143.96 million, and the operating profit is \$45.24 million. Changeover costs force a net loss of \$2.4 million.

With the elimination of Australia and New Zealand from the parent's schedule the previous year, the now-profitable Continental Micronesia becomes the center of Continental's 1994 Pacific strategy. By summer, this unit is providing scheduled service to 6 Japanese cities in addition to destinations in Korea, Hong Kong, Taiwan, Indonesia, the Philippines, and 10 islands in the western Pacific. During the year, the fleet is increased by the addition of 2 Douglas DC-10-10s.

Customer bookings skyrocket 70.8% to 2,314,000 and cargo balloons 60.9% to 95.42 million FTKs. Revenues skyrocket 102.8% to \$676.28 million while expenses are only up 80.8% to \$572.81 million. Consequently, there is a \$103.47-million operating surplus and a net gain of \$49.08 million.

Under a marketing agreement with **DHL Worldwide Express**, Continental Micronesia in 1995 operates its B-727-92C over a small cargo network based on Manila.

The company's aircraft transport a total of 2,660,000 passengers, a 15% increase. Cargo rises 3.4% to 98.7 million FTKs. Income at \$741.6 million far exceeds expenses and there are sizeable profits: \$128.56 million (operating) and \$67.31 million (net).

Four Boeing 747-200Bs are leased in 1996 as traffic gains are noted. Service to Sydney is dropped as the DC-10 committed to fly the route is deemed too large.

During the first quarter, 4 B-727-264s are purchased by **DHL Worldwide Express** from **Mexicana Airlines, S.A. de C.V.** All are converted into freighters at Miami and are thereafter sent out to Guam to be operated by the company under contract.

In July, Continental Micronesia assumes \$160 million of its parent's debt, helping the major to ease out of a number of restrictive requirements imposed by Chapter XI financing.

Continental's Vice President Finance James Ream becomes the airline's new president in October. Additional routes to Japan are sought,

but their receipt is held up by the impasse in bilateral air agreement negotiations between the U.S. and Japan.

Customer bookings inch up 1.8% to 2,707,000 and 115.42 million FTKs are operated, a 16.9% increase. Operating income dips 1.1% to \$777.24 million while costs are up 6.4% to \$699.66 million. The operating gain falls to \$77.58 million and the net profit drops to \$27.78 million.

One each B-747-238B and B-747-243B are chartered from **Continental Airlines** during the first quarter of 1997 and are employed to upgrade the carrier's flights to Tokyo, Osaka, and Nagoya. Two more Jumbos will be leased before the end of the year.

On June 24, Continental signs a letter of intent to purchase the 9% stake held in CS by the United Micronesia Development Association and thereby end its contractual agreements with the local investors. The UMDA stockholders approve the \$73-million sale at their annual meeting on July 10.

A marketing alliance is signed on July 30 between **Continental Airlines** and **Hawaiian Airlines**, which includes Continental Micronesia as well. The pact, scheduled to start on October 1, will allow the former to tie its feed to the latter's 12 daily nonstops from Honolulu to the West Coast. In addition, Continental will be able to increase feed for Hawaiian and Continental Micronesia on their services from Hawaii to Guam.

Two days later, **Continental Airlines** inaugurates daily nonstop DC-10-30 flights from Houston (IAH) to Honolulu, timed to connect with Continental Micronesia's continuing service on to Guam. The Asian economic downturn begins to have an impact on company business during the fall.

On December 16, Typhoon Paka sweeps across Guam, with the highest winds ever recorded. Forewarned, Continental Micronesia has been able to evacuate its entire fleet before the storm strikes.

Passenger boardings drop 3% to 2,626,000, but freight jumps 26.6% to 146.16 million FTKs. Operating revenues fall 6.2% to \$729.17 as expenses rise 4% to \$727.82 million. The previous year's huge operating profit falls to \$1.35 million while the net gain becomes a \$20.17 million loss.

In January 1998, **Continental Airlines** arranges its schedule to provide seamless connections between its flights from the U.S. West Coast to Hawaii and those Continental Micronesia departures leaving Hawaii for Guam and points beyond. Discussions between **Continental Airlines** and **Northwest Airlines** lead company officials to anticipate a significant upturn in feed from Tokyo and Osaka to its own route network.

On March 2, the first of 5 new B-757-224s is delivered. At the end of the month, 3 DC-10-30s and 5 B-727-200s are sent back to the U.S. to bolster the parent's fleet, leaving the carrier with 9 B-727-200s, 3 DC-10-30s, 4 B-747-200s, and 2 new B-757-224s.

Unprofitable flights to Seoul are discontinued during the second quarter and the last of the 5 new aircraft are in service by the end of June.

The number of Japanese destinations reaches nine on July 1 with the initiation of daily return service from Guam to Okayama and Niigata. During the month, thrice-weekly B-727-200 service is initiated from Guam to Cairns, Australia, while a similar number of frequencies are started with B-757-224s to Noumea, New Caledonia.

On August 11, parent **Continental Airlines** announces that this subsidiary will retire its 4 Jumbos by April 1991 and its 13 B-727s by December 2000. The B-747s will be replaced by DC-10-30s and the trijets by a reduced number of B-737s.

En route from Guam to Tokyo (NRT) on August 22, Flight 967, the chartered B-747-238B with 449 passengers, encounters severe turbulence at a point some 400 mi. N of the point of origin; three passengers are injured and are taken to the hospital after landing.

Late in the year President/CEO Ream is named senior vice president-Asia of **Continental Airlines**.

Customer bookings during the 12 months plunge 12.15% to 2.3 million, while freight traffic inches up 0.56% to 146.98 million FTKs. Revenues plunge 15.6% to \$615.22 million and even though they are down by 20.3%, expenses still total \$653.1 million. There is a \$37.87-million operating loss and the net loss worsens to \$35.86 million.

Airline employment in **1999** stands at 200.

As a result of the closure of the airport runway at Pohnpei, Guam, for repairs on February 17, Continental Micronesia must halt service to and from that destination until March 1.

During the week of March 1, the company retires its last Jumbojets.

Customer bookings plunge 18.9% to 1,872,000, while freight falls 14.9% to 125.08 million FTKs. Revenues drop 17.2% to \$509.56 million, while expenses also take a welcome plunge, dropping 26.7% to \$314.36 million. Operating profit climbs out of the red and into the black at \$30.76 million, while the large net loss is turned into an \$8.69-million net gain.

Airline employment at the beginning of **2000** stands at 4,940, a dip of 0.2% over the previous 12 months.

Twice-weekly B-737-824 roundtrips commence on July 16 from Guam to Seoul. Beginning in the fall, the carrier retires its last 4 B-737-224As, replacing them with Dash-824s, and by October 1, has returned all of its B-737-224s to its parent. The fleet of 8 B-737-824s is now transparent, wearing full Continental colors and titles. Additional DC-10-30s will be brought in from Continental as needed.

CONTINENTAL WEST AIRLINES: United States (1984–1986). In October **1984**, Texas Air Corporation (TAC), parent of **Continental Airlines**, announces the purchase of 24 Boeing 737-3T0s, half of which are destined for lease by the bankrupt major in 1985. Creditors, seeking payment before expansion, petition the U.S. Bankruptcy Court to block the acquisition. The court rules that it will allow delivery of the first four aircraft on schedule, but that the others must be held back until Continental's financial results for the first half-year can be examined along with its reorganization plan, promised for June.

Within days, TAC announces the formation of a joint-venture subsidiary, ownership of which will be shared with **Continental Airlines**. The carrier, to be based at Los Angeles, is, in fact, a low-fare entrant designed to employ the embargoed aircraft until such time as they can be amalgamated.

In June **1985**, 6 B-737-3T0s in CWA colors inaugurate scheduled services "complimenting" those of the major's from LAX to Las Vegas and Reno. The result of this start-up is a hurtful California fare war. The total number of enplanements is buried in the annual figures of the parent organization.

In **1986**, **Continental Airlines**, which has delayed its reorganization plan, presents it to the bankruptcy court, which, together with creditors, receives it favorably. The block on further B-737-3T0 deliveries is lifted and quickly leads to CWA's absorption into the major. The entire ploy has an ironic ending: the B-737-3T0s received for the routes of the "complementary" carrier are immediately shifted elsewhere, being replaced by older DC-9-32s.

CONTRACT AIR CARGO: ILF Group, 6860 South Service Dr., Waterford, Michigan 48327, United States; Phone (248) 666-9630; Fax (248) 666-9614; Code 3C; Year Founded 1983. CAC is established at Waterford, Michigan, in the spring of **1983** to offer ad hoc all-cargo services throughout the Midwest. Part 125 charter operations commence with a single Douglas DC-4.

Nonscheduled flights continue over the decade, prior to the establishment of the affiliated **Corporate Express**.

By **2000**, President Anders Hurtig oversees a workforce of 60 and a fleet of 2 Convair CV-340s, 4 CV-580s, and the DC-4.

Destinations visited include Atlanta, Baltimore, Charleston, Jacksonville, Little Rock, Myrtle Beach, Nashville, Norfolk, Raleigh/Durham, Savannah, Tri-Cities Regional Airport, and Wilmington.

COOK INLET AVIATION. See **INLET AIRLINES**

COOK ISLAND AIR (COOK ISLAND AIRWAYS, LTD.): Cook Islands (1973–1991). The Cook Islands government 10% shareholding joins with **Air New Zealand, Ltd.**'s 90% shareholding in August **1973** to form this third-level airline to operate scheduled air services among

the islands. Equipped with 1 each Britten-Norman BN-2 Islander and Piper PA-23 Aztec, Cook Island Air inaugurates service from Rarotonga to Aitutaki on November 25.

During the decade that follows, the Aztec is discarded; however, scheduled Islander service is started to Atiu, Mauke, and Mitiaro while charter and sight-seeing flights are also offered.

Passenger boardings in **1981** total 8,896 and in **1982** the total is 9,037. Systemwide, traffic does not advance significantly thereafter.

By **1988** General Manager B. H. Jones can only afford to keep one Islander in the air. In October, the Rarotonga–Auckland service is cancelled in favor of a route from Sydney to Rarotonga.

Paul K. Collins is named general manager in **1989**. A de Havilland DHC-6 is acquired. Operations continue apace in **1990**, but, as one of the economy measures undertaken by parent **Air New Zealand, Ltd.**, Cook Island Air is shut down in **1991**.

COOK ISLANDS INTERNATIONAL, LTD.: Cook Islands (1987–1991). Early in **1987**, Rarotonga officials create a national flag carrier to operate service to regional South Pacific destinations. A plan is negotiated with **Ansett Airlines of Australia (Pty.), Ltd.** for shared-lease, joint-use, with **Polynesian Airlines, Ltd.**, of a Boeing 727-277. Revenue flights begin before the end of the year and continue until January **1991** when, unable to maintain economic viability, the carrier is forced to shut down.

COOK STRAIT AIRWAYS, LTD.: New Zealand (1935–1939). Cook Strait Airways, Ltd. is formed at Wellington in late fall **1935** to offer scheduled services between New Zealand's North and South Islands. With two de Havilland DH 89s christened *Mercury* and *Jupiter*, regular services are inaugurated to Nelson via Blenheim on December 30. This route is maintained during **1936** and on February 23, **1937** thrice-weekly flights are started from Nelson via Greymouth to Hokitika.

A thrice-weekly Wellington to Hokitika via Nelson frequency is introduced on October 30. The fleet in **1938** comprises 5 DH-89s. The nation's involvement in World War II forces the company to cease operations on November 9, **1939**.

COOK STRAIT SKYFERRY, LTD.: New Zealand (1990–1992). Cook Strait is set up at Wellington in **1990** to offer scheduled services to and between Blenheim and Picton. Stephen Gray becomes operations manager and revenue services are initiated with a start-up fleet comprising 1 Cessna 208 Caravan I, 1 Pilatus-Britten-Norman PBN-2 Islander, and 3 PBN-2A Trislanders.

Recession in **1990–1991** hurts business and the fleet is reduced to just the Caravan. Freight is now flown exclusively in lieu of passengers. Unable to find a niche, the little commuter is forced to cease operations in **1992**.

COOPER SKYBIRD AIRCHARTERS, LTD.: Kenya (1988–1989). Cooper Skybird is formed in **1988** to provide both charter flights and scheduled services. Managing Director J. M. Cleave's Piper PA-34 Seneca and Pilatus-Britten-Norman PBN-2 Islander undertake scheduled frequencies linking the carrier's Mombasa base with Malindi and Lamu.

With traffic too light and expenses too high, the carrier cannot achieve economic viability and ceases operations in late **1989**.

COPA (COMPANIA PANAMENA DE AVIACION, S.A.): P.O. Box 1572, Panama City 1, Panama; Phone (507) 272 522; Fax (507) 271 952; <http://www.copaair.com>; Code CM; Year Founded 1944. The Panamanian government forms this carrier at Panama City on June 21, **1944**; in need of support and expertise, COPA sells 40% shareholding to **Pan American Airways (PAA)** on August 30. The carrier's first Douglas DC-3 is leased to **LACSA (Lineas Aereas Costarricenses, S.A.)** in May **1946**; that airline subsequently crashes the aircraft on November 26.

Unable to obtain a replacement until the spring of 1947, COPA does not begin service until May 5. On that date, former military C-47s, converted to DC-3 civil standard, initiate multistop flights over a single route from Albrook Field in the Canal Zone (pending completion of Tocumen Airport at Panama City) to the town of Changuinola, near Costa Rica. Flights will also be made thrice weekly to David and weekly to Bocas del Toro as part of this service, beginning on August 15.

This low-key domestic network is the carrier's only operation for almost two decades, with the only fleet change being the addition of 2 each Curtiss C-46 Commandos and Convair CV-240s in 1952. The company wins authorization to launch service to Miami in 1965, but chooses not to start.

Regional service finally begins in January 1966 when COPA DC-3s begin flying to San Jose, Costa Rica. A Hawker Siddeley HS 748, ordered in 1965, is delivered on August 5, allowing inauguration of a frequency to Medellin, Columbia.

Three years later, in September 1969, HS 748 Series 2A flights to Managua are initiated, followed by a service to Barranquilla in October. COPA becomes completely Panamanian owned on March 15, 1971, when **Pan American World Airways (1)** sells back its interest. Low cost fares are introduced along with a Lockheed L-188A Electra in October.

COPA maintains its domestic and minimal regional network over the next decade, concentrating on discount fares over jetliner service. An HS 748-2A is sold back to Hawker Siddeley in May 1974; the manufacturer will employ the aircraft to develop a coast guard patrol plane. Two former **Eastern Air Lines** L-188Cs join the fleet during the year.

By 1978, Chairman Dr. Carlos Icaza presides over an airline of 502 employees that links the nation with Costa Rica, Nicaragua, El Salvador, Guatemala, and Colombia.

In 1981, scheduled Panamanian domestic flights are discontinued and the company begins to concentrate on building a regional and international route network. Passenger boardings on the year total 141,924 and are level in 1982.

One each L-188A and L-188C are sold to **Galaxy Airlines** in 1983. Customer bookings rise to 147,163.

During the following 10 years, San Salvador, El Salvador; Guatemala City, Kingston, and Port-au-Prince are added as destinations. The first Boeing 737-200 is placed in service in 1984 and the last L-188C is retired in 1985.

Operations continue apace in 1986–1988 and in 1989, the fleet includes the B-737-112 and one leased B-737-230C. Service to Miami begins on December 1, but these and all other operations are curtailed by the U.S. invasion on December 20–21, during which the Tocumen–Torrijos International Airport, east of Panama City, is damaged in the fighting.

Once civil operations are allowed to resume in 1990, the fleet is increased by the addition of a leased B-737-281 and a B-737-204A, the latter chartered from **Britannia Airways, Ltd.** The Miami service becomes permanent and frequencies are increased to five per week in February and daily on April 1.

One of these “Baby Boeings,” with 22 aboard, crashes into the Pacific Ocean on April 18 after takeoff from the Panamanian island of Contadora as the result of birds being sucked into its engine (20 dead). Plans are announced in September for the purchase of the grounded **Air Panama International, S.A.**

Another chartered B-737-204A joins the fleet in 1991 as new services are started to Mexico City in October. The company now operates internationally to San Jose, Managua City, San Salvador, Guatemala City, and Miami.

Statistics are reported for the period from May through December and show enplanements skyrocketing 79.7% to 265,581 and freight rising 25.8% to 2.38 million FTKs.

The workforce is increased a dramatic 61.9% in 1992 to 620 as a leased B-737-275 joins the fleet and begins flying to Cali and Montego Bay in May and San Juan, Puerto Rico, in June.

While en route from Panama City to Cali on June 6, Flight 201, a B-737-204 with 7 crew and 40 passengers encounters thunderstorms at 25,000 ft. The aircraft suddenly rolls into a steep descent and starts to break up as it passes 10,000 ft. The jetliner plunges into the earth, nose down at an 80-degree angle.

The wreckage is found near the border with Colombia on June 7 and there are no survivors. The search for clues to the cause of the tragedy will be documented in the Public Broadcasting System's *Nova* series documentary *The Mystery of Flight 201*.

Figures are released for the first five months of the year. They indicate bookings are down to 114,129 and freight is only 1.7 million FTKs. Later in the year, a comprehensive marketing plan is signed with **TACA International Airlines, S.A.**, which provides for joint purchasing, fleet rationalization, and cooperation on support services. COPA will be the only one of the six members of the TACA Group in which TACA International does not hold equity.

By 1993, the workforce stands at 620 and Chairman/President Alberto Motta's fleet comprises 5 B-737-200s. Passenger bookings through June are up 18.2% to 160,239 while freight rises 29.7% to 2.7 million FTKs.

Just after landing at Panama City following a November 19 service from Miami, a B-737-112 with 6 crew and 86 passengers suffers the collapse of its nosegear on a rain-soaked runway; although the aircraft is severely damaged, there are no fatalities.

Airline employment is increased by 19.3% in 1994 to 945 and the fleet now contains 1 owned B-737-230C freighter and 7 other Baby Boeings, all leased passenger-carrying models.

While en route from Guatemala City to El Salvador on August 7, a B-737-200 with 78 passengers is taken over by a lone air pirate who demands that the aircraft divert to Managua. The hijacker is taken in hand by Nicaraguan police as soon as he steps off the aircraft.

Customer boardings, for the year as a whole, jump 36.3% to 519,602.

The workforce grows to 1,158 in 1995, a 22.5% increase. The U.S. reservations centers of the TACA Group members are consolidated in a single El Salvador facility and services are initiated to the Dominican Republic. On June 14, the company's license is renewed for the operation of services between Panama City and San Juan via Santo Domingo.

Enplanements increase 43.8% to 661,185 and operating revenue jumps 24.3% to \$180.79 million.

Airline employment grows a significant 51.3% in 1996 to 1,210. Service is started to Havana, Caracas, São Paulo, and Buenos Aires. An alliance is planned with **American Airlines** as part of the general accord with the TACA Group.

Unknown by the public, the company operates a U.S.-registered B-737-200 on 138 flights during July without an FAA-approved maintenance program. This month of service will cause difficulties.

By year's end, the group operates an extensive international route network that includes 14 points in Central America, 12 in South America, 3 in Mexico, and 8 in the U.S.

The company's 11 B-737s transport a total of 688,769 passengers, a 4.2% increase, and 187,000 FTKs are operated, a giant 71.3% improvement.

The employee population grows by 6.4% in 1997 to 1,308. TACA Group officials and executives from **American Airlines** sign a code-sharing pact in the spring. Flights to Santiago and Lima commence in July, the same month in which the U.S. FAA certifies the company to undertake limited repairs and maintenance work.

In September, the FAA proposes a \$138,000 fine against COPA for its unauthorized B-737 operation the previous July. Noting that the airline has made significant progress over the previous 12 months, the American agency refuses to stiffen the fine.

In November, TACA Group begins service to Santo Domingo. Two-class service is introduced by COPA during November. Thrice-daily service to Dallas (DFW) from San Salvador, San Jose, and Guatemala City begins in December.

Destinations visited at the end of the year include Barranquilla, Bogota, Cali, Cartagena, Dallas (DFW), Guatemala City, Guayaquil, Havana, Kingston, Lima, Managua, Medellin, Mexico City, Miami, Montego Bay, Port-au-Prince, Quito, San Jose, San Juan, San Pedro Sula, San Salvador, Santiago, and Santo Domingo.

Passenger boardings ascend 12.1% to 772,178 while freight increases 56.3% to 17.25 million FTKs.

The carrier bans smoking on all of its services as of January 1, 1998.

In May, a 49% stake in the carrier's parent holding company is acquired by **Continental Airlines**. Subject to "certain conditions," the two will enter into a comprehensive marketing and code-sharing alliance.

COPA, on January 19, 1999, places orders for 8 Next Generation B-737-700s. Simultaneously, four units are requested from two lessors, Tombo Aviation Services and GE Capital Aviation Services, with the first aircraft scheduled for delivery in April.

Chartered from Tombo, the premier Next Generation B-737-71Q is delivered in ceremonies at Seattle on May 24. The aircraft wears the company's new image, emphasizing the new alliance with **Continental Airlines**.

Following its arrival at Panama City, additional ceremonies are held, with a ribbon cut by Panamanian first lady Dora Perez Balladares and comments from COPA Chairman/President Alberto Motta. Simultaneously, the code-share with Continental is initially implemented through a linkage of the two carriers' frequent flyer programs. Plans are announced for the opening of a new Presidents Club at the Panama airport later in the year. COPA continues to plan for the opening of services to Buenos Aires and São Paulo.

It is announced on May 25 that the number of daily roundtrip flights between Newark and Dallas (DFW) will be increased on September 9 from six to nine.

COPA and Continental begin code-sharing on June 10. The Panamanian line places its "CM" code on approximately 35 Continental flights serving 22 destinations (including Houston, Newark, and Los Angeles), while the American major puts its "CO" code on COPA's flights to Latin America, as well as Miami.

Daily return flights from Panama City to Guatemala City begin on July 5.

New service is started to San Salvador on October 15.

Twice-daily Next Generation B-737-71Q return flights are offered on October 29 between Panama City and both Miami and Lima.

A second daily return service to Havana is launched on November 8 while four-times-a-week Next Generation B-737-71Q roundtrips begin on November 26 from Panama City to Buenos Aires.

With immediate effect, a strategic alliance is entered into with Santiago-based **Avant Airlines, S.A.** on December 2. In addition to linking frequent flyer programs, the two share their codes on one another's flights.

Traffic and figures are not available as the carrier enters 2000.

With financing arranged by the U.S. Export-Import Bank, Copa orders four more Next Generation B-737-71Qs on February 2.

Four weekly Next Generation B-737-71Q roundtrips are initiated on February 7 from Panama City to Orlando. Flights to Cancún, also four-times-a-week, begin the next day.

The new Presidents Club at Tocumen International Airport in Panama is opened on March 12 in joint ceremonies with **Continental Airlines**.

Under terms of a new pact, the carrier begins to place its "CM" code on **Gulfstream International Airlines** flights between Miami and Orlando on May 2.

Daily nonstop service to Los Angeles is initiated from Panama City on June 1, followed by thrice-weekly roundtrips to São Paulo on June 29. This expansion is made possible by two recently delivered B-737-71Qs.

COPENHAGEN AIR TAXI, A.S.: Kobenhavns Lufthavn Roskilde, Lufthavnsvej 20, DK-4000, Roskilde, Denmark; Phone 45 (46) 19 11 14; Fax 45 (46) 19 11 15; <http://www.daa.dk/copenhagen/index.htm>; Code CAT; Year Founded 1963. Organized at Kobenhavna

Lufthaven (Copenhagen Airport) in May 1963, this company, as its name implies, is primarily a charter operator. Late in the decade, it begins to offer scheduled lightplane services from its base to the islands of Anholt, Laeso, and Samso.

These commuter services continue with little change into the 1980s, at which time the fleet comprises 2 Partenavia P-68Cs, 1 Piper PA-23 Aztec, and 16 single-engine aircraft.

In 1986, Managing Director/Chief Pilot Kenneth Arly Larsen acquires 2 more P-68Cs. No significant alterations until 1990 when another Partenavia is delivered, along with 2 Piper PA-31-350 Navajo Chieftains and 2 Piper PA-34 Senecas.

Managing Director Larsen and General Manager C. B. Christoffersen oversee a workforce of 22 in 1993-1994. The fleet now includes 1 Aztec, 1 Seneca, 1 Mu-2, 2 Navajo Chieftains, 5 Partenavias, and 12 Cessna 18 Skylanes.

It is understood that flights continue without change for the remainder of the decade; exact information is, however, unavailable, except for schedule information that is promoted via an Internet website.

COPISA (COMPANIA PERUANA INTERNACIONAL DE AVIACION, S.A.): Peru (1964-1973). With a fleet of 3 Curtiss C-46 Commandos, this charter carrier, founded at Lima in July 1964, undertakes freight and passenger charters from Iquitos to Maracaibo and from Lima to Miami via Cali and Panama City. A Lockheed L-749 Constellation, previously flown by **British Overseas Airways Corporation (BOAC)** and **Capitol Airways**, is leased from California Airmotive in February 1966.

Following a suspension of services between July and September 1967b, the company resumes flying the Lima-Miami run, although the Maracaibo operation is withdrawn. At this time, 2 more Constellations are acquired, including a former **Air France** L-749 purchased from **Royal Air Maroc** and an L-649 once flown by **Eastern Air Lines**. Late in 1968b, an L-749A previously operated by **Skyways, Ltd.** is purchased from the Bolivian charter operator **Transportes Aereos Benianos, S.A.**

Operations continue apace in 1968-1972, during which time the L-649 is passed to the Dominican airline **Aerovias Nacionales Quisqueyanas, S.A.** As the result of increasing fuel prices and a poor economy, the carrier shuts down permanently in 1973.

COPPER STATE AIRLINES: United States (1980-1982). Wiley E. Green's Douglas, Arizona-based FBO Go Flying establishes an airline division in the spring of 1980 to offer scheduled intrastate passenger and cargo flights. Employing a Piper PA-31-350 Navajo Chieftain and a PA-34 Seneca, the new entrant inaugurates revenue services to Tucson, El Paso, Sedona, Prescott, and Phoenix on April 11.

Operations continue apace until 1982 when the company, another third-level victim of the national recession, shuts its doors.

COPTCO HELICOPTER SERVICE: Isla Grande, Lot 3 South, San Juan, Puerto Rico 00907, United States; Phone (787) 729-0000; Fax (787) 729-0003; Year Founded 1993. Coptco is set up at Fernando Luis Ribas Dominicci Airport in 1993 to offer executive and sight-seeing passenger charters. Within seven years, Operations Director Danny Castro oversees the work of four pilots who fly two Aerospatiale AS-350 Astars.

COPTERLINE O/Y: Heliport Hernesaai, Hernematalankata 2, Helsinki, 00150, Finland; Phone 358 (9) 681 1670; Fax 350 (9) 681 16767; <http://www.copterline.com>; Year Founded 1999. On March 8, 1999, the 39-year-old **Helikopteripalvelu, O/Y** and decade-old Copter Action, O/Y are merged to create Finland's largest civil rotary-wing operator, Copter Action Oy Helikopteripalvelu. Tapani Makinen is named managing director on April 9 and his fleet includes a mix of 14 Eurocopter BO-105Cs, EC-135s and Ecureuils, Hughes 300 and 500s, and a Bell 290B Jet Ranger.

Operations of the two merger partners are officially combined on July 30. Helicopter work performed includes EMS flights, power line inspection, training, and search and rescue. Research is conducted for the possible implementation of a helicopter commuter service for business travelers. Revenues for the year total FIM 35 million and a profit of FIM 5 million is posted.

The workforce totals 80 at the beginning of 2000. The decision to launch a scheduled helicopter passenger service is announced in January. On February 1, orders valued at \$15 million are placed for a pair of Sikorsky S-76C+ helicopters, the first of which is delivered on March 16.

The combined company celebrates its fortieth anniversary on April 5. The second S-76C+ is delivered on April 28.

On May 5, 26-times-a-day scheduled return passenger service is inaugurated across the Gulf of Finland between Helsinki and the Estonian capital of Tallinn. Fares for the 43.5-nm. 18-min. flights are \$140. Customer boardings quickly accelerate to between 3,000 and 4,000 per month.

On May 19, letters of intent are signed with Sikorsky for two new airline-configured S-92s, valued at \$15.5 million a copy. Planning is now started for a new Helsinki to St. Petersburg route, which could be inaugurated shortly after delivery of the S-92s.

CORAL AIR: United States (1980–1984). Established by John Stuart Jervis, who had previously operated **Clipper Air International**, at St. Croix in the U.S. Virgin Islands on January 15, 1980, this small third-level operator begins scheduled passenger and cargo flights to San Juan on February 15.

The initial fleet comprises 4 Australian-built GAF Nomad N-24As and 1 Nomad N-22B that give the company its greatest distinction, that of the largest U.S. operator of this little-known aircraft type. On May 12, **Eastern Caribbean Airways** is purchased. Enplanements reach 50,112 by December 31.

Flights are maintained or initiated during 1981 to St. Thomas, Tortola, Nevis, and St. Kitts. The workforce grows to 84 and the fleet now also features 1 Shorts 330, 1 Britten-Norman BN-2 Islander, and 1 Piper PA-34 Seneca. Customer bookings skyrocket 147% to 123,784. Start-up, acquisition, and other costs force Coral to enter Chapter XI bankruptcy at year's end.

The third-level operator flies through its reorganization and re-emerges on August 6, 1982 with 2 new de Havilland Canada DHC-6-200 Twin Otters and a new management team led by president and owner Jervis. Flying from Christiansted to San Juan, St. Thomas, and Tortola, Coral Air transports 85,841 passengers.

Operations continue apace in 1983, but the company, never in good fiscal health, is forced to reduce its aircraft fleet to the 2 De DHC-6-200 Twin Otters. In 1984 the small regional is sold again, but the new owners can do no better and the company ceases operations later in the year.

CORDOVA AIRLINES: United States (1936–1967). Cordova Airlines is formed by "Mudhole" Smith at Cordova, Alaska, in June 1936 to offer flights to various destinations in and surrounding Anchorage. Service is offered, initially, with a Bellanca CH-300 Pacemaker floatplane. Bush operations continue for the remainder of the decade and the three following.

Three crashes and two tragedies are experienced during the 1950s. On January 15, 1951, four freeze to death following the crash of a lightplane on the Copper River flats. A Lockheed Model 10A must be written off following a bad landing at Anchorage on June 25, 1952.

Operations continue apace in 1953–1955. Rival **Christensen Air Service** is acquired in March 1956. En route from Seward to Anchorage on April 10, a newly delivered Aero Commander 500 crashes at about the midway point between the two cities (six dead).

Two years later, in 1958, the company's fleet comprises 2 Douglas DC-3s, 1 Curtiss C-46 Commando, and a variety of small aircraft such as de Havilland Canada DHC-2 Beavers and DHC-3 Otters. Services are maintained without incident in 1959 over a route network that includes such destinations as Anchorage, Valdez, Cordova, and Seward.

A PA-18 is badly damaged following its landing on wet snow at the head of Alaska's Nicjowak River on December 3, 1960. A newly acquired Grumman G-44 Widgeon crashes at Hinchinbrook Island on August 14, 1961, injuring both men aboard.

On July 23, 1963, another Widgeon with four aboard overshoots its landing and crashes. Acquired to run freight, a C-46 is heavily damaged in an Anchorage crash on September 5. It is written off and replaced with two other of the same type. Enplanements for the year are up to 26,963.

The great Alaskan Earthquake of March 1964 strikes in the center of the company's market territory. For months after the event, the airplane, including Cordova's, is the only way to reach affected communities. As a result, the company's 7 aircraft and 84 employees work unceasingly to provide transport. A G-44, with eight aboard, crashes at Cordova on July 17 and a Cessna 185, with two aboard, is lost while landing at Seldovia on December 22. Injuries in both incidents are slight.

As a result of the earthquake, passenger boardings jump 30% to 38,518 and freight traffic climbs by 41%.

The workforce in 1965 totals 69. A Cessna 180 with three passengers makes a hard landing at English Bay on April 19. Another Cessna 180 with five aboard crashes at Lake Tustumena on September 4 (four dead). A DC-3 cargo plane suffers a flat tire while landing at McCarthy on September 14 and crashes. Bookings for the year decline to 34,642.

Flights continue without change in 1966; however, both traffic and revenues decline. Customer bookings are only 22,000. At New Year's 1967, the employee population is reduced to 47 and 2 aircraft are removed, including 1 of the Commandos. Merger discussions are started with the company's main competitor and, on December 7, Cordova is purchased by and merged into **Alaska Airlines**.

CORK AVIATION CENTRE, LTD.: Cork Airport, Cork, Ireland; Phone 353 (21) 888747; Fax 353 (21) 888500; <http://www.aardvark.ie/cac>; Year Founded 1995. Cork Aviation Centre is established at Cork, in the Republic of Ireland, in 1995, as an air taxi and small group charter company. Revenue flights begin, and continue, with a Piper Aztec.

CORPORACION BOLIVIANO DE FORMENTO, S.A.: Bolivia (1946–1965). Government-owned CBF is established at La Paz in the spring of 1946 to haul bulk cargo, including meat. Three Curtiss C-46 Commandos are acquired and revenue flights commence in May.

Operations continue for two decades largely without change, although 3 former military Boeing B-17s are also placed into service. On May 29, 1965, the company's assets are transferred to **LAB (Lloyd Aero Boliviano, S.A.)**.

CORPORACION SUDAMERICANA DE SERVICIOS AEREOS, S.A.: Argentina (1938–1946). Dr. Mario Pastega and Ing. Mauro Herlitska establish the company at Buenos Aires in 1938 to fly a shuttle across the Rio de la Plata to Montevideo. Having obtained a pair of Macchi C-94 flying boats and aircrew from Italy, the new entrant begins flights between the waterfronts of the two capitals in February 1939.

Buenos Aires–Rosario service is inaugurated on May 15, but is suspended in early September. The Italian-backed carrier maintains its crossings until December 1941 when, after the Second World War expands beyond Europe, it is forced to suspend operations.

In late 1945, Dr. Jose Doderio forms an air transport subsidiary for his steamship concern, *Compania Argentina de Aeronavegacion Doderio*. A flying boat enthusiast, Doderio now orders several Short S-25 Sandringhams from the U.K. and, on May 2, 1946, purchases the remaining assets of the "Corporacion," with the idea of restarting it.

Pursuant to its new policy of assuring local participation in Argentine air transport through the creation of joint stock companies, the government decrees the start-up of **ALFA (Aviacion del Litoral Fluvial Argentina, S.A.)** on May 8. It encourages Doderio to take majority ownership and merge the Corporacion and the new entrant. Doderio does so

and the one-time Italian-backed airline is thus absorbed to form the basis of a new carrier.

CORPORATE AIR (1): United States (1978–1993). Corporate Air is established at by Barry S. Lutin at Brainard Airport, Hartford, Connecticut, in 1978. Nonscheduled, third-level, all-cargo services are inaugurated and during the year, a total of 394,000 pounds of freight are transported. The company's 12 aircraft are able to increase their haulage by a huge 60.3% in 1979 to 992,000 pounds.

Operations continue apace and, by 1985, the fleet includes 1 Convair 580, 1 Convair 640, 1 Convair 240, 6 Learjet 25s, 4 Piper PA-31-310 Navajos, 4 Piper T-1040s, plus several Piper lightplanes. This fleet remains in service for eight more years.

CORPORATE AIR (2): Billings–Logan International Airport, P.O. Box 30998, Billings, Montana 59107, United States; Phone (406) 248-1541; Fax (406) 248-7670; <http://www.aviationdirectory.com/corporat.htm>; Code DN; Year Founded 1981. Michael Overstreet forms Corporate Air at Billings, Montana, in 1981 to provide all-cargo services throughout the northwest, many on behalf of express operators and freight forwarders.

Revenue operations commence and continue with a fleet that includes 17 Rockwell Aero Commander 500B/680s, 1 Beech 99, 42 Cessna 208 Caravan Is, 3 de Havilland Canada DHC-6-300 Twin Otters, 2 Shorts 330s, and 4 Piper PA-31-310 Navajos.

By 1996–1997 Chairman Overstreet and President Linda Overstreet have increased their business, with additional hubs established at Denver and Honolulu. Replacement services are often flown on behalf of **Federal Express** and **Midway Airlines (2)**. Now significantly larger, the fleet includes the 17 Aero Commanders, 9 Douglas DC-3s, 4 each Piper PA-31-350 Navajo Chieftains, Embraer EMB 110 Bandeirantes, and Twin Otters, 3 each Shorts 330s and Shorts 360s, 2 each Beech 99s, Convair CV-340s, and Fokker F.27-600s, and 1 each DC-4, Beech 1900C, Cessna 414 Chancellor, and Convair CV-580.

While en route on a ferry flight from Oakland, California, to Honolulu on April 12 of the latter year, a DHC-6-300 runs out of gas and ditches into the Pacific Ocean near Hilo. Although the aircraft is lost, the pilot is rescued by the US Coast Guard.

Just after landing at Billings on November 25 following an all-cargo service from Great Falls, a Shorts 360 with two crew suffers the collapse of its left main landing gear, causing the aircraft to ground loop and slide. Although the plane is badly damaged, neither flyer is hurt.

Flights continue in 1998, albeit not without cost. While on approach to Bismarck after a FedEx-contracted all-cargo flight from Grand Forks on April 7, a Cessna 208B crashes; the aircraft is destroyed and its pilot killed.

On May 9, an Aero Commander 500A suffers the collapse of its left main landing gear while landing at Billings; although the plane is damaged, the pilot is unhurt. On June 16, the pilot of another Aero Commander, a 680L, is not so lucky. While on approach to Helena following an all-cargo service from Kalispell, the plane collides with 5,150-ft. high terrain and is destroyed, its flyer killed. Despite the loss, service is maintained into the new millennium.

CORPORATE AIR MANAGEMENT: 6740 S. Service Drive, Waterford, Michigan 48327, United States; Phone (248) 666-3343; Fax (248) 666-1112; Year Founded 1985. CAM is set up at Oakland–Pontiac Airport in 1985 to offer FAR Part 135 passenger charters in competition with **Chrysler Pentastar Aviation** and **Corporate Flight**.

By 2000, the successful carrier is not only operating in the North America, but to Mexico, South America, and the Caribbean as well. The employee population reaches 15 full-time and 8 part-time staff and the fleet now includes 1 each British Aerospace BAe (HS) 125-400 Hawker, Learjet 24E, Learjet 25D, Beech Super King Air 200, and Beech King Air 90.

CORPORATE AIRCRAFT MANAGEMENT: 583 Bell Ave., Chesterfield, Missouri 63005, United States; Phone (314) 532-1918; Fax (314) 532-9657; Year Founded 1993. CAM is founded at St. Louis in 1993 to provide executive and small group passenger charters for public and corporate customers. Within 7 years, the company employs 10 pilots and bases its aircraft at both St. Louis airports.

The majority of the fleet is based at Spirit of St. Louis Airport and includes 2 Cessna 501 Citation Is and 1 each Grumman G-1159 Gulfstream II, Mitsubishi Mu-300 Diamond IA, Beech Super King Air 200, King Air 100, and King Air 90. A Learjet 60 is flown from St. Louis.

CORPORATE AIRLINES: P.O. Box 270487, Nashville International Airport, Nashville, Tennessee 37227, United States; Phone 615-275-3950; Fax 615-275-3039; <http://www.iflycorpex.com>; Code 3C; Year Founded 1996. To help fill the void left by the departure of American Eagle, CEA is established at Nashville, Tennessee, in late October 1996 as the scheduled airline division of Charles R. “Chuck” Howell IV’s charter operator **Corporate Flight Management**. A fleet of 6 British Aerospace BAe Jetstream 31s, painted in the company’s blue, white, and silver livery, is assembled during November while the carrier obtains its Part 121 certificate from the FAA.

Business-class service and atmosphere is immediately emphasized. Plans are made to greet customers with complimentary coffee and newspapers and escort them to their aircraft over red carpets. Revenue services from Nashville to Knoxville and Tri-Cities Regional Airport commence on December 16.

Scheduled services are inaugurated in January 1997 to Atlanta, Little Rock, and Memphis, although the latter two destinations will be dropped later on. When **Great Lakes Aviation**, an associate of **Midway Airlines (2)** at Raleigh/Durham, voluntarily shuts down over safety issues on May 16, the Nashville carrier quickly enters into a code-sharing agreement with Midway.

On June 1, Corporate Jetstream 31s inaugurate 24 daily frequencies from the North Carolina airport to Columbus, Nashville, Baltimore (BWI), Norfolk, Wilmington, Myrtle Beach, Charleston, Savannah, and Jacksonville. In order to free up capacity for the new hub, service to unprofitable Knoxville and Tri-Cities Regional Airport is dropped.

At the same time as the company expands, orders are placed with BAe Asset Management: Turboprops for the charter of 14 Jetstream 32s. All will be units removed within the last year by American Eagle carriers. A simple frequent flyer program is now instituted: fly 9 roundtrips (or 18 one-ways) and win a 10th roundtrip free.

The first Jetstream 32s, upgraded to Enhanced Performance or EP standard, are delivered to the company’s Nashville headquarters in September. Airline employment increases to 230 and a site is established on the World Wide Web.

A total of 129,613 passengers are flown during this first full year.

In May 1998, the company, in an effort to heighten name recognition with business travelers, changes the airline name to Corporate Airlines.

When **Midway Airlines (2)** introduces daily Canadair CRJ200 service on June 14 between Raleigh/Durham and both Charleston and Myrtle Beach, South Carolina, Corporate’s daily Jetstream 32 frequencies between these points is increased from two to three.

On August 3, thrice-daily Jetstream 32 roundtrips, dual-designator with **Midway Airlines (2)**, are inaugurated between Raleigh/Durham and both Columbia and Greenville/Spartanburg, South Carolina.

Flights continue apace during the remainder of the year. Customer bookings accelerate 15.4% to 150,000.

Passenger boardings accelerate 19.9% to 179,000.

During the early spring of 2000, the Nashville-based regional purchases 5 more Jetstream 32EPs. When **Trans States Airlines** elects to concentrate on ATR and ERJ-145 services, Corporate, under a new contract with **Trans World Airlines**, is able to launch “Trans World Express” flights on May 8. Routes covered include St. Louis to Cape Girardeau, Fort Leonard Wood, Marion, and Quincy in Illinois and Burlington, Iowa. Eight more J-32EPs are leased for the expansion.

CORPORATE AIRLINES CANBERRA (PTY.), LTD.: Australia (1992–1996). Privately owned CAC is established at the Australian capital in 1992 to offer scheduled third-level passenger and cargo services to Merimblula. Revenue flights begin in October with 3 Cessna 404 Titans. Neither traffic nor financial figures are released.

In 1993, the carrier assumes responsibility for the Canberra–Albury route previously flown by failed **Western Airlines (Pty.), Ltd.** A Cessna 441 is acquired to service the new run.

Operations continue apace in 1994–1995. Although no information is available, the company's traffic and fiscal situation deteriorate to a point where it is forced to shut its doors in February 1996.

CORPORATE EXPRESS: 6860 South Service Drive, Waterford, Michigan 48327, United States; Phone (810) 666-9713; Fax (810) 666-9614; <http://www.corpxair.com>; Code 3C; Year Founded 1992. Corporate Express is established by the IFL Group at Waterford, Michigan, in 1992 to operate nonscheduled cargo services throughout the Midwest as an affiliate of **Contract Air Cargo**. Revenue flights begin and continue with a fleet of 9 Douglas DC-3s.

By 2000, President Michael Church oversees a workforce of 60 and operates nonscheduled services with a fleet of 8 Douglas freighters.

CORPORATE EXPRESS, LTD.: Calgary Esso Aviat, 575 Palmer Road N.E., Calgary, Alberta, T2E 7G4, Canada; Phone (403) 216-4050; <http://www.corpxair.com>; Year Founded 1974. Corporate Express traces its heritage to Gord Peariso's founding of his Peariso Aviation, Ltd. at Calgary in 1974 to provide aircraft maintenance and parts for over 30 major oil companies operating corporate planes in western Canada.

In the mid-1980s, Peariso takes over Corpac Canada, Ltd., the Piper Aircraft Corporation's Canadian Cheyenne distributor. After managing a corporate Beech King Air for several years, Corpac Canada eventually acquires the aircraft and diversifies into the charter business under the name Corporate Express.

In 1991, the company launches the first corporate shuttle service in western Canada, operating it with a British Aerospace BAe Jetstream 31 back and forth between Calgary and Edmonton for the Telus Corporation.

Corporate Express gradually expands during the remainder of the decade and into 2000. Airline employment grows to 30 and a fleet of 4 Jetstream 31s based in Calgary and Edmonton flies over 45,000 people on corporate shuttles and charters throughout western Canada and North America.

CORPORATE EXPRESS AIRLINES (CORPEX). See CORPORATE AIRLINES

CORPORATE FLIGHT: 6150 Highland Road, Waterford, Michigan 48327, United States; Phone (248) 666-8865; Fax (248) 666-8805; <http://www.corporateflight.com>; Year Founded 1979. Corporate Flight is set up at Oakland–Pontiac Airport in 1979 to offer independent FAR Part 135 passenger charters in competition with **Chrysler Pentastar Aviation**.

By 2000, the carrier employs 14 full-time and four part-time staff and operates a fleet that includes 1 each British Aerospace BAe (HS) 125-700A Hawker, North American NA-265-7 Sabreliner, NA-265-80 Sabreliner, Cessna 550 Citation II, Learjet 25, Beech King Air 100, and Piper PA-42 Cheyenne III.

CORPORATE FLIGHT MANAGEMENT: P.O. Box 270487, Nashville International Airport, Nashville, Tennessee 37227, United States; Phone 615-275-3950; Fax 615-275-6565; <http://www.iflycorpex.com>; Year Founded 1981. Corporate Flight Management is established by Charles R. "Chuck" Howell IV at Nashville in 1981 to offer charter and contract service flights throughout the middle southern U.S. with a fleet of Piper PA-31-310 Navajos. Operations commence and continue.

In October 1996, a scheduled airline division, Corporate Express Airlines, is established. Outfitted with 6 British Aerospace BAe Jetstream 31s, it begins revenue services in December.

During the summer of 1997, Corpex significantly expands its network and charters a fleet of 14 former American Eagle BAe Jetstream 32s, the first of which arrives in September. At this, CFM acquires for its charter services a Jetstream 31 previously operated by **Eastern Metro Express**.

In May 1998, the carrier's scheduled air transport division, **Corporate Express Airlines**, is renamed **Corporate Airlines** in an effort to better identify the carrier for the business traveler.

Unscheduled charters continue to be offered by the parent into the new millennium.

CORPORATE HELICOPTERS OF SAN DIEGO: 3753 John J. Montgomery Drive #2, San Diego, California 92123, United States; Phone (619) 505-5650; Fax (619) 874-3038; Year Founded 1989. Ivor Shier sets up this rotary-wing corporate passenger transport concern at San Diego in 1989. Within 11 years, Shier employs four full-time pilots and operates 2 Bell 206B JetRangers, 1 Bell 206L Long-Ranger, 1 Aerospatiale AS-350B Ecureuil, 1 AS-355E Twinstar, and 1 Robinson R-22.

CORPORATE JETS: 14600 North Airport Drive, Scottsdale, Arizona 85260, United States; Phone (602) 948-2400; Fax (602) 948-3874; <http://www.corpjet.com>; Year Founded 1969. Originally established as an FBO at Scottsdale, Arizona, in 1969, Corporate, over the next 30 years, also becomes a well-known executive and small group passenger charter operator. By 2000, the concern employs 10 full-time pilots and operates services from 4 eastern locations in addition to its principal base in the West.

From Scottsdale, Corporate flies 1 each Cessna 525 Citation, C-560 Citation V, C-425 Conquest, and British Aerospace BAe (HS) 125-400 Hawker. A Learjet 35A is based at Tampa, a Hawker is stationed at Dekalb–Peachtree Airport at Atlanta, with another at Charlottesville, Virginia.

The company's principal eastern station is at Pittsburgh's Allegheny County Airport. From here, the company operates 3 Learjet 35As, 1 Citation III, 1 Beech King Air 100, and 1 Cessna 340.

CORSAIR, S.A.: 24 rue Saarinen Sillic 221, Rungis Cedex, F-94528, France; Phone 33 (1) 49 79 49 79; Fax 33 (1) 49 79 49 68; <http://www.corsair-info.com>; <http://www.pacificislands.com/airlines/corsair.html>; Code SS; Year Founded 1993. Adopted in 1993, Corsair is the new name for **Corse Air International, S.A.** Nouvelles Frontieres, France's largest tour operator, continues to operate the company as its in-house airline. Employing the previous fleet of 2 Boeing 747-121s, 2 B-737-3M8s and 1 B-737-4B3, Chairman Paul Casanova's 200-employee carrier continues to provide charter and inclusive-tour flights from the company base at Paris (Orly) to destinations in Europe, the Mediterranean, and North Africa. A weekly Jumbojet roundtrip, begun the previous year, is also maintained between Paris (CDG) and Tahiti via Los Angeles (LAX).

A total of 1.1 million passengers are flown. Revenues total \$236.9 million and allow an \$11-million net profit.

Airline employment stands at 600 in 1994. The 2 B-737-3M8s are retired as the Jumbojet fleet grows through the addition of a B-747-206B leased from **KLM (Royal Dutch Airlines, N.V.)**.

Initially flown as the **South African Airways (Pty.), Ltd. Majuba** and then sold, a B-747SP-44 is purchased from **Royal Air Maroc, S.A.** on October 13. A Douglas DC-10-30 is subleased from the new Belgian operator **ChallengeAir, S.A.**

Passenger boardings for the year accelerate 9.6% to 1,206,000.

There is no change in the workforce during 1995. During the spring, a second DC-10-30, also painted in an all-white scheme with olive drab and red markings, is wet-leased (and repainted) from the Belgian charter operator **ChallengeAir, S.A.** At the same time, a B-737-2K5A is leased from **Aigle Azur Transport Aeriens, S.A.**

In June, a second weekly roundtrip flight, employing the B-747SP-44, is added between Oakland, California, and Tahiti. Many customers are booked as the result of a contract with San Francisco-based Manuia Tours.

Both services over this route are now flown by the Special Purpose Jumbojet and are continued even after the French government resumes Polynesian nuclear testing in September, which causes tourism to plunge.

With French nuclear testing completed, customer bookings to French Polynesia rebound during the last four months of the year.

Enplanements this year jump 30.1% to 1,569,500.

The fleet in 1996 includes 10 Jumbojets and 2 DC-10-30s, the second unit being a former **Air France** unit that has also been chartered from **ChallengeAir, S.A.** A third weekly roundtrip is introduced on July 3 from Paris (CDG) to Oakland and Los Angeles.

On July 5, the second weekly Paris to Tahiti via Los Angeles roundtrip is operated with a chartered B-747-206B. Passengers are often drawn from contracts with Voyage Tahiti and Club Med.

The financially troubled **Air Liberte, S.A.** is placed into receivership on September 26 and its chartered Douglas wide-bodies are returned to Finland. Given six months by the Creteil bankruptcy court, located at Orly where Air Liberte is based, to develop a workable reorganization plan, Chairman Belhassine promises to write a recovery program by the end of October, at which time \$120 million in fiscal year losses must be reported.

Following further exploration into the company's finances during the first week of October, the Creteil bankruptcy court determines that **Air Liberte, S.A.'s** fiscal situation is worse than was originally reported. Even though a number of unprofitable routes are now cut, the court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, **Air France** expresses interest. Under European Commission restrictions against acquisition of other carriers during the time of its \$4-billion state bailout, it appears unlikely that the independent will be placed under the major's umbrella.

Other companies expressing an interest include **AOM French Airlines, S.A.**, which has been seeking a merger, along with **British Airways, Ltd. (2)**, **Virgin Express, Ltd.**, **TAT European Airlines, S.A.**, and Corsair.

After **AOM French Airlines, S.A.** and **Air France** drop out of the picture, two parties, **Nouvelles Frontiers** and a group of private investors, submit offerings for **Air Liberte, S.A.** to the Creteil Court on October 14.

Nouvelles Frontiers notes that it has partners in the Rivaud Bank and **Royal Air Maroc** who would be willing to take over **Air Liberte, S.A.**—including its \$300-million debt—and make it profitable within 18 months. It would also make an offer to acquire **AOM French Airlines, S.A.** The two independents would be merged with its own in-house carrier, Corsair, to create a major independent airline that could then compete with **Air France**.

During the last week of October, the Rivaud bank and **Nouvelles Frontiers** abandon their efforts to take over **Air Liberte, S.A.**; Rivaud throws its support behind **British Airways (2)**, with the 2 pledging to invest \$124 million in the ailing French independent. BA would hold 70% interest with the remaining 30% stake held by Rivaud. Meanwhile, **Virgin Atlantic Express, Ltd.** is joined by a number of unnamed investors in presenting an alternative to the French bankruptcy court handling the case; the court extends the deadline for its decision, but, in the end, **British Airways, Ltd. (2)** wins out.

Only 1 DC-10-30 is leased from **ChallengeAir, S.A.** in 1997. The Belgian operator chooses to share its other wide-body with **Calendonian Airways, Ltd.** Markets now visited include Abidjan, Bangkok, Cayenne, Dakar, Fort de France, Los Angeles, Mombasa, Montreal, New York, Noumea, Papeete, Pointe-à-Pitre, Rome, San Francisco, St. Louis, St. Martin, and destinations throughout the Mediterranean.

Coming into Moroni, Comoros, on December 25 on its regularly scheduled weekly roundtrip from Paris to Reunion, the company's B-747-312 with 564 passengers, touches down during a storm and then skids 1,500 ft. off the runway into a field of volcanic earth. No injuries are reported.

Customer bookings this year total 1,877,600.

Flights continue in 1998. In January, Corsair ceases its weekly service to the Comoros as the result of secessionist rebellions on the islands of Anjouan and Moheli.

In an effort to rescue people stranded by the September 2 pilots' strike, **Air Canada, Ltd.** over the next week wet-leases aircraft from **Royal Aviation, Ltd.**, **First Air, Ltd.**, **Skyservice, Ltd.**, and Corsair to move passengers. The French charter line provides a B-747-206B to fly the important Paris-Canada flights.

Passenger boardings during the 12 months fall 6.1% to 1.76 million.

By the beginning of 1999, airline employment has been increased by 8.3% to 1,300.

While taxiing at Los Angeles (LAX) on June 6 just after landing on a service from France, Corsair Flight 942, a B-747SP-44 with 17 crew and 257 passengers, stops short of its assigned gate with its left wing partially extended onto the taxiway. Simultaneously, **Philippine Air Lines (PAL)** Flight 103, a B-747-4F6 with 20 crew and 405 passengers, is taxiing west and collides with the stationary Corsair aircraft. Although the wings of both aircraft are damaged, no injuries are reported.

Thrice-weekly B-747-312 (sometimes B-747SP-44) roundtrips are initiated on June 18 between Paris (ORY) and New York (JFK). The year's enplanements reach 2 million.

The last of 3 B-747-312s to be chartered from **Singapore International Airlines, Ltd.** arrives at the company base in January 2000. An Airbus A330 is received on April 3. It is employed to operate thrice-weekly nonstops from Paris (ORY) to New York (JFK) between June 17 and September 9.

Originally intended for the moribund Algerian start-up Ecoair International, S.A., a B-737-200A is employed by Corsair during the summer to operate regional charters from Paris (ORY).

As it is preparing to land at St. Martin on September 1, Flight 868, a fully loaded company B-747-312 inbound from Paris (CDG), becomes the subject of a bomb threat. Upon landing, all aboard are quickly evacuated, but no explosive is found. The aircraft is allowed to resume its roundtrip back to Paris via Martinique.

The Pan African News Agency reports on October 7 that Corsair will soon open charter operations in East Africa, replacing the **Air France** service from Paris to Nairobi, Kenya, halted on March 25.

It is announced on October 9 that Preussag, A.G. will purchase a 6% stake in the carrier's **Nouvelles Frontieres** parent, subject to European Commission approval. The stake will later be boosted to 34.4%. Preussag officials believe that Corsair's long-haul operations well complement the medium-range services of their own charter airline, **Hapag-Lloyd Fluggesellschaft mbH.**

An ACMI contract is signed with **Biman Bangladesh Airlines, Ltd.** on October 27 for use of a B-747-312 during the next Hadji season.

CORSAIRWAYS: United States (1942-1946). A division of Consolidated-Vultee Aircraft Corporation, Corsairways is organized on April 1, 1942 under the direction of Richard A. McMakin, the company's flight and service department chief pilot. It is immediately placed under contract to the U.S. Army Air Force's Air Transport Command for the delivery of high priority personnel and express to the Pacific. Between April 2-8, McMakin, with a handpicked crew, makes a proving flight with an LB-30 (the transport version of the B-24 Liberator) over 16,400 miles from California to Australia.

Regularly scheduled LB-30 service is inaugurated on April 23 from San Diego to Williamstown via Hamilton Field, California, Hickam Field, Hawaii, Canton Island, Fiji, and Plaines des Gaiacs, New Caledonia. Pilots from **United Air Lines** begin U.S.-Australia familiarization flights aboard company LB-30s during August. Beginning in September,

flights start from Hamilton Field and end at Amberley Field, near Ipswich in Queensland. United is able to begin a second Pacific contract at months end employing the pilots flown during the previous 30 days.

Chief Test Pilot/Manager McMakin is killed while making a May 10, 1943 flight aboard the XB-32 bomber prototype. He is succeeded at Corsairway by Robert S. Mitchell. The California operations center is shifted again on December 15, from Hamilton Field to Fairfield-Suisan Field, later Travis AFB. As World War II progresses, the secret organization's civilian pilots continue fly a variety of cargo aircraft, including Consolidated LB-30s/C-44s and Douglas C-47s out of California and Hawaii to destinations as diverse as Australia, New Zealand, Guadalcanal, Tarawa, Kwajalein, Guam, and the Philippines.

In 1944-1945, Corsairways's 17 Liberator transports average 14 hrs. 30 min. to 15 hrs. 11 min. in the air per plane, per day—a record that still stands. Following V-J Day, little attention is paid to the corporate airline. A number of Corsairways personnel band together in October 1945 to form **Pacific Overseas Airways**.

When the company airline is shut down on December 15, a number of records grace the pioneer's history. Although 3 fatal accidents have been suffered during its years of service, the airline has flown over 101 million ton-miles of cargo over 299 million passenger miles. It had achieved a record California-Australia roundtrip time of 3 days, 17 hrs. and until the introduction of Douglas DC-7, a company LB-30 will hold the Honolulu-San Francisco speed record.

Corsairways' government contract is officially cancelled on January 1, 1946 and it fades from memory as "the unknown airline."

CORSE AIR INTERNATIONAL, S.A.: France (1981-1993). Corse Air International, S.A. is established at Paris in 1981 to offer charter and inclusive-tour flights from its base at Orly Airport and another at Ajaccio, Corsica, to destinations in Europe, the Mediterranean, and North Africa. Revenue flights commence on July 1 with a fleet comprising 3 Sud-Est SE-210 Caravelle VINs and 1 Caravelle XB.

Services are maintained throughout the remainder of the decade, with the first B-737-3Y0 arriving in 1987. A B-747-121 is leased from **Lionair, Ltd.** in 1988 and employed to commence long-range charters to North America. Operations continue apace in 1989 and, in 1990, Chairman Paul Casanova's fleet includes 2 Boeing 737-3Y0s and the B-747-121 leased from **Lionair, Ltd.**

Another B-747-121 is added in 1991, leased from **Cargolux Airlines International, S.A.** Nouvelle Frontiers, an important French tour operator, now acquires a stake in the carrier and the new corporate identity requires a new logo and livery. Although traffic figures are not released, it is revealed that a \$7-million net profit is earned.

In 1992, a B-737-4B3 is leased from **Air France**. Enplanements total 608,000. In early 1993, the carrier is renamed **Corsair, S.A.**

CORSE MEDITERRANEE (COMPAGNIE CORSE MEDITERRANEE, S.A.): **Aéroport de Campo del l'Gro, BP 505, Ajaccio, Corsica 20186, France; Phone 33 (4) 95 29 95 00; Fax 33 (4) 95 29 05 05; <http://www.corsemed.com>; Code XK; Year Founded 1989.** Corse Mediterranee is organized in late 1989 at Corsica's Aéroport de Campo Dell'Oro in Ajaccio to provide both chartered and scheduled regional services. **Air France, Air Inter,** and **TAT Transport Aerien Transregional, S.A.** are all minority FFfr 1-million partners. Pierre Philippe Ceccaldi is named chairman/CEO, with Daniel Gaudart as managing director. Two Avions de Transport Regional ATR72-210s are obtained, allowing revenue services to commence to Nice on July 1, 1990.

Flights are inaugurated from Ajaccio and Bastia to Marseilles on behalf of **Air France** and **Air Inter** in addition to services from those two destinations to Nice and Rome. A Calvi to Nice route is also initiated.

Four additional ATR72-210s join the fleet in 1991. One of these is the new turboprop delivered to **Brit Air, S.A.** in May, operated under charter.

During the summer, a chartered Fokker 100 is operated on the carrier's routes from Ajaccio to Marseilles and Bastia. Enplanements at the 275-employee airline total 488,000.

The leased ATR72-210 is withdrawn in January 1992 and replaced by 2 Fokker 100s leased from **TAT (Transport Aerien Transregional, S.A.)**.

In 1993, Chairman/CEO Ceccaldi oversees a workforce of 273 and a fleet of 5 ATR72-210s and 2 chartered Fokker 100s. Operations continue in 1994 and bookings, reported for the first half only, reach 389,625. Revenues of \$90.33 million are earned, which allow a \$609,000 net profit.

There is no change in either workforce or fleet in 1995. Again, figures are only released through June. These show enplanements off 3.9% to 375,000.

In December 1996, a pair of Fokker 100s formerly operated by **Swissair, A.G.** are leased from a French financial institution that had acquired them from BAe Asset Management: Jets. A total of 752,303 passengers are transported.

Destinations visited in 1997 include Geneva, Marseilles, Milan, Nice, Rome, and Zurich. The fleet now includes 3 Fokker 100s and 5 ATR72-210s. Enplanements reach 771,145 and operating income of FFfr 497 million is generated.

The fleet in 1998 includes 5 each ATR72-210s and Fokker 100s. During the year, the company continues a process of diversification begun the previous year with the creation of the tour operator CCM Voyages. With several investors, the airline launches a Mediterranean maintenance hub for regional aircraft; however, the initial outcome is not successful. More profitable is the deepening of the company's commuter contract with **Air France** into an arrangement that represents 15% of the airline's total turnover. Operational revenues for the year climb to FFfr 540 million and allow a FFfr 26.7-million profit.

At the beginning of 1999, a decision on the company's tender for the renewal of its three-year operating certificate covering routes between Corsica and France is delayed for at least 12 months. Plans to launch flights to Figari in competition with **Air Liberte, S.A.** must be put on hold and an ATR72-202 acquired for the service is, instead, contracted for "Air France Express" flights between Nice and Lyon. The introduction of new European Union labor rules requires that the staff be increased by 27 workers by year's end (for a total of 467).

A total of 387,000 passengers are flown during the year.

At the beginning of 2000, the Corsican Regional Assembly cancels its public service tender for a link from Ajaccio, Calvi, and Bastia to Marseilles and Nice. Consequently, Corse remains the sole operator on routes to the island from southern France.

Per schedule, the company now renegotiates its feeder contract with **Air France**, while simultaneously pondering a switch to regional jets.

COSMOPOLITAN AIRLINES: United States (1978-1985). Cosmopolitan Aviation, owned by Peter and George Garrambone at Farmingdale, New York, creates a scheduled air taxi division in 1978. Employing a Convair CV-440 Metropolitan, the company inaugurates daily roundtrips linking its base with Boston, Atlantic City, and Albany. Operations continue apace for the remainder of the decade and into the early 1980s.

The company encounters financial difficulty in 1985 and goes out of business.

COSMOS AIR, GmbH: Flugplatz, Mannheim-Neustadt, D-68163, Germany; Phone 49 (621) 416040; Fax 49 (621) 460412; Code ZE; Year Founded 1997. Cosmos is established at Mannheim in 1997 to offer regional scheduled services as an affiliate of Arcus Air Logistics. Revenue flights to Berlin's Tempelhof begin with 2 Fairchild Dornier 228-210s and a 328-110.

COSMOS AND TRANSPORT AVIA (KIT KOSMOS E TRANSPORT AVIAKOMPANNIYA): 12 Reysovaya Ulitsa, Aéroport Vnukov, Moscow, 103027, Russia; Year Founded 1992. The air transport department of an industry based in the national capital, C & T is expanded at Moscow's Aéroport Vnukov in 1992 to offer ad hoc passen-

ger and cargo charter flights to destinations in Africa, Europe, and Asia. I. I. Kanygin is named general director and he begins revenue services with a fleet that includes 3 Tupolev Tu-134s, 3 Antonov An-8s, and 1 Ilyushin Il-76.

Operations continue in 1993-1999 and a second Il-76 is placed into service.

It is understood that flights continue without change during the remainder of the decade and that the fleet is enhanced by the addition of a second Il-76; exact additional information is, however, unavailable.

COUGAR HELICOPTERS, LTD.: P.O. Box 248, Halifax International Airport, Waverly, Nova Scotia B0N 2S0, Canada; Phone (902) 873-3611; Fax (902) 873-3972; <http://www.cougar.ca>; Year Founded 1984. Cougar Helicopters, Ltd. is established at Halifax, Nova Scotia, in late 1984 to provide scheduled shuttle services between the downtown Waterfront Heliport and Halifax International Airport. Modeling itself on New York Helicopter Corporation, which company officials have visited, the new entrant is outfitted with 1 each Bell 206L LongRanger and Bell 206B JetRanger.

Scheduled to be coordinated with the arrival and departure of Air Canada, Ltd. flights, Cougar inaugurates 16-per-day one-way flights on June 4, 1985. In 1986, former Okanagan Helicopters, Ltd. Captain James Johnston and a partner purchase the company.

Operations continue apace over the remainder of the decade. Local financier David Hennigar comes aboard as chief shareholder and CEO, with Johnston now president/general manager; Johnston's original partner is bought out.

In these years, Johnston develops an ag-spraying technique that saves half the cost of using fixed-wing aircraft. The process is not only cost effective but accurate, preventing the needless application of herbicide to unintended plots of land, including the usual collateral target of reforested acreage. Fraser, Inc., a major forestry company, offers Cougar a five-year contract to employ its technique; other firms follow.

In 1990, the company begins to accelerate following receipt of a \$C2.5-million, renewable contract from the LASMO oil consortium to provide support near Sable Island, 135 nm. SE of Halifax. To handle this new challenge, a Sikorsky S-61N is purchased from KLM Helicopters, B.V.

At the same time, Cougar introduces the idea of employing helicopters round-the-clock to seek out vessels fishing illegally in Canadian waters and photograph them for prosecution. The contract with Canada's Department of Fisheries and Oceans will lead to the development of Transport Canada-approved over-water IF and night approach techniques.

The third major accomplishment of the year is the introduction of a maritime search and rescue (SAR) service for the National Search and Rescue Secretariat and Canada's Department of National Defense. The Cougar initiative results in the first civilian marine SAR operation in North America.

Also, with the financial support of LASMO and the provincial health departments of Nova Scotia, New Brunswick, and Prince Edward Island, Cougar begins an emergency medical service (EMS) based at Halifax, employing a Sikorsky S-76 equipped with a Cougar-designed incubator and stretcher. Later in the year, a non-Canadian contract is obtained from Global Marine Drilling Company to support a Conoco offshore drilling operation off Gijon, Spain.

These operations are maintained in 1991 as revenues climb to C\$5.5 million and profits reach C\$175,000. The fleet in 1992 includes the S-61N, 2 S-76s, and 1 each Bell 206B JetRanger and 206L LongRanger. In February, Cougar continues a tradition, begun several years earlier with other local operators, of providing aerial transport for sightseers wishing to view newly born seal pups on the ice floes near the Magdalen Islands in the Gulf of St. Lawrence.

During the summer of 1993, the SAR and fishery reconnaissance contracts are lost to Canadian Helicopter Corporation, Ltd. At the same time, a dedicated airmedical S-76 is based at Ottawa, the cost of which

is covered by the Ontario Department of Health. Hennigar and Johnston's company is now recognized as the seventh fastest growing firm in Canada by a leading business magazine.

Later in the year and into 1994, Cougar begins aerial support of firms seeking aerial photography for television commercials. Additionally, a contract is signed with the New Brunswick Department of Natural Resources to support the count of moose, ducks, deer, and other animals. During the summer of the latter year, an S-76 is pressed into service during a week to provide forest fire assistance, putting in 90 flight hours transporting and dumping water on flames with a Bambi bucket.

In June, Cougar establishes a presence in the Thai offshore market when it forms a joint venture with Thai Petroleum Services, a company that will be known as Thai Canadian Helicopter and Petroleum Services, Ltd. A Sikorsky S-76A is dispatched to Ko Samui Island in the Gulf of Thailand, from which it provides support beginning on July 1. A second will follow shortly thereafter.

Also in July, following the creation of the Hibernia offshore oil project by a consortium led by Mobil Oil Canada (33.1%), Chevron Canada (26.8%), Petro-Canada (25%), Cougar is awarded a five-year C\$37-million contract to provide support during and after construction of the drilling platforms. A fifty-fifty joint venture is now entered into with Norway's Helikopter Air Service, A.S. Under its terms, HAS will provide pilot training and maintenance and lease to a new Cougar Hibernia Division of 3 of its Eurocopter AS-332L.1 Super Pumas. In addition, work begins on a new hangar at St. Johns Airport that will house the chartered helicopters.

In addition to the Hibernia buildup, Cougar, by the end of 1996, is also operating elsewhere. One S-61N performs offshore work in Nova Scotia, 3 Bell 206s and 1 Eurocopter AS-355 are engaged in domestic Canadian forest fire fighting and aerial work, and 2 S-76As are providing offshore support in Thailand.

The new C\$3.2-million, 32,000-sq.-ft. hangar is opened in mid-April 1997. The first 2 Super Pumas arrive from Norway in early May and, beginning on May 23, one daily Super Puma flight is undertaken while the platform is towed to the Hibernia field's location, 170 nm. off the Newfoundland coast. The third AS-332L.1 arrives on June 1 and the Hibernia platform is secured on June 6.

During the subsequent construction phase, lasting through August, the carrier makes four-times-per-weekday roundtrips to the platform, transporting many of the 360 workers employed on it.

Flights continue in 1998-1999, as a third Super Puma enters service. In early December of the former year, Canadian Helicopter Corporation, Ltd. is outbid by Cougar on a new C\$20-million contract from Terra Nova. Under the agreement, Cougar will employ its Super Pumas in support of Terra Nova's glory hole, subsea construction, drilling, and operations activities off Newfoundland in 1999-2002.

In February 2000, Cougar, together with Vancouver-based Helijet International, Inc., becomes launch customer for the 19-seat Sikorsky S-92A Helibus. Deliveries of 5 units in a \$65-million contract will commence in April 2002.

COULSON AIRCRANE, LTD.: RR#3, Site 360 Comp 8, Port Alberni, British Columbia V9Y 7L7, Canada; Phone (250) 723-8100; Fax (250) 723-0608; <http://www.coulsonaircrane.com>; Year Founded 1987. Coulson Aircrane, a privately owned family business, is established on Vancouver Island by Wayne Coulson in 1987. The first Sikorsky S-61 is purchased and the company begins to engage in heli-logging, fire fighting, and hydro tower construction activities. It also opens an overhaul and repair service.

During the remainder of the decade, the company grows its fleet and expands its operational experience throughout the Pacific Northwest, operating as far north as Alaska, as far south as California, east to Quebec, and southeast to Idaho.

On July 18, 1989, the company is awarded a U.S. patent for a revolutionary grapple system designed by company personnel to complement the conventional heli-logging program. The grapple, with its greater

safety features, allows the Sikorsky to enter dangerous areas where it is unsafe for chokermen to work.

Service continues apace during the **1990s**, during which years Coulson remains president, with Rita Carter as operations manager and John Coughlin as chief pilot. A workforce of 75 is employed and the fleet comes to include 4 S-61s, 3 Bell 206B JetRangers, 1 Bell 222, and 1 single fixed-wing de Havilland Canada DHC-6-300 Twin Otter.

In **1992**, Sikorsky Aircraft singles out and awards Coulson a plaque for "The Highest Annual Utilization in the History of the S-61." Four years later, General Electric acknowledges the firm for having flown the "Most Single Aircraft Hours" with their CT-58 engine.

As the decade draws to a close, Coulson Airplane has the highest time-utilized S-61 fleet in the world, with each of its aircraft averaging in excess of 2,500 flight-hours each year. In **1997** alone, the 4 S-61s externally fly over a billion pounds.

COUNTRY CONNECTION AIRLINES (PTY.), LTD.: P.O. Box 171, Cootamundra NSW 2590, Australia; Phone +61 69 423 500; Fax +61 69 423 213; <http://www.wagga.com.au/cc>; Code XL; Year Founded 1991. Privately owned CCA is established by Terence and Deidre McKenzie at Cootamundra in the summer of **1991** as the scheduled airline division of South West Aviation (Pty.), Ltd., an FBO and maintenance facility set up in **1980**. The two entrepreneurs establish their carrier to provide regional third-level passenger and cargo services for an area of southwestern New South Wales abandoned by **Hazleton Airlines (Pty.), Ltd.** Terence becomes managing director and inaugurates revenue operations in September with a single Piper PA-31-350 Navajo Chieftain. Neither traffic nor financial figures will be released.

A second Chieftain is acquired in July **1992** and, in **1993**, Thompson's fleet includes 1 Piper PA-34-200T Twin Seneca II, 3 Beech 58 Barons, 1 Embraer EMB-110P1 Bandeirante, 2 Cessna 404 Titans, and 1 Pilatus-Britten-Norman PBN-2 Islander.

Three Piper PA-31-310 Navajos and a Cessna 310 are placed into service during **1994**. These aircraft replace all previous units.

Airline employment in **1995–2000** stands at six full-time and seven part-time staff. The route network includes 14 communities; major destinations visited from Cootamundra are Sydney, Young, West Wyalong, Cowra, and Forbes.

COUNTRYAIR (PTY.), LTD.: Australia (1958–1991). Country Air Services (Pty.), Ltd. is formed by Keith Thompson at Rockhampton Airport on October 16, **1958** to provide passenger and cargo services throughout Queensland. Initially, charter passenger and freight services are flown, including scenic trips over the Great Barrier Reef. During the late 1960s, the carrier begins scheduled feeder flights from Rockhampton to Great Keppel Island on behalf of **Trans-Australian Airlines (Pty.), Ltd.** As demand increases, the fleet grows to include 1 Piper PA-31-350 Navajo Chieftain, 1 Britten-Norman BN-2 Islander, 1 Piper PA-23 Aztec, 1 Piper PA-30 Twin Comanche, 2 Piper PA-24 Comanches, and 1 Piper PA-28 Cherokee.

In **1983**, the company receives its present name following a change in ownership; the Comanches and Cherokee are withdrawn. During the decade that follows, Countrywide elects to enter the regional airline market with additional scheduled services to such distant destinations as Brisbane, Middlesbrough, and Dysart.

The fleet is now upgraded and by **1988**, Managing Director Thompson's operation is employing 1 Islander, 1 Chieftain, 1 Beech B-58 Baron, and 1 Piper PA-34 Seneca. The first Embraer EMB-110 Bandeirante is acquired and the network is enlarged through the addition of stops at Gladstone, Mackay, and Cairns.

In **1989**, the Islander, Navajo Chieftain, and other small types are replaced with 4 Cessna 404 Titans. Operations continue apace in **1990**; however, recession causes the carrier to fail in **1991**.

COUNTRYWIDE AIRLINES (PTY.), LTD.: Australia (1980–1982). This third-level carrier is formed on July 2, **1980** through the merger of

four small South Australia commuters: **Business Aviation (Pty.), Ltd., Cobden Airways (Pty.), Ltd., Murray Valley Airlines (Pty.), Ltd., and Sandon Airlines (Pty.), Ltd.** Headquartered at Mildura, the company's fleet comprises 2 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-31-310 Navajo, 1 Cessna 421, and 1 Partenavia P-68. Service is inaugurated from Quirindi and Wee Was to Sydney and from Renmark and Mildura to Adelaide.

Unable to absorb the higher fuel prices of the early **1980s** and with traffic slipping as a result of the world economic situation, the company is forced to cease flying in **1982**.

COURT AIR (PTY.), LTD.: P.O. Box 2546, Cape Town 8000, South Africa; Phone 27 (0) 21 934 3693; Fax 27 (0) 21 934 3698; Code SCT1; Year Founded 1993. Court Air is established at Cape Town in August **1993** as a subsidiary of **Court Helicopters (Pty.), Ltd.** Jeremy Labuschagne is CEO and he begins and continues scheduled passenger services with a pair of Convair CV-580s.

Also, charters are operated on behalf of energy concerns, taking customers to points where Court's helicopters may transfer them to offshore installations.

Reorganized as the Fixed-Wing Division of **Court Helicopters (Pty.), Ltd.**, this unit is fully purchased by **Helikopter Air Services, A.S.** group on July 1, **1998**. It is allowed to retain its own identity.

COURT HELICOPTERS (PTY.), LTD.: South Africa (1964–2000). This privately owned rotary-wing carrier is formed in **1964** as **Autair Helicopters (South Africa), Ltd.** to provide passenger, cargo and charter services throughout South Africa. A subsidiary of the U.K.-based **Autair, Ltd.**, the operator also undertakes crop-spraying assignments with its fleet of Bell 47s.

During the remainder of the year and into **1965**, Autair surveys the Durban–Johannesburg pipeline and undertakes game conservation work in Kruger National Park. In **1966**, the company is awarded a contract by Marine Diamonds to provide services to the diamond barges off the South West Africa coast; crews and supplies are flown by Sikorsky S-55s.

As the result of the **1967** closing of the Suez Canal and the February **1968** grounding of the oil tanker *Sivella* at Green Point, South Africa, company officials devise a new service. It is designed to help ships avoid the dangers that arise from an increasing number of vessels navigating close to the coastline as they cruise past the Cape of Good Hope.

On June 12, a trial is undertaken by Capt. Theodore Huddleston, who flies an S-55A netload of tomatoes, wine, mail, etc. out to the passing *Dorcasia*. The logistic mission is a success. On September 6, the world's first commercial ship service by helicopter is inaugurated when another S-55A flies to the tanker *Mobil Libya* in the first of a continuing number of supply flights to be conducted in the years that follow and that will become one of the company's mainstay missions.

In **1971**, the carrier's parent company is renamed **Court Line Aviation, Ltd.** Upon the liquidation of Court Line Aviation, this subsidiary is acquired as a fifty-fifty partnership from its liquidators in November **1974** by the South African engineering firm of Murray and Roberts (M&R), together with a consortium of investors known as the Van Zyl Group, named after its leader.

The previous name, minus the "Line Aviation," is retained; however, emphasis is now placed on support of the oil industry, including specialization in resupply flights to oil tankers passing off the coasts. International political sanctions inhibit company growth as Court is excluded from flying in many parts of the world. Still, possibilities exist.

In January **1975**, Court joins with a local Argentine operator to form a company that will engage in seismic work, as well as the offshore support of Shell, Mobil, Total, and the national oil company. In **1976–1977**, Chairman J. J. M. Van Zyl's company also expands to South West Africa and establishes subsidiaries in Bahrain, as well as other Mideast and African nations. These operations must be conducted "quietly," in order to avoid sanctions and political difficulties.

In 1978, airline employment stands at 120 and the fleet comprises 2 Sikorsky S-61Ns, 2 S-62As, 3 S-58Ts, 1 S-55, 2 Bell 206 JetRangers, and 2 Aerospatiale SA-318C Alouette IIs. When a **New York Helicopter Airways** S-61N crashes on the roof of the Pan Am building, the wreckage is purchased by Court and transported to Cape Town, where it is converted into the world's only S-61NC.

In 1979, Court obtains a contract to supply the Argentine oil rig *General Mosconi* and the S-61NC is sent out to handle the task. At the same time, a West German Navy S-58ET is acquired and is employed to extend the ship service out from Durban. By year's end, the line is servicing upwards of 150 ships per month rounding the Cape.

The Argentine arrangement is concluded in 1980 when Court's shareholding is sold to the French operator **Heli-Union, S.A.** Widening of the Suez Canal now begins to cut into the number of oil tankers and bulk carriers passing the Cape.

Following acquisition of Johannesburg-based **Republic Helicopters (Pty.), Ltd.** in 1981, the fleet grows to include 15 Bell 206s, 5 Bell Model 47s, 1 Sikorsky S-61N, and 5 Sikorsky S-58Ts. The workforce averages 125 during 1982–1983. In 1984, Court's Mideast interests are sold to the Dutch carrier **Schreiner Airways, B.V.** Although fleet elements will change, the overall support and transport mission remains the same for the remainder of the decade.

In 1989, a pair of S-61Ns are leased to the new **Hummingbird Helicopters, Ltd.** of the Republic of Maldives. Jeremy Labuschagne becomes managing director in 1990 and, in January 1991, the company begins to employ the global positioning system (GPS) to locate ships rounding the Cape of Good Hope in poor weather. From George, 2 S-61s service a production field on behalf of the South African oil company Soekor.

The 2 leased Hummingbird Sikorskys are returned to the Cape Town base during the first quarter of 1992. With the introduction of political reforms in South Africa, trade barriers begin to fall away during the year and after several years the carrier is once again able to purchase Bell helicopters from Canada.

In 1993, Court inaugurates fire-fighting activities in Natal and Eastern Transvaal employing 2 leased Russian-made Mil Mi-8MTVs. In Namibia, 2 S-61s support an exploration contract held with Norsky Hydro. Meanwhile, Bell 206B JetRangers equipped with special spray-boom attachments begin the "livewire" washing of electric lines on behalf of the South African utility, Eskom.

In August, the company establishes a fixed-wing subsidiary, **Court Air (Pty.), Ltd.** at Cape Town; under the direction of J. Labuschagne, the company begins flying a pair of Convair CV-580s on scheduled services.

Airline employment in 1994 stands at 140 and the fleet, based at B. F. Malan Airport east of Cape Town, includes 9 S-61s, 1 S-76, and 15 Bell 206B/Ls. Two Convair 580s conduct fixed-wing charters and a Bell 206B JetRanger is outfitted for search and rescue (SAR) service. The number of monthly ship resupply missions flown now averages 30. In April, Bell 206s are chartered by the United Nations to monitor activities during the national election.

Operations continue apace in 1995. Operating income ascends to \$15 million and a \$1-million profit is generated.

In 1996, a Sikorsky S-61N is chartered from **British International Helicopters, Ltd.** In a deal valued at \$5.5 million, a third of the company's shareholding is acquired in July by Norway's **Helikopter Air Service, A.S.** HAS is a major component of Helikopter Service Group, which also comprises **Bond Helicopters, Ltd.** of Great Britain and **Lloyd Helicopters (Pty.), Ltd.** of Australia.

Won the previous summer, the Shannon-based SAR mission of **Irish Helicopters, Ltd.** is handed over to **Bond Helicopters, Ltd.** on January 1, 1997. In an example of industry consolidation, execution of the contract is arranged by Helikopter Service Group employing a Sikorsky S-61N leased from Court.

After some months of negotiation, HAG, in March 1997, wins the right to raise its holding in Court to 100% by the following fall.

That option is exercised on July 1, 1998, with HAG taking over the remaining two-thirds interest in a deal valued at \$22.4 million. Operational control is turned over on September 1.

Organized into three divisions—offshore multiengine helicopters, on-shore light single-engine helicopters, and fixed-wing operations—the airline continues to provide support to the offshore markets of Angola, Namibia, and South Africa and to support UN peacekeeping activities in Mozambique.

On November 24, Court is awarded a three-year contract by Soekor E&P (Pty.), Ltd. to support oil exploration and production off the coast of South Africa. When the service begins on January 1, 2000, Court provides two Sikorsky S-61s to fly between four installations and the mainland.

In late February, the South African operator signs a contract with the government of Mozambique to undertake relief flights to people displaced by the severe floods in that nation. On February 28, an S-61 is diverted from an offshore oil rig off Cape Town and makes a 10-hour flight to Maputo, where it is joined by a Bell 212 in completing 6–8 hour per day operations into the devastated interior. These flights continue throughout March.

Effective October 19, all of the subsidiaries of **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, Court is renamed **CHC Helicopters Africa (Pty.), Ltd.** Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

Managing Director Jeremy Labuschagne's 160-employee concern continues operations as before, employing a fleet of 29 aircraft. The main focus remains support of oil and gas exploration, although a variety of EMS, search and rescue, and charter flights continue to be offered.

COURT LINE AVIATION, LTD.: United Kingdom (1970–1974). Following its abandonment of unprofitable scheduled services on October 31, 1969, **Autair International Airways, Ltd.**'s owner Court Line, Ltd. elects to concentrate all of its airline resources on inclusive-tour operations. From September to November, tour contracts are signed with 11 major holiday booking agencies, including giant Clarkson's Holidays, Ltd. In December, 2 new BAC 1-11-518FGs, ordered in April, are delivered and christened *Halcyon Sky* and *Halcyon Sun*.

On January 1, 1970, the company name, in tune with a decision announced the previous September 11, is changed to Court Line Aviation, Ltd. During the first quarter, 4 more BAC 1-11-518FGs, *Halcyon Days*, *Halcyon Nights*, *Halcyon Star*, and *Halcyon Cloud*, are added and the lone BAC 1-11-408EF *Halcyon Cloud* is sold. Beginning on March 14, inclusive-tour services are inaugurated to the Mediterranean from the main London (CTN) base, plus Cardiff, Birmingham, and Bristol. Clarkson's Holidays, Ltd. for its part begins to offer thousands of low-cost tour opportunities aimed at its goal of becoming the nation's volume leader in travel. As a result, a price war breaks out between U.K. tour agencies.

At this point, the company, following the example of **Braniff International Airways** in the U.S., becomes the first air carrier in Europe to introduce vivid aircraft paint schemes. Within months, the entire airline, from jetliner to ticket counter to boarding passes, is covered in two- and three-tone psychedelic color schemes designed by Mr. and Mrs. Peter Murdoch, fresh from their graphical triumph at the 1968 Mexico City Olympic Games. Thus the *Halcyon Sun* is painted in a radiant two-tone orange, the *Halcyon Dawn* is two-tone green, and the *Halcyon Cloud* is pastel two-tone pink. The single word "Court" appears on the fuselage under the windowline and a stylized "C" appears on the tail.

Female flight attendant uniforms—Court referred to these employees as hostesses, not stewardesses—consisted of short skirts, fashion blouses, and straw boater hats. Only the hats themselves were a straw-colored; the

hatbands, uniform shoes, and separates were multicolored. Other flight and ground personnel were not quite so boldly attired. Famed designer Mary Quant would be called in later to design additional new clothing.

To assist travelers needing transportation from central London to Luton Airport or back, the company establishes a bus service based in the district of Swiss Cottage. A total of 28 motor coaches, each painted in a bright two-tone color, provide transport to the North London Air Terminal.

Fleet changes in **1971** include the sale of the BAC 1-11-416EK *Halcyon Sun* and the purchase of a Hawker Siddeley HS 125, 2 BAC 1-11-518FGs christened *Halcyon Dawn* and *Halcyon Beach*, and 2 BAC 1-11-517Fes christened *Halcyon Bay* and *Halcyon Cove*. In late winter, with British business slow, several of the carrier's BAC 1-11s are transferred to LIAT in what will become an annual practice.

With the parent already owning holdings in the West Indies, Court Line Aviation, in December, takes a 75% controlling interest in **Leeward Islands Air Transport, Ltd. (LIAT)**. This local service Hawker Siddeley HS 748/Britten-Norman BN-2 Islander operator was formerly affiliated with **British West Indies, Ltd. (2) (BWIA International Airways, Ltd.)**. Meanwhile, the Court Line group is building a large resort at St. Lucia and planning is begun for air service to the U.K.

Clarkson's Holidays, Ltd., the company's major contractor, suffering in its price war, loses £2.6 million even though the carrier has enplanements for the year of 1,158,000.

Airline employment in **1972** stands at 1,053. London (LGW) and Manchester become departure points for the many Mediterranean tours and on August 17, an order is placed for 2 Lockheed L-1011-1 TriStars; this is the first non-North America TriStar order. The last 2 HS 748s are sold to LIAT in October and in addition to extensive additional West Indian investment, a BAC 1-11-523FJ, *Halcyon Breeze*, is purchased. It joins a pair of BAC 1-11-523FJs leased from **British Midland Airways, Ltd.** and left unnamed. The fleet now includes 12 BAC 1-11-500s.

Passenger boardings climb 25% to 1,544,000, but Clarkson's loss mounts to £4.8 million.

A BAC 1-11-517FE, *Halcyon Beach*, is purchased in February **1973**. In March, the first L-1011-1 is delivered under charter from Airlease International. Outfitted with a unique self-contained, main-deck air stairs and painted two-tone yellow and orange, it is christened *Halcyon Days*.

On April 2, the aircraft begins the first European wide-body service, flying a charter from London (CTN) to Palma de Mallorca, Spain. Seventeen other destinations in the Mediterranean and in Europe will also be visited on holiday services. The second TriStar, in a two-tone pink livery, is delivered on April 30 and is christened *Halcyon Breeze*; it joins its predecessor in service on May 5.

Meanwhile to prevent the bankruptcy of its largest contractor, Court Line purchases Clarkson's Holidays, Ltd. in April. The cost is £1, plus assumption of the tour operator's substantial debt. In May, Airfare, Ltd., an advance booking charter (ABC) agency is acquired. The energy crisis of October, caused when the OPEC countries triple the price for oil, will lead to a recession in the travel industry and kill off a number of companies. In November, the Lockheeds begin flying inclusive tours from London (LGW/CTN) to the Caribbean. Enplanements reach 2.25 million.

Horizon Holidays, Ltd. is purchased in January **1974**, becoming the sixth tour operator acquired since 1970. Its commitments with others must now be fulfilled by Court Line Aviation, Ltd., including money-back guarantees, refundable deposits, and promises to other airlines, such as **British Caledonian Airways, Ltd. (BCAL)** for the lease of equipment. Unfortunately, the world oil crisis has caused national recession and inflation that deliver only poor bookings, further conspiring to cause Court Line severe financial distress.

In the spring, political discord in Greece, Portugal, and Cyprus cause the closing of certain tour destinations. In June, the British government agrees to take over Court Line's shipping concern for £16 million.

This is not, however, sufficient to save the airline subsidiary, which, with £15 million in debts, is allowed to suddenly go bankrupt on the

evening of August 15. In the largest and most severe British airline collapse ever, and one of the first in a series of charter carrier failures, 1,100 airline employees lose positions, 50,000 vacationers are stranded, and over 150,000 with paid contracts lose their investments. Only a lucky few, aboard the pink L-1011 TriStar *Halcyon Breeze* complete their trip home, arriving at London (CTN) from the Caribbean early on the morning of August 16.

COURTESY AIR SERVICE: United States (1979–1980). Courtesy Air Service is set up by Theodore Zoli at Glens Falls, New York, in the summer of **1979** to provide scheduled passenger and cargo services to intrastate destinations. Employing 1 each Beech 18 and Piper PA-31-350 Navajo Chieftain, daily roundtrips are inaugurated in September linking the company's base with Saranac Lake and New York City (LGA).

Operations continue apace into **1980** and, in February, the company is one of several providing shuttle flights for travelers visiting the Lake Placid Winter Olympic Games. Unable to maintain economic viability, the company goes out of business in August.

COVAL AIR, LTD.: Canada (1979–1994). Coval is established at Campbell River, British Columbia, in **1979** to undertake scheduled floatplane services to over 150 points throughout the province. For most of the next decade, the fleet of 2 Cessna 185s, 2 de Havilland Canada DHC-2 Beavers, and 3 DHC-3 Otters is operated by Managing Director George Fillatrault.

Bob Dick becomes general manager in **1987** and he is succeeded by Dave Jackson in **1989**; Donna Denny is president. The fleet is enlarged in **1991** by the addition of another Beaver and a second C-185. In **1993**, the workforce totals 22 and the fleet now includes 3 Cessna 185s, 3 Beavers, and 3 Otters.

Unable to maintain its economic viability in hard times, the company shuts down in **1994**.

COYOTE AIR, INC.: Box 162, Teslin, Yukon Territories, Y0A 1B0, Canada; Phone (403) 390-2605; Fax (403) 390-2606; Year Founded 1998. Coyote is established at Teslin in **1998** to operate charters to bush locations throughout the Yukon. Pilatus Porter operations begin and continue.

CRANE AIRLINES (PTY.), LTD.: Australia (1991–1993). Rod Crane establishes this privately owned operation at Mascot, New South Wales, in **1991** to offer both scheduled and chartered flights to Sydney, Cowra, Young, and Cootamundra. Revenue flights begin in October with 1 Aero Commander 500, 1 AC-600, and 1 Learjet 35A. Enplanements for the year total 5,700 and 300 pounds of cargo are carried.

Passenger boardings move ahead to 5,900 in **1992** and freight climbs to 350 pounds. However, the company is unable to maintain viability and shuts down in **1993**.

CRESCENT AIR TRANSPORT, LTD.: Pakistan (1952–1954). Crescent Air Transport is formed in early **1952** to provide charter supply flights to Skardu and Gilgit from Karachi with de Havilland DH-89A Dragon Rapides. During the summer, daily service is initiated between Karachi and Sibi via Hyderabad, Nawabshah, Sukkur, and Jacobabad. These operations continue through **1953** and until the company is liquidated in December **1954**. Company assets pass to **Pakistan International Airlines Corporation** when it is registered in March **1955**.

CRESCENT AIRWAYS: 7501 Pembroke Road, N. Perry Apt. W, Hollywood, Florida 33023, United States; Phone (305) 987-1900; Fax (305) 987-1912; <http://www.crescentair.com>; Year Founded 1962. George Nesmith establishes Crescent Airways, Inc. at Hollywood, Florida, in **1962** to serve as a Bell Helicopter service center, while providing charter flights from North Perry Airport to destinations in the Miami region. These operations continue without change for over two accident-free decades.

The company is taken over by Dean Shealy and Larry D. Stevens in **1984** and is restructured to concentrate on several key service areas, including EMS, electronic news gathering, environmental services such as pest control, fire suppression, utility line maintenance, fish-spotting, and aerial taxi work. Additionally, the company continues to serve as a Bell Helicopter broker, buying, refurbishing, and reselling used machines.

The fleet in **1985** includes 16 Bell 206L LongRangers and 206B JetRanger IIIs. In November, the company obtains a Department of the Interior (DOI) contract for water-pollution control work in the state of Washington. Revenues for the year total \$2.1 million.

Operations continue apace in **1986–1988**.

In **1989**, the company employs 10 pilots and 3 mechanics from a Texas base to fly 2 single-engine helicopters in energy industry support operations in the Gulf of Mexico. Two more helicopters are employed on this service, beginning in **1990–1991**.

On January 2, **1992**, the company is merged with Atlanta-based **DME Helicopters, Inc.** with the Crescent name surviving. Financing of the amalgamation is provided by Atlanta's Barnett Bank and U.S. West Financial Services of Kansas City, Missouri.

Jack R. Hereth, DME's owner and president, becomes the new firm's chairman, with Crescent's former CEO, Larry D. Stevens, as vice chairman. Dean H. Shealy, Crescent's former president, is appointed president/COO of the new concern, the administrative headquarters of which are consolidated in Atlanta. The combined fleet now includes 21 Bell 206B JetRangers, 15 Bell 206L LongRangers, 14 Schweizer 300Cs, 1 Bell 212, 1 Sikorsky S-58, and 1 Eurocopter (formerly MBB) BO-105.

Following the devastation caused in south Florida by Hurricane Andrew in late August, nine helicopters are contracted to perform power and pipeline reconnaissance, news gathering, and other activities. In addition to offshore support, power line patrol, electronic news gathering activities, and other services similar to those provided in 1984, the company's aircraft fly UN peacekeeping patrols in Croatia, spray crops in Nicaragua, harvest Christmas trees, and provide air transport support for sea trials of the USN's Aegis guided-missile destroyers. The carrier is the seventh largest U.S. commercial helicopter operator with revenues for the year of \$20 million.

Airline employment in **1993** stands at 139. The company's fleet of 58 helicopters continues to undertake offshore support, external lift, utility patrol, charter service, and ag services, as well as a repair and overhaul business at Hollywood, Florida. A total of \$560,000 is lost on the fiscal year.

On January 11, **1994**, Crescent goes public, taking in more than \$9 million in an initial public offering. A portion of the preferred shares issued to Larry Stevens and President Dean Shealy as part of the 1992 merger are redeemed for \$2.8 million of the proceeds, while another \$2.6 million is committed to the acquisition of upwards of 16 light helicopters.

In February, Chairman Hereth announces the accomplishment of a joint-venture agreement with Mexico City-based **Heliservicios, S.A.** The move allows Crescent to expand its offshore charter work with oil and gas companies in Mexico under the North American Free Trade Agreement. Thomas Ramirez, formerly an **Omniflight** vice president, is appointed company president on March 1, with Ronald LeFleur as executive vice president.

Following the signing of a joint venture document in March with Caracas-based **Petroleum Helicopters, S.A.**, Crescent, in April, supplies 2 Bell 206L LongRangers for use in natural gas and mining operations in Venezuela.

On June 1, Crescent, as the result of a May 6 decision, purchases the Hawaiian tour operations of **Papillon Airways** for \$35 million; the new purchase is operated as a wholly owned subsidiary. It also takes over **Kona Helicopters, Hawaii Pacific Helicopters**, and Air Repair Hawaii, as well as **Papillon Helicopters**. A fatal AS-350B accident is suffered by Papillon in July; the disaster, plus engine problems, causes the new acquisition to ground its 13 aircraft for repair and inspection.

Having suffered two quarters of loss, the company is able to negotiate a standstill on its bank payments and seeks debt restructuring. In

October, Gene Erskine, president/CEO of the Papillon Hawaii operation is named Crescent CEO.

Operations continue into **1995** with a fleet that includes 24 JetRangers, 20 LongRangers, 2 Bell 212s, and 4 Robinson R-22s. Unable to economically integrate the Papillon acquisition, which, in turn, cannot adjust to the FAA's new operating rules in Hawaii, Crescent in early January finds itself in significant financial difficulty. It loses a utility-line patrol contract, realizes lower margins on new Gulf of Mexico contracts, sees its insurance costs jump \$1.52 million, and is unable to cover salary increases.

On January 13, a standstill agreement between the company and its creditors expires and CEO Jack Hereth is unable to find major new investment. Before the company suspends trading, its stock falls to 25 cents per share.

While in a cruise flight 800-ft. above a football field at Miami on January 28, the engine of a Bell 206L LongRanger with 3 passengers fails. The pilot is able to initiate an autorotation and to make a safe, if hard, emergency landing.

Crescent files for bankruptcy on February 4, but continues to operate with a \$4.8-million package provided by First Union National Bank. The new arrangement provides needed working capital and replaces the company's revolving credit. When the company's quarterly report is filed at the end of March, it is revealed that Bell Helicopter Textron and **Papillon Airways** are the company's two largest unsecured creditors. Crescent is now in default on \$19.9 million in loans.

In May, the board of directors decides to liquidate the company's assets rather than attempt to reorganize and emerge from bankruptcy. It will, however, attempt to keep Papillon Hawaii alive. Chairman Hereth resigns and is replaced by CEO Erskine. Operations cease on May 31.

In July, a line of credit is obtained from First Union Bank of Florida. It covers the cost of preparing a plan for the bankruptcy court that will explain how Crescent will liquidate its Part 135 operation, but keep Papillon Hawaii flying. The plan is not completed and Papillon Hawaii is closed down on September 5.

Crescent's 30-plus JetRangers and LongRangers, plus 6 AS-350Bs and 2 JetRangers from PH, are disposed of by the end of September.

After a year's absence, Crescent is reborn at the company's original site in Hollywood, Florida, in January **1997**. Again held by former owners Dean Shealy and Larry Stevens, the company applies to the FAA for a Part 135 license, which is granted at the end of February.

A line of credit is secured and the company is able to regain its status as an FAA repair station. Four Bell 206B JetRangers are acquired and, before the company resumes flying in March, it is able to place \$6.5 million in sales with local corporate customers, electronic news gathering customers, maintenance, and parts buyers.

Low-key operations are continued into the new millennium.

CREST AIRLINES: United States (1967). Crest is established at Atlanta in early **1967** to provide scheduled air taxi flights to Dalton, Calhoun, and Tifton. Daily Aero Commander 500B roundtrips duly commence, but cannot be maintained beyond year's end.

CRETAN AIRLINES, S.A.: Roussou Hourdiou 6, Heraklion, Crete, GR-71201, Greece; Phone 30 (81) 342 742; Fax 30 (81) 432 742; Code C5; Year Founded 1993. Cretan is established at Athens in the spring of **1993** to undertake ad hoc charter flights, primarily from German airports, to destinations in Europe, the Mediterranean, Africa, and the Mideast. Vasilis Plevris is named CEO and 2 Airbus Industrie A320-230s are acquired with which to launch revenue flights in June. Enplanements during the remainder of the start-up year total 50,000.

In **1994**, scheduled services are offered on Greek domestic routes. A pair of Dornier 328-110s, ordered in January, are placed into service during the second quarter and a third A320-231, leased from the Slovenian carrier **Adria Airways**, is acquired in midyear. The aircraft operate island routes as well as international services. Traffic figures are not available.

Operations continue apace during the remainder of the decade with no fleet changes. Destinations visited include Antofagasta, Catama, Chalten, Chillan, Concepcion, Copiapo, Iquique, La Serena, Los Angeles, Ovalle, Puerto Montt, Santiago, Talca, Temuco, Valdiva, Vallenar, and Vina del Mar.

CRILLY AIRWAYS, LTD.: United Kingdom (1935–1936). Crilly Airways, Ltd. is formed by Leo Crilly on March 9, 1935; initial capitalization is £12,000 and the first aircraft is a de Havilland DH 84 Dragon christened *Spirit of Doncaster*. The Dragon inaugurates company operations on March 11, flying Doncaster to London (Croydon). Additional DH-84s are acquired and on April 2, twice-daily Leicester to Bristol and Norwich flights are started. Thrice-daily Nottingham–Leicester and return operations begin on May 18.

During June and July, twice-daily Nottingham and Leicester to Skegness frequencies are provided. Sunday-only flights are offered Norwich–Ramsgate via Ipswich and Southend, beginning on July 7 and run until September 30. Meanwhile on August 1, twice-daily Leicester to Liverpool service begins. The fleet by summer's end comprises 2 Dragons and 3 Monospar ST.25s.

On October 1, daily frequencies are offered from Leicester to Norwich and London (Croydon), to Bristol, and to London (Croydon) direct. During the fall, company officials formulate plans to offer regular service to Lisbon and, later, from there to Gibraltar and West Africa.

When the scheme is brought to the attention of Prime Minister Stanley Baldwin, he prepares a letter of introduction and support to the Portuguese prime minister, which is flown to Lisbon by a Crilly Dragon. On December 13, a contract is signed with the Portuguese government for delivery of mail over a route from London to Lisbon. Orders are now placed with **KLM (Royal Dutch Airlines, N.V.)** for the purchase of 4 of its surplus Fokker F-XIIs.

Flying one of the newly delivered Fokker F-XIIs, pilot G. S. Jones-Evans undertakes a London–Lisbon proving flight on February 1–2, 1936, a night stop being made at Madrid. At the Portuguese capital, the aircraft is christened *Lisboa* (Lisbon) by the granddaughter of the nation's president. With a mail cargo, the *Lisboa* returns to London (Croydon) via Madrid and Bordeaux on February 4. Spanish refusal to grant overflight rights doom start-up of regular services and, consequently, the two delivered Fokkers and the manufacturing positions for the two being built, are sold to the new **British Airways, Ltd. (1)** at month's end. Two months later, the company's foreign routes are also purchased by the first BA.

Domestic services, however, continue and a Bristol to Bournemouth service is launched in July. Unable to survive financially following the start-up failure of the Portuguese venture, the company ceases trading on September 9 and enters receivership.

CRIMEA AIR: Simpheropol Airport, Crimea, 333902, Ukraine; Phone 38 (0652) 28 54 81; Fax 38 (0652) 27 22 88; Code OR; Year Founded 1994. Crimea Air is established at Simpheropol Airport in late 1994 to offer scheduled regional passenger and cargo services. Vladimir Anufriev is named managing director and he begins revenue flights with a fleet that comprises 8 Antonov An-24s and 4 each An-26s and Tupolev Tu-154s.

Enplanements in 1995, the first full year of service, total 232,693. The workforce stands at 2,000 in 1996 and the company's 14 aircraft continue to provide feeder service for **Air Ukraine** out of the Crimea, transporting a total of 222,036 passengers, a 4.8% decline.

During 1997, the employee population is reduced to 500. Customer bookings plunge 27.1% to 161,788.

Business continues to decline during 1998. Passenger boardings plunge 47.5% to 81,000.

They fall again in 1999, dropping all the way down to 65,000.

By the start of 2000, 3 Tu-154s have been withdrawn and 1 Yakovlev Yak-42D added to the largely Antonov-equipped fleet.

CROATIA AIRLINES: Savska 4A, Zagreb, Zagreb County, 10000, Croatia; Phone 385 (1) 616-0066; Fax 385 (1) 530 475; <http://www.ctn.tel.hr/ctn>; Code OU; Year Founded 1989. Organized as **Zagal (Zagreb Airlines)** at Zagreb, Yugoslavia, in 1989, this company is renamed as the flag carrier of the new Republic of Croatia on July 23, 1990. Shareholding is divided between INA (27.1%), Zagreb Airport (14.2%), Croatian Privatization Fund (9.5%), Enikon (8%), Coning (7.3%), and private investors (8%). Offices are also opened in Split, Dubrovnik, Zadar, Pula, and Rijeka, as well as in Amsterdam, Frankfurt, Zurich, London, Paris, Rome, Sarajevo, Skopje, and Vienna.

President Matija Katijik recruits a 100-person workforce and a fleet comprising 2 McDonnell Douglas MD-82s wet-leased from **Adria Airways**. In addition, 2 each Cessna 310s and 402s operate all-cargo services on behalf of **DHL Airlines** and **UPS (United Parcel Service)**.

A total of 29,000 FTKs are flown during the year and revenues total \$950,000. Profits are \$150,000 (operating) and \$30,000 (net).

Passenger services are inaugurated with the MD-82s on May 5, 1991 over a number of domestic and international routes previously operated by **JAT (Jugoslav Airlines)**. Among these are those to Germany and Switzerland, flown as Croatia migrant worker charters. Croatian airspace is closed by United Nations embargo in September. Operations are suspended and the MD-82s are returned to **Adria Airways** to keep them from harm during military action. The operating base at Zagreb is, also, temporarily transferred.

Enplanements total 139,975 and revenues are \$6.7 million. Expenses are significant and a \$2.88-million operating loss is suffered.

When the country's airspace is reopened to commercial activities on April 1, 1992, **JAT (Jugoslav Airlines)** remains under UN sanction. Croatia, which is prepared to resume operations with a new fleet of 3 Boeing 737-230s, leased from **Deutsche Lufthansa, A.G.**, for international flights and 1 Cessna Citation II, 1 Cessna 310R, and 3 Cessna 402Cs for domestic routes, prepares to take over the services of the dormant flag carrier.

Services are resumed on April 5 for nine months and destinations visited from Zagreb include Stuttgart, Pula, Rome, Munich, Paris, London, Moscow, Dusseldorf, Frankfurt, Amsterdam, and Berlin. During its period of operation, blocked space is also provided to **Air France** on company flights from Zagreb to Paris.

Passenger boardings climb 53.6% to 215,000 and a total of 1.2 million FTKs are flown. The profit picture is mixed as the carrier earns a \$683,000 operating profit, but suffers a net \$2.9-million loss.

In 1993, President Katijik oversees a workforce of 422, up 54.6% over the previous year. Two more chartered B-737-230s arrive from Germany and are joined on short-haul and regional routes by a pair of Avions de Transport Regional ATR42-300s.

On May 15, twice-weekly B-737-230 flights begin from Pula and Manchester, England. In July, new service is introduced from Pula to Split and Dubrovnik and from Krk to Zagreb, Split, Dubrovnik, Bratislava, Budapest, and Prague.

Brussels, Copenhagen, Skopje, Stuttgart, and Tirana also join the route network in the fall as the Yugoslav civil war slackens.

Customer bookings skyrocket 98.7% to 473,462 and cargo balloons 103.2% to 2.58 million FTKs. Revenues jump a spectacular 124.5% to 60.2 million and expenses rise 121.2% to \$57.8 million. The resulting operating surplus is \$2.4 million, but, unhappily, the net loss swells to \$3.6 million.

Airline employment is cut by 5.2% in 1994 to 400 and flights begin to Istanbul. The number of European destinations served now totals 32. During the summer, dual-designator service begins with **LOT Polish Airlines, S.A.**, employing a Polish ATR72-200 over a route from Zagreb to Warsaw.

Passenger boardings increase another 39.5% to 660,600 and freight accelerates by 26.1% to 3.24 million FTKs. Revenues skyrocket 43.1% to \$83.48 million and with expenses up only 35.8% to \$73.88 million, there is an operating profit of \$9.59 million. The net loss improves to \$2.13 million.

There is no change in the workforce during **1995**. Enplanements inch up 2.6% to 678,805 while cargo is up an almost equal 2.3% to 2.4 million FTKs. Revenues rise 13.7% to \$95.4 million and costs are such as to allow an operating gain of \$4.65 million. There is, however, a net loss of \$3.4 million.

Airline employment is increased by 13.6% in **1996** to 661. During the summer, flights are begun to Mostar and Sarajevo when their airports are reopened to civil operations. Destinations now visited include Amsterdam, Berlin, Bol, Brussels, Copenhagen, Dublin, Dubrovnik, Dusseldorf, Frankfurt, Istanbul, London, Moscow, Munich, Paris, Prague, Paula, Rome, Skopje, Split, Stockholm, Stuttgart, Tirana, Vienna, Zagreb, Zadar, and Zurich.

Discussions with Boeing are well underway when, in early December, they are broken off. It will be reported in the January 6 issue of *World Airline News* that the U.S. government is to blame. A source at Croatia Travel Agency reports that after the U.S. begins complaining to Croatian President Franjo Tudjman concerning democracy issues, Tudjman retaliates by diverting the airline's CEO Katijik from Boeing to Airbus.

Customer bookings ascend 24.4% to 823,010 but only 2.26 million FTKs are operated, a 3.5% decrease. Still, operating income jumps 19.5% to \$113.96 million and costs are up 11.3% to \$100.96 million. Operating profit quadruples to \$12.96 million and a net \$4.16-million profit is reported, a figure later revised to just \$103,000.

The workforce grows 18% in **1997** to 801. On January 21, orders are placed for 2 Airbus Industrie A319s, with options taken for 3 more. The new planes will be delivered early in 1998. Six new markets are opened, including Madrid and Sarajevo.

A dual-designator service from **Malaysia Airlines, Ltd.** and **Swissair, A.G.** begins on October 30 on thrice-weekly B-777-2H6 IGW stops from Kuala Lumpur to Zagreb via Vienna. In the afternoon of the welcoming ceremony, Malaysia and Croatia Airlines sign a code-sharing agreement for the Zagreb-Vienna sector.

Passenger boardings climb 5.2% to 865,757 (of which 300,000 are foreign tourists), but cargo declines by 10.8% to 2.02 million FTKs. Operating revenues drop 5.3% to \$107.93 million as expenses jump 16% to \$117.19 million. From profitability, the company now suffers losses: \$6.02 million (operating) and \$21.62 million (net).

The first A319-112 is delivered at Hamburg on January 21, **1998** and allows the initiation of scheduled service to Tel Aviv and Moscow. The second A319-112 arrives on June 4 and is pressed into service to take the heat off passenger traffic to the Adriatic coast in the height of the tourist season.

Customer bookings increase by 6.2% to 919,000, but cargo traffic dips 1.9% to 1.98 million FTKs. Revenues inch up 1% to \$110.43 million, while expenses fall 1.1%, but still total \$114.1 million. The operating loss improves to \$3.67 million, while a net loss of \$2.2 million is also suffered.

The fleet in **1999** includes the 2 A319s, 4 B-737-230s, and 3 ATR42-320s. Airline employment is 845, a 6% increase over the previous year.

On March 24, in anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Croatia halts all scheduled service from Zagreb into Belgrade, Rome, and Tel Aviv, and closes its airspace. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, *Operation Allied Force*, the bombing attack on targets in Serbia and Kosovo, begins.

After closing its airspace for two nights and a day, Croatia reopens all except one coastal airport on March 27, enabling resumption of civilian air traffic by its own airline and foreign carriers. Croatia Airlines must, however, change flight times to allow planes to make roundtrips before Split and Dubrovnik airports close at 5 p.m. each day.

Pula Airport is reopened on March 30 and service from Zagreb to Rome and Tel Aviv is resumed on March 31; flights to Belgrade remain suspended for the duration of *Operation Allied Force*.

The NATO Stabilization Force (SFOR) on April 13 reopens the airports at Sarajevo, Mostar, and Banja Luka for daytime flights only.

Croatia Airlines resumes flights to Sarajevo on April 15 and to Mostar four days later.

Operation Allied Force is over on June 11. Days later, a third A319-112 is acquired. On June 18, the company receives its first A320-214, which is christened *Dubrovnik* and is assigned to medium-haul European routes.

On July 1, the carrier signs a code-sharing document with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** that covers flights between Zagreb and Barcelona.

Customer bookings are level for the year at 864,000, while cargo traffic actually declines, dipping 0.9% to 1.75 million FTKs. Losses of \$13.5 million are suffered.

On April 12, **2000**, a **Flightline, Ltd.** British Aerospace BAe 146-200 begins wet-lease flights on behalf of the carrier for the summer season. The charter had been arranged by Airbus Industrie to cover the late delivery of another A320. On July 1, dissatisfaction with the airliner causes it to be returned.

Daily A320-214 roundtrip service is resumed from Zagreb to Brussels on October 29, but is halted between Zagreb and Madrid.

CROMWELL AIR LINES: United States (1929-1931). Cromwell Air Lines is founded at Dallas, Texas, in the fall of **1929** to offer scheduled passenger flights to San Angelo. Employing a single Stinson, the new entrant begins service in November. Operations continue until October **1931**.

CRONUS AIRLINES, S.A.: 517 Vougliamenis Ave. & 1 Agimos Street, Athens, GR-16341, Greece; Phone 30 (1) 995 6400; Fax 30 (1) 995 6405; <http://www.cronus.gr>; Code X5; Year Founded 1994. J. Manftas sets up Cronus at Athens in **1994** to offer international charter services. Revenue flights commence with a single leased Boeing 737-33A in April **1995**.

Operations continue in **1996-1998**. During these years, a workforce of 400 is recruited and bases are also established at Thessaloniki and Heraklion. Hooked up to a reservations system network employed by major airlines, the company also operates 14 booking and ticketing agencies. The fleet is increased by the addition of two more chartered B-737-33As and a B-737-4Y0.

Cronus begins flying from Thessaloniki in November **1996** to Frankfurt, Munich, Dusseldorf, Cologne, and Stuttgart. In July **1997**, London (LHR) joins that list. In April **1998**, service is launched from Athens to Paris (CDG), while in December, daily service is initiated to Heraklion and Rhodes.

A majority stake in the airline is purchased on December 28, **1998**, by Athens-based Attica Enterprises, S.A., a Greek ferryboat operator. Enplanements reach 500,000 and generate revenues of \$53 million.

A leased B-737-453 enters service in **1999** as orders are placed for the delivery of a Next Generation B-737-700 in 2001 and a NG B-737-800 in 2003. In May, service is started to Chania; flights to Rome (FCO) begin on July 1.

New service is initiated from Athens to Kavala and Mitilini in the fall of **2000**. Domestic frequencies are increased to Thessaloniki and Heraklion.

CROSS SOUND COMMUTER: United States (1970-1974). CSC is established at Port Orchard, Washington, in **1970** to fly scheduled Britten-Norman BN-2 Islander passenger and cargo services to Bremerton, Olympia, and Tacoma. A victim of the first large energy crisis, the commuter shuts its doors in **1974**.

CROSSAIR, LTD. (COMPANY FOR REGIONAL EUROPEAN AIR TRANSPORT): Postfach, Basel, CH-4002, Switzerland; Phone 41 (61) 325-2525; Fax 41 (61) 325-3268; Code LX; Year Founded **1978**. Founder Moritz Suter's executive commuter company, **Business Flyers Basel, Ltd.**, is renamed Crossair, Ltd. on November 14, **1978**. Financial backing is obtained from public and private sources, orders are

placed for 8 Swearingen Metro IIs, and plans are made for the start of scheduled operations.

Revenue flights with the first Metro II and 2 Cessna 421s begin on July 2, 1979 over routes from Zurich to Nuremberg and Innsbruck.

Enplanements during the following six months reach 12,739. Profits are earned: \$225,000 (operating) and \$157,000 (net).

Airline employment is increased by 66.7% in 1980 to 40. As 2 additional Metroliners are added to the fleet, service is extended from Bern to Paris and from Geneva and Zurich to Hanover. In October, launch orders are placed for 5, later 10, SAAB-Fairchild SF340s.

By the close of the carrier's first full year, passenger boardings have skyrocketed 283.7% to 48,879. Revenues of \$7 million hold expenses of \$6.1 million in line and allow an increased operating profit of \$921,000. Net gain remains unchanged.

Additional regional stops are flown in 1981. Three more Metroliners are acquired. Destinations now served from Zurich include Luxembourg, Hanover, Nuremberg, Innsbruck, Klagenfurt, and Rotterdam. Also added is a service from Bern to Lugano.

Passenger boardings rise to 78,079 and a net profit of \$42,500 is recorded.

The fleet in 1982 comprises 8 Metro IIIs and 1 Metro II; orders are outstanding for 10 SAAB-Fairchild SF340s and a final Metro III. After protracted negotiations, a five-year agreement is signed with **Swissair, A.G.** on February 12, defining the respective areas of activity for the two airlines. Flights by the 85-employee company begin to destinations in Holland, Belgium, and Luxembourg.

Passenger boardings soar 47.5% to 148,157 and freight traffic climbs to 49,000 pounds. A net profit of \$442,000 is reported on total revenues of \$18.5 million.

Airline employment is 130 in 1983. Basel-Paris and Dusseldorf service is undertaken on behalf of **Swissair, A.G.** and the lone Metro II is replaced by a Metro III.

Passenger bookings skyrocket 43.3% to 212,160.

The first SF340 is delivered in April 1984 and the launch customer places it into Basel-Paris service on June 15. This service replaces several **Swissair, A.G.** frequencies, but under an arrangement with the flag line, retains **Swissair, A.G.** flight numbers. The Metro IIIs are sold, but delays and engine problems slow 340 delivery, allowing only 2 more SAAB machines to be acquired during the year. To fill the gap, 3 Fokker F.27s, 1 Sud SE-210 Caravelle, and 2 DC-9-81s are leased.

Passenger boardings swell 35.1% to 286,681. Revenues decline 62% to \$24.15 million and the net profit is off 32% to \$895,233.

The payroll grows by 40% in 1985 to 280, even as SF340 delivery and technical problems persist. By year's end, 8 aircraft are in service and the carrier begins selling off its Metro fleet. Meanwhile, new Basel and Nizza markets are opened. In November, the carrier sells 2 Metro IIIs to the new Spanish regionals **Air Valencia, S.A.** and **Air Catalonia, S.A.**

Passenger traffic rises 29.2% to 370,514 and freight skyrockets 83.1% to 216,000 FTKs. Revenues grow 30.6% to \$49.2 million and expenses are up 26.9% to \$39.3 million; profits are \$9.83 million (operating) and \$1.86 million (net).

Airline employment climbs again in 1986, up 1.3% to 350. The last 2 SF340s of the original order are delivered in March and the fleet now comprises all 10 SF340s plus 6 Metro IIIs. In May, the carrier flies its first service with an all-female crew. The **Swissair, A.G.** replacement agreement first initialed in 1983 is renewed on September 16. Destinations visited include Basel, Mulhouse, Geneva, Lugano, Agno, Luxembourg, and Zurich.

Customer bookings rise 2.2% to 472,158 and cargo increases an incredible 201.3% to 1.9 million FTKs.

The payroll is increased still further in 1987 by 28.6% to 450, and another Metro III is added. Passenger boardings jump 24.6% to 588,328.

The employee population grows by 21.3% in 1988 to 546 and all but 2 Metro IIIs are removed as 3 more SF340s join the fleet. Orders are placed for 19 340Bs plus 110 options.

On June 13, the shareholders' assembly votes to allow **Swissair, A.G.** to acquire a 38.4% equity stake and 41% of the regional's voting rights. In return, the national airline invests SFr 111 million. A new cooperative agreement is signed specifying closer collaboration in a number of fields.

Passenger boardings accelerate 29.3% to 760,744. In addition, 345,000 FTKs are transported.

Airline employment climbs 10.4% in 1989 to 603 as all of the Metros are replaced. The all-SAAB fleet now includes 19 340As and 5 340Bs. New routes are initiated from Lugano to Rome and from Bern to Brussels and Dusseldorf. In March, the company begins to offer five-times-per-week replacement service to Lyons and Ljubljana on behalf of **Swissair, A.G.**

Customer bookings ascend 19.4% to 909,023.

In January 1990, the company receives the "Regional Airline of the Year" award from *Air Transport World* magazine.

The fleet is now significantly increased. In addition to the acquisition of 3 more SAAB 340Bs, 1 Fokker 50 and the first of 3 British Aerospace BAe 146-200s, dubbed "Jumbolinos" and acquired from **USAir**, are placed into service. Four SAAB 340As are withdrawn and leased to the New Zealand carrier **Air Nelson, Ltd.** A SAAB 340A is lost in a ground accident at Zurich on February 21.

Flights begin to the Channel Islands and Barcelona in April; a total of 37 destinations are currently served in 10 nations. A financial state is taken in the Scottish regional **Business Air, Ltd.** and, in July, Crossair joins with **Slovair** to establish **Tatra Air, A.G.** at Bratislava.

Passenger boardings leap skyward by 18.4% to pass the million-mark for the first time at 1,076,591. On the downside, a \$4.53-million net loss is suffered.

Two more SAAB 340As are withdrawn in 1991 to be succeeded by 7 340Bs and 14 Fokker 50s; 2 more ex-**USAir** BAe 146-200s also arrive. On March 13, **Swissair, A.G.** increases its equity stake to 48.5% and acquires a majority 59.9% of voting rights. Replacement flights for its new parent are undertaken to Bordeaux beginning on March 31. Also in March, weekly 340B flights begin from Zurich to Bristol, England, and London (STN).

In August, five-times-per-week BAe 146-200 flights are started from Basel to London (LHR). Also during the summer, a SAAB 340A is repainted to commemorate the 700th anniversary of the Swiss Federation; the color scheme by 10-year-old Giacomo Fiscalini has won top place in a design competition.

On October 27, President Moritz Suter's company begins flying to Hanover and Nuremberg, again as replacement for **Swissair, A.G.** In November, the Swiss flag carrier transfers the route to Crossair completely. The same month, a BAe 146-300 "Jumboliner" is placed into service on the thrice-daily Basel-Paris route.

Customer bookings ascend 12% to 1,148,671 and 39.31 million FTKs are operated. The net loss grows to \$7.48 million.

The workforce is increased by 6.8% in 1992 to 1,087 and the fleet now includes 3 BAe 146-200s, 1 BAe 146-300, 5 Fokker 50s, 15 SAAB 340As, and 15 SAAB 340Bs. Orders are outstanding for 4 BAe 146-200s and 4 BAe (AVRO) RJ85 Regional Jets. With an order for 20, the airline becomes launch customer for the SAAB 2000 Concordino; the carrier also becomes the first to operate a BAe 146 into London (LCY), beginning twice-daily flights from Zurich on March 30. Also during the first quarter, a BAe 146-200 is leased to **Business Air, Ltd.**

In April, Crossair sells its 40% shareholding in the German regional **Delta Air Regionalflugverkehr, GmbH.** to **British Airways, Ltd.** (2) as the major seeks to maintain its entry in the German domestic market following termination of its 1945 Allied-grant rights. Having lost well over a million SFr and faced with nonpayment of the aircraft lease, the carrier now withdraws as one-third shareholder in **Tatra Air, A.G.** The SAAB 340A is reclaimed, repainted, and reenters Crossair service.

On May 4, SAAB 340A/B services are initiated from Zurich to Sion. Other new routes started during the year include Lugano to Munich and Basel to Vienna to London (LHR), Leipzig, and Dresden.

Passenger boardings jump 16% for the year to 1,335,484 and freight rises 23% to 48.17 million FTKs. Revenues are \$214.17 million and expenses are only \$189.02 million. As a result, operating profit, assisted by the Delta sale, surges to \$25.14 million. The net gain of \$745,800 is a significant turnaround.

In 1993, Chairman A. J. Wiederkehr and President/CEO Suter oversee a workforce of 1,175, up 8.1% over the previous year. The largest Swiss regional is now the largest of its size in Europe. Three SAAB 340As are leased to **Business Air, Ltd.**, one to **Deutsche BA Luftfahrtgesellschaft, GmbH.**, and 4, out on lease to **Air Nelson, Ltd.**, are sold to that airline for SFr 7.16 million. The first of 4 Avro RJ85 Regional Jets, the new name for the BAe 146 program transferred to the BAe-Taiwan Aerospace joint venture program, is delivered in April, giving the carrier cause to adopt a new corporate image, logo, and livery. New crew uniforms are also unveiled, along with an improved catering service.

Delivery of the world's first production model SAAB 2000 Concordino, also a cause of celebration for its launch customer, must be delayed past the planned September 3 arrival. The manufacturer provides a free BAe 146-300 to provide capacity until its delayed product can be acquired.

During the 12 months, scheduled departures total 76,400 while, at year's end, **Swissair, A.G.** participation is increased from 49.4% to 56.1% of share capital and from 52.6% to 59.8% of voting rights. Customer bookings swell 8.1% to 970,500 while cargo swells 19% to 57.17 million FTKs. Revenues advance 16% to \$261.3 million while costs rise only 10.9% to \$406.35 million. Consequently, the operating surplus is \$28.84 million while the net profit skyrockets to \$19.8 million.

Airline employment increases to 1,420 in 1994. On March 27, the company inaugurates a number of new routes. These include Zurich to Dublin, Birmingham, Ljubljana, and Hanover; Genf to Amsterdam, Berlin (Tempelhof Airport), Bilbao, Vienna, Barcelona, Genoa, Jersey, and Lorient; Lugano to Olbia; and Basel to Dresden, Leipzig, Vienna, Birmingham, and Nice. New **Swissair** replacement routes are Geneva to Berlin (Tempelhof Airport), Bilbao, Bordeaux, and Prague, and Zurich to Klagenfurt, Luxembourg, Ljubljana, Marseilles, and Strasbourg.

The highlight of the year is the August introduction into service of the first of 5 of the world's first operational SAAB 2000s; it is christened *Concordino* (giving its name to the type in Crossair service) and begins flying from Basel to Paris (CDG). Two more of the advanced turboprops arrive in September and 2 in October. These replace SAABs on twice-weekly routes from Basel to Barcelona, Copenhagen, Madrid, and Rome, from Lugano to Paris, and from Bern to London's City Airport. During the 12 months, scheduled departures increase to 83,300.

Late in the year, plans are made by **Swissair, A.G.** to turn over all of its less-than-100 seat operations to this subsidiary, as well as the aircraft and services formerly flown by **Balair-CTA, S.A.**

Passenger boardings accelerate another 13% to 1,864,093 while revenues increase 3.7% to \$322.3 million. Net gain drops to \$13.2 million.

During the last week of March 1995, **Swissair, A.G.** orders 12 Avro RJ100 Jumbolinos to be operated by Crossair on the less-than-100 seat services. Having entered into a block-seat code-sharing agreement with **LOT Polish Airlines, S.A.**, **Swissair, A.G.** now turns to **Crossair** to implement it by flying a SAAB 2000 over a route from Zurich to Krakow.

Five more SAAB 2000 Concordinos are also requested. An RJ85 is reequipped with telephones in a year-long experiment for passengers; the plane is returned to service on June 1 on routes from Geneva to London (City Airport), Birmingham, and Dublin. When the main runway at Stuttgart Airport is down for repairs between July 31 and October 1, Crossair leases an RJ85 to **Swissair, A.G.**, which will employ it to maintain services to the cross-runway of the German airport. It will also lease a BAe 146-200 to **Deutsche BA Luftfahrtgesellschaft, GmbH.** for the same purpose.

The small- and medium-haul routes and aircraft are taken over in September and operated from hubs at Geneva and Zurich with 10 trans-

ferred **Swissair, A.G.** Fokker 100s. They will gradually be withdrawn in trade to Avro as the RJ100 Jumbolinos begin to arrive at the end of the month. To celebrate the opening of the famed musical at Basel in October, the company's 10th SAAB 2000 Concordino is now delivered in a special *Phantom of the Opera* livery.

During November, a cost cutting plan, WIN, prepared by McKinsey Consulting, is sent to arbitration by **Swissair, A.G.** and its pilots' union Aeropers. If implemented, the concept will see an unspecified number of **Swissair** pilots transferred to Crossair, Ltd. In addition, 1,600 **Balair/CTA** positions would be cut over the next several years and 300 ground workers will be laid off. Although executives from **Swissair** and Crossair, Ltd. all refuse to consider a group agreement covering cockpit crews from both companies, the mediator promises a solution by April.

Repainted in Crossair livery, 8 former **Balair/CTA** McDonnell-Douglas MD-82/83s arrive in late November and early December.

The new services allow Crossair to make significant traffic and financial gains. Customer bookings again jump 13%, rising to 2,109,542, while freight swells 28% to 81.58 million FTKs. Operating revenues climb 18% to \$386 million and a net profit of \$14.5 million, later adjusted downward to \$12.57 million, is posted.

Airline employment stands at 6,586 in 1996 and the fleet grows to include 8 MD-82/83s, 11 RJ100 Jumbolinos, 4 RJ85s, 23 SAAB 2000 Concordinos, and 15 SAAB 340As. Two more SAAB 340As are chartered to **Business Air, Ltd.** and 1 MD-82 is leased to the Argentine charter operator **Dinar Lineas Aereas, S.A.**

During the first quarter, the carrier joins with the Swiss travel agency Hotelplan and McDonald's Restaurants to begin operating charter flights. "McPlane," an MD-83, is unveiled at the airline's Zurich headquarters on March 27 in a gala celebration. Bright red, with the restaurant's name painted in large letters along the fuselage at the window level and its logo on the tail, the plane will be employed to operate non-scheduled frequencies. Three days later, it begins flying from Zurich and Geneva to Mediterranean holiday destinations.

To better handle its rapid expansion, the company restructures its operations on April 1. Geneva and Western Europe are added as departments of the commercial and finance division and a whole new product management division is created, with three new departments—cargo/cabin crew, network management, and ground operations.

The company completes its takeover of the medium-haul charter flights of **Balair-CTA, S.A.** and the 100-seat scheduled operations of **Swissair, A.G.**

During the third week of May, a company SAAB 2000 Concordino begins three months testing of a head-up display provided by Flight Dynamics; the carrier is first to order a HUD for regional services.

The "McPlane" visits London (CTN) and Manchester in June in connection with the Euro '96 Football Championships. Meanwhile, 12 new destinations have been added during the first half, including a six-days-per-week RJ85 nonstop roundtrip service between Zurich and Edinburgh.

The final RJ100 Jumbolino is delivered in September. With the start of the winter schedule at the end of October, the carrier introduces two-class cabin in-flight service aboard its jetliners. Turboprop operations remain single-class.

The changeover brings significant growth in traffic and rewards. Enplanements increase 53% to 3,228,591 and operating income surges 59% to \$518.6 million. Net profit grows by \$4 million to \$16.6 million, a 32% increase.

The workforce is increased a slight 0.9% in 1997 to 2,301. At the end of January, Crossair joins with a group of French investors in taking the first steps toward the establishment of a French regional airline to be hubbed at the new Basel-Mulhouse EuroAirport. Actually located in France, the airport goes by the IATA MLH (Mulhouse) identifier for flights from its French side and BSL (Basel) for services from the Swiss side. Crossair takes a 35% holding in the FFr 260-million (\$45-million) minimum share capital in the start-up and establishes a headquarters presence at the new airport.

If the tentatively named Europe Continental Airways, S.A. moves ahead, it will allow sufficient European Union links as to alleviate the carrier's new Italian problem.

Deregulation for EU members begins on April 1 and Crossair's need for free access to Italian skies becomes increasingly apparent. Because of resistance from the Italian authorities, the non-EU-member airline is required to withdraw its Lugano-Rome and its Lugano-Bologna services, and reduce frequencies between Lugano and Venice, Florence, and Naples. The airline also faces battles with the Portuguese and Greek authorities.

In May, the carrier takes over the turboprop routes from Zurich and Geneva to Stuttgart which **Regional Airlines, S.A.** had purchased from **Deutsche BA Luftfahrtgesellschaft, GmbH.** the previous year, but has elected not to fly itself.

The European Joint Aviation Authorities certifies Flight Dynamics Head-Up Guidance System for use aboard company SAAB 2000 Concordinos. The first unit is installed on August 5 and half of the SAAB 2000 fleet will be so equipped by year's end.

In December, the company announces a significant expansion of its fleet, with orders, valued at SFr 262 million (US\$179 million) placed for 4 Avro RJ100 Jumbolinos, 6 SAAB 2000 Concordinos, and 2 used MD-83s. The latter will be employed on scheduled services, as well as on-demand charters.

Passenger boardings accelerate 19% to 3,848,724, while freight surges 27% to 206.31 million FTKs. Net profits of SFr43.2 million (\$29.4 million) are posted on revenues of SFr 883 million and are almost double those earned a year earlier.

Philippe Bruggisser is now chairman, with CEO Suter remaining in office. Their fleet at the beginning of 1998 includes 4 Avro RJ85s 12 RJ100s, 11 MD-80s, 16 SAAB 340s, and 28 SAAB 2000s.

Plans are announced in January for the construction of a new office building near its temporary headquarters at the Basel-Mulhouse Euro-Airport. Crossair also announces plans to invest FFr 100 million in the expansion of EuroAirport and, in return, receives 9 proximity gates in the present terminal.

Europe Continental Airways, S.A. is now projected to begin service in April as **Crossair Europe, S.A.**; flights will be provided to Venice, Milan, and Marseilles.

Employing a pair of SAAB 340Bs leased from Crossair, **Crossair Europe, S.A.** launches thrice-daily roundtrip flights from the French side of EuroAirport on March 29 to Milan. Operating as a European Union company, the new entrant does not have the bilateral barriers and high landing fees to contend with as does Crossair. Commercial and technical coordination is maintained with the Swiss airline.

Plans are made to provide Director General Philip Perrin de Nelle's company with a chartered MD-83 during the fall and to initiate frequencies to Rome (Ciampino Airport).

Employing the MD-83, wet-leased to **Swissair, A.G.**, Crossair, on May 1, launches flights from Zurich on behalf of its parent to five East European destinations, including Baku, Samara, Yerevan, and Tbilisi. The return services are undertaken two to three times each week.

Joint operations simultaneously commence with **PGA Portugal Airlines, S.A.** over a route from EuroAirport to Lisbon.

Wet-leased Crossair MD-80s undertake Swissair replacement service on May 1 from Zurich to both Nice and to Berlin (Tegel Airport).

Beginning on May 2, **Delta Air Lines** places its code on the daily roundtrip Avroliner service which Crossair operates between Zurich and Riga, Latvia.

During the month, the company joins with **Lufthansa CityLine, A.G.** to launch the Fairchild Dornier 728JET, with deliveries set for 2001.

In late September, **Swissair, A.G.** upsets the Crossair expansion plans by purchasing a 44% equity stake in the French regional **Air Littoral, S.A.** Crossair had hoped to move into France and southern Europe via its **Crossair Europe, S.A.** affiliate.

During the month and on October 28, a number of new services are launched. Employing an Avro RJ85, daily roundtrips commence from

Basel to Stockholm and from Zurich to Goteborg. In addition, a midday service is added between Basel and Valencia and the Zurich to London (LCY) route is operated four-times-a-day.

The twice-weekly MD-83 return service from Zurich to Samara, Russia, ends on October 25 and the aircraft is transferred to a service from Zurich to Larnaca, Cyprus.

A long-haul MD-82/83 charter program is introduced, also on October 28. The most successful enterprise is a weekly roundtrip from Zurich to Goa, India, with a technical refueling stop at Tehran. Flights from Zurich to Pristina, Kosovo, will prove short-lived due to the political situation in the Yugoslav province.

In an effort to draw attention to Switzerland's bid for the 2006 Winter Olympics, a SAAB 2000 is introduced into service in November wearing a special winter sports livery, comprised of little red silhouettes of sportsmen (skiers, ice skaters, hockey players, etc.) dotting its white fuselage. "Valais," the name of the French-speaking canton where the games would be held, appears in white under a white mountain logo on the red tail.

Swissair strategic alliance partner **Delta Air Lines** begins to code-share on December 1 on Crossair's daily SAAB 2000 service from Zurich to Krakow, Poland.

Enplanements for the 12 months advance by 14.5% to 5,397,248. Revenues advance to SFr 1.01 billion (\$674.61 million) and net gain surges 47% to SFr 63.5 million (\$42.24 million).

Crossair receives its 14th Avro RJ100 from British Aerospace on January 4, 1999, wearing the new EuroCross livery of a blue and red ball incorporating the European Union logo on one side of its fuselage. The aircraft is assigned to **Crossair Europe, S.A.** and enters service two days later, replacing a SAAB 2000 on the route from Basel to Stockholm.

An early morning RJ100 roundtrip is inaugurated on February 22 from London (LCY) to Zurich; there are now five daily return services over this route. At this time, Crossair becomes a member of the **Swissair, A.G.**-led "QualiFlyer" alliance.

The winter charter service between Zurich and Pristina, Kosovo, ends just as NATO begins its aerial bombing campaign against Yugoslavia on March 24.

As is the case with other airlines across Europe, the summer schedule begins on March 28. Seasonal MD-83 nonstop roundtrips are now offered every day from Zurich to Thessaloniki, Greece. Simultaneously, MD-83s replace RJ100s on flights from Basel to London (LHR), while the RJ100s offer a new weekly roundtrip from Zurich to Birmingham. Nonstop MD-83 roundtrip service is also inaugurated from Zurich to both Dublin and Goteborg, five times a week.

At the beginning of April, daily scheduled flights are resumed between Zurich and Klagenfurt, Austria.

Plans are now announced by SAirGroup for the creation of a large European Leisure Group, which will include not only **LTU International Airways, GmbH.**, but the **Swissair, A.G.** subsidiary **Balair/CTA**; **Sabena Belgian World Airlines, S.A.**'s subsidiary **Sobelair, S.A.**; Crossair, Ltd.; **Air Europe, S.p.A.**, and **Volare, S.p.A.** The new arrangement, under the direction of project leader Stefan Helsing, is designed to be part of an integrated network built around the already-existing "Atlantic Excellence" and "QualiFlyer" alliances.

During the summer, an MD-83 is wet-leased to **Flugfelag Islands (2)/Icelandair, H.F.**, which employs the aircraft on a weekly seasonal service from Reykjavik to Zurich.

When **British Airways, Ltd. (2)** gives up its London (LHR) to Basel service in late October, Crossair, in partnership with the British major, takes it over with MD-83s. Flights from Zurich to Pristina, suspended during the Kosovo crisis, resume on October 31.

Also during October, an MD-83, operated on behalf of Dusseldorf-based Consul Weltreisen, offers a luxury tour to Xian in China via Muscat, Hong Kong, Siem Reap, Langkawi, Chiang Mdi, and Shanghai.

Nine company aircraft are damaged by wind-driven equipment and cargo containers when fierce winter winds with gusts of more than

100 mph. hit the airports at Zurich, Stuttgart, and Copenhagen during Christmas week.

Although customer bookings climb 11.1% to 5,997,000 this year, many in the company believe that European ATC delays and higher fuel costs have hurt market share, to say nothing of revenues. Operating income moves ahead by 14.8% to \$728,977,000, but expenses are up 18.2% to \$682,816,000. The previous year's operating profit falls to \$46,161,000 while net gain drops to \$33,070,000.

Having just turned around at Zurich after a January 20, 2000, flight from Guernsey, Flight 498, a SAAB 340B with three crew (including a captain temporarily seconded to the carrier from **Moldavian Airlines**) and seven passengers, departs for Dresden. Following some confusion over direction, the turboprop increases speed and then enters into a high-speed spiral descent, crashing into an open field near Nassenwil. There are no survivors.

Now in its 21st year of scheduled service, on February 26 Europe's largest regional takes delivery of the first of 7 Embraer ERJ-145s—all in the company's new twenty-fifth anniversary livery. Upon its arrival at Basel on March 4, the Express Jet is greeted in ceremonies as the premier unit of the massive fleet replacement program that will see all of the current SAAB and AVRO RJs withdrawn by 2006. The same day, the MD-83 previously painted in the red McDonald's color scheme is returned to service, also wearing the company's new livery.

With the beginning of the summer schedule on March 26, **Swissair, A.G.**, in a move to cut costs and increase services, transfers the bulk of its Geneva-based services to Crossair. The smaller carrier's McDonnell Douglas now visit Athens, Madrid, Rome, and Lisbon. At the same time, Basel is dropped as a stop on the Zurich to Dresden and Prague route, while twice-daily return flights from Geneva to Toulouse and Marseilles are now operated as a code-share aboard **Air Engiadina, Ltd.** Dornier 328-110s. Plans to start new service from Basel to Helsinki are postponed for a year, along with increased frequencies from Basel to Madrid and Cologne.

On the same day, the company's new ERJ-145s enter revenue service on routes from Basel to Manchester, Madrid, Birmingham, Copenhagen, Oslo, Hamburg, and Valencia. Employing one of the Swiss carrier's MD-80s, **Aer Lingus Irish Airlines, Ltd.** also begins to code-share on daily Crossair return flights between Zurich and Dublin.

Swiss voters, on May 21, approve a referendum that permits implementation of a bilateral treaty establishing closer ties between the historically neutral country and the European Union. As a result, the airlines of SAirGroup, including Crossair, will, in three steps, gain the same rights as carriers from EU nations.

As Crossair continues to eliminate its SAAB 340A fleet, lease arrangements are completed by June with **Carpatair**, the regional subsidiary of **Moldavian Airlines**, for a pair of the Swedish-built turboprops.

In mid-August, the carrier reports that, for the first time since 1992, it has experienced a financial downturn in the first half-year. The \$3.5-million loss is blamed on high fuel costs and an unfavorable exchange rate with the U.S. dollar.

Reacting to these negative figures, company officials, at the carrier's annual meeting, inform shareholders that the company's route network will be adjusted and fares will be increased to offset rising fuel costs. This attempt to increase earnings by CHF 50 million may also lead to layoffs.

At Kos on October 26, **Olympic Airways, S.A.** baggage handler Manolis Lambros, who has entered the cargo hold of a company MD-83 to stow a caged dog, is accidentally locked in by coworkers. The young man survives the following 15-min. flight to Rhodes, where he is discovered in shock and shivering, but otherwise unhurt.

With the beginning of the winter schedule on October 29, frequencies are reduced from Basel to Alicante, Malaga, Munich, and Venice, as well as between Lugano and Rome and suspended altogether between Basle and Nuremberg.

CROSSAIR EUROPE, S.A.: Batiment du Catering, EuroAirport, Basel Mulhouse Freiburg, Saint-Louis, F-68300, France; Phone 33

(3) 89 90 40 95; Fax 33 (3) 89 90 40 89; Code QE; Year Founded 1997. At the end of January 1997, **Crossair, Ltd.** joins with a group of French investors in taking the first steps toward the establishment of a French regional airline to be hubbed at the new EuroAirport at Basel-Mulhouse. Actually located in France, the airport goes by the IATA MLH (Mulhouse) identifier for flights from its French side and BSL (Basel) for services from the Swiss side.

Crossair takes a 35% holding in the FFr 260 million (\$45 million) minimum share capital in the French-registered start-up and establishes a headquarters presence at the new airport. If the tentatively named Europe Continental Airways, S.A. moves ahead, it will allow sufficient European Union links as to alleviate the Swiss carrier's new Italian problem.

On March 29, 1998, employing a pair of SAAB 340Bs leased from **Crossair, Ltd.**, Crossair Europe, S.A., which has integrated Europe Continental Airways, S.A., launches thrice-daily roundtrip flights from the French side of EuroAirport to Milan. Operating as a European Union company, the new entrant does not have the bilateral barriers and high landing fees to contend with as does **Crossair, Ltd.** Commercial and technical coordination is maintained with the Swiss airline.

Plans are made to provide Director General Philip Perrin de Nelle's company with a chartered MD-83 and to initiate frequencies to Rome (Ciampino Airport).

Twice-daily frequencies to Venice, and daily roundtrips to Marseilles are added on May 1 from EuroAirport.

The expansion plans of **Crossair, Ltd.** into France and southern Europe are dealt something of a blow in late September when **Swissair, A.G.** purchases the French regional **Air Littoral, S.A.**

During September and October, a daily roundtrip service is inaugurated from EuroAirport to Karlsruhe and Baden-Baden in Germany. Flights from EuroAirport to Freiburg are simultaneously increased to thrice daily.

Crossair, Ltd. receives its 14th Avro RJ100 from British Aerospace on January 4, 1999 wearing the new EuroCross livery of a blue and red ball incorporating the European Union logo on one side of its fuselage. The aircraft is assigned to Crossair Europe, S.A. and enters service two days later replacing a SAAB 2000 on the route from Basel to Stockholm.

CROW EXECUTIVE AIR: Toledo Metcalf Airport, 28331 Lemoyne Road, Milbury, Ohio 43447, United States; Phone (419) 838-6921; Fax (419) 838-6911; Code CCG; Year Founded 1947. Crow is set up at Toledo Metcalf Airport in northwest Ohio in 1947 to provide worldwide and North American executive and small group passenger charters, freight, and air ambulance services. Smallplane flights to Detroit and Cleveland commence and continue for the next 40 years.

Under the direction of Vice President Emilio Costilla, the company in 1998 maintains a major fleet at Metcalf Field. From here, Crow operates 2 Learjet 24Bs and 1 each Learjet 35A, Cessna 208B Caravan I, Swearingen Metro II, Piper PA-31-350 Navajo Chieftain, and PA-23 Aztec F.

In July, Crow acquires Flight Operations, an FBO and charter concern based at Cleveland's Burke Lakefront Airport. That company had flown 1 each Learjet 24D, Learjet-25B, and Learjet-35A from the downtown Cleveland airport and these services are continued.

CROWN AIR: United States (1981-1989). Crown Air is established at San Juan, Puerto Rico, on May 28, 1981 as the purchased, reformed, re-named, and upgraded version of **Dorado Wings**, previously the island's oldest air carrier. Equipped with a fleet of 3 British Aerospace BAe Jetstream 31s, 9 Britten-Norman BN-2 Islanders, and 1 Piper PA-31-310 Navajo, the company operates 54 scheduled daily flights to Tortola, Virgin Gorda, St. Thomas, Palmas del Mar, Dorado Beach, Cerramar Beach, and Mayaguez, while also connecting St. Thomas to the British Virgin Islands.

In 1982-1983, President Michael T. Fenn's carrier removes its Jetstreams and substitutes 5 de Havilland Canada DHC-6 Twin Otters, 1 Fairchild-Swearingen Metro II, and another Islander. New destinations

served include Aguadilla, Palmas del Mar, Humacao, San Juan, St. Martin, Anguilla, and St. Kitts.

Enplanements during the latter year total 102,358.

Customer bookings skyrocket 71% in **1984** to 175,000. When **Pri-nair (Puerto Rico International Airlines)** and **Vieques Air Link** cease operations in mid-**1985**, the assets of the former are purchased by Crown Air, making it the largest commuter airline in Puerto Rico. Passenger flights to the Virgin Islands are increased by 70% in June and, on July 1, 10 U.S. Postal Service mail routes are obtained, worth a total of \$700,000–\$800,000.

Passenger boardings for the year rise 3% to 180,000.

Operations continue apace in **1986–1988**; however, as **Executive Air Charter** and **Eastern Metro Express** mount competition, the carrier's services and finances decline. Unable to continue, **Crown Air** stops flying in March **1989** and files for Chapter VII liquidation.

CROWN AIRLINES: United States (1978–1979). Bill Davis forms Crown Airlines at Texico, New Mexico, in **1978** to provide Essential Air Service (EAS) flights over those routes abandoned by **Texas International Airlines** in the wake of deregulation. Employing Piper PA-31-310 Navajos, Davis undertakes to operate routes linking Albuquerque with Lubbock via Clovis, Carlsbad, Hobbs, and Roswell. Unable to turn a profit, Crown goes out of business in **1979**.

CROWN AIRWAYS: United States (1969–1993). This wholly owned subsidiary of Brockway, Inc. is set up at Clearfield–Jefferson City Airport in Falls Creek, Pennsylvania, in early **1969** to provide "Allegheny Commuter" service. Daily roundtrip revenue flights on a Pittsburgh–DuBois route begins on March 17 and a subsidized Essential Air Services (EAS) daily frequency is initiated to Franklin and Oil City in December.

Operations continue apace during the remainder of the decade and into the **1970s** while the fleet is upgraded from Cessna lightplanes to a pair of de Havilland Canada DHC-6-100 Twin Otters. Company headquarters are transferred to Harrisburg in **1972**.

By **1975** enplanements are 38,627. Passenger boardings jump 21% in **1976** to 48,895 while a total of 801,213 pounds of freight are hauled. Enplanements in **1977** total 57,587. Passenger boardings advance 9.5% in **1978** to 63,631, but freight is down, by 4.3%, to 787,000 FTKs. Services are maintained without change in **1979**.

The first Shorts 330 is delivered in the spring of **1980**. On April 1, President John Aikman's carrier begins replacement operations between Youngstown, Ohio, and Pittsburgh for **United Air Lines**. On October 28, a fourth station is added when Crown replaces **USAir** on the Parkersburg, West Virginia–Pittsburgh run. This expanded system allows the small regional to post an outstanding traffic increase as 137,068 passengers are flown.

In **1981**, the fleet comprises 2 Shorts 330s and 2 DHC-6-200 Twin Otters. Enplanements total 192,212, a 40.2% boost; however, cargo traffic declines by 12.8% to 444,000 pounds.

The workforce is increased 6% in **1982** to 88. As is the case with many small airlines during the economic slump, Crown suffers a decline in passenger boardings—off 13.6% to 165,975—and in freight. This trend is halted in **1983** as passenger traffic rises a slight 2.3% to 169,825. Cargo traffic still continues to fall, dropping 8.5% to 269,000 pounds.

The year **1984** is an outstanding one for the Pennsylvania-based company as it moves into the ranks of what the CAB classifies as "large regionals" and the fleet is increased to a total of 3 Shorts 330s and 3 de Havilland DHC-6-200 Twin Otters.

Following the demise of **Wright Airlines** service, Crown adds Clarksburg, West Virginia, to its "Allegheny Commuter" network on June 1. In the fall, Parkersburg, West Virginia, and Youngstown, Ohio, join the route network. Enplanements increase 24.7% to a record 211,813; however, freight continues to plunge, dropping by 19.1% to 217,000 pounds.

The 155-employee company begins service to Morgantown, West Virginia, on January 3, **1985**. Two more Twin Otters, Dash-300s, join

the fleet during the year as flights also begin to Latrobe, Pennsylvania. Passenger boardings ascend 26.6% to 268,161, but cargo is down again, by 17% to 180,000 pounds.

The workforce is reduced by 9.7% in **1986** to 140, but, otherwise, the Allegheny partner enjoys a good passenger year. Customer bookings rise 7.5% to 288,343, but cargo declines 25.2% to 135,000 pounds.

Sister airline of the "Piedmont Connection" carrier **Brockway Air** enjoys a healthy **1987** as passenger boardings jump 9.2% to 314,905.

Toledo, Ohio-based Owens-Illinois purchases the carrier's Brockway parent in early **1988**; still, Vice president/General Manager Al J. Beiga's maintains services apace, with the airline offering an average of 94 daily, weekday departures.

When Owens-Illinois sells its **Brockway Airlines** division to **Metro Airlines** in the spring of **1989**, it specifically retains Crown Airways. With **Piedmont Airlines** absorbed into **USAir** by August, the Falls Creek, Pennsylvania-based small regional renegotiates its code-sharing contract with the major and obtains a 10-year extension to serve as part of the "Allegheny Commuter" network, now renamed "USAir Express." The 174-employee's 4 Twin Otters and 3 Shorts 330s fly a total of 313,553 passengers, a 6.4% decline.

Early in **1990**, 2 Shorts 360s join the fleet and, in March, the carrier is sold to Al Beiga and Philip Burnaman. Passenger boardings rebound and grow by 7.5% to 337,177. The fleet in **1991** includes 2 Beech 1900s, 2 Shorts 360s, 4 Shorts 330s, and 2 Twin Otters. Destinations visited include Clarksburg, Cumberland, Franklin, Oil City, Latrobe, Morgantown, Parkersburg, Washington, D.C., Wilmington, and Youngstown. Passenger boardings ascend 3.7% to 349,614.

A third Beech 1900 joins the fleet in **1992** and helps customer bookings to rise by 3.8% to 362,327. In **1993**, Chairman Philip R. Burnaman and President Albert J. Beiga oversee 249 employees and a fleet of 3 Shorts 330s, 2 DHC-6-300s, 2 Shorts 360s, and 3 Beech 1900s. Customer bookings decline 0.4% to 360,832 and at year's end, the airline is sold to mega-regional **Mesa Airlines**, which renames its new subsidiary **Liberty Express**.

CROWN INTERNATIONAL AIRLINES: United States (1974–1979). CIA is established at Norfolk, Virginia, in **1974** to provide scheduled passenger services to the North Carolina communities of Hatteras and Manteo.

Daily de Havilland DH 104 Dove seasonal flights are duly inaugurated and are offered through **1979**.

CROWNAIR, LTD.: Canada (1989–1990). Established at Toronto in January **1989**, this new charter operator acquires a hush-kitted Douglas DC-8-52 and begins inclusive-tour flights to Orlando and Montego Bay in February. Summer flights are made to Europe before the aircraft returns to its winter routes in the fall. In serious financial difficulty, the company has closed its doors by the time Iraq invades Kuwait in August **1990**.

CROWTHER FLIGHT CENTER (BREMERTON AIR TAXI): United States (1964–1967). BAT, the airline operating division of Crowther, is established at Bremerton, Washington, in early **1964** to provide scheduled Beech 18 passenger and cargo flights to Seattle. Operations commence on February 2 and continue until the carrier is taken over by and merged into **Puget Sound Airlines** on August 28, **1967**.

CRPA (COMPANIA RIO PLATENSE DE AVIACION, S.A.): Argentina (1921–1924). Ex-British RFC Major Shirley H. Kingsley and Argentine representative of George H. Thomas' Aircraft Manufacturing Company, Ltd., having completed a series of demonstrations flights in early **1919**, now proposes establishment of a regularly scheduled commercial air service to fly passengers from Buenos Aires to Montevideo, Uruguay. Arrangements are made with Thomas to provide aircraft and on August 1, **The River Plate Aviation Company, Ltd.** is formed. The first of 12 de Havilland DH 6s and 2 DH 16s arrive by year's end.

Kingsley employs the new aircraft in early 1920 to fly charters, which bring in income and keep interest up. A base is established at San Isidro on May 23. Nonscheduled operations do not bring in sufficient income and the international scheme is in danger of failing before it can be mounted.

Meanwhile, French representatives have also come to Argentina to sell aircraft and have put together a demonstration organization, **Compania Franco-Argentina de Transportes Aereos, S.A.**

Following negotiations concerning a joint River Plate service, Kingsley and the French merge their demonstration fleets on September 21, 1921 under the umbrella of CRPA (Compania Rio Platense de Aviacion, S.A.). Kingsley is named managing director.

With a full complement of aircraft and necessary personnel, CRPA inaugurates Argentina's first regular and advertised commercial flights on December 17. Following their arrival at San Isidro's airport by taxi from the Plaza Mayo in Buenos Aires, passengers are flown for 2 hrs. 30 mins. over the 120-mile-wide river to Villa Colon's airfield in Uruguay. From there passengers are transported overland to Montevideo's Plaza Constitucion by automobile.

The daily Villa Colon route is briefly suspended on April 30, 1922, but is resumed in June. On November 20, the equipment and routes are changed. Two Vickers Type 73 Viking 4 amphibians are inserted and take their passengers directly between the Buenos Aires port city of Darsena Norte and Montevideo's Muelle Maciel downtown piers.

Service is continued in 1923, being suspended on March 31. Despite Argentina's growing interest—a 4,500 peso monthly mail subsidy is granted by the Post Office with another 4,500 pesos from the War Department—and even the printing of special air mail stamps, CRPA does not resume service in 1924.

CRUZEIRO BRAZILIAN AIRLINES (CRUZEIRO DO SUL, S.A.-SERVICIOS AEREOS, LTD.): Brazil (1941–1993). The pioneer German-controlled airline **Syndicato Condor, S.A.** is renamed **Servicios Aeros Condor, S.A.**, on August 19, 1941, at approximately the same time its two Focke-Wulf Fw-200s are grounded for lack of spare parts. Starting just after the attack on Pearl Harbor, German control begins to shift to the Brazilians as a group of Rio businessmen, backed personally by the nation's president, Getulio Vargas, purchases the carrier, paying the airline's \$2.7-million debt to **Deutsche Lufthansa, A.G. (DLH)**. Starved for fuel and awaiting trained Brazilian personnel, the carrier suspends operations at year's end.

Dr. Jose Bento Riberto Dentas is appointed director general on January 6, 1942 and flight operations are resumed in March. Brazil declares war on Germany in August and all remaining German employees are summarily dismissed. All assets become Brazilian property by government decree of August 25, including the fleet of 2 Condors, 2 Junkers Ju-46s, and 16 Ju-52/3ms.

A government decree of January 16, 1943 changes the carrier's name to **Servicios Aereos Cruzeiro do Sul, S.A.** Following a February–March Douglas DC-3 demonstration, the director general, on March 31, orders 4 Douglas transports. The first, delivered to Rio de Janeiro on September 24, is christened *America do Norte*, and enters service in November. All of the American planes are in operation along the coastal trunk routes by year's end. Meanwhile, Ju-52/3ms survey flights are made in December to the interior cities of Porto Velho and Boa Vista.

Late in 1944, a Ju-52/3m survey flight is made from Manaus to Caracas via Boa Vista, Santa Elena, and Ciudad Bolivar. In cooperation with **LAV (Linea Aeropostal Venezolana), S.A.**, joint multistop services are inaugurated in early 1945 from Rio de Janeiro to Caracas. Meanwhile, the fleet is increased through the addition of more DC-3s and the Lockheed L-12A *Saci*.

Capitalization is increased in 1946 to 20 million cruzeiros. On May 3, 3 ex-USAAF C-54s converted to DC-4 civil standard are received. They are christened *Sirius*, *Canopus*, and *Vega* and placed in service over longer route segments during the summer. One of these departs New York (LGA) for Rio de Janeiro on July 3 on a proving flight for a planned biweekly service.

The two Focke-Wulf Fw-200s are retired in April 1947. On October 2, the carrier is granted authority by the U.S. CAB to operate services to the United States.

The DC-4s make some 30 Rio de Janeiro–New York and Washington, D.C. via San Juan proving flights in 1948. A DC-3 is lost on March 16 en route from Rio to São Paulo (six dead).

As government subsidy is not forthcoming, the carrier, in 1949, elects not to open North American services. Instead, the big four-engine Douglas transports are sold for \$1.8 million, the income being placed as down payment on an order for 4 Convair CV-340s.

The Brazilian government in 1950–1951 grants per-kilometer subsidy for foreign service to those airlines willing to undertake it. Cruzeiro now has no aircraft for U.S. operations and does not choose to lease any.

While on a go-around after a failed landing at Florianopolis on March 22 of the latter year, a DC-3 with 4 crew and 10 passengers comes down in the sea (3 dead).

The carrier's U.S. authorization is cancelled in 1952 and the routes are turned over to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

In cooperation with **LAB (Lloyd Aero Boliviano, S.A.)**, DC-3 flights commence in 1953 to Santa Cruz, Bolivia. Also, Rio de Janeiro–Georgetown DC-3 frequencies are launched via Cayenne, French Guiana.

A fully loaded DC-3 suffers propeller failure while on approach to the airport at Rio de Janeiro on September 12; the Douglas ditches in the ocean off shore (six dead).

Having made a fast touchdown while landing at Rio de Janeiro on October 21, the pilot of a DC-3 with 2 other crew and 28 passengers is unable to prevent the Douglas from overrunning into Guanabara Bay; although the aircraft is lost, there are no fatalities.

The CV-340s ordered in 1949 arrive throughout 1954. Christened *Sirius*, *Canopus*, *Vega*, and *Antares*, they replace DC-3s on trunk lines and international flights and are the first pressurized equipment in Brazil.

A new bimonthly stop is initiated to Planaltina, destined to become part of a new federal territory. During its September 12 landing, a DC-3 ditches in a bay near Rio de Janeiro (six dead).

The regional and domestic route network is improved during 1955–1959, if not greatly expanded. The fleet is increased by the acquisition of 5 CV-440s, 10 CV-240s, and 8 Fairchild C-82A Packet freighters. Four aircraft are lost during these years.

A DC-3 with four crew and nine passengers is lost at Sierro do Caparaó, Brazil, on August 26, 1955; there are no survivors.

While climbing away from Belem on December 1, 1956, a DC-3 with four crew and two passengers suffers engine failure and crashes; there are no survivors. A DC-3 replacement aircraft is received from **Trans World Airlines (TWA)** in April 1957.

While on approach to Florianopolis on June 16, 1958, a CV-440 with 5 crew and 21 passengers, including the former president, Ramos, and Governor Lacerda, encounters windshear and downdrafts, forcing the aircraft to descend into the ground (21 dead).

On September 5 of the same year, another Douglas transport goes down at Campina Grande (five dead).

In terms of passenger kilometers flown in 1960, Cruzeiro ranks as the eighth largest airline in Latin America. On April 12, a DC-3 with 10 aboard fails its takeoff from Pelotas and crashes; there are no survivors.

In 1961, orders are placed for 4 Sud-Est SE-210 Caravelle jetliners. On August 7, the Linha do Tocantius and Linha do Araguaia routes are turned over to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**.

The fleet in 1962 comprises 23 DC-3s, 14 Convairs, and 2 Fairchilds.

A CV-240 with 3 crew and 22 passengers is flying so low that it hits a eucalyptus tree at a height of 40 m. and crashes 1,860 m. short of Runway 23 at Vitoria's Goiabeira Airport on May 9 (23 dead).

The first French-made Caravelle VIR jetliner is delivered in December and enters revenue service in January 1963.

A CV-240 with 5 crew and 40 passengers suffers engine trouble while climbing away from São Paulo on January 15 and crashes into a row of houses. Six people aboard the plane are killed, along with seven on the ground, four of whom fall victim to a fire truck rushing to the disaster scene.

While landing at Parnaíba in bad weather on January 22, a CV-340 with three crew and six passengers veers off the right side of the runway and ground loops; although the Convair must be written off, there are no fatalities.

Returning to its point of origin at São Paulo on May 3 feathering the propeller of damaged No. 2 engine, a CV-340 with 5 crew and 45 passengers and which had originally taken off for Rio de Janeiro, stalls and crashes into a house during final approach (37 dead).

Airline employment in 1964 totals 3,871 and fleet has 48 aircraft. A total of 489,000 passengers are flown on the year and revenues of \$8.1 million are earned.

Following the collapse of **Panair do Brazil, S.A.** on February 16, 1965, Cruzeiro do Sul inherits, via the government, 3 Caravelles VIRs and 5 Consolidated PB-5A Catalinas, the latter being employed to maintain the failed carrier's Amazon area services to some 30 destinations. The Convair fleet begins phaseout.

Traffic rights on the Buenos Aires to Montevideo international route are pooled with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and frequencies of four per week are initiated.

In August, two nonfatal accidents are suffered within a week. A CV-240 is destroyed as the result of a bad landing at Rio de Janeiro on August 20; there are no fatalities. A C-47 is destroyed as the result of a hard landing at Caruaru, on August 28; again, there are no fatalities.

Systemwide, bookings for the year accelerate to 530,157.

On January 1, 1966, the carriers **VAG (Viacao Aerea Gaucha, S.A.)** and **TAL (Transportes Aereos, S.A.)** are absorbed, together with their fleets and routes in northern Brazil. Many weeks later, orders are placed for 8 YAMC YS-11A-202 turboprops from Japan.

The workforce in 1967 totals 4,341 and the fleet consists of 36 aircraft, including 7 Caravelle VIRs, 25 DC-3s, 2 C-82As, and 4 YS-11A-202s, the first of which is delivered in July. Enplanements reach 645,365.

The employee population is increased in 1968 to 4,475. Four additional YS-11A-202s are placed in service in October and November. Passenger boardings jump 10.7% to 714,079 and freight traffic skyrockets by 110%. Revenues increase to \$23.2 million.

The workforce drops to 4,331 in 1969. While on domestic flights on October 8, a Caravelle VIR and an **Aerolineas Argentinas, S.A.** plane are both hijacked to Cuba. The Cruzeiro SE-210, with 67 passengers, is taken over by 4 armed men during a domestic service from Belem to Manaus.

A YS-11A-202 with 12 passengers is hijacked over the Amazon River on November 12 by an unidentified gunman and is diverted to Havana. Still, bookings for the year rise to 739,663.

The employee count advances in 1970 to 4,447. Shortly after takeoff from Montevideo on January 1 on a flight to Rio de Janeiro, a Caravelle VIR is seized by six men and two women who order it flown to Cuba. The flight will require three days. First, a technical problem requires that the aircraft divert to Lima, Peru, and wait until a new generator can be flown in from Santiago de Chile and installed. After takeoff, new generator problems occur and the aircraft lands at Panama City. Unable to secure a new generator, engineers hook up 22 automobile batteries and are able to start the engines. The French-made jetliner arrives at Havana 46 hours after its takeover.

In an unsuccessful effort to force the release of 40 political prisoners in Brazil, 4 pirates attempt to seize a Caravelle VIR at Rio de Janeiro on July 1, but are captured in the process; the pilot and a police officer are shot and wounded in the melee.

On July 4, 2 gunmen force a YS-11A-202 with 63 passengers en route from Belem to Macapa, to fly to Cuba after a refueling stop at Cayenne, French Guiana—one of five made along the way—where some of the hostages are permitted to deplane.

Police seize a Peruvian national at Belem on July 15 following his attempt to board a YS-11A-202 with a gun. All but 8 DC-3s are retired as orders are placed, also in July, for 3 Boeing 727-1C3s.

A DC-3 crashes at Cruzeiro do Sul Acre on August 22; there is no information on casualties.

Passenger boardings swell 5.8% on the year to 785,205 and cargo climbs 6.8%.

In 1971, Transportation Consultants, Inc. is engaged to represent the carrier in the U.S. The first B-727-1C3 is delivered to Rio de Janeiro in January and begins service to Brasília and Buenos Aires on February 3.

Just after takeoff from Sena Madureira, Brazil, on September 28, a DC-3 with 4 crew and 28 passengers loses an engine. While attempting to return to the airport, the aircraft strikes trees in the Amazon jungle and crashes, killing all aboard.

Enplanements this year are up to 848,920.

The employee population in 1972 stands at 4,466. An additional B-727-100 is acquired from **Hughes Airwest** and a YS-11A-202 is sold to **Pacific Southwest Airlines (PSA)**. Routes are opened Belem–Cayenne–Paramaribo and Rio de Janeiro–Porto Vello–Manaus. A YS-11A is destroyed as the result of a bad landing at São Paulo on October 18; there are no fatalities.

Passenger boardings soar 24% to pass the million-mark in annual boardings for the first time (1,117,000) and cargo jumps 22%.

The workforce totals 4,700 in 1973 and the fleet includes 3 B-727-1C3s, 1 B-727-100, 7 Caravelles, 6 YS-11A-202s, and 5 DC-3s. Another B-727-100 is purchased from **Wardair Canada, Ltd.** Service is inaugurated Belem–Port of Spain, Manaus–Bogota, and Brasília–Lima.

Arriving from Belem, an SE-210 Caravelle VIN with 7 crew and 16 passengers, stalls while on final approach to São Luis on June 1 and crashes; there are no survivors.

A Sud Est SE-210 Caravelle VIR with 5 crew and 53 passengers hydroplanes after landing at Manaus on December 23, departs the runway, and goes down over a slope; there are no fatalities.

Cargo traffic increases 21% and passenger boardings increase by 14.3% to 1,277,000.

The workforce in 1974 is 5,000. The fleet is increased by 4 B-727-1C3s and 1 DC-3 and decreased by 2 Caravelles and 2 YS-11A-202s. Orders are placed for 6 B-737-2C3s. The country's economic condition, fuel price increases, and excess capacity lead to so severe a financial crisis that the carrier is forced to seek government funding as it seeks a merger partner. To help redress the fiscal difficulties, Carlos Ribeiro Mosso is named vice president finance.

On the traffic side, passenger boardings accelerate 8% to 1,324,000 and cargo gains by 11%.

The employee population is cut in 1975 to 4,265. In January, the 6 B-737-2C3s ordered the previous year are received. They begin service in late winter. A way out of Cruzeiro's financial plight is found on May 22 when the Fundacao Rubem Berta, owners of **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, purchases 65% controlling interest. Unlike most buyouts, however, the carrier will be allowed to keep operating under its own name with its schedules, fleet, reservations, etc. rearranged to provide better connecting service with the flag carrier.

Following finalization of the sale on June 6, a new management team, led by President Dr. Aguinaldo Junqueira, is installed. Among the initial changes now made is the retirement of all of the Caravelles. On August 26, the government's Civil Aviation Department decrees that the combine cannot operate more than 40% of the nation's domestic traffic share.

Passenger boardings for the year are up 8.25% to 1,433,336 and cargo increased by 11.5% to 142.07 million FTKs.

The work force is cut another 1.6% in 1976 to 4,188. The fleet now includes 4 B-727-C3s, 3 B-727-1C3s, 1 B-727-100, 6 B-737-2C3s, and 4 YS-11A-202s.

On March 10, the Civil Aviation Department allows the domestic traffic share to rise to 45%. Rearrangement of schedules continues so as to provide better connecting service with the international and

domestic flights of **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

Passenger bookings jump 15.5% to 1,655,633, but freight falls 16.2%.

Having touched down too far down the runway at Navegantes on April 29, 1977, a YS-11A-202 freighter with two crew, runs off the right side and collides with light beacons, causing the landing gear to collapse. No serious injuries are reported.

The last 3 YS-11A-202s are now retired. Enplanements accelerate to 1,720,552.

Airline employment in 1978 totals 4,164. Passenger boardings grow 13.8% to 1,996,000, and freight climbs a slight 1.6%. Profits are \$7.68 million.

The carrier offers a portion of its stock for sale in 1979. Fundacao Rubem Berta shareholding is decreased to 62% while public interests, via the sale, come to hold the remaining 38%. Orders are placed for 4 Airbus Industrie A300B4s.

Passenger bookings advance 11% to 2,207,833 and freight ascents 6.9%. Revenues soar 62.5% to \$98 million, producing a 23.1% jump in profits to \$10.1 million.

The workforce is increased 1% in 1980 to 5,162. The first of 2 A300B4-203s to be delivered during the year arrives in June. On October 7, the Civil Aviation Department again reduces the traffic share allowed to 40%.

Passenger boardings climb 10% to 2.4 million and freight is up 13.6%. In terms of passenger kilometers flown, the carrier now ranks as the 18th largest airline in Latin America, the same position it held 20 years earlier.

As the world's economic woes visit Brazil in 1981 passenger boardings drop 6% to 2.28 million, but cargo climbs 18% to 25.3 million FTKs. A \$1-million operating loss is suffered.

The workforce is reduced 3.4% in 1982 to 4,096. The single B-727-100 is withdrawn.

Passenger traffic ascends a slight 0.1% as 2,254,779 passengers are carried; freight rises 4% to 24.76 million FTKs. Revenues grow 2.2% to \$193 million, and expenses climb only 0.8% to \$188.5 million, producing an operating profit of \$4.47 million.

A total of 35 employees leave the company in 1983 as the second of a pair of A300B4-203s is received. Service is opened from Manaus to Port of Spain and Bridgetown.

Boardings dip 5.3% to 2,134,696, but cargo climbs a welcome 16.2% to 28.77 million FTKs. Income falls 18.7% to \$153.6 million and expenses grow 10% to \$166.1 million, leaving a \$12.4-million operating loss.

Airline employment falls another 2.9% in 1984 to 3,943. A B-737-2C3 is withdrawn.

Enplanements dip 10% to 2,120,000, freight traffic remains the same, and another financial loss is taken.

The employee population declines 4.3% to 3,513 in 1985 and the fleet now includes 2 A300B4-203s, 6 B-737-2C3s, 3 B-727-C3s, and 3 B-727-1C3s.

Passenger boardings jump 7.2% to 2,272,000 and cargo swells 26.9% to 36.4 million FTKs. The operating profit is \$1.56 million; however, a net \$5.2-million loss is suffered.

The payroll is cut again in 1986, down 14.8% to 2,996. Customer bookings accelerate 31.7% to 2,992,158 and freight increases 60.3% to 58.37 million FTKs. Revenues advance by 25.2% to \$216.6 million and costs are held in line. As a result, operating profit jumps to \$13.2 million and net gain recovers to \$10.1 million.

Still deeper cuts are made into the employee population in 1987, which now falls to 2,535, a 15.4% decline.

Passenger boardings inch upward by 1.2% to 3,028,795, but cargo falls 5.5% to 55.17 million FTKs. Revenues surge 8.7% to \$235.4 million, but expenses increase 13.9% and thus cause operating profit to fall to \$3.8 million. There is a net loss of \$2.25 million.

The workforce is stabilized in 1988 and actually grows by 6.5% to 2,481. The fleet now includes 3 B-727-C3s, 3 B-727-1C3s, 6 B-737-2C3s, and 2 Airbus Industrie A300B4-203s.

Customer bookings rise 2% to 3,081,423, but freight continues to fall, declining by 22% to 43.21 million FTKs. Costs exceed income and losses of \$9.57 million (operating) and \$3.42 million (operating) are suffered.

Company employment is cut by 7.9% in 1989 and the fleet is reduced by 1 Airbus. In October, regional carrier **TAM (Transportes Aereos Regionais, S.A.)** begins operations over the São Paulo-Rio de Janeiro Air Bridge, challenging the monopoly Cruzeiro shares with the majors **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**, and **Trans-brasil, S.A. (Linha Aerea)**.

Passenger boardings surge ahead by 13.9% to 3,515,332 while freight regains its upward momentum, moving ahead by 59.9% to 69.11 million FTKs. Revenues are boosted 16% to \$334.4 million, but expenses increase 24% to \$369.19 million, guaranteeing an operating loss of \$34.48 million. The net loss is up dramatically, to \$26.18 million.

The workforce is cut another 5.5% in 1990 to 1,963. The active fleet now includes 6 B-737-2C3As, 3 B-727-C3s, 2 B-727-25s, and 1 B-727-11. Since the middle of the decade, the carrier's routes have been gradually reduced in number until it is flying only to Buenos Aires, Montevideo, and the Bolivian cities of Santa Cruz and La Paz.

Customer bookings decline 10.8% to 3,136,970, but cargo grows 9.3% to 75.56 million FTKs. Revenues ascend 9.1% to \$364.9 million, but expenses are more and the operating loss is \$37 million.

The payroll is sliced again in 1991, down 5.8% to 1,850. Passenger boardings fall another 6% to 2,960,589, but freight swells 26% to 55.83 million FTKs. Revenues decline 5% to \$361.9 million and costs fall somewhat, allowing the operating loss to be cut to \$13 million.

The employee population regroups in 1992, growing by 5.4% to 1,950 and the fleet now consists of just the 6 B-737-2C3As.

Customer bookings drop 4% to 2,835,835 while cargo falls 7% to 51.7 million FTKs. Plans are made to merge the veteran 17-year subsidiary into **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** during the next year.

By 1993, airline employment is 2,535 and Chairman Junqueira's fleet comprises 2 A300B4-203s and 6 B-737-200s. The integration into **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** is completed during the first quarter.

CRYDERMAN AIR SERVICE. See CENTURY AIRLINES (2)

CRYM-AVIA: Ukraine (1993-1994). Crym-Avia is established at Simferopol Airport in the Crimea in 1993 to offer scheduled services to Kiev and other regional destinations. Vladimir A. Anufriev is named CEO and he inaugurates services with an all-Tupolev fleet of Tu-154s and Tu-134s. Operations continue just over a year.

CSA AIR: Ford Airport, Iron Mountain, Michigan 49801, United States; Phone (906) 774-3101; Fax (906) 774-6540; Year Founded 1986. Wayne Ross forms CSA Air at Iron Mountain, Michigan, in late 1986 to provide scheduled cargo services to destinations throughout the upper Midwest, many on behalf of express operators and freight forwarders. A wholly owned subsidiary of Mountain Air Cargo, the company is outfitted with Cessna 208 Caravan Is provided by the parent.

All shareholding in the **Mountain Air Cargo** subsidiary is transferred to MAC's parent, Atlanta-based Air Transportation Holding Company, on April 1, 1990. The number of Caravans is increased to 21.

On March 31, 1991, both MAC and CSA Air become exclusive servants of **Federal Express**, signing agreements that the major can cancel on a month's notice. Operations continue during the remainder of the decade, during which time President Ross increases his fleet by 7 Caravans.

CSA CZECH AIRLINES, A.S.: Airport Praha, Ruzyně, 16008, Czech Republic; Phone 42 (4) 481-5183; Fax 42 (4) 481-5183; http://www.csa.cz; Code OK; Year Founded 1995. Following the

dissolution of Czechoslovakia, the former **CSA Czechoslovak Airlines** is renamed CSA Czech Airlines on March 26, 1995. Shareholding is split among the Fund for National Property, Konsolidiscri Bank, and EBRD. There is no change in the airline's legal status or existing agreements or alliances. Antonin Jakubse is president.

During the year, employment inches up 0.2% to 3,900 and 24 aircraft are retained in the fleet. New services begin to Hanover and Stuttgart.

A code-sharing and joint service agreement begins with **TAROM Romanian Airlines, S.A.** in April covering flights from Prague to Bucharest. The last CSA flights between Ostrava and Prague are concluded during the summer; thereafter, the company enters into a block-seat, code-sharing agreement with **Air Ostrava, S.R.O.** covering that carrier's six daily return flights between the two cities.

In October, a blocked-seat arrangement commences with **Swissair, A.G.** on services between Prague and Zurich. Simultaneously, the company inaugurates code-sharing with **MALEV Hungarian Airlines** on frequencies between Prague and Budapest. Meanwhile, loads on the previously instituted dual-designator route with **LOT Polish Airlines, S.A.** from Prague to Warsaw grows by 60%.

Enplanements climb 20.1% to 1,488,317 while freight transport increases 17.3% to 25.62 million FTKs.

There is no change in the workforce during 1996 and the owned fleet now includes 4 Avions de Transport Regional ATR72s, 2 Airbus Industrie A310-304s, 5 B-737-55Ss, 3 Tupolev Tu-134As, and 4 Tu-154Ms. Also operated are 2 chartered ATR42-320s and 2 B737-4Y0s.

In January, the company negotiates a code-sharing agreement with **Continental Airlines** that covers its daily flights from Prague to Newark and on 24 selected Continental domestic services originating from the New Jersey airport. The first enhanced ATR42-400 is delivered to the company during the third week of March. A second arrives at month's end.

The dual-designator flights with **Continental Airlines** commence on April 1. During the month, the carrier announces that it will upgrade its fleet with 10 more Boeing 737s that will replace old Soviet equipment.

In order pay for its fleet upgrade, CSA reveals, on June 21, that it has reached agreement with Ceskoslovenska Obchodni Banka and CIBC Wood Gundy of Canada for a \$350-million financing package. Four more chartered ATR42-320s enter service during the summer; however, the two units leased previously are replaced by two owned ATR42-320s.

An exchange-of-seats arrangement begins with **Alitalia, S.p.A.** in October on frequencies from Prague to Rome and Milan.

Later in the year, a subsidiary and infrastructure division is created to coordinate the work of four new subsidiaries created over the last two years: CSA Airtours, A.S., Slovak Air Services, S.R.O., Amadeus Marketing CSA, S.R.O., and CSA Services, S.R.O.

A company A310-304 is shown landing and taxiing in the opening scenes of the motion picture *Hidden Assassin*, starring Dolph Lundgren and Maruschka Detmers, filmed in Prague during the year.

Traffic figures are mixed. Customer bookings accelerate 8.3% to 1,612,126, but only 22.21 million FTKs are operated, a 4.2% decline.

Airline employment is increased by 1.9% in 1997 to 3,976. At the beginning of the year, shareholding is divided between the national government (56.4%), the Prague municipal government (2.9%), and private investors (40.7%).

The first link between a Japanese airline and East European carriers occurs on January 18 when **Japan Air Lines Company, Ltd. (2)** signs code-sharing agreements, effective in the summer, with CSA and **MALEV Hungarian Airlines**. Flights from Tokyo (NRT) or Osaka (KIX) to Frankfurt will be able to make seamless connections on to the partner lines for flights to Prague and Budapest. Between now and June, JAL will aggressively market the new alliance.

The first of 3 new B-737-55Ss to arrive during the year is delivered on February 20. On April 5, a \$350-million order is confirmed with Boeing for 10 B-737-500s, which will be phased in to replace outdated Rus-

sian equipment. They will be paid for with the financial package announced the previous year.

It is revealed on March 27 that the Russian federation aviation agency has refused to continue its agreement with Czech Airlines and will not to grant it authority to conduct flights for the summer season from Bratislava and Prague to Moscow. The decision will cost the Czech carrier \$75,000 in lost income.

Two more "Baby Boeings" arrive, one each in April and May, at which point all of the Tupolevs are retired from scheduled service and assigned to charter operations.

A blocked-space agreement begins with **Air France** in May on flights from Prague to Paris. The two-year-old joint services and code-sharing agreement with **TAROM Romanian Airlines, S.A.** ceases in June. Also during the month, a new North Terminal is opened at Ruzyně Airport at Prague.

At this point, the new dual-designator services with JAL begin. Code-sharing on domestic routes begins with **Air Ostrava, S.R.O.** during the summer.

In anticipation of a healthy winter charter business—much of it booked via the wholly owned CSA Airtours subsidiary—the company in late September leases 2 of the 6 Tu-154Ms owned by **VIA Bulgarian Airlines**. These are joined in nonscheduled service to Greece, Turkey, and Spain by the company's last 4 Tu-154Ms.

Also during September, a marketing agreement is entered into with **Continental Airlines**. Under the arrangement, the two companies link their frequent flyer programs and share their codes on flights to and from the U.S. and on connections in America.

In November, it is announced that, for the past year, CSA has had the fewest number of delays due to technical reasons of any member of the Association of European Airlines (AEA). A third phase in the upgrading of Prague's Ruzyně Airport is completed late in the month.

The last 3 of 14 Tu-134As operated by the company are retired in December.

Passenger boardings accelerate 7.5% to 1,733,657 while freight increases 4.3% to 23.1 million FTKs. A \$3.2-million net profit (later adjusted to \$2.7 million) is celebrated.

Airline employment stands in 1998 at 3,976.

The British Broadcasting Corporation reports on February 22 that the airline has started a new regular service between Moscow and the Czech resort town of Karlovy Vary. Many newly rich Russians have moved to the area since the fall of the Soviet Union, buying up property and even setting up a Russian school and Orthodox Church.

Three new B-737-55Ss arrive during the spring as new dual-designator routes are started with **Air Ostrava, S.R.O.** to Ljubljana and Strasbourg. International service is initiated to Amman, Bologna, Nice, and Oslo.

Led by Transport and Communications Minister Petr Moos, the government, in July, announces that, because CSA had turned its 1996 loss into a 1997 profit, the government would not provide the airline with a promised 500-million koruna (\$15 million) cash injection. The airline responds by noting that it still requires the funds in order to increase its capital and make it attractive to a strategic partner.

At the end of August, an agreement is signed with **Hapag-Lloyd Fluggesellschaft, mbH**, under which the Prague-based scheduled operator will perform certification checks on the German charter line's B-737-4K5s. On September 30, a \$20-million cargo terminal is opened at Prague's Ruzyně Airport.

The company celebrates its seventy-fifth anniversary in October.

While en route from Newark (EWR) to Prague on November 16, Flight 53, an A310-304 is forced by an unspecified technical problem to divert to Gander, Newfoundland; once the problem is resolved, the Airbus is allowed to proceed across the Atlantic.

Enplanements for the year reach 1,801,800, a 3.9% increase; freight traffic climbs 6.9% to 24.7 million FTKs. Net gain climbs to \$11.8 million.

By the beginning of 1999, airline employment has been cut by 1.6% to 3,912.

Czech receives its first B-737-5K5 on February 18, and it is named after south Bohemia's *Jindřich v Hradce*.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, CSA, on March 24, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25 and for the duration of the NATO bombing campaign. Flights to south-central and south-eastern Europe experience delays of 30–60 min. due to airspace closure.

In cooperation with **Air France**, the number of daily roundtrips to Paris are increased to six on March 28. A new fifth daily CSA roundtrip is simultaneously started from Prague to Amsterdam, bringing the daily total to five, and in cooperation with **KLM Royal Dutch Airlines, N.V.**, the weekly total to 32.

With the start of the summer schedule, the dual-designator pact with **Deutsche Lufthansa, A.G.** is deepened to provide a total of 272 weekly flights (136 in each direction) between the Czech Republic and Germany.

Daily roundtrips are introduced between Prague and London (STN), which are in addition to the 14 weekly roundtrips to London (LHR). New B-737-5K5 roundtrips are introduced between Prague and Dublin, four times a week, together with two new roundtrips to Göteborg, Sweden. In addition, the first of 28 summer-only weekly return flights to Beirut is operated.

The second B-737-5K5 arrives on April 20 and is named *Kladno*. Three days later, the company enters into a \$10-million arrangement with SABRE for the creation of a turnkey System Operations Control center for CSA, which will be ready in a year.

Ousted as chairman, President Antonia Jakubse resigns during the early summer; he is succeeded in office on July 24 by Vice President-Technology Miroslav Kula. At this point, the Czech Transport Ministry announces that the carrier's privatization is being postponed until 2001.

It is revealed on December 20 that CSA is now the second largest exporter in the Czech Republic. A code-sharing agreement with **Continental Airlines** on the Prague–Bucharest route comes into effect on December 21.

Customer bookings for the first 11 months climb 14.3% to 1,919,000 while freight is up 4% to 23,234,000 FTKs.

Airline employment stands at 3,795 at the beginning of 2000, a 3% drop over the previous 12 months.

The Tu-154M *Marianske Lazne* operates the last CSA service by the type on January 10, a charter flight from Prague to Istanbul. While in Czech service, the Tupolevs flew over 51.3 million km.—equivalent to 1,280 flights around the world. The final Soviet-era jetliner is replaced on charters by the B-737-45S *Jihlava* and the Dash-45S *Liberec*.

On March 10, CSA takes delivery of 2 additional B-737-45Ss, the last 2 Dash-400s manufactured by Boeing. The same day, as replacement for the failed **Air Ostrava Spol. S.R.O.**, regularly scheduled roundtrips are inaugurated between Prague and Ostrava. Service between Prague and Belgrade is resumed on April 10.

Scheduled flights are initiated between Prague and Brno on May 22 by the recently christened B-737-45S *Brno*. Twice-weekly B-737-55S roundtrips are launched from Prague to Aleppo, Syria, at the beginning of June; one flight continues on to Damascus before returning to the Czech Republic. Other destinations receiving increased service during the month include Amsterdam, Beirut, Brussels, Copenhagen, Dublin, and Tel Aviv.

On June 21, plans are unveiled under which the carrier would join the new "SkyTeam" alliance, headed by **Air France** and **Delta Air Lines**, the following March. Those majors will also each acquire a 15% stake in the Czech carrier by 2002.

Formal government approval to join "SkyTeam" is received on August 27. A formal invitation to join is received from the alliance on October 18.

CSA CZECHOSLOVAK AIRLINES (CESKOSLOVENSKE STATNI AEROLINIE): Czechoslovakia (1923–1994). The Czechoslovakian state carrier is formed on July 19, 1923. Experimental Hansa

Brandenburg Aero A-14 postal, passenger, and cargo flights begin on October 29 over a route from Prague to Bratislava, Kosice, and Uzhorod. The inaugural flight had actually been launched the previous day, but an emergency landing required it to be restarted.

The two-place biplanes, supplied by the Czech air force that had operated them over this route since March 1, fly a total of 23 passengers by year's end.

The first Czech-designed commercial airliner, the five-passenger Aero A-10, enters service in early 1924 over a new Prague–Brno and Bratislava route and is joined by several Junkers F-13s.

A de Havilland DH 50A is acquired in early 1925, followed by 7 more, license-built by Aero, in 1926. Frequencies are increased, particularly to the West Bohemian resort area.

In addition to the Aeros, 6 Farman F-60 Goliaths, license-built by Avia and Letov, are in service by 1928. In August, 7 Aero A-23s are introduced on 2 routes out of Prague: to Uzhorod via Brno, Bratislava, and Kosice and to Marianbad.

In 1929–1930, as the carrier seeks to further develop its domestic system and prepares to begin foreign flights, the fleet is upgraded to include a combination of 16 de Havilland DH-50s, Junkers F-13s, Aero A-23s, A-32s, and A-35s. The latter are placed into service on two routes: Brno to Uzhorod via Bratislava and Kosice, and Marianbad to Cluj via Moravská and Ostrava.

Four Fokker F-VIIb/3ms are received on July 1 of the latter year; they inaugurate international service from Prague–Bratislava–Zagreb on July 30. Late in the year, the national aircraft registration prefix is changed from L to OK.

Four Letov S-32s are acquired in November 1931 and are placed into service on the Prague to Karlsbad via Marienbad, route.

During the spring of 1932, a Caproni Ca 97 is acquired from Italy and is placed into service on a frequency from Prague to Carlsbad via Marienbad.

During the remainder of the year and into 1933, international services are opened (primarily to the east) and frequencies are extended to Bucharest on September 11.

Orders are placed for additional foreign aircraft in 1934. Two Avia F-IXDs (license-built Fokker F-IXs) join the fleet in 1935 and are employed to initiate Vienna service. On September 2, 1936, the company initiates Prague to Moscow via Warsaw services.

In 1937, the fleet is upgraded by the addition of 3 Savoia-Marchetti SM-73s and 4 British-made Airspeed Envoy IIIs.

CSA moves into the prize-winning new Ruzyně Airport at Prague on April 1 and inaugurates Envoy flights to Brussels on April 7. Customer services throughout the system are improved by introduction of the first cabin attendants.

The fleet, by the close of the year, is considerably upgraded, comprising the SM-73s, Envoy IIIs, as well as 7 Fokker F-VIIb/3ms, 1 Avia-built Fokker F-IXd, 7 Aero A-35s, 1 British-made Saro Cloud (amphibian), 4 Letov S-32s, 1 Letov S-218, and 1 Caproni Ca-97.

By the time of the Munich crisis of 1938, frequencies are being offered from Prague to Rome and Bucharest via Brno; to Paris, Brussels, Venice, and Trieste via Klagenfurt and Bratislava; and to Susek via Bratislava. The Munich Agreement of September, under which the Sudetenland is ceded to Germany, significantly impacts operations.

Following the March 15, 1939, partition of the nation, the company ceases independent operations and is taken over by **Deutsche Lufthansa, A.G. (DLH)**. Its assets are integrated into the German fleet within six months.

A rejuvenated and liberated CSA resumes limited domestic operations on March 4, 1945 with ex-Luftwaffe Ju-52/3ms. The carrier is officially reestablished on September 14 as the civil air operating division of the nation's transportation department. During the first year, pilots and ground crews seconded from the Czech air force keep the airline in operation.

Modified to civil DC-3 standard by Avia, the first of 60 Douglas C-47s are obtained for international services by early 1946. Flights are

resumed on March 1 over routes from Prague to Brno, Bratislava, Zurich, and Paris. On August 7, a new bilateral air agreement is signed between Czechoslovakia and Poland. As a result, CSA is able to inaugurate Prague–Warsaw return service on August 13. By year's end, international service has also been restarted or inaugurated to Amsterdam, Belgrade, Bucharest, Copenhagen, Oslo, Paris, and Stockholm.

Additional DC-3s are delivered in 1947 and intercontinental service is inaugurated with flights to Cairo and Ankara. On February 13, a C-47 with three crew fails its initial climb into a training flight and crashes near Klavno, near Prague; there are no survivors.

Five days later, the carrier's flight personnel strike in an effort to force improvements in safety measures.

Following the Communist coup in 1948, routes and frequencies are severely curtailed as Soviet direction and technical assistance predominates the carrier's activities.

On April 6, 20 passengers join the captain and two dissident crew members in seizing a DC-3 en route from Prague to Bratislava and force it to West Germany; six persons return to Czechoslovakia. The incident marks the first case of air piracy employed to escape from behind the Iron Curtain.

En route from Brno to Ceske Budejovice on May 4, another DC-3 is taken over by five passengers, who force it to fly to Munich.

A route is opened from Stockholm to Helsinki on June 19.

A DC-3 crashes into the mountains of southern Greece on December 24 (24 dead).

Cyprus Airways, Ltd. assumes CSA's service from Athens to Lydda via Cyprus on June 12, 1949. Ten Ilyushin Il-12Bs are acquired during the remainder of the year. One of these replaces a DC-3 on September 12 on a new Prague to London (Northolt) service, a new extension of the route to Paris. Domestic service is now emphasized; however, international service is flown to Moscow and the capitals of Warsaw Pact countries.

A DC-3 with five passengers crashes into a mountain 200 mi. E of Prah on February 27, 1950; there are no survivors.

On March 24, 3 Il-12s with a total of 83 people are diverted by passengers and crew to Erding Field, West Germany. The aircraft had been on scheduled services to Prague from Brno, Ostrava, and Bratislava, respectively.

Between November 13 and 15, the company flies delegates from London to the World Peace Conference in Warsaw, making unauthorized flights over the U.S. zone of Germany. As a result, on November 27, U.S. High Commissioner McCloy closes two routes over West Germany to CSA and severely limits the number of flights allowed on the third. Czech protests the next day are rejected.

Operations continue apace in 1951–1952. On March 24, 1953, an Il-12 en route from Prague to Brno with 31 passengers, is seized by 4 passengers who divert it to Frankfurt, West Germany. There they seek political asylum with 2 other passengers and Capt. Miroslav Slovak, who was not involved in the plot. The Ilyushin, its crew, and 23 passengers return to Prague the next day.

A DC-3 with 4 crew and 11 passengers fails its takeoff from Prague on January 14, 1954, and makes a forced crash landing nearby; there are no survivors.

The first of some 50 license-built Avia-14s (Czech-made Ilyushin Il-14s) begin to enter service in 1955–1956. On January 17–18 of the latter year, an Il-12B with 3 crew and 23 passengers crashes in the Tatra Mountains near Torysa (22 dead); the Czech government blames drifting Free Europe Press propaganda balloons for the tragedy.

The engines of an Ilyushin, with 5 crew and 18 passengers, including a 10-man Peking Opera Company delegation, catch fire just after takeoff from Zurich on November 24 and force the plane to crash near Eglisau; there are no survivors.

The only export customer for the twinjet Tupolev Tu-104A, CSA acquires 6 beginning on November 15, 1957 and christened *Praha* (Prague), *Bratislava*, *Brno*, *Ostrava*, *Plzen* (Pilsen), and *Ceske Budejovice*. The *Praha* enters service on December 9 on the Prague–Moscow route.

During the same year, the 50 Il-14s, domestically manufactured by Avia, begin to join the fleet, initiating regional service on June 8. After a six-year lapse, service is resumed to London on October 6. New routes are also opened to Paris, Brussels, and Moscow. The year's enplanements total 293,000.

Cairo flights are begun on August 26, 1958. During the summer of 1959, CSA receives the balance of its 6 Tu-104As and becomes the first Eastern block airline to open a long-haul route outside of Europe and the Middle East when it launches Prague–Bombay Tupolev service via Cairo. Late in the year, the Tu-104A *Bratislava* is lost in a nonfatal refueling accident at Bombay.

Early in 1960, Il-18s replace the retired Il-12Bs and begin Prague–Bratislav flights on January 28. On April 1, Tu-104A flights begin from Prague to London.

Starting on July 22, service is also started from Prague to Konakry (Guinea) via Rabat and Dakar. The Tu-104A Bombay route is extended to Djakarta on August 26.

Following the March signing of an air assistance pact with the Soviet government, **Air Guinee** is formed at Conakry as a state corporation in October with Czech technical support and an Ilyushin Il-18 turboprop wet-leased from CSA.

Enplanements for the year are 754,000.

The year 1961 is a tragic one for the carrier.

An Avia 14, with five crew and five passengers, fails its January 2 initial climb away from Hostivice on a training flight; there are no survivors from the subsequent forced landing.

While on its March 28 descent, an Il-18B with 8 crew and 44 passengers, crashes and explodes at Russelbach, 22 km. NE of the airport at Nuremberg, West Germany. There are no survivors from a service en route from Prague to Mali.

An Il-18B, bound from Prague to Zurich with 8 crew and 64 passengers on July 12, explodes and crashes after hitting a power line during a landing attempt in fog near Casablanca; there are no survivors. Meanwhile, on May 15, direct flights are initiated to Cambodia.

In all, 759,000 travelers are carried on the year.

The Bombay route is extended to Jakarta in 1962. An Avia 14, with 3 crew and 31 passengers, crashes near Slavkov u Brna on September 10 (11 dead).

Passenger boardings for the year reach 831,000.

Transatlantic flights begin on February 7, 1963 when Bristol Britannia 310s, leased from **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** are employed to operate a direct Havana–Prague route via Prestwick, Shannon, Gander, and New York (a technical stop only).

While refueling at Bombay on March 16, a Tu-104A catches fire and is destroyed; no injuries are reported.

Bookings for the year reach 959,000.

In 1964–1967, CSA becomes the first East European airline to operate a worldwide network as a variety of destinations are added linking Prague with Europe, the Middle East, Africa, Canada, South America, and the Far East. Employing one of three new Tu-124Vs (christened *Melnik*, *Centrotex*, and *Mlada Boleslav*), CSA begins Prague to Frankfurt service—the first twin turbofan service by an IATA member—on November 26 of the former year.

Released passenger traffic figures show increases from 1.24 million in 1965 to 1.39 million in 1967.

En route from Prague to Havana via Shannon and Gander on September 5 of the latter year, Flight 523, an Il-18D with 8 crew and 61 passengers crashes just after takeoff from its intermediate Canadian stop (37 dead).

On May 1, 1968, an Il-62 is leased from **Aeroflot Soviet Airlines** for the Prague–London service and orders are placed for several more. An Avia 14 with 3 crew and 37 passengers crashes just after takeoff from Prague on October 11 (11 dead). The same day, another Avia 14 is lost at Ptic; however, no details concerning the accident are available.

The company announces on December 27, 1969, that, during the following spring, a new Il-62 will visit the U.S. making stops at New York,

Philadelphia, Boston, and Washington, D.C. in a series of promotional and crew orientation programs prior to the start of regularly scheduled services. Enplanements for the year are 1.47 million.

An Il-62 does, in fact, begin Prague to New York via Montreal operations on May 4, 1970. That happy event is partially eclipsed by a June 1 accident.

Having failed two visual landing attempts in heavy fog on one Tripoli runway, the pilot of a Tu-104A with 10 crew and 3 passengers, elects to try another, but crashes 5.5 km. S of it; there are no survivors.

En route from Karlovy Vary to Prague on June 8, an Il-18 is hijacked by four men and four women, with a baby, who divert it to Nuremberg, West Germany; upon landing, the pirates ask for political asylum. The German authorities hold the five who brandished arms during the hijacking and release the other three, who are sent to a refugee camp. The five will be tried and sentenced to prison terms ranging from 8 months to 2½ years.

On August 8, three men, two brothers, and one man's son, take over an Il-14 with 27 aboard en route from Prague to Bratislava, and force it to fly to Vienna where they seek asylum; the plane, minus the pirates, returns to Prague the next day. The brothers will be tried and given prison terms of 12 and 15 months, respectively.

As the result of crew-distracting cabin pressure problems, Flight 744, a Tu-124V with 6 crew and 14 passengers arriving from Prague makes a belly landing at Zurich on August 18; the aircraft slides 875 m. down the runway and is damaged beyond repair; there are no fatalities.

Passenger bookings for the year dip to 1.44 million.

The CSA associate **Slov-Air** is formed at Bratislava in 1971; equipped with Let L-410 Turbolets, it begins third-level service. During the year, two Il-18s are acquired from the government. The first owned Il-62s arrive, wearing a livery that emphasizes a new "OK" logo. Orderly retirement of the Tu-104As begins in December when the first Tu-134As enter service.

An Avia 14 crashes near Karlovy Vary, Czechoslovakia, on February 1, 1972; there is no information concerning any casualties.

Czech miners K. Dolezal and A. Larch hijack a domestic Prague-Marienburg flight with nine aboard on April 18, and after shooting the copilot, force the plane to fly to Nuremberg, West Germany. There the two request political asylum, but are arrested by police.

En route from Marienburg to Prague on June 8, an Il-18 is commandeered by seven men and three women, who force it to land in West Germany after fatally wounding the pilot. During the year, **Pan American World Airways (1)** becomes the carrier's general sales agent in the U.S.

Enplanements for the year total 1.66 million.

Two more aircraft are lost in 1973. Coming in from Damascus on August 29, Flight 531, a Tu-104A with 8 crew and 62 passengers, is destroyed as the result of a bad landing at Nicosia, Cyprus; there are no fatalities.

An Avia 14 is lost at Brno on October 25; there are no other details on the accident.

Passenger boardings for the year are the same as in 1972, but climb to 1.8 million in 1974.

An Il-62 with 11 crew and 117 passengers crashes 17 km. NE of Damascus while on initial approach on August 20, 1975 (126 dead).

Since 1972, all the Tu-104As and Tu-124Vs are replaced by Il-62s and Tu-134As. Customer bookings reach 1.9 million.

At the start of 1976, the third-level carrier **Slov-Air** is taken over and merged, together with its 14-point domestic network and 12 Let L-410s.

While on final approach to Bratislava on July 28, an Il-18V with 6 crew and 73 passengers, loses control and crash-lands in a recreational lake (76 dead).

A 26-year-old Czech railroad worker, Rudolf Becvar, hijacks an Il-18 to Munich on October 28 during a domestic flight from Prague to Bratislava and is taken into custody on air piracy charges. Becvar will be tried and sentenced to eight years in prison.

Passenger this year traffic falls to 1.8 million.

Just after landing at Prague on January 2, 1977, a Tu-134 with 6 crew and 42 passengers collides with an Il-18 with 6 crew that is taking off.

The Tupolev veers off the runway and comes to rest 2,000 m. away. There are no fatalities aboard either aircraft, but at least 10 people are injured.

An Avia 14T freighter with three crew and two passengers departs from its flight path while on final approach to Bratislava on February 11 and crashes into trees 1,800 m. short of the runway (four dead).

Vlastimil Toupalik and Ruzena Vickova, two CSA employees, commandeer a Yak-40 during an October 11 domestic flight from Karlovy Vary to Prague and divert it to Frankfurt, where they are arrested by West German police. The two will be tried and sent to prison for terms of 3½ and 6 years respectively.

Enplanements for the year reach 1,525,698.

The carrier's fifty-fifth anniversary is celebrated in 1978. Director General Jindrich Kopriva now oversees a workforce of 4,341 and a fleet comprising 7 Il-62s, 8 Il-18s, 13 Tu-134As, 17 Yak 40s, and 12 L-410s.

On February 6, Hans Neitzel, using a dummy bomb, hijacks a Tu-134 with 46 aboard from East Berlin to Frankfurt and requests asylum. The pirate will be tried and given a four-year prison sentence.

En route from Prague to Brno on May 10, an Il-18 with 39 passengers is skyjacked by 3 adults with 2 children in tow and diverted to Frankfurt. All are taken in hand by police and the male adults will receive prison terms.

Seven days later, a lone assailant, attempting to hijack a Yak-40 during a service from Brno to Prague, is overpowered by his fellow passengers. On May 29, crew members of another Yak-40 also overcome a skyjacker as he tries to take over their aircraft on a scheduled service between Brno and Karlovy Vary.

Josef Katrincak, his wife Anna, and Radomir Sebesta steal a Yak-40 while on a November 10 domestic flight and force it to land in West Germany.

Freight grows 7.9% during the year and passenger boardings increase 9.2% to 1,680,284.

Airline employment grows 0.1% in 1979 to 6,070. In April, CSA hosts the 14th annual meeting of the Airlines of the Berlin Treaty. Two Il-62Ms are delivered. Passenger traffic grows 4.7% to pass the 2-million mark for the first time (2,006,976). Freight, however, is off by 2% to 16.38 million FTKs.

The workforce is reduced by 0.3% in 1980 to 6,054. A third Il-62M is placed in service and, in May, the carrier begins to offer joint service, in cooperation with **Air France**, over the route from Prague to Paris.

The world economic downturn brings a sharp traffic decline outside of Eastern Europe; cargo falls 20.6% to 13 million FTKs and enplanements drop 16.5% to 1,675,000.

The employee population is reduced by 6.8% in 1981 to 5,639 and the carrier's 12 L-410s, 5 Il-18s, and 11 Yak 40s are retired.

Despite a 3.7% boost in cargo to 12.53 million FTKs, passenger bookings again drop significantly, dipping 31.3% to 1,165,700.

Airline employment is 5,639 in 1982. A fourth Il-62M is acquired, but the company office in Chicago is closed. Cargo climbs 12.1% to 14.05 million FTKs, but passenger boardings slip again, falling 9.9% to 1,050,000.

The number of workers is reduced in 1983 to 5,476. Czech police shoot and kill Marian Pesko, who tries to hijack a Yak-40 with 34 aboard during a February 18 domestic flight from Poprad to Prague.

Service is started to Malta and an Il-18 is retired.

Passenger traffic rises 8.1% to 1,135,000 and freight increases by 7.3% to 52.23 million FTKs.

Twenty-three new employees are hired in 1984 as Lisbon is added to the route network. An Il-62 is replaced by another Il-62M. OK Class service is introduced on several routes.

Although cargo is off 1.3% to 13.45 million FTKs, enplanements rise a slight 0.3% to 1,138,551.

The workforce grows 0.4% in 1985 to 5,522. OK Class service is expanded to the carrier's Jakarta and Ho Chi Minh City routes, as yet another Il-62M is delivered. Orders are placed for 7 Tu-154Ms.

Freight soars 29.2% to 17.98 million FTKs and passenger bookings are up 7.1% to 1,420,000.

Twenty-four new employees are hired in **1986**. OK Class service is initiated on all remaining international routes as the carrier adds an Il-62M and retires an Il-62. Orders remain outstanding for the 7 Tu-154Ms. A new route is opened to the resort community of Split and the SITA departure and weight-and-balance control system is implemented at Prague.

Customer boardings ascend 2.5% to 1,251,000, but cargo continues its upward push, rising 14.5% to 58.3 million FTKs.

Airline employment is increased by 0.4% in **1987** to 5,562. Passenger boardings ascend 9.4% to 1,367,896 and freight rises 8% to 62.97 million FTKs.

The workforce grows another 1.5% in **1988** to 5,644. Beginning in April, 3 new Tu-154Ms join the fleet, which now also includes 12 Tu-134As, 2 Il-18s, and 6 Yak-40s. The Tu-154Ms initiate new service to Bangkok.

Customer bookings jump 5.9% to 1,448,900. Cargo climbs 4.5% to 65.78 million FTKs.

The payroll inches upward by 0.7% in **1989** to 5,648 as 3 more Tu-154Ms are delivered; the last 2 Il-18s are retired. Following the year's political upheaval, the government withdraws its subsidy to the state-owned airline. The company is now able to look to the West for support and reequipment, requesting its first foreign airliners in 40 years.

Passenger boardings ascend by 2.9% to 1,490,667, but freight is up only a meager 0.5% to 66.09 million FTKs.

Company employment grows by 3.5% in **1990** to 5,658. The last of 18 Il-18s in service is retired in January. Early in the year, CSA begins to look for a foreign equity partner.

New services are initiated to Hamburg and Mexico City during the summer. Negotiations are completed on September 21 between CSA and the Austrian trading company Aircom Luftfahrthandels for the latter's purchase of some of the carrier's Soviet-made airliners. About the same time, CSA begins code-sharing flights with **Austrian Airlines, A.G.** between Prague and Vienna.

During the fall, the number of Prague to Paris weekly roundtrip flights is increased from five to seven. The carrier joins the Airlines Reporting Corporation on December 3 and is no longer required to use **Pan American World Airways (1)** as its general sales agent in the U.S. The company's first Western-built aircraft, an Airbus Industrie A310-304, is delivered later in the month as Miroslav Ehl becomes director of U.S. operations, succeeding Miroslav Belovsky.

Recession intrudes on the carrier and forces its traffic to decline. Customer bookings drop 15.5% to 1,259,400 while cargo slides 12.1% to 16.76 million FTKs.

The payroll is sliced 28.4% in **1991** to 4,126 and the fleet now includes, save the Airbus, an all-Russian fleet of 2 Ilyushin Il-62s, 6 Il-62Ms, 7 Tupolev Tu-134As, 7 Tu-154Ms, and 6 Yakovlev Yak-40Ks.

A second A310-304 is received on February 14 and is christened *Praha*; both units are placed into service. The *Praha* begins flying from Prague to Milan on February 17 while her sister launches weekly Prague to New York via Montreal flights on March 4.

Other Airbus destinations visited during the spring include Kuala Lumpur, Singapore, Bangkok, and Jakarta. Orders are placed for 5 B-737-55Ss and 4 Avions de Transport Regional ATR72s. Service is initiated in June from Prague to Tel Aviv.

At the same time, the company resumes flying to the U.A.E. destinations of Abu Dhabi and Dubai, which service had been halted just before the outbreak of Operation Desert Storm in January.

On July 1, an Il-62 is wet-leased to **Malev Hungarian Airlines**; it is painted in the colors of the client carrier.

Thrice-weekly roundtrip flights are inaugurated on October 27 between Prague and New York (JFK); two flights are direct and one includes a stop at Montreal. Closed for a decade, the Chicago office is reopened in the fall. A huge new Cargo 2 warehouse is opened at Prague in December.

Passenger boardings slide another 24.2% to 974,500, but freight increases 47.6% to 31.3 million FTKs. Revenues of \$220.4 million exceed expenses and provide a \$7.2-million operating profit.

The workforce inches up 1.8% in **1992** to 4,200 and the fleet is increased by the addition of 4 ATR72-202s and 5 B-737-55Ss. The latter become conveniently available when **Sabena (Belgian World Airlines, S.A.)** cancels its order for them on March 24. The \$114-million Boeing package is a 12-year lease, paid for through the issue of notes bearing a prime fixed annual interest rate and backed by the U.S. Export-Import Bank and the Czech government.

Weekly Saturday service is added to the Prague-Montreal route on March 29 and Monday service on the same run from Montreal to Chicago begins on May 4. Meanwhile, on April 15, the first ATR72-202 is placed into short-haul service out of Prague. An agreement is reached with **THY Turkish Airlines (Turk Hava Yollari, A.O.)** at the end of April for joint flights between Prague and Istanbul.

A second Chicago frequency, Wednesday, is started on June 3.

New markets are also initiated at Dusseldorf, Riga, Lvov, Manchester, and Riyadh. In July, a pooling of aircraft orders with **Air France** and **Sabena (Belgian World Airlines, S.A.)** is announced; the western majors are able to transfer their surplus orders to CSA, which badly needs new aircraft.

With guidance and assistance from the J. P. Morgan Bank in London, the carrier is privatized in October and it is announced that **Air France** will lead a consortium that will acquire a 32.8% stake. Under a memorandum of understanding signed between the two carriers and subject to approval by the two governments, the French carrier will contribute \$6 million in cash and \$14 million in payments-in-kind assistance in catering, engineering, pilot training, and maintenance. The remainder of the \$60-million shareholding will be acquired by the London-based European Bank for Reconstruction and Development, headed by Chairman Attali's twin brother Jacques, and the Caisse des Depots et Consignations; each will expend \$20 million.

The remainder of the East European carrier, valued at \$150 million and the first to find a Western shareholder, is divided between the Czech government (49.28%), the leading Czech insurance company (4.5%), and local Czech communities (mainly Prague, Bratislava, Kosice, and Poprad) the remainder. The new owners pledge the funding necessary to begin modernization of the Czech airline's aging fleet, while **Air France** is also contracted to provide maintenance, pilot training, and other technical assistance.

The number of frequencies from London (LHR) to Prague are increased under **Air France** sponsorship to 13 per week. During December, the carrier's newly received ATR72-202s expand the regional network by launching roundtrip flights from Bratislava to Kosice and from Bratislava to Tatra and Poprad, as well as from Silac to Prague.

Customer bookings recover and grow by 15.6% to 1,078,160, while cargo drops 5.2% to 27.3 million FTKs.

In **1993**, the new president, Jan Fiker, and George Vajdovsky, his managing director and **Air France** executive, make no changes in their payroll. The fleet now includes 6 Il-62Ms, 5 each B-737-55Ss and Tu-134As, 4 each ATR72-202s and Tu-154Ms, and 2 each Il-62Ms and A310-304s. Following the division of the Czech and Slovak parts of Czechoslovakia into separate republics in January, the company acquires an equity stake in the regional airline **Tatra Air, A.G.** A joint roundtrip, weekday ATR42-202 service is opened in cooperation with **Eurowings RFG & NFD, GmbH**, in April between Prague and Munich.

A block-space agreement is signed with **LOT Polish Airlines, S.A.** in August covering 12 to 13 weekly ATR72-202 return flights on the route from Prague to Warsaw; a similar arrangement is inked with **Deutsche Lufthansa, A.G.** in October for services between Prague and Munich.

Passenger boardings climb 6.3% to 1,146,111, but freight is down 10.8% to 24.35 million FTKs. Losses are recorded: \$39.11 million (operating) and \$28 million (net).

Airline employment is reduced by 7.3% in **1994** to 3,894 and the fleet is cut by 3 Il-62Ms. In light of the previous year's heavy loss, a crisis erupts in January between the Czech government and **Air France**, which seeks financial compensation from it, contending that it overpaid for its 19.1% shareholding in the Czech carrier. The AF representative

on the CSA board, Managing Director Veydovsky, resigns at the same time that the government not only forces CSA President Jiri Fiker to resign in favor of Antonin Jakubse, but begins to seek an investor to buy out **Air France**, which does not really want to sell.

During the month, shareholders approve a restructuring plan that includes aircraft sales and route cutbacks, and the government, responding to the airline's request, orders **KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, and **Deutsche Lufthansa, A.G.** to curtail their flights into Prague.

On March 2, a new cargo terminal is opened at Prague. It is connected to the airport's Intercom internal communication system and the Sita Air Cargo booking system.

Late in April, **Air France** sells its 19.1%, 52,000-share interest to the Czech banking group Konsolidacni Banka (Consolidated Bank). Although the two companies pledge to continue cooperation in some commercial, airport handling, catering, and computerized service areas, the AF directors on the CSA board are withdrawn, along with all French executives and technicians.

The company, now the flag carrier of the Czech Republic, adopts a new corporate image and livery and plans are made to change the company's name to **CSA Czech Airlines, A.S.** on March 26. Flights from Prague are maintained to 5 domestic cities, as well as internationally to 50 destinations on 4 continents.

In April, an alliance is entered into with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** covering joint service on routes from Prague to Madrid, Barcelona, and Palma de Mallorca. The following month, a block-space agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** for service from Prague to Amsterdam.

Enplanements for the year jump 8.2% to 1,239,693, but freight is off by 10.3% to 21.85 million FTKs. Revenues jump 16.6% to \$244.85 million and, although they are down by 1.4%, expenses still reach \$245.6 million. Consequently, there is a \$757,000 operating loss. On the positive side, there is a net profit of \$4 million.

There is an unofficial website at <http://solid.csa.cz/ANGL/history.htm>.

CTA GENEVA, S.A. See **COMPAGNIE DE TRANSPORT AERIENNE, S.A.**

CUBA AEROPOSTAL, S.A.: **Cuba (1948–1961)**, CA is set up at Havana on August 16, 1948 to operate all-cargo services around the island. Three Curtiss C-46 Commandos are acquired and revenue flights commence on May 3, 1949 over a route to Nueva Gerona.

Unheralded flights continue until June 1961 when the carrier is taken over by **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**.

CUBANA (COMPANIA CUBANA DE AVIACION, S.A.): Cuba (1945–1959). **Cubana (Compania Nacional Cubana de Aviacion, S.A.)**, a wholly owned subsidiary of **Pan American Airways (PAA)**, is renamed in the fall of 1945. Plans are now made to allow Cuban interests to acquire shareholding and, on December 31, private local concerns and citizens purchase 48,000 shares or 48% interest.

Although the Ford 5-AT-40 is sold to Air Tours of Put-in-Bay, Ohio, on July 26, 1946, it will end its days with **Johnson Flying Service** of Montana in 1953. Paralleling in reverse the original 1927 **Pan American Airways (PAA)** inaugural route, the carrier, now employing the Cubana marketing name, launches its first international service on May 15, 1946, Havana–Miami. The fleet in 1947 comprises 12 Douglas DC-3s.

Cuban interests gain 52% majority control of the carrier on April 5, 1948, although **Pan American Airways (PAA)**, as principal minority owner, continues strong administrative and technical support. Employing a DC-4 leased from its former parent and christened *Estrella de Cuba*, Cubana initiates transatlantic Havana–Madrid service via the Azores on April 26. **Pan American Airways (PAA)** delivers a second DC-4, *Ruta da Colon*, later in the fall. Five additional DC-4s are acquired in 1949.

The holding by Juan Trippe's carrier insures award of a U.S. air-mail contract on February 15, 1950 and DC-4s now replace DC-3s on the Miami frequencies. A DC-3 is lost in dense fog at Holguin, Cuba, on November 25; although the aircraft must be written off, there are no fatalities.

Shareholding by **Pan American World Airways (1)**, as the American major is now known, is reduced to 42% on March 31, 1951.

En route from Havana to Miami on April 25, a DC-4 with 5 crew and 34 passengers collides off Key West with a USN Beech SNB with four crew, which is on an instrument training mission; both aircraft go down and there are no survivors.

On June 3, a joint **Transocean Air Lines (TAL)** and **Loftheidir, H.F./Icelandic Airlines** U.S. to U.K. charter flight, with British war brides and children aboard, is rerouted via Cuba and France. The U.K. has refused the TOAL DC-4 a landing permit, acting under a CAB rules limiting charter flights to educational and religious groups. At Havana, the charter is shifted to Cubana, which is allowed to fly to the U.K. on June 7.

On January 1, 1952, a CAB ban on New York to Havana flights by Cubana is lifted. A DC-4 with 5 crew and 32 passengers en route from Madrid to Havana on December 6, crashes in the Atlantic Ocean, 2 miles off Kindley Air Base, Bermuda (37 dead).

Cuban interests take 80% shareholding on April 7, 1953. Meanwhile, long-haul and regional route expansion from Miami to Varadero Beach begins January 23, Havana to New York, reciprocal with **National Airlines**, on May 1, Havana to Mexico City via Merida on September 17, and Havana to Port-au-Prince on November 28. Two ex-**Pan American World Airways (1)** Lockheed L-049s are purchased during the summer and are placed in service on the Mexico City route in the fall.

A C-46A is lost at Rando Boyeros on May 17, 1954; there are no fatalities, but the aircraft must be written off.

On July 23, Juan Trippe's airline sells its last shares and ends its 22-year sponsorship. To avoid the adverse publicity surrounding the major's pull-out, Cubana launches a large advertising campaign in the U.S. aimed at luring travelers who might gravitate to other Cuba-bound American-owned airlines.

A Lockheed L-1049E is leased from **Pan American World Airways (1)** and placed on the Madrid and Mexico City routes while orders are placed for 3 new L-1049Gs and 12 Curtiss C-46A/D freighters. A second L-1049E is purchased and this is delivered from Los Angeles to Havana on November 22 in a record 7 hrs. 20 min. On December 1, it, too, begins flying from Havana to Madrid via Bermuda, Santa Maria in the Azores, and Lisbon.

The first C-47A/Ds join the fleet in 1955, providing all-cargo services to Miami and other destinations. The new L-1049E also begins to fly to New York and Mexico City. Two L-049s are sold to **El Al Israel Airlines, Ltd.** in October and 3 British-built Vickers Viscount 755s are ordered in December.

The first of 3 L-1049Gs to arrive in 1956 is delivered on February 20. The Super Connies are placed on the Madrid and Mexico City services on March 14 and are employed to launch nonstop, daily flights to New York on May 12. The Viscounts arrive simultaneously and enter operations on May 25. Additional orders are sent to Vickers in the fall as the leased **Pan American World Airways (1)** L-1049E is returned and the owned L-1049E is sold to **Seaboard & Western Airlines**. Former General Manager Juan M. Palli Diaz becomes president at year's end.

Five Viscount 818s are introduced during 1957. Early in the year, President Palli Diaz hires top artists to provide nightclub-style entertainment as an inducement on the Thursday evening L-049 Havana–Miami service; the publicity and load factors gained by "The Tropicana Express" are significant. The Viscount 755s begin to arrive in late spring and are placed on the Miami route beginning in August.

On April 4–5, 1958, 16 Cubana pilots seek political asylum in Miami after refusing to fly guns for President Batista's army. Four days later, the first in a series of revolution-related skyjackings will occur as a DC-3, en route from Havana to Santa Clara, is diverted to Merida, Mexico. The plane and its hostages are returned next day.

On April 13, the crew of a DC-3 with 25 passengers en route from Havana to Santa Clara defects with the aircraft to Miami. There they seek political asylum, complaining that the Cuban government is ordering them to fly over combat areas. Four Bristol Britannia 318s are ordered in August.

On October 22, a DC-4 en route from Cayo Mambi to Moa Bay with 14 passengers is seized by several of Fidel Castro's rebels. Although the pilot is shot and wounded and the Douglas is diverted to Florida, all of the hostages and the aircraft are later released.

Flight 495, a Vickers Viscount 755D with 4 crew and 17 passengers en route from Miami to Veradero, Cuba, on November 1, is hijacked by 5 Cuban rebels. In the evening, the aircraft is observed circling near Antilla in Oriente province, as it prepares to land at Preston Airport. Out of fuel, the turboprop, instead, crashes into Nipe Bay, 1,300 ft. offshore (18 dead).

A DC-3 with 25 passengers is hijacked five days later while on a scheduled flight from Manzanillo to Holguin and is held for awhile at a rebel airstrip before the hostages are released. This latest skyjacking results in the cancellation of all Cuban domestic airline services.

It is announced on November 24 that the carrier will feature bingo games on its Havana to New York and Havana to Mexico City flights. The first Britannia 318 arrives in time to begin Mexico City service on December 22. Meanwhile, orders are placed for 2 Boeing 707-138Bs.

The second Britannia 318 starts Havana–New York service in January 1959 while Fidel Castro takes control of the government on February 16.

Four anti-Castro men seize a DC-4 on April 16 and force the pilot to divert it from its domestic flight to Miami.

On April 25, a Vickers Viscount 755D with 16 passengers en route from Veradero to Havan, is seized by 4 passengers, one of who was a top general to former president Batista, and two women, who have hidden pistols under their skirts. The skyjackers demand to be flown to Miami, but because of the turboprop's low fuel supply, settles for a diversion to Key West. On May 25, Cubana is nationalized and given its present name.

CUBANA (COMPANIA NACIONAL CUBANA DE AVIACION, S.A.): Cuba (1932–1945). Pan American Airways (PAA) purchases **Compania Nacional Cubana de Aviacion Curtiss, S.A.** from North American Aviation Corporation on May 6, 1932 and renames it, dropping the word Curtiss not only to show ownership change but to allow for an easier company abbreviation—CNAC. All of the non-Ford aircraft previously employed are discarded throughout out the remainder of the year and 1933.

On January 16 of the latter year, one of the last company-owned Curtiss C-1 Robins, with a pilot and four passengers, is forced down at sea. The wreck is sighted by both a Cuban Air Force aircraft and a PAA search plane. All five are rescued by a Cuban gunboat the next day.

In an episode usually attributed to **Chalk's International Airlines** with embellishments, Cuban dictator Gen. Gerardo Machado peacefully departs Havana's Rancho Boyeros Airport on August 12 aboard a Sikorsky S-38 piloted by the carrier's chief pilot, Capt. Arthur Lee, who had been seconded, along with the amphibian, from PAA.

The first of 5 ex-Pan American Airways (PAA) Lockheed Model 10A Electras joins the fleet late in 1934. With all five machines in hand, the Fords are replaced on the primary Cuban Air Limited Havana–Santiago multistop route on July 29, 1935. The 5-ATs are, however, retained on secondary segments, including a Santiago–Baracoa extension christened the Oriente Flyer.

Pan American Airways (PAA) turns over the Ford 5-AT-27 on November 30, 1936; it will be followed into service by another Tri-Motor no longer required by Juan Trippe's line, the 5-AT-40, which arrives on June 15, 1938. The entire Cubana route network is integrated by 1939 and linked to the American parent's international network.

An ex-Pan American Airways (PAA) Lockheed Model 12 is introduced in 1940. A Ford 5-AT is leased to newly established **CDA (Compania Dominicana de Aviacion, S.A.)** in 1944. In March 1945, 2 for-

mer military C-47s, reconfigured to civil DC-3 standard, are placed in service. In the fall, the carrier's name is changed to **Cubana (Compania Cubana de Aviacion, S.A.)**.

CUBANA (COMPANIA NACIONAL CUBANA DE AVIACION CURTISS, S.A.): Cuba (1929–1932). On October 8, 1929, through its **International Aviation** subsidiary, North American Aviation Corporation establishes **Compania Nacional Cubana de Aviacion Curtiss**. Employing 2 Curtiss C-1 Robins and 1 Curtiss Thrush plus 3 ex-Eastern Air Transport Ford 4-ATs (Dash-63, Dash 69, and Dash-70), Cubana begins multistop Havana–Santiago domestic flights—Cuban Air Limited—on October 30, 1930. On December 10, one of these crashes in mountainous terrain while en route from Santiago to Havana (four dead).

Travel Airs plus 2 ex-Pan American Airways (PAA) Sikorsky S-38Bs are placed in service during 1931. The carrier is purchased by Juan Trippe's carrier on May 6, 1932 and renamed **Cubana (Compania Nacional Cubana de Aviacion, S.A.)**.

CUBANA (EMPRESA CONSOLIDADA CUBANA DE AVIACION, S.A.): Calle 23 Pt 64 Vedado, La Rampa, Havana 4, Cuba; Phone 53 (7) 784 961; Fax 53 (7) 793 333; <http://www.cubana.cu>; Code CU; Year Founded 1959. Following the overthrow of the previous Cuban regime by Fidel Castro in February 1959, **Cubana (Compania Cubana de Aviacion, S.A.)** is nationalized on May 25 and given its present name. In June, a third newly received Bristol Britannia 318 is placed on the Madrid route as the New York run becomes all-Britannia. The fourth Bristol joins the fleet on August 25.

Three passengers on a domestic Vickers Viscount 755D, with 34 other passengers en route from Havana to Santiago, force the pilot to fly them to Miami on October 2. On October 22, 45 Cubana employees at New York (IDL) stop work for an hour to show their loyalty to the new Castro government.

The year closes with the airline—and the nation—in financial difficulty.

Financial problems mount in 1960. One Britannia 318 is leased to **Eagle Airways, Ltd.** and 2 undelivered B-707-138Bs are chartered to **Western Airlines**. The 5 Viscount 818s and 3 Lockheed L-1049G Super Constellations are put up for sale.

The pilot, two crew members, and a passenger of Flight 800, an L-1049G, defects at Miami on April 12 after the pilot burns out the plane's engines upon landing.

As of July 1, those companies whose oil refineries have been seized by Cuba, bar Cubana's Havana–Madrid flight from refueling at Bermuda; as a result, Castro's airline must abandon the service. A rash of hijackings continues.

Four days later, a Britannia 318 en route from Havana to Madrid is hijacked by two members of its crew and diverted to Miami. On July 17, the pilot of a Vickers Viscount 755D en route from Havan to Miami, takes over his own aircraft and diverts it to Jamaica. With their families (two women and two children) in place to greet them when they arrive in Miami, a DC-3 is taken over on July 28 by its captain, with the aid of two passengers, and diverted to Florida from a scheduled service to Antilla.

Lack of service payments leads to the impoundment of several aircraft. On September 16, a Britannia is seized in New York in connection with the Harris Outdoor Ad Company's suit to recover \$237,000 in lost advertising revenues. The Cuban tourist committee reports the Harris bill paid on September 18, but it is not. Two days later, a second aircraft, a DC-4, is seized at New York, followed by another Britannia on September 21, the latter as the result of O. Manalich's desire to protect its holdings in Cubana.

On September 24, the Harris firm bills Castro for its advertisements in the journal *El Diario*. Four days later, Castro is forced to visit the UN and return home aboard an **Aeroflot Soviet Airlines** aircraft. The Cuban delegation protests to the U.S. State Department and seeks a court order freeing its impounded aircraft. Meanwhile, Cuba sues Harris for \$3 million in damages, denying it owns the firm a debt. On September 29, one aircraft is freed on the grounds of diplomatic immunity.

A DC-4 with 36 aboard en route to the Isle of Pines on October 29, is diverted to Key West, Florida, after the copilot and 8 passengers kill an airliner guard and 3 others in a gun battle. The next day, the 9 hijackers win a hearing on their bid for political asylum while the other 26 passengers are allowed to return with their aircraft to Cuba. The second impounded aircraft is freed on November 9, but litigation continues.

An L-049 Constellation, which has been acquired by **Trans-European Aviation, Ltd.** and is en route to London, is attached at Charlotte, North Carolina, on January 27, **1961**, in the name of refugee Jacob Shapiro, who claims Cuba has nationalized his hosiery mill, valued at \$750,000. TEA never receives this aircraft.

Although the Madrid route is maintained, national political confrontation with the U.S. now results in abrupt termination of flights to America. Citing American "hostility," the company ends its Havana to Miami and New York service on February 10. Having by now forged close ties to the Eastern bloc, Cubana, also in February, signs an agreement with **CSA Czechoslovak Airlines** to operate its Britannias, in CSA livery, on Cuban's behalf over a new multistop Havana-Prague route that begins on March 1.

On April 20, the Florida Circuit Court denies an appeal against the sale of five aircraft as part of the assets sold in a 1960 damage award to Harris Outdoor Ad Company for its unpaid advertising fees. Havana to New York service is resumed on April 25, followed by the restoration of flights to Miami from the Cuban capital on May 6.

En route from Havana to Veradero on July 3, a DC-3 with 20 passengers is commandeered by 11 men and 3 women. A security guard is shot and wounded in the takeover, with the Douglas transport subsequently flown to Miami.

Three planes flown into the U.S. on July 4 are seized to satisfy the Harris claim. On August 2, the State Department advises Cuba that, to prevent the sale of the planes seized a month earlier, it must request diplomatic immunity for them.

The Cuban government, on September 15, cancels over 15,000 reservations held by Cubans for flights to the U.S., purportedly to end ticket speculation. A new procedure is established for obtaining seats. In October, the U.S.S.R. delivers the initial 5 of 11 ordered Ilyushin Il-14s, which are placed on the country's domestic routes. On November 4, the State Department seeks a permit to intervene in the litigation over Harris's seizure of Cuban airliners to satisfy its judgment against the Castro government; Washington holds that the aircraft are immune to seizure.

An Il-14 with 4 crew and 18 passengers fails its initial climb away from Santiago de Cuba on March 27, **1962** for a flight to Havana; there are no survivors from the subsequent crash.

As replacements for the British turboprops, Cubana receives as a transfer from **Aeroflot Soviet Airlines** the first 3 of 5 requested Il-18s and an Antonov An-12 in late fall; they are placed in service from Havana-Mexico City and other regional destinations.

During **1963**, the company begins a 5-year effort to replace almost all of its American and British aircraft with Soviet, including 12 Il-14s, 1 Antonov An-12, 7 Il-18s, and 10 An-24s.

On September 17, **1964**, the company receives permission from the **British Overseas Airways Corporation (BOAC)** to begin Havana to Nassau weekly service. Both the U.S. and Bahamian governments seek to persuade the British not to grant landing rights; however, the British report that Cubana has received its route under a 1948 agreement.

When the first Cuban airliner arrives at Nassau on September 21, a crowd is present to jeer its passengers and crew. After the U.K. rejects a formal Bahamian request of September 25 to void the 1948 pact, Cubana ceases services to the island next day. A Britannia is attached at Montreal on October 15 by **World Wide Airways, Ltd.**, seeking to recover C\$953,858 in claims against the Cuban government; the aircraft is released under a C\$1-million surety.

Operations proceed without undue incident in **1965**. Two bloody hijackings, one successful and one not, occur in **1966**.

En route to Havana from Santiago on March 27, an Il-18V with 91 passengers is the subject of the first attempt. The flight engineer takes

over the aircraft, killing a security guard in the process. Under cover of darkness, the plane is landed at what the hijacker initially believes is Miami, but which is, in fact, Havana's Jose Marti Airport. When he learns of the ruse after landing, the pirate kills the pilot and wounds the copilot, forcing the Ilyushin to swerve off the runway into a fence. The hijacker escapes, but is captured two weeks later and executed.

On July 8, an Il-18V bound to Havana from Santiago is hijacked by nine Cubans, including the pilot, who fly the plane to Jamaica and seek asylum. The copilot, who had been shot, an injured crewman, and the plane are returned to Cuba the next day.

An Il-18B is lost near Cienfuegos under unknown circumstances on July 10.

The first of 12 Antonov An-24s are delivered during the second half of the year.

The carrier's lone An-12 with 10 aboard explodes just after landing at Mexico City on February 9, **1967**; there are no survivors. The world press speculates that the disaster has been caused by a bomb placed aboard by anti-Castro elements. The first of the An-24s is now received. Although all transatlantic flights stop during **1968-1969**, regional services are maintained.

Operations continue apace in **1970** and, on June 21, **1971**, Havana to Santiago de Cuba flights begin. While on a July 12 domestic flight from Havana to Cienfuegos, two men attempt to hijack Flight 740, an Il-14, but when faced with failure, they drop a live grenade that explodes, killing one passenger and wounding three others. In the confusion, the pirates are subdued and the plane lands safely.

All of the company's remaining C-46 Commandos are sold during August-October **1972**. Cuba and Guyana sign an agreement on July 1, **1973**, that links company services with Africa through Guyana and the Caribbean.

The first pure jetliner to be received since the revolution is an Ilyushin Il-62, which begins Havana-Madrid flights in November **1974**. Cubana begins weekly roundtrip flights between Havana and Panama City on July 27, **1975**. The last of 12 An-24s is delivered during the fall.

On March 18, **1976**, Flight 455, a DC-8-43 leased from **Air Canada, Ltd.**, with 16 crew and 13 passengers, collides in midair near Havana with a company An-24B with five crew out on a training flight. The Antonov crashes and there are no survivors. The Douglas, meanwhile, suffers the separation of the outer portion of its wing, including an engine, but is able to land safely with no serious injuries reported.

On October 6 there is another in-flight bomb explosion. Flight 455, a DC-8-33 also leased from **Air Canada, Ltd.**, with 15 crew and 57 passengers en route from Georgetown, Guyana, to Kingston, Jamaica, via Barbados, crashes into the sea 5 mi. W of Bridgetown, Barbados, shortly after takeoff from Seawell International Airport. The El Condor exile group claims responsibility for this terrorism. It is later claimed that the infamy is masterminded by U.S. CIA-trained Bay of Pigs veteran Luis Posada Carriles and carried out by his expert bomb-making associate Hernan Ricardo Losano, who is arrested in Venezuela. Years later, the pair will be jailed in Venezuela for their participation in the tragedy. Deon E. Phillips reviews the incident in his "Terrorism and Security in the Caribbean: The 1976 Cubana Disaster Off Barbados," in *Terrorism* 14 (Fall 1991): 209+.

Airline security is increased on November 1, but, six days later, Cubana's Madrid office is bombed. Heavy damage is caused, but there are no casualties.

From **1977-1982**, the fleet is increased by the addition of 7 Il-62Ms, 5 Tupolev Tu-154s, 1 Il-76, 7 Yak-40s, and 6 An-26s. Five Il-18s and 6 Il-14s are retired. However, as late as 1978, General Manager Julio Rodriguez and his 1,775 employees still include the Canadian DC-8-43 and 3 Britannia 318s among their flight equipment.

In addition to the maintenance of a 15-point domestic network, long-haul services are started to Montreal with Tu-154s, and East Berlin, Prague, Paris, Madrid, Luanda, Maputo, Sal, and Tripoli with Il-62s. The Yak-40s, Il-18s, and An-26s fly to Barbados, Georgetown, Kingston, Lima, Managua, Panama City, and Port of Spain.

A Yak-40 with 4 crew and 33 passengers crash-lands at Baracoa on February 3, 1980 (one dead). While on a training flight on May 13, an Il-14 with three crew crashes into the sea 500 yards off Varadero; there are no survivors.

On March 4-5, 1983 the daily Cubana flights from New York (JFK) deviate from their flight plans toward Griffis AFB, near Syracuse. As a result, on March 25 the carrier is banned from U.S. airspace for two weeks by order of the State Department. Three days later, the carrier apologizes for its two violations in air traffic routing. There are no further problems during the remainder of the year or in 1984.

Enplanements in 1985 total 894,000, excluding troops ferried to Africa.

During the climb away from Havana on January 19, the pilot of an Il-18D with 5 crew and 33 passengers loses control. The turboprop crashes while he attempts to recover and land on a highway near San Jose de Las Lajas; there are no survivors.

The boarding figure climbs to 912,127 in 1986.

While on its takeoff roll from Havana's Jose Marti Airport on March 10, 1987, for a scheduled service to Nueva Gerona, on the Island of Pines, an An-24, with 48 passengers, is subjected to an attempted hijacking. The assailant is armed with a hand grenade and demands to be flown to the U.S. When the pilot refuses, the pirate drops a grenade, which explodes wounding 13 persons. In the confusion, an off-duty policeman comes forward and shoots the skyjacker dead.

Enplanements for the year drop back by 1.6% to 889,013.

The workforce is increased by 4.5% in 1988 to 4,600. In late summer and fall, Hurricanes George and Mitch cause great damage throughout Central America and the Caribbean. Cuban medical brigades and relief supplies are transported to Guatemala, Haiti, Honduras, and Nicaragua in Cubana aircraft placed at the disposal of the government.

Despite the weather, passenger boardings for the year jump 8.4% to 963,881 and freight is ahead by 9.1%, 27.81 million FTKs.

Company employment grows by 28.9% in 1989 to 6,007, as General Director Rolando Teutelo orders 4 Yak-42Ds for his short- and medium-haul operations.

Just after takeoff from Havana for Berlin in heavy rain on the night of September 4, an Il-62M with 11 crew and 115 passengers is caught in downdrafts that force it to hit a navigational aerial and then crash into a residential area. All aboard the jetliner are killed, along with 45 people on the ground. The event will remain Cuba's worst airline disaster.

The first of 2 ordered Yak 42D arrives in Havana on September 14 from Russia via Shannon, Ireland.

Customer bookings swell 6.1% to 1,212,345, but cargo is down by 13.5% to 37.19 million FTKs.

Employment remains the same in 1990 and the fleet includes 12 Il-62Ms, 9 Tu-154s, 8 Yak-40s, 12 An-24s, 26 An-26s, 4 Il-18s, and 2 Il-76s.

An An-26 with 41 passengers fails its takeoff from Santiago de Cuba on March 20 and crashes; the aircraft is burned out and there are no survivors.

While on initial approach to Punta Jardinero on a nonscheduled service from Camaguey on October 24, Flight 2886, a Yak-40 with 7 crew and 24 passengers, strikes the ground 4 km. short of the runway at a speed of 280 km./h. (11 dead).

Enplanements fall to 1,137,481 and freight is down 40.2% to 11 million FTKs.

The company enjoys a good year in 1991. In March, discussions are undertaken with VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.) concerning an eventual joint operation of routes to Canada and Europe. The second new Yak-42D is delivered in July, replacing on passenger routes the last of the Il-18s, which are now converted into freighters. Five Yak-40s are also added.

A Tu-154B-2, with 12 crew and 100 passengers, lands too far down the runway at Mexico City on September 14 and goes off the end, sustaining massive damage. No fatalities are reported.

Passenger boardings inch up 1.5% to 1,154,803 while freight rises 28% to 55.83 million FTKs.

Airline employment stands at 5,000 in 1992. On January 3, German Pompa, a Cuban military pilot assigned to ferry tourists in the Varadero Beach resort east of Havana, hijacks one of the airline's Mil Mi-8 helicopters from Varo Daro Airport. He flies himself and 34 other defectors to Tamiami Airport near Miami. All aboard receive political asylum and the helicopter is allowed to return to Cuba five days after its arrival.

Statistics are reported through October and show customer bookings down 9.2% to 876,449. Cargo, on the other hand, increases 22.3% to 35.16 million FTKs. Revenues total \$237.5 million, but expenses are higher. Consequently, Cubana suffers an operating loss of \$8.3 million and a net loss of \$6.1 million.

In 1993, General Director Heriberto Priego oversees an entirely Soviet built fleet that consists of 12 Antonov An-24RVs, 25 An-26s, 4 Il-18s, 12 Il-62Ms, 1 Il-62MK, 4 Il-76MDs, 4 Tu-154B-2s, 4 Tu-154Ms, 8 Yak-40s, 1 Yak-40F, and 4 Yak-42s.

Markets served from Havana include not only domestic communities but such international destinations as Basel, Berlin, Bonn, Brussels, Buenos Aires, Cancún, Frankfurt, Helsinki, Kingston, Lima, Lisbon, London (STN), Luanda, Madrid, Managua, Mexico City, Milan, Montreal, Moscow, Panama City, Paris, Quebec, Santiago de Chile, Toronto, and Vienna.

On January 1, pilot Carlos Cancio Porcel diverts his Yak 40, with 48 relatives and friends aboard, to Miami. With Cuba a popular holiday destination for Brazilian tourists, Cubana launches, in the fall, twice-weekly Il-62M roundtrips from Havana to São Paulo.

Passenger boardings for the year as a whole decline another 11.2% to 901,645.

Six Fokker F27-600s and a Douglas DC-10-30 are received from Aviacion y Comercio, S.A. (AVIACO) of Spain in early spring 1994. At this point, a new color scheme is introduced. The Douglas wide-body is immediately assigned to the carrier's Havana to London service.

Customer bookings inch up 1.1% to 911,519, but cargo accelerates by 19.3% to 37.21 million FTKs.

The carrier's 88 airliners transport a total of 1,035,883 passengers in 1995, a 13.6% increase. Freight grows 17.3% to 43.65 million FTKs.

Airline employment stands at 1,100 in 1996. In addition to domestic markets, the company now also visits points in the Caribbean and Latin America, plus Basel, Berlin, Brussels, Cologne, Frankfurt, London, Moscow, Munich, Paris, and Prague.

The international airports at Holguin and Camaguey are upgraded and a \$25.5-million contract is signed with Intelcan Technosystems of Canada for the construction of a third terminal at Havana's Jose Marti International Airport. Funding to purchase Canadian goods and services to be employed in the task are advanced by that nation's Export Development Corporation.

The airline is subjected to two hijackings during the summer, both of which are successful.

While on a scheduled domestic service on July 7, an An-24 is taken over by a lone gunman, who orders the aircraft diverted to the U.S. naval base at Guantanamo Bay. En route from Havana to Varadero on August 16, a single-engine lightplane is seized by three men waving knives, who also order it to land at "Gitmo."

Customer bookings jump 12% to 1,159,890 and 58.27 million FTKs are operated, a 28.9% increase.

Destinations visited in 1997 include Baracoa, Barcelona, Bayamo, Berlin, Bogota, Brussels, Buenos Aires, Camaguey, Cancún, Caracas, Cayo Coco, Cayo Largo del Sur, Ciego de Avila, Fort de France, Frankfurt, Guantanamo, Guayaquil, Holguin, Kingston, Las Tunas, Lima, Lisbon, London (LGW), Madrid, Manzanillo, Mendoza, Mexico City, Moa, Montevideo, Montreal, Moscow, Nueva Gerona, Panama City, Paris (Orly Airport), Pointe-à-Pitre, Quito, Rio de Janeiro, Rome, San Jose, Santiago, Santiago de Compostela, Santiago de Cuba, Santo Domingo, São Paulo, Toronto, Varadero, and Vitoria.

It is reported by the Communist Party daily *Granma* on January 8 that the three state-owned airlines and service firms will be rolled into a

single corporation for the purpose of doubling passenger capacity and boosting airline earnings.

Just after takeoff from Santiago on a July 11 service to Havana, Flight 787, an An-24RV with 5 crew and 39 passengers, crashes into the sea off the southern coast; there are no survivors.

Traffic figures are revealed for the first quarter and show passenger bookings up 16.4% to 334,787, while freight climbs 10.8% to 14.61 million FTKs.

Services continue in **1998**, but not without cost.

While taking off from Quito, Ecuador, on an August 29 service to Havana via Guayaquil, Flight 409, a Tu-154M with 14 crew and 76 passengers, loses altitude. It clips the top of an auto mechanic's shop just beyond the runway, barely missing a middle-income residential area, before crashing into a soccer field. A total of 69 people aboard the aircraft and 9 on the ground are killed, with many others wounded, including children playing soccer.

With the cause of the crash still unsolved by September 10, the aircraft's flight-data and cockpit-voice recorders are sent to Moscow for analysis.

The carrier must cancel its domestic and international departures on September 25 when Hurricane Georges sweeps across the island.

On August 20, a \$30-million, 18-month aircraft, crew, management, and insurance (ACMI) contract is signed with Ireland-based **TransAer International, Ltd.** for the wet-lease of two Airbus Industrie A320-231s. The first aircraft, wearing dual TransAer and Cubana titles, arrives at Havana in early November and replaces Tupolev Tu-154Ms on regional services to Mexico City and Central America. The second aircraft will be delivered before the end of the year.

Flights continue in **1999**. Cubana and **TransAer International, Ltd.** come to an agreement in January, which is announced on February 7. The Cuban flag carrier will replace its leased DC-10-30 later in the year with a pair of A340s chartered from the Irish line.

On March 9, the U.K. Consumers' Association's magazine, *Holiday Which?*, releases a new survey of customer satisfaction from 20,000 airline travelers who have been asked which carrier they would recommend to a friend. Cubana is the worst-rated airline overall, with one in two passengers surveyed reporting they could not recommend it.

Thrice-weekly nonstop roundtrips are inaugurated on June 21 between Havana and Guatemala City.

The **TransAer International, Ltd.** contract is renewed in mid-August.

A code-sharing agreement is signed with **Aeroflot Russian International Airlines (ARIA)** on November 19. Under its terms, the Russian line is able to place its designator on Cubana flights into Latin America.

Employing a pair of DC-10-30s wet-leased from **AOM French Airlines, S.A.**, Cubana launches twice-weekly roundtrips on December 15 from Havana to both Rome and Milan. Weekly DC-10-30 return flights from Havana to Geneva begin the next day.

While landing on a slippery Runway 19 at Guatemala City following a December 21 service from Havana, Flight 261, a DC-10-30 with 18 crew and 296 passengers, slides off the end down a steep bank into 10 houses. Sixteen aboard the Jumbojet are killed, along with two people on the ground.

Four days later, on Christmas Day, another DC-10-30 with 12 crew and 10 passengers crashes into a San Luis hill while on approach to Valencia, Venezuela, on a service from Havana. This time there are no survivors.

Passenger boardings for the year total 1,259,000 and 1.63 million FTKs are operated.

As a result of the capacity problems caused by the December accidents, the new route between Havana and Geneva is dropped on January 24, **2000**.

Employing a B-767-3Q8ER and a B-777-2Q8 from its partner, the company begins dual designator service with **Air Europe, S.p.A.** on April 6 from Rome to Cayo Largo, Havana, and Santiago de Cuba and on April 22 from Milan to the same three destinations.

Arrangements are completed with **AOM French Airlines, S.A.** and one of its DC-10-30s is wet-leased to fly from Havana to Paris (CDG), beginning on June 5.

The failure of Ireland-based **TransAer International Airlines, Ltd.** on October 20 deprives the company of its A320-200s. Consequently, beginning on October 23, Ilyushin Il-62s are placed back into service on flights to Montreal and Toronto.

CUMBERLAND AIRLINES: United States (1964–1990). Originally founded by Alfred Nicholson at Cumberland, Maryland, in **1964**, this air taxi operator flies under the name of **Nicholson Air Service**. Nonscheduled and charter services are provided throughout western Pennsylvania and Maryland with a Piper Colt and a Piper Comanche. A Piper PA-23 Aztec is purchased in **1967**, allowing the initiation of scheduled flights to Baltimore.

This small regional enjoys a rather uneven success after joining the ranks of the nation's commuter airlines in **1975**, under the marketing name Cumberland Airlines.

Late in **1977**, **Nicholson Air Service** purchases Lake Havasu City, Arizona-based **Lake Havasu Airlines**, which is also operated as a subsidiary, **Havasu Airlines**. With a fleet of 2 Piper PA-31-310 Navajos, regular flights are offered to Latrobe, Pennsylvania, and Baltimore. Enplanements total 20,675.

In **1978**, passenger boardings rise 4% to 21,559; 246,651 pounds of freight is hauled. Customer bookings rise 16% to 24,933 in **1979**. The carrier's 16 aircraft also haul 514,000 pounds of cargo, a 108.2% increase.

In **1980**, **Nicholson Air Services** divides its operating subsidiaries into two divisions of the whole: an eastern division, Cumberland, and a western division, **Havasu Airlines**. These will have much in common, not the least of which are the statistics reported. The former provides scheduled services to Pittsburgh, Latrobe, Baltimore, and Ocean City. The latter provides the same to Phoenix, Bullhead City, and Las Vegas. The number of total employees is 37 and the fleet comprises 5 Navajos, 4 Piper Aztecs, 2 PA-31-350 Navajo Chieftains, and 1 Beech 99. Combined passenger traffic drops 30% on the year as 16,389 passengers are boarded on the year.

A total of 407,000 pounds of freight are transported in **1981**, as enplanements dip by 3% to 14,562. Most of the downturn is due to the summer PATCO air traffic controllers' strike and subsequent ATC restrictions. Destinations served by Cumberland now include Boston, Hartford, Springfield, Newark, Washington, Cumberland, Baltimore, Ocean City, Pittsburgh, Latrobe, Philadelphia, and Richmond.

This trend is reversed in **1982** as the enplanement rate grows by 61.4% to 23,509. Cargo also improves, rising 8.1% to 439,000 pounds.

A healthy traffic increase is also seen in **1983** as passenger boardings increase another 21.5% to 28,556. Freight increases 58.6% to 696,643 pounds.

These two years of progress are followed by a fatal accident and a slight traffic decline in **1984**.

While on approach to the airport at Cumberland, Maryland, on March 5, a Piper PA-31 with 3 passengers, crashes into a 776-ft. hill, 8.5 mi. from the runway; there are no survivors.

Customer bookings fall off by 1.8% to 9,565 passengers flown.

Passenger boardings recover nicely in **1985**, climbing 17.9% to 11,281. Cargo is now 328,000 pounds. In early July **1986**, Cumberland becomes a code-sharing partner of **World Airways**, employing 3 Piper Navajos to feed the major at Baltimore (BWI). The arrangement is short-lived and terminated once **World Airways** withdraws from scheduled services in September.

Traffic is down again and customer bookings fall 37.4% to 7,060.

Cumberland enjoys a return to health in **1987** as passenger boardings jump 17.4% to 8,290. A total of 140,180 pounds of freight are also flown. Following a pilot walkout in December, western division partner **Havasu Airlines** ceases operations.

The fleet of the 38-employee carrier includes 7 Piper PA-31 Navajos in **1988**. Customer bookings decline 5.7% to 7,816 and cargo plunges 62.5% to 53,000 pounds.

The financially troubled airline is purchased by Coastal Maine Holdings in early 1989. The new owners speak of employing the airline as the basis of a new commuter network, linking it up with **Braniff, Inc.** When this plan is not immediately implemented, creditors are able to force the regional's closing in October. Its 7 Navajos are repossessed by lessors or sold. To this point, the carrier has flown a total of 4,863 passengers, a decline of 25.8% over the same period a year earlier.

Cumberland manages to get back into the air in January 1990, but when Coastal Maine Holdings fails to make a required \$1-million payment to **Braniff, Inc.** in mid-March, the carrier is forced to shut down once more, ending scheduled service to Baltimore and small parcel flights to Pittsburgh. Additionally, the carrier's certification is suspended and the company flying school at Cumberland is closed.

Embarrassed, Coastal Maine's aviation consultant and former **Continental Airlines** President Martin Shugrue, now resigns. Airport officials at Baltimore serve notice of eviction because of overdue rent; company founder and first president Nicholson dies after a long illness. Meanwhile, the commuter's 7 Piper Navajos and light training aircraft, 18 machines in all, are repossessed for public auction by a Baltimore bank.

As if this climax is not sad enough, it is reported in early April that Beech Aircraft in Wichita, Kansas, has been given a \$250,000 down payment on a Super King Air 200 by Coastal Maine Holdings Chairman Anthony Steele. The check bounces and it takes the manufacturer a week to trace its aircraft to south Florida. Steele, who had earlier been convicted of loan-sharking in New York and was wanted in New Jersey for writing bad checks, is captured by Florida police, but released when New Jersey fails to pursue extradition.

Now unable to pursue its dream, Coastal Maine sells Cumberland to KPT Aviation, which makes plans to resume services. Despite strenuous efforts on the part of its owners to restart, Cumberland enters Chapter VII liquidation in November.

CUNARD-EAGLE AIRWAYS, LTD.: United Kingdom (1960–1963). On March 21, 1960, major shareholding in **Eagle Airways, Ltd.** is assumed by the Cunard Steamship Co., Ltd. Eagle founder Harold Bamberg receives a seat on the Cunard board and his former airline is transformed into Cunard-Eagle Airways, Ltd. On April 6, the new carrier takes delivery of a Bristol Britannia 318 on a 7-month lease from **Cubana (Compania Cubana de Aviacion, S.A.)**; it is placed in service the same day flying servicemen to Christmas Island. Simultaneously, the carrier purchases 2 Vickers Viscount 707s from the Cuban airline to replace the Viscount 805s *Enterprise* and *Good Fortune* now sold; the new ships are not christened.

The company is now relocated from Blackbushe to London (LHR) and its Vikings resume scheduled fortnightly flights from Manchester to Ostend and Bergen. A British transatlantic route is awarded and when the Britannia 318 returns from the Pacific, low frequency, low-fare London (LHR)–Bermuda and Nassau "Skycoach" service is initiated on October 10.

Five days later, economy-class, every-two-weeks London to Bermuda, Nassau, and Miami flights begin. The Bermuda subsidiary flies 20,000 passengers on its New York route, gaining a 12% of its market. Three Vikings are sold during the year and the fleet is enhanced by the addition of 2 Viscount 755s, which are named *City of Edinburgh* and *City of Belfast*.

In March 1961, two additional Douglas DC-6As are acquired along with a Bristol Britannia 324 christened *Good Fortune*.

A DC-6A with 6 crew crashes while practicing touch-and-go landings at Shannon Airport on March 26; although the aircraft must be written off, there are no fatalities.

A second Britannia 324 arrives in May and is named *Endeavor*. In late spring, the carrier appeals to the Air Transport Licensing Board (ATLB) for a variety of domestic route licenses as well as a new North Atlantic permission; after much dispute with other carriers, almost all are eventually denied. An initial Cunard-Eagle London to New York route is overturned upon **British Overseas Airways Corporation (BOAC)** ap-

peal, but another ruling opens a number of European destinations on June 22.

During the summer holiday season, efforts by the Bermuda and Nassau-based subsidiaries are stepped up. The frequency to New York becomes twice daily while Nassau–Miami flights are advanced to four per day. The weekly London–Miami via Bermuda and Nassau Britannia flights continue. In August, a pool agreement is signed with **Austrian Airlines, A.G.** for operation of joint service to Innsbruck from London (LGW). Simultaneously, operations from Manchester reach the new destinations of Hamburg, Pisa, and Rimini.

While en route from London to Stavanger, a chartered Vickers 610 Viking 3B with 3 crew and 36 British schoolboys, crashes into Mt. Holteheia, Norway, on August 9; there are no survivors.

The Manchester to Hamburg and Copenhagen frequencies cease in October, the same month in which the leased Britannia 318 is returned to **Cubana (Compania Cubana de Aviacion, S.A.)**. In December, the company announces forthcoming cutbacks. During the year 4 Vikings and 1 Heron are sold and 2 Boeing 707-465s are ordered before the company's New York license is revoked.

In the spring of 1962, some of the remaining services out of Manchester are cancelled. Unable to find a buyer to take over its jetliner order, the carrier accepts its first B-707-465 on February 27. Operated under Bermuda registry, the new addition is placed on the New York route on March 27.

On May 5, the new Boeing begins twice-weekly London–Bermuda and Nassau service. On May 20, a DC-6A inaugurates a weekly Manchester–Newcastle–Bergen service that will continue until September 23.

On June 7, the Cunard Steamship Co. abruptly pulls many of its assets out of Cunard-Eagle Airways, Ltd. In an effort to control all British operations across the North Atlantic to the Caribbean and eastern U.S., it teams up with **British Overseas Airways Corporation (BOAC)** to form the new joint **BOAC-Cunard**, with BOAC holding 70% of the shares and Cunard 30%.

The new partners triumph over Bamberg, who leads the opposition in a civil action, and take possession of the second B-707-465 in July. More importantly, they also gain the former Cunard-Eagle Airways subsidiaries in Bermuda and the Bahamas, both of which are absorbed into BOAC by fall. Meanwhile, what is left of Cunard-Eagle is reconfigured as a European regional scheduled and nonscheduled carrier.

On June 8, another DC-6A begins flying to Adelaide on a new long-term Air Ministry contract. A Viking 1B with 39 aboard crashes near Stavanger, Norway, on August 9; there are no survivors. During the year, two Vikings are sold.

Harold Bamberg purchases 60% majority shareholding in Cunard-Eagle Airways, Ltd. on February 14, 1963. Additional regional routes are added and the company is granted permission to begin serving Scotland's two largest cities in competition with **British European Airways Corporation (BEA)**—the first independent to be so allowed. The 2 Viscount 707s purchased in 1960 are sold in July. In order to demonstrate his control and interest in regional achievement, on August 9 Bamberg renames the company **British Eagle Airways, Ltd.**

CURTIS-MADSEN AIRLINES (PTY.), LTD.: Australia (1949–1952). Curtis-Madsen is formed at Sydney in early 1949 to fly a variety of short-haul, smallplane routes from the New South Wales capital. Traffic eventually proves insufficient to justify continuation and the company is liquidated on February 29, 1952. Its equipment is sold to **East West Airlines (Pty.), Ltd.**

CURTISS FLYING SERVICE OF BOSTON (NEW ENGLAND): United States (1929–1932). Established at Boston in the early spring of 1929, CFS of B is an affiliate of the Paterson, New Jersey-based Wright Aeronautical Corporation. The air taxi inaugurates scheduled Curtiss Robin passenger service to Nantucket and Bar Harbor in July.

The Ford Tri-Motor 4-AT-50 is acquired from **Curtiss Flying Service of New York** on October 25. Flights with the large and small aircraft continue until the service goes out of business in December 1932.

CURTISS FLYING SERVICE OF CALIFORNIA: United States (1929). A component of the nationwide Curtiss flight empire controlled by the Wright Aeronautical Corporation of Paterson, New Jersey, CFS of C is set up at Alameda in the spring of 1929 to offer passenger and express services within the Golden State. Service begins with a Ford Tri-Motor 4-AT-32 and, in August, the carrier is renamed **Curtiss-Wright Flying Service**.

CURTISS FLYING SERVICE OF CHICAGO. See CURTISS FLYING SERVICE OF THE MIDDLE WEST

CURTISS FLYING SERVICE OF NEW YORK: United States (1929–1933). Another, although later, unit in a series of small flight operations maintained across the country by the Wright Aeronautical Corporation of Paterson, New Jersey, CFS of NY is founded in the spring of 1929 to undertake a Metropolitan Air Ferry Service (MAFS) around New York. The route is inaugurated on May 14–15 by the new Ford Tri-Motors 4-AT-50 and 4-AT-53. It is expanded on May 22 by the Ford 4-AT-51 and on June 4 by the 4-AT-52. To gain publicity, the company's Ford 4-ATs all sport solid-colored fuselages, one red, one orange, one blue, and one green. On November 1, the 4-AT-53 is passed to **Curtiss Flying Service of the Middle West**.

A new division is established at Miami on January 13, 1930, to which the Ford 4-AT-52 is assigned. Following the winter vacation season, the Tri-Motor is moved north to New York on May 9. On September 26, it is decided to offer a transcontinental aerial hearse service. A company branch is set up at Pittsburgh and 4-AT-52 is sent west to this Pennsylvania city.

The MAFS is again upgraded on August 31, 1931, when the 4-AT-49 joins the fleet. On May 25, 1932, the 4-AT-49 is sold to Detroit-based **Transamerican Airlines**. The 4-AT-52 is purchased by Dallas-based **Fakes and Company** on December 3 and the Ford 4-AT-51 is passed to **Carolina Air Transport** on April 7, 1933. The corporation now shuts down its flight operations nationwide.

CURTISS FLYING SERVICE OF THE MIDDLE WEST: United States (1929–1932). Employing a Sikorsky S-36 amphibian, this affiliate of the Paterson, New Jersey-based Wright Aeronautical Corporation begins passenger flights in June 1929 between the Chicago Loop and the city's Municipal Airport. The Ford 4-AT-2 also enters service, acquired from **National Air Transport**. On November 1, the Ford 4-AT-53 arrives from Long Island, having been sent west by the Curtiss Flying Service of New York.

The organization is reformed on October 10, 1930 and renamed **Curtiss Flying Service of Chicago**. Flights continue until October 21, 1932.

CURTISS-WRIGHT FLYING SERVICE: United States (1929–1930). **Curtiss Flying Service of California**, based at Alameda, is reformed and renamed in August 1929. Although tied down, the company's sole aircraft, the Ford 4-AT-32, is blown upside down and destroyed during a windstorm at Burbank's Grand Central Air Terminal on November 21, 1930. Loss of the plane brings an end to the service.

CUSTOM AIR TRANSPORT: United States (1995–1998). With headquarters in Denison, Texas, CAT is established in 1995 to conduct scheduled and charter cargo services from a hub at Detroit. CEO Roger Taylor launches operations in September with a single Boeing 727-224F, flying to Cleveland and Kansas City.

The hub is shifted to Florida in 1996 and services are enhanced with the addition of a B-727-225F and an Aviation Traders ATL-98 Carvair. A contract is signed with **Emery Air Freight** to transport packages on its behalf.

In September, Custom contracts with **Hinduja Cargo Services, Ltd.** of New Delhi, India, to provide services to Sharjah, U.A.E., from six cities on the subcontinent. The Indian operation is 40% owned by **Lufthansa Cargo Airlines, A.G.**, which supplies the 3 B-727-243Fs that will connect with its Douglas DC-8-73F operation from the U.A.E.

The Custom-flown Boeing freighters duly inaugurate scheduled services to Hyderabad, as well as New Delhi, Bombay, Madras, Bangalore, and Kathmandu. Flights are also made to Colombo, Sri Lanka. The route network is increased in October with stops added at Ahmadabad, Varanasi, and Coimbatore. In mid-October, the company inaugurates weekly service into Indonesia's new Hang Nadim Airport, which is located just 20 miles from Singapore.

Financial figures are released for the second half of the year. These show revenues of \$6.69 million, expenses of \$6.56 million, and small profits: \$128,000 (operating) and \$122,000 (net).

Early in 1997, the 90-employee company applies to the DOT for U.S. charter passenger service authority. Meanwhile, the Hinduja cargo fleet is increased by the addition of 4 more B-727Fs. Bangalore, Bombay, Calcutta, and Madras join the route network.

An Aviation Traders ATL-98 Carvair, with two crew, fails its takeoff from Griffin–Spalding County Airport at Griffin, Georgia on April 4, overruns the runway by 3,701 feet, crosses Zebulon Road, and crashes into a vacant Piggly Wiggly grocery store near the Spalding Square parking lot before catching fire. There are no survivors.

At the end of the year, plans are in place to begin nonscheduled charter and inclusive-tour flights in the spring to Las Vegas and the Caribbean from the Midwest and Northeast. The services would be flown under the name **Tropic Aire**.

Although traffic figures are not released, financial reports are filed with the government. These show operating revenues up 15.5% to \$7.83 million, with expenses rising 35.1% to \$8.45 million. The previous year's operating gain becomes a \$614,000 operating loss, while the net profit becomes a \$614,000 net loss.

The company is visited by an FAA inspection team in the spring of 1998, which finds "discrepancies in airworthiness and pilot training." Rather than contest the findings, the carrier voluntarily grounds itself, pending an attempted resolution of its problems.

CUSTOM HELICOPTERS, LTD.: St. Andrews Airport, P.O. Box 66130, Winnipeg, Manitoba R3K 2E7, Canada; Phone (204) 338-7953; Fax (204) 663-5037; <http://www.customheli.com>; Year Founded 1977. Custom Helicopters is established at Winnipeg in 1977 to provide rotary-wing charter service. The company also serves as a Bell Helicopter customer service facility and flight school.

Over the next 22 years, the company expands and branches out to provide a host of aerial work. Services include aerial inspection, diamond drill support, corporate transportation, support of mineral exploration, power line maintenance, wildlife surveys and live animal capture, forest fire fighting, and aerial photography in support of the motion picture industry.

By 2000, Custom is owned by its senior management group. Emphasis continues to be placed on maintenance and President J. Hawes also serves as director of maintenance; Vice President D. McDougall is director of flight operations. Services are maintained with a fleet that now numbers 12 Bell 206B JetRangers and 8 additional units, including Bell 205 A1s, Bell 206L LongRangers, and Hughes 300Cs.

CUTTER AVIATION: 2802 Old Tower Road, Phoenix, Arizona 85034, United States; Phone (602) 267-4080; Fax (602) 275-9749; Year Founded 1928. One of the nation's oldest FBOs, Cutter is established at Phoenix in 1928. Over the next 50 years, the company also undertakes a wide variety of charter operations, both passenger and cargo. By 2000, Cutter employs nine full-time pilots and operates its non-scheduled services from two airports.

From Sky Harbor International Airport in Arizona, it operates 1 each Cessna 560 Citation V, Beech 2000 Starship, Super King Air 300, Super

King Air 200, King Air 90, Beech 58 Baron, Beech A36 Bonanza, and Bell 230 helicopter.

Two Barons and 2 Bonanzas are based at Albuquerque, New Mexico, along with 1 each Starship, Super King Air 200, King Air 100, Cessna 421, and Piper PA-31C Cheyenne II.

CUTTER-CARR FLYING SERVICE: United States (1948–1963). When Congress requires the Atomic Energy Commission to provide certain services to its closed “atomic cities,” a government contract for air service between Albuquerque and Los Alamos, New Mexico, is let in 1948. William P. Cutter and Clark Carr found Cutter-Carr Flying Service, win the appointment, and undertake scheduled flights with Beech Bonanzas.

In 1953, the company’s mission is enlarged to include transportation of classified cargo throughout the U.S. These operations will remain secret. Within a decade of its start-up, CCFS is offering seven flights per day between Albuquerque and Los Alamos.

Cutter and Carr elect to go their separate ways during 1963. Clark Carr founds **Carco Air Service** and wins the renewed government contract.

CYPRESS AIRLINES, LTD.: Canada (1987–1997). President Stephen Hynes establishes CA at Richmond in 1987 to provide local air taxi, air ambulance, and executive-jet charters throughout western Canada. These activities occupy the company for most of the next decade.

In 1996, the company expands into the scheduled airline arena by employing its 3 executive-appointed Convair CV-580s to serve Vancouver and other British Columbia communities on a regular basis.

Airline employment in 1997–1998 stands at 25. The scheduled service initiative proves a fiscal disaster and, as a result, the company is forced to shut its doors during the latter year.

CYPRUS AIRWAYS, LTD.: P.O. Box 1903, 21 Aikeou Street, Nicosia, Cyprus; Phone 357 (2) 44 3054; Fax 357 (2) 44 3167; <http://www.cyprusair.com>; Code CY; Year Founded 1947. Capitalized at £125,000, this carrier is incorporated at Nicosia on September 24, 1947. Shareholding is divided three ways: 44.90% is held by **British European Airways Corporation (BEA)**; 22.45% by the Cypriot government; and 36.65% by local Cypriot interests. The British airline assumes responsibility for long-haul service, in cooperation with the local carrier. London–Nicosia service is inaugurated on October 6 with Cyprus de Havilland DH 89As Dragon Rapides taking the Athens–Nicosia segment.

In March 1948, **British European Airways Corporation (BEA)** delivers 3 DC-3s, which are christened *Salamis*, *Amathus*, and *Citium*. These Douglas-made transports open service on April 18 from Nicosia to Athens, Ankara, Istanbul, Beirut, Lydda, Alexandria, and Cairo.

Service is started to Rome in the spring of 1949. On June 30, the carrier takes over the Athens–Cyprus–Lydda service of **CSA Czechoslovak Airlines**.

In 1950, DC-3 flights are inaugurated to Waddi Halfa and Khartoum as well as to Kuwait, Bahrain, and Baghdad. The shareholding arrangement is modified. The Cypriot government now holds 31%, Cypriot interests, **British European Airways Corporation (BEA)**, and **British Overseas Airways Corporation (BOAC)** now hold 23% each. **British European Airways Corporation (BEA)** Elizabethans are put on the London–Nicosia service on June 7, 1952; Cyprus Airways DC-3s continue to fly the Athens–Nicosia leg.

The world’s first turboprop proving flight is flown on April 2, 1953 as the **British European Airways Corporation (BEA)** Vickers Viscount 701 *Robert Falcon Scott* makes a proving flight London–Rome–Athens–Nicosia. On behalf of Cyprus Airways, Ltd., **British European Airways Corporation (BEA)**, on April 18, begins the world’s first sustained turboprop passenger service as the Viscount 701, christened *Sir Robert Shackleton*, flies London–Nicosia. As during the proving flight, a Cyprus

DC-3 makes the Athens–Nicosia connection. Regular Nicosia–Benghazi and Tripoli DC-3 flights commence on April 25.

Again operating on behalf of Cyprus Airways, Ltd., **British European Airways Corporation (BEA)** begins Nicosia–Beirut Viscount 701 services on April 13, 1954, as an extension of the London–Nicosia route. The Libyan service is suspended in 1956 as the British regional begins direct Tripoli and Benghazi flights from London.

Under a charter arrangement with Cyprus Airways, Ltd., BEA’s London–Nicosia route is extend to Tel Aviv on October 7.

As the result of a five year agreement signed on January 28, 1958, **British European Airways Corporation (BEA)** assumes full responsibility for the carrier’s operations in February. **British Overseas Airways Corporation (BOAC)** sells its 23% shareholding to the Cypriot government in June, but BEA, its sister corporation, retains a quarter interest. Cyprus becomes an independent nation on August 16, 1960.

In 1961, Cyprus joins the British Commonwealth and a new five-year pact is signed with BEA on January 26. On behalf of the island carrier, **British European Airways Corporation (BEA)**-crewed de Havilland DH-106 Comet 4Bs open services in 1962 to Doha, Kuwait, Bahrain, and other Persian Gulf states.

In 1963–1964, contracted Comet 4Bs begin Athens, Rome, and London services. Vickers Viscount 806s are, during 1965, introduced on the Cairo, Jordan, Jerusalem, and Rhodes frequencies. **British European Airways Corporation (BEA)** Comet 4Bs continue to operate the carrier’s services between Nicosia, Athens, Rome, and London. A total of 51,438 passengers are flown on the year.

Airline employment stands at 140 in 1966 and the fleet is made up of 2 owned Viscount 806s. Bookings climb to 69,133.

The airline’s owned fleet in 1967 still consists of just 2 Viscount 806s; 200 workers are employed. Passenger boardings accelerate 17% to 85,569, while freight traffic is up 46%.

In 1968–1969, the involvement of **British European Airways Corporation (BEA)** lessens until the operational agreement ends in November of the latter year; the carrier begins to increase its own fleet and to fly on its own. The first Hawker Siddeley Trident 2E is received in September.

The Nicosia to London routes previously flown by the British shareholder’s Comet 4Bs are taken over in 1970 and operated by the company’s Trident 2E. Cyprair Tours, Ltd. is formed as a subsidiary and 2 Trident 1Es, formerly operated by **Kuwait Airways, Ltd.**, are acquired under lease from **British European Airways Corporation (BEA)**, which had purchased them.

A second Trident 2E is acquired in 1971, during which year bookings reach 132,861. Airline employment stands at 443.

Another Trident, a 1E, is added to the fleet in 1972 and the unduplicated mileage is 2,500. Passenger boardings climb 33.9% to 201,000 while freight traffic jumps 20.3%.

The delivery of 2 additional Trident 2Es in 1973 allows routes to be opened to Paris, Brussels, and Manchester. An office is opened in Athens. Freight soars 22% and passenger bookings advance by 15.8% to 233,000.

A BAC 1-11-518 is leased from **Court Line Aviation, Ltd.** in May 1974. Turkish troops invade the island in July and occupy Nicosia International Airport; the entire fleet is caught on the ground. One Trident 2E is lost during the combat at the airport and the other 3 are captured (and will not be released until after years of negotiation); the leased Trident 1E and 2E are both destroyed at Nicosia on July 22, forcing the airline to suspend operations.

Although the head office remains in Nicosia after the conflict, corporate operations are moved to Larnaca on the island’s southern end, and a new fleet is assembled comprising 1 Boeing 720B, 1 Douglas DC-8-52, and 1 BAC 1-11-537GF.

Revenue services are resumed on February 8, 1975 between Larnaca and Athens. Beirut and Tel Aviv flights are resumed soon thereafter and service to London and Cairo is restarted in September and December, respectively. Meanwhile, in late November, the BAC 1-11-518 leased the

previous year is returned to the U.K. and is replaced with a chartered Douglas DC-9-15.

Passenger enplanements for the last quarter are 79,075.

Several new Middle Eastern destinations are added to the route network in 1976. During the summer, requests are placed for 2 BAC 1-11-537GFs. They are the last of this aircraft type to be ordered. While the company waits for them to be built, a former **Monarch Airlines, Ltd.** BAC 1-11-518 is leased, allowing the DC-9-15 to be returned to its lessor.

Passenger boardings skyrocket 64.9% to 225,285 while cargo zooms upward a spectacular 463.6%. During the year, employment increases 31.7% to 565 workers.

Two B-720Bs are leased from **Monarch Airlines, Ltd.** in 1977 and the Trident 2E held by the Turks is finally returned. Markets now served include Athens, Beirut, Tel Aviv, London, Cairo, Frankfurt, Paris, Bahrain, Dubai, Kuwait, Muscat, Amman, Damascus, Jeddah, Benghazi, Zurich, and Salonika. To help carry the load, a BAC 1-11-523 previously operated by **Transbrasil, S.A. (Linha Aerea)** is chartered for the year's second half. The first BAC 1-11-537GF is delivered on December 8. Enplanements grow to 258,285.

The workforce is 726 in 1978. The second BAC 1-11-537GF arrives on January 28. Two Palestinian gunmen kill Egyptian President Sadat's confidant, the newspaper editor Youssef el-Sebai, at Nicosia's Hilton Hotel on February 18, seize 30 hostages, and take cover in the hotel's restaurant. After negotiations with the Cypriot government, led by President Spyros Kyprianou, the pirates exchange 12 hostages for safe conduct, by bus, to Larnaca Airport. In exchange for the release of 7 more prisoners, the government turns over the carrier's DC-8-52 to the gunmen, with which to make their escape.

After taking off from Larnaca, the hijackers are refused permission to land all around the Mediterranean, receiving permission to refuel only at Djibouti, late in the day. Eleven hours later, the plane takes off for Libya and Algeria, both of which deny landing permission, and it is thus forced to return to Larnaca on the evening of February 19.

About an hour after the Douglas transport lands on the island, a U.S.-made Lockheed C-130 arrives with 74 Egyptian commandos aboard. Led by Brig. Gen. Nabil Shukry, the commandos begin an unauthorized assault on the airliner to free the hostages—only to be intercepted by the Cypriot National Guard. In the hour-long gun battle that follows, 15 Egyptians are killed and 22 persons are wounded on both sides. One of the CA BAC 1-11-537GFs is badly damaged.

The hijackers, meanwhile, release their own 11 hostages and the plane's 4 crewmen and surrender to the Cypriots. Both Egypt and Cyprus blame one another for the incident's bloodshed and in the wave of anti-Palestinian fervor which follows, Egypt breaks its diplomatic ties with Cyprus on February 22, the same day the damaged BAC 1-11-537GF returns to the U.K. for repairs. The plane returns to service on April 19.

A B-707-123B, with 8 crew and 58 passengers is destroyed as the result of a bad landing at Bahrain on August 19; there are no fatalities.

Later in the year, service is started to Zurich, London (LHR), and Paris. A Canadair CL-44D freighter is purchased and orders are placed for 3 B-707-123Bs. On October 15, a BAC 1-11-537GF is leased to **British Airways, Ltd. (2)**.

Passenger boardings jump 18% to 315,400 and freight soars 22.8%. A \$1.3-million net profit is reported.

Airline employment is increased by 18.8% in 1979 to 861. New routes are opened to Dusseldorf, Manchester, Munich, and Abu Dhabi. The 3 purchased B-720Bs are delivered and the 2 chartered from **Monarch Airlines, Ltd.** are returned.

Enplanements climb 22.8% to 387,451 and cargo grows 23%. Revenues reach \$47.86 million, but expenses (with increased fuel prices leading the way) hit \$48.6 million, producing a loss of \$699,997.

The workforce is increased by 12.1% in 1980 to 987 and service is extended to Rhodes, Birmingham, England, and Milan. The BAC 1-11-537GF on lease to **British Airways, Ltd. (2)** is returned on April 28.

After a training flight from Akrotiri on November 4 the landing gear of a Canadair CL-44D cannot be lowered. The aircraft, carrying three crew, makes a belly landing on foam; there are no fatalities.

Late in the year, Stavros Galataris becomes chairman and joint managing director while Stavros Nathaniel is named vice chairman and joint managing director. Passenger traffic swells 13.6% to 440,792 and freight climbs 11.9%.

Two more employees are hired in 1981 as Galataris and Nathaniel arrive to establish a new management team. Boardings rise 3.2% to 454,998; cargo declines by the same percentage to 16.46 million FTKs.

The workforce drops 10.3% to 887 in 1982. Once new long-term credit, guaranteed by the British, French, and German governments, is obtained from a consortium of European banks, led by Britain's Midland Bank, 2 Airbus Industrie A310-203s are ordered.

Passenger boardings dip 0.1% to 454,610, but cargo increases by 9.2% to 17.97 million FTKs. On revenues of \$72.8 million, an \$8-million net profit is reported.

The last British interest reverts to the Cypriot government in 1983; it now holds 69% of the shares with private interests the remainder. Orders are now placed for 4 A320-230s.

Cargo drops 3.8%, but passenger boardings are up 6.8% to 485,314.

The employee population in 1984 is 1,115, a 3.4% boost. The 2 A310-203s ordered in 1982 are received and placed in service during the first quarter.

Passenger bookings soar 23.9% to 601,447 and freight accelerates 40.6% to 26.84 million FTKs.

A third A310-203 joins the fleet in 1985. Two gunmen, seeking freedom for Lebanese comrades jailed in Cyprus, seize a BAC 1-11-537GF at Beirut on February 7 and threaten to kill 12 hostages. The unnamed Lebanese pirates surrender five hours later when the government of Cyprus promises to give consideration to their demand that their colleagues be freed. Two days later, Lebanese terrorists promise to attack additional Cypriot targets unless the two jailed hijackers are also released.

The workforce remains level, but boardings jump 13.9% to 684,948, 60–70% of which are leisure travelers. Freight drops 42% to 7.61 million FTKs, yet a \$22.6-million profit is generated. Since 1981, the carrier's paid-up capital has risen to \$9.2 million.

The payroll is increased by 10.8% in 1986 to 1,235 as the airline introduces a new livery, together with services to Geneva, Abu Dhabi, Doha, and Muscat. A new theme of "Personal Touch" is introduced for passenger services, including the employment of cabin attendants fluent in Arabic, French, and German, in addition to English. Anyone making their first flight is given a certificate signed by a captain. An office is opened in New York and the company begins affiliation with the **Aer Lingus Irish Airlines** Astral computerized reservations system. Customer bookings jump 7.6% to 737,190, but cargo falls again, down 9.6% to 6.88 million FTKs.

The employee population grows another 21.5% in 1987 to 1,500. Passenger boardings ascend 13.6% to 837,547 and freight recovers, rising 12.8% to 32.42 million FTKs.

The workforce is increased a further 21.3% in 1988 to 1,820 and the fleet now includes 3 B-707-120Bs, 3 BAC 1-11-537GFs, and 3 A310-203s. Orders are outstanding for another A310-204 and 8 A320-230s. Customer bookings decline 8.8% to 763,547, but cargo increases by 5.9% to 27.03 million FTKs.

Airline employment is cut by 1.9% in 1989 to 1,786. The first A320-230 is delivered at year's end. Enplanements resume an upward momentum, climbing 8.1% to 825,074. Freight rises 25.1% to 33.69 million FTKs.

The number of company workers falls another 12.7% in 1990 to 1,560. Passenger boardings shoot up 18.6% to 978,312, while freight moves ahead by 7% to 36.06 million FTKs. Revenues reach \$164 million and allow an operating surplus of \$16.65 million. There is, however, a net loss of \$2.14 million.

The fleet in 1991 includes 3 A310-203s, 1 A310-204, 4 A320-230s, and 1 BAC 1-11-537GFs. Orders are outstanding for 4 A320-230s. A

block-space agreement is concluded with **KLM (Royal Dutch Airlines, N.V.)** on June 6, covering flights from Amsterdam to Larnaca and Paphos and via Larnaca to Amman and Damascus. The flights commence 21 days later.

New markets are initiated at Heraklion, Helsinki, Brussels, and Berlin. Employing a Cyprus A320-230, twice-weekly, dual-designator service begins with **KLM (Royal Dutch Airlines, N.V.)** on July 30 from Amsterdam to Beirut via Larnaca.

Late in the year, a restructuring and relaunching of the company is announced that is designed to turn the company into a "full-fledged European airline with an international flavor."

A new corporate identity, featuring new livery, is introduced in December and includes new cabin service, upgraded menus, and dedicated business-class. Simultaneously, an agreement is signed with **American Airlines** under which the American major agrees to fulfill, under contract, all of Cyprus' computer needs.

Recession and the Gulf crisis impact traffic, sending customer bookings downward by 2.6% to 952,600 and cargo down 1.9% to 32.15 million FTKs.

The workforce is increased by 4.2% in **1992** to 1,807 and the fleet grows with the addition of 7 A320-231s and 2 BAC 1-11-537GFs. One of the former is leased to **Eurocypria Airlines**, while orders are outstanding for an eighth unit. In June, flights are started to Salzburg via Vienna and to Rome.

Passenger boardings recover and grow 10.9% to 1,057,288. Freight falls again, declining 5.6% to 34.27 million FTKs.

In **1993**, Chairman Vassilis Rologis and CEO Panikos Papadakis oversee an employee population of 1,560, down 13.7% from the previous year. The fleet now includes 3 each BAC 1-11-537GFs and A310-203s, 1 A310-304, and 8 A320-231s, with 2 more of the latter joining the first Eurocypria charter. A code-sharing alliance is signed with **Emirates** in March and, under its terms, joint services are inaugurated between Larnaca and Dubai employing Cyprus A320-231s. Other new markets are opened to Linz and Lyon.

Customer bookings accelerate 6.7% to 1,181,031, but cargo slips 2.7% to 33.3 million FTKs. A \$10-million net loss is suffered.

Airline employment is increased by 15.4% in **1994** to 1,806 as operations continue apace. Officials begin seeking outside investment of \$110 million with which to refinance the carrier's debt. In March, twice-weekly service is initiated from Larnaca to Moscow under a new code-sharing agreement with **Aeroflot Russian International Airlines**.

Passenger boardings leap upward by 15.6% to 1,364,812 while freight recovers, growing by 7.3% to 35.76 million FTKs. The previous year's financial loss is turned into an \$18-million net gain.

Six people leave the company in **1995** and a block-space agreement begins in June with **Kuwait Airways Corporation** on the KAC route from Kuwait City to Larnaca. In October, a block-seat, code-sharing agreement with **Gulf Air** takes effect in October; the Larnaca-based carrier purchases seats on Gulf Air's twice-weekly nonstop A340-312 flights to New York and Houston.

Enplanements fall 4.8% to 1,299,110 while cargo is down a slight 1.5% to 36.3 million FTKs.

There is no change in the workforce during **1996** and the fleet now includes 3 A310-203s, 1 A310-204, and 4 A320-231s, 3 of which are leased to the subsidiary **Eurocypria Airlines**.

The twice-weekly, dual-designator flights with **Gulf Air** to the U.S. are expanded in June to thrice weekly. An exchange-seat agreement begins with **Alitalia, S.p.A.** in October on return services between Larnaca and Rome.

Through November, customer bookings are down 1.2% to 1,158,456 and 32.1 million FTKs are operated, a 4.2% drop. Losses for the year total \$2.13 million (operating) and \$4.35 million (net).

Airline employment increases a slight 0.3% in **1997** to 1,795. Markets visited at the beginning of this year include Amman, Amsterdam, Athens, Bahrain, Beirut, Berlin, Birmingham, Brussels, Damascus, Dubai, Frankfurt, Helsinki, Heraklion, Jeddah, Kuwait, Linz, London,

Lyon, Manchester, Munich, Paris, Riyadh, Rome, Salzburg, Tel Aviv, Vienna, and Zurich.

A commercial agreement is signed with **United Airlines** providing for joint sales and promotions in the U.S. and Cyprus.

On March 30, biweekly return service is inaugurated from Prague to Dresden via Paphos Airport. Weekly roundtrips commence on April 29 from Prague to Strasbourg and Lyons and on May 5 from Prague to London (STN).

The airline's chairman, Takis Kyriakides, travels with Commerce Minister Kyriakos Christofi to Moscow, where a new office is opened on June 26. Frequencies from the Russian capital to Cyprus are thereafter boosted to four per week and in honor of the company's birthday, are initially offered at just \$300 one way.

Passenger boardings for the full year ascend 5.4% to 1,292,468 while cargo inches up 0.8% to 35.66 million FTKs. Revenues rise 7.1% to \$255.9 million and expenses climb 5.5% to \$249.88 million. Still, losses increase. There is a \$6.02-million operating loss and a net loss of \$6.4 million.

Loss-making flights continue apace in **1998**, as the airline becomes embroiled in controversy with its pilots union, Pasipy.

When senior captains of **Eurocypria Airlines** allege in the spring that their management is rigging recruitment procedures to secure appointments of particular pilots as political favors, that airline becomes the subject of a parliamentary investigation. At the same time, a number of Eurocypria pilots allege that Cyprus Airways' Pasipy members are attempting to close the charter firm by arranging disruptions and delays of its flights.

Meanwhile, Cyprus officials attempt to implement a strategic plan designed to cut costs and help the carrier compete in a liberalized European air environment. The scheme calls for staff cuts, pay cuts or freezes, and the reduction of certain unprofitable routes and services.

Reacting to their management's strategic plans, 95 Pasipy members, who have been seeking a pay increase and have received no satisfaction, go out on strike July 23 to 26. Their action forces the cancellation of 153 flights and shuts the company down, costing its even more potential income in the midst of the island's lucrative tourist season.

When service is resumed late on July 26, yet another incident, this one somewhat unique, incurs more losses for the airline. Unknown to anyone, a young passenger smuggles his pet squirrel aboard an A320-231 service from Athens to Nicosia. The youngster says nothing after the pet escapes while he is in the toilet. Once the plane lands and the passengers deplane, ground crews see the squirrel running through the plane. Electing not to gas the aircraft, it will take 24 hours to capture the animal with food. Officials claim the squirrel has cost the company \$95,250 in rescheduled or delayed flights, but nevertheless invites the youngster to come forward and claim his pet without penalty.

The airline postpones the introduction of a total smoking ban on October 26 following objections from cabin staff concerning a proposed exemption for pilots.

Much of the remainder of the year is taken up by top executives in discussions with other European airlines concerning possible alliance links. It also seeks to find a "strategic investor" willing to acquire upwards of 17% equity interest.

Enplanements for the year grow 4.3% to 1.41 million, while cargo traffic rises 7% to 38.17 million FTKs.

By the beginning of **1999**, airline employment has been reduced by 3.1% to 1,850.

Demanding a 4.5% pay increase, company employees, on January 28, stage a four-hour strike; the action causes their airline to delay the arrival of 20 incoming flights from Europe and the Mideast.

On April 9, Capt. Chris Christodoulou, head of the pilots' union, indicates that 100 company flyers are willing to purchase the 12% stake—over five million shares—at a price of \$4.6 million. The offer is made in light of the lukewarm response to a January invitation for public bids made by the government's finance ministry and a necessity to sell the shares by September if the airline is to maintain its listing on the stock exchange.

On May 23, as the labor dispute between pilots and management drags on, both are embarrassed. An entourage of singers en route to the Eurovision contest in Israel is stranded after two Cyprus Airways pilots call in sick, thereby cancelling two flights. The performers finally reach Tel Aviv aboard an **El Al Israel Airlines, Ltd.** flight.

Labor unrest continues at the airline as it heads into the busy summer season. Under terms of their collective bargaining agreement, unionized copilots are not allowed to apply for captain vacancies at the charter subsidiary **Eurocypria Airlines, Ltd.** This perceived injustice so angers union members that, when Cyprus advertises for captain vacancies at Eurocypria, the company's flyers stage a 24-hr. strike on June 22 in protest. The industrial action delays 11 flights and 3,000 passengers and costs the carrier C£120,000 (\$215,000).

After giving the government and airline executives 24 hrs. to show goodwill (which is not forthcoming), the pilots return to the picket lines on June 24–25.

Angered, the government of Cyprus refuses to cave in and temporarily deregulates its skies at midnight on June 24, opening air corridors, including the most precious Larnaca to Athens to London (LHR) run to all airlines. Only 4 of 18 daily scheduled flights are thus affected, with 14 others completed using aircraft wet-leased from abroad.

The pilots strike ends at midnight on June 25. On July 18, three company aircraft in one day are grounded due to technical problems. Hun-

dreds of passengers awaiting connections in Greece and Cyprus are temporarily stranded.

While en route from Larnaca to Athens on November 28, Flight 312, an A310-303 with 230 passengers, suffers rapid decompression that forces the crew to make a fast descent and an emergency return to point of origin. The Airbus is grounded and tested, but when taken up for a test flight, redevelops the problem, along with other systems malfunctions. A second emergency landing is safely made.

Passenger boardings dip 1% during the year to 1,396,000, but cargo grows 6.6% to 40,686,000 FTKs.

Airline employment stands at 1,852 at the start of **2000**, a slight 0.1% increase.

The carrier signs a new five-year, £1.3-million renewal contract with SABRE in July.

Friday A310-303 roundtrips are inaugurated on November 1 from Larnaca to Munich via Paphos.

CYPRUS TURKISH AIRLINES. *See* **KIBRIS TURK HAVA YOL-LARI, A.S.**

CZECH AIRLINES. *See* **CSA CZECHOSLOVAK AIRLINES**

CZECHOSLOVAK AIRLINES. *See* **CSA CZECHOSLOVAK AIRLINES**

D & D AVIATION: 470 North 2400 W., Salt Lake City, Utah 84116, United States; Phone (801) 532-0990; Fax (801) 532-0991; Year Founded 1993. D & D is established at Salt Lake City in 1993 to provide executive and small group passenger charters. By 2000, the company employs four pilots and operates from the Utah airfield as well as from Scottsdale, Arizona.

One each Learjet 24D, Learjet-25D, and Learjet-35A, plus a Beech King Air 90, are operated from Salt Lake City while two Learjet 35As are flown from Scottsdale.

D & S AVIATION: Van Nuys Airport, 16700 Roscow Blvd., Van Nuys, California 91406, United States; Phone (818) 831-3002; Fax (818) 831-7002; <http://www.choicemall.com/dsaviation>; Year Founded 1993. D & S is set up at Van Nuys, California, in 1993 by David and Suzanne Salzman to offer professional pilot training. Within a year, with Suzanne serving as general manager, the company begins Cessna 172 Skyhawk scenic tours of Los Angeles, Catalina, Malibu, and Santa Barbara. The company also runs air taxi flights between those destinations and to San Luis Obispo, Bakersfield, Mojave/Lancaster, Ventura, Orange County, San Diego, Palm Springs, and San Bernardino/Riverside.

DAALLO AIRLINES, S.A. (AIRLINE OF THE HORN OF AFRICA): P.O. Box 21297, Dubai, United Arab Emirates; Phone 971 (4) 733808; Fax 971 (4) 734464; <http://www.daallo.com>; Code D3; Year Founded 1991. Supposedly owned by a Somali family, Dubai-based Daallo Airlines is established at Djibouti in January 1991 to offer regional nonscheduled services into war-torn Somalia. Several Cessna 208 Caravan Is are acquired and allow operations to commence on March 20 with a charter to Hargeisa. Despite the intervention of the UN, a dire need to meet air transportation requirements in the region persists, particularly where land communications between different points has become difficult and dangerous. Daallo Airlines is able to quickly reach most of the regions of Somalia and serve this transportation requirement.

Over the next nine years, additional routes are extended to a variety of Mideast points and the Cessnas are replaced with aircraft from Russia and the Czech Republic.

By the end of the decade, the airline operates four weekly roundtrips from Dubai and Sharjah to Djibouti and Somalia. It also provides direct air services from the Somali towns of Berbera, Bosasso, Borama, Burao, Erigavo, and Mogadishu. It also provides two weekly return services from Jeddah to Mogadishu.

An interline agreement has been negotiated with **Saudi Arabian Airlines** and negotiations are undertaken for similar pacts with **Oman Air** and **Qata Airways**.

In 2000, Managing Director Mohamed Yassin employs a workforce of 60. The fleet includes 2 Antonov An-24RVs, 1 Let L-410UVPs, and 2 Tupolev Tu-154M. An Ilyushin Il-18, 2 An-24RVs, and 2 L-410UVPs employed earlier have been withdrawn. Plans are under active consideration for an expansion of services to Nairobi, Kampala, Kinshasa, and Kigali.

DAC AIR, CLUJ: 2-4 Ministerului Street, Bucharest, Romania; Phone 40 (1) 223-2575; Fax 40 (1) 223-0844; <http://www.dntcj.ro/dacair>; Code 6P; Year Founded 1996. Romanian businessman George C. Paunescu establishes this new entrant at Bucharest during the last week of January 1996 to offer regional and domestic scheduled passenger services. A 15% stake, in the form of assets rather than equity, is taken by **TAROM Romanian Airlines (Transporturile Aeriene Romane, S.A.)**. Mr. Paunescu takes the post of managing director/CEO and places a \$140-million order for 4 de Havilland Canada DHC-8-311s and 4 Canadair CRJ200 Regional Jets. In addition, four options are taken on each type, along with four conditional orders. The overall value will, if implemented, reach \$425 million.

Two Dash-8-311s are turned over to the start-up in May and, upon their arrival, allow the company, while awaiting its owned aircraft, to inaugurate scheduled replacement services for TAROM to 12 domestic destinations.

Ground handling, passenger facilities, and reservations and ticketing are handled by TAROM as part of its equity agreement.

The first owned DHC-8-311 is turned over to the company in Canada in mid-July and the premier CRJ200 is delivered in September; both begin flying to cities in Central Europe and along the Black Sea Basin. Three more DHC-8-311s arrive before the end of the year.

The fleet in 1997 includes 4 leased DHC-8-311s and 4 CRJ200s. On occasion, several Antonov An-24s are leased from TAROM. During the summer, code-sharing flights are launched with **MALEV Hungarian Airlines**.

Flights continue in 1998–2000. In those years, the route network from Bucharest grows to include stops at Timisoara, Budapest, Venice, and Munich.

DAGESTAN AIRLINES (MAKHACHKALA AIR ENTERPRISE-DAG DAGESTAN AIRLINES): Makhachkala Airport, Makhachkala, Dagestan, 367016, Russia; Phone 7 (87222) 73 701; Code YUH; Year Founded 1993. This small air company is reformed from the Makhachkala division of the old **Aeroflot Soviet Airlines**. Provided with a fleet of 6 Antonov An-24s and 3 Tupolev Tu-154Ms, the company begins regularly scheduled flights linking its base in the Russian Caucasus, on the Caspian Sea adjacent to Azerbaijan, with Kazan and Surgut. Little is known concerning the actual operations of this company. It has been reported that 1.5 million enplanements were recorded in 1997.

On November 12, 2000, a Tu-154M with 10 crew and 48 passengers aboard is en route from Makhachkala to Moscow headed to the Russian capital to support the Dagestan soccer team in an upcoming match. An armed gunman seizes the plane and orders it to land at Baku, Azerbaijan, for refueling. On the ground, negotiations are started with local officials while a hostage negotiating team is being sent by air from Moscow.

Before the Moscow negotiating team can arrive, the aircraft, not yet refueled, takes off for a new destination—Israel. At this point, the situation begins to take on international overtones, as the attention of both Russian President Vladimir Putin and Israeli Prime Minister Ehud Barak, who is flying to the U.S. for Palestine talks, are drawn to the unfolding drama. Conversations monitored between the pilot and the control tower at Ben-Gurion Airport at Tel Aviv reveal that the aircraft has only enough fuel for a short flight.

Initially, Israeli officials are concerned that the plane has been hijacked by Islamic militants; however, when it becomes clear that the pirate is a young Russian, the Tupolev is cleared to land at the Uvda military base in the southern Negev desert. There, the young extremist releases his hostages and surrenders to Israeli officials. While the Dagestan Airlines aircraft is detained, its crew and passengers are allowed to return to Moscow shortly thereafter on another plane chartered for them. That evening, the hijacker is flown to Moscow aboard a Russian government aircraft, his subsequent fate unknown.

DAI NIPPON KOKUYU.S.O KABU.S.HIKI KAISHA. See **JAPAN AIR LINES COMPANY (1)**

THE DAIMLER AIRWAY, LTD.: United Kingdom (1919–1924). Owned by BSA, Ltd., Daimler Hire, Ltd. is formed as a transport subsidiary on June 7, 1919. Daimler Air Hire, the aircraft operating division of Daimler Hire, Ltd., is formed in 1920. In December, George Holt Thomas sells the remaining assets of his bankrupt **Aircraft Transport and Travel (AT & T)** to this new pioneer.

All British civil services are suspended for lack of money in the face of foreign subsidized competition on February 28, 1921. Although originally opposed to state aid, Secretary of State for Air Winston S. Churchill organizes a Cross-Channel Subsidies Committee on March 2 under Lord Londonderry. The overseas carriers are granted a temporary government £88,200 subsidy on March 19, allowing resumption of operations.

Daimler proprietors Col. Frank Searle (who had also established the London General Omnibus Company) and George Woods-Humphrey, late of **Handley Page Transport, Ltd.**, acquire £30,000 capital from a

group of BSA-Daimler officials, as the division's name is changed to The Daimler Airway, Ltd. Searle is appointed managing director, Woods-Humphrey becomes general director, and the U.K. Air Ministry agrees to loan the new entrant 6 De Havilland DH-34s and 1 DH-18A originally intended for AT & T. Several pilots are hired at an annual salary of £1,000.

The first DH-34 is delivered on March 31, 1922. On April 2, the new plane, piloted by G. Ray Hinchliffe, flies the company's first service, a newspaper delivery from London to Paris. Hinchliffe, a former Royal Flying Corps pilot who wears a pink eye patch as the result of a wartime crash, is among the first to actively promote the mystique of commercial air pilots. It became his habit—some would say eccentricity—to put on a bowler hat at the conclusion of each flight for his walk from his aircraft to the terminal.

Meanwhile, Managing Director Searle attempts to adapt the Daimler Hire vehicle-usage system to the air and plans to obtain 1,000 hours of flying time annually from each de Havilland. Although this will not be feasible, his company will obtain an early reputation for rapid turnaround.

The first collision between two airliners on scheduled flights occurs on April 7. En route to England from Le Bourget field, in poor visibility over Thieuloy-Saint-Antoine, 18 miles north of Beauvais, a Daimler DH-18A on loan from **The Instone Air Line, Ltd.**, piloted by Robin Duke, collides with a **Compagnie des Grand Express Aerien** Farman F-60 Goliath (seven dead).

In May, a DH-34 makes two return journeys to Paris in one day, allowing Daimler claim to the record of being the first commercial carrier to do so.

On June 2, a DH-34 sets another record by completing five London–Paris return flights in one day. There is steady traffic growth during the summer and, in August, a total of 496 passengers and 13 tons of cargo are transported.

In a DH-34 piloted by Hinchliffe, Managing Director Searle and General Manager Woods-Humphrey survey a prospective Berlin route on September 15–23.

It is now reported that, for its first 6 months, the carrier has transported 1,514 passengers. Operating revenues total £10,292, with this total increased by government subsidy to £18,992. Unhappily, expenditures are £42,350 and the loss is £23,358.

A revised subsidy scheme is introduced by the government on October 1, under which Daimler is given £55,000 and is allocated a Manchester–London–Amsterdam–Berlin route. The Weimar government will block the German extension for months, primarily over the issue of international flying facilities in Germany. Over the next three weeks, Daimler continues to operate a newspaper service to Paris.

London–Rotterdam DH-34 flights, meanwhile, commence on October 9 in cooperation with **KLM (Royal Dutch Airlines, N.V.)**. This service is followed on October 23 by the inauguration of an Amsterdam–London and Manchester DH-34 frequency.

Season tickets are introduced on the England–Holland route in December; booklets of 25 return or 50 one-way tickets are available for £100.

During the year, a trio of 14-year-old cabin boys, including Jack Sanderson, is sent aloft on Daimler flights to assist passengers. Dressed in “monkey jackets” and with stiff wing collars and bow ties, they thus become the first flight attendants.

In early February 1923, the Parliament's Civil Air Subsidies Committee, headed by Sir Hebert Hambling, makes a report favoring the merging into one state carrier of all the private British carriers. The Manchester route is extended to Birmingham (for the British Industries Fair) between February 19 and March 2.

On March 14, Sir Samuel Hoare, Secretary of State for Air, indicates the U.K. government's acceptance of the Hambling report and its intention to merge the private airlines when their subsidy contracts expire the following March. Also during the first quarter, General Manager Woods-Humphrey flies to Berlin to personally untie the knots preventing his company's authorized aerial artery to that German city.

On April 13, flying a DH-34, pilot Hinchliffe inaugurates weekly London to Berlin service via Amsterdam, Bremen, and Hamburg, in collaboration with **Deutsche Aero-Lloyd, A.G.** The service is operated twice weekly by the British airline, which does not enjoy the traffic it had at the same point a year earlier. On top of this problem in customer turnout is a lack of capacity to cope with large numbers of passengers when they do appear.

Airmail is carried on this first scheduled route between the British and former German capital as of August 13. Meanwhile, a company DH-34 is placed at the disposal of British officials at the International Aeronautical Exposition at Goteborg, July 30–August 12. Frequency on the German route becomes thrice weekly at the end of August.

The first fatal domestic airline accident occurs on September 14 when a DH-34, piloted by L. G. Robinson, crashes near Ivinghoe, Buckinghamshire, while en route from London to Manchester; all six aboard are killed, including young Jack Sanderson, the first flight attendant killed in the line of duty. The route from London to Manchester is suspended.

The aircraft involved, G-EBBS, had been tracked by the government and held up to the press as an example of a civil airliner with an intense and safe service record of over 150,000 accident-free miles. Its loss has a negative impact on the U.K. public's opinion of commercial aviation.

Later in the month, pilot Hinchliffe suffers an engine failure while on a scheduled service, but is able to put down on a small island off Rotterdam. He immediately arranges for his aircraft to be sent to that city by barge and for Daimler to send out a replacement engine on another de Havilland. Hinchliffe's plane is equipped with navigation lights (not a common feature at the time) and he and his associate take off, flying to Lympe where they land after dark. The two return to London's Croydon airfield the next morning.

Continuous fog settles over the English Channel at the end of September and beginning of October, preventing Daimler service to Germany. Pilot O. P. Jones, who will later become a noted **Imperial Airways, Ltd./BOAC** captain, is the only one to make it through, completing one return service to Cologne.

Closed east of Hamburg on October 8, the Berlin service is reopened on November 4, rerouted via Rotterdam and Hanover. This schedule change follows by three days the resumption of flights from London to Manchester. It will be shut down again at the end of the month.

The report of the government's Civil Air Transport Subsidies Committee results in a final December 3 agreement between the affected parties to nationalize the British air transport industry by purchasing the assets of the independents and merging them into a single state-owned airline. For Daimler, the game is already up; it transports just 23 passengers in December.

If December's traffic figures were pathetic, those for January 1924 are almost unbelievable—only nine customers are flown. Passenger boardings inch up ever so slightly during February and service between London and Manchester is restarted on March 1.

The Daimler Airways, Ltd. ceases to exist on March 31, when **Imperial Airways, Ltd.** is formed. Frank Searle becomes managing director of the British government's “chosen instrument,” with George Woods-Humphrey moving over as general manager.

In its lifetime, Daimler transports a total of 5,796 passengers and generates income of £113,939. Expenses of £131,242, are, however, significantly greater and there is a £17,303 loss.

DAIRO AIR SERVICES, LTD. See DAS AIR CARGO, LTD.

DAK FAR EASTERN AVIATION (KHABAROVSK UNITED AIR DETACHMENT): Russia (1993–1999). Based at Khabarovsk in the far east of the nation, this **Aeroflot Soviet Airlines** directorate is reformed in 1992, achieving autonomous status. The fleet includes 20 Ilyushin Il-62s, 25 Tupolev Tu-154s, 20 Antonov An-24s, 40 Yakovlev Yak-40s, and 25 LET 410s. Orders are placed for 2 Il-96Ms.

I. V. Nagorny is director and his organization continues to operate as before, providing trunk and regional services throughout Siberia and to Moscow and other destinations in the new CIS.

Enplanements total 3,415,101.

Continuing to fly from Khabarovsk Airport in **1993** and provide regional domestic services as part of the Far Eastern Detachment of **Aeroflot Russian International Airlines (ARIA)**, the company will soon gain its independence and become the parent of many of the airlines operating from Khabarovsk. Igor N. Spichenko is now general manager and revenue services are operated with a mixed fleet of 8 Antonov An-24s and An-26s, 8 Tupolev Tu-154A/B/Cs, and 14 Ilyushin Il-62Ms.

Due to the country's uncertain economic situation, passenger boardings decline 33.2% to 2,563,890 while freight traffic falls 28.2% to 675.5 million FTKs.

Operations are continued to East Siberian destinations in **1994**. Aerial work is undertaken in the area employing a fleet of Mil helicopters. The company also flies scheduled services from the Far East to Anchorage and other points in Alaska, complementing the flights offered by **Alaska Airlines**.

Customer bookings decline again, dropping by 29.8% to 1.8 million. Cargo, on the other hand, recovers, growing by 18.7% to 801.8 million FTKs.

The radar station at Sovetskaya Gavan is destroyed by a hurricane in November **1995**. Partially as a result, the worst of 17 CIS fatal accidents this year occurs on December 7. While en route from Yushno to Khabarovsk, the company's Flight 3949, a Tu-154B with 8 crew and 89 passengers, disappears. The aircraft's wreckage is found 11 days later at a point 50 km. W of Grossevidchi, near Tartar Strait; there are no survivors.

Enplanements are off again this year, down 29.4% to 778,200. Freight carriage also drops, falling 23.3% to 54.18 million FTKs.

The company's fleet in **1996** includes 19 An-24s, 10 An-26s, 22 Il-62Ms, and 25 Tu-154A/B/Cs. Orders are outstanding for 2 Il-96Ms. Passenger boardings plunge 25.9% to 576,650.

On May 7, **1997**, an Mi-8 with five aboard crashes three km. from Katen village, near Khabarovsk (one dead). A search-and-rescue helicopter picks up the survivors the next day.

Following a safety incident in Seattle late in the year, inspectors from the FAA find that the company is still flying on Aeroflot's operating certificate, having failed to obtain its own from the U.S. A temporary permit is issued as Washington protests the situation.

Customer bookings fall another 11.4% to 511,000.

Service is maintained in **1998** with the matter of the company's operating certificate satisfactorily resolved. Another horrendous traffic year, passenger boardings drop 21.2% to 393,000.

In January **1999**, the carrier is renamed **Dalavia**.

DAKONO AIR: 9 Bolshoi Sawinsky per 9, Moscow Zone, 121019, Russia; Phone 7 (095) 248-0740; Fax 7 (095) 248-0690; Code DCA; Year Founded 1993. DA is established at Moscow on May 20, **1993** to offer ad hoc passenger and cargo charters to destinations in Europe, Asia, and the Mideast. General Director F. D. Zolotarev begins services in April **1994** with a fleet of 3 Yakovlev Yak-42s and 1 Ilyushin Il-76TD.

One Yak-42 is removed and another Il-76TD is acquired in **1995** and flights continue in **1996–2000**.

DAKOTA WEST AIRLINES: United States (1974–1975). DWA is set up at Rapid City, South Dakota, in **1974** to provide scheduled daily Cessna lightplane passenger roundtrips to Minneapolis (MSP) via Brookings. Flights continue until September **1975**, when the company goes out of business.

DAL AIRLINES: United States (1963–1968). Ted C. Connell forms DAL at Killeen, Texas, in **1963** to provide Beech 18 shuttle service for military personnel stationed at Fort Hood. Permission is received in the summer of **1966** to inaugurate regularly scheduled passenger and cargo services; daily roundtrips commence on August 18 to Dallas and Defidder.

When competing **Hood Airlines** fails in late **1967**, Connell purchases that carrier from bankruptcy proceedings. He then merges DAL into the larger operation and on May 23, **1968**, the amalgamated entity emerges not as DAL Airlines but as a new, stronger **Hood Airlines**.

DALAVIA: Russia (1999–2001). **DAK Far Eastern Aviation (Khabarovsk United Air Detachment)** is renamed in January **1999**. Pavel Sevastyanov is Managing Director and his fleet includes 13 Antonov An-24Bs, 7 An-24Vs, 8 An-26s, 2 An-26Bs, 22 Ilyushin Il-62M, 2 Tupolev Tu-154s, and 20 Tu-154Bs. Orders are outstanding for 2 Tu-204-100s.

As part of its continuing effort to find or augment domestic partners and to develop its presence in the Russian Far East, **Aeroflot Russian International Airlines (ARIA)** Managing Director Valery Okulov travels to Khabarovsk on May 7. There, he and Managing Director Sevastyanov sign a strategic agreement. Under its terms, the two begin to jointly operate their fleet and ground facilities in the area, create a common pool of spare parts, stockpile kerosene fuel, and train both flight and ground personnel.

Scheduled destinations, many flown in code-share with ARIA, include Adler/Sochi, Aomori, Chita, Ekaterinburg, Irkutsk, Kiev, Krasnodar, Mineralnye Vody, Moscow, Niigata, Novosibirsk, Okhotsk, Omsk, Petropavlovsk Kamchats, St. Petersburg, Tashkent, Utan-Ude, Vladivostok, and Yuzhno Sakhalinsk. Occasional charters continue to be flown to the U.S. and Canada.

It is reported on March 21, **2000** that the airline may, in fact, become the first customer to take delivery of the new Tu-214-100 (Tu-204-200).

On April 30, Tu-154B service is resumed from Khabarovsk to Aomori, Japan. Flights to Guangzhou begin on May 20.

It is reported on July 21 that the company will lease a pair of Tu-214s in April and September of 2001, although construction of neither plane is as yet completed. The 8-year, \$62-million charter arrangement calls for the airline to pay a substantial amount up front to assist KAPO and ANTK Tupolev to complete assembly of the aircraft, but if all goes as planned, the aircraft will be owned by the airline in 2008. Funding is handled by a regional government guaranteed leasing structure managed by the Financial Leasing Company. Dalcombank establishes a Dal-Com-avia deposit account product, solely for construction of the aircraft. Deposits will be accepted from individuals, who will receive airfare discounts from Dalavia of 10%–50%, depending on the size of their deposit.

The first Tu-214 is completed in late October. On November 14, it is flown to China via Khabarovsk on its first long-haul flight. Aboard are Dalavia Director General Pavel Sevastyanov, ANTK Tupolev Director General Vasily Alexandrov, KAPO Director General Nail Khairullin, and the plane's chief designer, Yuri Vorobyev.

Twice-weekly An-24 return service is initiated on November 23 from Khabarovsk to Jiamusi, the second largest city in Heilongjiang province after Harbin. Previously flown by **China Northern Airlines Company, Ltd.**, the route had been closed three years earlier. Dalavia will be expanded on April 1, **2001** by the inclusion of **Nikolaevsk-NA-Amur Air Enterprise and Vostok Airlines**; on May 4, the three will be combined, effective August 1, into **Khabarovskavia**.

DALLAS EXPRESS AIRLINES: United States (1994–1996). Dallas Express is founded at Dallas (DFW) in the spring of **1994** to provide feed for **Southwest Airlines**. Revenue operations commence in May with a single Beech 1300. The company suspends operations in September, having transported a total of 4,000 passengers since start-up.

Work is begun on a restructuring of the company that will allow a resumption of services the following March 1. Although resumption occurs on schedule, it is not fiscally successful and the airline shuts down for good in January **1996**.

DALMIA-JAIN AIRWAYS, LTD.: India (1946–1953). In July **1946**, the **Indian National Airways, Ltd. (INA)** is acquired by **Dalmia-Jain, Ltd.**, and renamed Dalmia-Jain Airways, Ltd. The carrier, which has

pioneered named services in India, simultaneously inaugurates Khyber Indiaman flights from Delhi to Peshawar via Lahore and Rawalpindi. As the summer progresses, the company's southern route from Delhi via Allahabad, Nagpur, Hyderabad, and Bangalore, to Madras, is turned over to the new **Deccan Airways, Ltd.**

When India and Pakistan are partitioned, direct Lahore–Ahmedabad service is abandoned in June 1947. The first of six previously ordered Vickers Viking Mk.1Bs is delivered to company representatives at England's Heston airfield on August 8 and is christened *Jumna*. In November, the Calcutta–Rangoon service halted by INA in 1942 is restarted.

The remainder of the Viking Mk.1Bs joins the fleet in 1948, along with a pair of Bristol 170 Wayfarers.

A Vickers 604 Viking 1B, with 4 crew and 15 passengers, is lost at Monte Cardo, France, on March 27; there are no survivors. A Vickers 604 Viking 1B with 4 crew and 19 passengers is involved in an accident at Palem Airport, New Delhi, on October 8; although the aircraft must be written off, there are no fatalities.

In cooperation with **Deccan Airways, Ltd.**, Dalmia-Jain assumes responsibility for operation of the nation's night-airmail services from **Indian Overseas Airlines, Ltd.** for three weeks, beginning on June 10, 1949. Monsoon rains cause the operation to be suspended on June 30.

As the result of proving flights on the northern borders, service to Srinagar, capital of Kashmir and a popular vacation destination via Amritsar and Jammu, is begun in July.

In February 1950, the government of India establishes an Air Transport Inquiry Committee to review the industry.

A DC-3 with 4 crew and 18 passengers suffers a wing failure in turbulence on July 17 and crashes 6 mi. SE of Patharkot, Nepal; there are no survivors. Another Douglas transport has the unenviable task of opening an airtail to the garrison town of Leh on the Indus River, 11,000-ft. up in the mountains.

The first commercial service into Nepal, a route from Calcutta to Katmandu via Patna, begins in 1951.

As the result of parliamentary study, an Air Corporation Bill is passed calling for the nationalization of all Indian airlines.

On August 17, Pakistan bars the company from making flights over Pakistan to Afghanistan.

New Delhi to Karachi service is cut on September 15 because of a gasoline shortage. India–Afghanistan service via Iran is started on November 24, as the airline detours around Pakistan.

A DC-3 is held on the ground at Karachi on December 5 when it is refused refueling. Katmandu, Nepal, becomes a hub on December 23.

A DC-3 with three crew aboard stalls on its climb from Bagdogra on February 8, 1952, and is brought back down; although the damaged plane must be written off, there are no fatalities.

The Air Corporation Bill receives presidential assent on May 28, 1953 and the process of state takeover results in the formal creation of the **Indian Airlines Corporation** on August 1.

DAMANIA AIRWAYS, LTD.: India (1993–1995). Founded by 33-year-old agri-businessman Pervez Damania at Bombay in early 1993, Damania is capitalized at \$8.3 million and equipped with two each Boeing 737-2K9As and B-737-282As leased from **TAP-Air Portugal, S.A.** Daily revenue operations of “the businessman's airline” commence in May to Calcutta, Bangalore, Goa, Poona, and Indore.

Another “Baby Boeing” is received from Lisbon in November. Also, in November and December, an Rs 100-million (\$3.2-million) stock offering is made to raise funds with which to continue expansion; this fiscal move marks the first time that airline shares are traded on the Indian stock market and it is oversubscribed by 10 times.

During its first 7 months, Damania transports a total of 444,692 passengers. Revenues are \$63 million and allow a profit of \$4.5 million.

In January 1994, Chairman/Managing Director Damania employs 34 pilots, 866 other workers, and operates 12 services per day from Bombay, including 2 each to Bangalore, Goa, Delhi, Calcutta, and Poona, the

latter with a newly received Beech 18. Additionally, a daily roundtrip is offered to Indore.

In April, the new Civil Aviation Ministry secretary, K. Padmanabhaiah, who is also joint chairman/CEO of **Air India, Ltd.** and **Indian Airlines, Ltd.**, begins a crackdown on safety violations. Cited for technical violations of safety regulations, Damania is ordered to stand down for the month of April, but the order for its service suspension is withdrawn after a week. In May, alcohol service is banned on all Indian domestic service.

Damania announces on July 5 that it will raise \$21 million in capital markets to cover the lease of 3 additional B-737-200s, plus smaller aircraft with which to launch a feeder network in western India.

In October, the airline becomes the first in India to avail itself of a new government-created opportunity to import its own oil. To save almost half of its annual cost, the carrier buys an export license on the open market and signs an 8% fee and royalty arrangement with India Oil Corporation, Ltd. for the delivery and storage of the precious product.

Traffic figures are not released, although it is reported that a \$900,000 profit is earned. That announcement is incorrect as the company has, since July, lost Rs 40 million (\$1.27 million).

On May 22, 1995, the company is taken over by **NEPC Airways, Ltd.** and renamed **Skyline NEPC, Ltd.**

DAN AIR/DAN AIR SERVICES, LTD.: United Kingdom (1953–1992). The charter carrier **Dan Air Services, Ltd.**, is formed in March 1953 at Southend by shipping brokers Davies and Newman, Ltd., later Davies & Newman Holding plc, and this corporate air transport division is registered as an airline on May 21; initial capitalization is £5,000.

Douglas DC-3 revenue operations begin with an ad hoc charter to Shannon via Manchester in June with the Douglas acquired from **Meredith Air Transport, Ltd.** Nonscheduled package holiday flights (later known as inclusive-tours) are undertaken during the remainder of the summer from Southend to Calvi, in Corsica.

Enplanements total 4,243.

A second DC-3 is purchased in February 1954 and flights are started to Biarritz, Ostend, Paris, and Pisa. Three Avro York I freighters are obtained in July.

The base of operations is moved to Blackbushe Airport, southwest of London, in January 1955, the same month in which the Yorks begin long-range freight charters to Africa and Asia.

Two more York Is are bought from **Air Charter, Ltd.** in 1956 in order to fulfill an Air Ministry contract for the carriage of stores from RAF Lyneham–Singapore.

In June, the first scheduled (summer-only) DC-3 service is initiated, Blackbushe–Jersey. Between November 16 and December 14, the company's 2 DC-3s make 11 roundtrip flights to Austria, taking over medicine and bringing to England 350 refugees of the Hungarian Revolution.

To supplement the Douglas transports on the Jersey run, a de Havilland DH 114 Heron 1B is leased for six months from **Overseas Air Transport, Ltd.** in June 1957, the same month a Bristol 170 Mk. 31 Freighter is acquired to service additional government contracts awarded during the year.

The final DH 114 Heron 1B service is completed in January 1958. Another Bristol Freighter is delivered on March 31, leaving the next day on a cargo flight to Gibraltar.

May is disastrous as two transports are destroyed in crashes. An Avro 685 York I freighter, with three crew, is destroyed in a hard landing at Luqa Airport, Malta, on May 20; there are no fatalities. Five days later, a second York with five crew is less fortunate when it crashes at Gurgaon, India, on an all-cargo service (four dead).

A two-year **British European Airways Corporation (BEA)** all-cargo replacement contract is received in 1959 for the state carrier's London (LHR)–Glasgow (Renfrew) via Manchester night freight route; the first flight is made by a DC-3 on May 25–26 and Yorks will later be added to the service.

Although the government's Singapore contract is concluded, it is replaced by one for the transport of the *Black Knight* rocket to its Australian test range. Twelve days are required to deliver the cargo to the Woomera site. Consequently, a third Bristol Freighter is purchased in July to begin the service.

Earlier in the year, a Bristol is converted to a passenger-carrying Wayfarer configuration and is employed with the DC-3s in operating inclusive-tour flights from London (LGW), Manchester, and other local destinations.

Three Airspeed AS.57 Ambassadors are purchased from the Australian airline **Butler Air Transport, Ltd.** in November; they are the company's first pressurized airliners.

In January 1960, two DH 104 Dove 1Bs are acquired, entering service at the beginning of the second quarter. During the spring, several additional BEA scheduled freight contracts are awarded.

In June, Yorks begin flying cargo from London (LGW) to Brussels, Milan, and Rome on behalf of **British European Airways Corporation (BEA)**. Meanwhile, the first Airspeed Ambassador enters company service on March 15; it will be joined by the other two in offering package holiday flights from London (LGW) for the summer season.

After taking over management of Luisgate airfield south of Bristol, the company is allowed to commence scheduled services in April from that point to Liverpool and in May, from Cardiff and Bristol to Jersey. Elsewhere, base operations are transferred from Blackbushe to London (LGW) as of May 31.

Two new routes, one international, are started on July 16: Cardiff and Bristol to Basel and Liverpool to Plymouth via Cardiff and Bristol. A significant increase in inclusive-tour flights occurs during the summer.

A DH Dove 1B extends the Liverpool end of the Plymouth–Liverpool route thrice weekly to Newcastle on January 4, 1961. **Scottish Airways, Ltd.**, its routes and lone DC-3, are acquired in March from Scottish Aviation at Prestwick and merged; an Ambassador is purchased at the same time.

A Bristol 170 inaugurates the ex-Scottish Prestwick–Isle of Man service on May 27. During the summer, scheduled flights to the Isle of Man are also started from Bristol, Cardiff, Exeter, Plymouth, Staverton, and Swansea. A Liverpool–Newcastle–Dundee frequency is initiated on July 7.

Liverpool–Rotterdam scheduled service is inaugurated in January 1962. Another Ambassador is added in April while a York I is eliminated in November. Bristol and London (LGW) to Ostend flights are also undertaken.

During the winter, **British European Airways Corporation (BEA)** places Argosies on its freight routes, thus ending the need for Dan-Air, Ltd.'s replacement York services.

Two of the last three company York Is are sold in February and May 1963. Another Ambassador is delivered in February and a DC-3 and a DH 114 Heron 1B are received in May, the latter replacing the Dove 1Bs on the Plymouth–Newcastle multistage route on September 18. One of the DH 104s is sold in October. Charter work is now handled almost exclusively by AS.57s and DC-3s.

Enplanements for the year total 115,215 (35,735 scheduled).

One of the three Bristol 170s is sold in January 1964 and the last York I is withdrawn in April, the same month in which the one and only DH 114 Heron 2B is received. Racehorse transport becomes a Bristol specialty and a full slate of tour flights is laid on during the summer.

In the first quarter of 1965, two DC-4s are chartered for six months from Trans World Leasing. The last Dove 1B is sold in February.

During the year, three unprofitable scheduled routes are dropped: Teesside–Cardiff via Chester; Cardiff–Amsterdam via Bristol; and Bristol–Plymouth. With the Heron 2B no longer needed to service these routes, it is sold in September; the DC-4s exit in October.

To replace the returned DC-4s, a DC-7BF is purchased in March 1966 and placed on all-cargo charters to Africa, the Mideast, and Asia.

A chartered Airspeed AS.57 Ambassador 2 with 4 crew and 55 passengers is destroyed on April 14 as the result of a bad landing on a wet runway at Beauvais, France; there are no fatalities. The company's Piper

PA-23 Apache training aircraft is destroyed in a Godalming crash on September 1 (two dead).

In October, the carrier purchases three de Havilland DH 106 Comet 4s from **British Overseas Airways Corporation (BOAC)**; two of the aircraft have been on hand since May 9 undergoing alterations. When the Comets enter nonscheduled passenger service during the winter, they automatically make Dan-Air, Ltd. the third British jetliner operator. Over the next 14 years, the carrier will come to operate more than half of all Comets manufactured.

A third ex-**British Overseas Airways Corporation (BOAC)** Comet 4 is delivered in April 1967, followed by a fourth in October. Meanwhile, in May, Isle of Man to Swansea and Carlisle scheduled flights commence. Two Airspeed Ambassadors are withdrawn during the year.

Completing a training flight, an Airspeed AS.57 Ambassador 2 with two crew is destroyed as the result of a bad landing at Manston on September 30, 1968; there are no fatalities.

Two DC-3s are also disposed of during the year. When **British Eagle Airways, Ltd.** fails in November, Dan-Air, Ltd. scrambles to pick up that carrier's next year's contracts with the travel agents Everyman Travel and Lunn-Poly.

Early in 1969, the contracts are awarded and to provide capacity, the airline now purchases two more Comet 4s and a pair of former **American Airlines** BAC 1-11-401AKs. The latter are placed into service in March from a base at Luton Airport, north of London.

In May, the **British Eagle Airways, Ltd.** London (LGW)–Newquay route is taken over; the route will prove unprofitable and will be suspended later in the year. The final DC-7BF service is completed in June, after which the freighter is sold.

The first transatlantic charter is flown in October when a Comet 4 takes an inclusive-tour from London (LGW) to Port of Spain, Trinidad. Additional fleet changes include the acquisition of five more Comet 4s and a BAC 1-11-301AG and the withdrawal of the DC-7BF freighter. The BAC 1-11-205 *Stalwart* is purchased from **British Eagle International Airways, Ltd.** on October 14.

Passenger bookings reach 509,025; airline employment stands at 800; and a £200,000 profit is reported.

The fleet at the beginning of 1970 includes 11 Comet 4s and 4 BAC 1-11s; the last Bristol 170 is sold in February. The former **British Eagle International Airways, Ltd.** BAC 1-11-205 *Superb* is acquired in March.

As a replacement for its last DC-3, a Nord 262 is purchased from **Air Ceylon, Ltd.** in June; following upgrade and crew training, it is placed in service on the Newcastle–Bristol via Liverpool and Cardiff route on July 22. At this point, the French-made machine is the only one of its type on the British civil aircraft register.

Meanwhile, on July 3, the carrier's first major fatal accident occurs. En route from Manchester to Barcelona with 7 crew and 105 tourists, a chartered Comet 4 is believed to have crashed into the sea 18 mi. NE of Barcelona with no survivors. In fact, the wreckage is found in the Montseny Mountains near Gerona, 32 mi. N of Barcelona on July 4. The outcome, however, is the same: no survivors.

On July 6, weekend Newcastle–Carlisle–Isle of Man AS.57 services begin and the final DC-3 service is completed in September. Arriving on a training flight from Newcastle on October 7, a DH 106 Comet 4, with four crew and five passengers, mistakenly makes a wheels-up landing at Woolsington; although the aircraft is damaged beyond repair, there are no fatalities.

On October 29, the U.S. Civil Aeronautics Board grants charter rights from the U.K. to the U.S. To promote the forthcoming American service, a joint marketing arrangement, Dan-Air International, is formed in cooperation with CPS Aviation Services.

On January 1, 1971, the company purchases the Boeing 707-321 *Clipper Splendid* from **Pan American World Airways (1)**. It enters service on the new transatlantic affinity group flights at the end of March, the same month in which two DH 106 Comet 4Cs are acquired. The de Havillands are used on charter flights to the Greek and Canary islands.

On May 1, the Avro 748-200 prototype is delivered; it is dispatched to Newcastle to replace the Nord 262 on the Bristol run.

The last AS.57 flight is made Jersey–London (LGW) on September 26 and thereafter the type is retired and withdrawn from the Dan-Air, Ltd. fleet as of November, the same month in which an Avro 748-226 is delivered. A BAC 1-11-414, first flown by **Bavaria Fluggesellschaft, mbH. & Co.**, is acquired on December 21.

Following its last revenue flight on January 26, 1972, the Nord 262 is withdrawn and in February it is sold to the French operator **Rousseau Aviation, S.A.**

On February 11, competitor **Skyways International, Ltd.** is purchased from Sterling Industrial Securities for £650,000. The arrangement is completed on April 12 and includes four older Hawker Siddley HS 748-100s that are allowed to continue the Skyways Ashford–Beauvais coach-air service under the title Dan-Air Skyways, with a modified green and red livery.

During February and March, **Channel Airways, Ltd.**'s four Comet 4Bs are purchased. Simultaneously, the failed Berlin-based charter carrier **Orientair** is acquired along with its contracts for nonscheduled Tenerife flights.

Dan-Air, Ltd. now inaugurates a number of new (including some inherited) "Link City" scheduled routes: London (CTN)–Leeds–Glasgow on April 11; Bournemouth–Newcastle via Birmingham, Liverpool, and Manchester on April 10; Swansea–Jersey and Newcastle–Jersey via Carlisle on May 27; and London (LGW)–Berne on June 5. Meanwhile, in May, a second B-707-321 is received from **Pan American World Airways (1)** and an Avro 748-232 is added in June.

Skyways International is completely absorbed by early 1973.

In March, three B-727-46s, purchased from **Japan Air Lines Company, Ltd. (2)** in 1972, are delivered, making Dan-Air, Ltd. the first British operator to fly this American type. The premier trijet revenue flight is made on April 13, Manchester to Alicante; also during April and May, six Comet 4s are withdrawn and two Comet 4Bs are added. By summer, all three Boeings are in service on the tour routes, including the planned ex-**Orientair** operation to the Canary Islands with a Berlin-based machine equipped with long-range fuel tanks.

In August, a £1.7-million contract is signed with C.P.S. Jetsave for next year's transatlantic charters to Calgary, Vancouver, Toronto, as well as Trinidad and Barbados. Other new routes opened are from Teesside to Amsterdam, from London (LGW) to Clermont Ferrand and Montpellier, from Newcastle to Bergen, and from Ashford to Jersey.

Four more Comet 4Bs are received in October along with a Comet 4C; three of the five will never enter service. In November, the final Comet 4 service is completed and the aircraft is withdrawn.

Passenger boardings for the year rise 26%, surpassing two million (2,217,000), while cargo traffic skyrockets by 64%.

The workforce in 1974 totals 2,298.

With the delivery of two additional B-727-46s in April, a new color scheme is introduced. On April 20, scheduled Comet 4 service is initiated London (LGW)–Newcastle and, on May 20, a pooled HS 748 London (LGW)–Ostend scheduled route is flown with **Sabena Belgian World Airlines, S.A.** Inclusive-tour flights are inaugurated from Berlin to the Canary Islands and scheduled service is started from London (LGW) to Newcastle and Bristol, continuing on to Amsterdam.

The airport at Ashford is closed on October 31, requiring movement to nearby Lydd.

Passenger traffic climbs 4% to 2,258,000. Total employment is 2,000 and at the year's end the fleet numbers 33 aircraft.

During the first quarter of 1975, four ex-**Court Line, Ltd.** BAC 1-11-518FGs are acquired, together with two BAC 1-11-207AJs, the last two purchased on March 29 from **Zambia Airways Corporation**. Five former RAF Comet 4Cs are also taken over by the company, converted at Lasham, and placed into service on inclusive-tour operations. In March, Liverpool is dropped from the route network, effectively ending service to Amsterdam. During the year, two Vickers Viscount 700s and an 800 briefly join the fleet.

On May 24, an Avro 748, based at Aberdeen, inaugurates service to Isle of Man while simultaneously, London (LGW)–Isle of Man flights also begin. During the year, all-cargo night flights are started from London (LGW)–Belfast. A BAC 1-11-509EW is delivered in October, the same month in which the Viscount 800 is withdrawn. The two Viscount 700s depart the fleet in December.

Enplanements for the year jump 13% to 2,507,000. Freight traffic is off by a huge 98% to 31.71 million FTKs.

Employment is increased by 9% in 1976 as the workforce is increased to 2,365.

On January 6, HS 748 Cardiff–Glasgow via Leeds scheduled service is inaugurated. An advance booking U.K. to Africa charter service is begun and the fleet continues to grow as 2 B-707-320Cs, 1 used B-727-100, 1 used BAC 1-11-500, and 8 HS 748s are added.

On behalf of International Weekend, Inc., B-707-321 London (LGW)–Boston charter flights are flown weekly and biweekly between March and November. In a public ceremony on October 28, the Lord Mayor of Newcastle-upon-Tyne christens one of the BAC 1-11-207s *City of Newcastle-upon-Tyne*.

Passenger boardings climb 14% to 2,845,734. Freight traffic skyrockets an almost unbelievable 980% to 60.2 million FTKs.

Operations continue apace in 1977–1978. To fly contracts in support of the growing North Sea oil industry, a base of operations is established at Aberdeen, Scotland, to which 14 HS 748s are assigned for the delivery of workers and supplies to Scatsa and Sumburgh. During this period, HS 748 and BAC 1-11 scheduled service is inaugurated from London (LGW) and Newcastle to Berne, Switzerland.

A Vickers Viscount 810 is acquired in January 1979. Two more One-Elevens are acquired during the first quarter, including a former **Bavaria Germanair Fluggesellschaft, mbH. & Co.** DASH-515 and the **British Caledonian Airways, Ltd. (BCAL)** DASH-501 *Isle of Arran*.

On July 1, the company joins the Royal Mail program known as "Spokes from Speke," flying an Avro 748 each night from Newcastle to the sorting hub at Liverpool's Speke Airport and back to Newcastle for distribution.

On July 31, a chartered HS 748-1A, with 3 crew and 44 passengers, fails to become airborne on takeoff from Sumburgh, Shetland Islands, and crashes into the sea 50m. offshore (17 dead). Speculation is that the elevator gust-lock reengaged, causing the crash.

While on final approach to London (LGW) on September 5, a B-707-321 pitches down to –100 degrees in 5 seconds from an altitude of 800 feet; the accident occurs at such a low altitude that there is no in-flight explosion, despite disintegration of its fuel-laden wing.

Removal of the Comets, whose final service was operated the previous October, commences in 1980 as Dan-Air/Dan-Air Services, Ltd. begins in March to take delivery of the first of 10 Boeing 727-200s.

While on initial approach to Tenerife after an April 25 flight from Manchester, Flight 1008, a B-727-64 with 8 crew and 138 passengers, passes the final point (FP) beacon, but continues on to crash into a mountain in the Esperanza Forest; there are no survivors. A mass funeral for 121 victims of the tragedy is held in Manchester on May 12.

The first of 10 B-737-200s arrives in October and the last of 9 Comet 4Cs operated since 1971 is withdrawn in November 9 following a celebration trip made by 119 passengers from Gatwick Airport.

In 1981, routes and frequencies of scheduled services are maintained as additional inclusive-tour and charter destinations are added, along with the remainder of the new B-727-200 equipment. The Viscount 810 is withdrawn in April.

While descending on a flight from London (LGW) to East Midlands on June 26, an HS 748-2A freighter, with three crew, suffers the loss of its right-hand rear door, which strikes the horizontal tailplane. Out of control, the plane dives to earth, losing its wings in the process; there are no survivors.

On September 30, the last Comet 4C, withdrawn in late 1980, is flown from Lasham to East Fortune, Scotland, where it will serve as a static

airport display. Three BAC 1-11-531s, the *Poa*, *Chirripo*, and *Arenal* are purchased from **LACSA (Lineas Aereas Costarricenses, S.A.)**.

Chairman F. E. F. Newman and Managing Director A. J. Snudden oversee a 3,300-employee workforce in 1982.

The former **Laker Airways, Ltd.** route from London (LGW) to Zurich is taken over in February. The carrier also purchases Laker's 50% stake in Gatwick Handling, Ltd., adding it to its own 50% share and making the service company a fully owned subsidiary.

A BAC 1-11-515 is leased on March 1 to **British Caledonian Airways, Ltd. (BCAL)**. Graham Hutchinson becomes managing director at the end of the year.

Orders are placed in 1983 for British Aerospace BAe 146-100 jetliners. A BAC 1-11-401 is sold to Westinghouse Electric on February 3 for use as an executive transport. It is replaced by a pair of former **Air Manchester, Ltd.** BAC 1-11-416s chartered from their manufacturer.

When the BAe 146-100s begin to arrive in May, they take over the HS 748 services from London (LGW) to Berne and from Newcastle, Cardiff, and Bristol to Amsterdam. At this point, one of the two BAC 1-11-416s is returned. Passenger traffic for the year totals 3,495,000.

Invited in by the Saarland government, the carrier inaugurates scheduled BAe (HS) 748 flights between Saarbrücken and West Berlin on January 9, 1984, taking over from **TAT (Touraine Air Transport S.A.)**.

The number of employees jumps 4.5% to 2,953 and the fleet comprises 48 aircraft, including 9 B-727-200s, 19 BAe (BAC) 1-11s, 9 BAe (HS) 748s, 6 B-737-200s, and 3 BAe 146-100s. An order is placed for a B-737-3Q8 and, on March 28, a BAC 1-11-525 is leased from **TAROM (Transporturile Aeriene Romane, S.A.)**.

Freight traffic accelerates 41.7% to 2.3 million FTKs as enplanements skyrocket 24.2% to 4.6 million. The year's net profit is \$4.6 million.

During the winter of 1985, BAe 146-100 charter flights are inaugurated to Innsbruck. New BAe 146 test services are flown from Berlin-Amsterdam via Saarbrücken. As one BAe (BAC) 1-11-400 is retired, one each Airbus A300B4-203 (leased from **Hapag-Lloyd Fluggesellschaft, mbH**), B-737-3Q8, and B-727-200A join the fleet.

Passenger boardings rise 8.9% to 5,007,000 and freight traffic skyrockets 85% to 4.28 million FTKs. Unfortunately, the net profit dips to \$1.58 million.

The workforce is increased by 7.6% in 1986 to 3,150.

During the winter ski season, BAe 146 charters are launched from the U.K. to Innsbruck, Chamber, and Berne.

In the spring, thrice-weekly scheduled service is inaugurated to the former. A second A300B4 to replace the first, is leased from **Hapag-Lloyd Fluggesellschaft, mbH**, and placed in service, and one HS 748 is retired.

In November, the company agrees to a U.K. Equal Opportunities Commission demand that it stop refusing to recruit male flight attendants. Customer bookings climb 6% to 5,309,000 and cargo jumps again, up 35.8% to 2.75 million FTKs.

The employee population is enhanced a further 3.8% in 1987 to 3,580 and the last BAC 1-11-400 is withdrawn in November. Passenger boardings rise 3.2% to 5,481,000 and freight climbs 8.2% to 2.98 million FTKs.

The workforce is cut 7.3% in 1988 to 3,320 and the fleet now includes 1 owned Airbus Industrie A300B4-203, 4 B-727-46s, 100s, 7 B-727-200s, 11 BAC 1-11-500s, 6 BAC 1-11-200/300/400s, 5 B-737-200s, 1 B-737-3Q8, 15 BAe 748-B2s, and 3 BAe 146-100s. Orders are outstanding for 1 B-737-3Q8, 2 B-737-4Q8s, 1 A300B4, and 1 BAe 146-300. The wholly owned subsidiary Sheawater Insurance Co., Ltd., is incorporated on February 22.

On September 10, 20 members of the Inverness Baptist community, led by Rev. William Freel, become involved in a debate with the airline, which has mixed up their bookings on a flight to London with connection to the Holy Land. Dan Air at day's end arranges a special charter that transports the group to London (LHR), where it is able to link up with other Baptists flying to Tel Aviv.

Class Elite business-passenger oriented scheduled service is launched to the sound of bagpipes in October over a route from London (LGW)

to Paris. Customer bookings move ahead by 6% to 5,804,000 and cargo climbs 28.2% to 3.82 million FTKs. Revenues total \$602 million and all-low profits of \$16.9 million (operating) and \$17.1 million (net).

The payroll is increased by 5.3% in 1989 to 4,135 and the fleet now includes 46 aircraft. Class Elite flights are initiated to Vienna in May and Berlin in July.

Passenger boardings increase 8.1% to 6,276,000, but freight climbs only a slight 0.7% to 3.63 million FTKs.

Company employment is cut by 5.4% in 1990 to 3,910. Business class is introduced on several routes, including new ones from London (LGW) to Vienna and to Berlin (Tegel Airport). Beginning in late June, the company contracts with **Virgin Atlantic Airways, Ltd.** to provide discount airfares within the U.K. for Virgin's arriving transatlantic passengers.

In July, Davies & Newman approach company-rescue specialist David James, who has saved 80 companies from bankruptcy, to take over its management and save the airline. James agrees to start work in November but, by October 18, the airline is 12 hours away from financial collapse. Notified of the situation while in Los Angeles, James flies back the same day and, overnight, is able to negotiate £40 million (\$72 million) in extended credit.

The final A300B4 is retired in October, the last of 10 B-727-100/200s is withdrawn in November, and in December, four-times-per-week service is initiated from Manchester to Göteborg, Sweden.

Customer bookings slide 6.1% to 5,892,000 and cargo drops by 4% to 3.48 million FTKs.

The employee population declines 45.7% in 1991 to 2,123 and the fleet now includes 2 BAe (BAC) 1-11-509EWs, 1 each 1-11-515FB, 1-11-517FE, and 1-11-520FN, 4 1-11-518FGs, 2 1-11-531FSs, 2 each BAe 146-100s and 146-300s, 1 each B-727-46, B-727-212, and B-727-2D3A, 2 B-727-217As, 1 each B-727-230A, B-727-264A, B-727-264A, B-727-276A, 2 B-727-277As, 1 each B-737-2E7A, B-737-2U4A, and B-737-210A, 2 B-737-3Q8s, 3 B-737-4Q8s, 3 BAe (HS) 748-B1s, and 3 BAe (HS) 748-B2s. Orders are outstanding for 2 BAe 146-300s, 3 B-737-4Q8s, and 3 B-737-4S3s. The B-727-46 is leased to **SAM (Sociedad Aeronautica de Medellin, S.A.)** in Columbia and one B-727-276A is chartered to **Sun Country Air Lines** in the U.S.

The demise of **Air Europe, Ltd.** will provide the opportunity for some expansion and, indeed, keep the older company from going under itself. Weekly flights are launched in January from Manchester to Innsbruck.

The Western response to Iraq's invasion of Kuwait, Operation Desert Storm, is unleashed at the end of the month. Scheduled traffic for the carrier declines by 35% and revenues are off by 60%. Still, income is generated at the beginning of February by the sale of the company's engineering unit to FLS Aerospace of Denmark for £27.5 million.

On March 1, daily service is inaugurated from London (LGW) to Amsterdam and from Manchester to Paris (CDG). By April, traffic is back to its 1990 level. Other scheduled markets are opened at Oslo, Brussels, and Gibraltar and a BAe 146-200 is leased during July.

In October, a £49.3 million (\$85 million) refinancing occurs. Recession and the Gulf crisis cause passenger boardings to plunge another 17.6% to 4,857,751 and freight falls 12.5% further to 3.05 million FTKs.

Airline employment in 1992 stands at 2,150.

In January, security guards must be called to maintain order on a company B-727-276A at Geneva after its captain agrees to delay departure with 140 passengers and wait three hours for 46 others caught in a traffic jam while returning from a horror movie festival.

Six weekly return flights begin on February 26 from London (LGW) to Stockholm (Arlanda Airport).

CEO David N. James becomes chairman on March 1 and is succeeded by **Cathay Pacific Airways (Pty.), Ltd.**'s former European general manager, John Olsen.

At the beginning of the summer schedule, orders are placed for six BAe 146-300s for delivery the following year. Meanwhile, two of the

new type arrive under lease and help to inaugurate the company's summer schedule.

On March 2, daily flights commence from London (LGW) to Athens. The Stockholm frequencies are doubled on March 29 and new daily Gatwick to Rome roundtrips commence on April 3. Six daily return flights from London (LGW) to Barcelona are started on May 5.

The Athens route is extended in June to Istanbul and Cairo while the last of five BAe 146-100s is withdrawn in July.

After two years of decline, the carrier is unable to maintain fiscal viability and, in late September, suspends its shares on the London Stock Exchange and begins looking for another rescue similar to the previous year's. Simultaneously, the last of 20 HS 748s first operated in 1971 departs the fleet.

Both **Virgin Atlantic Airways, Ltd.** and **British Airways, Ltd.** (2) review the company and, for the symbolic figure of £1 sterling, the company is purchased by British Airways on October 30. It is allowed to operate through the end of the year as preparations are made to turn its assets over to **British Airways Regional, Ltd.**

Customer bookings for the final year are down another 11.2% to 4,110,456, but cargo grows 10.4% to 4.06 million FTKs.

There is an unofficial website at <http://www.concentric.net/~mchallen/danair.htm>.

DANAIR, A.S.: Denmark (1971–1997). Danair, A.S. is formed at Copenhagen as Denmark's primary domestic passenger airline and as a consortium enterprise in February 1971. Shareholding is held by **SAS (Scandinavian Airlines System)** (57%), **Maersk Air, A.S.** (38%), and **Cimber Air, A.S.** (5%). The carrier itself does not actually fly any services, as they are scheduled by the partners, which supply both aircraft and flight crews as required. When operations begin on November 1, **SAS (Scandinavian Airlines System)** dedicates a Douglas DC-9-21, **Maersk Air, A.S.** a Boeing 737-2L9, and **Cimber Air, A.S.** a VFW-614. Chairman Frede Ahlgreen Eriksen and his 18 employees initially schedule flights to Billund, Esbjerg, Karup, Odense, Skrydstrup, Stauning, Sonderborg, Thisted, and the Faroe Islands.

Services continue apace in 1972–1974 with Aalborg and Aarhus added as markets. While **SAS (Scandinavian Airlines System)** continues to supply two DC-9-21s, **Maersk Air, A.S.** alters and increases its contribution by providing four Fokker F-27s. **Cimber Air, A.S.**, having deleted its VFW-614, contributes two Nord 262s.

Enplanements during the latter year are 506,698. The workforce in 1975 stands at 11. Passenger boardings rise a miniscule 1% to 511,816.

The fleet is realigned once again in 1976, this time to an all-jet configuration. Gone are the Fokkers and Nordes, replaced by two VFW-614s, a Boeing 737-2L9, and two more DC-9-21s. Customer bookings accelerate a handsome 17% to 627,636.

Enplanements in 1977 total 679,880 and jump by 8% in 1978 to 739,000. Operations continue apace during the remainder of the decade and throughout the 1980s.

During the early 1990s, Chairman Eriksen's workforce is reduced to nine. While there are no changes in the route, the contributed equipment is revised. **SAS (Scandinavian Airlines System)** still employs DC-9s, but adds McDonnell Douglas MD-80s and Fokker F.27s. **Cimber Air, A.S.** contributes Avions de Transport Regional ATR42s, while **Maersk Air, A.S.** provides Boeing 737-2L9s, Shorts 360s, and Fokker 50s.

By 1994, the contributed fleet includes one **SAS (Scandinavian Airlines System)** MD-80, one **Cimber Air, A.S.** ATR42-320, and one **Maersk Air, A.S.** Fokker 50.

Operations cease on September 30, 1995. All efforts to resume operations fail and the company is liquidated in 1997.

DANBURY AIRWAYS: United States (1980–1981). Danbury Airways is set up by John Dunning at Danbury, Connecticut, in 1980 to provide scheduled passenger and cargo services to New York (JFK and LGA). Although daily de Havilland Canada DHC-6-200 Twin Otter roundtrips are duly inaugurated, air traffic control (ATC) restrictions imposed in

the wake of the summer 1981 PATCO air traffic controllers' strike restrict the commuter's income and push it out of business.

DANISH AIR TRANSPORT, A.S.: P.O. Box 80, Vamdrup, DK-6580, Denmark; Phone 45 7558 3777; Fax 45 7558 3772; <http://www.daa.dk/dat>; Code DX; Year Founded 1989. DAT is established by former military pilot Capt. Jesper Rungholm at Copenhagen in 1989. With the assistance of several employees, a Shorts SC-7 Skyvan is imported from Thailand and employed to offer European all-cargo services. During the summer and on weekends, the aircraft is employed to fly sports parachutists.

A second SC-7 is acquired in 1990, as is a contract from **DHL Worldwide Express**. Managing Director Rungholm's company now flies general cargo, as well as such priority express as spare automobile parts. A Beech King Air 90 is purchased in 1991, allowing the inauguration of nonscheduled passenger charters. A Fairchild-Swearingen Metro II is leased in 1992.

A total of seven bases are established between 1993–1998, including four in Denmark, two in France, and one at London (CTN) in England. Revenue passenger and cargo flights are operated throughout Europe and into Africa and the CIS. DAT aircraft are reported from Reykjavik in the west to Alma Ata in the east and from the Kirkenes in the north to Dakar in the south.

With the addition of two Beech 1900Cs in 1994–1996, scheduled services are launched between Esbjerg, Aalborg, and Stavanger. Additional cargo contracts are undertaken on behalf of **DHL Worldwide Express**.

DAT operates one each Beech King Air 90 and Piper PA-23 Aztec from Kolding Airport at Vamdrup; a Beech 1900C and two Cessna 501 Citation Is from Billund; one each all-cargo configured Cessna 208 Caravan I and Shorts SC-7 Skyvan from Copenhagen; and one each Beech 1900C and Embraer EMB-120 Brasilia from Copenhagen.

At London (CTN), the carrier stations one each all-cargo configured Beech King Air 90 and Cessna 406 Caravan II, plus a Beech 1900C passenger-turboprop. A Skyvan freighter is stationed at Le Puy, France, while one each passenger-configured King Air 90 and Super King Air 200 are based at Montpellier.

A new Embraer EMB-120RT Brasilia enters service in January 1998. A second Brasilia is acquired on October 26; equipped with an oversized galley, it operates charters from the company base at Esbjerg. Two SAAB 340As are also acquired, but these are leased to **Aurigny Air Service, Ltd.** in early 1999.

An ATR42-430 is leased from **Cimber Air, A.S.** on July 1, 2000 and employed to operate replacement flights to Geneva on behalf of **Regional Airlines, S.A.**

DANUBE AIR, LTD.: Hungary (1990–1992). Danube Air is established at Budapest in March 1990. Laszlo Kurtos is named managing director of the charter operation, which is financed by the Austrian company IBU.S. and the FBO Viennair. A Let 410 is leased from **CSA (Czechoslovak Airlines)** and is employed to operate nonscheduled flights linking the carrier's base with Vienna.

Plans are made in early 1991 to offer scheduled services to Graz, as well as destinations in northern Italy, Romania, and Bulgaria. Unable to maintain viability in a time of recession, the carrier closes down in 1992.

DANZIGER LLOYD LUFTDIENST, GmbH.: Poland (1921–1923). As only Danzig-registered aircraft are allowed to fly over the League of Nations-administered "Polish Corridor," which separates Germany in the west from East Prussia, **Lloyd Luftdienst, GmbH.** affiliate **Lloyd Ostflug, GmbH.** forms this subsidiary for that purpose in late spring 1921. New Junkers F-13s are employed during the summer to initiate international service from Danzig (Gdansk) to Königsberg and Memel.

In the spring of 1922 the route is extended eastward to Riga via Kaunas and westward to Stettin, then on to Hamburg.

When the German parent becomes part of the **Deutscher Aero Lloyd, A.G.** conglomerate on February 6, 1923, its wholly owned Polish

associate is drawn in as well. Danziger Lloyd Luftdienst is joined with **Danziger Luft Reederei, GmbH.** in April to form **Danziger Aero Lloyd, A.G.**

DANZIGER LUFT REEDEREI, GmbH.: Poland (1919–1921). As only Danzig-registered aircraft are allowed to fly over the League of Nations-administered “Polish Corridor,” which separates Germany in the west from East Prussia, **Deutsche Luft Reederei, GmbH.** forms this subsidiary for that purpose in October 1919. In 1920, this carrier becomes the first noncharter member to join the International Air Traffic Association (IATA). On July 29, its single Fokker F-III launches international service from Danzig (Gdansk) to Königsberg and Memel. The route is extended to Riga and Reval in August.

When the German parent becomes part of **Deutscher Aero-Union, A.G.** on April 27, 1921, its wholly owned Polish associate joins as well.

On February 6, 1923, Danziger Luft Reederei is joined with **Danziger Lloyd Luftdienst** to form, effective in April, **Danziger Aero Lloyd, A.G.**, a component of the **Deutscher Aero Lloyd, A.G.** conglomerate.

DANZIGER LUFTPOST GmbH.: Poland (1921–1923). As only Danzig-registered aircraft are allowed to fly over the League of Nations-administered “Polish Corridor,” which separates Germany in the west from East Prussia, **Junkers Luftverkehr, GmbH.** forms **Danziger Luftpost** as a subsidiary for that purpose on February 26, 1921.

In the summer of 1922 international F-13 service is inaugurated from Danzig (Gdansk) to Königsberg and Memel. The route, which is the same as that flown by **Danziger Lloyd Luftdienst (DLL)**, is also extended to Riga and Reval in August.

In 1923, the two competing airlines (DLL is now **Danziger Aero Lloyd, A.G.**) come to operate the route, now extended, alternately, to Berlin. On October 22, DL is one of six small companies combined into the Junkers-sponsored Ost-Europa Union.

DAP AIRLINES. See **AEROVIAS DAP, S.A.**

DARDANEL A.O.: Cenakeray, Turkey; Year Founded 1997. Dardanel is established at Cenakeray in July 1997 as the air transport division of a frozen food company. Nonscheduled flights commence with a single leased Beech 1900C.

Two purchased Beech 1900Ds replace the chartered airliner in January 1998 and inaugurate daily scheduled services that link the company's base with Istanbul. Plans are made to inaugurate frequencies to Edremit and Ankara.

DARIEN AIRLINES. See **ADSA (AEROVIAS DARIENTAS, S.A.)**

DAS AIR CARGO (DAIRO AIR SERVICES, LTD.): ANA House, Aviation Court, Gatwick Road, Crawley, West Sussex, RH10 2RJ, United Kingdom; Phone 44 (1293) 540; 303; Fax 44 (1293) 551 545; http://www.dasair.com; Code SE; Year Founded 1983. This all-cargo carrier is formed by aviator Joseph C. Joy and his politically connected wife Daisy at Entebbe, Uganda, in 1983 to operate a freight service for the nation now freed of dictator Idi Amin and allow the import of badly needed products from Europe. The name is based on the corporate name **Dairo Air Services, Ltd.**, with “Dairo” being an acronym for Daisy and Roy. A Boeing 707-321C Stratofreighter is acquired by charter and an initial flight to London (LGW) is undertaken with a cargo of flowers, coffee, and minerals.

At London, Chairman Joy, who also serves as pilot, forms an association with local air-freight forwarder Andrew King and a DAS office is opened at Gatwick Airport. The one available avenue from the U.K. to Africa with a capacity shortage at this point is from London (LGW) to Entebbe via Lagos in Nigeria. For the next year, the Joys and King offer a weekly international roundtrip service with mixed cargo over this route, which is enriched by the need for supplies to support the growing Nigerian energy industry.

In 1985, King joins with Andrew Leslie to form ANA (“Andy and Andy”) Aviation Services, Ltd., which now receives a contract to manage and operate DAS Air Cargo, Ltd. and to act as its European sales agent and intrinsic U.K. partner. King becomes operations director.

Meanwhile, having also added a B-707-338C, Chairman Joy flies charter and scheduled cargo services linking London (LGW) with Accra, Entebbe, Kano, Lagos, and Port Harcourt. A long-standing, thrice-weekly contract sees the company's Boeings transport flowers from Nairobi to Rotterdam during the October to May flower seasons through 1986.

Regular freight services to Ugandan communities, including Entebbe (serving the capital, Kampala), as well as Nigeria and Kenya, begin in 1987. At the same time, the company begins a close working relationship with the Zimbabwe-based all-cargo carrier **Affretair, Ltd. (2)**. The B-707-338C is soon leased to the U.K. carrier **Anglo Airlines, Ltd.** That charter ends in 1989, when flights to Ghana begin.

In August 1990, the fleet is increased by a third through the addition of a B-707-379C and Philip Thompson is appointed commercial director. A U.S. office is opened at Houston, where DAS Air Cargo U.S.A. is established as a jointly owned independent company held by ANA Aviation Services, Ltd. and its Orlando, Florida-based director Terry Phipps.

In January 1991, weekly B-707F service is initiated from Sharjah, U.A.E., to Entebbe, with continuing service to Nairobi, Kenya. The newest Stratofreighter is, however, removed for financial reasons later in the year. Still, an office is opened in Orlando and sales agents are appointed in several other major U.S. cities. Reserved space cargo services from North America to London are provided, as part of a new cargo interline arrangement and under contract by **Virgin Atlantic Airways, Ltd.**

Scheduled service is initiated in 1992 to Gambia and Sierra Leone and former **Trans World Airlines (TWA)** executive James Milton is appointed to open a strategically important office at Washington, D.C.

While en route from London (LGW) to Port Harcourt on November 25, the B-707-321C, with three crew and one passenger, undershoots the runway at Kano by 5 km. while landing in a sandstorm; although the aircraft is damaged beyond repair, there are no fatalities.

The economic slowdown is dramatically reversed in 1993; business improves and a frequency is initiated to Djibouti. Chairman Joy and his partners oversee a workforce of 50 and 2 more aircraft are obtained, a B-707-369C replacement and a B-707-379C, the latter by lease. Destinations visited include London (LGW), Accra, Banjul, Entebbe, Free-town, Djibouti, Kano, Lagos, Nairobi, and Port Harcourt.

At the same time, interline agreements are executed with **Air U.K., Ltd., American Airlines, British Airways, Ltd. (2), Delta Air Lines, Trans World Airlines (TWA), United Airlines**, as well as **Virgin Atlantic Airways, Ltd.** Most importantly, DAS becomes African interline cargo partner for **Continental Airlines** and agrees to transship the American major's goods to that continent following their arrival at London. This arrangement supersedes the previous reserved space agreement with **Virgin Atlantic Airways, Ltd.** and allows **Continental Airlines** to promote DAS Air Cargo U.S.A. in America.

The company is voted “Best All Cargo Airline in 1993,” by *Air Cargo News*.

The company begins a program of diversification in 1994, with emphasis upon worldwide ad hoc operations throughout Africa and as far afield as the Caribbean. A large contract is received from the U.S. Army for the transport of goods to Guantanamo Bay, Cuba, from Antigua.

A Douglas DC-10-10 is ordered as frequencies commence from London (LGW) to Lusaka. Flights commence to Dubai on behalf of Sheikh Ahmed Bin Saeed Al Maktoum, chairman of **Emirates**. The wealthy airline leader, who owns over 600 thoroughbreds, pays for the transport of over 200 of these prize horses from London to Dubai for the warm winter season.

The chartered fleet in 1995 includes one each B-707-338C, B-707-351C, B-707-369C, and B-707-379C, plus the DC-10-30CF, which enters service in November.

Flights continue, linking Uganda with London, Dubai, Amsterdam, and points throughout sub-Saharan Africa. As has become a usual practice, the company increases its services to The Netherlands between May and September to four per week, transporting tons of fresh flowers to Rotterdam and Amsterdam.

Early in **1996**, a two-year all-cargo contract is signed with **Air Afrique, S.A.** Flights to Dubai are increased to thrice weekly.

Just after landing at Bamako after a June 30 all-cargo service from Niamey on behalf of **Air Afrique, S.A.**, a B-707-369C with four crew is hit by a powerful burst of wind during a rainstorm. The gust lifts the left wing, forcing the right wing to hit the ground and the Stratofreighter to veer off the runway. At this point, the right wing smashes into a bunker and separates from the fuselage. Although the aircraft must be written off, there are no serious injuries reported.

A total of 31.55 million tons of goods are flown during the year and revenues of \$59 million are generated.

Operations continue in **1997**. During the years, the B-707-379C operates weekly roundtrip all-cargo services, on behalf of **Air Afrique, S.A.**, from Abidjan and Dakar to New York (JFK). Business improves as a total of 44.02 million tons are delivered and revenues jump to \$67.5 million.

The fleet in **1998** includes 3 B-707Fs and 2 DC-10-30Fs. As of March 10, shipments of explosives are not accepted for DAS flights into Nigeria, while any arms, ammunition, or explosives going into Bahrain must have written authority from that country's interior ministry prior to forwarding. Flights to Kinshasa and Lubumbashi are inaugurated on March 11 via Ostend.

Service is started on April 23 to Doha via Bahrain while additional flights into Muscat are begun via Abu Dhabi.

Weekly roundtrip service to Monrovia and Freetown is restored on July 2. The company continues to provide scheduled all-cargo flights between Africa, Europe, and the Mideast through the remainder of the year and into the next.

At the beginning of **2000**, the 6-plane fleet of DAS continues to operate its network across 6 continents. Eight weekly DC-10-30F flights from London and Amsterdam to Africa and three to Dubai are offered.

Arriving at Entebbe, Uganda, after an April 30 service from London (LGW), a DC-10-30F carrying 50 tons of freight overruns the runway and plunges into the shallow waters of Lake Victoria, breaking into two pieces. Although no injuries are reported, the aircraft must be written off. It will be reported that the freighter, near maximum landing weight, could not stop on the rain-slick pavement and to avoid approach lights and ILS antenna, had steered left off the runway, but could not be halted before hitting the water.

In May, the weekly Stratofreighter return service from Johannesburg to Entebbe is doubled to twice weekly. On August 3, a DC-10-30F is chartered from **Skyjet, S.A.** wearing full Skyjet colors and DAS titles.

On October 2, DAS and the Tanzanian Chamber of Commerce step forward with an offer to purchase 30% stakes (the Uganda and Tanzania holdings) each in the failing **Alliance Airlines (African Joint Air Service)**, with DAS also bidding \$5 million to take over the 40% stake held by Transnet. The deal is conditional in that DAS must also be given traffic rights to the Alliance routes and the Alliance debt must be satisfied.

The DAS rescue effort collapses on October 10. With both Uganda and Tanzania having failed to pay their part of expenses, **South African Airways (Pty.), Ltd.** refuses to continue operating its Boeings for the partnership airline. Without lift, the company is forced to suspend all operations the same day.

On December 22, the company is licensed by the Ugandan Civil Aviation Authority to offer scheduled regional services from Entebbe. Although it is reported that flights will soon begin employing a single Douglas DC-9-41, no other details are available.

DAS DIRGANTARA AIR SERVICES: Jalan Angkasa, Kemayoran, P.O. Box 3308, Jakarta Pusat, Indonesia; Phone 62 (2) 180 93372; Fax 62 (2) 189 94348; Code DIR; Year Founded 1978. Based at

Jakarta, Dirgantara inaugurates nonscheduled charter flights in **1978** while awaiting receipt of a scheduled operating permit, which is forthcoming in **1979**. Scheduled services are started during the year in the West Kalimantan province on the island of Borneo. Many of the flights represent replacement services undertaken on behalf of **Merpati Nusantara Airlines**.

During the early **1980s**, the fleet grows to comprise 1 Fokker F-27J, 2 IPTN (CASA) NC-212-100 Aviocars, 2 Douglas DC-3s, 8 Britten-Norman BN-2 Islanders, plus 1 Bell 206B JetRanger helicopter. Destinations visited include Pontianak, Putusibau, Singkawang, and Sintang. As before, ad hoc charter and contract service flights are also made. Although Kalimantan services are maintained through the remainder of the decade, the fleet of President Makki Perdana Kusama's airline, the smallest in Indonesia, is altered.

Gone in **1990** are the Fokker and Douglas transports, replaced by two more Islanders and two more Aviocars. Standardization is still not arrived at as another F-27J is leased in **1991**.

While returning to Jakarta on June 25, **1992**, after being overhauled at Singapore, a IPTN (CASA) NC-212-100 Aviocar with three crew experiences engine problems and crashes at Kalimantan; there are no survivors. An Islander is retired later in the year.

Operations continue apace during **1993–1994** as the fleet is slightly changed to include 3 IPTN (CASA) NC-212-100s, 2 NC-212-200s, and 9 Islanders. During the latter year, employment totals 198 and a total of 200,000 passengers are flown.

Services continue in **1995–1996**. Just after takeoff from Banjarmasin on December 7 of the latter year, an IPTN (CASA) C-212-A4 Aviocar with 2 crew and 15 passengers develops engine problems. While attempting to return to its point of origin, the turboprop hits a gas factory 2 km. from the runway and crashes (16 dead).

President Kusama's fleet is increased in **1997** by 1 replacement Aviocar, 1 Douglas DC-3, and 8 Islanders. Numerous destinations throughout West Kalimantan are visited.

The national currency and economic problems that begin during the second half of the latter year in Southeast Asia have a devastating impact on the carrier. Traffic plunges, personnel are laid off, and aircraft are withdrawn. In the weeks after President Suharto's resignation on May 21, **1998**, it is reported that the airline is near collapse.

The company is able to avoid failure. It is, however, reorganized, with Makki Perdanakusuma becoming president.

The fleet in **1999–2000** includes 4 Aviocars. Scheduled destinations visited under Merpati's flight numbers include Balikpapan, Banjarmasin, Berau, Datadawai, Ketapang, Long Apung, Long Bawan, Nunukan, Pangkajene, Pontianak, Putussibau, Samarinda, Sampit, Sintang, Tanjung Setor, and Tarakan.

DASH AIR: United States (1983–1984). The Irvine-based **Air Irvine** is sold to new ownership in the spring of **1983**. It is reformed it given it a new name: Dash Air. From a base at Orange County's John Wayne Airport, the company inaugurates revenue services on June 1 employing a fleet of 3 Embraer EMB-110P Bandeirantes, 2 Shorts 360s, and 3 Piper PA-31 Navajo Chieftains. Destinations served include Fresno, Los Angeles, Monterey, Ontario, Orange County (Santa Ana), Palm Springs, San Francisco, and Santa Barbara.

A total of 48,465 passengers are flown on the year.

Early in **1984**, officials optimistically place an order for two Avions de Transport Regional ATR42s, with options on two more. Start-up and expansion costs in the tough California commuter market, however, lead the carrier into a bankruptcy filing on September 13.

DAT BELGIAN REGIONAL AIRLINE, S.A. See **DELTA AIR TRANSPORT, N.V.**

DAT WALLONIE, S.A.: Belgium (1991–1992). DAT Wallonie, also known as **Air Meuse, S.A.**, is established at Brussels National Airport in January **1991** to offer scheduled passenger and cargo services to the

French-speaking southern half of the nation. Ownership is divided between **Sabena Belgian World Airlines, S.A.** (49%), Meusinvest (25%), the Sabena subsidiary **Delta Air Transport, N.V.** (16%), and SMAP (10%). Delta's route network is divided in two in order to provide a market area. Feeder flights for the flag carrier begin in the spring with one each British Aerospace BAe 146-200 and Embraer EMB-120 Brasilia.

Operations continue for a year.

DAVEY AIR SERVICE (PTY.), LTD.: Australia (1958–1982). Davey Air Services (Pty.), Ltd. is formed at Dubbo, New South Wales, in 1958 to offer charter flights from Dubbo to Nyngan and Sydney. In the late 1960s, the company begins to offer scheduled services from Sydney to Nyngan, Bourke, Brewarrina, and Cobar and from Dubbo to Nyngan and Cobar.

The fleet by 1981 comprises 2 Embraer EMB-110 Bandeirantes, 1 de Havilland DH 114 Heron, 1 Piper PA-31-310 Navajo, 1 Piper PA-31-350 Navajo Chieftain, and 1 Piper PA-30 Twin Comanche. In 1982, the small commuter airline is purchased by Mascot and merged into New South Wales-based **Adved Airlines of Australia (Pty.), Ltd.**

DAVIS AIR: 56 Allegheny County Airport, Pittsburgh, Pennsylvania, 15122, United States; Phone (412) 469-1700; Fax (412) 469-3156; <http://www.flydavis.com>; Year Founded 1989. Davis Air is established at Pittsburgh's Allegheny County Airport in 1989 to offer passenger charters to regional and international destinations. By 1994, Vice President Greg Wagner employs 10 full-time and 2 part-time pilots who operate 1 Beech 90 King Air and 2 each Gates Learjet 25Ds and Learjet 35As.

Six years later, the Pittsburgh fleet is altered to include 1 Learjet 25D and Learjet 35A, 1 Cessna 550 Citation II, and 1 Beech Super King Air 200. Davis also stations 1 Piper PA-31-350 Navajo Chieftain at Du Bois–Jefferson County Airport.

DAVIS AIR LINES: United States (1930). Another new entrant formed during the Great Depression, Davis is set up at Atlanta in early 1930 to offer regularly scheduled passenger service to Birmingham, Alabama. Employing a Travel Air 4000, the carrier inaugurates flights in February. Traffic between the two southern cities is insufficient to justify continuing the operation beyond June.

DAVIS AIRLINES: United States (1949–1977). Davis Airlines is formed at College Station and Bryan, Texas, in late fall 1965 as the scheduled air transport division of Davis Aviation, which had been founded by L. Thomas Davis in 1949. Piper PA-32 Cherokee Sixes and Beech 18s are acquired and regularly scheduled daily roundtrip commuter flights to Dallas and Houston begin on December 15.

Operations are maintained until the carrier is purchased by and merged into **Rio Airways** on December 1, 1977.

DAWN AIR: United States (1991–1992). Dawn Air is established at Manteo, North Carolina, in early spring 1991 to fly charter and scheduled services employing a single Piper PA-31-310 Navajo. On May 1, scheduled flights begin to Norfolk, Virginia; later in the summer, two additional flights are added on Friday and one on Sunday.

Unable to achieve economic viability, the tiny commuter folds before its first birthday.

DAY AIRWAYS, LTD.: P.O. Box 965, Haliburton, Ontario, K0M 1S0, Canada; Phone (705) 201-2840; <http://www.inter-pc.com/user/wjdrivers/day-air/welcome.htm>; Year Founded 1980. Barry Day establishes this small nonscheduled operation at Mountain Lake, near Minden, in 1980. Employing a float-equipped Cessna 180, Day operates passenger and cargo charters to Toronto Harbor—occasionally flying all the way to the U.S.—flight-seeing, air ambulance, and aerial photography flights, as well as fishing, canoeing, and remote camping services.

Operations continue without change over the next 20 years.

DAYAJASA TRANSINDO PRATAMA: Halim Perdana Kusuma Airport, Jakarta, 13610, Indonesia; Phone 62 (21) 800-2427; Fax 62 (21) 8-0-7227; <http://www.guides.com/acg/transindo>; Year Founded 1990. Transindo is set up at Jakarta in 1990 to provide executive and small group passenger charters throughout the nation and Southeast Asia. Revenue flights begin, and continue, with a fleet of 2 Grumman G-1159 Gulfstreams and 3 British Aerospace BAe (HS) 125 Hawkers.

DB AVIATION: 3800 N. McAree Road, Waukegan, Illinois, 60087, United States; Phone (847) 263-5600; Fax (847) 263-6486; <http://www.privatejet.com>; Year Founded 1989. DB Aviation is established as an FBO at Waukegan in 1989. Over the next decade, it also becomes a major worldwide corporate, executive, and small group passenger charter operator. In 1999–2000, the company employs 20 pilots (more than some small scheduled airlines) and operates from 4 Midwestern bases.

From the company's home field, DB operates 2 each Dassault Falcon 20s and Cessna 550 Citation IIs and 1 each C-525 Citation I, C-650 Citation III, Learjet 55 Longhorn, Dassault Falcon 900B, British Aerospace BAe (HS) 125-700 Hawker, Cessna 208 Caravan I, and Grumman 690 Turbo Commander.

A Citation III is stationed at Palwaukee Municipal Airport at Wheeling, Illinois; a Falcon 20 is operated from Chicago (MDW); and a Citation I is flown from Milwaukee.

DC AIR. See POTOMAC AIR; UNITED AIRLINES; USAIRWAYS

DDL DANISH AIRLINES (DET DANSKE LUFTFARTSELSKAP, A.S.): Denmark (1918–1951). This Danish airline is formed at Copenhagen on October 6, 1918; however, flight operations do not immediately commence. Nevertheless, on August 25, 1919, the pioneer is invited to participate in the organizational meeting of the International Air Traffic Association (IATA) at The Hague.

With a government concession in hand to operate over foreign routes, initial Friedrichshafen FF 49 floatplane service is inaugurated from Copenhagen on August 7, 1920, across the Baltic to Warnemünde.

Meanwhile, on August 3, the company joins with **KLM (Royal Dutch Airlines, N.V.)** and **Deutsche Luft Reederei, GmbH.** to form the world's first airline pooling arrangement. This "Europa Nord-West Flug" coordinates the northwestern European schedules of the three airlines and allows flights, beginning on September 1, from Rotterdam–Copenhagen via Amsterdam and Hamburg. The service will end in 1921.

In 1923, the airline receives a mail contract for the route and, thus subsidized, is able to provide daily flights (carrying 414 passengers) until October 17.

Summer-only flights continue throughout the decade, some of which are provided by four Farman F-121 Jabirus delivered between May and August 1926, including two license-built by Orlogsværftet. The French-made or licensed aircraft are placed into service on a Copenhagen to Cologne via Hamburg frequency.

Three surviving F-121s are withdrawn and broken up in March 1931; DDL's fleet comprises four Fokker F-VIIs.

Two years later, on May 11, 1933, a Fokker F-XII, license-built by Orlogsværftet, is delivered and christened *Merkur*. Nine days later it enters service on the Copenhagen to Berlin frequency. A second F-XII, the *Kronprinsesse Ingrid*, is purchased directly from Fokker and is received on May 13, 1935. The two F-XIIs are employed to initiate two new frequencies out of Copenhagen, one to Berlin and one to Hamburg. They are also employed on a Copenhagen to Hanover night mail run.

On June 17, 1936, an F-VIIa slams into the cliffs of Sognefjord in dense fog (seven dead). On August 30, an F-VIIa crashes near Bergen; all seven aboard are hurt.

Late in the year, the subsidiary **Provins Luftfartsselskap, A.S. (PLS)** is organized to initiate domestic operations; the initial route, begun in June 1937, is from Copenhagen to Esbjerg, with Aalborg later added.

Local service traffic proving thin, the domestic exercise is cut before year's end.

In the spring of 1938, the carrier prepares to receive a pair of Focke Wulf Fw-200 Condors ordered from Germany the previous year. The first is delivered to Copenhagen by Kurt Tank on July 14 and is christened *Dania* and is employed to launch international service. Indeed, when the *Dania* first lands at London (Croydon Airport) on July 28, the arrival marks the first flight of a Danish transport to the U.K.

Regularly scheduled Copenhagen–London via Hamburg service begins on September 1 in cooperation with **Deutsche Lufthansa, A.G. (DLH)**.

The second Fw-200 Condor is received in November; christened *Jutlandia*, it is placed on a route from Copenhagen–Vienna via Berlin.

Meanwhile, representatives from the governments of Sweden, Norway, and Denmark and their national airlines agree to pursue the idea of joint Bergen–New York flying-boat service in cooperation with **Pan American Airways (PAA)**.

This pooled Condor route is extended to Goteborg and Oslo in April 1939. As the European crisis deepens, the Danish airline's 5 Fokkers, 1 Ju-52/3m, and 2 Condors maintain domestic and international services, but upon the outbreak of war in September, DDL briefly suspends international services. As the "Phony War" progresses however, it elects to resume operations to Berlin and Vienna in early November.

On November 13 and in cooperation with **KLM Royal Dutch Airlines, N.V.**, Capt. Harald Hansen's Fw-200 *Dania* is tasked to resume daily Copenhagen–Shoreham (Sussex) service via Amsterdam.

Passenger boardings systemwide this year exceed 20,000.

When Germany occupies Denmark on April 9, 1940, British troops at Shoreham seize the *Dania*—which had flown in the previous day—and turn her over to **British Overseas Airways Corporation (BOAC)**, which rechristens her *Wolf*.

The Copenhagen–Vienna service is maintained until December 17, 1941, when the *Jutlandia* crashes at the latter destination; repaired, she remains in service throughout the war.

Meanwhile, Nazi occupation authorities do not completely shut DDL down. Rather, it is stripped of its domestic network and ordered to maintain a route to Malmo and to the Baltic Sea island of Bornholm. Even so, the Danes promptly smuggle out funds to pay for their share of Swedish airline official Per Norlin's efforts to create a Scandinavian joint airline.

Following the collapse of Germany in May 1945, DDL resumes both domestic and international flights almost immediately. Employing Douglas DC-3s, the old Malmo route is stretched to Stockholm on May 28. Flights depart Copenhagen for Goteborg via Aalborg beginning on June 29 and to London (Croydon) on November 3. During this period, the national carriers of Sweden, Norway, and Denmark restart their 1938 negotiations for the actual establishment of a joint consortium.

In late 1946, the war-weary Fw-200 *Jutlandia* is badly damaged in a crash landing at London (Northolt) that destroys its tailwheel. Meanwhile, the first Vickers Viking is received; christened *Tor Viking*, it is employed to inaugurate Copenhagen–London (Northolt) flights on April 21.

On July 31, **SAS (Scandinavian Airlines System)** is formally established with Prince Axel of Denmark and Per Kampmann signing the consortium constitution on behalf of DDL.

Capital shareholding in the new organization is divided by ratio between the companies with the Danish portion representing two-sevenths. The agreement establishes Overseas SAS for the operation of international flights; however, each partner will initially continue to provide domestic services. Those for Denmark are provided by Douglas DC-3s that replace the old Fokker F-XIIs *Merkur* and *Kronprinsesse Ingrid*, now discarded.

Having decided not to repair *Jutlandia*, officials scrap the Fw-200 in early 1947.

A DC-3 freighter with four crew crashes near Malmo, Sweden, on February 17; there are no survivors. On December 29, a Vickers 628 Viking 1B with 4 crew and 20 passengers is lost on final approach near

Copenhagen's Kastrup Airport; although the aircraft must be written off, there are no fatalities.

A DC-3, en route from Copenhagen to Zurich crashes at Glessen, Germany, on February 13, 1948 (11 dead).

On April 18, the regional operations of DNL and its two partners are combined into an SAS European Division.

A Vickers 628 Viking 1B with 4 crew and 23 passengers is lost off Oresund, Denmark, on February 8, 1949; there are no survivors.

Flights continue in 1950.

On February 8, 1951, in a move made retroactive to October 1, 1950, the Overseas and European divisions are merged in a final consortium agreement. **SAS (Scandinavian Airlines System)** becomes the flag carrier of Denmark, Norway, and Sweden with the partner airlines now becoming the nonflying national holding companies.

DE HAVILLAND AIRCRAFT CO. AEROPLANE HIRE SERVICE: United Kingdom; (1922–1924). In early summer 1922, the aircraft manufacturer de Havilland forms an air transport subsidiary, Aeroplane Hire Service. Service is inaugurated on July 3 when a DH 9C piloted by C. D. Barnard begins regularly scheduled Lympe–Ostend newspaper flights; return service allows passenger transport and as more are flown during the summer season, two DH 16s are added.

With C. H. Biddlescombe of the Air Ministry as passenger, Hubert Broad, flying a DH 9C, makes the first successful series of night London–Paris flights, beginning on February 9, 1923. On behalf of the Air Ministry and Post Office, a month-long series of real and practice airmail runs are made over a route from Plymouth to Belfast via Birmingham and Manchester. The initial service, carrying four passengers, is flown on September 15 by Alan Cobham in a DH 50.

When **Imperial Airways, Ltd.** is formed on March 31, 1924, the Aeroplane Hire Service is closed down in England; however, the experimental airmail service is revived as **Northern Air Lines, Ltd.** with AHS DH 50s from a Belfast base.

DEBONAIR AIRWAYS, LTD.: United Kingdom (1995–1999). Debonair is established by Franco Mancassola, founder and owner of the defunct Hawaiian carrier **Discovery Airways**, at Crawley, West Sussex, on October 1, 1995. Chairman/CEO Mancassola, two major partners, and 400 individual investors, primarily from the U.S., supply capitalization of \$23.5 million. With an ownership requirement of 51% European, however, the carrier is required to raise \$44.5 million from British and Continental sources.

Debonair is the first contract customer for **British World Airlines, Ltd.**'s new Air Operators' Certificate (AOC) program under which the veteran U.K. carrier will offer its management, business, and engineering expertise plus its AOC to assist the start-up as it seeks viability. The program is similar to one offered to fellow start-up **easyJet Airlines, Ltd.** by **Air Foyle, Ltd.** When prepared, Europe's newest entrant will offer regional scheduled and charter passenger services to domestic and regional destinations from London (LGW).

After reviewing the growing new hub operations of **British Airways, Ltd. (2)** at Gatwick Airport, an operating base is, instead, established at another London site, Luton Airport, where takeoff and landing slots are more readily available. Airport officials build the company a small headquarters building and a dedicated check-in facility at Luton.

A fleet of 5 leased British Aerospace BAe 146-200s, formerly owned by **Pacific Southwest Airlines (PSA)** and **USAir**, is assembled. **Jersey European Airways, Ltd.** is contracted to provide their maintenance and **Servisair** is retained to handle check-in and boarding.

Plans are announced for the inauguration of revenue services on May 1, 1996. The low-cost, no-frills company will also offer ticketless travel, a simplified fare structure based on one-way rates, and simplified passenger check-in. Unlike the casual clothing allowed aboard competing **easyJet Airlines, Ltd.**—modeled after **Southwest Airlines** in the U.S.—Debonair pilots wear grey suits and flight attendants wear royal blue uniforms with magenta accessories.

The start-up date is pushed back to June 19, when daily BAe 146-200 frequencies start from London (CTN) to Munich, Barcelona, and Dusseldorf Express Airport (Munchengladbach). All flights the first day are free.

Madrid joins the route network on July 10, along with the domestic destination of Newcastle. Frequencies from Munich to Dusseldorf and Barcelona commence on July 24 while flights to Copenhagen commence on August 7. The Copenhagen route is expanded in October and, in November, frequencies are inaugurated to Rome (Ciampino Airport). All flights are nonsmoking and duty-free cigarettes are not sold.

Enplanements during the year's remaining months total 354,000.

As 1997 begins, orders remain outstanding for three BAe 146-200s; however, one will be received during the last week of April, followed by another in June and the third in October. Five BAe 146-300s, to be withdrawn from service by **Thai Airways International, Ltd. (THAI)**, will be received at the end of the year.

Low yields require service to be discontinued to Newcastle in January. When the new Dusseldorf Express Airport (Moenchengladbach) opens at the end of March, flights are switched to it from Dusseldorf.

New Interactive Flight Technology in-flight entertainment systems are installed on the carrier's aircraft during late spring and summer, which include facilities for movies, children's games, and (adult-only) gambling. Debonair is floated on the new pan-European EASDAQ stock exchange in July.

In September, the company receives its own AOC and the contract with **British World Airlines, Ltd.** is renegotiated into a maintenance support package. Debonair inaugurates its own 24-hour operations center at London (CTN).

In late October, a strategic alliance is entered into with the Italian carrier **Azzur Air, S.p.A.** Under its terms, the two agree to share codes on routes between Britain and Italy, with Debonair providing services to its partner at London (CTN). Daily dual-designator roundtrips begin during the second week of November from London to Milan's Bergamo Airport, with a through service available to Ciampino Airport at Rome. The service is flown by an Azzur Avro RJ85. A route to Cote d'Azur Airport at Nice begins at year's end.

When **Thai Airways International, Ltd. (THAI)** experiences a delay in the delivery of new Boeing 737-400s at the end of the year, it retains its five BAe 146-300s in service.

Enplanements for the year total 600,000.

Early in 1998, the company, one of the few start-ups anywhere to attempt serious business far from home, ratifies a L 100-million (\$5.6-million), 5-year contract won from the government of Calabria, in southern Italy, for cabotage services. Scheduled BAe 146-200 passenger flights will be inaugurated linking Reggio de Calabria and Lamezia with Rome, Florence, Bologna, and Turin. Unhappily, there is a hitch. The arrangement violates European Union public-procurement rules and is therefore attacked by potential competitors.

The **Thai Airways International, Ltd. (THAI)** BAe 146-300s are withdrawn in February and returned to British Aerospace for refurbishment; they are scheduled to be turned over to Debonair during the second and third quarters.

When fiscal figures are released, they show a loss of £16.6 million on turnover of £31.3 million in the 12 months through March.

In April, **British Airways, Ltd. (2)** announces the schedule of its new low-cost division GO. The new entrant will make a concerted effort not to operate in direct competition with its discount rivals; however, it will operate from London (STN) to Rome. Debonair's London (CTN) to Rome route is the only one that conflicts with GO's new services. Like competing **easyJet, Ltd.**, Debonair seeks legal redress, appealing to the Competition Committee of the European Commission.

With none of the ex-THAI BAe 146-300s delivered as yet, the carrier's letter of intent to purchase them is allowed to lapse in April.

Also during the month, **Azzura Air, S.p.A.** ends its code-sharing pact with Debonair and becomes a franchise partner of **Alitalia, S.p.A.**, reporting to **Alitalia Express, S.p.A.**

With all of the pieces in place, GO launches services from London (STN) to Milan and Rome on May 22 with three B-737-200s.

In the stuff that will create airline legend (akin to the actions of C. R. Smith at **American Airlines** or Herb Kelleher at **Southwest Airlines**), Chairman Mancassola literally stumbles upon a new service opportunity in France during the month. Lost while touring outside Paris with his wife, the Debonair chief comes upon nearly deserted Pontoise-Cormeilles Airport, a general aviation facility just 22 mi. NW of the city center. Eventually locating the appropriate authorities, Mancassola begins negotiations that will result in Debonair's receiving permission to begin hubbing from this alternative to Charles De Gaulle International Airport.

While **easyJet, Ltd.** and Debonair attempt to limit GO via legal and regulatory means, an even stronger competitor threatens to take it head-on in the marketplace. In a speech before the Aviation Club at London on June 1, Michael O'Leary, CEO of Dublin-based **Ryanair, Ltd.** pledges that his concern "will compete with lower fares rather than wait for the bureaucrats in Brussels to rescue us."

In mid-June, the company opens discussion with Boeing concerning the possible acquisition of up to 10 B-717s (MD-95s) and with several other carriers and concerns for the addition of more BAe 146-200s. A code-sharing arrangement is now concluded with **AB Airlines, Ltd.**

Following the introduction of AB's new Cote d'Azur service on July 9, Debonair shares its designator on AB flights from London (LGW) to Lisbon and Berlin.

During the fall, Debonair adds complimentary light meals for its passengers. It also accepts a contract to operate two aircraft on replacement services for **Air France** between Paris (CDG) and Brussels, Brest, and Biarritz.

Daily roundtrip BAe 146-200 service, postponed from August, is inaugurated in October between London (LGW) and Barcelona employing the first of the newly refurbished THAI BAes.

On November 1, a £22-million agreement is signed with **Lufthansa CityLine, GmbH.** Under its terms, the British line will operate replacement services from Munich, committing five of its BAe 146-200/300s to the "Team Lufthansa" operation beginning in March when the arrangement with **Air France** ends. Although the BAes will wear Lufthansa colors, Debonair flight and cabin crews will continue to wear their own company's uniforms.

Under a contract signed with **Swissair, A.G.**, Debonair begins to operate "Swissair Express" BAe 146-200 replacement service for the major from Zurich to Venice and Bologna beginning on November 5. The flights, operated as a code-share with the Italian carrier **Air One, S.p.A.** replace those previously operated with a SAAB 2000 wet-leased by Swissair from **Crossair, Ltd.**

Chairman Mancassola announces new services on November 12. Beginning in February, the company will fly charters from Catania, Innsbruck, Munich, Naples, Nuremberg, Palermo, and Turin to Tarbes-Ossun Airport at Lourdes, France, in conjunction with the Jubilee Celebration for the shrine ordered by Pope John-Paul II.

Starting on March 26, scheduled daily return service will be flown between Rome and Lourdes. Leases are now taken on three more BAe 146-200s and a BAe 146-100.

The company also announces that it has earned its fourth monthly profit in a row. The second quarter results, now released, are also most encouraging and, indeed, represent the carrier's first profitable quarter. For the three months ending on September 30, a net £700,000 gain is earned on turnover of £13.8 million.

With plans begun in May to create a new French hub now bearing fruit, Debonair, on November 16, inaugurates twice-weekly roundtrips from London (CTN) to Pontoise-Cormeilles Airport.

Enplanements during the 12 months total 463,000. Airline employment grows 18% to 350.

During January 1999, **AB Airlines, Ltd.** flights from London (STN) to Lisbon are terminated and the Boeing 737-300 displaced is wet-leased to Debonair for the next nine months.

The last former **Air Atlantic, Ltd.** BAe 146-200, which had been purchased after the Canadian airline shut its doors, is delivered on February 6. By the end of the month, three of five BAe 146 200/300s have been repainted in the all-white (blue tail) livery of "Team Lufthansa." The aircraft begin flights under the German contract on March 1.

During the month, a BAe 146-200 is chartered to **Air One, S.p.A.** for use on its "Swissair Express" contract. Additionally, a B-737-3L9 is leased from **Deutsche BA Luftfahrtgesellschaft, GmbH.** and employed to increase capacity on its routes to Lisbon from London (CTN and LGW).

On March 31, the company purchases its first owned aircraft, the former **Pacific Southwest Airlines (PSA)** Bae 146-200, which it has been operating under lease from **USAirways** since 1995. The next day, it is revealed that the company has suffered a £13-million (\$21.45-million) loss during the first quarter.

Debonair begins operating five BAe 146-200s from Munich on behalf of **Lufthansa CityLine, GmbH.** on March 28 as scheduled. Twice-daily "Team Lufthansa" flights are offered by four aircraft to Birmingham, Helsinki, Manchester, and Toulouse. The fifth, which had previously operated "Air France Express" service, flies one roundtrip every weekday to both Brussels and Marseilles, followed by weekend flights to Amsterdam, Marseilles, Vienna, Milan (twice), and Manchester.

In need of short-term extra capacity, Debonair wet-leases a BAe 146-100 from **Lufthansa CityLine, GmbH.** The German aircraft will be operated over the British line's routes from Moenchengladbach to London (CTN) and Barcelona through May 6.

Two BAe-146-200s, repainted in "Swissair Express" colors, enter service on May 1. They are employed to operate thrice-daily flights to Bologna as well as four times a day to both Venice and Turin.

Continuing high costs and tough competition in the European air travel market force the airline into administration on September 30, as trading in its shares is suspended. The accounting firm of Deloitte & Touche is brought in to act as receivers and feelers are put out to see if a buyer(s) might want to quickly take the airline over. Flights are cancelled and all operations are shut down on October 1; most of the company's aircraft are parked at London (LTN).

The commercial director of **Ryanair, Ltd.** suggests to Reuters, Ltd. that because of its food service, choice of airports, and frequent flyer program, Debonair was a "flawed model" for a European low-fare airline. His airline and others knew it was in trouble long before its failure because "it never made a profit." Ryanair is not interested "in taking them over."

With no buyers stepping forward to speedily purchase the carrier as a whole, the low-fare operation will now be liquidated in pieces. Several other airlines do express interest in obtaining all or part of its assets.

Virgin Express, S.A. announces on October 5 that it has no further interest in the defunct carrier's assets.

It is reported on October 13 that the German company **European Air Express, GmbH.** has purchased a portion of the carrier and will use the assets to inaugurate thrice-weekday roundtrips between London (LTN) and Dusseldorf Express Airport (Moenchengladbach). The next day, a 25% stake (including several BAe 146s) is sold to **Flightline, Ltd.**, with 100 Debonair jobs also transferred.

DECATUR COMMUTER AIRLINES: United States (1966–1981). Robert E. Brown, owner of the Decatur, Illinois-based FBO Decatur Aviation, establishes an airline subsidiary in 1966 to undertake scheduled daily passenger service to Chicago (Meigs Field) and St. Louis. Operations continue apace for the next four years with a fleet comprising 1 Piper PA-31-350 Navajo Chieftain, 2 PA-31-310 Navajos, and 2 PA-34 Senecas.

In association with **Verco Air Service**, K. J. Paul purchases the company in 1980, continuing flights as before. On December 1, 1981 in the wake of the PATCO air traffic controllers' strike and attendant ATC problems at Chicago, Paul sells his commuter to **Air Illinois.**

DECCAN AIRWAYS, LTD.: India (1945–1953). Deccan Airways, Ltd. is founded in Hyderabad State on September 21, 1945, and owned by Hyderabad State (71%) and Tata Sons, Ltd. (29%). Equipped with 12 Douglas DC-3s, the carrier on July 1, 1946 begins flying Hyderabad–Bangalore and Madras–Delhi via Hyderabad, Nagpur, Bhopal, and Gwalior. Hyderabad–Bombay flights commence on February 10, 1947.

Due to a police action to quash political disturbances in Hyderabad State, services are suspended between July 2 and October 15, 1948. Hyderabad, which had not originally been taken into the Indian union (Bharat) upon the nation's independence the previous year, is now incorporated.

When **Indian Overseas Airlines, Ltd.** suspends operations in June 1949, the carrier joins **Dalmia-Jain, Ltd.** in taking over the revolutionary night-airmail service started from Delhi to Madras and Bombay to Calcutta. Monsoon rains cause the operation to be suspended on June 30. **Himalayan Aviation, Ltd.** assumes the service on October 15, but will give it up in May 1951.

An overloaded DC-3 with 3 crew suffers an in-flight engine failure and crashes at Hatiara on April 5, 1950; there are no survivors.

On June 1, 1951, Deccan resumes night-airmail flights. Having missed its approach to Dum Dum Airport at Calcutta in fog and darkness on November 21, a DC-3 with 4 crew and 13 passengers smashes into trees while going around and crashes (16 dead).

Coming in for a landing at Sonegaon Airport at Nagpur on February 19, 1952, a DC-3 with 4 crew and 12 passengers strikes trees just prior to its touchdown and crashes (3 dead). A DC-3, with 4 crew and 5 passengers, experiences engine failure and crashes at Safdarjung on April 30; there are no survivors. Among the casualties is an American woman missionary.

Thrice-weekly flights between Bombay and Aurangabad are inaugurated on November 20 to serve the Ellora and Ajanta Caves.

As the result of parliamentary study and debate, the decision is taken to nationalize the Indian air transport industry. An Air Corporation Bill receives presidential assent on May 28, 1953, resulting in creation of **Indian Airlines Corporation** on August 1; the state enterprise now assumes control of Deccan Airways and many of its competitors.

DECCAN AVIATION (PTY.), LTD.: 53 Infantry Road, 2nd Floor, Bangalore, 560001, India; Phone 91 (80) 85613378; Fax 91 (80) 2862873; <http://www.deccan-air.com>; Year Founded 1998. Conceived by a group of former Indian army and air force officers, Deccan is established at Jakkur Airfield, outside Bangalore, in 1998 to provide rotary-wing charters and aerial work in the southern part of the nation. Capt. G. R. Gopinath is managing director, with Capt. K. J. Samuel as executive director and Capt. Jayanth Poovaiah as vice president. Bases are also established at New Delhi, Hyderabad, Bombay, and Chennai.

Employing a fleet of Bell 206B JetRangers, Bell 206L LongRangers, and Bell 407s, the company begins the following services: reconnaissance and aerial photography, corporate charters, offshore flights, underslung operations, electronic news gathering, tourism packages, temple tours, overnight getaways, Bangalore heli-rides, medical evacuation and rescue, and motion picture services.

DEERJET COMPANY, LTD.: 5/F Jing Chao Building, #5 Nong Zhan Nan Lu, Chao Yang District, Beijing, 100026, China; Phone 86 10-65068300; Fax 86 10-65068221; <http://www.deerjet.com>; Year Founded 1999. The VIP division of **China Hainan Airlines Company, Ltd.** is reformed at Beijing in 1999. The sole charter operator in the PRC, Deerjet specializes in providing nonscheduled flights throughout the country and Asia.

Airline employment at the beginning of 2000 stands at 64, including 12 pilots and 14 mechanics drawn from the parent airline. The fleet includes 1 Bombardier Learjet 60, 2 Raytheon HS-125-800XP Hawker bizjets, and 1 Bell 206B JetRanger. The company Web page proudly details its list of customers, including GE, Ford, Fiat, Volvo, Motorola,

Airbus Industrie, Shell, and a number of VIPs transported, including former U.S. Secretaries of State Kissinger and Haig.

DEL AIR CARGO (DELAWARE AIR FREIGHT): United States (1967–1974). Founded at Wilmington as **Delaware Air Freight**, initial Cessna 172 services of this small carrier, flown as Del Air Cargo, are launched on August 2, 1967 over a route from Milville, New Jersey, to Philadelphia. The carrier begins to acquire Beech 18s and Cessna 206s shortly thereafter, discarding them in favor of Douglas DC-3s in 1971.

Three years later, Del Air Cargo is renamed **Summit Airlines**.

DEL AIRWAYS: United States (1971). Short-lived Del Airways is set up at Valdosta, Georgia, in 1971 to offer scheduled daily roundtrip shuttles to Jacksonville, Florida. Beech 18 revenue frequencies are duly inaugurated, but can only be maintained for a few months.

DELAWARE AIR FREIGHT. See **DEL AIR CARGO**

DELAY RIVER OUTFITTERS. See **AIR SCHEFFERVILLE, LTD.**

DELTA AIR (PTY.), LTD. See **DESERT & DELTA AIR (PTY.), LTD.**

DELTA AIR LINES: P.O. Box 20706, Atlanta International Airport, Hartsfield, Atlanta, Georgia 30320, United States; Phone (404) 715-5876; Fax (404) 715-7202; <http://www.delta-air.com>; Code DL; Year Founded 1929. In the fall of 1928, Collett Everman (C.E.) Woolman, returns to Monroe, Louisiana, from **Peruvian Airways** to find **Huff-Daland Dusters** in decay. He persuades a group of local investors to provide \$40,000 backing with which to purchase the crop-dusting operation from Keystone Aircraft Corporation, a move executed on November 12. Three days later, the new purchase is chartered under the name—suggested in honor of the local Mississippi Delta area by secretary, later treasurer, Catherine Fitzgerald—**Delta Air Service**.

To get around the problem of unsuitable equipment posed by his Petrel 31 Dusters, Woolman, now general manager under President D. Y. Smith, purchases **Fox Flying Service** in early 1929, primarily for its two Travel Air 6000Bs cabin monoplanes and Stinson SM-1 Detroiters. One of the Travel Airs, piloted by Johnny Howe, is employed at 8 a.m. on June 17 to inaugurate a scheduled service from Dallas, Texas to Jackson, Mississippi, via Terrell, Longview, Marshall, Shreveport, Ruston, Monroe, Tallulah, and Vicksburg. A restored Travel Air will reenact the flight on the same day, 70 years later.

Despite the absence of a mail contract (the usual subsidy of airlines starting up during this period), the route is extended in both directions on September 1, Dallas–Fort Worth and Jackson–Birmingham. A third Travel Air is acquired later in the year.

Early in 1930, Woolman and officials of **Eastern Air Transport** discuss a plan to expand Delta flights to Atlanta and for EAT, assuming its ability to obtain a mail contract, to subcontract the Dallas mail run to Delta. Accordingly on June 18, the Birmingham terminus is extended on to the Georgia capital.

The mail contract is not, however, forthcoming, being awarded instead to **American Airways** on September 16. Without subsidy, Delta's operation cannot be continued and thus its route is suspended on October 1 and the company's nondusting aircraft are sold to **Southern Air Fast Express (SAFEway)**. Delta returns to the crop-spraying work performed originally.

As a result of the new air mail regulations enacted into law in the Black–McKellar Act of 1934, Delta, reformed as Delta Air Corporation, places a bid in the spring for an airmail contract covering the route flown previously and receives the award for AM-24 on June 8. Without suitable aircraft, the renewed entrant, now using the marketing title Delta Air Lines, purchases a Curtiss 4C-2 Robin with which to survey its prospective route, in addition to six Stinson SM-6000B trimotors (at \$5,400 each) from **American Airlines** on June 23.

Also acquired are two Stinson Model A trimotors, which are placed on the Dallas to Atlanta frequency on July 1. A Stinson SM-6000B initiates mail service on July 4, flying Dallas–Birmingham via Tyler, Shreveport, Monroe, Jackson, and Meridian. The Birmingham end is stretched to Atlanta on July 5 and to Charleston, South Carolina, via Augusta and Columbia, on July 7.

After a one-month probationary period, the Department of Commerce allows passenger enplanements to begin on August 4. Late in the year, sympathetic Monroe, Louisiana, banker and newspaperman Clarence E. Faulk purchases control of Delta, becomes president, and retains Woolman as general manager.

The third new \$34,000 Stinson Model A trimotor is purchased in late June 1935, and one of them begins night service on July 15.

Meanwhile, beginning July 2, Delta's day routes are christened "Georgian" and "Texan" (depending on direction). On August 14, a Stinson Model A en route to Shreveport from Dallas literally loses its left engine when a propeller flange cuts through the fuselage and disables pilot Andy Dixon. With the plane ablaze, copilot Herbert Bulkely manages a controlled descent but crashes near Gilmer, Texas (four dead).

During the busy summer season, the carrier also operates two Lockheed Model 5C Vegas and a Model 8A Sirius, leased from **Bowen Air Lines**, as mailplanes while awaiting the fulfillment of an order for Model 10 Electras. The first Model 10Bs are delivered in late December. Although the Vegas are now returned, the Sirius must be written off following a crash at Birmingham on December 24.

A third Stinson Model A arrives on January 8, 1936, joining the two new Lockheeds in entering service late in the month. A third Electra arrives in February, allowing the company to begin an orderly retirement of the Stinsons, beginning with a Dash-6000B in June.

A second Model A is lost, this one during takeoff from Atlanta on August 27, leaving the pilot, Charles Dolson, with a broken back. Another Dash-6000B is sold in December.

Two more Electras join the fleet in January 1937, allowing the sale of a third Stinson SM-6000B, the Stearman C3B, and all of the remaining Model As in March.

Late in the decade, orders are placed for Douglas transports and until they begin to arrive, the company, in December 1939, leases a Model 10A Electra from **Braniff Airways**.

The first four Douglas products received are DC-2s obtained from **American Airlines** between February 4 and March 20, 1940. Readied, the initial unit is placed into service on March 15, carrying a fifth crew member, a registered nurse named Laura Wizark—Delta's first flight attendant. That day, **Braniff Airways'** Electra is returned.

When the new CAB now begins to provide "grandfathered" operating certificates for carriers at least six months old, Delta receives the first document.

Simultaneously, in an effort to allow the airline to participate in the economic development of its region, a number of new routes are permitted by the regulators, including a five-hour flight segment from Atlanta to Fort Worth. With most of Delta's passengers on these new services having to pass through Atlanta, the Georgia city becomes the first "hub," with its routes what will later be called "spokes."

In need of additional capacity, during the summer the board of directors orders six DC-3s at \$115,000 per copy. During the early fall another DC-2 is acquired while, in November and December, four DC-3s are received from their manufacturer and the first into service is christened *City of Atlanta*.

After a fifth DC-3 is delivered on January 4, 1941, the British Purchasing Commission is allowed to buy four of the company's five DC-2s over the next month.

Meanwhile, in late winter, the CAB grants significant north–south route concessions. The northern route is inaugurated on April 15, as a DC-3 flies from Atlanta to Cincinnati via Knoxville and Lexington. On May 1, Atlanta to Savannah via Augusta flights begin.

The corporate headquarters are moved to Atlanta from Monroe during the summer. The Japanese attack on Pearl Harbor on December 7 halts any further expansion for the immediate future.

The fleet now comprises 4 Lockheed Model 10B Electras and 5 DC-3s.

Enplanements for the year are 79,154.

Delta, like other U.S. airlines, is required to turn over a portion of its fleet to the government for the war effort. Consequently, its five Lockheed Model 10Bs are all retired in the spring of 1942 and turned over to the U.S. Army Air Forces along with a DC-3 by June. Meanwhile, an aircraft modification center is established at Atlanta in May, where, during the war, more than 100,000 planes will be upgraded and overhauled under government contract.

Also during May, the company, employing C-47s modified at its center to carry litters, begins a domestic medical airlift. For the remainder of the war, these aircraft will shuttle patients from Atlanta hospitals to health facilities in Miami, Dayton, Oklahoma City, San Francisco, and Seattle.

During June and July, Delta takes part in the Alaskan airlift, in which over 100 transports from 11 airlines are directly involved flying men and supplies to Dutch Harbor by way of Edmonton. Company aircraft fly needed items from the southeast via Atlanta, Mobile, and Memphis, to Dayton, where they are transferred to **United Air Lines** DC-3s for flights north.

The company forms a Military Transport Division and is allowed to operate its returned Douglas, along with several others, under contract to the government beginning on July 25. The four DC-3s remaining under Delta control ferry much of the southeast region's wartime air traffic. By summer, however, all senior company pilots with any military experience are in uniform.

The military DC-3 is sold to **Pennsylvania-Central Airlines** in February 1943.

In August, a former military DC-3 is added to the fleet.

In the fall, two route extensions are inaugurated: Shreveport to New Orleans via Alexandria and Baton Rouge on October 15 and Dallas to Fort Worth on November 1.

The Atlanta modification center provides "crop dusting" capability to several C-47s that are then sent to the South Pacific to spray for insects known to cause tropical disease.

Four more DC-3s are delivered in July and September 1944 and Delta is among the last airlines to turn over its services when the Air Transport Command assumes exclusive control over domestic military logistic frequencies in September. In just over two years, the carrier has flown over 2.5 million miles, flying 4.89 billion pound-miles of cargo.

The company's Atlanta aircraft modification facility is closed in November.

By the year's end, the route network stretches 2,915 miles and enplanements have hit 164,287.

During 1945, Delta receives no less than seven DC-3s, three of which are ex-military planes. Also, a Lockheed Model 12 Electra Junior (a military C-40A) is delivered in late January for route survey work; it will be disposed of within 18 months.

President Faulk now becomes board chairman.

In July, the CAB authorizes a new route from Chicago to Miami that will be inaugurated via Jacksonville. It is the longest new route so far granted by the government regulatory body.

A new four-times-per-day return service to Chicago, started in December, allows passengers from Illinois to reach Florida with only six stops en route. Late in the year, the company acquires seven Douglas C-54Bs from the military, which are immediately returned to the manufacturer at Santa Monica for modification into civilian DC-4s. On December 18, Delta Air Corporation is officially renamed Delta Air Lines.

Passenger boardings swell to 274,823.

Two additional modified DC-3s are received in January 1946, followed on February 12 by the first DC-4, which on March 6 is placed into service on the Chicago-Miami run, now called the Rocket route. The

service is the first nonstop offering in this market and its inauguration brings the company into a long competition for Florida bookings with **Eastern Air Lines**.

Two additional DC-4s are received in March and the first is placed on the Atlanta-Dallas service on April 1; incidentally, this route is also re-labeled, becoming the Comet.

In April and May, four more DC-4s join the fleet. A DC-3 must be written off following an accident at Meridian, Mississippi, on November 10. Additional destinations added to the route network in the last year include Brunswick, Macon, Hattiesburg, Meridian, Selma, Montgomery, Longview, Columbia, Greenville, Asheville, Richmond, Anderson, and Kokomo. CAB permission is received in November to fly the DC-4 Chicago-Miami route nonstop.

Yet another modified DC-3 is received in mid-February 1947.

While on approach to Columbus, Georgia, on April 22, a private aircraft lands atop a company DC-3, with one crew and seven passengers. When the DC-3's tail is forced down, the pilot applies power and both aircraft rise from 10 ft. to 150 ft. before crashing in flames. All involved (nine people) are killed, including eight of the airline's top officials.

The last modified DC-3 is delivered in May; two unmodified C-47 freighters are yet to be accepted. Dedicated all-cargo services commence with the C-47s in July over the Atlanta-Cincinnati-Chicago route. Late in the year, an order for 10 Martin 2-0-2s is cancelled.

The first DC-3 to be sold since 1943 is disposed of in January 1948 while, in February, orders are placed for five DC-6s.

Flight 700, a DC-4 with 4 crew and 9 passengers, fails its initial climb away from Chicago on a service to Miami on March 10 and crashes (12 dead). Witnesses on the ground report hearing an explosion before impact. The lost Douglas is replaced by another purchased from **Braniff Airways** on April 14.

An interchange agreement with **Transcontinental and Western Air Lines (TWA)** is put into effect on June 1 between Detroit and Atlanta via a turnover point at Cincinnati.

A DC-6, the company's first pressurized airliner, christened *The Flying D*, is delivered on October 1, followed by five more by Christmas Eve. These Deltaliners will each offer a Skylounge at the back of their cabins and benefit from a new advertising campaign: "None Faster, None Finer to and thru' the South!" Meanwhile, wearing the slogan "The Airline of the South" on its fuselage, *The Flying D* is placed into nonstop Chicago-Miami service on December 1.

The last C-47 freighter is delivered on January 17, 1949, 15 days before the DC-4 acquired the previous April is sold to **Chicago & Southern Airlines**. An interchange agreement is implemented with **American Airlines** on September 25 on a route from Atlanta to Los Angeles.

A DC-4 is leased to **Northwest Airlines** in June 1950 and a seventh DC-6, which is, in fact, the prototype for the one and only purpose-planned DC-6A passenger plane, is delivered on January 4, 1951.

Another interchange agreement is effected with **National Airlines** and **American Airlines** on May 1, for a variety of routes to the Northeast and West.

In June, orders are placed for 10 Convair CV-340 Convairliners. Board Chairman Faulk dies on August 31.

Orders are placed for 10 DC-7s in April 1952 and the leased DC-4 is purchased by **Northwest Airlines** in August. The first CV-340 is delivered on December 18.

Eighteen additional CV-340s are delivered in 1953, beginning with two on January 20; the first enters service on March 1. Between February and June, five DC-4s are sold, including two to **Pacific Northern Airlines**, one to Irving Herman, owner of **Super Coach**, and the last, on June 16, to **North American Airlines**.

Meanwhile, the company's first DC-3, *City of Atlanta*, is sold to **Mohawk Airlines** in April and on May 1, Carleton Putnam's **Chicago & Southern Airlines** is acquired.

In order to introduce Delta into C & S's markets, the combined carrier, now the fifth largest U.S. airline, will be known as **Delta-C & S** until September 1955.

On May 17, a DC-3, with 3 crew and 17 passengers and on landing approach to Shreveport, Louisiana, crashes in a thunderstorm at Waskom, 13 mi. E of Marshall, Texas; there are no survivors.

The last CV-340 is delivered on February 18, 1954 while the first DC-7, complete with a five-seat Skylounge, an eight-seat Sky Room, and painted in an attractive "Royal Crown" livery, is delivered on March 3, followed by two more at the end of the month.

The four-engine Douglas upgrades are employed to inaugurate three Chicago–Miami nonstop services on April 1: the *Royal Biscayne*, the *Royal Poinciana*, and the nighttime *Owl Comet*. As part of an interchange service with **American Airlines** and **National Airlines**, Delta DC-7s now begin flying from Miami to Los Angeles.

A DC-3 freighter with two crew fails its takeoff from Atlanta on June 15 and makes a forced landing that damages the aircraft beyond economical repair; there are no fatalities.

The first DC-7B makes its maiden flight in October and four more DC-7s are introduced during the remainder of the year.

The last four DC-7s are delivered between January 25 and December 10, 1955.

On April 1, a Royal Caribe route is opened from Miami to San Juan and Caracas. The plush new service allows the Atlanta-based carrier to claim provision of the first intercontinental DC-7 service.

The **Delta-C & S** title reverts to Delta Air Lines in September as the acquisition is fully integrated. The DC-7B prototype, reconfigured as a DC-7, is delivered to the airline on December 10.

The CAB grants Delta permission to begin service New York City on January 20, 1956; a new DC-7B is delivered five days later.

On February 1, the carrier happily starts three daily DC-7 Golden Crown and DC-6 Daycoach flights—the latter offered at lower-cost coach fares—from Newark (serving New York City) to Miami via a new stop at Washington, D.C., plus New Orleans, and Dallas–Fort Worth over the older network. In anticipation of a need for additional capacity, four Lockheed 049 Constellations (two of which will later be converted to L-149s) are also purchased from **Pan American World Airways (1)**. Also on February 1, a DC-3 begins the first multistop Houston–Atlanta service.

On April 1, stops are added at Philadelphia, Baltimore, and Charlotte along with nonstop flights while, on May 15, the New York terminus is switched from Newark to Idlewild International Airport.

Ten Convair CV-880s are ordered on June 21. The first L-049 is delivered on August 2 with the remainder introduced by mid-September. Meanwhile, the first of five new CV-440 Metropolitans to be delivered by December 7 arrives on August 28 while, on September 10, orders are placed for 10 CV-880 jetliners. Tampa becomes a Florida destination in early October.

Three more CV-440s are received during the first quarter of 1957. A DC-3 is sold to **North Central Airlines** in April and a total of eight DC-7Bs join the fleet between June 14 and December 29.

A group of five ex-Chinese **Civil Air Transport** Curtiss C-46s are acquired during September–October and enter freighter service during the latter month on routes out of Atlanta. During the year, all of the carriers CV-340s are converted to CV-440 standard.

The final two DC-7Bs are received in January 1958 and three DC-3s are sold in the spring. In addition, two CV-240s are sold, one each in February and June.

A CAB ruling in March allows Delta to consolidate a number of short-haul routes into longer runs and to upgrade its Atlanta hub.

A long adherent to prohibition, the company, during the spring, begins to sell liquor on its flights. Although the local religious press and some employees will protest, the new policy will be maintained.

The Constellations are withdrawn from service on July 1 and placed in storage.

On September 22, new Royal Service catering, complete with selected premium mealtime entrees, complimentary champagne, reserved seating, and no-cost baggage handling, is introduced aboard the "Sevens."

Two DC-6s are leased from **United Air Lines** in December.

Orders are now placed for Douglas DC-8-11 jetliners that begin to join the fleet beginning on July 21, 1959. The next day, the premier jetliner sets a speed record for a flight between Miami and Atlanta of 1 hr., 28 min. The second DC-8-11 arrives on September 14.

One of the two new aircraft, Flight 823, is employed to inaugurate (by two hours over **Eastern Air Lines**) the world's first DC-8 service on September 18, over the route from New York (IDL) to Atlanta. A C-47 freighter is sold in September and a DC-3 in October.

During the year, two more DC-6s are leased from **United Air Lines**. A DC-7B crashes into the Gulf of Mexico on November 15. One of the leased DC-6Bs, the *Mainliner Iowa*, is purchased in December.

A C-46 Commando crash-lands at Tampa on January 13, 1960, and a second is substantially damaged when it hits ice while landing at Chicago on February 6.

The first CV-880 is turned over by the manufacturer on February 10, and, in a ceremony involving President Woolman, is christened *Delta Queen*. The next day, it makes its delivery flight from San Diego to Atlanta via Miami in a record 3 hrs., 31 min.

A CV-440 makes a hard landing at Chicago on February 25 that causes minor injuries to all 24 people aboard.

On April 1, the two L-049s and two L-149s are sold to **American Flyers Airlines**. The first CV-880 is followed by two more, one each on May 4 and 6. The three commence Royal Jet Service on May 15 on nonstop flights from New York to Atlanta, Houston, and New Orleans.

On May 12, all 51 aboard a DC-8-11 suffer minor injuries when it encounters severe turbulence while on landing approach to Miami. A DC-3 freighter is badly damaged while being parked at Columbia, S.C. on May 21. Flight 1903, a CV-880 with four crew, stalls during takeoff from Hartsfield Airport, Atlanta, on a May 23 training flight, and crashes; there are no survivors.

The first 20 DC-8-11s now begin upgrade to Dash-12 standard; later, they will be modified into Dash-51s. The remainder of the original CV-880 order will be completed by December 13, although three more are ordered in June.

Dallas to Atlanta and Houston to New Orleans CV-880 service is inaugurated on July 1, followed by two services (one nonstop and one via Memphis) from Chicago to New Orleans and another from Chicago to Atlanta on August 1.

Philadelphia–Houston CV-880 flights via Baltimore and New Orleans commence on October 15. Upon the completion of the Knoxville–Atlanta service on October 29, the last DC-3 is retired. Additionally, another CV-240 is sold. Houston to Chicago via St. Louis CV-880 service is initiated the next day. CV-880 flights are started in December to Miami from both Chicago and Cincinnati.

Although no one is injured, a DC-8-11 is severely damaged as the result of a hard landing at Dallas on February 6, 1961; eight days later, the landing gear of a C-46 fails during the plane's Atlanta landing. As a result of the CAB's Southern Transcontinental Route decision of March 11, Delta is awarded a Los Angeles to Miami concession.

Another DC-8-11 is damaged in a bad landing, this time at Chicago on April 12. Four days later a third DC-8-11 incurs substantial damage in the same sort of put down at Detroit. On May 17, the failure of No. 2 engine's starter results in damage to a CV-880.

With the route interchange agreements now no longer needed by the company, those in effect with **American Airlines**, **Trans World Airlines (TWA)**, and **National Airlines** all cease on June 10. The next day, DC-8s open routes from Atlanta to Los Angeles, from Miami to L.A. via Dallas, and from New Orleans to L.A. via Dallas.

A DC-8-11 is damaged during a training mission at Jacksonville, Florida, on June 16 when its nose gear fails on landing.

On July 1, an Atlanta–Dallas–Las Vegas–San Francisco service is launched.

A new Convair 880 is received on September 9 and a CV-340, with nine aboard, makes a hard landing at Kansas City, Missouri, on September 23.

Direct Atlanta–San Francisco flights begin on October 13. Also in October, Orlando is opened as a market.

A DC-7 with 20 aboard crashes at Jacksonville on December 2 while another DC-7 must be written off after a ground accident in Chicago on December 16.

During the year, seven CV-340s are sold to **North Central Airlines**, four CV-240s are sold to various purchasers, and the four DC-6s leased from **United Air Lines** are purchased.

Between April and December 1962, four DC-8-51s are delivered. Meanwhile, on May 1, Las Vegas–San Francisco service is initiated. After the DC-7 damaged at Chicago the previous December is dismantled, it will be turned into a restaurant.

Four more CV-880s, representing fulfillment of the order, are all delivered in July.

While taxiing at Memphis on January 13, 1963, a DC-7 with a five-man crew collides with a parked U.S.A.F. Fairchild C-123 Provider (one dead); the airliner will later be repaired and returned to duty. The next day, the left landing gear of a DC-8-12 with 53 aboard collapses during the aircraft's Tampa landing; no injuries are reported.

Following a meeting between Donald Douglas and Delta founder C. E. Woolman in Atlanta, Delta, on March 13, launches the DC-9, placing the first order for 15 of the new shorthaul jetliners at \$3 million per copy.

With CAB permission, the carrier begins Los Angeles–Caribbean service on May 1.

A DC-6 with 24 aboard undershoots its Indianapolis landing on August 13 while a CV-440 with 38 aboard crashes at Atlanta on November 1 after its left landing gear fails on landing; no injuries are reported from either accident.

Two DC-8-51s are delivered, one in November and the other in December. Also in December, the government approves a new interchange agreement between Delta and **Pan American World Airways (1)**.

Enplanements for the year total 4,648,000 and profits are \$1,766 million.

Airline employment in 1964 stands at 10,462 and the fleet includes 84 aircraft.

Early in the spring, Atlanta to San Francisco DC-8-51 nonstop flights are introduced.

A CV-880 with 93 aboard encounters clear-air turbulence near Tampa on March 26; one passenger is badly hurt.

On April 28, the company orders three of the Boeing SSTs then under development; none will be delivered.

The first one-plane daily service from the southeastern U.S. to Europe begins in May as the result of the interchange agreement signed with **Pan American World Airways (1)**. A Pan Am DC-8-33 is able to operate over Delta's route from New Orleans to Washington, D.C. (IAD) via Atlanta and on to London and Frankfurt.

Three more DC-8-51s now join the fleet, one each in May, October, and November.

On November 24, a C-46R with two crew, having hydroplaned after landing, is totaled in the resulting crash at Baton Rouge and cannot be repaired.

During the year two CV-440s are sold, one each to **North Central Airlines** and **Allegheny Airlines (1)**.

Passenger boardings climb 17% to 5.6 million and freight traffic is up by 24%. Revenues advance 13% to a record \$240 million and the net profit jumps 41% to \$18.4 million.

The workforce in 1965 is 11,560.

The first DC-9-14 makes its maiden flight at Long Beach on February 15 while, after 40 years as president and general manager, C. E. Woolman becomes chairman/CEO; a 31-year company veteran, Charles H. Dolson, becomes president. The board of directors votes a two-for-one stock split, which increases the number of outstanding common shares to 6.37 million.

Between March and December, four more DC-8-51s are delivered and the initial DC-9-14 is accepted in a ceremony at Long Beach on September 8.

Christened *Delta Prince*, the DC-9-14 makes its delivery flight to Atlanta via Dallas (DFW) transporting a bottle of water from each of its forthcoming service cities and arriving to the strains of *Dixie*, as played by a Georgia high school band. The first of its type in the world employed on scheduled revenue operations by a large carrier, the *Delta Prince*, Flight 791 under Capt. C. J. Williams, enters service on November 29 on a run from Atlanta to Kansas City via Memphis. The second DC-9-14 service is operated from Atlanta to Detroit via Dayton and Columbus. Nineteen cities on the company network are served by the first four DC-9-14s by December 19.

On the last day of the year, the fleet totals 92 aircraft: 16 CV-880s, 19 CV-340/440s, 4 Curtiss C-46Ds, 19 DC-8-51s, 4 DC-9-14s, 19 DC-7s, and 11 DC-6s. A total of 6,542,919 passengers are originated during the year. Revenues climb 18% to \$282.42 million while net earnings jump 51% to \$27.79 million.

The final two DC-8-51s are delivered in January and August 1966 while the remainder of the DC-9-14 order begins delivery in July. Meanwhile, a DC-7B is sold in June and a two-year sell-off of the DC-7s to Ontario, California-based BMR now begins while a CV-440 is sold to **North Central Airlines**.

In August, September, and October three Lockheed L-100s join the cargo division, one per month, replacing the C-46s, which are now retired.

Founder/Chairman Woolman dies on September 11 from complications surrounding heart surgery and is succeeded as chairman by President Dolson.

The first L-100 is placed into service on September 15, making Delta one of the first commercial operators of the Hercules freighter. Orders are placed for 13 DC-8-61s.

Enplanements for the year are 8,750,560.

BMR continues receiving ex-Delta DC-7s during 1967. They are joined by the first of seven DC-7Bs to be received from Delta during the next year.

The workforce is now 15,972.

On January 31, the four remaining C-46s are sold to the Aviation Association of Georgia. Also in January, the last of 17 DC-9-14s is delivered.

On a March 30 training flight, Flight 9877, a DC-8-12 with a six-man crew is in the process of executing a simulated two-engine-out landing at Moisant Airport, Kenner, Louisiana. The aircraft crashes into a motel and home at New Orleans, killing all aboard, plus 18 in the hotel (9 of whom are high school students from Juda, Wisconsin) and 2 in the house.

The first DC-8-61 is received on April 10 and enters service on April 18. Two days later, the first 12 of 63 DC-9-32s begin service. Two more DC-8-61s are received, one each in June and July.

A CV-880, with 59 aboard, turns around and lands safely at Newark on June 24 after losing an engine shortly after takeoff.

In August, a DC-9-15 is leased for four years and an L-100 for two. Company officials now announce the arrangement of a \$175-million bank loan to finance the equipment expansion.

Passenger boardings jump 9% to 9,616,000 and freight traffic is up by 15%. Overall revenue advances by 7%.

The employee population in 1968 is 17,483.

A DC-6's nose gear collapses at Chattanooga on February 15.

On February 21, Flight 843, a DC-8-61 with 7 crew and 109 passengers and en route from Chicago to Miami via West Palm Beach, is hijacked and diverted to Havana; the craft, crew, and passengers are allowed to return after the pistol-wielding pirate deplanes. Feeling unwelcome in Cuba, the skyjacker will move to Spain two years later and be extradited back to the U.S., where he will end up in a mental institution.

The 11 oldest aircraft are now all withdrawn and sold by year's end and the sale of DC-7s and DC-7Bs to BMR is completed. Another Hercules freighter is chartered.

After losing an engine in bad weather, a CV-340 with 3 crew and 39 passengers crash-lands while going around for another try at a

single-engine landing at Evansville, Indiana, on March 20; although the plane must be written off, there are no fatalities.

On April 2, orders are placed for two dozen Lockheed L-1011 TriStar 1s. Between May and December, three more DC-8-61s are received along with 26 DC-9-32s.

On July 12, O. D. Richards is subdued at Miami—talked into surrender by the plane's first officer—after attempting to hijack Flight 977, a DC-9-32 with 48 aboard and en route from Baltimore to Houston, and force it to Havana. One passenger, U.S. Senator Eastland, reports that the pirate threatened him before entering the cockpit. Following a mental examination, Richards will be committed to a psychiatric hospital.

In other non-fleet oriented activities during the year, the company expands its general maintenance facilities by 90%, having almost 17 acres under one Atlanta roof. At the same city, a new computer center is opened, featuring an IBM 360/65 Deltamatic reservations computer, and a \$7-million expansion program is completed, including two terminal rotundas with 12 jet gates.

The company's first DC-6, *The Flying D*, is sold to Aero Tech on October 16 while five DC-8-33s are purchased from **Pan American World Airways (1)** on December 31.

Customer bookings jump 16.8% to 11,232,789 and cargo traffic climbs by 33%. Revenues advance by 17% to \$467,286,144.

On January 13, 1969, passenger K. E. McPeck, wielding a shotgun, is foiled in his attempt to force Flight 297, a CV-880 with 77 aboard and en route from Detroit to Miami, to fly to Cuba. The pilot is able to land at Miami because McPeck, after threatening a stewardess, returns to his seat with his ailing 3-year-old son and is seized by fellow passengers.

On March 17, Flight 518, a DC-9-32 with 63 passengers and en route from Dallas to Charleston, is taken over between Atlanta and Augusta, Georgia, and diverted to Havana. There the hijacker meets and eats with the pirates of a **Faucett Peruvian Airlines, S.A.** DC-4 stolen the same day. The pirate will return to the U.S. via Canada later in the year, captured, and confined in a mental facility for three years.

Two days later, on March 19, the FBI foils the attempt of gunman D. A. Dickey to seize Flight 918, a CV-880, with 97 passengers and en route from Dallas to New Orleans. Criminal charges against Dickey will be dismissed when he agrees to confinement in a psychiatric hospital in Arizona.

Federal agents are unable to prevent the capture of Flight 821, a CV-880 with 114 passengers and en route from San Diego to New Jersey on March 25, just after takeoff from Dallas; the Convair is diverted to Cuba.

The nosegear of a CV-440 collapses at Macon on June 10.

Two more ex-Pan Am DC-8-33s are acquired in August.

With the delivery through the remainder of the year of 15 DC-9-32s and 16 DC-8-61s, Delta's fleet total grows to 161.

During the summer, four new buildings that will house the Atlanta Reservations Center, plus associated operations, are completed.

During the remainder of the year, 11 CV-340s are sold to Ransome Associates; the last of 6 DC-8-61s to be delivered on the year joins the fleet on November 6.

Destined for high company posts later on, Allison Johnson and Jenny Poole are hired as stewardesses during the year.

Fourteen-year-old David L. Booth attempts to hijack Flight 670, a DC-9-32 with 75 passengers boarded at Cincinnati and preparing for a service to Chicago on November 10, by holding an 18-year-old girl, G. J. House, at knifepoint. He is persuaded to surrender before takeoff and the FBI turns him over to juvenile authorities after deciding not to press air piracy charges. Upon examination, the youth will be declared mentally ill and will be held in a juvenile psychiatric institution for almost two years.

Enplanements total 12,788,000. Revenues are \$573.03 million and with expenses in check, profits are high: \$90.17 million (operating) and \$41.48 million (net).

The Ransome purchase of CV-340s is completed in early 1970; during the remainder of the year, that company also purchases three CV-440s.

W. Thomas Beebe succeeds Charles Dolson as president.

On January 6, three passengers overpower a man holding a stewardess at knifepoint in an effort to force Flight 274, a DC-9-32 with 65 passengers and en route from Orlando to Columbus, to fly to Switzerland. Upon his arrest, the man is identified as A. Funjak, who had been arrested in May 1969 for threatening the life of President Nixon. Funjak will be tried and receive a five-year prison term.

L. M. Rhodes surrenders to U.S. authorities in Madrid on February 9, claiming to be the hijacker who forced a Delta craft to Cuba the previous February.

On March 30, a DC-8-51 is lost in an accident at New Orleans.

Flight 199, a CV-880 with 102 passengers and en route from Chicago to Miami on May 25 is taken over just after takeoff from an intermediate stop at Atlanta by a Spanish-speaking woman. Her 12-year-old son serves as translator and demands, on her behalf, that the aircraft be flown to Cuba. In 1980, the woman will attempt to sneak back into the U.S. via the Cuban boatlift. During immigration processing, she will be found out, put on trial and, upon conviction, sentenced to prison for 20 years.

An L-100 is leased for the first week of June and also during the month a DC-9-14 is leased from **Eastern Air Lines** for a year.

En route from Atlanta to Savannah on August 20, Flight 435, a DC-9-32 with 82 aboard, is diverted to Cuba by a man allegedly carrying a bomb. Foolish enough to travel to San Juan in 1975, the man will be arrested and returned to the continental U.S. for trial; upon conviction, he will receive a 20-year prison sentence.

Another DC-9-32 is involved in an accident at Louisville, Kentucky, on September 8.

The carrier's first Boeing 747-132 is delivered on October 2, and is followed by a second on October 22. Jumbojet service from Atlanta-Los Angeles via Dallas begins on October 25 while receipt of a third B-747-132 on November 22 allows service to also start to Chicago, Detroit, and Miami.

The employee population is 20,943 and the addition of 5 more jetliners brings the fleet total to 136. Passenger boardings accelerate 8% to 13.9 million and freight-ton miles increase by 11% to 125.8 million. Revenues total \$684.37 million and expenses are \$569.29; operating profits of \$79.08 million are earned along with net income of \$41.35 million.

En route from Chicago to Nashville on February 4, 1971, Flight 379, a DC-9-32 with 27 passengers, is diverted to Cuba by a pirate who shows what he alleges is a nitroglycerin bomb. The assailant will be captured four years later when he returns to the U.S. and given a 20-year prison term.

Pan American World Airways (1) and Delta B-747 Jumbojets now begins to alternate on the European (London and Frankfurt) segments of the interchange agreement, which has been in force between the two carriers since 1964. On March 18, Delta orders five Douglas DC-10-10s. David Garrett succeeds Thomas Beebe as president as Beebe becomes board chairman.

While on the ground at Birmingham, Alabama, on March 31, Flight 400, a DC-9-32 with 22 persons aboard, becomes the subject of a failed hijacking by a 14-year-old boy; overpowered, the youth will be put on probation for three years.

On April 21, a merger is announced with **Northeast Airlines**; the boards of both airlines agree to the arrangement in May. Also in April, the leased **Eastern Air Lines** DC-9-14 is returned.

The last of 63 DC-9-32s is delivered in July and the fourth B-747-132 arrives on September 30. In October, the leased DC-9-15 is returned while the fifth and final B-747-132 is delivered on November 11.

The year's enplanements are 15,234,720. Revenues are \$661.2 million; the operating gain is \$128.9 million and net profit totals \$29.99 million.

Fourteen Boeing 727-232As jetliners are ordered on March 29, 1972, at which time the Seattle-based manufacturer announces that its trimotor is the first jet-powered airliner in history to reach a sales total of

1,000. As part of the arrangement, Boeing agrees to take Delta's last 15 CV-880s in trade.

En route from West Palm Beach to Chicago (ORD) on April 17, Flight 952, a CV-880 with 78 passengers, is taken over by a lone assailant claiming to have a pistol, but who is, in fact, unarmed. Upon the aircraft's arrival at its destination, the man surrenders to police. He will be tried and sentenced to prison for 20 years.

President Nixon approves the Delta and Northeast merger on May 19. **Northeast Airlines** will be absorbed into Delta on August 1, along with 3,500 employees, bringing the company total to 26,421. The number of cities served increases to 99 and unduplicated route mileage increases to 33,000. Prize destinations include the Florida market (from New York, Boston, and Philadelphia), routes to the Bahamas and Bermuda from Boston and New York, and numerous New England communities now available for service from the south. At this point, Delta begins to sell off most of the fleet acquired from **Northeast Airlines**, except for 13 B-727-295s, which are given new livery.

During a May 30 training flight, Flight 9570 with four crew is caught in wake turbulence from an **American Airlines** wide-body while going around. The DC-9-14 *Delta Prince*—the first DC-9 to enter commercial service—strikes the runway with its right wing at Great Southwest International Airport and crashes in flames; there are no survivors.

En route from Detroit to Miami on July 31, Flight 841, a DC-8-51 with 101 passengers, is commandeered by three Black Panther Party members, Melvin and Jean McNair and George Brown, as well as Joyce Tillerson Burgess, accompanied by two children. At Miami, the pirates allow the passengers to go free after collecting a \$1-million ransom from FBI agents, the largest payoff ever made to hijackers. The Douglas is forced to fly to Algiers via Barcelona, where Algerian officials, upon its August 1 arrival, briefly take the skyjackers into custody and confiscate their extorted cash and the children. On August 23, the Algerian government agrees to return the ransom to the U.S. Delta officials pick it up, along with the children, at Paris (ORY) the next day. The pirates will be arrested by French police in May 1976. All will be tried and given prison terms of between three and five years.

Late in the year, Delta begins selling all of its DC-9-14 fleet, with the first 13 aircraft going to **Southern Airways**. Sold before delivery to **United Airlines**, the 5 DC-10-10s are leased for 2.5 years, beginning in November. Simultaneously, the L-1011 order is increased to 30 machines.

On December 20, **North Central Airlines** Flight 575, a DC-9-31 with 4 crew and 41 passengers is taking off in heavy fog from Runway 27L at Chicago (ORD), while Delta Flight 954, a CV-880 with 7 crew and 81 passengers, taxis across Runway 27L. The two aircraft collide, snapping off the Delta plane's vertical stabilizer. Ten aboard the local service airliner are killed and lack of speedy medical aid immediately following the accident raises new issues about airport emergency readiness. The Convair is judged too badly damaged to be economically repaired and will be scrapped the following summer.

Passenger boardings jump 32% to 22,404,000 and freight traffic rises by 14%. Income is \$878,167,000 (\$960 million when combined with pre-August earnings from **Northeast Airlines**) and the net profit is the highest for any of the trunk carriers this year: \$51.09 million.

The employee population in 1973 numbers 28,160. The first Boeing 727-232A is delivered in January; 22 more of the 42-plane order will arrive before December.

While on final approach to Boston after a July 31 service from Burlington and Manchester, New Hampshire, Flight 723, a DC-9-31 with 6 crew and 83 passengers, strikes a seawall 3,000-ft. short of Runway 04, crashes while on instrument approach, and catches fire; there are no survivors. The accident is the first fatal Delta revenue service crash in 20 years. On the same day, another ex-**Northeast Airlines** DC-9-31, with 55 aboard, skids off the runway during its landing at Chattanooga, Tennessee; passengers evacuate the craft through its emergency chutes and no injuries are reported.

The Hercules freighter service ends on September 1 and the first of 24 TriStar 1s is delivered in October. On October 12, the government an-

nounces that, in light of the energy crisis, a mandatory jet-fuel allocation plan will take effect on November 1.

Arriving at Chattanooga at an excessive rate of descent onto final approach on November 27, Flight 516, a DC-9-32 with 5 crew and 74 passengers, hits approach lights 1,600-ft. short of the runway. The aircraft hits a dyke 785-ft. short of the runway, and then skids 1,200 ft. to a stop. Although 9 are injured there are no fatalities.

The next day, company officials reveal that, because of the energy crisis, an estimated 10% of the company's 1,400 daily departures have been eliminated.

Also during November, the company begins turning over its 15 CV-880s and 7 DC-8-33s to Boeing (as part of the B-727 deal) and, along with a second sold in December, withdraws an L-100 in October.

Lockheed L-1011 service begins in December and the sale of DC-9-14s to **Southern Airways** is completed during the year. Largely unnoticed during the year is the appointment of Joy Walker to the right seat of a DC-9-32; she is the company's first female pilot.

Customer bookings advance by 9.8% to 24,620,000 and freight traffic climbs 10.6%. On revenues of \$1.12 billion, expenses are \$99.9 million. The operating profit is \$123.6 million and net income is \$74.99 million, once again the highest profit by a U.S. trunk carrier.

A total of 701 employees are hired in 1974. The sale of CV-880s to Boeing is completed on January 14 when the last two aircraft are turned over at Wichita. Also during the month, all seven DC-8-33s are withdrawn and sold to Boeing.

On February 22, Samuel Joseph Byck murders airport security policeman George N. Ramsburg and DC-9-32 copilot Fred Jones and wounds pilot Reese Douglas Lofton during an unsuccessful attempt to hijack Flight 523 from Baltimore (BWI) to Atlanta; foiled, Byck commits suicide. Columnist Jack Anderson reports on February 26 that he has received a tape from Byck, mailed before the incident, on which he discloses his plans to fly the jetliner into the White House in an effort to kill President Nixon.

The last L-100 Hercules is sold on March 30. The remaining FH-227s are all disposed of during the rest of the year as 28 new jetliners are received: 14 B-727-232s and 14 L-1011 TriStar 1s. The Fairchild, together with most of the DC-9-31s acquired from **Northeast Airlines**, are sold to **Ozark Airlines**. A total of \$400 million is committed to the purchase of 11 additional B-727-232s and a B-747-132 is returned to its manufacturer.

Enplanements grow 7.2% this year to 26,403,000 while cargo is up 1.1% to 260.3 million FTKs. For the second straight year, income exceeds a billion dollars, up 21% to \$1.36 billion. Expenses are in hand, at \$1.2 billion, and the operating profit is \$164.62 million. Net income accelerates 16% to \$87.34 million and gives the carrier its 27th consecutive profitable year.

The workforce in 1975 is 28,273.

In January, the company receives the "Financial Management Award" from *Air Transport World* magazine.

A B-747-132 is sold back to Boeing in March and when a CV-880 is withdrawn on April 18, it is sold to Elvis Presley for use as a VIP transport. Christened *Lisa Marie*, it will be placed on permanent exhibit at Graceland Museum at Memphis on February 6, 1984.

The **United Airlines** DC-10-10 lease expires in May and is not renewed.

On July 20 the carrier dispenses with its requirement that its 4,250 flight attendants wear red, white, and blue uniforms, despite their suitability for the Bicentennial of the U.S.

Five passengers are injured after a DC-9-32 is buffeted by turbulence and hail during a flight from Cleveland-Burlington, Vermont, on August 3.

The last of 20 (from a 1972 order for 43) B-727-232 jetliners is delivered in September. That month a supplemental order for 21 more begins to arrive.

Passenger boardings rise only a miniscule 0.5% to 26,530,000. Cargo is down, by 6.2%. Revenues accelerate to a record \$1.42 billion, but

expenses are kept in check at \$1.35 billion. The operating profit is \$70.86 million and while down from the previous year, the \$37.38-million net gain is the 28th consecutive profit.

The number of employees grows by 2% in 1976 to 29,091. Security officers in New Orleans detain St. Louis Cardinals' running back Terry Metcalf on January 19 for threatening to blow up a company jetliner with firecrackers found in his baggage.

Orderly withdrawal and sale of the DC-8-51 fleet, along with 30 DC-9-32s, begins, while the European interchange agreement with **Pan American World Airways (1)** is allowed to end.

Final arrangements are completed for the sale of the remaining Jumbos to their manufacturer while four more DC-9-32s will pass to **Ozark Air Lines**.

A new and costly cargo terminal is occupied at Atlanta and in July, Storer Leasing is acquired.

Applications are placed before the CAB seeking nonstop authority from Atlanta to Boston, continuing on to London. The Atlanta to Boston segment is started late in the year. The extension to London, although awarded by the regulators, is remanded by President Gerald Ford.

Three more L-1011s are delivered during the fourth quarter.

Customer bookings grow by 6.8% to 28,332,000 while freight increases by 13.1%. Operating revenues are \$1.69 billion and expenses are \$1.5 billion. The operating profit is \$127.74 million and the 19th consecutive net profit skyrockets 88% to \$84.14 million.

A supplemental order for 21 B-727-232A jetliners is delivered to Boeing in February 1977. Meanwhile, the last DC-8-51s are simultaneously retired.

Between March and April, the three remaining B-747-132s are traded back to Boeing and, in May, another group of Boeing trijets begins to arrive, some as the result of the Storer acquisition.

On December 21, the CAB and President Jimmy Carter award Delta a transatlantic route from Atlanta to London (LGW).

During the year, the carrier's L-1011 fleet is fitted with nine-abreast coach seating.

Enplanements for the year total 29,635,000. On operating income of \$1.88 billion, net income is \$116.56 million.

The number of workers is increased 4.2% in 1978 to 32,281.

To operate the new London service, the company orders 11 long-haul TriStar 500s in January.

Also during the month, the company receives the 1977 "Airline of the Year" award from *Air Transport World* magazine.

During the spring, CEO Beebe makes several visits to the White House to attempt to win President Carter's support for his antiregulation position; the former Georgia governor is not interested.

The London route is inaugurated with much publicity on April 30, employing two TriStar 200s leased from **Trans World Airlines (TWA)** for a two-year period.

Additional orders are now placed for 42 B-767-200s and 8 B-727-232As. In September, the carrier receives its 100th B-727-232, making it the world's largest operator of the type.

Following the arrival of airline deregulation in October, the carrier assumes several new routes and improves frequencies on a number of older ones. Meanwhile, Delta files several unsuccessful suits in federal court in an effort to block the implementation of deregulation.

Passenger boardings jump 19% to 36,586,000 while freight traffic grows a modest 1.3% to 293.17 million FTKs. Revenues advance by 18.93% to \$2.24 billion and expenses are held to \$2.02 billion. The operating profit is \$216.16 million while net profit climbs 17.9% to a record \$137.4 million.

Airline employment is increased by 9.1% in 1979 to 36,000.

On February 16, just after landing at Chicago (ORD), a **The Flying Tigers Line** B-747F is forced to run into a snowbank to avoid a Delta B-727-232 taxiing in its path across the runway; the near-collision costs \$17 million in Jumbojet repairs.

Atlanta-Amsterdam flights begin on May 5 and other domestic markets now entered include the Florida cities of Sarasota, Bradenton, Day-

tona Beach, and Fort Myers, plus the Texas towns of Austin and San Antonio. The first L-1011-500 is received in May and undergoes a month of trials.

On June 11, gunman Eduardo Guerra, who had defected from Cuba with a MIG-17 fighter plane in 1969, commandeers Flight 1061, an L-1011 with 209 passengers and en route from New York to Fort Lauderdale. He diverts it to Cuba, where Premier Castro agrees to offer the one-time traitor political asylum.

L-1011-500 service over the North Atlantic begins on June 17 to Frankfurt and Hamburg and the fiftieth anniversary is celebrated in June.

On July 16 dozens suffer minor injuries during the evacuation of an L-1011 after a bomb threat causes an aborted takeoff from Fort Lauderdale.

The failure of an air traffic controller leads to a near-collision between a DC-9-32 and an **Air Florida** B-737-2T4C over North Carolina in November.

During the year, additional progress is made on the company's fleet modernization. Six DC-9-32s and two DC-8-51s are sold as four more L-1011 TriStar 1s and another L-1011-500, in addition to eight B-727-232As, join the fleet. A contract is signed to reengine its remaining 13 DC-8-61s with GE/Snecma CFM-56 engines, thereby turning them into DC-8-71s.

Customer bookings swell 10.7% to 40,495,000 while freight climbs 8.2% to 317 million FTKs. Revenues advance 19% to \$2.67 billion as expenses (led by a \$225-million fuel price increase) leap 26% to \$2.55 billion. Although the operating profit is \$123.7 million, the net profit declines by 24.58% to \$103.6 million. Although the net is down, it is still highest among trunk lines; indeed, \$16 million ahead of second place **American Airlines**.

The employee population increases 1.4% in 1980 to 36,500.

Samuel Aldon Ingram Jr., traveling with his wife and two children on January 25, hijacks Flight 1116, an L-1011 with 63 passengers on a flight from Miami to New York, and forces it to Cuba, where he is seized while negotiating for a flight to Iran.

David Garrett succeeds W. Thomas Beebe as board chairman and lack of demand forces discontinuance on April 27 of nonstop flights between New York and Miami. Also in April, the two leased TriStar 200s are returned to **Trans World Airlines (TWA)**.

Daily flights from Atlanta to Seattle and Portland commence on June 1 and service is also started to Dallas (DFW), where an effort is undertaken to turn that Texas point into a major hub.

After a decade-long manhunt, the FBI arrests Cuban refugee Graciela Quesada Zamora at Fort Chafee, Arkansas, on June 7 for the May 25, 1970 skyjacking of a company aircraft to Cuba.

A pilot, who overshoots Tampa and safely lands a B-727-232 and its 90 passengers at MacDill AFB, is suspended on June 22.

En route from Miami to San Juan on July 22, Flight 1135, an L-1011 with 158 passengers, is captured by a lone gunman who orders the wide-body flown to Havana. Bad weather forces the pilot to put down at Camaguey, instead. The pirate is taken in hand by Cuban police and receives a three-year prison term.

Flight 1065, an L-1011 with 193 passengers and en route from San Juan to Miami, is diverted to Cuba on August 16 by a person carrying what appear to be containers of gasoline. The assailant is taken in hand by Cuban police and will be sent to jail for several years.

Having returned from Cuba, Samuel Ingram Jr. surrenders to the FBI at New York on August 20. He will be indicted, tried, convicted, and sentenced to prison for a term of 40 years.

Also in August, the third of three L-1011-500s to be received new from the manufacturer arrives.

En route from New Orleans to Atlanta on September 13, Flight 334, a B-727-232 with 88 passengers is captured by 2 hijackers who threaten to blow up the aircraft unless it is diverted to Havana. In Cuba, the men receive prison sentences of three and four years, respectively.

Cuban refugees Crecencio Perez-Perez and Juan Adegá Fresneda hijack Flight 470, a B-727-232 with 111 passengers and en route from

Atlanta to Colombia, South Carolina, on September 17 and divert it to Havana, where they are led away in handcuffs. In the first instance where Cuba promptly returns hijackers, the two men are turned over to U.S. Marshals the next day and sent to Charleston aboard an FAA transport. They will be indicted, tried, convicted, and sentenced to 40-year prison terms.

Following an apparent error in ATC instructions radioed from the ground, a B-727-232 nearly collides with a **Piedmont Airlines (1)** B-737-201 as both are incoming, west of New York (LGA) on December 10.

Two days later on December 12, Delta becomes launch customer for the B-757-200, ordering 60 machines with which to begin replacing its B-727-232s and DC-9-32s. During the year, fuel efficiency of the 212-unit fleet is increased to a point where 3% less fuel is consumed.

As is the case throughout the industry, traffic is down. Passenger enplanements slip 5% to 38 million; however, cargo is up a minor 0.3% to 453.19 million FTKs. Both revenues and expenses are up by 23%; the former by 23.58% to \$3.3 billion and the latter by 23.23% to \$3.13 billion. The operating profit is \$164.17 million and net gain is \$130.46 million. Delta's net profit line is the highest for any major U.S. carrier; indeed, \$50 million better than that of second-place **Pan American World Airways (1)**.

The number of employees grows by 2.9% in **1981** to 36,101.

The carrier, in January, receives the 1980 "Financial Management Award" from *Air Transport World* magazine.

Sale of the DC-8-51 fleet and the last of 30 DC-9-32s is completed.

Fort Lauderdale, Tampa, Tulsa, and Colombia, South Carolina, are added to the route system from Dallas (DFW) on March 18 as the company adds more frequencies between the Texas airport and Baton Rouge, Monroe, and San Antonio. Cincinnati also becomes a significant hub as new services are inaugurated between that Ohio metropolis and Phoenix, Denver, Washington, D.C., and Raleigh/Durham.

Other new routes are Denver to Las Vegas and Atlanta to Pittsburgh. Ground is broken for a new technical facility at Tampa and capacity is increased at the Dallas (DFW) and Atlanta technical centers.

A new passenger terminal is started at New York (LGA) and the computerized marketing subsidiary Epsilon Trading Corporation is formed.

Katharine Louis "Kathy" Hargan is arrested by the FBI while trying to stow away in a trunk aboard a New York to Atlanta flight on June 8, allegedly to ransack valuables from the jetliner's baggage compartment.

The company joins with **Eastern Air Lines** on August 19 in an effort to collect from the city of Atlanta over \$15 million in taxes they claim have been collected on equipment and other property.

On October 7, the Chicago Circuit Court awards Thomas and Melanie Klucynski \$208,000 for being bumped from a company flight; the award is the largest ever made to passengers denied confirmed seats.

The carrier adds four daily roundtrips from Atlanta to Pittsburgh, beginning on October 25.

In November, the last of a 1977 supplemental order for B-727-232A jetliners is completed with the delivery of the 129th and final unit.

In December, a comprehensive marketing and code-sharing agreement is arranged with Cincinnati-based **Comair**; frequent flyer programs are also combined.

Customer bookings decline 9.9% to 34,777,000, while cargo is up by an equal percentage to 318.89 million FTKs. Operating income jumps 10.37% to \$3.64 billion while expenses, although up by 12.31%, are still held to \$3.55 billion. The operating profit is \$86.5 million and the \$91.64 million net profit is the 34th in a row, making the carrier the best-earning airline in the world.

The employee population is cut 0.3% in **1982** to 36,500.

Three persons hijack Flight 591, a B-727-232 with 103 passengers and en route from Chicago to Miami, to Cuba on April 5. One stewardess is injured when the hijackers, using gasoline as their weapon, splash the eyes of the flight attendant. The pirates are taken into custody by Havana officials and are given 20-year prison terms.

The first of 13 DC-8-61s to be reengined with GE/SNECMA CFM56-2-1C turbofans and redesignated DC-8-71s is delivered in early April and enters service on the Atlanta-Savannah route on April 24.

Delta now begins to compete with **American Airlines** at the latter's Dallas (DFW) hub. Initially resisting the challenge of entering the discount fare wars started by others as a way of generating traffic in a time of recession, Delta finds itself drawn in beginning in October.

Led by 3 flight attendants, 7,000 company employees, in a show of faith toward a company unwilling to lay off workers during a period of traffic decline, pledges \$30 million at \$1,000 per head through payroll deductions for the purchase of the first B-767-232. Upon its arrival in late November, it is christened *The Spirit of Delta* and is placed into revenue service on December 15.

Fourth-quarter arrangements are made to trade 11 L-1011 TriStar 1s to Boeing as part of a deal for the 15-year lease of 33 new B-737-232s. Additionally, several B-727-232s are sold and another computerized marketing subsidiary, Datas Incorporated, is established.

Passenger boardings for the year fall 3.1% to 33,678,000 and cargo grows only 1% to 322.6 million FTKs. Revenues dip 0.35% to \$3.63 billion while expenses jump 4.49% to \$3.71 billion. An operating loss of \$85.94 million is suffered and the net loss—the first in 35 years—totals \$17.05 million.

The payroll is increased by 2.4% in **1983** to 37,368 and, in January, Delta receives the 1982 "Technology Management Award" from *Air Transport World* magazine.

Former stewardess Allison Johnson is now named manager of the Atlanta flight-attendant base.

While en route from Portland, Maine, to Boston on January 7, Flight 177, a B-727-232 with 30 passengers, is suddenly taken over by a passenger, claiming to have a bomb, and demands to be flown to Las Vegas. On the ground at Boston, the man is overpowered by crew members. Upon examination, the man will be found mentally unstable and sent to a psychiatric institution.

The second of 15 B-767-232s is delivered in March; deliveries will continue apace for two years. The last of 24 TriStar 1s joins the fleet in May.

En route from Miami to Tampa on July 17, Flight 722, a B-737-232 with 107 persons aboard, is hijacked by 3 men armed with knives and an aerosol can, who divert it to Havana. Upon arrival, Cuban police board the Boeing and arrest the pirates.

Flight 784, a B-727-232 with 79 passengers and en route from Miami to Tampa, is hijacked from Miami to Havana on August 18 after a man threatens to set fire to himself and to the airplane; the hijacker is seized by Cuban authorities upon landing.

In the fall, 11 TriStar 1s are traded to Boeing for 33 more B-727-232As and a new passenger terminal is opened at New York (LGA) in October.

The last of 13 DC-8-61s to be reengined into DC-8-71s joins the fleet in November and, in December as part of the 33 aircraft lease arrangement, Delta receives the 1,000th B-737 constructed.

David Garrett steps down as chairman/CEO at the end of the year and is succeeded by Ronald W. Allen. The changeover is caused largely by poor financial return as a result of offering too many discount flights to too few passengers.

Bookings rise 9.4% to 36,801,000 and cargo climbs 6.1% to 342.37 million FTKs. Operating income advances 7.53% to \$3.90 billion and costs jump 6.58% to \$3.92 billion. The operating loss is \$57.2 million and the net loss deepens to \$13.93 million.

In January **1984**, the company receives the "Labor Relations Award" from *Air Transport World* magazine.

Daily flights are started between Atlanta and Houston (HOU) on March 1.

In the second U.S. hijacking incident in two days, Flight 357, a B-737-232 with 26 aboard and en route from New Orleans to Dallas (DFW) on March 28, is diverted to Cuba by a man threatening to ignite a bottle of liquid he is holding against a flight attendant.

In an effort to better ensure feed to its hubs, the 37,000-employee company now establishes the "Delta Connection" commuter network. The first company to join the major in this code-sharing arrangement is Philadelphia-based **Ransome Airlines** on May 1. In June, Dallas (DFW)-based **Rio Airways** is recruited, followed by **ComAir** of Cincinnati in September, a company that already has a relationship with the major. As is the case with the more famous "Allegheny Commuter" network, small partner companies will come and go as members over the next decade.

Meanwhile on June 15, Atlanta-Frankfurt service is inaugurated. Also in June, a dedicated terminal is completed at Chicago (ORD) as part of a hub-strengthening plan that also sees 25% expansion at Dallas (DFW) and the opening of a new administrative headquarters at Atlanta. Other new services initiated include Dallas (DFW) to Atlanta, Ontario, California, and Nassau; and Atlanta to Richmond, Ontario, and Minneapolis (MSP) via Chicago.

FBI agents arrest two Delta passengers on a July 23 bound for Newark from Miami on charges of attacking a 74-year-old passenger on a B-727-232A over a seat; the senior citizen is so severely injured that he requires plastic surgery. The next day, a DC-8-71 takes evasive action and by less than 300 feet avoids colliding with a small private plane that has just taken off from MacArthur Airport on Long Island, 20 mi. SE of New York; two stewardesses are slightly injured.

Two L-1011-500s are purchased from **Pan American World Airways (1)** in September and join 27 additional B-737-200s accepted since the first of the year.

The first B-757-232 is delivered in early November and is placed into revenue service on the 28th of the month. By the year's end, three other B-75-232s and two B-767-232s join the fleet. On December 14, TriStar 500s launch transpacific service from Atlanta to Honolulu via Dallas (DFW).

Passenger boardings rise a scant 1.4% to 37,341,000 as cargo climbs 8.1% to 370.17 million FTKs. Operating revenues swell 15.2% to \$4.49 billion while costs grow only 9% to \$4.2 billion. The previous year's operating loss is changed into a \$291.5-million gain while the tradition of net profits is resumed with a company record \$258.6-million income.

The payroll grows a slight 3.2% in **1985** to 39,406 and the next 8 of 60 ordered B-757-232s begin delivery in February.

In March, an agreement is signed with **Air Atlanta** for full joint ticketing and baggage handling between the two airlines.

Nonstop L-1011-500 flights to Paris from Atlanta begin four times per week on April 1; B-737-232 daily service is inaugurated from the Georgia capital to Greenville and Spartanburg, South Carolina, the same day.

Nonstop service is initiated from Atlanta and Houston to Honolulu on June 1 with a third long-range TriStar received from **Pan American World Airways (1)**.

Coming in from Fort Lauderdale to land at Dallas (DFW) during a thunderstorm on August 2, Flight 191, an L-1011 TriStar 1 with 11 crew and 152 passengers, is caught in a microburst 6,300-ft. short of the runway. The aircraft nosedives and slams into cars on a highway, strikes a pair of water towers, and breaks up, crashing in flames (136 dead). The tragedy is the subject of Jerome G. Chandler's *Fire and Rain: A Tragedy in American Aviation* (Austin: Texas Monthly Press, 1986).

Emerging from clouds near Chicago on September 20, a jetliner must dive and bank sharply to avoid collision with a private lightplane.

Delta management now refuses to comment on speculation that it is negotiating a merger with **Western Airlines** and places orders for nine B-767-300s.

Customer bookings ascend by 6.6% during the 12 months to 39,804,000 and freight is up 2.4% to 547.1 million FTKs. The cost of operation in the face of stiffening competition and an atmosphere of heavy fare wars has a financial impact. Revenues climb 5.4% to \$4.73 billion and costs rise 7.1% to \$4.5 billion. The operating profit slips to \$231.2 million and net gain falls to \$156.77 million.

The workforce is cut 1.3% in **1986** to 38,901.

A B-727-232A crash-lands at Memphis on January 9 when its landing gear collapses; no injuries are reported.

On January 23, a \$2-billion launch order is placed for 30 McDonnell Douglas MD-88s, with 50 options. Plans are also announced for an \$18.7-million takeover of Los Angeles-based **Jet America**, but the deal will not be consummated.

On February 5 Ralph A. Hughes, wielding a knife, holds a steward hostage on Flight 139, an L-1011 with 232 aboard and arriving at Dallas (DFW) from Fort Lauderdale on a service to Los Angeles. The man is arrested two hours later. Upon examination, he will be found mentally unstable and will be sent to a psychiatric facility.

Just after arrival at Daytona Beach on March 16 and after the deplanement of its passengers, a B-737-332 is taken over by a lone gunman, who demands that the aircraft take off for a destination he will announce later. The aircraft begins to move out, but is idled when police shoot out its tires. The skyjacker will surrender.

On April 27, Atlanta-Stuttgart and Munich service is initiated and Atlanta-Shannon flights begin on May 8, while Cincinnati to London authority is sought.

A strike by the company's only union, the Air Line Pilots Association (ALPA), is averted by settlement and 20% interest is taken in both "Delta Connection" carriers **Comair** and **Atlantic Southeast Airlines**.

In September, both the industry and the public are surprised when it is announced that pioneer **Western Airlines** will be taken over before year's end.

The first of 15 B-767-332s begins delivery in November and, on December 15, the carrier introduces 55 new daily frequencies to and from Cincinnati.

On December 19, **Western Airlines**, with DOT approval, becomes a Delta subsidiary, purchased for \$860 million, and Delta becomes the fourth largest U.S. airline. The acquisition allows the Atlanta-based major a ready-made route network in the American West, along with big hubs at Salt Lake City and Los Angeles. The family-oriented Delta attempts to preserve as many **Western Airlines** jobs as possible by offering transfers for almost 1,500 people from Los Angeles to Atlanta. Western CEO Gerald Grinstein becomes a Delta board member; Thomas Roeck, who will later become Delta's Chief Financial Officer, also moves over.

Also in December, the 13 DC-8-71s are sold to **United Parcel Service**, but are then leased back for three years; three B-727-232s are sold to **Federal Express**.

Passenger boardings swell 3.1% this year to 41,062,000, but cargo is down 3.5% to 351.69 million FTKs. Revenues for the year dip 5.12% to \$4.49 billion and costs fall 5.23% to \$4.27 billion. Although the operating profit falls by almost \$12 million to \$143.21 million, net gain jumps to \$193.7 million.

Airline employment grows 28.5% in **1987** to 50,000.

All former Western employees are given jobs and wage raises to match the higher rates paid by Delta.

During the first quarter, daily departures from the Atlanta hub are increased to 385, while the number of those from Dallas (DFW) reach 187 and 104 from Cincinnati.

Nonstop Atlanta to Tokyo flights begin on March 2, employing extended range TriStar 500s; two days later, one-stop flights are initiated via Portland, Oregon.

At Cincinnati on March 9, an SF-340 of "Delta Connection" partner **Comair**, just after discharging its passengers, loses hydraulic power and crashes into a fuel truck and a B-767-232; although both aircraft are substantially damaged, there is no explosion.

Between March and May, eight MD-82s are delivered, the first being placed into service on April 1, the day Western is submerged into Delta. An option is exercised to obtain a 20% interest in "Delta Connection" partner **SkyWest Airlines**. At the same time, the airline signs a major marketing and code-sharing alliance with this commuter partner.

Just in time for the summer tourist season, Delta replaces **Eastern Air Lines** as "The Official Airline of Walt Disney World" in Florida.

The amalgamation of the two majors is completed despite a last minute attempt by lawyers representing **Western Airlines'** pilots and flight dispatchers unions to thwart the marriage and convert their troubled airline into an independent, high-paying, one-union carrier modeled on Delta. With all other **Western Airlines** hires having abandoned their unions, the effort is unsupported and fails. By now, many of **Western Airlines'** 34 B-737-247As and 13 B-737-347s have been reliveried. Arrangements are made to sell the 10 DC-10s obtained in the merger and orders are placed for 50 B-737-332s.

Confused by thunderstorms and look-alike runways, a company pilot sets his jetliner down in Frankfurt, Kentucky, on June 7, when he means to land at Lexington, 19 miles away.

Also in June, Cincinnati to London L-1011-500 flights commence, along with six-times-per-week roundtrip service from Atlanta to Portland, Oregon, and the carrier receives a one-year exemption from the DOT to stretch its L-1011 Atlanta to Shannon route on to Dublin.

When the pilot of a B-767-332, with 205 persons aboard, mistakenly pushes a wrong button shutting down both engines during a July 1 flight, the plane plunges 25,000 feet to within 1,500 feet of the Pacific Ocean before the engines are restarted and control is regained. A Delta TriStar and a **Continental Airlines** DC-10-30 come extremely close to colliding over the Atlantic Ocean on July 8, missing one another by as little as 100 feet. A B-727-232A, with 151 aboard, lands on the wrong runway at Boston on July 13 as another jetliner is preparing to taxi across it; there is no collision. While making its final landing approach to Sacramento on July 21, a B-737-232A is forced to turn sharply to avoid a small, single-engine private plane.

Also during July, 21 new flights are added to 7 new destinations: Hartford, Norfolk, Richmond, Dayton, Kansas City, Raleigh/Durham, and Knoxville.

The Delta and **Western Airlines** route networks are integrated late in the year.

The first of 22 MD-88s begin arriving in December while thrice-weekly Atlanta-Seoul via Portland and Tokyo L-1011-500 flights commence on December 15.

Customer bookings rise 6.9% to 56,958,000, the best showing for all U.S. airlines; freight, meanwhile, climbs 14.1% to 576.44 million FTKs. Revenues grow 6.33% to \$6.09 billion, expenses are elevated only 2.92% to \$5.65 billion, and the operating profit of \$434.24 million is second only to that of **American Airlines**. The company's net gain leads the industry at \$233.29 million.

The workforce is increased by 13.8% in 1988 to 56,901.

A January 26 computer mistake allows 700 people free or reduced fare tickets. Also in January, the carrier joins **Thai Airways International, Ltd.** and ProTrav, Inc. to offer a new, \$1,295 vacation package to the Orient; Delta flies travelers to Tokyo where they transfer to Thai. Simultaneously, \$238 Atlanta-Bermuda "dream vacations" are offered for a two-month period.

Setting off a frequent flyer war with **American Airlines**, **Continental Airlines**, **Eastern Air Lines**, and **United Airlines**, Delta, in early February, offers to provide its frequent flyers triple mileage credit when American Express (Amex) cards are used to order tickets. Also, on February 16, DatasLink, a wholly owned subsidiary, is merged into the company.

An L-1011 TriStar 1, en route from Boston to Salt Lake City, makes an emergency landing at Chicago (ORD) on February 24 after the crew shuts down an engine because of low oil pressure.

In March, the carrier is named the official airline of the summer's Republican National Convention at New Orleans. It also takes 30% shareholding in SkyWest, Inc. Also by March, over half a million passengers have taken advantage of the airline's triple mileage credit arrangement with American Express.

During the first quarter, Delta becomes first to place MD-88s into service and three L-1011-500s are purchased from **United Airlines**.

Beginning in May, Delta starts to sell off the DC-10-10 fleet acquired with **Western Airlines** the previous year. Over the next five months, six

are turned over to United Aviation Services, which will lease them to other carriers.

Nonstop flights to Mexico City begin on June 1 from Atlanta and Dallas (DFW), while Orlando-Frankfurt service begins on June 3. Also in June, the company begins twice daily roundtrips between Dallas (DFW) and Colorado Springs and, under temporary authority, the Atlanta-Shannon service is extended to Dublin.

The Seoul route is stretched down to Taipei on July 1 and later in the month a new 372,000-sq.-ft. terminal is opened at Los Angeles (LAX); the redesign of the satellite building was overseen by the local architectural firm of Gensler and Associates.

On August 5, an MD-82 with 47 passengers preparing to land at Greenville-Spartanburg Airport is hijacked by a lone passenger who throws a flight attendant to the floor during his attack. The pirate is subsequently overpowered by other crew members and is turned over to police when the jetliner lands.

While taking off from Dallas (DFW) on August 31 for a service to Salt Lake City, Flight 1141, a B-727-232 with 7 crew and 101 passengers, rolls violently, causing the right wingtip to hit the runway, bringing about a crash in which the plane bursts into flames (14 dead). Media reaction to the accident is covered in Thomas Fensch's *Associated Press Coverage of a Major Air Disaster: The Crash of Delta Flight 1141* (Hillsdale, N.J.: Erlbaum Associates, 1989).

Also in August, the five MD-82s acquired in 1987 are upgraded into MD-88s and the carrier joins with Odyssey Tours (of Santa Monica, California) to begin offering package tours to Seoul and Taipei.

On September 22, orders are placed for 9 (later 11) MD-11s, options are taken on 29 more. In addition, orders and options are taken at month's end on 25 B-767-332ERs.

Nonstop Dallas to Acapulco roundtrips commence on December 1 while daily nonstops are introduced on December 15 from Dallas (DFW) to Knoxville and Tucson and from Chicago to Mexico City and Acapulco.

Ski season B-727-232A flights on Saturday mornings, from Salt Lake City to Gunnison/Crested Butte, Colorado, begin on December 17. Also in December, daily nonstop service is initiated to Mexico City from Dallas (DFW) and Atlanta, as well as from Acapulco to Dallas-Fort Worth.

Passenger boardings jump 5.4% to 60,010,000, but the airline is now second in enplanements to **American Airlines**. Cargo rises another 10.7% to 695.58 million FTKs. Revenues swell 21.33% to \$7.39 billion, costs are up by 21.37% to \$6.86 billion, and the \$524.63 million operating profit is a company record. So, too, is the net gain of \$344.52 million.

The employee population rises 6.2% in 1989 to 60,413.

Actress Zsa Zsa Gabor files a \$10-million lawsuit against Delta on January 20 over an incident in which she was escorted off a company plane for refusing to cage her two dogs.

Early in the year, Delta agrees to pay \$650 million for a 50% interest in **American Airlines'** SABRE computer reservations system. Also in January and February, two more ex-**Western Airlines** DC-10-10s are passed to United Aviation Services.

In mid-March, a cooperative "Global Excellence" agreement is signed with **Singapore Airlines, Ltd.** Terms of the arrangement call for the partners to code-share between Singapore and Los Angeles via Tokyo and between Los Angeles and Dallas or New York. Joint and reciprocal ground handling, frequent flyer program coordination, and schedule integration are also features of the deal. The agreement now allows introduction of daily service from Singapore to Newark via Dallas (DFW).

While preparing for the delivery of their MD-11s, Delta and **Swissair, A.G.** make plans to cooperate their technical support for the new McDonnell Douglas jetliners. The last **Western Airlines** DC-10-10 is sold to GATX leasing at the end of the month.

The Gunnison/Crested Butte ski service ends on April 1. Later in the month, flights are initiated from Atlanta to Rochester and Syracuse and from Orlando to Nassau.

When it arrives at Atlanta following its final flight, the last DC-8-71 is retired on May 1. Four days later, on May 5, Atlanta to Hamburg Lockheed service begins via London and the company's Dreamflight attraction is opened at Disney's Orlando theme park, Walt Disney World.

Five-times-per-week Cincinnati-Frankfurt via London flights begin on June 1, along with five-times-per-day service from Atlanta to Huntsville and thrice daily from Atlanta to Milwaukee. In addition, one Huntsville to Dallas (DFW) roundtrip and one Huntsville to Memphis roundtrip, with continuing service to Dallas (DFW), is also provided, along with three daily nonstops each from Dallas (DFW) to Sacramento and Miami. A daily nonstop is also laid on from Orlando to Nassau.

A jetliner hits a pocket of turbulence over Alabama on June 16 that injures 22 passengers who are taken to hospital when the plane lands in Atlanta.

Nonstop Los Angeles to San Juan flights commence four times per week on July 1; in addition, the carrier also starts daily service from Salt Lake City to Sioux Falls, South Dakota, and twice-daily frequencies from the Utah capital to Long Beach. From Atlanta, flights begin to Albany and Buffalo while service to Shannon and Dublin is increased to five frequencies per week. A Dallas (DFW) to Wichita schedule is opened late in the month.

Also in July, the carrier sells 5% equity to **Swissair, A.G.**, a total of 2.5 million shares of stock for \$193.4 million, and takes 100,000 shares or 5% interest in its European partner.

On August 1, three daily nonstops are added from Dallas (DFW) to San Jose, California. An employee stock-ownership program is established by management during the year as part of its defense against takeover attempts.

In September, a marketing agreement is signed with **Swissair, A.G.**, which now also becomes a member of the "Global Excellence" partnership with Delta and **Singapore Airlines, Ltd.** Under terms of this arrangement, the two airlines agree to code-share on daily flights from Zurich to New York, Atlanta, and Cincinnati, as well as coordinate their schedules, frequent flyer programs, and ground handling.

While preparing for departure from Salt Lake City on October 14 on a service to Edmonton with 7 crew and 12 passengers, a muffled explosion is experienced and flame is noticed coming from a vent near seat 3D of a B-727-232A. The Boeing is quickly evacuated as smoke fills the cabin. The incident will be blamed on a leaking oxygen generator, and a nearly severed fuselage will be written off.

In November, Delta becomes launch customer for the MD-90, ordering 50. Simultaneously, the order book reaches 519 requests when Boeing is asked to provide 50 more B-737-332s, with 50 more on option.

The Portland-Seoul-Taipei route is expanded southward to Bangkok on December 15, the same day twice-daily nonstop service is started from Cincinnati to Denver and to Greensboro, Highpoint, and Winston-Salem, North Carolina, and daily nonstops commence to Sarasota and Bradenton. Also added in the month are flights from Portland, Oregon, to Bangkok (as a continuation of the Seoul service) and daily nonstops from San Francisco to Portland, continuing to Vancouver.

With 17,300 employees concentrated at Atlanta, Delta is now Georgia's second largest private employer.

The primary domestic beneficiary of the strike at rival **Eastern Air Lines**, the Atlanta-based major enjoys a 13.7% increase in its enplanements to 68,258,000. Freight climbs 8.9% to 757.43 million FTKs. Revenues jump 16.98% to \$8.64 billion, expenses rise only 7.12% to \$4.78 billion, and the operating profit is nearly doubled to \$156.21 million. Net profit ascends to \$473.17 million. Both profit lines are new company milestones. Since 1980, Delta has earned \$1.6 billion, more than any other U.S. major except **American Airlines**.

The number of employees is cut by 9.8% in 1990 to 55,000 and the fleet includes 444 jetliners, including five newly delivered B-767-332ERs. Delta now also operates the largest fleet of B-757-232s in the world. The company is in a most enviable position with its shareholders; a share of common stock purchased for \$1,000 in 1980 is now worth \$4,389.

Security is increased as of January 4 after company representatives in Dublin, Ireland, receive a general threat against Delta's 66 weekly flights to Europe; passengers are given the option to change flights without penalty. Intra-Asian service begins in January with the introduction of flights from Seoul to Bangkok via Taipei.

In February, the company joins with **Northwest Airlines** and **Trans World Airlines (TWA)** to announce that the three have finalized an agreement to create a new computerized reservations system company that combines Delta's DATA II with the NWA/TWA Pars system. The new entity, which will operate independently of its airline owners, is known as Worldspan and employs Delta's former vice president-marketing automation, Calvin L. Rader, as CEO.

Thrice-daily roundtrips from Cincinnati to Grand Rapids and from Atlanta to Providence, Rhode Island, begin on March 2.

When the smaller **Eastern Air Lines** returns to service in the spring, it unsuccessfully attempts to engage its larger rival in an Atlanta fare war.

Following the eruption of Mount Redoubt on the evening of April 6, Delta, early the following morning, cancels two flights to Anchorage from Seattle and one each to the Alaska community from Salt Lake City and Portland. Four flights south from Anchorage are also cut.

Hourly summer service is begun on June 1 between Los Angeles and San Francisco and daily service to Dallas (DFW) begins for continuing **Singapore Airlines** passengers arriving at Los Angeles.

Weekly Orlando and Cincinnati to Paris B-767-332 flights begin on July 1, with frequencies increased to six per week on July 28. Also in July, one nonstop flight is added from Atlanta to Portland and San Antonio.

On August 1, daily nonstop L-1011-500 Atlanta to Amsterdam frequencies, continuing on to Stuttgart, commence and Chairman/CEO Allen is given the additional title of interim acting president as President Hollis L. Harris moves to **Continental Airlines**, where he assumes the same position.

Meanwhile, in early August, just before Iraq invades Kuwait and sets off a rash of higher fuel costs, a new contract is signed with ALPA making Delta's pilots the highest paid in the industry. The arrangement is not warmly greeted by the other majors, particularly as recession and fuel prices take big bites out of their ledgers later in the year.

In December, B-737-232 flights commence from Atlanta to Asheville, North Carolina, and Tri-City Regional Airport, Tennessee. During the month, the company becomes the second customer, after **Finnair O/Y**, to receive the MD-11, accepting delivery of two units.

At year's end, some 100 weekly flights are operated between 3 U.S. gateway cities and Europe.

Passenger boardings for the year dip 3.6%, largely because of competition with ruined **Eastern Air Lines**, to 65,789,000. Still, that figure ranks the major as America's second largest airline and the world's third biggest.

Freight rises 10.5% to 837.22 million FTKs, 25th highest among world carriers. Revenues for the year ascend a slight 1.13% to \$8.74 billion and expenses, led by labor and fuel costs, swell 12.66% to \$8.98 billion. The operating loss is \$235.12 million and net loss is \$154.03 million. The latter figure is the first such bad news reported since 1983 and only the second since 1947. Indeed, the fourth-quarter operating loss of \$235.1 million and net loss of \$154 million are new all-time records.

The workforce is increased by 18.8% in 1991 to 77,000 and the fleet now includes 537 aircraft.

To assist with their maintenance, former flight attendant Allison Johnson is temporarily assigned to the technical operations department.

An additional frequency is added from Dallas (DFW) to Fort Myers in January, along with twice daily flights to Reno.

Following the demise of **Eastern Air Lines**, Delta purchases many of its assets, including 18 gates at Concourse B, Hartsfield International Airport (\$41.4 million); 9 slots at Washington, D.C. (DCA) (\$5.4 million); 7 slots at New York (LGA) (\$3.5 million); the Buffalo-Toronto route; and certain Toronto facilities (\$1.5 million).

Additional service from Cincinnati to Fort Myers and Jacksonville starts on February 1 while L-1011-500 flights are inaugurated from Portland to Nagoya on February 7, followed by MD-11 service from Orlando to Tokyo (NRT) via Los Angeles on February 9. Later in the month, a second daily service is added from Atlanta to Buffalo and Toronto.

In a "steal," the company purchases 10 former **Eastern Air Lines** L-1011 TriStar 1s for \$67.5 million or just \$6.7 million a copy.

Nonstop thrice-daily B-727-232A service is inaugurated in March from Atlanta to Newburgh, New York; also launched, with the new MD-11s, is a service from Orlando to Los Angeles via Atlanta and Dallas (DFW). Later in the month, a \$400-million expansion and modernization program is undertaken for maintenance and support operations.

At the end of the first quarter, Executive Vice President Whitney "Whit" Hawkins is promoted president/chief operating officer. His previous post is abolished with marketing turned over to the senior vice president-marketing, Al Kolakowski, and stations to the senior vice president-stations, Tommy Thompson.

During the second week of April, Chairman/CEO Allen is named the fourth "Aerospace Laureate" in the area of commercial air transport by *Aviation Week and Space Technology*. Also in April, nonstop MD-88 service is started from Atlanta to Gainesville and Panama City while B-737-232A flights commence from Baltimore (BWI) to Dayton Beach, Melbourne, Sarasota, and Ottawa, Ontario, and from Boston to Baltimore (BWI) and Orlando.

Nonstop service is launched from Cincinnati to Lexington, Kentucky, and Seattle; from Dallas (DFW) to Reno; from New Orleans to Tampa; and from Indianapolis to Orlando. Frequencies are increased from Dallas (DFW) to Fort Myers, Sarasota, and Jacksonville.

During the month, \$476 million is raised for overseas expansion through a stock offering.

L-1011-500 daily service from Atlanta to Berlin via London and Hamburg begins on May 2. At the same time, it engages in a deep discount fare war with **American Airlines**, which has introduced a new four-tier fare structure, and adds another B-727-232A nonstop from Atlanta to Newburgh, New York.

Just after landing at Atlanta on May 5 after a service from Savannah and while taxiing to the gate, an MD-87 with 7 crew and 91 passengers collides with an airport van, which catches fire. The aircraft is halted and all aboard are evacuated down emergency chutes; 5 customers are slightly hurt.

MD-11 flights commence on May 7 from Portland to Nagoya, while Hong Kong is added to the L.A. to Tokyo run on May 14. Approximately \$120 million is spent late in the month to acquire six L-1011-500s from **Air Canada, Ltd.** and, on May 30, Atlanta to Copenhagen service is inaugurated via London (LGW).

On June 1, thrice-daily MD-88 flights commence from Atlanta to Gainesville while daily L-1011 frequencies are introduced on June 26 from Atlanta to Copenhagen via London and daily B-767-332ER flights begin the same day from Atlanta to Manchester, England.

On July 1, four-times-per-day nonstop B-737-232A service is added from Atlanta to Harrisburg and Gainesville and twice-daily roundtrips to the three Pennsylvania communities of Allentown, Bethlehem, and Easton. Later in the month, thrice-weekly L-1011-500 roundtrips begin from Los Angeles to Hong Kong via Anchorage.

The airline now makes an initial offer of \$310 million for bankrupt **Pan American World Airways (1)** and joins in a bidding war against **Trans World Airlines (TWA)/American Airlines** (\$1.3 billion), and **United Airlines** (\$465 million). Chairman Allen is unsuccessfully opposed in this move by Chief Financial Officer Roeck; the two men will henceforth reportedly enjoy, at best, a rocky relationship until Allen's retirement in 1997.

On August 7, the Federal District Court in Atlanta converts an antitrust lawsuit against nine airlines into a class action claim that could benefit many consumers and cost the carriers millions of dollars. The antitrust suit charges that this company and the others conspired to keep ticket prices high at 23 hub airports.

On August 12, the U.S. bankruptcy court, on behalf of creditors, accepts Delta's refigured \$1.776-billion offer for the Boston-New York-Washington shuttle of **Pan American World Airways (1)**, as well as its transatlantic authority from New York (JFK) to Europe, its Frankfurt hub, and 52 jetliners. Officials of the Atlanta-based major agree to prop up the faltering 64-year-old pioneer with a \$455-million investment, a \$140-million line of credit, and to direct its operations (almost as a subsidiary) exclusively toward its traditional South American services.

Also in August, daily roundtrip service is initiated from New Orleans to Atlanta and, with the ex-Pan Am aircraft repainted and the on-board beverage changed from Pepsi to Coca-Cola, the "Delta Shuttle" takes off on September 1.

Before receiving its approval for the Pan Am acquisition, the DOT requires Delta to address the Civil Reserve Air Fleet (CRAF) concerns of the USAF. The carrier agrees to pay the USAF \$5 million in cash and \$20 million in travel credits, while also pledging to commit 42 ER aircraft, including B-767s and L-1011s, to the reserve fleet. The 7 remaining Pan Am Jumbojet combis, from a total of 19 for which the USAF had paid modification costs, are to remain available. Government approval is forthcoming on October 18.

On November 1, Delta assumes Pan Am's routes to the Pacific and Far East, along with 6,000 employees (promising sufficient investment in the carrier to save the jobs of 13,000 more) and 21 Airbus A310-222s/324s plus 24 B-727-235s. Overnight, the Atlanta-based carrier expands its network from 34 to 57 nations served. In addition, transatlantic flights are increased from 92 to 195 per week.

The 21 new destinations now initially visited are Athens, Bombay, Brussels, Bucharest, Budapest, Delhi, Geneva, Helsinki, Istanbul, Lisbon, Milan, Moscow, Nice, Oslo, Prague, Rome, Stockholm, Tel Aviv, Vienna, Warsaw, and Zurich. They join the 12 European cities of Amsterdam, Berlin, Copenhagen, Dublin, Frankfurt, Hamburg, London, Manchester, Munich, Paris, Shannon, and Stuttgart already served.

An agreement in principle is announced with the USAF, under which Delta increases its commitment to the CRAF, replacing much of the lift formerly provided by troubled **Pan American World Airways (1)**.

Meanwhile, the once-proud international founded by Juan Trippe continues to spew red ink. Of the initial Delta credit, \$115 million is gone by December 1 and **Pan American World Airways (1)** is losing \$3 million per day. Alarmed at the fiscal drain, officials in Atlanta realize the point has come where Delta must, for its own sake, withdraw its financial pledge, which forces Pan Am under in December. The withdrawal of Delta's backing closes Trippe's creation. **Pan American World Airways (1)**, with 35 minutes of available funds, ceases operations at 9 a.m. on December 4 and orders its crews aloft to continue their scheduled flights back to New York (JFK). A number of lawsuits are filed as a result of this corporate decision.

During the year the airline earns \$93.96 million from charter services, of which 50% comes from professional sports team flights.

A block-space and code-sharing agreement is signed with **Aeroflot Soviet Airlines** for flights from New York (JFK) to Moscow.

Customer bookings jump 12.8% to 74,282,222 and cargo climbs 17.1% to 1.41 billion FTKs. Although revenues rise 15.05% to \$10.06 billion, expenses shoot up 15.01% to \$10.32 billion and force an operating loss of \$226.35 million, which is actually an improvement over the previous year. The net loss, in fact, worsens to \$239.47 million. Despite the poor financial showing, Delta is now, depending upon which statistic is read, the second or third largest U.S. airline.

Company employment is cut 5.1% in 1992 to 74,907, as attrition—encouraged and natural—removes 5,000 workers. On the plus side, former flight attendant and mid-level manager Jenny Poole is appointed vice president for in-flight services.

Early in the year, flights begin from Atlanta to Madrid via Barcelona. In January, Mexico City service is expanded with new B-757-232 nonstop roundtrips from Orlando and New York (JFK).

A corporate reorganization is announced in February under which two new divisions—Administrative Services and Marketing Development and Planning—are created and three others are renamed.

In early spring, Chief Operating Officer Hawkins agrees to a board request that he remain as president for another year.

On April 9, the carrier files suit in the Israeli Supreme Court against the government of Israel, which has refused to allow the company to operate into or from the country on the Jewish Sabbath. Also in April, the carrier begins live in-flight radio broadcasts as the result of an arrangement with *U.S.A Today Sky Radio*.

St. Petersburg, Russia, joins the route network in May, at which time the carrier orders nine A310-324s.

Meanwhile, Chairman Allen's airline engages in a costly half-price fare sale and other promotions designed to counter the Value Pricing scheme put forward by **American Airlines**.

Especially at Dallas (DFW), more and more short-haul flights are turned over to "Delta Connection" partners while improved long-haul services are inaugurated from Frankfurt to Newark, Los Angeles, and San Francisco. Other new routes include Orlando to Paris, St. Thomas to St. Croix, New York (JFK) and Budapest, Chicago, Copenhagen, Helsinki, and Vienna.

The first of nine Delta-configured (not leased) MD-11s join the fleet and are assigned to the carrier's Pacific routes. Meanwhile, the remainder of the DC-9-32 fleet is gradually dispatched to storage in Arizona and much of the former **Pan American World Airways (1)** fleet is sold.

Losing money, the major in July announces layoffs for all but a few of its 3,500 part-time and temporary staffers as part of a new cost-cutting program designed to save \$700 million by 1995.

In August, the company reveals that it is postponing a planned expansion from Orlando into such South American markets as Guatemala City, San Jose, and Caracas while cutting the number of its Los Angeles to San Francisco frequencies by two-thirds. Also in August, the airline contracts with the National Football League (NFL) to fly the Miami Dolphins and Denver Broncos to Berlin for an exhibition game; it also transports the Washington Redskins to London for a game with the San Francisco 49ers.

On September 1, CEO Allen and other top managers take significant pay cuts.

Retaining its exclusive charter contracts with major league baseball's Atlanta Braves and Los Angeles Dodgers, the airline also regularly flies the third largest number of NFL teams, including the Atlanta Falcons, Cincinnati Bengals, Miami Dolphins, and New Orleans Saints. Over the next two months, the company expects to fly an average of 100 sports charters per month.

Also in September, a new 65,000-sq.-ft. domestic and international cargo facility is opened at Portland.

Efforts are made during the fall to negotiate a pay-cut agreement with company pilots, but the flyers refuse the request; consequently, the first pilot layoff in 35 years—103 men—is announced for December 1. When, in November, the ALPA pilots agree to reduce the number of minimum monthly flying hours for its members, the layoffs are cancelled.

In mid-month, it is announced that 19 reservations centers will be closed beginning the following summer.

At the same time, twice-daily B-737-232 nonstops commence from Wilkes-Barre to Atlanta while daily nonstop Cincinnati-Albuquerque MD-88 service is launched.

In December, 5% salary cuts are announced for all noncontract employees, compensation for the board of directors is scaled back by 20%, the quarterly common stock dividend is reduced from 30 cents to 5 cents, and another \$400-million postponement brings to \$1.8 billion the amount aircraft orders deferred on the year.

Although the new 116,000-sq.-ft. cargo facility is opened at Dallas (DFW), spending for new facilities and ground equipment is reduced by \$600 million over the next 3 years.

Passenger boardings ascend 11.9% to 83,117,228 and freight jumps 24.7% to 1.76 billion FTKs. Although revenues swell 15.6% to \$11.57 billion, expenses rocket up 20.5% to \$12.4 billion and guarantee a quad-

rupling of the operating loss to \$886.6 million. Net loss skyrockets to an almost unbelievable \$1.18 billion.

The workforce is cut 11.2% in 1993 to 66,539, fourth largest in the world. The fleet, second largest behind **American Airlines**, includes 541 aircraft: 138 B-727-200s, 100 20 MD-88s, 84 B-757-232s, 58 B-737-200s, 56 L-1011s, 26 B-767-332s, 15 each B-737-332s and B-767-232s, 10 MD-11s, and 5 A310-222s. Orders are outstanding for 31 MD-91s, 30 B-737-332s, 6 B-757-232s, 5 each MD-11s and B-767-332ERs, and 2 B-767-332s.

The last DC-9-32 flight is operated on New Year's Day as Flight 542 from Dallas (DFW) to Atlanta via Memphis over the inaugural DC-9 route of 1965.

Early in January, the company begins a plan to reallocate its aircraft from "strategic markets" to routes that may bring near-term profits and specifically cancels services due to start to Latin America during the month. At the same time, the airline's "Delta Shuttle" division engages in a costly fare war with **USAir** in the Boston-New York-Washington shuttle market, cutting its weekday tariff by 34%.

In mid-month, the company is hit with a \$2-million civil penalty by the FAA, primarily in the area of aircraft maintenance.

Nonstop flights between the U.S. and Greece commence on January 22 and, in February, another \$500-million deferral in aircraft orders is announced.

Later in the month, pilots reject a management request for a 5% pay cut, claiming it is unnecessary.

Unable to reach accommodation with its pilots, Delta, in March, announces its first layoffs in 36 years—the termination of 601 cockpit-crew slots by June 1. Other cost-cutting measures are put into place, including the removal of 28 jetliners, the abandonment of some unprofitable routes, and the continued transfer of others to "Delta Connection." For example, on February 22, the number of flights to and from Dallas (DFW) is reduced and many of those continued are taken over by **Atlanta Southeast Airlines**.

MD-11 proving flights from Portland, Oregon, to Seoul commence; employing routes over former Soviet-controlled airspace saves 1.5 hrs. flying time.

Late in the month, it is announced that the 1989 code-sharing agreement with **Swissair, A.G.** will be extended.

President/Chief Operating Officer Hawkins retires on March 1 and his titles are given to Chairman Allen. A severe winter storm over the eastern U.S. during the weekend of March 12–14 has a particularly harsh impact upon the company, which must cancel over 2,000 flights, including 1,300 on Saturday alone.

Federal Judge Marvin H. Shoob approves a \$458-million settlement of a class action antitrust lawsuit on March 22 that charges the airline and five others with price fixing. Travelers will now be able to receive discount airfare coupons to compensate for overcharges by the carriers on flights between January 1988 and June 1992.

A new daily nonstop is inaugurated on April 4 between Atlanta and Little Rock. On April 30, daily nonstop flights begin from San Francisco to Frankfurt and Munich.

It is also announced in April that the 21 A310-222s/324s acquired from **Pan American World Airways (1)** will be sold and, by next January, 16 "Delta Shuttle"-dedicated B-727-235s, including the 14 obtained with its purchase, will be retired.

Also during the month, former British Tourist Authority CEO Michael G. Medicott is appointed vice president-Europe.

The first of nine A310-324s purchased new arrives at Atlanta in May from Toulouse, France.

Sleeping on airport benches for 5 nights and flying on 17 red-eyes, travel agent Keith George of Perth, Australia, obtains maximum usage, during the spring, of his \$449, 30-day stand-by unlimited air pass, logging 231 domestic flights (383 flying hours) covering 165,314 miles between 70 airports in 35 states.

The upgraded **Swissair, A.G.** arrangement becomes effective on June 1. Daily nonstop flights commence from Cincinnati to Zurich, with **Swissair**,

A.G. reserving blocks of seats in all three classes aboard Delta aircraft. Delta next reserves the same number of seats on **Swissair, A.G.** flights from Zurich to Atlanta and New York and from Geneva to New York. The two also begin to share terminal facilities in their jointly served cities.

On the same day the Swiss deal begins, a block-space and code-sharing agreement is reached with **Sabena Belgian World Airlines, S.A.** In addition to cooperation on ground services, frequent flyer programs, cargo, sales and reservations, and information systems, this accord covers frequencies from Brussels to Boston, New York, Atlanta, and Chicago and to Germany via Brussels.

Also at the first of the month, daily nonstops are initiated from St. Louis to JFK and to Atlanta; B-757-232 service is added in the morning between Cincinnati and Atlanta as morning and afternoon B-757-232 departures are added to Atlanta from San Francisco.

On the same day, daily roundtrips are reinstated from Juneau to Los Angeles via Seattle and Delta replaces its one-stop service with new nonstop roundtrip service between Los Angeles and Hong Kong, reducing travel time on the 7,249-mile flight by more than 2 hours in each direction. The first 136 pilots are laid off the same day.

On June 3, daily Cincinnati to Munich service is initiated. The carrier agrees on June 28 to distribute \$4.6 million in cash and 20,000 free tickets to 529 former **Pan American World Airways (1)** flight attendants as settlement of a class action suit.

The closure of 19 reservations centers announced the previous November now commences; through the fall of 1994, facilities will be phased out at Detroit, Houston, Jacksonville, Knoxville, Memphis, New Orleans, San Francisco, and Seattle; however, affected personnel will be transferred.

On August 2, Delta is one of seven carriers to win a USAF contract to provide long- and short-range international airlift services under the Civil Reserve Air Fleet program; the pact is valued at \$22 million.

Preliminary agreement is reached with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on August 3 for the implementation of a strategic alliance; under its terms, the two majors agree to share flight information, reservations data, frequent flyer and vacation programs, and to coordinate training, maintenance, schedules, and passenger bookings.

Flights from Dallas (DFW) to Wichita end on September 13.

A pact similar to the recent Mexican deal is signed on September 20 with **Air New Zealand, Ltd.** giving access to the South Pacific.

On October 1, the company stops flying between Dallas (DFW) and Tulsa; however, a daily roundtrip nonstop jetliner service is added from the latter city to Atlanta.

The U.S. Department of Justice begins an investigation on October 8 of whether the carrier's agreements with Salt Lake City travel agencies gives it an unfair advantage over fledgling **Morris Air**.

Also in October, the megacrier signs a three-year sponsorship with the British Olympic Team to provide air transport to training and competition sites in the U.S. for the upcoming 1996 Atlanta Olympic Games.

One-stop service is inaugurated on the last day of the month from Detroit to Frankfurt via London.

On November 15, it is announced that the line will close its New York reservations office and expand its Boston sales office as part of a plan to save \$28 million a year. The 400 permanent employees at New York are offered jobs with Delta's 10 remaining reservations offices around the country.

Thirty more pilots are laid off on November 30, bringing the total since June to 448.

In December, Chairman/CEO Allen announces that the New York reservations facility will be transferred to Boston. At the same time, it is noted that the JFK hub will be reconfigured; more domestic feed to the New York airport will be added and transatlantic operations will be split into two flight complexes. Yet, with 250 weekly transatlantic flights—more than any other carrier—Delta remains one of the least-recognized airlines by European travelers.

Hence, *In Search of Excellence* coauthor Tom Peters begins testing a new marketing campaign in Germany, France, and the U.K.; it will

prove unsuccessful, largely because that spokesman is also unknown to Europeans.

The first nonstop roundtrip service to Knoxville, Tennessee, is inaugurated on December 15 from New York (LGA).

Customer bookings for the year rise 2.3% to 85,031,570, the highest number sold by any air transportation company on earth. Cargo swells 8.3% to 1.91 billion FTKs, 14th best. Revenues boom upward by 6.2% to \$12.29 billion, third highest behind American and United. Expenses slide up only 0.3%, but still register \$12.5 billion. The operating loss is cut to \$212.2 million and net loss to \$225.9 million.

Airline employment declines another 6.8% in 1994 to 68,000, but among the year's promotions is that of Allison Johnson to director of fleet management and reliability. The carrier joins with **American Airlines, Northwest Airlines, and United Airlines** on January 18 in agreeing to pay \$30 million in \$5 fare coupons and lawyers fees to settle a class action suit over tax-related surcharges on jet fuel attached to passenger fares at Chicago's airports.

Later in the month, the megacrier asks the DOT not to grant additional code-sharing authority to **Deutsche Lufthansa, A.G.** until the German government allows Delta to provide its own ground handling for its flights landing at Frankfurt.

On March 17, the U.S. government settles another antitrust suit against the company and five other airlines that, it is alleged, fix airfares. Without admitting or denying the accusation, all agree to end the practice of communicating proposed fare increases through the reservations system maintained by the Airline Tariff Publishing Company. Finding no further pursuit warranted, both the DOT and DOJ end investigations of complaints made earlier by **ValuJet Airlines**.

The megacrier realigns and reduces its transatlantic services in an effort to increase their profitability. Also in March, a letter of intent is signed with **Korean Airlines/Korean Air (KAL)** for the establishment of a comprehensive marketing agreement. Atlanta–Dublin nonstops commence on April 5, but San Francisco–Frankfurt service ends on April 27.

D-Day Remembrance Fares are offered to World War II veterans and their families for eight months, beginning on April 1, on flights between New York and Paris or Nice.

A code-sharing agreement is signed with **Virgin Atlantic Airways, Ltd.** on April 12, giving the American major its first access to Heathrow Airport. Unable to fly directly in by itself, the major plans to buy seats on VA flights to London. The two carriers will also share frequent flyer miles on flights from New York, Newark, Los Angeles, San Francisco, and Orlando. The services, beginning on November 1, are to be listed as Delta in U.S. reservations systems and Virgin is guaranteed at least \$150 million under the agreement. Later in the month, a letter of intent is signed with **Austrian Airlines, A.G.** for a similar code-sharing, block-seat alliance on the New York–Vienna route, effective July 1.

With several other carriers, Delta gives consideration to establishment of a low-fare division to compete with **Southwest Airlines (2)**.

Citing lack of customers, the daily nonstop San Francisco to Frankfurt roundtrip is withdrawn on April 27.

The next day, the drastic "Leadership 7.5" recovery plan is announced and is unlike any proposed by its unionized rivals. Among the approaches chosen are the aforementioned elimination of 12,000–15,000 nonunion jobs (about 15% of the workforce) and an enormous reduction of costs by mid-1997.

A whole new group of immediate improvement steps are simultaneously begun aimed primarily at upgrading service to Europe. Capacity is reduced on the North Atlantic by cutting 12% of the company's flights. MD-11s are assigned to additional transatlantic frequencies on May 1 and the nonstop route is terminated between Atlanta to Dublin. This is part of a plan, announced six months earlier, whereby departures from New York (JFK) are split into 2 banks and 10 additional domestic flights are added to feed those banks. The move reduces connecting times in 50% of the carrier's North Atlantic markets.

On May 1, frequencies from New York to Helsinki are extended on to St. Petersburg. At the same time, a letter of intent is signed with

Vietnam Airlines covering a study to be made for possible joint cooperation and marketing. A B-727-232A now begins three months of tests with Valsan winglets.

The next day, May 2, the carrier halts its daily nonstop roundtrip between New York (JFK) and Budapest and begins block-seat, code-sharing with **MALEV Hungarian Airlines, Ltd.** as the Hungarian carrier takes over the route (Delta retains its Budapest–Frankfurt roundtrip service). In Europe, A310-222s replace B-727-232As feeding Frankfurt and, on May 11, the British government approves of the marketing alliance with **Virgin Atlantic Airways, Ltd.**

The number of weekly, nonstop, roundtrips from Los Angeles to Hong Kong is increased on June 15 to six. A full code-sharing and block-space partnership is entered into with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on June 24. This accord provides for frequent flyer program coordination and code-share or block-space arrangements on several frequencies: from Mexico City to six U.S. destinations; from Mexico City to five Mexican destinations; from Cancún to Atlanta and Dallas-Fort Worth; from Dallas (DFW) to Ixtapa; from Los Angeles to four Mexican destinations; and on flights beyond Atlanta, Dallas (DFW), and Los Angeles to several major U.S. cities.

At month's end, the joint operation with **Austrian Airlines, A.G.** begins.

When **Trans World Airlines (TWA)** ceases its service to Berlin on July 1, Delta is left as the only U.S. carrier serving Germany's once and future capital.

Also in July, 1,200 jobs in the technical operations division are cut as part of 2,500 from that area that will go under the "Leadership 7.5" program; it is announced that 4,500 jobs in the North American Airport Customer Service Division will also be eliminated.

It is also made known that all 13 A310-324s will be phased out and that services on 4 European routes will be suspended, including those from Cincinnati to Munich, Miami to London, and New York to Oslo and Stockholm.

A new \$375-million terminal expansion project is opened at Cincinnati.

In mid-month, Delta secures a \$300-million asset-backed facility under agreement with NationsBanc Capital Markets and Capital Markets Assurance Corporation. Under the arrangement, the airline is able to sell receivables such as ticket receipts in return for investment-grade commercial paper or medium-term notes.

In negotiation for over three years, a commercial alliance with **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** is now finally implemented with the first Brazil to Atlanta service. Operating under the code-sharing phase of their arrangement, Delta acquires 30% block-seat capacity on the South American's daily B-767-341ER flights to Georgia from Rio de Janeiro and São Paulo. Similar capacity arrangements are made for services to Miami, New York, and Los Angeles.

Late in the month, a memorandum of understanding is signed with **All-Nippon Airways Company, Ltd.** under which negotiations will be conducted for the creation of a strategic and code-sharing alliance and reciprocal ground handling in Tokyo, Los Angeles, and New York (JFK).

A mechanic and customer service agent are dismissed and arrested on August 7 after taking a B-737-232A for an unauthorized mile-long run along the taxiway at Tucson Airport.

It is announced on August 24 that the company is divesting its non-computerized reservations system information technology functions into a fifty-fifty joint venture with AT & T Global Information Solutions to develop a computer and communications system for the travel industry. Delta transfers 1,200 employees to the new company and signs itself up as the first customer for the new, unnamed business, pledging to purchase \$2.8 billion of equipment and services over the next decade.

At the month's end, some 1,800 former **Pan American World Airways (1)** flight attendants at Miami sue the company claiming they lost millions of dollars in pay and benefits in 1991 when the Atlanta-based major took over Pan Am's North Atlantic routes and cut their seniority.

Beginning in September, four unprofitable transatlantic routes are dropped: Cincinnati–Munich, Miami–London, New York–Oslo, and New York–Stockholm. At the same time, Delta begins to remove all 13 A310-324s from service and put them up for sale.

After operating in Europe for 16 years, Delta, under the leadership of Vice President-Europe Medlicott, begins its first marketing campaign on that continent. Reworked by the London ad agency of Abbot, Mead & Vickers, the promotion, employing three pan-European satellite channels, appears on 34 television stations in 12 countries; print ads appear in over 200 publications in 20 nations.

With the DOT's failure to offer approval, implementation of the block-seat, code-sharing agreement with **Virgin Atlantic Airways, Ltd.** is delayed.

As part of its effort to reduce operating costs, the carrier, on October 25, reduces travel agent commissions on full-fare international tickets from 10% to 8%.

Sales offices are closed on November 1 at Charleston, Columbia, and Greenville, South Carolina. The same day, a code-sharing, block-seat agreement is signed with **TAP Air Portugal, S.A.** covering flights to Lisbon from Newark and New York (JFK).

A previous arrangement with **Sabena Belgian World Airlines, S.A.** is simultaneously expanded to five times per week from Brussels to Boston and six per week from Brussels to Chicago. The pact also allows for code-sharing on Sabena routes from Brussels to the German cities of Berlin, Dusseldorf, Frankfurt, Hamburg, Munich, and Stuttgart.

On November 2, the company joins with **Singapore Airlines, Ltd.** to announce a joint plan that allows passengers from each air carrier to use one ticket to fly on either airline.

The initial production MD-90, complete with a design on the engine nacelles naming Delta the official airline for the 1996 Olympic Games, wins FAA type certification on November 4; the first of 31 machines is scheduled for delivery the following February.

Six days later, on November 10, New York (JFK) receives \$150 million to fix up the Delta terminals; the funds are part of a projected \$5 billion in improvements scheduled for the next several years. Wearing Delta colors, the MD-90, for which the carrier is launch customer, receives FAA type certification on November 14.

Under terms of the compact signed 15 days earlier, **TAP Air Portugal** purchases blocks of seats on Delta's A310-324 flights from New York to Lisbon, beginning on November 16.

Ronald Prince, an 85-year-old resident of London, England, achieves his long-held goal of entry into the *Guinness Book of World Records* on Thanksgiving Day. Over the past two months, employing a Delta Stand by America pass, he has taken 237 flights and traveled a record 275,441 miles.

A total of 42 passengers are evacuated from a company airliner at New York (LGA) on November 27 following a bomb threat and are asked to claim their luggage; their flight later continues on to Montreal after no bomb is found.

The \$375-million Terminal 3/Concourse B expansion at Cincinnati–Northern Kentucky International Airport is opened on December 1.

In mid-month, the joint venture with AT & T is renamed TransQuest Information Solutions.

On December 24, a federal judge clears the airline of allegations that it drove **Pan American World Airways (1)** out of business three years earlier. The court orders the creditors of Pan Am to repay Delta more than \$145 million, including \$115 million that it received as a loan, plus interest.

While landing at Dallas (DFW) on December 28 in rain, the wiper motor on the cockpit windshield short circuits, causing smoke to fill the cockpit; the plane lands safely.

Also on December 28, it is announced that Delta has employed the money received from its legal victory to pay off the pioneer's debt.

Passenger boardings advance by 4.7% to 89,053,640, once again leading U.S. carriers; freight climbs 13.1% to 2.16 billion FTKs. Revenues slip by 1.9% to \$12.06 billion and, even though down by 3.4%,

expenses still total \$12.27 billion. Consequently, the pretax loss advances to \$217 million, even as the net loss is cut to \$159 million.

The workforce is decreased by 13.1% in 1995 to 59,104.

Smoking is banned on all flights worldwide at the beginning of January.

After Russia and China jointly open a new route from North America via Siberia to China on January 4, Delta plans to begin a series of seven proving flights from Los Angeles to Hong Kong via Beijing during the spring.

While climbing out of Monroe, Louisiana, on January 6, an MD-88 with 70 passengers, encounters clear-air turbulence; one flight attendant is badly injured and the jetliner diverts to another airport to obtain medical treatment for her.

On January 16, NTSB veteran John K. Lauber is appointed vice president-safety and compliance; he will oversee implementation over the next year of a safety standardization program for "Delta Connection" partners.

Also during the month, arrangements are made to acquire 46 "Heavyweight" hush kits from **Federal Express** over the next four years and to begin installing them later this year and next in the carrier's aging fleet of B-727-200s.

Just after landing at Nashville on January 30, an MD-88 experiences a fuel leak that causes extensive smoke in an engine; all aboard are safely evacuated.

On February 1, the DOT approves the company's alliance with **Virgin Atlantic Airways, Ltd.**, under which the Atlanta-based major will acquire \$150-million worth of block-seating with the U.K. airline as a way of gaining access to London (LHR). Code-sharing will occur on VA frequencies to London from Los Angeles, San Francisco, New York (JFK), and Newark and between Miami and London (LGW), plus Delta services between Boston and Orlando.

On February 7, the engine under the right wing of an L-1011 catches fire as the plane is in line for takeoff at New York (LGA); the aircraft stands down and no injuries are reported.

In a "shot heard 'round the world," on February 9 Delta, which has been paying 10% commission for the 20% of the sale of its local service fares that are brokered, sets a limit on the commissions that travel agents can receive on the sale of domestic tickets. Effective immediately, it will pay a maximum of \$50 for any roundtrip domestic ticket with a base fare above \$500 and \$25 for any one-way domestic ticket with a base fare above \$250. The dramatic action emphasizes just how serious the company is concerning its cost-cutting measures.

On the same day, an MD-88 aborts its takeoff from New York (JFK) when a bomb on the runway knocks out altitude-based navigational instruments.

Within days, four other majors join Delta in limiting commissions and on February 15 Travel Network, Ltd., franchiser of 350 travel agencies, files suit to block the action. On February 26, the carrier quickly matches a fare increase, mainly involving business travelers, announced the same day by **United Airlines**.

The company inaugurates its first nonstop service to Canada from its Georgia hub on March 2 when daily B-757-232 roundtrips are started to Toronto and daily B-727-232A flights begin to Montreal (YUL).

A near miss is registered over St. Anthony, Newfoundland, on March 8, when Flight 49, a company L-1011 TriStar 1 en route to Cincinnati from Europe, comes within 1,800 ft. above and 1 mi. S of **British Airways, Ltd.** (2) Flight 92X, a B-747-436 eastbound to London. Canadian air traffic control is blamed for the error in the required separation of 2,000 vertical feet.

En route from the Bahamas to Atlanta on March 16, a B-727-232A with 138 passengers encounters clear-air turbulence at 37,000 ft. over Alma, Georgia; five persons are hurt, one seriously.

Following a ceremony, the first MD-90-30 is turned over to the company at Long Beach during the week of March 20. Two more will be acquired by month's end. Each wears decals on its engine nacelles in recognition of Delta's status as the official airline of the upcoming 1996 Olympics in Atlanta, Georgia.

Aviation Week & Space Technology reports on March 27 that the musical theme for the carrier's European television advertisement has proven so popular that it has been released to the public as part of an album from the group **Adiemus**, reaching No.13 on the pop charts in Germany. The music label is that of EMI, founded by Richard Branson, chairman of Delta's new marketing partner, **Virgin Atlantic Airways, Ltd.**

Although the travel agent cap remains officially in place, the carrier joins with **Continental Airlines** on March 27 in breaking the majors' February collective stand by offering financial incentives that will reward larger travel agencies for exceeding their sales goals.

On March 31, a three-way block-space code-sharing service is launched with **Austrian Airlines, A.G.** and **Swissair, A.G.** by Austrian A310-324s flying from Vienna to Washington, D.C. via Geneva. Flight attendants from all three carriers provide in-flight services.

The first three MD-90s enter service on April 2 flying from Dallas (DFW) to Reno, Newark, Atlanta, and Jackson, Mississippi.

The next day, code-sharing flights commence with **Virgin Atlantic Airways, Ltd.** *Business Travel News* reports that the airline is considering giving discounts to big corporations in return for the elimination by them of their collection of frequent flyer miles; Delta denies this rumor on April 11.

Delta joins with **All Nippon Airways Company, Ltd.** in April to announce the inauguration of code-sharing on weekly transpacific flights between Tokyo and Los Angeles. Under terms of their agreement, All Nippon will offer seven flights per week and Delta six.

The same freak hailstorm which so severely damages **American Airlines** and "American Eagle" aircraft at Dallas (DFW) on April 29 also pounds 15 Delta aircraft to a point where they must be taken out of service. Most are repaired by the second week of May.

Also during the spring, discussions are held with **Aer Lingus Irish Airlines, Ltd.** concerning code-sharing flights from New York to Dublin.

On May 1, when **Continental Airlines** opens what has become an annual airfare competition, Delta quickly matches that carrier's discounts of up to 35% for off-peak summer travel on certain days.

The same day, a hub-shuffling operation is completed that emphasizes long-haul service and the number of daily domestic departures is cut from 2,715 to 2,650, with the slack taken up by "Delta Connection" affiliates.

The largest hub cutback occurs at Los Angeles (LAX) with a reduction from 87 to 65 daily departures; **Skywest Airlines** increases its flights from 106 to 115 per day. Connections are increased from Orlando to New York (LGA), Atlanta, and Dallas-Fort Worth, but are cut between those hubs and Fort Myers, Sarasota, Detroit, Cleveland, and New Orleans. **Comair** is called upon to expand out of Orlando, **Atlantic Southeast Airlines** grows from Dallas (DFW), and the major adds service from Texas to Cincinnati, New York (JFK), Cincinnati, Nashville, Mobile, Tampa, and Seattle.

On May 1, daily departures from Boston are reduced from 63 to 50.

Having outdistanced Dallas (DFW), Cincinnati, which completes a \$375-million expansion that doubles its size, now becomes the company's No. 2 hub behind Atlanta. Daily departures from the "Queen City" are increased from 170 to 203, including new nonstop frequencies to 9 markets and expansion of flights to 18 others. Fifteen flights are also added from Atlanta while 12 new departures are started from Salt Lake City.

Through the first week of May, Delta has completed seven proving flights over a new route from Los Angeles via Siberia and Beijing to Hong Kong.

On May 12, **Swissair, A.G.**, which was just the day before dropped from its strategic relationship with **SAS (Scandinavian Airlines System)**, joins with Delta to announce a new joint service from Atlanta to Tel Aviv via Zurich.

Also during the month, the company begins a phased implementation of its "Reservations of the Future" system, designed to speed data entry and retrieval by 15% and reduce training time.

A substantial portion of the carrier's inventory of accessories, avionics and engine components, and other spare parts, with a reported value of \$400 million, is sold to **Avatar Alliance LP** on May 30.

A block-space and code-sharing arrangement with **Korean Airlines/Korea Air (KAL)** is inaugurated in July. In addition to reciprocal frequent flyer participation, the two majors share codes on flights from Atlanta, New York (JFK), Orlando, Boston, Portland, Newark, and Washington, D.C. (IAD) to Seoul and from Los Angeles to Honolulu.

When **Air Jamaica, Ltd. (2)** leases six of the carrier's former A310-324s from their manufacturer in midyear, Delta agrees to provide flight crews under contract. The two carriers also sign a letter of intent to pursue cooperation in marketing and other activities.

Before 7,000 assembled company workers at Atlanta on July 29, the B-767-232 *Spirit of Delta* (first given to the company by its employees on December 15, 1982) is unveiled in a striking new Atlanta 1996 Olympics color scheme in honor of the international games that will begin the next year. Only one aircraft receives the striking livery; the remainder will have relatively small commemorative decals.

The Delta Skymiles Optima credit card, a joint promotion with American Express that gives users frequent flyer miles, is unveiled on August 1. On August 3, it is announced that up to 60 daily flights will be cut from Dallas (DFW) in a further move to eliminate unprofitable routes; no layoffs will accompany the move.

In August, a B-747-2L5B of **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** is damaged in a ground accident at New York (JFK). The Jumbojet, being taxied to the gate by two Delta Air Lines engineers under a June 1994 taxi service contract, crashes into a parked service truck, dragging it 75 feet across the tarmac, and damaging a jet engine when the truck is wedged underneath.

While en route from Los Angeles to Honolulu on August 23, an L-1011 TriStar 1 with 10 crew and 226 passengers suffers sudden decompression at 33,000-ft. over the Pacific Ocean, 450 mi. W of the California coast. The aircraft makes a rapid descent to 14,000 ft. and returns to Los Angeles (LAX), where a safe emergency landing is made. Although no injuries are reported, the Lockheed is thereafter withdrawn from service.

Following the breakdown in the bilateral air agreement negotiations between the U.S. and Japan, **All Nippon Airways Company, Ltd.** abandons the plan for joint dual-designator or block-space flights with Delta on August 29. The flights were due to commence on September 1 from Osaka to Honolulu and New York (ANA) and to Portland, Oregon (Delta).

A code-sharing agreement is signed with **Finnair O/Y** on September 7.

While preparing to take off from Hamburg on September 16, Flight 69, a B-767-332ER with 234 people aboard, suffers the collapse of its right landing gear; the plane, which had not yet started its roll, is evacuated and no injuries are reported.

In addition to joint frequent flyer programs, the Finnish and American majors begin their joint return services on October 1 on routes from Helsinki to New York and San Francisco and on the Delta route from New York to Boston.

Having decided to fly the route through April when the winds are favorable, the company the same day inaugurates weekly return flights from Los Angeles to Hong Kong via Anchorage, Magadan, Khabarovsk, Haiqag, Beijing, and Shanghai. Passengers to China save an hour over the previous service flown by way of Tokyo's Narita Airport.

Painted in a bright new multicolor scheme, the first **Air Jamaica, Ltd. (2)** A310-324 with a Delta flight crew arrives at Kingston in early October; it will be followed by two more in December.

On October 14, Leif Wassermann, commercial attaché at the Danish Consulate in New York City, informs Delta that he has been able to pass unchecked to the Delta gate at New York (JFK) and provides details on the security lapse.

The company's daily MD-11 frequencies between New York and Helsinki end on October 29.

The next day, the new pact with **Finnair O/Y** begins as Delta purchases blocks of seats for its passengers on the Finnish airline's MD-11 services from JFK International to Helsinki, as well as on its regional routes from Helsinki to Frankfurt and Helsinki to Zurich. The Finnish company returns the service, offering seats on Delta flights between New York (JFK) and Atlanta, Chicago, Miami, and Washington, D.C.

In the Pacific, service is withdrawn from Bangkok, Hong Kong, and Taipei on November 1.

While descending to Pensacola on November 7, a B-737-232A with 59 passengers encounters a short incidence of turbulence. A man standing in the aisle near the rear lavatory is thrown into the rear galley, breaking his leg.

The Atlanta-based major is sued, along with **Trans World Airlines (TWA)**, by fellow Atlanta-headquartered **Valujet Airlines** on November 9 over landing slots at New York (LGA). Eight days later, U.S. Federal Judge G. Ernest Tidwell clears the way for Delta to lease 10 of TWA's New York (LGA) slots by rejecting Valujet's request for an injunction.

Also in November, Delta concludes an advertising arrangement that it has had for some time with the National Football League.

Flights to Columbus, Georgia, end on December 1. The same day, a sixth service is initiated between Atlanta and Denver.

On December 6, a tentative agreement is reached with the pilots' union that will allow the airline to provide lower-cost flights to smaller markets with a discount operation. The same day, nonstop return service begins on a daily basis between Cincinnati and Frankfurt.

The union agrees to support the carrier's low-cost operation on December 11, hoping that it will give it the ability to compete head-on with the no-frills airlines.

The next day, the company announces that it will fight "menu fatigue" by offering more and diverse entrees on its long-haul domestic segments.

On December 13, Delta announces that it has halted its planned layoffs for full-time employees, except pilots; the cost-cutting labor reduction program launched 18 months earlier has trimmed 11,000 jobs from the payroll.

Also in December, the company's domestic schedule from Cincinnati is further enhanced by the addition of new frequencies to Ontario (California), Wilkes-Barre, Scranton, and San Antonio. Additional flights are laid on from Cincinnati to Albany, Buffalo, Chicago, Columbus, Hartford, Las Vegas, Los Angeles, Louisville, Miami, Nashville, New Orleans, New York (LGA), Newark, Orlando, Philadelphia, Phoenix, Providence, Raleigh/Durham, Salt Lake City, San Diego, San Francisco, Seattle, Tampa, and Washington, D.C. (IAD).

Special ski-season services are inaugurated on December 16 between Atlanta and the Colorado mountain resort communities of Gunnison/Crested Butte, and Vail.

On December 27, Delta fires the first shot in a new airfare war, challenging its competitors to join it in cutting 30% to 50% from its regular advance-purchase prices on winter travel in the U.S., Mexico, and Canada. The invitation is quickly accepted.

Also during the last week of the year, an agreement is signed with Lockheed Martin to provide comprehensive maintenance for the airline's L-1011 fleet.

On December 31, the carrier begins to scale back its relationship with the Walt Disney Company, for which it has been the official airline for Disneyland, in Anaheim, and Walt Disney World, in Orlando. It will also end its affiliation with a Dream Flight ride at the latter's theme park, which it had helped to renovate. On the other hand, it agrees to continue its promotion of Disney Dream Vacations and to serve as the official sponsor of the Walt Disney World twenty-fifth anniversary in 1997.

As is the case at both **American Airlines** and **Continental Airlines**, traffic declines slightly for Delta as it, like the other two majors, implements its cost-cutting plans.

Enplanements dip 2.3% to 87,040,659 and cargo falls 5.9% to 1.48 billion FTKs. Operating revenue inches up 1.6% to 12.25 billion and expenses fall a relatively huge 8.7% to \$11.2 billion. Profits are made this

year: operating gain skyrockets to \$1.04 billion while a \$510 million net profit is reported.

Airline employment in 1996 rises 6.5% to 61,872. On January 3, Delta joins with **Northwest Airlines** in signing an exclusive five-year agreement with the private operators of Vail-Beaver Creek Jet Center terminal at the Vail-Eagle County Airport in Colorado.

A major winter storm cripples East Coast airline operations between January 7 and 11. On the first day of the crisis, the company must cancel almost 2,000 flights. When New York (JFK) and Boston close on January 8, incoming Delta international flights are diverted to Orlando, Cincinnati, or Atlanta. Also at Atlanta, the carrier's new Operations Control Center swings into action, attempting to operate the company network so as to minimize disruption for diverted passengers.

During the third week of January, Capt. Bill Brown, chairman of the ALPA Master Executive Council at Delta, calls upon union members to authorize a strike if the 15-month-old bargaining effort for a new contract breaks down.

Urgency will be added to the need for labor peace when **Southwest Airlines** (2) inaugurates Florida service on January 22 in direct competition with Delta, the largest operator of scheduled flights in the state. Still, discussions fail on January 12 when Delta rejects as "dangerous" a pilot request for a 5% pay increase. Before a strike is voted, however, negotiators from Delta and its pilots union meet in Washington, D.C. during the last week of the month for discussions that are held under the auspices of the U.S. National Mediation Board's (NMB) executive, Kenneth B. Hipp.

A B-727-232A with 65 passengers experiences an uncontained failure of its No. 1 engine while taking off from Memphis on January 30; no injuries are reported in the safe return landing.

An MD-88 with 120 passengers makes a hard landing at Denver on February 4; although the aircraft is badly damaged, only one person sustains a minor injury.

Also during the first week of February, **ANA (All-Nippon Airways Co., Ltd.)** joins with Delta, **American Airlines**, and **Continental Airlines** in calling for renewed bilateral discussions between the U.S. and Japan. Hopes are expressed by ANA President/CEO Seiji Fukatsu, during a Washington, D.C. visit, that operations originally authorized in 1952 will be liberalized for those airlines not original partners to the first bilateral.

Also at mid-month, the carrier announces that it is trading an excess B-737-300 simulator to U.K.-based Hughes Flight Training for a second MD-11 simulator.

At the same time, it is announced that, over the next three years, all L-1011s on transatlantic service will be replaced with 10 new B-767-332ERs and MD-11s. The decision will not have an impact upon the recent agreement with Lockheed Martin.

In addition, between now and July, a total of 685 laid off employees will be recalled, including 485 airport and customer service personnel in Atlanta.

While departing the gate at Fairbanks on February 20, the left wing of a Delta B-757-232 with 91 passengers, accidentally strikes the left wing of a **United Airlines** B-757-222 parked at the adjacent gate. The Delta crew, which had not noticed the ramp marshal's signals, is recalled before their aircraft can depart the taxiway. The same day, smoke and flame is reported coming from the auxiliary power unit (APU) exhaust of a B-767-332, with 143 passengers, as it taxis for departure from Portland, Oregon. The plane is directed to stop and evacuate, during which 4 passengers are injured (1 seriously).

After a month of mediation, ALPA representatives report on February 21 that their Delta chapter has tentatively agreed to a new four-year contract that includes a 2% pay cut in exchange for stock options in the airline, a seat on the board of directors, and the recall of all 472 laid off pilots.

On February 23, Chairman Allen indicates that as a result of the company's strong 1995 financial results, Delta will restore to its nonunion employees the 5% in their pay cut three years earlier and a 5% lump-sum profit-sharing payment will be made immediately.

Recognizing that it may have gone a bit too far in restructuring its hubs, Delta announces that it will add staff at Atlanta and 41 other stations.

Also in February, the code-sharing pact with **Virgin Atlantic Airways, Ltd.** is renewed for another two years.

In March, the carrier begins to monitor advance bookings to Atlanta for the mid-July Olympic Games. The carrier begins to make preparations, if necessary, to increase from 570 the number of daily frequencies offered to and from its principal hub.

In a reflection of the competition for new business and leisure travelers, the company during the month elects to seek a new advertising agency.

Ski-season roundtrips from Atlanta to Vail and Gunnison/Crested Butte are suspended on March 31.

One of two MD-11s with a special Olympic Games livery, the *Centennial Spirit*, is chosen on April 4 to transport the Olympic Flame from Athens to Los Angeles on April 27; from California, the flame will be taken by runners to Atlanta.

While en route from Washington, D.C. (DCA) to Atlanta on April 23, Flight 1593, an MD-88 with 37 passengers, suffers the failure of No. 2 engine over Raleigh, North Carolina. A safe emergency landing is made at Raleigh/Durham.

When the rank-and-file vote to accept the ALPA-negotiated contract at the end of April, Delta is able to announce, on May 2, that the collective-bargaining deal will save the airline some \$760 million.

On May 31, due to a medical emergency, **Virgin Atlantic Airways, Ltd.** Flight 007, a B-747-238B with 15 crew and 396 passengers, is forced to make an emergency landing on tiny Baffin Island, in the Canadian Arctic. A Delta L-1011 TriStar 1 is sent to that remote location on June 1 to transport the personnel under charter to New York (JFK).

On June 1, code-sharing with **Sabena Belgian World Airlines, S.A.** is expanded via a block-seat arrangement when Delta launches a second daily L-1011 frequency between New York and Brussels.

Reflecting its growth, the airline proudly announces the recall of the last laid off pilot on June 7. Many of the flyers will be employed as frequencies are increased out of Atlanta to replace those lost by the grounded **Valujet Airlines** and to bring travelers in for the Olympic Games.

Also in June, the pact between Delta and **Austrian Airlines, A.G.** receives U.S. antitrust immunity. Block-seat, code-sharing flights commence immediately, with the Austrian carrier purchasing reserved seats six days per week on Delta flights between Atlanta and Vienna. Austrian, in return, provides the A310-324s with which Delta might code-share between Vienna and Frankfurt.

Discussions begin between officials of the two airlines and **Swissair, A.G.** concerning possible closer relationships. These are almost immediately translated into additional dual-designator services. The arrangement takes the form of block-seat purchases: Delta and **Swissair, A.G.** purchase seats six times per week on the Austrian service while Austrian sells seats from Vienna to Washington and Geneva. In addition, Delta sells its partners seats for flights from Washington to Vienna and Geneva and Swissair sells seats from Geneva to Vienna and Washington.

After nine months of planning, the company's 14 reservation and sales offices in Western Europe are combined during the month into two: one at London and one at Frankfurt. The move is expected to save \$37 million over five years.

Daily dual-designator flights with **Virgin Atlantic Airways, Ltd.** commence on June 26 between London (LHR) and Washington, D.C. (IAD); the American major purchases block-seats on the British line's A340-311s. VA Chairman Richard Branson arrives on the inaugural flight to protest the proposed agreement between **American Airlines** and **British Airways, Ltd. (2)**.

During the first week of July, Delta joins in the VA lobbying effort against the BA-AA alliance announced on June 11.

While preparing for takeoff from Pensacola on July 7, one of the two JT8D-219 engines of Flight 1288, an MD-88 with five crew and 144

passengers, explodes. Pieces of the engine rotor pierce the fuselage at Row 37 and kill Anita S. Saxon and her 12-year-old son, Nolan; five other passengers are hurt during the plane's emergency evacuation.

On July 8, the U.S. Justice Department begins an antimonopoly probe of the alliance between **British Airways, Ltd. (2)** and **American Airlines**.

To compete with its deep-discount rivals such as **Southwest Airlines**, Delta, on August 8, announces the creation of its own low-cost division, "Delta Express," which will begin flight operations in October, under the direction of Vice President W. E. "Skip" Barnette, from a hub at Orlando. It will be outfitted with 25 B-737-200s drawn from Delta's regular fleet and differentiated from the other "Baby Boeings" only in the matter of "Delta Express" titles.

Just after takeoff from New York (LGA) six days later, Flight 801, a B-727-232A with 132 passengers, makes a safe emergency landing at New York (JFK) after its center Pratt & Whitney JT8D-15 engine loses power. A small piece of the turbine with blades intact is ejected from the engine's tailpipe and lands in Flushing, Queens, but no injuries are reported.

On September 3, following the lead of **Continental Airlines**, Delta and three other majors agree in principle to settle a suit by the American Society of Travel Agents charging the carriers illegally conspired to cap travel agent commissions on domestic airline tickets. The five companies will reportedly pay a total of \$87 million, but will be able to retain the controversial \$50 commission cap. The implementation of electronic ticketing begins.

With one-way fares ranging from \$19 to \$159, 62 daily "Delta Express" services are inaugurated on October 1 linking Orlando with Fort Lauderdale, Fort Myers, Tampa, and West Palm Beach plus Boston, Hartford, Springfield, Providence, Philadelphia, Newark, Louisville, Indianapolis, and Nashville. The launch comes just one day after **Valujet Airlines** resumes limited services following a 3 1/2-month shutdown.

As in the days when **Eastern Air Lines** committed a fleet of Constellations to the New York-Washington shuttle, Delta, without the hourly promise, dedicates specific aircraft to this enterprise: 25 B-737-232As and B-737-247As. In an effort to avoid the disaster suffered by **Continental Airlines** with its CALite program, Delta Vice President Barnette operates his new division as a separate unit. Parent Delta will not compete on "Delta Express" routes.

After two months of negotiations, Delta is able to participate in something of a first in the rapidly growing world of international airline alliances. On October 16, it signs major marketing and code-sharing agreements with **Air France**, which simultaneously signs the same kind of accord with **Continental Airlines**. The arrangements will allow **Air France** to tap into the huge U.S. travel market to feed its growing global market, while the American carriers will have a ready-made group of French customers to carry within the U.S.

Just before touchdown at New York (LGA) on October 19 after a service from Atlanta, the right wing of Flight 554, an MD-88 with 5 crew and 58 passengers that has come in too low in heavy rain, hits approach lights. The main landing gear breaks off when the plane hits a pier supporting the end of Runway 13 and the aircraft fuselage skids 2,700 ft. down the runway before sliding over into a muddy patch of grass. Although the aircraft is damaged beyond repair, everyone aboard is safely evacuated and there are no injuries. The NTSB will point out the following June 17 that the pilot, Capt. Joseph G. Broker, was wearing monovision contact lenses at the time of the incident, visual aids prohibited by the FAA because they limit depth perception.

"Delta Express" inaugurates services to Columbus on November 1 and adds frequencies on its routes to Philadelphia, Newark, Hartford, Boston, and West Palm Beach. Simultaneously, weekly MD-11 roundtrips are inaugurated from Portland, Oregon, to Frankfurt, Germany, via Cincinnati. Both passengers and freight are flown.

After landing at Cleveland on November 11 following a flight from Atlanta, an MD-88 with 5 crew and 118 passengers skids off the departure end of an icy runway; no injuries are reported.

The U.S. Department of State and Delta, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide the Department of State with a passenger list within 3 hours of a crash.

Also during the month, the existing dual-designator pact with **Sabena Belgian World Airlines, S.A.** is expanded. Ten new U.S. cities are added: Fort Lauderdale, New Orleans, Cincinnati, Washington, D.C. (IAD), Dallas-Fort Worth, Houston, Denver, Salt Lake City, Los Angeles, and San Francisco.

On December 1, six daily frequencies are added to Washington, D.C. (IAD) by "Delta Express"; the number of flights over other routes is also increased.

Press reports leak out on December 3 concerning talks between company representatives and those of **Continental Airlines** concerning a possible merger.

The next day, a company jetliner with landing gear problems is stranded on a runway at New York (LGA) for over six hours. The incident leaves the airport with only one working runway and thus forces the delay of hundreds of flights, some of which must land at other airports.

On December 10 and after 51-year relationship, the carrier unexpectedly begins an overall review with its advertising firm, BBDO Worldwide.

Continental Airlines CEO Gordon Bethune announces on December 15 that his company has ended merger talks with other airlines and has no immediate plans to resume them. No explanation is offered and no "other" airlines are identified. Delta says nothing.

A yearlong continuing lobbying campaign by Delta, with **American Airlines**, fails to gain either company additional services to Japan during a period marked by an acrimonious U.S.-Japan dispute over air cargo rights.

Customer bookings soar 11.8% to 97,345,417 and 1.72 billion FTKs are operated, a 16.2% increase. Operating revenues accelerate 5.7% to \$12.95 billion and expenses move up 10.5% to \$12.37 billion. Due largely to \$829 million in restructuring costs, operating profit falls to \$573 million and net gain drops to \$248 million.

The employee population is increased by 5.8% in 1997 to 65,454. On January 1, "Delta Express" adds three daily roundtrips between Tampa and Boston and increases its services from Boston to Orlando. The low-cost division now offers a total of 128 daily nonstops between 15 markets.

A state appellate court in New York rules on January 2 that Delta is not guilty of discrimination by refusing to hire 10 flight attendants deemed overweight. The court agrees with the carrier's contention that an employer has a right to impose appearance requirements.

Two days later, the carrier signs a 7-year, \$341-million contract with AT & T for worldwide long-distance voice and data communications services.

Also during the first week of January, dual-designator flights are launched with **Virgin Atlantic Airways, Ltd.** between New York (JFK) and Manchester.

Chairman Allen now announces that the company will shift attention from its previous plan to build Frankfurt into a European hub and concentrate instead upon strengthening its transatlantic positions at New York (JFK) and Atlanta.

This revamping, designed to improve the balance sheet by \$62 million, will provide for the cessation of nonstop flights to Frankfurt from Orlando, Los Angeles, and Washington, D.C. (IAD). In addition, the former **Pan American World Airways (1)** intra-European network that the carrier inherited in 1991 and has been operating from Frankfurt will also end. Some 800 workers there will be laid off and B-727-225A roundtrips to Athens, Bucharest, Istanbul, Moscow, St. Petersburg, and Warsaw will stop. The three former Pan Am trijets will be rotated back to the U.S.

The code-sharing agreement between **Virgin Atlantic Airways, Ltd.** and its Atlanta-based partner is now renegotiated in light of Delta's Frankfurt restructuring and the possibility that the alliance between **British Airways, Ltd. (2)** and **American Airlines** might open additional slots at London (LHR).

On January 7, airline executives announce that the company will cut back on its European services while increasing flights into New York City by more than a third. Although the revamped service will mean the loss of 600 to 800 employee positions, Delta will have a \$60 million pre-tax charge this quarter, but will ultimately save \$62 million per year.

Officials in Geneva announce the next day that **Swissair, A.G.**, together with its European partners **Austrian Airlines, A.G.** and **Sabena Belgian World Airlines, S.A.**, will be deepening their relationships with Delta in an effort to increase everyone's share in the North Atlantic air travel market. The alliance is known as "Atlantic Excellence."

On January 10, Delta joins **Continental Airlines, United Airlines, USAir, and Trans-World Airlines (TWA)** in submitting requested comments to the U.K. Office of Fair Trading (OFT) concerning the proposed strategic alliance between **American Airlines** and **British Airways, Ltd. (2)**. All five protest that such a pact would give the British and American giants the dominant positions in transatlantic and other markets and that the OFT's proposal to require them to relinquish 168 weekly slots at London (LHR) is insufficient to counterbalance the alliance.

By January 21, the carrier has narrowed its review for its worldwide advertising account; contenders for the \$100-million account include Omnicom Group, WPP Group, Interpublic Group of Companies, and Cordiani PLC.

Astoria, Queens, New York-resident Thomas F. Casella is arrested by the FBI on January 24 and charged with making 185 threatening telephone calls to the New York offices of Delta and **Swissair, A.G.** since March 1995, 107 of which include claims about bombs.

After over 100 Landor Associates-created livery designs have been culled to three, Chairman Allen chooses the winning combination in February. Meanwhile, the June 1994 marketing and service contract with **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** is ended and the nine B-727-200s that the company has been leasing from Citicorp are purchased. At this point, **Valujet Airlines** accuses Delta of "aggressive predatory pricing" as a result of its January traffic downturn. Delta rejects the claim.

BBDO Worldwide, the nation's second largest advertising firm, which has had an account with the carrier since 1945, angrily withdraws it on March 6, charging the review has been rigged simply to ensure this action. This corporate maneuvering is not noticed by the public as the carrier celebrates the boarding of the one-millionth "Delta Express" passenger.

An extensive code-sharing and marketing deal is signed between **Virgin Atlantic Airways, Ltd.** and **Continental Airlines** on March 13 that gives the American major access to London (LHR). The arrangement will replace one between VA and Delta, which will be left without a British partner when its VA arrangement ends in August.

At mid-month, the World Partners relationship with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** is expanded with additional dual-designator flights between Los Angeles and Guadalajara and Mexico City. The American major now begins to code-share on Aeromexico flights five times per week from Cancún to Atlanta and four times per week from Cancún to Dallas (DFW).

On March 20 the company follows in the footsteps of **American Airlines** by announcing a commitment to Boeing through the year 2006 for 106 aircraft worth \$6.7 billion; it also takes options on 124 more jetliners valued at \$8.3 billion. Additionally, the company takes 414 "rolling options" through the year 2018 and becomes launch customer, with 12 firm and 49 option orders, for the B-767-400.

A small electrical fire causes cabin smoke aboard an MD-88 with 140 passengers en route from Washington, D.C. to Orlando on March 21. The aircraft is diverted to Seymour Johnson AFB, where, once the plane

is on the ground, an emergency evacuation is carried out in just seven minutes with no injuries reported.

While descending for a landing at Dallas (DFW) from a March 27 service from Orlando, Flight 691, a B-767-232 with 9 crew and 189 passengers, loses a section of the right wing's outboard flap that crashes to the ground in a field not far from a major road outside Carrollton; no injuries are reported. The FAA orders all B-767 operators to check their flaps for weakened bolts. The same day, a wing-walking ground employee is killed on the tarmac at New York (JFK) when he falls under the wheels of Flight 82, an L-1011 with 13 crew and 189 passengers, as it is pushing back from its gate for departure.

On April 1, Delta joins with **China Southern Airlines Company, Ltd.** to offer a block-seat, code-sharing services on CSA aircraft operating on the four-times-a-week Guangzhou to Los Angeles route. The Chinese company agrees to purchase seats on Delta's flights from Los Angeles on to 13 U.S. destinations.

Ophthalmologist Thomas C. Black Jr. allegedly slaps an Afro-American passenger who is changing her baby's diapers in a first-class bathroom on board a company flight from Kansas City to Atlanta; upon arrival in Atlanta, Dr. Black is detained by the FBI and charged with misdemeanor assault. Aboard Flight 2022, en route from Tucson to Atlanta on April 5, passenger Lisa Vaughn attacks flight attendant Pepper Toohey, allegedly for not providing additional alcoholic drinks. The ensuing wrestling match is broken up by three male passengers, who restrain Vaughn with seat belt extensions and headset cords. At Atlanta, the disruptive passenger is turned over to the FBI for prosecution.

On April 7, as part of its commercial agreement with **Air France**, the carrier shifts its Paris service from Orly Airport to Charles de Gaulle International Airport. At the same time, the French line is added to its SkyMiles frequent flyer program. Members of the Delta program flying first-class on **Air France** will receive 150% of actual mileage flown while business-class passengers will receive 125% of actual mileage flown.

The **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** pact is expanded further in April, with additional services from Los Angeles to Leon, New York, to Cancún, and Los Angeles to Puerto Vallarta.

A B-767-332ER is unveiled on April 10 in the company's new livery; the previous red, white, and blue colors are retained, but are brighter. In addition, the effect of the color scheme is heightened with a dark blue fuselage stripe and red highlights on nose, tail, and engine nacelles. The familiar triangular logo is gone and titles on the sides of aircraft are changed from "Delta" to "Delta Air Lines."

Nonunion employees receive pay increases of 2% to 5% on April 18, their first raise in five years. The company suffers its third air rage incident of the month on April 20 when passenger Nathan T. Stanley allegedly attacks a flight attendant during a flight from Daytona Beach to Atlanta. Also in April, the new strategic alliance with **Air France** begins from Paris (CDG) with frequent flyer program reciprocity. Code-sharing on transatlantic services must await the signing of a new bilateral agreement between the U.S. and France. Seeking to reduce heavy losses, **Gulf Air, Ltd.** of the United Arab Emirates now sells Delta three of its A310-3P6ERs.

On May 1, Saatchi & Saatchi Advertising Worldwide is chosen as the carrier's new advertising agency. Its first campaign, "Delta on Top of the World" will consist of ads designed to increase Delta's share of the transatlantic business-class market. Nonstop flights commence on May 6 from New York (JFK) to Istanbul, Turkey.

Just after takeoff from Atlanta on May 9, Flight 251, a B-727-232A en route to Nashville, suffers the failure of a fan blade which is ingested into the No. 1 engine; a safe emergency landing is made at Atlanta and no injuries are reported.

Chairman Allen announces on May 12 that he will retire at the end of July. It is suggested in the next day's *USA Today* that certain operational problems, including a conflict with Chief Financial Officer Roeck, the failed merger talks with **Continental Airlines**, declines in customer service, and weak employee morale due to cost-cutting measures, have caused the Delta board to force the issue.

While parked and boarding 106 passengers at Gate 3 of New York (LGA) on May 13 for a service to Dallas (DFW), Flight 363, an MD-88 with 5 crew, is struck by an 18-wheel truck that is moving away from Gate 5. The blow moves the jetway 4 1/2 ft. and a passenger falls 8 ft. to the ground, receiving serious injuries.

In a further effort to improve services, **Air Ukraine** on May 14 forges interline agreements with Delta, **Continental Airlines**, and **Pan American World Airways (2)**. In an exclusive arrangement, Delta provides Air Ukraine passengers with continuing service out of New York to all of its domestic destinations.

On May 15, new joint Atlantic service begins when European colleague **Sabena Belgian World Airlines, S.A.** begins Brussels-Cincinnati return service five times per week with Belgian A340-311s. The DOT now approves the carrier's plans to expand its block-space, code-share agreements with Sabena, **Swissair, A.G.**, and **Austrian Airlines, A.G.** to 30 U.S. cities beyond Atlanta, New York, and Cincinnati. In return, Delta will purchase seats on the alliance partners' flights to eight cities beyond Brussels, Zurich, and Vienna.

While on the matter of code-sharing, Delta now signs an enhanced memorandum of understanding with **Korean Air/Korean Airlines (KAL)** that will expand the partnership the two began in 1995.

The pay of noncontract workers is raised \$137 million per year in compensation and benefits. Thus stimulated to seek a pay hike, company pilots immediately demand an amendment to their new four-year labor pact. A reservations center is also opened during the month on the campus of Northern Kentucky University at Highland.

On June 9, the carrier unveils a "living billboard" (designed by its new ad agency, Saatchi & Saatchi) in New York's Times Square to promote business-class on its North Atlantic services. Attended to by Delta flight attendants, 10 selected guests at a time are able to dine in the full-size, 44-ft. cutout of a jetliner fuselage to full public view below. "Passengers" will be served in three, two-hour shifts daily for a week.

A preliminary partnership agreement is reached on June 10 with **Transbrasil, S.A. (Linha Aerea)**; a more formal document will be signed later in the summer. Delta undertakes new transatlantic flights of its own in June when an Atlanta-Zurich route is inaugurated. Also in June, code-sharing begins with **MALEV Hungarian Airlines, Ltd.** on the Frankfurt-Budapest and Stuttgart-Budapest sections of Delta's service from Atlanta. During the month, a B-767-332ER route is stretched to Rio de Janeiro.

Westin Hotels and Resorts joins in the carrier's frequent flyer program on June 21; visitors can obtain mileage credits without ever buying a ticket. Electronic ticketing is extended on June 24 to flights in San Juan and the Virgin Islands; in St. Thomas and St. Croix, passengers must pre-clear customs.

During preparation for departure from Covington, Kentucky, on June 26 for a service to Delta, a flight attendant aboard Flight 1885, an L-1011-385 TriStar 1 with 10 other crew and 85 passengers, is hurt in an accident with the left-side elevator. While on its landing roll at Albuquerque after a flight from Dallas (DFW) on July 6, Flight 1470, a B-727-247 with 154 passengers, is substantially damaged when its right main landing gear collapses. A report of smoke in the cabin causes the captain to order an evacuation, during which four persons are injured.

A B-727-232A, bound for Boston from New York as Flight 1830 on July 11, is the first aircraft to reveal the new "Delta Shuttle" livery, the first change in the shuttle's color scheme since the concern was acquired from **Pan American World Airways (1)** six years earlier. It is announced on July 15 that the company's "Delta Shuttle" B-727s are receiving a new livery with brighter reds and blues than those applied to other company aircraft. On July 21, Delta begins to offer \$99 companion fares to customers who book their flights via the Internet.

On July 30, nine ramp, cargo, and gate-agent employees are among 12 persons arrested by the Drug Enforcement Administration at San Juan's Luis Munoz Marin International Airport on charges of smuggling heroin and cocaine for the Cali cartel. The nearly \$1 billion in illegal narcotics involved were allegedly hidden in Delta cargo shipments.

A \$629,000 legal claim is placed against Delta by **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** in U.S. District Court in Atlanta on July 30, seeking to recover damages from the August 1995 Jumbojet incident. Also on this day, at the Brazilian capital of Brasilia, Executive Vice President Robert W. Coggins signs a commercial agreement with **Transbrasil, S.A. (Linha Aerea)** Chairman Dr. Omar Fontana. Chairman Allen retires on July 31 as his 10-year contract expires. He will not, however, just disappear, having concluded a 7-year consulting arrangement valued at \$500,000 per year.

On August 1, Maurice W. Worth, executive vice president-customer services, is named acting CEO with long-time board member Mary Johnson Evans as acting nonexecutive chairman. Within days, Leo F. Mullin, executive vice chairman of Unicom Corp. and its principal subsidiary Commonwealth Edison of Chicago, is named president/CEO and board member and Gerald Grinstein, the presidential search committee chairman, becomes nonexecutive chairman. Acting CEO Worth now becomes chief executive officer with Mrs. Evans taking over as chairperson of the board's executive committee.

Also on August 1, the company places its code on **Swissair, A.G.'s** four weekly nonstop roundtrips from Zurich to St. Petersburg and twice-daily flights to Moscow.

The FAA, during the third week of August, grants the company a supplemental type certificate (STC) for installation of new Walter Kidde Aerospace smoke detection gear in the bellies of its B-737, B-727, L-1011, and MD-88 fleets over the next four years during their regular maintenance. Delta also signs a memorandum of understanding with **Airborne Express** to maintain that cargo carrier's 12 B-767-200s.

The company is able to continue its dominance of the Atlanta to Orlando route from which competing **Kiwi International Airlines** withdraws at month's end. Also, the company orders four simulators from CAE Inc. for 1998 delivery.

A B-727-232A is depicted bringing reporter Kevin Spacey to Savannah, Georgia, in the opening scene of the motion picture *Midnight in the Garden of Good and Evil*, which also stars John Cusack and is directed by Clint Eastwood.

Company pilots, dissatisfied with Delta's handling of their contract and after 62 grievances filed so far this year, authorize their union leadership to place informational pickets at New York, Atlanta, and Los Angeles on September 1 to call public and management attention to their concerns.

On September 4, **Northwest Airlines** raises its domestic fares by 5% and, over the weekend, most other U.S. majors, except **Southwest Airlines (2)**, join in. On September 8, **American Airlines**, Delta, and **Trans-World Airlines (TWA)** abandon the fare boost, but when **United Airlines** does not go along, the three majors reinstate the higher tariffs the next day.

Also on September 8, the Atlanta hub is enlarged to 617 daily movements. At the same time, new flights are added from it to Daytona Beach, Hartford, Norfolk, Melbourne, Greensboro, and Winston-Salem. Later in the day, daily, nonstop, roundtrip B-757-232 frequencies are introduced from California's John Wayne-Orange County Airport to Cincinnati.

The First Annual Chairman's Club Awards Ceremony is held at the Georgian Terrace Hotel in Atlanta on September 9; a number of employees are recognized for their extraordinary service to the company.

Late in the month, ground is broken at Atlanta for the \$28.7-million state-of-the-art Operations Center III. The facility is expected to be completed within a year and will house 10 simulators, plus ancillary functions.

Although the majors disagree over routing and other issues, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing. Delta, **American Airlines**, **Continental Airlines**, **USAirways**, and **Northwest Airlines** immedi-

ately match the payment initiative. **Southwest Airlines** and **Kiwi International Air Lines** announce that they will maintain the 10% scale. Despite ticketless travel, the travel agency industry still writes 80% of all tickets sold and protests the action.

Also on the month's first day, "Delta Express" unveils a new jetliner livery and launches low-cost, twice-daily roundtrip service from Orlando to Islip, New York, and Raleigh/Durham, North Carolina.

To mark its first anniversary, the carrier also offers two-for-one companion fares from 5 Florida cities to 10 communities elsewhere. The same day passengers on "Delta Shuttle" flights are offered a new in-flight magazine, *The Shuttle Sheet*.

Twice-daily B-737-347 roundtrips are also inaugurated on October 1 from Philadelphia to Salt Lake City.

Meanwhile, James Dent, president of Aviation Employee Placement Service, places an open letter in the October issue of *Air Transport World* promising free assistance with the airline's recruitment process.

Simultaneously, the carrier's marketing agreement with **Skywest Airlines** is reaffirmed when the commuter signs a "Delta Connection" contract. Skywest will provide feed for Delta at both Los Angeles and Salt Lake City.

On October 3, the important relationship with **Air France** still cannot be implemented; French Transport Minister Jean-Claude Gaysot in a statement this Friday stresses his absolute opposition to the U.S. "open skies" approach.

The three-year-old code-sharing agreement with **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** is terminated in October as that major airline joins the "Star Alliance." The lawsuit against Delta by VARIG is withdrawn and the previously limited marketing agreement between the two companies is subsumed into the more comprehensive pact that provides not only for coordinated frequent flyer programs, but code-share on all return services the two companies fly between Brazil and the U.S.

The code-sharing pact with **Finnair O/Y** is expanded on October 26. Finnair sells seats on Delta flights from New York (JFK) to Washington, D.C., Chicago, Atlanta, and Miami. Delta returns the favor for passengers flying Finnair from Helsinki to Frankfurt or Zurich.

Also on October 26, dual-designator service begins with **Transbrasil, S.A. (Linhas Aereas)** over routes from Miami, Orlando, and Washington, D.C. (IAD) to Brasilia, Rio de Janeiro, and São Paulo. In addition, code-sharing is begun on Transbrasil connecting service to the Brazilian cities of Porto Alegre, Florianopolis, Curitiba, Belo Horizonte, Fortaleza, Manaus, and Salvador and on Delta flights from Cincinnati and Atlanta to Denver, Los Angeles, Chicago, Boston, Dallas (DFW), Las Vegas, and Detroit. At Zurich later in the day, Delta is able to place its code on **Swissair, A.G.'s** daily return services to Hanover. The next day, dual-designator service is begun on **Swissair, A.G.'s** daily flights from Zurich to Bangkok.

On November 4, **TAP-Air Portugal, S.A.** joins the company's SkyMiles frequent flyer program. During the first week of November, the company announces plans to revamp its transatlantic services. Flights to Berlin and Copenhagen will end, while new service from New York will be started to Stockholm, Stuttgart, and Warsaw. Also during the month's first week, DOT approval is received for inauguration of the company's block-space, code-sharing agreement with **Transbrasil, S.A. (Linhas Aereas)**.

Spa Cuisine is started on flights between the U.S. and Europe on November 8; menus are chosen from such getaways as Switzerland's Victoria-Jungfrau and California's Golden Door.

On November 20, immigration officials inform 28 of the company's flight attendants from Poland that they, and any family members they have brought with them, have two weeks to leave the U.S. due to mistakes on their work visas; most have no jobs or homes to return to. Delta officials unsuccessfully attempt to overturn the demand. Five days later, the flight attendants are told that they, together with their families, may remain in New York while Delta fights the deportation in court.

Also during the third week of November, the company, by exercising an option to purchase 10 B-777-232s for \$1.42 billion, boosts its order-

book with Boeing this year to 106 aircraft valued at \$6.7 billion. The first new wide-body twin-jet will arrive in August 1999.

On November 28, **Singapore Airlines, Ltd. (SIA)** withdraws from the "Global Excellence" alliance in order to sign a bilateral strategic agreement with **Deutsche Lufthansa, A.G.** Cancellation of the pact, which leaves partner **Swissair, A.G.** without an Asian partner, also frees Delta to seek additional Asian affiliations as well. The 5% equity stake each of the three still holds in the other two is not immediately impacted.

At month's end, Senior Vice President/Chief Financial Officer Thomas Roeck resigns; Vice President-Financial Planning/Analysis Edward West is named his successor on an acting basis. At the same time, Paulette Corbin is appointed managing director of "Delta Express."

The European and American "Atlantic Excellence" program is deepened on December 1 when Delta starts to code-share on **Swissair, A.G.'s** daily flights from Zurich to Cairo.

On December 6, jet service is halted between Atlanta and Gainesville, Florida. "Delta Connection" partner **Atlanta Southeast Airlines** moves in to replace the route with eight daily roundtrips of its own.

Daily nonstop B-757-232 roundtrips commence on December 7 between Cincinnati and San Juan, Puerto Rico. The service will be continued through April 30. The next day, B-757-232 roundtrips begin between Atlanta and Grand Cayman. Promising a larger presence in Latin America, the carrier, on December 10, reveals plans to seek authority to inaugurate service in the new year to cities in Argentina, Belize, Bolivia, Colombia, Ecuador, Paraguay, and Uruguay.

Also on December 10, *USA Today* reports the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; Delta demonstrates a 77.4% achievement, good for 9th place.

It is announced on December 11 that, effective January 8, Delta will also begin to share codes on **Swissair, A.G.'s** daily flights between Zurich and Singapore.

The longest nonstop route from Tucson is inaugurated on December 14 when the carrier launches jet service from the Arizona community to Atlanta.

On December 15, **Austrian Airlines, A.G.** begins to code-share on flights from Daytona Beach to Vienna via Atlanta. At Vienna, passengers are able to make seamless connections aboard Austrian flights.

Three days later, the New York State Appeals Court rules that the airline did not violate a state law when it earlier refused to hire job applicants who exceeded Delta's flight attendant weight limitations.

Delta, on December 20, begins to code-share on **Sabena Belgian World Airlines, S.A.** A340-311 flights from Brussels to Kampala. The service, the first for the American carrier into sub-Saharan Africa, will also allow passengers through service from Uganda via Brussels to Atlanta, New York (JFK), Cincinnati, Chicago (ORD), and Boston.

On December 22 the company becomes the first airline to transport 100 million passengers in a year; the lucky party wins free travel for two years and all of those on his flight receive a coach-class ticket and a \$100 gift certificate.

Options are confirmed toward month's end for 10 B-777-232s, valued at \$1.4 billion, plus 20 options. Deliveries are set to begin in August 1999. At year's end, a contract is signed with **Airborne Express** to maintain the engines of that company's B-767-200Fs; the 10-year contract is valued at \$130 million.

On December 29, snow sweeps across Atlanta, causing Delta to cancel or delay 82 flights from its Georgia hub. Further north at Newburgh, New York, Flight 716, an MD-80 with 140 passengers, blows two tires on its main landing gear as it lands in heavy winds. Pushed by the breeze, the aircraft's nosegear becomes stuck in about 2 ft. of mud at the side of the airport runway.

Passenger boardings climb 6.1% to a record 103,300,653 passengers flown; freight jumps 18.6% to 2.44 billion FTKs. Operating revenues ascend 7.7% to \$13.94 billion, while expenses are down 0.5% to \$12.31

billion. The operating profit triples to \$1.62 billion, while a huge \$934-million net profit is celebrated.

At the beginning of 1998, Delta is the largest airline in the world in terms of passenger boardings and operating profit, 14th in terms of freight, 4th in employees, fleet size, and operating income, and 6th in net profit. The workforce stands at 68,000 and the fleet, 73.4% of which is Stage III-certified, includes 560 airplanes: 131 B-727-200s, 67 B-737s, 91 B-757s, 74 B-767s, 48 L-1011s, 14 MD-11s, 119 MD-80s, and 16 MD-90s.

Daily nonstop roundtrips commence on January 4 between Tampa and New York (LGA). On January 6, a passenger aboard Flight 1402, a B-757-232 with 7 crew and 181 passengers and en route from Atlanta to Orlando, is badly injured when, because of turbulence, a pot of hot coffee falls in his lap. At Orlando, the passenger is treated for second degree burns. Also this day, daily nonstop B-757-232 seasonal (through April 4) roundtrips are inaugurated between New York (LGA) and Tampa and Fort Myers; an extra frequency is also laid on between Atlanta and Fort Myers.

The **Swissair, A.G.** code-share begins on schedule on January 8. While on final approach to New York (JFK) on January 10, a Delta MD-88, given the wrong ATC clearance, comes within 10 seconds of a collision with an **American Airlines** B-767-223ER that is taking off.

As a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting, as of January 13, the issuance of advance boarding passes for international flights. Unable to agree on a method for the integration of pilot seniority lists, the company cannot come to an equity agreement with **Continental Airlines**; Continental later signs on with **Northwest Airlines**.

It is announced during the last week of the month that the company will equip its 558 aircraft with automatic external defibrillators with heart monitoring capability beginning in July. In March, company flight attendants will begin training on the new equipment.

Not having complied with ATC instructions, the pilot of Air Force One, carrying President Clinton to political rallies in Illinois and Wisconsin on January 28, comes within 3.7 km. of a Delta MD-88, which is on final approach, 15 km. out from Washington, D.C. (DCA). The near miss is not considered serious enough to prompt formal investigation.

A new bilateral between the U.S. and Japan is announced on January 30. Under its terms, the company will be allowed to add 90 weekly roundtrips to the 46 already flown. "Delta Express" roundtrips commence on January 31 from Orlando to Boston and from Orlando to Islip, New York. The same day, jet service ends between Vancouver and Atlanta. During the month, in-flight menus are reborn as Menu/Destination Guides, in order to accommodate ads that detail city maps, restaurants, theaters, and various other features.

At the beginning of February, a Federal District Court awards the airline \$9 million; the airline had sued two ticket broker companies that had purchased frequent flyer tickets and awards and resold them.

Also during the month, a code-sharing agreement is signed with **Trans States Airlines**, which will replace **Business Express** feeder operations at New York (JFK). The Association of Flight Attendants (AFA) begins a campaign to organize the carrier's flight attendants.

Beginning on March 3, new nonstop service from New York is added to Stockholm, Warsaw, and Stuttgart, but Delta stops flying to Berlin and Copenhagen.

Following a bidding match with **Continental Airlines**, Delta Air Lines is able, on March 10, to acquire a 35% stake in the **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**. Additionally, the two sign a memorandum of understanding under which the two will enter into a 10-year marketing agreement. Delta will also be represented on the Aero Peru board of directors.

Also on March 10, plans are announced for an expanded 5-year strategic marketing agreement with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**; the new pact will include code-sharing on additional flights between the U.S. and Mexico. At the same time, Delta is able to

complete a marketing and code-sharing agreement with **LAV (Linea Aeropostal Venezolana, S.A.)**.

On March 13, Delta begins to place its code on **Swissair, A.G.** daily flights between Zurich and Oslo. Simultaneously, the company begins to code-share on the daily B-737 roundtrips operated by **Sabena Belgian World Airlines, S.A.** between Brussels and Oslo.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

The same day, Flight 2158, an MD-88 with 5 crew and 141 passengers overruns the end of the runway while landing in snow and fog at Portland, Maine, following a flight from Cincinnati. After clipping a localizer antenna, the plane continues on for 400 ft. and comes to rest straddling the airport perimeter road. No injuries are reported.

A third daily "Delta Express" service is started on March 15 between Columbus and Orlando.

Two days later, the DOT authorizes 64 weekly flights to Japan for carriers that in the past have had their services severely limited. Delta is permitted 22 weekly flights, which will translate into daily services from Atlanta to Tokyo and from Portland to Osaka and to Fukuoka. Additionally, the current six-times-a-week frequencies from Los Angeles to Tokyo are increased to daily. The government also grants new code-sharing authority. **Trans-World Airlines (TWA)**, one of two U.S. passenger carriers allowed to begin initial Japan service, is permitted to offer dual-designator services with Delta on any 14 weekly flights over the Atlanta-based major's U.S.-Japan routes.

On March 20, an MD-88 from Atlanta skids off the runway after landing at Washington, D.C. (DCA) in bad weather; no injuries are reported as passengers evacuate through the tail exit.

Delta, on March 29, places its code on the **Swissair, A.G.** A310-322 service between Zurich and Muscat. Jet service between Vancouver, British Columbia, and Portland, Oregon, and Salt Lake City ends on March 31.

On April 1, the number of nonstop roundtrips is increased between Atlanta and Seattle, San Francisco, and Sarasota. In addition to two daily flights to Montreal (YUL) and two to Toronto, Delta now also doubles to four the number of daily departures between Cincinnati and Toronto. Flights are also added from Cincinnati to Birmingham, Seattle, and New York (JFK). From New York (JFK) on April 1 a daily roundtrip is initiated to Barcelona. From the New York terminus, Delta now offers 18 daily flights to 17 European destinations; it also offers service via its code-share partners on 11 flights to 8 more destinations.

Delta is able to provide a report on April 1 concerning its assistance to Georgian communities during crises that occur in the first quarter. The carrier donates 300 blankets from in-flight services and \$10,000 to The Metropolitan Atlanta American Red Cross to aid flood victims in the southern part of the state. An additional \$10,000 is donated to The Georgia Salvation Army headquarters to aid tornado victims in the northern part. The \$10,000 gifts are matching funds, half are raised by Delta employees and half from the airline.

Delta and **LAV (Linea Aeropostal Venezolana, S.A.)** begin to code-share on Delta's new Atlanta to Caracas B-757-232 return service, which starts on April 2. The same day, "Delta Express" launches service from Orlando to Cleveland, Houston (HOU), and Kansas City. Additionally, Delta joins with **Swissair, A.G.** to form a global cargo alliance. When the arrangement takes effect during the summer, both companies will see their cargo networks marketed as a single network, using the cargo sales forces of both carriers in common cities to offer joint pricing.

A third daily roundtrip flight is added on April 6 between Atlanta and Mexico City. The schedule is designed for business travelers needing to reach the Mexican capital in time for a luncheon meeting and to return the same day. On the same day, daily roundtrip B-757-232 frequencies commence from Atlanta to Costa Rica, El Salvador, Guatemala, and Panama. A new daily nonstop roundtrip is also inaugurated between Portland and Las Vegas.

Under terms of a March 12 code-sharing agreement, Delta, also on April 6, begins to purchase block-seats on **Air Jamaica, Ltd. (2)**'s service from Atlanta, Miami, and New York to Montego Bay and Kingston, Jamaica, Barbados, and St. Lucia.

The company, at the beginning of the month, offers guides to 31 U.S. and foreign cities in 13 languages, claiming that they are the first city-specific in-flight guides made available to airline passengers on a complimentary basis.

A new "open skies" bilateral agreement is signed between the U.S. and France on April 8. The arrangement will allow the company to strengthen its alliance with **Air France**.

During the month, former National Broadcasting Corporation Chief Financial Officer Warren Jenson is named to replace the departed officer, Thomas Roeck. Simultaneously, the retirements of Executive Vice President-Marketing Robert Coggin and Senior Vice President-Personnel Robert Adams are announced.

City Bird, S.A. and **Sabena Belgian World Airlines, S.A.** begin to code-share, with Delta, on April 15, on **City Bird**'s daily roundtrip route from Newark to Brussels, where passengers are able to connect with Sabena flights elsewhere. One each **City Bird, S.A.** MD-11 and B-767-33A painted in **Sabena Belgian World Airlines, S.A.** colors and reconfigured to include business and economy cabins for Sabena passengers and a separate City Bird cabin are employed for the service.

Also on April 15, Delta and "Delta Express" begin to count laptop computers as carry-ons as it tightens its two-bag rule.

Delta reaffirms its position as the official airline of the Winter Olympics and transfers the Olympic flag from Nagano to Salt Lake City, site of the 2002 games. Additionally, options are exercised for two more B-777-232 IGWs.

The daily roundtrips from Cincinnati to San Juan end on April 30.

On May 1, a week after a marketing agreement is signed between **USAirways** and **American Airlines**, the carrier joins with **United Airlines** in an even grander alliance. In addition to the shared frequent flyer programs, lounges, and other activities agreed to by their rivals, UAL and Delta, while agreeing to remain independent, also agree to "engage in code-sharing arrangements" as soon as permissions can be won from their respective pilot unions. Full voting status for its board representative is now sought by the Delta ALPA chapter as its price for approving the contract revision necessary to complete the UAL code-sharing pact.

This pact will be implemented in the U.S. first, followed by the rest of the world, save Europe, where the regulatory environment is too uncertain. Contending that their agreement does not require U.S. government approval, this position on consolidation is countered by both the DOT and the Subcommittee on Aviation of the U.S. House of Representatives, which indicate concern.

Also on May 1, "Delta Express" launches its largest service expansion since its inception in 1996, employing five additional B-737-200s. Daily nonstop return service is inaugurated from Orlando to Houston (HOU), Cleveland, and Kansas City, while twice-daily roundtrips begin from Boston to Fort Lauderdale and from Tampa to Washington, D.C. (IAD) and to Columbus, Ohio.

Beginning on May 2, the company places its code on the daily roundtrip Avroliner service that **Swissair, A.G.** subsidiary **Crossair, Ltd.** operates between Zurich and Riga, Latvia. Also in early May, nonstops are launched from New York to Barcelona and Warsaw. Delta joins with **Finnair O/Y** on May 8 in extending their code-sharing arrangement, effective later in the month and in June.

The code-share arrangement with **Sabena Belgian World Airlines, S.A.** is expanded with Sabena aircraft on May 15 at three of its five U.S. gateways. A second daily A340-311 dual-designator service begins from Atlanta to Brussels. At the same time, A340-311s increase their flights from Cincinnati to Brussels from five times a week to daily. Capacity on the route from Chicago to Brussels is boosted from an A340-311 to a B-747-329C.

The same day, Delta begins daily roundtrip flights to Hamburg from Atlanta. Additional seasonal service is simultaneously launched from

the Georgia Worldport, the world's largest single airline hub, to Zurich, Madrid, Barcelona, Dublin, and Shannon.

Also in May, an agreement is signed with **Swissair, A.G.** that will see the inauguration of dual-designator flights on July 4 from Zurich to Karachi. Another document commits the partners to market their cargo operations as a single network.

Seasonal roundtrip code-sharing begins on May 21 on **Finnair O/Y** MD-11 services from Helsinki to San Francisco.

At month's end, the company, without fanfare, joins **Northwest Airlines** in doubling the fee charged to escort unaccompanied children on connecting flights from \$30 to \$60 for each flight leg.

Under terms of their March 12 agreement, **Air Jamaica, Ltd. (2)** purchases seats on Delta's daily service from Atlanta to Boston, Cincinnati, Hartford, Memphis, and San Francisco, beginning on June 1. Additionally, Delta launches twice-daily MD-88 nonstop roundtrips from Portland, Maine to Atlanta.

On June 1, "Delta Express" increases the number of daily nonstop roundtrips from Orlando to Fort Lauderdale from six to seven and from Orlando to Kansas City from two to three. Simultaneously, the carrier launches twice-daily B-737-347 roundtrips from Salt Lake City to Newark (EWR) and to Detroit (DTT). "Delta Connection" partner **Comair** takes over the carrier's service between Newburgh, New York, and Atlanta and Cincinnati.

Delta, also on June 1, places its code aboard **Sabena Belgian World Airlines, S.A.** flights from Brussels to Conakry, Guinea. It also begins nonstop block-seat, dual-designator return service with **Aer Lingus Irish Airlines, Ltd.** between Newark and Shannon, employing the Irish line's A330-301s.

Expanded code-sharing also begins on June 1 with **Finnair O/Y**. The Helsinki-based flag carrier purchases seats on Delta's daily, nonstop B-767-332ER services from New York to Helsinki via Stockholm. The same day, the Atlanta-based major purchases seats on Finnair's daily MD-80 and DC-9-51 return services from Helsinki to Stockholm.

Meals from prestige steakhouses are offered in all classes aboard long-haul U.S. and foreign flights beginning on June 1; the airline expects to serve 450,000 steak dinners per month.

Daily nonstop Atlanta to Tokyo MD-11 return flights begin on June 3. President/CEO Mullin and Georgia and Atlanta officials issue statements praising the new service.

Dual-designator flights begin with **Sabena Belgian World Airlines, S.A.** on June 6 from Brussels to Banjul, Gambia, employing Sabena equipment.

Two days later, **Deutsche Lufthansa, A.G.** President/Chief Operating Officer Frederick W. Reid is named Delta's executive vice president/chief operating officer. Simultaneously, daily nonstops begin from Portland, Maine, to Atlanta.

A mistake by an air traffic controller nearly causes a midair collision on June 11. While coming in for a landing at Nashville a B-727-232A is instructed to descend from 10,000 ft. to 3,000 ft, crossing the path of a private Beech 58 Baron as it flies past at a steady 5,000 ft. Although the two aircraft are not on a path to collide head-on, the degree of separation is still just 200 ft.

The U.S.-France bilateral accord reached on April 8 is formally signed on June 18 in a ceremony by French Foreign Minister Hubert Vedrine and U.S. Secretaries Madeleine K. Albright (State) and Rodney E. Slater (Transportation). The pact opens the way for new transatlantic code-sharing, full implementation of the agreement with **Air France**, and additional frequencies.

Like **Continental Airlines**, Delta, on June 19, begins dual-designator service with **Air France**. The Atlanta-based major applies its code to the French flag carrier's flights from Paris to New York (JFK), Boston, Chicago, Los Angeles, San Francisco, Washington, D.C. (IAD) and a new daily roundtrip begun today to Atlanta.

The carrier's Las Vegas gates are moved to the new Concourse D on June 22. On June 26, the carrier seeks authority from DOT to launch daily B-767-332 roundtrips between Boston and New York (JFK) and

São Paulo and Montevideo on October 1. During the last 90 days, the carrier has launched frequencies from Atlanta to Caracas, Guatemala City, Panama City, San Jose, and San Salvador. Daily nonstop B-757-232 roundtrips commence on July 1 between Atlanta and Lima, Peru.

At the beginning of the year's second half, Delta and its affiliates operate 4,881 daily flights to 324 cities in 45 countries.

Also at the beginning of July, the company joins with **United Airlines** to announce that the two carriers will merge their domestic frequent flyer programs on September 1 as a prelude to the larger alliance outlined in April.

Atlanta Mayor Bill Campbell announces on July 14 that, thanks largely to new services introduced by Delta and its commuter associate **Atlantic Southeast Airlines**, Hartsfield International Airport had achieved the first quarter distinction of being the busiest airport in the world.

In July, nearly a year after its Guam disaster, **Korean Air Lines/Korean Air (KAL)** contracts with code-share partner Delta for the performance of a detailed safety survey. Completed by month's end, the audit includes recommendations and an implementation plan designed to upgrade the safety of the company's cockpit procedures and pilot training program.

During the heat wave that impacts the U.S. in the period between July 29 and September 15, the company refuses to carry animals as checked baggage if the temperature rises above 85°F. The time the pets spend in the hold waiting for takeoff and after landing is the period when heat can cause their deaths.

Nonstop B-757-232 daily roundtrips begin on August 1 between Portland, Oregon, and Boston.

While on approach to Detroit (DTT) the next day, a fully loaded B-737-232A must take violent evasive action to avoid a small Cessna that comes within 200 ft. of the little Boeing at a point 12 mi. NW of the airport.

Union leaders from Delta and **United Airlines** meet at Herndon, Virginia, on the weekend of August 1-2 to discuss the proposed alliance between their airlines and its potential impact on pilot jobs. They also adopt resolutions in support for the **Northwest Airlines** pilots, who have reached an impasse in their negotiations for a new contract.

When the new winter schedule is announced on August 6, it is noted that the company will operate 16 daily roundtrips between Atlanta and Newark as of January 15. The same day, a new global marketing pact is entered into with **Korean Airlines/Korean Air (KAL)**.

Executive Vice President-Operations Alger announces on August 14 that the last of the company's B-727s will be replaced in 2005, three years earlier than previously planned. They will be replaced by Next Generation B-737-832s. The same day it is announced that the start of Portland to Osaka flights, planned for October 28, are being rescheduled to June 1999.

On August 17, after three months of consideration, the company's board of directors rejects an ALPA demand that its board representative be given full voting privileges.

Two days later, the "Delta Shuttle" division begins electronic ticketing on flights from New York (LGA) to Boston and Washington, D.C. (DCA).

As the result of arrangements made earlier in the week, Delta, like other carriers, is prepared to assist in handling the customers of **Northwest Airlines** on August 29 when that company's pilots go out on strike. Although reservations are encouraged, stand-by accommodations are provided and NWA ticket holders are allowed to transfer to Delta flights without penalty or restriction. To help move travelers in and out of the NWA fortress hubs of Minneapolis (MSP) and Detroit (DTT), Delta, on August 30, lays on three additional daily roundtrip services to Detroit from Cincinnati and two to Minneapolis. In addition and as they become available, Delta operates larger aircraft into Detroit from Atlanta. For example, wherever possible, B-767-332s replace B-757-232s.

As the result of an ATC error, an **Alaska Airlines** MD-83, Flight 257 en route from Mazatlan, Mexico, to Los Angeles, flies within 2.5 mi. of

a Delta plane on August 30. The L-1011, Flight 550, is inbound to Los Angeles (LAX) from Atlanta at 25,000-ft. some 30 mi. SE of Julian, California. The Traffic Alert and Collision Avoidance System (TCAS) aboard the Alaskan aircraft warns its crew of the Lockheed's presence and both aircraft are able to maneuver away, by just 8 seconds, from a potential collision.

As a result of its failure to win voting status, Delta's ALPA pilots refuse to allow the necessary change in their contract needed to implement the code-sharing portion of the carrier's alliance with **United Airlines**. President/CEO Mullin informs United of the pilots' refusal on September 1 and although he indicates that Delta will move forward where it can on the alliance, it will stop pursuing an agreement for joint ticket sales. The company joins the MileagePlus frequent flyer program of **United Airlines** on September 1 as an initial step toward alliance. Domestic passengers can earn miles in the other airline's program; international flights may be included at a later date.

Under the March pact, dual-designator service begins with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, also on September 1, aboard Aeromexico's daily MD-80 roundtrips between Monterrey and Atlanta.

Additionally, domestic boarding passes are now issued only on the day of departure. They are available up to six hours before flight time, but must be claimed at least 20 minutes before departure.

Although Delta agrees to employ the same penalty-free and stand-by procedures during the pilots strike at **Air Canada, Ltd.** that begins on September 2, it has no immediate plans to increase capacity with larger aircraft as it has on the route between Atlanta and Detroit.

The company will win significant praise for the manner in which it assists grieving relatives and others associated with the disaster that befalls Flight 111 of code-share partner **Swissair, A.G.** on September 3. The carrier issues a statement of direction for friends, relatives, and the media following the disaster, providing telephone numbers and other information.

The code-sharing pact with **Sabena Belgian World Airlines, S.A.** grows again on September 6 as Delta places its designator aboard Sabena's twice-weekly A340-311 roundtrips between Brussels and Lome, Togo.

The seasonal code-sharing service with **Finnair, O/Y** ends on September 12.

The code-sharing agreement with **Korean Airlines/Korean Air (KAL)** is expanded on September 15. Under the arrangement, new dual-designator daily services are inaugurated to Seoul, via New York or Los Angeles, from Las Vegas, New York, Orlando, Philadelphia, and Portland. Flights are also added from Atlanta, Boston, Dallas (DFW), New York, and San Francisco.

Flights in and out of New Orleans are cancelled on September 27 in the face of Hurricane Georges. By the end of the month, Delta is offering catered meal service to meetings in 55 of its Crown Room Club conference rooms.

One daily flight is added on October 1 between Salt Lake City and Boston and another between Salt Lake City and Washington, D.C. (IAD), bringing to three the total number of roundtrips on those routes. Hourly service is simultaneously launched between Atlanta to Boston; 15 flights are operated daily between Georgia and Massachusetts, with 14 returns.

On the same day, four additional peak period roundtrips are started between Atlanta and New York (LGA); new thrice-daily B-737-322 roundtrips are initiated from Atlanta to Chicago (MDW). With the new schedule, Delta now offers a total of 18 daily roundtrips between Georgia and Chicago's two airports. One more daily roundtrip is offered between Atlanta and Baltimore (BWI) and three new roundtrips are also launched to Washington, D.C. (IAD).

Also on October 1, the carrier's thrice-daily nonstop MD-88 roundtrips from Houston (IAD) to Dallas (DFW) are closed down, as are the thrice-daily MD-88 return service to Atlanta from Toledo, Ohio. The regional airport at Toledo is hurt by the move and plans to hire a consultant to advise it where to turn next.

Deep-discount "Delta Express" inaugurates twice-daily B-737-200 roundtrips between Washington, D.C. (IAD) to Fort Lauderdale. "Delta Express" launches daily B-737-200 nonstop roundtrips from Orlando to Albany and Syracuse. On October 2, daily nonstop roundtrips from Orlando to Buffalo and Rochester begin.

As part of the fiftieth anniversary celebrations surrounding the international airport at New York (JFK), Delta flies a restored 1929 Travel Air monoplane from Atlanta to New York on October 1-3. The voyage is made via Greenville/Spartanburg, Greensboro, Norfolk, Washington, D.C. (IAD), and Philadelphia.

While on approach to São Paulo, Brazil, on an October 4 service from Atlanta, Flight 105, a B-767-332ER with 9 crew and 136 passengers encounters clear-air turbulence. One flight attendant sustains a fractured ankle while returning to her seat.

Also on October 4, daily nonstop B-737-322 roundtrips are launched between Atlanta and Chicago (MDW).

Over the Atlantic Ocean 2 hrs. W of Ireland on October 8, en route from Manchester to Atlanta, an electrical odor is experienced in the cockpit of an MD-11. The flight, carrying 13 crew and 213 passengers, is diverted to Shannon, Ireland, where an uneventful landing is made and no injuries are reported.

It is announced, also on October 8, that the company will launch hourly roundtrip service between Atlanta and Newark on January 15. Three days later it is learned that company pilots are to vote on a contract supplement that will give those who fly Next Generation B-737-832s the highest industry wage.

Just after takeoff from Boston on an October 15 service to Atlanta, Flight 915, an MD-88 with 6 crew and 128 passengers, loses power to its right engine. An emergency is declared and the aircraft returns to its point of origin, where a safe emergency landing is made. No injuries are reported, but an examination of the damaged engine reveals that the lower cowling has separated.

The carrier's existing code-share service with **Aeromexico (2) (Aerovías de Mexico, S.A. de C.V.)** connecting Atlanta and Cancún, is increased on October 25 from four times a week to daily, nonstop flights on Aeromexico's B-757-2Q8s. Daily MD-11 nonstop roundtrips from Portland (originating in Atlanta) to Fukuoka commence on October 29. **Trans-World Airlines (TWA)** purchases seats on the flights under a code-share arrangement.

Joint flights with **Air France** commence on November 1 between Paris and Johannesburg, South Africa. Simultaneously, the daily "Delta Express" roundtrip frequency between Orlando and Albany, Buffalo, and Rochester is doubled from one service to two.

While the 5 crew and 107 passengers of the MD-88 Flight 1889 are deplaning at Cincinnati on November 3, their aircraft is struck by a company baggage loader vehicle, whose driver is seriously injured in the incident. An insulation fire breaks out aboard an MD-11 at Atlanta on November 8 as it is being loaded for a flight to London; the blaze quickly burns itself out.

Seasonal mainline service is introduced on November 15 between Atlanta and Fort Lauderdale. Twice-daily dual-designator service with **Aeromexico (2) (Aerovías de Mexico, S.A. de C.V.)** between Dallas (DFW) and Cancún is introduced on November 17. During the month, the company announces plans to seek authority, as soon as a new bilateral agreement is in place, to initiate service from Atlanta to Rome and Venice.

Seasonal B-757-232 service, which will end on January 9, is begun on December 1 from Cincinnati to San Juan. The same day, Delta attaches its code to the daily SAAB 2000 flights of **Swissair, A.G.** affiliate **Crossair, Ltd.** between Zurich and Krakow, Poland.

Twice-daily "Delta Express" roundtrips commence between Newark and Fort Lauderdale on December 2.

The same day, at a news conference in Paris, **Air France** President Spinetta informs journalists that his company will make a decision by the end of 1999 on whether to invite Delta or **Continental Airlines** to join it in building a global alliance.

Later in the day, the company indicates that it will eliminate its mainline jet service to Bangor, Maine, on March 2. It will, however, be replaced by "Delta Connection" partner **Comair**, flying Canadair CRJ regional jets.

On December 3, the discount division initiates twice-daily return flights to Fort Lauderdale from Hartford, Connecticut.

At the same time, it is announced in the media that company lawyers will appear in court on January 26 to review a tentative settlement for a lawsuit that has challenged changes its frequent flyer program.

Having decided to eliminate first-class seating on many of its foreign long-hauls in favor of an upgraded business-class product, the company, in December, stops selling first-class tickets and begins to reconfigure its 42 B-767s and 15 MD-11s with new business-class seating. For the transition period, which will extend through the spring, the carrier replaces its first-class product with its current business-class offering.

On December 6 a flight nearly ends in tragedy. As the result of ATC confusion, Flight 5199, a **Caledonian Airways, Ltd. (2)** L-1011 must, following a TCAS alarm, quickly climb to avoid Flight 66, a Delta B-767-332 that has received a similar prompt to descend. The two airplanes pass each other with 1.5-mi. horizontal and 900-ft. vertical separation.

A comprehensive strategic marketing alliance is entered into with **China Southern Airlines Company, Ltd.** on December 10. Under its terms, the two will link their frequent flyer programs in the new year. In addition, CSA will purchase blocks of seats for sale under its code on Delta flights from Los Angeles to Atlanta, Boston, Dallas (DFW), Chicago (ORD), Honolulu, Las Vegas, Miami, Minneapolis (MSP), New York (JFK), Philadelphia, Portland, San Francisco, and Washington, D.C. (DCA). Delta, meanwhile, will place its code on CSA's thrice-weekly Los Angeles to Guangzhou B-777-21B roundtrips.

On December 11, the carrier's dual-designator pact with **Austrian Airlines, A.G.** is expanded as the Austrian flag carrier places its code on Delta's daily, nonstop B-757-232 return service between Atlanta and Guatemala City. After lengthy discussions, Delta and **SkyWest Airlines** announce, also on December 11, that they will end the Los Angeles portion of their "Delta Connection" code-sharing agreement on April 4, 1999.

Delta announces on December 14 that it will add four flights over the two-day January 5-6 period to its normal schedule of 23 daily roundtrips between Atlanta and Phoenix. This is in anticipation of the first "national collegiate championship" football bowl game between the University of Tennessee and Florida State University to be held in Phoenix at the Tostitos Fiesta Bowl on January 5. In addition to the extra flights, normally scheduled flights will be upgraded to feature larger aircraft, and a flight from Atlanta that normally continues to Tucson will serve only Phoenix on January 4-5. A total of 1,100 extra seats are thus added for the event.

Delta on December 17 begins to code-share on **Swissair, A.G.** A310-325 roundtrip flights from Newark to Basel, six times a week. Simultaneously, the Swiss partner is able to place its code on Delta services to several new U.S. destinations: Albuquerque, Austin, Greensboro (N.C.), Greenville/Spartanburg, Kansas City, West Palm Beach, Raleigh/Durham, San Antonio, Sarasota, and Tulsa.

Two days later, Delta resumes seasonal daily B-757-232 roundtrips between Atlanta and both Gunnison/Crested Butte and Vail, Colorado. Simultaneously, a third daily roundtrip is started from Salt Lake City to Colorado Springs, as well as a sixth daily return service from Salt Lake City to Las Vegas.

On December 22, Boeing announces that it has established firm delivery dates for 25 aircraft in 1999 and 2000 to support Delta's ongoing plans for fleet modernization and modest growth.

While taxiing for departure from Dallas (DFW) for Cincinnati on December 26, Flight 1922, an MD-88 with 5 crew and 45 passengers, suffers a "hot start" in its No. 2 engine, which catches fire. The aircraft is stopped and all aboard are evacuated down chutes from the left side, during which one passenger is seriously injured. Airport fire trucks contain the blaze.

During the month, Executive Vice President Reid begins to reorganize the company's international divisions, decentralizing management into three regional organizations (Atlantic, Pacific, and Latin America) each with a vice president reporting directly to him.

Passenger boardings for the year ascend 2% to 105,390,145 and cargo traffic increases by 6% to 1.92 billion FTKs. Revenues total \$14.4 billion, a 3% boost. Operating income of \$1.79 billion is recorded, together with a record net gain of \$1.07 billion.

Delta's summer European schedule is announced on January 5, 1999. Plans are in hand to introduce Atlanta's first nonstop service to Athens, Barcelona, and Istanbul. In addition, flights will commence from New York (JFK) to Dublin, Shannon, and Venice. Daily nonstop roundtrips will also be started from Atlanta to Rome and Milan. Exact timetables will be released later. It is announced on January 8, that the carrier will begin a second daily roundtrip service on June 1 between Cincinnati and Frankfurt.

In one of the great mistakes of airline marketing, one implemented before its time, Delta announces on January 12 that it will charge passengers a \$1-per-flight segment surcharge on all tickets not purchased through its homepage on the Internet's World Wide Web.

The first five B-737-832s, received at the end of the previous year, enter service on January 15 between Atlanta and Newark and on other medium-haul routes.

In response to a request by the union representing the carrier's 8,000 pilots, management agrees, on January 19, to open contract talks on September 8, six months earlier than scheduled.

The Peruvian business daily *El Comercio* reports on January 20 that both Delta and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** have decided against investing in a restructuring of **AeroPeru (Empresa Transportes de Aereos de Peru, S.A.)**. The plan would require a capital injection of \$10 million within the next 10 days to keep the Peruvian line's operations going without interruption. The two North American majors end the consortium they had established to operate AeroPeru and begin an effort to unload their shares.

On January 25, Delta receives the 1998 "Airline of the Year Award" from *Air Transport World* magazine.

Having proved wildly unpopular with airline agents and customers alike, the Internet surcharge is abandoned on January 26. Consumer advocates believe that the step back by the major will dissuade other U.S. airlines from adopting similar web-oriented fees.

A contract is signed with Turner In-flight Services on January 28; the airline will begin showing *Horizon* films from the firm on its flights beginning in February.

When Delta on January 29 raises business ticket prices by 2% and leisure ticket costs by 4%, four other majors quickly follow suit. The move, the first fare increase for U.S. airlines in 18 months, is seen as the opening salvo in an upcoming series of across-the-board fare hikes.

An L-1011-500 is sold to AAR Aircraft Corporation on January 31 and is the first of its type in the world to be retired just for spare parts.

On February 1, Delta becomes the official sponsor of the John F. Kennedy Center for the Performing Arts and the National Symphony Orchestra in Washington, D.C. On the same day, electronic ticketing is extended to European services, beginning with Amsterdam. Seventeen additional European cities will be added by April 5.

An Illinois court, on February 2, approves a company settlement for those passengers filing a class-action suit against the carrier's frequent flyer program in 1988. The court's award comes in the form of discounts and extra mileage awards to the plaintiffs.

Also on February 2, "Delta Shuttle" introduces airport-to-downtown sedan service in Boston, New York (LGA), and Washington, D.C. (DCA). Fares for the automobile trips run \$41 to \$75 one-way.

It is announced on February 3 that Delta and **Air France** have jointly filed an application with the DOT that will allow them to extend their existing code-sharing agreement to Johannesburg, South Africa. With anticipated approval, the Atlanta-based major will place its code on the French line's daily A340-311 roundtrips to Johannesburg from Paris

(CDG) on November 1. It is simultaneously noted that the two will grow their code-share pact to additional third-world countries in the near future.

In a major development announced on February 12, **American Airlines** signs a letter of intention with **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** that will allow it to acquire a major stake in the airline. The U.S. major begins due diligence to establish AeroPeru's financial situation preparatory to determining actual shareholding. AeroPeru's current shareholders, CINTRA of Mexico (35%), the parent of **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Delta (35%) will, if the arrangement proceeds, divest themselves of their shares.

The *London Sunday Times* reports on February 14 that the airline is in discussions with **Continental Airlines**, **Alitalia, S.p.A.**, **Air France**, and **Northwest Airlines** concerning the possible forging of a global alliance to rival the existing multinational airline pacts "OneWorld" and the "Star Alliance."

On the same day, unable to sustain the negative finances of remaining, since last fall, the only U.S. major still flying to Seoul, Delta suspends its daily nonstop roundtrips from Portland, Oregon. The code-share with **Korean Airlines/Korean Air (KAL)** on the route thus ends; however, Delta continues to provide service between 11 other U.S. cities and Seoul via its dual-designator flights with the South Korean major. At the same time, the connecting service from Boston to Portland is also scrubbed. Delta will restrain further expansion into Asia until regional economies improve and turn its attention, instead, to Europe and Latin America.

On February 15, the "Delta Shuttle" relocates to Terminal A at Boston's Logan International Airport.

On February 16, it is announced that ASA Holdings, parent of **Atlantic Southeast Airlines**, will be purchased outright by Delta for \$700,000 (\$34-per-share) in cash. ASA will operate as a fully owned subsidiary. The transition of ASA into a subsidiary will be coordinated on an interim basis by Delta's senior vice president-airport customer service, John N. Selvaggio.

The Italian news agency Ansa reports on February 21 that **Air France** is in discussions with **KLM (Royal Dutch Airlines, N.V.)**, **Northwest Airlines**, and **Alitalia, S.p.A.** concerning the possibility of Air France joining their global alliance. Northwest and KLM are also alliance partners of **Continental Airlines**, which, with Delta, is one of two U.S. airlines seeking a partnership with the French line. None of the suggested participants will confirm the story. **Air France** Chairman Spinetta, basking in the success of his carrier's February 22 initial public offering (IPO), reaffirms to radio interviewers his intention to choose, before the end of the year, either Delta or **Continental Airlines** as the carrier's major global alliance partner. Simultaneously, a spokesman for Delta expresses a hope that it will be chosen as the global affiliate.

On February 23, breaking ranks with its partners, **Alitalia, S.p.A.**, through an unidentified spokesman, confirms that the carrier, along with **Northwest Airlines** and **KLM (Royal Dutch Airlines, N.V.)** are at the "very beginning" of alliance talks with **Air France**. Also on February 23, the DOT grants Delta authority to operate from the U.S. to Rome. **American Airlines** and **USAirways** had also submitted applications for the route.

Chairman of the group's Accident Investigation Board, Capt. Paul McCarthy becomes ALPA's executive air safety chairman on March 1.

Having violated government rules concerning code-sharing announcements, Delta is fined \$25,000 by the DOT on March 3 for failing to inform passengers that their tickets will require them to switch airlines.

A B-757-232, with 150 passengers, is forced to make an emergency landing at Greenville/Spartanburg on March 6 after smoke is reported in the cabin. No injuries are reported.

On March 8, two shareholders of ASA Holdings file suit in Georgia to block Delta's takeover. Meanwhile, the parent of **Atlantic Southeast Airlines** hires Morgan Stanley Dean Witter to identify other possibilities for the company and its stockholders other than buyout by the major.

Having completed its review of **AeroPeru's** finances, **American Airlines** informs the airline, also on March 8, that it will not, after all, take an equity stake or provide fresh capital. The news is catastrophic as the airline, caught by increased regional competition amidst a regional financial crisis, is left without sufficient cash to continue paying for fuel and other services. Although a handover to Indecopi, a government agency that handles bankruptcies, does not occur as suggested, **AeroPeru**, on March 10, does cease international operations, but indicates it will continue domestic flights until March 14. While on a tour in the north of the country, Peru's president, Alberto Fujimori, indicates that his government may help refloat the flagship airline and inject capital into it, but only if AeroPeru can reach a deal to reschedule its debts.

As the crisis unfolds, neither CINTRA nor Delta, which continue as shareholders, offer comment. An ultimately unsuccessful effort will also be made over the next two months to recruit **Continental Airlines** as an equity partner. Meanwhile, on March 11, the president of AeroPeru informs Dow Jones that, during the 60+ days it is down, international air tickets already purchased will be honored by Delta.

Following the christening ceremony for the Chinese B-777-21B *The Pearl of the South* and a media presentation by senior executives, a pre-service code-sharing flight with **China Southern Airlines Company, Ltd.** is flown on March 12 from Los Angeles to Guangzhou.

On March 15, **Northwest Airlines**, which has been recalcitrant in the past, joins Delta, **American Airlines**, **Southwest Airlines (2)**, **United Airlines**, and **USAirways** in raising business fares by 1% and imposing another 3% hike on leisure tickets. United had begun this second round of ticket price increases on March 12.

Due to strong cross winds at the Maine airport, the company cancels all operations in and out of Portland between 7 p.m. on March 15 and the arrival of the first flight from Albany at 10:47 a.m. on March 16.

While landing at Santa Ana-Orange County Airport on March 25, following a service from Salt Lake City, an MD-90-30 blows several tires and suffers damage to its flaps; no injuries are reported.

Also on March 25, the company reaches agreement in principle with the Pratt & Whitney division of United Technologies on terms under which the carrier will sell 119 P&W-powered B-727-200s and up to 39 associated spare engines over the next 6 years as they are retired from the fleet. P&W will finance the arrangement with Republic Financial Corporation of Denver and market the aircraft after converting them into freighters.

The first of 13 custom-designed B-777-232s from an order valued at more than \$1.4 billion arrives at Delta's Atlanta home base on March 26, following its delivery flight from Seattle. A second advanced twin-jet will be received on March 30.

Thrice-weekly nonstop B-777-21B block-seat, dual-designator service with **China Southern Airlines Company, Ltd.** begins on March 28 from Los Angeles to Guangzhou. In addition to the seats the American major has purchased on the Chinese line's transpacific flights, CSA is able to book space on Delta flights from Los Angeles to Atlanta, Las Vegas, Honolulu, Dallas (DFW), New York (JFK), Portland (Oregon), and San Francisco.

Crew members aboard a B-767-332, en route from New York (JFK) to Amsterdam on March 31, notice an electrical odor; unable to determine the cause, the pilot diverts his flight to St. John's, Newfoundland. Once on the ground, maintenance workers are unable to detect the source of the smell and thus the crew and all 194 passengers are put up in local hotels while Delta sends up another aircraft. The stranded Newfoundland service departs for Europe the next day.

On April 1, Delta places its code aboard **Swissair, A.G.** flights from Zurich to Bucharest.

After lengthy discussions, Delta and **SkyWest Airlines** announce an end the Los Angeles portion of their "Delta Connection" code-sharing agreement on April 4.

On the same day, the company introduces nonstop hourly B-757-232 roundtrips between Atlanta and Philadelphia. A total of 16 flights from Philadelphia are operated at 40 min. after the hour between 5:40 a.m.

and 8:40 p.m. and 15 flights from Atlanta are flown between 6:40 a.m. and 9:40 p.m.

Delta also begins daily nonstop B-757-232 roundtrips between Las Vegas and Tampa. Also on April 4, Delta adds one new daily roundtrip flight from Atlanta to Austin (raising the total from five to six); one new flight to Greensboro, High Point, Winston-Salem (from eight to nine); and one to Norfolk (from six to seven). It also flies its new Next Generation B-737-832 for the first time on the Atlanta to Guatemala route.

En route from Atlanta to Tokyo (NRT) on April 7, an MD-11 with 110 passengers and piloted by Capt. Roscoe McMillan is diverted to Portland, Oregon, where the customers are put on another flight to Japan. The flight has been cut short because the aircraft's two relief pilots are unable to sleep in the cramped bunk area, a confined space that the airline had cut into its MD-11s five months earlier in order to expand first-class seating. Both the airline and ALPA, which has filed a grievance about the sleep module, open an investigation.

A new advertising campaign is launched on April 12 in the U.S., Europe, Japan, and Brazil promoting a new BusinessElite intercontinental service that is offered at business class fares.

Twice-daily "Delta Express" roundtrips are started on April 15 from Tampa to Newark.

After considerable deliberation, the carrier, which is unable to agree with ALPA on a B-777 pay scale, agrees with The Boeing Company, also on April 15, to indefinitely defer deliveries of four B-777-232 IGWs due for delivery between December and April. Arrangements are made to replace the deferred wide-bodies with four B-767-332ERs.

As the result of several recent KAL accidents, Delta, on April 16, suspends its code-sharing arrangements with **Korean Airlines/Korean Air (KAL)**. The suspension will remain in effect until Delta completes a thorough review of its partner's operations.

At a meeting of the Swiss-American Chamber of Commerce on April 21, the CEO of **Swissair, A.G.** indicates that moves by Delta to form a code-sharing alliance with **Air France** have placed the status of its current dual-designator pact with Swissair in grave doubt.

Piloted by Capt. Isaac Wells, a fully loaded B-767-332ER on April 22 makes the first commercial landing on the new northern runway at Cote d'Azur Airport, Nice, France.

The company's program of electronic ticketing is expanded, beginning on April 26, to include flights to and from many Latin American destinations; the first destination available, as of today, is San Jose, Costa Rica.

On April 27, lawyers for members of the ALPA chapter at Delta file suit against management in an effort to block a move by the parent to employ **Comair** CRJs on "Delta Shuttle" flights between Boston and Washington, D.C. (DCA) starting on June 1. In order to take advantage of Comair's Washington, D.C., slots, the current plan features five daily roundtrips by Delta B-727s and three with Comair Canadairs. The issue is certain to figure in negotiations, set to begin in September, on a new Delta pilots agreement.

It is announced in London on April 30 that, given the decision of **Aer Lingus Irish Airlines, Ltd.** to join the "OneWorld" alliance, the Irish line and Delta, a member of the "Star Alliance" (a "OneWorld" rival), are ending their code-sharing relationship.

Daily nonstop "Delta Express" roundtrips begin on May 1 between Orlando and Lehigh Valley Airport, near Allentown, Pennsylvania. Simultaneously, B-777-232 return service is started from Atlanta to London (LGW) and, for training purposes, from Atlanta to Orlando.

In Europe, Delta places its code on the daily roundtrips made by **Swissair, A.G.** between Zurich and Bucharest. Electronic ticketing to Caracas begins on May 3.

On May 8, Delta, having completed its investigation, agrees that more room is needed for sleep modules aboard its MD-11 fleet and publicly backs Capt. McMillan's decision to divert to Portland on April 7.

Electronic ticketing begins on services to Mexico City and Guadalajara on May 10. Following a special meeting of the directors of ASA

Holdings on May 11, that concern and its **Atlantic Southeast Airlines** subsidiary officially become a fully owned subsidiary of Delta.

Just after takeoff from El Paso on a May 14 service to Atlanta, popping noises are heard aboard Flight 256, an MD-80 with 141 passengers. It is determined that a tire has exploded and pieces of debris have been sucked into an engine. A safe emergency landing is made back at the point of origin, although the nosegear suffers some damage upon touchdown. No injuries are reported.

Following on the heels of the May 13 Department of Justice antitrust suit against **American Airlines**, **AirTran Airlines**, on May 26, charges Delta with matching its fares and adding flights in an effort to drive AirTran out of the major's markets and thereafter raise fares. AirTran executives, who claim to have been working on their brief before the May 13 American suit, cite a number of instances to back up their claims, but indicate they are not going to file a lawsuit or seek specific remedy. Rather, the discount carrier's leaders ask that the DOJ and DOT review Delta's practices. In a strongly worded response, Delta indicates that the AirTran charges are "insulting and untrue."

Word is leaked on May 27 that *Aviation Week & Space Technology* will name Delta as the "Best Managed Major Airline" for 1999 in its May 31 issue.

On May 28, the carrier joins with **Swissair, A.G.** to offer a code-sharing service between Atlanta and Lima, Peru. Electronic ticketing to Rio de Janeiro and São Paulo begins on May 31.

Daily nonstop MD-11 roundtrips begin on June 1 between Atlanta and Rome. This is the first service from the Georgian airport to the Italian capital city. Simultaneously, a second daily roundtrip is launched between Cincinnati and Frankfurt; the seasonal flights will be maintained until October 2, when the schedule reverts to one service daily.

Also on June 1, twice-daily nonstop B-767-332ER roundtrips are started from Atlanta to Barcelona for the summer season. Simultaneously, the summer season flights from New York (JFK) to Barcelona become year-round. B-757-232 roundtrips are increased by one on June 1 from Atlanta to Denver (6 to 7); to San Antonio (6 to 7); to San Diego (4 to 5); and San Francisco (6 to 7). On the same day, "Delta Shuttle" launches nonstop every-other-hour business-day roundtrips between Boston and Washington, D.C. (DCA).

Both "Delta Shuttle" and its "USAirways Shuttle" competitor face a new challenge from the ground as Amtrak begins testing its 150-mph. *Acela* trains between Boston and New York and between New York and Washington, D.C.

Flight 491, a B-757-232 with 8 crew and 119 passengers, makes a hard landing at Phoenix on June 2 following a service from New York (JFK); although no injuries are reported, the aircraft is badly damaged. Electronic ticketing to San Salvador is started on June 7; electronic ticketing will follow on June 14 and 21 respectively for Guatemala City and Panama City.

Meanwhile, because it must soon commit to its winter schedule and the aircraft to fly it, Delta, lacking accord with ALPA, is forced to notify Boeing on June 11 that it will not fly the B-777, that it cannot accept any more on order, and will sell those delivered.

Celebrating 70 years of service from Dallas (DAL), a company jetliner departs that airport at 8 a.m. on June 17 and retraces the original route to Jackson, Mississippi, via Shreveport and Monroe, Louisiana. Several smaller communities visited the first time must be omitted from this commemorative flight.

Also on June 17, the *Les Echos* business newspaper reports that **Air France** has chosen Delta as its new U.S. strategic partner. The flag carrier offers no comment. The scoop is, however, confirmed on June 22 when both majors announce that they will align their passenger and cargo services as part of a long-term effort to forge another global airline alliance.

Daily nonstop B-757-232 roundtrips begin on July 1 from Atlanta to Guadalajara. It will continue to code-share on three services between the two cities offered by **Aeromexico (2)** (**Aerovias de Mexico, S.A. de C.V.**). On the same day, service from Atlanta to Mexico City is expanded to five nonstop daily roundtrips by the addition of a third com-

pany flight, in addition to the two dual-designator flights operated daily by Aeromexico (2). Employing B-767-332ERs, Delta, on July 15, inaugurates nonstop service from New York (JFK) to Dublin, continuing to Shannon, four days a week and nonstop to Shannon, continuing to Dublin, on the other days.

The code-share pact with **Air France** is expanded on July 30 to include a reciprocal air mail agreement. Under its terms, the U.S. company will extend the number of destinations it can reach on behalf of the U.S. Postal Service while Air France will be able to do likewise on behalf of the French Post Office.

It is announced on August 13 that the daily MD-11 nonstop service between Portland and Fukuoka, Japan, will be suspended on October 1. The next day, the carrier begins a code-share with **Air Jamaica, Ltd. (2)** on the island carrier's twice-weekly A320-211 roundtrips from Montego Bay to the islands of Grenada and St. Lucia.

A gala celebration is held at Everett, Washington, on August 26 when the first B-767-400ER is rolled out.

Delta and its pilot union begin contract talks on September 8, six months before the current agreement's amendable date of May 2000. Senior Vice President Edward H. West is named chief financial officer the next day.

To replace the B-727-200s currently employed by the "Delta Shuttle" in the Northeast, the company, on September 15, orders 16 Next Generation B-737-832s that will begin delivery next July. Also in September, Chief Financial Officer Warren Jenson becomes chief financial officer of Amazon.com and is succeeded at Delta by Senior Vice President Edward H. West.

On October 1, less than a year after the route was started, daily nonstop MD-11 flights from Portland to Fukuoka cease. The same day, one new frequency is added by the main line to its services from Atlanta to Los Angeles and Orange County. "Delta Express" introduces two daily roundtrips from Hartford to West Palm Beach and adds a seventh frequency from Newark to Orlando.

Also on the first day of the month, the massive Next Generation B-737-832 order is confirmed, along with a request for three more B-737-200s, which will bring the "Delta Express" fleet to 40 aircraft. The latter order is announced as part of the official third birthday for "Delta Express."

Simultaneously, it is revealed that the carrier has signed a major marketing and code-sharing agreement with **South African Airways (Pty.), Ltd.** Under the terms of the agreement, Delta agrees to purchase block seats on the daily SAA B-747-444 direct nonstop return service from Johannesburg to both Atlanta and New York (JFK). The service from Johannesburg and the Georgia city will be the first nonstop direct link between the city pair.

It is announced by the participants on October 13 that the "Atlantic Excellence" alliance is being dissolved in order that its members might join other world airline groupings. Delta, **Swissair, A.G.**, **Austrian Airlines, A.G.**, and **Sabena Belgian World Airlines, S.A.** will honor existing travel agency and corporate sales agreements through December 31 and end their code-sharing arrangements on or before August 5, 2000.

Delta begins to code-share with **Tyrolean Airways (Tyrolean Airways Luftfahrtgesellschaft, GmbH.)** on October 15, placing its code on the Austrian line's flights from Vienna to Bremen, Graz, Katowice, Klagenfurt, Krakow, Linz, Nuremberg, and Salzburg.

The official airline of the 2002 Olympic Winter Games, Delta launches its sponsorship on October 23 when it accepts delivery of its 100th B-757, a Dash-232 with an Olympic-theme livery, in ceremonies at Salt Lake City. The plane makes a special transcontinental promotional tour between October 25 and 29, visiting, in order, Atlanta, Washington, D.C. (DCA), Cincinnati, New York (LGA), DFW, Los Angeles, Orlando, and Boston. It joins the B-777-232 *Soaring Spirit II* already in service with a special livery.

As the October 31 date for renewal of the carrier's "Delta Connection" contract nears, negotiations over a new pro rata agreement with **Comair** intensify during the summer. Unable to come to terms, Delta,

which already holds a 22% stake and believes itself to be inadequately compensated, in early October, makes a \$23.50 per share/\$1.8 billion cash offer to purchase outright the remainder of its Cincinnati-based affiliate. Comair's board agrees to the transaction on October 16 and it is announced two days later. The new wholly owned "Delta Connection" subsidiary will join **Atlantic Southeast Airlines**, taken over earlier in the year, as a Delta division, with the entire commuter network falling under the direction of Comair President/CEO David A. Siebenburgen.

Beginning on November 1, Delta adds one new frequency to its services from Atlanta to Las Vegas, Little Rock, Norfolk, and Seattle. Also in November, a number of **Comair** shareholders file two class-action lawsuits (one each in Kentucky and New York) against the airline and its board charging that the takeover price is inadequate and seeking to halt the sale.

After a six-year restoration program, a renovated DC-3 takes off from Atlanta on its first passenger flight. The aircraft, first delivered new to Delta on December 23, 1940, had been sold in 1958 and operated by others until repurchased in 1993 for use as a public relations vehicle.

During November, it is announced that President/CEO Mullin will become chairman upon the imminent retirement of Gerald Grinstein, the nonexecutive chairman, who will remain a director. At the same time, it is noted that Delta will invest \$335 million of the total \$386 million required for a rebuilding of Terminal A at Boston's Logan International Airport. When the improvements are completed in the fall of 2004, Delta will move into the facility.

Delta greatly expands its French code-share on December 1, placing its designator on **Air France** European services from Paris (CDG) to Brussels, Zurich, Vienna, Geneva, and Basel. It also places its designator on AF flights from Paris (CDG) to Ouagadougou, Burkina Faso, and Abidjan.

Also on December 1, the company ends its flights to St. Croix in order to concentrate its capacity on St. Thomas. Daily Next Generation B-737-832 roundtrips begin from Atlanta to Aruba, while B-757-232 return flights are started from the Georgia hub to St. Martin. "Delta Express" launches a new daily B-737-200 return service from Islip to Tampa; three days later, a fourth daily roundtrip begins from Islip to Orlando.

The last five of seven B-777-232ERs to be received during the year are delivered on December 7, 10, 13, 17, and 21, respectively. At this point, the carrier's pilots ratify, effective January 1, an agreement on pay rates for cockpit crews of the new twin-engine wide-bodies, clearing the way for their entry into service.

An original airline participant and major shareholder, Delta sells 2.1 million shares of Priceline.com to its chairman/CEO Richard Braddock and Vice Chairman Jay Walker in December for \$125 million.

Passenger boardings inch up 0.2% to 105,534,000 while cargo climbs 3.4% to 1.98 billion FTKs. Revenues advance 4.5% to \$15.05 billion, while expenses jump 8.7% to \$13.69 billion. Although the operating profit falls to \$1.35 billion, net gain ascends to \$1.28 billion.

Airline employment at the beginning of 2000 stands at 72,000, a 0.9% increase over the previous 12 months. Among the world's top 25 airlines, Delta is the leader in total passengers and net profit, 2nd in operating profit, 5th in employees, 4th in fleet size and operating revenue, and 19th in FTKs.

On January 7, the DOT approves the block-seat, code-sharing alliance with **South African Airways (Pty.), Ltd.**, clearing the way for it to begin from New York (JFK) on January 30 and from Atlanta on January 31. The next day, Delta is allowed to place its designator on the weekend return service from Cozumel to Atlanta provided by MD-87s of **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**.

All work on establishment of the new "Delta Connection" subsidiary is completed on January 12; the new unit will manage and coordinate the Connection-contracted activities of the **Atlantic Coast Airlines** subsidiary **Atlantic Coast Jet**, as well as **Atlantic Southeast Airlines**, **Business Express (BEX)**, **Comair**, **SkyWest**, and **Trans States Airlines**. When President/CEO Siebenburgen launches his revamped "Delta

Connection" network on January 18, he is succeeded as Comair Holdings president by Randy D. Rademacher.

Daily nonstop B-757-232 roundtrip seasonal service is inaugurated between Atlanta and Cancun on January 31.

The first of three additional Boeing 737-200s contracted for the previous October arrives at Atlanta on February 1 and is assigned to the "Delta Express" fleet. Also in February, Delta announces a 3% pay increase for its nonunionized workers and a new early retirement medical option for senior employees. The airline is also the first to make home personal computers available to all of its workers, together with software and Internet hookups.

On February 29, Delta comes in second to **Air France** in a survey of North Atlantic business class cuisine published by the London financial weekly *Sunday Business*.

On March 1, Delta begins to code-share on AF flights from Paris (CDG) to Lisbon and Porto. The same day, the New York (JFK) to Paris (CDG) service is enhanced by the substitution of an MD-11 for the B-737-332ER currently employed. On March 4, employing its B-737-200s, "Delta Express" increases the number of its Boston to Fort Lauderdale daily roundtrips from four to six.

Designed by the Leo Burnett Company, a new advertising campaign begins on American television on March 11 highlighting company service and benefits. The next day, a new aircraft color scheme, designed by Landor Associates to emphasize an increased awareness of passenger services, is unveiled on a B-777-232ER. With its ribbon-like tail design and a title now shortened to just "Delta," the new livery replaces a blue-and-red dash livery introduced in 1997. As painting of the new scheme on all of the aircraft will take time, Delta is now one of the few airlines in the world to have three different liveries in the air at the same time.

Just after takeoff from San Francisco on a March 14 service to Salt Lake City, Flight 1972, a B-737-232 with 7 crew and 78 passengers is unable to lower its right main landing gear. After dumping fuel, a safe emergency landing is made back at the point of landing, during which no one is injured. Damages to the right wing are major and will lead to the write-off of the aging airliner.

In a heartfelt and well-received effort supported by Delta, **Air France**, Scott Company, the Georgia Forestry Association, and the American Forests conservation group, over 5,000 seedlings are transported to Versailles and planted by French and American students on March 20. One hundred of them were taken from the grounds of homes of American presidents and other historic sites. **Air France** flies the trees to France, while Delta transports the students.

The dual-designator flights previously operated with **Sabena Belgian World Airlines, S. A.** between Brussels and New York (JFK) end on March 25.

Daily nonstop **Air France** A310-304 roundtrips are launched on March 26 between Paris (CDG) and Philadelphia. Delta code-shares on the service as well as on the Dakar frequency and an increased number of AF flights from Paris (CDG) to Atlanta and Cincinnati and from Lyon to New York (JFK). Daily nonstop B-767-332ER roundtrips are simultaneously started from New York (JFK) to Zurich, replacing those previously operated under the **Swissair, A.G.** dual-designator arrangement. Code-sharing with both **Swissair** and **Sabena Belgian World Airlines, S.A.** ended the previous day.

The return service between New York (JFK) and Stuttgart ends on March 27, as Daimler-Chrysler, the largest customer on the route, begins flying its own corporate Airbus A319CJ between the Badden-Werttemberg company headquarters and Detroit. The Atlanta to Stuttgart service continues. A landing gear door falls from Flight 1827, a "Delta Shuttle" B-727-232A, as it departs Boston, also on March 27, and falls harmlessly on a street in a residential neighborhood.

The largest regional jet order in airline history is placed on March 29 when "Delta Connection" CEO Siebenburgen, acting on behalf of **Comair** and **Atlantic Southeast Airlines**, signs a \$10-billion, 4-year order with Bombardier Aerospace for a mix of 94 CRJ100, CRJ200s, and CRJ700s.

The next day, Delta places a firm order for two more Next Generation B-737-832s; the carrier now has a total of 18, with 113 to come.

Also in March, the company's ramp workers, including baggage and cargo handlers, reject, by a wide margin, an effort by the Transport Workers Union to unionize them, with only 17% voting in favor. The National Mediation Board will, however, invalidate these results and order a new election.

On April 2, the number of CRJ100s roundtrips offered between Cincinnati and Atlanta doubles to eight, thereby replacing all four of **Delta Air Line's** daily roundtrips in this market. It also replaces the twice-daily return service from Cincinnati to Colorado Springs. Service is increased from Cincinnati to Orlando (5 to 6), from Atlanta to Dayton (5 to 6), and Atlanta to Ontario (1 to 2). Twice-daily B-767-332ER transcontinental service is begun from Boston to Los Angeles and from New York (JFK) to San Diego, with another Dash-332ER frequency added, in the morning, from New York (JFK) to Los Angeles. The night B-757-232 service from New York (JFK) to Los Angeles (LAX) is matched with a B-767-332ER, while a fourth daily, one-way, service is started from Cincinnati to Portland.

At the same time, B-737-200 "Delta Express" twice-daily roundtrips are initiated from Fort Lauderdale to New York (JFK) and increase, from four to six, the number of daily frequencies completed between Fort Lauderdale and Boston. "Delta Express" Fort Lauderdale service is in direct competition with the new entrant carrier **JetBlue Airways**.

Also on April 2, daily nonstop B-767-332ER roundtrips are inaugurated from New York (JFK) to Zurich, while new daily seasonal service is initiated from Atlanta to Anchorage. Daily nonstop B-767-332ER return flights begin on April 14 from New York (JFK) to Lyon, France. Two new B-767-332ERs are delivered on April 21; a third will follow five days later.

On April 23, Delta begins to code-share on the new twice-weekly MD-87 service flown by **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** from Los Angeles to La Paz via Guaymas. The next day, Delta begins to code-share on **Air France** services between Paris (CDG) and Boston. These B-767-332ER frequencies are now increased from 7 per week to 12. The Atlanta-Cançun service ends on April 30.

MD-11s replace B-767-332ERs on the New York (JFK) to Paris (CDG) run on May 1. The same day, block-seat, code-sharing begins aboard **South African Airways (Pty.), Ltd.** services from Johannesburg to Windhoek, Namibia. Also on May 1, daily return service is launched from Atlanta to Ontario, CA and from New York (JFK) to San Diego. The former is operated with a B-757-232 and the latter with a B-767-332ER. A third daily nonstop B-767-332ER roundtrip is added between New York (JFK) and Salt Lake City.

Daily nonstop roundtrip B-767-332ER flights commence on May 9 between New York (JFK) and Venice.

It is learned on May 11 that the strike at Boeing will force a delay in the delivery of the carrier's first new B-767-432 from the end of May until at least the end of July. A number of other aircraft, including Next Generation B-737-832s, are also delayed, forcing the company to continue using its oldest B-727-232As longer than expected.

On May 15, Delta begins to code-share on **Air France** flights from Paris (CDG) to Cincinnati. Also on May 15, the company accepts delivery of its fourth new B-767-332ER.

Beginning on May 18, and continuing through the end of September, the company operates its new B-777-232ERs on pilot-familiarization flights between Atlanta and Orlando. As many as 5 per day of the large aircraft replace the smaller jetliners normally employed on the 14-times-a-day roundtrips.

Air Canada, Ltd. and **Canadian Airlines, Ltd.**, which the former has purchased, announce on May 19 that the two will end their code-sharing arrangements with **American Airlines** on or before October 1. Canadian and American had been partners for a decade. The final B-767-332ER to be delivered this year—and the last of three early B-767 types that first began joining the fleet in 1983—is accepted on May 23.

On May 24, **Air Canada, Ltd.** signs a code-sharing pact with Delta that will come into effect on October 29. Despite Delta's membership in

the **Air France**-led "SkyTrek" alliance, the new arrangement will not impact Air Canada's "Star Alliance" affiliation.

Also in May, Carolyn Ezzell is named managing director of the "Delta Shuttle" subsidiary.

Delta also places its "DL" code on **Air France** flights between Paris (CDG) and Lome, Togo, beginning on June 1. The same day, thrice-weekly B-767-332ER roundtrips are inaugurated from Atlanta to Rio de Janeiro and a third daily return service, using an MD-11, is begun from Atlanta to London (LGW). The B-767-332ER previously flown to England is used to begin a second daily seasonal return frequency from Cincinnati to Frankfurt. Two of eight daily return flights from Atlanta to Norfolk, Virginia, are simultaneously upgraded to B-757-232s. Seasonal daily B-767-332ER roundtrips, running through September 30, are also inaugurated from Atlanta to Anchorage and from New York (JFK) to Rome.

"Delta Shuttle" customers at New York (LGA), Boston, and Washington, D.C. (DCA) are served birthday cake on June 1 in honor of the first anniversary of the unit's Boston to Washington shuttle flights.

The B-777-232ER *Soaring Spirit II* joins the fleet on June 14, wearing its Olympic livery with depictions of athletes Bonnie Blair, Duncan Kennedy, and Ryan Heckman. The plane will be employed to transport the Olympic flame from Athens to North America.

The next day, Delta begins to code-share on the daily MD-87 roundtrip service flown from Hermosillo, Mexico, to Las Vegas by **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**.

On June 21, Delta is allowed to place its "DL" code on the **Air France** B-737 Kiev service. A marketing and code-sharing agreement is signed with **Royal Air Maroc** on June 28. Under its terms, Delta places its code on RAM frequencies from Casablanca to New York (JFK), Agadir, Marrakesh, and Tangiers. RAM places its code on Delta services from New York (JFK) to Atlanta, Boston, Chicago (ORD), Los Angeles (LAX), Miami, San Francisco, Tampa, and Washington, D.C. (DCA). The next day, it is announced that the carrier is teaming up with **Air France** to place a bid for the 10% equity stake available in **Thai Airways International, Ltd. (THAI)**.

A year after **Air France** and Delta announce plans to create a global alliance, the new group, which also includes **Aeromexico (2) (Aerovias de Mexico, S.A. de C. V.)** and **Korean Airlines**, is officially named "SkyTeam" on July 1. Together, the partners offer 6,402 daily flights to 451 cities in 98 nations. At the same time, the company's previous close relationship with **Continental Airlines** ends as the Houston-based major remains in the competing "Wings" alliance. Also on July 1, twice-daily nonstop B-767-332ER roundtrips are inaugurated from Boston to Los Angeles.

Delta is named third best-managed company among privately owned, major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10. In a July 17 Boston Logan International Airport ceremony, a "Delta Express" B-737 is unveiled wearing a special livery depicting The Cartoon Network's characters *The Powerpuff Girls*.

Also in July, Richard Nixon, the air logistics-cargo senior vice president who came to Delta from **Federal Express (FedEx)** 15 months ago, resigns for personal reasons. He will be succeeded within two weeks by Anthony Charaf, who has been with Delta since 1996.

Delta starts or renews its code-share on August 1, placing its "DL" designator on **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** flights from Mexico City to Ciudad Obregon, Durango, Los Mochis, Torreon, and Acapulco. The last code-shared flights by Delta, **Swissair, A.G.**, and **Austrian Airlines, A.G.**, acting as partners under the now-disbanded "Atlantic Excellence" alliance occur on August 5. Dual-designator service previously operated with **Sabena Belgian World Airlines, S.A.** from Brussels to Atlanta ends on August 5 as Sabena moves its terminus from Hartsfield International Airport to Dallas (DFW).

"Delta Shuttle" introduces a new Next Generation B-737-832 into service on August 7; the increased legroom is welcomed by passengers.

The same day, a memorandum of understanding is signed with **El Al Israel Airlines, Ltd.** concerning the intended outcomes of marketing coordination discussions currently under way. It is hoped that code-sharing between the two carriers can be implemented by next April.

On August 15, code-sharing with Delta, **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** begins two new MD-87 roundtrips to Atlanta from Mexico City and one new return service from Puebla to Dallas (DFW).

On August 16, Delta begins to code-share on six-times-a-week **Air France** return services from Paris (CDG) to Douala and continuing to Yaounde thrice weekly.

A preliminary agreement is signed with **TunisAir, S.A.** on August 22 under which the two carriers will examine possibilities for increased cooperation, including the possibility of first-time flights by Delta to Tunisia, either as charters or later as scheduled service.

Also on August 22, *Flight International*, in its annual commercial airline survey, reports that Delta is the largest airline in the world in terms of actual passenger boardings and third largest in terms of RPKs.

A proposal to merge the pilot unions of the "Delta Connection" partners **Comair** and **Atlantic Southeast Airlines** with that of their Delta parent is rejected by the ALPA executive council in late August. Also in August, the last of eight daily roundtrips from Atlanta to Norfolk is upgraded to Next Generation B-737-832.

In ceremonies at the William J. Hughes Technical Center, operated by the FAA at Atlantic City, the company, on August 28, officially donates a retired L-1011 to the federal sky marshal program. Other agencies, such as the FBI, the Drug Enforcement Agency, and the DOT, will also conduct training exercises on the wide-body.

The next day, the company takes delivery at Seattle of its first B-767-432ER; its delivery flight to Atlanta occurs on August 30.

The "Delta Connection" CRJ200ER twice-daily return service between Atlanta and Manchester, New Hampshire, is taken over by the main line on September 1 and operated with MD-88s.

The head of the investment bank Lazard India reports on September 8 that Delta and **Air France** will make a joint bid for a 26% (later 40%) stake in **Air India, Ltd.** The anticipated sale process is to begin on September 11 by a formal invitation from the Indian government to potential bidders. Reuters, Ltd. confirms the tender on the opening bid day. In late February 2001, Delta and its partner will withdraw from the running.

Also on September 8, ALPA-represented pilots in Atlanta hold a rally noting that only one more year remains on their current contract. The flyers are looking for big raises in light of recent pilot gains at **United Airlines**.

On September 15, the carrier announces that it will launch daily non-stop roundtrips from Boston to London (LGW) beginning in June 2000, while on September 25, it begins to code-share on the **Air France** A310-304 service from Paris (CDG) to Nouakchott, Mauritania. Delta, on September 29, begins dual-designator service aboard **Air France** B-737-528s flying from Paris (CDG) to Moscow and St. Petersburg.

Also during September, an "e-Delta business unit" is formed under Senior Vice President Vince Caminiti.

Four-times-a-day B-737-200 "Delta Express" return service is launched on October 1 from New York (JFK) to Orlando. Also on October 1, B-767-432ER service begins from Atlanta to Fort Lauderdale, Miami, Orlando, and Tampa. Next Generation B-737-832 roundtrips are inaugurated daily between Atlanta and Leon, Mexico.

On October 2, B-727-232A roundtrips from Atlanta to Buffalo are increased from thrice daily to four times a day. The same day it is announced that the carrier's dual-designator agreement with **MALEV Hungarian Airlines** on the New York (JFK) to Budapest route will end on the following March 25. On October 3, a code-sharing agreement is signed with **El Al Israel Airlines, Ltd.**, also effective March 25. Under its terms, Delta will sell tickets for El Al's New York (JFK) to Tel Aviv service while El Al will place its code on Delta frequencies from New York (JFK) to Atlanta, Boston, Dallas (DFW), Denver, Phoenix, Salt Lake City, San Francisco, Seattle, and Washington, D.C.

During the first round of contract talks between management and the carrier's ALPA-represented pilots on October 13, the flyers oppose the use of 70-passenger aircraft, such as the Canadair CRJ700, which the "Delta Connection" partners **Comair** and **Atlantic Southeast Airlines** have on order for late 2001 delivery.

"Delta Shuttle" introduces the Next Generation B-737-832 on the Boston-New York (LGA) segment of its Northeast U.S. shuttle operation on October 18. The next day, the administration of the main line submits a plan to the Port Authority of New York and New Jersey for a \$1.6-million terminal expansion at JFK International Airport.

The *London Sunday Times* reports on October 22 that "Oneworld" partner **British Airways, Ltd. (2)** has begun talks with **Air France** and **Delta Air Lines** concerning its possible membership in their "SkyTeam" alliance. "Delta Shuttle" now inaugurates Next Generation B-737-832 hourly departures from New York (LGA), Boston, and Washington, D.C. (DCA).

The sixth B-767-432ER is delivered on October 24; the aircraft is also the 100th B-767 accepted by Delta, which is now the largest operator of the type in the world. The next day, the main line begins to transfer another 10 B-737-200s to "Delta Express"; when the last is turned over by September 2001, the Express fleet will be operating 52 Dash-200 "Baby Boeings."

On October 27, Delta files an application with the DOT seeking its approval to begin code-sharing flights with **CSA Czech Airlines** on March 25.

The code-sharing arrangement begins with **Air Canada, Ltd.** on October 29; the two share designators on each other's transborder flights from Canadian points to the U.S. hubs at Atlanta, Cincinnati, Dallas (DFW), and Salt Lake City. The same day, Delta also places its "DL" code on **Air France** flights between Paris (CDG) and Budapest, Abu Dhabi, and Dubai.

Also during October, the company's 9,900 ramp workers, for the second time in 2000, reject union representation. Working with Softnet Systems subsidiary Aerozone, the airline and **United Airlines** both begin to offer customers wireless Internet access in their airport lounges and gate areas.

Daily B-767-332ER return service is inaugurated on November 1 from Atlanta to Santiago de Chile, while B-757-232s begin flying daily roundtrips from Atlanta to Los Cabos, Mexico. The same day, "Delta Express" frequencies between Albany and Orlando end, even as Timothy W. Mapes becomes the "Delta Express" managing director. On the first day of the month, Tampa also receives new return service. From New York (JFK), the main line inaugurates twice-daily MD-88 trips, while "Delta Express" begins twice-daily B-737-200 flights from New York (LGA).

"Delta Shuttle," also on the first day of the month, offers itself as replacement on the eight daily return services operated by both the main line and "Delta Connection" on the Boston to Washington (DCA) route. One new B-727-232A roundtrip is added, along with three B-727-232A frequencies that replace the three earlier flown by **Comair** with CRJ100ERs, for a new total of nine daily roundtrips. All of these flights will be operated with Next Generation B-737-832s come January 1.

On November 2, twice-daily B-737-200 "Delta Express" frequencies are initiated from Washington, D.C. (DCA) to Fort Lauderdale. On November 6, twice-daily B-737-200 "Delta Express" roundtrips are begun from Boston to West Palm Beach.

On November 17, both company and ALPA negotiators ask for federal mediation and seek a 90-day timeline to complete their talks by February 17. If a proffer of arbitration is declined and both sides are released by the National Mediation Board, a 30-day cooling off period would ensue, followed by a possible pilots' strike as early as April 1.

A number of delays and other problems are experienced over the November 22-27 Thanksgiving holiday period as a number of pilots, frustrated with lack of progress in contract negotiations, refuse to fly extra overtime.

The number of daily MD-88 frequencies from Cincinnati to Tampa is increased on December 1 from four to five. Also on December 1, daily

B-757-232 return service is launched from Cincinnati to San Juan. The company also begins to code-share on **South African Airways (Pty.), Ltd.** services from Johannesburg to Dar es Salaam.

Frustrated pilots, seeking a contract as generous as that won by their colleagues at **United Airlines**, refuse to fly overtime on the weekend of December 2–3, forcing Delta to cancel 300 flights.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase that is certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights. On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. "Delta Connection," including both **Atlantic Southeast Airlines** and **Comair**, receives 20 of the new positions. In a supplemental auction for the slots previously assigned to defunct **Legend Airlines**, "Delta Connection" receives two more.

Daily B-757-232 roundtrips are launched, also on December 4, from Atlanta to Bogota, Colombia. The next day, the carrier appeals to the U.S. District Court in Atlanta for a temporary restraining order against ALPA and seeks an emergency injunction to force its pilots to accept additional overtime. The airline believes that its flyers, in a concerted effort to avoid extra hours in order to gain leverage in contract talks, are causing it to cancel hundreds of flights, including 300 on this date alone.

The Boston to West Palm Beach "Delta Express" service becomes thrice daily on December 6, the same day a third roundtrip is added to the "Delta Express" route from Newark to Fort Lauderdale.

In Los Angeles Superior Court on December 8, Edward Forrest Ingram is charged with three counts of grand theft and one count of receiving stolen property. Before his apprehension, the 43-year old Venice, California, resident would allegedly dress in a Delta captain's uniform and travel to Los Angeles (LAX). There he would casually pick up the most expensive-looking pieces of baggage and walk out past baggage checkers without being stopped. At home, he would sell the contents on eBay, the Internet auction site.

Also on December 8, an MD-90-30 blows three tires while landing at Santa Ana–Orange County Airport; although no injuries are reported in the rough put down, the plane blocks the runway for 4 hours, causing 33 other flights to be diverted to other airports. Delta is the only major U.S. airline operator of this aircraft type.

On December 12, **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** begins to place its code on Delta's daily return service from Los Angeles to Tokyo (NRT). The Mexican carrier feeds passengers onto the Los Angeles (LAX) service from Guadalajara, Leon, Mexico City, and Puerto Vallarta.

On December 13, the court rejects the application for a temporary restraining order; Delta appeals the ruling.

Thrice-weekly B-767-332ER roundtrips commence on December 14 from Atlanta to Rio de Janeiro. Seasonal daily B-757-232 return service, which will be operated through April 30, begin on December 15, from Atlanta to Montego Bay.

Also on December 15, the company begins to sell shared-code tickets on **Air France** flights from Paris (CDG) to Cairo, as well as on **Air France** A320-211 service from Paris (CDG) to Istanbul.

The eruption of the Popocatepetl Volcano 40 mi. NW of Mexico City on December 20 forces the carrier to cancel all of its flights into the Mexican capital. The airport at Puebla is closed due to the fear of mudslides. The last of 12 B-767-432ERs delivered since August is accepted, also on December 20.

Seasonal daily B-757-232 roundtrips, to be flown through March 1, begin on December 22 from Atlanta to Vail, Colorado. Beginning on December 28, Delta places its code on **Air France** B-737-528 services from Paris (CDG) to Bucharest.

The next day, Delta announces that it will launch a second daily non-stop B-777-232ER return service from Atlanta to Paris (CDG) on January 26.

At the end of the year, the company announces that it will cut its first quarter flight schedule by 3% because of ongoing pilot shortages, which are seen by the airline as an attempt to force it to sign a new contract favorable to the flyers. Also, arrangements are completed under which SAirGroup will sell its 4.6% stake in Delta for an unspecified amount to an unnamed buyer so that it can concentrate on its growing relationship with **American Airlines**.

The anticipated retirement of the last L-1011-385-3 TriStar 500 is put off until January 8, when it will operate flight 1886 from Los Angeles to Atlanta.

Enplanements during the 12-month period total 120 million. A total of 2.5 million tickets are sold online during the year (5% of total sales), generating \$775 million in revenues. Overall operating revenues for the year rise 12.5% to \$16.74 billion, while expenses grow 11.3% to \$15.1 billion. Operating gain climbs 24.2% to \$1.64 billion, but net gain drops 32% to \$815 million.

DELTA AIR REGIONALFLUGVERKKEHR, GmbH.: Germany (1974–1992). This regional carrier is formed in April 1974 as a subsidiary of **Pleuger Flugdienst GmbH.** to operate commuter services on behalf of the Lake Constance Chamber of Commerce. Revenue services, employing a Piper PA-31T Cheyenne, begin on a triangle-shaped route in and out of the Friederichshafen area and middle Schussen Valley, Friederichshafen (Lowenthal Airport) to Stuttgart and Zurich on April 2. Subsidies are provided for the scheduled services, which are separated from Pleuger's charter operation.

Having determined in March 1978 to run an airline, Alfred Schlopp, chairman of Stuttgart-based Schlopp & Co., names Wolfgang Bierbach as general manager and, together, the two approach Pueger Flugdienst, which, after four years of financial losses on its scheduled service, is looking for relief. On April 1, Pueger Flugdienst sells its commuter airline to Schlopp & Co., which already has the Cheyenne based at Friederichshafen for the operation of business charters.

A workforce of 18 is recruited and for a month, while equipment is being obtained, replacement service is offered on behalf of the new entrant by Hamburg-based **Hadag Air (Hafendampfschiffahrts Actien, GmbH.)**. A second Cheyenne, a Beech King Air, and an ex-**Gronlandsfly, A.S./Greenlandair, A.S.** de Havilland Canada DHC-6-200 launch scheduled flights in May.

A former **Crossair, Ltd.** Fairchild Metro II is added to the fleet and, in cooperation with that Swiss regional, a route is opened from Zurich to Bremen in 1979; enplanements reach 14,754.

Boardings fall to 12,681 in 1980, due to scheduling problems caused by Switzerland's failure to adopt Summer Time, thereby causing connecting times to Zurich to deteriorate.

When the time change is adopted in 1981, bookings rise to 13,496.

Due to the ripple effect of the world's economic woes, enplanements drop to 11,800 in 1982 and the parent takes financial losses. **Crossair, Ltd.** takes a 25% interest.

In 1983, Schlopp & Co. sells its commuter operation to Munich-based Bayern Druck und Verlag, GmbH. and the airline transfers its headquarters to Friederichshafen. Another Metro II is purchased that year and a Dornier 228-100 is leased from its manufacturer, while an improved version is placed on order. A significant rise in passenger traffic is seen, up to 18,173.

Routes are extended twice daily to Stuttgart, Basel, and Geneva and a virtually private route is started from Friederichshafen to Munich (Oberpfaffenhofen Airport, owned by Dornier) in 1984. The latter service is introduced on behalf of such industrial concerns as Dornier, MTU, and Siemens, although noncompany travelers are welcomed. A Dornier 228-212, delivered at the Farnborough Air Show, replaces the leased Dash-100.

Passenger boardings soar to 33,670.

Due to low traffic, the Stuttgart to Basel service is suspended in **1985**; however, bookings still rise to 46,644. During the year, the carrier becomes a GmbH. limited company and **Crossair, Ltd.** takes additional shareholding.

In **1986**, frequencies of certain flights are increased and replacement service is inaugurated on behalf of **Swissair, A.G.** from Augsburg to Zurich. Managing Director Bierbach and his staff plan for the acquisition of two SAAB 340As, the first of which is received in November. Scheduled replacement services are now offered on behalf of **Deutsche Lufthansa, A.G.** to Bremen, Friedrichshafen, Geneva, Munich, Stuttgart, and Zurich. The employee population reaches 30.

Operations continue apace in **1987** and, in May, Delta is given scheduled airline status. To finance further expansion, capitalization is increased from DM 8 million (\$5.7 million) to DM 20 million (\$14.3 million), with the **Crossair, Ltd.** stake rising to 40%.

The Metros are withdrawn in **1988** as a new Frankfurt to Friedrichshafen service is initiated during the summer.

The Dornier is withdrawn in **1989** as two additional SAAB-340As are acquired.

Enplanements reach 140,302. Company employment grows by 6.2% in **1990** to 139. Three additional 340As are delivered, allowing Lufthansa replacement service to be opened to Cologne.

In October and November, in cooperation with the Italian regional **Avianova, S.p.A.**, five-times-per-week service is inaugurated between Stuttgart and Florence.

Passenger boardings jump 31.2% to 183,890 and revenues increase by 25.4% to \$25.1 million.

Two more SAAB-340s arrive in **1991**. In December, orders are placed for five SAAB 2000s.

Passenger boardings this year increase 49% to 275,000 and revenues reach \$37.6 million.

Early in **1992**, the carrier loses a profitable replacement contract with **Deutsche Lufthansa, A.G.**, an action that forces the company to idle four of its nine SAABs. Discussions are held with **Crossair, Ltd.** on the possibility of its taking a larger interest; however, the talks fail when the regional's parent, **Swissair, A.G.**, indicates its lack of interest in German expansion. Salvation will come from across the English Channel.

In order to maintain its access to the German domestic scene, due to expire this year with termination of the German internal service begun under a 1945 grant from the Allies, **British Airways, Ltd. (2)** is warmly receptive of an approach from Delta's Managing Director Bierbach. On March 29, the U.K. major purchases 49% shareholding in the airline, including the 40% original interest acquired from the Swiss founder **Crossair, Ltd.**, with an option to acquire all shareholding following full European deregulation on April 1, 1997. In accordance with German law, three German banks take 51% majority interest in the joint venture: Commerzbank, 19%, and Berliner Bank and Bayerische Vereinsbank, 16% each. Delta is renamed **Deutsche BA Luftfahrtgesellschaft, GmbH** on May 5.

DELTA AIR SERVICE: Emmonak Airstrip, Emmonak, Alaska, United States; Year Founded 1979. DAS is established by Mark Hiekel at Emmonak, Alaska, in **1979** to provide nonscheduled passenger and cargo flights linking the company's base with Sheldons Point and Kotik.

The carrier, flying primarily Cessna and Piper lightplanes, functions as a feeder affiliate of **Wien Air Alaska** in **1980-1984**, but continues on its own during the decade thereafter. Part 135 charters continue into the early **1990s**.

DELTA AIR TRANSPORT, N.V. (DAT): Antwerp Airport, P.O. Box 4, Deurne, Antwerp, B-2100, Belgium; Phone 32 (3) 285-1811; Fax 32 (3) 285-7615; Code SN; Year Founded 1966. Compagnie Maritime Belge, a property developer, forms Delta Air at Antwerp Airport in **1966** to offer passenger and cargo charters and air taxi services throughout the country. Revenue flights commence with Douglas DC-3s. A DC-6 is

added in **1971**, followed by two more in **1972**. An ex-**United Airlines** Boeing 720-022 is operated between May **1974** and November 1975. Within eight years, the operation is all but bankrupt.

In July **1975** the FBO Sotramat, S.A., acquires a 66.6% majority interest; Sabena Belgian World Airlines, S.A., purchase the remaining shares.

L. Feron is named president, but in early **1976** the new owners propose their subsidiary's liquidation. Having watched developments from Antwerp, where he is managing director of a flying school, Anthony "Tony" Vangrieken persuades the owners to name him managing director and to give him six months to reorganize the airline before they close it.

Beginning in July, President Feron and Managing Director Vangrieken solve management difficulties, cut staff, and win new charter contracts, making the airline profitable by fall. In the process, Delta's two Douglas DC-6Bs, five Convair CV-440s, and single Boeing 720 undertake scheduled replacement services, on behalf of **KLM (Royal Dutch Airlines, N.V.)** and **Sabena Belgian World Airlines, A.S.**, linking Brussels and Antwerp with Amsterdam and Dusseldorf. Charter flights continue to be offered.

Early in **1977**, the decision is taken to revise the fleet. The earlier aircraft begin orderly removal and are replaced by four Fairchild Hiller FH-227s, previously owned by **Ozark Airlines**. These begin scheduled replacement services in April and July, respectively. Meanwhile, four (later five) CV-440s are sold to **American Airlines** in the spring for use by that U.S. major's subsidiary, **American Inter-Island**, on routes between St. Thomas and St. Croix.

Replacement flights are continued throughout the remainder of the decade and into the **1980s**. By **1981**, the last Douglas has been replaced by another FH-227 and replacement service contracts are signed with **Air France** and **Deutsche Lufthansa, A.G.**

Ownership changes as 79% majority interest is taken by **Sabena Belgian World Airlines, S.A.** in **1986** and orders are placed for two Embraer EMB-120 Brasiliats. The company is now also known as **DAT Belgian Regional Airline, S.A.**

In **1987-1988**, a Fokker F.28-3000 jetliner is acquired and flights begin to London (LHR) and Zurich. Orders are placed for 10 Embraer EMB-120 Brasiliats in mid-1987 and two are received during March and April of 1988.

Two additional EMB-120s are received in **1989**. All four are employed in support of its parent on routes from Brussels to Lyon, Marseilles, Toulouse, and Bordeaux.

Managing Director Vangrieken's fleet is altered in **1990**; gone are the FH-227s, replaced by an F.28-4000, an Embraer EMB-120 Brasilia, and four British Aerospace BAe-146-200s. Operations are divided into southern and northern Belgium as Sabena elects to form a new subsidiary, **DAT Wallonie, S.A.**, to serve the nation's French-speaking southern half.

Delta acquires 16% interest in the new regional.

The route network is now significantly enlarged with the introduction of service to Leeds, Newcastle, Manchester, Bristol, Edinburgh, Glasgow, Dusseldorf, Stuttgart, Hanover, Munich, Turin, Naples, Florence, Venice, Bordeaux, Marseilles, Lyon, Porto, Oslo, Stockholm, Helsinki, Bilbao, Prague, and Luxembourg.

Enplanements total 140,250.

Vangrieken becomes chairman/managing director in **1991** and adds two more 146-200s and eight Brasiliats. The increased number of 146s results in a strike by DAT pilots for higher wages. While the job action continues, the aircraft are operated with pilots seconded over under contract from the manufacturer. As part of the settlement, it is agreed that these and all future 146s will be operated in **Sabena Belgian World Airlines, N.V.** colors and paid at the same rate as Sabena's main line pilots.

Enplanements total 517,149 and with income higher than expenses, profits are earned: \$18.37 million (operating) and \$686,001 (net).

Airline employment is increased by 23.5% in **1992** to 362 and the fleet comprises 7 BAe 146-200s (2 of which are leased to **Air U.K.**,

Ltd.), 9 Brasílias, and 1 each F.28-3000 and F.28-4000. The 10th and final Brasília from the 1987 order is received in May.

Passenger boardings increase 25.1% to 690,452, but freight plunges 45.4% to 148.83 million FTKs. Revenues ascend 10.7% to \$66.93 million and expenses decline 11.4% to \$50.12 million. The operating profit is \$16.8 million and net gain totals \$581,955.

The workforce is increased by 16% in 1993 to 420 and the fleet is increased by a second F.28-4000 and a 10th EMB-120. Destinations now visited from Brussels include Amsterdam, Basel, Berlin, Bristol, Hanover, Leeds, Newcastle, London, Dusseldorf, Hamburg, Marseilles, Stuttgart, Florence, Turin, Munich, Zurich, Lyon, Edinburgh, Glasgow, Bilbao, Lyon, Porto, and Bordeaux.

Customer bookings advance 22% to 842,493 while cargo climbs 7.1% to 159.4 million FTKs. Revenues increase by 11.4% to \$72.39 million while expenses are up 18.3% to \$57.59 million. The operating surplus is down to \$14.8 million while a \$49,558 loss is taken.

The fleet in 1994 is reduced by one BAe 146-200, which is leased to **Air U.K., Ltd.** A third F.28-4000 is placed into service, replacing the F.28-3000.

Passenger boardings are ahead by 8.5% to 922,600. The operating profit is \$15.48 million while the net gain of \$1.26 million is recorded.

Airline employment grows 24.7% in 1995 to 546. Following intense competition between the Fokker 70 and Avro RJ85, **Sabena Belgian World Airlines, S.A.**, during the first week of September, places an order for 23 of the latter type. The jetliners will be operated by DAT following delivery of the first four units in November and December.

Enplanements increase 46.6% to 1,346,531. Although revenues shoot up 29% to \$109 million, costs outpace them, jumping 41.1% to \$97.43 million. Thus the operating gain dips to \$11.59 million and only a \$205,333 net profit can be reported.

The Avro RJ85 delivery rate continues at the rate of one per month throughout 1996. Orders are placed for the larger RJ100s.

Enplanements for the year total 1.51 million.

By the end of 1997, the workforce has grown to 608 and the company is one of the world's largest Avro operators, with 14 RJ85s, plus 6 RJ100s and 6 BAe 146-200s. Traffic information is not available.

At the beginning of 1998, Chairman P. Reutlinger and Director General Willy Buysse oversee the flights of 14 RJ85s, 7 RJ100s, and 8 BAe 146-200s.

To help celebrate the seventy-fifth anniversary of parent **Sabena Belgian World Airlines, S.A.**, an RJ100 arrives during the spring wearing a multicolored ribbon livery made up from Sabena's "S" logo. It also wears seventy-fifth anniversary stickers on its engine nacelles.

Flight continue in 1999. The last of 12 RJ100s is delivered on November 3. All of them, together with the remaining 146s and RJ85s, are leased to DAT from Sabena, on whose behalf they are operated. When Sabena introduces a new livery during the year, the DAT fleet is repainted as well.

DELTA-C & S AIRLINES. See **CHICAGO AND SOUTHERN AIRLINES; DELTA AIR LINES**

DELTA CONNECTION COMMUTER NETWORK. See **ATLANTIC SOUTHEAST AIRLINES; BUSINESS EXPRESS; COMAIR; RANSOME AIRLINES; RIO AIRWAYS; SCENIC AIRLINES; SKYWEST AIRLINES**

DELTA EXPRESS. See **DELTA AIR LINES**

DELTA SHUTTLE. See **DELTA AIR LINES**

DENIM AIR, B.V.: Luchthavenweg 15d, Eindhoven, 5657EA, The Netherlands; Phone 31 (40) 251-7013; Fax 31 (40) 251-1638; <http://www.denimair.nl>; Code 2D; Year Founded 1996. Denim Air is established by Capt. Hamid Kerbous at Eindhoven in early April 1996, with the equity stake shared with a major local bank. Two Fokker 50s are

leased and thrice-daily roundtrips are inaugurated to London (LCY). Traffic and financial figures are not released.

Early in the first quarter of 1997, L. P. Jansson joins the carrier as a consultant. The Eindhoven-London service is shut down in March, not only because of heavy competition, but because The Netherlands government wishes Denim's aircraft reequipped with GPWS equipment.

At Jansson's suggestion, the company now changes its focus and begins to emphasize aircraft, crew, management, and insurance (ACMI) wet-lease charter contract operations. A complete infrastructure is established, including an in-house maintenance organization and flight training department. Six additional Fokker 50s are ordered for delivery during the following two years.

In April 1998, Denim becomes a fully approved JAR OPS 1 operator. Four Fokker 50s now join the fleet and charters are inaugurated to numerous Continental destinations. Additional plans are made for expansion and, at the end of the year, a homepage is opened on the Internet's World Wide Web.

In January 1999, founder Kerbous and consultant Jansson switch positions. Shortly thereafter, the Spanish regional **Air Nostrum, S.A.** purchases 100% shareholding to become Denim's new parent. The last two Fokker 50s of the 1997 order are received, as six more are requested.

The carrier confirms on February 18, 2000, that it will add two Fokker 50s to its fleet. The following month, **Air Nostrum, S.A.** places a new order with Bombardier Canada to replace its own fleet elements, as well as those of Denim Air. Among the 44 aircraft to be delivered in future years are 15 Canadair CRJ200s and 29 de Havilland Canada DHC 8-Q300 turboprops.

By fall, Denim is operating 14 ACMI Fokkers, with four more to be commissioned by the end of the year. In December, airline employment stands at 150, excluding cabin crews.

DENVER PORTS OF CALL. See **PORTS OF CALL**

DERAYA AIR TAXI: Terminal Building, 1/F, Room 150/HT, Halim Perdanakusuma Airport, Jakarta, 13610; Phone 62 (21) 809-3627; Fax 62 (21) 809-5770; Code DRY; Year Founded 1990. DAT is formed at Jakarta's Halim Perdanakusuma Airport in 1990 to operate a flying school and provide both charter and scheduled flights. Ms. Siti Rahayu Sumadi is president with Capt. Budhi Wisuhutomo as general manager. The initial fleet comprises 1 British Aerospace BAe 125-B3, 2 Cessna 402s, 2 Shorts SC-7 Skyvans, 1 Piper PA-23 Aztec, and 3 IPTN (CASA) NC-212-100 Aviocars. Revenue flights to island destinations throughout the nation commence in late summer.

The fleet in 1991 is increased by the addition of a third Skyvan, a Piper PA-31T Cheyenne II, and a Bell 206B JetRanger helicopter.

Another 402 arrives in 1992. Orders are placed for 10 Airtech CN-235s. In 1993-1994, one of the Skyvans is placed in storage.

Flights continue in 1995-1998, during which years a fifth 402 is acquired. Markets in the outlying areas of the nation continue to be served. Airline employment stands at 150 at the beginning of 1999.

DERBY AIRWAYS, LTD.: United States (1938-1964). Derby Air Schools, Ltd. is formed in October 1938 by N. Roy Harben and E. W. Phillips at a grass field at Burnaston, in Derby, which later becomes Derby Municipal Airport and, much later, site of the Toyota U.K. production plant. The company is established to provide charters, aerial instruction, and serve as an FBO.

Having resumed postwar service as a flying school in 1945, the company is reformed in 1946 into the holding company **Derby Aviation, Ltd.** Following the death of Capt. Harben on February 14, 1947, former RAF Group Capt. C. A. B. Wilcock becomes chairman and Derby begins flying lightplane charters on August 21, beginning with a Miles Messenger I roundtrip from Derby to the Isle of Man.

On February 16, 1948, the subsidiary flying operation is registered as an airline under the Derby Aviation, Ltd. name. A de Havilland DH-89A Dragon Rapide is purchased from Kenning Aviation, Ltd. in June.

Local Dragon Rapide and Miles M.57 Aerovan 4 nonscheduled cargo and personnel flights are launched on February 16, 1949. On June 29, affiliated Wolverhampton Flying School is reformed as the subsidiary **Wolverhampton Aviation, Ltd.** During this summer and the next three, ad hoc flights are made by Wolverhampton in the Midlands locale while Derby Aviation concentrates on ground business.

Wolverhampton's DH-89A is lost at Lympe in a crash on March 6, 1950. A replacement Dragon Rapide is acquired from **Inner City Air Services, Ltd.** in August.

The Aerovan is replaced by another DH-89A in June 1951.

During 1952, the staff totals 50, the fleet includes 2 Dragon Rapides and several single-engine planes; 46,000 revenue miles are flown.

Early in 1953, Derby Aviation is granted scheduled authority for flights to Jersey and, in June, another Dragon Rapide is obtained, from **Hunting Air Surveys, Ltd.** Scheduled DH-89A flights from Derby and Wolverhampton via Birmingham to the island are launched on July 18. When the season ends on September 30, passenger boardings total 1,227.

Another Dragon Rapide is purchased in June 1954 and the route network is enhanced. Frequencies are extended to Guernsey and Jersey from Birmingham, Derby, Nottingham, and Wolverhampton.

After the summer season and the final closure of the Volunteer Reserve air training schools, Derby Aviation merges with Wolverhampton Aviation and continues business under the former name.

A DH-89A is sold in February 1955 and the amalgamated carrier's first Douglas DC-3 is delivered on April 18; christened *Dove Dale*, it is placed in service on May 6 to Jersey from Birmingham and Burnaston. Between May 31 and June 15, the new Douglas transport is employed to operate newspaper flights to Exeter and Cardiff during a rail strike.

In July, an Avro 652 Anson I is acquired to undertake survey work throughout the Midlands on behalf of a new survey division. In October, two Miles M.60 Marathons are purchased from **West African Airways Corporation** and named *Millers Dale* and *Monsal Dale*.

The new aircraft enter service in the spring of 1956 on routes to Jersey, Glasgow, the Isle of Man and, beginning on May 7, to Ostend via Birmingham. In June, a C-47 (formerly the personal transport of Field Marshal Bernard Law Montgomery) is purchased from the RAF; converted to DC-3 civil standard, it is named *Darley Dale*. At the close of the summer season, the Wolverhampton and Nottingham services are halted.

In November and December, the carrier's two Douglas transports participate in the Austria-Britain airlift of refugees from the Hungarian Revolution, bringing out 600 people in 18 roundtrips.

On December 11, the *Dove Dale* is dispatched to Malta to assist in the return of troops following the Suez debacle.

At the end of the year, three of the four Dragon Rapides are withdrawn, leaving the survivor and the Marathons to fly scheduled services while the DC-3s undertake charters.

During 1957, the aerial survey division set up in 1955 is upgraded and renamed Derby Aero Survey. Equipped with two Ansons, the subsidiary is moved to Elstree.

In March, the last Dragon Rapide is sold and, on March 22, Glasgow becomes a destination.

The first DC-3 inclusive-tour service is initiated on May 18 from Birmingham to Palma on behalf of the Midland Air Tour Operators. The Wolverhampton-Jersey service is discontinued.

A third DC-3 is acquired, from **Transair, Ltd.**, in May 1958. Christened *Derwent Dale*, it joins the other two in providing summer inclusive-tour services to such destinations as Majorca, Italy, Switzerland, France, and Italy. Weekend DC-3 ski charters to Munich are introduced. Meanwhile, scheduled frequencies are undertaken from Derby to Antwerp via Birmingham and from Derby to the Isle of Man, Glasgow, Ostend, and Glasgow.

A third Miles Marathon, purchased from the RAF, rebuilt, and christened *Monsal Dale*, is delivered in June and joins its predecessors in initiating Jersey flights from Oxford and Northampton on July 7.

Derby Aero Survey receives another Anson I in August. During the summer, the company offers pilgrims eight-day tours to Lourdes to participate in celebrations surrounding the centennial.

On March 12, 1959, Derby Aviation is reregistered as **Derby Airways, Ltd.**

In April, two additional DC-3s are acquired from **Cambrian Airways, Ltd.** and christened *Fern Dale* and *Peak Dale*. Marathons begin flying from the Channel Islands to Staverton in May. On the 29th of that month, a feeder arrangement is signed with **KLM (Royal Dutch Airlines, N.V.)** allowing the British carrier to coordinate its Derby to Glasgow service with the departure of the Dutch line's DC-7C service from Prestwick to New York.

The scheduled network is expanded during the summer; new stops include Birmingham, Cambridge, London (CTN), and Oxford. The number of inclusive-tours increases significantly and are flown to such markets as Paris, Amsterdam, Copenhagen, Le Mans; cargo flights reach as far as Karachi.

On the first occasion in which a British independent airline flies into an Iron Curtain country, a DC-3, on August 11, flies members of the Esperanto Speaking Union to Warsaw via Helsinki.

During the year, chief hostess Hilary Laverick-Steeple sets up a stewardess school.

Enplanements for the year total 16,200.

In February 1960, a sixth DC-3, acquired from **Hunting Clan African Airways, Ltd.**, is delivered and named *High Dale*.

Employing nonunion and management pilots, the company, in March, flies the Glasgow and Liverpool roundtrips to Dublin on behalf of strike-bound **Aer Lingus Irish Airlines, Ltd.**

Early in the spring, DC-3s begin hauling Rolls Royce Avon turbojet engines from Castle Donington to Toulouse for installation on Sud-Est Caravelles. Before the contract is concluded, a total of 254 engines will be transported in over 100 freight flights.

An Anson is withdrawn in April. On May 28, DC-3 services are inaugurated Cardiff-Ostend; two days later, a route is started Cardiff-Bristol and Palma. Cardiff-Luxembourg via Bristol flights begin on June 5, followed by Cardiff-Perpignan operations on June 10. In October and December, all three of the Miles Marathons are withdrawn.

Enplanements for the year almost double, climbing to 32,015.

On behalf of **British European Airways Corporation (BEA)**, a six-month freight contract is flown, beginning on February 2, 1961, over a route from London (LHR) to Amsterdam.

In March, a seventh DC-3 is delivered and christened *Millers Dale*; it is followed in May by an eighth, the *Monsal Dale*.

Regularly scheduled services to Luxembourg commence on May 21 as inclusive-tour operations are resumed to the previous year's destinations. Meanwhile, in April and July, respectively, the Miles Marathons *Millers Dale* and *Monsal Dale* are withdrawn.

The millionth passenger (cumulative) is boarded on July 14.

The company's first fatal accident occurs on October 6-7 when the DC-3 *Fern Dale*, en route to Perpignan from London (LGW) with 3 crew and 31 passengers, crashes into Mount Canigou in the eastern Pyrenees; the wreck is discovered the next day.

Later in the month, three flyable former **British Overseas Airways Corporation (BOAC)** Canadair C4 Argonauts, including the Aurora and Avion, are purchased from the assets of the bankrupt aircraft broker Overseas Aviation, Ltd., along with three aircraft to be used for spare parts. Derby-Cork via Birmingham scheduled flights commence on December 22.

Chairman Wilcock dies suddenly on January 14, 1962; he is succeeded by Wing Commander Roxburgh.

Argonaut crew training begins on February 27 while the DC-3 *Darley Dale* launches scheduled Carlisle-Jersey frequencies on March 14, followed by Derby-Belfast roundtrips that start on April 18.

The first C-4 Argonaut begins revenue services in May with a scheduled flight Cardiff-Bristol-Palma. Argonaut inclusive tours are

undertaken to Italy, Spain, France, Austria, and the Canary Islands while the seven DC-3s maintain earlier scheduled and nonscheduled routes.

The last Anson is sold in December.

Thrice weekly Derby–Birmingham–Newcastle DC-3 scheduled service acquired from **Executive Air Transport, Ltd.** begins on April 2, 1963. Meanwhile, Derby–London (LGW) and Belfast flights are undertaken as is the Manchester–Newcastle route in association with **Mercury Airlines, Ltd.**

En route from Cardiff to Barcelona on April 5 with 59 passengers, a C-4 Argonaut loses two engines before departing the U.K. A safe emergency landing is completed at Bournemouth's Hurn Airport and no injuries are reported.

On May 1, a company C-4 Argonaut is the largest aircraft yet to land at Staverton Airport.

In what has proved to be a failure, the Carlisle to London (LGW) service launched on April 5 is withdrawn on May 8. During the spring, a new "Business Services" approach is taken on certain scheduled domestic routes.

Direct Swansea to Ostend DC-3 flights begin and the company finally gets around to opening an airline office in Derby on July 1.

Summer inclusive tours, flown by both DC-3s and C-4 Argonauts in their new livery, include these new destinations: Genoa, Klagenfurt, Alicante, Barcelona, Cork, Tarbes, and Venice. Derby–Belfast all-freight frequencies are flown during the winter months.

A sixth C-4 Argonaut is acquired from **Aden Airways, Ltd.**; painted in the new two-tone blue color scheme with a large "DA" on its tail, it enters service in December.

Company headquarters are moved to Donington Hall, Castle Donington, in April 1964. On May 1, all-cargo operations are started to Amsterdam from four English cities. In early summer, operations are transferred to the newly renovated East Midlands Airport.

On July 30 it is announced that the corporate identity is to be changed to **British Midland Airways, Ltd.**

On August 17, a C-4 Argonaut is sent to RAF Northolt where it is employed in the filming of the Dirk Bogard and Denholm Elliot motion picture *The High Bright Sun*.

Following a September 9 order for two Handley Page Heralds, the changeover to the new BMA name takes effect on October 1. As in 1963, there are fleet changes prior to re-registration.

DERBY AVIATION, LTD. See **DERBY AIRWAYS, LTD.**

DERULUFT. See **DEUTSCHE-RUSSISCHE LUFTVERKEHRS-GESELLSCHAFT, GmbH.**

DES MOINES FLYING SERVICE: United States (1960–1968). One of the first scheduled carriers to be based in Iowa, DMFS is set up at Des Moines early in the first quarter of 1960. Employing Piper lightplanes, the company inaugurates scheduled air taxi flights to local destinations on March 14.

These are maintained until the commuter goes out of business in 1968.

DESERT AIR SERVICE. See **DESERT AIRLINES (1)**

DESERT AIRLINES (1): United States (1979–1981). Desert Airlines is set up as a scheduled division of **Desert Air Service** at Mesa, Arizona, in the early fall of 1979. Employing a Piper PA-31-310 Navajo, the operator launches scheduled passenger and cargo flights on October 8 linking its base with Phoenix, Winslow, Gallup, and Flagstaff.

Flights continue until mid-1981.

DESERT AIRLINES (2): United States (1985). Hemet, California-based **Air Hornet** becomes the second Desert Airlines in early 1985 when it is reformed and renamed. Piper lightplane flights continue to Los Angeles, Bullhead City, and Lake Havasu City, but cannot be maintained beyond summer.

DESERT AIRWAYS BOTSWANA (PTY.), LTD.: Botswana (1973–1982). Formed in 1973 to provide feeder services for **Air Botswana (Pty.), Ltd.**, Desert Airways is originally known as **Esquire Airways (Botswana), Ltd.** Employing 1 Piper PA-23 Aztec and 2 Rockwell Commander 500s, the company provides scheduled services from Gaborone to Selebi-Pikwa and Maun and particularly Johannesburg. Additionally, charter flights are undertaken to various wildlife preserves and such destinations as Santawani Camp, Khwai River Lodge, and Savuti.

Unable to maintain economic viability, the carrier is forced to cease operations in 1982. Its assets are merged with another small operator, Delta Air (Pty.), Ltd. to form **Desert & Delta Air (Pty.), Ltd.**

DESERT & DELTA AIR (PTY.), LTD.: Botswana (1982–1996). The assets of bankrupt **Desert Airways Botswana (Pty.), Ltd.** are combined with those of the charter operator Delta Air (Pty.), Ltd. in 1982 to form this Maun-based nonscheduled carrier. D&D continues to provide game park flights, employing a Cessna 206, for the next 14 years.

DESERT COMMUTER AIRLINES: United States (1968–1978). During the first quarter of 1968, the owners of **Los Angeles Air Taxi** elect to establish a scheduled air transport division. Employing a Beech 18 and a de Havilland DH 104 Dove, the new unit inaugurates flights on April 1 linking the company's Santa Monica base with Palm Springs. Operations continue until 1970.

DESERT PACIFIC AIRLINES: United States (1979–1981). Desert Pacific Airlines is founded at Sedona, Arizona, and begins scheduled Piper PA-31 Navajo commuter flights late in 1979. Destinations visited include Flagstaff, Prescott, Phoenix, and San Diego. Services are maintained until suspended in February 1981, following the crash of the company aircraft.

DESERT PACIFIC AIRWAYS: United States (1979–1980). DPA is set up during the first quarter of 1979 to provide scheduled passenger and cargo flights linking the company's Oxnard, California, base with Los Angeles, Sacramento, and Las Vegas. Employing a pair of Piper PA-31-310 Navajos, the company launches revenue flights on April 15, maintaining them until it goes out of business on March 1, 1980.

DESERT SUN AIRLINES (1): United States (1982–1984). Desert Sun is founded at Long Beach in the summer of 1982. Sixty-one employees are hired and a fleet is assembled comprising 2 Beech 99s and 5 Piper PA-31-350 Navajo Chieftains. These are employed to initiate revenue flights from Blythe to Los Angeles via Riversdie on August 25. At year's end, a total of 1,000 passengers have been flown.

Service is inaugurated to Inyokern, Palmdale, and Lancaster in 1983 as bookings rise to 3,200. Although plans are made to expand to the Arizona communities of Havasu City and Bullhead City in the fall of 1984, these cannot be fulfilled because the company ceases operations in September.

DESERT SUN AIRLINES (2): United States (1995–1997). Established at Phoenix as a new **Mesa Air Group** division in 1995, Desert Sun, under the direction of President George Lippemeier, is equipped in April with a pair of Fokker 70 jetliners, the first to be flown by a North American carrier. As part of a code-sharing agreement with **America West Airlines**, the first machine begins "America West Express" service from its base to Des Moines on June 12.

With both aircraft available, daily frequencies link the Arizona base with Spokane beginning on July 10 and Des Moines with Las Vegas four times per week as of July 13. Fresno will join the Fokker network in August. Traffic figures are, like other Mesa subsidiaries, reported with those of the parent.

In early 1996, plans are made to return the two Dutch-made jetliners and replace them with up to eight Canadair RJ's. Seattle joins the route network.

Early in **1997**, **Mesa Air Group** is reorganized into four new divisions: "America West Express," Independent, "United Express," and "USAirways Express." The new arrangement also merges the marketing and customer-service departments of **Air Midwest** and **WestAir Commuter Airlines**. Desert Sun is absorbed into the new **America West Express** division.

DESTINAIR AIRLINES, LTD.: Canada (1993–1995). Destinair Airlines is established at Ottawa late in **1993** to provide nonscheduled passenger and cargo services to Canadian destinations. Operations commence in early **1994** with a single leased Boeing 727-200, but cease within a year.

DETA MOZAMBIQUE AIRLINES, S.A.: Mozambique (1936–1980). Early in **1937**, the Mozambique Railway Administration establishes an aerial section, **Divisao de Exploracao dos Transportes Aereos (DETA)** to carry out the company's previous air charter work on a scheduled basis. Once a fleet of two each de Havilland DH 87 Hornet Moths and DH 89 Dragon Rapides is assembled, airmail service is inaugurated on December 22 over a Lourenco Marques to Johannesburg route. Passenger flights follow shortly thereafter.

An agreement is signed in early **1938** with **Imperial Airways, Ltd.** whereby passengers flying into and within the Portuguese colony from Lourenco Marques will be carried by DETA.

An additional Hornet Moth is delivered in March, followed by two DH 89As in April, and the summer arrival of another DH 87, two more DH 89As, and three Junkers Ju-52/3ms. The "Iron Annies" are among the last propeller-driven trimotors to serve in any scheduled airline operation, not being retired until the mid-to-late **1950s**. Also during the summer, a Lourenco Marques to Quelimane route is started via Inhambane and Beira. In October, the Quelimane service is extended to Mozambique town and Porto Amelia.

Operations continue apace in **1939–1940** and, on June 2–3 of the latter year, three new Lockheed Model 14H Super Electras, including the last manufactured, are placed into service. Routes and frequencies are improved, but not significantly increased. Service is largely suspended during World War II.

In November **1946**, the suspended route from Lourenco Marques to Johannesburg is restarted under the leadership of new the general manager, Lt. Col. Pinho da Cunha.

At the beginning of **1947**, the Ju-52/3ms start a new service from Beira to Salisbury, Rhodesia. In February, flights are also launched to Durban and Madagascar.

The fleet is changed little during the end of the decade and into the early **1950s**; DH-89A Dragon Rapides replace the Hornet Moths and are in turn succeeded by six Douglas DC-3s, a de Havilland DH 104 Dove, and a de Havilland Canada DHC-2 Beaver.

Service is inaugurated during **1954** from Mozambique town and Vila Cabral via Nampula and three bush stops. The Nampula to Vila Cabral segment of this new route is dropped a couple of years later, but will be reinstated before decade's end as a destination on a new service from Beira with stops at Vila Pery, Tete, and Vila Coutinho. During these years, three more DH 104 Doves are added to the fleet. Three Fokker F.27-200 Friendships are ordered in July **1961** and begin to enter service in September **1962**. Service continues apace in **1963**.

Airline employment stands at 682 in **1964**. In cooperation with **Air Malawi, Ltd.**, a service is inaugurated from Blantyre to Beira. Air Malawi DC-3s operate the route on Saturdays and DETA flies it on Wednesdays.

Enplanements for the year total 58,000 and operating revenues of \$2.6 million are generated.

Nova Freixo joins the route network in **1965** as a stop on the Nampula to Vila Cabral run. Twice-daily flights commence in November between Lourenco Marques and Beira, where a new DC-3 maintenance base is opened.

Passenger boardings this year climb to 62,005.

Service is launched to Matasapa, Swaziland, in **1966** and the fleet now comprises 1 DHC-2 Beaver, 6 DC-3s, 1 DH-104 Dove, and 3 F.27-200s. In late **1967**, a third F.27-200 is ordered, as bookings for the year reach 90,749.

Airline employment is 811 in **1968** as Fernando A. Seares-Seixas becomes director general. Orders are placed for four Boeing 727-2B1Cs.

Passenger boardings climb 16.9% to 109,205 and operating revenues of \$4.91 million are earned.

During **1969–1977**, additional F.27-200s completely replace the DC-3s (which are converted to freighters) on domestic passenger services. The first of four Boeing 727-2B1Cs is received in 1970.

An F.27-200 with three crew crashes while on a training flight from Gago Coutinho on March 27, also in 1970; there are no survivors.

Substantial route expansion occurs following Mozambique independence in June 1975, particularly to neighboring African states.

In **1978**, Director General Antonio Oriente-Barone's company employs 2,078 workers. Three more B-727-2B1Cs have arrived in the years since the first.

Enplanements in **1979** are 284,686 and another Boeing jetliner is ordered. On June 14, **1980**, DETA is renamed **LAM (Linhae Aereae de Mocambique)**.

DETROIT-CLEVELAND AIRLINE. See **STOUT AIR SERVICES**

DETROIT NORTHERN AIRLINES: United States (1964–1975). DNA is set up by Robert C. Welch at Alpena, Michigan, in the early spring of **1964** as the scheduled air taxi division of Alpena Flying Services. Employing Piper and Cessna lightplanes and, later, a Beech 18 and Douglas DC-3, the company inaugurates daily roundtrip flights to Detroit on May 18.

Operations continue for until **1975**.

DEUTSCHE BA LUFTHARTGESELLSCHAFT, GmbH.: Wartungsallee 13, Flughafen Munchen, Munich, D-85356, Germany; Phone 49 (89) 975 91 500; Fax 49 (89) 975 91 503; http://www.deutsche-ba.de; Code DI; Year Founded 1992. Early in **1992**, **Delta Air Regionalflugverkehr, GmbH.** loses a profitable replacement contract with **Deutsche Lufthansa, A.G.**, an action that forces the company to idle four of its nine SAABs. Discussions are held with its chief investor, the Swiss regional **Crossair, Ltd.**, on the possibility of its taking a larger interest. However, the talks fail when the regional's parent, **Swissair, A.G.**, indicates its lack of interest in German expansion. Salvation will come from across the English Channel.

In order to maintain its access to the German domestic scene, due to expire this year with termination of the German internal service begun under a 1945 grant from the Allies, **British Airways, Ltd. (2)** is warmly receptive of an approach from Delta's Managing Director Wolfgang Bierbach. On March 29, the U.K. major purchases 49% shareholding in the airline, including the 40% original interest acquired from the Swiss founder **Crossair, Ltd.**, with an option to acquire all shareholding following full European deregulation on April 1, 1997. In accordance with German law, 51% majority interest in the joint venture is taken by three German banks: Commerzbank, 19%, and Berliner Bank and Bayerische Vereinsbank, 16% each. The company, headquartered at Friedrichshafen, is renamed Deutsche BA Luftfahrtgesellschaft, GmbH. on May 5.

Airline employment is 415 and the fleet comprises 3 Boeing 737-3L9s leased from **Maersk Air, A.S.**, a Dornier 228-212, and 9 SAAB 340s, the turboprops taken over from Delta and the jetliners assigned by British Airways. Orders are reconfirmed for five SAAB 2000s requested the previous December.

A comprehensive alliance is signed with the British flag carrier and, under terms of the pact, the subsidiary will cooperate with its parent on engineering, purchasing, and information technology. The two will also offer a joint frequent flyer program, and BA will act as the German airline's worldwide marketing and sales representative.

The first flights, made by the "Baby Boeings" painted in a new Deutsche BA livery, are made from Berlin to Stuttgart and Munich on June 29. Revenue operations in direct competition with **Deutsche Lufthansa, A.G.** begin on July 1.

In addition to maintaining the Delta regional network, flights are undertaken on the one-time German Internal Service route network. Destinations now served from Flughafen Friedrichshafen include Berlin, Brussels, Budapest, Bremen, Dusseldorf, Dresden, Ghent, Koln, Bonn, Hamburg, Lyon, Leipzig, Munster, Munich, Stuttgart, Zurich, Prague, and Osnabruck.

Four more B-737-3L9s are chartered from Maersk through the remainder of the year and, in late fall, charter service begins from Berlin to holiday locations in the Mediterranean. Unhappily, national disillusion with reunification brings a downturn in the Berlin's new market at year's end.

Enplanements this year total 690,000 and \$109 million in revenues are earned.

Airline employment stands at 486 in 1993 as the first of three ordered Fokker 100s is acquired. In January, service is inaugurated from Berlin's Tegel Airport to Moscow, Oslo, St. Petersburg, and Stockholm.

On March 10, an **Air France** B-747F delivers the company's SAAB 2000 flight simulator to the company hangar at Basel. It is unloaded and lowered through a floor to the company's subterranean training center.

Director Richard Heideker succeeds Wolfgang Bierbach (who remains a board member) as managing director and begins planning, during the summer, a closer union with the airline's U.K. sister, **BA Regional, Ltd.**

Excluding domestic services in Germany and flights to Eastern Europe, Deutsche BA takes its parent's code on all other European routes, beginning in November. Also, a night postal route, flown under contract with the German post office, is opened from Munich to Leipzig.

Passenger boardings for the year double to 1,550,872 and income totals \$155.25 million.

Airline employment is increased by 32.4% in 1994 to 630 and orders are reconfirmed for 5 delayed SAAB 2000s that will enter service in the spring of the following year, as two more Fokker 100s join the fleet.

In April, the main operating base and corporate headquarters begin transfer to the new Munich Flughafen. Fokker 100 flights begin from Frankfurt to Madrid and to Paris' Charles de Gaulle International Airport; plans are laid for the inauguration of service to Riga, Latvia, and Vilnius, Lithuania, in 1995.

An unconditional one-way fare is introduced on June 1 for passengers traveling in business- or economy-class seating from Berlin to Cologne, Bonn, Dusseldorf, Munich, and Stuttgart as well as between Dusseldorf and Stuttgart. Fares are 10% less than those of **Deutsche Lufthansa, A.G.**

To combat the success of the new British concern, the German flag carrier, **Deutsche Lufthansa, A.G.**, begins to fight back in July, introducing service by its "Lufthansa Express, GmbH." subsidiary over the five low-fare routes started by Deutsche BA the previous month. The move results in a highly publicized price war.

Customer bookings accelerate 63.6% to 1.8 million and revenues double to \$310.5 million.

The workforce grows another 15.9% in 1995, up to 730, and the owned fleet now includes 3 SAAB 340As. Also operated under charter are 7 SAAB 340As, 5 Fokker 100s leased from **TAT European Airlines, S.A.**, and 7 B-737-3L9s from **Maersk Air, A.S.**

The Munich headquarters transfer is completed early in the year's first week. Unable to obtain sufficient slots to maintain four daily roundtrips to Paris (CDG), a minimum considered necessary in the face of strong competition from **Air France** and **Deutsche Lufthansa, A.G.**, Deutsche BA ends its service to the French capital.

The first of five SAAB 2000s is delivered to the company at Berlin's Tegel Airport on March 20. It replaces a SAAB 340A service from that destination to Friedrichshafen, where the new type will hub. Daily Munich to London (LGW) B-737-319 service begins on March 26. At

month's end, the turboprop inaugurates flights from Friedrichshafen and Berlin to Riga and Vilnius. The nonstop return service to Latvia is offered four times a week and that to Lithuania twice.

Following the delivery of a second SAAB 2000, Deutsche BA in May begins thrice-daily nonstop roundtrips from Friedrichshafen via Zurich to Bremen. The third machine launches roundtrip nonstops in June from Friedrichshafen to Dusseldorf and Stuttgart. A fourth SAAB 2000 will honor weekend May-October charter commitments for vacation flights from Friedrichshafen to Ibiza, Mallorca, Corfu, Thessaloniki, and Naples.

During the summer and fall, five SAAB 340As are returned to their lessor.

When the main runway at Stuttgart Airport is closed for repairs during July 31-October 4, a BAe 146-200 is leased from **Crossair, Ltd.** with which to maintain frequencies to the cross-runway of the German airport.

The year's final service highlight is the introduction of daily Fokker 100 return service from Bremen and Munich to London (LGW) on October 29. The same day, **Deutsche Lufthansa, A.G.** scraps its "Lufthansa Express, GmbH." competition on the Deutsche BA domestic routes, electing instead to offer discounts on the routes it must contest and raise them on routes over which it holds a monopoly.

Enplanements swell 13.5% to 2,122,300 and revenues jump 8.4% to \$325.42 million.

A fifth SAAB 2000 arrives in early 1996 and on January 8, twice-daily flights commence from Berlin's Tegel Airport to Gatwick Airport at London.

USAir now becomes a code-sharing partner on flights from Munich to Cologne, Berlin (Tegel), Dusseldorf, and Hamburg. During the spring, the Riga route is increased from four to six flights per week; however, the Vilnius service is halted due to lack of traffic. Additional flights are also added on the schedules to St. Petersburg, Nice, Geneva, and Dresden.

On October 7, a memorandum of understanding, effective in November, is signed with **Regional Airlines, S.A.** for the sale of its international and domestic turboprop operations originating from Bremen, Stuttgart, and Friedrichshafen to the French company.

It is announced on October 17 that the **British Airways, Ltd. (2)** parent will revamp this struggling German subsidiary by reshuffling the management, changing fleet composition, and focusing on domestic flights at the expense of unprofitable international regional service.

On October 31, frequencies from Berlin to Oslo are halted, along with those from Munich to Paris and Madrid.

The arrangement with **Regional Airlines, S.A.** is concluded in November as Deutsche BA turns over its turboprop domestic and international operations originating from Bremen, Stuttgart, and Friedrichshafen. The BA subsidiary is now free to concentrate on its core 100-seat markets in Germany and Europe and to compete with **Deutsche Lufthansa, A.G.**; the move will have an impact on the company's balance sheet.

Two senior BA officials are now tasked to assist in implementation of the changes. Adrian Hunt, the commercial director for BA Engineering, is named operations director while the German area manager, Paul Giblin, becomes commercial director. Giblin is, in fact, the carrier's interim chief executive officer. He is assisted by Carl Michel, an assistant to Robert Ayling, BA's CEO.

By the end of the year, 900 flights are offered weekly to 27 cities in 12 countries.

Passenger boardings still manage to accelerate 10.8% to 2,352,000. Revenues increase 6% to DM 520 million. To some extent, as a result of the restructuring undertaken after the sale of its turboprop domestic and international operations, the carrier suffers a DM 59-million (U.S.\$34.3-million) loss.

Airline employment is increased by 9.6% in 1997 to 800. In keeping with its previous October pledge, BA begins to revamp its Munich-based subsidiary in January. It will be reported in the German press six

months later that only the arrangement by **British Airways, Ltd. (2)** of a DM 340-million interest-free credit line allows the carrier to refinance its debts and avert bankruptcy. Carl Michel succeeds interim director Giblin as permanent CEO.

Eight daily deep-discount roundtrips are inaugurated on January 20 from Munich to Hamburg and Cologne with nine **Maersk Air, A.S.** Boeing 737-3L9s. The number of frequencies is increased at the same time over all remaining German domestic routes as concentration is placed upon building up high-frequency domestic trunk routes. With a DM 60 return fare, the British-owned competitor quickly grabs 20% of the market share on the Hamburg-Munich route.

On February 14, the company offers German sweethearts a Valentine's Day gift of DM 99 return fares to any of its destinations in Germany. The promotion is an obvious attempt to lure passengers from the German flag carrier through price as well as quality.

Before the month is over, competing **Deutsche Lufthansa, A.G.** is issued a nonbinding warning from Germany's federal cartel office. The document suggests that the major may be guilty of overcharging on its near-monopoly of the Frankfurt-Berlin routes, charging upwards of 30% more from 16 cities to the former capital than on comparable routes in the remainder of Germany—where it faces Deutsche BA. The matter is turned over to the judicial system for resolution.

In March, the Federal Cartel Office orders **Deutsche Lufthansa, A.G.** to reduce its prices on the Frankfurt-Berlin route to a point consistent with fares on other domestic routes. The major refuses and indicates that it will maintain its current pricing while the ruling is contested in court.

At the end of March, a \$287-million order is placed with Boeing for seven more B-737-300s with which to replace the Fokker fleet. Meanwhile, the B-737-3L9s begin to appear in an "interim livery," which will be replaced after **British Airways, Ltd. (2)** unveils its new ethnic color schemes on June 10.

During the second quarter, the airline is able to field its own sales force; 12 locally recruited representatives replace BA sales personnel seconded to Germany. BA increases its stake in Deutsche BA from 49% to 65% on July 7 when it purchases the 16% shareholding of Munich-based Bayerische Vereinsbank, A.G. for an undisclosed sum.

By August 1, the carrier is operating 59 daily flights on 7 routes from Berlin and Munich and 9-times-per-day roundtrips from Berlin, Hamburg, and Munich to London (LGW).

The first new B-737-3L9, christened *Wolkenschreiber*, is delivered in August. In keeping with the parent's new "World Image" marketing and livery makeover, the new aircraft arrives wearing a blue-bottom and white-top fuselage, with the new "Speedmarque" on its side and a *Stern-taler* (Fairy Tale) tail design, created by German artist Antje Bruggemann. Plans are underway for a total of 18 of these aircraft in the fleet.

Having proven to be technically unreliable and prone to cause many flight delays, the last four of five wet-leased Fokker 100s are withdrawn in the fall and returned to **TAT European Airlines, S.A.** BA's European regional customer-services manager, Sabine Forest, is appointed DBA's director of customer services on October 1.

On November 24, the carrier directly challenges **Deutsche Lufthansa, A.G.** by introducing eight-times-daily roundtrips between Frankfurt and Munich. DLH responds by lowering its prices on the trunk route.

For use on German domestic routes, six more B-737-300s are ordered on December 2. Deliveries will begin during the first quarter of 1998 and continue through 1999.

Passenger boardings jump 19.1% to 2.8 million while operating revenues move up 6% to \$297 million.

The final Fokker 100 service is operated between Munich and London (LGW) on January 20, 1998, after which the machine is withdrawn and returned to its French owner.

When parent **British Airways, Ltd. (2)** enters into a strategic alliance with **Finnair O/Y** in February, the arrangement includes Deutsche BA.

The response of **Deutsche Lufthansa, A.G.** to the Deutsche BA invasion of the Munich-Frankfurt trunk route pays off in March when

Deutsche BA, which has failed in its bid to win additional slots at Frankfurt, elects to quit the highly competitive route after only five months. The last 35% stake in Deutsche BA is purchased in April, making the German airline a 100% wholly owned **British Airways, Ltd. (2)** subsidiary.

By May, Deutsche BA and **Finnair, O/Y** are, together, accounting for 64 weekly services to Helsinki from the German communities of Berlin, Dusseldorf, Frankfurt, Hamburg, Munich, and Stuttgart. Flights continue apace during the remainder of the year.

Passenger boardings accelerate 10.7% to 3.1 million.

Under terms of an agreement signed on March 8, 1999, the company begins to code-share with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** over a route from Munich to Madrid on June 17.

On March 28, **Finnair O/Y's** twice-daily MD-87 return flights from Helsinki to Hamburg are replaced by B-737-3L9s operated by Deutsche BA. Also during the month, a B-737-3L9 is leased to **Debonair, Ltd.**, which employs the Boeing to increase capacity on its routes to Lisbon from London (CTN and LGW).

On June 14, arrangements are completed with Bouillon for the lease of three B-737-36Qs, which are scheduled for delivery before the end of the year.

In November, the company enters into a code-sharing agreement with the Italian start-up **Gandalf Airlines, S.p.A.** It also elects Adrian Hunt to be CEO.

Customer bookings leap upward 11.8% to 2,897,000. The B-737-300 fleet now includes 3 Dash-36Qs, 2 Dash-3L9s, and 13 Dash-31Ss.

The workforce at the beginning of 2000 totals 800.

Daily B-737-300 roundtrips are inaugurated on March 26 between Munich and Barcelona.

Following a 24-hour job action on August 31, company pilots threaten a longer strike in early September. The flyers seek enhanced wages and working conditions.

Beginning on September 29, the airline affixes BA codes, as well as its own "DI" code, to all of its flights.

Protesting that the move will allow the major to control 80% of Germany's domestic market, Deutsche BA Managing Director Adrian Hunt petitions the European Union and German antitrust authorities on October 3. Hunt seeks to have these bodies disallow the announced 24.9% share **Deutsche Lufthansa, A.G.** will take in **Eurowings Luftverkehr, A.G.** come January. When Deutsche BA issues a press release attacking the Lufthansa and Eurowings arrangement with what it considers to be "untruthful and disparaging" comments, DLH files suit in a Dusseldorf court seeking a temporary injunction against what it terms as a "smear campaign."

The BBC reports on October 17 that, in keeping with company-wide policy, all staff will now be tested for drug and alcohol abuse.

On October 24, the Dusseldorf court grants **Deutsche Lufthansa, A.G.** the restraining order it had sought against Deutsche BA, ruling that the British-owned regional had, in fact, breached Germany's strict laws on competitive advertising and public relations activities.

A British Aerospace BAe 146-200 is wet-leased from **WDL Aviation (Koln), GmbH.** on November 1 and is employed to offer scheduled frequencies from Koln to Munich, Dusseldorf, and Berlin (Tegel). Two more planes, also wearing Deutsche BA stickers, will follow.

Just after takeoff from Munich for Berlin on November 10, a B-737-31S is forced to return because it is unable to raise its landing gear. On the ground, maintenance workers find a 27-year-old Romanian asylum seeker in the wheel well, unconscious and suffering from hypothermia.

Deutsche BA and **Emirates Airlines** sign and begin a code-sharing pact on December 15. The German line is able to sell tickets for the Mideast carrier's return services from Dubai to Munich, while Emirates is able to place its designator on Deutsche BA flights from Munich to Berlin, Cologne, and Dusseldorf.

Company officials will be pleased when Germany's federal cartel office announces on March 7 that it will block **Deutsche Lufthansa, A.G.** plans to take a 24.9% stake in **Eurowings Luftverkehr, A.G.**

DEUTSCHE FLUGDIENST, GmbH.: Germany (1955–1961). Equipped with three Vickers Vikings, the charter carrier **Deutsche Flugdienst GmbH.** is formed at Hamburg by Norddeutscher Lloyd, Hamburg-Amerika Line, the German National Railways, and **Deutsche Lufthansa, A.G.** on December 12, 1955. The first Viking charter is flown to Palma de Mallorca on March 29, 1956; later, the three Vickers Vikings transport pilgrims to the Holy Land. Additional destinations are developed in 1957–1959 and two leased Convair CV-240s are added to the fleet.

One of the chartered CV-240s with 4 crew and 30 passengers develops engine problems while on final approach to Rimini, Italy, on July 31, 1960, and makes an emergency landing 1000 m.-short of the airport runway (one dead). Late in the year, **Deutsche Lufthansa, A.G.** purchases full control.

In 1961, the new owners elect to form a large German passenger charter and inclusive-tour operation by combining this subsidiary with **Condor Luftreedereie, GmbH.** to form **Condor Flugdienst, GmbH.**

DEUTSCHE LUFT HANSA, A.G. (DLH): Germany (1926–1951). As the result of Dr. Kurt Weigelt's study *Fusion in the Field of Air Traffic*, the Weimar government on January 6, 1926, acts to create the state airline **Deutsche Luft Hansa Aktiengesellschaft (A.G.).** The earlier private carriers **Deutscher Aero Lloyd, A.G.** and **Junkers Luftverkehr, A.G.,** plus the **Condor Syndicate**, and the German interest in the Russo-German airline **Deutsche-Russische Luftverkehrs-Gesellschaft, GmbH. (Deruluft)** are merged.

The new entrant adopts **Deutscher Aero Lloyd, A.G.**'s flying crane logo and Junkers' blue and yellow colors and has inherited 162 aircraft of 19 different types from its merger partners. A process of fleet rationalization is begun and the first aircraft retired is an ex-**Deutscher Aero Lloyd, A.G.** AEG J II K. Airline employment stands at 1,527 as 18 new Junkers G-24s are delivered. The first commercial flight is made on April 6 as a Komet II wings over a route from Berlin to Zurich via Halle, Erfurt, and Stuttgart. Among the seven passengers are one woman and two teen-aged boys.

The world's first night passenger service is launched by a Junkers G-24 on May 1–2 over a Berlin–Königsberg "lighted airway" route via Stettin and Danzig. The Berlin–Stockholm route is inaugurated on May 3, as are two other G-24 services from Berlin—to Warsaw and to Vienna via Dresden and Prague. In cooperation with **Lignes Farman, S.A.,** service is started Berlin and Cologne–Paris on May 25, this being the first "pool" arrangement between international airlines.

Five four-seat A-16s are acquired during the third week of July and are christened *Wangerooe*, *Baden*, *Hansa*, *Borkum*, and *Westerland*; the new aircraft, the first type produced by Focke Wulf Flugzeugbau, A.G., enter service on three routes out of Bremen: to Wangerooe and Norderney, Borkum, and Karlsruhe via Hamburg and Frankfurt. Additionally, from Karlsruhe a frequency is maintained to Stuttgart. DLH sponsors Dr. Robert Knauss' 10-stop proving expedition of 2 Junkers G-24s, the *Tyr* and *Hera*, Berlin–Peking via Siberia, July 24–August 30.

The German press, on August 7, reports that Pilot First Class Hans Baur has flown 300,000 km. (186,408 mi.) as a commercial pilot since joining **Junkers Luftverkehr, A.G.** in 1922. He has transported a number of famous passengers and made several successful emergency landings from which all have walked away. While continuing to fly his old scheduled route from Berlin–Munich–Vienna, he has also operated a number of company charters, including one this year in which a motion picture company films the sport plane *Trans-German Air Rally*, which circles the Zugspitze in the Bavarian Alps, Germany's highest mountain.

Two Albatros L-73s are received in late summer and are christened *Brandenburg* and *Preussen*. The two enter service on a route from Berlin to Malmo via Lubeck and Copenhagen.

The *Tyr* and *Hera*, having departed China's capital on September 8, are able to reach Berlin on October 26.

Meanwhile, with the **Deruluft** arrangement approaching the end of its five-year run, Director Erich Milch and several associates fly to

Moscow late in month aboard an Albatross L-73. There they meet with **Deruluft** Managing Director A. S. Davydov and his colleagues, reaching a new agreement that is ratified by the German and Soviet governments.

At this point, it is decided that, henceforth, half of the joint airline's fleet will wear German registration and half Russian and five of the Fokker F-IIIs are re-registered.

During the first year, the new state carrier's aircraft transport 56,268 passengers and 946 tons of mail and freight.

A Berlin to Vienna route via Dresden and Prague is opened on March 31, 1927. The first flight across the Alps by a commercial airliner is made by Willi Polte's Rohrbach Roland on April 13, Munich–Milan. Also in April, an F-13 floatplane examines the possibilities of mid-ocean operations with experimental flights from the Nord Deutscher Lloyd steamer *Lutzwow*.

Later in the month, the German carrier arranges for the transfer to **Deruluft** of seven Dornier Merkurs. Pilots of the joint carrier report to Königsberg for training on the new aircraft in April, prior to the opening of the annual flying season on May 2.

An air traffic agreement is reached between Germany and Italy on June 20, with regularly scheduled Munich–Venice service beginning on August 5.

Meanwhile, on July 11, Berlin–Oslo service via Copenhagen and Göteborg commences.

The German government signs an agreement with DLH on August 13 for the development and mutual operation of an air-rail freight service (*Flei-Verkehr*).

On September 24, an unidentified aircraft crashes near Schleiz, killing Baron A. Von Maltzan and five others.

The Brazilian subsidiary **Syndicato Condor, S.A. (Condor Syndicate)** is established at Rio de Janeiro on October 1.

During the year, the airline completes acceptance of the first six high-wing, 9–10 passenger Rohrbach Ro-VIII Roland Is. Featuring cabin heating and a lavatory, these aircraft are named *Zugspitze*, *Watzmann*, *Schneekoppe*, *Feldberg*, *Brocken*, and *Wasserkuppe*. They are introduced on the Geneva to Vienna via Zurich and Munich route. The carrier now retires a Rumpler C 1 and an Albatross L.58. Late in the year, **Luftverkehr Pomern, GmbH.** turns over seven LFG V 130 Strela-Lands—the *Greifswald*, *Franzburg*, *Kalberg*, *Randow*, *Stettin*, *Stolp*, and *Stralsund*.

The final section of a Berlin–Madrid through route, the Marseilles–Barcelona sector, is opened on January 5, 1928 becoming (for that time) Europe's longest segment.

The first Junkers G-31 is delivered in February; christened *Hermann Kohl*, it is employed, beginning in early March, on a Berlin to London via Amsterdam frequency. Others received during the month are put on three other routes out of Berlin: to Paris, Vienna, and Königsberg via Danzig, plus a Hamburg to London service.

DLH's director of night flights, Hermann Kohl, with his Irish copilot James Fitzmaurice and the Baron Gunther von Hunefeld, depart Berlin on March 27 in a Junkers W.33 (the *Bremen*). They fly via Baldonnel's Irish Air Corps airfield, near Dublin, Ireland, to Greenley Island, Labrador, and down to New York.

Beginning in March and continuing through July, all of the Dornier Merkurs supplied to **Deruluft** the previous year are returned for modifications. Six newer units are supplied to the joint airline.

Successful on his actual 37-hour April 12–13 transatlantic flight, Director Kohl becomes the first person to fly the Atlantic east to west against the prevailing wind. The intrepid flyers receive a ticker-tape parade down Broadway in honor of their accomplishment.

In early spring, a special air freight service is inaugurated Berlin–London via Paris; further routing is soon offered to Hanover, Essen, Cologne, and Amsterdam. The LFG V 130s are placed into service on routes from Halle and Leipzig to Gera, from Hanover to Osnabrück, from Hanover to Brunswick, from Breslau to Neisse, and from Danzig to Allenstein via Marienburg and Elbing. On April 29, the carrier as-

sumes control of the Sunday-only flights Berlin–Paris; aboard these frequencies are the airline's first stewards.

Nonstop Berlin–Zürich operations commence on May 14.

Pooling with Austria's **Osterreichische Luftverkehrs A.G. (OLAG)**, the German flag line opens a fast Berlin–Vienna and Rome route on June 1. Employing two Albatros L-72s leased from Ullstein, A.G., publishers of the *Berliner Zeitung am Mittag*, DLH begins two all-cargo routes out of Berlin late in the month: to Cologne via Essen and to Paris via Essen and Cologne.

During May and June, the Rohrbach Ro V Rocco twin-engine flying boat is employed experimentally on the company's Lubeck to Oslo via Copenhagen and Göteborg service.

Also in June, DLH official Erhard Milch employs newly elected Reichstag member Hermann Goering on a DM 1000 per month retainer to represent the airline's interests in the German legislature. At the same time, two Junkers F-13s are leased to **Deruluft** for a year.

In cooperation with the Italian carrier **Avio Lines, S.p.A.**, pilot first class Hans Baur, flying the Rohrbach Ro VIII *Hohentwiel* inaugurates scheduled mail and freight service on July 9, Munich–Milan via the Brenner Pass. Two other Rolands, the *Inselberg* and *Zugspitze* are also assigned to operate over the dangerous Alpine route. Baur is promoted to *Flugkapitän* (flight captain) on July 20.

In cooperation with **Dobrolet**, the DLH Junkers W.33 *Ural* flies Berlin–Irkutsk via Moscow, and back between August 27 and September 2; this proving flight is repeated a week later.

Meanwhile, in July and August, six four-engine Dornier Do R Super Wals are received and christened *Pottwal* (*Sperm Whale*), *Graf Zeppelin*, *Blauwal* (*Blue Whale*) later *Eckener*, *Rugen*, and *Farmarn*. These are placed into service between Lubeck and Oslo via Copenhagen and Göteborg at the end of the latter month and from Berlin to Stockholm via Stettin and Kalmar in September.

Also between July and September, the Albatros L-73s *Preussen* and *Brandenburg* are shifted to work Berlin to Vienna frequencies via Breslau, Gleiwitz, and Brno; the *Brandenburg* is destroyed while on this service.

Also in August, the first of nine converted (from G-24s) F-24s enter service on two routes out of Frankfurt: to Amsterdam via Cologne, Düsseldorf, and Essen and to Geneva via Mannheim and Basel. The same month the lone Caspar C-35 *Rostock* begins two all-cargo frequencies: from Berlin to Paris via Essen and Cologne; and from Cologne to Berlin via Essen.

The Junkers G.24 *Prometheus* is damaged beyond repair in September. Frankfurt–Saarbrücken flights are inaugurated on September 15. The W.33 *Europa* flies Berlin–Tokyo between September 18 and October 18.

Two of the carrier's seven Junkers G.31s are destroyed by fire in September and December, respectively.

Also in September, the LVG V 130s are withdrawn from regular service and the last Dornier II services are flown over the route from Hamburg to Norderney via Bremerhaven and Wangerooze; the surviving aircraft are thereafter withdrawn. The same occurs with the Focke Wulf A-16s, which spend the summer on their last services from Hamburg to Norderney via Bremerhaven and Wangerooze as well as three routes out of Hanover: to Brunswick, Osnabruck, and to Halle and Leipzig via Magdeburg and Kottbus.

Flights between Munich and Milan via the Alps cease for the winter at the beginning of October, the same month in which the Caspar C-35 *Rostock* is shifted to two new freight routes from Berlin: to Breslau via Kottbus, Górlitz, and Hirschberg and to Gleiwitz via Breslau.

Also during the month, the giant airship *Graf Zeppelin*, manned by 37 crewmen and transporting 20 passengers and hundreds of pounds of mail, flies from Friedrichshafen to Lakehurst, New Jersey, via Barcelona, Madeira, Chesapeake Bay, and Washington, D.C. A year from now, DLH will participate in the formation of a new company to exploit the airship's range and lift.

On November 7, the proposals of DLH official Wilhelm Schmidt for a German-affiliated airline in China are presented by Foreign Ministry

executive Li Ching Tung to the cabinet of Generalissimo Chiang Kai-shek. As the result of opposition from Army Minister Feng Yu Liang, the plans are dropped on December 19.

During the year, 10 additional aircraft are retired: 1 LVG C V, 2 Rumpler C 1s, 1 LFG V.130, 1 Albatross L.58, 2 Udet U.8s, 2 Rohrbach Roland Is, and 2 AEG J II Ks. Not to be forgotten with the flight operations of these 12 months is the airline's pioneering of the concept of the airport motor bus, the first of which is regularly driven between Berlin's Kurfurstendamm and Tempelhof Airport.

The Junkers G-24 *Juno* is lost in a February 1929 crash. During the winter, the Caspar C-35 *Rostock* is converted into a windowless freighter and at the conclusion of the winter schedule, is placed on an all-cargo frequency from Berlin to London via Hanover, Essen, and Amsterdam. It is joined by a number of Junkers W.33s.

Minister Li Ching Tung again approaches the Chinese cabinet on April 27 with the idea of a DLH-affiliate company in China; this time, Gen. Feng Yu Liang resigns.

Due to a nearly 50% cut in government subsidies, which unexpectedly become effective in April, DLH is compelled to dismiss some 2,700 employees, cancel a number of services and frequencies, and extend winter schedules until May 18.

The carrier now takes delivery of 11 Focke Wulf A-17 Mowes (Seagulls), which are named *Bremen*, *Emden*, *Aurich*, *Leer*, *Oldenburg*, *Stade*, *Lineburg*, *Osnabruck*, *Hannover*, *Munster*, and *Bielefeld*. Most are employed on domestic or light international services. Four more F-13s are sent to **Deruluft** in April; later in the month and through May, the Dornier Merkurs supplied the previous year are all returned, even as four refurbished units are turned over.

At the same time, nine Rohrbach Ro VIII Roland IIs are received; these are named *Stolzenfels*, *Rheinstein*, *Schonburg*, *Niderwald*, *Frienfels*, *Drachensfels*, *Marksburg*, *Siegburg*, and *Rolandseck*. They begin to share operations over seven domestic routes. Special airmail services throughout Europe are begun by the carrier in conjunction with Reichpost, with flights beginning over a Berlin–London route on May 21. Other routes are quickly added: Berlin to Malo on May 30, Stuttgart to Basel on June 1, and Stratsund to Stockholm on July 1.

Also at this time, Roland I flights are resumed between Munich and Milan via the Brenner Pass. At this point, passengers are transported over this scenic route for the first time. Supplemental oxygen is available for customers from flasks attached to their seats; crew members, who are believed to be accustomed to high altitude flying, are not given this backup.

Meanwhile, three new Rohrbach Romar flying boats, the *Bremen*, *Hamburg*, and *Lubeck*, are based at Travemünde, not far from Lubeck, to be employed on trans-Baltic services and the two F-13s leased to **Deruluft** the previous June are returned.

The first airmail-advance flight to New York occurs on July 22 when the Heinkel He.12 *New York*, piloted by Baron Jobst von Studnitz, with engineer Karl Kirchoff as crew, is supposedly catapulted from the Norddeutscher Lloyd steamer *Bremen* 400 miles out in the Atlantic while on her maiden voyage. Nautical historian Edwin Dreschel, who photographs the arrival of the *New York* at the Brooklyn Army base, later reports that, contrary to contemporary accounts, the He.12 was not launched until after it had passed the Ambrose Lightship.

On August 1, the *Bremen*'s He.12 is launched five miles west of Cherbourg and flies to Bremerhaven, where another plane takes the U.S.-originated mail on to Berlin.

The *New York* makes a total of seven one-way flights to its namesake city during the year.

The carrier now begins to receive the first of 12 Messerschmitt M-20s; these will be christened *Franken*, *Schwaben*, *Rheinpfalz*, *Odenwald*, *Spessart*, *Schwarzwald*, *Sauerland*, *Flaming*, *Harz*, *Rhon*, *Eifel*, and *Hunsruck*. They enter service on the Stuttgart to Barcelona via Geneva and Marseilles route and on a route from Basel to Amsterdam via Mannheim, Frankfurt, Cologne, and Essen.

On August 20 in an (unsuccessful) Atlantic proving flight, one of the two Rohrbach Romer flying boats cruises nonstop along the coasts of

Germany, England, Holland, Norway, Sweden, and Denmark. Unsuitable for open-sea operations, the Romers are based at Travemünde and assigned Baltic routes.

A DLH Arado V-1 between October 25–28 makes a Berlin–Istanbul proving flight over the Balkans.

On December 5, the Arado V-1 mailplane, now christened *Teneriffa*, flies nonstop Seville–Tenerife, Canary Islands; on the December 19 return flight, the aircraft is lost in a crash at Neuruppin, northwest of Berlin.

At the Berlin IATA meeting on December 18, a DLH suggestion that all member airlines standardize their schedules is adopted.

During the year, eight additional aircraft are retired: a Udet U.11, an LFG V.130, a Focke-Wulf GL.18, two Focke-Wulf A-16s, a Junkers K.16, and two Dornier Komet IIs.

Having acquired the necessary government permissions, the first Vienna–Istanbul airmail flight lands in the Turkish city on April 25, 1930.

The first New York catapult launching of the year from the *Bremen* occurs on April 29. Also in April, the last Junkers F-13, the *Sokol*, is transferred to **Deruluft**. The *Bremen* is supplemented this season by the steamer *Europea*, equipped with the Heinkel He-58 *Atlantik*, and together the two vessels launch 22 one-way flights, 18 by the former ship.

Regularly scheduled Vienna–Istanbul airmail flights commence on May 5.

In June, the world's largest landplane, the Junkers G.38a *Deutschland* is provided to DLH for route-proving trials. The aircraft, the largest landplane of its time, is outfitted with six seats with windows in the inner wing giving one of the most spectacular forward views ever provided customers aboard a fixed-wing commercial aircraft.

Between August 18 and 26, Wolfgang von Gronau, Eduard Zimmer, Franz Hack, and Fritz Albrecht make a sensational Warnemünde–New York harbor transatlantic crossing via the Faroes, Iceland, Greenland, Labrador, and Nova Scotia in the Dornier *Wal Amundsen-Wal*. The achievement is the first staged east to west crossing of the North Atlantic with a flying boat. An unidentified aircraft crashes at Dresden on October 7 (eight dead).

A week later, on October 13, the first Junkers Ju-52 single-engine cargo aircraft, designed by Ernst Zindel, makes its maiden flight. With a crew including two DLH pilots, the huge single-copy Dornier X flying boat departs Friedrichshafen for New York via Amsterdam and Calshot, England on November 2. Eleven additional aircraft are sold or retired on the year: a Caspar C.35, a Dornier Komet II, two Junkers K.16s, four LFG V.130s, an AEG J II K, and two Focke-Wulf A-16s.

Commencing on February 1, 1931, passengers on the Berlin–Vienna service are able to send private in-flight telegrams—the first such service in Europe.

The Messerschmitt M.20 *Rheinplatz* is destroyed by fire in April, but, during the spring, four Focke Wulf A-38 Mowes (Seagulls) are acquired and christened *Buckeburg*, *Thuringen*, *Hessen*, and *Lipper*. They enter service on many services out of Berlin, including to Vienna via Dresden and Prague; to Munich via Halle, Leipzig and Nuremberg; to Paris via Cologne; to Berne via Halle, Leipzig and Stuttgart; to Paris via Halle, Leipzig, Frankfurt, and Saarbrücken. Additionally, they fly from Munich to Saarbrücken via Mannheim, Ludwigshafen, and Heidelberg and from Berlin to Oslo via Lubeck, Copenhagen, and Göteborg.

Piloted by Capt. Hans Baur, the first scheduled trans-Alps passenger service is inaugurated on May 1 over the 800-km. (497-mi.) route from Munich to Rome via Milan. At Rome, the Roland II's crew and passengers, which includes a number of high-ranking DLH and German government officials, are feted by Italian aviation minister Air Marshal Italo Balbo.

A new German–Italian bilateral air treaty is now signed and another prepositioned German aircraft and crew undertakes the first return flight over the route later in the day. The same day, the northern end of the Vienna–Istanbul airmail route is shifted to Breslau in order to take advantage of new route beacons that allow night flights.

The first of 30 advance-airmail catapult flights for the year is launched from the *Bremen*, off New York, on May 4.

Low fare Aerobus service begins five-times-daily testing on June 1 on the Cologne–Frankfurt route. During the month, the carrier's four former Deutsche Verkehrsfliegerschule GmbH. (German Air Transport School) Focke Wulf A-29 old series Mowes (Seagulls) *Friesland*, *Jeverland*, *Westfalen*, and *Saarland* are transferred to operations.

Routes flown during summer and fall include three from Berlin: to Paris via Halle and Leipzig and Saarbrücken; to Berne via Halle, Leipzig, Stuttgart, and Zurich; and to Marienbad via Chemnitz.

On July 1, the 22-passenger Junkers G.38a *Deutschland* is briefly placed on the Berlin–London via Hanover and Amsterdam, route along with Junkers G. 31s; these replace the Rohrbach Rolands previously flown.

Employing the Dornier *Wal Gronland Wal*, Wolfgang von Gronau and his 1930 crew fly from List-an-Sylt, Germany, to New York on July 22–August 2, via the Faroes, Iceland, Greenland, Baffinland, Hudson Bay, Western Ontario, and Chicago.

The Focke-Wulf A-29 *Mowe Jeverland* is destroyed in an August accident.

Having flown via Amsterdam, Calshot, Lisbon, the Canary Islands, Bolama, Cape Verde Islands, Fernando de Noronha, Natal, Rio de Janeiro, Antigua and Miami, the often broken-down Dornier X reaches New York on August 27. The modified G.38ce *Hindenburg* enters DLH inventory on September 1.

While flying off the *Bremen* on October 6, the He-12 *New York* is destroyed in a crash.

In November, a Junkers W.33 flies an experimental airmail operation from Istanbul to Baghdad. Also in November, Junkers G-31s start Berlin to Malmo via Copenhagen flights.

During the year, the surviving old Fokker F-IIIs fly from Hamburg to Amsterdam via Bremen and in late December, the surviving Focke-Wulf A-29 Mowes are transferred to serve a route from Berlin to Königsberg, via Stettin and Danzig.

The fleet on January 1, 1932 comprises 173 aircraft of 24 different types, 126 of which are single-engine.

Two Albatross L.73s are sold to the Bulgarian Air Traffic Management as the company asks the Heinkel concern in February to design a fast aircraft to compete with **Swissair, A.G.**, which is now using a Lockheed Model 9 Orion on a service from Zurich to Vienna via Munich.

To replace the He-12 *New York* lost the previous October, the He-58 *Atlantik* is rechristened *Bremen* and is transferred to the steamship *Bremen* from the *Europa*, being replaced by the new Junkers Ju-46 *Europa*. Between them, the two vessels will launch 34 New York advance mail flights during the year.

On March 1, the Rohrbach Ro VIII Roland II *Niederwald* is leased to the National Socialist German Workers Party (NSDAP or Nazi) for use by its leader, Adolf Hitler, as a campaign plane during his national election effort to unseat President Paul von Hindenburg. Hitler is aware that the government controls the radio and that the only way he can overcome this advantage is to speak in as many locations as possible before as many people as possible. To do this, he is convinced he must travel by air. To make certain that nice crowds turn out, a Junkers F-13 is also chartered from DLH. Carrying Hitler confidant Josef "Sepp" Dietrich, an aide, and two friendly newspaper reporters, this advance plane will be sent ahead to handle rally arrangements.

Two days later the *Niederwald*, piloted by Capt. Hans Baur with two other crew, transports Hitler, Dr. Putzi Hanfstaengl, SS Maj. Gen. Julius Schaub, SS Lt. Gen. Wilhelm Brueckner, and official photographer Heinrich Hoffmann on the first campaign tour, flying from Munich to Dresden. Following a speech, the party reboards the aircraft and flies on to Leipzig, Chemnitz, and Plausen during the remainder of the day. Speeches are also given at these stops as well, after which Hitler motorcades to Zwickau for yet another rally.

Hitler's air campaign continues right up to election day on March 13, when he wins 30% of the vote and forces a runoff election. The *Niederwald* once again provides transport for a tough speaking schedule. Also in March, the Rohrbach Rolands *Storch* and *Pelikan* are transferred to Deruluft.

The German national runoff election is held on April 10. Despite Hitler's intense effort, which includes the first major use of campaign aircraft, President von Hindenburg is reelected.

Storch and *Pelikan* are transferred to **Deruluft**. The first two Junkers Ju-52/3ms, *Boelcke* and *Richthofen*, are accepted in late April; given a third engine and outfitted as a 15–17 passenger airliner, the Ju-52 will become one of history's most famous airliners.

A daily Berlin to Rome via Munich and Venice express service is started on May 1. This service is followed by the introduction of Junker trimotor flights from the national capital to London via Hanover and Amsterdam.

Built by its Swiss subsidiary, the first Dornier DoF makes its maiden flight on May 7; the production variant will be designated the Do-11C.

Under the command of Capt. Friedrich Christiansen and with a crew of 14, the giant Dornier Do-X returns from New York to Berlin's Muggelsee Lake on May 19–24 via Newfoundland, the Azores, Vigo in Spain, and Calshot, England.

The 410-ft., 5,100-ton steamer *Westfalen* is chartered on July 1 to provide catapult mail service on the South Atlantic.

By now Hitler's preferred pilot, Capt. Baur and the *Niederwald* are obtained from DLH for the July Reichstag election campaign. Once again, between July 15 and 30, the Nazi party leader barnstorms the nation, this time drumming up support for NSDAP candidates. When in the end the ballots are counted, the NSDAP has won 230 seats in the German parliament and becomes the largest political party in the country.

Meanwhile, between July 22 and August 2, Wolfgang von Gronau, piloting the *Gronland Wal* with a three-man crew, flies from List-an-Sylt, Germany, to Chicago via Iceland, Greenland, Labrador, Montreal, Ottawa, and Detroit. On August 30, the new Junkers Ju-52/3m *Boelcke* performs the return Geneva–Zürich frequency in 3 hrs. 43 min.

Named for Germany's top World War I ace, the second Ju-52/3m *Richthofen* is delivered in September. Before the end of the month, Reichstag President Hermann Goering, with the assistance of DLH head Milch, has arranged for the aircraft and its pilot, Capt. Hans Baur, to be chartered by the NSDAP.

Beginning on October 13, the *Richthofen* is employed to transverse the country during a new round of campaigning for parliamentary elections. Again, many cities and towns are visited on any given day and hundreds of Hitler speeches are delivered. In voting on November 5, the number of NSDAP seats drops to 196, while the Communists claim 100. These results set off an intense period of civil unrest.

Having flown to the west from Chicago via Canada, Alaska, the Aleutians, China, the Philippines, Singapore, India, the Middle East, and Italy, the *Gronland Wal* returns to Germany on November 9, completing an around-the-world flight, the first by flying boat.

Piloted by Capt. Werner Junk, the first low-wing, monoplane, four-passenger Heinkel He-70 makes its maiden flight on December 1 from the airfield at Warnemünde to Travenmünde.

During the year, the old Fokker F-IIIs perform their last services on the Baltic coastal resort frequencies.

Hermann Goering is named head of the Reich Commission for Aviation (including Air Transport) or Reichskommissariat für die Luftfahrt in the new Hitler government in January 1933. Having decided to create a "Black Luft Hansa" as a cover for creation of a German Luftwaffe or Air Force, Goering, on January 30, persuades his old employer, Milch, to become its day-to-day chief with the title Secretary of State for Air.

The Focke-Wulf A-17 Mowe *Oldenburg* is destroyed in a February accident and also during the month the Rohrbach Roland *Kranich* is sent to **Deruluft**.

In February, DLH assigns the Ju-52/3ms *Boelcke* and *Richthofen* to the Reich Chancellery for the personal use of the new German leader and his ministers. Crews and maintenance personnel for the *Regierungsflugzeug* (government planes), which remain in main line passenger configuration under the leadership of Capt. Baur, are also stationed at Berlin's Tempelhof Airport.

On March 27, German President Paul von Hindenburg replaces the Reichskommissariat für die Luftfahrt with a new Reich Air Ministry or Reichluftfahrtministerium (RLM), with Reichstag President Goering as Air Minister and DLH CEO Milch continuing to oversee the civil side as state secretary.

In April, the *Richthofen* flies Goering and Milch to Rome for a meeting with Italy's aviation minister Air Marshal Italo Balbo. The flight reveals that Goering is too fat to sit in a standard Ju-52/3m seat and must use the upholstered bench provided at the rear of the passenger cabin.

In a Tempelhof Airport ceremony on April 29, the G.38ce *Hindenburg* is rechristened *Generalfeldmarschall von Hindenburg* by Aviation Minister Goering. It is now placed into commercial service on three routes from Berlin: to Malmö via Copenhagen, to Munich via Halle, Leipzig, and Nuremberg, and to Rome via Munich and Venice.

A Dornier *Wal*, christened *Monsun* and piloted by Capt. Baron von Studnitz, from the *Westfalen* completes the first advance-airmail flight to Natal, Brazil, on June 1; the *Wal* returns to her mothership on June 3.

Meanwhile, with the He-58 *Bremen* retired, the chartered steamer by that name is reequipped with the Junkers Ju-46 *Hamburg*; the *Bremen* and *Europa* will launch 36 advance-airmail flights to New York on the year.

Also during the month, the new Ju-52/3m *Immelmann* is assigned to the Reich Chancellery. Outfitted with U.S.-built Pratt & Whitney A-2 Hornet engines, the trimotor's cabin contains both standard DLH seats and a folding table at the right front.

At a regularly scheduled company board meeting on June 30, the decision is made to change the official name of the firm from Deutsche Luft Hansa, A.G. (DLH) to **Deutsche Lufthansa, A.G. (DLH)**.

Also during the summer, the lone Junkers Ju-60 *Pfeil* (*Arrow*) undertakes cargo flights between Berlin and Athens via Vienna, Budapest, Sofia, and Salonica.

On September 1, authority for both military and civil aviation is assumed by Air Minister Goering's RLM; previously concerned only with civil operations, Secretary Milch now also assumes a military portfolio.

On behalf of the German railway system Deutsche Reichsbahn-gesellschaft, DLH begins operation of a Berlin–Königsburg via Danzig night cargo and mail service with seven Dornier Do-11Cs and Do-11Ds on November 1–2. The aircraft later open mail and all-freight flights from Berlin to Stuttgart via Breslau, Münster, and Munich.

An accident claims the Focke-Wulf A-17 Mowe *Stade* in December. During the year, the fleet is upgraded through the introduction of 11 Ju-52/3ms.

The new name **Deutsche Lufthansa, A.G.** comes into effect on January 1, 1934, but the familiar DLH initials are retained. The company's pre-1945 story will be told here under the old moniker.

Early in the year, the carrier begins to take delivery of the first of 14 Heinkel He-70 fast, single-engine transports. These will be christened *Blitz* (*Lightning*), *Sperber* (*Sparrowhawk*), *Falke* (*Falcon*), *Geier* (*Vulture*), *Habicht* (*Hawk*), *Schwalbe* (*Swallow*), *Bussard*, *Amsel* (*Blackbird*), *Albatros*, *Condor*, *Adler* (*Eagle*), *Rabe* (*Raven*), *Buntspecht* (*Spotted Woodpecker*), and *Drossel* (*Thrush*).

The *Blitz* now makes a proving flight to Seville and Las Palmas; the 2,609-mile flight from Berlin requires 13 hrs. 25 min.

Employing He-70s, Ju-52/3ms, and catapult aircraft, the first Germany–South America—and the world's first scheduled transoceanic mail flight—commence on February 3. An He-70 begins the process by flying 107 lbs. of mail from Berlin via Stuttgart and Marseilles to Seville. There it is met by a Ju-52/3m, which flies the cargo on to Las Palmas and, after refueling, on to Bathurst, in British Gambia. The mail sacks are then loaded into the Dornier *Wal* that is aboard the catapult ship *Westfalen*; the ship then steams 940 miles into the South Atlantic. At a calm point, the *Wal*, with Capt. Baron von Studnitz as pilot, is shot off over the ship's stern and flies to Natal. The plane is met at that Brazilian city by another DLH unit, which carries the European mail south to Rio de Janeiro and Buenos Aires. The entire operation is completed within four days.

In April, the Junkers G-24 *Rotterdam* is destroyed. Also in Europe on May 1, a route is opened to Warsaw. During the month, the first of 34 Ju-52/3ms to be delivered on the year enters service.

On June 14, the Ju-52/3m *Immelmann*, piloted by Capt. Baur, flies Adolf Hitler and his party from Berlin to Venice for his first meeting with the Italian Fascist dictator Benito Mussolini. The trip marks the Fuehrer's first foreign diplomatic trip—to say nothing of his first flight over the Alps. During the visit, Mussolini is given his first tour of a Ju-52/3m.

With the new Heinkel He-70 *Habicht* (*Hawk*), a Berlin-Hamburg-Cologne-Frankfurt *Blitz* (*Lightning*) passenger service is established on June 15, replacing the *Aerobus* flights launched in 1931. Originally built two years earlier as the Ju-60 to compete with the Lockheed Orions of **Swissair, A.G.**, the first Ju-160 is test flown in late June.

Following the death of President von Hindenburg on August 2, a plebiscite held on August 19 gives the Hitler administration German popular approval for a reorganization of the government. At this point, without an official German Air Force or Luftwaffe, a permanent government air transport unit is established as a Flugbereitschaft RLM or divisional unit of the air ministry. Often referred to as the Regierungsstaffel or government squadron, it is led by the former DLH captain, now SS Standartenfuehrer Hans Baur, and is outfitted with four Ju-52/3ms.

Berlin-Hamburg-Bremen Junkers G-31 flights commence during the summer. Also, two Focke-Wulf A-32 Bussards are acquired from **Deutsche Verkehrsflug** and enter service on a route from Bremen to Nuremberg via Hanover and Erfurt. The Junkers Ju-60 *Pfeil* (*Arrow*) is now assigned to fly a passenger service from Berlin to Breslau.

On September 28, the millionth passenger, Wilhelm Steinsburg, is showered with gifts after deplaning from a G.38.

Two Boeing Model 247s are delivered for evaluation late in the year while at the same time, He-70s commence operations on the Berlin to Salonica route via Vienna, Budapest, Belgrade, and Sofia.

For the year, the *Bremen* and *Europa* complete 36 advance-airmail flights to New York; both ships receive new Junkers Ju-46s, the *Sirius* and *Europa*.

The twin-engine Junkers Ju-86 10-passenger monoplane makes its maiden flight on November 4. Orders are placed for 25 aircraft, most of which will, prior to the creation of the Luftwaffe in early 1936, perform military duties while masquerading as civilian airliners. It is remembered as the first transport design to have diesel engines—600 hp Junkers Jumo 205Cs.

During the year, the fleet is upgraded through the addition of 24 Ju-52/3ms, 1 Junkers Ju-60, and 4 Heinkel He-70s; meanwhile, the 3 surviving Focke Wulf A-29 Mowes are withdrawn.

A Junkers G-31 crashes into a hill at Poderjuck, Germany, on February 2, 1935 (11 dead). The next day, the death of pioneer airliner designer and manufacturer Dr. Hugo Junkers is announced.

A Hamburg-Las Palmas proving flight is made by a Dornier *Wal* on February 13 and, between February 14 and 20, a Ju-52/3m makes a Berlin-Cairo return proving flight, completing the return leg in one 16½-hr. day.

The B-247s evaluated earlier are placed in service while a Douglas DC-2, christened *Taurus*, is received through Fokker—the American manufacturer's European distributor—in late February and tested at Staaken airfield near Berlin.

Piloted by Capt. Gerhard Nitschke, the prototype Heinkel He-111a medium bomber and transport makes its maiden flight at Marienehe on February 24.

Beginning in February and continuing through May, the Ju-52/3ms *Kondor*, *Milan*, *Kormoran*, and *Flamingo* are transferred in this one per month order to the joint airline **Deruluft**. Beginning in February and continuing through May, the Ju-52/3ms *Kondor*, *Milan*, *Kormoran*, and *Flamingo* are transferred, one per month respectively, to the joint airline **Deruluft**.

Also in February, the Fuehrermaschine *Immelmann* is taken into DLH main line service, being reregistered and christened *H. J. Buddecke*. The

aircraft has been exchanged for a slightly newer Lufthansa aircraft, which had also been named *H. J. Buddecke*.

The first commercial He-111C is rolled out on March 12. Where the bomb bay would be in the military version is a passenger smoking cabin.

Three days later on March 15 the Dornier Do-18, a replacement for the *Wal* flying boat, makes its maiden flight; the initial unit is christened *Monsun*.

Night-airmail service begins on the overland segments of the South Atlantic route on March 30.

The carrier now begins to receive the first of a 20-ship fleet of Junkers Ju-160s. These are christened *Silberfuchs* (*Silver Fox*), *Jaguar*, *Luchs* (*Lynx*), *Illis* (*Polecat*), *Hermelin* (*Ermine*), *Kreuzfuchs* (*Cross Fox*), *Blaufuchs* (*Blue Fox*), *Nerz* (*Mink*), *Marder* (*Marten*), *Gepard* (*Hunting Leopard*), *Panther*, *Luchs II* (*Lynx*), *Wolf*, *Puma*, *Schakal* (*Jackal*), *Lowe* (*Lion*), *Tiger*, *Weissfuchs* (*White Fox*), *Rotfuchs* (*Red Fox*), and *Wiesel* (*Weasel*). They enter service on 11 domestic routes.

When Aviation Minister Goering remarries in April, DLH presents him with a private aircraft, valued at DM 100,000 and upholstered in morocco leather.

A purely civil version of the Ju-86 is test flown for the first time later in the month.

One of the two B-247s, christened *Feldberg*, is destroyed on May 24 when another aircraft taxis into it at Nuremberg.

A pool with **Air France** for twice-weekly South Atlantic flights comes into effect on July 1 and the lone Junkers Ju-60 *Pfeil* (*Arrow*) is switched to two new routes: Berlin to Gleiwitz via Breslau and from Essen to Munich via Dusseldorf, Cologne, Frankfurt, and Nuremberg.

The 100th scheduled airmail flight over the South Atlantic is made on August 25.

Following the completion of 34 advance-airmail flights, the chartered steamers *Bremen* and *Europa* are returned to Norddeutscher Lloyd.

The last two Focke Wulf A-17s are employed on two all-cargo routes from Cologne: to Berlin and to Nuremberg via Frankfurt and Munich. They are withdrawn and scrapped at year's end.

Designed to a company request for a fast mailplane, the existence of the first Dornier Do-17 *Flying Pencil* is confirmed in October; the type is taken over by the Luftwaffe as a medium bomber and never enters airline service.

The joint airline **Deruluft** returns a Dornier Merkur before month's end.

During the year, the fleet is upgraded by the addition of 16 Junkers Ju-52/3ms (bringing the total of this type to 51), 1 Heinkel He-111, 3 Junkers Ju-160s, and 10 Heinkel He-70s.

Mail routes over the South Atlantic and the full integration of the Ju-52/3ms allows the company at year's end to show that more than half of its operating expenses are, for the first time, covered by flight revenues.

The new civil Heinkel He-111C *Dresden* is demonstrated for the press at Tempelhof Airport on January 10, 1936 and on February 13 a Dornier *Wal* makes a survey flight from Hamburg-Azores via Las Palmas.

The next day, the Dornier *Wal Tornado*, having departed from Natal, Brazil, to Bathurst, Gambia, disappears without a trace. Once known as the *Kranich* and *Pelikan*, the two previously owned Rohrbach Rolands are reacquired from **Deruluft** in January.

Via a February 26 decree, Adolf Hitler creates the new German Air Force or Luftwaffe, which will come into existence on March 1. Auxiliary bombing units will be established under DLH authority.

The number of Junkers Ju-160 domestic routes is increased to 15 in March, the highest number of services the type will perform.

During the spring, a decision is made to cancel the **Deutsche-Russische Luftverkehrs, A.G. (Deruluft)** arrangement, but negotiations with Russia over the dissolution drag on; meanwhile, the evaluated DC-2 *Taurus* begins flights on the European routes.

At the same time, the Junkers G-38 *Generalfeldmarschall von Hindenburg* begins three new services from Berlin: to Frankfurt via Halle and Leipzig; to Konigsburg via Danzig; and to Stockholm via Copen-

hagen and Malmo. The G-38 represents DLH at the opening of Stockholm's Bromma Airport on May 23.

In early summer, DLH begins taking delivery of the remaining 11 He-111C civil transports, which are christened *Königsberg*, *Augsburg*, *Halle*, *Dresden II*, *Rostock*, *Nuremberg*, *Breslau*, *Leipzig*, *Karlsruhe*, *Köln*, and *Magdeburg*. These begin to replace the He-70s and start by providing flights between Berlin and Amsterdam via Hanover; Berlin and Munich via Nuremberg, and Cologne and Berlin via Dortmund.

The 246-ft., 2,000-ton motorship *Ostmark* joins the ocean catapult service.

Company pilot Capt. Alfred Henke transports Spanish Nationalist leader Capt. Francisco Arranz and his party aboard a Ju-52/3m to a meeting with Adolf Hitler at Bayreuth on July 25. Capt. Arranz requests and receives military assistance for his cause from Hitler and, two days later, Henke's aircraft is the first of 20 trimotors to be sent from Berlin's Tempelhof Airport to Tetuan in Spanish Morocco. When Arranz brings 24 Moroccan soldiers back to Spain on July 29, his flight represents the beginning of direct German military involvement in the Spanish Civil War.

Also in July, five new Junkers Ju-86s are placed in service on the frequencies from Berlin to Gleiwitz, Bremen, and Cologne and Cologne-Breslau.

During August, DLH Junkers Ju-52/3ms, flying on behalf of the Luftwaffe, transport a total of 7,350 Nationalist troops to Spain from Africa in 461 flights.

Also during the summer, intrepid Capt. Drechsel conducts Ju-52/3m proving flights over Afghanistan's Hindu Kush and Pamir Mountains.

From September 5 to October 20, two Dornier Do-18s, the *Aeolus* and *Zephyr*, from the 468-ft., 8,200-ton depot ship *Schwabenland* explore two southern routes over the North Atlantic. In September, the pair makes separate newsworthy flights. The *Aeolus*, with Capt. Hans Werner von Engel, Baron Friedrich von Buddenbrock, H. J. Stein, and Otto Gruschwitz, is catapulted off her carrier, making it to Bermuda in a nonstop flight of 18 hrs. 15 min., before flying on to New York. Meanwhile, the *Zephyr*, with Capt. Joachim von Blankenberg, Baron Karl August von Gabienz, Wilhelm Ehlberg, and Adolf Eger, following its launch proceeds directly to New York, arriving 22 hrs. 12 min. after liftoff and alights on the Hudson River with over 10 hours worth of fuel in her tanks. During the year, eight advance-airmail flights are made off of the ship from the Azores-New York and four each via Bermuda and Sydney, Nova Scotia.

Company Ju-52/3ms, flying under Luftwaffe control, bring 5,455 troops from Africa to Spain during September in 324 flights. During the following month, the trimotors transport another 1,157 soldiers in 83 flights before the airlift is terminated on October 11. During these two months, 285 tons of supplies are also flown.

The G.38a *Deutschland* is destroyed in a takeoff crash at Dessau on November 2 (10 dead) and the last LVG 130, the *Stettin*, is soon thereafter retired and scrapped.

During the month, the government signs an Anti-Comintern Pact with Japan.

The concession for the joint airline **Deutsche-Russische Luftverkehrs-Gesellschaft, GmbH**, expires in December. Given a demand for less air transport between Berlin and Moscow, the pact is not renewed. Services will be maintained for another quarter with a leased fleet.

Inspired by the plan and leadership of Saburo Nagabuchi, a senior executive from **Manchukuo Air Transport, Ltd. (Manshu Koko Kabushiki Kaisha, MKKK)**, DLH signs an agreement with the Manchukuo carrier on December 18. Together, the two airlines will develop an air route between Germany and Japan via Afghanistan, Mongolia, and Manchukuo.

At year's end, the fleet comprises 144 aircraft: 59 Junkers Ju-52/3ms—which are carrying 85% of the airline's total traffic—8 Heinkel He-111s, 6 Junkers Ju-86s, and 10 Junkers Ju-160s. Orders are placed for the Blohm and Voss BV-222 *Wiking* flying boat.

During January 1937, the joint airline **Deruluft** returns the Junkers Ju-52/3ms *Kondor*, *Milan*, *Kormoran*, and *Flamingo* and the F-13 once known as *Lerche*.

During the month, Italy joins the Anti-Comintern Pact.

The experimental DC-2 *Taunus* is sold to **LOT Polish Airlines, S.A.** in February and a mailplane is lost in a crash at Bathurst, West Africa, on March 13 (four dead). **Deruluft** ends its flights on March 31; however, DLH now assumes responsibility for all route sectors outside of the U.S.S.R.

New He-111 civil transports are placed on the Berlin to Königsburg via Danzig service in late spring.

During the summer, the five remaining He-70s are placed on the Berlin to Bremen, Cologne to Hamburg via Essen and Mulheim, and Karlsruhe to Munich via Mannheim and Stuttgart routes.

The Ecuadorian subsidiary **SEDTA (Sociedad Ecuatoriana de Transportes Aereos, S.A.)** is established on July 14.

The last Boeing 247 in DLH service is lost in a Hanover crash on August 13 (eight dead).

The newly chartered 452-ft., 6,500-ton steamer *Friesenland*, with 2 Blom and Voss Ha.139s, the *Nordwind* and *Nordmeer*, completes 14 advance-airmail Horta, Azores-New York proving flights between August 13 and November 23.

As part of their successful pooling arrangement, DLH and **Air France** now begin technical and economic cooperation on the South Atlantic.

The number of Junkers Ju-86s available this summer rises to 13 and the number of their routes climb to 18.

Germany and Russia agree on August 23 (effective August 31) to dissolve their 15-year-old joint concern **Deruluft**; formal liquidation is postponed and will never be officially completed.

A Ju-52/3m flown by the previous year's proving flight pilot, Capt. Drechsel, and a second flown by noted pilot Karl August Freiherr von Gablenz, undertake another Central Asian proving expedition on August 24–26, flying from Russiata India via Kabul to Sian in northern China. Drechsel returns via the Wakhan Pass in northeast Afghanistan. Von Ganblenz, however, makes a forced landing at Sinkiang and is held hostage for several weeks before his release is secured.

On September 1, DLH takes over **Deruluft's** Berlin-Helsinki route; Berlin to Istanbul to Baghdad multistop airmail service is inaugurated on October 31.

A Ju-52/3m crashes near Mannheim on November 12 (10 dead). During the year, the fleet is upgraded by the addition of 12 Junkers Ju-52/3ms, 2 Focke-Wulf Fw-200s, 1 Heinkel He-116, and 7 Junkers Ju-86s.

At year's end, the company operates 31,900-mile air route, the fourth highest in the world.

A Ju-86 crashes while landing at Frankfurt on January 5, 1938 (six dead) and another goes down at Paris on February 23 (three dead).

Meanwhile, on January 15, the new He-116, the first of just three built to enter service, departs Hamburg on the first landplane flight over the mail route to South America; the four-engine aircraft will arrive at Natal after a flight via Paris, Marseilles, Oran, Las Palmas, and Dakar.

A DLH subsidiary, **Deutsche Lufthansa Sucursal en Peru**, is established in February, beginning Lima-La Paz scheduled service on May 24.

Catapulted from the *Westphalen* off the English coast on March 27, an unnamed Dornier Do-18 establishes a long-distance record flying nonstop to Caravelles, Brazil. The aircraft covers the 5,214-mi. trip in 43 hrs., smashing the previous world's straight-line distance record of 4,447 miles held by the Japanese.

On April 10, Berlin to Tehran via Istanbul and Baghdad multistop Ju-52/3m passenger service is inaugurated. With Japanese crews trained by DLH, two He-116s are sent to Tokyo on April 23; upon their arrival, they are christened *Nogi* and *Tokyo*.

In the spring, a barter agreement is signed with the government of Manchukuo; DLH will provide MKKK with 10 Ju-86s, which will be paid for in soybeans.

The company's longest route is initiated on April 30, Berlin to Kabul in Afghanistan via Istanbul, Baghdad, Tehran, and Herat.

Coming as the result of a carrier request for four units capable of non-stop flights from Lisbon to New York, the last production Dornier flying boat, the Do-26, makes its maiden flight on May 21; it will be christened *Seeadler* (*Sea Eagle*). The first Focke-Wulf Fw-200S-1 *Condor* is delivered, also in May, and is christened *Brandenburg*.

The premier Junkers Ju-90, *Der Grosse Dessauer*, makes its maiden flight on June 7. Orders are placed by DLH for 10 with the first, *Preussen*, joining the fleet at the end of the month.

A South American regional directorate is set up in Rio de Janeiro in July and the *Brandenburg* begins service on June 27 with a long-distance flight to Salonika via Cairo.

Three B. and V. Ha-159s, including the B model *Nordstern*, from the *Schwabenland*, stationed at Horta, Azores, and *Friesenland*, stationed at Port Washington, New York, make 26 one-way advance-airmail flights between July 21 and October 21.

The first Ju-86 provided to MKKK under the spring soybean exchange arrives in October. Although Emperor Pu Yi's puppet airline will receive additional Ju-86s, there is no record of Germany ever receiving any soybeans in return.

Piloted by Flugkapitan Henke, on August 10–11 the Fw-200S-1 *Brandenburg* proceeds roundtrip to Floyd Bennett Field, New York, from Berlin's Staaken Airport in 24 hrs. 36 min. The aircraft returns to Berlin on August 13–14 in 19 hrs. 55 min. The flight establishes a new nonstop distance record for transatlantic flight.

During the late summer, the Ju-90 *Bayern* enters service on a Berlin to Vienna frequency. In addition, Ju-52/3m service is inaugurated from Stuttgart to the Spanish island of Palma de Mallorca via Zaragoza.

While flying from the *Westphalen* on October 1, the Dornier Do-18 *Pampero* is lost between Natal and Bathurst.

The **Imperial Airways, Ltd.** Short Mayo composite aircraft is able to break the *Brandenburg's* record on October 6.

On November 28–30, the *Brandenburg* flies one-way via Basra, Karachi, and Hanoi from Berlin to Tokyo in 46 hrs. 18 min. flying time. Also in November, the new Junkers Ju-90 *Preussen* is lost in a Bathurst crash.

In December, the air ministry orders that two new Fw-200s, the *Grenzmark* and *Ostmark*, be turned over by the airline to the Regierungsstaffel or government squadron.

In the last year before war breaks out in Europe, DLH carries 254,716 passengers in European and international service and 26,471 in China and South America. The fleet is upgraded by the addition of 14 Junkers Ju-52/3ms, 3 Focke-Wulf Fw-200s, 4 Focke-Wulf Fw-58 Weihses, 2 Junkers Ju-90s, 2 Heinkel He-116s, and 2 Heinkel He-111s; meanwhile, the last He-70s are withdrawn.

While returning to Berlin on January 6, 1939, the Focke-Wulf Fw-200 *Condor Brandenburg* is forced to ditch at sea off Manila and is lost.

From January 19 to February 5, two Dornier *Wals* and the *Schwabenland* play a significant role in the German Antarctic expedition. Also in February, the Dornier Do-26 flying boat *Seeadler* (*Sea Eagle*) makes a 12,800-mile roundtrip to carry relief supplies to victims of a Chilean earthquake.

Three new Focke-Wulf Fw-200 *Condors*, the *Grenzmark*, *Ostmark*, and *Kurmark*, are delivered; however, the first two are transferred to the RLM, which assigns the first to the Foreign Ministry and renames the second *Immelmann*, making it Adolph Hitler's personal transport.

Following the final dissolution of Czechoslovakia at the end of March, all of the remaining airliners held by **CLS (Czechoslovak Airlines)** are acquired and handed over to DLH, including three DC-3s.

On April 1, DLH takes direct control of the Brazil–Chile connecting route. From April 22 to May 22, the first Ju-52/3m on the route flies to Tokyo via Bangkok, Hanoi, and Taipei, linking with a flight to Manchukuo.

An Fw-200 on June 27–29 flies Bathurst–Natal, becoming the first European landplane to cross the South Atlantic.

Regular five-stop Berlin–Tokyo goodwill flights begin on July 25, the last flight being completed in August. During early August, the Junkers Ju-90s *Baden* and *Mecklenburg* begin flying to London.

In late August, the Fw-200 *Grenzmark* flies Foreign Minister Joachim von Ribbentrop to Moscow where a Russo-German nonaggression pact is signed on the 23rd.

During the year, company headquarters are transferred to the magnificent new Tempelhof Airport; close to Berlin's center, the facility's columns and facades rise skyward toward a great golden eagle monument to air power.

Meanwhile, the fleet reaches its final prewar number of 145 aircraft, including the addition of 26 Junkers Ju-52/3ms, 3 Focke-Wulf Fw-200s, 5 Junkers Ju-90s, 1 Junkers Ju-86, 1 Heinkel He-116, and 3 Focke-Wulf Fw-58 Weihses.

World War II erupts on September 1, and all regularly scheduled services in Europe are progressively halted, except to neutral countries. By year's end, 22 DLH Ju-86s and He-111s are requisitioned for the Luftwaffe, as are all forthcoming Ju-90s.

As a result of the previous August's pact between Ribbentrop and Molotov, DLH and **Aeroflot Soviet Airlines** open a Berlin–Moscow route on January 21, 1940.

Following the conclusion of the "Phony War" in the spring, military demands are made on DLH to a much greater extent than ever before.

The Focke-Wulf Fw-200 *Kurmark* crashes on April 22 while supporting the Norwegian invasion. Also in April, the Junkers G-38 *Generalfeldmarschall von Hindenburg* transports a Wehrmacht band to Oslo's captured Fornebu Airport.

The German advance into Western Europe begins on May 10. That day, Luftwaffe bombers assault Amsterdam's Schiphol Airport (among other points) and destroy five **KLM (Royal Dutch Airlines, N.V.)** DC-2s on the ground—*Koetlang*, *Nachtegal*, *Oeverzwaluw*, *Perkoetoet*, and *Djalak*. In addition, four DC-3s, *Tapuit*, *Xema*, *Uil*, and *Patrijs*, are also reduced to hulks. When German troops occupy Schiphol five days later, they also capture the DC-2s *Kievit*, *Jan Van Gent*, *Kwak*, *Rievink*, *Sperwer*, and *Toekan*, plus the DC-3s *Hop*, *Mees*, *Valk*, and *Roek*.

An "agreement" of July 19 concerning "special duties of Lufthansa relating to the war effort" specifies, among other undertakings, the supply of aircraft to the Ministry of Air Traffic. Thus a number of planes and crews come under Luftwaffe control, beginning the following week with one of the former Czech DC-2s and all six of the captured **KLM (Royal Dutch Airlines, N.V.)** DC-2s and four DC-3s. One of the latter, the *Toekan*, is repainted in camouflage and becomes the personal transport of Netherlands-based Wehrmacht commander, General Christiansen, whose name is painted on the airplane's nose. The ship will crash near Lammershagen on August 9.

Minority shareholding is taken in the Spanish carrier **Iberia Spanish Airlines (1) (Lineas Areas de Espana, S.A.)**. Consequently, Berlin–Madrid services begin on August 12 and extend on to Lisbon as of October 7.

Meanwhile, the first Blohm und Voss BV-222 *Wiking* flying boat, piloted by DLH Capt. Helmut Wasa Roda, is test flown on September 7 from the Elbe River at Finkenwerder. With no transatlantic commercial possibilities now available, the largest flying boat to enter service during the war becomes a war machine and neither the giant ship nor its 13 sisters will ever be delivered to DLH.

During the year, the fleet is upgraded by the addition of three Junkers Ju-52/3ms, four Junkers Ju-90s, a Junkers Ju-86, and four Focke-Wulf Fw-200 *Condors*. An order is placed with Dornier for a giant flying boat, the Do-214.

On December 31, the carrier's inventory shows 78 Ju-52/3ms, its highest count of the famous trimotor. Conversely, it also shows that 12 of the last 13 Ju-86s to be received have been withdrawn.

In early 1941, two DLH stewardesses become "half-millionaires of the sky," each having clocked 500,000 km. on regular duty since 1938.

The final vestige of the international **Deutsche-Russische Luftverkehrs-Gesellschaft, GmbH. (Deruluft)** carrier is finally termi-

nated on March 22 when the joint service with **Aeroflot Soviet Airlines** between Berlin and Moscow is ended. Also in March, two of the DC-2s taken over from Czechoslovakia in March 1939 are handed over to the Finnish line **Aero O/Y**, which christens them *Voima* and *Sisu*.

British RAF bombers destroy the Junkers G-38 *Generalfeldmarschall von Hindenburg* at Athens Airport in the spring. Additional aircraft and crews join the war effort, particularly after the July invasion of the Soviet Union. Despite increased war demands that see its numbers decreased to 59 aircraft, to say nothing of fuel shortages, the fleet is upgraded by the addition of five new Junkers Ju-52/3ms. Germany declares war on the U.S. on December 8.

As a result of hostilities with America, the **Syndicato Condor, S.A. (Condor Syndicate)** ceases Brazilian operations in late winter 1942 due to U.S.-inspired fuel shortages.

Of the total number of DLH aircraft chartered to the German government, 23 are destroyed or damaged during the year, including 4 Messerschmitt M.20s and 18 Ju-52/3ms. Two trimotors are chartered from the Finnish carrier **Aero O/Y**. Numerous DLH personnel in Luftwaffe service are killed and the Do-214 flying boat project is also a casualty of war, cancelled before production.

Brazil nationalizes **Syndicato Condor, S.A.** in 1943 and renames it **Servicos Aereos Cruzeiro do Sul, S.A.**

Named in honor of the longtime board chairman, von Strauss, the DLH Personnel Services Organization is created on February 27. Broadening the scope of the services provided by the Public Assistance Fund for German Aviation, this organization undertakes to guarantee adequate payment of retirement and survivor benefits to company employees and survivors.

Allied forces launch Operation Flax on April 5, aimed at destroying the Axis air transport service between Italy and Tunisia via Sicily. On April 10, 18–19, a total of 88 Ju-52/3ms, many manned by DLH crews in Luftwaffe uniforms, are shot down.

Bloch 220s are chartered from France and when Italy surrenders on July 25, two Junkers Ju-52/3ms and several Savoia Marchetti S.73s are taken over from **Ala Littoria, S.p.A.**

Also during the summer, the German Army captures a Douglas DC-3 operated by **Sabena Belgian World Airlines, S.A.** in exile. It, too, is turned over to the civil flag carrier and enters commercial service on August 6.

Impressed from DLH in July 1940, a former Czech DC-2 crashes near Plotzig, West Prussia, on January 5, 1944. Known as the *Sperwer* while in Dutch service, another commandeered DC-2 is written off following an accident at Berlin's Tempelhof Airport on February 11.

On June 20, DLH takes over the traffic of **ABA Swedish Airlines, A.B.** to prevent leaks by passengers concerning Allied bombing damage and the mood of the German people. Resistance to the Nazi leadership is organized within the company under the direction of the head of the legal department, Dr. Klaus Bonhoeffer (brother of Dietrich Bonhoeffer, the theologian) and corporate lawyer Dr. Otto John. Following the unsuccessful coup attempt against Hitler on July 20, Bonhoeffer is imprisoned and John flees the country. On July 21, the Berlin-Barcelona passenger and mailplane's flight is cancelled to bar the escape of suspects in the Hitler murder plot.

A Berlin-Lisbon run is made by a Ju-52/3m on September 1, the first DLH service to the Iberian Peninsula since late July; it returns to the Reich the next day.

Increasing numbers of ex-DLH personnel and aircraft are lost in the war, including the Ju-90 *Bayern*, destroyed on the ground during a bombing attack on Stuttgart, also in September. Although the official fleet list at year's end comprises 3 Focke-Wulf Fw-58s and 31 Junkers Ju-52/3ms, all but 3 *Tante Jus* are "chartered" to the Luftwaffe.

As April 1945 begins, imprisoned resistance leader Klaus Bonhoeffer is executed. The Focke-Wulf Fw-200 *Hessen* departs Berlin for Barcelona on April 14 in the final completed DLH international service. The same aircraft will depart for Madrid on April 21 in the last DLH international flight but will disappear, never reaching its destination. Al-

lied records will later show the aircraft shot down near Piesenkofen, although information on the number of possible casualties is not available.

Spain now bars company aircraft from landing, cutting the last Iberian link with Germany. The action is taken as the result of the government's new relationship with the United States.

Meanwhile, on April 18, German passenger aircraft departing for Malmo, Sweden, are delayed by an Allied air raid against Berlin's Tempelhof Airport. Company headquarters are moved from Berlin to Warnemunde on April 22–23. The Berlin-Stockholm plane arrives in Sweden on time; however, the crew has been sworn to secrecy on the name of its Berlin departure hub. Several days later, the airline is moved to Flensburg. The last two Ju-52/3ms arrives at Malmo, Sweden, on April 28.

On May 5, the Fw-200 *Thuingen* flies the final DLH route, Aalborg-Flensburg. All Lufthansa operations now cease. Canadian troops capture Flensburg on May 6 and the remaining elements of the once-proud carrier: the *Thuingen*, two Junkers Ju-52/3ms, the former **Sabena Belgian World Airlines, S.A.** DC-3 captured in 1943, and the ex-**KLM (Royal Dutch Airlines, N.V.)** DC-2 *Kwak* taken in 1940.

Although no operations are flown, the carrier is not formally liquidated until January 1, 1951.

DEUTSCHE LUFT LLOYD, GmbH.: Germany (1921–1923). When Hamburg-Amerikanische Packetfahrt (HAPAG) establishes its Aero-Union holding group in early 1921 (in cooperation with AEG and Zepelin), its shipping rival Norddeutscher Lloyd (NDL) elects to move into the airline business so as not to lose ground in the new air travel business. On March 8, it creates Lloyd Luftdienst GmbH. as a coordinating umbrella body (primarily booking and promotion) for several smaller companies that can now be nurtured, especially by Lloyd associate Deutsche Petroleum A.G.

As a result, **Deutsche Luft Lloyd, GmbH. (DLL)** is created to link the NDL port of Bremen with Berlin. At the former capital, company aircraft can connect their flights with those of **Lloyd Luftverkehr Sablatnig, GmbH.** so as to provide an integrated route system to the Rhur, the Baltic, and west of Berlin. As the Lloyd Luftdienst system grows, it becomes possible for DLL to connect with **Lloyd Ostflug/Danziger Lloyd Luftdienst, GmbH.** operations and offer its passengers through passage from Berlin as far as Riga. Other connections offer trips between Munich and Lake Constance on **Bayrischer Luft Lloyd, GmbH.** aircraft and, in Poland, F-13 service from Danzig to Lemberg and Warsaw courtesy of **Aero Lloyd Warschau, GmbH.**

On February 6, 1923, HAPAG and NDL merge their airline groups, **Deutscher Aero Union, A.G.** and **Lloyd Luftdienst** to form **Deutscher Aero Lloyd, A.G.**

DEUTSCHE LUFT REEDEREI, GmbH. (DLR): Germany (1918–1923). Prewar pilot Walter Mackenthun, with support from Algemeine Elektrizitäts-Gesellschaft (AEG) CEO Walter Rathenau, initiates reorganization of AEG affiliate Gummiwerke Oberspree, GmbH. in Berlin on December 13, 1917.

On May 28, 1918, DLR is registered as a new transport company.

Following the Armistice, AEG JIIs and LVG C IVs and Vs are acquired and, on January 8, 1919, the German Air Ministry (Reichsluftamt) authorizes the beginning of airline operations.

On February 5, DLR initiates service from Berlin's Johannistal landing field; an AEG JII flies 4,000 newspapers to Weimar, the postwar German capital, where the new National Assembly is scheduled to meet. The following day, airmail service, organized by the Reichsport, is started as Otto Konnecke's LVG CIV takes 40 letters over the route.

The first passenger (Reich Minister Albertz) is transported by the JII to Weimar with mail on February 10; the flight requires 2 hrs. 18 min.

To be flown twice every 24 hours, this is the inaugural of the world's first sustained daily passenger service. Within 4 weeks, 120 scheduled flights to Weimar are completed; only 18 trips cannot be finished, although there are no accidents. Among the first passengers are the Reich President Friedrich Ebert and the film star Hans Albers.

The company is officially certified by the Reichsluftamt on February 21. At the end of the month, a flying crane insignia created in 1918 is adopted; it will become the permanent identification for the nation's state airline.

Additional routes are opened and services provided during the spring and summer. An LVG flight is started Berlin–Hamburg on March 1, followed by services from the old capital to Geisenkirchen via Brunswick and Hanover and to Warnemunde on April 15. Official airmail services are, meanwhile, underway as the Reichspost, on April 4, requires all German post offices to accept airborne letters and express. A daily Berlin–Frankfurt mail run is also initiated.

Special flights to the Leipzig Fair are laid on beginning in June and on July 5, holiday operations are started Hamburg–Westerland and Berlin–Swinemunde.

A fuel shortage crisis forces the company to suspend operations on August 1; during the first half-year of service, a total of 1,574 passengers are carried.

On August 28, DLR representatives meet in The Hague with representatives of five other European companies to establish the International Air Traffic Association (IATA).

The Danzig-based subsidiary **Danziger Luft Reederei, GmbH** is created in October.

With a mixed fleet now comprising upwards of 56 LVG C VIs, 13 C Vs, 17 AEG JIIs, 3 Friedrichshafen Fr. FF45s, 2 Fr. FF49s, 3 Staaken RXIVs, and 1 AEG N1, DLR is able to resume services during the summer of 1920. The company primarily employs the smaller aircraft allowed under a rigid enforcement of Versailles Treaty terms that began on January 10 and sees most of the larger types, such as the FF45s, confiscated by mid-May.

On August 3, the company joins with **KLM (Royal Dutch Airlines, N.V.)** and **DDL Danish Airlines, A.S.** to form the world's first airline pooling arrangement. This Europa Nord-West Flug coordinates the northwest Europe schedules of the three companies and allows flights, beginning on September 1, from Rotterdam–Copenhagen via Amsterdam and Hamburg.

Domestic services within Germany are resumed on October 18 as seaplanes initiate flights from Warnemunde to Riga via Königsberg, Memel, and Libau.

The 1919 Berlin–Gelsenkirchen frequency is restarted as a mail route on November 15.

DLR further extends its domestic operations in 1921 while ending its pool arrangement with the Dutch and Danish carriers.

On January 4, Berlin–Munich flights are inaugurated; also during the month, the carrier establishes a motorcycle unit to speed mail deliveries from Gelsenkirchen to other Rhur cities. On February 1 and 28, respectively, services are initiated from Berlin to Dresden and Leipzig.

To more effectively compete with other new airlines, a need for reorganization and additional capitalization is now realized. A syndicate comprising AEG (40% shareholding), Hamburg–Amerikanische Packetfahrt A.G., known as HAPAG (40%), and the Luftschiffbau Zeppelin GmbH. works (20%) put together the holding company **Deutscher Aero-Union A.G.** on April 27 to operate DLR and two other carriers as an amalgamated enterprise.

Between 1919 and 1921, this pioneer has flown 625,000 miles and carried 5,500 passengers and a million pounds of cargo. Its fleet is upgraded to include at least 19 modified Fokker F-IIIs (Fokker-Grulich F-IIIs) and an uncertain number of Dornier Komets IIs and IIIs.

DLR continues to fly through the 1922 summer season.

On January 1, 1923, one of the carrier's Dornier Komets flies to Lympne airfield in Kent with company officials prepared to discuss opening of a London–Berlin service with owners of **The Daimler Airway, Ltd.**; this is the first postwar landing of a German civil aircraft in the U.K.

On February 6, the airline is acquired by **Deutscher Aero Lloyd A.G.** At this point, AEG retires from the partnership to be replaced by the Deutsche Bank and DLR joint managers Mackenthun and von Rieben (the latter an AEG man) resign.

DEUTSCHE LUFTHANSA A.G. (LUFTHANSA GERMAN AIRLINES): Von Gablenz Strasse 2-6, Cologne, D-50879, Germany; Phone 49 (221) 8260; Fax 49 (221) 826-3818; <http://www.lufthansa.de>; <http://www.lufthansa.com>; Code LH; Year Founded 1953. Following the liquidation of the old **Deutsche Lufthansa, A.G. (DLH)** on January 1, 1951, the West German Transport Ministry establishes a working group (Buro Bongers) in Cologne on March 29 to study the requirements necessary for the creation of a new airline. The initiative is undertaken with Allied approval and is placed under the direction of DLH's former traffic manager, Hans M. Bongers.

The federal cabinet in nearby Bonn on September 26, 1952 resolves to found a company in preparation for the planned resumption of state-sponsored air transport. The Buro Bongers report on requirements is issued in October.

Per the Bonn resolution of the previous September, the provisional airline stock company **Aktiengesellschaft für Luftverkehrsbedarf, A.G. (Luftag)** is formed at Cologne on January 1, 1953. The federal government, the state of North Rhine-Westphalia, and the national railways subscribe DM 6 million in capital. Announcement of the move is made on January 3, at which time it is noted that the new enterprise will serve as an equipment company until the principal company can be established following the ratification of West Germany's pacts with the western Allies. During the interim, **Luftag** will negotiate for aircraft and initiate pilot training. Dr. Kurt Weigelt is named chairman of a three-man supervisory board on January 6.

On January 25, it is announced that 48 veterans of the prewar **Deutsche Luft Hansa** have been chosen to make up the carrier's first flight crews. In February, the London Debt Treaty takes effect, allowing German institutions to obtain loans from foreign sources.

On June 6, a contract is signed with Lockheed for four L-1049G Super Constellations and, a month later, four CV-340s are requested of Convair.

In mid-November, capitalization is raised to DM 25 million as 125 private shareholders are allowed to invest. Under the leadership of Karl Schiller, Senator of Commerce, a long-term arrangement for maintenance facilities is reached with Hamburg Airport on December 2 and at year's end, three Douglas DC-3s are purchased to fill the gap until the ordered aircraft arrive.

On August 6, 1954, the shareholders raise capitalization to DM 50 million and vote to change the carrier's name from Luftag to Deutsche Lufthansa A.G.; the company will trade under the marketing name **Lufthansa German Airlines**.

The first Convair CV-340 is received on August 20 and is followed by three more in October.

The first group of pilots and engineers graduate from **Trans-Ocean Air Lines'** TOAL Academy at Oakland, California; 11 more pilots and 35 engineers are awaited. The pilots lack sufficient flight time, but will be allowed to act as copilots under U.S. or British captains. By December 23, the carrier employs just under 600 personnel.

Airline employment in 1955 stands at 2,040. On January 15, nine **British European Airways Corporation (BEA)** flyers are seconded to the company to command its liners. With these British pilots and German copilots, CV-340 domestic flights begin on March 1. Berlin, reserved to the wartime Allies, will be off limits for the next 40 years.

On March 29, the first L-1049G is delivered to Hamburg; under a contract signed the previous day with the U.S. carrier **Trans World Airlines (TWA)**, 11 American pilots are provided for the Super Connies, with 20 available by 1957.

At Hamburg's Fuhlsbüttel Airport on March 31, ceremonies mark the inauguration of Lufthansa's scheduled domestic service. Following the ritual raising of the blue and yellow company flag, CV-340 flights are launched Hamburg–Munich and return. Other cities on the first postwar route network include Düsseldorf, Cologne, Bonn, and Frankfurt.

Two more Connies are received on April 19 and 29.

Following enactment of the Paris treaties on May 5 returning sovereignty to the Federal Republic, Lockheed trial flights are quickly inau-

gured from London and Madrid on April 15, Paris on April 19, and Shannon on May 25; regional flights of the CV-340 are also made.

Regularly scheduled CV-340 Hamburg and Munich to Madrid and London services begin on May 15 and 16, respectively. Paris becomes a destination the next day. The fourth L-1049G is delivered on May 28.

The carrier becomes an IATA member on June 6 and the first scheduled Hamburg–New York L-1049G transatlantic frequency is flown via Dusseldorf, Shannon, and Gander (technical stop), on June 9, with the 100th flight being made on August 8. On August 30, Hamburg to New York frequencies are doubled to six per week.

Two specially equipped L-1049Gs fly Chancellor Konrad Adenauer and his party to Moscow on September 8. At an October 4 shareholders meeting at Bonn, capitalization is raised to DM 80 million.

Lisbon becomes an international stop on October 2, Stuttgart joins the domestic route net on October 3, and DC-3s are placed on several domestic operations shortly thereafter.

On December 12, minority interest is taken in the charter carrier **Deutsche Flugdienst, GmbH**.

The fleet at year's end includes 4 L-1049Gs, 4 CV-340s, and 3 DC-3s. Enplanements total 74,100 and revenues are DM 23.6 million; there is, however, a DM 20.5 million loss.

A sales office is opened in Washington, D.C. on January 10, **1956**.

Four more L-1049Gs are delivered during the year: February 20, March 28, July 25, and August 7.

Meanwhile, the first L-1049G piloted entirely by a German crew flies service to London on March 6 and to New York on March 31.

During the month, the company orders four L-1049A Starliners and the March 31 balance sheet shows that during its first year, the airline actually carried 104,000 passengers and 1,500 tons of mail and freight.

L-1049G Manchester Mid-Western service is extended to Montreal and Chicago on April 22–23 and, on April 24 orders are placed for four Boeing 707 jetliners. Four Lockheed L-1649A Starliners are ordered a month later on May 24.

On June 15, orders are placed for nine Vickers Viscount 814Ds. Lufthansa returns to the South American scene on August 15–16, flying a seven-stop inaugural L-1049G Hamburg–Rio de Janeiro route in cooperation with **Air France**. On August 18–19, the Buenos Aires stop is extended on to São Paulo and Buenos Aires. Hamburg–Tehran flights via Istanbul, Beirut, and Baghdad, begin on September 12.

On October 7 and November 1, respectively, Nuremberg and Hanover are included in the domestic net. The 100th scheduled transatlantic crossing is made in October. Newly introduced services to the Mideast are interrupted during the first week of November by the Suez Crisis; flights resume to Beirut and Baghdad on November 7.

Enplanements for the year total 228,680 and revenues surge to DM 80.6 million. The loss is cut to DM 20.1 million.

The carrier orders five Boeing 707-430s on January 23, **1957** while the first two of five CV-440 Metropolitans to be delivered on the year arrives in Hamburg on March 31, and are placed on the Zurich and Vienna frequencies on April 14 and 28, respectively. Two chartered Vickers Viscounts are also received from England and on April 10, service is started Hamburg–Montevideo.

Lufthansa and **Air France** agree to a cost and revenue sharing South Atlantic pool on July 1. The first German aircraft to land at newly returned Cologne–Bonn Airport on July 18 is a company Super Constellation.

Two more CV-440s arrive on August 8 and 16 and one on September 17.

The first Lockheed L-1649A flies 7,000 miles from Los Angeles in a record 17 hrs. 19 min. and arrives at Hamburg on October 31; three more will be delivered by year's end.

On October 7, a Munich–Copenhagen route is opened.

While en route to New York on November 3, an L-1049G with 13 passengers hits a building in Dusseldorf and crashes (7 dead).

Orders are placed for nine Vickers Viscount 814s and twice-weekly Germany–Boston DC-4 cargo services begin on December 4, with an aircraft chartered from **Trans Ocean Air Lines**.

During the year, the German Railways begin a Trans Europa Express service aimed at drawing passengers away from Lufthansa.

The fleet at the end of the year includes 8 L-1049Gs, 2 L-1649As, 4 CV-340s, 5 CV-440s, and 3 DC-3s. The workforce totals 4,940. Passenger traffic climbs to 386,000 and revenues jump to DM 128.8 million. The loss advances to DM 27.1 million.

The first L-1649A nonstop Germany–New York proving flight departs Dusseldorf on February 28, **1958**; regularly scheduled service with the Lockheed begins on April 1, the same day Belgium and Italy join the European regional network.

The South American route is extended to Buenos Aires on April 9.

The 100,000th North Atlantic passenger is honored on July 1 and the one-millionth passenger (overall) is boarded on July 31.

An L-1049G, transporting the economics minister, becomes the first "new" Lufthansa aircraft to fly to the Far East, visiting points in India and Japan between October 3 and November 8; the first Lufthansa landing at Tokyo since late 1938 is made on October 25. Meanwhile, the first Vickers Viscount 814D is received at Hamburg on October 5.

Luxury First Class Senator service is initiated on the North Atlantic run on November 6 and a Cairo service is opened at month's end.

A second Viscount 814D is accepted on December 19. During the month, a declaration by the International Monetary Fund makes the German mark freely convertible with foreign currencies.

Some 1,100 workers are hired during the year and enplanements climb to 622,500. Revenues accelerate to DM 178.2 million while the loss climbs to DM 35.2 million.

The second postwar Lufthansa aircraft lost is an L-1049G with 10 crew and 29 passengers that crashes at Tubiacanga Beach, on approach to Rio de Janeiro, on January 11, **1959** (36 dead).

On March 31, L-1049G Frankfurt–New York all-cargo services commence.

Newly received Viscount 814s begin service to Milan on April 1, Stockholm on April 20, Athens on May 10, Geneva and Nice on May 24, and Barcelona on May 24. Meanwhile, on April 3, flights begin to New York from Manchester, England.

The carrier enters into the ultimately unsuccessful pool Air Union with **Air France**, **Alitalia, S.p.A.**, and **Sabena Belgian World Airlines, S.A.** on May 21.

On November 1, in cooperation with **Air France**, an L-1049G inaugurates service via Cairo, Karachi, and Calcutta to Bangkok.

In late fall, full control of **Deutsche Flugdienst, GmbH** is assumed.

Seven Viscount 814Ds are delivered in the year and the fleet, in addition to the British-made turboprops, now comprises 4 L-1649As, 7 L-1049Gs, and 9 CV-440s.

Enplanements for the year are 786,600 and revenues reach DM 230.7 million. The company loss advances to DM 42.1 million.

On January 30, **1960**, four Boeing 720Bs are ordered; Lufthansa is thus the first non-U.S. carrier to order the shorter 707 variant.

The first B-707-430 jetliner is delivered on February 24; christened *Hamburg*, it begins Frankfurt–New York operations on March 17. Three more jetliners are accepted during the year and replace L-1049Gs—*Berlin* on March 10, *Frankfurt* on April 24, and *Munich* on October 1.

The maintenance base at Hamburg now employs 3,550 people.

The Pacific Ocean is crossed by the carrier in both directions for the first time between March 12 and April 2 when an L-1649A flies Chancellor Adenauer to Japan. Also in April, two L-1049As are converted to freighters.

Flying via Paris and Montreal, B-707-430 service is launched to Chicago on May 18 and San Francisco on August 1. Also on August 1, a Viscount frequency is opened to Dhahran, Saudi Arabia.

The millionth passenger of the year is boarded on November 30. For the year, bookings are 1,237,629. Revenues are DM 351.6 million and the loss is cut to DM 4.3 million.

Herman J. Abe becomes chairman on January 1, **1961** and B-707-430 service is inaugurated Frankfurt–Bangkok via Hong Kong and on to Tokyo on January 31.

On February 28, orders are placed for 12 B-727-30 Europa medium-haul jetliners.

The first B-720-030B is delivered on March 8 and is christened *Koln*.

Three more B-720-030Bs are delivered during the year—*Dusseldorf* on April 28, *Stuttgart* on May 3, and *Nuremberg* on June 3. The last B-707-430 is delivered on March 17 and is christened *Bonn*.

Scheduled L-1649A Cologne and Bonn to New York flights commence on April 30 and nonstop Hamburg to New York flights on May 20.

Following their workup, four new B-720-030Bs replace the Viscount 814Ds on the Middle East routes on July 1.

Beginning on September 1, four CV-440s and a Viscount 814D undertake domestic night-airmail operations for the German postal authority.

In the fall, **Deutsche Flugdienst, GmbH** is renamed **Condor Flugdienst, GmbH**. Simultaneously, cargo space is leased aboard the Canadair CL-44s of **Seaboard World Airlines**.

On October 31, the airline orders the first of 18 B-707-330B/Cs. The last two of seven Convair CV-440s are delivered on November 1 and the final two of 11 Viscount 814Ds on November 30.

On December 1, in cooperation with **Seaboard World Airlines**, six-times-per-week Frankfurt–New York Canadair CL-44D all-cargo services are started.

While on a training flight, the B-720-030B *Dusseldorf*, with three crew, crashes near Ebersheim on December 4; there are no survivors.

The workforce during the year reaches 11,981 and enplanements ascend to 1,553,400. Revenues total DM 453.2 million, but the loss surges to DM 109.1 million.

As more B-720-030Bs become available, they are employed to inaugurate the carrier's first African service on March 4, 1962, flying non-stop Frankfurt–Lagos, Nigeria, twice weekly.

On May 14, the Boeings commence a Frankfurt–Johannesburg route via Athens, Khartoum, Nairobi, and Salisbury.

During late summer, all of the L-1049Gs are grounded for repair of cracks in some engine nacelles.

Four more B-720-030Bs are delivered during the year—*Hannover* on January 5, *Bremen* on January 12, *Essen* on March 23, and *Dortmund* on February 27.

When returned to service, the seven remaining L-1049Gs are all leased to **Alitalia, S.p.A.** for two years.

All four L-1649As are leased, in July and October, to **World Airways** and two are transferred to **Condor Flugdienst, GmbH**.

Enplanements total 1,859,000 and revenues are DM 529.1 million. The loss is cut to DM 46.4 million.

Due to difficulties over traffic rights in East Africa, the Johannesburg route is rechartered in February 1963 via Lagos.

On February 28, the first "Intercontinental" Boeing 707-330B is delivered; it is christened *Duisburg*.

During the first quarter, removal of the First Class sections on all of the L-1049Gs and their replacement by 86-seat economy interiors is completed.

Lufthansa on April 1 responds to the Trans Europa Express program of the German Railways by introducing Air Bus fares between major German cities. Super Gs are employed thrice daily to begin Europe's first large-scale walk-on shuttle service between Frankfurt and Hamburg. These flights, priced less than a first-class rail cabin, prove an effective counter to the trains. During the summer, routes are extended to Palma de Mallorca and New Delhi.

Enplanements reach 2,073,600. During the year, financial results are issued showing that revenues are DM 622.6 million. For the first time in the history of either the "old" DLH or the "new" Lufthansa, the company is now operating in the black. The profit is all of DM 1.8 million (\$25,000).

Airline employment in 1964 is 12,963.

When the **World Airways** lease on the first three Starliners expires, two are sold to the South African independent **Trek Airways (Pty.), Ltd.** in February and March and the third is returned to Germany.

The B-720B *Koln* is sold to **Pan American World Airways (1)** on March 12.

The first of 12 new Boeing 727-30 Europa Jets is delivered on March 31, and is placed on an Amsterdam route in April; as the aircraft are delivered, they are assigned to European and Near Eastern frequencies. One of the new trijets is employed on April 5 to launch weekly roundtrips between Frankfurt and Tripoli.

On May 28, a polar Frankfurt–Tokyo route is opened by the second B-707-330B *Dusseldorf*, which had been received on March 5.

On June 30, the 10-millionth passenger is welcomed aboard a New York–Stuttgart flight.

The B-720-030B *Bremen* with three crew is lost near Ansbach during a July 15 training flight; there are no survivors. It will later be revealed that the crew had executed one complete roll and were attempting a second when the over-stressed aircraft disintegrated.

During the year, operations to Khartoum and Cairo are rerouted via Tripoli instead of Athens. In addition, five Curtiss C-46 Commandos are wet-leased from **Capitol Air** in the U.S. to operate night cargo flights around Northwest Europe.

At year's end, Managing Directors Kittel and Bongers retire and are replaced on the board of management by Dr. Herbert Culmann, an attorney, who joins Gerhard Hoeltje and Hans Sussegueth.

Boardings increase 19% to 2.56 million and, on the North Atlantic, Lufthansa becomes the world's No. 5 airline in terms of passengers carried, passing **Air France**. Revenues for the year total \$191.7 million and mark the first time the company has posted a positive annual fiscal result.

Airline employment reaches 14,900 in 1965.

The first of five B-707-330Bs to be received on the year is delivered on January 10; christened *Koln*, it is followed by the *Stuttgart* on August 4, *Bremen* on October 5, *Nuremberg* on November 24, and *Hannover* on December 28.

Orders are placed in February for 21 Boeing 737-130s, making DLH the first foreign airline to place a firm order and become launch customer for a new U.S. civil airliner.

On April 1, a pooling agreement is signed with **Alitalia, S.p.A.**, **Air France**, and **Japan Air Lines Company, Ltd. (2)**. The arrangement provides for joint maintenance and technical support and is actually a preliminary pact to the larger ATLAS group accords signed later.

On April 3–5, the *Koln* makes Sydney a destination and Australia the last continent added to the route network.

In summer, twice-weekly service is started Frankfurt–Boston and Philadelphia.

As result of complaints from the German Railways concerning its fare dumping, Lufthansa is forced, by the Transport Ministry, to abandon its Air Bus fares.

The first B-707-330C is received on November 10; christened *Europa*, it is placed on the transatlantic cargo route.

The last active L-1649A Starliner freighter is withdrawn on December 1. The same day, a B-720-030B is sold to **Pan American World Airways (1)**.

The fleet is enlarged by year's end by receipt of five B-727-30s and the carrier advances to sixth place in Western international aviation.

Passenger boardings pass the three million mark for the first time (3,010,634) and a net profit of DM 43 million is posted atop revenues of DM 940.3 million.

During 1966, routes are extended to Tunis, New York, via the Caribbean and cities along the west coast of South America. The first of three B-707-330Bs to be received on the year arrives on January 7; christened *Essen*, it is followed by the *Dortmund* on January 19 and *Bochum* on March 27.

On January 28, a fire breaks out in the cockpit of Flight 005, a CV-440 with four crew and 42 passengers, while landing at Bremen after a service from Frankfurt. The aircraft overshoots the runway and stalls and crashes while going around; there are no survivors.

When the **World Airways** charter of the last Starliner expires at the end of February, the aircraft is sold on March 3 to the U.S.-based travel

club **Air Venturers**. The second combi Boeing, the B-707-330C to be named *America*, is delivered on March 11.

In April, Prague becomes the first city behind the Iron Curtain to be added to the regional route network. During the same month, the final B-727-30s are accepted.

During the spring, company shares are traded on the stock exchange for the first time.

In August, the company receives protests against an ad campaign that stresses the Germanic characteristics of the airline's mechanics and flight crews.

Service is resumed to Oslo in November and routes are opened to Khartoum, Entebbe, and Dar Es Salaam in late December.

Enplanements total 3,446,000, revenues are DM 1.16 billion, and the net profit is DM 47.9 million.

The last two B-707-330Bs and the third B-707-330C are delivered during 1967; they are christened *Duisburg* on January 20, *Bremen* on January 30, and *Asia* on March 6.

A new computerized reservations system comes on line on March 1 and on March 30 a B-707-330B, carrying the West German president, becomes the first airliner ever to land at the Nepalese capital of Kathmandu.

A BAC 1-11-414 is subleased from **Bavaria Fluggesellschaft, mbH. & Co. K.G.** on April 1; it begins six months of flights which link Munich and Frankfurt with Geneva, Vienna, and Hamburg. The previous *Bremen*, a B-707-328B, is sold to **LANChile Airlines, S.A.** on April 5. The first B-737-130 makes its maiden flight on April 9 and daily Hamburg to New York Stratoliner services are opened on May 3.

In July, service is extended to Jakarta; Belgrade, Zagreb, Bucharest, and Budapest come into the European net at the end of August.

A Lockheed L-1049G is presented to Hamburg Airport as a memorial on September 7; the last three Super Constellations are retired on October 6, replaced by 14 B-727-30Cs.

Passenger boardings rise 15.2% to 3,981,237 and freight traffic jumps 19.5%. Revenues reach DM 1.38 billion and the gain is DM 39.4 million.

The charter carrier **Sudflug, GmbH.** is acquired on January 1, 1968 and the workforce at the beginning of the year is 18,261.

The first of 14 Boeing 737-130s to be delivered in the year arrives on February 4; christened *Coburg*, it enters service on February 10. New routes are extended to Helsinki in April, Genoa and Naples in July, and Tel Aviv in November.

Snack service is inaugurated on all domestic B-737-130 flights after June 1 and during the year's second half, all seven remaining L-1049Gs are retired.

On November 20, Frankfurt to Tel Aviv services are begun.

Passenger boardings rise 11.5% to 4,003,672 and cargo traffic is up by 34.4%. Revenues are DM 1.52 billion and net income is level.

On the polar route in 1969, one of the three weekly Tokyo flights is extended to Osaka while in Africa, Addis Ababa becomes the 12th city on that continent added to the itinerary. Other destinations inaugurated during the year are Jeddah, Los Angeles, and La Paz.

Two more B-707-330Cs, *Africa* and *Australia*, are added and eight more B-737-130s join the fleet; four Viscount 814Ds are retired; and preparations for the arrival of the first Boeing 747-130 Jumbojet are put in high gear.

The carrier joins the maintenance pool ATLAS, beginning a long-standing cooperation with **Air France, Alitalia, S.p.A., Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.), and Sabena Belgian World Airlines, S.A.** in the maintenance and repair of aircraft and associated equipment.

The wet-leased C-46s are returned to **Capitol International Airways** (as **Capitol Air** has been renamed) when their contract to fly night cargo services is completed.

Passenger enplanements are 5,670,998 and a net profit of DM 12.3 million is recorded on revenues of DM 1.77 billion. Lufthansa is now in second place among IATA members.

On March 10, 1970, the German flag line becomes the first European carrier to receive the Boeing 747-100; between that date and the start of wide-body service, the B-747-130s *Nordrhein-Westfalen* and *Hessen* arrive.

The first Jumbojet service is flown on April 26, Frankfurt–New York.

The third B-747-130, *Bayern*, is delivered on May 23 and, during the summer, routes are started to Chicago, Sofia, and Mauritius.

On September 23, four Douglas DC-10-30s are ordered. The final B-707-330C is delivered on October 16 and is christened *Essen*.

The year's passenger bookings leap 18.5% to 6,958,280 and cargo tonnage climbs by 14.5%. Revenues reach DM 2.03 billion and there is a DM 12.9 million profit. In terms of passenger boardings, Lufthansa is now the 11th largest airline in the world; it ranks 7th in freight carriage, 9th in airline employment, and with 72 aircraft has the 14 largest fleet.

In January 1971, the carrier begins receiving the first of 37 B-727-230s to be added by March 1982.

On March 22, the first B-747-130 flight is made to South America and the last Vickers Viscount 814D is retired on March 31.

The first of two upgraded B-747-230Bs, the *Baden-Wuerttemberg*, is delivered on May 5. Routes are extended during the year to Casablanca, Warsaw, Bombay (the financial center replacing Calcutta), Asuncion, Caracas, Kinshasa, Tenerife, and Salonika.

On November 11, the government signs an air traffic agreement with the Soviet Union.

Traffic totals 7,406,487 and although revenues are DM 2.39 billion, there is a DM 34-million loss.

The employee population reaches 22,888 in 1972.

Longtime Director Hoeltje retires from the executive board. CEO-Technical Services Reinhard Abraham follows him onto the board, which is expanded to five members with the additional appointment of chief pilot Capt. Werner Utter.

Twice-weekly nonstop service is inaugurated Frankfurt–Moscow on February 1.

En route from New Delhi to Athens on February 22, Flight 649, a B-747-130 with 172 passengers, including Joseph P. Kennedy III, is hijacked by 3 Arab guerrillas of the Zionist Occupation Victims Organization, espousing the cause of a "victorious Jidda," and demanding a \$5-million ransom. The Jumbojet is diverted to Aden, South Yemen, where the passengers are released, but the 16-member crew is held until the surrender of the hijackers to Yemini officials on February 23. The next day, it is reported by West German transportation minister Leber that the \$5-million ransom to the guerrillas has been paid.

The last pure passenger Jumbojet to be obtained for over a decade, the B-747-230B *Niedersachsen*, arrives on February 25.

In March, new routes are opened to Toronto, Nassau, and Quito; a B-747-230F (the world's first Jumbojet freighter) is delivered and christened *Cargonaut*; in April, it begins six-times-per-week Frankfurt–New York, Philadelphia and Boston all-cargo flights. A new unit load device is unveiled for the Jumbojet freighter.

An Algerian hijacker, N. Bachali, takes over a July 10 B-727-30 Cologne to Munich flight. Upon landing at the latter destination, he allows half of the passengers to disembark and demands a ransom of \$400,000 for the remainder, plus a parachute. His extortion attempt is foiled by West German police, who take him to jail where he spends several years.

On October 11, Franz Schuelz, brandishing a fake bomb, hijacks a B-707-330B on a Lisbon to Frankfurt flight; after the plane lands at Frankfurt he is shot by a West German police marksman.

Two Palestinian guerrillas hijack Flight 615, a B-727-230 en route from Beirut to Ankara with 20 passengers on October 29, and win release of three Arab commandos held in Munich for the slaying of the 11 Israelis at the Olympic Games on September 5. The craft is flown to Nicosia and Zagreb for refueling and lands in Munich to take on the freed prisoners, but takes off again when police cars and other vehicles at the airport frighten the pirates. The aircraft returns to Zagreb, where the released guerrillas arrive by lightplane, and are taken aboard for a flight to Benghazi. The jetliner is released at the Libyan city.

On December 20, orders are placed for three Airbus Industrie A300B2-1Cs, five more DC-10-30s, and three B-727-200s.

Passenger boardings climb 13.1% to 8,523,000, and freight traffic is up 22.3%. Revenues are DM 2.53 billion and a profit of DM 56.8 million is reported.

The first DC-10-30 is delivered in 1973 and is christened *Dusseldorf*. The mid-February arrival of a B-727-230 at Hamburg marks the delivery of the 100th Boeing jetliner to the carrier.

On May 7, the Airbus order is increased and, in early August, a Trans-Siberian Frankfurt-Tokyo route is opened.

Following their terrorist attack on the **Pan American World Airways** (1) B-707-321B Flight 110 at Rome on December 17, the five Palestinian guerrillas herd five Italian hostages aboard a Lufthansa B-737-130, killing a sixth, a customs agent, as he tries to escape. A second man, shot outside the plane during the takeover, dies en route to hospital. The Boeing is forced to take off for Beirut, where it is denied permission to land, and continues on to Athens, where it alights next day. During unsuccessful negotiations with Greek authorities for the release of two Palestinians being held for a previous terrorist act, the gunmen execute an Italian hostage and drop his body on the tarmac. Next, the hijackers play a hoax on Capt. Joe Kroese, pretending to kill four other hostages, which Kroese reports to authorities as fact. The plane now wings its way, via Lebanon and Cyprus, which deny landing permission, to Damascus where, during a two-hour layover, it takes on fuel and food before flying on to Kuwait. There the terrorists free their captives in return for "free passage" to an unknown destination. They will, however, be held for 11 months until released as ransom in another skyjacking case.

Coming in from Bangkok on December 20, a B-707-330B with 11 crew and 98 passengers overshoots the runway at Delhi and collides with the middle marker building; although the plane is damaged beyond repair and 10 people are injured, there are no fatalities.

A May-November slowdown by air traffic controllers in West Germany results in the first decline in passenger traffic in 20 years; domestic service is off nearly two-thirds at the height of the job action. Total enplanements fall 6.3% to 7,652,794 while cargo is down by 14.1%. During the seven-month controller job action, Deutsche Lufthansa, A.G. loses \$71 million in flight cancellations. Operating revenues are DM 2.77 billion, while a DM 45.7 million overall loss is reported.

Airline employment within West Germany reaches 24,441 in 1974.

As the DC-10-30s join the fleet, they are assigned to the Rio de Janeiro route from January into the spring and, during the summer, to Southeast Asia and Australia as well. The first of nine B-727-30s to be exchanged for B-727-230s departs for Germany from Seattle in July and a fifth DC-10-30 is received in late autumn.

En route from Frankfurt to Johannesburg via Nairobi on November 20, Flight 540, the B-747-130 *Hessen* with 17 crew and 140 passengers, takes off from Nairobi under a partially stalled condition, the result of improperly deployed wing flaps. The Jumbojet hits the ground 1,120 m. from the end of the runway, skids into an elevated road 114 m. further on, and catches fire when it comes to a stop 454 m. beyond that (59 dead). The tragedy is the first fatal crash of a Jumbojet and the first for its type in almost five years of airline service and 2.45 million flight hours. A survivor, Earl Moorhouse, recounts the story in his *Wake Up, It's a Crash: The Story of the First 747 Jet Disaster* (London: Corgi, 1980).

Passenger boardings rebound from the 1973 ATC slowdown, up 20% to 9.6 million; freight traffic moves ahead 15.2%. Revenues climb to DM 3.44 billion and a net DM 64.5 million profit is recorded.

In January 1975 the company receives the 1974 "Cargo Development Award" from *Air Transport World* magazine.

In late winter, a B-707-130B, in operation since 1960, establishes a world record for its type of 25,000+ flying hours and 20,000+ landings.

An order is placed on April 9 for a B-747-230B and, during the spring, five additional DC-10-30s are received.

On June 9, the B-747F is diverted from the New York run to fly a load of machinery to Johannesburg, followed by a September 1 trip to Melbourne with auto parts.

Two chartered B-707-320C flights take display items to Peking for the September 5-18 TechnoGerma, the nation's largest-ever foreign exhibition. Meanwhile, on September 2, a special flight takes Economics Minister Friederichs and other VIPs to the show.

Share capital is raised by DM 200 million to DM 600 million at the fall board meeting.

On December 10, the carrier receives most of the DM 2.5-million prize awarded by Frankfurt Airport to the airline with the quietest aircraft following a yearlong competition.

Passenger boardings pass the 10-million mark for the first time, up 5.7% to 10,147,900. The company shows a record DM 33.5-million net profit on revenues of DM 3.76 billion.

Airline employment is 26,451 in 1976.

With many veterans present, the fiftieth anniversary of the 1926 founding of **Deutsche Luft Hansa, A.G.**—the "old" DLH—is celebrated on January 6.

The first Airbus Industrie A300B2-1C is delivered on February 9; christened *Gamisch-Partenkirchen*, it conducts demonstration flights to nine German cities and London between March 22 and 26. The aircraft, together with a second, the *Rudesheim am Rhein*, is employed to inaugurate services to Algiers and Dubai on April 1. The third A300B2-1C, *Luneburg*, enters domestic operations in late May. First Class service is resumed on selected domestic and European routes.

On August 1, the company introduces a recorded physical exercise program to relieve the fatigue of long-distance travel; the exercises are based on the isometric fitness program used by astronauts.

In September and October, orders are placed for a B-747SL, a DC-10-30, and two A300B4-2Cs.

In November, 25.3% interest is taken in the Munster-based aerial survey company Hansa Luftsbild GmbH.

The first combi Jumbojet is delivered on November 23 to the carrier's Hamburg base; on December 14, this new B-747-230C, christened *Hessen*, is placed in service on the longest run, the 17,000-km. route to Sydney. The second B-747-230C, *Rheinland-Pfalz*, arrives on December 15; it is placed on the New York route at year's end.

Bookings pass the 11-million mark, up 10.6% to 11,223,404 and freight climbs 13%. Revenues increase 14% to DM 4.3 billion, producing a DM 112.3 million net profit.

The charter subsidiary **German Cargo Airlines, GmbH**, is established on March 10, 1977. On April 1, the fourth A300B2-1C, *Westerland-Sylt*, enters service. On April 3, A300B2-1C flights commence to Nuremberg, Vienna, Istanbul, and a new stop, Linz, Austria.

Piloted by board member Capt. Werner Utter, a new B-747SL on May 13 departs Hamburg on the first nonstop flight to Los Angeles by the German flag line; the 9,300-km. distance is flown in 11 hrs. 45 min.

On July 14, a \$1-billion order is placed for five B-747SLs and six B-727-230s; the first A300B4-2C is received on September 29 and christened *Rothenburg o.d. Tauber*.

The carrier's most terrifying hijack begins on October 13 as Flight 181, the B-737-230QC *Landshut* en route to Frankfurt from Palma de Mallorca with 92 aboard, is seized by 5 terrorists over Elba; refueling stops are made at Rome, Cyprus, Bahrain, and Dubai. At Dubai, the pirates demand the release of 11 colleagues from jail and reject the request of the West German and Turkish governments for a hostage release. Pope Paul VI's offer of himself as a captive in place of the others is likewise turned down.

The Boeing is flown to Aden, where Capt. Jurgen Schumann is murdered and his body is thrown off the aircraft. The copilot is forced to fly on to Mogadishu, Somalia, arriving on October 17. One skyjacker, a woman, leaves the aircraft. During the following night, a commando unit of the antiterrorist GSC-9 assaults the airliner and liberates 82 passengers and 4 crew members, killing all but one of the terrorists in the process. A stewardess, the surviving terrorist, and a commando are wounded in the attack.

Upon hearing of the plot's failure, three of the pirates awaiting release from prison will commit suicide. The alleged woman hijacker will move

to Norway in 1991. On October 21, the day of Capt. Schumann's funeral, the last six hostages arrive at Frankfurt from Somalia. Peter Koch and Kai Hermann relive the incident in their *Assault at Mogadishu* (London, Eng.: Corgi, 1977) while Barry Davies reviews the hijack later in his *Fire Magic* (London, Eng.: Bloomsbury, 1994).

On November 1, Melbourne is added as a stop on the Sydney route. Three days later, Baader-Meinhof terrorists announce plans to blow up three Lufthansa jetliners in retaliation for the deaths of the three imprisoned colleagues, who allegedly committed suicide after learning of the failure of the Somalia raid.

All roundtrip Frankfurt-Algeria flights are halted between November 9 and 11 because of the refusal of the Algerian government to allow West German guards to conduct searches of passengers boarding at Algiers; in the U.S., the FBI tightens its protective net over those airports served by Lufthansa. On November 19, the Baader-Meinhof gang calls off its threat against the carrier.

Orders are placed for four more A300B4-2Cs in November and the fleet now includes 111 aircraft: 93 for the parent, 16 for **Condor Flugdienst, GmbH**, and 2 for **German Cargo Airlines, GmbH**.

Enplanements rise slightly to 11,704,485. Revenues are DM 4.56 billion, and the net increase dips to DM 39.7 million.

The workforce is 29,400 in 1978 and the B-747-230C *Saarland* arrives on March 16.

The 114th destination is added on April 1—Abidjan, Ivory Coast; the same day, A300B2-1C flights are started Frankfurt to Jeddah via Athens, and a direct flight from Munich to Cairo.

Retroactive to January 31, the board of directors on June 29 authorizes purchase of 26% interest in **Deutsche Luftverkehrsgesellschaft, mbH. (DLT)**.

The fourth B-747-230C, *Schleswig-Holstein*, is received on October 20.

On November 1, service is extended to Graz and Basel and reduced fare Skyblue Weekend Trips are initiated to 14 European cities. The B-747-230Bs *Nordhein-Westfalen* and *Baden-Wuerttemberg*, purchased in 1970–1971 and sold on November 2, are replaced on November 10 by an up-engined unit of the same type and with the same name as the latter unit.

The new B-747-230B *Bremen* arrives on December 13 and, also in December, the freighter *Cargonaut* is replaced by a newer all-cargo Jumbojet, the *America*.

Passenger boardings rise 7.5% on the year to 12,576,185 (plus 2.1 million for Condor) and freight is up 11%. Revenues exceed DM 5 billion for the first time (DM 5.01 billion) and DM 42.5 million in profits are reported.

New hostess uniforms are introduced on January 1, 1979, the same day Business Class service is initiated on the North Atlantic route; smoking sections are also introduced aboard all aircraft.

The new B-747-230B *Niedersachsen* arrives on January 11 and the B-747-130 *Bayern* is sold later in the month. The B-747-230C *Bayern* is placed into service on February 9 and a jet fuel shortage causes a cancellation of 10 flights from West Germany to New York on March 9.

On March 22, orders are placed for 32 B-737-230s, followed on April 2 by a \$1.5-billion request for 25 A310-203s.

On April 1 new service is launched to Venice and Miami and the Los Angeles run is extended to San Francisco.

The B-747-230B *Niedersachsen*, acquired in 1972, is sold in May and replaced by an up-engined machine of the same type and with the same name.

DC-10-30 flights resume on June 19, following a 2-week suspension due to the Chicago **American Airlines** crash; U.S.-bound DC-10 operations are restarted without restrictions on July 13.

In July, capitalization is increased to DM 900 million.

Improperly monitored or warned by ATC, Flight 527, the B-707-330C freighter *Essen* with three crew, flies into a mountain just after takeoff from Florianopolis, Brazil, on July 26; there are no survivors.

To help offset rising fuel prices, fares are increased on September 1.

En route from Frankfurt to Cologne on September 12, a B-727-230 with 128 passengers is hijacked by a lone assailant, claiming to have a real pistol (it is a fake). After arriving at Cologne, the aircraft is kept in a corner of the airfield while the pirate negotiates for seven hours before reading a statement demanding better world conditions. After a few more hours of discussions, he finally surrenders, releasing all of the hostages.

Pope John Paul II arrives for a Federal Republic tour on November 19 aboard the A300B4-2C *Lindau-Bodensee*.

Passenger boardings accelerate 9.2% to 13,736,932, freight is up 12.1%, and revenues reach DM 5.64 billion. Profits climb to DM 68.8 million.

Airline employment is increased 2.8% in 1980 to 30,664.

In February, **Condor Flugdienst, GmbH** receives its second DC-10-30.

On April 1, weekly flights begin to Beijing, Atlanta, and Dallas (DFW); Ibiza is added to the night schedule and twice-weekly service to Sydney via Kuala Lumpur, is inaugurated. On the cargo marketing side, a change in emphasis is made with the company's worldwide services now being stressed over guaranteed rate incentive program (GRIP). The introduction of B-747SLs on the Rio route now allows elimination of the Dakar stop.

On May 20, orders are placed for four additional Jumbojets; a month later, on June 20, **Condor Flugdienst, GmbH** boards its 20 millionth passenger.

The 1,000th pilot educated under an agreement with **Pacific Southwest Airlines (PSA)** completes his training at Phoenix, Arizona, on October 30.

Fly and Save discount fares are introduced on November 1 and Business Class service is extended on the long-haul routes to South America, southern Asia, and the Far East.

The B-747-230C *Hamburg* enters service on November 19 and Leningrad and Seoul join the passenger network before year's end.

Enplanements rise a slight 1.2% to 13.9 million and cargo is up 1% to 1.5 billion FTKs; sharply increased expenses lead to a drop in profits to DM 5.6 million.

The employee population is reduced by 1.4% in 1981 to 30,229.

In January, a Univac SU 100/80 data processing system, the largest in the Federal Republic, begins operation at the Frankfurt facility. Also during the month, the carrier receives the 1980 "Technology Management Award" from *Air Transport World* magazine.

In late winter, two A300B4-2Cs are leased to **Air Algerie, S.A.** In April, frequencies to Miami, Atlanta, and Dallas (DFW) are increased (the latter two nonstop); San Juan is added to a Mexico City, Bogota, Lima, La Paz Andes route. Service to Manila via Karachi and Bangkok becomes twice weekly and Oporto and Tangier operations commence.

A new cargo facility is occupied at Miami.

A second B-747-230F, the *Asia*, is delivered on September 4, allowing upgraded cargo services to begin in October on routes to the U.S., South America, and the Far East. At the same time, an alliance is entered into with **Cathay Pacific Airlines (Pty.), Ltd.**, providing for cargo co-operation through Traxon Europe and Traxon Asia.

The last B-737-130 is now retired, replaced by the 32 B-737-230s ordered earlier, along with the B-747-230C *Berlin*, which arrives on December 23.

During the year, the company's marketing expert, Hemjo Klein, is hired on to oversee marketing and customer services for the German Railways. He will be instrumental in the development of the railroad's high-speed trains.

Effects of the world recession continue to be felt as passenger boardings dip 0.3% to 13,894,000 and freight is off 0.8% to 1.51 billion FTKs. Still, due primarily to the strength of diversified interests, a DM 5.6-million net profit is recorded, despite an operating loss of DM 177.5 million. Overall revenues are DM 7.73 billion.

The workforce is 30,712 in 1982.

The world's most modern freight terminal, Lufthansa Cargo Center, begins operations at Frankfurt on February 7, although it will not be officially dedicated until June.

Meanwhile, the B-747-230C *Köln* enters service on February 25.

A cost-cutting program is now effected and fuel consumption will be reduced 7% during the year.

The summer timetable starts on March 28; frequencies are increased and larger aircraft introduced on several international routes.

To help improve domestic feed, the Lufthansa Airport Express 122-passenger streamlined railway train is introduced from Frankfurt Airport to Bonn, Cologne, and Düsseldorf. It is the only airline-owned train in the world and is operated in cooperation with the German Railways.

In May, the carrier completes installation of sleeper seats in the first-class cabins of its B-747s and DC-10s.

Former Transport Ministry Undersecretary Heinz Ruhnau succeeds Herbert Culmann as board chairman on June 30; the popular Culmann has retired two years early to save Lufthansa any embarrassment over charges of travel agent kickbacks that have surfaced in the media. On July 14, the executive board is reorganized by the addition of a sixth member as CEO-Technical Services Abraham becomes deputy chairman.

On September 15-16, a B-747F flies 26 Spanish Riding School Lipizzaners from Vienna to New York for a month-long tour, returning them to Austria in late October.

In November, Düsseldorf is added as a stop on the polar route to Japan and, at year's end, Business Class service is extended to all foreign routes.

The B-747-230C *München* begins flying for the company on December 20.

Passenger boardings decline another 0.3% to 13,477,568, but freight is up 6.1% to 1.6 billion FTKs. Revenues ascend to DM 8.11 billion and the net profit is DM 19.8 million (\$18.4 million).

The workforce is increased in 1983 by 2.8% to 31,575.

The company, in January, receives the "Airline of the Year Award" from *Air Transport World* magazine.

In April, new service is started to Calgary, Vancouver, Djerba, and Heraklion. Domestic B-737-230 frequencies are also increased, including 18 daily Frankfurt-Munich and 13 daily Frankfurt-Hamburg; the Lufthansa Airport Express train begins stopping at Düsseldorf Airport.

In America, a cargo handling facility is opened at Dallas (DFW).

The first 8 of 22 A310-203s are delivered during the year, with the first, *Neustadt a.d. Weinstr.*, beginning Frankfurt-Stuttgart service on April 10. Vancouver, Calgary, Djerba, and Crete join the route network in May and June.

By summer, the **Condor Flugdienst, GmbH**, fleet includes 3 DC-10-30s, 8 B-727-230s, 4 B-737-230s, and 4 A300B4-2Cs. The last A300B2-1C is disposed of at the end of October as the A300B4-2Cs begin conversion for international services.

On December 23, a DM 250-million order is placed for 6 additional B-737-230s.

Passenger traffic rises 3.2% to 14,308,000 and cargo inclines upward by 21.3% to 1.94 billion FTKs; the fleet's 100 airliners fly a total of 183,000 flights. Revenues accelerate 8% to DM 8.82 billion (\$2.94 billion) and net profit doubles to DM 63 million (\$36 million).

In 1984, the employee population is increased 3% to 32,535.

Just after removing snow from the only operational runway during a blizzard at New York (JFK) on January 18, a B-747-230 with seven crew is granted permission for takeoff. Meanwhile, an automobile, with four passengers, approaches the runway, its driver thinking it closed. When the pilot of the Jumbojet spies the car, he aborts takeoff, while the auto driver applies his brakes. The car slides onto the runway and, although there is no collision, jet exhaust from the aircraft overturns the car and injures its occupants, one seriously.

New service is started to Malta and Seoul at the beginning of the second quarter; the reconfigured A300B4-2Cs are placed on routes to the Gulf States.

Meanwhile, board member Guenter Eser becomes IATA president and is succeeded as CEO-marketing and sales by Frank Beckmann.

In the fall, during the trade fair, the carrier begins scheduled service to Leipzig, the first regular flights into East Germany by the West German flag line.

A 10% interest is purchased in Kempinski Hotels, A.G., while 25% shareholding is acquired in the German subsidiary of Avis car rentals. Cargo facilities at Los Angeles, San Francisco, and Atlanta receive \$81-million worth of improvements. In November, a commercial agreement is signed with **Middle East Airlines, S.A.L.**

While on approach to New Orleans on December 20, a B-747-230 with 365 passengers must take violent evasive action in a right turn to avoid a midair collision with an unidentified light plane. The last Stratoliner is retired on December 31.

Enplanements are boosted 7.2% past the milestone 15-million mark (15,335,000) and freight advances 16.8% on the year to 2.27 billion FTKs. Operating revenue jumps 17% to DM 10.37 billion and expenses rise only 10%, leaving a whopping DM 162-million profit.

The workforce is increased 7.3% in 1985 to 34,905. Three B-747-330s and 6 B-737-230s are delivered, bringing the fleet totals to 19 B-747-230/330s, 11 DC-10-30s, 4 A300B4-2Cs, 8 A310-203s, 28 B-727-230s, and 38 B-737-230s.

Esam Fachr el-Din Agha Bdawi and Gamal Khaiaf, Syrians being deported from West Germany, seize a B-737-230, with 43 passengers on February 27 and force it to land in Vienna. On the ground in Austria, agents, posing as a reporter and a lawyer, persuade the pair to surrender after a five-hour standoff. The two will be tried and given prison terms.

A lone hijacker, armed with a knife and broken bottle, seizes a B-727-230 with 151 passengers and en route from Munich to Athens on March 27, and force it to fly to Istanbul for refueling, reportedly after being denied permission to land in Libya. On the ground in Turkey, the man frees his captives and surrenders to police. He will be tried in the Turkish capital and will receive an eight-year prison term.

On March 29, a B-737-230 flying between Hamburg and London with 114 passengers is taken over by a lone assailant, who demands to be flown to Hawaii. The aircraft arrives at London (LHR), where the man is captured.

New services are inaugurated to Houston, Bahrain, Lyon, Salzburg, and Muscat; the former city is the twelfth U.S. gateway. Passenger flights are operated to the spring Leipzig fair.

The new B-747-230C *Frankfurt* is delivered on May 24; it is followed into service by the B-747-230C *Düsseldorf* on June 28. A new cargo facility is opened at Atlanta, also in June.

The same month, a memorandum of understanding is signed with **CAAC (General Administration of Civil Aviation of China)** for a two-phase technical cooperation project. Phase 1, in which DLH executives consult on the technical improvement of Chinese workshops, begins on July 1; the second phase, which will begin later, is a joint venture for aircraft maintenance.

A broad-based marketing agreement is completed with **United Airlines** on July 3, calling for a meshing of the airlines' flight schedules at 10 American airports and enhancement of the automation features between the carriers' reservations systems.

Also in July, Dieter Uchtdorf becomes chief pilot and orders are placed for seven Airbus Industrie A300B4-603s.

The B-747-230F *Europa* enters service on October 25 and, also in October, a second weekly B-747-230C flight is offered to Beijing.

Upon his retirement from the board at year's end, Capt. Utter is succeeded as CEO-operations by Capt. Martin Gabel.

Enplanements for the year rise 3.6% to 15.9 million and freight shoots up 5.8% to 2.4 billion FTKs. For the first time in the airline's history, more cargo is carried (in terms of ton kilometers) than passengers. Revenues are up 3% to DM 10.68 billion and expenses 2% to 4.4 billion, producing profits of DM 106.9 million (operating) and DM 63 million (net). At year's end, the carrier ranks 13th among all world airlines in terms of passengers carried, 5th in cargo, 16th in fleet size, and 7th in the total number of employees.

The Boeing 747-230C *Hannover* joins the fleet on February 14, 1986 and on March 30 daily flights are inaugurated from New York to Stuttgart while the daily nonstop New York–Munich service becomes nonstop.

Also in March, an alliance is signed with **Korean Airlines/Korean Air (KAL)** providing for joint freight flights on the route from Frankfurt to Seoul.

In April, a B-747-230C is introduced on the Nairobi and Johannesburg route and a third weekly flight is inaugurated to Beijing. The B-747-230C *Kiel* arrives on April 10 and in June orders are placed for six advanced B-747-430s.

At midyear, Friedrichshafen-based **Delta Air Regionalflugverkehr, GmbH.**, under contract to the major, begins to offer SAAB 340A commuter flights to Frankfurt.

In September, the first of 20 B-737-330s is delivered while in mid-month, the board announces a reorganization, beginning with the creation of one airline division for sales and another for marketing.

Another B-747-230F, the *Africa*, arrives on October 24 and a bomb explodes at the main offices in Cologne on October 28; there are damages, but no injuries.

Two classes—Business and First—are introduced on European services on November 1.

The year's passenger boardings swell by 4.6% to 16,616,000 and cargo does better, rising 19% to 2.86 billion FTKs. Revenues are DM 10.19 billion and profits are DM 64 million.

Airline employment climbs 3.1% in 1987 to 39,088 and, on January 15, the company orders 15 A340-200s. The B-747-230C *Stuttgart* arrives on January 16, followed by the pure passenger B-747-230B *Bonn* on February 17.

Michele Jet, a 34-year-old American, is appointed in March as the carrier's first woman cockpit crew member, a B-727-230 flight engineer.

On April 1, DC-10-30s commence direct nonstop four-times-per-week flights Frankfurt–Washington, D.C., with a fifth weekly frequency following on April 26. Also in April, the first B300B4-603 enters service and a fifth weekly polar route flight to Japan is added.

Beginning in early May, Lufthansa offers four-times-per-week nonstop services from Chicago to Munich and daily flights from Chicago to Munich via Dusseldorf.

On June 1, in cooperation with **Alitalia, S.p.A.** and General Motors, company B-747-230Fs fly 56 Pininfarina car bodies each from Turin to the Cadillac Allante assembly line in Detroit, Michigan.

In cooperation with **Air New Zealand, Ltd.**, flights to Auckland begin on October 30. In November, flight begins to Luxor, Egypt, and Kathmandu, Nepal and, in Europe, to Eindhoven and Toulouse.

During December, a 24.5% interest is taken in the Luxembourg-based cargo charter operator **Cargolux Airlines International, S.A.**; as part of the arrangement, the two companies agree to coordinate their maintenance, marketing, and cargo handling. At the same time, 10% shareholding is acquired in the Hapag-Lloyd travel and shipping consortium. In addition, a new subsidiary is created to expand the carrier's hotel business.

Beginning on Christmas Day, a special fare, good through the following March, is introduced on flights from New York, Chicago, and Boston to Frankfurt, Dusseldorf, Hamburg, Stuttgart, Munich, Nuremberg, and Berlin.

Customer bookings jump 10.8% to 18,391,000 while freight zooms upward 17.9% to 3.32 billion FTKs. Revenues fall to DM 9.83 billion, while profit jumps to DM 86 million.

The workforce is reduced a slight 0.5% in 1988 to 38,910 and the fleet now includes 14 B-747-230Cs, 5 B-747-230Bs, 5 B-747-230Fs, 11 DC-10-30s, 7 A300B4-603s, 10 A310-203s, 24 B-727-230s, 38 B-737-230s, 11 B-737-330s, and 2 B-737-230Cs. Orders are outstanding for 10 B-747-430s, 2 B-737-330s, 3 A310-304s, 15 A320-211s, and 15 A340s.

On March 28, the number of frequencies from Frankfurt to Hong Kong is increased from five to seven weekly, including four nonstops. The first B-737-330 is placed into service, also in March, and represents

a milestone for Boeing: the first of the type to enter a third decade of service and the 1,500th manufactured. The installation of lighting strips on the cabin floors marking escape routes is completed for the entire fleet in April.

The Washington, D.C.–Frankfurt service becomes daily on May 2; simultaneously, nonstop service is initiated between Caracas and Frankfurt and between Bogota and Frankfurt. Also in May, the company adds its eighth and ninth flights to Los Angeles, at which international airport a new \$8-million cargo facility is officially opened on May 26.

In June, summer service is expanded to a total of 169 destinations in 83 countries, with new destinations added at Antigua, Valencia, Marseilles, and Friedrichshafen. During the month of July, Frankfurt to Tokyo flights commence over a route across the Soviet Union; requiring only 12 hours flying time, the service cuts five hours off the polar route.

A 49% interest is purchased in **EuroBerlin France, S.A.**, a regional airline set up in cooperation with **Air France** on September 9 to provide access to the former national capital. Work begins in September on expansion and improvement of the Hamburg engineering base; the \$270-million project will include at least two hangars and a warehouse.

The winter schedule features five new routes: Cologne to London (LGW), Frankfurt to Goteborg, Hamburg to Nice via Dusseldorf, Dusseldorf to Cairo via Munich, and Frankfurt to Tenerife.

The carrier inaugurates weekly DC-10-30 return service on October 7 from Frankfurt to Kathmandu via Karachi. The initial wide-body arrives with 198 passengers and departs with 34; it is anticipated that 9,000 West German travelers will visit Nepal in the next year.

Employing B-737-3T7s wet-leased, complete with crews and maintenance, from **Monarch Airlines, Ltd.**, **EuroBerlin France, S.A.** inaugurates regularly scheduled services on November 7 between Stuttgart, Munich, Frankfurt, Cologne, Bonn, and West Berlin's Tegel Airport. The start-up is protested by **Aeroflot Soviet Airlines**. Air traffic control delays over Munich and Frankfurt cost the carrier over 6,500 hours in holding and a similar amount in start-up lags.

Passenger boardings rise 5.4% to 19,400,000 and freight swells 6.5% to 3.5 billion FTKs. The year's net profit is DM 99 million (\$58 million) atop revenues of DM 10.6 billion.

The payroll grows by 11.9% in 1989 to 43,565 and service is provided to 174 destinations in 85 countries.

In January, service is increased from West Germany to Miami, Boston, and Toronto. In addition, the Frankfurt–Zurich–Bangkok service is expanded to six weekly flights.

During first quarter, plans are announced for the construction of a new \$33.7-million cargo terminal at Munich 2 Airport, itself now under construction.

In late March and in cooperation with **Aer Lingus Irish Airlines, Ltd.**, overnight B-737F all-cargo flights commence from Frankfurt to Birmingham, England. An interline agreement is signed with the Danish regional **Sun Air of Scandinavia, A.S.**, which begins flying dual-designator service on behalf of the German major from Cologne and Bonn to Billund.

A code-sharing and frequent flyer cooperative marketing agreement is signed with **Canadian Airlines International, Ltd.**; effective April 12, Lufthansa begins to purchase and market seats on Canadian, covering 19 flights a week from Germany to Canada. Also in April, the carrier wins a contract to overhaul the A300B4-620 fleet of **Saudia (Saudi Arabian Airlines)**.

A new color scheme is adopted for company aircraft in April that is designed to coincide with the creation of a "United Europe" four years hence. While the famous crane logo is retained along with tail fins in blue and yellow, the company drops the dark blue stripe on the window line of the upper fuselage of its planes. Aircraft are painted white from the wing line up and light gray below and the Lufthansa name is enlarged.

In May, a technical joint venture document is signed with **Air China International Corporation** for the development of a maintenance base at Beijing. Also at Beijing, a hotel and business center will be developed jointly with the City Council.

Plans are made with **Air France** for a strategic alliance that will include shared ownership of the Amadeus reservations system with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

The first B-747-430 arrives in midyear, but must begin service under a temporary certificate owing to a dispute between Boeing and European licensing authorities.

The first regularly scheduled postwar German flights between two points in West Germany and East Germany begin on August 10 when a DLH Boeing inaugurates a new twice-weekly roundtrip service from Frankfurt to Leipzig. The route chosen is through Czech airspace so as to avoid flying directly over the long-forbidden border. The next day, **Interflug DDR Airlines** launches twice-weekly service from Leipzig via Czechoslovakia to Dusseldorf.

During the month, the major, with 52% shareholding, becomes the primary owner of the regional **Deutsche Luftverkehrsgesellschaft, mbH. (DLT)**.

In September, a block-space agreement is entered into with **Singapore Airlines, Ltd.** that provides for four dual-designator freighter flights per week between Singapore and Australia.

The first A320-211 is received on October 16 and, using movable dividers between business and economy classes, is able during the following month to introduce a three-class configuration over European routes.

Beginning on November 1 and continuing for the next four months, free one-week automobile rental is offered international passengers to Europe under an arrangement with Avis. Also in November, twice-weekly service is inaugurated between Frankfurt and Leipzig, marking the first time that West and East Germany have been connected by the carrier's regularly scheduled flight service.

Deputy chairman and CEO-technical services Abraham retires at year's end.

In other activities during the year, the carrier, through Lufthansa Hotelgesellschaft, brings its shareholding in Kempinski Hotels, S.A. to 40%. In addition, it founds Lufthansa Design Center, GmbH., LUPEG Luftverkehrs-Personalgesellschaft, mbH., and Lufthansa AirPlus Servicekarten, GmbH. The company becomes a joint shareholder with **Swissair, A.G.** in the new Shannon Aerospace maintenance concern.

Customer bookings move ahead by 5.2% during the year to 20,400,000 and freight increases 10.2% to 3.9 billion FTKs. Revenues total DM 11.81 billion (\$6.7 billion) and allow a net profit of DM 124 million (\$72.9 million).

Company employment is increased by 10.3% in 1990 to 47,619 and the workforce is now the 7th largest among all of the airlines in the world. The 177-airliner fleet is the world's 11th biggest and as the year begins, the new deputy chairman and CEO-technical services, Juergen Weber, takes office.

Six-times-per-week B-747-430 service begins in January from Frankfurt to Hong Kong, along with twice-weekly flights to Singapore and weekly flights to Kuala Lumpur.

Also during the year's first month, Chairman Ruhnau engages **Interflug DDR Airlines** Director General Dr. Klaus Henkes in talks on co-operative projects between the two airlines. Undertaken in the philosophy of glasnost, the discussions result in an agreement for the joint use of training and other facilities, as well as the removal of all artificial barriers hindering air traffic between the two German states, including Berlin. In addition, Frankfurt to Leipzig frequencies are doubled to four a week, all via Czech airspace.

Also in January, the company announces a \$50-million investment to upgrade and improve domestic and European regional services, with emphasis upon seating renovations for all 107 of its short- and medium-range aircraft.

As a result of the Communist collapse and the previous month's discussions, the carrier and **Interflug DDR Airlines** announce their intentions in February to expand and intensify their cooperation under the marketing name Interhansa. Areas of joint activity now include scheduled passenger, freight and charter services and plans are made for a

joint Interhansa catering company, an Interhansa software company, a new Berlin airport, the establishment of an Interhansa A310 simulator center at Berlin's Schoenfeld Airport, and joint airport handling and engineering activities.

The West German carrier increases the number of its weekly flights into East Germany to 14. Eliminating the stopover at Rio de Janeiro and cutting the flight time to 2 hrs. 20 min., the carrier introduces weekly nonstop B-747-430 roundtrips between Frankfurt and São Paulo late in the month.

The first A310-304 is placed in transatlantic service in March and, on March 25, begins daily nonstop flights from Newark to Frankfurt and Hamburg. The same day, service is inaugurated from Frankfurt and Munich to Dresden, and is followed on March 31 with flights to Dresden from Stuttgart. The Cologne hub is now shut down and the interline agreement with **Sun Air of Scandinavia, A.S.** is cancelled.

In April, the subsidiary Lufthansa Airport Services is established to expand the carrier's participation in new airport projects, particularly in Eastern Europe. The first contract calls for the establishment of a joint company with **Aeroflot Soviet Airlines** to modernize and expand Moscow's Sheremetyevo 1 Airport. In addition, the new entity is given the responsibility of serving as a holding company for existing DLH operating and handling subsidiary companies in Berlin, Lagos, Cairo, Singapore, San Francisco, and Los Angeles.

At the same time, a contract is signed with **Aeroflot Soviet Airlines** for the post-delivery maintenance of that airline's new A310s.

Also in April, the airline announces that it will proceed with plans to acquire 26% shareholding in **Interflug DDR Airlines** after the latter's employees vote 92% acceptance of the new relationship with the West German carrier.

Meanwhile, in a switch that catches many observers by surprise, Lufthansa reverses its decision and places \$480 million in orders for IAE's V2500 engine for its A321s instead of the CFM-56. It also joins with **THY (Turkish Airlines, A.O.)** as a joint shareholder in the new charter operator **Sun Express, A.O.** On April 30, DLH opens a second nonstop Frankfurt to Chicago route.

Nonstop daily flights commence from Newark to Cologne on May 1, the same day nonstops begin from Cologne to Washington, D.C. (IAD). Simultaneously, twice-weekly frequencies are opened between Stuttgart and Leipzig.

Late in the month, **Pan American World Airways (1)** places its German service up for sale.

In June, five-times-per-week nonstop service is opened from Frankfurt to Atlanta and weekly flights begin from Dresden to Munich and Stuttgart. The weekly nonstop roundtrip service between Frankfurt and Houston now becomes a one-stop, as passengers are also boarded at Dallas (DFW).

Later in the month, the European Commission rules that DLH should give up its tactics designed to drive low-fare competitor **Air Europe, Ltd.** to abandon its London-Munich scheduled service.

Beginning in July, the number of flights on routes from West Germany to East Germany is increased from 31 to 56 per week. At the same time, and in conjunction with Olson-Travelworld, the airline offers 22-day inclusive-tour packages of the Soviet Union; the Classic Tour of Russia is operated from the Black Sea north to the Baltic.

Thrice-weekly nonstop frequencies are mounted on August 1 from Frankfurt to Charlotte, North Carolina, under a special six-month grant from the U.S. Department of Transportation.

On August 2, as the result of Iraq's invasion of Kuwait, the flag carrier in the weeks ahead suspends its daily service from Frankfurt to Tel Aviv, as well as other frequencies to Damascus, Bahrain, Riyadh, Abu Dhabi, and Luxor.

In September, the carrier signs a letter of agreement to purchase the German Internal Service of **Pan American World Airways (1)** for \$150 million. Following reunification in October, the sale is finalized and Lufthansa is at last, and officially after four decades, able to begin service to Berlin's Tegel and Schoenfeld Airports on October 3, employing

nine B-727-235s wet-leased with crews from the American pioneer. All 74 of Pan Am's daily flights are continued by DLH from the one-time capital of united Germany to Hamburg, Nuremberg, Frankfurt, Stuttgart, Dusseldorf, and Munich.

Plans to acquire a 26% stake in **Interflug DDR Airlines** are dropped on October 16 and an unsuccessful effort is now made to purchase the East German airline outright.

The first direct DLH flight from the U.S. to Berlin is routed from Newark to Schoenfeld Airport on October 28, just 25 days after German reunification.

Also during the fall, the number of weekly flights between West Germany and East Germany grow to 68 from 56.

The carrier joins with **THY Turkish Airlines (Turk Hava Yollari, A.O.)** in acquiring shareholding in the new charter carrier **Sun Express, A.O.** Daily Berlin-Newark A310-304 service begins in November, followed in December by daily flights from Berlin to Moscow.

Joint cargo flights commence with **Air China International Corporation** in December between Frankfurt and Beijing.

At home during the year's last month, frequencies between Berlin and major cities to the west are Dusseldorf, 38, Frankfurt, 102, Hamburg, 31, Munich, 32, and Stuttgart, 19.

At the end of the year, a cooperative agreement is signed with **Garuda Indonesia** covering a joint increase in frequencies and destinations with Germany and Indonesia, the strengthening of cargo operations, and the provision of Airbus training for Garuda engineers as well as support of that airline's new equipment.

Despite the Gulf Crisis and currency fluctuations, passenger boardings climb 9.8% to 22,400,000; as a result, the German carrier ranks 12th in the world in this category. Thanks to a 4.9% cargo increase to 4.1 billion FTKs, the airline is second in the world, behind **Federal Express**, in freight. Although revenues are up to DM 12.8 billion, profit falls to DM 9 million and will be the last enjoyed for several years.

The payroll is increased by 5% in **1991** to 50,000; however, no new aircraft are acquired.

With German reunification comes both opportunity and difficulty. In January, ski packages are offered through March, in cooperation with five tour operators, to Innsbruck, Salzburg, Kitzbuehel, St. Anton, Zell am See, and Garmisch-Partenkirchen. Also, weekly service is initiated from Frankfurt to Ho Chi Minh City via Singapore.

In order to avoid layoffs as the Iraq war-created fuel crisis deepens, the airline announces a hiring freeze, a ban on overtime, and unpaid leaves for some workers.

As the result of a February agreement, the carrier joins **Namib Air, Ltd.** in operating twice-weekly Jumbojet roundtrip service from Frankfurt to Windhoek, Namibia.

A DLH cargo consultant is sent out to Jakarta to coordinate the functioning of **Garuda Indonesia's** new cargo facility.

During the month, the carrier receives Boeing's 5,000th B-737, a Dash-530, and resumes its daily service from Frankfurt to Tel Aviv, following it with the renewal of flights to Damascus, Bahrain, Riyadh, Abu Dhabi, and Luxor.

On March 31, twice-weekly nonstop DC-10-30 services begin from Munich to Miami. During the second quarter, CEO-Marketing and Sales Ernst-Adrian von Dornberg is appointed to the supervisory board of directors. A marketing agreement is signed with the Austrian airline **Lauda Air Luftfahrtgesellschaft, A.G.**; under its terms, the two will share a Vienna to Miami via Munich roundtrip nonstop service, with the Austrians responsible for the Munich-Vienna segment.

In July, twice-weekly B-747-430 flights commence from Frankfurt to Nagoya via Hong Kong as part of a joint freight compact signed with **Japan Air Lines Co., Ltd. (2)**. In August, a second weekly flight is added to Ho Chi Minh City, while capacity is changed between Frankfurt and Washington, D.C. (IAD); a B-747-230B replaces a DC-10-30 on the run.

Ordered earlier, the first A340-211 makes its maiden flight from Toulouse on October 25. Thrice-weekly B-737-330 services start from

Frankfurt to Kiev on October 28, the same day thrice-weekly B-737-230 frequencies are undertaken from Frankfurt to St. Petersburg via Riga.

A \$414.58-million expansion of the Hamburg technical base is completed in December, the same month a second Jumbojet freighter is added on the company's all-cargo route from Frankfurt to Atlanta, continuing to Mexico City.

As the year ends, a new alliance is signed with **Finnair O/Y**. In addition to frequent flyer program linkage, block-seat passenger flights commence to Helsinki from Berlin and Munich and from Hamburg to Turku; meanwhile, block-space cargo service is initiated to Helsinki from Frankfurt via Cologne.

The domestic market increases more than 50% and with **Interflug DDR Airlines** out of business, passenger boardings for the year climb 12.1% to a record 25,070,900. Freight is also up, by 2%, to 4.17 billion FTKs. The financial picture darkens as a DM 444-million (\$267.5-million) net loss is reported atop revenues of DM 14.31 million.

Early in **1992**, Deputy Chairman Weber becomes chairman of the executive board with Deputy Chairman/CEO Klaus G. Schlede. As the two begin a restructuring process designed to improve the airline's financial status, CEO-Marketing and Sales Beckmann begins his planned retirement. The first move is to cut employment by 12% to 44,000. Just as the reduction in force will take the remainder of the year, so too will the retirement of 26 aircraft and the consolidation of several routes. Marketing and sales are reorganized into two groups in February, creating a separate cargo division under Chief Operating Officer Wilhelm Althen. In March, the subsidiary **Deutsche Luftverkehrsgesellschaft, mbH. (DLT)** is renamed **Lufthansa CityLine, mbH.** and is given responsibility for its parent's European nonstop services, employing aircraft with up to 100 seats.

A new in-flight service package is introduced in April that features new accommodations in both first- and economy-class, new food services, and upgraded in-flight entertainment.

In May, a one-day civil servant strike closes the airports at Frankfurt, Dusseldorf, Hamburg, Hanover, Munich, Nuremberg, Stuttgart, Cologne, Bonn, and Berlin's Tegel and Tempelhof Airports; the job action costs the flag carrier DM 40 million (\$24 million).

To combat this and other rising expenses, the carrier announces a major cost-cutting program. Having been acquired in May by a consortium of German banks and **British Airways, Ltd. (2)**, **Delta Air Regionalflugverkehr, GmbH.** is renamed **Deutsche BA, GmbH.** and begins competing with German flag carrier on routes out of Berlin. Plans are announced for the reduction in force of 1,000 workers by year's end.

Plans are revealed for the creation of a large luxury hotel group through the combination of Kempinski A.G., in which DLH holds 42.6% interest, and the Societe des Hotels Meridien, in which **Air France** controls 57% of shareholding.

Early in June, thrice-weekly roundtrips commence from Frankfurt to Minsk, Tallinn, and Vilnius. At the end of the month, the April plan to merge hotel operations with those of **Air France** are cancelled.

The megacARRIER's U.S. training center in Arizona is purchased from the PS Group in July for \$12 million; the transaction includes 60 aircraft. Also during the month, it is announced that first-class service will be ended on European flights.

In early September the supervisory board approves a broad-based reform package, supported by the major unions, to help the airline weather the most severe financial storm in its history. Under its terms, announced by Chairman Weber, the company will save DM 1 billion (\$717 million) in two years though the introduction of an austerity program that cuts another 6,000 workers, imposes a yearlong pay freeze, and introduces a two-tier wage structure. Additionally, 26 aircraft will be parked in the Arizona desert. Later in the month, cargo operations are reorganized into an independent operating division separate from passenger sales; as part of the changeover, four cargo centers are established in North and South America: Toronto, New York, Miami, and Rio de Janeiro.

Another subsidiary, "Lufthansa Express, GmbH." is created in October to take over the airline's domestic routes while a 26.5% interest is acquired in the Austrian airline **Lauda Air Luftfahrtgesellschaft, A.G.**

In a move designed to secure a strategic partner interested in geographic expansion and similar to that initially attempted between **British Airways, Ltd. (2)** and **USAir**, Lufthansa joins California financier Marvin Davis in making a bid for takeover of **Continental Airlines**. The German proposition, like the British, is withdrawn. Service to Charlotte, North Carolina, and Philadelphia is suspended on October 25.

Also in October, a B-747-230C en route to America is forced to divert to Keflavik when fire extinguishers twice go off, dousing 20 head of cattle in the cargo compartment.

Weekly roundtrips are inaugurated on October 31 between Frankfurt and Almaty, Kazakhstan.

Employing 28 A300B4s and B-737-330s, "Lufthansa Express, GmbH." begins operations in November, linking Hamburg, Berlin (Tegel Airport), Dusseldorf, Cologne, Bonn, Frankfurt, and Munich.

Also in November, an enhanced marketing relationship begins with **Lauda Air Luftfahrtgesellschaft, A.G.** as the Austrian partner, employing Canadair CRJ-100 Regional Jets, begins to offer code-sharing on flights to nine European destinations from Vienna and Salzburg. Joint European marketing and sales are also initiated.

Late in the year, workers take a pay cut, a fiscal action almost unprecedented in postwar Germany.

In December, 13% shareholding is taken in **Luxair, S.A.**, together with an option to acquire another 10% over the next three years, while the two begin code-sharing, through ticketing, and a joint frequent flyer plan.

Passenger boardings ascend 11.3% to 27,891,900 and freight climbs 5% to 4.4 billion FTKs. Revenues move ahead by 4.5% to DM 14.95 billion (\$9.3 billion), but expenses are higher. The operating loss is a staggering \$174.7 million while a net loss of DM 373 million (\$21.4 million) must also be absorbed.

Airline employment stands at 42,841 in **1993**, down 5.6% from the previous year.

The company headquarters along the Rhine at Cologne, as well as the Seeheim training center, are sold and leased back in January. To earn additional, if minor, income, the airline now allows members of the public to utilize its flight simulators in Bremen.

In mid-month, the carrier joins **Alitalia, S.p.A.** in replacing **British Airways, Ltd. (2)** as frequent flyer partner of **Ansett Australia (Pty.), Ltd.** The company also begins to share passenger lounges in Sydney, Melbourne, and Brisbane, becomes sales agency for Ansett's domestic sectors, and begins connecting service from Frankfurt via Sydney to Brisbane and Melbourne.

The first A340-211 is delivered in Frankfurt ceremonies on February 2 and is christened *Stuttgart*. It enters service on March 15; during the next three quarters, five more Dash-211s and three Dash-311s will join the fleet.

On February 11, having previously been denied entrance into the U.S. and with urgent family business there, Ethiopian gunman Nebiu Demeke, facing deportation from Europe back to his homeland, hijacks an A300B4-605R. He diverts the aircraft with 104 aboard and en route from Frankfurt to Cairo over Lofar, Austria, to New York (JFK), where he surrenders to police. Demeke will be tried in federal court for air piracy and will receive a 20-year prison sentence.

The Lufthansa Airport Express, run in cooperation with the German Railways, is discontinued in late February and replaced by one of the railroad's own high-speed trains. Hemo Klein, who had departed the airline over a decade earlier to work with the German Railroads, is rehired as sales manager.

The new relationship with **Luxair, S.A.** is inaugurated during the first quarter with shared passenger lounges, through ticketing, a linkage of frequent flyer programs, and dual-designator flights between Luxembourg and Germany. Weekly roundtrips are inaugurated on March 29 between Frankfurt and Tashkent, Uzbekistan.

During the spring, "Lufthansa Express, GmbH." gradually takes over all of the major's domestic services and is joined by the former independent **Lufthansa CityLine, GmbH.**, which is now folded into the LE subsidiary.

A cargo transshipment hub is established at Sharjah, U.A.E., specifically to handle an increase in the flow of air freight to India, Nepal, and Sri Lanka.

As the second quarter begins, the company joins in serious partnership and code-sharing discussions with **American Airlines**.

Marketing director and member of the board von Dornberg abruptly resigns in April. At the same time, the carrier signs an agreement with the Indian-based Modi Group to help it establish **Modiluft**, a new domestic airline. Three B-737-230As are leased to the carrier, which begins service in May, and an aircraft maintenance contract is signed.

A strategic alliance and code-sharing agreement is signed with **VARIG Brazilian Airlines (Viacao Area de Rio-Grandense, S.A.)** in June; under its terms, which will become effective in November, the two pledge to coordinate their schedules and other services.

In cooperation with **Lauda Air Luftfahrtgesellschaft, A.G.**, twice-weekly nonstops commence later in the month from Los Angeles to Vienna via Munich; the Austrian airline flies the Munich-Vienna segment.

During the summer, the leisure-travel subsidiary **Condor Flugdienst, GmbH.** takes over routes to Spain and the thrice-weekly service to Detroit. In July, it inaugurates twice-weekly flights on behalf of its parent from Frankfurt to Taipei via Bangkok.

The megacARRIER enters into code-sharing agreements with two European regionals during August. DLH markets the **Brymon Airways, Ltd./Air France** service from London (LCY) to Paris throughout Germany. It also joins with the Scottish company **Business Air, Ltd.** when it inaugurates twice-weekday roundtrips from London (LCY) to Frankfurt on August 31.

An arrangement is made with **Federal Express** on September 1 to lease its 13 A310-203Fs to the American freighter, which in turn will sublease, beginning in 1998, five B-747-245Fs to the German flag carrier; the Airbuses will maintain FedEx routes around the continent.

Negotiations now begin with the company's unions.

Although capacity is increased by 2.6%, flights over unprofitable routes are reduced by 2.1%.

As the result of separatist Serb threats to shell the Croatian airports of Zagreb, Pula, and Rijeka, DLH joins **Austrian Airlines, A.G.** on September 13 in suspending services into Zagreb. The German carrier elects to terminate its Frankfurt-Zagreb service in Graz, Austria.

Just after landing in poor weather at Warsaw on a September 14 service from Frankfurt, Flight 2904, an A320-211 with 6 crew and 64 passengers, runs off the right side of the runway and rolls 90 m. into an embankment (2 dead).

A GE CF6-50 on a B-747-230B sets a new world record for time-on-wing for large turbofan engines on September 16; removed after more than 62 months, it is shown to have accumulated 25,216 hours and 4,210 cycles.

Culminating a lengthy courtship, the company joins with **United Airlines** on October 2 to announce that the two are joining forces as marketing and code-sharing partners. Under the arrangement, which does not include the usual exchange of equity, passengers of either carrier may share in the other's frequent flyer program and use either one's airport lounges. There will be through check-in, advanced seat reservations, and shared terminal facilities. Additionally, the two will code-share, employing DLH for the German leg of transatlantic flights and UAL for the American portion. Over 3,100 weekly connections are involved in the U.S. and Germany.

A code-sharing agreement is also signed with **Adria Airways** during the month providing for joint flights from Frankfurt to Ljubljana. **CSA Czechoslovak Airlines, A.S.** signs a block-space agreement with DLH late in the month covering the Munich to Prague service. **Cargolux Airlines International, S.A.** begins to code-share with DLH on cargo frequencies from Frankfurt to Luxembourg and on flights from San Francisco to Los Angeles.

The company now visits 218 destinations in 93 countries around the world.

After a yearlong wage freeze, company employees receive a 2.5% pay raise in early November.

At the same time, the alliance with **VARIG Brazilian Airlines (Viaçao Area de Rio-Grandense, S.A.)** comes into effect. In addition to general sales and marketing cooperation, plus joint check-in and frequent flyer programs, code-sharing services are inaugurated on 28 weekly routes from Frankfurt to Rio de Janeiro and São Paulo.

To cut costs, Chairman Weber unveils a new program on November 27 that will eliminate 8,400 jobs, abolish unprofitable routes, and spin off air freight, catering, and some passenger services to independent subsidiaries.

Plans to create a low-fare, high-frequency Euroshuttle are shelved in December.

Meanwhile, **Air India, Ltd.** objects to a company request for a massive 67% increase of capacity to India; not exercising its own 10-flights-per-week quota, the Indian carrier does not wish to see competition increase and requests that DLH pay royalties.

Customer bookings advance a modest 2% to 28,438,500 while cargo rises 6.5% to 4.67 billion FTKs. Cost-cutting has a significant impact on the financial picture. Although revenues are DM 14.96 billion (\$8.8 billion) and expenses are \$8.82 billion, the operating loss is cut to \$29.4 million. The net loss is DM 111 million (\$34 million).

Airline employment is increased by 2.9% in 1994 to 44,100 and the fleet includes 243 aircraft.

Launch customer for the A321-121, Lufthansa receives its first unit, christened *Finkenwerder*, in Frankfurt ceremonies on January 27.

Later in the month, **Delta Air Lines** asks the U.S. DOT not to grant DLH new code-sharing authority until the German government allows the Atlanta-based major to provide its own ground handling for its own flights landing at Frankfurt.

In February, the company begins accepting cargo feed at Moscow delivered by the Russian freight line **Aviatrans** from destinations throughout the CIS.

Late in the first quarter, 38% shareholding is acquired in the Scottish regional **Business Air, Ltd.**; plans are made to acquire a larger presence in the U.K. through joint flights from Frankfurt to London (LCY) and schedule coordination for passengers connecting with DLH at Manchester.

A contract is signed with **Air China International Corporation** on March 30 for the training of 76 former Chinese Air Force pilots as commercial pilots at the German airline's U.S. flying school. The first former-military pilots arrive at the Phoenix, Arizona-based facility in April for a special 4 1/2-month course.

The same month, **Air India, Ltd.**, after concessions from the German carrier, abandons its objections to a 67% increase in DLH capacity to and in India. In exchange for the establishment of a joint Germany-based tourist fund to promote India in Europe, DLH is granted 15 new routes to the subcontinent. In addition, the German flag line promises to pay the new fund \$15 for every passenger above an agreed upon level who will fly over the routes.

Chairman Weber suggests that a further interest may be acquired in **Modiluft**, to which a fourth B-737-230A will be leased later in the year. At the same time, an alliance is signed with **Air India, Ltd.** under which DLH agrees to sell seats to the Indian major as it inaugurates a new twice-weekly A340-211 roundtrip route from Frankfurt to Madras. The new frequencies, flown in addition to 10 weekly B-747 frequencies from Germany to Bombay and Delhi, mark the entry of the long-range Airbus on Asian routes.

Twice-weekly A310-304 flights are inaugurated on April 10 linking Frankfurt with Ekaterinenburg in the Urals and Novosibirsk in Siberia; the airline is the first Western carrier to serve the cities.

German Transport Minister Matthias Wissman in May gives the green light for the company's privatization. With difficulties surrounding the impact on employee pensions solved, it is agreed that the whole of the government's 51.4% shareholding will be eventually sold; however, a \$1.2-billion share issue will soon be made without Berlin's participation, thereby reducing the national stake to but 38%.

An unconditional one-way fare is introduced by **Deutsche BA, GmbH.** on June 1 for passengers traveling in business- or economy-

class seating from Berlin to Cologne, Bonn, Dusseldorf, Munich, and Stuttgart as well as between Dusseldorf and Stuttgart. Fares are 10% less than those charged by Lufthansa.

The long-delayed code-sharing accord with United also begins on June 1 with two transatlantic flights from Frankfurt.

Also in June, the joint venture agreement with **Air Namibia, Ltd.**, covering operations between Windhoek and Frankfurt, comes to an end.

To combat the success of the new **Deutsche BA Luftfahrtgesellschaft, GmbH.** assault, the German flag carrier begins to fight back on July 1, introducing service by its "Lufthansa Express, GmbH." subsidiary over the five low-fare routes started by Deutsche BA the previous month. Deep-discount LE flights also commence from Munich to Cologne and Hamburg. The counterattack triggers a price war.

During July–September, 10 B-737-230As are sold to Indonesia's government-owned leasing agency, which will in turn distribute them to **Sempati Air, Merpati Nusantara Airlines, Mandala Airlines, and Bouraq Indonesia Airlines.**

As the result of talks successfully concluded during the first quarter, Lufthansa now becomes the first West European airline to serve Shanghai nonstop, offering thrice-weekly B-747-430 roundtrips to the city from Frankfurt via Beijing.

In early August, shareholding in **Lauda Air Luftfahrtgesellschaft, A.G.** is increased from 26.4% to 39.7%.

The company's privatization begins on September 20 with a three-weeks rights offering of 3.9 million shares to investors in Germany and abroad, excluding the U.S. By not participating, the German government reduces its stake from 51.4% to 41%, while the airline receives DM 1.2 billion (\$780 million) in capitalization. Within 10 days, 3.9 million shares are distributed. Commercial responsibility is assumed for **Business Air, Ltd.**'s Bank Express BAe 146-200 service from Frankfurt to London (LCY).

It is reported at month's end that, since the beginning of the alliance with **United Airlines** in June, an additional 130,000 transatlantic summer bookings have been recorded.

On October 10, the carrier enters into a strategic alliance with **Thai Airways International, Ltd. (THAI)** to expand its Asian passenger and cargo operations. Under the pact, the German flag carrier will increase its flights to Bangkok from 15 to 20 per week as both airlines operate as code-sharing partners. A total of 430 weekly passenger and cargo connections will eventually be shared, in addition to through check-in, advanced seat reservations, and terminal facilities. The frequent flyer programs of both carriers will be included.

Later in October, Chairman Weber announces a major restructuring that will come into effect on January 1. Three existing divisions, cargo, maintenance, and information technology services, will be divested into independent profit centers. Lufthansa Fracht, Lufthansa Technik, and Lufthansa Systems will each be launched with multiyear contracts with the parent that will be slimmed down to consist of just three central departments: managing directorship, finance and personnel, and passenger/operations.

The government of Indonesia purchases 10 B-727-230As from the carrier on November 9 for use by four local airlines. By year's end, government shareholding is just 35%.

Passenger boardings increase by 4.1% to 29,615,200 while freight soars 17.4% to 5.48 billion FTKs. In terms of cargo service, Deutsche Lufthansa, A.G. is the second largest airline in the world behind only **Federal Express.** Revenues jump 10% to \$10 billion and allow a \$197-million net profit.

Airline employment is increased by 44.4% in 1995 to 57,740.

Weekly roundtrips are launched on January 5 from Frankfurt to Baku, Azerbaijan. The company, in January, receives the 1994 "Airline of the Year" award from *Air Transport World* magazine.

In keeping with the plan of Chairman Weber announced the previous year, a major restructuring comes into effect on January 1.

As a result of EU pressure on France, DLH is able to commence flights into Paris (ORY) on January 2.

Following her discovery in Norway, Souhalla Sami Andrawes, sole survivor of the four Palestinian hijackers who took over the company plane recovered at Mogadishu, Somalia, in 1977, begins fighting her extradition back to Germany on January 8.

Also during the month, DLH begins a block-space agreement with **LOT Polish Airlines, S.A.** on frequencies between Berlin and Warsaw. The German terminus is moved from Berlin's Schoenfeld to the larger Tegel Airport. ATR 72s previously operated over the route are replaced with B-737s.

As the winter semester at the University of Bremen begins, an eight-semester course entitled International Study for Aviation Systems Technology and Management is inaugurated with Lufthansa Flight Training.

On March 27, the company begins discussions with **SAS (Scandinavian Airlines System)** aimed at mutual cooperation in a strategic alliance.

In April, a strategic alliance begins with **South African Airways (Pty.), Ltd.** Under terms of the pact, the two flag carriers will share frequent flyer mileage programs, lounges and terminal facilities, ground handling, and fly 86 joint connections per week between Germany and South Africa. Additionally, dual-designator cargo flights will be operated between Frankfurt and Johannesburg. Also during the first quarter, the company begins to code-share on those **Business Air, Ltd.** routes to and from Manchester that connect with the German major's flights.

A Transportation Ministry official announces on May 1 that the government hopes to dispose of its 36% stake in the airline by 1996 at the latest. He also points out that the carrier's cooperative agreement with **United Airlines** is adding thousands of bookings daily for the German carrier on the fiercely competitive North Atlantic routes.

A strategic alliance is entered into with **Canadian Airlines International, Ltd.** during the first week of May. In addition to joint marketing and promotions, ground handling, and frequent flyer program linkage, the two will code-share on an increasing number of flights between Germany and Canada.

On May 10, the European Commission elects not to object to the company receiving \$1.13 billion in pension subsidies from the German government, ruling that the move is not state aid, but rather a subsidy designed to help the carrier cut jobs as it moves from government to private ownership.

The next day, the carrier agrees to enter into an alliance with **SAS (Scandinavian Airlines System)** designed to combine the two carriers into the largest air transport system in Europe. Although the companies will remain independent and not merge, SAS will drop its ties with **Austrian Airlines, A.G., Swissair, A.G., and Continental Airlines**. Many other aspects of operation will be handled jointly, including passenger lounges and terminal facilities, frequent flyer programs, ground handling, check-in, cargo, inclusive tours, sales, and marketing. When fully implemented, over 2,500 weekly code-sharing connections will be offered in Europe and elsewhere.

The seventh of 10 Avro RJ85s arrives in early June, at which time it is announced that the remainder of the order will be completed by year's end.

Flight 436, an A340-211 with 5 crew and 65 passengers, violently reacts to a TCAS alert at 13,800 ft. just after takeoff from Dallas (DFW) on June 21 for a flight to Houston (IAH); 6 persons are injured, 4 seriously.

Thailand suspends its bilateral air agreement with the U.S. in early July because of Washington's requirement for greater access to Bangkok. **Thai Airways International, Ltd. (THAI)** makes it known that, although it also supports Japan in that country's discussions with the U.S. over beyond-flights for **Federal Express**, discussions for a proposed around-the-world pact with Lufthansa and **United Airlines** will not be disrupted.

On August 1, the EC, worried over its anticompetitive aspects, expresses serious reservations concerning the DLH-SAS alliance. A week later, officials of the continental union formally states its requirement that the two airlines must guarantee fair competition on routes between Germany and Scandinavia if it is to win the Commission's backing.

During the summer, a hub is established at Milan's Malpensa Airport with flights boosted from that point.

On August 31, Lufthansa announces that its "Lufthansa Express, GmbH." experiment will be folded in October, having lost its battle with **Deutsche BA Luftfahrtgesellschaft, GmbH.**

As a complement to the pact held with the German airline, **SAS (Scandinavian Airlines System)** on September 11 joins with **United Airlines** in a comprehensive pact that covers the ticketing, schedules, frequent flyer, club, lounge, and airport services of all three companies. Passengers will now be able to fly to any of these carriers' destinations in the U.S. and Europe with one ticket and collect frequent flyer mileage points for use in any of the companies' reward programs.

En route from Houston (IAH) to Dallas (DFW) on September 18, Flight 437, an A340-311 with 174 passengers encounters turbulence near San Antonio. Eight persons receive minor injuries, including three infants who are rushed to hospital as soon as the Airbus lands.

The eighth Avro RJ85 arrives at month's end, followed by the ninth early in October.

Norway agrees on October 18 to extradite alleged-hijacker Andrawes; she will be returned to Germany on November 25.

Also during the month, a trilateral around-the-world service is initiated with **United Airlines** and **Lauda Air, A.G.**, the latter replacing Lufthansa. The new thrice-weekly flights allow dual-designator code-sharing via Bangkok with **Thai Airways International, Ltd. (THAI)**, via Los Angeles or San Francisco with **United Airlines**, and via Vienna via **Lauda Air, A.G.** DLH is the big winner in this arrangement in that its pact with **Lauda Air Luftfahrtgesellschaft, A.G.** provides the German major with an alternative service from Frankfurt to Sydney, Australia, and allows it to halt its own thrice-weekly service from Frankfurt to Sydney.

On October 29, DLH scraps its "Lufthansa Express, GmbH." competition with **Deutsche BA Luftfahrtgesellschaft, GmbH.** over seven routes and announces a new nationwide pricing approach. It will offer discounts on routes over which it must compete and raise tariffs on those routes upon which it holds a monopoly.

DLH joins **Thai Airways International, Ltd. (THAI)** on October 31 in inaugurating new joint, weekly return flights from Frankfurt to Chiang Mai, Phuket, Phnom Penh, Yangon, and Auckland; additionally, the two will offer two weekly roundtrip frequencies between Munich and Bangkok and seven per week from Frankfurt to Bangkok.

Former Vice Chairman Abraham, 66, who had retired in 1989, dies on November 1 after a "severe illness." It is also noted during the month that the company's 44,000 employees in Germany will receive a 3% pay raise, backdated to October 1, under terms of a contract agreement with two major unions; the arrangement also includes a onetime DM 300 payment for each worker.

Former **American Airlines** official and San Francisco native Frederick Reid is named executive vice president-marketing at the beginning of December. Meanwhile, the supervisory board has voted to extend Chairman Weber's tenure for another five years.

The joint-venture alliance with **Canadian Airlines International, Ltd.** begins on December 20 with weekly nonstop roundtrips between Toronto and Frankfurt. Also in December, a marketing agreement is signed with **Adria Airways**. Under its terms, the two will offer shared passenger lounges, joint ground handling operations, and will code-share on flights from Frankfurt and Munich to Ljubljana.

During the year, leadership in the East European region is enhanced while service to Frankfurt from Boston and San Francisco is increased. A fourth B-737-23A is ordered from Germany by joint-venture partner **Modiluft, Ltd.** and that company's technical cooperation agreement with DLH is renewed. Simulator training for company pilots continues to be carried out at the German major's Frankfurt Training Center. The last Avro RJ85 is received at year's end.

Enplanements jump 8% to 31,960,000. Cargo figures are now reported only with the **Lufthansa Cargo Airline, A.G.** profit center. Revenues increase by 6% to \$13.56 billion and a \$339-million net profit is posted. The latter figure is later adjusted to read \$445 million.

There is no change in airline employment during 1996.

On January 1, DLH takes over handling of **SAS (Scandinavian Airlines System)** passengers and aircraft at all German stations; two days later, SAS takes over the handling of DLH passengers and aircraft at Scandinavian stations.

Weekly return service is initiated on January 4 from Frankfurt to Ashgabat, Turkmenistan.

A major winter storm disrupts airline operations on the U.S. East Coast during January 7–11; on the first three days of the crisis, DLH is forced to cancel 18 passenger flights.

On January 16, the European Commission agrees to the company's alliance with **SAS (Scandinavian Airlines System)** on condition that the two airlines act to ensure their union does not turn into a monopoly and that they agree to give up certain slots, flights, and accords held with other airlines. Both carriers have been moving for some time in the directions required by the EC.

On February 1, the flag carriers begin a total of 373 weekly dual-designator connections to five destinations in Scandinavia and seven in Germany.

Negotiations between the air ministries of Germany and the United States commence during the last two weeks in February. Germany and the U.S. agree on March 1 to drop restrictions on air travel between the two nations in support of the Lufthansa and **United Airlines** alliance. This "open skies" agreement becomes the subject of a legal action against Germany by the European Commission.

The same day the company introduces its domestic "chip card," a credit card-like high-tech device with an embedded electronic chip, as a substitute for paper tickets. Provided to 1,000 of its best customers, the experimental DLH cards are programmed to perform a number of functions, including those of credit card, frequent flyer card, and check-in and boarding card.

In remarks made during the first week of March that will come back to haunt them, officials at **British Airways, Ltd. (2)**, led by CEO Robert Ayling, strongly criticize the request made by **United Airlines** and DLH for U.S. antitrust immunity for their strategic alliance.

A code-sharing alliance is signed with **Air Canada, Ltd.** on March 22, which, when it takes effect, will also see the two national airlines share airport lounges and frequent flyer programs.

When the carrier begins its summer schedule during the second quarter, smoking is banned on all transatlantic flights.

DLH begins to suffer a significant decline in on-time performance during the second quarter. Much of the difficulties lie with slowdowns at the Munich and Frankfurt hubs and in line maintenance. In an effort to overcome these concerns, company officials will work to improve ground crew turnaround times and place greater emphasis on feeder operations.

The Indian joint-venture airline **Modiluft** faces collapse in May when Lufthansa pulls out and accuses its partner, India's Modi business group, of withholding DM 33 million (\$20.62 million) in dues.

A full schedule of 103 weekly flights begins on June 1 between Germany and the U.S. In addition to a new daily, nonstop dual-designator flight with **United Airlines** between Chicago and Dusseldorf, the company inaugurates its first direct roundtrip nonstops between Munich and San Francisco. Additional departures are initiated from Frankfurt to Boston and Los Angeles.

Upon his conviction on air piracy charges, Nebiu Demeke, who had hijacked a DLH jetliner to New York in 1993, is sentenced to 20 years in prison on June 11 by Federal Judge Sterling Johnson.

Transatlantic service under the new Canadian accord commences on June 15; a total of 84 code-sharing connections per week are flown across the Atlantic. Beyond-flights are offered through the DLH Frankfurt hub to Africa, the Mideast, and throughout Europe.

Sponsored by the airline, along with **Japan Air Lines Co., Ltd. (2)**, **Korean Air (KAL)**, and **Air France**, work begins the same day on a \$450-million Terminal One improvement project at New York (JFK).

With the demand for seats to the summer Olympic Games in Atlanta high, the company increases capacity by 72% on the Frankfurt–Atlanta route in early July by substituting a B-747-430 for the usual A340-311.

Flying in from the factory at Hamburg, the company's first A319-114 arrives at Frankfurt on July 25; in a ceremony attended by hundreds of the company's employees, the "Baby Bus," wearing a huge ceremonial American-style baseball cap over its cockpit, is christened *Frankfurt (Oder)*.

In a September 10 ceremony EC Transport Commissioner Neil Kinnock, Airlines of Britain Chairman Sir Michael Bishop, and DLH Chairman Weber preside over the opening of Superhub, a joint initiative between Manchester Airport, **Business Air, Ltd.**, and the German major. The project is designed to stimulate and speed transfer traffic growth for commercial flights operating from northern England and the Continent.

While en route to Dallas (DFW) from Houston (IAD) on September 18, Flight 437, an A340-311 with 174 passengers, encounters clear-air turbulence near San Antonio. Eight passengers receive minor injuries.

Also in September, **Lufthansa Cargo Airlines, A.G.**, a separate profit center, joins with the London-based Hinduja Group to establish the Indian cargo airline subsidiary **Hinduja Cargo Services, Ltd.** at New Delhi.

The joint-venture company **Modiluft** now fails, forcing its German partner to begin a long legal battle for the recovery of the three Boeing 737Fs that DLH has chartered to it. Meanwhile during the month, delivery is taken on the first of five A319-114s to be received by year's end.

On October 1, a franchise agreement is signed with **Augsburg Airways, GmbH**. One each of the regional carrier's de Havilland Canada DHC-8-100s and DHC-8-300s are painted white with the "Team Lufthansa" logo applied to their fuselages. Lufthansa's pilots are opposed to the major's franchise plans, fearing a loss of jobs. The same day, an accord is reached with the OeTV public sector workers union.

The **Augsburg Airways, GmbH** turboprops commence daily service on October 27 as "Team Lufthansa" under DLH flight codes from Munich to Leipzig, Dortmund, and Erfurt. The same day, DLH ceases its services to Bahrain and reduces the number of flights to Abu Dhabi and Karachi. **Lufthansa Cargo Airlines, A.G.** frequencies are not cut. Also in October, the company begins to code-share frequencies with **Austrian Airlines, A.G.** from Berlin, Hamburg, and Dusseldorf to Vienna.

Meanwhile, the company unveils its new World Wide Web service, Lufthansa InfoFlyaway.

In November, **Modiluft** countersues, claiming the German carrier owes it \$140 million in damages for loss of reputation and credibility. It also maintains that it has a valid claim on three of the chartered aircraft.

Also in November, the carrier launches breakfast flights as part of a two-year campaign to boost domestic Business Class fares by DM 60–120 (\$36–\$72). German business responds by requiring its executives to fly economy class, except on intercontinental long-haul flights.

Throughout the fall, the airline holds contract negotiations with the DAG Union representing its flight and ground personnel. These workers, unhappy with the lack of progress toward a satisfactory resolution, warn on December 10 that they will stage a one-day demonstration strike. Two days later, a series of two-hour strikes occur at all of Germany's principal airports, forcing DLH to cancel a total of 92 flights. A basic agreement is reached by month's end with flight personnel under which employees will receive a one-time payment of a third of a month's pay, plus a 1.7% pay increase the following April. Ground personnel represented by the Transport and Public Workers union reject the contract.

On December 16, DLH and its alliance partner **SAS (Scandinavian Airlines System)** simultaneously deny a Danish newspaper report that their partnership will lead to a merger or exchange of holdings.

In order to reduce the republic's budget deficit, the German government announces on December 23 that it will sell its 51.4% airline stake, valued at \$2.4 billion, to the state-owned bank Kreditanstalt für Wiederaufbau (Reconstruction Loan Corp.) by year's end. The sale marks the

first step in the final process of privatizing the airline. DLH and SAS both sign marketing agreements with the Spanish regional airline **Spanair, S.A.**

Due to stronger domestic competition and higher fuel costs, passenger boardings dip 0.6% to 31,760,000. Although revenues increase 4.8% to \$12.3 billion, various expenses force net gain to decline to \$300 million.

The flight-crew training division is spun off on January 1, 1997 into a wholly owned independent company, Lufthansa Flight Training, A.G.

On January 7, the first domestic French service is inaugurated; the Canadair CRJ-100 route from Munich to Bordeaux is extended on to Marseilles. Two new low-fare services are introduced by rival **Deutsche BA Luftfahrtgesellschaft, GmbH**, on January 20, including one over the Hamburg-Munich trunk route. With a DM 60 return fare, the British-owned competitor quickly grabs 20% of the market share.

Sydney Organizing Committee CEO Mal Hemerling and **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington announce on January 28 that DLH has been chosen one of seven carriers to receive the designation of official carrier for the Sydney 2000 Olympic Games.

An 18th A340-311 is ordered in January for 1998 delivery.

Agreement is reached with **Augsburg Airways, GmbH**, in early February that the franchise agreement should be deepened, with additional destinations added by the "Team Lufthansa" regional beginning on April 7.

Meanwhile, DLH begins to cooperate with **Spanair, S.A.** in the areas of frequent flyer programs and reservations. A319-114 service is inaugurated to Kazan on March 31. Lufthansa is the first foreign airline to provide service to the Tartarstan capital, making it a stop on its route from Frankfurt to Perm.

EU-wide liberalization occurs on April 1; foreign carriers from member states are able to fly German domestic routes without having to first establish German subsidiaries as **British Airways, Ltd. (2)** had done. New competition will come from **Debonair Airways, Ltd.** and **Virgin Express, S.A.** On April 10, a collective bargaining agreement is achieved with company unions. In addition to profit sharing, the 58,000 employees share in job security through the year 2001.

Also during the month, the company begins to enhance Munich Airport, which becomes its second major domestic hub after Frankfurt. Weekly flights from the south German city will be increased by 10% during the remainder of the year, up to 2,365.

DLH begins discussions with **British Midland Airways, Ltd.** concerning a possible strategic alliance and acquisition of a 40% equity stake in the British carrier, shareholding that would equal that held by **SAS (Scandinavian Airlines System)**. Lufthansa Technik now acquires majority interest in the former **Aer Lingus Irish Airlines, Ltd.** subsidiary Airmotive Ireland.

An agreement is signed with **Dragonair, Ltd.** that allows passengers arriving at Hong Kong to check through to their final destination.

At this time, an accord is signed with **SAS (Scandinavian Airlines System)** under which Lufthansa Cargo and SAS Cargo begin to market and transport each other's freight, both with aircraft and trucks.

DLH pilots, again dissatisfied, vote overwhelmingly on February 26 to strike over wages and contract duration; however, no immediate walkout is anticipated. Before the month is over, the company is issued a nonbinding warning from Germany's federal cartel office. The document suggests that the airline may be guilty of overpricing on its near-monopoly Frankfurt-Berlin routes, charging upwards of 30% more from 16 cities to the former capital than on comparable routes in the remainder of Germany. The matter is placed into the judicial system for resolution.

In March, the Federal Cartel Office orders DLH to reduce its prices on the Frankfurt-Berlin route to a point consistent with fares on other domestic routes. Again, DLH refuses and indicates that it will maintain its current levels until the matter can be settled in court.

Also during the month, the DAG-represented cabin and ground staff are unable to generate the 70% majority vote necessary to approve a strike.

The "Team Lufthansa" franchise arrangement with **Augsburg Airways, GmbH**, is deepened in March. The regional is required to turn over its London (CTY) to Frankfurt service, but, in return, is able to inaugurate four-times-a-day service from its base near Munich to Frankfurt. London-originating passengers for Augsburg are advised to fly DLH to Frankfurt from London (LHR) and connect with Augsburg at the German airport.

As a result of the company's previous year 10% drop in profits, DLH, during the last week of March, establishes a six-person management board to head the passenger business unit, which is now restructured. Former **American Airlines** executive Reid, currently EVP-marketing, is tapped to become the airline's president/chief operating officer and head of the new board.

On April 1, a new profit center, Lufthansa Passenger Airlines, is established by the DLH board to handle the company's scheduled passenger services. The new center has over 28,000 employees, almost half of all those employed by DLH, but will serve to reduce by 10% all of the airline's core administrative and management costs. Unlike **Lufthansa Cargo Airlines, A.G.**, the division is not spun off into an autonomous legal entity.

Capt. Juergen Raps is appointed the unit's chief pilot and he oversees three separate fleets: one for Airbus transports (98 aircraft), one for Jumbos (28 aircraft), and a third for B-737s (96 aircraft). New measures are put in place to significantly increase on-time performance.

Also on April 1, the major joins with the Italian regional **Air Dolomiti, S.p.A.** to inaugurate daily frequencies from Genoa to Paris; these will be followed, on April 30, with daily service to the French capital from Verona.

Meanwhile, on April 10, the personnel represented by Transport and Public Works accept the basic agreement offered the previous October. Additionally, management sweetens the offer for both these and flight personnel by agreeing to compromises on job guarantees and increased profit sharing.

Also in April, the Bombay High Court hands back the disputed **Modiluft** planes to the German airline, but DLH fails to take the jets out of India because of another case pending in the Supreme Court.

On May 1, a strategic alliance is entered into with **British Midland Airways, Ltd.** Under terms of the agreement, the companies link their frequent flyer programs and undertake joint marketing, customer, and ground support services.

The monopoly of DLH over the key Frankfurt to Berlin route is broken by **Eurowings Luftverkehrs, A.G.** on May 5.

With considerable fanfare on May 14, DLH joins with its marketing partners **SAS (Scandinavian Airlines System)**, **Air Canada, Ltd.**, **Thai Airways International, Ltd. (THAI)**, and **United Airlines** in an enhanced joint-venture marketing venture to be called "Star Alliance." The new alliance, seen in some quarters as a counter to the proposed **British Airways, Ltd. (2)-American Airlines** arrangement, will stitch together the operational and marketing efforts of all five airlines. DLH's 26 code-sharing agreements with other companies is more than any other carrier's.

Employees of the "Star Alliance" partners will be able to share ticket offices and airport services, purchase supplies, and contribute to promotional and advertising campaigns to be handled by the New York firm of Young & Rubicam Advertising, which is given a \$25-million budget to publicize unified efforts. Travelers on any of the carriers will be able to accumulate and cash in frequent flyer mileage from any of the five partners. **VARIG Brazilian Airlines (Viacao Area de Rio-Grandense, S.A.)** will join the group in October and negotiations are underway to bring in other airlines.

On May 16, the upper house of the German parliament passes the Aviation Compliance Documentation Act, which will make possible the sale of the last 35.7% of the government's DLH stake and ensure that majority ownership is retained in German hands. Following passage by the lower house, the privatization law will be sent to the president and Chancellor Helmut Kohl for signing before July 1.

On June 1, a strategic franchise alliance is entered into with **Air Littoral, S.A.** Under terms of the agreement, the companies link their frequent flyer programs and undertake joint marketing, customer, and ground support services. The regional will represent the German major in 29 French markets while DLH will become general sales agent for **Air Littoral, S.A.** in Germany, Italy, and Spain. The "Team Lufthansa" partnership also contains financing provisions that could allow Lufthansa to acquire up to a 15% stake and a clause under which the Germans become committed to assisting in the completion of the **Air Littoral, S.A.** hub begun at Nice a year earlier.

The company's annual shareholders' meeting is held on June 26. Stockholders vote a change in the articles of association that will allow a swap of ordinary bearer shares of DLH for registered shares. This procedure will make certain that the airline will, upon privatization, be retained in German hands.

On July 1, the carrier signs a code-sharing agreement with **VLM (Vlaamse Luchttransportmaatschappij, N.V.)**. In addition to shared marketing, sales, and customer service activities, the German major will purchase blocked seats on 104 weekly VLM flights from Dusseldorf Express Airport at Moenchengladbach and Rotterdam to London (CTY).

By this date, the code-sharing agreement with **Air Dolomiti, S.p.A.** accounts for 137 of the Italian regional's 156 daily departures.

According to an article by Dave English, DLH now operates one of the longest routes in the world. The 7,142 st.-mi.-distance from Frankfurt to Buenos Aires is flown in 13 hrs. 45 min. out and 13 hrs. 5 min. back (*Airways* [July-August 1997]: 21).

The Ministry of Transport in July begins to accelerate its efforts to privatize the remaining 35.7% of the carrier by year's end. At this point, seven international banks are invited to submit proposals. Dresdner Kleinwort Benson, the London-based investment unit of Dresdner Bank, is chosen as lead manager for the placement.

As a result of its deepening partnership with **SAS (Scandinavian Airlines System)**, DLH gives **Finnair O/Y** notice on August 1 of its intention to terminate next October the regional agreement signed with the Helsinki-based flag carrier in 1991.

Lufthansa and **Moduluft** announce on August 20 that they have agreed to a comprehensive settlement plan that resolves outstanding issues that have been the subject of litigation between the two organizations. A Modi group spokesman suggests the move will lead to an early relaunch of the joint venture Indian airline. Indeed, after a year of legal wrangling, in mid-September DLH will receive back the three Boeing aircraft it had leased to **Moduluft**, as well as a \$5-million damages award, which will be paid in 6 tranches beginning in the year 2000.

The strategic agreement with **British Midland Airways, Ltd.** becomes a full code-sharing partnership in August.

At the same time, customers with major credit cards are now able to book flights on the Lufthansa InfoFlyway website.

The compact with **VLM (Vlaamse Luchttransportmaatschappij, N.V.)** is expanded on September 1 to allow daily dual-designator frequencies between Antwerp and Munich.

All ordinary stock shares are converted to registered shares on September 5-8.

The strategic agreement with **Air Littoral, S.A.** becomes a full code-sharing partnership in September. Meanwhile, Air Littoral's previous arrangement with **Air France** withers during the summer as it comes to rely upon its new franchise partner **Brit Air, S.A.**, which, in effect, becomes the French flag carrier's regional feeder from Paris (CDG) in October.

In a Montreal ceremony, the carrier is the only airline to receive one of the environmental awards handed out by the U.S. Environmental Protection Agency (EPA). The plaque recognizes DLH's achievement as the first company worldwide to discontinue the use of halogenated hydrocarbons during the maintenance and overhaul of its aircraft.

On September 18, the German major announces that, effective January 1, its **Condor Flugdienst, GmbH** subsidiary will join with and provide capacity for Germany's second largest tour operator, Neckermann

Reisen, GmbH., in a fifty-fifty joint-venture company to be known as C&N Condor Neckermann Touristik, A.G. The new entity will also contain the DLH interest in the Turkish charter line **Sun Express, A.O.** and five German tour operations.

During the month, negotiations aimed at the possible conclusion of a code-sharing agreement are initiated with **Air New Zealand, Ltd.**

In a speech acknowledging loss of market share to aggressive competition from **Deutsche BA Luftfahrtgesellschaft, GmbH**, Chairman Weber announces that DLH will soon begin counterprogramming of its own. "For those who think they can squeeze out Lufthansa," he declares, "we will be able to find some measures to make life difficult."

Also in September, a major agreement is signed with **Mexicana Airlines, S.A. de C.V.** Under its terms, the German major will assist the Mexican line in improving its customer services. First a 12-month evaluation of Mexicana procedures will be undertaken, followed by a training program for its customer service personnel.

On October 1, DLH and **Spanair, S.A.** reach conclusion on a code-sharing agreement, but contrary to media reports, the German major takes no equity share. At the same time, a contract is placed for two more A340-300s, to be delivered one each in 1998 and 1999.

When **Lufthansa Cargo, A.G.** now determines that it no longer requires its 25.4% stake in **Cargolux Airlines International, S.A.**, that shareholding is sold by DLH to **Swissair, A.G.**'s **Swisscargo**, which is owned by SAirGroup's SAirLogistics subsidiary.

In a report picked up and distributed by the Agence France Presse English wire service on October 2, the Bangkok daily newspaper *Nation* is quoted as reporting that **Thai Airways International, Ltd. (THAI)** is under pressure to withdraw from the "Star Alliance." THAI officials are complaining that the airline has been unable to show adequate progress on an action plan for global cooperation because it is still under control of the Finance and Transportation Ministries. It is noted that "sources close to" Lufthansa have the German major suggesting that the more-efficient **Singapore Airlines, Ltd.** would make a preferable partner. German airline officials deny the contention.

Eleven days later, on October 13, the company is completely privatized when the German government sells its 37.5% stake. Initially, the stock market float is issued in 143 million 5-mark shares, but after a two-week subscription period, the stocks will be issued for 33.3 marks each. The sale income is approximately 4.7 billion marks.

On October 26, DLH and its alliance partner, **SAS (Scandinavian Airlines System)**, inaugurate dual-designator service to and from Finland: a total of 65 daily roundtrips are initiated from Finland to Scandinavia and Germany.

Also on October 26, DLH returns to Beirut after a 14-year absence, inaugurating thrice-weekly A310-304 return flights. A new daily service is started to Izmir while new domestic nonstop frequencies are introduced from Frankfurt to Dortmund and Hamburg to Leipzig.

On the same day, the existing code-share agreement with **Air U.K., Ltd.** is expanded; the route from London to Cologne and Bonn is extended to Dresden. At the same time, the current connection with Rome is discontinued for the winter season and in its place, DLH offers new services from Cologne and Bonn to Rome.

Under its arrangement with the German major, **British Midland Airways, Ltd.** inaugurates daily dual-designator services on October 27 from London (LHR) to Dresden via Cologne and Bonn.

On the last day of the month, officials state that the company will invest \$26 million and receive a 20% stake in Heico Corporation's Heico Aerospace engine subsidiary.

On November 1, ETIX electronic ticketing, which had previously been available on German domestic routes as well as flights to London (LHR) and Paris (CDG) is extended to 14 additional international airports: Amsterdam, Athens, Barcelona, Brussels, Rome (Fiumicino Airport), Istanbul, Milan (Linate Airport), Madrid, Manchester, New York (JFK and EWR), Prague, Vienna, and Warsaw.

Following a decision of the German Transportation Ministry to lift its ban on the placement of advertising on the sides of jetliners, it is

revealed, on November 20, that several schemes are under review by Lufthansa for use by its subsidiaries.

It is announced on November 24 that specific kerosene consumption of the aircraft in the Lufthansa group has been lowered 20.8% since 1991.

The same day, **Deutsche BA Luftfahrtgesellschaft, GmbH.** directly challenges the carrier by introducing eight-times-per-day roundtrips between Frankfurt and Munich. DLH responds by lowering its prices on the trunk route.

On November 28, **Singapore Airlines, Ltd.** withdraws from the "Global Excellence" alliance with **Swissair, A.G.** and **Delta Air Lines** and signs a memorandum of understanding for a strategic alliance with DLH. Under its terms, SIA will hub its European business at Frankfurt while Lufthansa will make Singapore its principal Southeast Asian center for activities from Japan to India. In addition, the two majors will coordinate frequent flyer programs, offer dual-designator flights, jointly develop marketing, scheduling, customer service activities, and information technology, and share ground handling.

A third weekly A300B4-605R roundtrip is inaugurated on December 1 between Frankfurt and Jeddah, Saudi Arabia.

On December 5, an order is placed for 10 A340-600s. During December, the carrier passes its 33% stake in Deutsches Reisebüro to Deutsche Bahn, A.G.

Simultaneously, Deutsche Bahn, A.G.'s 33% stake in START Holding, GmbH., the German marketing arm of the Amadeus reservations system, is acquired.

Passenger boardings increase 5% to 33.34 million, while operating revenue swells 11% to \$12.8 billion. Net gain reaches \$464 million.

At the beginning of 1998, Lufthansa is the 10th largest airline in the world in terms of passenger boardings and fleet size, 7th in employees with 44,728, and 5th in operating income. The company owns 210 airplanes, all of which are Stage III certified: 75 B-737s, 30 B-747s, 13 A300s, 8 A310s, 17 A319s, 33 A320s, 18 A321s, and 16 A340s.

Lufthansa Lan Technical Training Chile, S.A., a new maintenance-repair-overhaul (MRO) training operation jointly owned by Lufthansa Technik and **LanChile Airlines, S.A.**, opens at Santiago on January 1.

During February, the carrier joins with **United Airlines** and **Air Canada, Ltd.** to announce creation of a joint venture that will trade aircraft parts.

After a six-year court battle, a Miami travel agent, Leonard Krys, wins a \$3-million settlement against the airline on February 27 for attributable heart damages. A Lufthansa captain, en route from Miami to Frankfurt in 1992, had, even though off the U.S. East Coast and aware of Krys attack, pressed his flight on to Europe rather than turn back and, as a result, Krys suffered severe damage to the wall of his heart.

During the first two months, discussions concerning a strategic alliance are undertaken with **All Nippon Airways Company, Ltd.** On March 9, DLH and ANA signs code-sharing documents. The new arrangement includes frequent flyer programs and calls for development of a return dual-designator service from Frankfurt to Tokyo in the fall, as well as code-sharing on routes within Japan and Germany. At the same time as the ANA discussions are conducted, the carrier's board of directors considers the creation, à la **British Airways, Ltd. (2)**, of a low-cost subsidiary airline, at this point code-named Lufthansa Light. Feasibility studies do not initially demonstrate significant business advantage.

The response of DLH to the **Deutsche BA Luftfahrtgesellschaft, GmbH.** invasion of the Munich-Frankfurt trunk route the previous November 24 pays off in March. Deutsche BA, which has failed in its bid to win additional slots at Frankfurt, elects to quit the highly competitive route after only five months.

On March 29, four-times-a-week A340-311 roundtrips commence between Frankfurt and Houston (IAH); the nonstop service is the only one to be offered over the route. On the other three days of the week, Flight 437 is made with a stop at Dallas-Fort Worth. Weekly code-sharing flights with **Singapore Airlines, Ltd.** between Frankfurt and Singapore are increased from 7 to 10, also on March 29. The number of flights to

other North American gateway cities are, on this first day of the summer schedule, increased from 120 each week to 135.

At the beginning of April, DLH signs a memorandum of understanding to fund 40% of the DM 1.3 billion (\$725 million) required to construct a new terminal at Munich, which will be employed exclusively by the major and its partners.

The carrier, representing the "Star Alliance," undertakes negotiations with **Cathay Pacific Airways (Pty.), Ltd.** in mid-April concerning possible admittance of the Hong Kong-based major to the consortium. Lufthansa also unveils plans to float various company units in 1999, including ISG/Sky Chefs and the Amadeus reservations system.

At the end of April, EC Competition Commissioner Karel Van Miert asks both DLH and **United Airlines** to cede up to 100 slots at Frankfurt and Munich under a proposed new code affecting multinational alliances. The approach is the same one the EC is taking toward the troubled linkup between **American Airlines** and **British Airways, Ltd. (2)**.

As the "Star Alliance" nears its first anniversary, an **Air Canada, Ltd.** B-767-333ER is painted in the livery of all partners. The wide-body is employed, beginning on May 1, to initiate nonstop, daily dual-designator service with DLH between Montreal and Frankfurt. The German airline sells seats on the flight as part of a block-seat purchase arrangement.

Also on May 1, Lufthansa and **All Nippon Airways Company, Ltd.** announce plans to begin dual-designator services between Tokyo and Frankfurt on July 1. At this point, they begin to integrate their frequent flyer programs.

Joined by **Air France**, **Japan Air Lines Company, Ltd. (2)**, and **Korean Air (Korean Airlines, Ltd.)**, the carrier, in mid-May begins a two-week move into the newly opened \$434-million Terminal One at New York (JFK). The four carriers, having developed, financed, designed, and constructed the huge project will now operate it and sell space to other carriers.

Having completed over 200 flights to Kazan since the previous March, representatives of the German airline officially open an office in the Tartarstan capital on May 13. These executives note that direct flights to the city from Frankfurt may soon begin.

The European Academy for Aviation Safety is opened at Toulouse during the last week of May. It is jointly sponsored by the carrier, **Air France**, Airbus Industrie, Aero International (Regional), RAI-ENAC, and the College of Aeronautics, Cranfield (England) University.

Twice-weekly nonstop B-767-333ER roundtrips by **Air Canada, Ltd.** commence on June 5 between Halifax and Frankfurt. As with the weekly flights from Montreal, these are dual-designator services operated with **Deutsche Lufthansa, A.G.**

On June 8, President/Chief Operating Officer Reid is named executive vice president/chief management officer at **Delta Air Lines**. The appointment is considered a coup at the Atlanta-based carrier.

A code-sharing agreement is entered into with **Qatar Airways** on June 15.

An incident occurs on June 17 that will have a significant legal impact on the airline and on code-sharing legalities. A partially paralyzed passenger in a wheelchair travels from Seattle to New York on a **United Airlines** flight. He then attempts to seamlessly transfer to Flight 3516 to Frankfurt, operated as a dual-designator service by DLH, but employees of the German carrier refuse to let him board. The gentleman will make his case known to the U.S. DOT.

By the end of the month, Lufthansa has achieved the milestone of carrying more passengers worldwide than any other European airline; it serves nearly 300 cities in more than 90 countries.

Lufthansa and **All Nippon Airways Company, Ltd.** launch eight-times-per-week dual designator service on July 1 between Tokyo (NRT) and Frankfurt. Also on July 1, the carrier inaugurates a strategic alliance with **Singapore Airlines, Ltd.** Code-sharing is introduced on services of the two airlines from Singapore and Frankfurt and from Frankfurt to New York (JFK).

On September 1, thrice-daily dual-designator roundtrips commence in cooperation with **British Midland Airways, Ltd.** between Manches-

ter and Dusseldorf; the new schedule enables the carriers to offer an increase from two to three weekly flights.

The next day, the company announces that, beginning on March 28, it will offer new daily A340-311 nonstop return service from both Detroit (DTT) and Philadelphia to Frankfurt. In addition, during the first week of the month, **United Airlines** code-sharing is expanded on DLH routes thrice weekly from Frankfurt to Addis Ababa via Cairo, thrice weekly from Frankfurt to Amman, weekly from Frankfurt to Harare, Zimbabwe, via Johannesburg, weekly from Munich to Cairo, and twice weekly from Frankfurt to Johannesburg.

Given that the A310-304s employed on the route are to be phased out, DLH announces on September 11 that it will cease passenger flights from Nairobi on March 25.

It is announced on September 14 that the company will inaugurate daily nonstop A340-311 roundtrips from Frankfurt to both Philadelphia and Detroit (DTT) at the end of March.

At the same time, it becomes known that the supervisory board has approved \$2 billion in new aircraft orders for delivery between 2000 and 2001. Included for the main line are 10 more A340-311s and 6 A321-231s, while 6 MD-11Fs will be provided to **Lufthansa Cargo Airlines, A.G.**, which will then replace its B-747-400Fs.

Arrangements are completed on September 18 for the \$29.6-million acquisition of a 49% interest in the airport service provider Hudson General.

As a result of an appeal over the June 17 case concerning a partially paralyzed passenger denied boarding to a dual-designator DLH service to Frankfurt, U.S. Transportation Secretary Rodney Slater announces the DOT's finding on September 23. Both DLH and **United Air Lines** operate under a tariff provision requiring that passengers be carried unattended unless they have a mobility impairment so severe that it prevents them from assisting in their own evacuation. Transportation authorities find that, because the passenger had flown across country without assistance and had made it down the boarding ramp without help, he could, if necessary, have assisted in his evacuation from the German aircraft. This is the first time that the DOT finds a U.S. carrier has violated a disabled passenger's rights on a code-share flight operated by a foreign airline. United is required to pay a civil penalty of \$3,000 and Lufthansa \$1,000, but under terms of the settlement, neither carrier admits to any wrongdoing.

It is noted at the end of the month that the company will take a 40%, DM 520-million (\$287-million) stake in a joint venture with the Munich Airport authority; the consortium will build and operate a second terminal at the south German airport.

Chairman Weber, who is also serving as chair of the Association of European Airlines, meets with European Commission president Jacques Santer in October to fill him in on the European airline industry, with special attention to the necessity for their involvement in international alliances.

Displeased with the creation of a new Berlin unit devoted to industry, commerce, politics, and the environment, board member Hemjo Klein resigns during the month.

The code-share with **Air Littoral, S.A.** between Nice and six German destinations is threatened in late October when **Swissair, A.G.** purchases a 44% stake in the French airline. Swissair requests that Air Littoral, which maintains management control, abandon its DLH link, but the regional does not, at least initially, comply.

The code-sharing arrangement with **Singapore Airlines, Ltd.** is expanded on October 25, allowing the launch of dual-designator flights from Frankfurt to Singapore via Sydney.

The latest terrain avoidance equipment, an Enhanced Ground Proximity Warning System (EGPWS), will, according to an October 26 news release, be retrofitted to all 185 aircraft of the DLH fleet in the year 2000.

On November 1, DLH adds 27 cities from 14 countries to its list of ETIX electronic ticketing destinations. In all, Lufthansa passengers are now able to fly to 44 international destinations without using a paper ticket.

The German major begins initial services into London (STN) on November 23; B-737-530s launch flights to the new destination thrice daily. It is announced at the end of the month that, starting on March 28, the company will operate twice-daily roundtrips between Frankfurt and Edinburgh.

In an effort to compete head-to-head with the **British Airways, Ltd.** (2) division GO, DLH, on December 1, inaugurates thrice-daily roundtrips from Munich to London (STN). The introductory roundtrip tariff is just £80.

It is announced on December 7 that, beginning on January 16, **United Airlines** will expand its code-share agreement with DLH on the German major's thrice-weekly routes from Frankfurt to Sana'a, Yemen, via Cairo.

The "Star Alliance" carriers on December 8 form a six-member management board to carry out the group's five-year business plan. DLH Executive Vice President Friedel Roedig is named chairman, with **United Airlines** executive Bruce Harris as his deputy.

All domestic and European flights to and from Frankfurt and Stuttgart are cancelled on December 10 because of snow and icy rain, with traffic into and out of the airports at Munich and Berlin seriously affected by the bad weather. By noon alone, 125 flights have been halted.

On December 16, a joint venture is formed with KG Allgemeine Leasing, which will be known as German Operating Aircraft Leasing. The new concern, in which DLH will hold a 40% stake, will purchase the major's surplus aircraft and place them with other carriers. The first deal will be completed with an unnamed airline before the end of the year and will involve a pair of used Lufthansa B-737-330s.

Customer bookings for the year climb 8.2% to 36.05 million. Revenues of DM 22.6 billion (\$12.68 billion) are generated, leaving a pre-tax profit of DM 2.4 billion (\$1.59 billion).

By the beginning of 1999, airline employment has been boosted 21.5% to 54,695.

Following the retirement of Communications/Public Relations Director Josef Grendel, Gabriele Velte becomes that carrier's new publicity chief.

Harold Hahn, South Asian general manager for Lufthansa at New Delhi, indicates on January 19 that there are prospects of his company's assuming an equity stake in **Air India, Ltd.** as soon as the Indian government publishes its guidelines for its disinvestment. The executive also indicates that his carrier may increase its services to Delhi, Bombay, and Chennai from the existing 15 weekly flights, while also expanding them to such other cities as Bangalore, Hyderabad, and Calcutta.

It is also reported during the month that Lufthansa will code-share and jointly market flight and rail service with the national railroad of France. The effort is designed to boost ground transport into Paris (CDG) for international passengers.

The company is hired by **Garuda Indonesia** on February 1 to aid the Indonesian major in its restructuring process. The same day, Lufthansa places its "DL" code on five **Mexicana Airlines, S.A. de C.V.** services from Mexico City; the new dual-designator services aboard the Mexican major's aircraft are operated to Acapulco, Cancún, Guadalajara, Monterrey, and Merida.

Speaking before an aviation industry lunch in Brussels on February 23, **United Airlines** Vice President Michael Whitaker indicates his belief that the EU will impose no restrictions on the alliance between DLH, UAL, and SAS until it has reviewed a number of other transatlantic pacts.

A code-sharing and marketing agreement is signed with the French commuter **Regional Airlines, S.A.** on February 25. When it takes effect on March 28, Regional will become the latest "Team Lufthansa" carrier.

Stefan Pichler, the executive vice president-sales, holds a news conference at the International Tourism Exchange at Berlin on March 7 to review the airline's plans for the summer ahead. In addition to a number of Lufthansa Specials, reduced-price leisure fares, the carrier will add five new destinations to its route network—Detroit, Philadelphia,

Caracas, Edinburgh, and Bergamo—when the summer schedule begins on March 28.

The airline's supervisory board on March 10 approves the acquisition of Hudson General Corporation by its ground services subsidiary, GlobeGround, GmbH. On March 15, it selects VIAG Interkom, a joint venture between BT, Concert, and German telecomms, to put together the airline's new communications network. It is simultaneously announced that the German carrier will establish a new software development center in County Galway, in western Ireland, that will create 100 jobs over the next 3 years.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Lufthansa, on March 23, halts all scheduled service into Belgrade from Frankfurt. A spokesman, in making the announcement, indicates that the situation will be evaluated further the next day. On March 24, service remains shut down to Belgrade and Sarajevo, Mostar, and Banja Luka are added to the list; that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Following the sale of the A310-304 employed on the route, the company halts its thrice-weekly roundtrip service from Frankfurt to Nairobi, Kenya, on March 25. Service to Belgrade, Sarajevo, and several other Balkan destinations remains halted on March 25 and for most of the duration of the NATO bombing campaign. Flights to south central and southeastern Europe experience delays of 30–60 min. due to airspace closure.

DLH and **British Midland Airways, Ltd.** further strengthen their code-sharing agreement on March 28 when they launch joint services between London (LHR) and both Stuttgart and Hanover. The twice-daily roundtrip flights offered by Lufthansa are increased to thrice daily by the addition of one BMA service into each German market.

With the opening of the summer schedule on March 28, Lufthansa now flies to 323 destinations in 88 countries. On this date, the company begins daily nonstop A340-311 roundtrips from Frankfurt to both Philadelphia and Detroit.

At the end of the month, thrice weekly and direct service is introduced between Frankfurt and Harare, Zimbabwe; the new route replaces a service previously operated via Johannesburg. At the same time, the number of weekly flights between Frankfurt and Shanghai grows from four to five.

As aircraft from the NATO nations pound Yugoslav targets in Operation Allied Force, hundreds of thousands of Kosovo refugees head to and cross borders into Albania and Macedonia. As aid workers struggle to provide relief, several governments step forward to provide sanctuary, agreeing to take various numbers of displaced persons.

Germany announces on April 7 that it will take an additional 10,000 refugees, on top of the 35,000 ethnic Albanians who have reached that country since Kosovo's problems started in February 1998. The Interior Ministry announces that 600 Kosovar Albanians, mostly women, children, and those needing medical attention, will be flown the next day from Skopje, Macedonia, to Nuremberg aboard two chartered Lufthansa jetliners. Lufthansa, which apparently has not been consulted, indicates that it will not be possible to make the flights as announced because the Balkan situation is not safe for private aircraft. The Interior Ministry admits as much during the evening as it indicates alternative transport possibilities are being examined.

Satisfactory arrangements being concluded, the airline begins to participate in the airlift, which, by April 9, has brought in around 2,000 refugees. Simultaneously, Sadako Ogata, the UN refugee chairman, recommends an end to the airlift. Authorities in Germany press on with the airlift on April 10. Several hundred ethnic Albanians are flown into airports in Baden-Wuerttemberg, with 200 arriving that evening at Dresden. From there they are taken to accommodations in the nearby town of Chemnitz. By April 12, almost half of the refugees in Bonn's 10,000-person commitment have reached German sanctuary. With the reopening of the airport at Sarajevo earlier in the week, the company, on April 21, resumes service to that Bosnian city from Frankfurt.

Following handover at the beginning of the month by Libya of the suspects in the Lockerbie bombing, the UN lifts its air sanctions against that North African nation. Five-times-a-week A310-304 roundtrips are resumed to Tripoli from Frankfurt on April 22.

On April 23, a fire damages the offices of Lufthansa, **Air France, British Airways, Ltd. (2), Japan Air Lines Company, Ltd. (2), and Indian Airlines, Ltd.** in the cargo terminal at New Delhi's Indira Gandhi International Airport.

In its April 24 issue, *Der Spiegel* reports that Lufthansa has, in the past five weeks, lost DM 10 million (\$5.4 million) each day in income. The Frankfurt Airport has been all but taken over for use by NATO as a refueling depot for its tankers that supply attack aircraft heading for Yugoslav targets. The airline itself, on April 26, calls the figures an exaggeration and admits that, while it has been affected, no quantifying figures are yet available. It notes that Chairman Weber, interviewed for the magazine article, was referring to delays and costs associated with recent bad weather, the installation of a new takeoff and landing system at Frankfurt Airport, and difficulties caused by European ATC.

Three days later, Chairman Weber calls a Frankfurt news conference to announce that a combination of factors have caused a 66% decline in net profit during the first quarter. Although the Kosovo crisis is hurting the quality of his airline's service, it is not having any financial impact. The claims of *Der Spiegel* are dismissed as "totally incorrect."

At the same time, a \$1.6-billion order is placed with Fairchild Aerospace for the delivery between 2002 and 2006 of 60 728JETS that will be employed on regional routes by **Lufthansa CityLine, A.G.**

Perfecto Yasay, chairman of the Philippines Securities and Exchange Commission, reports on May 5 that Lufthansa is conducting negotiations with **Philippine Air Lines (PAL)** concerning a purchase of the airline's maintenance and engineering division.

In an interview with Austria's *Format* magazine, Chairman Weber indicates that his company is willing to sell its stake in **Lauda Air Luftfahrtsgesellschaft, A.G.** if the price is right. Lufthansa confirms to Reuters, Ltd. on May 10 that the quote is accurate.

On May 12, German Interior Minister Otto Schilly refuses to rule out the possibility that Germany will take another 5,000–10,000 Kosovo refugees. The nation has already taken in 10,000 of the ethnic Albanians—more than any other Western country—while many neighbors have not fulfilled their relief pledges. Many of the displaced persons have arrived aboard chartered Lufthansa aircraft.

Chairman Weber scolds European air traffic controllers in a talk before the International Aviation Club at Washington, D.C. on May 20. The Lufthansa CEO holds the controllers responsible for causing a third of all annual flight delays and indicates that his company burns 26,000 tons of fuel every year in holding patterns.

Beginning on June 15, **Air Canada, Ltd.'s** code is placed on the Lufthansa daily flights between Frankfurt and Bucharest. The German major, through its Lufthansa Technik unit, agrees to purchase the engineering and maintenance divisions of **Philippine Air Lines (PAL)** on June 22.

Having managed to disappoint many, Communications/Public Relations Director Velte suddenly departs on July 26. Her predecessor, Josef Grendel, returns to his duties on a temporary basis until a successor can be located. The search is quickly completed and a new communications leader, Ruhrgas, A.G.'s public relations director, Klaus Walther, is named on August 16.

Due to commercial reasons, the thrice-weekly roundtrip service between Frankfurt and Kuala Lumpur, Malaysia, is suspended on September 1.

The cost-cutting plan started in 1996 is completed in May, having achieved its DM 1.5-billion target two years ahead of schedule.

On September 15, a joint-venture company formed between Lufthansa Flight Training, GmbH. and **LanChile Airlines, S.A.**, opens at Santiago. Designed to become the largest airline-run pedagogical academy in South America, the new facility will offer comprehensive pilot training, flight attendant emergency instruction, and other educational instruction.

During September, a 26% stake is purchased in the Italian carrier **Air Dolomiti, S.p.A.** Under terms of a code-sharing agreement signed with **Maersk Air, A.S.** on June 10, the German major is able to sell tickets on Maersk's return services from Billund to Frankfurt for those passengers flying beyond the DLH hub on October 1. In addition to increased profits for both parties, the pact improves connections from Billund.

The code-sharing pact with **Spanair, S.A.** is deepened during October to include all flights by the two airlines between Spain and Germany and to all Spanair flights to and between 10 Spanish regional airports. Simultaneously, Lufthansa agrees to maintain up to 45 new Airbus aircraft the Spanish line will purchase and train the pilots to fly them.

At Brussels National Airport on October 31, armed robbers halt a van carrying cash to a Lufthansa airliner, which is being prepared for departure to Germany. The Belgian newspaper *La Dernier Heure* will report on November 2 that the thieves had escaped with DM equivalent to between 200 million and 300 Belgian francs.

The code-sharing agreement with **Qatar Airways** is enhanced on November 1 to include Vienna, Zurich, and Manchester, England.

CEO Weber announces on November 6 that the carrier will launch six-times-a-week A340-313X return service on March 25 from Berlin to Washington, D.C. (IAD).

On November 9, the German major purchases half of the 40% stake in **British Midland Airways, Ltd.** formerly held by **SAS (Scandinavian Airlines System)** for €91.4 million. The equity purchase is criticized by a number of competitors, including **British Airways, Ltd. (2)**, but also all but guarantees the company's entry into the "Star Alliance."

It is announced on November 19 that SAirGroup, parent of **Swissair, A.G.**, has outbid both **British Airways, Ltd. (2)** and Lufthansa to purchase, by year's end, a 10% stake in **LOT Polish Airlines, S.A.** In making the award, Polish Treasury Minister Emil Wasacz indicates that the stake will be increased to 37.6% through a recapitalization of the airline.

With continuing support and assistance from the other "Star Alliance" carriers—especially financial help from DLH and **United Airlines—Air Canada, Ltd.** is able to put together its own \$760-million recapitalization plan for company stockholders and makes a successful C\$92 million (\$63 million) counteroffer against an **American Airlines**-backed plan for **Canadian Airlines, Ltd.** The drama reaches a high point on December 4 when the Canadian board of directors accepts the Air Canada tender.

The last of three A340-313Xs delivered during the year arrives on December 20.

Passenger boardings climb 7.8% to 38,872,000. Operating revenues for Lufthansa Group jump 9% to \$12,847,527,000, while expenses are up 14.6% to \$11,830,995,000. This year's operating profit falls to \$1.01 billion, while net gain drops to \$632.97 million.

Airline employment at the beginning of 2000 stands at 66,207, a 33.9% increase over the previous 12 months. Among the world's top 25 airlines, DLH is 9th in total passengers, 7th in employees, and 10th in fleet size, while Lufthansa Group is 7th in operating revenue, 4th in operating profit, and 5th in net profit. The first of five A321-231s to be received by July is delivered on January 19.

While seeking permission from Hanoi for a third weekly service from Frankfurt to Ho Chi Minh City, the carrier, on January 31, begins to fly its Frankfurt to Jakarta route on a daily basis.

Also during January, the B-747-430 *Hannover* returns to service after being given a special color scheme promoting the first world exposition to be held in Germany, the June 1–October 31 Hannover Expo 2000.

For the second time in five years, in February Lufthansa is named "Airline of the Year" for 1999 by *Air Transport World* magazine.

The first of six A340-313Xs to be delivered during the year is received on February 18. The carrier's 26 B-747-430s are grounded for inspection on February 22 after a routine maintenance check turns up cracks in lines that carry fire-fighting chemicals to the engines. They will remain out of service until all of the lines can be replaced.

On February 29, **The British Airways, Ltd. (2)** subsidiary GO announces that it will suspend service to Munich at the end of March. It

simultaneously files an official complaint with the European Commission complaining of the predatory practices of Lufthansa on the route over the past 15 months.

At the beginning of March, the new stand-alone subsidiary Lufthansa e-Commerce, A.G., is established to handle all of Lufthansa Group's Internet functions. The year's goal for on-line bookings and e-commerce activities is raised from the 100,000 realized in 1999 to 280,000 and revenues are to be increased to DM 100 million.

The company's 25th A340-211 arrives at Frankfurt from Toulouse on March 10.

An unusual event occurs at Baku, Azerbaijan, on March 15. While preparing for departure for Turkmenistan, the captain of the company's flight that day is informed by airport authorities that the plane will not be refueled because the airline is in arrears in payment of its fuel bill. Having just transferred \$10,000 to the AZALOIL account the day before, the DLH station manager, noting that his airline has always funded accounts in advance, refuses to pay and indicates to airport officials that the amount asked for was not owed. Still, the Baku airport leaders refuse to budge and the German flight crew is left to come up with a response. In order to conserve enough of their plane's fuel reserve to make it across the Caspian Sea to the next stop, the flight crew, with help from the flight attendants, unloads all of the cargo and baggage, the catering equipment, and even siphons off all of the water from the onboard lavatories. The plane taxis out and is cleared by ATC (which is neutral) to takeoff. The incident is later handled at the diplomatic level.

With \$1 million in incentives at his disposal, Denver Mayor Wellington Webb travels to Frankfurt on March 17 to persuade DLH officials to begin a year of flights into his city.

Just prior to the beginning of the summer schedule, a joint-venture agreement is signed between Lufthansa Technik, A.G. and **MALEV Hungarian Airlines, Rt.** Under its terms, a new maintenance, repair and overhaul (MRO) facility will be set up at Budapest to handle narrow-body jetliners, particularly the B-737s operated by the two airlines. When operations begin in early 2001, the concern will be the third joint venture of its type outside of Germany, after the ones in Beijing and Manila. At the same time, 55,000 workers in 3 German labor unions that work with Lufthansa win a 2.5% pay increase and a bonus in a new 12-month contract.

The carrier, on March 26, begins to code-share with **All Nippon Airways Company, Ltd. (ANA)** on all 16 weekly roundtrips between Tokyo (NRT) and Frankfurt—6 ANA and 10 DLH flights—while the German line places its designator on ANA's two weekly return flights between Osaka (KIX) and Frankfurt. Within Europe, ANA code-shares on DLH flights from Frankfurt to Amsterdam, Berlin, Dusseldorf, Munich, Hamburg, Geneva, and Vienna.

Elsewhere with the beginning of the summer schedule, a fourth flight, operated six times a week, is added between Frankfurt and New York (JFK). Return service to Manila is boosted to five flights a week and frequencies from Frankfurt to Boston, Chicago (ORD), Los Angeles, and Washington, D.C. (IAD) become twice daily. The route from Frankfurt to Bogota and Lima is split, with each city having three weekly roundtrips and A340-313Xs replace A300s on routes from Frankfurt to the Middle East and Africa, except the route to Damascus, which is terminated altogether. From Munich, B-747-430 roundtrip frequencies to San Francisco are boosted from three every week to seven; flights from the Bavarian capital to Barcelona, Nice, and Toulouse are also increased.

It is reported, also in March, that DHL Airways will soon be taken over by the combined forces of Deutsche Post World Net (DPWN) and **Deutsche Lufthansa, A.G.** Each has a 25%-plus-1-share stake in the company and its European counterpart DHL International. Although smaller than either **Federal Express (FedEx)** or **United Parcel Service (UPS)**, **DHL Worldwide Express**, parent of both DHL-A and DHL-I, leads both in cross-border mail and express deliveries—38% against 20% for the former and 15% for the latter. It has also made purchases in trucking, logistics, and air freight that rivals both of the American giants.

The story is part of a general revelation in the aviation media that Deutsche Post and Deutsche Lufthansa Group are reviewing several schemes for a joint-venture (code-named PELIKAN) merging of their logistic activities. PELIKAN would see the joining of DHL Worldwide with **Lufthansa Cargo Airlines, A.G.** and with Deutsche Post-owned Air Express International.

At this point, **United Parcel Service (UPS)** demands that the EU Commission require DPWN split up its commercial and public service activities. UPS had originally petitioned the EU Commission in 1994 alleging unfair competition in the parcel post sector. Now it emerges that DPWN has invested almost \$5 billion in the years since to build up its parcel post activities while recently engaging in alliance discussions with both DHL and **Deutsche Lufthansa, A.G.** It is anticipated that the Commission will respond by April, but it will not open its formal investigation until August.

On April 1, two of the carrier's five weekly frequencies from Frankfurt to Morocco are switched to Tripoli, Libya. For the month beginning on April 10, the company, in honor of its twentieth anniversary of China service, offers a 20% discount on all business- and economy-class tickets purchased for travel to Beijing from Frankfurt.

Also at the start of the month, the carrier joins **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and **United Airlines** in moving into joint facilities at Rio de Janeiro International Airport. Rio becomes the fifth major airport (after Frankfurt, Copenhagen, Shanghai and Beijing) to house all "Star Alliance" partners in a single terminal. The membership's corporate leadership is currently discussing similar arrangements with the airports at London (LHR), Paris (CDG), Los Angeles, and Miami.

The company's 55,000 workers in Germany receive good news during the month. They are to receive a 2.5% salary increase, retroactive to February 1. Additionally, in a onetime action, the airline gives each of them a DM 950 payment in combination with stock options plus a bonus equivalent to 7% of each worker's March wage.

It is confirmed on April 19 that negotiations are underway between Lufthansa and SAirGroup, parent of **Swissair, A.G.**, concerning Lufthansa's possible purchase of SAirGroup's 10% stake in **Austrian Airlines, A.G.**

SAS (Scandinavian Airlines System), British Midland Airways Ltd., and Lufthansa intensify their partnership on May 2 by introducing coordinated sales and marketing, reciprocal frequent flyer programs, joint lounge use, and code-sharing on all services offered by any of the three from either London (LHR) or Manchester. The fortieth anniversary of Frankfurt to San Francisco service is celebrated on May 13.

Utilizing its B-767-233ERs, **Air Canada, Ltd.** launches daily block-seat, code-sharing flights with Lufthansa on June 5 between Toronto and Munich. On June 29, the company accepts delivery of the last of five A340-313Xs to arrive this year.

Also during June, the Irish low-fare carrier **Ryanair, Ltd.** files a complaint with the EU Commission charging Lufthansa with predatory pricing on the trunk route between Frankfurt and London. A review is promised.

On July 14, an interline agreement is signed with **Siberia Airlines (SIBIR)** that permits the two carriers to sell seats on each other's flights. The last of five A321-231s to be received since late January is delivered on July 18.

An internal study is launched in early September designed to provide recommendations on purchase of either the A3XX or Boeing 747X. A report is due by the end of the first quarter 2001. Also, the Lufthansa group supervisory board now extends group Chairman/CEO Weber's contract through 2003. It also indicates that, as of January 1, Lufthansa Technik Chairman Wolfgang Mayrhofer will become DLH chairman/chief operating officer, succeeding Karl-Friedrich Rausch, who is to become executive vice president-group infrastructure.

On September 15 the company heralds the launch of daily nonstop roundtrips from Frankfurt to Phoenix beginning the following March 25. It is announced on September 22 that Lufthansa will, assuming car-

tel authorities agree, take a 24.9% stake in **Eurowings Luftverkehrs, A.G.**, effective January 1. The shareholding may later be increased. Protesting that the move will allow the major to control 80% of Germany's domestic market, **Deutsche BA Luftfahrtgesellschaft, GmbH.** Managing Director Adrian Hunt petitions EU and German antitrust authorities on October 3 seeking to have them disallow the announced 24.9% share. Deutsche Lufthansa will soon take in **Eurowings Luftverkehr, A.G.** The effort will not succeed.

The 30th A340-311 is delivered on October 6; it is flown from Toulouse to Munich, where a special ceremony is held. Also on October 6, a code-sharing agreement is signed with the Italian airline **Air One, S.p.A.** Effective October 29, it covers all Air One domestic flights and the DLH routes from Germany to Rome.

A new code-sharing agreement is signed with **Air China International Corporation** on October 9; it becomes effective 20 days later on the routes from Shanghai and Beijing to Frankfurt. Air China is also able to place its designator on DLH flights beyond Frankfurt to Hamburg, Berlin, and Munich.

On December 10, Chairman Weber, reacting to Frankfurt's scheduled 2006 ban on night flights, indicates that DLH will develop Munich as its secondary hub. Beginning in spring 2001, the flag carrier will boost its international flights from the Bavarian capital and will also introduce an additional 130-140 weekly domestic and European regional services.

The EU Commission informs Lufthansa on October 13 that it has serious concerns about its cooperation with **SAS (Scandinavian Airlines System)** and **Austrian Airlines, A.G.**, both within the "Star Alliance," upon competition over the large number of routes from Austria to Germany and the Nordic countries.

On October 18, the business daily *Handelsblatt* reports that the carrier and Air China have fallen out over their aircraft maintenance joint venture, Ameco. The disagreement centers around long-term expansion strategy, with the Chinese said to be less interested in growth in services to foreign carriers and more concerned with the upkeep of its own fleet.

When **Deutsche BA Luftfahrtgesellschaft, GmbH.** issues a press release attacking the Lufthansa and **Eurowings Luftverkehr, A.G.** arrangement with what it considers to be "untruthful and disparaging" comments, DLH files suit in a Dusseldorf court seeking a temporary injunction against what it terms a "smear campaign." On October 24, the Dusseldorf court grants Lufthansa the restraining order it had sought against Deutsche BA, ruling that the British-owned regional had, in fact, breached Germany's strict laws on competitive advertising and public relations activities.

Service from Frankfurt to Harare, Zimbabwe, and Windhoek, Namibia, ends on October 29. Weekly roundtrip A340-311 service from Frankfurt to Nagoya is expanded from three flights to five, while capacity on the daily Frankfurt to Seoul return flight is increased when a B-747-430 replaces the previously used A340-311. The same day, **United Airlines** begins to code-share on Lufthansa flights from Frankfurt to Abidjan, Accra, and Lagos.

It is announced on October 31 that twice-daily A340-311 roundtrips will begin from Berlin (Tegel) to Washington, D.C. (IAD) on March 25. It is also noted that three-times-per-week A340-311 return flights will start on April 1 from Munich to São Paulo, Brazil.

At Brussels Airport on October 31, four gunmen rob a company A319 being loaded for Frankfurt, making off with five of seven cases of valuables being placed into the cargo hold. Although police do not reveal the contents of the cases, the media speculates that the haul consists of diamonds.

In November, a B-757-330 is leased from **Condor Flugdienst, GmbH.** for a month of domestic service trials. The first of three A320-211s to be received in the next month arrives on November 17.

It is rumored in the German press during November that **Swissair, A.G.**, because of its reportedly weakened financial situation, has become a takeover target for Lufthansa. In an interview with the magazine *Wirtschafts Woche* published on November 23, Chairman Weber categorically rules out buying the Swiss flag carrier.

Even as DLH and its partners **SAS (Scandinavian Airlines System)** and **British Midland Airways, Ltd.** await the outcome of a European Commission review of a joint venture with Austrian Airlines Group, on December 12 the three carriers note that they are also awaiting word from EU on their joint-venture proposal put forward in early May. This move, which they have since been operating on assumption of approval, would allow them to harmonize pricing and share revenues on European routes and to share routes from London (LHR), including British Midland's new destinations of Milan, Rome, and Madrid.

Chairman Weber admits on December 13 that his airline will participate in bidding for a stake in **Thai Airways International, Ltd. (THAI)**.

The B-747-430 delivered on December 15 is the 375th Boeing jetliner received by the German national carrier, which has received more planes from the Seattle manufacturer than any other airline outside of the U.S.

On December 15, a new program that offers Chinese-language air services via 100 Mandarin-speaking flight attendants on the carrier's 23 weekly flights from Germany to Shanghai, Hong Kong, and Beijing begins. On that date, the first four Chinese flight attendants are aboard the day's service from Frankfurt to Shanghai.

The third A320-211 received since November is delivered on December 22. On December 23, the \$135.6-million purchase from **SAS (Scandinavian Airlines System)** of a 20% stake in **British Midland Airways, Ltd.** is formally completed.

Overall enplanements for the year climb 6.1% to 41.3 million. As the year ends, employees look forward to the January celebration of the seventy-fifth anniversary of the founding of the first Lufthansa. They will be displeased when Germany's federal cartel office announces on March 7 that it will block **Deutsche Lufthansa, A.G.** plans to take a 24.9% stake in **Eurowings Luftverkehr, A.G.**

DEUTSCHE LUFTHANSA SUCURSAL EN PERU, S.A.: Peru (1938–1941). To continue a transcontinental air route northward and supplement the work of its associates **Syndicato Condor, S.A.** in Brazil and **LAB (Lloyd Aero Boliviano, S.A.)** in Bolivia, **Deutsche Luft Hansa, A.G. (DLH)** forms this subsidiary at Lima in the spring of 1938. Employing two Junkers Ju-52/3ms, the company inaugurates services to the southern city of Arequipa on May 24.

Operations continue apace for almost three years; however, the carrier is unable to effect a linkup with the Ecuadorian airline **SEDTA (Sociedad Ecuatoriana de Transportes Aereos, S.A.)**, largely because of American concern with German encroachment toward the Panama Canal.

On February 23, 1941, a Ju-52/3m is forced down in the Sechura Desert; four aboard are rescued and four walk out, finding aid at Morrope. Under U.S. pressure, Peru cancels DLH Sucursal en Peru's permits on February 28, giving the airline until March 31 to cease operations. The Lima–Arequipa service is assumed by **Pan American-Grace Airways (Panagra)** the next day.

DEUTSCHE LUFTSCHIFFFAHRTS, A.G. (DELAG): Germany (1909–1919). This pioneer airship line, the first commercial air transport company, is formed by Count Ferdinand von Zeppelin at Friedrichshafen on November 16, 1909. With the mission of proving the viability of rigid airships, the company's initial DM 3-million capitalization is subscribed in part by several German cities as well as the shipping firm Hamburg-Amerikanische Packetfahrt A.G. (HAPAG).

Zeppelin works CEO Alfred Colsman is named general manager and even Hugo Eckener, a journalist and converted early critic of airships, is invited to join the company. Commercial headquarters are established at Frankfurt with airship sheds at Baden-Baden and Dusseldorf, in addition to the main Friedrichshafen base.

On June 27, 1910 the airship LZ-7 *Deutschland*, with chief commander Capt. Kahlenburg in charge, initiates DELAG flights from its Dusseldorf base. Twenty passengers fly on the premier service, paying DM 200 each for the honor of becoming the world's first fare-paying

passengers. Seven flights are completed before the dirigible crashes at Wallendorf on June 28.

An unnamed airship, LZ-6A, is pressed into service on August 21, under new chief commander Capt. Hugo Eckener, and manages to complete 34 flights before it is destroyed in a hanger fire at its Baden-Baden base. Undaunted, Count Zeppelin orders additional airships while Eckener employs his considerable talents as a publicity agent.

LZ-8, *Ersatz-Deutschland*, begins 1911's operations from its Frankfurt base on April 11; also unlucky, she completes only 22 flights before she is, despite the efforts of 250 ground handlers, caught by high winds while emerging from her hanger on May 16 and wrecked. Fortunately, the DELAG board elects to go on.

An order is placed for a new airship and sheds are completed at Gotha and at Johannisthal, near Berlin. LZ-10, *Schwaben*, first flown on June 21, begins service from her Baden-Baden facility only five days later; a lucky ship, she will complete 218 flights before her loss in a June 28, 1912 storm. Meanwhile, in March 1912, Oberkellner Heinrich Kubis is assigned to serve meals aboard the *Schwaben*, becoming the world's first flight attendant.

Three other dirigibles are employed by DELAG prior to the outbreak of World War I. LZ-11, *Viktoria Luise*, based at Frankfurt, where a new shed has just been built (along with one at Potsdam) begins operations on March 4 and completes the most flights of any DELAG ship—489. She is followed by the Hamburg-based LZ-13, *Hansa*, in August, a vessel that will finish 399 ascents.

The LZ-17 *Sachsen* is put into service from Leipzig in July 1913 and will complete 419 trips. During the year, sheds are completed at Dresden, Leipzig, and Hamburg. The company publishes a brochure showing a circular route network from Friedrichshafen and back via Baden-Baden, Frankfurt, Dusseldorf, Hamburg, Potsdam, Leipzig, and Gotha.

All three of the latter-built airships are turned over to the German army on July 31, 1914. After 1,588 flights over 107,205 miles in 3,139 flight hours, during which 34,028 passengers are carried and none ever injured, DELAG operations are now suspended. Although many flights have been excursion charters, many other flights are conducted in a regular fashion and will defy the criticisms of some who will put forward the claims of other heavier-than-air firms to the title of world's first airline.

Two final DELAG airships of improved design are completed: LZ-120 *Bodensee (Lake Constance)* and LZ-121 *Nordstern*. Only the first sees service, putting in 103 flights (78 commercial) in 104 days over a three-stop route network between August 24 and December 5, 1919. During her service, *Bodensee* transports 4,050 passengers, 727 pounds of cargo, and 5.2 tons of mail from her Friedrichshafen base to the Berlin Zeppelin station at Staaken. The trips are made via Munich, with one trip as far as Stockholm. In 103 total flights, the *Bodensee* covers 31,850 miles in a total of 531 hrs. 30 min. flying time. All flights are made without incident, except that of November 3, when a snowstorm causes the airship to make a forced landing near Magdeburg; no damage occurs and the flight is completed. The last passenger flight is made on December 5 and the airship is laid up for the winter six days later.

Before Christmas, French authorities, acting on behalf of the Allied Control Commission, seize LZ-120 and LZ-121, holding them until June–July 1921 when they are confiscated as war reparations. The *Nordstern* flies to St Cyr, near Paris, on June 8; she will serve for five years in the French navy as the *Mediterranee*. The *Bodensee*, meanwhile, is transferred to Rome's Ciampino Airport on July 3; rechristened *Esperia*, she will serve in the Italian Navy until 1927. Forbidden additional airships, DELAG ceases business.

DEUTSCHE LUFTVERKEHRSGESELLSCHAFT, GmbH. (DLT): Germany (1970–1992). The small air taxi service **Ostfriesische Luft-taxi GmbH. (OLT)** is formed at Emden on November 11, 1970 to provide Britten-Norman BN-2 Islander charter flights to resorts in the North Sea and Friesian area.

During 1972, it acquires and merges competing **Ostfriesischen Luft-taxi Dekker und Janssen OHG**. On December 29, the corporate name

is changed to **Ostfriesische Lufttransport GmbH**, and scheduled services commence over the previously on-demand routes.

In September 1974, company officials take the decision to become a regional air carrier and acquire a fleet of four de Havilland Canada DHC-6 Twin Otters. On October 17, the identity is changed again, to the current Deutsche Luftverkehrsgesellschaft GmbH., which is known by the initials DLT. At this point, ownership is taken by Aktiengesellschaft für Industrie und Verkehrswesen/ AGIV (74%) and **Deutsche Lufthansa, A.G.** (26%).

Within a year, the carrier's Twin Otters are operating scheduled regional services not only from Emden, but in Bavaria and from Friedrichshafen as well.

The Olympic city of Munich is moved to Innsbruck in 1976 and the fleet is expanded in 1977 by the addition of six Shorts 330s.

On June 29, 1978, the Frankfurt-based company is reformed again and becomes a regional associate of the national airline; **Deutsche Lufthansa, A.G.** takes a 40% interest while 60% remains with the industrial financing organization AGIV.

Chairman Konrad Liesemann and President Peter C. Orlovius employ a staff of 200 and, in 1979–1980, add three Shorts 330s. As over the previous three years, replacement services are flown on behalf of DLH over such thin routes as Bremen–Copenhagen and Hanover–Amsterdam.

In March 1981, the fleet is again expanded by the addition of three British Aerospace BAe (HS) 748-B2s.

Enplanements for the year total 255,824. The carrier's aircraft all receive new livery in 1982, but the new paint scheme cannot prevent an 8.4% dip in passenger boardings to 235,609 or the fiscal necessity to lay off 16 employees.

During 1983–1985, three more BAe (HS) 748-B2s are acquired, three F-27s are wet-leased, and the Shorts 330s are sold to **Command Airways** and **Pennsylvania Commuter Airlines** in the U.S.

Staff reaches a total of 206 and, in February of the latter year, orders are also placed for six Fokker 50s, followed by requests for five, later six, Embraer EMB-120s placed in April; DLT will be the European launch customer.

The domestic route network is now significantly expanded. New markets now visited include Bayreuth, Dusseldorf, Frankfurt, Hanover, Munster, Osnabruck, Nuremberg, Saarbrücken, and Stuttgart. Additionally, DLT undertakes replacement flights for Lufthansa to Amsterdam, Basel, Brussels, Cologne, Copenhagen, Dusseldorf, Frankfurt, Geneva, Hamburg, Hanover, Munich, Nuremberg, Paris, Stuttgart, Venice, Sylt, Westerland, and Zurich.

Passenger boardings for 1983 total 257,250; for 1984 they reach 235,609, and for 1985 the total is 256,620.

The workforce is increased a dramatic 34.4% in 1986 to 363.

On January 10, the fleet is upgraded by the addition of the first of six EMB-120 Brasilias to be delivered during the year. A Brazilian-registered aircraft on loan until DLT's can arrive, it enters four-times-per-day scheduled service on February 3 over a route from Frankfurt to Munster and Osnabruck.

Scheduled service from Dusseldorf to Guernsey begins on May 10 and, in July, the company applies for scheduled carrier status. During the fall, company BAe (HS) 748-B2s begin to replace **Deutsche Lufthansa, A.G.** on the Hamburg–Copenhagen service.

Enplanements jump 13.7% to 557,444 and revenues advance 30.6% to \$60.3 million.

The payroll grows by 28.1% in 1987 to 465 and the fleet includes 6 BAe (HS) 748-B2s and 3 Brasilias. The route network now includes 30 destinations and 44 city pairs.

New equipment arriving during the year includes seven EMB-120s and the first two of seven ordered Fokker 50s. Incidentally, the first is delivered in August at the biggest aerospace industry theatrical extravaganza to date, one which costs over \$200,000 and witnesses the singing of a song especially commissioned for the occasion.

During the summer, a BAe Jetstream 31 is leased from **Connectair, Ltd.** The new Fokker 50s are placed into service on routes from Ham-

burg and Hanover to Cologne and Stuttgart and to Brussels, Göteborg, Copenhagen, and Paris. Later in the year, Richard Heideker is appointed deputy chairman. During the year, a new engine overhaul subsidiary, DLT AERO, is founded at Alzey, southeast of Frankfurt.

Passenger boardings accelerate 23.3% to 687,577 and a \$1.29-million net gain is generated, atop an operating profit of \$3.28 million.

The employee population rises again in 1988 by 4.5% to 486; two more Brasilias are acquired along with five Fokker 50s.

Beginning in June, all flights are operated with **Deutsche Lufthansa, A.G.** flight numbers. Eighteen new nonstop routes are opened and the route network now comprises 43 destinations in 13 European nations. To help handle the system, two smaller commuters, Stuttgart-based **Contactair Flugdienst GmbH. & Co.** and Essen- and Mulheim-based **WDL Flugdienst (Westdeutsche Luftwerbung, GmbH.)**, are contracted to fly replacement services. In addition, the central maintenance base at Frankfurt is transferred to a new \$664,000 facility at Cologne; technical bases at Cologne and Hamburg are enlarged and lesser improvements are made at those existing at Hanover, Munster, Saarbrücken, Frankfurt, and Dusseldorf.

Customer bookings ascend another 29.5% to 550,923 and revenues reach \$69.7 million. Operating income is \$2.59 million and the net profit climbs to \$1.08 million.

Airline employment ascends 9.1% in 1989 to 549 and, at the beginning of the year, the last 5 BAe (HS) 748-B2s are retired and replaced with 3 more Fokker 50s. The fleet now includes 23 aircraft: 11 Fokker 50s and 12 Brasilias.

The regional passes 52% majority shareholding to **Deutsche Lufthansa, A.G.** in August.

During the fall, orders are placed for 6 Canadair CRJ Regional Jets at \$13.3 million per copy.

Passenger boardings increase by 40.6% to 592,159 and revenues are up, allowing an operating profit of \$3.66 million. Net gain totals \$1.23 million.

Gerhard Schmid is named general manager in 1990.

Company employment is cut back by 6% to 516 and all aircraft except the Fokker 50s are withdrawn and 4 more Fokker 50s are purchased.

In January, **Deutsche Lufthansa, A.G.** increases its shareholding from 40% to 50% and turns over its European regional system to this subsidiary. The network, flown by DLT with DLH flight numbers, includes not only domestic stops, but also several international routes too thin to support the major's Boeing 737-330s.

In May, the company, launch customer for the Canadair CRJ Regional Jet, places a firm order for 13 more. Customer bookings decline another 0.3% to 590,150; however, a \$1.3-million net profit is earned.

Schmid becomes managing director and the fleet stands at 17 Fokker 50s in 1991.

In August, weekday roundtrip service is inaugurated from Stuttgart to Birmingham and Manchester, England. One day during November, fog causes the cancellation of 64 nonstop flights; 15 aircraft must land at alternate airports.

Passenger boardings halt their fall and increase by 7% to 1,172,000 and freight increase 0.8% to 464,000 FTKs. Costs exceed income and the operating loss is \$3 million.

The carrier is renamed **Lufthansa CityLine, GmbH.** in March 1992, but becomes a wholly owned Lufthansa subsidiary on January 1, 1993.

DEUTSCHE REGIONAL AIRLINES, S.A. See **REGIONAL AIRLINES, S.A.**

DEUTSCHE-RUSSISCHE LUFTVERKEHRS-GESELLSCHAFT, GmbH. (DERULUFT): Germany/U.S.S.R. (1921–1941). The holding company **Deutscher Aero-Union A.G.** is formed in Berlin on April 4, 1921. A month later, on May 6, a trade agreement between Germany and the Soviet Union is signed, which, among other points, calls for the creation of a joint air transport concern. In August, German and Russian

representatives begin discussions on establishing an airline as a way to increase the speed of communications between Berlin and Moscow from the 65 hours required by rail and to substitute airmail for the expensive telegraph service currently operated between the two capitals.

In Berlin, **Deutscher Aero-Union, A.G.** and the Soviet government, through the local representative of the People's Commissariat for Foreign Trade, jointly form **Deutsche-Russische Luftverkehrs-Gesellschaft, GmbH.** or **Deruluft** on November 24. The Soviets invest 250,000 gold rubles (and promise to transfer diplomatic courier traffic to the company in lieu of regular subsidy) and the German half is contributed by **Deutscher Aero-Union, A.G. Deutsche Luft-Reederei, GmbH.** is appointed the German airline partner and A. S. Davydov is named managing director.

Orders are placed for 10 five-passenger Fokker F-IIIs, the standard type in service with the German carrier. Initially, plans are made to accomplish all routine maintenance and overhaul, as well as repair, work at Königsberg. Only emergency repairs will be accomplished at Moscow.

Piloted by Erich Just, the first Fokker arrives at Moscow on the evening of April 30, 1922. To help celebrate the important May 1 U.S.S.R. holiday, Just makes several demonstration flights throughout the day. A second F-III, flown by Joachim Stollbrock, arrives in the evening. Pilot Just launches **Deruluft's** express and mail service over a Königsburg-Kovno (Kaunas)-Smolensk-Moscow route on May 2.

One of the first airlines in the world to offer sustained scheduled services, this **Deruluft** route includes the world's longest nonstop section, the 820 km. from Smolensk to Königsberg's Devau Airport in East Prussia.

Passenger flights start on August 27, with scheduled services, both mail and human, ending because of adverse winter conditions on November 1.

During the six-month flying season, 300 scheduled flights have transported 286 passengers, 1,000 kg. of mail, and 18,000 kg. of cargo. Additionally, another 230 passengers are carried on 90 nonscheduled flights.

The first German-built aircraft, an LVG C VI, is acquired in December while the last flight of the year occurs on Christmas Eve when a pilot named Polte reaches Moscow in heavy snow and fog with presents and messages for the carrier's German employees stationed in the Russian capital.

Upon its creation on February 6, 1923, **Deutscher Aero Lloyd, A.G.** succeeds **Deutsche Luft-Reederei, GmbH.** as German airline partner. The route from Königsberg to Moscow now goes by way of Pillkallen, Kovno, Novo-Aleksandrovsk, Polotsk, Vitebsk, Smolensk, and Vyaz'ma. Frequencies over the route are increased to three times per week; however, due to airport conditions a scheduled stop at Kovno is often avoided, requiring aircraft to haul more fuel (and less cargo). A repair station is opened at Smolensk in May.

A second LVG C VI is acquired in June, the same month in which Fokker sends his only F-V to the company for evaluation. **Deruluft** officials are not impressed and, although the ship had flown all the way to Moscow without incident, it is returned to Amsterdam in early August.

During the year, weather information-gathering posts are established for the Moscow to Smolensk, Königsberg, and Kovno segments. The flying season again ends at the end of October.

Scheduled passenger bookings increase to 348 on the year, with mail reaching 1,589 kg. and cargo 20,626 kg.

June 1924 accords company statisticians a host of records: 500,000 km. of scheduled service without a major accident, a million km. logged by company pilots, and several business and diplomatic passengers with 50 flights under their belts.

Four-times-per-week roundtrips commence on July 1. The line's first accident occurs when bad weather forces an F-III to make a forced landing at Gzhatsk, near Smolensk, on September 9; no injuries are reported. Unhappily, a month later, on October 8, Capt. Otto Steger and mechanic Popenhagen crash the RR-1 in thick fog near Vyaz'ma. Steger is killed, becoming the line's first fatality, but the Fokker is later repaired at Moscow's new maintenance and repair center.

Having failed to pass its airworthiness tests, the second LVG C VI is withdrawn at month's end. The year's most unusual cargo is a Russian bear, dispatched to the Berlin Zoo just prior to the season's last flight on October 31.

Enplanements for the year advance slightly to 399, while mail doubles to 2,382 kg. and cargo climbs to 26,817 kg.

A chain of 16 meteorological observation posts is completed between Königsberg and Moscow on May 1, 1925.

A through service between Moscow and Berlin is completed on June 25 when the German **Deutscher Aero Lloyd, A.G.** starts scheduled services from the linkup point at Königsberg to the German capital. This one move increases the route network by half. At the same time, frequencies are increased to six per week.

During the month, the company has examined and chosen not to accept a Fokker F-VII.

Having completed its Moscow repairs, the RR-1 returns to service in July. Meanwhile, Karl Grulich, **Deutscher Aero Lloyd, A.G.'s** chief designer, modifies two F-IIIs into Grulich V-1s.

The first million kilometers of service are completed on August 7; one Russian and two German pilots also join this distinctive kilometer club.

Although four Fokkers are involved in accidents prior to the end of flights on October 31, there are no fatalities and all are repaired.

Passenger boardings increase to 1,064 while mail more than doubles to 5,410 kg; 38,543 kg of freight and baggage is transported.

Deutsche Luft Hansa, A.G. (DLH) is formed on January 6, 1926 and takes over the German portion of the **Deruluft** arrangement from **Deutscher Aero-Union, A.G.**

During the spring, night-flying aids are installed between Berlin and Königsberg and preliminary trials are held prior to the launch of the year's regular flying season.

On behalf of the Ukrainian carrier **Ukrvozdukhput**, a contract route is flown between Moscow and Kharkov in July-September employing two leased F-IIIs.

With the original 1921 agreement approaching lapse, DLH Director Erich Milch and several associates travel to Moscow aboard a DLH Albatros L-73 late in the year. A prolongation is successfully negotiated with Managing Director Davydov and his colleagues. The exclusive company concession to operate scheduled air services between Germany and the Soviet Union is again ratified by the Berlin and Moscow governments. At this point, it is decided that the five Fokkers owned by the Germans will be reregistered with German "D" marks and numbers; the remainder, owned by the Soviet government, continue to possess "RR" identity.

A Grulich V-1 must be written off following a nonfatal crash that occurs during a December charter flight.

The year's bookings are level at 1,098; however, the amount of mail doubles to 10,733 kg. Freight traffic, on the other hand, plunges to 17,991 kg.

In need of new flight equipment after several years of hard service by the original 10 Fokkers (some of which are now unserviceable), **Deruluft**, early in 1927, arranges with **Deutsche Luft Hansa, A.G. (DLH)** for the transfer of seven six-passenger Dornier Merkurs. Company pilots report to Königsberg in April for training on the new aircraft.

The year's flying season begins in dramatic fashion on May 2 when Soviet pilot I. F. Voedillo, a member of the company's million-kilometer club, departs Moscow for Berlin in the F-III RR-7. Simultaneously, the Merkur D-1081 lifts off from Berlin for Moscow.

The **Ukrvozdukhput** contract is also resumed in May with the two F-IIIs leased the previous year. One of these is sold to the Ukrainians, but crashes before month's end. A new Merkur is badly damaged in a landing accident.

Another Merkur, piloted by V. Melnikov for the second time, is badly damaged in a June 4 accident at Königsberg. Unable to stop after landing, the plane rolls into a hangar and crashes into three other company aircraft. The RR-7, which had opened the year's service, crashes in June; no injuries are reported, but the craft must be written off.

Heavy rains wash out the airport at Smolensk and, beginning on July 18, a Merkur inaugurates a revised Berlin–Konigsberg–Riga–Velikie Luki–Moscow route.

By August, two more Merkurs are involved in accidents, all of which have so far been caused by pilot error due to the Dornier's high landing speed.

In a cooperative effort between DLH, Dobroijet, and Deruluft, a Junkers W.33, the *Ural*, makes a 10-stage roundtrip flight Berlin–Irkutsk–Berlin between August 27 and September 2.

When flights cease for the year on October 31, ledgers reveal that passenger boardings have grown to 1,727. Both cargo (38,506 kg.) and mail (25,574 kg.) more than double in volume, with Deruluft now transporting more airmail than any other European carrier.

Beginning in March 1928 and continuing through July, all of the original Dornier Merkurs are returned to Germany for modifications.

In late spring, two Junkers F-13s are leased from **Deutsche Luft Hansa, A.G. (DLH)** for a year.

An F-III is lost in a May 16 crash while a Dornier Merkur is destroyed in a June 4 landing accident. One of the new Junkers monoplanes is employed on June 6 to open Berlin–Leningrad via Danzig, Konigsberg, Riga, and Reval service.

In October, three Fokker F-IIIs are transferred to the Voenno-Vozdushnaya-Sily, Russia's air force. The Soviet Union's First Five-Year Plan, announced during the year, calls for significant expansion of Deruluft operations.

The year's enplanements reach 2,510; 27,992 kg. of mail and 49,291 kg. of cargo are also flown.

Beginning in April 1929, four more Junkers F-13s join the Deruluft fleet. During the same month and in May, six Dornier Merkurs are returned to **Deutsche Luft Hansa, A.G. (DLH)**.

One of the new F-13s disappears on a Leningrad–Riga flight just before the end of the service season on October 31.

In the weeks after the devastating stock market crash in the U.S., company officials report that this year enplanements are down to 2,153 and mail kg. has fallen to 16,711. Freight, conversely, is up 10,000 kg. to 59,669 kg.

Airline employment stands at 11 pilots and 8 mechanics in 1930 and the fleet includes 7 Dornier Merkurs and 3 Junkers monoplanes.

To replace the F-13 lost the previous October, **Deutsche Luft Hansa, A.G. (DLH)** forwards a replacement Junkers, the *Sokol*, in April.

During the May 1–October 31 flying season, daily services are operated over the 2,640-km. route network; Sundays flights are offered for the first time.

The upward trend in bookings resumes, with enplanements totaling 2,396. Mail improves to 27,244 kg., but cargo falls to 49,933 kg.

In late winter 1931, an F-13 equipped with a combined wheel and ski undercarriage device is tested; the unit is unsuccessful.

During the May–October operational season, Velikie Luki comes to replace Smolensk as principal midway stop on the Kaunas to Moscow segment.

Operations continue apace and customer bookings pass the 3,000 mark (3,081) for the first time. Mail totals 29,060 kg. while freight increases to 70,146 kg.

A Dornier Merkur is sold to **Aeroflot Soviet Airlines** in January 1932 as plans are made to upgrade the joint-airline's fleet with trimotors.

The Russo-German Deruluft arrangement is renewed for another five years on February 24. During the month, **Aeroflot Soviet Airlines** receives two more Merkurs.

Fleet enhancement begins in March when **Deutsche Luft Hansa, A.G. (DLH)** provides a pair of previously operated 10-passenger Rohrbach Ro-VIII Rolands, the *Pelikan* and the *Storch*. While Russia makes plans for its fleet contribution, the company's four remaining German-registered Merkurs are modernized with new propellers and improved cabin heating.

Once known as the *Blaufuchs*, a Dornier Merkur is lost in a nonfatal July crash.

Three nine-passenger Tupolev ANT-9s are transferred over in September and enter service on the route from Konigsberg to Moscow via Kaunas and Velikiye Luki. All of the fleet's aircraft are now equipped with radio.

The year's enplanements rise to 3,610; mail is down to 24,243 kg., but cargo climbs to 78,183 kg.

A limited number of F-13 services are offered on an experimental basis during the winter of 1933, using aircraft equipped with wheels or skis. A third Rohrbach Ro-VIII Roland, the former *Kranich*, is acquired in February.

Following establishment of the Hitler government, Russian security concerns increase. Russian pilots are prohibited from flying the Konigsberg–Berlin segment, while German personnel in Moscow are closely monitored. Russian controllers are required on all flights into Soviet airspace to ensure border crossings at designated points and an absence of photography.

In time for this year's operations, beginning in May, a new headquarters and maintenance center is completed at Moscow.

ANT-9 flights commence during the summer from Konigsburg to Leningrad via Tilsit, Riga, and Tallin.

There are no other changes in services this year, but customer bookings jump to 5,857. Mail traffic reaches 31,611 kg. and cargo increases to 121,779 kg.

Regularly scheduled winter services commence in early 1934. In a concentrated effort to increase traffic, company officials coordinate their schedules with those of **Deutsche Luft Hansa, A.G. (DLH)**. Passengers coming in from Moscow or Leningrad are now able to make same-day connections to such European capitals as Vienna, Paris, Copenhagen, Amsterdam, and London, as well as to larger German cities, including Hamburg and Munich.

One of the ANT-9s crashes on October 22 while the last Dornier Merkur is returned to DLH.

During the first 12 months of year-round connecting service, Deruluft traffic skyrockets to 12,130 passengers flown, along with 56,952 kg. of mail and 204,620 kg. of cargo.

The German equipment commitment to Deruluft is dramatically increased in early 1935. Beginning just after the new year, 5 17-passenger Junkers Ju-52/3ms are delivered over the next 5 months: *Phoenix*, *Kondor*, *Milan*, *Kormoran*, and *Flamingo*. The former is barely in service before it is lost in a crash on January 31.

The Rohrbach Roland *Storch* is destroyed in a March 7 accident; however, the ANT-9 lost the previous fall is replaced by a unit from **Aeroflot Soviet Airlines**, which is christened *Korshun* upon its arrival in August.

In May, a new airport is opened at Leningrad, leading to an acceleration in the retirement of Junkers F-13s begun in January.

Passenger boardings move ahead to 14,185 for the year and mail rises to 73,615 kg. Cargo is up to a significant 366,228 kg. as 99.5% of the carrier's summer flights are completed without incident, the highest rate of regularity that the airline will accomplish.

The two surviving Rohrbach Rolands, the *Pelikan* and *Kranich*, are returned to **Deutsche Luft Hansa, A.G. (DLH)** in January 1936, followed by the F-13 *Lerche* in March. Another Junkers monoplane is lost in a crash on May 16, but a former **Aeroflot Soviet Airlines** ANT-9 is received in June and christened *Golub*. The ANT-9 *Yastreb* is destroyed in a November 6 accident.

Increased security concerns on the Russian side and a lack of traffic on the main Berlin–Moscow route, lead to a decision to end the 15-year-old Russo-German airline concession when it expires on December 31. Ironically, traffic on this last full year of joint service is at its peak.

Enplanements total 18,689 while 102,495 kg. of mail and 495,902 kg. of freight are flown.

Although the decision has been made to provide flights for one final quarter, all remaining aircraft are returned to their respective parents in January 1937. Along with a German Douglas DC-2, three Ju-52/3ms and the Soviet ANT-9s *Korshun* and *Golub* are chartered to keep up flights.

Deruluft flights end on March 31; however, **Deutsche Luft Hansa, A.G. (DLH)** now assumes responsibility for all route sectors outside of the U.S.S.R. New He-111 civil transports are placed on the Berlin to Königsburg via Danzig service in late spring.

German and Soviet officials agree on August 23 (effective August 31) to officially dissolve the carrier. Formal liquidation is delayed and never occurs.

Following promulgation of the Ribbentrop-Molotov pact in August 1939, DLH and **Aeroflot Soviet Airlines** open a new Berlin–Moscow route on January 21, 1940. It, together with all vestiges of the onetime transborder airline, is finally terminated on March 22, 1941.

DEUTSCHE VERKEHRSFLUG, A.G.: Germany (1926–1933). When **Deutsche Luft Hansa, A.G. (DLH)** is formed on January 6, 1926, a number of small **Junkers Luftverkehr, A.G.** affiliates in Bavaria are being flown by **Luftverkehr Thüringen, GmbH**. In February, these are taken over in a partnership of cities, the state, and certain manufacturers and are reformed on March 25 into the joint-stock company **Nordbayerischen Verkehrsflug, A.G.**

On July 25, the local system comes under control of the aircraft builder Messerschmitt Flugzeugwerke, which provides one of its few M.18s to renew services next day.

By 1930, a total of 17 small feeder routes are in operation; company Messerschmitt M.18s and M.20s transport some 13,000 passengers between 36 airports. On December 30, the carrier is renamed **Deutsche Verkehrsflug, A.G.** It will be absorbed by DLH early in the decade.

DEUTSCHER AERO LLOYD, A.G. (DAL): Germany (1923–1926). Bleeding financially from competition over similar routes, Hamburg–Amerikanische Packetfahrt (HAPAG) and Norddeutscher Lloyd (NDL) elect to merge their airline operations on February 6, 1923. **Deutscher Aero Union, A.G.** and **Lloyd Luftdienst, GmbH**, each take half interest (amounting to capitalization of 100 million reichmarks) in the new Deutscher Aero Lloyd, A.G. They contribute all of their equipment, facilities, personnel, and airline shares, including the former carriers **Deutsche Luft Reederei, GmbH**, **Lloyd Luftverkehr Sablatnig, GmbH**, **Deutscher Lloyd Luft, GmbH**, and **Lloyd Ostflug, GmbH**.

The two carriers also agree to merge their Danzig affiliates; **Danziger Lloyd Luftdienst, GmbH**, and **Danziger Luft Reederei, GmbH**, become **Danziger Aero Lloyd, A.G.** Although HAPAG and NDL remain as backers, AEG now withdraws and is replaced by the Deutsche Bank, whose representative, Dr. Kurt Weigelt, is a major force behind the amalgamation.

Employing some 19 modified Fokker F-IIIs (Fokker-Grulich F-II) and an uncertain number of Dornier Komet IIs and IIIs received from **Deutsche Luft Reederei, GmbH**, DAL resumes domestic flights over rationalized portions of the old routes, featuring operations to the Leipzig Trade Fair.

On April 23, the previously flown Rotterdam–Copenhagen service, pooled with **KLM (Royal Dutch Airlines, N.V.)** and **DDL Danish Airlines, A.S.**, is restarted. Seven days later, a joint London–Berlin via Amsterdam, Bremen, and Hamburg, weekly service is launched in cooperation with **The Daimler Airway, Ltd.**; DAL begins flying the service on May 21.

In March 1924, Dornier Komet IIs inaugurate Berlin–Vienna service via Dresden and Prague. Later, Dornier C-II Dolphins are employed to initiate a trans-Baltic night service from Wernemunde–Stockholm via Karlshamn. Three Udet U-8s are received and two (D-417 and D-483) are christened *Linde (Lime Tree)* and *Blindschleiche (Blind Worm)* is introduced on the Bremen to Hanover route, as well as on flights from Munich to Berchtesgaden, Hanover to Hamburg, and Munich to Partenkirchen via Garmisch.

On May 24, the **Condor Syndikat** is formed at Berlin; created to support the sale of German civil aircraft overseas, it has DAL backing.

On April 15, 1925, DAL becomes the first German airline to open service to Italy as a Komet III arrives at Milan from Berlin following a

Munich stop; the event also marks the first time a commercial airliner has flown over the Alps.

Competition between DAL and the **Junkers Luftverkehr, A.G.** is ferocious during these years and the drain on state, municipal, and private funds for subsidies become burdensome. On May 7, Junkers proposes the creation of a super-consortia, the Europa-Union, to unite both its Trans-Europa and Ost-Europa groups.

Scheduled service between Berlin and Moscow is realized on June 15 when DAL inaugurates a scheduled service from the German capital to the East Prussian city of Königsberg, where a connection is made with the **Deutsche-Russische Luftverkehrs, A.G. (Deruluft)** route into Russia.

A meeting of the 16 airlines to be involved in the Europa-Union takes place in Berlin on September 7. The aviation department of the German Transport Ministry disallows this move, viewing it as an attempt by the manufacturer to increase its power over the airline industry. This government bureau assumes 80% control of **Junkers Luftverkehr, A.G.** in October. At approximately the same time, Deutsche Bank/Deutsche Petroleum official Weigelt, who had assisted in the creation of DAL and with cooperation with Ernst Brandenburg, GTM aviation bureau chief, prepares a pamphlet entitled *Fusion in the Field of Air Traffic*, which recommends a Junkers/DAL merger.

Merger negotiations proceed and, on January 6, 1926, the two corporate carriers are merged into a new national airline, **Deutsche Luft Hansa, A.G. (DLH)**.

DEUTSCHER ZEPPELIN-REEDEREI, A.G.: Germany (1935–1937). Following an around-the-world voyage aboard the LZ-127 *Graf Zeppelin* during August 1929, the 5,996-mile, nonstop Japan to Los Angeles segment of which is flown in 79 hrs. 3 min., Dr. Hugo Eckener remains behind in September as Capt. Ernst Lehmann returns the giant airship from Lakehurst, New Jersey, to Friedrichshafen, Germany. In discussions with American financiers, Dr. Eckener lays plans for global Zeppelin services via the International Zeppelin Transport Company now established. His activities are greatly assisted by release of the government documentary film production *Around the World via Graf Zeppelin*, a compilation of newsreel footage.

Luftschiffbau Zeppelin, GmbH, begins business in 1930. Commencing on May 17, the airship *Graf Zeppelin*, under the sponsorship of the company plus **Deutsche Luft Hansa, A.G.**, Hamburg–Sudamerikanische Linie, A.G., and the **Syndicato Condor**, makes a roundtrip proving flight. The airship travels from Seville, Spain, to Recife, Brazil, and up to Lakehurst, New Jersey, and back to Friedrichshafen via Seville, arriving on June 6.

Similarly backed, three additional test flights are made during August, September, and October 1931.

Scheduled, revenue passenger service is inaugurated on March 20, 1932 Friedrichshafen to Rio de Janeiro via Seville and Recife and nine roundtrip flights are made between April and October.

Nine roundtrip voyages are made in 1933. The final visit of the *Graf Zeppelin* to the U.S. is concluded on October 28. Having arrived via Brazil and Opa Locka, Florida, the huge airship is temporarily based at Akron, Ohio, in order to make a visit to the Chicago World's Fair. While flying over the Windy City, Eckener, who has been ordered to show the Nazi swastika on the airship's tail, has it painted on the upper left-hand panel only and then circles in a clockwise rotation, which keeps it from view of those on the ground below. The maneuver infuriates many in the German government. From Akron, Capt. Lehmann, with two dozen passengers, departs for Friedrichshafen, via Seville, arriving on October 31.

Another dozen voyages are made in 1934. Without incident, 34 roundtrip summer crossings have been made in two years and convince the Nazi government that a state airship line should be formed, for propaganda value if nothing else.

On March 22, 1935, Hermann Goering, as head of the Reich Air Ministry, or Reichsluftfahrtministerium (RLM), joins the Zeppelin company with elements of **Deutsche Lufthansa, A.G.** to form Deutscher

Zeppelin-Reederei, A.G. Critics, then and now, suggest that the new concern has been founded simply to fly the Swastika around the world for propaganda purposes, with commercial aspects of its operation forming a secondary purpose. In any event, airship pioneer Eckener, who had incurred Goering's wrath over the Chicago incident two years earlier, is made chairman/CEO.

The *Graf Zeppelin* mounts 16 roundtrip South Atlantic crossings during the year, several of which terminate at the expensive new Santa Cruz terminal, near Rio de Janeiro. The airship's 100th ocean crossing comes on September 15 and its 500th flight a week later. The 50th South Atlantic flight and one-millionth km. (631,370 miles) are completed in December.

On March 4, 1936, LZ-129 *Hindenburg* makes its first flight and is joined by *Graf Zeppelin* in making several North Atlantic proving flights from Rhein-Main. The last great passenger-carrying airship, the *Hindenburg* makes its maiden transatlantic crossing on May 6 in a record 64 hrs. 53 min.

During the summer flying season, *Graf Zeppelin* completes 11 roundtrip South Atlantic crossings and *Hindenburg* makes 4, plus 10 over the North Atlantic.

In an effort to increase the passenger payload, the latter airship is re-configured during the winter of 1936 to permit a capacity of 72 passengers. It is hoped that this would pay off in a reduction of operational costs to those roughly incurred by **Imperial Airways, Ltd.** Empire flying boats. Unhappily, the balloon cells of the airships must still be filled with explosive hydrogen gas.

On May 4, 1937, the *Hindenburg*, with 61 crew and 36 passengers under the command of Capt. Max Pruss, departs Frankfurt on her first transatlantic crossing of the year. The dirigible passes over Manhattan's Empire State Building at 3:30 p.m. on May 6. While attempting to moor to a mast at Lakehurst, New Jersey, at 7:23 p.m., it explodes and burns (35 dead) in a spectacular incident caught on newsreel film and narrated by newsman Herb Morrison of the Chicago radio station WLS. Among the dead is Capt. Ernst Lehmann.

Over the years, various theories will be put forward in an attempt to explain the disaster, including lightning, static electricity, and sabotage; although the latter is boldly given as the cause in the 1975 Universal motion picture *The Hindenburg* (starring George C. Scott), the actual cause is not known. It is reported in the November 1997 issue of *Popular Science* that former NASA engineer Addison Bain, after years of research, has speculated that an electrical discharge touched off a fire in the flammable skin at the top of the dirigible. It was this fire that expanded, eventually being joined by escaping hydrogen from the gas cells. This theory is, however, challenged.

Although the *Graf Zeppelin* remains, the RLM abruptly shuts down its unique commercial experiment, having carried some 16,000 passengers without incident before the Lakehurst disaster. The *Graf Zeppelin*, meanwhile, completes two roundtrip flights to South America during the year, the second on May 8 when it returns to Friedrichshafen for the last time.

In light of the *Hindenburg* disaster, the surviving *Graf Zeppelin* and the new *Graf Zeppelin II* are taken out of service. The former completes its final service on June 19 when it is opened for display at Frankfurt Airport after having flown up from its Friedrichshafen base. In nine years of operation, the airship has made 144 ocean crossings and 590 flights over 1,053,395 miles, carrying a total of 13,100 passengers.

The *Graf Zeppelin's* captain, Hans Von Schiller, publishes his memoirs in 1938, *Kapitan Hans von Schiller's Zeppelinbuch* (Leipzig, Germany: Bibliographisches Institut, 1938). A crewman, Eugen Bentele, who has served on both the *Hindenburg* and the *Graf Zeppelin*, reveals his thoughts years later, in his *The Story of a Zeppelin Mechanic: My Flights, 1931-1938* (Friedrichshafen, Germany: Wolfgang Meighorner Schardt, 1992).

After completing radar espionage missions in British airspace during May and August 1939, the *Graf Zeppelin* is ordered dismantled by the German government early in May 1940.

The company's CEO, the great airshipman Hugo Eckener, publishes his reminiscences in *Im Zeppelin über Länder und Meere: Eribenisse und Erinnerungen* (Flensburg, Germany: Christian Wolff, 1949.). He will also be remembered by Rolf Italiaander in his *Hugo Eckener, Ein Moderner Columbus* (Konstanz, Germany: Stadler, 1979); a much expanded 562-page title by the same author, *Ein Deutscher Namens Eckener* (A German Named Eckener), is published by the same firm in 1981.

DEVOE AIRLINES: United States (1981-1983). Devoe is founded by Jack DeVoe at Opa Locka, Florida, in the fall of 1981. Employing a fleet of 4 Piper PA-31-350 Navajo Chieftains, 1 PA-31-310 Navajo, and 1 Cessna 402B, the small intrastate inaugurates daily roundtrip scheduled passenger flights on November 9 to Orlando, Jacksonville, Melbourne, and Tallahassee. Operations continue apace in 1982 as Fort Lauderdale and Key West join the route network. The company is renamed **Gulf Central Airlines** in 1983.

DHL AERO EXPRESS, S.A: P.O. Box 11491, Panama City 6, Panama; Phone (507) 238-4203; Fax (507) 238-4149; Code DS; Year Founded 1996. Felix Piardi establishes this small charter operation at Tocumen International Airport in the spring of 1996 to offer scheduled roundtrip all-cargo services to Miami on behalf of (49%) minority owner **DHL Worldwide Express**. Revenue flights commence in August employing a single Boeing 727-264F and except for the addition of two more Dash-264Fs, continues without change thereafter. Piardi's three freighters are all hush-kitted.

DHL AIR, U.K., LTD. See DHL AIRWAYS (DHL WORLDWIDE EXPRESS)

DHL AIRWAYS (DHL WORLDWIDE EXPRESS): P.O. Box 75122, Cincinnati, Ohio 45275, United States; Phone (606) 283-2232; Fax (606) 525-1998; <http://www.dhl.com>; Code ER; Year Founded 1969. Adrian Dalsye, Larry Hillblom, and Robert Lynn form this airline at San Bruno, California, in 1969 to transport bills of lading by air between San Francisco and Honolulu. Carrying these documents, a company official flies by commercial carrier from the origination port of a ship to its destination point; since the documents arrive before the ocean-going vessels, shipping officials are able to get an advance on paperwork completion, thereby speeding turnaround times.

This simple purpose grows during the 1970s into a major freight forwarding and courier express concern, DHL Corporation. Initially, DHL does not fly its own services, but instead continues to concentrate on document delivery for merchant shipping, sending couriers to various destinations aboard scheduled carriers. Each courier is, in turn, able to check upwards of 150 green canvas document bags (nicknamed "body bags") as excess baggage, banking on airlines to unload passenger belongings before cargo. The time and red tape saved brings great profit.

In 1971, the three partners enter the international arena when service is inaugurated to the Philippines; DHL is, in fact, the first international air express carrier to fly into the Pacific Rim.

DHL International, Ltd. is established at Hong Kong in 1972 under the direction of local entrepreneur Po Chung. Service is initiated to Japan, Singapore, and Australia.

The first flights are made to continental Europe in 1973, to the U.K. (LHR) in 1974, Latin and South America in 1976, to the Mideast in 1977, and to Africa in 1978.

The company office in Singapore moves into the new Changi International Airport Cargo Agents Complex in 1982.

DHL refrains from entering the air express market until 1983 when, in response to incursions into the document transport business, the carrier elects to take on **Federal Express, UPS (United Parcel Service)**, and others directly. The U.S. company is reformed with, initially, two operating subsidiaries. DHL Air Cargo is established at Honolulu to offer regularly scheduled freighter flights to Hilo, Kahului, Kona, and

Lihue employing a Lockheed L-188A or a Douglas DC-6A. DHL Worldwide Express, also known as DHL Airlines, is organized to fly express cargo and courier services throughout Canada and the U.S.

Two major sorting and consolidation hubs are established at Cincinnati and Salt Lake City, with branches at Atlanta, Chicago, Dallas, Houston, Miami, Los Angeles, New York City, Seattle, San Francisco, and Washington, D.C.

Beginning in March, overnight delivery service over longer routes is provided by the carrier's two Boeing 727-22Cs and three B-727-30Cs, while operations over shorter runs are handled by Learjets, Swearingen Merlins, Cessna 402s, Beech 18s, Falcon 20s, and miscellaneous chartered aircraft plus Bell 206B JetRanger helicopters, the latter providing courier service in the New York City area. Fiercely private, DHL refuses to release either traffic or financial data.

The DHL Corporation continues to expand overseas during the 1980s, where foreign carriers are contracted to undertake overnight delivery services of express freight on its behalf. Throughout the decade, the line between freight and air express blurs significantly.

A separate, wholly owned subsidiary, ELAN (European Land and Air Network) is established in 1981 to handle heavier weight express shipments. In 1982, work begins on a major 36-acre hub facility at Cincinnati.

The first air express flights into Eastern Europe begin in 1983. In the U.S., DHL Airlines prospers, even in competition with other similar operations. DHL Worldwide Express becomes, in fact, a network operated by two separate companies under common ownership.

Employing turboprops, the U.K. subsidiary **Elan Air, Ltd.** begins "Overnight Delivery System" flights in 1984 from East Midlands Airport to a number of major cities in central Europe.

In 1985, company headquarters are transferred to Redwood, California, to allow more expansion room. The major hub is opened at Cincinnati. From here, services will be provided to the U.S. and its territories. In March, the first two of four ordered Fairchild Expediter are delivered. Eighteen dedicated aircraft are sent to Brussels during the year, to begin operating from the company's new full service EC hub.

Cargo planes and helicopters shuttle express-cargo and documents between 12 regional hubs and 76 gateway cities in 1986. Without revealing exact figures, company officials report that traffic increases 34% during the year, including a 50% boost in international services. During the year, company officials join with those from **UPS (United Parcel Service)** to form **International Parcel Express (IPX)** as a joint venture vehicle to be used in bidding on the U.S. DOT's U.S.-Japan small package route.

The Belgian all-cargo commuter **European Air Transport, S.A.** is acquired during the year to assist in the transfer from a European documents carrier to a freight carrier. The aircraft dispatched to Brussels the previous year form the carrier's fleet, except for its original airplane. Expansion further into the U.K. market is made possible by the acquisition of the international business of the ground and air parcels delivery firm Securicor, Ltd.

In 1987, the fleet includes 12 B-727-100Cs, 10 Expeditors, and 1 Lockheed L-188AF. The Cincinnati hub is expanded further and IPX is wholly acquired by and absorbed into **UPS (United Parcel Service)**. The transition of **European Air Transport, S.A.** from a commuter carrier into a subsidiary of the first integrated express freight system in Europe starts with the delivery of the first Convair CV-580 freighter in August. Without providing specific statistics, the carrier reports its shipment volume up by 12%. A new hub is opened at London (LHR).

By September 1988, the **European Air Transport, S.A.** fleet at Brussels has been increased to 11 CV-580s, all wearing DHL colors. In October, Charles Lynch is succeeded as CEO by the former Hyatt Hotel and Braniff Airlines CEO, Patrick Foley.

During the year, service is initiated to the People's Republic of China and a new joint venture with Mideast investors, **DHL Aviation Services, Ltd.**, is set up in Bahrain. To provide fast delivery of express cargo and documents throughout the Mideast, the carrier begins revenue

operations with one each Fairchild-Swearingen Merlin IV, Merlin IVC, and Metro III.

At this time, the company estimates that it carries half of all U.S. outbound shipments in over 100,000 international shipments per day; it also has the largest market share in international air express, followed by TNT of Australia, the U.S. Postal Service, **Federal Express**, **UPS (United Parcel Service)**, and **Emery Worldwide**.

Two B-727-100s are withdrawn in early 1989 as six B-727-200s are acquired from **Air France**. The ELAN subsidiary is incorporated within the company.

In July 1990, **Japan Air Lines Company, Ltd.**, **Deutsche Lufthansa, A.G.**, and the Nissho Iwai Japanese Trading Company seek to invest \$500 million for a 12.5% shareholding. DHL International headquarters are now firmly established at Brussels, where that hub is expanded, and the international division launches services to Cuba and Mongolia. A Metro II is placed into service with DHL Aviation Services, Ltd.

To meet customer needs in a more formalized manner, a specific air freight division is established in January 1991. At this point, the company operates 1,350 worldwide stations (including 960 wholly owned), of which 1,100 are in 188 foreign countries. Operations are conducted through 46 gateways and shipping and distribution centers, including major distribution hubs at Cincinnati and Brussels. In addition to its own fleet of 125 aircraft, DHL also makes use of the cargo holds of 172 airlines.

Nissho Iwai Japanese Trading Company assists DHL in the creation of new logistic support centers in Brussels, Bahrain, and Singapore. A Douglas DC-8-73F is chartered from **Emery Worldwide** late in the year to operate five-nights-per-week services between the Ohio and Belgian cities. The **DHL Aviation Services, Ltd.** Merlin IV is replaced by a second Metro III and a Convair CV-580.

Richard F. Cozzi becomes vice president-airline operations in February 1992. An agreement signed with **Emery Worldwide** at the time of the aircraft lease permits DHL, beginning in March, to provide leased space to Emery on the New York to Brussels run. At the same time, two other arrangements are signed. The first provides for additional Saturday service on behalf of Emery between New York and Brussels and Manchester. Under the second, DHL initiates intra-European airlift on behalf of **Emery Worldwide** from the former's Brussels hub; the deal will allow Emery to discontinue its own European hub operation in Maastricht.

In April, DHL International becomes a British-registered company, shifting its headquarters from Hong Kong to Bermuda to avoid operating in the uncertain climate now swirling about the U.K.'s Asian crown colony. Also during the spring, the U.S. arm of the multinational air express company agrees to purchase five Douglas DC-8-73s from **Air Canada, Ltd.**

Japan Air Lines Company, Ltd. (2) and **Deutsche Lufthansa, A.G.** increase their shareholding in DHL International during July from 12.5% each to 25% and Nissho Iwai, a security firm, retains 7.5% for 57% majority control by the three partners; founder Larry Hillblom retains 42% minority interest. The agreement combines the flight capacity of the German and Japanese airlines with DHL's ground transportation network; the Rising Sun and German carriers each take a 1% stake in the American subsidiary and assist it in launching cargo deliveries in Scandinavia. Meanwhile, a third Metro III is provided to **DHL Aviation Services, Ltd.** in Bahrain.

DHL Air, U.K., Ltd. is established at East Midlands Airport in August 1992 as a joint venture between DHL Airways U.S.A. and **Hunting Cargo Airlines, Ltd.** J. D. Capstick is named chairman and his company employs, as required, freighters leased from Hunting. These undertake overnight express freight flights from the company's base and a companion field at Coventry to Brussels, Belfast, Cologne, Dublin, and Shannon.

A marketing agreement is signed with **Japan Air Lines Company, Ltd. (2)** under terms of which the new airline agrees to take over JAL's Scandinavian cargo operations.

The first Canadian Douglas arrives in September and begins operations from the DHL Airways hub at Greater Cincinnati Airport.

In 1993, President/CEO Foley oversees a workforce of 26,000 and an owned fleet comprising 1 DC-8-73, 6 B-727-200s, 5 B-727-100Fs, 3 B-727-100F(M)s, 10 Fairchild Expeditors, and 1 Bell 206B.

Under charter are a number of Convair CV-440s, Cessna 208 Caravan Is, and a Douglas DC-8-73. In February, it is announced that DHL Worldwide Express will embark upon a 4-year, \$1.25-billion capital improvement program, acquiring new automation, computers, handling systems, and ground facilities. The remaining four DC-8-73s are on hand by April, flying from Cincinnati.

In June, the company acquires the European sorting center and facilities of **Federal Express** at Brussels; the Belgian center becomes the largest automated hub outside of the U.S. Scheduled express-cargo and document-courier services continue to be flown between 12 hubs and 76 gateways.

For the first time, the company elects to report its statistics to the DOT, which in turn ranks the carrier as a national airline.

Freight traffic rises 46.3% on the year to 298.2 million FTKs.

A contract is signed in April 1994 with National Advanced Systems Company, of Saudi Arabia, for the transport, storage, and distribution of NASCO communications products.

Flights begin to Vietnam and by the end of December, a total of 84 flights are dispatched to various destinations nightly from the main Cincinnati hub; more than 40,000 U.S. and 80,000 global destinations are part of the company worldwide network, which stretches out of 19 hubs and 220 gateways.

Plans are made to open a \$1-million heavyweight building on the company's 36-acre Cincinnati location, the fourth expansion there in a decade. Services to Vietnam begin.

The year's cargo traffic advances 7% to 319.06 million FTKs as 95 million individual express shipments (weighing 225 million pounds) are flown. Revenues total approximately \$4 billion.

The workforce stands at 6,400 in 1995.

During the first half of the year, a \$2.2 million distribution center is opened at Sydney, Australia; the first of six B-727-31C/-35Fs to be introduced from that point before year's end begins flying trans-Tasman freighter services to Auckland. In addition, 16 distribution centers are opened in China.

In August, the heavyweight building is opened at Cincinnati. The company's first major hub now employs 1,000 workers who dispatch an average of 150,000 shipments per night on 84 flights. In addition, a logistics distribution center is established at Miami.

To enhance its Asian small package market, the company introduces the DHL Jumbo Box, the cargo version of an express mail document envelope. Additionally, a flat-rate Asian shipping charge for packages weighing 55 pounds or less is introduced.

Also during the summer, six B-727-223Fs, first flown as passenger aircraft by **American Airlines**, are sent to Brussels for use by **European Air Transport, S.A.**

As a supplement to its transshipment centers at Singapore and Hong Kong, in December DHL opens a new Asian hub at Manila, a 118,000-sq.-ft. facility valued at over \$60 million. A hush-kitted B-727F inaugurates regional cargo flights from the new base.

Traffic soars as 473.67 million FTKs are operated, a 48.5% increase. The average weight of shipments through the Cincinnati hub jump 20%. There are profits: \$17.35 million (operating) and \$16.78 million (net).

Airline employment is increased by 25% in 1996 to 8,000 as DHL Airways, the U.S. arm of DHL Worldwide Express, reaches the ranks of DOT-certified major airlines. The owned domestic fleet now includes 20 B-727Fs and 7 DC-8-73s; chartered are an additional 59 Convair 580s, Cessna 208 Caravan Is, and Fairchild SA-26 Expeditors. Another 159 freighters are operated by DHL overseas.

In late January, the company begins negotiations for several modules of the new cargo center that will open in Hong Kong's new Chek Lap Kok Airport in 1998. Ten more distribution centers will be opened in China this year.

Flights commence from Cincinnati to Montreal, from the U.S. West Coast to Japan, and from Miami to Panama City.

During the first quarter, four B-727-264s are purchased from **Mexicana Airlines, S.A. de C.V.** All are converted into freighters at Miami and are thereafter sent out to Guam to be operated under contract by **Continental Micronesia**.

Early in the second quarter, DHL forms a Panamanian subsidiary to develop an all-cargo hub in Panama. In late May, a new freight distribution center is opened in downtown Hong Kong.

Plans are made during the summer to establish a new hub at Entzheim Airport in Strasbourg. The concept is actively opposed by both local residents and environmentalists concerned over noise and pollution questions. During the third week of September, however, the French city's chamber of commerce asks the carrier to suspend its initiative. With the welcome mat withdrawn, DHL complies with the request.

By year's end, the company has expanded into 26 Chinese cities. Also during the 12 months, Chief Financial Officer Victor Guinasso is appointed president/chief operating officer.

A total of 549.22 million FTKs are operated, a 16% increase, and revenues increase 54.2% to \$1.08 billion. Expenses swell 53.6% to \$1.05 billion, leaving an operating gain of \$30.78 million and a net gain of \$27.5 million.

In April 1997, a memorandum of understanding is signed with Airbus Industrie for the purchase of seven A300B4-200s. The aircraft will be converted into freighters (Dash-200Fs) and delivered during the second half of 1998.

On July 1, the freight operator becomes the first to order Airbus Industrie A300B4Fs when it signs a memorandum of understanding with Pinnacle Aircraft Leasing. Three of the converted passenger planes will begin all-cargo service from the company's Brussels hub at the end of the year, with four others delivered during the second half of 1998.

On July 26, a marketing and operations agreement is concluded with **LOT Polish Airlines, S.A.**; at this point, the Polish line becomes general sales agent in the country for the Brussels-based cargo carrier. DHL Worldwide Express launches B-727F freight service on August 1 from Copenhagen to Katowice via Warsaw.

In what the media portrays as one of the last great labor-management clashes of this century, 200,000 members of the Teamsters strike **UPS (United Parcel Service)** on August 4. The job action is supported by company pilots; management flyers and contract aircraft are only able to provide a trickle of service.

Kiwi International Airlines recruits new business for its shipping services and **Emery Worldwide** attempts to accommodate customers sending packages in excess of 5 pounds. However, UPS's major competitors, **Federal Express** and DHL Worldwide Express, refuse most new business (the latter takes new international business), but do accept packages left in drop-off boxes. Talks between the Teamsters and UPS resume on August 7 and the job action is settled a little over a week later. Kiwi is able to retain some of the new business generated during the walkout.

An arrangement is reached during August with both **Air Koryo** and **China Northern Airlines Company, Ltd.** to provide all-cargo shipments between Beijing and P'yongyang, employing belly space aboard the airliners of those two companies. At the same time, a separate freight agreement is reached with **Air Koryo**. Under its terms, the North Korean airline will employ an Antonov An-26 to fly trading documents and light machinery between Japan and Europe on behalf of DHL.

Under terms of the July 26 agreement, a B-727F painted in DHL colors with **LOT Polish Airlines, S.A.** markings, introduces roundtrip service from Brussels to Warsaw on September 8. The B-727F, which had previously operated through Warsaw from Copenhagen to Katowice, is sent to Berlin to fly from the German city to Katowice.

It is reported on November 5 that DHL has opened its office and begun operating in the North Korean capital of P'yongyang. Asia Marketing Director Peter Tilby indicates that the move is an outgrowth of negotiations first begun in 1992. Plans are made to supplement **Air Koryo**

flights under the August arrangement with train service from Beijing. The first shipment, completed the previous day, comprises 12 tons of food and medical supplies.

In November and December, the company revitalizes its World Wide Web homepage with a series of "country specific" points of entry. Secondary pages describe DHL services in specific nations, such as the U.S. or Canada. It also expands its Cincinnati hub in order to meet a growing demand in the U.S.

To feed its growing Asian operation, the company also sets up a West Coast network based on its Los Angeles hub. Two DC-9Fs are acquired to operate daily flights to the California base from San Francisco, Seattle, Portland, Denver, and Salt Lake City. A number of smaller aircraft (largely Cessna 208 Caravan Is) are employed to connect those cities with smaller Western communities.

DHL Airways' FTKs inch up 1.8% to 558.8 million. Operating revenues ascend 12.9% to \$1.22 billion, while expenses jump 9.2% to \$1.14 billion. Although a \$77.38-million operating profit is earned, a net \$12.66-million loss is suffered. The company is the only American major, except for **Trans World Airlines (TWA)**, to suffer a fiscal loss this year.

In January 1998 a request is made to Airbus for an additional nine A300B4-200Fs to be operated by European carriers.

During the first quarter, work begins on a \$170-million hub and sorting facility at Cincinnati. When completed in 2001, it will replace the company's smaller operation there.

A DC-8F is leased to **SAS (Scandinavian Airlines System)**, permitting the consortium carrier's freight division, SAS Cargo, to launch weekend all-cargo roundtrips to New York in April. The service will be maintained through July.

In mid-month, the concern completes negotiations with **Air Koryo** for the lease of a Mil Mi-17-8P. The heavy-lift helicopter will be employed to run a daily all-cargo circuit between Yanji Airport in China, the Rajin-Sonbong free trade zone, and the nuclear reactor construction site at Sinpo (both of which have no airstrip), and P'yongyang. Connections will be made at Yanji and P'yongyang with **China Northern Airlines Company, Ltd.** or **Air Koryo**.

Also in April, Deutsche Post, the state-owned German postal service, agrees to take a 22.5%, \$500-million stake in the concern, with an option to increase to 25% its total investment. Although no operational changes are planned, the post office will add additional board members.

In early May, SAS Cargo takes 50% of the capacity of an **Air Koryo** Antonov An-26 leased by DHL; the two carriers will offer joint services from Copenhagen to destinations along the Baltic coast.

While en route from New York (JFK) to Portsmouth, New Hampshire, on August 31, a B-727-200F with three crew and two jump seat passengers, experiences the failure of its No. 2 engine. The aircraft returns to its point of origin and makes an emergency landing, just after which the right main landing gear collapses, causing the trijet to slide to a stop on the runway. No injuries are reported.

It is announced in September that DHL will make a major push into Latin America from the U.S. during the next year, spending \$30 million in the process. The expansion program includes improvements in the principal Panama City hub, as well as the development of an additional hub in Buenos Aires and the upgrading of operations in Venezuela, Peru, and Brazil. Three more B-727Fs will be acquired for the DHL Airways fleet and dedicated, as will additional warehouse and ground transport assets.

Also during the month, DHL opens a 50,000-sq.-ft. Express Logistics Center near Miami (MIA). An \$83.4-million contract is simultaneously signed with the U.S. General Services Administration under which the company will transport small packages to foreign destinations for various agencies over the next 36 months.

Freight traffic during the 12 months advances by 2.51% to 572.85 million FTKs. Revenues jump 10% to \$1.34 billion, while expenses are up 11.6% to \$1.25 billion. The operating profit totals \$92.62 million, while the net loss "improves" to \$5.16 million.

DHL Airways approves a new five-year labor contract in January 1999. At this point, corporate employment is increased by 13.8% to 9,100.

In order to compete with a growing **United Parcel (UPS)** presence, the company announces on March 17 that it will invest \$10 million during the remainder of the year in its operations in Brazil.

After suffering a big loss in 1998, the Japanese trading company Nissho Iwai Corp., Ltd. places its 5.2% stake in DHL up for sale. DHL Worldwide Express purchases back the shareholding for \$73 million, giving Nissho a badly needed \$42-million profit.

A strategic alliance is formed with the United States Postal Service (USPS) on May 5, in order to provide additional international air express options for U.S.-based shippers. The partners begin to offer two-day, traceable express documents as Priority Mail Global Guaranteed from Boston, Charlotte, Chicago, Houston, Miami, Minneapolis, New York, Philadelphia, Phoenix, San Francisco, Washington, D.C. Also served are destinations in 19 European nations: Australia, Belgium, Denmark, Finland, France, Germany, Gibraltar, Ireland, Italy, Liechtenstein, Luxembourg, Monaco, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the U.K.

President/Chief Operating Officer Guinasso is appointed chairman/CEO on July 15, effective at the end of the year. He succeeds the retiring chairman, Patrick Foley.

During the first week of August, discussions are held with **British Airways, Ltd.** (2) concerning the possible purchase by DHL of BA's B-757-236 fleet. It is confirmed on August 9 that DHL will acquire upwards of 40 to 45 aircraft, valued at \$1.3 billion, for use on its European and African routes. Simultaneously, \$200 million in expenditures is approved and will be employed on such infrastructure investments as new air express hubs in Germany, Singapore, and Japan.

Early in August, the board of directors approves the purchase of 40 to 45 aircraft, valued at \$1.3 billion, to upgrade equipment for its European and African networks and an investment of \$200 million in infrastructure improvements. An announcement on aircraft is to be made in October. The infrastructure enhancements will include new express hubs at Tokyo, Singapore, Cologne, and Frankfurt. In addition, DHL Airways President/Chief Operating Officer Vic Guinasso is named to succeed Chairman/CEO Patrick Foley.

On September 29, as part of its thirtieth anniversary commemoration, the concern unveils a new image, the graphics of which depict various worldwide destination names with their universal icons. A company-wide celebration is simultaneously held at DHL Airways's 290 U.S. facilities, while a time capsule filled with company memorabilia from 1969 to 1999 is buried at headquarters.

Also during September, DHL Airways accepts delivery of the first of seven A300B4-203Fs. In response to increased western Canadian demand, DHL adds Edmonton as its fifth Canadian gateway.

Also during the month, DHL announces that it will invest \$125 million over the next four years to expand its express operation in Japan, opening 38 service centers and hiring up to 1,000 employees.

On October 6, DHL Worldwide Express confirms that beginning in 2001, it will replace its European B-727F fleet with 44 converted B-757s obtained via Boeing, including 34 Dash-236s being withdrawn by **British Airways, Ltd.** (2).

Two more of the 44-plane total are secured on November 15 when arrangements are completed for the purchase of two Dash-277s from **Ansett Australia (Pty.), Ltd.**

Japan Air Lines Company, Ltd. (2) completes the sale of its 20% DHL equity stake on December 13 to two investment trusts. During the month, a new Central Asia hub is established at Hong Kong and a partnership is entered into with **Cathay Pacific Airways (Pty.), Ltd.** under which Cathay will operate overnight cargo flights on its behalf to four Asian destinations. Final completion of the new hub will not actually be completed for three years, during which period Cathay will undertake an additional 32 weekly flights for DHL to Seoul, Singapore, Taipei, and Osaka (KIX).

Freight traffic accelerates 8.9% to 623.9 million FTKs. Operating revenues fall 25.9% to \$999.22 million, while costs climb 21.8% to \$982.62 million. Operating profit drops to \$16.6 million, however, the previous year's net loss is turned into a \$19.17-million gain.

At the beginning of 2000, DHL Airways in the U.S. continues to operate a fleet of 7 DC-8-71Fs. On January 13, a DHL International spokesman confirms the company's position regarding a proposed new law to ban night flying from Brussels by mid-2003. If the ordinance is passed, DHL will leave the community.

DHL Airways receives its first B-757 on January 13; the former **Challenge Air Cargo** Dash-23APF will be operated out of Belgium. Also on January 13, President/Chief Operating Officer Guinasso officially becomes the new chairman/CEO of DHL Airways, the U.S. arm of DHL Worldwide Express. Chief Financial Officer William Smarti succeeds him as executive vice president/chief financial officer, while Senior Vice President Lawrence Hughes becomes executive vice president/chief operating officer.

During the year's first week, Vice Prime Minister/Transport Minister Isabelle Durant institutes a ban on overnight flights at Brussels Zaventem International Airport as a noise-control measure without consulting her cabinet colleagues. Minister Durant is embarrassed when the government, later in January, rescinds her announcement. DHL had warned that such a ban could cost the local economy 6,000 jobs, while secondary airports at Brussels South and Liege, where such traffic may have been diverted, had voiced strong protest.

In preparation for its move to Hong Kong, DHL shuts down its Manila cargo hub in February. Additionally, DHL Airways President/CEO Guinasso now becomes board chairman as well.

Pursuant to an announcement made in early December, DHL, in March, launches a new cargo partnership with **Cathay Pacific Airways (Pty.), Ltd.** Under terms of the deal, DHL establishes Hong Kong's Chek Lap Kok Airport as its central Asian hub while Cathay freighters, flying under contract, provide 32 weekly return flights to the DHL receiving points at Seoul, Osaka, Taipei, and Singapore.

It is reported, also in March, that DHL Airways will soon be taken over by the combined forces of Deutsche Post World Net (DPWN) and **Deutsche Lufthansa, A.G.** Each has a 25%-plus-1-share stake in the company and its European counterpart, DHL International. Although smaller than either **Federal Express (FedEx)** or **United Parcel Service (UPS)**, DHL Worldwide leads both in cross-border mail and express deliveries—38% against 20% for the former and 15% for the latter). It has also made purchases in trucking, logistics, and air freight that rival both of the American giants.

The story is part of a general revelation in the aviation media that DPWN and Deutsche Lufthansa Group are reviewing several schemes for a joint-venture (code-named PELIKAN) merging of their logistic activities. PELIKAN would see the joining of DHL Worldwide with **Lufthansa Cargo Airlines, A.G.** and with Deutsche Post-owned Air Express International.

At this point, **United Parcel Service (UPS)** demands that the EU Commission require DPWN split up its commercial and public service activities. UPS had originally petitioned the Commission in 1994 alleging unfair competition in the parcel post sector. It now emerges that Deutsche Post has invested almost \$5 billion in the years since to build up its parcel post activities while recently engaging in alliance discussions with both DHL and **Deutsche Lufthansa, A.G.** It is anticipated that the Commission will respond by April, but it will not open its formal investigation until August.

During the spring, DHL Airways enters into a new alliance with the U.S. Postal Service. Under terms of the Priority Mail Global Guaranteed (PMGG) system, documents are accepted at post offices in 11 U.S. markets for delivery in major cities in 19 West European countries.

AirlinersOnline.com reports on June 12 that the European branch will soon purchase the Cincinnati-based U.S. DHL Airways component. Because of U.S. 25% foreign ownership rules, the American unit would become an administrative and marketing-only entity, which will actually

contract its flying to former U.S. competitors. The alleged African carriers **DAS Air Cargo, Ltd.** of Uganda and **MK Airlines, Ltd.** of Ghana could serve as models, as both are registered in one nation and operated from another (the U.K.). At the moment, it also operates seven DC-8-73Fs.

Arrangements are completed with Boeing Airplane Services, under which it will purchase, convert, and maintain for DHL a fleet of 44 cargo aircraft. Under this plan, the first aircraft acquired is a B-757-200F, which arrives at Boeing Wichita on July 14 for conversion into a B-757SF (special freighter). Flight certification tests are planned for October with delivery of this first new derivative to DHL by year's end.

A B-727-200AHF (advanced hush-kitted freighter) is chartered by DHL International from Pegasus Aviation at the end of August. During late spring and summer, new DHL International agencies are opened in the Russian cities of Yakutsk, Achinsk, Kostroma, Magadan, Ivanov, and Smolensk, giving DHL International more than 100 representative offices in Russia, covering 450 cities. Cooperative agreements are also signed with Ukrpochta (Ukrainian Post) and Belpochta (Belarus Post), giving access to post offices in Belarus and the Ukraine under joint brand names.

Two Avions de Transport Aerien ATR42-320Fs are delivered, one each in September and December, and are operated across Africa under contract by **Rossair Executive Air Charter (Pty.), Ltd.** of South Africa.

At the end of September, an ownership change appears imminent. On the eve of its initial public offering—the largest in Europe this year with all proceeds going to the German government—DPWN announces that it has reached agreement with a group of investors, family members, and founders to purchase another 26% stake in DHL International, boosting its earlier 25% stake in DHL to a controlling 71%. It is estimated that such a move will cost between \$1.3 and \$2 billion. Under the plan, Brussels-based DHL International and California-based DHL Airways would be merged, with a separate company formed to handle the U.S. airline operation and get around foreign ownership rules. The new equity involvement will take effect on January 1. DHL will retain its airline identity and DHL International CEO Klaus Zumwinkel will retain his post.

On October 2, the company's alliance with the U.S. Postal Service is expanded and renamed Global Express Guaranteed (GXG). A boosted version of the PMGG, the GXG allows customers to drop off packages at any of 20,000 U.S. postal locations; DHL, in turn, transports, clears customs, and delivers the contents in more than 200 nations and territories around the world.

On October 8, new B-727-200F return cargo service is launched by DHL International between Bergamo and Catania. The old route between Bergamo and Treviso is simultaneously dropped. **Express One International** operates its final B-727F service for DHL on October 31.

An additional A300F arrives at the DHL Airways Cincinnati base on November 2 following a ferry flight from Brussels via Shannon and Gander. The same day, DHL International and **Lufthansa Cargo Airlines, A.G.** jointly announce the introduction of their first cooperation in Russia and the CIS, a daily return cargo service from Moscow to Cologne. As a result of the new route, DHL will be able to significantly reduce its delivery times, allowing 90% of deliveries to and from Moscow to be delivered the next day, with times to 30 cities in Russia and the CIS via Moscow to be reduced as well.

On November 30, DHL International and **Pulkovo Airlines** introduce same-day delivery service of priority-express packages from Moscow to St. Petersburg. The urgent cargo is transported aboard Pulkovo's regular passenger flights. The arrangement allows the partners to assist companies which, in the past, have had to dispatch members of their staff to act as couriers for urgent items.

Although the November 20 DPWN initial public offering is reported by the media as a lukewarm success, it is sufficient to allow the German organization to move ahead with its plans to control DHL International and to engineer a closer alliance with **Lufthansa Cargo Airlines, A.G.** In December, former DHL International Chairman Pat Lupo is sent to

the U.S. to begin the process of splitting the company's ground operations away from DHL Airways, leaving the latter to stand as a separate 25%-owned concern as required by U.S. law. This plan, like the others floated earlier, would require approval by the U.S. government, which would also most certainly listen to its American opponents, **Federal Express (FedEx)** and **United Parcel Service (UPS)**.

Just after the beginning of the new year, the two American operators will file complaints with the DOT charging that DHL Airways does not meet U.S. citizenship requirements and therefore should not be allowed to operate domestic U.S. service. In response, DHL Airways points out that its American investors do, in fact, have both management control and a majority of the equity.

DHL AVIATION SERVICES, LTD. *See* **DHL AIRWAYS (DHL WORLDWIDE EXPRESS)**

DHL WORLDWIDE EXPRESS. *See* **DHL AIRWAYS (DHL WORLDWIDE EXPRESS)**

DHY TURKISH STATE AIRLINES (DEVLET HAVA YOLLARI). *See* **THY THURKISH AIRLINES (TURK HAVA YOLLARI, A.O.)**

DIABLO AVIATION: United States (1991–1993). Dean Hanson establishes Diablo Aviation at Concord, California, in 1991 to offer charter and contract service flights. Revenue operations commence and continue with 5 Piper PA-31-310 Navajos.

Flights cease within two years.

DIAMOND RUSSIA SAKHA-MIRNY AVIATION ENTERPRISE (ALMAZY ROSSIYA SAKHA-MIRNINSKOE AP): Russia (1992–1996). The local air transport organization tasked to provide service for the Republic of Sakha Yukutiya, Diamond is the result of a 1992 reformation coming on the heels of the collapse of **Aeroflot Soviet Airlines**. With Nikolai N. Tereschenko as director general, it provides domestic services from Mirni Airport with a fleet that includes an unspecified number of Antonov An-2s, An-24s, An-26s, and Ilyushin Il-76s, plus a helicopter detachment made up of Mil Mi-8s and Mi-26s.

Operations continue apace in 1993–1995 and, in 1996, the company is renamed **Mirny Air Enterprise**.

DIAMOND SAKHA AIRLINES (AVIALINII ALMAZI SAKHA): Russia (1993–1998). Diamond Sakha, which is also based at Mirni Airport, is officially broken off from the local Aeroflot division in September 6, 1994 to provide commercial passenger and cargo services for those who would develop the region's noted diamond region. The divorce is not total as a marketing alliance is entered into with the state carrier.

Konstantin P. Sukhorebrik is appointed general director and he begins revenue services with 4 Tupolev Tu-134s and an unspecified number of Antonov turboprops. Revenue flights commence on October 18.

An Airbus Industrie A310-324, formerly operated by **Pan American World Airways (1)**, is acquired under lease from **Swissair, A.G.** late in the year and is followed into service by a second early in 1995. At this point, a marketing agreement is signed with the Swiss flag carrier and revenue flights commence from the Yakutiya region to Beijing, Berlin, and Zurich.

Flights continue in 1996–1998, during which years T. Tikhonov becomes chairman with A. Boubas as managing director. Under a national airline consolidation scheme, Diamond is merged into **Sakha Avia National Air Company** during the latter year.

CHARLES DICKENSON: United States (1926). When the U.S. Post Office puts up its Contract Air Mail Route No. 9 Chicago to Minneapolis (CAM-9) for competitive bidding in early 1926, the lowest offer is made by Minnesotan Charles Dickenson. A friend of aircraft designer Matty Laird, Dickenson persuades him to provide his new enterprise

with three OX-5 powered biplanes. In addition, a Curtiss Swallow and one other aircraft of unrecorded type are acquired. A deadly wind hampers service inauguration on June 7; three planes must return to Wold-Chamberlain Field before Elmer Partridge is able to depart for Chicago just after 3 p.m. Unfortunately, his aircraft crashes near Mendota, Minnesota, a short time later and he is killed.

Dismayed but persistent, Dickenson tries for two more months to make a go of his contract. By mid-August, however, all of his pilots have quit and all of his planes, save the Swallow, are lost. Without staff or equipment, he is forced to tell the Post Office that he will, according to their notification rules, quit and return the route 45 days later on September 30.

DIGEX AERO CARGO, S.A.: Aeroporto Internacional de Guarulhos, Remota Central, Lotes 1 E 3, Guarulhos, CEP-07141-970, Brazil; Phone 55 (11) 945-3601; Fax 55 (11) 945-3621; Year Founded 1991. Digex is established at Rio de Janeiro in 1991 to offer nonscheduled cargo charters and contract service flights to destinations throughout the nation and to regional destinations. Revenue operations commence and continue with a single leased Boeing 727-44C first flown by **South African Airways (Pty.), Ltd.**

Operations continue in 1992–1994. In 1995, with an improvement in the world airline economy and a rising demand for air cargo services, a Douglas DC-8-62F is chartered. There are no other changes in 1996–2000.

DILLINGHAM AIR SERVICE. *See* **KODIAK-WESTERN ALASKA AIRLINES**

DINAR LINEAS AEREAS, S.A.: San Martin 320, Buenos Aires, Argentina; Phone 54 (11) 4327 111; Fax 43 (11) 4325 3899; <http://www.dinair.com.ar>; Code D7; Year Founded 1994. DLA is set up at Buenos Aires in the fall of 1994 to offer long-haul nonscheduled passenger flights to vacation areas. A Boeing 757-236 is leased from the British charter operator **Air 2000, Ltd.** while a B-767-204ER is leased from **Britannia Airways, Ltd.** Both of the aircraft chartered in 1994 are replaced in 1995 with a single B-757-277 leased from **Monarch Airlines, Ltd.**

In 1996, the borrowed fleet is changed once more as the company begins to emphasize destinations rather closer to home. Chartered from **Crossair, Ltd.** is a McDonnell Douglas MD-82, while the Peruvian carrier **Aero Continente, S.A.**, beginning in July, leases to Dinar one each B-727-22, B-737-247, and B-737-281.

Unable to maintain viability, the operator briefly shuts down in 1997. Reorganized, the company resumes flying under new CEO Alberto Desimone. Three DC-9-41s join the previous fleet units in operating scheduled services to Comodoro Rivadavia, Cordoba, Jujuy, Mar del Plata, Mendoza, Puerto Madryn, Rio Gallegos, Salta, Santiago del Estero, and Tucuman.

A B-757-277 is wet-leased from **Monarch Airlines, Ltd.** on January 4, 2000. The Boeing, in Monarch colors with Dinar titles, will operate on behalf of the Argentine carrier through the end of March. On February 16, a McDonnell Douglas MD-82 is leased from **Safair (Pty.), Ltd.** Acquisition of the two aircraft allows frequencies on the Cordoba to Tucuman route to be increased.

An order is placed on October 6 for six Embraer ERJ-145 Amazons. Upon their arrival, they will be placed into service on the route from Salta to São Paulo via Tucuman.

A B-757-2Y0ER is leased from **Air 2000, Ltd.** on December 22. It will arrive four days later.

DIRECAO DOS TRANSPORTES AEREOS DE ANGOLA. *See* **DTA ANGOLA AIRLINES, S.A.**

DIRECT AIR: United States (1980–1993). Direct Air is established by Michael Pittard at Kokomo, Indiana, in December 1980 to provide

Essential Air Service (EAS) flights to Chicago, Peru, and Logansport. Operations begin with a single Piper PA-31-350 Navajo Chieftain on April 6, 1981 over a route from Kokomo to Chicago. During the 9 months of operation, the five-employee airline transports a total of 1,611 passengers.

Airline employment in 1982 stands at four. Customer bookings climb to 2,192 for the year and a total of 9,000 pounds of freight is hauled.

The workforce is increased 25% in 1983—to five. Passenger boardings climb 11% to 2,439 while cargo is up 25.8% to 11,000 pounds.

One more worker is hired in 1984 and the Piper T-1020, which has replaced the Chieftain, flies 2,593 passengers, a 6.3% boost. Freight climbs 85.6% to 20,000 pounds.

In 1985, passenger boardings jump 43.3% to 3,715, but cargo plunges 70% to 6,000 pounds.

The Hoosier carrier's upward progress stops in 1986 as the 6-worker company faces a major traffic reversal of 44% to 2,085 enplanements. Freight continues its freefall, dropping 65% to 2,000 pounds. The passenger traffic picture worsens in 1987 as customer boardings plunge 30.5% to 1,449. Cargo rallies and jumps by 50.1% to 3,000 pounds.

The company employs its single T-1020 to transport 1,273 passengers in 1988, a 12.1% decline. Cargo carried aboard the turboprop also falls, by 23.3%, to 2,300 pounds. Two additional workers are hired in 1989 and passenger boardings decline 19.1% to 1,030. Cargo is also down, by 18.9%, to 21,000 pounds. Revenues total \$381,477, but expenses are \$453,000. The operating loss is \$71,898 and net loss reaches \$25,192. At year's end, the carrier is purchased by new owners, who speak of expansion.

The payroll is increased a whopping 157.1% in 1990 to 18 and the fleet is altered to include 1 Piper PA-31-310 Navajo and 2 Beech 1300s. The corporate headquarters are transferred to Gary early in the year. Customer bookings skyrocket 214.5% to 3,242.

The fleet is increased in 1991 to include 5 aircraft: 3 Beech 1300s and 2 Beech 1900s. In January, a new Essential Air Service (EAS) route is inaugurated from Mount Vernon, Illinois, to Chicago (MDW). Late in the year, Pittard sells out to Will Davis.

Operations continue apace in 1992 as the number of weekday flights increase to 16. The year's enplanements skyrocket to 28,611.

In March 1993, the company enters into a code-sharing agreement with **MarkAir**. To complement the Anchorage-based airline's new services to nine cities in Indiana, Illinois, and Pennsylvania, Direct agrees to provide feed at Chicago (MDW) under the marketing name Markair Direct.

During the fall, Direct is taken over by a Chicago-based investment group, **Midway Connection**, and is relabeled with the new owner's name. Operations from Midway Airport as Midway Connection commence in November. During the year under both monikers, a total of 50,000 passengers are flown.

DIRECT AIR, GmbH.: Herdweg 20, Stuttgart, D-70174, Germany; Phone 49 (711) 163 874; Fax 49 (711) 291 655; <http://members.aol.com/directair>; Year Founded 1992. Direct Air is established at Stuttgart Airport in January 1992 to offer air taxi and small group passenger services. A secondary base is also opened at Cologne-Bonn Airport. Revenue flights begin, and continue, with a fleet that includes 3 Cessna 421 Golden Eagle IIIs, 1 C-340A, and 1 Piper PA-44.

DIRECTFLIGHT, LTD.: United Kingdom (1990–1994). Direct-flight, Ltd. is established at London in 1990 to offer all-cargo regional services on a nonscheduled basis on behalf of large corporations and the larger freight operators. Revenue flights commence with 4 leased Cessna 406 Caravan IIs.

Services continue with success in 1991 and a fifth Caravan II is leased in early 1992; however, a reversal in business causes two of the aircraft to be removed by 1993. The entire company shuts down in 1994.

DIRECTIONS DES TRANSPORTS AERIENS. See **AIR FRANCE**

DISCOVERY AIRLINES: United States (1999–2000). Robert Iverson II, founder of **Skytrek International Airlines**, resigns from his Richmond, Virginia-based carrier in October 1999. The board of directors selects a new president and reforms the carrier under this new name. Holiday charter flights to Florida and the Caribbean are continued with one each Boeing 727-276A and B-727-251A, repainted in a new navy blue and white color scheme.

Passenger boardings for the year, under both names, plunge 51% this year to 147,000.

A total of 169 workers are employed at the beginning of 2000. Having failed to earn a profit under either name, the company declares Chapter XI bankruptcy on April 13 and is liquidated.

DISCOVERY AIRWAYS: United States (1989–1991). Former **Mid-Pacific Airlines** executive Franco Mancassola establishes Discovery at Honolulu in July 1989 to offer intrastate service with British Aerospace BAe 146-200s. Start-up is delayed by a legal battle over citizenship requirements of the owners, Nansay Hawaii, as objections to the proposed carrier's certification application are filed by **Aloha Airlines** and the pilots and machinists unions.

In early March 1990, the DOT, pending a decision, grants temporary authority for the initiation of flights to Kauai and Maui. Beginning on March 25, the five available British-made jetliners operate scheduled services for five months. On July 6, DOT rules the carrier does not qualify to continue under the terms of its temporary permit. The issue is returned to court and, on September 14, 100% of ownership is purchased by Group Systems of Hawaii. The DOT is asked to drop its action against the airline. Meanwhile, a total of 103,103 passengers have been transported.

A year is spent attempting to clear up all legal questions; but the new owners who have acquired the regional cannot win authority. All remaining assets are finally liquidated in August 1991.

DIVISAO DE EXPLORACAO DOS TRANSPORTES AEREOS (DETA). See **DETA MOZAMBIQUE AIRLINES, S.A.**

DIVISAO DE EXPLORACAO DOS TRANSPORTES AEREOS DE ANGOLA (DTA). See **DTA ANGOLA AIRLINES, S.A.**

DIXIE AIR: United States (1969–1970). Dixie Air is established at Tuscaloosa, Alabama, in late 1969 to provide scheduled daily air taxi flights to local intrastate destinations. Although Cessna 310 frequencies are duly inaugurated, they cannot be maintained beyond 1970.

DIXIE AVIATION CORPORATION: United States (1968–1970). Established at St. George, Utah, in 1968, DAC, the outgrowth of an FBO, inaugurates scheduled daily commuter flights to Cedar City, Milford, Delta, Provo, and Salt Lake City. Aero Commander 500B and Piper PA-32 Cherokee Six operations over this route network continue until 1970.

DIXIE FLYING SERVICE: United States (1930–1932). DFS is organized at Charlottesville, Virginia, in the fall of 1930 to offer scheduled passenger flights to Washington, D.C., in association with **The New York, Philadelphia, and Washington Airway (The Ludington Line)**. Employing 2 Stinsons and 1 Fokker Model 8 Super Universal, the company inaugurates scheduled services on November 6. On December 31, records show that a total of 44 passengers and 6 pounds of air express have been carried since start-up.

Operations continue in 1931 but as the Great Depression deepens and traffic falls off, the company is forced to stop flying in May 1932.

DJIBOUTI AIRLINES, S.A.: Place Lagarde, Djibouti City, 2240, Djibouti; Phone 253 (35) 1006; Fax 253 (35) 2429; Code D8; Year Founded 1997. Director General Moses R. Waberi's **Puntavia Airline de Djibouti, S.A.** is renamed in early 1997. Both scheduled and charter

services are maintained during the remainder of the decade to regional destinations with a fleet of 4 Let L-401UVP-Es.

Destinations visited at the beginning of **2000** include Addis Ababa, Borama, Dire Dawa, Harpgeisa, Jeddah, Mogadishu, and Taiz.

DLT. See **DEUTSCHE LUFTVERKEHRSGELLSCHAFT mbH. (DLT)**

DM INTERNATIONAL AIRLINES: Vzlotnaya 11a-141, Seoul, Donetsk, 340007, Ukraine; Phone 380 (622) 515179; Fax 380 (622) 515179; Code DMI; Year Founded 1995. DMIA is set up in 1995 to offer international and regional passenger services, both scheduled and charter. Revenue flights begin and continue with a fleet that includes 7 each Antonov An-26s and Yakovlev Yak-42s, plus 5 Yak-40s.

Sergey A. Onis is director general in 1999. His fleet now includes 8 An-2s, 3 Let L-410UVPs, 16 Mil Mi-2s, and 2 Yak-40s.

DNEPRORAVIA AIRLINE: Dnepropetrovsk Airport, Dnepropetrovsk, 320042, Ukraine; Phone 380 (562) 914 034; Fax 380 (562) 391 494; Code Z6; Year Founded 1993. Dneproavia is established by Air Ukraine at Dnepropetrovsk Airport in the Ukraine in 1993 to offer scheduled and charter passenger and cargo feeder flights to regional destinations. Mikhail Demidenko is president and he begins revenue operations with 1 each Antonov An-2, Yakovlev Yak-40, and Yak-42D.

The fleet is significantly increased during 1994. Placed into service are 6 Yak-42Ds, four Yak-40s, 4 An-26s, and 3 An-26Bs.

Enplanements in 1995 total 134,233.

Airline employment stands at 1,300 in 1996 and the fleet is increased by the addition of one each Yak-42D and Yak-40.

Passenger boardings surge 10.7% to 150,316.

There is no change in the workforce during 1997. Customer bookings fall 9.8% to 135,646.

Flights continue in 1998. The fleet now includes 7 An-26s and Yak-42Ds, and 5 Yak-40s. Another bad traffic year is suffered as passenger boardings drop 24% to 97,000.

Bad times continue in 1999. Enplanements for the year total 46,000.

DNL NORWEGIAN AIRLINES: DET NORSKE LUFTFARTSREDERI, A.S.: Norway (1920–1951). Capt. Hjalmar Ruser-Larsen forms Det Norske Luftfartsrederi, A.S. in the spring of 1919 with the intent of providing a service between Norway and Scotland. Although initially nonflying, Ruser-Larsen's company is, nevertheless, invited to participate in the organizational meeting of the International Air Traffic Association at The Hague on August 25. Unsubsidized mail flights are undertaken Bergen–Stavanger between August 16–October 15, 1920; however, poor earnings and lack of government support force the company to cease operations.

Taking the name of Ruser-Larsen's unsuccessful enterprise, a new company is formed at Oslo on May 4, 1927. On April 15, 1928, international summer-only flights are started to Copenhagen and Warnemünde in cooperation with **Deutsche Lufthansa, A.G. (DLH)**. Junkers F-13s and G.24s are employed and the tiny fleet comprises one of each as late as 1931.

On October 16, 1933, shipping magnate Fred Olsen purchases a large block of stock; his capitalization is further augmented on January 25, 1935 when four other shipping companies buy in. Famed Norwegian aviator and naturalized U.S. citizen Bernt Balchen is appointed managing director. On April 5, the government's permission is obtained to operate flights between towns along the coast. Also, two ex-DLH Ju-52/3ms, the *William Langanke* and *Fritz Simon*, are delivered and placed in service.

In 1936, representatives from the Norwegian government and DNL meet with government and airline officials from Sweden and Denmark and agree to pursue the idea of joint Bergen–New York flying boat service in cooperation with **Pan American Airways (PAA)**. To extend the

route, a Sikorsky S-43 is purchased and delivered on July 29. Although PAA will withdraw its interest under British pressure, the Sikorsky is flown between Oslo and Stockholm until July 31. It is then sold to a French carrier.

Operations continue as before during 1937–1938 and, late in the decade and in cooperation with **DDL Danish Airlines, A.S.** and **KLM (Royal Dutch Airlines, N.V.)**, routes are extended to Copenhagen and Amsterdam. By 1939, the fleet comprises 2 each of Junkers Ju-52/3ms and Ju W.34s and 1 Lockheed L-14, the American transport being replaced by another Iron Annie late in the year.

Passenger boardings approach 10,000.

When German forces invade in April 1940, all of DNL's bases and equipment are captured, forcing the carrier to cease flying. Managing Director Balchen, in the U.S. at the time, becomes a leading Arctic operations leader for both the Royal Air Force and the U.S. Army Air Forces.

In London on November 19, 1943, the Norwegian government (in exile) creates a semi-military airline, charging its leadership with planning the development of postwar Norwegian civil aviation and with negotiating with Danish and Swedish airline officials on the revived consortium idea of 1938. The following year, Bernt Balchen organizes a clandestine air service to fly agents and supplies and rescue missions from Scotland to Scandinavia and personally executes 110 of his group's missions.

Talks for the actual establishment of a joint airline begin anew in 1945. Royal Norwegian Air Transport (Norges Luftfartstyre) is dissolved on March 8, 1946 and its personnel and equipment are given to a revived DNL, to which Balchen returns as managing director. Employing Douglas DC-3s, the carrier starts daily Oslo–London (Croydon) service on April 8, following this with flights to other European capitals.

Meanwhile, domestic operations are resumed in June by a Ju 52/3m floatplane, which stops at coastal towns all the way up to Hammerfest in the Arctic—the longest domestic route in Europe.

On July 31, the **SAS (Scandinavian Airlines System)** is formally established with Thomas S. Falck Jr. and Thomas Olsen signing the consortium constitution on behalf of DNL. Capital shareholding in the new organization is divided by ratio between the companies with the Norwegian portion representing two-sevenths. The agreement establishes Overseas SAS for operation of international flights; however, each partner will initially continue to provide domestic services.

On June 2, 1947, a Short S.25 Sandringham replaces the Junkers on the Hammerfest run.

A DC-3 crashes near Glessen, Germany, while en route from Copenhagen to Zurich on February 13, 1948 (11 dead). On April 18, the regional operations of DNL and its two partners are combined into an SAS European Division and, at this point, Managing Director Balchen resigns to accept a commission in the U.S. Air Force.

On February 8, 1951, in a move made retroactive to October 1, 1950, the Overseas and European divisions are merged in a final consortium agreement. **SAS (Scandinavian Airlines System)** becomes the flag carrier of Denmark, Norway, and Sweden, with the partner airlines now becoming the nonflying national holding companies.

DOBROFLOT (VSESOYUZNOE OBEDINENIE GRAZDANSKOGO VOZDUSHNOGO FLOTA): U.S.S.R. (1930–1932). On October 29, 1930, as a result of the Soviet government's 1928 First Five-Year Plan, **Dobrolet** is reformed into a new joint-stock airline, the All-Union Enterprise of the Civil Air Fleet or Vsesoyuznoe Obedinenie Grazdanskogo Vozdushnogo Flota, which is also known as Dobroflot. Like its predecessor, it comes under control of the Council for Labor and Defense, with A. Z. Goltsman appointed chairman. Simultaneously, again as a result of central planning, the new all-state carrier takes over the formerly independent Ukrainian carrier **Ukvrozduchput**. The Soviet–German international service **Deutsche-Russische Luftverkehrs, A.G. (Deruluft)** is not affected, but Dobroflot becomes the Russian partner in that particular multinational enterprise.

The routes and services of the previous organization are continued as additional Polikhar'kov U-2, Kalanin K-5, and Antonov ANT-9 transports enter service. Geographical subdivisions or directorates are established at Moscow, Kharkov, Tbilisi, Tashkent, Alma Ata, Novosibirsk, Irkutsk, and Khabarovsk and the transcontinental Moscow–Tashkent via Orenburg route is opened on June 1.

The fleet at year's end includes 1 each Tupolev ANT-9, ANT-3, Polikarpov K-5, SP and K-6, 2 each Dornier Komet IIs, Merkurs, 3 Dornier Wals, 5 Dornier Komet IIIs, 8 Junkers W.33s, 11 JuG-1s, 13 Polikarpov APs, 26 Fokker C.IVs, 27 Junkers F-13s, 41 Kalinin K-4s, and 51 Ju-21s.

On May 1, 1931, passengers are initially transported over the route from Moscow–Irkutsk via Sverdlovsk, Omsk, Novosibirsk and six smaller stops. About the same time, seven-stop passenger service is opened on the Kharkov–Tashkent route. As a result of the successful yearlong Moscow–Kharkov experimental daily transport of *Pravda's* type matrices, a special type matrices aerial delivery division is created on June 16. Thereafter, daily flights are made under contract to the newspaper from Moscow to Leningrad, Sevastopol, Groznyi, Kharkov, Pyatogorsk, Rostov-on-Don, Sverdlovsk, Tiflis, Odessa, and Kazan.

Although too large to be adopted by the company, the 36-passenger Antonov ANT-14 airliner, piloted by M. M. Gromov, makes its maiden flight on August 14. The aircraft will, however, be employed by the government for sightseeing and propaganda purposes and will transport 40,000 passengers without incident over the next decade.

As a result of decisions for air travel expansion reached at the 17th Congress of the All-Soviet Community Party in early in 1932, it is decided that Dobroflot should be reorganized, expanded, and enlarged. On February 25, all civilian aviation comes under the control of the Chief Directorate of the Civil Air Fleet, the Glavnoe Upravlenie Grazhdanskogo Vozdushnogo Flota. The state airline Dobroflot is renamed Airline Administration Aeroflot or Upravlenie Vozdushnykh Soobshchenii Aeroflot on March 25, becoming popularly known by its new trading name as **Aeroflot Soviet Airlines**.

DOBROLET (ROSSISKOYE OBSHESTVO DEBROVOLNOGO VOZDUZHNOGO FLOTA): U.S.S.R. (1923–1930). Following a March 17, 1923, meeting of interested persons in Moscow, the Russian Volunteer Air Fleet Company (Rossiiskoe Obschestvo Dobrovol'nogo Vozdushnogo Flota or Dobrolet), the first state airline of the Soviet Union, is organized by A. M. Krasnoshchekov, chairman of the Russian Mercantile Trading Bank (Prombank). The company charter, approved by the Council of People's Commissars on April 30, provides for initial share capitalization of two million gold rubles divided between the city councils of Moscow and Leningrad, Prombank, Gosbank, and several other governmental bodies.

During the company's organizational phase in March and early April, arrangements are made to lease 1 de Havilland DH 9, 1 Vickers Vimy, and 2 Junkers F-13s from the Red Air Fleet. Test and proving flights with these machines commence on April 22 and, 6 days later, orders are placed for 14, later 22, German-made, all-metal, 4-passenger Junkers F-13s. The premier passenger flight is made over Moscow on April 29 and, in early May, the DH-9 and Vimy make a proving flight to Leningrad and back via Tver' and Novgorod.

The German aircraft manufacturer Junkers, having earlier established a factory at Fili, begins the production of the limited run of F-13s (known in Russia as Ju-13s) for Dobrolet, the first of which is delivered on June 3. The next day, June 4, the series of test flights launched in April is concluded; since the tests began, a total of 426 flight-seeing Russian passengers have seen their capital from the sky.

The first company meeting occurs on June 29, at which point Krasnoshchekov is elected board chairman/managing director, with L. B. Kamenev as chairman of the Dobrolet soviet and K. V. Akashev as technical director. In ceremonies this day, the first F-13, which had received its airworthiness certificate on June 28, is christened *Mossovet* in honor of the Moscow City Council, which had subscribed funds for its purchase.

Four additional monoplanes are received on July 15 and are likewise named for their sponsors: *Prezidium VSNKh*, *ODVF*, *Chervonets*, and *Prombank*. While the first three named make sight-seeing flights over Moscow, the fourth, with Chairman Krasnoshchekov aboard, inaugurates the airline's new thrice-weekly scheduled service. The *Prombank*, piloted by Junkers pilot Alfred Gothe, flies from Moscow to Nizhni Novgorod via Ivanovo-Voznesensk.

Eleven former military pilots begin conversion training to civil status in early July. While making a training flight with a flight mechanic and passenger aboard the next day, one of these pilots, A. V. Pankrat'ev, experiences engine trouble and guides the *Prezidium VSNKh* toward an emergency landing; coming in to a field near the Khodynka Airport, the aircraft hits a pole and crashes. Although the F-13 will be rebuilt, Pankrat'ev is killed, becoming the first fatality in company history. The Moscow City Council presents a second F-13, the *Mossovet II*, on July 22.

Plans to send Chairman Krasnoshchekov and the Dobrolet to a Stockholm aviation exhibition in August fall through when the Swedish government fails to grant entry permits. The monoplane is, instead, equipped with floats and employed, beginning on August 29, to provide service from a temporary seaplane base for visitors to the Moscow Agricultural Fair.

Flown by Junkers Captains Georg Juterbock and P. Lozovsky, Dobrolet's first pilot, another F-13 is dispatched to western Siberia in early September on a propaganda tour. Stops are made at Omsk, Tomsk, and Novonikolaevsk. During a presentation ceremony at the latter point on September 15, the aircraft is christened *Sibrevkom*, after its sponsor, the Siberian Revolutionary Committee. The same day, scheduled services between Moscow and Nizhni Novgorod are closed down for the winter. Aside from the sight-seeing and fair services, 229 passengers are transported on scheduled flights during the inaugural year.

Also in September, the yet-to-be officially named *Nauka* makes a proving flight to Tiflis. Records show that, when the Moscow Agricultural Fair closes in early October, Dobrolet has offered a total of 253 flights and carried 778 passengers. As the result of government and business communications concerns, representatives from the republics of Bukhara and Khorezm, plus the Central Asian Economic Council, approach Dobrolet in the fall seeking air services.

Back from Siberia, Capt. Juterbock and Soviet pilot N. M. Ieske depart Moscow in the *Mossovet* during early November for a proving flight to Samara, Orenburg, and other destinations in Bashkiriya. With contract German pilot Otto Wieprich in charge, Dobrolet dispatches three unnamed F-13s to Tashkent by rail on November 23. Three more F-13s are presented to the fleet on November 25: *Krasnyi Kamvol'shchik*, *Nauka* (*Tsekubu*), and *Pravda*.

Capitalization is increased to five million gold rubles in 1924, although one million of that figure is provided to support the development of a Soviet aircraft industry. A major maintenance and repair facility is opened at Moscow, hangars are constructed at Tashkent and Alma-Ata, and airfields are built at Khiva, Dyushambe, and Bukhara.

Hardly have Wieprich and his aircraft arrived at Tashkent in early January than they are impressed into the Red Air Fleet to help combat a Basmachi uprising in Khorezm. Based at Khiva, the Junkers are converted into makeshift bomber and reconnaissance planes and sent into action. Fighting rages between February and April, but at its conclusion, the aircraft will not be handed back to Dobrolet.

Meanwhile, an unnamed new F-13 is dispatched by air to Naidenov in January for a propaganda tour around the Ural Mountain region and, on March 1, the company's aerial photography unit is established. On March 22, pilots Juterbock and Ieske crash the *Mossovet* during their Bashkiriya tour.

To replace the aircraft seized by the military in January, Dobrolet dispatches three more Junkers to Tashkent by rail on April 2. Simultaneously, a Central Asian Division is formed to operate thrice-weekly scheduled flights in the newly formed Peoples' republics which would, within a year, be taken into the U.S.S.R. Having arrived from Moscow,

the three German-made monoplanes are formally presented to Dobrolet in May 1 ceremonies and are christened *Dekhan-Khlopkorob*, *Tashkentskii Zheleznodorozhnik*, and *Irregator*. The same day at Naidenov, the F-13 there is presented as *Krasnyi Ural*.

On May 3, proving flights are made from Khiva to Dushanbe via Bokhara and from Tashkent northwest via Dzhabul and Pishpek to Alma Ata. Seven-hour service begins over the latter route on June 11. Also in June two more F-13s are presented, the *Belyakov* and the *Latyshskii Strelok*. The first production Alexandrov-Kalinin AK-1 initial Russian-designed airliner is assigned to the company's new Moscow-Nizhni Novgorod-Kazan route on June 15. Pilot A. N. Tomashevskaya makes the inaugural run between July 10 and 22. V. N. Ksan-drov succeeds A. M. Krasnoshchekov as company chairman on July 10, with A. I. Rykov becoming council chairman. Aerial photography trials commence in Tver' Province in July, while two Dornier Komet IIs are ordered.

The previously tested Khiva route to Bukhara via Chardzhui and Dargan Ata is opened on August 1. During the month and continuing into the fall, the *Nauka* and *Pravda* also make propaganda flights into the Ural region. On August 24, an F-13 delivered by ship to the Matochkin Shar Polar Station and flown by B. G. Chukhnovsky begins aiding ships navigating the polar seas. Flying a Polikarpov R-1 September 29-October 1, P. K. Mezheraup extends the carrier's presence down to Kabul, Afghanistan. Also on September 1, an infrequent freight route is inaugurated from Bukhara to Termez-Dyushambe via Karshi.

Also in September, the Red Air Fleet provides a B.E.2e, which is employed in crop-dusting tests over Khodynka and Tushino. The Junkers F-13s *Krasnaya Fergana* and *Pishchevik* arrive on September 21 and are dispatched to Central Asia. By the time Dobrolet ceases regular services for the winter in late September, the carrier, which has expended most of its energies in expansion this year, has undertaken 204 scheduled flights.

A total of 456 passengers and 5,096 kg. of mail and freight have been transported; a loss of 242,000 rubles is reported. The workforce now includes 19 pilots and 23 mechanics.

A new managing director, A. K. Anders, is appointed in early 1925. The Bukhara-Khiva route is extended from Khiva to Tashauz in January while the F-13 *Krasnyi Ural* makes propaganda flights in the Sverdlovsk region this month and in February. The *Mossoviet* and *Prombank* perform the same duties in the Caucasus area.

The weekly service is increased to twice weekly on March 15, later being boosted to four roundtrips per week. The Dornier IIs requested from Germany the previous summer arrive at Leningrad by ship later in the month. The irregular Bukhara-Termez-Dyushambe route started the previous September becomes a regular passenger, mail, and cargo run as of April 1. When services resume over the Tashkent route begun in the spring, only the Pishpek-Alma Ata section is operated, due primarily to insufficient traffic and attacks by Basmachi guerrillas. In May, the company's B.E. 2e is sent to the North Caucasus to spray malaria mosquito nests.

Together with two R-1s and an R-2, three Dobrolet aircraft participate in the year's great Moscow-Peking survey flight. Piloted by N. I. Naidenov, the *Krasnyi Kamvol'shchik*, together with the *Pravda* (flown by I. K. Polyakov) and the *Latyshskii Strelok* (piloted by A. I. Tomashevsky) depart Moscow on June 10. The entire Tashkent-Alma Ata route is closed on June 12. On June 24, the six aircraft arrive at Irkutsk, having stopped en route at Nizhni Novgorod, Kazan', Sarapul, Krasnoufimsk, Kurgan, Petropavlovsk, Omsk, Kainsk, Novonikolaevsk, Mariinsk, Krasnoyarsk, Kansk, and Nizhneudinsk.

The task force departs for Urga and on July 8 the *Krasnyi Kamvol'shchik* and *Pravda* depart that point into China. The same day, the Soviet government and Dobrolet sign a renewable one-year agreement with the Mongolian People's Republic for the establishment of airline service from Ulan Bator to Verkhneudinsk, the closest station on the Trans-Siberian Railroad. Having picked up pilot Naidenov following the crash of the *Krasnyi Kamvol'shchik* at Kalgan on July 9, the *Pravda* flies

on to Peking, arriving on July 13. From Peking, the Junkers flies on to visit Nanking and Shanghai.

Prior to its sale to **Ural Aviakhim**, the *Krasnyi Ural*, piloted by V. A. Romanov, makes a July tour to Kazan', Ufa, Ul'yanovsk, Voronezh, Rostov, and North Caucasia. Back at Peking on August 20, the F-13 *Pravda* is sent back to Vladivostok by ship. It will be acquired by the Red Air Fleet, which in turn will pass it to the Chinese government. Also in August, the new F-13 *Transportnaya Kooperatsiya* enters service.

The Dornier Komet II *Moskovskoe Uchetnoe Obshchestva Vzaimnogo Kredita* enters service on September 20, while, also in September, an aviation department is established. On October 1, a Sopwith 1 1/2 Strutter flown by Piotr Faddayev arrives at Yakutsk from Moscow via Irkutsk on a survey flight. The F-13 *Mossoviet* crashes at Aleksandrovsk on October 14 during a Caucasus region propaganda flight. Dobrolet services are extended during the year to Kiev, Odessa, and Rostov.

Dobrolet signs a special agreement with Gostorg on January 23, 1926 to transport furs to Krasnoyarsk from the Turukhansk and Dudinka communities in western Siberia. Flying the F-13 *Mossoviet*, V. L. Galyshev completes the first of 10 fur flights at the end of February. Simultaneously, A. I. Tomashevsky flies the *Prombank* to Arkhangel'sk to fly seal, ice, and ocean current reconnaissance for a Sovtorgflot-formed expedition in the White Sea region.

A Junkers F-13, *MSNKh-Mostorg*, which had crashed while in Aviakhim service the previous year, is purchased, repaired, and placed into Dobrolet service in March, while the new Dornier Komet II *Krasnaya Bashkiriya* is received on April 4 and the F-13 *Rusot* enters service on April 16. The new Kalinin K-1 is introduced on the Moscow-Nizhni Novgorod route and as an air ambulance, aerial survey aircraft in April.

Also during the spring, Manager G. Volobuev and several technical personnel arrive at Verkhneudinsk by rail to establish a company station from which to inaugurate the new route into Mongolia. The first aircraft to arrive is V. L. Galyshev's F-13 *Mossoviet*, flown in from Krasnoyarsk; it is followed by A. I. Tomashevsky's *Prombank* and the *MSNKh-Mostorg*.

On July 22, pilot Galyshev, flying the *Mossoviet*, begins the new 600-km. Mongolian service from Verkhneudinsk and Ulan Ude to Ulan Bator via Altan-Bulak. In order to connect the capital of Tajikistan with Moscow, a new Central Asian route is established during the summer from Dushanbe to Tashkent via Termez and Samarkand. Another F-13, the *Latyshskii Strelok No. 2*, is received on August 22.

Between August 31 and September 1, Mikhail Gromov, flying the ANT-3 *Proletarii*, visits Western Europe, flying from Moscow to Konigsberg, Berlin, Paris, Rome, Vienna, Prague, Warsaw, and back to Moscow. The carrier's first international service is inaugurated on September 14 when an air route is opened to Kabul from Tashkent via Samarkand and Termez. Dobrolet is the first airline, foreign or domestic, to service the Afghan capital.

The Gostekhbyuro Aerofloto'emka is formed on September 9 to share aerial photography work with Dobrolet. On September 21, by order of the Soviet Council of the People's Commissariat (Sovnarkomi), the company is reorganized. It will now be not just a Russian enterprise but an all-Soviet airline administered by the Council for Labor and Defense and known as the All-Union Company. The Bukhara to Karshi, Termez, and Dushanbe route is closed down at year's end.

The fleet in January 1927 includes the single Kalinin K-1 and B.E. 2e, 2 Dornier Komet IIs, 13 Konek-Gorbunok crop dusters, and 15 F-13s. The Red Air Force will turn over 19 crated DH-9s to the airline during the year; 11 will be assembled and used for aerial photography. The company's services are consolidated and, in Central Asia, extended to and through all of the republics, principally along the Trans-Siberian Railroad. Major cities now served include Tashkent, Sverdlovsk, Omsk, Novosibirsk, Irkutsk, Urga, Khabarovsk, and Vladivostok. Several route changes are made, including alteration of the Tashauz-Bukhara via Khiva run to end at Leninsk instead of Bukhara.

On July 27, the Council for Labor and Defense transfers to the Inspectorate for the Civil Aviation Fleet the responsibility for technical

support previously exercised by the Red Air Force. Plans are now made to complete the transcontinental route system and, in early October, the decision is taken to open a 4,700-km. airmail service between Moscow and Irkutsk via communities roughly along the route of the Trans-Siberian Railroad.

Ordered from Germany in April for a planned new route to Kabul, the Dornier Merkur *Pravda* No. 2 is presented by the party newspaper on October 9. Later in the month and in November, aircraft, pilots, and flight mechanics from the carrier's Central Asian detachment are transferred to the Red Air Force for service against Basmachi guerrillas in the Turkestan Military District. Several F-13s fly reconnaissance and bombing missions.

On November 28, a formal agreement is signed with the government of Afghanistan for the inauguration of air service under contract within a month. Before this launch, the Frunze to Alma Ata route is reopened on December 5 with a single F-13. Shortly thereafter, the F-13 *Pishchevik* departs for Kabul, flying via Samarkand and Termez. Over the next month, it will complete five additional roundtrips over this politically important route, transporting a total of 12 passengers.

On January 13, 1928, the Council of Work and Defense approves a Dobrolet plan to open a route from the Trans-Siberian Railroad station at Rukhlovo and Yakutsk.

The Siberian Airlines Directorate is established on May 17 and a seaplane station is ordered constructed on the Angara River. Employing Fokker C.IV aircraft, the first stage of the Moscow-Irkutsk mail route is tested on July 15, as far as Nizhni Novgorod and Kazan.

The route is extended to Ekaterinburg on July 22 and to Novosibirsk via Kurgan, Sverdlovsk, and Omsk, on August 2. Piloting the float-equipped F-13 *Mossoviet*, Aleksander S. Dyemchenko arrives at Bodaibo from Irkutsk on August 10. Yakutsk in Siberia is reached by the *Mossoviet* from Irkutsk on August 27, following a 6-day, 10-stop flight. Dyemchenko's return to Irkutsk on August 29 with a proven route will allow regularly scheduled service to commence as soon as seven Junkers W.33s now ordered can be obtained.

During the remainder of the year, a total of seven Irkutsk-Yakutsk flights will be completed, transporting nine passengers. Meanwhile, two more F-13s are sent out to Irkutsk to expand the route in the coming year.

On September 19, the proving of the Moscow-Irkutsk mail route is completed as a C.IV reaches the latter point from Novosibirsk via Krasnoyarsk.

A week later, on September 26, two F-13s collide in midair near Termez. Unhurt, both pilots, E. I. Shvarts and Ya. G. Paul, are able to land their aircraft safely.

Dobrolet, on September 29, asks the Red Air Force to supply 24 more Fokker C.IVs for the route; the military agrees, promising to first upgrade the aircraft at its Zavod No. 35 repair facility at Smolensk.

Also this fall, the icebreaker *Malygin* transports the F-13 *Krasnyi Ural* to a point where its pilot, M. S. Babushkin, is able to participate in the search for the explorer Nobile. A Polikarpov U-2AP crop duster is successfully evaluated on October 28 and leads Dobrolet to order 15 more to replace its aging Konek-Gorbunoks.

A prototype of the Tupolev ANT-9 airliner is ordered on November 28 while the first of the Junkers W.33s ordered for the Irkutsk-Yakutsk route arrive in crates at Irkutsk by rail during November and December and are assembled. During the year, all but one of the former military DH-9s are withdrawn.

In these 12 months, a total of 813 scheduled flights are made; enplanements total 3,728.

During the winter of 1929, low traffic causes the Frunze-Alma Ata service to be suspended again. As the result of the political upheaval in Afghanistan that leads to the abdication of King Ammanulla, the Dobrolet fleet assembled to provide commercial services is, instead, employed, at the request of the Soviet Foreign Ministry, to rescue Soviet and non-Afghan citizens from Kabul. Elsewhere, the spring and summer sees a burst of Dobrolet flight activity.

From Alma Ata, a new central Asian route to Semipalatinsk via Lepinsk and Sergiopol is proven on April 1 and opened for regularly scheduled flights a month later. Also in April, company pilots ferry arms and munitions from Dushanbe to Garm in support of the Red Army's fight against Tajikistan's Basmachi guerrilla uprising.

On May 8, the first Polikarpov U-2AP crop-dusting flights are made, spraying infected forest regions in Siberia's Kyitkystom district. On May 15, a long summer-only Moscow-Novosibirsk-Irkutsk mail and express route is opened by a Kalinin K-4. Outfitted as a mailplane, a single ANT-3 will later be evaluated over the route, but prove unacceptable. Night-flying ground equipment is installed on the Moscow-Novosibirsk via Nizhni Novgorod and Shadrinsk, and allows the overall Moscow-Irkutsk mail delivery time to be reduced from six days by rail to just 36 hours. Also in May and into June, pilot S. V. Lyalin employs the F-13 *Mossoviet* to dust forest pests in the Lake Baikal region.

During the year, additional Junkers W.33 and two F-13s, delivered to Irkutsk by rail and assembled, provide new Central Asian services. Four landplane models for the former are assigned to operate the Ulan Ude-Ulan Bator segment opened in 1926. Three W.33s, equipped with floats, will later inaugurate service to Yakutsk over the multistop route pioneered by pilot Dyemchenko the previous summer.

On June 15, a crated W.33 and its pilot, O. A. Kal'vitsa, is sent by rail from Irkutsk to Vladivostok; the aircraft and its flyer now progress by boat to Lawrence Bay, where the Junkers is assembled. On June 27, K-4s initiate flights from Moscow to Orenburg and Tashkent. On July 10, a common flag is adopted for all divisions of the Civil Aviation Fleet.

Between July 10 and August 8, Mikhail Gromov, flying the ANT-9 *Krylya Sovyetov* (*Wings of the Soviets*), revisits western Europe, leaving Moscow and proceeding to Berlin, Paris, Rome, Marseilles, Nevers, London, Paris, Berlin, Warsaw, and back to Moscow. Also in July, pilot Kal'vitsa and his W.33 make the first flight to Wrangel Island.

During August, the K-4 *Chervona Ukraina* (*Heart of the Ukraine*), flown by M. A. Chyegirev, makes a 6,700-mile round trip flight from Kharkov to Irkutsk via Moscow, and return.

The ANT-9 *Krylya Sovyetov* is officially accepted by Dobrolet on September 8.

In October, pilots M. T. Slepnev and V. L. Galyshev, with their W.33s, are dispatched by rail to Vladivostok. The floatplanes are loaded aboard the icebreaker *Litke* and sent north to participate in the rescue of crew and passengers from the ice-stranded steamer *Stavropol*.

While flying to help rescue survivors on November 9 from the U.S. schooner *Nanuk* stranded near Cape Severnyi, North Cape, the Hamilton Metalplane of famed American aviator Ben Eielson and his mechanic Earl Borland disappears. The mystery produces worldwide headlines as it continues in December; American officials approach the Soviet government and ask for its help. In mid-month, Alaskan bush pilots Joe Crosson and Harold Gillam, who find the schooner with the aid of local Siberians, are able to land and begin construction of a rescue base. Employing avgas from the ship, the two airmen are able to conduct five weeks worth of searches (eight flying days) but find nothing.

While the search for the lost U.S. aviators proceeds and the W.33s affect the rescue of personnel from the *Stavropol*, the Soviet government, on December 10, concludes that the Ukrainian airline **Ukrvozdukhput** should be merged into Dobrolet.

The fleet at year's end includes 1 each DH-9, ANT-3, U-2AP, Dornier Merkur, 2 Komet IIs, 4 W.33s, 4 K-4s, 5 Ju-21s, 9 Konek-Gorbunoks, 24 C.IVs, and 25 F-13s. Airline employment features 61 pilots, including 6 Red Air Force pilots seconded to perform U-2AP crop-dusting duties.

By 1930, Dobrolet's route network encompasses all of the major cities of European Russia, the Caucasus, many in Central Asia, and Irkutsk and Yakutsk in Siberia.

On January 9, Mikhail V. Vodopyanov, flying an F-13, departs Khabarovsk and 11 days and many stops later reaches Aleksandrovsk-Sakhalinskiy, the principal city on the Soviet half of Sakhalin Island.

On January 15, directors of **Ukrvozdukhput** formally vote to merge their airline into the Soviet state carrier; the Dobrolet approval comes

five days later. The merger, retroactive to January 1, creates the new Soviet Civil Air Fleet Company (Sovetskoe Obshchestvo Grazhdanskogo Vozdushnogo Flota-Dobrolet) joint-stock carrier, which is strengthened by the addition of 1 Dornier Merkur, 5 Komet IIs, 1 F-13, and 16 K-4. Among the routes acquired from the Ukrainian carrier is a service that runs from Moscow to Pekhlevi in Persia via Sochi, Baku, and Tiflis. At this time, the Joint Stock Company for Agricultural and Forest Pest Control is formed to take over the agricultural work previously performed by Dobrolet.

Dobrolet's two Komet IIs arrive at Arkhangel'sk from Moscow on January 25 and the next day the Hamilton Metalplane of lost American flyers Ben Eielson and Earl Borland is located by bush pilot Joe Crosson. Pilots M. T. Slepnev and V. L. Galyshev fly their W.33s to the site of the stricken U.S. trading vessel *Nanuk* on January 27, joining airmen and aircraft from Canada and Alaska in ferrying men and supplies to the Eielson-Borland crash site. The next day, two months of irregular flights commence between Khabarovsk and Aleksandrovsk.

On February 4, the Arkhangel'sk-based Dornier Komet IIs inaugurate a new service to Ust'-Sysol'sk via Bereznik and Kotlas. It requires 22 days to find the bodies of Eielson and Borland near their crashed aircraft. During this period, Slepnev and Galyshev continue to provide ferry flights for teams of Siberian Chukchi rescue workers who search the hard-packed snow for the bodies, which are located on February 16.

Significant administrative changes now begin to occur in Soviet civil aviation. On February 23, as a result of the Soviet government's 1928 First Five-Year Plan, the Council for Civil Aviation is abolished by the Soviet Council of the People's Commissariat (Sovnarkom) and its activities are transferred to the chief inspectorate of the civil air fleet or GVF.

Draped by muslin American flags stitched together by Eskimo women, the bodies of lost flyers Eielson and Borland are turned over to U.S. representatives by a Siberian Soviet official in a brief ceremony near the wreck of the *Nanuk* on March 4. Shortly after the Fairchild 71 departs with the heroes to Fairbanks, Dobrolet pilots Slepnev and Galyshev return their countrymen to the mainland.

A W.33 is lost in a March 7 crash north of Yakutsk (two dead).

During the spring, nonscheduled service is resumed to Kabul and the Alma Ata-Semipalatinsk route is altered to include stops at Taldy and Kurgan rather than Lepsinsk. Additionally, a former Red Air Force Dornier Wal, the *Komseverput*, is flown by B. G. Chukhnovsky on ice patrol over the Kara Sea, assisting the icebreaker *Krasin* to lead a convoy of merchantmen through the ice fields.

Service is inaugurated on May 1 from Dyushambe to Kulyab. Also in May, scheduled flights commence from Alma Ata to Dzharkent while pilots N. K. Polyakov and N. I. Ieske, with the F-13s *Latyshskii Strelak No. 2* and *Irregator*, respectively, transport herring spawn from the Caspian Sea to the Aral Sea in an experimental seeding program. Yu I. Redin simultaneously flies a Fokker C.IV on fish patrol over the Sea of Azov.

Pilots Slepnev and Galyshev, together with another flyer, begin scheduled W.33 services from Khabarovsk to Aleksandrovsk on June 1. The same day, two other major routes are initiated from Dyushambe to Garm and to Khorog. On June 3-4, the carrier begins a yearlong experimental transport of the type matrices of the newspaper *Pravda* to Kharkov, thereby ensuring early publication.

On June 27, a K-4 undertakes a proving flight from Moscow to Tashkent via Penza, Samara, Orenburg, Chelkar, Kazalinsk, and Kzyl Orda. Nonscheduled flights are launched in July from Semipalatinsk to Kustanai via Karkarlinsk, Akmolinsk, and Akbialar.

Proven at the end of June, the new Moscow to Tashkent becomes a regularly scheduled route on August 15 when pilot M. S. Babushkin makes the first passenger-carrying flight. Three days later, scheduled frequencies commence from Sverdlovsk to Magnitogorsk via Chelyabinsk.

On October 29, again as a result of the government's 1928 First Five-Year Plan, Dobrolet is reorganized from a joint-stock company into a state-owned airline. The GVF's chief inspectorate is abolished and is re-

placed by the All-Union Enterprise of the Civil Air Fleet or Vsesoyuznoe Ob'edinenie Grazhdansiy Vozdushnyi Flot, which is also known as **Dobroflot**. The new organization comes under the authority of the Council for Labor and Defense.

DOBROLET AIRLINE: Sheremetyevo Airport, GosNil GA K-340, Moscow, Moscow Zone, 103340, Russia; Phone 7 (095) 5780037; Fax 7 (095) 5784755; Code DOB; Year Founded 1996. Taking the name of the noted pre-Aeroflot Soviet Airlines carrier, DA is established at Sheremetyevo Airport in 1996 to offer domestic and international all-cargo charters. CEO Viktor Maksimovski acquires 1 Antonov An-26 and 4 Ilyushin Il-76TDs with which to begin revenue services.

Flights continue in 1997-2000, during which years the Antonov is replaced with an Il-76M.

DODGE AIR CHARTER: United States (1979-1980). DAC is set up at Miami in 1979 to provide scheduled daily roundtrips to Cape Haitien. Douglas DC-3 revenue frequencies are duly inaugurated but, with traffic low and fuel costs high, the company cannot maintain services beyond 1980.

DOLLAS AIR SERVICES, LTD. See **DOLLAR HELICOPTERS, LTD.**

DOLLAR HELICOPTERS, LTD.: United Kingdom (1970-1995). BEAS is formed at Coventry in 1970 to operate helicopters on agricultural duties, aerial crane work, flight training, executive charter, and passenger and cargo support services in support of the North Sea oil and gas industry.

In 1977, **Bristol Helicopters, Ltd.** purchases the carrier and operates it as a subsidiary for a year. In 1978, all but the agricultural division is merged into the new parent. Former BEAS Marketing Director David Dollar purchases that division, along with the subsidiary's fleet of 10 Aerospatiale Alouettes and Lamas and Bell Model 47Gs, reorganizing it into **Dollar Helicopters, Ltd.**

Forsaking the offshore market, Dollar begins to concentrate on the provision of onshore services. A domestic subsidiary, **Black Isle Helicopters, Ltd.**, is established and the company concentrates on both agricultural work and the transport of fish by air.

Between 1984 and 1994, the company diversifies and its fleet grows to include 22 helicopters by the latter year: 3 Aerospatiale AS-355 Twin Ecureuils, 1 each SA-315B Lama and AS-350B Ecureuil, 10 Bell 206B JetRangers IIs, 6 JetRanger IIIs, and 1 Robinson R-22. Bases are operated at Cumbernauld and Inverness. Although the fish-carrying flights continue from the Orkney Islands off Scotland to the Isle of Man, many other activities are also undertaken: air ambulance, executive charter, forestry, filming, construction, television, pipeline inspection, survey, police support, and load carrying.

In 1990-1993, Dollar accepts a number of foreign contracts, including commissions from the U.A.E., Zimbabwe, and Tanzania. In Pakistan, Bell 206B JetRangers handle liaison and emergency relief duties in the northwest province of Baluchistan on behalf of the UN High Commissioner. In Britain and on the Isle of Man, the carrier begins to provide emergency medical service (EMS) flights for motorcycle and automobile racing events and, at Coventry, air taxi flights for Ford, Jaguar, the Rover Group, and Rolls Royce. Revenues in the latter year total \$10 million.

The Lynton Group of Morristown, New Jersey, purchases Dollar in January 1994 for an undisclosed sum. It is reformed into **Dollar Air Services, Ltd.**

Flights continue until July 1995 when this subsidiary is joined with another Lynton subsidiary, Black Isle Helicopters, Ltd. in a merger with Inverness, Scotland-based PLM Helicopters, Ltd. The combined fleet of PLM-Dollar Group, Ltd.—now the largest onshore helicopter charter operator in the U.K.—includes a mix of 15 Eurocopter AS-315s, AS-350s, and AS-355s, plus Bell 206B JetRangers.

DOLPHIN AIRLINES: United States (1981–1984). A child of the airline industry's deregulation, this Florida commuter is established at Tampa as **Dolphin Airways** in the late fall of 1981. Employing 6 Embraer EMB-110 Bandeirantes, daily scheduled roundtrip flights are inaugurated on December 15, linking the company's base to 14 cities in Florida, 1 in Georgia, and 1 in South Carolina.

Early in 1982, President/General Manager Richard Derrindinger purchases the FBO Tampa Air Center. En route from Tampa to West Palm Beach on August 16, Flight 296, an EMB-110 with 2 crew and 15 passengers, is subjected to a diversion to Cuba by one of the customers, claiming to have a bomb in his briefcase. Unfortunately, Dolphin now runs into serious financial difficulty during this recessionary year and never really gets off the ground.

Enplanements for the first full accounting period are 101,928.

The corporate name is changed in May 1983. Despite an 84% increase in passenger boardings for the year to 187,246, the small regional is forced to cease operations and file for Chapter XI bankruptcy protection on January 18, 1984. All of Dolphin's assets, debts, and its 6 Embraer EMB-110 Bandeirantes are now acquired by **Provincetown-Boston Airline (PBA)**.

DOLPHIN AIRWAYS. See **DOLPHIN AIRLINES**

DOLPHIN AVIATION-GOLD AVIATION SERVICES: Fort Lauderdale International Airport, 1100 Lee Wagener Blvd., Fort Lauderdale, Florida 33315, United States; Phone (954) 359-9919; Fax (954) 359-9939; Year Founded 1994. Leonard Goldberg founds this small concern at Fort Lauderdale-Hollywood International Airport in 1994 to offer executive and small group passenger services throughout the southeastern U.S. and the Caribbean. Operations continue apace for the next six years with a single Piper PA-31-350 Navajo Chieftain.

DOLPHIN EXPRESS AIRLINES: 210 Cessna Blvd., Suite 8, Daytona Beach, Florida 32124, United States; Phone (904) 756-8308; Fax (904) 756-0138; Code 8U; Year Founded 1994. DEA is established at Daytona Beach, Florida, in the spring of 1994 to provide Caribbean area commuter services. Interline agreements are signed with a number of major carriers serving San Juan, including **Continental Airlines, United Airlines, Trans World Airlines (TWA), American Trans-Air, Kiwi International Air Lines, and Carnival Air Lines.** Two British Aerospace BAe Jetstream 31s are leased and employed, beginning in August, to provide scheduled frequencies from Puerto Rico and the U.S. Virgin Islands; the route had previously been flown by **Sunair Express**. In early 1995, flights commence to the British Virgin Islands.

On April 7, 1996, the pilot of a newly acquired de Havilland Canada DHC-6-300, with one other crew and nine passengers, loses control of her aircraft while on takeoff roll from Virgin Gorda Airport, British Virgin Islands. The aircraft is substantially damaged as it departs the runway and crashes through a fence, losing a wing in the process. One passenger receives a minor injury. The aircraft will be repaired and returned to service later in the year.

The BAes are replaced in 1997–2000 with the repaired Twin Otter. Destinations visited from Florida include Beef Island, San Juan, St. Thomas, St. Croix, and Virgin Gorda.

DOMINAIR (AEROLINEAS DOMINICANAS, S.A.): Apdo 202, Calle el Sol, No. 62, Santiago, Dominican Republic; Phone (809) 247-4010; Fax (809) 581-8882; Code YU; Year Founded 1982. In 1982, **ADSA (Aerolineas Dominicanas, S.A.)** is renamed Dominair. Employing two de Havilland DH 114 Herons, the carrier continues to maintain passenger and cargo charters from Santiago and Santo Domingo to various destinations throughout Central America and the Caribbean. Regularly scheduled commuter service is undertaken from Santo Domingo's Herrera Airport to Barahona, Cabo Rojo, La Romana, Puerto Plata, and Santiago.

In 1984 and in cooperation with the U.S. commuter **PRINAIR**, non-stop, daily weekday service is inaugurated from Santiago to San Juan, Puerto Rico. Remaining viable in the increasingly more difficult charter market of the middle 1980s proves extremely difficult. The company nearly shuts its doors in 1986. At this point, shareholding is assumed by **LIAT (1974), Ltd.** and **Trans World Airlines (TWA)**.

In 1987, the Herons are withdrawn. Employed since the renaming to fly only freight, the former ADSA Martin 404s, having been refurbished, are now employed exclusively on passenger charters. According to the company's report to ICAO, boardings are up 1.1% to 15,077 during the first six months of 1988.

Operations continue apace for the remainder of the decade and into the 1990s. In 1993–1994, President Armano J. Bermudez's fleet comprises just 1 de Havilland Canada DHC-8-300. Airline employment stands at 22.

Flights to San Juan continue into 1997–1999; however, as the result of a growth in traffic demand, the fleet is increased to include 4 DHC-8-300s. The Dash-8s are operated under contract by **LIAT (1974), Ltd.**

A total of 28 workers are employed at the beginning of 2000.

DOMINICANA (COMPANIA DOMINICANA DE AVIACION, C. por. A.): Apartado Postal 1415, Av. Jinenez Moya, Esq. Jose Conteras, Santo Domingo, Dominican Republic; Phone (809) 532-6269; Fax (809) 535-1656; Code DO; Year Founded 1957. In 1957, the Corporación Dominicana de Empresas Estatales (Dominican Corporation of State Enterprises) purchases the last 40% shareholding of **Pan American World Airways (1)** in **CDA (Compania Dominicana de Aviacion, S.A.)** and the carrier becomes a state-owned enterprise. In the decade between 1958–1968, domestic routes are integrated and schedules broadened; a regional route is opened to Haiti with the airline's two Douglas DC-6Bs.

A C-46A with two crew suffers an engine fire just after takeoff from Ciudad Trujillo, Haiti, on July 17, 1958, and crashes; there are no survivors. Early in 1968, a request is made to lease a BAC 1-11-408 from **Channel Airways, Ltd.** of the U.K. The aircraft is actually painted in the Caribbean carrier's colors before the decision is taken in June to cancel the project.

An order is placed for a Douglas DC-9-32 in early 1969; it will be received before the end of the year. Just after takeoff from Miami on June 23 for a flight to Santo Domingo, both engines of one of the company's two Aviation Traders ATL-98 Carvairs, with four crew, catch fire; the aircraft attempts to return, but crashes into buildings lining a Miami street a mile short of the runway. All aboard the plane are killed, along with six people on the ground.

The new DC-9-32 is placed into service on the Miami route in January 1970. Just two minutes after takeoff from Santo Domingo on February 15, the new jetliner with 5 crew and 97 passengers, loses power and attempts to return to the airport; the Douglas descends too fast and crashes into the sea. There are no survivors.

Dominicana orders two Boeing 727-1J1s in 1971; they join the fleet in 1972 wearing a livery that features a white fuselage top and red and blue cheatline. The Boeings commence international service in 1973 to New York, Curaçao, and in cooperation with **VIASA (Venezolana Internacional de Aviacion, S.A.)** to Caracas.

In 1974–1978, the fleet is increased by the addition of a B-707-320C, a B-727-2J1, and an all-cargo DC-6F, which replaces the last Curtiss C-46 Commando during the former year. New destinations added during the period include Aruba, Puerto Plata, and Port au Prince. Great consternation is caused on September 3, 1975, when a bar of gold is stolen from a B-727-1J1 at New York (JFK). A DC-3 with three crew experiences an onboard fire just after takeoff from Grand Turk Island on March 23, 1978, and crashes into the sea; there are no survivors.

Airline employment in 1979–1980 stands at 582. A DC-10-30 is ordered in 1981 and delivered late in 1983. As the B-727-2J1 with 155 passengers is departing San Juan on June 10, 1983, a bomb threat causes it to return to the airport, where it is parked in an isolated area for in-

spection. In the process of evacuation, several passengers open an over-wing emergency exit and jump out. Seven are injured in this manner, one seriously. No explosive is found upon inspection.

Early in **1984**, nonstop, daily Santo Domingo–New York flights commence. In March, twice-weekly Miami to Puerto Plata service begins.

Additional attention is paid to the charter market in **1985** and beginning in June a leased B-747-123, formerly flown by **American Airlines**, is placed into service for a year under the name *Volando en Grande* to fly charters from Santo Domingo to New York and Madrid. This effort intensifies in **1986**, especially following the near demise of **Dominair**.

During **1987–1988**, the carrier retires the DC-10-30, replacing it with a second B-727-2J1 and two B-727s, a Dash-1J1 and a Dash-173C. These introduce a metallic livery that retains the red and blue cheatline. Employment at Chairman Dr. Eudoro Sanchez y Sanchez's airline grows to 582. Enplanement figures filed for the first half of the latter year increase 38.8% to 161,594 while freight climbs 34.5% to 1.5 million FTKs.

The fleet in **1989** includes 1 each Boeing 707-399C, B-727-1J1, B-727-173C, and 2 B-727-2J1As. A code-sharing agreement is signed with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** in August and provides for code-sharing on the routes from Rio de Janeiro, Bogota, Santo Domingo, and on to Madrid.

A B-727-247 is leased in **1991** and in **1992** officials welcome a B-727-281 and chartered B-727-225A as replacement for the withdrawn B-727-1J1.

In **1993**, Chairman Sanchez y Sanchez oversees a workforce of 582. In addition to domestic communities, international markets served from Santo Domingo include Curaçao, Caracas, Aruba, Port-au-Prince, Miami, San Juan, and New York.

Having arrived at Santo Domingo on a September 5 service from San Jose, a B-727-281 with 7 crew and 98 passengers and which had encountered a smoke alarm program en route, is able to disembark most of its passengers before the cabin suddenly fills with smoke from bad wiring. The remaining passengers are quickly evacuated, after which a major fire breaks out destroying the Boeing.

Declared an unsafe airline by the FAA due to its general safety record and procedures, the company is, during the fall, prohibited from flying into the U.S. (except for Puerto Rico).

During the spring **1994**, the chartered airliners are returned and the airline depends upon a leased B-737-5Y0 from **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)** until a former **Skybus Airlines B-727-2J1A** can be leased. The dual-designator arrangement with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** allows the company to continue flights to Miami and New York through the expedient of block-seat purchases.

The B-727-2J1A The B-727-2J1A is delivered at the beginning of **1995**. Growing business problems cause the company to temporarily suspend flights in April; however, sporadic service resumes toward the end of the year. The B-727-1J1 returns to service in **1996**.

Dr. Rodolfo Rincon is chairman in **1997**, with Marina Ginebra de Bonnelly as president/CEO and Capt. Eddy A. Tineo as operations director. Airline employment stands at 582 and the Boeing trimotors continue to fly to, from, and between Aruba, Caracas, Curaçao, Port-au-Prince, and San Juan.

Operations of the state-owned airline cease in **1998** as the company, while not dissolved, becomes moribund. Aircraft are parked and staff is largely discharged.

It is reported in *Caribbean Week* on May 2, **1999** that efforts are afoot to revive the carrier, with an eye toward having it operational before the end of the year. The lead in this project is taken by Eduardo Selman, director of the Dominican Corporation of State Enterprises, in cooperation with the Commission for the Reform of Public Enterprise. The possibility of complete privatization exists and equity partners, willing to infuse both cash and aircraft, may be quickly located.

To make investment attractive, the Dominican Aviation Board grants any future owners exclusive authority to operate to the U.S. for a period

of six years. This grant, which is all but worthless at the moment due to the carrier's Category III safety rating from the FAA, is added as assets to the carrier's Santo Domingo headquarters (and \$4-million debt). Bids are now sought for a 50% stake and operational control of the airline; despite opposition from the national airline and hotel trade associations, the government sets an \$11.5-million asking price for Dominicana.

Director Selman informs the *El Siglo* newspaper on December 20 that 14 companies have shown an interest in investing in Dominicana. He also reveals that the grounded carrier has assets of RD\$ 148 million and liabilities of RD\$ 1.8 billion, of which most is owed to the state Banco de Reservas. The matter of foreign debt, however, remains a potential deal breaker.

Antonio Isa Conde, director of the Commission for the Reform of Public Enterprises, warns on January 12, **2000** that privatization continues to hinge on the successful conclusion of the airline's foreign debt negotiations. If it turns out to cost more to settle the debt than the country will obtain from privatization, then the capitalization of Dominicana will be aborted.

The tendering of bids continues until March 15. At this point, the Dominican government closes the bidding process and selects four finalists: **Allegro (Lineas Aereas Allegro, S.A.)**, **Aserca (Aerolineas Regional de Centro, C.A.)**, Friedman Turby & Co., and **Lauda Air Luftfahrtgesellschaft, A.G.** The decision as to which concern to award the carrier is put off and the status of the bid from Lauda becomes uncertain in light of its economic and political problems later in the year.

DOMINICANA INTERNACIONAL, S.A.: Dominican Republic (1984–1988). Dominicana Internacional is established at Santo Domingo in **1984** to offer jetliner services to points in Central America. Revenue Douglas DC-8-54 flights commence linking the carrier's base with Guatemala City, San Salvador, and San Pedro Sula. Frequencies end in **1988**.

DOMINION AERIAL EXPLORATION COMPANY, LTD.: Canada (1922–1926). Formerly chief pilot for the Price Bros., Ltd. paper company, Harold S. Quigley forms this nonscheduled company at Roberval, in the Lac Saint-Jean region of Quebec, in the fall of **1922**. Outfitting his new entrant with a single Martinsyde Type A Mk. II seaplane, Quigley undertakes forest survey and protection flights on behalf of the Canadian Air Board during the summer of **1923**. The Air Board loans Dominion three Curtiss HS-2L flying boats, but one is lost in an accident.

Three Norman Thompson NT-2B flying boats enter service in **1924** as expansion plans are made. Three more Curtiss airplanes are received in **1925**. During this year, Quigley takes over the Trois-Rivieres facilities of **Laurentide Air Service, Ltd.** and undertakes exploration and transportation services in connection with a survey being made along the north shore of the St. Lawrence River.

The company is reorganized into **Canadian Airways, Ltd.** in **1926**.

DOMINION AIRWAYS, LTD.: New Zealand (1929–1931). Dominion Airways, Ltd. is formed at Wellington in late **1929** to begin flying between the nation's North and South Islands via Cook Strait. This service is not undertaken; however, by the end of **1930** sufficient capital has been raised to purchase a Desoutter and begin flights from Hastings to Gisborne.

Approximately 100 flights are made before the Desoutter crashes at Wairoa on February 8, **1931**; although no one is killed, the plane must be written off. There being no money to purchase a replacement aircraft, the company now ceases operations.

DOMINION SKYWAYS, LTD. See CANADIAN PACIFIC AIR LINES, LTD.

DOMODEDOVO CIVIL AVIATION UNITED ENTERPRISE (DOMODEDOVSKIE AIRLINES): 12 First Reisovays Street, Domodedovo Airport, Moscow, 103225, Russia; Phone 7 (095) 323-8507;

Fax 7 (095) 952-8651; <http://www.trasport.ru/domoded>; Code E3; Year Founded 1992. Originally established as an **Aeroflot Soviet Airlines** directorate in the early 1960s, this organization was engaged for over 30 years in the development of routes from the capital's Domodedovo Airport to Siberia and the Far East. Little change is seen operationally following the company's 1992 reformation, except that the carrier is also able to offer international charter flights to destinations in Asia, Australia, Africa, the Mideast, and Europe.

I. S. Sergeyev is general manager and his fleet includes 45 Ilyushin Il-62s, 3 Il-18s, and 4 Il-76s. Orders are outstanding for 4 Il-96-300s, which are to be employed on operational trials. The year's enplanements total 1,361,549.

The first Il-96-300 is delivered from the production factory in Voronezh (VASO) in early 1993, but has no impact on traffic. In fact, as the Russian economy sours, passenger boardings decline by 22.1% to 1,115,110 and freight plunges 25.2% to 707.5 million FTKs.

A second Il-96-300 enters service during 1994 and General Manager Sergeyev's company becomes one of the few based at Moscow to actually experience a traffic gain during the year. Customer bookings accelerate 4.3% to 1,163,000, but cargo declines again, falling 3.6% to 680 million FTKs.

Il-96-300 trial flights continue in 1995 and the type helps the carrier have another good year.

Enplanements climb 16.3% to 2,820,400 while cargo jumps 30.6% to 128.5 million FTKs.

In 1996, the carrier's 44 aircraft transport a total of 424,400 passengers through July, a 0.8% decline. At this point, the two Il-96-300s are grounded and their PS-90A engines are shipped to Perm for overhaul. The company's long-haul domestic services are now provided by Il-62s.

In early November, the Russian government announces that the Domodedovo air transport association has been split into two companies, Domodedovskie Airlines and a ground handling concern, both of which are privatized. The Domodedovo airport administration becomes a separate state-run organization that inherits the legal and financial responsibility of the association. The fiscal situation begins to deteriorate and there is no money to overhaul the PS-90 engines of the idle Il-96-300s.

Destinations visited by Domodedovskie in 1997 include Anadyr, Magadan, Moscow, Petropavlovsk, Tashkent, Vladivostok, and Yakutsk. With the airport separated from the airline by the end of the year and competing **Aeroflot Russian International Airlines (ARIA)** having had good success with the type, Domodedovo requests the idle Il-96-300s be readied to resume service. Customer bookings for the whole year decline 8% to 938,000, while cargo is off 2% to 75.4 million FTKs.

As several other airlines that have appeared after the collapse of the Soviet Union, Domodedovo has come to specialize in facilitating lift for the *chelnoki*, also known as shuttle or suitcase traders. Thousands of these small-time merchants, usually young men but sometimes even middle-aged housewives, have traveled to foreign lands, often in the Mideast, and China, Greece, and Africa as well, to find low-priced goods to sell for large profits at home.

With its engines refreshed, the premier Il-96-300 is delivered to Petropavlovsk in June 1998 and returns to service; it is joined by the second Il-96-300 within a month. The pair undertake scheduled flights from Moscow to Petropavlovsk, Vladivostok, and Khabarovsk.

Russian air transport, like other elements of the economy, encounter rocky times after the government devalues the ruble in mid-August. Airlines begin to fix their own rates, pegging tariffs to both rubles and U.S. dollars, even though the official Central Bank exchange rate is R7.86 to the dollar.

Almost immediately, many of the *chelnoki* must quit as they can no longer afford to pay for hard currency to make their acquisitions. Additionally, the devaluation impacts the Russian air cargo carriers engaged in this trade, forcing them to cut back on scheduled international flights and particularly on charters or significantly increase ticket prices. Although Domodedovskie does not raise its domestic rates, it now sells its

international flights at rates set and announced by the Transportation Clearing Chamber.

By September, the economic crisis has worsened, with the ruble now trading at 16 to the dollar instead of the 6 to 1 exchange rate of August. Still, Domodedovskie resists the temptation to raise its domestic rates and, on September 22, actually lowers its fare from Moscow to Khabarovsk from 1,750 rubles to 1,650.

Passenger boardings during the 12 months plunge 20% to 485,000.

Flights continue in 1999. While en route from Moscow via Abakan, to Tiensin, China, on April 5, the motor of an Il-76TD with 10 crew suddenly stops as the aircraft approaches the Russian and Mongolian border. An emergency is declared and the Ilyushin returns to Abakan. After circling for two hours dumping fuel, the aircraft makes a successful one-engine-out landing and no injuries are reported.

During the first quarter, arrangements are completed with Ilyushin for the lease-purchase of a third Il-96-300. As part of the arrangement, the airline agrees to pay off its remaining debts to the manufacturer within a period of 37 months from the sale of Il-96-300 passenger tickets. With the paperwork finished and financial matters resolved, the new aircraft is made ready and, in an impressive ceremony attended by Ilyushin's chief designer Genrikh Novozhilov, is handed over to the airline on April 16.

The Russian media reports on July 5 that the newly acquired Il-96-300s are being deployed on routes replacing Il-62s and that good operational reports have been received.

The high price of fuel forces the airline to postpone its planned October 14 inauguration of passenger service from Moscow to Macau. Many of the carrier's Far Eastern routes remain unprofitable, but the company is unable to cancel them. One of them, from Moscow to Magadan, will bring a loss this year of R15 million.

At the end of October, weekly Il-96-300 roundtrips are inaugurated between Moscow and Macau.

Passenger boardings accelerate 13.8% to 552,000 while 409 million FTKs are operated. Revenues of \$72.2 million are generated.

On January 1, 2000, Russian tax police arrest the carrier's bank accounts for the nonpayment of R30 million (\$1.51 million) in taxes. Director General Aleksandr Akimov counters that the defense ministry and the Federal Border Guard Service owes the airline more than R230 million (\$7 million) for the unpaid transport of their servicemen, dating back to 1997. Vovick Karnozov, who reports the story on February 7 for *AeroWorldNet*, marvels that the cause of this story, the first-ever in Russian civil aviation history involving such a large carrier, is not poor management "at the level of the airline."

Despite the tax case, Domodedovo continues flying for another two weeks until it is grounded on January 19 because its fuel debt at Domodedovo Airport and regional airports has risen to R15 million (\$759,000). The cancellation of all domestic and most CIS flights that follows has a potentially serious impact on Russian transportation, as the company provides nearly 70% of all services from Moscow to the Far Eastern cities of Vladivostok, Yuzhno-Sakhalinsk, and Khabarovsk. Also, it is the only carrier flying to such cities as Anadyr. An exception is allowed the next day in order that the regular service to Sakhalin may be completed.

The airline now appeals to President Vladimir Putin, asking him to personally intervene to resolve the impasse. Shortly thereafter, the defense ministry provides a R50-million loan, backed by state guarantees for commercial banks to loan the airline another R40 million. Simultaneously, the tax police unfreeze the carrier's bank accounts, which allows it to pay its debts. Much of the loan is used to pay passengers caught with unusable tickets. Unhappily, most, understandably wary, will use their funds to purchase tickets on other carriers, notably **Aeroflot Russian International Airlines (ARIA)**.

Domodedovo is allowed to resume regular flights to the Far East from Moscow on February 4. The two-week grounding has cost it an estimated R60 million in lost income—while the Russian government has lost an estimated R7 million in tax revenues that flights would have gen-

erated. By the time operations are resumed, the airline has only 20 operational aircraft.

In order to obtain additional funds with which to pay some of its remaining debts, the company, on May 31, leases its entire Il-76 freighter fleet to **East Line Airlines**, which is also based at Domodedovo Airport.

During the summer, the company's leadership has the foresight to purchase a fuel reserve available in Russia's northeastern Chukotsky region. The fuel is available because the local carrier **Chukotavia** has not properly planned its future needs, a mistake that will cause its grounding on December 1.

During the summer, **MATK RusAvia** contracts with a capital tour operator to fly travelers to Thailand, Indonesia, and other Southeast Asian points in nine flights late in the fourth quarter. Unhappily, the company does not have sufficient aircraft or funds to complete its obligation, leaving hundreds of people stranded. The civil aviation department of the Russian Ministry of Transport (GSGA) arranges for the repatriation of the defunct line's customers. Special return flights are operated under contract by **Aeroflot Russian International Airlines (ARIA)**, **Domodedovo Airlines**, and **Rossiya Air Company**. GSGA then suspends the operating certificate of **MATK RusAvia**.

Meeting at Domodedovo Airport in late November, the CEOs of Domodedovo Airlines, **Chelai-Chelyabinsk Airlines (Chelyabinsk Chief Aviation Enterprise)**, **Kras Air (Krasnoyarsk Avialinii-KrasAir)**, and **Avia Express Cruise** form a new strategic alliance to be based at this Moscow airport. Under terms of the pact, the four will share fleets, create a single-tariff policy, and adjust their schedules and sales systems for maximum joint benefit, while retaining individual identities. They will finalize arrangements during the winter in hopes of being ready to operate with the beginning of the summer schedule at the end of March.

On December 6, these leaders hold a news conference to announce and promote their pact and invite other Russian airlines to join. To demonstrate the feasibility and potential impact of their joint project, a chart is displayed comparing their assets with those of **Aeroflot Russian International Airlines (ARIA)**, the nation's leading carrier. Although Aeroflot is ahead in terms of aircraft (113 to 97) and passengers (4.6 million to 1.8 million), the alliance partners have more domestic routes (44 to 28).

In presenting this information, KrasAir Director General Boris Abramovich indicates that the partner's pact has not been established as a "counterbalance" to Aeroflot, which has itself recently been actively courting and bringing under its wing a number of smaller regional airlines. At a separate news conference across town, Aeroflot Director General Valery Okulov welcomes news of the alliance, brushing aside suggestions that it might become a domestic rival. Reporters note that, if actually launched, this would be Russia's first true private airline alliance.

Representatives from the four partners continue meeting over the next three weeks. In addition to drafting cooperation proposals to be offered to Western airlines, an application for aid is prepared for submission to the Russian government before the end of the year. The alliance does not seek cash, but rather, the sort of state privileges and tax exemptions currently enjoyed by Aeroflot. It is anticipated that the plan will have the backing of the Russian Aircraft Operator Association.

At the end of the year, the Russian Ministry of State Property reveals that as part of a package of 30 state holdings that are to be privatized, it intends to sell as much as 74.5% of its 100% stake in the carrier in the new year. It will first be necessary for the Duma to amend the current law prohibiting the sale of state holdings exceeding \$17 million in valuation.

DON AIRLINES (JOINT STOCK AVIATION COMPANY). See DONAVIA (DONSKIE AVIALINII)

DON EVERALL (AVIATION), LTD.: United Kingdom (1946–1961). Local Midlands businessman Don Everall purchases an Auster J/1 Autocrat in September 1946 and from his base at Wolver-

hampton begins an ad hoc charter operation, **Modern Transport (Wolverhampton), Ltd.** During the next five years, Modern Transport undertakes a variety of nonscheduled passenger and cargo services, including many from such other airports as those Leicester, Coventry, and Birmingham. Three additional Auster Autocrats, a Miles M.38 Messenger, and a DH-89A are purchased.

Lees-Hill Aviation (Birmingham), Ltd. and its Dragon Rapide are purchased and merged on September 5, 1951. The amalgamation results in the small, renamed carrier, Don Everall (Aviation), Ltd., and a new base at Birmingham. During the summer of 1952, ad hoc passenger charters are flown Wolverhampton and Birmingham to the Channel Islands and the Isle of Man. Bookings for the year total 1,087.

Another DH-89A is acquired in April 1953, along with several scheduled routes that are opened for the summer season: Birmingham to Jersey and Guernsey and to Weston-super-Mare via Cardiff and Wolverhampton to the Isle of Man. Coventry and Leicester join Birmingham in 1954 as departure points to the Channel Islands while Coventry is also a stop on the Isle of Man service.

Passenger boardings climb to 5,765.

Scheduled Birmingham–Isle of Man flights commence in May 1955 and another Auster Autocrat is purchased in August.

Another DH-89A joins the fleet in February 1956; however, the Dragon Rapide acquired from Lees-Hill Aviation in 1951 is destroyed in a Berkeswell crash on October 7. In April 1957, the first Douglas DC-3 is acquired and is assigned to the company's scheduled routes; the Douglas occasionally offers inclusive-tour charter flight to Switzerland, France, and Yugoslavia. The first DH-89A, purchased in 1949, is withdrawn in July 1958.

Another DC-3 is purchased in January 1959, allowing the company to further expand its inclusive-tour services. On July 7, a Dragon Rapide is lost at Leverstock, Herts.

The DH-89A portion of the fleet consists of but one machine in the first quarter of 1960.

The second DC-3, with 3 crew and 28 passengers, fails its initial climb away from Birmingham on March 5 and crashes; although the aircraft must be written off, there are no fatalities.

The need for additional equipment occasions Don Everall to purchase two Vickers 634 Viking 1Bs, the first of which arrives at Birmingham on May 18. One of the two new additions, with three crew, is lost off Heraklion, Greece, during an August 24 all-cargo charter; there are no survivors. A leased Viking from Maitland Drewery Aviation, Ltd. replaces it for a month. On November 21, the company is purchased by **Air Safaris, Ltd.** and merged under the new owner's name, Don Everall receiving a seat on the company board.

DONALDSON INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1964–1974). Although formed in 1964 as a subsidiary of Glasgow-based Waverly Shipping Company, Donaldson International undertakes no flight activities for five years. Setting up at London (LGW) and equipped with three Bristol Britannia 312s, the company flies inclusive tours and charters to destinations in Europe and North America beginning in April 1969. At the conclusion of the summer tourist season, a total of 40,598 passengers have been booked.

Similar operations are undertaken during summer 1970. One Britannia is withdrawn in November. In December, two Boeing 707-321s are purchased from **Pan American World Airways (1).**

During the second quarter of 1971, the two American-made aircraft are received. For the summer season, these two jetliners and three turboprops are available, the former replacing the latter on North American flights.

The remaining Britannias are converted to freighter status, one of which is withdrawn in March 1972 followed by the other two in October and December, respectively. Meanwhile, the B-707-321s fly affinity group charters to Asia and in June, a third B-707-321 is delivered, followed by a fourth in October. At year's end, a Boeing is chartered to **Bangladesh Biman Airlines, Ltd.** to fly weekly London (LGW)–Dacca service.

In January and February 1973, the company is cited twice by the U.S. Civil Aeronautics Board (CAB) for abuse of its affinity group charter rights. In April, however, the U.K.'s Civil Aviation Authority (CAA) requires that additional funding be found to back the transatlantic charter operation. As a result, two Boeings are returned to **Pan American World Airways (1)**, cutting the fleet to just two jetliners. Transatlantic flights London (LGW) and Prestwick–New York and Toronto commence in June; however, the number is drastically reduced.

In early 1974, the B-707-321s returned in 1973 are reacquired and one is immediately converted to all-cargo configuration. On May 1, two of the carrier's aircraft begin flying **Iraqi Airways'** international services to Europe while the Mideast airline awaits its purchased equipment.

Although the contract is scheduled to run through October, it cannot be concluded as Donaldson International declares bankruptcy on August 8, and ceases operations. Its equipment is returned to **Pan American World Airways (1)** the next day.

DONAVIA (DONSKIE AVIALINII): Russia (1994–2000). Donavia is established at Rostov-on-Don on August 18, 1993 to offer passenger and cargo charters, primarily toward the Mideast. Shareholding is divided between company employees (51%), regional government (20%), and private investors (29%). Pavel D. Duznikov is appointed general director and he inaugurates revenue services with 15 Tupolev Tu-154Bs and an unspecified number of Antonov Yak-40s and An-12s.

En route from Ashkhabad to Rostov-on-Don via Makhachkala, on October 25, 1994, a Yak-40 with 27 passengers is taken over by a lone assailant, who requires that the plane put down back at Makhachkala, from which it has just taken off. The pirate demands a \$2-million ransom and negotiations continue for two days, during which time 26 passengers are released. Time runs out on October 27 and as police prepare to storm the Yak, the pirate sets off a homemade bomb, committing suicide. The two crewmen are able to escape the blast, which destroys the jetliner.

Enplanements for the first full year of service total 1,345,772. Donavia operates three dozen Russian-made airliners during 1995, but still has a mixed traffic year.

Passenger boardings drop 6.1% to 1,268,400, but cargo carriage is up 4.3% to 21.7 million FTKs.

Airline employment stands at 2,000 in 1996. The carrier's 34 aircraft transport a total of 1,180,880 passengers, a 6.9% decrease.

Domestic destinations visited in 1997 include Moscow's Vnukovo Airport, St. Petersburg, Kaliningrad, Minsk, Tashkent, Ashkhabad, Tyumen, Ufa, Irkutsk, Khabarovsk, Omsk, Tchita, Novosibirsk, Samara Bratsk, and Yenevan. The carrier also flies to Dusseldorf and Dubai under the marketing name Don Airlines. Customer bookings rise 3% to 1,216,000.

Flights continue in 1998 and passenger boardings plunge 20.2% to 399,000.

On July 1, 1999, the carrier's management is accused of financial irregularities. Company pilots, a week later, complain publicly about the slow speed of an investigation into the allegations.

In collaboration with **Avia Express Cruise**, 10 regularly scheduled return flights between Moscow and Donetsk open on July 13; seven of the flights are provided by Avia Express and three by Donavia.

As part of an equalization of tariffs with **Aeroflot Russian International Airlines (ARIA)**, Donavia increases its ticket prices on February 15, 2000. On July 26, a 51% stake is purchased by **Aeroflot Russian International Airlines (ARIA)**, which renames the carrier **Aeroflot-Don**.

DORADO WINGS: United States (1963–1981). Henry G. Wolf forms this dedicated carrier in late 1963 to provide passenger transport from San Juan, Puerto Rico to Virgin Gorda in the British Virgin Islands, St. Thomas in the U.S. Virgin Islands, and most importantly, to the Dorado Beach Hotel Airport. Employing nine Britten-Norman BN-2 Islanders and a Piper PA-31-310 Navajo, closed charters are inaugurated between the three destinations in October 1964.

The fleet in 1980 includes 3 new British Aerospace BAe Jetstream 31s, 2 Piper PA-28 Aztecs, 1 Navajo, and 10 Islanders. With these the company is able to initiate scheduled services open to the public from San Juan to Mayaguez, St. Thomas, and Tortola.

Enplanements rise 14% to 79,745.

On May 28, 1981, the entire operation is sold to Crownair System, which reforms the small regional and renames it **Crown Air** on November 2.

DORUK TOURISM TRADE & INDUSTRY, INC.: Antalya Airport, Antalya, Turkey; Phone 90 (242) 311-4316; Fax 90 (242) 321-0924; Year Founded 1994. As its name implies, the rotary-wing division of Doruk is established at Antalya in 1994 to transport tourists to historic sites in the local vicinity. Additional cargo and passenger charters are also undertaken as contracted.

By 2000, Managing Director Akcicek Oral oversees the work of 4 full-time and 14 part-time pilots. The fleet includes 8 Mil Mi-8 helicopters from Russia.

DORVAL AIR TRANSPORT, INC.: Canada (1954–1960). With a base at Dorval, Quebec, this concern is formed in 1954 to operate all-cargo services specifically in support of construction of the North American Air Defense Line (DEW) across Canada. Revenue operations commence with 5 Curtiss C-46 Commandos and continue until the carrier ceases operations in 1960.

DOUGLAS AIRWAYS (PTY.), LTD.: Papua New Guinea (1965–1990). This commuter line was originally known as **Aerial Tours (Pty.), Ltd.** and was formed by D. B. Douglas at Port Moresby on March 10, 1965. Later, in addition to charter and scenic tour flights, the company is reorganized, renamed, and receives an operating permit and concessions for scheduled services to more than 50 locations in the nation's Central, East Sepik, Gulf, Northern, Western, and West Sepik provinces.

A fatal accident occurs on December 23, 1979 when a lightplane crashes in the Owen Stanley Mountains (15 dead). Employing two Partenavia P-68Bs, three Beech B-55 Barons, and a Cessna 206, frequencies for these third-level revenue services are increased by 1981.

During the middle 1980s, the fleet is upgraded by the addition of two Australian-made Government Aircraft Factories GAF Nomad N-22Bs, nine Britten-Norman BN-2 Islanders, and two Beech B-80 Queen Airls. Facing stiff competition from larger operators, the company begins to fall on hard times as traffic falls and expenses rise.

In 1986, Managing Director Douglas' fleet comprises three Beech 55s, two Nomads, one P.68, and one Islander. Unable to maintain independent viability, Douglas allows significant shareholding to be taken by **Air Niugini** in 1987.

Operations continue apace in 1988–1989, during which years the fleet grows to include 22 aircraft: 2 Nomads, 9 Islanders, 3 BN-2A Trislanders, 2 Queen Airls, 1 Beech Baron, 3 Cessna 206s, and 2 Partenavia P-68Bs.

Financial woes become terminal in 1990 and the company is forced to cease operations in the fall.

DOVAIR: United States (1976–1977). Founded in 1976 and briefly operated as **Baltimore Airways**, Dovair undertakes daily Britten-Norman BN-2 Islander roundtrips linking its base of Dover, Delaware, with Philadelphia. Services cease in early 1977.

DOVAIR AIR TRANSPORT: United States (1967–1968). DAT is set up at Dover, Delaware, in late summer 1967 to provide air taxi flights to White Plains via Wilmington and New York (LGA). Daily Cessna lightplane roundtrips commence on September 12 and are continued into 1968.

DOWNEAST AIRLINES (1): United States (1968–1980). Mid-Coast Airways is established by Robert Stenger as an FBO at Rockland,

Maine, in 1960. Over the next few years, this support service also acquires an FAA Part 135 certificate to provide air taxi flights. Despite fog and miserable weather that continually plagues his location, Stenger develops a reputation for reliability in his charter work.

During the merger of **Northeast Airlines** and **Delta Air Lines** in early 1968, the former applies to the CAB for permission to drop its scheduled route between Boston and Rockland. Simultaneously, executives from the two big carriers seek a small operator to take over the discontinued service. Stenger volunteers and, in May, Mid-Coast is reformed and renamed. Employing the charter line's Piper PA-31-310 Navajo, a PA-28 Aztec, and a Cessna 182 painted in their new livery, Downeast begins scheduled daily roundtrips in June linking its Rockland base with Boston, Wiscasset, and Augusta.

Operations continue apace during the remainder of the year and into 1971. While on final approach to Augusta State Airport in Maine from Boston on August 19, the Navajo, piloted by Capt. Dwight French Jr., with seven passengers, misses its landing and begins to execute a missed approach maneuver. The aircraft crashes into a hill four miles short of the runway, killing French and a passenger. The other five aboard survive, but two are seriously injured.

Flights are maintained in 1972–1978. During the latter year, a de Havilland Canada DHC-6-200 Twin Otter is purchased from **Air Illinois**. The turboprop becomes fleet flagship and is usually flown by chief pilot Capt. James Merryman, who had joined the company in 1975.

While on final approach to Rockland on the evening of May 30, 1979 on flight from Boston, Flight 46, the DHC-6-200 piloted by Merryman and a copilot with 16 passengers, crashes into trees 80 ft. above the ground. The aircraft comes to rest 1.2 mi. SSW of the runway at Otter Point (17 dead). The story of the crash and of the little airline to this point is the subject of the first four chapters of John J. Nance's study *Blind Trust* (New York: William Morrow, 1986).

In May 1980, the company, unable to recoup its losses and acquire new flight equipment, is sold to **Bar Harbor Airlines**.

DOWNEAST AIRLINES (2): P.O. Box 410, Wiscasset, Maine 04578, United States; Phone (702) 882-6752; Fax (702) 882-9262; Code E7; Year Founded 1995. The new Downeast, also known as Downeast Flying Service doing business as Downeast Express, is established by Wayne Hazard in the spring of 1995 as an outgrowth of his FBO, originally set up in 1983. Richard Goodrich is named president of the new scheduled third-level division and revenue flights commence in June with a single Beech 1300 over the same route network as the company's predecessor. A Piper PA-31-310 Navajo is acquired in July.

The fleet is increased in 1996 by the addition of another Navajo and a PA-58 Aztec.

Enplanements for the first full year of service total 2,105. The Aztec is replaced by a third Navajo in 1997–2000.

DOWNEAST CHARTER FLIGHTS: Wiscasset Airport, Wiscasset, Maine 04578, United States; Phone (207) 882-6752; Fax (207) 882-9262; Year Founded 1983. This concern is established as the FBO at Wiscasset Airport in 1983. Over the next 15 years, the company also undertakes executive and small group passenger charters, including hunting and fishing expeditions, and all-cargo express flights.

In 1998–2000, the company operates 2 Piper PA-31-310 Navajos and an all-cargo configured PA-31-350 Navajo Chieftain.

DOWNEAST EXPRESS. See **DOWNEAST AIRLINES (2)**

DOWNEAST FLYING SERVICE. See **DOWNEAST AIRLINES (2)**

DOWNTOWN AIRLINES: United States (1972–1975). Downtown Airlines is established at New York City in the early summer of 1972 to provide the first scheduled floatplane services in the contiguous U.S. by a commuter airline. Employing float-equipped Piper PA-23 Aztecs and de Havilland Canada DHC-6-200 Twin Otters, Downtown inaugurates

daily roundtrips in July, linking the riverfront ramp at Wall Street Pier 8 with Penn's Landing in Philadelphia. Service is also extended to a Potomac River facility at Washington, D.C.

Operations are maintained until financial difficulty forces the company to shut its doors three years to the month later, on July 27, 1975.

DRAGON AIRWAYS, LTD.: United Kingdom (1953–1957). Dragon Airways, Ltd. is formed in early 1953 to operate ad hoc charter flights from Pwllheli airfield with a de Havilland DH 89A leased from Murray Chown Aviation; flights begin in June. The Dragon Rapide is lost in a crash at Pwllheli in July and the company suspends flight operations until delivery is taken of a purchased DH 89A, christened *Oboe Baker*, on September 10.

The company is registered as an airline on January 16, 1954 and moves its base to Liverpool Airport. During the month, a Miles M.65 Gemini 1A is acquired for light personnel charter, along with another DH 89A, which is named *Peter Tare*. Although scheduled routes are sought and obtained from the Air Transport Licensing Board (ATLB), summer work continues to be primarily nonscheduled.

In May 1955, a DH 114 Heron 1B is purchased and christened *The Commander*; it is followed by a Heron 2, *The Conqueror*, in June. These are employed to inaugurate scheduled flights during the summer, including Stoke to Isle of Man, Liverpool to Glasgow (Renfrew), Newcastle to Glasgow and Manchester, and a weekly flight from Newcastle to Copenhagen and twice weekly to Hamburg. The Newcastle flights are undertaken on behalf of **Hunting-Clan Air Transport, Ltd.** The operating base is transferred to Newcastle on November 1.

At this point, the *Oboe Baker* is sold and the carrier is purchased by **Hunting-Clan Air Transport, Ltd.**, Elder Dempster, and Tyne-Tees Steam Shipping Company and assigned to take over **Hunting-Clan Air Transport, Ltd.**'s Newcastle-based network as a Northern Division. A third Heron is purchased in December and named *The Centurian*.

The *Peter Tare* is sold in February 1956. In June a Vickers Viking is purchased from Field Aircraft Services. It is employed to fly twice weekly Newcastle to Paris via Liverpool, thrice weekly Newcastle to Belfast, thrice weekly Newcastle to London, and weekly Newcastle to Bergen. At the end of the summer, only the Paris run remains unsuspended.

Continuing financial losses lead to the carrier's acquisition by Britavia in February 1957; it is now assigned to continue serving as a northern division, for **Silver City Airways, Ltd.**

DRAGONAIR (HONG KONG DRAGON AIRLINES [PTY.], LTD.): 22/F Devon House, Taikoo Place, 979 Kings Road, Quarry Bay, Hong Kong; Phone 852 590-1328; Fax 852 590-1333; <http://www.dragonair.com>; Code KA; Year Founded 1985. On April 1, 1985, the Hong Kong-Macau International Investment (HKMII) forms this new entrant to provide nonscheduled service into the People's Republic of China; equity is also held by the Bank of China (via China Cheer, 22%) and China Resources (15%). A Boeing 737-2S3A, leased from Guinness Peat Aviation, arrives on June 19. Chao Kuang-plu is chairman, with Stephen Miller as president; scheduled routes are sought to Beijing and Shanghai. The company receives an Air Operator's Certificate on July 24 and initiates its first service, a charter, to Kota Kinabalu on July 26.

During the summer, a dispute arises with **Cathay Pacific Airways (Pty.), Ltd.** over routes and capacity into the PRC and in August and September, the Hong Kong Civil Aviation Department (CAD) refuses charter rights. Dragonair reapplies, requesting six additional destinations: Guangzhou, Haihou, Hanzhou, Xiamen, Xian, and Zhangjiang; the CAD allows the carrier to seek China's permission first, in October. Two additional points, Guilin and Tranjin, are added to the petition placed before the CAD.

Also in October, Sir Yue Kong Pao, owner of Worldwide Shipping, purchases a 30% share for \$7.69 million and names himself CEO. The new leader's sons-in-law, Peter Woo and Dr. Helmut Sohnen, are

appointed to the board of directors, with the latter also becoming managing director; former CEO Miller is named general manager.

The airline receives permission from the PRC for its first mainland charter flight and service is inaugurated to Xiamen on November 29. In December, the CAD grants permission for the carrier to begin scheduled flights to its requested PRC points (except Beijing and Shanghai); however, operations are delayed due to interpretations of the Hong Kong-U.K. and U.K.-PRC bilateral air treaties.

Scheduled and nonscheduled London and scheduled Thailand service rights are applied for in January 1986. Charters to Guangzhou commence on April 14. In May, scheduled rights to the U.S., Amsterdam, and Manchester are also petitioned. In the same month, permission is given for scheduled services to three Thai cities—pending Thai government approval. On June 26, additional charter services are started with a Boeing 737-2L9A, including a semi-regular frequency to Hangzhou. A July hearing on the airline's long-haul requests before the Hong Kong Air Transport Licensing Authority (ATLA) results in petition rejections.

In the fall, the application for routes to Honolulu, Los Angeles, and Houston are withdrawn and replaced by one seeking 14 additional routes to China and four to Japan. Charters are started to Guilin on October 6 and a second B-737-2L9A is delivered late in the month. Nanjing becomes a Chinese destination on December 12 and, on December 16 and 18 respectively, weekly B-737-2L9A frequencies commence from Hong Kong to the Thai cities of Chiangmai and Phuket.

Enplanements for the year total 60,000.

Early in 1987, orders are placed for two McDonnell Douglas MD-11s. On January 25, a sixth charter route is opened into China, to the city of Kunming. The next day, the Hong Kong ATLA grants the previous fall's application for routes to 14 Chinese communities, plus 4 in Japan, and 4 more in Thailand, Guam, and Kathmandu in Nepal.

In March, a third B-737-2L9A joins the fleet and on May 15 the company joins IATA, becoming the first Hong Kong-based airline admitted to this international industry organization. Former Northwest Airlines and MarkAir official James Foster becomes chief general manager in August and the MD-11 orders are cancelled in September.

In November, Dragonair applies to the U.S. DOT for permission to initiate flights from Hong Kong to Guam. Less than a week after the application is submitted, it is withdrawn, as the carrier elects to concentrate its efforts into the Chinese mainland and Asia. Charters are inaugurated in December to Kagoshima, Oita, Kumamoto, and Nagasaki, Japan.

Passenger boardings accelerate to 165,000. Revenues total HK\$4.5 million, but expenses are high, and a net HK\$7.3-million loss is suffered.

In 1988, flights to 10 PRC destinations continue, although service to Guangzhou is dropped because of low traffic loads. Stephen Miller, the founder and commercial general manager, resigns in March. To avoid restrictions on advertising, the carrier establishes an in-house tour packager that can mount its own publicity and, employing its B-737-2L9As, commences service from Hong Kong to Tianjin, China and Kagoshima, Japan, in May.

Weekly flights to Dalian begin in June with flights to Guangzhou restored at the same time. Hong Kong to Kathmandu flights are started in September, while thrice weekly, scheduled roundtrips are initiated to Pattaya, in Thailand.

Customer bookings for the year jump 54% to 250,000.

Airline employment is increased by 17% in 1989 to 344 and the fleet now includes five B-737-2L9As.

With permission from both the Chinese and Hong Kong civil aviation authorities, the company, in April, adds a third weekly frequency to its nonscheduled twice-weekly flights to both Beijing and Shanghai. During the same month, the company is successfully able to circumvent regulations preventing its charter flights from being publicly advertised by the simple expedient of creating its own Dragonair Holidays package tour subsidiary, which is allowed to announce the airline's flights.

Late in the year, the Swire Group, parent of local rival Cathay Pacific Airways (Pty.), Ltd., purchases a 33.3% shareholding that includes

contracts for management, administrative, and technical services. China Guangda International Trust and Investment Corporation, backed by the PRC, owns 55.7% of the remaining share capital. Involvement of the mainland government allows Dragonair to convert many of its "regularly chartered" routes into the mainland to "regularly scheduled" status.

As a result of the Chinese suppression of student pro-democracy demonstrations at Beijing in early June, the carrier's traffic into China declines dramatically. Consequently, the carrier in July and August must drop 16 of its 31 flights to the 10 points served in the PRC; only Tianjin is, however, actually deleted from the route network. To counter the loss, frequencies are added to the Thai holiday centers of Pattaya and Phuket.

Operations into China return to normal in the fall and, in November, Sir Yue K. Pao sells his 37.8% controlling interest back to the Chao family. Pao's son-in-law Dr. Helmut Sohmen resigns as managing director and is replaced by the new chairman, Ronald Chao, Chao Kuang-piu's son.

In December, Swire Group purchases 30% shareholding, ending forever the new entrant's chance of becoming a serious competitor. An additional 5% is also taken weeks later and the overall arrangement is valued at \$125 million, of which a third is invested in Dragonair's four B-737-200s. Simultaneously, Hong Kong-based CITIC, with backing from China, increases its shareholding to 38%, while founder Chao's investment drops to 22%.

Overall passenger boardings for the year advance by 32.8% to 340,350; 465,000 FTKs are also operated.

The workforce grows 54.9% in 1990 to 533 and the fleet is increased by the addition of a Lockheed L-1011 TriStar 1.

In January, Cathay Pacific Airways (Pty.), Ltd. assumes management control under a 15-year contract; its longtime Vice President Jerry Penwarden is seconded over to take control of day-to-day operations as chief operating officer. Although the two airlines remain separate, Dragonair concentrates fully on charter operations into mainland China and along other secondary routes in Asia. In March, the company is designated by the British government to provide scheduled services between Hong Kong and the Chinese mainland.

Three months later, the carrier employs a Lockheed L-1011 TriStar 1 leased from Cathay Pacific Airways (Pty.), Ltd., but painted in its own livery, to take over Cathay's scheduled services into China—four frequencies per week to Beijing and five to Shanghai. In addition, four of Dragonair's routes are switched from charter to scheduled: Dalian, Kunming, Hangzhou, and Xiamen. Chief Operating Officer Penwarden resigns in November and is succeeded by Cathay's general manager-cargo, Simon Heale. Customer bookings skyrocket 84.5% to 628,803 and FTKs reach 5.22 million.

The payroll is cut by 37.3% in 1991 to 334 and the fleet now includes 4 B-737-2L9As, 1 B-737-2S3, and 1 Lockheed L-1011 TriStar leased from Cathay Pacific Airways (Pty.), Ltd.

In February, Dragonair links with Cathay's CUPID reservations system. In April, it takes an equity stake in the flight kitchen operated by LSG Lufthansa Service Hong Kong (Pty.), Ltd., which will increase over the next nine years to 31.94% shareholding. During May, Phuket Unwinder Holiday packages, good through October 31, are introduced for Hong Kong residents.

Also during the spring, service is inaugurated to the PRC cities of Chengdu and Tianjin.

In December, the carrier commits to replacing its B-737-200A fleet with Airbus Industrie A320-232s.

Passenger boardings increase by 20.6% to 758,571 and freight rises 10.3% to 5.76 million FTKs.

Early in 1992, CITIC, the foreign investment division of the People's Republic of China, increases its shareholding to 48%, while Cathay Pacific Airways (Pty.), Ltd.'s interest declines to 35%.

In March, a 2.6% is taken in the Asian computerized reservations system consortium, Abacus. Frequencies are increased to daily on the routes to Beijing and Xiamen while service from Hong Kong to Shanghai grows to six per week.

A new logo and livery are introduced late in the year when the first Airbus Industrie A320-232 arrives.

Customer bookings increase another 24.5% to 944,647 and cargo rises 20.1% to 6.92 million FTKs.

In 1993, Chairman Kuang Pin Chao and Chief Operating Officer Heale oversee a workforce of 771 and fly 4 A320-232s, 1 B-737-2S3, and 2 TriStar 1s chartered from **Cathay Pacific Airways (Pty.), Ltd.** Flights begin to Phnom Penh and Ningbo, and follow the January 18 suspension of flights to Kathmandu. Other destinations served include Beijing, Changsa, Chengdu, Dalian, Guilin, Haikou, Hangzhou, Kunming, Nanjing, Ningbo, Shanghai, Tianjin, Xiamen, Xian, Phnom Penh, Phuket, Kota Kinabalu, Dhaka, Kagoshima, Hiroshima, and Sendai.

A second TriStar 1 is leased from Cathay in July and, in October, cost and revenue sharing is started with **Malaysia Airlines, Ltd. (MAS)** on routes from Hong Kong to Kuching and Kota Kinabalu. The fifth of seven A320-232s arrives in November and allows retirement of the B-737-2S3.

Statistics are reported through September and show passenger boardings up 32.4% to 911,415 and freight ahead 42.7% to 6.8 million FTKs.

Only one person leaves the company in 1994, with no replacement. Philip Chen succeeds Heale as chief operating officer on February 1. A total of 14 cities are served in China, including 7 under scheduled authority.

Two A330-342s are chartered from the International Lease Finance Corporation (ILFC) in May to replace the two L-1011s. In September, cost and revenue sharing begins with **Royal Brunei Airlines** on a route from Hong Kong to Bandar Seri Begawan.

Traffic figures are reported through November and show customer bookings up 25.9% to 1,447,395 and freight up 68.2% to 15.03 million FTKs.

Airline employment grows by 10.4% in 1995 to 850.

In March, the dormant **CAAC (The General Administration of Civil Aviation of China)** subsidiary China National Aviation Corporation (CNAC-2) announces that it will begin a rival airline in Hong Kong before the British colony is handed back to the PRC in 1997.

During the last week of April, CNAC applies for a scheduled license to operate service into Hong Kong as complement to the charter flights into Kai Tak Airport already made with aircraft leased from **China Southwest Airlines Company, Ltd. Cathay Pacific Airways (Pty.), Ltd.**, Dragonair's parent, bitterly opposes the PRC move, even though CNAC is a 10% shareholder in Cathay.

On May 22, the first of two A330-342s arrives at Hong Kong under charter from ILFC. While the company awaits clearance to employ it on routes to the Chinese mainland, the twin-engine aircraft is placed on the route to Kota Kinabalu. Meanwhile, two company pilots, under Dragonair's Cross Crew Qualification program, become the first to be triple-rated for the A320, A330, and A340.

A330-342 flights from Hong Kong to Shanghai and Beijing are finally allowed to begin on June 5. During the fall, the second A330-342s is delivered and the leased TriStars are returned to **Cathay Pacific Airways (Pty.), Ltd.**

Passenger boardings inch up 2.8% to 1,618,510 while cargo does much better, growing to 24.76 million FTKs.

The workforce is increased a huge 42% in 1996 to 1,207 and the leased fleet includes 7 A320-232s and 2 A330-342s.

The PRC expands its stake in Hong Kong's major airlines during the last week of April. Under a stock offering arrangement worked out between Swire Pacific (Pty.), Ltd. and China's foreign investment firm, CITIC, Swire sells out its majority stake in **Cathay Pacific Airways (Pty.), Ltd.**, while retaining its management contract. It turns over 35% controlling interest in **Dragonair (Pty.), Ltd.** along with the right for the Chinese to appoint their own management team.

At the same time it surrenders majority control Swire Pacific/Cathay loses its control of Dragonair (Pty.), Ltd. Under the same Cathay agreement, China National Aviation Corporation (CNAC-2) takes over the British company's subsidiary with a 35.86% majority stake. For this,

CNAC, the former flying-arm of **CAAC (The General Administration of Civil Aviation of China)**, pays HK\$1.97 billion (\$254.8 million), including HK\$971.1 million (\$125.6 million) each to Swire Pacific and CITIC and \$4 million to the founding Chao family. Swire Pacific's stake drops from 43.16% to 25.50%, that of CITIC falls from 46.15% to 28.50%, that of the Chao family from 5.57% to 5.02%; public interest of 5.12% remains unchanged.

A third A330-342 is chartered from ILFC in late May and is employed, beginning in June, to inaugurate the company's 15th PRC gateway, Qingdao. Also in June, Dragonair is granted authority by the Beijing government to operate from Hong Kong to five additional Chinese markets, including Tsingtao and Shantou.

Twice-weekly frequencies to Chengdu are also to be increased on July 1 when the new routes are initiated. Following the PRC's approval of the new Hong Kong-Taiwan air services agreement, Dragonair, on August 1, launches thrice-daily A330-342 roundtrips are initiated between Hong Kong and the port city of Kaohsiung in southern Taiwan.

During the first week of September, the company pleads guilty before a Hong Kong court to the illegal transport of missile parts and a launcher for the PRC's China National Aerotechnology Import & Export Corporation (CATIC). Claiming the components en route to Israel were mislabeled prior to their placement aboard a company aircraft, the company is, nevertheless, required to pay a HK\$10,360 fine.

The company joins with **Deutsche Lufthansa, A.G.** on October 16 to provide a new through check-in service for passengers taking a Lufthansa flight to Hong Kong and traveling on to any of Dragonair's destinations. On October 24, Dragonair confirms plans to acquire as many as eight more Airbus Industrie aircraft; details will be announced later.

Air Hong Kong, Ltd. Chief Operating Officer Stanley Hui is chosen by the board of directors on November 13 to become the new CEO on February 1. The next day, the company joins with **CAAC (The Civil Aviation Administration of China)** to offer through check-in services for passengers travelling into China from Hong Kong.

Enplanements surge 20.6% to 1,951,936 and 34.9 million FTKs are operated, a 40.9% boost.

The employee population is reduced by 2.2% in 1997 to 1,181.

A sixth A330-342 is ordered on January 15; it will be powered by Rolls Royce Trent 700s.

Stanley Hui, chief operating officer of **Air Hong Kong, Ltd.**, succeeds Philip Chen as CEO on February 1.

An agreement is signed in February with **Deutsche Lufthansa, A.G.** that allows passengers arriving at Hong Kong to check through to their final destination. Similar accords are reached during the first quarter with **Air France** and **Alitalia, S.p.A.**

On April 23, twice-weekly A320-232 roundtrips commence from Hong Kong to Chongqing, a commercial metropolis in the upper Yangtze region and the principal city of Sichuan; it is the company's 16th PRC market.

While en route from Hong Kong to the Malaysian tourist destination of Kota Kinabalu on May 23, a company A340-342 suffers an in-flight shutdown of one of its Rolls Royce Trent 700 engines; the flight is diverted to Subic Bay in the Philippines. All of the company's A340-342s, along with those of **Cathay Pacific Airways (Pty.), Ltd.** and **Garuda Indonesia Airways** are grounded on June 24 as a precautionary measure.

While its Trent 700s are repaired, Dragonair operates an Airbus A300B4-605R leased from **China Eastern Airlines Company, Ltd.** between May 26 and June 7. The borrowed aircraft allows the company to minimize disruptions and by employing it with the other units of its fleet, Dragonair is able to maintain 90% of its flights. Following reinstatement of the A330 fleet on June 5, the company is also able to restore its convenient passenger check-in services on June 8.

In a well-publicized media event, 13 giant turtles, 8 rescued from poachers by the Agriculture and Fisheries Department and 5 reared in Hong Kong, are flown back to the island of Borneo on June 10 via Flight 61 to Kota Kinabalu.

A fifth A330-342 is received on June 21; A330s now serve on the high density routes to Beijing, Shanghai, Xiamen, and Kaohsiung. Also on June 21, a drawing is announced in which 25 lucky winners and their companions will win free roundtrips to Beijing on July 1. The drawing is held on June 24.

This year, traffic figures are only available through June. They show customer bookings up 9.9% to 987,900 and cargo up 39.6% to 20.6 million FTKs. Bookings for the July 1 political handover of the British colony to the PRC are not affected. Following that event, final management control of the airline passes to China National Aviation Corporation (CNAC-2) and Dragonair's chief operating officer, Philip Chen, becomes deputy managing director of **Cathay Pacific Airways (Pty.), Ltd.**

As a result of the chaos following Hun Sen's coup in Cambodia and the fighting at and near Phnom Penh's Pochentong Airport, the company stops flying into the beleaguered capital from Hong Kong late in the second week of July. Also during July, an in-house cargo sales department is established.

Algernon Yau is appointed general manager-planning and international affairs on August 1 while Ronnie Choi becomes general manager-customer services.

During the first week of August, officials from CNAC-2 and Dragonair announce that they will jointly construct a \$6.9-million office building at Hong Kong's new Chek Lap Kok Airport, which is scheduled to open the following April.

Pains are taken to assure the world that CNAC-2 will not take over **Cathay Pacific Airways (Pty.), Ltd.**; however, Zhang Xianlin, CNAC-2's vice president does note that the possibility exists of leveraging its 35.86% interest in Dragonair (Pty.), Ltd. via a listing on the Hong Kong stock exchange.

An agreement is signed with the Hong Kong Airport Authority on August 7 for the construction of a new headquarters at Chek Lap Kok.

A major fleet expansion, potentially the largest investment in the airline's history, is announced on August 14. Under an agreement signed with ILFC, the company will replace its single-aisle A320 fleet with new, upgraded A320s over the next several years. The plan also confirms the purchase directly from Airbus Industrie of an additional A330-342 and two A320-232s.

Due to the reopening of Pochentong Airport at Phnom Penh, Dragonair is able to resume its twice-daily roundtrips to the Cambodian capital on September 16. Twice-weekly A320-232 return flights to Wuhan commence on October 2. Also in October, CNAC-2 plans to make a 30% initial public offering (IPO) on the Hong Kong Stock Exchange. Shareholding will be sold in Dragonair, Jarine Air Services, and a property investment company on the island.

The crash of regional stock markets at the end of the month forces CNAC to postpone its 30% initial public offering, which it had hoped to start trading in Hong Kong markets at the beginning of November.

It is reported at the end of the month that, since January, the carrier has transported 31,959 tons of cargo, a 43.3% increase over the same period a year earlier.

Lead manager Peregrine Capital, Ltd. is able to work its way around the former Crown Colony's fiscal problems and launch the IPO in early December. It is oversubscribed 17 times and brings in HK\$613 million (U.S.\$79 million).

In cooperation with the Salvation Army, an A330-342 delivers a 2,000-kg. "care" package to Beijing on January 15, 1998 for distribution to victims of the previous week's earthquake in Hebei Province.

Daily A320-232 roundtrips begin on February 25 from Hong Kong to Fuzhou, the capital of coastal Fujian Province, China. Fuzhou is the 27th destination added to the company's regional route network and the airline's 18th destination in mainland China.

A 10-year aviator with the company, Ms. Rosa Chak becomes Dragonair's first female captain on February 28; she will continue pilot duties, flying an A330-342.

A second new A320-232 is delivered on March 1. The carrier's first Beijing office opens on April 28.

The "First into the Future" drawing contest for young people is announced on May 25. The winners will be given complementary seats on the first departure in July from the new Chek Lap Kok Airport.

On May 27, Dragonair announces a special educational travel package to Beijing to be offered during the summer. The flights, which will depart to the Chinese capital on July 19, July 26, August 2, and August 9, will offer travelers a two-week opportunity to learn Mandarin (Putonghua) at Beijing University. The next day, a third new A320-231 is received.

Two A320-232s make their first takeoff and landing at the new Hong Kong International Airport at Chek Lap Kok on June 14 as part of the final, full-scale trial of the facility before its July opening. An agreement is signed with CAE Electronics, Ltd. on June 16 for the purchase of a technically advanced A320 Full Flight Simulator, which will be delivered during the year 2000.

On June 23, the company announces the winners of its "First into the Future" drawing contest, all of whom are 8-10 years of age. The first of six purchased A320-232s is received on June 24.

On July 7, 26 local young artists, winners of the "First into the Future" drawing competition, together with pop singer Leo Ku, are flown to Haikou aboard an A320-231 on the company's first service from the new Chek Lap Kok Airport.

A joint earth breaking ceremony is held with CNAC-2 on July 16 for the carrier's new headquarters building at the airport.

On August 18, Toshiaki Tanai is named general manager-marketing and sales.

A 759-sq.-m. passenger lounge is opened at the new Chek Lap Kok Airport on September 7.

An agreement is signed with the Philippines National Bank Holdings on September 29 for the wet-lease of an A320-231. The Dragonair aircraft, beginning on October 1, operates essential domestic routes from Manila to Bacolod and Cagayan three times a day. The service will continue for several weeks. On October 18, a fifth new A320-232 is received.

All Dragonair flights become nonsmoking on November 1. A new downtown office is opened in the COSCO Tower on December 9.

Enplanements for the 12 months decline 2.9% to 2.1 million.

Another leased A320-232 is received on February 1, 1999. The fleet now includes 11 of the type, together with 6 A330-342s. Thrice-weekly A330-342 roundtrips begin on March 4 between Hong Kong and Phnom Penh, Cambodia. A fourth daily A320-232 roundtrip is added on March 28. The same day, 3 additional weekly A330-342 roundtrips, for a total of 17, are added to Beijing schedule through October 30. Two additional A320-232 services are simultaneously provided to Kunming.

The first A321-231 arrives on April 9; it will be followed by a second on June 5. On May 1, weekly service from Hong Kong to Tianjin is temporarily suspended, as are twice-weekly flights to Ningbo. Also in May, a Dragonair flight from Shanghai becomes the first scheduled service to touch down on the new second runway at Hong Kong International Airport.

Weekly A320-232 return charters are launched on June 17 between Hong Kong and Da Nang, Vietnam.

In September, the carrier joins Asia Miles, the region's leading frequent flyer program. On September 16, the company's flight schedule is heavily affected by the passing of Typhoon York. One service is diverted to Kao-hsiung and eight flights are cancelled.

The company's booming air cargo business reports its best month ever in September with 6,000 tons flown during the 30-day period.

Dragonair donates HK\$750,000 on October 11 to support relief work in Taiwan following the recent devastating earthquake there.

During the fourth quarter, the nine-month-old cargo division establishes cargo service teams in Shanghai, Beijing, Xiamen, and Hangzhou.

Passenger boardings climb 6.8% to 2.21 million, while 83.54 million FTKs are operated.

Airline employment at the beginning of 2000 stands at 1,222, a 5% increase over the previous 12 months.

A tragedy 110 nm. E of Chek Lap Kok Airport is narrowly averted on January 22 when Dragonair Flight 437, an A330-342 preparing to land at the Hong Kong facility after a service from Kao-hsiung, narrowly avoids a collision with **Silk Air (Pty.), Ltd.** Flight 928, an A320-232 taking off for the continuation of a service from Singapore to Xiamen, in SE China. Before Traffic Alert and Collision Avoidance System (TCAS) alarms allow evasive action, the aircraft are apart by approximately 1.3 nm laterally and 900 ft. vertically.

Under terms of a new air service agreement between Hong Kong and Beijing, Dragonair's regular charter flights to Changsha, Guilin, Haikou, Nanjing, and Wuhan are converted into scheduled services on February 3. Also during the first two weeks of the month, extra services and capacity are added to meet the demand for travel over the Lunar New Year period. Firm orders are placed for five A320-232s and an A330-243 on February 23, while options are also taken on two more of the latter type.

Twice-weekly Airbus return service is inaugurated on April 6 from Hong Kong to the resort community of Sanya, in China's Hainan Province. The community is the airline's 17th mainland destination. All regular flights on Dragonair's network become scheduled as of March 26. A third dual-cabin A321-231 joins the fleet on May 15.

To accommodate rising summer demand for services to the mainland, weekly return frequencies on several routes from Hong Kong are increased on June 1: to Chengdu (3 to 4), to Fuzhou (4 to 5), to Qingdao (3 to 4), to Xian (2 to 3), to Beijing (21 to 25), and to Shanghai (28 to 32).

The company moves into its purpose-built headquarters at Chek Lap Kok on June 26. Dragonair House also features a fully equipped Flight Training Center. On July 28, employing a B-747-200F under an ACMI contract from **Atlas Air**, Dragonair inaugurates its first international freighter operation. Thrice-weekly return Jumbojet freighter flights link Hong Kong with Dubai, Amsterdam, and Manchester.

Another midair collision is avoided by 500 ft. vertical distance near Guangzhou on August 8, when the TCAS aboard a company A321-231, en route to Beijing from Hong Kong, alerts its crew to the nearby presence of a **China Southern Airlines Company, Ltd.** B-757-21B arriving at Guangzhou. No injuries are reported and both aircraft successfully complete their flights; two Chinese traffic controllers are, however, suspended over the incident.

On August 10, employing a B-747-200F under an ACMI contract from **Atlas Air**, the carrier inaugurates weekly all-cargo roundtrips between Hong Kong and Shanghai. Twice-weekly A320-232 roundtrips begin on October 29 from Hong Kong to Kathmandu, Nepal.

Yet another near miss is reported on October 20 when TCAS sounds aboard a Dragonair A330-342 on approach to Beijing with 320 passengers. The Airbus is able to pull up and avoid an unidentified B-737.

In early November, two B-747-312s are purchased from **Singapore Airlines, Ltd.** for conversion into freighters.

DRENAIR, S.A.: Spain (1991–1996). Drenair is established at Madrid in 1990 to offer nonscheduled executive passenger and express services throughout the nation and region. Revenue services commence with a fleet made up of 6 Grumman G-159 Gulfstream Is. A seventh Gulfstream I is added in 1994. Flights cease in 1996.

DRUK AIR (DRUK AIR CORPORATION/ROYAL BHUTAN AIRLINES): P.O. Box 209, Doybum Lam (Old Bhutan Hotel, Lower Metihang, Thimphu, Bhutan; Phone 974 (2) 22215; Fax 974 (2) 22775; <http://www.drukair.com>; Code KB; Year Founded 1981. King Jigme Singye Wangchuk's government establishes this national carrier on April 1, 1981. The airline is provided with a five-person board of directors, chaired by HRH Princess Ashi Sonam Wangchuk. With 50% assistance from the UN, a \$2-million Dornier Do-228-200 is ordered. Personnel are recruited, facilities prepared, and practice flights made with two Fokker F.27-100s leased from **Indian Airlines Corporation**. Initial nonscheduled services with the Dutch-made turboprops

commence late in the year, linking the capital of Thimphu with Bagdogra and Gauhati. The West German turboprop is delivered to Managing Director Ugyen Namgyel's carrier late in 1982.

Do-228-200 revenue flights commence on February 12, 1983 between Paro Airport and Calcutta.

During 1984–1986, charter and government service flights are added as a second Dornier joins the fleet.

Services are maintained in 1987 and 1988; during the latter year, a \$28.56-million British Aerospace BAe 146 is ordered (the largest contract ever concluded by the Kingdom of Bhutan) and Bangkok becomes a new destination.

In December 1989, the BAe-146-100 is acquired and the Dorniers are withdrawn. Druk Air becomes the only airline with a one-plane fleet flying international services.

Operations continue apace in 1990 and, in 1991, a total of 18,108 passengers are transported.

In December 1992, a second BAe-146-100 is added, allowing the Dorniers to be sold. Like its predecessor, the new aircraft is placed into service on international routes to Bangladesh, Nepal, India, and Thailand.

In 1993, the new chairman, HE Lyonpo T. Tobgyel, and the managing director, Dasho Sonam Tshering, oversee a workforce of 100. Their fleet comprises 2 BAe 146-100s and flights link Paro with Bangkok, Calcutta, Dhaka, Delhi, and Kathmandu. Charter services are also provided. One BAe 146-100 is withdrawn in 1994.

Enplanements total 28,812 in 1995.

Airline employment is increased by 30.9% in 1996 to 144 and both of the BAe 146-100s operated in 1993 are back in service.

Passenger boardings soar 17.6% to 34,966.

Destinations visited in 1997–2000 include Bangkok, Calcutta, Delhi, Dhaka, Kathmandu, Paro, and Yangon. On April 14 of the latter year, an order is placed for two Avro RJX85s, which will be delivered in November 2001 and January 2002. Druk is the first carrier to order the new BAe 146 derivative, which will be identifiable chiefly by its elongated engine nacelles. When they arrive, they will offer direct service between Bhutan and Hong Kong and Bangkok (currently served via Calcutta or Dhaka).

DRUMMOND ISLAND AIR: United States (1989–1991). With a base at Pellston, **Michigan Airways** is purchased by James C. Bailey and Bruce Barda on July 1, 1989, reformed, and renamed. Employing the de Havilland Canada DHC-6-300 Twin Otter acquired in the takeover, Drummond continues its services to Mackinac Island and a route from Alpena to Detroit via East Tawas and Saginaw.

Daily roundtrips are maintained until January 1991 when the commuter, in serious fiscal difficulty, goes out of business.

DRUSTVO ZA VAZDUSHI SAOBRAZAD. See AEROPUT

DTA ANGOLA AIRLINES, S.A.: Angola (1939–1973). Following the success of **Aero Club of Angola's** weekly DH 87 Hornet Moth experimental mail service from Luanda to Pointe Noire, the Portuguese Minister of Colonies, in September 1938, establishes the domestic carrier **Divisao de Exploracao dos Transportes Aereos de Angola (DTA)** at Nova Lisboa. It is established as a division of the Ports, Railways, and Transport Authority of Portuguese West Africa. Funds are made available to General Manager Joaquim de Almedia Baltazar for the purchase of 3 de Havilland DH 89A Dragon Rapides and 2 Junkers Ju-52/3ms.

While awaiting the arrival of its new flight equipment in 1939, DTA relies upon the DH 85 Leopard Moth and Piper J3 Cubs of the Aero Club of Angola to operate nonscheduled flights. With the outbreak of World War II, it is learned that the German transports will not be available.

The arrival of the Dragon Rapides allows regularly scheduled domestic services commence on July 7, 1940; the main route runs from Benguela to Pointe Noire in the French Congo via Lobito and Luanda, with a connection to Nova Lisboa. Travelers can transfer to other aircraft and reach the Portuguese capital of Lisbon within six days.

Cabinda becomes the northern terminus of service in **1941**; other destinations visited include Lobito, Luanda, Mocamedes, Nova Lisboa, and Pointe-Noire. Two Stinson SR Reliants arrive in **1944** and orders are placed for war surplus Douglas DC-3s (C-47s converted to civil standard) in **1945**.

Three DC-3s enter service in **1946**, allowing the launch of a route to Kinshasa. Four Beech 18s arrive before the end of the year, at which point all of the colony's major communities are served.

During **1947–1971**, the domestic network is maintained and expanded somewhat and services are started to several neighboring states in southwestern Africa; the system's overall network is increased to 7,000 unduplicated miles. Destinations visited from Luanda include Lobito, Leopoldville, Malange, Porto Amboim, Novo Redondo, Nova Lisboa, Benguela, Mocamedes, Santa de Bandiera, Porto Alexandre, Pointe-Noire, Ambriz, Ambrizette, Toto, Sozaire, Cabinda, Ponta Negra, Lourenco Marques, Kinshasa, and São Tome. During the 1960s as the situation in the Belgian Congo deteriorates, services to Pointe-Noire and Kinshasa are withdrawn.

Late in this period, the fleet grows to include 3 Fokker F.27-200 Friendships, 4 Beech 18s (sold to the Portuguese Air Force in 1963), and 6 DC-3s. One of the latter type had been involved in the company's first fatal accident when it was lost in a crash near Bocoio on July 18, 1950 (nine dead).

Enplanements gradually rise, passing 41,500 in 1960, to an average of 150,000 per year by the end of the decade.

Although little is recorded concerning the airline's operations, it is known that DTA is not immune to acts of aerial terrorism. On June 4, 1969, a DC-3 with 11 passengers and en route from Ambrizete to San Antonio is taken over by three armed hijackers, who divert the aircraft to Pointe-Noire. En route from Luanda to Sa da Bandera, with a stopover in Lobito, on May 1, **1972**, an F.27-200 with 6 crew and 19 passengers overshoots the runway at Lobito Airport and splashes into the sea 3 km. from the end of the runway (22 dead).

The carrier is reorganized on October 1, **1973** and is renamed **TAAG Angolan Airlines, S.A.**

DUCOR AIR TRANSPORT: Liberia (1964–1974). Ducor Air Transport is established at Monrovia in **1964** to offer air taxi and charter service to domestic destinations, as well as communities in bordering countries. Operations are begun and continue throughout the company's history with a single Dornier Do 27Q. **Liberia National Airlines** and Ducor Air Transport are merged in **1974** to form **Air Liberia**.

DUNCAN AVIATION: United States (1969–1972). Duncan Aviation, an aircraft leasing and brokerage firm based at Lincoln, Nebraska, establishes a scheduled air taxi division in **1969** with which to provide local services.

Beech 18 passenger and cargo flights are maintained until **1972**.

DURANGO AIR SERVICE: Durango-La Plata County Airport, 1340 Airport Road, Durango, Colorado 81301, United States; Phone (970) 247-5535; Fax (970) 247-5537; Year Founded 1990. Don Watkins establishes this FBO at Durango in **1990** to offer airframe and power plant (A&P) repair, flight training, and aircraft charter and rental. Operations begin and continue with a fleet of Cessnas.

There are no significant incidents until **1995**. While en route on a flight-seeing charter seeking elk in the Colorado mountains on October 10, the company's Cessna 172RG with a pilot and two passengers crashes into trees on Miller Mountain, and hits the earth about .5 mi. S, in the Carbonate Basin. There are no survivors.

Flights continue apace in **1996–1997**. The fleet comes to include a replacement Cessna 172RG, plus one each C-182RG, C-421, and Piper PA-34 Seneca, plus two each Cessna 404s and C-152s. During the latter year, revenues of \$1.5 million are generated.

President Watkins employs a workforce of 15 in **1998–2000**. On October 10 of the latter year, the C-182RG, while operating a cargo serv-

ice from Gallup to Grants, New Mexico, crashes near Mount Taylor, killing its pilot.

DUTCHBIRD, S.A.: Fokkerweg 300-Oude Meer, 1118 ZX Schiphol Airport, Amsterdam, The Netherlands; Phone 31 (0) 20 605 58 00; Fax 31 (0) 20 605 58 10; <http://www.dutchbird.nl>; Code 5D; Year Founded 2000. Hans Mosselman, founder/owner of Sud Tours, establishes this in-house airline at Amsterdam on August 16, **2000** to operate inclusive-tour charters to the Canary Islands. From offices previously occupied by Fokker Aircraft at Schiphol Airport, Managing Director Jan Heppener completes arrangements to acquire slots at the Dutch facility and at various holiday airports in the Spanish islands. Recruitment of staff begins and in early November deals are struck with **Condor Flugdienst, GmbH** for the lease of three B-757-230s and with Condor Cargo Technik for a package of technical support services.

Painted in a bright yellow, red, and blue livery, the premier B-757-230 arrives on November 15. On the evening of November 21, Dutchbird receives its air operator's certificate and license from an official of the Netherlands Civil Aviation Authority. After 100 days of preparation, revenue flights to Palma de Mallorca and Tenerife begin on November 22. Interestingly, the same day, the aircraft contracts are officially confirmed, as is the arrangement with Condor Cargo Technik.

Early in December, a homepage is opened on the World Wide Web. The company announces that it will inaugurate a program of charters in the spring, most on behalf of Sud Tours, to destinations in Spain, Portugal, Greece, Turkey, and Cyprus. The second and third B-757-230 will arrive in March and April, respectively.

W. T. DWYER (PTY.), LTD.: Australia (1946–1947). William T. Dwyer forms this single-plane operation at Melbourne in the fall of **1946** to fly charter services to St. Helens. Like several other postwar Australian operators, the traffic proves insufficient to allow continuance and the company folds in December **1947**.

DWYER AIR CHARTER: Mason City Municipal Airport, Mason City, Iowa 50401, United States; Phone (515) 423-6453; Fax (515) 357-5087; Year Founded 1952. Dwyer is established as the local FBO at Mason City, Iowa, in **1952**. Over the next 45 years, the company undertakes a wide variety of passenger and cargo charter services and also establishes a facility at Minneapolis, Minnesota.

By **2000**, Barbara Dwyer oversees the work of 12 pilots. From Mason City, the company flies two each Cessna 402Bs and Cessna 172 Skyhawks, plus one each C-421, C-210, Piper PA-34 Seneca, and Beech 18S freighter. A Seneca and a C-402B are flown from Minneapolis (MSP).

DYNAMIC AIRLINES, B.V.: Luchthavenweg 43, Eindhoven, NL-5657, The Netherlands; Phone 40 252-8955; Fax 40 251-3939; Year Founded 1990. Organized as an air taxi at Eindhoven in **1990**, Dynamic's board appoints H. J. van den Hout as managing director. Plans are made to begin twice-daily, third-level service from Eindhoven to Southend in England. A fleet is assembled comprising two Piper PA-31-350 Navajo Chieftains and two Cessna King Air 200s. Scheduled passenger and cargo services are initiated linking the company's base with Strasbourg.

The Pipers are withdrawn in **1992**. Operations continue without change during the remainder of the decade.

E. W. WIGGINS AIRWAYS. See **MOHAWK AIRLINES (1)**

EAF CHARTER: United States (1967–1988). Executive Air Fleet is established at Teterboro, New Jersey, in **1967** as an aircraft leasing concern. Late in the year, it is decided to undertake executive passenger charters and contract service flights with a division named EAF Charter.

Over the next decade, the company workforce exceeds 175 in number and the fleet is made up of business jets and executive turboprops, such as Dassault Falcons, Learjets, Fairchild-Swearingen Merlins, and Beech Super King Airs. Operations continue.

By 1988, the company is the largest aircraft management and charter company in the U.S. That year, it is taken over by the expanding Swiss-based **Jet Aviation Group**.

EAGLE AIR (1): United States (1976–1980). Eagle Air is established at Sitka, Alaska, in 1976 to provide scheduled passenger and cargo flights to Angoon, Baranof, Hoonah, Tenakee, and various bush destinations. Revenue flights commence with de Havilland Canada DHC-2 Beavers, Cessna 185s, and a Piper PA-31-310 Navajo.

The energy crisis forces the company out of business in 1979.

EAGLE AIR (2): United States (1993–1995). The FAA Part 121 operating certificate of **Viking International Airways** is purchased by Gene H. Yamagata, CEO of Yamagata Holdings, in December 1992.

In early 1993, the carrier is renamed **Eagle Air**, doing business as **Viking International Airlines** and inaugurates charter passenger operations from its Minneapolis (MSP) base with its fleet of 2 Convair CV-600s, 2 CV-640s, and 1 Douglas DC-9-14. Formerly operated by **Delta Air Lines**, a DC-9-32 is acquired, as VIA completes its upgrade from a public charter company to a fully certified supplemental airline.

A total of 47,686 passengers are flown and revenues total \$2.9 million. Expenses are high and losses are suffered: \$1.29 million (operating) and \$1.64 million (net).

In 1994, Chairman Yamagata oversees a workforce of 90 and expands his fleet by the addition of one leased McDonnell Douglas MD-87. The previously leased DC-9-32 is returned to its lessor.

Passenger boardings jump to 115,000, but freight traffic declines by 35.7% to 210 million FTKs. Revenues skyrocket a remarkable 354.1% to \$13.18 million, but expenses leap 328.2% to \$17.97 million. The resulting operating loss is \$4.78 million and the net downturn reaches \$4.74 million.

The MD-87 is returned in 1995 and replaced by another chartered DC-9-14. A continuing decline in financial fortune forces the company to file for Chapter XI bankruptcy by spring.

Through April, 37,000 passengers are carried.

The carrier disposes of its large jets and is reformed into **Eagle Canyon Airlines**.

EAGLE AIR ARNARFLUG, H.F.: Iceland (1976–1994). A group of former employees from the bankrupt charter airline **Air Viking** form Eagle Air at Reykjavik on April 10, 1976. Viljalmur Jonsson is appointed president with Magnus Gunnarsson as managing director. Passenger and cargo charters with a Boeing 720 begin between Keflavik and Malaga on June 5.

Airline employment over the next two years grows to 50 and by late 1978 the fleet has grown by two B-720-047Bs.

Charter and contract service flights are maintained to resort areas in the Mediterranean and Southern Europe until September 1979 when the government approves the application to add scheduled domestic services to 11 points as well. These begin on September 14 and within months serve markets at Bildudalur, Blonduos, Flateyri, Gjogur, Grindarfjordur, Holmavik, Reykholar, Reykjavik, Rif, Siglufjordur, Stykkisholmur, and Sudureyri.

In 1980, a de Havilland Canada DHC-6-100 Twin Otter, a Cessna 402, and a Piper PA-31-350 Navajo Chieftain join the fleet. In November 1981, the carrier is granted permission to inaugurate international scheduled service.

Over the next three years, flights are initiated to Amsterdam, Dusseldorf, and Zurich. Managing Director Gudmundur Hauksom's fleet is altered to comprise two B-707-320s and a B-737-205C in addition to the commuter equipment.

The 707s are replaced in 1987 by a second B-737-205C. Another Cessna 402 and a second Twin Otter are obtained for the local network.

Hauksom is succeeded as managing director by Agnar Fridrinsson in 1988. The 80-employee fleet remains unchanged.

Passenger boardings, however, increase 43.5% to 51,806 and freight traffic is up by a staggering 150% to 7.21 million FTKs.

The workforce is increased by 25% in 1989 to 100 and the fleet now includes 1 B-737-205C, 2 Cessna 402s, and 1 each Twin Otter and Piper PA-31-350 Navajo Chieftain.

Customer bookings fall by 6.2% to 65,973 and freight plunges 63.4% to 2.53 million FTKs.

The world economic downturn late in the decade has a negative impact on the carrier's traffic and finances and it must stop flying in October 1990.

Operations resume from Reykjavik Airport in 1993. Hordur Einarsson is managing director and his fleet includes 2 Cessna 402s, 1 de Havilland Canada DHC-6-300, and 1 Piper PA-31-350 Navajo Chieftain.

The company again shuts down in 1994, this time for good.

EAGLE AIR SERVICES, LTD.: Box 838, Castries, St. Lucia, British West Indies; Phone (758) 452-1900; Fax (758) 452-9683; <http://www.eagleairslu.com>; Year Founded 1970. EAS is established at Vigie in 1970 to offer executive and small group passenger charters throughout the West Indies. Operations begin with a single Britten-Norman BN-2 Islander.

EAGLE AIRLINE: United States (1985–1986). Eagle is set up at Auburn, Alabama, in 1985 to provide daily roundtrip shuttle flights to Atlanta. Although Piper PA-23 Aztec revenue services are duly inaugurated, they cannot be maintained through 1986.

EAGLE AIRLINES (1): United States (1930). Employing American Eagle biplanes, Eagle Airlines is established at Kansas City in the summer of 1930 to offer scheduled multistop service to Minneapolis. Revenue flights commence in August; however, traffic is so light in poor economic times that the operation fails after the first snow in November.

EAGLE AIRLINES (2): United States (1971). The second Eagle Airlines is formed at Port Angeles, Washington, in 1971 to provide scheduled passenger and cargo flights to Seattle. Although Aero Commander 680 services commence, the carrier cannot achieve viability and quickly shuts its doors.

EAGLE AIRLINES (3): United States (1978–1981). In the remainder of 1978's fourth quarter after President Carter signs the Airline Deregulation Act into law, a third Eagle Airlines is set up at Long Beach, California, this one as a division of Eagle Aviation, an FBO. Employing Cessna 402s, it inaugurates scheduled passenger and cargo commuter flights to Los Angeles, Paso Robles, and Santa Catalina.

Operations continue until ATC restrictions brought on by the PATCO air traffic controllers' strike in late 1981 force the company into such deep financial difficulty that it must shut its doors.

EAGLE AIRLINES (4). See **VIKING INTERNATIONAL AIRLINES; EAGLE AIR (2)**

EAGLE AIRWAYS, LTD. (1): United Kingdom (1953–1960). To further promote long-haul scheduled services, **Eagle Aviation, Ltd.**, owner Harold Bamberg changes the name of his company to Eagle Airways, Ltd., on July 1, 1953. The maintenance subsidiary, Aviation Servicing, is simultaneously relabeled Eagle Aircraft Services. In late summer, new services are opened from London (CTN) to Aalborg and Goteborg, complementing the Blackbushe–Belgrade flights begun by the old company on June 6.

A total of 357 passengers are flown in 6 months of international service and the fleet grows to comprise 7 Vickers Vikings and a number of Douglas DC-3s.

A Vickers 610 Viking 1B freighter with three crew is destroyed by a hard landing at Nuremberg, Germany, on December 20; there are no fatalities.

Scheduled and charter flights continue in 1954. Vikings, converted to freighters, participate in the contract shipment of various goods throughout Europe during a nationwide dock strike.

During the year, the fleet is increased by the addition of two Avro York Is, six Vikings, and three DC-3s, although two of the Douglas transports, a Viking, and the Yorks are sold within six months.

During 1955, additional "trooping" services are flown to Egypt, the Mediterranean, and West Africa and Bamberg takes over the travel agency of Sir Henry Lunn, together with that company's booked inclusive-tour packages. The government now permits Eagle to launch several scheduled routes: Manchester to Munich and Vienna and Blackbushe to Luxembourg and Innsbruck.

Throughout the year, 11 Vikings and 2 DH 89As are added and 1 York I, 4 Vikings, and 1 Dragon Rapide are sold.

A variety of scheduled and charter services are taken up in 1956, including a large number of inclusive-tours flown for several travel agencies. On November 16, Eagle is the second airline to reach Vienna to participate in the evacuation of refugees fleeing the Hungarian Revolution. When the operation ends on December 14, Eagle has, in 36 flights, flown 1,200 of the 7,000 airlifted refugees permitted into Britain from Austria.

During the year, three Vikings, three Bristol 170 Mk. 21 Freighters, an Airspeed AS.65 Consul, and a DC-3 are purchased while six Vikings, a DC-3, and a DH 89A are removed.

In 1957, as plans are made for expansion, two Vickers Viscount 805s are ordered, with options taken on three more. A chartered Viking 1B en route to France on May 1 with 5 crew and 30 servicemen and their dependents aboard, crashes at Star Hill, near Basingstoke, England (34 dead). Scheduled service to Copenhagen and Hamburg is inaugurated on June 3. The exploratory company **Eagle Overseas Airways, Ltd.** is established on December 11; this becomes the subsidiary **Eagle Airways (Bermuda), Ltd.**

The first Viscount is delivered to Blackbushe on December 23; christened *Enterprise*, it is placed on the Hamburg route the next day.

This year also sees the fleet increased by the addition of seven Vikings, a DC-3, and two Vickers Valettas (although the DC-3 and the Valettas do not enter service) and decreased by the removal of three Vikings, all three Bristol 170s, and three DC-3s.

A Vickers 657 Viking I is destroyed in a ground accident at El Adem, Libya, on February 26, 1958. In April, the *Enterprise* flies to Bermuda and upon receipt of the **Eagle Airways (Bermuda) Ltd.** authority to America, launches daily Bermuda-New York Viscount 805 service on June 2. During the next 6 months, almost 10,000 passengers are carried on this route.

In February, a de Havilland DH 104 Dove and a DH 114 are purchased. The second Viscount 805 is received in March and is christened *Good Fortune*. It is employed to open several new regional routes during the summer: Blackbushe to Pisa, Manchester to Brussels, Copenhagen, and Hamburg, and Birmingham to Palma. The Vikings begin flying regularly Manchester-Ostend and Blackbushe-Ostend, Jersey, Innsbruck, Dinard, and Luxembourg.

In August and September, three Douglas DC-6As are purchased. During the year, the company sells five Vikings.

A second Caribbean subsidiary, **Eagle Airways (Bahamas), Ltd.**, is formed in the winter of 1959. Although the new DC-6A freighters boost freight business during the year, the number of European scheduled services and frequencies are cut back and the *Good Fortune* is transferred to Bermuda. In April, Viscount 805 service is started by **Eagle Airways (Bermuda), Ltd.** from Bermuda to Baltimore. The Bermuda subsidiary acquires 10% of the traffic on its New York route, carrying 15,000 passengers by December.

A chartered Vickers 635 Viking 1B with 4 crew and 32 passengers makes a forced landing at Agadir, Morocco, on December 22; there are no fatalities, but the aircraft is damaged beyond repair.

For the first time, Bamberg's operation has purchased no new aircraft during the year; however, the surviving Viking is retired.

Eagle Airways (Bahamas), Ltd. inaugurates Nassau-Miami Viscount 805 flights on March 1, 1960. With a significant Caribbean operation and one of the largest European networks of any British independent airline, the carrier becomes ripe for acquisition.

On March 21, major shareholding is assumed by the Cunard Steamship Co., Ltd., and the airline is transformed into **Cunard-Eagle Airways, Ltd.**

EAGLE AIRWAYS, LTD. (2): Private Bag 3048, Hamilton 2020, New Zealand; Phone 64 (7) 838-95999; Fax 64 (7) 838-9505; Code 6Q; Year Founded 1969. Formed at Hamilton on the North Island in summer 1969 as a charter operator, Eagle inaugurates flights early in November linking the base with Wanganui. During the next eight years, the carrier maintains lightplane flights to various destinations on the North Island.

Early in 1977, the carrier obtains permission to inaugurate third-level commuter service and in April begins scheduled frequencies to Auckland, Palmerston North, and Wanganui.

During 1978, the company adds one Embraer EMB-110P1 Bandeirante to the earlier fleet of a Piper PA-31-350 Navajo Chieftain, one Piper PA-30 Twin Comanche, and a Beech B-58 Baron.

Flights continue apace during the remainder of the decade and into the 1980s. Passenger boardings reach 36,000 in 1981 and 43,000 in the following year.

After the collapse of **Air Central, Ltd.** late in 1982, the company takes over a number of its routes. New stops include Nelson, Plymouth, Napier, Gisborne, and Rotorua.

Passenger boardings are 72,000 in 1983.

In 1984, the fleet comprises 2 Bandeirantes, 5 Navajo Chieftains, and 1 Beech Baron. Managing Director D. Good adds another EMB-110P1 in 1987-1988, retiring the B-58 and a PA-31-350.

In the summer of 1989, the national flag carrier, **Air New Zealand, Ltd.**, establishes a commuter and regional feeder system, Air New Zealand Link, modeled upon that sponsored by **Delta Airlines** in the U.S. In November, the major acquires 50% ownership in the small airline.

The route network in 1990 includes nine points all on the North Island, with the principal destinations being Auckland, Gisborne, Napier, and Tauranga. Malcolm Campbell becomes managing director and the fleet is upgraded by the addition of four more Bandeirantes.

One EMB-110P1 is withdrawn in 1991-1992 and is superseded by two Fairchild Metro IIIs.

In 1993-1994, the workforce totals 155 and the fleet includes 2 Metro IIIs and 6 Bandeirantes. Services link Auckland International Airport with Gisborne, Hamilton, Kaitia, Napier, Hastings, New Plymouth, Palmerston North, Taupo, Tauranga, Wanganui, Whakatane, and Whangarei.

Frequencies to these markets are continued in 1995-1999, as the fleet is increased to 8 Bandeirantes and 4 Metro IIIs. During these years, significant shareholding is taken by **Air New Zealand, Ltd.** and the company becomes an Air New Zealand Link commuter partner. Airline employment grows to 233.

A ninth Bandeirante joins the fleet in early 2000.

EAGLE AIRWAYS (BAHAMAS), LTD. See **EAGLE AIRWAYS, LTD.**

EAGLE AIRWAYS (BERMUDA), LTD. See **EAGLE AIRWAYS, LTD.**

EAGLE AVIATION (1): 2861 Aviation Way, West Columbia, South Carolina 29170, United States; Phone (803) 822-5577; Fax (803) 822-5592; <http://www.uponair.com/eagle>; Year Founded 1970. The first Eagle Aviation is established as the FBO at Columbia Metropolitan Airport in 1970. Over the next 30 years, the company also undertakes executive and small group passenger charters throughout North America with a fleet that comes to comprise one each Learjet 25, Learjet 35A, and Beech King Air 90.

EAGLE AVIATION (2): United States (1982). Long Beach, California-based Eagle Aviation offers scheduled Cessna 402 passenger flights to Santa Catalina during the summer of 1982, but thereafter closes its doors.

EAGLE AVIATION (3): 9601 Gron Road, Grosse Isle, Michigan 48138, United States; Phone (313) 676-8880; Fax (313) 676-6501; Year Founded 1989. The third Eagle Aviation is established as the FBO at Grosse Isle Municipal Airport in 1989. Over the next decade, it also undertakes executive passenger charters, cargo, and aerial photography flights with a single Bell 222 helicopter.

EAGLE AVIATION, LTD. (1): United Kingdom (1948–1953). With £100 capital, 25-year-old Harold Bamberg establishes the charter company Eagle Aviation, Ltd. on April 14, 1948. Next, he acquires and integrates the 18-month-old cargo carrier **Air Freight, Ltd.** and its Percival Proctor 5 and two Handley Page Halifax 8 freighters. The latter two are sent to Wunsdorf to begin participation on August 26 in the Berlin Airlift. A third Halifax, christened *Red Eagle*, is purchased in October and also sent to West Germany, joining the first two when the base of operations is switched to Hamburg on November 20.

Another Halifax 8 is acquired in February 1949. Two aircraft are withdrawn from service in June and July; however, for the final month of the airlift, two additional machines are leased, one from **British American Air Services, Ltd.**

In August, the company headquarters are established at Aldermaston and the ex-**Blue-Line Airways, Ltd.** Auster J/1 Autocrat, Avro 652A Anson, and Percival Proctor 5 are purchased along with a DC-3 to supplement the former military bombers. In September, three Avro 685 York Is are acquired from **British Overseas Airways Corporation (BOAC)** to replace a Halifax 8 simultaneously sold; the first enters service with Eagle in November. Various European charters are undertaken, including the December 20 transport of an entire circus from Valencia to Liverpool.

The last Halifax 8 is sold in January 1950, but the DC-3 (actually an ex-military C-47 converted to civil standard) enters service in March. A West Country scheduled route is obtained under a **British European Airways Corporation (BEA)** associates agreement, but its economic prospect results in a decision not to fly it. On April 1, company headquarters are transferred to London (CTN). York passenger and cargo charters continue and in July, the DC-3 is leased out to **Air Malta, Ltd.**

On September 1, **Trent Valley Aviation, Ltd.**, a charter company working from Tollerton, is purchased, together with its DC-3, a de Havilland DH 89A Dragon Rapide, and a scheduled route from its base to the Channel Island of Jersey, which latter is confirmed for Eagle on October 26.

Meanwhile, the last Halifax 8 accepts several Far East cargo contracts from BOAC; on November 25, the aircraft is destroyed in a crash at Calcutta.

Three Yorks and a stockpile of spare parts are purchased from the Argentine Liquidation Commission in December for approximately £30,000. At year's end, the carrier is the largest operator of four-engine transports in Europe.

A Percival Proctor 1 is added to the fleet in January 1951 and in June, Trent Valley Aviation, allowed to fly under its previous name as a subsidiary, reopens its old Tollerton–Jersey scheduled route.

The first of many Air Ministry multiflight contracts is received in August for flights to Singapore. Charters are flown worldwide, including one York flight December 18–January 1 that covers 31,000 miles from Britain to Japan, Hong Kong, Brazil and back to Britain.

At year's end, capitalization is increased to £50,000 and the employee population numbers 100, including 12 pilots.

In January 1952, a two-year Air Ministry contract is received for the transport of servicemen between the U.K. and Rhodesia; the first York flight under the program departs on January 21. Additional Air Ministry flights during the year are made to Japan, Singapore, Egypt, and Malta.

Four ex-RAF C-47s are purchased in April and May and are converted to DC-3 civil standard. On June 30, the company's Yorks complete a year in which 8,450 civilian and 2,250 military personnel have been flown nearly a million miles.

Beginning on July 2, Eagle begins special flights for English students wishing to holiday in European cities. In August, the Turkish Olympic team is returned to Istanbul.

A York is destroyed in a Berlin crash on August 24. In September, the name of Air Freight, Ltd. is revived and assigned to three newly purchased Avro Yorks. Meanwhile, the DC-3s purchased during the summer enter service.

On October 3, a York departs London (CTN) on the first leg of the longest charter flight yet made by a British independent; 37,000 miles are covered by the time the Avro returns at month's end.

On November 25, the entire York fleet, along with the Air Ministry Rhodesian contract, is sold to **Skyways, Ltd.** for £160,000; two aircraft are turned over immediately and one in February plus two in July of the following year when the **Air Freight, Ltd.** title disappears forever.

Meanwhile during the month, Blackbushe-based Aviation Servicing is purchased and Harold Bamberg moves his company to the site of his new acquisition to continue as a short-haul operator. Three Vickers Vikings are purchased from failed Crewsair, Ltd.; the two operable machines fly newspapers Manchester–Dublin through year's end.

Newspaper and passenger charters continue into 1953. In March, the three old Crewsair, Ltd. Vikings are sold to **Airwork, Ltd.**; however, the same month, the carrier is granted a license to operate a scheduled service London–Munich–Belgrade. This new opportunity brings need for new aircraft and in late March through June, the company purchases eight Vikings from **British European Airways Corporation (BEA)**.

Simultaneously, the well-used Auster J/1 Autocrats are also disposed of. Meanwhile, the DC-3s continue their charter flights, including the March–May airlift of refugees out of Berlin.

On June 6, weekly London–Belgrade via Munich scheduled Viking service begins, the first international scheduled passenger service by a British independent since before World War II. In order to further develop long-haul scheduled possibilities, owner Bamberg renames his company **Eagle Airways, Ltd.**, on July 1.

EAGLE AVIATION, LTD. (2): P.O. Box 93926, Old Port Reltz Road, Mombasa, Kenya; Phone 254 (11) 434 502; Fax 254 (11) 434 249; Code Y4; Year Founded 1986. Eagle Aviation is set up at Mombasa in the fourth quarter of 1986 to offer passenger and cargo flights to regional destinations and domestic communities, as well as big game parks. Shareholding is divided between Capt. Gilbert Kibe, Capt. Charles Muthama, Capt. Kiran Patel, and T. Raja; Kibe serves as chairman with Muthama as managing director. The partners pool their funds and purchase a single Piper PA-31-310 Navajo, which is employed, beginning on December 18, to operate daily charters to Amboseli and Maasai Mara. The services are successful and a second Navajo is added in December 1987.

A Britten-Norman BN-2 Islander is acquired in early 1988 to operate charters from Mombasa to Lamu Island, where an offshore resort is being developed. The new enterprise is a big hit with tourists and, thus, a larger de Havilland DHC-6-300 Twin Otter is also acquired. It will prove expensive to operate and puts heavy pressure on company's coffers.

Flights continue apace in 1989–1991. During the latter year, tragedy strikes when a midair bird strike causes the loss of a Navajo, together with its pilot and eight passengers.

Capt. Patel, the driving force behind the airline's founding, is now in charge and he locates a Fairchild SA26-T Merlin III in the Congo that could be leased as a replacement for the Piper. Unfortunately, the Merlin comes with bad engines, so poor that Patel takes the plane back to the lessor, Satair, which agrees to turn over another SA26-T Merlin III, in exchange for the Twin Otter. A deal is struck.

A scheduled division is formed during the spring of **1992** and a second Fairchild, an SA227-AC Metro III, is also acquired. The new unit begins scheduled revenue operations during the summer flying from Mombasa to Nairobi. In addition, charter operations are flown into Somalia on behalf of the United Nations.

Both aircraft are soon lost. The first, an SA26-T Merlin III, is lost at Wilson Airport, Nairobi, on October 1 when its nosegear collapses; no injuries are reported.

On October 25 the SA227-AC Metro III runs off the airstrip while landing at Mogadishu, Somalia; although none of the 10 aboard is injured, the aircraft must be written off.

With cash flow now a significant problem, the Nairobi office is closed down and the fleet is moved back to Mombasa, where the original charter business of flying to game parks and Lamu Island is resumed. Plans for rebuilding are put in place.

The company takes the marketing name International African Eagle in **1993-1994** and continues operations with four Let L-410As, the first of which is delivered under charter from Skoda in August 1994. The lease for the other Czech-made turboprops is secured via the trade of a Navajo.

The second Let arrives in December and destinations visited from Mombasa grow to include Kilimanjaro, Kisumu, Lamu, Malindi, Masai Mara, Nairobi, and Zanzibar.

The second and third Czech turboprops arrive in February and March **1995**, respectively. An office is reopened in Nairobi and scheduled service from Wilson Airport to Mombasa is resumed.

The fleet is increased in July with the addition of an Aero International (Regional) ATR42-320. A second is delivered in December.

Service continues apace in **1996** as the 115-employee company gathers strength for a new enterprise. Still, there is discord over the ATR decision and founders Muthama and Kibe resign to start their own airline in Uganda.

During the spring of **1997**, Eagle elects to challenge **Air Kenya Aviation, Ltd.** on its established Nairobi to Mombasa trunk line. With heavy promotion, Eagle undertakes daily services employing the Czech equipment, as well as its ATR42-320s. Air Kenya Aviation elects to fight back, employing a new de Havilland Canada DHC-7-102. At the end of the year, a code-sharing agreement is signed with **Kenya Airways, Ltd.**

The pact with the flag carrier begins in early **1998**. One ATR, operating under Kenya Airways' "KQ" flight code, offers increased frequencies to Malindi, Kisumu, and Eldoret from both Nairobi and Mombasa.

During the spring and summer, plans are discussed for the initiation of additional services to the domestic communities of Garissa, Lodwar, Rudolf, and Lamu Island. Discussions are also held with the government of Tanzania concerning the introduction of additional services to that nation once a new bilateral air agreement is signed. Flights would be started with the second Eagle ATR to Arusha from Nairobi and to Mwanza on Lake Victoria from Kisumu.

Under the code-sharing agreement with **Kenya Airways, Ltd.**, an Eagle ATR42-320 initiates new twice-daily nonstop Interlink roundtrips on May 1, **1999**, between Nairobi and Lokichoggio. Interlink services are expanded on June 1 with new flights from Nairobi to Malindi, Lamu, Kisumu, and Eldoret.

Beginning on June 19, the company operates its three ATR42-300s on Kenya Interlink services on behalf of **Kenya Airways, Ltd.** The flights end on June 30 when **Kenya Flamingo, Ltd.** takes over the country's domestic feeder routes.

At the request of its owners and loaning partner PTA Bank, in order to safeguard their own stake and debenture, the carrier is placed into receivership (bankruptcy) on October 24. PriceWaterhouseCoopers is appointed by PTA Bank to manage the airline's assets. Some analysts suggest that the move has been made to prevent several creditors from closing in on the carrier's assets, including its aircraft. **Kenya Airways, Ltd.** had earlier threatened to seize Eagle's 4 Let L410UVPs and 3 ATR42-320s due to unpaid maintenance invoices.

EAGLE AVIATION (U), LTD.: P.O. Box 7392, Kampala, Uganda; Phone 256 (41) 344292; Fax 256 (41) 344501; <http://www.eagleuganda.com>; Code EGU; Year Founded 1994. Three professional pilots established EA (U) at Entebbe International Airport, near the national capital, in June **1994**. Employing a fleet of 3 Let L-410UVPs, the new company launches charter flights throughout Uganda and into Kenya, Tanzania, Zaire, Rwanda, Burundi, Sudan, and Ethiopia.

The company is granted a scheduled operators license in August **1995** and, starting in September, offers a domestic schedule of services to Arua, Adjumani, Gulu, Moyo, Pakuba (outside Murchison Falls National Park), Kisoro, Kaese, Mwera (near Queen Elizabeth National Park), Mbarara, and Ishasha. Plans are drawn up for international scheduled services and applications are placed with regional governments.

The government of Tanzania in **1996** authorizes Eagle to launch scheduled thrice-weekly return service from Entebbe to Mwanza.

With the beginning of the Zaire civil war, which continues in **1997**, flights to that nation are halted. The new government of the Democratic Republic of the Congo grants Eagle authority to operate thrice-weekly roundtrips from Entebbe to Goma and Bunia; however, with the resumption of fighting, this new schedule is not implemented.

Application is made in early **1999** for membership in IATA. Simultaneously, a homepage is opened on the Internet's World Wide Web.

EAGLE CANYON AIRLINES: 275 East Tropicana, Suite 220, Las Vegas, Nevada 89109, United States; Phone (702) 736-3333; Fax (782) 895-7824; <http://www.gcanyon.com/eagle>; Code FE; Year Founded 1995. Eagle Air (2) and Lang Aire are combined at Las Vegas in the spring of **1995** when Gene Yamagata, CEO of Yamagata Holdings, elects to quit the big-jet charter business and concentrate on the Grand Canyon aerial sight-seeing and charter business of Larry Siggelkow's Lang Aire. Mr. Siggelkow is named president of the new Eagle Canyon Airlines and Eagle Jet Charter is established as a subsidiary to offer executive flights with a Learjet 25B.

Siggelkow's previous fleet of 11 Cessna 207As and 402Cs grows dramatically and comes to include 4 each de Havilland Canada DHC-6-100 Twin Otters and Convair CV-580s and 2 each DHC-6-200s, DHC-6-300s, and DHC-8-100s. During the year, one each Fokker F.27-600 and F.27-200 are added, the latter acquired from **Mesaba Airlines**. The Friendships are employed to inaugurate scheduled services between Las Vegas and Grand Canyon Airport.

Another Fokker F.27-200 is purchased from **Mesaba Airlines** at the beginning of **1996**. One of the F.27-200s, under Eagle Jet Charter titles, is posted at Atlantic City to fly gambling and sports charters from that New Jersey community on behalf of Caprel Services. East Coast markets visited include Hartford, Albany, Philadelphia, Richmond, Norfolk, Raleigh-Durham, and Pittsburgh.

On June 7, a joint marketing, ticketing, and baggage agreement is signed with **TriStar Airlines** at Los Angeles. The two will also code-share on connecting services from Los Angeles or San Francisco to the Grand Canyon; through passengers are allowed a Las Vegas stopover at no additional cost. Passenger boardings reach 156,391 by December 31.

A new livery, designed by Elliot Epstein, vice president-operations, is unveiled on January 12, **1997**. Early in February, two more F.27s, both Dash-500Fs, are acquired, with one assigned to Atlantic City to replace the East Coast unit that now returns to Las Vegas.

While standing at the Atlantic City International Airport ramp on April 1 preparatory to departure on a charter, the F.27-500F with 3 crew and 34 passengers is struck and substantially damaged by a driverless **Nations Air** maintenance van. One passenger receives minor injuries and the flight is cancelled.

In May, the company launches hourly shuttle flights between McCarran International Airport and Grand Canyon.

A third F.27-200 is purchased for spare parts during the summer as Eagle becomes the last U.S. passenger airline regularly flying the Fokker Friendship. Cliff Evarts becomes Eagle Canyon's CEO in the fall, with Grant Murray as president.

Customer bookings this year accelerate 29.5% at Eagle Canyon to 202,468. Enplanements at the Eagle Jet subsidiary climb to 31,520.

Flights continue in 1998. On August 27, in order to concentrate on its core business of providing regional airline service, **Skywest Airlines** sells most of the assets of its **Scenic Airlines** subsidiary to Eagle Canyon. In making the announcement, Skywest's executive vice president, Bradford R. Rich, notes that the Page, Arizona-based tour division will be retained. The sale includes all 18 of Scenic's Twin Otter Vistaliners and other assets that Eagle hopes to eventually integrate. Overall passenger boardings for the year decline by 15% to 172,000.

The workforce stands at 190 at the beginning of 1999. Amalgamation of Scenic and a planned name change to Eagle Scenic Airlines is not reflected on the company's Internet homepage by late July. Passenger boardings skyrocket 194.7% to 506,000.

EAGLE COMMUTER AIRLINES: United States (1976–1986). Formed by Gerald James and George Day at Brownwood, Texas, in the fall of 1976, ECA begins scheduled passenger service on December 1 as replacement for **Texas International Airlines** on a route to Dallas (DFW), Waco, Houston, Austin, San Antonio, San Angelo, Eastland, and Lufkin. Flights are undertaken with a pair of Piper PA-31-350 Navajo Chieftains. The Oklahoma city of McAlester joins the route network late in the decade, along with several Britten-Norman BN-2 Islanders.

A Navajo Chieftain is lost in an accident at Houston (HOU), on March 21, 1980.

Operations continue apace during the remainder of the early 1980s and, by 1985, enplanements are 4,830.

In January 1986, the FAA lifts the carrier's operating certificate for various maintenance regulation violations. All efforts to win it back fail.

EAGLE EUROPEAN AIRWAYS, LTD.: United Kingdom (1993–1994). Following its December 1992 purchase by new owners, **Merrix Air, Ltd.** is reformed at its Exeter Airport base in January 1993. General Manager Martin G. Wild and Managing Director Richard Merrin oversee a workforce of 6 and acquire a Piper PA-31-310 Navajo and an Embraer EMB-110 Bandeirante, the latter by lease from David Martin Worldwide, Ltd.

Scheduled service is inaugurated in February from the company's base to Manchester. The fleet grows by a second chartered Embraer EMB-110 Bandeirante in October when a route is stretched to Morlaix and the carrier adopts its present corporate identity.

Operations continue apace during 1994, although one of the Bandeirantes is replaced by a British Aerospace BAe Jetstream 31. Operations are suspended in July.

EAGLE HELICOPTERS: 5311 E. Rutter Ave., Spokane, Washington, 92212, United States; Phone (509) 534-1285; Fax (509) 533-0468; Year Founded 1980. Eagle Helicopters is established at Spokane in 1980 to provide helicopter work services to the surrounding area, eventually venturing throughout the Northwest from the Rocky Mountains to the Pacific coast. During its first 18 years, the concern engages in personnel charters, timber surveys, photographic and motion picture support work, long-line environmental drill support, long-line seismic magnetometer surveys, external loads (particularly the lifting of air conditioners onto roofs) and, under contract to the U.S. Forest Service, fire suppression and crew support.

By 2000, the company employs 3 full-time pilots and operates 2 each Eurocopter AS-350B A-Stars, SA-315B Lamas, and SA-316B Alouette IIIs.

EAGLE JET CHARTER. See **EAGLE CANYON AIRLINES**

EAS AIRLINES, LTD. See **EXECUTIVE AIRLINE SERVICES, LTD. (EAS)**

EAS CARGO AIRLINES, LTD.: Nigeria (1986–1992). EAS Cargo Airlines, Ltd. is set up at Lagos, Nigeria, in 1986, to offer freight charters to African and European destinations. Revenue operations commence with a single Boeing 707-351C first flown by **Northwest Airlines**.

Flights continue until January 1992 when the concern quits the all-cargo business in favor of the establishment of an executive jet charter service, **Executive Airline Services, Ltd. (EAS)**.

EAS EUROPE AIRLINES, S.A. See **EUROPE AERO SERVICES, S.A.**

EAST AFRICAN AIRWAYS CORPORATION (EAA): Kenya, Uganda, Tanganyika, Zanzibar (1946–1977). Under provisions of an October 30, 1945 East African Territories (Air Transport) Order in Council, EAA is incorporated on January 1, 1946 by the governments of Kenya, Uganda, Tanganyika, and Zanzibar. Initial capitalization is £50,000 and ownership is divided between the governments on a basis of 68%, 23%, 9%, and 0.7%, respectively. Sir Charles Lockhart is appointed chairman.

British Overseas Airways Corporation (BOAC) provides technical support under contract for six de Havilland DH 89A Dragon Rapides leased from the Ministry of Civil Aviation and continues to operate long-haul services from the capital cities. A total of 12 pilots are recruited and proving flights, begun late the previous year, are completed by the end of the first quarter.

Regional services are initiated on April 3 as the Dragon Rapides commence 21 weekly services. These include five-times-a-week roundtrips from Nairobi to Dar es Salaam via Mombasa, Tanga, and Zanzibar and from Dar es Salaam to Tanga via Zanzibar. Thrice-weekly services are from Dar es Salaam to Nairobi via Zanzibar, Tanga, and Mombasa. Twice-weekly services are from Nairobi to Dar es Salaam via Moshi, from Nairobi to Entebbe via Kisumu, and from Dar es Salaam to Lindi. Weekly services are from Nairobi to Kitale via Eldoret and from Dar es Salaam to Mbeya via Morogoro, Nduli, Southern Highlands, and Chunya.

A DH 89A is lost in an accident on June 28 under unknown circumstances, but is soon replaced by another unit.

At the request of the government of Tanganyika, the company undergoes reorganization beginning on September 1, on which day the company's fleet is grounded for a month. Sir Reginald Robbins becomes the second chairman on October 1, with Malin Sorsbie as general manager. A £34,200 order is placed for six more Dragon Rapides.

A total of 9,403 passengers are carried in this inaugural year, but a £25,483 operating loss is suffered.

As the new aircraft become available in 1947, additional routes and frequencies are introduced. BOAC is approached for newer and larger aircraft.

Bookings climb to 13,580 and the operating loss falls to £19,617.

On February 22, 1948, the carrier receives five Lockheed L-18 Lodestars and spare parts for them from **British Overseas Airways Corporation (BOAC)**; costing £30,000, the five are christened *Lake Victoria*, *Lake Nyasa*, *Lake Albert*, *Lake George*, and *Lake Edward*.

The U.S.-made Lockheeds are followed on February 27 by the delivery of four DH 104 Doves; costing £53,200, the quartet receives the names *Masai*, *Buganda*, *Chagga*, and *Swahili*. The heat and high altitude of East Africa will result in poor performance by these de Havillands.

The Lockheeds are placed into service over the Nairobi–Dar Es Salaam route on March 21 and the Doves on the Nairobi–Entebbe run on April 14. L-18 Nairobi–Lindi flights via Mombasa begin on April 13. During the summer and fall, a cooperative route into the Belgian Congo is operated with **Sabena Belgian World Airlines, S.A.** employing the Belgian line's L-18s.

Bookings reach 23,000 and the operating loss is reduced to £11,931.

Sir Alfred Vincent becomes the third chairman, on January 1, 1949 and capitalization is increased to £221,500. Following closure of the

Congo joint venture at the end of the second quarter due to low ridership, the three L-18s employed on that service are purchased by EAAC; only one is named, the *Lake Naivasha*.

The first Douglas DC-3 is delivered on October 25; christened *Kongwa Pioneer*, it is placed on charter service to Uranbo on November 5. Meanwhile, a coastal Nairobi–Durban DH 89A route is opened on November 2. The second DC-3, *Iringa Pioneer*, arrives in December.

Enplanements total 36,132 and a £5 operating profit is cheered.

The third DC-3, *Mbeya Pioneer*, is acquired in the spring of 1950. Weekly Nairobi–Salisbury DC-3 flights via Mbeya begin in August. A new route is also started between Nairobi and Durban via Dar es Salaam and Blantyre. The first Dove is withdrawn late in the year.

Bookings accelerate to 49,000.

Two Macchi MB-320s are placed in service in 1951, but being found unsuitable, they are quickly withdrawn, as are the last three DH-104s, two DH 89As, and three Lodestars; a fourth Lodestar is withdrawn for parts cannibalization. At the same time, arrangements are completed for the purchase of Lodestars from **South African Airways (Pty.), Ltd.** EAAC had originally requested four, but SAA will only provide the planes if the company takes seven. Consequently, the seven arrive during the remainder of the year and are christened *Mtwara Safari*, *Tanga Safari*, *Uganda Safari*, *Kenya Safari*, *Tanganyika Safari*, *Mombasa Safari*, and *Zanzibar Safari*. They will receive new engines over the next 12 months.

The Durban service ends and overall passenger boardings advance to 63,594.

On February 6, 1952, Queen Elizabeth II, on the day of her accession, begins her return to London aboard the DC-3 *Kongwa Pioneer* from Nanyuki to Entebbe; the aircraft is the first of any airline ever to carry a reigning British monarch.

L-18s are employed to transport Muslim pilgrims on Hadj flights to Mecca beginning in May; the charters are operated in cooperation with **Aden Airways, Ltd.** Hadj flights will be flown every spring hereafter. Plans are made to replace the Lodestars as six more DC-3s join the fleet under the names *Seyyid Said Bin Sultan*, *Lord Delamere*, *Sir John Kirke*, *J. Hanning Speke*, *Joseph Thomson*, and *Sagana II*.

The uprising of the local Mau Mau rebels leads the colonial government to declare a state of emergency on October 20.

Withdrawal of the Lodestars accelerates during the fourth quarter and enplanements for the year are 94,216.

Airline employment stands at 900 in 1953. An ultimately unsuccessful new route is inaugurated in January from Mombasa to Victoria, Seychelles. The final scheduled L-18 service is completed in February; thereafter, the Lodestars become freighters. When all-cargo flights are launched in September, among the most noteworthy is the transport of fresh milk daily from Mombasa to Dar es Salaam and the return of the empty cans.

The original DC-3s *Kongwa Pioneer*, *Iringa Pioneer*, and *Mbeya Pioneer* are sold and are replaced by four newer units, *David Livingstone*, *Sir Richard Burton*, *James A. Grant*, and *Alexander M. Mackay*. In addition, a Consolidated PB5-5A Catalina is also purchased. Although the flying boat will represent the company in the motion picture *Mogambo* (directed by John Ford and starring Clark Gable and Grace Kelly), it will be gone within a year, sold to the small operator **Seychelles-Kilimanjaro Air Transport, Ltd.**

Passenger bookings are up to 108,783.

During a state visit to Uganda, Queen Elizabeth II and Prince Philip fly to their April 29–30, 1954 appointments aboard an EAA DC-3. The regional route from Nairobi and Dar es Salaam to Durban via Blantyre, closed in 1951, is now reopened. The first DC-3 cargo flights begin during the fourth quarter.

Customer boardings this year advance to 131,431.

On May 18, 1955, a DC-3 with 4 crew and 16 passengers crashes into Mt. Kilimanjaro, Tanganyika; the wreck is found three days later and there are no survivors.

In December, Nairobi–Salisbury DC-3 service via Abercorn and Lusaka is inaugurated.

Passenger traffic is 151,507 for the year.

The fleet in 1956 includes 10 DC-3s and 4 DH 89As; a DC-3 is chartered from **South African Airways (Pty.), Ltd.** to replace the one lost the previous year. Arrangements are made to charter three Canadair DC-4M Argonauts (known in the U.K. as C-4s) from the British flag carrier. Weekly Dar es Salaam–Ndola and Entebbe DC-3 operations are launched in March.

Bookings this year are up to 169,446.

In early winter 1957, arrangements are made to acquire a pair of wet-leased Argonauts from **British Overseas Airways Corporation (BOAC)**. The first unit is delivered on March 4 and, employing a BOAC crew, begins Dar es Salaam to London flights via Entebbe, Khartoum, Benghazi, and Rome, on April 2, followed later in the month by service Nairobi to Durban service via Dar es Salaam.

A second and third C-4 Argonaut arrive on August 24 and September 2 and EAA crews take over the roundtrip BOAC London to Nairobi and Dar es Salaam Argonaut service on September 3. Nairobi to Bombay via Aden and Kuwait Argonaut service begins on September 15, the first Indian service to be flown directly from East Africa.

The British name Argonaut is dropped for the DC-4M, which reverts to that of its manufacturer when the three planes are purchased toward year's end. As the marketing department has it in its advertisements, customers are encouraged to "Fly the Canadair!"

Passenger boardings this year swell to 174,991.

Another C-4 Argonaut is received, under lease, in April 1958. DC-3s replace DH 89As on the routes to Soroti, Musoma, and Tororo. When Wilson Airport opens at Nairobi, all of the airline's engineering facilities are transferred to it.

In August, an order is placed for two DH 106 Comet 4s for 1960 delivery, and the fourth C-4 Argonaut is returned to BOAC.

All three of the remaining ex-BOAC aircraft are transferred to the South African route when a Bristol Britannia 102, also chartered from **British Overseas Airways Corporation (BOAC)**, begins Nairobi–London service on October 8. Later in the month, a second weekly service to Bombay via Aden and Karachi is initiated.

In November, authority is received from Great Britain for the inauguration of a single, weekly Canadair coach-class service to England, beginning in the new year.

Jet service to London begins on December 2 under a block-seat agreement with **British Overseas Airways Corporation (BOAC)**, which grants EAAC the right to purchase a set number of reserved seats on each roundtrip. Enplanements for the year drop to 158,841.

Low-cost Colonial Coach-class DC-4M Canadair service is introduced between Nairobi and London during the first week of January 1959.

On January 6, Canadair service starts from Nairobi to Johannesburg. The number of destinations visited now approach 40, although Mombasa's airport still requires improvement before it can be employed by the Canadairs. A second leased Argonaut enters service in February. Toward the end of the year, the carrier again confirms its order for two Comet 4s of its own.

Boardings drop again, down to 153,717.

A DC-3 is lost under unknown circumstances in a crash at Entebbe on January 12, 1960.

During July, a pair of DH-89As are removed from service and provided to a new subsidiary company, the reactivated **Seychelles-Kilimanjaro Air Transport, Ltd.** It begins to operate them over a route from Zanzibar to Pemba via Tanga and Dar es Salaam. The two Dragon Rapides are replaced with DC-3s, while the last two remaining DH-89As are sold out of service for £6,000.

The two owned Comet 4s are delivered during July and August, while a third is ordered.

As the situation in the Belgian Congo deteriorates, the company provides sufficient airlift to evacuate 1,500 Western citizens from danger.

Captained by Peter Henn, the Comet 4 VP-KPJ inaugurates London–Nairobi twice-weekly service via Rome on September 17; Nairobi–

Rome–London return flights commence on September 19. On September 22, London–Nairobi and Dar Es Salaam Comet 4 flights via Rome and Khartoum are inaugurated. The London–Nairobi Comet 4 route is extended to Johannesburg on October 8.

This year, in which EAAC becomes the first Commonwealth airline to operate the Comet 4, enplanements soar to 191,741.

Although resources are knowingly stretched thin in serving three widely separated points, Comet 4 Bombay flights via Karachi are launched on January 2, 1961. These are the first jet services across the Arabian Sea.

A fourth de Havilland jetliner is ordered in March. Service to London is flown via Benghazi beginning in April, with the stops at Khartoum and Rome withdrawn. Arusha to Mwanza flights commence in April and in October DC-3 charter flights commence to the coastal city of Malindi.

An agreement for pooled services with **Aden Airways, Ltd.** is signed during the fourth quarter.

Customer boardings this year are level.

The fleet in 1962 includes 9 DC-3s, 3 Comet 4s, and 3 owned and 2 leased DC-4M Canadairs.

Having purchased a set number of seats and cargo space, the company's Comets begin stopping at Aden in early January. The route between Nairobi and Aden is offered four times a week: once each by EAAC Comet and Canadair and twice by Aden's own C-4 Argonauts.

A Canadair C-4 Argonaut with three crew and on a training flight crashes while landing at Nairobi on April 11; there are no fatalities.

The third Comet 4 is delivered on April 12, replacing the weekly Canadair service to Karachi with a twice-weekly service to and beyond the Pakistani city.

Patrick A. Travers becomes general manager on May 1, the same day roundtrip frequencies to London are made daily.

During the third quarter, £1.15-million order is placed for three Fokker F.27-100s; soon thereafter, a fourth is requested as well.

The new passenger terminal at Wilson Airport, Nairobi, is dedicated in September.

The first three Fokker Friendships are delivered in October and November and are employed on route proving and training flights for the remainder of the year. Traffic figures are unavailable.

In early 1963, the F.27-100s are placed in service over the short-haul and regional routes, replacing DC-3s on several, including the service to Durban.

The last Canadair is retired by the end of the first quarter. During April, planning starts for a pooled service, with **Aden Airways, Ltd.** and **Air India, Ltd.**, from East Africa to India. Details are worked out and an agreement between the three companies is signed on August 14, taking effect on September 1.

Meanwhile, in early August, a general ban against **South African Airways (Pty.), Ltd.** flights throughout Africa is begun.

A DC-3 being prepared for a charter to Bechuanaland to pick up and return 28 refugees is burnt out at Francistown, Kenya, on August 29.

Weekly DC-7CF all-cargo service between Nairobi and London begins on October 4. EAAC halts its F.27-100 service to Durban and Comet 4 flights to Johannesburg on October 12. The next day, Paris becomes a stop on the service from Nairobi via Benghazi to London.

A fourth F.27-100 is delivered in January 1964.

Three Vickers Super VC10s are ordered in the spring. Twice-weekly F.27-100 service is inaugurated on April 1 to Bujumbura, Burundi, from Nairobi and Entebbe. On April 2, Nairobi and Entebbe to Frankfurt Comet 4 flights commence. Service to the underdeveloped airports at Mafia and Kilwa now ends.

Improved services to India become the goal of the May operational start of a pooling arrangement entered into the previous fall with **Air India, Ltd.** and **Aden Airways, Ltd.**

Comet 4 flights are started from Nairobi to Bombay via Addis Ababa and Karachi during August.

On October 6, 1,500 workers strike at Nairobi to protest the delays seen in the "Africanization" of the carrier's senior administrative posi-

tions. Also in October, twice-weekly Nairobi–Cairo and weekly Nairobi–Addis Ababa Comet 4 operations are inaugurated.

Chairman Sir Alfred Vincent retires in December.

Chief A. S. Fundikira becomes chairman on January 31, 1965; Wilson Kyobe is appointed general manager as the "Africanization" process begins. A working committee examines the legal foundation of the consortium carrier and BOAC is requested to withdraw its ownership stake, in exchange for a buyout of its contract.

The workforce totals 3,117 and the fleet stands at 3 Comet 4s, 6 DC-3s, 1 DH 104, and 4 F.27-100s, divided among the registries of Kenya, Uganda, and Tanzania.

On March 31, a £11 order is placed for three Vickers Super VC10s. A Comet 4 is leased from BOAC in October, while all of the aircraft receive a new livery.

Revenue passenger miles for the year total 351,224.

Direct Comet 4 service is inaugurated on February 9, 1966 from Nairobi to Blantyre. The jet service is in addition to that provided with F.27-100s and is laid on to replace the loss of service that occurs when **Central African Airways Corporation** stops flying into Nairobi. BOAC receives a £250,000 buyout check during the first quarter.

A pool agreement is signed with **Ethiopian Airlines, S.C.** in March; under its terms, EAAC operates twice-weekly shared Comet 4 service from Nairobi to Addis Ababa while Ethiopian flies thrice-weekly B-720-060B roundtrips from Addis Ababa to Nairobi.

Twice-weekly Comet 4 roundtrip frequencies between Nairobi and Ndola start in May.

The first Super VC10 is delivered in October, beginning service to London; the second Super VC10 arrives in December.

The Comet 4 leased from BOAC in 1966 is returned in March 1967. Also during the first quarter, de Havilland DHC-6-100 service is inaugurated, with a leased machine, to Tsavo National Park for tourists wishing to visit Kilaguni Lodge. Orders are placed for the Canadian-made turboprops.

Comet 4 flights to Mauritius starts in April, followed by May frequencies from Nairobi to Lagos and Accra. Meanwhile, the third Super VC10 arrives in April, at which point a firm order and an option are placed, respectively, for fourth and fifth units.

Service to Cairo is suspended following the Six-Day War in June.

The first owned Twin Otter is received in July, having been flown from Downsview, Ontario, to Nairobi by an EAAC crew. A Super VC10 completes a roundtrip Bombay to Hong Kong proving flight in September.

The Super VC10s displace the Comet 4s in November from their services to Europe and India; the Comet 4s are, however, retained for regional and charter operations. Kenya, Uganda, and Tanzania sign a Treaty for East African Cooperation on December 1. Among its clauses is a requirement that certain public corporations, including EAAC, have their constitutions rewritten and their boards reshaped.

The last DH 89A is withdrawn in early 1968, while the number of DC-3s is reduced to just six. The displaced capacity is made up through the delivery of three more Twin Otters. Service to Athens begins on April 3.

The previous year's proving flight having been deemed a success, Super VC10 roundtrips between Bombay and Hong Kong commence in November.

Another Super VC10 is delivered in April 1969. As a result, frequencies to Frankfurt, Hong Kong, Paris, and Rome are increased in number and new stops are made at Bangkok and Copenhagen.

Two former **Swissair, A.G.** DC-9-15s are leased from their manufacturer in November; however, the charter on the second is cancelled before its arrival.

A Comet 4 is leased for a quarter from **Dan Air/Dan Air Services, Ltd.** on January 9, 1970 as partial replacement for two owned EAAC Comet 4s removed due to corrosion.

Dan Air sends another Comet 4 to the company on February 22. The last of five VC10s, a Super VC10, joins the fleet on February 28, and is the last of the just 54 VC10s built.

On May 19, orders are placed for three DC-9-32s.

The two corroded Comet 4s are sold to **Dan Air/Dan Air Services, Ltd.**, while the Comet 4 leased from that British carrier is returned in December, just as DC-9 crew training of the British and Australian pilots is being completed.

A new maintenance organization to handle the Douglas transports is set up in Africa.

Weekly Super VC10 service is inaugurated to New York (JFK) from Nairobi on December 10. The company's first owned DC-9-32 arrives during the month, while yet another **Dan Air/Dan Air Services, Ltd.** Comet 4 is chartered on December 28.

Two more DC-9-32s are delivered in February 1971. On February 22, the Dan Air Comet 4 chartered in December is returned.

Flights to Rwanda must, however, be suspended on July 8 because of a crisis between Uganda and Tanzania.

The unduplicated route mileage stretches 40,000 miles and passenger enplanements grow to 564,229.

Having sustained a flat tire while on its takeoff roll from Addis Ababa for Rome and London on April 18, 1972, Flight 720, a VC10 with 11 crew and 96 passengers, unsuccessfully attempts to abort. The jetliner overruns the runway, drops to a lower ground level, breaks up and explodes in flame (43 dead).

On September 16, a group of men dressed in police uniforms burst into the control tower at Dar es Salaam and hold the staff hostage. Minutes later, an EAAC DC-9-32 departs without authority, manned by an unknown crew and the intruders slip away. The plane is found abandoned next morning on an airfield at the foot of Mount Kilimanjaro. Although the government of Tanzania investigates, no one ever learns why the Douglas has been stolen or by whom. The plane is repaired on the spot and returned to service.

Enplanements in 1973 total 536,000.

The employee population reaches 4,674 by 1974.

Two gunmen take over an F.27-100 with 35 passengers and en route from Nairobi to Malindi on March 20 and fly it to Uganda, en route to the U.S.S.R.; at Entebbe, Ugandan President Amin personally persuades the two to surrender.

Routes are extended during the year to Lourenco Marques, Kinshasa, Cairo, and the Seychelles. The stop at the Egyptian capital comes after a three-year suspension.

A Boeing B-747-148 is wet-leased from **Aer Lingus Irish Airlines, Ltd.** during the summer to fly weekly roundtrip holiday service from Nairobi to London and Frankfurt. As necessary, immigration formalities can be completed aboard.

Passenger boardings jump 17% to 651,045.

The workforce in 1975 is 4,586. Three DC-9-30s replace the Comets and VC10s. The Irish Jumbojet is once again hired to fly weekend holiday traffic to and from Europe.

Passenger bookings rise 8% to 708,435.

Increasing financial, political, and diplomatic difficulties plague the carrier's operations during 1976. The **Aer Lingus Irish Airlines, Ltd.** B-747-148 is once again chartered in December and is employed to operate holiday tourist flights from Nairobi to Frankfurt and London.

Kenya Airways, Ltd. is established on January 22, 1977 to replace EAAC, which, without a political and financial base, suddenly ceases trading during February.

There is an unofficial website maintained by Mark Olweny at <http://escher.arch.adelaide.edu.au/%7Emolweny/Uganda/ea.html> and another maintained by Tony Edlind at <http://home8.swipenet.se/~w-8rr81/index3.htm>.

EAST AFRICAN SAFARI AIR, LTD.: P.O. Box 28321, Nairobi, Kenya; Phone 501408; Fax 500169; <http://www.africansafariair.com>; Year Founded 1989. CHS Aviation, Ltd. is established at Nairobi's Wilson Airport in 1989 as an FBO and general aviation concern. Over the next four years, passenger and small group charters are also offered into, around, and out of Kenya under the name East African

Safari Air, coupled with scheduled services to the nation's national parks.

The company enters the inclusive tour charter (ITC) business in 1993 in cooperation with Tour Africa Safaris and **Air Europe, S.p.A.** Offices are opened in Mombasa and Zanzibar that help the company emphasize services into the Italian, and later, French markets. Flights from Nairobi to Italy are launched with a wet-leased Boeing 767-35HER from Air Europe.

Flights continue in 1994-1996, with the company also chartering an Airbus Industrie A310-300 and Douglas DC-10-30 for additional capacity. During the latter year, the company brings 25,564 tourists into Kenya and another 8,590 to Zanzibar (Tanzania).

Service is maintained in 1997-1999, during which years the A310 and Douglas are replaced with an A320-212. During the latter year, a homepage is opened on the Internet's World Wide Web.

EAST AND WEST SCHEDULED AIR TRANSPORT SOCIETY. See TOZAI TEIKI KOKU-KAI (TTKK)

EAST ANGLIAN FLYING SERVICES, LTD.: United Kingdom (1946-1962). RAF Squadron Leader R. J. "Jack" Jones purchases three de Havilland DH 80A Puss Moths and an Airspeed AS.5A Courier in January 1946. On August 16, EAFS is registered as a nonscheduled airline and Puss Moth joyrides are provided during the summer.

On January 5, 1947, Jones's concern becomes the first tenant at the new Southend Airport. In February, a new Miles M.57 Aerovan 4 is delivered, allowing the new carrier to undertake ad hoc charter flights on June 1. Destinations flown include southern Italy, Greece, and Cyprus. A Percival Proctor 1 and an Auster J/1 Autocrat are added in July.

When the Courier is retired at year's end, four DH 89As are purchased surplus from the RAF in January 1948. One of these is employed to launch charter flights, beginning on March 25, for summer vacationers and joyriders. In July, Jones is granted a **British European Airways Corporation (BEA)** associate agreement to fly a scheduled Southend-Rochester route.

In the spring of 1949, the carrier opens service Southend-Ostend via Lympe. On May 3, the Aerovan is destroyed in a Lympe crash. It is replaced by the July purchase of a Percival Proctor 4. Meanwhile, two DH 89As are sold in June.

Another **British European Airways Corporation (BEA)** associate agreement is obtained in 1950, allowing start-up of scheduled Southend-Jersey operations.

Financial disaster strikes the company in 1951, leading to 90% layoffs and the suspension of all scheduled flights. The Proctor 1 is sold in August. Although new scheduled services are authorized, the cash flow situation allows only charter and joyride services.

The company is reformed, somewhat, in early 1952. Airline employment is six (three pilots) and services are opened from Southend to Jersey and Ostend in the spring. The Autocrat is sold in October. At the end of the summer season, the workforce totals 13.

In January 1953, the carrier receives approval to open flights from Ipswich to Jersey via Southend, Rochester, and Shoreham, from Southend, Shoreham, and Jersey to Paris, and Shoreham to Dieppe. These and various charters require the addition of another Dragon Rapide in May. Additional new routes, authorized in October, are Ipswich-Calais via Southend, and Southend-Antwerp. In December, four Percival Proctor 4s are purchased from the RAF (they will not enter service).

Passenger boardings for the year are 6,512 and the payroll is increased by 12 employees.

In the spring of 1954 the company leases Ipswich Airport from the Ipswich Corporation, which had held it privately. Ipswich-Southend flights begin during the summer, connecting with the company's previous scheduled services. New frequencies are offered Portsmouth-Sandown and Shoreham-Le Touquet.

To provide additional capacity, three de Havilland DH 104 Dove1Bs are purchased from **West African Airways Corporation**, the first arriving in November.

Bookings for the year are even; however, the staff is increased to 30.

The second two Doves enter service in May 1955 and new routes are opened Shoreham–Isle of Wight and from Ipswich–Calais via Southend. On October 1, a new scheduled de Havilland DH 104 Dove 1B route is opened from Southend to Rotterdam.

During the first quarter of 1957, four more Dove 1Bs are added. In addition, the first of two Bristol 170 Mk. 21 Freighters to be delivered during the year is acquired in April. In October, a Dove 1B is sold and the lone Percival Proctor 4 is withdrawn.

Airline employment grows to 60 and enplanements total 30,000.

On January 15, 1958, a Dove 1B is lost in a crash at Dungeness. In March and May, two Vickers Vikings join the fleet. In addition to the normal cross-Channel operations, the company begins, on April 2, a coach air service from London to Paris, with the flight segment being Southend to Le Touquet.

Another Viking is purchased in January 1959, expanding capacity for the summer routes. A weekly Manchester–Ostend inclusive-tour is started on May 19. During July, a DH 89A is sold.

A Vickers 614 Viking 1, with 3 crew and 36 passengers, is wrecked in a bad landing at Southend Airport on July 28; there are no fatalities.

Three Douglas DC-3s join the fleet during the first half of 1960. They join the Vikings on regular services, as well as inclusive-tour flights to Ostend and Basel. In July, freighter charters are inaugurated to Belfast. In cooperation with Southdown Motor Services, coach-air service is started from London to the Channel Islands, with the flight portion beginning at Shoreham or Portsmouth. In June, a DH 89A and a Dove 1B are sold.

During the second quarter of 1961, three more DC-3s are delivered and are placed on the Channel Islands runs. In August, another Dove 1B is sold.

In mid-April 1962, a DC-4 is purchased from the former U.S. freight line **Riddle Airlines**.

On May 6, a DC-3 with 3 crew and 15 passengers crashes at St. Boniface Down on the Isle of Wight (12 dead). In May and June, two additional DC-3s are acquired.

On October 25, the carrier is officially renamed **Channel Airways, Ltd.**

EAST ASIA AIRLINES (PTY.), LTD.: 13th Floor, V. Huen Building, 138 Queens Rd., C, Hong Kong; Phone 2-8152789; Fax 2-8430342; <http://www.helihongkong.com/eaahome.htm>; Year Founded 1989. East Asia Airlines (Pty), Ltd. is established at Hong Kong by local entrepreneur Dr. Stanley Ho in the fall of 1989 to offer scheduled, roundtrip rotary-wing passenger and light cargo flights between Hong Kong and Macau. Majority ownership in the new entrant is held by Shun Tak Enterprises, which operates a jetfoil and ferry service to Macau, and is part of the STDM group of companies. Minority owners include Japan's Chiyoda Trading Company, Ltd. and **Royal Japan Airlines, Ltd.**, which contracts with Royal Koku to operate flights when they commence. Paul Wakeford is named CEO, with Kenichi Miyagawa as chief pilot. Route authority is requested of the territory's government.

In January 1990, it is learned that scheduled service to the Hong Kong heliport, located on the ferry-terminal building, will not be possible because local authorities choose not to license the heliport for such flights. Charter frequencies to the heliport are, however, approved. In March, the Hong Kong government reverses itself and approves use of the heliport on the ferry terminal for scheduled flights. Plans are made, but later delayed, to launch service in June employing a Bell 222 acquired from **Royal Japan Airlines, Ltd.**

Following a traditional Chinese ribbon-cutting ceremony on November 21 on the eve of a traditional Macao festival, six-times-per-day roundtrip revenue flights commence across the mouth of the Pearl River Delta employing a pair of Bell 222s, the first ever aircraft registered in Macau. The price of a ticket for the 18 min., one-way flight from the downtown business district of Hong Kong to the Macau Marine Terminal is HK\$100.

A third Bell 222 is acquired in the spring of 1991.

Flights continue as before in 1992–1993. The relatively expensive tickets continue to be purchased as those who employ them usually are seeking entertainment at Macau's most popular tourist attraction, its gambling casinos.

In September 1994, in order to take advantage of the traveling patterns of Macau's gamblers, the company changes its schedule. The number of frequencies is increased to one per hour during daylight.

The helicopter line continues to provide its shuttle service between Hong Kong and Macau in 1995, placing orders for three Sikorsky S-76C+s to eventually replace its Bell 222s. In November, business and general aviation aircraft are banned from Hong Kong's Kai Tak Airport, being forced to land at Macau. As a result, the carrier's helicopters increase the number of charters from that destination to downtown Hong Kong and back.

In May 1996, the Hong Kong to Macau shuttle frequency becomes every-half-hour and night flights are added. Enplanements this year reach 40,000.

In 1997, 28 daily roundtrips are flown between the downtown business district of Hong Kong and Macau's Marine Terminal.

On July 1, the British colony of Hong Kong is turned over to the People's Republic of China. The three new S-76C+s arrive in October, decked out in new livery.

The workforce at year's end totals 80 and enplanements for the year again exceed 40,000.

The company continues to expand in 1998 and by year's end, EAA is the largest helicopter company in the Pearl River Delta region.

Airline employment at the beginning of 1999 stands at 110. Early in the year, the company is taken over by Hong Kong-based **Heli Hong Kong, Ltd.**, which operates the senior carrier as an affiliate and acquires one of its three S-76C+s.

A total of 110 workers are employed at the beginning of 2000. The company remains the largest helicopter operator in the Pearl River Delta region.

EAST COAST AIRWAYS, LTD.: New Zealand (1935–1938). Formed to save travelers a 100-mile drive around Hawkes Bay, East Coast Airways, Ltd. is founded at the North Island town of Gisborne in the early spring of 1935. Equipped with two de Havilland DH 84 Dragons christened *Huia* and *Tui*, the company begins twice-daily return flights to Napier on April 16.

Following completion of a railway between the two destinations in 1936, the carrier transfers its southern terminus to Palmerston North, connecting there with **Union Airways of New Zealand, Ltd.**

Service is maintained in 1937 and on January 11, 1938, the twice-weekly Gisborne–Napier–Palmerston North frequency to Wanganui. On July 1, the company is taken over by **Union Airways, Ltd.**

EAST COAST AVIATION SERVICES. See **EXECUTIVE AIRLINES (4)**

EAST COAST COMMUTER: United States (1963–1970). ECC is set up at Cambridge, Maryland, in the fall of 1963 to operate scheduled passenger and cargo services as a subsidiary of East Coast Air Taxi, Inc. Employing a Cessna 310, the commuter inaugurates daily roundtrips on November 12, linking its base with Baltimore, Washington, Salisbury, Wallops Station, and Ocean City.

Operations continue apace during the remainder of the decade and the fleet is enhanced by the addition of several additional Cessna 310s and a Cessna 402. Operations cease in 1970.

EAST COAST COMMUTER AIRLINES (PTY.), LTD.: Australia (1980–1986). In early 1980, two small regional airlines, **Air Eastland (Pty.), Ltd.** and **New England Airways (Pty.), Ltd.** are merged at Tamworth to form this new entrant. **FAST Airlines, Ltd.** is absorbed in July. The large regional carrier **East-West Airlines (Pty.), Ltd.** holds 26%

shareholding. The initial fleet comprises 1 Britten-Norman BN-2A Trislander, 4 Cessna 404s, 2 Cessna 402s, 1 Piper PA-31-350 Navajo Chieftain, 1 Britten-Norman BN-2 Islander, 2 Piper PA-23 Aztecs, 1 Piper PA-30 Twin Comanche, 2 Cessna 210s, and 2 Cessna 150s.

Scheduled passenger services are undertaken to a variety of destinations in New South Wales, Queensland, and southeastern Australia. The carrier shares 10 east to west services per week to Bathurst, Orange, Parkes, and Cowra in New South Wales.

Over the next three years, the company upgrades its fleet by adding three Embraer EMB-110P1 Bandeirantes and another Cessna 404. Additional destinations visited include Albury, Armidale, Bathurst, Coffs Harbour, Cootamundra, Cowra, Grafton, Lismore, Maitland, Newcastle, Port Macquarie, Sydney, Tamworth, Taree, Temora, West Wyalong, and Young in New South Wales; Brisbane and Coolangatta in Queensland; and Canberra in the Australian Capital Territory.

In 1986, Managing Director John C. Roworth's company is renamed **Eastern Australia Airlines (Pty.), Ltd.**

EAST COAST FLIGHT SERVICES: 9415 Jet Lane, Unit 5, Easton, Maryland 21601, United States; Phone (410) 820-6633; Fax (410) 820-7568; Year Founded 1990. East Coast Flight Services is established at Easton-Newman Field in Maryland during 1990 to operate executive and small group passenger charters to Baltimore (BWI), Washington, D.C. (IAD), Philadelphia, and New York (JFK).

By 2000, the company employs 14 pilots and operates 2 Dassault Falcon 10s and 1 each Falcon 20, Cessna 500 Citation I, C-550 Citation II, Beech Super King Air 200, and Piper PA-31-350 Navajo Chieftain.

EAST COAST FLYING SERVICE: United States (1965–1966). ECFS is set up at Jacksonville, Florida, during the late spring of 1965 to provide scheduled air taxi services to local intrastate destinations. Employing a Beech 18, the carrier inaugurates daily frequencies on June 25, but these cannot be maintained a year.

EAST HAMPTON AIRE: United States (1978–1991). Organized at East Hampton Airport at Wainscott, New York, in the spring of 1978, Frank Lavigna's small intrastate is equipped with a Piper PA-31-350 Navajo Chieftain and a PA-31-310 Navajo. These are employed to inaugurate daily roundtrip scheduled passenger services in July linking his base with Montauk Point and New York City (LGA).

Over the next eight years, service is initiated to Boston and the Connecticut town of New London. The fleet grows to include two Navajos and a Beech 99. The company adds a second Beech 99 in 1986 and carries a total of 16,000 passengers in 1987.

In early 1988, the company is briefly shut down by the FAA for maintenance violations of the FAR code. These are cleared up by midyear, allowing the privately owned carrier, which has now transferred to Westover Airport, in Springfield, Massachusetts, to resume flying scheduled services down to New York (LGA) via Hartford, Connecticut, with a single Beech 99. Additional Beech 99s and a Beech 1900 are acquired later in the year.

In mid-November, two of the Beech 99s and the Beech 1900 are wet-leased to **Mall Airways**. Traffic and financial figures are held in confidence.

In 1989, the carrier begins flying from Wilmington, Delaware, to Parkersburg, West Virginia. Ten peak-hour landing slots at New York (LGA) are sold in July to **Business Express** for an undisclosed sum. In September, when **Mall Airways** is acquired by **Business Express**, EHA's leased aircraft are returned.

In late spring 1990, an arrangement is made with **Continental Airlines** to purchase the route previously flown by **Britt Airways** from Springfield, Illinois, to Chicago (Meigs Field). EHA begins "Continental Express" service over that route on June 1. Late in the year, the regional is put up for sale.

The airline is again grounded by the FAA in January 1991, as it is charged with operating unsafe aircraft and inappropriate maintenance

records. The action leads to cancellation of East Hampton's "Continental Express" agreement. In July, the company files for Chapter XI bankruptcy. It cannot reorganize and does not emerge.

EAST HAMPTON AIRLINES: East Hampton Airport, Wainscott, New York 11975, United States; Phone (516) 537-3737; Fax (516) 537-3755; Year Founded 1993. Set up as the FBO at East Hampton Airport, Wainscott, New York, in 1993, East Hampton Airlines also operates a regional charter division under the direction of Audra Helstowski. Operations commence and continue with one each Beech Super King Air 200, a Beech 36 Bonanza, and a Piper PA-31-350 Navajo Chieftain.

Flights continue during the remainder of the decade, during which years a second Chieftain enters service.

EAST LINE AIRLINES: No. 5, Prospect 5/K12, Moscow Zone, 142045, Russia; Phone 7 (095) 427 2852; Fax 7 (095) 427 8311; <http://www.eastline.ru>; Code P7; Year Founded 1997. The aviation component of East Line Group, a large Moscow corporation that also operates Domodedovo Airport, **East Line Aviation**, is renamed in 1997. Amiran Kurtanidze remains director general and his concern continues to offer international passenger and cargo charter flights, plus domestic and regional scheduled services. Meanwhile, East Line Group continues to service the majority of imported cargo coming into Moscow by air from China, Turkey, and the United Arab Emirates.

Over the remainder of the decade, scheduled all-cargo services are flown to Belgium, China, Greece, India, Italy, Korea, Pakistan, and the United Arab Emirates. Scheduled passenger frequencies from Domodedovo Airport are operated to Irkutsk, Novosibirsk, Shenyang, Ust-Ilimsk, and Volgograd.

During these years, all of the Il-86s are withdrawn and the fleet is revamped to include 4 Antonov An-12s, 2 An-74s, 1 Il-62M, 8 Il-76Ms, 17 Il-76T/TDs, 5 Tupolev Tu-154Bs, 2 Tu-154Ms, and 1 Yakovlev Yak-42 that is employed to offer scheduled return flights to Germany.

During 1998, East Line gives consideration to the acquisition of several McDonnell Douglas DC-10-30Fs for its freight network and one or more Airbus Industrie A310-300s for its passenger services. High rental fees and heavy import taxes make the idea unappealing and the possibility dims as a result of the Russian currency crisis that begins in August.

By the beginning of 1999, East Line Airlines is the largest Russian cargo carrier, being responsible for nearly 50% of Russian freight flights made into China. Overall, over 200 routes are operated in Russia, the CIS, the Far East, China, and Western Europe. Sixty more will be added during the year.

During the spring, the carrier enters negotiation with Ilyushin regarding possible joint funding for the installation of Perm Motors PS-90A76 engines on its fleet of Il-76T/TDs. These would replace the old fuel-hungry Soloviev D-30KPs employed. East Line also begins negotiations for the acquisition of a stretched civil derivative of the Il-76MF military transport. Known as the Il-76TF, the aircraft would offer 15 tons more cargo space, but offer an hourly fuel burn 2.5 tons less than that of an Il-76T. Indeed, Ilyushin has nearly completed the construction of three stretched Il-76TFs, but requires additional money to bring this project to a point of commercial viability.

East Line also expresses interest in the development of a special cargo version of the Il-96-300 passenger plane. If built, this upgraded freighter, also powered with Perm PS-90A76 engines, would be capable of flying upwards of 70 tons of cargo. The company's interest in the project wanes after cost estimates are run for the project. Safety concerns over fuselage strength following the insertion of a cargo door are also considerations. Some possibility of acquiring the Il-96-300 as a replacement for Il-62M long-haul passenger aircraft continues.

Regularly scheduled An-74 freighter flights to Germany commence on April 16. Director General Amiran Kurtanidze informs a news conference in early July that plans are being made to open overseas offices in and eventually begin flights to India, Italy, and the U.S.

During early September, two special cargo flights are made from Luxembourg to Beijing transporting 30 tons of special lighting equipment designed for the 50th anniversary of the People's Republic of China.

On September 30, the UN charters an Il-76, which transports a 16-ton generator from Milhaus, France, to Amman, Jordan. From there it will be shipped to Baghdad to provide running water for the Iraqi capital. This is the first major outsized cargo ever handled by the airline.

On October 4, telecommunications equipment is shipped from Stockholm to Khabarovsk. Eight days later, the carrier delivers a 12-ton satellite dish from Moscow to Baku.

It is reported in November that, through the first nine months of the year, East Line has transported 37,000 passengers, as well as freight.

Beginning on December 20, the FSVT, Russia's aviation authority, undertakes a major crackdown on cargo overloading. The move follows revelations by East Line concerning overloading problems in China.

Freight traffic during the year climbs 30% to 280.6 million FTKs. In a combined total of nearly two thousand flights, a total of 80,000 tons of cargo are flown on chartered aircraft and another 60,000 aboard the carrier's own aircraft.

A total of 260 routes are operated at the beginning of 2000. The 42-unit all-Russian fleet includes 21 Il-76T/TD and a mix of An-12 and An-74 dedicated freighters, Mi-8 helicopters, and Il-86, Il-62M, Tu-154, Yak-42D, and Yak-40 passenger planes.

On February 19, in an effort to hedge its bets again rising fuel prices, the carrier agrees on an exclusive arrangement with the Tyumen Oil Company. The same day, East Line introduces the first Russian Internet on-line ticket booking.

The company considers its cargo and passenger fleet plans and pointedly rejects, on February 25, the possibility of upgrading its complement with Boeing or Airbus equipment. Director General Kurtanidze is particularly pleased with his decision having observed the heavy losses sustained by **Transaero Airlines**, which had been forced to return its DC-10s to their lessors at the end of 1998. For Western charter passenger flights, the company will continue, at least for the present, to employ non-Stage 3 noise compliant Il-62Ms and Tu-154s, gradually replacing them after April 2001 with hush-kitted Yak-42Ds. The Yaks will continue to fly scheduled services in Europe as the company, without hush-kitted Il-62Ms, is now forced to abandon a plan to fly from Moscow to New York (JFK).

An agreement concerning the construction and acquisition of the enhanced Il-76TF is concluded between East Line, Ilyushin, the leasing company Uzavializing, and TAPO factory, which will manufacture the aircraft. The first flight of an Il-76TF is expected before the end of 2001.

Remarking upon the previous year's operations, company officials reveal on February 29 that East Line had transported 25% of all Russian air freight.

With the beginning of the summer schedule at the end of March, new Yak-42D scheduled passenger routes are opened to Stuttgart and Nuremberg in Germany and Dubrovnik, Croatia. Additionally, Yak-42D frequencies are tripled on the current service to Cologne.

Weekly Il-76 freighter service is inaugurated on April 20 from Moscow to Stuttgart. At the end of April, Il-76 cargo service is inaugurated from Moscow to Tyantsin, Shitsyachzhuan, and Khokhkot. With the company already flying to Shenyang from Moscow, Khabarovsk, Novosibirsk, and Irkutsk, the new routes give East Line a total of seven Chinese routes. These complement cargo service to points in Russia, Turkey, and the United Arab Emirates.

The carrier signs a joint agreement with **Uzbekistan Airways** and the Chkalov Aircraft Company (TAPOiCH) on May 17 for the joint lease of two new Ilyushin Il-76TFs, the first of which will be delivered in the spring of 2001. East Line will be the first operator of this modernized version of the Ilyushin freighter.

In cooperation with **Uzbekistan Airways**, joint services are launched from Domodedovo Airport on May 25. On May 31, the company leases the entire Il-76 fleet of **Domodedovo Airlines**.

Beginning on June 3 and continuing through September 23, twice-monthly Tu-154M return charters are operated from Moscow to Naples

via Dubrovnik, Croatia. East Line Chairman Dmitry Kamenshchik informs a news conference at Moscow on June 21 that he expects that the paperwork will be completed by the end of the year for the establishment of a joint-venture airline in China. Although the final choice of a partner has not yet been made, it will most likely be **Air China International Corporation**.

By the start of July, East Line Airlines is operating 250 cargo flights from Russia to China monthly.

Veteran Il-76 commander Capt. Alexander A. Tsykov is named a "Distinguished Pilot of the Russian Federation" on the Air Fleet Day honors list signed by President Vladimir Putin on August 28.

A new weekly Il-76TD return cargo run is initiated on from Khabarovsk to Harbin, China, on September 1.

Masked domestic security officers raid the company's Domodedovo Airport offices on the morning of September 19, taking away documents and computers and sealing its cargo warehouse. The federal police also visit the other companies making up the East Line Group. The searches, which are said to be necessary to determine if contraband has been brought in from China, bring the freight portion of the airline's freight business to a standstill, but does not affect its passenger flights. Director General Kurtanidze quickly informs the press that his airline has never carried contraband and that this entire episode is a mistake that will, hopefully, soon be cleared up.

On September 26, Director General Kurtanidze appeals to various Russian aeronautical trade organizations for support in defending its interests and reputation in light of the raids. The carrier's cargo customers, unable to collect their goods from East Line warehouses or ship on the company's Il-76Ts, are now turning to **Aeroflot Russian International Airlines (ARIA)** and several Chinese carriers for transport of their freight. On September 29, the security agency formally accuses East Line of smuggling contraband consumer goods from China, noting that, in May, a leased Il-76 had been caught at Irkutsk with 22 tons more cargo than had been reported on customs documents. Director General Kurtanidze notes that the incident, which occurred after one of its freighters had made an emergency landing in the Siberian city, was acknowledged at the time, but that civil aviation officials had closed the case finding no wrongdoing. In rebuttal, the security agency reports that it had decided to file charges after the raid when it was learned that two of the airline's Ilyushins had been abandoned en route from China at airports in Siberia and central Russia. Inspections of the derelict aircraft have allegedly uncovered a total of 29 tons of illegal cargo.

The most flagrant case is reported to have occurred late on September 19, the same day as the security officers' visit to East Line's Moscow facility. An Il-76T en route from Shangyang to Moscow is diverted to Nizhni Novgorod by ATC at Domodedovo Airport. Upon landing, customs agents seize the aircraft, determined to weigh its cargo. They allow its crew to lock it up and take the keys with them to a local hotel for the night.

The next day, the crew has disappeared and the aircraft keys are gone with them. The delay, purposeful or not, allows East Line to fax the security agency, reporting that their Chinese customer had overloaded the aircraft and indicating that the customs declaration, when compared with the cargo weight, will be found to be in error. The crew returns to Nizhni Novgorod without the keys on September 25; an all-day search turns them up on the morning of September 26. While security agents question the captain, the plane is weighed and found to have 47 tons of cargo rather than the declared 36 tons. Meanwhile, the security agency learns that the declared customer for the shipment is fictitious. The cargo is off-loaded and held and the plane and crew are allowed to return to Moscow on September 27; the government deepens its investigation. The entire "mistake," as Director General Kurtanidze characterizes the matter, is now costing the airline significant lost revenue. On October 5, it is reported that only 60 of 112 scheduled flights to China in September were completed, while planned flights to Turkey during the same month were down from 30 to 15 and to Germany from 12 to 6. Overall tonnage carried during September plunges from 75,000 (the figure for

the same period a year earlier) to only 40,000. When the case is heard in a court at Lefortovo, the security agency's action is upheld.

Extremely bad weather forces delays in takeoffs from Moscow on November 3 for destinations in Germany and Kazakhstan.

On November 14, the Moscow City Court quashes the earlier judgement of a Lefortovo Court, which had declared the security agency's raids on East Line offices in September legal. The Moscow court agrees to rehear the case and render an option within two or three months. Meanwhile, East Line is allowed to resume its cargo activities.

Renovated at a cost of \$90 million over two years, the new East Line Group terminal at Domodedovo Airport is opened in December 8 ceremonies. No foreign airlines have yet agreed to move to the facility.

Regular operations resume on December 23. Beginning on December 25 and continuing through January 31, a Tu-154M operates return Saturday charters from Moscow to Salzburg.

East Line transports 140,107 passengers during the 12 months, as compared to 48,162 for the same period a year earlier. It has also increased the amount of FTKs flown on behalf of the UN, a major customer, by over 30% since January. Over 30 Il-76 humanitarian missions have been operated to Sierra Leone, North Korea, Indonesia, Yugoslavia, and in support of the East Timor effort, to Australia.

Despite the continuing security probe, which has so far cost the airline an estimated \$10 million, East Line remains the nation's largest dedicated all-cargo carrier. As the year ends, plans are in place to enhance cargo operations linking Europe (particularly Luxembourg and Finland) with Asia (especially Northern China and Korea). Flights to Asia will increasingly carry communications equipment while those to Europe will convey textile products. Scheduled passenger services will be started to five additional destinations in Europe, two in Kazakhstan, and one in Kirgizstan. Regular Il-86 roundtrips between Moscow and Dubai are also anticipated.

The Moscow government reports in February 2001 that the total number of Russian air carriers has fallen from 328 in January 2000 to a current 294. It also reveals that East Line Airlines, **Atlant Soyuz Airlines**, **Volga-Dnepr Airlines**, and **Aeroflot Russian International Airlines (ARIA)** have, between them, carried half of all Russian air freight traffic in 2000. The East Line share is 20%.

EAST LINE AVIATION: Russia (1995–1997). East Line is set up at Moscow's Domodedovo Airport in the fall of 1995 as the aviation component of a large corporation. Employing a fleet of 3 Ilyushin Il-86s, 5 Il-76Ms, and 2 Antonov An-12s, Director General Amiran Kurtanidze's concern begins international passenger and charter flights, plus domestic and regional scheduled services, on November 27. In 1997, the company is renamed **East Line Airlines**.

EASTWEST AIRLINES (PTY.), LTD.: Australia (1947–1994). John Rentell forms this small carrier at Tamworth, New South Wales early in 1947 to provide Grafton–Moree services; the lone Avro Anson owned inaugurates thrice-weekly Tamworth–Sydney flights on June 23—in an almost north to south direction. The company's second pilot is Archie J. Smith.

Frequency on the Sydney route becomes daily in 1948 as a weekly frequency is extended to Brisbane with a second Anson. In 1949, orders are placed for two Lockheed L-14s and the Hudsons enter service in 1950. During the latter year, Capt. Smith both becomes chief pilot and general manager.

During 1951–1952, New South Wales routes and schedules are developed so as not to interfere with those of rival **Butler Air Transport (Pty.), Ltd.** On February 29 of the latter year, the equipment of bankrupt **Curtis-Madsen Airlines (Pty.), Ltd.** is purchased.

DC-3s join the fleet in 1953. **South Coast Airways (Pty.), Ltd.** is purchased and merged and its Sydney–West Wyalong route is added to its new owner's network.

The last Anson is retired in 1955 followed by withdrawal of the final L-14 in 1956. Tasworth–Sydney service is inaugurated on August 26,

1959 with the F.27-100 *City of Tasworth*, leased from **Trans-Australia Airlines (Pty.), Ltd. (TAA)**; the Fokker is also employed on a new Grafton route beginning on September 22.

The *City of Tasworth* starts Armidale–Grafton flights on February 14, 1960. Later in the year, General Manager Smith retires. His recollections will be published nearly three decades later in *East West Eagles: The Story of East West Airlines, Australia's Decentralized Airline—The Turbulent Years, 1946–1961* (Cairns: Robert Brown & Assoc., 1989).

The fleet in 1961 comprises one F.27-100 and four DC-3s.

By 1963, enplanements have reached 129,782. Revenues total A\$1,902,100.

Airline employment in 1964 is 199.

A newly completed airport at Albury facilitates a Sydney–Albury route, which services 3,033 passengers in just its first 6½ months. A second F.27-100 is placed in service.

Passenger boardings increase 15.9% to 154,319 and the one millionth passenger (cumulative) is carried during the year; additionally, 25 tons of newspapers are delivered from Sydney to route stops. On revenues of A\$2.3 million (the highest in company history to date), an A\$84,100 net profit is realized.

The employee population grows to 274 in 1965. The fleet now includes 2 F.27-100s and 4 DC-3s with 2 more Fokkers on order. Despite drought conditions in New South Wales, passenger boardings grow 5% to 167,137.

The workforce in 1966 is 293. The carrier's new administration building is completed and another F.27 is placed in service. A total of 191,000 passengers are carried.

Airline employment in 1967 stands at 311. One more Fokker and a de Havilland Canada DHC-6 join the fleet, allowing all remaining DC-3s to be retired.

Bookings increase to 213,356.

The employee population in 1968 is 327. Enplanements climb to 218,313 and revenues of A\$4.1 million are earned.

In 1969, the workforce is increased 11.1% to 380. The fleet now includes 5 Fokker F.27-100s, 3 DC-3s, and 1 Twin Otter. Freight traffic rises 0.4% while passenger boardings jump 11% to 282,725.

In 1970, 338 employees service 249,081 travelers. Enplanements in 1971 rise to 307,248.

Fourteen employees are added in 1972, together with a Fokker F.27-200, which replaces the last three DC-3s. Cargo grows 2.9% and passenger boardings accelerate 11.2% to 346,220.

Services are inaugurated in 1973 between Sydney and Alice Springs (the world's longest F.27 route) and to Maroochydora and Hobart.

In April, the Adastra group of companies, which are engaged in aerial survey and resource exploration work, is purchased. One additional F.27-200 is acquired to help handle the increase in passenger traffic, which is up by 18.6% to 411,000.

The workforce is now 451.

Five new employees are added in 1974, bringing the total to 456.

While on final approach to Bathurst, Australia, on May 31, an F.27-100, with four crew and 30 passengers, is caught by a downdraft and crashes near Runway 35; there are no fatalities.

With an all-F.27 fleet that numbers seven aircraft, the carrier's passenger boardings increase 14% to 437,000, but freight dips 2% to 657,000 FTKs.

Only two new employees are hired in 1975.

The Sydney–Alice Springs and Maroochydora routes are further developed and inclusive-tour charters are offered for the first time from Sydney to Launceston, Tasmania.

Freight is up 1.9% and passenger bookings advance 0.5% to 470,000.

Employment in 1976 drops 7% to 450, passenger boardings drop 7.2% to 434,000, freight declines 3.8%, and Chairman Donald Shand dies. Late in the year, two F.27-500Rs are delivered and the six-millionth passenger (cumulative) is transported.

In January 1977, George Harrison becomes chairman and John G. Riley is named managing director.

A Sydney–Norfolk Island service, taken over from **Qantas Airways (Pty.), Ltd.**, is inaugurated by the new F.27-500Rs on March 1.

Traffic rises to 455,215 passengers and revenues total A\$18.02 million while the net profit is A\$827,000.

The workforce in **1978** is increased 12.7% to 507. In August, a Sydney–Oakey service is begun.

Cargo soars 31.5% and passenger boardings swell 9.5% to 502,583. Revenues are A\$24.8 million, expenses are A\$23.5 million, the operating profit is A\$1.3 million, and the net income is A\$1.17 million.

The world financial situation and the cost of fuel leads to three years of decline; bookings in **1980** are 466,000 and 465,432 in **1981**. As late as November of the latter year, the carrier remains an unlisted public company with 780 individual shareholders. Chairman/Managing Director Riley's fleet comprises 9 Fokker Friendships.

The employee population in **1982** drops 0.6% to 546. Six new F.27-500s replace six older models. Orders are placed for four F.28-4000s. Majority shareholding in the carrier is acquired by East-West Developments (Pty.), Ltd.; P. D. A. Wright becomes chairman and C. B. Grey becomes the managing director. A new green and gold livery and a logo comprising a stylized map of Australia are introduced, together with several new routes out of Melbourne.

Passenger boardings grow 1.6% to 473,198, but cargo falls a dramatic 12% to 610,000 FTKs.

Airline employment jumps 15.4% in **1983** to 630.

The carrier enters the jet age on April 15 with the delivery of the first of two F.28-4000s to be added during the year, the second arriving in December. New service is inaugurated Brisbane to Norfolk Island and Sydney to Alice Springs, Port Medland, and Karratha.

In December, owner Bryan Grey sells his airline, at a significant, if undisclosed, profit to Cloverdale-based **Skywest Airlines (Pty.), Ltd.**, a growing Western Australian regional, which had taken over two other airlines in the past year. East West is allowed to maintain its separate identity.

Passenger boardings soar 23.9% on the year to 580,706 and freight is up 2.7% to 774,000 FTKs. An operating profit of A\$108,000 is reported on revenues of A\$42.8 million.

Two additional F.28-4000s join the fleet in **1984** and service is extended to additional stops giving a route network now covering every state in Australia.

Operations continue apace in **1985–1986** with a fleet of 6 F.28s and 7 F.27s.

TNT and News, Ltd., which also owns **Ansett Airlines of Australia (Pty.), Ltd.**, purchases the carrier in July **1987** and renames it **Eastwest Airlines (Pty.), Ltd.** It begins to reorganize its route structure in accordance with a route divestiture ordered by the government's Trade Practices Commission. Alec Shand is named chairman, with Neil Berkett as general manager.

Orders are placed for six additional F.28-4000s. The major's new affiliate will offer no further traffic or financial figures.

The new Ansett subsidiary receives its Fokkers in **1988** and undertakes services on the reconstruction holiday-destination route network. Beginning in July, the five destinations of Inverell, Glen Innes, Taree, Grafton, and Kempsey are turned over to **Eastern Australian Airlines (Pty.), Ltd.** Simultaneously, North American marketing responsibilities are assumed by Ansett Airlines of Australia, Ltd. The 37% shareholding in Eastern is sold to **Australian Airlines (Pty.), Ltd.**

In October, F.28-4000 nonstops are initiated from Brisbane to Mackay, Rockhampton, Mt. Isa, and Prosperine. Emphasis is placed entirely upon leisure services.

In **1989**, Eastwest offers New Zealand Airpass to North American visitors and an order is placed for eight BAe 146-300s.

A participant in Ansett's Ansamatic computerized reservations system, the carrier introduces a unique four-tiered fare structure. The airline is the first in Australia to introduce one-way discount fares.

A total of 890,000 passengers are flown on the year and revenues are A\$99.3 million.

Already flying 14% of the leisure and the "visiting friends and relatives" market, Eastwest in **1990** lays plans to double that share. Weekly nonstop flights start in July from Sydney to Hamilton Island. The first two BAe 146-300s arrive in September and orderly retirement of the Fokkers begins.

Airline deregulation comes to the Australian air transport scene on November 1 and daily nonstop service commences from Melbourne to Hobart during the month, along with twice-daily nonstops from Sydney to Melbourne.

Passenger boardings leap upward 15% to 731,223 and revenues swell 11.9% to A\$111 million.

Company employment grows by 1.2% in **1991** to 860 and, in January, thrice-weekly nonstop service is opened from Sydney to Hamilton Island.

The eighth BAe arrives in July, during which month the final Fokker is withdrawn and sold to **Ansett Express (Pty.), Ltd.** In August, Cairns to Hamilton Island BAe 146-300 frequencies become daily.

Customer bookings swell 39.2% to 966,338. Expenses exceed income and the operating loss is A\$23.3 million.

Early in **1992**, a B-737-277A is leased from **Ansett Australia (Pty.), Ltd.** and placed into service.

Passenger boardings increase by 25.9% to 1,050,211 and the operating surplus is A\$10.9 million.

In **1993**, Chairman Shand and General Manager Berkett oversee a workforce of 610. A second B-737-277A is chartered from Ansett Australia, Ltd. and, together with the company's three BAe 146-300s, link Cairns, Prosperine, Hamilton Island, The Sunshine Coast, Brisbane, Gold Coast, Sydney, Melbourne, and Hobart.

In July, the company's aircraft are removed and, although it will remain in travel agency literature, Eastwest's flights are taken over by the parent.

Enplanements total 1,021,023 and 1.14 million FTKs are operated. Deregulation and lack of profitability having forced its parent to abandon plans to remake this subsidiary into a low-fare, no-frills sister operation, the 46-year-old regional is absorbed by **Ansett Australia (Pty.), Ltd.** on January 1, **1994**.

EAST WEST AIRLINES, LTD.: India (1992–1996). A subsidiary of East West Travel & Trade Links, Ltd., East West is established at Bombay on February 28, **1992**. All of the top officials are members of the Wahid family: Nastrudeen Abdul, chairman; Thakiyudeen Abdul, managing director; and Faisal Abdul and Thahakutty Abdul, directors.

After assembling a fleet of 1 each Boeing 737-2A9A, B-737-2E7A, and B-737-2U4A (the 3 are leased from GPA Group) and 2 Fokker F.27-500s, the 40-employee entrant inaugurates service to Ahmedabad, Aurangabad, Bhavnagar, Bangalore, Baroda, Calicut, Calcutta, Cochin, Coimbatore, Delhi, Goa, Hyderabad, Jaipur, Madras, Madurai, Mangalore, Pune, Rajkot, and Trivandrum. Seven additional short-haulers join the fleet by year's end. Enplanements reach 870,000 by December 31.

In **1993**, the fleet is almost completely altered. All of the previous aircraft except the Fokkers and B-737-2U4A are replaced by the addition of two each B-737-248As and B-737-2S3As and one each B-737-2E3A and B-737-2T5A; again, they are all chartered. Orders are outstanding for 10 B-737-400s.

By March, the company, which has profited significantly from a year of strikes at **Indian Airlines Corporation**, is offering service to 20 domestic destinations.

During the month, a series of bombings occur in Bombay tied, it will be alleged, to underworld figures connected to the airline. In August, however, a dispute occurs with the government over a claim for \$5.6 million in delinquent Internal Travel Tax and Passenger Service Fee funds.

A total of 1.1 million passengers are flown during the first full year of service while a profit of \$3.87 million is generated.

Two B-737-4H6s are wet-leased from **Malaysian Airlines, Ltd. (MAS)** in January **1994** and flown by Malaysian crews until their East

West crews can be trained. At the same time, the number of markets served grows to 27.

The tax dispute with the government is settled.

The Director General of Indian Civil Aviation bans alcohol service on all domestic flights in May.

In July, East West announces that it will raise \$17.8 million through a public stock offering in India, the funds from which will be supplemented by an overseas issue. Late in the year, three F.27s are obtained to work thinner routes; however, they will be grounded for a year in a financial dispute with Fokker over nonpayment of rent.

Enplanements during the 12 months climb 81.8% to 2 million.

In early February 1995, Indian customs authorities impound the airline's fleet for nonpayment of the inland air travel tax.

Later in the month, its Delhi regional manager, Sabu V. Chacko, is arrested under the Terrorist and Disruptive Activities (Prevention) Act for alleged ties to Dubai-based underworld figure Dawood Ibrahim. Amidst these charges of ties to the Bombay-Dubai underworld, the government in May steps in and asks the company to reveal its sources of foreign funding.

The Friendship grounding continues through the year and all seven of the short-haul Boeings are the subject of court battles with PCM Equipment and Transport, the U.S. leasing firm from which they have been chartered, which claims \$3.5 million in overdue lease payments. Three Boeings are grounded in June. East West, for its part, is owed \$1.5 million by Vineer Alaska of the U.S. and \$1.8 million by Kolding of Sweden, which the airline had paid as advances on the leases of two B-737-400s. Kolding has gone into liquidation and Vineer Alaska holds its payment.

While the legal maneuvering continues, the company, in September, begins to offer increased customer services, such as low-calorie health food menus.

During the fourth quarter, the company approaches the U.S. Export-Import Bank seeking a \$60 million loan guarantee to cover the cost of the B-737-400s, delivery of which has been put on hold. Commercial Manager C. Rama Chandran informs the aviation press that the Boeings will not arrive until after financing has been solidified.

Managing Director Wahid is shot 14 times near his Bombay office on November 13 in what police believe is a gangland murder committed by 11 members of the Chhota Rajan gang; his driver, Faruk Shaikh, is also injured but survives. Management of the airline is divided among his three surviving brothers, with Chairman Wahid also becoming the managing director.

The airline's situation continues to deteriorate and by January 1996, the company is forced by the Indian Supreme Court to ground half of its fleet when it cannot pay its current and back landing and parking fees (called dues) it owes the Airport Authority of India as well as lease payments. A legal wrangle ensues.

During March-May, the government requires the airline to suspend six services on trunk routes, excluding Madras, because it has failed to fly a required 10% of its capacity on secondary route frequencies in the northeast part of the country. On June 18, the carrier fails to pay the required installment of its premium due to United Insurance. As a result, the company's last three freighters are also taken out of service. Once the largest private sector player in the airline arena, East West is now reduced almost into a paper entity.

Toward the end of June, the company attempts to restructure and announces ambitious plans to find an equity partner and to restart full services. The process will prove difficult because of the airline's image problem and the many allegations that certain of its executives are tied to the underworld. It is reported in the press that **Deutsche Lufthansa, A.G.** has been contacted concerning a link-up in the wake of its difficulties with **Modiluft**. Having been stung by its experience in India, the German line is careful not to get involved with the airline.

On July 6, the Director General of Civil Aviation issues a show cause notice to East West for flying its aircraft without insurance during June. At midnight on July 7, the Airports Authority of India orders East West

grounded for nonpayment of dues. The company also owes a large sum to the National Airports Authority for route and navigational charges. In an effort to trim costs, the carrier, on July 24, announces that it will lay off 150 of its unskilled staff, e.g., drivers and baggage handlers. It is anticipated that this move will save the airline 35% of its annual wage bill.

In early August, finances force the company to suspend operations, although Chairman Wahid announces that flights will resume on August 26. An intense effort is made to get the company's planes back in the air, including negotiations with foreign investors for equity investment. Neither a rescue package nor a resumption of service is forthcoming and, at the end of the month, the airline's license is suspended. Two F.27s and four B-737s are parked at Bombay, two B-737s are at Madras, and one other is at Singapore receiving a "D" check. A number of pilots quit.

At the end of September, Airport Authority of India spokesmen suggest that the company will return to service in November. However, before this can happen, it will have to react to a legal notice now received from the authority for nonpayment of Rs 70 million (\$2 million) in bills. Realistic plans for a relaunch are all but abandoned in October, when the carrier's B-737s are repossessed. In November, one of the alleged gunmen wanted in connection with the Wahid murder is killed in a police encounter.

During the summer of 1997, the company's owners are able to get the carrier's license renewed and to draw up a strategic business and financial plan. With much of its infrastructure retained, it is reported in the September 3 issue of India's *Economic Times* that arrangements have been made to acquire several operations and resume operations "soon." The restart does not happen.

Two suspects apprehended in connection with the murder of Managing Director Wahid are acquitted by a Bombay sessions court on November 20, 1998. Eight other alleged participants remain at large.

EASTAIR, LTD. See **FLUGFELAG AUSTURLANDS, H.F.**

EASTERN AIR, LTD.: Zambia (1995-2000). Eastern Air is established at Lusaka by Eagle Travel in 1995 to offer scheduled domestic passenger service. Yoosuf Zumla is named managing director and 2 Let L-410UVPs are acquired with which revenue flights are launched to the country's various tourist destinations.

During the remainder of the decade, regional, as well, as local scheduled services are inaugurated. By 2000, the airline is flying into Chipata, Dar es Salaam, Johannesburg, Kasaba Bay, Kasama, Lilongwe, Livingstone, Lubumbashi, Mansa, Mfuwe, Mongu, and Ndola.

On April 1, the company changes its name to **Zambia Skyways, Ltd.**

EASTERN AIR CHARTER: 209 Access Road, Norwood Municipal Airport, Norwood, Massachusetts 02062, United States; Phone (781) 769-8680; Fax (781) 769-7743 Year Founded 1981. EAC is established at Norwood Municipal Airport in 1981 to provide executive and small group passenger charters to the Caribbean, Canada, and Latin America. By 2000, the company employs 16 pilots and operates 3 Piper PA-31T Cheyenne IIs and 1 each Cessna 500 Citation I and C-550 Citation II.

EASTERN AIR EXECUTIVE, LTD.: Sturgate Aerodrome, Upton, Lincolnshire, England, DN21 5PA, United Kingdom; Phone 01427 838280; Fax 01427 838416; Year Founded 1967. The air taxi EAE is established at Upton, near Gainsborough, in 1967 to provide passenger services to local destinations with a single Piper PA-23 Aztec.

Revenue operations continue apace for the next 32 years. In 2000, Capt. F. Hugh B. Stark is managing director and his fleet includes two Aztecs and a Piper PA-31-350 Navajo Chieftain.

EASTERN AIR LINES: United States (1934-1991). As a result of the airmail scandal of 1934 and the subsequent rebidding of all government mail contracts, **Eastern Air Transport (EAT)** is renamed Eastern Air Lines (EAL) on the last day of April. Under terms of the new contract that prohibits employment of anyone involved in the so-called "Spoils

Conference" of 1930, EAT's leader, Thomas D. Doe, is forced to retire and General Manager Ernest R. Breech becomes acting president. After EAL signs new mail contracts with the government for Air Mail Routes 5, 6, and 10 (the revised numbers for the original CAM 19) on May 10 and takes over two runs from the army on May 15.

On June 12, Congress passes a new airmail law that effectively removes manufacturers from the air transport business and gives them until December 31 to do so. An order is placed for 14 Douglas DC-2s, the first of which begin to arrive in September and October. Vice President Edward V. "Eddie" Rickenbacker will christen these aircraft, plus two transports, "The Great Silver Fleet."

On November 11, Rickenbacker sets a new transcontinental speed record and, three days later, carrying 15 passengers, he pilots a New York-Miami and return DC-2 VIP flight in 15 hours as initiation of regular 8-hour, one-way service. The first regularly scheduled Florida Flyer service on the New York to Miami route begins on November 19 via Washington, D.C., Charleston, and Jacksonville. The old EAT jingle "From Frost to Flowers in 14 Hours" can now be updated to "... 8 Hours." Rickenbacker, the "ace of aces," also inaugurates a new Chicago-Miami mail route on December 19, making a record Miami-Chicago return flight on December 20 to begin regular passenger, mail, and express service in that direction.

Displeased that his ticket is stamped "New York," but that his DC-2 has landed in Newark, New Jersey, also on December 20, Mayor Fiorello La Guardia demands in front of his fellow passengers—all newspapermen—that he be flown on to Floyd Bennet Field at New York City. Eastern, not wishing to be a pawn in a debate between La Guardia and U.S. Postmaster General James Farley over designation of the regional airmail airfield, complies with La Guardia's request.

On December 31, the North American Aviation (NAA) group divests itself through the expedient of merging the airline into the parent and operating both as Eastern Air Lines. President Breech turns operational control over to Vice President Rickenbacker, who claims credit for the airline's new logo, the duck hawk or falcon. The Curtiss I Condors are now withdrawn.

At the close of its first year as an independent, the company, which has flown 52,820 customers, shows a net loss of \$709,700.35. On January 4, 1935, NAA's vice president, Rickenbacker, who has been in charge of EAT for the holding company, officially becomes Eastern's general manager. He undertakes an inspection trip to visit every station, working with employees along the way.

A record 6 hr. 30 min. Miami-New York DC-2 flight is completed on January 15 while, following a nonfatal January 31 crash landing at Atlanta, a wrecked T-32 must be written off.

During the spring, frequencies on the New York to Washington route increase to six each way daily, one with T-32s and five DC-2s. Two Douglas services are run each way to Florida from New York daily and two from New York to New Orleans, one each DC-2 and T-32. Daily return services are offered by DC-2s from Chicago to New Orleans and to Miami.

In July, operations and maintenance quarters are transferred from Atlanta to Miami where they will stay throughout the remainder of Eastern's history, growing into a 150-acre base.

A stickler for detail, Rickenbacker also institutes immediate cost-cutting measures, which help turn the carrier around and allow it to post a \$90,000 net profit at the close of its second year (Eastern will record a profit every year from 1936 through 1959). In addition to rigid cost controls, fleet standardization is now begun.

Within months of his taking control as general manager, Rickenbacker begins to replace the company's patchwork collection of Mailwings, Fords, Kingbirds, and Stinsons with the remainder of the 14 new Douglas DC-2s. Five Lockheed Model 10Bs are obtained in September and are placed into service on shorter segments.

One of the new Lockheeds returns presidential candidate Sen. Huey P. Long to Baton Rouge, Louisiana, after a multistop flight from Washington, D.C. in early September; on September 10, "The Kingfish" is assassinated on the steps of the state capitol.

When pilot J. Shelly Charles lands his Pitcairn PA-6 at Atlanta from Chicago on October 16, his flight is logged as the last open cockpit bi-plane mail flight made in America; EAL withdraws all of its remaining Pitcairns thereafter.

Enplanements during the twelve months total 87,389 and revenue passenger miles flown reach 38.39 million. A \$38,000 profit is recorded.

Meeting in Chicago on January 14, 1936, Rickenbacker joins with **American Airlines** President C. R. Smith, **United Air Lines** President Patterson, and **Transcontinental and Western Air (TWA)**'s Jack Frye to announce creation of the Air Transport Association of America (ATA) and the appointment of its first president, Edgar S. Gorrell.

On March 23, Eastern joins with the other members of the "Big Four" and **Pan American Airways (PAA)** in signing an agreement with Douglas for development of a DC-4E; the company's share of cost for the arrangement is \$100,000.

The company's medical department, the first of its kind for a commercial airline, is established on April 1.

A connecting service with **Transcontinental and Western Air (TWA)** is announced on August 15 for cities between Indianapolis and Miami.

Joined by **American Airlines** President C. R. Smith, Vice President Rickenbacker travels to Nashville, Tennessee, on November 1 to participate in the formal dedication, witnessed by 40,000 people, of that city's new Municipal Airport.

The **Wedell-Williams Transport Corporation** is purchased for \$160,000 on December 1, together with its AM-20 New Orleans-Houston mail route.

Off course in bad weather, Henry T. "Dick" Merrill's Miami-Newark DC-2 makes a nonfatal crash landing near Milford, Pennsylvania, on December 19.

Also in December, the first 2 of a final total of 77 DC-3s are received and 5 Lockheed Model 5 Vegas are delivered; the surviving T-32 Condor IIs are retired.

A net profit of \$168,000 is reported for the year.

The first commercial EAL nonstop flight is made by one of the new DC-3s from Miami to Newark on January 16, 1937. When a deadly flood in the Louisville area later in the month requires rapid assistance, company aircraft joins those from **American Airlines** in providing dozens of flights bringing in food, clothing, and medical personnel. The Kentucky city will later honor the carrier with a bronze plaque.

On February 18, a DC-2, just after landing at Miami, hits an embankment; no one is badly hurt.

A DC-2, piloted by Dick Merrill, establishes a 5 hr. 26 min. record for the Newark-Miami run on April 12.

Nonstop New Orleans to New York service begins on May 16.

The first long-distance flight record established by the Lockheed Model 10 Electra is set by EAL pilots Dick Merrill and John S. Lambie who, later in the month, fly to London in a Model E christened *Daily Express*. In what is advertised as the first commercial transatlantic flight, they return to New York's Floyd Bennett Field with some 600 still photographs of the coronation of King George VI, many of which appear in the pages of the Sunday edition of *The New York Times*.

On August 1, company records show that, in 7 years of passenger service, a total of 178 million passenger miles have been flown without a customer fatality.

En route from Chicago to Miami on August 10, a DC-2 hits a power pole while taking off from Daytona Beach and crashes (four dead).

The five Electras are now retired. During the year, a special "Women's Department" is opened to assist female passengers with their problems and, in response to a need for frequent roundtrip New York-Washington service perceived by Rickenbacker, Eastern begins to offer 15 daily DC-2 "Merry-Go-Round" frequencies over the route.

Mechanics unsuccessfully strike in November.

During the year, five Electras are retired and eight DC-3s are purchased.

A total net profit of \$196,982 is banked; EAL is the only one of the "Big Four" domestic air carriers to show a profit this year.

Having convinced a skeptical U.S. Department of Commerce of the soundness of his previous May's record-breaking flight to England and having prevented the agency's considered ban on publicity-oriented transatlantic flights, company pilot Dick Merrill receives the Harmon Trophy in March 1938.

On April 2, M. L. Patterson becomes the 500,000th passenger transported. After a lengthy debate with the government, North American Aviation elects to divest itself of the airline on April 22.

General manager and chief executive, Alfred P. Sloan Jr., advises Rickenbacker that a group, potentially hostile to the carrier's future, will try to purchase it. Sloan will recall Eastern in his memoirs, *My Years with General Motors* (Garden City, N.Y.: Doubleday Anchor, 1963). Yellow Cab magnate John D. Hertz Sr. fails in his effort to acquire Eastern when it becomes available as a public stock offering following its incorporation in Delaware on March 29.

Rickenbacker and a group of associates from Smith, Barney & Co. and Kuhn, Leob & Co. are, however, able to obtain the entire shareholding for \$3.5 million; "Captain Eddie" becomes president as well as general manager after an acquisition campaign that can best be described as an 11th-hour effort.

Airline employment stands at 1,032 and the fleet comprises 22 aircraft; 34 daily flights are operated over a 4,518-mile route system. Eastern is the first major airline to operate at a profit without a federal subsidy and will be the only such American carrier for some years to come.

On May 26, a new mail route award, AM-40, is received from the U.S. Post Office. On September 21, a hurricane strikes the U.S. East Coast between Long Island and Boston, cutting all inland transportation. **American Airlines**, the principal operator in the Northeast, attempts to provide air-only communications, but is overwhelmed. At the request of ATA President Edgar Gorrell, Eastern, **United Air Lines**, and **Transcontinental & Western Air Lines (TWA)**, under special permission from Washington, are allowed to contribute aircraft and flight crews to fly emergency relief services over American's routes from New York to Boston. For the next week, two EAL DC-3s join transports from the other three carriers in providing shuttle flights between New York and Boston. During this period, the companies fly over 8,000 passengers (including refugees, relief, and construction workers) and 317,000 pounds of mail from New York to Massachusetts.

After making a successful landing at Montgomery, Alabama, with a burning engine on October 18, a DC-2 is evacuated just before it is consumed by flames.

The last two Lockheed Vegas are withdrawn by year's end, at which time it is reported that the annual profit has risen to \$354,249.

The U.S. Post Office on January 17, 1939, signs a contract with the company for operation of the world's first scheduled rotary-wing passenger service.

To help handle the traffic demand on the winter New York-Miami route, four DC-3As are leased from **United Air Lines**. Services begin to the Mexican border towns of San Antonio and Brownsville on April 15.

A scheduled rooftop service, the first of its kind anywhere and with any type of flying machine, is inaugurated by EAL on July 6 when its Kellett KD-1B autogyro inaugurates, as it says on the machine's fuselage, "AM 2001 First Scheduled Autogyro Air Mail Route in the World" between Camden Airport and the roof of the new Philadelphia Post Office building. During its construction, the latter point had been specially equipped for this five-times-a-day roundtrip service.

By August, 15 DC-3s are on line while portable radios are installed for passengers aboard company DC-2s on September 1. On October 1, orders are placed for three sleeper-configured DST/DC-3s.

On January 26, 1940, the company joins with **Pan American Airways (PAA)**, **American Airlines**, and **United Air Lines** in ordering 61 of the newer and smaller DC-4s; the giant order will be voluntarily terminated by all concerned as war approaches.

Three new Douglas DST sleepers are received in February and are introduced on the New York to Brownsville via Washington, Atlanta, Birmingham, New Orleans, and Houston route. On February 26-27, one

of the new aircraft on this route crashes into trees while landing at Atlanta in bad weather. The DST is destroyed and a number of passengers are injured, including EAL President Rickenbacker, who will spend four months in the city's Piedmont Hospital and walk with a limp for years thereafter.

Service is transferred from Newark to New York's La Guardia Field on April 2 and on May 4, orders are placed for 12 DC-3s.

The Philadelphia autogyro service ends toward the end of the second quarter.

On September 15, the company's last 10 DC-2s are sold to the British Purchasing Commission for \$500,000. Slated for No. 8 Squadron of the Royal Australian Air Force, the first five are delivered to Canada on September 26. Two additional DSTs are purchased in October.

The carrier transports a total of 368,436 passengers on the year and the annual report shows a profit of \$1.58 million.

On February 21, 1941, frequencies on the two-stop New York-Miami route have been increased to nine-a-day.

Too low on its approach to Atlanta's airport on February 26, the DST *Mexican Silver Sleeper* crashes into a hill five miles out (eight dead). On March 14, the "Big Four" form the research group Air Cargo, Inc. A significant rainstorm causes a DC-3 to crash-land in a marsh west of Vero Beach on April 3; all aboard are injured to some degree.

The final five DC-2s sold to the British are forwarded during the first five months, with the last arriving in Australia during May.

A new DST (the last built) is obtained in June to replace the *Mexican Silver Sleeper* and the Kellett KD-1B autogyro is sold on November 23.

At a director's meeting, it is revealed that the company has a \$4.7-million payroll covering 2,280 workers. A net profit of over \$1 million is recorded for the year as a total of 530,720 passengers are carried.

Following the Japanese attack on Pearl Harbor on December 7, Eastern, like all other U.S. airlines, gives up a portion of its fleet to government service, specifically 20 of its 39 DC-3s in early 1942. Painted in olive drab livery, they are no longer "The Great Silver Fleet" but become, instead, "The Great Chocolate Fleet."

At the request of ATA President Gorrell and the War Department, **American Airlines** executive M. P. "Rosie" Stallter is sent in January on a weeklong inspection tour of the U.S. Army Air Forces' Air Service Command bases in Pennsylvania, Ohio, Alabama, Utah, and California.

From this trip, Stallter and Gorrell devise and present the Army with a domestic military cargo service plan to be operated by the airlines under government contract. Under the plan, five geographical segments are created, each assigned to a specific carrier: American, the East Coast; **Northeast Airlines**, the Northeast; Eastern, the Southeast; **Northwest Airlines**, the Pacific Northwest; and **Braniff Airways**, the Southwest.

At the personal request of U.S. Army Air Forces' commanding general, Henry "Hap" Arnold, President Rickenbacker, together with Gen. Frank "Monk" Hunter, a colleague who had flown with Capt. Eddie in the 94th Aero Squadron during World War I, makes a morale-boosting nationwide tour of USAAF training bases during March.

On April 1, a survey flight is made to Trinidad from Miami via Cuba and Puerto Rico. On April 14, another survey flight is started from Miami to the African city of Accra on the Gold Coast (today's Ghana) via San Juan, Trinidad, Georgetown, Belem, Natal, and Ascension Island.

On May 1, Eastern becomes the fourth U.S. carrier to inaugurate scheduled service in support of the war effort when six of its DC-3s, on contract to the Army's Air Transport Command, begin thrice-daily flights from Miami to Middletown, Pennsylvania and daily flights from Miami to San Antonio. Daily Miami-Trinidad service begins on May 18.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. The mobilization foreseen and promised by ATA President Gorrell at the beginning of the year now becomes reality. The U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities and dispatch aircraft to Edmonton, Alberta, for participation in a massive contract air-

lift that is quickly organized for the defense of Alaska. Over 100 aircraft from Eastern and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

On June 24, a survey flight is undertaken to the northeast Brazilian city of Natal. A week later, on July 1, scheduled operations are begun to Natal and on September 1 the carrier creates its Miami-based Military Transport Division (MTD). It is this unit which, employing the fifth production model, initially places the Curtiss C-46 Commando into civil contract service, on the Florida-Pennsylvania run in October. Those airliners not commandeered remain exceptionally busy; for instance, mileage flown in October advances 67% over 1941 using fewer planes.

Also in October, President Rickenbacker is asked by War Secretary Henry Stimson and Gen. Arnold to inspect the new 8th Air Force Bomber Command bases being established in England. In the U.K., Capt. Eddie visits with British officials, including Prime Minister Winston S. Churchill. He also reviews the Boeing B-17 (about which he will make 20 serious written recommendations for improvement) and returns to Washington as a special courier, carrying one of the five detailed sets of plans for the North African invasion sent to the U.S. from England.

Within six days of his return, Rickenbacker is sent off on another political and morale-boosting tour, this time on October 17 to the Southwest Pacific. Having arrived at Honolulu aboard a former **Pan American Airways (PAA)** Boeing 314, Capt. Eddie departs for the Port Moresby headquarters of Gen. Douglas MacArthur aboard a B-17. While en route, Rickenbacker's Flying Fortress misses its landing at Canton Island and ditches at sea. The Captain and the survivors are lost on a raft for 22 days, during which ordeal one airman dies.

Having drifted near Funafuti in the Ellise Islands (now the Tuvalu chain), the two life rafts are spotted by a USN PBY Catalina and a rescue is completed on November 12. The airline chief will remember the ordeal in his book *Seven Came Through* published the following year. Following his visit with MacArthur and the completion of his tour, Rickenbacker returns to Washington to report to Stimson and become a champion of aircraft survival equipment. Later in the year, he will begin a three-month tour of U.S. war plants.

A C-46 proving flight is made from Florida to Brazil on February 8, 1943. By March 8, the MTD has 15 Commandos flying roundtrip from Miami to Natal. In early April, senior captains conduct a return survey flight over the 6,500-mi. from Miami to Accra, in West Africa, via San Juan, Trinidad, Georgetown, Belem, Natal, and Ascension Island.

In May and June, President Rickenbacker undertakes a 55,000-mile inspection and morale-boosting tour on behalf of the War Department to North Africa, Iran, the Soviet Union, India, and China. During this trip, he is seen by over 300,000 American troops and returns with a large report on the Russian use of Lend-Lease equipment.

Frequencies are increased to thrice daily in July and night service on the route is started in September.

Only 20 DC-3s are available for domestic services at the start of 1944. In February, the CAB grants a Jacksonville to New York route to **National Airlines**, thereby setting in motion Eastern's hottest rivalry.

Beginning on June 1, C-46s, equipped with extra fuel tanks, stretch the day and night Natal service across the Atlantic via Ascension Island to Accra over the route surveyed in 1942.

Meanwhile, the CAB, on June 12, grants Eastern permission to service Boston from New York, thereby ending a long-held monopoly by **American Airlines** over the heavily traveled segment.

Orders are placed on October 4 for DC-4s and civil C-46s. Frequencies on the 1,424-mile long New York to Miami service are increased to 8 daily round trips on October 20. The C-46 Natal-Accra over-ocean flights end on November 10.

On November 29, Air Cargo, Inc., having submitted a number of reports on freighting possibilities to the "Big Four," is closed down. Also in November, New York-Boston service is initiated. Fourteen Lockheed L-049s are ordered on December 1.

During the fourth quarter, 14 of the 20 DC-3s given up in 1942 are returned.

The company begins flying citrus and vegetable products from Florida to New York City on April 12, 1945.

A total of 43 DC-3s are now in service or being modified from C-47 status. One of these aircraft crashes into a swamp near Florence, South Carolina, on September 7 and explodes (22 dead); the wreckage is found by a local boy.

The carrier receives another rival when the CAB grants **Delta Air Lines** a Chicago to Miami route. However, the government regulators do allow Capt. Rickenbacker's "Great Silver Fleet" to start flying roundtrips from Miami to Detroit.

On September 20, orders are placed for 14 Lockheed 049 Constellations, later upgraded to 649s equipped with an external Speedpak cargo and baggage container. Daily frequencies on the New York to Washington roundtrip service are increased to 27 on September 23 and 4 days later ground personnel are granted a 40-hour work week.

Frequencies to Natal are maintained until October 15, when they cease and the Military Transport Division is demobilized. Since its creation on September 1, 1942, the MTD has flown 45 million pounds of cargo and 130,000 passengers without ever cancelling a flight.

Fifty Martin 2-0-2s are ordered on November 23. A DC-3 with 15 passengers overruns New York (LGA) and crashes into Bowery Bay on December 31 (1 dead); the U.S. Coast Guard aids in the rescue.

Eastern Air Lines, on January 1, 1946, is the third largest of the "Big Four" domestic airlines, with a route network of 7,614 unduplicated miles.

A DC-3 with 17 aboard crashes near Cheshire, Connecticut, on January 19; there are no survivors. Participating in the postwar boom in commercial aviation, Eastern now begins flights from Miami to San Juan.

Converted to DC-4 civil standard and delivered in the company's livery as "Silverliners," 20 R5Ds (USN DC-4s) are leased from the government in the spring for a five-year period. Delivered between May and October, the aircraft are placed into service on the New York to Florida route.

On October 11, a C-54B with 4 crew and 22 passengers, crashes while on initial approach to the airport at Alexandria, Louisiana; although the aircraft must be written off, there are no fatalities. By late fall, the fleet also has 49 DC-3s available. One of these is damaged in a midair collision with a **Universal Airlines** plane over Aberdeen, Maryland, on December 20; 84 passengers on the two planes escape injury and the Eastern aircraft is able to continue its flight to Miami.

To counter **Delta Air Lines'** new Miami to Chicago via Cincinnati service, Eastern introduces DC-4s on the same route in January 1947.

A DC-3 with 3 crew and 16 passengers is lost near Galaxy, Virginia, on January 12 (18 dead). On May 30, Flight 605, a C-54B en route from Newark to Miami with 4 crew and 49 passengers and a damaged tail assembly, goes into a near-vertical dive from 4,000 ft. up, crashing into the ground near Port Deposit, Maryland, where it explodes (53 dead). The tragedy is the worst airliner disaster to date.

Newark to Houston via New Orleans DC-4 flights begin on June 10. The first of 14 Lockheed L-649 Constellations join the fleet on May 13 and, beginning on June 17, initiate 6-times-per-day New York to Miami flights. The Lockheeds are also placed into service on the Miami to Chicago route. Flights terminating in New York are assigned to the international routes of **Air France** on August 3. Newark-Miami nonstop service begins on September 29 and. Miami's Rickenbacker Causeway is opened on November 10. Multistop New York to Charleston, West Virginia, DC-3 frequencies begin on December 2.

En route from Houston to Boston on January 14, 1948, a DC-3 crashes near Washington, D.C. (five dead).

While flying from Boston to Miami on February 8, an L-649 piloted by Capt. Dick Merrill with 4 other crew and 20 passengers, loses an engine that crashes into the plane's fuselage, killing a steward. Capt. Merrill is able to land the aircraft at Bunnell, Florida, where no other injuries are reported and it is revealed that an eight-month-old baby has slept through the entire incident.

New York to Atlantic City DC-3 service begins on March 2, followed by flights to Wilmington, Delaware, which start on April 28.

As the result of structural difficulties with the Martin 2-0-2, Eastern redesigns the aircraft for the manufacturer and orders 35 of this improved Martin 4-0-4.

The carrier now becomes one of the first to advertise its routes and frequencies over the radio; many of the commercials are read by entertainer and aviation enthusiast Arthur Godfrey, who becomes a close Rickenbacker friend.

En route from Philadelphia to New Orleans on January 5, 1949, a DC-3 crashes while making a scheduled stop at Birmingham, Alabama; no injuries are reported.

During the spring, President Rickenbacker, radio personality Godfrey, and various newspapermen make a 31-day tour of Latin America aboard an L-649. The goodwill visit stops at 15 Caribbean and South American communities, which are also examined for their expansion possibilities.

On July 28, after a U.S. Navy F6F irresponsibly buzzes a DC-3 with 3 crew and 12 passengers en route from Boston to Memphis over Chesterfield, New Jersey, the Douglas hits the fighter plane. Both aircraft crash and there are no survivors from either aircraft.

On final approach to Washington, D.C. (DCA) on November 1 after completion of a service from Boston, Flight 537, a C-54B with 4 crew and 51 passengers, collides with a Bolivian Air Force Lockheed P-38, piloted by Capt. Rios Bridoux. The accident occurs over the Potomac River at an altitude of 300 ft., a mile short of Runway 3; all 56 persons involved are killed. Bridoux survives the worst U.S. air disaster to date, claiming he did not see the Douglas transport nor understand warnings from the control tower.

During the year, 7 L-749As join the fleet and orders are placed for 60 Martin 4-0-4s.

On February 11, 1950, steward M. Fisher-Galati falls out of the door of a DC-3 over Tampa Bay, but hangs on to the door chains for 20 minutes until the Douglas can land safely. Another DC-3 crashes at Lexington, Kentucky, five days later, but no injuries are reported to any of the 18 aboard.

On April 14, Eastern becomes launch customer when orders are placed for 14 L-1049A Super Constellations.

Between June 9–17, after the CAB bans flights by charter carriers, the carrier joins with **Pan American World Airways (1)** to fly 5,000 Puerto Rican migrant workers to Michigan.

Later in the year, a stock purchase plan is started for all employees with three or more years seniority and reversion to an all-male flight attendant staff is completed.

During the year, all of the L-749s complete conversion into L-749As.

The CAB grants a direct New York–Puerto Rico route on January 26, 1951 as a supplement to Eastern's existing Miami–San Juan service and the first nonstop test run is made on March 10.

Direct New York to San Juan service is inaugurated on March 26. New York City Mayor Vincent P. Impellitteri joins President Rickenbacker on the flight and participates in ceremonies marking the occasion with San Juan Mayor Rincon de Gautier the next day. On April 1, the carrier joins **Pan American World Airways (1)** in cutting New York–Puerto Rico tourist fares.

During the spring and summer, Miami to Houston authority is granted by the CAB. Eastern leases the Houston to Amarillo route of **Braniff International Airways** and enters into an interchange agreement with **Trans World Airlines (TWA)** for the remainder of the southern transcontinental route to California. The award is protested by **National Airlines** and upon CAB rehearing, EAL is denied the Miami to Houston route.

Following its maiden flight on October 15, the first of 60 Martin 4-0-4s is delivered, allowing the gradual return of the 20 leased USN R5Ds. Meanwhile, nine C-54 Skymasters are purchased from **American Airlines** and **Pan American World Airways (1)**.

The first L-1049A arrives on November 26.

At Ocala, Florida, on November 27, a DC-3 with 20 aboard lands safely after brushing wings with a Civil Air Patrol plane; the USAF auxiliary plane crashes and its pilot is killed.

L-1049A Newark–Miami flights commence on December 17, with a second Super Constellation assigned to that route six days later. EAL is the first to place the Super Constellation into service and also orders 16 L-1049Cs for delivery two years later.

Enplanements for the year total 3.5 million.

Eastern employs the 4-0-4 to launch its New York–Miami via Columbia, Atlanta, and Jacksonville Silver Falcon service on January 10, 1952; the falcon on aircraft tails is painted in red.

After three disastrous crashes by other airlines since December, authorities close down Newark Airport, home to 65% of EAL's New York operation. Improvised \$1.5 million-per-month arrangements are made to transfer operations to the new Idlewild Airport until the ban is lifted.

On March 23, the board of directors of **Colonial Airlines** votes to accept a merger offer; however, the arrangement is opposed before the CAB by **National Airlines**. Ownership of the Montreal-based carrier will be contested by the two East Coast rivals for four years.

In late spring, orders are placed for Lockheed L-1049C Super Constellations.

Daily roundtrip, nonstop New York–Puerto Rico flights begin on August 24 and a Constellation, with 54 aboard, noses over while taxiing at Atlanta on August 31; no injuries are reported.

On September 26, the one-millionth (cumulative) passenger is boarded. Despite a flight engineers strike begun on December 1, all 60 Martins are in service by year's end.

During the first half of 1953, orders are placed for 22 L-1049G Super Constellations. Meanwhile, on January 30, the final DC-3 flight is completed, Chicago to Miami, and the last Douglas is retired and given to the Smithsonian Institution. The last of 60 4-0-4s for the airline is completed at the Martin plant at Baltimore on February 3.

A Super Constellation, with 83 aboard, skids for a mile on its belly when its wheels collapse during a landing at Chicago Municipal Airport on March 3; only one passenger is hurt.

Ashland, Kentucky, and Huntington, West Virginia, join the route network on April 1. Super Constellation service to Nashville begins on April 26. Also in April, an interchange agreement begins with **Northwest Airlines** over a route from Miami to Seattle via Chicago (MDW). An EAL L-749A is employed on the route, with NWA cockpit and cabin crews operating the service from Chicago to Seattle and back.

On August 7, President Rickenbacker assumes the newly created post of company chairman and general manager; Secretary/Treasurer Thomas Anderson is appointed president.

The firm marks its twenty-fifth anniversary, profits are \$136.5 million, and the 25-millionth passenger (cumulative) is boarded on September 15.

A Constellation bound for Puerto Rico with 5 crew and 22 passengers, crashes and burns while taking off in fog from New York (IDL) on October 18 (2 dead).

The Miami–Seattle interchange with **Northwest Airlines** is terminated at the end of October. Late in the year, L-1049Cs are introduced on the main north to south corridor as well as on the Florida to Chicago run.

A March 24, 1954 fire in the building adjacent to the Atlanta reservations center forces EAL personnel to seek other quarters; fast response results in a return to full service within eight hours.

A Constellation flies the New York–San Juan service on June 9 in a record 4 hrs. 40 min.

While circling Washington, D.C. (DCA) for two hours on August 7, a damaged Constellation with 77 aboard is repaired aloft and thus can land safely.

The carrier wins a USN contract on June 13, 1955 to fly cargo coast to coast.

A Constellation, with 60 aboard including U.S. Representative Kenneth Keating, makes a safe crash landing at Washington, D.C. (DCA) on July 14; no injuries are reported.

An interline arrangement is made with **Braniff International Airways** at Miami on August 18, which allows the Texas-based carrier to continue its South American services on to Washington and New York. Beginning on August 28, Super Constellations are assigned to the New York–San Juan service. A letter of intent is signed on September 27 for 40 Lockheed L-188 Electra turboprops. Also in September, 10 L-1049Gs are ordered.

Also ordered are 40 DC-7Bs Golden Falcons at \$1 million per unit, each of which is complete with a passenger cabin interior designed by Cadillac's Harley Earl and a lounge at the cabin rear.

In the fall, two DC-6Bs are leased from **Pan American World Airways (1)** and all of the Super Constellations are altered to all-coach configuration.

An interchange service with **Northwest Airlines** begins on December 15 between Miami and Minneapolis-St. Paul via Chicago. The service is initially operated by NWA Stratocruisers during the winter and EAL Constellations during the summer season.

A Super Constellation, about to depart for Miami on December 18, is held up and searched when an ominous ticking noise is heard; a loud alarm clock is found. While making an instrument landing at Jacksonville, Florida, three days later, a Constellation with 5 crew and 17 passengers, crashes; there are no survivors. Late in the month, orders are placed for DC-8-10s.

The actual order contract for the Lockheed Electras is signed on February 9, **1956**. Options, which will never be exercised, are taken on 30 more.

The acquisition of **Colonial Airlines** is finally achieved on June 1 and gives Eastern routes to Canada, Bermuda, upstate New York, and New England. Unduplicated route mileage increases to 15,967. A total of 800 employees are added to the company's 13,500. The company, which will operate its prize as a division under its old name until integration can be completed, is now able to claim that it, and not **American Airlines**, is the world's largest airline in terms of passengers carried.

A Martin 4-0-4 with 3 crew and 20 passengers makes a forced landing near Owensboro, Kentucky, on February 17; although the aircraft must be written off, there are no fatalities.

Ten Lockheed L-1049Gs are now received and placed into "Night Owl" and first-class Montreal–Miami via New York service. Orders are placed for 40 Lockheed L-188 Electra turboprops at \$2.4 million per aircraft. Shortly thereafter, \$165 million is offered to Douglas for 16 DC-8-21s, an upgrade of the previous winter's order.

On August 18, eight more New York to Miami flights are added because of the partial shutdown of **National Airlines** due to an Air Line Pilots Association (ALPA) strike.

The company begins replacing the DC-4s used on **Colonial Airlines'** New York to Canada flights on October 15 with Constellations.

Through careful and stringent management, Chairman Rickenbacker is able to announce a \$14.7-million profit for the year.

In April **1957**, new Convair CV-440 Metropolitans are introduced as supplement to the Martin 4-0-4s.

A hard landing at Louisville on March 10 wrecks a Martin 4-0-4 with 3 crew and 31 passengers; there are no fatalities.

In significant difficulty with the CAB in the spring, **North American Airlines** leases its seven DC-6Bs to Eastern. Ground accidents claim an L-1049E and a DC-7B at Miami on June 28.

After 20 years of bilateral air agreement difficulties between the U.S. and Mexico, a resolution is achieved; Eastern begins DC-7B Golden Falcon flights from New York to Mexico City via New Orleans on July 23. Five days later, a DC-7B collides on the ground at Miami with one of the company's L-1049s; although there are no fatalities, the former catches fire and must thereafter be written off. Service to the Mexican capital from the U.S. capital at Washington, D.C. is started on September 23.

A Martin 4-0-4, with three crew and two passengers, must be written off following a hard landing at Massena, New York, on November 14; there are no fatalities.

During the year, the carrier employs a single L-1049E and five L-1049H Super Constellations, the latter as freighters. In the same period the first Pitcairn PA-5 Mailwing constructed is donated to the National Air and Space Museum, where it becomes the second EAL aircraft donated to the Smithsonian and a long-lasting exhibit.

Following retirement of the last DC-4, the fleet in **1958** comprises 187 aircraft: 7 DC-6Bs, 48 DC-7s, 18 L-749s, 38 L-1049s, 20 CV-440s, and 56 Martin 4-0-4s.

A DC-7B crashes at Santa Monica on March 10 prior to delivery and is not replaced. A hard landing wrecks a Martin 4-0-4 at Melbourne, Florida, on March 17; none of the three crew or seven passengers are injured.

The first L-188 is accepted on October 8; six more are on hand by year's end. No major or significant new route or unique operational activity occurs except for a strike by flight engineers at the end of November over a demand that they be pilot qualified. The issues debated are the same as those being simultaneously negotiated at **American Airlines**. When the CAB allows **Northwest Airlines** to begin direct service between Chicago and the metropolitan Florida markets of Miami and Tampa on December 6, its interchange agreement with Eastern is terminated.

The 38-day strike by flight engineers ends on January 1, **1959** as Eastern drops a company requirement that they have pilot training.

On January 12, the first 2 of 40 Lockheed L-188 Golden Falcon turboprops are placed in service between New York and Miami. At the same time, a third Electra commences Miami to Montreal via New York Electra flights. With nine additional turboprops available, the company initiates Electra service during the next two weeks to Atlanta, Chicago, Cleveland, Detroit, Newark, San Antonio, Tampa, and Washington, D.C. Miami–San Juan Electra flights are launched on February 22.

A DC-7B, en route from Miami to New York with 60 aboard on July 22, veers off the runway at Idlewild, damaging its left wing and engines after losing two wheels during the landing; two passengers are treated for shock.

Also during the month, the world's first no-reservation air shuttle, the Ponte Aerea, is started between São Paulo and Rio de Janeiro, Brazil, beating the Eastern concept into operation by two years.

Malcolm A. MacIntyre becomes president/CEO on October 1. Rickenbacker remains chairman and former Executive Vice President T. F. Armstrong becomes executive vice president-finance. Also in October, the last L-188 is delivered.

Late in the year, the company receives its first jetliner, a DC-8-21, carrying the title "Fly Eastern's Golden Falcon Jet DC-8B"; over the next 18 months, the new Douglas jetliners will carry 8 more major livery variations.

The fleet now comprises 228 aircraft serving 128 cities in 27 states; included are 5 L-1049Cs converted into freighters during the year. Airline employment is 18,000.

On the third and fourth days of **1960**, two L-749s crash, one each at Philadelphia and Washington, D.C.; although both Constellations are fully booked, no serious injuries result.

The carrier introduces its first pure jet, the Douglas DC-8-21, on the New York (IDL)–Miami run on January 24. An L-188A with 67 aboard crashes in fog at New Orleans on February 4; no serious injuries are reported. Nine days later, a fire alarm causes an L-1049C to abort its take-off from Washington, D.C. (DCA); the plane skids on slush and crashes, but no serious injuries are recorded.

As the result of hitting an air pocket during a February 26 St. Louis to New York flight, 25 passengers aboard a DC-7B are hurt.

As the result of a running-light failure at St. Louis on March 8, a DC-7B crashes while landing; the plane is badly damaged and all 51 aboard receive minor injuries. The next day, an L-749 crashes at New York (LGA); again, injuries are few. Also in March, a new customer services department is established and charged with holding and increasing ridership. At the same time a new advertising campaign is undertaken: "Dependability from the Ground Up."

During the second quarter, the company's service from Miami to Milwaukee via Chicago is extended on to Minneapolis-St. Paul, which has not seen an EAL service since the end of the interchange agreement with **Northwest Airlines** in late 1958.

Nonstop New York to New Orleans DC-8-21 service begins on April 12 followed, on June 1, by an all-cargo run from Newark to Atlanta. DC-8-21s are placed on the New York to Bermuda route on August 15. An October 1 Jacksonville-Miami Martin 4-0-4 service with 27 aboard lands safely at Orlando after colliding with a private Beechcraft; the latter crashes and its pilot is killed.

Three days later, on October 4, Flight 375, an Eastern L-188 with 72 aboard and just 150 ft. into the air after takeoff from Boston for Atlanta, passes through a large flight of starlings. The turboprop's left wing plunges down, while the nose ascends; the aircraft rolls over and plunges into Boston Harbor (71 dead). For five years the cause of the crash is believed to be have been the birds, but in a 1966 trial it is shown that faulty airline maintenance involving the copilot's seat caused the accident.

Pittsburgh to Miami economy flights begin on October 12; the next day, fully amortized Super Constellations stretch this \$40 Air Bus service to Miami from Cleveland, Pittsburgh, and St. Louis.

A Martin 4-0-4 is substantially damaged in a November 3 aborted takeoff from Wilmington, Delaware. On November 17, a DC-8-21 with 107 aboard aborts its takeoff from Boston after colliding with a flock of sandpipers; no injuries are reported.

Orders are placed in December for 40 Boeing 727-25s and 10 (later 15) B-720-025s. Ten of the latter are to be sold to Prudential Insurance Company and leased back; all are to be powered by Pratt & Whitney JT3C-12 turbojets and are the only B-720s so equipped.

Meanwhile, a St. Louis-Tampa Air Bus route is added. A 12-day wildcat pilots strike costs the company \$8 million in lost revenues.

By year's end, DC-8-21s have replaced Constellations and DC-7Bs on all New York services to Florida, Atlanta, Houston, and New Orleans. The last 12 remaining L-649 and L-749s are sold to the New York-based Transit Equipment Company for delivery before the new year.

Largely as the result of the recession and pilots' strike, EAL—for the first time in 26 years—suffers a net loss: \$3.6 million.

The Flight Engineers International Association (FEIA) strikes six carriers, including EAL, on February 18, 1961; the strike lasts six days and ends when President Kennedy appoints a special commission headed by Professor Nathan Feinsinger to recommend a solution. It costs the airline \$5.5 million in lost revenue.

A CV-440 with 45 aboard encounters clear-air turbulence over Jacksonville, Florida, on April 9 that results in severe injuries to one passenger and a flight attendant.

Employing fully amortized Super Constellations painted in red-and-white livery, Eastern begins what would become its world-famous Air Shuttle on April 30, linking Washington, D.C., New York, and Boston. The hourly, no-reservation, no-frills experiment, an extension of the Air Bus concept, will become a permanent fixture, even after Eastern's demise. In single-class seating configuration, jetliners become the most essential transportation medium between the three northeast cities. The shuttle service guarantees that all wanting to fly will be guaranteed a seat—even if a backup plane must be dispatched as an extra section for one passenger. The first one-passenger extra section flight is made on June 12—the same day EAL's shuttle terminal opens at New York (LGA)—and is attended with enormous press coverage.

While landing in a thunderstorm at Orlando on July 19, a DC-7 with 29 aboard crashes after its nose gear fails; although the propliner is badly damaged, no major injuries are reported. On July 24, Flight 202, an Electra with 38 passengers and en route from Miami to Tampa, is forced by an armed hijacker to fly to Cuba, despite the efforts of an intercepting USAF fighter plane to force it back to Florida. When the U.S. requests the return of the craft, crew, and passengers, Premier Fidel Castro indicates that the personnel may leave, but that the American government must negotiate for the aircraft by returning six **Cubana**

(**Empresa de Cubana de Aviacion, S.A.**) planes. Secretary of State Dean Rusk rejects the proposal. Cuba offers to return the L-188A on August 6 in exchange for a Cuban patrol boat brought to Key West by Cuban defectors; the arrangement is completed a week later. As events unfold during the remainder of the decade and into the 1970s, more Eastern aircraft will be hijacked to Cuba than any other airline.

Air Shuttle schedules on August 1 are doubled to every hour, on the hour, between New York and Boston. Two days later, an L-1049G freighter arriving in New York from an international flight is destroyed when the failure of its main landing gear causes it to crash; one of the three crewmen receives minor injuries.

During the month, 12 Constellations and 35 crews are assigned to the Air Shuttle service.

On August 25, the first of 15 new B-720-025s is received; the entire B-720 order when delivered will be valued at \$66 million. B-720-025 service on Florida routes starts by month's end. First-class passengers on the jetliners receive Golden Falcon Service, while those in economy have Deluxe Coach Service.

On September 3, the CAB approves a transfer of routes in Vermont and northern New York State to **Mohawk Airlines**, which will take them over on September 12. The next day, September 4, the main landing gear of a DC-7 collapses during the plane's San Antonio landing; none of the 25 people aboard is hurt. Two days later, four Martin 4-0-4s are assigned as shuttle backup aircraft.

By the end of October, Air Bus destinations include Miami, New York, Newark, Philadelphia, San Juan, Tampa, Pittsburgh, Cleveland, St. Louis, and Detroit.

A record seven Air Shuttle sections are flown on November 26 for one scheduled departure between New York (LGA) and Boston. At the year's end, Air Bus service is launched from Boston to Miami and Tampa.

As Boeing 720Bs enter inventory, the Lockheed L-649s and L-749s are now withdrawn from frontline service, and Capt. "Dick" Merrill, the company's most famous pilot after the chairman, is forced to retire under the FAA's new 60-year-old-and-out mandatory retirement rule.

The net loss this year grows to \$9.6 million.

Pilot error causes an L-188 to land wheels up at Birmingham, Alabama, on January 14, 1962; none of the 30 people aboard the plane is hurt.

Eastern and **American Airlines** make a joint request of the CAB on January 23 for permission to merge with American the surviving carrier. As the largest merger proposal since **United Air Lines/Capital Air Lines** in 1960, the application generates heated discussion and much opposition.

Employing five Douglas DC-7Bs, direct Boston-Washington Air Shuttle service is launched on February 1. A month later, on March 1, \$75 daytime/\$57 nighttime DC-8-21 shuttle flights are inaugurated between New York (IDL) and Miami; the service is shortly thereafter withdrawn.

A second New York departure point for the Air Shuttle, Newark, is offered, beginning on April 29. Also during the spring, the Air Bus network is expanded to include Chicago, Cincinnati, Columbus, Toledo, Minneapolis (MSP), and Fort Lauderdale. To relieve the Martinliners and expand capacity, 10 L-1049Gs are assigned to the Air Shuttle fleet in May. One of these suffers a nosewheel collapse after landing at New York on May 28.

A DC-7 is involved in an accident at Miami on June 8 while taxiing out for takeoff on a training mission.

On June 11, the one-millionth shuttle passenger is boarded and the Air Shuttle is publicly commended by the CAB Chairman Alan Boyd.

The **American Airlines** merger proposal is withdrawn in July.

A B-720-025 undershoots the runway while landing at New Orleans on August 30; none of the 43 people aboard is hurt.

A DC-7B crashes after control of it is lost on a wet runway during landing at Daytona Beach, Florida, on September 19. Two days later, a B-720-025 bounces on landing and crashes; none of the 20 people aboard are injured.

The last Martin 4-0-4s are now retired and seven DC-6Bs leased from **Trans-American Airlines** in 1957 are ordered returned.

A DC-7B is lost on November 30 while landing in heavy fog at New York (IDL) after a service from Charlotte; of the 6 crew and 45 passengers aboard, 25 are killed.

Unsatisfied with the airline's acceptance of the recommendations of the Feinsinger Commission, FEIA again strikes EAL, this time for 30 days and contributes significantly to the carrier's \$15-million loss for the year.

On February 15, 1963, a New York to Miami Air Shuttle is launched. With insufficient aircraft to handle the extra sections required, this Florida no-frills, walk-on experiment is terminated at the end of the winter tourist season.

While landing at Boston on March 12, a DC-7B with 20 aboard crashes after its right main landing gear collapses.

A renewed Eastern-American Airlines merger proposal is rejected by the CAB in April.

En route from New York to Florida on June 23, a DC-8-21 with 69 aboard encounters clear-air turbulence north of Norfolk, Virginia, which results in serious injury to three passengers.

A bomb hoax causes a flight recall at Newark on August 20, but the next day is worse. When the pilot misjudges the leveling-off of his CV-440 while landing at Wilkes-Barre-Scranton Airport, it crashes with 10 aboard. Improper extension of the landing gear prior to landing forces a DC-8-21 with 28 aboard to crash after touchdown at Orlando. No injuries are reported from either incident. Two more flights are recalled on September 4 for bomb threats.

A DC-7B, with 5 crew and 40 passengers, is destroyed as the result of a bad landing at Nashville on September 28; there are no fatalities.

A DC-7B with 29 aboard is hit by lightning near Atlanta on November 1; although the plane is damaged, it is able to make a safe landing. The No. 4 engine of a B-720-025 explodes in flame just after the plane's takeoff from Boston five days later; a fast emergency landing is made and none of the 38 people aboard are hurt.

En route from New York to Mexico on November 9, a DC-8-21 with 124 aboard falls 13,000 feet in a downdraft. The plane is able to land safely at Barksdale AFB, Louisiana; 17 are injured.

On December 1, a record 20,000 passengers are carried in one day on the Boston, New York, Washington shuttle. Two days later, a DC-8-21 with 70 aboard encounters clear-air turbulence near Lakeland, Florida; a stewardess and a passenger are both seriously injured.

A B-720-025 loses an engine before takeoff from New Orleans on December 13.

On December 15, Chairman Rickenbacker, at board insistence, relinquishes the reins of command as a new management team, headed by Floyd D. Hall, formerly of **Trans World Airlines (TWA)**, is brought in to take over. For the two days between the end of Malcolm MacIntyre's employment and the start of Hall's, the board votes Vice President Maurice "Lefty" Lethbridge president with all rights and privileges; his two-day, but official, presidency is the shortest in the history of any major American commercial aviation enterprise.

At this point, 20% of the company's total enplanements are Air Shuttle boardings and one more L-1049C is turned into a freighter. The loss for the year totals \$37.8 million on revenues of \$403 million.

The first regular flight of a Boeing 727-25—aptly named the "Whisperjet"—is over the Philadelphia-Miami via Washington, D.C. route, on February 1, 1964. On February 25 while en route to New York from Mexico City, Flight 304, a DC-8-21 with 7 crew and 51 passengers, fails its takeoff from Moisant Airport at the intermediate New Orleans stop and crashes into Lake Pontchartrain; there are no survivors.

New York-Miami B-727-25 service begins on March 1. President/CEO Hall institutes a company revival program labeled "Operation Bootstrap" at a Houston meeting in June.

Following an accident to an L-1049C on the ground at New York (LGA) on July 15 in which a stewardess is badly hurt, a DC-7B with 5 crew and 71 passengers undershoots its landing at Richmond, Vir-

ginia, the next day; no major injuries are reported. Four days later on July 20, another DC-7B with 5 crew and 52 passengers strikes a runway fault while landing at Charlotte, North Carolina, and crashes; again, no injuries are noted. On July 24, a passenger failing to heed the fasten seat belt sign is seriously hurt when a DC-8-21 with 137 aboard encounters turbulence near Gainesville, Florida. Much emphasis is placed on new equipment and 10 more B-727s are requested on August 1.

The successful Air Bus service is terminated on September 1.

On September 23, a ground crewman is sucked into the jet engine of a DC-8-21 with 99 aboard and killed as the aircraft is preparing for its San Juan gate departure. The DC-7B Boston-Washington shuttle service, upgraded with such amenities as beverage service and meals, is renamed the Executive Shuttle on October 1.

Airline employment is 19,532 and the fleet includes 174 aircraft.

During the year, an new two-tone blue and white color scheme and a simplified falcon logo is unveiled on one each B-720-025, L-1049G, L-188A, CV-440, and DC-8-21.

Enplanements for the year total 11,729,089 and 55.7 million freight ton-miles are flown. Revenues for the year reach \$417.7 million and the net loss is \$5.8 million.

A total of 2,639 employees are hired in 1965. While taxiing at San Juan on January 8, the right axle of a DC-8-21 with 19 aboard suddenly breaks; all aboard deplane.

A significant number of DC-9-10s are ordered in February; the remaining DC-7Bs are traded to Boeing as part of the earlier arrangement.

Flight 663, a DC-7B with 5 crew and 79 passengers, crashes into the Atlantic Ocean off Jones Beach, near New York (JFK), just after takeoff for Richmond on February 8. There are no survivors and witnesses report that the pilot had been attempting to avoid a midair collision with a smaller aircraft.

The "New Mark" or "Hockey Stick" livery introduced on an experimental basis the year before now becomes permanent.

A DC-8-21 with 84 aboard makes a hard landing at New York (JFK) on March 5, so hard, in fact, as to cause the No. 4 engine to fall off. Several of the 58 aboard are hurt when an L-188 encounters clear-air turbulence near Tallahassee on April 19.

The Boston-Washington Executive Shuttle, having proved unsuccessful, is discontinued on April 25.

Lockheed L-188A Electras are assigned to the New York-Boston sector of the Air Shuttle on August 1; in the fall, the new turboprops also begin flying the New York-Washington run.

A DC-7B with 5 crew and 57 passengers is destroyed as the result of a bad landing at Charlotte, North Carolina, on October 16; there are no fatalities.

During the fall, President Hall accepts an invitation from the Newcomen Society to address it at a New York City dinner; as is the Society's custom, Hall's remarks are published as a small pamphlet, *Sunrise at Eastern: Re-Birth of a Pioneer Airline*.

En route to Boston from Newark on December 4, a Lockheed L-1049 Super Constellation, an Air Shuttle section (Flight 653) with 5 crew and 54 passengers, makes an emergency pull-up to avoid a suspected collision with a **Trans World Airlines (TWA)** Boeing 707-131B near Danbury, Connecticut. The Stratoliner, meanwhile, rolls to the right and down to the left, ensuring the collision. Keeping his passengers calm during their ordeal, intrepid EAL Capt. J. Charles White is able to guide the heavily damaged propeller plane to a crash landing on a Salem, New Hampshire, hill. Coming down, the plane bursts into flames and three are killed exiting the plane; Capt. White dies helping others off. Meanwhile, the less-damaged jet airliner lands safely.

Eastern now becomes the first carrier to order the new DC-8-61. Following negotiations, company officials and those from **Mackey Airways** file a joint merger petition with the CAB.

Passenger boardings climb 23.7% to 13,381,191 and cargo traffic is up by 16.4%. Income reaches upward 22.5% to \$507.5 million and a record \$29.7-million net profit is posted.

The decade-old activist group WHEAL ("We Hate Eastern Air Lines") now burns its charter.

The first of 15 DC-9-14s is received in April 1966 and is placed into service on the Boston, New York, Washington shuttle. On April 24, the first B-727-25 Whisperjet is assigned to the New York–Washington sector of the shuttle route. As more become available, they also fly short segments between Washington, Atlanta, the Carolinas, and Miami.

The last of 50 DC-7Bs is withdrawn in June, when Whisperjets begin flying the New York–Boston leg of the Air Shuttle service.

Beginning on July 8, International Association of Machinists and Aerospace Workers (IAM) machinists strike and shut down the company, along with four other airlines; the combined effect is to halt 60% of U.S. passenger service and 70% of air mail operations. After several weeks of negotiations, President Lyndon Johnson announces a strike settlement on television on July 29. However, on August 1, the IAM membership votes 2½ to 1 to reject the proposed new contract. Talks resume and on August 15, tentative agreement is reached on a new 3-year contract, which, after 43 days, receives 2-1 acceptance. The job action had been the longest and costliest strike in American commercial aviation history to date.

The twin-jet DC-9-31 Whisperjet II joins the transport roster in late December and, by year's end, EAL officials note that 65 B-727s and DC-9s have entered service since April.

Enplanements are 13,373,190. The year's net profit is \$14.7 million. The employee population in 1967 is 28,738.

On January 8, Miami-based **Mackey Airways** is taken over, providing Eastern access to Nassau and Freeport in the Bahamas from several Florida gateways.

Eastern becomes the first to place the DC-9-31 into service when a unit commences regularly scheduled flights on the New York, Boston, Washington shuttle on February 1. The DASH-31 is tailored exclusively for the Shuttle with extra seats added in place of galleys; indeed, it is the first jetliner type refined downward to operate on segments of less than 200 miles.

The first 6 of 17 ordered DC-8-61s, "Super 61s," begin to enter service on March 3 between New York and Miami and San Juan.

The CAB gives the company a St. Louis to Seattle route in April, which is started from Miami on June 13 via Huntsville, Alabama, and is labeled the "Space Corridor."

President Hall becomes board chairman/CEO, with Arthur Lewis named president, and, in July, the airline begins transatlantic and transpacific troop ferry flights under contract to U.S. Air Force's Military Airlift Command (MAC).

On August 5, 86 African-American children, accompanied by Mayor Lindsay, are given one-hour sight-seeing flights over the New York City metropolitan area as part of the Big Apple's summer youth program.

Beginning on September 5, 18 weekly nonstop flights are added from New York to Montreal for last-minute visitors to Expo '67.

Thirty-two other new jetliners are received during the year, including 18 DC-9-31s and 14 B-727-25QCs. Orders remain outstanding for 65 others.

Also, former president Rickenbacker's insightful memoirs are published under the simple title *Rickenbacker* (Englewood Cliffs, N.J.: Prentice-Hall).

Passenger boardings jump 30.5% to 19,242,000 while freight traffic swells by 42.1%. Revenues advance 31.3% to \$657,804,000 and a \$24,114,000 net profit is reported.

On January 14, 1968, 32 lawsuits resulting from the October 1960 Electra crash are settled out of court for \$1,125,000.

The Air Shuttle route is operated, as of February 1, exclusively with DC-9-31s, with L-188As as backup. The last Super Constellation Air Shuttle section is flown New York–Washington on February 14; operated on Valentine's Day, company publicists announce the plane's retirement with the headline "Kiss Connie Goodbye."

Orders are placed on March 29 for 25 Lockheed L-1011 TriStar 1s, plus 25 options. In the next 10 months, the carrier will accept delivery

of 67 new jetliners: 49 DC-9-31s, 10 DC-8-61s, and 8 B-727-25QCs. In April, 11 L-1049As are sold to the Aviation Corporation of America.

As the result of a two-month pilot slowdown, CEO Hall enters lower-level contract negotiations and awards the flyers a 39% wage increase.

In May, the carrier joins with Laurence Rockefeller's Olohana Corp. and the Dillingham Development Corp. to form the Dilrock-Eastern Company, a subsidiary designed to further develop the Kohala Coast area on the island of Hawaii.

A feed arrangement is made with **Pennsylvania Commuter Airlines**.

The final L-1049 and L-1049G Super Constellations are withdrawn and when, on June 2, the scheduled **Capitol International Airways** craft fails to arrive at Freeport, Bahamas, leaving nearly 1,000 tourists delayed for 8½ hours, Eastern is able to bring back 537 unhappy area residents to New York (JFK).

The company now joins with McDonnell Douglas in a demonstration and evaluation of the second French-made Breguet 941S STOL aircraft, which the manufacturer proposes to sell under the designation MD-188. For two months, beginning on July 31, the aircraft flies passengers on the high-traffic Boston, New York, Washington shuttle, where it enjoys no success.

Meanwhile, the Rev. A. D. King, brother of the late Dr. Martin Luther King, is put off a plane in Atlanta on August 2 after making joking remarks about hijacking it.

Following a three-year competition with **Delta Airlines**, **National Airlines**, and **Air Florida**, Eastern is chosen as the "Official Airline of Walt Disney World." This Florida concession is for \$1 million per year for a decade, largely for the construction of an "If You Had Wings" attraction at the new Orlando park.

Other facilities are also expanded. New regional reservations centers are opened in Atlanta and Woodbridge, New Jersey, and 10 terminals are upgraded. Opened are three new hangars and other maintenance facilities, four office buildings, and seven ticket offices.

Flight 950, a B-720-025 with 53 passengers and en route from San Juan to Miami on September 20, is hijacked by an armed gunman over the Bahamas and diverted to Cuba. The crew is allowed to fly the Boeing back empty while the passengers, held overnight, return to Florida on a chartered EAL Electra next day.

After a year of disagreement with CEO Hall on a variety of issues, President Lewis resigns at the beginning of November. He is replaced by Samuel Higginbottom, the executive vice president and general manager.

While preparing to depart on a service to Chicago on November 2, Flight 224, a DC-9-31 with 54 passengers, is seized at Birmingham, Alabama, by a 17-year-old, shotgun-armed youth who demands to be flown to South Vietnam. Disarmed by the pilot, the young man will receive psychiatric assistance and probation.

On November 23, five armed men, a woman, and three children, all complaining of U.S. corruption, hijack Flight 73, a B-727-25QC with 90 passengers, and force it to fly to Cuba. A man who purchased the group's tickets, but did not participate in the skyjacking, is later arrested.

Seven days later, on November 30, a Cuban refugee hijacks Flight 532, a B-720-025 with 45 aboard and en route from Miami to Dallas, and forces it to take him to Havana.

In a promotional move, Jack Nicklaus is signed on December 6 as Eastern's flying golf pro.

Employing the French-built Breguet 941 under the direction of A. Scott Crossfield, famed test pilot and vice president, EAL begins eight weeks of experimental flight testing, also in early December, of the new STOL-ports at Boston, New York, and Washington.

On December 19, a man with his four-year-old daughter in tow pirates Flight 47, a DC-8-61 with 151 passengers and en route from Philadelphia to Miami, to Havana. After Cuba's guests have returned to the U.S., Radio Havana reports that the man's "weapons" had consisted of a toy gun and a fake nitroglycerine bomb. When the man returns to the U.S. from Canada a year later, he will be captured, tried, and sent to jail for 16 months.

Due to the increasing frequency of skyjackings, the carrier distributes a memo to all flight officers on December 21 outlining the steps to be taken when one occurs.

On the year, 18,809,000 passengers are originated and a total of 1,113,741,000 freight ton-miles are flown. A net loss of \$12 million is taken on overall income of \$744,777,000, a 13.2% increase.

En route from New York to Miami on January 2, 1969, Flight 401, a DC-8-61 with 146 aboard, is forced to divert to Cuba by a hijacker identified as T. G. Washington. He is accompanied by his 3-year-old daughter, who he has taken from his ex-wife in Philadelphia, and holds a 2-year-old boy hostage during the flight; the passengers return from Havana to Florida on a chartered aircraft the next day. The man will sneak back into New York two years later, but will be killed in a failed bank robbery.

Espousing his hatred for America and Eastern Air Lines, a youth with a knife forces Flight 831, a B-727-25QC with 79 passengers and en route from Miami to Nassau, to fly to Havana on January 9. The pirate will return to the U.S. via Canada later in the year, but will be captured in 1972, tried, and sentenced to prison for 20 years.

Ten days later, on January 19, a youth with a hand grenade forces Flight 9, a DC-8-61 en route from New York to Miami with 171 passengers, to fly to Havana; the plane and its passengers return to Miami the same day. The pirate will later receive a five-year prison term in the Dominican Republic.

Vice President Crossfield reports the results of the December STOL experiments the same day and notes that the airline will draft specifications for a short takeoff and landing aircraft.

The hijacking siege continues in February. On February 3, four armed Cubans seize a Newark-Miami B-727-25 service, Flight 7 with 94 passengers, and force it to Havana. As has become common practice, the passengers are allowed to return aboard a chartered flight, while the crew returns the jetliner.

Five days later, the company begins late-night shuttle service, Boston-New York-Washington, D.C. The next day, a gunman seizes a San Juan-Miami flight and rides it to Cuba.

Flight 950, a DC-8-61 with 119 passengers and en route from San Juan to Miami on February 10, is diverted to Havana by a lone gunman. On February 16, U.S. citizen S. Sperduto is held at Bermuda after his threat to force a DC-8-61 Boston-San Juan flight to Havana. Flight 955, a DC-8-61 with 67 passengers and en route from St. Louis to San Juan on February 25, is diverted to Havana by revolver-wielding Charles Green, just after takeoff from an intermediate stop at Atlanta. Green will surrender to U.S. authorities in Prague the following year; taken back to the U.S., he will be tried and sentenced to prison for life.

On May 1, DC-8-61 Sunrise Express service is inaugurated from New York to Miami.

Flight 7, a DC-8-61 with 89 passengers and en route from Newark to Miami on June 22, is hijacked to Cuba by a man with a knife who says his sick wife wants to see her family in Cuba. At Havana, the man, his wife, and daughter deplane before the Douglas returns to Miami.

On June 28, Flight 173, a B-727-25 with 104 passengers and en route from Baltimore to Tampa, is also forced to Cuba by a knife-wielding hijacker. The pirate will return to the U.S. via Canada five months later. He will be captured in 1970, tried, and sentenced to 15 years in prison.

The last piston-powered aircraft, a CV-440, is retired on July 1.

While en route from Philadelphia to Tampa on August 5, Flight 379, a DC-9-31 is subjected to an attempted hijacking by a 73-year-old knife-wielding passenger, who also shows a straight razor. The senior citizen is overwhelmed and handed over to police when the plane lands in Florida. Criminal charges will be dropped when he agrees to confinement in a mental facility.

As a result of the CAB's finding in the August Southern Tier case, the company receives transcontinental access to Los Angeles from Atlanta as well as a route from the Georgia capital to Dallas.

Flight 925, a DC-8-61 with 96 passengers and en route from New York to San Juan on September 7, is diverted to Havana by two armed

men; the plane returns to Miami and then continues its flight to Puerto Rico. One of the air pirates, Felix Rolando Peterson-Coplin will lead an open life as a fugitive for the next three decades before surrendering. After pleading guilty to one count of endangering the passengers and crew, he will be sentenced in Federal District Court in Manhattan on June 25, 1998 to a prison term of six-and-a-half years.

Three days later on September 10, J. L. Gonzalez-Medina, 19, is captured at San Juan before he can force Flight 929, a DC-8-61 with 202 passengers scheduled to takeoff for New York, to fly to Cuba. Gonzalez-Medina will be sent to a psychiatric hospital in January.

Nonstop B-727-25C return flights commence on September 27 between Atlanta and Los Angeles.

Having suffered 17 aircraft hijackings since September 1968, the company now institutes the industry's most extensive passenger screening program.

On December 22, the carrier places into operation at New York (JFK) the industry's first computerized system for issuing seat assignments and boarding passes to passengers as they check in. Late in the year, new DC-8-63s are acquired.

The fleet now includes 240 aircraft: 24 L-188s, 66 DC-9-31s, 15 DC-9-14s, 23 DC-8-61s, 17 DC-8-21s, 11 B-727-225s, 75 B-727-25s, and 9 B-720-025s. Of these, 5 DC-9-30s, 1 DC-8-61, 6 DC-8-63s, and 11 B-727-225s join the fleet during this year. Enplanements total 21,663,840 and revenues are \$869.55 million. Although the operating profit is \$23.84 million, another \$2.32 million net loss is suffered.

A man, accompanied by a woman and two children and carrying a gasoline bomb and gun, forces Flight 1, a B-727-225 with 104 passengers and en route from Newark to Miami on February 16, 1970, to fly to Cuba.

Beginning on March 8, the carrier joins with the Florida Hotel and Motor Hotel Association to offer military personnel reduced fares and hotel rates on weekends.

After telling a stewardess aboard Flight 1320, a DC-9-31 with 73 passengers and en route from Newark to Boston on March 17, that he does not have the fare, passenger John J. Divivo draws a pistol and demands to be taken to the cockpit. He orders the flight deck crew to "take me east." When told the plane would have to land at Boston first to refuel, Divivo opens fire, wounding Capt. Robert Wilbur Jr. and mortally wounding James E. Hartley Jr. in a struggle during which Divivo himself is shot and disarmed. Wilbur is able to land the plane safely at Boston, after which he, Hartley, and Divivo are rushed to hospital. Hartley dies and Divivo will commit suicide in prison in October.

U.S. Representative Scheuer of the Bronx is removed from a flight on March 20 and searched after a stewardess reports overhearing a part of his conversation with a fellow passenger on how easy it is to "kill copilots." A Suffolk County, New York, grand jury indicts pirate Divivo for murder on March 25.

Although Eastern had been one of the original B-747 Jumbojet customers, it elects to transfer its delivery positions to **Trans World Airlines (TWA)** in favor of Lockheed L-1011 TriStar 1s. However, until the smaller wide-bodies are available, the company, to maintain its market share, will lease three **Pan American World Airways (1)** B-747-121s. Meanwhile, as B-727-225s join the fleet, the older B-720-025s are leased out at a profit. Once the charters are completed, the aircraft are turned over to Boeing as partial payment on the B-727s.

On April 29, Roberto Cruz is held at New York after disrobing aboard a plane inbound from San Juan; another passenger on the same flight, A. Feliciano, is held for striking a stewardess.

On May 10, the airline announces that it will name its Miami training center in honor of slain copilot James E. Hartley.

During the year, special advisor Frank Borman is named a vice president for maintenance and two Lockheed L-1329 JetStars are acquired.

Despite a skyjacker's threat to set fire to Flight 945, a DC-8-61 en route from Boston to San Juan on September 22, the pilot maintains course and lands in Puerto Rico, where the assailant surrenders. The man is returned to Massachusetts where, instead of being tried for air

piracy, he is convicted on an outstanding warrant for robbery-homicide and is given a life prison term.

On October 27, officials of Eastern and **Caribbean-Atlantic Airlines (Caribair)** announce the \$10.4 takeover of the latter by the former, together with its routes and other assets, including three DC-9s.

Gunman George Jones takes over Richmond-Dallas via Atlanta scheduled Flight 257, a DC-9-31 with 78 passengers, on November 13 and orders it flown to Havana via a refueling stop at Jacksonville.

The first of three B-747-121s leased from **Pan American World Airways (1)**, the *Clipper Ocean Express*, arrives on November 26; it like the other two, will be painted in the usual EAL colors.

Also during the year, the carrier, working with Rockresorts and Laurence S. Rockefeller, undertakes the construction of the Cerromar Beach Hotel; the 508-room facility is adjacent to the Dorado Beach Hotel in Puerto Rico.

Passenger traffic increases 3.2% as 22.38 million passengers are carried; freight ton miles advance 1.9% to 150.5 million. With revenues of \$971 million, Eastern is just \$29 million off the billion-dollars annual income mark. Net earnings turn around from loss to a \$5.46-million gain.

The second of three B-747-121s leased from **Pan American World Airways (1)**, the *Clipper Spark of the Ocean*, arrives on January 1, 1971 and is followed by the *Clipper Ocean Herald*, on January 3. The company places these three Jumbojets into service at the end of the month on its New York and Chicago-Miami and New York-San Juan services.

Flight 939, a DC-8-61 with 82 passengers and en route from New York to San Juan on April 1, is hijacked to Havana by a lone gunman.

Seeking a trip to Italy, a lone assailant armed with a pistol that will turn out to be fake, attempts to hijack Flight 403, a DC-8-61 with 59 passengers and en route from Newark to Miami on April 21. The pirate is overpowered by the crew and turned over to police. Given a trial, he will be sentenced to a suspended three-year prison term.

J. O. Plimpton Jr. is named a vice president on May 5, becoming the highest-ranking African-American with any U.S. airline to date.

The CAB authorizes the **Caribbean-Atlantic Airlines (Caribair)** merger on May 21 and the final L-1049C Super Constellations are now retired along with the three DC-8-51s.

En route from Miami to New York on May 28, Flight 30, a B-727-225 with 138 passengers, is taken over by ex-policeman J. E. Bennett. After allowing the passengers to deplane at New York, Bennett orders the Boeing to fly to Nassau in the Bahamas, where the pilot takes a female hostage and demands a \$500,000 ransom. The next morning, Bahamian authorities seize Bennett. He will be deported back to the U.S. Upon examination, he will be found mentally unbalanced and will be sent to a psychiatric facility.

The first Lockheed L-1011 TriStar, destined to be delivered to the carrier the following spring, is exhibited at the Paris Air Show in June wearing full EAL colors.

On September 3, off-duty crewmen and several passengers of Flight 993, a DC-9-31 with 86 passengers and en route from Chicago to Miami, subdue J. M. B. Guerra, who has attempted to hijack them to Cuba by brandishing a screwdriver. Three passengers are slashed in the struggle and when the plane reaches Miami the FBI takes the would-be pirate into custody. He will receive a 20-year prison sentence.

Self-styled left-wing radical R. F. Dixon hijacks Flight 953, a B-727-225 with 46 passengers and en route from Detroit to Miami on October 9, and forces it to Cuba after brandishing a gun and holding a stewardess hostage; the craft and its people, less Dixon, return to Miami next morning. Dixon will be captured in Michigan in 1976 and is sentenced to 40 years in prison.

Windsor Locks, Connecticut, police thwart the November 27 attempt of W. J. Mingey to hijack a DC-8-51 to North Vietnam.

A DC-9-31, en route from Miami to New York via Raleigh/Durham and Richmond on December 4, collides with a Cessna 150 while both are on landing approach to Raleigh/Durham; both occupants of the light-plane are killed, but the jetliner is able to land safely.

Federal marshals and the FBI arrest B. Beresford at New York (JFK) on December 17 after he attempts to set fire to a B-747-121 during its flight from San Juan. Flight 9701, a B-727-25C, is involved in an accident at Atlanta on December 21.

The Cerromar Beach Hotel now opens for business.

Enplanements for the year total 22,638,930. A net profit of \$5.6 million is reported, atop an operating gain of \$115.2 million, with overall revenues of \$1.05 billion.

On April 17, 1972, Berea, Ohio resident W. H. Greene 3rd hijacks a DC-9-31 with 91 over Florida, and demands \$500,000 in ransom and a trip to the Bahamas. The pilot, instead, flies to Chicago, where Greene, not knowing where he is, is arrested by police as he leaves the plane.

The first of nine Lockheed L-1011 TriStar 1s to arrive on the year is delivered on April 5.

On April 26, Eastern becomes the first carrier to place the L-1011 into service, labeling it a "Whisperliner," and flying it from Miami to New York. The flight comes as something of a surprise as regularly scheduled TriStar flights are not advertised to begin for another four days. The L-1011 introduction allows return of the **Pan American World Airways (1)** Jumbojets in May.

New L-1011 service is introduced between Atlanta and Jamaica while scheduling changes on other routes allow aircraft utilization to be increased by 5.6%.

Boeing begins the systematic conversion of EAL's 116 B-727s to wide-body interiors.

A new computer center is occupied and, in seven big markets, computerized ticketing and seat selection is launched.

The Air Shuttle is briefly operated from New York to Montreal; it is marketed in French Canada as *L'Aeronavette*.

Armed with a pistol and claiming to possess dynamite, F. W. Hahneman hijacks Flight 175, a DC-9-31 with 55 aboard and en route from Allentown to Miami on May 5, and diverts it to Washington, D.C. (IAD), where he releases the passengers and receives parachutes and a \$303,000 ransom. The aircraft takes off, but is soon back because the pirate is dissatisfied with the denominations of the dollar bills in the bundle of ransom money. New bills are provided and the plane flies to New Orleans, tailed all the way by USAF interceptors and a propjet with armed law enforcement agents aboard.

On May 6, after an anxious night and refueling, the Douglas departs in the direction of Belize and Honduras, where Hahneman bails out near San Pedro Sula, 20 miles from the Caribbean coast in northwestern Honduras. The DC-9-31 returns to Merida, Mexico, and thence to the U.S. On May 11, searchers for the Honduran government report finding a parachute and jumpsuit believed to have been discarded after the skyjacker's descent. On May 3, Hahneman surrenders at the U.S. embassy in Tegucigalpa and is returned to Miami the next day to face charges. He proudly boasts on reaching Florida that none of the ransom money will ever be recovered.

Flight 346, a DC-9-31 with four crew and six passengers, suffers the collapse of its main landing gear after a heavy landing at Fort Lauderdale-Hollywood Airport on May 18; although the plane catches fire and must be withdrawn, there are no fatalities.

Acting on a June 13 tip, the FBI arrests four men and charges them with a conspiracy in the attempted theft of \$3 million in securities aboard a flight from Greensboro, North Carolina, to Atlanta. G. C. Cralley, hidden in a box in the cargo bay, allegedly planned to break out of the box and into the securities container sometime during the flight. Waiting FBI agents arrest B. R. Anthony, J. L. Baker, and Cralley when the plane arrives in Georgia; H. D. Sykes is picked up later.

Eighty persons aboard a DC-9-31 evacuate the craft at Charlotte Airport on August 28 after indication of a fire aboard; there is no fire.

An EAL TriStar 1 flies to England for the Farnborough Air Show wearing tail and fuselage markings of **British European Airways Corporation (BEA)**, which had ordered the L-1011 earlier in the year.

Following his trial, skyjacker F. W. Hahneman is sentenced to a life prison term in September. The money he had stolen and believed would never be found will be recovered a year later.

The company has six L-1011 TriStar 1s in service by October.

On October 29, former DOC official C. A. Tuller Jr. is sought in connection with a murder and attempted bank robbery in Arlington, Virginia. With his son and an 18-year-old accomplice armed with pistols and a shotgun, they kill a gate agent and wound another at Houston while hijacking Flight 496, a DC-9-31 with 47 aboard, to Cuba via a refueling stop at New Orleans. The father and son will return to the U.S., be captured in July 1975, and, upon conviction, will each be sentenced to prison terms of 50 years.

On approach to Miami (MIA) from New York (JFK) on December 29, Flight 401, an L-1011 TriStar 1 with 13 crew and 163 passengers, falls into the Everglades (99 dead). This is the first fatal crash of a wide-bodied jetliner and causes significant adverse press coverage. Some months later, it will be reported that the ghosts of the plane's pilot and flight engineer have appeared on sister ships carrying parts salvaged from the crash. Author John G. Fuller examines the accident and the ghost story in his 1976 paperback bestseller *The Ghost of Flight 401* (New York: Berkley Publishing) while, in 1977, Rob and Sarah Elder report on the tragedy in their *Crash* (New York: Atheneum). In 1978, John Fuller's daughter, Elizabeth Fuller, continues the story in her *My Search for the Ghost of Flight 401* (New York: Berkley Publishing). The same year, a television movie starring William Shatner will attempt to retell the story in *The Crash of Flight 401*.

Passenger boardings jump 11% to 25,437,000 and the carrier's systemwide load factor of 58.4% is the highest in the American trunk line industry. Cargo traffic is up an equally rewarding 11.9%. On revenues of \$1.16 billion, the net profit triples to \$19.93 million.

The workforce in 1973 is 36,531.

Laboratory technician H. C. Ballantine is arrested by police at New York (LGA) on January 8 and charged with attempted hijacking following his effort to board a jetliner with bottles containing cyanide gas.

A B-727-225, en route from New York to New Orleans, makes an emergency landing in Chattanooga on January 31 after passenger T. E. Sullivan claims he has a bomb; at the Tennessee airport, no bomb is found and Sullivan is arrested.

The Caribair integration is completed on March 29, allowing significant expansion of Eastern's services to 14 islands in the West Indies. Three ex-Caribair DC-9-30s are simultaneously purchased for \$7.3 million.

The company's route from Washington, D.C. (DCA) to Louisville is transferred to the local service carrier **Piedmont Airlines (1)**.

A Boeing 727-225 is involved in an accident at Toledo, Ohio, on April 10 and New York-Montreal shuttle flights begin on May 1.

The entire \$303,000 extorted by F. W. Hahneman the previous year is recovered by the FBI on May 9.

Eighty-two-year-old former chairman Rickenbacker dies at Zurich on July 23.

New maintenance facilities are opened at Miami and new passenger terminals at Newark, Miami, and San Juan.

President Higginbottom resigns on October 1; Chairman Hall resumes the presidency, with Frank Borman as executive vice president.

Boeing completes the task of converting the interiors of the company's B-727s to wide-body configuration while officials join with their counterparts from **Seaboard World Airlines** to petition the CAB for an interchange service that will provide the first through all-cargo service from Europe to the southwestern U.S.

The U.S. government announces on October 12 that, as a result of the energy crisis, a mandatory jet fuel allocation plan will take effect on November 1.

Two L-1011 TriStar 1s owned by Haas-Turner are in turn leased by EAL and **Air Canada, Ltd.** and are employed, beginning with the Canadian carrier in October, for additional capacity during the next five tourist seasons.

While en route from Miami to Pittsburgh on November 27, Flight 300, a DC-9-31 with 5 crew and 21 passengers, overruns the runway while landing at Akron-Canton Regional Airport on November 27. The

aircraft runs over another 110 ft. of unproved ground and plunges over a 38-ft. embankment; there are no fatalities, but 24 passengers are injured.

The last of 16 DC-8-21s and 17 DC-8-61s are sold (including three of the former and one of the latter to **Overseas National Airlines**) along with the two L-1329s as 16 more TriStar 1s join the fleet.

On November 29, company officials reveal that, during the first two weeks of December, they will cancel 8% of their schedule in hopes that heavy cuts during lighter travel periods will allow sufficient avgas reserves for service resumption during the holidays.

After instruments indicate there is a fire aboard, the pilot of a DC-9-31 with 86 aboard attempts to abort his takeoff from Greensboro, North Carolina, for Chicago on December 17, causing his plane to skid off the runway; one passenger is injured. Largely unnoticed during the year is the appointment of Barbara Barrett Smith to the right seat of a B-727-225; she is the company's first female pilot.

Customer bookings accelerate 4.4% on the year to 26,561,000 and cargo traffic gains by 11.7%. Although revenues total \$1.25 billion, expenses soar to \$1.27 billion. Consequently, operating income drops to minus \$19.5 million and the net loss of \$51.26 million is the largest reported by any U.S. major.

Airline employment is reduced 10.8% in 1974 to 34,057.

Because of cutbacks in the deliveries of jet fuel, eight daily shuttle services connecting Newark with Boston and Washington are terminated on January 7, along with shuttle flights to Montreal. The cutbacks do not affect the main Boston, New York, Washington shuttle. The Montreal and Newark shuttle stops are replaced with frequent reserved seat standard scheduled flights.

By May, the fleet includes just 13 L-188 Electras, all of which are employed as shuttle service backup aircraft.

A DC-3 first delivered on December 7, 1937 is sold to **Provincetown-Boston Airline (PBA)** on January 24; re-registered N136PB, it will gain fame as the highest-time unit of its type.

Retirement of the last 16 Electra turboprops begins and, on January 31, the layoff of 440 of 4,400 pilots brings company personnel cutbacks to some 4,000 (including 800 pilots) since the previous November. To help recover from the devastating 1973 performance, fares are increased.

On June 18, the U.S. Post Office orders the carrier to reinstate its night flight from Boston to New York and Atlanta in a move to ensure delivery of 500,000 pieces of mail daily.

Marshall Collins surrenders following his unsuccessful September 4 attempt to hijack Flight 1160, a B-727-225 after landing at Boston. Collins had permitted the rest of the crew and all of the passengers to deplane, but held the pilot hostage for three hours by menacing him with a razor, nail, and ax. Upon examination, Collins will be judged mentally unstable and will be sent to a psychiatric institution.

While en route from Charleston, South Carolina, to Chicago on September 11, Flight 212, a DC-9-31 with 4 crew and 78 passengers, comes in too low and too fast. It crashes into some woods 3.3 mi. short of the runway while on its final landing approach to Douglas Airport at Charlotte, North Carolina (71 dead). The accident is reported in William Stockton's *Final Approach: The Crash of Eastern 212* (Garden City, N.Y.: Doubleday, 1977).

Beginning on November 5, the carrier offers free alcoholic beverages to coach-class passengers on its New York to Miami and Fort Lauderdale flights while, on December 3, nonstop services are initiated from Pittsburgh to Toronto.

Based at both Miami and New York, the company sees enplanements advance by 5% to 27,354,000, but freight traffic is down by 10.7%. Although expenses jump 10.35% to \$1.45 billion, revenues are up a pleasing 17.4% to \$1.53 billion. The operating profit is \$70.7 million and a net profit of \$10.3 million is gained.

The workforce is further downsized in 1975, falling to 33,509.

In early January, the company receives the 1974 "Passenger Service Award" from *Air Transport World* magazine.

Laughlin Wright, who turns out to have been unarmed, commandeers Flight 140, a B-727-225 with 60 passengers during an Atlanta to Philadelphia flight on January 14 and demands to be flown to Puerto Rico. He is overpowered by crew members when the aircraft stops at Washington, D.C. (IAD) for refueling. Upon examination, Wright will be found mentally unstable and sent to a psychiatric facility.

New services are inaugurated from Fort Myers to Atlanta and from Miami to Montego Bay; meanwhile, on March 28, the policy of providing free alcoholic beverages to coach-class passengers ends.

In one of the more unusual reasons ever given for an airline work stoppage, flight attendants refuse to fly on a particular L-1011 Tri Star 1 on April 13 citing their fear that it is haunted.

Executive Vice President Borman becomes president on May 27.

Coming in to New York (JFK) from New Orleans on June 24, Flight 66, a B-727-225 with 8 crew and 116 passengers, strikes approach lights during a thunderstorm, crashes, breaks up, and catches fire (115 dead).

Another Boeing 727-225 is involved in a nonfatal crash at Raleigh, North Carolina, on November 12.

Meanwhile, throughout the year, the continuing fuel price crisis causes schedules to be cut back significantly; simultaneously, the experimental use of a TriStar on the Air Shuttle service proves uneconomical. The plane is now sold to **LTU (Lufttransport Unternehmen, K.G.)**.

The board on December 16 makes Borman both president and CEO.

On the year, passenger boardings grow a miniscule 0.1% to 27,686,000 but with 304.45 million FTKs flown, cargo is up a healthy 12%. Revenues total 1.62 billion and expenses are \$1.61 billion. Although an operating profit of \$6.4 million is realized, a net loss of \$53.9 million must be endured. The year's loss is \$88.7 million.

President/CEO Borman, to emphasize his identification with company workers, helps baggage handlers at Miami (MIA) deliver baggage on January 5, 1976. At the height of the company's financial difficulty in the winter, new president/CEO Borman takes immediate steps to cut costs. Contract and noncontract employees alike begin to take part in a wage freeze, as well as a profit-sharing program.

Four members of the Sam Melville-Jonathan Jackson unit, a radical prison-reform terrorist group, are indicted by grand juries in Boston and Portland for the nonfatal bombing destruction of an Eastern L-188A at Boston on July 2.

A psychiatric patient assaults a 6-year-old boy aboard a San Juan-New York flight on July 17; he later shoots a police officer with the latter's own gun upon the plane's return to San Juan.

With the help of the freeze and stringent cost controls, plus a reviving national economy, Eastern makes a turnaround. During the year, the carrier is able to increase its employment by 1.2% to 34,684; however, both the Dorado Beach Hotel and the Cerromar Beach Hotel in Puerto Rico are sold.

Chairman Hall retires in December and his post is given to President/CEO Borman.

Customer bookings grow 7.1% to 29,645,000, but freight is down again, by 9.2%. Although expenses are \$1.74 billion, they are covered by an operating income of \$1.82 billion. The operating profit is \$79.3 million and the net income of \$46.23 million represents a \$96 million reversal in fortune.

During the spring of 1977, Eastern agrees to lease four Airbus Industrie A300B4-103s, with manufacturer assistance, for test marketing flights. The R. Dixon Speas Associates management consulting firm is hired to provide reorganization recommendations.

A B-727-225, with 14 passengers aboard and en route from Miami to New York on May 12, makes a successful emergency landing at Tampa after its landing gear fails upon takeoff. Following an engine failure, another B-727-225 with 53 aboard aborts its takeoff from Washington, D.C. (DCA) on May 26 and slides off the runway; no injuries are reported.

In midyear, a new five-year Variable Earnings Program is established to help enhance the airline's profitability. Under this idea, employees pledge part of their salaries to support the company's overall profits in

poor years, while earning bonuses in profitable times. Such profitability would also help the company to buy newer, more productive aircraft.

The last propjet L-188A Air Shuttle service is flown on October 31 and the type is retired on November 1. The Lockheed Electras had been employed on the Air Shuttle, mostly as extra-section flights, in their latter years and despite the scares caused by accidents to some of the type earlier, the company flew the Electra longer than any other aircraft it ever owned.

On November 18, Airbus A300B4-103 test flights are undertaken from Newark to Miami. The European aircraft enter regularly scheduled service on December 13, flying from Newark and New York (LGA) to Tampa, Orlando, Miami, and Fort Lauderdale.

On Christmas Day, Pearl River, New York, resident Nikolai Wischnewsky, armed with a toy pistol and a transistor radio that he calls a bomb strapped to his leg, hijacks Flight 668, a B-727-225 with 31 aboard and en route from Jacksonville to Atlanta. At Atlanta, the pirate demands to be taken on to Miami and Havana, but is overpowered by two FBI agents and local police Lt. William Collier. Wischnewsky will be indicted on charges of air piracy, tried, convicted, and sentenced to 25 years in prison.

Late in the month under the FAA's 75-minute rule, the A300B4s commence service from New York to San Juan.

Enplanements for the year total 30,402,000. On revenues of \$2.03 billion, a \$34.73-million net profit is reported.

The number of employees is increased by 8.2% in 1978 to 37,100 and 8 DC-9-51s are purchased from **Allegheny Airlines (1)**.

Complaints against the carrier for poor service on the New York-Washington shuttle increase during January. On January 7, U.S. representative Joseph G. Minish urges the New York-New Jersey Port Authority to order the airline to restore the hourly shuttle between Newark and Washington discontinued four years earlier.

The carrier now engages in a new dual with **Pan American World Airways (1)**, **Air Florida**, and **Texas International Airlines** for the capture and merger of **National Airlines**; the case is put before the CAB.

A new advertising slogan "We Have to Win Our Wings Every Day" is introduced in television commercials starring Chairman Borman.

In addition, four Airbus Industrie A300B4-103s, under trial with assistance from the manufacturer, are purchased by the American major on April 6, giving the European short-hauler entry into the previously impenetrable U.S. market. During this Golden Anniversary year, the airline is able to order \$1.6 billion worth of these new aircraft (34 more) and serves with **British Airways, Ltd. (2)** as launch customer for the new Boeing 757-200 via an August 31 order for 21 Dash-225s.

In September, the 40-millionth visitor (cumulative) passes through the EAL "If You Had Wings" attraction at Walt Disney World in Florida. Eight DC-9-51s are delivered from **Allegheny Airlines (1)**.

During the year the Air Shuttle carries 2.7 million passengers, more than EAL carried during the entire decade 1930-1940.

Meanwhile, systemwide customer bookings accelerate 19.7% to 37,860,000 while FTKs are boosted 3.7% to 335 million. Overall income rises 16.88% to \$2.37 billion while expenses are held to \$2.28 billion. As a result, the operating profit is \$96.78 million. Eastern now completes its best profit year in history, chalking up net income of \$67.25 million, a 93.6% record leap. This comes on top of healthy showings in 1976-1977 and helps the carrier round out its first half-century in strong fashion.

Airline employment at the beginning of 1979 is 34,316. The fleet now includes 31 Lockheed L-1011-1 TriStars, 4 Airbus A300B4-103s, 53 B-727-225s, 46 B-727-100s, 24 B-727-25Cs, 9 DC-9-51s, 72 DC-9-31s, and 9 DC-9-14s. During the year, the company abandons its previous white livery and returns to an all-metal finish.

A DC-9-14 with four crew and one passenger is destroyed on takeoff from Miami on a February 9 training flight; there are no fatalities.

The Atlanta hub is strengthened during the year and used as a point from which to launch new services to Rochester, Norfolk, Tucson, Reno, Phoenix, Denver, and Albuquerque and flights to Guatemala are inaugurated from the Miami gateway.

Would-be hijacker Roberto Gonzalez Sanchez is overcome by passengers when, on June 30, he attempts to hijack Flight 932, an L-1011 with 306 passengers and en route from San Juan to Miami, and divert it to Cuba. Upon examination, Sanchez will be found mentally deficient and air piracy charges against him will be dropped. He is dispatched to a psychiatric hospital.

Seven B-727-225s and the nine DC-9-14s are assigned to the Air Shuttle fleet in July.

En route from Miami to Guatemala City on August 16, Flight 980, a B-727-225 with 91 passengers, is captured by a passenger who holds a penknife to the throat of a flight attendant and claims to have a bomb. The plane is diverted to Cuba, but as it approaches the airport at Varadero, Cuba, the pirate suddenly demands that it return to Key West. On the ground in Florida, the pirate is overpowered. Upon examination, the hijacker is found to be mentally unbalanced and is sent to a mental facility, as Roberto Gonzalez Sanchez was two months earlier.

A Boeing 727-25 crash-lands at Atlanta on August 22.

Recommended by a CAB law judge, a final positive ruling on a Miami-London route is sought from the regulators.

A B-727-225 with 101 aboard almost lands at a small Mecklenburg County, North Carolina, airport on December 1. The flight crew apparently mistook it for Douglas Municipal Airport, which is eight miles away.

En route from Washington, D.C. to New York City four days later, Capt. Larry Kinsey is forced to land his B-727-225 at Baltimore (BWI) because of an "insurrection" among passengers as the result of a seating dispute between smokers and nonsmokers.

Passenger boardings leap 12.9% to 42,745,000 while freight rises 2.9% to 344.8 million FTKs. Revenues jump 21.1% to \$2.88 billion, but expenses (led by increased fuel prices) rise 21.3% to \$2.77 billion. Consequently, the operating profit is \$111.06 million and the net is \$57.63 million, down 14.31% from the previous year.

The employee population is increased by 2.8% in 1980 to 40,000.

On January 31, the carrier's four A300B4-103s are placed on the New York-Boston shuttle; the 280-seat European jetliners are not allowed to fly into Washington, D.C. (DCA) due to safety concerns.

Four DC-9-51s are purchased from **Hawaiian Airlines**, while the fleet is also increased through the delivery of 15 B-727-225As and 7 A300B4-203s.

Plans are made to purchase a pair of **Qantas Airways (Pty.), Ltd.** Jumbojets for use on a new Miami to London service. However, when the route goes to **Pan American World Airways (1)** instead, the Australian arrangement is cancelled.

A B-727-225, with 114 aboard, avoids colliding in midair with a small private plane encountered just north of New York (LGA) on July 1 by a scant 300 feet.

Several newly arrived Cuban refugees, unhappy in the U.S., seize Flight 90, a B-727-225 with 53 passengers and en route from Miami to Orlando on August 16, and order it flown to Havana. The crew and passengers are allowed to return to Miami after a 3-hour wait at Jose Marti International Airport. The men are imprisoned in Cuba. The same day, four other Cuban men, carrying gasoline, are arrested by police officers as they attempt to board a jetliner at Tampa.

While on final approach to Atlanta on August 18, the pilot of Flight 348, a B-727-225 with 60 passengers, receives a note from a passenger, passed into the cockpit by a stewardess, who claims to have a bomb. The message demands a ransom of \$3.4 million, the release of two prisoners already in jail, and a trip to Cuba. The pilot proceeds to land at Hartsfield International Airport, where the assailant is taken in hand by police. Upon examination, he will be found to be mentally unstable.

On August 26, Flight 401, an L-1011 with 240 aboard and en route from New York to Miami, is hijacked to Havana by three men, who pour what they call a flammable liquid on the cabin floor and threaten to light it if their demands are not met. The three will be imprisoned in Cuba.

The FBI arrests Edmund Joseph Mahoney at Atlanta on August 30 for seizing a microphone on a jetliner and telling his fellow passengers that

the craft is "going to Cuba." Cuban refugee Juan Pedrosa hijacks Flight 161, a B-727-225 en route from New York to Miami on September 8 with 88 aboard, and threatens to set it afire unless he is taken to Cuba; from Havana, the jetliner returns to Tampa. Pedrosa will be jailed in Cuba for two years.

Another refugee, Guillermo Lima, is overpowered by two passengers when he attempts to hijack Flight 5, a B-727-225 with 85 aboard, on a flight from Newark to Miami on September 12. At Miami, Lima is turned over to the FBI. He will be convicted of air piracy and sentenced to prison for 20 years.

On September 14, another refugee, Carlos Jesus Figueroa, is arrested for attempting to skyjack Cuba Flight 115, a B-727-225 with 102 aboard and enroute from Tampa to Miami. The pilot had ignored his demand, judging the bomb displayed to be a hoax, and lands at Miami instead. Figueroa will be tried and receive a 15-year prison term.

Led by Charles Bryan, president of Eastern's district of the IAM, employees begin to react to the unsatisfactory Variable Earnings Plan.

Christopher Cotel, a passenger with a history of mental illness, threatens to kill a flight attendant and wreck a DC-9-31 on December 10. Subdued by crew members, Cotel is held as the plane makes an emergency landing at Jacksonville and taken to a psychiatric hospital by FBI agents.

An L-1011, with 293 passengers is forced to make an emergency landing at Washington, D.C. (IAD) on December 23 due to a bomb threat that turns out to be a hoax; nine suffer minor injuries during the plane's evacuation.

Also during the month, the nonunion **New York Air**, a subsidiary of Texas Air Corporation, begins to compete with the Shuttle.

Passenger enplanements drop by 7.5% to 39,052,000, but still outnumber those of any other airline except Aeroflot. Cargo, on the other hand, rises 6.1% to 507.37 million FTKs. Operating income is up by 19.8% to \$3,452,000,000, but expenses keep pace, rising 24.6% to \$3,450,000,000. The operating profit is, comparatively speaking, a tiny \$1.8 million while the net loss—the first in five years—is \$17.4 million and represents a negative \$75-million turnaround in just 12 months.

The number of employees is cut by 5.7% in 1981 to 37,700 and an equipment upgrade continues as the fleet is enhanced by the delivery of 6 Airbus Industrie A300B4-203s, 12 B-727-225As, and 3 DC-9-51s. To make room, 18 B-727-100s are withdrawn and sold.

Manuel Morales Torres is arrested at San Juan on February 5 after an unsuccessful attempt to hijack Flight 929, an L-1011 with 242 other passengers, arriving from New York City. Torres had, in an altercation after the landing, been knocked out the door and down the air stairs. Upon examination he will be found mentally unstable and sent to a psychiatric facility.

A new Air Shuttle terminal is opened at New York (LGA) on April 1 and, on April 4, a shuttle service extension is announced for Montreal.

A B-727-25 with 40 aboard is slightly damaged after striking a flock of birds over the Hudson River during its landing approach to New York (LGA) on April 8.

Cuban refugee Rafael Fredesvindo Pellerano-Albantosa attempts to hijack Flight 17, an A300B4-203 with 148 passengers, during a New York to Miami flight on April 10. He dies minutes after a scuffle with a passenger and airline employees, who overpower him and thwart his hijacking; the autopsy shows asphyxiation as the cause of death.

The twentieth anniversary of the Air Shuttle is celebrated on April 12. Since its inception, 51 million passengers have been flown on this service.

The Guerrilla Army of the Poor, a leftist organization, claims responsibility for a bomb in a suitcase that explodes and kills a baggage handler, who is about to place it aboard a Miami-bound jetliner at Guatemala City on July 2.

On July 10, two men divert Flight 71, an L-1011 en route from Chicago to Miami with 192 aboard, to Cuba. Both pirates are arrested in Havana, where two women and four girls also deplane before the flight returns to Miami. The hijackers will receive 10-year prison terms in Cuba.

In what will become a landmark case, pilot Karen F. Ulane sues the carrier on August 5, contending she was dismissed as a pilot after undergoing a sex-change operation; in her previous identity of Kenneth Ulane, she had flown for EAL for 12 years.

The same day, the carrier begins selling tickets for a Montreal extension of the Air Shuttle, but the inauguration must be postponed on August 18 due to the PATCO air traffic controller's strike.

The next day, the carrier joins with **Delta Air Lines** in an effort to collect from the City of Atlanta over \$15 million in taxes they claim have been illegally collected on equipment and other property.

The rear engine of Flight 935, an L-1011 TriStar 1 with 203 aboard, breaks into pieces over Colts Neck, New Jersey, shortly after the trijet's takeoff from Newark on September 22; no injuries are reported and the plane makes an emergency landing at New York (JFK).

During the year, flights are inaugurated from Miami to the Caribbean destinations of Curaçao, Aruba, and Barranquilla.

Also, Jack L. King publishes his biography of the carrier's most famous flyer, *Wings of Man: An Informal Biography of Captain H. D. "Dick" Merrill* (Glendale, Calif.: Aviation Book Company, 1981).

Customer enplanements decline by 9.8% to 35,702,000, but still leave the carrier as the largest passenger-carrying airline in the free world. Freight traffic climbs again, jumping 5.9% to 373.4 million FTKs. The financial picture is again far from bright. Although operating income is up by 7.95% to \$3.72 billion, costs are up 9.46%, to \$3.55 billion. The operating loss is \$49.94 million while the net reversal substantially higher at \$65.87 million.

The payroll jumps 4% in **1982** to 39,200.

The company agrees, on April 18, to pay \$65,000 in an out-of-court settlement to 23 women who charge they were not hired due to age discrimination.

Following the collapse of **Braniff International Airways**, Eastern purchases that company's authority to serve 11 major cities in Latin America, ranging from Panama City as far south as Buenos Aires, in Panama, Colombia, Ecuador, Bolivia, Peru, Chile, Paraguay, and Argentina. Operations commence via the Miami gateway in the summer.

A B-727-25QC is sold to **Federal Express** on August 31 and also during the month the company's lucrative Shuttle operation faces a new Newark to Washington (DCA) challenge from **PEOPLExpress**. In response, Air Shuttle Plus is offered, featuring refurbished terminals, "sequenced boarding" at New York (LGA), and remodeled aircraft. The first of the latter, a B-757-225, is delivered on December 22 with a second arriving a week later.

Passenger boardings dip 1.4% to 35,032,000. Despite the fact that 78% of these travelers employ one discount coupon or another, collectively they allow Eastern to retain its title of largest free-world passenger airline. Freight traffic is also down by 13.5%, to 323.17 million FTKs. Revenues inch upward 1.13% to \$3.76 billion as expenses grow to \$3.78 billion. The \$18.78-million operating loss is an improvement on the previous year's decline, but the net loss of \$74.92 million is greater.

The number of employees is cut again in **1983** by 5.4% to 37,100.

On January 1, Eastern becomes the first carrier to commence operations with the Boeing 757-200, placing its Dash-225 into service on the Atlanta-Miami and Tampa route. Originally painted in the famous "Hockey Stick" color scheme, units of the B-757-225 fleet will soon come to sport large "757" titles on their tails.

Also, as it begins its fifty-fifth year of operation, the airline must once again turn to its employees for financial assistance. It obtains broad support for an employee investment and profit-sharing program to replace the Variable Earnings Plan and to surmount financial hurdles affecting many in the deregulated air transportation industry. The arrangement calls for workers to participate in a stock program that will eventually grant them 25% ownership of the carrier. Included in the package is a 32.2% pay increase for workers.

On May 1, Eastern receives another 757-225, the 116th of 142 modern, fuel-efficient airliners ordered since 1975. Ten more will arrive during the year.

Descending 15,000 ft. toward Nassau on a May 5 service from Miami, an L-1011 TriStar 1 with 172 passengers is forced to shut down its No. 2 engine due to low oil pressure. The aircraft comes about for a return to Miami, at which point the No. 1 and 3 engines flame out and the plane begins a rapid descent without power. At 10,000 ft. the crew announces that a ditching will be required; however, at 4,000 ft. the No. 2 engine is restarted and the jetliner is able to make a single-engine landing at Miami. No injuries are reported.

On May 20, in the third hijacking of a U.S. airliner in 19 days, an unidentified man, who says he wants to see his wife and family and claiming to have a bomb, hijacks Flight 24, a Miami-New York B-727-225 service with 132 aboard, to Havana shortly after takeoff. After Cuban police arrest the pirate, the plane and its occupants are allowed to return to Florida. On May 27, an L-1011 is held for nine hours in Lima while its pilot is questioned for taking pictures of nearby Peruvian military installations.

En route from Miami to New York on June 14, Flight 414, an A300B4-203 with 95 aboard, is hijacked to Havana by a lone assailant displaying an alleged flammable bomb, but is allowed to return to Miami the next day.

The latest in a string of hijackings brings an announcement that Federal "sky marshals," since grounded, will return to U.S. commercial flights.

Flight 1, an L-1011 with 232 aboard and en route from New York to Miami, is diverted to Cuba on July 19 by a passenger who claims to have a bomb in a briefcase and passes out notes in broken English conveying that threat.

Also in midyear, union contracts are renegotiated, providing some additional financial relief. In the fall, corporate leaders must once more approach labor for fiscal help. This time the labor groups agree to forsake \$296 million in wages for stock and commit to work rule changes worth \$76 million. In return, each major group is allowed to nominate on board member.

Just after departing Miami (MIA) on November 11, the right No. 3 main landing gear tire of a B-727-225A with 159 passengers explodes and pieces of rubber damage hydraulic lines, causing a loss of A & B hydraulic systems. Unable to extend the right main landing gear, the trijet returns to Miami and lands on the left and nose gears, which promptly collapse. When the aircraft stops, all aboard are evacuated; one passenger is seriously injured in the process.

Because of the need to be certain that they do not interfere with sophisticated aircraft equipment, the use of personal computers by passengers is banned on all flights beginning on December 15.

Four roundtrips per day are launched the same day between New York (LGA) and Buffalo.

On December 28, Federal District Judge John F. Grady orders the company to reinstate a pilot who underwent a sex-change operation in 1980 and was dismissed in April 1981; Karen F. Ulane had flown for EAL for 12 years under the name Kenneth Ulane.

Also in December, a major hub is occupied at Kansas City, from which 34 daily flights are originated to 24 communities.

As a result of the long recession, plus the unbridled competition and unsound fare discounts sparked by the loosening of government controls, Eastern and other majors try to stanch the flow of red ink.

Passenger and freight traffic increases are too small to impact the airline's financial situation; customer bookings increase by 5% to 36,788,00 and cargo grows 3.9% to 510.83 million FTKs. In terms of enplanements, Eastern is now the third largest major, behind **United Airlines** and **Delta Air Lines**. Company losses would be worse except for certain advantages, including \$121-million income from the sale of certain tax benefits, a \$52.7-million drop in fuel costs, a \$123-million stock sale, and agreement by creditors to a postponement of payments on \$50 million in debts. Revenues advance 4.59% to \$3.94 billion, but costs jump 6.71% to \$4.04 billion. As a result, the operating loss increases to \$100.1 million and the net \$183.7 million loss represents a fourth consecutive reported reversal.

Employment climbs 10% in 1984 to 40,806.

Judge Grady, on February 14, awards former pilot Karen Ulane \$158,590 in back pay and expenses.

An engine falls off an Atlanta-bound jet upon its takeoff from Houston on April 20, forcing an immediate landing; no injuries are reported.

Also in the spring, the company establishes a commuter interline arrangement with **Metro Airlines**, known as Metro Express; employing British Aerospace BAe Jetstream 31s, feed service begins from Atlanta.

Given the success of the new Kansas City hub, EAL elects to lessen its Houston-oriented activities. A number of other small regionals will join the major's stable.

Eastern employees agree to accept 25% ownership in return for \$372 million worth of concessions sought by management in 1983. In addition, four representatives from the company's unions are given seats on the board of directors.

In addition to its service throughout the U.S., services are maintained along routes to Canada, Mexico, Bermuda, the Bahamas and various Caribbean Islands.

Customer bookings rise 3.1% to 37,927,000 as freight swell 15.9% to 391.71 million FTKs. Revenues jump 10.7% to \$4.36 billion as costs grow only 3.3% to \$4.17 billion. Although a net loss of \$37.9 million is taken, an operating profit of \$189.6 million is posted.

The payroll is boosted 8.5% in 1985 to 44,285.

On January 1, management attempts to renege on promised wage increases. The courts overrule this move and force the carrier into a technical default on its loans until late February. While descending from 25,000 ft. to 18,000 ft. during a service from La Paz to New York (JFK) via Asuncion, also on January 1, a B-727-225, with 10 crew and 19 passengers, is reported overdue, triggering a search. Twenty hours later, the plane's wreckage is sighted at the 19,600-ft. level of Mount Illimani, SE of La Paz.

A bag belonging to Transportation Secretary Elizabeth Dole is lost during a New Year's Day flight from Miami to Washington, D.C., but is recovered three days later.

On January 5, a team of Bolivian climbers, fighting high winds and snow, reaches the wreckage of the B-727-225 lost five days earlier on the side of a mountain at 20,000 feet elevation and report no survivors.

On January 18, Cuban refugee Lazaro Hernandez displays what will turn out to be a fake bomb and orders the crew of A300B4-203 Flight 403 to fly to Cuba. After convincing Hernandez that they have followed his orders, the crew lands their aircraft, with its 198 other passengers, safely at Orlando where the disoriented Hernandez is taken in hand by police and charged with air piracy.

By the beginning of March, all company unions have agreed to a new group of productivity requirements and wage and benefit reductions.

An agreement is signed in March with **CF Air Freight** under which EAL will transport that firm's night cargo in the bellies of its A300B4-203s. The move allows the company to also offer \$49 one-way overnight passenger segments, Moonlight Specials, beginning on April 1 from network legs connecting major East and West Coast cities and the Houston hub. Carry-on bags alone are free to customers on this service.

While en route off the U.S. East Coast on May 28, an A300B4-203 with 74 passengers encounters thunderstorms and air turbulence; the Airbus is shaken and 21 people are injured, 2 seriously. The flight continues to its destination and is met by medical personnel, who treat and evacuate the injured. A B-757-225, with engine trouble, lands safely at Miami on July 12 after raining about 100 bits of debris on a city neighborhood, hitting cars and homes, but causing no injuries.

On July 15, Eastern joins the ranks of the transatlantic operators when it inaugurates nonstop daily (except Wednesdays) service from Miami to London (LGW) with three Douglas DC-10-30s newly acquired from defunct **Air Florida**.

Another DC-10-30 is purchased from **Alitalia, S.p.A.**

During August, 2 shipments of cocaine totaling 1,700 pounds are seized from 2 airliners by the U.S. Drug Enforcement Administration (DEA).

En route near Charleston, South Carolina, on August 29, a B-727-225 with 125 passengers encounters turbulence, dropping and climbing 200 ft. rapidly; seven people are injured.

On October 21, passenger Gordon Ryan tries to open the door of a DC-9-51 en route to Philadelphia, but is stopped by a crewman, who suffers a broken jaw in the scuffle; Ryan is arrested by FBI agents when the plane lands.

Also in October, the original Moonlight Specials arrangement with **CF Air Freight** is expanded with Chicago (ORD) becoming the second hub after Houston. The upgrade provides a daily roundtrip between Newark and Los Angeles via Chicago.

Bound for Barbados on December 7, an A300B4-203 is forced to make an emergency landing in Miami when an engine spouts sparks and smoke.

Later in the month, the company implements a new security program to prevent employee theft and other crimes.

Enplanements advance by 9.9% to 41,662,000 (including 3 million plus or 7.2% of total on the Air Shuttle) and cargo swells 25% to 741.39 million FTKs. Revenues at the nation's third largest airline ascend by 10.3% to \$4.81 billion and costs jump 10% to \$4.59 billion, including a disappointing \$67.5-million fourth-quarter loss. The operating profit is up to \$221.61 million, but the cost of fighting fare wars during the summer and fall wring all but \$6.3 million from an upward swing in net profits.

The workforce is reduced 1.3% in 1986 to 43,685, which is still second highest among U.S. majors after **American Airlines**.

In January, the company receives the 1985 "Market Development Award" from *Air Transport World* magazine.

The DEA confirms on February 12 that indictments have been placed against 50 employees following an investigation into drug-smuggling activities begun the previous August. With labor contracts up for renewal early in the year, EAL resumes labor negotiations with Bryan and others who, pointing out that the company had made money in 1985, refuse to accept CEO Borman's call for a 20% reduction in labor costs. Last minute negotiations fail and, on February 24, the carrier—and its 87% debt-to-equity ratio—is sold to Frank Lorenzo's Texas Air Corporation (TAC), parent of **Continental Airlines**. Despite union opposition, the buyout approved by Eastern's directors at \$10 in shares and cash for each stock share will be approved by the DOT and create the largest U.S. airline system.

Frank Lorenzo now becomes chairman; former CAB chief counsel Philip J. Bakes Jr. is named president. Frank Borman, who remains a special consultant, now joins with Robert J. Serling to pen his memoirs, *Countdown: An Autobiography* (New York: Morrow, 1988).

Efforts are now made to return to profitability. The Charlotte facility is sold to **Piedmont Airlines (1)**, the unprofitable Miami to London service is discontinued, and the three DC-10-30s purchased exclusively for it are sold. A \$160-million cost-cutting program is introduced and in an effort to improve its own maintenance, the carrier stops its contract maintenance program for other carriers. This move is made largely to mollify safety critics in and outside of the airline after a \$9.5-million fine is paid to satisfy a FAA fine levied as the result of rules violations and noncompliance with many airworthiness directives.

On May 13, it is agreed that TAC will sell **Pan American World Airways (1)** sufficient slots at New York, Boston, and Washington, D.C. to allow start-up of a shuttle competition with **Eastern Air Lines**.

A passenger inaugurates the company's new air-to-ground passenger telephone system on June 4, but static on the line causes the recipient of the call to think that the caller is indicating a bomb on the plane. The situation is straightened out after the A300B4-203 lands in a remote part of New York (LGA) and is searched by police.

En route to Miami from New York on July 13, a B-757-225 encounters violent turbulence over Palm Beach that causes injury to 18 passengers.

An unidentified pilot, frustrated by long waits for takeoff from Atlanta, tells his stunned passengers on July 24 that he is "sick and tired" of such airport delays and walks off his airliner. In late August, the DOT

disapproves the TAC-Eastern merger, requiring that addition New York, Boston, and Washington, D.C. slots be sold to **Pan American World Airways (1)** in order to permit effective northeast air shuttle competition.

As part of its cost-cutting program, the carrier suspends its daily nonstop Miami to London service in September, and reduces its daily flights to Charlotte from 53 to 12.

A total of 46 La Guardia slots and 2 gates, 18 Washington, D.C., and 1 Boston gate are sold to **Pan American World Airways (1)** for \$46 million. The agreement includes a codicil that allows Eastern, for a two-year period, the right to buy them back should the Pacific pioneer give up its "airbus" operation.

To counter the **Pan American World Airways (1)** shuttle, Eastern upgrades its no-frills Washington, New York, Boston operation into "Air Shuttle Plus" service in late fall and the open seating policy in effect since the beginning is scrapped. Seat assignments are now made upon check-in. Snacks and other conveniences are now also made available to passengers and the interiors of the shuttle Boeings are upgraded.

William S. Bain, an EAL pilot, is killed when he misses the runway in fog at Tampa on November 6 and flies his private aircraft into a Pan Am B-727-225A with 23 aboard, injuring several passengers.

The legalities of the company's acquisition are completed on November 25 when TAC acquires all of the common stock equity. While EAL and **Continental Airlines**, the TAC flagship, remain separate, several divisions are consolidated. Among these are sales, which are reformed into Continental-Eastern Sales, Inc.; freight, which is lodged in a new Cargo Development Group; and computer reservations, which are combined into a single operation under the EAL title System One Direct Access.

Daily nonstop A300B4-203 service is inaugurated on December 15 from Miami to Caracas and daily nonstop B-757-225 flights commence from Newark to Caracas.

Passenger boardings swell 2.1% to 42,546,000, but freight is down 1.6% to 729.36 million FTKs. Revenues fall 6.08% to \$4.52 billion as costs fall 2.96% to \$4.45 billion. The operating profit declines to \$65.01 million and a \$130.16-million net loss is suffered.

Airline employment falls another 15.3% in **1987** to 37,000.

A B-757-225 is forced to land at Philadelphia on January 10 in response to a telephone bomb threat.

Also in January, the Philadelphia operation is expanded by more than 50% to form a hub linking cities in the northeast with Florida, the Bahamas, and the Caribbean. The Philadelphia schedule is increased by 21 departures, with new services to and from Albany, Rochester, and Hartford.

In February, EAL begins 14 flights each weekday from Washington, D.C. (DCA) to Boston, the "Eastern Expressway."

A DC-9-51 with 120 aboard collides with a U.S. Postal Service truck on the service road at New York (JFK) on March 11, causing minor damage to the truck and aircraft, but no injuries. On March 1 as the result of tough price competition, the Moonlight Specials service contract with **CF Air Freight** is cancelled.

Service to Peru, suspended in 1984, is resumed in April with six nonstop and three direct flights per week from Miami and New York.

As discussions with labor continue, the Bakes management team implies that it must obtain 30% cost reductions from wage and work rule concessions. If these are difficult to obtain, they may also be forced to transfer equipment to **Continental Airlines** or take other actions regarding the withdrawal of assets. To emphasize the point, six A300B4-203s are transferred to **Continental Airlines**. On April 10, SystemOne Direct Access and EAL Automation Systems are passed to TAC, which also assigns them to Continental. The militant unions, meanwhile, continue to seek raises rather than wage cuts and the battle continues.

In the spring, EAL is often mentioned during congressional hearings on proposed improvements on the quality of airline services.

During the year, a number of traditional EAL routes are suspended and transferred to the nonunion flagship carrier, as are additional aircraft and even airport gates. Additionally, TAC now begins to impose a vari-

ety of fees upon Eastern to pay for management services, computer reservations services, fuel purchases, and so forth. TAC management makes plans to sell the company's most profitable component, the Washington, New York, Boston shuttle, and contracts with **Orion Air** to provide passenger services should the pilots strike. The unions oppose most of these moves in court and succeed in blocking the latter two.

Meanwhile, in August, a marketing agreement is signed with **LIAT (Leeward Island Air Transport Services, Ltd.)** to feed traffic to and from the lower Caribbean into Eastern's hub at San Juan; LIAT/Eastern Express service begins from St. Kitts and Antigua to the Puerto Rican capital.

Henry Dempsey, the pilot of a DC-9-51, is sucked partway out of his plane on September 3, but survives, clinging to the rear stairs for 10 minutes as the copilot lands the craft at Portland, Maine.

Five persons are arrested at Miami (MIA) on September 27 as angry passengers of a cancelled flight besiege the company's ticket counter.

A B-757-225, headed from San Juan to New York on September 28, is rocked by turbulence over the Atlantic Ocean and is forced to land at Bermuda with 42 injured people.

Daily nonstop service is begun from Miami to Tegucigalpa, Honduras, in October, with continuation to San Salvador, El Salvador.

Also during the month, critical negotiations are opened between the carrier and Charles Bryan's IAM chapter. While Lorenzo and Bakes seek wage cuts, the militant union chief demands a 10% pay increase; the battle continues.

Also in October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

Meanwhile, U.S. National Mediation Board (NMB) member Walter C. Wallace arrives to make certain that negotiations continue.

Flight 573, a DC-9-31 cracks open upon landing at Pensacola on December 28 and drags its tail nearly 7,000 feet along the runway; 100 passengers and a crew of 5 are safely evacuated down chutes. The aircraft must be written off.

As the one-time "Big Four" airline continues to shrink and begins to prepare for an IAM strike, its traffic and financial situation worsens. Although passenger boardings are up by 5% to 44,568,000, the number is the smallest growth rate for any of the passenger-carrying majors. Freight traffic plunges 24% to 239.34 million FTKs. Revenues are up a scant 0.16% to \$4.52 billion, expenses rise 0.30% to \$4.47 billion, and the operating profit is \$58.98 million. The net loss, however, climbs by \$50 million to \$181.67 million.

Eastern management begins **1988** by preparing for a widely expected IAM strike.

Twice-weekly service is begun in January from San Juan to Panama City, with continuing flights to Bogota. The company also inaugurates flights from San Juan to Cleveland, Hartford, and Washington, D.C. (IAD).

Suspecting that personal animosity between Bryan and John J. Bavis Jr., president of Eastern's ALPA chapter, will prevent the pilots' cooperation with the IAM membership if it commits to a job action, president Bakes adopts an aggressive strategy, believing the airline can survive a strike. This position is communicated to Chairman Lorenzo, who is only too willing to maintain a tough TAC position.

A feature of the strategy is a four-page letter written by Bakes in February to all of the members of the company's OnePass frequent flyer program, blaming financial losses on labor costs. During the same month, the carrier introduces a month-long incentive program for OnePass customers who fly the Air Shuttle and stay at a Marriott Hotel in New York, Washington, or Boston.

The strategy of shuffling high-cost Eastern assets to low-cost **Continental Airlines** and other regional subsidiaries continues into the spring as TAC seeks to combat its \$5-billion debt. Eastern continues to bleed and in addition to transfers, it also shuts down its Kansas City hub. The

maneuvers, while perhaps appropriate from a corporate viewpoint, give the IAM members a chance to win public relations points.

In May, the company launches service to Belize City and San Pedro de Sula, Honduras, and resumes Ottawa service on a daily basis with a flight between the Canadian capital and Baltimore (BWI), continuing to Miami.

When several tires blow, a B-757-225 must abort its takeoff from San Jose, Costa Rica, on September 29; the nosegear collapses and the fuselage is severely damaged, and although the plane must be written off, injuries are few.

Although it remains on the market, executives in charge of the Air Shuttle continue to vigorously market it to the public. On October 1, a monthly *The Shuttle* newsletter is introduced offering "travel tips and news of interests to Guests and Employees of The Shuttle." Thrice-daily nonstop flights are initiated in October from Washington, D.C. (DCA) to Hartford and four of the six Miami-Ecuador route allocations formerly held by **Pan American World Airways (1)** are acquired and operated.

DEA agents at Miami on November 2 seize a shipment of cocaine from a company jetliner for the second time in two weeks.

Also in November, daily frequencies are opened from Birmingham, Alabama, to Atlanta.

Late in the year, Lorenzo approaches Wallace seeking a release from the stalled labor negotiations. The official refuses and continues to pressure both the airline and its union to reach an accord.

A B-727-225A loses cabin pressure from a 14-inch rupture in its fuselage during a December 16 flight from Rochester to Atlanta; the crew makes a safe, if unscheduled, landing at Charleston, West Virginia.

Also in December, John F. Peterpaul, IAM transportation division leader, makes it known from Washington, D.C. that, in the event of a strike, the entire union will call secondary boycotts around the country turning a one-company labor dispute into a major national problem.

With this possibility on the horizon, officials on both sides of the issues digest the year's statistics. Customer bookings drop 20.1% to 35,712,000 and cargo falls 32.3% to \$240.15 million FTKs. Revenues decline 14.15% to \$3.88 billion, expenses fall 8.34% to \$4.09 billion, and the operating loss is up to a huge \$209.42 million. The net loss worsens to \$335.35 million.

IAM President William Winpisinger officially notifies NMB official Wallace on January 6, 1989 that the national union will call secondary railroad and airline strikes nationwide in the event of an Eastern job action. The threat meets with a hostile public reaction and costs the local union membership much of the goodwill it had built through a year of Lorenzo-bashing.

In the final bit of equipment business to be reported for some time, the last of 50 B-727-25s begins withdrawal during the month as 7 DC-9-32s join the fleet.

About 47 pounds of cocaine are discovered on a jetliner that stops at Miami on January 27 while en route to New York from Colombia.

On January 31, the NMB proffers Eastern and the IAM a final settlement package and suggests binding arbitration if local agreement cannot be reached. When Eastern refuses, Wallace notifies both sides that a statutory 30-day cooling off period is in effect. Lorenzo and Bakes, fully expecting company pilots not to cross picket lines, are ready for the long-awaited final showdown.

On February 12, the company bans in-flight distribution of the latest issue of *Fortune* magazine because of its unflattering portrait of TAC Chairman Lorenzo. Just before the strike deadline, NMB's Wallace asks the new president of the United States, George Bush, to appoint an emergency board, under terms of the Railway Labor Act that governs national transportation labor relations. Bush refuses and his transportation secretary, Samuel K. Skinner, informs the parties that Congress will pass legislation to block any secondary strikes. Frank Lorenzo now approaches President Bavis and the local ALPA membership for their support and, contrary to what he has expected via Bakes, is rebuffed.

On March 3, Lorenzo makes one last offer to Bryan seeking \$125 million in wage concessions instead of \$150 million; the IAM leader, with

disaster staring him in the face, refuses. On Saturday, March 4, the job action begins; the carrier's pilots and flight attendants call sympathy strikes and refuse to cross picket lines. With the exception of a few Air Shuttle flights, the major is shut down by day's end. Eastern lasts only three days before Chapter XI bankruptcy protection is sought and granted by the U.S. Bankruptcy Court for the Southern District of New York. Its judge, Burton R. Lifland, now takes control of the airline and approves the appointment of Washington lawyer David I. Shapiro as examiner in the case; Shapiro is authorized to find a buyer.

On April 6, an investor group led by ex-baseball commissioner Peter V. Ueberroth, ex-**Hawaiian Airlines** President J. Thomas Talbot, and former **Continental Airlines** President Martin R. Shugrue Jr. agree to purchase the airline and several other TAC assets for \$464 million, provided agreement can be had from all Eastern unions by April 11. Significant progress is made and negotiations continue a week beyond the deadline. However, when the unions require that Lorenzo give up control of the airline *before* the deal is consummated, all possibility of accommodation evaporates.

On April 17, Lorenzo takes the airline off the market. Shapiro and several other groups continue attempts to interest TAC in a buyout, but the highest bid barely reaches \$400 million. Lorenzo and Bakes now attempt to convert Eastern into a smaller, nonunion operation based in Atlanta, proposing this to company creditors. Key to the plan, which is readily accepted, is the sale of certain assets to raise cash, including the South American system and the profitable Washington, New York, Boston route.

On May 25, the carrier's most profitable and recognized division, the Air Shuttle, along with 7 B-727-25Cs and 13 B-727-225s, is sold to New York real estate tycoon Donald Trump for \$365 million.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. Eastern, with 6 security breaches, is faced with \$51,000 in punishment.

The fleet is now cut from 160 to 148 aircraft, summer schedules are cut 12%, and contracts with both the pilots and flight attendants unions are abrogated.

While Lorenzo, assisted by **Continental Airlines** President Robert R. Ferguson, works on the reorganization plan, officially filed in July, the Master Executive Council of Eastern's unions meet in August. ALPA leader Bavis argues for an end to the job action and is replaced by the more militant Charles H. "Skip" Copeland. Eastern proposes a new business plan to the creditors, one that provides not only for an Atlanta hub, but also for a strengthened South American route network centered on Miami.

In September, \$210 million in cash is realized from the sale of an assets package to **Midway Airlines** that includes gates and facilities at Philadelphia, routes from Philadelphia to Montreal, and 16 DC-9-31s. **Midway Airlines** wins its prize after the DOT looks askance at a bid from the airport's primary operator, **USAir**.

Also during the month, the company undertakes its first-ever service into Brazil. Thrice-weekly DC-10-30 service is launched from Miami to Rio de Janeiro, which is added as a stop on the route to Buenos Aires.

Meanwhile, months of negotiations between Lorenzo and **American Airlines** CEO Robert Crandall fail in acrimony.

Attempts to sell the Latin American division to the Dallas (DFW)-based major for \$365 million are called off and the company is also forced to admit that it cannot find a buyer for its Miami maintenance base.

Consequently, the carrier revises its bankruptcy plan to demonstrate its emergence with \$400 million in working capital instead of the \$774 million in its previous estimate. To meet the new projection, the airline indicates it will not prepay, as hoped, \$52 million owed on aircraft or \$150 million to retire a \$200-million note and it would borrow \$100 million more to cover lease and training costs.

The total number of daily flights made on October 1 stands at 702.

During the fall, union supporters in the U.S. Congress pass legislation establishing a bipartisan commission to recommend a settlement. On

November 21, the bill is vetoed by President Bush and two days later, Copeland and his ALPA followers, out of work and watching as 1,800 nonunion pilots replace them, call off their sympathy strike.

On November 24, flight attendants vote to end their job action. Only the IAM and Bryan are still out. Meanwhile, as the pilots and flight attendants strikes are ending, the creditors force Lorenzo to reopen negotiations with Crandall and **American Airlines**.

Also in November, daily B-727-225A service is resumed from Atlanta to Montego Bay.

In mid-December, the two tough operators Crandall and Lorenzo agree that **American Airlines** will purchase the Eastern network south of the border, its routes from Miami to Madrid and Toronto and from Tampa to Toronto for \$349 million while **Continental Airlines** agrees to settle an outstanding reservation quarrel with American. In addition, \$121 million is gained by TAC for a variety of other Eastern assets, including slots at New York (JFK and LGA), Washington, D.C. (DCA), and Chicago (ORD), as well as the company's interest in four South American ground handling companies and property in Puerto Rico.

A 17-year-old boy, who has apparently stowed away on a B-727-225A flight from Barbados, is found dead at Miami (MIA) on December 28 in the plane's unpressurized and unheated rear stairway.

Although the company is nearly two-thirds rebuilt by year's end, customer bookings for the year are off by 59.2% to 14,465,000 and freight falls 58.6% to 99.5 million FTKs. Revenues plunge 60.09% to \$1.55 billion, costs are down 41.03% but still total \$4.78 billion, and the operating loss is \$864.72 million. The net loss is \$852.31 million. Both loss figures are the highest single-year losses in the history of commercial aviation to this date.

On January 2, 1990, EAL introduces fares up to 40% below the lowest discount fares in the industry, offering one-way fares of \$79 weekdays and \$99 weekdays New York to Florida. Also during the month, the company begins eliminating up to 600 positions and imposing temporary pay cuts on half of its employees, including executives, in an effort to save \$100 million.

Flight 111, a B-727-225A landing at Atlanta on January 18, collides with a twin-engine private plane owned by **EPPS Air Service**, killing one person aboard the smaller aircraft and injuring another. No one is hurt aboard the jetliner and reports will show that both planes had been given permission to come down at the same time.

At the end of January, Chairman Lorenzo returns to his original reorganization plan, under which the airline is to emerge from bankruptcy protection at about 65% of its former size, and approaches his creditors with this third plan showing Eastern operating as a smaller carrier out of Atlanta. A month later, the creditors are informed that the shrunken major's route system will only generate sufficient funds to pay them 50¢ on a dollar. Even this plan is conditional and based on the best legal and operating results. The hoped-for results are not achieved, as business travelers refuse to fly the airline and losses mount.

Immigration agents in Atlanta raid a company airliner for the second time in two days on March 15 and seize 53 more illegal aliens, including 3 Romanians and many Mexicans.

The creditors now inform Lorenzo that TAC must cover all of Eastern's losses until a suitable, moneymaking plan can be achieved. When the airline boss refuses, the creditors on April 10 file a motion with Judge Lifland to appoint a trustee and strip Lorenzo of his Eastern control. Following a spirited legal proceeding in Lifland's court April 13–19, Lorenzo is out and former **Continental Airlines** President Martin R. Shugrue Jr. is appointed trustee, taking the titles of president and CEO.

On April 20, former president Bakes resigns by request; Joseph B. Leonard, executive vice president/chief operating officer, is retained. Shugrue now announces a five-point plan for returning the airline to profitability, proclaiming that a "New Eastern" will rise from the ashes of the old. The plan backs away from the previous reorganization plan because that document does not have sufficient funds to make it work. Rather, an effort is started to cut costs by decreasing the planned sum-

mer schedule by 12%, selling additional jetliners, reducing the health benefits of retirees, and the imposition of new contract terms on its pilots and machinists.

The airline's fleet now includes 170 aircraft and the route system contains just 71 destinations.

Some progress appears to be made on Shugrue's agenda during late spring and summer. In July, Eastern achieves the dubious "first" of becoming the only U.S. airline to be criminally indicted on charges related to the falsification of its maintenance records. The 60-count indictment covers the period from July 1985 through October 1989; Edward Upton, the former vice president-maintenance and engineering and seven other maintenance management employees are specifically named.

In early August, Frank Lorenzo resigns as chairman of TAC while, on August 2, Iraq invades Kuwait.

A DC-10-30, first flown by **Alitalia, S.p.A.**, is sold to **Continental Airlines** in September.

Beginning on October 7, company officials hold what will ultimately be unsuccessful talks with **Aeroflot Soviet Airlines** concerning a possible \$150-million lease or purchase arrangement with the Russians for 13 wide-bodied aircraft, including all of the A300B4-203s.

By late fall, fuel prices are at their highest point in a decade and the steadily rising costs put an end to any hope that the once-proud carrier of "Captain Eddie" can be saved. Still, it continues to function, even beginning, in December, a new service from Huntsville, Alabama, to Roanoke and Harrisburg.

At the same time, a U.S. Appeals Court rules that the carrier must release some of the replacement pilots hired during the previous year's pilot walkout, substituting ALPA members instead.

Ironically, until fall, traffic has rebounded. Customer boardings increase 47.6% to 21,505,000 and freight rises by 17.8% to 117.2 million FTKs. Revenues are up by 40.61% to \$2.18 billion, expenses rise by 12.36% to \$2.71 billion, and the operating loss is \$533.35 million. The latter figure is actually an improvement over the previous year. The net loss, however, is the highest suffered by any airline anywhere to this time: \$1.12 billion.

During the first week of January 1991, flights commence from Dallas (DFW) to Huntsville.

One of the nation's 4 original trunk carriers, the 63-year-old airline, unable to find either a buyer or further financing, collapses at midnight on January 18–19, halting all flights and activities. All employees, loyal and strikers alike, are laid off and the company is now liquidated. After 2 years of operating while in bankruptcy, EAL now has debts of \$3.2 billion, despite \$600 million received since 1989 from financial institutions, and is losing \$2.5 million per day. The fleet has shrunk to 170 aircraft, 90 of which are leased, and the workforce totals 18,500.

There is an unofficial website maintained by Michael Moran at <http://ddi.digital.net/~gunnery/eastern/eastern.htm>.

EASTERN AIR TRANSPORT (1). See COLONIAL AIR TRANSPORT

EASTERN AIR TRANSPORT (2): United States (1930–1934). On June 12, 1929, Harold F. Pitcairn elects to sell his **Pitcairn Aviation** to airline and aircraft manufacturing magnate Clement Melville Keys for \$2.5 million. Pitcairn had previously established a 1,411-mile multistop mail route (Contract Air Mail or CAM Routes) from New Brunswick, New Jersey, to Miami and the largest line operated by any company east of the Mississippi River—indeed, the third largest in the U.S.

On July 10, Keys turns around and sells the carrier to his holding company, North American Aviation. The new purchase is merged with another acquisition, **Florida Airways Corporation**, to form the manufacturer's Eastern Air Lines Division; NAA Vice President Thomas A. Doe is placed in charge. The fleet acquired in the transaction includes 13 Pitcairn PA-5 Mailwings, 25 PA-6 Super Mailwings, and 3 Ford 4-ATs.

Six months later, on January 17, 1930, the subsidiary's name is changed to **Eastern Air Transport**.

On March 15, a fire destroys the old government hangar at Hadley Field, New Jersey; four EAT aircraft are destroyed and on April 29 Congress passes the McNary-Watres Act. During the May 15–June 9 “Spoils Conference” held in Washington between Postmaster General Walter F. Brown and the heads of the major air transport concerns (including Doe), the carrier seeks to obtain a mail route from Atlanta to New Orleans, planning to subcontract it to **Delta Air Service**. However, following Comptroller General John McCarl’s ruling that extensions longer than original routes cannot be granted, the route is awarded to **American Airways’** subsidiary **Southern Air Fast Express** on September 16.

Meanwhile, after a year of mail services under two company names, EAT introduces passenger services on August 18 between what is now La Guardia Airport at North Beach, Long Island, New York, and Richmond, Virginia. The first route includes stops at Camden (serving Philadelphia), Baltimore, and Washington, D.C. Flights are operated daily (except Sundays) over the 310-mile route employing the company’s first and only Ford 5-AT Tri-Motor plus the 4-ATs. The service is so successful that the carrier now adds six Curtiss Model 18 Condor Is, purchased from company shareholder Curtiss-Wright Company, to the fleet and beginning on December 10 initiates service with them to Washington. The first 10 of 14 Curtiss Model 55 Kingbirds simultaneously arrive and are placed on the Washington to Atlanta run. The 4-ATs are now sold.

Passenger service reaches Florida on January 1, **1931**, when Eastern’s 120-mph Curtiss Kingbirds begin flying to Miami and St. Petersburg.

Also in January, stewardesses are introduced on the Condor Is, making EAT the second U.S. carrier to employ female flight attendants.

En route to Washington from New York on March 15, a Pitcairn PA-6 piloted by Verne E. Treat encounters a snowstorm over Laurel, Maryland, which forces the aviator to bail out. Richmond to Jacksonville Kingbird flights commence on April 1 via Raleigh, Florence, Charleston, and Savannah; the same day, Condor Is fly from Washington down to Richmond.

The carrier is awarded the New York to Washington, D.C. CAM-25 route in July, even though **The New York, Philadelphia & Washington Airways Corporation (The Ludington Line)** has bid 64¢ less per mile to carry the mail.

The same month the former **Pan American Airways (PAA)** subsidiary **New York Airways** is acquired, giving EAT access to Atlantic City.

Two additional Condor Is are acquired in early October and allow EAT to stretch the Richmond terminus all the way down to Atlanta. Five new Pitcairn PA-8M Mailwings are placed on the postal services.

In July **1932**, the fleet is increased by the addition of a sixth Curtiss Condor I. Passengers are able to fly Eastern from New York to Miami in a single day. A transport plane departs New York City at 8 a.m., arriving at Miami at 9:50 p.m. The carrier promotes the feat with a radio jingle: “From Frost to Flowers in 14 Hours.” By today’s standards, however, the trip is grueling.

After departing New York, the Ford 5-AT, a notoriously noisy aircraft, stops at Philadelphia, Baltimore, Washington, and Richmond, where lunch is served. Passengers then get back aboard for stops at Raleigh, Florence, Charleston, Savannah, and Jacksonville, where they deplane for dinner. Then, after a final interim stop at Daytona Beach, the customers arrive at Miami. Total flying time is 13 hrs. 50 min. During the 1980s, the same trip takes just 2 hrs. 30 min. A Stinson Model U is acquired late in the year to supplement the 5-AT.

On January 7, **1933**, the overnight Jacksonville stop is removed as EAT initiates through service from New York to Miami. The entire route can now be flown in 13 hours.

While testing a new right engine over Newark on January 15, a Condor I crashes (two dead).

Despite the economic depression of the early 1930s, the air transport industry continues to expand routes and purchases better equipment as it becomes available. Companies expand through mergers and on Feb-

ruary 13, **The New York, Philadelphia, and Washington Airway (The Ludington Line)** is purchased outright and merged; although the new purchase stops flying immediately, seven of its Stinson SM-6000s and SM-6000Bs are kept in service.

During takeoff from Richmond on February 18, a Pitcairn PA-6 hits a truck, killing one of the men on it.

On February 28, Postmaster General Walter F. Brown requires the United group to divest itself of shares covertly acquired in EAT and its North American Aviation holding group. The shares are sold to General Motors, which now assumes control of EAT, along with **Northwest Airways** and **Western Air Transport**, through its new North American Aviation subsidiary led by Ernest R. Breech.

Edward V. “Eddie” Rickenbacker now becomes Doe’s vice-president.

Unable to exit his Pitcairn PA-6 when its engine fails over Upper Zion, Virginia, early on June 4, pilot W. L. Jamieson is killed when it crashes.

Five Curtiss T-32 Condor IIs are delivered late in the month and are placed into service 10-times-daily on the New York–Washington route plus the New York–Atlantic City frequency on July 1.

Four more are soon received; however, one is seriously damaged and its crew hurt when it crashes upon takeoff from Newark on September 21.

In a brief experiment, the interior of a single Condor is given two sleeping berths and on October 5–6, the first night passenger flight (7 hrs. 40 min.) is undertaken multistop between Atlanta and New York. Vice President Rickenbacker climbs from his berth at every stop to show himself, in pajamas, to waiting reporters and photographers. The concept is not followed up until it is taken over by **American Airways**.

The surviving Pitcairn PA-5s are now withdrawn and the company loses \$175,000 on the year.

On February 9, **1934**, as a result of the airmail scandal, the U.S. government cancels existing airmail contracts (effective on February 19) and calls upon the U.S. Army Air Corps to fly the mail. The next day, President Doe protests the move on behalf of the airline industry. Having learned of the government’s forthcoming airmail action, **Transcontinental and Western Air (T&WA)** President Jack Frye and EAT Vice President Rickenbacker, on February 18–19, fly the DC-1 from Los Angeles to Newark via Kansas City and Columbus in a cross-country record time of 13 hrs. 4 min.

On February 19, all company personnel are laid off and schedules are cut back. The loss of subsidy payment to Eastern is \$250,000.

The Army experiment ends on March 30 and the Post Office advertises for new contracts, which may be let to any company not participating in the May–June 1930 “Spoils Conference.”

By the time the new mail routes are awarded in late April, Eastern, like **American Airways, Transcontinental and Western Air (T&WA)**, and **United Air Lines**, has been slightly reformed and renamed, EAT becoming **Eastern Air Lines** on the last day of the month. Although Doe must be laid off because of his participation in the Spoils Conference, General Motors retains ownership.

EASTERN AIR TRANSPORT, LTD.: United Kingdom (1932–1934). Skegness pilot Michael Scott registers his EAT at London on February 27, **1932**; initial capitalization is £1,000. Flying a de Havilland DH 80A Puss Moth with the Lord Mayor of Nottingham as passenger, Scott begins daily summer-only Nottingham–Skegness roundtrip service on May 22. Operations cease in September.

Summer service is resumed over the inaugural route in June **1933**; flights are conducted with a DH 83 Fox Moth until September. In **1934**, the service is resumed on July 1, continuing until September 30 when, unable to continue financially, the company closes down.

EASTERN AIRWAYS, LTD.: Schiphol House, Schiphol Way, Humberside International Airport, Humberside, Lincolnshire, England, DN39 6YH, United Kingdom. Phone 44 (0) 1652 688886; Fax 44 (0) 1652 680606; <http://www.easternairways.com>; Code T3; Year Founded 1973. Lease Air, Ltd., employing the trading name Eastern

Airways, Ltd., is established at Humberside Airport by the Leighford Holdings Group in 1973 to offer air taxi and executive charter flights and cargo services throughout Europe.

Late in the decade, Managing Director Bryan A. Huxford's carrier elects to begin scheduled services. On July 2, 1979, the company joins the Royal Mail program known as "Spokes from Speke," flying a DC-3 each night from Bristol to the sorting hub at Liverpool (Speke Airport) and back to Bristol for distribution.

Airline employment reaches 60 and the fleet in 1980-1981 comprises 3 Douglas DC-3s, 1 Shorts 330, 3 Piper PA-31-350 Navajo Chieftains, 4 Piper PA-23 Aztecs, and 1 Hawker Siddeley HS 125. Services link the company base with Norwich, Glasgow, and London (LHR). Traffic levels cannot be built up sufficiently in a time of recession and high fuel prices and the financially troubled carrier is sold to **Genair, Ltd.** late in 1982.

Following the demise of Genair in 1984, Eastern is resurrected. Managing Director Huxford is the principal owner and the new chairman, with minority owner Richard J. Lake becoming managing director. Flights continue over the next 15 years; scheduled frequencies are maintained to Aberdeen, Glasgow, Humberside, and Norwich with 1 each Fairchild Metro III and Metro 23.

Ad hoc passenger and cargo charters within Europe and the U.K. are operated in association with **Air Kilroe, Ltd.** Twice-daily Metro 23 return service is inaugurated in November 1997 from Humberside to Aberdeen, replacing the service previously operated by **Air U.K., Ltd.**

In 1998, the Humberside to Aberdeen roundtrips become thrice weekly and Sunday night return flights are introduced.

Early in 1999, the company, following its amalgamation with **Air Kilroe, Ltd.**, creates a homepage on the Internet's World Wide Web.

The first two of four former **Air Botnia O/Y** Jetstream 32EPs are received on lease from their manufacturer in July and enter service on the Humberside to Aberdeen route. When the latter two J-32EPs arrive, they are employed to initiate twice-daily roundtrips from a new base at Norwich to Glasgow via Humberside, yet another abandoned **Air U.K., Ltd.** route.

Four-times-a-day frequencies are also offered from Manchester to Aberdeen over a route previously flown by **Suckling Airways, Ltd.**

Daily roundtrips are inaugurated on November 1 between Norwich and Aberdeen; these are later increased to thrice daily.

Enplanements for the year total 45,000.

Airline employment in 2000 stands at 85. During the first quarter, twice-daily Jetstream 32EP roundtrips are inaugurated from Norwich to Glasgow via Humberside. These frequencies, which do not enjoy particularly high load factors, are cut in half on May 3 in order that the Jetstream 32EP may be employed to offer four-times-a-day return service over the Aberdeen to East Midlands route, now taken over from **British Midland Airways, Ltd.** Managing Director Lake is on hand at East Midlands to present a bottle of Glen Garioch to Robert Carr, the first passenger to board on the new route.

Including a VIP-configured Jetstream 31, the BAe fleet totals 7 by summer. When **ScotAirways, Ltd.** withdraws from the Norwich to Edinburgh market, it is replaced on June 11 by Eastern, which adds another Jetstream for the purpose. The new roundtrip route is operated twice on weekdays and once on Sundays. In early August, Chairman Bryan Huxford lauds the carrier's July 96.5% on-time record.

On September 11, daily return frequencies from Norwich to both Edinburgh and Manchester are boosted from two to three.

New nonstop return service is introduced on November 20 between Teesside and Aberdeen. Flights are operated four times a day on Mondays and Tuesdays and thrice daily Wednesday, Thursday, and Friday, together with a single Sunday evening roundtrip.

Thrice-weekday roundtrips are continued between Humberside and Aberdeen; however, beginning on November 26, the time of the weekly Sunday evening return flight from Aberdeen is changed.

EASTERN ATLANTIS EXPRESS. See ATLANTIS AIRLINES

EASTERN AUSTRALIA AIRLINES (PTY.), LTD.: **Australia (1986-2001).** Partially owned by **Australian Airlines (Pty.), Ltd.**, this regional carrier, formerly known as **East Coast Commuter Airlines (Pty.), Ltd.**, is established at Tamworth Airport in Tamworth, New South Wales, in 1986. A new office is opened at Sydney with W. A. Horner as manager. Revenue services are inaugurated by Managing Director John C. Roworth's new entrant with 2 Cessna 404 Titans, 3 British Aerospace BAe Jetstream 31s, and 3 Embraer EMB-110P Bandeirantes. Traffic and revenue figures are not released. Two more Cessna 404s are acquired in 1987.

Operations continue apace in 1988 as the company is featured in the *New South Wales Service Review*.

The fleet is revised when two Cessna 404s are withdrawn in favor of three British Aerospace BAe Jetstream 31s and the first of two de Havilland Canada DHC-8-100s.

Beginning in July, the carrier replaces **East-West Airlines (Pty.), Ltd.** services on routes to Inverell, Glen Innes, Taree, Grafton, and Kempsey. Again, there are no traffic or financial statistics.

In 1989, the company revamps its route network in accordance with the previous year's *Service Review*. Another DHC-8-100 is delivered and orders are placed for two DHC-8-300s.

The Dash-300s are delivered in early 1990. When the Norfolk Airlines Group of carriers goes under, Eastern receives temporary permission to undertake scheduled service to their destinations. The two Cessnas and three Embraers are retired and replaced by a fourth Jetstream 31.

The carrier, largest of the nation's regional carriers in 1991, becomes fully owned by **Australian Airlines (Pty.), Ltd.** on August 1 when the larger airline purchases the remaining 42% stake held by Managing Director Roworth. Peter R. Ryan now becomes general manager and the company is made a unit in Australian's Regional Airline Division.

On August 3, the carrier, which has been allowed to retain its name, introduces new services from Brisbane to Darwin and from Cairns to Central Australia and Perth.

EAA now serves 20 destinations in New South Wales, plus Sydney, Canberra, Melbourne, Lord Howe Island, and the Tasmanian destinations of Launceston and Devonport.

A total of 342,087 passengers are flown on the year.

Ryan is followed into office by Neil Shea in 1992, the same year another Canadian Dash 8 turboprop is purchased and services are started to Coffs Harbor, New South Wales.

Those flights emanating out of Melbourne to Devonport and Launceston are turned over to **Southern Australia Airlines (Pty.), Ltd.** In September, parent Australian Airlines is acquired by **Qantas Airways (Pty.), Ltd.**

Passenger boardings increase 9% to 423,111.

In 1993, the fleet includes 3 BAe Jetstream 31s, 1 Super Jetstream 31, and 7 DHC-8-102s, including 2 acquired during the year. The nation's No. 1 regional adds Dubbo, New South Wales, to its route network. Enplanements for the year total 454,621.

Operations continue apace in 1994 as passenger boardings move ahead by 13.5% to 460,842.

The workforce stands at 290 in 1995, however, the fleet is reduced by one DHC-8-102. Customer bookings climb 5% to 483,886.

Ten new workers are hired in 1996. Passenger boardings for the nation's second largest regional carrier increase 4% to 506,657.

The employee population is cut 2.2% in 1997 to 290 while enplanements inch up 0.6% to 509,695.

Airline employment stands at 300 in 1998. Destinations visited include Armidale, Coffs Harbour, Dubbo, Grafton, Kempsey, Lord Howe Island, Moree, Narrabri, Port Macquarie, Tamworth, and Taree.

A near tragedy occurs on the evening of November 16 involving a Jetstream 31 just after its departure from the Williamtown Airport north of Newcastle. The aircraft, with 18 passengers and en route SW toward Mount McQuoid, is seen by air traffic control to be in the same airspace as an RAAF King Air approaching from the East Sale military base at Victoria, in the opposite direction. ATC instructs the airliner to level off

at 5,000 ft., while the RAAF pilot is asked to level off a thousand feet higher. The civil plane complies, but the military aircraft does not and, consequently, passes directly over top of the Jetstream 31 missing it by just 100 meters. Both military and civilian investigations are immediately thereafter launched.

Flights continue apace during the remainder of the year.

Customer bookings accelerate 4.9% to 535,000.

The workforce, by the start of 1999, has been increased by 12.1% to 325.

When the ATC radio frequency jams at Sydney Airport on March 3 because of the testing of a new Precision Radar Monitor, a catastrophe almost results. Arriving on a service from Auckland, an **Air New Zealand, Ltd.** B-747-419 with 220 passengers pulls up just 61 m. above the runway after the pilot follows emergency procedures for not receiving final landing clearance. The giant aircraft executes a go-around, by which time the jam has been cleared. Most aboard the Jumbojet are unaware—until later—that a de Havilland Canada DHC-8-102 from Eastern had been just below them preparing for departure or that they had nearly landed on top of it. Airservices Australia, in its report of the incident, refuses to label the go-around as a “near miss” because safety procedures had been appropriately followed by the Jumbojet’s pilots. It also states that the larger aircraft had passed safely over the smaller at a height of about 244 meters.

The carrier’s last Jetstream 31s are withdrawn over the Christmas period as new de Havilland Canada Dash-8s arrive.

Customer bookings for the year climb 9.9% to 587,000.

Airline employment at the beginning of 2000 stands at 344, a 5.8% increase over the previous 12 months. Employing newly received DHC-8-100s and DHC-8-200s, the carrier operates 17 daily roundtrips between Sydney and Canberra. Two DHC-8Q300s, valued at \$29 million, are delivered in September and October.

Eastern Australia will be merged into the super regional Qantas Link in June 2001.

EASTERN CARIBBEAN AIRWAYS: United States (1975–1980).

Bill Bohlke Jr. and Ruth Bohike form Virgin Island Flight School on St. Croix, U.S. Virgin Islands, in 1960. Fifteen years later in early 1975, they receive route authority to operate scheduled services to local destinations. Employing a Beech 18, daily roundtrip revenue flights commence in March to St. Thomas and Nevis.

The scheduled operation continues apace over the next five years and a de Havilland Canada DHC-6-100 Twin Otter is acquired. The Nevis route is purchased by **Coral Air** on May 12, 1980, while ECA continues to mount charters.

EASTERN CARIBBEAN EXPRESS, LTD. (EC XPRESS): British

West Indies (1999–2001). Partially owned by Gordon “Butch” Steward, chairman of **Air Jamaica, Ltd. (2)**, ECA is founded at St. Lucia in November 1999 to operate scheduled services throughout the eastern Caribbean. Paul Moreira is named president/CEO, with Eugene Pieterse as general manager of the new concern, which is also known as “EC Xpress.” The actual operating base is established at Barbados and orders are placed for three de Havilland Canada DHC-8-102s.

Arrangements are completed in mid-February 2000 to provide connecting flights at Barbados for **Air Jamaica, Ltd. (2)**, **Air Canada, Ltd.**, and **Virgin Atlantic Airways, Ltd.** Company officials inform the media that they hope to begin operations in April. On February 18, aviation ministers from the Organization of Eastern Caribbean States, meeting in Castries, offer a vote of support for the new carrier’s start-up.

On March 14, a provisional license is granted permitting the carrier to fly from St. Lucia to Tobago.

Dominica Aviation Minister Pierre Charles indicates on March 17 that he does not believe the new company, which now hopes to start flying on April 11, will adversely affect the revenues of debt-burdened **LIAT (1974), Ltd.** as some have worried. During this period, **Air Jamaica, Ltd. (2)** Marketing Director Allen Chastanet takes an increasingly pub-

lic role on behalf of the regional, often serving as its spokesman. It is he who announces, on March 23, that flights will begin on April 17 using a pair of de Havilland Canada DHC-8-102 3-crew, 37-passenger turbo-props that are due for delivery.

Plans to offer a shuttle service from the Hewanorra Airport in Vieux Fort to George Charles Airport in Vigie are scuttled on April 1 after members of the St. Lucia-based Southern Taxi Association protest.

Following delivery of the first Dash-8, which is christened *Spirit of Bridgetown*, the airline is officially launched in ceremonies at Castries, St. Lucia, on April 17 attended by government and private sector officials. The carrier’s new plane offers a series of scenic flights to St. Lucia and Dominica prior to the launch of scheduled service. With the EC Express aircraft registered in Jamaica, reports reach the International Civil Aviation Organization that these flights are, in fact, commercial services being operated with an aircraft not cleared to offer them. Although the flight-seeing trips were not commercial, the incident brings an end to plans for service inauguration on April 19. The de Havilland is grounded from April 19–20 until the matter can be sorted out. After an entire day of paper processing, the Jamaican inspectors sent to St. Lucia are satisfied by April 22 that all is in order and grant the *Spirit of Bridgetown* an air operator’s certificate (AOC) of **Air Jamaica Express, Ltd.**, from which the plane had been wet-leased.

The first real revenue service occurs later in the day as the Dash-8 flies from Barbados to St. Lucia and Dominica. The second de Havilland is received the next day and is named *Spirit of Castries*. Frequencies by the two turboprops, both of which operate in full Air Jamaica colors with EC Express titles, can now be expanded to St. Lucia (five flights) and Dominica (two).

Daily roundtrip frequencies to Grenada are launched on June 5 and to St. Vincent and the Grenadines the next day. Also in June, EC Express officials travel to Paris to discuss a code-sharing pact with **Air France** and to Atlanta to press the same idea with the chiefs of **Delta Air Lines**.

Delivery of the third Canadian-built turboprop, the *Spirit of St. George’s*, is delayed until August 1. On August 10, General Manager Pieterse informs *The St. Vincent Herald* that since its start-up, the new regional has transported 30,000 passengers on 1,900 flights. Plans are made to extend service to Martinique, San Juan, and Tobago by the end of the year.

In late summer, a homepage is opened on the World Wide Web. Although fuel prices begin to become a worry in the fall, Marketing Director Chastanet reports on November 7 that an application has been filed with the Transport Ministry of Trinidad & Tobago which, if approved, will allow the launch of service to that country by December.

During December, a DHC-8-102 arrives on lease from CIT Aerospace. On February 15, 2001, General Manager Pieterse will be succeeded by new President Keith F. Pope, formerly vice president at **Canadian Airlines, Ltd.** EC Express will cease operations on April 16.

EASTERN CAROLINA AVIATION: United States (1980–1981).

Eastern Carolina Aviation, the FBO at Rocklands, North Carolina, establishes an airline division in 1980 to provide scheduled air taxi flights to intrastate destinations. Employing Piper PA-23 Aztecs and PA-32 Cherokee Sixes, it duly inaugurates daily roundtrips from Wilmington to Jacksonville, Charlotte, and Raleigh. This service is only sustained for a year.

EASTERN EXPRESS COMMUTER NETWORK. See AIR MIDWEST; ATLANTIS AIRLINES; BAR HARBOR AIRLINES; METRO EXPRESS; PROVINCETOWN-BOSTON AIRLINE (PBA); PRECISION AIRLINES; SUNAIR

EASTERN FLYING SERVICE, LTD.: Canada (1956–1987). EFS is set up at Halifax, Nova Scotia, in 1956 to operate air courier and air taxi flights to small communities and bush destinations throughout Atlantic Canada.

Operations from this base and another, at Sydney, are maintained with light planes for two decades until the concern is purchased in 1987 by

the owners of **Atlantic Airways, Ltd.** and merged with it to create the larger **Provincial Airlines, Ltd.**

EASTERN METRO EXPRESS. See **METRO AIRLINES**

EASTERN PROVINCIAL AIRWAYS, LTD. (EPA): Canada (1949–1986). The Torbay, St. John's charter carrier **Newfoundland Aero Sales & Services, Ltd.** is purchased by Chester Crosbie in January 1949 and reorganized as Eastern Provincial Airways, Ltd. (EPA). A fleet is assembled comprising 1 Piper Cub, 1 Noorduyn Norseman Mk. V, 2 Cessna Cranes, and 1 Stinson 108-3. Air ambulance, forest fire patrol, survey, airmail, and passenger-cargo charter services commence in 1950.

Business grows during 1951–1952 to include work throughout Newfoundland. Equipment additions in those years include an Avro Anson, two Norseman Vs, a de Havilland Canada DHC-2 Beaver (the second production model), and a Consolidated PBY-5A Canso, acquired to fight forest fires.

In 1953 the head office is moved to Gander. The Cessna Cranes, Stinson 108-3s, the Anson and a Norseman are withdrawn and replaced by a Cessna 180, a Bell Model 47 helicopter, and a DHC-3 Otter.

Services continue without change in 1954.

During 1955–1956, contracts are also honored for flights over the Pine Tree Line, the DEW Line, and the Mid-Canada Line. During those years, one Bell 47 is replaced by another, the Piper Cub, Cessna 180, and three Norseman Vs are sold, and four Cansos, five Beavers, and two Lockheed Model 10A Electras are acquired (the latter being retired within a year).

Having lost both engines inland of Goose Bay, Labrador, on October 1, 1957, a Canso crashes in wooded countryside. The crew is rescued and the aircraft is written off and abandoned until removed by a Canadian Forces helicopter in 1987.

In 1958, EPA enters into a contract with **Gronlandsfly A.S./Greenlandair** and the Danish government for the provision of PBY-5A ice patrol and survey flights in and around Greenland.

Throughout 1959–1960, the fleet is expanded. Added are six Otters, a Canso, and two Sikorsky S-55 helicopters. In the latter year, the **Gronlandsfly A.S./Greenlandair** contract is upgraded to include passenger service. The Cansos connect Sondrestrom and Godthaab, leaving the DHC-3s to link smaller communities.

A Douglas DC-3 is acquired in early 1961 and scheduled services are inaugurated, from St. John's to Gander, Deer Lake, Twin Falls, and Wabush. Two Cessna 180s, two Piper Cubs, and a Canso join the fleet.

The DC-3 with 2 crew and 25 passengers fails its takeoff from St. Pierre on April 4; although the aircraft must be written off, there are no fatalities.

On August 29, a DHC-3 crashes north of Sondrestrom (one dead).

In April 1962, two Curtiss C-46A Commandos leased from **Nordair, Ltd.** are placed in service while a Handley Page Dart Herald 200 is purchased from the same carrier in November. These aircraft greatly improve passenger and all-cargo services.

Meanwhile, on May 12, a Consolidated PBY-5A Catalina crashes while landing at Godthaab, Greenland (15 dead).

Three additional Dart Herald 200s are acquired in March and May 1963. The Herald is employed to link Gander with Charlo, Saint John, Moncton, and Goose Bay.

In August, the four Cessna 185s are sold to **Gander Aviation, Ltd.** Two more CV-46As arrive in September and a DC-3 is sold to **Reindeer Air, Ltd.**

Also in September, larger **Maritime Central Airlines, Ltd.** is purchased and merged; the amalgamated carrier is renamed **Eastern Provincial Airlines, Ltd.** The MCA routes to Nova Scotia, New Brunswick, the Magdalen Islands, and St. Pierre are maintained with the merger partners' Vickers Viscount 700, Douglas DC-4, C-46s, PBY-5A Cansos, and DC-3s. A C-46A is sold to **Nordair, Ltd.** in December.

A second Curtiss C-46A is sold to **Nordair, Ltd.** in January 1964.

The workforce stands at 394 and the fleet numbers 29 aircraft. That number is lowered to 28 following the August sale of a DC-3.

Administrative and operational changes continue from the previous year's purchase of **Maritime Central Airlines, Ltd.**

A DC-3A with two crew crashes near Lourdes du Blanc Sablon, Quebec, on November 21; there are no fatalities.

Enplanements for the year are 98,000 and revenues of C\$5.4 million are earned.

Airline employment is increased to 430 in 1965.

En route to Sydney from Halifax, Flight 102, a Dart Herald with three crew and five passengers, is lost in a March 17 accident near Upper Musquodoboit, Nova Scotia; there are no survivors.

Less than a month later, on April 3, a DC-3 is written off at Saint-Pierre, Saint-Pierre and Miquelon; there are no fatalities.

Also in April and May, the last two C-46As are sold.

The Danish contract is concluded; passenger boardings on the Greenland internal runs since 1960 have averaged 13,000 per year. A total of 86,039 passengers are flown 22.4 million revenue passenger miles during these 12 months.

The Canadian National Air Policy of 1966 classifies the carrier as the regional airline for Newfoundland and the Maritimes. Its fleet now comprises 5 DHC-2s, 6 PBY-5A Cansos, 1 DC-4, 4 DC-3s, 3 Herald, 2 Piper PA-18s, 5 DHC-3s, and 3 Sikorsky S-55s. The Viscount is retired, but a Lockheed L-1040H Super Constellation is chartered for a year from **Nordair, Ltd.**

Another DC-4 is added in 1967 while airline employment stands at 517.

In January, a Sikorsky S-55 is written off following a crash at St. Georges; the second machine is sold to **Universal Helicopters, Ltd.** in March.

In April, five PBY-5As are transferred to the Newfoundland provincial government, to be followed by a sixth in July. A purchased DHC-6-100 Twin Otter joins the fleet, also in July. Bookings soar to 111,000 and revenues of C\$8.4 million are realized.

Montreal is added to the route network in 1968 and orders are placed for two Boeing 737-2E1s.

Formerly known as the *St. Albert*, *St. Jarlath*, and *St. Senan*, three former **Aer Lingus Irish Airlines, Ltd.** Aviation Traders ATL-98 Carvairs are purchased on January 10 for C\$500,000. After repainting and some modifications, all three are delivered in February. Meanwhile, a Lockheed L-1049H is leased from **Nordair, Ltd.** in March for a year and employed to fly charters and to inaugurate a route from Charlottetown to Montreal via Charlo. Two more Carvairs arrive in May.

Charter services decline as emphasis is now placed on scheduled operations; many of the smaller aircraft are sold and traffic generated by them declines.

The former Irish ATL-98 Carvail *St. Albert* with 5 crew and 33 passengers is destroyed as the result of a bad landing at Churchill Falls on September 28; there are no fatalities. The hulk is sold to **British Air Ferries, Ltd.** for spare parts.

A B-737-2E1 is leased from **Nordair, Ltd.**, in April 1969 to fill the gap until the carrier's Boeing jetliners are delivered.

A second "Baby Boeing" is leased from **United Air Lines** and jointly flown with **Nordair, Ltd.** Upon their arrival in November and December, the purchased short-haulers are christened *Halifax* and *St. John*, respectively.

Also in November, a second DHC-6-100 is received and joins the first in operations on behalf of the Newfoundland government. The Nordair and United Boeings are returned at year's end while overall enplanements decline to 74,285.

A DHC-3 is badly damaged in a Goose Bay accident on May 22, 1970. When the machine is repaired, it will be sold to **St. Austin Airways, Ltd.**

The bush operations of the carrier are sold in June, along with the five remaining DHC-2s and six DHC-3s, to an employee group that reorganizes them into **Labrador Airways, Ltd.** A pair of DHC-2 Turbo Beavers are simultaneously transferred to the Labrador government.

A third B-737-2E1 is received in July and named *Charlottetown*.

EPA's three Boeings largely account for a 69% jump in passenger boardings to 239,628; freight traffic falls by 1.9%.

In 1971, orders are placed for two additional B-737-2E1s. A DC-3 is turned over to a Gander trade school in October.

Enplanements soar to 324,220. The workforce in 1972 totals 525. The fleet now includes 3 B-737-2E1s, 4 DC-3s, 2 ATL-98s, 1 DHC-6, and 3 Dart Heralds.

The final DC-4 is withdrawn in May. Service is extended to St. John, New Brunswick.

Passenger boardings leap 14% to 377,000, cargo accelerates 16%, and revenues rise 14%.

Several routes dropped by **Air Canada, Ltd.** in 1973 are assumed, including one to Stephenville in Newfoundland. The number of destinations now served in the Atlantic Provinces is 18.

Two more B-737-2E1s, the *Fredericton* and *Sydney*, join the fleet in March and October, respectively.

Meanwhile, the last two ATL-98 Carvairs are sold to **British Air Ferries, Ltd.** in September.

Enplanements this year advance to 534,600, a huge 43% increase.

The workforce grows to 740 in 1974.

By contract, the carrier becomes part of the Air Canada computerized reservations system and the last DHC-6 is sold to **Labrador Airways, Ltd.** in January.

The B-737-2E1 *Labrador* is delivered in December.

Passenger boardings swell 10% to 594,000 and freight rises 6.2%.

A total of 49 new employees are hired in 1975.

Sold, the three remaining Heralds are delivered to their new British owner (BAF) between January and March.

A new service is inaugurated in April linking Halifax and Montreal via Moncton, Fredericton, or St. John.

Only three DC-3s remain from a once-large propeller fleet and these are employed, in association with **Air St. Pierre, Ltd.**, to operate daily scheduled flights from Sydney to the French islands of Saint-Pierre and Miquelon.

Preparing to upgrade its inclusive-tour business, the carrier also takes delivery of a seventh B-737-2E1, an unnamed unit received in October.

Although cargo is up by 17.6%, passenger bookings dip 3.7% to 585,000.

Airline employment is reduced 2% in 1976 to 787.

During the winter, company Boeings fly inclusive-tour weekend charters to Caribbean destinations. In need of additional commuter capacity, the carrier orders several Hawker Siddeley HS 748s, the first of which is received in March and placed in service a month later to the French islands.

In May, the unnamed B-737-2E1 received the previous October is leased to **Nordair, Ltd.** Three DC-3s are withdrawn in June, September, and December, respectively.

Passenger boardings fall another 2% to 583,099 and freight is off by 7%.

Winter weekend charters are continued while, from June–December 1977 the B-737-2E1 *Labrador* is leased to **Aloha Airlines** in Hawaii.

Negotiations are undertaken with **Air Canada, Ltd.** concerning route rationalization in the Atlantic Provinces.

In December, EPA joins with the state carrier to offer joint routes and fares; **Air Canada, Ltd.** also agrees to service Eastern's planes at Montreal.

Bookings soar to 714,868. Revenues total C\$33.7 million, but a loss of C\$763,000 is reported.

The workforce is increased in 1978 to 857.

The last DC-3 is sold in April as the *Labrador* begins a yearlong lease to **Aer Lingus Irish Airlines, Ltd.** In the face of continuing losses in 1977, the B-737-2E1 leased out to **Nordair, Ltd.** is now sold to that carrier.

Two more HS 748s are acquired in May.

Cargo jumps 28% and passenger boardings climb 15.6% to 846,800. On revenues of C\$40.4 million, a C\$2.6-million profit is earned.

The *Labrador* is returned to the fleet in April 1979, but bookings still fall to 840,000; freight is up a slight 1%.

Having won a direct Halifax–Toronto route in June, EPA's Boeings begin daily service between those two cities on July 7, 1980. The frequency is increased to twice-daily in September. The direct Halifax–Montreal service is allowed to continue for six months.

In November, the carrier becomes a subsidiary of the newly created, Gander-based Newfoundland Capital Corporation, Ltd.

Cargo declines 16%, but bookings advance 5% to 878,000. A C\$1-million profit is reported.

A fourth HS 748 is leased from **Dan-Air/Dan Air Services, Ltd.** for six months, before it is purchased in July 1981.

While taxiing after landing at Sydney on December 29, the nosegear and brakes of an HS 748-2A with 3 crew and 15 passengers, fail and the plane collides with the terminal building. There are no fatalities, although the aircraft must be written off and considerable damage is done to the facility.

Another **Dan-Air/Dan Air Services, Ltd.** HS 748 is now purchased.

Enplanements for the year, in the face of world recession, drop to 862,000. Costs climb as fuel prices rise.

The employee population totals 900 in 1982.

Employing the HS 748s, the new subsidiary **Air Maritime, Ltd.** is formed in January to fly scheduled commuter services in New Brunswick, Nova Scotia, Prince Edward Island, Saint-Pierre, and Quebec City. The routes of the two carriers are now integrated via the Air Canada reservations system.

In February (and later in April), a new HS 748 joins the fleet.

A third Boeing Halifax–Toronto frequency is added in April, with a fourth laid on for Thursday–Saturday. To meet the capacity needs of the new timing, a new B-737-2T5 is simultaneously chartered while a B-737-275C is leased for a year from **Pacific Western Airlines, Ltd.**

The association with **Air Canada, Ltd.** ends in October, as EPA lines up with **CP Air, Ltd.**, integrating operations at Toronto, Montreal, Halifax, and Ottawa. The larger carrier takes on the regional's reservation and overhaul requirements.

Freight is up 4% to 6.86 million FTKs, but overall enplanements fall 8% to 788,000.

The workforce is reduced in 1983 to 821.

The PWA B-737-275C is returned in April.

Interchange flights with **CP Air, Ltd.** begin on June 12; EPA Boeings (with small CP Air logos) maintain the Halifax–Montreal and Toronto segments of the arrangement.

Labor problems from January 7 to early June insure that sharp traffic declines continue. Passenger boardings drop 29% to 556,900 while cargo falls by an equal percentage. Revenues decline 19% to C \$59.1 million, but a slight C\$128,000 profit is taken.

The employee population grows 7.2% in 1984 to 880.

Owner Harry Steele early in the year announces that company headquarters will be transferred to Halifax. Another HS 748 is acquired in September.

As purchase negotiations open with **CP Air, Ltd.**, the carrier experiences a major turnaround. Passenger bookings soar 37% to 761,000 and freight gains by 23% to 6.6 million FTKs.

On April 17, 1985, newly renamed **Canadian Pacific Air Lines, Ltd. (CPAL)**, the nation's second largest carrier, purchases EPA, the fourth largest, and its **Air Maritime, Ltd.** subsidiary for C\$15.6 million, allowing it to maintain its separate identity during the amalgamation period. Steele remains as CEO during the transition and the workforce stands at 850. Services are restructured at the new Halifax hub and a new livery is adopted. Halifax–Ottawa flights commence in June with a Montreal stop added in October. Passenger boardings jump 25% to 951,000, but freight falls a huge 54.2% to 3.02 million FTKs.

On January 1, 1986, EPA ceases to exist as a separate airline when the carrier is fully absorbed into CPAL.

EASTLAND AIR (PTY.), LTD.: P.O. Box 6021, Toowoomba West, Queensland, 4350, Australia; Phone 76-347711; Fax 76-345215;

Code DK; Year Founded 1989. Eastland is established by Andrew and Cynthia Moore in 1989 to provide feeder flights on behalf of **Australian Airlines (Pty.), Ltd.** Equipped with a single Cessna 310, chief pilot Andrew Moore inaugurates scheduled services between Toowoomba and Brisbane, while Cynthia handles the duties of general manager.

The fleet is upgraded in 1990–1992 to include a Beech King Air 100 and a Piper PA-31-310 Navajo. The single route is maintained 13 times per week with the same equipment in 1993–1994. Although the frequencies are maintained as before in 1995, the fleet is altered to include just two PA-31-350 Navajo Chieftains.

A Swearingen Metro II is acquired in 1996 and the number of weekly return frequencies from Toowoomba to Brisbane increase to 15. The fleet is increased by the addition of two more Navajo Chieftains in 1997 as the 10-worker company takes over the operations of the failed **Sabair Airlines (Pty.), Ltd.** in December.

Flights continue in 1998–2000. During the former year, service is launched to Lizard Island.

EASTMAN AIRWAYS. See **AIRMARC AIRLINES**

EASTWAY AVIATION: Long Island MacArthur Airport, Ronkonkoma, New York 11779, United States; Phone (516) 737-9911; Fax (516) 737-4926; Year Founded 1979. This corporate carrier is established in 1979 to provide nonscheduled services for company executives in the New York and New England area. By 2000, the concern employs nine pilots and operates two Beech Super King Air 200s and a King Air 90.

EASTWIND AIRLINES (THE BEE LINE): United States (1994–1999). Low-fare Eastwind is conceived by former Price Waterhouse analyst Jim McNally and former **Eastern Air Lines** executive Richard R. Haller at Trenton-Mercer Airport in New Jersey in the summer of 1994. Eastwind Capital Partners provides initial capitalization and the DOT certification process is begun; it will take McNally and Haller two-and-a-half years from idea to first flight. Meanwhile, the new entrant chooses for itself the nickname “The Bee Line,” which is based on its slogan “Make a beeline for lower fares and fewer hassles.”

Purchased by UM Holdings, Ltd. of Haddonfield, New Jersey, in January 1995 before it can start-up, John Agliaforo becomes chairman, with Jim McNally as president, Gerry Albans as CEO, and Richard Haller as vice president-management. Plans are made in February for the lease of two Boeing 737-2H5s, formerly operated by **USAir**, from Shawmut Bank and the inauguration of revenue services to Boston and Greensboro. Government certificates are received in just 85 days from application.

A workforce of 80 is recruited and, following delivery of the first “Baby Boeing,” twice-daily roundtrips commence on August 16 to Boston and daily roundtrips to Greensboro, North Carolina. The one-way fare from New Jersey to Massachusetts is \$53 and from New Jersey to North Carolina, \$63. Through service is available from Boston to Greensboro via Trenton for a deep-discount, one-way fare of \$83.

The second B-737-2H5 is delivered on August 30. Like the first, it has a white fuselage decorated by a yellow wind-blown scarf; the solid green tail displays a large smiling bee above the title “The Bee Line.”

On October 18, winter holiday flights are started to and between Jacksonville and West Palm Beach in Florida. Indeed, Eastwind is the only airline providing scheduled jet service from Jacksonville to West Palm Beach. Simultaneously, the company introduces special fares, good through November 15. Travelers booking roundtrips from Florida to Trenton or Greensboro are permitted to take someone else along for a dollar.

A total of 44,000 passengers are flown by year’s end. Costs associated with start-up exceed operating income and there are losses: \$2.7 million (operating) and \$2.71 million (net).

There is no change in the employee population or fleet during 1996.

On March 9, executives announce that the carrier will substitute new routes to Providence and Richmond on April 16 for its Florida flights.

The change will give the new entrant four daily flights on the East Coast.

Although bookings slip almost 50% in the week following the May 11 **Valujet Airlines** disaster in Florida, they quickly rebound; on May 22, service is inaugurated to Atlanta, Valujet’s home base and site of the summer Olympic Games.

On June 6, two more daily roundtrips are inaugurated from Trenton to the Georgia metropolis, one via Greensboro and the other via Richmond.

For the fourth time in a month, one of the company’s aircraft on June 9 suffers a yaw anomaly. While descending to Richmond, a B-737-2H5 with 53 passengers rolls sharply to the right. Capt. Brian D. Bishop is able to oppose the roll, which brings an NTSB investigation and the grounding of the aircraft for two months. In its place, a B-737 is wet-leased from **Viscount Air Service**.

A maintenance contract is entered into with **USAirways**; each night, the company’s planes are flown to the major’s Greensboro maintenance base for preventive and scheduled upkeep.

Promotional fares, known as Bee Line Specials, commence on July 20. Good through August 24, the first promotion is for a \$25 one-way tariff between Atlanta and Trenton. Four-times-a-week roundtrips between Trenton and Orlando commence on August 29.

Passenger boardings soar to 169,647 and revenues reach \$13.02 million. Expenses, however, skyrocket to \$18 million and leave an operating loss of \$4.98 million; a net \$5.05-million loss is also reported.

President McNally departs in March 1997 to “pursue other endeavors,” and is succeeded by Capt. Herman F. Gillis 3rd.

Company headquarters are transferred from Trenton to Greensboro, North Carolina, and orders are placed for two Next Generation B-737-700s for delivery in April and June of 1998. Meanwhile, the route network is revised. Unprofitable markets at Richmond, Atlanta, Jacksonville, and West Palm Beach are dropped and frequencies from Greensboro to Tampa, Orlando, Trenton, and Boston are increased.

The company’s marketing direction is changed to rely more heavily on travel agents. On May 19, Eastwind switches to the Wings 2000 computerized reservations system software developed by Florida-based SSI and establishes a reservations center in Orlando. The previously reservations contract with Dakotah Reservation Services of Aurora, Colorado, will be terminated when the new system is turned on.

New emphasis is placed on on-time performance; in July, all departures are made 100% on time.

The new reservations center in Florida opens on November 19. The new connections to Apollo, SABRE, SystemOne, and Worldspan bring an immediate boost in agency business.

On December 1, the carrier launches twice-daily frequencies from Trenton to Washington, D.C. (IAD), with continuing service to Greensboro. A third B-737-2H5 is leased in December.

Customer bookings climb 14.1% to 194,000. Operating revenues jump 37.2% to \$17.87 million, while expenses rise 35.2% to \$24.34 million. The operating loss deepens to \$6.47 million, while a net \$6.55-million loss is suffered.

Early in January 1998, service is discontinued between Trenton and Boston.

Upon the arrival of the Boeing, new daily nonstop service is inaugurated on January 22 from Greensboro to Fort Lauderdale, together with one-stop flights from Trenton and connections from Washington, D.C. (IAD). The same day, the company begins to operate four daily roundtrips between Greensboro and Trenton and twice-dailies to Orlando from both Trenton and Greensboro.

As the result of a large number of petitions, the carrier, on April 6, reinstates its twice-daily roundtrips between Trenton and Boston.

The company’s first Next Generation B-737-700 is received in July.

Rochester becomes a company hub on August 1. From that New York community, Eastwind offers twice-daily nonstops to Boston and Washington, D.C. (IAD) and twice-daily direct flights to Trenton and Greensboro.

The company’s second Next Generation B-737-700 is received at the end of the first week in August. It is employed to increase frequencies from

Rochester to Boston and Washington on September 9 from two daily nonstops to three, with three direct services to Trenton and Greensboro.

Daily B-737-700 roundtrips are inaugurated on November 23 between Greensboro and New York (LGA).

Customer bookings accelerate 15% to 222,000. Revenues surge 55.4% to \$27.76 million, but costs jump by 67.5% to \$40.8 million. The operating loss also rises, to \$13.65 million, as does the net loss, to \$13.02 million.

On February 10, 1999, the company reservations system is switched over to SABRE. Simultaneously, an additional reservations center is established at the company's Greensboro headquarters.

Nonstop daily roundtrip service is inaugurated on March 4 from Philadelphia to Orlando, together with direct service to Orlando from Pittsburgh. New nonstops are begun on March 15 from Greensboro to Boston, bringing to three the number of daily roundtrips flown between Piedmont Triad International Airport and Logan International Airport.

Simultaneously, the company doubles its hub operation at Greensboro by doubling its daily scheduled flights from that point to Orlando, Philadelphia, Pittsburgh, and Trenton.

Eastwind is named the "official carrier" for the International Home Furnishing Center's "IHFC market weeks" to be held on April 15-23 and October 14-22.

The carrier is plagued by difficulties at the end of the first quarter and beginning of the second, many involving flight delays, cancellations, and re-routings. On April 10, passengers destined for Trenton refuse to get off a plane at Greensboro for fear they will be stranded. It becomes necessary to call airport security.

Daily B-737 nonstop roundtrips begin on April 15 from Greensboro, Philadelphia, and Orlando to Miami (MIA). Eastwind also offers one-stop service from New York (LGA) to Miami, as well as connecting service from Pittsburgh, Boston, and Trenton.

On April 16, passengers arriving at Greensboro are so irate that they begin screaming at company personnel. One aircraft, due to depart Boston at 6 a.m., had not departed until afternoon, arriving at 6:30 p.m. As delays continue, 120 passengers become unruly to a point where sheriff's deputies are summoned to backup airport security men attempting to restore order. The aircraft finally departs for Orlando at 8 p.m.

Also in April, the carrier comes under scrutiny of the New York State Attorney General's office for alleged double billing of passengers for the same flights. Company officials are called to Albany, where they promise to improve customer service, prevent overbilling, and reduce flight delays.

The situation does not seem to improve; by May 29, the state's top law official has received 114 more complaints. These and other unreported concerns lead the FAA to step up safety inspections in June. On the other hand, the federal government grants permission for a fleet expansion of from five aircraft to seven.

On June 21, Eastwind announces that although it will halt its New York (LGA) service, it will resume flights to Tampa by mid-July.

On July 23, the company reports a suspension of service to and from Boston, Pittsburgh, and St. Petersburg. The lapse, due to "unforeseen business circumstances," should end within six months.

Six days later, on July 29, a more terse announcement is made to the effect that President/CEO Hallcom has been "relieved of his duties" and that Vice Presidents Scott Glasser and Michael Kopay are no longer employed. The management consultants Mort Beyer & Agnew are brought in to restructure all levels of the airline.

The company is put up for sale on August 20. Potential buyers are advised that a minimum bid of \$10 million will be accepted by Morten Beyer & Agnew, who have been retained to handle the transaction.

On August 26, the New York based leasing concern C.I.S. sues the company for \$1.5 million, which has not been paid on the lease of a B-737 and six engines.

Service between Trenton, Greensboro, and Orlando are suspended on September 8, with the last flight, between Greensboro and Trenton, transporting just 10 passengers.

Revenues during the final year have dropped 52.2% to \$13,269,000 while expenses, despite their falling 53%, are still \$19,169,000. Losses have "improved," but still cannot be sustained, reaching \$5.9 million (operating) and \$5.88 million (net).

easyJET AIRLINES, LTD.: London Luton Airport, Easy Land, Luton, Bedfordshire, England, LU2 9LS, United Kingdom; Phone 44 (0152) 44 55 66; Fax 44 (0152) 44 33 55; <http://www.EasyJet.com>; Code EYZ; Year Founded 1995. This no-frills, low-fare carrier modeled on Southwest Airlines (2) in the U.S. is established at London (CTN) on October 18, 1995. Shareholding is divided between 30-year-old Chairman Stelios Haji-Ioannou, Polys Haji-Ioannou, and Clelia Haji-Ioannou. The chairman, son of a Greek Cypriot shipping tycoon who now owns his own shipping business, insists to the media that everyone refer to him only by his first name and requires that his employees paint everything, wherever possible, in his favorite color—orange. The new chairman, according to the December 18 issue of the London *Financial Times*, also faces a whispering campaign because of a four-year-old Mediterranean incident. Following the loss of the tanker *Haven* off Genoa in 1991 in which five crewmen die, Stelios and his father were indicted in Italy on manslaughter charges. Both will, eventually, be cleared.

Meanwhile, Raymond Webster is appointed managing director of the new airline and he recruits a workforce of 200. An arrangement is worked out with Herb Kelleher's company to send all new management employees to the Dallas headquarters of Southwest Airlines for three days of training. Unlike rival Debonair Airlines, Ltd., but like its Southwest Airlines model, easyJet encourages its cabin and flight crews to dress casually; jeans and orange sweatshirts are approved attire.

A wet-leased Boeing 737-204, first flown by Britannica Airways, Ltd., is acquired from GB Airways, Ltd. and painted in white livery with orange tail and engine nacelles. Reflecting its 100% direct-sale product, the company's U.K. telephone reservations number and the words "Call Us Direct in the U.K." are painted along all of its aircraft fuselages above the windows. No travel agents or reservations system will be employed—10% commissions are thus saved from not employing the agents along with another £2.5 per booking by skipping a reservations system. The GB Airways, Ltd. charter also covers maintenance and insurance while ground handling is also contracted out. Flying from Luton Airport rather than London (LHR) is expected to save easyJet £10 per passenger in landing fees.

Ticketless travel and open seating are also company features. There is no interlining and accounting is kept simple under the basic marketing concept of payment up front (cash or credit cards only, no checks) with no cancellations and no refunds. There will be no overbooking or backup aircraft. Passengers show up at the airport, present their money or credit cards, and are given a plastic boarding pass. Once on the Boeing, customers hand in their boarding passes, which are reused. It also becomes company policy to set its highest tariffs at half or less than its competitors full economy fares. Although drinks and snacks will be available, they are not complementary; peanuts, beer, or coffee must be purchased. On the other hand, the company will offer inexpensive deals on the Thameslink rail and coach service to Luton Airport.

Revenue flights commence on November 10 linking the carrier's base with Glasgow five times daily. Six-times-daily service to Edinburgh begins on November 24 following delivery of the second GB Airways, Ltd. B-737-204, which has a small Scottish flag painted next to its registration number.

Services are initiated thrice daily to Aberdeen and daily to Inverness on January 26, 1996. As part of the publicity preceding this route, a B-737-204 has a cartoon image of the Loch Ness monster painted along the side of the fuselage. "Nessie" is green with orange polka dots and swims along under the carrier's phone number.

A B-737-3M8, chartered from Monarch Airlines, Ltd., joins the fleet in mid-April and five-times-daily flights commence on April 24 to Amsterdam, the company's first Continental destination.

Since January, the carrier has sold 150,000 tickets. When the telephone number changes, the aircraft are repainted; the phone digits are painted billboard-size along the planes' sides. Twice-weekday and thrice-weekend Barcelona and Nice flights commence during June.

When **KLM (Royal Dutch Airlines, N.V.)** adds capacity in July and lowers roundtrip fares to just £70 to compete on the London (CTN) to Amsterdam route, easyJet finds itself engaged in a fierce price war with the Dutch flag carrier. The new Dutch fares are marketed to customers seeking to switch to a more traditional service; the promotion is titled "Easy Choice." The approach is the same taken simultaneously by KLM partner **Air U.K., Ltd.** in its contest with new entrant **World Airlines, Ltd.** on the route from London (LCY) to Amsterdam.

KLM makes a significant error in August when one of its officials grants an interview to the *Financial Times*. The executive is quoted as saying that the "Easy Choice" price cuts are necessary "to stop the growth and development of easyJet and to make sure that this newcomer will not be able to secure a solid position in the Dutch market." At this point, Chairman Haji-Ioannou directs the company's legal department to send KLM a letter that accuses it of abusing its market dominance and asking it to cease and desist from such practices as selling seats below their cost.

KLM does not make the requested changes and on October 9 Haji-Ioannou lodges a 22-page complaint (including the *Financial Times* article) with the Competition Directorate of the European Commission at Brussels, stating that the Dutch major is engaged in predatory pricing tactics designed to chase easyJet out of Schiphol. The EU investigates.

When Kevin and Jackie Freiberg publish their book *Nuts!: Southwest Airlines' Crazy Recipe for Business and Personal Success* late in the year, Chairman Haji-Ioannou makes it required reading for all employees.

A support and wet-lease contract is now signed with the charter division of **Air Foyle, Ltd.** easyJet is the first contract customer for its new air operators certificate program under which the veteran U.K. carrier, known for its outsized freighting with the Antonov An-124 Ruslan, will offer management, business, and engineering expertise plus its AOC to assist the start-up as it seeks viability. The program is similar to one instituted by **British World Airlines, Ltd.** for **Debonair, Ltd.**

Airline employment stands at 250 in 1997.

British Airways, Ltd. (2) Chairman Robert Ayling invites Chairman Haji-Ioannou and Managing Director Webster to discuss the major's possible investment or link-up. Although a meeting is held, BA soon indicates that it will not be able to receive CAA approval for any union.

Owner Haji-Ioannou again complains to the EU in April that **KLM (Royal Dutch Airlines, N.V.)** has employed predatory pricing techniques and dominant market position, in violation of EU competition rules, to drive his carrier out of the Netherlands. The EU issues a statement of objections against the major's alleged behavior and officials even go so far as to raid the Dutch line's offices seeking documents.

For the second time in a week, London (CTN) is subjected to a bomb threat on April 25. As in the earlier incident, easyJet is able to operate its flights in and out of the airport without using the terminal building.

The company's fourth "Baby Boeing," a Dash-3Y0 also previously flown by **Monarch Airlines, Ltd.**, is received and allows return of the two leased Dash-204s on April 30.

Weekly roundtrip flights from Amsterdam to Nice commence on May 3. Another B-737-300 will arrive in May and three more during the fall. Thrice-weekly flights from London (CTN) to Aberdeen commence on May 15, but because of a delay in the delivery of the new Boeings, these must be cut back to weekly service two weeks later.

The carrier, on June 12, announces that it will cut its weekday return flights between London (CTN) and Aberdeen to two per day on July 18 because it is having problems meeting the Aberdeen Airport curfew.

On June 13, Chairman Haji-Ioannou, speaking at the *Financial Times* press conference at the Paris Air Show, announces that he has placed a deposit with Boeing for 12 new B-737-300s, valued at \$500 million.

In July, the city council of the Borough of Luton announces that it is seeking a commercial partner. To win the stake and a management con-

tract, upwards of £170 million in equity investment will be required. Chairman Haji-Ioannou approaches the politicians with a plan that would see the airline buy in and the airport expanded through the addition of a new terminal and additional taxiway space. Competing **Debonair Airlines, Ltd.**, which also uses the airport, opposes the easyJet move.

The Aberdeen service from London (CTN) is cut to twice daily on July 18.

In mid-September, the company makes its first direct buy from Boeing, placing a \$500-million order for 12 new B-737-300s. The cost of the equity portion of the jetliner purchase will be covered by a CAA bond refund. When delivered in mid-1998, the aircraft will allow the carrier to spread its low-cost wings deeper over the Continent.

Also during the month, the EU Commission holds hearings into allegations that **KLM (Royal Dutch Airlines, N.V.)** has engaged in unfair practices.

On September 21, the order with Boeing for 12 new B-737-300s is confirmed.

At the beginning of October, **British Airways, Ltd. (2)** announces that it is switching the London terminus of its Inverness route from Heathrow Airport to Gatwick and franchising the service to its subsidiary **British Regional Airlines, Ltd.** At the same time, easyJet announces that it will start a morning B-737-300 roundtrip from Inverness to London (Luton) to fill the gap left by BA.

The CAA awards easyJet its own air operator's certificate on October 8.

Daily roundtrip flights commence on December 5 between London (CTN) and Palma de Mallorca.

When **British Airways, Ltd. (2)** announces plans in December for the creation of a low-fare, no-frills airline for the spring of 1998, Chairman Haji-Ioannou immediately protests and threatens to sue the major if it continues with its strategy. easyJet's chairman will now withdraw his claim against **KLM (Royal Dutch Airlines, N.V.)**, which he had a good change of winning, to allow the EU Commission's Competition Department to focus its attention on the new BA threat.

A seventh B-737-300 is delivered at Christmas.

Traffic figures are provided for the fourth quarter and show bookings of 301,482 passengers.

Late in January 1998, **British Airways, Ltd. (2)** announces that the name finally chosen for its low-cost unit will be GO. The new unit will be based at London (STN) and commence operations in May with eight B-737-300s leased from the parent. easyJet Chairman Haji-Ioannou calls for an investigation of the new entrant by the CAA, calling it a camouflaged ploy designed to drive the other British discount operators out of business before again raising ticket prices. He specifically seeks a court injunction against the new operation, pointing to BA's guarantee of leases on eight B-737-300s and claiming that the pledge will allow the new entrant to obtain the aircraft at below market value, a move which is against European Union law. **British Airways, Ltd. (2)** is not put off by easyJet's threats and throughout the first two quarters pursues its goal of launching the low-cost subsidiary. Plans are carefully laid not to compete on routes flown by its discount rivals.

Early in February, an \$11-million offer is made for the acquisition of **Air Holland, N.V.** Even after the tender is increased to \$12 million, shareholders in the Dutch airline reject the easyJet offer on February 10.

At the end of February, BA rejects easyJet's claims that it will abuse its dominant market position by cross-subsidizing GO through the guarantee of the new entrant's leases for eight B-737-200s.

On March 26, Haji-Ioannou's carrier purchases 40% shareholding in the Swiss charter line **TEA-Basel, A.G.** The U.K. airline has the option to increase its stake in the Basel-based line to 90% and to refocus the company as a discount company and franchise partner, easyJet Switzerland, A.G. The equity boost is dependent upon Switzerland's joining the European Union "open skies" arrangement. The company remains Swiss-registered, with the same Swiss staff and management. The franchise arrangement with **TEA-Basel, A.G.** physically begins on May 1 as

one of the TEA aircraft begins flying on the Geneva–London (CTN) route which easyJet already serves.

After hearings on May 11–12, a U.K. high court denies a request from easyJet for an immediate injunction to prevent **British Airways, Ltd. (2)** from guaranteeing the leases of “Baby Boeings” that will be employed by the low-cost GO division. It does, however, promise that, within two months, it will hear easyJet’s original complaint regarding the major’s unfair subsidization of GO through aircraft charter guarantees.

With all of the pieces in place, GO launches services from London (STN) to Milan and Rome on May 22 with three B-737-200s. Among the passengers on the inaugural Rome service aboard for a “bit of fun” is Chairman Haji-Ioannou, plus six colleagues, all dressed in bright orange company overalls.

While easyJet and **Debonair, Ltd.** attempt to limit GO via legal and regulatory means, an even stronger competitor threatens to take it on head-to-head in the marketplace. In a speech before the Aviation Club at London on June 1, Michael O’Leary, CEO of Dublin-based **Ryanair, Ltd.**, pledges that his concern “will compete with lower fares rather than wait for the bureaucrats in Brussels to rescue us.”

Leading aviation barrister Robert Webb, who had won the high court ruling for easyJet in May and had previously represented **Virgin Atlantic Airways, Ltd.** during the 1993 “dirty tricks” libel action, is recruited on June 30 to serve, effective September 1, as general counsel from **British Airways, Ltd. (2)**. The discount carrier announces its “regret” at the lawyer’s change of sides.

On July 1, the company begins advertising for its new deep-discount services between London and Athens, using the theme “Who needs travel agents?” to emphasize that travelers can book directly without tickets or agents. The Greek travel agents union promptly takes easyJet to court over this promotion and wins a temporary ban of such ads on July 9 from a judge who agrees that they offend the integrity of all travel agents. A trial is ordered.

Daily roundtrips between London (CTN) and Athens commence on July 10; the service is doubled to twice daily a week later.

Expecting to boost sales through a controversial surprise move, Chairman Haji-Ioannou promises to give out tickets to those who will come to the carrier’s Athens trial on July 21. As a result, hundreds pack the courtroom early that morning expressing their support for easyJet’s discount approach. At the end of the proceedings, the easyJet chief gives away 800 free tickets to the crowd that had backed him during the day.

On July 28, easyJet places a \$650-million order with Boeing for 15 Next Generation B-737-700s, with options for 15 more; deliveries are scheduled to begin in October 2000.

The first of 12 ordered B-737-300s arrives in August.

GO inaugurates thrice-daily service on September 8 between London (STN) and Edinburgh; the route is the first flown directly in competition with easyJet. Ten days later, Chairman Haji-Ioannou’s company begins twice-daily roundtrips between London (CTN) and Belfast.

Chairman Haji-Ioannou announces the **TEA-Basel, A.G.** franchise agreement to the British Swiss Chamber of Commerce meeting in Geneva on September 25. At this point, it is announced that TEA-Basel will transfer its headquarters from Basel to Geneva the following April.

On October 10, GO reduces all of its Tuesday, Wednesday, and Thursday midweek fares for the next two months. The promotion requires a minimum stay of two nights. The ticket price cuts include a reduction on the London (STN) return routes to Rome, Lisbon, and Bologna from £100 to £60; from London (STN) to Milan and Copenhagen from £100 to £50; and from London (STN) to Edinburgh from £70 to £40. The latter rate is carefully set as to remain £2 higher than that of competing easyJet.

Claiming that the GO £40 promotional fare on the London (STN) to Edinburgh route is designed to drive his London (CTN) to Edinburgh service out of business, easyJet Chairman Haji-Ioannou organizes a high-profile protest flight from London (CTN) to Brussels on October 27 to deliver a formal complaint to the EU Commission. In a statement,

the discount airline’s leader indicates that he has been forced to match the GO fare, which is believed to be predatory.

Repainted in easyJet colors, a **TEA-Basel, A.G.** Boeing, doing business as easyJet Switzerland, A.G., initiates twice-daily nonstop return service between London (LTN) and both Zurich and Geneva.

Chairman Haji-Ioannou on November 16 announces the formation of a new hub at Liverpool that will become its second British base after London (CTN).

In December, it is reported that for the first three quarters of the year, the airline has flown 1.7 million passengers and generated revenues of £77 million (\$126 million).

At the end of the year, two newly delivered B-737-33Vs, together with their ground staff and air crews, are stationed at the airport. In continuation of the on-going war over GO, both wear billboard-sized orange titles along both sides of their white fuselages that read “Stop BA Stop.”

Enplanements for the year total 1.66 million, while 7,000 FTKs are also operated. Additionally, as the chairman will note in early February, the company generates its first profit, £2.3 million (\$3.6 million).

Twice-daily roundtrips from Liverpool to Barcelona commence on January 7, 1999, with a daily return service beginning the next day to Geneva.

By the end of the month, **TEA-Basel, A.G.** doing business as easyJet Switzerland, Ltd., is operating thrice-daily nonstop roundtrips between London (LTN) and Zurich and four return flights every day from Luton Airport to Geneva.

In February, the airline joins with FLS Aerospace, Ltd. to form the joint-venture maintenance concern EasyTech, Ltd. Based at London (LTN), the operation is 80% owned by easyJet, cooperates closely with the airline, and adopts its corporate culture and practices. The new company supports the easyJet B-737 fleet in a highly integrated fashion.

In March, daily roundtrips start to Malaga along with twice-daily return flights to Belfast. During the month, Chairman Haji-Ioannou announces that a minority stake in the airline will be floated on the London Stock Exchange and New York’s Nasdaq in early 2000. Simultaneously, the complaint lodged with the EU Commission earlier concerning GO is dropped.

On the evening of March 1, Barbara Cassani, CEO of GO, delivers the annual Lindbergh Lecture before a London meeting of the Royal Aeronautical Society. Having agreed to take questions afterward, she and others are startled when the first question, concerning financial performance, is posed by none other than Stelios Haji-Ioannou, chairman of easyJet.

The number of daily roundtrips between London (CTN) and Aberdeen, Scotland, is doubled to two on March 28.

By the end of April, easyJet has received six B-737-300s, with six more to arrive by the end of the year. Having trumpeted the arrival of the new aircraft around Europe, company officials are somewhat surprised on May 5 to be served an injunction by **Olympic Airways, S.A.** regarding its advertising campaign in the Greek press.

On May 10, Chairman Haji-Ioannou informs the press that his no-frills carrier will employ some of the cash raised in its Y2K stock market flotation to upgrade services from London (CTN) to Amsterdam, Belfast, Edinburgh, and Glasgow.

Occupation of the new Geneva headquarters for **TEA-Basel, A.G.** doing business as easyJet Switzerland, A.G., is completed on May 21.

Plans are announced for the inauguration of new services on July 28 from Geneva to Amsterdam, Barcelona, and Nice.

The first easyEverything, a warehouse-sized Internet shop, opens in London’s Victoria Station in June.

In July, daily roundtrips are inaugurated from Liverpool to both Belfast and Malaga.

By the end of the first full week in July, easyJet Switzerland, A.G. has sold thousands of seats for the inauguration of service on its new route from Geneva to Barcelona.

On July 12, a spokesman for **Swissair, A.G.** holds a news conference to remind the discount operator that a national law enacted the previous

November grants the SAirGroup subsidiary a monopoly over the Barcelona route and any others that it has not abandoned. The combative easyJet Chairman Haji-Ioannou promises a court battle.

Thrice-daily return service from Liverpool to Belfast begins on July 15; simultaneously, daily roundtrips are inaugurated from London (LTN) to Malaga. The Swissair position is confirmed by Transport Minister Moritz Leuenberger on July 19.

The authority of easyJet Switzerland, A.G. to operate to Amsterdam and Nice is, however, confirmed as **Swissair, A.G.** had dropped those routes from its regular schedules before the November law had taken effect.

Beginning on July 29, 3,500 passengers with confirmed Barcelona tickets have their fares refunded in cash, are offered free roundtrips from Geneva to Barcelona, and are encouraged to contribute to a company fund set up "for the protection of consumer interests against Swissair."

As the latest airline to be subjected to the scrappy tactics of the British discount carrier, **Swissair, A.G.** and its executives must now stand by as easyJet Switzerland, A.G. begins to bypass the November law by offering daily "charter" flights from Geneva to Barcelona, using the TEA-Basel, A.G. tour operator license, which is still valid.

Formerly CEO of FLS Stansted, Wilhelm Hahn-Peterson is named chief operating officer on August 9.

The company and its chairman are profiled in the BBC-TV production *Traffic*, which is broadcast over BBC-2 on August 12.

Queen Elizabeth II opens the new terminal at Luton Airport on November 25. In something of a public relations gaff, Chairman Haji-Ioannou, who is in a dispute with the facility, fails to attend.

For the 12 days after December 1, easyJet operates additional flights from London (LTN) to both Glasgow and Edinburgh.

Daily B-737-33V roundtrips (through March) are inaugurated in mid-December between London (LGW) and Geneva.

A special hour-long episode of London Weekend Television's *Airline* is screened on December 27, showing the run up to Christmas by employees of easyJet.

Passenger boardings this year increase 68.9% to 2,982,000.

The workforce at the beginning of 2000 stands at 1,200. The B-737-300 fleet includes 2 Dash-3M8s, 1 each Dash-3Q8, Dash-3Q8-3Y0, and Dash-3Q8-375, and 12 Dash-33Vs. Also operated is a Dash-59D, leased from **British Midland Airways, Ltd.**

An additional weekend roundtrip is added on January 14 between Liverpool and Geneva to meet a growing demand from independent ski travelers.

On February 3, Chairman Haji-Ioannou presents the Greek embassy in London with a check for £10,000 collected since September for victims of the earthquake that hit his homeland.

In early February, the company becomes involved in a fiscal dispute with the management of Luton Airport over landing fees. Luton claims that it has given the discount operator a low rate; easyJet claims the charges are too high and threatens to take the matter to the CAA. The low-fare airline is expected to account for up to 60% of the airport's passengers this year.

Chairman Haji-Ioannou presents the 2000 Lindbergh Lecture before a large audience of the Royal Aeronautical Society on March 1. Two days later, his low-cost carrier begins to offer £5 discounts to passengers booking their flights over the Internet.

On March 10, a deal is completed with Daimler Chrysler for the lease of 5,000 Mercedes A-Class automobiles that will be booked via the company's brand new Internet-based car rental business. Coordinated with the airline's airport destinations, the service by easyRentacar will charge drivers a daily fee of £15.

Daily B-737-33V nonstop roundtrips are introduced on March 26 from Liverpool to Palma de Mallorca. Four days later, a firm order is placed for 17 Next Generation B-737-73Vs, to be delivered between October and May 2004.

The number of daily return frequencies between London (LTN) and Nice is doubled from three to six on April 28. The easyRentacar service

is introduced at the end of April; the initial fee is even less than earlier advertised: £9.

In a move to increase its online bookings to 70%–75% by the end of the year, the airline requires, beginning on May 1, that all bookings made more than two months in advance must be made online with a credit card. Two days later, the company reveals that has doubled the number of its flights in June and now operates almost 1,000 flights across its network of 28 services serving 18 popular business and leisure destinations.

On May 12, Donaldson, Lufkin & Jenrette, and UBS Warburg are appointed joint coordinators of the carriers' fall initial public offering, proceeds from which will cover expansion and aircraft acquisition costs. An additional weekday roundtrip between London (LTN) and Palma de Mallorca begins on May 26.

When **British Airways, Ltd. (2)** and **KLM (Royal Dutch Airlines, N.V.)** announced their merger discussions on June 7, easyJet Chairman Haji-Ioannou demands that the two turn over to his and other carriers sufficient slots to preserve competition on the U.K.–Amsterdam route.

An ATC computer failure on June 17 forces the company to cancel all of its flights from Luton Airport. At the end of the month, the London City public relations firm of Granfield is asked to handle news releases relating to the company's initial public offering.

When the fourth six-episode series of London Weekend Television's *Airline* series airs on June 23 on ITV 7.5 million viewers tune in. The program shows a behind-the-scenes look at easyJet and other operators.

On July 4, the company begins driving a bright orange double-decker bus around Glasgow to promote its service to that city.

To replace a Dash-3M8, a newer B-737-33V is sent over to **easyJet Switzerland, A.G.** on July 10, but, prior to its arrival, someone has forgotten to paint out the U.K. telephone reservation number that appears in large titles along the orange fuselage. The company boasts on July 14 that, for the first time in history, it has flown over a million passengers from Liverpool in a single year.

Chairman Haji-Ioannou bluntly denies media rumors on July 18 concerning a possible purchase of **Olympic Airways, S.A.** "I wouldn't take Olympic," he says, "not even as a gift!"

Also in July, the First Choice tour concern's in-house carrier **Air 2000, Ltd.** becomes the first charter airline to mount a serious challenge to the low-cost carriers easyJet, **Ryanair, Ltd.**, and GO, the discount brand of **British Airways, Ltd. (2)**.

Air 2000, Ltd., which has flown scheduled service to Cyprus since 1994, now launches scheduled leisure flights from eight U.K. airports to Alicante, Faro, Lanzarote, Malaga, Palma, and Tenerife. Unlike the no-frills airlines, passengers are offered free drinks and in-flight entertainment. easyJet now negotiates an exclusive discounted £8 rail fare package with Thameslink Trains for its passengers traveling between central London and Luton Airport.

On August 10, H. P. Howe of Nottingham is announced the winner of the first easyJet Gifts photographic competition. He will receive a pair of free flights every month.

It is reported on August 13 that the company had sold 132,371 seats online the previous week; this figure is 80% of all company tickets sold during the 7 days. At the end of the month, the company's achieves a market victory when **Air France** quits the lucrative Nice to Geneva route.

When French truck drivers protest fuel prices on September 7, easyJet is able to maintain its current schedule from Nice. Although similar protests and blockades in support of the campaign to reduce fuel costs cause a great deal of disruption throughout the U.K. over the next five days, the airline, nevertheless, flies there as usual. Also during September, a B-737-3Y0 is leased from **British World Airlines, Ltd.**

It is reported on October 2 that, for the first time, more passengers are flying to Amsterdam with easyJet from London (LTN) than with **KLM U.K., Ltd.** from London (STN).

A press release on October 9 reports that the company is now repainting its fleet, replacing the telephone number with "easyJet.com—the web's favourite airline."

On October 12, London Weekend Television confirms August media reports that it is filming another installment of its popular *Airline* series, featuring behind-the-scenes reviews of life at easyJet, for release in the spring. The next day, the carrier inaugurates an exclusive discounted £8 rail fare package with Thameslink Trains for its passengers traveling between central London and Luton Airport.

The company's first Next Generation B-737-73V is delivered on October 15. By this time, all of the units of the B-737-300 fleet have been repainted and given large "easyJet.com" titles.

Roundtrip frequencies between Liverpool and Belfast are boosted from three to four daily on October 29, while daily return flights from London (LGW) to Geneva are simultaneously doubled to two. The number of daily flights is also increased from London (LTN) to Edinburgh (5 to 6) and to Belfast (4 to 5). The next day, it is announced that direct services will begin on January 5 from Amsterdam to Edinburgh, Belfast, and Nice.

It is announced on October 31 that four new flights will be inaugurated from Amsterdam on January 5: one each to Belfast and Nice and two to Edinburgh. The same day, the BBC reports that the company will float approximately 25% of its estimated £564-million value on the London Stock Exchange. Conditional trade, before investors are given their certificates, will begin on November 15 and unconditional dealing a week later, on November 22. Funds earned will be employed to purchase 32 new Next Generation B-737-73Vs.

The company celebrates its fifth birthday on November 10, during which period easyJet has flown 12 million passengers.

As part of the continuing rationalization of the short-haul operations of **British Airways, Ltd. (2)**, CEO Eddington announces at the beginning of the second week of November that the low-cost subsidiary GO will be sold. Although London (STN)-based rival **Ryanair, Ltd.** immediately indicates that it is not interested in purchasing the operation, GO's most bitter rival, easyJet, indicates that it would "at the right price."

The Advertising Standards Association rules on November 15 that easyJet is entitled to call itself "the web's favorite airline." It rejects a complaint regarding the use of the phrase lodged by the **British Airways, Ltd. (2)** subsidiary GO.

Approximately 25% of the company (63,000,000 shares) is floated to large investors on the London Stock Exchange, also on November 15, with shares initially trading at 310p each, rising to 344.5p later in the day. With valuation already at £868 million, it is anticipated that the initial public offering will be 7 to 10 times over-subscribed. The company's staff has already been given an opportunity to buy shares ahead of the floatation, but most are tied to a one-year lock-in period. By the next day, value has increased by 11%. The second Next Generation B-737-73V is delivered on November 22, the same day unconditional dealing in easyJet shares begins on the London Stock Exchange. When the tally is finally in, easyJet will have raised over £190 million (\$275 million) in its offering.

The media reports on December 7 that former international rugby player Tony Underwood has joined easyJet as a pilot.

Chairman Haji-Ioannou is added to *The Guinness Book of World Records* on December 8 as the youngest person (age 28) to found an international scheduled airline.

The Liverpool to Belfast service is increased to six weekday and four weekend return flights on December 15, the same day frequencies are increased from thrice daily to four a day between Liverpool and Amsterdam. Also on December 15, the third new Next Generation B-737-73V is delivered.

On December 22, it is announced that daily nonstop flights from Amsterdam to Venice will start on January 1.

The same terrible winter weather that causes so many flight cancellations in the U.S. also impacts the U.K. Early in the new year, easyJet will seek damages from the airports at Liverpool and London (LTN) for the forced cancellation of 187 of its flights due to their alleged failure to promptly remove snow during the last four days of 2000. Indeed, police

must be summoned to both airports on the morning of December 30 to break up disturbances by over 200 stranded people.

Despite the weather, passenger boardings for December total 491,069, compared to 381,962 in December 1999.

At year's end, company employees look forward to the initiation of services from Amsterdam to Nice, Edinburgh, and Belfast on January 12. In the throes of rapid expansion, the company must also undertake a major pilot recruiting campaign. It will soon advertise for experienced captains offering not only high salaries, but a "golden hello" signing bonus of £30,000 (\$43,500) a head as well.

Enplanements for 2000 as a whole total 5.9 million.

easyJET SWITZERLAND, A.G.: 88 Ave. Louis Casai, Geneva, 1215, Switzerland; Phone 41 (22) 788 8820; Fax 41 (22) 788 2700; Code TSW; Year Founded 1998. On March 26, 1998, Stelio Haji-Ioannou's low cost carrier, **easyJet Airlines, Ltd.** purchases 40% shareholding in **TEA-Basel, A.G.** The U.K. airline has the option to increase its stake in the Basel-based line to 90% and to refocus the company as a discount company and franchise partner, easyJet Switzerland, A.G. The equity boost is dependent upon Switzerland's joining the European Union "open skies" arrangement. The company remains Swiss registered, with the same Swiss staff and management.

The franchise arrangement with **easyJet Airlines, Ltd.** physically begins on May 1 as one of the TEA aircraft begins flying on the Geneva-London (LTN) route, which easyJet already serves.

Two B-737-7Q8s arrive during late spring under charter from the International Lease Finance Corporation (ILFC). They are immediately placed into charter service to destinations in the Mediterranean. easyJet Chairman Haji-Ioannou announces the franchise agreement to the British Swiss Chamber of Commerce meeting in Geneva on September 25. At this point, it is reported that TEA-Basel will transfer its headquarters from Basel to Geneva next April 1.

Beginning on November 5, nonstop franchise scheduled return services are offered thrice daily between London (LTN) and Zurich and four times a day from Luton Airport to Geneva.

By the end of January 1999, TEA-Basel, doing business as easyJet Switzerland, Ltd., is operating thrice-daily nonstop roundtrips between London (LTN) and Zurich and four return flights every day from Luton Airport to Geneva.

Occupation of the new Geneva headquarters for TEA-Basel, doing business as easyJet Switzerland, A.G., is completed on May 21. Plans are announced for the inauguration of new services on July 28 from Geneva to Amsterdam, Barcelona, and Nice.

By the end of the first full week in July, easyJet Switzerland, A.G. has sold thousands of seats for the inauguration of service on its new route from Geneva to Barcelona. On July 12, a spokesman for **Swissair, A.G.** holds a news conference to remind the discount operator that a national law enacted the previous November grants the SAirGroup subsidiary a monopoly over the Barcelona route and any others that it has not abandoned. The combative **easyJet Airlines, Ltd.** Chairman Haji-Ioannou promises a court battle.

Transport Minister Moritz Leuenberger confirms the Swissair position on July 19. The authority of easyJet Switzerland, A.G. to operate to Amsterdam and Nice is, however, upheld as **Swissair, A.G.** had dropped those routes from its regular schedules before the November law had taken effect.

Beginning on July 29, 3,500 passengers with confirmed Barcelona tickets have their fares refunded in cash, are offered free roundtrips from Geneva to Barcelona, and are encouraged to contribute to a company fund set up "for the protection of consumer interests against Swissair."

The latest airline to be subjected to the scrappy tactics of the British discount carrier, **Swissair, A.G.** and its executives must now stand by as easyJet Switzerland, A.G. begins to bypass the November law. It offers daily easyJet Charter "charter" flights from Geneva to Barcelona using the **TEA-Basel, A.G.** tour operator license, which is still valid.

Regularly scheduled return service is inaugurated in December from Geneva and Zurich to London (STN/LGW). These complement flights already begun to London (LTN) and Liverpool.

With 220 employees at the beginning of 2000, the company is headed by Chairman Ernst Staehelin and Managing Director Markus Seiler. The fleet now comprises 3 B-737-33Vs and 1 B-737-3M8 transferred over from **easyJet, Ltd.**

At the beginning of April, the company uses a two-carriage city tram—painted in orange and white with the company's telephone numbers—to drive about Geneva, encouraging voters to vote in the May Swiss Referendum in favor of accords with the European Union. Whether or not this particular effort succeeds with voters is unknown; however, the vote, cast on May 21, is positive.

To replace an older unit, a newer B-737-33V is sent over from **easy-Jet Airlines, Ltd.** on July 10, but prior to its arrival, someone has forgotten to paint out the U.K. telephone reservation number that appears in large titles along the orange fuselage. At the end of August, the company achieves a market victory when **Air France** quits the lucrative Nice to Geneva route.

The load factor for October is 85.3%, as compared to 79.9% in October 1999.

On December 15, daily return frequencies between Geneva and Liverpool are increased from one to two, with three on weekends.

EC XPRESS. See **EASTERN CARIBBEAN EXPRESS, LTD. (EC XPRESS)**

ECONOMY HELICOPTERS. See **ERA AVIATION**

ECUATO GUINENANA DE AVIACION, S.A. See **EGA (ECUATO GUINENANA DE AVIACION, S.A.)**

ECUATORIANA AIRLINES (EMPRESA ECUATORIANA DE AVIACION, S.A.): Calle R Victoria Y Av Colon, Apartado 505, Torres de Almagro, Quito, Ecuador; Phone 593 (2) 563 003; Fax 593 (2) 563 920; <http://www.ecuatoriana.com>; Code EU; Year Founded 1970. In 1970, CEA (Compania Ecuatoriana de Aviacion, S.A.) is reorganized; a new livery and logo are adopted for the new name, Ecuatorian Airlines. The fleet comprises 8 Lockheed L-188A Electras, 7 Douglas DC-6s, 1 DC-6A, 1 DC-6B, and 4 DC-4 freighters.

A DC-4 with two crew fails its takeoff from Miami on April 14 for a flight to Quito via Panama City; the plane crashes beyond the runway and slides 890 ft. before hitting a concrete abutment. There are no survivors.

Although a second DC-6A is received, severe financial difficulties are encountered in 1971.

A route is opened to Bogota in January 1972 and a DC-3 crashes at Sangai on March 14; there is no other information on the accident.

While en route from Quito to Guayaquil on May 23, an L-188A is captured by a hijacker, who demands that it return to its point of origin in order that he might collect a \$40,000 ransom and a parachute. A military officer brings the demanded items aboard and, while pretending to show the pirate how to use the parachute, opens fire, killing the assailant and wounding the captain and a female passenger.

Santiago de Chile service is suspended on June 28 and, as the carrier's financial woes deepen, the Ecuatorian government, on August 13, acquires 52% controlling interest. An L-188C is leased for two months at the end of the year.

The airline is reorganized as a mixed-stock company in 1973. Capitalization is raised to 100 million pesos, of which the government share is 51%. Ecuatoriana is now the country's flag line.

As additional financial and managerial problems continue to plague the airline, it ceases trading on April 16, 1974. On July 31, it is nationalized, its shares being assigned to the Air Force's airline **TAME (Transportes Aereos Militares Ecuatorianos)** on behalf of the government.

Gen. Carlos Banderas is appointed president and CEO.

The Electras become part of the TAME fleet and in August, Ecuatoriana receives two former **Pan American World Airways (1)** Boeing B720-023Bs in compensation, employing them to restart Miami service on September 1. Meanwhile, a new logo and livery are introduced for the flag carrier, which is now described in marketing literature as "Le Linea Aereas en el Corazon del Mundo!"

In 1975–1976, the fleet is increased by the addition of another ex-Pan Am B-720-023B. It is at this time that the company introduces a striking livery designed to represent the jungles and wildlife of the country.

Additional overseas and regional routes are opened. By 1977, Ecuadorian jetliners are serving Buenos Aires, Caracas, Los Angeles, and New York.

Enplanements this year reach 150,926.

In 1978, an order is placed for two B-707-321C Stratoliners.

Passenger boardings jump 21.8% to 193,233 and freight traffic soars 28.8%. Revenues accelerate 28.2% to \$43.7 million, expenses are up 25.6% to 41 million, and the operating profit skyrockets 90.3% to \$2.55 million.

The B-707-321Cs enter service in 1979. Bookings rise 18.6% to 229,318.

Increased fuel costs and recession impact upon the carrier in 1980–1981. Traffic and profits decline. One B-720-023B is sold, but a Douglas DC-10-30 is ordered.

On February 29 of the former year, an armed assailant with four hostages attempts to take over a B-707-321C on the ground at Guayaquil. Unable to gain access, the pirate simply surrenders.

Enplanements climb back to 220,000 in 1982.

Weekly joint flights are inaugurated with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** in April 1983 over a route from Rio de Janeiro to San Jose via São Paulo, Guayaquil, and Quito.

While trying to land at the Andean city of Cuenca, a B-707-321B strikes a mountain on July 11 and explodes (119 dead).

The decade-old *St. Galen*, **Swissair, A.G.**'s first DC-10-30, is purchased and delivered in September.

A total of 161,640 passengers are carried on the year, a significant decline. The operating loss is \$3.87 million, but a small \$350,000 net profit is realized.

The employee population in 1984 is 1,010. A DC-8F clips a bus and explodes on a building site while trying to take off from Quito on September 18; the crew and 60 people on the ground are killed.

Passenger boardings climb 10.2% to 180,441 and cargo increases 34.5% to 34.56 million FTKs. Revenues jump 11.6% to \$61.9 million. The losses are \$5.6 million (operating) and \$3.8 million (net).

The workforce is cut 2.2% in 1985 to 988. Bookings jump 13.7% to 205,204 and freight accelerates 24.6% to 43.07 million FTKs. Revenues advance by 20.1% to \$74.7 million and expenses increase 7.9% to \$73.1 million. Profits are \$1.59 million (operating) and \$4.75 million (net).

Operations continue apace in 1986–1987 and by 1988 enplanements total 210,855. Income exceeds expenses during the latter year and generates an operating profit of \$28.29 million. There is, however, a \$7.18-million net loss.

Company employment is increased by a slight 0.7% in 1989 to 1,165 and the fleet now includes 1DC-10-30, 3 B-707-321Bs, and 1 B-707-321CF. Passenger boardings increase 17.9% to 256,826, but freight drops 8.5% to 60.04 million FTKs. Revenues increase 14.5% to \$89.67 million, expenses rise only 1.4% to \$50.7 million, and operating profit reaches \$169,350. The net loss is cut to \$70,461.

The number of workers grows by 2.3% in 1990 to 1,192. Customer bookings inch up 2.2% to 262,538, but cargo is off by 8.7% to 54.83 million FTKs. Revenues slide 0.3% to \$90.2 million and expenses are higher. Consequently, the operating loss is \$8.3 million and net loss totals \$4.8 million.

Operations continue apace in 1991.

Two Airbus Industrie A310-324s are purchased for \$120 million from the assets of **Pan American World Airways (1)**; christened *Ciudad de*

Guayaquil and *Ciudad de Quito*, the two enter service in October over the company's route from Miami to Los Angeles. The extended \$14 million-per-year lease-purchase arrangement for the aircraft has been set up by a group of European banks.

In **1992** the fleet includes 2 Airbus Industrie A310-324s, 3 leased B-707-321Bs, 1 B-707-321CF, and 1 chartered DC-10-30. Revenues in the latter year total \$98.4 million, but expenses are higher, forcing an operating loss of \$18.9 million and a net loss of \$4.7 million.

In **1993**, Chairman/President Eduardo Emmanuel oversees a workforce of 1,165.

In addition to an all-cargo service to Panama City, Miami, and New York, international passenger flights are made from Guayaquil and Quito to Bogota, Buenos Aires, Cali, Caracas, Chicago, Lima, Los Angeles, Mexico City, New York, Panama City, San Jose, and Santiago.

In February, the company is unable to make its lease payment on the two A310-324s. Both aircraft are seized in Los Angeles in early March; however, one is released back into service after Ecuatoriana makes a \$1.50-million payment.

In deep financial difficulty, the company returns *Ciudad de Guayaquil* and *Ciudad de Quito* in early April. It also arranges to return several chartered Stratoliners and sell its only B-707 freighter.

As the result of financial problems that lead to a lessor seizure of the DC-10-30—its last operational aircraft—in September, the company is forced to suspend operations in October. Its Ecuador–U.S. routes are assigned to **SAETA Air Ecuador, S.A.** At its closing, the airline has some \$50 million in assets plus all of its other route rights.

Continuing efforts will be made over the next three years to restart the dormant flag carrier. In October **1994**, the government of Ecuador selects Prudential Securities, SH&E, and Aviation Management Services, the latter based at Miami, as a consortium to which it can sell the company.

Legal and bureaucratic challenges to the Prudential-led consortium force Ecuador to postpone its March 1, **1995** 25% sale of shares on its domestic stock exchange. In August, a controlling 51.1% interest is acquired by **VASP (Viacao Aerea de Sao Paulo, S.A.)** Davidson Botelho is named commercial director.

A single Douglas DC-10-30 is wet-leased from VASP and employed to resume operations in mid-**1996**. In December, a Boeing 727-2M7 formerly operated by **Northwest Airlines**, is acquired. Like the Douglas wide-body, it is painted in a blue-and-white livery with "Ecuatoriana" spelled out in billboard-sized letters down the fuselage windowlines.

Destinations visited from Quito in **1997** include Bogota, Buenos Aires, Caracas, Guayaquil, Lima, Manaus, Miami, Santiago de Chile, and São Paulo. In January, the Douglas is employed to resume services to New York (JFK).

A B-727F is delivered in April, followed by a second passenger trijet during the fall.

On October 17, arrangements are completed under which the company will replace the VASP DC-10-30 with an Airbus Industrie A310-304 previously operated by **Sudan Airways Corporation**.

By year's end, the company flies to nine South American destinations, enplanements total 85,000, and the operating loss is \$16.11 million, while the net loss is \$13.55 million.

The company's fifth aircraft, the Airbus, is received in January **1998**. It is employed to initiate services to Madrid and Paris.

Passenger boardings increase 72% to 257,000, while freight traffic jumps 22.4% to 34.07 million FTKs. Revenues accelerate 46.3% to 62.08 million, while expenses rise 37.3% to \$80.36 million. The operating profit climbs to \$18.27 million, while the net loss declines to \$11.51 million.

By the beginning of **1999**, airline employment has been increased by 4.6% to 454.

Passenger boardings drop 36.7% to 157,000. Revenues plunge 50.2% to \$30.9 million and expenses fall 57.2% to \$34.4 million. The huge deficit in returns for the previous year improves as the operating loss totals \$18.27 million and the net loss is \$2.91 million.

A total of 410 workers are employed at the beginning of **2000**, a 9.7% decrease over the previous 12 months. Only two B-727-287As remain in the fleet.

At the end of January, the company signs a wet-lease agreement with **Air Jamaica, Ltd. (2)**. Honoring the commitment on February 1, an Air Jamaica A320-211 operates the first of 12 roundtrips from Guayaquil to New York (JFK).

On May 11, officials of the Brazilian carrier announce that they will soon sell all **VASP (Viacao Aerea de Sao Paulo, S.A.)** shareholding in **LAB (Lloyd Aero Boliviano, S.A.)** and Ecuatoriana to help meet its huge deficit problems.

On November 1, a two-year commercial agreement is signed with **LanChile Airlines, S.A.** to operate its aircraft on the Ecuadorian airline's international routes beginning in December. The initial wet-leased and code-shared services will be flown from Guayaquil and New York (JFK). Later, flights will be made from Guayaquil to Miami via Quito will be added. The B-767-3Y0ER roundtrips, flown by LanChile, commence between Guayaquil and New York (JFK) on December 15.

ECUAVIA C., S.A.: Ecuador (1949–1994). Carlos J. Estrada establishes Ecuavia at Guayaquil's airport in **1949** to offer passenger and cargo charters to surrounding communities and bush locations. Operations continue apace with little fanfare for the next 40 years.

In **1990**, Estrada's fleet includes 1 Piper PA-23 Aztec, 1 Piper PA-34 Seneca, 1 Piper PA-31-350 Navajo Chieftain, 1 Piper PA-31T Cheyenne, 1 Beech Super King Air 200, and 2 Cessna 188s. Enplanements total 3,600 and 78,000 pounds of cargo are flown. Revenues are \$156,000 and a \$28,000 net profit is generated.

Passenger boardings shrink to 2,100 in **1991** and cargo falls to 25,000 pounds. Revenues slide to \$122,000 and net gain falls to \$21,000.

In **1992**, bookings increase to 5,600. Operating revenues are \$546,000 and a \$98,200 profit is realized.

Operations continue in **1993**, but cease in **1994**.

EDAC (EMPRESA DE AEROTRANSPORTES COSTARRICENSES, S.A.): Costa Rica (1936–1938). A Costa Rican syndicate led by Guillermo Nunez and Clarence Ross Bonilla forms EDAC at San Juan on February 29, **1936**. With initial capitalization of 50,000 colones, the carrier purchases a Flamingo G-2W and leases Roman Macaya's Curtiss C-2 Robin *Espiritu Tico*.

The chartered Curtiss is destroyed in a crash on September 7, leaving the Flamingo to operate the company's nonscheduled services until the airplane is declared unsafe in **1938**.

EDE-AIRE: United States (1978–1981). The FBO Ede-Aire is set up by E. G. D. Domich at Detroit Lakes, Minnesota, in **1978**. Employing a Piper PA-34 Seneca, scheduled passenger and cargo services are inaugurated linking the company's base with Minneapolis via Alexandria.

Operations continue apace until April 27, **1981** when the company is sold to **Mesaba Airlines**.

EDELWEISS AIR, LTD.: Postfach, Zurich-Flughafen, Zurich, CH-8058, Switzerland; Phone 1-816-5060; Fax 1-816-5061; <http://www.edelweissair.ch>; Code EDW; Year Founded 1996. Edelweiss is founded at Zurich during the first quarter of **1996** to operate both charter and scheduled passenger services. Shareholding is divided between the tour operator Kuoni Holdings Switzerland, A.G. (33%), the Greek airline **Venus Air, S.A.** (40%), Emil Grotz (20%), and Niklaus Grob (7%). A management contract is signed with Venus and a workforce of 70 is recruited under the leadership of CEO Niklaus Grob.

Two McDonnell Douglas MD-83s are leased from GECAS and are employed, beginning on April 1, to inaugurate inclusive-tour flights to the Canary Islands, the Balearics, Cyprus, Tunisia, and Portugal and scheduled service from Zurich to London (CTN) via Vienna. Every effort is made to offer customers a Swiss atmosphere; flight attendants are

attired in "Heidi" uniforms and meals feature sausage, cheese salad, butter, milk, yogurt, and chocolates.

Flights continue in early 1997. In April 1998, orders are placed for three Airbus Industrie A320-214s, with delivery scheduled for early the following year.

Wearing a distinctive red-and-white livery with billboard titles, the first A320-214 is delivered on January 29, 1999. The other two are expected by mid-July.

During the last week of April, Kuoni Holdings Switzerland, A.G. concludes a merger with First Choice Holidays, Ltd.; the union will create the second largest tour operator, after Germany's TUI-Hapag Lloyd. The combined airline that will eventually result through a union with **Air 2000, Ltd.** will be the fifth largest charter carrier in Europe; together, the two transported 6.8 million passengers in 1998.

Plans for the phased-merger are however, put on hold. The third A320-214 is delivered on June 28.

The Kunoi Travel Group's carrier continues to offer charters during 2000. Under a 10-year lease from CIT Aerospace, an Airbus Industrie A330-243 is delivered to the company in Zurich ceremonies on November 17. The aircraft almost immediately begins long-haul vacation service.

EDGARTOWN AIR: United States (1989–1992). Michael and Nikki Madeiros, owners of the FBO at Katama airport at Martha's Vineyard, found Edgartown Air in late 1989 to provide scheduled passenger and cargo services to local destinations.

Employing a pair of Pilatus Britten-Norman PBN-2 Islanders, the Madeiros begins scheduled daily roundtrips in January 1990 over routes that link the company's base with Hyannis, New Bedford, and Nantucket. The Hyannis route is sold to **Cape Air** in November.

Operations continue apace in 1991 as a third Islander is acquired. Unable to maintain economic viability in a difficult recession, the company folds in 1992.

ED'S AIRCRAFT SERVICE: United States (1972–1973). For a year, this FBO based at Bartlesville, Oklahoma, offers daily Cessna lightplane scheduled air taxi roundtrips to Oklahoma City.

EFS AIRLINES: United States (1968–1969). EFS is set up at Bloomington, Indiana, in 1968 to provide scheduled air taxi shuttle flights to Indianapolis. Cessna lightplane frequencies from Bloomington are duly inaugurated, but are not maintained beyond 1969.

EFS CARGO, GmbH.: Germany (1975–1980). **Express Flug Service, GmbH.** is organized and registered at Hamburg in 1975 to offer worldwide, all-freight charters and contract air services. Flights are inaugurated from Ostend Airport with 2 Douglas DC-8-61CFs and 1 DC-8-50F leased from **Seaboard World Airlines**.

Following the purchase of Seaboard by **The Flying Tiger Line** in October 1980, the carrier is forced to cease operations.

EGA (ECUATO GUINEANA DE AVIACION, S.A.): Apartado-685, Malabo, Equatorial Guinea; Phone 224 (9) 2325; Fax 224 (9) 3313; Code 8Y; Year Founded 1989. EGA is formed at Malabo in 1989 and technical aid is provided by Sodetraf, the French firm largely owned (75%) by **UTA French Airlines, S.A.** Director Jerome Lowa begins scheduled service to Bata and Libreville with a British Aerospace BAe (HS) 748-B2F chartered from **Air Madagascar, S.A.** The Sodetraf assistance unexpectedly ends in August 1990.

The fleet is doubled in 1991 by the addition of an owned Fokker F.27-100. Pablo Mba Nzang replaces Lowa in 1992.

Operations continue in 1993–1994 as the Western aircraft are replaced with 10 Czech-made Letov Let 410As. Destinations visited include Bata, Douala, and Libreville.

Frequencies continue during in 1995–1998. In these years, the fleet grows to also include 1 each Aero International (Regional) ATR72-202, Antonov An-26V, and Tupolev Tu-134A.

On December 9, 1999, the An-26V with six crew aboard crashes off Turkey; there are no survivors.

The two remaining jetliners are replaced in 2000 with a single Yakovlev Yak-40.

EGLI AIR HAUL: P.O. Box 188, Naknek, Alaska 99633, United States; Code EAH; Year Founded 1979. Sam Egli founds this charter and contract, bush-oriented carrier at King Salmon, Alaska, in 1979. For the next 21 years, operations are conducted with a single Cessna U-206.

EGYPTAIR, S.A.E.: Cairo International Airport, Cairo, Heliopolis, Egypt; Phone 20 (2) 245-4400; Fax 20 (2) 244-9727; <http://www.egyptair.com.eg>; Code MS; Year Founded 1971. Previously the Egyptian division of **United Arab Airlines**, this carrier adopts its present name on October 10, 1971 after an amalgamation of the domestic airline **Misrair, S.A.E.** With a fleet of Soviet-made airliners, the new entity maintains its predecessor's routes.

Leased from **JAT (Yugoslav Airlines)**, a Douglas DC-9-32, Flight 763 with 9 crew and 21 passengers en route from Jeddah to Aden on March 20, 1972, crashes into the Shamsan Mountains 4 nm. from the end of the runway at the southern Yemen airport; there are no survivors.

An Il-62 with 12 crew and 47 passengers lands on the wrong runway at Cairo on June 16 and then runs off it; no serious injuries are reported.

A \$60-million order is sent to Aviaexport of the Soviet Union in July for 8 Tupolev Tu-154s; in October, a \$40-million request is made to Boeing for 4 B-707-366C Stratoliners, with which to complement the 4 Dash-336Cs already on hand.

A B-707-336C with six crew crashes at Beni Sueif during a December 5 training flight from Cairo; there are no survivors.

While on night approach to Nicosia from Cairo on January 29, 1973, an Il-18D with 7 crew and 30 passengers crashes into the Kyrenia Mountains of northern Cyprus; there are no survivors.

During a European flight on May 5, a Boeing 707-366C suffers severe air turbulence over the Alps (one dead). The company takes delivery of a new B-707-366C on June 29; it is christened *Mena*.

The first Tu-154 is delivered in late September, at which point the company begins to return its three Il-62s to the Soviets.

The Yom Kippur War in October impacts severely upon traffic and, on November 18, causes Tokyo service to be suspended.

The remainder of the Stratoliners, two of which are christened *Akhenaton* and *Tutakhamun*, and two more Tupolevs arrive before the end of the year.

Passenger boardings drop during the year to 715,000.

Efforts are made in 1974 to regroup after the recent Middle East conflict and management personnel are changed. Two more Tu-154s arrive in February. Service to Tokyo is resumed on March 15 via Bombay, Bangkok, and Manila, while an older route to Khartoum is extended weekly to Kinshasa.

After a 3 hr. 14 min. training flight from Cairo on July 10, a Tu-154 with 6 crew fails to recover from a practice overshoot and crashes; there are no survivors. All of the remaining Russian airliners on hand are grounded while safety inspectors seek a cause. Problems, primarily with the procedure for trimming the Russian aircraft's elevators, continue throughout the summer.

Following an extended period of negotiations and service delays and technical difficulties, the remaining seven Tupolev Tu-154s are ordered returned to the Soviet Union in September. The Russian equipment program was to have formed a major portion of the airline's future fleet and the grounding of the aircraft brings a severe capacity shortage. EgyptAir now has only its B-707-336Cs, 3 Il-18s, 4 de Havilland DH 106 Comet 4Cs, 3 Antonov An-24s, 2 Douglas DC-6s, and 2 Cessna 207As with which to cover its entire route network.

To replace the Tupolevs, six Douglas DC-9-50s are ordered in November.

En route from Jeddah to Cairo on a December 9 training flight, an Il-18D with nine crew crashes into the Red Sea; there are no survivors.

The shortage in capacity caused by the return of the Russian aircraft figures in the year's 1% decline in passenger boardings to 650,000.

The airline's request to Douglas is disallowed by the government in January 1975. Instead, orders are placed for six (later seven) Boeing 737-266As and four B-727-266As. Meanwhile, to help provide capacity, two Airbus Industrie A300B2-1Cs are wet-leased from a German carrier in February.

The Boeing request (which includes trade-in of the older B-707-336Cs) is confirmed in March, at which point Chairman Gamal Erfan becomes the subject of a police and parliamentary probe of kickbacks and bribery.

Meanwhile, on February 10, an official agreement is signed with Avia-export for the return of the Tu-154s; to cover the financing that had been provided on the original order by the Soviets, EgyptAir returns an An-24. Much of the cost of the new American order will be covered by the U.A.E.

Plans are made in September to sell the four Comet 4Cs; not only will their sale bring in valuable foreign currency, but will allow the carrier to standardize on a Boeing jetliner fleet.

The B-737-266As begin to enter service in October, following the earlier introduction of the B-727-266As. The remaining two Il-18s are withdrawn.

Service is initiated from Cairo to Milan on January 1, 1976 and Chairman Erfan, accused of bribery, resigns in February. He is succeeded by Gen. Mohammad Nabih Hashad.

The Milan route is extended to Vienna on April 1.

A B-727-266A with 102 passengers is seized by 3 Arab guerrillas on the morning of August 23, shortly after takeoff from Cairo on a scheduled service to Luxor. In the afternoon, government commandos recapture the aircraft on the ground at its destination; all of the hostages are released unharmed. The captured pirates will be tried and sentenced to life imprisonment. The four Comet 4Cs are sold to **Dan Air/Dan Air Services, Ltd.** on October 9.

Just after receiving clearance to land on Runway 21L at Bangkok on December 25, a B-707-366C with 9 crew and 43 passengers crashes into a local factory; all aboard the Stratoliner are killed, along with 19 persons on the ground.

All seven B-737-266As are on hand by year's end and four of them receive names—*Hapi*, *Ra*, *Osiris*, and *Hathor*.

After former pilot Hilmy Shams admits having received a \$100,000 bribe from Boeing as kickback for his part in securing the 1975 order, police move in during January 1977 to arrest a number of current and past EgyptAir executives.

Following their wet-lease for a year, two German Airbus Industrie A300B2-1Cs are purchased in February.

Service to Karachi and Abu Dhabi is inaugurated on April 1 and the first A300B2-1C arrives three days later. The second Airbus is delivered on May 14, with the first A300B2-1C service operated on June 1 between Cairo and Karachi.

Chairman Gen. Hashad's company employs 9,116 workers in 1978–1979 and the fleet comprises 2 A300B2-1Cs, 7 Boeing 707-366Cs, and 5 B-737-266As.

One of the Stratoliners is badly damaged on February 21, 1978 when it crashes into a flock of birds; fortunately, the B-707-366C is able to make a safe emergency landing at Sharjah Airport.

On April 5, 1979, President Sadat and Prime Minister Begin announce that reciprocal airline service will begin between their two nations. Ten days later, Iraq severs its air ties with Egypt.

Technical difficulties and a failure to complete arrangements prevent the inauguration of reciprocal airline services to Israel in January 1980. Egypt, meanwhile, under terms of the Camp David Agreement, forms a subsidiary for its national airline, **Nefertiti Aviation, S.A.E.**, to fly only between Cairo and Tel Aviv. Following the initiation of flights by **El Al Israel Airlines, Ltd.**, Nefertiti begins services in March hoping to avoid a loss of the few remaining routes EgyptAir, S.A.E. retains in the Mideast without additional offense to Arab sensibilities or outright sabotage.

In November, EgyptAir, S.A.E. is financially reorganized, with shareholding divided equally between the National Bank of Egypt and Misr Insurance.

During 1981–1983, the medium- and long-haul route network is expanded to include 16 points in Europe, 5 in southern and eastern Asia, 4 in West Africa, and 15 in the Middle East and North Africa.

When Austrian racing champion Niki Lauda gives up his attempt to inaugurate scheduled commuter services, he leases to EgyptAir, S.A.E. two F.27-500s acquired for his enterprise. Orders are also placed with Airbus for eight A300B4-203s and with Boeing for three B-767-266ERs.

During May of 1983, a B-747-130, formerly operated by **Deutsche Lufthansa, A.G.** and **Braniff International Airways**, is acquired under lease and is employed to operate a service from Cairo to Tokyo via Bangkok and Manila. Domestic service is meanwhile operated under the old name Misrair and Nefertiti Aviation is replaced in early 1982 by a new subsidiary, **Air Sinai, Ltd.**

On October 17, 1982, a B-707-366C with 10 crew and 172 passengers is destroyed as the result of a bad landing at Geneva, Switzerland; there are no fatalities.

During 1984, the chartered Jumbojet is returned and replaced by a B-747-257B leased from **Swissair, A.G.** Delivery of all eight of the new Airbus jetliners is completed during the year and four receive names—*Osiris*, *Nout*, *Hathor*, and *Aton*. The B-767-266ERs *Nefertiti*, *Nefertari*, and *Tiye* also arrive.

Enplanements total 2,712,000 and an operating profit of \$16.4 million is earned together with net income of \$4.36 million.

In 1985, the workforce totals 3,285, a 4.8% boost. The fleet now includes 6 B-707-366B/Cs, 7 B-737-266s, 3 B-767-266ERs, 8 A300B4-203s, and 3 F.27-500s, with a **Middle East Airlines, S.A.L.** B-747-2B4BC, the **Swissair, Ltd.** B-747-257B, and a DC-10-30 operated under contract.

Thrice-weekly nonstop Cairo–New York Jumbojet service is inaugurated on May 17.

On October 10, after being refused permission to land at Tunis and Tripoli, a B-737-266A, transporting the *Achille Lauro* hijackers, is forced by F-14 fighters from U.S.S. *Saratoga* to land at Signonella, Sicily, where the aerial pirates are arrested by Italian authorities. On November 23, the same aircraft, operating as Flight 648 with 6 crew, 4 security guards, and 88 passengers and en route from Cairo to Athens, is taken over by Omar Mohammed Ali Rezaq and 2 confederates just after its takeoff from the Egyptian metropolis. Following a gun battle in which one hijacker is killed, a security guard wounded, and bullets cause loss of pressurization, the Boeing lands at Valletta, Malta.

On the ground, the terrorists demand fuel and execute two women (one Israeli and one American) and wound an American man they believe dead. As Maltese authorities seek accommodation, they also allow Egyptian Force 777 to fly over from Cairo. During the afternoon, 11 female hostages are allowed to deplane. The commandos hastily attack the aircraft at about 8 p.m. and in the disaster that follows, 4 hijackers and 57 passengers are killed, nearly everyone else involved who is not military is wounded, and the aircraft is destroyed.

Wounded, a surviving American passenger, Jackie Nink Pflug, first tells her story as "Shot in the Head and Left to Die, a Hijack Victim Rebuilds Her Life," in *People Weekly* 26 (December 1, 1986): 167–170. With Peter Kizilos, she will relate her experience a decade later in the memoir *Miles to Go Before I Sleep: My Grateful Journey Back From the Hijacking of EgyptAir Flight 648* (New York: Hazelden, 1995), which is excerpted as "I Was a Hostage," in *Ladies Home Journal* 112 (November 1995): 183–187. One of those who did not survive, Valinda Leonard, will later be remembered by her mother, Gladys Taylor, in her *Valinda, Our Daughter* (Calgary, Alberta: Detselig Enterprises, 1993). The surviving terrorist, Omar Mohammed Ali Rezaq, will be tried in Malta and given a 25-year prison sentence; however, he will be released in a February 1993 general amnesty.

Passenger boardings for the year rise 4.2% to 2,833,000 and cargo traffic accelerates 4% to 504.51 million FTKs. Revenues are \$449 million, expenses jump 10.4% to \$475.74 million, and an operating loss of \$26.5 million is suffered. The net loss is \$6.02 million.

In March 1986, in the expectation of the receipt of traffic rights from Paris to New York, Paris is added as a stop on the Cairo to New York B-747 run.

Orders are placed for two B-747-366s and to help add capacity during their building time, a B-747-243B is leased from **Alitalia, S.p.A.** and christened *Cleopatra*.

Operations continue apace in 1987 and the *Cleopatra* is returned in June.

While practicing touch-and-go landings at Luxor on September 21, an A300B4-203 with five crew hits a runway light and veers into both an antenna and some fences; the aircraft is damaged beyond repair and all aboard are killed.

To tide the company over until delivery the next summer, a B-747-269BC is leased from **Kuwait Airways Corporation** in November.

The first of two B-747-366Cs is delivered in July 1988 and is also named *Cleopatra* after the queen of the Nile; it replaces the Kuwaiti machine, now returned. EgyptAir is now the first Arab airline to introduce this Jumbojet model.

The 17,000-employee state carrier now places orders for 9 Airbus Industrie A300B4-622Rs and 7 A320-231s. In September, the airline contracts with **Singapore Airlines, Ltd.** to provide training for 135 technicians in Singapore to service its new Jumbojets. When the second B-747-366C is delivered in the fall, it is named *Hatshepsut*.

Enplanements for the year reach 3,191,894. The 17,000-employee state carrier earns a net profit of \$24 million on the year.

Discussions begin in April 1989 with **Iraqi Airways, Kuwait Airways Corporation, and Royal Jordanian Airlines** designed to explore the possibility of forming an **Air Afrique, S.A.**-type consortium; the talks will lead nowhere. Also during the spring, the carrier takes over the duty free shop at Cairo Airport's Terminal 2 and turns it into an important national earner of foreign currency.

With the addition of the second B-747-366C Jumbojet, service is started to Riyadh and Los Angeles during August.

Additionally, weekly flights are initiated from Los Angeles to Paris and twice-weekly frequencies are opened from Cairo to New York.

To complement the three B-767-266ERs already in service, two B-767-366ERs, christened *Ramses II* and *Thutmosis III*, join the fleet in August and September. One of these, *Ramses II*, is placed on the route from Cairo to Los Angeles via Paris and New York. Three B-737-566s arrive before the end of the year and are named *Karnack*, *Abou Simbel*, and *Philae*.

A contract is signed in April 1990 with **British Airways, Ltd. (2)** under which the U.K. flag carrier will provide assistance in setting up an operations-control department.

Discussions are held with **Kuwait Airways Corporation** beginning in May concerning the establishment of a joint-charter subsidiary to operate holiday flights to Europe. Joint services, employing EgyptAir jetliners, begin in cooperation with **Philippine Airlines (PAL)** during June over a route from Cairo to Manila.

The talks with KAC and the PAL end when Iraq invades Kuwait at the beginning of August. An Airbus Industrie A300C4-620, wet-leased from the Kuwaiti carrier and displaying EgyptAir, S.A.E. colors (though a Kuwait registration), is captured on the ground at Kuwait on August 2, just after arrival. It will later be transferred to Baghdad and then, for safe keeping, to Tehran.

As a result of the Iraqi invasion, thousands of Egyptians leave Iraq and Kuwait and are ferried back to Cairo during the late summer. Additionally, foreign refugees are returned to other countries. When Operation Desert Shield is announced by the UN, EgyptAir, S.A.E. transports equipment to Saudi Arabia and the Gulf region from Europe.

The 13,000-employee flag carrier reports figures for the first 10 months show passenger boardings up 1.6% to 3,421,994 and freight traffic up 9.5% to 137.52 million FTKs. A net loss of \$36 million is suf-

fered. Also during the last quarter, five of seven A320-231s are delivered, replacing the B-737-266As; they are named *Aswan*, *Luwor*, *Hurghada*, *Taba*, and *El Alamein*.

Fleet modernization continues in 1991 and the fleet includes 4 leased and 8 owned A300B4s, 5 A320-231s, 6 B-707-366Cs, including one leased to **Air Sinai, Ltd.**, 1 B-737-2N7A, also leased to **Air Sinai, Ltd.**, 4 leased B-737-266As, 5 B-737-566s, including one chartered to **Air Sinai, Ltd.**, 2B-747-366Cs, 3B-767-266ERs, and 2-767-366ERs. Orders are placed for nine A300B4-622Rs.

Operation Desert Storm, the January and February assault on Iraqi positions in Kuwait and along the border, forces the airline to halt those services to those destinations in the Middle East and Persian Gulf area not suspended the previous fall. With the war's end, the company is able to restart its services and, for example, the Cairo to Los Angeles route, suspended during the Gulf Crisis, is reinstituted in May. When Iran returned the Kuwaiti A300C4-620 to **Kuwait Airways Corporation**, it re-enters EgyptAir, S.A.E. service.

Only partial traffic figures are again reported, through September. Customer bookings are down 35% to 1,759,000 and cargo is down 7.9% to 95.22 million FTKs. A net \$23.6 million profit is earned.

In October, a \$120-million order for A340-200s is announced. Simultaneously, service is restarted to Entebbe, Uganda.

The fleet is altered in 1992. The number of A300B4-203s is reduced to three while nine A300B4-622Rs are acquired. Aircraft in this group include *Zoser*, *Cheops*, *Chephren*, *Mycerinus*, *Menes*, *Ahmose*, *Tut-Ankh-Amun*, *Seti I*, and one unnamed. Two of the new jetliners are leased to **Libyan Arab Airlines** in February.

Managing Director Ismail Sherif announces on April 1 that his carrier will join **Kuwait Airways Corporation** in establishing a fifty-fifty joint venture cargo and charter airline subsidiary, **Shorouk** ("Sunrise"), with a tentative start-up date of September.

In May, a letter of intent is signed with Canadair for the purchase of three CRJ regional jets, which will be employed to replace the airline's F.27-500s. EgyptAir, on July 1, inaugurates direct charter flights from Johannesburg to Jeddah on behalf of **South African Airways (Pty.), Ltd.** and **Saudia (Saudi Arabian Airlines)**. Muslim militants frequently attack tourists in Egypt during summer and fall and force the airline's tourist bookings down by 50%.

Overall enplanements total 4,113,582. Freight traffic statistics are not reported; however, revenues total \$881 million. Expenses are higher and bring losses: \$1.51 million (operating) and \$1.94 million (net).

The workforce is increased by 2.7% in 1993 to 15,317 and the fleet grows by the addition of the last 2 ordered B-737-566s, *Kalabsha* and *Ramesseum*, and 2 A320-231s, *Sharm El Sheikh* and *Saint Catherine*. The original A340 order is cancelled. The F.27-500s are leased to **Air Sinai, Ltd.**

Chairman Eng Mohamed Fahim Rayan's 41 aircraft now visit the domestic communities of Alexandria, Abu Simbel, Aswan, Cairo and Hurghada, Luxor, Mersa Matrouh, New Valley, Saint Catherine, Sharm el Sheikh, and Taba.

International services are flown to the African cities of Abidjan, Accra, Asmara, Benghazi, Dar es Salaam, Entebbe, Johannesburg, Kano, Khartoum, Lagos, Nairobi, Tripoli, and Tunis. Flights are made to Athens, Barcelona, Brussels, Budapest, Copenhagen, Dusseldorf, Frankfurt, Geneva, Helsinki, Istanbul, Larnaca, London, Madrid, Milan, Moscow, Munich, Paris, Rome, Stockholm, Vienna, and Zurich in Europe and Los Angeles and New York in the U.S. In addition, frequencies are undertaken to the Middle and Far Eastern cities of Abu Dhabi, Aden, Amman, Bahrain, Bangkok, Beirut, Bombay, Damascus, Dhahran, Doha, Dubai, Jeddah, Karachi, Kuwait, Manila, Muscat, Ras El Khaimah, Sana'a, Sharjah, and Tokyo.

In June, a renewed marketing agreement is entered into with **Philippine Airlines (PAL)** that provides for joint services on a Cairo to Manila route using an EgyptAir, S.A.E. aircraft and crew.

Having been convicted in Malta but freed under a general amnesty, the infamous hijacker Omar Mohammed Ali Rezaq is captured by

American FBI agents at Lagos, Nigeria, on July 15 and is extradited to the U.S. to stand trial for the 1985 hijacking.

In October, code-sharing begins with **Gulf Air** over a route from Cairo to Casablanca. Civil unrest contributes to a 25.3% drop in passenger boardings to 3,282,987. Freight rises 30.8% to 139.2 million FTKs. Revenues decline 7.2% to \$601.01 million and expenses rise 0.6% to \$653.32 million. The operating loss increases to \$52.31 million and the net loss is \$32.07 million.

The employee population declines 15.1% in **1994** to 13,000. All of the B-707-366Cs have been withdrawn by February, except for two that are employed to fly charters.

In the fall, a B-737-266 is leased to the new flag carrier **Macedonian Airlines**.

Traffic figures are reported through September and show customer bookings recovering by 10.4% to 2,826,142 and cargo inching up 1.5% to 100.47 million FTKs.

There is no change in the size of the workforce in **1995**.

On April 19, the UN Security Council eases its three-year-old ban on flights from Libya; it will permit EgyptAir, S.A.E. and other Egyptian airlines to carry Muslim pilgrims to Mecca. The same day, Libyan leader Mu'ammarr al-Qaddafi says he will live within the confines of the UN-imposed sanctions for failure to turn over the suspects he harbors that are tied to the bombing of Pan Am 103 in 1988. He will not defy the international body's ban on foreign commercial flights by his nation's airline. EgyptAir, S.A.E. and **ZAS Airline of Egypt, Ltd.** commence the pilgrim airlift two days later.

While taking off from Cairo with 277 aboard at this time, an EgyptAir A300B4 suffers a left engine failure and must abort; no injuries are reported.

In July, an order is placed for three A340-200s and, at the beginning of August, a \$400-million request is sent to Boeing for three B-777-266s.

At the end of August, a bitter dispute arises between EgyptAir and a group of six international airlines over the operation of a small jointly owned ground-services handling company, Egyptian Aviation Services.

British Airways, Ltd. (2), Deutsche Lufthansa, A.G., KLM (Royal Dutch Airlines, N.V.), Alitalia, S.p.A., Swissair, A.G., and Kuwait Airways Corporation all insist that their Egyptian partners have outmaneuvered them in a management takeover. Now the company will be severely limited in its ability to compete with the ground services provided by EgyptAir. The dispute will drag on for some time.

In figures reported to ICAO in October, the company announces three good quarters. Enplanements are up by 14.6% to 4,014,231 while freight jumps 19.9% to 132.1 million FTKs.

Airline employment stands at 17,664 in **1996** and the owned fleet now includes 2 each B-767-366ERs, B-747-366Cs, and B-707-366Cs, one of which is out of service, plus 8 Airbus A300B4-203s, 7 A320-231s, 3 B-767-266ERs, 5 B-737-566s, one of which is leased to **Air Sinai**, and 1 B-737-266A, which is also chartered to **Air Sinai**. In addition, the company employs a number of leased aircraft, including 4 A300B4s, 2 B-737-566s, and 1 A340-312 borrowed from **Gulf Air, Ltd.**

With a request for four, EgyptAir becomes the first Mideast airline to order the A321. At a total cost of \$100 million, 8 jet engines are ordered from Pratt & Whitney on March 12.

On March 27, three hijackers commandeer an A300B4-203, en route from Jiddah to Cairo with 152 aboard, and force it to fly to Martubah, Libya, where they peacefully surrender to Libyan military officials.

Hijacker Omar Mohammed Ali Rezaq is convicted of air piracy by a U.S. Federal Court jury in July for the 1985 skyjacking in which 60 people, including two American women, died; he will be sentenced to life in prison on October 7.

Just after landing in heavy rain at Istanbul following an August 21 service from Cairo, Flight 837, a B-707-366C with 8 crew and 120 passengers, overshoots the runway, collides with an airport vehicle, and catches fire; all aboard are safely evacuated before the Stratoliner is burned out.

Enplanements total 4,538,477 through October, a 13.1% increase. Cargo traffic grows by 23.2% to 164.16 million FTKs.

The workforce is cut a significant 20.7% in **1997** to 14,000. EgyptAir now operates 39 aircraft and serves 76 cities in 49 nations.

Ticket prices for all airlines operating in Cairo are hiked 3% as of January 1. Tickets for travel to the U.S. are the sole exception.

The first of four A321-231s to be received arrives on May 1 and enters service on the company's nonstop routes to Europe, as well as on regional flights. The first of three A340-212s to be delivered during the year arrives at this time and is christened *Clio Express*.

On August 1, the carrier receives an \$85-million European Investment Bank loan to cover the purchase of the 4 A321-231s. A month later, the first B-777-266 IGW is received in the company's new aircraft livery; it is christened *Nefertiti* and enters service on the company's European routes. At this point, *Horus*, the falcon god of the sky, is depicted on the tail of every aircraft in the company fleet.

During the third week of November, EgyptAir agrees to become one of four launch customers for the new A340-622R, placing an order for two.

Full-year passenger boardings slip 2.4% to 5,152,911, but freight traffic rises 6.5% to 220.27 million FTKs.

Airline employment stands at 17,000 in **1998** and the fleet, 92.3% of which is Stage III certified, includes 1 B-707, 6 B-737s, 2 B-747s, 2 B-767s, 3 B-777s, 11 A300s, 7 A320s, 4 A321s, and 3 A340-212s.

The wing of an **Ethiopian Airlines, S.C.** B-767-260ER clips that of an EgyptAir aircraft while taxiing at Cairo on May 12; nevertheless, the wide-body takes off for Addis Ababa. After 20 minutes, it is determined that the damage is too significant to continue and the Boeing returns to Cairo, where it makes a safe emergency landing.

On June 25, a B-777-266 IGW preparing to depart from Cairo to London is subjected to a telephone bomb threat. All 160 passengers are evacuated from the wide-body and it is left on the runway while police conduct a search that turns up no explosives. Four hours later, the plane departs for London (LHR). Another B-777-266 IGW must return to Cairo 40 min. after departure on August 19 due to technical problems with its landing gear.

Flights continue without incident during the remainder of the year. But, during the fall, four female flight attendants sue the carrier in Cairo's Labor Court alleging that, because Egypt's laws are based on Islamic Sharia code, they and their fellow flight attendants aboard company aircraft have the right to refuse to serve alcohol. The women win the case, which is immediately appealed by EgyptAir.

Through October, passenger boardings are down 12.8% to 3,831,000, while cargo traffic is up 12.1% to 199.85 million.

Airline employment at the beginning of **1999** stands at 14,000.

Bad storms on January 8 force two company flights from Jeddah and Dharhma to divert to Cairo rather than land as scheduled at Alexandria. After deplaning, passengers are bussed to Alexandria.

On March 8, the country's high court finds in favor of the female flight attendants who had won a case the previous fall against serving alcohol. Analysts expect that the decision may have wide repercussions on the national tourism industry.

Following the lifting of UN air restrictions against Libya on April 5, EgyptAir sends an inaugural flight to Tripoli on April 18. The Egyptian parliamentarians and journalists who arrive aboard the A300B4-622R are warmly greeted.

Negotiations on an air service agreement are put on the fast track and it is announced that, upon their conclusion, the company will operate twice weekly from Cairo to Tripoli and weekly from Alexandria to Benghazi. With the beginning of the summer schedule, roundtrip service from Cairo to Beirut becomes daily.

On June 23, a new homepage is opened on the World Wide Web.

Tragedy strikes Flight 990, a B-767-366ER with 15 crew and 202 passengers, after it departs New York (JFK) on October 31 on the continuation of its service from Los Angeles to Cairo. While the jetliner is cruising at 33,000 ft., approximately 57 nm. S of Nantucket, ATC

witnesses the plane dive down to 16,700 ft. in just 40 seconds. With a ground track of about 70 degrees and ground speed of almost 600 kt., the plane suddenly climbs back up to 24,000 ft. and then descends to 10,000 ft. before apparently breaking up and crashing into the ocean. The wreckage sinks 270 ft. to the ocean floor and there are no survivors.

Over the coming months, NTSB and Egyptian officials will seek reasons for the disaster, with the latter steadfastly denying the widely suggested theory of copilot suicide.

Enplanements total 4.62 million and 268.9 million FTKs are operated.

Airline employment at the beginning of 2000 stands at 20,067, a 43.3% increase over the previous 12 months. Among the world's top 25 airlines, EgyptAir ranks 23th in the total number of workers.

By January 1, 70% of the wreckage of Flight 990 has been raised and brought to a hangar at Quonset Point, Rhode Island; recovered items include large portions of the fuselage, wing, tail, and one engine. Underwater photographs of the second engine indicate that it, like the first, had been operating under little or no thrust when it impacted the water. These findings confirm the information on the flight data recorder that the engines were shut off.

After landing at London (LHR) on February 4, company pilot Capt. Hamdi Hanafi Taha requests political asylum, telling British immigration officials that he has new information concerning the crash of Flight 990 in October.

On February 7, the carrier's Operations Director Capt. Hassan Misharfa orders the pilot suspended for failing to follow procedures, while Vice President Hassan Musharafa indicates that Taha is just one of 500 EgyptAir pilots and has no special information on the disaster. Nevertheless, the U.S. NTSB sends two people to London to see what the flyer has to say. Twelve days later, an NTSB official dismisses Misharfa's information as "unimportant."

Just after landing at Harare, Zimbabwe, in bad weather on the night of February 22, a B-767-366ER is caught in violent wind gusts. The crew temporarily loses control and the plane veers off the right of the runway, then back across the runway, and veers off the left side. After the crew regains control, the plane is brought to a safe stop; however, the left engine hits the ground and it, together with its pylon, are torn from the wing. Happily, no injuries are reported.

Orders are placed for a pair of B-777-366s on March 13; as part of the deal, EgyptAir will trade in its remaining B-767-366ER. An earlier order for three A318s is simultaneously increased to five; when the Airbus equipment arrives in 2003, it will be placed on the domestic routes from Cairo to Abu Simbel, Aswan, Hurgada, Luxor, and Sharm el Sheikh.

Making the first use of a new air corridor from Cairo to Gaza recently agreed to between Palestinian and Egyptian authorities on May 3, a company B-737-566 is refused landing permission by Israeli ATC and is turned back by Israel Air Force fighter planes. Israel's Civil Aviation Authority has yet to sign off on the Gaza accord and still requires EgyptAir to employ a previously agreed upon corridor north of el Arish.

Aboard Flight 233, an A321-100 with 165 passengers en route from Cairo to Aswan on May 11, Shaaban Ali approaches the chief flight attendant and asks to be taken into the cockpit, where he reportedly demands that the plane be flown to Afghanistan. Waving a jar of hair gel that he claims is a bomb, the man is overpowered by the crew, who turn him over to police upon landing.

Two more A318 orders are placed on June 22, atop those from July 1999. After eight years of UN embargo, twice-weekly return service between Cairo and Tripoli is resumed on July 13.

Although its investigation is not completed, the NTSB releases its "docket" findings on August 11 concerning the October 31, 1999 Flight 990 disaster. It is possible, the papers note, that the tragedy may have been caused by the failure of critical components of the Boeing's elevator control system. During this time of investigation, experts sent from Cairo by the airline and the Egyptian Civil Aviation Authority or hired elsewhere have been allowed to assist the NTSB in its work to determine the cause of the crash.

Just after takeoff from Cairo for Tunis on September 8, flight crew note a crack in the cockpit window of their A321-231. A safe emergency landing is made back at the point of origin and none of the 103 passengers are hurt.

An A300B4-203, being operated by the company under lease from **TransAer International Airlines, Ltd.**, is seized by EgyptAir on October 24, four days after the Irish line collapses. The aircraft is owned by GECAS.

The French news agency AFP quotes an EgyptAir official on December 19 as indicating that his carrier will launch weekly charter flights to Baghdad after the January 2 Eid al-Fitr holiday, which marks a formal end to Ramadan.

EILATA. See **ARKIA ISRAELI AIRLINES, LTD.**

EKSPARK AIRLINE: 81 Sheremetyevo 1 Airport, Moscow, 125190, Russia; Phone 7 (95) 348-3301; Fax 7 (95) 348-3300; Year Founded 1993. Ekspark is founded at Sheremetyevo Airport, Moscow, in 1993 to offer worldwide ad hoc cargo charters. A. E. Sidorenko is managing director and he inaugurates revenue services with a single Ilyushin Il-76.

One-plane flights continue apace in 1994-2000, including a number under contract to the UN.

EL AL ISRAEL AIRLINES, LTD.: P.O. Box 41, Ben-Gurion International Airport, Tel Aviv, 70100, Israel; Phone 972 (3) 971-6111; Fax 972 (3) 971-6040; <http://www.elal.co.il>; Code LY; Year Founded 1948. The Israeli Ministry of Transport officially authorizes creation of a state airline on August 18, 1948. Even before the carrier is registered, it is named El Al (To the Skies) Israel National Aviation Company and on September 27, it acquires its first aircraft, an ex-military Douglas C-54.

Flying from Ekron Air Base in the Negev, the plane is dispatched to Geneva two days later to return home Israel's first president, Chaim Weizmann. Meanwhile, in the U.S., former **Transcontinental and Western Air Lines (TWA)** flight engineer Al Schwimmer, owner of the Schwimmer Aviation Corporation, is attempting to obtain, in contravention of the arms embargo, additional aircraft for the infant carrier.

Having established the "paper" Panamanian carrier **Lineas Aereas de Panama, S.A.** and recruited contract pilots, Schwimmer acquires a total of 10 Curtiss C-46 Commandos and 4 Lockheed C-69 Constellations, which he begins to deliver to Lydda, along with cargos of arms. Although the Commandos make successful ferry flights, the U.S. government orders the Constellations, waiting their turn at Milville, New Jersey, to be impounded.

Pilot Sam Lewis is able to take off with one of the Lockheeds before it can be taken over and successfully delivers it to the Israelis. Although Lewis will be acquitted, Schwimmer is later convicted of violating the U.S. neutrality and export control law and is fined \$10,000. Under control of the Israeli Air Force Transport Command, the Lockheed and Commandos are employed to fly supplies to Israel from Prague, Czechoslovakia.

In October, France becomes the first West European country to grant Israel landing rights and nonscheduled charter flights are made between Tel Aviv and Paris. Capitalized at I£2 million, El Al is incorporated at Tel Aviv on November 15, with the Israeli government as the major shareholder (80%). Others contributing share capital are the national shipping line, ZIM, and labor interests.

Early in January 1949, Aryeh Pincus becomes first president. On January 31, a Curtiss C-46 Commando is borrowed from the Air Force to fly the national finance minister on a three-week mission to Europe.

Two Douglas DC-4s are acquired from **American Airlines**; christened *Rechovoth* and *Herzl*, they arrive at Tel Aviv in March and July, respectively.

Meanwhile, the C-69 smuggled out of the U.S. earlier has been converted to civil L-049 standard. On June 9, it damages its undercarriage in a bad landing at Prague; it is later repaired, only to crash on the seashore near Tel Aviv while attempting an emergency landing.

On July 15, El Al receives its formal Certificate to Commence Business and scheduled Douglas service is inaugurated by the *Herzl*, on July 31, over a Tel Aviv–Paris (ORY) route via Rome. The same aircraft is employed on August 16–17 to return to Israel the remains of Herzl, Zionism's founder, from Vienna.

To provide additional capacity on the Paris route, El Al charts DC-3s from South African-based **Universal Airways (Pty.), Ltd.**

Associate **Arkia Israel Inland Airlines, Ltd.** is formed to handle domestic flights while the flag carrier concentrates on international operations. Additional routes opened during the year are those to Rome and Zurich on December 18 and London via Rome on December 22.

At year's end, two offices are opened in New York and airline employment is 130. A total of 2,154 passengers and 300 tons of cargo are carried during the first 6 months; start-up costs lead to a net loss of \$435,000.

Two C-46s are transferred to the carrier from the Air Force on January 24, 1950 and are employed to inaugurate freight service to Europe, occasionally being employed as passenger transports to supplement the DC-4s.

The C-54A *Herzl*, with 4 crew and 56 passengers, fails its takeoff from Lydda Airport on February 5–6; although the aircraft must be written off, there are no fatalities.

Three additional DC-4s are purchased, two from **United Airlines** and one from **Trans-Caribbean Airways**, arriving in Israel in May and June.

A charter route is extended to Istanbul in March, and scheduled flights begin to Vienna in July, and Nicosia and Athens in October. DC-4s launch charter flights to New York via Rome, Paris, Shannon, and Gander in June.

Al Schwimmer is finally able to legally sell his remaining three Constellations to El Al on July 1. These are sent to Burbank for conversion to civil L-049 standard.

In September, **Universal Airways (Pty.), Ltd.**, the South African company that had been conducting Johannesburg–Tel Aviv DC-3 service, is acquired. DC-4s replace DC-3s on October 29, flying Tel Aviv–Khartoum–Nairobi–Livingstone–Johannesburg.

The first ex-U.S. Air Force C-69/L-049 Constellation arrives at Tel Aviv on December 22, where it is christened *Mazal Tov* (Good Luck). The new "Connie" flies its first service, a New York charter, on December 28–29.

Passenger boardings during the first full year of international services are 4,699, with 700 tons of cargo carried over 8 weekly European flights. The employee population is 375 and the net profit is \$265,000.

The first regularly scheduled El Al L-049 service to London and Paris begins in late January 1951.

Employing a borrowed Air Force C-47, scheduled service is started to Istanbul on March 1. The second Lockheed is delivered on March 25.

On April 29, El Al publishes its first comprehensive schedule and on May 16 opens a scheduled Constellation service from Tel Aviv to New York via London, becoming the first airline outside Europe or North America to fly the North Atlantic. One thousand passengers fly the carrier's transatlantic route this inaugural year.

A DC-4 is sold to **Trans-Caribbean Airways** on June 24 and the third L-049 is acquired on August 8.

During the fall Constellations assume the Johannesburg route and begin to replace DC-4s on the company's services to Europe.

While descending to Zurich on a November 21 cargo flight, a DC-4 crash-lands (six dead).

On December 13, a contract is signed that provides for the carrier's New York flights to be serviced at Idlewild Airport by Lockheed Aircraft.

Enplanements grow to 15,000, freight to 800 tons, employment to 592, and the net profit to \$722,000.

The last two DC-4s are sold in January and April, 1952, respectively. During the latter month, two passenger-configured C-46s are acquired from the Air Force and are placed on the Vienna and Istanbul services.

On May 1, the carrier initiates the first tourist-class transatlantic flights from New York (IDL) to London and Paris.

As the result of a new bilateral agreement with Italy, flights commence on May 25 to Athens, Rome, and Vienna.

North Atlantic enplanements reach 6,000, while systemwide, bookings total 21,904, although freight is level. Employment soars to 1,006 while the net profit drops to \$12,000.

A C-46 is sold in May 1953 while, in August, an Airspeed AS-65 Consul is acquired and begins four years as a crew trainer.

In October, a fourth L-049 is purchased for tourist-class services from **California Hawaiian Airlines** and is registered on December 24.

North Atlantic boardings climb to 8,000, a number that will remain level each year through 1957. Overall, 28,801 passengers are transported and 900 tons of freight flown; however, a \$492,000 net loss is suffered.

The new Constellation enters service in early spring 1954, allowing transatlantic flights to increase to thrice weekly in July.

Although passenger boardings increase to 30,277, freight is off by 100 tons and the net loss skyrockets to \$1,137,000.

On June 22, 1955, El Al follows **British Overseas Airways Corporation (BOAC)** as the second carrier to order the Bristol 175 Britannia turboprop, when three are requested from Britain.

While nearing the Bulgaria and Greece border on a London–Tel Aviv flight via Vienna on July 27, Flight 402/26, an L-049 with 7 crew and 51 passengers, mistakes Bulgaria's Struman Valley for the regular Vardar Valley route, is attacked by Bulgarian MIG-15s, and shot down. Although the Israeli government loudly protests, it will be years before a tiny sum in compensation is paid. Bulgaria does, however, express regret that its air force had exhibited "a certain haste" in closing with the Constellation. Later in the year, the Israeli Ministry of Communications will release the *Report of Commission of Inquiry on the Shooting Down of El Al Aircraft 4X-AKC on 27 July 1955* (Jerusalem: Government Printer).

In October, a temporary replacement L-049 is leased from **South African Airways (Pty.), Ltd.** for service on the Johannesburg–Tel Aviv route; it is joined by a DC-6B leased from **Alitalia, S.p.A.** for flights from Tel Aviv to London via Rome and Paris.

In November, two L-049s are purchased from **Cubana (Compania Cubana de Aviacion, S.A.)**.

The final purchased L-049 is registered on December 16 and, late in the month, a DC-6B is leased from **Union Aeromaritime de Transports, S.A. (UAT)** for service on the South African run.

Bookings increase to 34,462; however, cargo drops to only 500 tons and the net loss increases to \$1,989,000. Airline employment stands at 1,082.

The final L-049 enters scheduled service in February 1956 and is employed to start new routes to Amsterdam on March 5 and Brussels on March 8.

In March, a DC-6B leased from **Sabena Belgian World Airlines, S.A.** replaces that chartered from **Union Aeromaritime de Transports, S.A. (UAT)** on the Johannesburg route.

El Al Israel Airlines, Ltd. is the only airline to fly passengers to and from Israel during the October Suez War.

To get around landing prohibitions instituted by many African nations following the Suez War, the carrier rents a DC-6B and a DC-7C from **Sabena Belgian World Airlines, S.A.** and begins flying them Tel Aviv–Benghazi–Kano–Leopoldville and Tel Aviv–Tunis–Fort Lamy–Brazzaville–Johannesburg.

In November, Efraim Ben-Arzi succeeds Aryeh Pincus as president.

Passenger traffic accelerates to 36,671, cargo is up 100 tons, and the employee population is up to 1,136; the net loss, if not as large as that of 1955, is still huge at \$1,367,000.

Employed in training since July 1953, the carrier's Airspeed AS-65 Consul is withdrawn on February 18, 1957.

The long-awaited Bristol 175 Britannias, Britannia 313s, arrive at Tel Aviv on September 5, October 19, and November 29, respectively. The

first round trip Tel Aviv–New York proving flight is completed on October 30. On the return leg of another proving flight, New York–London, on December 8, a record journey time of 8 hrs. 3 min. is recorded.

In the longest nonstop flight by a commercial airliner to date, a Britannia 313 makes a direct 6,200-mile New York–Tel Aviv proving flight in just over 15 hours on December 18–19. The first scheduled Britannia service Tel Aviv–London–New York is launched on December 22; the return flight results in another speed record—this one for scheduled commercial transatlantic flight—once again, 8 hrs. 3 min.

During the year, bookings rise to 38,004, freight is level, employment drops to 1,084, and the net loss improves to \$733,000.

An El Al Britannia returning to Tel Aviv from New York on January 8, 1958, establishes a new speed record of 7 hrs. 44 min. New York frequencies are increased, with all three Britannias on the North Atlantic by January 16.

Displaced by the turboprops, company L-049s are assigned to European service, including the new destinations of Cologne on February 24 and Munich on March 25.

A fire at Lod Airport on April 2 badly damages an L-049, which is later repaired.

On July 17, Bristol rents a fourth Britannia to El Al.

Enplanements for the year are 46,384 (19,000 on the North Atlantic), cargo is up by 100 tons, and the employee population grows to 1,394; the net loss declines to \$684,000.

The lease for the fourth Britannia expires on March 6, 1959 and the aircraft is returned to its manufacturer. Britannias open a new route to Tehran in August.

Despite significant growth in passenger boardings to 69,879 (25,000 transatlantic), a 300-ton increase in cargo, and a boost in airline employment to 1,517, the net loss skyrockets again, up to \$1,136,000, as big invoices for the Britannias come due.

The carrier's first two Boeing 707-458s are ordered on March 25, 1960. As part of Operation Garibaldi, a company Britannia 313 lands at Buenos Aires on May 20 with Israel's unsuspecting UN ambassador Abba Eban and a delegation to participate in Argentina's independence day celebrations. Co-opted by the Mossad, a member of the delegation feigns illness and is taken to hospital. Meanwhile, an El Al Israel Airlines employee has spent weeks ingratiating himself with airport officials. Thus, on May 21, commandos are able to quickly smuggle aboard one Rikardo Klement in the faking delegate's place and take off at 12:05 a.m. for Israel with a man who is, in fact, the infamous Holocaust architect Adolph Eichmann.

In addition to their North Atlantic frequencies, the airline's Britannia 313s are, by summer, also flying all European services, except for two L-049 flights to Istanbul and Nicosia. The DC-6B leased from Sabena is returned and replaced on the South African run by a DC-7C chartered from the Belgians.

Arrangements are made with the Brazilian carrier **VARIG Brazilian Airlines (Viacao Area Rio Grandense, S.A.)** for a six-month lease of a B-707-441, which arrives at Tel Aviv in December.

Passenger traffic increases to 95,533 (32,000 on the North Atlantic); freight and employment remain level and for the first time since 1952, a net profit is reported—the same net profit as in 1952—\$12,000.

The leased Brazilian airliner allows El Al to offer its first pure-jet service Tel Aviv–New York on January 8, 1961. The frequency is increased to twice weekly on February 19. Also during this month, a third B-707-458 is ordered.

The first two purchased 707-458s are delivered to Tel Aviv on April 22 and June 7, respectively. The **VARIG Brazilian Airlines (Viacao Area Rio Grandense, S.A.)** plane is returned in May, the same month two B-720-058Bs (B-720Bs) are ordered.

On June 15, during the return leg of its maiden transatlantic flight, a company B-707-458 establishes three world records for speed, distance, and service. By summer, six weekly flights are offered by jet and two by turboprop.

Following conclusion of the annual tourist season, the last two Constellations are withdrawn on October 15.

North Atlantic enplanements soar to 43,000, as overall bookings climb to 116,502; freight doubles to 2,000 tons, the number of employees is boosted to 1,644, and the company's largest ever net profit (\$871,000) is recorded.

On February 6, 1962, the four surplus L-049s are sold to the new U.K. tour airline **Euravia, Ltd.** The third B-707-458 is delivered on February 13, the same day two more Constellations are sold. Additionally, the first of three Britannia 313s is leased to **British United Airways, Ltd. (BUA)**; the second and third turboprops are chartered to the same British independent in March.

The DC-7C lease with **Sabena Belgian World Airlines, S.A.** expires and the aircraft is returned to Brussels.

The company's thirteenth year is marked as its "Bar Mitzvah" year.

On March 23 and April 30, respectively, the two B-720-058Bs arrive. The first is placed on the route to London via Zurich on April 1 and on June 14 the second takes over the Johannesburg service via Tehran and Nairobi. The long-legged new jetliners allow Israel's flag carrier to avoid flying over the airspace of hostile Arab states.

During the summer, jets are introduced on several of the European routes.

Transatlantic bookings rise to 56,000, with systemwide enplanements up to 171,068. Freight grows by 1,000 tons and the number of employees increases by almost 400. A net profit of \$616,000 is recorded.

Wildcat strikes by flight crews between March 6 and September 15, 1963 cut the number of flights available. A Britannia leased to **British United Airways, Ltd. (BUA)** is operated by the British carrier on behalf of El Al at the beginning of the job action; the turboprop is returned to Israel on April 8.

Passenger traffic grows to 206,655 and freight doubles to 6,000 tons; 150 new employees are hired, but the labor actions force a \$946,000 net loss.

El Al's first Britannia 313 is sold to **Globe-Air, Ltd.** of Switzerland on April 3, 1964.

Jet service is inaugurated to Rhodes on June 30.

A second Britannia leased to **British United Airways, Ltd. (BUA)** is returned on September 27, even as El Al orders a fourth B-707, this time a Dash-358B.

Scheduled flights to Copenhagen begin on October 11.

Passenger boardings incline upward to 231,376, freight is level, and only 80 employees are added; increased traffic, labor peace, and lease payments bring the company a record \$1,096,000 net profit.

One of the three remaining Britannias is sold to **Globe-Air** of Switzerland on March 8, 1965. New offices are opened in various cities, including Jerusalem, and the head office at Lod Airport is refurbished.

On March 15, Greece approves a \$2.5-million charter deal that will allow El Al to fly about 7,000 AHEPA members from the U.S. to Athens for a convention; the operation will require 42 round trips and will be the largest and longest airlift in airline history to date.

A new seven-year development plan is unveiled. From May–November, a B-707-373C is leased to El Al from **World Airways** for use while the fourth purchased Boeing is awaited.

A total of 288,336 passengers are carried, cargo traffic is up by 1,000 tons, employment grows slightly, and the net profit falls to \$243,000.

On January 1, 1966, President Efraim Ben-Arzi succeeds Moshe Carmel as board chairman and Shlomo Lahat is named president.

The new B-707-358B is delivered on January 7; however, due to a crew strike, the plane is immediately chartered to **The Flying Tiger Line**, which in turn wet-leases the aircraft back to El Al with a Flying Tiger crew.

On April 22, a Britannia is sold to **British Eagle International Airlines, Ltd.** Another B-707-358B is ordered in July. On October 3, **The Flying Tiger Line** charter is concluded and the B-707-358B is re-registered with El Al.

Freight grows by 1,000 tons, 200 more workers are recruited, bookings rise to 298,206, and the net profit rises to \$602,000.

The last Britannia is disposed of to **Air Spain, S.A.** in February 1967, making the carrier the first pure-jet airline in the Middle East.

On February 2, the B-707-358B requested the previous year is delivered.

Between May 14–24, the airline transports 11,500 tourists from Israel.

Airline operations are significantly interrupted by the Arab–Israeli Six-Day War. When war erupts on June 5, El Al is the only carrier linking Israel with the rest of the world, including New York City. On June 12, a day after war's end, a B-720-058B makes a proving flight Tel Aviv–Nairobi. Five days later, on June 17, the carrier is able to report that its airliners are now flying over the Sinai for the first time, saving seven hours on flights to Johannesburg.

In mid-summer, Chairman Ben Arzi and President Lahat resign their posts following a charter debate with the Ministry of Tourism and are replaced by Moshe Carmel and Mordechai Ben-Ari.

In the fall, a Handley Page Herald 200 is wet-leased from **Arkia Israel Airlines, Ltd.** and placed on the Nicosia service.

Passenger boardings climb to 314,404 and cargo is up another 1,000 tons; the workforce is increased by 200 and the net profit is \$338,000.

The workforce in 1968 is 3,136.

A B-707-349C is wet-leased (with crew) from **The Flying Tiger Line** on April 1 and employed to open new services to Geneva on April 1 and Nice on April 5.

El Al becomes the first airline in the world to order the B-747B.

The wholly owned airline catering subsidiary Teshnet is formed.

Three Popular Front for the Liberation of Palestine (PFLP) gunmen hijack one of the carrier's B-707-458s, Flight 426 en route from Rome's Fiumicino Airport for Lod, Israel, with 10 crew and 38 passengers, to Algeria on July 23. Israel is asked to surrender 15 Palestinians and publicly vows to protect its airline by increasing security. Ten Israeli women and children are released on July 28, while the others will be held for another month. Israel refuses to meet the demand by releasing any Arabs. The Stratoliner will be returned to Lod on August 31 via Rome, where it is taken by a French crew provided by **Air France**.

The Flying Tiger Line jetliner leased in April is returned; however, a second is wet-leased in August to replace the one stolen. The new charter is employed to open August service to Bucharest, the carrier's 21st destination.

A B-720-048 leased from **Aer Lingus Irish Airlines, Ltd.** begins a six-month charter in September.

On December 26, two PFLP gunmen attack and set fire to Flight 253, a B-707-358B with 47 passengers, taxiing on the ground at Athens in preparation for takeoff and the continuation of a service that had originated in Tel Aviv and that is continuing on to Paris and New York. One passenger is killed and another is wounded; the Stratoliner suffers significant damage, including the loss of one engine. Although both terrorists are captured and will be imprisoned, Israeli heli-borne commandos will attack Beirut International Airport two days later and destroy a dozen Lebanese airliners in retaliation.

At year's end, **The Flying Tiger Line** lease expires.

Traffic climbs to 364,360 passengers and cargo is up 2,000 tons. Despite the terrorist incidents, this first complete year after the June War brings a record net profit of \$2,220,000 on revenues of \$52 million.

A B-707-358B is received on January 22, 1969.

On February 18, Flight 432, a B-720-058B, is attacked by four PFLP gunmen on the taxiway at Zurich as it is preparing to take off for the continuation of a service from Tel Aviv to Amsterdam. A trainee pilot is killed, while an armed passenger, standing in an open doorway, returns fire and kills one of the pirates. The aircraft is substantially damaged. The three surviving terrorists are all captured and will receive 12-year prison terms.

The first B-707-358C convertible passenger and cargo airliner is delivered on May 15.

On September 8, the PFLP attacks the Brussels office; similar assaults take place during the month at Athens, Istanbul, and Tehran.

The first all-cargo Tel Aviv–New York via Paris flight is made by the B-707-358C on September 28.

A total of 13,000 tons of cargo and 464,915 passengers are transported on the year and a net profit of \$1.9 million is banked.

A second B-707-358C is delivered on January 28, 1970.

An El Al passenger bus at Munich Airport is attacked by PFLP gunmen on February 10 (two dead).

In April, service is started to Addis Ababa.

On September 6, as part of a PFLP conspiracy to hijack several Western airliners, two terrorists attempt to capture Capt. Uri Bar-Lev's Flight 219, a B-707-458 with 158 passengers and en route from Tel Aviv to New York. In the ensuing gun battle, one hijacker is killed and his accomplice, a woman, is captured while a steward and two passengers are wounded. As she is being taken down, the female drops a hand grenade; only a faulty spring keeps the bomb from exploding. The plane diverts to London (LHR) for assistance. El Al facilities at Athens are strengthened two days later following the arrest by police of two Lebanese men after explosives are found in their hotel room.

Over 1,000 ground service personnel strike the company at Tel Aviv on September 20, with half returning to work the next day.

The crew of the B-707-458 that brings Prime Minister Golda Meir to the U.S. on October 25 reports a near miss with an Israeli fighter over Tel Aviv during takeoff.

The company settles with its Tel Aviv ground personnel on November 7, bringing an end to their work stoppages.

The employee population is now 3,883. Enplanements grow slightly during the year to 469,001 but cargo is up by 5,000 tons. The net profit is \$1.4 million.

Scheduled service to Montreal via Amsterdam is inaugurated on March 28, 1971; two days later, Marseilles becomes a destination, replacing Nice.

The first B-747-258B is delivered at Tel Aviv on June 2 and is inspected by Prime Minister Meir and other VIPs the next day. It is placed, five days later, on the Tel Aviv–London–New York route. On November 22, a second B-747-258B is received and it, too, is immediately assigned to the North Atlantic.

At year's end, the fleet comprises 2 Jumbojets, 8 B-707s, and 2 B-720-058Bs. A second Jumbojet is delivered later in the year.

Enplanements soar to 520,770 and cargo is up to 21,000 tons; the net profit falls to \$300,000.

A 24-hour strike by maintenance workers on January 16, 1972 halts some of the line's flights. The same personnel stage a two-day workout at Tel Aviv between April 10 and 12. Between August and September, a B-707-321 is leased from **British Midland Airways, Ltd.** while another B-747 is ordered.

Meanwhile, on August 16, two Arabs, A. Zaid and M. Ali Hasham, give a record player (with a concealed bomb inside) as a gift to two British women, R. Watkin and A. Walton, vacationing in Rome. The women board an El Al B-707-458 flight for Tel Aviv and, just after takeoff, the bomb explodes, injuring 4 of the 148 aboard. The aircraft returns safely to Fiumicino Airport; Zaid and Hasham are arrested by Rome police four days later.

En route from Tel Aviv to New York on September 15, a B-747-258B makes an emergency landing at Rome after experiencing engine trouble.

Company officials and French police report that a bomb alert will delay a Jumbojet at Paris for an hour on September 28; no explosive is found. The next day, El Al security officials reveal that passenger S. Lifavitzky had disclosed to them that, shortly before boarding, she had been approached by a girl at Paris (ORY) and offered \$100 to take a transistor radio to Tel Aviv. Passenger traffic rises to 678,920 and freight is up by 4,000 tons. The net profit falls to only \$3,000.

The employee population in the twenty-fifth anniversary year of 1973 is 4,900.

A strike at Tel Aviv by maintenance workers on February 19 forces the carrier to cancel all of its outgoing flights.

Between March 4 and March 7, Iraqi national N. D. Al-Jawari is sought by U.S. authorities on charges of attempting to blow up the El Al terminal at New York (JFK). Also on March 7, police defuse a bomb in the same terminal.

Two vehicles carrying National Arab Youth Organization gunmen smash through the gate at Cyprus's Nicosia International Airport on April 10 to attack an El Al airliner on the ground; Israeli security personnel return fire killing one commando and wounding two others. Boeing's 200th delivered Jumbojet is a B-747-258B provided to El Al on April 18. It is employed to launch the first scheduled nonstop service Tel Aviv–New York on April 29, at that time the world's longest duration nonstop civil route.

Unduplicated mileage flown by the airline is now 28,420.

Destined for New York, diamonds worth more than \$100,000 disappear from a company airliner during a July 18 flight between Tel Aviv and London.

Italian police, on September 5, raid an apartment that an Arab had rented for a month at Ostia, near Rome, and seize two Soviet-made, lightweight launchers for ground-to-air missiles. Italian security sources suggest that the missiles would have been fired at an El Al jetliner landing or taking off from nearby Fiumicino International Airport.

Prior to the Yom Kippur War, service is inaugurated to South America over a mid-Atlantic route to Buenos Aires via Paris and Monrovia. When the Yom Kippur War becomes one of attrition after October 9, the company's fleet is employed on airlift flights and, as in 1967, is the only air link to the outside world. Something over 5,500 tons of supplies are brought to Israel before the cease fire. In November, service to Addis Ababa is suspended.

Systemwide passenger traffic is up to 689,564 and 30,000 tons of cargo are carried; despite the conflict, the net profit climbs to \$243,000.

Airline employment is 4,850 in 1974.

Mechanics, members of the IAM, go out on strike against the carrier at New York (JFK) on January 5. The job action is settled by mediated agreement on January 15.

During the Cypriot–Turkish conflict of July, El Al is again the only airline flying in and out of Israel.

Transport Minister Gad Yacobi threatens to shutdown the carrier on December 27 if maintenance crews refuse to end their slowdown within 24 hours; the workers fail to comply and airline operations halt.

Passenger boardings swell to 756,887 this year and cargo climbs to 33,000 tons.

The workforce grows to 5,128 in 1975.

The nine-day-old slowdown by maintenance workers, which had caused suspension of operations the previous December 28, ends on January 4.

Two men fire bazooka rockets at a B-707-358B at Paris (ORY) on January 13; the projectiles miss the Boeing, but hit an **Inex-Adria** DC-9-32, causing minor damage. The attackers, members of the Mohammed Boudia Commando, escape by car.

On December 31, a fourth Jumbojet is delivered, a B-747-258C, the carrier's first combi. Strikes plague the carrier during the year, keeping freight traffic level and allowing enplanements to grow to only 759,943. A net loss of \$79,000 is suffered.

Employment in 1976 is reduced 5.5% to 4,845 and orders are placed for 5 additional Jumbojets. The new B-747-258C begins dedicated all-cargo service during the first week of January. On January 16, the first computerized reservations system, CARMEL, comes on line.

Just one hour before a B-707-358B with 110 passengers is scheduled to land at Nairobi Airport on January 18, Kenyan police arrest three Palestinians and the West German terrorists Brigitte Schultz and Thomas Reuter. They are hiding in wait with two Soviet-made SAM-7 shoulder-fire missile launchers, preparing to shoot it down. Covertly removed to Israel, the Germans are secretly tried, convicted, and imprisoned.

The Entebbe hijacking and rescue of passengers, largely Jewish, aboard an **Air France** airliner occurs in July, after which stringent new airline security measures are adopted atop those already in place.

The same month **Cargo Air Lines, Ltd. (CAL)** is registered; it is required to lease its aircraft from El Al.

Four die and 20 are wounded in the attempted hijacking of a B-707-358B by PFLP members at Yeslikoy Airport, Istanbul, on August 11. All of the would-be pirates are taken into custody by Turkish police.

B-707-358C service to Mexico City via Amsterdam and Montreal is initiated on November 9.

Passenger boardings climb to 767,745, while freight accelerates by 1,000 tons; the net loss skyrockets to \$1.2 million.

On January 13, 1977, a B-747-273C is leased for two months from **World Airways**.

Engineers and technicians strike, disrupting services on February 18 and May 1; meanwhile, on March 1, the Boeing B-720-025B *Aline* is chartered for six months from **Trans-European Airways**.

A B-747-124SF, formerly flown by **Continental Airlines** and the Iranian Air Force, is acquired on June 21 and a B-747-123F is leased for six months from **The Flying Tiger Line** on August 15.

During the year, a B-707-329 is leased from Israel Aircraft Industries.

Service is started to Lisbon in September and, on October 2, the wholly owned charter subsidiary **Sun d'Or, Ltd.** (originally El Al Charter Services) is formed.

Following Egyptian President Sadat's November visit, Prime Minister Menachem Begin flies to Cairo aboard a specially outfitted El Al B-707-358C.

Also in November, President Ben-Ari succeeds Moshe Carmel as chairman with Mordechai "Motti" Hod becoming president.

Former Israeli Air Force fighter pilot Capt. Hillel Alroy is chosen to fly the El Al press plane from Tel Aviv to Abu Suweir military air base at Ismailia, Egypt, for the Begin–Sadat summit meeting on December 15.

Enplanements rise to 964,507, freight is up 1,000 tons, airline employment grows to 5,260, and a net profit is registered, \$300,000.

The workforce in 1978 is 6,121.

A renewed U.S.–Israel bilateral air treaty is signed.

A new B-747-258C arrives at Tel Aviv on June 17, allowing the leased **The Flying Tiger Line** B-747-123F to be returned in July.

Eighteen members of an El Al crew, who survive an Arab terrorist attack in London while riding on a bus to their hotel, return to Tel Aviv on August 22. El Al's President Hod criticizes the U.K. for failing to provide armed escorts for his crews and for refusing to allow his security men to keep their weapons after arrival in the U.K.

The Boeing 720B leased from **Trans-European Airways** in 1977 is rechartered in September and October.

In December, El Al begins to evacuate Jews and others from Tehran.

Cargo swells 29.5% to 49,000 tons and passenger boardings jump 15.2% to pass the million mark for the first time (1,089,910). An operating loss of \$45 million is suffered, although \$10,000 in net gain is realized.

To assist in the Tehran evacuation, a DC-8-63CF is leased for three months from **Airlift International** on January 17, 1979.

El Al suspends service to Tehran on February 10.

A B-747-258F is accepted on March 19.

On April 1, service is inaugurated to Chicago and Miami and that to Mexico City is rerouted via Rome and New York.

President Sadat and Prime Minister Begin, in a joint April 5 statement, announce the establishment of reciprocal commercial air services between Egypt and Israel.

An order is placed for two B-767-200ERs.

Twelve persons are wounded in the abortive April 16 attempt by a Palestinian guerrilla group to take over a company jetliner at Brussels.

An unprofitable destination, Mexico City is dropped from the route network in October. As the result of continuing loss, Raphael "Rafi" Harlev, former deputy of the Israeli Air Force, becomes acting president on July 3; Chairman Ben-Ari is replaced by Avraham "Buma" Shavit on November 13.

New agreements are reached with company pilots and flight attendants in December and only 90 employees are laid off.

Another B-747-258B is delivered on December 21.

On the year, freight drops by 1,000 tons and passenger boardings rise to 1,126,510. Still, expenses led by fuel costs cause a net loss of \$23.9 million.

Technical difficulties and a failure to complete arrangements prevent the inauguration of reciprocal airline services to Egypt in January 1980. A substantial cost-cutting program is, however, undertaken; cost reductions, new marketing strategies, and nearly 600 staff cuts are effected.

Company officials receive loud protests on February 18 when they announce plans to change stewardess uniforms.

A B-707-458 is sold to **Zaire Aero Service, S.A.**, also in February.

On March 3, regularly scheduled, roundtrip service is inaugurated to Cairo, the only Arab nation into which El Al flies.

Also in March, the carrier terminates its association with **Arkia Israel Airlines, Ltd.**, the domestic airline.

Itzhak Shander is named acting president on April 1 and orders are placed for two more B-767-258s and two B-737-258As.

Maintenance workers take an "organized holiday" on May 25 over their wage dispute with the company, grounding all departing flights from Tel Aviv.

An October 15 consultant's report recommends additional layoffs, leading to additional unrest. In October, two B-737-2M8s are leased for two years from **Trans-European Airways, S.A.**

A new labor agreement is signed on December 23 resulting in many saved jobs. Freight traffic increases to 61,000 tons and passenger traffic increases to 1,250,602. This year's net loss is the worst yet, \$98.7 million.

Airline employment in 1981 stands at 4,928.

A bomb explodes in the carrier's Istanbul office on May 18, but no injuries are reported. In July, the carrier's B-747-124F is wet-leased to **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**.

Among concessions made by Prime Minister Begin on August 4 to minority religious parties, whose support he needs to form a government, is the eventual cessation of El Al flights on the Jewish Sabbath, a move that will cost the airline as much as \$50 million per year.

In October, scheduled service is begun to Eilat. Cargo is up by 5,000 tons but enplanements drop to 1,178,350. On revenues of \$443 million, the loss is \$47.4 million.

The carrier suffers a year of turmoil in 1982.

On April 23, a B-707-331B purchased from **Trans World Airlines** is delivered.

On May 2, the Israeli cabinet decides, in principle, that El Al cannot operate in Israel on the Jewish Sabbath or other Jewish religious holidays.

The first **Trans-European Airways, S.A.** B-737-2M8 is returned in June, the same month in which Boston joins the route network.

The army's invasion of Lebanon in July hurts the tourist market. Also in July, the **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** lease is fulfilled and the Jumbofreighter is returned.

Company employees and other labor groups demonstrate after a parliamentary committee approves by an 11-10 vote the cabinet's decision the previous May to ground the carrier on the Sabbath and holidays. Four demonstrators are hurt and eight arrested after August 25 scuffles with police. In solidarity with El Al employees actions against the government's grounding of flights on the holy day, General Labor Federation airport workers Chairman Shmuel Azulai announces on August 30 that his workers will strike Ben Gurion International Airport at Tel Aviv on the Sabbath. El Al employees now fear the loss of their jobs.

On September 2, the Supreme Court bars the government from carrying out its decision to ban El Al flights on the Sabbath and Jewish holidays. The ban will, however, be instituted. As the result of a steward's strike, the carrier is shut down on September 12 and placed into financial receivership; it will not fly passengers for the remainder of the year.

The second **Trans-European Airways, S.A.** B-737-2M8 is returned on September 30.

Israel's unions begin a 24-hour general strike on October 14 to protest the government's ultimatum that the carrier will be sold or liquidated unless its workers accept management's principles for restructuring the company. Five days later, on October 19, the airline's directors ask the government to liquidate the airline because its employees give only limited support to management's reorganization plan and refuse a contract with those terms, which include significant layoffs.

Government tourism officials on October 24 cite the carrier's strike as a major factor in a recent sharp decline in the number of visitors to Israel. However, on the very same day the Israeli cabinet backs El Al's directors in their decision to dissolve the airline. In protest of the government's decision to liquidate the airline unless the workers accept a reorganization under which many of them would be laid off, El Al employees force the closing of Ben Gurion International Airport on October 27 by blocking its runways with jetliners. The airport reopens the next day after the government agrees to talk with worker representatives.

El Al's shareholders, on November 25, vote to liquidate the strike-disrupted airline, now with a deficit of some \$300 million. Two days later, the employees obtain a temporary injunction barring management from putting the carrier into voluntary liquidation as a prelude to the establishment of a new airline.

On December 5, Jerusalem District Court Judge Yaakov Bazak appoints Amram Blum official receiver and provisional liquidator. The Histadrut Labor Federation, on December 28, signs a new labor agreement on behalf of El Al's employees, but legal obstacles prevent an immediate reversal of the liquidation order. Since 1979, the company has endured a total of 69 strikes.

Passenger bookings are still up, to 1,254,703 and freight climbs by 2,000 tons. This year the loss is \$32.6 million.

Following new labor agreements and with renewed government support, Judge Bazak reverses his liquidation order on January 12, 1983, and, under Acting President Harlev, preparations are made to resume passenger and cargo flights. As part of the arrangement, the workforce is reduced 20% during the year to 4,830. The government drops its plans to sell the airline to private concerns on January 17, the same day the carrier resumes flying after striking pilots return to work under court-sanctioned threats of dismissal.

The two purchased B-737-258s are delivered next day.

The first B-767-258ER is delivered on July 12.

A B-707-328B is leased for six months from TRATCO on July 15 and Madrid becomes a new destination in August.

The second B-767-258ER arrives at Tel Aviv on September 13.

By the end of September, the airline is operating 95 frequencies per week to 26 destinations.

Passenger boardings for the June 30 reporting period have declined to 1,017,000 and freight is off by 2,000 tons. The largest net loss in company history is recorded: \$123.3 million.

Airline employment falls in 1984 to 4,123 and a machinist's strike begins on March 16, with support from American labor.

Two B-767-258ERs are delivered (March 26 and June 1). On March 26, one of those received in 1983 flies the 5,800 miles from Montreal-Tel Aviv with 90 passengers aboard, becoming the first twin-engine aircraft to fly a North Atlantic commercial passenger service under the "60-minute Rule" Extended Range Twin-Engine Operations (ETOP) requirement of the U.S. FAA. The inaugural flight requires 10 hrs. 52 min.

On June 17, scheduled service is undertaken to Los Angeles and renewed to Chicago.

Passenger boardings this year jump 15.9% to 1,311,000, and freight skyrockets 42.8% to 616.2 million FTKs. Although expenses are \$448.9 million on revenues of \$434.6 million, the operating loss is down to \$14.3 million and a net profit of \$1.6 million is realized.

The workforce remains level in 1985. The fleet now comprises 6 B-707-320s, 2 B-737-258As, 8 B-747-258Bs, and 4 B-767-258ERs.

The B-767-258ERs are placed on the Los Angeles and New York runs in February. Twice-weekly service to Manchester, England, begins on April 22.

On May 15, the machinist union strike enters its 15th month. As the result of a growing strain between the Israeli and U.S. labor movements, Prime Minister Shimon Peres intervenes in an attempt to force a settlement.

Enplanements accelerate 5.3% to 1,515,000 and cargo jumps 10.2% to 678.93 million FTKs. The net loss is \$9.7 million.

In 1985, the carrier ranks as the 17th largest airline in the world in terms of freight haulage and 17th in terms of productivity.

Service is launched to Toronto on April 2, **1986** as an extension of the Montreal route.

On April 17, a carefully concealed bomb, made up of 10 pounds of plastic explosive, is discovered at London (LHR) by El Al security men in a bag carried by an Irish woman, Anne-Marie Murphy. She is about to board a Jumbojet scheduled to leave for Tel Aviv as Flight 16, with 340 passengers. The plane departs without her.

The next day, British police arrest Mrs. Murphy's fiancé, Jordanian Nezar Hindawi, after she tells them that it was he who took her to the airport and gave her the bag. Murphy is released on April 19 after two days of questioning, but Hindawi is held. On April 21, Hindawi's brother is arrested in West Germany in connection with an April 5 discotheque bombing, which triggers an American air raid on Libya.

A tentative agreement is reached between the machinists and the airline on May 30 after Prime Minister Peres and AFL-CIO President Lane Kirkland intervene to end the job action. Acceptance of the agreement is ratified by union membership on July 14.

As a conveyer belt is loading suitcases and other luggage into a B-747-258B being prepared at Madrid's Barajas Airport on June 26 for a service to Tel Aviv, a bomb in one of the pieces of baggage explodes; a total of 13 people are injured, three seriously.

Nezar Hindawi, the Jordanian involved in the April bombing plot, is convicted in London on October 14 and sentenced to 45 years in prison. The same day, the British government, charging there is evidence of Syrian complicity in the failed attempt, breaks off diplomatic relations with Syria, a move reciprocated the same day.

A B-707-458 is sold to **Deutsche Lufthansa, A.G.** for museum purposes on November 20.

Passenger boardings climb 4.7% this year to 1,511,500, but cargo is down by 1.3% to 670.1 million FTKs. The loss is \$6.7 million.

In terms of traffic and profit, **1987** is a good year for the carrier.

The company begins to target churchgoers in the U.S. for trips to the Holy Land, advertising tour packages on Pat Robertson's *The 700 Club*.

A B-747-238B, formerly flown by **Qantas Airways (Pty.), Ltd.**, is delivered to El Al on November 16 and the first B-757-258 arrives on November 25; it is placed in service to Brussels on December 20. Meanwhile, the second B-757-258 arrives at Tel Aviv from Seattle on December 17.

Passenger boardings for the year accelerate 13.3% to 1,707,366, freight soars to 139,000 tons, and, for the first time in a decade, a net profit is recorded: \$15.2 million atop a \$34.9-million operating gain. These figures are made on revenues of \$567 million.

After flying its last service between Madrid and Tel Aviv, a B-707-358B is sold to Jet Aviation Components and Aircraft on April 15, **1988**.

On May 7, a second B-747-238B is purchased from **Qantas Airways, (Pty.), Ltd.**; it will be leased back to its former owner for six months in September.

Also in May, the carrier records its longest nonstop flight, the 7,000-mi. Los Angeles-Tel Aviv service, traveled in 13 hrs. 41 min.

A third B-757-258 is delivered on July 19.

During the year, an agreement is signed with **LOT Polish Airlines, S.A.** for pooled service to Poland. Following the completion of an Israel-Hungary bilateral agreement, special nonstop flights to Budapest begin on November 12.

Airline employment is now 4,174. Freight grows to 146,000 tons, enplanements are level, and a second consecutive net profit (\$18.2 million) is reported.

Aeroflot Soviet Airlines and El Al officials secretly explore cooperation in January **1989**. Service is started to Stockholm on March 13, Bu-

dapest on March 27, and Warsaw on March 28. On April 11, operations are launched to Zagreb.

In late June, a B-757-258 brings injured to Israel from Yerevan, Armenia.

In August, the government announces plans for the airline's privatization.

Direct scheduled flights between Eilat and Europe, without an intermediate Tel Aviv stop, are expanded in October.

In the fall, an agreement is reached with the U.S. new entrant, **North American Airlines**, whereby the American carrier would act as an El Al feeder, employing two B-757s leased by the Israelis.

On November 18, the carrier closes off the transit route for thousands of Soviet Jews seeking to "vacation" in Israel because of a landing rights dispute with Cyprus.

In December, **Aeroflot Soviet Airlines** and El Al sign reciprocal authority agreements.

A total of 1.7 million passengers are flown on the year, along with 165,000 tons of cargo. Airline employment is 4,125 and the net profit is \$24.6 million.

On January 1, **1990**, with the Cyprus impasse resolved, the first charter flight is made to Moscow to begin airlifting Russian Jews to Israel in Operation Exodus.

On January 22, **North American Airlines** begins New York-Los Angeles B-757-230 flights pursuant to its agreement with El Al. In July, it is announced that El Al will purchase 24.9% shareholding of Daniel McKinnon's U.S. feeder, in a purchase worth \$400,000.

The airline is the major beneficiary of Mideast service suspensions by other carriers following Iraq's August 2 invasion of Kuwait.

On October 21, in the face of Mideast turmoil, the company introduces a television advertising campaign that relies on historical footage concerning the Zionist movement.

Tel Aviv to Prague and Berlin flights begin, also in October.

With the tourist season over, the company is able to shift some emphasis to cargo; two B-747-258s are converted to combis.

As a result of the crisis in Kuwait, the Israeli operator ends up the year with a huge 76% increase in passenger boardings to 3,109,357. Freight also does well, climbing 71.4% to 1.54 billion FTKs. A net \$14.1-million profit is earned.

Company employment inches downward by 0.4% in **1991** to 3,430 and the fleet now includes 4 B-747-258Bs, 3 B-757-258s, 2 each B-737-258As, B-747-258Cs, B-757-258ERs, B-767-258s, and B-767-258ERs, and 1 each B-707-358C, B-747-124F, B-747-238B, and B-747-258F. Orders are outstanding for two B-747-458s.

During Operation Desert Storm and the Iraqi Scud missile attacks of January and February, most of the fleet is kept away from its Tel Aviv base at night. With traffic down because of the Gulf War, President Harlev, long since confirmed in his post, again targets fundamentalist Christians in the southern U.S., offering them deep discount Holy Land tour packages.

During May 24-25, in Operation Solomon coordinated between the airline and the Jewish Agency for Israel, 14,200 Jews are airlifted to Israel from Ethiopia. Thirty-three company aircraft make a total of 10 flights each into besieged Addis Ababa after U.S. President George Bush personally obtains Ethiopian government permission for the evacuation. One B-747-258C, converted to a special "high density" seating configuration in 12 hrs., lands at Ben Gurion International Airport on the first day with 1,086 refugees aboard, a new world's record for passengers carried. During the flight, three babies are born aboard, with the births attended by cabin crew and doctors aboard.

Service is initiated to Moscow and St. Petersburg during the summer, while frequencies on other routes are increased. With the decades-old ban on flights over Soviet airspace lifted, El Al officials rush in their quest for routes to Beijing and other Far East destinations.

Business-class seating is increased. A frequent flyer program is established; however, a \$35 membership fee is charged and mileage awards must be accrued within a year.

A new 22,000-sq.-ft. cargo terminal is opened at Miami (MIA) in December that allows the carrier to expand its freight business into Latin America.

Customer bookings slip 0.9% to 1,750,670, but cargo is up by 5.8% to 991.48 million FTKs. Revenues increase 12% to \$877.6 million and a net profit of \$38.9 million is generated atop operating gain of \$30.7 million.

The workforce grows 3% in **1992** to 3,533.

It is revealed early in the year that, since 1989, over 400,000 Russian Jews have arrived at Tel Aviv; President Harlev now pledges that the airline will carry immigrants from any point in the world on 12-hr. notice.

Service from New York to Tel Aviv is expanded on March 29 from 8 to 11 weekly nonstops. Scheduled weekly flights begin to Riga (Latvia) and to the Anatolia region of Turkey in March, to Sofia (Bulgaria) in April.

On June 21 the number of frequencies between New York and Tel Aviv reaches 21 and, simultaneously, the route from Los Angeles to Tel Aviv is boosted from three weekly trips to four.

Weekly flights to Baltimore (BWI), Boston, Chicago, and Miami from Tel Aviv begin on June 22.

During the summer, the thrice-weekly roundtrip charter service to Nagoya is converted into scheduled frequencies.

In September, the company enters into a code-sharing agreement with **VASP (Viacao Aerea São Paulo, S.A.)**; the Brazilian carrier purchases blocks of seats on El Al return flights between Brazil and Israel.

While climbing away on an all-cargo service to Tel Aviv on October 4, Flight 1862, a B-747-258F with three crew and one passenger suffers the separation from its wing of the No. 3 engine and pylon. As the power plant is falling, it collides with the No. 4 engine, breaking it loose as well. Unable to recover and return to Schiphol Airport for an emergency landing, the Jumbojet crashes into a crowded 10-story apartment complex in the Bijlmermeer section of Amsterdam. All aboard the freighter are killed, along with 47 people on the ground. This is the first crash in the Israeli company's 44-year history (excluding the L-049 shot down in 1955) and the worst in The Netherlands history.

The British Broadcasting Corporation will report on October 1, 1998, that the freighter was transporting a shipment of the chemical dimethyl methylphosphonate (DMPP) used in building materials and, on a more sinister note, in the manufacture of the nerve gas, sarin. The chemicals, from a Pennsylvania concern, were headed for the Israel Institute for Biological Research in Ness Ziona, near Tel Aviv. Although Dutch government officials were told of the chemical in the shipment, Israeli officials will deny rumors of them. Denials will not be disproved until newspapers in The Netherlands publish the plane's documents six years later.

The U.S. southwestern market is opened on October 20 in cooperation with **North American Airlines**. Passengers checked in at Dallas (DFW) receive security and are flown to New York (JFK). There they transfer directly to an El Al flight at the next gate for a final leg to Tel Aviv. The return service operates similarly, in reverse.

Passenger boardings rise 11.8% to 1,950,319 as freight falls 6.1% to 928.15 million FTKs. Revenues swell 6.8% to \$937.8 million and the operating surplus is \$33.8 million. There is a net gain of \$31.5 million.

The employment gains made the previous year are all but lost in **1993** when the payroll is cut 2.9% to 3,430.

The fleet of President Harlev and Vice President-Operation Amos Amir now includes 5 B-757-258s, 3 each B-747-258Bs and B-757-258s, 2 each B-737-258As chartered to **Arkia Israel Airlines, Ltd.**, B-757-258ERs, B-767-258s, B-767-258ERs, and 1 each B-707-358C, B-757-147F, B-757-238B, and B-747-228F leased from **Cargolux Airlines International, S.A.** Everything having to do with passenger and customer services is combined into a single large department under the leadership of Vice President-Customer Services Daniel Kesten.

Destinations served in North America include New York, Los Angeles, Miami, Montreal, Boston, and Toronto. Flights are also made to the international markets of Amsterdam, Antalya, Athens, Bangkok,

Barcelona, Beijing, Berlin, Bombay, Brussels, Bucharest, Cairo, Cologne, Copenhagen, Johannesburg, Manchester, Marseilles, Moscow, Munich, Nairobi, Paris, Rome, Vienna, Warsaw, Zagreb, and Zurich. As in previous years, many of the regional destinations are offered as continuations from Tel Aviv.

On October 18, the carrier begins to mount special safety cameras on all of its aircraft.

Privatization fails to occur on schedule.

Customer bookings increase 10% to 1,874,000 while cargo jumps 5.4% to 790.93 million FTKs. Net profit falls to \$7.7 million.

The number of employees is increased by 3% in **1994** to 3,533 and the first B-747-458 is delivered in April, followed by the second at the end of May.

The U.S. DOT proposes, on June 2, the reduction in the number of El Al flights between New York and Israel in retaliation for the Israeli government's refusal to allow **World Airways** to fly the same route.

Transport Minister Yisrael Kessar announces on June 6 that, after the airline is removed from its 13-year-old receivership in October, the government will divest 51% of its stake, as shares will be sold on the Tel Aviv and overseas stock exchanges. The government itself will retain a "golden share" to protect vital state interests while special stock purchase rights will be offered to employees. This scheme is delayed by government bureaucracy.

Plans are also made to extend the route network to New Delhi, Seoul, and Milan and flights begin to Hong Kong.

Late in the year, the company joins with **Air Holland Charter, B.V.**, to form the joint venture charter airline **Starling Airlines**. Owned 52% by the Netherlands carrier and 48% by El Al, the new entrant will begin flying inclusive-tours to Mediterranean destinations with **Air Holland Charter, B.V.** aircraft early in the new year.

Passenger boardings jump 15.7% to 2,481,291 while freight rises by 7.8% to pass the one-billion mark at 1.03 billion-ton kilometers. Revenues swell 11.7% to \$1.05 billion and operating expenses jump just 10.3% to \$1.03 billion. Consequently, an operating gain of \$16 million is shown while net profit grows to \$14 million.

There is no change in the workforce during **1995**.

The receivership ends in February, when Yosei Ciechanover, former chief of the Israeli Discount Bank, is appointed to lead a new board. In addition to the company's two weekly roundtrips from Tel Aviv to Newark via London, El Al initiates a nonstop service from Tel Aviv to Newark on March 26.

On June 12, weekly nonstop roundtrips commence between Tel Aviv and Chicago (ORD) and Miami. Additional frequencies are initiated to Milan, St. Petersburg, and Los Angeles. The number of weekly B-747-258B flights to New Jersey is increased to four on June 18 with the addition of a second nonstop roundtrip.

During the winter holiday season, flights are offered to Tel Aviv from Atlanta, Dallas, and Orlando via New York (JFK).

Weekly service between Tel Aviv and Tashkent, Uzbekistan, begins on November 1.

Enplanements accelerate 18% to 2,928,804 and cargo continues its climb, up 13.7% to 1.17 billion FTKs. Operating income swells 17.5% to \$1.21 billion and a net \$15-million profit is recorded.

Airline employment is reduced by 3.6% in **1996** to 3,407.

The all-owned fleet includes 4 B-757-248ERs, 3 each B-747-258Bs, B-747-258Cs, B-747-458s, and B-757-258s, 1 of which is chartered to **Arkia Israel Airlines, Ltd.** Also operated are 2 each B-767-258ERs, B-747-245Fs, and B-737-258As, with Arkia also leasing one of the latter, plus 1 each B-727-147F, B-747-238B, and B-767-258.

On March 17, President Harlev resigns over the government's failure to privatize the carrier. Also in March, **Arkia Israel Airlines, Ltd.** DHC-7-102s take over El Al's scheduled flights to Cyprus.

Daily commercial service is inaugurated between Israel and Jordan on May 25 in cooperation with **Royal Jordanian Airlines**.

When the summer season begins on June 1, the company introduces new weekly nonstop roundtrip frequencies from Tel Aviv to Atlanta,

Orlando, and San Francisco. The company is now the only carrier offering nonstops from Tel Aviv to Miami, Chicago, and Los Angeles.

On July 10, the carrier inaugurates Tuesday over and Wednesday back nonstops between Tel Aviv and Atlanta, just in time for the Summer Olympic Games.

A block-seat and code-sharing agreement is signed with **Finnair O/Y** in July covering services on a route from Tel Aviv to Helsinki.

During October, Joel Feldschuh, Champion Motors CEO and close friend of the new prime minister, Benjamin Netanyahu, is named president.

On November 1, the company prepares to join with **American Airlines** in offering dual-designator flights from Tel Aviv to Newark and Chicago and domestic code-sharing on American frequencies beyond those gateways to Miami and Los Angeles. The alliance becomes embroiled in U.S.-Israel politics and is not effected.

Customer bookings dip 1.6% to 2,880,596 but 1.19 billion freight FTKs are operated, a 1.2% increase. On \$1.2-billion operating revenues, the previous year's net gain becomes an \$83-million loss. Much of the loss is laid to monetary problems and higher fuel costs.

The employee population is reduced by 2.3% in 1997 to 3,443.

In January, President Feldschuh announces that the airline is in a negative cash flow situation. Consequently, 150 permanent staff are laid off (the first staff cuts since 1982) and a 7% salary increment is postponed.

As the basis for a package tour from Histour-Altiv, El Al in February offers roundtrip fares of \$617 to the U.S., \$343 for night flights to London, Paris, Amsterdam and Rome, and \$409 for day flights to these and a host of other European destinations.

In the wake of the huge 1996 net loss, the board of directors on April 1 orders President Feldschuh to prepare a detailed strategic recovery plan. Components of the plan include improved customer service, a separate profit center for cargo, conclusion of the **American Airlines** alliance, fleet renewal, and a renewed effort to overturn the 15-year-old government ban on operations during the Jewish Sabbath. The principal arguments against the latter are financial; the company is losing \$50 million in profits per year by having a billion dollars worth of equipment idle for 2½ days per week.

While a government panel works to determine the best method and timing for privatization, the issue of flights on the Jewish Sabbath reemerges. Transport Minister and orthodox Jew Yitzhak Levy announces plans to find a way to limit Sabbath operations into and out of Israel by foreign carriers as a way of keeping El Al grounded from dusk on Fridays to dusk on Saturdays. No such action will be possible.

Also in April, the airline joins with the Indian travel agency JTB Travels to market El Al's holiday product "Top of Israel," throughout the subcontinent. The product offers a selection of packages that may be paid for in rupees.

A government panel recommends on June 2 that Israel sell off its entire shareholding in a 1998 offering; 10% shareholding would be allowed to company employees at a discount with the remainder sold to the public. Following privatization, the new shareholders would be allowed to vote on whether or not to retain the ban on Sabbath service.

On June 10, national aviation officials agree to allow **Tower Air** to begin new roundtrips from New York to Tel Aviv during the summer. In return, the U.S. DOT grants the Israeli carrier permission to operate up to eight monthly roundtrips from Tel Aviv to Baltimore (BWI).

At the end of July, President Feldschuh provides additional information on company privatization plans. Sometime within the next 18 months, the company will go private by trading all of its stock at one time on the Israeli stock exchange, with no limitation on international ownership. The only requirement seen is that company management must remain Israeli. In addition, plans for fleet modernization and service upgrades are also communicated.

Aimed at leisure travelers, The Loyal Traveler Club frequent flyer program is introduced during the fall. It complements the company's principal mileage award plan Matmid ("steady") already in place.

It is noted in a letter in the September-October 1997 issue of *Airways* that El Al now flies one of the longest routes in the world. Its weekly

eastbound-only, 7,575-st.-mi. nonstop from Los Angeles to Tel Aviv is flown during the northern summer season in 15 hrs. 35 min.

Company management in October issues a "vision statement" designed to excite employees to the possibility of vastly improved customer services. As part of the concept, all will attend "quality service" workshops. It also begins to upgrade its first-class and business-class seating. First-class passengers will receive complementary ground transport between Ben Gurion International Airport and Israel's major cities.

Having previously only hired male ex-Israeli Air Force pilots, the company on December 1 agrees to accept applications from both men and women, including those who have not served in the military.

On December 12, a large fire breaks out at Terminal One of London (LHR) causing cancellation of several company departures.

Passenger boardings total 2,896,000 while freight inches up 1.1% to 1.104 billion FTKs. Operating revenues accelerate 2.1% to \$1.22 billion, while expenses decline 3.7% to \$1.2 billion. Although a welcome \$13.5 million operating profit is generated, there remains a \$57-million net loss.

Airline employment stands at 3,417 in 1998 and the fleet, all of which is Stage III certified, includes 26 airplanes: 13 B-747s, 9 B-757s, and 4 B-767s.

Plans are announced in January for the possible purchase of up to five Next Generation B-737-700/800s.

During the first quarter, new Transport Minister Shaul Yahalom insists on maintenance of the revenue-crippling ban on Sabbath flights and kills another privatization proposal that does not contain it.

All El Al flights between Israel and the U.S. become nonsmoking on March 1. In March, the company, together with **Arkia Israeli Airlines, Ltd.**, begins discussions concerning the formulation of a joint low-fare company for charter services. Such an operation would offer the two carriers a chance to "get around" the government's Sabbath restrictions.

A previously announced order is confirmed in April for two Next Generation B-737-700s and three B-737-800s. At the same time, the company wet-leases a McDonnell Douglas MD-11 from **World Airways** to supplement its own fleet during the busy summer tourist season. In the United States, meanwhile, affiliate **North American Airlines** places its own B-737-8Q8, chartered from International Lease Finance Corporation (ILFC), into service on its regularly scheduled El Al sub-service flights.

On June 2, it is reported in the newspaper *Haaretz* that the government will privatize 49% of the state carrier and conduct a stock sale on the Tel Aviv Stock Exchange in the near future. Meanwhile, the Finance Committee of the Knesset, Israel's parliament, appoints a special sub-committee, chaired by Amnon Rubinstein, to review and track the process.

As of July 1, all El Al flights, worldwide, are smoke-free.

At a meeting of the Knesset Finance Committee's privatization sub-committee on July 22, Chairman Ciechanover reveals that the U.S. DOT is imposing difficulties on the company. It is withholding approval of El Al's planned strategic alliance with **American Airlines** unless Israel agrees to allow U.S. carriers to fly unrestricted into Israel, including on Saturdays. At the same time, the chairman notes that **Deutsche Lufthansa, A.G.** has also refused to enter into a code-sharing agreement because of El Al's Saturday flight ban.

In the *News*, the Internet news roundup from M2 Communications, reports on August 26 that the company will hire flight attendants aged over 30 "for the very first time."

To mark the Jewish Day of Atonement, all airports and businesses in Israel are closed on September 30.

Weekly B-767-258ER roundtrips from Tel Aviv to New Delhi commence on October 27.

Employing an ex-**Cargolux Airlines International, S.A.** B-747-271Cs, **Atlas Air**, with whom the El Al's cargo division has signed a long-term contract, begins to fly transatlantic air freight services at the end of the month on behalf of El Al.

On November 9, the carrier becomes the first in the world to provide money-changing services in-flight. The Fly&Change service, offered on select flights from Tel Aviv to Paris, London, Frankfurt, and Zurich, allows passengers to purchase up to \$500 worth of the local currency of their destination.

Enplanements for the year inch up 0.4% to 2.92 million, while freight traffic falls 1.2% to 1.22 billion FTKs. Revenues rise 1.9% to \$1.24 billion, while costs dip 0.2% to \$1.2 billion. The operating profit climbs to \$38.7 million, while a net \$22.7-million profit is reported.

On January 12, 1999, the U.S. Supreme Court, rules that international air passengers cannot force airlines to pay damages under local laws for injuries not covered by the Warsaw Convention's Montreal Protocol No. 4, ratified by the U.S. during the previous fall. The 8-1 decision in *El Al Israel Airlines v Tseng*, 97-475 throws out the \$5-million New York State case of clinical nutritionist Tsui Yuan Tseng against El Al. The litigant claims she was inappropriately touched by a female security officer during a May 1993 preflight body search at New York (JFK).

The continuing prohibition against flights on the Jewish Sabbath brings a government investigation of alleged violations early in February. El Al's lawyers ask Israeli Attorney General Elyakim Rubinstein on February 8, to begin legal steps to end the government ban on its flying on Shabbat, the Jewish Sabbath.

After El Al publishes advertisements claiming it is being discriminated against because of the no-fly rule, Israeli Transport Minister Yahalom receives complaints that the flag carrier has been transporting cargo to Europe on the Sabbath using flight numbers of the privately owned **CAL Cargo Air Lines, Ltd.** to which it leases aircraft. These charges come just days before Yahalom is to decide whether or not to follow an earlier special panel recommendation to grant CAL its own license to fly in competition with El Al. In an attempt to thwart El Al's efforts to block it from getting its own license to fly scheduled freight operations, **CAL Cargo Air Lines, Ltd.** offers a Shabbat compromise. In return for authority, it will respect the status quo and not launch new flights on the Jewish Sabbath.

A B-747-258B overshoots the runway while landing at Amsterdam on February 9; the accident occurs in slippery conditions and results in the Jumbojet's nose gear sinking into the ground off the pavement. The incident has a greater impact on **KLM (Royal Dutch Airlines, N.V.)**, forced to cancel 25 intra-European and 4 intercontinental flights before the runway can be reopened.

On February 10, the airline again asks the Israeli Attorney General to allow the airline to fly on the Sabbath. Given that non-Jewish carriers are able to operate on the Sabbath, El Al believes itself to be the victim of discrimination. Also, in light of the Transport Ministry's recent ruling that El Al is not Israel's sole international airline, the major requests that a three-year waiting period be granted before other Israeli carriers are allowed to compete with it on international routes.

With citizens having complained for years about chronic illnesses, the parliament of The Netherlands opens an investigation into the 1992 crash of an El Al freighter at Amsterdam. As a result of the hearings and constant local media attention to the disaster, the company's offices in The Netherlands have begun to receive an increasing number of anti-Semitic phone calls and slurs. On February 11-12, Israeli Transport Minister Yahalom and El Al President Feldschuh demand that Holland's government take immediate steps to halt the attacks on the carrier before something serious occurs. Feldschuh also indicates that the airline is considering a reduction in the number of its flights to The Netherlands because of the "anti-Semitic atmosphere" in that country.

Although the cutback does not occur, the airline has suffered a public relations disaster in Holland. To help improve its tarnished image, the carrier, on February 18, launches a massive media offensive of its own. It even has a name: "Facts and Fiction, October 04, 1992." The next day, *The Jerusalem Post* reports that the airline has found a cargo manifest supporting its account that the Boeing 747F that had crashed at Amsterdam six years earlier was not carrying any dangerous substances.

Workers from El Al petition the Israeli Supreme Court, also on February 19, to reverse the government's decision forbidding the airline from flying on Shabbat and Jewish holidays.

It is announced on February 22 that the carrier will inaugurate twice-weekly roundtrips on June 21 between Rome and New York (JFK).

The first of three B-737-858s is delivered on February 24 in ceremonies held at Seattle.

Two flights from Tel Aviv to New York (JFK) must be cancelled on March 7 when the aircraft crews call in sick.

On March 12, Dutch Deputy Prime Minister Annemarie Jorritsma publicly accuses Israel of attempting to block her government's investigation of the 1992 Jumbojet crash. It has been claimed that El Al has held back documents showing the Boeing freighter was flying components for poison gas in its cargo.

Having received warnings from security agencies of a possible terror attack by Kurdish separatists against the airline in Istanbul, El Al cancels its March 19 service to and from Tel Aviv. Approximately 80 passengers with tickets to board those flights are referred to other airlines.

The U.S. Customs Service, on March 22, approves the release of the house airway bills, a written contract between a New York consolidator and its client made without the airline's involvement, which, in fact, the airline did not have in its files. Tipped to this development, the Dutch parliament agrees to a committee request to postpone publication of its findings in the 1992 disaster from March 31 to April 22. On March 26, El Al holds a press conference to announce that it is turning the long-sought airway document over to authorities in The Netherlands. It is now expected to be completely cleared of any allegations of cover-up or wrongdoing in the 1992 Amsterdam disaster.

Israel offers support to NATO, which, on March 24, had begun an aerial assault on Yugoslavia designed to change Belgrade's policies toward the ethnic minorities in the province of Kosovo. As refugees stream into Macedonia and Albania following the start of Operation Allied Force, a field hospital is sent to Skopje.

The company now celebrates its fiftieth anniversary. A new color scheme is unveiled, with a former **Air France** B-767-27EER the first to wear the new livery.

The carrier is appointed by the Vatican as its "Official Airline to the Holyland" for the year 2000. Arrangements are made to commence bi-weekly nonstop service from Rome to New York this summer. For American tourists en route to Israel, a free stopover at Rome will be provided.

Under contract, a B-737-258A is dispatched to Skopje with supplies on April 12 and ferries back 112 ethnic Albanian refugees to Tel Aviv.

The April 19 issue of *Business Week* reports that The Boeing Company and Airbus Industrie are both intensely lobbying the airline, which will choose a Next Generation long-haul aircraft at month's end, either the B-777 or A330/340.

A fourth B-747-458 is delivered at Seattle on May 1; Executive Vice President Mensale Terem, accompanied by the first flight attendants to wear the airline's new uniform, presides over the christening of the *City of Jerusalem*. The Jumbojet will be dedicated to the nonstop transatlantic routes to New York (JFK/EWR) and Los Angeles.

Having already begun marketing its Rome stop, company officials are somewhat surprised when, at the beginning of May, the Italian civil aviation authority prohibits the carrier's flights between New York and Tel Aviv from unloading or picking up passengers at the Eternal City. Under the impression that the flights would be possible under a previous air agreement, El Al appeals to the Italian courts on May 13 to overturn the decision.

First announced on April 27, a reciprocal frequent flyer agreement with **American Airlines** takes effect on May 17.

On May 21, the Israeli government requests that the carrier delay its decision concerning a \$900-million purchase of new aircraft.

A block-seat code-sharing agreement is signed with **LOT Polish Airlines, S.A.** on August 30. Under its terms, the two will sell seat groupings on each other's scheduled services between Warsaw and Krakow and Tel Aviv beginning in mid-September.

During the fall, officials of the airline weave back and forth attempting to decide whether to purchase Airbus or Boeing equipment. In a meeting with Israeli Foreign Minister David Levy on December 8, U.S. Secretary of State Madeleine Albright is blunt. It will be difficult, she reports, to obtain additional congressional funding for Israel if El Al spends its reequipment money in Europe rather than America. The next day, El Al signs a recently offered proposal from Boeing under which the flag line will expend \$400 million for three B-777-285ERs, which will be delivered in 2001.

The last of five Next Generation B-737-858s to be received this year is delivered on December 14.

Passenger boardings climb 7.3% to 3,139,000 while freight traffic falls 8.5% to 1.09 billion FTKs. A steep rise in fuel costs forces the net profit down to \$10 million.

The workforce at the beginning of 2000 totals 3,539. In an effort to attract additional Arab customers, the carrier announces, on January 6, that it will name one of its three new B-777-285ERs *Nazareth* after the largest Arab city in Israel.

A code-sharing agreement is signed with **Swissair, A.G.** on February 4 covering frequencies by the two airlines between Switzerland and Israel. At the beginning of March, company officials meet with executives of **Tower Air** to discuss ways in which the Israeli carrier, through cooperation or investment, can help the financially distressed U.S. carrier, which was forced to file for Chapter XI bankruptcy on February 29. No decisions are immediately taken.

Operating as Flight 2000, the carrier's newest B-747-458, flown by Capt. Avraham Tirosh and Flight Officer Barak Reshef, transports Pope John Paul II back to Rome on March 24 following his Holy Land pilgrimage; the Pontiff had arrived in Israel, per tradition, via **Alitalia, S.p.A.** First- and business-class service on the flight is provided by an Italian-speaking El Al cabin crew of 19 Jewish, Christian, and Muslim flight attendants.

The code-sharing agreement with Swissair begins on March 26 and is implemented on the thrice-weekly Swissair roundtrips between Geneva and Tel Aviv and the 14 return flights made by the carrier from Zurich and Tel Aviv. Also included are the six-times-a-week El Al roundtrips between Tel Aviv and Zurich and the thrice-weekly return flights from Tel Aviv to Geneva.

The March 30 issue of the *Al-Itihad* newspaper reports that the Israeli government has begun subsidizing up to 50% of the cost of tour packages for those Israeli citizens wishing to visit various approved Arab countries, particularly Qatar and Oman, in cooperation with selected foreign tourist agencies. El Al and **Royal Jordanian Airlines** immediately begin to compete for this new Jewish business, with the former cutting its tariffs by up to a third.

To pick up the slack in Israel-U.S. frequencies caused by the termination of scheduled service by **Tower Air**, El Al, on June 18, boosts its weekly North American return service from 21 to 33, with 27 of the frequencies operated into either Newark or New York (JFK). Many are operated under contract by **World Airways**.

While en route from Newark to Tel Aviv on the evening of July 18, Flight 18, an MD-11 operated under contract by **World Airways**, is forced to divert to Gander after 19-year-old passenger Daniel Neuhaus becomes abusive toward other passengers and locks himself into a lavatory, where his smoking sets off an alarm. The crew and a doctor are unable to successfully calm the youth and rather than face a transatlantic flight with the unruly customer, the pilot puts down in Canada. RCMP board the plane and escort Neuhaus to jail, where he is charged with disorderly conduct and marijuana possession.

A marketing and code-sharing agreement is signed with **Austrian Airlines, A.G.** on July 14; dual designator services are scheduled to begin on November 1.

On August 7, a memorandum of understanding is signed with **Delta Air Lines** concerning the intended outcomes of marketing coordination discussions currently under way. It is hoped that code-sharing between the two carriers can be implemented by next April.

CEO Joel Feldschuh resigns on September 1 (effective November 1), criticizing the government of Prime Minister Ehud Barak for failing to follow through on its plans to privatize the airline. In response, Barak indicates that privatization will move forward and pledges to lift the ban on Sabbath flights. On September 10, Israeli Transport Minister Ammon Lipkin-Shahak hints that the carrier may soon receive government permission for the initiation of Sabbath flights. Ultraorthodox Jews threaten to boycott the carrier.

On September 26, **Thai Airways International, Ltd.** begins a block-seat, code-sharing agreement aboard El Al's four-times-a-week B-747-458 roundtrips between Bangkok and Tel Aviv.

Effective the following March 25, a code-sharing agreement is signed with **Delta Air Lines** on October 3. Under its terms, Delta will sell tickets for El Al's New York (JFK) to Tel Aviv service while El Al will place its code on Delta frequencies from New York (JFK) to Atlanta, Boston, Dallas (DFW), Denver, Phoenix, Salt Lake City, San Francisco, Seattle, and Washington, D.C. Service to Montreal ends on November 1.

In hopes of beginning B-777 flights in 2001, the carrier undertakes route proving flights to Japan in October.

The fall's long Palestinian uprising, which begins in October, has a fatal impact upon the nation's incoming tourist industry. Visitors stay away by the thousands during the holidays, causing devastating economic losses for all involved.

To make matters more confusing, David Hermesh, an executive with the Israeli Discount Bank chosen by the board of directors on October 20 to succeed CEO Feldschuh upon his November 1 departure, encounters political opposition. While the matter of his succession is sorted out, Arie Fruchter becomes acting CEO.

El Al is among the state concerns badly impacted by the Palestinian situation. At the end of the year, the company forecasts huge losses: \$120 million (operating) and \$50 million to \$70 million (net). To prevent the situation from eroding further, the board of directors approves a new business plan.

The board's new strategy envisions a more focused network strategy with fewer flights on thin routes and saved capacity placed on high-yield services. A few unnamed routes will be dropped and some 300 employees will be laid off under a special compensation program. As the new B-777-258ERs begin to arrive in January (the first is scheduled for delivery on January 29), three wide-bodies will be phased out early, two B-747-258Bs and the B-767-258.

There is also discussion of a plan to purchase up to 20% of Knafaim, the holding company for **Arkia Israel Airlines, Ltd.**, and the joint establishment of an airline group with Arkia as the low-cost arm and El Al the medium- to long-haul arm. No action on this concept will be taken until the new year.

ELAN AIR: United States (1981-1982). Elan Air is established by Milton Marshall and George Flavell at Boston's Logan Airport in July 1981 to operate charter passenger and freight services with a single Douglas DC-8-55 leased from **Overseas National Airways (2)**.

Start-up comes only a month or so before the PATCO air traffic controllers' strike and subsequent ATC restrictions. As a result, the company is only able to transport 4,000 passengers in three flying months of flights to the Caribbean. It sustains losses of \$929,000 on revenues of \$522,000.

Operations are suspended in December and Chapter XI bankruptcy reorganization is sought in March 1982. The company does not restart, even after founder Marshall makes a second attempt (in 1984) to do so.

ELBEE AIRLINES, LTD.: Lower Level, Airline Office Complex, Opposite 1A Terminal, Santacruz Airport, 75 Nehru Rd., E. Vile Parie, Bombay, Maharashtra, 400 099, India; Phone 91 (22) 823 7006; Fax 91 (22) 822 7201; Code LBE; Year Founded 1994. Having acquired an air taxi operator certificate, Elbee Services establishes an airline division at Santacruz Airport, Bombay, in December 1994 to offer domestic charter all-cargo services. Shareholding is divided between

Elbee Services (46%), CCLB Aviation Holdings (46%), and company employees. Ashis Nain is named CEO with Capt. R. A. Williams as head of operations; a workforce of 295 is recruited.

In May 1995, two Fokker F.27-200s are purchased from **Viking Air** and are employed, beginning in June, to fly freight to Ahmedabad, Bangalore, Calcutta, Delhi, and Madras.

Two more Friendships are purchased in the summer of 1996 and begin scheduled freight service in October. A total of 9,000 FTKs of cargo are flown during the year.

Destinations visited in 1997 include Bangalore, Chennai, Delhi, and Bombay.

Just after takeoff from Bombay on a July 3 all-cargo service to Bangalore, an F.27-200 with three crew crashes onto Madh Island; there are no survivors.

By 1998, the airline employs 198 workers and operates three Fokker F.27-200s. Plans are made to form a joint-venture operation with **UPS (United Parcel Service)**.

The two Dutch-made turboprops maintain services in 1999–2000.

ELDERS COLONIAL AIRWAYS, LTD.: Gold Coast (1935–1940). To provide a feeder service between its shipping docks at Takoradi and the Imperial terminal at Kano, the Elder-Dempster Steamship Lines, Ltd. and **Imperial Airways, Ltd.** form ECA at Takoradi on November 7, 1935. Shareholding is divided on a fifty-fifty basis.

Employing a de Havilland DH 86 provided by the British flag carrier, an experimental airmail service is operated between Lagos and Accra on August 13, 1937. The return flight is made the next day.

Regularly scheduled, twice-weekly DH 86 Lagos to Accra service is inaugurated on October 10, with the return flight completed the next day. These flights “feed” the **Imperial Airways, Ltd.** service to England and South Africa. The first acceptance of mail at London for this service occurs on October 14.

A Short Scion Senior flying boat is sent by sea to Bathurst in early 1938; reassembled, it is employed to launch Bathurst to Freetown service on June 24 via Conakry, Bolama, and Bissau. Return flights commence two days later. Designed to feed a proposed **British Airways, Ltd.** (1) South American route, which does not materialize, the frequency will actually support **Deutsche Luft Hansa, A.G.** instead.

An experimental Lagos–Takoradi service is started on April 4, 1939 and on July 15 the Bathurst–Freetown service, having proven a fiscal loss, is withdrawn.

The Shorts Scion Senior sinks at its Bathurst anchorage in August. With the advent of World War II on September 3, no effort is made to supply another flying boat or restart the service.

On June 14, 1940, Elders Colonial Airways suspends operations.

ELDORADO, LTDA.: Bolivia (1980–1994). This one-plane ad hoc freight operator is begun at La Paz in 1980. Employing a single Curtiss C-46 Commando, the company begins and continues hauling varied cargo for the next 17 years.

ELF AIR (ELF AIR TOO): Zhukovsky-5, Zhukovsky Lip, Moscow Region, 140160, Russia; Phone 7 (095) 556-2358; Fax 7 (095) 253-9285; Code E6; Year Founded 1993. Elf Air is established at Moscow in 1993 to provide regional and international passenger services. V. M. Byshouev is president and his single Tupolev Tu-134 is employed to initiate revenue flights linking the company’s base with Nikolaev, Sharjah, and Delhi.

Moscow and Vnukovo join the route network in 1994.

Flights continue in 1995–1999, and the fleet grows to include 3 Tu-134s, 4 Ilyushin Il-76s, and 1 each Il-18, Antonov An-12, An-26, and Yakovlev Yak-40.

While en route from China to Moscow via Irkutsk and Perm on July 26 of 1999, an Il-76TD with seven crew fails its takeoff from Perm and crashes into a forest four km. from the end of the runway. Two aboard receive serious injuries, while the remaining five are not badly hurt.

It will be reported in the Russian media on August 3 that the aircraft, which Elk had been flying on behalf of the Russian Defense Ministry was, according to specialists, carrying an extra 10 tons of cargo (confectionary items from Beijing) and 5 to 10 tons of extra fuel. That, and not the short field as claimed by the Ilyushin’s pilots, proves the cause of the accident.

ELICOTTERI TOSCANI (ELITOS), S.p.A.: Italy (1966–1996). Elitos, S.p.A. is established at Florence in 1966 by a group of aviation professionals led by Gian Blower and businessmen. Employing a Hiller, local charters to destinations in the Appenine Mountains are operated. Operations continue apace during the remainder of the decade.

In the early 1970s, the company leases an Aerospatiale SA-319 Alouette III through the French operator **Heli-Union, S.A.** At this time, Elitos begins to pursue offshore oil markets, which will come to make up 90% of its business. As the decade progresses, company officials elect to use only twin-engine helicopters in its work; to obtain them, the carrier is recapitalized and Heli-Union becomes a 29% shareholder. Forward operating bases are established along the Adriatic coast at Ancona-Falconara and Pescara and on the island of Sicily at Trapani and Syracuse.

As the 1980s dawn, Elitos undertakes offshore work for Agip, S.p.A., the Italian state oil company, off South Yemen and Somalia. The company also becomes the first commercial operator in Europe to fly the Aerospatiale SA-330J Puma. In addition, a leased BO-105CBS is chartered by the Italian tourist bureau between November and April to operate a heli-skiing operation; the remainder of the year, the helicopter is contracted for forest fire fighting in Sardinia.

In 1984, a total of 6,428 revenue hours are flown, bringing the 8-year total to 62,321. During 1985, a new operations center is opened at an airport outside of Florence. In addition, a new avionics lab is launched that will allow it to do third-party electronic repairs.

In 1986, the company employs 135 workers, including 39 pilots, and the fleet now features 6 SA-330J Pumas and 1 each BO-105CBS, Augusta A-109, Bell 222, and Bell 412.

Operations continue apace over the next decade. By 1994–1996, Managing Director Riccardo Bacichi’s fleet includes 2 Augusta 412s and 5 A109As.

Operations cease in 1996.

ELIIP FLIGHT TEST & RESEARCH CENTRE (ERMOLIN-SKOE LETNOE ISPITAELO-ISSLEDOVATESLSKOE PREO-PRIYATIV): Balabanovo, Kaluga Area, Borovski Region, Emolino, Central Regions Zone ATD, 249000, Russia; Phone 7 (095) 546-3493; Fax 7 (095) 546-2506; Year Founded 1994. A longtime Russian flight-test research center, Eliip is allowed to begin flying regional and domestic cargo charters in 1994 in order to earn income. General Director Sergi Sevastyanov commences revenue services with an all-Antonov fleet unspecified as to number.

Flights continue in 1995–2000, during which years flight equipment comes to comprise 4 An-12s and 1 each An-24 and An-26.

ELISTA UNITED AIR DETACHMENT (ELISTINSKY OAO): Russia (1993–1995). EUAD is established at Kalmykia’s Elista Airport in 1993 to offer third-level passenger and cargo services to regional destinations. Victor I. Buganko is CEO and he initiates revenue flights with a Yakovlev Yak-40 and an Antonov An-2. Services cease in 1995.

ELITE AVIATION: 7415 Hayvenhurst Place, Van Nuys, California 91406, United States; Phone (818) 988-5387, Year Founded (818) 988-2111; <http://www.eliteavn.com>; Year Founded 1994. Elite is founded at Van Nuys in 1994 to provide executive and small group passenger charters worldwide. By 2000, the company employs 20 pilots and flies 4 Grumman G-1159 Gulfstreams and 1 each Canadair 601 Challenger and British Aerospace BAe (HS) 125-800 Hawker.

ELITICINO, S.A. See HELI-SWISS, LTD.

ELK AIR (ESTONIAN AVIATION COMPANY, LTD.): Eesti Vabariik, Majaka Str. 26, Tallinn, EE0014, Estonia; Phone 372 22 11 929; Fax 372 62 11 978; <http://www/elk.ee>; Code S8; Year Founded 1991. Elk Air is established at Tallinn on October 23, 1991 to offer both passenger and cargo services to international, regional, and domestic destinations on both a charter and scheduled basis. Rita Lillepuu is chairman/CEO, with Alexander Belousov as board chairman/president.

A workforce of 103 is assembled, together with a fleet of 3 Tupolev Tu-154Ms and 2 Let L-410s. Revenue flights commence on May 19, 1992 and continue during 1993–1998. Scheduled destinations visited include Turku, Helsinki, Riga, and St. Petersburg, while charters are mounted throughout Europe and the CIS.

Enplanements during the latter year total 13,000.

Airline employment stands at 89 in 1999.

The company is now run by the husband-and-wife team of Rita Lillepuu, board chairman, and Alexander Belousov, president. The fleet, which Belousov defends as adequate for the carrier's present requirements, comprises 1 Antonov An-26, 2 Let L-410UVPs, 1 Tu-154M, and 1 Tu-134A. These aircraft are employed on scheduled services to Moscow and St. Petersburg, as well as charters.

During the spring, a British Aerospace BAe Jetstream 31 turboprop joins the fleet. By fall, Belousov has changed his mind and has begun to advocate the need for Western-made jetliners. Plans are also made to open new routes within a year from Tallinn to Kiev, Riga, and Prague.

To provide needed housing for a more-modern fleet, construction is begun on a new hangar at Tallinn Airport in mid-November. It will join a fuel terminal also due for completion shortly. In order that already laid access roads and established offices might be employed, the complex is being built on the site of a factory.

Enplanements for the year total 11,000.

The size of the workforce is unchanged at the beginning of 2000.

On March 29, **Estonian Air Corporation, A.S.** cancels Elk's permission to operate a competing service from Tallinn to Moscow. In retaliation, Russian aviation authorities order Estonian flights halted, as Elk Air is a partner of **Aeroflot Russian International Airlines (ARIA)**. The dispute over flights to Moscow leads both companies on April 6 to suspend all service to the Russian capital from Tallinn.

On December 14, Chairman Lillepuu arrives at the office of the airline's president, her husband Alexander Belousov, and informs him of the board's decision to fire him. She orders her bodyguards to physically remove him from the premises. When the ex-CEO and his bodyguards attempt to reenter the offices later in the day, they are prohibited. The local press, in revealing these developments, also notes that Ms. Lillepuu's lieutenants will not even allow her husband to reenter their joint home to retrieve his clothes, mobile phone, or other personal belongings.

J. V. ELLIOT AIR SERVICE, LTD.: Canada (1926–1928). Former **Laurentide Air Services, Ltd.** pilot J. V. "Jack" Elliot forms his own company at Toronto in early 1926 to operate services in the Rouyn area. On March 6, from a base at Rolling Portage, Ontario, he undertakes the first airmail flight to the Red Lake gold mining region.

During the remainder of the year, a total of 587 passengers, 800 pounds of mail, and a ton of freight are transported.

Customers, express, and mail operations continue until the company is taken over by **Canadian Airways, Ltd.** in January 1928.

ELLIOT-FAIRCHILD AIR SERVICE, LTD. See CENTRAL CANADA AIR LINES, LTD.

ELLIS AIR LINES: United States (1936–1962). Formed by Robert E. "Bob" Ellis at Ketchikan, initially as **Ellis Air Transport**, in July 1936, this southeastern Alaskan carrier begins service on a Bristol Bay fisheries contract in a WACO YKS-6 cabin floatplane. In late summer, regu-

larly scheduled flights commence to Prince of Wales Island. In 1938, a rough hangar is set up, supported on logs.

Owner/chief pilot Ellis enters a copartnership arrangement with **Alaska Coastal Airlines** on May 27, 1939.

In January 1940, Ellis incorporates his company, one of the few in the world to operate exclusively from the water. Later, Gerald "Bud" Bodding is hired as the first pilot besides Ellis himself.

After Pearl Harbor is bombed by the Japanese on December 7, 1941, Ellis Air Lines is quickly downsized, as most of its fleet—2 WACOs, 1 Bellanca, and 1 Stinson—is sold to the U.S. Navy, for which Ellis now serves as a consultant. What remains of the Ketchikan operation is run on a very reduced schedule by Ray Renshaw.

CAB certification finally comes through on December 5, 1942.

Free from his USN responsibilities in September 1945, Ellis purchases a Grumman G-21 Goose in November and flies it to Ketchikan from Georgia. The remainder of the year is spent in modifying the aircraft and rebuilding the prewar service.

Early in 1946, the company is reformed and renamed Ellis Air Lines. Meanwhile, the Ellis and Alaska-Coastal operation receives federal approval to provide joint service on the Juneau–Ketchikan route.

Primarily amphibious operations continue apace during the remainder of the decade and into the 1950s, often in competition with the larger **Alaska Coastal Airlines**.

By 1955, Ellis employs 100 workers and operates a fleet of 13 aircraft, including 9 Geese. Larger destinations visited include Juneau, Wrangell, Petersburg, Sitka, Edna Bay, Annette, and Prince Rupert, in British Columbia. Flights are also made to many smaller island communities, on both a scheduled and nonscheduled basis.

The fleet of the small carrier in 1958 shows 13 G-21As and a single large landplane, a war surplus Curtiss C-46 Commando.

In 1959, a Consolidated PB5Y-5A Catalina is acquired.

A G-21A is destroyed in a bad water-landing at Cape Pole on March 29, 1960; all three aboard are hurt.

A G-21A with six aboard is badly damaged in a hard landing at Prince of Wales Island on October 24, 1961.

Following negotiations, Ellis is formally merged into **Alaska Coastal Airlines** on April 1, 1962.

The reborn company is known as **Atlantic Coastal-Ellis Air Lines**. Bob Ellis will recall his airline's activities in his memoirs, *What . . . No Landing Field?* (Haines, Alaska: Lynn Canal Publishing Co., 1969).

ELLIS AIR TAXI: P.O. Box 106, Glenallen, Alaska 99588, United States; Phone (907) 822-3368; Fax (907) 822-3368; Year Founded 1983. Ellis Air Taxi is established at Glenallen, Alaska, in the fall of 1983 to provide scheduled passenger and cargo services. Equipped with Cessna lightplanes, revenue flights commence in November over a circular route from Gulkana to Gulkana via McCarthy, May Creek, and Chisana.

Operations continue apace for the next 17 years. In 2000, President Harry L. Ellis operates a fleet that includes a Cessna 185, Cessna C-206, and a Piper PA-31-310 Navajo.

ELROM AVIATION, LTD.: Beersheba, Israel; Year Founded 1968. Founded at Beersheba in 1968, Elrom undertakes charter and air taxi flights into the Negev and, with a fleet of 5 Piper PA-34 Senecas and 2 Cessna 172s, continues to offer scheduled services linking its base with Haifa and Elat.

EMBRY-RIDDLE COMPANY: United States (1925–1932). On December 17, 1925, John Paul Riddle and T. Higbee Embry form a Fixed-Base Operation (FBO) bearing their name at Cincinnati's Lunken "Sunken Lunken" Airport. Initial capitalization is \$10,000 and income is also received from the company's distribution contract with the Fairchild Aviation Corporation.

When the U.S. Post Office requests bids for Contract Air Mail Route No. 24, Cincinnati–Chicago via Indianapolis in July 1927, the partners

place an offer. The opportunity is duly won and the company's three WACO 10 biplanes are employed to inaugurate the route, complete with several passengers and some air express, on December 17, the twenty-fourth anniversary of the Wright Brothers' first flight.

Operation of the mail route proves more costly than had been anticipated and the partners are forced to seek additional investment in 1928. In late spring, local interests contribute \$90,000, but this is insufficient. Embry and Riddle seek outside help. Learning of the need, representatives from Curtiss approach the FBO; however, to head off this competitor, Sherman Fairchild convinces his board to make the needed investment. Indeed, not only would the manufacturer contribute but it would itself become a holding company for an airline system by financing (i.e., controlling) not only Embry-Riddle, but other operators as well.

Among other services provided by the Embry-Riddle partners from the beginning is a flying school that graduates an inaugural class of 27 students on July 29. Later in the year, Embry establishes a parachute division of the FBO to teach maintenance and jumping techniques.

With this idea firmly in mind, Fairchild and financial colleagues create The Aviation Corporation (AVCO) on March 3, 1929. Backed by Lehman Brothers and W. A. Harriman & Company, 10-million shares of stock are created; \$2 million is subscribed at \$17.50 per share, netting \$35 million in working capitalization.

The first subsidiary acquired in May and some would say AVCO's source of amalgamation inspiration, is Embry-Riddle, which is allowed to continue operations under its own name until a single operating subsidiary can be created for the holding firm.

The flight school is certified by the Aeronautical Section of the U.S. Department of Commerce in July, one of the first in the country to be so acknowledged.

On November 2, a WACO 10 piloted by Charles Vermilyea is en route from Chicago to Cincinnati when it unexplainably crashes at Indianapolis killing Vermilyea.

Upon the creation of **American Airways** in January 1930, Embry and Riddle balk, not wishing to sell their stock. Unable to halt AVCO's subsidiary creation or absorption of their assets, they, nevertheless, hold onto their stock.

On October 30, a Pitcairn PA-6 Super Mailwing en route to Chicago from Cincinnati crashes at Indianapolis (one dead).

Company financial conditions in 1932 force a sale. During the two years, no less than six subsidiaries are created; however, when the company is dissolved, it is discovered that these have never been formed or financed.

Founders Embry and Riddle now end their relationship; the former moves to California while, in 1934, Riddle moves to Miami, taking the flight school with him.

In 1939, Riddle purchases the Embry-Riddle name from **American Airlines** and establishes, with new partner John G. McKay, the Embry-Riddle Corporation, which undertakes pilot training on behalf of the University of Miami.

In 1944, Riddle sells out to McKay, who, while providing pilot training to the military in World War II, changes the company name to Embry-Riddle International School for Aviation. Later, the company name is again slightly altered, to Embry Riddle Aeronautical University.

The college celebrates its sixtieth anniversary on July 25–27, 1986; cofounder Riddle attends the celebration at Daytona Beach, Florida, to honor a 1928 graduate.

In 1998–2000 Embry Riddle is the nation's only fully accredited civilian college with an aviation theme. Courses are taught from campuses in Florida and also at Prescott, Arizona.

EMEKE WINGS, LTD.: Israel (1989–1995). The airline division of Kanfey-Ha'Emek Aviation is set up at Afula in 1989 to provide domestic passenger and cargo services throughout Israel and the Occupied Territories.

By 1994, the fleet includes 1 each Aero International (Regional) ATR72-320 and Shorts 360-300, plus 2 Shorts 330-200s.

In 1995, the corporate identity is changed to **Israil, Ltd.**

EMERALD AIR: United States (1978–1991). Privately owned Emerald is founded at Austin, Texas, in the summer of 1978 to offer scheduled cargo service to intrastate destinations. Revenue flights with two DC-9-15CF freighters commence in October.

During 1979, the first full year of service, a total of 3.43 million FTKs are operated by the firm's 3 DC-9-15CFs.

Contract flights are undertaken for **Purolator Courier** beginning in July 1980. As a result, the number of FTKs operated skyrockets by 77.1% to 6.08 million.

A year later, in June 1981, the company begins scheduled passenger services, some of which are coordinated to feed **Pan American World Airways (1)** at the major's Houston hub under the joint marketing arrangement Emerald/Pan Am Express. Three Fairchild Hiller FH-227s and a Grumman Gulfstream G-1C are employed on shorter segments and, on December 1, two DC-9-15CFs are diverted to begin passenger flights linking Austin with Houston, Corpus Christi, Dallas, Brownsville, San Antonio, and McAllen.

In addition to 36,157 passengers, the company also flies 2.9 million FTKs.

Emerald continues operations over a network which, in 1982–1983, comes to include not only its Texas destinations, but Omaha and Wichita as well. Aircraft employed include the original two freighters, plus four DC-9-14s, two Fairchild Hiller FH-227s, and a Grumman Gulfstream G-1.

Passenger boardings double during the former year to 87,362 as 17 million FTKs are also transported. Enplanements in the latter year balloon 203.2% to 264,905, while freight advances 15.8% to 19.79 million FTKs. Despite these traffic successes, stringent cost-cutting measures are taken after consecutive annual losses of \$1.57 million and \$297,000, respectively.

Service to Austin and San Antonio ends in June 1984, as does the relationship with **Pan American World Airways (1)**. To this point, passenger boardings for the year thus far total 196,205, a 162.5% boost.

A new arrangement is begun with **Braniff, Inc.**, in July, but cannot be exercised before Emerald, \$25 million in debt, stops flying its scheduled services and files for Chapter XI bankruptcy on August 21. Under terms of its court arrangement, the company must file a reorganization plan but need not report its traffic and fiscal figures.

While reforming, the company continues to operate DC-9-14 charters, many to gambling casinos in Las Vegas and the Caribbean, in 1985. Many of these are subcontracts operated on behalf of other airlines such as **Northeastern International Airlines** and **Resorts International Airlines**.

In April, Wallace H. Graner succeeds T. R. McCauley as president/CEO.

At year's end, Emerald chooses to announce that a total of 173,000 passengers have been flown.

A contract is signed with **Continental Airlines** in the summer of 1986 and employing a DC-9-15, the company begins Continental's Houston Proud Express shuttle service between International and Hobby Airports on August 18.

A DC-9-14 is wet-leased to the short-lived **Air Puerto Rico**.

Enplanements are level for the year and a \$2.9-million operating loss is suffered.

The fleet in 1987 includes 2 DC-9-15Fs and 3 DC-9-14 passenger aircraft.

While continuing to operate in bankruptcy, the carrier increases its customer bookings by 117.8% to 252,353 and its freight traffic by 48.1% to 8.7 million FTKs. Revenues jump 43.5% to \$16.2 million and expenses are kept low enough to allow an operating profit of \$64,130. A net loss of \$404,000 is suffered.

Airline employment is increased by 23.1% in 1988 to 160 and a fourth DC-19-14 joins the fleet.

The **Continental Airlines** contract is concluded on January 15; the major, seeking smaller aircraft, turns to **Britt Airways** for a shuttle service.

A reorganization plan is filed with the federal bankruptcy court in February and merger discussions are held with another bankrupt large regional, **Royale Airlines**.

Renewed emphasis is placed on long-haul charters; however, both passenger and freight traffic decay. Enplanements drop 18.7% to 205,000 and cargo is off by 83.5% to 1.44 million FTKs. Revenues improve by 23.2% to \$20 million and allow operating income of \$506,000. A net \$19,000 profit is earned.

The workforce grows 37.5% in 1989 to 220.

On January 31, **Royale Airlines** grounds its turboprops, but continues to operate thrice-daily Shreveport to New Orleans flights with a Douglas DC-9-14 wet-leased from Emerald. The rental fee charged by Emerald allows it to gain control of **Royale Airlines**; however, the federal bankruptcy court now steps in and orders the 19-year-old regional liquidated. Emerald regains its Douglas jetliner and continues the New Orleans service under its own name. It also provides scheduled services throughout Louisiana.

At this point, Emerald begins discussions with **Southern Jersey Airlines** about a joint merger that will result in a new charter carrier to be known as Atlantic City Express.

Twice-weekly service commences in August from Orlando to New Orleans and to Patrick Henry, Virginia. The New Orleans service is halted in November, but twice-weekly nonstop charter flights are continued, beginning in October, from the Crescent City to both Atlantic City and Orlando.

Passenger boardings recover and move ahead by 40% to 19,663. Revenues move along by 10.7% to \$22.13 million, but expenses are double that percentage, 10.8%, to \$23.54 million. As a result, there is an operating loss of \$1.4 million and net downturn of \$1.85 million.

All five DC-9-14s are back in service during 1990.

The Atlantic City Express plan collapses and the carrier continues flights to the New Jersey gambling mecca under its own banner, transporting a total of 153,000 passengers.

One DC-9-14 is turned over to Intercredit Corporation in May.

The company enters Chapter VII liquidation and its assets, including its all-important operating certificate, is purchased by Jeffrey Chodorow and Arthur Cohen, who have plans to start a new Braniff. Emerald charters are operated throughout the remainder of the year and into the next.

Charter operations are shut down in May 1991, at which time the company's certificates are officially transferred to the new ownership, which relabels the enterprise **Braniff International Airlines**.

EMERALD AIRWAYS, LTD. (1): United Kingdom (1965–1967). Warwick Jamieson and Walter M. Scott form this airline in January 1965; initial capitalization is £10,000. With a de Havilland DH 114 Heron 1B leased from Executive Air Engineering, Ltd., the carrier inaugurates nonscheduled service from the Ulster airfield at Eglinton on September 3.

When a second leased Heron arrives, scheduled Belfast to Prestwick flights commence on October 25, followed by Shannon–Prestwick services three days later. Difficulty in servicing Herons and obtaining ordered Shorts Skyvans leads to an absence of charter work.

In May and June 1966, two additional Herons are leased; the four aircraft are fully employed during the national seaman's strike.

The airline's two Heron 2s are sold in July and the first Shorts SC.7 Skyvan is delivered in August, followed by a second in October. Meanwhile, thrice-weekly Eglinton–Glasgow (Renfrew) operations commence on September 23, with an extension to Belfast.

Having grown too small, the Skyvans are sold in December. Simultaneously, the Irish carrier **Hibernian Airlines, Ltd.** obtains a 50% interest and replaces the Shorts with its own two DC-3s. The first Douglas transport service is flown Belfast–Glasgow via Eglinton on December 10.

In May 1967, another DC-3 is leased from **Skyways Coach-Air, Ltd.**, followed by a fourth, leased from **Air Gregory, Ltd.** in June; the former is returned at the end of May.

In October, patron **Hibernian Airlines, Ltd.** is forced by financial difficulties to cease flying. Emerald is able to continue only two months longer, being placed into liquidation on December 31.

EMERALD AIRWAYS, LTD. (2): South Terminal, Speke Hall Avenue, Liverpool Airport, Merseyside, England, L24 1YW, United Kingdom; Phone 44 (151) 448-0844; Fax 44 (151) 448-0549; http://www.avnet.co.uk/pprune/Public_html/Emerald.html; Code G3; Year Founded 1992. Andrew S. and his wife Hilary J. Janes incorporate their Speke Airport-based Janes Aviation on June 16, 1992. Andrew remains managing director with Hilary as a director and Mike O'Brien as operations director. Capt. David Wilmott is chief pilot.

Employing a fleet of British Aerospace (HS) 748s, six of which were purchased from the assets of **Dan Air/Dan Air Services, Ltd.** just two weeks earlier, the company undertakes scheduled and charter cargo and passenger services. The backbone of the service is the newspaper deliveries with which Janes entered business back in 1987. A contract on behalf of the Newspaper Publishing Association and another on behalf of News International requires the carrier to transport 30 tons of journalism nightly. The papers are printed in Liverpool, Manchester, and Bolton (Lancashire), from whence they are flown to Liverpool and hence to Dublin, Belfast, and the Isle of Man.

On behalf of its original customer, Lynx Express Delivery Network, a division of the National Freight Corporation, overnight courier flights are made from Coventry to Birmingham and Liverpool. A **DHL Express Worldwide** courier contract allows the BAes to fly roundtrip from Speke Airport, the Isle of Man, while an arrangement with ICS sees roundtrips nightly to Belfast and the same service with Parceline is operated to Dublin.

The company's third major source of income is the Royal Mail. On behalf of the British Post Office, letters and small packages are flown nightly from Leeds and Bradford to Liverpool and from Liverpool to London (STN). On behalf of Datapost, flights are carried out from Liverpool to the Isle of Man.

On its own behalf, Emerald Airways Cargo flies weeknight cargo shipments between Liverpool, the Isle of Man, Edinburgh, Coventry, and Aberdeen. It also accepts ad hoc sub-service contracts on behalf of **Air U.K., Ltd., Brymon Airways, Ltd., Maersk Air, A.S.**, as well as the manufacturers Nissan, British Aerospace, Mercedes, and Volkswagen.

Operations continue apace in 1993–1995 and seven more BAe 748s are acquired. Passenger charters are intensified, but cargo remains the key to company success. In 1994–1995, the carrier receives Royal Mail silver awards for on-time deliveries. In addition, the company begins a program of allowing its aircraft to be painted in the color schemes of corporate customers; the practice, first developed by **Western Pacific Airlines** in the U.S., allows Emerald to receive new liveries paid for by others. The newspaper syndicates and Royal Mail prefer their own identities be so displayed.

Operating revenues in 1995 total £7.6 million; a £650,000 net profit is generated.

Airline employment stands at 100 in 1996 and the fleet includes 14 HS 748s, both Series 1 and Series 2 models.

Twice-daily scheduled passenger service is inaugurated on April 29 from Liverpool to the Isle of Man. The new frequencies prove so popular that a third daily flight is introduced just two months later.

Beginning in July, new technology allows U.K. newspapers to be printed in Ireland; as a result, Emerald's 30-tons-per-night delivery contract is cut to just 12 tons.

Enplanements total 42,000 and 3.08 million FTKs are operated. The workforce is cut by 40% in 1997 to 60. Customer bookings increase to 81,000 and 2.69 million FTKs are operated.

Only 150 feet into its takeoff from London (STN) on March 31, 1998, a BAe 748 suffers a fire in its right engine. The pilot, 61-year-old Capt. John Hackett, immediately sets the plane back down on the runway, which it proceeds to overshoot, coming to rest 300 ft. from a perimeter fence. The 4 crew and 40 passengers, including 18 members of the

Leeds United soccer team, are quickly evacuated and only 2 minor injuries are reported.

During the 12 months, passenger boardings slide 2.5% to 79,000. Freight traffic accelerates by 32.8% to 3.57 million FTKs.

Airline employment stands at 178 in 1999 and the fleet includes 16 BAe 748s. Freight traffic accelerates 34.1% on the year to 4,794,000 FTKs.

The workforce at the beginning of 2000 totals 178. The nosegear of a BAe (HS) 748 collapses as it is lining up on the runway for takeoff from Dublin on April 28. Although neither crew nor cargo is hurt, the badly damaged aircraft must be written off.

EMERY AIR FREIGHT: United States (1946–1989). Former naval officer John C. Emery incorporates **Emery Air Freight** under Delaware laws on April 23, 1946. Under his direction, and that of his son and successor, John C. Emery Jr., the carrier survives the postwar freight rate wars and industry downturns to become one of America's best-known air cargo transportation concerns.

During the late 1940s through the 1970s, the company expands across the country—and to Europe on June 1, 1956—primarily by chartering unused cargo space aboard the commercial airliners of such majors as **Eastern Air Lines** and **Trans World Airlines (TWA)**.

By 1978, the Wilton, Connecticut-based company, the leading domestic air freight forwarder, is maintaining 16 divisions: 8 in the U.S., 1 in Canada, and 7 abroad.

By 1980, the company's long-term debt and capital lease obligation totals \$6.4 million.

Emery, always strong in ground transport, adds a full-fledged airline in 1981 when it acquires a fleet of 24 Boeing 727-100Cs. A \$50-million cargo distribution center is now opened at Dayton that allows the company to begin overnight small package express service in direct competition with **Airborne Express** and **Federal Express**.

Shipments rise to seven million (up 4.2%) and system poundage to 382.8 million is transported. Emery Air Freight reports overall operating revenues of \$399 million, which leave profits of \$29 million (operating) and \$18.7 million (net). Still, long-term debt is now \$130.1 million.

New overnight services are introduced from Dayton in 1982 as the move to become a full air cargo system is completed.

During those 12 months, Emery is able to fly about 90% of its 6.8 million shipments on its own freighters, which come to include not only the original 727s but 5 Douglas DC-8Fs and 21 smaller aircraft (Convair CV-600s, Beech 18s, and Douglas DC-3s). Most of the rest is contracted out to operations such as **Rosenbalm Aviation**, the Detroit-based all-cargo charter operator, and **Orion Air**.

Tonnage, however, is down 5.7% to 361 million, matching the 3% drop in total shipments. On revenues of \$581.7 million, a downturn in net profits to \$10.2 million is also experienced. Bank debt is \$99 million.

Emery's workforce grows 2.1% in 1983 to 4,900.

In January, the company receives the "Cargo Development Award" from *Air Transport World* magazine.

Like many other cargo airlines, Emery now comes roaring back from recession. To handle the increasing aerial and ground tonnage, the Dayton center is expanded, and three each of DC-8Fs and B-727-100Cs are added to the fleet. A variety of new marketing approaches are introduced, including urgent letter, same day, and international door-to-door services.

The first of two trips to the equity market over the next year are made; a total of 2.5 million shares of common stock will be sold in these offerings, bringing in \$46.2 million.

In the fall, company engineers find a way to insert a ninth cargo container aboard the B-727-100s—the equivalent, fleet-wide, of adding three more Boeing "three-holers."

Orders are placed for five DC-8-73s to replace an equal number of earlier DC-8-33F models grounded at year's end by noise restrictions.

The company now transports 440 million pounds of freight (up 22%) and 8.4 million shipments (up 23%). Long-term debt is cut to \$87.8 mil-

lion and bank debt falls to \$15 million. Revenues total \$691 million. The recovery is highlighted on the bottom line of the ledger, where a record net profit of \$25 million is pencilled in on top of an operating profit of \$54.95 million.

Employment rises further in 1984, climbing 9.7% to 6,800 as all of the 1983 marks are now surpassed. Five new DC-8-73s replace the older Douglas freighters grounded at the end of the previous year. The idle aircraft undergo "quiet nacelle" modification that will allow them to be reintegrated late in the year.

Work begins on a \$20-million expansion of the Dayton sorting center.

Total shipments number 10.1 million (up 21%), poundage hauled rises 20% to 530 million, and seven more DC-8Fs are acquired for changeover. Revenues shoot up 18.4% to \$817.78 million and costs climb by an equal percentage to \$753.49 million. The operating profit ascends to \$64.29 million and a net profit of \$31.88 million is banked.

In May 1985, Emery inaugurates daily European roundtrip air cargo and air courier service, flying a DC-8-71, from Dayton to Amsterdam via New York, with continuation to Manchester, England, as a hub is established at Maastricht.

Beginning in July, the carrier launches rotary-wing document pickups at the World Trade Center and 34th Street Heliports in Manhattan, with the helicopters flying on to John F. Kennedy International Airport for distribution to couriers.

The city of Dayton issues \$30 million in bonds to cover the cost of expanding Emery's hub at the local airport. Meanwhile, the carrier invests \$25 million for hush kits to quiet the engines of 10 DC-8-63s. In addition, it sells and then leases back 12 freighters. The move grants \$31.4 million in pretax deferred gains that can be amortized to income annually for the life of the lease.

The number of individual packages transported grows by 13% to 13.4 million; however, as more envelopes and lightweight shipments increase, aggregate poundage falls.

A strike, beginning in December, affects operations at New York (JFK).

A total of 567 million pounds of cargo is hauled and revenues advance 5.4% to \$844.07 million. Costs rise 11.1% to \$819.69 million and a \$24.37-million operating profit is made. Net gain falls to \$16.23 million.

Airline employment declines 4.1% in 1986 to 7,100. The year is one of strike, slow business growth, and strong competition. The former, at New York, is settled in early March. Still, by September, automation work is completed on the first sort operation and 1.1 million square feet of ramp space is added to the Dayton hub in an \$18-million expansion.

Aggregate poundage ascends by 8% to 613.3 million as the number of individual shipments rises 4% to 13.9 million. Revenues advance only 1.3% to \$887.5 million, while expenses grow 6.6% to \$906.4 million. The operating loss is \$10.47 million and the net loss is \$5.44 million.

In February 1987, Emery and the Teamsters agree to extend the latter's contract through the following year.

When unprofitable **Purolator Courier** is put up for sale during the first quarter, Emery is able to fend off rival bidders and acquire the competitor for \$310 million in cash and assumed debt. Plans are made to return PC's leased fleet of eight DC-9-15Fs and four B-727-100QCs to operate the services of both through the Dayton hub, and to employ Purolator's large ground distribution system.

Having lost the first U.S. Postal Service hub contract to **Evergreen International Airlines**, the company sells the new 400,000-sq.-ft. Indianapolis hub and sort center in September to **Federal Express**.

On September 21, Emery begins using Purolator and its own aircraft in a combined flight schedule operating from the Dayton hub directly to 164 cities.

In late October, the company announces a refinancing of the debt incurred in the Purolator takeover. The new arrangement includes the creation of an employee stock ownership plan that recoups a \$45-million surplus in pension plan assets. Emery now sells 2.9 million shares to its employee stock ownership plan for \$15 million. Additionally, \$95 million worth of surplus assets, including many directly received as a result of the merger, are sold.

Once the refinancing package is in place, stockholders give final approval to the merger, under which Purolator becomes a separate, wholly owned subsidiary during its integration period.

Chairman/CEO Emery retires and is succeeded by Xerox Corporation Executive Vice President William F. Souders.

In November, the corporation enters into an agreement with an affiliate of Bessemer Securities Corp. to sell to it the ex-Purolator subsidiary Stant, Inc. for \$53 million and assumption of the debt associated with the auto parts manufacturer.

Late in the month and into December, the carrier sells and leases back 10 B-727-22Cs and 10 B-727-51Cs for a net gain of \$85.6 million.

The Purolator acquisition helps the shipment total to skyrocket 300% to 13.8 million while tonnage increases to 684 million pounds, an 11.5% boost. Revenues balloon 37.6% to \$1.22 billion, second only to those of **Federal Express** among U.S. cargo carriers. Expenses caused by stiff competition and merger costs rise 40.6% to \$1.26 billion and leave an operating loss of \$41.04 million and a net loss of \$47.66 million.

Operating out of Dayton, the Emery fleet in 1988 includes 10 DC-8-63AFs, 7 DC-8-73Fs, 2 DC-8-54Fs, 8 DC-9-15Fs, 35 B-727-100QCs, 1 Convair CV-580, 1 Falcon 20, and 1 DC-3.

A restructuring is completed in January that includes the sale of \$108 million in bonds for the company by Drexel Burnham Lambert and the establishment of a three-year revolving line of credit. The latter is provided by Security Pacific Business Credit (SPBC), with the participation of Westinghouse Credit Corporation (WCC).

In February, Towers Financial Corporation purchases 5% shareholding. The combined company is renamed Emery & Purolator, Worldwide Courier and Cargo and Denis M. McCarthy becomes president/chief operating officer.

All aircraft are repainted in new livery. The board of directors in March rejects a call from Towers to dismiss Chairman Souders and replace him with former **Federal Express** President Arthur Bass.

During the same month, the Los Angeles cargo facility and real estate is sold for a pretax gain of \$4.8 million.

In June, three DC-8-62AFs are sold and leased back for a gain of \$31.5 million while in July, the accounting division office at Scranton, Pennsylvania, is mortgaged, bringing in another \$6.8 million.

Service is disrupted during the difficult Purolator integration and traffic figures are not reported.

Despite its various financial maneuverings, the carrier is unable to meet its August obligation to pay a \$22.7-million loan back to Salomon Bros. Holding Company or \$15.2 million on secured bank obligations.

The freighter is given an extension. Among the most difficult problems faced is an unexpected inability to handle Purolator's envelope delivery system. Meanwhile, former **Federal Express** President Arthur Bass and a group of supporters mount a takeover effort, which is both costly to Emery and, eventually, unsuccessful.

Rather than see the air cargo airline go bankrupt, the overdue bank loans of August are extended by their creditors in October and November. During the latter month, a new financial restructuring is accomplished. The package, announced on November 18, is provided by SPBC, with participation by WCC, and includes a new \$108-million bond issue to refinance City of Dayton bonds and a \$100-\$125 million revolving line of credit, some of which must be employed to repay the August bank loans.

Although revenues of \$1.27 billion are earned, the net loss deepens to \$50.2 million.

In April 1989, the company agrees to a \$247-million takeover by Consolidated Freightways, Inc., parent of the smaller competitor **CF AirFreight**. Donald Berger, president of the latter, takes over from Chairman/CEO Souders and the new acquisition is renamed **Emery Worldwide: A CF Company**.

EMERY WORLDWIDE (A CF COMPANY): One Lagoon Drive, Redwood City, California 94065, United States; Phone (415) 596-9600; Fax (415) 596-9611; <http://www.emeryworld.com>; Code EB;

Year Founded 1989. Struggling financially after its acquisition of **Purolator Courier**, **Emery Air Freight** becomes the target of a \$247-million takeover in April 1989 by Consolidated Freightways, Inc., parent of a smaller competitor, **CF AirFreight**. President Donald Berger of the latter succeeds Emery's Chairman/CEO William F. Souders and the process of integration begins in May under the present title. At the same time, the enlarged carrier is able to win away from **Evergreen International Airlines** a two-year contract for express mail with had been held with the U.S. Postal Service.

One of **CF AirFreight's** contract carriers, **Air Train**, is acquired at this time to become the subsidiary **Emery Worldwide Airlines** and employed for the remainder of the year to service the U.S. Postal Service contract. This subsidiary will be integrated during the next year and, at the conclusion of the arrangement, the CF headquarters is transferred to Dayton from Indianapolis.

The amalgamated fleet now includes 98 aircraft: 38 B-727-100Cs, 24 DC-8Fs, 8 DC-9-15Fs, and 15 miscellaneous.

The CF Airfreight facility at Indianapolis is, however, chosen to act as hub for the company's contract with the U.S. Postal Service. On August 21, six-times-per-week night Express Mail services are operated from the Indiana city, where incoming packages are sorted and sent out again. Daily service begins in October from the Dayton hub to Chattanooga, Tennessee.

Although traffic figures for the year are not provided, it is reported that the new cargo carrier earns revenues of \$1.2 billion, but costs lead to an operating loss of \$97.4 million and net loss of \$50.2 million.

The fleet in 1990 includes 6 B-727-27Fs, 10 each B-727-22Cs and B-727-51Cs, 2 B-727-151Cs, and 1 each B-727-76F, B-727-30C, B-727-77C, B-727-82C, B-727-134C, and B-727-172C, plus 8 DC-9-15RC/Fs, 7 each DC-8-63CFs and DC-8-73CFs, 5 DC-8-63Fs, 4 DC-8-62Fs and 2 each DC-8-54Fs. A significant number of these are operated under contract by either **Ryan International Airlines** or **Rosenbaum Aviation**.

Costs far exceed income and the freight operator suffers a \$128-million loss.

In January 1991, daily CV-580 flights start from Seattle to Calgary and Edmonton. Services are extended to the U.S.S.R. in February as an agreement is signed with the Moscow-based air freight forwarder Inservice VVO SVT to serve as the cargo carrier's exclusive Russian agent.

The same month, former **CF AirFreight** President Roger W. Curry is appointed president/CEO.

A DC-9-15RC with two crew fails its takeoff from Cleveland on February 17 and crashes; there are no survivors.

In October, daily DC-8-54F service is launched from Dayton to Harrisburg. Also in the month, the city of Indianapolis is notified that, since the company has had its U.S. Postal Service contract renewed, it has been chosen as site for a new Eagle Network Hub.

Late in the year, a joint service contract is signed with **DHL Worldwide Express** to provide, on its behalf, daily DC-8-73CF flights from New York to Brussels.

The loss figure is cut to minus \$83.6 million and, as was the case the previous year, no traffic figures are available.

Company employment stands at 1,015 in 1992 and the fleet now includes 54 aircraft: 15 B-727-100Cs, 15 DC-8-73Fs, 11 DC-8-63Fs, 4 DC-8-54Fs, 4 Convair CV-640s, 2 DC-8-62Fs, and 1 each Cessna 208 Caravan Is, Shorts SC-7 Skyvans, and de Havilland Canada DHC-5 Caribou.

While retaining its own nighttime Express Mail flights from Indianapolis, Emery Worldwide protests the award of a \$1-billion U.S. Postal Service operator contract to **Kitty Hawk Airways**.

This year Emery elects to quit the express envelope business to concentrate on heavy freight, parcels, and packages and industry-specific divisions are formed to serve the following segments of the economy: aerospace, automotive, construction, government, perishable goods, pharmaceutical, textile, and trade shows and conventions.

The contract with **DHL Worldwide Express** takes effect in March. Under its terms, they share space on DHL's daily DC-8-73CF service

from New York to Brussels, flown on the Emery aircraft leased the previous year. A separate agreement allows Saturday service from New York to Brussels and Manchester while a third pact permits DHL to provide Emery with intra-European contract airlift via Brussels, thereby permitting Emery to end its European hub and feeder aircraft operation based on Maastricht.

In October, the company's Russian agent-partner, Inservice Air-Freight, assists Emery in opening an improved air cargo consolidation service at Moscow's Sheremetyevo Airport; the operation employs Inservice AirFreight's facility, the first privately operated bonded warehouse facility ever constructed at the airport.

Also during the fall, the new \$64-million Eagle Network Hub is opened at Indianapolis and its new buildings and sorting centers are first utilized during the Christmas rush.

A total of 825.2 million FTKs are transported during the year and as a result, revenues slide 11.8% to \$1.15 billion. Although expenses are still higher, the operating loss is cut to \$32.7 million.

The fleet is reduced to 38 aircraft in 1993, including 29 DC-8s, 4 B-727-100Cs, and 5 DC-9Fs.

A three-year contract is received in January allowing the airline to serve as primary air freight carrier for the Chrysler Corporation's North American vehicle assembly and manufacturing operations.

The **Kitty Hawk Airways** case is settled in early April with the North Carolina-based Convair operator losing its contract, but receiving \$18.5 million for its trouble. Emery, meanwhile, is awarded a new 10-year, \$880-million contract on April 25 by the U.S. Postal Service for the transport of Express Mail and Priority Mail, effective seven months hence.

On July 1, Emery arranges with **Ryan International Airlines** to operate its new U.S. mail award under a subcontract. Ryan, which has carried mail for Emery for nearly four years under an earlier subcontract, will, as a result of this new deal, be able to create 30 more jobs in Wichita by year's end.

A hush-kitted DC-8-73F is employed, also in July, to inaugurate early morning air freight deliveries into Boston.

Two contracts are won with Volvo GM Heavy Truck Corp. in September. One will have the airline serve as primary carrier for the transport of cargo between the company's two major facilities in Dublin, Virginia, and Orville, Ohio; the other is for two-day service between points on the carrier's U.S.-Canada network.

The U.S. Postal Service's new logo is introduced in October, painted on the tail of an Emery B-727-51C.

Later in the fall, a three-year agreement is signed with RENFE, the state-owned national Spanish railroad, to provide international shipments to and from Spain.

By December, Flight Dynamics has completed installation of its Heads-Up Guidance System on 17 of the company's trijets.

Freight climbs 7.4% to 933.81 million FTKs, 25th highest among all the world's airlines. Revenues slide to \$1.3 billion, expenses are \$1.28 billion, and a \$16.59-million operating profit is generated, the first since 1985.

Emery begins to execute its multimillion-dollar postal contract (ANET-93) on January 1, 1994. Good for 10 years, the arrangement will pay \$880 million into company coffers.

Although another B-727-51C painted in the new color scheme of the USPS arrives, the application of the new livery to other aircraft slows, as the expense becomes politically sensitive. Still, the process will be completed over the next year.

In addition, capacity on the North American air freight network is increased by 25% through the addition of three DC-8-71CFs. A three-year contract is received in March from AT&T to fly the communication corporation's air freight shipments throughout North America.

Six more DC-8-71CFs are chartered in April, giving Emery the second-largest Douglas freighter fleet in the air cargo industry after **UPS (United Parcel Service)**.

Later in that month, Emery is selected by United Technologies as the prime contractor for its North American air cargo shipments.

On August 2, this unit of Consolidated Freightways, Inc. is named Chrysler Corporation's primary air freight carrier and receives a 3-year, multimillion dollar contract.

David I. Beatson becomes president/CEO in September and an agreement is reached with **United Airlines** on December 15 for the purchase of six B-727-223Fs, all of which will be operated by **Express One International** under contract.

Cargo increases 32.5% to 1.23 billion FTKs and revenues swell 24.5% to \$1.56 billion. Expenses rise 23.8% to \$1.49 billion and allow a huge pretax profit of \$77.61 million.

The workforce stands at 6,700 in 1995.

Cargo code-sharing begins on **Swissair, A.G.** flights from Basel to Chicago. In July, the carrier initiates Emery Expedite, a 24-hr. 365-days-a-year urgent door-to-door freight service. Gold Priority, a program which offers guaranteed next-day, airport-to-airport delivery, is also initiated.

During the fourth quarter, the company receives a five-year multimillion-dollar contract extension from Volvo GM Heavy Truck Corp. to continue "expedited overnight and second-day delivery service" of shipments up to 2,500 pounds, largely in support of the assembly plants in Virginia and Ohio.

Traffic accelerates by 10.3% as 1.36 billion FTKs are operated. Although there is a \$15.6-million operating profit, there is a net \$4.28-million loss.

The airline employs 1,100 in 1996 and a contract is signed with **Cus-tom Air Transport** under which that carrier will fly packages on behalf of Emery from points in the Midwest and Northeast to Florida.

The airline's parent, Consolidated Freightways, now spins off its surface transport division, CF Motor Freight, into a new publicly owned company, and is itself reformed under a new name, CNF Transportation. Emery becomes a CFN subsidiary, but this subsidiary is completed under the 1989 title.

In October, the company receives a six-year contract from Dade International, S.A. for the management and operation of a dedicated European distribution center at Anderlecht, Belgium, for its in-vitro diagnostic products.

Cargo grows by 3.2% to 1.4 billion FTKs. Operating income drops 28.1% to \$213.08 million while costs fall 32.5% to \$189.43 million. The difference leaves a positive balance sheet that shows an operating gain of \$23.65 million and a net profit of \$15.56 million.

Former **Polar Air Cargo** Vice President Operations Kent T. Scott is named vice president/chief operating officer in April 1997, succeeding the retiring Willard Scherrer.

During the spring, the 1,100-employee carrier wet-leases three Lockheed L-1011-200F freighters from **American International Airways**. Emery wishes to compare them in service with three DC-10Fs that it is chartering from another concern.

When company pilots vote in July to choose a union, 223 of 348 eligible flyers cast their votes for ALPA.

In what the media portrays as one of the last great labor-management clashes of this century, 200,000 members of the Teamsters strike **UPS (United Parcel Service)** on August 4 and the job action is supported by company pilots. Management flyers and contract aircraft are only able to provide a trickle of service. During the shutdown, Emery Worldwide attempts to accommodate those customers sending packages in excess of 5 pounds. However, UPS's major competitors, **Federal Express** and **DHL Worldwide Express** refuse most new business (the latter takes new international business), but do accept packages left in drop-off boxes.

Talks between the Teamsters and UPS resume on August 7 and the job action is resolved a little over a week later. Emery is able to keep some of the business generated during the walkout and which was transported on the wet-leased TriStars.

On August 20, the carrier receives a \$5-million, one-year contract from sports product manufacturer Nike. Under terms of the agreement, the carrier will move finished apparel, footwear, and athletic equipment via air freight from origin factories in India, Singapore, Bangladesh,

Sri Lanka, the Philippines, and Malaysia to Nike's distribution centers or directly to customers in Europe, North America, and South America.

Late in the month, the carrier, in anticipation of significant growth in the new year, arranges leases for four L-1011Fs. Three aircraft are chartered from **American International Airways (3)** and the fourth from **Arrow Air**. Upon receipt, the wide-bodies will be employed on company routes to Dallas, Los Angeles, San Jose, and Portland.

During the fall, a \$1.7-billion, 58-month contract is received from the U.S. Postal Service for the establishment and operation of a separate and exclusive Priority Mail sorting and transport network, including air transfers, on the U.S. East Coast. The DC-10Fs arrive in November and are employed as extra capacity for the transport of Christmas packages.

By year's end, Emery serves more than 200,000 customers through a network of 590 service centers and agent locations throughout North America and in more than 95 countries worldwide. A total of 1.41 billion FTKs are operated this year, a slight 0.6% increase. Operating revenues jump 22.8% to \$261.61 million, while expenses climb 17.4% to \$222.38 million. The operating gain increases to \$39.23 million and a \$25.33-million net profit is posted.

At the beginning of **1998**, Emery provides services to 229 countries through a network of more than 600 service centers and agent locations around the world. It is now the 23rd largest airline in terms of freight carried. The fleet now includes 7 B-727-100Fs, 18 B-727-200Fs, 4 DC-8-54Fs, 9 DC-8-62Fs, 10 DC-8-63Fs, and 16 DC-8-71F/73Fs.

On July 1, Emery announces that it will add five DC-10Fs over the next two years, all leased from Pacific Aviation Holding Co. (Pegasus Capital Corp.) of San Francisco. The first will enter Emery's fleet before the end of the year, with all five operating from the North American Sortation Center at Dayton by the fall of 2000.

Gold Priority service is introduced on August 24 between Miami and the Mexican communities of Chihuahua, Guadalajara, Mexico City, and Monterrey.

With volume increases of over 400,000 pounds each month, Emery is able to successfully handle volume surges in military traffic from the Defense Distribution Depot (DDSP) in Susquehanna, Pennsylvania, to Germany. The company, over the five-month period of military action in Bosnia, is able to get needed goods to Europe in less than 32 hours. Stateside during the year, Emery will handle over 800,000 pounds every month for the DDSP, with a 96% on-time performance record.

On December 8, **Air Canada, Ltd.** re-endorses Emery Worldwide as its primary carrier to move the airline's engine parts and maintenance materials between the U.S. and Canada. Under the new three-year contract, which also applies to the "Air Canada Connector" carriers, Emery will continue to transport shipments from Air Canada's 2,500 suppliers in the U.S. to its facilities in Canada and from its Canadian depots to its 42 stations throughout the U.S.

Cargo traffic during the 12 months dips 0.7% to 1.4 billion FTKs. Revenues skyrocket 420.4% to \$1.36 billion, while expenses are up 520.5% to \$1.37 billion. There is an \$18.36-million operating loss and a net loss of \$34.26 million.

A new Guaranteed Service Program is unveiled in January **1999**. It is designed to provide the transportation industry with the most comprehensive service guarantees for business-to-business heavy cargo shipments within the U.S., Canada, and Puerto Rico.

An agreement in principle is signed on March 8, under which Emery Worldwide will acquire the air freight and ocean freight business of Walsh Western International, Ltd., which has been Emery's exclusive partner in Ireland since 1995.

On March 9, a disaster is narrowly avoided at Indianapolis when, on final approach, the pilot of a company freighter suffers a heart attack. He is able to get the aircraft safely on the ground, some 50 ft. off the runway. Rushed to hospital, the aviator dies.

Two B-747-200Fs join the fleet on April 6 and are used to improve air cargo efficiency for the carrier's Guaranteed Service Program in heavy-volume lanes for its North American customers. One aircraft services companies in southern California through Los Angeles while the other

serves companies in the southeast U.S. and Puerto Rico. The East Coast Jumbojet is routed through Raleigh, North Carolina, and San Juan.

The first of five former **Continental Airlines** DC-10-10s, converted into DC-10Fs, arrives at San Jose from Dayton on April 28. Following a christening ceremony presided over by CNF Transportation, Inc., President Gregory Quesnel, the wide-body freighter is assigned to the Guaranteed Service Program. It will operate daily return service between Dayton and San Jose to serve manufacturers in the Silicon Valley region.

At the beginning of May, the flight deck and first class passenger cabin of a B-747-136 retired by **British Airways, Ltd. (2)** in 1998 is moved overland under the coordination of the company's Global Project Management group from Roswell, New Mexico, to the Hiller Aviation Museum in San Carlos, California. The move is funded by retired **The Flying Tigers Line** pilot Al Silver. The massive 15,000-lb. section unit will be displayed adjacent to the two-story exhibit building and will open later in the year.

As a direct result of its sterling support for the DDSP the previous year, Emery, on May 4, is awarded the 1998 "Quality Award" by the U.S. Military Traffic Management Command. During the Commercial Aviation Report Air Cargo Symposium at Washington, D.C. on May 18, Chief Operating Officer Scott informs the press that it is his hope to be able to announce an order before year's end for a new aircraft type with which to replace Emery's aging DC-8s. Four DC-8-60Fs will be retired by December.

On May 26, the electronics contract manufacturer Manufacturers' Services, Ltd. of Concord, Massachusetts, signs an agreement with Emery under which the carrier guarantees on-time delivery in the U.S., Canada, and Puerto Rico for all MSL domestic air shipments over 15 pounds. Emery will handle the contract under its Guaranteed Service Program.

Valued at more than \$1 million per year, a "Dealer Direct" contract is received from Porsche, A.G. of Germany on June 29 under which Emery will handle door-to-door delivery of between 80 and 100 automotive-related shipments every day.

In September, Emery introduces a second-day, time-definitive delivery service for heavy shipments traveling between business centers in 20 European countries. The new service is also available for its more traditional short hops in Western Europe.

At the beginning of December, the "Golden Priority Plus" service, with its delivery guarantee to North America for packages shipped from South Korea, Hong Kong, Taiwan, and Thailand, is expanded. A "Golden Priority Express Plug" guaranteed delivery service to Japan and South Korea from Los Angeles is added.

At the end of the year, the company's one-year contract with **ICC International Cargo Charters Canada, Ltd.**, doing business as CCC Canada, Ltd., is renewed.

Cargo traffic accelerates 12.1% to 1.57 billion FTKs. Revenues plunge 29.6% to \$958.42 million, while expenses drop 31.5% to \$944.92 million. The previous year's operating loss is turned into a \$35.24-million gain; the net loss "improves" to \$10.5 million.

Company employment at the beginning of **2000** stands at 4,940, a 0.2% decrease over the previous 12 months. Among the world's top 25 airlines, Emery ranks 25th in FTKs. The main line fleet comprises 5 DC-10-10Fs, 3 DC-10-30Fs, 2 DC-8-54Fs, 11 DC-8-71Fs, 6 DC-8-62Fs, 6 DC-8-63Fs, and 16 DC-8-73Fs. The majority of the company's Boeing 727F fleet is now leased to **Ryan International Airlines**. On its behalf, Ryan now operates a major U.S. Postal Service contract employing 5 Dash-51Cs, 1 Dash-51C, 5 Dash-22Cs, 1 each Dash-134C, Dash-76C, Dash-77C, Dash-82C, and 3 Dash-223Fs, all in USPS livery. In Emery Worldwide livery, Ryan flies 4 Dash-21Cs, 8 Dash-222Fs, and 3 Dash-225Fs.

Gold Priority Plus service for Shanghai shipments is added in January.

Just 45 seconds after takeoff from Mather Field, Sacramento, for Dayton on February 16, Flight 17, a DC-8-71F with three crew reports load balance trouble and attempts to return to its point of origin for an emergency landing. The freighter goes out of control and crashes into an au-

tomobile salvage yard 1 mi. E of the airport, exploding and setting fire to 100–200 cars. Debris cuts a swath a .25 mi. long and 250 yds. wide. There are no survivors.

A tripartite signing ceremony is held in New Delhi in March on a pair of new cargo agreements. In one, Emery acquires 80% of the daily cargo capacity of **Indian Airlines, Ltd.** between Madras and Singapore. The other, between Swisscargo and Emery, permits Emery to book belly space aboard **Sabena Belgian World Airlines, S.A.** passenger flights and **Swissair, A.G.**'s dedicated thrice-weekly DC-10-30F freighter service to Africa and beyond from Basel.

Two DC-10-30Fs, once flown by **Laker Airways, Ltd.** and **Leisure International Airlines** are leased from GECAS on May 2 for later delivery. Also during May, an ACMI contract is signed with **Express.Net Airlines** for the operation of two of its three Airbus A300B4-203Fs on Emery's behalf from Dayton to Phoenix and Minneapolis (MSP).

On June 23, *AirlinersOnline.com* reports that the carrier has retired its two DC-8-54Fs. The first chartered DC-10-30F, delivered new to **British Caledonian Airways, Ltd. (BCAL)** years earlier and recently converted into a cargo plane by the Italian firm Aeronavali, arrives at the end of the month.

After 27 months of negotiations, contract talks between the company and its ALPA-represented pilots reach the state of impasse by July 25. As it has been elsewhere in the industry this summer, strike-talk is heard.

Scheduled to last just four days, a new round of contract negotiations between pilots and management get under way on August 8. On August 11, GECAS supplies a DC-8F under a four-year contract.

A new four-year pact between the airline and its pilots is ratified by the latter on September 21. Late in the month, Chutta Ratnathicam becomes CEO, succeeding the retiring Roger Piazza. Ratnathicam had departed Emery in 1997 to become chief financial officer of its parent corporation, CNF, Inc. A good month is finished with news that, after a long dispute, the U.S. Postal Service has agreed to pay \$102.1 million in money owed under an earlier Priority Mail contract, which the two sides terminated on January 7.

DC-10-30F return cargo service is initiated on October 1 between Dayton and Los Angeles. Also in October, the company signs a three-year forwarding contract with the British Defence Transport and Movements Agency, its first defense-related agreement with any arm of the U.K. government. In South America, an office is opened at Antofagasta to serve the mining region of northern Chile.

The company suffers a \$5.8-million third quarter operating loss, which is blamed on a onetime, after-tax loss of \$7 million for the termination of leases on several maintenance-plagued freighters.

In December, an 80,000-sq.-ft. service center is opened near the Toronto Airport.

EMERY WORLDWIDE AIRLINES. *See* EMERY WORLDWIDE

EMIRATES AIR SERVICES, LTD.: **United Arab Emirates (1976–1994).** Mohammed Bin Massood and Sons of Abu Dhabi form this wholly owned charter carrier in April 1976. Originally known as **Abu Dhabi Air Services**, the company undertakes both passenger and cargo flights throughout the Gulf region. It is the first domestic fixed-wing operator to be granted a license by the U.A.E.

While descending through clouds from 15,000-ft. on an October 4 ferry flight, a DC-7CF with four crew crashes into Mt. Kenya in Kenya; there are no survivors.

The fleet is increased over the next four years to include 3 de Havilland Canada DHC-6-200 Twin Otters and 1 DHC-7-102.

By 1980, enplanements are 70,198 and 5.21 million FTKs are operated.

Over the next 12 years, President Abdullah Massood, assisted by Managing Director C. O. Miller, assemble a fleet that comes to comprises the single de Havilland Canada DHC-7-102, a pair of DHC-6-200 Twin Otters, a Pilatus-Britten-Norman Islander, and a Weatherly 201.

Types operated are not limited to these owned units as a variety of others, including Gulfstream IIs, British Aerospace BAe 125-800s, Cessna 500 Citation Is, and even Lockheed C-130 Hercules freighters, are flown on behalf of their owners.

The company also establishes an aircraft maintenance division that gains a substantial reputation throughout the Mideast. During the Gulf crisis of 1990–1991, the EAS reputation for quality and on-time maintenance performance wins the company contracts from the U.S. Army, USAF, and Lockheed-Marietta.

Airline employment in 1992 stands at 70.

Emirates Express flights are inaugurated five times per day from Abu Dhabi to Dubai in May with a pair of leased British Aerospace BAe (HS) 748-B2s. This new service is halted at the end of January 1993 and, citing competition from nationalized organizations, the company itself closes its doors on February 28.

This action is shortly reversed and operations, minus the BAe (HS) 748-B2s, continue largely without change over the next year.

In April 1994, EAS is sold to **Abu Dhabi Helicopters, Ltd.** that will enjoy the benefits of the company's maintenance leadership while merging its flight operations with its own new fixed-wing division.

EMIRATES AIRLINES, LTD.: **Airline Centre, Rame Roundabout, P.O. Box 686, Dubai, United Arab Emirates; Phone 971 (4) 228 151; Fax 971 (4) 238 817; <http://www.emiratesairline.com>; Code EK; Year Founded 1985.** Dissatisfied with the services and returns provided by **Gulf Air Company, Ltd.**, the Dubai ruler unexpectedly orders creation of a new carrier in 1985 and provides \$10 million in initial capitalization. While retaining his previous position as Dubai National Air Travel Agency (DNATA) chief, Maurice Flanagan, a 25-year veteran of **British Overseas Airways Corporation (BOAC)** and **British Airways, Ltd.** (2) is named managing director. Indeed, many of the airline's 1,000-member staff will be loaned from DNATA or work for it and the airline as well.

A one-year management and support contract is entered into with **Pakistan International Airlines Corporation** for the lease of an Airbus Industrie A300B4-203 and one Boeing 737-340, plus Pakistani flight and ground crews. Service is begun to Bombay, New Delhi, and Karachi on October 25.

Service is inaugurated to Cairo, Colombo, and Dhak in the spring of 1986.

A B-727-100 from the ruler's personal fleet is refurbished by HAECO in Hong Kong and joins the fleet. In November, the carrier orders its first purchased aircraft, two A310-304s, for delivery during the following July and August. The same month, weekly B-737-340 service is started to Dhaka. During the fall, an order is placed for an A300-605R.

Enplanements for the first full year total 287,762 while 17.25 million FTKs are also flown. Revenues total \$63.1 million and with costs held down there is an operating profit of \$3.26 million.

Airline employment increases 88.4% in 1987 to 878 as two A310-304s join the fleet in July, one to replace a leased B-737-340, along with an A300B4-203, which is leased from **Pakistan International Airlines Corporation (PIA)** when delivery of the A300B4-605R is delayed.

The company's major new route of the spring is from Dubai to Bombay and, in July, service is inaugurated to the company's first European destinations: Frankfurt and London (LGW).

As an aside, the duty-free shopping complex at Dubai, reputed to have the world's lowest prices, sells over 258,000 flasks of perfume, 12,100 cameras, 55,570 watches, and 189 million cigarettes to travelers.

Passenger boardings accelerate 63.9% to 471,491 and freight sky-rockets 112.2% to 36.6 million FTKs.

The workforce grows a further 13.1% in 1988 to 993 and the fleet now includes 2 A310-304s, 1 A300B4-605R, 1 A300B4-203, and 2 B727s, one each Dash-2M7A and Dash-264A.

Frequencies are initiated to Khartoum and Nairobi and the one-millionth passenger is boarded on July 6.

During the summer, frequencies to Cairo are increased from four to six per week, from two to four to Amman, from three to five to

Colombo, and from once to twice weekly to Dhaka. A new route is inaugurated in August from Dubai to Damascus and, in September, the airline signs on with the Amadeus computerized reservations system.

Customer bookings jump 33.9% to 631,128 and cargo increases 70.2% to 62.28 million FTKs.

There is no change in 1989 in either workforce or fleet. Passenger boardings surge 15.5% to 729,000 and freight climbs 25.8% to 78 million FTKs. Revenues are \$165.1 million. The operating profit is \$12.4 million and net earnings total 14.1 million dirhams (\$3.8 million).

In February 1990, Emirates contracts with Unisys to set up the Airline Revenue Enhancement System (ARE); the system goes into operation during the spring.

On June 1, A300-605ER flights begin from Dubai to the company's premier Far Eastern destinations of Bangkok, Singapore, and Manila. The route to Manila is flown via Bangkok while that to Singapore is operated via Colombo, Sri Lanka.

This expansion is to be followed by the initiation of service to Paris, Rome, and Zurich in August and to Manchester on September 1; however, the Iraqi invasion of Kuwait forces cancellation of these plans.

Customer bookings increase another 25.5% to 914,935 while cargo jumps 29.5% to 100.79 million FTKs. Revenues reach \$190.3 million, the operating gain is \$20.5 million, and net income reaches \$9.1 million.

The workforce is reduced 9% in 1991 to 1,287 and the fleet now includes 3 A300-605Rs, 2 A310-304s, and 1 each B-727-2K5A, B-727-2M7A, and B-727-264A. Orders are outstanding for one A300-605R, three A310-304s, and three, later five, A310-308s.

During the entire Gulf crisis since the previous August, Emirates is the only airline serving the area not to cancel a single flight.

A \$64-million loan is obtained from U.A.E. banks and is employed to purchase the fourth A300-600R, which is delivered in June.

Flights begin to the Far East with frequencies to Bangkok, Manila, and Hong Kong.

Enplanements decline to 813,919 and freight falls to 92.74 million FTKs. Revenues are \$280.3 million, the operating profit is \$25.8 million, and net gain totals \$6.4 million.

The upward growth in employment is resumed by 9.9% in 1992 to 1,414.

New services are started to Jakarta and Paris in July and to Rome and Zurich in August; Manchester becomes a destination on September 1.

Through the first seven months during which statistics are provided, passenger boardings skyrocket 121.5% to 863,492 while freight jumps a huge 128.3% to 101.2 million FTKs. The operating profit is \$47.1 million and net earnings now total 67.5 million dirhams (\$18.4 million).

In 1993, Chairman Sheikh Ahmed bin Saeed Al-Maktoum and President Abdullah Massood increase their workforce to 2,000 and acquire one more A300-605R, one A310-304, and five A310-308s.

In January, the company receives the 1992 "Passenger Service Award" from *Air Transport World* magazine.

Orders are placed for seven B-777-21Hs for delivery between March 1996 and May 1997. New markets are initiated at Doha and Muscat in January.

A code-sharing alliance is entered into with **Cyprus Airways, Ltd.** in March. Under its terms and employing Cyprus' A320-231s, joint weekly, block-space roundtrip services are inaugurated from Larnaca to Dubai. As part of the deal, the two begin to code-share on the Dubai to Nicosia route.

The Dubai to Muscat route previously served exclusively by **Gulf Air** becomes part of the company's network in June.

Destinations now also visited also include Abu Dhabi, Amman, Bangkok, Beirut, Bombay, Cairo, Colombo, Damascus, Delhi, Dhaka, Dharhan, Frankfurt, Hong Kong, Istanbul, Jakarta, Jeddah, Karachi, Kuwait, London (LHR), Male (Maldives), Manila, Manchester, Paris, Riyadh, Rome, Shiraz, Singapore, Tehran, and Zurich.

First-class service is introduced on September 1 on six of the carrier's weekly return flights to Delhi; on October 26, two additional roundtrips to Bombay are also undertaken.

During November, the company signs an agreement with **United Airlines** by which the two will work together to attract more high-paying business travelers flying between the Persian Gulf and the U.S. More specifically, the arrangement provides for code-sharing and block-space payments on Emirates flights between Dubai and London (LHR).

Traffic figures through November are published. Customer bookings increase 55% to 1,732,934 and cargo grows 82.9% to 249.79 million FTKs. Revenues increase to \$497.8 million and with costs down an operating surplus of \$34.8 million is generated. The net gain is 10.6 million dirhams (\$2.9 million).

During 1994, the employee population swells 12.2% to 3,973 and the company begins to consolidate its routes to the Far East, Mideast, and Europe, adding flights to Doha, London (LGW), Nice, and Larnaca.

Fax capability is made available aboard an A310-308 in July, the first installation of such service aboard an Airbus aircraft.

During the same month, a joint agreement covering freight operations is signed with **KLM (Royal Dutch Airlines, N.V.)** Under its terms, the two airlines plan to make use of each other's cargo networks and distribution centers in order to extend their freight possibilities. Also under the pact, a weekly, roundtrip freighter service is inaugurated on August 10 between Dubai and Amsterdam's Schiphol Airport. An **Atlas Air B-747F** is wet-leased to provide the lift.

In October, twice-weekly flights begin to Larnaca, Cyprus, from Dubai, replacing the code-sharing agreement with **Cyprus Airways, Ltd.** on the route.

During the fall, plans are made to introduce frequencies to Johannesburg and Ho Chi Minh City during the new year.

Passenger boardings rise 18.4% to 2,197,068 while freight increases by 23.2% to 342.6 million FTKs. Revenues swell 19% to \$649.3 million; the operating profit is \$46.41 million and net gain reaches \$23.06 million.

The workforce grows again in 1995, rising 11.2% to 4,417.

New routes are opened to Nairobi, Hanoi, and Ho Chi Minh City.

On June 3, the carrier begins twice-weekly A310-308 roundtrips from Dubai to Johannesburg via Moroni in the Comores Islands. The Dubai to Amsterdam joint service with **KLM (Royal Dutch Airlines, N.V.)** becomes twice weekly. The company now also offers two daily flights from Dubai to London (LHR), a daily service to and from London (LGW), and five flights each week to Manchester.

A scheduled A310-308 service to Johannesburg via Moroni on September 28 is not permitted to land and pick up 104 South African tourists visiting the Comores under a vacation package from World Leisure Holidays. The service continues to South Africa without them. These and other vacationers are stranded while a group of armed mercenaries, led by Frenchman Robert Denard, attempt to take over the Comores, previously a French colony.

Enplanements accelerate 12.8% to 2,480,436 and cargo jumps 17.7% to 426.55 million FTKs. Operating income is up 12.8% to \$743.66 million and costs climb 13.5% to \$695.17 million. Operating gain reaches \$48.48 million and a net \$21.89-million profit, down slightly, is recorded.

Airline employment stands at 2,000 in 1996.

Three B-777-21Hs are placed into service on June 24, while four B-777-21H IGWs (the IGW stands for "increased gross weight") remain on order. The three initial machines fly nonstop routes to London, Jeddah, Karachi, and Bangkok and one-stops to Manila and Hong Kong. Frequencies are increased on numerous routes.

New markets are inaugurated by July 1 at Melbourne, Athens, Kuala Lumpur, and San'a. When Vietnam refuses to allow the carrier beyond-rights to Singapore, Emirates drops services to Ho Chi Minh City.

The company becomes launch customer for the A330-200 with an order to Toulouse for 16 jetliners that will replace the entire existing Airbus fleet between 1999 and 2002.

Customer bookings jump 15.7% to 2,867,744 and 511.34 million freight FTKs are operated, a 25.9% increase. Operating revenues total \$764.32 million while operating costs are \$742.29 million. As a result,

the operating profit is \$62.02 million and a net \$22.02-million gain is reported, up slightly from 1995.

The employee population is increased by 7.1% in 1997 to 5,393.

In January, a \$65-million Emirates Group Training College is opened at Dubai. The facility boasts both B-777 and Airbus simulators, a cabin-crew evacuation trainer, classrooms and auditorium, and engineering workshops.

In February, a \$2-billion order is placed for 16 A330s. A \$500-million order is simultaneously placed with Rolls Royce for Trent 700 engines with which to power them. The first B-777-21H IGW arrives from Seattle on April 13, following a nonstop 7,405-nm. trip accomplished in 15 hrs. 3 min.

A code-sharing and block-space agreement begins with **South African Airways (Pty.), Ltd.** in June and covers five Emirates and one SAA return flight every week between Dubai and Johannesburg. At the same time, the first B-777-21H IGW, after a month of workup, enters service on a route to Melbourne via Singapore.

By July 1, the company has five B-777-21Hs and two B-777-21H IGWs in service.

Designed to strengthen the old commercial road that once connected the Sahara with the Chukkas region, Emirates, on July 2, inaugurates thrice-weekly services to Baku, the capital city of Azerbaijan. Also during the month, the IGWs are placed on a route from Dubai-Colombo-Singapore four times per week; the new Singapore service is extended on to Jakarta thrice weekly.

An option for two of seven additional B-777-21H IGWs is exercised in August, with the machines scheduled to join the fleet during the fall of 1998. A third B-777-21H IGW arrives by September and is employed in October to commence service to Dar es Salaam, capital of Tanzania. Also during the fall, a new 1.3-million-sq.-ft. Emirates Technical Center is opened.

In November, a code-sharing pact is entered into with **Qantas Airways (Pty.), Ltd.** covering thrice-weekly flights between Dubai and Melbourne made with Emirates B-777-21H IGWs.

Passenger boardings accelerate 24.2% to 3,555,552 while freight surges 30.6% to 712.72 million FTKs. Operating revenues reach \$763.81 million, while expenses are \$718.72 million. The company enjoys a \$45.09-million operating profit and a net gain of \$22 million.

Airline employment stands at 4,978 in 1998 and the fleet, all of which is Stage III certified, includes 22 airplanes: 7 B-777s, 6 A300-605Rs, and 9 A310s, 7 Dash-308s and 2 Dash-304s.

Emirates receives 1998 "Airline of the Year" honors in January at the OAG Global Awards presentation.

On March 30, an available 40% stake in **Air Lanka, Ltd.** is purchased by Emirates for \$70 million. Under terms of the equity sale, the government of Sri Lanka will hold 51% majority control and the remaining 9% is distributed among the airline's employees. The Arab carrier's funding passes to Air Lanka in two tranches, beginning with \$45 million up front on signing day.

Management of the carrier passes to Emirates under a 10-year contract when the arrangement is finalized in May.

Beginning on July 1 and continuing through August 31, Emirates offers free stopovers in Dubai to passengers traveling to various international points from Nairobi, Kenya. The package includes two-night hotel accommodation and a complimentary tour of the area.

Later in the summer, Emirates inaugurates daily return flights to Malta.

During the last week of August, the company, under a new contract, transfers its *ab initio* airline pilot training from the British Aerospace Flying College at Prestwick, Scotland, to the School of Aviation Sciences, Western Michigan University, Kalamazoo.

The company, during the Farnborough Air Show at London in September, announces a \$2.4-billion order for six A340-500s for delivery in 2002.

The carrier announces on October 20 that it will inaugurate nonstop return service in January from Dubai to the Pakistan cities of Islamabad and Lahore.

On October 25, code-sharing begins with **Thai Airways International, Ltd. (THAI)** on all passenger and cargo flights.

Weekly B-777-21H IGW roundtrips to Kuala Lumpur begin on December 2.

This year's customer bookings jump 14.1% to 4.05 million, while freight traffic rises 11.9% to 797.51 million FTKs. Revenues accelerate 24.2% to \$1.11 billion, while costs climb 20.3% to \$1 billion. The operating profit is \$109.33 million, while the net gain climbs to \$71.37 million.

In January 1999, Emirates receives "Airline of the Year" honors, for the second year in a row, at the OAG Global Awards ceremony at Washington, D.C.

On February 9, Chairman Sheikh Al-Maktoum indicates that planning has begun for nonstop roundtrips from Dubai to North America, beginning in 2002. Emirates also expresses a desire to begin competition to and within Australia should the country adopt an "open skies" aviation policy.

Libya and Dubai sign a memorandum of understanding on February 25 that will allow **Jamahiriya Libyan Arab Airlines** and Emirates Airlines to schedule flights between the two countries. Libya, however, remains under UN embargo.

On March 1, a 12-year, \$157.5-million bank loan is arranged that permits the carrier to order another pair of A330-243s. The first of 24 new aircraft to be delivered over the next several years is an A330-243 that arrives on March 10. It will be placed on a new route between Dubai and Manchester, England.

The British Broadcasting Corporation reports, on April 23, that Emirates and **Iraqi Airways** are holding discussions aimed at creating a package holiday product for Shi'ite pilgrims wishing to visit the holy sites in the southern cities of Kerbala and Najaf. Although UN sanctions against Iraq prevent tourists from flying into the area, it will be possible for them to travel on the existing ferry service between Dubai and southern Iraq.

The daily *Gulf News* reports on May 7 that the carrier is negotiating for membership in the transnational "OneWorld" airline alliance.

With the beginning of the summer schedule, the number of weekly roundtrips from Dubai to Beirut is doubled from 5 to 10.

Officials from Emirates Airlines meet with their counterparts from **Gulf Air Company G.S.C., Kuwait Airways Corporation, Oman Airways, Qatar Airways, and Saudi Arabian Airlines** at Kuwait City on May 15 to plan a united body to compete against the growing number of major world airline alliances. The CEOs, who also agree to meet quarterly, discuss ways to coordinate and develop additional revenues, cut expenses, and invest jointly in support services.

The company announces on May 17 that it will launch nonstop roundtrip service on November 1 from Dubai to Munich, six days a week. On January 1, the flights will become daily.

Acting under terms of the rehabilitation plan of **Philippine Airlines (PAL)**, the government of the Philippines on May 21 begins to withdraw operating permits from certain other airlines on routes from Manila to destinations at Hong Kong, Manila, Taipei, and the Far East. Emirates Airlines is the first given notice that, effective June 1, its authority to operate roundtrips from Manila to Hong Kong has been withdrawn.

On June 16, the company agrees to lease an ILFC B-777-31H, to be delivered before the end of the year, thus becoming the first airline in the world to operate all three members of the B-777 family of airliners.

A block-seat, code-sharing agreement is signed with **Philippine Air Lines (PAL)** on August 20. Effective September 1, the Manila-based concern will return to Dubai (15 months after being forced to suspend service to that point) when it resells seats on each of Emirates three weekly nonstops between Manila and Dubai.

At the end of October, Emirates adds its first service to Scandinavia when it code-shares on the Dubai to Stockholm segment of a new thrice-weekly service from Colombo to Stockholm offered by **SriLankan Airlines, Ltd.**

Six-times-a-week B-777-21H return service is inaugurated on November 1 between Dubai and Munich.

The first of three B-777-31Hs is delivered on November 15 wearing a newly revised color scheme that features large billboard titles. The aircraft is the first Dash 300 Triple Seven delivered to any Mideast airline. The second Dash-31H arrives on December 23. The new jetliners join three Dash-21Hs and six Dash-21HERs already in the fleet. Meanwhile, the last of six A330-243s to be acquired since March 10 is delivered on December 15.

Passenger boardings jump 11.9% to 4,541,000 while cargo traffic surges 24.7% to 994.83 million FTKs. Revenues ascend 15.1% to \$1.35 billion, while expenses are up 16.3% to \$1.24 billion. Although the operating profit slides to \$111.4 million, net gain advances to \$87.1 million.

Airline employment stands at 6,524 at the beginning of 2000, a 15.4% increase over the previous 12 months. The fleet now includes 6 A330-324s, 7 A310-308s, 1 A310-304, 3 A300-605Rs, 3 B-777-21Hs, 6 B-777-21HERs, and 2 B-777-31Hs.

The Dubai-Munich route is operated once every 24 hrs. as of New Year's Day. The B-777-21H service from Dubai to Bangkok, continuing on to Hong Kong, becomes daily on January 4. The thrice-weekly return service from Dubai to Johannesburg via the Comoros ends on January 15 and is replaced with daily nonstop direct Airbus roundtrips between Dubai and Johannesburg. Six-times-a-week A300B4 return service is inaugurated on January 26 from Dubai to Bahrain; the route will be served twice daily from March 26.

Meanwhile, four more A330-324s are delivered between January 24 and March 23. Emirates is named recipient of the 1999 "Air Cargo Development" award by *Air Transport World* magazine in February.

Thrice-weekly A330-243 roundtrips are inaugurated on March 26 from Dubai to Sydney via Singapore. These services complement the link from Dubai to Melbourne, operated via Singapore since 1997. The next day, thrice-weekly A330-243 return service is started from Dubai to Entebbe via Nairobi. On March 28, a code-sharing agreement is signed with **Philippine Airlines**.

By the end of March, Emirates has operated 65 Hadj flights on the Dubai-Saudi Arabia route this year, transporting some 35,000 pilgrims.

Thrice-weekly A330-243 roundtrips are inaugurated from Dubai to Milan on April 1; as the services are routed via Rome, they have the effect of increasing service to the Eternal City from three times a week to six. Having found it unprofitable to conduct business in Azerbaijan, the company halts its Baku service on April 29.

On May 1, it is announced that orders will be placed for five A3XXs for delivery in 2006 and 2007, plus five options. A frequent flyer program, Skywards, is debuted on May 29.

It is reported in early July that Emirates will increase its stake in **Sri Lankan Airlines, Ltd.** from 26% to 40% by the end of the year.

Arrangements are completed with **Air Transat, Ltd.** on July 11 for the purchase of the Mideast airline's six A310-304s/-308s. When the Airbuses begin to arrive in Canada during December, they will start to replace an aging TriStar fleet.

A large equipment order is signed on July 25. Contracted for delivery later in the decade are six B-777-31Hs and by a memorandum of understanding, seven A3XXs (two cargo and five passenger planes).

Four-times-a-week return service is initiated on September 1 from Dubai to Chennai (Madras), India.

Under terms of the dual-designator pact signed with **Philippine Airlines** in March, the two companies launch code-sharing flights, also on September 1, thrice weekly between Dubai and Manila. The third B-777-31H is delivered on September 26.

On October 5, the United Arab Emirates become the first of the wealthy Gulf Arab monarchies to join in the growing chorus protesting 10 years of sanctions against Iraq. Without waiting for clearance from the UN sanctions committee, a B-777-21H is dispatched to Baghdad, transporting 30 tons of medical supplies and an official delegation led by the UAE health minister, including a team of specialist doctors. The decision to send the UAE plane has been made personally by President Sheikh Zaid bin-Sultan al-Nahayan, who, ironically, is in the U.S. (a

leading nation supporting the processing of Iraq flights via the UN) recovering from heart transplant surgery.

The year's fifth A330-243 is delivered on October 27, followed by a sixth on November 30. It is announced on December 4 that the company will inaugurate daily A330-243 roundtrips on March 25 between Dubai and Dusseldorf.

Emirates and **Deutsche BA Luftfahrtgesellschaft, GmbH**, sign and begin a code-sharing pact on December 15. The German line is able to sell tickets for the Mideast carrier's return services from Dubai to Munich while Emirates is able to place its designator on Deutsche BA flights from Munich to Berlin, Cologne, and Dusseldorf. Another A330-243 arrives during the day.

Daily A330-243 roundtrips are introduced on December 18 between Dubai and Birmingham, England. The last of eight A330-243s received this year is delivered on December 21. At the end of the year, Emirates begins operating its first B-747 freighter, a Dash-47UF under an ACMI contract with **Atlas Air**.

Customer bookings this year accelerate 20.9% to 5.48 million, while cargo traffic is up 29.5% to 1.28 billion FTKs.

EMMET COUNTY AVIATION: United States (1980-1982). ECA is set up at Harbor Springs, Michigan, in the spring of 1980 to provide seasonal scheduled passenger services to Pellston and Mackinac Island. Piper 185 and Cessna 206 flights commence in May and are continued throughout the summer. The company flies again in 1981, but in April 1982 is taken over by **Michigan Airways**.

EMPIRE AIR LINES: United States (1944-1952). Founded by Burton "Burt" Zimmerly as **Zimmerly Air Lines**, this local service carrier launches Cessna lightplane operations on the Boise-Lewiston route on April 1, 1944.

The company acquires three Boeing 247Ds from **Canadian Pacific Air Lines, Ltd.** on July 28, 1945.

The carrier is renamed **Empire Air Lines** on March 1, 1946, and the CAB certifies the company on May 22, agreeing to do so again in July 1949. Meanwhile, flights begin on September 28 over a route from Pocatello to Coeur d'Alene via Boise.

CPAL's last 2 B-247Ds are acquired and, by the end of 1947, the 5 have flown a total of 3.5 million incident-free miles.

Following the purchase of a Douglas DC-3 in March 1948, Empire extends routes from Boise to Seattle, Spokane, and Portland. Late in the month, with spares hard to come by, the company elects to retire its Boeings.

The six-year-old is taken over by **West Coast Airlines** on August 4, 1952.

EMPIRE AIRLINES (1): United States (1977-1995). Melvin E. Spelde forms **Empire Airways** as an FBO at Coeur d'Alene, Idaho, in 1977 and undertakes nonscheduled and contract service charter passenger and cargo services to local and regional U.S. and Canadian destinations.

Late in 1983, Spelde creates a commuter airline division under this name to provide scheduled daily passenger and cargo flights from Coeur d'Alene to Boise, beginning on January 1, 1984. During the next decade, the Empire Airways division will maintain charter services.

During the late 1980s, the fleet grows to include 2 Fairchild F-27s, 6 Fokker F.27-600s, an F.27-500, 2 Fairchild-Swearingen Metro IIs, and 32 Cessna 208 Caravan Is. During the summers, Beech 99As are leased to transport firefighters to and from forest blazes under contract to the U.S. Forest Service.

By 1988, enplanements are 11,798 and profits are \$456,329 (operating) and \$296,774 (net).

In 1989, the 150-employee airline owns a fleet of 2 F.27-600s, 3 leased Metro IIIs, and 1 each Cessna 421 and 172.

Passenger boardings accelerate by 40% to 19,663 and freight is up by 47.3% to 74,000 pounds. Revenues jump 44.9% to \$10.4 million,

expenses rise 48.9% to \$9.97 million, and the operating profit falls to \$393,939. Net gain climbs to \$315,536.

Airline employment is increased 40.8% in 1990 to 145 as nonstop flights are inaugurated from Coeur d'Alene to Seattle.

Customer bookings jump 44.5% to 28,414. Two de Havilland Canada DHC-6-300 Twin Otters are acquired in 1991 as passenger boardings drop 27.6% to 20,570. Freight is also down, by 8.8%, to 72,370 pounds.

In late 1992, the company enters into a partnership with Vancouver-based Silver Wings Holidays to operate a pair of British Aerospace BAe 146-200s on inclusive-tour and other charters to cities in Canada and the Western U.S.

Customer bookings ascend 7.3% to 22,077, but cargo slips 0.3% to 72,127 pounds.

Early in 1993, President Spelde oversees a workforce of 133 and operates a fleet of 2 Metro IIAs, 3 DHC-6-300s, 2 F.27-600s, and 2 BAe 146-200s. In addition to worldwide contract services, scheduled flights are maintained in Hawaii and the western and midwestern states of Idaho, Illinois, Wisconsin, and Minnesota.

A six-month management contract is signed in October with the new Hawaiian interisland regional **Mahalo Air**.

In December, a separate Metro subsidiary, **Capitol Airlines**, is set up at Minneapolis (MSP) and launches scheduled flights to Chicago (MDW).

Passenger boardings skyrocket 83.4% to 40,402, but freight falls 20.3% to 57,000 pounds.

Airline employment is boosted to 200 in 1994 and a major contract is signed with **Federal Express** for the transport of cargo. As a result, the company withdraws its Twin Otters and BAe jetliners, acquiring in their place a fleet of 28 Cessna 208 Caravan Is.

With the company moving into the freight business, it is not surprising that customer bookings plunge 41.1% to 23,851 while cargo climbs 27.7% to 73,000 pounds.

The sudden impact of the changeover from an emphasis on passengers at Empire Airlines to cargo at **Empire Airways** is catastrophic and forces the scheduled passenger operation to shut its doors in June 1995. **Empire Airways**, the parent, continues to operate as an all-cargo **Federal Express** feeder.

EMPIRE AIRLINES (2): United States (1979–1986). In September 1979, **Oneida County Aviation**, based at Oneida County Airport near Utica, New York, changes its name to Empire Airlines in an effort to reflect for its nonlocal customers its New York State base. Services are maintained by Chairman/President Paul Quackenbush's carrier to Newark, Boston, New York City, Buffalo, Washington, D.C., and Albany with a fleet comprising 5 Fairchild-Swearingen Metro IIs and 2 Piper PA-31-350 Navajo Chieftains.

Later in the year, the CAB awards a certificate of public convenience and necessity, the first issued to a commuter airline following passage of the Airline Deregulation Act of 1978. Enplanements total 108,000 and a total of 71,000 pounds of freight are hauled. A \$53,000 operating profit is earned.

In 1980, the FAA grants Empire a Part 121 certificate, and on September 15—now a fully certified jet carrier—it introduces the first two of six ordered Fokker F.28-4000 Fellowships on its Syracuse–New York City run. In short order, the Utica-based company begins jetliner service to a variety of cities from Boston to Baltimore, including White Plains, Rochester, Hartford, Montreal, and Syracuse.

Enplanements for the year total 149,269, a major 63.9% boost; freight does even better, storming upward by 71.9% to 121,301 pounds. Revenues accelerate 105.5% to total \$9.82 million while expenses are up by exactly the same percentage, but fortunately, hit only \$9.69 million. All involved with the carrier are pleased to see the \$132,208 operating profit.

The employee population increases 39.3% in 1981 to 369 as the third F.28-4000 is placed into service. Orders are placed for five additional F.28s.

Frequencies are initiated from Rochester to Boston and New York City (JFK and LGA). In December, the firm goes public by selling 550,000 shares of common stock at a public offering. The move increases capitalization by \$4.5 million.

Enplanements soar 155.9% to 409,072, while freight traffic gains by 26.5% to 247,000 FTKs. Revenues skyrocket 145.1% to \$24.07 million and expenses increase 149.6% to \$22.86 million. A net profit of \$517,380 is reported on top of an operating income of \$1.21 million.

The payroll continues to be expanded in 1982, climbing 21.7% to 438.

Flight 141, a Piper PA-31-310 Navajo, is lost in an accident at Ithaca on January 5. Two additional F.28-4000s are delivered in April, with a sixth delivered in July. Meanwhile, Buffalo is added to system charts. Four Swearingen Metro IIs are retained for shorter routes.

As the result of a new interline agreement signed with **Pan American World Airways (1)** late in the year, the carrier switches its gate at New York (JFK) from that maintained by **Eastern Air Lines** to the World Port facilities of Pan Am.

The large regional's passenger boardings swell 36.9% to 562,763, while freight traffic skyrockets 268% to 89,000 pounds. Expenses rise 61.9% to \$37 million, overwhelming a 51.1% growth in revenues to \$36.4 million. As a result, a \$617,552 operating loss is taken. Still, a \$495,308 net profit is generated, the eighth such pretax gain in a row.

Remarkable progress continues for the large regional in 1983, reflected in a 25.7% boost in airline employment to 543.

The airline adds Binghamton and Elmira to its route system and, in partnership with Pan Am, launches "Empire/Pan Am Express" feeder service to New York (JFK) from Hartford, Connecticut, and the upstate New York cities of Buffalo, Syracuse, Rochester, Ithaca, and Utica. Simultaneously, the Syracuse hub is further strengthened and the fleet is increased to 10 F.28-4000s.

Passenger Christopher Bradshaw is arrested in Syracuse on September 21 after his Metro II lands safely. He had, for whatever reason, reached into the cockpit of the aircraft and shut off the fuel to one engine, sending the plane into a sharp drop. Charged with four counts of attempted murder, Bradshaw is ordered by a judge on September 22 to undergo a mental examination.

Customer bookings rise 28.3% to 701,068 and freight skyrockets 107.6% to 1.07 million FTKs. Operating income jumps 37.9% to \$50.18 million and costs are up 23% to \$45.52 million. Operating profit increases to \$4.66 million and the ninth consecutive net profit, \$2 million, is earned. Empires 9.3% operating margin is fourth highest among the 24 publicly owned U.S. airlines.

With revenues of \$76.9 million in 1984, Empire Airlines technically moves upward into the category of "National" carriers. Total revenue for the year is up 53.2% to \$76.89 million and costs are \$70.7 million. Operating gain totals \$6.18 million and a record after-tax profit of \$2.75 million is produced. With the help of five new Fokker F.28-4000s, passenger bookings balloon 51.2% to pass the million mark in annual boardings for the first time (1,084,000) and cargo skyrockets 106.9% to 88,000 FTKs.

The company, in January 1985, receives the 1984 "Regional Airline of the Year" award from *Air Transport World* magazine.

In April, Empire begins direct feed to the Boston gates of **British Airways, Ltd. (2)**; the restricted service includes special fares and one-step check-in. Twice-daily F.28-4000 nonstop flights begin on June 2 from Baltimore (BWI) to Montreal.

On July 11, President Quackenbush announces the transfer of corporate headquarters, maintenance, and reservations from Utica to the Syracuse hub.

The most significant event of the year is the company's October takeover by **Piedmont Airlines (1)**; it is acquired for about \$41 million or \$15 per share.

During its last full and independent year, the large regional boosts its passenger traffic by 20.9% as 1,310,000 passengers are boarded.

The integration of the national into the major receives DOT approval in early 1986. Meanwhile, to help meet traffic demand, two additional

F28-4000s are acquired in March and April. On May 1, the merger is finished and Empire is absorbed, losing its separate identity.

EMPIRE AIRWAYS: 2115 Government Way, Coeur d'Alene, Idaho 83814, United States; Phone (208) 667-5400; Fax (208) 667-8787; <http://www.empirecoo.com>; Code EM; Year Founded 1977. The FBO Empire Airways is established at Coeur d'Alene, Idaho, in 1977 by its owner Melvin E. Spelde, who also undertakes nonscheduled and contract passenger and cargo flights to local and regional destinations.

Late in 1983, Spelde creates a commuter division, **Empire Airlines (1)**, to provide scheduled passenger and cargo flights. These regular revenue services by "Idaho's Airline" commence on January 1, 1984, linking its base with Lewiston, Boise, and Seattle. Nonscheduled operations continue apace over the next 11 years.

Airline employment is boosted to 200 in 1994 and a major contract is signed with **Federal Express** for the transport of cargo. As a result, the company withdraws its Twin Otters and BAe jetliners, acquiring in their place a fleet of 28 Cessna 208 Caravan Is.

With the company moving into the freight business, it is not surprising that customer bookings at **Empire Airlines (1)** plunge 41.1% to 23,851 while cargo at Empire Airways climbs 27.7% to 73,000 pounds.

Just after takeoff from Flagstaff, Arizona, on January 11, 1995, a Cessna 208B freighter makes a shallow bank left and crashes into a line of trees near the end of the runway; the pilot is killed.

The sudden impact of the changeover from passenger emphasis to cargo is catastrophic and forces the passenger operation to shut its doors in June. Empire Airways, the parent, continues to operate as a **Federal Express** feeder.

The employee population stands at 140 in 1996 and the fleet, now operated exclusively on behalf of **Federal Express**, comprises 3 Cessna 208A Caravan Is, 32 Cessna 208B Caravan Is, 1 Fairchild F-27F, 2 Fokker F.27-500s, and 8 F.27-600s. A total of 72.26 million pounds of freight are transported, a decline of 7.6% from the previous year.

Service is continued in 1997 and cargo declines to 50.96 million pounds.

Late in 1998, Empire becomes the first **Federal Express** feeder to place a freighter version of the Shorts 360-300 into service. During these 12 months, freight flown increases by 6.3% to 54,377,972 pounds.

Flights continue without incident or headlines in 1999. Freight increases 3.2% to 56.17 million pounds.

A total of 160 workers are employed at the beginning of 2000, a 14.3% increase over the previous 12 months.

While en route on October 9 from Bellingham, Washington, on a **Federal Express (FedEx)** cargo service to Orcas Island Airport at Eastsound, Flight 665, a company Cessna 208B Caravan I encounters deteriorating weather. The single-engine turboprop goes into a steep nose-down attitude and is destroyed as it crashes in wooded terrain near the NE end of Lummi Island, killing its pilot.

EMPIRE AVIATION, LTD.: Murtala Muhammed Airport, Lagos, Nigeria; Year Founded 1999. With shareholding divided between **Arkia Israel Airlines, Ltd.** (30%), **Koor Industries, Ltd.** (30%), and local Nigerian investors (40%), Empire Aviation, Ltd. is set up at Lagos in early January 1999 under the direction of Arkia Executive Vice President Shlomo Hanael.

Outfitted with two of the three de Havilland Canada DHC-7-102s recently discarded by Arkia and obtained under lease, the new entrant inaugurates service at the end of the month from the Nigerian capital to Kano, Port Harcourt, Abuja, and Benin. It is hoped that the operation will be able to help fulfill a demand for air transport not being met by **Nigeria Airways, Ltd.**

Service is maintained during 2000.

EMPIRE STATE AIRLINES: United States (1964–1968). Empire State is founded at Syracuse in the spring of 1964 when its owner, the FBO Flight Service (founded in 1953), elects to offer scheduled passen-

ger and freight service to Binghamton via Ithaca and Elmira. Employing Beech 18s, the company begins daily roundtrip revenue flights on May 11, continuing them without change throughout 1965.

A Gates Learjet 24 is placed on the route as an experiment beginning on March 28, 1966. The aircraft is one of only a handful of its type ever employed by American commuter airlines. Learjet frequencies to New York (LGA) and Washington, D.C. (DCA) are flown in 1967.

In 1968, the CAB grants a Syracuse to Binghamton route to **Mohawk Airlines**, which had abandoned it earlier. The competition forces Empire State to shut its doors on July 13.

EMPRESA AEREA HALCON, S.A.: Aeroparque Jorge Newbery, Av R. Obligado s/n, Buenos Aires, Argentina; Phone (1) 771 7067; Fax (1) 777 4574; <http://www.eaereahalcon.com.ar>; Year Founded 1967. Halcon is established at Buenos Aires in 1967 to provide executive and small group passenger charters to destinations throughout the country that are not served by scheduled airlines. Revenue flights commence with a fleet of small Cessnas.

By 2000, the company operates one each Cessna Citation IV, Aero Commander 681, and Grumman G-1159 Gulfstream IV.

EMPRESA ANDORIENTE, S.A.: Peru (1960–1966). Empresa Andoriente is set up in Lima during November 1960 to serve as an ad hoc charter operator. After a fleet of ex-military Boeing B-17s (converted to civil standard) is assembled, nonscheduled flights to various Andean locations begin in the spring of 1961. The unprofitable airline stops flying in April 1965 and declares bankruptcy in February 1966.

EMPRESA DE AEROTRANSPORTES COSTARRICENSES, S.A. See EDAC (EMPRESA DE AEROTRANSPORTES COSTARRICENSES, S.A.)

EMPRESA DE TRANSPORTES AEREO BRASILEIRO, S.A. See EMPRESA DE TRANSPORTES AEROVIAS BRASIL, S.A.

EMPRESA DE TRANSPORTES AEREOS CATARINENSE, S.A. See TAC (EMPRESA DE TRANSPORTES AEREOS CATARINENSE, S.A.)

EMPRESA DE TRANSPORTES AEREOS NORTE DO BRASIL, S.A. See AERONORTE (EMPRESA DE TRANSPORTES AEREOS NORTE DO BRASIL, S.A.)

EMPRESA DE TRANSPORTES AEROVIAS BRASIL, S.A.: Brazil (1942–1961). As one of the links in his South American airline empire, Lowell Yerex, CEO of **TACA (Transportes Aereos Centro Americanos, S.A.)**, creates Aerovias Brazil at Rio de Janeiro on August 26, 1942. Capitalization is divided between Yerex (42%), TACA Vice President Charles E. Matthews (18%), and Brazilians, Roberto and Oscar Taves (40%).

Two Lockheed Model 14 Super Electras are obtained from TACA and, under the unofficial marketing title **Brazilian International Airlines, S.A.**, the carrier begins all-cargo charter services to Miami in October via Uberaba, Goiania, Belem, Paramaribo, Port of Spain, and Ciudad Trujillo. Actual government authority for operations is received on December 29.

Despite the loss of a Super Electra in a February 13, 1943 crash at Lapa, Baia, freight services are maintained, often in cooperation with **NAB (Navegacao Aerea Brasileira, S.A.)**, with which it interchanges both services and equipment. Company headquarters are shifted from Rio to São Paulo in 1944 and new aircraft acquisitions include a pair of Fairchild 71s.

Late that year and into 1945, the fleet is upgraded by the addition of two Lockheed Model 12As and two ex-TACA (**Transportes Aereos Centros Americanos, S.A.**) Douglas DC-2s, which are employed to initiate domestic flights to the inland town of Carolina via Uberaba, Goia-

nia, Anapolis, São Jose de Tocantins, Peixe, Porte Nacional, Pious, Tocantinia, and Pedro Afonso, and then on to Belem.

In 1946, a fleet of 15 ex-military C-47s (converted to DC-3 civil standard) and 4 Curtiss C-46A Commandos is built up. Government route authority is granted in April for services along the Brazilian coastline from Porto Alegre to Belem as complement to the internal network established earlier. Because so many routes spoke out from their city, a group of São Paulo investors purchases all but 6% of the carrier from **TACA (Transportes Aereos Centros Americanos, S.A.)** on January 11, 1947.

The entire domestic route system is now integrated and on August 27 the U.S. CAB issues a permit allowing the previously flown Miami charter flights to become scheduled.

All-cargo flights are also undertaken to Manaus, but these are suspended in November 1948.

In December the carrier assumes grounded NAB's internal routes from Rio de Janeiro to Fortaleza via Belo Horizonte, Lapa, and Petrolina. The NAB spurs from Petrolina to Fortaleza, Parnaíba, and São Luis are also acquired, the latter two being flown via Teresino.

Unable to begin service, **Empresa de Transportes Aereo Brasileiro, S.A.** sells out to Aerovias Brazil in January 1949; among the assets are four more DC-3s. The carrier itself is purchased by the State of São Paulo on February 17, with ownership assigned to the Municipal Bank of São Paulo.

Following total reorganization on September 29, control is assigned, as an intermediate step prior to complete assemblage of a new board of directors, to the bankers, who immediately register the **Brazilian International Airlines, S.A.** moniker as an official alternate title for use on overseas operations.

A DC-3 with 4 crew and 11 passengers is caught in a violent thunderstorm and turbulence and suffers a massive in-flight structural failure that causes it to crash near Ilheus, Brazil, on May 30, 1950 (13 dead).

On August 11 of this transition year, three of six ordered SAAB 90A Scandias are received from Sweden in Aerovias Brazil livery.

The new board of directors takes office on November 3 and on December 21, the three Scandias are transferred to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**, where they join the other three delivered to that carrier earlier.

Three DC-4s are purchased in 1951, including a former **Chicago & Southern Airlines** unit now christened *General San Martin*. These are employed to inaugurate new international services from São Paulo to Buenos Aires and Montevideo. Freight services are enhanced by the delivery of four Curtiss C-46A Commandos.

In 1952, orders are placed for six Convair CV-340s. On October 14, a DC-3 crashes while landing at Porto Alegre (14 dead).

The feeder airline **Aeronorte (Empresa de Transportes Aereos Norte do Brasil, S.A.)** is purchased in 1953. This third-level carrier is, however, allowed to continue operation of its route system in the country's northeast area under its own name.

On May 24, 1954, Linneu Gomes, CEO of the expanding airline **REAL, S.A.**, enters into merger discussion with the Aerovias board. The first CV-340 is delivered on July 8 and on September 10, legal and financial arrangements are completed and Gomes acquires 87% majority shareholding.

In February 1955, Aerovias Brazil becomes a major component in the Consorcio REAL-Aerovias Brasil. This six-year marriage is reviewed under the entry for **REAL, S.A.**

In significant financial distress by early 1961, Gomes separates out Aerovias Brazil from his network on May 2 and sells it to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** in a desperate, but ultimately unsuccessful, effort to avoid bankruptcy. The giant airline quickly absorbs its newest acquisition.

EMPRESA DEAN, S.A. Honduras (1924-1934). Formed late in 1923 by the Tegucigalpa auto dealers Dean and Company, Empresa Dean, which would become the first airline in Central America, now hires an

American pilot named Mayes. The flyer had come to Honduras earlier in the year to start an air transport operation with Dr. T. C. Pounds, who held a government mail contract. The partnership did not take, freeing Mayes to offer his Lincoln Standard to Empresa Dean as its first airliner.

The pioneer inaugurates service in January 1924, flying between the capital and the coast, primarily on behalf of the United Fruit Company subsidiary, the Tela Railroad. When revolution breaks out in February, Mayes flies supplies into Tegucigalpa for foreigners and radio station personnel. Later, the successful revolutionaries take over the Lincoln and use it as an ad hoc bomber against government strongholds.

Empresa Dean continues into the early 1930s, providing local services with a mix of single engine aircraft, including a Bellanca CH-300, a Fokker, and a WACO. American Roy Gordon and Englishman Norman Scholes purchase the enterprise in 1931; C. N. Shelton is named chief pilot, with R. C. Forsblade as second pilot and head mechanic.

On April 24, 1934, the operation is taken over by **TACA (Transportes Aereos Centro Americanos, S.A.)**.

EMPRESA NACIONAL DE TRANSPORT E TRABALHO AEREO, S.A. See **TTA (EMPRESA NACIONAL DE TRANSPORT E TRABALHO AEREO, S.A.)**

EMPRESA TRANSPORTES AEREOS, S.A. See **ETA (EMPRESA TRANSPORTES AEREOS, S.A.)**

EMU AIRWAYS (PTY.), LTD.: 10 Cairns Avenue, Lockley, South Australia, 5032, Australia; Phone 61 (8) 823-43711; Fax 61 (8) 823-43747; <http://www.emuair.mtx.net>; Year Founded 1970. Originally founded as **Emu Air Charters (Pty.), Ltd.** in April 1970, the Lockley-based carrier receives permission in late 1973 to begin scheduled services. After reorganizing and choosing the name Emu Airways, the company's two Cessna 402Cs and one Piper PA-23 Aztec inaugurate flights in February 1974 from Adelaide to Pardana and America River, Kangaroo Island.

Services are maintained throughout the next two decades over the same route and with the same equipment and in 1994-1995 the carrier is scheduling twice-daily roundtrips to Adelaide with a pair of Cessna 402Cs. A desk is established at the General Aviation Terminal in Thomas Street at Adelaide International Airport.

One more Cessna 402C and a Piper PA-31-310 Navajo are acquired in 1996 as the carrier offers 30 weekly return services. A fourth Cessna 402C joins the fleet in 1997, along with another Navajo Chieftain. A homepage is opened on the World Wide Web in October 1998.

Flights continue in 1999 and customer bookings jump 9.3% to 41,000. The company purchases a Beech 1900C on September 4, 2000.

ENIMEX, A.S.: Pae st. 12, Tallin, EE-11414, Estonia; Phone 372 638-0028; Fax 372 221-4571; <http://www.enimex.ee>; Code ENI; Year Founded 1994. Enimex is established at Tallin on September 26, 1994 to operate domestic and regional all-cargo charters. Revenue flights begin with a single Antonov An-72.

During the next 4 years, 4 additional An-72s are acquired, as are 10 motor trucks for ground transport. Different kinds of goods and humanitarian services are provided from not only Estonia but from Belgium, England, Egypt, Germany, the CIS, and points in Africa.

Beginning in 1996 and continuing through 1998, Enimex performs regular charter flights effecting crew changes for the Estonian Shipping Company, A.S. The first regular return charters over the route from Tallinn to Istanbul also begin in 1996.

Beginning in January 1997 and in every year thereafter, the carrier provides lift in support of the annual Paris to Dakar automobile rally. Two An-72s are initially committed, with the number eventually rising to four.

Among the more interesting operations conducted during the remainder of the decade are transport over a Strasbourg to Baku route on behalf of the European Parliament; VIP service for the president of Estonia and

the Estonian ministry of foreign affairs; VIP flights for the president of the Republic of Sudan; services into Bosnia-Herzegovina on behalf of various humanitarian agencies and the UN; contract services for the U.S. embassies in Estonia and Croatia; and charters on behalf of the national football (soccer) teams from Finland, Estonia, Bosnia, and Latvia.

In April 1999, the company fleet is increased by the addition of an An-28. Later in the year, another An-72, the fifth, is placed into service. Enimex also operates 10 trucks on the roads of Western Europe, the Baltic States, and Russia.

ENSOR AIR: Czech Republic (1992–1994). Ensor Air is established at Prague's Airport Ruzyně in 1992 to offer charter and inclusive-tour flights to regional and Mediterranean destinations. Revenue operations begin and continue with a single Tupolev Tu-154B-2.

An Ilyushin Il-62M is acquired in 1993 and destinations visited include Gran Canaria, Izmir Adnan Menderes, and Tunis. Unable to achieve economic viability, the company shuts down in April 1994.

ENTERPRISE, A.S. See CONAIR OF SCANDINAVIA, A.S.

ENTERPRISE AIRLINES: United States (1988–1990). After establishing a plan and raising \$1.2 million, Patrick Sowers forms Enterprise Airlines at Cincinnati in the spring of 1988 to operate "spoke-to-spoke" services to eight destinations: Columbus, Dayton, Baltimore, Milwaukee, Green Bay, Greenville/Spartanburg, and Greensboro/High Point.

Employing one of three used Cessna Citation II business jets, the new regional inaugurates revenue flights, the first to Milwaukee, on May 2 and transports a total of 870 passengers during its first month.

Monthly bookings of primarily corporate executives average 3,000 by year's end. Poor load factors cause service to Buffalo to be dropped just after Christmas.

In February 1989, daily roundtrip flights commence from Louisville's Standiford Airport to Cincinnati and Greensboro, North Carolina.

In April, a nine-month contract is signed with **British Airways, Ltd.** (2) to feed the megacARRIER at Boston and New York (JFK). The arrangement begins in May when, under BA's two-letter designator, the airline provides three daily frequencies between Boston and New York, connecting with Concorde flights. Simultaneously, twice-daily service is introduced from Hartford to Boston under its own designator.

In June, 51% shareholding is sold to Chicago West Pullman. Three additional Citations are acquired during the remainder of the summer to accommodate the BA service and, in anticipation of additional expansion, six landing slots are purchased by lottery at Chicago (ORD).

The BA contract ends in January 1990. In April, Memphis is added as an extension of the route from Cincinnati to Louisville. Ground handling at the Tennessee airport is provided by **United Airlines**.

With fuel prices more than doubling after the August 2 Iraqi invasion of Kuwait, the carrier is forced to drop 28 daily flights from its schedule in November. Unable to maintain viability in a time of recession, the small regional is forced to cease operations on November 14, laying off all employees and returning all of its corporate jetliners.

Enterprise is largely remembered as one of the first U.S. regional airlines to employ regional jetliners; a year later, the carrier's surviving local competitor, **Comair**, will announce its launch of the Canadair Regional Jet, which will further revolutionize short-segment services.

ENTA (EMPRESA NACIONAL DES TRANSPORTES AEREOS, S.A.): Costa Rica (1932–1940). American William "Bill" Schoenfeldt establishes ENTA at San Jose on March 2, 1932 and irregular sight-seeing flights over the capital city and charters to outlying communities are initiated. A government mail contract, which can be interpreted as an 8,000 colones annual subsidy, is received on October 29.

With a Fokker F-VII, scheduled services are inaugurated on April 5, 1933 to such destinations as Liberia, Santa Cruz, Las Canas, Nicoya, Ciudad Quesada, Limon, San Ramon, Buenos Aires, San Isidro de el

General, Puerto Jimenez, and Puerto Cortes. A Fokker F-VIIb/3m is placed in service on May 23.

Services are maintained and the fleet is increased by the addition of a Fokker F-10, a Boeing 40B-4, and the Ford 5-AT-39 in 1934 and 1935. On March 13 of the latter year, Schoenfeldt withdraws from the company and is succeeded by Eric Murray. On May 30, Murray and Roman Macaya, owner of competing **Aerovias Nacionales (Macaya), S.A.**, agree to rationalize their competition by halting unnecessary duplication and offering a unified fare structure.

Following a complete overhaul, the Ford 5-AT-43 Tri-Motor (which had begun operations in 1929 as the *Wichita Falls* of **Southwest Air Fast Express**) is purchased from **American Airlines** on February 15, 1936.

During the spring, a Travel Air 6000 is acquired to replace the single-engine Fokker. The new aircraft is employed to begin international services from San Jose on July 14 to Managua and to David, Panama.

On June 20, 1937, the Travel Air crashes in the mountains and all aboard are lost; the wreckage will not be found until February 9, 1941.

During 1938–1939, both the domestic and regional networks are maintained and the fleet is increased by the addition of four more Travel Airs and, on June 24, 1938, the Ford 5-AT-70. During this time, Eric Murray and Roman Macaya lay plans to sell out to Lowell Yerex's Honduran carrier **TACA (Transportes Aereos Centros Americanos, S.A.)**, which begins flying into San Jose on October 20 of the latter year.

The first outward step is taken on January 16, 1940 when ENTA and **Aerovias Nacionales (Macaya), S.A.** are merged into **Aerovias Nacionales de Costa Rica, S.A.** On June 20, the government cancels the airmail contracts of the Murray–Macaya operation, but on October 20, TACA absorbs the newly amalgamated carrier as **Compania Nacional TACA de Costa Rica, S.A.** and receives the government mail subsidies formerly held by the independents.

EQUATOR AIRLINES, LTD.: P.O. Box 43356, Nairobi, Kenya; Phone 254 (2) 501 319; Fax 254 (2) 506 101; Code 3P; Year Founded 1989. Equator Airlines is organized at Wilson Airport at Nairobi in 1989 from the assets of the former **Pioneer Airlines, Ltd.** Managing Director Capt. Musa H. Bulhan's company prepares to offer service with a fleet that initially comprises 2 Britten-Norman BN-2 Islanders, 4 Cessna 310s, 3 Cessna 402s, 3 Cessna 404 Titans, and 2 Piper PA-31-310 Navajos. Scheduled commuter flights are undertaken linking Nairobi with Mombasa, Malindi, and Lamu.

Three Cessna 310s join the fleet in 1990 followed by three Piper PA-32 Cherokee Sixes and three Piper PA-34 Senecas in 1991.

The Islanders are withdrawn in 1992 and are succeeded by a single Piper PA-31-350 Navajo Chieftain.

The aircraft mix changes again in 1993–1994, this time to include two Senecas, one Cessna 310, one C-402, and three Cherokee Arrows.

Service is maintained in 1995–2000, though by the latter year the fleet includes only two C-402Bs.

EQUATORIAL INTERNATIONAL AIRLINES OF SAO TOME E PRINCIPE, S.A.: São Tome & Principe (1986–1993). Equatorial International is formed in 1986 to succeed the nation's former flag carrier, **Linhas Aereas de São Tome e Principe, S.A.**, which had stopped flying in December 1985. Shareholding in the joint venture is held equally by the São Tome government and International Aircraft Services, based at Shannon, Ireland.

In 1988, Chairman K. R. G. Hellinger and General Manager J. Portugal's single Fokker F.27-400M Friendship maintains services from its São Tome base to Principe and to Libreville, Gabon.

Portugal is succeeded as general manager by Joao E. Dos Reis in 1990 and an Aerospatiale (Nord) 262 joins the fleet, allowing the introduction of a frequency to Douala, Cameroons.

The fleet in 1991 includes a pair of Nord 262s and a Fokker F.27-400M.

The Fokker is retired for economic reasons in 1992 and yet another general manager, Victor Manuel da C. Diogo, is appointed. In 1993, he

oversees a workforce of 55 and briefly returns the Friendship to service. In addition to charter flights, the company continues to operate its previous schedules until October, when the company is reformed as **Air Sao Tome e Principe, S.A.**

ERA AVIATION: 6160 Carl Brady Drive, Anchorage, Alaska 99502, United States; Phone (907) 248-4422; Fax (907) 266-8350; <http://www.era-aviation.com>; Code 7H; Year Founded 1947. Having learned to fly helicopters in Yakima, Washington, in 1947, Carl F. Brady leases a Bell 47A (later purchasing it for \$29,500) and with two partners establishes Economy Pest Control.

In 1948, Brady wins a U.S. Geological Survey contract to assist in the mapping of Alaska. The Bell 47A is transferred to Anchorage, where its owner, having established the territory's first commercial helicopter operation, renames his company Economy Helicopters. It is at this point that Brady, having discovered that his craft's castored wheels work poorly in the new environment, attaches two strips of lumber to them, creating what will come to be known as Tundra Boards. Legend has it that Bell, as a result, now replaces the wheels on its helicopters with skids.

Two years after starting Anchorage flights, Brady accepts his first petroleum-support job in 1950.

Geophysical and mapping flights continue during the next five years and, in 1956, offshore operations are begun on the Kenai Peninsula on behalf of Union Oil and Standard Oil of California.

Unable to purchase the larger Sikorsky S-55s required to fulfill its initial contract from its own resources, Economy enters into a partnership with California-based Rotor Aids. The new ERA Helicopters is able to acquire two S-55s for \$175,000 each. Bell 47J-2s are soon added and Cook Inlet becomes a service area. In 1957–1958, ERA is the first to use Sikorsky S-55s for external loads in Alaska.

In 1959, company headquarters are moved to a new hangar complex at Anchorage's Merrill Field and a satellite base is set up at Kenai in 1962. Two years later, in 1964, the company introduces the first turbine-powered helicopter to fly in Alaska, a Bell 204B. The first S-62 is introduced in Alaska during the following year.

In need of additional capitalization, founder Brady allows ERA to be acquired in 1967 by Houston-based Rowan Drilling, Inc. for \$2.5 million. Rowan Drilling is a major corporation involved in worldwide oil exploration, including recent finds on the North Slope of Alaska. Brady becomes a Rowan board member and executive vice president in charge of ERA Helicopters.

The concern's first Bell 206A JetRanger along with its first turbine-powered Bell 205A-1 are dispatched to Alaska in 1968. The company also sends its first Swearingen Merlin IIA to Anchorage the same year to fly fixed-wing freight services.

In 1969, ERA is the first company to employ a Sikorsky S-64E Sky Crane on a commercial contract; the huge helicopter is able to lift 20,000 pounds.

In 1970, the company begins heavy involvement in offshore support, launching operations into the Gulf of Mexico. The same year it accepts its first contracts to provide foreign services, beginning in Africa and the Mideast. At the same time, a Beech King Air 90 is acquired to provide emergency hospital transfer flights on behalf of Anchorage's Providence Hospital.

The first de Havilland Canada DHC-6-200 Twin Otters arrive in 1971–1973 and begin roundtrip flights to Kenai. A Part 121 charter license is acquired and a Hawker Suddely DH-125 executive jet is employed commercially in Alaska for the first time.

CEO Brady realizes that for its Alaska operation to remain effective ERA will have to introduce instrument flying. A close and lasting relationship is now established with Norway's **Helikopter Service, A.S.**, which initially trains ERA pilots in the new science.

The Fairbanks-based helicopter company, Merrick, Inc., is purchased in 1974; in 1975, Livingston Copters of Juneau is also taken over. During the year and into the decade, the operator pioneers instrument flight

rules (IFR) helicopter operations in Alaska, with minimums of 200 feet and visibility of half a mile. It also advances IFR flight by pioneering the use of airborne radar as an approach aid to ships, while also working on the Alaska Pipeline.

A DHC-6-200 is destroyed in a ground accident at Fairbanks on May 13, 1976.

In 1977, sling-load techniques are developed for use in instrument conditions and the company's Sikorsky S-61s and Bell 212s begin to support drilling rigs in the Gulf of Alaska.

In 1978, a Gulf of Mexico division is established at Lake Charles, Louisiana. Simultaneously, IFR helicopter operations are introduced to the North Slope of Alaska.

The Rowan Corporation subsidiary is now divided into three divisions. ERA Helicopters Alaska Division and ERA Helicopters Gulf Coast Division, provide charter, contract, survey, exploration and energy industry support services within their respective U.S. geographical areas. The third division, Jet Alaska, later takes the name of the corporation and provides fixed-wing charter and contract flights within the state.

In 1979, the company transfers from Merrill Field to Anchorage International Airport and establishes a new aviation center.

The fixed-wing fleet of nine de Havilland Canada DHC-6 Twin Otters and Beech King Air 100s is enhanced in September 1980 when ERA receives government authority to employ its three new Convair CV-580s under Part 121 conditions. The first Aerospatiale AS-350 AStar enters service toward year's end.

In 1981, the FAA approves the introduction of techniques for carrying external helicopter loads in instrument conditions. The first Bell 412 helicopters, with their four-bladed rotor systems, join the helicopter fleet in Alaska.

Beginning in April 1982, company helicopters are based at Bristol Bay to provide a quarter of support services to fish-processing ships anchored offshore. The activity will become an annual event.

On April 8, an ERA helicopter makes the first certified Airborne Radar Approach to an oil platform in the Gulf of Mexico.

In 1983, the company becomes the first air operator to fly a de Havilland DHC-7 in Alaska. A scheduled service is initiated with the new turboprop in May between Anchorage and Valdez.

While landing three passengers and a load of cargo on a ridge near the upper part of a glacier not far from Yakutat on May 20, the pilot of an SA-318C encounters whiteout conditions. The helicopter's right float and main rotor strike the snow-covered surface and the machine rolls over. The aircraft is shut down, all aboard escape, don survival gear, and are rescued the following day after a weather delay.

Just after takeoff from Dutch Harbor on July 11, an AS-350 with one pilot and three passengers encounters engine problems. The helicopter autorotates down to an emergency landing on sloping, mountainous terrain, rolling over and sliding to the bottom of a ravine. All aboard are injured—one seriously—but are quickly rescued.

While 50 helicopters operate in the Gulf of Mexico and 62 in Alaska, the company's fixed-wing division joins the **Alaska Airlines** Commuter Service network as a code-sharing partner on December 31. It begins to undertake scheduled third-level services to destinations in the south and central part of the state under a program later labeled Village Service. Bases are established at Anchorage and Bethel.

Employing 3 Convair CV-580s, 1 DHC-7-103, and 8 DHC-6 Twin Otters, the carrier inaugurates fixed-wing scheduled flights in early 1984 to Chefnak, Chevak, Eek, Goodnews Bay, Hooper Bay, Kenai, Kipnuk, Kongiganak, Kwigillingok, Marshall, Mekoryuk, Newtok, Nightmute, Platinum, Quinhagak, Russian Mission, Scammon Bay, Toksook, Tununak, and Valdez.

As many as four IFR contracts are now being fulfilled by eight helicopters from Dead Horse, on Alaska's North Slope. The company's Alaska-based helicopter fleet is joined by ERA's first AS-332C/Ls and Bell 214STs.

Founder/CEO Brady retires on October 31.

Just after liftoff from a 130-ft. high drilling rig at E Cameron Blk. 2 in the Gulf of Mexico on November 12, a Bell 206L LongRanger with one pilot and four passengers loses all power. Although autorotation is begun, the ditching is hard, causing the aircraft to roll over. All aboard escape, but four are injured, one seriously.

A total of 140,000 passengers are flown on fixed-wing services during the year.

In January 1985, the company is reorganized. David L. Baumeister becomes president/CEO, while Charles W. "Chuck" Johnson, the Gulf Coast Division's manager, becomes executive vice president.

In April, the company acquires a Boeing Vertol Model 234 Commercial Chinook and establishes a new base at St. Paul Island. Under contract to Exxon USA, ERA pilots, trained by the Norwegian operator **Helikopter Service, A.S.**, operates the new helicopter to the Exxon USA rig *Doo Sung* (Korean for *Big Dipper*). Located in the Navarin Basin, a new energy field in the Bering Sea off Alaska, beginning in June.

On July 14, a Soviet Air Force reconnaissance aircraft makes several low-level passes over the *Doo Sung* rig less than half an hour after the Chinook departs for St. Paul Island.

While on final approach to the airport at Gulkana, Alaska, on the night of August 20, a Gates Learjet 24D of the Jet Alaska division, with one pilot and two passengers, descends below minimum altitude and crashes 7.4 mi. N of the runway; there are no survivors.

At the end of the summer, one of the company's Aerospatiale AS-332Ls is also operated on behalf of Arco Alaska.

While on approach to Juneau on an October 22 medevac flight, another Jet Alaska Gates Learjet 24D with two crew and two passengers descends below minimum altitude and crashes into a 3,500-ft. mountain; there are no fatalities.

Offshore support flight hours per month reach a company high of 3,750, while fixed-wing passenger boardings for the year rise 3.6% to 145,000.

The fixed-wing fleet in 1986 includes nine Twin Otters and three CV-580s. Following receipt of three more MBB BO-105 helicopters at its Lake Charles, Louisiana, base, the company, with 23 of the type, is the largest BO-105 operator in the world.

The company's Aviation Services Division begins manufacturing external auxiliary fuel tanks for the Bell 205, 212, and 214 helicopters. Known as Kevlar tanks, those aircraft fitted gain 1.5 hours of additional endurance.

During the summer, the company accepts a contract to fight fires in California with Bell 212s. At the same time, Bell 206B JetRanger sight-seeing tours are first offered in Alaska.

An average of 57 helicopters are now active in offshore support roles. Fixed-wing enplanements for the year climb 4.8% to 151,988.

One Twin Otter is withdrawn in 1987 and replaced by a Beech King Air 200. In February, sight-seeing work begins in Hawaii employing a pair of Aerospatiale AS-355 TwinStars based at Kauai.

During the spring, the Alaska-based ERA Helicopters enters the sight-seeing business. Flights are offered to Norris Glacier employing two Bell 206B JetRangers and a Bell 212.

A total of 1,200 passengers are transported by summer's end on 11 packages from Juneau, Anchorage, Mount McKinley, Valdez, Fairbanks, and Prudhoe Bay. At the same time, seven VFR-equipped Bell 206B JetRangers are contracted to provide support for mineral exploration in Alaska; flights are made on behalf of gold, silver, lead, zinc, and platinum mining. With the downturn in exploratory work on Alaska's North Slope, the company now bases only one Bell 412 at Dead Horse, where it flies under contract to Tennaco, and three Bell 212s at Cook Inlet.

The company's helicopter division expands its base network along the Texas and Louisiana coasts in November when it opens a new facility at Intercoastal City, the third site commissioned in two years.

By year's end, the company has flown over 22,000 incident-free IFR hours. Although several new fixed-wing routes are added, passenger boardings decline by 7.9% to 139,923. Freight, on the other hand, accelerates by 27.5% to 2.88 million pounds.

Airline employment grows by 11.1% in 1988 to 750 and the Alaska-based fixed-wing fleet now includes 8 Twin Otters, 3 CV-580s, and 1 Beech King Air 200. An average of 46 helicopters are now active in off-shore support roles.

While practicing touch-and-go landings from Dillingham Airport on May 24, a Cessna 206 with one pilot, collides with a company AS-350D with one pilot and three passengers that is lifting off; both aircraft crash and all aboard each aircraft are killed.

On June 18, the carrier celebrates its fortieth anniversary and changes its name from ERA Helicopters to ERA Aviation to reflect its diversity.

At the same time, the rotary-wing fleet is increased by the addition of six Aerospatiale AS-355 TwinStars and four AS-350B Ecureuils. Two of the TwinStars are based on Kauai and one on Maui for Hawaiian sight-seeing operations. A Bell 212 is sent to Phoenix, Arizona, under contract to assist in the Salt River hydroelectric project.

During the summer, company helicopters are called upon to fight massive fires, including those consuming over a million acres in Alaska and in Yellowstone National Park. Bell 212s from the Lake Charles, Louisiana, base are sent to participate in suppression of the latter. Three Bell 212s based at a West Coast division in Santa Monica, California, combat blazes in the far west; one of these, based at Chantry Flat in the San Gabriel Mountains is the first helicopter under contract to the U.S. Forest Service for IFR flight. Another aircraft, an AS-355 TwinStar based at Boise, is equipped with an experimental Conair fire-retardant system.

As the Gulf support market improves slightly, the company is able to announce a 7% rate increase on September 1.

In the fall, a specially equipped AS-355 TwinStar begins a six-month experimental emergency medical service (EMS) on behalf of Providence Hospital at Anchorage.

While departing an elevated heli-deck on an offshore production platform in the Gulf of Mexico on November 4, an AS-355F with one pilot and five passengers suffers a complete loss of tail rotor thrust and aircraft control due to a failure of the tail rotor drive shaft. The helicopter crashes into the sea and sinks; four aboard are killed and the two survivors are seriously injured.

Also in Alaska, an AS-332L Super Puma provides 400 hours of support work for Amoco off the North Slope before it is sold to **CHC Canadian Helicopter Corporation, Ltd.** later in the month.

Fixed-wing customer bookings rebound by 17.7% to 164,728 and cargo rises 9.7% to 3,160,000 pounds.

The workforce is increased by 21.1% in 1989 to 809 and the fixed-wing fleet is increased by the addition of another CV-580. The helicopter fleet now includes 86 aircraft. In Alaska, ERA bases 4 AS-350Bs, 1 AS-355, 14 Bell 206Bs, 4 Bell 206Ls, 4 Bell 212s, and 1 Bell 412. Three AS-355s are based in Hawaii and in California there are 1 each AS-355, Bell 206B, and Bell 206L, plus 6 Bell 212s. At Lake Charles, ERA bases 3 AS-355s, 5 Bell 206Bs, 1 Bell 212s, 11 412s, and all 23 of its MBB BO-105s.

Two Aerospatiale AS-350B-1 Ecureuils are delivered to the Anchorage helicopter base in March.

Following the grounding of the tanker *Exxon Valdez* in Prince William Sound on March 25, a total of 17 company helicopters are sent to the *Valdez* to provide assistance. AS 350 AStars, Bell 206L/Bs, a Bell 412, and even an AS-332L Super Puma are employed during the remainder of the month and into April to help chart the spill's spread, fly to and from the stricken ship, and install emergency telecommunications gear.

En route from Anchorage to Valdez on May 6, a Bell 412 crashes into a snowbank some 32 miles SE of the former location; although both occupants escape injury, the \$3.5-million machine must be written off.

While en route back to base from a passenger service to a remote drilling site in rural Alaska on June 15, an AS-350B collides with the rock face of a 3,900-ft. ridge near Puntilla Lake; the pilot is killed and the helicopter is destroyed.

Following the October 17 San Francisco earthquake, California division Bell 206Bs provide power line patrol for PG&E between Monterey

and Santa Cruz while, on behalf of the state's Department of Forestry, a specially equipped JetRanger helps to assess damage in the Santa Cruz region employing a forward-looking, infrared (FLIR) system.

During the year, founder Brady is named "Alaskan of the Year."

Passenger boardings for the Convairs and de Havillands jump 31.4% over these 12 months to 216,107 and the company, with the submergence of **Okanagan Helicopters, Ltd.** into **CHC Canadian Helicopters Corporation, Ltd.**, is now the oldest surviving commercial helicopter operator in the free world.

On average, 37 helicopters are active in offshore support roles in 1990 as the company now employs 95 pilots and 122 mechanics.

To serve the company's southeast Gulf Coast operations, ERA Helicopters opens a new base in Houma, Louisiana, in January.

During the spring, an Aerospatiale AS-332L Super Puma is acquired to support Shell Western Oil Company's Chukchi Sea operations.

Just after landing at Chevak following a March 29 service from Bethel, the right main landing gear of a DHC-6-200 with 2 crew and 13 passengers breaks off, causing the plane to yaw right and veer off the runway; although the turboprop is damaged beyond repair, there are no fatalities.

In August, a company Bell 212 from Santa Maria is one of several private helicopters dispatched to battle a fire near famed Steamboat Rock, outside Yosemite Valley.

Two DHC-8-100s join the fixed-wing fleet, but cannot prevent a 4.4% decline in passenger traffic to 206,598 passengers flown.

In addition to the 2 DHC-8-100s, the fleet in 1991 includes 4 Convair CV-580s, 5 DHC-6-100s, 2 DHC-6-200s, and 1 DHC-6-300s, plus helicopters. Meanwhile, the company is the only offshore-support operator in the Gulf of Mexico to employ an all twin-engine helicopter fleet; in February, orders are placed for 10 MBB BO-105CBSs.

President/CEO Baumeister dies on February 13. He is succeeded by Rowan Companies, Inc. Chairman/CEO C. R. "Bob" Palmer. Wilbur O'Brien, meanwhile, becomes president/chief operating officer of the ERA subsidiary.

On July 1, a letter of intent is signed by parent Rowan Companies, Inc. with **KLM Royal Dutch Airlines, N.V.** for the purchase of a 49% stake in **KLM Helicopters B.V.** The contract takes effect in October, at which point the two helicopter operations commence "close cooperation." On November 1, **KLM Helicopters, B.V.** is renamed **KLM/ERA Helicopters, B.V.** The Dutch line's managing director, Harry Schoevers, assumes the same post with the new joint venture, while ERA Aviation's Services Division General Manager Rudy Park becomes deputy managing director. With the exception of KLM's 7 Sikorsky S-61Ns, the 114 helicopters that the new operation has to draw upon are all medium twin-engine aircraft. Plans are made for KLM/ERA to concentrate on world markets while ERA Aviation flies in North America.

Helicopter sight-seeing operations continue to be coordinated with the Holland America and Princess cruise lines. Flight-seeing trips are made with three AS-355 TwinStars from Juneau to the surrounding Taku, Hole In the Wall, and Dead Branch glaciers, as well as to old Gold Rush sites.

ERA Aviation, the fixed-wing subsidiary, is largely able to avoid being caught up in the fare war that erupts between **Alaska Airlines** and **MarkAir** late in the year. The Rowan subsidiary does, however, become an affiliate in the former's commuter network.

As Alaska's largest Section 401 carrier, the 660-employee ERA transports a total of 208,090 fixed-wing passengers, down 0.7%, and 3,736,829 pounds of mail.

In January 1992, ERA Aviation begins to coordinate its schedule with **Peninsula Airways** and **Reeve Aleutian Airways** so as to achieve a better exchange of passengers with Alaska Airlines jetliners serving Anchorage. It also becomes the **Alaska Airlines** feeder on the busy Anchorage to Kodiak route and quickly sees its market-share on that run increase 30%-60%.

During the second quarter, the helicopter division takes delivery of five new Eurocopter (formerly Aerospatiale) AS-350B-2 Ecureuils,

which replace eight AS-355 TwinStars. The sight-seeing competition with **Temsco Airlines** of Ketchikan now intensifies.

On May 1, the company receives a \$532,000 contract to transport government workers and cargo throughout Alaska for the U.S. Bureau of Land Management.

During the summer, five Bell 212s and 22 pilots, under the direction of veteran ERA helicopter pilot Larry Schmidt, are contracted to fly in Bosnia-Herzegovina on behalf of the UN from a base at Zagreb.

In July, the company contracts with Marathon Petroleum Sakhalin, Ltd., in conjunction with its **KLM/ERA Helicopters, B.V.** affiliate, to provide a pair of Bell 212s and eight crew for oil exploration work off Russia's Sakhalin Island, north of Japan. The work, conducted through October, marks the first time a U.S. helicopter operator has flown U.S.-registered aircraft in Russian territory.

Meanwhile, five ERA helicopters and their crews are sent to Croatia to participate in the UN peacekeeping effort.

Overall passenger boardings not only recover but jump ahead by 33.3% to 277,484.

In 1993, President/CEO O'Brien oversees a workforce of 300 and the operation of 4 CV-580s, 8 DHC-6s, and 1 DHC-8. Service is provided from Bethel and Anchorage to Kenai, Homer, Valdez, Kodiak, Iliamna, and 17 western Alaska villages.

During the first quarter, the company receives a one-year UN contract to operate three Bell 212s and three Bell 206L LongRangers in Croatia.

In July, senior pilot Daniel Hurst retires after 13 years with the company. When President O'Brien retires on December 1, he is succeeded by Charles "Chuck" W. Johnson, the company's longtime executive vice president.

Customer bookings for the year increase 12.4% to 311,858.

Airline employment is increased by 8.8% in 1994 to 822 and the fleet now includes the 4 CV-580s, 11 Twin Otters, and 2 DHC-8-102s, plus 2 Cessna 208 Caravan Is, 1 Beech Super King Air 200, and 1 Learjet 35A.

In July, a 3-year, \$17-million contract is signed with **China Southern Airlines Company, Ltd.**'s helicopter subsidiary **Zhuhai Helicopter Company** to support the Liuhua 11-1 oil field work of Amoco Orient Petroleum Co. at a location 120 mi. SE of Hong Kong. The deal includes use of an ERA helicopter, personnel, and maintenance support.

Following flight-simulator training on the **Helikopter Service, A.S.** simulator in Norway, four Chinese pilots arrive at Anchorage on August 1 to train to ERA's AS-332L Super Puma. On August 7-15, the company's Super Puma with a crew of two Chinese pilots, an ERA pilot, an ERA mechanic, and a Russian navigator, is ferried from Nome to Shenzhen, China via Russia. A second Super Puma will later be sent out to join the Sino-American energy effort.

During late fall, the Santa Maria, California, operation is moved to Reno's Stead Airport to take advantage of expanded business opportunities and to escape the Golden State's air transport and tax problems. In December, three contracts are acquired to provide AS-350 heli-skiing services in Telluride, Colorado, Snowbird, Utah, and Sun Valley, Idaho.

At year's end, negotiations begin for the ERA Aviation subsidiary Rowan Companies to purchase the assets of **Alaska Helicopters**.

At the same time, two Douglas DC-3s are acquired for use with the new nostalgic subsidiary, ERA Classic Airlines. With interiors redone to 1940 vintage and a bright red, white, and black livery, the ancient airliners transport tourists over and around various Alaskan sites. The classic operation will come to generate significant public relations for the company, particularly with visitors from Europe.

Passenger bookings leap ahead by 21.7% to 379,372 while freight jumps 17.6% to 7.82 million FTKs.

Employment at the Airline Division stands at 330 in 1995 and its fleet comprises 9 DHC-6s, 2 DHC-8s, and 4 CV-580s.

The West Coast regional headquarters is moved to Reno, Nevada. On March 9, the *Anchorage Daily News* reports that ERA has developed a new passenger lift for physically challenged visitors wishing to view the state from the air. The portable lift will be available for flight-seeing tours during the summer over Juneau and Denali National Parks.

Restored to their 1940s splendor, the 28-seat DC-3s *Spirit of Alaska* and *Spirit of the North* of ERA Classic Airlines in mid-May inaugurate daily, seasonal, Nostalgic Air Tours over a route that takes them over Mount McKinley, the Alaska Range, Prince William Sound, and the Harding Ice Field. The long Alaskan summer days allow the 50-year-old ex-USAAF C-47s to depart Anchorage at 4 p.m. and 7 p.m. local time.

In late August, a letter of intent is signed for the \$11-million purchase of **Alaska Helicopters**. The assets acquired include 17 Bell helicopters, associated spare parts, and hangar and office space adjacent to ERA's location at Anchorage International Airport. The final agreement is signed in early October.

Meanwhile, in mid-September, the seasonal flights of ERA Classic Airlines end for the year.

Scheduled enplanements this year jump 8% to 408,404.

Although the employee population does not change in **1996**, the fixed-wing fleet is increased by the addition of one each Twin Otter and CV-580. Orders are placed for a pair of Embraer EMB-145 Amazon regional jets.

While en route from an offshore platform at Main Pass 265 in the Gulf of Mexico to another platform 44 miles away at Mobile Bay on February 10, an MBB BO-105 with two passengers disappears. Wreckage is not found for 18 days, at which point a shrimp boat entangles pieces of the helicopter in its net, 6 mi. SW of the aircraft's destination. There are no survivors.

ERA Classic Airlines' two DC-3s return to the air in mid-May for four months of flight-seeing.

For two months during the summer, the company tests the concept of heli-hiking at Alaska's Denali National Park. A pair of two Eurocopter AS-350Bs, stationed just outside the park and contracted with a local guide company, transport tourists into the park, where they undertake 1-5-mile hikes and then are returned by air.

While transporting two passengers on a flight-seeing service over a large mountain range near Cantwell, Alaska, on September 13, the pilot of a Bell 206B JetRanger becomes disoriented during a whiteout and crashes into a 5,300-ft. high ridge. There are no survivors.

Customer bookings accelerate 3.7% to 423,564.

International service begins in May **1997** as the Convairs inaugurate twice-daily return service between Anchorage and Whitehorse, Yukon Territory.

Four months of heli-hiking flights commence at Denali National Park during the month; at the same time, the company's aerial tour of the park is expanded to a full 75 minutes. Simultaneously, the two DC-3s of ERA Classic Airlines resume their four-month summer schedule.

On June 8, twice-daily roundtrips are inaugurated from Anchorage to Seward. In conjunction with Alaska's centennial celebration for the gold rush stampedes, ERA creates a historical tour out of Valdez—that will run for two years—that follows a path of the original gold rushers to a historical location where passengers receive dinner and lecture at a historic lodge.

Having decided to concentrate on its core business of offshore support, Leiden, Netherlands-based Schreiner Aviation Group on September 1 purchases the 51% controlling interest in **KLM ERA Helicopters, B.V.** held by **KLM Royal Dutch Airlines, N.V.** The remaining shares continue to be held by the Rowan Co. via its subsidiary ERA Aviation. The sale includes five Sikorsky S-61Ns and five S-76Bs. Three of the former are purchased back.

One S-61N arrives at the Gulf Coast division headquarters at Lake Charles, Louisiana, in October. In November, the Sikorsky is introduced on offshore transfers in the Gulf of Mexico from a base at Houma, Louisiana, to which it is repositioned.

Fixed-wing passenger boardings at the airline slide 1.6% to 416,857.

The second two Sikorsky S-61Ns arrive in Louisiana in February **1998**. The fixed-wing fleet now includes 5 CV-580s, 10 Twin Otters, 2 Dash-8s, and 2 DC-3s.

During the spring, a new livery is introduced to celebrate the company's fiftieth anniversary.

In mid-May, the two DC-3s of ERA Classic Airlines resume their summer schedule.

On May 30, a Take Flight Alaska Cessna 172RG with two passengers on a flight training sortie from Anchorage, collides with an ERA AS-350B2 with a pilot and four cruise ship passengers who are being transported to the Juneau ice fields, at a point 4 mi. E of Juneau. The helicopter sustains substantial damage to its right doors and fuselage and one passenger is seriously injured. The helicopter is, however, able to make a safe emergency landing at a mine site a half-mile from the impact site. The Cessna, meanwhile, crashes into Gastineau Channel and is destroyed; both men aboard are killed.

Joined by helicopter manufacturing executives, 600 employees, Alaska Governor Tony Knowles, and retired USAF Gen. Chuck Yeager, ERA celebrates its fiftieth anniversary in July. The milestone marks ERA as the oldest continuously operated commercial helicopter operations in the world. Its airline division also celebrates; it is the largest regional carrier in Alaska. Customer bookings during the 12 months climb 2.1% to 425,449.

By the beginning of **1999**, airline employment has grown to 350. ERA is now the third largest helicopter operator in the Gulf of Mexico and the world's fifth largest rotary-wing concern. In January, its offshore support fleet of S-61Ns and S-76A+s is bolstered by the addition of a Eurocopter AS-332L Super Puma. Indeed, the helicopter makes the first commercial flight by its type in the Gulf during the month when it flies a crew-change mission to a Norwegian seismic vessel 190 mi. S of New Orleans.

Another summer of flight-seeing trips are started by the two DC-3s of ERA Classic Airlines in mid-May.

While on final approach to Anchorage on a May 25 service from Kenai, Flight 4857, a DHC-6-300 with two crew and two passengers hits a flock of birds; the aircraft crash-lands two mi. S of the runway. Although no injuries are reported, the plane is badly damaged.

A Bell 206B JetRanger with a pilot and two passengers fails its take-off from the Greens Creek Mine, some 20 mi. S of Juneau, on June 9; the aircraft is badly damaged and 2 of the occupants receive minor injuries.

ERA employs 200 full-time pilots at the beginning of **2000**. Stationed at Juneau International Airport, Alaska, to fly support and charter flights, the northern rotary-wing fleet includes 13 Bell 212s, plus a mix of 36 other helicopters. The fixed-wing fleet at Anchorage now comprises 5 CV-580s, 2 DC-3s, 2 each DHC-6-200s and DHC-8-100s, 5 DHC-6-300s, and 1 Bell 212 helicopter. Also at Anchorage, a Eurocopter BO-105 is assigned to ERA Aviation Lifeguard Alaska and employed for medevac flights. The Gulf Coast division operates a combined fleet of 50 helicopters, including numerous Bell 412s and BO-105s, plus 3 Sikorsky S-61Ns, 3 S-76A++s, and 1 Eurocopter AS-332L2 Super Puma. The latter 7 are capable of visiting energy platforms as much as 200 mi. offshore. Orders are outstanding for a pair of Sikorsky S-76A++s, the first of which is scheduled for delivery in early summer.

This year, the fire season is the worst in the U.S. West since 1994, with over 67,000 fires consuming in excess of 5 million acres in Washington, Oregon, California, Idaho, New Mexico, and Montana by mid-summer.

Spectacular fires first grasp the attention of world viewers in May and June when television networks picture the huge fires rampaging through New Mexico, including the Los Alamos area where a nuclear facility is located. The Cerro Grande fire consumes over 47,650 acres of federal forest and wildlands in the Bandelier National Monument while the stubborn Viveash fire in Santa Fe National Forest burns over 30,000 acres. ERA is one of 10 civil helicopter operators assigning assets to the blazes; through June, one each of the company's Bell 212s and Bell 412s have helped to contain all but the Viveash blaze.

ERA CLASSIC AIRLINES. See ERA AVIATION

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crane.com; Year Founded 1972. During the 1960s, Maryville, California, sawmill operator and Piper Cub pilot Jack Erickson decides to take helicopter lessons from Wesley Lamatta, who will later establish **Columbia Helicopters** at Aurora, Oregon.

In 1967, Columbia President Lamatta, who had let his dream to start heli-logging be known three years earlier, is approached by representatives of Sikorsky Aircraft Corporation, which sell him an S-61 and recommend the purchase of the Boeing Vertol 107s currently operated by **New York Airways**. The scheduled rotary-wing operator needs to find a buyer for its older aircraft before it can obtain, under an agreement with **Pan American World Airways (1)**, Sikorsky S-61s.

Lamatta approaches **New York Airways** in 1968 and is able to purchase three machines. The first of these enters service and helps the company execute a contract to set power line towers across the Continental Divide in Colorado. These, along with the Sikorsky S-61, are employed in construction work during **1969–1970**.

In 1971, **New York Airways'** last four Boeing Vertol 107s are purchased. With the lift available, Columbia is ready to initiate the first trial use of heli-logging in the U.S. (helicopters had first carried logs in Scotland in 1956). The initial effort is a cooperative venture between Columbia, the U.S. Forest Service, and Erickson Lumber Company of Marysville, California. Joint venture partner Jack Erickson, who will later form a competing operation, pilots one of the 107s on this Lights Creek Timber Sale experiment.

A second heli-logging experiment and the first commercial timber sale occurs in early summer in Plumas National Forest in northern California as part of the Drum Timber Sale. The 107s prove Lamatta's concept is sound and, in the first successful commercial heli-logging operation in the west, harvest 3 million board feet of wood in 12 weeks.

A third commercial timber sale and another study involve the Siskiyou National Forest in Oregon and the Boulder Overstory sale. The research is designed to study the feasibility of helicopter yarding of large Douglas fir trees, as well as the fire hazard potential and aesthetics associated with heli-logging. This operation, netting five million board feet of wood, is completed between August 8 and October 7.

During the early 1970s, Sikorsky Aircraft builds 10 S-64 Sky Cranes, the civilian version of its huge CH-54 military helicopter. When four of these come on the market, Erickson, who continues to operate his own sawmill and a fleet of 18 lumber trucks, determines to acquire them, even though they are completely unproven for heli-logging, and launch his own aerial company.

Erickson Air Crane is set up in 1972 and the four S-64Es, painted bright red, are put to work. Although they can lift 20,000 pounds at a time, their operating costs for logging are completely unknown. They could be an economic failure, but they are not. Over the next two decades, Erickson's four helicopters move between 80 million and 100 million board feet of timber a year, accounting for 75% of the company's business, often from routinely hazardous mountain locations where truck-based logging is not practical or even possible.

Heavy lift external loads and support of the construction industry account for the remainder of Erickson's income. There are three accidents in these years and two fatalities. Although the S-64s deliver much, they require constant maintenance. The aircraft, no longer in production by Sikorsky, require Erickson to redesign and rebuild the aircraft, at each point providing significant additional venture capital and referencing a dozen supplemental type certificates. To enhance S-64 activities, the company patents an antirotation system for underslung loads, which can be guided from a rear-facing third pilot's position.

By 1990, the company's four Sky Cranes have flown a collective 50,000 hrs. in service. In 1991, the first Asian contract is operated. They will grow in number until the economic downturn of 1997–1998 causes many of them to end.

In 1992, Erickson purchases the Sky Crane type certificate from Sikorsky Aircraft. The documents allow him, should he choose, to manufacture the S-64E and S-64F from scratch.

Over the next 6 years, the company's fleet grows by 2 aircraft a year and includes 6 S-64Es and 5 S-64Fs, which will fly an average of 14,000 hours annually. Retained former military CH-53 mechanics labor to keep them aloft; each Sikorsky requires an average of 10 hours of maintenance for every flight hour.

With a range of 1,300 nm., Erickson's helicopters are able to fly to North American locations. A growing number of activities are carried out overseas in the Pacific Rim countries of Malaysia, Papua New Guinea, Indonesia, and Australia. The Sky Cranes are usually sent by ship to remote locations, although, late in the decade, response to urgent need can be met by sending a machine via the Antonov An-124 Ruslan freighters operated by such companies as **Air Foyle, Ltd., HeavyLift Cargo Airlines, Ltd., or Volga-Dnepr Airlines**.

The company continues to engage in construction, external load, fire control, support, heli-logging, and general transportation.

The workforce climbs to 400, including 300 at Central Point. Use of the antirotation system allows the S-64s to stack large high-voltage metal line towers, place large air-conditioning units atop commercial buildings, and transport heavy construction equipment, such as trucks, to remote locations. Individual Sky Cranes are able to move up to six million pounds in a single day. In the U.S., an S-64E places more than 140 wooden H-frame power line towers in a single day. Still, more than 80% of the company's flight hours are involved in heli-logging, using the long-line method first pioneered by Lamatta and Erickson 30 years before.

Much of the emphasis is on environmentally correct selective logging, which harvests a small proportion of the trees in a forest leaving ecosystems intact. Such a process is employed during the summer of 1995 when Sky Cranes harvest the Sugarloaf acreage in southern Oregon on behalf of Boise Cascade. A total of 12-million board feet of timber are selectively harvested from the 700-acre site; however, the operation is made controversial by environmental protesters.

Directly connected with heli-logging is Erickson's involvement in fire control and fire fighting, which will come to comprise 10–12% of the company's business, particularly in the years after 1990. A self-filling heli-tanker version of the Sky Crane is developed that can deliver an average of 1,750 gallons every six minutes when a water source is nearby. In a 12-hr. day, one Sky Crane can deliver 200,000 gallons. Indeed, Erickson comes to operate the only Type I (large) heli-tanker with a modern, Interagency Airtanker Board approved fixed-tank retardant delivery system.

In May 1994, the Los Angeles County Fire Department contracts with Erickson for the deployment of two heli-tankers during the annual fire season, which extends to December (with the driest period ranging from late July through November). In their inaugural season, the aircraft are called to assist fire fighters 66 times.

By 1996, that response number has climbed to 98 outings, with a total of 282 drops completed (423,000 gallons of water). The contract with LACFD becomes an annual arrangement, one that Craig Bonholtzer will profile under the title "Aerial Workhorses" in the November 1998 issue of *Rotor & Wing International*.

Company employees are told in November that a group of investors is negotiating for purchase of the company. Although no news concerning the talks is forthcoming, it is known that, should they be successful in the takeover, the new owners would not move the company from the Central Point area.

Having outgrown the eight-acre site it has been occupying adjacent to Interstate 5 at the Blackwell Hill exit, Erickson, in late January 1997, leases space on the other side of the freeway. The rotor blade repair and overhaul operation is moved into a 20,000-sq.-ft. building previously owned by the Double Dee Lumber Company on Highway 62.

During the fall, the Seli Corporation of Italy is desperately attempting to complete the construction of an underground tunnel that will create a diversion of water from a river into Angat Lake, the principal source of water for the city of Manila. After unanticipated project delays eliminate the option for slower ground transport, Seli turns to Erickson for aerial

support. What follows is one of the more spectacular construction projects undertaken by the S-64s and the largest airlift operations in the history of the Philippine construction industry.

An EAC helicopter harvesting timber in nearby Malaysia is sent to the Philippines while Seli and EAC devise a plan to make up for lost time. When the S-64 reaches the scene, it undertakes three days of service over a distance of 10 km. from the staging point and moves, in 107 lifts, some 2.2-million pounds of required equipment to the operations area. One of the heaviest transfers in this project is that of a tunnel-boring machine; however, two dump trucks, seven generators, and a tractor truck are also flown. The airlift puts the project back on schedule, to the delight of all involved from the contracting Municipal Water and Sewage Service down to and including the pilots of the Sky Crane.

In December, a contract is signed with the Australian Department of Natural Resources and Environment, via **Hevi Lift (Pty.), Ltd.**, for the use of an S-64 during the 1998 fire season. On December 13, an S-64, under contract to the Wohlson Construction Company of Pennsylvania, removes the "Statue Commonwealth" from atop the dome of the state capitol in Harrisburg for gold plating and repairs.

By the end of the year, the company has flown over 95,000 hours (cumulative) since its founding, including over 7,000 hours of fire fighting in just the last seven years.

The Erickson S-64, equipped with its heli-tanker attachment, no sooner reaches the scene in January 1998 than it is called to battle a series of lightning-caused brush fires that threaten the Eastern Highlands in Victoria, Australia. Employing the Wonnangata River for fast water delivery, the S-64 is quickly able to assist ground personnel in containing the running edges of the fires.

Six seven-ton telescope enclosures are placed near the Mt. Wilson Observatory by an S-64E on January 22.

As summer in Australia continues, lightning sparks a fire in the Frankston area north of Melbourne. Because of environmental restrictions against building roads to the fire site, air attack is the only way to contain the potentially devastating blaze. The EAC helicopter is brought to the scene and drops 40,000 gallons of water, successfully checking the leading edge of the fire.

EAC's fire-fighting exploits in the South Pacific continue next in Brunei. As forest fires devastate areas of the country causing an immense cloud of smoke and haze, Bruneian fire authorities request assistance from two heli-tanker S-64s to backup their military Blackhawks. The 2 Sky Cranes fly 488 hrs. (8.13 hrs./day) and drop over 12 million gallons of water on the fires in a 1-month period. Officials estimate that the heli-tankers assist in controlling 95% of the inferno in an adventure described by reporter Andrew Healey in the October 1998 issue of *Helicopter World*.

Developed at the request of Pacific Rim countries where officials want a tool for fighting high-rise fires, a giant water cannon that can shoot a spray of water 175 feet through the air is demonstrated by an Air Crane on April 11. The demonstration, conducted for firefighters, captains, and chiefs from Los Angeles and Orange counties and the U.S. Forest Service is carried out at the Pasadena Rose Bowl.

In the spring, upwards of 277 large fires break out in the area of Chiapas state, Mexico, which is the scene of a continuing armed revolt, plus Oaxaca state. High winds help to spread the blazes and, as in Brunei, immense clouds of smoke from this "Rio Blanco Fire" spread northward. Upon a request from the Mexican government and members of the Texas Congressional delegation, the U.S. Agency for International Development (AID) provides a \$5-million grant to cover the cost of sending American aerial fire-fighting aircraft to southern Mexico.

At the beginning of May, 2 S-64Es begin a 6-month contract to move drilling rigs, supplies, and testing equipment 64 mi. to the new Shahuinto oil field, located 210 mi. NE of Lima, Peru.

In mid-May, SEMARNAP, the Mexican Federal Natural Resources Department, joins AID in contracting with Erickson for the deployment of an S-64 to assist with the fire's suppression. The agencies also sign

agreements with **Rogers Heavy Lift Helicopters** for the use of one of its five Sikorsky CH-54As.

The Erickson S-64 heli-tanker *Georgia Peach* departs Oregon for Mexico on May 16 and, operated by the company's chief pilot, Paul Mavrinac, begins fire-fighting drops three days later from a base at Zanatepec, a city near Mexico's Pacific Coast and close to the borders of Chiapas and Oaxaca states. The *Georgia Peach* continues its Mexican operations for the remainder of the month and into June, also operating near the Rio Blanco River, north of Tehuantepec.

Although as noted Erickson's heli-tankers are involved in a variety of fires in Western states, Mexico, and elsewhere, the company is largely unknown in the Eastern U.S. until now. Fortunately, the Interagency Fire Center, at Boise, Idaho, has, on behalf of the Federal Emergency Management Administration, had the foresight to contract with EAC and several other companies, including **Columbia Helicopters**, for airborne fire-fighting support. Hundreds of lightning strikes ignite the drought-stricken swamplands and underbrush in northern Florida in the days around the end of May. As these wildfires sweep across the state in the weeks after Memorial Day, local firefighters are nearly overwhelmed. Even the Daytona 500 motor race must be cancelled.

By the fourth week of June, 45 of 67 Florida counties are on fire. Fire-fighting aircraft, as well as personnel and equipment, are mobilized from across the U.S. and these volunteers arrive from around the country to assist in combating the inferno engulfing over a third of the state. Two of the company's Sky Cranes are dispatched south and east and are engaged in water drops near Deland and Lake City from June 22. At the same time, another S-64, which has been fighting a series of arson-related fires in the Santa Fe, New Mexico, region is placed on standby, while a fourth Sky Crane is en route to Texas, where it will also remain on standby. The New Mexico machine is in action by month's end.

On July 6, two more Sky Cranes arrive and join the other three aircraft in battling fires in areas around Lake City and Deland, and as far north as the Georgia Border. Refilling their tanks from various shallow "gator ponds" and streams near the fire area, the original 2 EAC aircraft are, over the 25 days of their commitment, able to log over 139 flight hours and drop over 2 million gallons of foam mix and water. The contribution of the three other machines is approximately the same.

On August 1, an S-64E transports an F-16 Fighting Falcon fighter plane from Kingsley Field in Klamath Falls to its final resting place as a static display at the Rogue Valley International Airport at Medford, Oregon.

The gold-plated and repaired "Statue Commonwealth" is successfully replaced atop its original resting-place atop the Capitol Dome at Harrisburg, Pennsylvania, on September 12. Under contract to Tri-State Hydroseeding, which, in turn, has been contracted by the U.S. Army Corps of Engineers, an S-64, during an 11-day operation in October, participates in the revegetation of 235 acres of chemically scorched hillside surrounding an abandoned silver mine near Kingston, Idaho.

Completing the last phase in the \$30-million restoration of the West Baden Springs Hotel, 110 mi. S of Indianapolis, also in October, an S-64 returns four new towers to the spot where the originals had crumbled and had been removed for safety reasons. The event is covered by reporter Frederick Charles in the February 1999 issue of *Life* magazine.

Operations continue apace in 1999, though not without an early tragedy. While heli-logging near Shelton, Washington, on March 2, a crewman is fatally injured when a choker line from an S-64E malfunctions, causing a log to drop on the worker.

On April 27, a contract is received from the Los Angeles Sheriff's Department for the refurbishment of its three Sikorsky SH-3H Sea King helicopters, recently received from the USN.

Company helicopters again fight fires and harvest logs. As has been and will continue to be the case, due to environmental and wildlife regulations, logging in many locales can only be completed during severely regulated monthly "windows."

The U.S. suffers its second driest summer on record, leading to a rash of wildfires in California, eastern Oregon, and other Western states dur-

ing July–September. The fires all spread rapidly, requiring quick responses. With most of the company's helicopters working on logging operations in the Pacific Northwest, all concerned are proud of the rapid response that is made to calls from the U.S. Forest Service (USFS) and state forestry departments. Several fires in California are so large that they must be fought by numerous small helicopters as well as by the larger types. By the end of August, the National Interagency Fire Center reports 23 large fires in California, Idaho, Montana, Nevada, Utah, and Texas on a total of 150,000 acres. They are fought by more than 11,000 firefighters, supported by 849 fire trucks, 102 helicopters, 5 air-tankers, and 2,059 support personnel.

Erickson, meanwhile, has made six S-64s available to the California Department of Forestry and the U.S. Forest Service to handle the blazes in the northern and central portions of the Golden State. In the period after August 24, the 3 Aircranes based at Benton Airport at Redding operate an average of 6 hours a day dumping as much as 19,000 gallons of water every hour on fires burning in the "Shasta-Trinity" and "High" complexes.

Another Aircrane based at Redding under an "exclusive use" contract with the USFS is employed primarily to fight fires in the "High Complex" north of town. Over the weekend of August 28–29, the Helitanker flies 19 hours and drops over 178,000 gallons of water and retardant on the 19 lightning-ignited fires around the complex. Also on August 28, an Aircrane is diverted from logging operations in British Columbia and is assigned to fight the "High Complex" fires north of Redding.

On September 1, another Aircrane begins an "exclusive use" contract with the Los Angeles County Fire Department and is employed to fight fires in southern California under assignment from the fire department.

Also during the summer, Erickson accepts its first contracts to provide fire-fighting coverage in Italy and on the Greek mainland, sending one Aircrane to each country. This is the seventh year that Erickson has operated its fire-fighting S-64s on U.S. and overseas fire suppression assignments, having previously flown them in Canada, Malaysia, Mexico, and Borneo.

On August 18, the concern's Aircrane from Greece becomes the first American fire-fighting aircraft sent to Turkey as part of a disaster relief effort, the "Hellenic Task Force," sent from Greece to provide rapid reaction support in the aftermath of devastating earthquakes.

The S-64 is diverted to deal with a blaze at the Tupras refinery at Izmit, 74 km. E of Istanbul and close to the epicenter of an earthquake that has killed over 2,000 people. Tupras, the largest crude oil processing facility in the country, accounts for 35% of Turkey's oil and natural gas supply. Within three hours of its arrival from its base at Ioannina, near the western coast of Greece, the Aircrane has dropped over 16,000 gallons of AFFF suppressant foam on the areas near the fire. The next day, 37 drops are made, delivering almost 80,000 gallons. On August 20, the fire is deemed under control and the Aircrane is able to depart the scene, returning to its base at Ioannina to immediately begin battling a large wildfire threatening a nearby town.

In December, the Australian Department of Natural Resources again contracts with Erickson and **Hevi Lift (Pty.), Ltd.** for fire suppression assistance. The S-64 operating in Papua New Guinea is barged to Brisbane, from which it flies to Melbourne to operate tanker flights during the summer fire season under the Hevi Lift operator's certificate.

The 2000 fire season is the worst in the U.S. West since 1994, with over 67,000 fires consuming in excess of 5 million acres in Washington, Oregon, California, Idaho, New Mexico, and Montana by midsummer.

Spectacular fires first grasp the attention of world viewers in May and June when television networks picture the huge fires rampaging through New Mexico, including the Los Alamos area where a nuclear facility is located. The Cerro Grande fire consumes over 47,650 acres of federal forest and wildlands in the Bandelier National Monument while the stubborn Viveash fire in Santa Fe National Forest burns over 30,000 acres. Erickson is one of 10 civil helicopter operators assigning assets to the blazes; through June, company Vertol 107s dump 53,000 gallons of water and 27,000 gallons of retardant on the Cree fire near Riudoso and 146,000 gallons of water on the Cerro Grande fire.

The most severe damage occurs in Montana, where Erickson, under USFS contract like its competitor, **Columbia Helicopters**, assigns a major part of its U.S. based heavy helicopter fleet. Working daily through June, the operator's Aircranes drop thousands of gallons of water and retardant. As the conflagration continues, Erickson also cycles aircraft in and out of heli-logging commitments. Later in the summer, Erickson Aircranes will also fight the California fires once again.

For the second year in a row, Erickson also contracts with the governments of Italy and Greece to provide S-64s to support fire suppression efforts. Two Aircranes are sent to Italy, with one based at Cagliari and the other at Oristano and these begin fighting wildfires on June 19. A third arrives at Cagliari on July 24. A single S-64 is dispatched to an Army base 35 mi. W of Athens, Greece, and on July 8 begins fighting a devastating series of fires off the west coast of the North Aegean island of Samos, as well as in the area around the capital.

On July 15, the Greek Aircrane performs a medevac mission when it lands in a clearing at the 3,500-ft. level of a mountain near Korinthos and rescues a 30-year-old firefighter who had fallen down a cliff. The woman is rushed to a hospital in the city of Patrai, where she recovers.

At the beginning of December, the Australian Department of Natural Resources again contracts with Erickson and **Hevi Lift (Pty.), Ltd.** for S-64 support during the summer fire season. This year, however, the preliminary period is spent somewhat differently.

As the giant helicopter is being barged to Brisbane from Malaysia, a request is received from the Australian Broadcasting Corporation for help in removing and replacing sections of three different television antenna towers. After the S-64 is reassembled at Brisbane on December 17, it is flown to Melbourne's Essendon Airport.

On December 20, the antenna and 2 sections of the first pair of 550-ft., 4-legged lattice broadcast towers are removed. Then five additional steel reinforced sections are brought in and a new HD-TV antenna is placed. The removal of four steel sections and placement of five new reinforced sections of the second broadcast tower is now completed. The helicopter will be back at the end of March to install the HD-TV on the second tower.

On December 28, at Gore Hill, outside Sydney, the top 2 sections of another 500-ft. lattice broadcast tower are removed. Then 5 new sections, each weighing 18,000 pounds, are placed into position. The next day, the HD-TV antenna is put into place. From Sydney, the S-64 returns to Melbourne on December 30, prepared to start fighting fires on New Year's Day.

ERIE AIRWAYS: United States (1980–1982). EA is set up by William "Bill" Connor at Erie, Pennsylvania, in 1980 to provide daily roundtrip passenger flights to Pittsburgh and Detroit. Cessna 402 revenue frequencies are duly inaugurated and are maintained until April 1982.

ERIE ISLE AIRWAYS. See **ISLAND AIR LINES**

ERNIR AIRLINES ISAFERDI, H.F.: Iceland (1991–1997). **Flugfélag Ernir** (established in 1969 as a regional carrier) is reformed in 1991 and renamed Ernir Airlines Isafærði by Hordur Gudmundsson, its owner and managing director. The fleet of one de Havilland Canada DHC-6 Twin Otter, Piper PA-23 Aztec, and Piper PA-31-350 Navajo Chieftain maintain the company's previous routes linking its base at Isafjörður Airport with Siglufjörður, Ólafsfjörður, Grimsey, Husavík, Kopasker, Raufamhöfn, Thorshöfn, Vopnafjörður, Egilsstaðir, and Reykjavík.

Services continue without change in personnel, routes, or equipment during 1992–1994. Unhappily during those years, the company is increasingly unable to maintain its economic viability. It finally is shut down in 1997, with principal owner and Managing Director Gudmundsson becoming a pilot for another airline.

EROS AIRLINES, LTD.: United Kingdom (1962–1964). Capitalized at £20,000, this charter carrier is founded at London (LGW) on March 2, 1963. With three ex-Air Safaris, Ltd. Vickers Vikings, revenue

services are inaugurated on March 31. Inclusive-tours are flown to a variety of Mediterranean and Scandinavian destinations during the first summer. In December, by order of the U.K.'s Air Transport Licensing Board (ATLB), the company is reorganized, capitalization is increased, and two Vikings are retained.

Although a large number of destinations are served in the summer of **1963**, only 10,680 passengers are carried. Only a few additional charters are flown during the winter and early spring of **1964**; unable to obtain an "E" license for its operations, the company is forced to cease operations on April 4.

ESQUIRE AIRWAYS BOTSWANA, LTD. See **DESERT AIRWAYS BOTSWANA, LTD.**

ESSAIR LINES: United States (1939–1946). Founded by World War I pilot and noted barnstormer William "Bill" Long and aeronautical engineer Samuel Marshall at Houston in January **1939** as the nation's premier "feeder" airline, Essair ("Efficiency, Safety, and Speed by Air") receives government authority to inaugurate experimental scheduled local service flights over routes from its base.

The firm begins scheduled passenger and cargo services to Amarillo via Abilene later in the month with a Consolidated Model 20A Fleetster. The company is quickly forced to suspend operations in July because of objections to the CAB by competitor **Braniff Airways** and because the Fleetster, caught up in litigation between the carrier and the Pacific Discount Corp., had its license expire on June 15.

During World War II, founder Long operates pilot training schools for both the USAAF and the RAF. Following a war-delayed hearing, the CAB, on November 5, **1943**, turns aside the Braniff complaint, and authorizes Essair to resume service.

The CAB establishes the new classification of "Feeder Airline" on July 11, **1944** and certifies Essair as the first of the new group. Company executive offices are established at Dallas, while an operating base is set up at Houston (HOU). Buddy Lee Wynn steps forward to become the airline's second major investor.

Equipped with three war surplus Lockheed UC-36As (military Model 10A Electras) converted to civil standard, Essair Lines begins long-delayed, four-stop service from Houston to Amarillo on August 1, **1945**, via Austin, San Angelo, Abilene, and Lubbock. With over 25,000 pilot and engineer graduates from his schools, Long receives the Order of the British Empire (OBE) at war's end.

During the spring of **1946**, Robert J. Smith, **Braniff Airways'** former executive vice president, buys half-interest in the airline from former backer Wynn for \$200,000, much of the money being in the form of a loan from the First National Bank of Dallas. The company is now reorganized with Long becoming board chairman and Smith, president; headquarters are consolidated at Houston (HOU).

Meanwhile, Essair General Manager L. H. Luckey travels to the War Assets Administration depot at Walnut Ridge, Arkansas, and purchases 5 government surplus Douglas C-47s (military DC-3s) for \$20,000 each. New CEO Smith objects to the Essair name and, in a marketing move, Smith and Long change the company's name on May 15 to more accurately reflect its status, becoming **Pioneer Air Lines**.

ESTONIAN AIR, A.S.: Lennujaama Tee 2, Tallinn, EE0011, Estonia; Phone 372 6401101; Fax 372 6313740; <http://www.estonian-air.ee>; Code OV; Year Founded 1991. The newly independent Baltic state acquires the old **Aeroflot Soviet Airlines** division headquartered at Tallinn on December 1, **1991**. With its 10 inherited Tupolev Tu-134As given new livery, General Manager Anti Oidsalu's newly appointed flag carrier, a government-owned joint-stock company, undertakes scheduled passenger and cargo flights, beginning on December 1, to Helsinki, Stockholm, Frankfurt, Moscow, Kiev, Vilnius, Minsk, Kardla, Kuresaare, and Tartu.

In **1992**, the reformed **Aeroflot Russian International Airlines (ARIA)** presents the Estonian government with a \$2-million invoice for

the lost Tallinn division. Flights are started at the end of March to Copenhagen and Budapest.

Abandoning the old Aeroflot reservations system, Estonian Air, in April, joins the BABS system of **British Airways, Ltd. (2)**. Later, the company will employ the services of Amadeus, Galileo, Gabriel, and SABRE.

The company joins IATA in December.

Enplanements for the first full year of service total 159,501 and 327,000 FTKs are flown. Revenues total \$2.9 million, but expenses are higher, leaving an operating loss of \$308,053. The fleet, meanwhile, is increased by 4 Yakovlev Yak-40s and 9 Antonov An-2s.

The workforce totals 676 in **1993** and the fleet includes 11 Tu-134As, 4 Yak-40s, and 12 Antonov An-2s. Flights are started to Amsterdam.

In August, the company joins the IATA Multilateral Interline Agreement. It also becomes a participating member, in November, of the European Billing and Settlement Plans.

Passenger boardings decline by 17.1% to 132,208, but freight inches up 0.9% to 330,000 FTKs. On revenues of \$13.2 million, losses are suffered: \$686,000 (operating) and \$608,000 (net).

The workforce is cut 11.8% in **1994** to 507, but orders are placed for a pair of Boeing 737-5Q8s. Service to Hamburg is introduced.

In April, OV Estonian Air establishes an office in Vilnius.

Customer bookings recover, bouncing upward by 24.6% to 164,593 and cargo is up an equally strong 23.5% to 405,000 FTKs. Although revenues rise 35.9% to \$23.01 million, expenses are up 34% to \$23.61 million. Consequently, a \$596,000 operating loss is taken and the net loss grows to \$713,000. The loss figures are later adjusted upward to read minus \$1.06-million operating and \$1.18-million net.

The employee base is reduced a further 20.1% in **1995** to 405.

An office is opened in Kiev during January. Delivery is taken on July 7 on the carrier's first Western-manufactured aircraft, a B-737-5Q8 chartered from ILFC. In celebration, a new dark blue, light blue, and white livery is introduced and service is inaugurated at the end of the month to London (LGW). Roundtrips to Amsterdam are initiated in November, the same month an office is opened in Minsk.

Plans are announced by the Estonian Privatisation Agency in December to begin company privatization during the next year, with 66% of the shares offered for sale. Applications will be accepted from Western carriers seeking to become strategic partners.

Enplanements move ahead by 5.9% to 174,247 and cargo grows 7.9% to 437,000 FTKs. Revenues advance 17.4% to \$26.23 million, but costs rise 18.1% to \$27.67 million. The operating loss increases to \$1.43 million while the net loss deepens to \$2.21 million.

On February 11, **1996**, the second Boeing arrives. The two "Baby Boeings" now replace Tu-134As on services from Tallin to Amsterdam, Copenhagen, Frankfurt, Hamburg, London, and Stockholm. **SAS (Scandinavian Airlines System)** and a consortium led by **Maersk Air, A.S.** offer bids to take a 49% minority stake in the carrier. The former sees Estonian as a tool with which to integrate the Estonian market into that of the carrier while the latter recommends that Estonian Air become an efficient carrier able to stand on its own feet and link on its own to Maersk's operations.

Not surprisingly, the Estonian government chooses the latter and, when privatization is completed on September 1, the ownership breakdown is **Maersk Air A.S.** group 49%, Estonian government 34%, and the Baltic Cresco investment group of local bankers 15 per cent. Maersk Air executive Borge Thornbeck is seconded over from Copenhagen to become Estonian's new president. Numerous other company officials and experts will also be seconded, including Aarne Tork, who becomes vice president-technical, and Toomas Leis, vice president-commercial.

Two Fokker 50s, leased from **Maersk Air A.S.**, begin revenue flights on October 21 and 27, respectively.

A strategic pact is signed with **Finnair O/Y**; it begins on October 29 with dual-designator flights between Helsinki and Tallinn and with co-operative ground handling in those cities. Ten Maersk pilots arrive in November and December to help train Estonian's new Fokker pilots. At

the same time, representatives from Maersk's unions arrive to help company employees sort themselves into airline unions.

In December, a claims settlement of \$700,000 is reached with **Aeroflot Russian International Airlines (ARIA)** for compensation to the Russian line for losses taken in 1991. Enplanements for the year slip to 172,000 and operating revenues total \$27.2 million.

Airline employment in 1997 stands at 380 and the fleet includes 2 B-737-5Q8s and 2 Fokker 50s. The Russian equipment is mostly grounded.

In January, a \$1.3-million program is completed for the replacement of ground handling equipment taken over from **Aeroflot Soviet Airlines**.

The number of dual-designator Fokker 50 flights between Tallinn and Helsinki in cooperation with **Finnair O/Y** is increased to four per day in February. During the first quarter, the B-737-5Q8s operate nonstop scheduled roundtrips from Tallinn to London, Amsterdam, Hamburg, Copenhagen, Stockholm, Moscow, Kiev, and Minsk. A total of five Estonian Fokker pilots are certified by the end of April, at which point the two Fokkers leased the previous fall return from Eindhoven, The Netherlands, where they have received a new livery from Aviation Cosmetics, B.V.

Also in April, a Fly & Drive product is introduced in cooperation with Avis Rent-a-Car. A full complement of 15 Fokker pilots is ready by June 1, at which point the Danish instructors are able to return home.

During the month, negotiations for code-sharing or other rights are begun with **Transaero Airlines, British Airways, Ltd. (2), KLM (Royal Dutch Airlines, N.V.)** and the government of the Ukraine.

As part of a marketing agreement, **Aeroflot Russian International Airlines (ARIA)** starts dual-designator flights four times a week between Moscow and Tallinn from August 15, operating Tu-134 jets belonging to the Estonian carrier. The Blue Star frequent flyer program is established and the first Estonian Air Open golf tournament is held.

Customer bookings this year jump 19% to 230,514 while cargo is up 22% to 980,000 freight FTKs.

Services continue apace in 1998. During the summer, the company takes delivery of a third B-737-5Q8 from **Maersk Air, A.S.**, placing it into service on routes to Helsinki, Stockholm, and Riga.

A strategic marketing agreement is entered into with **SAS (Scandinavian Airlines System)** on February 12 (effective March 28, 1999). Blue Velvet business-class service is started on May 1, while flights to Riga begin on June 1.

In August, a homepage is opened on the Internet's World Wide Web. B-737-5Q8 roundtrips commence on October 25 between Tallinn and both Oslo and Frankfurt, four times a week. The former is operated in cooperation with **SAS (Scandinavian Airlines System)**. The next day, a Blue Velvet business class lounge is opened at Tallinn Airport. A fifth B-737-5Q8 enters service on October 29.

Customer bookings during the 12 months increase 18% to 282,000, but freight traffic falls 8% to 907,000 FTKs.

The pact with **SAS (Scandinavian Airlines System)** takes effect on March 28, 1999. Estonian now joins the SAS EuroBonus frequent flyer program. The two also offer dual-designator service on their flights from Oslo to Tallinn and Stockholm. Thrice-daily dual-designator roundtrips are started between Tallinn and Copenhagen; weekend flights are also offered.

On July 6, a cooperative agreement is signed with **Air Baltic Corporation, A.S.** Under its terms, the two begin to code-share on their weekly return services from Riga or Tallinn to Kiev and Minsk, thereby boosting the number of flights to the first point to six and the second to five.

With the beginning of the winter schedule on October 31, Estonian begins to code-share on **SAS (Scandinavian Airlines System)** four-times-per-weekday roundtrips from Tallinn to Brussels via Stockholm and Copenhagen. One roundtrip to Belgium is also flown on Saturdays and two on Sundays. Additionally, the number of weekly return services by Estonian from Tallinn to Helsinki is boosted from 13 to 21.

Customer bookings climb 3.2% for the year to 291,000, while cargo jumps 42.6% to 1.29 million FTKs.

Airline employment at the beginning of 2000 stands at 370, an 8.8% increase over the previous 12 months. The carrier now operates to 12 locations: Helsinki, Stockholm, Copenhagen, Hamburg, Oslo, Frankfurt, London (LGW), Kiev, Moscow, Minsk, Vilnius, and, with SAS, to Brussels.

Given a sufficiency of sea traffic, service to Helsinki is terminated for the summer on March 26. On March 29, permission for **Elk Air, A. S.** to operate a competing service from Tallinn to Moscow is withdrawn. In retaliation, Russian aviation authorities order Estonian flights halted, as Elk Air is a partner of **Aeroflot Russian International Airlines (ARIA)**. The dispute over flights to Moscow leads both companies on April 6 to suspend all service to the Russian capital from Tallinn. Following the route cutback, the B-737-5Q8 employed on the route is subleased to **TAROM (Romanian Air Transport-Transporturile Aeriene Romane, S.A.)**.

On May 1, Jorn Eriksen, senior vice president at **Maersk Air, A.S.**, succeeds Borge Thornbech as president; Thornbech returns to an executive position at Maersk. At the same time, the carrier's commercial department is reorganized into two main functions: scheduled services and customer services.

Four-times-a-day Fokker 50 roundtrip service is resumed on May 5 from Tallinn to Moscow.

A code-sharing agreement is signed with **Aerosvit Airlines** on October 1 under which the two will jointly sell tickets for the Tallin to Kiev route that Estonian Air B-737-5Q8s fly thrice weekly.

ESTRELLAS DELAIRE, S.A. de C.V.: Mexico (1992–1996). Estrellas is founded at Mexico City in 1992 as a division of the inter-city bus company, Tres Estrellas del Oro, to offer passenger charter and inclusive-tour flights to regional and international destinations in the Western hemisphere. Revenue operations commence with a single leased Douglas DC-9-14.

No statistics are provided for the privately owned carrier; however, a second DC-9-14 is chartered for the 1993 season. It is returned to its lessor in early 1994. The lone Douglas flies on until the company closes down in 1996.

ETA (EMPRESA TRANSPORTES AEREOS, S.A.): Bolivia (1977–1988). The all-cargo ETA is set up at La Paz in 1977 to provide domestic ad hoc services. Flights commence and continue throughout most of the 1980s with one each Curtiss C-46 Commando and Douglas DC-6, the latter once flown by American Airlines.

The C-46 and its crew are lost in January 1988 when the plane smashes into the mountains near its base. The DC-6 is sold during the summer and the company shuts its doors.

ETAPA (EMPRESA DE TRANSPORTES AEREOS DE PEMBA). See **COMAG, S.A.**

ETEL AERO AIR COMPANY: 18/20-6 B Pochtovaya Street, Moscow, 107082, Russia; Year Founded 1996. EAAC is established at Moscow in 1996 to offer regional passenger charters. Revenue flights begin and continue with a single Yakovlev Yak-40.

ETHIOPIAN AIRLINES, S.C.: Bole International Airport, P.O. Box 1755, Addis Ababa, Ethiopia; Phone 251 (1) 612222; Fax 251 (1) 611 474; <http://www.ethiopian-airline.com>; Code ET; Year Founded 1945. During June 1945, Gen. T. B. Wilson, who is also president of **Transcontinental and Western Air Lines (TWA)**, meets with officials of the government of Ethiopia on behalf of the U.S. State Department. Wilson promises them assistance in their desire to create a national airline and the foundation of this great African carrier can be traced to the agreement the parties sign on August 8. This new Ethiopian Airlines is officially chartered as the result of a December 26 proclamation by

Emperor Haile Selassie. The government provides Birr 2.5 million in capitalization and Minister of Works and Communications Fitawrari Tafasse Habte Mikael is appointed the first chairman.

At the first board meeting on the day of incorporation, TWA is contracted (for \$12,000 per year) to provide technical and managerial support and two Americans are appointed to the EA board: H. H. "Dutch" Holloway, who is named general manager, and secretary/treasurer Henry Bruce "Obie" Obermiller. Two letters of credit, worth £E75,000 each, are issued to TWA for the acquisition of aircraft and the funds are deposited in banks in Cairo and New York.

In January 1946, a fleet of five ex-U.S. Army Air Forces Douglas C-47s (military DC-3s) is assembled from the Allied war surplus depot at Cairo and are flown, en masse, by U.S. Army pilots to Addis Ababa on February 1. A sixth Douglas arrives with the formation and returns the loaned flyers to Egypt the next day. Ethiopian Airlines' first official service is a government charter, operated a few days after the arrival of the C-47s, for the delivery of \$3.7 million in East African currency to Nairobi. Proving and public relations flights commence on March 3.

Regularly scheduled passenger and cargo services commence on April 8. Before a large crowd that includes Emperor Haile Selassie and several of his ministers, the fully loaded premier flight, piloted by Capt. William "Bill" Campbell, with Otha Salyers as copilot and "Pop" Phillips as flight attendant, completes a 150-min. service from Addis Ababa to Cairo via Asmara without incident.

From Addis Ababa, weekly routes are also planned for or stretched to Aden via Djibouti, as well as to Asmara, Khartoum, occasionally via Gambela, and to Cairo via Jeddah. A service is also provided between Asmara and Khartoum. With the British refusing landing rights to the Sudanese capital, EAL must initially fly on to Port Sudan for refueling.

Obie Obermiller succeeds General Manager Holloway in June, while in early July, four more Douglas transports are acquired, one primarily for spare parts.

Flights to Othman, Yemen, begin on July 30.

In September, three C-47s are flown to the U.K. for conversion by Scottish Aviation, Ltd. to DC-3 civil standard at a cost of £8,510 each.

Waldon Gene "Swede" Golien becomes general manager at the beginning of 1947 and another DC-3 arrives in February.

The three converted DC-3s enter service during the second quarter. Flights commence to the communities of Mukalla on June 15 and Sheikh Othman Airport, 15 miles from Aden on July 30.

Expansion continues during the year's second half. Port Sudan joins the network on September 26, followed by Jeddah on September 29 and Lydda on October 15.

In cooperation with **British Overseas Airways Corporation (BOAC)**, charter service begins in November from Aden (terminus of the British service from Cairo) to Bombay via Mesirah Island (a refueling point), Oman, and Karachi.

The DC-3 service to Lydda ends in February 1948, as do the technical stops at Mesirah Island in April. Also in April, twice-weekly flights begin to French Somaliland while the same frequency is introduced to Aden.

A DC-3 is destroyed as the result of a bad landing at Gore on July 22; there are no fatalities. The fuselage becomes the EAL office at the newly opened airfield at that town.

Service over the route from Aden to Bombay via Oman and Karachi is regularly scheduled as of September 14.

On December 20, the British finally allow Khartoum to be added as a regular stop on the route to Cairo.

A survey flight is made in 1949 to West Africa; visits are made from Khartoum to the cities of El Fasher, El Geneina, Fort Lamy, Kano, Lagos, and Accra. Before regular flights can be made to these cities, however, better flight equipment will be required. To that end, TWA now makes arrangement for the acquisition of a pair of Convairliners.

Here it might be noted that, during the years since start-up, domestic services and schedules are very impromptu. Frequencies are initially operated to just Dire Dawa, Gondar, Gore, and Jimma, although others are

often added. Pilots sell tickets and handle passenger baggage and cargo services. Like motor coaches, the aircraft can be enticed to land at small airfields by villagers displaying white cotton shawls as rudimentary windsocks.

Service to Bombay ends in July 1950. Two Convair CV-240s arrive at Addis Ababa on December 29 and are christened *Eagle of Ethiopia* and *Haile Selassie I*.

When the pressurized Convairliners enter service in late January 1951, several problems are discovered. Addis Ababa's runways are not sufficient to handle a fully loaded CV-240 so the 36-passenger planes are often flown 20 km. to Awash, where their heavy load of fuel can be taken aboard. Additionally, JATO (Jet-Assisted Take Off) rockets must be employed to get the Convairs away from the short field at Asmara. This revolutionary takeoff procedure, seldom employed by commercial carriers, will be discontinued after an accident. Despite these problems, CV-240 service is extended to Dhahran and Sharjah on February 20, as well as to Jeddah and Karachi by spring. Flights to India are also resumed.

All of the above DC-3 and CV-240 services are maintained in 1952. In addition, the domestic route network from Addis Ababa now includes stops at Asosa, Assab, Axum, Bahar Dar, Dangilla, Debre Markos, Dembidollo, Dessie, Dire Dawa, Ginnar, Goba, Gondar, Gore, Hosana, Jimma, Maqalle, Mizan Teferi, Negelle, and Soddu. As noted above, many of these points are irregular, both as airports and scheduled destinations.

The Indian service is suspended in February 1953, along with flights to Sharjah. Plans are made to launch flights to Europe the following year. On February 20, Convairliners replace DC-3s on the important Addis Ababa to Cairo route; on March 1, Convair flights are started to Djibouti. The management and support contract with TWA is renewed on July 14. Among the provisions is one declaring an ultimate aim of having the airline run entirely by Ethiopian personnel.

An Addis Ababa-Athens service via Khartoum is launched in April 1954.

Fleet improvement becomes a prime company goal during the middle years of the 1950s and technical examinations are made of many of the prominent airliners of the day.

Early in 1955, Vic Harrell arrives as general manager and he purchases a third CV-240, christened *The Spiritual Power*, from **Sabena Belgian World Airlines, S.A.** for \$560,000. Wadi Halfa becomes a point on the Athens route during the summer.

Flights to Benghazi commence on November 7, 1956. One month later, a \$4-million order is placed for two DC-6Bs, plus spare parts.

In late December, Capt. Alemayehu Abebe is appointed the first Ethiopian aircraft commander, effective on the first day of the new year.

Service to Benghazi is halted on January 15, 1957. Following the award, on the same day, of a \$24-million U.S. Export-Import Bank loan to the government for the modernization of its air transport system, **Trans World Airlines (TWA)** is contracted to train the carrier's pilots, the first of whom is appointed on March 3. On May 23, the first four Ethiopians begin pilot training under the auspices of **Swissair, A.G.**

Meanwhile, in February, EAL authorizes the acquisition a Lockheed L-749 Constellation that had been requested as a gift to the Emperor Haile Selassie, who refuses it.

On behalf of EAL, TWA now leases a Lockheed C-121A that it has refurbished to L-749A civil Constellation standard at a cost of \$1.6 million. Complete with the Lion of Judah painted on its forward fuselage and a removable stateroom for Emperor Haile Selassie, the aircraft is delivered on June 2. Less than six weeks after its acquisition and while en route 49 km. N of Khartoum on July 10, two engines of the refurbished L-749, operating as Flight 3 with 6 crew and 14 passengers, take fire, forcing the Constellation down near Gezira in northern Sudan. Although no injuries are reported, the airliner must be written off. Service to Hodeida and Taiz, in Aden, begins on September 1.

The first Douglas DC-6B arrives in April 1958, followed by two more in each of the succeeding months. Flights to Wadi Halfa end on May 23,

but the Athens run is stretched to Frankfurt on June 18. The Convairs and DC-3s are now assigned completely to domestic or regional services. Among these is the establishment of a new route from Addis Ababa to Nairobi on June 21.

In September, fifth freedom rights are withdrawn to Aden, as is service from Djibouti. Newly completed shops and facilities allow the company to begin its own engine overhaul work at Addis Ababa in November.

EAL joins IATA on January 1, 1959. Two additional DC-6Bs join the fleet and the Convairs are now fully replaced on the services to Cairo and Europe with DC-6Bs; however, the route to Nairobi is closed. Bulchi, Dodollo, Lalibela, and Masawa join the domestic network and a rotary wing fleet is established, comprising eight Bell 47s and a Hiller 360.

Planning for the acquisition of jetliners begins in February 1960 as General Manager Harrell's technical staff begins the consideration of available models. Service to Port Said is suspended on March 1. A pact is signed on June 26 allowing for the initiation of service to Ghana, Guinea, and Liberia.

Flight 372, a DC-3, with 3 crew and 8 passengers, crashes 17 mi. S of Jimma, Ethiopia, on July 15; pilot Thomas P. Hallock is killed in the airline's first fatal accident.

Two Boeing 720-060Bs (B-720Bs) are ordered on August 12 and European frequencies are increased to six per week in September.

On November 8, Addis Ababa to Monrovia DC-6B flights via Accra and Lagos begin, the first East-West African route to be opened since the days of **Imperial Airways, Ltd.**

A nonscheduled DC-3 with 19 passengers crashes S of Sendafar, on September 5, 1961 (5 dead). A DC-3 with 3 crew and 15 passengers fails its climb away from Tippi, on January 13, 1962; 5 people are killed when the plane, originally acquired as a C-47 back in 1946, crashes nearby. These disasters lead the government to order closure of the inadequate airfields at Gore, Tippi, and Mizan Teferi.

Two replacement DC-3s arrive in March, while DC-6B service to Kano, Nigeria, begins on March 18.

General Manager Harrell is succeeded by Jack B. Asire in April.

The first B-720-060B, which will be christened *The Blue Nile*, cannot be delivered before November 30, when improvements at Addis Ababa's Bole Airport will be completed.

Once it is worked up, *The Blue Nile* enters service early on January 15, 1963, over a route from Nairobi to Frankfurt via Addis Ababa, Asmara, Cairo, and Athens. The second B-720-060B, delivered the previous December 3 and christened *The White Nile*, is employed the next day to fly via Asmara, Cairo, and Athens to Madrid.

Beginning on April 1, B-720-060Bs replace DC-6Bs on the routes to Athens and Frankfurt, allowing the carrier to retire two DC-6Bs. The jetliners, also in April, initiate joint service with **Sudan Airways, Ltd.** and **Aden Airways, Ltd.** over a route from Khartoum to Aden, via Asmara.

Flights to Conakry commence on May 8 as the route to Kano is closed. While on a test flight from Addis Ababa on November 30, a DC-3 with three crew, crashes; there are no fatalities reported. A pilot training school is opened at the Addis Ababa base and enplanements for the year are 126,218.

Airline employment in 1964 is 1,670. The fleet now includes 3 DC-6Bs (with 2 more up for sale), 2 B-720-060Bs, 7 DC-3s, and 2 CV-240s.

Early in the year, J. I. Greenwald succeeds General Manager Asire. Additionally, the Ethiopian Air Lines Employees Association (EALEA) is formed and the service to Madrid becomes thrice weekly. Weekly Rome service is inaugurated via Khartoum and Athens.

The airline establishes at its base the largest jet engine overhaul facility on the African continent; contract fan-jet services are also undertaken for other airlines.

An IBM computer system is installed and the new pilot training school, employing Cessna and Piper lightplanes, accepts its first class.

The company also transports 1,100 Ethiopian Army UN peacekeeping soldiers back from the Congo over a 10-day period.

Two Convairs are sold in August to **Central Airlines** for \$350,000. In November, the EALEA flexes its muscles by staging a six-day strike. Service to Monrovia and Hodeida is discontinued late in the fourth quarter.

Passenger boardings jump 21% to 159,769. This is the largest numerical increase in passengers transported in the entire 19-year history of the company. Revenues are \$16.8 million.

Two Piper PA-18s, three Cessna, and one Beech AT-11 lightplanes are acquired for the flight training program early in 1965, along with four more Bell Model 47 helicopters.

In cooperation with United Touring Company, a flight program to sites identified of historic interest begins in February; the four cities chosen under this program are Lalibela, Bahar Dar, Gondar, and Axum. These will be visited by two more DC-3s now received.

Another B-720-060B arrives on September 20 and is christened *Queen of Sheba*. A third weekly jetliner service is launched from the capital to Accra via Nairobi, Entebbe, and Lagos.

The company is reformed in August and its legal name is changed from Ethiopian Air Lines, Ltd. to the more modern **Ethiopian Airlines, S.C.** The change legalizes the creation of unions and the company's ability to negotiate its own loans and other financial arrangements without government interference.

A DC-3 is lost on September 14 as the result of a bad landing at Gore; there are no fatalities.

Additional services are started in the middle of the fourth quarter. On November 2, new frequencies begin to Beirut, while flights to Entebbe are launched on November 5, along with an expanded route to Lagos, from Nairobi and Entebbe.

Enplanements climb again, up 21% to 193,411. Revenues increase 8% to \$18,144,000.

Airline employment stands at 1,720 in 1966 and the fleet comprises 3 B-720-060Bs, 1 Beech 18, 4 Bell Model 47 helicopters, 3 Cessnas, 8 DC-3s, 3 DC-6Bs, and 2 Piper PA-18s. Three more DC-3s are added and two Boeing 707-320Cs are ordered. The B-720-060B *Queen of Sheba* is leased to **Middle East Airlines** for 22 months on January 1. Two weeks later, on January 14, the first pilot class graduates from the EAL flight school.

Toward the end of the first quarter, an agreement is signed with **East African Airways Corporation**. Under its terms, the two carriers begin a pooled daily roundtrip service between Addis Ababa and Nairobi. EAL performs the flights thrice weekly with its B-720-060Bs, while EAAC flies the route twice weekly with de Havilland DH 106 Comet 4s.

Early in the second quarter, the historic sites program is expanded. Again in cooperation with United Touring Company, flights are undertaken for tourists and scholars to Ambo, the Blue Nile Gorge, Debrezeit, the Lake Regions, Asmara, Harar, and Dire Dawa.

The management and support agreement with **Trans World Airlines (TWA)** is renewed on April 20. B-720-060Bs replace DC-6Bs on the Karachi service as of June 30, while on July 6, Delhi replaces Bombay as terminus of the Indian route.

Service to Dar es Salaam begins on November 12.

Enplanements for the year accelerate to 204,000.

H. E. Ato Emanuel Abraham becomes chairman at the beginning of 1967 as Joe Brumit is appointed general manager, the last TWA man to hold that post.

Unheralded but important to the company's future is the establishment of an aviation maintenance technician school.

Following a suspension of Mideast services, due to the outbreak of the Six-Day War on June 5, the airline refuses to land at Cairo when the United Arab Republic reopens that nation's main airport on June 18. Instead, it continues to operate newly opened routes to Bamako, Brazzaville, and Chad in West Africa. Flights are also begun locally to Setit Humera.

The B-720-060B *Queen of Sheba* is returned by MEA in October. On November, she is replaced on the MEA register by the leased B-720-060B *The Blue Nile*. Orders are now placed for two Boeing 707-320C

Stratoliners. Freight traffic grows significantly during the year and passenger boardings advance to 208,317.

The employee population is 2,316 in **1968**. *The Blue Nile* is hit by lightning while landing at Beirut on January 9; although the aircraft must be written off, there are no fatalities. The first B-707-360C is delivered on April 13 and enters service on May 20.

Extensive sales and marketing campaigns are now undertaken and the carrier joins the Societe Internationale de Telecommunications Aeronautiques (SITA) communications network. Originally ordered by **Saturn Airways** but not delivered to it, a B-707-379C arrives in September.

As a way of increasing cargo operations, pallet shipments are introduced on B-707-360C flights to Europe from East Africa. Douala, Paris (ORY), London (LHR), Shanghai, and Beijing join the route network.

Passenger traffic jumps 13% to 245,091 passengers flown and cargo grows by 42.6%; revenues of \$22.1 million are earned.

A B-707-327C is delivered in early **1969** and on March 11 it is badly damaged when bombed while standing empty on the ground at Frankfurt. The unsold DC-6Bs are reinstated during the second quarter and service is started to Ogaden.

A DC-3 freighter is apparently shot down near Suez, Egypt, on April 10. While on the ground at Karachi on June 18, the B-707-360C is the target of bomb throwers; the aircraft is not damaged. Six students and a government official hijack a DC-3, en route from Bahir Dar to Addis Ababa, on August 11, forcing the pilot to land at Khartoum, Sudan, where they seek political asylum; the plane is allowed to return to the Ethiopian capital next day.

A month later, on September 13, a DC-6B, en route from Addis Ababa to Djibouti with 66 passengers, is hijacked by three Eritreans. Members of the Syrian-based Eritrean Liberation Front, they force the aircraft to land at Aden in South Yemen, where an Ethiopian security agent, who is a passenger, shoots one of the air pirates. The next day, the plane departs for Addis Ababa with 64 passengers, the severely wounded hijacker being left behind.

Two more Eritrean Liberation Front members attempt to force the B-707-360C, en route from Madrid to Addis Ababa via Asmara to fly to Aden on December 14. Three Ethiopian security agents capture the pirates, tie them up, and then slit their throats. The Boeing is then diverted to Athens, where the bodies are off-loaded.

A total of 196 million revenue passenger miles are flown during the year.

In **1970**, a DC-3 is retired. The route network now extends 27,000 miles.

A bomb is found aboard a Boeing at Rome on March 2. A DC-6B freighter, with three crew and one passenger, overruns the runway while landing at Asmara on March 12, tearing off its landing gear and catching fire; although the aircraft must be written off, there are no fatalities. Flights to Beirut end on March 31.

The B-707-379C and B-707-360C are both leased out to **Nigeria Airways, Ltd.** in June. The former will return in 13 months, but the latter will be operated by the West African carrier until 1973. The Rome frequency becomes daily on April 1 and, during the summer, domestic DC-3 flights commence to Fincha.

While on a January 22, **1971** domestic flight from Bahir Dar to Gondar, a DC-3 with 23 passengers is taken over by members of the Eritrean Liberation Front and forced to fly to Benghazi, Libya, where Libyan officials promptly arrest the pirates.

Service to Madrid ends on March 30; the next day, four-times-a-week flights begin via Athens or Rome to Paris.

The first Hadj Muslim pilgrimage flights to Mecca commence in May. Douala and Abidjan join the route network on July 1.

The B-707-379C returns from **Nigeria Airways, Ltd.** in September as another DC-3 is acquired for the domestic program.

The long-standing agreement with **Trans World Airlines (TWA)** for the provision of management personnel ends on November 1 as LTC Semret Medhane becomes the carrier's first Ethiopian general manager,

succeeding TWA's Brumit. With Medhane's appointment, the company creates a new position, TWA Senior Advisor, in order that cooperation with the U.S. airline might be maintained.

Changes on the eastern route come in December as Karachi and Delhi are dropped and Bombay returns as the Indian terminus.

Passenger boardings for the year are 262,000 and a \$1.2-million profit is recorded.

The workforce totals 2,547 in **1972**. B-720-060Bs are placed on the Jeddah service on April 1 while Air America, the U.S. CIA proprietary company, provides a DC-6A freighter on June 6.

En route from Asmara to Addis Ababa via Axum, Gondar, and Bahar Dar on September 10, a DC-3 with three crew and eight passengers is lost when it crashes 35 min. after takeoff from Gondar; there are no survivors.

On December 8, seven members of the Eritrean Liberation Front, including two women, attempt to hijack Flight 708, a B-720-060B en route from Addis Ababa to Paris with 94 passengers aboard. Passengers D. and M. MacIntosh attempt to subdue one of the pirates, whereupon, a gun battle breaks out between the hijackers and Ethiopian security police. The exchange results in the deaths of all seven hijackers. Another American customer, meanwhile, tosses a loose grenade to an unoccupied corner of the cabin, where it explodes, damaging an engine and causing structural damage to the fuselage, while wounding eight passengers. Despite the grenade explosion, the aircraft is able to make a safe return to the Ethiopian capital. Enplanements grow 9.5% this year to 289,000 and profits double to \$2.5 million.

The workforce in **1973** totals 2,639 as the B-707-360C returns from **Nigeria Airways, Ltd.**

On February 22, the Ethiopian flag line becomes the first carrier in Africa to serve the People's Republic of China as Addis Ababa to Shanghai via Bombay B-707-379C flights begin.

After a period of suspension, thrice-weekly B-720-060B return flights to London begin on April 1 as an extension of the route from Paris. With the addition of a fourth B-720, a Dash-024B from **Continental Airlines**, the route is operated four times a week.

Service to Shanghai ends on October 31 as the China route is extended to Peking on November 1, the same day DC-6B flights to S'anaa commence.

Freight is up 22% this year and passenger boardings climb 7% to 309,230.

A second Peking service is added in **1974**. Normal flight schedules are resumed on March 13, despite a strike by air traffic controllers at Addis Ababa and Asmara, which ends on April 1. The unprofitable local markets of Hosana, Ghinnir, Mendi, and Nejjo are closed in May.

The carrier's three B-707s are wet-leased during the summer to **Iran Air** and **Saudia (Saudi Arabian Airlines)**.

A DC-3 is damaged beyond repair at Mota on August 5. On September 16, two more B-720-024Bs are purchased from **Continental Airlines**.

A fifth U.S. sales office is opened, the largest number for any African airline. Emperor Haile Selassie is deposed and replaced by a left-wing military government.

A DC-3 with 3 crew and 21 passengers fails its climb away from and crashes near Soddu on November 20 (2 dead).

The last **Trans World Airlines (TWA)** employee attached to the airline, J. A. Tucci, returns to the U.S. by the end of the year. There are no plans to sign the TWA support contract when it comes up for renewal the following year.

Passenger bookings dip 13% to 269,520 and freight drops 7%. Employment stands at 2,733.

The workforce in **1975** is 2,733. During January, the company shares, with **Austrian Airlines, A.G.**, the 1974 "Market Development Award" from *Air Transport World* magazine. Rebel gunfire destroys a DC-3 as it lands at Lalibela on March 14 (one dead).

On April 4, service is inaugurated to Kinshasa, with Kigali joining the route network 11 days later. The Stratoliner leased to **Iran Air** is

returned in May; repainted, it is chartered to **Saudia (Saudi Arabian Airlines)** in June for a year.

The DC-6A provided by Air America fails its takeoff from Addis Ababa on July 31 and is destroyed in the ensuing crash.

Orders are placed for six de Havilland Canada DHC-7s during the fall, but Canadian financing falls through and the request will not be honored.

While trying to maneuver away from the Chote Mountains near Bahar Dar in cloud cover on September 11, a DC-3 clips trees with its tail, loses control, and crashes (one dead).

Director General Tafesee Ayalew now becomes general manager in November.

Freight drops 3.2% and passenger boardings fall 9.3% to 245,000.

The workforce grows 9.8% in 1976 to 3,000.

Taiz service ends on March 1, while frequencies are opened to Abu Dhabi and Bahrain on April 2 and 5, respectively.

One DC-3 catches fire while taxiing at Massawa on April 23 and is burned out. Another DC-3 is further damaged by fire after it suffers an explosion on the ground at Massawa on May 31.

The two Stratoliners chartered to **Saudia (Saudi Arabian Airlines)** are both returned in June. A source of necessary fiscal income, the two Boeings receive maintenance checks and new paint jobs prior to going out again.

One of the B-707s is turned around in July and sent to **Singapore Airlines, Ltd.** for four months. Another passes to **Air Algerie, S.A.** in September.

Having failed its takeoff from Asmara on October 13, a DC-6B crashes and loses its landing gear; the damage requires that the plane be written off.

When the Stratoliner out with **Singapore Airlines, Ltd.** is returned in late October, it is turned around and chartered out to **Air India, Ltd.** in early December.

A DC-3 with three crew and five passengers suffers the collapse of its right main landing gear after landing at Oborso on December 14. The crew retracts the gear and the plane slides along on its belly until it hits an anthill. Although the aircraft is damaged beyond repair, no serious injuries are reported.

Passenger traffic advances 18% to 289,000 and freight is up 13%.

Alyemda Airlines purchases EAL's last operational DC-6B in March 1977. Plans are made to replace the DC-6Bs with B-727-200s.

On April 25, security agents on board shoot and kill two members of the Eritrean Liberation Front during the latter's unsuccessful attempt to divert a DC-3 on a domestic flight from Makele to Gondar to a destination in either the Sudan or Saudi Arabia.

The landing gear of a DC-3 collapses as it lands at Kabri Dar on June 12; although there are no fatalities, the plane must be written off.

En route from Tippi to Jimma in bad weather and low clouds on July 20, a DC-3 freighter with three crew and two passengers crashes into a mountain at Tubo Milkie; there are no survivors.

Although the company has lost a large number of Douglas transports in recent years, it has also replaced many of them, adding 14 to its fleet since early 1975. The Boeing Stratoliner leased-out to **Air Algerie, S.A.** is regained in September. Flights to Kilimanjaro commence on October 1.

Another DC-3 is involved in an accident on November 15 when it hits (and kills) a donkey while taking off from Arba Minch. Just after takeoff from Rome's Fiumicino Airport on November 19, a B-707-360C freighter with three crew and two passengers strikes trees and crashes into the ground 280 m. beyond the end of the runway, exploding in flames; there are no survivors.

Following the significant traffic decline of the previous year, bookings for general manager Ayalew's 2,993-employee company now total only 184,398.

A B-707-351C is leased from **Alyemda Airlines** in January 1978 for six months. Meanwhile, EAL personnel are seconded to Alyemda. The Alyemda Boeing is employed to launch services to Mahe, Seychelles, on April 1.

During the summer, a contract is signed with **Kenya Airways, Ltd.** to maintain the Nairobi-based carrier's fleet. An order, later cancelled, is placed for five de Havilland DHC-6-300 Twin Otters. A DC-6A cargo plane is acquired in August.

A loss of hydraulic pressure causes a DC-3 with 3 crew and 29 passengers to divert to Sodo on October 15; the plane rolls 1,200 m. off the runway, coming to rest in a big ditch. There are no fatalities. Another DC-3 with four crew and nine passengers is destroyed as the result of a bad landing at Degahbur on October 25; again, there are no fatalities.

Twice-weekly service to Bujumbura begins on November 14.

The Boeing Stratoliner that has served with **Air India, Ltd.** for the past several years returns in January 1979.

A DC-3 is lost at Tessenei on January 28. There are no other details concerning the accident. En route southwest of Asmara on February 19, a DC-3 with five passengers is destroyed in midair over Barentu by a bomb; there are no survivors.

Dubai replaces Bahrain on the Mideast route on April 4 while, on May 1, another DC-3 is received to replace that destroyed in February.

The last two DC-6Bs are retired during the summer. The first of two B-727-260As to be delivered on the year arrives at Addis Ababa on September 18 and is christened *Yekatit*. Three days later, yet another DC-3 is damaged beyond repair at Barentu.

The second B-727-260A is delivered on October 17 and is named *Karamara*.

Orders are placed in December for six de Havilland Canada DHC-6-300s and two DHC-7-103s to replace the DC-3s on domestic/regional routes.

Cargo declines 11% this year, but enplanements are up 8% to 200,433.

Flights to Paris and China are suspended on January 25, 1980.

A DC-3 carrying three crew on a training flight is destroyed in a bad landing at Addis Ababa on March 18; there are no fatalities.

Service to Mahe, Seychelles, ends March 31. Service to Beijing is resumed on April 4 and frequencies to Harare, Zimbabwe, commence on August 5.

As of November 2, service is also restarted to Abidjan under a pool agreement with **Air Afrique, S.A.** Capt. Mohammed Ahmed becomes the new general manager at the end of the year, replacing Gen. Ayalew. He is given a mandate to turn the company's finances around by any means possible.

A DC-3 is destroyed on January 11, 1981 as the result of a bad landing at Bahar Dar when its undercarriage collapses. There are no injuries reported.

Service to Monrovia is restored on March 28 and, in May, three more DC-3s are purchased.

Another Douglas transport is involved in a landing accident at Kembolcha on October 7. Repaired and returned to service, it is damaged again at Addis Ababa when rammed by a Mil Mi-24 helicopter.

One more B-727-260A, named *White Nile*, is received, also in December.

Enplanements this year are way up to 380,000.

Two de Havilland Canada DHC-5 Buffalo cargo planes are acquired in early 1982. A contract is signed with **Zambia Airways Corporation** under which the older airline will manage the Zambian line's technical and operations departments for the next three years.

A DC-3 fails its takeoff from Makele on August 24 and, as a result of its forced landing, must be written off.

Customer bookings for the 12-month period dip to 335,000.

In 1983, the domestic network includes 40 markets. International services to southern, western, eastern, and central Africa are expanded as frequencies are increased to Lagos, Kilimanjaro, Dakar, Dar Es Salaam, and Bujumbura.

In April, a \$151-million order is placed for B-767-260ERs.

The Dash 7 order is cancelled. The last two DC-3s to join the company are received during July.

A new route to Brazzaville begins on November 1.

Passenger boardings plunge to 342,667 as the world economic situation hits home. The operating and net profits in the latter year are \$17 million and \$9.3 million, respectively, on revenues of \$120 million.

The workforce is increased by 4.7% in **1984** to 3,174 and the fleet includes 1 B-707-360C, 5 B-720-024/060Bs, 3 B-727-260As, 9 DC-3s, and 2 DHC-5s.

The company inaugurates a trans-Saharan route on April 8 with a B-720B service to Niamey, Bamako, and Dakar.

The first of two B-767-260ERs to be delivered during the year arrives at Addis Ababa on May 23 and a month later is placed in service on the Bombay-Beijing run.

The aircraft are the first of their type to begin flying for any African carrier. Financing for the new equipment is provided by foreign loans. A group of U.S. and European banks led by Bankers Trust provide 85% of the cost for the Boeings, plus spare parts and engines.

Service to Moscow begins in June as an extension of the Addis Ababa-Cairo-Athens route.

Following a hard landing at Addis Ababa, the B-720-060B *The White Nile* is withdrawn and sent to Davis Monthan AFB in the U.S., where it will be broken up.

Passenger boardings accelerate 6.1% this year to 374,500 and cargo surges 31.2% to 29.41 million FTKs. On total revenues of \$141 million, the operating profit rises to \$19 million, but the net falls to \$8.6 million.

Airline employment grows 3.5% in **1985** to 3,285.

Five de Havilland Canada DHC-6-300 Twin Otters are received, beginning in February, for use on domestic services, allowing reduction of DC-3 operations. A loan from Canada's Export Development Corporation covers their acquisition costs.

A B-707-320C freighter is acquired on May 14. Orderly withdrawal of the surviving DC-3s begins during the summer as additional Twin Otters are received.

In October and in cooperation with **Air Afrique, S.A.**, B-767-260ERs are introduced on two of the company's four weekly Addis Ababa-Abidjan flights.

Passenger boardings jump 18.1% to 471,175 and cargo advances 30.4% to 57.78 million FTKs. On revenues of \$163.12 million, expenses climb 14.3% to \$145.41 million, leaving an operating profit of \$17.7 million and a net of \$5.1 million.

The payroll is increased by 4.5% in **1986** to 3,380 and the fleet includes 2 B-767-260ERs, 2 B-707s, 3 B-720Bs, 3 B-727-260As, 9 DC-3s, 5 DHC-6-300s, and 2 DHC-5s. Orders remain outstanding for a B-767-260ER, two B-737-260s, and two ATR42-320s.

During the second quarter, the government opens negotiations with Beijing and Tokyo aimed at providing sixth freedom rights for a route between the Chinese and Japanese capitals; the talks will not be successful.

While on initial approach to Addis Ababa on June 22, a DHC-6-300 with 3 crew and 17 passengers, stalls; the turboprop descends into trees and crashes near Dembidollo. There are no fatalities.

In July, B-720B routes are extended to Luanda via Entebbe and to East Berlin via Khartoum, Cairo, and Athens.

During the year, two B-720Bs are retired and two B-737-260s arrive; automated reservations and check-ins are introduced.

Customer bookings climb 19% to 509,600 and freight rises 32.2% to 78 million FTKs. Revenues advance 24.2% to \$182.4 million and costs are handled, thereby allowing an operating profit of \$19.9 million and net gain of \$5.7 million.

The workforce grows by 2.8% in **1987** to 3,475 and a third B-767-260ER enters service together with another pair of Twin Otters. The new Boeing airliners fly to Europe, Bangkok, and Beijing.

A used B-737-260A with just 1,377 hrs. flying time is delivered on October 29. Passenger boardings ascend 2% to 584,352 and cargo climbs 3.1% to 90.72 million FTKs. Revenues dip 0.3% to \$184.7 million and costs are down 0.8% to \$161.6 million, leaving an operating profit of \$23.1 million. The net gain is \$9.7 million.

The payroll is cut by 0.1% in **1988** to 3,426 as civil war grips the country.

An eagle crashes into the cockpit of a B-727-260A on January 8, breaking the copilot's leg and forcing the plane to make an emergency landing at Khartoum, Sudan.

The fleet is enhanced by the delivery in March of two ATR42-320s.

Ethiopian Air Force MIG-23s attack the airfield at Axum on May 2, destroying one of the carrier's DC-3s.

On September 15, Flight 604 is operating a service via Bahar Dar from Addis Ababa to Asmara with 6 crew and 98 passengers. The B-737-260A, which has been in service for less than a year, ingests part of a flock of pigeons into both engines as it is taking off from its point of origin. Both power plants flame out, forcing the aircraft to make a wheels-up crash landing in open country. A post-crash fire breaks out and 31 aboard die.

The last B-720B, a Dash-024B, is retired on October 19.

Service is initiated to N'Djamena and Lilongwe while ticketing and other office functions are automated. Two Lockheed L-382G Hercules freighters arrive in the fall.

These civil versions of the well-known military transport enter service in November, replacing DC-3Fs on domestic routes and to regional destinations throughout the Mideast and Africa. The two Buffalos also deliver cargo, which now accounts for almost 30% of the airline's total revenues.

After takeoff from Gondar on November 8, the pilot of a DHC-5A Buffalo is unable to retract the main landing gear and loses hydraulic pressure. The aircraft returns to its point of origin and makes an emergency landing, rolling 900 m. before veering off the runway into a ditch. The flyer is killed and the freighter is damaged beyond repair.

Customer bookings rise 8.2% to 687,399 while freight ascends 16.8% to 111.19 million FTKs. Revenues jump 18.9% to \$219.7 million and with costs low again, the operating profit is a record \$29.8 million and net profit is \$7.3 million.

Airline employment is increased by 7.6% in **1989** to 3,452 and the fleet includes 27 aircraft: 3 B-767-260ERs, 1 each B-707-379C and B-707-385C, 2 B-737-260s, 2 B-727-260As, 7 DC-3/C-47s, 2 ATR42-320s, 2 L-382G Hercules, 2 DHC-5A Buffaloes, and 5 DHC-6-300s.

In January, the carrier inaugurates weekly Saturday services from Addis Ababa to Dakar via N'Djamena, Ouagadougou, and Bamako.

A management contract is signed with **Sudan Airways Corporation** in May. When the arrangement comes into effect, Assefa Ambaye, the carrier's former deputy general manager, is made leader of the team sent to Khartoum.

Weekly flights begin in June linking the capital with Conakry, Guinea, while thrice-weekly service is launched to Mogadishu, Somalia. A total of 29 international destinations in Africa are now visited.

Figures are only released for the year's first half and show passenger boardings to be down by 3.4% to 331,829. Freight, however, is up by 6.1% to 62.81 million FTKs and after tax profit climbs to \$12.10 million.

In November, daily frequencies are initiated to Lome, Togo; however, flights to Abidjan are reduced by order of the Ivory Coast government.

The number of workers inches up 1.5% in **1990** to 3,502.

When loud bangs are heard during its takeoff roll, a B-707-379C with four crew aborts its takeoff from Addis Ababa on July 25 on a service to Asmara. The Stratofreighter overruns the runway and smashes into the ground, breaking up. No injuries are reported and the bangs are later determined to have been caused by birdstrikes.

The first of three ordered B-757-260PFs, which can also transport passengers, is received in August. It will be the first of its type to enter service outside of the U.S. New routes are inaugurated from Addis Ababa to Gabarone in Botswana and Windhoek, Namibia, and a route to Mahe, Seychelles, closed years earlier, is reopened. At the same time, flights begin to Riyadh, Saudi Arabia.

The first B-757-260PF is employed, beginning in December, to inaugurate three to five-times-per-week charter flights from Addis Ababa to Amsterdam.

Customer bookings slide another 4.7% on the year to 620,304 and cargo declines 27.1% to 67.32 million FTKs. Net gain, including \$26.31 million from the sale of aircraft, reaches \$41.98 million.

In 1991, two more B-757-260PFs are acquired, one of which is immediately leased to **Air Tanzania Corporation**. Artillery fire claims the B-707-385C on the ground at Asmara on March 29. Service is inaugurated to Muscat on April 1, the same month in which the last DC-3 is scheduled for withdrawal.

In May, a B-757-260PF participates in Operation Solomon, the evacuation of Jewish refugees from Addis Ababa to Tel Aviv. The following month, a B-767-260ER is leased to **Air Tanzania Corporation**. When the old regime collapses during the month, the company suspends all services to Asmara, the capital of Eritrea province.

As the nation's civil war draws to a close, operations must be shifted from Addis Ababa to Nairobi for 15 days. On August 15, thrice-weekly flights to Asmara are resumed.

Having experienced nose gear problems, an L-100-30 with four crew attempts to return to Djibouti, its point of origin, on September 17; unhappily, the Hercules descends too soon and crashes into Mount Arey. There are no survivors.

The last DC-3 is actually retired in October.

On October 16, a Twin Otter en route from Debre Markos to Bahar Dar is hijacked by rebels to Djibouti. On November 25, a B-737-260, flying from Addis Ababa to Dire Dawa, is similarly stolen to the same destination.

Customer bookings decline 4% to 571,599, but cargo increases by 4.5% to 73.28 million FTKs. Revenues total \$310.8 million and expenses are less. As a result, there are profits: \$14.6 million (operating) and \$9.08 million (net).

Terrorists and rebels plague the airline with hijackings in 1992. The first incident occurs on February 5 when, en route from Addis Ababa to Bahar Dar, a Twin Otter with 18 passengers is diverted to Djibouti. During the month, the B-767-260A chartered to **Air Tanzania Corporation** is returned.

A B-727-260A with 115 passengers and en route from Dire Dawa to Addis Ababa on April 1 is pirated to Yemen. On April 12, rebels attempt to capture the second B-727-260A on the ground at Addis Ababa as it prepares to depart for Nairobi; the pirates surrender before takeoff.

At this point, authorities begin to impose strict security measures at Addis Ababa Airport. Scanning equipment is installed, body searches are carried out, and those accompanying the infirm or very young into the departure area must have special passes.

Also in April, another B-757-260PF is delivered and a new L-100-30 Hercules freighter is leased from the Ministry of Transport.

In May, the technical division of **SAS (Scandinavian Airline System)** is retained to provide advice concerning a new hangar and maintenance facility to be built at Addis Ababa Airport with funds provided by the African Development Bank.

Two B-767-260s are returned to Shannonair Leasing in early July.

On July 22, two soldiers take over the new B-757-260 passenger plane on a flight between Dire Dawa and Addis Ababa and demand that it be flown to Djibouti, where they surrender.

The longest hijack of the year occurs on August 28 when 5 terrorists take over a B-727-260A with 94 passengers as it departs Addis Ababa. The plane is flown to Aden, where landing permission is denied. Over the next two days, it travels via Cairo to Rome, where the pirates surrender. The last diversion of the year happens on September 4 when the second B-727-260A is taken over by two men and a woman who escape with it to Djibouti.

Another B-757-260PF passenger plane is delivered in November, allowing retirement of the B-727-260As.

Passenger boardings ascend 35.7% to 776,399, while freight climbs 41.3% to 94 million FTKs. Revenues swell 2.7% to \$291.4 million and operating profit doubles to \$30.2 million. The net profit is \$14.7 million.

Airline employment at Defense Minister/Chairman Steye Abraha and General Manager Capt. Zeleke Demissie's carrier totals 3,306 in 1993. The fleet now includes 4 B-757-260PFs, 1 B-727-260A, 5 DHC-6-300s, 1 B-767-260ERs, 2 each ATR42-320 and L-382G Hercules, and 1 each B-707-327C, B-737-260, and DHC-5A Buffalo.

The spate of hijackings resume on March 12 as an ATR42-320 with 15 passengers is taken over on a flight from Gambela to Addis Ababa; at the capital, the passengers are allowed off and negotiations are undertaken. On March 18, troops storm the turboprop, killing four of the six pirates.

On June 1, a new twice-weekly service is inaugurated to Johannesburg, followed eight days later by a new route to Karachi.

A cooperative agreement is signed with **Ghana Airways Corporation** in July.

Following delivery of a B-757-260PF in October, the last B-727-260 is retired.

A block-space agreement is entered into with **Air India, Ltd.** in November covering routes from Bombay to Beijing.

Customer bookings for the year plunge to 378,019 and only 45.73 million FTKs are flown. Still, profits are made: \$25 million (operating) and \$44 million (net).

The workforce is cut to 3,267 in 1994. While en route from Dakar to the Malian capital of Bamako on January 24, Flight 972, a B-757-260 with 11 crew and 32 passengers is hijacked by a lone pirate and diverted to Rome, where he surrenders.

In March, a government task force is established as a board of control (directors). Led by Minister/Chairman Abraha, it severely criticizes the airline's alleged inefficiencies and recommends a radical restructuring. Many of the airline's top 37 managers sign a letter rebutting the critique—and all are summarily fired. General Manager Demissie, who did not sign, is also removed. The effect of the wholesale housecleaning on the carrier is complicated by the appointment of a whole new management team of airline outsiders without practical experience, headed by Dr. Ahmed Kellow, an expatriate business professor at the University of Wales.

In July, Capt. Demissie is released from house arrest and is allowed to travel abroad. Meanwhile, Dr. Kellow creates a new five-year plan.

During the year, a number of pilots resign.

Enplanements decline by 4.8% to 716,361 while cargo increases by 19.3% to 110.3 million FTKs. Revenues plunge to \$226.9 million and expenses drop to \$207.2 million. As a result, the operating profit falls to \$19.7 million and net gain drops to \$8.6 million. A correction in reporting will later show an operating gain of \$28,988,000 and a net profit of \$19,764,000.

Employment stands at 3,219 in 1995.

As the result of a failed assassination attempt against the president of Egypt during a visit to Addis Ababa in September, the Ethiopian government determines that Sudan is behind the plot. Consequently, all services to and from that nation by Ethiopian Airlines are suspended, while **Sudan Airways Company, Ltd.** is banned.

While on descent to Addis Ababa on an October 22 service from Dessie, Flight 173, a DHC-6-300 with 3 crew and 17 passengers, collides with a large white-backed vulture that crashes through the cockpit windshields. An emergency is declared and the Twin Otter makes an emergency descent and forced landing 300 m. short of the runway at Bole, where the plane hits a depression and ground loops. No serious injuries are reported.

An order for five Fokker 50s is placed, also in October.

The recovery coming to the world airline industry is realized by this carrier as well. Passenger bookings increase 4.7% to 749,931 while freight climbs 3.9% to 114.7 million FTKs. Operating revenues are boosted 10.2% to \$273,844,000 but expenses rise only 7.6%, to \$236,234,000. The operating profit jumps to \$37.61 million and net income reaches \$25.51 million. These figures are later adjusted to \$41.85 million (operating) and \$13.08 million (net).

Airline employment is increased by 5.1% in 1996 to 3,418. The fleet now includes 4 DHC-6-300s, 5 B-757-260PFs, 1 B-767-260ER, 2 each ATR42-320s and L-382G Hercules freighters, and 1 each B-707-327C, B-737-260 and DHC-5A Buffalo.

Orders are outstanding for 5 Fokker 50s. A third ATR42-320 is delivered in July, acquired from **CSA Czech Airlines**. It is employed to

increase frequencies of domestic services. Also in July, a B-767-3P6ER is chartered from Bahrain-based **Gulf Air Company, Ltd.** A new \$7-million computer system is installed. The first Fokker 50 is delivered on October 2. When U.S. Secretary of State Warren Christopher visits Addis Ababa during the month, he is shown the new computer system.

The second mysterious airline tragedy of the year—after the crash of TWA Flight 800 in July—occurs on November 23. Two men and one woman wielding guns hijack, for unknown reasons, Flight 961 over East Africa. The B-767-260ER, piloted by Capt. Leul Abate and en route from Addis Ababa to Abidjan with 11 other crew and 163 passengers, is forced to fly out into the Indian Ocean in the general direction of Madagascar.

The jetliner runs out of fuel and crashes into the sea 500 yards off Mitsamouli, Grand Comore, Comoro Islands, narrowly missing a resort hotel. Fifty-two people, including the aircraft commander, survive the bizarre disaster, which is caught on video from the beach by a South African tourist with a camcorder. Some vacationers and local citizens valiantly rush to rescue survivors and the scene draws both crowds and, within hours, scavengers. As the injured are assisted and dead recovered, the video makes its way onto television news broadcasts around the world. Among those lost is the internationally known cameraman Mohammed Amin and Brian Titley, the editor of EAL's in-flight magazine *Salamta*.

Traffic is mixed as enplanements dip 2.8% to 730,460 and cargo climbs 11.5% to 112.03 million FTKs. Operating income falls 3.5% to \$260.84 million while costs move up 3% to \$235.22 million. The operating profit slips to \$25.62 million while net gain declines to \$7.32 million.

The workforce is reduced by 3.2% in **1997** to 3,309. Traffic figures are only reported through the first half of the year. These show enplanements up 3.1% to 365,471.

Without stating its reason, on July 13 the board of directors appoints a new top management team, led by Bisrat Nigatu, a 24-year veteran of the airline. Two of the four new top managers are women.

Twice-weekly roundtrips to Kuwait City commence on October 28. The inaugural flight carries national athletic heroes Derartu Tultu and Haile Gebreselassie, as well as a traditional musical troupe from the Hager Fiker Theater, scheduled to stage shows at an Ethiopian Cultural Week in Kuwait.

Full year operating revenues are \$228.6 million.

Employment falls to 3,000 in **1998**. In addition to some 40 domestic markets, the company, also visits 30 other African destinations, as well as Abu Dhabi, Aden, Athens, Berlin, Bombay, Beijing, Frankfurt, Jeddah, London, Moscow, and Rome.

The five Fokker 50s now arrive and are placed on internal and regional routes.

A strong new security system is put in place to guard against sky-jackings.

During the spring, commercial pacts, short of dual-designator, are signed with **American Airlines**, **Delta Air Lines**, and **Trans World Airlines (TWA)**. Flights are cancelled to Asmara, Brazzaville, Kinshasa, and Bujumbura due to security concerns.

A long-simmering border dispute between Ethiopia and Eritrea breaks out into full-scale war on May 6. Hundreds will be killed in ground and air fighting over the next month or so.

The wing of an Ethiopian B-767-260ER clips that of an **EgyptAir, S.A.E.** aircraft while taxiing at Cairo on May 12; the wide-body, nevertheless, takes off for Addis Ababa. After 20 minutes, it is determined that the damage is too significant to continue and the Boeing returns to Cairo, where it makes a safe emergency landing.

Thrice-weekly roundtrips commence in June between Addis Ababa and Washington, D.C. (IAD) and New York (JFK) employing a leased B-767-3Q8.

The carrier's agreement to lease an A340-300 from Airbus Industrie is cancelled on August 17 because the manufacturer-lessor has not been able to deliver the aircraft on time.

In the fall, work begins on a \$115-million expansion of the runway at Addis Ababa's Bole International Airport, together with the construction of a new terminal. Funding has been provided by international loans and the Ethiopian government.

Ethiopian authorities continue to believe the men who carried out an attack against Egyptian President Mubarak in Addis Ababa in 1995 are harbored in Sudan. Still, Ethiopian Airlines is permitted to resume flights to Khartoum on October 23.

Passenger boardings during the 12 months accelerate by 20.5% to 974,000, while freight traffic is up 16.6% to 145.19 million FTKs. Revenues dip 2.3% to \$250.41 million, while costs slide 5.2% to \$236.6 million. The operating profit doubles to \$13.81 million, while net gain does the same, hitting \$6.38 million.

Airline employment is increased by 2.4% in **1999** to 3,594.

Sales Manager Yoseph Wolde-Yohannes proudly informs the press at Addis Ababa on January 24 that the new routes the airline has opened over the past 15 months have all proven profitable. These include the services to Lusaka, Tel Aviv, Beirut, Khartoum, Muscat, Washington, D.C. (IAD), and New York (JFK). On the other hand, the executive must also report the necessity of temporarily suspending flights from the Ethiopian capital to Kuwait City due to lack of patronage.

Leaders of East Africa end their 2½-year embargo of Burundi on January 26. Ethiopian, which has honored the sanctions since their imposition in July 1996, resumes flights to Bujumbura on February 1. As the war with Eritrea intensifies, Ethiopian Airlines, on February 6, temporarily moves its principal hub from Addis Ababa to Nairobi, Kenya. Commercial air traffic in the area of the Badme front is not possible, as Ethiopian defense forces are fully engaged in efforts to beat back an Eritrean advance. The airline is able to recommence normal scheduled operations from Addis Ababa airport on March 1.

General Manager Nigatu of Ethiopian and his counterpart, E. L. Quarkey of **Ghana Airways Corporation** sign a cooperative agreement in Addis Ababa on March 18. Under its terms, the two will implement schedule harmonization and joint utilization of aircraft for the development and better utilization of new routes and markets. Ethiopian will also provide its maintenance and training facilities to GAC.

On March 29, the company launches a frequent flyer program called Shebamiles for its international services. Speaking before an annual marketing meeting at Addis Ababa on May 21, EAL Sales Director Wolde-Yohanes indicates that the company is planning to triple its service over the next decade and to open direct routes to such northern European cities as Amsterdam, Copenhagen, and Oslo.

New twice weekly B-767-260ER return service is introduced on November 1 from Addis Ababa to both Copenhagen and Maputo. A fourth weekly roundtrip is added on December 2 from Addis Ababa to Newark and Washington, D.C. (IAD).

Enplanements for the year total 603,079.

Airline employment at the beginning of **2000** stands at 3,700, a 2.9% increase over the previous 12 months.

On March 28, the company begins to share the Addis Ababa to Accra route thrice weekly with **Ghana Airways, Ltd.** Ghana handles marketing while Ethiopian provides the lift.

With the outbreak of a new war with Eritrea on May 12, service is suspended to Gondar and Lalibela; when the Ethiopian government declares the contest finished on June 5, scheduled flights are resumed.

During the summer, some regional newspapers carry stories suggesting that the airline has dropped its quarter-century-old lion logo. On September 28, the airline finally issues an official news release denying any change.

A B-737-25C is purchased from **Xiamen Airlines** on December 29.

EUGENE AVIATION SERVICE: United States (1966–1967). This Eugene, Oregon-based FBO enters into a contract with **West Coast Airlines** in the summer of **1966** to offer third-level commuter service from Roseburg. Equipped with a Piper PA-23 Aztec, EAS inaugurates scheduled revenue services on September 15, continuing them until August

1967 when West Coast takes the route over and operates it with Piper PA-31-310 Navajos.

EURAFRIC, S.A. See **AER TURAS TEORANTA, LTD.**

EURALAIR INTERNATIONAL, S.A.: Aéroport du Bourget, Le Bourget, F-93350, France; Phone 33 (1) 49 34 62 00; Fax 34 (1) 49 34 63 00; <http://www.euralair.com>; Code RN; Year Founded 1964. This air taxi and executive charter operator is established at Le Bourget Airport at Paris in October 1964 with Alexandre Couvelaire as chairman/president. Later in the decade, the company begins to fly international passenger and cargo charter flights complementing those flown within France.

By the late 1970s, the company's fleet comprises 2 Sud-Est SE-210 Caravelles, 4 Gates Learjet 24s, 1 Dassault Falcon 20, 1 Falcon 10, 2 Cessna Citation 500s, 1 Beech King Air 90, and 1 Bell 206B JetRanger helicopter.

During the early 1980s, the company begins to fly contract services for **Air Charter, S.A.**, the **Air France** subsidiary. In 1984–1985, the fleet includes 3 Boeing 737-228s, 5 Learjet 24s, the 2 Citations, and various smaller propeller types.

Revenue passenger kilometers (RPKs) flown reach 353.8 million by 1986.

RPKs zoom upward for the 180-employee airline in 1987, rising to 395.7 million. That figure jumps 14.4% in 1988 to 452.6 million as a total of 403,800 passengers are transported. The fleet in 1989 includes 6 B-737-228s, 7 Cessna Citations, 4 Dassault Falcon 20s, and 2 British Aerospace BAe 146-200QTs. Passenger boardings jump 29% to 520,000.

Company employment is increased by 14.3% in 1990 to 400.

Permission is received late in the year to inaugurate scheduled services to Madrid.

Customer bookings ascend another 24.6% to 648,100.

Unfortunately, due to recession and the effects of the Gulf conflict, 1991 is not a good year and the scheduled flights are left unstarted.

Twenty-eight new employees are hired in 1992, as the scheduled service is allowed to commence between Paris (ORY) and Madrid. In addition, the 35% shareholding held in the French regional **Air Littoral, S.A.** by **KLM (Royal Dutch Airlines, N.V.)** is acquired.

Still, enplanements fall to 630,000.

In 1993, President Couvelaire oversees a workforce of 369, down 13% from the previous year. Markets are served all around southern Europe and the fleet comprises 5 B-737-228s, 2 B-737-53Cs, 2 B-727-228s, 2 British Aerospace BAe 146-200QTs, 2 Cessna Citation Is, 2 Citation Vs, and 4 Falcon 20s. The company awaits delivery of its order for three Airbus Industrie A321-100s and three A330-320s plus two Boeing 777s.

Passenger boardings rise 8.2% to 689,918.

Thirty years old in 1994, Euralair celebrates by increasing its fleet of B-737-53Cs by one and trading its pair of B-727-228s in on three B-737-222s. One of the B-737-53Cs is wet-leased to the Philippine freight operator **Pacific East Asia Cargo**.

During the last week of November, the independent files complaints with the European Court of Justice challenging France's air transport policy, specifically with regard to state aid to **Air France**, access to Paris (ORY), and the monopolistic Paris–Madrid route.

Traffic figures are not provided.

Airline employment stands at 180 in 1995. In September, a code-sharing agreement is signed with **Air Liberte, S.A.**; under its terms, the two independents will jointly operate return services between Paris and Toulouse.

At the end of the year, the charter operator reports the transport of 501,600 passengers.

A company's share in **Air Littoral, S.A.** is purchased by the Air France Groupe during the first quarter of 1996.

The Credit Lyonnais subsidiary CDR, in something of a surprise move, dismisses **AOM French Airlines, S.A.** Chairman/CEO Marc

Rochet during the second week of June. He is succeeded by Euralair Group CEO Alexandre Couvelaire, who is given a mandate to seek a merger with **Air Liberte, S.A.**

The B-737-53C wet-lease with **Pacific East Asia Cargo** expires in August.

Flights continue in 1997–1998. On December 1 of the latter year, it is announced that the carrier has leased two Next Generation B-737-85Fs from San Francisco-based GATX Partners. The first is delivered at the end of the month. Enplanements during the latter year total 248,000 and revenues of \$53 million are generated.

By the beginning of 1999, airline employment has been increased by 19.8% to 284.

After the arrival of the second Next Generation Boeing, the two planes begin revenue flights on behalf of the French tour operator Voyages FRAM on charter routes from France to destinations in the Mediterranean and North Africa. They are painted in the colors and trademark logo of the large French travel operator.

Two more Next Generation B-737-85Fs are received before the end of the year.

Airline employment stands at 250 at the beginning of 2000. The company's fourth Next Generation B-737-85F is delivered on January 29. Wearing the tour operator's famous frog-face logo on its tail, the new aircraft begins flying charters for Paris-based Go Voyages at the end of March.

With French government approval, but not that of the UN's sanctions committee, a privately chartered Next Generation B-737-85F makes a humanitarian flight to Baghdad, Iraq, on September 22. Approximately 60 French doctors, artists, and sports personalities are on board to provide medical assistance and take part in a cultural festival. Euralair thus becomes the first Western European operator to land in the Iraqi capital since before the Gulf War.

EURASIA AVIATION CORPORATION (CHINESICH-DEUTSCHE LUFTVERKEHRSGESELLSCHAFT): China (1930–1943). Following two test flights from Berlin to Irkutsk, **Deutsche Luft Hansa, A.G. (DLH)** begins negotiations with the Nationalist Chinese government on February 21, 1930, for the development of German-assisted air services; plans are undertaken for the creation of an affiliate (read: subsidiary) Chinese carrier. Negotiations continue until, at year's end, **Eurasia Aviation Corporation** (trading name for Chinesich-Deutsche Luftverkehrsgesellschaft) is formed with headquarters in Nanking; two-thirds of the shares are held by the Chinese government and one-third by DLH, with the latter promising route and technical assistance. The government of Chiang Kai-shek, in turn, grants the new entrant a 10-year contract, backdated to February.

In February and March 1931, the airline provides two Junkers W.33s and two F.13s. Instead of aircraft registrations, the aircraft wear the titles for Eurasia (in both roman letters and Chinese characters) on wings and fuselage.

The first commercial flight is made on May 31; mail from Berlin is obtained from the Soviet airline **Dobrolot** at Manzhouli, Manchuria, and then flown by W.33 on to Peiping, Nanking, and Shanghai. The service is suspended after the inaugural flight. In June, a mail route is, however, opened from Shanghai to Manzhouli.

On July 2, soldiers near Manzhouli shoot down the W.33 *Eu II*, piloted by Johannes Rathje and seriously wound flight engineer/radioman Otto Kolber. The two are held hostage for 10 weeks before they are allowed to return to Peiping on September 15, Kolber minus his leg that has been amputated under less-than-sanitary conditions. Following this incident on the Mongolian frontier, the Shanghai–Manzhouli mail route is cut short to Peiping.

On December 22, a W.33 from Peking completes a survey flight landing at Urumchi in western China.

Attention is now given to finding a new route to the northwest; a W.33 proving flight is made to Chuguchak in Sinkiang, on the border with Soviet Kazakhstan.

Begun the previous December 20, the flight is completed on January 10, **1932**. From a base at Lanchow, the principal community in Kansu, the Eurasia Aviation Corporation's Shanghai-Sinkiang route is opened on April 1. Flights are split at Loyang, allowing segments to be offered to either Peiping or Shanghai via Nanking.

Two more W.33s are delivered in June and July, but two of the company's five W.33s are lost in crashes near Lanchow on August 26 and September 1, respectively. One of the carrier's two Junkers F-13s is crashed and lost near Shanghai on December 15.

Another W. 33 is lost at Sian on February 1, **1933**. It is replaced when DLH sends out two new W.33s on February 23 and March 17.

Beginning on May 11, two Junkers W.34s fly Berlin-Shanghai via Siberia and the Gobi Desert, arriving on June 10. The "Sinkiang Incident" in July prevents flights from being continued west of Lanchow.

At the request of the Chinese government, Eurasia inaugurates a new route on May 1, **1934** between Peiping and Canton, flying via Hankow. The first of four Ju-52/3ms departs Berlin for Shanghai on August 29, arriving via India on September 11.

In November, service is initiated from Lanchow to Ninshia and Paotow.

Two more Ju-52/3ms are delivered and during the spring of **1935**, yet another new route is begun, from Sian to Chengtu, where passengers are able to connect with aircraft flown by **China National Aviation Corporation (CNAC)**; this route is later extended to Kunming.

Four W.34s are lost in crashes during the year: near Changsha on February 22, near Canton on May 11, at Lanchow on July 4, and near Sian on September 27. The carrier's only Junkers Ju-160 (newly delivered on October 3) crashes near Shanghai on December 25.

In June and July **1936**, a Eurasia Ju-52/3m makes the first proving flight on a central Asian route, flying 7,600 miles over the Hindu Kush and Pamir mountain ranges from Sian to Kabul, Afghanistan.

Three more Ju-52/3ms are delivered in March, May, and September and Hong Kong becomes a destination in **1937**.

On August 24 and 26, two Junkers Ju-52/3ms depart Kabul for Sian, arriving on August 27. One aircraft is turned over to Eurasia as its September delivery; the second, while returning, crash-lands near Chotan in southern Sinkiang. The crew is briefly held hostage, but is delivered back to Kabul by September 27.

Also in August, the company loses three aircraft to Japanese attack, an F-13 and W.33 at Shanghai and a Ju-52/3m at Hanchung; simultaneously a Ju-52/3m is lost in a crash at Kunming.

Two more Ju-52/3ms are delivered in March and September **1938**, the second of which actually replaces one lost in a crash on July 16.

At the end of December, Eurasia extends its Sian-Kunming route to Hanoi.

A Ju-52/3m is lost in a March 12, **1939** crash near Weining.

Hit by Japanese anti-aircraft fire while flying just north of the Indochina border on April 13, the Ju-52/3m *Eu XIX* crash-lands on a mountain slope; rescued, the pilot directs a salvage effort that sees the plane flown to safety on October 15.

Japanese Air Force fighter planes reportedly down a Ju-52/3m near Hanchung on May 6; there is no information on any possible casualties.

The Germany-Italy-Japan Tripartite Pact is signed in September **1940**.

A Ju-52/3m, with four passengers, is attacked by Japanese fighter planes near Kunming and must make a forced landing, with both crew members injured.

With Eurasia's European partner now allied with China's enemy Japan, the airline's services are suspended on November 1 on orders of the Chinese government; all German personnel depart China in December.

The 10-year contract between the airline and the Chinese government expires on February 21, **1941**, but remains in effect under a one-year extension clause written into the arrangement in order to allow the Germans time to shut down in an orderly fashion. The Kuomintang severs diplomatic relations with the Third Reich on July 2 and Eurasia's operations are taken over by the Chinese Transport Ministry on August 1.

The new **Central Air Transport Corporation** is formed by the Chinese Ministry of Communications on March 1, **1943**. Eurasia is officially dissolved on June 1 and its last few Ju-52/3ms are turned over to CAT.

EURAVIA, LTD.: United Kingdom (1961-1964). Under the leadership of Universal Sky Tours, Ltd. owner Ted Langton, Euravia, Ltd. is formed at London (CTN) on December 1, **1961** to make certain, after the failures of **Air Safaris, Ltd.** and **Falcon Airways, Ltd.**, that the company has an airline to provide lift for its holiday passengers. The carrier name reflects a hope that the U.K. will soon join the European Economic Community. J. E. D. Williams is named managing director.

During the winter, the four surplus Lockheed L-049 Constellations of the Israeli state carrier **El Al Israel Airlines, Ltd.** are purchased; the first arrives at London (CTN) on April 12, **1962**.

After several proving flights, the first inclusive-tour revenue charter is initiated on May 5 from Manchester to Palma de Mallorca. The initial summer season, flown from both Manchester and Birmingham, is a big success as operations are conducted on behalf of other charter companies as well as Universal Sky Tours. A need for additional capacity is keenly felt.

Consequently, in July, Langton and his backers enter negotiations with financially distressed **Skyways, Ltd.**, purchasing that veteran independent on September 1, but allowing it to continue operations under its previous identity during an amalgamation period. Among the assets acquired by Euravia in the transaction are four badly needed Constellations, one L-094, and three L-749As. Skyways' Avro Yorks will be allowed to continue ferrying engines for **British Overseas Airways Corporation (BOAC)** and **Pan American World Airways (PAA-1)** for the next two years.

Almost overlooked among the year's activities is the appointment of Roy McDougall as deputy chief pilot; he will retire in 1985 as the senior employee of successor company **Britannia Airways, Ltd.**

One L-049 is leased out to **Skyways, Ltd.** in order for its contracted Crusader services to Cyprus, Malta, and Tunis to be concluded.

In summer of **1963**, Euravia launches a larger variety of European tour flights with its Constellations, as well as the three repainted Skyways L-749As and two L-049s purchased from **Trans European Airways, Ltd.** These are flown from London (CTN), Newcastle, Blackpool, Manchester, Birmingham, and Liverpool.

The Crusader flights end in April **1964**, as do charters from Birmingham. New destinations in southeastern Europe are initially flown during the summer and new departure airports include Cardiff.

Success again brings a need for increased capacity and the owners now approach **British Overseas Airways Corporation (BOAC)** concerning the purchase of the state carrier's recently retired fleet of Bristol Britannia 102s. An arrangement is made and in celebration, Euravia, is renamed **Britannia Airways, Ltd.** on August 16.

EURAVIA, S.A. See MERIDIANA AIR, S.A.

EURECA (EUROPEAN REGIONAL CARRIER, S.p.A.): P.O. Box 15, Orio Al Serio, 24050, Italy; Phone 39 (035) 420 3911; Fax 39 (035) 31 4615; <http://www.eureca.it>; Code F4; Year Founded 1998. International Flying Service, S.p.A. is renamed in January **1998**. Capt. Cesare Musumeci is managing director and his 36-employee company maintains a small scheduled network linking its base with Alghero, Milan, Pescara, and Turin. The fleet remains unchanged during most of the next 2 years and includes 1 Avions de Transport Regional ATR42-320, 2 Fokker F.27-100s, and 1 each F.27-500 and F.27-600.

With the beginning of the winter schedule on October 29, **2000**, Eureka halts all Friendship operations. Instead, it wet-leases an ATR42-320 that enters service alongside the company's earlier ATR on its roundtrip routes daily from Milan to Pescara via Turin and weekly from Turin to Alghero.

EUREKA AERO INDUSTRIES: United States (1978–1982). EAI is set up at Eureka, California, in 1978 to provide both scheduled and charter intrastate passenger and cargo flights. Cessna lightplane operations continue apace over the next 16 years, with destinations visited including Redding, Chico, Sacramento, Santa Rosa, Oakland, and San Francisco. Flights cease in 1982.

EURO ATLANTIC AIRWAYS, S.A.: Rua das Sesmarias N3, Cascaias, 2710-444, Sintra, Portugal; Phone 351 (21) 924 7300; Fax 351 (21) 924 7391; Code MM; Year Founded 2000. With continued backing from the Lisbon-based travel group Pestana Hotels, **Air Zarco, S.A.** is renamed in June 2000. The 42-person workforce, under the direction of President Tonaz Metello, continues operations with a former **TAP-Air Portugal, S.A.** Lockheed L-1011-500 TriStar and a leased Boeing 737-33A, named the *Jose de Olivera Marques*. The principal long-haul destination is Canada, where there is a large expatriate Portuguese population. The “Baby Boeing” flies tourists to holiday destinations in the Mediterranean.

L-1011 charters commence on October 29 between Lisbon and Miami.

EURO CITY LINE LUFTVERKEHRS mbH.: Stuttgart Airport, Stuttgart, D-70629, Germany; Year Founded 1995. Euro City Line is established at Stuttgart in 1995 to offer scheduled third-level regional commuter service over a line to Rotterdam. Flights commence employing a Fairchild Metro II and a SAAB 340B.

EURO DIRECT AIRLINES, LTD.: United Kingdom (1994–1995). Former **British World Airlines, Ltd.** executive Neil Hansford establishes Euro Direct Airlines, Ltd. at London in February 1994 to provide regional and domestic services. The airline is introduced in April 8 ceremonies at Bournemouth Airport. Four days later, revenue operations begin to Amsterdam, Brussels, Dublin, Exeter, Paris, Humberside, and Leeds/Bradford with a fleet of three leased British Aerospace BAe Jetstream 31s, all of which, including the *Spirit of Bournemouth*, are named for cities.

A pair of BAe ATPs are added in July and these inaugurate flights from Bournemouth and London (LGW) to Berne, Switzerland. At the same time, a fourth Jetstream 31 arrives and is used to fly a network from Exeter–Amsterdam–Brussels–Bournemouth–Exeter.

In October, a Jetstream 31 is transferred to the Belgian aircraft register to support the carrier’s new associate, **Sky Freighters, B.V.** Later in the month, twice-weekly ATP roundtrips commence to Hamburg from London (STN).

Through November, enplanements total 18,838; however, the cost of start-up has proven expensive.

In December, services are suspended from Humberside to Bournemouth, from Dublin to Paris, and from Exeter to Dublin.

Unable to achieve economic viability, the enterprise is forced to shut down and liquidate on February 26 1995. Chairman Hansford blames rising costs of navigation services for small turboprops and the high cost of landing and handling in major European cities as among the reasons for the airline’s failure.

EURO FIRST AIR/CANARIAS CARGO, S.A.: Madrid, Spain; Year Founded 2000. Euro First is established at Madrid in the fall of 2000 to offer contract service, freight, and express flights throughout Europe and the Mideast. Two Airbus Industrie A300B4-203Fs are leased from **Express.Net Airlines** and revenue flights begin at the end of November. One freighter is operated on behalf of **United Parcel Service (UPS)**, but wears the color scheme of Canarias Cargo, S.A.

EUROAIR TRANSPORT, LTD.: Gatwick House, Peeks Brook Lane, Horley, Surrey, England RH6 9SU, United Kingdom: Phone 44 (0) 1293 776 969; Fax 44 (0) 1293 776 971; Year Founded 1977. Euroair is formed at Biggin Hill Airport in 1977 to offer domestic and regional executive charter and freight flights as well as contract and air-

line support services. Owned by the Alexandra Towing Company, Ltd. Group, the carrier opens branch offices at Aberdeen and Guernsey.

On October 29, 1979, the company joins the Royal Mail program known as “Spokes from Speke,” flying a Britten-Norman PBN-2 Islander or an Embraer EMB-110P1 freighter each night from Cardiff, Wales, to the sorting hub at Liverpool (Speke Airport) and back to Cardiff for distribution.

Other services are maintained without change into the early 1980s, when the company base is transferred to London (LGW).

The employee population in 1984 stands at 45 and the fleet comprises 4 Vickers Viscounts, 3 Embraer EMB-110s, 1 British Aerospace BAe (HS) 125 executive jet, 1 Britten-Norman BN-2 Islander, and 2 Piper PA-23 Aztecs. Within two years, Chairman H. G. Mack has replaced the Viscounts with two BAe (HS) 748s, one each Dash-B1 and Dash-B2. An EMB-110P1 freighter flies into a 4,800-ft. hill SE of Inverness, Scotland, on November 19; the aircraft is destroyed and the pilot is killed.

In August 1985, the carrier becomes the first U.K. airline to operate the Embraer EMB-120 Brasília, taking delivery of two. When the first is placed into service in September, the company’s four Viscounts are sold to **British Air Ferries, Ltd.** for \$3.3 million.

Scheduled destinations in 1986 include Birmingham, Exeter, Liverpool, and Manchester. In 1987, the Lydd-based charter operator **Janus Airways, Ltd.** is taken over and merged. The company now operates on three primary routes: Bournemouth–Belfast–Edinburgh, Belfast–London (STN and LGW), and London (STN)–Belfast.

Service is maintained in 1988–1990. Scheduled passenger flights end during the former year as the company begins to concentrate on aircraft leasing.

The leased fleet in 1991 includes three Embraer EMB-110P1 Bandeirantes and one EMB-110P2, all four of which are leased to **Business Air, Ltd.**; two EMB-120s, one BAe (HS) 748-B2, which is leased to **Jersey European Airways, Ltd.**; and one 748-B1 operated by the carrier.

Two additional BAe (HS) 748-B2s are chartered in 1992, one of which is leased out to **Airfast Services Indonesia**. In October, the “Spokes from Speke” program is altered into the Royal Mail Skynet.

By 1993, Chairman Mack oversees a workforce of 21 and his fleet comprises 6 BAe 748s and 4 Bandeirantes.

The company stops flying in 1994, selling off three 748s and leasing the other three to **Knight Air, Ltd.** One Bandeirante is chartered to **Airfast Services Indonesia** and the other to **Mount Cook Airlines, Ltd.**

The Mount Cook lease ends in 1995 and the company withdraws from the airline business to become an aircraft leasing concern.

EUROBELGIAN AIRLINES, S.A.: Belgium (1991–1996). Following the failure of **Trans European Airways, S.A.**, the assets of that company are purchased by the Brussels-based City Hotels Group, which forms this new nonscheduled airline at Melsbroek Airport in November 1991. Victor Hasson and Jacques Halfon are named joint managing directors, a 90-employee workforce is recruited, and a fleet is assembled comprising 2 leased Boeing 737-33As and 2 B-737-3Y0s, 1 of which is chartered to the Egyptian carrier **Transmed Airlines, Ltd.**

Revenue operations by the 100-employee airline commence on April 1, 1992 to holiday destinations in the Canary Islands and Mediterranean. Enplanements during the first full year of service total 383,600.

Airline employment in 1993 stands at 100 and the fleet now includes 3 owned B-737-3M8s and 1 each leased B-737-33A and B-737-4S3. **Air Provence Charter, S.A.** now becomes a subsidiary. Customer bookings climb to 587,504.

Although there is no change in the workforce during 1994, the fleet is increased by the addition of two B-737-436s leased from **British Airways, Ltd.** (2). Late in the year, these are employed to inaugurate deep-discount scheduled services from Brussels to Rome and Vienna. Passenger boardings jump 29.8% to 836,900. Airline employment stands at 230 in 1995. On December 26, the tour operator Look Voyages acquires a 25% stake for FFfr 33.5 million.

Enplanements increase 56.8% to 1,312,500 and revenues reach \$167 million.

Twenty new workers are hired in 1996.

On February 19, British entrepreneur Richard Branson holds a press conference to announce that his Virgin Group has plans to take over the carrier for operation as a subsidiary of **Virgin Atlantic Airways, Ltd.** Current majority-owner City Hotel Group plus a small group of private investors will receive a reported £43 million (\$67 million) for an 80% stake in their regional. The carrier will be renamed **Virgin Express-EuroBelgium Airlines, Ltd.** and placed under the direction of former **Continental Express** CEO Jonathan Ornstein. The takeover is completed on April 30.

EUROBERLIN FRANCE, S.A.: France (1988–1994). In order to compete with American and British carriers flying into the former German capital, EuroBerlin France is founded on September 9, 1988 by **Deutsche Lufthansa, A.G.** (49%) and **Air France** (51%) to operate scheduled passenger services from West Berlin's Tegel Airport. French majority participation is necessary in order to satisfy the legal requirement's of the city's Big Four occupation.

Bernard Arrali is named chairman with Jean Signoret, formerly the **Air France** general manager for Germany, as managing director. A workforce of 99 is recruited and a fleet is assembled comprising 4 Boeing 737-3Y0s wet-leased, complete with cockpit crews and maintenance, from **Monarch Airlines, Ltd.** Flights are undertaken, beginning on November 7, linking the one-time German capital with Hamburg, Stuttgart, and Dusseldorf.

Airline employment is increased by 10% in 1989 to 110. In December, **Air France** pumps \$7.1 million into the carrier to aid in its further development. Enplanements during this first full year total 604,000 and 652,600 FTKs are flown.

A fifth B-737, a Dash-33A, arrives in April 1990. Following German unification in October, EuroBerlin begins to operate its services primarily on behalf of **Deutsche Lufthansa, A.G.**

Airline employment in 1991 stands at 200 and the fleet, still leased from Monarch, includes 4 B-737-3Y0s and 3 B-737-33As.

For all intents and purposes, EuroBerlin's independence ends with its previously scheduled flights in April. With **Deutsche Lufthansa, A.G.** now able to fully service Berlin, General Manager B. Teyssler's carrier becomes a replacement service for its French and German owners until October, after which EuroBerlin operates only on behalf of **Deutsche Lufthansa, A.G.**, flying from the reunified city to Dusseldorf, Hamburg, and Stuttgart.

For the year as a whole, passenger boardings skyrocket to 912,729, together with 108,000 FTKs. Revenues are \$145.9 million and with expenses down, profits are posted: \$19.3 million (operating) and \$17.1 million (net).

Operations continue apace in 1992–1993 but, by 1994, the partners have agreed that support of this joint enterprise is no longer required. When the leasing arrangement is concluded, it, therefore, ceases operations on October 31.

EUROCYPRIA AIRLINES, LTD.: 97 Artemidos Ave., Artemis Building, P.O. Box 970, Larnaca, Cyprus; Phone 357 (4) 65 8000; Fax 357 (4) 65 8006; http://www.cyprusair.com.cy/SubComp/Eurocyp/body_Eurocyp.htm; Code UI; Year Founded 1991. Established at Larnaca on June 12, 1991, Eurocypria is a wholly owned subsidiary of the Cypriot airline **Cyprus Airways, Ltd.** established to provide charter and inclusive-tour flights from both Larnaca and Paphos International Airports. General Manager Demetris Pantazis oversees a workforce of 110 and a fleet comprising 2 Airbus Industrie A320-231s leased from the parent.

Destinations visited, beginning on March 25, 1992, include Basel, Belfast, Bergen, Birmingham, Blackpool, Bristol, Budapest, Cardiff, Dublin, Dusseldorf, East Midlands, Edinburgh, Exeter, Glasgow, Hamburg, Hanover, Helsinki, Humberside, Innsbruck, Jersey, Jonkoping,

Klagenfurt, Leeds/Bradford, Leipzig, Liverpool, London (CTN), Manchester, Newcastle, Norwich, Nuremberg, Stavanger, Stockholm, Strasbourg, Stuttgart, Teesside, and Vienna.

A third A320-231 is delivered in March 1993 and flights continue apace in 1994. Traffic figures are not provided.

Flights continue in 1995–1997, during which years the company continues to visit the same destinations as it had in 1992.

Eurocypria becomes the subject of a parliamentary investigation in the spring of 1998 when its senior captains allege that their management is rigging recruitment procedures to secure appointments of particular pilots as political favors. At the same time, a number of Eurocypria pilots allege that **Cyprus Airways, Ltd.** Pasipya pilot union members are attempting to close the charter firm by arranging disruptions and delays of its flights.

Although flights continue, so too does labor unrest. Under terms of their collective bargaining agreement with **Cyprus Airways, Ltd.**, copilots are not allowed to apply for captain vacancies at the charter subsidiary. This perceived injustice so angers union members that, when Cyprus advertises for captain vacancies at Eurocypria, all of the Cyprus flyers stage a 24-hr. strike on June 22, 1999 as a protest. The industrial action delays 11 flights and 3,000 passengers and costs the carrier C£120,000 (\$215,000).

After giving the government and airline executives 24 hours to show goodwill (which is not forthcoming), the pilots return to the picket lines on June 24–25. Angered, the government of Cyprus refuses to cave in and temporarily deregulates its skies at midnight on June 24, opening air corridors to all airlines, including the most precious Larnaca to Athens to London's Heathrow Airport run. Only 4 of 18 daily scheduled flights are thus affected, with 14 others completed using aircraft wet-leased from abroad.

The labor unrest is eventually resolved and service is maintained in 2000. A variety of new destinations are added with the beginning of the summer schedule in late March. Among these is a series of charters to airports in the U.K., including for the first time the facility at Humberside.

EUROFLIGHT SWEDEN, A.B.: P.O. Box 2174, Landvetter, S-3814, Sweden; Phone 46 (31) 947 200; Fax 46 (31) 946 070; Code HZ; Year Founded 1996. Euroflight Sweden is set up in 1996 to provide domestic and regional charter services from bases at Goteborg and Bromma Airport at Stockholm. JanPeder Stensson is managing director and he begins revenue services to Gallivare, Skelleftea, Sundsvall, and Umea with a fleet of 2 Beech 1900Cs and 1 each Embraer EMB-110 Bandeirante and Piper PA-31-310 Navajo. A British Aerospace BAe (HS) 125-700 executive jet is also flown.

EUROFLITE, LTD.: United Kingdom (1981–1985). The third-level carrier Euroflite, Ltd. is formed at London (CTN) in 1981 as a subsidiary of **Executive Express, Ltd.** to offer commuter services to various regional destinations in the U.K.

A route is extended to Brussels in 1982. Managing Director M. Harwood oversees a staff of 43 and a fleet comprising 2 Beech Super King Air 200s, 5 Cessna 404 Titans, 3 Cessna 421s, and 1 Beech King Air 90.

Upon the liquidation of **Executive Express, Ltd.** during the summer of 1983, McAlpine Aviation, Ltd. acquires Euroflite, operating it as before. Employing two BAe Jetstream 31s, scheduled service is provided to four British cities, plus Paris and Brussels in 1984. Late in the year, a route is opened to Amsterdam.

In June 1985 the carrier is purchased by six-month old **London European Airways, Ltd.**; the merger is a failure and both carriers are gone by April 1986.

EUROFLY, S.p.A.: Aeroporto Citta di Torino, Caselle Torinese, I-10072, Italy; Phone 39 (11) 470-4444; Fax 39 (11) 470-4988; <http://www.eurofly.it>; Code GJ; Year Founded 1989. This Learjet executive charter operator is reformed at Turin on May 26, 1989 to offer

inclusive-tour charters to destinations in Europe, Africa, and the Middle East. Angelo Fornassari is chairman and managing director, with Giampiero Gabotto as president. A workforce of 48 is recruited and 2 chartered Douglas DC-9-51s are acquired. Revenue flights commence on February 26, 1990.

Services continue into the new decade and in 1994 the fleet includes 4 DC-9-51s and 1 leased McDonnell Douglas MD-83.

Flights are maintained in 1995–1997 with a workforce of 25 and a leased fleet of 2 DC-9-51s and 2 MD-83s.

Seasonal Saturdays-only MD-83 roundtrips commence on May 30, 1998 from Milan and Bologna to Alghero, Sardinia. Two B-767-31Bs, previously operated by **China Southern Airlines Company, Ltd.** are received in December for use during the summer tourist season.

The seasonal schedule is a bit more adventuresome in 1999 as the carrier, beginning on May 29, launches summer MD-83 weekly return flights from Milan to Moscow, Russia, via St. Petersburg. In addition, the two B-767-31Bs, painted in full **Alitalia, S.p.A.** livery, with Eurofly titles, are operated on long-haul charters from Milan to Africa and the Caribbean.

Airline employment at Chairman Angelo Formasari's carrier totals 36 at the beginning of 2000.

In late July, the company sells its 2 DC-9-51s to the Hungarian start-up airline **Hun Air, Kft.** On December 17, *AirlinersOnline.com* reports that the two are now in Florida, where they will be sold for their parts.

EUROJET, LTD.: *Easysell House, Gifen St., Bugibba, SPB 03, Malta; Phone 356 444-234; Fax 356 440-738; Year Founded 1994.* Eurojet is established at Malta in 1994 as a subsidiary of the Tumas Group of companies. Capt. L. Xuereb is named managing director and chief pilot and he begins and continues executive and small group charter flights to international destinations with a single Cessna 550 Citation II. Revenues by 1997 total \$1 million.

Service is maintained in 1998–2000.

EUROLINK. *See SAS (SCANDINAVIAN AIRLINES SYSTEM)*

EUROLOT, S.A.: *17 Stycznia Str. 3900906, Warsaw, PL-00908, Poland; Phone 48 (2) 606-6467; Fax 48 (2) 606 6169; http://www.eurolot.com.pl; Code ELO; Year Founded 1996.* Eurolot is established at Warsaw on December 19, 1996 as a fully owned subsidiary of **LOT Polish Airlines, S.A.** With the mission of taking over the flag carrier's domestic and regional services, especially the thin money-losing routes, President Marek Rymkiewicz's new regional is equipped early in 1997 with eight Aero International (Regional) ATR72-202s leased from the parent.

On July 1, the ATRs launch 200 weekly roundtrips frequencies from Warsaw to 5 other Polish cities, Poznan, Krakow, Wroclaw, Gdansk, and Szczecin. Plans are made to acquire additional turboprops and to undertake regional flights to cities in Scandinavia, Germany, Austria, and the Baltic States. Enplanements during the year total 318,500.

Five ATR42-320s are ordered in February 1998, along with three options. The first three of the new aircraft arrive in late June and permit Eurolot to develop new point-to-point city services and to operate to smaller regional airports such as Lodz and Rzeszow.

A homepage is opened on the World Wide Web in October.

Passenger boardings during the 12 months accelerate 9% to 350,000.

Airline employment at the beginning of 1999 stands at 148.

Eurolot is entirely reorganized into a purely low-cost service division of **LOT Polish Airlines, S.A.** on August 1, 2000, losing its autonomous status. As a result, all management functions, such as sales and ticketing, revenue management, route planning, and purchasing are transferred back to the parent airline. All aircraft are now wet-leased from LOT. The changeover is part of a LOT program to rationalize its activities and cut costs.

EUROPAIR. *See EUROPE AERO SERVICE, S.A. (EAS)*

EUROPE AERO SERVICE, S.A. (EAS): France (1965–1995). Organized at Aerodrome de Perpignan-Riversaltes in July 1965, this privately owned charter carrier is a subsidiary of **Societe Aero-Sahara**. Revenue charters and contract service flights begin operation within Europe and to Africa and the Middle East.

Scheduled passenger services are inaugurated with Handley Page *Heralds* in 1966 between Perpignan and Palma de Mallorca and are continued throughout the remainder of the decade and into the next.

Upon its failure in September 1971, **Trans Union Airlines, S.A.** is purchased for its fleet of three former **Sabena Belgian World Airlines, S.A.** Douglas DC-6Bs, one of which is damaged beyond repair as the result of a bad landing at Nice on October 22.

By 1978–1979, the company is linking Nîmes to Carcassonne, Perpignan, Ajaccio, Bastia, Palma, and Ibiza. Also flown are routes from Paris to Valence and Perpignan to Palma and Toulouse. On behalf of **Air France**, nightly newspaper and cargo flights are made from Paris to Marseilles and Toulouse.

General freight replacement flights are flown by EAS on behalf of the flag carrier from Paris to Milan, Zurich, Frankfurt, Casablanca, Tunis, Algiers, and Barcelona.

President Georges Masurel's workforce totals 220 and his fleet comprises 8 Vickers Vanguard freighters, 2 Handley Page *Heralds*, 3 Dornier Do-28As, 1 Do-27, and 1 Cessna 180. The first Sud-Est SE-210 Caravelle is received during the latter year.

During the early 1980s, the mission of the carrier shifts away from heavy emphasis upon freight haulage and more toward the provision of passenger services (mostly charter) for **Air Charter International, S.A.** Later in the decade, replacement services will also be provided on behalf of **Air France** and **Air Inter** and significant emphasis will be placed upon aircraft leasing.

The fleet is changed in 1983–1984 to comprise a single Boeing 727-227A, once flown by **Braniff International Airways**, and 10 Sud-Est SE-210 Caravelle XRs. A single replacement route is now maintained for **Air France** linking Paris (ORY) with Valence.

In 1985–1986, four Caravelles are temporarily withdrawn and, in 1987, two more Do-28s and a SAAB 340 are added to the fleet.

In March, the subsidiary **Europair, S.A.** is established to fly replacement services on behalf of **Air France**, including a new service to London (LGW).

Airline employment grows by 44.4% in 1988 to 481 and the fleet now includes 1 B-727-227A, 3 B-737-200s, and 8 Caravelle XRs.

Orders are now placed for two Airbus Industrie A310-304s and two B-737-53As, with options taken on two more of the latter. The opportunity to fly a new scheduled service between Paris and Bissau in cooperation with **Air Bissau** arises and second Boeing 727, a Dash-2H3A, formerly operated by **Tunis Air, S.A.**, is acquired, allowing the international route to be initiated. Enplanements for the year surge 30.2% to 1,074,515.

Operations continue apace in 1989.

While on initial approach to Valence on an April 10 service from Paris, Flight 602, an FH-227B with 3 crew and 19 passengers, smashes into a mountain at Col de Tourniol; there are no survivors.

In 1990, the carrier contracts with the new French operator **Jet Europe, S.A.** for scheduled daily Caravelle XB return flights from Valence to Paris.

The leased fleet in 1991 includes five Caravelle XBs, three XBRs, and one each B-727-2H3A, B-727-227A, B-737-2A1A, B-737-2L9A, B-737-2Q8A, B-737-2S3, and B-737-53A. In 1992, one B-737-2A1A, one B-737-2L9A, one B-737-2S3A, and one B-737-53A are leased out to **Air Charter International, S.A.**

In 1993, Chairman/Managing Director Francis Lagarde oversees a workforce of 550. Two Caravelle XBs and all three Caravelle XBRs are withdrawn as operations continue apace and a new scheduled service is inaugurated from Paris (ORY) to Valencia. Fiscal difficulties force the carrier into bankruptcy at year's end, but it continues flying nevertheless.

Renamed **EAS Europe Airlines, S.A.**, the company possesses a fleet in 1994 that includes three Caravelle XBs, which are leased out to **Air Toulouse International, S.A.**, along with the B-737-2A1A formerly leased to **Air Charter International, S.A.** The B-737-2S3A also comes off the **Air Charter International, S.A.** lease. Efforts are made to lower costs, with special attention paid to lower personnel expenses. When unions fail to assist, the carrier suspends operations on March 6, 1995. It is now liquidated.

EUROPE AIR POST, S.A.: BP 10454, Roissy-Charles de Gaulle International Airport, F-95700, France; Phone 33 (1) 43 62 1400; Fax 33 (1) 48 62 80; Code FPO; Year Founded 2000. This new carrier is established on December 1 when **Air France** relinquishes its 50% shareholding in **Aeropostale (2) (L'Aeropostale/Societe de Exploitation Aeropostale, S.A.)** to Sofipost, a subsidiary of the French state mail service, La Post.

Although for historic reasons if no other the major retains rights to the old Aeropostale brand, it turns over the company headquarters in Paris (CDG). Also provided is a fleet of 4 Boeing 737-3B3QCs, 3 B-737-33AQC, 2 each B-737-348QCs and Dash-3H6QCs, and 1 each B-737-3B8QC, -382QC, B-737-3S3QC, B-737-3Q8QC, B-737-3Y0QC, and B-737-3M8QC, 3 Airbus Industrie A300B4-103Fs, 4 Avions de Transport Aerien ATR72-210Fs, and 8 Fokker F.27-500Fs.

The renamed carrier continues to operate nightly mail and express flights to mail depots at Toulouse, Marseilles, Bourdeaux, Mulhouse, Lyon, Nantes, and Strasbourg, while indicating that it may also outsource a portion of its fleet.

EUROPEAN AIR CARGO, S.A.: Apdo 197, C/Calatrava 18, Palma de Mallorca, 070001, Spain; Phone 34 (71) 171 251; Fax 34 (71) 717 251; Code EAC2; Year Founded 1992. EAC is established at Palma de Mallorca in January 1992 to offer charter all-cargo services to the Spanish mainland, regional European destinations, and the Balearic and Canary Islands. Shareholding is divided between Capt. Bernardo G. Lwowski Hofmann and Antonio Casas Saavedra, plus M. Salva Buyosa, N. Backet, and H. Klodt. Hofman becomes chairman/president, with Saavedra as assistant CEO and head sales officer. Revenue services are launched during the summer with a pair of Convair CV-580s.

Operations continue apace in 1993-1995 as plans are made to lease two additional Convairs plus larger aircraft, either Canadair CL-44Ds or Lockheed L-188AF Electras. Scheduled flights are started in January 1996 and destinations visited include Africa, Europe, and the Balearic and Canary Islands.

Service is maintained and at the beginning of 2000 airline employment totals 16.

EUROPEAN AIR EXPRESS, GmbH.: Flughafenstrasse 95, Moenchengladbach, 41066, Germany; Phone 49 (2161) 66 990; Fax 49 (2161) 669 9111; <http://www.european-air-express.de>; Year Founded 1999. With shareholding divided between Peter Hautvogel, the German general manager of **Debonair Airways, Ltd.**, former **Austrian Airlines, A.G.** Operations Director Christian Weissgerber, and the Vibrogruppe, EAE is incorporated in December 1998. Plans are in place to offer scheduled service for business travelers along the German border, in the greater Aachen and lower Rhine regions. It is believed that the new airline will greatly benefit its base, Dusseldorf Express Airport (Moenchengladbach).

Employing the first of three Fokker 50s leased from **Denim Air, B.V.**, twice-daily return service to Munich is inaugurated on February 1, 1999. Beginning in April, the company adds flights from Moenchengladbach to Sylt and Nice.

It is reported on October 13 that European Air Express has purchased a portion of the recently failed **Debonair Airways, Ltd.** and will use the assets to inaugurate weekday roundtrips between London (LTN) and Dusseldorf Express Airport. These flights commence in November.

At the beginning of 2000, 40 people are employed by CEO Hautvogel's small regional. On March 31, Nuremberg-based **Filder Air Ser-**

vice, GmbH. is taken over, along with its two British Aerospace BAe Jetstream 31s and two Avions de Transport Aerien ATR42-320s, which latter are purchased from the manufacturer and pressed into service wearing Filder colors and 3D titles.

On April 1, Wolf Jaura becomes general manager and the ex-Filder ATR42-320s begin flying thrice-weekday roundtrips from Dusseldorf Express Airport to London (LTN). Sunday return flights are also operated.

Malcolm Ginsberg reports in the April 16 issue of his informative *Air & Business Travel News* that EAE has found a unique way to crack down on in-flight rowdiness. If a passenger misbehaves, he or she is shown a yellow card and the name is taken for entry in the aircraft log. If a second instance occurs, the passenger is "red carded" and black-listed in the company's reservations system. Although the airline promises to circulate names to other airlines, the legality of such an approach to air rage control is questioned.

An ATR42-320 is leased from **Air Open Sky, S.A.** and enters service on April 26 over a route from Moenchengladbach to Munich.

Beginning in August, a new full-meal product is offered to business-class customers on every flight, with different choices served depending upon the time of day. During the first six months of ATR operations, 96% of all EAD flights have arrived on time.

Daily (except Saturdays) ATR42-320 return service starts on September 4 between Munich and London (LTN).

During December, the ATR42-320s must be grounded at Moenchengladbach owing to incomplete maintenance records dating back to the time when they were operated with **Zambia Airways Corporation**. In the interim, the company leases a Fokker 50 from **VLM V(laamse Luchttransportmaatschappij, N.V.)** and a de Havilland Canada DHC-8 from **Cirrus Luftfahrtgesellschaft, mbH**. Orders are simultaneously placed for a pair of ex-**Continental Airlines** ATR72s.

EUROPEAN AIR TRANSPORT, S.A. Building 4-5, Brussels National Airport, Zaventem, B-1930, Belgium; Phone 32 (2) 718-1414; Fax 32 (2) 718-1555; Code QY; Year Founded 1971. EAT is organized by Iwein Van Caelenberg and three associates at Brussels in December 1971 to provide international charter and contract service flights as well as replacement services for **Sabena Belgian World Airlines, S.A.** Employing aircraft provided by the state carrier, revenue flight activities begin in April 1972.

In 1976, a code-sharing agreement is signed with **Sabena Belgian World Airlines, S.A.** for the provision of feeder services linking Brussels with Dusseldorf and Luxembourg. These roundtrip scheduled passenger services are conducted daily with a pair of Fairchild-Swearingen Metro IIs—for which EAT is European launch customer—and a Piper PA-23 Aztec.

President Paul Pirlot de Corbion's company continues air ambulance, air taxi, charter, cargo, contract service flights and the Sabena replacement services throughout the remainder of the decade and into the early 1980s. During these years, the airline employs 15 (later 17) workers and owns a fleet that includes the 1 Aztec and 4 Metro IIs.

In order to provide feed to its Brussels hub, the **DHL Corporation**, in early 1985, elects to purchase an established airline rather than form its own. Late in the year, corporation officials approach **Sabena Belgian World Airlines, S.A.**, which agrees to sell EAT to the American air express concern in the spring of 1986.

A Fairchild Merlin IV is acquired in 1987. EAT's transition from a commuter airline to a participant in the first integrated express freight system in Europe actually begins in August when the first Convair CV-580 freighter arrives at Brussels National Airport in DHL colors. It inaugurates cargo flights to Lyon, Stuttgart, and Munich.

To handle the traffic the new routes generate, the fleet is significantly upgraded in 1988 as three more Metroliners, a CASA C-212 Aviocar, and six Convair CV-580s are obtained, including four previously operated by **Metroflight** and two by **Summit Airlines**.

The workforce is increased to 200 and Gordon Olafson is appointed managing director in September replacing Freddy Van Gaever. The company now abandons passenger services. Four more CV-580s are in business by the end of October.

Additional destinations are added in **1989–1990** and the company expands its express parcel services around the Continent on behalf of DHL Corporation. Again, the fleet is upgraded as six additional CV-580s, including three from **Air Ontario, Inc.** and three Boeing 727-51Fs are leased; four Metroliners are withdrawn.

In **1991**, another Metroliner is withdrawn. The fleet now includes the 3 leased Boeings, 11 Convairs, 1 Metro II, and 1 Merlin IV.

On May 29, **1992**, EAT is granted scheduled cargo authorization and destinations now served daily include Athens, Barcelona, Basel, Budapest, Cologne, Copenhagen, Dublin, East Midlands, Frankfurt, Geneva, Hamburg, Lisbon, London (CTN), Lyon, Madrid, Malta, Milan, Nuremberg, Paris, Stockholm, Toulouse, and Vienna.

The fleet now comprises 3 B-727-31Fs, 2 B-727-35Fs, 12 CV-580s, and 3 Metro IIs. Airline employment in **1993** stands at 250.

DHL's primary European carrier, EAT increases its fleet in **1994**, adding two B-727-223Fs, originally flown as passenger planes by **American Airlines**, and establishes a Madrid-based subsidiary, **European Air Transport Spain, S.A.**

Operations continue apace in **1995** and another B-727-223F is acquired.

In **1996**, airline employment stands at 320. The fleet is increased by the addition of three more B-727-223Fs. The company hauls a total of 298.1 million tons of freight and generates revenues of \$309 million.

Flights continue in **1997** and cargo traffic accelerates to 390.3 million tons of goods delivered.

Managing Director Olafson's fleet during this year and in **1998** comprises 6 B-727-100Fs, 19 B-727-200Fs, and 4 DC-8-73Fs. Arrangements are made for the acquisition of seven A300B4-203s, which will be converted into freighters by British Aerospace Aviation Services. Wearing full **DHL Worldwide Express** livery, the first A300B4-203F is rolled out at Hamburg on March 25, **1999**. It is ferried to Brussels five days later and enters revenue service.

As the number of Airbus freighters is increased, the company's narrow-body fleet is reduced by the end of **2000** to 4 DC-8-73s and 16 B-727Fs, including 3 Dash-31Fs, 2 each Dash-35Fs and Dash-277Fs, 6 Dash-223Fs, and 1 each Dash-230AF, Dash -2Q4AF, and Dash -2J4AF. The company now operates six leased A300B4-203Fs, including two operated on behalf of **DHL Worldwide Express** in that firm's color scheme.

EUROPEAN AIR TRANSPORT SPAIN, S.A. See **EUROPEAN AIR TRANSPORT, S.A. (EAT)**

EUROPEAN AIRLIFT, S.A.: Belgium (1992–1994). EA is established at Brussels in **1992** to provide long-haul international passenger and freight charters, particularly to Zaire, where an associate airline does business. Revenue operations commence with a single Douglas DC-10-10 leased from that colleague, **Scribe Airlift Cargo, S.A.**

The Zairian Douglas is returned in **1993** as a similar machine is rented from **Air France**. When the lease is concluded in **1994**, the company ceases trading.

EUROPEAN AIRLINES, S.A.: Belgium (1991–1994). EA is founded as **Frobisher Airlines, S.A.** at Brussels in **1991** to offer charter and inclusive-tour flights throughout Europe and into the Mediterranean. Revenue services commence in **1992** with a single Boeing 737-3M8 previously operated by **Trans-European Airways, S.A.** The Boeing is removed as Managing Director Rens Kockenbeir's company is able to acquire one owned and two leased Airbus Industrie A300B4-103s.

The owned Airbus becomes a leased unit in **1993**. Airline employment stands at nine in **1994** as one of the aircraft is subleased to the Turkish airline **Air Alfa, A.S.** Unable to achieve economic viability, the company shuts down in November **1995**.

EUROPEAN AIRWAYS, LTD.: United Kingdom (1990–1998). European Airways, Ltd. is established at Newcastle in February **1990** to offer international and domestic scheduled services. Given the economic situation in the airline industry, serious efforts to begin service are delayed.

David Allen becomes managing director and he leases a pair of British Aerospace Jetstream 31s from **Maersk Air, A.S.** in late **1994**. These are employed to launch regular flights to Southampton, Le Havre, and Manchester on February 22, **1995**.

Through September, enplanements are 3,629.

Operations continue apace in **1996** and full year enplanements nearly quadruple, rising to 11,788.

The workforce stands at 19 in **1997**. Customer bookings skyrocket 62.9% to 19,094. Business fails badly for this company during **1998**.

Passenger boardings plunge all the way back down to 4,000. On the plus side, 422,000 FTKs of cargo are transported. The good freight numbers cannot overcome the fiscal reversal, which now forces the airline to shut its doors.

EUROPEAN AVIATION AIR CHARTER, LTD.: European Aviation House, Bournemouth International Airport, Hum, Christchurch, Dorsetshire, England, BH23 6EA, United Kingdom; Phone 44 (121) 557-8111; Fax 44 (121) 557-4479; http://www.eu-roav.com; Code E7; Year Founded 1993. EAAC is established at Tivendale, Warley, West Midlands in February **1993** to offer ad hoc passenger and cargo services from U.K. airports to European destinations employing a fleet of BAC 111s to be acquired from **British Airways, Ltd. (2)**. Paul G. Stoddart is chairman with T. Whetter appointed managing director. An application is filed for an Air Operators Certificate, which the CAA will grant early in the new year.

A workforce of 74 is recruited and revenue services commence in March **1994** with three leased British Aerospace (BAC) 1-11-510EDs and a Bell 206B JetRanger helicopter. Three more BAC 1-11-510EDs and two BAC 1-11-530FXs are chartered later in the year.

Airline employment stands at 200 in **1995**. Having dry-leased much of its fleet the previous year, the company now begins to offer a series of aircraft, crew, management, and insurance (ACMI) contracts to several carriers.

Enplanements for the year total 10,631.

Willie O'Neil becomes managing director in **1996** and the fleet is increased to include 1 BAC 1-11-501EX, 2 1-11-530FX, 1 1-11-523FJ, and 11 1-11-510EDs, 3 of which are subleased to **Sabena Belgian World Airlines, S.A.** A single owned Boeing 727-23 is also operated.

Passenger boardings increase to 86,000.

The workforce grows to 350 in **1997**. During the summer, the one-millionth passenger is boarded. In September, an ACMI BAC 1-11-510ED is provided to the start-up **Euroscot Express, Ltd.** Customer bookings surge to 141,000.

Business continues to improve at this concern in **1998** and several hush-kitted B-737-200As are acquired.

Passenger boardings accelerate 39% to 196,000.

The first of 13 hushkitted B-737-229As acquired from **Sabena Belgian World Airlines, S.A.** a year earlier is received during the first week of October. Three more are to enter service before summer.

Customer bookings jump 5.3% to 217,000.

The workforce at the beginning of **2000** totals 350. On May 3, the carrier initiates twice-daily roundtrip B-737-239A nonstops from Belfast International Airport to Amsterdam.

The company wet-leases a pair of British Aerospace BAe (BAC) 111-500s to the new Swedish concern **Fly European Airlines, A.B.**, which that carrier employs to inaugurate return service to Malmö on June 30. The company barely operates a week before closing down on July 9 and returns the jetliners.

It is reported at the end of September that the carrier's sister company, European Aviation, has negotiated the purchase of the entire B-737-200 spare parts inventory of **British Airways, Ltd. (2)**.

EUROPEAN EXPEDITEE, S.A.: Belgium (1988–1992). European Expeditree, conceived by GPA Group Chairman Tony Ryan, is established at Brussels in May 1988 to provide scheduled all-cargo services to regional European destinations. **UPS (United Parcel Service)** executive Dallas Sherman is recruited and named president; he is provided with a fleet that includes one Dassault Falcon 20 and four Convair CV-580s, formerly flown by **Summit Airlines**. The company is registered as a Belgian airline in December.

Revenue operations to destinations in Spain, France, Austria, and Sweden commence on March 31, 1989 and are continued. The fleet is increased by the addition of one more Falcon and four additional Convaers and their routing is coordinated with that of **Extra Executive, GmbH**, a German freight operator half-owned by GPA. Flights continue until 1992.

EUROPEAN REGIONS AIRLINES, S.A.: Spain (1998–2000). This Spanish charter operator is established in 1998 by several tour companies seeking lift for short-haul holiday flights, as well as domestic scheduled services.

Revenue operations commence at the end of March 1999 with 2 Embraer ERJ-145s and 1 Grumman Gulfstream Aerospace II. Initial scheduled destinations include Barcelona, Seville, and Vitoria.

During the remainder of the year, the company inaugurates scheduled return flights to La Coruna, Milan, Stuttgart, and London (LGW).

A total of 94 workers are employed at the beginning of 2000. Unable to maintain economic viability in the face of rising fuel costs, the carrier declares bankruptcy in September. After the airline is grounded, its aircraft are disposed of, with at least one ERJ-145 going to **KLM Exel, B.V.**, which completes some of ERA's charters.

EUROSCOT EXPRESS, LTD.: United Kingdom (1997–1999). Jack Romero, who becomes CEO, sets up Euroscot at Bournemouth Airport in May 1997; other shareholders include finance director Michael Allen, NVM, and R. Davis. The bulk of the new entrant's financial backing is provided by Edinburgh-based Northern Investors Company and Northern Venture Trust, with fiscal advice provided by KPMG Corporate Finance. Michael Denny is appointed chairman. A workforce of 14 is recruited and a British Aerospace BAe (BAC) 1-11-510ED is wet-leased from neighboring **European Aviation Air Charter, Ltd.**

Deep-discount service is inaugurated in September linking the company's base with Glasgow and Edinburgh five times weekly. The company will board 25,000 customers in its first 6 months, plus 27 tons of cargo.

The workforce is increased by one at the beginning of 1998.

The carrier's 500th flight arrives at Bournemouth from Glasgow on February 10 and, to mark the occasion, CEO Romero is on hand to personally welcome all of the passengers off the flight. Plans are announced in early April for connecting flights to Amsterdam. Eventual plans for service from Glasgow to Toronto are also broached.

When a rival **British Airways, Ltd. (2)** service from Glasgow to London (Hurn Airport) is unable to depart on April 21, its passengers are able to make a connection on the Euroscot flight. A record number of 362 passengers are boarded on April 27.

By the time of the carrier's first anniversary in May, Euroscot has established financial security and plans are made for partnerships with other airlines.

The company's homepage on the World Wide Web is unveiled on May 8. The schedule is altered on May 25. Twice-daily service from Glasgow to Hurn is operated, along with four weekly flights between Bournemouth and Edinburgh.

During the summer, an **Avions de Transport Regional** ATR72-201 is leased to help with new daily return services between Bournemouth and Edinburgh. In the fall, the BAC is returned to its lessor. Daily roundtrips commence on November 10 between Bournemouth and Amsterdam.

Enplanements total 50,000.

The company experiences a fatally dismal 1999. In mid-July the company turns over to **Gill Airways (Gill Aviation, Ltd.)** its routes and

bookings from Bournemouth to Edinburgh and Glasgow. Unable to raise additional capitalization, the company goes into receivership and shuts its doors.

EUROSKY, GmbH.: World Trade Center, Vienna Airport, Vienna, A-1300, Austria; Phone 43 (1) 7007 6770; Fax 43 (1) 7007 6771; Code JO; Year Founded 1994. J. Ralph Atkin and Dr. Alexander Schodl form Eurosky at Vienna Airport in 1994. Employing a Fairchild Metro III, revenue flights are inaugurated linking the company's base with Verona and Trieste.

Another Metro joins the fleet in 1995, allowing the company, in July and August, to inaugurate daily return flights to Wroclaw, Poland, and Kosica, Slovakia, as well as twice-daily roundtrips to Trieste. Despite the initiation of the previous year's new routes, traffic and revenues are so slim as to require the company to briefly shut down March 1996.

Services are resumed in the fall with three Beech 1900Cs. Destinations visited during the remainder of the year and in 1997–2000 include Debrecen, Kosice, Ostrava, Trieste, Verona, and Wroclaw.

EUROSUN (GUL HAVACILIK ISLETMELERI, A.S.): Gagiavan Man, Antalya, 07160, Turkey; Phone 90 (242) 324 0222; Fax 90 (242) 324 0226; Code ESN; Year Founded 2000. The failed **Air Rose, A.S.** is reorganized and renamed during June 2000. By July 14, it has received 1 B-737-236A previously operated by **AccessAir** and 2 B-737-3K2s once flown by **Transavia Holland, N.V.**, all of which have been chartered from Pegasus Aviation. The reborn charter operator is able to resume operations with the beginning of the winter charter season at the end of September. Package tour customers in northern Europe are carried to Mediterranean locations, including the golden beaches of Turkey.

EUROWINGS FLUGDIENST, GmbH.: Flugplatz 13, Dortmund 44319, Germany; Phone 49 (231) 9244 0; Fax 49 (231) 9244 704; Code EWF; Year Founded 1996. A subsidiary of **Eurowings Luftverkehrs, A.G.**, Eurowings Flug is set up at Dortmund on June 26, 1996 to serve primarily as its parent's charter arm, as well as to provide back-up capacity to the main fleet. Managing Director German Larrabe places orders for three (later four) Airbus Industrie A319-112s, which arrive at the end of the year.

Revenue holiday services to Mediterranean and North African destinations commence on January 28, 1997. A total of 93 workers are employed at the beginning of 2000.

EUROWINGS LUFTVERKEHERS, A.G.: Flughafenstrasse 100, Nuremberg, D-90411, Germany; Phone 49 (911) 36 56 0; Fax 49 (911) 36 56 20 3; http://www.eurowings.de; Code EW; Year Founded 1994. **Eurowings NFD & RFG, GmbH.** is renamed on January 1, 1994. Airline employment is increased by 8.4% during the year to 1,030 (including 168 full-time and 10 part-time pilots) and the fleet now includes 17 ATR42-320s, 6 ATR72-202s, and 3 ATR72-210s. The carrier introduces deep-discount flights on a number of domestic routes and in July requests the lease of two British Aerospace BAe 146-200s from Asset Management Organization.

In addition to its own scheduled routes, Eurowings also flies replacement services for **Deutsche Lufthansa, A.G.** and **Swissair, A.G.** and with a provided BAe 146-200QT, operates cargo services for **TNT Worldwide Express**.

In September, a block-space, code-sharing agreement is signed with **Air France** and when the first BAe 146-200 is delivered in October, it inaugurates thrice-daily, dual-designator roundtrips from Nuremberg to Paris (CDG). Plans are made during the fourth quarter to accommodate the transfer of several former **KLM (Royal Dutch Airlines, N.V.)** routes to Amsterdam and the initiation of new services to Poland.

Scheduled departures total 56,100 and customer bookings accelerate 12.1% to 1,210,000. Revenues swell by 6.3% to \$234.6 million, but still, expenses are higher and a \$5.7-million net loss is suffered.

Twenty-nine new employees are hired in **1995**, a 13% increase and the second BAe 146-200QT is delivered in April. It is based at the Bavarian city of Hof and is used to operate charters on behalf of the tour operators TUI and NUR. A new Avions de Transport Regional ATR72-212 arrives in May.

Code-sharing alliances are initiated with **KLM (Royal Dutch Airlines, N.V.)** and its U.S. partner **Northwest Airlines**. As a result, several of the Dutch major's routes are transferred to the regional, which boosts its traffic dramatically. The principal services flown on behalf of the Netherlands line are to Amsterdam from Dusseldorf, Nuremberg, and Hanover.

The arrangement with **Northwest Airlines**, which will be maintained independently of that held with KLM, will come to provide for code-sharing on routes from nine German cities to Amsterdam, with connections to the U.S.

During the fall, the tour subsidiary EWG is established and two Airbus Industrie A320s are leased to operate passenger charters on its behalf.

When the "Air France-Air Inter Express" program is established late in the year, Eurowings becomes a code-sharing partner, agreeing in exchange for subsidy to repaint its aircraft and to fly medium- and low-density domestic or regional routes for the Air France Groupe.

Enplanements increase 48.9% to 1.8 million and revenues jump 8.7% to \$277.3 million. Costs move up 5% to \$268.45 million and allow a \$10.95-million operating profit and net gain of \$1.39 million.

Airline employment is increased by 6.9% in **1996** to 1,132 and the owned fleet includes 4 ATR72-212s, 8 ATR42-320s, 3 ATR72-202s, and 1 BAe 146-200. Also operated, under charter, are 9 ATR42-320s, 3 ATR72-202s, 1 BAe 146-200, and 2 BAe 146-200QTs, which are flown on behalf of **TNT Express Worldwide**.

In March, the BAe lease is renewed for three years and two Dash-300s are chartered. The first arrives on April 1.

During the first two quarters, thrice-daily, dual-designator roundtrips on behalf of **KLM (Royal Dutch Airlines, N.V.)** commence to Amsterdam from Leipzig, Stuttgart, and Dresden.

The charter subsidiary **Eurowings Flug, GmbH**, is established on June 26, with German Larrabe as its managing director. Orders are placed for three (later four) Airbus Industrie A319-100s with which to begin service.

Thrice-daily ATR42-320 dual designator roundtrip flights begin with **KLM (Royal Dutch Airlines, N.V.)** on September 1 over a route from Cologne to Amsterdam. On behalf of **Air France**, flights are initiated to Paris and Strasbourg and from Strasbourg to Berlin (Tempelhof Airport).

A code-sharing agreement begins with **Air U.K., Ltd.** during the spring and the second leased BAe 146-300 is delivered in August. The new jetliner is assigned to Mediterranean charter operations, flying from the airports at Hof and Kassel. The carrier, having signed a code-sharing agreement with **Gill Airways, Ltd.**, ceases direct service from Dusseldorf to Newcastle on August 30. Gill takes over the route next day.

In October, the carrier swaps its "NS" ATA code for the "EW" code of an Australian airline. In December, orders are placed for five ATR42-520s, while the three A319-112s ordered earlier are delivered.

Customer bookings accelerate 5.6% to 1.9 million and operating income jumps 12.4% to \$306.25 million. Costs are up only 10.6% to \$289.36 million and allow profits to grow again, rising to \$16.89 million (operating) and \$5.8 million (net).

Airline employment grows 16.4% in **1997** to 1,414. **Eurowings Flug, GmbH**, charter services to Mediterranean holiday destinations commence on January 28. The leased BAe 146-200 is purchased from British Aerospace Assets Management-Jets during the second week of April.

A new base is established at Berlin (Tempelhof Airport) and the monopoly of **Deutsche Lufthansa, A.G.** over the key Frankfurt to Berlin route is broken by Eurowings on May 5.

On behalf of **Air France**, new "Air France Express" services are introduced during the summer from Cologne and Bonn to Paris (CDG).

By this time, the company is offering 322 weekly flights on behalf of its French partner and another 240 weekly services for **KLM (Royal Dutch Airlines, N.V.)**.

In September, a code-sharing arrangement is entered into with **Gill Air (Gill Aviation, Ltd.)**. Under its terms, the U.K. regional launches twice-daily Aero International (Regional) ATR42-320 roundtrips from Newcastle to Hamburg. It also operates a route from Belfast to Dusseldorf via Newcastle.

The first ATR42-520 is delivered in time to help inaugurate the winter schedule in late October. Four more BAe 146-200s are leased from BAe AMJ in October and are delivered in November; the charters for three others are extended. A number of route frequencies are now increased; for example, daily flights from Frankfurt to Berlin (Tempelhof Airport) are doubled from four to eight. Three more BAe 146-200s are added between November 24 and December 17.

Passenger boardings leap upward 31.6% to 2.5 million while operating income accelerates 22.2% to \$325.9 million. Net profit accelerates to \$8.7 million.

At the beginning of **1998**, Chairman/President Santner oversees the flights of 2 A319-112s, 17 ATR42-320/520s, 10 ATR72-212s, and 2 each BAe 146-200s and BAe 146-300s. From bases at Amsterdam, Dortmund, Nuremberg, and Paris, the company flies to Bayreuth, Bonn, Brussels, Cologne, Dresden, Dusseldorf, Frankfurt, Guernsey, Hamburg, Hanover, Hof, Jersey, Katowice, Krakow, Leipzig, Lippstadt, London, Lyons, Munich, Munster, Newcastle, Nice, Olbia, Osnabruck, Paderborn, Poznan, Prague, Stuttgart, Sylt, Vienna, Warsaw, Wroclaw, and Zurich.

Nonstop dual-designator Dornier 328-110 roundtrip services commence in April with **KLM (Royal Dutch Airlines, N.V.)** between London (STN) and Dresden.

A new London (STN) to Dortmund service is opened in September in cooperation with **KLM UK, Ltd.** The new ATR42-320 flights are operated twice daily during the workweek and daily on weekends. A revised agreement is signed with KLM on October 14. The pact is designed to boost German market share up to 15% from the current 7% through an increase in capacity.

Customer bookings for the year increase 16.9% to 2.49 million. Revenues jump 21.1% to \$394.49 million, while expenses are up 22.2% to \$386.12 million. The operating profit grows to \$8.37 million, while net gain drops to \$2.78 million.

By the beginning of **1999**, airline employment has been increased by 19.6% to 1,691.

Service between Frankfurt and Berlin (Tempelhof Airport) ceases on October 31. Also in October, Rhenus, A.G. CEO Friedrich Wilhelm Weitholtz is named president/CEO, succeeding Capt. Reinhard Santer, who remains on the board, but also returns to the line to fly an A319-112.

The "Air France Express" contract ends late in the year. During the year, five more ATR42-520s are acquired giving the carrier the largest ATR fleet in Europe.

Passenger boardings ascend 4.9% to 3.04 million, while revenues of DM 729 million (\$389,671,000) are generated. Airline employment at the beginning of **2000** stands at 1,589, a 5.4% decline over the previous 12 months. Daily ATR42-320 return service is inaugurated on January 24 from Nuremberg to Poznan, Poland.

The last of five Airbus Industrie A319-112s received since January 1997 is delivered on March 9.

Beginning in March, the carrier operates commuter service from Germany to Amsterdam under contract to **KLM (Royal Dutch Airlines, N.V.)**; the German originating cities include Berlin, Bremen, Cologne, Dortmund, Dresden, Dusseldorf, Hamburg, Hanover, Leipzig, Munich, Munster, Nuremberg, Paderborn, and Stuttgart.

The arrangement with KLM is modified on September 19; although the contract remains in place, Dresden and Leipzig are dropped as service points beginning on October 29.

It is announced on September 22 that **Deutsche Lufthansa, A.G.** will, assuming cartel authorities agree, take a 24.9% stake in Eurowings

effective January 1. The shareholding may later be increased. Protesting that the move will allow the major to control 80% of Germany's domestic market, **Deutsche BA Luftfahrtgesellschaft, GmbH**. Managing Director Adrian Hunt petitions the EU Commission and German antitrust authorities on October 3 seeking to have them disallow the announced 24.9% share. **Deutsche Lufthansa, A.G.** will take in Eurowings. The effort will not succeed.

While en route from Palma de Mallorca to Kassel on October 15, a BAe 146 encounters heavy turbulence over Nice. Nine passengers and two flight attendants are injured.

The A319-112 received in March is leased back to its manufacturer for four months; it will be used for braking tests. Service between Cologne and Milan ends on October 31.

On December 12, Eurowings and **KLM (Royal Dutch Airlines, N.V.)** agree that, as of March 26, the Dutch national airline will assume full commercial control of the Amsterdam-Germany services currently flown by Eurowings. **KLM Cityhopper, B.V.** will immediately take over the Amsterdam-Bremen route, with the other frequencies gradually turned over by October.

Company officials will be displeased when Germany's federal cartel office announces on March 7 that it will block **Deutsche Lufthansa, A.G.** plans to take a 24.9% stake in Eurowings.

EUROWINGS NFD + RFG, GmbH.: Germany (1993-1994). Early in December 1992, **Nurnberger Flugdienst, GmbH.** and **RFG (Regional Fluggesellschaft, GmbH.)** are merged, becoming Dortmund-based Eurowings NFD + RFG, GmbH., on January 1, 1993. Majority shareholder Albrecht Knauf, the plasterboard tycoon and aviation enthusiast, becomes chairman with Reinhard Santar as president.

The workforce totals 950 and the fleet comprises 19 Avions de Transport Regional ATR42-320s and 6 ATR72-202s, with 4 of the latter, Dash-210s, on order, along with 2 British Aerospace BAe 146-200s. The company's name first appears as part of the new corporate identity on two of five ATR42-320s delivered in February and March. The integration process will be completed on the last day of December.

In February, thrice-weekly ATR42-320 service is inaugurated between Frankfurt and the Polish city of Wroclaw; it is the first time that a western carrier has linked the city to a West European community.

In cooperation with **CSA Czechoslovak Airlines**, joint, weekday ATR42-320 roundtrips are inaugurated in April between Munich and Prague. Other destinations visited include Berlin, Budapest, Dresden, Leipzig-Halle, London (LGW), Munich, Nuremberg, Dortmund, Paris, Stuttgart, Sylt, Zurich, Hanover, Munster, Paderborn, Brussels, Milan, Prague, Erfurt, Lyon, Osnabruck, Amsterdam, Dusseldorf, Frankfurt, Cologne, Mailand, and Vienna.

On November 2, daily (save Saturday) ATR42-320 roundtrips commence between Dusseldorf and Newcastle. Plans are made to revise the company's identity once more; from January 1 of the following year, the carrier will be known as **Eurowings Luftverkehrs, A.G.**

Enplanements for the first full year total 611,225 and a total of 1.5 million FTKs are operated.

EUROWORLD, LTD.: United Kingdom (1991-1993). Following the demise of **Air Europe, Ltd.**, which had integrated **Air Europe Express, Ltd.** (comprised of **Connectair, Ltd.** and **Guernsey Airlines, Ltd.**) just before its own failure, former Connectair personnel, led by its onetime chairman, Robert Wright and managing director, Brad Burgess, form this new regional early in 1991. A code-sharing agreement is signed with **British Airways, Ltd. (2)**.

Two Shorts 360-300s are employed in August to inaugurate twice-daily, dual-designator services from the company base at London (LGW) to Rotterdam and Guernsey and daily flights to Antwerp. Two more Shorts 360-300s arrive at the end of the month and, in September, frequencies are increased to four daily returns to Rotterdam and three to Guernsey and Antwerp. Late in the year, the new regional is awarded the

routes of failed **Capital Airlines, Ltd.** A total of 22,407 passengers are carried for the 3 months the airline makes its statistics public.

Operations continue apace in 1992 as the airline begins dual-designator flights to Newcastle, Dublin, and the Island of Jersey.

In December, a \$40-million order is placed for 2 Avions de Transport Regional ATR42-300s, plus 2 options.

A total of 78,000 passengers are carried by the company this year and a £9-million turnover is recorded. A loss of £500,000 is suffered.

Recognizing the need for further public exposure, company executives in January 1993 announce that they are renaming the company **CityFlyer Express, Ltd.** Company Shorts 360-300s are repainted at the carrier's London (STN) base.

EVA AIR (EVA AIRWAYS, LTD.): EVA Air Building, 376 Hsin-nan Road, Sec. 1, Luchu, Taoyuan Hsien, Taiwan; Phone 886 (3) 351-5167; Fax 886 (3) 335-2093; <http://www.evair.com.tw>; Code BR; Year Founded 1989. Established by the Evergreen Marine Group of Taiwan, the world's largest container shipping line, in late 1989, this new entrant's first task, owing to the existence of the U.S. carrier **Evergreen International Airlines**, is to change its name in April 1990 from **Evergreen Airlines** to EVA Air. Assisted by William Burke, general manager of the consulting firm Avmark Asia, Ltd., Chairman Chang Yung-fa and President Frank Hsu announce plans to commence operations the following spring while placing US\$3.6 billion in orders for 4 Boeing 767-35EERs, 8 B-747-45Es, and 6, later 14, McDonnell Douglas MD-11s.

Start-up is however delayed in 1990 by government-imposed conditions and aircraft delivery delays. Employing a series of interline agreements, **China Airlines, Ltd.** attempts to limit the new entrant's access to Hong Kong, Thailand, and the Philippines.

The company's first aircraft, a B-767-3T7ER is delivered in May 1991. At long last, the privately owned Taiwanese airline, capitalized at US\$370 million, is able to inaugurate services on July 1 with a B-767-3S1 and two B-767-3T7ERs. Initial destinations are Hong Kong, Seoul, Bangkok, Jakarta, Kuala Lumpur, and Singapore.

During September and October, Penang and Vienna join the route network. Permission is received from the U.S. government in November for the initiation of services to seven American destinations. The first two B-747-45Es are received in late fall, allowing initiation of scheduled Amsterdam service in December.

Enplanements total 146,000 on the year, along with 14.22 million FTKs. Revenues total \$38 million and there is a \$4-million loss.

During the first half of 1992, a second gateway is opened at Kaohsiung and new services are started to Vientiane, Manila, Ho Chi Minh City, and Male in Maldives. Two B-767-35EERs are delivered in July, followed by the first two B-747-45Es in November.

Meanwhile, in September, following the transfer of South Korean diplomatic recognition from Taiwan to Beijing, service to Seoul is ended.

The new Dash-400 Jumbojets allow EVA to begin four-class, scheduled nonstop flights in December from Taipei to Los Angeles. Charter service is inaugurated to the Republic of Maldives.

Bookings for the year total 566,011. Although operating income climbs to \$169 million, the loss grows to \$55 million.

Airline employment is increased a whopping 54.5% in 1993 to 3,880 and the fleet now includes 4 B-747-45Es, 2 each B-767-3T7ERs and B-767-35EERs, and 1 B-767-3S1ER. Orders are outstanding for one B-747-45EC, four B-767-25Es, and six McDonnell Douglas MD-11s. Having reached an accommodation with **British Asia Airways, Ltd.**, a subsidiary of **British Airways, Ltd. (2)**, and thereby skirting the matter of diplomatic relations, thrice-weekly Taipei to London (LGW) via Bangkok service is started on March 29; flights to New York via Seattle begin on June 8.

A new wide-body maintenance hangar is occupied at Chiang Kai-shek Airport during the summer.

Flights to San Francisco and Sydney start in the fall and the first of three B-747-45ECs to arrive on the year is delivered in October.

Passenger boardings skyrocket 119.8% to 1,243,628 while freight traffic rockets skyward an almost unbelievable 313.1% to 262.8 million FTKs. Revenues climb to \$390 million, but the loss jumps to \$83 million.

A marketing agreement is signed with **Garuda Indonesia** in September 1994. Under its terms, a joint ground handling agency is established at Denpasar and the two share codes on frequencies from Kao-hsiung to Denpasar.

The premier MD-11F arrives on November 30 and completes its first flight to Los Angeles early in December.

Enplanements slide during the 12 months to 1,560,000. Enplanements rise during the 12 months to 2,133,860 and revenues double to \$737 million. The loss, on the other hand, falls to just \$36 million.

Airline employment stands at 2,300 in 1995. A 32% slice of **Makung Airlines, Ltd.** is acquired in late March.

In April, the company acquires a 20%, US\$13.02-million stake in **Great China Airlines, Ltd.** and also takes 32% shareholding for US\$18.2 million in **Makung Airlines, Ltd.**

In May, the company inaugurates its 24th international route when it starts MD-11 service to New York (JFK). A second MD-11F is acquired during the third week of June.

In October, it launches all-cargo services from Taipei to Amsterdam.

Code-sharing starts with **Ansett Australia (Pty.), Ltd.** in November on a route from Taipei to Sydney, as well as some Ansett domestic routes.

A comprehensive agreement begins with **Air Nippon Co., Ltd.** in December. Under its terms, the two start to cooperate on sales and reservations, ground handling, and on flights from Taipei to Fukuoka.

Passenger boardings increase 50% to 3.12 million while freight skyrockets 90.2% to 1.68 billion FTKs. Business is so good that the carrier is able to report its first profits. Operating revenues jump 45% to US\$1.05 billion and yield a net gain of US\$7.2 million.

The workforce is dramatically increased in 1996 reaching a total of 5,000.

The fleet is improved by the addition of two B-747-45ECs. Control of the domestic regional airline **Taiwan Airlines Company, Ltd.** is acquired; however, it is allowed to continue its nonscheduled services as before.

On August 1, the company begins twice-daily roundtrip code-sharing services with **Air Macau** between Kao-hsiung and Macau. With its gambling casinos, the latter point is a draw for Taiwanese vacationers. At the same time, 16 weekly Jumbojet services are inaugurated from Taipei to Hong Kong.

The first of 12 ordered MD-90-30s arrives from Long Beach during the last week of October. Negotiations with the PRC for air routes into mainland China continue as they have for some years.

Enplanements climb 19.6% to 3,730,000 and 1.93 billion freight FTKs are operated, a 2.2% increase. Operating income moves up to US\$1.28 billion and a pretax \$15.7-million profit is reported.

The employing population continues to increase during 1997, climbing 14% to 5,700. Markets visited now include Amsterdam, Anchorage, Bangkok, Dubai, Fukuoka, Ho Chi Minh City, Hong Kong, Jakarta, Kao-hsiung, Kuala Lumpur, Los Angeles, London, Manila, Maldives, New York, Paris, Penang, Seattle, Seoul, Singapore, Sydney, and Vienna. In January, \$330 million in orders are placed for two B-747-400s.

During late summer, a new five-year code-sharing alliance is entered into with **Continental Airlines**; it represents an expansion of the 1994 all-cargo arrangement between the two carriers. When the agreement begins the following spring, EVA's extant U.S. routes will be merged with those of the American major, thereby raising the effective number of United States destinations from 5 to 22. In addition, it will apply to Continental connections with EVA services to Taipei and 15 Southeast Asian destinations from Seattle, Honolulu, Newark, Los Angeles, and San Francisco. Joint marketing, maintenance coordination, and frequent flyer programs will also be included.

Two MD-11Fs are ordered in October for delivery in October and November 1998. This request is followed in November with another order

for two more MD-11Fs for delivery in 1999. Despite the Asian economic downturn during the second half of the year, the company is able to continue to prosper.

Passenger boardings leap upward by 16.8% to 3,986,272, while cargo swells 30% to 2.722 billion FTKs. Revenues increase by 9.8% to \$1.3 billion and the net gain nearly doubles, hitting \$29.75 million.

At the beginning of 1998, EVA is the 13th largest airline in the world in terms of freight carried.

Dual-designator connections with **Continental Airlines** to Taipei begin on March 30 via Newark, Seattle, San Francisco, Los Angeles, and Honolulu.

On April 1, the company begins to code-share with both **Ansett Australia (Pty.), Ltd.** and **Air New Zealand, Ltd.** on routes from Taipei to Seoul and Sydney.

Triggered by the crash of a **China Airlines, Ltd. (CAL)** A300B4-622R on February 16 (202 dead) and a **Formosa Airlines, Ltd.** SAAB 340A on March 18 (13 dead), EVA, in mid-April, makes a government-supported and dramatic move that will also improve its balance sheet.

A code-sharing agreement is signed with **America West Airlines** on April 21. When the pact takes effect during the summer, the two will link their frequent flyer programs and link EVA's daily nonstop transpacific services to Los Angeles and San Francisco with AWA's hubs in Phoenix and Las Vegas.

It is announced that, effective July 1, the major will no longer offer any domestic services and that its regional subsidiaries **Taiwan Airlines Company, Ltd.**, **Great China Airlines, Ltd.**, and **Uni Air, Ltd.** will all be merged into an enlarged **Uni Air, Ltd.**, which will provide only domestic services. In June, again with government approval, EVA acquires a 60% stake in **Uni Air, Ltd.** Thrice-weekly MD-90-30 nonstop return service is initiated on June 11 between Kao-hsiung and Ho Chi Minh City, Vietnam. On July 1, new service is inaugurated to Osaka (KIX) and Phnom Penh.

The Asian economic crisis begins to have a severe impact. The ambitious fleet expansion plan is put on hold while, in mid-September, a loss for the first half of the year is reported: T\$180 million.

During the early fall, negotiations are begun with **Myanmar Airways, Ltd.** concerning a possible equity stake of as large as 50% plus management control in **Myanmar International Airways, Ltd.** In October, a team is dispatched to Yangon from Taipei to carry out due diligence. At the beginning of November, EVA makes a provisional proposal concerning Myanmar, even as it continues to study actual completion of the arrangement.

Thrice-weekly all-cargo return service is inaugurated on November 23 between Taipei and Dallas (DFW).

The dual-designator service with **America West Airlines** is expanded on December 21 as EVA places its two-letter "BR" code on AWA services from Los Angeles to both Las Vegas and Phoenix and on its flights from San Francisco to both Phoenix and Las Vegas.

After showing a loss for the first half of the year, the carrier has been able to successfully implement a series of strategic countermeasures and return to profitability, one of the few Asian carriers to sustain gain in 1998's adverse economic environment.

International bookings reach 3.34 million and 2.33 billion FTKs are operated. Revenues increase 11% to \$1.28 billion and a net profit of \$1.92 million.

After all studies are completed and possibilities examined, EVA, during the first full week of January 1999, drops plans to buy into **Myanmar International Airways, Ltd.**

On January 17, the carrier introduces the first MD-11F all-cargo service between Taiwan and India. Brussels service is rerouted from Brussels via Mumbai while the return flight operates from Brussels to Taipei via Mumbai and Singapore.

Orders are placed on May 6 for four B-747-400Fs for delivery beginning in 2000. EVA is the first airline to request this version of the Jumbojet freighter.

Challenges faced late in the year include a devastating September 21 earthquake and a dramatic rise in fuel costs.

Citing a reduction in demand and not safety concerns, EVA cancels six freighter flights and reschedules eight others in December. As New Year's approaches, additional changes are made in the passenger schedule. EVA's computer alterations related to the "Y-2K millennium bug" are among the largest upheavals in service in the airline industry.

Passenger boardings climb 5.5% to 3,867,000 while freight surges 23.9% to 3.15 billion FTKs. Operating revenues jump 15.8% to \$1,487,501,000 while costs fall 14% to \$857,604,000. The operating profit doubles to \$118,854,000, while the net gain skyrockets to \$36.01 million.

Airline employment at the beginning of 2000 stands at 4,977, a decline of 1.6% over the previous 12 months. Among the world's top 25 airlines, EVA ranks 14th in FTKs.

In January, subsidiary Evergreen Airways Services, Ltd. purchases a 5%, HK\$25-million (\$3.2-million) stake in **Air Macau, Ltd.** The deal represents the first cross-shareholding in a single company by firms from both the People's Republic of China and Republic of China. **China National Aviation Corporation (CNAC-2)** remains the majority shareholder and controls the Macau line's management.

When, in February, **Ansett Australia (Pty.), Ltd.** halts its thrice-weekly return service between Brisbane and Taipei, it is taken over by EVA.

Signed on March 10, a new code-sharing agreement is begun with **Qantas Airways (Pty.), Ltd.** on May 1. The arrangement allows EVA to place its designator on the Australian line's thrice-weekly return flights from Sydney to Taipei and Qantas to place its code on EVA's thrice-weekly roundtrips from Taipei to Brisbane, which it has recently taken over.

On March 20, the thrice-weekly service from Taipei via Bangkok to Amsterdam is boosted to four times a week. The company's 19th U.S. cargo destination is Atlanta, begun at the end of March.

Operated since December 1995, the Panama City extension of the route from Taipei to Los Angeles is shut down on June 1 due to poor load factors. The B-747-25EF capacity will be employed elsewhere.

An order is placed on June 27 for three B-777-200Xs and four B-777-300Xs for delivery beginning in 2005. EVA will employ the aircraft on its nonstop international routes from Taipei to the U.S. and Europe.

The first locally owned B-747-400F, a Dash-45EF, is delivered on July 21 and enters service on the Taipei-Los Angeles route. The next B-747-45EF Jumbojet freighter will be delivered in 2002, followed by the third in 2003. On July 25, new facilities at Terminal II of Taipei's Chiang Kai-Shek International Airport are dedicated.

Weekly freighter roundtrips from Taipei to Toronto, initially scheduled to begin a week later, are delayed on August 3 until August 23. On August 9, MD-11F weekly frequencies are increased from two to three between Taipei and London (LGW).

Twice-weekly B-767-25E roundtrips are inaugurated on September 7 between Taipei and Tokyo (HND). They complement new twice-weekly MD-11F return cargo flights started over the route a week earlier. Emma Kelly notes in her brief September 12 *Flight International* article "Taiwan's EVA Air Finds Itself in Favour As CAL Struggles," that EVA appears to be gaining influence and dominance in Taiwan aviation circles after the election of President Chen Shui-ban, a former lawyer with EVA's owner, the Evergreen Group. Chen employs EVA for his foreign trips and remains close to the Evergreen Chairman Chang Yung-fa.

On October 3, the company notes that in association with **American Airlines**, it will begin daily B-777-227ER roundtrips between San Jose and Taipei in April.

Daily B-767-25E roundtrip service from Taipei to Manila is resumed on October 16. At the end of the year, a new code-sharing agreement is signed with the Russian carrier **Transaero Airlines**. The arrangement will allow EVA, on March 1, to become the first Taiwanese carrier to overfly Russian territory with a new thrice-weekly direct roundtrip service from Taipei to Paris (CDG).

EVEREST AIR, LTD.: P.O. Box 10760, Kalimadole, Kathmandu, Nepal; Phone 977 (1) 477 174; Fax 977 (1) 470 255; <http://www.asian-trekking.com/everair.htm>; Code E2; Year Founded 1992. Ever-

est Air, Ltd. is established as **Nepal Air Charter, Ltd.** at Tribhuvan Airport at Kathmandu on June 1, 1992 to offer nonscheduled sight-seeing scenic mountain "hops" around Nepal during the prime tourist season of June–September. During the summer, the decision is taken to provide scheduled, local passenger and cargo commuter services and, on September 17, the company is given its present name.

Founder and Managing Director Pradeep Raj Pandey recruits a workforce of 162 and assembles a fleet of two Dornier 228-212s and a 228-101. Scheduled services are inaugurated linking the company's base with Bhadrapur, Bhaprahawa, Bharatpur, Biratnagar, Jomsom, Jumla, Phaplu, Pokhara, Ramechhap, Rumjatar, and Mount Everest. Permission is sought to fly to India.

While en route from Kathmandu to Bharatpur on July 31, 1993, a Dornier 228-101 with 3 crew and 16 passengers collides with a mountain while on approach to its destination; there are no survivors.

Operations continue apace during the remainder of the year and in 1994, during which time the fleet is altered to include two Dornier 228-101s and a Do-228-212. Four Russian-made Mil Mi-8 helicopters are brought in to undertake sight-seeing operations in the Himalayan area. Consideration is given to the acquisition of a SAAB 340 turboprop.

Operations continue apace in 1995.

In November, the Kathmandu Airport Authority organizes rescue operations to save people trapped in snowbound locations as much as 17,000-ft. high. Three Mi-8s are dedicated to the task and rescue 360 persons. Additional destinations visited in 1996–2000 include Atharai, Aainselukherk, Bhojpur, Chainpur, Dharan, Diktel, Dingla, Katari, Lukla, Syangboche, Taplejung, and Therathum.

EVERGREEN AIRSPUR. See AIRSPUR AIRLINES

EVERGREEN AIRWAYS, LTD. See EVA AIR, LTD.

EVERGREEN CHILE, LTDA.: Office 47, Bandera 537, Santiago, Chile; Phone 2-699-6969; Fax 2-697-0408; Year Founded 1981. This affiliate of the U.S. operator **Evergreen Helicopters** is established at Santiago in 1981 to provide sight-seeing flights, as well as agricultural, construction, energy exploration, and offshore support and services. Rotary-wing maintenance and overhaul are also available.

By 2000, President Luis E. Silva-de-Balboa oversees a workforce of 42 and his firm generates revenues of \$42.6 million. The fleet comprises one Bell 206B JetRanger, two Eurocopter BO-105Cs, four Hiller UH-12Es, and five McDonnell Douglas MD-500s.

EVERGREEN HELICOPTERS. See EVERGREEN INTERNATIONAL AIRLINES

EVERGREEN INTERNATIONAL AIRLINES: 3850 Three Mile Lane, McMinnville, Oregon 97126, United States; Phone (503) 472-0011; Fax (503) 434-4221; <http://www.evergreenaviation.com>; Code EZ; Year Founded 1975. **Evergreen International Airlines** is formed on November 28, 1975 when **Evergreen Helicopters**, founded by Delford M. Smith in 1957 and based at McMinnville, Oregon, acquires, after a year of court battles, the operating certificate of the defunct pioneer fire-fighting supplemental **Johnson International Airlines**, formerly **Johnson Flying Service**, of Missoula, Montana.

The new parent is now reorganized into a holding company, **Evergreen International Aviation**. Also included in the reorganization are its newly acquired Evergreen Air Center in Arizona—formerly the U.S. CIA proprietary company Intermountain Aviation—and two operating divisions: **Evergreen Helicopters**, noted for its work in Alaska and offshore oil rigs and **Johnson International Airlines**, now renamed **Evergreen International Airlines**. Although operations are integrated whenever possible, the resumption of fixed-wing operations is held up by the search for jetliners as well as the outcome of CAB hearings on the expansion of the role of supplemental air carriers.

In 1976 the renamed airline confines its services to charter, cargo and contract services, using Johnson's certification as a U.S. supplemental air carrier with authority to operate passenger and inclusive-tour flights to Canada, Hawaii, and Alaska. Other operations overseen by Vice President Ernest C. Brace, who had once flown for **Continental Air Services (CAS)** in Indochina and, between 1965 and 1973, was America's longest-held "civilian" POW of the Vietnam conflict, include the provision of air taxi, fire fighting, agricultural, crop dusting, flight training, and FBO services.

The carrier's fleet grows to comprise 2 DC-8-50s, 2 DC-8-50Fs, 3 DC-9-30CFs, 3 Lockheed L-188As, 3 Convair CV-580CFs, 1 Curtiss C-46, and 3 DC-3s.

In response to contracts received from Arco and Shell Oil, **Evergreen Helicopters** inaugurates rotary wing support flights into the Gulf of Mexico from a base at Galveston, Texas.

A total of 37,000 airline passengers are flown during the first complete year while 12.56 million FTKs are operated. Although operating income is \$5.41 million, expenses are \$6.4 million. An operating loss of \$987 million is taken, as is a net loss of \$1.29 million.

A UN World Health Organization contract for insect-control operations in Upper Volta is obtained in 1977, along with a U.S. narcotics control program of aerial application in Mexico. In March, an L-188A is sold to **Air California**.

Enplanements this year leap to 141,000, causing two more DC-8-50s to be purchased.

The National Organization to Repeal Marijuana Laws (NORML) obtains an injunction against Evergreen in 1978 for endangering American lives while spraying in Mexico and shuts down the herbicide-application project.

Passenger boardings climb rapidly again, up 34.4% to 215,000. Freight traffic, however, dips by 5% to 69.18 million FTKs.

Airline employment in 1979 stands at 425 and the fleet includes 12 aircraft.

Orders are placed in January for 11 used Boeing 727-100s that are to be converted into combi freighters. Two Lockheed L-188CFs are purchased from **Pacific Southwest Airlines (PSA)** in April. Also added are one each DC-8-61CF and -63CF.

An Evergreen Helicopters DHC-6-300 with two crew and two passengers disappears on a December 3 flight along the coast of Alaska to Shismaref; the search is called off on December 19 without having found any wreckage.

Customer bookings jump 38% to 296,000 while cargo skyrockets 159.4% to 10.25 million FTKs.

The fleet in 1980 comprises five DC-8-50/60Fs, four DC-9-32CFs, and six L-188AFs.

In the heat of newly deregulated competition, Evergreen elects to venture into the provision of scheduled services. The timing is not good, as recession actually causes overall enplanements to fall by 24% to 225,000. Freight is also off by 32.5% to 47.1 million FTKs. Although a \$92,000 operating profit is generated, a net loss of \$1 million is suffered.

The scheduled gambit is abandoned in 1981 as the carrier elects to return to its status as a cargo charter operator. The 11 B-727-100Cs begin to arrive and are dedicated to freight and package flights on behalf of **UPS (United Parcel Service)**. In addition, the Gulf of Mexico operation is also reduced, the subsidiary **Evergreen Chile, Ltd.** is established, and another L-188A is sold to **Galaxy International Airlines**.

In the year, only 121,000 airline passengers are flown, a 46.7% decline. On the other hand, freight rallies upward by 22.9% to 57.96 million FTKs. Overall revenue drops 14.4% to \$49.3 million and expenses climb to \$51.96 million. As a result, losses must be absorbed: \$2.66 million (operating) and \$804,000 (net).

The 340-employee carrier acquires a DC-8-61F in 1982 and enjoys both traffic and fiscal gains. A total of 194.37 million FTKs are operated. Revenues drop 13.1% to \$42.9 million, but costs decline 33.5% to \$34.6 million. Consequently, an \$8.3-million operating profit is generated, along with net gain of \$2.5 million.

Evergreen has a good year in 1983, during which Chairman Smith directs a reemphasis on Gulf of Mexico offshore support by **Evergreen Helicopters**. Plans are made to open helicopter bases at Port O'Connor and Sabine Pass, Texas, and at the Louisiana communities of Abbeville, Patterson, Cameron, and Venice.

A total of 285.4 million FTKs are flown, a 46.8% boost. Revenues advance 16.1% to \$49.75 million, while expenses are reduced \$10 million. As a result, the operating gain ascends to \$9.85 million and net income dips slightly to \$2.2 million.

When Los Angeles-based **Airspur Airlines** suspends operations in late 1984, it is purchased by Evergreen and reformed as **Evergreen Airspur**. The new subsidiary is allowed to resume its scheduled de Havilland Canada DHC-6 Twin Otter and Westland helicopters flights.

Meanwhile, the parent's 36 aircraft transport a total of 406.5 million FTKs during the year, a 42.4% increase.

Found unprofitable, the new **Evergreen Airspur** experiment in commuter operations into Los Angeles (LAX) is closed down on February 26, 1985.

Equipped with 2 Douglas DC-8s, 7 B-727-100s, and 2 DC-9-32CFs, the 552-employee carrier at mid-decade maintains scheduled domestic freight flights, worldwide cargo charters, and contract services and holds authority for charter group passenger operations. Although freight traffic falls 11.2% to 397.9 million FTKs, profits are generated: \$22.41 million (operating) and \$15.8 million (net).

A new wet-lease contract is entered into with **Air India, Ltd.** during 1986 to provide weekly DC-8 cargo flights from New York to Bombay and Madras via Paris and Dubai. Following the purchase of a Boeing 747-273C from **World Airways** on March 18, it is assigned to the Indian service via Luxembourg. During the year, an average of 14 helicopters are active in offshore support roles.

In 1987, a multimillion-dollar contract is received to transport mail and parcels for the U.S. Postal Service. The semi-public agency allows the carrier to select the first USPS national hub, which it does, at Terre Haute, Indiana. To help make deliveries, a second B-747-273C is purchased from **World Airways**. The new subsidiary Evergreen Aviation Ground Logistics Enterprises (EAGLE) is formed to provide ground-handling for the many new narrow-bodies now ordered.

Evergreen Aircraft Sales & Leasing Company is energized to handle a growing aircraft leasing business. In November, the second new Jumbojet transports eight green-liveried MD-500D/Es to Abidjan, West Africa, to undertake a World Health Organization contract to help eradicate river blindness disease. This is the fifth three-year contract for this work received since 1974, but the first for which a company plane delivers company helicopters. Four other helicopters are already in the country.

Another B-727-100C, a Dash-185C, arrives at year's end and begins servicing the carrier's long-term contract with **UPS (United Parcel Service)**.

The 625-employee carrier enjoys a 7.9% increase in FTKs during the year to 586.03 million. Revenues total \$126.21 million and qualify the carrier to move from the category of cargo carrier or large regional to national status. Expenses are \$108.5 million and the operating profit is \$17.7 million. Net gain reaches \$8.01 million.

Airline employment grows by 10.2% in 1988 to 689 and the fleet now includes 2 DC-8-73Fs, 2 DC-8-63Fs, 1 DC-8-62F, 4 DC-9-32Fs, 2 leased DC-9-33s, 2 DC-9-15Fs, 9 B-727-100s, 3 leased B-727-100s, 2 B-747-273Cs, and 1 leased B-747F, plus helicopters.

Employing DC-8Fs, Evergreen accepts a contract in August from **Qantas Airways (Pty.), Ltd.** to fly freight twice weekly from New York to Sydney via Honolulu, Tokyo (NRT), and Hong Kong. Jumbojet freighters are put on the route on November 22.

Cargo recovers and advances by 22% to 805.1 million FTKs. Revenues ascend a huge 122.3% to \$208.9 million, costs swell 130.04% to \$164.31 million, and the operating profit doubles to \$44.27 million. Net profit jumps to \$19.63 million.

While en route from Salt Lake City on February 9, 1989, a DC-9-32F with two crew experiences cabin pressurization difficulties. When the

captain goes aft to find the problem, he becomes tangled in a cargo net, losing access to his portable oxygen system. He is eventually found by the copilot, who declares an emergency and lands at Lubbock, Texas. The captain is rushed to hospital, but is dead on arrival.

Just after takeoff from Carswell AFB, Texas, on a service to Tinker AFB, Oklahoma, on March 18, the two-man crew of Flight 4U17, a DC-9-33RC, suffers the in-flight opening of an improperly latched cargo door. The pilot attempts to return the freighter to its point of origin, but while turning into its final approach, the aircraft rolls and crashes near Saginaw, Texas; there are no survivors.

Also in March, Evergreen is unable to win the U.S. Postal Service contract again, and in April the prize is awarded to **Emery Worldwide**. As the result of advance knowledge and planning, the one-time supplemental air carrier is able to shift its emphasis to wide-body cargo operations and to minimize financial loss when its previous \$90-million USPS contract is cancelled in July. Still, the workforce is cut 12.9% to 600, due largely to the USPS cancellation.

Additional Boeing 747s are ordered during the year, including a leased B-747F that now enters service on the **Air India, Ltd.** contract.

A B-727-185C is sent to Spain during the summer to operate all-cargo replacement services around that country and to Palma de Mallorca on behalf of the cargo division of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

Two DC-9-10Fs are put up for sale and four others join seven B-727-100s in storage. Cargo tonnage declines by 10.8% to 596.84 million. Despite the postal setback, overall revenues advance by 32.81% to \$211.33 million. Expenses increase 56.88% to \$186.83 million and cause the operating profit to fall to \$24.49 million. Net profit declines almost four fifths to \$4.23 million.

A B-747F transports the concert equipment of Paul McCartney from Manchester to Detroit in January 1990.

Also during the first quarter, two L-188CFs are sold to **Channel Express Air Services, Ltd.**

By April, the 600-employee airline owns or has purchased 18 Boeing 747s, including 2 B-747-100Fs in operation, 3 in conversion, 1 in storage, and 2 not delivered. There are also 2 B-747-273Cs in operation, 1 not yet delivered, and 2 on dry lease (together with 5 unconverted B-747-100s) to **Pan American World Airways (1)** (3 are actually purchased from Pan Am and then leased back). The **Evergreen Helicopters** fleet includes 10 Bell 212s, 5 Bell 205s, 8 Bell 206L-1 LongRangers, 7 Aerospatiale Lamas, 7 Alouette IIIs, the 12 MD-500D/Es in Africa, 2 MBH BO-105s, 5 Hiller 12-Es, and 1 Sikorsky S-64 Skycrane.

On behalf of the rotary-wing division, the Evergreen Aircraft Sales and Leasing Co. (EASL) purchases 10 Bell 206B-3 LongRangers and 2 McDonnell Douglas MD-520Ns. The company now has an average of 25 helicopters (including 2 twins) active in offshore support roles. These are operated by 45 pilots and serviced by 35 mechanics.

The company's two DC-8-73s maintain a long-standing contract with the MAC to provide twice-weekly flights to Europe and weekly service to Asia. A marketing alliance is signed with the Italian flag carrier **Alitalia, S.p.A.** and three B-727-100CFs are now wet-leased to **Cargosur, S.A.**, the **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** subsidiary, to provide freighter services from a base at Madrid. They join the B-727-185CF sent to Spain the previous year.

Meanwhile, with part-time flight attendants, the two operational DC-9-33s are used for domestic passenger charters, including a contract to transport the NBA's Portland Trailblazers basketball team.

In May, the world's second-oldest flying DC-3, which began life with **United Air Lines** as the *Mainliner Reno* in 1936, is purchased at auction from Larry Ray of Arizona.

In June, company aircraft transport Muslim pilgrims from Algeria to Jeddah, where they make the Hadj trek by bus to Mecca. In early July, the travelers are returned to their homeland. On August 2, Iraq invades Kuwait and drives fuel prices significantly higher.

A total of 18,000 passengers are flown on charter during the year and cargo declines a whopping 59.1% to 270.33 million FTKs. Revenues in-

crease 2.97% to \$217.6 million, costs jump 4.36% to \$194.98 million, and operating income slides to \$22.62 million. Net profit also declines, to \$3.11 million.

The fleet in 1991 includes 2 DC-8-73Fs, 1 DC-8-62F, 2 DC-9-15Fs, 6 DC-9-30s, 11 B-727-100s, and 8 B-747s. Orders are outstanding for 2 MD-80s.

On January 27, a Bell 206L LongRanger goes down in the Gulf of Mexico in bad weather (three dead).

In cooperation with **Aeroflot Soviet Airlines**, B-747F flights commence in July from Hong Kong to Anchorage via Khabarovsk. The U.S.S.R. destination in the Far East is a technical and fuel stop.

The Jumbojets leased to **Pan American World Airways (1)** are returned upon the major's December collapse.

Largely as a result of troop flights to the Persian Gulf in support of Operation Desert Storm, passenger boardings skyrocket 94.4% to 35,000. Freight traffic also recovers, jumping 47.2% to 455.31 million FTKs.

Company employment stands at 600 in 1992 as the 10 new Bell 206B-3 LongRangers join the helicopter division.

In March, **British Air Ferries, Ltd.** joins with the American carrier **Evergreen International Airlines** to form the British registered all-cargo Evergreen International Europe, Ltd. Based at Southend Airport, the company begins freight charter and contract service flights to European, African, and Mideast destinations with a Boeing 747-200F provided by the American partner.

Following a May incident in which a B-747F, with its autopilot engaged, unaccountably engages in a steep, uncommanded roll, the NTSB recommends a review of Jumbojet autopilot systems.

Freight traffic declines 26.5% to 334.85 million FTKs. Still, profits are earned: \$40.68 million (operating) and \$3.48 million (net).

Chairman Ronald A. Lane's fleet is increased in 1993 by the addition of one DC-8-73F and one DC-9-15F.

Plans continue to be made for the 1996 opening of the Evergreen Air Venture Museum at McMinneville. On March 1, Howard Hughes' "Spruce Goose" flying boat arrives from Long Beach at the carrier's nearby private airfield.

Shortly after takeoff from Anchorage on March 31, Flight 46E, a B-747F with a three-person crew, encounters extreme air turbulence that damages the Jumbojet severely, including wing damage and even an engine separation. The cockpit crew is able to return and safely land the aircraft, with assistance from a pair of USAF F-15Es from the 54th Fighter Squadron stationed at Elmendorf AFB.

Evergreen Helicopter's West African spraying contract is renewed by the World Health Organization during the spring.

Despite the fact that it is no longer the prime contract for the U.S. Postal Service flight operation out of Indianapolis, the company, through its Evergreen Aviation Ground Logistics subsidiary, is awarded the postal agency's TNET contract. Under its terms, Evergreen becomes responsible, as of May 10, for all of the aircraft loading, unloading, maintenance, mail sorting, and general operation on the ground at the Indiana hub.

In September, the carrier files a complaint with the U.S. DOT charging that **Air China International Corporation** and **China Eastern Airlines Company, Ltd.** had threatened its Chinese customers with retaliatory actions if they shipped with the American freighter rather than them. Following an investigation, the DOT, in October, terminates the all-cargo rights of the two Chinese airlines to the U.S.

A total of 14,000 charter passengers are flown and cargo increases by 44.2% to 484.73 million FTKs. Revenues decline 6% to \$312.6 million and expenses grow 0.4% to \$293.02 million. Consequently, the operating profit is \$19.57 million. The previous year's net gain becomes a net loss of \$8.11 million.

Airline employment stands at 2,530 in 1994.

During the first quarter, the company loses its cargo contract with **Japan Air Lines Company, Ltd. (2)**, which has elected to begin its own cargo operation. Consequently, Evergreen must ground 5 B-747Fs and

begins to downsize its workforce, cutting over 100 associated flight and ground crew positions.

The harrowing flying feat over Anchorage the previous March earns the Jumbojet's crew the Airmanship Award in April from The Order of Daedalians, a national fraternity of commissioned military pilots. Unhappily, in the year since, two of the three heroes have been laid off and the third, the captain, Laurence Branstetter, is demoted to first-officer status.

During the summer, it is decided that the former **United Air Lines** DC-3 *Mainliner Reno*, the highest flying time DC-3 in the world, is no longer required and it is placed up for sale at \$310,000.

Four weekly eastbound flights per week are started eastward from Fairbanks in October and November, one each to Shanghai and Beijing and two to Hong Kong.

The B-727-185CF on duty in Spain is returned in December and sold to **UPS (United Parcel Service)**.

Customer bookings total 27,000 and freight traffic surges 11.4% to 539.98 million FTKs. Revenues decline 14.4% to \$267.7 million and, although expenses decline by 7.4%, costs still reach \$271.34 million. There is a \$3.64-million operating loss and a huge \$23.49-million net loss.

There is no change in the workforce during **1995**.

On March 1, the company agrees to transfer its China rights to **Federal Express**, including its routes to Beijing and Shanghai, along with two B-747-121Fs that FedEx will operate under lease.

Between December 22 and 25, EIA becomes the first airline to circle the world with a B-747 navigating completely by global positioning system (GPS), flying from New York (JFK). The Jumbojet is equipped with three Trimble TNL-8100 GPS receivers.

Enplanements increase 92.6% to 52,000 and freight rises 9.7% to 592.13 million FTKs. Costs exceed income and there are losses: \$4.46 million (operating) and \$10.81 million (net).

The airline population numbers 450 in **1996**.

CAAC (The General Administration of Civil Aviation of China) during the last week of January grants final approval for the **Federal Express** takeover of Evergreen's routes into China.

Evergreen abandons the passenger business to concentrate solely on cargo.

During the year, both the airline and Evergreen helicopters are given World Wide Web sites.

A total of 658.82 million FTKs are operated, an 11.3% increase. Operating income declines 3.1% to \$213.02 million while expenses fall 13.6% to \$193.86 million. The operating loss is turned into a \$19.16-million gain, but a larger \$11.4-million net loss is suffered.

The employee population grows 9.1% in **1997** to 454.

During the spring, Taiwan and the U.S. enter into a new "open skies" bilateral air agreement. The pact will allow the establishment of several new alliances and introduction of new services.

Boeing and the NTSB contract with Evergreen in June for a series of tests designed to better understand the loads and conditions that may have led to the TWA Flight 800 tragedy. Also during the month, a \$400-million financial package is arranged with Chase Manhattan Bank. In addition to \$370 million in term loans, the deal, which replaces the carrier's existing secured debt, provides for a \$30-million revolving credit facility.

Between July 14 and 19, a company B-747-121 conducts nine test flights from New York (JFK).

While transporting three FAA technicians to a radio relay installation site atop Kemuk Mountain, 42 nm. N of Dillingham, Alaska, on August 20, a Bell 206B JetRanger crashes into the steep terrain. The pilot is killed and all three technicians are injured, one seriously. Weather prevents rescue of the survivors until the next day.

A total of 980.93 million FTKs are operated this year, a significant 46.7% increase over the previous year. Operating revenues jump 20% to \$255.53 million, while expenses climb 15.3% to \$223.5 million. The previous year's operating gain increases to \$32.03 million while the net loss becomes a net profit of \$21.2 million.

Flights continue in **1998**. The fleet this year includes 8 B-747-100Fs, 4 B-747-200CFs, 2 DC-9-15Fs, and 6 DC-9-30Fs.

When two British soldiers are injured and stranded at the 19,000-ft. level of Alaska's Mt. McKinley in July, an Evergreen Helicopters Aerospatiale Lama, piloted by James Hood, undertakes their rescue. After establishing a base company at the 14,000-ft. level, the mission is accomplished using a U.S. Army CH-47 as a refueling ship.

Freight traffic increases 30.43% during the 12 months to 1,272,967,000 FTKs. Revenues jump 10.9% to \$283.43 million, while expenses climb 11% to \$248.18 million. The operating profit rises to \$35.24 million, while the net gain of the previous year once again becomes a net loss, \$3.69 million.

On April 14, **1999**, Evergreen announces that it has leased two B-747-212BFs with which to increase its domestic business. One aircraft will serve companies in southern California through Los Angeles. The other will serve companies in the southeast U.S. and Puerto Rico, being routed through Raleigh, North Carolina, and San Juan.

While en route on December 5 from Platform 89, located in the Ship Shoal 225 area of the Gulf of Mexico, to another platform located in the Ship Shoal 222 area, a Bell 206L LongRanger loses engine power and lands hard on the surface of the sea. The badly injured pilot, who is shortly thereafter rescued, is able to scramble into a life raft before his helicopter sinks.

Also during the fourth quarter, **Qantas Airways (Pty.), Ltd.** wet-leases two weekly B-747-212BF flights from Evergreen International in response to a new U.S.-South Pacific cargo partnership between **Air New Zealand, Ltd.** and **Polar Air Cargo**. The Evergreen arrangement replaces a wet-lease the U.S. cargo carrier has had with **Air New Zealand, Ltd.** and will make money on the outbound leg to Hong Kong that can now be routed via Australia and New Zealand. The new Qantas return services, with blocked-space sold to **BAX Global** from Ohio west, depart New York (JFK) twice weekly and fly to Hong Kong via Toledo, Chicago (ORD), Los Angeles (LAX), and the South Pacific.

Cargo traffic falls 9% to 1.15 billion FTKs. Revenues accelerate 30.5% to \$369.86 million, while expenses are up 26.7% to \$314.36 million. The operating profit grows to \$55.5 million, while the previous year's net loss becomes an \$11.89 million.

Airline employment at the beginning of **2000** stands at 594, a 15.6% increase over the previous 12 months. The company continues to also operate 2 DC-9-15Fs and 5 DC-9-33Fs. At the start of the year, the company chooses Greeneville, Tennessee-based Forward Air to provide exclusive trucking services between its terminals at Los Angeles and San Francisco.

In order to allow owner/founder Del Smith to focus on long-term planning, President/CEO Timothy Wahlberg, a 31-year company veteran, is named chairman in February. Wahlberg is succeeded by Joseph O'Gorman, former chairman/CEO of **Reno Air**.

Scheduled twice-weekly B-747F return freighter service is inaugurated on April 12 from Columbus to Singapore. Following the May 1 bankruptcy of **Kitty Hawk Air Cargo** and the shut down of **Kitty Hawk International Airways**, Evergreen picks up some of the U.S. Postal Service contracts that the latter is unable to fly.

June 3 sees the start of a weekly three-day all-cargo service, operated under contract to **Qantas Airways (Pty.), Ltd.**, from New York (JFK) to Sydney. The Evergreen B-747-212F departs the Big Apple on Monday and reaches Australia on Monday, having operated via Chicago (ORD), San Francisco, Honolulu, and Nadi. The SFO stop is made possible when the American operator agrees to reroute one of its own five weekly South Pacific freighter flights.

The Columbus to Singapore B-747F route is boosted to thrice weekly on June 15.

This year, the fire season is the worst in U.S. West since 1994, with over 67,000 fires consuming in excess of 5 million acres in Washington, Oregon, California, Idaho, New Mexico, and Montana by midsummer.

Spectacular fires first grasp the attention of world viewers in May and June when television networks picture the huge fires rampaging through

New Mexico, including the Los Alamos area where a nuclear facility is located. The Cerro Grande fire consumes over 47,650 acres of federal forest and wildlands in the Bandelier National Monument, while the stubborn Viveash fire in Santa Fe National Forest burns over 30,000 acres. Evergreen is one of 10 civil helicopter operators assigning assets to the blazes; through June, the company's Bell 212 has helped to contain all but the Viveash blaze.

In September, Vice Chairman Ronald Lane is lured away to become chief marketing officer for rival **Polar Air Cargo**.

In a nonoperational event loaded with nostalgia, the Hughes Spruce Goose aircraft is moved into a purpose built facility at the Evergreen Aviation Museum at McMinnville in November. In December, Anthony Bauckham is named executive vice president.

EVERGREEN INTERNATIONAL EUROPE, LTD. See **BRITISH AIR FERRIES, LTD.**; **EVERGREEN INTERNATIONAL AIRLINES**

EVERTS AIR FUEL: P.O. Box 60908, 6348 Old Airport Road, Fairbanks, Alaska 99706, United States; Phone (907) 474-0802; Fax (907) 479-3826; Year Founded 1980. Clifford R. Everts forms this all-cargo carrier at Fairbanks in 1980 to specialize in the transport of bulk fuel throughout Alaska and western Canada with Curtiss C-46A Commandos and Douglas DC-6As. Operations continue apace over the next 18 years, largely without publicized accidents. There is one, however, in 1992. Just after landing at Selawik on a March 3 on a service from Fairbanks, a DC-6BF with three crew overruns the runway, loses its landing gear, and ends up on a frozen river; although the aircraft is damaged beyond repair, there are no fatalities.

By 2000, the workforce of the founder/president and his vice president, Robert W. Everts, totals 44 and the fleet includes 4 DC-6As, 4 Commandos, and 1 ex-USAF Fairchild C-119.

Just after loading 450 gallons of aviation fuel into its primary tank of a company C-46A at Kenai on August 31 of the millennium year, the tank springs a leak and begins spilling avgas around the aircraft. The spill is quickly contained by the fueling crew, airport fire services, and Kenai Airport Fuel Services employees.

A Convair CV-131 is acquired in late October.

While en route back to Kenai via Lake Clark Pass from a December 21 fuel delivery to Nondalton, the same Commando involved in the August fuel spill incident diverts to a southern route to avoid bad weather. The aircraft crashes at the 2,800-ft. level of a peak on a steep ridgeline about 10 mi. SE of Redoubt Volcano, near Cook Inlet. The wreckage is found the next day; both crew members are killed.

EXACO (EXPRESO AEREO COSTARRICENSES, S.A.): Costa Rica (1951–1980). Dr. Francisco Vanolli forms a small air taxi operation at Limon in 1951. This company is taken over by a larger road and air transport firm in 1956; specializing in air cargo, the carrier's two Curtiss C-46 Commandos and lone Beech 18 begin flying to destinations throughout the nation.

During the 1960s and 1970s, the operation is expanded throughout the region; passengers are carried in a fleet that comes to additionally comprise a DC-3 and a pair of DC-6s. The marketing name **LADC (Lineas Aereas del Caribe, Ltd.)** is employed until Exaco fails in 1980.

EXCALIBUR AIRWAYS, LTD.: United Kingdom (1991–1996). Following the collapse of **Trans-European Airways, Ltd.**, in 1991, a new leisure charter carrier, Excalibur, Ltd., is formed in December from the assets its successful British subsidiary, **Trans European Airways U.K., Ltd.**, by its five senior managers, Bob O'Donnell, Capt. Harry Apiafi, Trevor Jackson, Steve Jones, and John Williams. Shareholding in a new airline holding company, Excalibur Travel, Ltd. (of which the airline is principal subsidiary), is divided between them (40%), **Air Malta, Ltd.** (30%), and the investment group 3i (30%). O'Donnell, a former **Orion Airways, Ltd.** executive, is appointed managing director and he recruits a workforce of 180.

In January 1992, O'Donnell leases a fleet of three Airbus Industrie A320-202s from GPA Group, signing a contract with **British Airways, Ltd. (2)** for their maintenance. Based at East Midlands Airport, the company's planes are positioned at London (LGW) and Manchester and inaugurate revenue flights to Tenerife on May 1. Flights are soon made to other Mediterranean, Middle East, and North African holiday destinations. Enplanements total 330,000 and revenues are £25 million (\$32.2 million).

Passenger bookings double to 650,000 in 1993 as a fourth A320-202 joins the fleet. Customer bookings total 623,475 and revenues reach \$65 million.

Airline employment stands at 220 in 1994 and, during the summer, service is inaugurated from East Midlands Airport. Charter destinations now also include destinations as far afield as Luxor in Egypt, Eilat, Israel, and Mombasa and upwards of 50 tour operators provide business. Passenger boardings jump 19.5% to 765,000 and revenues advance 18.5% to \$80 million. Although an operating profit of \$1.52 million is earned, there is a \$4.74-million net loss.

Ten new employees are hired in 1995 and the fleet now includes 4 leased A320-212s and 2 Douglas DC-10-30s.

The U.K.'s largest remaining independent charter operator loses its struggle to stand alone when, on November 22, it is taken over and purchased by the Scottish tour operator Globespan. The DC-10-30s are now operated five times a week between Manchester and Orlando.

There is no change in the workforce or fleet at the start of 1996. Measures that the CAA will confirm as appropriate and correct will cause much adverse publicity and significant booking cancellations.

On June 8, 91 passengers refuse to board a Manchester-bound DC-10-30 at Atlanta after smoke begins coming from the plane. The pilot reports that oil has seeped into air-conditioning ducts during servicing and orders the plane taken out of service until it can be put right.

Flight 98, due to depart from Manchester for Orlando on June 23, is delayed over 12 hours due to mechanical problems. Once these are resolved and the plane is on its takeoff roll, the pilot has cause to slam on the breaks to abort departure. Almost 350 passengers are temporarily stranded in Manchester on June 24 after some refuse to board the rescheduled Flight 98 to Orlando. Another 91 are stranded in Orlando.

Excalibur ceases operations on June 26, stranding an estimated 1,000 Britons in Florida and Los Angeles. Liberty World Travel, which has booked the charters, is held responsible for finding alternative flights back to the U.K. Through the year's first 6 months, 93,000 passengers are transported. The company is liquidated in late summer.

EXCEL AIRWAYS, LTD. See **SABRE AIRWAYS, LTD.**

EXCELAIRE SERVICES: 200 Hering Drive, L.I. MacArthur Airport, Ronkonkoma, New York 11779, United States; Phone (516) 737-0477 Fax (516) 737-0354; <http://www.guides.com/acg/excelair>; <http://www.island-metro.com/trade/mustsee/excel.htm>; Year Founded 1993. An FBO established at Long Island's MacArthur Airport in 1993, Exelaire also undertakes a full range of worldwide executive and small group passenger charters.

By 2000, the company employs 12 pilots and operates 4 Grumman G-1159 Gulfstreams and 1 each Dassault Falcon 900B and IAI Westwind I. It also flies a single Cessna 525 Citation I from Republic Airport at Farmingdale, New York.

EXCELLAIR: United States (1983–1984). Riverton, Wyoming-based **Air U.S.** is reformed on January 15, 1983 and renamed after **USAir** purchases rights to the previous name. Service to Worland, Wyoming, and Billings, Montana, are suspended. During the spring, the carrier's two Handley Page Jetstream 37s and two Grumman Gulfstream G1-C turboprops undertake new frequencies to Denver, Amarillo, and Vernal, Utah, while maintaining the Wyoming city network of Casper, Cody, Gillette, Riverton, Rock Springs, and Sheridan. Customer bookings accelerate 23.7% to 60,000.

The financial situation, which has been difficult for several years, does not improve and when joint plans for the company's purchase by **ITR Airlines** fail early in **1984**, Excellair stops flying in May and files for bankruptcy, from which it does not emerge. Several of its routes are taken over by **Frontier Commuter**.

EXCLUSIVE AIR CHARTER (PTY.), LTD.: South Africa (1986–1994). Kenneth Geldenhuis forms Exclusive Air Charter in **1986** to provide missionary-type charters throughout the northern part of South Africa. In time, both scheduled and nonscheduled charter licenses are obtained and flights are provided with a pair of Cessna 404 Titans and, in the early **1990s**, a Beech Super King Air 200.

In **1994**, the scheduled licenses are sold to Phoenix Airways, while Gary van der Merwe of Million Air Aviation purchases a 50% stake in Exclusive. The company is then transferred to the Million Air groups facility at Lanseria Airport and is renamed **Million Air Charter (Pty.), Ltd.**

EXEC EXPRESS I: United States (1985–1988). Exec Express is established by former Occidental Petroleum Company pilot Philip H. Trenary and Gary Varnell at Stillwater, Oklahoma, on February 25, **1985** to provide scheduled passenger and cargo flights via an Essential Air Services (EAS) contract. At the same time, Aviation Educational Services, a Part 141 school, is established in cooperation with Oklahoma State University to provide flight and classroom training. The fleet comprises 4 Piper PA-31-310 Navajos, 2 T-1020s, and 1 Dornier 228-200 and is employed, in June, to inaugurate daily revenue services to Tulsa, Enid, Ponca City, and McAlester.

Enplanements for the year total 5,912.

Beginning in January **1986**, additional EAS contracts are obtained and the airline commences an 18-month program of expansion into Texas, Arkansas, Missouri, and Tennessee, setting up hubs at Dallas (DFW) and Memphis during the process.

Passenger boardings accelerate 37.1% to 9,399 and cargo climbs 28.7% to 2,000 pounds.

The fleet in **1987** grows to include 11 Navajos and 4 leased Dorniers.

In November, the owner's interest in Aviation Education Services is sold and the airline is transferred to a new hub at Fort Worth's Meacham Airport, from which services are relaunched. The undercapitalized move, headquartered next to the downtown rodeo arena, is not successful and is financially draining.

In the spring of **1988**, Exec Express I is forced to declare Chapter XI bankruptcy because of the Fort Worth gambit and to return the Dorniers to their manufacturer. The Navajos, however, briefly continue to provide EAS services in Texas, Oklahoma, and Arkansas, with the final flight being completed on April 13.

EXEC EXPRESS II: United States (1988–1991). Philip H. Trenary reforms the failed third-level commuter **Exec Express I** at Fort Worth, Texas, in April **1988** to resume scheduled Essential Air Services (EAS) passenger frequencies to Dallas, Stillwater, Enid, Ponca City, and Brownwood. Flights commence on April 27 with a fleet of 6 Piper PA-31-350 Navajo Chieftains and 5 T-1020s. During the year, the fleet is altered to include 9 Chieftains, 3 T-1020s, and 1 Beech 99.

A total of 28,786 passengers are flown, but the economic return is so bad that the carrier enters Chapter XI bankruptcy in early **1989**.

After reforming its route network, Exec Express II emerges from Chapter XI early in **1990**. President Trenary adds four Beech 99s as his carrier inaugurates EAS flights from Mountain Home, Arkansas, to St. Louis and from Dallas (DFW) to Enid and Ponce, Oklahoma. The route network now includes 16 destinations in 6 states, many of which are unwritten by the DOT under the Essential Air Services program. Passenger boardings accelerate 36.9% to 39,397.

The Beech 99 and 1900 are replaced in **1991** by four more Metro IIIs. An agreement in principle is reached for company takeover by Texas-based **Conquest Airlines**. In June, the company is renamed **Lone Star Airlines**.

For the year as a whole under both names, passenger boardings advance 23.6% to 48,681. Revenues total \$7.82 million and expenses are \$9.23 million, leaving a net loss of \$1.41 million.

EXECAIR (PTY.), LTD.: Australia (1991). Execair (Pty.), Ltd. is established at Perth in early **1991** to provide scheduled flights to Kalgoorlie. Revenue services commence with a single Piper PA-31-310 Navajo in February, but the tiny regional is unable to achieve the traffic necessary to sustain operations. The doors are closed in August.

EXECAIRE, INC.: 10225 Ryan Ave., Dorval, Quebec H9P 1A2, Canada; Phone (514) 636-7070; Fax (514) 636-8520; http://www.execaire.com; Year Founded 1964. Execaire is established as an FBO at Montreal Airport (YUL) in **1964** and over the next 26 years develops into the largest management and executive charter firm in Canada. During this period, the company expands physically, opening offices and departments at Toronto and Vancouver, while also serving as the Canadian authorized sales representative for Cessna Aircraft Company's Citation series of bizjets.

A charter division is established at Mississauga Airport in **1978** to operate business and small group charters on behalf of leading North American corporations. As the nonscheduled operation grows, it employs a full complement of pilots, reservations personnel, dispatchers, and flight attendants. A total of C\$20 million is invested in facilities, equipment, training, and technology.

In **1990**, Execaire becomes a subsidiary of Halifax-based IMP Group, Ltd. IMP is divided into four core groups that include a diverse number of businesses ranging from Can-Med Surgical Supplies (commercial group) to Holiday Inn Select Halifax (corporate group). Execaire is placed in the aviation group.

By the end of the **1990s**, the fleet includes 1 British Aerospace BAe (HS) 125 Hawkers, 3 Canadair 601 Challengers, 1 Cessna 550 Citation II, 1 Learjet 35, and 1 Learjet 55 Longhorn. Another Longhorn and a Challenger are also flown from the Toronto base as part of **Air 500, Ltd.**

More than 70 million miles are logged in over 180,000 accident-free flights over 82 million miles in 22 years of corporate flying.

Meanwhile, the original FBO has evolved into a full-scale repair station, specializing in avionics repair and aircraft overhaul. It will provide important support for the new IMP Group Corporate division scheduled airline **CanJet Airlines, Ltd.**, formed in the spring of **2000**.

EXECJET CHARTER & MANAGEMENT CORPORATION: 115-A Airport Road, Noonan, Georgia 30263, United States; Phone (770) 936-8383; Fax (770) 254-9058; Year Founded 1989. This independent aviation concern is established in **1989** to provide executive and small group passenger charters and all-cargo freight and express flights. By **2000**, the company employs 8 pilots and bases 2 Cessna 208 Caravan I freighters plus 1 each Learjet 25, Beech King Air 90, and Piper PA-31-310 Navajo at Atlanta's DeKalb-Peachtree Airport.

EXECAIR: United States (1972–1979). Execair is formed at Richland, Washington, in **1972** to offer scheduled commuter flights to various destinations in the state, including Seattle. Operations continue apace in **1973–1974** with a fleet of 3 Piper PA-31-310 Navajos. By **1975**, enplanements are 18,040.

Airline employment doubles in **1976** to 58. The fleet is increased by the addition of two PA-31-350 Navajo Chieftains and a Learjet 24 is acquired for executive charter work. Scheduled service is inaugurated to Pasco in August. Passenger boardings skyrocket 66% to 53,058 while freight traffic is up by 50% to 3.12 million FTKs.

During **1977**, the Richmond base is improved by the completion of new offices, a hangar, and maintenance facilities. Overextended, the carrier is unable to survive the oil crisis of **1979**.

EXECUJET AUSTRALIA (PTY.), LTD.: Hangar 394, Ross Smith Ave., Mascot Airport, Sydney, New South Wales, 2020, Australia;

Phone 61 96930800; Year Founded 1983. Execujet is established at Sydney in 1983 to provide executive and small group charter services around the country. By 2000, Charter Manager Lionel Roser oversees the work of 7 full-time pilots and operates 2 Beech 400A Beechjets, 1 each Cessna CE-500 Citation I, CE-550 Citation II, and CE-560 Citation V, plus 1 each Dassault Falcon 200, British Aerospace (Hawker) HS-125-800, Israel Aircraft Industries IAI-1124 Westwind 1, and Learjet LR-35A Century III.

EXECUTIVE AEROSPACE OPERATIONS (PTY.), LTD.: P.O. Louis Botha Airport, Durban, 4029, South Africa; Phone 27 (31) 469-0774; Fax 27 (31) 427-810; <http://www.aerospace.co.za>; Year Founded 1984. Keith Roseveare establishes this operation at Durban International Airport in January 1984 to offer charter and contract service flights, particularly city-to-city flights for executives. Managing Director Roseveare and three other employees commence revenue services the same month, employing a single Beech 58 Baron.

Flights continue over the next decade, during which time the company is expanded into a privately owned group of companies, which also comprise a management concern, aircraft maintenance operation, and asset owning company. From the 1 Beech B-58 Baron, the fleet is increased to include 6 Beech King Air 200s and 2 Shorts SC-7 Skyvans.

During 1993, a joint venture is established with a Nairobi-based operation that permits access to East and Central Africa under contract to humanitarian organizations. In late 1994, two of the King Air 200s have been withdrawn in favor of a third Skyvan, which arrives in early the following year.

During 1995, founder Roseveare becomes chairman. Orders are placed by new Managing Director Cecil M. Francis for two (later three) British Aerospace BAe (HS) 748-B2s, which will operate from both Durban and Johannesburg.

The British-built turboprops enter service in 1996–1998 and allow the inauguration of replacement frequencies on behalf of other South African scheduled airlines. In addition, Executive Aerospace, in late 1997–1998, operates 600 hours of HS-748 flood relief flights on behalf of the UN and the International Red Cross.

Flights continue in 1999–2000. Employment rises to 65, 2 more BAe (HS) 748-B2s join the fleet, and annual turnover reaches R30 million.

EXECUTIVE AIR CHARTER: United States (1979–1992). Executive Air Lines is established by Joaquin Bolivar at San Juan, Puerto Rico, in 1979 to operate both as a Part 135 charter carrier and as Latin American distributor of the Ted Smith Aerostar. Having acquired an Aerostar, a Cessna 402, a de Havilland DH 114 Heron, and a Mitsubishi Mu-2, EAL, with the Heron, flies its first charter to Mayaguez.

During the remainder of the year and into the next decade, the Bolivar enterprise undertakes nonscheduled flights throughout the Caribbean, Miami, and coastal cities in the southern U.S. and in northern South America.

When, in the early 1980s, Piper Aircraft acquires Ted Smith, it cancels Bolivar's Caribbean distributorship. Bolivar now enhances his charter business, renamed it Executive Air Charter, and becomes a consultant to CASA USA. Seeking to begin scheduled operations, former Prinair (Puerto Rico International Airlines) official Jose Facundo is hired as president.

Employing an ex-Prinair (Puerto Rico International Airlines) de Havilland DH 114 Heron, Bolivar and Facundo undertake a route proving flight from San Juan to Mayaguez in July 1985. Shortly thereafter, EAC receives authority to serve St. Thomas and St. Croix, in the U.S. Virgin Islands, and a subsidy to provide Essential Air Service (EAS) to Ponce, Puerto Rico.

At the beginning of 1986, the fleet comprises two CASA C-212 Aviocars and two de Havilland DH 114 Herons.

In January, Bolivar approaches American Airlines and nine months of negotiations result in his company becoming a member of the American Eagle commuter network. In just 90 days from the date of its ap-

plication, Executive becomes a combined Part 121 and Part 135 carrier on March 31 and on September 1, Bolivar's enterprise is officially named an American Eagle carrier. The first American Eagle feeder flight occurs two weeks later.

Four Avions de Transport Regional ATR42-300s are provided and, beginning in December, destinations served on behalf of the major include Ponce, Mayaguez, St. Thomas, St. Croix, Tortola, Virgin Gorda, St. Martin, St. Kitts, Antigua, Guadeloupe, and Martinique. During the year, both as an independent and an American Eagle airline, Executive transports a total of 150,000 passengers.

Since the previous September, the workforce is increased from 20 to 100-plus and the fleet is increased in 1987 by the addition of 9 Aviocars; the Herons are withdrawn.

While on final approach to Mayaguez after a service from San Juan on May 8, American Eagle Flight 5452, a CASA C-212-200 Aviocar with two crew and four passengers loses control and lands 643 ft. short of the runway. The turboprop plunges another 100 ft. through a chain-link fence and into a ditch (two dead).

Frequencies commence in July from San Juan to the Dominican Republic cities of Santo Domingo and Puerto Plata while, in September, nonstops begin from Mayaguez to Santo Domingo and twice-daily American Eagle flights are initiated from San Juan to the island of Anguilla. Casa de Campo and La Romana in the Dominican Republic joins the route network in November.

In December, daily service is initiated from St. Thomas to St. Martin and St. Kitts; flights out of San Juan are significantly expanded—16 daily to St. Thomas, 12 daily to St. Croix, and three daily to St. Kitts.

Passenger boardings double to 398,786, pushing the airline into the ranks of large regionals.

An 11th Aviocar arrives in early 1988 and the employee population now numbers 250. During the first quarter, Executive undertakes 107 daily departures, including 62 from San Juan. A monthly enplanement record is broken in March when 50,000 passengers are boarded.

By fall, EAC has the largest route network out of San Juan. Points visited include Santo Domingo, La Romana, Puerto Plata, Mayaguez, St. Thomas, St. Croix, Tortola, Virgin Gorda, St. Martin, St. Kitts, Antigua, Guadeloupe, and Martinique.

Customer bookings for the year increase by 58.8% to 577,241, largely at the expense of Crown Air. Profits are generated: \$3.12 million (operating) and \$1.65 million (net).

Airline employment is increased by 26.7% in 1989 to 408 and the fleet now includes 5 ATR42-300s and 10 Aviocars. Competing Crown Air is driven out of business in March. With Hurricane Hugo approaching its base on September 17, company officials are able to save their fleet by cancelling all services and transferring the 15 aircraft to the Dutch Antilles.

Customer bookings rise 27.7% to 722,769 and revenues swell 36.6% to \$38.7 million. Expenses climb only 34% to \$33.83 million and leave an operating profit of \$4.84 million. Net gain ascends to \$1.93 million. On December 31, the American Eagle partner becomes an AMR Eagle subsidiary and is renamed Executive Airlines (3).

EXECUTIVE AIR CHARTER OF NEW ORLEANS: Lakefront Airport, New Orleans, Louisiana 70124, United States; Phone (504) 246-6543; Fax (504) 488-4070; <http://www.execheech.com>; Year Founded 1990. EAC is established at Lakefront Airport in 1990 to provide executive and small group passenger charters throughout the U.S., Canada, and Mexico. By 2000, the company employs 3 pilots and operates 1 each Learjet 24, North American Sabreliner, and Beech King Air 90.

EXECUTIVE AIR EXPRESS. See GRAND AIRE

EXECUTIVE AIR FLEET. See EAF CHARTER

EXECUTIVE AIR TRANSPORT, LTD. (1): United Kingdom (1960–1972). EAT is formed at Coventry Airport on September 19,

1960; initial share capital is £500. In December, a de Havilland DH 104 Dove 1 is purchased.

The initial executive charter is undertaken from Birmingham to Southend on March 5, 1961, followed by others through the month to such destinations as Exeter, Newcastle, Wolverhampton, Leicester.

A Douglas DC-3 is acquired in April and employed, beginning on April 3, to fly replacement services for **Derby Airways, Ltd.** to Paris, Glasgow, Dublin, Amsterdam, as well as charters to such stops as Rotterdam and Cambridge. The DH 104, together with another Dove leased for a month in July, is employed exclusively on personnel charters. A DH 114 Heron 2 is obtained in December.

The company is allowed to begin operating its own scheduled routes on April 3, 1962, including Birmingham to Leeds and Newcastle. The Newcastle route proves unprofitable and it is given over to **Derby Airways, Ltd.** in August, when the DC-3 is sold. A Heron 1 is purchased in October.

The subsidiary Executive Air Engineering, Ltd. is established in 1963 to overhaul company and other aircraft and to engage in equipment leasing. Although ad hoc charters are flown, the carrier now concentrates on obtaining a fleet of Herons to charter to others.

A Piper PA-23 Aztec is purchased in July 1967 and employed to inaugurate air taxi flights for industrial customers in the Midlands area.

The small operator **Air Gregory (Mid-Fly), Ltd.** is purchased and merged in April 1969, together with its Cessnas, which are exchanged for three Beagle B.121 Pups.

Rather than growth, however, the company faces decline and stops flying in 1971. The parent company fares little better and halts operations on July 28, 1972.

EXECUTIVE AIR TRANSPORT, LTD. (2): Riyadh Airport, Riyadh, 11432, Saudi Arabia; Phone 966 (1) 232-6090; Fax 966 (1) 232-6090; Year Founded 1989. Executive Air Transport, Ltd. is set up at Riyadh in 1989 to offer executive passenger and express charter services throughout the Mideast and Europe.

Flights are interrupted by the Gulf War, but by 1994 Taker Deir is general manager and oversees a workforce that includes 14 full-time and eight part-time pilots. Two Canadair Challenger 601s are based at Zurich, Switzerland, while the company operates another Challenger 601, a Boeing 727-100, a Gulfstream G-1159C Gulfstream IV, a Cessna 560 Citation V, a Dassault Falcon 10, and a Piper PA-31-310 Navajo from other locations.

Service is maintained in 1995–2000.

EXECUTIVE AIRLINE SERVICES, LTD.: 29 Adenlyl Jones Ave., P.O. Box 2051, Ikeja, Lagos, Nigeria; Phone 01 49;6-5802; Fax 01 496-4736; Code EAS; Year Founded 1992. When **EAS Cargo Airlines, Ltd.** is shut down in January 1992, its owners elect to start an executive jet charter service under the name of Executive Airline Services, Ltd. (EAS). On-demand flights with Piper equipment commence to domestic and regional destinations beginning in November 1993.

During the spring of 1996, Capt. Idns Wada and his colleagues set up an airline division and begin marketing scheduled services. A Boeing 727-200 is acquired and frequencies commence on May 12 linking the company's base with Enugu, Kaduna, Kano, Maiduguri, Owem, and Yola. Meanwhile, the executive business is continued with a Beech Super King Air 200.

Flights continue in 1997–2000, during which years the Boeing is replaced with a pair of BAC 111-500s.

EXECUTIVE AIRLINES (1): United States (1967–1973). Joseph C. Whitney, president of **National Executive Flight Service**, reforms his small regional at Boston, Massachusetts, on January 1, 1967 and renames it. Scheduled daily roundtrip passenger services continue to be provided over route networks in New England and Florida. Among the destinations served are Martha's Vineyard, Nantucket, Hyannis, points in Maine and New Hampshire, plus Sarasota, Tampa, and other Florida

communities. During the fall, replacement service for **Northeast Airlines** is inaugurated between Boston and Lebanon and Montpelier.

The small Pittsfield, Massachusetts-based competitor **Yankee Airlines** is purchased in July 1968 and its route to New York is taken over.

The fleet continues to grow during the late 1960s, coming to include Aero Commander 500s, Beech 99s, de Havilland DH 104 Doves, and the company's first de Havilland Canada DHC-6-100 Twin Otter, which Whitney personally ferries down from Toronto. Late in the year, the company is sold to Walter F. Beinecke Jr.; Whitney, however, stays on as president/CEO.

In 1969, the company is one of the largest regionals in the nation and continues to expand its operations north and south.

President Whitney and a number of senior executives depart the airline in 1970 to begin work on the establishment of **Air New England**. The departure of Whitney and company's continuing expansion lead to a financial crisis in 1971 that results in a filing for Chapter XI bankruptcy protection. Although every effort is made to emerge, the company's divisions cease operations all together in July 1973.

EXECUTIVE AIRLINES (2): United States (1976–1977). The second Executive Airlines is set up at Cambridge, Massachusetts, in 1976 to provide scheduled passenger and cargo services from Boston to White Plains, New York. Although Daily Beech 99 roundtrips are duly inaugurated they cannot be maintained beyond 1977.

EXECUTIVE AIRLINES (3): P.O. Box 38082, San Juan, Puerto Rico 00937; United States; Phone (809) 791-8070; Fax (809) 791-5180; Code NA; Year Founded 1989. The San Juan-based large regional **Executive Air Charter**, a three-year veteran of the American Eagle commuter network, becomes an AMR Eagle subsidiary on December 31, 1989 and is renamed. The workforce is reduced by 20.3% in 1990 to 325 and the carrier is the beneficiary of an order for 2 ATR72-202s. The route grows to encompass 16 cities and passenger boardings increase 32.1% to 946,277.

Company employment is cut another 36.3% in 1991 to 207 and the company now operates to 14 destinations with a fleet that includes 2 ATR72-202s, 8 ATR42-320s, and 9 CASA C-212 Aviocars.

Twice-daily CASA roundtrips begin in August from San Juan to Mayaguez and four-times-per-day service commences from San Juan to Tortola, British Virgin Islands. In October, the Aviocars employed on the San Juan to Anguilla, St. Kitts, and Nevis services are replaced by ATR42-320s.

Customer bookings slip 0.2% during the 12 months to 944,162 and revenues total \$71.34 million. Expenses are \$62.9 million and guarantee operating income of \$8.43 million. The net profit is \$4.86 million.

Company employment increases to 778 in 1992.

In a near-repeat of the predecessor airline's 1987 tragedy, a CASA C-212-200 with two crew and three passengers crashes in a nose-down attitude while landing at Mayaguez from San Juan on June 7; there are no survivors.

The remaining Aviocars are returned before their leases expire and are partially replaced by two more ATR72-202s.

Passenger boardings for the year slide 3.4% to 912,000, but freight doubles to 6,000 pounds. Revenues ascend a slight 0.7% to \$71.87 million and expenses climb 4.9% to \$65.97 million. The operating profit is down to \$5.89 million and the net loss is \$2.9 million, due entirely to the \$8.8-million write-off of the CASAs.

The payroll grows by 2.1% in 1993 to 792 and President Thomas Del Valle's fleet grows to include 19 aircraft: 2 ATR72-202s, 7 ATR42-320s, and 10 Shorts 360-320s, the latter replacing the older Aviocars and several ATR72-202s. Additional U.S.-based management personnel are sent to assist in the carrier's growth and marketing.

Customer bookings slip another 0.3% to 908,938 and revenues fall 18.4% to \$59.6 million. Expenses, on the other hand, move upward by 4.6% to \$71.27 million and cause an \$11.63-million operating loss. The net loss deepens to \$9.84 million.

The leased fleet in **1994** includes 12 Shorts 360-300s, including 12 from **Simmons Airlines**; 6 ATR72-202s, including 4 from Simmons; and 7 ATR42-320s, of which only one is chartered.

Schedules to 15 cities from San Juan are maintained, including a new Shorts 360-300 route to Miami inaugurated four times per day late in the year. The new services to Florida will replace those previously offered by **Flagship Airlines**, whose aircraft have been shifted further north.

As the result of the October 31 loss of a **Simmons Airlines'** ATR72-210 near Roselawn, Indiana, the FAA on December 9 places a prohibition on the operation of ATR turboprops, which comprise much of the American Eagle fleet. Fortunately, American Eagle President Robert Martens is meeting at AMR headquarters in Dallas with the presidents of the four confederated regionals and they are quickly able to come up with a plan to reconfigure the combined Eagle fleet around the country.

Sixteen **Simmons Airlines** ATR42-320s are transferred to Miami, while an ATR72-210 is placed with Executive at San Juan. Miami becomes an all-ATR hub when six of Executive's Shorts 360-300s are dispatched to Dallas (DFW) to support Simmons while two others are sent to San Juan.

Passenger boardings recover, rising 40.2% to 1,274,000. Freight skyrockets 200% to 4,000 FTKs.

In June **1995**, frequencies on the San Juan-Miami route are increased to 15 per day.

The company is raised to a National rank by the DOT in late December.

The carrier's 36 aircraft transport a total of 1,546,000 passengers, a 21.4% increase. Freight traffic skyrockets 166.7% to 12,000 FTKs. Expenses exceed income and there are losses; \$7.25 million (operating) and \$10.79 million (net).

The employee population numbers 1,800 in **1996**. Customer bookings slide 2.9% to 1,501,534 and only 4,000 FTKs are operated, a 62.5% plunge. Operating income increases 9.5% to \$132.21 million and costs slip 8% to \$117.72 million. The previous year's losses are turned into profits, a \$14.47-million operating gain and a net profit of \$16.2 million.

The employee population is slashed 19.7% in **1997** to 1,446.

On March 10, a request is made by Montserrat officials for disaster relief in the face of a pending eruption by the Soufriere Hills Volcano. Over the next month, 7,000 lbs. of goods, ranging from powdered milk to cloth diapers, soap, duct tape, and chain saws are collected at Executive's San Juan base.

The four-times-a-week service between San Juan and Port-au-Prince, Haiti, is suspended on March 31. On April 15, the goods collected at San Juan are loaded aboard a company ATR42-320 and flown to Montserrat, where they are met by Governor Frank Savage and other VIPs.

Under terms of the May agreement between the Allied Pilots Association and **American Airlines**, American Eagle pilots will be offered one of every two new-hire positions, but places limits on the stage-length Eagle regional jet pilots may fly (555 nm.). Meanwhile, negotiations between representatives of ALPA and AMR's American Eagle subsidiary are completed and sent to the 1,900 pilots of Executive, **Simmons Airlines**, **Wings West Airlines**, and **Flagship Airlines** for ratification.

American Eagle Flight 5484, an ATR42-320 with 3 crew and 43 passengers en route from San Juan to Puerto Plata on May 28, experiences extreme vibration and begins to lose altitude. The pilot declares an emergency but is able to make his destination, with no injuries reported. The problem has been caused by a faulty wing-to-fuselage center panel.

On June 1, the company begins a four-month aircraft upgrade program. During this time, the last six Shorts 360-300s are retired and are replaced with an equal number of ATRs.

The new ALPA contract is ratified during the third week of August by a vote of 773 to 473. The 16-year compact provides for guaranteed annual pay increases of 7%, improved crew scheduling and reserve conditions, replacement of the 4 individual company contracts with a single master American Eagle document, and a no-strike-no-lockout agreement.

George Hazy is now appointed president.

Daily ATR42-320 nonstop return service is inaugurated on December 14 from San Juan to Santiago de los Caballeros, Dominican Republic.

Passenger boardings fall 9% to 1,366,183. Operating revenues drop 5.2% to \$125.36 million, while expenses decline 3.4% to \$113.74 million. Operating profit falls to \$11.61 million, while the net gain drops to \$5.78 million.

The fleet at the beginning of **1998** includes 14 ATR42-320s and 6 ATR72-212As. On January 15, AMR Eagle officials, led by President Daniel P. Garten, announce that the change in the availability of regional jets, combined with the previous August's single Eagle pilot contract and changes in the economics of the regional airline business, dictate consolidation. Consequently, AMR will integrate all four of its airlines into a single carrier by year's end.

During the second quarter, the new carrier's field services organization begins to take shape. On April 13, **American Airlines** significantly reduces its Caribbean hub operations at San Juan. To help offset some of the reduction in jetliner service, Executive simultaneously increases the number of its ATR72-212A frequencies to five neighboring islands: Antigua, St. Croix, St. Lucia, St. Martin, and Barbados.

A number of appointments are made at the end of April (effective July 1), including David D. C. Kennedy, who becomes senior vice president-operations, while **Flagship Airlines** Vice President-Flight Operations Ed Criner is named AEA's vice president-flight operations. Reporting to Mr. Kennedy will be six new hub vice presidents: Mike Costello at Dallas/Fort Worth; Dave Brown at Los Angeles; Jacques Vachon at Miami; Robert Hamilton at New York (JFK); and former Executive President Hazy at San Juan.

On April 30, the company's four semiautonomous carriers (**Simmons Airlines**, **Flagship Airlines**, **Executive**, and **Wings West Airlines**) begin a seven-month period of amalgamation into the single mammoth **American Eagle Airlines (2)**, now viewed by AMR as a sister of **American Airlines**. The presidents of Simmons, Flagship, and Wings West are provided with appointments elsewhere within AMR and are replaced with vice presidents at each of the new airline's hubs. Simmons forms the core of AEA, with Flagship Airlines joining the merger in May and Wings West in June.

Simultaneously, agreement is reached with the Transport Workers Union of America for a new single-carrier contract. The agreement covers flight dispatchers, mechanics, and ramp-service personnel.

In late June, the decision is taken to separately maintain the certificate of Executive Airlines, moving its operating certificate to Dallas/Fort Worth on July 1. The physical merger of the company into **American Eagle Airlines (2)** is thus put off until the spring of 1999.

Executive is forced to suspend operations in many locations over the week between September 24-30 due to Hurricane Georges. On October 5, the carrier, together with its **American Airlines** affiliate, announce that special fares will be offered in October for flights between the U.S. mainland and areas struck by the tropical storm, including Puerto Rico and Haiti. The low-cost flights will be designed to assist family and friends to come and help with the rebuilding process.

ATR72-212A nonstop roundtrip service is inaugurated between Fort Lauderdale and Nassau on November 15, four times a day. Two more daily nonstop ATR72-212A roundtrips are added on December 10 between Fort Lauderdale and Nassau.

Customer bookings during the 12 months jump 16.34% to 1.59 million. Revenues leap up 19.7% to \$150.03 million, while expenses are up only 2.5% to \$116.58 million. The operating profit grows to \$33.45 million, while the net gain triples to \$20.1 million.

By the beginning of January **1999**, airline employment has been increased by 10.7% to 1,600. During January, **American Eagle Airlines (3)** and its affiliate becomes the first U.S. regional airline to be awarded Extended Overwater Certification by the FAA. The new certification allows Executive to initiate daily ATR72-212A roundtrips on February 1 between San Juan and Port of Spain in Trinidad. Daily ATR72-212A return service is started on May 25 from San Juan to Grenada.

Passenger boardings jump 12.3% to 1,791,000. Revenues advance 11.7% to \$167.54 million, while expenses shoot up 25% to \$145.76 million. The operating profit slides to \$21.77 million, while net gain drops to \$14.61 million.

Airline employment at the beginning of 2000 stands at 1,597, a 17% increase over the previous 12 months.

EXECUTIVE AIRLINES (4): 1300 New Highway, Republic Airport, Farmingdale, New York 11735, United States; Phone (516) 752-8301; Fax (516) 694-0712; Code YL; Year Founded 1993. The fourth EA is established by President Michael Peragine at Republic Airport in 1993 as the scheduled airline division of his FBO East Coast Aviation Services. Revenue services to regional destinations, including New York (LGA), commence with a pair of de Havilland Canada DHC-6-300 Twin Otters and two Piper PA-31-310 Navajos.

Operations continue apace in 1994-1999 however, the fleet is changed to include two British Aerospace BAe Jetstream 31s and a Beech Baron.

While on its second approach in light rain and mist to Pennsylvania's Wilkes-Barre-Scranton International Airport after a May 21, 2000 charter service from Atlantic City, a Jetstream 31 with 2 crew and 17 passengers crashes in a ball of fire into the woods 11 mi. S near Bear Creek. There are no survivors.

EXECUTIVE AIRLINES (PTY.), LTD.: Nomad Road, Essendon Airport, Melbourne, Victoria, 3041, Australia; Phone 61 39 374 1777; Fax 61 39 379 7321; Year Founded 1979. Executive Airlines is established at Melbourne in 1979 to offer executive and small group passenger charters. In 2000, Managing Director Geoffrey Harding oversees the work of 5 full-time pilots and the operations of 2 Cessna 550 Citations and 1 British Aerospace HS-125-800 Hawker.

EXECUTIVE AVIATION: United States (1967-1968). A scheduled air taxi division of the FBO Executive Aviation is set up at Fort Smith, Arkansas, in 1967. Employing a Beech 18, the company undertakes local passenger and cargo services, maintaining them for a year.

EXECUTIVE AVIATION LOGISTICS: 7000 Merrill Ave., Hangar 1, Chino, California 91710, United States; Phone (909) 597-0779; Fax (909) 597-0786; <http://www.guides.com/acg/eal>; Year Founded 1987. EAL is established at Chino Airport, California, in 1987 as a full service maintenance and fueling facility. It also specializes in the management, sale, and charter of corporate aircraft.

Over the next 13 years, the company also undertakes worldwide executive and small group passenger charters with 10 pilots and a fleet of 2 Grumman Aero Commander 500s, 1 Turbo Commander 980, 1 Swearingen Metro, and 2 executive jets, a Learjet 25G and a Learjet 36A.

EXECUTIVE CHARTER SERVICES: United States (1983-1984). ECS is established at Bethel in the fall of 1983 to provide scheduled passenger and cargo services to local communities and bush destinations.

Revenue flights commence in November with a fleet of Cessna 185s, 206s, and 207s and are maintained until May 31, 1985, when the company is purchased by **Ryan Air Service**. Integration is completed next day.

EXECUTIVE FLIGHT: Pangborn Memorial Airport, East Wenatchee, Washington 98802, United States; Phone (509) 884-1545; Fax (509) 884-0534; Year Founded 1982. Executive Flight is founded at East Wenatchee in 1982 to provide executive and small group passenger charters to worldwide destinations.

Eighteen years later, the company employs 25 pilots and operates a large fleet of business aircraft, including 2 each Learjet 35A Longhorns, Cessna 182 Skylanes, and Piper PA-34 Senecas, as well as 1 each Learjet 31, Canadair 600 Challenger, and Grumman 840 Commander Jet-prop.

EXECUTIVE FLIGHT MANAGEMENT: 5923 S. Central Ave., Chicago, Illinois 60638, United States; Phone (773) 735-6906; Fax (773) 735-5622; Year Founded 1984. EFM is set up at Chicago (MDW) in 1984 to offer executive flight management of corporate aircraft as well as executive and small group passenger charters on a worldwide basis.

During the next 16 years, the company grows to employ 22 full-time pilots and operates a mixed fleet of 1 each Grumman G-1159 Gulfstream II, Dassault Falcon 20, British Aerospace BAe (HS) 125-700 Hawker, Cessna 525 Citation, and Beech King Air 100.

EXECUTIVE FLIGHT SERVICES: United States (1977-1980). Executive Flight Services, a charter operation, elects to form a scheduled airline division at Portland, in August 1977 and begins to operate new scheduled flights under that name. Initial services commence with a Piper PA-31-310 Navajo.

Enplanements for the first year total 6,919.

Two Fairchild-Swearingen Metro IIs are purchased in 1978 and frequencies are increased over a network that grows to include eight Oregon cities plus Seattle and Tacoma, Washington. Bookings skyrocket 392% to 34,049.

Passenger boardings rise again in 1979, up 252% to 119,858. Revenues total \$6.06 million and expenses \$5.88 million; however, an \$824,899 loss is suffered.

In 1980, the parent elects to rename its airline subsidiary **Air Oregon**, giving it a new logo and its aircraft new liveries. At this point, the fleet comprises 6 Metro IIs, and 1 each Metro IIA and Navajo.

EXECUTIVE JET AVIATION: United States (1970-1989). Columbus (Ohio)-based EJA is established in the spring of 1970 to offer passenger charter and contract service flights throughout the U.S. The fleet, comprised of business types, will come to consist primarily of Learjets. One of these, an L-23A, crashes near the Emmet County Airport at Pellston, Michigan, on May 9.

Operations continue without major incident over the next 15 years. In 1985, the fleet includes 12 Learjet 25s, 5 Learjet 24s, 1 Learjet 35A, and 1 British Aerospace BAe 125-400 Hawker. Flights cease by the end of the decade.

EXIN COMPANY, LTD.: Rynek 18, 20-111 Lublin, Katowice, Poland; Phone 48 (81) 532-1247; Fax 48 (81) 532-5904; <http://www.exin.pl>; Year Founded 1991. Exin is established at Katowice in January 1991 and is one of the first private air companies in postwar Poland. The concern operates initially as a helicopter company, providing heli-taxi, fire-fighting, and heavy lift services with a fleet of Mil Mi-2s.

In 1992, Exin secures a contract to fly charter all-cargo freight flights for **DHL Worldwide Express**. That operation begins employing a Let L-410 freighter.

In 1993, the Let is replaced with an Antonov An-26 with three times the payload. The company web page, put up seven years later, proudly reports that in 1996 the carrier's Antonov participates in the transport support of the Granada-Dakar rally.

All-cargo services to various European destinations on behalf of DHL continue during the remainder of the decade. In addition to standard cargo, the carrier also transports hazardous materials, live animals, and perishable items. During these years, the fleet of An-26s is boosted to three. Airline employment at the beginning of 2000 stands at 30.

EXPEDITION AIRWAYS (PTY.), LTD.: P.O. Box AP12, Harare Airport, 170 Chinkoyi Street, Harare, Zimbabwe; Phone (263-4) 781390; Fax (263-4) 781399; <http://www.africaonline.co.zw/expedition>; Code FO; Year Founded 1997. Expedition is formed by Denver and Yvonne Hornsby at Harare in 1997 to provide scheduled and charter passenger services. Denver Hornsby, an expatriate American, had come to Zimbabwe a decade earlier and served as a captain with **Air Zimbabwe, Ltd.** and an official with the government's Department of

Commercial Aviation. Two Beech 1900Cs are obtained and four pilots are recruited. These are employed to initiate revenue flights on July 27 to Kariba, Victoria Falls, and Bulawayo, and from Harare to Johannesburg via Masvingo and Chiredzi.

A homepage is opened on the Internet's World Wide Web in 1998 and flights are started to Vilankulos in Mozambique. Service is maintained in 1999–2000.

EXPRESS AIR COMPANY: P.O. Box 25, E-425, Moscow, 105425, Russia; Phone 7 (095) 164 56 51; Fax 7 (095) 164 56 06; Code PSR; Year Founded 1995. EAC is established at Moscow on June 28, 1995, to offer domestic, regional, and international all-freight charters. Nikolai Bomko is named president and he recruits a workforce of 51. One each Antonov An-12 and Ilyushin Il-76T are acquired and allow revenue flights to commence on September 15.

Nonscheduled services are continued and a wide variety of destinations are visited over the next five years. Principal among these is Sharjah and Libreville. During this time, a second Il-76T is acquired.

EXPRESS AIR SERVICES, LTD. See CHANNEL EXPRESS (AIR SERVICES), LTD.

EXPRESS AIR SERVICES TRUST (PTY.), LTD. See RENNIES EXPRESS AIR SERVICES (PTY.), LTD.

EXPRESS AIRE: United States (1984–1991). Founded at Osterville, Massachusetts, in 1984, Express Air inaugurates scheduled Cessna 402 services from Hyannis on Cape Cod to the island of Nantucket. During the next four years, President Michael Josefek continues operations from the municipal airport at New Bedford and adds another Cessna 402.

In early 1989, former **Provincetown-Boston Airline (PBA)** official Richard Pereira takes over the airline. Ben Garneau becomes president and the fleet is increased by the addition of two more C-402s. Unable to maintain its economic viability in a time of recession, the small regional ceases operations in 1991.

EXPRESS AIRLINES I: 1777 Phoenix Parkway, Suite 303, Atlanta, Georgia 30349, United States; Phone (404) 991-3300; Fax (404) 997-0127; <http://www.nwairlink.com>; Code9E; Year Founded 1986. In January 1986, it is announced that Northwest Airlines will purchase Republic Airlines and its Republic Express commuter partner on August 12, with integration to be completed by October 1. When the takeover occurs in mid-August, Republic Express is renamed and plans are undertaken for it to become a Northwest Airlink partner. Former Republic Express CEO Michael J. Brady is named president with H. E. Belcher as vice president-operations.

The fleet comprises 23, later 26, British Aerospace BAe Jetstream 31s and 8 SAAB SF340As. With a base at Atlanta, Georgia, Express is certified to continue its operation of an extensive commuter network between Memphis and Minneapolis.

Enplanements for the year total 707,323.

Arriving at Joplin, Missouri, after a flight from Memphis on December 14, 1987, a Jetstream 31 with two crew and six passengers is destroyed as the result of a bad landing at its destination; there are no fatalities.

The 850-employee large regional has otherwise enjoyed a successful year as passenger boardings jump 24.9% to 941,841.

In 1988, the carrier becomes a member of the Northwest Airlink commuter network and the fleet now includes 25 Jetstream 31s and 11 SAAB 340As.

During the past 24 months, 50 cities have been added to the route network. Bookings for this year are up to 967,004.

The 1,000-employee large regional adds 6 SAAB 340As to its fleet in 1989 and passes the million mark in annual boardings for the first time (1,000,004). Freight, on the other hand, declines by 5.5% to 667,000 pounds.

The fleet is increased in 1990 by the acquisition of 2 additional Jetstream 31s and 7 SAAB-340As.

While feeding its major partner's Memphis hub, the large regional increases its ridership by 9.4% to 1,093,809. Cargo recovers and rises 8.6% to 724,952 pounds.

Company employment is cut 9% in 1991 to 900 and the fleet's 2 aircraft types are evenly matched in numbers (25 each).

As the result of the Gulf War, fuel prices rise 150% and load levels decline, at least during the first part of the year. Passenger boardings increase by 16% to 1,268,880.

The workforce grows 11.1% in 1992 to 1,000, but fleet standardization is disrupted when 8 SAABs are withdrawn in the face of recession and a damaging fare war. Still, despite the loss of over \$13 million since Iraq invaded Kuwait 2 years earlier, customer bookings ascend 35% to 1,713,361.

In 1993, President/CEO Brady's fleet includes 11 Jetstream 31s and 17 SAAB 340s. Eight SAABs remain on order.

With icing a factor, Flight 5719, a SAAB 340A with 3 crew and 28 passengers, stalls while landing at Hibbings-Chisholm Airport in Minnesota on a January 2 service from Minneapolis (MSP). Having approached too steeply, the plane lands hard, causing the right main landing gear to collapse, the fuel tank to rupture, and the right wing spar to bend forward. There are no fatalities.

Frequencies continue to be offered to some 40 cities in 15 states.

In April, the company is fined \$92,000 by the FAA for unauthorized Jetstream 31 flights to Owensboro, Kentucky, and errors on weight manifests for 194 flights.

Former WestAir Airlines executive Bryan Bedford becomes chief financial officer and joins Brady in a restructuring effort that includes relief from creditors, help from NWA, Inc., and the launching of a new fleet standardization plan centered on the SAABs. At Northwest's request, twice-daily roundtrips are inaugurated between Memphis and Atlanta.

While coming in behind schedule to Hibbings-Chisholm Airport from a December 1 service in heavy fog and freezing drizzle from Minneapolis (MSP), Northwest Airlink Flight 5719, a Jetstream 31 with 2 crew and 18 passengers, has approached too steeply and below minimum altitude. The turboprop strikes a tree and 634 feet further on, a group of aspen trees. After bounding off two ridges, it comes to rest upside down and lying on its right side. There are no survivors.

Passenger boardings for the year decline by 6.5% to 1,599,070 and although there is a \$289,000 operating profit, there is also a net loss of \$3.47 million.

CFO Bedford departs in early 1994 to become president/CEO of the "Delta Connection" partner Business Express Airlines. Meanwhile, Northwest makes the carrier a 3-year, \$7-million loan to help it transition from Part 135 to Part 121 standard.

Customer bookings drop another 31.3% to 1,071,637, but revenues leap ahead by 31.5% to \$152.31 million. Expenses rise 21.7% to \$140.63 million and there are profits: \$11.68 million (operating) and \$4.81 million (net).

The workforce stands at 1,500 in 1995. The fleet now includes 22 Jetstream 31s and 36 SAAB 340s. Orders are outstanding for 10 of the latter type, plus 10 SAAB 2000s. By the end of the year, the carrier is offering 350 daily departures, serving 15 cities from Minneapolis (MSP) and 40 from Memphis. Enplanements soar 37% to 1,469,398.

The employee populations grows 6.7% in 1996 to 1,600. Negotiations with pilots over a new contract come right down to the wire of a strike before they are successfully concluded. Most of the flyers, and many cabin personnel, have not forgotten a plan by CEO Brady, several years earlier, to relocate crews to rural outposts to cut travel costs.

Passenger boardings accelerate 16.6% to 1,783,851 on 136,342 scheduled departures. Revenue figures, though not released, are estimated by airline analysts to average between \$95 million and \$150 million annually.

In something of a surprise move, the *St. Paul Pioneer Press* on March 25, 1997, reports that Northwest will purchase its Northwest Airlink

partner outright when its contract expires on April 30. Terms of the sale are not initially released. The \$20-million buyout, which is closed on April 1, also includes all of the airline's stock and that of its affiliate management company, Phoenix Airlines Services. The retirement of CEO Brady is part of the package.

At the same time, a new contract between Northwest and **Mesaba Airlines** takes effect; Mesaba takes over the Express Airlines I services at Minneapolis, with Express shifted to Memphis. At the West Tennessee metropolis, Philip H. Trenary, former president of **Lone Star Airlines**, is installed as the carrier's new CEO. By summer, the airline is feeding 50% of its parent's Memphis flights from cities in the South and Southwest.

Customer bookings slide 3% to 1,592,642 on 112,585 scheduled departures.

Working begins during the spring of **1998** on the transfer of corporate headquarters from Atlanta to Memphis.

The fleet now includes 32 SAABs.

Upon departure from Huntsville, Alabama, for Memphis on June 4, Northwest Airlink Flight 5545, a SAAB 340A with 3 crew and 15 passengers, experiences the activation of a baggage compartment smoke warning alarm just after takeoff. The fire suppression system is activated and the turboprop returns to its point of origin. After landing, the aircraft is stopped on the runway and the passengers are evacuated.

The company unveils the latest aircraft in its refurbishment project on July 21 at Chattanooga. In a ceremony attended by state, local, and company officials, the mayor of the Tennessee community christens the SAAB 340A *The Spirit of Chattanooga*.

On August 20, the airline notifies the Essential Air Service Division of the DOT that Express might be faced with an involuntary interruption of service in the event of a strike by Northwest pilots.

Following the strike by Northwest pilots on August 29, President/CEO Trenary informs his 1,400 personnel on September 1 that plans are in hand to retain all of them for a minimum of two weeks even though the regional, itself, must be shut down. On the morning of September 3, Transportation Secretary Rodney Slater orders Express Airlines I and its fellow Northwest Airlink feeder **Mesaba Airlines** to resume service to 17 small towns in 11 states in the Midwest and South. As the DOT official puts it, federal rules prohibit the carriers from suspending air service below mandated levels without first filing a 90-day notice.

Secretary Slater requests the return of air service to Muscle Shoals, Alabama, Owensboro, Kentucky, Greenville, Laurel, and Hattiesburg, Mississippi, and Jackson, Tennessee. President/CEO Trenary response is that the company is within the law, which permits a company to suspend service without notice "for any interruption of service that the carrier cannot reasonably be expected to foresee or control such as . . . strikes."

Following negotiations between President/CEO Trenary and Assistant DOT Secretary Charles Hunnicutt, an agreement concerning EAS services is reached on September 8. Under the accord, Express will be allowed time to examine a number of different service scenarios that will allow cost-effective flights to the five affected cities. The plan chosen will be made available to DOT in two days.

Even though the company continues relatively amiable discussions with DOT, Secretary Slater and Attorney General Janet Reno file suit against it, together with **Mesaba Airlines**, on September 10 seeking to force a resumption of Essential Air Services. In addition, the suit seeks to require Northwest to provide support for the operations of the two, even though the major is shut down by the pilots strike.

Northwest itself now steps into the dispute between the DOT and the DOJ and its Northwest Airlink affiliates. The major, presenting the same arguments that both **Mesaba Airlines** and Express have unsuccessfully employed with government officials, files an emergency petition with the U.S. Court of Appeals for the District of Columbia asking it to stay the effects of the DOT order requiring NWA to provide support services so that its affiliates can resume EAS services.

Northwest argues that its constitutional right to a hearing has been violated because the DOT issued a final order adversely affecting the carrier's interests without providing it with notice. Furthermore, as preparations for the pilot strike were made earlier in the month, the major had specifically and legally executed an agreement with the Northwest Airlink partners suspending all of its obligations, including code-sharing (an important legal point now in play), should a job action occur.

None of these lawsuits come to trial as the Northwest strike is tentatively settled late in the evening. Air service is reinstated along the company's entire route network on September 16. Express is at 100% pre-strike status two days later.

The last Jetstream 31 is retired on October 1. Thereafter, all flights are operated with 33-seat SAAB 340s.

Tragedy strikes the airline on November 3 when a ground worker is killed. Northwest Airlink Flight 5858, with three crew and eight passengers, is being prepared for departure from Memphis for Cincinnati. While assisting with the starting of the No. 2 engine of the SAAB 340A, a ground crew member is given the signal by the flight crew to disconnect the ground power unit (GPU) parked behind the right wing. Turning, she walks toward the GPU and straight into the rotating right propeller.

On December 5, Northwest, which has vowed to complete a deal with **Continental Airlines** despite an antitrust lawsuit by the government, completes its acquisition of a controlling stake in Continental. The arrangement gives the nation's fourth-largest airline a 14% equity stake in Continental as well as voting control of up to 51% of the No. 5 carrier. Executives from both airlines indicate that they will proceed to implement domestic code-sharing involving upwards of 850 flights.

Due largely to the Northwest strike, customer bookings this year plunge 28.5% to 1.19 million.

Northwest and **Continental Airlines** begin linking a major portion of their domestic flight schedules and implementing more international dual-designator flights on January 7, **1999**. The two majors, despite DOT opposition, initiate code-sharing on approximately 850 domestic and international flights to 95 destinations. As part of the arrangement, Continental code-shares daily on **Northwest Airlines** and Northwest Airlink domestic flights, including cities where it does not currently fly, such as Sioux City, Boise, Knoxville, and Spokane.

In February, an order is placed by Northwest with Bombardier Aerospace for the acquisition of 54 CRJ200LR aircraft, with options taken on another 70 aircraft. Express moves its six daily Fayetteville flights on March 15 from the city's Drake Field to the new Northwest Arkansas Regional Airport.

On May 3, in what could be described as a model for the rest of the airline industry, management and the local ALPA chapter, headed by Capt. Garth Thompson, ratify a new 6-year labor contract by an 89.5% margin—even though the current agreement still has 18 months to run.

On May 7, Northwest officials announce that Express will be the launch operator for 42 of the CRJ-200LRs that it has ordered from Bombardier in Canada. To accommodate the new jetliners, Northwest and the Memphis Shelby County Airport Authority will combine forces to expand Concourse A and build jet bridges.

Customer bookings drop 5.1% to 1,147,000.

Airline employment at the beginning of **2000** stands at 1,209. Following receipt of the first CRJ200LR, christened *Spirit of Memphis*, the new Canadair enters four-times-a-day roundtrip service on June 1 between Memphis and Greenville and Spartanburg. On June 15, the airline's second CRJ200LR replaces **Mesaba Airlines'** RJ85s on the Memphis-Wichita route and on one route from Memphis to Huntsville.

Receipt of a third CRJ200LR on June 24 allows the initiation of four-times-a-day return jet service between Memphis and Mobile on July 1. The fourth CRJ200LR arrives on July 14.

Thrice-daily SAAB 340 roundtrips are inaugurated on July 17 between Memphis and Tallahassee. The four-times-a-day SAAB 340 service from Memphis to Branson and Springfield is simultaneously upgraded to CRJ200LR. The fifth CRJ200LR arrives on August 1.

On August 28, all four daily Memphis to Tulsa roundtrips are upgraded from SAAB 340 to CRJ. Much of the carrier's service within Tennessee is new or boosted on September 5, including initiation of thrice-daily roundtrips between Knoxville and Nashville and an increase of the number of flights between Memphis and Nashville from four to six. New thrice-daily return flights begin on September 11 between Memphis and Bristol's Tri-Cities Regional Airport. The sixth CRJ200LR is delivered on September 18.

In a special ceremony at McGee-Tyson International Airport on October 1, Northwest AirlinK Vice President Philip Reed joins with University of Tennessee President Dr. J. Wade Gilley, Mayor Victor Ashe, and Tennessee Department of Economic Development Commissioner Bill Baxter to celebrate the new service linking Knoxville with Nashville. Accompanied by the UT the pep band's rendition of *Rocky Top* and a water cannon salute, a SAAB 340A is christened the *UT* in honor of the Spirit of the Volunteers. Northwest Airlines and its AirlinK partner now serve every major airport and area in the state of Tennessee.

Also on October 1, CRJ200LRs replace SAAB 340s on two of the carrier's four daily return flights from Memphis to Pensacola. Simultaneously, a fourth daily roundtrip is added between Memphis and Tallahassee. The thrice-daily SAAB 340 roundtrips from Rapid City to Sioux Falls via Pierre are discontinued on October 15.

The seventh CRJ200LR arrives on October 18 and twice-daily CRJ200LR roundtrips begin on October 29 between Memphis and Pittsburgh.

Three of the carrier's four daily roundtrips between Memphis and Montgomery are upgraded on November 20 from SAAB 340s to CRJs.

It is announced on December 15 that the company will launch twice-daily CRJ200LR roundtrips on April 1 from Memphis to Monterrey, Mexico.

EXPRESS AIRWAYS, GmbH.: Heuserweg 13-15, Troisdorf-Spich, D-53842, Germany; Phone 49 (2241) 9433010; Fax 49 (2241) 9433033; <http://www.farnair.com>; Year Founded 1998. Express Airways is established at the former USAF base at Hahn in late 1998 to offer express and overnight package delivery.

In February 1999, the company's air operating certificate is purchased by Basel-based Farnair Europe Aviation Group. Employing a leased Shorts 360-300, daily roundtrip service is inaugurated between a temporary operating base at Paris (CDG) and Madrid. Although headquarters remain in Hahn, the Paris base is made permanent in May, after which the company also initiates frequencies to Germany, Italy, the Netherlands, and Switzerland, all under contract to **Federal Express**.

In October, additional aircraft are acquired and new routes are started to additional points in Spain, as well as Ireland.

Managing Director Peter Sanden's workforce totals 75 at the beginning of 2000 and during the first quarter the fleet acquires 2 Fokker F.27-500Fs and 11 Shorts 360-300s. The Shorts all wear FedEx titles and are painted in a modified version of the U.S. major's colors. Additional frequencies are added in April from Cologne to Glasgow, Berlin, Amsterdam, Nice, Venice, Hamburg, Stuttgart, and Madrid, along with new services to Vienna.

To handle the new services begun in the spring, arrangements are made to acquire between two and four more F.27-500Fs. In July 8, company headquarters are transferred from Hahn to Cologne.

EXPRESS AIRWAYS, LTD.: Nigeria (1989-1994). Organized to provide domestic commuter services, Express Airways is founded at Lagos in 1989. Managing Director Mohammed Joji's fleet comprises 5 Embraer EMB-110P1 Bandeirantes. Services are continued into the 1990s. The fleet in 1990-1992 includes 4 Bandeirantes. The number is increased to 5 in 1993, but services cease in 1994.

EXPRESS AIRWAYS NIGERIA. See **SKYPOWER EXPRESS AIRLINES, LTD.**

EXPRESS CITY, S.A.: BP 128947, Kinshasa, Democratic Republic of the Congo; Phone 32 (2) 275 548; Code XP9; Year Founded 1995. EC is set up at Kinshasa in 1995 to provide domestic and regional passenger charters. Revenue flights begin, and continue, with a single Boeing 727-200.

EXPRESS ONE INTERNATIONAL: 3890 West Northwest Highway, Suite 700, Dallas, Texas 75220, United States; Phone (214) 902-2500; Fax (214) 350-1399; Code EO; Year Founded 1987. The supplemental carrier **Jet East International**, a subsidiary of Dallas-based Wilkert and Wilkert, is renamed Express One International in 1987. Charter passenger and cargo and contract service flights are undertaken to destinations throughout the Western Hemisphere and to northern Europe, initially with seven B-727Fs. Contracts are maintained with **Emery Air Freight** and **DHL Airways**. In November, a B-737-210C is purchased from **Quebecair, Ltd.** Airline employment totals 125 and FTKs rise 30.5% to 52.6 million.

The workforce is cut by 20% in 1988 to 100 as the company enters the passenger charter market as a serious sideline to its freight business.

A total of 11,000 bookings are generated during the year. Meanwhile, cargo declines 4.4% to 50.23 million FTKs. Revenues total \$20.9 million, the operating income is \$211,000, and net gain is \$297,000.

The employee population is elevated by 25% in 1989 to 125 and the fleet comprises 2 B-727-31s, 1 B-727-44, and 7 B-727Fs plus 1 B-737-210C and 1 Douglas DC-9-15.

Chairman Alinda H. Wilkert and President James R. Wilkert now seek scheduled passenger authority from the DOT. Granted, the company is able to increase its passenger bookings to 226,665. Cargo, on the other hand, plunges 58.3% to 21.18 million FTKs. Revenues skyrocket 72.6% to \$36.07 million, expenses rise 71.2% to \$35.44 million, and the operating profit swells to \$626,232. As a result of costs associated with service changes, the net profit plunges to \$12,400.

Customer boardings plunge 52.6% in 1990 to 129,000 and freight is down again, by 3.2%, to 24.73 million FTKs. Revenues drop to \$29.3 million, but allow an operating profit of \$2.28 million. There is a \$5.5-million net loss.

The fleet of the 125-employee Dallas-based regional in 1991 includes 5 B-727-31s, 3 B-727-25s, 2 each B-727-31Fs and B-727-44Fs, 1 B-727-29F chartered to **DHL Airways**, 1 B-727-81F, 1 each B-727-30C and B-727-155C, which are also leased to **DHL Airways**, and the B-737-210C now chartered to **Atlanta Icelandic Airlines, H.F.** The 5 B-727-31s are leased to **Front Page Tours**, a charter start-up seeking to capture a market with professional sports teams. Passenger boardings plunge 43.4% to 73,277, but freight rises 7.5% to 26.6 million FTKs. Revenues fall 5.5% to \$34.08 million, expenses decline 15.7% to \$29.86 million, and the operating profit is \$4.21 million. Net gain is \$56,173.

The carrier enjoys an interesting second half of 1992. Following the Democratic National Convention, three B-727-25s are leased to the Democratic Party and furnish the transportation for the successful presidential campaign of Bill Clinton and Al Gore.

In the fall, a newly received B-727-223, passed on to **Front Page Tours**, becomes (for one season only) the official team plane of the Minnesota Timberwolves NBA professional basketball team and wears the team logo on its blue tail.

Total enplanements for the year are 122,307 (not counting the politicians and their entourage) and revenues shoot up to \$77 million. A net \$11-million profit is generated.

In 1993, airline employment stands at 805 and President James R. Wilkert's fleet now includes 2 B-727-31, 3 B-727-25s, 8 B-727-100Fs, 6 B-727-200s, 3 DC-9-31s, and 1 DC-9-32. Wet-leased to **Japan Air Lines Company, Ltd.**, a B-747-100F en route to Chicago from Tokyo loses its No. 2 engine shortly after takeoff from Anchorage on March 31.

In July, three leased Douglas DC-10-30s are acquired to operate charters from the U.S. to Frankfurt. During the fall, several B-727-100Fs are contracted to provide service on behalf of the new freighter **Roadway Global Air**.

Passenger boardings skyrocket 82.3% to 691,000, but freight declines 41.1% to 11.13 million FTKs. Revenues increase 50.4% to \$115.81 million while expenses jump 75.1% to \$115.52 million. The operating profit falls to \$288,234 and there is a \$3.47 million net loss.

When **Emery Worldwide** begins to operate a new decade-long mail service from Indianapolis on behalf of the U.S. Postal Service in 1994, it subcontracts with Express One International to fly freighters on its behalf. A B-727-2A7F is immediately dedicated to the duty. The airline also becomes a scheduled carrier when it introduces DC-10-30 passenger frequencies in early spring from Los Angeles to Honolulu. In the summer, a DC-9-31 is placed into service in the livery of Front Page Tours, and, with an appropriate tail logo, the plane is also employed to fly gamblers to Mississippi on behalf of Casino Magic.

During the fall, a single, daily scheduled \$278 roundtrip service is inaugurated from Dallas (DFW) to New York (JFK).

At year's end, the DOT elevates the company to National status. At the same time, **Emery Worldwide** purchases six former **United Airlines** B-727-223Fs, which it will turn over to the company to operate in U.S. Postal Service.

Customer bookings for the year dip 7% to 1,217,000, but cargo skyrockets 392.6% to 161.21 million FTKs.

Airline employment stands at 160 in 1995.

As the result of a FAA probe of its parts and maintenance program, Express One voluntarily halts service on June 5 and enters into Chapter XI bankruptcy. The company reports its traffic figures for the first half as 314,000 passenger boardings and 52.85 million FTKs operated. Fiscal figures shown through September reveal an operating gain of \$6.47 million and an \$82,000 net loss.

Front Page Tours, meanwhile, successfully purchases the newly available **MGM Grand Air** division of **American International Airways** (3).

When **Federal Express** (FedEx) pilots begin a work slowdown in December over the issue of overtime pay, the Memphis-based cargo giant wet-leases seven Express One International B-727Fs to help handle the Christmas holiday surge in business.

The carrier continues to operate 20 aircraft in 1996.

Late in the first quarter, one each B-727-221A and B-727-277A are leased to **Western Pacific Airlines** (Westpac) and are given dual Westpac and Express One titles. Between June 15 and September 5, they will provide scheduled service on behalf of Westpac from Colorado Springs to Newark (EWR) and Washington, D.C. (IAD).

Meanwhile, the carrier emerges from bankruptcy during July.

Traffic and financial reporting is spotty and only incomplete figures are available. A total of 5,000 international boardings are reported for the year and, through September, a \$43.43-million operating income is generated. Expenses during the same period are \$45.02 million and leave an operating loss of \$1.36 million. A \$1.9-million net loss is also posted.

Customer bookings for all of 1997 total 438,000. Freight traffic skyrockets 99.8% to 180.35 million FTKs. Operating revenues rise 5.7% to \$67.66 million and expenses are \$63.99 million. The operating profit doubles to \$3.67 million, while a net loss of \$867,000 is suffered. Service continues apace in 1998, a ruinous year. Passenger boardings plunge 71.5% to 133,000. Revenue figures are not available.

Airline employment stands at 500 at the beginning of 1999.

Revenues of \$120.71 million are posted, while expenses total \$108.96 million. The operating profit is \$11.75 million and there is a \$7.51-million net gain.

The domestic freighter fleet at the beginning of 2000 includes 28 B-727s: 1 each Dash-82F, Dash-231F, Dash-264F (operated in the color scheme of **DHL Worldwide Express**), Dash-243AF, Dash-277AF (operated for the U.S. Postal Service in its USPS color scheme), Dash-2A7F (USPS color scheme), Dash-2M7AF, and Dash-231F, 13 Dash-223Fs (6 in USPS color scheme, 1 in DHL color scheme), and 5 Dash-225Fs. A B-727-25F is operated for **DHL Worldwide Express** in Europe.

The company's fleet is increased to 29 with the addition of a B-727-2M7AF leased from Pegasus Aviation in late July. The company oper-

ates its final contract flight for **DHL Worldwide Express** on October 31 using a B-727-264AF painted in DHL colors.

EXPRESO AEREO COSTARRICENSES, S.A. See **EXACO (EXPRESO AEREO COSTARRICENSES, S.A.)**

EXPRESO AEREO INTER-AMERICANO, S.A.: Cuba (1942–1961). Capitalized at \$100,000 (17.5% American), this little-known Cuban independent is formed at Havana on August 4, 1941 to provide cargo and passenger flights to Florida. The first of three Ford Tri-Motors to be purchased by the company is the 4-AT-67, which is acquired on November 21, 1942.

The former **Carolina Air Transport** freighter and Ford Tri-Motor 4-AT-51 is acquired on January 18, 1943. Although bought six months earlier, the 4-AT-67 does not reach Havana until May. It begins all-cargo Havana–Miami service on August 28, along with flights to Santa Fe, Isle of Pines. Having begun service with **Maddux Air Lines** back in 1928, the Ford 4-AT-31 is acquired on March 18, 1944.

Domestic routes are opened in 1945–1946; however, the carrier faces numerous difficulties (chiefly financial) and disappears from the airline scene after 1948.

In 1951, the moribund company is reorganized. Equipped with three Curtiss C-46 Commandos, it operates freight services around the island nation until July 1961 when it is absorbed into **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**.

EXPRESS.NET AIRLINES: 803 Willow Run Airport, Ypsilanti, Michigan 48198, United States; Phone (313) 484-3435; Fax (313) 484-3260; Code TCN; Year Founded 2000. At the beginning of 2000, Willow Run-based **Trans Continental Airlines** is renamed. *Aviation Today* reports on January 20 that the concern has purchased three Airbus A300B4-203Fs for \$12 million each, a price significantly lower than current market values for a single unit. The arrangement has been completed primarily because of a need by Aviation Sales to unload the planes in order to reduce its debt. The first two are delivered by mid-April, with the third arriving in May. The original two are operated on an ACMI contract for **Emery Worldwide** from Dayton to Phoenix and Minneapolis.

The company also operates four B-727s, one each Dash-21C, Dash-22C, Dash-173C, and Dash-227AF, the former wearing the colors of **BAX Global**. During the fall, two A300B4-203Fs are subleased to the new Spanish cargo line **Euro First Air/Canarias Cargo, S.A.**, with the second delivered on November 15. Meanwhile, two other A300B4-203Fs are chartered from **Pace Airlines**.

EXPRESO AEREO PERUANO, S.A. (1): Peru (1956–1962). This all-cargo carrier is organized at Lima in May 1956 to offer ad hoc services to the nations of Central America. Equipped with three Fairchild C-82 Packets, the company begins multistop flights to Nicaragua, Honduras, Panama, Costa Rica, and other destinations during the summer. Ultimately an unprofitable concern, the company is forced to shut its doors in March 1962.

EXPRESO AEREO PERUANO, S.A. (2): Larco 101, Office 306, Lima 18, Peru; Phone 51 (14) 616373; Fax 51 (14) 619275; Code 9D; Year Founded 1991. The second EAP is founded at Lima in late spring 1991 to pick up where its predecessor had stopped two decades earlier. Regional services commence in the summer with one Fokker F.27-200 and two F.27-500s. Although statistics are not released, the company does announce the addition of a 1992 fleet revision. One F.27-500 is retired in favor of two more leased F.27-200s.

Flights continue in 1993 and, in 1994, a leased B-727-264A is acquired, allowing services to be expanded accordingly. Airline employment stands at 85 in 1995 and 102,180 passengers are transported. An Antonov An-24 is added in 1996 and services continue in 1997–2000.

EXTRA EXECUTIVE, GmbH. See **EUROPEAN EXPEDITE, S.A.**

EYRE CHARTER (PTY.), LTD. See **EYRE COMMUTER (PTY.), LTD.**

EYRE COMMUTER (PTY.), LTD.: Australia (1979–1996). Founded by private interests in 1979, **Eyre Charter (Pty.), Ltd.** undertakes non-scheduled services in the Cummins, South Australia, area. Within two years, the carrier changes its name and begins regularly scheduled daily flights between Cummins and Adelaide via Tumby Bay, on demand.

By 1983, the 5-person concern is flying 7,000 people annually with a fleet comprising a Cessna 402B, a Piper PA-34 Seneca, and a Piper PA-28 Cherokee Arrow.

General Manager Barry Firth adds another Seneca to his airline in 1987–1988 and a new stop at Port Lincoln. There are no significant personnel, equipment, or route changes over the next two years.

Airline employment stands at 6 in 1990 and a total of 10,500 passengers are transported by the carrier's Cessna 402 and 2 Piper PA-34 Senecas. Passenger boardings slip to 10,450 in 1991, but grow to 11,000 in 1992.

The mini-airline in 1993–1995 still operates the Cessna 402 and two Piper Senecas, but closes down in 1996.

EYRE PENINSULA AIRWAYS (PTY.), LTD.: Australia (1931). This short-lived carrier is formed at Adelaide in 1931. Capt. J. A. Mol-lison, flying a Junkers F-13, offers services to Broken Hill and Streaky Bay. Traffic is too light to sustain business and the company ceases flying within months of its start-up.

F & F AIRCRAFT. See **FINAIR**

FAI AIRSERVICE, A.G.: Flughafenstrasse 100, Nuremberg, 90411, Germany; Phone 49 (911) 36 00 90; Fax 49 (911) 36 00 959; http://www.fai-airservice.com; Year Founded 1987. FAI is established at Nuremberg in 1987 to provide executive and small group charter flights to points within Germany and around Europe. Employing Cessna Citation I and II bizjets, revenue flights are begun and continued without incident.

FAIR AIR COMPANY, LTD.: Sendai, Japan; Year Founded 2000. Fair is established by former **Skymark Airlines, Ltd.** executives at Sendai in the late spring of 2000 to offer scheduled regional passenger services. Employing a pair of used Canadair CRJ100LRs, the new concern launches thrice-daily return flights to Osaka (KIX) on August 7.

FAIRBANKS AIR SERVICE: United States (1946–1975). FAS is established at Fairbanks, Alaska, in 1946 as the flight division of an FBO founded during World War II. Lightplane passenger and cargo charter services are offered to various local destinations and to Anchorage.

During the next two decades, the company also elects to provide larger all-freight flights, particularly in support of military construction projects. A fleet of 7 Curtiss C-46 Commandos and 1 Douglas DC-3 are placed into service.

Two decades later, on February 16, 1965, the company begins to employ certain of its Beech 18s, Britten-Norman BN-2 Islanders, and de Havilland Canada DHC-6 Twin Otters to provide scheduled third-level flights to its previously nonscheduled stops. Commuter and cargo services continue apace for another decade.

During the early 1970s, a Lockheed L-188A first operated by **National Airlines** is purchased and converted into a freighter.

Following its landing at Deadhorse on December 11, 1974, the aircraft, with three crew and a load of diesel fuel, veers off the left side of the cargo and catches fire. Although the aircraft must be written off, there are no injuries reported.

A C-46A, with two crew aboard, is destroyed as the result of a bad landing at Deadhorse, on March 28, 1975; there are no fatalities.

During the spring, a Lockheed L-188CF, first flown by **Northwest Airlines**, is leased and four L-188PFs are purchased. The aircraft will be employed to support the North Slope oil industry and Alaska pipeline project. In July, the carrier is renamed **Great Northern Airlines**.

FAIRCHILD AVIATION COMPANY, LTD.: Canada (1927–1929). Formed in 1927, this company (not related to any of the U.S. enterprises of Sherman Fairchild) begins the operation of a mail service from Hailyburg to Rouyn.

Passenger and freight services are offered in 1928 over a route from Chibougamau to Oskelaneo River. On October 1, weekday mail flights are initiated from Montreal–Toronto under subcontract to **Canadian Airways, Ltd.**

In early 1929, the carrier is renamed **Inter-Provincial Airways, Ltd.**

FAIRFLIGHT, LTD.: United Kingdom (1948–1952). Air Vice Marshal D. C. T. Bennett, having given up his managing directorship of **British South American Airways, Ltd.**, forms the charter carrier **Air-flight, Ltd.** on June 4, 1948. The company is based at Langley, later Blackbushe, Airport and is equipped in August with two Avro 689 Tudor 5s. These are immediately assigned to the civil portion of the Berlin Airlift, one as a tanker.

In March 1949, the company's two aircraft set an operation record of 50 roundtrip sorties in a single week. On May 31, the Tudors are withdrawn from the airlift; however, an Avro Lincolnian is acquired in June and is employed in the German rescue mission until withdrawn on July 12. During the Berlin Airlift, company Tudors fly 921 sorties and the Lincolnian 46 sorties, most of which were in tanker configuration.

Returned from Germany, the Tudors are converted to passenger status and are ready for charter work when Bennett forms **Fairflight, Ltd.** on August 25 to take over the work of **Airflight, Ltd.**

The first passenger charter is inaugurated on September 2 with a flight of apprentices from Karachi to Blackbushe.

The first sustained service is participation in the airlift of Jewish refugees from Aden to Palestine during October and November.

On March 12, 1950, one of the two Tudors, with 5 crew and 78 passengers, mostly Welsh rugby fans returning home from a Dublin match, crashes at Llandow, near Cardiff (80 dead). The disaster is the world's worst air crash to date.

The surviving Tudor and the Lincolnian continue to accept long-haul passenger and freight charters. Bennett registers the travel subsidiary **Fairtravel, Ltd.**

A variety of charters are flown during the summer, including a significant airlift of pilgrims from Karachi to Jedda under contract to **Orient Airways, Ltd.**

Long-distance nonscheduled destinations are flown during January–July 1951, but in August the Tudor is dispatched to West Berlin to fly 350 cargo sorties to Hamburg during the next five months.

In November, Bennett sells **Fairflight, Ltd.** to Aviation Traders subsidiary **Surrey Flying Services, Ltd.** and the company is gradually amalgamated into **Air Charter, Ltd.** during 1952, losing its identity completely during July.

FAIRFLIGHT (CHARTERS), LTD.: United Kingdom (1968–1992). With assets and equipment purchased out of the **British Eagle Airways, Ltd.** bankruptcy, the nonscheduled carrier **Fairflight** is formed at Biggin Hill in December 1968 to undertake passenger, cargo, and contract services in the U.K. and throughout Europe.

In May 1969, a de Havilland DH 104 Dove 5 is purchased and employed to inaugurate ad hoc passenger and cargo charters.

Another Dove is purchased in January 1970, followed by the ex-**Gibair** DC-3 in June. During the national dock strike, the Douglas transport is employed to fly foodstuffs from Rotterdam to various English destinations. An undercarriage accident in September forces the company to sell the aircraft.

During 1971 the Doves are chartered to the British Airports Authority. A Dove 5 is obtained in March 1972, followed by a DH 114 Heron 1B in May.

During this year and 1973 the aircraft fly out of London (LGW) to three destinations in France plus the Channel Islands.

Operations begin in support of the North Sea oil industry in 1974, as two of the Herons are replaced by Piper PA-23 Aztecs and PA-31-310 Navajos. During 1975, Riley Dove conversions are placed in service.

During the years 1976–1981, Fairflight Charters begins to obtain larger aircraft, such as Shorts 330s, and undertakes contract charters as far away as North Africa. On January 31, 1980, the company joins the Royal Mail program known as “Spokes from Speke,” flying one of its new Embraer EMB-110 Bandeirantes each night from Exeter to the sorting hub at Liverpool (Speke Airport) and back to Exeter for distribution.

In 1982, the carrier becomes affiliated with the commuter **Air Ecosse, Ltd.**, a feeder marriage that lasts until December 1985.

Thereafter in 1986–1990, Managing Director Gordon Burdess’s company continues air ambulance and charter services to previous destinations with a fleet of 2 Shorts 360s, 2 Shorts 330s, 8 Embraer EMB-110 Bandeirantes, and 2 Cessna Citations.

While taxiing at Southport preparatory for a flight to Biggin Hill for maintenance, a Shorts 330-200 with two crew suffers the failure of its nose gear steering. Consequently, the aircraft makes an uncommanded left turn and crashes into a parked **British Air Ferries, Ltd.** Vickers Viscount 806. Although both aircraft are damaged beyond repair, the two pilots escape without injury.

As the 1990s begin, the fleet is altered. Gone are the Bandeirantes and Citations, replaced by a fleet of nine additional Shorts 330s and one Shorts 360s. In 1990, three of the former are leased to **Celtic Airways, Ltd.**, four to **Gill Aviation, Ltd.** and one is placed in storage while the Shorts 360 is leased to **Air Europe Express, Ltd.** Operations are performed with but two Shorts 330s.

Revenue flight operations are suspended in 1991 as all but four Shorts 330s are withdrawn; three of those remain on lease to **Gill Aviation, Ltd.** and the fourth is stored.

Two Shorts 330s are sold in 1992 and two remain on lease to **Gill Aviation, Ltd.** When the lease is concluded, the company shuts its doors.

FAIRLINE, A.B.: Sweden (1966–1968). Supported by Swedish shipping interests, Fairline is established at Goteborg in November 1966 to operate all-cargo flights in Scandinavia on their behalf. Employing a pair of Curtiss C-46 Commandos, revenue operations duly begin and continue into 1968.

FAIRLINES, B.V.: The Netherlands (1996–1998). Fairlines, also known as F^{air}lines, is established in 1996 to provide scheduled domestic and regional passenger services. G. Ter Beek is managing director and he recruits a workforce of 20. Revenue flights begin with four Embraer EMB-110 Bandeirantes.

Service is maintained in 1997–1998. In April of the latter year, the company is taken over by **KLM Exel, C.V.**

FAIRLINES, S.A.: France (1997–1998). Francois Arpels, of the fragrance and jewelry concern Van Clef & Arpels, establishes Fairlines at Paris (CDG) in December 1997 to offer up-scale business-class service from Paris to Italy. Two Boeing and McDonnell-Douglas MD-81s are acquired under charter and christened *Faust* and *Tosca* in honor of two operas of interest to the owner. They are employed, beginning on January 19, 1998, to inaugurate thrice-daily roundtrips to Nice. Twice-daily services from Paris to Milan commence on March 4, along with twice-daily service between Nice and Milan.

Plans are made to inaugurate services to additional European cities and to acquire eight more MD-80s over the next three years. In May, the airline is the official carrier for the Monte Carlo Open tennis tournament. The high-class, business-class service never catches on and, in September, the carrier is forced to terminate its scheduled routes, re-

placing them with scheduled flights. Without income, the company is also forced to suspend its aircraft lease payments.

French aviation authorities agree to give Fairlines three months to get its financial house in order. In exchange, owner Arpels promises to find a major airline partner and find investors willing to join him in making additional equity infusions. He also seeks to renegotiate lease payments and build a cash reserve. Progress toward these goals is slow, with none achieved by the beginning of November. On December 31, Fairlines ceases operations.

FAIRWAYS: Philippines (1964–1965). Led by former **Philippine Air Lines (PAL)** President Renato Barretto, a group of the flag carrier’s former executives form this concern at Manila in December 1964 to offer scheduled services in competition with their former employer. Capitalization comes in the form of a PP 2.7-million loan from the Philippine National Bank.

After obtaining a temporary government operating certificate and a fleet of 8 Douglas DC-3s and two DC-6Bs, Fairways inaugurates revenue flights (initially charter) on January 6, 1965, linking its base with Bacolod, Cebu, and Davao. It will be plagued with numerous operational accidents, beginning on January 21 when a DC-3 is destroyed at San Jose as the result of a bad landing; no injuries are reported.

Flight 43, a chartered DC-3A with 3 crew and 9 passengers and en route from Manila, crashes into Mt. Tangcong Vaca on March 8 (10 dead). The tragedy does not prevent the new entrant from inaugurating scheduled flights on March 10. Discount scheduled DC-6B Orchid service is started between Manila and Cebu on March 30. Other Orchid communities are added during the next two quarters and orders are placed for Japanese-made Nihon YS-11A turboprops. President Barretto resigns in May.

A DC-6B is destroyed when it fails takeoff from Cebu City on June 6; there are no fatalities. A DC-3A with three crew and eight passengers crashes into Mt. Kantakan near Bacolod on September 11; there are no survivors. This second loss of a Douglas transport within four months, and the fourth since January, leads to public concern over the airline’s safety. In response, the company is shut down for assessment during the next 45 days. The reformed carrier returns to service in November under the name **Filipinas Orient Airways (FOA).**

FAIRWAYS AVIATION (JERSEY), LTD.: United Kingdom (1953–1956). To operate scheduled services from the Channel Islands to England, **Channel Air Services (Jersey), Ltd.** is formed at Jersey in January 1953. Employing two Avro 19s, the company flies ad hoc seasonal charters from Jersey to both England and northern France. The name Fairways Aviation (Jersey), Ltd. is adopted at year’s end.

During 1954–1955, the carrier, having received a license for inclusive-tour flights from Jersey and Guernsey to London (LGW), undertakes these charters as well as those to destinations reached earlier. On August 6 of the latter year, an Avro 19 runs out of gas and successfully ditches in the Solent, off Calshot. The aircraft is replaced by another Avro 19 in September.

Late in the year, the company applies to the U.K.’s Air Transport Licensing Board (ATLB) for scheduled routes; however, instead of receiving such permission, it is convicted of operating an unlicensed scheduled Jersey–Blackbushe route. To pay the £500 fine, company directors sell their two aircraft and go out of business in the spring of 1956.

FALCHAIR. See **MAERSK AIR A.S.**

FALCK AIR, A.S.: Odense Airport, Odense, DK-5270, Denmark; Phone 45 65 95 52 22; Fax 45 65 95 53 44; <http://www.daa.dk/falck.index.htm>; Year Founded 1974. Falck is set up as the FBO at Odense Airport in 1974. During the next quarter century, it also undertakes a wide variety of executive and small group passenger charters, including air ambulance flights.

In **2000**, the concern employs 11 pilots and operates 2 Britten-Norman BN-2 Islanders, and 1 each Learjet 35A Century III, Learjet 55 Longhorn, Cessna 500 Citation I, C-550 Citation II, and C-650 Citation III.

FALCON AIR EXPRESS: 7270 North West 12th St., Suite 681, Miami, Florida 33126, United States; Phone (305) 592-5672; Fax (305) 592-8608; Code F2; Year Founded 1995. FAE is established at Miami during the summer of **1995** to offer international passenger and charter services. Falcon Travel Chairman Emilio Dirube is owner, chairman, president, and CEO and his workforce totals 49. Simultaneously, the affiliate **American Falcon, S.A.** is also established in Argentina, initially to provide lift for members of the North American Olympic Committee at the Mar del Plate Pan American Games. Two Boeing 727-200As are chartered, one of which is subleased to fellow Miami new entrant **Halisa Air (Haitian Aviation Line, S.A.)**.

Revenue services commence on March 21, **1996**, the very day the company receives final DOT approval to fly its trijets to the Caribbean and Mexico.

A total of 5,000 passengers are flown during the last three quarters of the year and 12.64 million FTKs are operated. Revenues of \$1.4 million are generated. With expenses of \$1.82 million, there are equal operating and net losses of \$420,000.

Dirube does not quit in **1997**. Despite his losses, he acquires a third trijet freighter and continues operations.

Customer bookings surge to 15,000. During the second half, revenues total \$10.3 million and a net \$149,000 profit is generated.

Chairman Dirube's faith is rewarded in **1998** when passenger boardings increase 57.1% to 22,000.

Customer bookings for the year skyrocket 303.8% to 214,000.

A total of 150 workers are employed at the beginning of **2000**. The operational B-727 fleet now includes 1 each Dash-259A, Dash-224, Dash-251, and 2 Dash-224As, with 1 Dash-231A and 1 Dash-223A out of service. The company also flies 3 B-737-33As.

The **Air 2000, Ltd.** B-757-28A chartered by **Aero Continente, S.A.** is returned on April 29 and is replaced on the Miami-Panama City route with a Falcon B-727-224A. After returning the Boeing on July 1, Aero Continente, which has been unsuccessful in its efforts to gain access to Florida with its own aircraft, suspends its U.S. service.

The B-727-251A previously operated by **Discovery Airlines** is received on August 18 and is christened *Lillian*. Two B-737-3H6Fs, previously operated by **Malaysia Airlines, Ltd. (MAS)**, are chartered from Aviacargo Leasing by **LAV Venezolana Airlines (Linea Aeropostal Venezolana, S.A.)** on September 22. These are operated to Miami from Caracas and Maracaibo under subcontract by Falcon Air Express.

Falcon Air Express also paints two of its own B-727-224As in Aeropostal colors and operates them on LAV's behalf beginning on November 1.

FALCON AIRLINES (PTY.), LTD. (1): Australia (1987-1990). Falcon-1 is organized in **1987** to provide scheduled passenger and cargo flights from Cairnes, Queensland, to the Torres Islands. With a temporary license in hand, General Manager Ron Seager's small regional begins revenue flights employing a Cessna 402 and a Pilatus-Britten-Norman PBN-2 Islander.

At the end of the decade, the Islander is replaced by two Piper PA-34 Senecas. Operations continue apace until June **1990** when the license is withdrawn, forcing the company out of business.

FALCON AIRLINES (PTY.), LTD. (2): Australia (1990-1995). Falcon-2 is formed at Stratford, Queensland, in late **1990**. Equipped with a mixed fleet comprising 2 Beech B-80 Queen Airs, 1 Cessna 402, 2 Pilatus-Britten-Norman PBN-2 Islanders, 1 Aero Commander 500, and 1 Piper PA-31-310 Navajo, Managing Director Ron Seager's operation inaugurates scheduled services on routes out of Cairns in early **1991**.

Services are maintained, however, in **1992-1994** one Islander, the Navajo, and the Aero Commander are withdrawn. The company shuts down in **1995**.

FALCON AIRWAYS, LTD.: United Kingdom (1959-1962). Former **Independent Air Transport, Ltd.** Managing Director Capt. Marian Kozubski forms Falcon Airways at Blackbushe Airport in March **1959**, equipping it with an ex-**Independent Airways, Ltd.** Beech 18S and a Vickers Viking. Commercial operations begin on March 29 and a series of inclusive-tour flights are undertaken during the summer.

In June, a Handley Page Hermes 4 is acquired and added to the tour routes.

The Beech 18S is destroyed in a Bournemouth crash on August 5.

When Blackbushe Airport is closed on May 31, **1960**, company headquarters are transferred to London (Gatwick). Mediterranean tour operations continue during the summer, on behalf of Universal Sky Tours, Ltd. in particular, and, in June, a Hermes is chartered to assist in the evacuation of Europeans from the Belgian Congo to Brussels.

Two North American flights are made in August and September. The Viking is retired in September.

A chartered Handley Page HP 81 Hermes 4 with 5 crew and 71 passengers makes a bad landing at Southend Airport on October 9; although the aircraft must be written off, there are no fatalities.

The second Hermes is now retired, but is replaced with a DC-4, leased for a month from Kay Rings, Ltd., and used to finish the year's Universal Sky Tours contract.

With his fleet sold, Kozubski visits America during the winter and purchases four Lockheed L-049 Constellations, three of which, formerly flown by **Capital Airlines**, are delivered during January and March **1961**. The fourth machine is registered to an Austrian charter line, **Aero Transport Flug-betriebsgesellschaft, GmbH**, and operated under contract. Transatlantic charter flights are inaugurated on March 8.

Difficulties with safety authorities prevent use of two of the three Falcon Constellations so that, for most of the summer, only one L-049 is available to operate inclusive-tour flights to North America and southern Europe. In July, a Constellation is sold to **Trans-European Aviation** while plans to operate the Austrian L-049 are quashed by the government. As a result, much of the Universal Sky Tours business is lost to other operators.

Other charter possibilities also evaporate and the last revenue flight, Palma-London (Gatwick) is completed on September 19. Three days later, the company's operating certificate is withdrawn. Capt. Kozubski's efforts to return are unsuccessful and Falcon Airways, Ltd. goes into receivership on January 2, **1962**.

FALCON AVIATION, A.B.: Box 36, Malmo-Sturup, S-23032, Sweden; Phone 46 (40) 50 05 00; Fax 46 (40) 50 01 49; http://www.falconair.se; Code IH; Year Founded 1965. The Malmo-based Falcon is originally organized as an air taxi to offer lightplane passenger and cargo charters. These services continue for 21 years until October **1986**, when company officials elect to upgrade their operation into an air cargo carrier under the name **Falcon Cargo, A.B.** Revenue flights commence from Saeve Airport at Goteborg with a fleet of 3 Lockheed L-188CFs; the primary business is the transport of the internal mails for the national post office.

In two phases during **1987-1988**, the company is taken over by Postbolagen, A.B. The main task of this wholly owned subsidiary of the Swedish postal service is to run the nation's domestic airmail service. In October of the former year, an L-188CF is acquired from Detroit-based **Interstate Airlines**.

In **1989**, Managing Director Alf Olsson's carrier places orders for three Boeing 737-33AQC's.

These leased machines are delivered in **1990**, at which time the company begins to undertake a limited number of European passenger charters and inclusive-tour flights and changes its name to Falcon Aviation.

Local destinations served in **1991** include Lulea, Umea, Stockholm, Sundsvall, Jonkopings, and Malmo.

Airline employment in 1992 stands at 116. The company is now re-named Falcon Aviation, A.B.

Annual cargo poundage now averages 41,000 as services continue in 1993.

During the year, the company's four L-188CFs are leased to **Hunting Cargo Airlines, Ltd.** and placed on that carrier's **DHL Worldwide Express** routes.

A fourth B-737-33AQC is acquired in 1994.

Flights continue in 1995–1997, during which years Chairman Borge Osterholm and Managing Director Rolf Johansson continue to operate general charters throughout Europe and continue to fly scheduled internal mail service for the Swedish Post Office. Airline employment is cut to 65 as 1 leased Boeing is withdrawn for overhaul. A total of 750 million letters and 240,000 passengers are flown during the latter year.

Its overhaul complete, the leased B-737-33AQC is returned in the spring of 1998 wearing a brand new livery. A snow-white fuselage with a black cheatline is complemented by a stylized falcon head profile on the tail's background of red and white horizontal stripes.

The L-188CF contract with **Hunting Cargo Airlines, Ltd.** ends in midyear when that company is sold. One Electra is sold to **Channel Express Air Services, Ltd.**

Completely owned by the Swedish Post Office, the Boeing flies mail at night and passenger charters during the day, the latter usually on behalf of tour operators or **SAS (Scandinavian Airlines System)**. The marketing name Falcon Air is widely employed.

Service is maintained in 1999–2000. During these years, Bo Alerfeldt becomes chairman and the workforce now totals 117. At the end of 2000, a contract is signed with **Atlantic Airlines, Ltd.** for the wet-lease of a DC-6 during the first quarter of 2001. The propliner freighter will operate between Bothenbourg and Stockholm transporting specially designated mail shipments.

FALCON CARGO, A.B. See **FALCON AVIATION, A.B.**

FALCON EXPRESS AIRLINES: 4200 East Skelly Drive, Suite 420, Tulsa, Oklahoma 74135, United States; Phone (918) 495-3900; Fax (918) 495-1116; Year Founded 1996. Falcon Express is established at Tulsa in 1996 to provide regional all-cargo services. Vicken L. Karjian is president and revenue services commence and continue with a fleet that includes 4 Beech 1900Fs and 1 Fokker F.27F.

FALCON FLIGHT. See **FIRST AMERICAN AIRLINES**

FALCON JET CENTRE, LTD.: #2 Maintenance Area, Heathrow Airport, Hounslow, Middlesex, England, TW6 3AE, United Kingdom; Phone 44 1818-976021; Fax 44 1818-977638; Year Founded 1974. Falcon Jet is established at London (LHR) in 1974 to operate executive and small group passenger charters on a worldwide basis, with emphasis on Northwest Europe. Twenty-six years later, the company employs 11 pilots and flies 1 each Dassault Falcon 20 and Falcon 50 plus 1 British Aerospace BAe (HS) 125-700B Hawker.

FALCONAIR CHARTER, A.B.: Sweden (1967–1970). Not to be confused with **Falcon Aviation, A.B.**, which is also based at Malmo, this nonscheduled operator is established in the spring of 1967 to fly passengers to regional holiday destinations. Revenue operations commence in May with three Vickers Viscount 784Ds.

Initially successful and in need of additional capacity, the company seeks a lease of two Lockheed L-188Cs formerly operated by **Eastern Air Lines**. The first arrives in December 1968, with the second entering service in January 1969. The two big turboprops not only fly to European destinations, principally in Austria and Switzerland, but to winter vacation areas of the Mediterranean. A third L-177C, also ex-EAL, is purchased.

Service diminishes after a change in ownership during the spring of 1970. Operations cease on September 1, after which the two chartered

Electras are returned to their lessor and the owned unit is sold by receivers to **Sterling Airways, A.S.**

FAMA (FLOTA AEREA MERCANTE ARGENTINA, S.A.): Argentina (1946–1949). In order to ensure more local involvement in Argentine commercial air service development, the Argentine government in 1945 authorizes the establishment of joint-stock companies able to offer regularly scheduled commercial flights. The first to be set up, on February 8, 1946, is FAMA.

Initially capitalized at \$150 million, the infant carrier's shareholders include the national government (33.3%) and private interests (66.7%), including aviation enthusiast Dr. Jose Dodero's steamship concern, Dodero having just established an air transport subsidiary for his company, **Compania Argentina de Aeronavegacion Dodero, S.A.**, and anxious for further involvement. Dr. Dodero's initial participation results in the acquisition of a fleet comprising 1 Short S.25 Sunderland 3 flying boat, 1 Douglas DC-4 (the first of 15 to be delivered in the next 2 years), 3 Avro 685 Yorks Is, and 5 Douglas DC-3s. Having already obtained the required permissions from Chile and the U.K., a Sandringham makes a proving flight to London on June 4, the same day the first DC-4 begins service to Santiago de Chile.

Unable to sell his interest in transatlantic flying boat services and a participant in the founding of another airline—**ALFA (Aviacion del Litoral Fluvial Argentina, S.A.)**—which uses flying boats and is thus in conflict with government officials, Dodero withdraws from active participation with the carrier in August, though remaining a stockholder.

On September 17, FAMA inaugurates a DC-4 frequency to London via Rio de Janeiro, Natal, Dakar, Lisbon, and Paris. Madrid service begins on October 11. Ten days later, DC-4 flights are launched to New York via Rio de Janeiro, Natal, Belem, Port of Spain, and Havana.

In December, orders are placed for six Douglas DC-6s.

On December 23, an Avro 685 York I with 6 crew and 15 passengers crashes 31 km. from Rio de Janeiro while on initial approach; there are no survivors.

During early 1947, the fleet is upgraded by the addition of three Avro Lancastrian 4s, six Vickers-Armstrong 615 Vikings, and three Bristol 170 Mk. 1A Freighters. These serve as both a supplement to the DC-4 international frequencies and as provider of domestic and regional flights to Santiago de Chile, Porto Alegre, and São Paulo. Orders are also placed for five Convair CV-240s.

An Avro 691 Lancastrian I with 5 crew and 13 passengers is involved in a landing accident at Natal on June 11 (5 dead).

Rome is added to the European route network on July 9.

On July 25, an Avro 685 York I with six crew is involved in an accident while landing after a test flight; two people aboard are killed, along with two on the ground.

A C-54A with four crew is lost while landing at Itapermirim, Brazil, on August 12; although the aircraft must be written off, there are no fatalities.

The fleet is upgraded in 1948 by the addition of six DC-6s, the first of which arrives on May 18; all of the other equipment except for the DC-4s is sold. The new pressurized acquisitions provide New York and Europe trunk services, while some of the unpressurized Douglas transports fly the regional service to Santiago, Rio de Janeiro, São Paulo, Natal, and Belem and others are stationed in Europe to maintain the Lisbon–Madrid–Rome link.

Meanwhile, on May 14, a Vickers 615 Viking 1B with five crew aboard crashes while landing at Junin, Argentina; although the aircraft must be written off, there are no fatalities.

On July 13, two DC-4s, the *Sky Chief Pueblo* and the *Sky Chief Taos*, are purchased from the disbanded American carrier **Santa Fe Skyways**.

FAR EAST AIRLINES COMPANY, LTD. (KYOKUTO KOKU): Japan (1952–1958). Capitalized at ¥50 million (US\$150,000), FEA is formed at Tokyo in August 1952. Representing investors, Tomoo Kondo is named president with Choichi Inouye as vice president. Inouye, the grand old man of Japanese commercial aviation, had formed the

country's first airline, **Nippon Koku Yuso Kenkyujo (Japan Air Transport Research Institute)**, on June 4, 1922.

Operator and route certification is sought from the government, with permission for the initiation of aerial work contracts received on October 21. Two single-engine Auster J/5 Autocars are purchased on November 15. The company is incorporated on December 26.

Meanwhile, a competitor at Osaka, **Japan Helicopter and Aeroplane Transport Company, Ltd. (Nihon Herikoputa Yuso Kabushiki Kaisha)** has been registered.

FEA purchases a pair of de Havilland DH 104 Doves from JHAT on March 18 and on May 26, both companies simultaneously receive domestic charter authority. While watching JHAT initiate Bell 47D-1 flights, FEA prefers to inaugurate its services with fixed-wing aircraft slightly larger than the Doves. Thus a pair of Miles, later Handley Page, Marathons are ordered from the U.K. as it awaits scheduled authority from the government.

The company's premier service, a mail run, is completed on January 20, 1954 between Tokyo and Osaka. At this point, officials from FEA and JHAT agree to operate complementary rather than competing services.

When FEA launches scheduled passenger frequencies on February 1, they are undertaken between Osaka and Iwakuni.

On February 21, a passenger commits incendiary suicide aboard a J/5. The Autocar catches fire in midair and crash-lands at Yata Village, from whence the two injured crewmen are rushed to hospital.

Service to Fukuoka from Iwakuni begins on April 20.

The first Miles Marathon is received in September and it enters service between Osaka and Kochi on October 1.

Takamatsu joins the route network on May 23, 1955.

In October, the Miles Marathon is grounded due to loose ribs; it is replaced by Douglas DC-3s.

Service is initiated from Fukuoka to Oita on April 7, 1956.

On April 13, 1957, the carrier begins joint operations with **Japan Helicopter and Aeroplane Transport Co., Ltd.** The last FEA services to be started are those from Oita to Kagoshima and Miyazaki on July 1.

A decision for consolidation of the two airlines is taken on October 30.

On March 1, 1958, the two companies are actually merged and the single carrier is renamed **All Nippon Airways Company, Ltd. (ANA)**.

FAR EAST CARGO LINES: Marsovaya St. 8, Khabarovsk, 680011, Russia; Phone 7 (4212) 339 949; Fax 7 (4212) 713 101; Code FEW; Year Founded 1997. FECL is set up at Khabarovsk in 1997 to operate all-freight charters throughout the nation, particularly in Siberia. S. A. Samoilovov is general director and he begins revenue flights with an unspecified number of Ilyushin Il-76Ts.

Service is maintained in 1998-2000, with charters operated as far away as Singapore and the U.S. West Coast. Destinations now visited include Almaty, Archangle, Aomori, Chita, Harbin, Khabarovsk, Krasnoyarsk, Los Angeles, Moscow, Niigata, Omsk, Petropavlovsk, San Francisco, Seattle, Seoul, Shenyang, Singapore, Ulan-Ude, Vladivostok, and Yuzhno-Sakhalinsk. Director General Leonid V. Nagomy's fleet is altered to include one each Antonov An-24B and Ilyushin Il-62M.

FAR EASTERN AIR TRANSPORT, INC. (FEATI): Philippines (1945-1947). FEATI is the new name chosen by Eugenio Lopez for his prewar airline, **Iloilo-Negros Air Express Company (INAEC)**. With a fleet of former Douglas C-47s converted to DC-3 standards and backing from **Pan American Airways (PAA)**, FEATI gets a leg up on **Philippine Air Lines (PAL)** by resuming service first, flying from Manila to Iloilo in November 1945.

With government support as well as backing from **Transcontinental and Western Airlines (TWA)**, PAL resumes service on February 14, 1946.

A major competition between the two carriers begins. During the spring, the FEATI fleet is increased to 12 DC-3s and, in May, scheduled flights are inaugurated to Bangkok and Hong Kong.

President Lopez acquires several C-54s (military DC-4s) and these are employed, beginning on August 20, on new services from Manila to Iloilo, Cebu, Hong Kong, and Shanghai.

A DC-3 with 4 crew and 10 passengers is lost near Mt. Banahaur in the Philippines on December 14 (12 dead). Still, nonscheduled flights from Manila to Oakland, California (across the Bay from San Francisco) begin two days later via Guam, Kwajalein, and Hawaii.

A C-54A with 5 crew and 37 passengers is lost 130 km. W of Lasq, China, on January 11, 1947 (7 dead). Following the crash of this nonscheduled transpacific flight, FEATI is grounded. Before it can resume operations, the new Philippine government, which had certified both carriers, agrees to support only one. On May 3, FEATI sells out to PAL for PP 3.4 million.

FAR EASTERN AIR TRANSPORT CORPORATION (FAT): No. 5, Alley 123, Lane 405, Tun Hwa North Road, FAT Building, Taipei, 105, Taiwan; Phone 888 (2) 712-1555; Fax 888 (2) 712-2428; http://www.fat.com.tw; Code EF; Year Founded 1957. K. T. Siao, who becomes chairman, and former Air Force pilot Tung Ching Hu, who becomes president, join millionaire businessman, T. C. Hwoo, in forming FAT at Taipei in August 1957. Ad hoc Beech 18 services are initiated to communities in the southern half of Taiwan.

Employing a fleet of three Douglas DC-3s, the carrier begins nonscheduled charter services in June 1960 from Taipei to Kaohsiung.

Scheduled services begin in January 1965 and provide regular links from the capital to the Taiwanese cities of Kao-hsiung, Hualien, Makung, Painan, and Taitung.

Enplanements total 41,995.

Airline employment in 1966 totals 120 and the fleet comprises 5 Beech 18s and 3 DC-3s. Orders are placed for a Handley Page HPR-7 (Dart) Herald 201, which enters service on February 21.

Two former **Ansett Airlines of Australia (Pty.), Ltd.** DC-6Bs are acquired on March 12, 1967.

Operations continue apace during the next two years.

A DC-3 is lost at Kao-hsiung on February 15, 1969. Its No. 2 engine having failed, the HPR-7 Herald 201 with 4 crew and 32 passengers makes an emergency belly landing in southern Taiwan near Tainan on February 24 and slides into a creek; there are no survivors.

A chartered DC-3 with 3 crew and 28 passengers is destroyed as the result of a bad landing at Phantiet, Vietnam, on April 24; there are no fatalities.

Not long after takeoff from Taipei on February 20, 1970, a DC-3 freighter with two crew crashes into a 1,230-ft. high mountain; there are no survivors.

The first of nine used Vickers Viscount 800s are acquired from Australia beginning in April. These replace the DC-6Bs and DC-3s that are chartered to **Air Vietnam, S.A.**

By 1972, enplanements reach 470,470.

The employee population in 1973 is 900. Two Sud-Est SE-210 Caravelle VIRs join the fleet along with two Bell 212 helicopters for use in support of the company's offshore oil industry operations.

Passenger boardings accelerate 38.9% to 770,000.

Another Caravelle, a Douglas DC-8-50, and a third Bell 212 are acquired in 1974.

A DC-3 with 27 aboard crashes near Taipei on July 31; there are no survivors.

En route from Tainan to Taipei on October 7, a Vickers Viscount 810 is taken over by a lone assailant armed with a knife and four gasoline-filled bottles, who demands to be flown to mainland China. Before the aircraft can be diverted, the hijacker is overpowered by a flight attendant and a security guard.

Enplanements for the year total 723,330.

The Douglas transports leased to South Vietnam are returned in March and early April of 1975.

Coming in from Hualien, a Vickers Viscount 837 with 5 crew and 70 passengers stalls and crash-lands onto a Taipei runway in heavy rain on July 31 (27 dead).

Passenger boardings jump 15.4% to 855,000 while freight traffic is up by 24.1% to 757,000 ton kilometers.

Airline employment in 1976 stands at 950, a 10% increase. Three Boeing 737-247s are acquired from **Western Airlines** and these allow substantial service upgrades.

Consequently, customer bookings accelerate 30.9% to 1,185,785 while cargo booms up 24.7% to 2.5 million FTKs.

A DC-3 is damaged beyond repair while landing at Tainan on April 16, 1977, when its landing gear collapses; there are no serious injuries reported.

Enplanements for the year total 1,478,726.

Airline employment is increased 9.2% in 1978 to 1,112 and the fleet comprises 3 Boeing 737-247s first flown by **Western Airlines**, 3 Sud-Est SE-210 Caravelle VIRs, 7 Vickers Viscount 800s, 2 Handley Page Herald, 4 DC-3s, and 3 Bell 212 helicopters.

Passenger boardings shoot up 28.4% to 2,065,258 and freight traffic is up by 16.4% to 2.53 million FTKs. Operating income is up by 24.5% to \$32.5 million.

The number of workers is decreased by 8.6% in 1979 to 1,067. A JT8D engine test stand is completed and two more B-737s, one each Dash-222 and Dash 2Q8, join the fleet.

Passenger enplanements advance 7.4% to 2,265,382.

Despite souring economic conditions, the carrier hires 3.3% more employees in 1980, for a total of 1,102.

New charter destinations include Singapore, Bangkok, and Hong Kong. The equipment list is enhanced through the addition of two B-737-130s. All other propeller equipment (except the helicopters) and the French-made jetliners are retired.

Customer bookings decline by 13.5% to 1,959,000 while cargo is down 24.2% to 756,000 pounds. Revenues total \$34 million.

The employee force is reduced by 1.4% in 1981 to 996.

Severe corrosion causes the pressure hull of Flight 103, a B-737-222 with 6 crew and 104 passengers, to rupture 14 minutes after takeoff from Taipei to Kao-hsiung on August 22; the aircraft disintegrates and there are no survivors. The little Boeing had been delayed on the ground for two hours prior to departure because of known pressurization problems.

Passenger boardings dip 10.6% to 1,750,583 while freight is up by 16.2% to 2.45 million FTKs. Revenues are \$34.9 million and an operating profit of \$801,000 is recorded.

The number of employees is lowered again in 1982, dropping by 7.4% to 924. The effects of the world economic recession bring traffic downturns. Customer bookings decline 17.5% to 1,445,100, while cargo is down even further, off 31% to 436 million FTKs. On revenues of \$30.4 million, an operating loss of \$2.5 million is suffered, along with a net decline of \$1.6 million. The number of workers is increased by 2.3% in 1983 to 936. Enplanements swell 4.7% to 1,512,600 while freight leaps upward by 45.3% to 633,500 FTKs. An operating profit of \$1.6 million is recorded, but a net loss of \$601,843 must be absorbed.

Scheduled and nonscheduled service is maintained throughout 1984-1986.

Following the death of founder Hu during the latter year, his family becomes divided over shareholding and takes their dispute to court. As a result, the government's Civil Aviation Administration appoints former **China Airlines, Ltd. (CAL)** Deputy President Hong I. Chang as president, with instructions to keep the company going until the dispute is settled while, simultaneously, preparing it for international operations.

Enplanements in 1987 total 1,817,945 and profits of \$7.37 million (operating) and \$7.6 million (net) are generated.

The workforce is increased by 6.5% in 1988 to 980 and the fleet now includes 2 B-737-130s and 6 B-737-200s. Orders are outstanding for two Avions de Transport Regional ATR72s, with options taken on four others.

Passenger boardings jump 10.3% to 2,026,694, but cargo is off by 2.3% to 861,000 FTKs. Revenues advance by 14.7% to \$59.2 million

and with costs under control, the operating profit is \$9.2 million and net gain reaches \$11.3 million.

Operations continue apace in 1989 and in 1990, the list of destinations visited by the 1,196-employee carrier includes Kao-hsiung, Hualien, Kinmen, Tainan, Taitung, Makung.

The fleet comprises 3 Boeing 737-247s, 1 B-737-222, 1 B-737-2Q8, 1 B-737-27A, and 2 B-737-130s, and 1 ATR72.

Enplanements total 2,118,129 and 4.74 million pounds of freight are transported.

In 1991, plans are made to upgrade the fleet through the addition of three McDonnell Douglas DC-9-83s (MD-83s) and an MD-82. The latter will replace the two B-737-130s that will enter storage pending their sale.

Hong I. Chang remains president and plans are still under discussion for the start of international flying.

Passenger boardings jump to 2,271,058 and cargo rises to 6.99 million pounds.

In 1992, all of the B-737-200s begin withdrawal as another MD-82 enters the fleet. Service is inaugurated to Kinmen. Bookings double to 4,642,938 and freight is up to 7.56 million pounds.

In 1993, Vice President-Operations C. W. Lee oversees a workforce of 1,326 and a fleet comprising 3 leased MD-83s and 3 B-737-247s, 2 B-737-130s, 1 each B-737-222, B-737-2Q8A, B-737-27A, and 2 chartered MD-82s.

Routes link Taipei with Kao-hsiung, Hualien, Kinmen, Tainan, Taitung, and Makung. Domestic and international charters are also available.

While climbing away from Kao-hsiung on October 25, an MD-82 with 8 crew and 152 passengers loses its fan cowl from the No. 1 engine. The aircraft returns for a safe emergency landing, but then runs off the end of the runway and over a ditch, causing the landing gear to fail. Seriously damaged, the aircraft slides to a stop; no injuries are reported.

Operations continue apace in 1994. Enplanements total 4,406,750 and there are profits: \$48.18 million operating and \$38.18 net.

Airline employment grows by 6% in 1995 to 1,510. The B-737-222 and two B-737-130s are sold and replaced by two owned B-757-29Js, one owned and three leased MD-83s, and three owned MD-82s.

Passenger boardings ascend 20.6% to 5,550,062 and operating revenues climb 14.1% to \$223.49 million. Expenses are up 17.5% to \$173.58 million, leaving an operating gain of \$49.9 million and net gain of \$34.84 million, down from the previous year.

The fleet in 1996 includes 2 owned B-757-29Js, 3 leased and 1 owned MD-83s, 2 leased and 3 owned MD-82s, 1 leased B-757-2Q8, and 1 each owned B-737-2Q8A and B-737-27AA. The company continues to fly 14 domestic routes and offers service to Palau and the Philippines.

Enplanements total 5,338,385 and the operating profit is \$32.46 million.

Airline employment grows by 9.3% in 1997 to 1,888.

One of the company's two B-757-29Js unveils a new white and red livery on February 28 as a promotion the country's second major league baseball league. The newly repainted narrow-body is hijacked to Xiamen, China, on March 10; all of the hostages aboard are released and the perpetrator is detained.

During the third week of November, an order is placed with Boeing for five B-757-200s and two MD-83s, the first of which will begin to arrive at its Taipei base in early 1998. Options are also taken on five additional B-757s.

During this month the company celebrates its fortieth anniversary. Merger discussions begin with **TransAsia Airlines, Ltd.**

Customer bookings advance by 2.7% to 5,486,521, while cargo accelerates 14% to 2.85 million FTKs. Revenues move ahead 2.8% to \$184.93 million, while expenses climb 5% to \$154.83 million. The operating profit slips to \$30.1 million, while net gain is boosted to \$22.66 million.

Just after landing at Taipei following a February 23, 1998 service from Kao-hsiung, a B-757-29J with 126 passengers skids off the wet runway; no injuries are reported.

In late April, the Civil Aeronautics Commission at Taipei refuses a company request to send pilots to Beijing for Boeing simulator training. As **CAAC (The General Administration of Civil Aviation of China)** will not allow CAC officials to oversee the training, any simulator time gained would be uncertifiable.

Enplanements during the 12 months total 5.08 million and a \$5.5-million profit is reported on revenues of \$171 million. By the start of **1999**, airline employment has been cut by 12.9% to 595.

Service is maintained in **2000**. On January 27, the company receives the last of five B-757-27As delivered since December 1998. It also continues to fly three MD-82s and five MD-83s.

Flights between Taipei and Chiayi end on October 23 and are reduced on the route between Taipei and Kao-hsiung. On December 1, new service is introduced between Taipei and Kinmen Island.

FAR EASTERN AVIATION. *See* **DAK FAR EASTERN AVIATION (KHABAROVSK UNITED AIR DETACHMENT)**

FAR WEST AIRLINES (1): United States (1979–1982). The initial FWA is established at Portland, Oregon, in late spring **1979** to provide scheduled passenger and cargo services. Employing a Piper PA-31-350 Navajo Chieftain, the little commuter inaugurates flights on July 1, linking its base with Seattle and North Bend. Operations continue until **1982**.

FAR WEST AIRLINES (2): United States (1984). Privately owned FWA is established at Fresno, California, in the spring of **1984**. Minority ownership is held by the City of Fresno, in exchange for construction improvements at the city airport. CAB approval for scheduled service is obtained in June and a staff of 130 is hired.

Two Japanese-made Nihon YS-11As are leased from **Mid-Pacific Airlines** and these are employed to inaugurate flights on September 24 linking the company base with Oakland and San Jose. Burbank, Ontario, and Orange County are added to the initial network in October.

The cost of start-up and expansion proves too much for the new entrant and it suspends operations on December 13 stating simply that it "had run out of money." The turboprops return to Honolulu.

FARNAIR HUNGARY, KFT.: P.O. Box 173, Budapest, H-1701, Hungary; Phone 361 282 92 86; Fax 361 377 21 83; <http://www.farnair.com>; Year Founded 1990. **NAWA Air Transport, Kft.** is originally established at Ferihegy International Airport at Budapest in **1990** as the first privately owned airline in Hungary since before World War II. Employing a single Let L-410UVP, revenue flights are started under contract to **United Parcel Service (UPS)**. Two more Lets soon join the fleet.

NAWA Air Transport is acquired by the Swiss carrier **Farner Air Transport, A.G.** in **1993**. The company is renamed and a leased Fokker F.27-400s and two more Let L-410UVPs are provided.

By **1996**, the company is operating not only on behalf of UPS, but also on humanitarian missions for the Swiss government and in support of the Paris–Dakar automobile rally.

The Farnair Europe Aviation Group is created in **1997**, with **Farner Air Transport, A.G.**, **FAH**, **Tulip Air, B.V.**, and **Air Service Basel, A.G.** all becoming subsidiaries. The company now trades under the marketing name Farner Europe.

In **1998**, FAT (Hungary) becomes the approved CAA-145 maintenance organization for the nation's L-410 fleet.

Airline employment at Managing Director Mihaly Fabian's company stands at 49 at the beginning of **1999** and the fleet includes 5 Let L-410UVPs and the chartered Fokker.

FAH is renamed again, becoming Farnair Hungary, Kft. A new contract is accepted from the Italian post office and the fleet is boosted through the addition of two more L-410UVPs and a Cessna 402.

The workforce grows to 87 in **2000** and an F.27-500F replaces the Dash-400.

FARNAIR NETHERLANDS, B.V.: Sheffieldstraat 21, Rotterdam, 3047, The Netherlands; Phone 31 (10) 238-0909; Fax 31 (10) 238-0900; <http://www.farnair.com>; Code FRN; Year Founded 2000. **Tulip Air Charter, B.V.**, a subsidiary of the Basel, Switzerland-based Farnair Europe Aviation Group, is renamed in early August **2000**. Managing Director Urs Zurcher's three Fokker F.27-500Fs continue to fly overnight express services on behalf of **United Parcel Service (UPS)**, **TNT Worldwide Express**, and **Federal Express**.

The company's three Airbus Industrie A300B4-103Fs remain dedicated to **DHL Worldwide Express**. On August 24, a fourth A300B4-103F is wet-leased for a four-month period.

FARNAIR SWITZERLAND. *See* **FARNER AIR TRANSPORT, A.G.**

FARNER AIR TRANSPORT, A.G. (FAT): Postfach, Basle Airport, CH-4030, Switzerland; Phone 41 (61) 325 30 67; Fax 41 (61) 325 48 24; <http://www.farnari.com>; Code FAT; Year Founded 1984. This concern traces its history back to the September 1982 arrival in Basel of a Dutch Piper PA-34 Seneca transporting express packages. Farner is set up in early **1984** as an air taxi and express-cargo airline. Employing 1 each Piper PA-31-350 Navajo Chieftain, Cessna 402, Cessna 404, and Cessna 421, the new operator starts flying goods for integrators within central Europe.

Over the next three years, the company increases the number of express-parcel contracts accepted and undertakes service linking its base with Geneva, Brussels, Cologne, and Paris.

Two Embraer EMB-110P1s are acquired in **1987** to operate between Basel and Brussels, while in July **1988**, a Fairchild F-27J is introduced. It is flown for the remainder of the year on behalf of a new integrator customer.

During **1989**, a leased Belgian Fokker F.27-200 is operated from Brussels to Geneva via Basel.

The company acquires its first owned Fokker Friendships in March **1990**. One each Dash-400 and Dash-600 are operated on behalf of two different integrators; the first is operated over a route from Basel to Brussels and the second, on behalf of **Federal Express (FedEx)**, from Basel to Cologne. Later in the year, Suisse Atlantique becomes FAT's major shareholder and new parent.

Early in **1991**, the carrier adopts a new logo and livery. In the spring, a special operations base is established at Laayoune, in the Western Sahara. From there, the company operates a pair of Pilatus Turbo Porter PC-6s and a de Havilland DHC-6-300 Twin Otter in support of the Swiss medical unit assigned to the UN's MINURSO mission. This service marks the beginning of Farner's specialization in the transport of goods for humanitarian organizations.

FAT diversifies into the technical area in **1992** as Suisse Atlantique purchases majority shareholding in Air Service Basel, A.G. from General Aviation Genossenschaft Basel, A.G. ASB will henceforth provide technical support for FAT.

Managing Director Guy Girard in **1993** oversees a total of 45 workers and a fleet comprising 1 Cessna 404 Titan, 2 PC-6 Turbo Porters, 1 de Havilland Canada DHC-6-300 Twin Otter, 1 Fokker F.27-400, 1 F.27-600, and the Embraer EMB-110P1 Bandeirante.

The Turbo Porters and Twin Otter continue to support the Swiss medical team in Africa. Late in the year, majority shareholding is acquired in the Hungarian airline **NAWA Air Transport, Kft.** It becomes the subsidiary **Farner Air Transport (Hungary), Kft.** and the F.27-400 is leased to it. In addition, two Let L-410UVP-Es are acquired.

Flights are initiated to Southend-on-Sea in the U.K. in **1994**. Later in the year, the UN MINURSO mission is closed down.

A joint-venture service is established with Rotterdam-based Tulip Air, B.V. in **1995**.

In **1996**, an F.27 is based at Tbilisi to fly for the UN, while on behalf of the Swiss government, the other Fokker operates an OSCE operation to Sarajevo. During these years, the Fokker fleet is increased by one F.27-400 and five F.27-600s.

The Farnair Europe Aviation Group is created in **1997**, with Farnair Air Transport, A.G., **Farnair Air Transport (Hungary), Kft., Tulip Air, B.V.**, and Air Service Basel, A.G. all becoming subsidiaries. Aviation Group CEO Guy Girard's concern now trades under the marketing name Farnair Europe.

In **1998**, FAT becomes one of the first Swiss airlines to receive its JAR-OPS 1 air operator certificate (AOC). This document represents official authorization and authority according to the JAR-OPS 1 regulations of the European Union. At the same time, the concern is certified according to ISO 9901 quality standards. **Miniliner, M.N.L.** is taken over, becoming the latest Farnair Europe Aviation Group subsidiary.

Farnair Air Transport is reorganized during **1999** into two profit centers: the headquarters and the operator, FAT, which now adopts the marketing name Farnair Switzerland, A.G. and is placed under the direction of Flight Operations Director Francis Pfammatter. All Aviation Group aircraft now operate under the Farnair Europe trademark, while sales, financial services and controlling, and quality assurance for the whole group are centralized at headquarters. Air Service Basel, A.G. is reborn as Farnair Technical Services, A.G. This renamed unit takes over all corporate line maintenance.

Express Airways, GmbH. is taken over at the end of February and integrated into the Farnair Europe Aviation Group.

Twice-weekly F.27 passenger service is operated on behalf of the Swiss government in **2000** from Geneva to Pristina, Kosovo. The operation is code-named SWISSCOY. During the fourth quarter, arrangements are completed for the acquisition of two Avions de Transport Aerien ATR42-320s. One will be delivered as a freighter, with Farnair gaining the honor of serving as launch customer for the ATR all-cargo version.

The first ATR42-320 is received in December and immediately enters service on a Swiss Federal Department of Defense contract passenger service between Basel and Skopje.

FARNER AIR TRANSPORT (HUNGARY), KFT. See **FARNAIR HUNGARY, KFT.**

FARWEST AIRLINES: Biegert Aviation, 22022 S. Price Road, Chandler, Arizona 85248, United States; Phone (800) 843-8723; Fax (520) 796-5895; <http://www.farwestairlines.com>; Year Founded 1999. Max and Thelma Biegert, owners of **Biegert Aviation**, revitalize the historic Grand Canyon Railway and put it back into operation in September 1989 between Williams and Grand Canyon National Park. Early in **1999**, Farwest Airlines is established to operate supplemental passenger flights from Phoenix to Northern Arizona to complement and feed the railroad. Biegert Aviation President/CEO James Jefferies is named president of Farwest and a small group of staffers, together with a de Havilland Canada DHC-7-102, is acquired. Revenue flights commence in June.

A second DASH-7 is put into service during September.

WALTER FARYNIAK: United States (1965–1968). Mr. Faryniak founds this third-level operation at Allentown, Pennsylvania, in late fall **1965** to offer scheduled services to regional destinations employing Piper lightplanes. Revenue flights commence on November 19 and continue for three years.

FAST AIR CHILE (FAST AIR CARRIER, S.A.): Avda. Americo Vespucio 901, Santiago, Chile; Phone 56 (2) 565-6001; Fax 56 (2) 565-6222; <http://www.fastair.cl>; Code UD; Year Founded 1978. This all-cargo carrier is formed by a group of local businessmen at Santiago de Chile on August 14, **1978**. Equipped with an ex-**Trans World Airlines (TWA)** Boeing 707-331CF, it begins flight operations on November 27.

In **1979**, the carrier receives permission to operate to the U.S.

During **1980–1986**, the 60-employee carrier remains a single-freighter charter operation dedicated to transporting Chilean agricultural

goods outbound and bringing home various manufactured products. Destinations visited include Bogota, São Paulo, Panama City, Miami, New York, and Frankfurt.

Freight traffic gradually increases and by **1987**, the company has carried 52.2 million FTKs—a 29.9% increase over the previous year.

The lone Boeing freighter gives the company another good year in **1988**, flying 58.43 million FTKs for an 11.8% boost.

Airline employment stands at 56 in **1989** as the Boeing increases freight by a impressive 75.4% to 102.36 million FTKs.

Cargo rises another 24.1% to 127.08 million FTKs in **1990**. Income exceeds expenses and there are profits: \$712,000 (operating) and \$2.45 million (net).

The workforce is increased 23.8% in **1991** to 260 as a B-707-341C, originally delivered to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, joins the fleet and orders are placed for 2 B-757s. Both of the Stratoliners are sold and leased back.

Freight climbs 10% to 80.87 million FTKs and revenues accelerate 22.9% to \$32.6 million. Costs are kept in line and thus allow an operating surplus of \$2.4 million and a net gain of \$1.65 million.

The B-757 order is cancelled in **1992** as a leased DC-8-71F arrives.

Cargo advances a hearty 18.5% to 168.77 million FTKs. Revenues total \$27.3 million and a \$1.3-million operating profit is generated.

In **1993**, Chairman/President Juan C. Sierra employs 56 workers and flies 3 leased aircraft: a B-707-331C, a B-707-341C, and a Douglas DC-8-71F. Markets served from Santiago now include Bogota, Frankfurt, Miami, New York, Panama City, and São Paulo.

Through September, cargo is up 5% to 124.18 million FTKs. In December, the company, through its membership in the Cueto Group, acquires 20% shareholding in **LanChile Airlines, S.A.**

Airline employment is increased to 230 in **1994** and the fleet includes three leased Douglas DC-8-71Fs and a Boeing 707-331C, the latter chartered from **Aero Uruguay, S.A.**

The Cueto Group joins with Boris Hirmas in February to purchase the 42.1% stake in LanChile held by **SAS (Scandinavian Airlines System)**.

In June, **LanChile Airlines, S.A.** takes over Fast Air for \$13.7 million and the Boeing is withdrawn. The freight line is operated as a subsidiary.

Through November, freight traffic rises 2.3% to 157.65 million FTKs.

There is no change in the workforce during **1995**. During the year, a minority interest is taken in Miami-based **Florida West Airlines**. The company's 3 Douglas freighters and 1 active Boeing haul 292.11 million FTKs, a 55% increase.

The workforce is reduced to 56 in **1996** as the company suffers a bad traffic year. Cargo is off by 14.1% to 250.89 million FTKs.

The fleet is increased in **1997** by one DC-8-71F. Painted in an attractive two-tone green and white color scheme, the freighter undertakes all-cargo flights from Mexico City to Miami and Los Angeles on behalf of **Aerotransportes Mas de Cargo, S.A. de C.V.**

Freight traffic for the year dips another 1.8% to 115.4 million FTKs.

On March 19, **1998**, two **Tower Air** B-747-121Fs are wet-leased for a year under a \$22.86-million contract, which is extendible by mutual agreement.

In July, **LADECO Chilean Airlines, S.A.**, at the request of **LanChile Airlines, S.A.**, agrees to absorb Fast Air during early 1999.

American International Airways (3) receives its first B-747-2B4BC from Boeing's Wichita conversion facility in early October and places it under a three-year aircraft, crew, management, and insurance (ACMI) contract with Fast Air late in the month, slightly earlier than originally planned.

Flights continue in **1999–2000**.

At the end of October of the latter year, Eagle Global Logistics, new majority owner of **Miami Air International**, enters into a new strategic all-cargo alliance with **LanChile Airlines, S.A.**, as well as the freight lines it controls, **Fast Air, MasAir (Aerotransportes Mas de Cargo, S.A. de C.V.)** and **Florida West International Airways**.

FAST AIRLINES (PTY.), LTD. See EAST COAST COMMUTER AIRLINES (PTY.), LTD.**FAST AIRWAYS HOLLAND, B.V.: The Netherlands (1977–1984).**

Fast Airways Holland, B.V. is established at Groningen's Eelde Airway in January 1977. Employing a Piper PA-31-310 Navajo, charter operations are inaugurated on April 14. At decade's end, a Piper PA-31-350 Navajo Chieftain is acquired and scheduled flights are started to Rotterdam.

In January 1984, the company is reformed and renamed **Quick Airways, B.V.**

FAUCETT PERUVIAN AIRLINES (COMPANIA DE AVIACION FAUCETT, S.A.): Peru (1928–1998).

Led by expatriate U.S. flyer Elmer J. Faucett, a group of Peruvian nationals sets up this carrier on May 1, 1928, with initial capitalization of 100,000 sols (about \$800), and seeks government authority to launch a passenger and cargo service. Permission is obtained on June 4 and preparations are made in July and August, including the acquisition of two Stinson SM-6B Detroiters. Lima–Chiclayo flights are inaugurated on September 15, followed by north to south extensions to Talara and Arequipa. During the final quarter, the two six-seaters fly 30,000 miles and transport 242 passengers.

Additional Detroiters join the fleet in 1929 and service is started to Tumbes and Tacna. In June, U.S. aeronautical promoter Clement M. Keys of North American Aviation provides additional capitalization of 350,000 sols.

Flights continue in 1930–1931 and on June 11, 1932, Faucett makes a survey flight from Chimbota–Yungay. Cargo service to Puno is started during the summer and an unsustained Yungay passenger operation begins on December 2.

The company ceases trading between April 23 and July 1, 1933 as the Detroiters are employed to support the Peruvian armed forces during a border dispute. Supplies are flown from Lima to San Ramon.

With a license from Stinson and a company engineer, Gale Alexander, Faucett in 1934 modifies a Detroit into a new Faucett-Stinson F-19 (test-flown on September 20) suited for local conditions. Construction of the first 30 F-19s begins at Lima and these will form the backbone of the carrier's fleet until after World War II. Meanwhile, the Keys interest in the airline is sold to the Sperry Corporation.

In cooperation with the state carrier **LAN (Linea Aerea Nacional, S.A.)**, Faucett opens a route from Chiclayo–Yurimaguas in 1936, connecting with LAN. Sperry's shares in Faucett are now acquired by local investors, making the airline's ownership completely Peruvian.

Employing an F-19, Comdr. Armando Revoredo Iglesias, on March 27, 1937, flies nonstop from Lima to Buenos Aires in 13 hrs. 38 min.

Aerovias Perunas, S.A., a subsidiary of the giant American carrier **Pan American-Grace Airways (Panagra)**, is acquired on April 26, 1938 in exchange for a 20% interest in Faucett.

Two Consolidated PB-5 Catalinas are acquired in 1943 and are employed to support the Allied war effort by flying 6,800 passengers and 1,375 tons of cargo to U.S. Rubber Development Corporation centers near the Brazilian border prior to V-J Day in 1945.

The Yurimaguas route is extended to Iquitos in 1946. The first of 19 ex-military Douglas C-47s (converted to DC-3 civil standard) and 8 DC-4s obtained from the U.S. Reconstruction Finance Corporation begin to join the fleet, allowing the opening of services from Lima to Iquitos.

Capitalization is increased to 5 million sols in 1947 and additional Douglas transports are placed in service.

The arrival of still more Douglas transports in 1948–1951 allows development of a full-fledged 31-stop network based on the main Lima base.

A DC-3 with four crew and five passengers crashes near Cuzco on November 25, 1950; there are no survivors.

When Elmer J. Faucett retires on August 7, 1951, his pioneer line is truly his adopted country's national carrier, in practice if not in title.

This domestic system is maintained in 1952–1959 and frequencies are improved. Equipment remains the same, although late in the period six

Douglas DC-6Bs are ordered. Aircraft are lost in 1955 and 1959. On October 3 of the former year, a DC-4 crashes in the Andes (19 dead) while another DC-4 with 12 aboard is reported missing on May 14 of the latter year; the wreckage is found the next day and there are no survivors.

A DC-3 freighter with four crew goes down near Chimbote, Peru, on March 20, 1960; although the aircraft must be written off, there are no fatalities.

Founder Faucett dies in April. The same month, officials of the carrier obtain government permission to open international service.

The first DC-6B is delivered in July and is employed to launch flights from Lima to Cuzco.

In October 1961, the U.S. CAB grants a five-year permit for services to the United States.

Although five additional DC-6Bs are delivered in 1962–1966, the carrier, under **Pan American-Grace Airways (Panagra)** influence, elects not to start international services, preferring to maintain its domestic and regional network.

On February 4 of the former year, a DC-3 with 3 crew and 15 passengers crashes NE of Tingo Maria, in central Peru; there are no survivors. Another, with nine aboard, goes down near Cerro Puena Paz on August 24; again, there are no survivors.

The last F-19 is removed in mid-1964.

Braniff International Airways acquires **Pan American-Grace Airways (PANAGRA)** on January 31, 1967 and with it, 17.7% interest in Faucett. Meanwhile, a Boeing 727-63 is ordered.

On a December 8 flight from Huanuco, a DC-4 with 6 crew and 66 passengers crashes just 30 ft. from the top of 10,500-ft. Carpich Huanuco Mountain, near Huanuco; there are no survivors and only 25 bodies can be recovered from the wrecksite.

The B-727-63 is delivered on April 9, 1968 and is placed on the domestic routes.

En route from Lima to Arequipa on March 17, 1969, the new B-727-63 with 4 crew and 73 passengers is taken over by 4 skyjackers who order the plane diverted to Cuba. The pilot is able to convince the pirates to refuel at Guayaquil and, while there, to release the other 69 passengers. After arriving at Jose Marti Airport, the hijackers meet and eat with the hijacker of a **Delta Air Lines** jetliner pirated to Havana the same day.

In June, Faucett files notice with the U.S. CAB that it would soon begin passenger service to Miami, its permit having been renewed.

An RC-54V (converted to civil DC-4 standard) with 4 crew and 24 passengers, crashes into Mt. Pumacona, Peru, on January 14, 1970; there are no survivors.

Multistage Lima–Miami DC-4 all-cargo flights begin in April, instead of the passenger frequencies the Americans had expected.

In June, Faucett becomes the first airline to order the DASH-475 mark of the British Aircraft Corporation One-Eleven.

The company's first BAC 1-11-476FM makes its maiden flight on April 5, 1971, and joins the fleet on July 22. When the second arrives, it is employed to make an extensive demonstration tour of South America, visiting 21 airports during the remainder of the year and into the next.

In 1972, the fleet comprises the BACs, 1 B-727-63, 6 DC-6Bs, 4 DC-4s, and 6 DC-3s. Ownership of the Lima and Trujillo Airports, built in the 1930s, is maintained.

While en route from Piura to Chiclayo on April 8, the B-727-63 is subjected to a skyjacking attempt by two men who are overpowered and captured by the crew.

Having flown no travelers into Miami, Faucett loses its passenger rights to that city in August 1973; never having really wanted them, the carrier files no protest against the CAB action.

During 1974–1981, the fleet is increased by another B-727, a DASH-51C, and a BAC 1-11-523, which had previously been operated by **Transbrasil, S.A.**; all of the piston-engine equipment is retired and sold.

The airline is badly managed during these years and incurs a debt exceeding \$18 million.

As the May 1982 collapse of **Braniff International Airways** approaches, the Zanetti family, majority owners of rival **Aeronaves de**

Peru, S.A., purchases 59% controlling interest in the carrier for \$4 million (including the Braniff interest) and assumes its debt. Faucett is allowed to continue operations under its previous identity.

One BAC 1-11-476FM is withdrawn in June while the other operates its last service on December 31.

Zanetti reorganizes Faucett's management in **1983** and transfers an Aeronaves DC-8-40 to the subsidiary's Miami cargo route. The BAC 1-11-523 is withdrawn in October.

In May **1984**, U.S.-Peru commercial services are suspended due to political difficulties. Faucett, by now enriched by the addition of four DC-8-52/55Fs and two Britten-Norman BN-2 Islanders, commences twice-weekly service Lima-Grand Cayman Island, where a **Cayman Airways, Ltd.** connection to Miami is available.

On the Peruvian domestic front in this year and **1985**, service to Yurimaguas, Tingo Maria, Rioja, Huanuco, and Pucallpa is begun.

On December 16, **1986**, the U.S. and Peru sign a new bilateral air agreement that calls for the resumption of multistop Lima-Miami service beginning the following spring.

Enplanements for the year total 689,066.

Airline employment stands at 1,270 in **1987** and the multistop Lima to Miami service resumes on June 12.

Passenger boardings accordingly leap upward by 57.7% to 1,628,997.

The workforce remains the same in **1988** and the fleet now includes 5 DC-8-55s, 2 B-727-247s, 2 B-737-247s, and 1 B-737-112. Like other South American carriers, Faucett is lax on reporting its operating statistics. For the 8 months revealed, customer bookings rise 16.8% to 1,201,769, but cargo plunges by 56.6% to 9.6 million FTKs.

Neither fleet nor workforce changes in **1989** as the company suffers a bad year.

A B-737-248 with 6 crew and 133 passengers suffers a gear collapse while landing at Iquitos in stormy weather on April 3. The Boeing slides off the runway, at which point the No. 2 engine separates from the wing. Although the aircraft will be written off and there are no fatalities, 11 people are injured.

Passenger boardings for the full year decline by 35.7% to 1,006,246 and freight drops again, down 29.7% to 84.32 million FTKs.

With company assistance, the regional charter operation **Haiti Trans Air, S.A.** is established at Port-au-Prince in **1990**; the new entrant begins service with two aircraft, one of which is a B-727-247 leased from Faucett.

After coming off a lease to **Air Malta, Ltd.**, a B-727-247 with 3 crew and 15 passengers begins a ferry back to Peru on September 10, over a course that will take it to Gander and Miami. The next day, after the aircraft has departed Keflavik on its next leg to Gander, the trijet disappears 180 mi. E. of Newfoundland. There are no survivors. It will be reported that crews from **Trans World Airlines (TWA)** Flight 851 and **American Airlines** Flight 35 have both heard distress messages, noting that the Faucett aircraft is descending with its low-fuel light on. Through the first nine months, customer bookings total 788,728 and 2.64 million FTKs are operated.

Company employment grows by 10.2% in **1991** to 1,400 and the fleet, mostly leased, now includes the B-727-247 leased to **Haiti Trans Air, S.A.** and 1 each B-737-112, B-737-222, B-737-247, DC-8-51, DC-8-53F, DC-8-61, 3 DC-8-52s (one of which is out of service), and 1 L-1011 TriStar 1, formerly flown by **Trans World Airlines (TWA)**.

The DC-8-51 with 125 passengers is captured at Trujillo, Peru, by a lone gunman on January 7 and ordered to fly to Lima. Upon landing, the aircraft is stormed by security police who kill the hijacker.

Passenger boardings fall 17.3% to 754,380, while freight climbs 16.5% to 3.86 million FTKs.

The employee population is reduced by 28.6% in **1992** to 1,000 and a DC-8-61 is leased to **Haiti Trans Air, S.A.**

Direct Iquitos to Cuzco service is started on January 16, eliminating the need for a Lima stopover.

Once flown by **United Airlines**, the DC-8-52 *Santa Isabelle* is retired during the month.

Company data is provided for the first 10 months and show customer bookings down another 19.4% to 567,974. Cargo, on the other hand, more than triples, rising an almost unbelievable 219.3% to 9.76 million FTKs. Revenues on the year total \$71.4 million, but expenses are higher. Consequently, losses are suffered: \$12.3 million (operating) and \$17 million (net).

In December, the company joins with the shipping line Naviera Santa to purchase rival **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** for \$41 million.

In **1993**, the company's new president, Roberto Leigh, who has taken over from the Zanetti family during the AeroPeru negotiation, oversees a workforce unchanged from the previous year.

In January, the government of Peru declares the **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** purchase to be null and void because the winning bid had not met certain, unspecified, requirements. On top of this reversal, the DC-8 lease expires.

Domestic markets now served include Arequipa, Ayacucho, Chiclayo, Cuzco, Iquitos, Juliaca, Piura, Pucallpa, Rioja, Tacna, Talara, Tarapoto, Trujillo, Tumbes, and Yurimaguas. An international route continues from Iquitos to Miami.

Passenger boardings accelerate 16.7% to 818,834 while freight rises 5.1% to 12.79 million FTKs.

Airline employment is increased by 40% in **1994** to 1,400 and the fleet consists of 1 each owned B-737-112 and B-737-222 plus a number of leased machines, including 1 each Airbus A300B4-203, B-727-35, B-727-247, B-727-264A, B-737-247, B-737-2A9A, B-737-212A, B-737-269A, DC-8-61, L-1011 TriStar I, L-1011-50 TriStar, and 2 DC-8-52s.

A dramatic red and white color scheme is unveiled in early spring, together with a new bird tail logo.

During the summer, the company takes an interest in the Santo Domingo-based carrier **APA (Internacional Airlines, S.A.)**, wet-leasing to it the Lockheed L-1011 TriStar I, which it also agrees to maintain.

Former CEO Alfredo Zanatti is sent to prison for misuse of a government subsidy during his Faucett tenure. Some will consider his jail sentence a political price paid for associating with the wrong politicians, but in any event, it will be relatively short.

Customer bookings move ahead by 6.6% to 1,204,956, while cargo climbs 11.8% to 120.19 million FTKs.

The workforce is decreased by 42.9% in **1995** to 800.

In November, U.S. FAA officials point out that the nation's civil aviation agency does not comply with the safety standards established by ICAO. Faucett, which has also begun to wet-lease a DC-8F to **APA Internacional Airlines, S.A.**, begins to share codes on APA's scheduled routes from Santo Domingo to Puerto Plata, Miami, San Juan, and New York.

Traffic figures, reported through November, are mixed: enplanements are off by 15.5% to 625,026 but freight increases 188.9% to 31.3 million FTKs.

Airline employment jumps 25% in **1996** to 1,000.

On February 29, Flight 251, a B-737-222 with 6 crew and 117 passengers en route from Lima to Arequipa's Rodriguez Ballon Airport, suffers engine failure and crashes while on approach into an Andean canyon 2½ mi. N of its destination. There are no survivors from Peru's worst civil aviation accident.

Figures for the year show customer bookings dropping another 13.1% to 593,508. Cargo collapses as 15.59 million FTKs are operated, a 57.4% decline.

Markets visited in **1997** include Arequipa, Ayacucho, Chiclayo, Chimbote, Cuzco, Iquitos, Juliaca, Miami, Piura, Pucallpa, Porto Maldonado, Rioja, Tacna, Talara, Tarapoto, Trujillo, Tumbes, and Yurimaguas.

In a related matter, the son of former Faucett CEO Zanatti, with his father behind the scenes as driving force, establishes Alas del Pacifico ("Wings of the Pacific"), to compete with Faucett and **Aerocontinente**,

S.A. for rights to fly to the U.S. Although the start-up will secure a domestic license, it will remain moribund. After years of heavy losses, Faucett suspends operations in September.

Traffic figures are revealed for the year's first half and show a 9.3% decline in passenger boardings to 293,346. Freight plunges another 45.7% to 5.05 million FTKs.

Moribund Faucett declares bankruptcy during the spring of **1998** and remains grounded, ordered by the courts to reorganize under their supervision. At the same time, an intense struggle for control of the airline is waged between President Leigh and former owner Alfredo Zanetti. In the midst of all this, Leigh and his executives put forward a plan to regain the approval it lost to operate to the U.S. Indeed, the Peruvian Transport Ministry confirms that it will restore the U.S. operating authority as soon as the company resumes domestic flights.

In early June, the Airlines Reporting Group kicks Faucett out for failing to meet its financial obligations and stops processing agents' transactions on the carrier on June 22. Meanwhile, a strategic alliance is entered into with **EVA Airways Company, Ltd.** of South Korea. Under its terms, the Asian carrier will code-share on any future Faucett flights to the U.S.

President Leigh now unveils a reorganization plan that includes a challenge to the \$20 million still owed to the government over the Zanetti affair and a financing plan to pay off the airline's remaining \$30 million in debt, mostly owed to its own employees. Despite legal assistance from Luz Helena Garcia, Leigh is unable to convince creditors at an August meeting to accept his reorganization ideas.

In early October, as a result of the ongoing battle for control, the creditors, having lined up behind former CEO Zanetti, are able to oust President Leigh. Larrieu Bellido, a German national without known airline experience, is named as his replacement, while a representative from the Peruvian tax agency SUNAT takes over as receivership trustee.

It is at this point that the long and distinguished 70-year history of the country's oldest airline comes to an end.

FAYETTEVILLE FLYING SERVICE. See **SCHEDULED SKYWAYS**

FEDERAL AIRLINES, LTD.: P.O. Box 44887, Khartoum, Sudan; Phone 24 911544 1855; Code FLL; Year Founded 1994. Little-known outside the Sudan, Federal Airlines is established at Khartoum in **1994** to provide passenger and cargo charters. Revenue flights begin under the leadership of Managing Director Moheideen Abdullah al-Faqeeh with 1 Boeing 727-100 and 8 Piaggio P-166 Albatros.

In **1995–1996**, an Antonov An-24V is acquired.

On a May 3 service from Wau in the latter year, the An-24 is unable to land at Khartoum because of sandstorms. Carrying 6 crew and 47 passengers, the aircraft attempts to make a forced landing NE of the city near Haj Yousif. After touching down, the aircraft smashes into a building and all aboard are killed. Among the dead is Managing Director al-Faqeeh.

There is no information on the company after this point, but it is still extant, according to the "World Airline Directory" in *Flight International* (April 4, 2000).

FEDERAL CARRIERS: United States (1975–1978). Federal Carriers is established at White Lake, New York, in **1975** to provide scheduled passenger and cargo services from Monticello to New York (LGA). Daily Beech 18 roundtrips are duly inaugurated, and are maintained into **1978**.

FEDERAL EXPRESS (FEDEX): P.O. Box 727, Memphis, Tennessee 38194, United States; Phone (901) 369-3600; Fax (901) 332-3772; <http://www.fedex.com>; Code FX; Year Founded 1971. Independently wealthy former USMC Vietnam pilot Frederick W. Smith, who as a Yale undergraduate had received a "C" on an economics paper suggesting a need for air express services, purchases controlling interest

in Little Rock-based Arkansas Aviation Sales in 1969. It requires two years to make the company profitable, during which time the veteran continues his interest in the development of "time-sensitive" air transport for packages and papers.

With \$500,000 capitalization (half his own investment and half from a family trust named for his father), Smith, hoping to fly cash letters overnight between banks for the Federal Reserve System, incorporates the Federal Express Corporation under Delaware laws, on June 1, **1971**.

When the Federal Reserve fails to contract with him, the entrepreneur elects to widen the scope of his operation and moves to Memphis in **1972** where he can establish a "hub-and-spoke" distribution system. Smith's plans for accelerated package air mail are reminiscent of the air express carriers of the 1920s and 1930s, but his new guarantee of overnight delivery for packages not exceeding 70 pounds or 108 inches in combined length and width anywhere in America is a gamble both modern and huge.

Federal Express is geared up at a Memphis base, where a large sorting center is established and staff assembled. Several Cessna 310s are acquired along with an option to purchase from the Business Jets Division of **Pan American World Airways (1)** a total of 23 Dassault Falcon 20Cs (the French-made business jets are specially fitted with 74" x 60" cargo doors).

With the assistance of Washington, D.C. attorney Ramsey D. Potts, Smith is able to convince the CAB on July 18 to waive its weight limits for air taxis. The ruling ends up in court due to objections from the Air Line Pilots Association (ALPA), Hughes Air Corporation, and **North Central Airlines**.

Having laid out funds for over a year with no return, Smith begins to encounter financial difficulties at the start of **1973**. In January, however, he is able to stave off initial disaster when he negotiates a paper payment for his Dassaults. **Pan American World Airways (1)**, instead of cash, will accept warrants to buy common stock in FedEx.

The first test operation is conducted on March 12–13. Eleven cities ranging from Dallas to Kansas City to St. Louis to Cincinnati to Jacksonville and to Atlanta send the embarrassing (and officially forgotten) total of six packages to Memphis. Another test, this time to 25 cities, is run on April 17–18 and nets 186 packages.

The experiment continues and within 3 months, the average combined daily package count is up to 286.

The deficit grows from \$4.4 million in April to \$7.8 million at the end of September. When the board of General Dynamics turns down his loan request, Smith flies to Las Vegas and wins the \$27,000 needed for the payroll by playing blackjack. Following some other unusual financing activities, which include a later-dismissed charge of forgery against Smith, the nearly bankrupt operation is, on November 13, granted a \$52-million line of credit from various banks and investors.

In December, the U.S. Court of Appeals at Washington, D.C., rules in Federal's favor in the air taxi weight limit case.

Much of the recapitalization is gone by January **1974** and in March the company's creditors meet in Chicago to discuss additional investment. Chairman Smith narrowly avoids dismissal, although he is required to take on retired USAF General Howell M. Estes Jr. as president/CEO.

New funding (\$6.4 million) is granted that month, but by May it, too, is used up.

Upon his resignation, President/CEO Estes is succeeded by Arthur C. Bass, who becomes president, with Smith returning to the CEO seat; Peter S. Willmott becomes senior vice president-finance.

In default of its loans, the company must again seek money and in September it receives another \$3.9-million credit and a one-year grace period from loan repayments. The additional financing provides sufficient income to cover expenses.

Meanwhile, business begins to improve, due largely to a lengthy strike at **UPS (United Parcel Service)** and the collapse of REA Express.

Despite opposition from the established carriers to a Federal application to the CAB for permission to operate larger freighters, the first

profit (\$55,000) is shown in July 1975. Meanwhile, as the traditional ground delivery systems begin to require additional capacity, Federal is able to find additional opportunity.

On May 31, 1976, the carrier reports a net \$3.6-million gain and, financially speaking, the company now begins to take off. During the year, the carrier's 32 Falcons fly 62,656,285 pounds of freight, a 62% increase over the previous year.

When the CAB deregulates air cargo in November 1977, authority is finally received to operate larger aircraft. In December, Chairman Smith purchases a fleet of 11 Boeing 727-25Cs. Simultaneously, the fast-talking actor John Moschitta is employed to begin a series of extremely popular and effective television commercials.

The first B-727-25C enters service on a Memphis to Los Angeles route in January 1978 and, during the month, the company receives the 1977 "Cargo Development Award" from *Air Transport World* magazine.

On April 12, the company becomes a publicly held corporation. Through the sale of 783,000 \$24 shares, capitalization is increased by \$17.5 million, much of which is employed to pay debt and acquire additional aircraft.

At this point, the company operates Overnight Air Service, Standard Air Service, and Courier Pak Service to 138 U.S. cities and Toronto.

Chairman/CEO Smith and President Bass oversee a workforce of 3,000 and operate a fleet comprising 10 B-727-25Cs and 32 Falcon 20Cs. Orders are outstanding for 5 B-727-123s. On May 18, a Falcon 20C is involved in a midair collision with a Cessna 150M over Memphis; both planes crash and there are no survivors.

During the year, the workforce is increased by 55.3% to 4,222. Cargo accelerates by 38% to 103.34 million FTKs.

Now a significant success, Smith's air-ground company now begins to face many rivals and imitators and must continuously seek improvement to maintain its Number 1 ranking in the overnight, door-to-door delivery game.

The workforce is increased by 35.5% in 1979 to 7,637.

On January 2, the company begins trading on the New York Stock Exchange under the symbol FDX. Additional innovative television commercials begin running.

Cargo jumps 50.6% to 155.61 million FTKs. Revenues advance 61.3% to \$258.48 million while expenses, although up by 61.8%, are held to \$216.83 million. As a result, the operating profit is \$42.15 million and the net profit rises 7% to \$21.42 million.

The employee population is increased by 37.1% in 1980 to 240. Peter S. Willmott becomes president, while the former president, Arthur Bass, steps aside to handle special projects.

Digitally Assisted Dispatch System (DADS) computer terminals are installed in courier vans to expedite customer pickup and delivery. In addition, Hotel Pak is introduced for the convenience of customers wishing to send or receive packages from over 250 hotels nationwide.

Eighty more communities join the network during the year.

Three DC-10-10s are purchased from **Continental Airlines**, with the first arriving in May; orders remain outstanding for a fourth DC-10-10 and 16 B-727s.

FTKs operated jump 17% to 268.7 million. Operating income improves by 60.7% to \$415 million and, with expenses held in check, allow the operating profit to ascend by 63.6% to \$69 million. Net income is up a welcome, but less dramatic, 0.8% to \$38.7 million.

The number of employees grows by 28.9% in 1981 to 11,272 and the fleet includes 29 Boeing 727-123s, 32 Falcon 20s, and 4 Douglas DC-10-10s. Orders remain outstanding for 15 new B-727-200Fs and 9 used B-727-22Fs.

The company now becomes the first express delivery company with over-the-phone package tracking. It also introduces an extremely popular "overnight letter" service at 50% of the cost of its Courier Pack.

The number of FTKs operated zooms upward by 17.4% to 284.85 million. Revenues soar 41.9% to \$589.49 million and expenses climb 40.8% to \$487.39 million. Consequently, the operating profit increases

48% to \$102.09 million and the net \$59.3-million profit is 53% better than 12 months earlier.

Total net profits climb to \$78.3 million in 1982, despite the national recession. A new container system is introduced to move packages even faster and in excess of 100,000 move through Memphis nightly.

The fleet now includes 38 B-727-100s, 32 Falcon 20s, and 4 DC-10-10s. Orders remain outstanding for 2 DC-10-30CFs and 15 B-727-200Fs.

A B-727-25QC is purchased from **Eastern Air Lines** on August 31 and christened *Stuart Shawn*.

During the year, a marketing agreement is signed with the Indian-based courier company **Blue Dart, Ltd.** Special projects director and former president Bass departs to become president/CEO of **Midway Airlines (1)**.

Cargo increases to 273.66 million-ton kilometers. Profits continue to be generated: \$119.46 million (operating) and \$78.38 million (net).

The workforce in 1983 stands at 20,015.

The Memphis-based small package carrier raises its weight limit to 125 pounds, enters 25 new markets, begins Saturday pickup service, opens the first of 1,400 Business Service Centers for walk-in customers, and otherwise continues its rapid expansion.

Three DC-10-30CFs are purchased from **Transamerica Airlines** and orders are placed for 30 Cessna 208 Caravan Is to service feeder routes.

When President Willmott resigns, CEO Smith assumes his title and promotes James L. Barksdale to executive vice president/chief operating officer. Former USAF pilot T. Allan McArtor becomes senior vice president-operations.

Revenues balloon 25.4% to \$1 billion and expenses climb by the same percentage, 25.3%, to \$857.35 million. An operating profit of \$150.73 million is created and the net profit line jumps to \$88.9 million. FedEx is the first company in American business history to reach the hallmark of \$1 billion in revenues in 10 years after start-up, without mergers or acquisitions.

Airline employment stands at 31,000 in 1984 and the fleet includes 11 DC-10s, 15 B-727-200s, and 35 B-727-100s.

Gelco Express International, Ltd./Gelco Express International, N.V., a worldwide courier with service in 84 countries, is acquired in January.

Beginning the same month, the company introduces the same on-board courier service employed by other international express operators. Electronic document transmission service—ZapMail—is inaugurated in July.

Total freight traffic accelerates by 59% to 719.59 million FTKs as over 60 million packages are transported. Although revenues are up to \$1.43 billion, the start-up of ZapMail causes expenses to rise to \$1.36 billion. The operating profit declines to \$72.12 million and the net profit falls to \$34.18 million.

The payroll grows by 18.1% in 1985 to 33,622 as the DOT reclassifies the company as a major carrier.

To handle traffic on branch routes, Federal in March begins to deploy the first of 30 Cessna 208A Caravan Is received. They will be operated under contract by **Mountain Air Cargo**, Sacramento-based Union Flights, and **Baron Aviation Services** of Vichy, Missouri. Orders remain outstanding for almost 80 more.

To speed up office-to-office document transmission, the first of over 3,000 ZapMailers are installed during the spring. Simultaneously in May, the carrier also begins European service, to London (STN) from Newark (EWR).

Belgian-based **Jean Dandois Transports SPRL** is purchased and the company establishes a sorting center in Brussels in mid-June. In addition, a five-day-per-week overnight B-727-100 schedule from Memphis-New York-Brussels is introduced, as is overnight service to 10 European nations.

A new regional hub is established at Newark and in December the first convertible wide-body freighter arrives; the DC-10-30CF *Alison* has been rebuilt from a passenger plane formerly operated by **SAS (Scandinavian Airlines System)**.

Traffic zooms upward by 32.4% to 952.9 million FTKs. Operating revenue jumps 41.4% to \$2.03 billion, but ZapMail expenses help increase costs by 49% to \$1.89 billion. Operating profits are down to \$14 million, but a \$76.1 million net gain is posted.

Airline employment is up substantially in 1986, by 28.8% to 43,300, just 385 employees behind second place **Eastern Air Lines**.

To support its heavy lift requirements, the carrier on January 24 accepts the first of 8 (later 10) new Douglas DC-10-30Fs, which succeed the B-727-100s on the transatlantic service. During the month, the company receives the 1985 "Labor Relations Award" from *Air Transport World* magazine.

Also in the first quarter, the British concerns Lex Wilkinson, Ltd. and Lex Systemline, Ltd. are purchased.

During the year, every courier is equipped with Super Tracker, a hand-held device for scanning each package as it passes through the FedEx system.

This year's ZapMail income is \$33 million, but again, the loss is high: \$140.9 million. After several years of seeking profit with the novel scheme, FedEx elects in October to discontinue ZapMail and write off the loss.

Late in the year, the company becomes one of the launch customers for the new McDonnell Douglas MD-11, although only one plane is firmly ordered.

Freight traffic accelerates 37.5% to 1.3 billion FTKs. Revenues increase to \$2.93 billion, costs are up to \$2.57 billion, and the operating profit is \$364.73 million. There is a net loss of \$64.38 million, due to the \$227.5 million write-off of the ZapMail experiment.

Airline employment grows by 1.6% in 1987 to 44,005. The fleet now includes 11 DC-10-30CFs, 8 DC-10-10CFs, 21 B-727-200s, 39 B-727-100s, and 66 Cessna 208 Caravan Is. Orders are placed for 90 more Caravans.

In February, the Canadian company Cansica, Ltd. is acquired. Williames Transport, Ltd. of Ireland joins the corporate fold in April, followed by Island Couriers from Latin America in December.

Meanwhile, in September, the work of adding 15.4 acres to its 27.8-acre hub facility at Newark (EWR) begins.

Following the **Emery Air Freight** purchase of competing **Purolator Courier**, the former sells the latter's new 400,000-sq.-ft. Indianapolis hub to FedEx on November 2. Customer shipping processes are now automated with the free-of-charge PC-based Powership. Despite increased competition, the carrier's traffic continues to improve.

Certainly the company's emotional highlight of the year is its participation in the rescue of 18-month-old Jessica McClure, who had fallen down a well and whose rescue is covered by the media worldwide. To facilitate the extraction of the toddler, FedEx has quickly flown a 4-ton high press water drill and 5,700 pounds of equipment to Midland, Texas, near her home.

Package volume swells 26.9% to 163.6 million while FTKs operated advances by 25.4% to 1.64 billion. Revenues rise 21.53% to \$3.57 billion, expenses grow 23.93% to \$3.19 billion, and the operating profit is \$381.27 million. Net profit advances to \$166.26 million.

The workforce is reduced by 2.3% in 1988 to 43,000.

In January, the company receives the 1987 "Cargo Development Award" from *Air Transport World* magazine.

The Italian company SIAMEX is taken over in April and in May the first units of the supplemental order for 90 Caravans begins to arrive.

United Parcel Service now attempts to conquer FedEx's leadership of overnight mail. Small package service to Japan is initiated on June 16; company officials are pleasantly surprised when Japanese customs officials agree to employ FedEx waybills.

East-West Courier, Ltd. of Canada is acquired in July.

By July, Federal is the world's largest operator of the DC-10; its fleet of that type includes 10 Series 30Fs, 8 Series 10CFs, and 6 Series 30CFs.

The last of the 1984 order for DC-10-30CFs arrives in October and by this time, several have been converted into the world's only all-cargo Series 30Fs.

On November 11, a B-727-25 is purchased from **Eastern Air Lines**; it will be converted into a freighter and named *Annalisa*.

Service to Fairbanks begins at the end of November.

In December, five foreign companies are merged: Bingham Group of the U.A.E.; British Winchmore Development, Ltd.; the Japanese Daisei Companies (Daisei Shokuhinrytsu Company, Ltd. of Tokyo; Nagoya Daisei Cargo, Ltd.; Daisei Air Cargo Company, Ltd. of Osaka); the UK-based Home Delivery Service, Ltd.; and Elbe Transport GmbH. of West Germany.

Having lost \$74 million on international operations since 1985, Smith and his lieutenants now make arrangements to take over a more experienced international operator, the world's largest air cargo airline, **The Flying Tiger Line**.

Senior Vice President McArtor becomes FAA administrator at the end of the year.

Freight traffic rises 16.46% to 1.91 billion FTKs. Revenues jump 20.40% to \$4.3 billion, costs accelerate 21.56% to \$3.88 billion, and operating income reaches \$421.35 million. Net gain swells to \$210.1 million.

The \$880-million acquisition of Tiger International and its principal subsidiary, **The Flying Tiger Line**, on January 31, 1989 makes the company the world's largest all-cargo airline, as measured by capacity. Included in the purchase are routes to 21 countries, a large Boeing freighter fleet exceeding 160 aircraft, facilities throughout the world, and the expertise of international air freight specialists who total 56,500 in number. The workforce, due largely to this takeover, jumps 63.3% on the year to 80,000.

In the same month, Netherlands-based Transport Group Alvrach and the Canadian couriers Yuill Couriers, Ltd. and Blue Jay Couriers, Ltd. join the FedEx family.

At Dubai, in February, an agreement is reached to acquire the air express operations of the Bingham Group. Serving the U.A.E., Bingham is the first Mideast concern taken over.

The Express Shipping Division of the Australian concern Rainers Customs & Transport (Pty.), Ltd. is acquired in May. During the same month, the Custom Logistics Services division reaches agreement with Global Aircraft Parts, Ltd. on a centralized distribution system in Memphis for primarily general aviation parts delivery worldwide.

In June, FedEx sells \$150 million in 7-year, 9.75% notes.

The Flying Tiger Line is officially integrated in August, at which time its name disappears into history. The first reliveried ex-**The Flying Tiger Line** Jumbojet, repainted by DynAir at Phoenix, is rolled out on August 20 and the next day is filmed in-flight by Clay Lacy for a company commercial.

Scheduling inefficiencies due to the merger continue as administrators struggle to integrate the pilot seniority lists of the two airlines. Maintenance costs also climb, particularly on the ex-Tiger aircraft. Although the 2,022 eligible pilots vote to reject ALPA representation in October, the carrier will actually continue to operate as two separate airlines until the pilot seniority question is resolved.

Eruptions of Alaska's Mount Redoubt volcano disrupt Anchorage operations as well as a malfunction of the computer system at the Memphis hub just before Christmas cause both losses and, in the latter case, some public concern.

Combined tonnage of the two carriers shows a decline of 2.2% to 6.32 billion FTKs, a figure still higher than that for any other air transport firm in the world. Revenues rise 15.33% to \$6.45 billion, expenses jump 19.54% to \$6.01 billion, and operating income declines to \$444.09 million. All of the costs involved in taking over the world's largest freighter cause the net profit to drop to \$81.9 million.

With 80,000 employees in 1990, FedEx ranks second among U.S. majors behind **American Airlines** in that category.

On January 2, stockholders are pleased to learn that common stock purchased for \$1,000 in 1980 is now worth \$3,914. The air fleet, now the 8th largest in the world, includes 259 aircraft: 64 B-727-100s, 23 B-727-200s, 8 DC-10-10s, 16 DC-10-30s, and 146 Cessna Caravans. The ground fleet features 29,000 white vans.

During the second week of April, Chairman/President/CEO Smith is named the third "Aerospace Laureate" in the area of commercial air transport by *Aviation Week and Space Technology*.

In May, a government arbitrator resolves the pilot seniority question by ruling that the lists from the two carriers be merged; many pre-merger FedEx pilots are demoted.

In June, the French Transports Transvendeens Chronoservice is taken over, as is the Mexican Aeroenvios S.A. de C.V.

A survey completed by Landor Associates finds that the company possesses the 139th most powerful name brand in the U.S.; the next closest airline is **American Airlines**, at 292nd.

Iraq invades Kuwait on August 2, driving up fuel prices significantly and adding to the expenses and difficulties that continue in the assimilation of the large cargo and international operations of the former **Flying Tiger Line**.

The last unit from the supplemental 90 Caravan order of 1987 is delivered in August, making a fleet of 199 Cessna 208s.

As a result of the Gulf crisis, the carrier now becomes one of the airlines sharing in a \$700-million DOD Civil Reserve Air Fleet (CRAF) contract for the provision of airlift services to the USAF. The first Pentagon contract in company history, obtained as a result of the August 17 CRAF call-up, employs the Jumbojet assets of the former **The Flying Tiger Line**, along with three DC-10-30CFs.

An initial lack of ground support equipment causes turnaround on flights to Dahrhan to take as long as 7 hours; by early December, time is down to 2-3 hours.

Also in December, the company leases a Douglas DC-3 Turbo 67 (equipped with Pratt & Whitney of Canada PT-6A-67A turboprop engines) from Basler Flight Services of Oshkosh, Wisconsin, and gives it an experimental freight contract.

Charter passenger boardings jump a pleasing 67.5% to 387,000, but freight is down 0.2% to 6.3 billion FTKs. The latter figure may be a decline, but it is still good enough to rank the corporation as the largest freight carrier in the world. Revenues climb 17.95% to \$7.61 billion, 4th highest among the world's airlines. Expenses are up 19.61% to \$7.18 billion and the operating profit is down slightly to \$423.69 million, which is also the world's 4th best. Net gain, however, rises to \$127.36 million.

Airline employment in 1991 is 81,711. FedEx becomes the first service company to win the Malcolm Baldrige National Quality Award. The fleet now comprises 8 B-747-100s, 10 B-747-200s, 11 DC-10-10s, 16 DC-10-30s, 92 B-727-100s, 57 B-727-200s, 10 Cessna 208As, 183 Cessna 208Bs, and 26 Fokker F.27s.

It is announced in February that the company has agreed to load express with the European carrier **TNT Express Worldwide**. Limited potential for market growth and profitability, mounting costs, and losses cause the company in March to give up on its European domestic and intra-European express package operation.

On June 1, the same day on which the first all-cargo MD-11F, christened *Malcolm Baldrige 1990*, is delivered, international distribution service is upgraded into a new product labeled International EXPRESS-freight. The MD-11F and the DC-10s are now called Express freighters and are employed, along with the Jumbojet freighters, to connect the company's international operating regions, including the provision of direct service to and from 16 cities in the U.K. and on the Continent.

On July 5, in one of the largest orders for commercial aircraft to date, FedEx places orders with Airbus Industrie for 75 A300-600Fs; the request is broken down into 25 firm orders, 25 confirmed but subject to cancellation, and 25 options.

The company is selected by the U.S. General Services Administration on August 15 to operate a one-year contract to provide domestic express services for the federal government, including the DOD. The contract will be rebid—and reawarded—annually thereafter.

Pilots in September reject, in a close vote, another attempt at their organization by ALPA. Executive Vice President/Chief Operating Officer Barksdale resigns in November and is succeeded by Thomas R. Oliver.

Senior Vice President Byron Hogue, head of airline operations, also retires; three years later, he will be named chairman of **Kiwi Airlines**. A lesser executive to depart is Ruthie McKee, a one-time nurse who has risen to become a vice president and now accepts a new post at **Northwest Airlines**.

Overall, cargo traffic for the year declines by 6.1% to 6 billion FTKs. Revenues decline 0.76% to \$7.55 billion and expenses are up 0.63% to \$7.23 billion, guaranteeing an operating profit of \$320.59 million. Costs associated with ending the inter-European service cause a net loss of \$34.01 million.

The workforce is increased by 3% to 84,162 in 1992.

Four B-747-100s, one B-747-200, and seven B-727-100s are withdrawn as three MD-11s, one DC-10-30, seven B-727-200s, and 23 Cessna 208Bs are acquired.

On January 1, in conjunction with TransAfrica Express, the company expands its pickup and delivery service to 21 new African destinations. Having discontinued its European domestic and inter-European services, the freighter on May 4 instead inaugurates intercontinental flights from the U.S. to 16 European cities.

Contracts are let with two European companies to offer cargo services within Europe to destinations the major does not serve. Simultaneously, **TAT (Transport Aerien Transregional, S.A.)** is recruited to provide intra-European service to Federal in 10 European nations.

At the same time, FedEx receives FAA certification for the hush kits to be employed on its B-727-200s.

Also in May, ALPA comes with 23 votes (1%) of establishing a FedEx chapter.

Vice President-Finance David D. Anderson resigns and William J. Rzzouk now becomes executive vice president, with Alan B. Graf Jr. as senior vice president-finance.

It is now reported that, in the 10 years since June 1983, sales have increased by 649% and the carrier's net worth has risen 213% from \$504 million to \$1.58 billion.

In October, the National Mediation Board (NMB) accuses the company of interfering in the ALPA election four months earlier and orders a new election.

A less-visible service provided during the year leads to the gratification of thousands. A FedEx freighter transports the sets, props, and sound equipment for entertainer Michael Jackson's *Dangerous* tour from the U.S. West Coast to Frankfurt, Germany.

Freight rises 2.5% to 6.15 billion FTKs and revenues ascend 2.1% to \$7.71 billion. Expenses are up 2.9% to \$7.44 and guarantee a lessening of operating profit to \$269.75 million. The net loss, due to "extraordinary charges," increases to \$83.91 million.

The payroll grows by 2.6% in 1993 to 86,324, the second largest (behind **American Airlines**) air transport workforce in the world. The last 4 B-747-100s, 1 B-747-200, and 5 B-727-100s are retired and replaced by 4 more MD-11s, 2 DC-10-30s, and 21 B-727-200s. With 456 freighters, FedEx now possesses the 4th largest fleet in the world.

ALPA wins a major victory on January 14 when 1,015 of 2,279 eligible pilots at the carrier vote to be represented by the union. FedEx files an objection with the NMB, but it is overturned.

On February 9, the cargo handling facility at London (LHR) is sold to British Airport Authorities, plc, for \$7.2 million.

On March 1, a daily DC-10-10F express package and freight service is inaugurated linking Prestwick, Scotland, with Paris (CDG) via London (STN). B-727s replace the wide-bodies on the route connecting Frankfurt and Cologne with Malpensa Airport at Milan.

The company celebrates its twentieth birthday in the spring as one of the carrier's original Dassault Falcons is enshrined at the National Air and Space Museum, Washington, D.C.

New service-driven technologies are unveiled, including command and control vehicle coordination system, FedEx On-Line, and Power-ship 3.

ALPA is certified on June 15 as the official bargaining unit for the carrier's pilots.

Also during the month, the company's sorting center and facilities at Brussels Airport are acquired by **DHL Worldwide Express**, which now enjoys the largest automated hub outside of the U.S.

Because of its two-day air delivery, the carrier is chosen by Omaha Steaks in July as its exclusive transport for mail-order steaks. Meat shipments are flown from any of the airline's domestic hubs.

On August 2, Federal Express is one of seven carriers to win an Air Force contract to provide long- and short-range international airlift services under the Civil Reserve Air Fleet program; the pact, by far the largest of those awarded, is valued at \$308 million.

Former President Bass dies of cancer on August 22 at the age of 61.

Talks on a new bilateral air agreement between Japan and the U.S. during the month and will drag on; the delay will come to have an impact on the carrier's plans to expand across the Pacific.

On September 1, the line agrees to lease 13 Airbus Industrie A310-203s from **Deutsche Lufthansa, A.G.** and beginning in 1998 to sublease 5 B-747-200Fs to the German carrier.

In October, an agreement is signed with Kinko Copy Service to provide a new 24-hour-per-day business convenience for pickup and delivery.

It is announced on November 20 that construction will begin on a new regional transportation center at Cubi Airfield, Subic Bay, Philippines, to be completed within 18 months. Although package shipments climb during the year, international air freight declines. Consequently, overall cargo traffic inches up only 0.5% to 6.17 billion FTKs, which is still 1.5 billion FTKs more than 2nd place **Deutsche Lufthansa, A.G.** Revenues rise 5.7% to \$8.15 billion, the globe's 8th best income, and expenses are up 3.5% to \$7.7 billion. Operating income doubles to \$473.37 million, 2nd best in the world, while net gain reaches up to \$179.47 million, the 6th highest.

Airline employment surges by 25.7% in **1994** to 108,500.

In January, the company receives the 1993 "20 Years of Excellence in Cargo Development" award from *Air Transport World* magazine.

A multiyear contract is signed with General Motors Corporation in January; under its terms, the airline becomes GM's exclusive U.S. express carrier for everything but production parts.

In February, International Priority Freight Service into the U.S. is announced, allowing customers to ship large packages from international destinations door-to-door.

A disgruntled pilot, Auburn Calloway, being given a free ride in a bumper seat, uses a hammer to attack the crew of a DC-10-10 departing Memphis on April 7. Although badly hurt, the three men are able to overcome their assailant and return to Memphis.

During the week of April 4, delivery service is begun to Ho Chi Minh City, Hanoi, and Da Nang in Vietnam.

On April 27, the company takes delivery of the first of 25 of the world's first Airbus all-freight aircraft, the A300F4-605R; the new freighters will gradually replace the carrier's DC-10-10Fs.

In June 21 Memphis ceremonies, Chairman Smith unveils a new corporate livery and logo, the latter emphasizing the longtime publicly employed verb, "FedEx." The first aircraft painted in the new scheme, a B-727-233F, is employed as backdrop.

In ceremonies during the first week of July, Smith and his colleagues receive the "Gold Medal Award for Heroism" from ALPA.

The first three A310-203Fs are delivered from **Deutsche Lufthansa, A.G.** in September.

International Priority Freight Service is expanded during the month to both inbound and outbound flights. The service is available between the U.S. and Puerto Rico to Belgium, Brazil, Canada, France, Germany, Great Britain, Hong Kong, Indonesia, Italy, Japan, Korea, Malaysia, Mexico, the Netherlands, the Philippines, Singapore, Taiwan, and Thailand.

Other highlights later in the year include negotiations for the acquisition of the all-cargo authority to China held by **Evergreen International Airlines** and the completion of work on a new hub at Subic Bay, Philippines. Application will now be made to the Japanese government for seven new routes from that facility to and through Japan.

An MD-11F is badly damaged in a hard landing at Anchorage on November 4. Cargo swells 13.4% to 6.91 billion FTKs and revenues surge 11.3% to \$9.18 billion. With expenses of \$8.57 billion (up 10%), the pretax profit is \$610.69 million and net gain reaches \$291.06 million.

The workforce grows by 6.4% in **1995** to 94,201.

On February 27, Flight 3527, a DC-10-10 from Memphis, is the first commercial service to arrive at the new Denver International Airport.

The company, on March 1, agrees to acquire the China rights of **Evergreen International Airlines**, including its routes to Beijing and Shanghai, along with two B-747-121Fs that it will operate under lease.

During the first quarter, the company begins to develop a new regional hub at Fort Worth (Alliance Airport). It will complement those domestic centers already operating at Indianapolis, Newark, Oakland, Chicago, Los Angeles and Memphis plus the international hubs in Japan, Germany, France, and the U.K.

Former pilot Calloway is convicted of air piracy in federal court at Memphis on March 30; he will be sentenced to a long prison term.

On April 7, a major aircraft deal is signed with AMR Corporation, parent of **American Airlines**. Under its terms, the freighter agrees to take over American's remaining MD-11 options and to purchase a dozen of its already delivered MD-11s, with deliveries beginning within two years.

On June 15, a DOT aide notes that Secretary Federico Pena has been unable to resolve a dispute with Japanese officials concerning Japanese landing rights for FedEx aircraft. The company has been planning to operate a new schedule into and beyond Japan from the company's new Subic Bay facility. The Japanese object not only to the U.S. position that the bilateral agreement with Tokyo permits such flights, but to American threats of economic sanction as well.

After five years of negotiations, the carrier, in the person of Senior Vice President Joseph C. McCarty, completes negotiations with Taiwan's Ministry of Transport and Communications on June 17 for the establishment of a second Asian hub at Taipei's Chiang Kai-shek International Airport in early 1998.

Two days later, the U.S. government threatens to bar **Japan Air Lines Company, Ltd. (2)** from some of the most profitable cargo routes to the U.S. in retaliation for Japan's continued refusal to allow the Memphis-based freighter to expand its operations. American officials are also upset with Japan's refusal to approve FedEx's request until the basic 1952 bilateral agreement between the two nations is revised and their continued contention that the U.S. has subjected their airlines to decades of unfair treatment.

The dispute intensifies on June 20 when Japanese Transport Minister Shizuka Komei threatens to bar a number of flights into Japan of both Fed Ex and **Northwest Airlines** that have their origin in the continental U.S. Plans to formally open the new FedEx Asian hub at the former USN base at Subic Bay on July 3 are delayed and flights from Subic to Japan and beyond are held up by the Washington-Tokyo discussions. Those unhappy talks between representatives of the two governments end without agreement on July 14.

A mini-conference is held on July 20-21 between Secretary Pena and Japanese Minister Komei, who reach an accord that avoids a conflict over the route requests made earlier by Federal Express. **United Airlines** and **Northwest Airlines** officials express relief that Japan had not renounced the 1952 bilateral agreement, which could have seriously threatened their beyond-rights from Tokyo.

The temporary accord on the air route question also includes an agreement to enter into later discussions aimed at revising the all-cargo provisions of the 1952 bilateral. Under the July 21 accord, FedEx will be granted the seven routes it had sought from the Tokyo government earlier. These include Tokyo (NRT) to Subic Bay and Kuala Lumpur and Osaka (KIX) to Subic Bay, Kuala Lumpur, Singapore, Penang, and Kaohsiung, Taiwan. In return, the U.S. will grant the Japanese a new cargo route from Osaka to Chicago and New York.

During the last week of the month, the company announces that it will purchase 15 A310-221s/222s formerly operated by **Swissair, A.G.** and

KLM (Royal Dutch Airlines, N.V.) from the International Lease Finance Corporation (ILFC), which will have them converted into freighters.

On August 17, FedEx reveals its new Asiaone product, an overnight delivery network that will connect 11 major commercial and financial centers in Asia.

The Subic Bay transshipment base is opened on September 4.

During the first week of November, the Japanese Ministry of Transport refuses to approve FedEx flights beyond Tokyo to Beijing and Shanghai that had been scheduled to start in late October. The following week, Secretary Pena, on a 17-day Asian tour on behalf of his government's "open skies" concept, visits with Japanese Transport Minister Hiranuma Takeo in Tokyo to discuss the matter.

After lengthy negotiations with its pilots, the company, on November 25, rejects a last-ditch contract offer from the flyers. The local ALPA Master Executive Council announces during the last week of November that its FedEx members will refuse to work overtime during the upcoming holiday season. With overtime flying accounting for upwards of 20% of all daily shipping frequencies, FedEx faces a difficult winter. In an effort to maintain its scheduled cargo services, company managers begin to employ training instructors as supplementary crew, curtail flights to South America, and offer an increase of 200% in overtime pay to those ALPA members willing to risk accepting it.

Two more MD-11Fs arrive in December, bringing the total for this type to 15 aircraft. Meanwhile, to assist in holiday deliveries in the face of its pilots' slowdown, FedEx wet-leases seven B-727Fs from **Express One International**.

The cargo giant's 498 aircraft operate 7.4 billion freight FTKs during the year, a 7% increase. Operating income increases by 10.8% to \$9.32 billion while costs are up 10.7% to \$8.8 billion. Operating gain swells to \$580.91 million and a net \$282.41-million profit is posted.

Company employment in 1996 grows 35% to 127,200.

During the year's first week, the carrier, at no charge, flies 10 tons of Red Cross supplies to Bosnia. The cargo, including 10,000 emergency supply kits, is destined for U.S. soldiers.

A severe winter storm throughout the Northeast region of the U.S. hampers operations between January 7 and 11.

ALPA pilots end their work slowdown on January 25 as contract talks continue.

During the last week of January, **CAAC (The General Administration of Civil Aviation of China)** grants final approval for the company's takeover of **Evergreen International Airline's** cargo routes into China. FedEx is now the only U.S. carrier to hold all-cargo rights to the PRC. Employing one of the two B-747-121Fs acquired from Evergreen, FedEx inaugurates this U.S.-China route in early March. The premier outbound flight is made from New York (JFK) to Shanghai via Chicago, Anchorage, and Beijing; the return is from Shanghai to New York via Anchorage.

Toward month's end, a new five-year pact is tentatively worked out between the carrier and its local ALPA chapter. A vote will be taken of the 3,000 FedEx pilots to determine if they are in accord with the improved retirement benefits, work rule changes, and pay increases offered in the contract.

Flight 71, an MD-11F with two crew, is substantially damaged when its tail strikes the runway during a May 16 landing at Anchorage, following a 6 1/2 hr. flight from Newark. The captain reports minor injuries.

During the spring, the carrier files with the Japanese Transport Ministry an amendment to its summer schedule of services. The document proposes that, beginning on July 1, it be allowed to offer beyond-flights from Tokyo to Manila, Cebu, and Jakarta. These would complement the four weekly frequencies offered between Tokyo and the Chinese cities of Beijing and Shanghai. Also sought is permission to fly weekly from Osaka to Beijing and Shanghai. Because of the U.S. bilateral air agreement with China, transport of local cargo would continue to be prohibited. The Japanese refuse to allow the requested flights.

As disputes flare anew, the negotiations between the U.S. and Japan over air cargo are terminated during the last week of June. Senior Vice President Michael L. Ducker, in charge of the new Filipino base, notes in early July that the company's new Subic Bay facility, via 11 major airport ramp operations, now supports a network that stretches to 330 Asian cities. Unhappily, the disagreement with Japan forces a delay in desired service start-up.

Also, 30 new pilots are hired during the month, bringing to 599 the number of new flyers employed by the company during the last year.

During the first week of July, the company contacts with Manila-based **Airfreight 2100** to provide daily Convair cargo flights from Subic Bay to Cebu. On July 16, the DOT suggests a limitation on JAL flights to the U.S. carrying cargo that has originated in Indonesia, China, or the Philippines unless Japan relaxes its restrictions on FedEx as promised a year earlier, granting the U.S. giant the routes sought in the spring. On July 18, in retaliation for the DOT proposal, the Japanese Transport Ministry announces that it will not allow FedEx or **Northwest Airlines** to fly to destinations in Asia from Japan.

Also during the month, seven regional managing directors are promoted to vice president.

The long-standing contract with the General Services Administration is re-awarded to FedEx on August 15.

Chairman Smith also meets with President Bill Clinton during the month to personally lobby for a stronger administration stance in the bilateral agreement negotiations between the U.S. and Japan.

En route from Memphis to Boston on September 5, the five-person crew of DC-10-10CF Flight 1406 is alerted by a smoke alarm in the main cargo hold that a cargo container has caught fire. The wide-body makes an emergency landing at Stewart International Airport in Newburgh, New York. All of the crew members are able to escape unhurt before flames engulf the freighter. Ironically, the cargo includes \$100 million in outdated \$100 bills being sent to the Federal Reserve Bank in Boston to be burned.

In mid-September, twice-weekly DC-10-30F direct roundtrips commence between Subic Bay and Shanghai. Five-times-per-week A310-203F flights are also initiated from the Philippine hub to Hong Kong. When combined with flights from Anchorage, the freight operator now has available at Subic four weekly connections from the U.S.

Also in September, a contract is signed with The Boeing Company for the conversion of 60 DC-10-30s into MD-10s. The upgraded aircraft will have state-of-the-art avionics and other freighter improvements. FedEx will later increase its commitment to this program, with requests for a total of 70 MD-10s, with 40 on option.

Plans to inaugurate a dedicated service from Subic Bay to Jakarta are dropped in mid-October when the Indonesian Transport Ministry decrees that all new cargo routes into the country must employ Hang Nadim Airport (20 miles from Singapore) as a condition of access to other national markets.

During the second week of December, an agreement is reached with **American Airlines** under which FedEx will trade 30 hush kits to American in exchange for 14 used DC-10-10s. The transaction is to be completed by the end of 1997.

Also during the week, FedEx signs a letter of intent with the Albany, Georgia-based Ayer Corp. for 50 Ayer LM200 Loadmasters. At the turn of the century, founder/CEO Fred Ayer's company will offer these as a single-engine, multipurpose aircraft.

The carrier now announces a major European service launch. From a base at Moscow's Vnukovo Airport, the company will inaugurate five-night-per-week FedEx Russia service to the CIS, to Paris via Frankfurt, and on to the U.S. and Asia, including Tokyo, Hong Kong, and Singapore. The Memphis-based line becomes the first Western all-cargo company to offer freight and express service on a regular basis from the Russian capital.

An agreement is signed on December 31 with the Paris airport authority, under the terms of which FedEx will invest a billion dollars

in Charles de Gaulle International Airport for the creation of its FedEx European hub.

A total of 8.14 billion FTKs are operated, a 10.1% increase, while operating revenues jump 11.5% to \$10.95 billion. Expenses rise an identical 11.5% to \$10.3 billion and leave an operating profit of \$646.98 million and a \$318.49-million net gain.

An agreement is signed with the Taiwanese government in January 1997 under which FedEx will open a transshipment center at Taipei. The pact settles a dispute that had impeded completion of a new bilateral air agreement between the U.S. and Taiwan.

In the first quarter, the company, which has been acquiring 60 DC-10s from **American Airlines** and **United Airlines**, begins converting them into MD-10s through the installation of Honeywell glass cockpits.

On April 3, ground is broken for a \$38-million expansion of the Anchorage hub.

"Project Grid" is initiated during the spring; designed to upgrade the company's internal information technology (IT) infrastructure, the initiative will include replacement of 60,000 terminals and some personal computers with up to 75,000 network computers.

On June 2, the government of Japan approves several of the new routes sought by FedEx for over a year, but refuses to relax its overall restrictions on flights between Tokyo and other Asian destinations.

On June 9, Flight 80 must stop its taxi into the ramp area at Chicago (ORD). The DC-10-30F with four crew backs up 20 ft. to avoid being struck by the left wing of **Japan Air Lines Company, Ltd.** (2) Flight 6012, a B-747-246F with three crew that is taxiing out of the ramp area.

Authority to operate two weekly return cargo services from the U.S. to Argentina is purchased in June from **Arrow Air**.

Company agents at Sylmar, California, on June 30 discover that a shipment arriving from New York contains an undeclared oxygen generator. Following the **Valujet Airlines** disaster the government has banned such shipments unless properly packaged. FedEx officials notify the FAA, which traces the canister back to a shipment coming into the country via **Air France**.

During July, the carrier renews an earlier agreement with **Blue Dart, Ltd.** of India for an additional five-year period. It also purchases, for an undisclosed price, the rights to operate two weekly scheduled all-cargo flights to Argentina previously flown by **Arrow Air** and an additional all-cargo route from **Florida West International Airways**.

Coming in from Anchorage, Flight 14, an MD-11F with two pilots and three jumpseat passengers, crashes while landing at Newark (EWR) early on July 31. Following a heavy bounce, the aircraft comes to a stop on its back 4,800 ft. down Runway 22R, some 200 yds. from the airport's Terminal B complex and bursts into flame. Although the five aboard escape via the cockpit hatch and no personal injuries are reported, the plane, which has some 400 lbs. of "routine hazardous materials" aboard among 145,000 pounds of cargo from Asia (mostly electronic, computer, and machinery parts), bursts into flames and is destroyed.

Also on July 31, the company begins to implement temporary service adjustments to provide its regular customers the best service possible by managing what is expected to be a dramatic volume increase resulting from the expected job action by employees of **UPS (United Parcel Service)**. In what the media will portray as one of the last great conflicts between labor and management in this century, 200,000 ground workers, members of the Teamsters, strike UPS on August 4 and are supported by UPS's 2,000 pilots. Management pilots and contract aircraft are only able to provide a trickle of service.

Kiwi International Airlines and **United Airlines** recruit new business for its shipping services and **Emery Worldwide** attempts to accommodate those customers sending packages in excess of 5 pounds. However, UPS's major competitors, FedEx and **DHL Worldwide Express**, refuse most new corporate accounts (the latter takes new international business), but do accept packages left in drop-off boxes. Still, FedEx experiences an overload of shipments during the job action, and places a restriction on the number of packages that may be shipped.

Many FedEx employees work overtime and thousands of other employees volunteer to assist the company to help it manage the additional packages and delivery demands.

A strategic alliance is signed between Federal Express and **Air New Zealand, Ltd.** on August 6; First Express, Ltd., a wholly owned subsidiary of the New Zealand flag carrier, will handle the ground portion of the agreement, designed to significantly enhance express and document services to Kiwi businesses.

Talks between the Teamsters and **UPS (United Parcel Service)** resume on August 7 and the job action is settled a little over a week later. New corporate accounts are welcomed on August 21, the same day restrictions on the number of packages customers may ship is lifted. Saturday service resumes on August 22 and full service returns as of August 24. FedEx is able to retain some of the additional small package business generated during the walkout.

With 23 MD-11Fs left on hand (still more than any other carrier), FedEx tasks one to launch the company's longest nonstop route on September 1 from Osaka (KIX) to Memphis. The 12-hr., 7,000-mi. flight allows FedEx to offer the first and only "next business day" delivery of packages shipped from Asia to the U.S. and return. Although package shipping times are cut from 48 hrs. to 24 hrs., customers will be offered the new service at the same price as the previous two-day delivery.

The results of the first quarter announced on September 15 show that profits have more than doubled from a year earlier, up to \$143.3 million from \$62 million. The good fortune is attributed almost entirely to the 15-day UPS strike. At the same time, the sale of hush kits generates \$22 million in operating income while a net gain of \$17 million is realized from settlement of insurance claims for the MD-11F lost in July.

An ATC error on September 25 causes an **American Airlines** MD-80 and a FedEx A300F to pass within 800 ft. vertically and 2.3 miles horizontally near McAlester, Oklahoma.

On October 6, \$2.4 billion is paid out in an all-stock transaction for the acquisition of Akron, Ohio-based Caliber Systems, Inc., the second largest ground-transport company after **UPS (United Parcel Service)**. In making the announcement, FedEx Chairman Smith notes that both companies will continue to operate separately under a new holding company to be called FDX Corporation. However, he will become chairman of Caliber as its current CEO, Daniel Sullivan, steps down to the presidency.

Plans are announced in early October for the retirement of the company's three Hitachi Skyline and four IBM mainframe computers by June 1, 2001 and their replacement with Sun and Hewlett-Packard UNIX systems. In addition, a new data center will be opened in Miami in 1998 to complement those already operating at Memphis, Colorado Springs, Orlando, Dallas-Fort Worth, Singapore, and Brussels. In 1999, a major hub will be opened at Miami for South American and Caribbean traffic.

On December 18, the company and negotiators for its pilots union reach a tentative agreement on a new four-year pact, the first union contract for the flyers of an overnight delivery company. The carrier's pilots remain the only domestic employees of FedEx represented by a union. The deal is sent to the 3,400 pilots for a vote early in the new year.

By year's end, the company has rolled out 1,000 T1 lines to handle its electronic communications.

This year, the company transports a total of 9.3 billion freight FTKs, up 14.2% over 1996, thanks in part to the strike at competing **UPS (United Parcel Service)**. Operating revenues accelerate 16.3% to \$12.73 billion, while expenses are up 14.8% to \$11.82 billion. The operating profit climbs to \$901.06 million while a net \$458.19-million profit is recorded.

At the beginning of 1998, FedEx is the largest airline in the world in terms of freight carried and employee number, 2nd in fleet size, 5th in operating profit, 6th in operating income, and 10th in net profit.

In early January, the company announces that it will equip its entire fleet with traffic collision avoidance system (TCAS) II at a cost of \$100 million; 95% of the work will be completed within four years. Simulta-

neously, it is noted that an enhanced global positioning warning system (GPWS) will also be added within three years.

Swissair, A.G. announces on January 10 that it will replace its A310s, B-747-300s, and MD-11s with A330/340 equipment between the end of 1998 and 2008. The MD-11s will be sold to an unnamed "major American airline."

Having completed its take over of Caliber Systems, Federal Express Corporation is reconstituted on January 27, becoming FDX Corporation, a holding company for Federal Express Corporation, Caliber Systems, and their subsidiary companies. FedEx Chairman/President/CEO Smith is voted the top officer of the new entity. He will have four executive vice presidents at headquarters, not including Theodore L. Weise, who becomes the new president/CEO of Federal Express, the airline and express network. The \$15-billion global transportation and logistics powerhouse begins trading its shares on the New York Stock Exchange on January 28.

On January 30, a tentative new bilateral air agreement is signed between the U.S. and Japan. The redistribution of the airline's Tokyo (NRT) slots, which had played a key role in the final accord, is not resolved.

A new International Economy Freight service is introduced in February; rates are lower than those charged for other international time-definite shipping.

While shutting down its engines on the parking ramp at Memphis on March 6 after a flight from San Diego, a DC-10-30F with three crew experiences a loud bang and a failure of the pressurization outflow valve on the left main cargo door. When the captain exits the aircraft, he finds a ramp worker who has been injured by the accident.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

On March 23, the U.S. Supreme Court rejects without comment the suit of former FedEx pilot Robert J. Coupe, who had sued his employer for enforcing the FAA rule that he retire at age 60. Coupe had claimed that the rule violated the Age Discrimination in Employment Act, while lower courts had indicated that the carrier could not be sued for complying with a government regulation.

Also during the first quarter, optional Sunday deliveries to 50 selected U.S. destinations are introduced in a television ad campaign.

With the signing of a new U.S.-France "open skies" bilateral air agreement on April 8, FedEx is free to set up a European hub at Paris (CDG).

Later in the month, it is announced that a new hub will be constructed at Greensboro, North Carolina.

It is learned on April 23 that FedEx will purchase 20 used MD-11s from the **Swissair, A.G.**-owned subsidiary Flightlease, Ltd. After conversion from passenger to cargo aircraft, the new units will begin to enter service in August 2002, with deliveries continuing through December 2006. In a separate purchase the same day, the company signs with Boeing for the acquisition of three new MD-11Fs to be delivered between March and June 1999.

When new Philippine President Joseph Estrada appoints another leader for the Subic Bay Metropolitan Authority, there is rioting in the streets in support of the incumbent. To maintain its neutrality in the dispute, FedEx, in late June, closes its Asia-Pacific hub and moves its operations from Subic Bay to Manila and Taipei until the political matter can be sorted out.

A delivery service for aircraft spare parts customers is announced to September 11. Known as "Boeing Express," the flights are operated by FedEx in cooperation with Boeing Commercial Airplane Company.

Simultaneously, the company donates the services of an MD-11F to fly \$1.73 million in medicines and medical supplies to Indonesia. Undertaken on behalf of several charitable agencies led by Uplift International, the donation, badly needed as the result of the Asian economic crisis impact on the local currency, is distributed internally by aircraft from **Garuda Indonesia**.

On September 27, it is announced that all nine of the MD-11s operated by **KLM (Royal Dutch Airlines, N.V.)** have been purchased. Their transfer to Memphis will commence in 2004.

Negotiations between management and the carrier's pilots drag on. On October 19, leaders of the FedEx pilots' union unanimously vote to seek strike authorization from members. Negotiations between labor and management continue during the remainder of the month, but break down on October 30. Officials from the NMB work to get them restarted. Without progress towards a contract, company pilots, on November 9, begin to refuse overtime work. The union sends out strike authorization ballots, which will be counted on December 3.

On November 10, President/CEO Weise outlines contingency plans that the company will employ if the FedEx Pilots Association stage a job action. In essence, the company's 140,000 employees will provide overnight and deferred delivery services by reconfiguring the U.S. domestic air system around available pilots, contract air service, and expansion of the ground portion of the integrated network. It is admitted that overnight deliveries will not be available in some areas and international deliveries will be extended by a day. At all costs, the company will maintain its money-back guarantees on two- and three-day deliveries, which constitute a third of its business.

A standard ACMI agreement is signed with **Atlas Air** on November 12 for the use of two wet-leased B-747-47UFs on international air freight services during the remainder of the fourth quarter.

The next day, executives at **United Parcel Service (UPS)** begin to court FedEx customers, informing them that, should a strike occur, UPS will be able to step in and meet their shipping requirements. Simultaneously, the FedEx Pilots Association calls for binding arbitration on a work contract. Company officials reject the concept, believing that it will be able to absorb the impact of any job action with the strategy outlined by President/CEO Weise earlier in the week and comforted by a newly received second \$1-billion line of credit to cover any strike-related expenses.

Representatives from the airline and its pilot union meet with the NMB at Washington, D.C. on November 16. Simultaneously, 40 company pilots stage an informational picket in Atlanta. Although pilots also stage pickets at Los Angeles and New York on November 17, 3,500 nonunion employees stage a rally at company headquarters in Memphis in support of FedEx. At a pilots meeting that evening, Chairman Smith warns that the firm will keep its shipments moving come what may and bluntly implies that, since the company's latest contract is rescinded, positions will be in the balance if a job action occurs.

On November 20, leaders of the FedEx Pilots Association agree to delay the December 3 count of strike-authorization ballots for at least 60 days. Additionally, they pledge to keep working during the holiday season and to resume flying overtime. Labor and management return to the bargaining table at an undisclosed location in Memphis on November 23. On December 18, the company and representatives from the FedEx Pilots Association reach a tentative agreement on their first contract. Under terms of the agreement, the company's 3,500 pilots will each receive a 17% pay increase. The union's board of directors approves the contract, takes it under review for a week until December 23, and sends it to pilots for a ratification vote, which will begin on January 4. Ballots are to be counted on February 4.

Also on December 18, an ice storm in the southern U.S., including Memphis, slows departures and weather remains poor through most of December.

During the 12 months, cargo traffic climbs 6.66% to 9.92 billion FTKs. Revenues climb 7.4% to \$13.68 billion, while expenses are up 7.9% to \$12.75 billion. The operating profit moves up to \$907.29 million, while net gain falls back to \$435.44 million.

On February 4, 1999, company management and the FedEx Pilots Association jointly announce that the union's membership has ratified a five-year collective bargaining agreement; it will take effect on May 31, bringing the negotiating process to a successful conclusion.

On February 6, FedEx Flight 1020 and **Air Canada, Ltd.** Flight 754 survive a near-miss 40 mi. N of Lincoln, Nebraska. The FedEx

DC-10-30F with three crew is en route from Newark to Oakland and the Air Canada A320-211 with 6 crew and 89 passengers is en route from San Francisco to Toronto. Although the aircraft come within 1-mi. horizontal and 600-ft. vertical of each other, they sustain no damage or injuries.

An agreement is signed with **Atlas Air** on February 24 concerning a restructuring and continuation of the November ACMI contract with FedEx for the use of two B-747-47UFs.

While en route from Los Angeles to Indianapolis at 33,000 ft. over Kansas on March 2, a **Kitty Hawk International** L-1011F with three crew comes within 100 ft. of a FedEx DC-10F en route from Portland, Oregon, to Memphis. According to a report in *The Washington Post* two days later, both aircraft had apparently lost radio contact with the Kansas City ATC center.

On March 15, listed rates are increased an average of 2.8% for shipments within the U.S. The first MD-10 to be converted under the contract signed with The Boeing Company in September 1996 is rolled out in a ceremony at the Boeing Airplane Services facility in Long Beach, California, on March 19. Its inaugural flight is made on April 10, after which the upgraded DC-10F begins a 10-month test program.

On April 16, AEA Technology QSA of Burlington, Vermont, ships, via FedEx, a 200-lb. container holding a relatively small amount of a radioactive isotope of the metal iridium, to a construction company in Toluca, Mexico. It does not arrive, setting off a frantic search and a special alert from the U.S. Nuclear Regulatory Commission. The potentially lethal, but unopened package turns up at London (STN) on April 26 and is safely recovered. The Associated Press and the *Boston Globe* quote an NRC spokesman as noting that such disappearances occur approximately once a year. The airline and the DOT launch investigations. On April 29, U.K. press reports indicate that the package has now been delivered to its original Mexican destination.

On June 15, the airline contracts with Boeing for the conversion of another 19 MD-11 passenger planes into freighters. Eight modified MD-11Fs have already been delivered.

FedEx is one of three U.S. airlines tentatively granted a total of 17 additional roundtrips per week on June 23 between the U.S. and China.

Flight 77S from Cebu, an A310-203F with two crew and a jumpseat rider, runs off the end of the runway while landing at Manila in light rain on June 28. The aircraft is damaged when it hits and destroys the instrument landing system (ILS) antennae; its nose gear is folded back and the engines are damaged. Although no injuries are reported, several international flights must be diverted or delayed.

While on approach to Manila on a June 30 service from Tokyo (NRT), Flight 15P, an MD-11F with two crew, experiences a structural failure of a left-wing elevator. A safe landing is, nevertheless, completed.

In August, against opposition from British cargo airlines, the company, and 14 other foreign airlines, is granted fifth-freedom beyond rights from Scotland's Prestwick Airport. The FedEx petition for similar rights from London (STN) is denied.

The additional China route authority is confirmed on August 16; FedEx receives four new routes immediately and two in April. At month's end, a new A300F4-605R is specifically assigned to handle the markets of Jalisco and central Mexico, flying daily roundtrips between Memphis and Guadalajara.

The company lets it be known on September 24 that it will soon replace the six B-727Fs operated in Europe with Airbus A310-203Fs.

On September 27, a new 77,000-sq.-ft., \$200-million European sorting hub is opened for business at Paris (CDG). At the same time, next-business-day services among 38 European cities begin under a new **EuroOne** network program. On hand for these inaugurations, Chairman Smith reveals that the six B-727Fs employed in Europe will be replaced with five A310-203Fs during the next year.

During the week of December 19, FedEx transports an estimated 4.5 million packages in one day, a new record. Also during the fourth quarter, the company adds a major contact with Cisco Systems, an alliance with international supply chain consultant KPMG, and a new version of

its FedExShip computer software. It also drops plans to build a new \$50-million truck hub at Chicago (ORD).

The great floods in Venezuela during Christmas week displace thousands. The Latin American and Caribbean division quickly secures space on the company's daily 727 ExpressFreighter service from Miami and begins to funnel supplies and equipment to the humanitarian relief effort centered in the city of Valencia. These flights will continue into the new year.

Cargo traffic climbs 3.9% to 10.31 billion FTKs. Revenues ascend 6.2% to \$14.5 billion, while costs are up 6.6% to \$13.59 billion. The operating profit rises to \$909.91 million, while net profit grows to \$442.06 million.

Corporation employment at the beginning of 2000 stands at 150,000, a 3.4% increase over the previous 12 months. As the year starts, COO David Bronczek succeeds retiring President/CEO Theodore Weise.

Reacting to a growth of only 2.7% in domestic shipments during the six months ending on November 30, the company in the first quarter takes steps to refocus on its core freight and box business as well as to boost its domestic yield. To accomplish these ends, capital spending at the FedEx companies will be reduced by \$200 million, aircraft orders are to be cancelled or deferred, and a 3% fuel surcharge is added to cope with rising fuel prices. A hiring freeze is instituted and the sales force is realigned, with a greater emphasis placed on small-to-medium sized shippers.

On March 1, the RPS subsidiary begins a domestic ground residential parcel delivery service.

Nine miles out and inbound to Seattle on March 28, the crew of an A300F finds smoke in their cockpit; an emergency is declared and after the plane is landed, it rolls quickly onto a taxiway where the flyers abandon the plane.

On April 3, per an announcement made in late February, FedEx surrenders its five-times-a-week MD-11F beyond service from Prestwick to consolidate its efforts at the more-tightly restricted, but larger, London (STN) facility. The U.S. giant has found the generous rights granted out of Scotland to be worth little without a similar arrangement with London.

Also during April, FedEx opens a new 112,000-sq.-ft. facility at Louisville International Airport (home of its **United Parcel Service** competitor).

Delivery of the first of 89 MD-10s is accomplished in ceremonies at Williams-Gateway Airport in Arizona on May 10. The wide-body is christened *Brandon*.

Service to Munich and Tel Aviv from Paris (CDG) is upgraded on May 26 from B-727F to Airbus A300-600F. In June, the FAA rejects an objection from company pilots and rules that FedEx may employ the same pilots to operate both its MD-11Fs and MD-10Fs. The carrier also steps up its commitment to deliver some freight service to various points by 10:30 a.m.

It is announced on July 10 that the company will soon be boosting its international schedule from France with five weekly MD-11F roundtrips from Paris (CDG) to Subic Bay; 10 weekly A-310F frequencies from Paris (CDG) to Dubai, Bombay, Bangkok, and Subic Bay, and 10 weekly A310-203F night return flights from Paris (CDG) to Frankfurt, Milan, London (STN), and four other European points. Daytime A310F roundtrips will link Paris (CDG) and Copenhagen.

Also on July 10, FedEx is named fourth best-managed company among non-state-owned, major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology*. Also during July, FedEx and **United Parcel Service (UPS)** are both anchor tenants of the new 172,000-sq.-ft. cargo facility that opens at Sky Harbor International Airport in Phoenix.

Displeased by progress at the renewed U.S.-U.K. bilateral talks in London in mid-August, Chairman Smith allegedly threatens to withdraw his line's arrangements with all British airlines. The expectations for renewal of the FedEx contract by **Channel Express (Air Services)**, Ltd. for one, are dashed when a new agreement is not offered.

Also in mid-month, FedEx completes the wet-lease of a Lockheed L-100-30 Hercules from **Safair (Pty.), Ltd.** of South Africa; the turbo-prop freighter will be operated in Europe. On August 22, *Flight International*, in its annual commercial airline survey, confirms that FedEx is the largest cargo airline in the world.

By September, FedEx has, as promised, added five A310-203Fs to its European freighter fleet.

In early November, discussions commence with the U.S. Postal Service concerning the possibilities of shared express mail and ground deliveries. On September 13, a comprehensive similar package is signed with La Poste, the French post office.

The A310-324 previously operated by **Air Maldives, Ltd.** is purchased from Airbus Industrie on September 19.

In October, the yacht of the U.S. Paralympic Sailing Team is transported from the U.S. East Coast to Sydney, Australia, for the 2000 Paralympic Games, the Olympic equivalent for the world's top athletes with disabilities.

On November 13, the trucking concern American Freightways is purchased for \$1.2 billion in assumed debt, stock, and cash. The ground service, which will complement on the East Coast the activities of Viking Freight on the West Coast, will compete with **United Parcel Service (UPS)** in next-day delivery service. A new corporate world headquarters center is opened in Memphis on November 15. Founder Smith undergoes successful coronary bypass surgery at Memphis on the evening of November 24.

In early December, after five months of work with U.S. and Chinese government officials and zoo representatives, FedEx representatives in the U.S. and China are able to duplicate for Washington, D.C.'s National Zoo a feat accomplished earlier for the Atlanta zoo by rival **United Parcel Service (UPS)**. Following a closed ceremony, two giant pandas, Tian Tian and Mei Xiang, housed in two custom-built transport containers each with 110 pounds of bamboo and a big box of biscuits, depart Beijing on December 5 aboard a specially painted MD-11F, *FedEx Panda One*. Granted special flight privileges, Chinese and American handlers join the animals, which the U.S. zoo is "borrowing" for \$1 million a year over the next decade.

After 17 years of service, FedEx Corporation Logistics President/CEO Joseph C. McCarty, also on December 5, announces his plans to retire on May 31.

Following a customs check and crew change at Anchorage, the VIP panda plane arrives at Washington, D.C. (IAD) in mid-afternoon on December 6. Still in their crates, the pandas are trucked to the National Zoo, where they will remain out of public sight until their exhibit is officially unveiled sometime later. *FedEx Panda One* returns to its regular freighter duties still wearing its special color scheme.

The panda-lift comes just as the DOT is making an award of 10 new weekly all-cargo frequencies to China, two of which go to **United Airlines**, along with six to **United Parcel Service (UPS)** and one each to **Northwest Airlines** and FedEx.

A deal is struck with Boeing Airplane Services on December 21 under which the concern will convert 19 MD-11 passenger aircraft into freighters for FedEx beginning during the third quarter of 2002.

Two A310-324s once flown by **Merpati Nusantara Airlines** are purchased on December 22 from Magellan Aircraft Services; the wide-bodies will be converted into freighters and delivered early in 2001.

A 90-year unwritten industry taboo against depicting a calamity involving an actual airline's aircraft in a fictional motion picture comes to an end on December 22. FedEx agrees to feature one of their planes crashing and leaving Tom Hanks stranded on a deserted island in the film *Cast Away*, co-starring Helen Hunt, which opens nationwide. No passenger airline has yet been so daring.

After years of competing with air cargo concerns such as **United Parcel Service (UPS)** and **Emery Worldwide** that are contracted to transport the U.S. Mail, FedEx, as the year ends, completes four months of negotiations for a new 7-year, \$6.3 billion alliance with the U.S. Postal Service. Under its terms, which will be announced on January 10 and

take effect in August, FedEx will provide some 3.5 million pounds of airlift capability to the USPS every day.

FEDERAL EXPRESS CORPORATION U.S. FEEDER AIRCRAFT OPERATIONS. See **BARON AVIATION SERVICES; CORPORATE AIR; CSA AIR; EMPIRE AIRLINES; FREIGHT RUNNERS EXPRESS; MOUNTAIN AIR CARGO; TRANS FLORIDA AIRLINES; TWIN AIR; WESTAIR; WIGGINS AIRWAYS**

FEDERATION AIR SERVICES, LTD.: Malaya (1951–1955). Mansfield & Co. of Penang forms this small carrier in October 1951 to fly to bush locations on routes out of Kuala Lumpur. Employing de Havilland Canada DHC-2 Beavers, the company provides ad hoc charters until taken over by the Railway Administration in 1955.

FEDERICO II AIRWAYS, S.p.A.: Via Grieco Ruggeiero 32, Foggia, 71100, Italy; Phone 39 (058) 168-8730; <http://www.federicoII-airways.it>; Code 2D; Year Founded 1998. Federico is established at Foggia in the fall of 1998 to provide scheduled third-level domestic passenger services. Orders are placed for four Fairchild Dornier 328-110s, the first of which is delivered at the beginning of November. Revenue flights to Bologna, Palermo, and Rome begin on November 16.

Service is maintained in 1999–2000, as one additional Dornier turbo-prop joins the fleet. On December 23 of the latter year, a SAAB 2000 is leased from **Med Airlines, S.p.A.**

FEGAN AVIATION, LTD.: Nigeria (1995–1996). Privately held Fegan Aviation is established at Lagos, Nigeria, in the summer of 1995 to offer passenger and cargo services, primarily for personnel working in the energy industry. Two British Aerospace (BAC) 1-11s and de Havilland Canada DHC-6-300s inaugurate services. Work on a maintenance hangar is begun in 1996, but no other information is thereafter available.

FEILONG AIRLINES. See **CHINA FLYING DRAGON AVIATION COMPANY**

FEL AIR. See **CAPE SMYTHE AIR SERVICE**

FERGUSON AIRWAYS. See **WIEN AIR ALASKA**

FERRANTI HELICOPTERS, LTD. See **BRITISH CALEDONIAN AIRWAYS, LTD.**

FIESTA AIR: United States (1970–1973). Owned by the board of trustees of Hawthorne Christian College, the small Long Beach, California-based Fiesta operates charters throughout the Western U.S., as well as to Mexico.

A Lockheed L-188A formerly operated by **American Airlines** and an L-188C previously flown by **Eastern Air Lines** are obtained in the fall of 1971 and allow the company to greatly expand its operations.

Although services are maintained throughout 1972, the great oil embargo of 1973 forces the company to declare bankruptcy and shut its doors in April.

FIGAS (FALKLAND ISLANDS GOVERNMENT AIR SERVICES, LTD.): Stanley Airport, Stanley, Falkland Islands; Phone 500 27219; Fax 500 27039; Year Founded 1982.

Based at Stanley Airport on East Falkland, FIGAS, originally set up in 1948 to offer nonscheduled services, is reestablished after the Argentine war to provide scheduled, third-level passenger and cargo services linking East Falkland with West Falkland and New Island. The initial fleet comprises two Britten-Norman BN-2 Islanders.

Although the service network remains the same, frequencies are increased in 1992–2000 as General Manager Vernon Steen's fleet grows to comprise six Islanders. Company aircraft are also employed to

undertake aerial reconnaissance over the 320-nm. conservation area surrounding the islands.

FIJI AIR, LTD.: Fiji (1971–1995). When **Fiji Airways, Ltd. (2)** is renamed **Air Pacific, Ltd.** in April 1971, **Air Pacific, Ltd.** is renamed Fiji Air, Ltd. Majority ownership (77%) remains in private hands with the remainder held by the Fiji government.

Although profits are recorded in 1973–1974, the world oil crisis causes significant losses over the next several years. During the remainder of the decade, the company maintains its local interisland scheduled and nonscheduled routes and adds international services to Funafuti in Tuvalu.

D. L. Hazard is appointed chairman in 1978 with the mission of turning the airline around.

By late 1981, the fleet at Managing Director Martin C. D. Tyler's operation employs 66 workers and has a fleet comprising 3 de Havilland Canada DHC-6 Twin Otters and 1 each Britten-Norman BN-2 Islander, Beech B-58 Baron, and de Havilland DH 114 Riley Heron 2. Enplanements this year total 90,511 and grow to 94,002 in 1982.

In 1983, a Beech King Air 200 joins the fleet.

The company earns a profit in 1984, a trend that will be repeated over the next three years.

While taking off from Vanuabalavu on September 11, 1986, the DH 114 Riley Heron 2 with a pilot and two passengers veers right off the runway and into a tree; the flyer is killed and the aircraft is damaged beyond repair.

The government is overthrown in a military coup on May 14, 1987. Another coup on September 25 destroys the country's tourism industry and sends the airline into a tailspin.

The fleet is revised during the middle years of the decade and in 1988 is made up of 1 B-58, 1 DHC-6, 2 Islanders, and 2 Riley Turboliners (reengined de Havilland DH 114 Herons).

Suspended service to Tuvalu is reinstated in 1989.

CEO Tyler adds another Islander in 1990.

In 1991, orders are placed for four Harbin Yu-12 IIs, the first of their type to be sold outside of Asia. Simultaneously, Fiji Air takes over the Air Pacific, Ltd. route to Labasa, on the island of Vanua Levu. The undercarriage of a Riley Turboliner with two crew collapses as the plane lands at Suva from a December 15 test flight.

Enplanements for the year rise to 80,000.

The first Harbin is delivered from China to Fiji in January 1992 in a 39-hr. flight via Hong Kong, Manila, Davao, Palau, Biak, Papua, Solomon Islands, and Vanuatu. It joins the fleet on February 6, along with another Twin Otter. Christened *Danny Jorgensen*, the Chinese turboprop is commissioned in a special ceremony attended by CEO Tyler, Prime Minister Ratu Sir Kamisese Mara, and the Chinese ambassador to Fiji.

The last three Yu-12 IIs are delivered in 1993, the year U. Rad becomes CEO.

Operations continue apace in 1994; however, in February 1995 the company is renamed **Air Fiji, Ltd.**

FIJI AIRWAYS, LTD. (1): Fiji (1932–1934). Fiji Airways is founded at Adelaide in late 1932 by **Guinea Airways (Pty.), Ltd.**, which provides its subsidiary's A£10,000 capitalization. Two Gernairco float-planes are obtained and two every-two-weeks and one weekly, subsidized service to Fiji destinations is inaugurated on March 20, 1933: Suva to Lambasa via Levuka, Suva to Naselesele via Savusavu, and Suva to Suva via Ellington and Lautoka. Following a summer crash by one of the Gernaircos, only the Suva to Suva route is maintained.

The little carrier ceases operations in February 1934.

FIJI AIRWAYS, LTD. (2): Fiji (1947–1971). Present-day **Air Pacific, Ltd.** has a colorful history, being first registered two years after World War II as **Katafaga Estates, Ltd.** It is the brainchild of the famous Australian aviator, Harold Gatty, who settles in Fiji after the war.

Gatty reforms his company at Suva in July 1951, establishing his wholly owned Fiji Airways, Ltd. The airline's lone de Havilland DH 89A Dragon Rapide inaugurates regular service within the Fiji group to Nadi International Airport Lantoka on September 1 and Lambasa on December 1.

A second DH 89A is acquired in February 1952 and is employed to launch Savusavu flights on December 6. DH 89A service to Teveuni is begun on October 24, 1953.

In July 1954, **Qantas Empire Airways (Pty.), Ltd.** takes a 50% interest and **British Overseas Airways Corporation (BOAC)** takes 5%. Two ex-Qantas de Havilland Australia DHA-3 Drovers are placed in service. Following the death of Gatty, Qantas purchases full ownership on March 24, 1958.

Two ex-Southern Airlines de Havilland DH 114 Herons are purchased on January 9, 1959; christened *Queen of the South* and *Queen of the Islands*, they are employed to initiate scheduled services to Tonga later in the year.

The carrier is reconstituted on January 1, 1960 as **British Overseas Airways Corporation (BOAC)** and **Tasman Empire Airways, Ltd. (TEAL)** become equal co-owners; capitalization is increased to F£180,000, and Qantas retains management responsibility. Suva-Levuka and Kapavu de Havilland Canada DHC-2 Beaver services begin on March 4.

The fleet in 1961 includes 3 DH 114s, 2 DHA-3s, and 1 DHC-2. Services are inaugurated to the Solomon Islands early in the year.

Under Qantas control in 1962–1970, regional routes are opened as far as Australia and the carrier's first jetliner, a BAC 1-11-475, is placed in service.

The most dramatic tragedy occurs on February 26, 1964 when a Heron crashes near Oita Airport (20 dead). Two more de Havillands are lost during the next two years.

A DH 114 Heron 1B, with a pilot and 16 passengers, is destroyed as the result of a bad landing at Ura Airstrip on December 11, 1965; there are no fatalities.

A second DH 114 Heron 1B is lost as the result of an accident at Suva on November 9, 1966; no injuries are reported.

Operations continue apace in 1967–1968; however, in 1969, the company, through a combination of undercapitalization and poor traffic yields, encounters severe financial difficulties. Shareholders decide to fund the company at a higher level to keep it going.

In 1971, the airline's name is changed to **Air Pacific, Ltd.**

FILAIR, S.A.: BP 14671, Kinshasa, Zaire/Democratic Republic of the Congo; Phone 243 (88) 44 702; Fax 243 (88) 45 702; Code FIL1; Year Founded 1988. Filair is established at Kinshasa in early 1988 to offer nonscheduled passenger charter and cargo services to local and regional destinations and contract service flights worldwide. Revenue operations commence with a single Boeing 707-373C freighter leased from Sicotra Aviation and two British Aerospace BAe (Vickers) Viscount 757s. One of the latter is lost in a Tshikapa accident on December 31.

Service continues in 1989–1992 and the fleet is increased in 1993–1994 by the addition of two Lockheed Electras, one each L-188A and L-188CF, first operated by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.).**

Despite the civil war, flights continue in 1995–2000, during which years Dany Philemotte is president and the Boeing is removed and replaced with a Convair CV-580 and a Douglas DC-6A. Two more ex-VARIG Electras are acquired, but only one will remain in operation by the end of these years. The workforce reaches a high of 90.

FILDER AIR SERVICE, GmbH.: Germany (1999–2000). FAS is established at Nuremberg Airport in 1999 to provide regional scheduled and charter services. Kai Schroeder is named managing director and he acquires a fleet of 2 each Avions de Transport Aerien ATR42-320s and British Aerospace BAe Jetstream 31s. When revenue flights are begun,

scheduled destinations include Dusseldorf Express Airport, Leipzig, and Strasbourg.

The concern and its aircraft are purchased by **European Air Express, GmbH**, on March 30, 2000.

FILIPINAS ORIENT AIRWAYS: Philippines (1965–1974). Having been reformed following a September 1965 Douglas DC-3 crash, **Fairways** continues operations after November as Filipinas Orient Airways. Scheduled Orient flights are maintained between the nation's principal cities with a fleet of 6 DC-3s, 2 DC-6Bs, and the first of several newly delivered Nihon YS-11A turboprops.

Enplanements for the year under both names total 195,000.

Services continue apace in 1966 and by 1967 bookings have reached 376,000. FOA maintains its domestic schedules in competition with the government carrier, **Philippine Air Lines (PAL)**, and another private operator, **Air Manila**, over the remainder of the decade.

A DC-3 with 3 crew and 28 passengers overruns the runway while landing at Manila on April 23, 1969 after a flight from Roxas; the Douglas crashes 200 ft. into rough terrain, but no injuries are reported.

In February 1971, PAL is authorized to drop service to 18 Rural Air Service domestic communities; 13 are quickly divided between FOA and **Air Manila**.

At the end of 1972, the company leases a pair of Sud Est SE-210 Caravelles from **Sterling Airways, A.S.**

As the result of widespread dissatisfaction with his government and an armed insurrection by Muslim guerrillas in Mindanao, Philippine President Marcos declares martial law on September 23, 1972. The Air Force is given the unwelcome responsibility of supervising the airlines and a series of fare increases and decreases follow.

On March 31, 1973, the president directs that all of the nation's airlines should merge under **Philippine Air Lines (PAL)**. By Letter of Instruction No. 151 of January 1, 1974, PAL is confirmed as the nation's sole flag carrier and the National Bank is authorized to acquire the assets of both FOA and **Air Manila**, turning them over to PAL. The two Caravelles return to Denmark.

FINAIR EXPRESS: United States (1981–1984). Established at Miami in 1979, **F & F Aircraft** undertakes charter and contract service flights to neighboring Florida communities. The name Finair Express is adopted in 1981.

Late in 1982, the company becomes an **Air Florida** Commuter partner and inaugurates daily roundtrip scheduled passenger flights linking its base with Fort Lauderdale, Fort Myers, Jacksonville, Key West, Marathon, Naples, Sarasota, Tallahassee, and Tampa.

The company workforce in 1983 totals 138 and the fleet grows during the year to comprise 4 Embraer EMB-110 Bandeirantes, 1 Piper T-1020, and 6 Piper PA-31-350 Navajo Chieftains.

Enplanements reach 34,600. Operations are undertaken for its larger partner through April 1984. On May 15, following the collapse of **Air Florida**, Finair is renamed **Southern Express**.

FINE AIR: P.O. Box 523726, 1640 North West 62nd St., Miami, Florida 33152, United States; Phone (305) 871-6606; Fax (305) 871-4232; <http://www.fineair.com>; Code FB; Year Founded 1992. Fine Air is established by Jacob Frank "Sonny" Fine and his son Barry H. Fine at Miami during the spring of 1992 to offer all-cargo flights to Latin American markets with a fleet of 3 Douglas DC-8-51s, 1 DC-8-51F (leased to **Alas Airlines, S.A.** of the Dominican Republic), 2 DC-8-55Fs (1 chartered to Alas), 6 DC-8-54Fs (2 leased to Alas), and 2 DC-8-61s. In an all-white livery with script titles over a cheatline, each of the narrow-bodies wears the carrier's "Big Eff" ("F") logo on its tail.

Having accepted a contract to undertake replacement cargo services for **TAMPA (Transportes Aereos Mercantiles Panamericanos Tampa, S.A.) Cargo**, the company's DC-8-55F Jet Trader begins a temporary, weekly, all-cargo service in May between Miami and Ostend via London (STN).

Regularly scheduled revenue flights commence on November 10 over a route from Miami to Venezuela, the Dominican Republic, and several Central American countries. In addition, the new entrant is able to perform a number of Christmas mail flights on behalf of the U.S. Post Office between December 10 and December 24.

By year's end, a total of 1.6 million FTKs have been flown. Revenues total \$1.08 million, but expenses are higher and cause an operating loss of \$172,242 and a net loss of \$237,586.

Airline employment in 1993 stands at 450 and the fleet remains the same. Countries served from south Florida include Belize, Brazil, Colombia, Dominican Republic, Peru, Trinidad, and Venezuela.

During the first full year of operation, a total of 104.24 million FTKs are flown and revenues jump to \$17.26 million. Expenses total \$16.88 million, operating income is \$374,486, and net gain rises to \$313,760.

Operations continue apace for a second full year in 1994.

On the down side, the Peruvian government charges that, in February, a Fine cargo jet delivers at least one load of arms to the government of Ecuador during the border fighting between the two nations. Chartered by a Texas broker, a DC-8F has, in fact, delivered 75 tons of arms and ammunition worth \$33 million to Ecuador from Argentina. Although founder Fine and his son Barry deny knowledge of the contents of these shipments, Peru thereafter refuses to allow Fine Air into the country, and cancels its twice-weekly authority. Interestingly, Ecuador, meanwhile, refuses to act on a Fine request to start scheduled freight services into that nation.

Cargo traffic for the year skyrockets 99.2% to 245.82 million FTKs. Revenues advance a staggering 246.7% to \$59.85 million, while expenses increase 246.9% to \$58.58 million. There are profits of \$1.27 million (operating) and \$1.3 million net.

Rapid expansion continues for the Florida-based freight operator in 1995 as its workforce is increased a dramatic 77.8% to 800.

When George Batchelor's **Arrow Air** is grounded during the spring, Fine agrees to transport that company's freight to San Juan. The two freighters become involved in a dispute when Arrow is allowed to resume its Puerto Rico flights and Fine remains in the market.

During the summer, President Fine negotiates with airport officials in both Miami and Orlando concerning a possible expansion of the firm's maintenance business. The company's dispute over the 1994 arms flight to Ecuador intensifies. The FAA investigates the matter and, in August, FAA Administrator David Hinson writes Peruvian officials that the agency has failed to "uncover any evidence supporting the conclusion that Fine Airlines violated regulations governing the transportation of hazardous materials by air."

On October 1, the company enters into an interline agreement with **Air France** to move cargo traffic between south Florida and Latin America and the Caribbean. Under terms of the arrangement, Fine will link up with the French flag carrier's weekly B-747-200F service to Miami and its daily A340 passenger flight.

The company, still banned from Peru, files a complaint with the DOT in late October against both Peru and Ecuador. The Peruvian case relates to the arms case. The Ecuadorian case is a petition that requests the U.S. government not to permit the Ecuadorian cargo carrier **AECA (Aeroservicios Ecuatorianos, C.A.)** to fly into Miami until Fine is allowed to offer scheduled cargo service to Ecuador. President Fine notes that the petition will be dismissed if Ecuador grants the requested authority.

The company's 10 aircraft operate 243.92 million freight FTKs, a 2.3% dip under the previous year. Operating income slightly exceeds costs and there are profits: \$399,000 (operating) and \$370,000 (net).

There is no change in the employee population during 1996; however, the fleet is increased by five Douglas freighters. The company now operates 15 weekly flights, primarily from Miami to the Caribbean. Cargo increases 12% to 345.87 million FTKs. Revenues of \$68.86 million are generated and expenses are \$66.69 million. Operating gain surges to \$2.17 million and a net \$2.17-million profit is also reported.

Early in 1997, the company decides to go public and sell its stock on the New York Stock Exchange.

On August 7, Flight 101A with three crew and a security guard takes off from Miami under contract flight to **Aeromar International, S.A.**, the Dominican Republic's foremost air freight forwarder. The DC-8-61F, en route to Santo Domingo with 40 tons of fabrics for Dockers and Slates brand men's pants, enters an 85-degree, nose-up attitude, stalls, and crashes. The plane skids across 72nd Ave. into an empty lot ¼ mi. W of the airport and bursts into flame. Wreckage smashes into a warehouse and retail complex; there are no survivors. A fifth person, local motorist Renato Alvarez, is also killed on the ground.

On August 14, the *Miami Herald* runs an exposé in which two former **Aeromar International, S.A.** employees as well as others who supervised cargo loading on Fine aircraft claim the planes are routinely overloaded. Former Fine employees also claim that there are separate accounting procedures. Both Aeromar and Fine deny the story. NTSB investigators now focus their probe of the August 7 crash on the manner in which Aeromar employees loaded and secured the 16 cargo pallets placed aboard the aircraft. Of the 49 aluminum cargo latches (from 90 total) that are found, 48 are in the open (unlocked) position. The next day, the company suspends its two-day-old public stock offering.

The FAA dispatches 11 inspectors to Miami for a 10-day examination of the company's practices. The detailed review finds violations in cargo loading and the handling of hazardous materials. It also charges that 29 Fine pilots have been flying into high-altitude airports in South America in aircraft that are not certified to fly into those places with the loads they are carrying and under existing conditions; it begins the required procedures to suspend the aviators. The carrier voluntarily ceases operations on September 4 rather than have its operating certificate revoked by the FAA. It also returns to investors the \$120 million raised in the initial public offering.

On September 14, Fine reaches a consent agreement with the government under which it will pay fines of up to \$1.5 million. The money will cover the cost of inspections made since the crash and future inspections to ensure compliance. The fine is to be paid in installments of \$115,000 every 3 months beginning on January 15, with \$500,000 to be waived if Fine meets all of the provisions of the agreement by December 31. The FAA also agrees to drop its suspension proceedings against the 29 pilots.

Over the next month, the company implements and trains its personnel in a number of new FAA-mandated rules for hazardous cargo handling and freight loading. It also conducts background checks of its employees. As a result, the FAA grants approval for a resumption of operations on October 28. Flights thereafter are closely monitored.

On November 19, the company acquires a \$32.5-million line of credit through a 3-year agreement with NationsCredit Commercial Corporation, a subsidiary of NationsBank Corporation. Part of the money will be employed to complete the purchase of a Lockheed L-1011F.

The next day, Flight 363, a DC-8-55F with three crew experiences an in-flight fire in the No. 4 engine compartment area after takeoff from Miami (MIA); the aircraft successfully returns to runway 9R and is evacuated as airport fire trucks arrive to put out the blaze. No injuries are reported.

Despite the tragedy, freight traffic for the year as a whole falls only 0.6% to 289.44 million FTKs. Operating revenues, however, fall 14% to \$87.45 million, while expenses drop 6.4% to \$87.44. The operating profit drops to just \$9,000 while the previous year's net gain is turned into a \$1.9-million loss.

The L-1011F arrives early in 1998 and allows the carrier to expand its business into the Mercosur countries of South America, primarily Brazil, but also Paraguay and Chile.

While taxiing for takeoff from Brownsville on a scheduled all-cargo service to Laredo, Texas, on April 29, the three-person crew and a jumpseat rider aboard a DC-8-51F become short of breath and don their oxygen masks. The Douglas is moved back to the ramp, after which the four people are taken to the hospital. The diagnosis is carbon monoxide poisoning.

On July 22, Fine executes a letter of intent to acquire Columbus, Ohio-based **Southern Air Transport**. The acquisition is expected to be

completed within 90 days, subject to the satisfactory completion of due diligence, receipt of all necessary regulatory approvals, and certain other conditions, including board approvals. Fine has plans to continue SAT as a separate company, which will, in turn, lease its B-747-200Fs to other carriers. Three would be taken by Fine itself for use on its expanding Latin American services.

In the month afterwards, both parties work together in an effort to develop an acquisition plan that will be effective for both companies. A major stumbling block occurs when SAT is unable to find a buyer for its fleet of Lockheed Hercules freighters, which Fine does not want to acquire. Because a way to dispose of the SAT Lockheeds cannot be found, an agreement is not reached; both parties elect to explore other business opportunities and terminate their acquisition plans on August 24. SAT, after a similar negotiation with **Kitty Hawk Air**, shuts down on September 24 and files for Chapter XI on October 1.

Meanwhile, during the summer, Fine moves to block the application by **Aero Continente, S.A.** of Peru for authority to operate from Lima to Miami, asking that the DOT deny service until Peru allows Fine to resume services suspended earlier over the arms shipments. Even though the U.S. Drug Enforcement Agency is no longer investigating, Fine also revives allegations of drug trafficking by Aero Continente's former owner, Fernando Zevallos. The Peruvian line hires an attorney in Washington, D.C., to press its requests, which remain on hold at DOT through the end of the year.

Freight traffic during the 12 months falls by 9.2% to 179.95 million FTKs. Revenues move ahead by 29% to \$116.1 million, while costs are held to \$107.03 million. The operating profit is \$9.06 million and net gain reaches \$4.86 million.

By the beginning of 1999, airline employment has been boosted 26% to 1,008.

Fine's fleet is significantly increased on February 9 by the addition of a Lockheed L-1011F. The wide-body freighter will immediately begin the transport of payloads of up to 120,000 lbs. over the carrier's routes from Miami to Puerto Rico, Guatemala, Venezuela, Ecuador, and Colombia.

On February 11, Frank and Barry Fine reach an agreement with Guillermo Cabeza, president/CEO of **Arrow Air**, to take over that company and operate it as a subsidiary under its current identity. The acquisition from Puerto Rico-based International Air Leases will be accomplished for \$112 million in cash. Cabeza will remain as Arrow's president and no layoffs are foreseen.

The Federal Trade Commission (FTC) completes its review of the merger during March and on April 9 the DOT approves the acquisition. Only **Gemini Air Cargo** has filed a regulatory objection to the arrangement, which is not heeded. In an interview with Reuters, Ltd. on April 15, Fine President/CEO Barry Fine notes his plans to keep Arrow as a separate cargo carrier for up to two years, primarily because of the strong customer loyalty President Cabeza has built up in the shipping industry. Fine indicates that Arrow will add new services in the southern region of South America over the next three to four months, with Bolivia and Brazil seen as the initial markets.

As a result of its involvement in the 1997 crash of the Fine DC-8 at Miami, **Aeromar International, C. por A.** is linked with the U.S. carrier in lawsuits pursued during the year. During the legal proceedings that follow, prosecutors point out that Aeromar, a company half-owned by Fine, is no longer a real airline because it has no employees and conducts no day-to-day business. Fine, it is charged, charters its own aircraft and flight crews to its own partnership.

Cargo traffic falls 21.8% to 205.54 million FTKs. Revenues rise 4% to \$114.85 million, while expenses drop 2.1% to \$102.34 million. Operating profit ascends to \$12.5 million, while the previous year's net loss is turned into a \$10.97-million gain. All of this is on top of a fourth quarter \$7.8-million loss laid to the need to pay higher fuel bills and acquire expensive hush-kits for its older aircraft.

Airline employment at the beginning of 2000 stands at 1,117, a 10.3% increase over the previous 12 months. The fleet now includes 2 each

DC-8-51Fs and DC-8-61Fs, plus 7 DC-8-54Fs and 1 DC-8-55F. At the start of the year, Chairman Fine, in an interview with *Air Cargo World* published in March, indicates that he has plans to add three or four wide-body freighters this year and to begin flying to Brazil, Bolivia, Paraguay, Argentina, and Chile.

Senior Vice President/Chief Operating Officer John Zappia is appointed president of the Fine parts and engine sales business Fine/AAA Interair in February; he is succeeded by Guillermo Cabeza, who had been president of **Arrow Air** before its takeover by Fine.

On March 27, Aeromar and Fine accept a guilty plea agreement to five charges of obstruction in connection with the 1997 DC-8 disaster. Fine and Aeromar are the first airlines to be tried and convicted of criminal charges stemming from a fatal air crash. The two are collectively fined \$5 million, \$1.5 million of which will be paid by Aeromar. Despite its earlier history, Aeromar is prohibited from calling itself an airline. Fine is placed on probation for four years and is required to implement a new air safety program. Fine Air President Barry Fine issues a statement apologizing for his company's "shortcomings" and "lapses in judgement."

When financial figures appear, they show a first quarter loss of \$7.9 million, continuing the unhappy fourth quarter showing at the end of 1999. Fuel, noise control, and fines are the cause.

On May 1, **Kitty Hawk Air Cargo** declares bankruptcy and shuts down its subsidiary **Kitty Hawk International Airways**. The closure of the latter leaves Fine as operator of four of the six remaining L-1011Fs in the world.

On June 5, while negotiating to restructure its debt payments, Fine Air Services, the airline's parent, misses a \$9.4-million interest payment on its debt payment. It bluntly acknowledges that it must raise \$10 million in new capital over the next 12 months, even as debt-rating services Moody's and Standard & Poor's lower the company's rating and issue warnings concerning its long-term potential future.

Still, the company is able to report on July 1 that it has successfully restructured its debt and will be allowed to expand its freight network.

Fine Air Services and **Arrow Air**, through the holding company Fine Air Services Corporation, declare Chapter XI bankruptcy on September 27; both lines will continue operating through reorganization.

Permission for a merger between Fine and **Arrow Air** is received from U.S. Bankruptcy Judge A. Jay Cristol on October 16. On November 10, the holding company receives a \$55-million line of credit from the Bank of America as part of its Chapter XI restructuring program. The funds may be employed to smooth a combination of Fine and Arrow.

In December, 29 additional weekly roundtrips are laid on from Miami to points in Central and South America.

FINGER LAKES AIR SERVICE: United States (1920–1922). Finger Lakes is established by M. W. Blasier, Mrs. E. Blasier, and G. H. Leonard of Auburn, New York, in early July 1920. The new charter line is outfitted with a single Curtiss HS-2L flying boat christened *Auburn* and based at Island Park on Lake Owasco. Piloted by L. H. Todd, the *Auburn* inaugurates revenue flights around the New York Finger Lakes region on July 28, transporting a total of 235 passengers by the fall.

Following the loss of the *Auburn* during the winter, a second HS-2L named *Mayflower* is purchased and delivered to the airline in May 1921. Piloted by W. Roy Benedict and later W. N. DeWald, the aircraft begins its summer season on July 21, making at least one tour of the Thousand Islands that concludes back at Island Park on September 10.

As of October 1, a total of 450 passengers have boarded the *Mayflower*.

Plans made to shift the *Mayflower* to Florida for the winter flying season do not materialize and in the spring of 1922 the financially distressed owners decide to close their enterprise.

FINIST-AIR, S.A.: Guipavas Airport, Brest, F-29490, France; Phone 98-846487; Fax 98-846460; Year Founded 1985. This small

commuter is established by the Department of Finistere at Aeroport Brest-Guipavas in 1985 to operate air taxi, air ambulance, passenger, and cargo charters, as well as a scheduled service linking the company's Brest base with Ouessant. Other shareholders include the city of Brest, the Brest Chamber of Commerce and Industry, and the commune of Ouessant. Jean-Yves Cozan is named president, with Robert Le Thous as general manager.

The initial fleet comprises 3 Cessna 207s and 1 Socata Rallye 892E.

Enplanements for 1986, the first full year of service, total 12,674.

Operations continue apace in 1987. In 1988, Lorient and Quiberon are added and increase the number of markets served to four; Belle Isle is added in 1990–1991. During these years, one each Cessna 208 Caravan I and 208 Caravan II are placed into service. Operations continue apace in 1992–2000 with no change in fleet or mission.

FINNAIR O/Y: Tietotie 11A, Helsinki-Vantaa Airport, Vantaa, 01053, Finland; Phone 358 (9) 818 81; Fax 358 (9) 818 7701; <http://www.finnair.fi>; Code AY; Year Founded 1968. Although marketing its airline service under the title "Finnair" since 1953, **Finnish Air Lines O/Y** does not formally adopt the carrier's current name until January 1968, when a new logo and corporate identity are unveiled. Despite the title and visual facelift, administration and operations continue.

The fleet comprises 8 Sud-Est SE-210 Caravelle XB, 7 Convair CV-440s, and 5 Douglas DC-3s. Orders are outstanding for 2 Douglas DC-8-62CFs. On the year, a total of 895,672 passengers are transported.

An agreement is signed with **Braniff International Airways** in 1969 for use of the American carrier's terminal facilities at New York (JFK). The first DC-8-62CF arrives at Helsinki on February 8 and is placed on charter service on February 28. Following receipt of the second Douglas jetliner in April, the first Finnair service outside of Europe begins on May 15 as a DC-8-62CF pioneers a Helsinki–Copenhagen–Amsterdam–New York route.

On October 20, the carrier becomes the first airline in the world to introduce an inertial navigation system (INS) on scheduled services.

Passenger boardings skyrocket to 1,035,280, passing the million-mark in annual boardings for the first time. Of the total, 15,000 customers are flown on the new route to the U.S.

The workforce is increased 4.7% to 3,286 in 1970 and the fleet comprises 8 Caravelles XBs, 8 CV-440s, and 3 DC-8-62CFs, the third being delivered that December.

A computerized check-in system is introduced in May.

In September, orders are placed for eight DC-9-10s for Convair replacements on domestic service and in December two DC-10-30s are requested for international frequencies. Enplanements grow to 1,279,538 and freight traffic skyrockets 83.1%.

The first DC-9-10 is delivered on January 23, 1971 and enters domestic operations on April 1.

En route from Helsinki to Copenhagen on June 29, a woman passenger attempts to hijack the new Douglas jetliner, but she is quickly overpowered by the plane's crew.

The seven other DC-9-10s are delivered in late December. Construction continues on a new headquarters facility and passenger terminal at Helsinki Airport, where the company is also a major stockholder in the new Inter-Continental Hotel. A route is opened to Lisbon. Enplanements total 1,346,080.

A domestic Helsinki–Kussamo DC-9-10 segment is started in 1972 and passenger boardings jump 10.5% to 1,535,773.

The workforce in 1973 is 3,655. Domestic routes are opened to Mikkeli and Savonlinna and international service is inaugurated to East Berlin, Brussels, and Warsaw.

The new computer reservation system FINNRES is installed.

The carrier's fiftieth anniversary is celebrated on November 1.

Customer bookings advance by 24% to 1,857,000 and cargo traffic climbs 14%.

A total of 2,174,130 passengers are transported in 1974 and the employee population climbs to 4,477.

The first DC-10-30 is delivered on February 4, **1975** and mounts a Helsinki-Las Palmas proving charter flight 10 days later. The wide-body is then placed on the transatlantic route on March 27. The second DC-10-30 arrives and is also placed on the New York run in late fall.

On the year, freight traffic declines 20%, but passenger boardings rise 13% to 2,499,000 and charter traffic rises 54%. Cargo, however, declines 20% to 31.71 million FTKs.

Ordered the previous year, the first of six DC-9-51s to be delivered in **1976** arrives on January 23. The first machine, the 800th DC-9 built, enters European service in February, flying to London, Brussels, Paris, Zurich, and Copenhagen. Charter flights to Bangkok are offered, beginning in November.

The workforce is reduced by 2.8% during the year to 4,353. Passenger bookings increase 3.8% to 2,593,752. A total of 14.69 million freight FTKs are operated.

Montreal is added to the transatlantic network in April **1977**. Two more DC-9-51s are delivered.

Enplanements for the year dip to 2,302,800.

In **1978**, President Gunnar Korhonen oversees a workforce of 4,333. Two additional DC-9-51s join the fleet and Finnair inaugurates Europe's longest nonstop segment—Helsinki to Madrid.

On May 24, Mikhail Timoshukov, a 22-year-old escaped convict from Kazakhstan, takes two hostages at the Finnair office and demands a plane to fly him out of the country. He is seized by Soviet police during a shootout at Moscow.

Aarno Lamminporras commandeers a DC-9-51 with 48 passengers en route from Oulu to Helsinki on September 30. After reaching Oulu, he collects a ransom of \$206,000 and requires the plane return to its point of origin via Amsterdam. Lulled into a sense of safety when police at Oulu allow him to return home, the pirate is arrested six hours later when police storm his house and take him into custody. Tried, the perpetrator will receive a prison term of seven years. Freight traffic increases 2.4% and passenger boardings rebound 5.1% to 2,424,000.

Low-fare Helsinki to Stockholm service is started in **1979**. On June 19, **Finnaviation O/Y** is formed as a commuter subsidiary; it begins operations with three Embraer EMB-110 Bandeirantes on October 7.

International routes are opened to Istanbul and Cairo in the fall.

Enplanements jump 13.3% to 2,950,000.

Airline employment is increased by 4.8% in **1980** to 5,350. CV-440 service ends in April and the remaining four Metropolitans are replaced by two Fokker F.27-200s. Three used DC-9-41s are ordered. Routes are extended to Athens and Baghdad.

An in-flight magazine, *Blue Wings*, is started.

Bookings increase only 1.5% to 2,994,000, but freight is up by 14.3% to 48.44 million FTKs.

The employee population is increased by 3% in **1981** to 4,951.

Flights to Geneva from Helsinki commence in early spring. Following receipt of a third DC-10-30, polar service to Los Angeles via Seattle is begun on May 16. Tampere-Leningrad operations are also started.

Two DC-8-62CFs and four Super Caravelles are retired, replaced by the delivery of three DC-9-41s and three DC-9-51s.

Executive-class service is introduced on most European routes, plus those to Bangkok and America; first-class is, however, retained on several services.

Passenger boardings rise 8% to 3,098,000 and cargo is up by 7.1% to 51.87 million FTKs.

The workforce grows 6% in **1982** to 5,487.

On April 1, the original company name is revived; Aero O/Y, a new subsidiary, is formed to handle aircraft sales and leasing, as well as the sale of technical services. The same day, service is launched to Amman. Also in April, Finnair becomes a launch customer by placing an order for five Avions de Transport Regional ATR42s.

Freight traffic is up 17.1% to 61.13 million FTKs and passenger boardings accelerate 2.9% to 3,281,111.

The number of employees is reduced by 87 in **1983**.

The unprofitable Amman frequency is suspended in January; however, with a DC-10-30ER equipped with extra fuel tanks, weekly nonstop Helsinki-Tokyo service is inaugurated on April 22.

The company's first three McDonnell Douglas MD-82s enter European service in April and the last scheduled Super Caravelle flight is made on April 30. In May, the Caravelle simulator is sold to **Sterling Airways, A.S.**

Although he has reached the normal age 65 retirement age, Chairman Korhonen has his contract renewed for two more years.

The company's sixtieth anniversary is celebrated on November 11.

Enplanements are up by 2.9% to 3,282,753 and cargo accelerates 17.8% to 72.44 million FTKs.

The payroll is trimmed by 6.7% in **1984** to 5,042 workers. The Super Caravelles are sold to an Italian group at midyear.

Customer bookings jump 8.1% to 3,456,696, while freight climbs 9.7% to 78.9 million FTKs. Employment falls another 1.1% in **1985** to 5,470.

Early in the spring, Finnair (with **Austrian Airlines, A.G.**) becomes launch customer for the MD-87 transport, ordering five.

In April, the company joins **Transwede Airways, A.B.** in signing a maintenance joint venture and marketing agreement. The first ATR42s are delivered in December.

Passenger boardings jump 7% to 3.7 million and cargo grows by 10.2% to 86.96 million FTKs. A net profit of Fmk 5.3 million is posted. Airline employment ascends 2.9% in **1986** to 5,626.

The first ATR42 enters service in March, the same month a new ATR42 flight simulator from George Moody, Inc. becomes operational. Regional flights to Munich and Paris begin later in the spring. A second ATR42 arrives in July and in October **Finnaviation O/Y** orders two SAAB 340s. The final ATR42 delivery of the year occurs in December.

Also during the year, Finnair adds one Airbus Industrie A300B4-203 while retiring one F.27 and one DC-9-10.

Customer bookings decline a slight 1% to 3,791,811; however, freight jumps 12.9% to 100.39 million FTKs.

The workforce grows 1.5% in **1987** to 5,712 as a number of new routes and frequencies are inaugurated.

Longtime CEO Korhonen retires in January and is succeeded by Antti Potila.

Nonstop Helsinki to Paris service begins in March, followed by five-times-per-week flights to Geneva and Munich in April. During those two months and in May, three more ATR42s arrive and orders are placed for five ATR72s.

Passenger boardings shoot upward by 19.4% to 4,525,643 while cargo moves ahead 2.5% to 102.9 million FTKs.

The employee population multiplies still further in **1988**, by 13.9% to 6,505. The fleet now includes 5 DC-10-30s, 2 A300B4-203s, 3 MD-82s, 4 MD-83s, 3 MD-87s, 12 DC-9-51s, 5 DC-9-41s, and 5 ATR42s. Orders remain outstanding for 5 ATR72s, 3 MD-82s, 2 MD-83s, and 4 MD-11s.

DC-10-30 service is inaugurated to Beijing from Helsinki in June; overflying the U.S.S.R., the weekly frequency requires just under eight hours flying time.

Customer bookings ascend another 11.5% to 5,047,875 and cargo climbs 11.1% to 114.27 million FTKs. Revenues advance to \$805 million and generate an operating profit of \$182.5 million. Net gain totals \$85.1 million.

The payroll grows by 8.1% in **1989** to 7,035.

The airline's initial share issue of January is subscribed several times over and is quickly closed; \$60.1 million is raised on the sale of 6.8 million shares.

Flights start to Toronto and on February 3, 95% shareholding is acquired in the charter and regional operator **Karair O/Y**, in which Finnair has previously held 35% interest.

The first ATR72 arrives in May and cooperative agreements are signed with **SAS (Scandinavian Airlines System)**, **Swissair, A.G.**, **Aeroflot Soviet Airlines**, and **Japan Air System, Ltd.**

Finnair shares begin to be traded on the Helsinki Stock Exchange in June; however, the government still retains 70% interest.

During the summer, a 49% interest is taken in Moscow's new Savoy Hotel.

As the result of a recommendation of the Nordic Council of Ministers, the carrier begins to cooperate with **SAS (Scandinavian Airlines System)** in September on a total ban of smoking on all flights to and within Scandinavia.

The following month, the carrier joins the Aeroplan frequent flyer program of **Air Canada, Ltd.** and in November a comprehensive marketing agreement is signed with **SAS (Scandinavian Airlines System)**.

Passenger boardings jump 8% to 5,457,504 and freight climbs 28% to 146.23 million FTKs. Revenues swell 7.3% to \$1.12 billion. Costs are kept down, but operating profit declines to \$121.3 million and net profit falls to \$32.5 million.

Company employment is increased by 3.8% in **1990** to 7,302.

Early in the year, the airline becomes a subsidiary of the holding company Finnair Group, together with **Karair O/Y** and **Finnaviation O/Y**, which are independent carriers. The seven departments of the old Finnair parent company are converted into three operational divisions; Finnair now enjoys three operational divisions: commercial, operations, and technical.

While landing at Helsinki in fog on the night of February 4 after a service from Oslo, an MD-87 tears the roof off a runway lights maintenance vehicle parked on the runway; no one aboard the aircraft sees the car and no injuries are reported.

Under terms of the new marketing agreement with **SAS (Scandinavian Airlines System)**, a shuttle service is created during the first quarter that offers 16 hourly departures daily between Helsinki and Stockholm. At Helsinki, the partners begin to link with Finnair's daily Moscow and Leningrad services. New services are inaugurated to Sturup, Stuttgart, Tallinn, and Murmansk.

The company joins with **Swissair, A.G.**, **SAS (Scandinavian Airlines System)**, and **Austrian Airlines, A.G.** in the European Quality Alliance. Finnair joins with **Austrian Airlines, A.G.** in April on code-sharing flights from Helsinki to Stockholm and Vienna.

Following Iraq's August 2 invasion of Kuwait, charter traffic nose-dives and, as the fear of terrorism rises, the government requests that the airline suspend services to Jordan, Egypt, Israel, Cyprus, Morocco, Tunisia, and Kenya.

During the fall, charter emphasis is shifted to Florida, the western Mediterranean, the Caribbean, and the Canary Islands.

A new cooperative marketing agreement is signed with **Austrian Airlines, A.G.** Under its terms, code-sharing flights are offered on the Helsinki to Vienna route employing Finnish aircraft.

The first customer MD-11, the ninth unit built, is delivered on November 29 in ceremonies that feature a Douglas DC-2 and on December 20 is the first of its type to enter commercial service anywhere, flying the company's transpolar route to Tokyo.

Customer bookings move ahead this year by 2.9% to 5,616,866 and cargo rises a slight 1.1% to 147.9 million FTKs. Revenues increase 8.2% to \$1.24 billion.

The payroll shrinks 1.4% in **1991** to 7,713 and President/CEO Antti Potila's fleet now includes 2 A300B4-203s, both of which are leased to Karair, 5 DC-9-41s, 12 DC-9-51s, 8 MD-82s, 5 MD-83s, 3 MD-87s, 4 DC-10-30s, 1 DC-10-30ER, and 2 MD-11s. Orders are outstanding for 1 MD-82 and 2 MD-11s.

The company holds discussions with Russian officials concerning a joint venture airline to be hubbed at St. Petersburg. In May, service from Helsinki to Toronto and Los Angeles is increased while the schedule to New York is revised to allow earlier departure and arrival times.

When a scheduled MD-82 flight from Paris to Helsinki is cancelled for flight control reasons in September, mechanics find that the plane's captain had placed smuggled liquor bottles under a cockpit floor hatch, jamming the control runs.

In order to pursue its own approach to signing alliances with a variety of carriers, including this year's catch—**Deutsche Lufthansa**,

A.G.—Finnair, in November, secedes from its European Quality Alliance with **SAS (Scandinavian Airlines System)**, **Swissair, A.G.**, and **Austrian Airlines, A.G.** It also drops a relatively new affiliation with the frequent flyer program of **USAir**.

The alliance with the German major takes effect in December; under its terms, the two offer a joint frequent flyer program and joint venture flights from Turku to Hamburg. The deal also covers block-space flights from Helsinki to Berlin and from Stockholm to Berlin and Stuttgart. Later, a block-space cargo agreement will cover a route from Helsinki to Frankfurt via Cologne.

Recession and the aftermath of the Gulf crisis combine to force traffic down; passenger boardings plunge 9.9% to 5,271,176 while freight is off 5.8% to 139.48 million FTKs. Revenues decline 6.5% to \$1.25 billion; however, an \$11.2-million net profit is banked.

The workforce is cut a mere 0.1% in **1992** to 7,704 as the 9th MD-82 is delivered.

Two new marketing alliances are signed in April. The first, with **Air Canada, Ltd.**, links frequent flyer programs and covers block-space flights from Helsinki to Toronto; the second block-space agreement, with **Air China**, goes into effect on flights from Helsinki to Beijing. Beginning in June, the company offers 10-day "Out of this World" travel packages from New York to Swiozdnij (Star City) via Moscow. The excursions to the Russian cosmonaut training center 40 miles east of the capital allow traveler interaction with Russian space officials and visits to air and space museums.

A new market is opened at Kiev and, in October, roundtrip flights commence from Helsinki to Miami. During the year, the company stops operating the tour company Tolvelomat O/Y.

Customer bookings fall another 3.7% to 5,077,136 and cargo drops 5% to 132.52 million FTKs. Revenues decline 7% to \$1.12 billion and losses are too embarrassing to report.

In **1993**, President Potila oversees an employee population of 7,714, up a slight 0.1% over the previous year.

A new strategic plan is adopted early in March, designed to save the equivalent of \$17 million per year. The company defines itself as an independent Finland-based airline that will not allow itself to become a target in the current wave of global investment by such megacarriers as **British Airways, Ltd. (2)**.

To retain its viability, new layoffs will be required, along with fleet rationalization and the consolidation into the parent of the subsidiaries **Karair O/Y** and **Finnaviation O/Y**. Details call for the layoff of 1,000 personnel and implementation of a decision not to replace its MD-80s and DC-9s with the proposed B-737X.

During the spring, charter flights are introduced from the U.S. West Coast to Southeast Asia. Helsinki to Toronto and San Francisco flights commence in May.

Passenger boardings fall again, by 6.8%, to 4,102,636, but freight climbs 27.4% to 168.5 million FTKs. Losses are suffered: \$9.9 million (operating) and \$16.7 million (net).

Airline employment stands at 7,082 in **1994**.

On February 28, the carrier sets up Finnair Travel Services, O/Y to manage and finance its travel subsidiaries: O/Y Aurinkomatkat-Suntours, Ltd. and O/Y Finnmatkat-Finntours, Ltd. Simultaneously, shareholding in the U.S.-based Finnway travel agency is increased from 50% to 100%.

Early in the spring, a DC-10-30 is wet-leased to **LOT Polish Airlines, S.A.** Returned at the end of the first quarter, the Douglas wide-body is released by Warsaw for the summer season. Also in March, a marketing agreement is signed with **Braathens SAFE, A.S.**, which links the frequent flyer programs of the two carriers and provides for joint ground handling at Oslo. The two also begin planning for code-sharing flights.

In April, a major marketing agreement is concluded with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**; code-sharing flights begin from Helsinki to Madrid and Barcelona via Goteborg and Amsterdam.

During the year, aviator Antti Terrasmaa publishes his recollections, *The Life and Times of an Ordinary Captain: Forty Years of Flying* (Calumet, Mich: FinPro, Inc., 1994).

Customer bookings for the year recover, growing a full 10% to 4,513,290; cargo increases by 19.3% to 201.01 million FTKs. Revenues slide 7.2% to \$869 million, but expenses fall as well. Consequently, an operating profit of \$30.8 million is allowed and a net gain of \$25.4 million is generated.

Airline employment in 1995 stands at 7,414, a 3.6% increase. During the first quarter, the company offers 12 million new shares to international and domestic investors, reducing the government's stake to 60.7%. The public float raises approximately Fmk 500 million and will be employed to replace DC-9s with second-hand MD-80s.

In April, two previously employed MD-80s join the fleet.

Early in the second quarter, a \$32.6-million contract is signed with **Air Liberte, S.A.** Under its terms, all four of the major's DC-10-30s will be leased to the French independent over the next year; however, Finnair will continue to maintain them. The first wide-body is dispatched in early June.

A multifaceted alliance is entered into with **Transwede, A.S.** in August. The pact covers a joint maintenance venture, linkage of frequent flyer programs, and shared codes on flights from Stockholm to London.

A code-sharing agreement is signed with **Delta Air Lines** on September 7 that provides for frequent flyer program linkage as well as block-space and code-sharing on frequencies from Helsinki to New York and San Francisco and on Delta services between New York and Boston. The world's first heavy maintenance of an MD-11 is completed by the company's technical division at Helsinki Airport during the first week of October. The pact with **Delta Air Lines** is initiated on October 30 when Delta purchases seats on Finnair's MD-11 service between New York and Helsinki.

Enplanements jump 8.1% to 5,846,000 while freight inches ahead 0.9% 45.56 million FTKs. Revenues total \$1.46 billion and profits are high: \$114.8 million (operating) and \$92.1 million (net).

There are no changes in the workforce during 1996 and the owned fleet now includes 2 Beech Super King Air 200s, 2 DC-9-41s, 2 DC-9-51s, 15 DC-10-30s, 4 MD-82s, 4 MD-83s, 3 MD-87s, and 4 MD-11s. Also operated, under charter, are 2 A300B4-203s, 6 MD-82s, and 3 MD-83s. Three DC-10-30s remain on lease to **Air Liberte, S.A.** and orders are placed for four B-757-2Q8s.

Early in January, the company merges with its dormant subsidiary Aero O/Y. At the same time, three new members join the board of supervisors and Jorma Eloranta is named executive vice president, replacing the retiring Pertti Laine.

A code-sharing alliance is entered into with **Lithuanian Airlines** in May and in June the fourth DC-10-30 is dispatched to **Air Liberte, S.A.**

The company begins a block-space and code-sharing arrangement with **El Al Israel Airlines, Ltd.** in July over a route from Helsinki to Tel Aviv. The arrangement with **Lithuanian Airlines** begins in August covering service from Helsinki to Vilnius.

When **Air Liberte, S.A.** enters receivership in September, the Douglas lease is cancelled. Also during the month, the subsidiaries **Finnavigation O/Y** and **Karair O/Y** are absorbed into a single division that will develop and market package tours under the product names of Suntours, Finntours, and Top Club.

A strategic pact is signed with **Estonian Air, A.S.**; it begins on October 29 with blocked-seat, dual-designator flights between Helsinki and Tallinn and with cooperative ground handling in those cities.

In October, an exchanged seat agreement is signed with **Alitalia S.p.A.** over a route from Helsinki to Milan via Stockholm.

Three more alliances come into effect during November. A marketing agreement is entered into with the Danish airline **Maersk Air, A.S.** for frequencies from Stockholm to Billund and Copenhagen and with **Sabena Belgian World Airlines, S.A.** for services from Brussels to Stockholm and Geneva.

Passenger boardings soar 28% to 6,492,376 and 241.3 million FTKs are operated, a 12% increase.

A major block-seat, code-share, marketing agreement is signed with **Maersk Air, A.S.** during the first week of February 1997. ATR72 frequencies are increased between Helsinki and Tallinn during the month to thrice daily.

Employing its DC-9-51s, the company launches dual-designator service with **Maersk Air, A.S.** from Copenhagen to Stockholm on April 28. Finnair will employ its B-737-5L9s and, between them, the two carriers will offer 47 weekly roundtrips between the two Scandinavian cities.

A code-sharing agreement starts with **Aer Lingus Irish Airlines, Ltd.** in May over a route from Helsinki to Dublin via Stockholm. The same month a similar deal begins with **Swissair, A.G.** on flights from Helsinki to Zurich. The company is also admitted to participation in the Qualiflyer frequent flyer program jointly sponsored by **Swissair, A.G.**, **Austrian Airlines, A.G.**, and **Sabena Belgian World Airlines, S.A.**

During July, the former **Karair O/Y** ATR72-201s that have been transferred to the major begin to receive new color schemes. Also during the month, the company signs a letter of intent with Airbus Industrie for the purchase of a 12-plane mix of A319s, A320s, and A321s to be delivered between 1999 and 2001. The new aircraft will replace an equal number of DC-9s. As a result of its deepening partnership with **SAS (Scandinavian Airlines System)**, **Deutsche Lufthansa, A.G.** gives Finnair notice on August 1 of its intention to terminate next October the regional agreement signed with the Helsinki-based flag carrier in 1991.

While descending through 29,000 ft. on an August 9 service from Helsinki to Alicante, Spain, an MD-83 with 156 passengers is hit by hailstones that crack the windshield and damage the nose radome beyond repair. The aircraft is able to land at its destination without difficulty and no injuries are reported.

A code-sharing agreement is entered into with **Braathens SAFE, A.S.** during September for a total of six daily return frequencies between Stockholm and Oslo. Under its terms, the two carriers will book seats for sale on each other's flights, with Finnair operating one flight and Braathens the rest.

Also during the month, the Finnish government reduces its 70% stake in the carrier to just 59.8%; some 21% of the carrier's stock is held overseas, with the remainder in the hands of domestic banks, insurance concerns, and private investors.

In a lease-purchase arrangement, Finnair on October 1 sells four of its 25 MD-82s to foreign financial concerns for \$16.5 million each; the aircraft will remain in the fleet until 2002 at an annual leasing fee of \$170,000 per month each. The July A310 order is confirmed in early October. Total value of the CFM56 engines to power the new fleet is placed, by CFMI, at \$150 million.

On October 13, the company confers with **Aeroflot Russian International Airlines (ARIA)** concerning the possibility of increasing its services to selected Russian cities, beginning with a thrice-weekly frequency between the border town of Lappenranta and St. Petersburg.

A midair collision is narrowly avoided on October 25 when a DC-9-51 climbing away from Helsinki moves into the approach path of a company MD-82 coming in from London with 40 passengers at 11,000 ft. over Vihti, Finland.

The code-sharing pact with **Delta Air Lines** is expanded on October 26. Finnair sells seats on Delta flights from New York (JFK) to Washington, D.C. (IAD), Chicago (ORD), Atlanta, and Miami. Delta returns the favor for passengers flying Finnair from Helsinki to Frankfurt or Zurich.

The first of four B-757-2Q8s, wearing the company's new livery, is delivered at month's end and after its delivery flight to Helsinki and crew workup, begins flying travelers during November to holiday destinations in the Canary Islands and Mediterranean.

Calling itself "the official carrier of Santa Claus," the company in November introduces an MD-11 painted with St. Nick's image. At the same time, Finnair is named official airline for the Cultural Capital of Europe celebrations in 1998; that capital is Stockholm, headquarters city of rival **SAS (Scandinavian Airlines System)**.

At the beginning of December, the company begins introduction, by regions, of the Unisys Airline Revenue Enhancement System.

Having almost reached age 60, President/CEO Potila announces his retirement at the end of the following year.

Passenger boardings rise 14% to 7,456,000. The company's charter division adds another 686,380. Revenues total \$1.44 billion, while expenses are \$1.35 billion. There is a \$90.9-million operating profit and an equal amount of net gain.

Airline employment in 1998 stands at 7,500 and the fleet, 73.3% of which is Stage III certified, includes 45 airplanes: 12 DC-9s, 2 each B-757s and A300B4-203s, 4 MD-11s, and 24 MD-80s.

In January, Leaf Group President Keijo Suila is named to replace President/CEO Potila on January 1, 1999. **SAS (Scandinavian Airlines System)** begins to counteract Finnair's increasingly aggressive marketing in the Baltic. Its first move is to purchase the Helsinki carrier's domestic partner, **Air Botnia, O/Y**.

Arrangements are completed in February with ILFC for the charter of a B-757-2Q8ER for eight years beginning in April 1999.

On March 4, a joint-marketing pact is entered into with **British Airways, Ltd. (2)**. In addition to frequent flyer program integration, the agreement allows for code-sharing on 15 daily return flights from London (LHR) and Manchester to Stockholm and on to Helsinki. The arrangement is also extended to the London-based major's German subsidiary **Deutsche BA Luftgesellschaft, GmbH**.

On March 11, a dual-designator arrangement is entered into with the BA partner **LOT Polish Airlines, S.A.** Under its terms, flights from Warsaw to Helsinki will be served by Finnish aircraft seven times a week and six times a week by LOT. Dual-designator flights to points in the Baltic region are planned for the summer of 1999.

Dual-designator service actually begins with **British Airways (2)** on March 29 on 15 daily return frequencies from London (LHR) and Manchester to Stockholm and Helsinki. Codes are also shared on a new twice-daily BA service from London (LGW) to Helsinki. Daily MD-82 roundtrips commence the same day between Helsinki and Barcelona. Also in March, Neticket, an Internet-based booking service, is unveiled.

In April, dual-designator arrangements are entered into with the BA partner **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. In May, the BA code-share is deepened to allow an additional daily dual-designator flight on the Finnair service between Manchester, Stockholm, and Helsinki. Flights are also increased between Helsinki and Warsaw and dual-designator flights are introduced between Helsinki and Barcelona. Seasonal roundtrip code-sharing with **Delta Air Lines** begins on May 21 on Finnair MD-11 services from Helsinki to San Francisco.

At the same time, **SAS (Scandinavian Airlines System)** and **Air-lines, A.S.** enter into a strategic alliance, effective September 1; the two will try to blunt the successful Baltic marketing of Finnair. Expanded code-sharing begins on June 1 with **Delta Air Lines**. Finnair purchases seats on Delta's daily, nonstop B-767-332ER services from New York to Helsinki via Stockholm. The same day, Delta purchases seats on Finnair's daily MD-80 and DC-9-51 return services from Helsinki to Stockholm.

During the summer, plans are made to celebrate Finnair's seventy-fifth anniversary in November.

Although the European Commission has begun to take a harder line toward code-sharing pacts, on July 14, EU Commission Chief Karel Van Miert, speaking for the EC, approves the carrier's pact with **Maersk Air, A.S.** Van Miert states that the pact has enhanced competition between Copenhagen and Stockholm which had previously been dominated by **SAS (Scandinavian Airlines System)**.

The company enters into a strategic marketing agreement with **American Airlines** on September 29 that includes reciprocal frequent flyer programs, code-sharing on some transatlantic flights, and a move by Finnair into American's terminal at New York (JFK). The programs will take effect on April 1.

With the introduction of the winter schedule on October 25, the dual-designator arrangement with **British Airways, Ltd. (2)** is enhanced. Added are new evening departures from Helsinki to London (LHR), as well as

thrice-daily roundtrips to Edinburgh and Glasgow via London (LHR) plus flights to Birmingham via Dusseldorf, Brussels, and Copenhagen.

In cooperation with **Deutsche BA Luftgesellschaft, GmbH**, code-sharing is now offered on a service by the German carrier from Stuttgart to Helsinki via Berlin. **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** places its code on Finnair's daily roundtrips from Helsinki to Barcelona, while Finnair's code begins to appear on Iberia services from Madrid to Helsinki.

Finnair's latest dual-designator partner, **Tyrolean Airways, A.G.**, operates daily Fokker 70 roundtrips (except Saturdays) from Vienna to Helsinki. Cooperation with **Maersk Air, A.S.** between Stockholm and Copenhagen continues, with twice-daily Finnair departures and six weekday Maersk roundtrips.

DC-9-51s replace the ATR72-201s currently employed on the morning departures from Helsinki to Tallinn, while a new dual-designator evening departure between the two cities and flown by an **Estonian Air, A.S.** Fokker 50, is added.

On November 1, MD-83s replace B-757-2Q8ERs on the weekly roundtrip charter operated from Helsinki to London (GTW).

As part of its fleet renewal program, the carrier, in mid-November, purchases three ATR72s from **TransAsia Airways Company, Ltd.** of Taiwan and sells a pair of SAAB 340s to **Flying Enterprise, A.B.** of Sweden.

For the winter, Fort Lauderdale replaces Miami as a leisure destination; the twice-weekly roundtrips, routed via Bangor, Maine, are operated by B-757-2Q8ERs.

Domestic flights added the previous winter and in August to Oulu, Rovaniemi, Jyväskylä, Kokkola, Pietarsaari, Kuopio, Lappeenranta, Pori, Tampere, Vaasa, and Varkaus are continued. An MD-83 replaces the B-757-2Q8 on the weekly scheduled charter from Helsinki to London (STN) as of November 1.

On December 9, Finnair becomes the first new recruit to join the "OneWorld" alliance since its formation in September. It will be formally inducted next August.

It is announced at year's end that MD82/83 equipment will replace DC-9-51s on the company's routes from Helsinki to Joensuu, Finland, and to St. Petersburg, Russia, and Budapest, Hungary, by November 1, 1999.

Enplanements for the year total 7.29 million and 75.34 million FTKs are operated. Airline employment during the 12 months has been increased by 36.9% to 11,351.

Leaf Group President Keijo Suila replaces President/CEO Potila on January 1, 1999. Early in January, the government of Finland takes action to prevent further defections to the world's sixth oldest airline from the pilot corps of the Finnish Air Force. During the past 12 months, 33 pilots and 7 trainees have resigned to accept higher-paying posts with Finnair. To counter the attraction, a new "compensation" package is offered the military flyers.

The carrier takes delivery at Hamburg on January 28 of its first A321-211. The Airbus introduces Finnair's new color scheme, which features a solid blue tail with logo. Arrival of the A321 marks the actual beginning of the carrier's single-aisle fleet renewal program.

Finnish air traffic controllers begin a nationwide strike on February 1. Four days later, A321-211 roundtrips commence from Helsinki to Oulu, in northern Finland. In mid-month, thrice-weekly roundtrips are inaugurated from Helsinki to Enontekiö, in Finnish Lapland.

The continuing ATC job action has cost Finnair an estimated Fmk 70 million (\$13.8 million) by February 22. As the government seeks to negotiate an end to the walkout, the airline is forced to begin talks with its own employees concerning temporary layoffs. The ATC strike ends on March 8. The carrier's international traffic returns to its normal schedule on March 12 and domestic traffic on March 15.

The carrier celebrates its seventy-fifth anniversary on March 20. To mark the occasion, a new book, *Time Flies—Finnair 75*, by Heikki Haapavaara is commissioned and published in both Finnish and English editions.

In cooperation with its "OneWorld" partners, Finnair opens a revised summer schedule on March 28. The carrier's twice-daily MD-87 return flights to Hamburg are replaced by B-737-3L9s operated by **Deutsche BA Luftgesellschaft, GmbH**. At the same time, a second daily MD-82 return service to London (LGW) is added via Stockholm. MD-87s replace DC-98-51s on the company's daily, nonstop roundtrips from Helsinki to Goteborg, Sweden.

The dual-designator pact with **American Airlines** also takes effect on March 28. In addition to mutual frequent-flyer benefits, passengers are able to employ their tickets on Finnair flights from New York (JFK) to Helsinki. Finnair and American also cooperate on flights via Stockholm. Under this arrangement, the Finnish carrier is able to place its code on American services between Chicago (ORD) and Stockholm for passengers making online connections to Finnair's flights between Stockholm and points in Finland. American places its code on Finnair flights between Stockholm and Helsinki, as a continuation of its Chicago-Stockholm service. Finnair also places its "AY" code on American and **American Eagle Airlines** (2) flights from New York (JFK) to Boston, Dallas (DFW), Los Angeles, Miami, San Francisco, and Washington, D.C. (DCA).

On April 15, the Helsinki-Seinaejoki-Kokkola route is outsourced to the Swedish regional **Golden Flyg, A.B.** Under a new dual-designator pact with **Luxair, S.A.**, Finnair inaugurates code-sharing on May 17 over a route from Helsinki to Luxembourg via Stockholm. Beginning on June 3, **American Airlines** places its "AA" code on Finnair services between Helsinki and San Francisco.

Finnair is formally inducted into the "OneWorld" alliance on September 1.

The first A319-112 is delivered on September 20 and enters service on October 1, operating daily roundtrip routes from Helsinki via Stockholm to Berlin and via Stockholm to Munich. It will be joined by the second A319-112 after its arrival on October 29.

Meanwhile, it is announced on October 3 that due to a lack of booked passengers, the airline must cancel its flights to Moscow over the December 31-January 1 period; the potential Y2K computer problem is not mentioned.

Enplanements for the year total 8,065,000, while 80.13 million FTKs are operated.

Airline employment at the beginning of 2000 stands at 11,900, a 4.7% increase over the previous 12 months.

The company's agreement with **Flying Enterprise, A.B.** is cancelled during the first week of March following the regional's acquisition by **Skyways, A.B.**, which leads to termination of the Helsinki to Mikkeli service operated by Flying Enterprise on behalf of Finnair. The third of four A321-211s is delivered on March 8.

The schedule out of Helsinki is altered with the beginning of the summer schedule on March 26. Flights to San Francisco, Toronto, and Osaka (KIX) are suspended, while weekly flights are increased to Beijing (2 to 3), to Singapore via Bangkok (3 to 4), to Dublin via Stockholm (3 to 7), and to Rome (4 to 5). Daily service is offered to New York (JFK) and to Milan via Stockholm. A321s are placed on the routes to Brussels, Zurich, Oulu, and Amsterdam.

On June 1, daily MD-82 return service is inaugurated from Helsinki to Madrid via Stockholm. Based on the previous Finnair symbol, created in 1968 by Professor Kyosti Varis, a new visual image is unveiled on the first day of the month. The company's blue-and-white colors continue to be employed, but a softer font is chosen. The carrier's aircraft will be repainted during their normal overhaul cycles.

Also on June 1, a new code-sharing agreement begins with **Qantas Airways (Pty.), Ltd.** Under its terms, the Australian line places its designator on Finnair return flights from Helsinki to both Bangkok and Singapore, while Finnair is allowed to assign its code to Qantas' roundtrips from Bangkok to Melbourne and from Singapore to Sydney. The fourth A321-211 arrives on June 9.

Thrice-weekly B-757-2Q8 roundtrip scheduled charters are operated from Helsinki to Toronto for the summer season, beginning on June 15.

The same day, in response to a need to transport Japanese tourists, thrice-weekly return flights are initiated from Helsinki to Bergen, Norway, via Stockholm.

A new corporate design is unveiled on the company's website on July 1.

Finnair is named ninth best-managed company among non-state-owned national-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

An order is placed on July 25 for two A319-100s and four A320-200s, with deliveries beginning in 2002.

The third A319-112 is delivered on August 19. It enters revenue service on August 31 wearing the company's new modified tail markings, which feature a white Viking version of the "F" design and a blue arc on a navy blue background.

Also during the summer, a **Polar Air Cargo B-747-200F** operates under an ACMI contract for Finnair, flying one weekly roundtrip between New York (JFK) to Helsinki via Goteborg and a second from New York (JFK) to Helsinki via Prestwick and Goteborg.

On October 9, three MD-80s are sold and then leased back for three years.

New A319-112 frequencies are launched on October 29 between Helsinki and Vienna as the number of weekly roundtrips between the two capital cities grows to 10. Three additional return flights employing A319-112s are offered to London (LHR) from Helsinki, with the number of weekly roundtrips to Budapest boosted to eight. The number of return flights from Helsinki to Dublin is doubled from three to six. Roundtrips from Helsinki to Oulu grow from 15 to 16 and 2 new return frequencies are added to the Helsinki-Rovaniemi schedule. The fourth A319-112 is delivered on October 29.

Company employees, protesting the carrier's rationalization moves which their unions assert will endanger passenger services, stage a six-hour strike on November 1. The job action forces Finnair to cancel all of its domestic and some of its European services.

In addition to a weekly return charter from Helsinki via Bangor, Maine, to Fort Lauderdale and Hollywood, Florida, Finnair, on November 7, also begins, through March 20, weekly B-757-2Q8 vacation flights from Helsinki to West Palm Beach, again via Bangor.

On November 13, Finnair begins to code-share on **British Airways, Ltd. (2)** services between London (LHR) and Toronto; this is the first marketing arrangement between the two "OneWorld" alliance partners.

Following a three-year suspension, B-757-2Q8 weekly roundtrips are resumed on November 29 between Helsinki and Mombasa, Kenya. The initial service is a charter arranged by the Finland's leading tour operator Aurinkomatkat.

On December 15, Flight 2162, a chartered MD-83 with 149 passengers is on approach to Helsinki's Vantaa Airport following a return from Malaga, Spain. At a 2-km. altitude inside a cloud the Finnair aircraft comes close to colliding with **Aeroflot Russian International Airlines (ARIA)** Flight 204, an Il-62 that has just taken off for Moscow. The TCAS aboard the Finnish aircraft sounds, allowing its pilot to maneuver out of the way; the two aircraft pass each other at a distance of 150 meters.

As the year ends, employees look forward to the company's January 1 restructuring. A group management team, headed by new President/CEO Keijo Suila, oversees six business areas: scheduled passenger traffic, cargo, leisure, aviation services, travel services, and support services.

The year's customer bookings drop 7.8% to 7.43 million, while cargo traffic rises 3.4% to 82.84 million FTKs.

FINNAVIATION O/Y: Finland (1950-1996). Finnaviation originates at Helsinki in 1950 as **Lenthohuolto O/Y**. As a result of growing international operations, the name is later changed to **Wilhuri O/Y**. Through its first three decades, the company undertakes FBO, aircraft sales, maintenance, flight training, and executive and cargo charter operations.

In early 1979, the commuter airline **Nordair O/Y** is purchased and merged, giving the carrier the opportunity to begin scheduled operations

as a wholly owned subsidiary of **Finnair O/Y**, under its new name Finnaviation O/Y.

The company's fleet is now anything but standardized, and includes 1 Dassault Falcon 20C, 3 Embraer EMB-110 Bandeirantes, 2 Cessna 404 Titans, 2 Cessna 401s, 1 Partenavia P-68, 1 Rockwell Commander 690, 1 Beech B-55 Baron, 1 Piper PA-32 Cherokee Six, 2 Cessna 185s, 1 Cessna 182, 3 Cessna 172s, and 7 Cessna 150s. The Bandeirantes are employed to launch scheduled services in October and within three years are linking the company's base with Vaasa, Kauhava, and Kuorevesi.

During the early **1980s**, Jyväskylä, Kuopio, Kuusamo, Oulu, Tampere, and Turku join the route network.

The lesser aircraft are assigned to charter and contract service work; however, in **1983–1984**, a Cessna 441 Conquest II is added.

Passenger enplanements average 30,000.

In **1985–1986**, Sundsvall and Umea become destinations and Managing Director Lars Dahlberg's fleet is increased by the addition of 3 SAAB-Fairchild SF 340QCs.

The company's turboprops begin flying passengers to Stockholm in **1987**, with two involved in a domestic night-airmail operation from Helsinki to Oulu in the north of the country. At Oulu, a company Cessna 401 takes the post to points beyond the Arctic Circle. A Dassault Falcon 20 begins courier service on behalf of the **DHL Corporation**.

Enplanements for the year total 140,000.

The fleet in **1988** includes 5 SAAB 340As for scheduled operations and a number of smaller types for charter and contract service flights.

A total of 175,561 passengers are flown on the year. A \$190,000 net loss is suffered on revenues of \$21.3 million.

Pekka Valimäki becomes managing director of the 119-employee airline in **1989**.

In addition to the 3 SAABs, the fleet now also includes 3 Embraer EMB-110P Bandeirantes and 1 each Dassault Falcon 20 and Cessna Conquest.

Customer bookings jump 32.9% to 240,252.

Company employment is increased by a huge 66.4% in **1990** to 198 as Managing Director Valimäki is succeeded by Paavo Turtiainen. Also, during the latter year, the fleet is completely standardized around its Swedish turboprops; gone are the Cessna, Dassault, and Embraers, replaced by 5 SAAB 340As and 1 340B.

Still, customer bookings decline 1.6% to 236,334.

The payroll is sliced by 14.1% in **1991** to 170. Passenger boardings fall a further 1.6% to 240,214 and freight is down 8.2% to 101,000 FTKs.

The previous year's worker cut is restored and then some in **1992**, climbing 16.5% to 198. Traffic figures show enplanements of 237,811. Additionally, 84,000 FTKs are flown.

In **1993**, the employee population stands at 180, down 9.1% from the previous year.

The company must contend with a new **Finnair O/Y** plan to merge it, along with the charter **Karair O/Y**.

The operator's 6 aircraft undertake over 300 flights per week and its passenger boardings for the whole year are up a slight 0.9% to 261,330. Freight swells to 119,000 FTKs.

Airline employment is increased by 5 in **1994** and the leased fleet now includes 5 SAAB 340As and 1 340B.

As is the case with its parent, Finnaviation's customer bookings increase by 3.9% to 271,572 while cargo moves ahead by 10.9% to 132,000 FTKs.

There is no change in the size of the workforce in **1995**, but traffic growth is excellent. Passenger boardings rise 9.3% to 296,832 while 132,000 FTKs are also operated.

The carrier is absorbed into its parent in October **1996**. During the first nine months of the year, the feeder has transported a total of 216,206 passengers, a 0.8% increase.

FINNISH AIR LINES O/Y: Finland (1946–1968). Having had 70% of its stock purchased by the government the previous year, the adminis-

tration of the pioneer **Aero O/Y** is reorganized in May **1947**. Gone is the pioneering name and in its place a new title, **Finnish Air Lines**. A 12-member board of administration designates a 6-man board of directors, the chairman of which is also managing director. Lt. Gen. Leonard Grandell becomes chairman/managing director on June 14.

In June, stewardesses are introduced on the eight new Douglas DC-3s taken over from **Aero O/Y** and the last de Havilland DH 89A Dragon Rapide is sold during the summer. International service over the Helsinki–Stockholm route is restarted on November 3.

DC-3 service is inaugurated to Copenhagen and Amsterdam in March and July **1948**, respectively.

In **1949**, FAL joins IATA and retires its last two Junkers Ju-52/3ms.

Nine scheduled destinations in Finland as well as four abroad are maintained in **1950–1951** and in **1952** service is begun from the new Helsinki Airport, near Seutula, on July 10. In September of the latter year, three Convair CV-340s are ordered as DC-3 replacements.

In the spring of **1953**, the current name "Finnair" is initiated in company marketing strategy. The first CV-340s are delivered during the summer and are placed in service on a new Helsinki–Paris run in October.

Additional CV-340s become available in early **1954**. Following an August 31 proving flight, a Convair begins regularly scheduled London–Helsinki via Hamburg flights on September 1.

In **1955**, at least one CV-340 must be diverted from international flights to help the fleet's DC-3s handle increasing domestic traffic. On November 15, the carrier begins direct, thrice-weekly Helsinki to Moscow service, becoming the first non-Communist airline to get a Moscow route.

On April 21, **1956**, Convair CV-440s are introduced; one is placed on a route Helsinki–London via Hamburg and Amsterdam.

The board of administration on December 20, **1957**, approves acquisition of the French SUD SE-210 Caravelle jetliners and on January 18, **1958**, an order is placed for three Caravelle IAs.

There is no change in **1959**.

The first SE-210 arrives at Helsinki on February 22, **1960** followed shortly by a second. Caravelle service begins on April 1 over routes from the Finnish capital to Copenhagen,

Frankfurt, Cologne, Stockholm, Hamburg, Amsterdam, London, Paris, Malmo, and Zurich.

The Caravelle *Sinilintu* (*Blue Bird*) starts a Helsinki–London via Amsterdam frequency on April 18 and Gunnar Korhonen succeeds the retiring Gen. Grandell as managing director.

On January 3, **1961**, Flight 311, a DC-3 with 3 crew and 22 passengers and en route from Helsinki, crashes while on initial approach to Koivulahti, Finland; there are no survivors. After an investigation, police report a week later that the pilot and copilot of the lost aircraft had been out drinking the night before.

Polar Air O/Y is established as a charter subsidiary. SE-210 flights to Moscow begin on April 21. The three Caravelles are converted to Caravelle III standard.

The first domestic Caravelle service, Helsinki–Oulu, is launched on December 15.

A Caravelle III is delivered in February **1962** and **Polar Air O/Y** Caravelle charter service is begun in the spring to Tenerife, Palma de Mallorca, and Rimini.

Minority interest in the airline **Karair O/Y** is purchased on November 30.

Having gained control of a majority of **Karair O/Y** stock during **1963**, that carrier is merged on November 1.

A week later, on November 8, a DC-3 with 3 crew and 21 passengers and on a domestic flight, crashes while on final approach to Mariehamn, Åland Island (22 dead).

Enplanements for the year total 591,472.

The Finnair Aviation College is opened on January 1, **1964**; the inaugural class of student pilots and mechanics begins training later in the month.

During the first weeks of the second quarter, a deal is made with the U.S. carrier **Northwest Airlines** for the purchase of two DC-6Bs, the first of which arrives on June 12.

After trading in its four Caravelle IIIs as partial payment (the first such arrangement in commercial aviation history), the company receives the first five of a six-plane order for Pratt & Whitney-powered Caravelle XB Super Caravelles in July, placing them in international service in late August and early September. New routes are now extended to Milan, Göteborg, Luxembourg, Barcelona, Malaga, and Leningrad.

Passenger boardings rise 6% to 629,225 and revenues of \$15.7 million are earned.

The second **Northwest Airlines** DC-6B arrives on February 1, 1965 and Finnair Aviation College graduates its first class of pilots and mechanics in May.

Airline employment reaches 2,081. Passenger service is inaugurated to Athens, Brussels, and Dubrovnik and a twice-weekly Helsinki–Amsterdam all-cargo route is opened. Daily north to south Helsinki to Oulu service is initiated.

The fleet now comprises 5 Super Caravelles, 7 CV-440s, and 5 DC-3s. Enplanements for the year rise 13.8% to 704,775.

A New York office is opened on January 1, 1966 and in the spring daily Super Caravelle XB flights are inaugurated from Helsinki to Frankfurt. Another Super Caravelle is received in September and two Douglas DC-8-62CFs are ordered in November. Passenger boardings reach 897,605.

Service continues apace in 1967 and in January 1968 a new company emblem is unveiled and the name **Finnair O/Y** is formally adopted.

On the year, a total of 895,672 passengers are flown.

FIREBALL AIR EXPRESS. See **NORTH AMERICAN AIRLINES (NAA)** (1)

FIRST AIR, LTD.: Carp Airport, 3257 Carp Road, Carp, Ontario K0A 1L0, Canada; Phone (613) 839-3340; Fax (613) 839-5890; <http://www.firstair.ca>; Code 7F; Year Founded 1946. Originally formed by Russell Bradley in 1946 as the small Frobisher Bay-based charter and flight training operator **Bradley Air Service, Ltd.**, this company is acquired by pilot John G. Jamieson upon Bradley's death in 1970.

In 1971, the company establishes the world's most northerly based commercial air service at Eureka, on Ellesmere Island, just 600 nautical miles from the North Pole.

The operation remains largely unchanged until October 1978, when Jamieson is able to acquire the former Nordair Arctic service and two de Havilland Canada DHC-6 Twin Otters from **Survair, Ltd.** At this point, **Bradley Air Service, Ltd.** is reformed and establishes at Ottawa the scheduled commuter airline division First Air, Ltd. Its fleet now comprises 6 DHC-6s and 7 Douglas DC-3s.

A DHC-6-300 with 2 crew and 4 passengers is 40 ft. over the runway on final approach to Frobisher Bay on August 23 when it rolls left and hits the ground (1 dead).

One of the Douglas DC-3s is withdrawn in September and another in November. A Hawker Siddeley HS 748-A2 is acquired in December.

While on initial approach to Frobisher Bay on August 29, 1979, a DHC-6-300 with two crew and seven passengers strikes high ground 1,200 ft. E of the runway; there are no survivors. Services are inaugurated in 1980–1983 between Montreal and Ottawa and from Frobisher Bay to Nuuk, Greenland. During these years, four DC-3s and a DHC-6 are withdrawn in favor of two more HS 748s and a Beech 99.

A DHC-6-300 is involved in an accident at Station Nord, Greenland, on March 15, 1981; there is no information concerning any possible casualties.

President Jamieson's carrier begins flying from Ottawa to Rouyn and Val d'Or in November 1984 employing Saunders ST-27s—stretched de Havilland DH 104 Doves with Pratt & Whitney of Canada PT-6 turbo-prop engines—leased from **Voyageur Airways, Ltd.**

At the same time, two new HS 748s acquired in April commence an Ottawa–Boston return frequency. The same month, the company obtains a C\$9-million contract to maintain the government ice reconnaissance DHC-7 based at Ottawa.

In July 1985, a DC-3 is given over by **Bearskin Lake Air Services, Ltd.** in exchange for two DHC-6s delivered by First Air the previous September. Authority for a route from Ottawa to Frobisher Bay is secured in late fall.

A Boeing 727-90QC is acquired from **Alaska Airlines** in December and christened *Spirit of Iqaluit*, it inaugurates thrice-weekly service between the two Ontario and Northwest Territories cities on March 31, 1986.

The jetliner also undertakes weekend Toronto–St. Petersburg charters under contract to **Nordair, Ltd.** Weeknights, the Boeing is leased by **Air Canada, Ltd.** to fly nightly return cargo shuttles from Ottawa to Winnipeg via Toronto. Ottawa–Rouyn via Val d'Or service ends in July. In late fall and winter, the jetliner flies holiday charters from Toronto, Ottawa, and Windsor to Puerto Vallarta, Montego Bay, and Caracas.

An Embraer EMB-110 Bandeirante joins the fleet in January 1987 followed by a second Boeing, a 727-27C, in February. In addition to its allowing an increase in frequency on the Ottawa–Frobisher Bay route, the jetliner also links Ottawa and Montreal.

One additional HS 748s joins the fleet in May and two more in September and these begin flying in October from Iqaluit Airport at Frobisher Bay to Yellowknife via Igloolik, Pelly Bay, Spence Bay, Gjoa Haven, and Cambridge Bay.

During the year, the EMB-110, two Beech 99s, and a DC-3 are withdrawn as orders are placed for two more Boeings and two HS 748s.

Beginning in late fall and continuing through the winter season, the jetliners already on hand provide twice-weekly replacement service from Montreal–Detroit on behalf of **Sabena Belgian World Airlines, S.A.**

Two additional HS 748s are delivered in May 1988, including one from failed **Cascade Airways**, followed by a Boeing 727-35 in June. The new jetliner inaugurates service from Ottawa–Yellowknife via Frobisher Bay.

The last three DC-3s are withdrawn in August as a fourth 727, a Dash-44C, arrives. While on initial approach to Cheney on an all-cargo flight from Montreal on September 15, the ex-**Cascade Airways** HS 748-2B with two crew strikes high ground short of the runway; the aircraft is destroyed and there are no survivors.

In late fall and continuing through the winter, the company's four jetliners fly from Montreal and Ottawa, under contract to Mirabelle Tours, to such southern vacation destinations as Orlando, Santo Domingo, Freeport, Curaçao, Acapulco, and Havana.

In December, a B-727 flies Armenian earthquake relief supplies to Moscow.

An HS 748-2A freighter with two crew fails its takeoff from Tipp City, Ohio, on January 12, 1989, for a service to Montreal (YUL); the turboprop smashes into trees and crashes, killing both flyers.

During late winter, two new routes are inaugurated from Ottawa to Newark and to Goose Bay. Also, a compact is signed with **NWT Air, Ltd.** sharing responsibility for service north of the 60th parallel.

In May, they begin taking turns on Mondays and Fridays flying the route from Frobisher Bay to Yellowknife, allowing an expansion of service to the areas of Keewatin and Kitikmeot.

The fleet in 1990 includes 20 aircraft: 4 Boeings, 8 BAe 748s, 6 Twin Otters, and 2 Beavers. Although the airline is now the dominant regional carrier of the Canadian Arctic, it still does not reveal its traffic or financial data.

Operations continue apace in 1991–1992, although severe competition is felt from the “Delta Connection” carrier **Business Express**.

A DHC-6-300 with two crew and four passengers noses over while landing on a gravel airstrip near Iqaluit on July 19 of the latter year; although the aircraft is damaged beyond repair, there are no fatalities.

In 1993, President Kamal B. Hanna oversees a workforce of 550.

Service is dropped from Ottawa to Boston, Goose Bay, and Montreal's Mirabel Airport. During the spring, on behalf of **Gronlandsfly, A.S./Greenlandair, A.S.**, First Air begins weekly B-727-90C services linking the newly opened civil airport at Pituffik (formerly Thule Air Base) with Ottawa via Kangerlussuaq, Iqaluit, and Montreal (YUL). Incoming passengers to Pituffik are shuttled to Qaanaaq, 90 miles south by a **Gronlandsfly, A.S./Greenlandair, A.S.** Bell 212.

Flights to 24 destinations continue in **1994** and the fleet, shared with **Bradley Air Services, Ltd.**, now includes 5 each de Havilland Canada DHC-6-300s and BAe (HS) 748-2As, 2 748-2AFs, and 1 each B-727-35, B-727-27C, B-727-44C, B-727-90C, B-727-225F, B-727-233AF, DHC-7-150R, and BAe (HS) 748-2B.

The company is sold to the Makivik Corporation of Kuujuaq, Quebec, in **1995**. At the same time, **Ptarmigan Airways, Ltd.** is purchased, along with its routes in the western area of the Northwest Territories.

In **1996**, the fleet is increased by the addition of seven DHC-6-300s and a BAe (HS) 748-2B.

The company's fiftieth anniversary is celebrated throughout the year.

From hubs at Hall Beach, Iqaluit, Ottawa, Resolute Bay, and Yellowknife, services are provided to Broughton Island, Cambridge Bay, Cape Dorset, Clyde River, Coppermine, Coral Harbour, Gjoa Haven, Holman, Igloodik, Kangerlussuaq, Kuujuaq, Lake Harbour, Montreal, Nanisivik, Pangnirtung, Pelly Bay, Pituffik, Pond Inlet, Rankin Inlet, and Taloyoak.

While landing at Markham Bay on an August 12 all-cargo service from Iqaluit, a DHC-6-300 with two crew bounces twice heavily before striking a rock with its landing gear, which are sheared off, and plunges into the sea; there are no survivors.

A total of 115,000 passengers are flown on the year.

On January 10, **1997**, 900 pilots from four "Air Canada Connector" airlines go on strike over merged seniority lists. NWT Air is not immediately affected as its flyers do not participate. When the job action is concluded in early March, **Air Canada, Ltd.** begins a review of its entire regional airline situation. The examination, driven not only by the strike, but also by the start-up of deep-discount competitors **Vistajet, Ltd.** and **Greyhound Air, Ltd.**, results in the major's decision to sell NWT Air.

About this same time, First Air completes arrangements for the purchase of Yellowknife-based **Ptarmigan Airways, Ltd.** and its fleet of three float-equipped de Havilland Canada DHC-6-300 Twin Otters and three Grumman Gulfstream Is, all painted in bright yellow livery. Amalgamation begins immediately.

In a significant feat of endurance, First Air achieves the longest scheduled same-plane flight in North America, from Ottawa to Yellowknife via Iqaluit, Nanisivik, and Resolute. The 5,241-km. flight requires 10 hrs. 20 min. to complete.

Another highlight of the year is the purchase of **NWT Air, Ltd.** from **Air Canada, Ltd.** on June 19. The purchase, which makes First Air the nation's third largest scheduled airline, includes three B-737-200As and the former "Air Canada Connector" carrier's routes to Edmonton, Winnipeg, Inuvik, Yellowknife, Cambridge Bay, Rankin Inlet, and Iqaluit. NWT Air founder Robert Engle leases the Lockheed L-100-30, which he had retained, to First Air; the Hercules is the only one of its type in commercial service in Canada.

During the spring of **1998**, the wet-leased B-727-90C, operated on behalf of **Gronlandsfly, A.S./Greenlandair, A.S.**, comes off lease. The amalgamation of NWT Air, Ltd. is completed on June 24. The Hercules, based at Yellowknife, will not be repainted in First Air colors like the larger Boeings.

In an effort to rescue people stranded by the pilots' strike begun on September 2, **Air Canada, Ltd.** wet-leases aircraft from **Royal Aviation, Ltd.**, **First Air, Ltd.**, **Skyservice, Ltd.**, and **Corsair, S.A.** to move people over the next week.

During the 12 months, a total of 200,000 souls are transported.

Airline employment at the beginning of **1999** stands at 970. The B-727 fleet now includes 1 each Dash-90C, Dash-27C, Dash-44C, Dash-

225F, and Dash-2H3F, plus 2 Dash-223Fs. Several of the Boeings wear special "Celebration '99" decals in honor of the creation of Canada's new territory, Nunavut, in April.

A number of lightplanes are also operated, including two of the three former Ptarmigan DHC-6 Twin Otters. The last of the Gulfstream Is is sold in June and is replaced with a BAe (HS) 748.

Overall enplanements for the year total 200,000.

The company workforce at the beginning of **2000** stands at 1,050, an 8.2% increase over the previous 12 months.

An Antonov An-2, transporting aeronautical engineer Dick Rutan and four others on an Arctic adventure, inadvertently puts down on thin ice four miles from the North Pole on May 15 and sinks. The travelers are rescued by a First Air DHC-6 after an accompanying Cessna 185 returns to Deadhorse to summon help.

The B-727-90C is withdrawn from service on June 10. It will be used for spare parts.

FIRST AIR INTERNATIONAL: 8036 Aviation Place, P.O. Box 29958, Dallas, Texas 75229, United States; Phone (214) 352-5228; Fax (214) 352-5899; Year Founded 1993. J. Michael Little sets up FAI at Dallas Love Field in **1993** to offer worldwide passenger air charters. With a workforce of six full-time and four part-time staff, Little begins FAR Part 135 service with a fleet that includes one each British Aerospace BAe (HS) 125-731 Hawker, Learjet 24, and Learjet 35A.

Operations continue during the next five years. In **1998**, planning begins for the inauguration of scheduled services. These do not come to pass and in **1999-2000**, services are maintained as before.

FIRST AMERICAN AIRLINES: United States (1993-1995). First American Airlines is established at Telluride, Colorado, in **1993** as subsidiary to the charter operator **Falcon Flight** to offer scheduled services. Fairchild Metro IIIA aircraft, chartered from the parent, are employed to fly four-times-per-week between the company base and Colorado Springs-Denver International Airport. Operations continue apace in **1994** and the privately owned airline chooses to release neither traffic nor financial information.

The company shuts down in **1995**.

FISCHER AIR, A.S.: Evropska 178, Prague 6, CZ-16067, Czech Republic; Phone 420 (2) 2011 6170; Fax 420 (2) 2011 5439; http://www.fischer-air.cz; Code 8F; Year Founded 1996.

Fischer Air is established by Vaclav Fischer at Prague in **1996** to offer regional passenger charters in cooperation with his tour agency. Ian Drahorad is appointed managing director and recruits a workforce of 119.

The new entrant inaugurates scheduled services to Malta on April 30, **1997** with a pair of leased Boeing 737-33As. Over the next 3 years, the concern will also flies holiday charters to over 30 destinations in 10 African and European nations. Michal Tomis becomes managing director and a third B-737, a Dash-36N, is acquired.

By the beginning of **2000**, the airline employment stands at 170.

FISCHER BROTHERS AVIATION: United States (1951-1987). According to R. E. G. Davies's *Airlines of the United States since 1914* (London, Eng.: Putnam, 1972, p. 631), this company, at one point, is America's sixth-oldest third-level airline. By the time of its conclusion, it will rank first in years of continuous service. Montford R. and William R. Fischer organize **Galion Commuter Service** at the north central Ohio community of Galion in **1951**. Located at Galion's airport, it is the air transport division of their three-year-old FBO, Shelby Sky Haven, Inc., and is to provide thrice-daily roundtrip, Stinson 108 service to nearby Marion and on to Mansfield and Cleveland.

In **1957**, elements of both the FBO and airline name is given to a new holding company, GCS (the initials of Galion, Shelby, and the nearby town of Crestline), which now operates its airline as a subsidiary. A Lockheed Model 12 and Piper PA-23 Aztec are acquired late in the decade.

In **1960**, the carrier begins flying a de Havilland DH 104 Dove and in **1963** it is renamed Fischer Brothers Aviation. The small privately held regional reaches the "big time," so to speak, on July 1, **1969** when it becomes part of the "Allegheny Commuter" network.

Fischer Brothers employs a mixed fleet during its first two decades, mostly small single- or twin-engine Pipers, the Dove, and two de Havilland DH 114 Riley Herons.

By **1975**, enplanements are 23,196. Passenger boardings accelerate 13% in **1976** to 26,662. Flights continue with unknown figures in **1977-1978**.

Service to the Michigan cities of Flint and Detroit begins in September **1979**. Enplanements total 33,000, a growth of 58%.

In mid-**1980**, the carrier takes delivery of three Spanish-built CASA C-212 Aviocars. Routes are stretched to Detroit and Flint, Michigan, in spring **1981** and another Aviocar is ordered.

Despite the PATCO air traffic controller's strike and subsequent ATC restrictions, 96,824 customers and 71,326 pounds of freight are flown. The fourth C-212 is delivered during the fourth quarter of **1982**.

Passenger traffic climbs 23% as 119,097 passengers are transported, along with 169,000 pounds of cargo, a spectacular 136.5% boost.

Traffic remains good for the Ohio airline in **1983**. Customer bookings increase 41.7% to 168,719 and cargo climbs to 212,693 pounds, a 26.1% boost.

The employee total is now 140 and service is launched to Pittsburgh in early **1984**. To handle the increasing passenger loads, a Shorts 330 and two Shorts 360s are acquired during these two years. Enplanements jump 14.2% to 192,635; however, freight is off 13% to 185,062 pounds.

By **1985**, the nation's oldest commuter is providing scheduled service to seven cities in Michigan and Ohio. The longtime affiliation with **US-Air's** "Allegheny Commuter" network is now severed, as the company becomes a unit of the **Northwest Airlines'** "Northwest Airlink" commuter network.

Passenger boardings fall off 1.4% to 189,921.

Operations continue apace in **1986** until events of the summer bring crisis. On August 12, **Northwest Airlines** purchases **Republic Airlines**, with the latter integrated into the Minneapolis-based major on October 1. At this point, officials at Northwest are faced with a decision as to which of two regional airlines will provide the single feeder service necessary at Detroit. The choice is between the incumbent small regional Fischer Brothers, the Republic Airlines carrier, and large regional **Simmons Airlines** of Chicago.

Meanwhile, Ohio-based GCS sees its passenger traffic for the year fall 7.1% to 176,397 passengers flown.

Tragedy strikes the company during the first quarter of **1987**. A CASA C-212, on a training flight near Springfield, Ohio, on February 10, crashes, killing the three persons aboard. While landing at Detroit (DTT) on March 4 after a service from Cleveland, "Northwest Airlink" Flight 2268, a CASA C-212-200 Aviocar with 3 crew and 16 passengers, strikes the ramp area 1,101 ft. inside the Runway 21R threshold. The aircraft skids 398 ft., hits three ground support vehicles in front of Gate F10 of Concourse F, and comes to a stop just short of striking the terminal building itself. The turboprop catches fire and 9 aboard are killed; the 13 survivors are all injured, 7 seriously.

Later in the month, **Northwest Airlines** removes its "Northwest Airlink" affiliation from Fischer Brothers and assigns it to **Simmons Airlines**. The Galion-based commuter is devastated and shuts down operations for a month. During the hiatus, a \$150-million antitrust suit is filed against both Northwest and Simmons.

The company resumes limited services in May and eagerly seeks a new code-sharing partner. On May 27, the airline assets of GCS are purchased for \$2.5 million by **Midway Airlines (1)** and are reconstituted as **Midway Commuter**. GCS now proceeds to establish a new Essential Air Service airline, **GCS Air Service**, to offer Cessna 402C and Beech B-80 Queen Air service from Mansfield to Cleveland.

FIT AVIATION: Melbourne International Airport, 640 Harry Sutton Road, Melbourne, Florida 32901, United States; Phone (407) 727-0461; Fax (407) 768-2136; Year Founded 1968. This subsidiary of the Florida Institute of Technology is established at Melbourne in **1968**. Over the next 40 years, the company becomes established as a charter operation, which rents aircraft and operates a flight school, while also becoming FAA repair station #5403.

Michael F. Wilson is president in **2000** and he oversees a 42-person workforce. Nonscheduled charters and instruction are undertaken with a fleet that includes 14 American General Tigers, 1 Bellanca Super Dechathalon, 6 Mooney M20Js, 4 Piper PA-34 Senecas, 1 PA-31-350 Navajo Chieftain, and 17 Piper Warrior/Cadets. Revenues reach \$2 million.

FIVE STAR AIR (FIVE STAR AIRCRAFT): United States (1985-1995). Having obtained two Lockheed L-1011 TriStar 1s from **Trans World Airlines (TWA)**, Five Star is established in **1985** as the flight department of the GWV Travel, based at Needham, Massachusetts, as a division of the Interface Group. Seasonal charter and tour group services are undertaken in the fall, primarily between Boston and other northeastern cities and the resort areas of Mexico, the Bahamas, and the Caribbean. Without its own certificate, the inaugural season is operated under contract with IASCO.

A third TriStar 1 is acquired in **1986** as the company, having received its own operator's permit, continues its seasonal tour operations, again returning the chartered TriStar 1s when its charter schedule is finished.

In **1987**, the company runs into financial difficulties and reports statistics for only the first five months. Through May, a total of 94,000 passengers are transported. Revenues are \$14 million and although an operating profit of \$652,000 is earned, there is a net loss of \$302,000.

The three TriStar 1s of the 218-employee carrier transport a total of 106,000 passengers in **1988**, down 3.6%. Revenues rise slightly to \$14.35 million. Again there is an operating profit, \$616,181, but a net loss of \$81,230.

Late in the year, the carrier's Interface Group parent purchases the Sands Hotel in Las Vegas. The airline will now begin dedicated charter flights to the Nevada city.

After operating for the first five months of **1989**, the TriStars are leased back to **Trans World Airlines (TWA)** between May and October in what has become an annual leasing practice. This sporadic operation finally leads to revocation of the carrier's operating certificate in November, a move that is successfully opposed.

Revenues for the year total \$9.9 million and allow profits of \$549,038 (operating) and \$585,576 (net).

The fleet is enlarged during the next 8 years to include 3 TriStar 1s and 1 TriStar 50; however, by **1994** these are usually leased to other carriers, such as **Air Transat, Ltd.** or **American Trans-Air**. Operations cease in **1995**.

FLAGSHIP AIRLINES: United States (1991-1998). AMR Eagle forms this new subsidiary on June 1, **1991** through the merger of **Nashville Eagle** and **Command Airways**. Former Nashville Eagle President John Hayes remains in charge and his fleet includes 88 turbo-props: 2 Shorts 330s, 10 Shorts 360-300s, 19 SAAB 340Bs, 5 Avions de Transport Regional ATR42-300s, 34 British Aerospace BAe Jetstream 31s, and 18 Fairchild Metro IIIs.

Service is inaugurated to 57 destinations from hubs at the company's headquarters in Nashville, as well as Miami, Raleigh/Durham, and New York (JFK). Daily SAAB 340Bs begin daily flights from Nashville to New York and twice-daily roundtrips from Nashville to Pittsburgh. In October, thrice-daily roundtrip SAAB 340B services commence from Atlanta to Nashville, along with thrice-daily flights from Nashville to Dayton and daily nonstops from Nashville to Fort Walton Beach, Florida.

Enplanements total 2,364,839, a figure 46.4% higher than the combined boardings of the two partners a year earlier.

Airline employment in 1992 stands at 3,615 and the fleet is increased to 137 aircraft: 56 SAAB 340Bs, 47 Jetstream 31s, 19 Shorts 360-300s, and 15 ATR42-300s. Collective bargaining begins between the regional and its unions in May, but no accords are reached.

Passenger boardings shoot up 50.7% to 3,564,954.

The payroll grows by 6% in 1993 to 3,831 and the fleet is altered to include 42 Jetstream 31s, 59 SAAB 340Bs, 23 Shorts 360-300s, and 14 ATR42-300s. During the year, the Shorts begin transfer to **Executive Airlines**, to be replaced with additional SAABs.

In March, the third attempt to reach accord since the previous spring is successful, at least in so far as negotiations with the 1,105 mechanics of the carrier's Transport Workers Union chapter are concerned. The new contract is ratified in April. Unknown to company officials at the time, the carrier's services from Nashville peak in August, when 146 daily departures are offered to 41 destinations. After a year of negotiations, an accord is reached with the pilots union in September.

Customer bookings advance by another 16% to 4,138,387.

Leaders of the company's 350-member chapter of the Association of Flight Attendants (AFA) win a new labor contract in April 1994.

During the spring, **American Airlines** withdraws jet service from a number of cities, including several large markets in the Northeast, Midwest, and South. Flagship, the largest Eagle partner, is called upon to replace these frequencies with turboprop flights; among the cities joining the company's network are Philadelphia, Cleveland, Birmingham, Orlando, and Tampa. At the same time, services from Miami to the Bahamas and from Washington to Boston via New York are increased to meet demand.

Reacting to the October 31 **Simmons Airlines** ATR72-210 crash, the FAA on December 9 places a prohibition on the operation of ATR turboprops—much of the American Eagle fleet—into known icing conditions. Fortunately, American Eagle President Robert Martens is meeting at AMR Corporation headquarters in Dallas with the presidents of the four confederated regionals and they are quickly able to come up with a plan to reconfigure the combined Eagle fleet around the country.

Two Flagship SAAB 340Bs are dispatched to Chicago (ORD) to resume services; however, in the light of media attention on commuter airlines, the decision is taken to stop American Eagle flights out of the Windy City on December 14 and resume them in early January. In the interim, Flagship contributes significantly to the transfer of aircraft around the American Eagle network. Flagship virtually stops flying from its parent's Raleigh/Durham hub when it dispatches 23 SAAB 340 to Dallas (DFW) to support the flights of **Wings West Airlines** and **Simmons Airlines**. Ten Jetstream 31s are sent from Raleigh/Durham to Baltimore as 6 Shorts 360-300s are sent to Nashville; 15 SAABs based at Miami are sent to New York (JFK).

In the early evening of December 13, Flight 3379, a Jetstream 31 en route from Greensboro to Raleigh/Durham with 20 aboard, crashes in fog and rain while on approach to Raleigh/Durham (15 dead). The NTSB will later hold pilot Michael P. Hillis largely responsible; Hillis had joined Flagship just four days after failing his one-year probation with **Comair**.

The next day, Transportation Secretary Federico Pena summons chief pilots and operations officials from U.S. airlines to meet with him and FAA Administrator David R. Hinson at Washington, D.C., on January 9–10 for the largest air safety conference in recent memory.

On December 13, Flight 3379, a Jetstream 31 with 10 aboard en route from Nashville to Greenville/Spartanburg, South Carolina, develops engine trouble and makes a safe emergency landing at Knoxville, Tennessee.

Passenger boardings jump 11.2% during these 12 months to 4,603,367. At this point, the Nashville hub has only 18 months left before closure.

The workforce stands at 2,957 in 1995.

The scattered fleet is gradually returned to its previous hubs between January and the start of the April 2 summer schedule.

After its front landing gear fails to deploy, a SAAB 340B makes a safe landing on its back wheels at its scheduled destination of Rochester on April 6; no casualties are reported.

As **American Airlines** continues to shut down hub operations at Nashville and several other cities in the regional's network, opportunities shrink for this American Eagle carrier.

The company's huge 81-unit fleet transports a total of 3,411,837 passengers, a 26.3% decline. What little freight traffic there is also falls, dropping 17.8% to 748,000 FTKs.

The employee population is increased by 21.2% in 1996 to 3,583.

By the year's end, **American Airlines** has shut down its Nashville hub and all 25 Jetstream 32s are retired.

The end in Tennessee and the reduction in capacity contribute to another traffic downturn. Customer bookings fall 11.5% to 3,020,881 and figures for cargo are not provided.

The workforce is reduced by 5.7% in 1997 to 3,377.

On February 7, four 113th Fighter Wing Air National Guard F-16s from Andrews Air Force Base make an unauthorized close approach to a fully loaded company SAAB 340B. The fighters are within 2,000 feet above and below the SAAB as it flies north just off the Maryland coast from Washington, D.C., en route from Raleigh to New York (JFK). The pilot of the commercial turboprop is not required to take evasive action. The incident, along with similar ones involving **Nations Air**, **American Airlines**, and **Northwest Airlines** the same day, brings a series of investigations from the U.S. Air Force, the FAA, and the NTSB.

Under terms of the May agreement between the Allied Pilots Association (APA) and **American Airlines**, American Eagle pilots will be offered one of every two new-hire positions, but places limits on the stage length Eagle regional jet pilots may fly (550 nm.). Meanwhile, negotiations between representatives of ALPA and AMR's American Eagle subsidiary are completed and sent to the 1,900 pilots of Flagship, **Simmons Airlines**, **Executive Airlines**, and **Wings West Airlines** for ratification.

The new ALPA contract is ratified during the third week of August by a vote of 773 to 473. The 16-year compact provides for guaranteed annual pay increases of 7%, improved crew scheduling and reserve conditions, replacement of the four individual company contracts with one master American Eagle document, and a no-strike, no-lockout agreement.

In addition to 10 daily roundtrips between Miami and Nassau, Flagship, on September 3, inaugurates daily SAAB 340B return service to Nassau from Orlando.

Passenger boardings slide 6.6% to 2,822,482.

On January 15, 1998, AMR Eagle officials, led by President Daniel P. Garten, announces that the availability of regional jets, combined with the previous August's single Eagle pilot contract and changes in the economics of the regional airline business, dictate consolidation. Consequently, AMR will integrate all four of its airlines into a single carrier by year's end.

En route from Tampa to Miami on March 10, American Eagle Flight 5634, an ATR42-320 with 3 crew and 44 passengers, experiences an in-flight electrical malfunction. The pilot declares an emergency and diverts to Fort Myers, where a safe emergency landing is made. No injuries are reported.

During the second quarter, the new carrier's field services organization begins to take shape. A number of appointments are made at the end of April, effective July 1. David D. C. K. Kennedy becomes senior vice president-operations, while Flagship vice president-flight operations Ed Criner is named AEA's vice president-flight operations.

In May, the company's four semiautonomous carriers (**Simmons Airlines**, Flagship, **Executive Airlines**, and **Wings West Airlines**) begin a seven-month period of amalgamation into the single mammoth **American Eagle Airlines**, now viewed by AMR as a sister of **American Airlines**. Simmons is the core, with Flagship joining the merger during May and **Wings West** in June. During the latter month, the decision is taken to postpone integration of **Executive Airlines**. The presidents of **Simmons**, Flagship, and **Wings West** are provided with appointments elsewhere within AMR and are replaced with vice presidents at each of the new airline's hubs.

At the same time, agreement is reached with the Transport Workers Union of America for a new single-carrier contract. The agreement covers flight dispatchers, mechanics, and ramp-service personnel.

FLAGSHIP EXPRESS (FLAGSHIP EXPRESS SERVICES): United States (1990–1991). The air transport division of Ypsilanti, Michigan-based **Rosenblum Aviation** is renamed **Flagship Express** in late 1990. Operations from the municipal airports at Detroit and Medford, Oregon, continue as before. The company's principal business remains air cargo and express service under contract to other carriers, including **Emery Worldwide** and **Burlington Air Express**.

In 1991, the fleet is made up of 19 DC-8-63Fs, including 15 leased from Emery and 4 from Burlington, plus 7 DC-8-73s leased from Emery. In an effort to gain some independence from the forwarders who have provided most of the carrier's previous business, the airline moves from Detroit to Chicago. The move in time of recession is a failure and freight traffic falls by 31.2% to 605.85 million FTKs. Operations cease and the company files for Chapter XI bankruptcy on December 13. Assets are liquidated in early 1992 as the Douglas freighters are returned.

FLAIR AIR. See **SOUTHEAST ALASKA AIRLINES**

FLAIT AIR COMPANY: 53 Zhelyabov Street, Astrakhan, 414000, Russia; Phone 7 (8512) 225544; Year Founded 1995. Flait Air is established in 1995 to offer regional cargo charter service. Vladimir L. Rezhels is director general and he begins flights with 1 each Antonov An-12B, Tupolev Tu-134A-3, and Mil Mi-8T.

FLAMENCO AIRWAYS: P.O. Box 224, Culebra, Puerto Rico 00775, United States; Phone (809) 722-0237; Fax (809) 722-0237; <http://www.lunken.com/FlamingoAir/index.html>; Code FK; Year Founded 1974. Ruben Torrez founds Flamenco Airways at Culebra, Puerto Rico, in September 1974, but does not immediately initiate regular service. A number of charters are, however, operated employing Piper PA-32 Cherokee Sixes. After acquiring four Britten-Norman BN-2 Islanders, Flamenco begins scheduled passenger, mail, and cargo flights on September 28, 1976, to San Juan, Vieques, and Fajardo, as well as St. Croix and St. Thomas in the U.S. Virgin Islands.

Airline employment reaches 22 by 1980 and in 1981, enplanements total 19,110. Customer bookings accelerate to 22,062 in 1982 and the 4 Islanders also haul 276,000 pounds of cargo.

The workforce is reduced 9.1% in 1983 to 20, even though the fleet remains the same size. Enplanements swell 54.6% to 33,400 and freight rises to 358,000 pounds, a 29.8% boost. Revenues advance 17.2% to \$708,000 and a \$45,000 operating profit is generated.

The laid off employees return to work in 1984 and the four Islanders fly considerably more passenger traffic. Bookings advance 30.5% to 28,700. Revenues, however, dip 4.2% to \$704,000. Fortunately, costs drop 6.1% and thus allow a \$19,000 operating profit.

Three new workers and a fifth Islander arrive in 1985. While taxiing at San Juan on July 18, a PA-32 with a pilot and a passenger collides with a ground vehicle that has failed to yield at a stop sign and continued on into the path of aircraft; the driver of the ground vehicle is killed. Passenger boardings plunge 15.5% to 24,510. Cargo, however, is up by 5% to 417,000 pounds. Revenues accelerate by 47.9% to \$1.1 million and low costs allow a \$26,000 operating profit.

The previous year's traffic slowdown is forgotten in 1986 as enplanements swell 7.8% to 26,426 and cargo jumps 24.8% to 760,000 pounds. Revenues ascend 49.3% to \$1.32 million, expenses climb 46.9% to \$1.26 million, and the operating profit is \$60,000.

The workforce is reduced by 20% in 1987 to 20, despite a 2.6% increase in boardings to 27,103.

Flamenco's 1988 fleet includes 4 Islanders, 1 Trislander, and 1 Cherokee. Customer bookings fall a slight 0.8% to 26,885. Profits total \$362,505 (operating) and \$220,417 (net). Airline employment is increased by 7.1% in 1989 to 45 and the fleet is increased by the addition of 2 Islanders and 2 Douglas DC-3s.

Despite the growth in capacity, enplanements fall 25.9% to 20,228 and freight is down 1.6% to 792,000 pounds. Revenues advance 7.7% to

\$2.7 million, expenses rise 7.3% to \$2.31 million, and the operating profit is \$400,024. Net gain reaches \$244,015.

The fleet is increased in 1990 by the addition of one more Islander and another DC-3. Routes are now somewhat realigned.

Passenger boardings increase by 36.6% to 27,704. Freight advances 15.4% to 626,000 pounds. Revenue climbs 25% to \$2.5 million, but costs grow only 6.7% to \$1.6 million. As a result, operating profit is almost doubled, to \$900,000, while net profit reaches \$213,000.

The fleet in 1991 includes 11 Islanders, 2 DC-3s, and 1 Trislander.

Customer bookings climb 45.2% to 39,506 and cargo slips 0.2% to 624,524 pounds.

Company employment stands at 65 in 1992 and 2 more aircraft arrive: a DC-3 and a Piper Cherokee.

Passenger boardings shoot up 42.3% to 56,200 and freight rises 52.2% to 950,366 pounds.

In 1993, President Noemi Gonzalez's fleet includes 11 Islanders, 1 Trislander, 3 DC-3s, and 1 Cherokee. Customer bookings decline 5.8% to 52,924 and cargo drops 2% to 931,108 pounds.

Airline employment stands at 65 in 1994 and passenger boardings recover, surging upward by 31.3% to 60,478.

There is no change in the workforce during 1995, but a Cessna 402C is acquired. Still, traffic at the Puerto Rico-based carrier drops sharply, falling 28% to 50,078 passengers carried. Freight is also down, by 14%, to just 1,063 pounds carried.

The 65-person workforce remains in place during 1996 and the fleet now includes 8 Islanders, 1 Trislander, 3 DC-3s, and 1 Cessna 402C. Passenger bookings plunge another 11% to 44,545.

On August 7, a **Trans Caribbean Airlines** Islander with one crew and three passengers collides in midair over the landing threshold of Runway 8 at Diego Jimenez Airport at Fajardo, Puerto Rico, with a Flamenco Islander with a pilot and nine passengers. The Trans-Caribbean is destroyed and one passenger receives slight injuries. The Flamenco plane is badly damaged and five passengers are hurt, one seriously.

Just after takeoff from Isla Grande on October 31, a DC-3C with three crew suffers an engine fire. The aircraft attempts to divert to San Juan, but crashes into a riverbed before it can reach that destination. There are no fatalities.

Late in the year, the company is unable to successfully complete a maintenance and safety inspection by FAA regulators.

For the year as a whole, customer boardings advance by 4.9% to 46,727.

Pending the outcome of an eventually successful appeal, the carrier is grounded in February 1998. Enplanements this year total just 24,000.

The company website is closed in 1999. Flights are otherwise maintained during the year and into the new millennium.

FLAMINGO AIR SERVICE: United States (1945–1948). FAS is established at Aron Park, Florida, late in 1945 to offer nonscheduled all-freight services with a war surplus fleet of Douglas C-47s and Curtiss C-46s. Revenue services are undertaken to destinations in the Northeast and Great Lakes regions.

On July 10, 1946, the carrier flies a UN Relief and Recovery Administration shipment from Chicago to New York (LGA) free of charge in an effort to spur aid to European refugees.

The first scheduled all-freight service is inaugurated from Boston to Chicago on September 20, 1947 via Hartford, New York, and Cleveland.

The company goes out of business during the recession of 1948.

FLAMINGO AIRWAYS, LTD.: Bahamas (1971–1973). Flamingo Airways, Ltd. is formed in the Bahamas in March 1971 to operate regional and international cargo and passenger services with a fleet comprising 1 Convair 580, 1 Martin 4-0-4, 1 Lockheed L-188AF Electra, and 1 BAC 1-11-400.

On June 18, 1973, the company is merged with **Out Island Airways, Ltd.** to form the national carrier of the newly independent Bahamas, **Bahamasair, Ltd.**

FLANDERS AIRLINES, S.A.: Belgium (1989–1992). Flanders Airlines, S.A. is established at Wevelgem in 1989 to offer domestic commuter services as well as international charter flights to Brussels, Antwerp, and Amsterdam. Managing Director Yves Carpentier's initial fleet comprises 1 Cessna 401, 1 Embraer EMB-110 Bandeirante, 2 Fairchild Merlin IVs, 3 Fokker F.27-100s, and 1 Fokker F.27-600 that operates a dedicated service for **Federal Express**.

In the spring of 1990 the company is purchased by **British Air Ferries, Ltd.** Operated as a subsidiary, the fleet remains unchanged and performs as before until February 1992, when the company is declared bankrupt.

FLANDRE AIR, S.A.: France (1985–2001). Organized at Aeroport Lille-Lesquin in the summer of 1985, Flandre Air is initially equipped with a fleet comprising 1 Beech King Air 90, 1 King Air 100, and 1 Piper PA-31-350 Navajo Chieftain. President Luc Delesalle's carrier quickly inaugurates services to Metz and Rouen in September.

After four years' of low-key success, the company accepts a subcontract in 1989 to fly to Frankfurt on behalf of **TAT (Transport Aerien Transregional, S.A.)**. The service is provided with a new Beech Super King Air 200.

Enplanements total 12,350 and revenues are \$3.8 million.

In 1990–1991, the King Air 90 is replaced by another Super King Air 200.

Two more Super King Air 200s, three additional King Air 100s, and three Beech 1900Cs join the fleet in 1992; the PA-31-350 is retired. Enplanements total 28,500.

Three more 1900Cs are delivered in 1993. Passenger boardings swell by 5% to 30,000 and revenues are up 26% to \$14 million. The net profit is \$605,500.

The fleet in 1994 includes 1 owned Beech King Air 100, 2 chartered Beech Super King Air 200s, 6 Beech 1900Cs (of which 2 are leased), and 4 chartered Embraer EMB-120 Brasilias.

Late in the year, plans are made to initiate new routes in the spring. By summer, the company is performing a steady business in replacement services for both **TAT European Airline, S.A.** and **Air Littoral, S.A.** Destinations visited from Paris include Epinal, Bergerac, Agen, Aurillac, and Roanne.

Meanwhile, overall customer bookings increase to 140,000.

A \$32-million order is placed in the summer of 1995 for two Beech 1900Ds, plus four options. The aircraft are delivered in February 1996. Three more EMB-120s also enter service. Destinations visited now include Agen, Aurillac, Bergerac, Brest, Caen, Clermont, Epinal, Metz, Nancy, Montpellier, Mulhouse, Paris (ORY), Rouen, and Strasbourg.

During the annual meeting of the European Regional Airline Association at Baveno, Italy during the first week of October 1997, Flandre agrees to become European launch customer for the Embraer ERJ-135 jetliner, with an order for 8, plus 12 options.

On October 21, President Delesalle joins with Chairman Marc Rochet of the enlarged **Air Liberte, S.A.** to sign a new partnership agreement. Flandre is the last of the seven largest French regionals to enter into a code-sharing pact. Three dual-designator routes will be immediately assigned to Delesalle's company.

An eighth Brasilia is received in November.

Enplanements for the year total 150,000 and operating income of FFR 869 million is generated.

The fleet at the beginning of 1998 includes 11 Beech 1900Cs and 7 EMB-120s. Orders remain outstanding for 10 ERJ-135s.

While en route on a scheduled November 5 service, a Beech 1900C is diverted into Luxeuil due to smoke and small flames emanating from the windshield assembly.

At the end of December, a franchise agreement is signed with **Air Liberte, S.A.**; under the accord, the **British Airways (2)** affiliate will assume control over the 18-aircraft fleet and the routes of this code-sharing partner. Plans are made for the receipt of the 10 ERJ-135s in the new year.

The Air Liberte franchise agreement takes effect in January 1999. On April 25, **Regional Airlines, S.A.** agrees to purchase a 34% stake in the commuter line. Both companies have complementary route networks and nearly identical fleets.

In October 2000, the company is acquired by **Proteus Air System, S.A.** At the end of November, it is announced that **Air France** will merge Flandre, Proteus, and Regional Airlines by April 2001 into a unified large regional airline. **Region, S.A.** will operate 80 aircraft to approximately 400 domestic and European destinations and may earn as much as \$325 million in annual revenues.

FLASH AIRLINES, LTD.: 55 2nd East Secular Road, Benin City, Nigeria; Phone 234 (52) 244 028; Year Founded 1989. Flash Airlines, Ltd. is formed at Benin City in 1989 to fly all-cargo charters between its base and various destinations in Africa and Europe. Founder/President P. E. Osakwe's fleet initially comprises 1 Douglas DC-8-52 and 2 DC-8-55Fs leased from Intavia Group, Ltd. in the U.K. With business uncertain, the company operates ad hoc European charters from a base at Ostend; the DC-8-52 is withdrawn in 1991.

One DC-8-55F is taken out of service in early 1992, but recessionary forces are too ferocious and the company suspends operations, having run out of money. The operational DC-8-55F is jointly operated with **MK Air Cargo, Ltd.** after October and Flash provides some flight crews to the British carrier.

During the spring of 1994, the DC-8-55F in storage is chartered to **Overnight Cargo, Ltd.** It is returned the following summer when that concern folds.

Operations are again suspended in October 1995. The company does not go out of business, but revives as world airline fortunes improve at mid-decade.

By 1998–2000, President Osakwe and his 50 employees reportedly are offering enhanced international services with 5 DC-8Fs.

FLEET AIR SERVICES, LTD. See IPEC AVIATION, LTD.

FLEET AIRLINES: United States (1967–1969). Fleet Airlines is set up at Hopkins, Minnesota, in the summer of 1967 to provide scheduled daily passenger and cargo services from the Minneapolis area to Duluth and Fargo. Regular de Havilland DH 104 Dove flights commence on August 26.

Early in 1968, corporate headquarters are transferred to Eden Prairie, Minnesota. From here, the route network is expanded by the addition of stops at Alexandria, Fergus Falls, Detroit Lakes, Baudette, and Roseau. Operations continue apace until the company goes out of business in December 1969.

FLEETWAY AIRLINES: United States (1967–1969). Fleetway is set up at Tyler, Texas, during the early summer of 1967 to provide scheduled passenger and cargo services to regional destinations. Outfitted with a fleet of Beech 99s and Cessna 402s, the company inaugurates daily roundtrips on July 24, linking its base with Austin, Longview, Houston, Dallas, Shreveport, Texarkana, and Nacogdoches. Service can only be maintained for two years.

FLEMING AIRWAYS SYSTEMS TRANSPORT (FAST): Philippines (1957–1965). Former Commercial Air Lines, Inc. (CALI) pilot James Fleming establishes FAST at Manila in October 1957 to provide low-fare Douglas DC-3 passenger charters around the Philippines. Revenue flights commence on March 5, 1958, but the company's only aircraft, a chartered DC-3 with 3 crew and 37 passengers, fails its initial climb from Bacolod on March 22; although the aircraft is wrecked beyond repair in the subsequent forced landing, there are no fatalities. A second Douglas transport is acquired and undertakes services to Cebu.

Single-plane operations continue until March 5, 1961, when a four-engine DC-4 is acquired from **KLM (Royal Dutch Airlines, N.V.)** and is placed into service on the Bacolod route. After two years of

half-hearted competition, the state carrier **Philippine Air Lines (PAL)** counters the Fleming DC-4 with DC-4 local services of its own.

By the middle of **1964**, the nonscheduled carrier has once again bettered its equipment, acquiring a DC-7 from KLM. This is the high-water point for this company, which now flies 2 DC-3s, 1 DC-4, and 1 DC-7.

A DC-3 is destroyed in a hangar fire at Panay City on May 20. The two four-engine airliners must be grounded during the fourth quarter for lack of spare parts.

A C-47 with 4 crew and 13 passengers crashes near Milluni, Northern Panay, on December 8; there are no survivors.

The company's last operational aircraft, a DC-3 and a Nourdyn C-64 Norseman, continue flying until May 16, **1965**, when the Douglas crashes in northern Panay. Bankrupt, Fleming flees the country; what is left of his company is liquidated on July 6.

FLEMING INTERNATIONAL AIRWAYS: United States (1973–1983). Fleming International is established at Miami in **1973** to provide scheduled all-cargo freight and express services, both on its own and as a subcontractor, to New York, Chicago, Pittsburgh, Boston, Dallas, Atlanta, and Baltimore. Services are maintained through the remainder of the decade with a fleet that comes to comprise 4 Boeing 727-100s, 8 Lockheed L-188AFs, and 1 DC-8-20F. Subcontract work is also undertaken for such freight forwarders as **UPS (United Parcel Service)** and larger cargo airlines like **Emery Air Freight**. Charters are also flown and aircraft are leased upon occasion.

Problems with the No. 2 engine cause an L-188AF with three crew to abort its takeoff from St. Louis on July 6, **1977**. After returning to the ramp where maintenance on the power plant is completed, a second takeoff is attempted. The plane rises 8,000 m. before veering left and crashing; there are no survivors.

In **1979** the firm employs 130. On February 3, a door falls off an L-188A, narrowly missing a home in Jacksonville, Florida.

A total of 68.03 million FTKs are flown during the year.

Operations continue apace in **1980–1982**, during which years the Electra fleet reaches 10. The carrier shuts down in early **1983**. It will be reincarnated as **Cam Air International**.

FLEXAIR, B.V.: The Netherlands (1989–1994). Set up by Flexifloat at Rotterdam in early **1989**, Flexair's board appoints C. Carlo Englebert as president. He in turn assembles the company's fleet—a single Dornier 228-202K. Coming as the result of a company contract with London (LCY) for the development of a floating harbor for the Falkland Islands, weekly scheduled services to London (LCY) begin on September 25.

In February **1990**, frequencies from Rotterdam to London (LCY) are advanced to thrice-weekday, with one flight on weekends. Financial difficulties now occur and cause the carrier to stop flying in September.

The remainder of the year is spent in the pursuit of new financing; in mid-December, company services are tested on the Galileo computerized reservations system.

New funding is fortunately located from sources in the U.K. and Netherlands in the spring of **1991**. Services resume and an option is taken up on a second Dornier 228-202K.

The year's enplanements for the 16-employee company total 17,502.

In **1992**, the number of frequencies increase to four per weekday (and once on Sunday's) on the lone route from Rotterdam to London (LCY).

Passenger bookings in this recession year dip 1.3% to 17,277.

A second route is inaugurated, between Amsterdam and London (LCY), on July 19, **1993**, with a second Dornier 228-202K leased from Aerocondor Transportes Aereos, S.A. of Portugal.

The new service cannot be sustained; the company is shut down in February **1994**.

FLIGHT DETACHMENT 223 (223 LETNY OTRYAD): Shchelkovo 10, Moscow Region, 141100, Russia; Phone 7 (095) 224-5007; Fax 7 (095) 526-7025; Year Founded 1995. FD 223 is a large Russian

Air Force transport division that becomes available in **1995** for civilian domestic passenger and cargo charters. A. V. Pavlov is CEO and he begins revenue services with a fleet that comprises 6 each Ilyushin Il-62Ms and Il-18s, 14 Tupolev Tu-134s, 11 Tu-154B/Ms, 5 Antonov An-24s, 4 An-26s, 2 An-12s, and 1 Mil Mi-8 helicopter.

FLIGHT DETACHMENT 224: Matrosskaya Tishina 10, Moscow, 103160, Russia; Phone 7 (095) 269-9383; Fax 7 (095) 269-3162; Year Founded 1996. FD 224 is a large Russian Air Force transport division that becomes available in **1996** to provide civilian domestic all-freight, including out-sized cargo charters. V. V. Yefanov is general director and he begins revenue flights with 11 Ilyushin Il-76MDs and 12 Antonov An-124-100 Ruslans.

FLIGHT DEVELOPMENT, INC.: United States (1972). During the emergency caused by a strike at **Northwest Airlines** in the summer of **1972**, Flight Development steps in, beginning on July 24, to maintain daily scheduled passenger and cargo roundtrips between its Minneapolis base and Fargo, North Dakota. Operations cease on October 31.

FLIGHT EXPRESS: 3614 East Amelia Street, Orlando, Florida 32803, United States; Phone (407) 895-0453; Fax (407) 894-2944; http://www.flightexpress.com; Year Founded 1993. Flight Express is established at Orlando in early **1993** as a FAA Part 135 all-cargo carrier. John Kirchhoefer is president, with Brian Smith as director of operations and Doug Flescher as chief pilot. Revenue operations commence with a fleet that includes 17 Cessna 210s, 5 Beech Barons, 7 Piper Cherokee Sixes, and 1 Cessna 182.

By **2000**, Mr. Flescher is director of operations and the fleet has been increased by the addition of 16 C-210s, 7 Barons, 2 Cessna 172s, and 2 Mooney M20s. One Cherokee Six and the C-182 have been withdrawn.

FLIGHT INTERNATIONAL AIRLINES: United States (1984–1985). In May **1984**, Aerostar is purchased by Atlanta-based Flight International Group (FIG), which plans to establish its own charter business. For several months, while the latter awaits government approval for a merger, Aerostar's Boeing 727-100 is able to continue to offer charters and the fleet is increased by two B-727-121s chartered from the leasing division of **Pan American World Airways (1)**.

Late in the year, with DOT approval, Aerostar is renamed Flight International Airlines and Daniel Bradford is appointed president of the new 79-employee entity. Under both names, the company transports a total of 704,994 customers.

Early in **1985**, FIA applies for scheduled authority and receives a fourth B-727-121 courtesy of Pan Am. Four-times-per-week service is inaugurated between Baltimore (BWI) and holiday destinations in the Bahamas and Caribbean and daily from Seattle and Portland to Reno and Las Vegas.

In May, permission is received for the launch of operations to Mexico and the Bahamas from Boston. Overexpanded, FIG is forced to shut down its charter division in October after transporting 272,000 passengers. The company, after returning its Boeings, does, however, continue to operate its aircraft sales and leasing activity and to train pilots.

FLIGHT LINE: United States (1983–1985). Jackson, Mississippi-based **Miller Airtransporters** is renamed Flight Line in **1983**. President William Hegman IV's company employs 1 Handley Page HP-37 Jetstream, 1 Piper T-1040, 1 Beech Super King Air 200, 1 Piper PA-31-350 Navajo Chieftain, 1 Cessna 402, and 4 Beech B-58 Barons. The company's base is linked with Columbus, Greenwood, Laurel, Hattisburg, Oxford, Tupelo, Memphis, Atlanta, New Orleans, Birmingham, and Destin.

The workforce in **1984** totals 25 and the fleet includes 2 Cessna 402s, 1 Jetstream, 1 King Air, and 1 T-1040. In June, Essential Air Service (EAS) scheduled service is launched between Columbus and Starkville, between Oxford, Jackson, and Tupelo, and between Greenwood and Memphis.

Over the next 6 months, 1,678 passengers and 4,500 pounds of freight are flown.

On February 13, **1985**, as the result of an on-site inspection, the third-level operation is accused by the FAA of violating FAR Part 135 regulations. Flight Line voluntarily closes down for nine days to clear its record and safeguard its subsidy.

President Hegman resigns and is succeeded by Dennis Miller, executive vice president.

Renamed **Southern Airways**, the carrier resumes flying on February 22. EAS officials now pay close attention to the company's traffic levels. In March, the regulators charge the carrier with over 1,000 FAR violations and rather than wage a costly battle to regain certification, the company shuts down permanently.

FLIGHT MANAGEMENT: 7600 E. Apache, Hangar 22, Tulsa International Airport, Tulsa, Oklahoma 74115, United States; Phone (918) 834-3240; Fax (918) 834-3250; Year Founded 1989. Flight Management is founded at Tulsa in **1989** to provide executive and small group passenger charters throughout the Western Hemisphere. By **2000**, the company employs six pilots and operates a mixed jet, turboprop, and piston-engine fleet that includes one each Cessna 501 Citation I, Learjet 25, Beech Super King Air 200, King Air 90, Beech 58 Baron, and a Mitsubishi Mu-2.

FLIGHT REFUELING, LTD.: Brook Road, Wimborne, Dorset, England, BH21 2BJ, United Kingdom; Phone 1202 882121; Year Founded 1932. Sir Alan Cobham, famous for his long-range flights and proving surveys made on behalf of **Imperial Airways, Ltd.**, forms this concern at Ford Aerodrome in England in **1932**, primarily as a way to keep his Flying Circus team together during the winter seasons.

Cobham has been convinced that long-range commercial service was technically and fiscally possible with current aircraft if only a safe manner could be found to refuel them en route to their destinations. Much of his thinking is inspired by the success of the U.S. Army Air Corps Fokker C-2A *Question Mark*, the military version of the commercial F-VIIA/3m. Flown from Burbank on January 7, 1929, by Maj. Carl Spaatz, Capt. Ira C. Eaker, and Lt. Elwood R. Quesada, the trimotor, refueled in-flight, had set an unofficial endurance record by remaining aloft for just over six days while flying over its circular California course.

Determined to try out the refueling concept in a nonstop flight from England to India, Sir Alan acquires the use of several Handley Page W10 tankers and an Airspeed AS.5 single-engine Courier monoplane. Departing Portsmouth Airport early on September 22, **1934**, the flyer, with RAF Squadron Leader Helmore as passenger, refuels in flight over Selsey Bill in southern England. The little aircraft proceeds to a second rendezvous off Malta. Although the two aircraft are able to approach, a broken throttle connection on the Airspeed prevents the vital synchronization of speed required for the one plane to pump gas into the other. Out of fuel and with his engine sputtering, Sir Alan is able to make a forced landing at Halfar, barely avoiding disaster.

Despite his near-loss at Malta, Cobham remains convinced of the possibilities for in-flight refueling and campaigns with Air Ministry and **Imperial Airways, Ltd.** officials to be given a chance to try his concepts on a larger scale.

During the summer of **1937**, Cobham is able to acquire the Armstrong Whitworth AW.23 bomber-transport prototype on loan from the Air Ministry for preparatory trials aimed at proving his theories.

On January 23, **1938**, the AW.23 refuels the Short S23 Empire flying boat *Cambria* in the first British flying boat in-flight refueling test. The demonstration, made offshore from Southampton, illustrates the possibility of extending the transatlantic range of British aircraft. Cobham now acquires three former RAF Handley Page Harrow transports for conversion into tankers. Their purchase is made possible by a contract with **Imperial Airways, Ltd.**, which plans to employ four stripped-down Short S23s to make a series of transatlantic proving flights the next year.

In the spring of **1939**, a Harrow tanker plane is prepositioned at Shannon, Ireland, while two others are sent out to Hatties Camp, the new base built by the Canadians in Newfoundland (and later known as Gander). The S23s *Cabot*, *Caribou*, *Connemara*, and *Clyde* commence the return proving flights in June. At appointed rendezvous points, the Harrows come over the flying boats, dropping down long hoses that are guided in to dispense 800 gallons of fuel in just 12 minutes of formation flying. A total of 15 trips are completed before the outbreak of war in September brings them to a halt.

Not all of the in-flight activities have been without incident. One flight cannot be serviced in flight because poor weather keeps the tanker from finding its flying recipient. On five occasions, fuel in some quantity has leaked from the refueling hoses into the hulls of their intended targets, requiring crewmen soak up the bilge and keep it in containers. Capt. Kelly Rogers, who has overseen the long-range flights for **Imperial Airways, Ltd.**, details in his November summary report his concern for the obvious safety risks involved in in-flight refueling. Although he hopes transatlantic flights will shortly resume, he emphatically states: "Flight refueling in connection with a passenger service would be out of the question."

With the end of the **Imperial Airways, Ltd.** tests and the outbreak of war, Flight Refueling, Ltd.'s contract ends and the company is required to transfer from Ford Aerodrome to the Morgan Motor Works in Malvern during **1940**. The company's activities are very low-key during World War II. The major experiment involves an unimplemented idea for the airborne towing of Spitfire and Hurricane fighters.

In **1946**, the company is able to return to Ford Aerodrome and acquire a new fleet. Two converted Avro Lancasters give a demonstration of aerial refueling during the year's SBAC Flying Display at Radlett.

On May 28, **1947**, Chairman Cobham, accepts a contract from the British Ministry of Civil Aviation to undertake a series of refueling experiments for commercial airliners on long-distance flights. In the first of 22 missions, Cobham and Air Vice Marshal D. C. T. Bennett fly an Avro Lancastrian, borrowed from **British Overseas Airways Corporation (BOAC)**, nonstop from London to Bermuda. A Lancaster tanker from the Azores refuels the aircraft in flight over Bermuda with 1,700 gallons of avgas. Although the tests are largely successful, in-flight refueling is not seen as a practical answer to transatlantic commercial service.

Tests are conducted over the North Atlantic in **1948**, the same year in which the company moves to Tarrant Rushton. When the Berlin Airlift begins in the spring, Flight Refueling has 13 converted Lancaster tankers, which are all contracted to fly fuel to the former German capital. As frequencies are increased, the number of personnel employed on the ground to maintain the tanker fleet grows to 652.

An Avro 691 Lancastrian 3 tanker with four crew and four passengers is lost while on initial approach to Conholt Park, U.K., on November 22; there are no survivors.

Flight Refueling's tanker fleet finishes its commitment to the Berlin Airlift in the spring of **1949**.

In March, a USAF Boeing B-50A, the *Lucky Lady II*, makes a record 94-hr. nonstop around the world flight employing the "looped-hose" in-flight refueling equipment developed by the company during its civil tests three years earlier.

An Avro 691 Lancastrian XPP with four crew is lost near Schiveria, Germany, on May 10; there are no survivors.

The company continues its in-flight refueling experiments in the early **1950s**, concentrating on increasing the endurance of jet fighter planes. The last piston-engine tankers employed are former RAF Avro Lincolns.

In these years and in the two decades that follow, the company largely abandons experimental aviation in favor of the manufacture of air-to-air refueling systems, remotely piloted vehicles and drones, fuel system components, towed targets, external fuel tanks, and other components. In addition, various aircraft are repaired and overhauled, including many for the Belgian Air Force. The RAF No. 210 Advanced Flying School is the only jet training unit serviced by a civilian company.

Chairman Cobham sees national vindication of his work in 1958 when the RAF establishes its first dedicated tanker unit, No. 214 Squadron.

Michael Cobham, son of the founder, becomes deputy managing director/CEO in 1961. During the early 1960s, a new factory is constructed at Wimborne. This activity consumes the founder's attention until his retirement in 1969. Michael Cobham becomes both managing director and chairman.

Sir Alan dies at his home, "The Willows," on October 21, 1973.

In 1980, the company's flying activities are transferred to Bournemouth International Airport. All of the company's diverse operations are placed under the control for FR Group plc, in 1982.

In 1985, an airfield and flight operations division is created; **FR Aviation, Ltd.** is established at Bournemouth International Airport to operate contracts on behalf of the military, as well as environmental and fisheries surveillance with a fleet of Dassault Falcon 20s.

The founder's reminiscences are published in the U.S. in 1986, *A Time to Fly: The Memoirs of Sir Alan Cobham* (Concord, Mass.: Paul & Company Publishers Consortium).

Later, in November 1994, FR Group, after having taken over a number of French and U.S. concerns, including its principal American rival Sargent Fletcher, is renamed Cobham plc.

Knighted upon his retirement as group chairman, Michael Cobham remains president in 1995. With the integration of the Fletcher operation, Cobham enjoys a near-monopoly on air-to-air refueling technology.

Sir Michael Knight becomes the new chairman, with Gordon F. Page as managing director.

In 1996, the group commissions Colin Cruddas to prepare the memorial volume *Cobham: The Flying Years*, which is published by Chalford in 1997.

A part of the Cobham Group, Flight Refueling in 1998 employs 850 people, exclusive of **FR Aviation, Ltd.**, with Cobham Group Managing Director Page as chairman and R. H. L. Clark as managing director.

Annual revenues average £50 million. Service is continued in 1999–2000.

FLIGHT SERVICES GROUP: Sikorsky Memorial Airport, 1000 Great Meadow Road, Stratford, Connecticut 06497, United States; Phone (203) 380-4009; Fax (203) 380-4063; Year Founded 1982. William Juvonen establishes FSG at Stratford, Connecticut, in 1982 to offer charter passenger and cargo services and contract flights. Chairman Juvonen and President David C. Hurley recruit a workforce of 50 and begin service with a fleet that grows over the next decade to include 1 Piper PA-31T Cheyenne, 1 Beech King Air 90, 1 King Air 100, 3 Cessna Citation IIs, 1 Gates Learjet 35A, 1 Learjet 36, 1 Westwind I, 1 Learjet 55, 1 Citation III, 1 Dassault Falcon 20, 1 Falcon 50, 2 Canadair Challenge 601/3As, and 4 Boeing 737-100s.

Operations continue and by 2000, the workforce includes 55 full-time and 10 part-time staff.

FLIGHT TRAVEL SERVICE, GmbH: Germany (1980–1990), Düsseldorf-based executive charter operator City Flug establishes this scheduled carrier in January 1980 to take over a former **DLT (Deutsche Luftverkehrsgesellschaft mbH.)** route from Frankfurt to Paderborn and Lippstadt. The initial fleet comprises a single Fairchild-Swearingen Metro II. Within five years, Managing Director Lothar Nilsch's fleet has been increased to two Metro IIs, a Merlin, a Cessna Titan, and a Cessna Conquest.

Munich is added as a new destination in 1986.

Jürgen Appenowitz is appointed general manager in 1988. The fleet is altered to comprise an Avions de Transport Regional ATR42-200, a Nord 262, and a single Metro II.

Frankfurt is added to the route network in early 1989.

Unable to cover expansion expenses during a time of airline recession, the company ceases trading in 1990.

FLIGHT WEST AIRLINES (PTY.), LTD.: P.O. Box 1126, Eagle Farm, Brisbane, Queensland, 4009, Australia; Phone 61 (7) 3212-1212; Fax 61 (7) 3212-1299; <http://www.fltwest.com.au>; Code YC; Year Founded 1987. After making a successful bid for western Queensland routes eliminated by **Australian Airlines (Pty.), Ltd.** upon its takeover of **Air Queensland (Pty.), Ltd.**, Sir Dennis Buchanan and his family, which also owns **Air Melanesie, Ltd.** and **Talair (Tourist Airlines of Niugini, Ltd.)**, establish Flight West at Brisbane in May 1987. There are only 13 days between the company's establishment and route award and service start-up.

Equipped with three leased Beech Super King Air 200s named for Queensland pioneers—two of which are leased from **Skywest Airlines (Pty.), Ltd.**—the company undertakes scheduled and nonscheduled frequencies, beginning on June 1. The 17-point route network runs from the Gold Coast and Surfers' Paradise in the south to Cape York, far to the north in Queensland. In September, the company takes over the Gulf of Carpentaria area routes abandoned by **Air Queensland (Pty.), Ltd.** Another Super King Air and a Beech 58 Baron are acquired to assume these services.

Early in 1988 a hub is established at Cairns and a fifth and sixth Super King Air are delivered. Among the destinations now served are Whitsunday, Lizard, Grat Keppel, Magnetic, Bundaberg, Rockhampton, Gladstone, Townsville, and Mackay. A contract is signed to provide lift for the Queensland Flying Surgeon and Flying Gynecologist services. The latter employs three newly acquired Beech 58 Barons, with two stationed at Longreach and the third at Roma.

General Manager Scott McMillan adds three Embraer EMB-110P1s in 1989. The company enters into a code-sharing agreement with **Ansett Airlines of Australia (Pty.), Ltd.** to provide feed off of its Cairns–Brisbane route.

In October, **Air Melanesie, Ltd.** is closed down and its two de Havilland Canada DHC-6-300 Twin Otters are transferred to Flight West's Gulf and Cape operations. Also during the fourth quarter, contracts for "fly-in, fly-out" charters are received from mining concerns for flights between Cairns and Chillagoe and from Townsville to Mount Selwyn.

Flight West undergoes a major reorganization in 1990. Sir Dennis assumes the managing directorship, with Graham Vonhoff as general manager and Scott McMillan as finance director. New offices are opened at Cairns, Mount Isa, and Townsville, while in January, a new hangar and administration facility are opened at Brisbane.

The fleet is upgraded by the addition of two King Air 200s, three Beech B-55s and two more Bandeirantes. In May, an EMB-120 Brasília, the first of its type to enter service in Australia, is delivered. A DHC-8-100 is acquired from **Talair (Tourist Airlines of Niugini, Ltd.)** in August.

When Norfolk Airlines Group goes under, Flight West is allowed to pick up several Queensland routes, including those to the Torres Strait Islands. A second Brasília arrives in November, along with a Bandeirante, the latter from **Talair (Tourist Airlines of Niugini, Ltd.)**. A new daily, one-way DHC-8-100 service is introduced in December from Brisbane to Cairns via Gladstone, Rockhampton, Mackay, and Townsville.

Paula Cox replaces Graham Vonhoff as general manager in 1991 and orders are placed for another DHC-8-100, two Brasília's, and a British Aerospace BAe 146. The Brisbane–Cairns roundtrip service is increased to twice daily and similar frequencies are introduced over the roundtrip Cairns–Townsville route.

In June, a new EMB-120 daily roundtrip is offered from Brisbane and Coolangatta to Canberra. At the same time, a second DHC-8-100 is received from Talair and is based at Cairns.

Having been quickly countered by **Ansett Express (Pty.), Ltd.** and Australian Airlink services, Flight West's interstate debut is cancelled after just six weeks.

In September, the company receives the North Queensland Tourism Award in the category of "Tourist Transport."

A total of 127,828 passengers are carried on the year.

In 1992, airline employment stands at 260 and the Beech B-55s are replaced by another EMB-120, another EMB-110P1, and two Pilatus-Britten-Norman PBN-2 Islanders.

In March, the company joins Ansett's frequent flyer program.

Passenger boardings jump 9.8% this year to 233,029.

Ten new employees are hired in 1993 and the fleet now includes 6 EMB-110P1s, 3 Brasilias, and 2 each EMB-110P2s, DHC-6-300s, and DHC-8-102s. Orders are placed for 2 EMB-145s.

Services link Brisbane with Aurukun Mission, Badu Island, Bamaga, Barcaldine, Birdsville, Blackall, Boigu Island, Burketown, Cairns, Charleville, Charles Towers, Cloncurry, Coen, Coconut Island, Darnley Island, Doomadgee Mission, Edward River, Gladstone, Horn Island, Hughenden, Julia Creek, Karumba, Kowangama, Kubin Island, Lockhart River, Longreach, Mabuiang Island, Mackay, Mornington Island, Mount Isa, Murray Island, Mormanton, Quilpie, Richmond, Rockhampton, Roma, Sabai Island, Thursday Island, Townsville, Warraber Island, Weipa, Windora, Winton, Yam Island, and Yorke Island.

Thrice-daily service is inaugurated in May from Brisbane into Bundaberg and twice-daily flights from Brisbane to Hervey Bay. Another Brasilia is delivered in September and support for the Flying Gynecologist Service ends in December.

Enplanements for the year total 250,664.

The workforce is increased by 3.6% in 1994 to 285. Yet another Brasilia is acquired in January. On January 24, all of the company's various departments are consolidated in a new headquarters at Brisbane Airport.

In November, a DHC-6-300 is chartered to **Solair (Solomon Islands Airways, Ltd.)**.

Customer bookings ascend 8.7% to 274,549 and revenues swell 9.9% to \$A41.2 million.

The fleet in 1995 includes 5 Beech Super King Air 200s, 8 EMB-120 Brasilias, 13 Bandeirantes, 2 DHC-8-102s, 1 of which is leased to **Ansett New Zealand, Ltd.**, and 8 DHC-6-100s, including that 1 with Solair. Two EMB-120 Brasilias are added, one each in January and June.

On October 9, Brisbane to Moree (NSW) Beech Super King Air 200 roundtrips commence five times a week.

When the second Brasilia arrives in late November, it is painted in the livery of the North Queensland Rugby League Club, which the airline helps to sponsor.

On December 10, the Brisbane to Moree service is increased from three to five weekly roundtrips, while the daily Beech Super King Air 200 service from Brisbane to Maroochydore is replaced and increased by five Twin Otter daily services on weekdays, three on Saturdays, and four on Sundays. These de Havilland flights are code-shared with **Ansett Australia (Pty.), Ltd.** Passenger traffic increases 19.2% with 310,000 passengers carried.

Airline employment stands at 320 in 1996 and several changes are made in the fleet. Another Brasilia is acquired and six DHC-6-300s are removed, one of which remains out on lease to **Solair (Solomon Islands Airways, Ltd.)** and another to the RAAF. Both of the DHC-8-102s are now chartered to **Ansett New Zealand, Ltd.** and four Bandeirantes are also leased to the RAAF.

Orders are placed for four EMB-145 regional jets as, in November, the State Cabinet approves a new five-year contract for Flight West to continue serving all of the Western Queensland ports covered by the previous agreement and adding a new route from Brisbane-Toowoomba-St. George-Cunnamulla-Thargomindah.

Customer bookings move up 5.6% to 301,413.

The workforce drops 15.6% in 1997 to 270. Twelve-times-a-week EMB-120 return service is inaugurated on March 30 between Brisbane and Prosperine. These new services replace those currently operated by **Ansett Australia (Pty.), Ltd.**, and will be code-shared with them. When **Ansett Australia (Pty.), Ltd.** embarks upon a fleet rationalization program in May, it sells four F.28-4000s to Flight West. The company procures traffic rights to all of Ansett's flights north of Brisbane to Papua New Guinea for the next five years.

The first two Fokkers arrive in their white and green livery during late June; they are christened with the two longest names on any aircraft in scheduled commercial service: *Wing Commander R. H. (Bobby) Gibbes' D.S.O. D.F.C. and Bar, Post World War II Papua New Guinea Pioneer Aviator, Farmer, & Entrepreneur* and *Sir John Guise' GSMG, KBE, KstJ., A Founding Father of a Nation—Papua New Guinea*.

The company expands further on July 1 when it begins Townsville to Port Moresby roundtrips, four times per week. In addition, the decade-old Brisbane-based regional takes over AA's thrice-weekly roundtrip route from Brisbane to Norfolk Island, out in the Tasman Sea, operating it with the two new Fokkers. Other new routes inaugurated include weekly one-day out, one-day back service from Brisbane to Longreach, and weekly return flights from Townsville to Cloncurry and Brisbane to Roma. F.28-4000 roundtrips to Port Moresby from Cairns are announced for October and plans are made to establish connections to Lae and Mt. Hagen.

Enplanements for the year decline by 3.4% to 291,212.

As the result of a long-standing dispute between the government of Papua New Guinea and Chairman Buchanan concerning the termination of **Talair (Tourist Airlines of Niugini, Ltd.)** years earlier, Flight West's application to serve the country is not approved until August 1, 1998. As the regional prepares to launch service, it is tapped to become general sales agent for **Ansett Australia (Pty.), Ltd.** in Papua New Guinea.

Employing F.28-4000s, the carrier is able to inaugurate eight-times-a-week service from Cairns and Townsville to Port Moresby on October 12.

It is announced the following month that the company will install Honeywell traffic collision avoidance systems (TCAS) in 12 turboprop and jet aircraft by the end of 1999, including its EMB-120s in which it is not, by government regulation, required.

Customer bookings climb to 326,000.

By the start of 1999, airline employment has been boosted 25.9% to 340. Beginning on February 1, **Ansett Australia (Pty.), Ltd.** places its "AN" code aboard Flight West roundtrip flights operating from North Queensland to Port Moresby. Twice-weekly F.28-4000 roundtrips commence on May 1 between Brisbane and Emerald, Queensland, replacing two turboprop services. F.28-4000 roundtrips are offered, starting on June 29, between Brisbane, Sydney, and Norfolk Island, four times a week.

Twice-weekly F.28-4000 return morning service is initiated, beginning on July 19, from Brisbane to Port Moresby, Papua New Guinea.

In early August, as an experiment, the carrier introduces completely standard fares on two of its Queensland coastal routes, with no cancellation or change penalties charged.

Beginning on August 9, the company offers a standard fare on two coastal flights; both are devoid of change or cancellation penalties. Eleven weekday F.28-4000 roundtrips are inaugurated between Townsville and Mt. Isa on September 6, while an EMB-120 offers a single Saturday flight.

Passenger boardings accelerate 3.6% to 338,000. Airline employment at the beginning of 2000 stands at 350, a 2.9% increase over the previous 12 months.

Beginning on October 12, passengers are able to employ the **Ansett Australia (Pty.), Ltd.** E-check-in machines that were installed at the domestic terminals at Melbourne, Sydney, and Brisbane in August.

On November 22, it is announced that the company will introduce a fifth weekly return service from Sydney to Norfolk Island at the end of March.

At year's end, plans are announced for the initiation of twice-weekly Fokker 100 roundtrips between Brisbane and Proserpine beginning on February 12. One-way fares for the route are to be reduced 75% to A\$99.

FLIGHTCRAFT: 7505 N.E. Airport Way, Portland, Oregon 97218, United States; Phone (503) 331-4244; Fax (503) 331-4247; Year Founded 1948. One of the largest and oldest FBOs in the Pacific

Northwest, Flightcraft, established in **1948**, is also, by **2000**, one of the region's largest charter operators. Employing 20 full-time pilots, the company bases a large fleet of business aircraft at three airports along the Pacific coast.

From the home field at Portland, Flightcraft operates three Beech King Air 90s, a Super King Air 200, a Beech 58 Baron, and four Cessna Citation executive jets. Further north at Seattle, the concern bases a Super King Air 200, a King Air 90, and a Cessna C-525 Citation. Simultaneously, company pilots fly two Super King Air 200s and a Cessna 421 from Hayward Air Terminal in California.

FLIGHTLINE, LTD.: Viscount House, Southend Airport, Southend-on-Sea, England, SS2 6YE, United Kingdom; Phone 44 (1702) 543 000; Fax 44 (1702) 547 778; <http://www.bathtravel.com/palmair.html>; Code B5; Year Founded 1989. Owned by Flightline Holdings, Flightline, Ltd. is established at Southend Airport in **1989** to offer charter services. Ian Stewart is appointed chairman and Alan Trotter is named managing director; the new concern begins domestic flights with one each Beech King Air 90 and Beech Super King Air 200.

Operations continue into the new decade and, in **1993**, the fleet is increased by the addition of two Embraer EMB-110P-1 Bandeirantes. In April, a British Aerospace BAe 146-300 is leased from Asset Management Organization and enters charter service in a joint venture, Palmair Flightline, with R. E. Bath Travel Service, Ltd.'s in-house tour operation.

During **1994**, orders are placed for two BAe 146s with which to expand nonscheduled flights to the continent. The jetliners, first flown by **Pacific Southwest Airlines (PSA)**, will be chartered from USAir Leasing and undergo overhaul at the Calgary, Alberta, base of **Canadian Regional Airlines, Ltd.** It will then be ferried 5,000 miles across the Atlantic to the Marshall Center at Cambridge for U.K. certification work, and only then handed over for the airline's use.

The two jetliners arrive in **1995**. The first, a 146-200, is dedicated to the Palmair Flightline joint venture service with R. E. Bath Travel Services, Ltd. The second, a 146-300, begins flying to Zurich and Geneva on behalf of the Swiss agency Falcon Travel, Ltd. While the main runway at Stuttgart Airport is closed for repairs between July 31 and October 4, the BAe 146-200 is chartered to **British Airways, Ltd. (2)**, which employs it to replace its four normal daily B-737 services to the German airport from London.

Airline employment stands at 85 in **1996**. From hubs at Bournemouth, Exeter, London (STN) and Southampton, Flightline operates nonscheduled flights to summer destinations in the Mediterranean and the winter ski resorts and holiday points at Alicante, Chambery, Faro, Geneva, Innsbruck, Jersey, Malaga, Palma de Mallorca, Pula, and Zurich. Enplanements reach 190,000.

Both of the carrier's BAe 146-200s are chartered to **British Airways, Ltd. (2)** at the beginning of **1997**, with the major employing them on services from London (Gatwick) to Toulouse and Bordeaux. The lease on one is extended on July 1, however, the second is returned to Falcon Travel, Ltd. for use on scheduled charters from Zurich and Geneva to London's Southend Airport. Enplanements for the year total 167,700.

Service continues apace in **1998**. The Palmair Flightline commitment continues. At the end of the year, arrangements are made to lease a BAe 146-200 to **Aer Lingus Commuter (Aerlinite Eireann Tiorante, Ltd.)** during the following March. Customer bookings fall 30% to 129,000; 9,000 FTKs are operated.

Flightline makes a major expansion commitment during the first quarter of **1999** when it signs franchise agreements with both **Swissair, A.G.** and **Lufthansa Cityline, GmbH**. Under terms of the first pact, the Flightline paints one of its BAe 146-200s in the colors of "Swissair Express" and, with the beginning of the European summer schedule on March 28, launches twice-daily roundtrips between London (STN) and Zurich.

As the seventh and newest member of "Team Lufthansa," the company employs a second BAe 146-200, reclaimed from **Aer Lingus Commuter, Ltd.** and painted in the livery of the Lufthansa organization,

to simultaneously begin six months of replacement operations for Cityline from Dusseldorf to Birmingham, Budapest, Helsinki, and Nice. A third BAe 146-200 is dedicated to the summer charter schedule of Palmair Flightline.

Following the October 1 failure of **Debonair Airways, Ltd.**, Flightline, on October 14, purchases a 25% stake in the defunct carrier. Over 100 Debonair jobs also transferred along with three of the carrier's BAe 146-200s as Flightline restarts Debonair's "Swissair Express" contract on October 26. When the European winter schedule begins on October 31, daily return frequencies to Bologna are increased from three to four, while those to Turin are cut from four to three.

Two BAe 146-200s are wet-leased to **Aer Lingus Commuter, Ltd.** on November 1.

Customer bookings this year plunge 43.5% to 74,000.

In February **2000**, **Swissair, A.G.** sells its truck service between Zurich and northern Italy and replaces its with direct air cargo flights, employing the belly space of the "Swissair Express" frequencies operated by Flightline from the Swiss city to Bologna, Venice, and Turin.

On April 12, a company British Aerospace BAe 146-200 begins wet-lease flights on behalf of **Croatia Airlines** for the summer season. The charter had been arranged by Airbus Industrie to cover the late delivery to Croatia of another A320. On July 1, dissatisfaction with the airliner results in its being returned.

On October 29, **Volare Airlines, S.p.A.** takes over the "Swissair Express" service between Venice and Zurich previously operated by Flightline with a BAe 146-200.

A BAe 146-200 is wet-leased to the new Italian regional **Goldwing Airlines, S.p.A.** in mid-December, allowing that carrier to inaugurate daily roundtrip service between Taranto and Rome on December 20. Within days, Goldwing returns the British aircraft and begins using a SAAB 2000 wet-leased from **Med Airlines, S.p.A.**

FLIGHTSTAR CORPORATION: 7 Airport Road, Savoy, Illinois 61874, United States; Phone (217) 351-7700; Fax (217) 351-9843; <http://www.flightstar.com>; Year Founded 1978. Flightstar is set up as the FBO at Savoy, Illinois, in **1978**. Over the next 12 years, the company also undertakes a variety of executive and small group passenger charters throughout the Western Hemisphere with a fleet of 2 Dassault Falcon 20s, 2 Beech Super King Air 200s, and 1 Piper PA-60 Aerostar.

FLIGHTWAYS AIR SYSTEM: United States (1974-1975). The Flightways Corporation, based at Philadelphia, establishes a commuter airline division in early **1974** to provide services to New York (JFK), as well as the airport at Wilmington, Delaware. Daily de Havilland DH 114 Heron roundtrips are duly inaugurated, but can only be sustained for a year.

FLINDERS ISLAND AIRLINES (PTY.), LTD.: Australia (1945-1990). Formed at Moorabbin Airport, Mentone, Victoria in **1945**, Flinders Island undertakes charter and contract passenger and cargo services throughout Australia, with emphasis on Victoria, Tasmania, and New South Wales. Unheralded, flights are maintained on a regular basis during the remainder of the decade and through the next three.

By the early **1980s**, the company's fleet comprises 2 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-31-310 Navajo, 1 Piper PA-34 Seneca, and 1 Beech 18. Two more Navajo Chieftains plus one more Seneca and one more Navajo are added in the next several years; however, the carrier is unable to maintain its economic viability and is forced to shut its doors in May **1990**.

FLIRITE: United States (1984-1985). Marilyn L. Baker establishes Flirite at Kodiak, Alaska, in the fall of **1984** to provide scheduled passenger and cargo service to Old Harbor. Employing a Cessna 206, revenue flights commence in November. Operations continue apace for just over a year, but, unable to maintain viability, the little commuter folds in December **1985**.

FLITESTAR AIRLINES, LTD.: South Africa (1991–1994). With G. A. Nortje as general manager, Safair Lines (Pty.), Ltd. is organized at Cape Town's Malan Airport in 1989 as a rebirth of the noted onetime charter operator, **Trek Airways, Ltd.** Outfitted with a fleet comprising 2 Convair CV-580s and 1 Partenavia P-68B, the reborn pioneer now initiates scheduled passenger and cargo services to Oudtshoorn, George, Port Elizabeth, Alexander Bay, Luderitz, and Bloemfontein. A stop at Walvis Bay is added in 1990.

In October 1991, following the deregulation of the nation's air transport industry, Safair Lines, Ltd. is reformed and renamed Flitestar Airlines at Johannesburg to compete with **South African Airways (Pty.), Ltd. (SAA)**. Flitestar is owned by the financial concerns Rentmeester Investments and Muelkin, plus the giant shipping firm South African Marine Corporation (Pty.), Ltd. (Safmarine). Jan V. Blake is managing director and many of his personnel were once associated with the noted South African international charter carrier, **Trek Airways, Ltd.** The company organization provides for a holding company under the Trek name; thus, Flitestar can be seen as a continuation of that carrier.

Chairman G. A. MacMillan and Managing Director Blake assemble a fleet comprising 2 chartered Avions de Transport Regional ATR72-210s and 3 Airbus Industrie A320-212s leased from the GPA Group. The domestic challenge to SAA begins almost immediately as Flitestar inaugurates A320-212 services from Johannesburg to Cape Town on October 16. Services from Johannesburg and Cape Town to Durban and Port Elizabeth commence a week later. Flights to Bahrain begin in November and another A320-212 arrives in December.

Destinations served from Johannesburg include Cape Town, Durban, George, Port Elizabeth, Alexander Bay, and Walvis Bay.

In 1992, the 1,000-employee carrier acquires the smaller airlines **Air Cape (Pty.), Ltd.** and **Luxavia** (now **Luxavia Express, S.A.**) and they continue their operations as subsidiaries of Trek Airways Holdings.

It is reported in the Middle East press on April 28 that negotiations have been completed and that Flitestar will commence operations in October from Johannesburg to Bahrain via Mombasa. It will be the South African carrier's first international route.

Interavia Air Letter reports in its May 22 issue that the company, by May 19, has reached the 57% load factors required to break even. The airline in seven months has successfully captured 20% of the South African domestic market.

Following the positive conclusion of a three-month legal battle with **South African Airways (Pty.), Ltd.**, Flitestar receives a license from the South African National Transport Commission on June 15 to inaugurate services between Johannesburg and Mombasa in September.

G. A. Nortje returns as general manager and his company suffers heavy financial reversals during the remainder of the recession year as SAA pours additional capacity onto its domestic routes to overwhelm the independent. Additionally, pressure on yields and the devaluation of the rand against the U.S. dollar, in which most of Flitestar's leasing and other costs are paid, ends the previous spring's hope of profits. As the situation worsens for Flitestar the government does not interfere. The company is unable to launch its new international services and runs up large debts.

Enplanements total 400,000.

In January 1993, Prime Minister De Klerk's regulators require SAA to cut back capacity on domestic trunk routes by 30% in an effort to save Flitestar. Unhappily for General Manager Nortje and his employees, these measures come too late and the airline is forced to suspend operations in mid-April. Sufficient funding is found and Flitestar is able to resume limited domestic operations on September 1.

In cooperation with **Luxair (Societe Luxembourgeoise de Navigation Aerienne, S.A.)**, the international route to Europe once flown by Trek Airways, Ltd., is reopened. It is operated by the Luxair Boeing 747SP-44 *Luxavia Star*, which wears the old **Trek Airways (Pty.), Ltd.** color scheme with small Luxair titles on the forward fuselage.

Services continue apace in early 1994 and, in March, the company receives authority from the Indian government to inaugurate twice-weekly

flights from Johannesburg to Bombay and/or Trivandrum. On April 11, Flitestar, in desperate need of support, signs a commercial agreement with **South African Airways (Pty.), Ltd.** The arrangement puts an end to Flitestar's attempts to compete head on with SAA on domestic trunk routes. The holding company, Trek Airways, withdraws from the market after the flag carrier provides a multimillion rand payment. Shareholders shut down both Flitestar and **Luxavia, S.A.** on April 20, thereby bringing South Africa's experiment with deregulation perilously close to failure.

FLOAT AIR PICTON (1992), LTD.: P.O. Box 7, Picton, New Zealand; Phone 3-573-6433; Fax 3-573-5711; Year Founded 1992. John Sinclair and two other shareholders establish Floatair at Wellington, New Zealand, in March 1992. Equipped with a pair of float-equipped Cessna 180s (hence the name), the tiny airline begins regularly scheduled flights to Great Barrier and Stewart Islands.

Having borrowed significant funds and caught by rising interest rates, the company is unable to compete when fast island ferryboats are introduced. As a result, the carrier declares bankruptcy in early 1996 and sells out to **Soundsair, Ltd.** which operates it as a subsidiary. In 1997, Garth Nicholls is managing director and chief pilot; he oversees a workforce of 12 and the operations of two float-equipped de Havilland Canada DHC-2 Beavers. Revenues reach NZ\$500,000.

Flights continue in 1998–2000.

FLORENCE AIRLINES; United States (1969–1974). The scheduled air taxi service **Air Taxi** is established at Florence, South Carolina, in 1969 to provide passenger services to destinations in the Carolinas. Employing one each Piper PA-23 Aztec and PA-32 Cherokee Six, the company duly inaugurates daily frequencies linking its base with Charlotte, Myrtle Beach, and Winston-Salem.

The company is reformed in 1970 and renamed; operations continue apace thereafter until 1974.

FLORIDA AIR; United States (1992). Jack E. Robinson, the former **Eastern Air Lines** commuter president, establishes Florida Air in early 1992. Employing a single Embraer EMB-110P1 Bandeirante, the carrier undertakes scheduled service to Nassau in February. When financing cannot be obtained, the announced March start-up of flights to Tampa is postponed for five months while an order for 19 more Bandeirantes must be cancelled. In late April, the company's lone EMB-110 breaks down in Nassau, stranding a number of passengers and bringing an end to operations.

FLORIDA AIR CARGO: Opa Locka Airport, 3921 NW 144th St., Building 66, Opa Locka, Florida 33054, United States; Phone (305) 687-1080; Fax (305) 681-2168; Year Founded 1994. FAC is established at Opa Locka Airport in 1994 to provide all-cargo charters and contract service flights to destinations from Canada to Mexico. By 1998–1999, the company employs eight pilots and flies two Douglas DC-3s and a Beech 18 in freighter configuration and a Piper PA-23 Aztec.

As the result of a hard landing at Nassau in the Bahamas on February 17 of the latter year, after a service from Opa Locka, Florida, a DC-3 crashes into a fence and receives substantial damage. Neither crewman aboard is injured.

The Douglas is repaired and operations continue into 2000. On February 2, a Beech 18S with a pilot and a passenger en route from Opa-Locka to Bimini suffers the failure of its left engine and is forced to ditch into the Atlantic Ocean 47 mi. E of its destination. Both occupants escape and are rescued less than an hour later by a passing pleasure craft.

FLORIDA AIR TAXI. See FLORIDA AIRLINES (2)

FLORIDA AIR TRANSPORT (FLORIDA AIRCRAFT LEASING CORPORATION): Fort Lauderdale, Florida, United States; Year Founded 1970. Operated as a division of the rental concern Florida

Aircraft Leasing, Florida Air Transport, beginning in **1970**, undertakes contract service and cargo charters from a base at Fort Lauderdale. Equipment employed over the years has included Douglas DC-4s and DC-6s as well as Convair CV-440s.

Operations by President/CEO Thomas E. Boy's concern continue without headline or incident in **1993–1998**.

During December of the latter year, Boy joins with Carlos Gomez to place an immaculately restored DC-7C into service. Painted in an original facsimile of an **American Airlines** paint scheme, the freighter is featured in the September–October **2000** issue of *Airliners*.

FLORIDA AIRLINES (1): United States (1936–1937). FA is formed in Jacksonville in December **1936** to offer scheduled passenger and air express flights to Sarasota via Tampa. A Ford 5-AT Tri-Motor is acquired and revenue services commence on January 2, **1937**. Operations cease at the end of March.

FLORIDA AIRLINES (2): United States (1945–1981). Founded at Sarasota in **1945** as **Florida Air Taxi**, this charter operator elects, in the early fall of **1964**, to initiate scheduled services. Employing Beech 18s and Piper PA-23 Apaches, FAT inaugurates daily roundtrip frequencies on October 30 between Tampa and Fort Myers.

The company changes its corporate identity in **1968**, identifying itself as a provider of scheduled passenger, mail, and cargo services to a number of intrastate destinations. In addition to the Beechcraft and Apaches, FA commences the use of two Douglas DC-3s.

Operations continue apace during the remainder of the decade and into the **1970s**. Between **1970** and **1974**, scheduled frequencies are also initiated to Ocala, Gainesville, Jacksonville.

In **1975**, **Air South** is purchased and merged and the two operate for the next six years as **Florida Airlines-Air South**. Frequencies are offered by 11 DC-3s and 2 Martin 4-0-4s to Atlanta, Miami, Sarasota, Fort Myers, St. Simons Island, Fort Lauderdale, Tampa, and Hilton Head.

Airline employment in **1976** stands at 160 and enplanements reach 22,091.

Enplanements in **1977** increase to 68,899 and a net profit of \$470,940 is earned.

Five additional Martin 4-0-4s are placed into service during **1978** and the DC-3s are retired.

Passenger boardings jump 34% to 104,391. On revenues of \$4.1 million, expenses surge to \$4.3 million and cause a net loss of \$250,000.

When **Eastern Air Lines**, taking advantage of the route-setting provisions of the new Airline Deregulation Act, suspends its Macon route in **1979**, it is assumed by FA; the company also expands to Columbus when **Delta Air Lines** halts its flights to that Georgia community. Passenger boardings for the year leap upward by 54.6% to 161,000.

Florida's oldest commuter experiences a year of traffic disaster in **1980**. Operations are suspended on January 11 to address safety concerns, followed by the loss of a DC-3 in a crash at Grand Bahama Island on September 12.

Customer bookings plunge by 86.9% to 21,063.

In February **1981**, hoping to reverse this slide toward certain extinction, the carrier becomes the second member of the **Air Florida** commuter third-level network. Reorganized, the company, now with David Stempler as president, changes its name to **Southern International** and trades in its previous fleet for four Convair CV-440 Metropolitans. Flights are launched to Key West and the Bahamas Outer Islands.

Fiscal difficulties occasioned by higher fuel costs, recession, and the PATCO air traffic controller's strike, force Southern International, after transporting 88,116 passengers, to cease operations late in the year.

FLORIDA AIRLINES-AIR SOUTH. See **FLORIDA AIRLINES (2)**

FLORIDA AIRWAYS: United States (1943–1949). Organized at Orlando in the spring of **1943** as Orlando Airways, this small charter oper-

ation is renamed upon its receipt of certification from the CAB on March 26, **1946**. Scheduled passenger and air express services are undertaken with Beech 18s in January **1947**, linking the company's base with Tallahassee via Jacksonville and Orlando.

Unable to weather the recession and inflation in fuel prices of the decade's closing years, FA ceases revenue flights on March 29, **1949**.

FLORIDA AIRWAYS CORPORATION: United States (1926). Organized at New York in February **1926** by World War I hero Reed Chambers and long distance flyer John Harding, with a small investment by "Ace of Aces" Capt. Edward V. "Eddie" Rickenbacker and support from a number of prominent bankers, Florida Airways is equipped with a single Stinson Detroiter. The transport of small package express from Atlanta to Miami via Jacksonville, Tampa, Fort Myers, and West Palm Beach, begins on April 1. The pioneer is awarded Contract Air Mail (CAM) Route No. 10 from Atlanta to Miami in May.

In exchange for a block of stock, the Ford Motor Company sells the new entrant four single-engine, eight-passenger Stout 2-Ats. One is named *Miss Miami*, the other *Miss St. Petersburg*; the names of the other two are unknown. The four begin their delivery flight south, stopping at Nashville, where the mass arrival is a cause of celebration and dinners.

When, according to the recollections of Capt. Rickenbacker, the first Stout leads out for a mass departure takeoff for Florida, its tailhook fish-tails on the grass, sending the aircraft toward a group of dignitaries that includes the mayor of Nashville. To avoid catastrophe, the pilot quickly turns his aircraft around—and smashes into all three of the other aircraft. Ford dispatches a crew of mechanics to Nashville, who put all the pieces together again, creating three aircraft that proceed to Florida without incident. There they begin mail and passenger services on June 1.

As the result of negotiations between Rickenbacker and Atlanta's assistant city attorney, William B. Hartsfield, Florida Airways begins scheduled services from Miami via Tampa to Atlanta on September 15, employing the infield of the Atlanta Motor Speedway for an airport. Later in the month, the operator receives public notice by flying support to victims of a Florida hurricane. The Detroiter flies \$2 million in cash to the Bank of Biscayne and also brings in needed medical supplies from Atlanta.

Following the loss of two of the big aircraft, the carrier, down to 2-AT-8 and the Stinson, is left with a route that does not connect with any other and a volume of mail too low to earn sufficient, sustaining subsidy. As a result, FAC discontinues service at the end of the year and the 2-AT-8 is repossessed for assignment to **Stout Air Services**. As of December 31, Florida Airways has safely transported 939 passengers, plus mail, over almost 300,000 miles.

In July **1927**, the remaining company assets, excluding the dormant route, are reformed as **Southeastern Air Lines**. Reed Chambers and his followers change the name of the nonoperating company to **Atlantic, Gulf and Caribbean Airways** on October 11.

On June 25, **1928**, AGCA is one of three companies merged to form **Pan American Airways (PAA)**. The old Florida Airways route is finally taken over by **Pitcairn Aviation** on December 1. Despite its untimely death, the short-lived company is, nevertheless, considered one of the earliest forerunners of the long-time major carrier, **Eastern Air Lines**.

FLORIDA ATLANTIC AIRLINES: United States (1968–1969). FAA is set up at Fort Lauderdale in early **1968** to offer scheduled daily roundtrip passenger flights to Miami and to Freeport in the Bahamas. The company duly inaugurates this route employing a Beech 18 and a de Havilland Canada DHC-6-100, while also stretching service from Miami to Freeport.

By **1969**, the company is claiming to operate more flights per day between Florida and Freeport than any other airline. These frequencies do not, however, generate the traffic and income to keep the airline in business beyond year's end.

FLORIDA CARIBBEAN AIRWAYS: United States (1970–1971).

FCA is established at Miami Springs in the spring of 1970 to operate contract cargo services. A Curtiss C-46 Commando is acquired and freighter flights around the Caribbean commence in June. Operations continue for a year until the government cancels the company's operating certificate.

FLORIDA EXPRESS: United States (1983–1989). Organized at Orlando by former **Midway Airlines** (1) President/CEO Gordon Linkon, Kenneth W. Gann, and Robert J. Coombs in January 1983, Florida Express is initially financed (before going public) by Wallace Carroll, International Metals and Machines owner and chairman. Linkon becomes chairman/CEO; Gann is president/chief operating officer; and Coombs is vice president-corporate planning. As soon as possible, the nonunion company becomes partially owned by employees. Three BAC 1-11-203s are chartered from **USAir**.

The new entrant inaugurates low-fare scheduled BAC 1-11-203 service from its hub over a route to Norfolk, Virginia, on January 26, 1984. Service from Indianapolis to Orlando begins the next day. One more One-Eleven is acquired from **USAir** during the year, the workforce reaches 300 employees, and economy-fare frequencies are opened to Miami, Nashville, New Orleans, Fort Lauderdale, Tampa, St. Petersburg, Indianapolis, Louisville, Cincinnati, and Columbus.

Enplanements reach 280,825 and revenues are \$20.94 million. Losses are \$1.74 million (operating) and \$1.9 million (net).

Airline employment in 1985 totals 280. Service to Richmond and Norfolk is suspended; however, flights are initiated to Birmingham, Milwaukee, Clearwater, Sarasota, and West Palm Beach.

Passenger boardings jump a spectacular 133.7% to 656,321 and revenues do better, climbing 150% to \$52.4 million. With costs in hand, profits are made: \$5.2 million (operating) and \$4.4 million (net).

The fleet in 1986 includes 14 BAC 1-11-200s and 6 BAC 1-11-400s. These maintain previous services and launch new ones to Fort Myers, Knoxville, Akron, Canton, and Harrisburg. Flights are resumed to Richmond and Norfolk.

The ninth consecutive profitable quarter is celebrated at the end of December. Customer bookings swell again, up 47.2% to 1,415,142. Revenues ascend by 37.9% to \$72.31 million, expenses climb 46.4% to \$68.95 million, and the operating profit is \$3.36 million. Net profit slides to \$1.89 million.

Airline employment rises 20.8% in 1987 to 993 and 2 BACs are withdrawn.

A failure in the software of the reservations system subscribed to by the airline in January and February erroneously indicates to travel agents that many flights are sold out when they are not and requires most of March to put right.

Nonstop five-times-per-day jet service is launched between Sarasota and Bradenton and Orlando in May. Daily roundtrip jet flights to Orlando commence in June from Grand Rapids, Milwaukee, Harrisburg, and Wilkes-Barre. In July, the company begins its first international route from Orlando to Nassau in the Bahamas. Simultaneously, jetliner service begins to Orlando from Huntsville and Decatur.

The seasonal services begun in June are suspended in September; however, daily nonstops commence from Dayton to Orlando. At the same time, services are inaugurated to Milwaukee.

Financial difficulties ensue and, to regain fiscal viability, the carrier reaches agreement with **Eastern Air Lines** to become an "Eastern Express" carrier. This arrangement does not go through as, late in the year, the carrier is forced to accept a merger offer from **Braniff, Inc.**, which will operate the carrier as a "Braniff Express" subsidiary during an integration period.

Passenger boardings leap upward by 9.4% to 1,547,522 and revenues climb 5.4% to \$76.3 million. Expenses, however, exceed income, producing an operating loss of \$13.8 million and net loss of \$12.1 million.

The workforce is cut by 29% in 1988 to 705. With its 18 BAC 1-11s repainted in new livery, the large regional inaugurates "Braniff Express" services on January 15. Also in January, service is suspended to Dayton,

Huntsville, and Knoxville. Following the completion of all formalities, the **Braniff, Inc.** acquisition is completed on March 1.

In June, Braniff is acquired by developers Arthur Cohen and Jeffrey Chodorow. Orders are placed in September for Fokker 100s with which to replace the BACs and the route system begins a period of readjustment.

Customer bookings decline 23.5% to 1,183,971. Although revenues are up by 4.2% to \$79.5 million, expenses climb 17.6% to \$105.92 million. The operating loss doubles to \$26.44 million and the net loss is more than doubled to \$28.2 million.

The integration of the two airlines is accomplished in the spring of 1989. Costs of the previous year's Braniff buyout and subsequent equipment orders and other changes force **Braniff, Inc.** into bankruptcy in November, with the attendant ripple ending the stories of both airlines.

FLORIDA GULF AIRLINES: United States (1991–1997). Established at Jacksonville, Florida, in late fall 1991, FGA is a subsidiary of **Mesa Airlines**. Former **Air Midwest** CEO Robert Priddy, who was also a founder of **Atlantic Southeast Airlines**, is named president and his initial fleet comprises 8 Beech 1900Cs. A "USAir Express" contract is negotiated and scheduled revenue flights commence in December serving the major's Orlando hub from 22 communities.

A total of 7,847 passengers are carried by year's end.

Eight more Beech 1900Cs are acquired during 1992 and, in January, seven new "USAir Express" flights are inaugurated from Jacksonville to Florida communities.

Enplanements this year skyrocket to 278,614.

In 1993, airline employment stands at 225 and 22 cities are served. Founder Priddy departs in March to launch a new airline, **Charter Way**, and is succeeded by Clark Stevens, former executive vice president of **Metroflight**.

In May, a 25-year lease is signed for 3.8 acres at Jacksonville where the carrier desires to build a 40,000-sq.-ft. maintenance facility. A new Northeastern division is established and "USAir Express" service is inaugurated from Boston to Martha's Vineyard and Hyannis during the summer with a pair of Beech 1900Ds.

Operations continue apace in 1994 with a fleet of 39 Beech 1900C/Ds.

On August 23, the **Mesa Airlines** parent **Mesa Air Group** enters into an agreement to purchase a major packet of **USAir** assets for \$28 million and to become the "USAir Express" feeder at Boston, Philadelphia, and Baltimore. Among the gains are nine Beech 1900Bs, five Shorts 360-300s, the leases on three more of the latter type, plus spare parts and support equipment. In addition, the maintenance and office facility in Reading, Pennsylvania, are taken over and headquarters for the Northeastern division are shifted on October 23. Two hundred additional employees are hired to accommodate the expansion.

"USAir Express" flights continue in 1995 from Boston, Philadelphia, Orlando, Tampa, and New Orleans. The fleet employed includes 40 Beech 1900s and 9 EMB-120s.

Operations continue apace in 1996.

Just after takeoff from Jacksonville on a March 28 ferry flight, a Beech propeller blade separates forcing an immediate engine shutdown and return to the Florida departure point. Neither of the two crewmen aboard are hurt.

During the first week of January 1997, **Mesa Air Group** is again reorganized. The operating divisions **Desert Sun Airlines**, **Florida Gulf**, **Liberty Express**, and **Mountain West** are replaced by four new units: "America West Express," "Independent," "United Express," and "USAir Express." Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**. Florida Gulf is absorbed into the "USAir Express" unit.

On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional will repaint its aircraft in a modified version of the major's new grey and dark blue livery. A few weeks later, the division loses its identity entirely as it becomes **USAirways Express (Mesa Airlines)**.

FLORIDA JET SERVICE: 2665 NW 56th St., Hangar 54, Fort Lauderdale, Florida 33309, United States; Phone (954) 772-0778; Fax (954) 491-4537; Year Founded 1991. FJS is established by Terry N. Robertson at Fort Lauderdale Executive Airport in 1991 to provide executive and small group passenger charters throughout the U.S. and Caribbean. By 2000, the company employs seven pilots and flies two Learjet 55 Longhorns and a Learjet 35A Century III.

FLORIDA WEST AIRLINES: United States (1981–1995). Originally known as **Pan Aero International Airlines** and **Aero Exchange Airlines**, this nonscheduled Tampa-based operator receives CAB charter authority in 1981 under the name Florida West Airlines. Employing a Boeing 707-331C, the company undertakes cargo charters and contract service flights to Bogota, Buenos Aires, Managua, Panama City, and San Jose during the next three years.

In 1984, the company proposes the initiation of scheduled flights to Baltimore, Charleston, Hartford, Houston, Miami, Orlando, and Tampa with B-737-200s, but this domestic authority is not received. Simultaneously, permission is received to inaugurate scheduled freight flights from Miami to destinations in South and Central America, Europe, the Caribbean, and the Middle East.

Employing its single B-707-331C, the cargo operator continues services in 1985, earning profits of \$657,000 (operating) and \$633,000 (net).

In 1986, airline employment is increased by 400% to 160 as 2 additional Stratoliner freighters are received.

Cargo traffic skyrockets 251.4% to 76.8 million FTKs and revenues shoot upward by 106.6% to \$9.35 million. Expenses climb 90.3% to \$7.16 million and the operating profit is \$2.18 million. Net profit gains by 100% to \$1.28 million.

Freight is increased by 21.1% in 1987 to 92.8 million. The 175-employee earns revenues of \$17.3 million. Profits total \$1.39 million (operating) and \$204,000 (net).

A fourth B-707-320C enters service with the Miami operator in 1988 and helps freight to increase by 4.2% to 96.68 million FTKs. Revenues are level at \$17.3 million, but costs jump 11.3% to force a \$367,000 operating loss. There is a net loss of \$1.4 million.

The fleet in 1989 includes two each B-707-331Cs and B-707-351Cs and one each B-707-323B, B-707-324C, and B-707-373C. Two other freighters are on order, one of which, a B-707-321C previously operated by **CF Airfreight**, is received in December.

Cargo climbs an outstanding 60.9% to 155.56 million FTKs. Revenues exceed costs and allow profits of \$51.48 million (operating) and \$468,000 (net).

The B-707-323B is leased to **Arkia Israel Airlines, Ltd.** in 1990, while the B-707-331Cs are both chartered out, one to **LanChile Airlines, S.A.** and one to **Million Air**.

Later in the year, as part of the international buildup of opposition to the Iraqi invasion of Kuwait, the company receives several freight contracts from the USAF.

Freight at the 350-employee carrier grows again, by 21.9%, to 190.56 million FTKs. Revenues total \$34.97 million, expenses are \$32.98 million, and the operating profit is up to \$1.99 million. Net gain shoots up to \$3.71 million.

The workforce is cut by 40% in 1991 to 210 due to a 12.6% reversal in freight traffic to 166.51 million FTKs. Although revenues are up by 29.3% to \$45.17 million, expenses rise more quickly, by 38.2%, to \$45.43 million. As a result, the operating loss is \$266,690 and the net loss is \$187,000.

Company employment is increased a whopping 66.7% in 1992 to 350. The fleet, however, is reduced. Two Stratoliners are repossessed by their owner, the Union Bank, and three others are sold to Omega Air, Ltd., an Irish lessor. Union Bank's two planes will eventually be converted by Northrop Grumman into J-Stars airborne surveillance platforms for the USAF.

Late in the year, the company files for bankruptcy protection. Even so and with traffic down again, money is made. Cargo falls 19.6% to

133.95 million FTKs and revenues also slide, by 47.6%, to \$23.65 million. Expenses, however, fall 48.5% to \$23.39 million and grant an operating profit of \$254,481. There is a net profit of \$612,175.

In 1993, Chairman Craig K. Williams and President John J. Maloney oversee a workforce of 350 and a fleet still comprising 3 Stratoliner freighters. Scheduled destinations visited now include Bogota, Buenos Aires, Managua, Panama City, and San Jose.

The company is reorganized in July and emerges from bankruptcy; Maury Joseph becomes chairman, with Allen Beni as president, having purchased the airline from creditors for \$4.2 million. The concern is taken public and begins to trade its shares on Nasdaq.

As a result of the bankruptcy and changeover, freight traffic for the year declines by 37.1% to 84.23 million FTKs. Revenues decline 14.4% to \$20.23, but still there is an operating loss of \$2.97 million. The net loss is \$2.76 million.

In February 1994, most of the flight operations of North Carolina-based **Tradewinds International Airlines** are acquired. Florida West stock, traded on Nasdaq, hits a high of \$16 per share.

The \$5-million transaction with Tradewinds is completed in March, the same month in which an agreement is signed with **United Airlines** for the purchase of 5 B-727-222s and options on another 12. On March 1, two Douglas DC-9s and two B-727-200s are acquired from Aeron Aviation that will be converted to cargo configuration at the Miami maintenance base. The buying spree is completed with the purchase of a B-707F from **Southern Air Transport**.

Problems begin in April, when a freighter is seized after cocaine is discovered on board during a drug raid in Ecuador. Stockholders and the public are not advised. Some weeks later in May after word leaks out, shareholders file a lawsuit and the company's auditors quit. Delays in filing annual and quarterly reports with the Securities and Exchange Commission trigger an SEC investigation of the volatility of Florida West's stock.

Chairman Joseph and President Beni resign in July at which point former **Arrow Air** President Richard L. Haberly becomes CEO.

The financially troubled company lays off 54 workers in September. Overextended from its airline and aircraft acquisitions, the carrier files for Chapter XI bankruptcy in October, listing assets of \$14.7 million and liabilities of \$19.2 million. At the time of its bankruptcy, the company's stock is valued at less than \$1 per share.

Although Florida West continues to operate, the Aeron Aviation contract is terminated and the **United Airlines** arrangement is cut back to three aircraft.

For the year, cargo falls 24.7% to 77.18 million FTKs. Revenues decline 10% to \$16.05 million and expenses swell 12.8% to \$23.47 million. Losses advance to \$7.41 million (operating) and \$9.64 million (net).

The company continues to fly in 1995 while under protection of the bankruptcy court. On July 1 (effective July 12), the company and all of its assets and subsidiaries are sold to a new entity, **Florida West Indies International Airways**, for \$3.5 million. Under a new name, FWIA continues operations.

FLORIDA WEST INDIES AIRWAYS: United States (1919–1920). Seeking to make money out of the new Prohibition laws by flying thirsty people from Florida to Cuba where drinking is legal, a number of ex-U.S. servicemen, including Albert Tilt, Alvin W. McKaig, and Geoffrey H. Bonnell, establish an air service at Key West in the fall of 1919.

The start-up costs involved in obtaining aircraft and spare parts soon drain the little group's meager resources. Unable to secure bank loans, they are forced to go public to raise a needed \$200,000 in capitalization. On November 1, the enterprise is registered as Florida West Indies Airways under Cuban law; the same day, it undertakes the first American international scheduled passenger air service from Key West to Havana.

Due to recession, the subscription does not materialize and in the summer of 1920 the carrier approaches the U.S. Post Office. On August 25 it receives the nation's first airmail subsidy for a Foreign Air Mail

route (FAM-1), a one-year contract which will provide \$20,000 plus \$1.68 for every letter transported.

The subscription drive is now resumed in hopes of obtaining sufficient capital to allow inauguration of the route on October 15. Few sign up and at last, in early October, Inglis M. Uppercue, owner of **Aeromarine Airways**, steps forward and purchases Florida West Indies, merging it to form **Aeromarine West Indies Airways** as a subsidiary division of his northern operation.

FLORIDA WEST INTERNATIONAL AIRWAYS: 7500 North West 25th Street, Suite 237, Miami, Florida 33122, United States; Phone (305) 591-9161; Fax (305) 591-2385; Code RF; Year Founded 1995. Florida West Airlines is purchased out of bankruptcy at Miami for \$3.5 million in cash on July 1 (effective July 12), 1995 by the new entity, Florida West International Airways. Chairman/President/CEO Richard L. Haberly, who has led the purchase consortium, retains his posts, with Richard Hanson as technical director and ex-president John Maloney as vice president-operations. **Fast Air, Ltda.** and Alexander Cargo acquire minority shareholding. Marketing alliances are entered into or renewed with **Atlas Air, LanChile, S.A., Ladeco (Linea Aerea del Cobra, S.A.), Fast Air, Ltda.,** and **Tower Air.**

Scheduled destinations include Bogota, Buenos Aires, Managua, Panama City, and San Jose, while nonscheduled flights are made to various markets in the Caribbean, South America, the Mideast, and Europe. These are visited by one each Douglas DC-8-61F and Boeing 707-351C and B-707-321C. Three B-727-222s acquired by the predecessor organization from **United Airlines**, together with two DC-8-32s, are leased out.

The 75 employees and 4 aircraft operate only 53.98 million FTKs, a 52.5% decline over the previous year. Costs exceed operating income and there are losses: \$1.74 million (operating) and \$1.78 million (net).

Florida West continues to fly in 1996, even as its employee population is cut to 20 and its fleet reduced to 1 each leased Douglas DC-8-61F and Boeing 707-351C.

Traffic begins to recover, growing 11.9% to 52.73 million FTKs. Still, there are fiscal losses: \$1.4 million (operating) and \$1.52 million (net). Revenues skyrocket 84% to \$16.23 million, but expenses are up 67% to \$17.62 million. Both of the bottom line loss figures "improve" as the operating loss totals \$1.4 million and a net \$1.52-million downturn is suffered.

The employee population in January 1997 stands at 104. Both chartered aircraft remain in service.

In July, a scheduled all-cargo route is sold to **Federal Express (FedEx).**

Freight skyrockets an almost unbelievable 277.4% to 196.6 million FTKs, while operating revenues reach \$83.97 million. With expenses of \$83.01 million, the previous year's operating loss is turned into a \$961,000 gain. The net loss becomes a \$512,000 profit.

The company's weekly service from Miami to São Paulo becomes daily during the spring of 1998. In addition, plans are announced for the inauguration of new services to Venezuela. During these 12 months, cargo traffic moves ahead by 11.2% to 272.01 million FTKs. Revenues surge 56.3% to \$131.2 million, while costs are \$132.19 million. The operating loss is \$907,000, while the net gain triples to \$1.5 million.

Freight traffic plunges 56.4% to 118.53 million FTKs. Annual revenues reach nearly \$40 million.

Only 20 workers are employed at the beginning of 2000. A DC-8-71F is placed into service on July 15.

At the end of October, Eagle Global Logistics, the new majority owner of **Miami Air International**, enters into a new strategic all-cargo alliance with **LanChile Airlines, S.A.,** as well as the freight lines it controls, **Fast Air Chile, S.A., MasAir (Aerotransportes Mas de Cargo, S.A. de C.V.),** and Florida West.

LanChile Airlines, S.A. formally purchases a 25% stake in the carrier on December 22 for \$900,000. The move is made to strengthen the Chilean carrier's cargo position in South Florida.

FLORIDA WINGS: 5500 NW 21st Terrace, Hangar 12, Fort Lauderdale, Florida 33309, United States; Phone (954) 776-0278; Fax (954) 491-3642; Year Founded 1977. Florida Wings is established as an FBO and charter operation at Fort Lauderdale Airport in 1977. Flight operations are duly inaugurated and, by 2000, Director of Operations Paul Warsaw oversees the work of four full- and two part-time pilots flying a Gates Learjet 55 Longhorn and a Eurocopter As-350 A-Star.

FLOTA AEREA MERCANTE ARGENTINA, S.A. See FAMA (FLOTA AEREA MERCANTE ARGENTINA, S.A.)

FLUGDIENST FEHLHABER, GmbH: Germany (1991–1993). Flugdienst Fehlhaber is established in 1991 to offer all-cargo services to regional destinations on behalf of larger corporations and the major freight operators. Revenue flights begin and continue for two years with a pair of Cessna 406 Caravan IIs.

FLUGFELAG AKUREYRAR, H.F.: Iceland (1937–1939). In the spring of 1937, **Flugfelag Akureyrar** is formed at the north coast community of Akurayri and is equipped with a WACO YKS floatplane. The first Akureyri to Reykjavik air bridge is inaugurated on May 4. Summer-only service begins on June 5 over routes from Reykjavik to London, Glasgow, and Copenhagen.

Operations continue apace in 1938 and into 1939. While taking off from a fjord during the winter of the latter year, the WACO capsizes and with the loss of the company's total flying equipment, it is forced to close its doors. It will be succeeded the following year by **Flugfelag Islands, H.F. (2).**

FLUGFELAG AUSTURLANDS, H.F.: Egilsstadir Airport, Egilsstadir, IS-700, Iceland; Phone 354 (97) 11122; Fax 354 (97) 12149; Code XZ; Year Founded 1972. Flugfelag Austrurlands is organized at Egilsstadir in 1972 to continue the commuter work of failed **Flugjonustan**. Shares are held by private and local government interests (55%) and **Flugfelag Islands, H.F. (2)/Icelandair, H.F. (45%).** Ronar Faisson is named managing director. Employing a Piper PA-31-310 Navajo, revenue flights are started or continued linking the company's base with Bakkafjörður, Vopnafjörður, Borgarfjörðureyri, Nordfjörður, Breiddalsvík, Hofn í Hornafirði, and Akureyri.

Services are maintained throughout the remainder of the decade and into the 1980s, by which time Reykjavik has joined the route network. In 1983, a second Navajo is acquired.

The two Pipers maintain the company's regional system until 1990 when a third PA-31 is purchased. Gustaf Gudmundsson becomes general manager in 1991.

Operations continue in 1992–1999; however, recession causes the fleet to be reduced to just one each Navajo and Navajo Chieftain.

As the new millennium begins, Flugfelag Austurlands is also operating as Eastair, Ltd. True to its name in either language, sight-seeing tours continue to be offered from Egilsstaðir to impressive sites throughout East Iceland.

FLUGFELAG ERNIR, H.F.: Iceland (1969–1991). Organized at Isafjörður on May 1, 1969, this carrier is originally known as **Hordur Gudmundsson Air Service**. Scheduled commuter services are undertaken linking the company's base with Sudureyri, Flateyri, Thingeyri, Bildadular, Holt, and Patreksfjörður. During the 1970s, the company name is changed to Flugfélagid Ernir and the fleet comprises one Britten-Norman BN-2 Islander and a Piper PA-23 Aztec.

Markets do not change in the 1980s; however, the Islander is replaced by a Cessna 404 Titan in 1987. In 1990, President Gudmundsson adds a de Havilland Canada DHC-6 Twin Otter and a Cessna 404 Titan in place of the Islander.

In 1991, the company is renamed **Ernir Airlines.**

FLUGFELAG ISLANDS, H.F. (1): Iceland (1928–1931). The Icelandic government forms this carrier on May 1, 1928 to provide seasonal

services around the island. Richard Walter is named managing director and a Junkers F-13, christened *Sulan*, is leased from **Deutsche Luft Hansa, A.G. (DLH)**. During the summer, services are expanded by the addition of a second chartered F-13, the *Veidibjallan*.

The two Junkers are lost in accidents during **1929–1930**; however, a third F-13, the *Alfin*, is rented for the **1931** season. The effects of the world depression are felt even in Iceland and the last scheduled flight is made on August 3.

FLUGFELAG ISLANDS, H.F. (2)-ICELANDAIR, H.F.: **Reykjavik Airport, Reykjavik, IS-101, Iceland; Phone 354 (1) 690 100; Fax 354 (1) 690 391; <http://www.centrum.is/icelandair.front.html>; <http://www.arctic.is/Transport/Icelandair/Icelandair.html>; Code FI; Year Founded 1940.** Flugfelag Akureyrar is reorganized in **1940** as **Flugfelag Islands** (Air Company of Iceland) and company headquarters are transferred to Reykjavik. A new WACO YKS floatplane is purchased to replace the crashed unit and domestic service is restarted. A total of 770 passengers are transported prior to a total ban on flying instituted later in the year in response to the widening European war. The restriction of flying is lifted in **1941** and the Reykjavik to Akureyri WACO operation is resumed.

The first landplane to be received is a Beech 18D, which is delivered in **1942**. It is employed to inaugurate a new service, linking the capital with Egilsstaðir.

Two de Havilland DH 89A Dragon Rapides are acquired in **1943** and irregular domestic flights continue in **1944–1945** as a war surplus Consolidated PBY Catalina is acquired. In March of the former year, three local flyers (Kristinn Olsen, Alfred Eliasson, and Sigurour Olafsson) return from Canada and unsuccessfully attempt to sell the company their Stinson SR Reliant. When Flugfelag turns them down, they launch **Loftheadir, H.F.**

Two Douglas DC-3s are leased from **Scottish Airlines, Ltd.** in **1946** and scheduled service to Prestwick and Copenhagen begins on May 27.

A DC-3 with 4 crew and 12 passengers, disappears while on a May 29, **1947** flight from Reykjavik to Akureyri; the wreckage is found the next day near Hjedinsfjörður and there are no survivors.

The aircraft lease with **Scottish Airlines, Ltd.** lapses in **1948**; the first DC-4 is delivered and enters service on April 10 and a joint Reykjavik–London DC-4 service is inaugurated with **Loftheadir Icelandic Airlines, H.F.** on May 3, **1949**.

Flights continue in **1950**.

While on final approach to land at Reykjavik on January 31, **1951**, a DC-3 with 3 crew and 17 passengers crashes at sea off Hafnarfjörður during its second attempt to land in a snowstorm; there are no survivors.

The Icelandic government now decrees that domestic competition between its two airlines is undesirable. Internal services are awarded to Flugfelag Islands while **Loftheadir Icelandic Airlines, H.F.** is freed to inaugurate deep discount fares across the North Atlantic.

The marketing title of Flugfelag Islands-Icelandair is adopted in **1952**.

Little change is seen in **1953–1956**. The carrier's first turboprop, a Vickers Viscount 759, is deployed on several European routes in May **1957**, including Reykjavik–Copenhagen via Glasgow on May 3, Reykjavik–London via Glasgow on May 6, and Reykjavik–London on June 3.

In **1959**, enplanements are 51,195; these figures rise to 61,554 in **1962** and 62,056 in **1963**.

A Vickers Viscount 759D with four crew and eight passengers crashes while on final approach to Nesoy Island, Norway, on April 14 of the latter year; there are no survivors.

With a base in the middle of Western Europe, the carrier is able to offer low-cost access almost everywhere on the Continent and the U.K. and wins a reputation as the “hippies” airline.

In **1964**, the Handley Page Herald and Fokker F.27-200 Friendship are evaluated as Viscount replacements, with the latter winning out.

Annual enplanements are 90,701.

Birgir Kjaran becomes chairman in **1965**.

New sales facilities are opened in Frankfurt and Reykjavik and the passenger terminal at Reykjavik is upgraded. The first Fokker F.27-200 is delivered in May.

Passenger boardings jump 33.7% to 136,793 while freight traffic is up 12.3%.

A second F.27-200 arrives in **1966** as airline employment reaches 380. A total of 160,000 travelers are carried on the year and revenues are \$2.43 million.

A DC-3 is lost under unknown circumstances at Danmarkshavn, Iceland, on February 23, **1967**.

The first Boeing 727-108C is delivered in June and helps the year's bookings to climb to 182,666. Revenues total \$7.2 million.

There are 380 workers in **1968** and the fleet comprises 1 B-727-108C, 1 Viscount 759, 2 DC-6Bs, 2 F.27-200s, and 2 DC-3s. Traffic falls off to 109,516.

The payroll reaches 386 in **1969** as boardings drop to 156,719. The Viscount 759 is withdrawn.

In **1970** the employee population is increased 2.08% as passenger traffic fall to 108,328.

An F.27-200 with 4 crew and 30 passengers crashes into a 1,500-ft. mountain while descending to Mygganaes, on Denmark's Faeroe Islands, on September 27 (8 dead).

A replacement F.27-200 is added in **1971** and traffic rebounds to 130,612.

A second B-727-108C is acquired in **1972** as one DC-3 is retired; passenger boardings rise to 152,246.

Even though pilots strike the carrier May 8–10, **1973**, a merger process with **Icelandic Airlines, H.F.** is begun in August when the capital stock of the two carriers is consolidated under a new holding company, Flugleidir, H.F.

The employee population totals 465 and the fleet includes 2 B-727-108Cs, 4 F.27-200s, and 1 DC-3. Revenue passengers number 183,287.

The two airlines maintain separate operating identities in **1974–1978** under the direction of a three-man executive committee whose aim is to eliminate wasteful competition and achieve rationalization through centralization of finances, marketing, operational, and technical affairs, domestic services, and administration. Loftleidir now flies 11 weekly roundtrips between Luxembourg and New York, while the Flugfelag B-727-108Cs fly to Scandinavia, central Europe, and the U.K.

The merger process moves slowly and, while emphasis continues to be placed on domestic and European regional service, low-fare, non-IATA flights from the U.S. to Iceland or Luxembourg grow to account for 65% of the line's service. Passenger boardings statistics during the period are 201,375 (1974), 205,176 (1975), 205,756 (1976), 235,394 (1977), and 243,485 (1978).

The operations of Icelandic and Icelandair are fully integrated into a single national flag carrier, Icelandair H.F., on October 1, **1979**. Flugfelag (“Air Company”) is retained as the carrier's domestic trade name while Icelandair becomes the international moniker.

Deregulation of the U.S. industry begins to increase competition and the oil crisis brings additional costs.

Consequently, on January 2, **1980**, the company is forced to lay off 139 employees. Passenger enplanements for the year total 661,557. Expenses of \$133 million exceed operating income of \$126.5 million, leaving losses: \$6.6 million (operating) and \$7 million (net).

The workforce is increased by 8.8% in **1981** to 1,159 and the fleet includes 3 DC-8-63s, 3 B-727-108Cs, and 5 F.27-200s.

The fiscal situation is such that the carrier's board of directors considers an end to transatlantic services, in the process cutting back flights to New York from 23 to 2 each week and suspending service to Baltimore.

Boardings dip 7.6% to 533,513 and freight traffic falls 11% to 18.52 million FTKs.

Despite a return to Baltimore and growth in passenger boardings to 640,000 in **1982**, a net \$2.6-million loss is taken.

The workforce is increased by 0.8% in **1983** to 1,221 and an F.27-500 is delivered. Passenger traffic dips 0.1% to 640,093, but freight traffic

jumps 21.5% to 22.98 million FTKs. A net \$4-million profit is posted on revenues of \$126.7 million.

The payroll is boosted 9.6% in **1984** to 1,338 as service is launched from Luxembourg to Detroit and Orlando, both via Reykjavik. A DC-8-71 joins the fleet.

Boardings jump 10.5% to 707,371, as cargo accelerates 6.3% to 24.02 million FTKs. Revenues advance 6.1% to \$134.4 million while costs rise just 4.6% to \$125.6 million. An operating profit of \$8.8 million is generated and the net profit grows to \$11.4 million.

On January 1, **1985**, Sigurdur Helgason Jr. becomes president/CEO and he unveils a plan for total restructuring of corporate philosophy, fleet, and routes. The carrier is fully privatized in August as all remaining government shares (20% of the total) are sold to private investors; employees now hold a 42% stake.

The route network grows to 17 cities in 11 countries as service is inaugurated from Reykjavik-Bergen and Salzburg.

Passenger boardings accelerate 10.9% to 784,501. Expenses, however, skyrocket and the profit declines to \$4.7 million net.

Airline employment in **1986** stands at 1,611 and the fleet includes 4 DC-8-63s, 1 DC-8-55, 1 B-727-208A, 1 B-727-108C, and 5 F.27-200s.

In January, a CL-44D-4 is sold to **Aer Turas Teroranta, Ltd.** A new marketing approach is undertaken, placing emphasis on Iceland-Europe service, downgrading Europe-U.S. service, and the promotion of Iceland as a tourist destination.

A cooperative route is opened with **Gronlandsfly/Greenlandair, A.S.** linking Godthab and Reykjavik. The company transports large numbers of the world's journalists to Reykjavik to cover the Hofdi House summit between U.S. President Ronald Reagan and Soviet President Mikhail Gorbachev.

Customer bookings rise 5.5% to 788,831 and cargo is up 11.6% to a total of 7,596 tons. Revenues reach \$161.4 million and profits double and then some to \$8.26 million (operating) and \$8.1 million (net).

The payroll is increased by 6.3% in **1987** to 1,563; as the company celebrates its fiftieth anniversary, it remains the largest private enterprise in Iceland.

During public ceremonies, orders are placed for two B-737-408s. On April 14, the company president, Vigdis Finnbogadottir, opens the Leif Eriksson Terminal at Keflavik Airport, 30 miles south of Reykjavik; international flights are transferred to it from Reykjavik Airport. Passenger boardings surge 16.7% to 920,594 and freight rises 30.4% to 23.7 million FTKs. Revenues advance 26.1% to \$211 million, but costs increase 35.3%. As a result, the operating loss is \$4.2 million and the net loss is \$2.55 million.

The workforce grows a further 2.4% in **1988** to 1,600 and the fleet now includes 4 DC-8-63s, 1 DC-8-55F, 1 B-727-108C, 1 B-727-208A, and 6 F.27-200s. Orders are placed for 3 B-757-208s.

As the result of severe financial losses, services to Baltimore (BWI), Chicago and Boston are suspended at the end of September; however, twice-weekly nonstop flights begin from Glasgow to Orlando on October 31.

In December, Reykjavik to London frequencies are increased from four to six per week while flights to Frankfurt are expanded from one per week to two.

Customer bookings descend 9.2% to 835,759, but cargo swells by 18.4% to 28.07 million FTKs.

The payroll is cut by 12.5% in **1989** to 1,400 as another bad year is suffered. The high operating cost of the DC-8-63 forces a suspension of flights to Baltimore (BWI). Further emphasis is now placed on an increase of service to Europe, which now grows to total 68% of company traffic. Flights are now offered from Keflavik to London, Glasgow, Paris, Frankfurt, and Salzburg, as well as Luxembourg, the Faeroe Islands, and three Greenland stops.

In July, an interline marketing agreement is signed with **Midwest Express**. The arrangement offers discount fares to Midwest passengers that connect with Icelandair for travel to Iceland and Luxembourg. Simultaneously, the single-class, low-cost service operated for decades is aug-

mented by the introduction of enhanced Saga Class business service. In November, the carrier offers a cash-bonus program to promote the new Saga Class.

Passenger boardings fall another 12.2% to 733,754 and freight is off by 3.1% to 27.19 million FTKs. Losses of \$6.2 million (operating) and \$3.1 million (net) are suffered. Still, the 252,000 domestic passengers transported equal in number the nation's entire population.

Company employment is increased a slight 0.4% in **1990** to 1,405.

Beginning in January, U.S. skiers are offered a special add-on inclusive-tour package, the first by the company, to the Akureyri resort, far to the north of the capital near the Arctic Circle. At the Cannes Duty Free Exhibition in February, the carrier wins the 1989 Sony Award for excellence in-flight entertainment.

In an effort to redress its traffic downturn, Icelandair acquires two Rolls Royce-powered B-757-208s and three B-737-408s. The arrival of first of the B-757-208s is delayed until early April, due to a strike at Boeing. Using water from four Iceland rivers is used instead of traditional champagne, it is christened *Hafdis* (*Water*) and is employed to resume services to Luxembourg, Oslo, and Stockholm from Baltimore (BWI). The three "Baby Boeings" are named *Eydis*, *Vedis*, and *Fannidis*.

On May 7, thrice-weekly roundtrip service is initiated by the *Hafdis* from Keflavik to Baltimore (BWI); a fourth weekly flight will be added at month's end.

Meanwhile, the second B-757-208, *Aldis*, arrives as the last DC-8-63 is sold to new owners, just one day short of the twentieth anniversary of its delivery to Flugfelag.

Orders are placed in June for three Fokker 50s; the last B-727-108 is sold to **UPS (United Parcel Service)** in September. Several of the B-737s join F.27-200s on the domestic service that links Reykjavik with nine local destinations, including the furthest point, Egilsstadir, 235 miles away near the east coast fjords.

Later in the year, Orlando to Europe charter flights join those already mounted from Baltimore and New York.

Customer bookings rebound 6.3% to 779,964 and cargo increases 31.7% to 35.8 million FTKs. A net \$7.2-million gain is realized following an operating surplus of \$9.2 million, both on revenues of \$208.68 million.

The payroll is downsized by 11.8% in **1991** to 1,280 and the fleet now includes 4 B-737-408s, 3 B-757-208s, and 5 F.27-200s.

Both the last B-757-208 and final B-737-408 arrive in April, allowing retirement of all remaining B-727-208As. One B-757-208 is chartered to **Britannia Airways, Ltd.** for a year and orders are outstanding for four Fokker 50s, which will be employed by the Flugleidir subsidiary. During the summer, the new B-757-208s achieve a utilization rate of 16 block hours per day.

Passenger boardings slide again, falling 0.8% to 773,833 and freight drops 3.3% to 34.62 million FTKs. Revenues increase 9.5% to \$215.49 million, the operating profit climbs to \$15.2 million, and net gain tops out at \$2.5 million.

Employee numbers are not changed in **1992**.

New sale fares from the U.S. to Luxembourg are introduced on April 1 (through June 10) and include the use of a rental car for a week when two people travel together on the same flight. A three-year fleet renewal program is completed in May by the delivery of the fourth and last Fokker 50 (the *Asdis*); Icelandair now claims to have the youngest scheduled airline fleet in the world. Also during the month, the airline's London-based consultant, Lincoln Beddows, assists the company in reaching a decision to target future growth in the intra-European market.

At the same time, a new weekly service is launched from Glasgow to the Faroe Islands.

Free limousine service is introduced in June for business-class passengers at New York and Baltimore (BWI). Also in June, the new Flugleidir Fokker 50s, which succeed the F.27-200s now retired, begin daily roundtrip services from Reykjavik to the Faeroes Islands, Isafjordur, Kalusuk, Glasgow, and a new destination, Narsasuaq in Greenland.

A 134,500-sq.-ft. repair station at Keflavik is occupied in December.

Customer bookings recover and advance by 4.4% to 807,575 while cargo declines 12.5% to 30.30 million FTKs. Revenues total \$227 million and there is a net downturn of \$315,000 despite a \$15.9-million operating gain.

In 1993, President/CEO Helgason oversees a fleet that includes 4 each B-737-408s and Fokker 50s plus 3 B-737-208s. In addition to a 10-stop domestic network, international destinations visited from Reykjavik include Amsterdam, Baltimore, Barcelona, Copenhagen, Faroe Islands, Frankfurt, Glasgow, Goteborg, Hamburg, London, Luxembourg, Milan, Munich, New York, Orlando, Oslo, Paris, Salzburg, Stockholm, Vienna, and Zurich.

In February, a strategic and code-sharing alliance is entered into with **SAS (Scandinavian Airlines System)**. The pact will link frequent flyer programs and provide for code-sharing on all SAS flights within Scandinavia and to Hamburg via a new hub at Copenhagen. Simultaneously, an 18-month "cost rebalancing program" is started, designed to reduce expenses by 5%.

On June 1, a joint European hub is established with **SAS (Scandinavian Airlines System)** at Copenhagen that allows the island carrier's passengers to interline with SAS intra-European and long-haul flights. To take advantage of this new arrangement, frequencies are increased from 7 per week to 28. Code-shared services are also inaugurated from Reykjavik to Hamburg via Copenhagen.

Later in the year, a new maintenance base is set up at Keflavik.

Customer bookings recover and grow by 2.8% to 829,935, while cargo ascends 20.2% to 36.4 million FTKs. Although an operating gain of \$10.21 million is registered, there is a net loss of \$1.99 million.

Airline employment is increased by 2.3% in 1994 to 1,222.

Copenhagen is now the company's main European terminus and the busiest of its markets. Consideration is given to new markets in both the U.S. and Canada. In addition to its international routes, the company still serves 10 cities located on the periphery of the country. Plans are made to pass all domestic operations to a new Flugleidir Innanlands, H.F./Icelandair Domestic, which will fly local routes until total domestic airline deregulation occurs in 1997. Passenger boardings jump 16.9% to 1,061,472 while freight does slightly better, climbing 17% to 42.02 million FTKs. Revenues advance 8.3% to \$220.61 million as expenses grow only 4.4% to \$201.97 million. Consequently, the operating profit swells to \$18.64 million and net gain recovers and rises to \$7.18 million.

The workforce grows by 11.2% in 1995 to 1,359.

Throughout the year, the company celebrates the fiftieth anniversary of international operations.

On March 26, the company becomes the first European airline to go completely smoke-free on both its domestic and international routes.

In August, domestic operations are split off from the main carrier and are centered under the name Flugleidir Innanlands, H.F. at their own Reykjavik Airport terminal. Given the carrier's Fokker 50s, the new division operates to a variety of points around the island as well as weekly to Vagar, the only airport in the Danish-owned Faroe Islands.

Enplanements accelerate 6.7% to 1,132,127 and cargo does even better, climbing 7.6% to 45.14 million FTKs. Revenues swell 18.2% to \$260.68 million. Expenses rise 19.6% to \$241.53 million and there are profits: \$19.14 million (operating) and \$9.77 million (net).

Airline employment grows by 18% in 1996 to 1,603 and the owned fleet now includes 2 B-737-408s, 3 B-757-208s, and 2 Fokker 50s. Also operated, under charter, are 4 B-737-408s, 1 B-737-4S3, and 3 Fokker 50s, one of which is subleased to **Skyways, A.B.** of Sweden.

A B-757-28AER arrives in January under a 75-month charter from ILFC. A B-737-3Y0 is also owned, but is leased to the New Zealand line **Kiwi Travel International Airlines, Ltd.** in mid-spring.

Four-times-a-week B-757-208 roundtrip service begins from Keflavik to Boston on March 31 followed by Halifax, Nova Scotia, on May 14. Flights are also started to Munich, and Berlin.

Icelandair and **Greenlandair, A.S.** collaborate with Greenland Tourism, the national tourism board, to increase the number of tourists visiting Greenland during the summer. Between mid-June and mid-

September, a Fokker 50 honors this commitment with four weekly roundtrips between Narsarsuaq, South Greenland, and Reykjavik.

In December, a marketing agreement is reached with **Southwest Airlines (2)** for services beyond Baltimore (BWI) to Cleveland. Under terms of the pact, Icelandair will handle all reservations and ticketing, ensuring its passengers a smooth transit onto Southwest jetliners. Customer bookings soar 12.7% to 1,275,294 and 52.95 million FTKs are operated, a 17.3% increase. Operating income grows 16.2% to \$302.87 million while costs decline 3.1% to \$285.16 million. Operating income declines to \$17.71 million and net gain inches up to \$9.84 million.

Airline employment grows by 4.8% in 1997 to 1,680.

Southwest Airlines (2) and Icelandair begin to test their single-route program on January 22. Passengers from Cleveland are able to connect at Baltimore (BWI) to Icelandair flights bound for Reykjavik.

In February, code-sharing begins with **British Midland Airways, Ltd.** on services from Reykjavik to London (LHR) and beyond to Dublin and Belfast and from Reykjavik to East Midlands Airport via Glasgow. Also during the month, the Flugleidir Innanlands, H.F. division is combined with **Flugfelag Nordurlands, H.F.** to form the new domestic carrier **Flugfelag Islands, H.F. (3)**.

Icelandair flies the cast and crew of ABC-TV's *Good Morning America* to Scandinavia for their live broadcasts from the "Lands of the Midnight Sun," between May 12-17. Hosts Charles Gibson, Joan Lunden, and Spencer Christian broadcast live from Denmark, Norway, Sweden, Finland, and Iceland. Although the airline is not specifically profiled, the ABC and Icelandair personnel work well together.

Flugfelag Islands, H.F. (3) begins operations on June 3.

The Icelandair/Greenland Tourism service is operated again this summer. This year, a fifth weekly frequency is provided by an **Atlantic Airways Faroe Islands, A.S.** British Aerospace BAe 146-200A.

During the July Paris Air Show, the carrier orders a pair of B-757-200s for delivery in 1998-1999 and two B-757-300s for delivery in 2001; eight options are also taken for planes to be received between 2000 and 2006.

The carrier serves as the official airline of the 24th Annual Virginia Scottish Games at the end of the month.

Southwest Airlines (2) and Icelandair expand their marketing agreement on August 14 to include Chicago (MDW), and Providence. Southwest passengers from those cities, as well as Cleveland, are able to connect at Baltimore (BWI) with Icelandair flights to Reykjavik. All reservations and ticketing will continue to be handled by Icelandair Reservations.

On October 6, the alliance with **Southwest Airlines (2)** is further expanded. Southwest customers from Louisville to Baltimore (BWI) are able to seamlessly connect with Icelandair flights to Luxembourg.

During the month, a B-737-3S3QC arrives under a four-year charter from ILFC.

Service is inaugurated to Glasgow on November 1 from both New York (JFK) and Baltimore (BWI).

Passenger boardings fall 5% to 1,211,732, but freight climbs 5.5% to 55.8 million FTKs. There are losses: \$5 million (operating) and \$4 million (net).

Icelandair begins weekly B-757-208ER roundtrip service from Reykjavik to Minneapolis (MSP) on April 9, 1998. Those taking the flight to Iceland are able to connect on to Copenhagen, Oslo, Stockholm, London, Glasgow, Frankfurt, Hamburg, Luxembourg, Amsterdam, and beginning on May 14, the carrier's newest European gateway, Helsinki.

An arrangement is entered into with **Gronlandsfly, A.S./Greenlandair, A.S.** in June. Flights previously operated from Kangerlussuaq and Narsarsuaq to Copenhagen with a B-727-90C wet-leased from **First Air, Ltd.** of Canada will now be operated under a wet-lease agreement with Icelandair. A B-757-208ER, painted in Greenlandair livery and christened *Kunuunnguaq (Little Knud)* in honor of the Danish explorer Knud Rasmussen, is dedicated to the arrangement.

For the second consecutive year, the company serves as the official airline of the Annual Virginia Scottish Games, which begin on July 24.

Under terms of a marketing agreement signed with **Trans World Airlines (TWA)** on July 30, customers of Icelandair and TWA are able to earn and redeem loyalty points in each other's frequent flyer programs beginning on September 1.

The board of directors, meeting at Reykjavik during the week of August 17, determine to place greater emphasis on travel to Europe and makes several changes in the company's route network that are announced on August 24. Services to Paris and Frankfurt will be expanded in January and, perhaps most startlingly, service to Luxembourg, an integral part of the carrier's route network since 1955, will be eliminated as improved connections are made via the airline's hub at Keflavik.

The carrier's staff at New York (JFK) is significantly reduced on September 15. From that date, Icelandair operations are handled by **British Airways, Ltd. (2)**, under the supervision of five Icelandair employees.

Employing the ILFC B-737-3S3QC, Icelandair begins weekly all-cargo service between Boston and Reykjavik on October 25. The service will be tested for nine weeks, after which the airline will determine whether or not it should be expanded.

Beginning on November 1, Icelandair, makes a special package available to families wishing to visit the new home of Keiko, the killer whale from the film *Free Willy*, who is Iceland's newest tourist attraction. The offer, which will end on March 31, includes a viewing and a talk by a local guide.

A \$131-million order is placed with Boeing on December 3 for two B-757-208ERs. The purchase is in addition to three B-757 requests still outstanding.

Passenger boardings accelerate 17.6% to 1.32 million, while freight traffic rises 6% to 54.5 million FTKs. Revenues advance 12.6% to \$321 million, while costs climb 7.2% to \$312 million. Consequently, there are profits: \$9 million (operating) and \$2 million (net).

Flights continue in 1999. During the summer, an MD-83 is wet-leased by **Crossair, Ltd.** and employed on a weekly seasonal service between Reykjavik to Zurich.

While in the final stages of takeoff from New York (JFK) on June 27, Flight 614, an Icelandair B-757-208ER with 7 crew and 185 passengers, clears an **Air France** B-747F, which has just landed, turned, and crossed the runway in front of the departing passenger plane; no injuries are reported.

A former **Challenge Air Cargo** B-757-23APF is added to the fleet in September, replacing the company's smaller B-737-3S3QC. At the same time, Icelandair moves the North American terminus of its transatlantic freight service, operated from Liege via Keflavik, from Boston to New York (JFK) to accommodate a new loading agreement with **TNT Worldwide Express**.

A code-sharing agreement is signed with **SAS (Scandinavian Airlines System)** on October 8. Under its terms, SAS is allowed to assign its designator to Icelandair flights from the three Scandinavian capitals to Boston, Minneapolis/St. Paul, and Baltimore/Washington and from Reykjavik via Copenhagen, Stockholm, and Oslo to Hamburg, Göteborg, Munich, Düsseldorf, Brussels, and Zurich. Icelandair, for its part, places its code on SAS flights from Scandinavia to all of its new partner's destinations in Europe.

The carrier's new millennium color scheme is unveiled on the B-757-27B *Hafdis* in November. Featuring "Icelandair Holidays" titles, the new livery also commemorates the 1,000th anniversary of Leif Eriksen's visit to North America.

Passenger boardings rise 3% to 1,349,000, as freight traffic plunges 11% to 75.9 million FTKs. Revenues rise 8.7% to \$416.7 million and there is a net profit of \$20.8 million.

The workforce at the beginning of 2000 totals 1,769 and the company continues to fly 1 each B-737-3S3QC and B-737-408 on local services. The B-757 fleet now includes 6 Dash-208ERs and 1 each Dash-23APF, Dash 27B, and Dash-28A. The code-sharing agreement with **SAS (Scandinavian Airlines System)** takes effect on January 1.

Permission is received from Transport Canada on February 18 to increase Keflavik to Halifax roundtrips to four times a week.

While on final approach into Minneapolis (MSP) on November 1, Flight 1653, a B-757-208ER arriving from Reykjavik, is hit by lightning. Although the aircraft is able to land safely and no injuries are reported, the Boeing is damaged and requires such repairs as to force a 24-hour postponement of the return flight.

As a cost-cutting measure, service from Reykjavik to Copenhagen, Frankfurt, and Minneapolis is suspended on November 23.

Customer bookings jump 10% during these 12 months to 1.47 million, while cargo traffic skyrockets 748% to 115.1 million FTKs.

FLUGFELAG ISLANDS, H.F. (3): Reykjavik Airport, Reykjavik, S-101, Iceland; Phone 561-6060; Fax 561-6062; <http://www.airiceland.is>; Code NY; Year Founded 1997. In February 1997, the **Flugfélag Islands, H.F. (2)/Icelandair, H.F.** division Flugledir Innanlands, H.F. is combined with the Akureyri-based **Flugfélag Nordurlands, H.F.** to form this new domestic carrier, which is also known as Air Iceland. The combined fleet includes 3 Fokker 50s, 2 Fairchild Metro 23s, 1 Metro III, 2 de Havilland Canada DHC-6-300 Twin Otters, and 1 Piper PA-31-350 Navajo Chieftain.

The new entity begins revenue services on June 3, the sixtieth anniversary of the founding of Icelandair. A total of 12 domestic markets are visited from Reykjavik and Akureyri, along with Vagar in the Faroe Islands, Glasgow, and the Greenland communities of Kulusuk and Narsarsuaq. Flights continue in 1998.

Realizing that the Internet will play an important role in its future, the company, in late 1999, begins working on a ticketless travel system.

The company takes over both of the Avions de Transport Aerien ATR42-320s of **Islandsflug, H.F.** on May 21, 2000.

In cooperation with **Gronlandsfly, A.S./Greenlandair, A.S.**, twice-weekly return service is launched from Ilulissat to Kulusuk on June 12. At Kulusuk, Greenlandair customers are able to connect with the Air Iceland service to Reykjavik.

Losing money on the routes, the carrier, on September 22, suspends flights from Akureyri to the Faroe Islands communities of Egilsstadir, Isafjardur, Thorshavn, and Vopnfjordur.

The new ticketless sales system is first tested on flights to Husavik in September and in October is placed into operation.

Like Icelandair, Air Iceland, in late November, considers dropping loss-making domestic routes.

FLUGFELAG NORDURLANDS, H.F.: Iceland (1974-1997). With **Icelandair, H.F.** holding a new 35% interest, Nordflug is renamed Flugfélag Nordurlands on May 1, 1974. Einar Helgason, son of founder Tryggvi Helgason, is named chairman with Sigurdur Adalsteinsson as general manager. The previous scheduled services linking the company base at Akureyri Airport with Grimsey and Vopnafjordur are maintained and new routes are added to Raufahrhofn and Thorshofn.

Late in the decade, the fleet is upgraded to comprise 2 de Havilland Canada DHC-6-100 Twin Otters, 1 Piper PA-31-350 Navajo Chieftain, 1 Mitsubishi MU-2, and 1 Piper PA-23 Aztec. New markets are opened at Isafjordur, Egilsstadir, and Siglufjordur.

A DHC-6-100 is destroyed in a ground fire at Daneborg on July 27, 1979.

During the early 1980s, Husavik, Kopasker, Olafsfjordur, Reykjavik, and Siglufjordur join the route network. Passenger bookings for the 20-employee company fluctuate during the recession; 23,400 are carried in 1981; 20,100 in 1982; and 22,500 in 1983.

On behalf of mining and other private interests, services are initiated in 1984-1987 from the east coast of Greenland.

A third Twin Otter is added in 1988, along with two Piper PA-38 Tomahawks.

A DHC-6-200 is based at Sodalen, Greenland, in the summers of 1989-1990 on behalf of a Canadian gold mining concern.

A Fairchild-Swearingen Metro III is purchased in 1991. At this point, the fleet includes that aircraft plus one DHC-6-200 and two DHC-6-300s, one of which is chartered to **Empire Airways** in the U.S.

In **1992–1993**, President Helgason's fleet includes 1 DHC-6-200, 2 DHC-6-300s, 2 Piper Navajo Chieftains, 1 Metro III, and 1 Piper PA-23 Aztec. The company continues as an affiliate of **Flugfelag Islands, H.F. (2)/Icelandair**.

Twelve points in Iceland are served during **1994–1996**, along with several charter destinations in Greenland. In February **1997**, the carrier is combined with the Icelandair division Flugledir Innanlands, H.F. to form the new domestic airline **Flugfelag Islands, H.F. (3)**.

FLUGJONUSTAN. See **FLUGFELAG AUSTURLANDS, H.F.**

FLUGLEIDIR. See **FLUGFELAG ISLANDS, H.F. (2)/ICELANDAIR, H.F.**

FLY BVI, LTD.: Beef Island Airport, Tortola, British Virgin Islands; Phone (284) 495-1747; Fax (284) 495-1973; <http://www.duhe.com/wwwsail/flybvi>; Year Founded 1992. Fly BVI is set up at Beef Island Airport in **1992** to provide executive and small group passenger charters throughout the Caribbean. By **2000**, the company employs 6 pilots and flies 3 Piper PA-23 Aztecs, 2 Cessna 172 Skyhawks, and 1 each C-404 Titan and Britten-Norman BN-2 Islander. The company now guarantees that, if it is not on the ground within 30 minutes of confirmed pick up time, passengers will receive a refund equal to 10% of their charter.

FLY EUROPEAN AIRLINES, A.B.: Sweden (2000). FEA is set up at Skavsta Airport at Linköping in April **2000** to offer scheduled domestic passenger services. Two British Aerospace BAe (BAC) 1-11-500s are wet-leased from **European Aviation Air Charter, Ltd.** and delivered on May 7. The carrier inaugurates return service to Malmö and Stockholm three days later. The company operates almost exactly two months before closing down on July 9 and returning its jetliners.

FLY FTi, GmbH. See **AIRTOURS INTERNATIONAL AIRWAYS, LTD; BRITANNIA AIRWAYS GERMANY, GmbH.; FTI FLUGGESELLSCHAFT, GmbH.**

FLY LINHAS AEREAS, LTDA.: Rua Evaristo da Veiga, 47 Grupo 501, Rio de Janeiro, 20031040, Brazil; Phone 55 (21) 533 7605; Fax 55 (21) 532 1705; <http://www.voefly.com.br>; Code FLB; Year Founded 1995. Fly Linhas Aereas is established at Rio de Janeiro in **1995** to offer domestic passenger charters. Sergio Luis Burger is CEO and 2 Boeing 727-2B6As are acquired with which to launch revenue flights from Rio and São Paulo to Barloche.

Over the next five years, 1 each B-727-224A and B-727-247A are added. Additional destinations visited include Recife, Natal, and Fortaleza. Charters into nearby countries are also offered.

The company's Portuguese language homepage on the World Wide Web reports in **2000** that the carrier has transported 200,750 passengers since its start-up.

FLYGBOLAGET I HUDIKSVALL, A.B.: Sweden (1973–1982). Hiab-Foco A.B. and A.B. Iggesunds Bruk, local industrial organizations in the Swedish city of Hudiksvall, establish this carrier in **1973** to provide scheduled flights to Arlanda and Bromma Airports at Stockholm. Services are maintained for the next decade with a Cessna 404 Titan, a Cessna 421, and a Beech Super King Air 200, but cannot, due to recession and rising expenses, be continued beyond **1982**.

FLYING COLOURS AIRLINES, LTD.: United Kingdom (1995–2000). FCA is established at Manchester Airport in November **1995** as the in-house airline for the Flying Colours Leisure Group. The group is an umbrella organization for the tour operators Club 18-30, Priority Holidays, and Sunset Holidays. Erroll P. Cossey is chairman, with Jeremy Muller as managing director.

Orders are placed in **1996** for three owned B-757-200ERs and one each leased B-757-28AER and Airbus Industrie A320-200. Meanwhile,

charter lift is provided under contract by other airlines, including **Monarch Airlines, Ltd.**, which will also be contracted to provide the new line's catering, ground service, and maintenance services.

In early **1997**, FCA hires an initial staff of 72 pilots and 200 flight attendants. The leased B-757-28AER is received on February 26 and is employed, beginning on March 6, to offer holiday flights. The inaugural service is undertaken on behalf of Club 18-30 and Sunset Holidays from Manchester to the Canary Islands. Another tour, to Venice, takes off from the same market eight days later.

With the arrival of the first owned B-757-236ER in April, twice-weekly transatlantic charters are flown from Manchester to Orlando. Flights to the Caribbean are also operated on behalf of **British Airways, Ltd. (2)** using a leased DC-10-30.

While taxiing for departure from San Juan on May 11 on a service to London (LGW), BA Flight 4508, the Douglas wide-body with 14 crew and 248 passengers, suffers an engine fire in its No. 3 engine. The plane is stopped and all aboard are evacuated down chutes, during which exercise one passenger is seriously injured. Airport fire trucks arrive and extinguish the blaze.

The leased Airbus arrives in June and is employed during the summer season as Birmingham, Newcastle, and Glasgow join Manchester as departure points. Arrangements are completed in October with ILFC for the eight-year charter of a B-757-3Q8ER the following May.

Enplanements for the year total 1,103,700.

The B-757-3Q8ER duly arrives in May **1998**. In June, Sunworld, Ltd. acquires the Flying Colours Leisure Group, and its carrier Flying Colours Airlines, Ltd., as its parent, Thomas Cook Group consolidates as a major European tour operator. The combined **Airworld Aviation, Ltd./Flying Colours** fleet will create the U.K.'s sixth largest airline, with a huge European charter network.

While en route to Turkey on a charter from the U.K. on July 21, a passenger becomes so inebriated and unruly that the captain of his B-757-23AER is forced to make an unscheduled landing at Bucharest to remove him.

The British Broadcasting Corporation (BBC) will report the following February 19 that, based on data supplied by the Air Transport Users Council, Flying Colours has had only 5.33% of its summer flights delayed by more than an hour. At the top of the on-time list of European nonscheduled carriers, the average length of a company delay has been just 8.33 min.

In late October, Thomas Cook Group, which has recently purchased and begun to merge both Sunworld and its house carrier **Airworld Aviation, Ltd.**, as well as Flying Colours, acquires Carlson Leisure Group and its airlines **Caledonian Airways, Ltd. (2)** and **Peach Air**.

Passenger traffic is reported through October and shows bookings of 1.05 million; 463,000 FTKs are also operated.

By November 1, the U.K. charter airline business is rapidly approaching consolidation. Through its October move, Thomas Cook gains Caledonian's slots at London (LGW) and Manchester and, with 32 aircraft, now owns the second largest fleet among the nation's charter carriers.

Plans are announced for an increase of service from London (STN), Bristol, Cardiff, Birmingham, and Glasgow. The fleet will also be rationalized, with only the TriStars seen as certain for retention.

At the beginning of the winter charter season in November, an A320-214 is leased from Flying Colours to the U.S. operator **Ryan Air International**. Wearing a pure white color scheme with a large apple painted on its tail, the Airbus is operated on behalf of Apple Vacations from cities in the northern U.S. to the Caribbean, Costa Rica, and Mexico.

As the year ends, Thomas Cook Group, which has assigned its own name to the enlarged travel group, is conducting marketing surveys to determine which airline brand name has the best public image and should be retained for the larger carrier. Early betting is that the names Caledonian (with its memory of delays and incidents) and Peach Air will disappear in addition to that of Airworld, with the romantic Flying Colours winning the label. A final decision is promised before the start of the 1999 summer holiday season.

Under a general agreement signed with Westdeutsche Landesbank (WestLB) on December 23, Preussag, A.G. acquires a 24.9% stake in Thomas Cook Group, parent of Flying Colours. An additional agreement provides that Preussag, subject to the approval of the German Federal Cartel Office, will acquire a further 25.2% stake by September 30, 1999, thereby achieving 51.1% majority shareholding. The prize is assigned to the Hapag-Touristik Union (HTU), which, since October 1, has controlled the tourism activities of **Hapag-Lloyd, A.G.** and Touristik Union International (TUI). In announcing the deal, Preussag Managing Director Dr. Michael Frenzel indicates that his concern will now join in the merger discussions being held between Thomas Cook and the Minneapolis-based Carlson Leisure Group for the acquisition of Carlson Leisure Group U.K.

Passenger boardings during the year increase 92.2% to 2.12 million.

The merger between Thomas Cook and the Carlson companies is completed on February 2, 1999. Shareholders Carlson Companies, Westdeutsche Landsbank, Thomas Cook, and Preussag, A.G. combine their shares with those of Carlson Leisure Group U.K. to create Thomas Cook Holdings. The Preussag arrangement to acquire 51.1% majority control is transferred to this new entity. With over 20,000 employees, Thomas Cook Holdings is now the third largest of the "big four" British travel and tour operators after Thomson and Airtours.

Although Flying Colours is, indeed, the surviving airline, the **Caledonian Airways, Ltd. (2)** brand does not immediately disappear. The two companies, with their enlarged fleet of 34 aircraft, begin the new summer holiday season at the end of March 1999. The amalgamation of travel concerns comes as the European Commission grants permission for Thomas Cook to merge with the Carlson Leisure Group's U.K. travel interests. Caledonian, for its part, launches direct weekly return charter flights from London (LGW) to St. Thomas, U.S. Virgin Islands.

Just after departure from London (LGW) for Tenerife on April 27, a couple on board a Flying Colours B-757-23AER gets into a fistfight and must be restrained by fellow passengers and cabin crew. Police are on hand when the aircraft lands on the Spanish island, but the matter has, by then, been sorted out and they are not arrested.

Plans for amalgamation with **Caledonian Airways, Ltd. (2)** at the conclusion of the summer holiday season in November proceed; it is anticipated that the two carriers will officially become one by the end of March 2000.

Caledonian Operations Director David Newall and Operations Manager Barry Fitzgerald resign in July, as Robert Willis becomes operations general manager for the combined operation. The engineering facilities of the two companies are also combined at Manchester, with some job loss, while fleet rationalization and repainting continues. Arrangements are also made under a new fleet rationalization plan to replace four L-1011s with three B-757-200s and to return three wet-leased TriStars to **Air Atlanta Icelandic, H.F.**

On September 1, Thomas Cook Group establishes a new holiday travel concern to replace its Sunworld, Sunset, and Inspiration holiday subsidiaries, as well as both Caledonian and **Flying Colours Airlines, Ltd.** Under the direction of Managing Director Simon Vincent, the new travel brand, to be known as JMC after the son of Thomas Cook (John Mason Cook), will complete this changeover within five years, assisted in the process by a £200 million (\$320 million) investment program.

As aircraft are repainted and other vestiges of corporate image are altered, the names of the tour operating division (JCM Holidays, Ltd.) and in-house airline (**JCM Airlines, Ltd.**) will be gradually introduced during the next six months. Terry Soult is named managing director of the new JCM Airlines, Ltd. Customer bookings for the final year skyrocket 140.9% to 3,738,000.

The workforce at the beginning of 2000 totals 2,037. **Caledonian Airways, Ltd. (2)** and **Flying Colours Airlines, Ltd.** disappear completely on March 26, 2000 when **JMC Airlines, Ltd.** becomes operational under a single air operator certificate.

FLYING DUTCHMAN CORPORATION: United States (1975–1976). The Flying Dutchman Corporation of Amherst, New Hampshire,

establishes a scheduled airline subsidiary at Manchester in 1975 to provide scheduled passenger and cargo services to Washington, D.C. (DCA). Daily Piper PA-31-310 Navajo roundtrips are duly inaugurated, but cannot be maintained beyond 1976.

FLYING ENTERPRISE, A.B.: Sweden (1989–2000). Flying Enterprise is established by pilot and former sea captain Eigil Jakobsen at Flygfaltsgatan in Torslanda in 1989 to offer domestic passenger and cargo charters. Revenues commence with a single Fairchild-Swearingen Metro II.

Over the next six years, the employee population grows to approximately 70 and the fleet is expanded by the addition of 3 Shorts 360-300s. Regularly scheduled flights commence in 1994 linking Jonkoping with Skovde and Stockholm's Arlanda and Bromma Airports. Plans are made to begin flying into Poland from Stockholm (Arlanda Airport).

Owned by Tipp and Kran Transport (Tipp Fastighets, A.B.), FE continues flights in 1995–1997; Eigil Jakobsen is now president, with Alf Lindqvist as chairman. The employee population numbers 103 and the fleet comprises 3 Piper PA-31-350 Navajo Chieftains, 2 Metro IIs, 3 British Aerospace BAe Jetstream 31s, 3 Shorts 360-300s, and 1 Shorts 330. Destinations visited include Gdansk, Halmstad, Jonkoping, Skovde, Stockholm (Arlanda and Bromma Airports), and Visby.

Revenues reach \$22,000,000.

Flights continue in 1998. To make up for the loss of feeder services provided by **Air Botnia, A.B.** before its purchase by **SAS (Scandinavian Airlines System)**, **Finnair O/Y** enters into an arrangement with Flying Enterprise. Four SAAB 340s previously employed by **Finnavia, O/Y** are sold to Swedish regional and then wet-leased back to Finnair.

This new approach to covering Finnish domestic service does not prove profitable and **Finnair O/Y** serves notice that it would like to terminate its arrangement at the end October 1999. That date will actually be missed by six months.

During the fall of 1999, President Jakobsen enters into negotiations with the large Swedish regional **Skyways, A.B.** concerning a possible equity stake or corporate takeover. On January 18, 2000, Skyways Holdings, A.B. agrees to purchase 900,000 A shares of Flying Enterprise from Tipp Fastighets, A.B. for SKr 62.50 per share; B shares will fetch SKr 60 per share. The board of directors approves of the sale at a special meeting on February 15. The remaining B shares are purchased from other shareholders and the entire transaction is completed by February 28.

Renamed **Skyways Enterprise, A.B.**, the company's agreement with **Finnair O/Y** is cancelled during the first week of March, leading to termination of the wet-lease service operated by Flying Enterprise from Helsinki to Mikkeli.

FLYING MEDICAL SAMARITANS. See PACIFIC MISSIONARY AVIATION

THE FLYING TIGER LINE: United States (1945–1989). The longest-lived American all-cargo airline of the postwar boom and (as measured by FTKs operated) the largest air freight operator in the free world prior to its acquisition by **Federal Express**, The Flying Tiger Line presents one of the most illustrious stories in the history of commercial air freight. With the backing of Samuel B. Mosher of the Signal Oil Company and the hope of providing transcontinental all-cargo service, Robert W. Prescott, a former wartime "Hump" ferry pilot, organizes his **National Skyway Freight Corporation (NSFC)** in California on June 25, 1945.

Mosher becomes board chairman with Prescott as president/CEO. With an initial \$90,000 raised partly by his wartime buddies of the American Volunteer Group (the AVG or "Flying Tigers"), Prescott is able to put a down payment on 14 Budd RB-1 Conestoga transports. The following month, he flies one of the Budds loaded with grapes to Georgia on his first revenue run and on August 21, launches coast-to-coast

Budd service with a flight of flowers to Detroit—only to suffer a crash three days later.

Meanwhile, following V-J Day, a large number of independent non-scheduled airlines are formed to provide all sorts of air service—cargo, charter, passenger, and mixed. These soon find themselves in a hotly contested rate war with the scheduled airlines.

A Conestoga is chartered by the Philadelphia Eagles in September to transport the pro football team from Philadelphia to Buffalo for an exhibition game with the Detroit Lions.

In the first flight of thoroughbred horses between U.S. race tracks, a Budd transports El Lobo and Featherfoot from Long Beach to Bay Meadows in October; within days, the former wins \$10,000 in its first post-flight race.

Also in October, the infant carrier ventures into passenger charter when, under contract to the U.S. Navy, five Budds fly 117 sailors from California to New York. Still, at year's end, Prescott and Mosher are able to raise \$2.5 million from a Wall Street brokerage firm.

A Budd crash-lands on a Bluefield, West Virginia, golf course during a blizzard on January 1, **1946**; it is soon repaired and flown out.

In February, a Budd transports one of the famous Tucker automobiles designed by entrepreneur Preston Tucker.

During the spring, the first of 16 Douglas C-47s (military DC-3s) are acquired; the Budds are withdrawn and sold, including four to Asiatic Petroleum Company for \$198,000 and another to Preston Tucker. Weekly New York to Los Angeles overnight service is inaugurated for Sears, Roebuck & Co. on April 7.

To supplement cargo revenues, the carrier now begins to haul passengers on a nonscheduled basis. Advertising of this service is very informal; pilots simply roam airports where they land offering cut-rate flights to passengers waiting for scheduled flights.

On August 4, NSFC applies to the CAB for certification. The "nonskeds" now appeal to the CAB for help against the rate-war being waged by the trunk lines.

Late in the year, NSFC is successful in its bid for a six-month, \$500,000 Army Air Transport Command contract to provide cargo service from the U.S. West Coast to bases in East Asia. The company begins 28-per-week transpacific flights with the first of 32 Douglas C-54s (military DC-3s) which will be provided by the military. Start-up and other costs bring a first year net loss of \$199,595.

In February **1947**, Prescott moves company headquarters to Burbank and, responding to the demand of his associates and ex-AVG colleagues, changes the corporate identity to The Flying Tiger Line. The following month, the last of 16 Douglas C-47s (military DC-3s complete with sharks' teeth painted on their noses) comes on line. At this point, the last of the Budd RB-1s are retired.

On May 5, the CAB grants all of the charter operators, including Prescott's company, temporary certificates to provide regularly scheduled service pending an outcome of its investigation (the famous Air Rate Case).

The ATC contract is renewed in May for an additional six months.

The first purchased C-54 is acquired and placed in service on contract service flights in July from New York to Rome.

Buoyed by its military contract (terminated on November 20) and a \$500,000 profit during the first half of the year, the Flying Tigers are able to survive the high mortality rate of the internecine freight war and even score a few points by lowering tariffs.

Meanwhile, the C-47s are followed in October by 5 ex-Army C-54s that are immediately assigned to a 13-hour Sky Tiger cargo run from Burbank to New York (Newark Airport).

During the year, the Borden Company charters a Douglas transport for a one-month promotional tour for "Elsie the Cow."

The rate war with the scheduled carriers ends in April **1948**. By year's end, Prescott's company is one of only six remaining all-cargo airlines in the U.S. Operations continue apace with freight bringing in revenues of \$1.17 million. A number of aircraft and their crews are chartered to

irregular passenger airlines and help the company earn an additional \$350,000.

The CAB reaches a final decision in the Air Rate Case on April 24, **1949**, and thereafter awards experimental five-year scheduled all-freight certificates to the remaining cargo carriers, among them The Flying Tiger Line. The route allowed, Air Freight No. 100, stretches from the Pacific to the North Atlantic coast via the Midwest.

A C-54 and its crew are chartered by **Near East Air Transport** to fly the majority of the 35,000 Jewish refugees transported from Yemen to Israel.

Late in the year, Robert Prescott purchases 18 Curtiss C-46A Commandos from the USAF, outbidding both **American Airlines** and **Slick Airways** for the \$509,000 purchase. The company also signs its first contract to fly military personnel.

A profit is recorded for the year, the first for any major unsubsidized freight line.

Traffic increases a startling 70% in January **1950**. Stations are now opened at the following destinations along the company's new transcontinental route: San Diego, Burbank, San Francisco, Oakland, Denver, Chicago, Milwaukee, Toledo, Cleveland, Akron, Canton, Buffalo, Rochester, Philadelphia, New York (Newark Airport), Hartford, Providence, and Boston.

Several of the C-54s are equipped with passenger seats and offer charters from California to New York. Others are employed to undertake inclusive-tour flights to Europe for student and religious groups.

The Venezuelan subsidiary **Aerovias Venezuela Europa, S.A.** is established at Caracas and with two C-54s, flies pilgrims to Spain for the Holy Year and returns with immigrants. Toward the end of a 25-flight contract with a Chicago agency, the contractor goes broke, leaving 4 plane loads of students in Europe. Despite being \$45,000 short of the contract fee, Prescott agrees to return the first group free and take promissory notes from members of the latter three.

On June 26, Flying Tiger is the first civilian operator to make aircraft available to the Military Air Transport Service (MATS); the C-54 is enroute from California to Japan via Hawaii only 24 hours after the Communist invasion of South Korea.

On July 9, the final C-46A is reconditioned; purchase and refurbishment brings the cost of the 18-ship fleet to \$990,000.

A C-46F with four crew is lost in a crash landing at Denver on July 30; although the aircraft must be written off, there are no fatalities.

The 7 Douglas and Curtiss transports which President Prescott can commit to the Korean Airlift by mid-August represents 10% of all the commercial lines' contribution.

In late summer, 2 C-54s are employed on a 3-month animal charter to Bogota; flown are 250 cows and bulls, 35 horses, 1,000 pigs, 110 goats, 4,000 chickens and turkeys, one 1,600 sheep, and 50 sheep dogs.

With great difficulty, a now-scarce DC-4 is purchased from a Mexican source in the fall. A total of 28.12 million ton-miles of freight are flown during the year.

In February **1951**, new regional overnight services commence from the New York (Newark Airport) and Chicago hubs.

A record is established on March 20–21 when 11 planes crisscross the U.S. with a total of 71 tons of cargo. The company has become sophisticated enough to simultaneously operate 8 separate charters, the 6 flights of the regular transcontinental service, and the Korean Airlift.

The fleet totals 35 aircraft. During the summer, the carrier begins, under a two-year contract from the U.S. Immigration & Naturalization Service, to return illegal Mexican entrants from a base at Brownsville, Texas, to the cities of San Luis Potosi, Durango, and Guadalajara; 6 roundtrip C-47 trips are made daily. At the same time, the company also airlifts in seasonal workers from both Mexico and Puerto Rico.

In Operation Moo, C-46As fly calves from Oklahoma to California and from Idaho to Wisconsin.

On August 25, new daily service is introduced from New York to Oakland via Milwaukee.

In late fall, 7 DC-6A freighters are ordered at \$1 million each. Direct service is opened on November 21 to Binghamton, Endicott, and Johnson City, New York.

On December 25, two C-46As arrive at West Berlin to begin a three-month "Baby Berlin Airlift" contract (actually a subcontract from the first **Pan American World Airways**).

Cargo ton-miles flown on the year jump to 31.78 million.

When citizen protests shut down Newark Airport in February 1952, the local station is moved to a rented circus tent on an old taxi runway at Idlewild (Long Island); the base will operate in this location until November.

In June, a company aircraft flies veterans to the first annual reunion of the wartime American Volunteer Group, "The Flying Tigers." The Mexican repatriation flights continue during the summer.

At the same time, Flying Tiger C-47s are under contract from growers to fly legally documented *braceros* to worksites in Montana, Washington, California, Colorado and other western states. Simultaneously, the carrier undertakes 153 C-46A flights that deliver 11,000 Puerto Rican laborers to work the farms in Pennsylvania, New Jersey, Ohio and elsewhere in the east. An application is filed with the CAB for a low-fare, regularly scheduled service to Puerto Rico, but it is denied.

When the C-46s belonging to General Claire L. Chennault's former Nationalist Chinese airline **Civil Air Transport** are finally legally available, they are sent to Prescott's Burbank base for modification. Thirteen are purchased by Flying Tiger, which sells them to other freight operators for a \$350,000 profit.

The company's skill in diversification holds it aloft as the scheduled carriers, led by **American Airlines**, now take aim at running the all-cargo companies out of the picture. The plain economic fact is that in the face of concentrated competition from the larger, scheduled trunk lines during the early 1950s, the freight rates offered by the nondiversified, all-cargo airlines cannot be maintained. For most of its first 7 years, The Flying Tiger Line has been overshadowed by the larger, nondiversified, all-cargo carrier **Slick Airways**. Faced with head-on competition from the passenger airlines after 1949, Slick begins to fade and is eventually forced to seek a merger in order to survive.

Flight 841, a C-54B with four crew and three passengers is lost 3 km. S of Issaquah, Washington, on January 7, 1953; there are no survivors. Later in the month, a leased L-049 is destroyed by fire after its pilot, on a training flight, is forced to make a wheels-up landing at Burbank.

In February, DC-6As fly food and medical supplies to assist in Dutch flood relief operations.

On March 26, **Slick Airways** and Prescott agree to join forces and file a merger petition with the CAB; the document has an escape clause permitting its withdrawal if it is not approved by October 1.

In midsummer, Flying Tiger earns \$1.45 million when it sells two of its undelivered DC-6As to **Japan Air Lines Company, Ltd.** (2) and \$9 million more when it leases four others to **Northwest Airlines** for four years.

The Korean Airlift ends in July, the same month the CAB opens hearings on the Tiger-Slick merger. Opposition is significant. In addition to protest from the passenger carriers concerning potential monopoly to be created by such an amalgamation, the CAB's own lower-level lawyers join the protest, echoing the same sentiments.

With the Korean Airlift over, requirements for cargo capacity shrink, business falls off, layoffs are imminent, and labor problems for **Slick Airways** and Flying Tiger become serious. Between September 1 and 13, three DC-6As are leased to **Northwest Airlines**.

Cargo traffic advances to 51.32 million ton-miles, while revenues for the year exceed \$25 million.

The CAB approves the Tiger-Slick merger on January 7, 1954. The regulators, seeking a way out of the nasty political spot they are in, elect to delay issuing its permanent certificate until the cargo companies have resolved their labor difficulties.

On January 24, a fourth DC-6A is chartered to **Northwest Airlines**.

On May 5, the presidents of **Slick Airways** and The Flying Tiger Line formally merge through the tying of a knot in a cord stretched between

two C-46As. It will not stay tied, even though joint schedules are issued and an earnest effort is made at the first joint board meeting on May 17 to set a collective goal.

On June 1, fast Daybreaker Los Angeles to New York via Chicago all-cargo service is inaugurated employing the six DC-6As brought into the merger by Slick.

As the year wears on, the labor problems worsen instead of better, and the costs of this maneuvering mount for both Slick and Prescott. The end of the Korean Airlift has meant a decline in business and by midsummer, a total of 909 employees from both carriers are laid off. As late as August, the CAB still withholds permanent certification. Reluctantly (from a management perspective), on September 20, the merger arrangement is abandoned.

Although **Slick Airways** will close its doors four years later, The Flying Tiger Line is able to weather this crisis and grow. The next day, the Flying Tiger board decides to turn the company into an aircraft leasing company, but employee appeals led by President Prescott encourage the board to reverse this plan on September 27.

The **Slick Airways** divorce is finalized in November when new Tiger freight schedules are issued.

Voluntary wage cuts take effect in December. The number of revenue ton-miles flown during the year slides to 45.15 million.

On February 13, 1955, the carrier inaugurates overnight transcontinental cargo service using newly purchased DC-6A freighters.

In February, the company begins to provide support in the construction of the Canadian DEW line. Eleven C-46As are dispatched to operate subcontracts on behalf of **Queen Charlotte Airlines, Ltd.** and seven fly to Churchill, Newfoundland, to fly for **Maritime Central Airways, Ltd.**

Beginning in April, and at any given point during the year, 20 Tigers aircraft are on contract work in the Orient, Europe, and the Caribbean. Eight others are flying domestic Army troop movements in a Civilian Army Movement (CAM) program. With these and other new domestic freight services very successful, the wage cuts are ended on May 1 and restored over the next five months.

The next day, Flying Tiger becomes, by specific CAB exemption, the first all-cargo carrier allowed to transport the U.S. Mail under an experimental, space-available airmail scheme.

On June 19, company members of the International Association of Machinists and Aerospace Workers (IAM) begin a 114-day strike.

The company's tenth birthday is celebrated on June 25 with a luncheon for 200 civic leaders at Long Beach Airport.

During three summer weeks, the airline transports over 250 tons of fans and air conditioning equipment from Milwaukee to New York to help allay a prolonged heat wave.

Also during the summer, following a CAB ruling on "right of first refusal," it enters the passenger group charter business; 50 groups are booked through August.

In September, Tiger places a \$20-million order for 10 (later 12) Lockheed L-1049H Super Constellations freighters.

During the same month, a Tiger aircraft lands at New York with the first 30 of 1,000 Italian and Yugoslav tailors imported to meet a labor shortage in the garment industry.

En route from Hawaii to Wake, Flight 7413-23, a C-54A freighter with five crew is forced to ditch in the Pacific Ocean 1,600 km. W of Honolulu on September 24 (three dead). It is later determined that the accident had been caused by incorrect fuel system management, which had caused three engines to stop and faulty restarting methods that resulted in a ditching.

The machinists' strike ends on October 5.

En route to Tokyo from Honolulu via Wake Island on November 14, another DC-4 crashes at sea between Hawaii and Johnston Island; before rescue by the freighter *S.S. Steel Advocate* 30 hr. later, one crewman is lost.

Cargo falls again, down to 36.89 million ton-miles flown.

The company's importance and stature are reaffirmed on March 12, 1956, when the CAB again renews its operating certificate.

Meanwhile, as the Super Constellations come on line, Prescott initiates an orderly disposal plan for the older freighters in his fleet.

A C-46F, with two crew and a passenger, is lost at Pelly Bay, Canada, on March 18; although the aircraft must be written off, there are no fatalities.

On April 6, a C-54 flying for **Maritime Central Airways, Ltd.** crashes at DEW Line Site 30, but will be repaired in a long process.

In late spring, as the result of a contract with World Vision and Mr. and Mrs. Harry Holt, a Tiger C-54 brings the first of 3,500 unwanted children from Korea to the U.S. for adoption. The "baby airlift" will continue for eight years.

The first mail flights are started on May 28 while the first air express flights are made in mid-June.

Having flown from Vienna via Munich, a Tiger C-54 arrives at McGuire AFB, New Jersey, on November 21 with the first planeload of Hungarian refugees allowed into the U.S. The second Hungarian Airlift C-54 arrives at Milwaukee two days later. Hungarian refugees will also be flown from Munich to Istanbul and on to Australia.

Work in support of DEW Line construction continues during the year.

By November, 7 Tiger aircraft are disabled.

The company also becomes the first cargo carrier to join the Air Transport Association of America (ATA).

The carrier is now the largest independent operating across the North Atlantic; 20,000 tour passengers are flown during the year, while freight ton-miles leap to 49.64 million.

A DC-6A leased to **Northeast Airlines** crashes at Rikers Island, New York City, on February 1, **1957** (22 dead).

A record commercial air freight load of 41,746-lbs. of general cargo is flown by an L-1049H on March 11 from Newark to Burbank.

A Flying Tiger passenger agency opens in Geneva, Switzerland, in the spring and an L-1049H Super Constellation flies 114 passengers to London on May 1 in the year's first charter flight.

Eleven of the 12 new Super Constellations are on hand by June 21 when the first inaugurates a new \$18-million MATS charter from California to Tokyo.

Just after takeoff from New York (IDL) on the same day, a DC-6A with nine aboard loses all four engines; avoiding populated areas, it makes a nonfatal emergency crash landing into Jamaica Bay. The Douglas will later be loaded onto a barge and taken off for repairs.

The DEW Line support subcontracts with **Queen Charlotte Airlines, Ltd.** and **Maritime Central Airways, Ltd.** end in July.

New freight services are opened from Newark to the West Coast on October 4 and transcontinental Super Constellation 7 hr. 55 min. all-cargo service is initiated 6 days later.

The number of revenue ton-miles flown on the year reaches 53.52 million.

Other airlifts conducted during the year and in **1958** include: the transfer of Greek brides to Australia; the return of Antarctic seamen to Norway; flights of Chinese seamen from Singapore to Marseilles; the transport of the deported from Australia; the carriage of immigrants from England and France to Canada; the reunion of Chinese war brides from Hong Kong with husbands in San Francisco; the reunion of 500 British wives with former GIs waiting for them in New York; and the continuing airlift of Korean War orphans to adoptive families in the U.S.

A chartered L-1049H with six crew and two passengers is lost on Mount Oyama, Japan, on September 9; there are no survivors.

For the first time in the airline industry, the 100-million ton-mile air freight figure is broken by Flying Tiger; the fleet now comprises 13 L-1049H Super Constellations and 9 C-46As. North Atlantic bookings for the year total 70,000, while freight traffic rises slightly to 54.74 million ton-miles operated.

In May **1959**, President Prescott places an order for the revolutionary swing-tail Canadair CL-44D freighter, a modified version of the Bristol Britannia.

During the summer, the sets of the Broadway musicals *Marriage-Go Round* and *Pink Jungle* are transported.

In three days, a 380,000-pound dredge-head is delivered from Seattle to Dover, Maryland, for the Army Corps of Engineers; broken down into four components, the shipment is made by Super Constellation and flatbed truck.

Since the previous year, the Flying Tigers find themselves engaged in a rate war with a new group of independents. These nonscheduled carriers, equipped with airline-surplus, piston-engine aircraft disposed of at the dawn of the jet age, seek military contracts in direct competition with Prescott and at rock-bottom rates. When the Flying Tigers do not reduce tariffs, they lose significant revenue, having only the satisfaction of watching some of the newcomers fold after miscalculating costs.

In September, the company is underbid and loses the MATS contract won in 1957.

With its nose ballasted with 65,000-pounds of weights, an L-1049H flies a 34,000-pound ship's propeller shaft from Newark to Palermo; the item is the single largest piece of air freight transported to that time.

Since the previous year, company aircraft have transported 340 Korean babies to the U.S. The number of revenue ton-miles flown advances to 76.17 million, but the rate war costs the company its annual profit.

Between January 16 and February 19, **1960**, the carrier is struck by its pilots.

Meanwhile, on February 17, one R. I. Lewis is taken into custody in Rye, New York, and charged with flying the company's transports with a forged pilot's license.

One of the L-1049As withdrawn by **Trans World Airlines (TWA)** is quickly leased and an L-1049H is chartered to **Deutsche Lufthansa, A.G.**

New York to San Francisco all-cargo services are unveiled on August 8 and on October 1 the CAB steps into the freight picture once more and establishes minimum rates for military contracts.

Over 300 roundtrip charters open new vacation opportunities for more than 30,000 passengers during the year.

On November 14, two L-1049Hs are leased to **Trans-International Airlines**.

Revenue ton-mile statistics show the year's total to be 85.31 million. Although the rate war has been ended by the CAB decree, its savagery during the first 10 months causes the Tigers to again lose any profit.

On February 8, **1961**, the carrier is one of seven majors struck by the Flight Engineers International Association (FEIA). The job action lasts six days until President John F. Kennedy appoints a special commission to examine the situation.

In the spring, roundtrip \$99 fares are introduced for European tourists from London, Paris, Brussels, and Amsterdam to New York and Boston.

The first Canadair CL-44D is delivered on June 2. Simultaneously, the corporate image is changed when the only company insignia of an open-mouth tiger shark is replaced by a giant encircled "T."

Armed with CAB authority, the MATS negotiates new charters, giving preference to those carriers with the most modern equipment. With its 10 CL-44Ds, The Flying Tiger Line is at the top of the list and is given a new 3-year arrangement on July 1, allowing the company to launch transpacific military flights from Travis AFB on July 16.

Three of the four DC-6As leased to **Northwest Airlines** are returned between August 24 and September 19.

New freight rates are unveiled on October 17, based on cargo density, and an L-1049H is damaged in a ramp accident at Grand Island, Nebraska, on December 1.

The final **Northwest Airlines**-leased DC-6A is returned on January 2, **1962**. Also in January, the CAB grants The Flying Tiger Line permanent certification for its Air Freight Route No. 100.

An engine of a CL-44D fails at Burbank on February 27; 4 of the 10 persons in the crew are slightly hurt.

An L-1049H with a seven-man crew is destroyed as the result of a March 7 crash at Adak, Alaska (one dead).

A new "See America" program is initiated for European tourists during the early spring.

En route from Travis AFB to Tokyo on March 15, an L-1049H with 11 crew and 96 passengers disappears into the Pacific Ocean between

Guam and Manila; no trace is found before the search is given up on March 25. The loss marks the first fatal passenger flight of a Tiger aircraft.

The same day, another L-1049H with seven crew and carrying a secret cargo, overshoots the runway while landing at Adak, Alaska, and crashes (one dead).

Also in March, a new \$1.5-million freight terminal is opened at Chicago.

A new \$17-million contract for the overseas transport of DOD personnel and cargo is received on May 18.

During the summer, a CL-44D transports a 35,200-lb. turbine rotor and 26,000 lbs. of freight from Newark to Burbank, breaking the L-1049H record set with the Palermo flight in 1958.

During the same period, the airline becomes the first to join the Pacific Steamship Conference. It also inaugurates Skyroad, an air-truck service reaching 1,500 communities.

En route from Gander to Frankfurt on a continuing leg of a September 28 MATS charter that has begun at McGuire AFB, an L-1049H with 8 crew and 68 passengers begins to lose its engines 3 hours out from Ireland. The No. 3 engine catches fire and is shut down and the No. 1 engine overspeeds 5 minutes later, causing it to be shut down. The crew seeks to turn back to Shannon, but when the No. 4 engine fails, the aircraft must be ditched 560 mi. W of Ireland. As the plane goes in, the left wing breaks off. The cabin of the intact fuselage quickly fills with water and the aircraft sinks within 10 min. (28 dead). A USAF C-118 en route from Prestwick to New York, circles the scene, bringing the merchantman SS *Celerina* to the scene where it rescues survivors.

On December 14, the pilot of an L-1049H, with two other crew and two passengers and on final approach to Burbank Airport, has a heart attack. His copilot is unable to prevent its crash into a North Hollywood, California, residential area; there are no survivors on the aircraft and three people are killed on the ground.

During the year, the last two C-46s are retired and revenue ton-miles flown slides to 75.19 million.

The Korean "baby airlift," begun in 1956, ends in 1963.

An air-sea cargo service, in cooperation with **Pacific Far East Lines**, is opened on March 1 and joint air-rail freight service is later launched in cooperation with the New York Central Railroad.

A record 64,917-pound cargo flight is reported on July 6 and two L-1049Hs are leased from **World Airways** in July.

During the year, two other L-1049H Super Constellations are placed into service; the planes had been built by mating the fuselages of two surplus USAF YC-121Fs and the wings, power plants, and tails of two L-1049Gs. The cost of creating these two "new" aircraft from the remnants of four Super Constellations is less than the price of one new L-1049H. One of these is leased to Air America, the proprietary airline of the CIA, at the year's end for use in Laos. Revenue ton-miles flown advance slightly to 78.3 million, while a net loss of \$204,134 is suffered.

Airline employment in 1964 stands at 1,359 and the fleet includes 21 aircraft.

Another L-1049H chartered from **World Airways** will be added to replace one of the L-1049Hs out on charter to **Trans-International Airlines**, which now purchases it.

On May 1, an L-1049H, which had first flown as the *Star of Edinburgh* for **Trans World Airlines (TWA)**, is leased for a year from its final owner, Bill Murphy Buick, Inc.

In August, the CAB votes to allow guaranteed block-space discount fares to shippers and carriers. In September, the regulators agree to limit the amount of off-route charter service that the scheduled passenger airlines can perform, thereby opening yet another line of business for the cargo and supplemental carriers.

The main landing gear of a CL-44D collapses following the plane's November 12 landing at Detroit. There are no injuries.

An L-1049H freighter with three crew crashes in the San Bruno Mountains following takeoff from San Francisco on December 24; there are no survivors.

Freight ton-miles operated are 99.48 million. Revenues advance 7.7% to \$45.5 million, allowing a net profit of \$1.3 million.

In January 1965, The Flying Tiger Line acquires two more CL-44Ds, leases two Boeing 707-349Cs, moves its general offices and maintenance facilities from Burbank to a new \$4.5-million base at Los Angeles (LAX), and joins the charter business in a big way.

Its workforce now totals 1,666 and the fleet includes 26 aircraft: 2 B-707-349Cs, 15 CL-44Ds, and 9 L-1049Hs.

A new around-the-world distance and speed record by a commercial airliner is established on November 15-17 by the B-707-349C *Pole Cat*; the Stratofreighter circles the globe in 62 hrs. 27 mins. 35 secs. The mark will stand until broken by the **Pan American World Airways (1)** B-747SP-21 *Clipper Liberty Bell* on May 1-3, 1976.

An L-1049H freighter with three crew is lost 50 km. NE of Alamosa, Colorado, on December 15; there are no survivors.

Charter enplanements total 62,023 and a total of 127.61-million freight ton-miles are flown. Revenues advance to \$56.15 million, providing a \$4.64-million net profit.

In 1966, Prescott places a \$206-million order for 10 (later 17) Douglas DC-8-63F jet freighters. Slated to be purchased back two years later, one of the two composite L-1049Hs is sold to Fairbanks-based **Interior Airways** for lease-back on January 21.

Flight 6303, a CL-44D with six crew, is destroyed as the result of a bad landing at Norfolk Naval Air Station on March 21; there are no fatalities.

Several of the Constellations are now retired and on April 14 one is chartered to **Korean National Airlines**. The two L-1049Hs chartered from **World Airways** three years earlier are purchased in April and the former TWA L-1049A is acquired for transfer to **Paramount Airlines, Ltd.**

The carrier formally begins its Pacific Airlift Operation on July 1 in support of the Vietnam crisis, dedicating seven CL-44Ds and four L-1049Hs. A hub is established at Yokota AFB, Japan and flights are undertaken to Udon and Khorat AFB in Thailand, Clark AFB Philippines, and the South Vietnamese air bases of Da Nang, Cam Ranh Bay, Tan Son Nhut, and Bien Hoa. To help handle traffic to these facilities, the L-1049H sold to **Trans International Airlines** two years earlier is repurchased on September 30.

On October 24, an L-1049H is chartered to **China Airlines, Ltd. (CAL)**.

Flown by Flying Tiger pilots under contract, the Super Connie is employed to launch twice-weekly Taipei-Saigon roundtrips on December 2.

Arriving from Japan, an MATS-chartered CL-44D with four crew, crashes at Da Nang on December 24; all aboard are killed, along with 107 Vietnamese civilians on the ground.

A total of 423,795,000 freight ton-miles are flown. The operating profit is \$20 million.

The employee population in 1967 is 2,096 and the fleet includes 20 aircraft: 6 B-707-349Cs and 14 CL-44Ds.

The concept of equipment trust financing is pioneered, as the company prepares to undertake a \$25-million expansion program.

On December 4, the L-1049H chartered to **Korean National Airlines** is returned.

At year's end, Wayne M. Hoffman becomes the new board chairman, sharing CEO duties with President Prescott.

On the year, a total of 21,019 military charter passengers are originated. Freight ton mileage operated increases to 472,636,582, two-thirds of which comes from international services. Net income declines to \$6,785,029 on record revenues of \$87,031,494.

The \$25-million facilities and equipment expansion and modernization program gets under way in 1968. In the first phase, eight domestic stations are affected, including Newark, Chicago, Los Angeles, and San Francisco. All are provided with fully mechanized freight handling equipment.

The **Interior Airways** L-1049H is bought back on January 1 while a B-707-349C is wet-leased to **El Al Israel Airlines, Ltd.** for four months, beginning on April 1.

The carrier asks the CAB to approve flights into 12 additional communities.

Meanwhile, a six-month delay in the delivery of the DC-8-63F fleet ordered in 1966 causes a significant drop in traffic and income as the Tigers are forced to operate turboprops in competition with jetliners. Due to prior commitments, the airline had leased its six B-707-349Cs to other carriers and cannot get them back.

In early September, an L-1049H is leased to a group of U.S. and Indonesian businessmen who have set up Nusantara Airlines to operate domestic and limited international services in the former Dutch East Indies. When the new entrant runs into financial problems, the Connie is impounded at Singapore on September 21 and operations never begin.

Meanwhile, on the jet front, four of the Douglas cargo jets finally arrive and begin operations during the year's final quarter.

The employee population numbers 2,475 and the fleet reaches a 24-plane total. On the year, 191,799 charter passengers are boarded and 342.32 million freight ton-miles are flown. Revenues are \$76,699,000.

The last two DC-8-63Fs arrive early in 1969.

At the close of the decade, Flying Tiger, like several other air transport concerns, elects to reorganize in order to pursue even larger business opportunities.

On January 28, a B-707-349C is leased to Universal Studios. It will be transformed into a plane of the fictional Trans Global Airlines in the motion picture *Airport* to portray a bomb-damaged airliner as well as a jetliner mired in mud and snow off a runway.

On May 28, the CAB certifies the carrier for operations over transpacific cargo International Route 163 and in July the carrier deploys its first DC-8-63F on the Vietnam airlift.

The holding company Flying Tiger Corporation is incorporated in Delaware in August with the airline becoming its subsidiary. Also in August, the much-traveled composite L-1049Hs are sold to the North Slope Supply Company.

International Route 163 is inaugurated in September from Los Angeles to Tokyo, Bangkok, Hong Kong, Seoul, Okinawa, and Manila.

Freight ton-miles flown equal 331.61 million, while revenues are \$97 million and the profit is \$4.3 million.

The employee population in 1970 numbers 2,782 and the fleet includes 17 aircraft. On June 30, pursuant to its announced plan of corporate reorganization and merger, the carrier is merged into a corporation subsidiary, FTL Air Freight Corporation, which then changes its name to The Flying Tiger Line, Inc.

While on final approach to Naha AFB, Okinawa, on July 27, Flight 45, a DC-8-63AF with four crew, descends below its glide slope and crashes into the sea, hitting a coral reef 1,200-ft. short of the runway; there are no survivors.

Despite this transport tragedy, the new Pacific cargo route pays off handsomely during its first full year. These services help the company to boost its commercial operations 99% over the previous year. Military charter enplanements rise 16.6% to 211,641. Freight ton-miles flown increase to 390.21 million while revenues advance 27% to \$123 million. Net earnings climb 144% to \$10.5 million on revenues of \$125.5 million.

With Indochinese charter contracts shrinking yearly, the company's military boardings are 122,450 in 1971. A total of 599.74 million freight-ton miles are flown and revenues increase to \$209.6 million. Profits total \$82.92 million (operating) and \$20.38 million (net).

The workforce in 1972 is 3,195 and the number of charters declines a full 55% to 79,000.

Scheduled service is inaugurated to Manila.

Permission is sought from the CAB for authority to fly regularly to Anchorage, Singapore, Kuala Lumpur, and Djakarta.

Construction is begun on new facilities at the Los Angeles (LAX) headquarters and at New York (JFK). Another DC-8-63F joins the fleet.

The loss of military business is offset by an increase in commercial business as the world's largest all-cargo carrier increases its freight ton-miles flown by 18% to 881.34 million. In an industry record, the carrier has a claims payout of 3/10 of a cent per dollar, the lowest claims ratio

ever. The big profitmaker among aerial cargomovers, the carrier shows revenues of \$161.94 million and expenses of \$131.87 million. Consequently, the net profit is \$18.86 million.

The workforce in 1973 is 3,550. Joseph J. Healy is named vice president operations and an order is placed for two B-747Fs.

Scheduled service is started to Bangkok as Asian service is expanded to 20 flights per week. A fully automated cargo information system comes on line.

Freight ton-miles flown grow by 3.8% to 1.14 billion. Passenger charters are down by 20.3% as 63,000 passengers are transported. Income jumps to \$174.5 million while expenses are \$30 million less. The operating profit is \$29.7 million and net gain reaches \$20.2 million.

Only one employee is released in 1974 and Joseph Healy is named executive vice president.

Two B-747-123SFs, formerly operated by **American Airlines**, are purchased early in the year and ground is broken for a new Seattle cargo terminal.

On July 1, Flying Tiger Corporation adopts the name of Tiger International, Inc. After the reorganization, Tiger International diversifies further and acquires a number of other transport subsidiaries besides The Flying Tiger Line, including automobile, insurance, equipment rental firms, and the Colorado Air Center.

The first ex-AA Jumbojet arrives on August 28 and beginning in September is employed on a route from New York to Taipei via Anchorage and Tokyo. It is joined by a second B-747-123SF on September 28.

As the year closes, a huge air freight terminal is occupied at New York (JFK).

Freight traffic declines 5.3% as 1,291,474,000 FTKs are flown. Although revenues of \$186.95 million are generated, expenses climb to \$189.25 million. The operating profit is off by \$2.29 million, but income from other subsidiaries helps the corporation to post a \$3.78-million net profit.

The workforce at the beginning of 1975 is 3,439 and the fleet comprises 18 DC-8-63CFs and 2 B-747-123Fs.

The company's thirtieth anniversary is celebrated.

The entry into service of the third Jumbojet freighter allows the carrier to devote one DC-8-63CF exclusively to passenger charter and the decision will pay off handsomely. Meanwhile, a new charter program department is created to handle the booking of both military and civilian passenger flights.

Beginning in late February, until the airport is overrun by the Khmer Rouge on April 12, Tiger's DC-8-63CFs from Saigon land 176 times at Phnom Penh's Pochentong Airport to deliver 16,687,265 pounds of rice in the Cambodian Rice Lift. The carrier now joins **World Airways** in participating in Operation Frequent Wind, supporting the evacuation from Saigon by transporting cargo, troops, and passengers. Following Saigon's fall in late April, service is suspended to South Vietnam.

A ground pickup and delivery services department is created, new marketing programs are designed, and two new terminals are opened, one each at Anchorage and Seattle.

During July, a third former **American Airlines** B-747-123SF joins the fleet while flights to Bangkok end in December.

Thanks largely to the designation of just one airplane, passenger boardings for the year jump 62.9% to 101,903. A total of 1.17 billion FTKs are flown for a modest 4.3% increase. With expenses of \$211.98 million neutralized within overall income of \$216.74 million, the carrier enjoys an operating profit of \$4.76 million and a significant \$11.05-million net gain.

Employment is increased by 0.5% in 1976 to 3,457.

In January, the company receives the 1975 "Cargo Development Award" from *Air Transport World* magazine.

During the spring, a DC-8-63CF is chartered to fly 122 wild animals from Los Angeles to Fukuoka for the new Koizumi African Safari Park at Beppu.

The Tigers seek route authority from the CAB to operate domestic services to Miami, Baltimore (BWI), Houston, Atlanta, San Juan, San

Diego, and Dallas (DFW). Additionally, permanent certification is sought on transpacific routes.

A new European Interline service is initiated, which provides confirmed space on Asian and U.S. flights for cargo shipped via European carriers to New York and Chicago. Another new marketing approach is International Skyroad, a combination air-truck service, as well as allocation of space within B-747Fs for garment-on-hanger service.

During the summer, a chimpanzee named Oliver is transported in the passenger section of a New York to Tokyo Jumbojet flight.

When Vice President Duke Hedman retires on December 17 after 31 years service, he is the last active pilot to have commercially flown every type of aircraft in the company's inventory since the company began.

Freight increases 11.1% to 1.27 billion FTKs. Operating income is \$249.43 million and expenses are \$235.14 million. This balance allows an operating profit of \$14.29 million and record net income of \$61.39 million.

The most famous passenger of 1977 is transported roundtrip between New York and Los Angeles during the spring when Triple-Crown winner Seattle Slew makes a public appearance at Longacres Race Track.

Meanwhile, between February 11 and May 24, three B-747-123SFs are purchased from **Delta Air Lines**. On June 18, the Japanese transport ministry bars the carrier from making off-route charter flights to Tokyo (HAD) in retaliation against the CAB's ban on **Japan Air Lines Company, Ltd. (2)** off-route charters made from Tokyo (HAD) to the U.S.

New authority is received in July for services to Singapore, Indonesia, and Malaysia.

On August 15, the company services 27 new domestic destinations, bringing the U.S. route network to 53 destinations and adding 3 DC-8-63Fs to handle the new service. The CAB deregulates the air freight industry in November.

Enplanements for the year total 68,670 and a total of 1,314,397,000 FTKs are operated. Revenues total \$515.3 million and the net profit is \$20.74 million.

Airline employment is increased by 21.7% in 1978 to 4,865. Chairman Hoffman and President Prescott operate their worldwide certified all-cargo flights with a fleet of 4 B-747-123Fs, 14 DC-8-63CFs, and DC-8-61s.

Founder Prescott dies of cancer on March 3 at age 64.

In the spring, the company begins a yearlong cargo service from Seattle to Doha, Qatar, known as the Safeway Charter; weekly, 100,000 pounds of fresh and frozen meat, fresh fruits and vegetables, dry goods, dairy products, and household goods are transported for the Doha Center, a supermarket location.

On July 1, a B-747-124SF is chartered from **World Airways**.

On August 14, the 10-story headquarters building at Los Angeles (LAX) is dedicated in memory of Flying Tiger's founder, Robert Prescott, who is now succeeded as president by Executive Vice President Healy.

Primarily through the start-up of the new Southeast Asian routes, the route network is increased by 72.1% to 39,753 unduplicated miles.

During the year, a DC-8-63CF makes two flights to transport camera equipment, explosives, a helicopter, and a tiger named Gombi from Los Angeles to Manila for use in the making of the Francis Ford Coppola (1979) film *Apocalypse Now*.

Revision of the corporate image and livery begun the year before is completed; the encircled "T" on aircraft tails is replaced with the script words "Flying Tigers." Also, Diana Nichols becomes the first woman A & P with the maintenance division; she will rise to become a senior aircraft maintenance planner with successor **Federal Express**.

Airline employment is increased 0.4% in 1979 to 4,501 and the fleet includes 30 aircraft. In January, Flying Tiger receives the 1978 "Cargo Development Award" from *Air Transport World* magazine.

On February 16, just after landing at Chicago (ORD), a B-747F is forced to run into a snowbank to avoid a **Delta Air Lines** B-727-232 that taxis into its path across the runway; the near-collision costs \$17 million in Jumbojet repairs.

In the first phase of its most important air freight merger, Tiger International purchases 99.9% interest (600,000 shares) in an old rival, **Seaboard World Airlines**, also in February. In August, Thomas Grojean becomes president and the boards of Flying Tiger and Seaboard announce the approval of a merger agreement.

Mechanics and ramp service personnel, members of the IAM, go out on strike on August 25. The job action is settled by mediated agreement on September 12.

The company's first new Jumbojet, a Dash-249F, is delivered on October 31 and, in elaborate ceremonies, is named *Robert W. Prescott*, the company founder. The second new B-747-249F is named *Thomas Haywood* in honor of another ex-"Flying Tiger" and longtime company employee on December 11.

A total of 130,000 charter passengers are hauled during the year, a 23.8% rise, while 1.95 billion FTKs are operated, a modest 3.8% boost. Higher fuel costs and expansion lead to an operating loss of \$8.86 million; however, net gain swells to \$23.46 million.

The third B-747-249F arrives on July 3, 1980, and is named *William E. Bartling*; its receipt allows return of the **World Airways** Jumbojet leased two years earlier. A fourth B-747-249F, the *Clifford G. Groh*, is delivered on September 12.

At a cost of \$450 million, the takeover of **Seaboard World Airlines** is completed on October 1, following receipt of company stockholders approval on September 8.

Having obtained four B-747-245SF freighters in the deal, including the *Houston Rehrig*, Tigers International is able to sell three of its older B-747Fs and some spare parts for \$90 million. As a corollary to the Seaboard takeover, the enlarged airline receives scheduled passenger authority from New York to Europe and the Middle East. Two more B-747-249Fs arrive, on October 3 and 14 respectively, the *W. Henry Renninger* and the *Henry L. Heguy*.

To take advantage of the merger's aircraft windfall, a new charter subsidiary, **Metro International Airways**, is formed in December; it will fly passengers with leased Tiger aircraft painted in a Metro livery.

Meanwhile during the year, James A. Cronin, the company's future president/CEO, arrives as a senior planner.

Passenger charters jump 66.6% to 223,000 and cargo immodestly rises 26.8% to 2.99 billion FTKs. Revenues accelerate 14.14% to \$689.29 million, but expenses (caused by expansion) jump 13.22% to \$693.91 million. As a result, a \$4.61-million operating loss is suffered. The aircraft sale allows a \$10.4-million net profit to be claimed. As Flying Tiger enters the era of deregulation, they do so as the undisputed giant of the American air freight industry.

The workforce is reduced by 9.2% in 1981 to 6,614. On the domestic front, scheduled Chicago to Denver service begins in January, along with a national door-to-door delivery plan. Overseas, Flying Tiger inaugurates charter cargo service to Mexico, opens a new terminal at Frankfurt, and establishes London (LHR) as its European hub.

Employing two (later three) of the leased ex-**Singapore Airlines, Ltd.** B-747-212Bs, **Metro International Airways** launches passenger charters in March to Israel, Greece, Portugal, and other points in the Caribbean, Europe, and the Mediterranean; DC-8-63s will also be employed.

Three B-747-123SFs are sold to **American Airlines**—their original owner—between March and September.

In cooperation with **Saudia (Saudi Arabian Airlines)**, direct B-747F service is inaugurated between the U.S. and Saudi Arabia on October 13.

Mail, express, and other cargo traffic increases 19.7% to 2.94 billion FTKs, while the number of charter passengers skyrockets 69.8% to 377,000. Revenues advance 22.7% to \$845.6 million, including \$112 million from military charters. Unhappily, expenses involved with expansion, commercial passenger charters, fuel price increases, and problems caused by the U.S. recession rise 26.8% to \$879.62 million. Thus the carrier is forced to record an operating loss of \$34.01 million, up significantly, and a \$10.6-million net loss.

The payroll is cut another 3.2% in 1982 to 6,400. The last DC-8-63 **Metro International Airways** service is flown on February 23 while, in

March, **Metro International Airways** inaugurates scheduled Jumbojet passenger service from New York to Brussels.

Cargo service is inaugurated to South America on routes to Brazil and Argentina, as well as to Mexico City from Houston. Pacific and Atlantic operations are increased and a domestic door-to-door delivery service is begun.

Still, the world's largest cargo airline faces a need to reduce its capacity and as a result, sells four DC-8-63CFs to **UPS (United Parcel Service)** for \$74 million.

Unfortunately, recession, excess capacity, slumping passenger charters, and intense Atlantic and North American competition from such former air freight forwarders-turned-airlines as **Emery Worldwide** and **UPS (United Parcel Service)**, cause the pioneer's freight traffic to fall 1.2% to 2.8 billion FTKs. Even though revenues, including \$114.9 million from military contracts and that from the UPS sale, advance 3.8% to \$877.74 million, expenses climb faster, rising 5.3% to \$926.03 million. The Flying Tigers lose \$48.28 million (operating) and \$43.78 million (net) and must request of its creditors a moratorium on its loan payments.

The general resurgence in air cargo during **1983** brings new traffic gains. John E. Flynn now succeeds President Grojean.

During the year, officials of the 6,000-employee company elect to end the commercial passenger charters and scheduled services that have been offered for two years under the name of **Metro International Airways**. Once these operations are terminated in February, the company swaps its three Boeing 747-212Bs to **Pan American World Airways (1)** for four B-747-121Fs and a B-747-123F. In addition, a B-747-273C is chartered from **National Airlines**.

On the freight front, scheduled service is inaugurated to Australia, but scheduled flights to the Netherlands, Switzerland, France, and Italy are discontinued.

Flight 2468, a DC-8-63CF, is lost in a crash at Chambers Field Naval Air Station on October 25.

FTKs operated jump 7.6% to 3.4 billion. These maneuvers and figures have little impact on the company's ledgers. Despite a 15.4% rise in revenue to \$1.01 billion, including \$84 million from military charters (a decline of \$30 million from 1982), costs rise 8.7% to \$1 billion. Although a \$6.23-million operating gain is generated, a \$67.5-million pretax net loss appears on the corporation's balance sheet.

The payroll grows 11.8% in **1984** to 6,100.

On April 19, Chips, a 350-lb. White Bengal tiger, who has been on loan to the Miami Metrozoo since the previous September, is returned aboard a company aircraft to its permanent home at the Cincinnati Zoo. The 1 1/2-year-old cat is replaced by a permanent pair of young White Bengal cubs.

After three lean years, the world's largest freight airline records a dramatic turnaround. Much of this return can be traced to the 1983 decision to slow European service and return to and expand the long-time favorite company markets in the Far East. Consequently, transpacific traffic increases 23.7%, with much of the load being ferried by aircraft freed from Atlantic operations.

A total of eight charters are flown into the People's Republic of China, transporting primarily electronics and cattle. Elsewhere, the Tigers experience a 99.98% jump in South American traffic, becoming the largest U.S. cargo carrier south of the border.

On September 6, a \$60.8-million USAF Military Airlift Command (MAC) contract is received for cargo and passenger services.

On October 10, a B-747-273C is chartered from **Evergreen International Airlines** and, late in the year, an interline agreement is signed with **Air Lanka, Ltd.**

Overall FTKs operated rise 13.8% to 3.72 billion. As a result of this upswing, the corporation's total revenues jump 15% to \$1.17 billion as costs ascend only 5.8% to \$1.06 billion. A \$109-million operating profit—twelfth largest in the world airline industry—is achieved and a net profit of \$60.5 million is celebrated.

The payroll stands at 6,449 in **1985** and the fleet consists of 11 DC-8-63s, 6 DC-8-61s, 7 B-747-100Fs, 10 B-747-200Fs, 1 B-747-273C, and 4 B-727-100s.

The first of two company-sponsored Operation Lifeline famine relief flights from New York (JFK) to Addis Ababa, Ethiopia, is undertaken by a B-747F on January 29.

New scheduled service is started to Trinidad, Caracas, and Saudi Arabia and the year's major domestic initiative is the launch of a door-to-door delivery service using trucks.

A second **National Airlines** B-747-273C is chartered on March 16, allowing return of the first in April.

Flying from Los Angeles to Addis Ababa via New York, Brussels, and Khartoum, a B-747F delivers 231,463 pounds of relief supplies for USA for Africa in June.

A \$74.4-million MAC award is received in September, a company record, and the most awarded to any civilian carrier this year for transatlantic and transpacific passenger and cargo services.

A B-747-133 is leased from Guinness Peat on September 22; the aircraft, formerly flown by **Air Canada, Ltd.**, is assigned to passenger charter.

An interline agreement is signed with Viking Airfreight on October 1 to promote marketing in Africa and Asia.

In November, Robert P. Jensen is named president/CEO of the parent firm and Lewis Jordan, airline president/CEO for a month, also becomes chief operating officer.

A total of 42 flights are made to the Chinese cities of Beijing, Shanghai, and Guangzhou; the charters to the first two destinations are interlined with **CAAC (General Administration of Civil Aviation of China)**.

A traffic downturn prevents back-to-back fiscal victories as FTKs operated slip 0.5% to 3.7 billion. Interestingly enough, in a time of general renewal in industry passenger enplanements, a total of 102,000 charter passengers are flown, a 6.3% increase. Revenues drop 5.6% to \$1.09 billion, expenses rise \$1.7% to \$1.07 billion, and operating profit plunges to \$20.51 million. A net airline loss of \$44.23 million is suffered. The parent, Tiger International, which also controls Warren Transport, loses a net of \$53.6 million.

Early in March **1986**, the 6,500-employee carrier transfers its overnight and second-day package delivery hub from Chicago to Columbus, Ohio, site of its trucking hub. The new hub is equipped with a 196,000-sq.-ft. sorting facility and has the capacity to simultaneously handle 4 B-747s, 16 B-727s, and 26 trucks; initial operations from it are flown by 5 B-747s and 10 B-727s.

Former **Republic Airlines** CEO Stephen Wolf arrives in August as Flying Tiger's new president/CEO. In the fall, management warns company unions that, if substantial wage and work-rule concessions are not received during contract negotiations, the company will be broken up and sold. The unions agree to tendered terms and the carrier is able to begin restructuring its debt.

Following the agreement, the carrier leases six DC-8-73CFs, begins to reinstitute its old logo, and announces that it will sign an agreement with **Canadian International Airlines, Ltd.** for operation of a joint cargo service. The operation will feature around-the-world flights by Tiger's aircraft hauling freight sold separately by both airlines. Meanwhile, the government chooses Flying Tiger to operate a charter cargo service to the Peoples' Republic of China.

Tour and contract passenger boardings jump 61.2% to 166,000; however, cargo, the mainstay, falls 4% to 3.55 billion FTKs. In terms of FTKs, the Tigers are now second behind **American Airlines**. Revenues decline 4.02% to \$1.04 billion, costs drop 73.2% to \$991.6 million, and the operating profit climbs to \$54.93 million. The net loss improves to \$18.64 million.

Airline employment falls 6.2% in **1987** to 6,100.

Early in the year, Stephen Wolf becomes chairman, CEO, and president of the Tiger International holding company, while retaining his control of the airline subsidiary. Senior planner Cronin is appointed

president/COO of the carrier. Cost-cutting measures are introduced and even the company yacht, the *Sea Tiger*, is sold. In January, however, a lease is signed for six Douglas jet freighters formerly owned by **Transamerica Airlines**.

Service to Bangkok is resumed on February 23.

In April, a joint-marketing agreement is signed with **Canadian International Airlines, Ltd.** for an around-the-world route that includes most major Canadian cities.

In September, the carrier signs an agreement with **UPS (United Parcel Service)** covering service between the U.S. and Japan and inaugurates daily flights from Columbus to Nashville. Also during the month, the headquarters of the Latin American division are moved from Miami to São Paulo, to take advantage of the fact that 70% of the Tiger's business south of the border involves flights to Brazil and Argentina.

The company now begins to deploy six DC-8-73CFs.

On September 22, the 19th B-747, a Dash-2R7F formerly flown by **Cargolux Airlines International, S.A.** and chartered during the summer, is received. The introduction of the Douglas jets allows the transfer of a Jumbojet to the Pacific and the initiation of direct flights from the U.S. to Milan.

Daily Columbus to Richmond, Virginia, flights begin in November and, in December, Chairman Wolf is lured to **United Airlines** to replace its former leader, Richard Ferris. Upon Wolf's departure, President Cronin takes over the departed chief's role at the holding company.

A new corporate identity is introduced, including restoration of the noted circle logo painted off aircraft tails in 1976.

During the fourth quarter, two litigation matters are settled and agreement is reached that will allow the prepayment of \$132 million in debt at a significant discount.

Building on labor and other achievements of 1986, the Tigers enjoy a good year, with freight regaining its upward momentum and climbing by 9.3% to 3.88 million FTKs. Passenger bookings decline 9.6% to 150,000. Revenues advance 12.29% to \$1.17 billion, expenses rise 3.24% to \$1.02 billion, and the operating profit is \$151.41 million. The net profit of \$81.71 million is a new record.

The workforce is reduced by 1.7% to 6,000 in 1988, the airline's last independent year.

Scheduled frequencies from Los Angeles to Auckland, New Zealand, commence on March 7 via Honolulu. Later in the month, Portland is added to the route network, with daily service to the Columbus, Ohio, hub via Seattle.

In May, B-747F Hong Kong to Europe via Taipei, Seoul, and Anchorage flights commence.

When the 20th B-747F is placed into service in September, the carrier now operates fully one-fourth of the world's entire Jumbojet freighter fleet.

During the fall, Shannon is added to the westbound Frankfurt-New York Jumbojet service; the Irish city is already covered on the eastbound run out of Boston. Simultaneously, the company adds a fourth weekly B-747F flight between America and Australia and a second to New Zealand.

As the winter season begins, the company inaugurates four-times-per-week, over-the-pole frequencies from Europe to Asia via Anchorage, while the number of weekly Asia to Europe frequencies over the same route grows to six.

Unlike many carrier's that are soon to be merged, The Flying Tiger Line closes out business with record traffic, revenues, and profits. It also goes out on a public relations high note. In mid-December, a B-747F flies a disaster relief team and supplies from New York to Yerevan, Armenia, via Frankfurt to assist in earthquake relief.

Cargo swells 16.2% to a record 4.51 billion FTKs; much of the increase comes from a doubling of traffic between Europe and Asia. Revenues jump 10.18% to \$1.29 billion, costs ascend 12.12% to \$1.14 billion, and operating income drops to \$146.96 million. The net gain is \$74.4 million. The parent corporation, Tiger International, reports earnings are up 55% to \$89.5 million.

On January 31, 1989, the historic carrier is purchased for \$880 million by **Federal Express** and Jeffrey Rodek is named interim president.

While on final approach to Kuala Lumpur after a February 19 service from Subang, Flight 66, the B-747-249F *Thomas C. Haywood* with four crew, flies below minimum altitude and crashes into a wooded hillside 7.5 mi. from the runway; the Jumbojet is destroyed and there are no survivors.

In March and April, weekly Asia to Europe service is increased from once per week to daily and Europe to Asia services are boosted to four per week.

Meanwhile, the entire year is set aside by FedEx for the integration of the world's largest all-cargo carrier into its own huge small-package operation. The two companies are officially amalgamated in August, at which time the Tigers name disappears into history. Through June, the final month for which the carrier maintains separate figures, records show that the company has flown 2.06 million FTK, a 2.4% decline over the first six months of the previous year.

FLYING W AIRWAYS: United States (1968–1970). Flying W is set up at Medford, New Jersey, in 1968 to fly contract service on behalf of the energy industry. Revenue flights are undertaken with a huge fleet of 6 Curtiss C-46 Commandos and the company even forms a subsidiary, **Red Dodge Aviation**, to operate 5 Lockheed L-100 Hercules freighters. Operations cease in 1970.

FLYN AIR TAXI, A.S.: Denmark (1986–1991). Flyn Air Taxi is founded at Odense in 1986 to provide scheduled passenger and cargo flights to Tirstrup and Alborg. Birger Skaaning becomes managing director and his initial fleet comprises 2 Piper PA-31-350 Navajo Chieftains, 1 PA-31-310 Navajo, 1 Piper PA-23 Aztec, and 1 Cessna 303.

The Navajo, Aztec, and Cessna are withdrawn in 1990, but the move cannot reverse a general deterioration caused by recession. The company enters receivership in 1991.

FONTANA AVIATION: United States (1967–1978). Fontana Aviation is formed as the airline division of the FBO operated at Iron Mountain, Michigan. Employing a Beech 18, the unit begins flying scheduled daily passenger and cargo flights to local destinations in 1967, continuing them for a decade.

FONTSHI AIR SERVICE, S.A.: Zaire (1984–1991). Fontshi is set up at Kinshasa in 1984 to operate regional passenger and contract service flights. Revenue operations commence with a single Sud Est SE-210 Caravelle III. Flights continue during the remainder of the decade and the fleet is increased with another Caravelle III and a Boeing 720B.

The onset of recession in the early 1990s proves fiscally fatal and the company shuts down in 1991.

FORD AIR FREIGHT LINES: United States (1925–1931). Automobile magnate Henry Ford, having been interested in aviation by his son, Edsel, a friend's son, Harry Brooks, and his chief engineer, William B. Mayo, elects to support aircraft designer William B. Stout's efforts to build a modern all-metal airliner. He builds an airfield and manufacturing facility at Detroit for the Stout Metal Plane Company. Here Liberty-engine, 6-seat Stout 2-ATs (the "AT" stands for air transport) could be built. Following passage of the Kelly Air Mail Act, the senior Ford decides to begin a company airline for the rapid transport of freight.

Employing the Stout 2-AT *Maiden Dearborn I*, Ford Air Freight Lines inaugurates six-times-per-week in-house all-cargo flights between Dearborn and Chicago on April 13, 1925. A second single-engine Stout 2-AT *Maiden Dearborn II* enters service on the Michigan-Illinois route on April 27.

Flying the *Maiden Dearborn I* to Chicago on May 18, pilot Ross Kirpatrick encounters a storm that forces him to make an emergency landing at Summit, Illinois; the plane noses into soft ground and Kirpatrick is killed. The loss represents the first fatal accident for a privately operated U.S. airline.

The Stout Metal Plane Company is purchased on July 31 and, on the last day of the month, Ford 2-ATs begin all-cargo frequencies to Cleveland.

With a successful company service in hand, Ford elects to bid for government airmail routes and the subsidies that come with them. Bids are placed for the two covering his present network and they are both won: CAM Route No. 6, Detroit–Chicago and CAM Route No. 7, Detroit–Cleveland.

After being delayed by a \$500,000 fire at the Stout plant, regularly scheduled airmail flights begin on February 15, 1926 with five, later six, Ford 2-ATs, along with the cargo service. The first carrier to fly the mail under contract within the continental U.S. and thus, arguably, the nation's premier carrier, Ford continues the operation with little change until August, when passengers are first carried.

Two or three flights a day are now initiated, with payloads of 1,000 lb. to 1,500 pounds each. Late in the year, two of the first three Ford 4-AT Tri-Motors, 4-AT-1 and 4-AT-3, enhance the equipment available.

Over 1,000 fights are made without loss, while passenger enplanements for the year total 657.

A private express service is inaugurated from Dearborn to Buffalo on March 28, 1927. Mail and passengers will be flown for another year.

When **Atlantic, Gulf and Caribbean Airways**, the reborn **Florida Airways Corporation**, ends in late fall, the two remaining aircraft, Ford 2-AT-7 and 2-AT-8, are reacquired.

Arriving in fog at Wayne, Michigan, on February 2, 1928, the Ford 2-AT-4 is destroyed in a crash landing. Ford 2-AT-11, the last of its type manufactured, is sold to **Betz Air Lines** at Hammond, Indiana, on February 20.

Ford 2-AT-5 *Maiden Dearborn V* is lost in a Cleveland crash during April, while on May 12 the Ford 4-AT-1 carrying 1,200 pounds of freight, crashes on takeoff from the Ford Airport on its way to Buffalo (two dead).

In July, the mail contracts are turned over to **Stout Air Services**, which does not honor them, preferring to concentrate on the passenger traffic Ford now no longer seeks. Both CAM routes are suspended by the Post Office.

The Ford 2-AT-6 is withdrawn from service on August 11 and dismantled.

The Buffalo run is ended in early 1930 and the Chicago and Cleveland services in July 1931.

FORD-AIRE. See SUSQUEHANNA AIRLINES

FOREMOST AVIATION, LTD.: Nigeria (1992–1994). Foremost is established by Chief Oluwoluf Alani Adeosun at Lagos in the summer of 1992 to provide all-cargo services. In October, the Irish lessor, Omega Air, Ltd., provides under charter a Boeing 707-351C, first flown by **Northwest Airlines** years earlier and now christened *Latter Rain*. Flying from an operational base at Ostend, Belgium, the Stratofreighter brings in pineapples from Africa during the winter, while also flying humanitarian missions on behalf of Doctors without Borders.

After a busy winter schedule, the company continues to provide ad hoc freighter flights during 1993 and the first three-quarters of 1994. In October of the latter year, the Boeing is returned to its lessor and the company shuts its doors.

FORMOSA AIRLINES CORPORATION, LTD.: Taiwan (1966–1999). Formed by U. T. Wei as an agricultural support service (aerial spraying, etc.) at Taichung in January 1966, this company is reconfigured during the early 1970s into **Yung Shing** ("Forever Prosperous") **Airlines, Ltd.** Provided with a Britten-Norman BN-2 Islander, it undertakes nonscheduled passenger and charter flights about the nation.

Scheduled service is inaugurated in 1976 from Taichung and Tainan to Makung in the Pescadores Islands.

On July 15, 1978, the carrier is purchased by ex-banker Y. L. Wang and is restructured as a third-level commuter carrier, which is also known by its marketing name, Formosa Airlines.

Flying three Britten-Norman BN-2 Islanders and three Cessna 404s, the company establishes a domestic route network for scheduled and charter passenger and cargo flights. Emphasis is placed upon the delivery of tourist and shuttle flights to offshore islands. Destinations visited include Kao-hsiung, Orchid Island, Taichung, Taitung, Chimay, Makung, Hualine, and Green Island.

Chairman Kuo-Hsiung Kao's airline changes its fleet throughout the 1980s, moving from an organization dominated by such light types as the Cessna 404 and BN-2 Islander to the new Dornier turboprop, with two 228-212s entering service, beginning on February 11, 1983. Passenger traffic accelerates slowly in 1984–1986. **China Airlines, Ltd. (CAL)** becomes a major shareholder.

In 1987, the carrier is reformed and given its current name. Ch. H. Hsin is named chairman and an order is placed for two SAAB 340As.

In 1988, the workforce grows 32.6% to 256 and the fleet now includes 4 Islanders, 1 Titan, 5 Dornier 228-212s, 2 newly delivered SAAB 340As, and 5 Bell UH-12E helicopters. Orders are outstanding for 1 Shorts 360, 2 more SAABs, and 2 Airbus Industrie A300-600s. Enplanements for the year reach 295,824, an 11.4% boost over 1987, and revenues increase by 23.6% to \$11.5 million.

Operations continue apace in 1989 and in 1990 the company is the nation's largest third-level operator. Over 125 daily flights are operated with a fleet that now includes 1 Cessna Skywagon, 3 Islanders, 3 SAAB 340As, 1 Shorts 360-300, and 7 Dornier 228-200s.

Among services operated are four-times-per-day roundtrips between the company base and the island of Matsu.

A Dornier 228-201 freighter, with two crew, undershoots the runway while landing at Orchid Island on August 14, 1991; the undercarriage collapses and the plane slides 400 ft. There are no injuries reported.

The carrier is successful and employs 271 workers in 1992. In October, orders are placed for five SAAB 340As.

The fleet in 1993 comprises 4 Dornier 228-212s, 1 Dash-202, and 1 Dash-201 in addition to 3 Pilatus-Britten-Norman PBN-2 Islanders, and 1 Bell UH-12E helicopter.

While on final approach to Orchid Island in heavy rain on February 28, a Dornier 228-201 with two crew and four passengers plunges into the sea off Green Island; there are no survivors.

While landing at Green Island on June 14 after a service from Taitung, a Dornier 118-201 with 2 crew and 20 passengers undershoots the runway; its right main landing gear strikes the raised lip of the runway and collapses. There are no fatalities.

The first two SAAB 340As are delivered in April and May.

Passenger boardings this year total 380,000.

With deliveries to begin a year hence, five Dornier 328-100s are ordered in January 1994. Meanwhile, two more Dornier 228-212s enter service along with three more SAAB 340As. Two Fokker 50s are ordered in December.

The arrival of the Dornier 328s and Fokker 50s is delayed during much of 1995.

With the government unwilling to fund the construction of a new airport on Matsu Island, the airline requests permission to withdraw its services. Political requirements will, however, require that the daily schedule be maintained.

Following a June 15 service from Green Island, a Dornier 228-202 with 2 crew and 17 passengers, belly-lands at Taitung Airport; although the aircraft is badly damaged, there are no fatalities.

While taxiing out for takeoff from Green Island on June 18, the pilot of a Dornier 228-201 with another crewman and 17 passengers loses control and drives his aircraft into a ditch. There are no fatalities.

The first two new Fokker 50s are delivered in September and October, with a Fokker 100 arriving in December.

A second Fokker 100 is delivered in March 1996 while the first of five Dornier 328-100s arrives during the spring.

Having arrived in the Matsu Island area following an April 5 service from Taipei, a Dornier 228-212 with 2 crew and 15 passengers is forced

into a holding pattern due to poor visibility. The turboprop subsequently crashes into the sea (6 dead).

Enplanements for the year total 1,887,632 on 57,575 scheduled departures.

In 1997, the largest commuter carrier in Taiwan visits 24 points from Taipei's Sung Shan Airport.

On August 10, Flight 7601, a Dornier 228-221 with 2 crew and 14 passengers from Taipei fails its first approach to the runway on Matsu Island in high wind and rain. The aircraft attempts a second approach, but this time hits the tops of trees and the water tower at a military base, before crashing in flames. There is just one survivor.

Later in the day, a weather observer with the duty of providing weather information to the airport control tower, commits suicide by self-immolation.

Passenger boardings accelerate to 2,141,258 on 60,262 scheduled departures.

Chairman James Liao and President H. H. Sun oversee the operations of a fleet which, at the beginning of 1998, includes 3 Dornier 228-221s, 5 Fokker 50s, 2 Fokker 100s, and 6 SAAB 340As.

Previously restricted for military use only, the Hsinchu to Kao-hsiung air corridor is opened to civil use on February 15. A month later, on March 15, Formosa inaugurates daily service over the new track.

En route from Hsinchu to Kao-hsiung on March 18, a SAAB 340A with five crew and eight passengers, crashes into the sea six miles off the northeast coast of Taiwan, just four minutes after takeoff. The tragedy, from which there are no survivors, is the sixth fatal accident in a decade for the company and leads to its immediate grounding. Local media speculate that the aircraft is the victim of errant anti-aircraft fire during a military exercise; however, investigators later blame mechanical failure.

Although government authorities will not allow it to employ its six remaining SAAB 340As, they do grant the carrier permission to resume Dornier 228 flight operations during the second week of April. Safety will continue to be an issue. Just after landing at Matsu on August 5, a Dornier 228 runs off the runway; no injuries are reported. After a **UNI Airlines, Ltd.** Dornier 228 has a similar braking problem four days later, the Civil Air Transport Authority (CAA) orders the Dorniers of both companies grounded on August 10 for inspection.

At this point, **China Airlines, Ltd. (CAL)** announces that, during the following early summer, Formosa will be combined with **Mandarin Airlines, Ltd.** with the latter name surviving. The reformed company will emphasize domestic service with CAL operating all international flights.

Frequencies continue during the remainder of the year, but during the 12 months, passenger boardings plunge 31.4% to 1.47 million. Revenues fall 29.9% to \$50.78 million, while costs drop 18.3% to \$57.18 million. Although an operating loss of \$6.4 million must be reported, there is a net gain of \$17.84 million.

Service is maintained in 1999. The workforce is cut 12.9% to 595. The merger with **Mandarin Airlines, Ltd.** occurs on August 8, at which point the Formosa Airlines name fades into aviation history.

FORT COLLINS FLYING SERVICE. See **AIR LINK**

FORT VANCOUVER AIRLINES: United States (1979–1981). Established at Vancouver, Washington, in 1979, FVA undertakes scheduled lightplane commuter flights to Seattle. Light traffic and the PATCO air traffic controller's strike cause the company to fail in 1981.

FORT WAYNE AIR SERVICE: United States (1963–1967). FWAS is set up at Fort Wayne, Indiana, in January 1963 to offer scheduled air taxi services to Detroit. Employing a Beech 18, the company inaugurates daily roundtrip frequencies on February 4 and maintains them into 1967.

FORT WORTH AIRLINES: United States (1984–1985). Established at Fort Worth's Meacham Field in the fall of 1984, Fort Worth is pro-

vided with a fleet of four Japanese-made NAMC YS-11A turboprops leased from **Mid-Pacific Airlines**. These are employed to inaugurate scheduled passenger and cargo services to Austin, Houston (HOU) and San Antonio on December 12.

The workforce in 1985 totals 150 and the route network is expanded to include stops at Austin, Abilene, Oklahoma City, and Tulsa. Enplanements average 18,000 per month, but do not bring sufficient revenue to keep the airline aloft. Operations cease in September and the carrier files for bankruptcy.

FORTUNAIR CANADA, LTD.: Canada (1994–1995). FC is established at Montreal in the spring of 1994 to offer passenger charter and inclusive-tour passenger services from Montreal and Toronto to Florida and France. A leased Boeing 747-212B is leased from **Air France** on May 24 and the first revenue flight, from Montreal to Paris (CDG), occurs on June 30.

Unable to achieve fiscal viability, the carrier is ordered by a Quebec court to suspend operations on August 19, just five weeks after start-up. A new investor steps forward to rescue the company at the beginning of September and arrangements are made to resume nonscheduled services with the beginning of the winter holiday schedule at the end of October.

Flights are undertaken to Fort Lauderdale and points in the Caribbean, but once more, great sums of money are lost. On January 23, 1995, the company shuts down for a second time and goes into voluntary liquidation. The Jumbojet is returned and the brief saga of this company ends.

FORTUNE AVIATION, S.p.A.: Italy (1994–1995). Fortune is established at Rome in January 1994 to offer nonscheduled passenger services to Trieste and other regional destinations. Revenue flights commence with 4 Cessna Citations, 1 Boeing 737-200, and 2 Douglas DC-9-32s. Plans are made during the fall to begin scheduled services and the company name is changed to **Noman, S.p.A.** in January 1995.

FORTY-MILE AIR: P.O. Box 539, Tok, Alaska 99780, United States; Phone (907) 883-5191; Fax (907) 883-5194; <http://www.alaskan.com/promos/40mile.html>; Code Q5; Year Founded 1978. Created by Charles Warbelow at Tok, Alaska, in 1970, Forty-Mile Air initially operates nonscheduled passenger services in the east central part of the state. Destinations visited with Cessna lightplanes include Boundary, Chicken, Delta Junction, Eagle, Fairbanks, Tanacross, and Tetlin. With the addition of such aircraft types as de Havilland Canada DHC-3 Otters and a Grumman G-21A Goose, scheduled flights commence in 1974.

By 1983, the workforce totals 11 and the fleet comprises 2 DHC-3 Otters, 3 Piper Super Cubs, 1 Cessna 185, 2 Cessna 172s, 1 Cessna 206, and 1 Cessna 207A.

In 1990, the fleet includes 2 de Havilland Canada DHC-3 Otters, 1 each Piper PA-31-350 Navajo Chieftain and PA-34 Seneca, 3 each Cessna 206s/207As, and 2 Cessna 185s.

In September, the company is sold to **Warbelows Air Ventures**, which continues to operate it as a subsidiary.

Enplanements for the year total 3,069.

Passenger boardings are cut by more than half in 1991, down to 1,191.

Operations continue apace in 1992 and in 1993 President Warbelow's fleet has been altered slightly; gone are the Otters, replaced by a DHC-6 Twin Otter, two more Cessna 206s, and a Piper PA-18-150 Cub.

Enplanements in 1994 total 4,826.

Flights continue in 1995. While transporting the second of two hunters to a landing strip near Deadhorse on August 26, the Piper crashes into the ridge of a box canyon; both the pilot and his passenger are killed.

The remaining 6 aircraft fly just 1,811 passengers during the remainder of the year.

The fleet is shuffled again in 1996 and now includes the Twin Otter,

4 Cessna 206s, two C-207As, and 1 each Navajo Chieftain and PA-23 Aztec. Customer bookings skyrocket 70% to 3,071.

Unhappily, in 1997, boardings dive 24.7% to 2,313.

Enplanements in 1998 are just 2,000.

Passenger boardings for 1999 jump 13% to 3,000.

Flights continue in 2000. While taking off from Delta Junction for the continuation of a March 10 mail service from Fairbanks to Healy Lake, a Cessna 207 makes a forced landing about 2 mi. NW of the airport. The aircraft is badly damaged and the pilot is injured.

FOSHING AIRLINES, LTD.: Taiwan (1951–1991). This Taiwanese domestic charter carrier based at Taipei, is founded in May 1951 as the first postwar Chinese airline established by civilians. Revenue operations commence with a pair of ex-USN Consolidated PB5Y-5A flying boats; the fleet will be increased with the addition of Douglas DC-3s.

After 15 years of unsteady operations, the carrier voluntarily returns its license to the government in 1965.

For the next 14 years, the main activity is ground handling and operation of a flight-catering kitchen service for international airlines visiting the country; the Goldsun Group purchases the business in 1983 and Anthony M. I. Kang becomes its supervisor.

The nation's first private airline resumes scheduled operations in 1989 after a 35-year hiatus. Equipped with an initial fleet of 2 Avions de Transport Regional ATR42s, the company undertakes services linking Taipei with the cities of Hualien, Kao-hsiung, Kinmen, Makung, and Tainan.

President Charles C. Lin's fleet is upgraded by the addition of three more ATR42s and an ATR72 in 1990.

Through November, the last month for which statistics are provided, enplanements total 464,000. After gaining approximately 11% of the domestic market, the company still manages to lose \$10 million. Three more ATR72s are received in 1991, and, in December, the company name is changed to **TransAsia Airways, Ltd.**

FOSTER AVIATION: United States (1947–1984). Originally established as a Nome FBO by Neal Foster in 1947, a charter air division provides nonscheduled flights to local destinations over the quarter century. In 1973, Foster contracts with **Ryan Air** to provide a scheduled, winter-months only service to an ice runway at Little Diomed Island. Revenue frequencies commence and continue with a Beech 18, Cessna 185, Cessna 207, and Piper PA-32 Cherokee Six until the contract expires in 1984.

4-AIR AIRLINES, S.A.: Rzeszow Jasionka, Port Lotniczy Jasionka, Jakionka, 38002, Poland; Phone 48 (17) 852-5412; Fax 48 (17) 852-5412; Year Founded 1994. This tiny airline is established by Waldemar Miszkurka at Rzeszow in 1994 to offer both passenger and cargo charters to local destinations. Revenue flights begin with one each Piper PA-34-T200 Seneca II and an Antonov An-2 biplane.

FOUR ISLAND AIR SERVICES, LTD.: Antigua and Barbuda (1976–1986). This small commuter operation is established on Antigua in mid-1976 as a subsidiary of **LIAT, Ltd. (Leeward Islands Air Transport, Ltd.)**. Scheduled services are soon offered to Barbuda, Nevia, St. Croix, and St. Kitts with 3 Britten-Norman BN-2A Islanders. Passenger and express charters are also flown. In the difficult economy of the mid-1980s, the carrier is not profitable and its operation is halted in 1986.

FOUR SONS FLYING SERVICE: United States (1978–1979). Four Sons is set up at Dodge City, Kansas, during the first quarter of 1978 to provide scheduled air taxi flights. Employing a Beech 18, the company launches revenue passenger services on June 26, linking its base with Garden City, Liberal, Topeka, Wichita, and Kansas City. In June 1979, the commuter is reformed and renamed **Air Plains**.

FOUR STAR AIR CARGO. See **FOUR STAR AVIATION**

FOUR STAR AVIATION (1): Cyril E. King Airport, One Air Cargo Center, St. Thomas, U.S. Virgin Islands 00802, United States; Phone (809) 776-4702; Fax (809) 776-5536; <http://www.fourstaraircargo.com>; Code HK; Year Founded 1982. Four Star Aviation, also known as Four Star Air Cargo, is established at Cyril E. King Airport at St. Thomas, U.S. Virgin Islands, to undertake scheduled all-cargo services linking its base with St. Croix, San Juan, and St. Martin. Equipped with a fleet of 2 Douglas DC-3s, 2 Beech 18s, and 1 Piper PA-34 Seneca, the company commences revenue flights on January 1, 1982.

Operations continue apace for over a decade and a half. During these years, the fleet is increased by the addition of four Convair CV-440Fs and interline agreements are signed with **American Airlines, Arrow Air, British Airways, Ltd. (2), Continental Airlines, Delta Air Lines, Deutsche Lufthansa, A.G., Federal Express (FedEx), Fine Air, and USAir.**

While climbing away from Aguadilla on May 10, 1991, a DC-3 with two crew stalls and crashes; both flyers are killed. The surviving DC-3 with two crew noses over while landing at San Juan on March 10, 1992; there are no fatalities. Replacement Douglas freighters are obtained in 1993–1996 along with other aircraft types.

In 1997–2000, President F. J. McCarthy Jr. oversees a workforce of 42 and still operates 5 Douglas plus 4 Convair freighters. Destinations visited include St. Croix, Boringguen, Santo Domingo, and Tortola.

FOUR STAR AVIATION (2): Lawrence Municipal Airport, Sutton Street, North Andover, Massachusetts 01845, United States; Phone (978) 686-3412; Fax (978) 683-6115; <http://www.4staraviation.com>; Year Founded 1994. The second Four Star Aviation is founded at Lawrence Municipal Airport in 1994 to provide executive and small group passenger charters. By 2000, the company employs four pilots and operates one each Piper PA-34 Seneca, Cessna Tu-206 Turbo Stationaire, and C-172 Cutlass RG.

FOX CITIES AIRLINES. See **AIR WISCONSIN**

FR AVIATION, LTD.: Bournemouth International Airport, Christchurch, Dorset, England, BH23 6NE, United Kingdom; Phone 1202 580936; <http://www.cobham.com>; Code FRA; Year Founded 1985. Descended from the Flight Refueling, Ltd. operation established by Sir Alan Cobham in the 1930s and partnered with an American subsidiary in 1953, FR Aviation is established in 1985 from the airfield division of **Flight Refueling, Ltd.** Over the next decade, FR will be noted for its support of the Royal Navy and Royal Air Force threat simulation programs. FR Aviation will also operate a major maintenance subsidiary.

In support of the military, the company flies what will become, by 1994, the world's largest fleet of Dassault Falcon 20s. In addition to the 20 French-made transports, Managing Director Colin F. Jones's fleet also includes 3 Dornier 228-200s employed for surveillance of the U.K. economic shore zone. Executive charter and freight services are also provided, the former with two Cessna Citations and a Pilatus-Britten-Norman BN-2 Islander. In November, FR Group, which has acquired several other concerns in the U.S. and France, is renamed Cobham Group. FR Aviation continues its activities as before.

On October 1, 1996, **FR, Bristow Helicopters, Ltd.,** and Serco, Ltd. are awarded a £400-million, 15-year contract to provide support for the Joint Service Defence Helicopter Flying School at RAF Shawbury, Shropshire, and the School of Army Aviation at Middle Wallop, Hampshire.

Service continues over the next four years. Activities now include not only military contracts but environmental surveillance and fisheries patrol.

FRANCO-ROUMAINE. See **COMPAGNIE FRANCO-ROUMAINE DE NAVIGATION AERIENNE, S.A. (CFRNA)**

FRANKLIN & BAKER AIRLINES: United States (1934). With George T. Baker as general manager, Franklin and Baker is formed at

Daytona Beach, Florida in the fall of 1934 to open the last of 32 new airmail routes granted by the government in the wake of the Airmail Scandals. Employing two Ryan B-5 Broughams, the company inaugurates AM-31 to St. Petersburg on October 15. On November 19, the route is extended north of Daytona Beach to Jacksonville. Passengers and express are carried, beginning in December, and, at the end of the year, the carrier is renamed **National Airlines System**.

FRED OLSEN'S FLYSELSKAP, A.S. (FRED OLSENS AIR TRANSPORT, LTD.): Norway (1933–1997). Fred Olsen, a leading Norwegian shipping magnate, invests heavily in **DNL Norwegian Airlines (Det Norske Luftfartsselskap, A.S.)**, the new national airline, on October 16, 1933. In 1935, capitalization is increased when four other companies provide funding. In cooperation with DNL, Fred Olsen & Bergenske, A.S. acquires a Sikorsky S-43 on July 29 for use in extending a proposed, but unrealized, transatlantic service with **Pan American Airways (PAA)**. It is employed to offer summer scheduled service between Oslo and Stockholm through July 31, and is then sold to a French carrier.

Operations continue apace until April 1940, when flights cease with the Nazi invasion of Norway.

Fred Olsen's Flyselkap is formed in June 1946 to lease aircraft to other airlines and to offer passenger and cargo charters, calibration flights, and contract service flights.

Operations continue without incident in 1947–1951.

Completing a flight from Madrid and Bordeaux, a C-47A with three crew suffers engine failure and crash-lands on a beach three km. N of Mimizan, Norway, on April 2, 1952; although the plane is a total wreck, there are no fatalities. A C-47A with 3 crew and 26 passengers is lost near Skien, Norway, on May 5 (11 dead).

Five years later, on September 30, 1957, the company takes a 15% interest in the new **Austrian Airlines, A.G.**

Olsen continues its nonscheduled work, flying primarily cargo from Oslo Airport to various destinations in Europe. Five Curtiss C-46Rs enter service in 1958 as many of the company's services are now undertaken under contract to **SAS (Scandinavian Airlines System)**.

By 1965, the company's fleet of 3 Curtiss Commandos and 1 Douglas DC-6A/B is carrying 4 million ton-miles of freight for the multinational airline.

A total of seven million ton-miles of freight are flown in 1966; this figure rises to 11.61 million in 1967. During the latter year, the workforce totals 100 and the fleet comprises 2 DC-6As, 1 DC-6A/B, and 3 C-46Rs.

In 1968–1970, the fleet is increased by the addition of a Convair CV-340 and two Dassault Falcon 20s. Emphasis is now begun on executive passenger charter services and in the latter year, enplanements total 2,741 and the workforce is 140.

Bookings fall to 2,150 in 1971, the year the C-46Rs are withdrawn.

In 1972, the carrier's DC-6s continue to operate freight service under contract to **SAS (Scandinavian Airlines System)**, which consequently reports the traffic as part of its own figures.

Passenger boardings decline .75% to 2,000 executive customers. In December, Olsen's sells its two Falcons to the Royal Norwegian Air Force.

A used Dassault Falcon 20 is purchased in January 1973 as company officials reassess the possibilities of the executive charter market. It is followed into service during November by a Lockheed L-188AC received from **Nordic Air, A.S.**

By the late 1970s, the fleet comprises 3 L-188AC Electras, 1 Hawker Siddeley HS 748-B1, and 1 Dassault Falcon 20. A 40% interest is also held in **Wideroe's Flyvelskap, A.S.**

Operations continue apace through the remainder of the decade and into the 1980s. In 1986, Managing Director Alex Lange's fleet and operations remain the same, although, by now emphasis has been shifted entirely to cargo charters.

By 1991, the HS 748 has been joined by a BAe (HS) 748-B2; three L-188Cs and the Dassault have been replaced by four L-188AFs.

Charter cargo flights continue apace in 1992–1996. The Lockheeds fly overnight services to Brussels and back on behalf of **DHL World-wide Express**. During the latter year, General Manager Frederick Hirsch's fleet includes 1 BAe (HS) 748-B2 and 5 Electras.

Airline employment stands at 110 at the beginning of 1997. The aviation division of Fred Olsen's ceases operations at the end of April. One of the Electras is sold to **Atlantic Airlines, Ltd.** while the five remaining are parked. One of these is leased to Amerer Air in April 1998.

FRED OLSEN'S OFFSHORE HELIKOPTERS, A.S. See **HELIKOPTER SERVICE, A.S.**

FREE AIRLINES, S.p.A.: Via Galente 56/58, 70019, Triggiano (Bari), Italy; Phone 39 80 462 20 20; Fax 39 80 462 20 20; Year Founded 1996. Free Airlines is set up by members of the Giannelli family at Bari in July 1996 to offer international, regional, and domestic charters, both cargo and passenger. Rag Antonio Giannelli is managing director, with his brother Flippo as president and three other brothers holding lesser administrative posts. A fleet of unspecified turboprops is assembled and revenue flights begin to Belgrade, Bucharest, Istanbul, Larnaca, Malta, Moscow, Nis, Podgorica, Tirana, and Tivat.

FREEDOM AIR: P.O. Box 1578, Guam International Airport, Agana, Guam 96910, United States; Phone (671) 646-8009; Fax (671) 646-0729; Year Founded 1983. Freedom Air is set up at Agana on the island of Guam in 1983 to offer scheduled passenger and cargo services in the Northern Marianas between Saipan and Tinian, and to undertake miscellaneous charter flights. Joaquin Flores Jr. is general manager and his initial fleet is made up of a Piper PA-28 Cherokee, a Piper PA-23 Apache, and a Cessna 172.

By 1987–1988, the fleet has been changed to include 2 PA-32 Cherokee Sixes, 1 PA-23 Aztec, and 2 Cessna 206s.

Another PA-32 is purchased in 1989 and one C-206 is withdrawn in 1990. Three years later in 1993, the company flies 5 PA-32s.

The fleet is enhanced in 1994 by the addition of a Cessna 207A, a Piper PA-31-350 Navajo Chieftain, and a Shorts 330-200.

The year's enplanements reach 57,483.

Operations continue apace in 1995. Airline employment stands at 34 in 1996 and the fleet now includes 1 each Shorts 330-200, Navajo Chieftain, Cessna 207A, and 5 PA-32s.

A total of 64,608 passengers are carried.

Passenger boardings in 1997 climb 15.2% to 74,440. Flights continue in 1998–1999. Although it is understood that operations continue, no exact information is available on this carrier beyond this point.

FREEDOM AIR INTERNATIONAL, LTD.: P.O. Box 109-698, Level 3, 136 Broadway, Newmarket, Auckland, New Zealand; Phone 64 (9) 912-6980; Fax 64 (9) 912-6998; <http://www.freedom.co.nz>; Code FOM; Year Founded 1995. A subsidiary of **Mount Cook Airlines, Ltd.** (itself a subsidiary of **Air New Zealand, Ltd.**), FAI is established at Auckland in 1995 to provide trans-Tasman and South Pacific island passenger charters. Wayne Dodge is appointed CEO and is provided with a single Boeing 737-219A leased from **Air New Zealand, Ltd.** Revenue flights begin on December 8.

In addition to islands and countries in the South Pacific, the company, in 1996–1999, flies from Auckland, Dunedin, Hamilton, and Palmerston North to Brisbane, Coolangatta, and Sydney in Australia. During the latter year, the "Baby Boeing" is repainted, à la **easyJet, Ltd.**, with its website appearing over the windowline.

Flights continue in 2000 with 1 each leased B-737-3M8 and B-737-33R. On May 19, a passenger B-737-3L9, upon which lease payments could not be made by **VASP (Viacao Aerea Sao Paul, S.A.)**, is returned to IMS Leasing. It is repainted and chartered to Freedom on June 15.

FREEDOM AIRLINES (1): United States (1980–1982). Freedom Airlines is established by Jerry Winston at Cleveland Hopkins Airport in

1980 to offer scheduled service to such regional destinations as Chicago, Washington, D.C. (DCA), Saginaw, and Flint, with a fleet of 5 Convair CV-580s. Daily roundtrips commence on April 27. A 10-day strike by the pilots of the Binghamton, New York-based sister carrier **Commuter Airlines** on December 5 ends with a 9.5% wage increase over the next 5 years; the terms of the pact also apply to Freedom's flyers. Enplanements for the year total 55,558.

Operations continue apace in **1981** as four Swearingen Metro IIs are placed into service. Owner Winston now elects to withhold traffic and financial data. Early **1982**, a new route is opened from Cleveland to the Akron-Canton Airport. In November, the company is merged with **Commuter Airlines**, continuing under the **Freedom Airlines (2)** name.

FREEDOM AIRLINES (2): United States (1982-1984). Binghamton, New York-based **Commuter Airlines** merges with its Cleveland-based subsidiary, **Freedom Airlines (1)**, in November **1982** under the Freedom name. The base of operations is transferred to Cleveland, Ohio. Employing a fleet of 5 Convair CV-580s and 4 Fairchild-Swearingen Metro IIs, the 200-employee company operates routes linking Cleveland with Allentown, Boston, Grand Rapids, Harrisburg, Lansing, Norfolk, Washington, D.C. (DCA), and Wilkes-Barre.

In **1983**, President Jerry Winston's company initiates flights to Chicago, Flint, Williamsport, and Saginaw. Enplanements climb to 150,000.

The four Metroliners are grounded for maintenance in early **1984**. Scheduled passenger and freight operations continue apace until October 14, when services are suspended following Jerry Winston's death. Unable to find a successor, the family liquidates the company and sells the Convairs to **Air Ontario, Inc.**

FREEWAY AIR, B.V.: The Netherlands (1989-1995). Freeway Air is established at Amsterdam in **1989** to offer nonscheduled cargo and passenger charters to domestic and regional destinations. Much of the former is flown under subcontract to large corporations and other freight operators. The inaugural fleet includes 8 leased Cessna 406 Caravan IIs and 1 Embraer EMB-110P1 Bandeirante.

The number of Caravan IIs is reduced to four in **1990** as two are provided to a new Spanish affiliate, **Freeway Iberica, S.A.** Recession begins to impact the Dutch carrier in **1991** and the number of Cessnas is again cut in two; however, another Bandeirante is acquired.

Two additional Caravan IIs join the fleet in **1992**, but are again withdrawn in **1993**. In **1994**, the company flies a pair of Embraer EMB-110P-1 Bandeirantes. Unable to maintain its economic viability, the company shuts its doors in early **1995**.

FREEWAY IBERICA, S.A.: Spain (1990-1995). Freeway Iberica, S.A. is established at Madrid in **1990** as an affiliate of the year-old Dutch operator **Freeway Air, B.V.** Nonscheduled all-cargo flights are initiated to domestic and regional destinations with a pair of Cessna 406 Caravan IIs. Operations continue apace in **1991-1994**, but with the failure of **Freeway Air, B.V.** in early **1995**, this company also stops flying.

FREIGHT RUNNERS EXPRESS: 1901 East Layton Ave., Milwaukee, Wisconsin 53207, United States; Phone (414) 744-5525; Fax (414) 744-4850; <http://www.freightrunners.com>; Year Founded 1985. Freight Runners Express is established by Chip Zens at Milwaukee in **1985** to fly overnight freight to Midwestern destinations. Revenue flights commence with a single Cessna 207.

The carrier is expanded over the next 15 years and by **2000**, President Zens oversees the work of 25 staff, including 12 pilots. Scheduled and on-demand cargo services are provided throughout the continental U.S.

The company flies on behalf of such customers as **Federal Express (FedEx)**, **United Parcel Service (UPS)**, **DHL Worldwide Express**, Daimler Chrysler, Ford Motor Company, and Harley Davidson. The fleet includes 5 Beech 99s, 1 Beech 18, 3 Cessna 402Cs, and 2 C-207s.

FRIEDKIN AIRLINES CHARTER SERVICE. See **PACIFIC SOUTHWEST AIRLINES (PSA)**

FRIENDLY ISLANDS AIRWAYS, LTD.: Tonga (1985-1991). During **1985**, **Tonga Air Services, Ltd.**, trading under the name **Tonga Air**, is renamed Friendly Islands Airways, Ltd. Interisland services linking Tongaputu, Vav'u, Ha'apia, and 'Eua are maintained. Within four years, General Manager Robert Main's fleet comprises 1 Britten-Norman BN-2 Islander and 1 CASA C-212 Aviocar.

Paul Karalus becomes general manager in **1989** and the fleet is upgraded by the addition of a de Havilland Canada DHC-6-300 Twin Otter. A second Canadian-made turboprop is acquired in **1990**. In May **1991**, the carrier becomes **Royal Tongan Airlines, Ltd.**

FRIENDSHIP AIR ALASKA: United States (1986-1990). Galena, Alaska-based **Harold's Air Service** is renamed in October **1986**. Regional scheduled passenger and cargo services are maintained by President Robert Schafer's company to McGrath, Aniak, Fairbanks, and 60 other west and central Alaskan destinations.

The fleet in **1987** comprises 3 Piper PA-31-310 Navajos, 2 Cessna 208s, 1 USAC DC-3 Turbo Express, and 20 Cessna 207s.

A total of 36,281 passenger are transported by the state's second largest commuter on the year.

Operations continue in **1988** and the company becomes a code-sharing partner of **Frontier Flying Service**. The carrier, which does not release its traffic statistics, encounters enormous financial difficulties. The popular DC-3 Turbo Express is sold to Warren Basler, president of **Basler Flight Services** in Oshkosh, Wisconsin.

The financial slide intensifies in January **1989** when **Hermen's Air**, doing business as MarkAir Express, expands into 6 Friendship markets, driving down fares. Losses quickly become such that Schafer's airline is forced to shut its doors on February 9. All but a few of the nearly 100 employees are laid off.

Unable to resume operations, the company's dormant certificate is revoked in early **1990**. All of the remaining workers, including President Schaefer, are consequently out of work.

FRIGORIFICO REYES (FRI-REYES), LTDA.: Avenida Juan Pablo II, No. 505, El Alto, La Paz, Bolivia; Phone (2) 334450; Year Founded 1968. Fri-Reyes is established at La Paz in **1968** to operate nonscheduled, all-cargo services throughout the country. Becoming the largest of the so-called "meat haulers of La Paz," the airline's claim to fame rests primarily upon its transport use of several Boeing B-17s, the last in airline service.

During the early **1970s**, the last two of three Flying Fortresses are sold to the U.S. for restoration. In their place, Fri-Reyes receives eight former USAF Convair CV-240s. Four Douglas C-54s (military DC-4s) arrive from the U.S. during the remainder of the decade, followed, in **1980**, by receipt of a fifth from Argentina.

A C-54D with three crew and four passengers suffers an engine failure during its takeoff roll from San Borja on January 26, **1977**. The loss of power causes the aircraft to run off the left side of the runway and smash into a parked DC-3. Although both aircraft are badly damaged, there are no fatalities.

When **Faucett Peruvian Airlines, S.A.** becomes an all-jet operation in **1981**, its last two DC-4s and two DC-6s are sold to Fri-Reyes for conversion into freighters.

In **1982**, a DC-6 is purchased from the Chilean Air Force.

Having arrived at Palmira from La Paz on June 8, **1983**, a chartered VC-54Q (converted to DC-4 civil standard) with three crew and two passengers encounters of bad weather and is diverted to Trinidad, Bolivia; the aircraft crashes during its landing and catches fire, leaving no survivors.

During its initial climb away from Rurrenabaque on March 24, **1984**, a C-54S with three crew and two passengers loses engine power; the pilot loses control and the Douglas crashes into a forest. There are no survivors.

Operations continue apace during the remainder of the decade. Aircraft come (including a CV-440 and a Martin 4-0-4) and go (the CV-440 to **Panambra, Ltda.** in 1985 and the last B-17 in 1986) or are lost.

The undercarriage of a DC-6BF with three crew collapses as the Douglas lands at La Paz on May 8, 1987, causing the aircraft to flip over, break into three pieces, and catch fire. There are no fatalities.

Engine trouble causes the three-man crew of a C-54A to make a belly landing at La Paz on September 9, 1988; although the aircraft must be written off, there are no fatalities. Only a few planes are in inventory as the company completes its thirtieth anniversary year.

During its initial climb away from La Paz on June 20, 1993, a DC-6B freighter with three crew loses its No. 2 engine; when fire breaks out as the prop feathers, a forced landing is made on a grass airstrip 5 nm. from the runway. Again, there are no fatalities.

Flights continue without headline or incident during the remainder of the decade. Two C-46s make up the fleet in 2000.

FRIGORIFICO SANTA RITA, LTDA.: Aeropuerto Internacional, El Alto, La Paz, Bolivia; Phone (2) 011046; Fax (2) 356247; Year Founded 1972. Another of the large La Paz-based "meat haulers," this all cargo service begins flying in 1972 with a fleet of Douglas DC-3s, Curtiss C-46 Commandos, and a single Douglas DC-6. Operations continue apace largely without incident over the next 20 years.

During the first quarter of 1992, two aircraft are lost in rapid succession. A DC-3 with one crewman aboard is lost after its engine catches fire while the freighter is parked at Carollit Ranch on February 29; the pilot is not killed. On March 2, a C-46T with three crew and two passengers loses power to its No. 1 engine while taking off from El Trompillo, loses height, and strikes the ground with its left wing; no one aboard survives the ensuing crash.

While on initial climb away from Angora, Bolivia, on September 13, 1993, a C-46A with three crew loses its No. 1 engine; while trying to make an emergency landing, it crashes and burns. There are no fatalities. Ad hoc flights continue until mid-decade.

FRISIA LUFTVERKEHR NORDDEICH, GmbH.: Postfach 1160, Flugplatz Norden-Norddeich, Norden, D-26501, Germany; Phone 49 (3193) 32930; Fax 49 (3193) 32200; <http://www.reederei-frisia.de>; Year Founded 1969. Ostfriesische Luftdienst, GmbH. forms this subsidiary 1969 to undertake both charter flights and regularly scheduled services between Norddeich and the Frisian Islands towns of Juist and Nordeney. Dr. Carl-Uffert Stegmann is appointed president with Tjado Ihmels as managing director. The initial fleet comprises 3 Pilatus Britten-Norman PBN-2 Islanders, 1 Cessna 206, and 1 Cessna 172. Within five years, Munich and Stuttgart have joined the route system.

In 1989, a fourth PBN-2 is acquired. Upon the retirement of Dr. Stegmann in 1990, Managing Director Ihmels is elevated to the company's top post. Services continue largely without change during the remainder of the decade and into the new millennium. Late in the 1990s, a German-language homepage is opened on the World Wide Web.

FRONT LINE TOURS: United States (1991–1995). Richard Page and Larry Tighe establish this charter operation at Minneapolis (MSP) in 1991 to provide inclusive tours to retail travel agencies throughout the upper Midwest. As many of these packages include hotel arrangements and tickets to sporting events, the company comes to emphasize service to professional baseball, basketball, and hockey teams. The air transport phase of the business is handled by five Boeing 727-31s leased from **Express One International**, based in Dallas (DFW).

Flights continue apace during the remainder of the year and into 1992. In the fall, a B-727-223, newly received from **Express One International**, becomes, for one season, the official team plane of the Minnesota Timberwolves NBA professional basketball team and wears the team logo on its blue tail.

As the company continues to experience success in 1993–1994, Page and Tighe determine to acquire an existing certified airline. This proves

to be a wise choice, as Express One is about to experience significant difficulty.

As the result of a FAA probe of its parts and maintenance program, **Express One International** voluntarily halts service on June 5, 1995, and enters into Chapter XI bankruptcy. Front Page is now required to return its five chartered Boeings. Front Page Tours, meanwhile, has entered into negotiations with Conrad "Connie" Kalitta for the purchase of the newly created **MGM Grand Air** division of **American International Airways (3)**.

On July 1, majority interest in MGM is sold to Front Page Tours; AIA continues to hold a 20% interest. President Page renames his new unit **Champion Airlines** and it is provided with 1 DC-8-62 and 1 each Boeing 727-91, B-727-223, and B-727-224A, all leased from AIA, plus a 200-person workforce (a 66.7% increase over what it had been under MGM), that includes most of the former MGM employees.

FRONTIER AIR, LTD. See CANADIAN FRONTIER, LTD.; ONTARIO EXPRESS, LTD.

FRONTIER AIRLINES (1): United States (1950–1986). In December 1949, **Monarch Airlines** of Denver acquires **Challenger Airlines** of Salt Lake City and, four months later, **Arizona Airways** of Phoenix, both founded as "feeder airlines" in 1947. The enlarged company, now with 600 employees and a fleet of 12 Douglas DC-3s, is renamed **Frontier Airlines (1)** on June 1, 1950. The aviation press labels the new entrant a "super feeder." Twice-daily DC-3 services are undertaken over the combined route network of the merger partners.

By 1951, the new carrier's service routes stretch to 40 cities in 7 states from Montana to the Mexican border. In addition to passenger services, the company, in 1952, begins to stress the importance of hauling freight. With the discovery of large oil reserves in the Williston Basin of North Dakota and Montana, a need for air transport develops and Frontier expands its routes to seven destinations in those two states during 1954.

Twenty-eight additional markets are taken in during 1956–1957 and in late 1958 the CAB decides its Seven States Area Case. As a result, Frontier's operations are increased by 70% and 24 additional communities are added to the company's route network in Nebraska, Missouri, Wyoming, Colorado, South Dakota, and North Dakota. When the CAB decides the Montana case in the spring of 1959, Frontier is able to add four more stations and offer service to Jackson, Wyoming, key to the national parks at Yellowstone and Grand Teton. Expanding high-altitude operations and traffic growth lead to the introduction during the summer of the first of 14 pressurized Convair CV-340s.

The remainder will arrive in 1960–1961. On June 17 of the latter year, one of the new aircraft crashes at Durango, Colorado, when its pilots fail to extend the landing gear prior to touchdown. Having missed an airport sign, a truck runs into a DC-3 with four aboard at Bismarck, North Dakota, on July 5.

March 1962 brings a unique managerial shift. When Frontier is sold to the Goldfield Corporation, the airline's former president, L. B. Maytag, becomes CEO of **National Airlines**. In turn, **National Airlines** allows its former president, Lewis W. Dymond, to move to Denver and become president of Frontier. Once on board, Dymond begins to revitalize and expand his new charge. The former **United Air Lines CV-340 Mainliner Salinas** is purchased from Turboprop Conversions on July 20. In the fall, a number of new marketing innovations are unveiled, including the "21" Fare Plan, a liberal Family Plan, and savings for clergy and military personnel.

A CV-340 with 3 crew and 39 passengers touches down 4,061-ft. short of R17 at Grand Island, Nebraska, in fog on December 21. Although the aircraft catches fire and will have to be written off, all of the passengers are evacuated without injury, although one crewman is seriously hurt.

Passenger boardings leap ahead by 26% during the year's second half and total 292,304 for the year.

In 1963, Frontier introduces a Vacationland Fare, which permits 30 day's worth of unlimited travel anywhere over the company's system for

\$100. In addition, package tours to nine major national parks are very successful.

Enplanements for the year increase by 44% to 521,970. Revenues are \$19,915,074 and a net profit of \$792,393 is banked.

Airline employment in 1964 stands at 1,239 and the fleet includes 28 aircraft.

A DC-3 with three crew and two passengers crashes while landing in a snowstorm at Miles City, Montana, on March 12; there are no survivors.

The carrier's routes link 11 states and an application is made to the CAB for authorization to inaugurate service to the Pacific Northwest from St. Louis and the Gulf Coast. In June, the company begins phasing out its piston-powered CV-340s in favor of propjet CV-580s, four of which enter service.

On September 14, a CV-440 with 23 aboard, fails to recover from a bounced landing at Farmington, New Mexico, and crashes; no serious injuries are reported. On October 25, a CV-340 with 27 aboard makes a rough landing at Rock Springs, Wyoming, but again, injuries are minor.

Later in the fourth quarter, 54.1% control of the airline passes to RKO General, a subsidiary of the General Tire and Rubber Company.

Passenger boardings climb 17.8% to 635,000 and freight traffic jumps a full 25%. Revenues advance by 10.4% to \$22.22 million and earnings swell 11% to \$890,329.

The workforce in 1965 grows by 113. Eight more CV-580s are received following their conversion into turboprops. On August 9, the company places a \$55-million order for five Boeing 727-100s.

Bookings climb to 737,375 and cargo is up by 20%. Net earnings total \$1.31 million.

In early 1966, Frontier is awarded authority to operate a nonstop service from Denver to St. Louis and a one-stop between those two cities via Kansas City.

On June 13, the company becomes the first local service carrier to introduce the Boeing 727-191 trijet.

In midyear the last three converted CV-580s join the fleet and the revolutionary Standby Plan is introduced, allowing considerable savings to travelers lucky enough to find an empty seat available at departure time.

On July 27, a DC-3 with 3 crew and 13 passengers fails its takeoff from Gallup, New Mexico, swerves off the runway and lands in a ditch; there are no fatalities, but five aboard are injured.

Revenues are \$43,316,383; traffic figures are unknown.

The employee population in 1967 totals 3,096 and the fleet includes 54 aircraft: 5 B-727-191s, 22 CV-580s, 11 CV-600s, and 16 DC-3s. Orders are outstanding for 3 B-727-291s, 5 B-737-291s, and 8 CV-580s.

Additional CAB route awards come during the year's first half, including authority for the Yampa Valley in northwest Colorado, West Yellowstone, Missoula, and Bozeman. In addition, an east to west shortcut service is allowed from Great Falls to St. Louis via Billings, Rapid City, Omaha, and Kansas City. Finally, government permission is received to begin flying nonstop from Denver to Las Vegas and for an extension of the Wichita and Topeka service to Chicago.

Central Airlines of Fort Worth is acquired, together with its routes and assets, on October 1, allowing Frontier service into a total of 15 states with unduplicated route mileage of 12,200. The amalgamated airline is reorganized and although this causes an increase in expenses, additional jobs are created.

As the result of the failure to remove an elevator gust lock, Flight 2610, a DC-3C with two crew crashes upon takeoff from Denver on December 21; there are no survivors. Enplanements total 2,059,000. Revenues climb 24% to \$56,995,240 and net income is \$93,283.

The employee population in 1968 numbers 3,450 and the fleet includes 5 B-727-191s, 22 CV-580s, 11 CV-600s, and 17 DC-3s. The 3 B-727-291s and 10 additional CV-580s are acquired early in the year; the Boeings enter service on the new nonstop routes from Denver to Las Vegas.

The enlarged airline becomes a jet airline when its last DC-3 is retired.

The Fort Worth operations base is closed when a new \$10-million operations base is opened at Denver.

Meanwhile, operations begin with a \$7-million IBM 360/65 Sentry computerized reservations system.

On October 29, service to Memphis begins from Little Rock; the addition of the company's 116th city in its 16th state makes Frontier the second largest airline in the U.S. in terms of the number of cities visited.

Passenger boardings for the year jump 19.6% to 2,463,172 and freight traffic swells by 52.2%. Revenues increase 26.2% to \$56,995,240.

In early 1969, following his election to the board of directors as chairman, E. Paul Burke is also named Frontier's president, succeeding Lewis W. Dymond, who resigns. President Burke's first major action is to order additional B-737-291s.

Significant competition is now encountered from **Trans World Airlines (TWA)**, which triples its daily roundtrip jet service from Denver to St. Louis.

In April, the company is awarded routes from Salt Lake City to Dallas via Denver and from Kansas City to Dallas. When the first two Boeing 737-291s join the fleet in June, rapid retirement of the B-727-191s begins. New service is inaugurated in September linking Dallas with Las Vegas via Albuquerque.

With the onset of a national recession, enplanements decline to 2,342,396. Revenues are \$82.66 million. Although a \$479,000 operating profit is earned, the net earnings side of the ledger shows a \$12.21-million loss.

The employee population in 1970 is 33,500, a reduction of 1.1%.

In March, Jack A. Vollbrecht becomes chairman and A. L. "Al" Feldman is elected president/CEO.

The fleet now comprises 49 aircraft: 32 CV-580s, 10 B-737-291s, 3 B-727-291s, and 2 de Havilland Canada DHC-6-200 Twin Otters. The latter are employed to inaugurate flights to the Montana cities of Great Falls, Lewistown, Billings, Glendive, Miles City, Havre, Sidney, Wolf Point, and Glasgow plus Wiliston and Minot, North Dakota.

Nonstop service is initiated between Omaha and Chicago (MDW), as well as Denver. Direct through-plane Boeing frequencies are offered to Phoenix from Chicago via Omaha and Denver and from Billings, Rapid City, and Chicago via Omaha. Grand Island is also first visited by a Frontier jetliner.

Customer bookings incline upward by 5.1% to 2,468,278 and cargo tonnage grows by 15.9%. Revenues for the second largest local service airline are \$91,776,000. Again, an operating profit (\$415,000) is achieved, but again, a net loss (\$16.7 million) is suffered.

During the last two years of the decade, newly formed **Air Midwest**, with CAB approval, begins to replace Frontier services to three smaller towns in eastern Colorado and western Kansas. This service is subsidized via a unique "flow through" or "trickle down" arrangement by which the government pays Frontier, which in turn pays AM. This payment method is challenged in court.

Beginning on March 10, 1971, service is inaugurated with two Beech 99s to Sidney, Nebraska, and six other communities in rural Nebraska, Wyoming, and South Dakota in a six-month experiment to test whether small turboprops might be able to fill the growing gap in transportation for small, isolated communities.

Enplanements for the year are 2,747,030 and pass the 21 million-mark, cumulative. Due to higher costs, led by fuel prices, the carrier must absorb a \$2.5 million net loss.

A new Roadrunner Service is opened in 1972 between Denver and Albuquerque while Nighthawk Service is begun linking several city pairs after dark.

On April 13, Roberto Chavez-Ortiz hijacks Flight 91, a B-737-291 with 33 passengers en route from Albuquerque to Phoenix. Brandishing a pistol, he forces the Boeing to fly to Los Angeles, where he holds the crew captive and conducts a live television and radio news conference, during which he complains about injustices meted out to Mexican-Americans and other minorities. After the interviews are over, the pirate surrenders to the jetliner's pilot, who turns him over to the FBI. Chavez-

Ortiz will be tried and sentenced to prison for life; he will, however, be paroled in late 1979.

Three B-737-291s are added and by the end of the year, Frontier has phased out all of its B-727-191s. Passenger boardings accelerate 6.5% to 2,938,000 and freight is up a full 18%. Income is \$109.64 million and expenses are \$98.18 million. Consequently profits are made: \$11.45 million (operating) and \$8.59 million (net).

The workforce in 1973 is 3,561.

Elizabeth Howell is hired on January 11 as a pilot, marking the first time a female has been hired in such a capacity by a large, modern U.S. airline. That mark is bettered on January 29 when Emily H. Warner, hired a few days before, undertakes a flight as the second officer of a Boeing 737, thereby becoming the first American woman in modern times to actually serve in a flying capacity with a major U.S. scheduled carrier. After second officer service aboard Convair 580s, she will become, in 1974-1976, first officer and then captain of a de Havilland Canada Twin Otter, the first qualified woman captain with a major U.S. airline. Warner is also the first female member of the Air Line Pilots Association (ALPA). Later, she will move on to **PeopleExpress Airlines**, **Continental Airlines**, and **United Parcel Service (UPS)**. Following her 1990 retirement, her pilot uniforms will be displayed in the Smithsonian Institution's National Air & Space Museum and the Pima Air & Space Museum.

Early in the spring, the company trades its Dallas (DFW) to Albuquerque authority to **American Airlines** in exchange for the major's routing from Tucson and Phoenix to San Diego. The 13th and 14th B-737-291s join the fleet and Glen L. Ryland is named executive vice president.

A route request is filed with the CAB for initiation of service to the West Coast; additionally, plans are made to begin flying to Winnipeg next year. However, due to cutbacks in the supply of avgas, the carrier is forced to cancel 750 of its 4,138 weekly departures in December.

Customer bookings grow by 14.9% to 3,377,000 while freight climbs by 15.6%. Revenues are up to \$124.79 million, while expenses are just \$115.96 million. The operating profit is \$8.83 million while the net income of \$6.78 million is the second highest in the local service industry for the year.

Sixty-six new employees are hired in 1974.

With the inauguration of service to Winnipeg on July 1, the company becomes an international airline.

The "flow through" payment provisions to **Air Midwest** are turned down in court rulings. AM now applies to become the first certified commuter airline, a petition the CAB readily grants. A CV-340 is sold to **Sierra Pacific Airlines** on October 15.

On December 3, a B-737-291 with 102 aboard mistakenly lands at Salt Lake Airport, instead of Salt Lake City International Airport.

Enplanements climb 7.1% to 3,614,000, but cargo traffic is down by 5.9%. Income grows 18.5% to \$156.73 million and expenses are held in check at \$138.38 million. The operating profit is \$18.35 million and the net \$9.4-million income is the highest in the local service airline industry this year.

The workforce in 1975 is 3,675. The company's 17th and 18th B-737-200s are delivered and are—or were—the last 2 B-737-214s sold by **Pacific Southwest Airlines (PSA)**.

Officials seek authority from the CAB to operate to San Francisco, San Diego, and five Mexican destinations.

Passenger boardings accelerate 3.3% to 3,276,837 and a total of 14.56 million FTKs are flown, a 6.8% increase. Expenses of \$156.228 are submerged within total income of \$167.79 million, leaving an operating gain of \$11.56 million and, although down, a welcome \$6.79 million in net revenues.

The number of employees is increased in 1976 by 4.9% to 3,844.

The request for Mexican authority is partially successful late in the year, as the U.S. government grants permission to serve Mazatlan and Guadalajara. The same applies to bids for flights to Regina and Saskatoon. The carrier must, however, await grants from the Mexican and Canadian governments.

Four more B-737-291s arrive.

Customer bookings rise 13.7% to a record 3,725,250, while freight is up by 15.8% to 16.8 million FTKs. Operating revenues are \$204.16 million and expenses are \$183.16. This happy imbalance results in an operating profit of \$20.99 million and net income of \$10.94 million.

During 1977, the carrier begins an interline arrangement with **Hughes Airwest** that allows the Denver-based local to fly into Orange County and Hollywood-Burbank Airports in southern California. Simultaneously, officials approach the CAB for permission to service markets at Louisville, Milwaukee, Des Moines, Atlanta, Chicago, Spokane, San Francisco, and Sacramento.

In the 160th hijacking in U.S. aviation history, accused bank robber Thomas M. Hannan hijacks Flight 101, a B-737-291 with 34 passengers en route from Grand Isle to Lincoln, Nebraska, to Atlanta on October 20. At Atlanta, he demands a \$3-million ransom and the release of his friend, George D. Stewart, from prison. When authorities refuse his requests, Hannan releases his prisoners and commits suicide.

Enplanements for the year total 4,566,000. On revenues of \$236.57 million, a \$13.8-million net profit is banked.

Airline employment is increased by 20.5% in 1978 to 5,060.

Misuse of the flaps on takeoff for a training flight from Pueblo Memorial Airport on January 18 causes a DHC-6-300 with two crew and a passenger to lose flying speed and control, resulting in a crash in which all aboard are killed.

Also in January, the company receives the 1977 "Financial Management Award" from *Air Transport World* magazine.

The Denver-based airline experiences its most successful year to date, even as the Airline Deregulation Act becomes U.S. law in October. The fleet now comprises 30 B-737-200s (including 8 added during the year), 2 B-737-214s, 27 Convair CV-580s, and 3 de Havilland Canada DHC-6 Twin Otters. Orders are outstanding for 10 additional B-737-291s.

The company also becomes a three-nation carrier by launching service to the Mexican cities of Guadalajara and Mazatlan on November 3. On the domestic scene, frequencies are launched to San Francisco, Sacramento, Milwaukee, Louisville, Des Moines, Spokane, Detroit, and Atlanta.

Passenger boardings jump 17.5% to 5,534,000 while freight is up by 20.8% to 12.8 million FTKs. Operating income climbs \$21.4 to \$287.22 million and expenses are held to \$274.02 million. As a result, the operating balance is \$13.2 million, but net gain is down 1.24% to \$13.6 million.

Airline employment grows by 8.7% in 1979 to 5,500.

President/CEO Feldman moves to **Continental Airlines**, but growth continues under his successor, Executive Vice President Ryland.

Passenger boardings rise 18.2% to 5,349,000, revenues soar to \$390 million.

After service is terminated on low-density routes to 10 cities, 1 Canadian and 1 Mexican market, plus 6 domestic markets, are added to Frontier's network—Shreveport, Boise, Toledo, Helena, Vancouver, Ixtapa/Zihuatanejo, Redding, and Eugene. Commuter carriers are wooed with interline service while five more B-737-291s are acquired.

Customer bookings accelerate 18.2% to 6,539,000 and freight is up a minor 1.1% to 20.86 million FTKs. Revenues jump 35.82% to \$390.09 million and expenses reach \$356.91 million. Consequently, operating gain skyrockets 151.24% to \$33.17 million while net income shoots up 51.07% to \$20.63 million.

The employee population grows a scant 0.8% in 1980 to 5,622.

Service is initiated to Houston, Stockton, Regina, Saskatoon, and Lexington. Despite skyrocketing fuel prices, a sterling workforce, cost-cutting measures, suspension of service to 14 unprofitable communities, support from affiliated travel agency associations, concentration on the Denver hub, and efficient jetliners protect the carrier from fiscal turbulence.

Freight is off by 10.6% to 29.1 million FTKs and enplanements fall 11.3% to 4,971,000. Operating income swells 20.3% to \$468.9 million while costs grow 21.3% to a manageable \$432.5 million. As a result, a

\$36.4 million operating profit is realized and Frontier is able to post a record \$23.2 million in net earnings.

The number of workers is increased by 4.7% in **1981** to 5,887.

During the year, six mobile passenger lounges are introduced at the Denver hub. Five CV-580s are sold for \$1.6 million each.

In late fall, President/CEO Ryland is named board chairman; William D. Wayne is elected a company director and executive vice president.

A CV-580 with three crew is destroyed on a training flight at Longview, Texas, on November 4 when the landing gear is inadvertently retracted during the practice of touch-and-go landings.

By the close of the year, the fleet includes 43 B-737-291s (including 2 delivered since January), 2 B-737-214s, and 15 CV-580s. The route network links 86 cities in 27 states and 2 foreign countries. Passenger bookings incline upward by 4.5% to 6,289,000, despite the ATC difficulties of the year's second half; freight, however, declines 6.4% to 15.9 million FTKs. The year is a fiscal success as operating income swells 23.75% to \$577.69 million and expenses, up 21.27%, are held to \$524.29 million. The operating profit is \$53.39 million and another record net profit (\$33.3 million) is achieved.

The payroll is reduced by 7.5% in **1982** to 5,370 employees.

During January, Frontier receives the 1981 "Financial Management Award" from *Air Transport World* magazine.

In the early spring, 11 small and unprofitable communities are dropped from the route network, triggering the employee cut. Also during the first quarter, the five oldest Convairs are withdrawn and turned over to their new owners. At the same time, new markets are entered at Indianapolis, Columbus, San Diego, Fresno, Palm Springs, Manzanillo, and Puerto Vallarta.

To handle the sale and lease of used aircraft, ground equipment, and related facilities, Frontier Leasco is founded on April 22.

Frontier Airlines (1) becomes the prime subsidiary of newly created Frontier Holdings, Inc. on May 6; Frontier Leasco is also placed under the new parent. On May 12, Frontier Services Company is established to provide support services relating to aviation and travel. M. C. "Hank" Lund is named its general manager.

While taking off from Madera on a May 15 ferry flight, a Martin 4-0-4 freighter with two crew suffers an engine failure at 300 ft. and makes a forced landing in a dirt field; although the aircraft is damaged beyond repair, there are no personnel injuries.

A week later, the carrier introduces the first of three McDonnell Douglas DC-9-80 (MD-80) and four B-737-291s to be received over the next seven months.

To handle businesses not related to aviation, Frontier Development Group is set up on May 23.

On June 1, Frontier goes all-jet with the retirement (mostly to storage) of its 10 remaining CV-580s.

On the down side, intense competition, a Christmas blizzard that closes Denver Airport for most of two days, and the small-city service termination together drive passenger traffic downward by 7% to 5,850,000 passengers carried. Cargo is also off, by 18.3%, to 12.99 million FTKs. Operating income declines 6.92% to \$537.73 million and expenses are held at \$530.92 million. As a result, an operating profit of \$6.81 million is generated as are net earnings of \$15.9 million, which are less than half of those captured in 1981 and may suggest the difficulties lying ahead.

The payroll is increased by 4.6% in **1983** to 5,605.

The landing gear of a B-737-291 collapses on touchdown at Natrona County Airport in Wyoming on March 23 and both engines are afire when the aircraft skids to a stop. The flames are quickly extinguished and only one of the 95 persons aboard is slightly injured during the aircraft's evacuation.

The year's most promising achievements are negotiation of new labor contracts, which achieve 20% savings via wage concessions; the creation of a commuter network; the rescuing of bankrupt **Combs Airways**; introduction of a ground transportation system; and creating the nonunion subsidiary, **Frontier Horizon**.

Customer bookings accelerate 7.7% to 4,609,000 and freight jumps 20.5% to 15.66 million FTKs. Revenues ascend 8.3% to \$584.7 million, but costs jump 17.7%, leaving an operating loss of \$31.5 million. With a net loss of \$13.8 million, Frontier Airlines (1) suffers its first loss in more than a decade.

The workforce is reduced by 5.6% in **1984** to 5,140. The year proves turbulent for an operator that was stable just two years earlier. In the face of mounting financial and labor difficulties, to say nothing of cutthroat competition with low-cost carriers, CEO Ryland resigns and is replaced by **Frontier Horizon** President Hank Lund. Thrice-daily B-737-291 service begins in November from Denver to Minneapolis (MSP) and to Milwaukee.

Despite Mr. Lund's negotiation of a cost-saving labor agreement and an 11.2% increase in passenger boardings to 7,068,000, the picture presented also includes a 10.4% drop in freight traffic to 14.03 million FTKs. The balance sheet is mixed at best. Revenues rise 15.4% to \$674.6 million, but at \$31.3 million, the net loss more than doubles.

As **1985** begins, Frontier is flying 51 Boeing 737-200s and 5 MD-80s to 60 cities in 22 states, plus Canada and Mexico.

In January, Frontier Holdings sells its **Frontier Horizon** subsidiary to the newly formed **Skybus Corporation**.

Flights from Denver to New York (LGA) are suspended on April 1 while those from Denver to Washington, D.C. (IAD) cease on May 1.

A new president/CEO arrives during the month as Joseph R. O'Gorman Jr. moves over laterally from **Aloha Airlines**.

Significant internal change is afoot by late spring, summarized nicely in the August issue of *Air Transport World*: "Frontier Airlines' board of directors approved a plan to turn over ownership of the troubled Denver-based carrier to its employee groups. The \$211 million cost of the buy-out was expected to be financed through the sale of equipment, including 25 Boeing 737s to United, nine Convair 580s plus simulator to Metro, and possibly some Denver gate space."

Throughout the fall, it is expected that the carrier will be taken over by its employees at a price of \$17 per share. However, in early October, Texas Air Corporation, which owns **Continental Airlines** and is led by Frank Lorenzo—who has recently lost a bid to take over **Trans World Airlines (TWA)**—puts in an offer to Frontier stockholders that is substantially above that which the carrier's employees can muster. The employees, fearful of Lorenzo's reputation, plan a court action protesting such a takeover as monopolistic at the Continental and Frontier Denver hub.

PEOPLEExpress now enters the picture during the second week of the month. It offers stockholders \$24 per share and wins control of Frontier, much to the delight of its previous owners and employees. Takeover of the Denver-based national, which will now operate as a People subsidiary, is completed in November. Larry Martin now succeeds Joseph O'Gorman as president.

The workforce is reduced throughout the year, dropping by 6.7% to 4,800. For the same timeframe, customer bookings also fall, down 4.3% to 5,030,000. Revenues are off 5.2% to \$557.81 million, costs dip 4.4% to \$583.62 million, and the operating loss jumps to \$25.81 million. There is, largely through assets sales, a net profit of \$36.28 million.

Frontier's financial difficulties continue to worsen in **1986** while **PEOPLEExpress'** management is unable to find a workable marketing strategy for its acquisition. The two negatives will prove fatal for both carriers. Before that fate occurs, however, People attempts to sell Frontier to **United Airlines**, a move blocked by the major's pilot union. The assets of the Frontier subsidiary are sold to Texas Air Corporation (TAC) in July at an undisclosed price reported to be a great bargain.

Between January and July, Frontier has transported a total of 4.19 million passengers, a drop of 3.5% over the previous period in 1985. The parent will follow into the TAC empire in early 1987.

There is an unofficial website at <http://www.cuug.ab.ca:8001/~busew/frontier.html>.

FRONTIER AIRLINES (2): 12015 East 46th Ave., Denver, Colorado 80239, United States; Phone (303) 371-7400; Fax (303)

371-7007; <http://www.flyfrontier.com>; Code F9; Year Founded 1994.

Into the spring of 1994, **Continental Airlines** reduces its Denver hub from 150 to 13 flights each day and vacates 51 of its 54 airport slots. Led by Chairman/President M. C. "Hank" Lund, who had served as president of **Frontier Airlines (1)** and including seven executives from the original carrier, Frontier-2 is reborn to take advantage of this situation.

Former Denver National Bank President Samuel Addoms is appointed president/CEO and capitalization of \$9.4 million is quickly obtained, including \$7.6 million in an initial public offering in May. Investments also come from the founders and private stock placements; employees, through an Employee Stock Ownership Plan, have nearly 700,000 shares allocated for them.

After sifting through over 5,000 applications, many from one-time employees of the first Frontier, a workforce of 180 is assembled, 75% of whom are veterans of Frontier-1. Five B-737-201s are leased from **US-Air**, and a strategy is developed calling for service "In the Spirit of the West," on medium-haul spoke routes out of Denver currently served by turboprops.

Employing the first two "Baby Boeings" received, the airline launches daily roundtrip service on July 5 from Denver to Bismarck, Fargo, Grand Forks, and Minot in North Dakota. Jet service is offered at the same rates charged by turboprop commuter operators.

Upon receipt of a third B-737-201 late in the month, flights begin, on August 4, to the Montana cities of Bozeman and Missoula. Two more B-737-201s are delivered in September and all now appear in a new "Spirit of the West" livery, complete with a pair of 21-ft. high wildlife decals on the tail of each aircraft, different on each side. Animals depicted include a fox, buffalo, polar bear cubs, raccoons, ducks, a bear cub, mustang, wolf, bald eagle, deer, puma, and big horn sheep.

A marketing alliance is signed with Billings, Mont.-based **Big Sky Airlines** in October; under its terms, the two begin to offer their passengers joint fares, ticketing, and baggage transfer services.

Plans are made in November and December to inaugurate flights at the first of the year from Denver to Omaha, Albuquerque, and El Paso. The company also joins in the Continental OnePass frequent flyer program and makes a concerted effort to avoid direct competition with **United Airlines**.

Enplanements for the six months of operation total 145,400 and revenues are \$13.03 million. With expenses of \$19.36 million, the new entrant suffers a pretax loss of \$6.36 million and a net loss of \$6.18 million.

Airline employment is increased by 36.4% in 1995 to 450 and the fleet is increased through the addition of one each B-737-301 and B-737-317. The former unit displays polar bears on its tail.

The number of roundtrip flights offered between Denver and Las Vegas is doubled to 20 on April 17.

A new marketing strategy is announced at the September 17 first annual stockholders meeting. The plan creates a Denver hub and results in the introduction, between September 25 and November 15, of new longer-haul services to Phoenix, Omaha, Salt Lake City, Minneapolis, Chicago (MDW), San Francisco, Los Angeles, and Las Vegas. Flights to Bozeman and Missoula, plus two North Dakota cities, are dropped.

Enplanements for the first full year of service total 613,900 and revenues are \$55.87 million. Plagued by start-up and expansion costs, expenses reach \$64.42 million and result in losses of an almost equal amount: \$8.55 million (operating) and \$8.2 million (net).

The workforce increases 61% in 1996 to 721. Destinations visited now include Albuquerque, Bismarck, Chicago (MDW), El Paso, Fargo, Las Vegas, Los Angeles, Minneapolis (MSP), Omaha, Phoenix, Salt Lake City, and San Francisco.

En route to Denver on June 22, a B-737-201 with 98 passengers encounters severe turbulence over Granite, Colorado; an elderly passenger is badly injured.

Customer bookings skyrocket 82.1% to 1,118,082 and operating income soars 95.9% to \$109.48 million. Still, costs accelerate 83.4% to \$118.16 million and cause the operating loss to ascend to \$8.67 million.

A net \$8.08 million loss is also reported, but that is a slight improvement over the previous year.

The employee population surges 25% in 1997 to 900 and the fleet is increased by two B-737-200s and five B-737-300s—all leased.

Despite a long-standing policy of avoiding direct competition with **United Airlines**, Frontier finds itself forced into a pricing war with the major at Denver. On January 16, Frontier accuses the major of a pattern of predatory pricing designed to force it out of that market. United, in a press release, blasts Frontier-2, calling its charges "utterly groundless." Frontier prepares a 50-page factual summary of the issues from its viewpoint; entitled *Unfriendly Skies over Colorado*, the document is hand-delivered to the Departments of Justice and Transportation on January 23.

Ticketless reservations are offered to Denver customers beginning on January 28.

The debate between the two companies continues and Frontier, seeing its market share at Denver decline, elects to file a complaint with the DOJ on February 11 formally charging that the major is engaged in predatory pricing practices designed to put it out of business. The charges will quietly be investigated.

Also in February, the company enters into a marketing and code-sharing agreement with **Aspen Mountain Air** (formerly **Lone Star Airlines**). The arrangement covers passenger flights between Aspen and Denver.

A marketing and code-sharing agreement is signed with **Maverick Airways** in March. The arrangement will connect passengers arriving at Denver aboard Frontier flights with Maverick's service to Steamboat Springs and Grand Junction. This pact will cease in May when Maverick gives up scheduled service.

During the spring, new services are inaugurated to St. Louis, San Diego, and Seattle.

Unhappily, the Shuttle by United division of **United Airlines** is able to force Frontier to reduce its flights between Denver and Las Vegas to two daily roundtrips, beginning on July 8.

A B-737-3Q8, chartered from ILFC enters service on May 1 over a new third daily roundtrip between Denver and Seattle.

Frontier now again appeals to the DOT. On May 8, a stung **United Airlines** files a motion with DOT accusing Frontier of waging an unrelenting campaign of "mischaracterizations, misrepresentations, and misstatements." The Chicago-based major, in a press release, charges that Frontier is petitioning the government "to interfere with the free workings of the marketplace to protect them from the rigors of competition that all carriers face." At the beginning of June, leases are renewed through 1999 on five B-737-200s chartered from S-C Aviation Group.

New competition is faced from **Western Pacific Airlines (Westpac)** beginning on June 29 when that Colorado Springs-based company begins an enhanced schedule of services from Denver. Although Frontier proudly maintains excellent revenue yields, its costs are much higher than Westpac's. Officers from both airlines realize that competition against each other—and against **United Airlines**—will be fiscally disastrous.

In a surprise initiative designed to neutralize any adverse traffic or fiscal impact from Frontier and to assist it in the upcoming battle with the Chicago-based major, Westpac on July 1 begins the process required to takeover its rival. Officials from both companies agree that Westpac, with Robert A. Peiser as president/CEO (Frontier CEO Addoms will retire), will eventually be the surviving partner after stockholders from Frontier hopefully accept 0.75 shares of Westpac stock for every one of their own. The cashless arrangement, valued at \$45 million, will be accomplished in stages, beginning with joint code-sharing on August 1 and total merger in October.

Service between Denver and Las Vegas is reduced on July 8 from three daily roundtrips to two.

Toward the end of the month, officials of the two carriers suggest that, upon merger, the Frontier name survive for the united entity, as the name is associated with **Frontier Airlines (1)**, widely recognized and still

remembered as one of the nation's safest carriers. The proposal is noted in the July 28 issue of *Aviation Week & Space Technology*.

Service between Denver and Las Vegas is terminated on August 1. Also in August, two more leased B-737-300s are acquired, one each from Boullioun Aviation Services and the other from GE Capital Aviation Services.

Twice-daily B-737-300 roundtrips commence on September 16 between Denver and Boston.

Despite the introduction of code-sharing operations on the appointed date, Frontier and Westpac find it difficult to coordinate their schedules and integrate their cabin and cockpit crews. With both carriers suffering financially, merger plans falter and on September 29 the two announce an end to their code-sharing agreement. On October 3, Westpac President Peiser releases a statement to the media. Due to "cultural differences and the contrast in our scheduling difficulties," the merger with Frontier is dead. Even the dual-designator compact will end on November 16.

Industry insiders suggest that the union has failed because Frontier, with only \$7 million on hand, is unwilling to join in a situation where \$15 million in debt is due and payable shortly after the merger. Near-partner Westpac declares Chapter XI bankruptcy on October 6.

On October 24, Frontier is one of four carrier's to receive special permission from the DOT to share 31 slots at New York (LGA) and Chicago (ORD).

Early in November, Greenwich, Connecticut-based Wexford Management LLC announces a \$15-million investment letter of commitment in Frontier, in exchange for a 10% stake.

On November 16, the day that code-sharing with Westpac is finished, Frontier inaugurates daily roundtrips from Denver to Baltimore (BWI). Due to the city's supersaturation of service, the carrier withdraws from San Diego, which it has served for over a year.

Having made a controlling investment in **Hawaiian Airlines (HAL)** the previous year, Smith Management Co. (SMC) of New York City steps forward early in the third week of November to rescue **Western Pacific Airlines (Westpac)**. That firm joins with company officials and asks the bankruptcy court to allow it to inject \$10 million into the destitute carrier before December 4 in order to allow the airline to make its aircraft lease payments. Thereafter, on December 20, another \$20 million in "debtor in possession" financing would become available as working capital, with another possible \$20 million to follow, which would assure emergence from Chapter XI. In exchange for this aid, SMC would receive nearly all equity in Westpac.

On November 21, former partner Frontier, backed by Wexford Management LLC, submits a surprise bid for Westpac of its own. The new plan is similar to SMC's in that \$15 million would be put forward by December 4 for Westpac's aircraft lease payments, followed by additional debtor-in-possession financing. Bankruptcy Judge Sidney Brooks orders a preliminary hearing on the two plans for November 28 with a decision on December 3, in time for the lease disbursement.

On November 24, the newspaper *USA Today* reveals that the DOJ is, indeed, in the early stages of investigating the carrier's February 11 charges against **United Airlines** concerning predatory pricing practices at Denver. UAL has denied the charges and it would appear that no ruling will be given before year's end. The earlier letter of commitment to Frontier by Wexford Management is formalized on December 2. Frontier will now receive up to \$15 million through the sale of 10% senior secured notes. Up to \$3 million of the notes may be exchanged for convertible preferred stock issued by the airline. Frontier takes an immediate draw of \$5 million.

On December 3, \$151 one-way Denver to New York (LGA) service is inaugurated. The same day, SMC is awarded debtor-in-possession control of **Western Pacific Airlines**. Arthur H. Amron, Senior Vice President/General Counsel of Wexford Management, is voted on to the board of directors on December 12.

Passenger boardings climb 17.7% to 1,315,728 while operating revenues advance 26.3% to \$138.32 million. Expenses jump 33.5% to \$157.87 million. The operating loss widens to \$19.55 million and the net loss deepens to \$18.94 million.

A third daily nonstop roundtrip is added on February 1, 1998 between Denver and New York (LGA). It employs a second B-737-300 acquired from Boullioun Aviation Services received at the end of the previous month.

When Westpac finally collapses on February 4, Frontier offers to allow its ticket-holding passengers space available passage on Frontier flights. It also enters into a code-sharing agreement with **Aspen Mountain Air**.

On April 6, Frontier issues a press release praising the DOT's decision to review anticompetitive behavior in the airline industry. The same day, it is announced that an institutional investor will make a significant purchase.

Daily nonstop B-737 roundtrips commence on April 13 between Omaha and Minneapolis (MSP). The service will compete directly with flights offered by **Northwest Airlines**.

The purchase transaction is closed on April 24 when the unnamed investor formally purchases 4,363,001 newly issued shares of Frontier common stock for approximately \$14.2 million (\$3.25 a share) and receives approval to nominate two more members to Frontier's six-person board of directors.

AVStar International is retained as the carrier's worldwide general sales agent on April 28.

On May 4, in conjunction with Hunt Valley, Maryland-based Adventure Vacations, the airline introduces a new tour product called Frontier Airlines Vacations. Air-inclusive tour packages will be offered at most destinations across Frontier's coast-to-coast route network via its Denver hub beginning on June 15.

On May 26, two new directors are added to the corporate board, John E. Luth and B. Ben Baldanza; the former had been chief financial officer of **Continental Airlines** from 1989-1995 while the latter is managing director/chief operating officer of the TACA Group of Central American airlines.

A third daily nonstop roundtrip is added on July 7 from Denver to Seattle.

At the beginning of the month's second week, it is revealed that, after a study, the decision has been taken not to add a premium class, but to remain an all-coach airline.

Twice-daily B-737-300 nonstop return service is initiated on July 23 between Denver and San Diego. Additionally, frequencies are increased from two to three daily roundtrips from Denver to Salt Lake City and El Paso and from three to four daily roundtrips from Denver to Los Angeles.

On July 28, President Addoms announces that, for the first time in two years, the carrier has earned a profit (\$433,709) during the second quarter. The turnaround is directly attributed to the shutdown of its rival, **Western Pacific Airlines (Westpac)**, in February.

In September, the airline begins its own flight servicing operations at Denver. One hundred additional personnel have been brought on staff to handle baggage and cargo loading, lavatory servicing, and water provisioning.

Two B-737-300s are leased on October 26, one each from **Air New Zealand, Ltd.** and the other from Heller Financial.

In early November, an eighth B-737-200 is received; it will be employed on charters and to provide additional flight frequencies during holiday traffic periods. Frontier flyers are offered a free bus service between Boulder, Colorado, and Denver beginning on November 1. Also at the beginning of November, an investment group, including W. R. Hambrecht & Co. purchases an 8% stake in Frontier.

On November 13, Hambrecht files a Schedule 13D with the Securities and Exchange Commission, which, among other things, recommends that a merger or business combination be undertaken between Frontier and **Vanguard Airlines**. Flattered by the suggestion, Frontier President Sam Addoms declines the approach on December 16.

Thrice-daily B-737-300 roundtrips begin on December 17 from Denver to Dallas (DFW) and to Las Vegas and twice-daily roundtrips from Denver to Atlanta.

Customer bookings during the 12 months climb 16.4% to 1,534,000, while freight traffic increases 78% to 3.92 million FTKs. Revenues

surge 39% to \$192.31 million, while expenses are up 15.5% to \$182.32 million. There is an operating profit of \$9.99 million, while a \$10.67-million net gain is celebrated.

In February 1999, Frontier prepays the \$943,000 balance on a \$5-million loan from Wexford Management that is due in December 2001.

In a move calculated to save \$1 million per year on contract FAA-approved repairers, Frontier, on March 1, begins in-house heavy maintenance checks on its aircraft at its Denver base.

To replace the B-737-200s that do not meet Stage 3 noise reduction regulations, Frontier, on March 12, leases three B-737-200As from Triton Aviation Services, Ltd. of San Francisco and two B-737-300s from Stockholm-based Indigo Aviation, A.B.

The first B-737-300 is delivered on March 31, followed by the three B-737-200As on April 15. The second B-737-300 arrives on May 1. The arrival of these aircraft permits the carrier, on May 10, to increase its daily nonstop roundtrips from Denver to New York from two to three and from Denver to Seattle from three to four. Daily B-737-300 roundtrips commence on June 14 between Denver and Portland. At the same time, the number of daily roundtrips from Denver to San Francisco is increased from three to four.

The company now serves a total of 20 cities.

In October, the company reveals that it is planning a large purchase from Airbus Industrie.

Passenger boardings surge 42.9% to 2,187,000 while cargo traffic increases 46% to \$5.72 million FTKs. Revenues jump 59.8% to \$307.3 million, while revenues are up 45.5% to \$265.36 million. The operating profit leaps up to \$41.94 million, while net gain reaches \$32.75 million.

Airline employment at the beginning of 2000 stands at 1,948, a huge 57.6% increase over the previous 12 months. The B-737-300 fleet now includes 3 Dash-3Q8s, 1 each Dash-3M8, Dash-301, Dash-317, Dash-3S1, Dash-3U3, and Dash-36N, 2 Dash-36Qs, 3 Dash-3L9s, and 4 Dash-36Es.

On January 5, a contract is signed with GE Capital Aviation Services (GECAS) for the lease of four B-737-300s, to be delivered by May.

The Airbus Industrie deal reported in October is firmed up during the first quarter. On March 15, the airline officially signs contracts with the European manufacturer for six A319-111s and five A318s, which, when delivered, will be the airline's first owned airplanes. It also signs a lease agreement with GECAS for 15 A319-111s and with ILFC for an A318.

On June 1, daily frequencies from Denver are increased to Boston (1 to 2), to Dallas (3 to 4), to Portland (2 to 3), to San Diego (2 to 3), and to San Francisco (3 to 4). New thrice-daily nonstop B-737-300 return service is started on June 15 from Denver to Kansas City, one of the most popular routes of **Frontier Airlines (1)**.

A B-737-3Q8 leased from ILFC on June 17 enters service on July 1. The company's sixth anniversary is now celebrated. Since 1994, the carrier's fleet has grown from 2 to 24 B-737s, the number of employees has increased from 180 to 2,400, the number of destinations served has been boosted from 4 to 23, and enplanements have grown from 400 thousand to 2.4 million.

Frontier is named second best-managed company among non-state-owned national-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

Delivery of the first A319-111 is advanced on July 21 from September 2002 to May 2001. A second will follow in June. Another B-737-3Q8, previously operated by **ProAir** of Detroit, is chartered from ILFC on August 31, for delivery in September.

Daily B-737-3Q8 roundtrips are inaugurated on September 7 between Denver and Washington, D.C. (DCA). Frontier had obtained this and a second Reagan National slot in early July under the Congressional Reform Act for the 21st Century.

In conjunction with the introduction of new aircraft in June 2001, Frontier, on December 11, completes a "Spirit of the West" wildlife photography contest begun some weeks earlier designed to find a new image for the tail of its inaugural Airbus.

Daily B-737-3Q8 return frequencies from Denver to Orlando are doubled from one to two on December 14. The same day, the number of

daily roundtrips from Denver to San Diego is boosted from two to three, one of which is the day's earliest departure from the airport.

At year's end, the company begins discussions with **Great Lakes Aviation** concerning a possible strategic and code-sharing agreement.

FRONTIER COMMUTER: United States (1983-1985). Late in 1983, Frontier Holdings, Inc. forms a number of commuter alliances in order to strengthen the feed to Denver-based **Frontier Airlines (1)**. Among these is the all-cargo airline **Combs Freightair**, which has formed a passenger subsidiary, **Combs Airways**, to operate Frontier Commuter services.

Following the bankruptcy of Combs in early 1984, International Technology Resources forms an airline division, **ITR Airlines**, to operate Frontier Commuter flights. Subsequent to the ITR takeover, the Frontier holding company pours cash and to which it transfers nine Convair CV-580s.

The reborn Frontier Commuter, with 380 employees, commences operations with 11 CV-580s to 19 cities in May. In all, 220,000 passengers are boarded, 80% of whom are fed to Frontier-1, before a major impasse arises over a means of repaying the parent company's investment.

In January 1985, Frontier Commuter shuts its doors. Frontier-1 repossesses its nine aircraft and the other two are sold.

FRONTIER FLYING SERVICE: 3820 University Avenue South, Fairbanks, Alaska 99701, United States; Phone (907) 474-0014; Fax (907) 474-0774; <http://www.frontierflying.com>; Code 2F; Year Founded 1950. One of Alaska's longest surviving regional independents, Frontier is formed by John Hajdukovich at Fairbanks in 1950 to offer passenger and cargo charters out into bush areas. Operations continue apace for the next 30 years.

A Douglas DC-3 strikes three parked aircraft while landing at Bettles on October 30, 1979; although the Douglas must be written off, there are no fatalities.

By the time the company signs a feeder agreement with **Wien Air Alaska** in 1980, the little charter operator has become a scheduled airline, delivering service to communities in the central and northern parts of the state, including Allakaket, Anaktuvuk Pass, Bettles, Fort Yukon, Galena, Husliis, Kaltag, Nulato, Prospect Creek, and Venetie.

President Hajdukovich's fleet in 1981 comprises 1 Douglas DC-3, 1 Piper PA-31-350 Navajo Chieftain, 2 Cessna 207s, 1 Cessna 206, and 1 Cessna 185.

There is no break in service during the remainder of the decade, despite the loss of the **Wien Air Alaska** affiliation in 1984. New destinations added include Wiseman and Chandalar. Operations continue apace in 1985-1989. In April of the latter year, Frontier is one of five Alaskan air carriers subpoenaed by the DOJ to provide information in an investigation of possible antitrust violations in the airline industry. Together with **Peninsula Airways**, **Reeve Aleutian Airways**, **Ryan Air Service**, and **Alaska Airlines**, Reeve is required to supply documents (dating back to January 1, 1984) to a May 9 grand jury session or forward them directly to Washington. Although the airline subpoenas do not name a target, the May 6 issue of the *Anchorage Daily News* reports the subject is **MarkAir**. President Hajdukovich informs the newspaper that DOJ lawyers have contacted him within the past year concerning possible antitrust violations by Neil Bergt's carrier.

In 1990, the 49-employee company operates over its traditional route network with a fleet of 2 Beech 99s, 1 Piper T-1040, 4 Piper Navajo Chieftains, 1 DC-3, and 1 Cessna 207. A PA-31-350 crashes at Kaltag, Alaska, on September 3 (three dead).

Enplanements total 27,952.

A third Beech 99 and a replacement Chieftain are added in 1991. On February 6, Frontier expands from Fairbanks to Anchorage with a new Beech 99 route via McGrath and Galena. As a result, the commuter enters into a fare war over the same route with the much-larger **MarkAir**. Passenger boardings inch up to 28,461 and a total of 1,396,805 pounds of mail are flown.

Airline employment is increased by 22.4% in **1992** to 60 and the T-1040 is replaced with a Dornier 228-212.

Customer bookings ascend 2% to 29,158.

President Hajdukovich adds a fourth Beech in **1993**. Passenger boardings leap upward by 21% to 35,306.

Two Beech 99s are acquired in **1994** and assist customer bookings to ascend 20% to 42,395 and cargo to rise to 673,421 FTKs.

The company's 8 aircraft transport a total of 42,831 passengers in **1995**, a slight 1% increase.

In terms of traffic, **1996** is the first bad year of the decade for this Fairbanks-based operator. Customer bookings plunge 13% to 37,281.

The fleet in **1997** includes 2 Beech 1300s and 2 Beech 99s. Markets visited include Allaket, Barker Island, Beaver, Fairbanks, Galena, Husila, Janana, Kaltag, Kotzebue, Koyukuk, Nulato, Nome, Prudhoe Bay/Deadhorse, Ruby, and Stevens Village.

Scheduled passenger boardings climb by 200 to 37,406. In addition, 9,373 charter customers are also flown.

During the spring of **1998**, the company acquires two Beech 1900Cs, which are delivered wearing a brand new livery. Customer bookings drop 8.2% to 34,000.

Airline employment at the beginning of **1999** stands at 60. Passenger boardings for the year jump 14.2% to 39,000.

A total of 45 full-time pilots are employed at the beginning of **2000** to fly the company's fleet, which now includes 3 Beech 1900s, 6 Navajo Chieftains, and 1 each PA-31-310 Navajo, Cessna 207A, and Beech Super King Air 200.

For the first time, the salmon runs along the entire Yukon watershed collapse. By fall, subsistence salmon fishing must be shut down and Gov. Tony Knowles declares an emergency. In addition to the economic loss, thousands of dogs in rural bush areas, used to haul sleds and which depend upon salmon as their food source, face starvation or liquidation. Something must be done to avert this disaster and a number of small airlines, coming off a bad year caused by rising fuel and insurance costs, are able to assist, while also enjoying renewed profits.

The key to the situation, in the eyes of many, is the transport of donated dog food and fish obtained by local governments and tribes as the result of press reports of the failed salmon returns. In late August and September, a massive food shipment is organized by Warbelow's at Fairbanks, with support from the U.S. Postal Service and other small airlines.

Because Warbelow's has made special arrangements with its competitors, the USPS, which will not be directly involved in distribution, agrees to allow the donated food to be classified as bypass mail, for which rock bottom postage is charged. The entire \$25,000 bill will be paid by the Tanana Chiefs Conference, which also rents refrigeration to hold frozen food awaiting delivery.

Under the direction of chief pilot Michael Morgan, Warbelow's, which has the only bypass-mail-shipping permit in Fairbanks, runs the packages through its meter and, with USPS assistance, farms out this mail for delivery. The airlines involved, **Warbelow's Air Ventures**, **Frontier**, **Arctic Circle Air Service**, **Belair**, **Larry's Flying Service**, **Servant Air**, **Tanana Air Service**, **Tatonduk Air Service**, and **Wright's Air Service**, are paid a rate per pound (between 40¢ and \$1 depending on distance), to haul the approximately 100 tons of food to villages along the Yukon, Tanana, and Koyukuk rivers.

With the acquisition of a Beech 1900D, daily no-frills passenger roundtrips (except Saturdays) are inaugurated on September 5 between Bethel and Anchorage. Just over a month later, on October 22, the new Airliner is badly damaged while landing at Bethel after its Anchorage service. Neither the 2 pilots nor any of the 17 passengers aboard are hurt as the plane continues 150 ft. off the runway into soft terrain, where its nose landing gear collapses.

The company takes delivery of a replacement Beech 1900D on November 13.

FRONTIER HELICOPTERS, LTD. See **CONAIR AVIATION, LTD.**

FRONTIER HORIZON: United States (1983–1985). To help reverse its financial slide, Frontier Holdings, Inc., in late **1983**, forms a nonunion subsidiary of **Frontier Airlines (1)** to operate in long-haul markets not served by the Denver-based carrier. Frontier Services General Manager M. C. "Hank" Lund is named president, with Edward Dunaway as vice president-marketing. Initial capitalization of \$34 million is provided by the holding company and includes the \$16 million necessary to lease a fleet of jetliners. From 40,000 applications, 280 employees are hired.

Part 401 certification is received from the CAB on January 6, **1984**. On January 9, using seven Boeing 727–191s leased via its parent's Frontier Leasco subsidiary from **American Airlines**, Frontier Horizon begins thrice-daily nonstop scheduled services from Denver to Chicago (ORD) and two to Washington, D.C. (IAD).

The first day of operations is only slightly marred by light snow at Denver and unionized **Frontier Airlines (1)** personnel conducting "informational picketing." More seriously, Seattle-based **Horizon Air** goes to court to force the new entrant to change its name, claiming it is an infringement against its own title. A court agrees at the end of the month, but Frontier Horizon continues to pursue steps that will allow its retention. Among these is a referral of the question to the CAB.

Flights to New York (LGA) begin late in the month and to San Francisco on March 1.

By the end of March, Frontier Holdings and the ALPA-represented pilots of **Frontier Airlines (1)** contractually agree that any increase in the number of aircraft in the Frontier Horizon fleet will be subject to an ALPA agreement.

Nonstop B-727–191 frequencies are initiated in the fall from Denver to Orlando and Tampa.

Late in the year, the CAB rules upon a complaint from **Horizon Air** and agrees that the Denver concern's name must be changed because it is too confusing for would-be customers of the Seattle-based **Alaska Airlines** sister company. The name Frontier Discovery is chosen in a public competition.

A total of 509,402 passengers are transported before this new entrant is sold for \$20 million to another newly formed company, **Skybus Corporation**, in January **1985**, effective in May. Frontier Horizon's routes are absorbed by **Frontier Airlines (1)**, or dropped by Skybus in its attempt to establish its own low-cost service hubbing on Atlanta's Fulton County Airport.

FS AIR SERVICE: 6121 South Air Park Place, Anchorage, Alaska 99502, United States; Phone (907) 248-9595; Fax (907) 243-1247; Code Y7; Year Founded 1995. FSAS is established at Anchorage in **1995** to offer on-demand passenger and freight charters throughout Alaska and regularly scheduled return passenger service to Seward. CEO Floyd Saltz Jr.'s fleet includes 2 Cessna 207As and 2 Fairchild Merlins, plus 1 each Piper PA-34 Seneca, PA-31-350 Navajo Chieftain, and CASA C-212-200 Aviocar. Enplanements nearly reach 4,000.

In **1996**, orders are placed for 13 Beech 1900Cs. Customer bookings, however, decline by 9% to 2,829. These traffic figures deflate interest in continuing scheduled customer service and the company now reverts to charter flights only.

By **2000**, Sandra Saltz is president, with Scott Anderson as director of operations. A total of 30 full-time and 3 part-time pilots are employed to operate the fleet, which now includes 2 each Navajo Chieftains, Beech 18s, and Metros, plus 1 each Swearingen Metro, Beech Turbo 18, Learjet 35A Century III, and the Aviocar. The latter is employed on cargo service.

FTi FLUGGESELLSCHAFT, GmbH.: Germany (1918–2001). In cooperation with the German tour operator Frosch Touristik International, GmbH. (FTi), Thomson Travel group, parent of **Britannia Airways, Ltd.**, establishes the subsidiary **Britannia Airways Germany, GmbH.** at Berlin's Schoenefeld Airport in July 1997. Boeing 767-304ER charters on behalf of FTi and Thomson Travel are flown, with new attention paid to the Mediterranean destinations of Majorca and Malta.

On May 13, **1998**, Thomson rival Airtours, plc, enters the German package vacation market when it purchases a 29.03% stake in Frosch Touristik, GmbH. (FTi) for an initial cash price of DM 50 million (£17.2 million or \$28.5 million). Airtours has the option to purchase the whole concern by 2002. Dietmar Gunz, Frosch founder/managing director, joins the Airtours board while the British concern begins to make good on a pledge to invest DM 10 million in loan capital to enable Frosch to finance its short-term growth.

On September 7, Frosch Touristik, GmbH. (Frosch translates as "frog") Managing Director Gunz announces that his tour concern will soon create its own airline to operate a trio of Airbus A320-231s, sub-leased from **Airtours International Airways, Ltd.**, on routes from Germany to the major Mediterranean holiday destinations.

It is noted that Fti's current contract with **Britannia Airways Germany, GmbH.** for flight services, which is due to end in 2001, will be progressively scaled back even as Herbert Kracker, vice president-operations of Britannia Airways Germany, GmbH., is hired as the new airline's operations director. It is anticipated that, beginning during the fourth quarter, **Britannia Airways Germany, GmbH.**, which has been operating B-767-304ER services for FTi to Majorca and Malta, will restrict its flights to long-haul operations to the U.S. and Caribbean.

FTi is not able establish its short-haul airline subsidiary as quickly as anticipated during the fourth quarter and thus **Britannia Airways Germany, GmbH.** also continues to operate to the Mediterranean on behalf of the German travel operator.

On March 15, **1999**, Airtours, plc, raises its stake in Frosch Touristik, GmbH. from 29.03% to 35.92%. The stake of Fti founder Gunz falls from 23.04% to 19.67%, with private investors holding the remaining stock. Airtours promises to stem Fti's losses by half by 2001 and make the business profitable by the end of 2002.

Employing three leased German-registered A320-231s in livery similar to that of Airtours, FTi Fluggesellschaft, GmbH., doing business as Fly Fti, begins revenue operations from Munich, Berlin, and Cologne on May 1. The Frosch Touristik, GmbH. subsidiary operates from Munich to the 18 major Mediterranean vacation destinations in 11 countries previously visited on its behalf by **Britannia Airways Germany, GmbH.** Other German gateways include Dusseldorf, Frankfurt, Hamburg, Hanover, Koln/Bonn, Leipzig, Nuremberg, Paderborn/Lippstadt, Saarbrücken, and Stuttgart.

Enplanements for the year double from 1 million to 2.2 million, but profitability slides.

Airline employment at the beginning of **2000** totals 182. Another A320-231, in a slightly modified color scheme, is delivered on February 13. Two more are anticipated shortly.

Although the current agreement with **Britannia Airways Germany, GmbH.** is not due to expire until April 2001, Frosch Touristik CEO Dietmar Gunz begins renewal talks in April. The tour master seeks a two-year extension, but hopes that his own in-house airline, Fti Fluggesellschaft, GmbH., doing business as Fly Fti, will eventually be able to take over the long-haul services.

Britannia Airways Germany, GmbH. inaugurates biweekly B-767-304ER roundtrips for FTi on May 4 between Dresden and Varadero, Cuba.

Also during the month, **Airtours International Airways, Ltd.** enters into discussions with **LTU International Airlines (Lufttransport Unternelhman, GmbH. & Co., KG)** concerning a possible combination of tour operations.

As a result of the complete takeover of Frosch Touristik by Airtours, plc on July 14, Fti Fluggesellschaft, GmbH., doing business as Fly Fti, informs the German Britannia that it will not renew after April 2001. After all, **Airtours International Airways, Ltd.** and Britannia are now direct competitors. Although talks concerning the wet-lease of aircraft continues, the principal discussions with **LTU International Airlines (Lufttransport Unternelhman, GmbH. & Co., KG)** are broken off by Airtours Managing Director Timothy Byrne on August 9. The UK operator is required to provide its full attention to stemming the losses that

continue to be suffered by Fti and which are expected to hit £85 million for the year. Several new cost-cutting measures are put in place at Fti, including a reduction in the number of German airports from which it departs from 16 to 6.

On September 5, a contract is placed with **LTU International Airlines (Lufttransport Unternelhman, GmbH. & Co., KG)** for the wet-lease of a pair of B-767-365ERs in April next, as the carrier switches away from **Britannia Airways Germany, GmbH.** The aircraft will transport FTi passengers to Cuba and the Dominican Republic.

Due to anticipated heavy losses, the company makes only three A320-231s available for holiday charters at the beginning of the winter schedule on October 29. Two others are put up for lease and one is in heavy maintenance, which will not be finished until March 31.

The press learns at the beginning of November that **Britannia Airways Germany, GmbH.** is scheduled to be shut down in April 2001. Frosch Touristik will shut down its house carrier in late October.

FUJI AIR LINES COMPANY, LTD.: Japan (1952–1964). Formed on Kagoshima, off Kyushu, on September 13, **1952**, Fuji offers nonscheduled Cessna 170 sight-seeing and aerial survey flights on local routes. In affiliation with **Japan Air Lines Company, Ltd. (2)**, scheduled Beech 18 frequencies commence on April 1, **1958**, from Kagoshima to Tanegashima.

A used de Havilland DH 114 Heron 1B is acquired during the summer of **1959** and is employed, on August 1, to begin Niigata to Sado Island frequencies. As the decade ends, a Sikorsky S-62 helicopter is also placed into service.

The company purchases a Convair CV-240 in the spring of **1963** and uses it to launch scheduled daily return service on July 1 from Tokyo to Kagoshima via Takamatsu and Oita. The Convairliner is in operation less than a year when, on February 1, **1964**, as Flight 902 with 5 crew and 37 passengers, it overshoots the runway while landing at Oita. The aircraft crashes into a pile of lumber 124 m. past the end of the runway and falls into dried-up Urakawa River (20 dead).

This and other disasters befalling the nation's smaller carriers causes the Ministry of Transport to seek route rationalization. On April 15, Fuji is one of three small regionals merged to form **Japan Domestic Airlines Company, Ltd.**

FUJIAN AIRLINES COMPANY, LTD.: Tiedao Building, Wuyi Central Road (5,1), Zhong Lu, 3500005, Fuzhou (Fujian), China; Phone 86 (591) 753-9073; Fax 86 (591) 343-8402; Code IV; Year Founded 1993. A subsidiary of **Xiamen Airlines Company, Ltd.**, Fujian Airlines is established at Fuzhou on August 8, **1993** to provide scheduled passenger and regional service. Hou Zhenshan is appointed president and flights begin with a pair of Xian Y-7s (Chinese license-built Antonov An-24s).

While on a December 28 domestic service from Ganzhou to Xiamen, a Y-7 is taken over by a married couple, Luo Changhua and Wang Yuying, with their 11-year-old son in tow, and is diverted to Taipei. The aircraft is returned. The parents will be tried and sentenced to prison terms of 11 and 8 years, respectively, while the youth will be placed in a foster home.

Operations continue apace in **1994–1995** and during these years, two more Y-7s enter service, along with a pair of Boeing 737-505s. In **1996**, an order is placed for a Next Generation B-737-700. Service is maintained without incident or headline during the remainder of the decade. The Next Generation B-737-700, a Dash-75C, is delivered on August 21, **1998**.

FUJITA AIR LINES COMPANY, LTD.: Japan (1952–1963). Aoki Air Transport Company, Ltd. is formed on April 26, **1952** to offer flights between Tokyo with the vacation island of Hachijojima. The small operator does not launch scheduled services for two years; however, in the late winter of **1954**, several light aircraft are purchased, allowing the inauguration of revenue flights in April. De Havilland

DH-104 Dove charters are initiated on May 15, 1958 from Tokyo, Osaka, and Nagoya to Oshima.

Having expanded its route network, the company acquires **Nihon Yuran Hiko (Japan Sightseeing Flying Company, Ltd.)** on June 11, 1961 and with the award of a permanent route certificate, changes its name to Fujita Air Lines Company, Ltd. in November. The fleet is enhanced by the addition of de Havilland DH 114 Heron 1Bs as the carrier operates regular return services from Tokyo, Osaka, and Nagoya to the Oshima islands and to Hachijojima. On August 31, 1963, the carrier is purchased and merged into **All-Nippon Airways Company, Ltd. (ANA)**.

FUNAIR: 3655 NW 87th Ave., Miami, Florida 33178, United States; Phone (305) 599-2600; Year Founded 1998. Funair is established at Miami (MIA) during the first quarter of 1998. It is outfitted with a single Boeing 727-100 with which to undertake its domestic passenger charters. Leased equipment will be employed in the new millennium.

FUNTSHI AVIATION SERVICE, S.A.: Zaire (1992–1993). This African charter carrier is formed at Kinshasa in 1992 to fly holiday and tour flights to destinations in Africa, the Middle East, and Europe. The fleet comprises 2 Sud-Est SE-210 Caravelle IIIs. Unable to achieve viability in a recession year, the company fails to survive until its first birthday.

FUTURA INTERNATIONAL AIRWAYS, S.A.: Gran Via Asima 17, Poligono Son Castello, Palma de Mallorca, 07009, Spain; Phone 34 (71) 755 196; Fax 34 (71) 202 014; <http://www.irinfo.es/aviacion/futura.html>; Code FH; Year Founded 1989. This Palma de Mallorca-based airline is established in late 1989 to operate inclusive-tour flights from Ireland to Spain and other European holiday travel destinations. The financial interest is held by Spanish banking interests (75%) and **Aer Lingus Irish Airlines, Ltd.** (25%). Leo Guckian is named managing director.

Services are inaugurated from Dublin to Palma de Mallorca in February 1990 with the first of three leased Boeing 737-4Y0s to be acquired over the next two quarters from GPA Group, Ltd. Flights soon thereafter begin to Vienna, Munich, Dusseldorf, and Manchester.

A fourth Dash-4Y0 is added in 1991 and shareholding is revised: **Aer Lingus Irish Airlines** (85%) and **Belton Air, Ltd.** (15%).

In 1992, the fleet comprises 6 leased B-737-4Y0s and 1 B-737-348, the latter provided by **Aer Lingus Irish Airlines, Ltd.**, but subleased to **Viva Air, S.A.**

Airline employment in 1993 stands at 220. Enplanements total 1,266,100.

A 7th chartered B-737-4Y0 and 6 more employees join the carrier in 1994 as passenger boardings slip to 1,253,249.

The workforce skyrockets in size during 1995, growing by 143.4% to 550. One B-737-4Y0 is leased to **Transbrasil, S.A.**, but is replaced in service with a B-737-46B. Enplanements recover, growing 10.2% to 1,395,600.

There is no change in employment or fleet in 1996. Customer bookings drop 4.6% to 1,332,400.

Airline employment declines 14.5% in 1997 to 470. Destinations visited include all of the Western European nations plus Russia, Ukraine, the Czech Republic, Hungary, and Israel. Scheduled flights are inaugurated on May 2 from London (LGW) to Palma de Mallorca. Technical problems delay the departure of a B-737-4Y0, with 170 passengers from Malaga to Aberdeen on August 8. As a result of the Scottish airport's curfew, the plane is diverted first to Glasgow, but it is found that there are too few busses at that point to drive the group to Aberdeen, then on to Edinburgh. A spokesman for Aberdeen Airport indicates that 16 flights each year are allowed to breach the curfew, but only if they can arrive before 11 p.m. Passenger boardings advance by 8.1% to 1,440,100.

Flights continue in 1998 and customer bookings surge 18% to 1.71 million. By the beginning of 1999, airline employment has been reduced by 8.5% to 430.

The Palma–London (LGW) route is taken over by **Air Europa, S.A.** on October 31. At this point, a B-737-4Y0 is subchartered to **Ryan International Airlines** for use on winter holiday flights down the U.S. East Coast to the Caribbean.

Two Next Generation B-737-86Ns, chartered from GECAS, are now delivered, one each on November 12 and December 20. They wear the company's new color scheme, complete with new titles and tail markings with a modified atomic image.

Enplanements for the year total 47,000.

Airline employment at the beginning of 2000 stands at 550, a 57.1% increase over the previous 12 months. The first of four Next Generation B-737-86Ns to be delivered on the year arrives on April 7; the others follow on May 19, May 30, and June 15, respectively.

During the summer, the company operates charter services from the U.K. airports to Tenerife and Menorca. These flights continue after the beginning of the fall schedule in October, however, an older B-737-4Y0 is substituted for the Next Generation B-737-800 used earlier.

While landing at Shannon after a November 30 service from Lanzarote, Flight 1331, a Next Generation B-737-86N, suffers the collapse of its nose gear. Although the plane skids sideways, the pilot is able to keep in under control and complete a safe emergency landing. The incident closes the airport for 24 hours.

G & G AIR LINES COMPANY. See **GILPIN AIR LINES**

GABON EXPRESS, S.A.: BP 13893, Aeroport Leon Mba, Libreville, Gabon; Phone (241) 73 38 40; Fax (241) 73 44 49; <http://www.gabonexpress.com>; Year Founded 1998. Following the demise of the Mobutu government of Zaire in 1998, Capt. Robert Sovek, owner/pilot of Eastern Congo Airlines, S.A. transfers his single British Aerospace (HS) 748MF to Gabon. At Libreville, Sovek makes the acquaintance of Capt. Ondo Nikoulou, a local pilot who has authority to begin an airline. With Sovek as majority owner, the two launch Gabon Express in the fall. With Sovek's 748 as the company aircraft, the inaugural four-times-a-day return service is started on October 26 between Libreville and Port-Gentil, on an island at the mouth of the Ogooue River.

Service thereafter is extended to Oyem, in northern Gabon, to Bitam, and to the southeastern city of Franceville. The load is shared by a second 748, a Dash-2A, and a terminal is built at Libreville Airport, complete with an air-conditioned passenger waiting room.

A former French Air Force Sud Est SE-210 Caravelle XIR is acquired, one of only six built, and enters service on July 18, 1999 between Libreville and Port-Gentil. During the following months, it also flies to Oyem and Franceville. Both passengers and cargo are transported, including agricultural products. On board amenities include newspapers, a snack, and soft drinks—or beer.

Enplanements for the year total 90,000, of which 42,000 are flown by the Caravelle during its five-and-a-half months of service.

Airline employment stands at 55 at the beginning of 2000. On the newly opened company website, the airline's officials, noting the importance of their jetliner, entreat aviation enthusiasts everywhere to come to Gabon and fly on their Caravelle, one of the last of its type still flying anywhere in the world. A sales office is also established in Paris to market the carrier.

GAIL FORCE AIR CHARTERS. See **GAIL FORCE EXPRESS**

GAIL FORCE EXPRESS: 4746 South Columbia Drive, Janesville, Wisconsin 53546, United States; Phone (608) 756-1000; Fax (608) 756-5719; Code EP; Year Founded 1995. The all-cargo carrier **Blackhawk Airways** is renamed in 1995. At this point, the founder and chairman, Mark T. Jacobson, and President Richard Wixon oversees 22 employees services are offered essentially without change from the start-up years. The fleet, which visits various Midwestern destinations, now consists of 5 Beech 18s, 2 Beech 58 Barons, 1 Piper PA-31-310 Navajo, 1 Beech King Air, and 1 Cessna 182.

In 1998, GFE operates a fleet that includes 4 Mitsubishi Mu-2s, 3 Beech 18s, 2 Beech Barons, 1 Piper Navajo, 1 Piper Cherokee Six, 1 Cessna 340, and 1 C-172. While going around for a second approach to Peoria, Illinois, on February 23, Flight 179, the Cherokee Six with one pilot aboard, sustains substantial damage when it collides with the ground after stalling. The flyer is not hurt.

Robert Hansen is president in 1999–2000. The fleet is changed by the elimination of the Cessna 340 and C-172 and their replacement with two C-210s.

Having failed to use his checklist, the pilot of a Beech 58, landing at Decatur, Illinois after an April 19, 2000 service from Peoria, forgets to lower his landing gear. The Baron sustains substantial damage in the wheel's-up touchdown that follows. The flyer is unhurt and his future with the company is unknown.

GALAXY AIRLINES (1): United States (1968–1969). The first Galaxy is established at Cleveland, Ohio, during the early summer of 1968 to provide scheduled intrastate passenger and cargo services. Having obtained an exemption from the CAB for their use, Galaxy inaugurates daily roundtrip frequencies with Douglas DC-3s on July 1. Flying from Cleveland's Cuyahoga and Lakefront Airports, the refurbished transports will, for the next year, visit Cincinnati by way of Columbus and Dayton.

GALAXY AIRLINES (2): United States (1981–1987). Galaxy Airlines is set up at Fort Lauderdale, Florida, in 1981 to operate cargo and passenger charters and other contract services. Originally affiliated with Carefree David Travel, the nonscheduled carrier subsequently changes owners before receiving its charter authority in August 1983.

Galaxy is equipped in September with a Lockheed L-188C purchased from COPA (Compania Panamena de Aviacion, S.A.) and an L-188AF from TACA International Airlines, S.A. The latter had begun service with Trans Australia Airlines (Pty.), Ltd. in 1960 as the *Charles Sturt*. On behalf of Computer Components Industry, the new airline launches scheduled cargo charters at the end of the month.

With the beginning of the summer passenger charter schedule in March 1984, Galaxy acquires a Convair CV-990A Coronado on a six-month lease, and employs it to operate flights between Fort Lauderdale and Freeport, in the Bahamas, on behalf of the Princess Hotel. Although a customer boarding count on the jetliner is not released, it is noted that the Electras have operated a total of 332,304 FTKs of cargo in this, the company's first full year.

On January 21, 1985, Flight 203, with 6 crew and 65 passengers, is returning customers home to Minneapolis (MSP) after a weekend gambling trip. The failure of ground handlers to properly close an air access door on the ex-COPA L-188A leads to severe vibration just after its take-off from Reno. The aircraft attempts to make an emergency landing back at its point of origin, but crashes into a field, bounces up and into a number of nearby mobile homes, and catches fire; the entire crew perishes and only one passenger survives the crash.

Following this well-publicized Electra disaster, President Philip Sheridan announces on January 25 that Galaxy will temporarily suspend passenger operations while its two remaining Lockheeds are examined by FAA inspectors. Both aircraft are found to be in acceptable condition and flights resume two days later. The accident is reviewed by Peter Garrison in his "Bad Vibrations: Fatally Low and Slow in an Electra at Reno," *Flying*, 113 (August 1986): 24–26.

In the meantime, the FAA discovers that the CV-990A that has been operating Galaxy's gambling junkets has been wearing company titles in violation of the Federal Air Regulations (FAR) 125 that the jetliner has been permitted to fly under. With no visual advertising of any kind permitted on the aircraft, the company now removes the titles. It will soon, thereafter, remove the aircraft.

Having suffered a jammed right main landing gear upon takeoff from Philadelphia for Charlotte on January 29, an L-188CF with three crew and a cargo of hazardous materials, is diverted to Dobbins AFB at Ma-

rietta, Georgia, where an emergency belly landing is made on a foamed runway. The aircraft skids 4,200 ft. and is damaged beyond repair, but there are no fatalities.

Later in the year, Galaxy elects to inaugurate scheduled daily roundtrip Cessna 402 shuttle flights linking its base with Miami. Cargo operations continue as FTKs ascend 31.2% to 483,000. At year's end, the company stops flying military charters, although the Cessna service in Florida is maintained.

An unattended oil leak prompts the USAF to suspend the carrier from further MAC cargo charter flights on supply routes, as of March 25, 1986, until government inspectors are satisfied that Galaxy has addressed its maintenance problems adequately. The remainder of the year is occupied attempting to win a new fitness finding from the DOT.

Electra operations resume in early 1987 and continue for five months before the company shuts its doors. Prior to cessation, a total of 347,900 passengers are transported on the year. The assets are purchased by Sacramento-based Celebrity Travel, which has stillborn plans to operate Electra passenger charters. Declaring the carrier "defunct," the DOT revokes the Galaxy certificate in mid-1988.

GALAXY AIRWAYS, S.A.: Greece (1999–2001). Theodore Kokmotos founds this Galaxy at Athens in the second quarter of 1999 to offer scheduled passenger and charter flights to points around Europe. In an unusual move, the founder serves as vice president/general manager, while C. Ioannides is chairman and Vassiliki Ioannidou is managing director.

A workforce of 60 is recruited and revenue flights commence on August 31 with a leased Boeing 737-430, previously flown by Air One, S.p.A. and now christened *City of Kavala*. Approximately 30 weekly flights are operated linking Thessaloniki, Kavala, and Preveza with Berlin, Stuttgart, Munich, Dusseldorf, Frankfurt, Cologne, and Nuremberg. The load is more evenly distributed during the fall following the addition of a chartered B-737-5K5. Revenues of £25.5 million are generated.

With the beginning of the summer schedule at the end of March 2000, charter flights are also introduced on behalf of the tour operators Golden Sun and Alpha Risen to points in northern Europe. A DC-10-15 is acquired to help service these.

On October 30, thrice-weekly roundtrips to London (STN) are inaugurated from Thessaloniki, Kavala, and Preveza employing a newly acquired second B-737-430.

Galaxy will be shut down on March 12, 2001.

GALENA AIR SERVICE: United States (1986–1989). Norman Yeager establishes GAS at Galena, Alaska, in the early fall of 1986 to provide scheduled passenger and cargo services to local communities and bush destinations. Revenue flights commence in October with one each Cessna 207, Beech 58 Baron, and Piper PA-31-310 Navajo and continue until the company is taken over by St. Mary's-based **Hermen's Air** on June 27, 1989.

GALION COMMUTER SERVICE. See **FISCHER BROTHERS AVIATION**

GAMA AVIATION, LTD.: Fairoaks Airport, Cobham, Surrey, England, GU24 8HX, United Kingdom; Phone 44 1276 856961; Fax 44 1276 858485; <http://www.gamaaviation.co.uk>; Year Founded 1983. Gama is established at Fairoaks Airport in 1983 to provide FBO services. Over the next 17 years, the company, like many FBOs around the world, also operates executive and small group passenger charters and air taxi flights.

By 2000, Operations Manager Neil Capstick oversees the work of six local full-time pilots and the operations of a Beech Super King Air 200. An even larger fleet is based at London (LHR) to provide European flights and includes 2 Super King Air 200s, 1 Learjet 35 Century III, and 2 Cessna Citations. At the end of the year, 2 long-range Learjet 45s are scheduled for delivery in September and October 2001.

GAMBIA AIR SHUTTLE, LTD.: **Gambia (1987–1991).** During the summer of 1987, several years after expiration of the BCAL arrangement with **Gambia Airways, Ltd.**, Gambia Air Shuttle, Ltd. is established under the leadership of General Manager Lennart Voigt and is equipped with one each leased Vickers Viscount 813, Convair CV-640, and Antonov An-24V. Scheduled operations are begun in September linking Banjul and Dakar and continue until early 1991 when the carrier stops flying.

GAMBIA AIRWAYS, LTD.: **The Gambia (1964–1998).** Gambia Airways, Ltd. is formed in December 1964 by the government and **British United Airways, Ltd. (BUA)**. Max Stuart-Shaw is named chairman. In June 1973, the government's shareholding is increased to 60%. The company operates passenger, freight, and aircraft handling facilities at Yundum International Airport under a 10-year contract with BUA successor-line **British Caledonian Airways, Ltd. (BCAL)**. Flight activities are not begun, although expansion plans include development of an airline.

Gambia Air Shuttle, Ltd. is reformed at Yundum International in 1992. S. M. Jallow is appointed managing director and is charged with restarting passenger and cargo services under the Gambia Airways name. In addition, the company continues its monopoly on ground handling at the airport. Two Nihon YS-11A-100s are acquired and scheduled flights are inaugurated to Praia in the Cape Verde Islands, Free-town, Conakry, Bissau, and Nouakchott, Mauritania, the latter a joint flight with **Air Mauritania, S.A.** In addition, six-times-per-week roundtrips are inaugurated to Dakar, in cooperation with **Air Senegal, S.A.**

Operations continue apace in 1993–1994. In February of the latter year, a block-space agreement and code-sharing arrangement is entered into with **Air Afrique, S.A.** on services from Banjul to London. Airline employment grows to 336 in 1995–1997 as another Nihon YS-11A joins the fleet. Unhappily, the carrier is unable to maintain economic viability and is shut down in early 1998.

GANDALF AIRLINES, S.p.A.: **Via Aeroporto 13, Orio al Serio, 24050, Italy; Phone 39 (035) 45 95 011; Fax 39 (035) 42 43 307; <http://www.gandalfair.it>; Code G7; Year Founded 1998.** Named for the good wizard character in J. R. R. Tolkien's *The Lord of the Rings*, Gandalf is established by McKinsey consultant partners Domiziano Boschi, Luigi Gozzini, and Luciano di Fazio at Orio al Serio (Bergamo) Airport, 40 min. from Milan, during April 1998. Founder di Fazio becomes CEO, with Boschi a principal director. Italy's newest scheduled carrier plans to offer scheduled services catering to businessmen flying into and out of the Milan area.

The first two of five ordered Fairchild Dornier 328-110 turboprops are acquired during the first quarter of 1999 and orders are placed for four (later eight) 328JETS. The start-up leaves the sale of its tickets to travel agents, who are encouraged with extra commissions, and to general sales agreements with major marketing organizations such as the Air Promotion Group in France. Twice-daily nonstop roundtrips commence on April 6 to Stuttgart and Munich.

Another 328-110 is delivered, along with an Avions de Transport Aerien ATR42-320, and the route network is expanded to include Amsterdam, Barcelona, Budapest, Cologne, Rome (Foggia), Hamburg, Hanover, Lyon, Milan, Paris (CDG), Prague, and Zurich. An Embraer ERJ-145 is leased and will remain in service until November.

Plans to launch regularly scheduled turboprop service from Milan to Berlin (Tempelhof) in the fall are reduced to a couple of proving flights. Still, a code-sharing agreement is signed with **Deutsche BA Luftfahrtsgesellschaft, GmbH**.

Twice-daily 328-110 return service is launched on December 13 from Milan to London (LCY).

Having completed the admission process, the company is listed on the Nuovo Mercato of the Italian Stock Exchange on December 23 following a successful E39-a-share initial public offering (IPO) and the sale of

tranches of shares to employees and a group of 70 Lombardy investors (including the Mondadori publishing group). A top price (since fallen back) of E199-a-share is recorded on December 30.

Passenger boardings total 45,636 and it is reported that \$8.1 million in revenues have been generated. Passenger traffic for the year 2000 is forecast to reach 200,000, but it will also be reported later that the carrier has lost L17 billion.

Arrival of the first two 328JETS in early 2000 allows the inauguration of new service from Milan to Prague. Beginning in February, the routes to Paris (CDG) and Zurich are code-shared with **Air France** and **Swissair, A.G.**, respectively.

By May 2, the company is operating 4 each 328-110s and 328JETS. On that date, a firm order is placed for five more 328JETS, with the first set to arrive in June. To fund the purchase, the company's capital base is expanded to L55 billion (\$26 million) through a sale of another L30 billion worth of shares to existing stockholders.

New Dornier 328-110 roundtrips commence on May 15 between Florence and Barcelona. Daily 328-110 return service begins on May 22 from Pisa to Barcelona, from Venice to Prague, and the new Milan to Valencia service is extended on weekends to Barcelona.

New 328JET return services are introduced on June 22: thrice weekly from Trapani to Tripoli, twice weekly from Trapani to Malta, and thrice daily from Trapani to Rome. Summer-only, twice-weekly Dornier 328-110 roundtrips begin on July 10 from Milan to Grosseto.

The third 328JET is received in early August.

Daily 328JET return frequencies are initiated from Milan to Berlin on October 29 and from Pisa to Madrid on December 8. As the year ends, plans are in hand to expand the company's commercial agreement with **Air France**. With the beginning of the summer season at the end of March, the two will extend their code-sharing to 658 weekly flights out of Italy. Enplanements reach 194,626.

GARUDA INDONESIA: **jl Merdeka Selatan 13, Jakarta, 10110, Indonesia; Phone 62 (21) 380–1901; Fax 62 (21) 368-031; <http://www.inn.bppt.go.id/commercial/check-in.html>; Code GA; Year Founded 1990.** Almost all domestic routes and aircraft are transferred to **Merpati Nusantara Airlines** in April 1990 as **Garuda Indonesian Airways** is reconstituted into a holding company, **Garuda Group**, with both **Garuda** and **Merpati** as subsidiaries. **Garuda Indonesian** is renamed **Garuda Indonesia** and is given responsibility for long-haul operations while **Merpati** is not, after all, digested as planned, but is given divisional status. A new aircraft livery is introduced and names are dropped from the six Boeing 747-2U3Bs.

Joint flights, using Russian aircraft, begin with **Aeroflot Soviet Airlines** in May over a return route from Jakarta to Moscow.

In June, an L-1011 is leased for two months from **Royal Jordanian Airlines** and is employed to fly passengers roundtrip from Jakarta and Bali to Hong Kong.

The company begins code-sharing with **China Airlines, Ltd. (CAL)** in October on a route from Denpasar to Taipei.

In November, special fares are introduced under a "Visit Indonesia Year" program for tourists who want to visit between 4 and 12 different cities. Later in the month, a freight block-space agreement comes into effect with **Korean Airlines/Korean Air (KAL)** for service from Jakarta to Seoul.

A cooperative agreement is signed with **Deutsche Lufthansa, A.G.** in December covering an increase in frequencies and destinations in Indonesia and Germany.

As might be expected due to the restructure and division of labor, **Garuda's** passenger boardings decline 20.5% to 5,183,126. Freight is also down, by 3.6%, to 368.1 million FTKs. Revenues for **Garuda Group** jump, however, by 35% to \$1.36 billion. The operating profit is \$155.5 million and net gain reaches \$68 million.

Neither fleet nor personnel are changed in 1991. The agreement with **DLH** takes effect in January. In addition to new services, the Germans begin to provide training to **Garuda's** future Airbus engineers and a Ger-

man cargo consultant is seconded to Jakarta to coordinate the functioning of Garuda's new cargo facility. Lufthansa also assumes, under contract, responsibility for the maintenance of Garuda's Airbus fleet.

Also in January, joint services commence with **Malaysia Airlines, Ltd. (MAS)** over a route from Denpasar to Kuala Lumpur. Twice-weekly B-737-3Q8 service is started in March from Singapore to Juanda Airport in Surabaya.

In the spring, a Lockheed L-1011 is leased from **Royal Jordanian Airlines**.

The company yields to pressure from environmental groups on July 15 and agrees to no longer transport wild tropical birds to the U.S.

A code-sharing pact begins with **China Airlines, Ltd. (CAL)** in September for cargo flown from Jakarta to Taipei. Following the resolution of visa problems between Indonesia and China, Garuda launches flights in November from Surabaya to Guangzhou via Jakarta. Leased from Guinness-Peat, the first of five MD-11s arrives in December.

Customer bookings slide another 6% to 2,509,379; however, cargo climbs 4.8% to 195.25 million FTKs. Revenues are \$1.52 billion and the group operating profit is down to \$120.16 million; still, a group net profit of \$94.51 million is reported.

The payroll grows 13.9% in 1992 to 12,000 and the fleet now includes 9 A300B4-220s, 7 A300D4-620Rs, 8 B-737-3Q8s, 1 B-747-129C, 6 B-747-2U3Bs, 1 B-747-212B, 18 DC-9-32s, 6 DC-10-30s, 1 MD-11, 5 F.28-3000s, 1 F.28-3000C, and 28 F.28-4000s. Orders are outstanding for 4 A300D4-620Rs, 9 A330-341s, 16 B-737-4U3s, 9 B-747-4U3s, 6 MD-11s, and 12 Fokker 100s.

President since 1988, Mohammed Soeparno is succeeded in February by **Pelita Air Service** CEO Wage Mulyono. Two more MD-11s are received during the first quarter.

Reciprocal Jakarta to Beijing service is inaugurated in April, in cooperation with **Air China**. A new MD-11 service is added with **Deutsche Lufthansa, A.G.** linking Denpasar on Bali with Munich via Abu Dhabi. Also in April, pooled flights begin with **Saudia (Saudi Arabian Airlines)** from Jakarta to Riyadh, Jeddah, and Dhahran.

A DC-9-32 with 71 aboard crashes in fog in mid-August; there are no survivors.

In October, the Indonesian government imposes new restrictions on foreign borrowing. Consequently, the previous aircraft orders are trimmed to just two B-747-4U3s and seven B-737-4U3s. The freefall in traffic is reversed as passenger boardings move upward by 3.2% to 5,546,000 and freight climbs 6.3% to 460.22 million FTKs. Revenues reach \$1.57 billion and grant an operating profit of \$112.1 million. The net gain is \$62.4 million.

The workforce of President/Managing Director Wage Mulyono is increased by 40.6% in 1993 to 13,272. Three A300-620Rs and three MD-11s join the fleet as one each DC-9-32, F.28-3000, and F.28-4000 are retired.

In May, a new agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** that provides for the establishment of joint task forces to examine the joint development of cargo and tourist traffic between Indonesia and the Netherlands. Also in May, a marketing agreement with **Iberia (Lineas Areas de Espana, S.A.)** allows joint code-sharing to begin on a route from Denpasar and Jakarta to Madrid.

Berlin also joins an international route network which now includes Abu Dhabi, Adelaide, Auckland, Bangkok, Brisbane, Brussels, Cairns, Darwin, Fukuoka, Guangzhou, Hong Kong, Ho Chi Minh City, Honolulu, Jeddah, Kuala Lumpur, London, Los Angeles, Melbourne, Nagoya, Paris, Perth, Port Hedland, Riyadh, Rome, Seoul, Singapore, Sydney, Taipei, Tokyo, Townsville, Vienna, and Zurich.

Coming in from Yogyakarta on June 21, Flight 630, a DC-9-32 with 7 crew and 72 passengers, lands hard at Denpasar; the Douglas transport taxis safely to the apron where major structural damage is found. No injuries are reported.

An F.28-4000 with 40 aboard crashes in a remote eastern province on July 1; there are no survivors.

Statistics are released for the first 6 months and show customer bookings up 2.4% to 2,602,553 and freight ahead by 16.1% to 251.9 million

FTKs. The first 2 of 12 Fokker 100s is delivered for the Merpati subsidiary in October. Losses are suffered on the year: \$88.87 million (operating) and \$3.11 million (net).

The employee population grows by 4% in 1994 to 14,589 and a B-737-4U3, the 7,500th jetliner built by Boeing, is delivered in January.

On January 26, the company's 45th anniversary is celebrated as its first B-747-4U3 arrives. A new slogan, "As We Race for the Future, We Haven't Forgotten the Past," is marketed in 18 nations.

In July, two B-747-2U3Bs are sold to an unnamed U.S. company.

A compact signed with **Singapore Airlines, Ltd.** in September gives the Indonesian carrier a 10% stake in SIA's Pan Asia Pacific Aviation Services maintenance concern at Hong Kong's Chek Lap Kok Airport.

The same month, shared-code flights with **EVA Air, Ltd.** commence between Denpasar and Kao-hsiung. The two also establish a ground handling agency at Denpasar.

On the year, passenger boardings jump 9.6% to 6,278,994 while cargo is boosted 16.7% to 669.28 million FTKs. Revenues swell 13.7% to \$1.75 billion while costs accelerate 5.8% to \$1.72 billion. Consequently, there are profits: \$27.77 million (operating) and \$76.21 million (net).

In April 1995, a compact is signed with **KLM (Royal Dutch Airlines, N.V.)** that provides for jetliner upkeep and overhaul. The two also agree to explore a comprehensive passenger code-sharing arrangement.

All three B-747-2B4BCs of **Middle East Airlines, S.A.L.** are wet-leased in May for the Hadj season. On May 29, the government allows Garuda 12 new routes. These include Jakarta to Palembang, Penanbaru, Padang, and Banjarmasin. In July, KLM and Garuda begin a weekly joint-cargo service between Jakarta and Amsterdam via Kuala Lumpur and Bombay, employing a B-747F leased from **Atlas Air**.

To strengthen its competitive position, Garuda announces in the fall that it has temporarily suspended services to Berlin, Madrid, Munich, and Vienna. Until flights resume, **KLM (Royal Dutch Airlines, N.V.)** will transport Garuda passengers to the four cities under an implemented code-sharing pact discussed earlier.

Late in the year, four DC-9-32s are sold to the new Philippine carrier **Cebu Pacific Air**. This year, the company provides very few figures to ICAO. It does admit that its workforce is cut 4% to 14,000 and that it has carried 2,944,000 passengers over its international routes.

Airline employment is reduced by 5.2% in 1996 to 13,272 and orders remain outstanding for 9 A330-341s and 2 MD-11ERs.

The first two MD-11ERs manufactured are received under lease by **World Airways** from their builder during April. They will be wet-leased to Garuda for use on that flag carrier's Hadj flights to Saudia Arabia. In addition, four B-747s will be subleased from **Tower Air**.

During the spring, domestic services to 11 destinations are launched from the new Hang Nadim Airport on Batam Island, 20 miles from Singapore.

Having reached a 4-ft. height in its takeoff from Fukuoka on a June 13 service to Jakarta via Denpasar, Flight 865, a DC-10-30 with 15 crew and 260 passengers, suffers the separation of a fan blade in its No. 3 engine, which catches fire. The crew elects to abort takeoff, at which point the wide-body returns to the runway, slides down the pavement, over a ditch, through a fence, and across a road. It comes to a stop 1,600 ft. past the concrete, having lost its No. 1 engine and landing gear in the skid. Three passengers are killed and 60 injured.

With no bilateral air agreement signed between the U.S. and Japan, **Northwest Airlines** is unable to commence its planned return service on July 1 from Seattle to Jakarta via Osaka. Some 6,000 passengers planning to leave Jakarta for the U.S. through Japan must be diverted to Garuda.

Having been under surveillance for some time, a Garuda pilot is arrested by Dutch police on September 29 while boarding his aircraft at Amsterdam. Although his entire crew is searched, only the captain is detained for the possession of drugs—8,000 Ecstasy pills.

Through October, enplanements are up 14.1% to 5,683,266 and 507.02 million FTKs are operated, an 8.6% decline over the same period a year earlier.

Also during October, service is inaugurated from Hang Nadim to Jeddah.

The company's first owned MD-11ER is delivered in December, as is an A330-341.

A memorandum of understanding is signed with **Northwest Airlines** on December 23; it is designed to lead to an operational and marketing alliance to enhance service between Indonesia and the U.S.

Although the company loses \$37 million from its airline operation, it is able to post a \$52-million profit after the sale of assets.

Airline employment is increased by 3.4% in 1997 to 13,727, largely before the economic downturn.

During February, the nation's finance minister, Mar'ie Muhammad, indicates that a date has been set for the company's privatization—December 1998. Hang Nadim to London flights commence in March.

The second A330-341 arrives in April and, as the first aircraft, enters service on Asian routes.

On May 1, a **Finnair O/Y** DC-10-30 is subchartered for 10 weeks of Hadj flights from **Air Liberte, S.A.**; four **Tower Air** Jumbojets are again subleased for Hadj flights this year. Following the unexplained in-flight shutdown of the Rolls Royce Trent 700 engine of a **Dragonair (Pty.), Ltd.** A330-342 on May 23, the fourth such incident since November, the carrier's two A330-341s are grounded on May 26. By June 14, officials from Rolls Royce have repaired the Trent 700 power plants in all three fleets.

Under a dual-designator agreement with **SilkAir (Pty), Ltd.**, Garuda is able to place its code aboard the Singapore company's twice-weekly Fokker 70 roundtrips, beginning on June 2, between Singapore and Balikpapan, Borneo.

Arriving at Honolulu from Jakarta on June 21, Flight 800, an MD-11 with 19 crew and 299 passengers, sustains heavy damages in a bad landing; fortunately, no injuries are reported to any of the passengers.

Great forest fires plague the island nation during the summer, spreading a cloak of haze over much of Southeast Asia.

On September 26, Flight 152 with 12 crew and 222 passengers on a service from Jakarta passes through an area affected by smog from forest fires. While on initial approach to Medan, the A300B4-220 crashes 32 km. from the runway in a valley near the village of Pancur Batu. There are no survivors from Indonesia's worst-ever air disaster. The public reacts with anger over the fourth fatal accident involving an Indonesian commercial aircraft this year. Calls voiced for over a year are again made for the resignation of Transport Minister Haryanto Dhanutirto and other departmental bureaucrats who are seen as lax towards safety. As the English-language daily *The Indonesian Observer* editorializes on September 29, "Laxity claims more lives!"

Traffic figures are provided through the end of September. These show enplanements off 0.6% to 5,078,921 and a dip in cargo to 440.74 million FTKs.

Officials notice a significant downturn in Japanese bookings beginning in October. It is speculated that those foreign customers are deserting the airline in droves, especially the lucrative routes to Tokyo and Osaka, because of the accidents and the smog.

At the end of the year, international investment bankers recommend to the airline's senior management that it indefinitely postpone a plan to float the airline's stock. They report that the company's poor financial position will prevent the foreign investment required for a successful offering.

The first of five new B-737-5U3s is delivered at the beginning of October.

Catastrophic forest fires and the Asian currency crisis have a devastating cumulative impact. To help stave off fiscal disaster, the company now closes down its services to Rome and Zurich and cuts back on its Paris and London operations. Direct flights to Bali and Medan from Europe are halted while the number of frequencies to Abu Dhabi, Amman, Beijing, Kao-hsiung, and Saigon is reduced. All ties with **Merpati Nusantara Airlines**, itself \$250 million in debt, are severed and efforts are made to unload its owned hotels and its ground-handling business.

Efforts to sell its physical assets meet with little success. In December, Minister Dhanutirto calls in the airline's senior management to inform them that if they do not dispose of the hotels and ground handling business soon, the carrier will go bankrupt.

Just after departure from Manado on December 30, Flight 741, a DC-10-30 with 13 crew and 151 passengers, develops engine problems; as a precaution, the aircraft returns to its point of origin.

Full year revenues total \$1.57 billion, with expenses of \$1.50 billion. There is a \$66.5 million operating profit and an equal net gain.

Airline employment stands at 12,851 in 1998 and the fleet, 92.3% of which is Stage III certified, includes 65 airplanes: 23 B-737s, 4 Fokker F.28s, 11 B-747s, 8 A300s, 7 DC-10s, and 6 each A330s and MD-11s.

Indonesian aviation policy wavers in the face of the national currency and economic crisis during the opening months of the year. Efforts continue at the flag line to sell noncore businesses, including hotels, spare parts, and travel agencies. Plans are announced to sell a quarter of the fleet and in January and February international frequencies are reduced by 30% while a 26% cut is announced for domestic services.

On February 3, an arrangement is entered into with **World Airways** for the lease of six MD-11s for the upcoming Hadj season, from March through early May.

As the economic crisis worsens in April, Garuda finds itself unable to accommodate all of its lessors. A major examination of aircraft leases occurs as the airline, which cannot pay for its A330-341s, seeks to return them early. To cut costs, the six **World Airways** MD-11s are returned on May 6. Simultaneously, Garuda announces that it will retain the five DC-10-30s, using them to cover the capacity lost with the return of the MD-11s.

In late spring, Jakarta is rocked by political demonstrations and on May 21 President Suharto resigns.

The new government appoints former Citibank Indonesia CEO Robby Djohan as president and requires major restructuring to save the airline. Djohan announces a plan to cut employment by half, return extra airplanes, and restructure the giant \$400-million debt. It will also sell or return 6 MD-11s, 6 A330-341s, 11 B-737-300s, and up to 3 B-747s. With the rupiah now valued at 17,000 to the U.S. dollar, the nation's airlines are granted permission to increase fares by 37.5%.

With his own airline is disarray, **Philippine Air Lines (PAL)** Chairman Lucio Tan offers up to \$1,000-a-month salaries for flyers willing to come to Manila and fly for his carrier. As PAL moves toward collapse, the offer is soon withdrawn.

During June and July, President Djohan is able to make significant headway in cutting costs. Plans are made to lay off 3,000 of the carrier's 12,900 employees, including maintenance personnel. Six MD-11s are returned to Boeing, while five DC-10s are put up for sale. Talks with Morgan Grenfell concerning the lowering of Airbus leasing rates fail, thereby depriving the carrier of badly needed funds with which to begin rebuilding the vaporized cash base.

By the beginning of August, a cost-cutting plan that would have combined the domestic operations of Garuda, Bouraq, Merpati, and Mandala collapses. Despite load factors as low as 30%, the smaller airlines refuse to join with the flag carrier. The effects of the Asian currency crisis and the national economic downturn continue. At this point, the four companies are losing significant funds as 80% of their costs are in U.S. dollars, but only 20% of their income is in the same currency. During the last week of August, however, the Indonesian parliament does grant a long-desired fare increase. An extra flight is added to the Medan to Banda Aceh route on August 9.

Domestic tickets increase in price by 40% on September 1.

At the beginning of the month, orders for six B-777s and six B-737-500s are cancelled. Financing is, however, found to take delivery of six other B-737s that the manufacturer has been holding back while President Djohan seeks funding.

A management contract is signed with **Deutsche Lufthansa, A.G.** during the month; under its terms, six seasoned executives from the German subsidiary Lufthansa Consulting are seconded to Jakarta to help

revitalize the failing company through a hands-on application of their collective wisdom. The team, all given Garuda titles, is headed by Executive Vice President-Operations Walter Prenzler and includes Senior Vice President-Technical and Operations Hanns Marienfeld and Vice President-Network Management Dr. Maria Angelika Hanne.

The services of a **Federal Express (FedEx)** MD-11F, donated to the cause, are employed to fly \$1.73 million in medicines and medical supplies needed in Indonesia on September 11. Undertaken on behalf of several charitable agencies led by Uplift International, the donation, badly needed as the result of the Asian economic crisis impact on the local currency, is distributed internally by aircraft from Garuda.

To the surprise of many, a \$20-million August profit is announced on September 21. Still, company executives decide to only serve profitable international routes and to reorient their approach from a product to a market focus. The services of Deutsche Bank are retained to assist Garuda in restructuring its debt, which is tied closely to its fleet.

Company executives announce on October 8 that Garuda has been able to save \$100 million by the cancellation of seven projects previously operated because of corruption, collusion, or nepotism. Among the seven are agreements with Antarini Mitra Sejati, Bimantara Graha Insurance Broker, and Angkasa Bina Wisesa.

The European route is altered on October 24. Daily one-stop flights are now operated to Frankfurt via London three times a week and via Amsterdam four times. The Paris route is suspended; however, flights are timed to allow connections from Frankfurt or London to the French capital via **Air France**.

President Djohan is asked to take over as head of Bank Mandini on November 1 and oversee the operations of the nation's four state-owned banks. Although Djohan will retain an interest in the carrier as its president commissioner, he is succeeded as airline president by Bank Duti president Abdul Gani.

Domestic ticket prices rise another 14% on December 1.

Having flown to Seattle, Presidents Djohan and Gani, on December 11, begin renegotiations with representatives from the U.S. Export-Import Bank, Boeing, and General Electric. The talks will concern credit terms and length of leases, particularly on Garuda's short-haul B-737s. The Herculean task of rescheduling \$370 million in foreign debt is now in sight for the two bankers working in tandem.

During the 12 months, enplanements slump to 4.1 million and a net loss of \$46.6 million is suffered.

Airline employment stands at 12,723 in 1999 as Garuda's 50th anniversary is celebrated. Special "50 Years of Challenge" logos are applied to company aircraft.

On February 2, Monang Sianipar, chairman of the advisory board of the Indonesia Cargo Agents Club, notes during a press interview that approximately 90% of the nation's domestic air cargo operators have discontinued joint operations with Garuda since late 1998. The reason given is a preference for working with foreign airlines.

It is announced on February 4 that in order to obtain fresh funds for working capital and payment of its foreign debts, the carrier will reduce its fleet during the year from 52 to 40 aircraft. Four A300B4-220s and all of the B-747-2U3Bs will be withdrawn and sold.

On February 15, **Merpati Nusantara Airline** cancels service from Denpasar and Bali to Melbourne and Perth, Australia. The routes are picked up by Garuda.

In a further effort to cut costs, the airline in early March requests that 3,000 of its 12,732 workers take early retirement. In addition, company offices are moved from downtown Jakarta to the airport, where rentals are less.

While visiting the Pacific Asia Travel Association trade show in Singapore on April 14, Executive Vice President Walter Prenzler informs a news conference that Garuda has enjoyed a very successful first quarter and is on track to make a significant recovery and profit this year. Prenzler, one of five executives from **Deutsche Lufthansa, A.G.**, which have been assisting the carrier since September, offers hope that the car-

rier's fortunes will improve after Indonesia's upcoming parliamentary and presidential elections.

During the first six months of the year, the rupiah regains some 50% of its strength. The balance of the parliamentary-approved fare increase is postponed.

An extra flight is added to the Medan to Banda Aceh route on August 9.

Air Transport World reports in its November issue that the Indonesian government has agreed to inject \$62 million a year for eight years into Garuda to service its mounting debt. When a new government comes to power, however, it quickly reneges on the former regime's promise in order to handle other severe and pressing national budget deficits.

The Jakarta Post reports on December 10 that the Indonesian Ministry of Religious Affairs has signed an agreement with Garuda to transport 111,607 Hadj pilgrims to Saudi Arabia, beginning in February, at a price of \$1,200 per person.

Speaking at a breakfast held at the offices of the Center for Strategic and International Studies in Jakarta on December 20, President Abdurrahman Wahid announces that Garuda has reached an agreement with its foreign creditors for the rescheduling of its \$1.8-billion debt. After receiving necessary parliamentary approval, the debt would be extended up to 16 years. He also speaks out against a suggestion from Kwik Kian Gie, Coordinating Minister for the Economy, Finance, and Industry, that would have **Singapore Airlines, Ltd.** invited to help manage Garuda. Although Garuda is receiving consul from **Deutsche Lufthansa, A.G.**, no foreign airline should be allowed to dominate the national carrier.

Also during December, the Ministry of Transport issues permits to three new domestic carriers. The move is challenged—unsuccessfully—by the National Air Carriers Association on behalf of Garuda, **Bouraq Indonesian Airlines**, and **Merpati Nusantara Airlines**.

Customer bookings jump 5.4% to 5,365,000, but cargo falls 21.9% to 1,414,517,000 FTKs. Operating revenues ascend 9% to \$902,976,000, while costs plunge 14% to \$857,604,000. The previous year's losses are turned into profits: \$45.37 million (operating) and \$72.54 million (net).

A yearlong celebration of the company's 50th anniversary begins in January 2000. The B-737 fleet now includes 6 Dash-3U3s, and 1 Dash-3Q8, 7 Dash-4U3s, 2 Dash-4Q8s, and 1 each Dash-4K5, Dash-43Q, and Dash-4Y0, plus 5 Dash-5U3s. Also operated are 5 DC-10-30s, 4 B-747-2U3s, 2 B-747-4U3s, and 1 B-747-441.

The year opens with the company continuing to face liabilities of \$1.81 billion with assets of just \$758 million. Although discussions with creditors have continued and a plan is nearly official, no payment on the debt's principal has been paid since June 1998. Additionally, continuing national political violence is driving away tourists, many of whom pay well to ride with Garuda.

A code-sharing agreement is signed with **Malaysia Airlines, Ltd. (MAS)** on February 11. Under its terms, the two share their designators on the return flights operated by both from Kuala Lumpur to Jakarta and Medan and the services provided by MAS from Kuala Lumpur to Surabaya and Denpasar and from Pulau Pinang to Medan.

Garuda wet-leases six **Britannia Airways, Ltd.** B-767-204ERs (with Garuda providing cabin crews) on February 17 to help it deliver Muslim pilgrims on their annual Hadj to Mecca. Supported by 50 operations and engineering personnel, 108 Britannia pilots transport 40,000 worshipers to Jeddah on 119 flights during the month. The return trip of equal demand will be completed in April. In addition, five MD-11s are wet-leased from **World Airways**, along with an Airbus A340-313X from **China Southwest Airlines Company, Ltd.**

The next day, President Abdul Gani reports to the Indonesian parliament in writing that his carrier remains deep in debt and is, in fact, technically bankrupt. The company's \$1.8-billion debt, run up by December and growing, includes \$610 million owed to the European Credit Agency for the lease on six Airbus aircraft and \$420 million due the U.S. Export-Import Bank for the charter of 11 B-737s. Another \$610 million is owed the U.S. in bank loans and various business debts. Still, an A340-300 is leased from **China Southwest Airlines Company, Ltd.** on February 24.

By March 7, 182,000 Indonesians have departed on 435 flights for the Hadj pilgrimage to Mecca. The airports at Surakarta, Jakarta, Surabaya, Makassar, Medan, Balikpapan, and Banda Aceh have served as official embarkation points.

On March 26, B-737-3Q8s reopen a previously suspended route linking Medan with Kuala Lumpur.

A full-page ad is published by the airline in *The Jakarta Post* newspaper on June 12 acknowledging and apologizing for its record of poor service and promising to improve.

In July, the government officially approves a Garuda plan to restructure approximately \$1.2 billion in debt along the lines of terms that have been discussed with French, German, and U.S. creditors. Under a plan initially put forward by Deutsche Bank, Garuda's financial advisor, the \$610-million debt to the European Credit Agency (a consortium of creditors) could be paid over 16 years instead of 10. Additionally, the airline wins approval for the issue of 5-year convertible bonds to cover \$38 million owed to Angkasa Pura, the operator of Indonesia's airports, and \$103 million in Bank Mandiri debt. Restructuring of \$460 million in local and international bank debt also wins government sanction. As these arrangements are completed, plans will be finalized for the privatization of Garuda in 2003.

A B-737-4Q8 is chartered from ILFC on August 22 for delivery in November.

Company officials announce on September 19 that they will resume the international routes dropped during the 1997 economic crisis, including those to the U.S., France, Italy, Switzerland, Taiwan, and South Korea. Although financing has not yet been found, at least seven new aircraft will be acquired with which to operate these flights. President Abdul Gani reports on September 20 that the government will inject \$62 million annually for the next eight years to cover the leasing of the required new aircraft. Their arrival will allow not only the initiation of news services, but replacement of the aging Fokker F.28 fleet.

Arrangements are completed on October 9 for the charter of seven B-737-300s and B-737-400s, which will join the fleet by January. On October 16, the carrier announces that it will lease 15 aircraft for the 2001 Hadj season (February–April), during which it anticipates the transport of 200,000 pilgrims to Mecca. As usual, **World Airways** is sure to be among the participating ACMI carriers.

After a two-year suspension, thrice-weekly DC-10-30 roundtrips are resumed on October 29 from Jakarta to Seoul.

It is announced on November 21 that the airline will replace its five noisy Fokker F.28-3000/4000s with six B-737-4Q8s leased from ILFC, the first of which is delivered almost immediately. The last Fokker will be gone from the fleet by the end of 2001.

New frequencies are introduced on December 1 from Jakarta to Pontianak, Semarang, Yogyakarta, and Denpasar, as well as a third roundtrip between Jakarta and Solo.

A B-737-4S3 previously operated by **Istair Istanbul Airlines, A.O.** is leased for five years from GECAS on December 22. The company's two-year contract with Lufthansa Consulting concludes on December 31. At the same time it is noted that, due to delays in obtaining bank guarantees, only 70% of the planned debt restructuring has been achieved.

GARUDA INDONESIAN AIRWAYS: Indonesia (1949–1990). This carrier traces its history back to January 26, 1949, rather than the normal December date usually assigned. On that date, a Douglas DC-3, registered under the name **Indonesian Airways**, makes a flight from Calcutta to Rangoon. As the Netherlands Indies are not yet independent, the aircraft, for political reasons, cannot immediately fly in its homeland.

Bringing back the exile carrier and the Inter-Island Division (IIB) of **KLM (Royal Dutch Airlines, N.V.)** from Burma, the two-day-old independent government of Indonesia and KLM begin working to reform them into Garuda on December 21 as successor to the Dutch flag carrier's prewar subsidiary, **Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij (KNILM)**. Each partner will own 50% of the

stock with **KLM (Royal Dutch Airlines, N.V.)** also providing technical, managerial, and maintenance support. Using the marketing name Garuda for the first time, IIB operates a service the same day.

Flight services commence with a mixed fleet of 22 Douglas DC-3s and 8 Consolidated PB-5A Cansos on March 31, 1950, the day the airline is officially registered. All have been repainted in the company's new livery and carry the airline's new name—that of a mythological Hindu creature—throughout the nation over its Dutch predecessor's routes.

An order is placed for eight Convair CV-240s and the first Convairliner is delivered in September, the first pressurized airliner to offer civil service in Indonesia.

On November 17, a DC-3 with 3 crew and 20 passengers, runs off the runway after landing at Surabaya and hits a ditch (two dead).

The Indonesian–Dutch joint operations continue apace in 1951–1953. Although the company fleet is increased during this period by the addition of eight de Havilland DH 114 Herons in 1953, it is also decreased by accidents. On such incident occurs on May 9, 1952 when a DC-3 fails to successfully climb out of Ipoh on its flight to Palembang and makes a forced landing; although the plane must be written off, there are no fatalities.

Over 5,000 **KLM (Royal Dutch Airlines, N.V.)** employees strike on February 1, 1954 over the pending nationalization of the Indonesian carrier. On March 24, the governments of Indonesia and the Netherlands sign the accord of nationalization for a jointly owned Garuda; the new republic agrees to compensate **KLM (Royal Dutch Airlines, N.V.)**.

Garuda is nationalized on July 12 and **KLM (Royal Dutch Airlines, N.V.)** shareholding ceases. Technical and maintenance assistance from the Dutch carrier continues and the fleet grows by the acquisition of six more Herons and eight CV-340s. Initial international services are inaugurated to Singapore, Manila, and Bangkok.

On November 25, having failed a missed approach procedure, the captain of a DC-3 with 3 crew and 19 passengers on a flight from Palembang lands his aircraft on a slippery runway at Djambia at an excessive rate of speed. The aircraft overruns the runway and comes to rest in a muddy field; although the aircraft must be written off, there are no fatalities.

Passenger boardings are 401,000 in 1955. **KLM (Royal Dutch Airlines, N.V.)** collaboration is ended in September 1956; all Dutch personnel are required to withdraw.

At this point, many of the Herons are retired and orders are placed in 1957–1958 for three CV-440s. Three Lockheed L-188s are ordered in 1959.

Flight 330, a DC-3 freighter with two crew develops engine problems 13 min. after takeoff from Palembang on December 24; the pilot elects to return to Palembang, but crashes in a swamp three miles from the airport in bad weather (one dead).

Service deteriorates badly and passenger bookings fall; in the three years starting this year, they will dip from 367,000 to 335,000.

The Lockheed L-188Cs arrive on January 14, 1961 and are christened *Palau Bali*, *Tjandi Bororudar*, and *Danau Toba*.

En route from Jakarta to Surabaya on January 24 via Bandung and Yogyakarta, Flight 424, a DC-3C with 5 crew and 16 passengers, crashes into Mt. Burangrang; there are no survivors. Flight 542, a C-47A with 5 crew and 21 passengers, disappears off Madura Island on February 3 during a flight from Surabaya to Balikpapan; the wreckage is never found.

The last significant event of the year is far more positive—the opening of Jakarta to Hong Kong Electra service on May 16.

The fleet in 1962 comprises 18 DC-3s, 3 Lockheed L-188A Electras, and 20 CV-240s.

A CV-240 is damaged beyond repair at Palembang on February 27.

The Hong Kong Electra route is extended to Tokyo on March 13. Two more accidents are recorded during the year. A DC-3 is lost under unexplained circumstances at Jakarta on April 5 and another CV-240 is damaged beyond repair, this one in a landing accident at Ambon on August 17.

De Kroonduif's domestic operations in West New Guinea are taken over on January 1, **1963**.

The first jetliner, a Convair CV-990 Coronado christened *Majapakit*, is acquired on September 3; the second Coronado, *Sriwijaya*, is received on October 21.

Later in the year, the independent carrier **De Kroonduif**, operating in the Indonesian portion of New Guinea, is taken over and merged.

Coronado turbojet service to Singapore, Hong Kong, Bangkok, Manila, and Tokyo is inaugurated on November 20.

Another CV-990 arrives on January 24, **1964** and christened *Pajajaran*.

Domestic services are turned over to **Merpati Nusantara Airlines** in early spring.

Coronado services are inaugurated from Jakarta to Canton via Phnom Penh, Cambodia, on January 11, **1965**.

Twice-weekly Jakarta to Amsterdam flights commence on March 30 via Bangkok, Bombay, Cairo, Rome, Prague, and Frankfurt. Every other week, Phnom Penh and Paris alternate with Bangkok, Prague, and Frankfurt.

India cancels Garuda's landing privileges on September 15 after a mob attacks **Air India, Ltd.** offices at Jakarta.

Two C-47As, each with 3 crew and 17 passengers, collide while on approach to Palembang, Sumatra, on January 1, **1966** and crash into a swamp; there are no survivors. Fourteen bodies are found the next day in the wreckage of one, but the other aircraft is not located.

In early spring, orders are placed for two DC-8-54s. Flights to Paris and Frankfurt are suspended on June 7, as passenger traffic is too thin.

The first Douglas jetliner is delivered in mid-July and it replaces a Coronado on European services as of August 12.

Reciprocal service is resumed to India on September 27.

Airline employment is 5,906 in **1967**. Two DC-3s and nine CV-240s are retired as the second Douglas jetliner arrives.

Having departed Jakarta for a flight to Manado via Surabaya and Makassar on February 16, Flight 708, the L-188C *Tjandi Bororudar* with 8 crew and 84 passengers, is forced back from Makassar by bad weather. The service is rescheduled for February 17 and is completed, whereupon the aircraft is landed 156-ft. short of the runway, causing it to skid with collapsed landing gear and catch fire (22 dead).

Enplanements for the year continue to fall, reaching 234,000.

Orders are placed in **1968** for a DC-9-32 and Fokker F.27-600s.

Early in the first quarter, a new president, Suharto, succeeds Indonesian President Sukarno. On February 17, the new leader calls upon Air Commodore Wiweko Supono, who had operated **Indonesian Airways** in 1948-1950, to take over as Garuda's chairman/CEO.

Some 4 minutes after takeoff from Bombay for Karachi on May 28, the CV-990A *Pajajaran*, with 14 crew and 15 passengers, crashes vertically into the ground 20 mi. N of the runway; there are no survivors from the aircraft and one person is killed on the ground.

Between September 12 and September 15, 2,800 employees are dismissed for alleged membership in banned Communist organizations.

Regional and domestic services are improved in **1969** as the DC-9-32 and Fokker turboprops join the fleet. The latter are particularly welcome on longer domestic segments from Jakarta to Biak, Medan, and Makassar.

A DC-8-53 is leased from **KLM (Royal Dutch Airlines, N.V.)** and is employed to inaugurate flights to Sydney via Bali on November 25.

Routes are opened through the Middle East to Rome during **1970-1971**. The fleet grows to include 12 F.27-600s, 6 F.28-1000s, 2 DC-9-32s, 3 DC-8-54s, 6 DC-3s, and 8 CV-240s.

In April 1970, pooled flights are undertaken with **Japan Air Lines Co., Ltd. (2)** on routes to Tokyo from Jakarta and Denpasar. Two Douglas DC-10-10s are briefly operated during these years, but are sold to provide the funding necessary for the purchase of the Dutch-made Felloships.

On April 5, **1972**, the pilot of an F.28-1000 fatally wounds a hijacker at Jakarta after the man threatens to blow up the airliner with a hand grenade unless he receives a \$50,000 ransom and two parachutes. Hav-

ing climbed 30 m. into its takeoff from Jakarta on a September 26 training flight, an F.27-600 with three crew mysteriously crashes; there are no survivors.

Toward the end of the year, the two L-188Cs *Palau Bali* and *Danau Toba* are withdrawn from service and parked off the tarmac at Jakarta's main airport.

The CV-990s *Majapakit* and *Sriwijaya* are sold to California Airmotive in June **1973**, but on September 10, while being delivered to the U.S., the latter is destroyed in a landing accident at Agana, Guam. California Airmotive also acquires the two retired Electras. A DC-10-30, leased from **KLM (Royal Dutch Airlines, N.V.)**, is placed into service in October.

The year's boardings total 1.6 million.

The company enters into a contract with the American supplemental carrier **World Airways** in April **1974**, under which the American carrier will provide Muslim pilgrimage flights to Saudi Arabia. The inaugural Hadj service is operated with a wet-leased DC-8-63CF. An F.27-600 with 3 crew and 33 passengers collides with a building in a rainstorm during its final approach to the airport at Tanjung Karang, 130 mi. NE of Jakarta, on September 7 (35 dead).

A DC-8-54F crashes on Laxabana Hill, 80 miles east of Colombo, Sri Lanka, on December 4 (four dead).

Customer bookings grow to 1,688,198.

The employee population in **1975** stands at 2,829. With the DC-3s and CV-240s all retired, as well as 6 F.27-600s, the fleet is upgraded by the addition of 4 DC-10-30s, 8 DC-9-32s, and 11 F.28-1000s, with 2 DC-10-30s, 6 DC-9-32s, and 6 F.28s on order.

Service is inaugurated to Melbourne, Taipei, Colombo, and Karachi and flights resume to Paris and Singapore.

While on initial approach to Palembang in bad weather on September 24, an F.28-1000 with 4 crew and 57 passengers, strikes a palm tree and crashes 4 km. from the runway; 26 aboard and 1 person on the ground are killed.

Charter passengers increase 59% to 318,674 while scheduled boardings jump 25.4% to 2,263,000, and freight traffic increases by 6%. President Supono's fleet is further enhanced as two DC-10-30s, 12 DC-9-32s, and two F.28-3000s are placed in service.

On April 6, **1976**, the first Douglas wide-body, the *Irian Jaya*, inaugurates nonstop roundtrips from Jakarta to Amsterdam via Jeddah and Paris. Routes are opened or frequencies improved to Amsterdam, Frankfurt, Paris, Rome, Sydney, Kuala Lumpur, Manila, Penang, plus 36 domestic destinations.

The year's most significant internal development occurs on July 1 when the company inaugurates eight-times-per-day Jakarta to Medan DC-9-32 Air Shuttle service, modeled on the Ponte Aerea in Brazil and the **Eastern Air Lines** Air Shuttle in the U.S.

Having proven successful, particularly during the previous Christmas season, the Air Shuttle from Jakarta to Semarang is expanded to six times per day on July 1, **1977**, employing F.28s.

En route from Jogjakarta to Surabaya on September 5, a DC-9-32 is taken over by a lone assailant, who holds a stewardess hostage. Before the aircraft can be diverted, the hijacker is overpowered by other crew members.

Zurich joins the route network on November 3 and enplanements that year total 3,372,560.

Airline employment grows to 4,180 in **1978** while Brussels becomes a European market on April 1. Flights to Bangkok cease during the spring; however, nonstop roundtrips are simultaneously inaugurated between Bali and Hong Kong.

Nearly £5 million in debt, **Merpati Nusantara Airlines** is, by order of President Suharto, taken over by Garuda on October 27. The process is financial; the Minister of Communications transfers Indonesian shareholding to the flag carrier. Desiring an outwardly independent feeder airline, Garuda officially allows **Merpati Nusantara Airlines** to continue operations under its own name and livery. On November 14, the company is further reorganized into Garuda's sister carrier, with R.A.J.

Lumenta, Garuda's corporate secretary and future CEO, named president and a Mr. Soeritman as general manager.

Carrying 259 Indonesian Muslim pilgrims, a DC-8, leased by **Loftheidir/Icelandic Airlines** to Garuda, crashes during its landing approach to Colombo, Sri Lanka, on November 15 (173 dead); the press labels the crash the fourth worst in aviation history to date.

Passenger boardings for the year show significant improvement, reaching 3,970,357.

Merpati Nusantara Airlines's new relationship with Garuda becomes official on January 1, 1979. Long-haul trunk routes from Jakarta to Biak via Ujungpandang and from Jakarta to Medan are surrendered to Garuda, but short- and medium-haul regional routes are retained. Merpati is even given a minor, almost backup role, in the provision of Hadj pilgrim flights to Mecca in Saudi Arabia.

While descending on March 6, the F.28-1000 *Sambas*, with four crew, smashes into Mount Bromo; there are no survivors.

Following the May crash of an **American Airlines** DC-10 at Chicago, Garuda's fleet is grounded for inspections.

At the same time, the national government devalues the Rupiah by 33%.

On July 11, en route from Talang Betutu to Medan, a route newly acquired from Merpati, the F.28-1000 *Mamberamo* with 4 crew and 57 passengers, crashes into Mt. Sebayak on northern Sumatra, at an altitude of 5,560 ft.; there are no survivors.

Enplanements this year climb to 4,167,000.

During 1980, five F.28-4000s are delivered and placed in service; the fleet now includes 6 DC-10-30s, 24 DC-9-32s, 23 F.28-1000s, 5 F.28-3000s, and 5 F.28-4000s.

The DC-9-32 *Brantas* with 5 crew and 121 passengers, is damaged beyond repair as the result of a heavy landing at Banjarmasin on January 13; there are no fatalities.

The first of four Boeing Jumbos to be received on the year, a Dash-2U3B, is delivered on July 2 and christened *Jakarta*. It is followed by three more of the same type: *Bandung* on July 30, *Medan* on August 11, and *Surabaya* on August 26. With seating for a then-record total of 546 passengers, the aircraft are inaugurated on the summer's Hadj pilgrim flights from Jakarta to Jeddah.

On August 26, an F.28-1000, with 31 aboard, crashes during its approach to Jakarta Airport; there are no survivors.

Jumbojet routes are launched in December from Jakarta via Singapore, to London, Paris, and Munich. Darwin and Bangkok service is resumed with DC-10-30s displaced from the European services, and on December 1, six-times-per-week Jakarta to Ganjung shuttle flights begin. Simultaneously, several-times-daily Jakarta to Tanjungkarang Air Shuttle service is started.

Freight soars 50.2% to 114.56 million FTKs and passenger boardings accelerate 9.4% to 4.63 million. An operating profit of \$51 million is earned.

The number of employees is increased by 4.9% in 1981 to 7,264.

Delivery is taken on six Airbus Industrie A300B4-220s and three Fokker F.28-4000s and orders are placed for two more B-747-200s and three A300B4-220s. With 36 F.28s, Garuda now operates more of that type than any other carrier in the world.

On March 28, during a domestic flight from Palembang to Medan, 6 gunmen hijack Flight 206, a DC-9-32 with 57 aboard and force it to fly to Bangkok, Thailand, where the release of so-called Indonesian political prisoners is demanded. The next day, American hostage Karl Schneider is shot by the pirates during an escape attempt; the wounded passenger is taken to a local hospital and the hijackers increase the number of prisoners to be released to 84.

Negotiations continue for two days, during which, unbeknownst to the air pirates or the media, Thailand requests and the U.S. dispatches, by order of President Ronald Reagan, a Delta Force team to provide assistance, which arrives on March 30. While Indonesian officials are announcing their agreement to the hijackers' terms, the Americans join local commandos in storming the plane. Four of the 5 pirates are killed

and 55 hostages are freed; during the brief gunfight, a member of the assault force and the chief pilot are wounded. Because of its remote location, the incident remains largely unpublicized.

Later in the year, the DC-10-30 Darwin frequency is increased to twice weekly. Douglas wide-bodies are also employed on routes to Singapore and Tokyo.

Passenger bookings jump 11% to 5,249,489 while freight is up 23.9% to 144 million FTKs. On total revenues of \$684 million, expenses surge 31.6% to \$648 million, leaving an operating profit of \$36 million.

In 1982, service is launched to Port Hedland, Australia, and Singapore.

Beginning in January, three more A300B4-220s are delivered, the first configured for two-man crews, plus two more B-747-2U3Bs, the *Yogyakarta*, and *Denpasar*. These join the fleet's 27 F.28-1000/3000s, 8 F.28-4000s, 21 DC-9-32s, and 6 DC-10-30s.

The first A300B4-220 service is operated at the end of January, thrice daily from Jakarta to Medan.

On March 20, an F.28-1000 with 4 crew and 23 passengers overshoots the runway while landing at Tanjung Karang, Sumatra, and crashes into a building, where it explodes into flames; there are no survivors.

Passenger boardings drop 3.7% to 5,206,000, but cargo accelerates 16.2% to 172.51 million FTKs.

One DC-9-32 is retired in 1983.

The F.28-3000RC *Selegan* with 4 crew and 57 passengers, fails its takeoff from Tanjung Karang on June 2 and runs 138 m. off the end of the runway before stopping (3 dead).

In cooperation with **Japan Air Lines Company, Ltd. (2)**, Jakarta to Tokyo Express service is inaugurated on August 1.

Enplanements are off again, down to 4,784,670.

The employee population in 1984 stands at 7,000.

A DC-9-32 with two crew and three passengers, bounces three times while landing at Jakarta on June 11; on the third bounce, the fuselage fails and the aircraft is destroyed. There are no fatalities.

A new management team headed by R. A. J. Lumenta, former **Merpati Nusantara Airlines** president, takes over from that of Wiweko Soepono in September. Garuda's future president, Mohammed Soeparno, is the commercial director.

On December 30, a DC-9-32 with 6 crew and 67 passengers touches down too far along the runway at Denpasar and runs off the end of the concrete. The aircraft goes over and through a ditch, trees, and a fence before breaking into three pieces and catching fire; there are no fatalities. Passenger boardings rise only 1% to 4,833,000 and the number of FTKs falls to 157.8 million. The financial loss is \$70 million.

The workforce is increased 4.6% in 1985 to 7,754 and San Francisco-based Landor Associates is retained to change the company's image.

In May, an agreement is reached with **Thai Airways International, Ltd. (THAI)** and **Continental Airlines** for joint operations to the holiday island of Bali. Employing a company DC-10-30 painted in Garuda's colors on one side and Continental's on the other, the two airlines, on August 18, inaugurate weekly Douglas wide-body service from Bali to Los Angeles via Biak and Honolulu. Garuda crews operate the Bali to Guam sector and Continental flies the plane from Guam to Los Angeles via Honolulu.

In September, business-class service is introduced and first-class service is discontinued. The joint Continental service to Bali is increased to twice weekly in November, the same month in which the cooperative joint service with **Thai Airways International, Ltd. (THAI)** is opened to the same destination employing a Thai Airbus.

Also during the final quarter, a new corporate design by Landor Associates is approved and painters begin applying new livery to the company's airplanes.

Passenger boardings grow 0.1% to 5,005,000 as freight declines 5.2% to 165.25 million FTKs. Revenues are \$678.52 million and expenses are \$622.89 million, leaving a \$55.63-million operating profit; a net loss of \$31.47 million is, however, suffered.

The number of workers continues to grow in 1986, up by 9.9% to 7,482. In March, joint services begin with **Malaysian Airlines System, Ltd. (MAS)** over a route from Denpasar to Kuala Lumpur.

The weekly 9,800-mile Bali-Los Angeles route is increased to thrice weekly in April. Also in the spring, Jakarta to Tokyo flights are increased from five per week to daily service.

The arrangement with **Continental Airlines** ends during the early fall and in October Garuda begins its own weekly service from Jakarta to Los Angeles via Bali, Biak, and Honolulu.

The same month, Bali to Medan to Amsterdam service is inaugurated followed in November by flights, in cooperation with **Philippine Airlines (PAL)**, from Bali to Manila.

Customer bookings swell 12.5% to 5,628,981 and cargo is elevated 41.2% to 233.34 million FTKs. Operating revenues rise 16.8% to \$792.2 and costs are held to \$672.9 million. As a result, operating profit nearly doubles to \$119.3 million and the net loss is downsized to \$17.6 million.

The payroll improves even further in **1987**, climbing 17.8% to 8,811.

While on final approach to Medan on April 4, Flight 035, a DC-9-32 with 8 crew and 37 passengers, strikes a TV aerial and high-voltage electric lines during a heavy rainstorm and crashes (23 dead).

In May, President Lumenta is injured when his motorcycle collides with a bus in Jakarta.

Services to Manila, operation in cooperation with **Philippine Airlines**, are extended to Taipei while Cairo and Vienna join the long European route network, frequencies over which increased to 14 per week by year's end.

Passenger boardings reach 6,160,205 while freight booms to 105.13 million FTKs, a 7.5% increase. Revenues increase 47.8% to \$901 million but expenses are up, and create an operating loss of \$28.2 million. Since 1978, the carrier has lost \$600 million.

The employee population is increased again in **1988**, growing by 8.6% to 9,571. The fleet now includes 34 F.28s, 18 DC-9-32s, 9 A300B4-220s, 6 DC-10-10s, and 6 B-747-212Bs.

At the beginning of the year, Mohammed Soeparno is named president.

Customer bookings increase by 17.5% to 7,044,413 and cargo accelerates 28.4% to 467.12 million FTKs. Revenues balloon 20.9% to \$1.1 billion and with costs in hand, the operating profit zooms upward to \$160 million and net gain of \$94.4 million is generated.

The workforce is cut by 9.1% in **1989**, the 40th anniversary year, to 8,696. Six B-737-3Q8s are leased and orders are placed for six McDonnell Douglas MD-11s, six A340s, and six B-747-4U3s.

Beginning in April, the company starts to hand over 11 of its 35 domestic routes to **Merpati Nusantara Airlines**; a number of domestic sectors, operated on international routes, such as Jakarta to Bali, are retained. It is originally anticipated that the full transfer will require three years.

In May, a commercial agreement begins with **Vietnam Airlines** covering flights from Singapore to Ho Chi Minh City.

In November, a mutual cooperation agreement is signed with **KLM (Royal Dutch Airlines, N.V.)**. The pact covers the expansion of joint services between Indonesia and The Netherlands, human and fleet resource usage, the further development of each carrier's hub and spoke system, and the joint development of Garuda's organization, management, and workforce. During the same month, a memorandum of understanding is signed with the French engine manufacturer SNECMA under which the two companies will coordinate Garuda's CFM56-3 power plant maintenance.

Passenger boardings during the first eight months climb 5.3% to 4,876,952, while freight is off by 6% to 274.91 million FTKs.

In September, the domestic subsidiary **Merpati Nusantara Airlines** is ordered assimilated; the new division will assume all local services and is provided with an additional 15 F.28s and two DC-9s from the main fleet.

The year's enplanements total 6,245,666. Revenues total \$1.25 billion and allow a \$38.88-million net profit atop an operating income of \$43.88 million.

Company employment is increased by 21.2% in **1990** to 10,540.

In January, twice-weekly Jakarta to Seoul flights are inaugurated via Taipei.

Almost all domestic routes and aircraft are now transferred to **Merpati Nusantara Airlines** as Garuda is reconstituted into a holding company, Garuda Group, with both Garuda and Merpati as subsidiaries.

At the recommendation of Landor Associates and in an effort to achieve a stronger national identity, Garuda Indonesian Airways is renamed **Garuda Indonesia** in April and is given responsibility for long-haul operations. Merpati is not digested after all, but given divisional status.

GARY JET CHARTER: 5401 Industrial Highway, Gary, Indiana 45406, United States; Phone (219) 944-1210; Fax (219) 944-8232; Year Founded 1971. GJC is set up as the FBO at Gary Airport in **1971**. Over the next 29 years, the company also undertakes executive and small group passenger charters with a Learjet 24B.

GAS AIR CARGO (GENERAL AND AVIATION SERVICES, LTD.): Plot 5A, Old Domestic Airport, P.O. Box 21231, Ikeja, Lagos, Nigeria; Phone 234 (1) 933 510; Fax 234 (1) 962 841; Code GR; Year Founded 1973. GAS is established as an international all-cargo and domestic passenger and cargo operation at Ikeja, near Murtala Mohammed Airport at Lagos, in early **1973**.

Start-up is not immediate and it is not until late **1975** that GAS's founder, chairman, and president, S. K. S. Olubadewo, and his 140 employees employ a BAC 1-11-424EU leased from **TAROM Romanian Airlines (Transporturile Aeriene Romane, S.A.)** to begin domestic passenger services. Regularly scheduled services are provided to the Nigerian cities of Lagos, Kaduna, Kano, Yola, and Maiduguri.

A decade after its launch, GAS elects to enter the all-cargo arena and leases a Boeing 707-338C.

Beginning in July **1983**, the aircraft flies to destinations in Europe and East Africa. The Stratofreighter is leased to another carrier early the following year.

After a four-year pause, the company headquarters its freight operation at Ostend in Belgium in **1987** and begins flying perishables into northern Europe from Africa and returning with machinery and other ad hoc general cargo. The aircraft employed is a subleased B-707-321C first flown by **Pan American World Airways (1)** as the *Clipper Eagle*.

A B-707-351C is leased from **Biman Bangladesh Airlines, Ltd.** in June **1988**.

After two missed approaches at Cairo following a December 13 service from Dar es Salaam, the Biman Stratofreighter with five crew and three passengers, elects to divert to Luxor. The fuel-starved Boeing crashes into a residential area near Kom-Omran before it can reach its new destination. All aboard the plane are killed, along with one person on the ground.

During **1989-1990**, the fleet in Nigeria is increased with a BAC 1-11-424EU, also leased from Romania, and two Piper PA-31-310 Navajos.

The BACs and Pipers operate domestic service in **1991** while another B-707-351C, chartered from **EAS Air Cargo, Ltd.**, flies between Kano, Lagos, and Port Harcourt and Amsterdam, Cologne, and Ostend.

Suffering from serious maintenance deficiencies, the airworthiness certificate of the former *Clipper Eagle* is withdrawn in late spring and the aircraft is parked at Lagos.

On April 29, **1992**, the former **Northwest Airlines** B-707-351C chartered from **EAS Air Cargo, Ltd.** is unable to get its landing gear down and is severely damaged while making an emergency landing at Ilorin, 250 km. from Lagos. The Stratofreighter must be written off, thereby ending GAS international cargo operations.

Chairman Olubadewo's workforce during **1993** totals 150. The former *Clipper Eagle* is ferried back to Luxembourg in April.

BAC local and regional flights continue in **1994-1999** with the Piper PA-31-310 Navajos employed for domestic feeder flights.

BAC local and regional flights continue during the remainder of the decade, with the Piper PA-31-310 Navajos employed for domestic feeder flights. No longer in the freight business, the carrier now trades under the marketing name GAS Air Nigeria, Ltd.

GAS AIR NIGERIA, LTD. *See* GAS AIR CARGO (GENERAL AND AVIATION SERVICES, LTD.)

GAT (GUYANE AIR TRANSPORT, S.A.): Aeroport de Rochambeau, Matoury, 97351, French Guiana; Phone 594 356 555; Code GUY; Year Founded 1948. SATGA (Societe Aerienne de Transports Guyane-Antilles, S.A.) is formed by Air France at Cayenne in 1948 to serve as a feeder. Routes are opened from the Aeroport Rochambeau at the colonial capital to Regina, St. Georges, Saul, St. Laurent du Moroni, Paramaribo, Albina, and Maripasoula. Although the French flag line initially operates flights, during the late 1950s and 1960s the subsidiary is allowed to originate some frequencies of its own. During the 1970s, SATGA is renamed GAT and begins to operate under the marketing title **Air Guyane, S.A.**

In 1981, the fleet comprises two Britten-Norman BN-2 Islanders.

Operations continue apace in 1982–1988 and in 1989 the fleet includes two de Havilland Canada DHC-6-300s, one of which is leased.

In 1990–1991, routes and local services are maintained and Managing Director G. Malidor's fleet has been upgraded to include a de Havilland Canada DHC-6-300, one Cessna 208 Caravan I and one Cessna 206.

Two years later, in 1993, Jean Pierre Prevot becomes managing director and trades in his Caravan I for a Pilatus-Britten-Norman PBN-2 Islander. That ship is removed in 1994 and replaced with the first of two ordered Cessna 406 Caravan IIs.

Operations continue apace in 1995–1996 with various degrees of good fortune.

By 1997–1999, the concern flies only one de Havilland DHC-6-300.

An Avions de Transport Aerien ATR42-520 is acquired during the first quarter of 2000 and enters revenue service wearing the company's new color scheme.

GATARI AIR SERVICE: 2nd Floor, Terminal Building, Halim Perdana Kosuma Airport, Jakarta, 13610, Indonesia; Phone 62 (21) 809-6102; Fax 62 (21) 809-2900; Code GHS; Year Founded 1983. Gatari is established at Jakarta on March 31, 1983 to provide offshore support services for the country's growing oil and natural gas market. With government support, the company launches revenue services on April 4 with a pair of Bell 412s. Operations from Halim Airport continue apace over the remainder of the decade and, by 1990–1991, the company is offering 12,000 flight hours of service per year.

In 1992, the Gatari fleet includes both fixed- and rotary-wing aircraft. Among the former are two Shorts SC-7 Skyvans, a Piper PA-350-310 Navajo, a British Aerospace BAe (HS) 125-700, a Canadair 601 Challenger, and a Piper PA-46 Malibu. These are employed to transport workers and others to heliports, many of which are scattered at bush communities. The helicopter fleet includes 9 Bell 412s, 9 Bell 212s, and 5 Bell 206L LongRangers.

Services are maintained with little fanfare in 1993–1994. In 1995–1997, the Canadair, a Skyvan, three Bell 412s, a Bell 212, and the Navajo are replaced with one Boeing 737-200, a Pilatus-Britten-Norman PBN-2 Islander, three IPTN/CASA 212-200 Aviocars, and three Beech Super King Air 200s.

Services in support of the energy industry are maintained with little fanfare during the remainder of the decade. During these years, the Canadair, three Bell 412s, a Bell 212, and the Navajo are replaced with one Boeing 737-200 (removed during the 1997–1999 economic crisis), a Pilatus-Britten-Norman PBN-2 Islander, three (later six) IPTN/CASA 212-200 Aviocars, and three Beech Super King Air 200s.

GATEWAY AIRLINES: United States (1959-1960). A scheduled air taxi operator at Long Island's MacArthur Airport creates an airline division and begins to offer regularly scheduled services in July 1959. Employing one each de Havilland DH-103 Dove and DH-114 Heron, flights are undertaken to Boston, Newark, and Washington, D.C. (DCA). The new service is not profitable and the carrier ceases operations in February 1960.

GATEWAY AIRLINES, LTD.: 150 Aviation Ave., Brantford Municipal Airport, Brantford, Ontario N3T 5T6, Canada; Phone (416) 801-9151; Fax (905) 943-4434; http://www.gatewayltd.com; Year Founded 1998. Believing that Nova Scotia-based seafood companies are being left out of the market because their live catch cannot be delivered to markets in Europe and Asia quickly enough, former Maritime resident Shawn Saulnier establishes Gateway in July 1998 in an effort to redress the situation. Flights from Nova Scotia to New York commence with a pair of Douglas C-117 Super DC-3s.

Unhappily, a sudden change in market conditions, particularly the Asian economic crisis, results in a huge decrease in the demand for live seafood shipped internationally from Canada. Consequently, in January 1999, Gateway is transformed by President/CEO Saulnier into an ad hoc air charter company. According to the company's website, established later in the year, the carrier is forced to turn down 8 charters within 36 hours of changing its mission statement.

Flights across Canada and into New York continue in 2000.

GATEWAY AVIATION: United States (1968–1969). The American company Gateway Aviation is set up at La Crosse, Wisconsin, in 1968 to provide daily scheduled passenger and cargo flights to Milwaukee and Chicago with a de Havilland Canada DHC-6-100 Twin Otter. Operations are duly inaugurated until September 1969, when the company is reformed and renamed **Mississippi Valley Airways.**

GATEWAY AVIATION, LTD.: Canada (1952–1979). Established at Edmonton in 1952, this Alberta-based charter operator undertakes flights to the Northwest Territories and the Yukon during the next two decades with a fleet of Douglas DC-3s. Operations are undertaken in support of government projects, mining interests, the oil industry, and so forth. Scheduled replacement services are undertaken on behalf of **Pacific Western Airlines, Ltd. (PWA)** from Edmonton to Jasper National Park, Slave Lake, Peace River, and Rainbow Lake.

In April 1972, Gateway purchases a Hawker Siddley HS 748 from **Transair, Ltd.** This allows the withdrawal of a DC-3 from service in 1973.

A de Havilland Canada DHC-6-200 Twin Otter arrives in 1974 and the last DC-3 is purchased in 1975.

The original DHC-6-200, with a pilot and two passengers, is damaged beyond repair as the result of a bad landing at Yellowknife on February 24, 1976 (one dead). The aircraft is replaced with four others during the remainder of the year and in 1977.

A DC-3 is withdrawn in 1978, to be succeeded by a former PWA Convair CV-640, which arrives in June. Airline employment is 72 and President R. D. Wager and General Manager R. A. Russell oversee a fleet of 4 DC-3s, 1 HS 748, 4 DHC-6s, 1 Mitsubishi Mu-2, 2 Cessna 402s, 2 Cessna 310s, 3 DHC3s, 1 Cessna 185, and 2 Cessna 172s.

The HS 748 is sold in 1979, just before the company is purchased, in December, by **Northward Airlines, Ltd.**

GAWNE AIRLINES (PTY.), LTD.: Australia (1977–1983). Privately formed Gawne is set up in June 1977 as an outgrowth of the FBO Gawne Aviation, based at Shepparton, Victoria. Scheduled operations are undertaken to Melbourne with a fleet comprising a Beech B-55 Baron, a Piper PA-28 Cherokee, and a Cessna 152. Unable to maintain its economic viability as a commuter, Gawne discontinues its scheduled services in late 1983.

GAZPROMAVIA AIR ENTERPRISE: Nametkina Street 16, Moscow, 117939, Russia; Phone (095) 133-9100; Fax (095) 131-0729; Code GZP; Year Founded 1995. GAE is set up at Moscow in March 1995 to offer passenger and cargo charters, the former services being provided mainly in support of the nation's expanding oil and gas industry. More than a year will be required before the start-up can take to the air. Viktor Chechwarin is president and he begins flights on April 16, 1996, with a fleet that comprises 2 Ilyushin Il-76TDs, 2 Dassault Falcon 900s, and 1 each Antonov An-24 and Yakovlev Yak-42.

Airline employment stands at 272 in **1997**. The fleet is changed. Gone are the Il-76TDs and added are one An-12, an An-74, a Let L-410UVP, another Yak-42, two Tupolev Tu-154Ms, and a Kamov Ka-26 helicopter. Enplanements for the year are approximately 30,000.

Airline employment at the beginning of **1998** stands at 1,165. Passenger boardings increase 125.8% to 298,000.

Konstantin Axenov is president in **1999** and his fleet includes 12 An-74s, 2 Tu-134As, 3 Tu-154Ms, 4 Yak 40Ks, and 5 Yak-42Ds. Customer bookings surge 48.8% to 445,000, while 66,000 FTKs are operated.

GB AIRWAYS, LTD.: Iain Stewart Centre, Beehive Ring Road, Gatwick Airport, West Sussex, England, RH6 0PB, United Kingdom; Phone 44 (1293) 664 239; Fax 44 (1293) 664 218; <http://www.gbairways.com>; Code GT; Year Founded 1981. In November 1981, **Gibraltar Airways, Ltd. (2)** is reformed and headquartered at London (LGW). Chairman/Managing Director Joseph J. Gaggero's fleet now comprises a Vickers Viscount 807 and a Boeing 737-236A, the latter leased from **Britannia Airways, Ltd.** Scheduled services are continued linking Gibraltar with London (LGW) and Tangier.

Enplanements for the year, under both airline names, are 74,630, a 13% increase; cargo plunges 11.3% to 291 million FTKs.

During the next seven years, services are expanded. Destinations visited from London (LGW) include not only Gibraltar, but Tunis, Madeira, and Marrakech as well. In a protest against British ownership of Gibraltar, the Spanish government maintains its closure of the land frontier (a blockade begun in 1968) through 1985, while developing a competing airport at Malaga on the Mediterranean coast. During this period, **British Airways, Ltd. (2)** agrees to become the company's sales agency worldwide. Still, the carrier has lost passengers and income to the Spanish land route closure.

The 56-employee company flies one each B-737-236A and Viscount 807 in **1988** and begins service to Casablanca and Tangier.

In April, the first non-Gibraltar route is opened between London (LGW) and Funchal, Madeira.

Just after landing at Tangiers on November 23, the Viscount 807 with 4 crew and 74 passengers, runs off the side of the runway and eventually comes to rest in a shallow channel 1,165 yards past the touchdown point; although the aircraft is damaged beyond repair, there are no fatalities.

Enplanements for the year total 241,000, of which 57,000 are flown on regional routes and the remainder on the principal route to London.

The workforce balloons by 87.5% in **1989** to 150 as new routes are inaugurated during the summer from London (Gatwick) to Marrakech, Tunis, and Tangier, as well as twice-weekly from Manchester to Gibraltar. Flights over the company's most important route, Gibraltar to London (Gatwick) are increased from 12 per week to 17 and the owned "Baby Boeing" is replaced by two chartered B-737-236As.

Passenger boardings leap upward by 37.9% to 160,000 and freight climbs 70.6% to 2.9 million FTKs.

London (Gatwick) to Jerez flights begin in April **1990**.

Customer bookings jump to 370,000.

The workforce is 125 in **1991** and the fleet now includes 3 B-737-206As chartered from **British Airways, Ltd. (2)**.

Through October, the company reports its passenger boardings up 24.7% to 246,290.

The employee population swells by 28% in **1992** to 160 as another B-737-206A is leased from BA and a B-737-2M8A is purchased. Customer bookings for the year as a whole are up by 36.3% to 394,029, but cargo slides 0.2% to 1.84 million FTKs.

In **1993**, the fleet of Chairman Gaggero and Managing Director Ray Sayer comprises 4 Boeing 737-206As leased from B.A. and an owned B-737-2M8; airline employment is 160. Through November, passenger boardings increase 2.4% to 376,399, but freight is down again, by 1.1%, to 1.7 million FTKs.

Although the workforce is unchanged in **1994**, the owned B-737-2M8 is replaced by two chartered B-737-236As.

It is announced on December 1, that, effective February 1, GB Airways will become a franchise of its 49% minority owner, **British Airways, Ltd. (2)**; this regional affiliation will allow the carrier to paint its planes in a modified BA livery and to share use of the major's designator code.

John Osbourne becomes the new managing director and weekly service is inaugurated on November 1 from London (LHR) to Agadir in Morocco.

During the year, customer bookings slide 1.6% to 247,939. Operating revenue totals \$50.09 million and expenses are \$47.96 million. As a result, there is an operating surplus of \$2.13 million and a net gain of \$2.38 million.

Airline employment stands at 174 in **1995** and the leased fleet now includes two B-737-4Q8s and three B-737-236As, the latter chartered from **British Airways, Ltd. (2)**.

On February 1, the carrier becomes the **British Airways, Ltd. (2)** franchise for Spain and North Africa. The comprehensive arrangement provides for frequent flyer programs, joint marketing, passenger handling, freight, and engineering services. GB Airways aircraft are repainted in modified BA livery.

Still, enplanements drop 17% to 418,858.

The workforce is increased a dramatic 60.9% in **1996** to 280 and the number of Dash-4Q8s is increased by three. Several aircraft are wet-leased to BA to operate services from London to Scotland, Oslo, and Stockholm, and to the French city of Lyon.

Passenger boardings inch up 2.5% to 491,652 and 2.58 million FTKs are operated, a 22.8% increase. A profit of £4 million is realized.

The employee population grows by 15.7% in **1997** to 324.

Early in the year, the company requests its first new aircraft, two B-737-300s. Destinations visited from London (LHR and LGW) and Manchester include Agadir, Casablanca, Faro, Funchal, Gibraltar, Jerez, Madeira, Malaga, Malta, Marrakech, Murcia, Porto, Tangier, Tunis, and Valencia.

Customer bookings skyrocket 81% to 712,034 while cargo traffic accelerates 86% to 4.98 million FTKs.

When the new B-737-3L9s are delivered in January and February **1998**, they replace two chartered B-737-236As.

During the spring, the carrier, in direct competition with **British Midland Airways, Ltd.** and **Air Europa, S.A.**, begins BA franchise flights from London (LGW) to Majorca.

In late November, a firm order is placed with Airbus Industrie for nine A320/A321s, with options on five more, to be delivered between 2001 and 2003.

Passenger boardings accelerate 34% to 957,000, while freight traffic rises 9% to 5.43 million FTKs.

British Airways, Ltd. (2) Director of Alliances John Patterson succeeds John Osbourne as managing director on December 1.

Customer bookings accelerate 15.5% in **1999** to 1,105,000 as cargo falls 4.3% to 5,283,000 FTKs. Employment at the beginning of **2000** stands at 566, a 10.8% increase over the previous 12 months. The B-737 fleet now includes 2 each Dash-34Ss, Dash-3L9s, and Dash-4Q8s, plus 3 Dash-4S3s.

While preparing for departure from London (LGW) to Malta on February 17, flight attendants aboard a company B-737-4S3 helping passengers place hand luggage into overhead bins are startled when four chickens escape. By the time the birds have been captured and 4 offending passengers have been removed—with all of their luggage—the flight is 90 minutes late.

In March, the carrier moves into a new headquarters at the Grade II Gatwick Beehive building. Originally opened in 1936 as the world's first circular passenger terminal, it was closed in 1956 and later remodeled. Daily nonstop B-737-4Q8 roundtrips from London (LGW) to Nantes begin on March 26.

During the last week of April, the company wins a Millennium Queen's Award for International Trade.

An A320-232, the first of a mixed order for 10 A320/A321s, is received at London (LHR) on May 18, and enters service eight days later.

The franchise agreement with **British Airways, Ltd. (2)** is renewed for eight years on June 22. The press release announcing the arrangement notes that GB Airways has transported 7.6 million passengers since its founding..

With the beginning of the winter schedule on October 31, the carrier inaugurates its first BA scheduled return service to Tenerife, flying down and back from London (LGW) thrice weekly. The flights complement those simultaneously started to the Spanish island from London (STN) by GO, the low-cost division of **British Airways, Ltd. (2)**.

GCS AIR SERVICE: United States (1987-1990). Following the purchase by **Midway Airlines (1)** in early June 1987 of the airline assets of his FBO GCS Aviation, William Fischer, former CEO of **Fischer Brothers Aviation**, proceeds to establish a new Essential Air Service (EAS) airline, GCS Air Service. Employing a Beech B-80 Queenaire, GCS inaugurates daily roundtrip scheduled passenger services in March 1988 linking its hub at Mansfield, Ohio, with Cleveland. Services are maintained until February 1990.

GEM STATE AIRLINES: United States (1978-1980). Organized by Tom Soumas Jr. and James H. Alexander at Coeur d'Alene, Idaho, in the fall of 1978, Gem State begins scheduled commuter service to Boise and Pocatello on December 1 with a fleet of 3 Swearingen Metro IIs. This is the first airline service to the community in a decade.

A total of 2,611 passengers are transported by the 72-employee company during the first month.

The fleet is increased to 14 aircraft in 1979 as the route network is expanded to Pullman, Lewiston, Idaho Falls, Salt Lake City, Sun Valley, and Twin Falls.

The year's passenger boardings jump to 78,000.

Declining traffic and significantly higher operating costs, led by radical fuel price increases in early 1980, conspire to force the intrastate out of business by December.

GEMINI AIR CARGO: P.O. Box 16254, Dulles International Airport, Washington, D.C. 22041, United States; Phone (703) 391-0100; Fax (703) 391-0965; <http://www.gac-cargo.com>; Code GR; Year Founded 1995. Former **Seaboard World Airlines**, **PeoplExpress**, and **Presidential Airways** executive William Stockbridge, who is currently president of the Potomac Electric Power Company subsidiary Potomac Capital Leasing, incorporates the aircraft trading and leasing concern Potomac Financial Group, LLC at Washington, D.C on September 14, 1995. Ownership is divided between President/CEO Stockbridge, Lehman Global Air Cargo, a Lehman Brothers subsidiary, and the Oak Tree Capital Management subsidiary Jet Air Cargo. An initial equity fund of \$94 million is collected with which to begin operations and purchase six aircraft. A \$40-million line of credit is raised via Lehman Brothers as prime lender.

Potomac Vice President Daniel Upham becomes general manager and an application for certification is made to the Department of Transportation. Six former **Deutsche Lufthansa, A.G.** DC-10-30s are acquired and are sent to Aeronavali, S.p.A. in Italy for conversion into freighters.

Unable to immediately acquire its government certification in time for a November launch of services, the carrier leases three newly acquired Douglas DC-10-30Fs to **Sun Country Airlines**, which initiates services on behalf of the new operator in December. Sun Country benefits in that it is allowed to continue operating passenger aircraft that exceed FAA noise standards.

In January 1996, Potomac complains that Sun Country has employed the wrong flight number on a service from New York to Seoul, thereby causing a delay in cargo aboard the wide-body. This action results in the cancellation of three later contracted flights and a loss of \$400,000 to the company.

PFG receives its own FAA Part 121 certificate in June and a fourth Douglas freighter is acquired. Reporting that both **UPS (United Parcel**

Service) and **Swissair, A.G.** found the service provided so poor in results that they refuse to ship cargo on planes operated by **Sun Country Airlines**, PFG attempts to cancel the DC-10 contract with the charter airline.

The 25-employee cargo concern operates 50.85 million FTKs on the year. Unhappily, there are fiscal losses: \$1.82 million (operating) and \$1.66 million (net).

Sun Country Airlines files suit in Hennepin County District Court and in U.S. District Court in Minneapolis in January 1997 seeking an injunction against PFG's repossession. The passenger charter operator contends that, if the planes are reclaimed, it would suffer "catastrophic" financial injury at the height of the winter tourist season. The companies settle their claims on February 7 in an agreement that allows Sun Country to continue operating on behalf of Gemini for the immediate future.

The agreement with **Sun Country Airlines** is officially terminated during the second week of April. Gemini is now flying its six DC-10-30s with its own pilots; a seventh aircraft is down for maintenance. The airline currently flies one scheduled service from New York to Seoul six times a week.

At this point, Gemini elects to depart the aircraft leasing business and model its operation on that of **Atlas Air**, which is and will remain the largest operator of the ACMI strategy. Gemini will henceforth provide wet-lease replacement all-cargo services for international carriers such as **Swissair, A.G.** Two new ACMI customers are added in May.

Two more DC-10-30Fs begin flying for the company later in the year. In November, the pair is leased to the new Belgian carrier **City Bird, S.A.**

Potomac Financial Group changes its corporate structure in December from an LLC to a C corporation and is renamed Gemini Air Cargo. Also in December, the carrier is outbid by **Swissair, A.G.** and loses to the Swiss major the chance to purchase four **LTU International Airlines, GmbH, MD-11s**.

A total of 760.8 million FTKs are operated and \$74.78 million in operating revenues are earned. With expenses of \$69.83 million, the new freight operator realizes an operating gain of \$4.94 million. Still, the previous year's net loss deepens to \$15.1 million.

Flights continue in 1998. The fleet now includes eight DC-10-30Fs. The company remains a nonunion airline; a six-member crew committee sits to resolve any issues between flight crews and management.

On March 8, an agreement is reached with **Air France** under which Gemini will operate a trio of DC-10-30Fs for the French line, replacing the DC-8Fs that it had previously wet-leased from **Cargo Lion, S.A.**

In an effort to make certain that sufficient capacity is available in the wake of the start of the September 3 pilots' strike, **Air Canada, Ltd.** wet-leases a DC-10-30F from Gemini Air Cargo. It will provide freight charters to London and Frankfurt over the next week on behalf of its key freight forwarder supporters.

When that aircraft is returned, it, too, is wet-leased to **Air France** to supplement that carrier's 12 B-747F Jumbojet freighters.

On September 28, a contract is signed for the purchase of four former **British Airways, Ltd. (2)** DC-10-30s, which will all be converted into freighters.

Freight traffic during the 12 months increases 42% to 1.08 billion FTKs. Revenues surge 47.6% to \$110.34 million, while costs are held to \$94.42 million. The operating profit jumps to \$15.91 million, while the previous year's net loss becomes a \$4.75-million gain.

Converted into a freighter at the Aeronavali factory at Naples, Italy, the first former **British Airways, Ltd. (2)** DC-10-30F is delivered in February 1999.

When **Fine Air Services** and **Arrow Air** announce a merger on February 11, Gemini is the only carrier to file a regulatory objection with the DOT. The Gemini protest is unheeded as DOT approves the Fine takeover on April 9.

The Oak Tree Capital Management interest in Gemini is purchased on July 8 by William D. Carlyle's investment firm The Carlyle Group. Shareholding is now divided between Carlyle (85%) and company em-

ployees (15%). During the summer, a DC-10-30 is wet-leased to **Qantas Airways (Pty.), Ltd.** for cargo flights to the South Pacific from the U.S.

Cargo traffic plunges 37.6% to 674.71 million FTKs. Revenues fall 25.3% to \$82.39 million, while expenses drop 20.3% to \$75.22 million. The operating profit drops to \$7.17 million, while the previous year's net profit becomes an \$11.31-million loss.

Airline employment at the beginning of 2000 stands at 471, a 32.3% increase over the previous 12 months.

Financial advisors hired by the company advise it during the spring to forgo an initial public offering until such time as it has more completely developed its long-term strategic plan. In light of this report, the Carlyle Group, which is not anxious to have an initial public offering, arranges for the concern to be refinanced through Lehman Brothers for a total of \$160 million in revolving credit. Fresh capital is now pumped in sufficient amounts to build up the cargo line's fleet to 12 each MD-11Fs and DC-10Fs over the next 3 years. As the new freighters arrive, Gemini will be able to more actively compete in the transpacific market against its model and rival, **Atlas Air**.

Following the May 1 bankruptcy of **Kitty Hawk Air Cargo** and the shut down of **Kitty Hawk International Airways**, Gemini picks up some of the U.S. Postal Service contract that the latter is unable to fly. It also takes over its contract from Pathfinder Air Resources.

The company's first MD-11F, leased from AerFi of Ireland and christened *Mary*, enters service on June 12. It is operated on behalf of **United Parcel Service (UPS)** between Louisville and Seattle. On behalf of **BAX Global**, DC-10-30F roundtrips start on July 10 between Toledo and Los Angeles.

Previously operated by Fort Lauderdale-based **Laker Airways**, a DC-10-30 is acquired from GECAS on a 10-year lease as of July 15. After its conversion in Italy to freighter configuration, it will begin flying for Gemini in October. On August 22, arrangements are completed with Mitsui for the charter of one of the MD-11s previously flown by **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. It will be among 11 more to be received by the operator as part of its plan to double its freighter fleet in the next 3 years.

A second MD-11F enters service at the end of September. In October, a new twice-weekly DC-10-30F roundtrip service is inaugurated on behalf of Eagle Global Logistics. The wide-body flies from Austin to Taiwan via Los Angeles, Honolulu, and Guam and from Taipei back to Texas via Anchorage. Under term of the 12-month Eagle contract, the service is scheduled to be upgraded to MD-11F in February, but actually moves up to the larger aircraft in late December following the arrival of the former VASP MD-11F. The freighter still wears the South American line's colors, with Gemini titles.

GEMINI AIR TRANSPORT (GHANA), LTD.: Ghana (1974–1982). GAT is established at Accra in 1974 to undertake international cargo flights between African destinations and Europe, especially the U.K. Gemini is the first privately held airline formed in Ghana.

Former **African Safari Airways, Ltd.** Managing Director Michael Owens and his wife Judi are joined in May 1976 by Lynn Wilson and Kevin McPhillips of newly formed **Redcoat Air Cargo, Ltd.** in winning a contract to operate the Accra-based carrier's commercial activities. Under terms of the agreement, Gemini will provide the aircraft and London-based Redcoat the crews and expertise.

Scheduled revenue flight operations commence in June with a single Bristol Britannia 253C, which operates a weekly roundtrip all-cargo flight from Accra to London (LTN) via a refueling stop at Valencia, Spain. Ad hoc charters are undertaken throughout Europe, Africa, and the Mideast. Even after Redcoat acquires an operating certificate for flights under its own name in spring 1977, the British partner will continue to manage Gemini's Britannia right up until the time of its own failure in 1982.

GEMINI AIRLINES. See **AIR GEMINI**

GEMINI AIRLINES, LTD.: Ghana (1981–1990). This new Gemini is formed in 1981 as successor to **Gemini Air Transport, Ltd.** The Accra-based all-cargo operator is supported by **Tradewinds Airways, Ltd.** of the U.K., which on behalf of Gemini undertakes a weekly Accra–London freighter flight. When the British associate goes bankrupt in 1990, Gemini also ceases operations.

GENAIR, LTD.: United Kingdom (1981–1984). Organized at Liverpool in April 1981 as the business travel division of the telecommunications manufacturer General Relays, Ltd., Genair officials name J. E. Marsden as chairman with D. Allen as general manager. A workforce of 12 is employed and a fleet is assembled comprising two Embraer EMB-110 Bandeirantes and a Beech King Air 90. Beginning in August, twice-daily scheduled services are inaugurated linking the company's base at Liverpool Airport with London (Gatwick). Thrice-daily flights commence on October 26.

During late 1982, the carrier takes over financially distressed **Eastern Airways, Ltd.** and **Casair, Ltd.** The company now transfers its headquarters to Eastern's former base at Humberside and joins the **British Caledonian Airways, Ltd. (BCAL)** commuter network. Employing an upgraded fleet of Shorts 330s and 360s, the carrier initiates scheduled flights to Belfast, Blackpool, Bristol, Cardiff, Glasgow, Leeds, London (LHR, LGW, and STN), Norwich, and Teesside in the U.K. and Esbjerg in Denmark.

Although this expansion makes Genair, Ltd. one of Britain's top commuter airlines, the expenses involved prove to be more than can be recouped. As a result, the carrier must cease operations and enter receivership in July 1984.

GENERAL AIR, GmbH.: Germany (1972–1975). A group of West German businessmen in early 1972 obtain certification to operate small Soviet-made aircraft on scheduled domestic routes from Frankfurt. Five Yakovlev Yak-40s are ordered from Riga, Latvia, with the first arriving in June. A number of de Havilland Canada DHC-6-300 Twin Otters are also obtained. Services commence in mid-July and all five Yaks are flying by November.

A DHC-6-100, with three crew and 10 passengers, crashes near Helligoland on May 27, 1973 (eight dead).

Operations continue with little fanfare during 1974.

Because an overrun seems imminent, a Yak 40FG with 2 crew and 14 passengers steers off the right side of the runway after touching down at Saarbrücken on February 9, 1975; the plane collides with some trees, but no serious injuries are reported.

Unable to achieve financial viability because of competition and its accident record, the company shuts down in October.

GENERAL AIR LINES. See **WESTERN AIR EXPRESS**

GENERAL AIRLINES: United States (1967–1968). **General Aviation Services**, based at Reading, Pennsylvania, is reformed in 1967 and renamed. Daily Beech 18 scheduled roundtrips continue to be maintained linking the company's base with Baltimore and Washington, D.C. Operations cease in 1968.

GENERAL AIRWAYS, LTD.: Canada (1928–1933). General is formed at Amos, Quebec, in 1928 and undertakes nonscheduled cargo and passenger flights linking its base with Noranda, Rouyn, and Haileybury. Contract mail flights begin over a route from Amos to Siscoe on October 28, 1930. Scheduled passenger and freight services begin over the main route late in the year.

Introduced in early 1931, mail services from Amos to Chibougamau are withdrawn on January 8, 1932. On September 15, the Siscoe mail terminus is stretched to Pascalis. All services cease when the company closes its doors on November 24, 1933.

GENERAL AND AVIATION SERVICES. See **GAS AIR CARGO, LTD.**

GENERAL AVIATION (1): United States (1930). General is established at Elmira, New York, in late spring **1930** to offer scheduled passenger services to Syracuse. A Ryan B-1 Brougham is acquired and flights commence in June. The operation is not a success and ends in July.

GENERAL AVIATION (2) (GREENEVILLE AIR): United States (1974–1988). Former Magnavox corporate pilot Scott M. Niswonger and insurance broker S. Wylie Milligan form Greenville Air at Greenville, Tennessee, in **1974** to provide short-haul contract and charter freight services on behalf of package express and courier companies, particularly **Emery Air Freight**. Revenue cargo operations commence with Beech 18s leased from Little Mountain Air in North Carolina.

During the remainder of the decade, the leased Beech fleet, which at its zenith totals 14 aircraft, is gradually replaced with three Cessna 404 Titans, three Navajos, and two Convair CV-240s. Greenville Air provides regular and reliable freight service to Greenville, South Carolina, Raleigh, North Carolina, and other points throughout the Southeast. Passenger charters are also operated employing the Piper equipment. Investment is found in these years from the W. W. Williams Company of Columbus, Ohio, and two company divisions are formed, one concentrating on air freight and the other on ground transport with medium-sized trucks.

Following the onslaught of the **1981** recession, Greenville Air is dissolved. Partner Niswonger sells his interest to Milligan and forms Landair Transport; his firm will provide scheduled trucking services to air freight forwarders, fully integrated air cargo carriers, and domestic and international airlines, becoming Landair Services in September 1993. Partner Milligan disposes of the company's assets, including its aircraft, to Raleigh-based General Aviation (2), which operates on behalf of **UPS (United Parcel Service)**. General Aviation (2) adds to the former Greenville Air Convair fleet over the next three years, eventually owning six CV-240/440s and a Grumman Gulfstream G-159.

In **1984**, the company acquires a major contract from **Kitty Hawk Air Cargo**. All of the aircraft are now dedicated to transporting freight around the Eastern U.S. on behalf of the Dallas-based operator.

During its initial climb away from Nashville Metropolitan Airport on the evening of May 31, **1985**, Flight 115, the G-159 with two crew, loses power on its No. 1 engine and crashes 100 ft. beyond the end of the runway; there are no survivors.

Flights continue without fanfare during the remainder of the year and through **1986–1987**.

In **1988**, General Aviation (2) is sold outright to Kitty Hawk, which transfers all of the freighters to Texas. Pilot Niswonger goes on to found Greenville-based Forward Air, a leading national expedited trucking concern serving air freight consolidators.

In something of a piece of irony, *Air Cargo World* reports in its June **2000** issue that Forward Air has put together a team of former air freight executives, including several from defunct **Roadway Global Air**, to review newly bankrupt **Kitty Hawk Air Cargo** as a potential takeover target. No merger will occur this year.

GENERAL AVIATION (3). See **CHINA GENERAL AVIATION CORPORATION**

GENERAL AVIATION SERVICES: United States (1966–1967). General Aviation Services is established at Reading, Pennsylvania, in January **1966** to provide scheduled air taxi services to Baltimore and Washington, D.C. Employing a Beech 18, daily roundtrips are inaugurated on February 15 and are maintained into **1967**, when the company name is changed to **General Airlines**.

GENERAL CARGO AUSTRALIA (PTY.), LTD.: Australia (1980–1993). General Cargo is set up by Cranways at Launceston, Tasmania, in **1980** to provide all-cargo services to the mainland, particularly Essendon Airport at Melbourne. Revenue operations commence with a

single Douglas DC-3 and continue without incident until the carrier shuts its doors 13 years later.

GENERAL TRANSPORT SERVICES: 185 East Reno, Suite B1, Las Vegas, Nevada 89119; Phone (702) 798-3333; Fax (702) 597-1799; Year Founded 1990. The corporate carrier GTS is established at Las Vegas in **1990** to provide lift for executives and small passenger groups flying into Las Vegas from around the country, especially California. By **2000**, the company employs five pilots and operates one each Learjet 24D, Learjet 25D, and Learjet 35A.

GENESIS AIRWAYS, LTD.: United Kingdom (1994–1995). Genesis is set up by Terry and Dorothy Beanland at East Midlands Airport in June **1994** to offer domestic passenger services, both scheduled and charter. With Terry as managing director and Dorothy as commercial director, a staff of seven is recruited. A single British Aerospace BAe Jetstream 31 is leased and employed to launch frequencies on September 12 to Belfast. Late in the year, a Piper PA-31-310 Navajo is acquired and plans are made to switch services to Belfast City Airport in January. Unfortunately, financial reversal causes the company to shut its doors in June **1995**.

GENEVA INTERNATIONAL, LTD./EXECUTIVE AIR CHARTER: 10500 Terminal Road, Manassas Regional/Harry P. Davis Field, Manassas, Virginia 20110, United States; Phone (703) 369-0582; Fax (703) 369-8966; Year Founded 1984. This independent charter operator is established at Manassas, Virginia, in **1984** to provide executive flights to destinations throughout the U.S. and Canada. Revenue flights commence with a fleet that by **2000** comes to comprise 2 Grumman G-1159 Gulfstream IIs and 1 British Aerospace BAe (HS) 125-400F Hawker.

GENIUS AIR: Serbia (1992). An operator with a very brief history, Genius is established at Belgrade in **1992** to operate public passenger charters to destinations in Western Europe. Employing a Boeing 727-2H9 leased from JAT (Yugoslavenki Aerotransport), the company undertakes a number of flights to London (CTN) during the summer season. Political problems force the company to stand down in the fall.

GEORGIA AIR: United States (1970–1972). GA is set up at Atlanta in **1970** to provide daily roundtrip shuttle flights to Rome, Georgia. Daily Cessna 402 revenue frequencies are duly inaugurated and are maintained for two years.

GEORGIA JET EXECUTIVE CHARTER: Gwinnett County Airport, 530 Briscoe Blvd., Lawrenceville, Georgia 30245, United States; Phone (770) 513-0180; Fax (770) 513-0249; Year Founded 1985. Doing business as **Critical Care Medflight**, GJEC is established at Lawrenceville, Georgia, in **1985** to provide worldwide air ambulance and patient transfer flights. Over the next 15 years, the company comes to employ 23 pilots and to operate 1 each Beech 400 Beechjet, Mitsubishi Mu-300 Diamond IA, and Aerospatiale AS-350 Astar helicopter.

GEORGIAN AIRLINE-ORBI: Georgia (1995–1997). GA-O is set up at Tbilisi in **1995** as a joint venture sister company of **Orbi Georgian Airlines**. Significant shareholding is assumed by **Germania Fluggesellschaft, GmbH**. OGA Managing Director Vasili S. Jambazisvili holds the same post with this small charter operator, which acquires a single Boeing 737-3M8 from Germania. Revenue flights in support of OGA to international destinations begin. Destinations visited on a regular basis during the remainder of the year include Adler/Sochi, Athens, Kiev, Moscow, Rostov, St. Petersburg, Tehran, Tel Aviv, Thessaloniki, and Volgograd.

The company is merged into **Orbi Georgian Airlines** in **1997** to become **Georgian Airlines**.

GEORGIAN AIRLINES: Georgia (1997-1999). *Georgian Airline-Orbi* and *Orbi Georgian Airlines* are merged in March 1997. David Davidtze becomes director general and the fleet is rationalized at 2 Tupolev Tu-134As, 3 Tu-154Bs, and 5 Yakovlev Yak-40s. The schedule introduced on July 1 is significantly increased.

Flights continue in 1998-1999 as airline employment grows to 488. The state, which had acquired full ownership, issues a privatization tender for the sale of a 49% stake during July of the former year.

Destinations visited on a scheduled basis include Adler/Sochi, Athens, Kiev, Moscow, Rostov, St. Petersburg, Tehran, Tel Aviv, Thessaloniki, and Volgograd. Cooperative agreements are signed with **Air India, Ltd.**, **Caspian Airlines**, and **Swissair, A.G.**

When the winter schedule is released at the end of October, it shows the carrier with daily service to Prague, Moscow, and Tel Aviv; flights to Thessaloniki and Athens five times a week; thrice-weekly service to Frankfurt; as well as weekly or twice-weekly flights to Adler/Sochi, Kiev, Rostov, St. Petersburg, Tehran, and Volgograd.

The company is merged with **Air Georgia** on October 31 to form **Airzena Georgian Airlines**.

GEORGIAN BAY AIRLINES, LTD.: Canada (1946-1992). Established by the Powell family at Parry Sound, Ontario, in 1946, this small charter operator undertakes both passenger and cargo flights to large and bush destinations in the Georgian Bay area.

Twenty-five years later, the company, which also operates a flight school, introduces a scheduled passenger service linking its base with Sans Souci. In 1981, President F. D. Powell and operations manager B. D. Powell oversee 25 employees and a fleet of 10 Piper PA-23 Aztecs and 1 de Havilland Canada DHC-2 Beaver. Flights continue during the remainder of the decade and into the 1990s, ceasing in 1992.

GEOTERREX AND SOUTHERN COMMANDER (PTY.), LTD.: c/o Western Commander (Pty.), 17, Dumeries Terrace, Greenvale, Victoria, 3047, Australia; Phone 61 (3) 9374 2239; Fax 61 (3) 9379 8460; Year Founded 1996. GASC is set up at Greenvale in 1996 to provide nonscheduled domestic passenger and cargo charters. Revenue flights begin with one each CASA C-212-200 Aviocar and a Cessna 404 Titan.

GERMAN CARGO AIRLINES, GmbH.: Germany (1977-1995). The **Deutsche Lufthansa, A.G.** charter subsidiary GCA is established on March 10, 1977 to supplement the freight capability of the parent airline. Wilhelm Althen and Siegfried Koehler are named joint managing directors and the company is capitalized at DM 1.5 million. GCA is equipped with 2 B-707-330Cs painted curry-yellow and transferred from the parent's fleet; operations commence on April 1 with a Frankfurt-Hong Kong charter. Maintenance is contracted with the parent and flight crews are also loaned to the subsidiary. Until the mid-1980s, annual freight and financial figures will be combined with those of Lufthansa.

On October 20, 1979, a third B-707-330C is assigned to German Cargo. A new cargo marketing scheme is unveiled in the spring of 1980 and a fourth B-707-330C is added to the fleet. GCA, in 1981-1982, begins to specialize in the carriage of livestock, developing special aluminum horse stalls and cattle containers.

On June 1, 1983, German Cargo places a DM 220-million order for four reengined Douglas DC-8-73s from Cammacorp in the U.S. Meanwhile, pilots for them are trained by **United Airlines**.

The four DC-8-63s are flown from Dallas, Texas, to Paris (Le Bourget Airport) between July and October 1984. In France, the four aircraft are outfitted to German specifications by **UTA French Airlines, S.A.**, with the first entering German Cargo service in September.

The last of the four B-707-330C freighters, representing the last of its type in Lufthansa service, is retired on December 31. Principal routes for the carrier's charter and contract cargo flights are to Africa and the Middle East, including Abu Dhabi, Bahrain, Doha, Cairo, and Nairobi.

Airline employment in 1985 stands at 248 as a fifth DC-8-73 freighter is acquired. GCA begins to undertake its own maintenance and, during the year, the final B-707-330C is sold. A total of 172,767 FTKs are operated. A net \$1.8-million profit is earned atop an operating gain of \$900,000.

The workforce is cut by 7.6% in 1986 to 230 and a plan to purchase the failed British cargo airline **Tradewinds, Ltd.** is shelved when it is learned that the prospective-parent's DC-8-73s cannot win certification in the U.K. Cargo traffic rebounds to advance by 13.4% to 199,500 FTKs. Revenues ascend 10% to \$73.6 million, but costs also climb, resulting in a \$300,000 drop in operating profit and a \$600,000 decline in net gain.

During 1987-1988, North and South American destinations are added to the route network. During the summer of the former year, the convertible Dash-73 is employed for passenger charters by sister carrier **Condor Flugdienst, GmbH.** Managing Director Siegfried Koehler's company also begins flying all-cargo service to Hong Kong and Bangkok on behalf of its parent.

In March 1989, the company begins five-times-per-week service between Frankfurt and Birmingham, the first scheduled all-cargo service from Germany to that British city. B-747F Frankfurt to Dallas (DFW) flights commence in June and twice-weekly all-cargo frequencies are initiated from Frankfurt to San Francisco in November.

Airline employment stands at 385 in 1990. The fleet comprises 3 Boeing 747Fs, 5 DC-8-73Fs, and 2 B-737-230Fs, the latter received in May. In October, a B-737-210C is leased from **Atlanta Icelandic Airlines, H.F.** for 18 months. Freight traffic declines 6.2% to 212.3 million FTKs.

In October 1991, the company joins with **Air Rwanda, S.A.** to begin joint cargo service from Frankfurt to Kigali; the airlines alternate on the weekly flight, GCA employing a DC-8-73F and **Air Rwanda, S.A.'s** B-707F.

In one of the most unusual freight deliveries of all time, a DC-8-73, on October 11, transports 1.3 billion sterilized male fly larvae from Tuxtla, Mexico, to Tripoli, Libya, to help Colonel Qaddafi's government combat the parasite known as the New World screwworm.

At the end of the year, a B-737-230F becomes the first "Baby Boeing" in the world to be equipped with a Nordam noise-suppressing "hush kit" unit installed by DLH technicians at Berlin's Schoenefeld Airport. It will enter service during the following January. Traffic figures are not released for the year; however, sources report a \$5.6-million profit.

The system of joint managing directors is maintained in 1992 and in 1993 they are Dietmar Kirchner Johannes and Heinrich Irle. Airline employment now stands at 673. Destinations visited from Frankfurt include Aden, Addis Ababa, Asmara, Bahrain, Bujumbura, Bangalore, Buenos Aires, Cairo, Calcutta, Damascus, Dakar, Doha, Entebbe, Harare, Kigali, Khartoum, Lusaka, Madras, Montevideo, Nairobi, Sana'a, Santiago, and Sao Paulo.

To cut costs, **Deutsche Lufthansa, A.G.** Chairman Jurgen Weber unveils a new program on November 27, 1994 that will eliminate 8,400 jobs, abolish unprofitable routes, spin off air freight, catering, and some passenger services to independent subsidiaries called profit centers. **Lufthansa Cargo Airlines, A.G.**, as the renamed German Cargo Airlines becomes known, stands alone as of January 1, 1995.

GERMAN WINGS, GmbH.: Germany (1989-1990). The privately owned independent GW is established at Munich in January 1989 to provide regional and domestic all-business-class services with a fleet of four McDonnell Douglas MD-83s. Ownership is divided between publishing executives Franz and Frieder Burda, who also own the airlines (45%), joint managing directors Peter and Christian Kimmel (40%), and the venture capital firm Bayerische Unternehmens-Beteiligungsgesellschaft, A.G. Capitalization is DM55 million (\$32 million). The employee population totals 510.

Operations commence in April, as routes are stretched to Frankfurt, Cologne, Dusseldorf, Hamburg, and Paris. An inability to obtain

sufficient slots at German airports and a slow domestic market caused by recession lead to significant financial difficulties. It requires a court order to force **Deutsche Lufthansa, A.G.** to complete interlining agreements that it had declined to sign. Still, two more MD-83s are received in October and November, one purchased and one on lease from **Air Libertie, S.A.**

Early in 1990, as fiscal difficulties mount, the carrier unsuccessfully attempts to negotiate partnerships with other airlines, including **Swissair, A.G.**, **SAS (Scandinavian Airlines System)**, and **British Airways, Ltd.** (2). Meanwhile, intense competition from **Deutsche Lufthansa, A.G.** is encountered in late winter and spring and leads the carrier to shut down on April 30 and file for bankruptcy in early May. Prior to its cessation, the new entrant transports some 450,000 passengers; as part of a planned expansion, the state carrier accepts passengers with German Wings tickets and hires a number of the former regional's employees.

GERMANAIR FLUGGESELLSCHAFT, mbH. See **BAVARIA-GERMANAIR FLUGGESELLSCHAFT, mbH.**

GERMANIA FLUGGESELLSCHAFT, GmbH: Berlin Tegel Airport, Berlin, D-13405, Germany; Phone 49 (30) 4101 3610; Fax 49 (30) 4101 3615; <http://www.germaniaairline.de>; Code ST; Year Founded 1986. On June 1, 1986, **SAT Fluggesellschaft, GmbH (Special Air Transport)** is reformed and renamed Germania. Dr. Heinrich Bischoff is named chairman. Employing a fleet of three Sud-Est SE-210 Caravelle XRs, the carrier continues its passenger and cargo charters and inclusive-tour flights from its base at Koln-Bonn Airport to holiday destinations in the Canary Islands, southern Europe, the Near East, and North Africa.

Operations continue apace during the remainder of the decade and in 1989 the Caravelles are replaced by the first Boeing 737-35Bs. In 1990, the fleet comprises 5 B-737-35Bs (2 of which are wet-leased to **Condor Flugdienst, GmbH.**) and 1 B-737-3L9, which is chartered to **Berlin European U.K., Ltd.** for a year.

Two more B-737-35Bs are acquired in 1991 and two more B-737-3L9s in 1992, one of which is leased from **Maersk Air, A.S.** Scheduled flights are introduced from Berlin to Heringsdorf and the Baltic Sea area. A shuttle service is introduced for civil servants who need to fly from Cologne and Bonn to Berlin.

Airline employment in 1993 stands at 335 and the fleet now includes 3 owned B-737-3L9s and 7 leased B-737-35Bs, including 2 leased to Condor. Enplanements total 1,211,900.

Two B-737-330s are acquired in 1994, but these, too, are chartered to **Condor Flugdienst, GmbH.** The year's passenger boardings ascend 11% to 1,345,500.

There is no change in the size of the workforce in 1995. During the last week of March, \$512 million is committed to an order for 12 Next Generation B-737-75Bs. Ownership passes to Hetzel Travel Company and two B-737-35Bs remain with **Condor Flugdienst, GmbH.** Traffic is excellent this year, growing by 25% to 1,681,600 passengers transported.

Again in 1996, airline employment does not increase. Neither, for that matter, does traffic; instead, customer bookings drop 5.8% to 1,584,400. Flights continue in 1997. In addition to charter flights to North Africa, the Canary Islands, Bratislava, Tel Aviv, Larnaca, Kuwait, Turkey, and the Caribbean, the Cologne and Bonn to Berlin shuttle is maintained. Passenger boardings rise 15.6% to 1,831,500.

Despite a five-month delay in Joint Airworthiness Authority type certification, in April 1998 the carrier receives its first B-737-75B. The aircraft arrives at Berlin (Tegel Airport) following a 9 hr. 27 min. nonstop flight from Seattle's Boeing Field. Painted in the colors of Touristik Union International (TUI) with "Schöne Ferien" (Have a Nice Vacation) titles, the new aircraft begins service on behalf of the tour operator from not only Berlin, but Düsseldorf and Stuttgart as well. Customer bookings fall 10.1% to 1.64 million.

By the beginning of 1999, airline employment has been cut back by 13.1% to 338. During the spring, the company paints its latest four B-737-75Bs in the colors of other concerns for which it operates tours: Olimar Reisen, Jahn Reisen, Tjaereborg, and Meier's Weltreisen. On white fuselages, the tails and cheatlines will be black stripes and solid green, yellow, and blue, respectively.

Passenger boardings jump 7.1% to 790,000 while freight rises 2.4% to 247,000 FTKs. Airline employment at the beginning of 2000 stands at 411, a 21.6% increase over the previous 12 months.

Two Next Generation B-737-75Bs employed under lease by **LTU International Airways, K.G.** are returned at the end of the summer season on October 28. A Next Generation B-737-75B enters revenue service on November 7 wearing a new color scheme in honor of Siemens. Another begins flying in an orange-and-white livery that advertises 1 + 2 Fly.

The company now flies a mix of 8 Next Generation Dash-75Bs and 2 Dash-73Ss.

GESTAIR EXECUTIVE JET, S.A.: Aguetol, 7, Barajas, Madrid, E-28042, Spain; Phone 34 (1) 329-0500; Fax 34 (1) 329-3323; <http://www.gestair.es>; Code GP; Year Founded 1982. Gestair is formed at Madrid in 1982 as the Spanish member of the JET Europe marketing consortium. Employing a Gates Learjet 35, a Casa C-212 Aviocar, a Piper PA-31-310 Navajo, and various small Cessnas, domestic and international air taxi flights are initiated. By 1986, General Director Alberto Lluch Bazo's fleet has grown by two Aviocars.

Operations continue apace for the remainder of the decade and into the 1990s. In 1993, Chairman Jesus Macarron and Managing Director Juan C. Santilan oversee a workforce of 100. The fleet of the air taxi operator in 1994 includes 2 Beech Super King Air 200s, 3 Cessna 650 Citation IIIs, 1 British Aerospace BAe 125-700B, and 7 Aviocars.

Flights continue in 1995-1999, during which years the workforce is increased from 153 to 180 and the company enters into the forest fire-fighting business, acquiring 6 Canadair CL-215s for the purpose. During the latter year, 15,000 VIP passengers are flown from over 3,000 companies. A total of 130 workers are employed at the beginning of 2000.

GHANA AIRLINK. See **GHANA AIRWAYS, LTD.**

GHANA AIRWAYS, LTD.: No. 9 Ghana Airways Avenue, Airport Residential Area, P.O. Box 1636, Accra, Ghana; Phone 233 (21) 773 321; Fax 233 (21) 777 078; <http://www.ghana-airways.com>; Code GH; Year Founded 1958. After the British trust territory of Togo, together with the British Gold Coast colony, achieve independence as Ghana in 1957, the national carrier of Ghana is formed at Accra on July 4, 1958. A successor to **West African Airways Corporation**, which had ceased trading, holdings are divided between the government of Ghana (60% interest) and **British Overseas Airways Corporation (BOAC)** (40%). Initial capitalization is £400,000 and BOAC executive James Mercer is named chairman. Under supervision of the British flag line, London-Accra service is begun on July 16 with the wet-leased Boeing B-377 *Cordelia*.

This Stratocruiser will be joined by a second, the *Canopus*, also painted with Ghana Airways titles, later in the year. Domestic and some regional flights, operated previously by WAAC, are restarted on October 1. The carrier's first owned aircraft and the first to be registered in the independent country, is the de Havilland DH 114 Heron 2, 9 G-AAA, received on December 30.

An additional DH 114 is delivered in 1959, as is the first Douglas DC-3, the latter being received on March 9. London to Accra service is begun on April 14 with a Bristol Britannia 102 operated under contract from **British Overseas Airways Corporation (BOAC)**. The last Stratocruiser flight is made on May 30. Orders are placed for two Britannia 102s, later changed to Dash-300s.

Several of the carrier's receptionists begin training at the London Model's School on March 20, 1960. Three Viscount 838s are ordered on

April 20; the first of two purchased Britannia 300s, a Series 319, to be delivered on the year arrives at Accra on July 27. On August 18, six Ilyushin Il-18 turboprops are ordered from the Soviet Union and, in the interim, a number of Douglas DC-3s are acquired for domestic operations.

The second Britannia 300, a Series 309, is delivered on November 8 and is christened *Osagyefo*; the two Bristols launch twice-weekly London–Accra return service on December 2. The first two Il-18s are delivered the next day. Orders are placed for two Boeing 707-420s late in the month as the nation's president, Kwame Nkrumah, directs the airline to become a major national employer, taking on a number of managers and workers alike who lack the appropriate background and skills to make a useful contribution.

The fleet in 1961 comprises 1 each Britannia 309 and 319, 2 DH 114s, 4 DC-3s, 1 Antonov An-12, and 2 Il-18s. Orders are placed in January for two B-707 Stratoliners and for three Standard VC10s. On February 4, Britannia flights across Africa to Beirut are begun, the first by a West African airline. Ten days later, the government buys the remaining **British Overseas Airways Corporation (BOAC)** stock for £160,000, making Ghana Airways entirely state-owned. The Boeing order is now cancelled in favor of one for Vickers VC10s.

In June, the Britannias inaugurate the first nonstop Accra–London air service and by July four more Il-18s have been delivered and enter service. Also during July, a two-man government committee is appointed to plan the airline's reformation; their report is delivered to President Nkrumah in October. Meanwhile, due to financial constraints, the Stratoliner order is cancelled in August.

Domestic and regional services operated by fall include routes from Accra to Abidjan, Bathurst, Conakry, Dakar, Freetown, Kumasi, Lagos, Robertsfield and Takoradi. International destinations visited now include Adis Ababa, Beirut, Cairo, Khartoum, London, Rabat, Rome, and Zurich. It is reported in December that the carrier has lost \$800,000 since February.

The fleet is strengthened in 1962 by the arrival of the three Viscount 838s and six Il-18s. Many of the recommendations of the government's two-man commission are implemented, beginning in April. On July 4, weekly DC-3 service commences from Accra to Bamako via Kumasi, Tamale, Ouagadougou, Mopti, and Segou. The new Il-18s are placed on the regional routes, but regularly experience mechanical problems.

The workforce in 1963 is 1,152 and the government-appointed board of directors is increased from 6 to 9. One of the new members is General Manager B. C. L. Odei. A route from Accra to Moscow via Zurich is briefly operated, beginning in March. At the same time, Il-18 services to Asmara is inaugurated.

The company is incorporated on May 7, with Dr. E. Ayeh-Kumi as the first Ghanaian chairman. On June 1, weekly routes are started from Accra to Bamako via Kumasi, Tamale, Ouagadougou, and Mopti; and to Aden via Kano, Khartoum, and Asmara. Weekly all-cargo service is also begun from Accra to Freetown via Abidjan and Robertsfield.

Having proven unsatisfactory, four of the Il-18s are returned to the Soviet Union, beginning in September. To operate the nonstop Ghana–UK service for the next two years, a Convair CV-990A Coronado is wet-leased in October from **Swissair, A.G.** The same month, Ghana Airways joins the International Air Transport Association (IATA). Accra to London Britannica service is upgraded in December when one of the Bristols is replaced with the Swiss Coronado.

During 1964, bilateral air agreements are signed with 14 other African nations. Airline employment grows to 1,305, including 1,191 Ghanaians. R. R. Amponsah becomes the new chairman.

During the spring, a new pool agreement is signed with **Nigeria Airways, Ltd.** Under its terms, Ghana Airways and its new partner are able to launch new weekly frequencies from Accra to Kano; to Addis Ababa via Kano and Khartoum; and to Beirut via Cairo. The arrangement also provides one other rather unique feature. **Nigeria Airways, Ltd.** F.27s operate cabotage flights on Ghana's internal routes, while GAC Viscount 838s fly from Accra to Lagos for the benefit of both operators. The

first new VC-10 is received on December 18. Enplanements for the year total 106,123.

The employee population in 1965 is 1,290. The Coronado is returned to Switzerland on February 10, and the Britannias are withdrawn two days later. The fastest direct Accra–London service is established on February 15 with the newly received Vickers VC10, with some London frequencies including stops at Rome and Zurich.

A second VC10 is delivered in June and is placed in service, on the Beirut route. During the summer, Amsterdam becomes a stop on the London route, which is now flown thrice weekly. In addition to the two Britannias, four Ilyushins and one Viscount 838 are retired, leaving the fleet with the two Vickers jetliners, two Viscount 838s, two Il-18s, and four DC-3s. Orders for a third VC10 are cancelled. Passenger boardings increase 17% to 124,300 and air freight traffic climbs by 54%.

President Nkrumah is overthrown in February 1966 and, because of Egypt's support for him, the airline is required to suspend service to Cairo. The route from Accra to Bamako is also shut down. When the new leadership is secure, the national airline is reorganized. Chairman Amponsah and General Manager Odei are both ousted.

George Boughton becomes the new general manager in April 1967. Also during the month, VC10 proving flights to Kinshasa are started and one of the VC10s is leased to **Middle East Airlines (2), S.A.L. (MEA)**. All of the remaining Soviet-made aircraft are returned.

While impounded at Port Harcourt, a DC-3 is destroyed in an air raid on August 3. In partnership with **Air Mali, S.A.**, service is restarted from Accra to Bamako, using Mali equipment. The government halts its subsidy during the year and traffic throughout the following years will rise only slightly.

Domestic and international routes and frequencies are improved during the period from 1968 to 1971, but not significantly altered, except regionally. Domestic and international routes and frequencies are improved during the period from 1968 to 1971, but not significantly altered, except regionally.

Two political events of interest occur during these years. On April 2, Ghana Airways hosts a meeting at Accra of 10 African carriers seeking more efficient cooperation and economic integration of the participants. The conference culminates in the founding of the African Airlines Association or AFRAA. The Ghanaian government publishes a new law on June 26, 1970 stipulating the conduct of affairs by the airline. The law takes effect on August 1.

The fleet is modified somewhat in that the Viscounts, Il-18s, and DC-3s are retired in favor of two Hawker Siddeley HS 748s and two Fokker F.28s (one each Dash-2000 and Dash-4000), with the VC10s continuing flights to London.

There are three hull losses and a death during these years. The VC10 leased to MEA is destroyed during the Israeli raid on Beirut on December 28, 1968. A DC-3 with 3 crew and 30 passengers suffers engine problems and crash-lands near Takoradi on April 24, 1969 (1 dead). An HS 748-2A, on a training flight from Accra on January 22, 1971, loses power and crashes at low altitude; there are no fatalities.

Flights continue apace in 1972–1974, with little information available on activities during these years. Orders are placed for Douglas DC-9-50s. The first DC-9-51, leased from **Hawaiian Airlines (HAL)**, enters service in 1975 and enplanements total 142,100.

Airline employment in 1976 is 1,730. Services are inaugurated to Lagos and on an Accra–Lome–Cotonou route; F.28 frequencies on Africa's west coast are increased and a new flight kitchen is opened with a capacity of providing 5,000 daily meals. Freight traffic dips 1.2%, but passenger boardings soar 18.7% to 175,379.

The law governing the affairs of the airline is altered on January 16, 1977. The company's CEO now has the authority to engage consultants and advisors and to appoint an internal auditor. A second chartered **Hawaiian Airlines (HAL)** DC-9-51 enters service as orders are placed for a DC-10-30 and two DC-9-51s. Enplanements for the year climb to 309,000.

The employee population at Chairman J. Bentum-Williams' carrier in 1978 is 1,895. The company's first owned DC-9-51 enters service in

July. As in 1976, cargo falls sharply, down 19.2%; enplanements dip 1% to 206,067.

During **1979–1981**, a DC-10-30 is leased from **KLM (Royal Dutch Airlines, N.V.)** while the carrier awaits the unit ordered in 1976. The last HS 748 is retired during the former year followed by the VC10 in December 1980. From this point on, the company employs no expatriate pilots.

The F.28-4000 with two crew aboard is destroyed on March 11 of the latter year as the result of a bad landing while on a training flight from Accra; there are no fatalities. Fuel prices and the world economic situation have a negative impact on both cargo and passenger traffic.

A Fokker F.28-4000 is delivered during **1982**, replacing one destroyed in March 1981. Enplanements for the year are 165,600. The workforce is increased by 2.7% in **1983** to 1,900. The long-awaited Douglas wide-body is delivered on February 24 and the **KLM (Royal Dutch Airlines, N.V.)** unit is returned. The aircraft, painted in the red, yellow, and green colors of the national flag, is employed, beginning on March 1, to continue the London and Rome services previously provided by the chartered aircraft.

Cargo rises 5.7% to 6.56 million FTKs and passenger boardings grow 8% to 180,458.

In **1984**, new routes are proposed for or opened to Amsterdam, Frankfurt, Jeddah, Douala, Naimey, Libreville, Ouagadougou, and the West Indies. A total of 260,741 passengers are carried on the year.

In April **1985**, the carrier contracts with the Ghana Air Force to provide charter service, while in July the airline begins the operation of DC-10-30 charters for the rotation of UN forces serving in Lebanon. Scheduled passenger boardings decline 3.06% to 253,000, but freight increases a strong 24.71%. Profits are earned: \$1.6 million (operating) and \$700,000 (net).

On January 4, **1986**, a contract with **Caribbean Airways, Ltd.** is renewed, allowing the African carrier's DC-10-30 to continue flying the twice-weekly roundtrips between Europe and Barbados begun the previous year. An operating profit of \$2.8 million is generated, along with a net gain of \$1.3 million.

The government receives its first dividend—\$120,000. Operations continue apace in **1987**, with Ben Azariah named managing director in February of the former year. In March, the company begins discussions with McDonnell Douglas concerning the possibility of a trade-in of its DC-9-51 for an MD-82. The nation's economic problems delay finalization of a contract.

Following the conclusion of a new air agreement between the Ghanaian and Gambian governments, the carrier is able to extend its West African coastal service and link Accra with Dakar and Banjul. During the year, the company is readmitted to the IATA Clearinghouse and pays off \$3.2 million in outstanding debts to other airlines.

The company accepts its first B-767-300 in July **1988**; the airliner's delivery flight sets a type record of 14 hrs. 32 min. nonstop over the 8,065 miles from Seattle. A second B-767-300 arrives in November as the company completes settlement of its \$10.9 million in interline billings from the previous year.

In **1989**, enplanements total 231,052. In **1990**, the 1,461-employee state carrier operates 2 B-767-300s and 1 each DC-10-30, DC-9-51, F.28-2000, and F.28-4000. Passenger boardings plunge 17.8% to 196,140, but freight ascends 20.2% to 17.19 million FTKs.

In January and February **1991**, the airline contracts with the Ghanaian Air Force to provide F.27 replacement services between Kumasi and Tamale. A commercial agreement is signed with **Middle East Airlines (2), S.A.L.** in March.

Operations continue apace in **1992**. Recession and a continuing drop in traffic forces removal of the Boeings. Enplanements total only 165,162. Still, income exceeds expenses and there are profits: \$3.28 million (operating) and \$44.14 million (net).

Twenty new employees are hired at Chairman Sam Jonah and Managing Director A. G. Sam's airline in **1993**. Destinations now visited from Accra include the regional cities of Abidjan, Banjul, Conakry, Co-

tomou, Dakar, Freetown, Harare, Lagos, and Lome. In Europe, markets include Rome, Dusseldorf, and London.

After months of covert diplomacy between the U.S., Ghana, and Nigeria, FBI agents are on hand on July 15 to arrest notorious hijacker Omar Mohammed Ali Rezaq, when he steps off a GAC flight just landed in Lagos, Nigeria. From Accra, Rezaq is taken to the U.S. to stand trial for the November 1985 **Egyptair, S.A.E.** piracy that resulted in the death of an American woman passenger. Also in July, a cooperative agreement is signed with **Ethiopian Airlines, S.C.**

Passenger boardings for the year decline 6.5% to 153,204, but freight skyrockets 94.4% to 22.53 million FTKs. Revenues slide 38.2% to \$42.89 million and expenses plunge 45.7% to \$35.93 million. Despite the drop in operating income, the decline in costs allows an operating surplus of \$6.96 million. Net gain, however, falls to \$12.34 million.

Airline employment stands at 1,500 in **1994**. Early in the year, the Accra–Harare route is extended to Johannesburg and marketing alliances are signed with **Air Afrique, S.A.** and **American Airlines**.

An MD-11 is leased from **World Airways** (complete with U.S. pilots for the first six months) on October 5 for use on a new twice-weekly Accra to New York (JFK) service. Although the company initially plans to inaugurate these flights on October 14, launch is delayed until December. The westbound flight is required by U.S. law to stop at Dakar for a security check. Enplanements for the year total 182,000. Financial figures are not released.

The workforce stands at 1,162 in **1995** and the owned fleet includes 1 each DC-9-51, DC-10-30, F.28-2000, and F.28-4000. Under the Companies Code (1963) of Ghana, Act 179, the carrier becomes a Limited Liability Company, Ghana Airways, Ltd., on June 1. Enplanements reach 185,351.

The workforce is increased by 8.8% in **1996** to 1,274 and another DC-10-30 is acquired. Both of the F.28s are sold in May. Customer bookings accelerate 8.8% to 197,181, and 29.54 million FTKs are also operated, a 22.7% increase.

Service continues apace in **1997**. Coming in from Accra on April 12, Flight 560, a DC-9-51 with 7 crew and 97 passengers, is unable in heavy rainfall to complete its first landing attempt at Abidjan. A second ILS attempt is completed, but the wet runway forces the aircraft to veer to the left off the side, where the undercarriage collapses. Although the plane must be written off, there are no fatalities. A homepage is opened on the World Wide Web in late summer.

Service is restarted between Accra and Monrovia on December 19. Due to the loss of Flight 560, which leaves the airline without certain capacity, enplanements for the year fall to 193,000.

Markets visited at the beginning of **1998** include Abidjan, Banjul, Conakry, Cotonou, Dakar, Dusseldorf, Freetown, Harare, Johannesburg, Kussi, Lagos, Lome, London, Monrovia, New York (JFK), and Rome. The regional network is substantially increased during the first four months of the year. In February, service is started to Ouagadougou and Bamako, while suspended service to Freetown is resumed in April.

Passenger boardings accelerate to 271,000. The increase is attributed to strategies being developed to turn Accra into a regional hub.

A code-sharing agreement is signed with **South African Airways (Pty.), Ltd.** on January 27, **1999**, for a joint midweek service between Accra and Johannesburg. The two flag carriers will pool their services to make more efficient use of capacity and market reach. Beginning today, the two will share the Wednesday return flight operated by SAA, the cabins of which will be staffed by Ghana flight attendants. The carrier announces on February 16 that it will begin service to Dubai and Toronto by the end of June.

General Manager E. L. Quartey of GAC and his counterpart, Bisrat Nigatu, of **Nigeria Airlines, S.C.**, sign a cooperative agreement in Addis Ababa on March 18. Under its terms, the two will implement schedule harmonization and joint utilization of aircraft for the development and better utilization of new routes and markets. Ethiopian will also provide its maintenance and training facilities to GAC. Under the arrangement signed in January, **South African Airways (Pty.), Ltd.** withdraws

service from Dakar on March 29. South African customers are offered more frequent service to Dakar via Accra in cooperation with GAC.

During late spring, the nation's air force operates one of its F.27-600s on behalf of the airline. The Fokker wears Ghana Airways titles under its wings and a roundel just behind the after hatch.

The company is the official carrier for the African/African American summit held in Accra during the summer.

New flights are initiated to Ouagadougou and Bamako in December, while suspended services to Monrovia and Freetown are simultaneously resumed.

On March 28, 2000, the company begins to share the Accra to Addis Ababa route thrice weekly with **Ethiopian Airlines, S.C.** Ghana handles marketing while Ethiopian provides the lift.

Early in the second quarter, Ghana Airways and the Ghana Air Force create a joint-venture service, "Ghana Airlink," to provide regional services with a pair of Fokker F.27-600s supplied by the military. The military has been flying one of the Fokkers on behalf of the carrier since the previous spring.

While landing at Accra in pouring rain on June 5 after a service from Tamale, Flight 200, one of the Airlink Fokkers with 5 crew and 52 passengers, touches down hard, causing the fuselage to break in half. Seven customers are killed.

New twice-weekly DC-10-30 roundtrips commence on July 9 from Accra to Baltimore/Washington, D.C. via Banjul and New York (JFK).

On July 28, the lease of the **Skyjet, S.A.** DC-10-30 is extended through February. It is employed to initiate a weekly return service from New York (JFK) to Monrovia, Liberia, on August 10 on behalf of Lone Star Airlines.

Orders are placed on October 6 for four Embraer ERJ-145 Amazons. On November 5, arrangements are completed for the charter of a DC-10-30 to **Nigeria Airways, Ltd.** from late December into April. The timeframe will cover Christian and Muslim pilgrimages to the Mideast for Christmas and Hadj observances.

The DC-9-51 scheduled to make the inaugural flight from Accra to Dubai on November 21 makes an unfortunate—and unexplained—wheels-up landing at Conakry, Guinea, on November 13 after its main landing gear fails to deploy. The new Mideast route is, however, started on time, using a DC-10-30.

GIBRALTAR AIRWAYS, LTD. (1): Gibraltar (1931–1932). GA-1 is established by Sir George Gaggero, chairman of the shipping company M. H. Bland & Co., Ltd., on Gibraltar during the summer of 1931 to undertake an experimental air service to Tangier. Once the six-seat Saunders-Roe Windhover amphibian *General Godley* is prepared, pilot Edgar Percival makes the first return flight on September 23. A total of 117 of these services are executed before the operation is halted on January 3, 1932.

GIBRALTAR AIRWAYS, LTD. (2): Gibraltar (1947–1981). A second GA (sometimes called "Gibair") is founded on May 15, 1947 with the same purpose as the first, to provide a scheduled service across the Straits of Gibraltar to Tangier. Initial capitalization is £200,000 and the shareholders are **British European Airways Corporation (BEA)** (51%) and the local shipping concern M. H. Bland and Co., Ltd. (49%), still controlled by Sir George Gaggero. When a de Havilland DH 89A Dragon Rapide inaugurates services on August 30, BEA's link around the Western Mediterranean is completed.

On June 2, 1950, the company's DH 89As undertake an experimental scheduled service from Gibraltar to Malaga and Seville and to the Spanish Moroccan city of Tetuan. Insufficient traffic causes the routes to be closed before year's end.

In 1953, **British European Airways Corporation (BEA)** is contracted to take over the Straits route with Douglas DC-3s. The first of these, the *Bert Hinkler*, initiates the improved service on October 5. Except for frequencies, there are no changes in the BEA-Gibraltar Airways, Ltd. operation until 1958. In that year, **Royal Air Maroc** acquires

a share of the Gibraltar traffic in an agreement signed with **British European Airways Corporation (BEA)** and Gibraltar Airways, Ltd.

In the spring of 1959 the British state regional carrier introduces Vickers Viscount 807 replacements for the DC-3. The first to enter service is the *Sir Edward Parry* on April 2.

On February 2, 1960, M. H. Bland & Co., Ltd. becomes majority owner with 51% interest; **British European Airways Corporation (BEA)**'s shareholding is reduced to 49%. The Viscount service continues throughout the 1960s.

The owned fleet in 1965 consists of 1 DC-3 and a total of 33,611 passengers are flown on the year.

In 1972, upon the formation of **British Airways, Ltd. (2)**, the BEA shareholding is transferred to the new state airline's subsidiary British Airways Associated Companies, Ltd. and the managerial contract is continued.

Operations continue apace in 1973 and 1974; enplanements for the latter year total 41,748. Employing de Havilland Trident 2s leased from **British Airways, Ltd. (2)**, thrice-weekly scheduled Gibraltar to London flights commence on July 1, 1975. Chairman Gaggero reports that, largely because of this one new service, passenger boardings accelerate 34% to 63,255.

Operations continue in 1976–1977.

In 1978, Sir George remains as honorary president; however, operational authority is vested in his son, Chairman/Managing Director Joseph J. Gaggero. At this point, airline employment stands at 211 and the fleet comprises just one Viscount 807. Enplanements total 79,393.

Airline employment is increased by 6% in 1979 to 53. In April, the carrier's London base is transferred from Heathrow Airport to Gatwick. A Boeing 737-200 is leased and employed to inaugurate services from Gibraltar to London (LGW). Passenger boardings accelerate 4.4% to 83,047, but cargo is down 19.9%. Enplanements in 1980 total 65,250.

The company's fiftieth birthday is celebrated in 1981. As a result of the British government's decision to change its aviation policy away from one specific airline's sphere of influence, opportunity now arises for direct service to the possession by another U.K. carrier. Consequently, the holding company GB Airways, Ltd. is established in the Channel Islands in November, with Gibraltar Airways, Ltd. as a subsidiary. The carrier's name is quickly changed to **GB Airways, Ltd.**

GIBSON AVIATION: P.O. Box 490, Clarksburg, Maryland 20871, United States; Phone (800) 344-2055; Fax (301) 874-5173; Year Founded 1978. Joseph W. Gibson establishes this operation at Clarksburg, Maryland, in 1978 to operate both as FAA repair station #121-38, but as a provider of passenger and cargo charter services. Twenty-two years later, the company employs 12 workers and operates a fleet that includes 2 Beech 58 Barons, 1 Piper PA-31-350 Navajo Chieftain, and 1 Mitsubishi Mu-2B-35.

GIFFORD AVIATION: United States (1977–1985). Jack Gifford founds a commuter airline named for himself at Bethel, Alaska, in 1977. After acquiring a Shorts SC-7 Skyvan and a de Havilland Canada DHC-6-100, he launches revenue passenger and cargo flights to local and regional village and bush destinations.

Whiteout conditions cause an SC-7 Skyvan, with two crew, to crash while on a go-around at Toksook Bay on December 31; although the aircraft must be written off, there are no fatalities.

Flights continue in 1978 and in 1979 a feeder agreement is signed with **Wien Air Alaska**. An ATL Carvair (a heavily modified Douglas DC-4 cargo aircraft) is purchased from **British Air Ferries, Ltd.** in 1982; the plane is not a success in Alaska and is withdrawn in 1983.

Having lost a major revenue source with the failure of Wien in 1984, Gifford is not able to continue much longer and he closes his company's doors in 1985.

GILL AIRWAYS (GILL AVIATION, LTD.): New Aviation House, Newcastle International Airport, Newcastle-upon-Tyne, England,

NE13 8BT, United Kingdom; Phone 44 (191) 214-6600; Fax 44 (191) 214-6699; <http://www.gill-airways.com>; Code 9C; Year Founded 1969. Gill is organized at Newcastle in 1969 by former RAF pilot Michael Gill to provide general aviation and air taxi services. Gill, in financial difficulty, becomes a flying instructor in Scotland in 1983 after selling out to the Tyneside-based industrial concern owned by James Jobling-Purser. Employing a pair of Shorts 330s leased from Fairflight Leasing/M.B. Holdings at Biggin Hill, Gill commences ad hoc charter and night mail services.

Former **Air Ecosse, Ltd.** executive Colin Pollard is appointed managing director in 1986. As the relationship with Fairflight is intensified in 1987, plans are made to offer scheduled services, beginning in 1988, to other British cities with a fleet comprising 3 Shorts 330s and 1 Piper PA-31-310 Navajo.

Managing Director Pollard becomes communications manager in 1989 and Malcolm Hart arrives as his successor following the carrier's purchase by Fairflight Leasing/M. B. Holdings. The new owner's engineering resources are transferred to Newcastle to support Gill's development and scheduled service is introduced from Newcastle to Manchester, Belfast, and Aberdeen.

Meanwhile, a Shorts 330-200 is destroyed on the ground at Glasgow on February 13. Enplanements for the year are 27,000.

Company employment is increased by 22.2% in 1990 to 110 as the fleet is now upgraded. The Navajo is gone, replaced by five additional Shorts 330s. New routes are opened and frequencies on existing services are increased. Consequently, passenger boardings boom upward by 92.6% to 52,000.

A Shorts 360-200 is added in 1991 and, through September, the small regional reports that its customer bookings are up 45.4% to 45,129.

The fleet in 1992 includes 1 owned and 3 leased Shorts 360-200s and 7 owned and 2 chartered Shorts 330s. An order is placed for a pair of Avions de Transport Regional ATR42-300s.

In 1993, Chairman Reginald Mulligan and Managing Director Hart oversee an employee population of 160. Routes flown include Aberdeen to Newcastle, Wick, and Teesside; Teesside to Belfast and London (LGW); and Newcastle to Belfast, Manchester, London (LGW), Jersey, and Guernsey. Enplanements total 115,382 through November.

Airline employment is increased to 170 in 1994. The first ATR42-300 is delivered in January and enters service to Belfast and the Channel Islands; the second is received late in April. Although most of the fleet is stationed at Newcastle, four Shorts 330 freighters are stationed elsewhere, one each at Wick, Aberdeen, Belfast, and Exeter. These support a long-term BP Oil contract to provide service to Scatsta, near the Sullom Voe oil terminal in the Shetland Islands.

In the fall, a £150,000 hangar extension, offices, and storage complex is completed at Newcastle. Enplanements through September total 103,809.

Fifty employees are laid off in 1995 as a management buy-in team purchases the carrier. The purchase price is £7 million, some of which will be employed on expansion. Still, the company suffers a huge 11.7% drop in enplanements. Through September, bookings total 91,628.

There is something of a recovery in 1996. Airline employment inches up 1.3% to 301 and the fleet now includes 2 each ATR42-320s, ATR72-202s, Shorts 330s, and Shorts 360-300s, 1 of which is leased to **Labrador Airways, Ltd.** Five Shorts 360-200s are also flown.

In August, the company enters into a code-sharing agreement with **Eurowings Luftverkehrs, A.G.** and, on September 1, launches twice-daily ATR42-320 service from London (STN) to Hamburg and from Newcastle to Dusseldorf. It also inaugurates a service from Belfast to Dusseldorf, via Newcastle, on September 15. For the full year, customer bookings rise 1.6% to 381,000. Operating revenues total \$44.8 million.

In 1997, in response to buoyant demand, Gill increases its weekday return flights from twice daily to thrice daily. Frequencies from Aberdeen to Southampton via Newcastle are doubled from one to two each day.

Late in October, a franchise agreement is entered into with **Air France**. Under its terms, one of the regional's ATR42-320s, painted in

modified Air France livery, inaugurates twice-daily "Air France Express" roundtrips from Newcastle to Paris (CDG). Thrice-daily Shorts 360-300 roundtrips are inaugurated on November 24 from Newcastle to Teesside.

Passenger boardings drop to 222,049 and 2.33 million freight FTKs are operated.

Flights continue in 1998. During the fall, the franchise agreement with **Air France** is expanded. Under terms of the revision, the carrier leases three former **Midway Airlines (2)** Fokker 100s from Cabot Aviation for delivery in February. Once the first of the new jetliners are in hand, they are employed in March to upgrade the twice-daily "Air France Express" service from Newcastle to Paris (CDG) in terms of capacity and by adding a third frequency. Simultaneously, twice-daily roundtrips will be introduced from Paris (CDG) to Helsinki and Goteborg.

Customer bookings during the 12 months jump 23.4% to 274,000. Airline employment is boosted 56.3% to 500.

Gill celebrates its thirtieth anniversary in 1999. On March 8, the number of flights from Newcastle and Teesside to Belfast is increased to nine roundtrips every day. Two of the new Fokker 100s enter service as scheduled, with the third jetliner delivered in April.

In May, weekend ATR42-320 "Air France Express" roundtrips are initiated from Teesside via Humberside to Paris (CDG).

The carrier takes over the **Euroscot Express, Ltd.** routes from Bournemouth to Edinburgh and Glasgow in mid-July. Euroscot itself goes into receivership. At the end of August, 31, the carrier's majority stakeholder, appoints Gordon Miller chairman, demoting William Price into the nonexecutive vice chairmanship.

It is announced on October 5 that Gill will soon replace **KLMuk, Ltd.** on the routes it had operated from Newcastle to London (STN) and from Norwich to Aberdeen. The Dutch major's U.K. subsidiary is preparing to launch its own subsidiary, **Buzz**, and so will now concentrate on only the provision of feeder flights to Amsterdam.

It is reported on October 17 that, following the sudden departure of 10-year veteran Managing Director Malcolm Hart, Chairman Miller has appointed Colin Pollard, the company's commercial director, and Joseph Forster, the flight operations director, as joint managing directors. A search for a permanent managing director begins.

When Gill picks up the former **KLMuk, Ltd.** services on October 29, they are flown in its own colors and not as part of its "Air France Express" contract.

Also on October 29, the number of "Air France Express" roundtrips offered every day between Newcastle and Paris (CDG) is increased from two to three and are operated with a Fokker 100. As the year ends, the company continues to offer nightly Royal Mail postal service flights to various airports around the country.

Passenger boardings for the year surge 20.8% to 354,000.

Airline employment at the beginning of 2000 stands at 465, a 7% decline over the previous 12 months.

Former **Brymon Airways, Ltd.**, **Kenya Airways, Ltd.**, and **British Regional Airways, Ltd.** executive Malcom Naylor becomes managing director on January 23. In fiscal difficulty, the company enters administration (the equivalent of U.S. Chapter XI bankruptcy) on February 24. Managing Director Naylor turns over day-to-day administration to the Arthur Andersen accounting firm.

The "Air France Express" service from Teesside to Paris (CDG) ends on March 25, as does the nonfranchise service from Bournemouth to Glasgow and Edinburgh. Arrangements have been made for ticket holders on flights to Scotland to make their flights aboard **British Regional Airlines, Ltd.** services from Southampton.

During September, the fleet is reduced to 12 aircraft: 6 ATRs and 3 each Fokker 100s and Shorts 360-300s. The overnight mail contract flights are suspended and the Teesside to Paris (CDG) route is closed.

On October 20, Managing Director Naylor announces the forthcoming retirement of the carrier's Shorts 360s, which will be replaced with Avions de Transport Aerien ATR72-520s.

The **Maersk Air U.K., Ltd.** "British Airways Express" CRJ service from Newcastle to Birmingham is turned over to **British Regional Airlines, Ltd.** on October 30; the new operator downgrades the route from jet to turboprop by replacing the Canadair with a British Aerospace BAe Jetstream 31. The move is protested by Gill, which had been negotiating with Maersk Air U.K. to take it over for itself.

Employing a new ATR72-520, a fourth daily roundtrip is added on November 1 between Newcastle and London (STN).

Blaming stiff competition from the **British Airways, Ltd. (2)** low-cost subsidiary GO, Gill, on November 17, withdraws its thrice-daily return service from Aberdeen to Teesside. Shorts 360 services end on November 19 as the last three of that type in the carrier's fleet are retired.

The ATR42-320 "Air France Express" route between Humberstone and Paris (CDG) is closed on December 15 in order that new flights from Newcastle to Dublin and other points might begin in January.

In February, the carrier's creditors, pleased with its progress, will agree to write off £18 million in debt accumulated before Gill entered administration.

H. GILLAM AIRLINES. *See* **NORTHERN CONSOLIDATED AIRLINES**

GILPIN AIR LINE: United States (1930–1934). Gilpin is established at Los Angeles in the late fall of 1930 to offer scheduled passenger and express flights to San Diego and Agua Caliente, Mexico, over a route previously employed by **Pickwick Airways**. Employing a Lockheed Model 5 Vega, the carrier inaugurates flights on December 8.

The company is later renamed **G & G Air Lines Company** and continues in operation until February 1934 when the U.S. Post Office cancels all mail contracts.

GINGER COOTE AIRWAYS, LTD.: Canada (1938–1942). Ginger Coote establishes an air service named for himself at Vancouver, British Columbia, in 1938. Services are inaugurated linking the company's base with Ware via Fort St. John, Edmonton, and Prince George.

This small-scale operation continues for the next four years, often in close cooperation first with **United Air Transport, Ltd.** and then with **Yukon Southern Airways, Ltd.** On January 30, 1942, Coote becomes 1 of 10 companies merged to form **Canadian Pacific Air Lines, Ltd.**

GISBORNE AIR TRANSPORT, LTD.: New Zealand (1931–1932). GAT is founded at the North Island city of Gisborne in the winter of 1931 to provide service along the coast southward to Hastings. A Desoutter piloted by J. W. H. Lett initiates service in March. A total of 590 flights are made before the company goes out of business in December 1932.

GIYANI AIRWAYS (PTY), LTD. *See* **LETABA AIRWAYS (PTY), LTD.**

GLACIER BAY AIRWAYS: United States (1966–1991). Robert Gildersleeve founds this small Part 135 air taxi operation at Gustavus on Alaska's Glacier Bay in early 1966 to perform an exclusive National Park Service contract that provides connections to offshore cruise ships from Glacier Bay Lodge, the community's main attraction. Revenue flights commence in April with float-equipped Cessna 206s and de Havilland Canada DHC-3 Otters.

Arthur D. Hayes purchases the operation in 1970, reforming it to offer regularly scheduled and charter passenger and cargo flights to the southeastern part of the state. Destinations visited with amphibious Cessna 206s and DHC-3s include Bartlett Cove, Elfin Cove, Excursion Inlet, Haines, Hoonah, Juneau, Pelican, and Skagway.

By 1989, the fleet includes 4 Cessnas and 1 DHC-3 Otter. Part owner Linda Hayes reports that new business to fishing lodges atop the Glacier Bay Lodge contract makes the year's first nine months very successful.

As a result of a fatal 1987 crash by an aircraft from **Ryan Air Service**, inspectors from the Alaska Region of the FAA have begun an intensive safety audit earlier in the year.

On October 13, the FAA issues an emergency license revocation against Glacier Bay, yanking the company's operating certificate and confiscating the Otter in the dispute. It is alleged that the little carrier, which has never had a serious accident, has engaged in false or poor record keeping and employing inappropriate flight crews. A temporary stay of execution regarding the revocation order is overturned by the U.S. 9th Court of Appeals on October 20. The entire adult population of Gustavus (225 residents in winter) signs a petition, carries picket signs in airport protests, and writes to Congress. Alaska Senator Ted Stevens publicly questions the fairness of FAA procedures and meets with the FAA's administrator, James Busey, on December 7.

The company is able to win recertification in 1990 and operations continue for a brief time into 1991.

GLOBAL AIR: Bulgaria (1992–1995). Global is founded at Sofia in early 1992 to operate ad hoc cargo charters to a variety of European destinations. Operations commence in March with a single Boeing 707-330C first flown by **Deutsche Lufthansa, A.G.**

Operations continue in 1993 and a second Stratoliner freighter enters service in 1994. Unable to maintain economic viability, the carrier shuts its doors in 1995.

GLOBAL AVIATION: Seletar Airport, 1075 West Camp Road, Singapore, 797800, Singapore; Phone 65 481 9522; Fax 65 481 9997; Year Founded 1996. GA is established at Seletar Airport in 1996 to provide executive and small group passenger charters worldwide. Flights are conducted with one Canadair 601 Challenger and Learjet 36A. A Learjet 35A Century III is also stationed at Baiyun International Airport at Guangzhou to provide service to those needing charters in and out of the growing Chinese economic center.

GLOBAL EXECUTIVE CHARTER: 15707 Fairchild Drive, Hangar 4, St. Petersburg–Clearwater International Airport, Clearwater, Florida 34622, United States; Phone (813) 536-4567; Fax (813) 536-2729; <http://www.nettally.com/med/air.htm>; Year Founded 1995. GEC is set up at Clearwater, Florida, in 1995 to offer domestic and international passenger air charters. Revenue flights begin and continue with a fleet that includes 1 each Learjet 25D, Learjet 35A, Learjet 36, Learjet 36A, and a Beech King Air 90.

GLOBAL EXCELLENCE ALLIANCE. *See* **DELTA AIR LINES; DEUTSCHE LUFTHANSA, A.G.; SINGAPORE AIRLINES, LTD. (SIA); SWISSAIR, A.G.**

GLOBAL INTERNATIONAL AIRWAYS: United States (1978–1985). A major charter operator, GIA is established by Farhad Azima at Kansas City in late 1978 to undertake jet cargo charter and contract flights in the U.S. and abroad. A fleet of four leased Boeing 707-320Cs, formerly operated by **American Airlines**, **Pan American World Airways (1)**, and **Trans World Airlines (TWA)** is utilized.

Global International makes headlines in 1979 when a company aircraft, reported to be flying relief supplies from Europe to Costa Rica, is found by inspectors in Tunis to be, in fact, loaded with weapons. The flight crew, which is unaware of the contents of their cargo, refuses to take off until the arms are removed.

Passenger charters, inclusive tour, and other services are started on February 15, 1981, to U.S., Middle Eastern, and European destinations.

Flights continue in 1982, as two former **American Airlines** B-727-23s enter service. A total of 282,000 passengers are flown on the year, but the start-up costs of the new passenger services exceed revenues, leaving a net loss of \$57,000.

The workforce in 1983 stands at 150 and the year begins with a fleet comprising 2 B-727-100s and 19 B-707-320Cs. The charter operator now flies to 140 destinations from over 120 departure points.

On approach to Baltimore on April 2, a B-707-323C with 191 passengers encounters severe air turbulence in the vicinity of thunderstorms. One flight attendant is thrown upward striking the ceiling and sustaining a severe lower back injury.

On May 25, the carrier joins fellow charter operator **American Trans Air** in suing to prevent the Port Authority of New York and New Jersey from enforcing new noise regulations that will ground the airlines' flights from the New York area airports.

Repainted in the airline's red and white livery with GIA on its tail, a B-747-133 is leased from **Air Canada, Ltd.** in June and is assigned to the carrier's transatlantic summer charter routes. Recession and expansion will, however, now cut deeply into the airline's success.

In September, Azima forms the holding company Capitol Holding Company and purchases controlling interest in **Capitol Air**. GIA's losses reach \$5.87 million and on October 20 officials file for Chapter XI bankruptcy and return the Canadian Jumbojet. Flights continue on a reduced basis; however, on December 24 the FAA intensifies its campaign to prevent airline accidents and orders an emergency suspension of company flights, citing substantial safety questions and maintenance violations.

For the year, the carrier has flown 598,004 passengers, a 115.4% boost, and operated 40.5 million FTKs, up 16.6%.

The carrier attempts to reemerge from bankruptcy on February 6, 1984. CEO Azima, who in the meantime has set up an aircraft leasing firm, acquires a pair of 20-year-old Douglas DC-8-61s, which are chartered to **Nationair Canada, Ltd. (NCL)**.

A B-727-23 and a hush-kitted B-707-321C are prepared for the resumption of charter services by Global International on a new summer schedule. Although a number of flights are completed, the company cannot effectively reorganize. In addition, Azima's company again becomes the subject of potential scandal when the *Kansas City Star* in June runs a series of articles pointing out that the company's aircraft have often engaged in gun-running on services reported to be delivering food or medical supplies.

When the original shareholders in NCL withdraw early in 1985, the Montreal-based carrier's president/CEO Obadia is forced to obtain \$1 million in financing to keep his charter operation alive. Reports in the April 1, 1993 issue of *Frank Magazine* claim that the necessary funds come from Farhad Azima.

On November 30, 1985, GIA's assets are finally and officially liquidated. Still, in November 1986, *The New York Times* will report that in July an ex-Global Stratofreighter transported 23 tons of military equipment to Tehran, thereby securing the release of an American hostage held in Lebanon.

GLOBAL STAR AIRLINES, LTD.: P.O. Box 67216, Nairobi, Kenya; Phone 254 (2) 607 752; Fax 254 (2) 822 050; Year Founded 1996. GSA is set up at Nairobi in late 1996 by George Mumbo Joel and Capt. R. F. Thuo to offer regional all-cargo services. Revenue flights begin in early 1997 with a fleet comprising 1 Boeing 727-100F and 2 Douglas DC-3s.

Flights are sporadic in the period thereafter; although the airline is understood to continue operations, exact information is not available.

GLOBE FREIGHT AIRLINE: United States (1945-1948). Globe is established as an all-cargo line at Hartford in late 1945, joining U.S. Airlines as the first to seek official certification from the CAB. Operations are undertaken between Boston and New Orleans using a fleet of war surplus cargo planes, primarily Curtiss C-46 Commandos.

Flights continue for three years through the rate war with the scheduled carriers and recession, but finances cause Globe to cease services in 1948.

GMG AIRLINES, LTD.: ABC House (9th Floor), 8 Kemal Atatürk Ave., Banai, Bangladesh; Phone 88 (2) 882 5848-9; Fax 88 (2) 882 6115; <http://www.gmggroup.com>; Code Z5; Year Founded 1997. GMG is set up at Banai in July 1997 as the airline division of the GMG Group, an industrial conglomerate involved in textile manufacture, distribution of razor blades, the re-rolling of steel. Abdus Sattar is named chairman/managing director.

Corporate leadership, which invests \$24 million in the private carrier, believes that significant improvement is required in the nation's domestic airline services and to that end, promises to launch regional and local flights by the end of the year. It is anticipated that the initial fleet will comprise second-hand SAAB 340Bs and Aero International (Regional) ATR72-200s.

Scheduled service is launched in April 1998 employing a fleet of three leased de Havilland Canada DHC-8s. Emphasis is on the provision of first-class service, primarily for business travelers. Customers are encouraged to join the airline's Golden Deer Club, the deer being the company mascot.

A marketing and interline agreement is signed with **British Airways, Ltd. (2)** in May, which provides for harmonized services in the areas of reservations and connections. Seats in the de Havillands are trimmed in plush leather and offer a generous 31-inch pitch. Destinations visited by July include Jessore, Sylhet, Rajshahi, Saidpur, and Chittagong.

Response to the new carrier is spectacular. Enplanements reach 120,000 or 25% of Bangladesh's domestic passengers.

Reflecting on the success of his carrier, Chairman/Managing Director Sattar tells Reuters, Ltd. correspondent Mustak Hossain on April 13, 1999 that he expects to expand again within six months. If the government grants a license, GMG will be ready to fly to India, Nepal, Bhutan, and Myanmar.

Cox's Bazaar is added to the route network later in the year.

A total of 280 workers are employed at the beginning of 2000 and the fleet includes 2 DHC-8-100s. Requested earlier in the year, the company's first DHC-8-300 is delivered on December 22.

GOA WAY, LTD.: Aban House, 23 Rope Walke Lane, Off K Dubash Mang., Bombay, 400000, India; Phone 91 (22) 233 970; Fax 92 (22) 287 4717; Year Founded 1996. This holiday airline is established at Bombay in 1996 to provide domestic passenger charters. Revenue flights begin with 2 British Aerospace BAe (HS) 748-B2s.

GOL TRANSPORTES AEREOS, S.A. See **RIO-SUL (EMPRESA RIO-SUL SERVICOS AEREOS REGIONALS, S.A.)**

GOLD COAST AIR: United States (1981-1982). GCA is set up at Hawthorne, California, in late 1981 to provide scheduled passenger services to Bullhead City, Arizona. Cessna lightplanes are employed, but services cannot be maintained beyond 1982.

GOLD COAST AIR TAXI. See **GOLD COAST AIRLINES**

GOLD COAST AIRLINES: United States (1966-1968). GCA is founded at West Palm Beach in the summer of 1966 as **Gold Coast Air Taxi** and will operate throughout most of its scheduled service life under that moniker. Employing a Beech 18 and Piper PA-32 Cherokee Six, the company begins flying daily roundtrips on October 20, linking its base with Fort Lauderdale, Miami, and Boca Raton.

Operations continue apace until 1968 when the company changes its name, a move that has no impact on its failure that year.

GOLDEN AIR, A.B. See **GOLDEN AIR FLYG, A.B.**

GOLDEN AIR FLYG, A.B.: Box 900, Lidköping, S-53119, Sweden; Phone 46 (510) 84 850; Fax 46 (510) 84 855; <http://www.goldenair.se>; Code DC; Year Founded 1976. Organized by Eric Thun at Karlstad on June 28, 1976, Managing Director Goran Jansson's small

air taxi **Golden Air Flyg** is outfitted with a fleet comprising 1 Cessna 404, and 2 Cessna 402s. These are employed to inaugurate scheduled service from Karlskoga to Bromma Airport in Stockholm.

During the early **1980s**, a four-nights-per-week return mail service is started Karlstad–Borlänge–Arlanda. Oslo joins the route network and international service is inaugurated to the Norwegian capital with a new Fairchild-Swearingen Metro II in **1982–1983**.

Flights begin to Karlstad in **1984**. A Fairchild Merlin IVC is acquired in **1985–1986**.

On July 1, **1988**, the company is sold to the competing Swedish carrier **Avia Airlines, A.B.** and is allowed to remain dormant for the remainder of the year.

In early **1989**, it is decided by the shipping concern Gotlandsbolaget, A.B., parent of **Avia Airlines, A.B.**, to sell the new air transport subsidiary to the city of Linköping, which wishes it restarted. Ake Sveden is appointed managing director and he assembles a fleet comprising one SAAB 340B and three leased Fairchild-Swearingen Metro IIs.

Scheduled flights are resumed in May from the new base to Karlstad, Skovde, Stockholm, Arlanda, and Copenhagen.

A fourth Metroliner is acquired in **1990** as Lennart Johansson becomes the latest managing director.

In **1991–1992**, the fleet is increased by the addition of a SAAB 340A and three leased SF340Bs, the latter delivered in the fall of the second year.

Airline employment in **1993** stands at 40. The terrible Swedish recession forces the carrier to cease flying all but one route in May and to file for bankruptcy. Operations are suspended in June. Resources are found that allow resumption of service on August 13, the day the carrier is restructured and receives its present name. The workforce is cut in half and the fleet is reduced to one SAAB 340B; flights continue from Stockholm's Bromma Airport to Trollhättan.

Anders Kallsson becomes managing director in early **1994** and plans are made to acquire six more SAABs, one of which will be delivered by year's end.

Flights continue with the six aircraft in **1995–1998**; however, the workforce now totals only 15. Principal destinations include Bergen, Lidköping, Skien, Stockholm (Bromma Airport), and Trollhättan.

Beginning on April 16, **1999**, Golden operates replacement services for **Finnair O/Y** over a route from Kokkola to Helsinki via Seinäjoki.

During the winter season, Golden Air operates three SAAB 340s on behalf of **Finnair O/Y**, serving Helsinki from Pori and Seinäjoki.

At the beginning of April **2000**, the carrier, on behalf of **Finnair O/Y**, launches services to Savonlinna and Varkaus, complementing the already visited destinations of Pori and Seinäjoki.

Two SAAB 340s are chartered from SAAB Aircraft Leasing on October 27, with two more expected before the end of the year.

A total of six weekly roundtrips are offered, as of October 29, on the axis from Helsinki to Mikkeli to Savonlinna. All are flown with weekend reductions.

GOLDEN AIRWAYS: United States (1981–1983). Also known as **Golden West Air Service**, Golden Airways inaugurates scheduled passenger commuter flights in early **1981**. Cessna lightplanes and a Beech 99 link the company's base at Sierra Vista, Arizona, with Tucson and Ft. Huachuca.

Services are maintained into **1983**.

GOLDEN CARRIAGE AIRE: United States (1979–1982). William T. Brooks 3rd forms GCA at Paso Robles, California, in **1979** to offer scheduled passenger and cargo commuter flights between its base and San Francisco. The service replaces one previously provided by **Swifte Aire**. Employing a Piper PA-31-310 Navajo, revenue frequencies commence in June, linking the company's base with King City.

In **1980–1981**, San Luis Obispo, Los Angeles, and Sacramento join the route network and the fleet now comprises 3 Piper PA-31-350 Navajo Chieftains and 1 Navajo.

Cash flow problems caused by recession and the effects of the PATCO air traffic controllers' strike during the summer of the latter year conspire to put the company out of business in November **1982**.

GOLDEN EAGLE AIR TOURS: United States (1984–1995). A division of Golden Eagle Enterprises, GEAT is founded by James E. Brannan at Fresno, California, in **1984** to offer regularly scheduled 75-minute sight-seeing flights over Yosemite National Park. A de Havilland Canada DHC-6-200 Twin Otter is employed to inaugurate revenue services.

A decade later in **1994**, Brannan continues operations, having added charter services as well. The new services are not well received and the company shuts down in **1995**.

GOLDEN EAGLE AIRLINES: United States (1979). Named for the California bird, GEA is set up at Santa Rosa on January 1, **1979**. Cessna 402 services are inaugurated linking the new commuter's base with Redding, Chico, Sacramento, and San Francisco.

After only a quarter, the company is taken over by **Western Commuter Airlines** on April 1.

GOLDEN GATE AIRLINES: United States (1980–1981). Successor to Idaho-based **Gem Star Airlines** and **Air Pac** of Oakland, California, the large regional GGA is organized by Justin Colin at Monterey on January 1, **1980** to provide commuter services to some 13 cities in California, Nevada, and Idaho. The initial fleet comprises 6 de Havilland Canada DHC-7-102s, 11 Swearingen Metro IIs, and 4 Convair CV-580s and orders are outstanding for 8 additional Dash 7s and 12 DHC-8s.

An affiliation is also arranged with **Air Oregon** of Portland and **Apollo Airlines** of Goleta, California, and on March 1 **Air Pacific** is purchased and merged. Initial points visited are San Francisco, Modesto, Fresno, San Jose, and Los Angeles. Nearly 396,000 passengers are carried during the start-up year.

In **1981**, a new corporate identity program is initiated, complete with new logo and livery, as new advertising campaigns are started. Retirement of the Convairs begins in April as four additional Dash 7s arrive.

As is the case with **Aeromech Airlines** of West Virginia, the PATCO air traffic controllers' strike and subsequent ATC restrictions are severely damaging; indeed, in this case, it is quickly fatal. Up to the time of the controversial job action, the one-year-old Monterey-based carrier has boarded 442,363 travelers on the year. With the sudden traffic drop caused by the ATC effects of the strike, the company's cash flow situation becomes so critical that it is simply forced to shut its doors on August 21.

GOLDEN GATE AIRWAYS: United States (1960–1961). GGA is set up at San Francisco in the fall of **1960** offer scheduled passenger and cargo services to Lake Tahoe. Beech 18 flights commence in November and continue until the company is grounded in November **1961** by the FAA for maintenance and FAR difficulties.

GOLDEN HORN AVIATION, A.O: Turkey (1990–1995). GHA is established at Istanbul in **1990** to offer charter and contract service cargo flights to regional destinations; M. Truhan Senay is CEO. Revenue operations commence with two leased Boeing 707-324Cs first flown by **Continental Airlines**, but are cut short as a result of Iraq's August invasion of Kuwait and subsequent UN actions.

Operations are suspended for the next three years; however, flights are briefly resumed for the summer schedule in **1994** with a single chartered B-707-324C.

Flights are halted in September, this time for good. The carrier is liquidated in early **1995**.

GOLDEN PACIFIC AIRLINES (1): United States (1969–1973). GPA-1 is set up at San Francisco in early **1969** to provide scheduled passenger and cargo flights. Revenue flights commence on March 3 with a

fleet that grows to include Beech 99s, Convair CV-440s, and Piper PA-31-310 Navajos. Destinations visited include Merced, Modesto, Visalia, Santa Rosa, Sacramento, and Fresno.

Operations continue apace into the new decade and by 1971, GPA-1 is the eighth largest commuter airline in the U.S. Unable to survive the first great oil crisis, the company goes under in 1973.

GOLDEN PACIFIC AIRLINES (2): United States (1981–1988). Maurice Liebman organizes GPA-2 at Kingman, Arizona, in the fall of 1981 to offer Essential Air Services (EAS) scheduled passenger and cargo commuter services linking its base with Phoenix and Prescott. Operations commence in December.

Airline employment in 1982 stands at 27 and the fleet includes 3 Cessna 402s and 2 each Cessna 206s, C-182s, and C-172s. Enplanements total of 5,200 passengers and 70,000 pounds of freight on the year. Revenues total \$820,000 and expenses are \$798,557. Although the operating profit is \$21,453, a net loss of \$55,737 is suffered.

The workforce is increased 29.6% in 1983 to 35. Las Vegas joins the route network and service is initiated to Ft. Huachuca via Sedona. Passenger traffic triples, up 153% to 13,190 passengers flown. Cargo sky-rockets 81.3% to 127,000 pounds. Revenues advance to \$1.6 million and provide profits: \$236,346 (operating) and \$127,922 (net).

The fleet in 1984 includes 4 Cessna 402Bs, 2 Cessna 206s and 1 Cessna 182. Customer bookings increase 60.7% to 22,044 and freight jumps a huge 123.3% to 282,501 pounds.

Passenger boardings climb 13.8% in 1985 to 25,083, but cargo is down by 36.3% to 180,000 pounds.

Operations continue apace in 1986, but the 58-employee small regional suffers a 1.4% dip in enplanements to 24,732.

In 1987, President Liebman adds another C-402. His partnership now sells the carrier to Jerry Holm, who becomes president. Passenger boardings jump 9.3% to 27,031.

A code-sharing arrangement is made with **Havasu Airlines** in 1988. Maintenance difficulties force the carrier to cease operations in December and no traffic or financial figures are provided to the government for the year.

GPA-2, which returns two of its Cessnas to their lessor, reapplies to the DOT in early 1989 for permission to resume EAS operations. Citing lack of communications from the carrier (including provision of 1988 statistics), DOT dismisses the request.

GOLDEN SOUTH AIRLINE: United States (1979–1980). GSA is established at Fort Pierce, Florida, in 1979 to provide scheduled daily roundtrip air taxi flights. Employing a Piper PA-31-310 Navajo, Golden South duly inaugurates revenue frequencies linking the company's base with Orlando and West Palm Beach. Low traffic and high fuel costs force the company out of business in 1980.

GOLDEN STATE AIRLINES (1): United States (1968–1969). GSA-1 is set up at Burbank, California, during the first quarter of 1968 to provide scheduled passenger and cargo services on local routes out of the city. Employing a Beech 18 and a refurbished Lockheed Model 12A, GSA-1 inaugurates its flights on April 8, maintaining them for only a year.

GOLDEN STATE AIRLINES (2): United States (1986). GSA-2 is established at Newport Beach, California, just after New Year's 1986 to offer scheduled commuter flights from Los Angeles (LAX) to Orange County Airport. A single Piper PA-31-350 Navajo Chieftain launches revenue flights on January 15. The little new entrant is purchased by **StatesWest Airlines** of Phoenix in November.

GOLDEN VALLEY AERO: United States (1982). GVA is set up at Bakersfield, California, in the spring of 1982. Employing Cessna 402s and 404s, the company inaugurates scheduled commuter flights to Fresno and San Jose, but cannot maintain them until year's end.

GOLDEN WEST AIR SERVICE. See **GOLDEN AIRWAYS**

GOLDEN WEST AIRLINES (1): United States (1968–1969). GWA-1 is set up at Van Nuys, California, in 1968 to provide scheduled passenger and cargo flights from Los Angeles to Palm Springs, Oxnard, Orange County, and Santa Barbara with a fleet of de Havilland Canada DHC-6-100 Twin Otters.

Revenue flights continue until March 11, 1969, when the company is sold to **Aero Commuter Airlines**, which integrates it by May. The following December, Aero Commuter, under the leadership of CEO John M. Harmon, joins with three other carriers to create **Golden West Airlines (2)**.

GOLDEN WEST AIRLINES (2): United States (1969–1983). GWA-2 is formed at Newport Beach, California, in December 1969 by the merger of four small California commuter operations, themselves all organized in 1967–1968: **Cable Commuter**, **Skymark**, **Golden West Airlines (1)**, and **Aero Commuter Airlines**, the latter originally set up as **Avalon Air Transport** in 1953. The strongest merger partner is new CEO John M. Harmon's **Golden West Airlines (1)** and its name survives as that chosen for the amalgamation.

Operations to such California cities as Lake Tahoe, Oxnard, San Diego, Santa Ana, and others as well as Catalina Island begin with a fleet of de Havilland Canada DHC-6-100 Twin Otters.

For most of the next decade, passenger boardings rise. In 1971, the carrier purchases the assets of **Los Angeles Airways**, the pioneer helicopter carrier that has been operated as an airport shuttle by **United Airlines** and **American Airlines** since 1965. The rotary-wing service is continued with the Sikorsky S-61Ns painted in the Golden West livery of white with gold cheatlines.

In 1973, GWA-2 flies 61,162 regular and 3,357 extra sections while operating 152 Los Angeles flight segments daily. A total of 396,160 passengers are carried on the year, a figure which, however, declines to 364,110 in 1974.

The workforce in 1975 is 205. On January 9, Flight 261, a DHC-6-100 with 2 crew and 10 passengers, collides with a Cessna Aviation Cessna 150 with 2 persons aboard, over Whittier, California; there are no survivors from the crash of either aircraft.

Still the largest continental U.S. commuter airline, GWA-2 inaugurates new services to Palmdale and Trona. The carrier buys into **American Airlines'** SABRE II computerized reservation system and begins to expand joint fares with certified airlines. A Speed Air express package service is started and new three-year contracts are signed with customer service and mechanics personnel.

The 10 de Havilland DHC-6 Twin Otters transport a total of 317,871 passengers, a decline of 14.5% from the previous year. Cargo grows a modest 2.4% as 15,000 FTKs are operated.

The employee population is increased by 12 in 1976 and 2 Shorts 330s are ordered. The company adopts a new look as ground and flight personnel receive new uniforms and the 11 Twin Otters in the fleet are given new external livery and internal refurbishment. Systemwide, terminal facilities are also refurbished. An application is filed by the intrastate with the Golden State's Public Utilities Commission for permission to service Palomar and San Diego.

Customer bookings leap upward by 23.5% to 398,170 while freight traffic grows nearly as much, up 20.2% to 472,439 pounds.

The two Shorts 330s enter service early in 1977 and with them, the carrier's first cabin attendants. Flights begin to San Diego and Palomar. Passenger enplanements total 510,449.

The number of employees is increased by 19.9% in 1978 to 320. A third Shorts 330 joins the fleet and late in the year, service is started to Edwards AFB. Customer bookings increase by 22.7% to 626,248, while freight advances by 31.4% to 503,840 pounds.

President James M. Harmon resigns in January 1979 and is succeeded by Henry R. Voss. The first of three Shorts 330s to be delivered during the year arrives in April. The workforce is now 355. Bookings advance

another 12.1% to 702,258. Freight traffic, however, drops by 12.3% to 442,000 pounds.

At the end of the decade, the fleet comprises 10 de Havilland DHC-6 Twin Otters and 5 Shorts 330s.

The Newport Beach-based company moves into the ranks of the nation's "large regionals" when the CAB creates that classification category in 1980. The workforce this year is 420. GWA-2 orders five DHC-7s, with the first arriving in December. Meanwhile, the company moves into the **Trans World Airlines (TWA)** hangar at Los Angeles (LAX) and construction is started on a \$500,000 microwave landing system at Lake Tahoe.

The effects of deregulation in the always-competitive California market are now initially felt as the carrier suffers a 3.7% passenger traffic decline to 676,019 passengers flown and an operating loss of \$970,000.

The picture worsens in 1981, the year of the PATCO air traffic controllers' strike and subsequent ATC restrictions. At Los Angeles, passenger facilities are established in the new **Trans World Airlines (TWA)** terminal and a new maintenance hangar is occupied.

The company is now the largest commuter airline in the U.S. and its fleet comprises 5 DHC-7-102s, 4 Shorts 330s, and 11 DHC-6s. The first of four additional Dash 7s to be delivered on the year enters service in February, flying the lucrative Lake Tahoe route.

Enplanements drop another 3.7%, to 651,143 and cargo drops by 8.3% to 32,000 FTKs. Although revenues advance 38% to \$28.19 million, costs jump 40.6% to \$20.3 million, resulting in an operating loss of \$7.65 million. Airline employment is still allowed to grow, however, up to 469.

Employees on March 15, 1982 agree to a one-week pay deferral and accept the company's request for an immediate 10% wage cut. GWA-2 transports 689,290 passengers on the year, a 5.9% boost. However its financial base has all but evaporated by December.

During the first two months of 1983, the California-based large regional transports 1.07 million pounds of freight, up 107.6%, but enplanements drop to 100,543. Unable to proceed, the company files for bankruptcy in March. It will be liquidated by August.

GOLDENSUN AVIATION, LTD.: India (1977–1978). The cargo operator Goldensun is set up at Bombay in late fall 1977 to operate local passenger and cargo services. Beech 18 revenue flights commence on December 20, but cease the following year.

GOLDFIELDS AIR SERVICES (PTY), LTD.: Australia (1986–1996). GAS is formed at Kalgoorlie, Western Australia, in 1986. Founder David Horsley becomes managing director, with his wife Jan as chief financial officer. With a fleet initially comprising a Cessna 310 and a Cessna 402, services are inaugurated to Laverton.

The fleet is upgraded in 1989 by the addition of another Cessna 310, another Cessna 402, and two Cessna 210s. Leonora and Leinster become destinations in 1990 and a third Cessna 210 is obtained in 1992.

In 1993–1996, the small regional employs 15, but the concern closes down during the latter year.

GOLDWING AIRLINES, S.p.A.: Italy (2000–2001). Goldwing is established at Palermo in July 2000 to offer scheduled domestic passenger flights between Sicily and the Italian mainland. Plans are made to initiate services at the end of October, employing a British Aerospace BAe 146-100 leased from **Air Botswana Corporation**.

In order to avoid direct competition with the new **British Airways, Ltd.** (2) franchise partner **National Jet Italia, S.p.A.**, the company later moves its operating base to Taranto, in southern Italy. The move is completed during the fall, after it is learned that the African BAe will not be available on time to begin services as scheduled.

Employing a BAe 146-200 wet-leased from **Flightline, Ltd.**, the carrier finally inaugurates twice-daily roundtrip service between Taranto and Rome and daily roundtrips from Taranto to Milan on December 20.

Within days, Goldwing returns the British aircraft with which it is unhappy and begins using a SAAB 2000 wet-leased from **Med Airlines, S.p.A.** Orders are placed for two more BAe 146s for delivery in the spring.

Goldwing will cease operations at the end of February 2001.

GOLFE AIR QUEBEC, LTD.: Canada (1955–1982). Known at its founding in 1955 as **Baie Comeau Air Services, Ltd.**, this small third-level operator initially provides charter services from its base at Hauterive to various destinations in the province of Quebec.

During the next 20 years, scheduled passenger services are inaugurated linking its gateway with Rimouski, Mont Joli, and Forestville.

In 1975, President G. Hamel oversees a workforce of 25 and operates a fleet made up of 3 Douglas DC-3s, 1 Beech 18, 2 Britten-Norman BN-2 Islanders, and 1 de Havilland Canada DHC-6 Twin Otter. Matane becomes a destination in 1980.

Unable to weather the airline recession of the early 1980s, the carrier ceases operations in 1982.

GOMAIR, S.A.: Goma, Zaire/Democratic Republic of the Congo; Year Founded 1996. Privately owned Gomair is established at Goma, in the eastern part of Zaire, in 1996 to operate passenger and cargo charters throughout the nation and across the borders to Kigali and Entebbe, also serving Kampala. Revenue flights are initiated employing a single Boeing 727-41C.

Service is maintained throughout the civil war which, in early 1997, results in the formation of the Democratic Republic of the Congo.

The trijet provides flights, often on a charter basis, throughout the remainder of the year and into 1998. The Congo civil war reignites on August 2 as rebel forces, operating from Goma under the leadership of Gen. Jean-Pierre Ondekane, attempt to overthrow the new government of president Laurent Kabila, victor in the first civil war a year earlier. Gomair becomes the phantom flag carrier of the insurgents, transporting its leadership around the eastern portion of the country, as well as to Uganda and Rwanda.

While on its takeoff role from Goma on November 23 on a flight taking Gen. Ondekane and 125 civilians NE to Kisangani, the B-727-41C hits a hole in the runway and bursts a rear tire. The landing gear collapses as the aircraft skids off the runway into a grassy field. With smoke billowing from an engine, passengers flee the aircraft, with many, including Ondekane, sliding down a rope.

Out of danger, Ondekane confirms to his followers and to the rebel's Radio Goma that he is not hurt and that the accident was not caused by any assassination attempt. The number of injuries to the other passengers and crew or the subsequent fate of either the aircraft or the airline is not presently known.

GOMEL AIR DETACHMENT. See **GOMELAVIA**

GOMELAVIA: Gomel Airport, 246011, Belarus; Phone 375 (232) 531415; Fax 375 (232) 536414; Code YD; Year Founded 1993. Gomel Air Detachment, a former **Aeroflot Soviet Airlines** unit based at Gomel's airport in what was Belorussia, is reconstituted in 1993 as an autonomous division of **Belavia (Belorussian Airlines)**. Valeriy N. Kulakovsky is general manager. His workforce totals 1,299 and a scheduled service to Moscow is maintained, along with regional charters and rotary-wing aerial work.

Flights continue in 1995–2000, during which years the company becomes fully independent and is renamed. Kulakovsky remains CEO and his fleet includes 2 Antonov An-24Bs, 3 An-24RVs, 3 Tupolev Tu-134As, 1 Tu-154M, and 8 Mil Mi-8 helicopters. In the fall of the latter year, an An-24RV is leased to the new Mali concern **Lignes Aeriennes Felou, S.A.**, for use on its Kayes–Bamako route.

GONINI AIR SERVICE, N.V.: P.O. Box 1614, Paramaribo, Suriname; Phone 597 499 098; Fax 597 498 363; Code 5Z; Year Founded

1993. The 20-year-old carrier **Gum Air, B.V.** is renamed in **1993**. Domestic passenger and cargo services, both charter and scheduled, are maintained by Managing Director Gerard Brunings's concern with 1 Cessna 206, the transferred GAF Nomad N-22B, and 2 Beech 1300s.

Flights are continued, without headline or incident, into the new millennium. While en route on a February 10, 2001, charter from Paramaribo to Jakobkondre, the Nomad, with one pilot and nine passengers, will crash into a mountain 2 mi. from its destinations. There will be no survivors.

GOPHER AIRLINES: United States (1968). One of the shortest-lived American commuter airlines, Gopher Airlines is set up in the spring of **1968** as the airline division of Gopher Aviation, the FBO located at the airport at Rochester, Minnesota. Employing a Beech 18 and a Beech 19, the small regional inaugurates scheduled daily passenger and cargo flights in June, linking its base with Roseau, Baudette, and Meigs Field in downtown Chicago. After only 73 trips, the unprofitable service is ended in August.

GORDA AERO SERVICE, INC.: Beef Island Airport, East End Tortola, British Virgin Islands; Phone (284) 495-1571; Fax (284) 495-2838; Code DV; Year Founded 1979. Gorda is established at Beef Island Airport in **1979** to provide scheduled commuter passenger services throughout the islands of the Caribbean.

Flights continue for the next 20 years with a fleet which, by **2000**, includes 1 each Cessna 402 and C-208 Caravan I.

GORDON AIR MANAGEMENT CORPORATION: 6060 West Airport Drive, North Canton, Ohio 44720, United States; Phone (330) 497-3344; Fax (330) 497-3644; Year Founded 1984. John Gordon establishes this independent concern at Akron-Canton Regional Airport in **1984** to provide aircraft management for local corporations.

Over the next 13 years, his concern comes to employ 11 pilots and to offer executive and small group passenger charters over an area from Canada to the Caribbean. The fleet in **2000** includes one IAI Westwind 1, 1 Beech King Air 100, and 2 King Air 90s.

GORDON AIRWAYS, LTD. See AIR WINDSOR, LTD.

GORIZONT AIRLINE CLOSE STOCK COMPANY: Military Base, V-CH 26265, Krasnodar, 350016, Russia; Phone 7 (8612) 545 444; Year Founded 1996. GACSC is set up at Krasnodar in **1996** to operate ad hoc all-cargo services to domestic locations. V. V. Federchenko is general director and he is able to inaugurate, and continue, revenue flights with an unspecified number of Antonov An-26s leased from the Russian military.

GORKHA AIRLINES, LTD.: New Baneshwar, P.O. Box 9451, Kathamandu, Nepal; Phone 977 (1) 475855; Fax 977 (1) 471136; <http://www.shorkhaairlines.com.np>; Year Founded 1996. Under the direction of Chairman Prajwaal Shrestha, Gorkha is established at Kathamandu in **1996** to offer rotary-wing charters on behalf of the tourist industry. Revenue flights commence with a pair of Russian-made Mil Mi-17 helicopters.

During the first quarter of **1998**, Gorkha is granted authority to offer scheduled fixed-wing domestic flights to domestic locations. Two Fairchild Dornier 228-202s are acquired and enter service on June 15.

Flights continue in **1999–2000**. Airline employment reaches 179 and scheduled service is provided to Bhadrapur, Bharatpur, Jomsom, Lukia, Phaplu, Pokhara, Thimpu, and Tumlingtar. Daily rotary-wing flights to Himalayan sight-seeing locations continue.

GORST AIR TRANSPORT: United States (1929–1935). In July **1928**, Edward "Eddie" Hubbard sells his **Seattle-Victoria Air Mail Line** to Vern C. Gorst, founder of **Pacific Air Transport**.

After a year's continued service as **Northwest Air Service**, the carrier is reformed in early June **1929** as GAT. Employing a pair of Loen-

ing C-2C Air Yachts and an Eastman E-2 Sea Rover, 11-times-per-day Seattle–Bremerton multistop passenger and air express service is inaugurated on June 15. On October 31, a C-2 crashes at Manette, Washington (two dead).

A total of 15,000 passengers are carried in **1930** alone. The "Air Mail Scandal" and subsequent passage of a new air mail law in **1934** causes no interruption in service.

GAT remains a popular form of Puget Sound transport until September **1935** when it ceases operation.

GOSNII GA: Sheremetyevo Airport, Moscow, 103340, Russia; Phone (095) 578-4801; Fax (095) 578-8688; Code ISP; Year Founded 1996. This operator is, in fact, a research institute for civil aviation that is forced to undertake flight services in order to raise sufficient income to continue its academic work. Vitali Guritchev is general director and he begins revenue passenger and cargo flights with a mixed fleet that includes 2 Antonov An-12s, 1 An-30, 3 Ilyushin Il-18s, 1 Il-62M, and 1 each Tupolev Tu-134 and Tu-154B.

GOTIA SHUTTLE EXPRESS, A.B. Sweden (1993). GSE is founded at Goteborg's Saeve Airport in the spring of **1993** to offer scheduled passenger flights to Bromma Airport at Stockholm. President Goran Linden, who owns 40% shareholding, begins revenue services in May with a SAAB 340A formerly operated by **Tempelhof Airways USA**. Orders are placed for three SAAB 340Bs once flown by **Golden Air, A.B.**

New services are inaugurated in August between Stockholm's Arlanda Airport and Trolhattan. Unable to achieve viability, the new regional is forced to close down in November and return its aircraft.

GOVERNMENT AIR SERVICES: Russia (1992–1994). Section 235 of **Aeroflot Soviet Airlines**, later **Aeroflot Russian International Airlines (ARIA)**, has long had the responsibility for the provision of VIP executive flights for senior government officials. Passengers are flown to both domestic and international destinations in significant numbers (298,000 in 1990).

Following the airline's reformation in **1992–1993**, the GAS is given authority to earn income by undertaking commercial charter operations through a new subsidiary, **Korsar Airline**. Meanwhile, GAS also leases aircraft to other new Russian start-up operators. A. A. Larin is now CEO and his 80-unit mixed fleet includes Ilyushin Il-62s, Il-18s, Tupolev Tu-154s, Yakovlev Yak-40s, and Mil Mi-8 helicopters.

Operations continue and are reported in the entry for **Korsar Airline**.

GP EXPRESS AIRLINES: United States (1977–1996). Based at Grand Isle, Nebraska, founder George Poulos's third-level **GP Air** begins life as a passenger and cargo charter service in **1977**.

Late in **1985**, certification is received for the start-up of scheduled service and the subsidiary GP Express is formed. Employing three Cessna 402Cs, the newly certified GPE inaugurates scheduled Essential Air Services (EAS) services over the former **Pioneer Airlines** panhandle route from Chadron, Alliance, and Sidney to Denver on January 26, **1986**. A total of 12,059 passengers are carried during the remainder of the year.

Airline employment is increased by 28.2% in **1987** to 100 and the fleet grows to include 2 Beech 99s and 7 Cessna 402Cs. Replacing **Rocky Mountain Airways**, doing business as "Continental Express," nonstop services are inaugurated over a "river run" between Grand Island and Scottsbluff, North Platte, Lincoln, and Omaha.

GP Air, meanwhile, continues its charter activities, often flying athletic teams for the University of Nebraska or dedicated flights on behalf of the Nebraska Department of Aeronautics. Customer bookings more than double, climbing to 26,574.

The workforce grows another 30.7% in **1988** to 98 and another Beech 99 arrives, replacing one Cessna. As on-time performance improves, passenger boardings accelerate by 25.6% to 33,381. The long-term subsidy from the federal government is increased to \$2.3 million.

In 1989, the airline is caught up in a brief fare war with "Braniff Express" partner **Midcontinent Airlines** that lasts until Braniff's September collapse. The fleet of 2 Beech 99s and 6 Cessna 402s is unable to successfully compete and the carrier survives largely by the good fortune of Midcontinent's December failure.

Customer bookings decline 8.6% to 30,525 and, as a result, the workforce is reduced by 8.2% to 90.

The payroll is increased by 100% in 1990 to 180. In January, GPE is selected as one of the small regionals to participate in the South Dakota Intrastate Airline project. Despite opposition to what is, in fact, a state-owned airline from South Dakota's FBOs, the small regional inaugurates service with four added Cessna 402Cs under contract on July 1 over a route from Pierre to Sioux Falls via Aberdeen and Watertown. When traffic proves disappointing, Pierre officials cancel the project on September 30. As the end of the experiment approaches, GPE begins to enter other markets in the Upper Mississippi Valley, especially small point-to-point destinations in Minnesota, and begins to plan a Minneapolis hub.

Late in the year, a letter of intent is signed with the expanding Texas regional **Conquest Airlines** for its acquisition of GP Express. Passenger boardings increase 45% to 44,245.

The fleet in 1991 comprises 8 Beech 99s and orders are placed for a large new fleet of Beech 1900Cs. Customer bookings rise by 36% to 60,145.

Company employment declines 5.9% in 1992 to 160 and the fleet now includes 6 Beech 99s, 3 Beech 1900s, and 6 Cessna 402s. In the spring, two EAS routes in Alabama are won away from competing **Skybus Express**. Flight 861, a Beech 99 with 10 aboard, crashes at Fort McClellan, Alabama, on June 8 (3 dead).

Passenger boardings for the year still ascend 22.3% to 73,560.

Destinations served in 1993 include the Nebraska communities of Alliance, Chaldron, Sidney, Hastings, Kearney, McCook, Scottsbluff, North Platte, Grand Island, Lincoln and Omaha; the South Dakota cities of Mitchell, Huron, and Brookings; Fairmont, Mankato, and Worthington in Minnesota; the Alabama towns of Anniston, Gadsen, Tuscaloosa, and Muscle Shoals; Laurel and Hattiesburg in Mississippi; Hilton Head, South Carolina; and Des Moines, Iowa. The hub cities of Chairman George Poulos and President Doug Caldwell's airline are Atlanta, Denver, Kansas City, and Minneapolis.

While on a proficiency check flight from Grand Island, Nebraska, on April 28, a Beech 99, with two crewmen aboard, attempts a prohibited barrel roll aerobatics maneuver; the Beechcraft strikes the ground before the roll is completed, crushing the aircraft and killing both flyers. Passenger boardings for the year rise another 32% to 97,121.

Airline employment stands at 160 in 1994 and the fleet includes 6 Beech 99s and 22 Beech 1900Cs, including 15 of the latter type leased from **Continental Express Airlines**, many of whose routes from Denver are now taken over. Customer bookings skyrocket to 230,300.

The fleet is reduced to 19 Beech 1900Cs in 1995. The decision of **Continental Airlines** to reduce its Denver hub and of **Southwest Airlines** to enter the Omaha market has a devastating financial impact on the carrier. Still, enplanements accelerate 34.8% to 310,264.

In January 1996, the carrier files for Chapter XI bankruptcy protection. "Continental Express" services continue to be operated in Nebraska and into the Southeast, but cannot bring sufficient income to avoid disaster. Prior to its permanent shutdown in October, GPE transports a total of 124,296 passengers.

After the company grounds its 13 aircraft and dismisses nearly 150 employees, it enters Chapter VII liquidation. Chairman Poulos blames the closing on the reduction of the EAS subsidy and continued bad publicity concerning regional airlines.

GPA (GOLFO Y PACIFICO AEROTRANSPORTES, S.A. de C.V.): Mexico (1945–1948). Francisco Sarabia's brother Herculano and a group of investors set up GPA in 1945 with the aim of flying commercially across Mexico between the Gulf of Mexico and the Pacific Ocean. A sin-

gle Avro Anson is acquired and service is launched late in the year between Veracruz and Ixtepec. The operation is not financially successful.

Carlos Oriani purchases the company in 1946 and immediately appoints Ruben Ruiz Alcantara as its general manager. The previous route is maintained.

The following year, **Aerovias Reforma, S.A. de C.V.** is acquired and, in 1948, the larger **Servicios Aereos Panini, S.A. de C.V.** is taken over. At this point, GPA is liquidated and the three airlines are merged under the **Aerovias Reforma, S.A. de C.V.** banner.

GRAND AIR (GRAND INTERNATIONAL AIRWAYS): Philippines (1994–1999). In anticipation of the upcoming government deregulation of civil air transport, Grand Air is established at Manila in late 1994 to offer scheduled passenger and cargo services to Cebu and Davao.

Two Airbus Industrie A300B4-203s are leased from General Electric Capital Aviation Services (GECAS) early in 1995 and commence flight operations on March 16, twice daily between Cebu and Davao. The carrier attempts to remind travelers of foreign airlines with fares somewhat less than those of the flag carrier **Philippine Airlines (PAL)** and better in-flight service. Applications are placed with the government's Air Transport Office (which continues to regular foreign services) in September for the right to inaugurate overseas routes.

Two more A300B4-203s arrive under lease in early 1996. Twice-weekly frequencies from Manila to Hong Kong commence in January.

To improve its competition with PAL on domestic routes, a Boeing 737-247, formerly operated by **Far East Air Transport, Ltd.** on Taiwan, is chartered. Upon its arrival, the "Baby Boeing" is employed to inaugurate daily flights from Manila to Cagayan, Iloilo, and Tacloban.

Another Dash-247 is purchased and in April service is launched to Puerto Princesa and the number of flights on the Cebu route is increased. A third weekly A300B4-203 service to Hong Kong via the new Subic Bay International Airport commences in May followed by twice-weekly roundtrips to Taipei on July 13.

Because the Philippines do not meet the safety requirements laid down by the FAA for entry into the U.S., company plans to begin flights to California are put on hold.

Competition from **Philippine Airlines (PAL)** intensifies in early 1997, along with that offered by the new entrants **Cebu Pacific Air** and **Asian Spirit**. Service to Singapore begins in July. Late in the year creditors in Taiwan impound the Airbus.

As a result of regional economic problems, in February 1998 the carrier suspends all international services and concentrates on domestic frequencies. The lessons of over-expansion are learned by the carrier's rivals—**Air Philippines (2)** and **Cebu Pacific** both shelve extensive plans for international growth.

From June onward, the air transport situation in the Philippines enters crisis as labor and management at **Philippine Airlines (PAL)** move toward closure for Asia's oldest airline.

When this fate becomes inevitable in mid-September, the leaders of the nation's four independent airlines are summoned to a meeting with Philippine President Joseph Estrada in Malacanang. It has become necessary to find a way to increase the gap between the 230,000 monthly domestic seats provided by them and the 280,000 offered by PAL. Meeting with Estrada on September 22, company executives and the leaders of **Cebu Pacific Air**, **Asian Spirit**, **Air Philippines**, and several other small operators promise to acquire additional aircraft and fill any vacuum left by PAL within a month. For its part, the government indicates a willingness to grant incentives, including higher fares and concessional loans, designed to help them speed up their capacity build-up.

Grand's two aircraft cannot significantly increase operations following the temporary grounding of **Philippine Airlines (PAL)** on September 23. One of the company's B-737-200s is held on the tarmac at Taipei while the carrier negotiates with creditors; the other two fly sporadically. Horror stories concerning lengthy and unexplained delays continue to be told.

By the end of October, Grand Air controls only 5% of the domestic market. Still, it is hoped by company officials that the third company aircraft can be reacquired from creditors by November, in time for the winter travel season. In fact, the company will twice again suspend service and is not operational as 1999 begins. Although plans are initiated during the first quarter to put the carrier back in the air, they are not fulfilled.

GRAND AIRE: 11777 West Airport Service Road, Swanton, Ohio 43558, United States; Phone (419) 865-1760; Fax (419) 865 2965; <http://www.grandaire.com>; Code GAE; Year Founded 1985. One of the nation's larger charter operations, GAE is founded at Louisville, Kentucky, in 1985. From that base in 1994, Chairman Tahir Cheema's Executive Air Express division flies five passenger-configured Piper PA-60 Aerostars. Three Fairchild Metro IIs in all-cargo configuration are operated by the Grand Aire Express division, along with five Dassault Falcon 20 combis.

Bases are also maintained at Columbia, South Carolina, Monroe, Michigan, Denver, Colorado, and Oakland, California. In all-cargo configuration, one each Falcon 20 and Metroliner are flown from the former destination while, from Monroe, Grand Aire flies three Falcon 20s and four Metro IIs for freight and four Piper Aerostars for passengers. For all cargo purposes, one Falcon 20 is flown from Denver and another from Oakland.

In 1995, Monroe, Michigan, becomes principal company headquarters while another hub is established at Addison, Texas. In 1996, Tahir S. Cheema is president, with Lawson L. Josey as general manager and Scott A. Hall as director of operations. The cargo fleet is increased to nine Falcon 20s. Also flown are a Metro and five Metro IIs plus three HFB-320 Hansa Jets.

The flight equipment is altered somewhat in 1997–1998 as two more Falcon 20s are acquired, along with three more Hansa Jets and a Metro II. The Metro is withdrawn.

On May 12 of the latter year, a Falcon 20 with two crew runs off the end of Runway 21 at Monroe, Michigan, after experiencing a locked elevator control. Although neither flyer is injured, the aircraft sustains serious damage when its nose landing gear collapses.

On January 4, 1999, the company is relocated to a suburb of Toledo, Ohio. Its hubs now include Columbia, Dallas (DFW), Denver, Louisville, Oakland, and Phoenix. Flights continue without incident or headline during the remainder of the year.

Following the May 1, 2000, bankruptcy of **Kitty Hawk Air Cargo**, several of its large accounts, particularly the anchor General Motors service, begin shifting to such operators as Grand Aire. On June 8, Lear Corporation awards Grand Aire a \$20-million contract to act as its sole air cargo management company.

While on approach to Peterborough, Ontario, after a June 13, service from Ypsilanti, Michigan a Falcon 20 impacts a freshly plowed field 2,000 ft. prior to the runway and skids 400 ft., spinning around to stop facing the opposite direction. Although the aircraft is substantially damaged, neither the pilot nor copilot are badly injured.

GRAND AIRE EXPRESS. See GRAND AIRE

GRAND AIRWAYS: United States (1991–1996). Shahid Saddigi establishes GA at Las Vegas, Nevada, on October 7, 1989 to operate regular charter and group tour passenger services to regional destinations, including the Grand Canyon, with a fleet of 5 Fairchild Metro IIIs and 1 Cessna 421.

La Verne and Carlsbad join the route network during 1990–1991 and enplanements in 1992 total 75,179. Passenger boardings jump 47.5% in 1993 to 110,852.

Early in 1994, a pair of Douglas DC-9-32s, formerly flown by **Midway Airlines (1)**, are acquired and begin flying longer-haul charters in and out of the Nevada gambling mecca to Dallas (DFW), Phoenix, and Houston. Scheduled service to Oakland begins on February 15.

The regional sightseeing business is abandoned along with the smaller aircraft, which explains the year's 17.1% drop in customer bookings to 91,549.

The picture continues to blacken in 1995. An effort to gain public attention by painting the aircraft in bright navy blue and yellow livery fails. In November, the carrier files for Chapter XI bankruptcy protection and stops flying. A total of 163,000 passengers are transported during those last 11 months.

At the beginning of 1996, the grounded airline returns its certificate to the FAA.

GRAND AVIATION: National Jets Facility, 3495 SW 9th Ave., Fort Lauderdale, Florida 33315, United States; Phone (954) 359-4200; Fax (954) 359-4203; Year Founded 1995. GA is set up at Fort Lauderdale–Hollywood International Airport in 1995 to provide executive and small group passenger charters worldwide. Within five years, the fleet includes 1 each Grumman G-1159A Gulfstream III and a British Aerospace BAe (HS) 125-600 Hawker.

GRAND CANYON AIRLINES (1): P.O. Box 3038, Grand Canyon, Arizona 86023, United States; Phone (520) 638-2407; Fax (520) 638-9461; <http://www.grandcanyonairlines.com>; Code YE; Year Founded 1927. One of the oldest operators in the U.S., GCA-1, employing a variety of light aircraft during its seasonal pre-World War II and immediate postwar operations, eventually becomes an affiliate of **Scenic Airlines**. GCA-1, like its younger parent, offers scheduled commuter service and charter and scenic air tour flights.

From the company's base at Grand Canyon, Arizona, the carrier offers flight-seeing tours over the canyon. In addition, scheduled commuter service is offered between the North Rim and the South Rim plus Marble Canyon. Enplanements reach 23,677 by 1977.

The fleet in 1978 includes 4 Cessna 402s, 1 Cessna T207, and 1 Piper PA-32 Cherokee Six. Passenger boardings jump 35% to 36,994.

Operations continue apace during the remainder of the decade and enplanements reach 44,500 by 1981. Unfortunately, recession and foreign currency fluctuations force away customers and bookings drop to 33,000 in 1982.

Figures are not released in 1983; however, bookings climb back to 36,388 by 1984. In 1985, the fleet comprises 2 de Havilland Canada DHC-6-300 Twin Otters (later specially fitted with oversized viewing windows) and 2 Cessna T207s. Ronald L. Warren is promoted to vice president/general manager. Passenger boardings jump 23.4% to 44,895.

In the worst Grand Canyon air disaster in thirty years, a company DHC-6-300 with 2 crew and 18 passengers collides with a Tusayan, Arizona-based **Helitech Choppers** Bell 206B JetRanger with five aboard. The accident occurs over Scorpion Creek, about 15 miles from the park's visitors center on June 18, 1986 (25 dead). This latest scenic air tour disaster brings renewed calls for tougher government regulation of the flight-seeing industry. Still, enplanements for the year rise to 48,619.

The 30-employee small regional enjoys a splendid 1987 as customer bookings move upward by 38.3% to 67,249.

Passenger traffic rises again in 1988, climbing by 17.5% to 79,001 passengers flown.

While landing at Grand Canyon National Park Airport on its second charter of September 27, 1989, from Grand Canyon, Arizona, Flight YE5, a DHC-6-300 Vista Liner with 2 crew and 19 passengers, bounces twice. Full power is applied for a go-around maneuver, but control is lost and the plane crashes into a line of trees (10 dead). As a result of these disasters and their media coverage, as well as hard economic times, enplanements for the year rise slightly to 79,512.

The 29-employee tour operator flies 5 Twin Otters to the Grand Canyon in 1990. Recession and threat of war following Iraq's August invasion of Kuwait dampens overall traffic figures as customer bookings fall 6.3% to 74,800. Hereafter, traffic figures are not provided.

In **1991–1994**, Chairman John R. Seibold and President Michael A. Mooney oversee a 42-member workforce and operate a fleet of 5 DHC-6-300s.

The workforce grows to 50 in **1995–2000** and business improves to the point where a sixth Twin Otter is added.

GRAND CANYON AIRLINES (2): United States (1936–1937). The second, larger, and less successful GCA-2 is established on July 1, **1936** to fly three Ford 5-ATs on scheduled \$21 per person sight-seeing tours over the 269-miles between Boulder Dam and the Grand Canyon. It is the only new airline not created by merger to start operations in the U.S. during the year.

Flight-seeing tours are conducted again in **1937**. At the end of the season in October, the carrier closes down permanently.

GRAND CENTRAL AIR CHARTER (PTY.), LTD.: South Africa (1971–1986). GCAC is originally established as a division of the Grand Central Flying Club at Grand Central Airport at Halfway House. Operations are conducted with 2 Cessna 210s and 1 C-182. In 1967, the concern becomes a Handley Page Jetstream dealer.

In **1971**, the company, now also known as Grand Central Airways (Pty.), Ltd., becomes a subsidiary of **Avex Air (Pty.), Ltd.**, based at Rand Airport at Germiston, near Johannesburg. Flights continue until Avex's **1986** failure.

GRAND CENTRAL AIRWAYS (PTY.), LTD. See **GRAND CENTRAL AIR CHARTER (PTY.), LTD.**

GRAND INTERNATIONAL AIRWAYS. See **GRAND AIR: GRAND INTERNATIONAL AIRWAYS**

GRANT AIRWAYS: P.O. Box 92200, 203 West 15th Ave., Anchorage, Alaska 99501, United States; Phone (907) 248-7031; Fax (907) 248-6416; Code GS; Year Founded 1994. This new Alaskan regional is established by Bruce McGlasson at Anchorage in **1994** to offer light-plane passenger and cargo services. A total of 9,014 passengers are flown during the initial year.

Airline employment stands at 8 in **1995** and the fleet includes 2 Cessna 207As and 1 Piper PA-31-350 Navajo Chieftain.

Enplanements increase 75% to 15,809 and swell 10% in **1996** to 17,401.

President McGlasson in **1997** operates 5 Cessna 207As, 3 Navajos, 1 Beech 18 freighter, and 1 Cessna 172. Enplanements total 18,012 passengers, an increase of 3.5% over the previous year.

Business dramatically improves during **1998** as customer bookings increase 66.1% to 30,000.

Flights continue in **1999**. While en route from Bethel on a December 7 service to Nightmute, Toksook, and Tununak, Flight 261, a Cessna 207A with a pilot and five passengers, crashes into remote, snow-covered terrain some 49 mi. W of the point of origin. There are no survivors. Despite an intensive air search, the wreckage is not found until the next day.

While taking off from Bethel on a December 24 service to Chefornak, Flight 281, a Cessna 207A with a pilot and five passengers, collides with snow-covered terrain. The pilot suffers minor injuries and none of the passengers are hurt, but the aircraft is badly damaged.

Despite these two incidents at year's end, customer bookings for the year as a whole increase another 76.2% to 53,000.

A total of 27 full-time and 9 part-time pilots are employed at the beginning of **2000**.

While landing at Emmonak after a September 14 service from Alakanuk, the right landing strut of Flight 166, a Piper PA-31-350 Navajo with a pilot and three passengers, collapses, causing the aircraft to stop and tip onto its right wing. Although the aircraft suffers substantial damage, no one aboard is hurt.

GREAT AMERICAN AIRWAYS: United States (1979–1997). GAA is organized as Target Airways, Ltd. doing business as Great American Airways at Reno, Nevada in the fall of **1979** to offer passenger tour group charter and contract jet flights, especially on behalf of Nevada casino operators, to cities throughout North America. Employing three Douglas DC-9-15s, of which one has been purchased from **Trans World Airlines (TWA)**, the holiday carrier inaugurates revenue service on September 26. A total of 36,000 passengers are flown during the remainder of the year.

A scheduled Reno to Oakland return service is inaugurated in **1980** and a total of 85,000 customers are flown in the first full year of service. Expenses, however, lead to an operating loss of \$536,436.

The workforce is cut 44.7% in **1981** to just 21 and 2 DC-9-15s are withdrawn. The carrier comes under new management and suspends its scheduled frequency, electing to concentrate on nonscheduled holiday flights. Passenger boardings decline to 77,000. Revenues accelerate to \$3.9 million and the operating loss is slashed to \$132,381.

Customer bookings fall 3.4% in **1982** to 72,839. The payroll is increased by 4.8% in **1983** to 22. The carrier's single DC-9-15 is able to fly 3.8% more passengers, 75,615. Plans are made to acquire another DC-9-15. The B-720-023B *Kay O'II* is purchased from the Los Angeles Dodgers, but will not enter service.

Two more employees are hired in **1984**, but the new Douglas does not arrive. Still, passenger boardings climb 14.2% to 86,333.

The employee population totals 25 in **1985**, a 4.2% increase. The lone DC-9-15 receives new livery, but customer bookings drop 23.6% to 65,944.

Enplanements fall a further 3.3% in **1986** to 63,783. Airline employment grows by 29.2% in **1987** to 31, but passenger boardings decline another 42.9% to 36,418. Although revenues of \$2.6 million are generated, costs are so high that operating income is only \$5,000 and a \$367,000 net loss is suffered.

The workforce is cut by 9.7% in **1988** to 28, but the one-plane company is able to reverse its traffic pattern of the previous year. Customer bookings rise 32.9% to 47,681. Revenues jump 22.9% to \$3.19 million and allow an operating income of \$458,000. Net profit is \$198,000.

Three new employees are hired in **1989** as a second DC-9-15 is placed into service. Despite the doubling of capacity, passenger boardings actually decline by 10.9% to 42,478.

The workforce is reduced by 3.8% in **1990** to 25 as one DC-9-15 is withdrawn. Still, charter passengers increase by 0.1% to 75,224 and revenues climb to \$5.1 million. Costs are low enough to guarantee operating income of \$719,406 and a net profit of \$581,951.

Company employment grows 40% in **1991** to 35 and the second DC-9-15 is reinstated. Passenger boardings shoot up 18.2% to 87,989.

General Manager Kenneth Damask's workforce is increased by 66.7% in **1992** to 40. The two Douglas jetliners fly a total of 94,391 passengers on the year, an 8.6% boost. Revenues total \$6.6 million and expenses are held low enough to allow generation of a \$545,999 operating profit and net gain of \$452,060.

Airline employment is increased a remarkable 137.5% in **1993** to 95 as a third DC-9-15 is placed into service. The company now expands the scope of its operations from North America to worldwide. Passenger boardings climb 49.4% to 141,003.

A McDonnell Douglas MD-87, acquired from **ZAS Airline of Egypt** joins the fleet in early **1994**. Customer bookings skyrocket 114% to 259,000 and operating revenue advances 109.6% to \$21.39 million. Expenses are up 88.1% to \$18.9 million and consequently profits are nearly identical: \$2.49 million (operating) and \$2.47 million (net).

A second MD-87 and an MD-82 are acquired in **1995**. During the summer, the carrier contracts with the city of Myrtle Beach, South Carolina, and tour operator World Technology Systems (WTS) to provide charter service that supplements regular flights schedules. The operation will be known as Myrtle Beach Jet Express.

Traffic surges for the Las Vegas-based carrier as enplanements skyrocket 82.8% to 468,000. Plans are discussed for the future inauguration

of scheduled services. Revenues again exceed costs and profits accelerate to \$3.79 million (operating) and \$3.83 million (net).

Airline employment stands at 100 in **1996**. To assist reformed **Air Jamaica, Ltd. (2)** in its expansion plans, the carrier wet-leases to the Kingston-based national airline a pair of MD-83s painted in "AirJam's" new multihued livery.

Employing the GAA operating certificate and licenses as a way to get around the U.S. Category II safety prohibition against its direct flights to the U.S., the Jamaican line inaugurates new routes between Chicago and Jamaica and from New York (JFK) to markets throughout the eastern Caribbean. In the wake of the May **Valujet Airlines** disaster, GAA, like similar U.S. airlines, becomes the focus of intensified and continuing safety audits by the FAA.

Beginning in September and continuing through the following February, tour operator WTS sponsors a promotion in which every passenger purchasing a ticket will receive two free rounds of championship golf at a selected course.

Passenger boardings swell 26.5% to 592,000 and operating income advances 27.9% to \$40.08 million. Expenses, however, rise 48.6% to \$40.92 million and leave an \$836,000 operating loss. A \$1.76 million net loss is also suffered.

Acting on a tip from what management will call a disgruntled worker, the Federal Aviation Administration conducts a safety investigation of the carrier late in the first quarter of **1997**.

Citing numerous falsifications of its flight and duty time records, training records, and load manifest documents, the Federal Aviation Administration, in what it deems an emergency action, pulls Great American's operating certificate on April 13. The Reno-based airline, now famous for its free—or inexpensive—tickets for gamblers, files for Chapter XI bankruptcy protection the next day and protests the government's action. The grounding severely impacts the wet-lease arrangement with **Air Jamaica, Ltd. (2)**. WTS, which has been operating both Myrtle Beach Jet Express and its own public low-cost charter company **Sun Jet International Sales**, now offers its business to **Sun Pacific International Airlines** and **TransMeridian Airlines**.

Despite its appeal, Great American does not return to the skies.

GREAT BARRIER AIRLINES, LTD.: P.O. Box 53-091, Auckland Airport, Auckland, 1030, New Zealand; Phone 64 (9)275-9120; Fax 64 (9) 275-6612; <http://www.greatbarrierairlines.com>; Code GB; Year Founded 1990. This new entrant is set up at Auckland Airport in **1990** to provide scheduled flights to Palhia. Murray Pope becomes managing director and revenue services are inaugurated with a start-up fleet comprising 1 Pilatus-Britten-Norman PBN-2 Islander, 3 Piper PA-23 Apaches, 2 PA-32 Cherokee Sixes, and 1 PA-28 Cherokee.

Nelson McEwan becomes general manager in **1992** and the Cherokee is withdrawn.

Service is maintained in **1993–1994**, during which latter year an order is sent to Montreal for the acquisition of a de Havilland Canada DHC-6-200 Twin Otter.

While on its ferry delivery flight from Oakland, California, to Auckland, N.Z., via Hawaii, the DHC-6-200 with one crew and two passengers suffers fuel exhaustion 750 km. NE of Honolulu on July 3, **1995**, and ditches at sea; although the plane is lost, a passing ship rescues those aboard.

Flights continue in **1996** as a second Islander is acquired.

Service is maintained during the remainder of the decade. During these years, Mark Roberts becomes general manager and the fleet is expanded with a de Havilland DHC-6-100 Twin Otter.

GREAT CHINA AIRLINES, LTD.: Taiwan (1955–1998). This charter carrier is formed at Taipei in **1955** as a rotary-wing sight-seeing and crop-dusting operator. Both regular and ad hoc passenger charter flights are undertaken to a variety of destinations, particularly between Taichung, Sun Moon Lake, and Lishan.

After three decades of service, the fleet of the helicopter carrier in **1985** is made up of two machines: one Bell 206B JetRanger and a Bell Model 47. Late in the year, it ceases operations.

In response to deregulation in **1987**, the company is purchased by new owners in January **1988**. The company is reformed and reorganized as a scheduled regional passenger airline employing fixed-wing aircraft. Capitalization stands at NT\$300 million and orders are placed for 10 de Havilland Canada DHC-8s.

President Peter Szu obtains four de Havilland Canada DHC-8-100s and frequencies are posted in January **1989** for flights from the capital city to Kao-hsiung, Makung, and Tainan. Orders are placed for two Boeing 737-300s.

Enplanements total 32,850. Expenses exceed costs and there are losses: \$2.3 million (operating) and \$2.99 million (net).

Company employment is increased by 58.6% in **1990** to 287 and the jetliner order is changed to three McDonnell Douglas MD-90s. Passenger boardings skyrocket 88.4% to 283,185. Revenues total \$7.65 million, but costs are higher. The operating loss swells to \$4.78 million and net downturn reaches up by \$4.5 million.

Two DHC-8-311s are acquired in **1991** allowing service to be opened to Chiayi and Taichung. Customer bookings are reported for the first half year and are up a whopping 72.7% to 196,000.

Airline employment in **1992** stands at 376 and a third DHC-8-311 joins the fleet. In October, charter flights are inaugurated from Taipei to Phnom Penh.

The fleet in **1993** comprises 4 DHC-8-102s, 1 leased DHC-8-301, and 3 DHC-8-311s. Orders are placed for three McDonnell Douglas MD-90-30s. Destinations visited from Taipei now include Taichung, Chiayi, and Makung while those routes flown from Makung include services to Chiayi, Taichung, Tainan, and Kao-hsiung.

A \$26-million order is placed for two more DHC-8-311s in January **1994**. These are received in April and May as airline employment grows to 536, including several Canadian instructor pilots. Routes are added from Taichung to Kinmen and from Taipei to Pingtung. Capitalization on the year's last day stands at NT\$1.1 billion.

Operations continue apace in **1995**. In April, a 20% stake is sold to **EVA Air, Ltd.** for \$12 million.

Three more DHC-8-311s are received in **1996**. In mid-February, President Szu's company becomes Asian launch customer for the de Havilland Canada DHC-8Q-400B with an order for six.

The first MD-90-30 arrives in the late spring of **1997**. In October, a \$27.7-million order is placed for two DHC-8Q-300s that will be delivered in December. Company officials and other dignitaries are on hand during the November 21 ceremonies as the first DHC-8Q-400B is rolled out at the Downsview, Ontario, plant of Bombardier Regional Aircraft Division. It is reported that the carrier just manages to break even fiscally this year.

At the beginning of **1998**, the company operates 148 daily flights connecting medium-sized cities on a 12-point route network. The fleet includes 12 DHC-8-311s and 1 MD-90-30.

Just after takeoff from Taipei to Chiayi in southern Taiwan on February 1, a DHC-8-311 with 4 crew and 16 passengers is taken over by passenger Lin Chin-wen, who has taken out two bottles of suspected gasoline and splattered it on nearby seats and carpeting. Before he can ignite the liquid, he is subdued and restrained by flight attendant Chen Kung-cheng and three passengers. The captain diverts his flight to Taichung Airport, where Lin is escorted off the plane. Arrested by police, the hijacker admits he wished to commit suicide on the plane because he would soon die of a terminal disease.

The crash of a **China Airlines, Ltd. (CAL)** A300B4-622R on February 16 (202 dead) and a **Formosa Airlines, Ltd.** SAAB 340A on March 18 (13 dead) triggers **EVA Air, Ltd.** to make a dramatic move. In mid-April, with government support, the company announces that effective July 1, the major will no longer offer any domestic services. Its regional subsidiaries—Taiwan Airlines Company, Ltd., Great China, and **Uni Air, Ltd.**—will be merged into an enlarged **Uni Air, Ltd.**, which will

provide only domestic services. This move not only addresses the national debate over air safety, but improves its balance sheet as well.

THE GREAT EASTERN SHIPPING COMPANY, LTD.: Huhu Aerodrome, Hangar 6A, Bombay, Maharastra 400054, India; Phone 91 (22) 496-5733; Fax 91 (22) 496-5054; Year Founded 1995. The rotary-wing division of this concern is established at Bombay in 1995 to provide corporate passenger and cargo services. By 2000, Manager R. M. Choudhary oversees the work of 8 full-time pilots, who fly 3 Bell 212s.

GREAT LAKES AIRLINES: United States (1951–1962). Little is known of the operations of this supplemental carrier. Formed in early 1951, the company purchases a Curtiss C-46F from the USAF in February, but by April the aircraft has been transferred to **The Flying Tiger Line**.

In 1953, a second C-46F is purchased from the same source and registered to Nevada Aero Trades, who lease it to Skycoach Express.

Although a supplemental certificate is obtained from the CAB at the end of the decade, it is cancelled in 1962.

GREAT LAKES AIRLINES, LTD.: Canada (1961–1981). Organized at Sarnia, Ontario, in January 1961, GLA is initially the in-house airline of the Homes-Blunt Company, Ltd. Flight services begin in April. A Beech 18 and Cessna 310 are employed for the first six years to provide executive charter flights to and from Toronto.

Company officials decide to begin a scheduled return service in 1967 and add two Douglas DC-3s, one each in June and November. The original Cessna 310 is sold to Hughes Marine Sales, Ltd. in May 1968.

Two CV-440 Metropolitans are purchased from **Swissair, A.G.** in December 1969 and enter service in 1970. Their arrival allows sale of a DC-3 in May 1971. The Beech 18 is sold in January 1972 and the last DC-3 in November.

London, Ontario, joins the route network in 1973 and in the fall negotiations with the Swedish carrier **Linjeflyg, A.B.** lead to the purchase of four CV-440s, the first of which arrives in December.

The final three CV-440s arrive between January and June 1974. With six CV-440s now available, route expansion occurs, with services started to Peterborough, Ottawa, and Kitchener. Frequencies to Toronto are increased.

Operating in a haphazard fashion and losing money, the airline is closed down (except for its original route) for review briefly in early 1975. A group of Toronto businessmen now purchase Great Lakes from Homes-Blunt. A contract is let with **Air Canada, Ltd.** for the provision of ground support and reservations.

The oldest CV-440 is sold for scrap in September with another passed to **Sun Valley Key Airlines**.

In order to take advantage of hockey charters available in southern Ontario, the company wet-leases a CV-580 from **Allegheny Airlines (1)** in February 1976. With Allegheny pilots at the controls, the new aircraft flies its first hockey charter in March.

Scheduled services are resumed in April, although the Kitchener stop is eliminated. A second CV-580 is added the same month and a CV-440 is sold to Onyx Aviation, Inc. in June. All but one of Air Canada's Toronto–London frequency is assumed in October.

In January 1977, company headquarters are transferred to London from Sarnia just in time to receive another CV-580. London-based **Flightexec, Ltd.** and its Piper PA-23 Aztec are now acquired and operated as a wholly owned subsidiary specializing in executive charters.

Two CV-440s are sold in May and one in July. A CV-580 wet-leased from Allegheny is employed in November and December to provide extra seating during the holiday season.

The same aircraft is again employed between October and December 1978. Enplanements total 282,468.

Small package charter services are started to Winnipeg, Calgary, Edmonton, and Vancouver on behalf of **Purolator Courier** during the

summer of 1979. An application is made to the Canadian government for permission to operate downtown-linking services between Toronto, Ottawa, and Montreal, employing DHC-7s.

Passenger boardings are level, climbing only a minor 0.05% to 283,887.

Between December and March 1980, extra capacity is provided by a CV-580 leased from **Great Northern Airlines, Ltd.** Passenger business is so hectic between February and April that Purolator flights are suspended to western Canada.

Flights from Toronto to Peterborough and Ottawa are suspended in January 1981 and taken over by **Air Atonabee, Ltd.** In February, direct, weekday-only Toronto–Ottawa service begins. **Purolator Courier** services are again reduced, this time in March, and are discontinued outright in early April.

On April 27, the carrier is reformed and renamed **Air Ontario, Inc.**

GREAT LAKES AIRWAYS COMPANY: United States (1921). The first company to name itself in honor of America's inland oceans is established at Cleveland, Ohio, in the spring of 1921. Employing an Aero-marine-modified Curtiss HS-2L flying boat, the line flies 100 passengers during the summer to Toledo and Detroit.

Although plans are made to expand and acquire at least three additional HS-2Ls for the next season, the company is forced, by financial realities, to close down in late fall.

GREAT LAKES AVIATION: 1965 330th Street, Spencer, Iowa, 51301-9211, United States; Phone (712) 262-1000; Fax (712) 262-1001; <http://www.greatlakesav.com>. Code ZK; Year Founded 1979. When two-year-old Spencer, Iowa-based **Spirit Lakes Airways** fails in the summer of 1979, Douglas G. Voss and his colleagues I. L. Simpson, D. K. Evans, and W. E. Winger reform it, registering this successor on October 25.

Charter replacement flights are flown over the next two years and a limited Beech B-58 Baron scheduled service linking the company base with Des Moines is started in October 1981.

Certification as a small regional airline is received from the CAB on June 25, 1982 and regular scheduled services are begun on August 1. The same day, the company begins to honor a marketing agreement with **Ozark Air Lines**. Destinations served include Des Moines, Dodge, and Spencer in Iowa; Fairmont and Minneapolis (MSP) in Minnesota; and the Nebraska city of Omaha.

Within four years, the fleet comprises two Beech 99s and a number of Cessna 402s.

Airline employment is increased by 15.4% in 1987 to 75 and the fleet now includes 3 Beech 99s and 1 Beech 1900. A total of 25,461 passengers are flown, a 0.7% increase.

In 1988, the fleet is enlarged by the addition of another Beech 1900. Passenger boardings skyrocket 116.9% to 55,237.

On August 1, 1989, the company takes over the Wisconsin-based **Al-
liance Airlines**. As a result, the route system grows to 15 cities in 5 states.

During 1990, two additional Beech 99s and five Beech 1900Cs are acquired. Service is inaugurated by the 272-employee large regional from Minneapolis to the Nebraska communities of Grand Island and Norfolk. Enplanements total 166,456.

The fleet at the beginning of 1991 is comprised of 19 Beech 1900Cs and a marketing agreement, not quite code-sharing in status, is signed in March with **United Airlines**. The last of 257 Beech 1900Cs constructed is delivered to the carrier in September. Passenger boardings leap skyward by 50% to 249,251.

Two more Beech 1900Cs join Chairman/CEO Voss's fleet in 1992 as the large regional advances its relationship with its partner to that of "United Express" carrier. Its aircraft, repainted in modified United colors, feed 6 communities from Minneapolis (MSP), 20 from Chicago (ORD), 2 from Detroit, and 8 from Denver.

In December, a cooperative internship agreement is signed with the Aerospace program at the University of North Dakota.

Customer bookings accelerate 59% to 396,153. Revenues exceed expenses and there are profits: \$7.35 million (operating) and \$497,590 (net).

In **1993**, the workforce is increased 25% to 700 and the fleet comprises 34 Beech 1900Cs, including 12 added during the year.

Effective in January, graduates of the UND Spectrum airline pilot degree program are able to earn internships with GLA under which they will fly as paid first officers on the company's Beech 1900Cs.

A new roundtrip service, independent of "United Express," is launched five times per day in March between Chicago's Meigs Field and Minneapolis (MSP).

Customer bookings increase 54.7% to 611,528 and revenues surge 44.5% to \$58.72 million. Expenses leap ahead by 47.3%, but that figure is only \$49.04 million and allows an operating profit of \$9.68 million. Net gain reaches \$2.12 million.

Airline employment is increased by 20.9% in **1994** to 846. During the spring and summer, five new Beech 1900Ds are delivered and placed into service.

The company continues to connect Denver, Chicago, Minneapolis (MSP), and Detroit (DTT) with 54 locations in 9 midwest and mountain states. The third Embraer EMB-120 Brasilia leased since January enters service on June 10. On June 19, thrice-daily nonstop roundtrips commence from Rapid City, South Dakota, to Minneapolis (MSP).

For the year as a whole, passenger boardings accelerate 8.5% to 663,627 and revenues leap ahead by 17.4% to \$68.81 million. With expenses of \$63.61 million, the pretax gain is \$5.2 million and net profit totals \$403,841. Both profit lines are down from the previous reporting period.

Midway Connection flights commence in July **1995** as the company maintains its growing route network with a fleet of 39 Beech 1900s and 12 Brasilias. By mandate of the FAA, each of the latter must be withdrawn from service for inspection of their propeller blades, a process that is both expensive and inconvenient to scheduling.

Service from Arizona to Mexico is launched in August. In early October, two Beech 1900Ds are received and placed into Midway Connection service.

Enplanements soar 21.3% to 805,516 and revenues surge 20.3% to \$84.19 million. Costs, however, climb 31.1% to \$84.95 million and leave losses. The operating loss is \$758,000, but a large \$2.68-million net loss is also suffered.

The employee population stands at 1,250 in **1996**. GLA continues to offer "United Express" frequencies to 54 upper Midwest destinations. It also flies independently to 13 points in the Southwest and provides Midway Connection flights to another 13 markets on the East Coast.

The company begins to transition from FAR Part 135 to FAR Part 121; the upgrade to the more-stringent operational standard will not be simple. In the wake of the May **Valujet Airlines** disaster, this company, as several other similar airlines attempting to upgrade, becomes a target for increased FAA safety surveillance.

The fourth quarter is a traffic and financial fiasco as increased fuel costs, bad weather, and pilot defections to other airlines combine to force a major downturn. Disaster strikes during this period.

On November 19, "United Express" Flight 5925, a Beech 1900C-1 with 3 crew and 10 passengers, first stops at Burlington on a service from Chicago before departing to Quincy. At the latter point, a Beech King Air 90 with two crew and a Piper Cherokee, are both taxiing for takeoff from the uncontrolled airport.

Due to confusion in communications, the 1900C touches down just as the King Air begins its takeoff roll. Both planes collide, their wings interlock, and they skid 110ft. down the runway. Three people on the ground witness the event and rush to the scene, but are unable to open the jammed door of the commuter plane. All aboard, plus those in the King Air, perish. This is the first fatal U.S. commuter airline accident of the year and the first ever involving a scheduled airline at an airport operating without an FAA control tower.

At year's end, three Beech 1900Cs are returned to their lessors. Overall passenger boardings do jump 25.8% to 1,012,791 on 165,972 scheduled departures, but the net loss line skyrockets to \$12.8 million.

The company's 18th year picks up where the 17th left off—badly. Early in **1997**, three more Beech 1900Cs are returned to their lessors as the carrier experiences a major cash flow problem; service to 12 destinations is eliminated.

At the prompting of the FAA, GLA voluntarily suspends services for a period beginning on May 17. The action is taken after FAA safety inspectors from the Des Moines Flight Standards District Office find a number of maintenance and reporting deficiencies, as well as problems with improperly trained personnel and aircraft that are not airworthy. On top of the fiscal and operational problems—indeed, as part of them—**Midway Airlines (2)** announces that it will terminate its Midway Connection agreement on November 1.

Following the May 17 "voluntary" shutdown, the carrier's fleet is ferried to the company's maintenance center at Spencer, Iowa. There, company mechanics and FAA officials begin detailed aircraft inspections, completing a check of four Beech 1900Ds within four days.

After reaching a consent agreement with the FAA under which it admits to no wrongdoing, GLA, under tight government scrutiny, resumes flights to 5 cities over the Memorial Day weekend with 10 of its 53 aircraft.

On June 1, Jeffrey Redlin is appointed the company's new maintenance director. By June 11, GLA is serving a total of 21 cities (as compared to its 70-market network prior to May 17). Company officials now take the unusual step of criticizing the FAA, claiming that a shortage of aircraft inspectors is delaying its full return to service. The agency denies the charge and points out that serious maintenance problems continue to exist at the airline's Iowa repair base.

New services are inaugurated during the summer to Kearney, Nebraska, on July 10 and Lamar, Colorado, plus Goodland, Kansas, on August 1.

The Midway Connection arrangement duly ends on November 1.

Thrice-daily roundtrips are restarted in December from Aberdeen, South Dakota, to Denver. Passenger boardings this year plunge 33.3% to 674,844 (on 102,722 scheduled departures), due almost entirely to the carrier's temporary service suspension. Operating income totals \$83.8 million, but expenses ascend to \$97.4 million. Consequently, there is a \$13.6-million operating loss. The net loss worsens to \$18.3 million.

The fleet at the beginning of **1998** includes 42 Beech 1900s and 8 EMB-120s. Following the January termination of the "United Express" contract between **United Airlines** and **Mesa Air Group** covering the latter's services to Denver, United authorizes GLA to operate the routes on its behalf. Simultaneously, United and GLA enter into negotiations concerning shared codes and financial support for the regional's flights into the expensive Colorado airport.

At this point, Beech manufacturer Raytheon Aircraft and GLA enter into a refinancing arrangement. In exchange for a 10-year warrant to acquire up to a million shares of GLA common stock, Raytheon provides a \$4-million short-term loan, a \$5-million line of credit, and arranges the transfer of 15 Beech 1900Ds previously leased to Mesa.

While negotiations on code-sharing with United continue into the spring, **Mesa Air Group**, in April, turns over four Beech 1900Ds. On April 23, these allow GLA to inaugurate twice weekly "United Express" flights from Denver to Dodge City, Great Bend, Salina, and Worland, Wyoming. Thrice weekly flights from Denver are to Garden City, Liberal, Alamosa, Pueblo, Laramie, Rock Springs, and North Platte. Flights from Denver to Scottsbluff, Nebraska are four times per week.

GLA and **United Airlines** continue their talks on code-sharing and financial assistance. The airline, under its own identity, continues to offer 16 weekday flights between Springfield, Illinois, and Chicago (Meigs Field).

"United Express" flights commence on June 1 from Denver to Cortez, Telluride, Cody, Wyoming, Farmington, Santa Fe. On June 15, the carrier's eight daily roundtrips from Springfield, Illinois, to Chicago (Meigs Field) are converted to "United Express." Additionally, five weekday "United Express" flights are scheduled between Springfield and Chicago (ORD), with a reduced schedule on weekends.

By midyear, the company operates a fleet of 8 EMB-120s and 40 Beech 1900Ds to 68 airports in 13 states.

While en route from Denver on August 19, Flight 6105, a Beech 1900D, suffers the separation of the leading edge of a propeller that enters the cabin and causes a loss of pressurization. The aircraft returns to its point of origin and completes a safe emergency landing.

During the **Northwest Airlines** strike that begins on August 29, customers of the Minneapolis-based major are accepted by GLA without penalty or additional restrictions.

With "Northwest AirlinK" partner **Mesaba Airlines** shut down and unable to begin its planned services to the Michigan communities of Sault Ste. Marie and Alpena, GLA flies to the rescue on September 9. "United Express" Beech 1900 roundtrips, which the carrier had been scheduled to end in favor of Mesaba, are continued between those cities and Chicago (ORD) on weekdays through September 30, with twice-daily roundtrips on weekends. Plans to cease service to Pellston on October 7 in favor of Mesaba are shelved the next day as, instead, a second weekday and Sunday "United Express" EMB-120 roundtrip is introduced between that Michigan city and Chicago (ORD), also through September 30.

Pilots at **Northwest Airlines** ratify a new contract on September 12. As is the case with its major partner, **Mesaba Airlines** resumes "Northwest AirlinK" service over its route network on September 14, reaching 100% pre-strike status within two days.

A third daily nonstop "United Express" return service is introduced on October 1 between Dickinson, North Dakota, and Denver. With appreciation to GLA, **Mesaba Airlines** inaugurates new "Northwest AirlinK" turboprop services to Pellston, Alpena, and Saute St. Marie in early October.

On October 25, capacity on Great Lake's six daily "United Express" roundtrips between Bismarck and Denver is increased by 70% by the introduction of EMB-120 Brasilas. A third nonstop roundtrip "United Express" service is simultaneously added between Dickinson, North Dakota, and Denver. At the same time, thrice-daily EMB-120 "United Express" roundtrips commence from Chicago (ORD) and Decatur, Illinois.

The company's turboprop "United Express" service to Fargo is replaced on December 15 when **Atlantic Coast Airlines** introduces thrice-daily Canadair CRJ-200 "United Express" jetliner service to Hector International Airport at the North Dakota city from Chicago (ORD).

As the year draws to a close, GLA is providing "United Express" service to 72 airports in 13 states, with 8 EMB-120s and 40 Beech 1900Ds. On December 30, the maintenance base at Springfield, Illinois, is closed, its employees being offered positions elsewhere.

Customer bookings for the year surge 29.1% to 873,073. Revenues accelerate 36.1% to \$114.03 million, while costs are held to \$107.51 million. The operating profit is \$6.51 million and there is a \$2.72-million net profit.

Per an announcement made on February 26, 1999, the carrier drops its thrice-daily "United Express" roundtrip service on April 3 between Aberdeen and Denver. Traffic and revenues generated on the route have not been sufficient to cover expenses. Thrice-daily Beech 1900D "United Express" roundtrips begin on April 18 from Denver to Amarillo, Texas.

In response to a continuing crew attrition problem, Great Lakes, on August 26, is forced to suspend service from Minneapolis (MSP) to Fairmont, Minnesota, Devils Lake and Jamestown, North Dakota, Brookings and Huron, South Dakota, while also reducing frequencies to Chicago (ORD) and Denver. The carrier promises to reinstate these "United Express" flights by mid-September. The next day, the DOT, indicating that sufficient notice has not been given, orders service reinstated. Great Lakes, after an accord is reached with DOT, resumes twice-daily "United Express" service on September 9 to Mount Vernon, Fairmont, Devils Lake, Jamestown, and Brookings.

Due to the failure of the U.S. Congress to pass an anticipated law giving smaller airlines increased access to large airports, Great Lakes can obtain no additional slots at Chicago (ORD). Consequently, in December, service must be halted between that point and Quincy, Illinois.

Passenger boardings jump 21.1% to 1,058,000. Revenues climb 15.2% to \$131.37 million, while expenses are up 14.1% to \$122.66 mil-

lion. The operating profit grows to \$8.7 million, while net gain inches up to \$2.72 million.

Airline employment at the beginning of 2000 stands at 1,300, a 4% increase over the previous 12 months.

The number of daily "United Express" return services from Denver is significantly expanded on April 2: to Santa Fe (6 to 11), to Cheyenne (6 to 8), to Riverton, (4 to 5), to Sheridan, (4 to 5), to Grand Island, (3 to 4), and to Kearney, (3 to 4). All three one-stops to Pierre, South Dakota, become nonstops.

On June 8, the number of daily "United Express" roundtrips out of Denver is once more boosted: to Hayden/Steamboat Springs (3 to 4), to Colorado Springs (3 to 4), to Vail/Eagle (4 to 8, with 7 on weekends), to Telluride (2 to 3), and to Sheridan (5 to 6). Simultaneously, twice-daily return flights begin to Gunnison, Colorado.

At the end of the year, work is nearly completed on a new relationship with **United Airlines**. On February 8, it will change from a "United Express" partner to a full code-sharing affiliate. As such, it will be able to rename under its own independent identity and carry UA flight numbers in connecting passenger itineraries that include United/United Express flights. The regional will also be free to enter into code-sharing arrangements with other airlines, including **Frontier Airlines** (2) with which it is holding discussions.

GREAT LAKES COMMUTER: United States (1972–1974). GLC is established at Flint, Michigan, in the spring of 1972 to provide, in association with Chicago-based **Hub Airlines**, regularly scheduled passenger and cargo services to regional destinations. Employing Beech 99s, the company inaugurates daily roundtrip frequencies on May 1 over a network stretching from Traverse City in the north to Chicago in the south.

Operations continue apace during the remainder of the year, through 1973 and into 1974. On April 1, the company is sold to Cecil Pond's **Skystream Airlines**.

GREAT LAKES LINK. See **ALLIANCE AIRLINES**

GREAT NORTHERN AIRLINES: United States (1975–1980). The 20-year-old **Fairbanks Air Service** is renamed GNA in July 1975. Third-level Cessna commuter operations continue to interior destinations as well as to Fairbanks. The company also operates a large freighter fleet of upwards of 10 Curtiss C-46 on statewide all-cargo services, as well as four leased Lockheed L-188AF/PFs.

While attempting to stay on the runway after landing at Udrivik Lake on March 12, 1976, an L-188AF with three crew and a cargo of fuel oil slides off sideways. As a result of the accident, the right main landing gear collapses and the plane catches fire. The crew escapes before the aircraft is destroyed.

An L-188PF with six crew and nine passengers touches down short of the runway while on final approach to land in Alaska's North Slope on January 5, 1979; although the left landing gear and wing fail, severely damaging the aircraft, there are no fatalities.

Great Northern is purchased by and merged into **Alaska International Air** in September 1980.

GREAT NORTHERN AIRWAYS, LTD.: Canada (1965–1972). GNA is established at Calgary Airport in 1965 to offer scheduled and charter services within Alberta and flights commence with a single Fokker F.27-100.

Two DC-3s join the fleet in 1966 followed by a third in 1967, along with a de Havilland Canada DHC-3 Otter.

A DHC-6-100 Twin Otter and another Fokker, license-built in the U.S. by Fairchild and purchased from **Allegheny Airlines** (1), join the fleet on May 15, 1968. Less than a month after its acquisition, the new F-27J, with three crew and nine passengers, crashes on approach to Resolute Bay on June 12; there are no fatalities. **Allegheny Airlines** (1) supplies a replacement aircraft, which arrives on July 12.

A Douglas DC-4 is acquired from **Wardair Canada, Ltd.** in 1969. The replacement F-27J is damaged as the result of a bad landing at Inuvik Airport, Northwest Territories, on December 20; there are no fatalities. It will take over a month for repairs.

Barely out of the shop, the F-27J runs off an icy runway at Inuvik Airport on February 14, 1970; although no injuries are reported, the plane must now be written off.

The two Friendship accidents, coming within a 10-month period, cause significant adverse publicity and loss of business. The Twin Otter is withdrawn and the Otter, DC-4, and three DC-3s are sold in 1971.

The F.27-100, together with the carrier, stops flying in 1972.

GREAT PLAINS AIRLINES. *See* **METRO AIRLINES**

GREAT SIERRA AIRLINES: United States (1980–1981). GSA is set up at Oakland, California, in the late spring of 1980 to provide scheduled passenger and cargo services. Employing a pair of Piper PA-31-310 Navajos, revenue flights commence on June 27 linking the company's base with Truckee, Reno, and Lake Tahoe.

Unable to achieve economic viability, the company is forced to shut down in April 1981.

GREAT WALL. *See* **CHINA GREAT WALL CORPORATION**

GREAT WESTERN AND SOUTHERN AIR LINES, LTD.: United Kingdom (1938–1947). Great Western and Southern is formed on December 5, 1938 by the owners of **Railway Air Services, Ltd.** and Capt. Gordon Olley's **Channel Air Ferries, Ltd.** John Elliott is named chairman and initial capitalization is £100,000.

The new entrant purchases two RAS de Havilland DH 89A Dragon Rapides and a DH 84 Dragon and takes over certain of the southern routes of RAS as well as those of CAF, operating initially under the latter name. Among the more popular destinations from London are Deauville, Le Touquet; the Land's End–Scilly Isles service is also acquired.

The **Channel Air Ferries, Ltd.** identity is abandoned on March 24, 1939. Daily Liverpool to Brighton via Manchester, Birmingham, Bristol, Southampton, and Ryde flights begin on May 1. Four days later, company Dragon Rapides launch daily Bristol–Scilly service, via Exeter (on demand), Plymouth, and Land's End. Cardiff–Brighton via Bristol, Bournemouth, and Ryde operations start on May 8. Twice-weekly flights to Luxembourg begin on May 16. On May 26, four new services from London (Croydon) are offered four times per day to Deauville and Le Touquet, to Le Touquet via Brighton, and from London (Hendon) to London (Croydon) to Ryde.

War is declared on Germany on September 3 and all civil flying ceases. On September 25, the company receives government approval to restart Land's End–Scilly flights.

Total passenger traffic since start-up to March 31, 1940 is announced as 12,898. On May 5, the carrier is one of seven independents joining together, under auspices of the Secretary of State for Air, to form the **Associated Airways Joint Committee** for the wartime governance of domestic air transport operations and services.

Between May 22–June 2, the company's aircraft join those of other AAJC members in the evacuation of British Expeditionary Force troops from Dunkirk. On June 15, certain of the carrier's planes are sent to France via Exeter for additional evacuation duties, being released on June 24.

Scilly–Land's End mail flights are restarted in October. Bookings for the year total 3,252.

While operating a Scilly–Land's End mail flight, a DH 84 Dragon with a pilot and five passengers disappears on June 3, 1941 and is presumed shot down by the Luftwaffe. The service is suspended until October 27 and on November 4, is shut down again. The year's enplanements are only 1,375.

The ferry and mail flights are resumed in 1942, during which year boardings accelerate to 3,869.

Traffic figures for 1943 are not revealed, but enplanements for 1944 are 6,593.

The war in Europe ends on May 8, 1945 and, in July 1946, new routes are introduced from Cardiff to Weston-super-Mare and to Bristol. On August 1, the new **British European Airways Corporation (BEA)** is established. Bristol–Southampton flights commence on October 7. Passenger traffic for the final year soars to 12,306 passengers carried.

On February 1, 1947, **British European Airways Corporation (BEA)** acquires the aircraft, personnel, and services of all the former **Associated Airways Joint Committee** members, including Great Western and Southern thus end.

GREAT WESTERN AVIATION: United States (1990–1991). Rodney Skillman sets up GWA at Sioux Falls, South Dakota, in the fall of 1990 to provide scheduled daily passenger and cargo services to Rapid City. Fairchild Metro III roundtrips commence on October 30 and continue less than a year.

GREAT WESTERN AVIATION (PTY.), LTD.: Perth Flight Centre, Fautieroy Ave., Perth, Western Australia, 6105, Australia; Code GWA; Year Founded 1996. Great Western is established at Perth in 1996 to offer domestic passenger charters. Revenue flights begin with 1 each Beech 1900C and Beech King Air 100.

GREATER JAPAN AIR LINES COMPANY, LTD. See JAPAN AIR LINES COMPANY, LTD. (1) GREATER SOUTHWEST AVIATION: United States (1985). GSA is set up at Roswell, New Mexico, during the first week of January 1985 to provide scheduled passenger and cargo service to Santa Fe. Piper PA-31T Cheyenne flights commence on January 14, but cannot be maintained more than a few months.

GREEN BAY AIRLINES: United States (1978–1980). Terry Kunes purchases **Green Bay Airways** at Green Bay, Wisconsin, in January 1978 and continues its scheduled passenger flights to the state capital of Madison and other destinations under a changed corporate identity. Employing two Cessna 402s, the company inaugurates revenue schedules on February 20.

Operations continue until 1980, when the carrier is reformed and renamed **Central States Airline**.

GREEN BAY AIRWAYS: United States (1965–1978). GBA is established at Green Bay, Wisconsin, during the first quarter of 1965 to provide scheduled passenger and cargo flights to various intrastate locations. Employing Cessna lightplanes and Aero Commander 500Bs, the company inaugurates revenue services on March 2, linking its base with Sturgeon Bay, Ephraim, and Gills Rock.

Operations continue apace over the next 13 years, with the route network expanded to take in Land O'Lakes, Antigo, Eagle River, and Madison. In January 1978, the company is sold to Terry Kunes and renamed **Green Bay Airlines**.

GREEN HILLS AVIATION: United States (1978–1987). GHA is formed at Cannon Memorial Airport, Kirksville, Missouri, in the spring of 1978 to offer scheduled third-level Essential Air Service (EAS) passenger and cargo flights to Kansas City over routes formerly operated by the Missouri commuter **Horizon Air**. President Michael W. Mulford oversees a workforce of 11; his fleet comprises 2 Piper PA-32 Cherokee Sixes and 1 PA-31-310 Navajo. Revenue flights commence on April 4 and enplanements for the year total 4,687.

St. Louis and Quincy, Illinois, service is inaugurated in 1979 and Columbia in 1980.

Two additional employees are hired at the start of 1981, but traffic falls as a result of the PATCO air traffic controller's strike. A search for new flight equipment is begun and evaluations are made of the Piper T-1020 and T-1040. Bookings are down 21% to 3,698.

EAS flights continue apace in 1982–1986. However, cash flow difficulties become such that the third-level operator cannot afford to oper-

ate. When the carrier fails to fulfill its EAS obligation in May 1987, the FAA revokes its operating certificate.

GREEN MOUNTAIN AIRLINES: United States (1979–1980). GMA is established at Warren, Vermont, in March 1979 to provide scheduled passenger services linking the capital city of Montpelier with New York (LGA).

Daily Cessna 402 roundtrips are inaugurated on April 1 and continue until late 1980.

GREENAIR, A.S.: Turkey (1990–1995). Greenair is established at Istanbul in 1990 to offer nonscheduled passenger and cargo charters to regional destinations, including those in Eastern Europe. **Aeroflot Soviet Airlines** acquires shareholding and leases aircraft to the new entrant. Revenue operations commence with 2 Tupolev Tu-134A-3s and 3 Tu-154Ms. President Ali Sen's fleet does not change, but his employee population reaches 200.

In 1992, the company is flying passenger charters from Istanbul to Frankfurt, Nuremberg, Berlin, Milan, Paris (CDG), and London (LGW). Plans are made for the initiation of scheduled return services to Moscow and roundtrip flights to several Turkish domestic points are inaugurated.

The collapse of the Soviet Union and the reformation of **Aeroflot Soviet Airlines** into **Aeroflot Russian International Airlines (ARIA)** has a negative impact on Greenair, which loses an important supporter in the process. The company limps on until December 1994, when it closes down and returns all of its Russian-made equipment.

New investors now provide additional capital that allows the carrier to be reborn under the marketing name **ActiveAir, A.S.** at the beginning of 1995. A Tu-154M is chartered from **Vnukovo Airlines** and is employed to resume charters at the end of March. Additional Vnukovo Tupolevs are obtained and European flights continue through the end of October, when the company shuts down a second time—permanently.

GREENEVILLE AIR. See **GENERAL AVIATION (2) (GREENEVILLE AIR)**

GREENLANDAIR, A.S. See **GRONLANDSFLY, A.S./GREENLANDAIR, A.S.**

GRENZLAND AIR SERVICE, GmbH.: Airport Stadtiohn, Stadtiohn, 48703, Germany; Phone 49 (2563) 93230; Fax 49 (2563) 932320; Year Founded 1990. Grenzland is established at Stadtiohn in 1990 to offer executive and small group passenger charters to points within Germany and throughout Europe. Revenue flights begin and continue with a fleet that includes at least 1 each Cessna Citation II, III, and V and British Aerospace (Hawker) 800 bizjets.

GREYHOUND AIR, LTD.: Canada (1996–1997). Late in 1995, **Kelowna Flightcraft Air Charter, Ltd.** enters into an agreement with the Calgary-based Greyhound Transport Canada Corporation, Ltd. to provide capacity for a new air transport company designed to complement the bus operator's ground schedule with links from western Canada to Hamilton, Ottawa, and Toronto, Ontario.

Dick Huisman, president and chief executive officer of Greyhound Canada, indicates that the new carrier will take advantage of the existing infrastructure of Greyhound bus services for ticketing and marketing. It will feed passengers into the flight network from Greyhound bus services, offering fares up to 55% cheaper than the full economy fares of **Air Canada, Ltd.** and **Canadian International Airlines, Ltd.**

With the Dial Corporation of Tucson holding 66% shareholding, Greyhound Air is established on February 11, 1996. Greyhound Vice President John Munro is placed in charge and his fleet includes Kelowna's 2 B-727-25Cs, 3 B-727-22Cs, and 1 B-727-51C. As the carrier cannot operate with its own titles until it receives certification, the planes are given a generic red, white, and blue livery with billboard-sized telephone numbers on their sides.

In May, the low-cost Canadian start-up is prevented from commencing operations by the National Transportation Agency, which upholds a complaint regarding foreign ownership and control issues by **WestJet Airlines, Ltd.** The NTA's action is overturned by the Canadian Minister of Transport early in June, subject to several conditions: that the company remains in Canadian hands; that passengers are told Kelowna Flightcraft, not Greyhound, is providing the air service; and that the business arrangement between Greyhound and Kelowna remains in place. Under the deal, Greyhound will market the service, which will be operated on Kelowna aircraft by Kelowna crew. Kelowna will also be responsible for maintenance.

As a result, the Dial Corporation sells its majority stake in Greyhound Canada to a widely distributed group of Canadian investors, while retaining several profitable components. Consequently, the parent is weakened to the point that without a deep-pocketed backer, it will be unable to bear the inevitable start-up losses.

Operations by Kelowna on behalf of Greyhound finally get underway from Winnipeg on July 8; eight daily frequencies are offered to Vancouver, Calgary, Kelowna, Edmonton, Hamilton, Ottawa, and Toronto. Scheduled flights are increased to 12-per-week during the second week of July. A B-727-214 is added in late fall.

By late spring of 1997, Greyhound has lost C\$30.7 million (US\$22 million) on the enterprise. CEO Huisman, however, promises the media on June 30 that, if his concern can reach a break-even point, it will attempt to offer services through a second year.

These losses cannot be continued and another bus operator, Ontario-based Laidlaw, Inc., North America's largest school bus and ambulance operator, offers to take over the company's parent, Greyhound Canada Transportation Corporation, for C\$100 million—without the airline.

The decision having been taken to discontinue operations, the carrier's parent, Greyhound Canada, works out an arrangement on September 1 with **Canadian Airlines International, Ltd. (CAI)**. The major agrees to honor all reservations made before September 2 for travel after the new entrant's shutdown, subject to availability. Affected Greyhound passengers or their travel agents will be rebooked by September 15.

With transfer arrangements in place, the company, on September 4, makes a public announcement of the air service termination and while apologizing to its customers, advises them of the CAI assistance. It also pledges that a sister company operating under the Greyhound Canada Transportation umbrella will drive a bus service on routes similar to those now abandoned by the airline.

There is considerable dismay in Alberta over the termination, which many blame on Ottawa's harassment of the Greyhound ownership a year earlier. **Kelowna Flightcraft Air Charter, Ltd.** will contend that the experiment has been cancelled on the verge of success.

The last Greyhound service is completed at midnight on Sunday, September 21. The company's airport ticket counters are staffed for another five days to assist passengers with alternate travel arrangements. At the close of the workweek and with all employees paid, the Greyhound experiment in air transport is over.

GROGNET FLYING SERVICE. See **SHAWANO FLYING SERVICE**

GROMER AVIATION: United States (1980). Gromer Aviation, the FBO at Versailles, Missouri, establishes a scheduled airline division in January 1980. Equipped with a Piper PA-31-310 Navajo and a PA-34 Seneca, the new subsidiary inaugurates daily passenger and cargo flights on February 1, linking its base with Kansas City, Lake of the Ozarks, and Sedalia.

Revenue roundtrips can only be maintained until November.

GROMOV AIR. See **GROMOV FLIGHT TEST INSTITUTE/GROMOV AIR**

GROMOV FLIGHT TEST INSTITUTE/GROMOV AIR: Flight Research, Zhukovski-2, Moscow, 140160, Russia; Phone 7 (095) 556-2217; Fax 7 (095) 556-5334; Code LII; Year Founded 1994. Based at Zhukovski in the Moscow Region, Gromov is the former Soviet aviation research institution which, beginning in 1994, is allowed to fly international charters in order to earn hard currency. K. K. Vasilchenko is appointed general director and begins operations with a pair of Ilyushin Il-62s.

Flights continue in 1995–2000, during which years Leonid Lobas becomes CEO and the fleet is altered to include 2 each Yakovlev Yak-40s, Tupolev Tu-154As, Ilyushin Il-76TDs, and Antonov An-12s, plus 1 Il-18.

GRONLANDSFLY, A.S./GREENLANDAIR, A.S.: Nuuk Airport, P.O. Box 1012, Nuuk, DK-3900, Greenland; Phone 299 288 88; Fax 299 272 88; <http://www.greenland-guide.dk/gla/default.htm>; Code GL; Year Founded 1960. This carrier is formed at Nuuk on November 7, 1960 by a consortium that includes SAS (Scandinavian Airlines System) (25%), Royal Greenland Trading Co., A.S. (25%), Cryolite Mining Company Oeresund, A.S. (25%), and the Greenland Provincial Council (25%). With a mission to develop necessary aerial communications between the main communities on the island, the company is given the sole concession to operate domestic scheduled services, together with international and domestic charter and contract service flights.

Following a year of establishment in 1961, passenger, freight, and mail service is launched to six points on the island on May 1, 1962, employing a Consolidated PBY-5A Catalina and a de Havilland Canada DHC-3 Otter leased from Eastern Provincial Airlines, Ltd. The destinations served include the west coast communities of Nanortalik, Narssaq, Narssarsuaq, Julianehab, Groennedal, and Frederikshab.

In 1963–1966, three Douglas DC-4s are acquired and for support of services to remote areas, the fleet is expanded by two Sikorsky S-61N helicopters and an Aerospatiale Alouette III. Resupply flights are initiated, under contract to the USAF, to Distant Early Warning (DEW) Line points on Greenland and in eastern Canada. Ice patrol, search and rescue, and geological survey missions are also undertaken.

Airline employment is 65 and a total of 16,500 passengers are transported in 1967. In 1968–1969, a DC-6B is added for longer segments and two additional S-61Ns enter service. Bookings in the latter year total 36,163 and the workforce is 94.

In 1970, the employee population increases to 102 and passenger boardings jump 23% to 46,965. Enplanements total 52,800 in 1971 and the fleet remains static with 4 S-61Ns, 1 A-43, and 2 DC-4s.

In 1972, a second DC-6B is acquired, along with the fifth and sixth S-61Ns. Airline employment grows to 150 and passenger boardings jump 20% to 66,000.

Fifteen new employees are hired in 1973. Customer bookings accelerate 17% to 77,000 and cargo traffic is up by 9%.

The fleet is modernized in 1974–1977 as the DC-4s are replaced by three de Havilland Canada DHC-6 Twin Otters and a Sikorsky S-58T is also purchased.

The Douglas transports operate services from Sondrestromfjord to Thule USAF base, Narssarsuaq in southern Greenland, and Kulusuk on the east coast. S-61N helicopters operate scheduled flights from Godthab and Sondrestromfjord to 15 west coast destinations while S-58Ts fly out of the east coast city of Angmagssalik.

Chairman Erik Hesselbjerg and President Jorgen Hoy oversee 250 workers in 1978 and possess a fleet comprising 2 DC-6Bs, 3 DHC-6s, 8 Sikorsky S-61Ns, 4 S-58Ts, 5 Bell 205B, and 3 Bell 206 JetRangers. Orders are outstanding for a DHC-7.

Airline employment rises during the early 1980s to reach 360 in 1983–1984. A total of 19 Greenland destinations are now served along with the USAF contract service flights. The fleet by now has received two DHC-7-103s *Papikkaaq* (Big Tail) and *Nipiki* (Silent), allowing the DC-6Bs to be retired.

During the spring of the latter year, three S-61Ns are sold to **Resorts International Airlines** for use on shuttle flights between New York City

and Atlantic City. Paid for with funding from the EEC, a new airport is opened at Ilulissat, above the Arctic Circle, in August 1984. Enplanements in that year total 93,366.

Employment grows by 9.6% in 1985 to 338 and the fleet now comprises 2 DHC-7s, 3 DHC-6s, 1 Piper PA-31T Cheyenne, 1 Beech King Air, 4 S-61Ns, 3 Bell 206B JetRangers, and 6 Bell 212s. The carrier's twenty-fifth anniversary is celebrated. Passenger boardings rise 18.5%, up to 114,559.

A Piper PA-31-310 Navajo is acquired in early 1986 and, in cooperation with **Flugfelag Islands, H.F. (2)/Icelandair**, a route is opened from Godthab to Reykjavik.

In November, the carrier, again in partnership with **Flugfelag Islands, H.F. (2)/Icelandair**, begins service to Copenhagen from Narsarsuaq via Keflavik.

Enplanements total 122,745 and, on revenues of \$40.4 million, a \$3.3-million operating profit is earned. The net profit is \$2.4 million.

Airline employment grows 8.6% in 1987 as Jan Rasmussen succeeds Claes Piper as president. The company's helicopter operation adds a Bell 212 and an Aerospatiale AS-350B-1, as plans are made to replace the five Bell 206Bs. On September 11, a Sikorsky S-61N crashes during an external-load mission.

Passenger boardings jump 26.5% to 167,000 and freight increases 59.6% to 1.69 million FTKs. Revenues ascend 50.1% to \$60.4 million and with costs kept low, the operating profit is \$8.3 million with net gain reaching \$5.6 million.

During the first quarter of 1988, a Sikorsky S-61N is purchased from **KLM Helikopters, B.V.** to replace the unit destroyed the previous fall. The company's S-61N fleet now stands at seven as additional Bell 212s are acquired. A third DHC-7-103 *Minniki* (Short Lander) arrives in May and a second AS-350B-1 joins the fleet during the summer.

Operations continue apace in 1989–1990, during which years the carrier operates five S-61Ns thrice-weekly roundtrips from Kangerlussuaq on the east coast to Holsteinsborg on the east coast. Facing losses of DKr 15 million (US\$2.52 million), the company, on November 15 of the latter year, sells its S-61 fleet and shuts down several scheduled services.

Three more AS-350B-1s enter service in 1991 to replace the larger helicopters that have been withdrawn. Losses of an undisclosed amount continue to be suffered.

In 1992, Jonathon Mortzfeldt becomes chairman with Oje Bjerregaard as the new president. The fleet now comprises 1 Beech King Air 90, 5 Bell 206B JetRangers, 6 Bell 212s, 3 DHC-7-103s, 3 DHC-6-100s, 1 Cessna Citation II, 2 Aerospatiale AS-350B-1 Ecureuils, and 3 Sikorsky S-61Ns. When the Thule Air Base (closed to civil traffic) is shut down on October 1, a new civilian airport, named Pituffik, is built in its place.

Airline employment in 1993 stands at 470. Regularly scheduled services are continued within Greenland and to and from Denmark, Iceland, and Canada. On behalf of Greenlandair, **First Air, Ltd.** of Canada begins weekly B-727-90C services linking Pituffik with Ottawa via Kangerlussuaq, Iqaluit, and Montreal (YUL). Incoming passengers to Pituffik are shuttled to Qaanaaq, 90 miles south, by a Bell 212.

The workforce is cut to 360 in 1994; however, the fleet is increased by the addition in the fall of a fourth DHC-7, a Dash-102 from Abu Dhabi named *Sapangaq* (Pearl). Although the rotary wing fleet is reduced by one JetRanger and one Bell 212, it is increased by one S-61N and two AS-350B-2s.

Operations continue apace in 1995 from the nation's eight airfields. One of the 20-year-old Twin Otters is assigned to perform thrice-weekly ice reconnaissance missions on behalf of the Danish Meteorological Institute while the other flies charters.

For three months in 1996, a Twin Otter is chartered by the U.S. National Aeronautics and Space Administration (NASA).

Greenlandair and **Flugfelag Islands, H.F. (2)/Icelandair** collaborate with Greenland Tourism to increase the number of visitors to Greenland during the summer. Between mid-June and mid-September, a Fokker 50 honors this commitment with four weekly roundtrips between Narsarsuaq, South Greenland, and Reykjavik.

A total of 237,000 passengers are transported during the 12 months and 14.43 million FTKs are operated. Revenues of DKr 459.8 million are generated.

Peter Finch, formerly with **SAS (Scandinavian Airlines System)**, becomes president on May 1, 1997. The Icelandair/Greenland Tourism service is operated during the summer. This year, a fifth weekly frequency is provided by an **Atlantic Airways Faroe Islands, A.S.** British Aerospace BAe 146-200A.

Enplanements for the year total 251,000 and freight traffic grows to 16.28 million FTKs. Revenues ascend to DKr 491.2 million.

A new arrangement is entered into with **Flugfelag Islands, H.F. (2)/Icelandair** in June 1998. Flights previously operated from Kan-gerlussuaq and Narsarsuaq to Copenhagen flown with a B-727-90C wet-leased from **First Air, Ltd.** of Canada will now be operated under a wet-lease agreement with Icelandair. A B-757-208ER, painted in Greenlandair livery and christened *Kunuuunguaq* (Little Knud) in honor of the Danish explorer Knud Rasmussen, is dedicated to the arrangement.

Passenger boardings inch up 1% to 252,000, while cargo jumps to 20.34 million FTKs. Revenues increase to DKr 572.6 million.

By the start of 1999, airline employment has been increased by 5.6% to 436. Customer bookings surge to 282,000 and freight traffic rises to 28.11 million FTKs. Operating revenues climb to DKr 610.8 million.

A total of 493 are employed by the company at the beginning of 2000. In cooperation with **Flugfelag Islands, H.F. (3)/Air Iceland**, twice-weekly return service is launched from Ilulissat to Kulusuk on June 12. At Kulusuk, Greenlandair customers are able to connect with the Air Iceland service to Reykjavik.

While en route from Narssarsuaq to Copenhagen on November 15, Flight 786, the B-757-208ER *Kunuuunguaq* with 97 aboard, is hit by lightning that burns through the fuselage skin causing smoke from partially burned insulation. An emergency landing is made at Kastrup Airport with the power plant ablaze. Firefighters quickly extinguish the fire and no injuries are reported among the passengers, who are evacuated by chute.

GROSS AVIATION: United States (1972–1973). In an arrangement similar to that between Eugene Aviation Services and **West Coast Airlines**, Gross Aviation, a Tacoma-based FBO, contracts with the Point Orchard commuter **Cross Sound Commuter** in 1972 to fly regularly scheduled passenger and cargo services to Seattle and Olympia. The arrangement lasts only a year.

GROSSMAN AIR SERVICE, GmbH.: Brunnerstrasse 170, Vienna, A-1210, Austria; Phone 43 (1) 292-3456; Fax 43 (1) 292-3456-18; Year Founded 1991. GAS is set up at Vienna Airport in 1991 to provide executive and small group passenger charters worldwide.

Within nine years, the company employs eight pilots and operates one each Learjet 35A Century III and Canadair 600 Challenger from Vienna and one each Cessna 500 Citation I and C-414 Chancellor from Salzburg.

GSC AVIATION: 120 Billy Diehl Road, Teterboro, New Jersey 07608, United States; Phone (201) 229-1988; Fax (201) 229-1252; Year Founded 1993. GSC is founded at Teterboro in 1993 to offer executive and small group passenger charters throughout the U.S., Canada, Mexico, and the Caribbean. Two pilots are employed and the small concern begins revenue operations with a single Canadair 600 Challenger.

GTI HAVAYOLLARI, A.S. AIRLINES: Turkey (1996–1997). Owned by Hassan Cebi, GTI is established at Antalya on September 26, 1996, to offer passenger charters from that city to northern Europe. Abdulkadir Kolot is appointed managing director and he assembles a fleet of six Airbus Industrie A300B4-103s. In October, these inaugurate flights to Amsterdam and Dusseldorf.

Unable to achieve economic viability, the company shuts down within a year.

GUAM MARIANAS AIR: United States (1990–1993). Richard McCord forms GMA at Tamuning, Guam, in 1990 to offer scheduled interisland services to Rota and Saipan with three Casa C-212-200 Aviocars. One C-212 is withdrawn in 1991.

Operations continue into early 1993.

GUERNSEY AIRLINES, LTD.: United Kingdom (1978–1989). GAL is formed in April 1977 as an associated of East Midland-based **Alidair, Ltd.** offering charter and air taxi services. In November 1978 the company becomes a subsidiary of **Alidair, Ltd.**

A chartered Vickers Viscount 735 with 4 crew and 47 passengers is destroyed as the result of a bad landing at Kirkwall on October 25, 1979; there are no fatalities.

Scheduled passenger service is initiated over a Guernsey–Cambridge and Manchester route on April 1, 1980. During the summer season, the network is expanded to link Guernsey with Jersey and Jersey with Cambridge, Gloucester, Newcastle, and Prestwick. Chairman R. J. Dadd and Managing Director T. G. Jones employ 40 workers and fly both a Vickers Viscount 700 and a Shorts 330.

Guernsey–London flights begin on April 1, 1983. The London-based development company Jadepoint, Ltd., which had purchased **British Air Ferries, Ltd.** on March 1, acquires the carrier in August. Robin Pesskin is named chairman of both airline companies with Alan Weiner as managing director.

Overall passenger boardings for the two carriers, which are allowed to continue operations under their previous identities, total 99,658 on the year.

BAF/GA enplanements skyrocket to 300,000 in 1984. Airline employment for the two reaches 1,200 in 1985 as their bookings soar to 750,000.

In 1986, the GAL fleet includes 1 Vickers Viscount 802, 1 Viscount 806, and 2 Shorts 330s; scheduled services are maintained from Guernsey to Aberdeen, Edinburgh, Glasgow, Newcastle, Manchester, Humberside, Gloucester, Cambridge, Southend, London (LGW), and Manston.

Having undergone an ownership change in October 1987, the third-level carrier has no traffic or financial statistics to release for the year.

The workforce is increased by 2% in 1988 to 51 and the old fleet is replaced by 2 Shorts 360s. Enplanements for the year total 126,000 and revenues are \$9.6 million. The latter generate an operating profit of \$2 million and net gain of \$350,000.

In April 1989, the company is sold to International Leisure Group, Ltd., parent of **Air Europe, Ltd.**, for £3.9 million in cash. In July, it is merged with **Connectair, Ltd.** to form **Air Europe Express, Ltd.**

GUERNSEY AIRWAYS, LTD.: United Kingdom (1934–1945). GA is formed on November 24, 1934 by **Jersey Airways, Ltd.** owner W. L. Thurgood with support from Whitehall Securities. On June 9, 1935, thrice-daily (except Wednesday) services are initiated Guernsey–Jersey with the Saunders-Roe Windhover, christened *Windhover*. The operation ends for the winter on November 19, after a half-year that sees 387 passengers carried.

Another amphibian, a Saunders Roe Cloud, christened *Cloud of Iona*, is obtained in late spring 1936 and is also placed on the Jersey route, with a stop at Alderney. The *Cloud of Iona* is lost off Jersey on July 31 (10 dead) and the service is suspended. The year's bookings are at 1,877 before the tragedy. Summer services resume in 1938.

On May 5, 1939, a new airport is opened on Guernsey. Simultaneously, both **Jersey Airways, Ltd.** and Guernsey Airways, Ltd. begin new services from the island to Alderney, Southampton, London, and Jersey.

The DH 86 *The Belcroute Bay* initiates mail flights from Southampton–Guernsey on May 8. The company starts flying mail Jersey–Guernsey on May 22. On May 27, both Jersey and Guernsey Airways open DH 86 services from Guernsey to Exeter and Brighton.

Mail flights Guernsey–Jersey commence on July 10. On July 31, Thurgood sells his interest to Whitehall Securities' nonflying holding company

Channel Island Airways, Ltd., which now becomes half owner along with Great Western Railway (25%) and Southern Railway (25%).

On September 3, war is declared on Germany and all civil flying ceases. Bookings for the year have totaled 11,088. Working closely with **Jersey Airways, Ltd.** as the result of the railroad investment, limited interisland services are resumed on October 24 as well as flights from Shoreham to Jersey and Guernsey.

When a number of independent carriers band together on May 5, 1940 to form the state-sponsored **Associated Airways Joint Committee** for the wartime governance of domestic air operations, Guernsey, as **Jersey Airways, Ltd.**, is allowed to remain functional outside the organization. The war situation becomes so serious that, on June 15, Channel Islands services are suspended and all company aircraft are transferred to Exeter. In cooperation with **Jersey Airways, Ltd.**, Guernsey DH 86s assist in the evacuation of 319 people from the islands between June 19–21.

The war in Europe ends on May 8, 1945 and, on May 26, officials from the Guernsey and Jersey companies fly to the Channel Islands in a DH 89A (leased from **Railway Air Services, Ltd.**) to plan coordinated service resumption.

On July 7 and 12, two DH 89As are delivered for use by both carriers. On July 16, the two begin daily early morning cargo and newspaper flights to the islands from London (Croydon); on July 18, weekday frequencies are again offered between Jersey and Guernsey.

On September 1 the railroad owners consolidate the two carriers into one, giving it the **Channel Islands Airways, Ltd.** designation.

GUINEA AIRWAYS (PTY.), LTD.: Australia (1926–1960). To exploit the air transport possibilities of the gold mining region of New Guinea's Bulolo River, local administrator Cecil J. Levin, together with several investors, forms the New Guinea Gold No-Liability Company at Aldelaide in May 1926. On December 30, a government-surplus de Havilland DH 37 is purchased from the small syndicate that owned it.

During the first week of January 1927 New Guinea Gold No-Liability Company is renamed **Guinea Gold Air Service (Pty.), Ltd.** New Guinea's first bush pilot, Andrew E. "Pard" Mustar and his mechanic, A. W. D. "Mull" Mullins, are engaged to oversee shipment of the company's airplane by sea to Rabaul, New Britain. Reassembled, the DH 37, christened *Old Faithful*, is flown to the coastal strip at Lae on March 30, from whence it will operate to the goldfields in the Edie Creek area of the Mandated Territory. Following a proving flight, regular A£25 per person Lae–Wau air service begins on May 18.

Prices drop somewhat following the June 23 launch of competing service by a DH 4 of **Bulolo Goldfields Aeroplane Service (Pty.), Ltd.**, started by another soon-to-be-legendary flyer, Raymond "Battlin" Parer. Additional pilots and mechanics join the rival operators during the year.

To comply with an ordinance against no-liability companies, New Guinea Gold in December is reformed into **Guinea Airways (Pty.), Ltd.**, with share capital of A£20,000.

On Muster's advice, Levin purchases a Swedish-built Junkers W-34 in 1928, placing it in service on the gold field run in April. Four additional W-34s are acquired in 1929 while rival Parer adds a DH 9C.

Levin places orders for two Junkers G-31s in 1930. Equipped with Pratt & Whitney Hornet engines, the stretched German aircraft have specially enlarged cargo holds (24' x 6.5' x 5.9'). A W-34 crash-lands at Wau in March.

In 1931, with their two G-31s and with another pair owned by Bulolo Gold Dredging, Ltd., Guinea Airways pilots, under Muster's direction, undertake the world's largest air freight operation to date, the delivery of three huge complete dredgers to the goldfields. The airlift began on March 31, continues throughout the year, along with regular charter flights by the W-34s.

Meanwhile, on May 22, the first fatality in New Guinea air transport occurs when Les Trist, flying one of the W-34s, crashes into a mountain in the Wampit Gap.

The dredge-carrying airlift ends early in 1932 and the first of the big, re-assembled machines begins operation on March 21; since the project began, Guinea Airways aircraft have ferried 3,947 tons of associated freight. In contrast, during a similar period, all of the airlines in France together carry only 1,508 tons; the U.K., 649 tons; and the U.S., 513 tons of goods.

The carrier continues to chalk up stupendous freight records during 1933–1936 while adding additional planes and other such noteworthy pilots as William Wiltshire and Ian Grabowsky, the latter succeeding Mustar as 6M in 1934. Several smaller independents are acquired, including another carrier started by "Battlin" Parer, **Pacific Aerial Transport (Pty.), Ltd.** In 1933, Guinea Airways starts an unsubsidized Lae–Port Moresby service, providing connections to ships bound to and from Australia.

On February 22, 1937, 10-stop Adelaide–Darwin service is begun.

A new Lockheed Model 10A Electra arrives from the United States on June 23 and enters operations.

On August 16, weekday-only Adelaide–Sydney Electra flights are started via Mildura, Hay, and Cootamundra. Passenger and mail traffic on the Australian routes increases in 1938 and a new Lockheed Model 14H Super Electra enters service on March 6.

In August, the carrier receives its first government subsidy for the maintenance of its services. A total of 1,857 supply flights are completed in the year.

On January 13, 1939, the Super Electra crashes near Katherine River in Northern Australia. The aircraft is transporting mail from Great Britain posted between January 5–7 addressed to destinations in Northern Australia, Western Australia, Victoria, and Tasmania. Although most of the recovered letters and postcards are wet, they are forwarded.

DH 84s now join the fleet and the network from Adelaide is widened by the acquisition of several services formerly provided by **McRobertson-Miller Airlines (Pty.), Ltd.**

The Electra and all aboard are lost on December 18 when it crashes 20 miles south of Darwin. A total of 8,804 tons of freight is carried on the year.

The RAAF commandeers the carrier's two DH 84s in 1940. These are replaced by two Lockheed L-14Hs purchased from **Aer Lingus Irish Airlines** and flown to Australia from Ireland in only 65 hours.

Following the Pearl Harbor attack and associated December 1941 raids, Guinea Airways aircraft evacuate hundreds of women and children from interior New Guinea towns, villages, mines, and missions to Port Moresby for evacuations to Australia by ship.

A Japanese raid on Lae on January 21, 1942 destroys three of the company's four G-31s (the fourth is impressed into the Royal Australian Air Force) and brings its New Guinea operations to a halt; several single-engine de Havillands and Junkers escape across the Torres Strait.

On February 14, an L-14H is destroyed in a crash at Cairns, Queensland. The other is lost in a Northern Territory crash on February 21. In a report released in June, the company reveals that between February 1929 and February 1942 a total of 105,314 passengers and 73,480 tons of freight have been carried.

In November and December, employing two replacement Lockheed L-14H Super Electras and two L-18 Lodestars received from the Allied Directorate of Air Transport, the carrier participates in the air drop of supplies ("Bully Beef Bombers") to Allied troops during the Buna-Sanananda-Gona campaign. Following Buna's recapture, two company L-10A Electras reestablish service to that point from Port Moresby.

Service in New Guinea during 1943–1945 is sporadic; that in Australia continues, primarily in support of the Allied war effort. The first Douglas DC-3 is acquired in January 1945.

After lengthy negotiations and the payment of A£20,000, the new state carrier **Trans-Australian Airlines (Pty.), Ltd.** acquires the carrier's Adelaide–Darwin route on January 11, 1947. Meanwhile, Guinea Airways itself comes under the control of **ANA (Australian National Airlines, Ltd.)**; aircrews are administered by the larger line and all administrative, engineering, maintenance, and reservation work is performed under contract.

On January 22, an L-14H is lost in a crash at Schofield, New South Wales.

During the decade **1948–1958**, a small regional DC-3-oriented network centered on Adelaide is continued, along with assorted diversified activities under a new parent, Guinea Holdings, Ltd. Little is heard of the carrier and its glory days are only a remembrance.

Guinea Holdings is purchased by Ansett Transport Industries in July **1959** and on January 17, **1960**, the pioneer airline is renamed **Airlines of Southern Australia (Pty.), Ltd.**

GUINEE AIR SERVICE, S.A.: BP 1515, Conakry, Guinea; Phone 224 441 747; Fax 224 442 761; Code GI; Year Founded 1992. Buoh Jijohn Kah establishes GAS at Conakry in **1992** to offer charter domestic passenger and cargo services. Operations begin with a single Antonov An-24V wet-leased from **Kazair (Kazakhstan Airlines)** and two Piper PA-23 Aztecs.

Flights continue in **1993–1994**.

While taking off from Sambailo on January 26, **1995**, the chartered Kazair An-26V with five crew and two passengers overruns the runway, fails its lift off, and collides with a line of trees; although the aircraft is damaged beyond repair, there are no fatalities. Replacement aircraft are ordered.

Flights continue without further incident during the year and into **2000**. During these years, Ibrahim Kouyate is appointed president and he continues revenue services with 2 each An-26Vs and Aztecs.

GUIZHOU AIRWAYS COMPANY, LTD.: 20 Shengfu Road, Guiyang, Guizhou, 550001, China; Phone 86 (851) 584-7641; Fax 86 (851) 584-7672; Code G4; Year Founded 1991. Founded by the Guizhou Government at Guiyang in **1991**, this local service airline begins revenue flights within its namesake province late in the year with 2 Xian Y-7-100s (Chinese made Antonov An-26s).

A Harbin Yu-12 II is acquired in **1992**. A third Y-7-100 is delivered in **1993** as President Ma Yongxing continues operations in this year and the next.

Enplanements total 174,750 in **1995**.

Airline employment stands at 300 in **1996** and the fleet now includes 1 Yu-12 and 4 Y-7-100s. Customer bookings fall 16.5% to 150,000. Flights continue in **1997**.

One Y-7-100 is removed from the fleet list. During the first quarter of **1998**, the regulatory body **CAAC (The General Administration of Civil Aviation of China)** significantly increases pressure for the amalgamation of the country's regional airlines into three large groups centered around major carriers. It is hoped that Guizhou will be taken over by **China Southern Airlines Company, Ltd.** by 2001.

The acquisition proceeds more quickly than envisioned. As early as April, a 60% stake is acquired by **China Southern Airlines Company, Ltd.**

Enplanements in **1999** total 234,000 while 419,000 FTKs are operated.

The company continues to fly scheduled domestic passenger and cargo in southern China. Operations are enhanced by the acquisition of a Boeing 737-31B leased from its parent.

GUJARAT AIRWAYS, LTD.: India (1994–1999). This new regional is established at Ahmedabad on February 2, **1994**. Owned by Gujarat State Fertiliser Company, the Torrent Group, Indamer, and Bombay's Concept advertising agency, the company faces an initial delay in undertaking services. Nevertheless, Chairman G. N. Patel and Managing Director R. C. Shama recruit a workforce of 130 and place orders for 4 Beech 1900Ds.

Following delivery of the first two turboprops, scheduled services are inaugurated on July 25, **1995**, linking the airline's base with the Gujarat state destinations of Bombay, Bhavnagar, Bhuj, Diu, Jaipur, Keshod, Porbandar, Pune, and Vadodara.

Services continue in **1996–1997**. The country's largest regional airline now also flies to Maharashtra, Madhya, Pradesh, Andhra Pradesh,

Karataka, and Tamil Nadu. On July 17, **1998**, new return frequencies are inaugurated between Bombay and Hubli.

The second pair of Beech 1900Ds arrives in June **1999** and allows the company to launch flights from Bombay to Jamnagar and Kandla and from Pune to Hyderabad. Due to what are termed "unavoidable circumstances," all flights originating from Bombay, Hubli, Bangalore, and Coimbatore are withdrawn on October 8 as the carrier seeks \$10 million in additional financing.

The funds are not forthcoming and the company joins a long list of Indian private airlines that have failed during the decade.

GULF AIR: United States (1986–1989). The one-time **Music City Airways** is transferred from Tennessee to New Iberia, Louisiana, early in its career to support the oil industry with contract charters employing Convair CV-240s and, two years later, a Lockheed L-188C Electra.

The reborn Gulf Air Transport shortens its name to Gulf Air and moves to a new hub at Philadelphia in **1986**. Its fleet expanded with four more B-727-100s, the carrier now undertakes contract flights for tour operators as well as federal government agencies.

During **1987**, permission is received from the DOT for the inauguration of transatlantic tour flights. A number of Boeing 727-200s are leased, one of which is employed to operate subcharters during the summer on behalf of **Air Malta, Ltd.**

In this first full year of operations under the new name, Gulf Air transports a total of 377,000 passengers. Revenues reach \$38.2 million and expenses are kept low enough to allow profits of \$927,000 (operating) and \$65,000 (net).

Airline employment is increased by 19.1% in **1988** to 417 and the fleet now includes 3 B-727-100s and 4 B-727-200s, the latter over-water equipped.

In May, two B-727-200s are wet-leased to **Air Malta, Ltd.** for its seven-month summer tour season. In June, the remaining two B-727-200s start weekly charter flights from Boston to the Azores. Construction is started on a new operations base approximately one mile away from the old one.

Passenger boardings increase 51.3% to 644,735 and revenues shoot up 65.3% to \$63.2 million. Expenses, however, skyrocket 76% and create an operating loss of \$2.5 million. The net loss is half a million dollars less.

The airline plans to begin overseas tours in early **1989**, but finds that it must change its name, which is the same as that operated by the Gulf States consortium carrier. When GAT announces its desire to be known as Sun International Airlines, this decision is challenged by **Sun Country Airlines** as being too close to its own.

Finally, on May 1, executives elect to honor the memory of Orvis Nelson's pioneer Pacific supplemental. Gulf Air becomes **Transocean Airways** and signs an agreement with the ILFC for the charter of two DC-8-71s.

GULF AIR AVIATION, LTD. See AIR BC, LTD.

GULF AIR COMPANY, G.S.C.: P.O. Box 138, Manama, Bahrain; Phone 973 322 200; Fax 973 330 466; <http://www.gulfairco.com>; Code GF; Year Founded 1973. Interests in certain of the Gulf States enter into negotiations with **British Airways, Ltd.** (2) in late 1972 for purchase of the British carrier's longtime shares in the two carriers **Gulf Aviation, Ltd.** and **Gulf Helicopters, Ltd.**

An arrangement is arrived at in **1973** as the talks are successfully completed.

In anticipation of the forthcoming sale, Gulf Aviation, Ltd. is renamed Gulf Air Company, a new livery and logo are adopted, and the present headquarters are established. With **Air Afrique, S.A.** and **SAS (Scandinavian Airlines System)**, GAC is one of the world's three multinational airlines.

A total of 240,720 passengers are carried on the year.

Bahrain, Oman, Qatar, and the UAE, each with 25% shareholding, take over formal control of GAC on April 1, **1974**, along with **Gulf**

Helicopters, Ltd. and four VC10s leased from **British Airways, Ltd.** (2). The latter are employed to continue flights to London, Beirut, Karachi, Cairo, and Bombay. A BAC 1-11-409 is also placed into service, joining two BAC 1-11-432s already flying with the new concern.

The Gulf Hotel is constructed in Muscat as part of the airline's hotel operations. Orders are placed by the multinational for two Lockheed L-1011 TriStar 200s.

Passenger boardings soar 52.8% to 509,827 and freight traffic skyrockets an almost unbelievable 854%, with 8.84 FTKs operated.

The workforce totals 2,762 in 1975 and the fleet includes 10 aircraft.

Services are inaugurated to Amman, Basra, Baghdad, and Athens. Orders are placed for two additional L-1011-200s as a fifth rented VC10 joins the fleet. In October, the two BAC 1-11-432s and BAC 1-11-409 are re-registered in the Sultanate of Oman.

Cargo traffic is up 170% and enplanements jump 46% to 650,278.

Airline employment in 1976 is increased a whopping 81% to 5,000. Four L-1011 TriStar 200s in striking color schemes are received beginning in January and orders are placed for five Boeing 737-2P6As.

Outfitted with 40 first-class seats and a 10-seat lounge, the first L-1011, nicknamed a "FiveStar TriStar," enters service on April 1 from London to Bahrain.

Passenger bookings accelerate 47% to 960,253 and cargo is up 71.3%.

In May 1977, pooled flights commence with **British Airways, Ltd.** (2) between the Gulf states and London. All five B-737-2P6As are delivered, the first in June and the VC10s are gradually returned to Britain.

Troops, led by Qatar's crown prince, overpower a Lebanese hijacker, who steals a VC10 with 68 aboard en route from London to the UAE, on June 29, and diverts it to Oman.

Later in the year, a Lockheed L-1011 TriStar 1 is leased from **Trans World Airlines (TWA)** for three years. Removal of the chartered VC10s continues. Enplanements pass the million-mark for the first time, totaling 1,136,251.

Airline employment at Managing Director Salim Bin Nassir's carrier totals 3,500 in 1978. A treaty is signed by the four national owners at Doha, Qatar, under which the carrier is registered in each country as a company, the aircraft are registered in Oman, and the head office remains in Bahrain. It is further confirmed that the board of directors shall consist of three representatives from each nation, with annual rotation of the chairmanship alphabetically by country. Approved and subscribed capitalization is established at 28 million Bahrain dinars, which are divided into 280,000 shares, each worth 100 dinars. The 4 nations own 70,000 shares each.

On June 28, the two BAC 1-11-432s and single BAC 1-11-409 are sold to **British Island Airways, Ltd.** Service is opened to Ras Al Khaimah; L-1011-200 flights commence to Bangkok and Hong Kong, and B-737-2P6A operations are started to Jeddah.

Passenger boardings rise 22.3% to 1,463,000 and freight grows 17.6%.

Two more B-737-2P6As are placed in service during 1979, while the L-1011-200s are reconfigured from 211 to 231 seats.

Cargo is up 44.5% and passenger traffic jumps 24.8% to 1,826,000.

Freight skyrockets 87.4% in 1980 to 104.87 million FTKs, while passenger boardings advance 14.2% to 2,086,000. The workforce is unchanged and remains at 2,900 employees. Airline employment grows in 1981 to 6,198, although only 4 Gulf nationals hold management titles.

An award is received from the British Safety Council and is accepted by Ali Al-Malki, who now becomes president/CEO. A worldwide record 99.8% technical dispatch reliability rate is claimed for the carrier's B-737-2P6As.

The light aircraft division is spun off into a new subsidiary, **Oman Aviation Services, Ltd.**, to provide domestic flights in Oman and regional Middle East charters. OAS's initial fleet comprises 3 F.27s, 2 de Havilland Canada DHC-6s, and 2 Beech 99s.

Passenger boardings for the parent increase 10.8% to 2,311,000, but freight dips 18.6% to 85.5 million FTKs. A profit of \$31 million is reported.

Airline employment drops 17% in 1982 to 4,400.

Karachi airport security officials arrest Palestinian "potential hijacker" Yusuf Yusufi while he is boarding a company aircraft on January 2.

Services are added or restarted to Athens, Tunis, Larnaca, and Nairobi. Unable to obtain permission to fly in B-747s from the Philippine government, the carrier suspends service to Manila. Meanwhile, a former **All-Nippon Airways Company, Ltd. (ANA)** Lockheed L-1011 TriStar 1 is chartered from GPA. An extensive training program is inaugurated for Gulf state nationals.

Passenger bookings accelerate 14% to 2.2 million and a net \$20-million profit is posted. The workforce shrinks in 1983 to 4,193 as a second ex-ANA L-1011 TriStar 1 is leased.

While en route from Karachi to Manama, Bahrain, via Abu Dhabi on September 23, Flight 771, a B-737-2P6A with 6 crew and 105 passengers, crashes and burns in the mountains 50 km. NE of the intermediate stop; there are no survivors. Arriving at the crash site from Abu Dhabi, investigators will collect evidence that will confirm the tragedy is the result of a bomb, perhaps hidden in baggage placed aboard by a ticket-holder who did not board.

After many years on the outside, GAC joins IATA late in the year.

Freight is up 6.1% to 93.34 million FTKs and enplanements climb 5.3% to 2,430,000. A net \$51.8-million profit is banked, on top of an operating gain of \$88.2 million.

The employee population declines 1.4% to 3,643 in 1984.

In March, a Boeing 747-2B4BC is subleased for eight months from **Middle East Airlines, S.A.L. (2)**; it is employed to operate a service from Bahrain to Manila via Bangkok. Passenger boardings advance 12% to 2,696,869 and cargo grows 29.5% to 123 million FTKs. On total revenues of \$625.8 million, the operating profit is \$72.5 million and net gain is \$61.5 million.

Airline employment grows 8.1% in 1985 to 4,924.

During the year, two from the UAE—Abu Dhabi and the Emirate of Dubai—quit the consortium to form their own carriers. President Al-Malki's fleet now includes 5 L-1011 TriStar 200s and 8 B-737-2P6As.

When the **Middle East Airlines, S.A.L.** Jumbojet is returned in July, it is replaced by a B-747-283B chartered from **SAS (Scandinavian Airline System)**.

Passenger enplanements jump 5.6% to 2.87 million and a net profit of \$36.4 million is realized.

The emergence of Dubai-based Emirates on routes to India and Pakistan in 1986 brings the start of cutthroat competition. Although enplanements total 2,615,610 and plans are made to become a major worldwide airline, the company suffers its first-ever net loss, \$791,000.

The workforce is reduced by 8.1% in 1987 and the fleet includes 11 L-1011 TriStar 1/100/200s and 8 B-737-2P6As. Six new B-767-2P6s will arrive during the year.

In April, a new technical base is opened at Abu Dhabi; owned by the airline (40%) and the government of the Emirate of Abu Dhabi, the \$100-million Gulf Aircraft Maintenance Company (GAMCO) prepares to undertake heavy maintenance for GAC in the fall.

Meanwhile, a long-standing technical support contract with Hong Kong Aircraft Engineering Company (HAECO) is cancelled during the summer and for the few months until it can move into its new Abu Dhabi base, the carrier contracts its technical support from **British Airways, Ltd. (2)**.

The **SAS (Scandinavian Airline System)** Jumbojet is returned in September and service is inaugurated to Dar es Salaam, Nairobi, and Damascus later in the fall.

Stiff competition from **Emirates, Ltd.** causes customer bookings to dip 3.6% to 2,254,721, but cargo moves ahead by 11.6% to 127.6 million FTKs. Revenues fall 14.8% to \$472.9 million and losses of \$6 million (operating) and \$7.7 million must be absorbed.

The number of employees is increased by 7.1% in 1988 to 4,797 and the fleet includes 6 B-767-2P6s, 8 B-737-2P6As, and 11 L-1011 TriStars. Orders are outstanding for four B-767-3P6ERs. The entire B-737-2P6A fleet is sold to Polaris and is then leased back.

B-767-2P6 twice-weekly service is inaugurated from Bahrain to London via Amsterdam in February.

In April, pooled service from the Gulf States to Kuwait is inaugurated with **Kuwait Airways Corporation**.

Customer bookings recover and rise by 12.6% to 2,863,000; cargo climbs 12.5% to 144 million FTKs. Revenues jump 13.9% to \$547.5 million, but expenses prohibit a return to profitability by causing an operating loss of \$700,000 million and net loss of \$6 million.

Company employment is increased by 6.5% in **1989** to 5,110 as four B-767-3P6ERs are delivered.

After an eight-year interruption caused by the Iran-Iraq War, flights are resumed to Tehran on May 4. Later in the month, a code-sharing agreement is signed with **Air Lanka, Ltd.** for joint operations to Bahrain and Muscat.

In December, a pact is signed with **Air India, Ltd.** providing for pooled services from Muscat to Trivandrum.

Although traffic is good, the fiscal picture decays. Passenger boardings move ahead by 7.5% to 3,112,000 and freight is up 11.6% to 160.2 million FTKs. Revenues ascend 7.8% to \$596.7 million, but costs explode by 9.5% to \$606.7 million and guarantee an operating loss of \$10 million. The net loss is \$10.6 million.

The payroll is chopped 11.9% in **1990** to 4,500.

In March, Abdulla bin Nasser Al-Suweidi, who is also Qatar's minister of transport and communication, is succeeded as chairman by Ali bin Khalfan Al-Dhahry, Abu Dhabi's department of civil aviation chief. The first of 12 ordered A320-212s is delivered in June.

A record 400,000 passengers are carried in the month of August.

During the year's second half, three more B-767-3P6ERs join the fleet and beginning in November, launch twice-weekly roundtrips from Bahrain to Singapore. The aircraft are financed with a \$178-million loan (covering 85% of their cost) from the Private Export Funding Corporation, guaranteed by the U.S. Export-Import Bank and repayable in fixed installments over 12 years.

All of the capacity improvements, however, result in only a 2.5% increase in traffic, to 3,892,858 passengers flown. Much of the expected increase after the record month of August does not occur due largely to Iraq's invasion of Kuwait and Operation Desert Shield. Meanwhile, freight rises 10% to 221.53 million FTKs; expenses, led by fuel prices, exceed income and losses are suffered: \$55.6 million (operating) and \$74.1 million (net).

The workforce is reduced another 3.4% in **1991** to 4,961 and the fleet now includes 12 B-767-3P6ERs, 8 L-1011 TriStar 200s, 8 B-737-2P6As, and 1 each leased B-737-2S3A and B-737-2T5A. Orders are outstanding for 11 Airbus Industrie A320-212s, 12 A321-100s, and 6 B-767-3P6ERs.

By January, passenger boardings have been cut to 200,000 per month.

Following the launch of Operation Desert Storm at the end of the month, the company is forced to abandon its hub for five days, ground half of its flights, and operate under extreme uncertainty.

Following the liberation of Kuwait, GAC is able to rapidly rebuild in the months after February. Even so, there remains a certain amount of confusion in matters of public relations and marketing into the spring, while jetliner pilots must become accustomed to landing at their Bahrain base through a haze of brown, smoky pollution blown 300 mi. south from the still-burning oil fields in Kuwait.

In June, twice-weekly frequencies are introduced to Rome and Geneva. With the introduction of four-times-a-week roundtrips to Beirut in July, GAC becomes the first new carrier to operate into the Lebanese capital in many years.

As a result of the fast recovery from the Gulf War, customer bookings ascend 6.5% to 3,369,072 while cargo jumps 15.5% to 204.98 million FTKs. Revenues increase 19.7% to \$767.5 million and with expenses low, operating income surges to \$87.2 million. The net gain is \$45.8 million.

The payroll is sliced 3.2% in **1992** and the fleet now includes 37 aircraft. Capitalization is increased to 840 million dinars (\$311 million), with each member-nation increasing its stake to 210,000 shares.

Two new routes are initiated in July: Amsterdam via Zurich and Frankfurt and Melbourne via Sydney. Also during the summer, the second A320-212 is placed into service; as each new Airbus arrives, a B-737-200 is retired.

A new headquarters building at Bahrain is occupied during the fall. In November, pooled flights between the Gulf States and Iran commence with **Iran Air**.

Passenger boardings jump 14.1% to 3,845,280 while freight booms upward by 35.7% to 278.48 million FTKs. Revenues swell to \$900 million and with costs held in check, there are profits: \$94.04 million (operating) and \$50.58 million (net).

In **1993**, President/CEO Salim Bin Ali Bun Nassar Assiyabi's workforce is increased by 10.7% to 5,985 and the fleet now includes 8 A320-212s, 5 B-737-2P6As, 18 B-767-3P6ERs, and 8 L-1011 TriStar 200s. Orders are outstanding for 12 A321-100s, 6 A340-312s, 2 B-767-3P6ERs, and 6 B-777-2P6s.

A \$10-million advertising campaign is launched in the international media under the title "The International Smile of the Gulf" and new routes are inaugurated to Jakarta, Entebbe, Kilimanjaro, Madras, Rome, Zurich, Sana'a, and Zanzibar.

In April, the four owner states sign a limited "open skies" agreement with two other members of the Gulf Cooperation Council, Kuwait and Saudi Arabia.

Other markets now served include Abu Dhabi, Amman, Amsterdam, Athens, Bahrain, Bangkok, Beirut, Bombay, Casablanca, Colombo, Damascus, Dar es Salaam, Delhi, Dhahran, Dhaka, Doha, Dubai, Entebbe, Frankfurt, Fijairah, Hong Kong, Istanbul, Jeddah, Johannesburg, Karachi, Khartoum, Kilimanjaro, Kuwait, Larnaca, London (LHR), Manchester, Manila, Melbourne, Muscat, Nairobi, Paris, Ras Al Khaimah, Riyadh, Sharjah, Shiraz, Singapore, Sydney, Tehran, and Trivandrum.

During the third quarter, 20% shareholding is acquired in the new Indian domestic airline **Jet Airways, Ltd.**

Three new airline alliances come into effect during the fourth quarter. Code-sharing flights commence in October with **EgyptAir, S.A.E.** between Cairo and Casablanca. A route to Casablanca from Cairo is also shared, beginning in November, with **Royal Air Maroc**.

In December, the company begins code-sharing with **Air Seychelles, Ltd.** on a joint route from Bahrain to the Seychelles.

Customer bookings for the year accelerate 11.8% to 4,298,389 while cargo grows 25.7% to 349.81 million FTKs. Revenues ascend 8.5% to \$933.06 million, but expenses leap up 13.5% to \$870.06 million. As a result, the operating profit declines to \$63 million and net gain falls to \$37.22 million.

The employee population is up by 6% in **1994** to 6,345. In January, as a result of a huge increase in cargo traffic over the previous two years, the company acquires its first dedicated freighter, a B-757-23APF leased from AWAS Australia (Pty.), Ltd. It begins six-times-per-week roundtrips to Brussels on behalf of **DHL Worldwide Express**; five rotations are night flights, with one daytime service on Sundays.

At London in February, a code-sharing agreement is signed with **American Airlines** covering service from the U.S. via London (LHR) to Abu Dhabi, Muscat, Doha, and Bahrain. Flights also begin to New York and Ho Chi Minh City. In March, shared-code flights begin with **Air Malta, Ltd.** from Bahrain to Malta.

The first A340-312 is delivered in May and is employed, beginning in June, to replace L-1011 TriStar 200s on the New York route. Partial privatization of the airline is the main topic at the month's board meeting, where a three-year, \$2.2-billion expansion plan is unveiled.

Two more long-range Airbuses arrive during the remainder of the year and succeed the company's last three B-737s and six TriStars.

The code-sharing agreement with **American Airlines** is expanded in July to cover flights between New York (JFK) and Bahrain, Abu Dhabi, Muscat, and Doha.

Four-times-per-week nonstop A340-312 roundtrips commence in August, with American purchasing blocks of seats, providing marketing, and feeding passengers to JFK. At the same time, a 25%, six-month fare

cut is announced on routes from Doha to Bombay, New Delhi, Trivandrum, and Madras; the move is made in competition with start-up airline **Qatar Airways, Ltd.**

Following the outbreak of pneumonic plague at Surat, India, in mid-September, the airline suspends flights to India. These are not resumed until early October. Toward year's end, a new Falcon frequent flyer program is introduced.

This year, passenger boardings move ahead by 6.4% to 4,602,130, while freight jumps 22.2% to 428.41 million FTKs.

There is no change in the workforce during 1995. A code-sharing and block-space agreement with **Alitalia, S.p.A.** takes effect in March on flights between Abu Dhabi and Bahrain.

Gulf Air, on April 1, drops its \$1.4-billion deal to purchase 6 B-777-2P6s with options on 6 others. The reason given is fear of excess capacity during a period of consolidation.

In October, a block-seat code-sharing agreement with **Cyprus Airways, Ltd.** takes effect; the Larnaca-based carrier purchases seats on Gulf Air's twice-weekly nonstop L-1011-200 flights to New York. One of these New York services is, incidentally, one of four new weekly services inaugurated during the month between Bahrain and Houston; the other three include stops made at Abu Dhabi, Doha, and Qatar prior to departure for Texas.

In a stunning about-face, the carrier, at the November air show in Dubai, announces an arrangement to purchase six A330-342s from Airbus Industrie. As the new aircraft arrive, the L01011-200s will be withdrawn and converted into freighters. Meanwhile, delivery is taken on four chartered A340-312s.

Enplanements increase by 4.1% to 4,791,534 and cargo improves by 5.9% to 453.79 million FTKs. Despite this growth, a \$164-million net loss is reported.

Airline employment is reduced 5.4% in 1996 to 6,000. In January, the company receives the 1995 "Passenger Service Award" from *Air Transport World* magazine. Also during the month, Capt. Shaikh Ahmed bin Sail al-Nahyan, a member of the Abu Dhabi ruling family, becomes president/CEO under an arrangement that allows the company's top post to be rotated among the four government owners.

The fleet now also includes 14 A320-212s, with orders outstanding for 7 more, plus 4 A340-312s, 18 B-767-3P6ERs, 5 L-1011-200 TriStars, and 1 leased B-757-23APF that will be repainted in full **DHL Worldwide Express** livery during the summer. Orders are outstanding for 11 A321-100s and 6 A330-342s.

Four of the A340-312s delivered late the previous year enter service during the first quarter and one is leased to **EgyptAir, S.A.E.** Flights to Manchester, Cebu in the Philippines, and Kilimanjaro in Tanzania cease at the end of March. The route network now includes 55 destinations.

A two-month Go for Gulf promotion begins in May, celebrating the *Air Transport World* recognition. In June, pooled flights commence with **Syrianair (Syrian Arab Airlines)** over a route from Bahrain to Damascus. At the same time, the dual-designator flights with **Cyprus Airways, Ltd.** to the U.S. are increased to thrice weekly.

Reeling under competition from regional airlines, President Al-Nahyan indicates in July that the company will have to take tough measures in order to remain economically viable. While awaiting its own aircraft, **Philippine Airlines (PAL)** wet leases a pair of A340-312s from Gulf Air; the first arrives at Manila in July, followed by the second in September.

During the GAC board meeting on November 27, it is decided to implement a major restructuring plan at year's end that will include a \$200-million capital injection by the shareholding states. In addition, early retirement is to be offered to scores of employees and plans are made to close unprofitable routes. Oman and Qatar, with their own emerging air services, initially refuse to participate in this bailout at an extraordinary general assembly meeting in December.

Customer bookings inch up 1.5% to 4,801,175 and 423.01 million freight FTKs are operated, a 6.8% decline. The previous year's huge loss is slightly improved; this year, the net loss is \$156 million. Still, a \$1.6-billion debt exists.

The employee population grows by 7.5% in 1997 to 6,450. Markets visited now include Amsterdam, Amman, Athens, Bangkok, Beirut, Bombay, Brussels, Casablanca, Colombo, Damascus, Delhi, Dharan, Entebbe, Frankfurt, Hong Kong, Istanbul, Jakarta, Johannesburg, Karachi, Kuala Lumpur, Kuwait, London, Namibia, Nairobi, Paris, Rome, Singapore, Sydney, Zanzibar, and Zurich.

As part of the company's restructuring plan, six B-767-3P6ERs are sold to **Delta Air Lines** and a number of leased aircraft are returned, including a pair of A340-312s. In addition, service is suspended on revenue-negative routes to Geneva, New York, Durban, and Johannesburg.

As the result of directional control difficulties experienced while taking off from Abu Dhabi on March 10, Flight 71, an A320-212 with 8 crew and 107 passengers, aborts its takeoff and settles back down on the runway, which is now overrun, causing the nosegear to collapse. There are no fatalities.

By the time the \$200-million UAE cash injection is delivered in April and May, Oman and Qatar are back on board and participate in the infusion. In May, one of the L-1011-200 is returned to service to provide summer capacity; two more will join it in June and July.

During the fall, unprofitable routes to Europe and the U.S. are cut back. Passenger boardings slide 2.9% to 5,885,050 while freight is off 8.7% to 483.5 million FTKs. Revenues total \$1.02 billion, with almost equal expenses. There is an \$8.2-million operating profit and a net gain of \$48 million.

Airline employment stands at 5,500 in 1998 and the fleet, all of which is Stage III certified, includes 29 airplanes: 11 B-767s, 13 A320s, 4 A340-312s, and 1 L-1011.

In February, a sale and leaseback agreement is signed with Abu Dhabi-based Oasis International Leasing Co. covering six of the carrier's oldest A320-212s. The arrangement is valued at \$195 million.

Also during the month, a 10-year technology agreement is signed with **American Airlines**; under its terms, SABRE Group will provide GAC with a new information structure, including application development and maintenance, as well as data center and network management.

Twice-weekly A340-312 roundtrips commence on July 4 to Kathmandu, Nepal. This is the latest destination on the Asian continent, where the carrier operates extensively, flying to markets such as Bangkok, Hong Kong, Singapore, Manila, Kuala Lumpur, Jakarta, Karachi, Mumbai, Delhi, Trivandrum, Madras, and Dhaka.

Senior executives from GAC and **American Airlines** meet at AMR Corporation headquarters at Dallas (DFW) on October 15 to discuss an expansion of their commercial partnership. As a result, GAC is authorized to place its "GF" code on AA flights between London (LHR) and New York (JFK), Miami, and Chicago (ORD) beginning in the winter.

Customer bookings rise 3.8% to 4.82 million, while cargo traffic jumps 10.2% to 134.11 million FTKs. On revenues of \$968 million, there is a \$9.6-million operating profit.

Owned 40% by the airline and 60% by the government of Abu Dhabi, Gulf Aircraft Maintenance (GAMCO) pushes forward an aggressive expansion program beginning in early February 1999. A new GAMCO division is established at Bahrain and plans are made to take over GAC's entire line maintenance operation by April.

Two hours into a B-767-3P6ER service from London (LGW) to Abu Dhabi on March 31, Kenyan passenger Grace Ndanyu goes into labor. Luckily for her, three pediatricians, a surgeon, and a consultant in palliative care are aboard, en route to medical conferences. Both of the premature twins are saved by quick care, including resuscitation in the plane's toilets. An emergency landing is made at Larnaca Airport in Cyprus, where the mother and infants are taken to the hospital.

With the beginning of the summer schedule, the number of weekly flights from Bahrain to Beirut is increased from 5 to 14. A code-sharing agreement is signed with **Air Tanzania Corporation** on May 14.

Officials from GAC meet with their counterparts from **Emirates Airlines, Kuwait Airways Corporation, Oman Airways, Qatar Airways, and Saudi Arabian Airlines** at Kuwait City on May 15 to plan a united body to compete against the growing number of major world airline al-

liances. The CEOs, who also agree to meet quarterly, discuss ways to coordinate and develop additional revenues, cut expenses, and invest jointly in support services.

Under terms of the new dual-designator pact, **Air Tanzania Corporation** is able to place its code on GAC flights, beginning on May 29, from Zanzibar and Dar es Salaam to Dubai, Muscat, and Jeddah.

The first of nine A330-342s is delivered on June 9, with the second arriving on June 24. Smoking is banned on July 1 on all company flights between London and Damascus. Twice-weekly A330-342 roundtrips begin on July 3 frp, Abu Dhabi to Geneva. Two more A330-342s arrive on July 12 and 26, respectively.

The route to Colombo, Sri Lanka, is improved on August 4; the route becomes daily and is flown with an A340-312

Net profit falls to \$1.1 million.

On March 28, **2000**, a new special 50th anniversary color scheme, featuring the work of world famous calligrapher Nja Mahdaoui, is unveiled; new blue, gold, and white 50th anniversary paint jobs will appear on one of every type of aircraft flown, beginning with a B-767-3P6ER.

On May 18, \$20 million in financing is arranged with European banks that will permit the purchase of two new A330-243s, which are delivered on May 23 and 29 and enter service at the end of June.

Using a mix of B-767-3P6ERs and A330-243s, the company, on July 1, increases the number of its weekly roundtrips from Bahrain and Muscat to Frankfurt from five to seven. The same day, using the new A330-212s, the company initiates twice-weekly summer service from Abu Dhabi to Geneva.

While on final descent on a go-around into Bahrain International Airport after an August 23 service from Cairo, Flight 72, an A320-212 with 8 crew and 135 passengers, misses its approach and crashes into the sea; there are no survivors. Just over 50 years earlier (on June 12 and 14, 1950), two **Air France** DC-4s had crashed into the sea in the same place.

The Abu Dhabi to Geneva summer season service ends on September 16. After a fifteen-year suspension, twice-weekly roundtrips are resumed on November 1 using an A320-212 between Dubai and Kuwait.

Blaming the high price of its airport fees and its curfew, Gulf Air, on November 5, reduces the number of its weekly flights to Sydney from six to four.

Service is increased to Kathmandu on November 11; the new routes include weekly roundtrips from Abu Dhabi and Bahrain, one that begins in Abu Dhabi and ends in Bahrain, and one that begins in Bahrain and ends in Abu Dhabi.

GULF AIR LINES: United States (1928–1929). **St. Tammany–Gulf Coast Airways** is reorganized in October **1928** and receives a new corporate identity, Gulf Air Lines. Financially more viable, the carrier, while maintaining its predecessor's passenger and mail frequencies, opens a new mail route from its New Orleans base to Houston in January **1929**.

Later in the spring, the company is merged with C. R. Smith's **Texas Air Transport** to form **Southern Air Transport**.

GULF AIR TAXI: P.O. Box 367, Yakutat, Alaska 99689, United States; Phone (907) 784-3240; Fax (907) 784-3380; Year Founded 1992. Notice of this FAA Part 135 nonscheduled operator is first taken in **1995** when it joins the Regional Airline Association. Formed as early as **1992** and perhaps earlier, President Marie Ivers's service in **1999** operates 3 Cessna 185s, 2 C-206s, and 1 C-207A to local communities and bush locations. Unhappily, one of the C-185s is badly damaged during its October 7 landing at a bush airstrip 20 mi. E of its point of origin at Yakutat. Fortunately, none of the four people aboard are hurt.

GULF AIR TRANSPORT: United States (1979–1985). GAT is originally established at Smyrna, Tennessee in **1972** as the charter operator **Music City Airways**. The small airline is purchased by newly formed Gulf Air Transport in **1979** and is transported to New Iberia, Louisiana, in May.

Gulf Air is now dedicated to exclusive support of the offshore oil industry with a single Convair CV-440. Over the next two-and-a-half years, the company undertakes many charter and contract service flights and its fleet grows to include 8 Convairs (all of which are up-engined into CV-580s) and a Lockheed L-188A Electra.

During **1981**, the company receives authority from the CAB to undertake worldwide nonscheduled services and it will come to emphasize operations not only within the U.S., but to Mexican, Caribbean, and destinations in Central and South America.

Public charters are first offered in January **1982** and by the end of the year, a total of 12,000 passengers are flown. On revenues of \$9.37 million, profits are earned: \$27,000 (operating) and \$19,000 (net).

Enplanements advance to 18,000 in **1983**.

The first jetliners, two B-727-121s leased from **Pan American World Airways (1)**, are acquired in **1984** as GAT transforms itself into a tour operator. Over 60 military charters are flown with 100% reliability, a feat for which the carrier receives an award from the Military Traffic Management Command. Bookings advance to 49,950.

The workforce is reduced by 11.5% in **1985** to 115; however, the fleet of 4 CV-580s and 2 B-727-121s is improved by the addition in late March of a B-727-200, purchased from **Western Airlines** with **USAir** as agent. A new regional operations center is opened at Philadelphia in April, where the jetliners are based. Passenger boardings jump 66.7% to 150,000. Additional regional centers are opened in **1986** to support an increased contract tour operator charter business. The company is renamed **Gulf Air**, but releases no traffic or financial figures.

GULF AVIATION, LTD.: Bahrain (1950–1973). On behalf of the Sheik of Bahrain and private interests, S. F. Bosworth forms GAL on March 25, **1950** and assumes the position of managing director.

Employing a single Avro Anson, Bosworth personally opens Bahrain–Doha–Sharjah service on July 5. Thrice-daily de Havilland DH 89A Dragon Rapide flights begin between Bahrain and Dhahran on July 25.

Killed in the U.K. on June 10, **1951**, Bosworth is succeeded as managing director by George B. Thompson on June 11.

The first de Havilland DH 104 Dove is placed in service on August 15. **British Overseas Airways Corporation (BOAC)** acquires 51% controlling interest on October 1.

In **1952**, the Anson and Dragon Rapide are at first supplemented and then replaced by DH 104s.

Bahrain–Muscat service via Doha and Sharjah is inaugurated on January 7, **1953**, while regular Bahrain–Kuwait flights replace irregular frequencies on July 12.

DH 104 weekly service Bahrain–Abu Dhabi via Doha and Sharjah begin on January 19, **1955**.

Orders are now placed for DH 114 Heron 2s, the first of which enters service on September 4, **1956**.

Operations continue without incident through the remainder of the year and until July 10, **1960**. On that date, a DC-3 with 3 crew and 13 passengers crashes near Sharjah, UAE; there are no survivors.

Following five months chartered use, a **Kuwait Airways Corporation, Ltd.** DC-3 obtained as a replacement is purchased on November 23. Meanwhile, the aircraft is employed to launch Bahrain–Dubai operations on October 10. BOAC and **British European Airways Corporation (BEA)** sponsor a gradual expansion of regional routes and services in **1961–1964**.

In **1965**, the fleet comprises 4 DC-3s, 1 leased DC-6, 4 Heron 2s, and 1 DH 104 Dove. Enplanements for the year total 118,363.

A C-47 with 2 crew and 18 passengers fails its takeoff from Azaiba, Oman, on August 17, **1966**, and crash-lands 565 yards from the end of the runway; there are no fatalities. Operations continue apace during the remainder of the decade, highlighted by the introduction of new equipment, including Fokker F.27s (February **1967**) and BAC 1-11-432 jetliners (November **1969**).

By 1970–1971, enplanements average 200,000 per year. Earlier scheduled routes are maintained together with new services to Muscat and Oman. The fleet comprises 2 BAC 1-11-432s, 2 F.27s, and 4 DC-3s.

The lease of a Vickers VC10 in April 1970 allows the start-up of London services while the subsidiary **Gulf Helicopters, Ltd.** is formed in April of that year.

Airline employment in 1972 stands at 1,061. The fleet is enhanced through the addition of another F.27, two Britten-Norman BN-2 Islanders, four Shorts SC-7 Skyvans, and two Beech 80 Queen Airls. Regional services are opened or expanded to and through Cairo, Kuwait, Dhahran, Bahrain, Boha, Abu Dhabi, Dubai, Sharjah, Muscat, Shiraz, Bender Abbas, Karachi, Bombay, and Salalah.

Interests in certain of the Gulf States enter into negotiations with **British Airways, Ltd.** (2) for purchase of the British carrier's shares. When this arrangement is completed, the company is merged into **Gulf Air Company, G.S.C.**, and is operated in conjunction with **Gulf Helicopters, Ltd.** Enplanements climb to 249,000 and airline employment is 1,100.

GULF CENTRAL AIRLINES: United States (1983–1984). Jack DeVoe's Opa Locka, Florida-based **Devoe Airlines** is renamed in 1983. Employing a fleet of 4 Piper PA-31-35- Navajo Chieftains, 1 PA-31-310 Navajo, and 1 Cessna 402B, the small intrastate continues to maintain daily roundtrip scheduled passenger flights on November 9 to Orlando, Jacksonville, Melbourne, Tallahassee, Fort Lauderdale, and Key West.

Early in 1984, GCA enters into a feeder agreement with **Republic Airlines** to feed the major at Florida's major cities. The arrangement comes too late to save the company from bankruptcy.

GULF COAST AIR LINE: United States (1923–1931). In late winter 1922–1923, Merrill K. Riddick and E. K. Jaquith are able to obtain the nation's third Foreign Air Mail (FAM) Route award from the U.S. Post Office, becoming the last operator of such a service prior to the start-up of **Pan American Airways (PAA)**. Unlike the FAM-2 arrangement with **Hubbard Air Transport**, the partners are not actually required to fly to a foreign destination; they only have to reach a location where a connection might be made with steamships outward bound to Caribbean and South American points. Three Curtiss N-9 floatplanes are acquired for the enterprise.

On April 9, 1923, pilot Riddick inaugurates FAM-3, transversing the 80 miles southeast from New Orleans to Pilottown, at the mouth of the Mississippi River.

Unable to continue beyond spring, Riddick and Jaquith sell GCAL to A. E. Cambas, who renames his prize **New Orleans Air Line**. The little-heralded carrier is re-equipped with 2 Curtiss MF and 2 HS-2L flying boats which, on July 2, commence a program of 8 to 10 roundtrips per month. A third HS-2L is acquired in October and a total of 85 roundtrips are accomplished by November 1, when the carrier shuts down for the winter.

It having been decided that loads and revenues are insufficient to maintain the HS-2Ls, the large flying boats are put up for sale in mid-June 1924. The route is maintained during the remainder of the decade with the MFs and Travel Air 4000s.

On May 29, 1930, a Travel Air 4000 is lost in a Franklin, Louisiana, fire.

Flights continue until December 1931, when the company is sold to a man named Johnson, who will undertake flights under the name **Johnson Airways**.

GULF COAST AIRLINES: United States (1971–1975). In 1971, officers of Gulf Coast Aviation, based at Gulfport, Mississippi, elect to establish a scheduled airline division to provide daily roundtrip shuttles to Jackson and New Orleans. Britten-Norman BN-2 Islander revenue frequencies are duly inaugurated and are maintained into 1975.

GULF COAST AIRWAYS: United States (1928–1929). In order that **St. Tammany–Gulf Coast Airways**, established the previous summer,

might enjoy greater financial support, New Orleans interests form **Gulf Air Lines** in October 1928 to serve as a holding company for the carrier, which is acquired and reformed as the operating subsidiary, dropping the **St. Tammany** prefix. With capitalization of \$225,000, several Fokker Model 8 Super Universals are acquired.

On January 23, 1929, a new Contract Air Mail Route, No. 29 New Orleans to Houston, is opened.

On March 31, when Tennessee financier A. P. Barrett and his vice president/treasurer Cyrus R. ("C.R.") Smith form **Southern Air Transport System**, GCA is acquired and serves as a division until the amalgamation is taken over by **AVCO** in January 1930.

GULF FALCON: P.O. Box 8199, Sharjah, United Arab Emirates; Phone 971 (6) 557-0515; Fax 971 (6) 557-0516; <http://www.air-gulf-falcon.com>; Year Founded 2000. **Air Gulf Falcon** is renamed on November 6, 2000. Sheikh Hamad Ali Jabour Al-Thani, a member of the royal family, a former pilot, and managing director of **Qatar Airways**, had established that airline in 1999 as a subsidiary of the Doha-based Falcon Group. Headquartered at Sharjah International Airport Free Zone, the new concern continues to provide aircraft on ACMI charters to other airlines for charters, VIP flights, and cargo services. It also flies direct VIP contracts and undertakes lift on behalf of the UN.

The initial fleet of 6 Boeing 747-100/200/SP and 2 B-707-320CFs is significantly increased as the year wears on and by the third quarter, 16 B-727-200As and B-737-200As have been acquired. One each B-747-230F and B-747-273C are both expected by December. An additional 12 aircraft, valued at \$400 million, are scheduled for delivery in 2001.

In ceremonies at Baghdad Airport on November 16, President Sheikh Hamad Ali Jabour Al-Thani presents **Iraqi Airways** with the gift of a B-747SP-09 previously owned by **Mandarin Airlines, Ltd.**

The workforce at year's end exceeds 300.

GULF HELICOPTERS, LTD.: P.O. Box 811, Al Areesh Street, Ras Abu Abaud Road, Doha, Qatar; Phone 974 333 888; Fax 974 411 004; <http://www.gulfhelicopters.com>; Year Founded 1970. Formed on July 6, 1970 to offer general charter flights in the Persian Gulf region, the technical and managerial partner in this new rotary-wing concern is **British Airways Helicopters, Ltd.** (24%).

Revenue flight services commence from the principal base at Doha, Qatar, in February 1973. Principal services are operated on behalf of oil companies developing the offshore exploration and production industry.

On April 1, 1974, the British interest is purchased and the carrier is merged into the new consortium airline **Gulf Air, Ltd.**, becoming a wholly owned subsidiary.

Operations continue with Bell and Aerospatiale equipment chartered from the parent and are flown primarily in support of the Qatar General Petroleum Corporation. The light fixed-wing aircraft previously operated by **Gulf Aviation, Ltd.** are also employed.

Following a November 22, 1976 engine failure, a Shorts SC-7 Skyvan with a pilot and a passenger ditches in the Persian Gulf near Oman's Das Island; although the aircraft is lost, both aboard are rescued.

A former manager for a North Sea helicopter concern, Michael J. Evans becomes general manager in 1988.

Former **Bristow Helicopters, Ltd.** Manager Graham Caven becomes chief pilot in 1991.

By 1994, General Manager Evans's fleet includes 7 Bell 212s, 2 Bell 206B JetRangers, and 2 Bell 412SPs.

Flights to destinations in Oman, Qatar, Yemen, and India continue in 1995–1996 as the fleet is increased by the addition of four more Bell 412SPs. A member of the Helicopter Association International, the company wins the Operators Safety Award in both years.

Gulf Aviation Company, Ltd. in March 1997, purchases all of the shares in Gulf Helicopters for the purpose of developing economical cooperation and transportation in the field of civil aviation and the carrier is operated in the State of Qatar as a wholly owned subsidiary.

In June 1998, Gulf Helicopters is purchased by Qatar General Petroleum Corporation, a concern fully owned by the government of the State of Qatar. Abdulla Bin Hamad Al-Attiya is now chairman. Several members of the engineering staff, led by Chief Engineer Steven McComish (formerly chief engineer with **Dollar Helicopters, Ltd.**) receive Technical Safety Awards.

The fleet at the beginning of 1999 includes 8 Bell 412SPs, 7 Bell 212s, and 2 Bell 206B JetRangers. In early February, a homepage is launched on the World Wide Web.

Service is maintained in 2000.

GULFSTREAM AIRLINES: United States (1984–1993). Mark F. Butler establishes Gulfstream Airlines at South Windsor, Connecticut, in 1984 to offer daily roundtrip passenger services between Hartford and Atlantic City. His initial fleet comprises two Piper PA-31-310 Navajos and a PA-23 Aztec.

Both scheduled and charter operations continue apace over the next decade and Butler remains president at the beginning of 1993. Unable to maintain economic viability in a time of recession, the company shuts down at year's end.

GULFSTREAM INTERNATIONAL AIRLINES: P.O. Box 777, 5000 North West 38th Street, Miami Springs, Florida 33266, United States; Phone (305) 871-0727; Fax (305) 871-4800; <http://www.gulfstreamair.com>; Code 3M; Year Founded 1989. GIA is founded by former **Eastern Air Lines** Capt. Thomas L. Cooper at Miami (MIA) in 1989 to provide on-demand FAR Part 135 passenger taxi and cargo charters to Cap Haitien, Haiti, with a single Cessna 402B. The following year, the Haitian destination, due to that nation's political climate, is switched to the Bahamas and an intrastate Florida service is launched with daily return flights from Miami to Key West.

The failure of both **Eastern Air Lines** and **Pan American World Airways (1)** in 1991 leads Cooper to obtain an FAR Part 145 air carrier certificate and to offer scheduled passenger and cargo flights with a fleet of five Cessna 402Cs and a Cessna 402B. The company headquarters is located in the same building that once housed the Latin America operations of **Pan American World Airways (1)**.

Revenue services are inaugurated to the Florida, Bahamian, and Haitian destinations of Treasure Cay, Marsh Harbour, North Eleuthera, Governor's Harbour, San Andros, Andros Town, Congo Town, Rock Sound, George Town, Freeport, and Cap Haitien.

Enplanements for the year total 9,659 and revenues are \$1.2 million.

During the spring of 1992, a route is inaugurated from Vero Beach to Orlando, but proves unprofitable. After it is dropped at midyear, a new intrastate service is started from Miami to Key West.

Three Beech 99s are purchased for \$4.2 million in December and are employed to begin scheduled services to Freeport and the Bahamas at mid-month.

Bookings for the year swell to 23,164.

Airline employment grows to 35 in 1993 and in April a marketing, code-sharing, and frequent flyer benefit agreement is signed with **United Airlines**. The following month, the regional begins feeding the major as "United Express" at Miami and Fort Lauderdale, with new frequencies from Daytona Beach, Tampa, and Orlando.

The 99s and new accord assist in boosting traffic figures as 85,000 scheduled and 8,000 charter passengers are flown. Sales total \$6 million.

The first Beech 1900C joins the fleet in January 1994.

Early in the year, the carrier seeks and achieves a U.S. government Essential Air Service (EAS) contract from Atlanta to Anniston, Alabama. The EAS program will grow to include routes to Mobile, Birmingham, and New Orleans. Later in the year, as the workforce grows to 150, the company becomes a launch customer for the IPTN N250-100, ordering four plus six options.

Customer bookings increase to 195,761.

No changes are made in the workforce during 1995 and the fleet now operates 5 Beech 99s, 3 Beech 1900Cs, and 8 Cessna 402Cs. The com-

pany, with 50 daily departures, is the third largest airline flying out of Miami (MIA).

Four-times-per-day Beech 99 roundtrips are inaugurated on January 15 between Naples and Miami. Thrice-daily roundtrips from Tallahassee to St. Petersburg commence on August 6. Until August 15, roundtrip fares on the new route will be \$69. The dual-designator arrangement with UAL is expanded in August.

New service to Jacksonville begins on September 6.

A new minihub is established at Birmingham, Alabama, on November 1 to serve Mobile, New Orleans, and Columbus, Georgia, with daily Beech 1900C service. Weekend flights are also started between Mobile and Tallahassee, where connections are available to GIA services to Gainesville, St. Petersburg, Daytona Beach, Orlando, Naples, Palm Beach, Fort Lauderdale, and Miami.

The first of five new Shorts 360-300s joins the fleet in November.

An FAR Part 121 certificate enabling the company to operate larger airplanes is received on December 1. The new aircraft are simultaneously placed on the route from Miami to Orlando. Also on December 1, the company transfers its hub activities from St. Petersburg to Tampa; the airline is left with seven daily services from the former community as it grows to 20 at the latter.

Plans are made to initiate services from Tampa to Mobile as soon as additional Shorts 360-300s become available. Destinations, including Nassau and Freeport, are visited in the Bahamas.

On December 14, the carrier becomes the official airline of the new \$40-million Sandals Resorts International at Nassau, in the Bahamas. Just six weeks after beginning four-times-a-day service from Columbus, Georgia, to Birmingham and thrice-daily flights from Columbus to Atlanta, GIA, on December 16, cancels the wildly unprofitable routes.

Enplanements this year skyrocket 91.3% to 369,840.

Operating primarily as a "United Express" carrier, GIA grows dramatically in 1996. The employee population is increased to 650 as 16 Beech 1900Cs and 5 Shorts 360-300s join the fleet; the 5 Beech 99s are retired.

The contract with Sandals Resorts takes effect in March when the new Sandals Royal Bahamian Resort & Spa opens at Nassau. GIA begins to fly tourists from Florida to the Bahamas six times a day from Miami and thrice daily from Fort Lauderdale and Hollywood.

In April, one of the Shorts 360-300s, previously flown by **Business Express (BEX)**, becomes a "logo turboprop," displaying the sponsored multicolored motif of Sandals Resorts International. The plane flies between Miami and Nassau, where a new Sandals Royal Bahamian facility is located. A second "logo turboprop" Shorts 360-300 painted to honor Grand Bahama Island begins flying from Miami at the end of July. The plan to acquire IPTN N250s is abandoned.

Awarded on an annual basis, a \$5-million contract is signed with the State of Florida and several local Florida governments in August and begins transporting employees over intrastate routes between the larger communities.

On September 9, thrice-daily nonstop roundtrips commence between Melbourne and Miami and twice-daily nonstop roundtrips begin between Melbourne and Tampa, with limited weekend service on both routes.

Passenger boardings increase 60.7% to 594,892.

Airline employment in 1997 stands at 480 and the fleet now includes 22 Beech 1900Cs, plus the "logo turboprops." Twice-daily nonstop roundtrips commence on January 6 between Tallahassee and Orlando.

New daily nonstop roundtrips, again on behalf of UAL, are initiated in March on routes from Tampa to Orlando, Miami to Tampa, Fort Lauderdale to Orlando, Miami to Naples, and West Palm Beach to Tampa.

On April 6, GIA becomes a "Continental Connection" partner; it provides feed to **Continental Airlines** flights to Houston, Cleveland, and New York from Miami, Fort Lauderdale, Orlando, Tampa, Jacksonville, and West Palm Beach in Florida and at Nassau, Eleuthera, Marsh Harbor, Freeport, and Treasure Cay in the Bahamas. It simultaneously introduces daily return flights between Orlando and Key West.

The company is hit with three FAA fines during the remainder of the year. In July, a \$40,000 sanction is proposed for the operation of 60 flights with a Shorts 360-300 after improper maintenance procedures have been employed. Two more fines are levied in September. In the first, a \$10,000 penalty is assessed for the operation of three 1995 flights employing a replacement engine that had not been inspected for two years. The second bill, also for \$10,000, covers 32 services in 1994 made before complying with a safety directive.

Business slows during the remainder of the year and, for all 12 months, customer bookings slide to 589,202.

Responding to increased demand for more intrastate air travel, GIA announces plans on March 17, 1998, for an expansion of its route system in Florida. Beginning on May 1, twice-daily service is initiated from Fort Myers and Miami to Tampa.

The April acquisition arrangement with Air Alaska having fallen through, the "USAirways Express" company **Paradise Island Airways** again becomes available. Meanwhile, on July 31, GIA is acquired by G-Air Holdings Corp., a public corporation, through a reverse merger transaction.

On August 1, PIA is sold to G-Air Holdings, the new parent of GIA, which will now operate both airlines as its subsidiaries. Chief Operating Officer Roger Larreau indicates that PIA will continue to operate its daily service between airports in South Florida and Paradise Island in the Bahamas under its historic marketing name **Chalk's International Airlines (2)**. However, the PIA arrangement with **USAirways** will now be terminated and the carrier will join GIA in operating under "Continental Connection" flight codes and branding.

Beginning on September 22, GIA operates an air shuttle service to help evacuate visitors from Key West in the face of Hurricane Georges. Flights in South Florida and the Bahamas cease because of the storm two days later, but are resumed on a limited basis on September 29. Service from Key West resumes on September 30 with eight departures to Miami; all scheduled service across the network returns to normal on October 1.

Like GIA, **Paradise Island Airways** suspends service on September 24–25 in the face of Hurricane Georges. All flights are resumed from Miami, Fort Lauderdale, and West Palm Beach on September 26 and although Paradise returns to service, it is also bankrupt.

When FAA inspectors observe "mechanical irregularities" on two of GIA's Beech 1900Cs in a maintenance hangar on October 19, the aircraft are grounded, causing cancellation of several "Continental Connection" segments to Orlando, Key West, and Tampa.

By the end of the year, GIA, in terms of departures, is the third busiest airline at Miami (MIA). Customer bookings shoot up 25.5% during the year to 740,000, while revenues of \$63.3 million are generated. A net profit of \$2.9 million is reported.

On Wednesday, February 10, 1999, **Pan Am Air Bridge** files for Chapter XII bankruptcy protection with the U.S. Bankruptcy Court at Dallas, Texas, and suspends service the next day.

On February 12, the court reaches an agreement with GIA to resume service to Bimini on a temporary basis, effective February 26, as the historic carrier attempts to reorganize under the protection of the bankruptcy laws. The U.S. Bankruptcy Court at Dallas, on February 24, requests that GIA also continue to operate **Paradise Island Airways** as it, too, reorganizes under the protection of the bankruptcy laws.

GIA's President Cooper indicates that the historic airlines will be preserved and that they will resume 12 daily Grumman amphibian roundtrips on February 26 from Miami to Bimini and Paradise Island and from Fort Lauderdale to Bimini, Paradise Island, and Walker's Cay.

While a final decision on the future of **Pan Am Air Bridge** is made, its planes, like those of **Paradise Islands Airways**, are repainted in the colors of **Chalk's International Airlines (2)**.

Nearly 30 Beech 1900s are grounded on February 26 for overdue maintenance inspections and repairs. The action affects forces the cancellation of approximately 50 flights.

The inspections and repairs are all completed over the weekend, allowing all of the turboprops to return to the air by March 1.

As **Chalk's International Airlines (2)**, PIA and PAAB continue and expand daily services as of February 26.

Paradise Island Airways ceases operations on May 11. Afterwards, Gulfstream continues to operate its aircraft from Florida to Paradise Island.

An expanded code-sharing agreement is signed with **Continental Airlines** on July 14. Under its terms, GIA will open a new hub at San Juan, Puerto Rico, and expand its "Continental Connection" services out into the Caribbean. A code-sharing agreement is signed with **Trans World Airlines** on September 24; the regional airline will operate "TWExpress" flights beginning in November.

During the fall, 75 new employees are hired to operate the new San Juan hub and 6 Beech 1900Cs are sent to the new base. In a 24% increase in the company's total number of daily flights, the carrier, on November 1, launches "Continental Connection" services from San Juan to St. Thomas, St. Croix, St. Martin, and St. Kitts in the Virgin Islands, along with an intra-island shuttle between St. Thomas and St. Croix.

The code-sharing agreement with **Trans World Airlines** begins on November 15. Under its terms, the regional, also operating as "TWExpress," allows the major to place its code on Beech 1900C frequencies from San Juan to St. Thomas, St. Croix, St. Kitts, St. Martin, Tortola, and Virgin Gorda.

Passenger boardings for the year swell 27.1% to 940,000.

On January 1, 2000, company officials reveal that a minority stake has been sold to **Continental Airlines**.

A block-seat, code-sharing agreement covering certain Caribbean services is signed with **Northwest Airlines** on February 15.

Five-times-per-day "Continental Connection" return service is inaugurated on February 10 from Fort Lauderdale to Tortola and Virgin Gorda in the British Virgin Islands.

While taxiing on the ramp at Miami after a March 18 service from Nassau, Flight 9399, a Beech 1900C with 2 crew and 19 passengers is hit by a tug and baggage cart. Although the tug driver is seriously injured, no one aboard the aircraft is hurt.

The dual-designator pact with **Northwest Airlines** begins on April 2 as the Minneapolis-based major places its code on Gulfstream International services to and from Fort Lauderdale, Miami, Tampa, and the Bahamas.

The alliance with **Trans World Airlines** is further expanded on May 1, as Gulfstream begins "TWExpress" service for the St. Louis-based pioneer from Fort Lauderdale to Key West, Miami, Orlando, Tampa, and West Palm Beach and from West Palm Beach to Freeport, Fort Lauderdale, Marsh Harbour, Nassau, North Eleuthers, and Treasure Cove.

Under terms of a new pact, **COPA (Compania Panamena de Aviacion, S.A.)** begins to place its "CM" code on Gulfstream International flights between Miami and Orlando on May 2. Later, flights from Miami to Tampa, Key West, Fort Myers, Gainesville, Tallahassee, and Jacksonville are included in the pact.

On August 18, 2000, USAirways Group begins negotiations with Gulfstream concerning a takeover of the stock of **Paradise Island Airways**. The same day, a new **USAirways** subsidiary, **Potomac Air**, is established to operate in the Northeast and Mid-Atlantic regions as part of the larger merger proposal between its parent and **United Airlines**. A deal between the major and Gulfstream is struck on August 24 under which **USAirways** acquires 100% shareholding in PIA. On October 2, Merv Griffin's old commuter will be merged into **Potomac Air**, giving the newcomer an automatic Part 121 operating certificate.

The company's first, newly received Beech 1900D is dedicated to the company's employees during special ceremonies held in the Fort Lauderdale hangar on September 13.

GULKANA AIR SERVICE: United States (1983–1995). David W. King forms Gulkana at Glennallen, Alaska, in 1983 to offer scheduled passenger and cargo services to Anchorage as well as charter passenger

and freight flights to bush destinations throughout the south central part of the state. The initial fleet comprises a Cessna 185, a Cessna 206, a Fairchild Hiller FH-100, and a Grumman G-73 Widgeon.

While approaching a glacier at 5,500 ft. on March 4, 1984, the pilot of the FH-100 with three passengers experiences a downdraft. Control of the helicopter is lost and it collides with the ground, rolling inverted. No injuries are reported.

Operations continue throughout the remainder of the decade and into the 1990s.

In 1994, President King still oversees two other employees; however, his fleet now comprises a Piper PA-31-310 Navajo instead of the Widgeon.

Operations are halted in 1995.

GULL AIR: United States (1974–1987). Gull is created by Robert Welch at Barnstable Municipal Airport at Hyannis, Massachusetts, in February 1974 to offer scheduled passenger and cargo flights to Nantucket and Martha's Vineyard. Daily roundtrip revenue services commence on April 1 and are continued for the next five years, with routes also opened to Boston and New Bedford.

By 1979, enplanements are 29,250. President William E. McGrath Jr.'s fleet in 1980 includes 4 Cessna 402s and 1 Beech 18. Passenger boardings jump 24.9% to 56,693 while freight traffic is up 73.7% to 896,321 pounds.

A second Beech 18 freighter is added in 1981 and helps Gull's cargo traffic to increase 250% to 3.13 million FTKs. A fifth Cessna 402 arrives and contributes to a 12% boost in passenger traffic, as 63,480 passengers are flown.

Early in 1982, the company is purchased by the Iyanough Management Corporation and is reformed. In addition to a northeast division based at Hyannis, a southern division and hub are established at Ocala, Florida, from which to initiate scheduled passenger and cargo as a member of the **Air Florida** Commuter network. Destinations visited in Florida and the Bahamas include Fort Lauderdale, Miami, Bimini, and Freeport.

Customer bookings are down 9.5% to 57,477, but cargo rises 33% to 4.2 million pounds.

The fleet in 1983 comprises 12 Cessna 402s, 3 CASA C-212-200s, and 3 Beech 18s.

The southern division begins services to Tampa, West Palm Beach, Tallahassee, Orlando, Gainesville, and Pensacola.

The Florida unit contributes 18,000 bookings to the carrier's overall enplanement total of 95,919, a 67% boost. Freight falls 1.5% to 4.1 million pounds.

The failure of **Air Florida** in 1984 requires the company in mid-April sever its relationship with its former parent and, beginning in May, to operate as an independent under the computer code 9S. This arrangement is changed shortly thereafter when a code-sharing, marketing, and feed arrangement is made with **Ozark Air Lines** and Gull becomes the Ozark Commuter for Florida.

The fleet is increased by the addition of another Cessna 402, three Beech 99s, and a fourth CASA C-212-200 as the three Twin Beechcraft are retired.

When rival **Provincetown-Boston Airlines (PBA)** encounters difficulties, Gull is able to fill the gap and attract additional business by opening new Bahamas routes. Robert Wilson is named executive vice president/general manager in August. Emphasis continues to be placed on a PBA-like shift of services north in summer and south in winter.

Passenger boardings skyrocket 132.7% to 223,294 and push the carrier into the ranks of the large regionals.

In April 1985, Gull introduces a frequent-flyer program and a novel Hyannis to Nantucket Gull-on-Demand shuttle service. Having received government permission, the airline in May inaugurates scheduled flights to Freeport in the Bahamas from Fort Lauderdale, Miami, and West Palm Beach.

In June, the first of seven ordered Metro IIIs are received and placed on the service.

Unsatisfied with its Ozark connection, the large regional spends the second half of the year attempting to interest Washington, D.C. (IAD)-based start-up airline **Presidential Airways** in a spin-off enterprise, **Presidential-1**.

Passenger boardings jump 30% to 290,000.

Airline employment in 1986 stands at 185 and the fleet is altered to include 28 Cessna 402s. Negotiations with **Presidential Airways** fail early in the first quarter as do talks with **Will Air**; undismayed, Gull turns around in March to sign a code-sharing contract with the Texas Air Corporation (TAC) nonunion subsidiary, **New York Air**.

Customer bookings accelerate 22% to 354,000.

In February 1987, TAC, parent of **Continental Airlines**, integrates **New York Air** into that major and elects to cancel the Gull contract. Loss of this support forces the company to file for Chapter XI bankruptcy protection on March 10.

Gull does not go quietly, however, as it files suit against TAC charging the holding company's **Continental Airlines**, **Eastern Air Lines**, **Bar Harbor Airlines**, and **Provincetown-Boston Airline (PBA)** subsidiaries with restraint of trade by "intentionally and maliciously" conspiring to eliminate Gull as a competitor. While the suit drags to an unsuccessful conclusion, Gull officials make plans to restart operations from Hyannis in May, but find the necessary financing to be unavailable.

GUM AIR, B.V.: Suriname (1974–1993). This small privately owned operation is formed at Paramaribo in 1974. Equipped initially with a Cessna 206, it undertakes local passenger and cargo charters.

During the next two decades, the carrier's size advances only slightly, less than 20 workers are employed, and scheduled services are not provided. The fleet is, however, upgraded by the acquisition of an Australian-made GAF Nomad N-22B and a German-made Dornier Do-28.

In 1993, the company is renamed **Gonini Air Service, N.V.**

GUVEN AIR, A.S.: Catal Sok, A1, Blok no. 5, Florya, Istanbul, 34810, Turkey; Phone 90 (212) 662 0362; Fax 90 (212) 662 0261; <http://www.guvenair.com.tr>; Year Founded 1996. Guven is established at Istanbul in the fall of 1996 to offer executive and small group passenger charters as well as air ambulance service. Ali Paya is managing director and he begins revenue services in November with a fleet that includes 2 Raytheon Beechjet 400As and 1 each Raytheon Hawker 800XP, Raytheon Super Beech King Air 200, and Bell 430.

Service is maintained throughout the remainder of the decade. The workforce at the beginning of 2000 totals 24.

GUY AMERICA AIRWAYS: United States (1981–1983). GAA is established by former **Pan American World Airways (1)** pilot Anthony Tirri at Forest Hills, New York, in the spring of 1981. Equipped with 4 Boeing 707-123Bs first operated by **American Airlines**, the carrier receives international authority and undertakes charter flights exclusively to Guyana, beginning on June 2, over the now-dormant PAWA route. By year's end, a total of 13,000 passengers and 223,000 pounds of freight have been flown.

Three Douglas DC-8-62s are ordered in 1982 (they will not enter service) as customer bookings on the New York–Guyana service accelerate to 62,218.

The FAA collects a \$50,000 fine from the carrier and forces the resignation of President Tirri on February 17, 1983, for what the regulators label as violations of safety rules in its jet services to Guyana and the Caribbean island of St. Martin. Citing safety reasons, the FAA issues an emergency order on March 26 halting the company's flights and its certificate is suspended.

GUYANA AIRWAYS CORPORATION: Guyana (1963–1999). In September 1963, three years prior to the independence of British Guiana, the colonial government purchases **British Guiana Airways, Ltd.** from its owner, A. J. Williams, for £170,000. A management and support contract is signed with **British West Indies Airways, Ltd. (2) (BWIA)**.

A network of scheduled services is developed through the **1960s** and **1970s** linking Georgetown with 24 domestic destinations, as well as Miami, Boa Vista (Brazil), and such Caribbean spots as Barbados and Port of Spain.

A de Havilland Canada DHC-6-100 with four passengers crashes at Kurupung on December 3, **1973** (three dead).

The fleet is increased during **1974–1977** by the addition of three previously employed Lockheed L-188Cs, all of which are operated on short-term leases and two of which are quickly returned.

Still, the fleet continues to grow to comprise, by **1978**, a DC-6A, 2 Hawker Siddeley HS 748s, 2 DHC-4A Caribou, 2 DHC-6 Twin Otters, and 1 Cessna 310.

Airline employment is 500 and a Boeing 737-2L9 is leased from **Maersk Air, A.S.** in **1979**.

In the early **1980s**, a Boeing 707-323B, first delivered to **American Airlines**, and a Lockheed L-188A Electra are added.

Following an engine failure on climbout from Castries on November 30, **1981**, the DC-6A with three crew attempts to return to its point of origin, but crashes and catches fire; there are no survivors.

A Tupolev Tu-154 is leased in early **1985**. During that latter year, a total of 108,936 international and 59,113 domestic passengers are flown.

In **1986–1989**, new frequencies are introduced to New York and Toronto. The Lockheed and Tupolev are retired and a Shorts SC-7 Skyvan is leased from Aero Services Barbados, Ltd.

Operations continue apace in **1990–1992**.

In **1993**, Chairman Joe Viera and General Manager Guy N. Spence oversee a workforce of 400 and a fleet that consists of the owned Boeing, 1 leased Boeing 707-344B, 1 Twin Otter, and 2 BAe (HS) 748s, both out of service.

Enplanements climb 4% during the 12 months to 109,579 and small financial rewards are seen in profits of \$640,851 (operating) and \$416,550 (net).

Airline employment is increased by 6.2% in **1994** to 494 as the owned and leased Stratoliners are retired during the first quarter. On April 4, their replacement, a B-757-28A, arrives at Georgetown's Timebri Airport from Seattle. Chartered from ILFC at a cost of \$275,000 each month, the aircraft is employed to double the company's Toronto frequencies.

Later in the year, a code-sharing agreement is signed with **Continental Airlines** and plans are made to begin services to Curaçao.

Passenger boardings slip by 1.9% to 107,561, but revenues accelerate 8.3% to \$27.99 million. Expenses fall 4.8% to \$23.98 million and allow pretax profits of \$4.01 million and a net gain of \$2.61 million.

The workforce is decreased by 3.3% in **1995** to 353.

Through June, the company's three aircraft fly a total of 59,000 passengers, a 32.8% increase. Freight is off by 25.5% during the same period to 1.24 million FTKs.

In **1996–1997**, Ralph Ramkaran is chairman, with Fazel Khan as managing director. The employee population grows to 475 and service continues to two dozen points in Guyana, as well as to Miami, New York, and Toronto.

The carrier is forced to pay \$150,000 per week for eight weeks during the latter year when the B-757-28A goes out of service three times for unscheduled maintenance.

As **1998** begins, it is reported that the airline is near bankruptcy as the result of on-going maintenance problems with the ILFC B-757-28A, which forces the leasing of back-up aircraft. Costs involved reach \$6 million.

During the summer, plans are made to privatize the airline and transfer its huge costs to a hoped-for strategic partner and/or other investors. Bids will be sought for an award of 51% majority ownership.

The **TradeWinds Airlines** Lockheed L-1011-200 TriStar *Allison Ann* begins operating from New York (JFK) to Georgetown on July 19 on behalf of GAC.

While baggage is being loaded prior to departure of Flight 712 for New York on November 4, a fault is discovered in the right main landing gear of the B-757-28A. The service must be cancelled, with passen-

gers accommodated overnight and transferred to a **British West Indies Airways, Ltd. (2) (BWIA)** flight the next day.

Also on November 5, a B-757-28AER is wet-leased from **North American Airlines** to ensure continuity of operations on the main international route between Guyana and New York. When an inspection team arrives from Boeing several days later, it is found that costs involved in repairing the jetliner will be substantial; the aircraft remains grounded, even as lease costs mount up. At this point, the U.S. FAA refuses to recertify the Boeing.

The fiscal situation does not significantly improve until the company is able to arrange a \$1-million loan in December. That, too, is seen as a short-term measure, designed to meet immediate payroll needs and keep the airline afloat. When the money is used up, as it quickly is, CEO Dr. Frederick Duncan announces that there is no money to pay salaries and the concern all but collapses.

Trade Minister Mike Shree Chan reports, on January 18, **1999**, that he has asked **American Airlines** to begin flights into Cheddi Jagan International Airport, outside Georgetown, to take up the slack resulting from the troubles at the financially strapped, state-run GAC.

As part of a plan to privatize GAC, the government, on January 28, lays off 128 airline workers. With the airline \$10 million in debt, Prime Minister Samuel Hinds indicates that the search for a majority strategic investor is being intensified. Under the leadership of privatization unit director Winston Brassington, bids are invited from outside groups, due on February 16.

On February 1, the government wins a bid to return the damaged B-757-28A to ILFC before the end of its November lease without early return penalties. The wet-lease arrangement with **North American Airlines** remains in place and can hopefully be maintained until privatization, now on a fast track, can be completed.

On February 2 and 5, respectively, the aviation departments of the U.S. (FAA) and Canada (Transport Canada) suspend GAC's authority to operate into those North American nations. Although it cannot operate its own planes to Miami, New York, or Toronto, it can continue to wet-lease flights.

Seven bids are received by the 2 p.m. deadline on February 16. The remainder of the month will be taken up with consideration of the bids by the four-person privatization unit. Director Brassington indicates that negotiations with the bid winner will be conducted in March, with the process hopefully concluded by April 1. By February 17, the situation is so desperate that the airline does not have sufficient cash to pay for its twice-weekly wet-leased flights to New York. The airline temporarily suspends selling passenger tickets, but will help to return home by other carrier those passengers it has brought into the country.

The ILFC B-757-28A departs on a February 18 ferry flight to Alabama for a certification check, freeing the debt-ridden airline of its \$260,000 monthly lease. Just after departure, thick black smoke and fire is seen coming from the right engine. The aircraft must return to its point of origin where, after a check by representatives of Rolls Royce, it is determined that a new engine will be sought.

Also on February 18, the timetable originally established for consideration of privatization bids is dramatically boosted when the seven requests are presented at a special cabinet session chaired by President Janet Jagan. Rather than wait another week, the decision is taken to award 51% majority shareholding to Aviation Investments Incorporated (AIC), a 12-member group led by the Aircraft Owners Association of Guyana (AOAG), which is the only local bidder.

Under terms of the agreement, the new owner will be given a rather free hand, including the right to retrench all 184 remaining employees if so desired. In its February 22 issue, *The Stabroek* reports that a three-man team from AIC will take over operations. The carrier's new chairman will be Yesu Persaud, while the next president will be Anthony Mekdeci, the nation's former director of civil aviation. It is also reported that the new owners will immediately pump \$1.8 million into GAC and appeal the FAA's suspension of its authority.

A new Rolls Royce engine for the grounded B-757 arrives from the U.S. on February 26 and is installed by five U.S. engineers. The main

parliamentary opposition, The United Front, voices support on February 27 for the decision by the government to accept the bid of AIC.

The ILFC B-757-28A departs Guyana on February 28 for Alabama, where it will undergo a certification check at PEMCO.

On March 1, all 184 remaining GAC employees receive letters of termination; they will receive severance packages and the entire matter will be discussed at a government cabinet meeting on March 3.

Capt. Rodwell A. Paul, who had piloted the B-757-28A, and who along with all other employees has been terminated, joins with former Engineering Manager Lyndon Chance and Marketing Manager Hugh Denbow on March 2 establish a ground-handling business, Timehri Aviation Services, Inc., at Cheddi Jagan International Airport. Some 25–30 former GAC employees are expected to be hired.

Having missed a chance to bid on the airline, the Guyana Association of Airline Professionals offers its congratulations to AIC on March 3. The next day, it is reported that the consortium and the government, which have been in negotiations, expect to seal an arrangement within a few weeks.

On March 11, Roy Hughes, president of the Clerical and Commercial Workers Union, is officially notified that the new ownership will terminate all remaining workers on April 1, paying them 30 days wages in lieu of longer notice. A senior government official tells *The Guyana Chronicle* on March 12 that negotiations for a joint partnership in GAC are in their final stages and should be completed within a week. The newspaper also learns that the FAA has given GAC a three-month extension from March 5 to allow for the “reorganization of the company.”

Discussions drag on longer than expected, but finally, on April 12, the nine-member consortium of Guyanese businesses is able to clinch 51% controlling interest. It is noted that the \$1.8 million paid by AIC for the majority stake will be utilized in the creation of a new airline that will be named **Guyana Airways 2000 Incorporated (GA 2000 Inc.)**. AIC will absorb \$3.3 million in debts from the predecessor organization, but will abandon its uneconomical domestic operations.

Simultaneously, President Mekdeci indicates that two aircraft will be leased and tickets sold in order that services might commence in May. A workforce of 30 will be employed, growing to 150 by year's end. GA 2000 Inc. is formally registered on April 16 and the privatization process with the government is completed on April 23 when Finance Minister Bharrat Jagdeo closes out the remaining details.

The board of directors for GAC 2000 is approved by the cabinet on April 27. Yesu Persaud from Aviation Investments is chairman, with Stanley Ming, Vic Oditt, and Michael Correia. Representing the government are Winston Brassington, Carole Hebert, and Gita Raghubir. CEO Mekdeci reports that the carrier's first flight will be made on May 27 from Toronto–Guyana–New York (JFK) with an Airbus Industrie A300-600R from an as-yet unnamed leasing company (which will turn out to be Nordstress Australia, Pty.).

Plans are confirmed on June 12 to start Toronto service within five days; however, the scheduled launch must be scrubbed on June 17 because Canadian regulatory authorities have not yet finished processing an approval for Nordstress, the Australian concern from which the Airbus has been leased.

After considerable delay, the leased, former **China Northern Airlines Company, Ltd.** Airbus Industrie A300B4-622R, wearing the carrier's new red, golden orange, and blue livery, undertakes the reborn company's first roundtrip service to New York (JFK) on July 9, continuing on to Toronto.

GUYANA AIRWAYS 2000, INC. (GA 2000, INC.): Guyana (1999–2001). As part of a plan to privatize its financially distressed national airline, the government of Guyana, on January 28, 1999, lays off 128 **Guyana Airways Corporation** workers. With the airline \$10 million in debt, Prime Minister Samuel Hinds indicates that the search for a majority strategic investor is being intensified. Under the leadership of privatization unit director Winston Brassington, bids are invited from outside groups, due on February 16.

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In September, the U.S. DOT amends the carrier's exemption authority to include service to Santo Domingo, St. Lucia, Grenada and Haiti as intermediate points on its New York route. Plans to inaugurate twice-weekly return service to Miami on October 29 must be rescheduled.

Miami finally joins the route network on November 14, giving GA2000 seven nonstops per week into North America, including five to New York and Toronto. *The Stabroek* reports five days later that the airline is now boasting that so far it has transported more passengers in this peak Christmas season than it ever had under its Guyana Airways Corporation banner and that it has yet to leave any baggage behind.

A strategic alliance is entered into with **SLM (Surinam Airways, N.V.)** at the end of the year. Under terms of the agreement, the two carriers will now share facilities and ticketing to Barbados, Trinidad and Tobago, and North America.

Rumors begin to circulate in early January 2000 that the reborn carrier is in significant financial difficulty. Shortly after New Year's, Chairman Persaud and several members of the board of directors meet with Guyanese President Bharrat Jagdeo to discuss the airline's progress. On January 10, Persaud and other executives travel to Trinidad and Tobago for what are termed "exploratory" talks with **BWIA West Indian Airways, Ltd.** On January 12, *The Guyana Chronicle* suggests that the airline had lost \$800 million during the second half of 1999 and that several of its key officials may soon be leaving.

With public concern over the fiscal state of GA2000 rising, President Jagdeo holds a news conference on January 13 to discuss his meeting with airline officials. He takes pains to indicate that, while losses had been sustained, they were nowhere near as deep as those suggested by the newspaper report of the previous day. Larry Singh, the carrier's operations director and a shareholder, resigns on January 18. After only three months, the Miami service is withdrawn in late January at the same time that CEO Anthony Mekdeci resigns his office.

Even though it is very expensive to operate, plans are announced in early February for the renewal of the wet-leased A300B4-622R from Nordstress, with the option to alter that charter to a dry-lease after six month's service. By this action, the international regulations necessary for company to continue claiming the title of Guyana's flag carrier will be met. Demerara Distillers, Ltd. Human Resources Manager Nowrang Persaud is seconded to the airline as acting general manager to help it engage in a certain amount of restructuring, during which the services of a number of employees are terminated, reducing the workforce from over 200 to 140. Bridge financing is also sought to help the airline make its way through what has turned out, in fact, to be a difficult period.

To cut costs, the decision to request the Nordstress Airbus is scrubbed and on March 8 Chairman Persaud discloses that another deal with the Australian lessor will, instead, allow introduction of a smaller wet-leased Boeing 757-200 by April. The dry-lease arrangements made for the Airbus are carried over to the new aircraft. Delivery of the Boeing is delayed; as late as April 19, AirlinersonLine is suggesting that Guyana Air 2000 may have changed its mind about replacing the Airbus with a B-757 because the larger aircraft is still operating the company's flights to New York (JFK) and Toronto.

On May 9, the B-757-23A, painted in Guyana Airways 2000 livery, finally arrives at Cheddi Jagan International Airport under the a six-month wet-lease agreement announced earlier, complete with the option to convert to dry-lease within six months after Guyanese flight crew become available. The Boeing enters service on May 13, allowing return of the Airbus.

Former **BWIA West Indies Airways, Ltd.** executive Thomas Scarlett becomes the new CEO July 1, allowing Nowrang Persaud to return to Demerara Distillers, Ltd. Speaking at the formal news conference held in Georgetown to introduce the new leader, Chairman Persaud reviews the challenges of the first year, the anniversary of which will be celebrated in just eight days. The opportunity is taken to announce that GA2000 is positioning itself to increase its share capital to approximately \$15-\$20 million and will soon announce a new marketing strategy.

Return frequencies between Guyana and North America are boosted in August to eight per week, six to New York (JFK) and two to Toronto. Meanwhile, eight local pilots who earlier flew the GAC B-757, have been hired and sent for a refresher course so that the current wet-lease arrangement may be changed over to dry-lease in October.

GA 2000 will cease operations on August 2, 2001.

GUYANE AIR TRANSPORT, S.A. See **GAT (GUYANE AIR TRANSPORT, S.A.)**

H & D AVIATION: United States (1980-1982). Jack Daub founds H & D at Terre Haute, Indiana, in the spring of 1980 to provide scheduled passenger and cargo service from his town's Hulman Field to Lawrenceville-Vincennes Airport and St. Louis. A single Piper PA-31-350 Navajo Chieftain is employed to inaugurate revenue services in June.

Operations continue apace; however, ATC problems caused by the summer 1981 PATCO air traffic controllers' strike conspire with the recession to put the company out of business in 1982.

H. C. SLEIGHT AIRLINES (PTY.), LTD. See **SLEIGH AIRLINES**

HADAG AIR (HAFENDEAMPFSCHIFFFAHRTS-ACTIEN, GmbH); Germany (1974-1983). Hamburg-based **General Air**, which was established as an air taxi operator in 1962, is reformed in 1974 and renamed **Hadag Air, GmbH**. The decision is taken late in the decade to begin scheduled commuter services employing a de Havilland Canada DHC-6 Twin Otter and Cessna lightplanes. Flights are initiated linking the company base with Dortmund, Helgoland, Westerland, Sylt, and Wyk.

Operations continue apace during the remainder of the decade and into the next with little change. In April-May 1978, the company

provides replacement service for Stuttgart-based **Delta Air Regionalflygverkehr GmbH. & Co.** until that new commuter is able to obtain its own Twin Otter.

Passenger enplanements fluctuate during the difficult years of recession and fuel price increases; boardings total 11,347 in **1981** and 10,612 in **1982**.

In an effort to increase bookings, the company is reformed in **1983** and renamed **Holiday Express, GmbH.**; it begins scheduled international flights to Rotterdam.

HAGELAND AIR (HAGELAND AVIATION SERVICES): P.O. Box 195, St. Mary's, Alaska 99658, United States; Phone (907) 438-2246; Fax (907) 438-2435; Code H6; Year Founded 1992. Hageland is established at Anchorage in **1992** to offer scheduled and charter flights to regional destinations. A three-person workforce is recruited for this airline division of president Ron Tweto's Hageland Aviation Services and revenue flights commence with five Cessna 207As and one each C-185, C-402C, and Beech 18 freighter. Enplanements total 7,000.

Passenger boardings in **1993** skyrocket 97% to 12,314.

Scheduled customer bookings climb 22% in **1994** to 14,976, while an additional 17,676 charter travelers are also flown.

Despite earlier success, neither the workforce nor the fleet grows in **1995**. Enplanements soar another 67% to 25,078.

Flights continue apace in **1996**. While transporting dog food supplies in support of the Iditarod Sled Race on March 13, a Cessna 185 is unable to locate its normal landing site near Cripple, Alaska, because of a recent snowfall. The pilot elects to land on an ice-covered creek, but the aircraft lands hard and slides into spruce pine at the end of the landing area. Uninjured, the flyer's plane is badly damaged.

While en route from Bethel to Marshall via Russian Mission and Emonak on a November 30 moose-count survey, a Cessna 185 with a pilot and a state naturalist, disappears. When the wreck site is found near the Yukon River, there are no survivors.

Passenger boardings surge upward 59.1% to 39,892.

While en route from Barrow to Wainwright on April 10, **1997**, Flight 502, a Cessna 402B with a pilot and four passengers, crashes into the frozen Arctic Sea while maneuvering near its destination; there are no survivors.

Beginning its taxi from the ramp at Buckland for a September 8 service to Noorvik, a Cessna 402C with a pilot and six passengers, collides with a parked **Bering Air** Cessna 208B, with a pilot and nine passengers; no injuries are reported and damages are slight.

Just after landing at Kivalina on September 14, Flight 916, a Cessna 402C with a pilot but no passengers, suffers the collapse of its nose landing gear; although the flyer is not injured, substantial damage is sustained.

The company's incredibly unlucky year continues on November 8. While climbing away from Barrow on an evening service to Wainwright, a Cessna 208B with a pilot and seven passengers stalls and plunges into the Arctic Ocean 1/2 mi. W of the runway; there are no survivors.

At the end of the year, the fleet comprises 18 Cessna 207As, 4 C-402s, 3 C-208 Caravan Is, 1 C-172, and the Beech 18. These fly a total of 53,939 passengers, a 35.2% increase over the previous year.

Service is maintained without incident in **1998**. Customer bookings plunge 17.7% to 44,000.

Passenger boardings turn around in **1999** and increase 47.8% to 66,000.

Flights continue in **2000**. Flight 71, a Cessna 207A with a pilot and four passengers, fails its takeoff from Tuluksak for a February 7 service to Bethel. Although the aircraft is badly damaged, no one aboard is hurt.

HAGERSTOWN COMMUTER. See **HENSON AVIATION**

HAHN AIR BUSINESSLINE/HAHNAIR SUDWESTFLUG, GmbH. Flughafen Hahn, Lautzhausen, 55483, Germany; Phone

49 (6543) 980 134; Fax 49 (6543) 980 736; Code HR; Year Founded 1994. This scheduled third-level domestic carrier is established at Hahn Airport on January 1, **1994**. Gerd Schaeter is CEO of the company, which also operates a flying school. Employing one each Beech 1900C and Fairchild Metro II plus two Fairchild Metro IIIs, revenue flights are launched to Berlin, Cannes, Dusseldorf, Erhurt, Frankfurt, Friedrichshafen, Leipzig, Munich, and Stuttgart.

HAIDA AIRLINES, LTD. See **AIR BC, LTD.**

HAINAN AIRLINES. See **CHINA HAINAN AIRLINES**

HAINAN VIP FLIGHT SERVICE: Jingchao Building, No. 5 Nungzhanguan Nanlu, Chaoyang District, Beijing, 100026, China; Phone 86 (10) 6506 8300; Fax 86 (10) 6506 8221; Year Founded 1995. Hainan VIP is established by **China Hainan Airlines Company, Ltd.** (51%) and other investors at Beijing in **1995** to offer ad hoc executive and small group passenger charters throughout China and Asia. Zhizheng Tu is chairman, with Lang Pu Bin as managing director. Revenue flights begin with one each Learjet 55 and Learjet 60.

HAINES AIRWAYS: P.O. Box 470, Haines, Alaska 99827; Phone (907) 766-2646; Fax (907) 766-2780; <http://www.hainesairways.com>; Code 7A; Year Founded 1986. HA is founded by Reginald Radcliff at Haines, Alaska, in the fall of **1986** to offer regularly scheduled passenger and cargo services as well as charter and contract service bush flights to surrounding destinations. Scheduled revenue flights commence in November to Juneau, Skagway, and Hoonah with three Piper PA-32 Cherokee Sixes and a Cessna 182.

Regular and on-demand frequencies continue apace for the remainder of the decade and enplanements in **1990** total 8,118.

New CEO Michael Shallcross's workforce is increased by 33.3% in **1991** to 12, but passenger boardings slide to 6,209. A total of 134,860 pounds of mail are transported.

Enplanements continue their downfall in **1992** landing at 5,653. However, in **1993**, customer bookings boom upward 51% to 11,536.

When the two-year **Alaska Airlines** Essential Air Service (EAS) expires on September 30, **1994**, Haines, with a \$678,000 bid to the DOT, becomes the first carrier to challenge the major's 14-year lock on the subsidy for service to 5 Southeast Alaskan communities. The bid is not successful.

Passenger boardings grow an additional 20.8% to 13,937.

Although the workforce does not change in **1995**, the fleet grows by the addition of a Piper PA-31-350 Navajo Chieftain. The added capacity is useful as enplanements rise by 20% to 16,724.

The roller coast ride for traffic figures turns downward again in **1996** as passenger boardings slide 3% to 16,222.

Flights continue in **1997**. While on a sight-seeing service from Haines to Skagway on July 3, a Piper PA-32 with one pilot and five passengers loses power and ditches in the ocean 1.5 mi. SW of its destination (four dead).

Customer bookings for the year skyrocket 83% to 29,693.

Business is off badly in **1998** as passenger boardings plunge 59.6% to 12,000.

Customer bookings turn around in **1999** and increase 57.9% to 5,000. At the beginning of **2000**, 4 Cessna 2076 Stationaires and 3 C-208 Caravan Is are stationed at Juneau.

HAITI AIR FREIGHT INTERNATIONAL, S.A.: International Airport, Port-au-Prince, Haiti; Phone (809) 246-2850; Fax (809) 246-0848; Code 9F; Year Founded 1992. Under the direction of Smith Augustin, HAF is established at Port-au-Prince in **1992** to offer all-cargo charter services. Operations commence with a fleet that includes 1 Convair CV-880, 2 Douglas DC-6BFs, 1 DC-4, and 2 Curtiss C-46A Commandos. Struggling to establish its viability in the face of Organization of American States trade sanctions against Haiti, HAFI is largely unsuccessful.

As part of the UN effort to restore democracy to the country, the U.S. bans flights between Miami and Haiti on June 24, **1994**. Unable to fly to its principal market, the airline shuts down. Plans for a resumption of services from Port-au-Prince following the change of government in October are realized within a month.

Haiti is, however, found to be deficient in its enforcement of international safety standards. Consequently, it becomes necessary for it to obtain a special exemption from the U.S. Department of Transportation in order to continue flying to U.S. territory. In June **1996**, Haiti Air Freight is given an exception from 49 USC 41301 to conduct scheduled foreign air transportation of cargo and mail between Port-au-Prince and San Juan, Miami, and New York. These charters may only be operated with properly authorized wet-leased aircraft from a U.S. or foreign carrier.

Service to Miami and throughout the Caribbean is maintained and by **1997**, the jetliners and Commandos have been withdrawn and flights are conducted employing the DC-6BF and two CV-440s. The exemption certificate is renewed on May 30.

HAF continues flying during the remainder of the decade and its exception certificate is renewed annually, on June 15, **1998** and June 14, **1999**.

HAITI AIR INTER, S.A. See HAITI AIR TRANSPORT

HAITI AIR INTERNATIONAL, S.A. See HAITI AIR TRANSPORT, S.A.

HAITI AIR TRANSPORT, S.A.: Haiti (1943–1983). On May 31, **1943**, the government air force **Corps d'Aviation de la Garde d'Haiti** inaugurates domestic airmail Douglas DC-3 services; passenger service is started in **1944**. Throughout the **1950s**, the Corps' local routes are maintained while a Boeing 307 is used to fly to Miami.

En route from Auxcayes to Port au Prince on April 9, **1959**, a DC-3 with 34 passengers is taken over by 6 pirates. They kill the pilot and force the copilot to divert the aircraft to Santiago de Cuba.

The Stratoliner is replaced by a Curtiss C-46 in **1961**, the same year in which the service becomes the national airline, operating under the name **COHATA (Compagnie Haitienne de Transports Aeriens, S.A.)**.

Operations continue largely without incident during the remainder of the decade and into the next. However, on January 22, **1966**, a DC-3, with 30 aboard goes down near Duchity and there are no survivors.

COHATA is succeeded by Haitian Air Transport in **1973**. This wholly owned government subsidiary is divided into two lines: Haiti Air Inter, S.A. for domestic flights and Haiti Air International, S.A. for international service. Haiti Air Inter employs a fleet of 2 Douglas DC-3s, 1 de Havilland Canada DHC-6-100, and 2 Britten-Norman BN-2 Islanders to link Port-au-Prince with Jeremie, Gonaives, Port-de-Paix, and Cap Haitien. Equipped with a B-737-200, Haiti Air International, S.A. undertakes flights to New York (JFK).

En route from Port-au-Prince to Cap Haitien on September 9, **1975**, the DHC-6-100 with 2 crew and 15 passengers is taken over by three hijackers who demand that the turboprop be flown to Cuba. After landing at Gonaives for refueling, the pirates are overwhelmed by the other passengers. Both airlines experience one significant incident each before their demise, one more tragic than the other.

Nine are killed in the crash of a Haiti Air Inter, S.A. BN-2 at Port-au-Prince on January 2, **1980**.

Services are maintained without change or additional adverse incident until **1984** when Haiti Air Inter, S.A. is shut down and its remaining Twin Otter is sold to the Haitian air force. Haiti Air International, S.A. is continued.

At New York on September 26, **1985**, the B-737-200 is the target of an attack by one Winston Spencer Dobson, who plants a device in a suspicious suitcase that is placed aboard five minutes before takeoff. Fortunately, alert crew members spot his bag and notify police. The carrier stops flying at year's end.

HAITI REGIONAL AIRWAYS, S.A.: Haiti (1990–1991). HRA is established at Port-au-Prince in **1990** to offer regional passenger and cargo charters with a pair of Convair CV-440s. Unable to achieve economic viability, the company goes out of business in December **1991**.

HAITI TRANS AIR, S.A.: Haiti (1988–1995). With assistance from **Faucett Peruvian Airlines, S.A.** and \$300,000 borrowed from friends and relatives, Charles Voight founds HTA at Port-au-Prince in **1988** to offer regional passenger and freight charters. Revenue flights to Caribbean destinations and Miami are inaugurated with a single leased Boeing 727-222 flown by chief pilot Augusto Delgado. A second Tri-Jet, a Dash-247, is chartered from Faucett in **1989**. Profitless services are continued by the 70-employee concern in **1990**.

In September **1991**, the Haitian army overthrows elected President Jean-Bertrand Aristide and the country enters a period of crisis. HTA is severely impacted by the trade sanctions imposed by the Organization of American States. The route network is reduced to just one segment: Port-au-Prince to Miami.

The B-727-222 is withdrawn in **1992** and replaced with a Douglas DC-8-61, also chartered from Faucett. In **1993**, President Voight oversees a workforce of 185. By year's end, losses since start-up approach \$7 million.

On June 25, **1994**, a UN embargo on flights to the island nation takes effect. Consequently, HTA is forced to shut down. Voight keeps his Miami reservations desk going a few days longer, but is forced to return his leased Douglas to Peru. Plans for a resumption of service following Aristide's UN-assisted return to power in October are almost immediately realized.

Unable to regain viability, Haiti Trans Air declares bankruptcy and is grounded in March **1995**. The B-727-247 is returned to **Faucett Peruvian Airlines, S.A.** and the remainder of the company is liquidated.

HAITIAN AVIATION LINE. See HALISA AIR (HAITIAN AVIATION LINE, S.A.)

HAJVAIRY AIR, LTD.: Pakistan (1993–1994). HAL is established at Karachi during the first quarter of **1993** as a joint venture company between Pakistan's Hajvairy Association and **Aeroflot Russian International Airlines (ARIA)**. Tauqir Sultan Awan is named chairman/CEO, initial capitalization is \$1.5 million, and three leased Ilyushin Il-86s are acquired. The inaugural revenue flight occurs on March 22 between Karachi and Islamabad, with a deep-discount holiday season service made available through the end of the month. Plans are made to transfer the base of operations to Lahore.

Operations continue into **1994** before ceasing.

HALIC HAVACILIK, A.S. See GOLDEN HORN AVIATION, A.S.

HALISA AIR (HAITIAN AVIATION LINE, S.A.): 7270 NW 12th St., Miami, Florida 33126, United States; Phone 305 477-2400; Fax 305 758-1476; Code WD; Year Founded 1995. Under the leadership of Ronald Madsen, Halisa Air is established at Miami in April **1995** to operate scheduled and charter passenger flights between Miami and Port-au-Prince. Revenue flights begin later in the year with a single Boeing 727-200A leased from fellow Miami new entrant **Falcon Air Express**.

HALISA AIR, S.A. See ACORI: AERO COSTA RICA, S.A.

HAMAREIN AIR - GULF CARRIERS, LTD.: United Arab Emirates (1977–1980). Established at Ras al Khaimah Airport in **1977**, Hamarein operates cargo and charter services in the Persian Gulf region employing a single Douglas DC-8-20F.

In **1978**, the carrier seeks authority to serve London (LGW); however, the Iranian revolution of **1979–1980** so depletes traffic that the company must stop flying.

HAMBURG AIRLINES, GmbH. & CO., K.G. (1): Germany (1988–1993). This new German regional carrier is established at Hamburg on April 15, 1988 with Wolfgang Biederbeck as managing director. The initial fleet of this successor to bankrupt **Hansa Express, GmbH.** comprises a de Havilland Canada DHC-8-100 and a Dornier 228-200 and these are employed in September to inaugurate scheduled services to Goteborg, Rotterdam, and Antwerp.

Enplanements total 2,000.

The fleet of the 92-employee commuter in 1989 includes 4 DHC-8-100s.

Passenger boardings leap up 241.7% to 40,600. Revenues skyrocket 255.9% to \$6.3 million.

In 1990, a Fokker 100 jetliner is added for charter flights between the various German states. Antwerp is dropped from the route network as flights are initiated to London (LGW) and Amsterdam. Enplanements total 84,730.

Airline employment is increased by 15.2% in 1991 to 190. The Fokker 100 is withdrawn and replaced by three additional DHC-8-100s and two DHC-8-300s. In March, daily frequencies are inaugurated from Hamburg to Birmingham and Manchester, England. Other new routes are initiated to Riga, Vilnius, and Saarbrücken.

Passenger boardings swell 54.2% to 185,000.

Owner Eugene Block, now holding the last independent regional carrier in Germany, opens negotiations for a new partner in the first quarter of 1992. As a result, the company is sold to **Saarland Airlines, GmbH.** in December. Chairman Block retains 20% shareholding and is given a seat on the Saarland board. Managing Director Biederbeck is succeeded by new joint managing directors, Manfred Moeschel and Jürgen Nappe. Traffic figures are now no longer released.

Airline employment in 1993 stands at 170. The fleet of the Saarland subsidiary is increased by three DHC-8-300s and plans are announced to replace the Boeing with Airbus equipment.

Minsk joins the route network while other scheduled destinations served come to include Amsterdam, Birmingham, Manchester, Dresden, Hamburg, Leipzig, Halle, Berlin (Tempelhof), Brussels, Riga, Saarbrücken, Riga, Vilnius, and Frankfurt. Charters are also offered to Venice, Sylt, Verona, Geneva, Paris, London, and Edinburgh.

In financial difficulty since the collapse of a major tour contractor, MP Travel, Saarland and its Hamburg subsidiary go bankrupt at the end of August.

HAMBURG AIRLINES, GmbH. & CO., K.G. (2): Germany (1993–1997). Following the summer 1993 bankruptcy of **Hamburg Airlines, GmbH. & Co. (1)**, a new carrier with the same name is established at the Hamburg base in the fall. Bernard Walter is the new managing director and his leased fleet includes 3 de Havilland Canada DHC-8-102s and 2 DHC-8-311s. Revenue flights are restarted to the company's previous markets.

The workforce is cut to 120 in 1994 and Managing Director Walter places orders for two British Aerospace BAe 146-200s, the first of which is delivered late in the year.

The second Dash-200 is delivered in 1995 and enplanements total 290,460.

Airline employment is increased by 32.3% in 1996 to 340 and the all-leased fleet now includes 2 BAe 146-200s, 3 DHC-8-102s, and 2 DHC-8-311s. A BAe 146-300 is leased from Asset Management Organization during the first quarter and is placed into service on May 1 over the company's summer charter routes. Code-sharing agreements are signed with **Deutsche Lufthansa, A.G.** and **Aer Lingus Irish Airlines, Ltd.**

These feeder arrangements allow passenger boardings to soar 38.2% to 470,000.

Destinations visited in 1997 include Athens, Berlin, Dresden, Dublin, Hamburg, Leipzig, Oporto, Riga, Rome, Saarbrücken, Stuttgart, Thessaloniki, and Vilnius. The company enters into a code-sharing alliance with **TAP Air Portugal, S.A.**

Unable to maintain economic viability, the company conducts its last flight on December 21 and shuts down.

HAMBURG CHILE AIRLINES, S.A. See HAMBURG INTERNATIONAL AIRLINES, GmbH.

HAMBURG INTERNATIONAL AIRLINES, GmbH.: Obenhauptstrasse 3, Hamburg, 22335 Germany; Phone 49 (40) 500 5010; Fax 49 (40) 500 50111; <http://www.hamburg-international.de>; Code HHI; Year Founded 1999. Successor to **Hamburg Airlines, GmbH. & Co., K.G. (2)**, HHI is established at its namesake city in July 1998 to offer holiday charters throughout the Mediterranean region. Norbert Grella is appointed managing director and he immediately places orders for a pair of Next Generation Boeing 737-700s. Meanwhile, a workforce is recruited and arrangements are made to also hub at Saarbrücken, Lubeck, and Luxembourg. Bookings are invited and received from such noted German tour operators as Neckermann, TUI, Alltours, and Oger Tours.

The first Next Generation B-737-73S is received on April 1, 1999 and is employed to begin revenue services 28 days later. The second "Baby Boeing" arrives on October 27. Based in Munich, it is chartered to operate replacement services for **Deutsche Lufthansa, A.G.** More and more, the company also flies from Karlsruhe/Baden and Kassel.

The workforce totals 45 at the beginning of 2000. A new Chilean subsidiary is established during the year and is outfitted with a Next Generation B-737-73S. Arrangements are completed with CIT's Capital Finance on October 4 for the lease of a third Next Generation B-737-73S that will be delivered in April 2001.

A new division is opened at Santiago de Chile in time for the beginning of the fall schedule. In partnership with two Chilean businessmen, **Hamburg Chile Airlines, S.A.** operates Caribbean charters on behalf of the Spanish tour operator Iberojet. The Next Generation B-737-73S Trevor Henderson delivered to Hamburg the previous October 27 is employed for the program, which will continue through March. Whether it will operate thereafter will depend upon traffic during the winter and the acquisition of a replacement aircraft.

HAMIATA (SINO-SOVIET AVIATION CORPORATION, LTD.): China (1939–1949). Following the conclusion of a Sino-Soviet nonaggression pact on August 21, 1937, **Aeroflot Soviet Airlines** is permitted to inaugurate a military support route from Alma Ata in Kazakhstan to the Chinese city of Lanchow via Urumchi. Negotiations for the creation of a joint-stock airline between the two countries begin in April 1938.

With talks going well, the Russians are permitted to begin proving flights even before a pact is signed. The first, between Alma Ata and the Sinkiang Province town of Hami is concluded on March 24, 1939 via Lanchow.

The nonaggression pact between Russia and Germany is signed on August 23 and World War II in Europe begins with the German invasion of Poland eight days later. On September 9, China and the Soviet Union each contribute half of the \$1 million capitalization needed to finally form the joint air transport enterprise.

With a Russian name of Sovetsko-Kitaiskaya Aviatsionnaya Kompaniya, the Soviet-Chinese Aviation Company holds its first corporate meeting on November 15 and names a board of directors that includes two Chinese and two Soviet representatives. A Chinese president is appointed, with a Soviet vice president.

Employing Russian personnel, the carrier's aircraft, two Soviet Douglas DC-3s, begin service on December 6 linking Alma Ata with Hami via Urumchi. Soon the carrier is popularly known as Hamiata after these two destinations.

The **Eurasia Aviation Company** makes a connection at Hami, linking the Soviet Union with China over to Chongqing.

Regularly scheduled services commence on January 8, 1940, but with only Soviet official personnel as passengers, the company soon must revert to nonscheduled status. When German personnel depart **Eurasia Aviation Company** in November, it is taken over by the Chinese.

Just before the outbreak of conflict with Germany, scheduled flights are resumed by Soviet pilots in May **1941**. Despite World War II, sporadic service continues between the carrier's two base destinations.

On March 28, **1945**, the Lanchow route to Hami is taken over by **China National Aviation Corporation (CNAC-1)**, which makes a direct link with the Sino-Soviet company.

On April 19, the Nationalist government, fearing Soviet favoritism toward Red Chinese forces, refuses to renew the Hamiata entry permits. The company nevertheless continues.

Following the Communist victory over the Nationalists in **1949**, the airline is officially disbanded, the service being continued by **Aeroflot Soviet Airlines** and the new Maoist carrier soon known as **CAAC (General Administration of Civil Aviation of China)**.

HAMMONDS COMMUTER AIRLINES: P.O. Box 996, Houma, Louisiana 70361, United States; Phone 504-876-0584; Fax 504-851-4681; Year Founded 1977. The FBO Charlie Hammonds Flying Service is formed at Houma, Louisiana, in the fall of **1977** and inaugurates nonscheduled flights as a side venture in November. Two years later in the spring of **1979**, a scheduled airline division is established to offer scheduled passenger and cargo flights to Patterson, Lafayette, and Houston. These begin in late **1980**.

President Charles L. Hammonds and Vice President Carol H. Hammonds in **1981** operate a fleet of 1 Embraer EMB-110 Bandeirante, 6 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-31-310 Navajo, 1 Cessna 414, 6 Cessna 185s, and 2 Cessna 180s.

A total of 37,570 passengers and 280,425 pounds of freight are flown during the first full year of service. A \$68,000 operating profit is earned.

The payroll is reduced by 40% in **1982** to 90 employees. The EMB-110 is removed in favor of 3 more Chieftains.

Customer bookings accelerate 14.3% to 29,261. Although revenues rise 5% to \$4.16 million, expenses jump 17.9% to \$4.6 million. As a result, a \$433,000 operating loss is suffered.

Beaumont, Texas, joins the route network in **1983**, but the Hammonds run into financial difficulties in **1984** and are forced to file for bankruptcy in November, returning to the charter business. FBO and Part 135 services continue.

HANDLEY PAGE INDO-BURMESE TRANSPORT COMPANY, LTD.: United Kingdom (1920-1921). British aircraft manufacturer Frederick Handley Page causes this subsidiary to be formed at Calcutta in late June **1920**.

Capitalized at 1.5 million rupees and with Ivo Edwards as managing director, the enterprise seeks to secure an Indian Post Office contract while operating freight and passenger flights and a flying school. Funding and facilities will prove insufficient; however, the enterprise is allotted four HP 0/7 transports (upgraded 0/400s), which are shipped by sea to Calcutta and reassembled. Flight operations begin in the fall and consist primarily of charters, including the October 17 marriage flight of Mr. Charles Manson Mann. One of the aircraft is destroyed in an October gale.

Without adequate backing, the subsidiary flies only short haul charters in **1921** and these with de Havilland DH 9s, except when a full load for the big 0/7s could be arranged. The company ceases operations in July; its assets are sold in September to the G. McKenzie, Ltd., automobile firm.

HANDLEY PAGE TRANSPORT, LTD.: United Kingdom (1919-1924). Following the November **1918** armistice, the U.K. government ends its contracts with British airplane builders, including Handley-Page, Ltd. operated by Sir Frederick Handley Page. With the workforce down to one research engineer and a test pilot, Handley Page in early **1919** elects to form an airline.

Advertisements for help bring in Maj. George Woods-Humphrery, RFC, as general manager; Maj. Herbert G. Brackley, RFC, as Air Superintendent; Lt. Col. William Sholto Douglas, RFC, as chief pilot; and

several other pilots, including R. H. McIntosh, Orde Lee, and, notably, Gordon P. Olley, RFC, who would become a famous airline pilot and founder of his own carrier. The pilots would all be paid an annual salary of £915.

On May 1, the first postwar day of U.K. civil flying, new government-ordered air navigation regulations take effect. All civilian aircraft are to be registered, possess certificates of airworthiness, and to display allocated national markings and numbers, with "G" standing for Great Britain. Simultaneously, British Certificate of Airworthiness No. 1 is issued to a Handley-Page, Ltd.-owned 0/400; the converted bomber is later designated the company's G-EAAF. Crews are also to have flying certificates. The same day, aircraft builder Handley Page orders the launch of a 12-day series of airline-like passenger proving flights from the company airfield at Cricklewood near London.

The first service is unsuccessfully attempted to Manchester by an 0/400 converted bomber piloted by Sholto-Douglas (who will one day become Marshal of the RAF and head the **British European Airways Corporation**), with 11 passengers.

The May 1 passenger flight is laid on again on May 3 and completed. On May 5, 1,500 pounds of newspapers are delivered by parachute in a spectacular demonstration of the possibilities of aerial delivery of the press. Over Aberdeen, which is not scheduled as a stop on this Scottish run, Maj. Orde Lee departs the aircraft by parachute.

Additional test parachute drops occur on May 6, 9, and 11 and when the exhibition is completed, Sholto-Douglas has made deliveries at Manchester, Eastbourne, Carlisle, Brighton, Hastings, Montrose, Aberdeen, Preston, Dundee, Edinburgh, Bristol, Preston, Plymouth, Exeter, Bournemouth, Cardiff, Ryde, Norwich, Swansea, Yarmouth, and Cromer.

With an initial capitalization of £200,000, Handley Page Transport, Ltd. is incorporated on June 14.

An upgraded 0/400, the 0/7 or 0/700, is test flown on July 5 and thereafter assigned to the company fleet. On July 15, the same day on which **Aircraft Transport & Travel, Ltd.** makes the U.K.'s first recognized commercial flight, a company 0/400 piloted by Sholto-Douglas makes a test run from London (Cricklewood)-Paris via London (Hounslow); other proving flights continue throughout the summer.

Sholto-Douglas flies an HP V/1500 ex-bomber in a London-Brussels demonstration on August 19. To showcase the 0/400's superior landing qualities, a machine piloted by W. Shakespeare flies 11 journalists (each paying £15.15 shillings fare) London (Cricklewood)-Brussels on August 21. The advanced Handley Page W.4 (a stretched 0/400) prototype is test flown by Sholto-Douglas two days later.

The 0/7 makes a London-Paris load-carrying proving flight on August 25. With a limousine readied to offer passengers a complementary road service from the British and French airports, the company is ready to begin the three-hour scheduled service; fares will be the same as first-class rail or channel-ferry tariffs.

Operating in cooperation and alternatively with the French carrier **Compagnie des Messageries Aeriennes, S.A. (CMA)**, Sholto-Douglas launches the company's 0/400 passenger and freight flights London (Cricklewood)-Paris (Le Bourget) on September 2. The next day, the company boards the first two women passengers to fly on a scheduled airline service between England and France.

On September 23, thrice-weekly passenger and cargo frequencies are started to Brussels. Due to a rail strike, the company begins flying mail to Brussels as of September 29. When the strike ends on October 6, the Brussels concession is retained and a total of some 250,000 letters will be carried by year's end.

Allowing passengers to purchase three-shilling lunch baskets, Handley Page Transport, Ltd. introduces the world's first airline food service on October 11.

The carrier introduces "season tickets" for Paris service on January 10, **1920**—12 flights for £120. Customs facilities are placed at Cricklewood on February 17, allowing company aircraft to operate from either the industrial facility or the commercial airport at Hounslow.

Two 0/400s are scrapped after crashes in April. At Cricklewood, pilot R. H. McIntosh worries over the low, 50-foot takeoff height of company aircraft as they pass over motorways at the end of the grass field.

In cooperation with **KLM (Royal Dutch Airlines, N.V.)**, a London–Amsterdam passenger and mail route is opened on July 6, followed by London–Brussels airmail flights on July 19. Experimental London–Brussels, Amsterdam, and Rotterdam airmail operations commence on July 26.

On October 30 and November 17, respectively, the London–Amsterdam and Paris services are suspended for lack of business and support.

Piloted by Raymond Vaughan-Fowler, a company DH 4A, with two passengers, makes a record London (Cricklewood)–Paris (Le Bourget) flight on December 4 in 1 hr. 48 min.

The first British scheduled air transport fatal accident occurs on December 14 when, en route Cricklewood–Le Bourget, an 0/400 piloted by R. Bager with seven others aboard, crashes just after takeoff in fog at Golders Green. Although Bager and two passengers are killed, mechanic J. H. Williams and three passengers survive. Suffering from concussion, but obsessed with a need to reach the French capital, Williams leaves the scene, makes his way by subway to London's Victoria Station, by train to Dover, and by boat to Calais. He reaches Paris where he is found in a daze, identified, and returned home.

During the year, several 0/400s are equipped with early Marconi airborne radio-telephones with an approximate 50-mile range. Woods-Humphrey transfers his services to **The Daimler Airways, Ltd.** at year's end.

By December 31, the company has flown 4,000 passengers since its start-up.

All British civil air services are suspended on February 28, 1921 for lack of money in the face of subsidized foreign competition. Maj. Brackley now departs to join a government training mission to Japan; he is succeeded by pilot R. H. McIntosh. Indeed, McIntosh and pilot W. Rogers approach Sir Frederick, offering to fly without pay until new funding can be located; the generous offer is declined with regret.

After having originally opposed state aid, Secretary of State for Air Winston S. Churchill on March 2 organizes a Cross-Channel Subsidies Committee under Lord Londonderry. To allow competition with the French, a temporary Air Ministry subsidy of £88,200 is granted to the overseas carriers on March 19, allowing the resumption of operations. With a £25,000 grant, Handley Page Transport, Ltd. restarts Paris service the next day.

The first to employ the Marconi wireless is chief pilot McIntosh; unhappily, the airborne radio-telephone is not immediately successful due to its long trailing aerial, which could be caught by obstructions (e.g., trees) and snapped off. On one of his first flights with it, McIntosh, with the editor of the London *Daily Chronicle* aboard to observe the use of the new communication gear, is caught in fog while flying into the airport at Croydon. Having dipped lower for better visibility, his 0/400 loses its aerial in a tree, a fact McIntosh is able to conceal from the newsman. Seeing the towers of the Crystal Palace and knowing the route by heart from there, the pilot is able to make a safe landing. His radio gear is highlighted in the next day's edition and he is dubbed "All-Weather Mac."

In April, a bad landing of an An 0/400 makes repair uneconomical and it is withdrawn.

Headquarters and flight operations are transferred from Cricklewood to Croydon on May 27.

In June, the engineering firm Oglivie and Partners, Ltd. is appointed to manage the carrier; W. A. Bristow, formerly of **The Instone Air Line, Ltd.**, becomes managing director.

The first W.8, christened *Newcastle*, is placed on the Paris route, flying its inaugural October 21 service in 2 hrs. 10 min. In November, orders are placed for three W.8bs.

On April 1, 1922, a new government subsidy program is introduced whereby the Air Ministry would issue £200,000 over three years and

support airliner purchases and the operators would avoid cut-throat competition of the same routes.

The first W.8b, *Bombay*, flown by A. S. Wilcockson, is introduced on the Paris frequency on May 4; it is followed by the *Melbourne* on May 9. In a May 16 ceremony at Croydon Airport, Sir Sefton Brancker, British Director of Civil Aviation, christens the carrier's W.8bs *Princess Mary* (formerly *Bombay*), *Prince Henry*, and *Prince George* (formerly *Melbourne*).

A record 1,076 passengers are flown London–Paris between August 14–20; during the month, the company breaks the route's single week record with 260 passengers carried in seven days.

The revised subsidy scheme is introduced on October 1; Handley Page Transport, Ltd. receives £15,000 and exclusive rights to fly the U.K.'s only London–Paris route.

In early February 1923, the Parliament's Civil Air Subsidies Committee, headed by Sir Hebert Hambling, makes a report favoring the merging into one state carrier of all the private British carriers. On March 14, Sir Samuel Hoare, Secretary of State for Air, indicates the U.K. government's acceptance of the Hambling Report and its intention to merge the private airlines when their subsidy contracts expire the following March.

A record 79 passengers are carried in one day on June 23.

The original W.8, *Newcastle*, crashes at Poix on July 10. The Paris route is extended by R. H. McIntosh, flying a company HP 0/10 to Basel and Zurich on August 16 and the thrice-weekly service becomes weekly on October 5.

As a result of the Civil Air Transport Subsidies Committee report released earlier, the Air Council on December 3 reports a decision to merge the independent British carriers into a single state-owned airline.

During the year, Maj. C. C. Turner publishes the souvenir pamphlet *To Air by Paris* (London: William Cate) to describe the carrier's England to France service, which includes aerial photographs taken en route.

On the year, 7,179 passengers are carried by Handley Page from London to Paris.

Handley Page Transport, Ltd., ceases to exist on March 31, 1924, as **Imperial Airways, Ltd.** is incorporated as the first British national airline.

HANFORD (TRI-STATE) AIR LINES: United States (1932–1938).

This pioneer local service company is organized in the spring of 1932 to provide scheduled passenger and air express service between Sioux City and St. Paul. Employing two Lockheed Model 5 Vegas, Hanford begins revenue frequencies on April 1.

In December 1933, the route is extended south to Omaha by the purchase of St. Louis-based **Rapid Air Lines (RAL)**. RAL is allowed to continue operations as a subsidiary under its own name, flying the Sioux Falls–Kansas City via Sioux City and Omaha mail route obtained at its 1930 start-up. Hanford, however, elects to lease RAL's largest aircraft, the Lockheed Model 5C *Vega Aksarben Comet*.

On February 9, 1934, as a result of investigations into the Air Mail Scandal, the U.S. Post Office cancels all existing mail contracts and the White House orders the U.S. Army Air Corps to fly the mail. Hanford temporarily closes its routes, especially the RAL mail run. When the military option proves unsuccessful, the Post Office rebids the mail contracts at the end of March and opens applications in late April. Hanford wins two significant routes, AM-16 from Chicago to Winnipeg via Fargo and Pembina, and AM-26 and its three spurs, which include the previous RAL route, the previous Hanford passenger route now also to include mail, and Sioux Falls to Bismarck.

Mail is added to the previous St. Paul–Sioux City run in May and Hanford initiates the remainder of its routes in June. Meanwhile, on June 12, the former **Pacific Air Transport/United Air Lines** Ford 5-AT-110 once named *Glacier* is purchased.

En route to Omaha from Kansas City in a rainstorm on August 31, an RAL division Stinson 6000 crashes at Oregon, Missouri (five dead). The newly acquired Ford is also the victim of an accident, at Cochrane, Wisconsin, on September 2, although exact details are unknown.

The Model 5C Vega *Aksarben Comet* is badly damaged in a crash landing at Albany, Minnesota, on October 19. En route to Omaha from Kansas City on November 15, a Stinson 6000B hits a hill at Amazonia, Missouri, and crashes (two dead).

In December, a new mail route is received from St. Paul to Fargo and AM-16 is purchased by **Northwest Airways**.

Flights continue apace throughout 1935 and, on July 1, 1936, A. S. Hanford turns over control of the concern to new management, which renames the company **Hanford Air Lines** and extends its routes from Chicago and the upper midwest to Tulsa, Oklahoma. Late in the month, two Lockheed Model 10A Electras are acquired, one new and the other from **Northwest Airlines**.

On January 20, 1937, the Lockheed Model 5c Vega *Aksarben Comet* is destroyed in a Sioux City, Iowa, hangar fire. A second Electra arrives from **Northwest Airlines** in November. Eighteen months later, in August 1938, the carrier is renamed **Mid-Continent Air Lines**.

HANG KHONG VIET NAM: Vietnam (1976–1991). Following the July 2, 1975 unification of the defeated Republic of Vietnam (South Vietnam) and People's Republic of Vietnam (North Vietnam) into the Socialist Democratic Republic of Vietnam, a new airline is formed to replace the south's old **Air Vietnam, S.A.** and the north's **CAAV (Civil Aviation Administration of Vietnam)**. Operating under the auspices of the national defense department, the carrier retains its principal base at Hanoi's Gialem Airport and will acquire and integrate the remaining facilities and damaged aircraft of the ex-Saigon-based airline at Ho Chi Minh City.

From that destination, 2 Douglas DC-4s, 3 DC-3s, and 1 DC-6 resume domestic services on November 1, 1976, to Hanoi, Da Nang, and Phu Quoc Island. With technical assistance from **Aeroflot Soviet Airlines**, the company, without access to western aircraft or parts, is rebuilt to Russian standard.

Twice-weekly Antonov An-24 service is started between Hanoi and Ho Chi Minh City and on December 1, the company takes over the Soviet carrier's rights on the routes from Hanoi to Vientiane and Phnom Penh. Four Soviet-made Il-18s maintain service from Hanoi to Moscow.

During this process, on October 29, 1977, four armed Vietnamese commandeer a Douglas DC-3 during a domestic flight from Ho Chi Minh City to Phu Quoc Island, Thailand. After killing two crewmen, they force the plane to fly to Singapore, where the pirates seek and receive political asylum. They also receive 14-year prison terms.

Enplanements for the year total 21,000.

Daily nonstop flights are operated between Hanoi and Ho Chi Minh City with Tupolev Tu-134As and Ilyushin Il-18s; a second main line adds a stop at Danang. Other domestic destinations visited include Nha Trang and Hue.

Weekly Tu-134A flights are opened from Hanoi to Bangkok via Ho Chi Minh City and Phnom Penh and between Ho Chi Minh City and Phnom Penh, on May 11, 1978. Nonstop weekly Antonov An-24 service is inaugurated from Hanoi to Vientiane.

Reciprocal Tu-134A Ho Chi Minh City to Moscow flights begin on June 16, 1979, but because of hostilities with China, continuing service to Beijing is halted.

These services are maintained over the next decade with a fleet that grows to include 5 Tu-134As, 3 Yakovlev YAK-40s, 8 An-24s, 3 Il-18s, and 1 Boeing 707-344 leased from the Irish concern Air Tara. Most of the Antonovs come from **Interflug (DDR German Airlines)**, which contracts to provide management and technical assistance. Arrangements are also made with **Air France** and **Deutsche Lufthansa, A.G.** for traffic rights from Bangkok and Singapore to Ho Chi Minh City, respectively; with dual airline designation, the seats are purchased by Hang Khong and are thus considered Vietnamese flights.

With the beginning of *doi moi* (modernization) in 1985, Hang Kong inaugurates its own Tu-134A services from Ho Chi Minh City to Bangkok. Fuel shortages in Vietnam require the airliners to load maximum poundage in Thailand.

Operations continue apace in 1986–1987.

Attempting to avoid thunderstorms while on a flight from Hanoi on September 9, 1988, Flight 831, a Tu-134A with 6 crew and 84 passengers, drops below minimum altitude and crashes on final approach 6 km. from the airport at Bangkok, bursting into flames. There are no survivors from the Tupolev and an additional six people are killed on the ground.

Enplanements for the year total 250,000.

The marketing name **Vietnam Airlines** is first employed by the 2,000-employee carrier in 1989. The most visible sign of this change is a new blue and white aircraft livery and flying crane logo.

By 1990, Director General Khoang Igok Zieu has added three more YAK-40s. The company becomes independent on April 1 as the company's world profile is enhanced by its formal transfer from the Department of Defense to the Department of Civil Aviation.

Orders are now placed for two Avions de Transport Regional ATR72s and service is inaugurated to Singapore. Enplanements for the year increase 34.9% to 427,192.

The following year, 1991, the carrier is officially renamed **Vietnam Airlines**.

HANKYU AIR LINES COMPANY, LTD. (HANKYU KOKU): **Hankyu Terminal Building, 1-1-4, Shibata, Kita-ku, Osaka, 530, Japan; Phone (6) 373-1661; Fax (6) 373-1660; Year Founded 1980.** Hankyu Air Lines is established at Osaka in 1980 to provide aerial work and charters. Business includes passenger and cargo flights, offshore support, construction, aerial application, aerial photography, and so forth. A mixed fleet, beginning with Bell 206B JetRangers, Bell 47G3s, and Aerospatiale AS-365N Dauphins will be employed over the next decade.

Tetuzo Okano is president in 1991 and he operates a 25-unit fleet.

In August, a Dauphin, with 8 passengers crashes in Hyogo Prefecture; there are no survivors. The tragedy is one in a series of eight accidents that have afflicted Japanese helicopter operators over the last 18 months and claimed 21 lives.

Flights continue apace during the remainder of the decade, but, as a result of more stringent regulations on the commercial rotary-wing community established by the Ministry of Transport, helicopter fleets, in general, are reduced. President Okano now oversees the work of 10 Eurocopter AS-350Bs, 4 AS-355Fs, 3 Dauphins, and 2 Hughes 369Ds.

HANNA AIR, LTD. See PACIFIC SPIRIT AIR, LTD.

HANSA EXPRESS, GmbH.: Germany (1988–1989). In an effort to improve its traffic by heralding marketing links with historic northern European trading centers, Hamburg-based **Holiday Express, GmbH.** changes its corporate image in 1988. The company's Dornier 228-100 and 228-201 continue scheduled commuter services to Goteborg, Helgoland, Hamburg, and Rotterdam, while adding the new destination of Antwerp.

The company is unable to generate the traffic necessary to cover its indebtedness and must cease operations in early 1989. Assets are purchased by new entrant **Hamburg Airlines, GmbH. & Co., K.G.** in April.

HAPAG-LLOYD FLUGGESELLSCHAFT, mbH.: Box 420240, Flughafenstrasse 10, Hanover, D-30662, Germany; Phone 49 (511) 9727 0; Fax 49 (511) 9727 494; http://www.hlf.de; Code HF; Year Founded 1972. In July 1972, the shipping concern Hapag-Lloyd A.G. forms this charter subsidiary (originally known as Hapag-Lloyd Flugzeug, GmbH.) at Hanover. Hapag-Lloyd A.G.'s antecedents include the ocean carriers Hamburg-America Line (HAPAG) and North German Lloyd (NDL), both of which had important roles to play in the early days of German commercial aviation, with their joint subsidiary, **Deutscher Aero Lloyd, A.G.** merged into the new **Deutsche Luft Hansa, A.G. (DLH)** in 1926.

Three Boeing 727-81s are purchased from **All-Nippon Airways Company, Ltd.** and are employed to inaugurate inclusive-tour flights

and cargo operations from Bremen, Hanover, Hamburg, Dusseldorf, Munich, and Frankfurt to southern Europe, West Africa, and the Canary Islands on March 31, 1973.

Orders are placed that August for shorter-range BAC 1-11-500s, which begin to join the fleet in 1974, thereby allowing additional European destinations. The final British jetliner is received in 1975.

Following a quiet 1976, the competing charter operator **Bavaria-Germanair, GmbH**, and its fleet of 4 Airbus Industrie A300B2-105s are purchased in April 1977 from Josef Schorgruber and merged. The workforce of the 2 carriers totals 1,500. A total of 687,360 passengers are carried on the year.

Because West Germany's Federal Cartel Office will not immediately approve the merger, the two carriers retain separate identities through 1978; their combined workforce remains at 1,500 and bookings rise 0.4% to 716,000.

The FCO sanctions the amalgamation of the two airlines in January 1979 and **Bavaria-Germanair, GmbH**, is completely absorbed by March. The fleet of the joint managing directors, Klaus Bertram and Karheinz Schneider, now comprises 4 A300B2-105s, 7 B-727-100s, and 7 BAC 1-11-524s.

The world's first A300B4-203 enters service with the carrier on April 3.

The employee population stands at 460 and enplanements jump to 1,169,018.

Passenger traffic remains flat in 1980-1981 as the effects of the world economic situation are felt. Aircraft are leased to other carriers during the tourist off-season, including **Kuwait Airways Corporation, Tunis Air, S.A., Air Jamaica, Ltd., Egyptair, S.A.E., JAT Yugoslav Airlines, Air Djibouti, and Air Malawi, Ltd.**

Two B-727-2K5As replace three B-727-81s and all seven BAC 1-11-524s are sold, including two to **Air Malawi, Ltd.**, two to **British Caledonian Airways, Ltd. (BCAL)**, and three to **Austral Airlines, S.A.** An A300B4 is outfitted as a freighter and begins all-cargo services in February of the latter year from Cologne to New York, via Shannon and Gander.

Third party maintenance and overhaul work is offered from the maintenance base at Hanover (Langenhagen Airport) beginning in 1982 and under the 90-minute ICAO rule, the A300C4 launches North Atlantic all-cargo flights on January 28.

Claus Wulfers is named the 13th managing director late in the year.

Overall bookings reach 1,655,000.

The A300C4 freighter concludes all-cargo operations in March 1983, but resumes them in November, becoming the first twin-engine airplane to fly the North Atlantic commercially under the 90-minute rule.

Passenger traffic soars 9.6% to 1,831,000 and 486.81 million FTKs are flown. A net profit of \$5.38 million is posted on revenues of \$175.5 million.

The A300B4 cargo operation ends in April 1984 following 80 transatlantic flights. Three B-737-2K5As join the fleet and cooperative "hub and spoke" operations are begun with **Condor Flugdienst, GmbH**, at the tourist hub established at Munich.

Enplanements total 1.77 million and a net profit of DM 26.4 is realized on revenues of DM 486 million, largely due to the sale of engine spares.

Airline employment is stabilized at 756 in 1985. The fleet now comprises 5 A300B4s, 3 B-727-100s, 2 B-727-2K5As, and 3 B-737-2K5s.

With 10 years experience with the Airbus, company technicians, beginning in the summer, contract to provide 6-week familiarization courses for **Aer Lingus Irish Airlines, Ltd.** and Boeing.

The 860-employee German charter airline reports a 3.2% increase in its 1986 revenue passenger miles (RPKs) flown, up to 4.29 million.

In January 1987, orders are placed for three A310-300s, with options for two others. RPKs advance 1.5% to 4.36 billion.

The first A310-304 is received in January 1988 and the fleet now also includes 4 B-737-2K5s, 3 B-727-2K5As, and 5 A300B4s. Enplanements total 2,294,600.

The fleet of the 1,024-employee charter carrier is altered in 1989 by the withdrawal of a B-727-2K5A and the addition of an A310-304.

The first B-737-4K5 enters service in July, but cannot prevent passenger boardings from plunging downward to 1,216,900.

Company employment grows 12.3% in 1990 to 1,150. The A300B4-203s are sold as the B-737-4K5s continue to arrive and help reverse the free fall in passenger traffic. Customer bookings for the year shoot up to 2,793,000.

The leased fleet in 1991 includes 4 A310-204s, 3 A310-304s, 1 B-737-2K5A, 8 B-737-4K5s, and 5 B-737-5K5s. Weekly A310-304 charters begin to Fort Lauderdale and Caribbean in early November.

Customer bookings slip to 2,783,872.

Airline employment stands at 1,400 in 1992 as enplanements rise 16.8% to 3,346,000.

In 1993, Managing Director Wulfers oversees a workforce of 1,190, down 15% from the previous year. Fleet alterations include the replacement of an A310-304 with a Dash-308, removal of the B-737-2K5A, and the addition of a ninth B-737-5K5.

Passenger boardings move ahead by 7.5% to 3,596,000.

Airline employment is increased by 5.2% in 1994 to 1,499 and the fleet now includes 4 A310-204s, 3 A310-304s, 1 A310-308, 11 B-737-4K5, and 5 B-737-5K5s. Orders are placed for 8 B-737-8K5s.

One of Germany's leading charter operators, the carrier continues to undertake flights to the U.S. and Caribbean, the Middle and Far East, Africa, the Mediterranean, and the Canary Islands.

Customer bookings move up 11.1% to 4,031,000.

The workforce grows by 6.7% in 1995 to 1,600 and another 8 B-737-8K5s are requested. Enplanements move ahead by 12.4% to 4,531,000.

Operations continue apace in 1996. Before a large and appreciative gathering, the first B-737-8K5 is rolled out of Boeing's narrow-body factory at Renton, Washington, during the first week of July and makes its maiden flight on July 31.

A total of 4.8 million passengers are transported and revenues of \$1 billion are earned.

Employment at Germany's third largest charter airline climbs 3.9% in 1997 to 1,723.

In April, at a cost of DM 7 million, the carrier begins to install traffic alert and collision avoidance (TCAS) avionics on its entire fleet of 25 B-737s.

On September 17, 99.2% of the shareholding in Hapag is purchased by the Preussag, A.G. industrial group (best known for its mining and steel manufacturing activities), which is largely owned by the Dusseldorf-based Westdeutsche Landesbank (WestLB). The stake is acquired from Gevaert N.V., Veba, **Deutsche Lufthansa, A.G.**, Metro, Deutsche Bank, Dresdner Bank, and Veritas Vermögensverwaltungsgesellschaft, GmbH. The carrier continues to hold a 30% stake in Touriste Union International (TUI), in which WestLB holds the same number of shares. WestLB executive Dr. Michael Frenzel is named managing director.

Discussions begin with TUI concerning a possible merger. Such an amalgamation would prove formidable for the newly formed, but second-place **C&N Condor Neckermann Touristic, A.G.**, which has been created as a fifty-fifty joint venture between Karstadt, A.G. and **Deutsche Lufthansa, A.G.**

Preussag, on August 27, engineers the takeover of TUI by Hapag-Lloyd. The industrial giant bundles the two entities together into a new Hapag-Touristik Union (HTU), which begins operations on October 1. With a combined 15,000 employees, HTU is now the largest integrated tourism provider in Europe.

Passenger boardings ascend 3% to 4,925,500 while operating revenues inch up just 0.4% to \$721.2 million.

In order to gain the German antitrust office's approval for the merger of Hapag-Lloyd and TUI into HTU, WestLB, at the beginning of 1998, is required to divest itself of its 34.2% interest in **LTU International Airlines, GmbH**. Negotiations are begun with other entities to this end and thus the Federal Cartel Office approves the HTU marriage on March 2. Two days later, on March 4, Hapag-Lloyd signs an agreement with

Schickedanz-Holding Stiftung & Co. KG for the purchase of the Fuerth-based concerns 20% stake in TUI.

On April 22, Hapag-Lloyd receives its first B-737-8K5, the second model in the Next Generation B-737 airplane family and the first to be delivered to any airline. As additional units are delivered, they will begin to supplant the B-737-4K5s and B-737-5K5s currently operated.

In September, an agreement is signed with **CSA Czech Air, A.S.** under which the Prague-based scheduled operator will perform certification checks on the B-737-4K5s.

After months of negotiation, WestLB completes arrangements during October for the sale of its **LTU International Airlines, GmbH** stake to SAirGroup, parent of **Swissair, A.G.**

Under a general agreement signed with WestLB on December 23, Preussag, A.G. acquires a 24.9% stake in Thomas Cook Group, parent of **Flying Colours Airlines, Ltd.** An additional agreement provides that Preussag, subject to the approval of the German Federal Cartel Office, will acquire a further 25.2% stake by September 30, 1999, thereby achieving 51.1% majority shareholding.

The prize is assigned to HTU, which, since October 1, has controlled the tourism activities of Hapag-Lloyd and TUI. In announcing the deal, Preussag Managing Director Frenzel indicates that his concern will now join in the merger discussions being held between Thomas Cook and the Minneapolis-based Carlson Leisure Group for the acquisition of Carlson Leisure Group U.K.

Passenger boardings during the 12 months climb 6.4% to 5.23 million.

During the second week of January 1999, Preussag, A.G. announces plans to acquire the First Reisebuero, a chain of German travel agencies.

The merger between Thomas Cook and the Carlson companies is completed on February 2. Shareholders Carlson Companies, Westdeutsche Landsbank, Thomas Cook, and Preussag, A.G. combine their shares with those of Carlson Leisure Group U.K. to create Thomas Cook Holdings. The Preussag arrangement to acquire 51.1% majority control is transferred to this new entity.

With over 20,000 employees, Thomas Cook Holdings is now the third largest of the "big four" British travel and tour operators.

Enplanements for the year total 2,840,000.

Airline employment at the beginning of 2000 stands at 1,876, an 8.6% increase over the previous 12 months. The carrier's 12th Next Generation B-737-8K5s is delivered on January 31, followed by the 13th on February 20. Employing an Israeli Aircraft Industries Astra bizjet, the company begins to offer VIP executive charters during the first quarter.

In a rare triple delivery, three Next Generation B-737-8K5s are turned over on April 3, with the 17th arriving on April 26.

Also in April, **Britannia Airways, Ltd.**'s parent, Thomson Travel Group, rejects as inadequate a £1.45-billion (\$2.3-billion) takeover bid from Germany's second largest tour operator, C&N Touristic, A.G., which is affiliated with **Deutsche Lufthansa, A.G.** and **Condor Flugdienst, GmbH**. Earlier, Thomson had refused to take a £1.3-billion offer from the same concern.

In less than a month, the fate of Thomson is settled when, in something of a surprise, it is acquired by Preussag, A.G. on May 19 for £1.8 billion (\$2.8 billion). To allay regulatory competition concerns, the new German owners promise to divest themselves of their 50.9% stake in another British holiday concern, Thomas Cook Group. Two more Next Generation B-737-8K5s are delivered in May.

Just after departure from Chania, Crete, on a July 12 service to Hanover via Vienna the right main landing gear of Flight 3378, an A310-304 with 8 crew and 142 passengers, cannot be retracted. After declaring an emergency during descent toward the Vienna Airport, both engines fail due to fuel starvation. A forced landing is executed 500 ft. short of the runway, at which point the left landing gear, which had purposefully been put down, collapses and shears off, causing the engine and wing to hit the ground. Fortunately, there is no fire. During the emergency chute evacuation that follows, 26 people are slightly injured. A review of the badly damaged aircraft will show that its rear fuselage has also been cracked. The aircraft must be written off.

On September 12, an A310-324, previously operated by **Singapore Airlines, Ltd.** is leased through November to replace the wide-body damaged at Vienna in July.

In late September, Hapag-Lloyd's Preussag, A.G. parent announces that it is joining with the Belgian tour operators Jetstar, VTB, and Belgium International Travel to establish a new subsidiary carrier, Hapag-Lloyd Belgium, to begin flying inclusive tours at the end of March. Most of the new business would be generated at the expense of **Sobelair, S.A.**

It is confirmed at the beginning of October that Thomson group CEO Charles Gurassa will remain with the company for the next two years; among his principal assignments will be the merger of **Britannia Airways, Ltd.** with Hapag-Lloyd.

It is announced on October 9 that Preussag, A.G. will purchase a 6% stake in the Nouvelles Frontieres parent of **Corsair, S.A.**, subject to European Commission approval. The stake will later be boosted to 34.4%. Preussag officials believe that Corsair's long-haul operations will complement the medium-range services of their own charter airline, Hapag-Lloyd.

On October 24, Hapag-Lloyd becomes the first airline in the world to fly the Next Generation B-737-800 with blended winglets; the new winglets, which reduce drag and boost performance, are being retrofitted in a joint program with Aviation Partners Boeing. Hapag-Lloyd will achieve another first early in 2001 when, after delivery of its B-737-8K5 on December 20, it becomes the first carrier to put such a winglet-equipped "Baby Boeing" into service.

A new **Hapag-Lloyd Netherlands, D.V.** subsidiary, outfitted with two of the parent's B-737-4K5s, begins operations on November 1.

The A310-324 is returned on November 15.

Plans to launch a Hapag-Lloyd Belgium charter subsidiary with two transferred Hapag-Lloyd Boeing 737s in March are scrapped on December 8 when Jetair, with which it was to contract for inclusive-tour flights, signs instead to continue with **Sobelair, S.A.**

Options to purchase another three Next Generation B-737-8K5s are turned into firm orders on December 21. The type's launch customer, Hapag-Lloyd has received 21 of the 25 aircraft it ordered earlier.

HAP'S AIR SERVICE: United States (1953–1995). Hap Estbrook establishes an FBO and charter operation at the Municipal Airport, Ames, Iowa, in 1953. Small on-demand flight services and pilot training takes place over the next 40 years.

By 1994, President Estbrook employs five full- and two part-time pilots, who fly charters with one each Cessna 340, Cessna 402C, Cessna 414 Chancellor, Cessna 172RG Cutlass, Cessna 182 Skylane, and Cessna T210N Turbo Centurian.

Flights cease in 1995.

HARBOR AIR SERVICE: United States (1985–1994). HAS is organized at Sewark, Alaska, by Linda K. Pfefer in early 1985 to provide both scheduled and nonscheduled passenger and cargo services between its base and the cities of Anchorage and Prince William. Revenue flights commence in April with a fleet of Piper and Cessna lightplanes and a de Havilland Canada DHC-2 Beaver and continue apace for the remainder of the decade, with Seward joining the route network.

The fleet in 1990 includes 1 each Piper PA-31-350 Navajo Chieftain, de Havilland Canada DHC-2 Beaver, Cessna 185, and Cessna 336 plus two each Cessna 206s/207s. Enplanements for the year total 1,772.

Passenger boardings slide down to 1,287 in 1991. Operations continue apace in 1992 and, in 1993, President Pfefer's company flies 2 Cessna 206s. Flights cease in 1994.

HARBOR AIRLINES: United States (1971–2001). Founded three years earlier by former **Whidbey Air Service** CEO Wes Lupien, the corporate identity of **Oak Harbor Airlines** is changed in early 1971. By the time of the reformation, the company's two Britten-Norman BN-2 Islanders are flying from Whidbey Island and Bellingham to Seattle-Tacoma International Airport.

As the result of the departure of **Hughes Airwest**, Lupien, in June, acquires a third Islander and inaugurates scheduled return services from Seattle-Tacoma to Hoquiam, Washington, and Astoria, Oregon. Traffic on the Hoquiam route is so thin that it must be closed in early December. An Islander, with four aboard, crashes at Riverton Heights on December 26; there are no survivors.

Lack of passengers also causes Harbor to close down its routes to Portland and Astoria in January **1975**. The BN-2 lost in December is replaced and enplanements for the year reach 31,222.

Airline employment is increased a substantial 28.5% in **1976** to 30. A new package tour charter business is inaugurated allowing vacationers time on the Puget Sound's Whidbey Island.

Passenger boardings decline 9.5% to 28,513, primarily as a result of the suspension of Oregon flights. Freight is down the same amount, 9.2%, to 406,000 ton kilometers.

Frequencies on the Seattle to Bellingham route is increased in early **1977** to seven times a day. In May, the three BN-2s launch frequencies from Seattle to Mount Vernon's Skagit Regional-Bayview Airport. Enplanements grow to 35,795.

In **1978**, the year the Airline Deregulation Act becomes federal law, customer bookings jump 21.7% to 45,714 while freight grows more slowly, up 2.8% to 815,219 pounds.

A fourth Islander is acquired in **1979** and it assists the other three in boosting passenger boardings by 30.2% to 60,000. Cargo, however, falls 7.8% to 752,000 pounds.

In the summer of **1980**, the company becomes the first commuter ever to receive authority for customs preclearance in Canada for its U.S.-bound passengers by gaining a special exemption to the 1974 Preclearance Treaty, which normally bars such preferential treatment for small airlines. As a result of the new authority and anticipated additional traffic, Harbor Airlines leases several de Havilland Canada DHC-6-200 Twin Otters.

On the year, 59,516 passengers are enplaned, but cargo drops 22.5% to 583,000 pounds. Revenues rise 12.7% to \$1.96 million and a net profit of \$34,907 is posted.

At the beginning of June **1981**, an Embraer EMB-110 Bandeirante is leased and employed to inaugurate a route from Seattle to Vancouver via Bellingham on June 21. President Lupien's fleet now comprises the Bandeirante and 5 Islanders.

The PATCO air traffic controllers' strike and subsequent ATC restrictions have an adverse impact upon traffic. High custom fees and costs of operating the turboprop force the end of Vancouver services in December.

Passenger boardings decline 8% to 46,190.

The costs of competing in deregulated skies and the national recession cause the airline to undergo severe retrenchment in **1982**. Service to Bellingham ends in April and to Mt. Vernon in October. Traffic and revenues both decline.

Enplanements total 20,209. The operating profit is \$73,677 and a net income of \$27,104 is reported.

The payroll is increased 15.4% in **1983** to 15. The fleet, however, shrinks to a single Islander, which flies 16,039 passengers from Oak Harbor to Seattle-Tacoma and back, a decline of 26%. An order is, however, placed for a Piper T-1020.

Revenues plunge 12.5% to \$561,808 and expenses fall 18.3% to \$464,459. As the result, operating profit climbs to \$97,349 and net gain ascends to \$51,746.

Three more employees are hired in **1984**, a 12.5% boost and Harbor disposes of its BN-2 and begins operating a Piper PA-31-310 Navajo in May and a Beech B-55 Baron.

With these, Harbor is able to raise its enplanements by 6.4% to 17,028.

As **1985** opens, the carrier is providing scheduled service to three cities in Washington State and its precleared market of Vancouver. The employee population is now 15, a 15.4% boost, although the fleet remains the same.

Passenger boardings jump 15.1% to 19,663.

Airline employment rises 46% in **1986** to 22. Customer bookings rise 5.4% to 20,715, operating income reaches \$64,850, and the net profit is \$34,511.

Two additional workers are hired in **1987**, a 10% boost, and the fleet is increased to include three Piper PA-31-350 Navajo Chieftains.

Passenger boardings jump 11.7% to 23,365 and cargo climbs 8.7% to 1.56 million pounds. Revenues swell 12.4% to \$905,263 and costs allow an operating profit of \$93,626 and net gain of \$47,710.

Customer bookings for the Washington State carrier rise 7.6% in **1988** to 24,861 and freight jumps 24.1% to 41,000 pounds. Profits total \$152,037 (operating) and \$103,417 (net).

The workforce is increased by 4% in **1989** to 26. When competing **San Juan Airlines** fails, its services to Friday Harbor and Eastsound in the San Juan Islands are taken over.

Enplanements swell by 13.8% to 28,255 and cargo rises 3.9% to 1,888,000 pounds. Revenues jump 17% to \$1.3 million, expenses are up 22.9% to \$1.18 million, and operating income is \$120,902. Net gain falls to \$86,243.

In **1990**, the small regional's three Chieftains initiate scheduled flights from Friday Harbor to Seattle. As a result, passenger boardings shoot up 19.3% to 33,932 and freight climbs to two million pounds. This success leads to a 12.5% boost in airline employment to 27.

In **1991**, a total of 22,707 passengers are flown. Revenues reach \$1.73 million with expenses of \$1.68 million; the net profit for the year is \$49,600.

Operations continue apace in **1992**. On April 15, Verne Howard, president of Friday Harbor-based VMAL Corporation, the concern that owns Roche Harbor Resort in the San Juan Islands, purchases controlling interest in the airline for an undisclosed price. Howard indicates that all current routes, personnel, and services will remain in place and may be expanded.

In **1993**, General Manager William D. Hildebrand oversees 50 employees and a fleet of 4 Piper PA-31-350 Navajo Chieftains. Enplanements for **1994** total 42,365.

Operations continue apace in **1995**. Following the death of founder Lupien in the spring, the airport on Whidbey Island is renamed in his honor in impressive June ceremonies.

In **1996**, the company is sold to Richard "Rick" Boehlke, owner of the assisted-care company Crossings International. A total of 41,975 passengers are boarded.

The fleet in **1997** includes 9 Chieftains. Service to Astoria and Portland is resumed. The carrier enters into a code-sharing agreement with both **Alaska Airlines** and **Horizon Air** and feeds Alaska Airlines Commuter passengers to both at Seattle. A total of 56,000 passengers are flown on the year.

Airline employment stands at 120 in February **1998**.

Early in the year, company headquarters are transferred to Tacoma Narrows Airport at Gig Harbor, Washington, where owner Boehlke also operates the FBO Crossings Aviation. Scheduled flights to Bremerton begin on March 15. A new logo and livery are introduced.

The move to Gig Harbor is completed by June. At this point, scheduled flights to Seattle-Tacoma International Airport begin.

A Cessna 408 Grand Caravan is placed into service on the route to Seattle during late summer. Harbor Air thus becomes the first scheduled airline in the continental U.S. to fly the single-engine aircraft in commercial passenger service. Government regulators have not previously allowed single-engine turboprops to so operate.

Passenger boardings jump 26.5% to 71,000.

A second Grand Caravan joins the company fleet in January **1999**.

Customer bookings drop 12.3% to 63,000. A total of 108 workers are employed at the beginning of **2000**, a 116% increase over the previous 12 months. All scheduled operations will cease on May 9, **2001**.

HARBOUR AIR, LTD.: 4760 Inglis Drive, Vancouver, British Columbia V7B 1W4, Canada; Phone (604) 278-3478; Fax (604)

278-9897; <http://www.harbour-air.com>; Code H3; Year Founded 1981. Established at Vancouver in 1981 as a seaplane charter company dedicated to the British Columbia forestry industry, the company adds, in mid-decade, charter flights to resorts and a scheduled route to Duncan. Equipment employed consists of de Havilland Canada DHC-2 Beavers and Cessna 185s, both types float-equipped.

In 1993, President/General Manager Greg McDougall oversees a workforce of 100 and a fleet that includes 1 Cessna 180, 5 Cessna 185s, 12 DHC-2s, and 1 DHC-3 Otter, all on floats. In addition, an Otter and Turbo-Otter are operated equipped as amphibians along with 9 DHC-6 Twin Otter landplanes on lease.

Scheduled services are greatly expanded as routes are opened to Port Simpson, Chibougamau, Sandspit, Queen Charlotte, Hartley Bay, Kitkatla, Maple Bay, Miner's Bay, Bewell Harbour, Lyall Harbour, Ganges Harbour, and Vancouver Coal Harbour.

On June 23, 1994, a Beaver departs from a floating fishing resort with the pilot, one passenger, and a load of fish on board for a 30-min. flight to Sandspit, British Columbia. When the aircraft fails to arrive, a search is organized. The aircraft is later found submerged in the water at Hunter's Point, about 7 mi. from its point of departure, with both occupants dead. The cause of the crash is never determined.

The fleet is expanded and enlarged in 1995 as 3 DHC-6-100s and 2 DHC-6-200s are chartered from **Ken Borek Air, Ltd.**

President McDougall's concern in 1996-1998 flies 16 Beavers, 2 Turbo Otters, 1 Otter, 8 Cessna 185s, 8 DHC-6-300s, and 5 leased aircraft. The Borek Twin Otters are returned during the latter year.

HARCO AIR SERVICES, LTD.: Nigeria (1992-1994). HASL is established by Alhaji Rabi'u Isyaku Rabi'u at Lagos in the early fall of 1992 to offer scheduled and charter regional and domestic passenger services. Three Tupolev Tu-134s and two Yakovlev Yak-40s are wet-leased from Russia and revenue flights commence in October linking the company's base with Abuja, Enugu, Kano, Kaduna, and Port Harcourt.

Operations continue apace in 1993 as two Boeing 727-214As join the fleet. Service is started to Maiduguri, Sokoto, and Yola.

In February 1994, the company is renamed **Harka Air Services, Ltd.** by Managing Director Rabi'u.

HARKA AIR SERVICES, LTD.: 41 Allen Ave., Ikeja, Lagos, Nigeria; Phone 234 (2) 221 2138; Code HAK; Year Founded 1992. In February 1994, Harco Air Services, Ltd. is renamed Harka by Managing Director Rabi'u. The workforce now totals 120 and the fleet includes 3 Tupolev Tu-134s, 2 Yakovlev Yak-40s, and 2 Boeing 727-214As.

While landing at Lagos in heavy rain after a flight from Kanduna on June 24, 1995, a Tu-134 with 80 aboard runs off the runway, hits a culvert, and catches fire (16 dead).

Frequencies over the domestic network continue sporadically during the remainder of the decade. The company is reported to have suspended operations in 1998, at which point it retires its Boeings. At the beginning of 2000, the workforce totals 124, but only a single Yak 40 is still in service.

HARLEQUIN AIR COMPANY, LTD.: 3-5-1 Toranomon, Minato-ku, Tokyo, Japan; Phone 03 5756 4091; Fax 03 5756 0661; <http://www.harlequin-air.co.jp>; Code JH Year Founded 1997. A fully owned subsidiary of **Japan Air System, Ltd.**, Harlequin is formed at Tokyo on January 20, 1997, to provide domestic and international passenger charters. JAS provides ¥ 480 million in start-up capitalization.

Start-up and planning occupies most of the year, although by late fall, a McDonnell Douglas MD-81 and a DC-10-30 have been leased from the parent.

The inaugural flight, a charter from Fukuoka to Brisbane and Sydney, Australia, is undertaken on December 19. Three more MD-81s are chartered and are employed to operate upwards of 16 daily replacement flights on behalf of JAS.

Charter flights are inaugurated to Honolulu in February 1998, followed by nonscheduled flights to Bali and Kathmandu.

The fleet at the beginning of 1999 includes 7 MD-81s and the DC-10-30.

As the result of a first quarter call for flight attendant applications, 3,000 people apply.

It is announced on April 19 that the carrier will interview 390 women for these slots, along with 40 men—the first men ever considered for flight attendant positions with the airline.

A series of DC-10 charters undertaken on behalf of **Japen Air Systems Company, Ltd.** end on March 27, 2000.

HAROLD'S AIR SERVICE: United States (1974-1986). Harold Esmaika establishes a small charter operation at Galena, Alaska, in 1974 to operate nonscheduled flights to local communities and bush destinations with a fleet of Cessna and Piper lightplanes. Operations continue without change until 1979, when Aniak-based **Vanderpool Flying Service** is purchased and merged.

Two years later, in 1981, the freight carrier **Alaska Central Air** is also acquired and the fleet now includes not only lightplanes, but an Embraer EMB-110P1 Bandeirante as well.

Scheduled services are begun by Harold's in May 1982; in addition to the Vanderpool route from Aniak to Crooked Creek, Nyac, Kalskag, and Holy Cross, the company begins regular operations to many of its previous charter points, including McGrath and Fairbanks. A number of routes are operated under a feeder arrangement with **Wien Air Alaska**, which lasts until that national fails in 1984.

Harold's achieves its greatest claim to fame with an equipment purchase of November 9. Equipped by California-based United States Aircraft Corporation with a pair of Pratt & Whitney of Canada PT6A-45R turboprop engines two years earlier, the USAC DC-3 Turbo Express arrives at Galena, after a stop at the Experimental Aircraft Association convention at Oshkosh, Wisconsin, in August. Chief Pilot Bob Mason finds the unique \$2-million aircraft conversion quiet and responsive. During the remainder of the year and throughout the next two, the Turbo Express is employed on Essential Air Service flights to remote destinations.

In October 1986, Harold's is renamed **Friendship Air Alaska**.

HARRISBURG COMMUTER: United States (1965-1970). Harrisburg Commuter is created by L. W. "Roy" Clark at the airport of Pennsylvania's capital city during the first quarter of 1965 as a subsidiary of the FBO, L. B. Smith Aircraft Corporation. Employing a Beech 18, the "Airline with a Smile" inaugurates daily roundtrips on April 15, linking its base with Washington, D.C. (DCA) and with State College, home of Pennsylvania State University. The Washington route is dropped in the spring of 1967 when a second Beech 18 is acquired.

Operations continue apace until October 8, 1968, when a contract is signed with **Eastern Air Lines**, providing for feeder flights to Washington, D.C. from Lancaster, Pennsylvania. In mid-1969, the company acquires a de Havilland Canada DHC-6-100 for \$175,000; however, the opportunity for profit quickly arises, and the Twin Otter is almost immediately sold for \$225,000.

On January 29, 1970, the airline is purchased by L. W. "Roy" Clark and reregistered as **Pennsylvania Commuter Airlines**.

HARRISBURG JET CENTER: Capital City Airport, New Cumberland, Pennsylvania 17070, United States; Phone (717) 774-0145; Fax (717) 774-0924; Year Founded 1954. Originally established as the Capital City Airport FBO, HJC branches out in to executive and small group passenger charters throughout the northeastern U.S. By 2000, the company employs six pilots and operates a pair of Cessna 402Bs.

HARRISON AIRWAYS, LTD.: Canada (1960-1976). This charter operation is founded at Richmond, British Columbia, in 1960 and undertakes passenger and especially cargo flights and contract service to destinations in western Canada and the U.S. The fleet grows to comprise 1 Convair CV-440, 2 DC-3s, 2 Aero Commander 680s, 1 Beech 18, and 1 Beech B-80 Queen Air.

In February 1976, the company is placed into receivership. An effort is made to reform the carrier and operations are briefly resumed, but not sustained.

HART AIRCRAFT COMPANY (PTY.), LTD.: Australia (1933–1934). HAC is set up as a mail carrier at Melbourne in early 1933. Equipped with an Avro 10, the company inaugurates twice-weekly service from Launceston, Tasmania, to Flinders Island on April 4. When the subsidy is withdrawn, operations cease in February 1934.

HARTFORD AIRLINES: United States (1966). HA is established at Plainville, Connecticut, on January 1, 1966 to provide scheduled air taxi flights to New York (LGA) via Hartford. Aero Commander 500B daily roundtrips are inaugurated on January 13, but only last a few months.

HAVASU AIRLINES: United States (1978–1987). HA is formed as the western division of **Nicholson Air Services** (owners of the Maryland commuter **Cumberland Airlines**) in the spring of 1978 when **Lake Havasu Air Service** is purchased and reformed. Employing a fleet of 2 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-31-310 Navajo, and 1 Piper PA-23 Aztec, the new subsidiary inaugurates scheduled passenger and cargo flights to Bull Head City, Arizona, on April 1. Previously flown services to Las Vegas are now also scheduled.

Enplanements are now reported for the joint airline operation and total, respectively: 21,559 in 1978; 24,933 in 1979; 15,078 in 1980; and 14,562 in 1981. During the latter year, service is initiated to Los Angeles.

Declining traffic patterns continue throughout the middle 1980s, with statistics included with those of Cumberland Airline.

In 1986, a Dornier 228-212 is added in an effort to attract additional customers, but has no impact. Operations cease in December 1987 after company pilots go on strike.

Although efforts are made throughout 1988, the company cannot generate the capital necessary to resume scheduled flights under its own name. Operating as **YB Express**, services are undertaken in a code-sharing arrangement with **Golden Pacific Airlines**. When these prove unsuccessful, the company is liquidated in early 1989.

HAWAII EXPRESS: United States (1982–1983). Also known as The Hawaii Express, this carrier is established at Los Angeles in the spring of 1982 to provide Boeing Jumbojet flights exclusively to Honolulu. A B-747-143, once operated by **Alitalia, S.p.A.**, is leased from the manufacturer. Given a multicolor cheatline and a pineapple yellow tail, the *Jason Everest* (also called “The Big Pineapple”) begins daily \$89.95 one-way service to Honolulu on August 20.

By year’s end, a total of 50,000 passengers have been transported.

In May 1983, two leased Douglas DC-10-30s, complete with giant white pineapples painted on their tails, replace the Jumbojet and frequencies are increased to thrice daily. Despite the increase, mounting financial losses result in the company being forced to cease operations on December 20 and file for bankruptcy the next day.

A total of 319,000 passengers are flown before the doors are shut and revenues of \$5.5 million earned—against debts of \$20.5 million.

HAWAII HELICOPTERS: Kahului Helicopter, Hangar 10, Kahului, Hawaii 96753, United States; Phone (808) 877-3900; Fax (808) 877-4724; <http://www.hawaii-helicopter.com>; Year Founded 1985. Former **Papillon Helicopters** pilot Donald Ballard establishes this concern at Maui in March 1985 to provide local charter and flight-seeing operations.

In 1993, the company expands to Kona and Hilo on the Big Island and greatly expands its charter operations. In October 1994, the FAA issues a directive that limits air tours to a minimum 1,500-ft. altitude. The ruling has the effect of hurting the tourist air business across the country. In late November, Hawaii receives a waiver of the ruling, but is still required to maintain a minimum altitude of 1,000 feet.

Hawaii Helicopters adds additional locations and itineraries to its flight packages in 1995 in an effort to overcome the problems caused by the FAA requirement. Of particular interest is a service from Kona to Hawaii Volcanoes National Park. When the state’s largest helicopter operator, Papillon, shuts its doors in September, Hawaii responds by taking over its exclusive lease at Princeville Airport on Kauai’s north shore.

Flights continue in 1996–1997 as the company fleet grows to include three Eurocopter AS350BAs and an AS-355F1.

The second-largest helicopter sight-seeing operator in Hawaii, the concern continues to fly tourists and others in 1998 from bases on Maui, Kauai, Kona, and Hilo.

A collaborative joint venture is entered into with Vancouver-based **Helijet Airways, Inc.** on July 9. Under its terms, HH is able to lease a 12-passenger Sikorsky S-76A+ all-weather, medium twin-engine, dual pilot helicopter. When it arrives painted in Hawaii livery, it becomes the first of its type to serve with one of the state’s tour operators. It is employed to operate four flights daily on behalf of Tauck Tours and American Hawaii Cruises from Maui to view Haleakala and Kilauea craters on the Big Island.

Through the end of September, over 600 sight-seers are transported on the Sikorsky, which is so successful that President Ballard begins to openly discuss the possibility of extended, multi-island tours and even an interisland helicopter commuter service—a first in Hawaii. Plans are made to acquire a second S-76A+ from Helijet.

The joint venture with **Helijet Airways, Inc.** is expanded during the summer of 1999 when the partners receive a subcontract to transport men and equipment from Maui to an adjacent island reserve that for 50 years has been used as a military weapons range. Through at least December, clean-up teams will undertake a large-scale ordnance clean-up and environmental restoration.

On July 11, a Helijet Sikorsky S-61N, painted in Hawaii colors, is reconfigured, disassembled, shrink-wrapped, and placed on a freighter from Vancouver to Honolulu. There it is reassembled and flown to Maui, where it begins its new six-month contract on August 15. At least initially, the S-76A+, which remains under lease from Helijet, is also employed to transfer workers and their supplies to the reserve.

These and other flights continue during the remainder of the year and into the millennium. During this period, a second Canadian Sikorsky S-76A+ is placed into service and the company now has the marketing advantage of being the only twin engine helicopter tour operator to service all of the state’s islands. Over 14,500 annual flights allow more than 116,000 passengers to experience the magic of Hawaii from the air.

HAWAII PACIFIC AIR CARGO: United States (1991–1992). HPAC is created at Honolulu in the fall of 1991 to provide interisland freight services. With backing from Robert N. Iwamoto Jr., president of Roberts Hawaii, a major travel concern, the company obtains two Douglas DC-4s that are placed into service during November.

Unable to achieve economic viability in a time of recession, the company is forced to close its doors in May 1992.

HAWAII PACIFIC AIRLINE: United States (1975–1979). Herman Brandt’s **Alii Air Hawaii** is renamed on January 1, 1975. Employing a Beech 18, Brandt continues to provide scheduled passenger and cargo services to Molokai until recession and the energy crisis force him out of business in 1979.

HAWAIIAN AIR TOUR SERVICE (HATS): United States (1965–1987). Hans Mueller founds HATS at Honolulu in early 1965 to offer regularly scheduled flight-seeing tours of the state, including a one-day trip over eight islands, with stops at several. The initial fleet comprises 3 de Havilland DH 114 Herons, 1 DH 104 Dove, and 1 Aero Commander 680; revenue operations commence on April 8.

Resort Airways and its Aero Commander 680 are taken over and merged in 1967. Operations continue unchanged during the next decade.

HAWAIIAN AIRLINES (HAL): P.O. Box 30008, Honolulu, Hawaii 96820, United States; Phone (808) 525-5511; Fax (808) 525-3299; <http://www.hawaiianair.com>; Code HA; Year Founded 1941. On October 1, 1941, Hawaii's pioneer passenger airline, 13-year-old, accident-free **Inter-Island Airways**, is redesignated **Hawaiian Air Lines** (the change to the single word "Airlines" occurs in 1960). To accommodate an increasing Hawaii tourist industry, the moniker change improves company identification in the continental U.S. The fleet of President Stanley C. Kennedy consists of 4 Sikorsky S-43s, 1 S-38, and 3 DC-3s (the latter christened *The Moanalua*, *The Haleakala*, and *The Waiialeale*). These aircraft maintain the 451 miles of previous routes linking Oahu's John Rodgers Field to Hilo Airport on Hawaii, Kihei Airport on Maui, and Hanapepe Airport on Kauai.

A portion of the purchase price for the new Douglas transports is recovered when one of the Sikorsky S-43s is sold for \$100,000 on October 6 to the Dutch East Indies carrier **KNILM (Koninklijke Nederlandsch Indische Luchtvaart Maatschappij)**.

During the Japanese attack on Pearl Harbor on December 7, *The Moanalua* is strafed as it prepares to take off from John Rodgers Airport. Passengers and crew are safely evacuated and the fire in the cockpit is extinguished when bullets from a second Japanese plane hit the cockpit fire extinguisher releasing carbon dioxide.

All of the company's aircraft, are slightly damaged in the raid, however, they are quickly repaired. With Hawaii under martial law, government authorities elect to allow the airline to continue, but under Army supervision. Until the end of World War II, HAL will maintain a monopoly on civil air transportation in the islands. Commercial service resumes on December 10.

A total of 45,000 passengers are transported on the year.

In early 1942, the Sikorsky S-38 is employed to haul beef from Molokai to Honolulu, while one of the S-43s flies meat from Upolu to the capital city. On March 20, the CAB grants Hawaiian a certificate to operate an all-cargo service between the territory's islands. It is the very first all-cargo certificate issued by that government agency.

The two S-43s are converted into freighters and dedicated to frequent cargo flights. While taking off from Rodgers Airport in June, a U.S. Army Air Forces C-34 (military DC-2) crashes into *The Haleakala*, putting it out of action for four months.

Enplanements for the year rise to 82,000.

Miss Momi Grace Jacobs, the company's first female flight attendant, is hired in 1943. Bookings for the year are 108,000, growing to 110,000 in 1944.

Following VE-Day in May 1945, a large number of ex-military C-47s (military DC-3s) become available for purchase by the commercial carriers. During the remainder of the year, four additional Douglas transports are so acquired. Two are freighters, though one is later converted back to passenger configuration. In the fall of 1946, a fifth DC-3 is purchased from **Continental Air Lines**; piloted by James Hogg with a crew of three, the plane is ferried to Honolulu on December 17 in 14 hrs. 21 min.

In 1947, a DC-3 is acquired from the failed local Hawaiian carrier **Rainbow Airlines**. On July 31, two S-43s are sold to **Amphibian Air Transport Service** of Long Beach, California. Net earnings allow a stock dividend to be paid to investors.

Two more DC-3s are acquired in the spring of 1948. Arrival of the DC-3s during the previous three years allows retirement of the last Sikorsky. During the year, night and instrument flights are initiated using wartime radio facilities. Enplanements for the year climb to 350,000.

With the beginning of scheduled service by **Trans-Pacific Airlines** (later **Aloha Airlines**) in mid-1949, there ensues a back-and-forth competition over nearly identical routes, particularly after the early 1950s when both come to possess government mail subsidies. Success in attracting or holding passengers often comes to depend on the introduction of new marketing strategies or the acquisition of new airliners.

In 1950, HAL's fleet comprises 12 DC-3s and 1 new Beech 18C. In August, the carrier completes 150 flights in the transport of over a mil-

lion pounds of pineapple planting stock from Maui to Kohala. The company's 20th anniversary is celebrated and a special National Safety Council award is received.

Bookings for the year total 1.9 million.

A \$3.5-million order is placed in April 1951 for the delivery of six pressurized Convair CV-340s. The first arrives in Honolulu on November 11, 1952 and the second on December 20. Also during the month, the company's first and most senior pilot, Charles I. "Sam" Elliott, retires.

The lead 44-passenger CV-340 is placed into service on HAL's inter-island routes on January 19, 1953, thereby gaining a slight advantage over Aloha. Three more arrive and enter service between March and July. Three surplus DC-3s are ferried to California and sold. The sixth Convair is not purchased. The fleet now additionally comprises 7 DC-3s and 3 DC-3Fs.

Airline employment exceeds 500. Passenger boardings exceed 400,000.

HAL's 25th anniversary is celebrated in 1954.

Former **American Airlines** official Arthur D. Lewis is appointed executive vice president in February 1955; he will become president later in the year. A program is introduced on September 24 to provide the remaining DC-3s with outsized "viewmaster" windows and seating for upwards of 31 passengers. Meanwhile, the Convairs are modified to 48-passenger configuration.

During 1957, a program is started to modify the 5 CV-340s to 52-seat CV-440 Metropolitan standard. Six passenger and two cargo DC-3s remain in service.

A DC-6A freighter is purchased from **Slick Airways** on January 13, 1958 and christened *King Kamehameha—The Pacific Adventurer*; prior to its introduction into service, it is reconfigured to DC-6B passenger standard. Contract San Francisco to Tokyo via Honolulu passenger charter operations for the MATS are started with the new aircraft on July 1 and continue until Thanksgiving.

On March 17, 1959, the company files an application with the CAB seeking transpacific jet authority. In November, Kilauea-Iki volcano erupts and the company transports over 1,000 witnesses to the sight. The last CV-340 is converted to CV-440 standard.

Two additional DC-6Cs are acquired and employed on October 1 to launch twice-weekly MATS flights from Honolulu to Midway Island via Johnston Island; Kwajalein and Eniwetok are soon added as destinations. The company's original DC-3, *The Moanalua*, is now flown to Japan and transferred to its new owners, **North Japan Airlines Company, Ltd.**

Enplanements for the year are 498,861.

The airline's 30th birthday is celebrated in 1960. During the year, the company applies to the CAB for authority to operate routes to the continental U.S. and places options for several DC-8 jetliners (which will expire). Progress on the former will be held up until after the Airline Deregulation Act becomes law 18 years hence. Transpacific off-route contract flights cease in December.

MATS contracts are terminated in the spring of 1961 and the two DC-6Cs are leased overseas. In June, HAL becomes the first airline to begin passenger operations from the international terminal at Honolulu airport.

During the spring of 1962, plans are announced for the order, the following January, of three BAC 1-11-209s. This does not materialize because the CAB, in July, begins to investigate the carrier and **Aloha Airlines** with a view to reducing uneconomic competition and reducing subsidy payments. One of the first steps in this package is cancellation of the BAC order.

While taxiing at Honolulu on January 24, 1963 the pilots of a DC-3 freighter fail to see and consequently hit a truck that has strayed out onto the runway; no injuries are reported.

Single-day, scheduled viewmaster flights over the state's three main islands begins in July. The same month, annual airmail subsidies of \$485,700 begin.

To offset Aloha's inauguration of Vickers Viscount service, the carrier leases a Viscount 745 from **Philippine Airlines** in August and the same month also introduces a DC-6A/B on interisland flights. A second leased Viscount 745 is also placed into service later in the year.

Enplanements total 553,265. Revenues are \$10.4 million.

John H. Magoon Jr. purchases majority control and becomes the airline's president on January 1, **1964**. Airline employment is now 759 and the fleet includes 15 aircraft. A CV-440 with 40 aboard crash-lands at Hilo on February 13; three passengers are seriously hurt. During the spring, two additional DC-6Bs join the fleet, including the former **American Airlines** *Flagship Oklahoma City*, which arrives on April 9; orders are also placed for two DC-9-10s. Beginning in October, the six CV-440s begin conversion to CV-640 standard.

The company's 35th birthday is celebrated. The DC-8F palletization system is adapted to the company's DC-6A/B, allowing rapid deplaning and loading. In November, orders are placed for two DC-9-10s and the two Viscounts are returned.

Enplanements reach 10 million (cumulative), including the year's 638,137 boardings. Freight is up as well. Revenues climb 12.2% to \$10,559,047 and a record net profit of \$601,724 is earned. In December, a 5% stock dividend is announced, the first since 1947.

The workforce in **1965** grows to 842 and the fleet includes 14 aircraft: 6 CV-340/440, 3 DC-3s, 2 DC-3Fs, 1 DC-6A, and 1 DC-6B.

En route from Honolulu to Kauai on August 31, Flight 358, a DC-3 with 15 passengers is taken over by a 16-year-old knife-wielding youth who wishes the plane to return to its point of origin. After the Douglas lands back at Honolulu, the young man surrenders. He will be convicted of interfering with an aircraft crew and sent to a juvenile correctional facility, from which he will be paroled two years later.

The first of eight reconfigured CV-640s arrives in December. Late in the year, full airmail service of all classes of mail to and between the islands goes into effect with third- and fourth-class mail also becoming airborne via HAL.

Bookings grow 17.5% to 835,984.

Indigenous jetliners make their initial Hawaiian appearance in March **1966**, with the state's senior carrier first off the runway with DC-9-10 Royal Fan Jet Service flights beginning on April 1. The new aircraft reduce travel time between the islands to 20–30 minutes.

Orders are placed for five DC-9-31s. A summer strike at the trunk lines costs HAL \$300,000 in revenues lost from nonarriving tourists. Still, a record one-day booking is accomplished on September 5—6,885 passengers.

The last DC-3 flight from Honolulu to Hilo via Maui is completed on October 31. Three Japanese-made Nihon YS-11As are introduced on an interim basis in November and December until more jetliners can be obtained. Application is made for a transpacific route to Taipei.

Passenger enplanements total 953,000. Revenues are \$13,236,000, but a \$317,000 loss is suffered.

The \$485,700 airmail subsidy ends on January 1, **1967**, at which time the CAB places the company on a subsidy-free mail rate. The employee population is now 1,071. In February, Hawaiian undertakes a ground servicing contract business for other carriers. The carrier issues 250,000 additional shares of stock and effects a three-for-two stock split in the form of a dividend.

The first DC-9-31 is delivered in November and it begins service on a route to Kona in December. The fleet at year's end includes 8 CV-640s, 2 DC-9-10s, 2 YS-11As, and 1 DC-9-31.

Customer bookings jump to 1,024,670. Revenues advance to \$16,092,000 and although the new ground servicing contract business shows a loss, a \$9,000 net profit is obtained.

The employee population in **1968** numbers 1,165. The second DC-9-31 is delivered on April 5, bringing the fleet total to 12. Late in the year, the carrier begins to phase out its YS-11As and Convairs. The former **American Airlines** DC-6B *Flagship Oklahoma City* is sold to **Yemen Airways Corporation**.

The year's on-time performance is one of the highest in the entire recorded history of airlines: 88.9%. Bookings advance 38.3% to 1,247,000 and 2.19 million freight ton-miles are flown. Revenues jump 22% to \$19,639,855.

The company's DC-3 era ends in January **1969** when the final two Douglas transports are sold to Muskegon, Michigan-based Aircraft Unlimited. The third through seventh DC-9-30s are delivered between March and October. The last is christened in early November by Mrs. Chauncey Wightman—who had christened the company's first aircraft in 1929—in the inaugural ceremony of the 40th anniversary year. Enplanements are 1,392,000.

The employee population in **1970** numbers 1,227, a 10% decline. The fleet now includes 7 DC-9-30s and 7 CV-640s. Negotiations begin in January to end the rivalry with **Aloha Airlines** through a merger. The eighth DC-9-30 is received on April 28.

Passenger boardings increase a healthy 13% to 1,600,000 and cargo tonnage is up by 14.1%. Revenues advance 23.8% to \$27.95 million. A \$727,000 operating profit is earned; however, nonoperating expenses of \$1.4 million leaves the company with a net \$684,000 loss.

Mistrust between the two sides discussing merger is so great that the talks are broken off in April **1971**. Thereafter, both have to face stronger competition, not only from one another, but from third-level commuters whose numbers increase in the era of deregulation. Two more DC-9-30s are acquired during the year.

Enplanements are 1,831,200.

The employee population in **1972** numbers 1,100 and the CV-640s begin retirement. The CAB now rules that **Aloha Airlines** must be given a minimum of the state's local bookings in order that it might more effectively compete and avoid collapse. Meanwhile, the arrival of the 11th DC-9-30, an RC model, on June 13 provides sufficient DC-9 capacity to allow the introduction of jet all-cargo services, including the dedication of one Douglas to night freight flights.

Passenger boardings jump 16% to 2,180,180 and cargo traffic swells 20.7%.

The workforce in **1973** is 1,326. The last two Convairs are sold in March, making HAL an all-jet operator. Service to Hana on Maui is also suspended in March. The new Rapid Change (RC) air cargo system is introduced as the second and last DC-9-30RC arrives on November 1.

Customer bookings grow 17.2% to 2,554,000 and cargo traffic accelerates by 19.1%. The company now transports 88% of the state's inter-island air freight and its passenger load factor of 64.3% is the highest in the U.S. domestic industry.

Fifty-eight new employees are hired in **1974**. The carrier petitions the CAB for authority to operate from Honolulu to Vancouver. A new corporate identity is unveiled in October featuring a *pualani* or "flower of the sky" design by San Francisco's Landor Associates, incorporating the state flower, the red hibiscus, with the profile of a Polynesian woman.

The company marketing name is shortened to Hawaiian Air. Anticipating the delivery of new aircraft next year, four DC-9-30s are sold to **Hughes Airwest**.

Enplanements climb 7% to 2,733,000, or almost 59% of the state's air traffic. Cargo advances a full 10.7% as 7.41 million FTKs are flown. On revenues of \$55 million, a net profit of \$2.3 million is recorded, a 78% increase.

The workforce in **1975** is 1,350. The airline is launch customer for the DC-9-50, which is introduced in elaborate ceremonies on September 15. Four are received by year's end.

Passenger boardings advance a scant 0.3% to 2,742,000. With 7.74 million FTKs flown, cargo is up by 4.5%.

A total of 102 new employees are hired in **1976**, a 7.6% increase. John J. Higgins is appointed executive vice president and corporate headquarters are transferred to a new downtown Honolulu facility. In September, a MAC contract is won; HAL will shortly begin all-cargo services between Hawaii and mainland military bases.

Two more DC-9-50s and a DC-9-51, each named after a Hawaiian flower, are delivered and by year's end the fleet includes 6 DC-9-50s, 1 DC-9-51, and 2 DC-9-30RCs.

Customer bookings accelerate 7.5% to 2,947,922 while freight traffic jumps 10.1% to 5.8 million FTKs. HAL enters a period of growth toward the end of the 1970s.

In July 1977, a Lockheed L-188AF, first flown by **Pacific Southwest Airlines (PSA)**, is purchased from **LACSA (Lineas Aereas Costarricenses, S.A.)**.

In these 12 months before passage of the Airline Deregulation Act, HAL passes the 3 million-mark in annual boardings (3,274,000) for the first time and equals in one 12-month period as many enplanements as were transported during the company's first 24 years. In addition, a \$633,586 profit is posted on income of \$78.86 million.

The workforce is increased by 5.4% in 1978 to 1,451. In January, HAL begins a new Mainland Air Cargo Division from a base at Macon, Georgia, ordering 10 more refurbished Lockheed L-188AFs (7 will be delivered) to employ in this service, as well as the MAC service started two years earlier. Wearing a modified color scheme with black Hawaiian Air Cargo titles, the first of the L-188AF order is delivered on February 14. A delay in the receipt of the remaining aircraft causes significant financial loss.

A second DC-9-51 is acquired in July while expansion of the cargo division is put on hold in September, by which time the company has eight Lockheed turboprop freighters.

The first of three Shorts 330s is introduced in December and begins flights to and from the small terminals at Molokai, Lanai, and Waimea. Its captain is Sharyn Eminger, the company's first female pilot. President/CEO Magoon's fleet comprises 10 DC-9-50s and three DC-9-30Fs. Orders are now placed for six McDonnell Douglas DC-9-80s (MD-80s).

Passenger boardings jump 11.8% to 3,712,000 and freight is off by 69.3% to 4.34 million FTKs. Revenues for the year total \$89.86 million and expenses are \$88.81 million. Despite an operating profit of \$1.05 million, the delay in the Georgia start-up results in a loss of \$698,651.

Airline employment is reduced 1.1% in 1979 to 1,630. Several notable events occur for the carrier, including receipt of authority to fly outside the islands. The second Shorts 330 is delivered on January 25. On March 6, Captain Sharyn Emminger, First Officer Karen Squyres, and Trude Asade, flight attendant, operate it from Honolulu to Molokai and make history, becoming the first all-woman crew to fly in scheduled, certified U.S. airline service. The last DC-9-51 is received on June 16.

November 11 is proclaimed Aviation Day by Governor George Ariyoshi and a special flight follows the original **Inter-Island Airways** path from Honolulu to Maui and Hilo leading up to celebration of the Golden Anniversary on November 19. At this time, uniforms colors complementing aircraft livery are adopted.

Enplanements of 3,795,802 are recorded, a 2.3% boost, while freight traffic falls by 31.8% to 1.26 million FTKs. Revenues advance by 20.8% to \$108.53 million, but expenses leap 23.6% to \$109.78 million. Although the operating income becomes a minus \$1.25 million, HAL stockholders are relieved at the achievement of a \$778,000 net profit.

The 1980s begin poorly for Hawaii's senior air transport firm. In 1980, the employee population is cut 5.9% to 1,335.

The disintegration of a Pratt & Whitney engine on a DC-9-51 taking off from Honolulu in June prompts the FAA to order an inspection of all such engines on American passenger airliners; the order covers over 4,500 engines on 1,650 aircraft.

The mainland-based air cargo division is discontinued in September and sold, along with all eight of the L-188AFs, to the all-freight carrier **Zantop International Airlines**. In November, the Shorts 330s are withdrawn and four DC-9-51s are sold to **Eastern Air Lines**. Orders are placed for three de Havilland Canada DHC-7s, as well as six DC-9-80s (MD-80s).

As a result of the cargo division sale and a 13.3% drop in passenger boardings to 3,292,000 (plus a 9.4% decline in freight traffic), HAL re-

ports that, even though revenues have grown by 13.4% to \$104.5 million, a net loss of \$2.4 million must be posted. Perhaps the brightest spot during the year comes when the airline is reclassified as a "National" under the new CAB airline classification scheme.

The workforce is increased by 4.9% in 1981 to 1,400. During the spring, the carrier takes delivery of six McDonnell Douglas DC-9-81s (MD-81s) and in May three de Havilland Canada DHC-7-102s. Two DC-9-33RCs are leased to **American International Airways (2)**, allowing that carrier to inaugurate new services in September.

Officials begin negotiation of new labor contracts with the airline's major unions, seeking the implementation of cost-cutting measures and offering pilots a variable earnings program.

Inflation and recession bite deeply into the travel budgets of customers and thus Hawaiian encounters another decline in traffic, down 10.3% to 2,917,000 passengers flown. Statistics for freight traffic are a disaster, plunging 94.4% to just 1.86 million FTKs; however, this "adjustment" is expected following the previous year's **Zantop International Airlines** sale.

Operating income declines 16.39% to \$97.13 million while expenses also decline, by 12.61%, but are still higher at \$104.49 million. As a result, however, of the sale of three DC-9s and some tax credits, the company is able to report a net profit of \$5.29 million on top of an operating loss of \$7.4 million.

The payroll is reduced by 300 names in 1982. The carrier is now reorganized and adopts the corporate name of HAL, Inc. The fare wars begun earlier continue and difficulties deepen as **United Airlines** begins direct service to Maui from the U.S. West Coast. A second DHC-7-102 is received in May, followed by two more later in the year; orders for two more are cancelled. When Paul J. Finazzo becomes the airline's president/CEO in December, he introduces a corporate cost-cutting plan. Immediately, two MD-80s are chartered out.

Although passenger boardings rise 7.7% to 3,165,000, cargo is off by 15.4% to 1.57 million FTKs. Revenues advance 2.83% to \$99.89 million, while expenses jump 1.92% to \$106.5 million. The MD-80 lease saves \$5 million and the operating loss is \$6.6 million. The latter figure has been achieved largely through the leasing of unnecessary capacity during the year: four DC-9-50s, three DC-9-30s, and three Shorts 330s. With no more airplanes to sell, HAL finishes the year a net \$16.76 million in the red.

After three hard years, HAL begins to reverse its downward trend in 1983. Significant achievements include labor cost reductions; the continued leasing out of unrequired capacity, including two newly acquired MD-83s; a \$22.3-million, one-time gain through the Supreme Court's negation of a state tax; and the establishment in early December of a worldwide charter division, for which three leased DC-8-62s are obtained.

On December 16, two of the new aircraft initiate scheduled charter services between the West Coast and Maui; the same day, the third aircraft, stationed at Niagara Falls, New York, begins flying charters from Niagara to Florida and Las Vegas.

While on final approach to Honolulu on December 23, a DHC-7-102 with 27 passengers encounters turbulence; two flight attendants are injured, one seriously.

Customer bookings are off 12.8% to 2,655,000 and freight dips 3.5% to 1.51 million FTKs. Although revenues are down 6.19% to \$93.71 million, costs fall 15.82% to \$89.65 million. Holding down expenses gives the company an operating profit of \$3.97 million, while the Supreme Court is almost solely responsible for the net profit of \$16.6 million.

Employing three leased hush-kitted DC-8-62s and a DC-8-63, the 1,250-employee company in 1984 undertakes both military and civilian worldwide charters. In addition, new scheduled services are inaugurated to Pago Pago, the Tonga city of Nuku'alofa, Auckland, Sydney, Guam, Apia, Papeete, and Rarotonga.

Two additional DHC-7-102s are acquired, one each in April and December. Plans are made to acquire British Aerospace BAe 146-200s as DC-9 replacements.

Largely on the basis of these new operations, HAL records a 13.6% boost in customer bookings to 3,016,000; cargo skyrockets 80.5% to 2.74 million FTKs. The Pacific pioneer takes in record operating revenues of \$128.04 million, up 36.6%, and holds costs to \$120.65 million. As a result, it is able to bank an operating profit of \$7.4 million and a net profit of \$5.8 million, which includes pretax gain on a DC-9 sale.

The workforce is reduced by 4% in 1985 to 1,200. The first of two DC-9-15F freighters to be received by December arrives at Honolulu on February 21. The Pago Pago and Nuku'alofa service frequency is increased to thrice weekly and on April 19 the carrier acquires the first of five former **All Nippon Airways Company, Ltd.** Lockheed L-1011-385-1 TriStar 1s it will obtain during the year to bolster its charter business.

The second TriStar 1 arrives in May, at which time a \$26-million payment is made to Boeing, which had taken the Japanese aircraft in trade. Late in the month, permission is sought to inaugurate thrice-weekly flights from Honolulu to Tokyo and Nagoya. On June 12, scheduled, roundtrip TriStar flights are inaugurated to Honolulu from Los Angeles, San Francisco, Seattle, and Portland. Weekly nonstop flights are also initiated from Honolulu to Las Vegas. Operating on behalf of the travel agency Suntrips of California, an L-1011, with the Suntrips logo on its tail, undertakes charter flights between San Francisco and Honolulu.

In addition, a second TriStar operates on behalf of the tour operator Pleasant Hawaiian Holidays, offering weekly scheduled service for it to Seattle, Dallas (DFW), St. Louis, and Salt Lake City. On behalf of **UTA French Airlines, S.A.**, an L-1011 flies weekly to Tahiti. During July and August, two MD-80s are leased to **Pacific Southwest Airlines (PSA)**.

Passenger boardings climb 8.6% to 3,611,000 and cargo increases 84.2% to 5.05 million FTKs. Revenues advance 24.8% to \$159.76 million, costs jump 32.5% to \$159.88 million, and a \$124,000 operating loss is taken. The net loss is \$179,000.

Airline employment rises 27.8% in 1986 to 2,300 and the fleet comprises 5 L-1011-385-1s, 2 MD-80s, 4 DC-9-50/51s, 2 DC-9-15Fs, 1 DC-8-63, 2 DC-8-62s, and 6 DHC-7-102s. The decision is taken not to acquire BAe 146-200s as officials elect, instead, to acquire two DC-9-15s from **Finnair O/Y**. The company serves not only seven destinations on six of the state's islands, but several mainland communities plus Tonga and American Samoa. In January, daily flights begin from Honolulu to San Francisco and Seattle. The former frequency is extended weekly to Sacramento while the latter is pushed on to Portland thrice weekly.

In March, the charter operator **Air Hawaii** collapses after five months operation; several months elapse before HAL agents can clear up impressions that the two airlines are not the same. April brings ground-breaking for the new wholly owned Kapalua-West Maui Airport. On July 11, Hawaiian becomes the first U.S. flag carrier to announce the beginning of regularly scheduled flights between Honolulu and Apia, Western Samoa. Orders are placed for two additional DC-8-62s and by year's end, HAL is the third largest U.S. carrier in terms of traffic operated to and from Honolulu.

Customer bookings swell 23.9% to 4,149,000 and freight rises 5% to 3.06 million FTKs. Revenues balloon 40.9% to \$225.01 million, expenses rise 34.5% to \$214.75 million, and the operating profit is \$10.25 million. The net figure is reversed and ascends to \$3.44 million.

The workforce is increased by 4.3% in 1987 to 2,400. A DC-8-62 inaugurates nonstop service from Honolulu to Apia in February, becoming the first airline to introduce service between the U.S. and the independent South Pacific nation of Western Samoa. Kapalua-West Maui Airport opens on March 1. In addition to the owner-operator, which flies in and out with de Havilland Canada DHC-7-102s, the new facility also services seven commuter carriers. Roundtrip service between Honolulu and Pago Pago is increased to six frequencies per week in April while the **USAir** frequent flyer program is joined in May.

Regular charter flights from Hawaii to Europe via Anchorage are inaugurated on May 30 under contract to Ferien Services, Ltd. of Switzerland and Cala Riesen of Frankfurt. Delays in the refurbishment of the

DC-8-62s cause difficulty with a number of these charter flights and the carrier must reaccommodate passengers booked when it appeared the aircraft would be available. Due to the corrosive salt air and stress from frequent short flights to the new airport, an unusually large number of engine repairs are required during the year, a not inexpensive problem.

Meanwhile, the company continues to expand out into the South Pacific, inaugurating services to Guam, Tahiti, and the Cook Islands. Charter flights to Japan are increased as are military charters.

In October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

As a result of its new flights, passenger boardings at HAL jump 15% to 4,772,000. Freight, however, is off by 2% to 11.07 million FTKs. Revenues rise 32.9% to \$299.11 million, expenses ascend 44.6% to \$310.33 million, and the operating loss is \$11.21 million. The previous year's net gain becomes a net loss of \$8.77 million.

Hiring continues apace in 1988 as 600 new workers join the company, a 14.6% increase. The fleet now includes 5 leased L-1011-385-1s, 2 MD-80s, 8 leased DC-9-51s, 2 leased DC-9-14s, 2 owned and 2 leased DHC-7-102s, 6 leased DC-8-62s, and 3 leased Shorts 330s.

Flights from Pago Pago to Sydney and Auckland are initiated in mid-January and the company's twice-weekly frequencies from Honolulu to Guam are increased to six per week in February.

Customer bookings jump 13.2% to 5,793,000 and cargo climbs by 16.9% to 12.94 million FTKs. Although traffic is good, financial return is not, due largely to higher maintenance costs and the unprofitable mainland to Honolulu route. Although revenues are up by 18.16% to \$353.44 million, costs jump 15.43% to \$358.2 million. The operating loss "improves" to \$4.75 million, but the net loss deepens slightly to \$8.48 million.

The fleet is altered slightly in 1989 by the addition of another MD-80, three more DHC-7s, deletion of three DC-9-51s and the three Shorts 330s. In celebration of the sixtieth anniversary, ground and flight staff of the 1,300-employee airline receive new uniforms. Fares are reduced on February 25 by one-third on twice-daily flights between Honolulu and four outer islands.

Early in the year, a unit of the Portland, Oregon-based PacifiCorp utility firm offers Chairman John H. Magoon Jr. a cash buyout proposal of \$45 per share. It is rejected, with the 70-year-old patriarch telling *Forbes* magazine that he needs \$50 per share. There now enters onto the scene the investment team HAL Acquisition of J. Thomas Talbot, founder of both **Air-Cal** and **Jet America Airlines**, and former baseball commissioner and Magoon friend Peter V. Ueberroth, fresh from the collapse of their March-April negotiations to purchase bankrupt **Eastern Air Lines**.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. HAL, with five security breaches, is faced with \$41,000 in punishment.

In September, an arrangement is concluded with Chairman Magoon and Hawaiian is sold to Talbot and Ueberroth for \$22 per share. Magoon remains on the board, Talbot becomes board chairman/CEO, and John A. Ueberroth is appointed president. Meanwhile, a marketing and code-sharing agreement is signed with **Japan Air Lines Company, Ltd. (2)**. The new arrangement will allow HAL to link its Kahului-Honolulu segment with JAL's flight from Tokyo to Maui.

The year's passenger boardings dip 2.4% to 5,655,000, but freight moves skyward 4.9% to 13.58 million FTKs. Revenues decline 1.46% to \$348.26 million, expenses jump 9.63% to \$392.68 million, and the operating loss deepens to \$44.42 million. The net downturn worsens to \$42.68 million.

Airline employment is increased by 30.4% in 1990 to 2,300 and the fleet now includes 6 L-1011-385-1s, 12 DC-9-51s, 8 DHC-7-102s, and 7 DC-8-62s.

In February, service from Honolulu to Nuku'alofa, Tonga, via Pago Pago is increased by one weekly flight. Simultaneously, a three-month

"nonuse" status is imposed upon the airline by the MAC pending an inquiry into maintenance and record-keeping practices.

In March, an L-1011 is leased to Hollywood and, at Evergreen's Pina Air Park at Marana, Arizona, is repainted with water-based pigments in the colors of a mythical Northeast Airlines for use in the Bruce Willis action film *Die Hard II*.

In June, HAL sues start-up competitor **Discovery Airways**, operating since March 25 under a newly granted, temporary DOT authority. The new entrant's authority is consequently rescinded in July due to its failure to abide by conditions of its award. Despite new leadership, the company continues to suffer a bad year, due to such factors as fare wars, recession, and higher fuel prices in the wake of Iraq's August 2 invasion of Kuwait.

The August issue of Conde Nast *Traveler*, it is noted that Hawaiian is one of only five U.S. carriers, along with four with relatively short histories, that have never had an air fatality in their entire histories.

In September, Honolulu to Sydney service is suspended as HAL, in support of its government Civil Reserve Air Fleet (CRAF) commitment, begins to fly the first of some 200 charter flights to the Mideast in support of Operation Desert Shield and later, Operation Desert Storm. Also withdrawn during the fall are flights to Auckland, Guam, Anchorage, and Las Vegas. In consequence of these developments, HAL, Inc. must secure \$20 million in bridge financing during November from principal lender Security Pacific National Bank.

Customer bookings this year plunge 10.2% to 4,736,000 and cargo is down by 5% to 12.9 million FTKs. Revenues fall 2.35% to \$340.73 million, expenses shoot up 10.32% to \$433.05 million, and the operating loss more than doubles to \$92.32 million. The net loss is a staggering \$121.28 million, just \$4 million less than the operating revenue of the smallest national, **Midwest Express**.

The payroll climbs 8.7% in 1991 to 2,500 and President Ueberroth's fleet now includes 36 aircraft. Early in the year, **Northwest Airlines** provides a \$20-million cash injection into the national in exchange for 25% ownership and the wet-lease (with option to buy) of HAL's routes from Honolulu to Sydney and from Guam and Saipan to Nagoya and Fukuoka. In addition, the two agree to coordinate schedules and coordinate passenger services on the ground in Honolulu. Aircraft charter costs are lowered following renegotiations with the lessors and in late January Honolulu to Sydney flights are resumed. A television news magazine causes the company embarrassment—and some lost traffic—when it alleges in the spring that Hawaiian's maintenance practices are among the industry's worst.

As part of the agreement with **Northwest Airlines**, which provides the aircraft and crews under lease, Hawaiian starts daily Honolulu to Fukuoka service on June 1. Longtime corporate attorney H. Mitchell D'Olier succeeds John Ueberroth as president in August. Rainbow Connection service is offered, beginning in October, from Honolulu to either Kona or Hilo for the price of a single interisland roundtrip. A \$2-million program is announced in November for the 14-month refurbishment of the company's 13 DC-9-50s.

Passenger boardings for the year fall 19.5% to 4,059,000 and freight plunges 40.8% to 7.65 million FTKs. Although revenues are 7.1% ahead to \$365 million, expenses swell 4% to \$460 million and guarantee a \$9.5-million operating loss, which is, in fact, a significant improvement. The net loss is cut to minus \$98.5 million.

In March 1992, West Coast service is expanded by the introduction of nonstop service from Seattle and Los Angeles to Kahului, Maui; the previous connecting service to the latter point via Honolulu is discontinued. The carrier's Honolulu to Fukuoka route is transferred to **Northwest Airlines** on May 11. The Minneapolis-based major operates the route through late October with TriStars wet-leased from HAL.

Traffic recovers as customer bookings leap upward 17% to 4,748,000 and cargo skyrockets 195.2% to 22.59 million FTKs. Revenues rise 8.2% to \$395.1 million and expenses climb 10% to \$506.1 million. The year's operating loss is \$111.04 million, although a net \$28.96-million net profit is generated.

Company employment is cut a significant 31.7% in 1993 to 1,708. Destinations now regularly served from the Honolulu hub include Lihue, Kahului, Kapalua-West Maui, Hilo, Seattle, San Francisco, Los Angeles, Anchorage, Molokai, Lanai, Kona, Pago Pago, Papeete, Apia, and Rarotonga. In July, HAL Director Martin Anderson becomes chairman of the executive committee as President D'Olier resigns; Bruce R. Nobles, former president of **L'Express** and the **Trump Shuttle**, is named president/CEO.

Work is undertaken in August and September on financial restructuring; however, after years of losses (now standing at a cumulative \$320 million), the airline, through its HAL, Inc. parent, must declare Chapter XI bankruptcy on September 21. The same day, a reorganization plan is filed with U.S. Bankruptcy Court, which is supported by many of the carrier's unsecured creditors, and an announcement is made pledging no disruption in service.

In a further cost-cutting move, six DC-8-62s employed for international charter flights are eliminated during October and November. In December, a large-scale contract is signed with AMR Corp., parent of **American Airlines**. Under its terms, the Hawaiian carrier agrees to purchase its training from the AMR subsidiary AMRCG, reservations services from SABRE, join its AA Advantage frequent flyer program, its Fly Aaway Vacations inclusive-tour program, and lease six DC-10-10s with which to replace its TriStars.

Passenger boardings for the year fall 4.8% to 4,336,814, but freight climbs 46.3% to 33.04 million FTKs. Revenues decline 23.1% to \$304.1 million and expenses fall 35%, but still reach \$328.9 million. The operating loss is cut to \$24.8 million, but the net loss decays to \$69.4 million.

The workforce is boosted 46.4% in 1994 to 2,500 as CEO Nobles and a new board begins revision of the company's reorganization plan on January 1. Given an extremely beneficial leasing arrangement by **American Airlines**, Hawaiian now begins to return to lessors its seven Lockheed L-1011-1s/L-1011-50s in favor of six ex-American Airlines DC-10-10s, the first of which departs Los Angeles for Honolulu in February. The Dash 7s are also withdrawn. As the Douglas wide-bodies arrive, they are placed on the carrier's daily services to Los Angeles, San Francisco, and Seattle, as well as weekly routes to Las Vegas, Tahiti, and American Samoa.

Meanwhile, long-haul services to Pago Pago and Papeete are permanently suspended. The interline agreement with **Polynesian Airlines, Ltd.** is suspended. Honolulu to Anchorage roundtrips end in April.

Interisland services are boosted on August 1 with the Maui Shuttle (later the Island Shuttle) providing hourly services daily from Honolulu to Kahului Airport and, subsequently, to Kauai'i.

The U.S. Bankruptcy Court in Honolulu approves the airline's reorganization plan on August 30, allowing it to emerge from bankruptcy on September 11. Under the reorganization plan, unsecured creditors receive 68.7% shareholding, employees obtain 16.8% through an Employee Stock Ownership Plan and a 401(k) program, and 14.5% is reserved. The latter interest will be employed for warrants related to post confirmation financing (9%) and the creation of a management stock incentive stock option plan (5.5%). Negotiations are finalized with CIT Group/Credit Finance for an \$8.6 million secured line of credit. Additionally, a \$2.8-million deposit made with the State of Hawaii to help secure a loan earlier is recovered.

On November 1, four-times-per-week service is inaugurated from Portland, Oregon, to Honolulu.

The year's customer bookings at "Hawaii's Flagship Airline" move ahead by 5.7% to 4,583,444 and cargo balloons 26.7% to 42.54 million FTKs. Revenues inch up 0.7% to \$306 million, but expenses are \$318.7 million. As a result, there is a pretax loss of \$12.7 million and a net downturn of \$12.9 million. With a \$190.1-million noncash gain from elimination of liabilities held prior to bankruptcy, ledgers are later able to show a \$169.4-million net profit.

Airline employment in 1995 stands 2,700, an 8% increase. In May, Hawaiian's exclusive "Hawaii Regional Cuisine" meal service in first-

class wins the coveted 1995 "Onboard Services Award" from *Onboard Services* magazine over the food service programs of several leading international carriers.

Following a bad first quarter, the company's stocks are again traded on the stock exchange on June 21 and within a day advance 97% in value. At the same time, rumors circulate that the company will be purchased by either **USAir** or **Trans World Airlines (TWA)**. All three carriers firmly deny the rumors on June 23 and Hawaiian's stock falls 34 points within 4 days.

During July, the carrier is able to make an initial distribution of 5.4 million shares of common stock to creditors. It is anticipated that, later in the year, employees will receive 1.9 million shares, while unsecured creditors will receive 2.1 million more.

Having lost \$451,000 during the second quarter, but posting a \$431,000 operating profit, HAL is able to convince American Airlines to defer \$6.1 million in lease and maintenance payments on its DC-10s until October.

An alliance is signed with **Northwest Airlines** that will provide for computerized reservations and frequent flyer program linkage, shared codes and joint fares.

Enplanements increase by 4.3% to 4,781,000 while freight jumps 36.4% to 58.88 million FTKs. Although operating income is up 13.4% to \$346.9 million, costs advance 9.5% to \$348.8 million. The operating loss is cut to \$1.9 million while the net loss "improves" to \$5.5 million.

The workforce is reduced 20.9% in 1996. On January 18, the cash-strapped airline accepts an \$3-million loan from New York-based Smith Management Co. During the third week of January, the company's four unions agree to delay wage increases as a cost-cutting measure. In exchange for some layoff protection and the chance to win bonuses, the affected personnel allow their contracts to be extended to February 2002. This arrangement saves the carrier \$5 million per year.

Shareholders vote on January 30 on a proposal to sell 61% of the company to Airline Investors Partnership, a division of Smith Management Co., for \$20 million. The vote having provided affirmative, Bruce Nobles relinquishes his chairmanship to Smith Management Co. President John W. Adams on February 2; Nobles remains on as president/CEO. AIP also wins 6 of the company's 11 seats on the board of directors. Unions retain three chairs while Nobles and an outside director occupy the remaining two.

AMR Corporation also assists HAL to save \$2 million by restructuring the \$10 million owed on the DC-10 lease, reducing the lease rate to 28% for 3 years and in fact deferring lease and maintenance charges for 5+ years.

On April 8, the company introduces a consumer campaign designed to promote interisland and West Coast travel. The promotion involves a scratch-and-win game, Go Where the Action Is, which will award more than \$750,000 in travel and prizes. All passengers over age 21 on all flights (except to Tahiti) will receive game cards for two months, with prizes announced on June 1.

The marketing agreement with **Northwest Airlines** takes effect during the summer. The two coordinate their schedules so that Hawaiian flights to Molokai, Lihue, Lanai, Kona, Hilo, and Kahului all connect with Northwest services into Honolulu from Japan and California.

In August, a total of 12 million shares of common stock is offered to existing shareholders, who purchase the entire offering for \$39.3 million.

Following the indefinite grounding of **Rich International Airways** by government safety inspectors shortly after Labor Day, Hawaiian takes over that airline's contract with Alaskan wholesaler Hawaiian Vacations.

During the fall, HAL begins to code-share with start-up **Mahalo Air** on frequencies from Honolulu to Molokai and Kapalua. On October 1, the five-times-a-week roundtrips from Honolulu to Portland, Oregon, become daily frequencies.

On December 3, a code-sharing alliance is signed with **Reno Air**. Under its terms, HAL passengers will, upon implementation, be able to

connect at Los Angeles with **Reno Air** flights to Tucson, Albuquerque, Reno, Tahoe, and San Jose. The pact also allows frequent flyers to choose their miles from the AAdvantage Flyer program of **American Airlines** or HAL's Gold Plus.

On behalf of Hawaiian Vacations, HAL, on December 14, inaugurates weekly DC-10-30 charters from Anchorage to Kahului, following these with Anchorage to Honolulu flights four days later.

Rising fuel costs, lack of demand for mainland-Hawaii travel, and unexpected engine repairs bring a fiscal downturn. Customer bookings move ahead by 4.6% to \$5,161,000 and 74.19 million FTKs are operated, a 26% increase. Revenues jump 10.8% to \$384.73 million while expenses accelerate 9.6% to \$382.44 million. A \$2.02-million operating profit is reported and the net loss is down to \$1.53 million.

The employee population grows 17% in 1997 to 2,500. On January 1, the company adds two weekly return flights to its Las Vegas charter operation, bringing the total number of weekly charter flights between Honolulu and Las Vegas to eight. Four flights are offered in partnership with Vacations Hawaii and four with Jackie's Travel.

The **Reno Air** dual-designator pact comes into effect on January 7. Twice-weekly nonstop return service is kicked off on January 18 between Kahului, Maui, and Seattle. Plans for a code-share alliance with **American Airlines** are delayed by the American pilot strike threat.

On February 1, the company introduces its "Mea Ho'okipa" in-flight hospitality program, which integrates "the best of Hawaii" on all audio-visual, magazine, food, gift, and catalog services. A different major island destination will be emphasized each quarter, beginning with Oahu, and following with Maui, the Big Island, and Kauai.

The company on February 19 opens a new centralized passenger terminal at Honolulu.

A marketing agreement does begin with American Eagle subsidiary **Wings West Airlines** on March 4. It provides connecting services for Hawaiian passengers from Los Angeles to 10 other cities in California and Nevada. Later in the month, President/CEO Nobles resigns and is succeeded by former **Continental Airlines** executive Paul J. Casey.

Twice weekly nonstop DC-10-10 roundtrips commence on May 2 between Maui and San Francisco. The delayed code-sharing agreement with **American Airlines** is concluded on July 22. American is able to attach its two-letter booking code in worldwide reservations systems to Hawaiian's daily DC-9-51 flights among the Hawaiian islands. The two will coordinate flight schedules to provide convenient connections between American's mainland-to-Hawaii flights and Hawaii's domestic network.

A marketing alliance is signed on August 1 between **Continental Airlines** and Hawaiian, which includes **Continental Micronesia** as well. The pact, scheduled to start on October 1, will allow the former to tie its feed to the latter's 12 daily nonstops from Honolulu to the West Coast. In addition, Continental will be able to increase feed for HAL and Continental Micronesia on their services from Hawaii to Guam.

Former **Delta Air Lines** China Managing Director David M. Boaz is appointed vice president-flight operations on August 22. In November, Executive Vice President/Chief Operating Officer Michael J. McQuay resigns to become managing director/CEO of **Air Pacific, Ltd. (2)**.

Passenger boardings inch up 1.1% to 5,217,749 while cargo dips 1.7% to 74.94 million FTKs. Operating revenues increase 5.1% to \$404.21 million, but expenses are such that a \$1.02-million net loss is suffered.

On March 1, 1998, HAL becomes the first airline to sell tickets through a bank automated teller machine; full-fare interisland tickets are available from Bank of Hawaii ATMs.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14. The document had received tentative approval in Tokyo on January 30.

Two days later, the DOT authorizes 64 weekly flights to Japan for carriers that in the past have had their services severely limited. It also

names two new passenger carriers to fly to Japan, one of which is HAL. Hawaiian will be permitted to inaugurate daily service from Maui to Tokyo on January 1, 2000.

Although neither flight crews file a near-midair collision report, an ATC error on March 20 allows a company DC-10-30 and a chartered U.S. Interior Department B-737-200 to come within 100 ft. vertically and 300 ft. horizontally as both takeoff from Las Vegas.

President/CEO Casey suffers a mild stroke on June 17 and is hospitalized; he is able to resume his duties on July 1.

Previous winter seasonal flights between Seattle and Maui become year-round, nonstop DC-10-10 return service on September 8, operated four times per week.

On September 10, it is announced that the company will acquire two (later three) DC-10-30s under charter from **American Airlines** and expand its services to the state from Los Angeles. Beginning in mid-March, daily return service from Los Angeles (LAX) to Maui and from Los Angeles (LAX) to Maui and Kona will be added. In addition, a new charter route from Los Angeles to Tahiti will be opened in August. The aircraft involved had previously been out on lease to the Russian carrier **Transaero Airlines**; having come back early, they now undergo maintenance checks.

HAL joins forces with Carrier Services on October 30 to offer a pre-paid telephone card. The Global Phone Card holds 170 min. of pre-paid call time, plus 500 Hawaiian Miles, and retails for \$50.

The first DC-10-30 is delivered on November 24. The second is expected during the first quarter, with the third arriving sometime after that.

The agreement with **Polynesian Airlines, Ltd.**, suspended some four years earlier, is reinstated on December 7. The interline agreement covers both passengers and bags transferred between the Samoan-government owned carrier and HAL. Simultaneously, the American Samoa attorney general has waived an entry permit requirement for HAL transit passengers passing through Pago Pago on their way to Samoa.

Two DC-9-51s are purchased from **Meridiana, S.p.A.** on December 29; they will be delivered in February.

Customer bookings increase a minor 1.18% on the year to 5,260,133; however, freight traffic accelerates by 15.64% to 64.35 million FTKs. Revenues rise 5.5% to \$426.4 million, while expenses inch up 0.5% to \$409 million. The operating profit surges to \$17.4 million and there is an \$8.2-million net gain.

The Douglas narrow-bodies arrive in February 1999. Daily nonstop DC-10-30 return service is inaugurated from Los Angeles to Maui on March 12, with continuing direct service thrice weekly to Kona on the island of Hawaii starting next day.

Former **USAirways** official Michael R. Schwab is appointed on an interim basis on April 14 to oversee the company's flight and service operations.

John L. Ryan is named vice president-maintenance/engineering on May 1.

A \$430 million order for 13 B-717-200s, with seven options, is announced on September 23; the first aircraft is scheduled for delivery in February 2001.

DC-10-30s inaugurate a second weekly roundtrip service between Honolulu and Papeete, Tahiti, on December 15.

Passenger boardings climb 8.5% to 5,708,000 while cargo jumps 14% to 95.74 million FTKs. Revenues accelerate 14.6% to \$488.87 million, while expenses surge 29.4% to \$529.41 million. The previous year's profits are turned into losses: \$40.53 million (operating) and \$29.26 million (net).

Airline employment at the beginning of 2000 stands at 3,091, a 14.6% increase over the previous 12 months. On March 2, the B-717 order is confirmed.

On May 24, the commercial compact with **Northwest Airlines** is renewed for another five years.

A second daily nonstop DC-10-30 return service is initiated on June 1 between Honolulu and San Francisco. On August 4, management re-

quests that the Federal Mediation Service join in efforts to settle a new contract with its ALPA-represented pilots, the need for which has been occasioned by the upcoming introduction of the B-717s.

It is announced on September 1 that beginning on June 15, the carrier will offer the first nonstop daily roundtrips between San Diego and Honolulu, employing DC-10-30s. Capt. Rolland F. Lawrence becomes vice president-flight operations at the end of July.

Under an exclusive two-year, \$70-million contract signed with Renaissance Cruises the previous year, a DC-10-30 launches roundtrip charters on August 31 from Los Angeles and Tahiti via Honolulu. Welcomed at Papeete by President Gaston Flosse of Tahiti, HAL President Paul J. Casey, and Renaissance Cruises Chairman Richard Kirby, the flight is the first of 18 to 20 long-haul services to be flown monthly between California and the French Pacific possession by two dedicated DC-10s.

Negotiations between the ALPA-represented pilots and management continue on October 1. The Hawaiian local receives a \$2-million grant from the union's national headquarters as support in case of a job action.

The company's first B-717-22A enters final assembly at Renton on October 3; the 50th 717 to be manufactured is scheduled for delivery as the *I'iwi*, to the Honolulu-based company on February 1. To celebrate, the carrier holds an ancient hula ceremony on the grounds of the manufacturer's Long Beach plant.

While landing at Tahiti's Faaa Airport following a December 23 service from Honolulu, Flight 481, a DC-10-30 with 136 aboard, overshoots the runway and stops just short of disaster with its front wheels in a lagoon. Luckily, only one person is injured; however, the airport is temporarily closed to other wide-bodied airliners until the aircraft can be extracted.

On Christmas Eve, the company and its pilots reach accord on a new 42-month contract, effective January 1.

Customer bookings during the 12 months accelerate 9.8% to 6,268,161.

HAWKAIR AVIATION SYSTEMS, LTD.: Site 16, C.5, RR4, Bristol Road, Terrace, British Columbia V8G 4V2, Canada; Phone (250) 635-4295; Fax (250) 635-4295; <http://www.harkair.net>; Year Founded 1993. At the beginning of 1993, the fleet of Jim Soden, **Trans Provincial Airlines, Ltd.**'s general manager, comprises 2 DHC-6s, 3 DHC-3s, 6 DHC-2s, 2 Bristol 170 Mk. 31s, and 3 Grumman G-21 Geese. The Bristol all-cargo service is closed down in January, but the company is already in significant financial difficulty. Having overexpanded ahead of revenues, the carrier ceases operations in March.

The Bristol assets and contracts are sold by the carrier's receivers to a British consortium made up of employees of **British Airways, Ltd.** (2). These contract with the new FBO, Hawkaair Aviation Services, Ltd., run by former Trans Provincial executives Paul Hawkins, Rod Hayward, David Menzies, and Donald Vienneau. Hawkaair will modify two Bristol Freighters, including one obtained from the Pakistani Air Force, and train pilots. The FBO operators talk to local mine owners and convince the British to leave one Bristol in Canada.

Hawkaair begins revenue flights in British Columbia in August 1994 employing the former Pakistani Freighter flown under dry-lease. The entire company pilot roster includes just three names. In September, the other aircraft is flown to England. The U.K. owners turn over the airframe of a third Bristol to the Terrence-based Hawkaair as partial payment for its rebuilding activities.

Initial contracts operated by the Freighter include the transport of gold concentrate from mines at Bronson Creek and Johnny Mountain in Alaska to the coast and a return with fuel. The company very nearly goes out of business before the end of the year; even partner Donald Vienneau sells out. Menzies and Hayward are left to fly the plane, with namesake Hawkins handling maintenance.

Between July and August 1995, Hawkaair flies its first major business when it undertakes a reclamation project for the Windy-Craggy Mine, owned by Royal Oak Mines, in the northwest part of British Columbia.

Flights continue in 1996, but in July the Bristol that had been sent to England must be written off following a bad landing at Enstone.

On April 24, 1997, the Hawkeair Bristol is badly damaged in a landing accident at Bronson Creek. While the former military Freighter is repaired, Paul Hawkins mortgages his home to provide a down payment on an Aviation Traders Limited ATL-98 Carvair. It enters service on behalf of Hawkeair during the second week of June. On July 9, the Bristol that had been received as partial payment years earlier also completes its rebuild and is available for service.

Charter work continues throughout the remainder of the decade without headline or incident. In anticipation of the upcoming merger battle for control of **Canadian Airlines, Ltd.** during the summer of 2000, the major Canadian carriers and their regional affiliates reduce air service to communities in the Northwest. The reduction brings economic and personal difficulties for many northern sectors, particularly in the communities of Terrace, Kitimat, Prince Rupert, and the Nass Valley. To help redress this situation, Hawkeair converts itself into the nation's newest scheduled airline during August. A workforce of 20 is appointed to operate the new service, employing a single de Havilland Canada DHC-8-100. Twice-daily C\$148 roundtrips commence on September 8 between Terrence and Vancouver. The fully loaded inaugural flight also includes a cargo of locally grown pine mushrooms destined for Asia. The company's Carvair, meanwhile, is parked at Vancouver and put up for sale.

At the end of the year, it is announced that daily Prince Rupert to Vancouver direct return flights will commence on February 27.

HAWKEYE AIRLINES: United States (1974). Taking the state's nickname, this small regional is set up at Ottumwa, Iowa, in 1974 to provide scheduled passenger and cargo services to Marshalltown, Des Moines, Omaha, and Sioux City. Although Douglas DC-3 flights duly begin, they cannot be maintained until year's end.

HAWKINS AIRWAYS: United States (1969–1977). Jackson Air Center, the FBO at Jackson, Mississippi, elects to establish a scheduled airline division in 1969. Hawkins Airways, as it is known, is outfitted with 1 each Beech 18 and Piper PA-32 Cherokee Six, which are employed to inaugurate daily roundtrips to New Orleans. Operations continue apace until 1977.

HAZELTON AIRLINES (PTY.), LTD.: P.O. Box 12, Orange Road, Cudai, New South Wales, 2864, Australia; Phone 62 (63) 615 815; Fax 62 (63) 642 294; <http://www.hazelton.co.au>; Code ZL; Year Founded 1953. Hazelton Air Services (Pty.), Ltd. is formed by C. Max Hazelton at Cudal, New South Wales, some 140 miles west of Sydney, in 1953 to provide charter and agricultural services. With an Auster Aglet, Hazelton flies his first charter client, a sheep dealer, to various properties in the west, while barnstorming on weekends.

On October 16, 1954, the Auster crashes into the forested mountains near Bankstown while en route to Toogong. Unhurt, Hazelton is able to walk out of the bush six days later to a timber camp in the Burratorang Valley, near Cox's River.

All kinds of specialized charter and contract service flights, including crop dusting, are now undertaken throughout eastern New South Wales, with the Cessna 180 acquired to replace the Auster. In an episode that dramatically increases his charter business, the intrepid pioneer makes an aerial circumnavigation of Australia during the 1960s, flying the 7,150-mile route in 13 hrs. 38 min. and breaking a 31-year-old record.

On a controversial note, Hazelton agrees to fly protesters over the French nuclear weapons test area at Muraroa Atoll in 1972; although the demonstration, primarily because of fueling problems, does not get airborne, the publicity raises national awareness of South Pacific nuclear activity. In 1979, the carrier receives a permit to offer scheduled third-level flights under the marketing name Hazelton Airlines (Pty.), Ltd.

Regular commuter routes are established between the Cudal base and Sydney, Orange, Dubbo, and Canberra. In addition, Hazelton's carrier

also maintains its own engineering workshops and heavily promotes tourist package tours.

In 1981, the fleet comprises 2 Beech Super King Air 200s, 5 Piper PA-31-350 Navajo Chieftains, 6 Cessna 310s, 3 Piper PA-30 Twin Comanches, 1 Cessna 206, 1 Cessna 185, and 1 Cessna 172.

During the next six years, service is also initiated to Condobolin, Gunnedah, Moruya, Mudgee, and Quirindi. The fleet is expanded by the addition of an Embraer EMB-110P1 Bandeirante and another Navajo Chieftain; one King Air is withdrawn.

Operations continue apace in 1982–1987. Another Cessna 310 and one more PA-31 are acquired in 1988. As a result of the previous year's *New South Wales Service Review*, Hazelton begins a route system re-assessment and in March announces an A\$10-million expansion and re-equipment program. Enplanements reach 60,000.

Changes are made in 1989, including placement of an order for three Shorts 360-300s. General Manager Bevan Coote's fleet now includes 13 Piper PA-31-350 Navajo Chieftains, 3 Cessna 310s, and 2 Embraer EMB-110 Bandeirantes. Job actions by ATC personnel and pilots of various domestic carriers cause traffic and financial reversals.

Enplanements are off 6.2% from the previous year to 106,000 and freight is down 7.4% to 113,400 pounds.

In 1990, the Cessnas are replaced by a Beech 1900, two Shorts 360-300ss, and six more Navajo Chieftains. Several new markets are added to the route network and the airline is able to begin feeding passengers to Sydney via its new western hubs at Dubbo and Orange. Among the communities visited are Coonabarabran, Cootamundra, West Wyalong, Temora, Dubbo, Cobar, and Lightning Ridge. Bookings total 314,740.

Two SAAB 340Bs are purchased in 1991 as, by April, over 400 departures are made weekly. Recession raises its ugly head and in September service is halted to 14 destinations.

Passenger boardings for the year plunge 50% to 209,827 and a significant financial loss is incurred.

The previous year's SAAB acquisition forms the basis of a complete fleet change in 1992, as the company elects to fly three 340Bs and two Shorts 360-300s on its scheduled routes. Meanwhile, the financial downturn forces the company to dismiss a third of its workforce. In November, orders are placed for two more SAAB 340Bs, one of which is delivered in December.

Customer bookings slide another 0.7% to 202,035.

In 1993, founder Hazelton's carrier employs 170 workers and the second unit of the November SAAB order arrives in March. Also in March, the company begins a long-lasting commercial relationship with **Ansett Australia (Pty.), Ltd.** Under a commercial agreement, Ansett begins to provide the regional with ground handling services at Sydney Airport and to host it on its computer reservations system. Hazelton now joins the Ansett frequent flyer program, Global Rewards. Additional destinations added so far this decade include Bathurst, Bourke, Brewarrina, Brisbane, Broken Hill, Cobar, Coonamble, Gold Coast, Griffith, Lightning Ridge, Merimbula, Narrandara, Nyngan, Parkes, and Walgett.

A Fairchild Metro is purchased and received in September. The regional becomes the first Australian airline to go public, issuing A\$10 million in shares on the Australian Stock Exchange in October.

The stake consequently changes; Hazelton and his family own only a third of the carrier after the float, with major institutions, including Rothschild Australia (Pty.), Ltd., holding half. In November, the company takes delivery of its first Fairchild product, a Metro 23.

Enplanements for the year drop to 169,497. The year's profits are A\$3.76 million (operating) and A\$2.52 million (net).

The fleet in 1994 comprises 5 340Bs, 2 Shorts 360-300s, 1 Metro 23, and 7 Piper PA-31-350 Navajo Chieftains. Orders are placed for three more Metro 23s, which will replace the Chieftains upon their arrival, and a SAAB 340B, which is delivered in July. The 270-employee airline at year's end operates on 22 routes along the New South Wales coast from a hub at Sydney.

Plans are made to open a hub-by-passing route that flies over Melbourne to Geelong from Sydney.

Customer bookings increase by 49.1% to 333,000. Revenues increase by 26.5% to \$A36.27 million, while expenses swell 28.1% to \$A31.91 million. Consequently, there is an operating profit of \$A4.36 million and net gain of \$A2.92 million.

Airline employment stands at 270 in **1995** and the fleet is also altered. Both Shorts 360-300s and five Navajo Chieftains are removed and replaced by a sixth SAAB 340B and three Metro 23s. The new SAAB 340B Geelong to Sydney twice-daily roundtrip route is inaugurated in February.

Rod Nelson is named general manager in June.

Passenger boardings during the 12 months accelerate 15.3% to 376,000.

Airline employment stands at 294 in **1996**. One Shorts 360-300 is returned to service and another Metro 23 joins the fleet.

In a surprise move, **Skippers Aviation (Pty.), Ltd.**, a charter carrier, purchases a 17.3% equity stake from Rothschild Australia (Pty.), Ltd. on July 30 for \$A3.2 million. The acquisition comes as a surprise in many circles as **Qantas Airways (Pty.), Ltd.** had been expected to take the shareholding instead.

During the fall, the previous marketing arrangement with Qantas rival **Ansett Australia (Pty.), Ltd.** is expanded into a major strategic code-sharing agreement.

Enplanements move ahead 4.5% to 392,481.

The workforce is cut a dramatic 25.2% in **1997** to 220 and the fleet is also reduced as two Navajos and two Cessna 310s are sold. Still, passenger boardings inch up 1.3% to 397,829.

Flights continue in **1998**. Customer bookings accelerate 26% to 413,000. Revenues rise a slight 0.3% to \$A34.73 million, while costs are held to \$A28.02 million. The operating profit is \$A6.7 million, but an \$A975,000 loss must be reported.

On February 4, **1999**, the company makes known its requirement for a new administrative and maintenance base. An invitation is immediately put forward by Eurobodalla shire council on behalf of Moruya Airport in the southeast part of the country.

At the beginning of April, Hazelton renews its agreement with **Ansett Australia (Pty.), Ltd.** for another five years. Ansett also gains right of first refusal on a minimum 20% of Hazelton's shares.

Also during April severe hailstorms strike Sydney. Three of the carrier's aircraft are badly damaged and require a month of work to repair them.

Passenger boardings for the year dip 1.5% to 410,000. On revenues of \$A69.2 million, the operating profit is \$A1 million. Because of steep fuel costs, net gain plunges to \$A288,000. The ink on the bottom line would have been written in red save for an \$A2.3-million gain from the sale and leaseback of two SAAB 340As.

In August, Hazelton reports revenues of \$A69 million for **2000**, but a 72% slump in profits to \$A228,000. These losses are blamed on high fuel prices and a less favorable tax position.

On October 6, the Hazelton family sells a 20% stake in the carrier to the **Air New Zealand Ltd.**-owned Ansett Holdings, Ltd., cutting its stake in the carrier from 33.11% to 13.11%. Six days later, Ansett launches an \$A15.3 million (\$A.90-a-share) takeover bid for the remaining shares of the regional. Although Deputy Chairman Charles Hazelton announces that the sale will be good for Australia, several minority shareholders do not believe that. Both Truegrip Aviation (10% stake), led by Peter Truegrip, and Hazelton Chairman Stan Quinlivan, who is also chairman of **Skippers Aviation (Pty.), Ltd.** (25%) believe the Ansett offer to be inadequate. Consequently, a bidding war will soon follow.

On November 28, **Qantas Airways (Pty.), Ltd.** enters the picture when its wholly owned subsidiary Qantas Longreach (Pty.), Ltd. makes an off-market takeover bid for all of the shares in Hazelton via a cash offer of \$A1.20 a share. According to Qantas CEO James Strong, this tender is a 33% increase over the Ansett price. The Hazelton board, led by Chairman Quinlivan, quickly endorses the Qantas bid as representing far better value for the company's shares.

Not to be outbid, Ansett soon returns with an offer of \$A1.35 a share and lowers its ownership demand from 90% to 50.1% control. On December 12, Qantas CEO-designate Geoffrey Dixon informs the press that his carrier will be revising its Hazelton bid and urges the regional's shareholders not to accept the Ansett offer. Rivalry for the Hazelton slots intensifies in light of the government's decision not to proceed with plans to build a second international airport at Sydney, indicating that it will instead direct overflow traffic to an upgraded smaller airport at Bankstown.

On December 20, the Australian Competition and Consumer Commission (ACCC) notifies **Qantas Airways (Pty.), Ltd.** that it will be coming out against the proposed ownership of Hazelton by either **Ansett Australia (Pty.), Ltd.** or Qantas. In its announcement, the ACCC notes that a takeover by either major would stifle competition in New South Wales' regional market and by controlling Hazelton's 450 takeoff and landing slots, have an unfair advantage at Sydney Airport.

After informing the ACCC that it wishes to proceed anyway, Qantas, on December 27 informs the Hazelton shareholders that it wishes to purchase 20.1% of the shares, instead of the 20% originally sought. It will leave its offer open until January 24 in order to give it time to consult with the ACCC.

As the year ends, the Hazelton family prepares to accept the Ansett bid on January 2, boosting the stake of Australia's No. 2 carrier from 23% to 35.4% and bidding up Hazelton's value to \$A23 million (US\$22 million). The bidding war will intensify in early January **2001**, with both sides topping each other "subject to ACCC approval." The ACCC will eventually disapprove the Qantas effort and the pioneer will bow out of the Hazelton bidding on January 22.

At the end of February, it will be reported that the carrier has suffered a half-year net loss of \$A1.705 million (\$889,158). Analysts will suggest that the outlook for the company's survival is bleak unless the ACCC allows Ansett to take it over.

HEARTLAND AVIATION: Chippewa Valley Regional Airport, Eau Claire, Wisconsin 54703, United States; Phone (715) 835-3181; Fax (715) 835-7150; Year Founded 1960. Heartland is established in **1960** as the FBO at Chippewa Valley Airport. Over the next 37 years, the company also undertakes executive and small group passenger charters to destinations throughout the U.S. and Canada. By **2000**, the fleet includes 3 Cessna 310Rs and 1 each C-550 Citation II executive jet, C-402, and C-414 Chancellor.

HEATHROW JET CHARTER, LTD.: Heathrow Airport, Hounslow, Middlesex, England, TW6 3AE, United Kingdom; Phone 44 (181) 759-5560; Fax 44 (181) 759-5551; Year Founded 1992. This executive charter service is founded at London (LHR) in **1992** to provide personnel charter about the nation and into Western Europe. Richard R. Thurburn is managing director with Steve J. Jacobs as chief pilot. A staff of 13 is assembled and revenue flights commence with two Learjet 35As and one British Aerospace BAe (HS) 125-800 Hawker.

Operations continue in **1993-2000**, during which years the Hawker is withdrawn.

HEAVYLIFT CARGO AIRLINES, LTD.: London Stansted Airport, Enterprise House, Stansted, Essex, England CM24 1QP, United Kingdom; Phone 44 (1279) 680611; Fax 44 (1279) 680615; <http://www.heavylift.co.uk>; Code NP; Year Founded 1978. TAC Heavylift, Ltd. is formed on October 31, **1978** on a two-thirds to one-third shareholding basis by Cunard Steamship Line, Ltd. (which also controls **Transmeridian Air Cargo, Ltd.**) and Eurolatin Aviation, Ltd., owners of **IAS Cargo Airlines, Ltd.** then involved in the (later cancelled) establishment of a proposed African cargo airline later cancelled. The amalgamation is completed on August 15, **1979**, at which point P. J. McGoldrick is appointed managing director.

A fleet of five Shorts SC.5/10 Belfast turboprop freighters is assembled in after being modified to civil status by Cambridge-based Marshall

Aerospace. Following the receipt of its air operating certificate in January 1980, the new company's Belfasts launch worldwide contract bulk freight and charter services (with emphasis on outsized shipment transport) in March.

The company is reorganized and the current name is adopted in September. Michael Hayles becomes managing director, with Graham Pearce as commercial director. The Anglo-Norwegian engineering/consulting group Kvaerner becomes principal shareholder.

FTKs operated during the 12 months total 6.33 million.

The employee population is increased by 10% in 1981 to 55. Sales offices are opened in Houston, Los Angeles, and New York and the Singapore firm Boustead Air Cargo (Pty.), Ltd. is named exclusive sales agent for Southeast Asia. A variety of operations are undertaken between 1982 and 1983 as the carrier becomes a subsidiary of the London-based investment firm Trafalgar House, Ltd., a shipping-to-construction conglomerate.

Examples of service include the transport of Boeing 767 components from Italy to Seattle; transport of CN-235 components, Spain to Indonesia; return to Holland of wrecked or damaged Fokker F.27s needing repair; delivery of Westland/Sikorsky S-61s from England to the Middle East; and the transport of textiles (for **Deutsche Lufthansa, A.G.**) from India to West Germany. Major publicity is received as the result of company support for the British effort in the Falklands War.

In 1984, HeavyLift seeks a U.S. market. The fleet is altered through the retirement of one Belfast and the addition of a swing-tail Canadair CL-44D. In September, the company is chosen by **British Airways Helicopters, Ltd. (BAH)** as its sole agent for the marketing of its external-lift business throughout the U.K. and mainland Europe. HeavyLift, on its part, modifies one of its Belfast freighters to accommodate a pair of Sikorsky S-76s.

In 1985, the CL-44D, under contract to the German aircraft builder Dornier, begins the transport of Dornier 228 assemblies to Hindustan Aeronautics in India, where they will be put together under license. Later in the year, a Belfast transports a consignment of 21 giraffes and 42 antelopes from Kenya to the U.S.

Among the company highlights later in the decade is the shipment by Belfast, in August 1986, of the first set of wings for the Fokker 100 from Short Brothers in Ulster to the assembly point in Holland. In October, the company's U.S. sales agency is moved from Houston to Miami.

Operations continue apace in 1987-1988. During the former year, Farhad Azima is appointed the company's sales agent in the U.S.

During the fall of 1989, two Lockheed L-382 Hercules freighters are chartered from **Pelita Air Service** of Indonesia. In May, a CL-44D-4 is purchased from **Aer Turas Teoranta, Ltd.**

In 1990, the fleet includes 1 each B-707-323C, B-707-351C, and B-707-324C, all 3 Stratoliners being leased from the U.S. freight operator **Buffalo Airways**, 1 CL-44J, 1 CL-44D-4; 5 Belfasts, and 3 Pilita Lockheed L-382Gs. The first two Stratoliners are returned by year's end as three Lockheed L-100-30 Hercules freighters are leased from an Indonesian concern.

In the summer of 1991, the company enters into a joint venture, HeavyLift-Volga-Dnepr Cargo Airlines, with the Russian joint stock company Enterprise Volga-Dnepr, at Ulyanovsk, to operate a fleet of three giant Antonov An-124-100 Ruslan freighters, plus three An-12s. In addition to the Russian freighters, Managing Director Hayles's fleet also now includes 1 Boeing 707-324C, 1 Canadair CL-44D, 2 Ilyushin Il-76s, Pelita's 4 Lockheed L-382G Hercules, 5 Shorts SC-5 Belfasts, and 1 Aerospatiale AS-365N Dauphin helicopter.

An-124 commercial services commence in September with an initial charter flown on behalf of the Houston-based Bechtel Corp. One of the huge freighters is repositioned from Volga Dnepr's Ulyanovsk base to London (STN), where it is loaded with three VC-20 tracked excavation vehicles, each weighing 33+ tons and with a 30-ft. bucket jib. It then flies to Kuwait, where the machines will be employed to extinguish oil-well fires set by the retreating Iraqi army at the end of Operation Desert Storm.

Although traffic figures are not provided, the carrier proudly notes that revenues are up 14.3% to \$40 million.

The number of leased giant An-124s is increased by one in 1992.

In October, an An-124 transports a Ka-32 helicopter and the entire Russian exhibit and static display to Melbourne, Australia, for the Avalon Air Show.

In 1993, Managing Director Hayles oversees a workforce of 145. Two more Antonov An-124s enter service as one Belfast is retired. In June, the joint-venture agreement with Enterprise Volga Dnepr is extended for a further three years, with the British carrier continuing to provide marketing services for its Russian partnership. In addition to the combined bases at Moscow and London, facilities are obtained at Singapore and Beijing that will permit an increase in operations in the Far East.

Specialized outsized cargo operations continue. As part of the UN's Operation Lifeline Sudan, HeavyLift pilot Capt. David Manning, in association with the UNICEF children's charity, organizes a special £16-million appeal to British industry for goods and fuel to make a special shipment to the Sudan. On June 1, an An-124-100 piloted by Manning flies 120 tons of blankets, medical supplies, high-energy food bars, and prefabricated building materials from London (STN) to Nairobi, Kenya, for transshipment. At Nairobi, two chartered Lockheed L-100-30s take the goods to aid stations in southern Sudan.

In October, a world record is claimed for a single air freight movement. Prepositioned from London (STN) to Amsterdam, an An-124 takes aboard a 130,000-kg. oil rig component and flies it nonstop to Perth, Australia. Income from the Antonov services reaches \$30 million.

Although the employee population is not changed in 1994, several more An-124s are placed into service. The fleet now includes, by station: Moscow, 1 Antonov An-32; London, 8 An-124s, 1 B-707-324C, and 1 Ilyushin Il-76TD; Singapore, 2 Lockheed L-100-30 Hercules turboprops; and Beijing, 1 Il-76TD. Special operations flown early in the year include the shipment of Boeing 777 engines to Everett, Washington, and the transport of airframe sections for a Jumbojet disabled at Tahiti. In February, a yearlong contract is signed between **British International Helicopters, Ltd. (BIH)** and the UN for support for aid operations in Mozambique. Five Eurocopter AS-332L Super Pumas are delivered from London (STN) to the African nation within five days of the arrangement's completion aboard a HeavyLift An-124.

When refugees begin to flee to Goma, Zaire, in the summer from neighboring Rwanda, HeavyLift's An-124s are among the first aircraft chartered by relief organizations to fly in supplies. They also bring in equipment and supplies for the French Army's security mission.

During the first week of September, another An-124 delivers a pair of Mil Mi-8MTV helicopters leased from the Belgian operator-broker **Skytech Helicopters, S.A.** to Katmandu, where they are turned over to officials of **Nepal Airways, Ltd.**

Just after takeoff from Hong Kong on a September 23 service to Jakarta, an L-100-30 with six crew and six passengers suddenly ditches into Kowloon Bay (six dead). It will be reported that the aircraft's No. 4 propeller pitch control system had failed.

During the third week of October, a Belfast transports the first fuselage for the new Learjet 45 from the Shorts Group factory in Northern Ireland to the Learjet facility at Wichita, Kansas. On December 18, an An-124-100 leased from **Volga-Dnepr Airlines** departs Minsk for Huntsville, with an SA-10 Grumble SAM missile system for the U.S. Army Missile and Space Intelligence Center. Three days after arrival, the giant Antonov departs Alabama for New York and a humanitarian airlift of medical supplies to Moscow.

Revenues for the year top \$100 million.

Operations continue apace in 1995. Airline employment stands at 145 in 1996 and the fleet now includes 2 Shorts Belfasts, 1 Lockheed L-100-30, 2 Il-76Ts, 1 An-12, and 6 huge An-124-100s. The Russian aircraft continue to be provided under charter by **Volga-Dnepr Airlines**. Kvaerner, an Anglo-Norwegian engineering and construction group, purchases Trafalgar House during the year, gaining the airline in the process.

A total of 229.2 million FTKs are operated.

Two Airbus Industrie A300B4-203Fs, first flown as passenger aircraft by **Air France**, are leased in July 1997 from S-C Aviation. The first enters service in August and is flown on behalf of **KLM Royal Dutch Airlines, N.V.** On weekdays, the freighter, flown by **TransAer International Airways, Ltd.** under contract, provides lift between the Scandinavian hub at Skavsta, Sweden, and Amsterdam. On weekends, the Airbus flies from Amsterdam to Bologna, Italy, and Zaragoza, Spain.

A HeavyLift An-124 transports Richard Noble's rocket vehicle, *Thrust SSC*, to the Black Rock Desert in Nevada. In one flight from London (STN), the giant aircraft transports the car, its trailer, the team's pit stop truck, a fire tender, two spare engines, two Supercat support vehicles, two air-start units, a forklift truck, and a motorbike. Once in place, driver Andy Green sets a new supersonic world land speed record of 763.035 mph on October 15.

In the wake of a December 6 crash of a Russian military An-124 at Irkutsk, company officials, along with those from **Volga-Dnepr Airlines**, announce that they are intensifying inspection and control of their Ruslan fleets. The company's second A300B4-203F arrives at month's end.

A total of 166.4 million FTKs are operated.

A subcontract is received from **Lufthansa Cargo, A.G.** in February 1998. It is operated from Frankfurt to and from Athens and Istanbul by a leased Airbus Industrie A300B4-203F flown by **TransAer International Airways, Ltd.** under contract. A third A300B4-203F is delivered in August.

During the last week of September, a company An-124-100 is contracted to fly the first forward and center fuselage of the new Canadair CRJ Series 700 aircraft from the Short Brothers' factory at Belfast, Northern Ireland, to the final assembly line of Bombardier Aerospace at Montreal.

Freight traffic grows by 20.2% to 200.01 million FTKs. Revenues this year reach \$144 million.

Airline employment is cut 3.3% to 145 in 1999.

The continuing political problems in the Yugoslav province of Kosovo boil over into a conflict between Belgrade and NATO on March 24. As aircraft from the NATO nations pound Yugoslav targets in Operation Allied Force, hundreds of thousands of Kosovo refugees cross borders into Albania and Macedonia. As aid workers struggle to provide relief, several governments step forward to provide relief and sanctuary, sending in all manner of aid and agreeing to take various numbers of displaced persons.

In April, Managing Director Hayles, Commercial Manager Pearce, and U.S. sales agent Azima organize a management buyout, purchasing the company from Kvaerner for \$23.8 million. In announcing the change, Mr. Pearce indicates that the carrier will expand its fleet and increase operations under a new business plan.

On April 30, HeavyLift is contracted by the British government to participate in a massive airlift that the RAF is operating to Tirana and Skopje from RAF Lyneham, Manston, and Stansted. Coordinated by the United Nations High Commission for Refugees, military Lockheed C-130s and both of HeavyLift's Il-76Ts deliver 265 tons of tents, blankets, medical supplies, food, forklift trucks, and 4x4 vehicles by May 7. On May 8-9, a company Ilyushin makes two flights transporting water purification equipment and health kits from London (STN) to Tirana.

Numerous additional flights are conducted until Yugoslavia accedes to NATO terms and Operation Allied Force is concluded on June 11.

When the cargo division of **KLM (Royal Dutch Airlines, N.V.)** informs HeavyLift on October 6 that it will not, in light of the forthcoming merger by the Dutch carrier with **Alitalia, S.p.A.**, be renewing its contract for the lease of two A300B4-203F freighters, HeavyLift turns around and subleases one to **Lufthansa Cargo, A.G.** **Air France** Cargo charts the other at the end of the month, intending to operate it on its African routes.

Cargo traffic for the year totals 213,481,000 FTKs.

Airline employment at the beginning of 2000 stands at 272, a huge 87.6% increase. In March, a B-707F is wet-leased to the start-up Thai Flying Cargo, Ltd.

The two leased A300B4-200Fs are purchased from C-S Aviation Services on September 1; a third A300B4-203F, managed by C-S, is leased. Takeover discussions with financially distressed **TransAer International Airlines, Ltd.** fail on October 13 and the Irish carrier, unable to secure additional funding during the following week, collapses on October 20.

By the end of October, rumors are rampant in the Russian press that **Volga-Dnepr Airlines** is in the process of negotiating a separate U.S. marketing deal with Kansas City-based Aircraft Leasing Group, one that would leave HeavyLift out of the picture. Fahhad Azima of ALG, a leading Heavy Lift shareholder, indicates that his firm will continue to represent the British airline and its joint venture with Volga-Dnepr in the Americas. Tensions coming from a failure of the two carriers to rework the current fifty-fifty split of cost and revenues in their joint venture are said to be behind the ALG rumors, which will, in fact, turn out to be accurate.

During the fall and into the winter, discussions, begun months earlier and now often reported as "stormy," are held between representatives of **Volga-Dnepr Airlines** and HeavyLift concerning the future of their joint venture. While HeavyLift seeks to maintain the marketing arrangement and the fifty-fifty split of costs and revenues, the Russian carrier, despite a lack of experience in the area, believes it is capable of undertaking its own marketing without the mediation of the British carrier. It also sees little chance of the joint venture providing the amount of investment capital required for the purchase of additional An-124s, recalling that all of the loans so far obtained to purchase the first nine An-124s have been of Russian origin, with higher interest rates than might have been had from Western banks and institutions. The British, for their part, believe that investment opportunities they have arranged for the joint venture have consistently been turned down by its conservative, short-sighted Russian partners.

On January 29, 2001, **Volga-Dnepr Airlines** will be named recipient of the 2000 "Cargo Development Award" from *Air Transport World* magazine. It is the first Russian carrier to achieve the publication's recognition. Four days later, the 10-year-old joint venture with HeavyLift will end and the Russian carrier prepares to go it alone and market its An-124 capability through its new London (STN)-based Volga-Dnepr UK, Ltd. and Houston-based Volga-Dnepr (Unique Air Cargo) subsidiaries. Two weeks later, HeavyLift will form a public passenger charter division branded Breeze to operate A300B4s and on February 27 it will begin to participate in the Antonov Airlines joint venture between Antonov Design Bureau and **Air Foyle, Ltd.**

HELENAIR (BARBADOS), LTD.: Barbados (1998-1999). Under the leadership of former **Carib Express, Ltd.** chief pilot Capt. John Dulieu, HelenAir (Barbados), Ltd., is established at Grantley Adams International Airport on September 28, 1998. Shareholding is divided between three Barbadian investors headed by Dulieu (61%) and Capt. Joaquin Willie's St. Lucia-based **HelenAir Castries Corporation, Ltd.** (39%).

The new concern overcomes objections from **Leeward Islands Air Transport Services, Ltd. (LIAT)** and receives operating authority from the Barbados Air Transport Licensing Board (ATLB).

With 30 employees and 1 Beech 1900C, the little start-up begins revenue services on November 30. Daily flights are undertaken to Trinidad, St. Lucia, Grenada, and St. Vincent.

At the beginning of 1999, plans are made to expand flights to Martinique, Guadeloupe, and Dominica. These ideas come to naught when the HelenAir parent runs into almost terminal financial problems later in the year.

HELENAIR CASTRIES CORPORATION, LTD.: P.O. Box 253, Castries, St. Lucia; Phone (758) 452-1958; Fax (758) 452-1958; <http://www.stluciatravel.com.lc/helenair.htm>; Code 2Y; Year

Founded 1995. Capt. Joaquin Willie sets up HelenAir at St. Lucia in **1987** to offer nonscheduled interisland passenger and cargo services. Revenue flights commence with a pair of Britten-Norman BN-2 Islanders.

Flights continue apace during the remainder of the decade and into the **1990s**. In **1993–1995**, the fleet is increased with one each Beech 99A and Beech 99B.

Services continue in **1996–1997**, during which years a second Beech 99B is acquired. The marketing name Helen Air Caribbean is adopted and scheduled flights, started in the former year, take customers to Barbados, Bequia, Dominica, Grenada, St. Vincent, and Port of Spain.

Under the leadership of former **Carib Express, Ltd.** chief pilot Capt. John Dulieu, a new affiliate carrier, HelenAir Barbados, Ltd., is established at Grantley Adams International Airport on September 28, **1998**. Shareholding is divided between three Barbadian investors headed by Dulieu (61%) and Capt. Willie's carrier (39%).

The new concern overcomes objections from **Leeward Islands Air Transport Services, Ltd. (LIAT)** and receives operating authority from the Barbados ATLB. With 30 employees and a Beech 1900C, the little start-up begins revenue services on November 30. Daily flights are undertaken to Trinidad, St. Lucia, Grenada, and St. Vincent.

Despite a mixed previous year, HelenAir announces plans on January 23, **1999**, to place a large 30-seater aircraft into service by the end of March. Such an aircraft will allow service segments to be lengthened across the Caribbean.

Owing to an increase in charter requests and a shortage of aircraft, the airline, on March 17, temporarily suspends its services to Barbados and Dominica.

In July, HelenAir begins a daily service that originates out of St. Lucia to Union Island in the Grenadines as a charter and then continues back up the islands as Flight 702. The new operation replaces a service previously provided by **Mustique Airways, Ltd.**, the fleet of which is now insufficient to handle the route.

The *St. Lucia Mirror* reports on November 27 that the national carrier has embarked upon a major cost cutting campaign aimed at resuscitating the airline and consolidating gains made from its more lucrative charter operation. Up to 50 of the carrier's 90 employees, including pilots and reservations agents, are laid off for 3 months, during which time the company expects to achieve the viability necessary in order to allow their return. In addition, services to Barbados and Trinidad and Tobago are temporarily dropped from the schedule, although a mini-service to underserved Dominica and St. Vincent and the Grenadines is maintained.

Although the airline has received an EC\$4-million government loan guarantee, it has not yet heard from various financial institutions regarding funding sought from them.

The company's future parent, **British West Indies Airways, Ltd. (2) (BWIA)** is renamed **BWIA West Indies Airways, Ltd.** on December 2. The future relationship is not anticipated at this time. Indeed, HelenAir has entered into discussions with **Air Jamaica, Ltd.** concerning the possibility of a takeover by the AJL subsidiary, **Eastern Caribbean Express, Ltd.**, which is still being set up.

It is anticipated in the Caribbean region press and elsewhere, by January 10, **2000**, that a merger arrangement between HelenAir and Eastern Caribbean is imminent. The next day, **Air Jamaica, Ltd.** Vice President Allan Chastanet informs the press that a provisional agreement has been completed between the two airlines and that an official amalgamation announcement could be made within four days. Acquisition of the ailing St. Lucian national airline would facilitate the Eastern Caribbean start-up and would automatically provide the needed licenses for service to the four Windward Islands, Barbados, Jamaica, and Trinidad and Tobago. On January 12, HelenAir Vice President Arthur Neptune tells the newspapers that although his concern and **Air Jamaica, Ltd.** are continuing negotiations, no agreement "provisional or otherwise" has been reached.

The hoped for union does not occur. After an exchange of proposals, neither HelenAir nor **Air Jamaica, Ltd.** are able to close a deal. Faced with extinction if it signs with the larger Jamaican line, Helenair an-

nounces suspension of its negotiations with **Air Jamaica, Ltd.** on February 4. New talks now open with **BeeWee Express, Ltd.**

A tentative five-year agreement is reached with **BeeWee Express, Ltd.**, the regional subsidiary of **BWIA West Indies Airways, Ltd.** on February 7, under which the St. Lucia-based commuter will operate for BWIA as a "BeeWee Express" franchise carrier. Under terms of the pact, the two carriers are able to synchronize their schedules to provide adequate connections in St. Lucia and Barbados, and better serve destinations such as St. Lucia, Dominica, St. Vincent, and the Grenadines, Martinique, and Guadeloupe. HelenAir is able to retain its identity. However, the two companies pledge to pursue "operational integration" in reservations, ground handling, maintenance, purchasing, and accounting.

The HelenAir "BeeWee Express" contract starts on April 2. The fleet is now enhanced by the addition of five Beech 1900Cs.

While the new marriage begins happily enough, the entire history of the carrier's recent troubled past, much of it political, continues to be published, down to and including transcripts of public hearings in a series of exposés by *The St. Lucia Star*. (See the articles of February 26 and April 28 archived at the *Caribbean Airnews* site <http://www.caribbeanavenue.com/airnews>.)

During August, both **SVG Air, Ltd.** and **Mustique Airways, Ltd.** complain to the Air Transport Licensing Board that HelenAir is operating its service into Union Island in the Grenadines without the required license. HelenAir readily acknowledges the situation, recalling the special circumstances under which the flights began. Consequently, when the ATLB requires HelenAir to quite the service, the St. Lucia-based carrier is given until the end of October to do so.

HELI-AIR: United States (1985–1989). Heli-Air, Inc. is established at Broussard, Louisiana, in the summer of **1985**. Gary Villiard is named president and his company immediately obtains a 10-year contract to operate over two Chinese tourist attractions, the Great Wall and Ming Tomb. When operations commence with three helicopters, they replace those previously provided by the Chinese Air Force. Operations continue through the end of the decade.

HELI-AIR, GmbH: Flughafen Innsbruck, Innsbruck, A-6026, Austria; Phone 43 512 288880; Fax 43 512 286200; Year Founded 1968. The Austrian Heli-Air is set up at Innsbruck in **1968** to not only provide executive and public charter flights, but also to engage in air ambulance and mountain rescue flights. By **2000**, the company employs 16 pilots and operates 3 Aerospatiale AS-350B-2 Astars, 2 AS-355F Twinstars, and 1 AS-355N Twin Ecloy.

HELI-AIR MONACO, S.A.: Heliport de Monaco, Monte Carlo, 98000, Monaco; Phone 3393 050050; Fax 3393 057617; <http://www.heli-air-monaco.com>; Code YO; Year Founded 1975. Organized by brothers Jacques and Patrick Crovetto at Monaco Airport in June **1975**, this privately owned rotary-wing carrier is originally known as **Heli-Monaco, S.A.** The current name is adopted in **1976**. During its inaugural year, the company's single helicopter flies 747 passengers.

Flights continue apace over the next four years. In addition to the provision of scenic tours, charter flights, and photographic opportunities to points along the French Riviera and to the mountainous areas of France, Switzerland, and Italy, the carrier inaugurates a scheduled service between Monte Carlo and Nice. By the end of the **1970s**, the fleet has grown to include 3 Bell 206B JetRangers.

Enplanements in **1980** total 15,237. Frequencies on the scheduled route are increased during the early eighties and by mid-decade four Aerospatiale AS-350B Ecureuils have joined the fleet. A new 8,600-ft. heliport is opened in **1986**, allowing the company to transfer from the heliport originally built on reclaimed land at Fontvieille, west of Monte Carlo.

With few changes, the carrier grows into the **1990s**. An average of 200 passengers per day are transported, 90,000 per year.

Airline employment stands at 150 in **1994** and the fleet includes 6 Eurocopter AS-350B Ecureuils, 1 AS-355F-1 Twin Ecureuil, 1

Aerospatiale Lama, 1 AS-365C-3 Dauphin, and 1 Bell 206B JetRanger. Bases continued to be maintained at the heliports at Monte Carlo and Saint Tropez, as well as the Nice Airport.

In 1995, enplanements total 85,054, including the one-millionth passenger, boarded during the fall. The workforce is decreased 2.6% in 1996 to 113 and the fleet is reduced to 1 Ecureuil, 1 JetRanger, and 2 Dauphins. Customer bookings inch up 1.1% to 86,000.

The upward progress stalls in 1997, as bookings fall 3.5% to 83,000. Flights continue in 1998, during which year a contract is placed for a new Eurocopter EC-120 Colibri.

The fleet in 1999 includes 1 Dauphin, 6 Ecureuils, and 1 JetRanger. The EC-120 enters service in July and helps passenger boardings rise to a record 99,000 on the year.

The workforce at the beginning of 2000 totals 120.

HELI-ALFA (ALFA HELICOPTERS-INVERSIONES CIRRUS, S.A.): Avda Larrain 7941, Aerodromo Eulogio, Sanchez-Tobalaba, Santiago, Chile; Phone (2) 273-4357; Fax (2) 273-1937; <http://www.turismochile.cl/helialfa>; Year Founded 1982. Originally founded in 1982, Heli-Alfa is presently the oldest helicopter operator in Chile. A variety of services are provided over the next 15 years, including passenger transport, fire fighting, logging, rescue, and power line work.

Mauricio Gutierrez Manzi is general manager in 2000 and he oversees the flights of 1 Eurocopter SA316B Alouette III, 1 Bell 206B JetRanger, 1 Bell 204 Huey, and 1 fixed-wing Cessna 206.

HELI-EUROPE, S.A.: Belgium (1990–1993). HE is established at Brussels National Airport in the summer of 1990 to provide charter passenger, cargo, and other miscellaneous services. Employing 1 Agusta A109, 1 Bell 206B JetRanger, and 1 McDonnell Douglas MD-500, Heli Europe inaugurates VIP transport, sight-seeing flights, organ transport, cargo express, and aerial photography work in September.

Operations continue apace in 1991–1993. During the latter year, the company identity is changed to CHS (Cilenroc Helicopter Service, S.A.) with Roger and Michael Cornelis as directors.

HELI-GABON, S.A.: Box 240, Aeroport de Port-Gentil, Port Gentil, Gabon; Phone 241-552923; Fax 241-552923; Year Founded 1975. HG is formed at Port Gentil in 1975 as an affiliate of the expanding French rotary-wing operator Heli-Union, S.A. Shareholding is divided between the French concern (75%) and local interests (25%). Revenue operations, largely in support of the local energy industry, commence with equipment leased from Heli-Union.

Operations continue apace over the next quarter century. Airline employment reaches 50 by the 1990s and Operations Manager Michel Jaguelin operates a fleet that includes a combination of Aerospatiale AS-355s, SA-316Bs, SA-315Bs, AS-365N2s, and AS-365C2s.

HELI HONG KONG, LTD. See **HELICOPTERS HONG KONG, LTD.**

HELI-INTER CALEDONIE, S.A.: Aeroport de Noumea-Magenta, Noumea, New Caledonia, French Polynesia; Phone (687) 275925; Fax (687) 275925; <http://www.heli-inter.fr/implantations/caledonie.htm>; Code EC; Year Founded 1996. The newest subsidiary of Heli-Air Riviera, S.A., Heli-Inter Caledonie is established at Noumea, New Caledonia, in 1996 to provide a variety of missions between Grande Terre and the islands of Pins, Ouvea, Lifou, Mare, and to the Province Nord. Employing a pair of Eurocopter AS-350BA Ecureuils, the company offers charter and urgent-need express flights, transport for technicians and other professionals, electrical line installation and surveys, support for mineral exploration, and flight training.

HELI-INTER CARAIBES, S.A.: “Le Privilege” Anse Marcel, Saint Martin, 97150, French West Indies; Phone (0590) 873588; Fax (0590) 873447; <http://www.heli-inter.fr/implantations/caraibes.htm>;

Code EC; Year Founded 1987. A subsidiary of Heli-Inter Riviera, S.A., Heli-Inter Caraibes is established at Saint Martin in 1987 to provide executive and small group passenger flights between the islands of the French West Indies. Over the next 13 years, the concern's 2 Eurocopter AS-350 Ecureuils regularly link St. Martin with Saint Barthelemy and Guadeloupe. They also provide shuttle services between Juliana Airport and major hotels, day tours, and sight-seeing excursions, and EMS services for Saint Martin's major hospital.

HELI-INTER GUYANE, S.A.: Aeroport de Rochambeau, Matoury, 97351, French Guyana; Phone (0594) 356231; Fax (0594) 358256; <http://www.heli-inter.fr/implantations/guyane.htm>; Code EC; Year Founded 1984. A subsidiary of Heli-Inter Riviera, S.A., Heli-Inter Guyane is established in 1984 to provide air transport services linking Kourou with Iles du Salut, Saint-Elie, and Ouanary. In addition to passenger and urgent-express flights, contracts are undertaken with Eurocopter AS-350B Ecureuils for a variety of clients, including the Conseil General, Conseil Regional, Centre Spatial Guyanais de Kourou, France Telecom, EDF, DDE/DDA, Samu de Cayenne, and the police.

HELI-INTER RIVIERA, S.A. (LIGNES REGULIERES TRANSPORT PUBLIC ET TRAVAIL AERIEN PAR HELICOPTERE): Heliport de Cergy, Cergy Pontoise, BP 55-95312, France; Phone 01 (30) 373000; Fax 01 (34) 645527; <http://www.heli-inter.fr>; Code EC; Year Founded 1976. Heli-Inter is established in 1976 by its president, C. A. d'Albronn to provide executive and small group passenger flights around the French Riviera and in French Polynesia. At home over the next quarter century, regularly scheduled flights are offered to Nice from both Cannes and Monaco.

In Polynesia, bases are established at Bora-Bora, Marquises, Moorea, and Tahiti. Regular flights are operated from Aeroport de Bora to the local hotel, from Aeroport de Terre Deserte to the Village de Taiohae on Marquises, and from Faaa Airport on Tahiti to Moorea Beachcomber Parkroyal and Beachcomber Tahiti. Over the decades, a variety of excursion packages are also developed, including “Sunset Champagne” flights.

Subsidiary organizations are also established in Guyane (1984), the French West Indies (1987), and in New Caledonia (1996). To gain wider international recognition and to facilitate interline agreements with major fixed-wing airlines, the company joins the International Air Transport Association. By 2000, Heli-Inter operates a fleet of over 50 Eurocopter helicopters, including Pumas, Ecureuils, and Dauphins.

HELI-MAX, LTD.: 3650 Blvd. de l'Aeroport, Trois-Rivieres Airport, Trois-Rivieres, Quebec G9A 5E1, Canada; Phone (819) 377-3344; Fax (810) 377-3858; <http://www.cgocable.ca/commerce/heli-max/princa.htm>; Year Founded 1976. Heli-Max is established at Trois-Rivieres Airport in 1976 to provide any number of rotary-wing services in Quebec, Ontario, Labrador, and the Northwest Territories. Over the next 22 years, the company engages in mineral exploration and mining, including airport geophysical surveys, drill moves, and camp construction. It also is active in aerial construction, power line construction, forest fire prevention and fighting, aeromedical evacuations, flight-seeing, and aerial photography.

By 2000, President Wilfrid Hamel oversees a fleet that comprises 6 Eurocopter AS350Bs and 6 McDonnell Douglas HC 520 Notars. Heli-Max is the only Notar operator in Canada.

HELI-TRANSPORT, S.A.: France (1990–1994). A scheduled rotary-wing operation, Heli-Transport is based at Cannes. President Jean Claude Van Latem's fleet comprises 4 Aerospatiale AS-350B Ecureuils and 2 AS-313B Alouettes. Flights are undertaken, beginning in the spring of 1990, linking the company's base with Nice, Monaco, St. Tropez, Sophia Antipolis, and Toulon.

The company gains a place in the *Guinness Book of World Records* when Brother Michael Bartlett makes 42 scheduled passenger flights be-

tween Nice, Sophia Antipolis, Monaco, and Cannes in 13 hrs. 33 min. on June 13. The flights represent a record for the most flights in a 24-hour period.

Airline employment in 1991–1993 stands at 34 as flights continue. By the latter year, the fleet has been increased by one Ecureuil and a Bell 205A. Operations cease in 1994.

HELI-UNION, S.A.: 4 Ave. de la Porte de Sevres, Paris, F-75015, France; Phone 33 (1) 4554 9290; Fax 33 (1) 4557-0955; Year Founded 1961. To work off the extra flying hours on his Hiller H-12E, Jean-Claude Roussel, heir to the Roussel-Uclaf pharmaceutical empire, forms this rotary-wing carrier at Paris in 1961 undertake charter flights. The company gains its first oil support in Tunisia in 1964, which mission is executed with Aerospatiale SA-318 Alouette IIs. Heli-Union France is established as a subsidiary at Grenoble, in the southeastern part of the nation, to handle logging, power line construction, and short-range charters. These North African and domestic flights continue apace until founder Roussel is killed in 1972 when his helicopter hits a power line.

When the 1973 oil crisis brings an increase in energy exploration activities, company operations increase. Revenues increase from \$2.6 million to \$13.3 million in just five years at an annual growth rate of 46%.

The affiliate **Heli-Gabon, S.A.** is set up at Port-Gentil in 1975 while another subsidiary, **Nile Delta Air Service, Ltd.**, is established at Cairo in 1976.

Meanwhile, in 1977, a total of 26,800 flight hours are flown. The company enters into a joint venture in 1978 with Petrol Vietnam and begins to provide rotary-wing support for Western oil concerns that become involved in offshore exploration.

Another energy crisis in 1979 brings more work and revenues through 1981 double again to \$30.8 million. In need of additional capitalization, founder Roussel's heirs sell the company to the Worms Financial Group. Heli-Union, S.A. is now a major helicopter operator, providing contract and charter services, primarily in support of the energy industry, in France and through subsidiaries in Africa, Brazil, Italy, and Vietnam. Vietnam's conflict with Cambodia and continuing political difficulties with the U.S. lead to an American trade embargo that requires Heli-Union, S.A.'s withdrawal.

Operations continue apace in 1982 and for just on onshore and offshore oil activities, a total of 40,123 flight hours are flown. In 1983, Europe's largest privately owned flight school is established at Tarbes, in southwestern France, to train corporate personnel and to provide helicopter training for clients from around the world. A total of 45,500 flight hours are operated on the year, with oil support flight hours (70% of company business) down to 31,968.

In 1984, Heli-Union France provides 15% of corporate income and the flight school offers up another 15%; the remaining 70% comes from foreign subsidiaries. At this point, these diversely located concerns include **Nile Delta Air Service, Ltd.** in Egypt, **Cambel** in Cameroon, **Helivifra** in Vietnam, **Elitos S.p.A.** in Italy, and **Helicopteros Marinos, S.A.** in Argentina. A subsidiary is established at Nuremberg, Germany, and it undertakes as its first contract aerial forest spraying for the government of Bad Wurtemberg. Under these arrangements, the French company wet-leases helicopters, pilots, spare parts, and maintenance personnel to its clients. Another subsidiary, **Cameroon Helicopters, S.A.**, is established in Cameroon, with Heli-Union leasing to it a single SA-318C Alouette II.

The fleet in 1985 includes 121 rotary-wing aircraft: 2 Sikorsky S-76s, 2 S-61Ns, 26 Aerospatiale AS-365 Dauphins, 19 SA-316B/319B Alouette IIIs, 24 SA-313B/318C Alouette IIs, 14 SA-330J Pumas, 12 SA-315B Lamas, 7 SA-341G Gazelles, 4 AS-355F Ecureuil 2s, 4 AS-350 Ecureuils, 1 Augusta 109A, 2 Bell 206B JetRangers, 1 412, one 222, and 2 Messerschmitt-Boelkow-Blohm BO-105s.

During the year, Vietnam's Service Flight Corporation (SFC), the national helicopter corporation, acquires a Puma and signs a contract with Heli-Union to maintain it. The arrangement returns the French line to Southeast Asia four years after its exit.

During the first quarter of 1986, an S-76 is leased to Turbomeca, which equips it with one of its Arriel 1S engines. Later in the year, the **Nile Delta Air Service, Ltd.** is shut down.

Following a test program, the S-76 tested by Turbomeca the previous year is sent out to Tunisia in 1987 for use on an offshore support contract. During the year, a new Heli-Union Industries maintenance subsidiary is established at Toussus-le-Noble, a Paris suburb.

The 25th anniversary of the company's mountain subsidiary, which flies 15 helicopters, is celebrated on June 3, 1988. Heli-Union fleet totals 129 aircraft and revenues through the first 3 quarters are \$53 million. In October, the launch customer for the Turbomeca Arriel-equipped S-76A+ increases its fleet to five, sending two to perform offshore support in Africa's Republic of Gabon. Late in the year, the company enters the helicopter brokerage business and a second Puma and support contract are taken by Vietnam's SFC.

Now France's largest commercial helicopter operator, Heli-Union begins Sikorsky S-76A+ VIP charters in the Paris area during the first quarter of 1989. The new Heli-Union Ecuador, S.A. subsidiary is established at Quito with 49% shareholding. Another new associate is **Cruzio Taxi Aereo, S.A.** of Brazil. In Europe, a Heli-Union Deutschland, GmbH. is established.

In April, a partnership is established with **Vendee Helicopters, S.A.**, based on the island of Yeu in the Bay of Biscay. The company is renamed **Oya Helicopters, S.A.** and, by August, with the Paris-based line's help, is transporting 1,700 passengers per month. Revenues for the year total \$73.8 million.

Excluding its subsidiaries, company employment stands at 200 in 1990 and the fleet now includes 91, mostly Aerospatiale, helicopters: 15 Alouette IIIs, 20 Lamas, 1 Gazelle, 5 Ecureuils, 10 Ecureuil 2s, 10 Alouette IIs, 6 Pumas, 17 Dauphins, and 7 Sikorsky S-76s.

The company continues its offshore oil support mission and, by late spring, operates or contracts helicopters for companies exploring or developing resources near Gabon, Angola, Cameroon, Congo, Guinea-Bissau, Tunisia, and Madagascar in Africa; Brazil, Argentina, and Ecuador in South America; and Vietnam, Yemen, and Burma in Asia.

The contract with the former colony of Vietnam is part of a joint venture operation, **Helivifra**, established with Petrol Vietnam and Service Flight Corps (SFC) to service the exploration efforts of Shell Oil and Total Oil.

Despite the political turmoil, four helicopters find exploratory work in Burma profitable. Operations continue apace during the remainder of the year; however, the company suffers a fiscal downturn.

In July 1991, the Worms financial service sells its 80% shareholding to another Heli-Union investor, **Compagnie Francaise de Navigation, S.A.**, which now owns a 90% stake. Christophe Marcilhacy becomes general manager and operations continue apace during the remainder of the year and throughout 1992.

In January 1993, the Vietnamese joint venture company **Helivifra** subcontracts with Norway's **Helikopter Service, A.S.** for the wet-lease of a Eurocopter (formerly Aerospatiale) AS-332L Super Puma. It will support a BP/Statoil drilling ship and rig working 200 nm. offshore in the South China Sea. Meanwhile, from a base at Vung Tau, 62 mi. S of Ho Chi Minh City, Heli-Union operates a supporting Puma. Another Puma and an AS-365 Dauphin fly from Da Nang while a third Puma supports the Japanese company Idemitsu's exploratory work to the north. During the spring, **Helivifra** begins to support a second HS Super Puma, which flies on contract with the Arabian Energy Development Corporation (AEDC).

Beginning in August, a \$5-million contract is signed between **Helivifra** and Australia's BHPP. With maintenance support from Heli-Union, S.A. and ground support from SFC, an HS AS-332L Super Puma is dispatched to support the Australian drilling efforts in the Dai Hung field. In September, a similar arrangement is entered into between the Vietnamese, Norwegian, and French partners with the Korea Petroleum Development Corporation. Another HS Super Puma begins flying this support at year's end.

Managing Director Maricilhacy's fleet in **1994** includes 5 Eurocopter AS-313Bs, 14 each SA-318s and SA-315Bs, 8 SA-316Bs, 7 SA-330Js, 6 AS-350Bs, 6 AS-355Fs, 19 AS-365Cs, 4 SA-365Ns, and 4 Sikorsky S-76s. In Germany, the Heli-Union Deutschland, GmbH, subsidiary, under the leadership of General Manager Wolfgang Zagel, has grown large enough to operate a fleet of 3 Bell 206B JetRangers, and 1 each Eurocopter AS-350B, AS-350B2, SA-315B, Bell 206L LongRanger, Hiller UH-12T, Robinson R-22, and Hughes 269.

Ordered earlier in the year, the first two AS-355L Super Puma Mk. IIs are delivered to Helivifra on December 12.

Flights continue in **1995–2000**. During the latter year, General Manager Maricilhacy's fleet includes 1 each Eurocopter AS-350B, and SA-355F, 3 each SA-316Bs and AS-365N2s, 2 each SA-318Bs and Bell 76s, and 13 SA-315Bs.

HELI-UNION DEUTSCHLAND, GmbH. See HELI UNION, S.A.

HELIAVIA (TRANSPORTE AEREO, LTDA.): Lisbon Airport, Lisbon, P-1709, Portugal; Phone 351 (1) 847 47 16; Fax 351 (1) 847 50 42; Year Founded 1971. Helavia is formed at Lisbon Airport in **1971** to provide both fixed-wing and rotary-wing executive and small group passenger charters and express flights throughout Europe. By **2000** the company operates 1 each Dassault Falcon 20F and Falcon 50, 1 Cessna 337G Super Skymaster, and 1 Aerospatiale AS-350B Ecureuil helicopter.

HELICOL (HELICOPTEROS NACIONALES DE COLOMBIA, S.A.): CRA 13, No 2B-17, 6th Floor, Bogota, DE, Colombia; Phone 57 (1) 287-6030; Fax 57 (1) 413-8716; Year Founded 1957. Helicol is established at Bogota in **1957** to provide nonscheduled passenger and cargo charters, air taxi services, air ambulance, mining, timbering, and oil industry support services. A subsidiary of **AVIANCA Colombia Airlines (Aerovias Nacionales de Colombia, S.A.)**, Helicol employs three Bell 47Gs on a contract to lay oil pipeline linking the coast with the new petroleum-producing field near Puerto Assis.

During the **1960s** and **1970s**, Helicol becomes known for its work with pipelines, oil and mineral prospecting, logging, training, cargo charters, maintenance, and agricultural support; contracts are offered and accepted in Panama, Brazil, Peru, Costa Rica, Argentina, El Salvador, and Ecuador. The line's international work falls off significantly at decade's end as the continent's newer military governments assign their own pilots to the civil helicopter work previously flown by Helicol.

During the **1980s**, the 280-employee Helicol flies both fixed- and rotary-wing aircraft, including 6 de Havilland Canada DHC-6 Twin Otters, 3 Bell 206B JetRangers, 3 Bell 205s, and 4 Bell 204s.

The fleet is continuously increased and, by **1989** features 1 Bell 204B, 2 Bell 205As, 3 Bell 206B JetRangers, 5 Bell 206L LongRangers, 4 Bell 212s, 3 owned and 2 leased de Havilland Canada DHC-6-300 Twin Otters, 2 Grumman G-159 Gulfstream Is, and 2 Israel Aircraft Industry IAI 1124 Westwinds.

In January, **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** presides over the creation of Association Colombiana de Operadores Helicopteros, S.A., a cartel designed to compete for legitimate business divorced from the drug trade. In addition to Helicol, four other operators become members, including Bogota-based **Helitaxi, S.A.**, **Aeroexpreso Bogota, S.A.**, and **Helivalle, S.A.**, plus **Lineas Aereas Petroleras, S.A.** at Entrada.

The fleet is increased in **1990** by the addition of an Aerospatiale AS-355F Ecureuil II, a G-1159 Gulfstream II, two G-159 Gulfstream Is, and an IAI 1124A Westwind.

While on a charter service on February 5, a G-159 Gulfstream I with 4 crew and 11 passengers, crashes into Mt. El Saludo, Colombia; there are no survivors. Just after landing at Monteria on May 2, a chartered Gulfstream I, with four crew and two passengers, overruns the runway by 95 m.; there are no fatalities.

As an incident in the country's continuing guerrilla war, company officials are able to persuade kidnappers to return unharmed both a Bell 206B JetRanger and the hostages they are threatening.

An Aerospatiale AS-350B Ecureuil arrives in **1991**, along with three DHC-7-102s operated for Carbocol. Terrorists firebomb a Bell 47G, which is replaced. While on a scheduled service, a DHC-7-102 with two crew and a passenger collides with a hill near El Yopal on July 4; there are no survivors.

Operations continue apace in **1992–1993** and the fleet now includes 2 Dash-7s, 2 Bell JetRangers, 1 Bell 204B, 2 Bell 205Bs, and 1 Bell 412.

In **1994–1995**, the fleet is increased by the addition of 12 leased Russian-made Mil Mi-8 helicopters. Business continues uninterrupted in **1996–2000**, during which years President Nicanor Isaza's concern operates not only the 12 Russian helicopters, but also 1 Bell 204B, 2 Bell 205Bs, 1 Bell 47G, 4 Bell 206L LongRangers, and 1 Ecureuil.

HELICOPTER AIR SERVICES (HAS): United States (1949–1956). Selected by the CAB to operate local mail routes in the Windy City area, HAS, the nation's second helicopter mail shuttle, is founded at Midway airport in the summer of **1949**.

Employing 6 Bell Model 47s, the rotary-wing operator commences scheduled flights on August 20 linking its base 18 times per day with the downtown Post Office. In addition, 3 roundtrips per day are flown to up-wards of 34 suburban heliports. Over the next 5 years, a total of some 700,000 tons of mail is transported.

After seven years service, it is decided, with CAB backing, that the company should expand into the transport of passengers. Reorganized and upgraded with three Sikorsky S-55s, the operator is renamed **Chicago Helicopter Airways** on August 20, **1956**.

HELICOPTER FLIGHT SERVICES: 421 East 60th Street, New York, New York 10022, United States; Phone (212) 355-0801; Fax (212) 355-0950; <http://www.hfiavserv.rotor.com>; Year Founded 1993. This rotary-wing concern is established in **1993** to provide flights from the local heliport to the city's major airports and a few other commercial destinations. By **2000**, the company employs three pilots and operates one each Bell 206B JetRanger and Bell 206L LongRanger.

THE HELICOPTER LINE, LTD.: P.O. Box 16, Dunedin, New Zealand; Phone 64 (24) 776829; Fax 64 (24) 779987; <http://www.discover.co.nz/thlintro.html>; Year Founded 1965.

The charter operator **Alpine Helicopters, Ltd.** is formed by Walter Reid Jackson at Queenstown in **1965** to provide on-demand flights into the bush for deer hunters. Operations begin in **1966** with 2 Bell Model 47s and 1 Hiller H-12E. As demand increases during **1967–1984**, the company, during the latter year, elects to join with **Whirl-Wide Helicopters, Ltd.** (in which it holds a 50% stake) and its **Wishart Helicopters, Ltd.** subsidiary in the formation of a holding company named **The Helicopter Line, Ltd.** The new entity coordinates operations through three divisions, which retain the names of the three formerly independent operations, under the direction of Chairman Jackson and the new managing director, Graham Gosney of **Whirl-Wide Helicopters, Ltd.** A fleet of 14 Hughes 500Cs, 18 Bell 206B JetRangers, and 2 Aerospatiale AS-350B Ecureuils is assembled as the company employs an overall logo in marketing, management, and maintenance from three bases at Queenstown, Wanaka, and Te Anau.

During **1985–1986**, operations are increased to include mineral and mine location surveys, sight-seeing over the mountain ranges of the South Island, airlift of Skiers Queenstown–Cardrona and Coronet Peak, agricultural spraying, etc. Airline employment climbs to 120, a Cessna 182, 206, and 210, a Mitsubishi MU-2, and a Piper PA-31-310 Navajo are acquired for internal services among the branches, the Navajo also being employed for charters under the name of a new subsidiary, **Air Timaru, Ltd.** During the latter year, the joint venture officially becomes a single corporate entity and increases capitalization through the issuance of 8 million shares of common stock.

A total of 62,000 passengers are flown.

In late **1987**, two Bell 212s are leased from the Australian subsidiary of **Bristow Helicopters, Ltd.** by the Whirlwind Division; they are employed to operate contract services in support of New Zealand's oil company, Petra Corporation.

Enplanements climb to 80,000 and revenues for the year total NZ\$5.9 million.

The fleet in **1988** includes 4 Ecureuils, 5 McDonnell Douglas 500Ds, 4 Soloy/Hiller UH-12Es, and 20 Bell 206B JetRangers.

To assist its tourist and transport business, the company purchases 54% interest in the Treble Cone Ski Field, at Wanaka, on the South Island. Operations continue apace without incident over the remainder of the decade and into the **1990s**.

By **1994**, Managing Director Graham Gosney oversees operations from bases at Auckland, Timaru, and Queenstown. His fleet includes 12 Eurocopter AS-350Bs, 2 AS-355s, 2 Bell 206B JetRangers, 3 McDonnell Douglas MD-500Ds, and 2 MBB BK-117s. In October, the company suffers two fatal crashes during sight-seeing flights. The first occurs on October 11 when a Eurocopter AS-350 crashes into the sea off the Coromandel Peninsula (two dead). Seven are killed when another AS-350 smashes into a mountain on the South Island on October 29.

Flights continue largely without incident or fleet change during the remainder of the decade. A homepage, opened on the World Wide Web in **1997**, is updated on October 12, **2000**.

HELICOPTER RESOURCES (PTY.), LTD.: Western Port Airfield, 110 Stuart Road, Tyabb, Victoria, 3913, Australia; Phone 59 774506; Fax 59 774491; Year Founded 1970.

Established at Tyabb, south of Melbourne, in **1970**, this rotary-wing operator will win its niche as a specialist in helicopter services ranging from construction and agriculture to support of offshore oil and gas exploration ventures. Like **Helicopters (NZ), Ltd.**, it will become known for its work in Antarctica.

The company makes its first visit to Antarctica in **1975**. In the 30 years thereafter, the company returns during every southern summer to support the work of government and private expeditions, not only from Australia, but from China, Germany, Italy, and Pakistan as well.

By **1994**, Managing Director William J. English and his chief pilot, Leigh Hornsby, oversee the work of 7 Aerospatiale AS-350Bs, 5 Bell 206B JetRangers, and 4 Sikorsky S-76s. In July, the company contracts to provide S-76 support for the annual expedition of the Australian National Antarctic Research Expedition (ANARE); this will be the company's first use of twin-turbine helicopters in on behalf of ANARE. Following several weeks of trials aboard ANARE's mother ship *RSV Aurora Australia*, Hornsby and two float-equipped Sikorskys sail south from Hobart on August 31.

After a 10-day voyage, the ship arrives in Antarctic waters. From points offshore, the two helicopters begin a process of resupplying the three ANARE bases. On scene, they are based at Davis, on Prydz Bay on the Davis Coast, from which they fly various resupply missions.

The most spectacular use of the S-76s comes in November when both are taken back aboard the *RSV Aurora Australia*, which steams 760 nm. to retrieve a stricken worker from the Casey base. The helicopters cut a day off the mission by flying to land from the ship.

After seven months work, the ANARE expedition is completed and returns to Hobart.

The company continues its domestic services in **1995–2000**, including air taxi, charter, air ambulance, marine pilot transfer, forest fire control, and offshore energy support. Although one S-76 is withdrawn, the company and its 40 employees continue to accept contracts that take many of them on summer trips to Antarctica.

HELICOPTER SERVICE OF ICELAND, H.F.: P.O. Box 3146, By Skeljana Roads, Hangar 14, Reykjavik Airport, Reykjavik, 123, Iceland; Phone 354-561-6100; Fax 354-561-6122; http://www.helicopter.is; Year Founded 1988. HIS is established at Reykjavik in

1988 to provide sight-seeing, air taxi, aerial filming, air ambulance, and sling work. Additionally, scientific and exploration teams visiting the nation's geysers are also accommodated. By **2000**, the fleet includes both Bell 206L LongRangers and Schweizer 300Cs.

HELICOPTER SERVICES (BOP), LTD.: Tempo, New Zealand; Phone 64 (7) 378-8074; Fax 64 (7) 378-0468; http://www.heliserv.co.nz; Year Founded 1984. Former **Helicopters (NZ), Ltd.** pilot John Funnell establishes this company in **1984** and is soon involved as search controller in the Turangi area, seeking a missing aircraft transporting the managing director and another official of Philips (NZ), Ltd. After a week, the official search ends; however, Funnell and others continue the effort privately in what would become the most comprehensive private search in New Zealand history. Eventually, when weather over the area clears, the aircraft is found. In appreciation of the dedication of all concerned, Philips creates the Philips Search and Rescue Trust (PSRT), which will contract with Helicopter Services (BOP), Ltd. to supply helicopters as needed. A total of 30 calls for assistance are answered during the remainder of the year.

In the years that follow, Funnell's helicopters operate frequent search and rescue (SAR) missions and air ambulance flights. In October **1987**, the PSRT is asked to fund a fully dedicated medevac air ambulance helicopter for Hamilton's Waikato Hospital to provide patient lift from the communities of Taupo, Taumarunui, Thames, Gisborne, and New Plymouth. The successful implementation of this service encourages Palmerston North Hospital to seek funding for a helicopter of its own, which begins flying in November **1989**. Two part-time helicopter services will later operate from Taupo and within a decade, over 2,700 missions will have been completed.

In addition to its air ambulance flights, Helicopter Services (BOP), Ltd. now becomes involve in the provision of selective heli-logging services throughout the country. In an effort to provide creative logging without the environmental destruction caused by traditional logging roads, a revolutionary proposal is made to the state-owned Timberlands West Coast, Ltd. on the South Island. The approved idea sees Heli Harvest, Ltd., a new joint-venture concern owned on a fifty-fifty basis by Helicopter Services (BOP), Ltd. and Rural Aviation (1963), Ltd. The operation takes out trees from approved areas employing two wet-leased Mi-17s, closely monitored by the Mil Design Bureau from Moscow.

Both the air ambulance and heli-logging activities continue into the new millennium and are reviewed on the company's new homepage on the World Wide Web.

HELICOPTER SERVICES OF NEVADA. See SUNDANCE HELICOPTERS

HELICOPTER SEYCHELLES, LTD.: P.O. Box 595, Victoria, Seychelles; Phone 375400; Fax 373792; http://helico.seychelles.com; Year Founded 1992. The idea of a helicopter service in the Seychelles comes from Frederic Kelley, the South African owner of Cousine Island and several other local concerns, such as the Seychelles Shipping Line, Ltd. and Gondwana Granite. In June **1992**, he hires Capt. Vic Davies to deliver a single Bell 206B JetRanger III with which to begin a helicopter service named for the islands.

With backing from Dr. Selwyn Gendron's Gondwana Enterprises, Ltd., Capt. Davies is able to gradually attract business, beginning with helicopter transfers to the tourist establishments at Silhouette, La Digue, and Felicite Islands. Over the next eight years, an expatriate pilot and engineer corps is appointed, along with a Seychelles staff. The company purchases a second JetRanger and offers air taxi and flight-seeing to any of the nation's 87 islands. It also engages in the support of aerial photography, construction in remote areas (principally through out-sized load lifts), the provision of medevac and air ambulance flights, and search and rescue at sea.

Employment stands at 19 at the beginning of **2000** and a third Bell 206B JetRanger III is delivered in February to accommodate demand

created by the new Fregate Island Private Lemuria Resort. On March 1, Capt. Davies and his wife retire to Ireland. He is succeeded by Capt. Rick Dooley. By now, the company has become sufficiently prominent for its profile to appear in *The Seychelles Review* 5 (February–March 2000).

HELICOPTER TRANSPORT SERVICES: 701 Wilson Point Road, Box E, Martin State Airport, Baltimore, Maryland 21220, United States; Phone (410) 391-7722; Fax (410) 686-4507; <http://www.htsc.ca>; Year Founded 1998. The trans-border HTS is established at Baltimore's Martin State Airport in the spring of 1998 to coordinate the activities of divisions in both the U.S. and Canada. In the U.S., divisions are established at Chicago (ORD), Cleveland's Lake Burkfront Airport, the airport at Norfolk, Virginia, and at Northeast Philadelphia Airport. The Canadian unit, built around recently acquired Huisson Aviation (1989), Ltd., maintains bases at Carp, Kenora, Moosonee, Timmins, Sudbury, and Markham in Ontario and Sept-Iles, Quebec.

Services provided by the various units include executive passenger charters, sight-seeing, medevac/air ambulance flights (including service from Carp, Moosonee, and Kenora for the Ontario Ministry of Health), aerial photography, heavy lift and general crane activities, forestry reconnaissance and airborne geophysical surveys, police aviation, and electronic news gathering. The various units are dealers and/or authorized maintenance centers for all the major helicopter manufacturers and provides training at several locations.

Michael Aslaksen is executive vice president/chief operating officer in 2000 and oversees the activities of a large fleet that includes a mix of Sikorsky S-76s, Bell 222s, Bell 212s, Bell 205A-1s, Bell 407s, and Eurocopter AS-350B-1 Astars. In addition, one each Sikorsky S-61N and S-61 provide heavy lift and corporate charter services and three Schweizer 300 helicopters are operated for the Baltimore Police Department.

HELICOPTEROS, S.A. (HELICSA): Musgo 3, Urbanizacion La Florida (Aravaca), Madrid, 28023, Spain; Phone 34 (1) 307-6768; Fax 34 (1) 307-6049; Year Founded 1988. Helicopteros is established at Madrid in 1988 to provide aerial work and charters, including passenger and cargo flights, aerial photography, agricultural applications, construction, fire fighting, search and rescue (SAR), medevac, and other activities. It also becomes an authorized service center for Aerospatiale, Bell, and Sikorsky helicopters employed throughout Spain.

By 1990, the concern is a market leader in Spain and owns 40 helicopters. Ownership is divided between Spanish shareholders (66%) and Schreiner Aviation Group of the Netherlands.

During the summer of 1992, the Spanish journal *Expansion* reports that **Helikopter Services, A.S.** will acquire a 66% majority stake. In fact, the October 16 issue notes that the stake taken will be 33%—equal to Schreiner's share.

Jaime Arque is general manager in 1994 and his fleet includes 3 SA-365C Dauphins, 2 each SA-319Bs and SA-316Bs, 5 Agusta-Bell 47Gs, 2 Sikorsky S-58Ts, 7 Bell 204s, and 3 Bell 212s.

Service continues apace in 1995–1999, during which years the SA-319Bs, SA-316Bs, Bell 204s, and S-58s, plus five Bell 204s and two Agusta-Bell 47Gs, are replaced with two more Dauphins, seven AS-350Bs, five Sikorsky S-61Ns, and four Eurocopter BO-105s.

On January 28, 2000, **Canadian Helicopter Corporation (CHC)** sells the 33% stake acquired by **Helikopter Services, A.S.** in 1992 back to Helicoptereros, S.A. and **Schriener Airways, B.V.** for C\$6.8 million.

HELICOPTEROS DEL SURESTE, S.A.: Urbanization La Font-1, San Juan Alicante, 03550, Spain; Phone (6) 566-3835; Fax (6) 566-5924; <http://www.helisureste.com>; Code UV; Year Founded 1973. Originally established in 1973 as **Trabajos Aereos Bonny, S.A.**, and a part of the Office of Civil Aviation for Private Air Operations, Sureste is reformed into a public firm and renamed 10 years later. During its pioneering years and throughout the 1980s, the carrier engages in a wide

variety of aerial work, beginning with agricultural insecticide spraying, crop sowing, and forest fertilization. Other activities soon added include aerial photography, flight training, and passenger charters. Beginning in 1982, the company undertakes rescue services for the provinces of Alicante, Murcia, Valencia, and in Extremadura. In the years following, the company will be applauded for its emergency rescue work carried out during floods in Alicante, Murcia, Valencia, and Badajoz.

Sling-load forest fire control contracts are undertaken annually after 1984. The first forest-fire flights are made in the Valencian community and over the next 16 years, company Bells will clock over 25,000 flight hours and release over 60 million liters of water while battling blazes.

Luis Minano San Valero is managing director as the 1990s begin and his fleet includes 3 Agusta/Bell AB 206B III JetRangers, 4 August A-109s, 6 Bell 206L LongRangers, 2 Bell 412s, and 1 Bell 212.

On behalf of various Spanish government agencies, the company, in 1990, develops a system of geo-referenced aerial photographs that allows it to monitor and survey the state or development of forest fires from a central control center in real time. Long-range helicopters or light aircraft can be outfitted with this equipment.

In 1992, a modern base is set up at Alicante. Provision is made there for helicopter parking, hangars, workshops, operations offices, and training facilities. During the year, the Secretaria General de Pesca Maritima of the Spanish Ministry of Agriculture, Fishing, and Foods awards a contract to Helicopteros del Sureste to maintain and operate its fleet of three Agusta 109Cs. Over the next 18 years, Sureste will log over 6,500 flight hours for this government body, including 3,200 fishery patrol operations along the Spanish coast.

On January 1, 1993, the maintenance shops are certified for JAR-145 repair work. On April 1, 1996, the company inaugurates four-times-a-day scheduled Bell 412 return service between Ceuta, an enclave on the North African coast, and Malaga. Enplanements on the route will average 12,000 per year.

Flights continue during the remainder of the decade as the operator becomes one of the largest helicopter operators in Spain. In 1997, a Beech Super King Air 200 is acquired and in collaboration with Seville-based Transportes Aereos del Sur, S.A., flies organ transplant missions around the country. The Beech is also employed for patient transfers. A Bell 206 is equipped with the Wescam System that allows it to provide television images, particularly of sporting events.

In 1998, Sureste becomes the first Spanish aerial company to accept foreign contracts. In July, a Bell 212 is stationed in South Portugal to perform to provide EMS flights. A Kamov Ka-32 helicopter is leased from Russia and is employed to provide heavy-lift for various construction projects.

On December 31, the company operates its 85,000th flying hour.

During the spring of 1999, two new bases are opened in Portugal (Lisbon and Porto) and aerial ambulance service is provided under contract to the Instituto Nacional de Emergencias Medicas. Also during the year, Sureste is contracted by the Spanish Emergency Medical Services to establish a nationwide 24-hour, 7-days-a-week air ambulance service. A total of 14 Bell helicopters equipped with the latest medical instruments are assigned to this important duty.

The fleet in 2000 includes 6 Bell 412s, 4 Bell 212s, 10 Agusta 109s, 7 Bell 206L LongRangers, 1 Bell 205, and 1 Ka-32.

On October 1, plans are announced for the introduction in February of scheduled Bell 412 roundtrips between Gran Canaria and Santa Cruz de Tenerife. One-way fares will be about \$180.

HELICOPTEROS MARINOS, S.A.: Panamericana y Cno Moron, Cno Real L 54, Boulogne, Buenos Aires, 1605, Argentina; Phone 54 (1) 741-4718; Fax 54 (1) 748-6886; Year Founded 1985. HM is formed during 1985 to provide aerial support services to the offshore oil exploration industry from a base at Tierra del Fuego island. Minority financial control (40%) is held by the French rotary-wing giant **Heli-Union, S.A.**, which also holds a management contract.

The carrier acquires a pair of Sikorsky S-61Ns and six Aerospatiale AS-318C Alouette IIs. The French provide pilots, maintenance personnel, and spare parts under a wet-lease arrangement that also wet-leases the company two AS-350B Ecureuils, two SA-365 Dauphins, and an SA-315B Lama.

Operations continue apace over the next 15 years, during which time Raul van Sanchez becomes president and his fleet includes 3 Lamas and 3 Dauphins.

HELICOPTERS AUSTRALIA (PTY.), LTD.: P.O. Box 263, Belmont, Western Australia, 6984, Australia; Phone (09) 9277 8399; Fax (09) 9479 1008; <http://www.helicopters.com.au>; Year Founded 1980. HA is incorporated at Perth on August 11, 1980 to provide passenger and cargo charters in and around the city. The first contract, started in November, is with STW Channel 9 television news.

During the next three years, the company, employing 4 Bell 206B JetRangers, is engaged by the State Emergency Commission of Western Australia to provide helicopter support and transportation service for the construction and maintenance of a gas pipeline from Dampier to Perth. The contract will be retained.

Beginning under an April 1984 contract, Helicopters Australia provides marine pilot transfer service at Port Walcott, near Karratha, in Western Australia. From the time it is formed in 1985 until it is disbanded in 1988, the company provides lift for Perth's Surf Lifesaving Helicopter Rescue Service. Simultaneously, the company undertakes to fly Perth's Police Westpac Rescue Helicopter (PWRH) service.

At the end of the 1980s, the company is merged with **Helicopters (NZ), Ltd.** in order to consolidate the two companies' activities in Indochina and to allow Helicopters Australia access to Helicopters (NZ)'s offshore experience and expertise.

The PWRH service is concluded in May 1992.

The contract to operate marine pilot transfer service at Port Walcott ends in February 1993. In December, the company is awarded a five-year contract to supply aircrew to act as copilots for Esso Australia, Ltd. in the Bass Strait.

A new five-year contract to operate marine pilot transfer service at Port Walcott is secured in June 1995. Also during the year, the company receives a five-year contract to support the Australian Antarctic Division, Department of the Environment, Sport and Territories on the frozen continent with a Sikorsky S-76A+ and two Aerospatiale AS350B Ecureuils.

In 1996, the company begins a forest and timber inventory on behalf of the Department of Conservation and Land Management of Western Australia. The service complements a long-standing contract with the bureau for fire spotting and reporting, aerial mapping, and aerial photography.

Flights continue in 1997–2000. Managing Director Dennis Troup's fleet now includes 4 JetRangers, 2 Ecureuils, and 1 Sikorsky S-76A+.

HELICOPTERS HONG KONG, LTD. (HELI HONG KONG): Penthouse 39F, Shun Tak Centre, 200 Connaught Rd. C, Hong Kong; Phone (852) 2573-8882; Fax (852) 2573-3878; <http://www.helihongkong.com/hhkhome.htm>; Year Founded 1996. HHK is incorporated in 1996 to provide charter helicopter services in Hong Kong. Revenue flights commence with a single Bell 206B JetRanger.

In May 1997, HHK receives an air operator's certificate for scheduled public transport; it is only the seventh such document issued in Hong Kong over the past 50 years. During the remainder of the month through the changeover in sovereignty of the British crown colony to China in July, the Bell is in demand by news organizations from China and the U.S.

With most of Hong Kong's helicopter passengers flying with **East Asia Airlines (Pty.), Ltd.**, Heli Hong Kong, after the political change and through 1998, continues to emphasize its expertise with aerial surveying, corporate and other charters, and helicopter tours. Particular destinations favored by flight-seeing clients are The Great Buddha, the Outlying Islands, Victoria Harbour, and the Tsing Ma Bridge.

Early in 1999, HHK acquires **East Asia**, which it will continue to operate as an affiliate under its own name. The two companies join together to open a homepage on the World Wide Web and HHK takes over one of **East Asia's** new Sikorsky S-76C+s.

HELICOPTERS (NZ), LTD.: Private Bag 9, Nelson, New Zealand; Phone 64 (3) 547-5598; <http://www.icairiac.org.nz/logistics/hnz.helo.html>; Year Founded 1955. Originally established with Bell 47Gs at Nelson in 1955, Helicopters (NZ) will win its niche as a specialist in rotary-wing services ranging from construction and agriculture to support of offshore oil and gas exploration ventures. Like **Helicopter Resources (Pty.), Ltd.** in Australia, it will become known for its work in Antarctica.

The company makes its first visit to Antarctica in 1979. In the 30 years thereafter, the company returns during every southern summer to support the work of government and private expeditions. Eurocopter AS350B Squirrels, Bell 206B JetRangers, and Bell 212s are regularly disassembled and sent to the frozen continent aboard ships or Lockheed Hercules transport aircraft.

Services continue apace during the 1980s and into the 1990s. At the end of the 1980s, the company is merged with **Helicopters Australia (Pty.), Ltd.** in order that the Australian firm might access the NZ operator's offshore experience and expertise.

P. Tait is managing director in 1997–2000 and he deploys a fleet of 12 Squirrels, 2 each Bell 212s and JetRangers, and 1 SA-315B.

Service is maintained in Antarctica while a contract is obtained to supply helicopters to Shell for that energy firm's Maui field activities.

HELICOPTERS VICTORIA (PTY.), LTD.: Melbourne, Victoria, Australia; Phone 61 396295542; Fax 61 394847522; <http://www.helivic.com.au>; Year Founded 1989. Capt. David Sewell establishes this small concern at Melbourne in 1989 to provide corporate air transport and search and rescue facilities. Over the next 11 years, contracts are accepted to provide Agusta 109C flights on behalf of local and federal government, corporate, and private sector agencies and groups to a variety of destinations in Victoria, New South Wales, Tasmania, and South Australia.

When participants in the Sydney to Hobart Yacht Race are caught in bad weather in the spring of 1999, Capt. Sewell is one of the first to respond. His life-saving intervention will result in a special award in May from American Helicopter Society International.

HELIFRANCE, S.A.: Heliport de Paris, 4 Ave. de la Porte de Sevres, Paris, F-75015, France; Phone 33 (01) 4554 9511; Fax 33 (01) 4554 0107; <http://www.helifrance.com>; Year Founded 1982. With support from **Air France**, **Air Inter**, and **Aéroports de Paris**, HeliFrance, S.A. is formed by Joel Bastien in 1982 to provide scheduled city-to-airport shuttle service, the only such link in France. Simultaneously, rotary-wing charters are inaugurated. A slight \$200,000 profit belies the fiscal difficulties to follow when scheduled flights are inaugurated. Service launch is held up in 1983 as government units consider noise and environmental implications.

With two Aerospatiale SA-365C Dauphins leased from their manufacturer, Paris (CDG and ORY) service is begun by President Bastien's carrier on March 23, 1984. The commuter is only authorized to operate visual flight rules (VFR) flights and, unhappily, weather causes HeliFrance, S.A. to stand down on 83 of 310 days through year's end.

Still, a total of 8,361 passengers are carried. Total revenues of \$298,000 are earned, but expenses are \$894,000, resulting in a \$596,000 loss. Services continue as does the search effort to find additional subsidiary sources.

Four AS-350B Ecureuils and an AS-355F TwinStar are acquired and placed in service in 1985–1986 alongside of the carrier's two replacement Aerospatiale AS-365N Dauphins. A total of 11,000 passengers are flown in 800 revenue hours during the former year. Having served as the company's handling agent for two years, **Air France** breaks its agreement in March of the latter year.

HeliFrance, S.A. is able to start all-weather, half-hour instrument flight rules (IFR) roundtrips between the city's two major airports in **1987**. Beginning on May 3, **1988**, the company offers a twice-daily Ecureuil service from Paris (CDG) to La Evry, La Defense, and St. Quentin en Yvelines, high-rise business districts south and west of Paris. An agreement is signed with **Pan American World Airways (1)**, which joins **Air France** and several other European airlines in providing complimentary tickets to first- and business-class passengers.

The company continues to provide air taxi, pilot training, survey flights, and photography opportunities into the **1990s**. President Bastien's fleet in **1994** includes 2 AS-355Fs, 9 AS-350Bs, and 2 each AS-355F1s, AS-318Cs, Bell 47Gs, and Robinson R-22s.

In May, the company, employing a British-registered Sikorsky S-76A, inaugurates a joint venture with **Air Hanson, Ltd.**, linking Issy-les-Moulineaux Heliport at Paris with London's Battersea Heliport.

Flights continue apace during the remainder of the decade without significant fleet changes.

In addition to providing its regularly scheduled services, HeliFrance gains new media exposure and public respect in the period after the December 26, **1999** blizzards that do immense damage to the national infrastructure because of so much ice. Company helicopters perform various rescue missions and are instrumental in assisting in the restoration of electrical power in black-out areas.

In early July **2000**, the company, as it has for several years, provides support for the Grand Prix de France.

HELIJET AIR SERVICES (PTY.), LTD.: P.O. Box 5719, McKay Mail Centre, Queensland, 4740, Australia; Phone (79) 577400; Fax (79) 577858; Year Founded 1992. HeliJet Seaplanes is formed at Whitsunday Airport, Whitsunday, Queensland, in **1992** to offer flights along the Great Barrier Reef. Gregory M. Schweikert is named managing director with R. W. Pickett as administrative manager. Services are inaugurated with a fleet made up of 2 de Havilland Canada DHC-2 Beavers and 2 Lake Buccaneers.

Flights continue and the company, with the addition of rotary-wing aircraft, is renamed HeliJet Air Services (Pty.), Ltd. By **2000**, Managing Director Schweikert not only operates the original fixed-wing planes, but 2 Bell 206JR JetRangers, 4 LongRangers, and 2 Bell 222s.

HELIJET AIRWAYS, INC.: Canada (1986–2000). This helicopter service is opened in **1986** to offer scheduled passenger flights linking Vancouver Harbor and Victoria Harbor with Vancouver International Airport. Shares in President Daniel Sitnam's publicly owned carrier are traded on the Vancouver Stock Exchange. Operations commence in November employing a fleet of 3 Sikorsky S-76A Mk. IIs and continue apace for the remainder of the decade.

A fourth S-76A is added to the fleet during the first quarter of **1990** and the number of daily flights is increased from 32 to 41.

In December **1991**, the 83-employee firm begins flying to Whistler, some 65 miles north of Vancouver.

For the year, it enplanes 97,300 passengers and earns an undisclosed net profit.

The fleet at the beginning of **1992** includes 5 S-76As. These provide 43 daily scheduled roundtrips between Vancouver Harbor and Victoria Harbor. On June 1, the company places Canada's first S-76A+ into service and, by month's end, it is being employed to offer thrice-daily roundtrips from Vancouver International Airport to Whistler.

In **1993**, Chairman Alistair MacLennan and President/CEO Sitnam oversee a workforce of 100 and a fleet of 6 S-76A Mk. IIs. A total of 47 daily flights are made between the carrier's destinations.

In honor of the Commonwealth Games held in Victoria in August **1994**, an S-76A Mk. II is painted as *Spirit of the Commonwealth*, taking the motif of the mascot orca Klee Wyck (Laughing One).

Operations continue apace in **1995**, during which year the company receives the "Operator Safety Award" from the Helicopter Association International.

In July **1996**, **Vancouver Helicopters, Ltd.** is purchased. During these years, marketing alliances are entered into with **Delta Air Lines**, **United Airlines**, **British Airways, Ltd. (2)**, and **Canadian Airlines International, Ltd.**

Enplanements for the route between Vancouver and Victoria almost reach 100,000. Revenues are C\$13.4 million and net income of C\$613,000.

On May 22, **1997**, thrice-daily roundtrips are inaugurated from Victoria, British Columbia, to Boeing Field in downtown Seattle. The \$92 one-way fare allows journey completion in 34 min. instead of the 120 min. required for a hydrofoil trip between the two cities. Seattle becomes the first U.S. city to receive scheduled helicopter service from Canada and is, indeed, one of the few in America to have scheduled services at all.

HeliJet Airways joins the Canadian Plus frequent flyer program of **Canadian Airlines International, Ltd. (CDN)** on October 6. Passengers of the helicopter line are able to earn loyalty points on HeliJet scheduled flights between Vancouver, Victoria, and Seattle.

Also in October, the company opens a new 25,000-sq.-ft. facility on the south side of Vancouver International Airport; the site includes a 1,000-sq.-ft. terminal and lounge.

To celebrate the opening of the major league baseball season in April **1998**, a company S-76A Mk. II is painted in the logo and colors of the Seattle Mariners. The aircraft will fly promotions, but few, if any, players.

A collaborative joint venture is entered into with Kahului, **British Columbia**-based **Hawaii Helicopters** on July 9. Under its terms, Hawaii is able to lease a 12-passenger Sikorsky S-76A+ all-weather, medium twin-engine, dual pilot helicopter. When it arrives painted in Hawaii livery, it becomes the first of its type to serve with one of the state's tour operators. It is employed to operate four flights daily from Maui to view Haleakala and Kilauea volcanoes on the Big Island.

A new code-sharing partnership is announced on September 29 with CDN. Effective October 14, CDN passengers with premium-fare tickets will have the option to travel on one of 10 daily HeliJet-operated shuttles between Vancouver's South Airport and Victoria's downtown inner harbor.

The company enters the paramedical field in October when it secures a five-year air medical service contract with British Columbia Ambulance Services. The new service will begin in January. Revenues for the year total C\$13.16 million.

Airline employment stands at 120 at the beginning of **1999** and HeliJet is now North America's largest and most profitable scheduled helicopter service. Code-sharing continues with the renamed **Canadian Airlines, Ltd.**, as HeliJet's 6 S-76+s provide return services from Vancouver International Airport to downtown, 10 times a day.

In late April, the carrier, which trades on the Vancouver Stock Exchange, launches a radio and print communications advertising campaign, "You First," which stresses HeliJet's service ethic.

The joint venture with **Hawaii Helicopters** is expanded during the summer when the partners receive a subcontract to transport men and equipment from Maui to an adjacent island reserve that for 50 years has been used as a military weapons range. During an unspecified period, clean-up teams will undertake a large-scale ordnance clean-up and environmental restoration.

On July 11, a HeliJet Sikorsky S-61N, painted in Hawaii colors, is reconfigured, disassembled, shrink-wrapped, and placed on a freighter from Vancouver to Honolulu. There it is reassembled and flown to Maui, where it begins its new contract on August 15. At least initially, the S-76A+, which remains under lease from HeliJet, is also employed to transfer workers and their supplies to the reserve.

Also during the year, the television and motion picture production industry in British Columbia becomes a billion-dollar industry. HeliJet continues to be Hollywood's first choice for helicopter services when filming in British Columbia and during the year, the carrier participates in the motion pictures *Romeo Must Die* (Jet Li), *Along Came a Spider*

(Morgan Freeman), *The Sixth Day* (Arnold Schwarzenegger), *North Face* (Antonio Sabato Jr.), and *Shutterspeed* (Daisy Fuentes). It also films the famous "car driving off the ferry" scene, among others, in *Double Jeopardy* (Tommy Lee Jones and Ashley Judd). The television series *Seven Days* and *Secret Agent Man* are also supported.

Revenues for the year rise to C\$17.24 million and allow a net gain of C\$855,445. During the year, overall fleet time has increased by 5% over 1998 to more than 10,000 hours. The two major growth areas held to be responsible for this boost are the British Columbia Ambulance Service contract and increased business by the carrier's charter division.

On January 11, 2000, the board of directors authorizes the amalgamation of Helijet Airways and its parent, WM Helijet Airways, Inc., into the unified company **Helijet International, Inc.**

HELIJET INTERNATIONAL, INC.: 4520 Agar Drive, Vancouver International Airport, Richmond, British Columbia V7B 1A3, Canada; Phone (604) 273-4688; Fax (604) 273-5301; <http://www.helijet.com>; Code JB; Year Founded 2000. On January 11, 2000, the board of directors authorizes the amalgamation of **Helijet Airways** and its parent, WM Helijet Airways, Inc., into the unified company Helijet International, Inc. Daniel Sitnam remains president/CEO and his Sikorsky S-76A+ fleet offers between 200 and 255 scheduled weekly passenger flights, depending on the season, to Victoria and Seattle. The code-share with **Canadian Airlines, Ltd.** is maintained.

The airline, together with **Cougar Helicopters, Ltd.**, becomes a launch customer for the new 190-seat Sikorsky S-92A Helibus, signing a contract with Sikorsky on January 24 for the delivery of several machines by the end of 2002.

Also in January, the S-61, having successfully completed its contract to fly workers from Maui, is returned to Vancouver. Plans now call for the machine to be placed on Helijet's scheduled route between Vancouver and Victoria, but six months is required to clear the paperwork for service introduction that finally starts in mid-June.

During the spring and summer, the company once again provides support to the province's motion picture and television industry, taking a role in the filming of 11 new projects. Meanwhile, the on-going joint venture with **Hawaii Helicopters** continues.

On September 7, the Vancouver Whistler 2010 Bid Corporation and Helijet International proudly unveil a Sikorsky S-76A wearing the Vancouver Whistler Olympic Bid logo. The Bid Corporation is preparing an offer to host the Olympic Winter Games and Paralympic Games in 2010.

At this point, the concern—the largest scheduled helicopter operator in North America—has transported over 1.25 million passengers since its founding.

HELIJET SEAPLANES (PTY.), LTD. See **HELIJET AIR SERVICES (PTY.), LTD.**

HELIJET WHITSUNDAY (PTY.), LTD.: Airport, Hamilton Island, Queensland, 4551, Australia; Phone 61 79-468249; Fax 61 79-468280; Year Founded 1985. Helijet Whitsunday is established on Hamilton Island in 1985 to provide both fixed-wing and rotary-wing services, including passenger and cargo charters. By 2000, the company employs 15 full-time pilots and operates 1 each Britten-Norman BN-2 Islander, Cessna 206 Stationaire, C-402 Business/Utiliner, Bell 206B JetRanger, Bell 206L LongRanger, Bell 222, and Hughes 500.

HELIKOPTER AIR SERVICE. See **TYROLEAN AIRWAYS, A.G.**

HELIKOPTER SERVICE, A.S.: Norway (1956–2000). Morton H. Hancke founds **Scancopter Service, A.S.** on February 20, 1956 to provide a wide range of services entailing almost every commercial aspect for which helicopters can be adapted.

When President Hancke's company, by now given its current name, inaugurates offshore oil exploration support work and acquires its first two Sikorsky S-61Ns in 1966, company activities are divided into two

categories: offshore, for service to North Sea rigs and domestic, including long- and short-haul charter and air taxi service. Flights originate from bases at Forus Heliport near Stavanger, Bergen, Bodo, Trondheim, and Oslo.

Among the energy firms contracting with the company are Mobile Exploration Norway, Phillips Petroleum Company (Norway), Elf Aquitaine Norge, A.S., Amoco Norway Oil Company, Esso Exploration and Production Norway, Inc., and a number of smaller operators. The fleet grows to include 11 Sikorsky S-61Ns, 1 Bell 214B, 4 Bell 47Js, 4 Bell 206Bs, and 1 Bell 204B, plus 1 Piper PA-31 Navajo Chieftain.

In the years 1977–1982, HS becomes the largest helicopter airline in Scandinavia, continuing to operate charter and contract flights from its six Norwegian bases. The basic division of operations into offshore and domestic segments does not change; however, a fixed-wing subsidiary, Helikopter Service Ski-og, is created to handle air taxi work and is equipped with Cessna 185s and 206s. Two Boeing Vertol Model 234 Civil Chinooks are ordered in April of the latter year, by which point the fleet has come to comprise the following rotary-wing aircraft: 4 Aerospatiale AS-332 Super Pumas, 17 Sikorsky S-61Ns, 4 Bell 206s, 7 Bell 202s, and 3 Bell 214s.

During these years, HS provides 17 daily S-61N flights from Forus Heliport to the Statfjord field platforms of Mobil Exploration Norway. At this point, HS Sikorskys fly over 100,000 passengers per year on behalf of Phillips Petroleum Company (Norway) from the mainland to this firm's 27 permanent Ekofisk field platforms. Additionally, upwards of 400,000 passengers are transported on the company's Bell 214 thrice-daily interplatform shuttle flights.

Upwards of 25 weekly S-61N and AS-332L Super Puma roundtrips are flown from Stavanger to the 6 permanent platforms of Elf Aquitaine Norge, A.S.'s Frigg field, the world's largest natural gas field. Eleven weekly Super Puma roundtrips connect the three platforms of Amoco Norway Oil Company's Valhall field with Stavanger. S-61Ns from Bergen also service Esso Exploration and Production Norway's Odin Platform 10 mi. N of the Frigg field. The Norwegian state oil company, Statoil, employs the carrier's S-61Ns to perform flights from Kristiansund to a rig in the Haltenbanken, as well as two drilling rigs west of Bergen. Also from Bergen, S-61Ns fly the Treasure Saga rig of Saga Petroleum, A.S.

Super Pumas and S-61Ns also fly on behalf of A.S. Norske Shell, providing transport to a drilling rig in the Haltenbanken north of Kristiansund, one in the Troll field north of Bergen, and a third near the Ekofisk field to the south. The Haltenbanken drilling rig of Conoco Norway, Inc. is also served by an S-61N.

A longtime policy of buying up competitors and merging them into its own activities begins quietly in 1980 with the acquisition of Fred Olsen's Offshore Helicopters, A.S.

When, during the summer of 1983, **British Caledonian Helicopters, Ltd.** receives permission to fly Bell 214STs from Aberdeen to a pipe-laying barge north of Stavanger, HS protests the move to aviation authorities in both the U.K. and Norway. In October, the BCHL permission is withdrawn and HS takes over the Elf Aquitaine Norge, A.S. contract.

Early in 1984, Mobil Exploration Norway grants Tromsø-based new entrant **Luftransport, A.S.** a contract to fly eight-times-per-week AS-332L supply flights from Bergen to its platforms in the Statfjord field. The contract ends the HS near-monopoly on Norwegian offshore operations.

Shortly thereafter, Esso Norge A.S. contracts with HS to operate flights from Tromsø to the exploratory Zapata Ugland rig. Phillips Petroleum Company (Norway) signs a five-year contract with the company in late spring to operate S-61Ns and Civil Chinooks from Forus Heliport to its Ekofisk fields. To support this enterprise, which will come to represent 45% of company business, as well as other contracts, a Boeing Vertol Model 234L Civil Chinook is leased from its manufacturer in July.

Beginning on August 25, the company inaugurates 5 Boeing 234LR and 12 S-61N weekly flights to participate in aerial transport support of

the platforms in the Heimdal field, south of the Frigg field platforms of Elf Aquitane Norge, A.S. The Esso Norge A.S. operation begins in September.

Following its purchase of the chartered Civil Chinook in April 1985, **ERA Aviation** of the U.S. sends pilots to Stavanger to receive HS training. In June, a contract bid to the Swedish state power board for external-lift assistance on its tower-construction project in the southern part of the country is lost to **British Airways Helicopters, Ltd.**

In Norway, the company undertakes the unusual mission of lifting out a 17,000-lb. historic schoolhouse (ca. 1870s) from its island base to a university in Stavanger in an 8-minute, 20-mile flight. In Norway, the company maintains a fleet of two Bell 214Bs, a Bell 205, and a Bell 204 to work on power lines for that country's utilities under a long-term contract that creates an \$8-million annual turnover.

On August 1, the operator begins flying its Super Pumas from Stavanger to fixed and mobile rigs in the Valhall-Hod field under a two-year contract with Amoco Norway Oil Company. From Andenes, two AS-332L Super Pumas are dedicated, in mid-August, to supporting AS Norske Shell's exploration in the Tromsflaket field off northern Norway. Another two-year contract, this one with BP Petroleum Development, Ltd. begins on September 1 as HS inaugurates services on behalf of that explorer to sites in the Ula oil field. Late in the year, company experts perform a feasibility study in Thailand to assist **Thai Airways Company, Ltd. (THAI)** to establish an offshore helicopter service.

Revenues for the year increase by 12.5% to \$98.4 million and net gain swells to \$2.5 million.

The fleet in 1986 includes 3 Model 234Ls, 19 S-61Ns, 7 AS-332Ls, 8 Bell 212s, and 1 leased Bell 214ST. Over the past 20 years, HS has accomplished over 350,000 S-61N hours, more than that for all other operators of the type combined. During the first quarter, an S-61N is sold to **KLM Helicopters, B.V.** Bases are located not only at Stavanger and Bergen, but also at Kristiansund, Bodo, Andenes, and Tromsø. After **Bristow Helicopters, Ltd.**, HS is now the second largest operator in the North Sea.

Early in the year, Marketing Director Emil Gamborg is appointed the company's new general manager, a Super Puma is leased to **Maersk Air, A.S.**, and an S-61N is sold to **KLM Helicopters, B.V.** The Elf Aquitane Norge, A.S. contract ends during the spring; however, the number of support flights on behalf of Phillips Petroleum increases to thrice daily. Although holding few overseas contracts, HS does undertake a mission in Sudan, flying supplies on behalf of the UN. A strike by caterers working on offshore oil production platforms begins in May; it results in the removal of workers from the platforms and a downturn in company lift requirements (and income).

Undertaken as a civic responsibility for many years, a daily helicopter passenger shuttle between Bodo and the islands of Vaeroy and Rost ends in July when fixed-wing aircraft begin landing at their new airstrips.

The Norwegian government revokes the HS license to operate out of the company's Forus field base at Stavanger, preferring that it move its flight operations to Sola Airport. The transfer is made during the remainder of the year and into the next, although heavy maintenance and training remains at the company facility. During the year, the Helicopter Service Reinsurance, S.A. subsidiary is set up in Luxembourg.

HS experiences two problems with its Civil Chinooks during the second quarter of 1987. The first occurs on April 23 when an engine power loss results in an engine shutdown. A more serious event occurs on May 1 when, following an engine failure, the Model 234LR in question suffers a frightening pitch-up and control loss. The crew is able to make a safe onshore precautionary landing, after which the engine is replaced.

Following these incidents, the company's Model 234Ls are grounded and replaced, temporarily, by S-61Ns. The Civil Chinook difficulties are resolved and the company's three machines are returned to service on November 30, following reauthorization by prime contractor Phillips Petroleum.

After two years of increasing its HS stock, Andenaes, a real estate conglomerate, assumes 90% shareholding in January 1988, with General Manager Gamborg named president.

Outbound from Stavanger to the North Sea's Cod field with 15 passengers aboard on March 1, an AS-332L Super Puma encounters a sudden and severe vibration; as a precaution, the helicopter is landed aboard a Polish bulk carrier. On July 15, another Super Puma, with 18 aboard, also encounters severe vibration. It ditches in the North Sea and all evacuate, remaining afloat 10 hours before rescue.

The AS-332L fleet is grounded for inspection and requirements are filled with S-61Ns and Civil Chinooks. A Super Puma is now leased, long-term, to **British International Helicopters, Ltd. (BIH)**.

When the oil rig *Ocean Odyssey*, located 138 nm. E of Aberdeen, Scotland, takes fire on September 22 following a gas blowout, a company Bell 212 joins units from the British military and **Bond Helicopters, Ltd.** in rescuing the 67 survivors from supply boats to a nearby platform. In October, three local unions stage a wildcat strike in objection to a proposed merger of the carrier with chief shareholder Andenaes. Although company officials promise to look at the amalgamation plans carefully, the merger is completed on schedule in November, leading to employee unrest that continues.

After more than two decades, HS's final offshore helicopter flight from Forus is made by an S-61N on February 11, 1989. Since operations from the facility began in 1966, more than three million passengers have passed through its terminal. As of February 13, all offshore support flights from the mainland and the installations in the southern North Sea are offered from a new terminal at Stavanger Airport, Sola. In reaction to a new pay and conditions package, company pilots stage a three-day walkout at the end of the first quarter.

American multimillionaire Donald Trump, owner of **Trump Air**, purchases a Model 234 Civil Chinook from HS during May, planning to introduce it during December. At the Paris Air Show, company officials discuss a joint venture operation with executives from Louisiana-based **Air Logistics**. During the spring and into the summer, company officials continue to negotiate new contracts with employees.

On June 20, a Spitsbergen-based AS-332L Super Puma joins three Norwegian Air Force Sea Kings and two **Aeroflot Soviet Airlines** Arctic division Mil Mi-8s in evacuating passengers from the Russian cruise ship *Maxim Gorky*, which has struck an iceberg while sailing in the Barents Sea north of Norway.

Boardings for the first half total 318,489.

When contract talks with HS fail on July 2, pilots, having given notice of a potential for a job action a month earlier via the Norwegian ALPA, again walk out. The strike continues for a week and costs the company \$360,000 a day in lost revenues. Possible termination notices are sent to all remaining 600 employees.

Later in the month, the company is reorganized into four divisions: offshore, industry, training, and property. Christian Brinch is appointed the new HS president and onshore operations are assigned to **A.S. Lufttransport**.

In the wake of a downturn in offshore oil support activities and its earlier strike, HS begins to trim its fleet in the fourth quarter. The B-234 for the Trump Organization is handed over in the U.S. in mid-November. Two Super Pumas are dry-leased to **Bond Helicopters, Ltd.** and a third is chartered to the government of Togo, which will use it for presidential travel.

Airline employment stands at 700 in 1990 and a total of 34 aircraft are now active in offshore support roles. A joint 50% venture, HS Logistics, Inc. is established with the Lafayette, Louisiana-based firm **Air Logistics** in February; the new operation is announced during the Helicopter Association International's Heli Expo '90 at Dallas, Texas. To manage the new joint subsidiary, an executive council is established with representatives from both companies.

In May, HS Logistics acquires its first contract when it takes over an **Air Logistics** contract with the U.S. Department of State for Bell 206L LongRanger helitransport in Honduras. While searching for a small fish-

ing vessel in bad weather at night along the Norwegian coast north of Bergen on October 4, a Bell 214ST crashes at sea (five dead).

The company takes a 44.5% interest in **A.S. Morefly** late in the fourth quarter and a \$17.26-million net profit is generated on the year, atop operating revenues of \$193.5 million.

Following an incident aboard a KLM Helikopter S-61N late in December, HS's 15 S-61Ns are grounded during the first week of January 1991 for an approved inspection program, which allows them to return to service at month's end. Under contract for the Shell Oil subsidiary Pecten, three HS Logistics helicopters, a Bell 212 and two Bell 214Bs, commence offshore support flights in Papua New Guinea in February. The former ship is American-registered and the latter two Norwegian.

At the same time, HS Logistics places an AS-332L Super Puma in service to two oil rigs in the Bay of Bengal under contract to Amoco. During the first quarter, long-term maintenance contracts are signed to service the power plants of the rotary-wing fleets of **British International Helicopters, Ltd. (BIH)**, **Maersk Air, A.S.**, and **A/S Morefly**, in addition to the Royal Swedish Air Force.

On April 6, an HS Logistics Bell 212, leased from **Air Logistics**, begins flying offshore support missions for Pecten at Trinidad. Two more Bell 212s chartered from the American partner are dispatched to Kuwait during July on a two-year medevac contract. At the same time, the company goes public and begins to trade its shares on the Oslo Stock Exchange. The move reduces the previous owner's share from 80% to 30% and brings in Nkr 385 million (\$59.6 million).

The **A/S Morefly** subsidiary begins operation of an AS-332L Super Puma during the summer. The company begins to upgrade its 17 S-61Ns, providing them with new avionics, interior layouts, pushout windows, cargo-hold smoke detectors, and new life rafts. Meanwhile, three Super Pumas are leased to **Bond Helicopters, Ltd.** and a fourth to **Maersk Air, A.S.** Late in the year, the company tests an FLIR-equipped AS-365N Dauphin 2 as a possible Bell 212 replacement.

Revenues for the year increase 51% to Nkr 1.21 billion (\$190 million), granting a Nkr 176.4-million (\$25.3-million) net profit.

The fleet at the beginning of 1992 includes 17 S-61Ns and 12 Super Pumas, plus 2 Civil Chinooks and Bell 212s. **Offshore Logistics** General Manager Harris Albert announces in February that **Air Logistics** has redeemed the stock in HS Logistics held by HS, primarily because work cannot be found for the partnership's larger helicopters outside of the North Sea. The joint venture becomes a wholly owned subsidiary of the American firm. The ongoing contracts of HS Logistics in Brazil and Trinidad will be completed by **Air Logistics** machines under that company's direction.

A Eurocopter (formerly Aerospatiale) AS-365N Dauphin 2 is leased for a trial period at month's end. At the beginning of March, the concern receives an Nkr 6 million contract from British Petroleum to transport its personnel between Kristiansund and the Ross Isle mobile drilling platform. The award begins when BP starts drilling an exploratory well on Haltenbanken at month's end.

During the spring, plans are made to move maintenance and administrative staff from Forus to Sola during the next year.

On July 1, a \$73-million order is placed for four Eurocopter AS-332L Super Puma Mk. IIs. The contract includes pilot training and technical maintenance.

As the result of increased North Sea competition costs, a total of 120 staff are laid off by November. Also during the year, a 33% interest is acquired in **Helicopter, S.A. (Helicsa)** of Spain.

A pretax profit of Nkr 208 million (\$28.5 million) is reported on top of operating revenues of \$150 million.

In late January 1993, HS is awarded a \$6-million contract by Helivifra, a joint venture of the French operator **Heli-Union, S.A.**, the Vietnamese national helicopter company **Service Flight Corporation (SFC)**, and Petrol Vietnam. Under its terms, HS dispatches a wet-leased AS-332L in February to Vung Tau, 62 nm. SE of Ho Chi Minh City, to support a BP-Statoil drilling ship and rig operating 200 nm offshore in the South China Sea. The number of AS-332Ls participating in this con-

tract will later be increased to five. During the spring, Helivifra begins to support a second HS Super Puma, which flies from Vung Tau on a \$5-million, yearlong contract with the Japanese-controlled Arabian Energy Development Corporation (AEDC).

Another new \$31-million, three-year contract begins on May 1; the Elf Petroleum Norge arrangement includes crew-change S-61N flights from Stavanger to the Frigg and Heimdal fields and shuttle and SAR services employing a Dauphin 2.

The outstanding shares of **A/S Morefly** are meanwhile purchased and that company will become a wholly owned HS subsidiary at the end of the fourth quarter.

In May, the Ministry of Social Affairs awards HS a five-year, \$59-million contract to provide some 65% of the nation's emergency medical service (EMS) airlift. The contract is divided between the company's subsidiaries, **A/S Morefly** and **Lufttransport, A.S.**

In June, a management contract is signed with Sweden's largest helicopter operator, Heliflyg A.B.; the arrangement also gives the Norwegian operator an option to purchase.

The company, on August 23, becomes the first helicopter line to take delivery of the Eurocopter AS-332L Super Puma Mk. II. It will be based at Stavanger to join five other Mk.IIs on offshore work. Also in August, a \$5-million contract is signed between Helivifra and Australia's BHPP. With maintenance support from **Heli-Union, S.A.** and ground support from SFC, an HS AS-332L Super Puma is dispatched to support the Australian drilling efforts in the Dai Hung field off the Vietnamese coast.

On September 1, **Braathens Helikopter A.S.** is purchased from Braathens Group. The merger leaves HS without domestic competition in Norway, a workforce increased to 900, and a fleet of 66 aircraft, including 7 Eurocopter Super Pumas. The move comes under the scrutiny of the national Monopolies and Mergers Commission (MMC) at month's end. Also in September, an offshore support arrangement similar to the BHPP deal is entered into by the Vietnamese, Norwegian, and French partners with the Korea Petroleum Development Corporation. Another HS Super Puma begins flying this support from Vung Tau in October.

During October and November, the U.K.'s **Bristow Helicopters, Ltd.** becomes minority shareholder in a new Stavanger-based operation, **United Helicopters, Ltd.** The new entrant, which will operate under the name **Norsk Helikopter, A.S.**, will directly challenge HS's growing monopoly of offshore work in its portion of the North Sea. As a result, the MMC, on November 19, informs HS that it will not intervene in its Braathens acquisition. The same day, HS increases its outstanding common shares through the issue of 2.2 million shares to the stakeholders in Braathens Helikopter, A.S.

Revenues for the year climb almost 20% to \$179 million and pretax profit accelerates by 12% to \$32 million.

The workforce in 1994 totals 942 and President Brinch's fleet now includes 68 helicopters and 10 fixed-wing aircraft, including: 23 Eurocopter AS332L Super Pumas, 16 Sikorsky S-61Ns, 2 Civil Chinooks, 9 Bell 212s, 1 Bell 214ST, 2 Eurocopter SA 315B Lamas, 5 Bell 214B-1s, 1 Partenavia AP-68TP Spartacus, 2 AS 332L.2 Super Puma IIs, 6 AS 350B1 Ecureuils, 3 AS 365N Dauphin 2s, 2 Bell 205s, and 10 Beech Super King Air 200s.

In addition to the main headquarters at Stavanger, as well as other offices at Oslo, Bergen, and Kristiansund, the company also maintains bases at Sola, Alesund, Bronnoysund, Tromsø, Longyearbyen, Mo i Rana, Bergen, Hammerfest, Svalbard, and Gaupne.

Acquisition of **Braathens Helikopter, A.S.** is concluded on January 1 and leaves HS, briefly, unchallenged in offshore helicopter services in its portion of the North Sea until **Norsk Helikopter, A.S.** appears later in the first quarter.

The carrier's wholly owned subsidiaries now include **A.S. Lufttransport, Heliwest, A.S.**, **Helimatic, A.S.**, and **A.S. Helicopter Service Reinsurance, S.A.** of Luxembourg. In addition to the Spanish operator **Helicopters S.A. (Helicsa)**, the company also maintains minority interest in **Avicopter, S.A. (25%)** and **Wiking Helicopter Service, GmbH.** of Germany (49%).

During the first quarter, the company receives two, five-year contracts to provide the Norwegian state-owned company Statoil with offshore support. One contract is for offshore-based infield shuttle and SAR services in the Veslefrikk, Statfjord, and Gullfaks fields. The other is for crew change operations from the carrier's Bergen base to Statfjord, Veslefrikk, and Gullfaks. Under the arrangement, one Bell 214ST and two S-61Ns will be fully committed.

Through two June purchases, HS assumes a 42% share of the North Sea offshore support market. First is the exercise of the option to take over Sweden's largest helicopter operator, Heliflyg, A.B. Second, and far more significant, is the June 27 (effective July 1) two-phase merger with the U.K.'s **Bond Helicopters, Ltd.**

The British transaction calls for the Norwegian line to assume an immediate £32.4 million, 49.4% stake and increase its holding over the next three years. Meanwhile, Bond's ownership (Managing Director Stephen and his brother Peter) will retain the largest individual shareholding with a 12% stake in the merged operation until the 43-million share, 50.6% takeover is accomplished.

Although the accounts of the two companies are combined, officials of both emphasize that the two lines will operate as independent national entities. They will continue to compete globally, but no longer against each other in the North Sea region. The deal is worth \$112 million (\$75 million in cash and \$37 million in stock options) and leaves the enlarged HS with 1,800 employees and 156 helicopters. Through Bond, HS also gains further entrance into southern Europe via the U.K. carrier's control of **Heli Portugal, S.A.** and further presence in Southeast Asia via Bond's purchase of Australia's **Lloyd Helicopters (Pty.), Ltd.**

During the summer, the company signs its first offshore support contract with a South American concern. To support Petrobras, the Brazilian state oil company, Aeroleo Taxi Aero, Ltda. leases two S-61Ns for three years. HS also agrees to provide maintenance support and pilot training. At the same time, the takeover of **A.S. Morefly**, begun in 1992, is completed, giving the company total control of the Norwegian helicopter market.

In early fall, new oil support contracts, signed in July, come into effect, including a deal from Statoil worth \$113 million, one worth \$20 million from Saga Petroleum, and a third, for \$30 million, with Norsk Hydro.

The latter will run for five years and include all of the concern's transport between its offshore fields and Stavanger and Bergen. Described as a "partnering" agreement, the award stipulates that any savings achieved through streamlining services to Hydro's platforms will be shared between the two companies.

Share capital is increased by Nkr 34.9 million on October 3 through an offering of Nkr 3.03 million. On October 28, HS signs an Nkr 200-million (\$30-million), five-year contract with Norsk Hydro A/S for North Sea offshore helicopter support out of both Bergen and Stavanger. The deal is the first giving the carrier business into the twenty-first century. A Sikorsky S-61N begins to handle the new arrangement as of November 1.

On December 1, President Brinch becomes board chairman, while Vice President Lars Harlem is elevated to general manager. Also in December, **Bristow Helicopters, Ltd.** is finally able to outmaneuver HS, winning the lion's share of two Phillips Petroleum contracts for shuttle services to and from the Ekofisk oil field in the Southern North Sea. Reportedly worth \$15 million per year and with a three-year option to extend, the arrangements will require Bristow to supply Norsk with four more Super Pumas early in the new year.

The **Norsk Helikopter, A.S.** success will idle the larger operator's two Model 234 Civil Chinooks, which will be put up for sale or lease. HS, meanwhile, acquires a five-year, \$7.5-million contract, with a two-year option, for shuttle service between Phillips platforms and for SAR missions.

New negotiations are initiated with the company's unions concerning the need for staff reductions and plans are made to merge the Lufttransport, Morefly, and Osterman subsidiaries early in 1995.

Airline employment stands at 1,450 in 1995. In January, Amerada Hess Norge A/S awards the company a \$227,272 contract for support flights out of Stavanger while a \$37-million extension (to the year 2000) is signed with Statoil for expansion of offshore support from Bergen. Also at the beginning of the year, the Brazilian operator Aeroleo Taxi Aero, Ltda. leases a pair of S-61Ns for three years; the Sikorskys will be used to support the state oil company, Petrobras.

On February 1, Phillips awards the concern a Nkr 250-million contract to expand its interplatform transport and rescue services. Two Bell 212s will be assigned when the enhanced service begins in August.

Simultaneously, the **Norsk Helikopter, A.S.** subsidiary receives a five-year, Nkr 500-million (US\$75.5-million) Phillips contract, set to begin on September 1, for the transport of workers between Stavanger and Ekofisk.

On April 1, all of the offshore responsibilities of **A/S Morefly** are assumed by HS.

A consortium led by Mobil Oil Canada (33.1%), Chevron Canada (26.8%), Petro-Canada (25%) create the Hibernia offshore oil project and award a five-year, C\$37-million contract to **Cougar Helicopters, Ltd.** of St. Johns, New Brunswick, in July. Cougar will provide support during and after the construction of the drilling platforms. Cougar now enters into a fifty-fifty joint venture with HAS. Under its terms, HAS will provide Cougar with pilot training and maintenance as well as lease the new Cougar Hibernia Division three of its Eurocopter AS-332L.1 Super Pumas.

During the summer, an experimental sea pilot transfer program is undertaken on behalf of the Norwegian coastal authority. If successful, a long-term contract will be granted.

The subsidiary merger with **A/S Morefly** finally occurs on September 1, with the single new **Lufttransport A/S** headquartered at Tromsø. The new entity, with former Lufttransport CEO Gunnar Bjorsvik as managing director, will employ 11 fixed-wing and 19 rotary-wing aircraft on air ambulance, charter, SAR, coast guard, and utility operations.

The five-year contract with Phillips Petroleum for shuttle and SAR services in the Ekofisk area also ends on September 1. Crew change operations in this area are terminated and the two B-234 helicopters performing the service are sold. Simultaneously, a long-term, \$24-million contract is signed with **Maersk Air, A.S.** for the lease of three Super Pumas.

In November, 44,978 shares of company stock are sold to HS employees at a special Nkr 58-per-share price.

The workforce is increased in 1996 to 1,832. After severe in-flight vibration, a Super Puma with 18 passengers ditches in the North Sea on January 18, some 26 nm. SW of Stavanger. Although all aboard are rescued from the floating helicopter, the machine sinks on January 19 before it can be salvaged.

The company is reconstituted on February 19 into the holding company Helikopter Services Group, A.S. (HSG) with Christian Brinch as board chairman and Lars Harlem as managing director. The activities formerly performed by Helikopter Services, A.S. are transferred to Lufttransport, A.S. Other wholly owned subsidiaries include Helikopter Service U.K., Ltd., Heliwest, A.S., Helicopter Service Reinsurance, S.A., Heliflyg A.B., Scancopter A.S., and Helimatic A.S. **Bond Helicopters, Ltd.** retains its identity and Stephen Bond remains CEO of Bond Helicopter Group, which also controls Australia's **Lloyd Helicopters (Pty.), Ltd.** All of the shares of HAS, Bond, and Lloyd are held by HSG and are traded daily on the Oslo Stock Exchange.

During early July, the company, in a \$5.5-million transaction, purchases a third of the shareholding in Capetown, South Africa-based **Court Helicopters (Pty.), Ltd.** Managing Director Larlem informs the press that the arrangement is part of the group's strategy of making acquisitions of selected regional helicopter carriers.

Acquired the previous summer, the Shannon-based SAR mission of **Irish Helicopters, Ltd.** is handed over to **Bond Helicopters, Ltd.** on January 1, 1997. In an example of industry consolidation, execution of the contract is arranged by HSG employing a Sikorsky S-61N leased from **Court Helicopters (Pty.), Ltd.** of South Africa.

After months of trial, the Norwegian Coastal Authority on January 7 executes a 3-year, Nkr 50-million pilot transfer contract with HS. The service will continue to be performed out of the Fedje sea pilot station, off Bergen on the Norwegian west coast, mainly ferrying sea pilots to and from tankers calling at the oil terminals of Mongstad and Sture.

On February 7, HAS wins a three-year, Nkr 90-million contract with two yearly options (valued at \$1.5 million per annum) to provide off-shore support for the Statoil north Norwegian base of Bronnoysund. At the same time, both Statoil and BP Norge extend their Stavanger-based contracts for another year from the coming January.

After some months of negotiation, HS, in March, wins the right to raise its holding in **Court Helicopters (Pty.), Ltd.** to 100% by the fall of 1998.

On April 22, the Tromsø-based subsidiary **Lufttransport, A.S.** obtains a 5-year, Nkr 200-million air ambulance contract from the Norwegian Social Security Department.

The HAS training contract for **Cougar Helicopters, Ltd.** begins in April, as does delivery of the Super Pumas. At the same time, the company removes several Bell 212s and receives two new Super Pumas Mk.IIs. Orders are placed for four more of the later type. The temporary Bronnoysund operation becomes a permanent helicopter base on May 1.

While on a crew familiarization flight from the airport at Maca, Brazil, on June 24, the S-61N, on lease to Aeroleo Taxi Aereo, Ltda., is destroyed beyond repair in a bad landing.

On July 1, the company's Heliflyg, A.B. subsidiary receives the largest helicopter service contract ever awarded in Sweden; the \$13.4 million award runs through mid-2000 and provides for EMS, air ambulance, environmental, police, and mountain search and rescue on behalf of the government.

Simultaneously, a \$5.3-million award is received from Finland for the modification of three Finnish Guard Eurocopter AS-332L.1 Super Pumas. After a year of ad hoc service, the company now begins providing sea-pilot transfer at Fedje, off the Norwegian coast near Bergen, on behalf of the Norwegian Coastal Authority, Statoil, and BP Norge. The \$12-million, one-year service will be executed with Super Pumas flights from Stavanger.

On July 22, Statoil and BP Norge extend by one year their \$14 million contracts for the transport of cargo and personnel to and from oil rigs. At month's end, a Nkr 40-million contract is received from the Finnish government for the modification of three Eurocopter AS-332L Super Pumas for the border guard.

The company signs an agreement with Bell Helicopter in August for cooperation on development of an offshore version of the Bell Boeing 609 civil tilt-rotor. An S-61N is leased to Rio de Janeiro-based Aeroleo Taxi Aereo, Ltda.

En route from Bronnoysund to Statoil's Norne platform 125 nm. off-shore on September 8, an AS-332L.1 Super Puma with 2 crew and 10 passengers crashes 100 nm. into its flight; there are no survivors. The disaster triggers a week-long grounding of all North Sea Super Pumas; those of HAS remain withdrawn from service through month's end as all are inspected.

Two Bell 212s flying SAR from Stortfjord on behalf of Statoil and Shell Expro over the East Shetland Basis are retired at year's end. They had been the last of their type in the company fleet.

In early January 1998, the two Stortfjord Bells are replaced with a Bell 214ST.

On March 11, a letter of intent is signed with the state oil company, Statoil, for the use of two new Super Puma Mk.IIs out of Bergen beginning in January. The helicopters will enter service under the existing contract, but at new and improved rates.

Managing Director Harlem resigns on March 24; Senior Vice President Jan Bengtson is named acting managing director. Having served on the board of directors for a year, Prosafe A.S. CEO Reidar Lund becomes board vice chairman at this same time.

The first of four new Super Puma Mk. IIs to be received by March 1999 arrives at the company's Oslo base in April. It is immediately committed to the Statoil and BP Norge services from Stavanger.

Under a deal signed on April 23, HAS begins to operate a support contract for Norsk Hydro's Visund oil field from Florø on June 15 employing an S-76C provided by sister company **Bond Helicopters, Ltd.** HAS already supports Saga Petroleum's Snorre field out of the Florø base.

Subsidiary **Lufttransport, A.S.** on June 9 signs a sale and lease-back agreement for seven Beech Super King Air 200s, which it will fly in support of the Norwegian ambulance service. The deal is valued at Nkr 20 million.

On June 13, the Aberdeen (Scotland) *Press and Journal* reports that **Canadian Helicopter Corporation, Ltd. (CHC)** is targeting either HAS or one of its subsidiaries (most likely U.K.-based **Bond Helicopters, Ltd.**) as a possible takeover target.

BP Norge renews its contract with HS on July 7 for another year; a Super Puma Mk. II will continue to be committed to the BP project from December. Two other contracts are also signed on the day: a 70-day pact with Norsk Hydro, beginning in August, and a two-year training contract with the German Luftwaffe. Together, the day's three new business arrangements are valued at Nkr 42 million.

Another Norsk Hydro contract is signed on July 1 and takes effect on August 1. It provides Super Puma helicopter support for up to 70 days for an exploration drilling out of Hammerfest.

During the fall, Statoil, the state-owned oil company, awards HS a 10-year, \$230.5-million contract to fly support from Bergen with a Bell 214ST beginning in March 1999, along with three Eurocopter Super Puma Mk. IIs, also from Bergen, starting a year later.

On October 29, HAS signs a Nkr 1.7 billion contract with Statoil to provide helicopter support out of Bergen on behalf of the state oil company for 10 years from February 2000. In addition to the commitment at that time of three Super Puma Mk. IIs, a Bell 214ST will begin flying on behalf of the company a year earlier.

In November, the **Norsk Helikopter A.S.** subsidiary takes over 40% of the Statoil contract. The terms of the \$203.4-million, 5-year Norsk contract (with five years of options) will be for support flights from Stavanger using two Super Puma Mk. Is.

A five-year, Nkr 250-million support contract is signed with Saga Petroleum on December 2. Options for another three years are contained in the paperwork. Additionally, the contract with Esso Norge is extended for another year; valued at Nkr 20 million, it will see continued use of a Super Puma Mk. I.

The board of directors elects Reidar Lund as the new chairman of Helikopter Services Group on December 10. He succeeds Chairman Brinch, who had asked to be relieved but who remains a member of the board.

Two Super Puma Mk. IIs enter service out of Bergen in early January 1999 on behalf of the Norwegian state oil company, Statoil. A third Super Puma Mk. II flies from Stavanger on behalf of BP Norge in support of that concern's activities on the Norwegian continental shelf.

The Aberdeen (Scotland) *Press and Journal* reports on January 12, that the **Canadian Helicopter Corporation, Ltd.** has purchased a package of 5.1 million shares in Helikopter Services Group. The 25% stake in the Norwegian operator, valued at a "knock-down price" of £16 million (Nkr 40 per share), is acquired from an institutional investor via the CHC Norwegian subsidiary Vinland Helicopters. The purchase makes CHC the largest shareholder in HAS, as well as its subsidiaries, **Bond Helicopters, Ltd.** and Australia's **Lloyd Helicopters (Pty.), Ltd.**

Under terms of the October 29 Statoil contract, a Bell 214ST begins service from Bergen on March 1.

An additional 5% stake in HSG is acquired on March 24, together with controlling interest. Interviewed by the *Press and Journal*, HSG Chairman Lund indicates that the action is regarded as an "unfriendly takeover" attempt. CHC Chief Financial Officer Jo Mark Zurel discourages "takeover speculation" and claims the share purchase is a money-making exercise.

The Norway Post on March 30 reports that the company has identified a need for staff cutbacks in addition to 50 already announced earlier. The

rotary-wing company will cut the posts during the remainder of the year through natural turnover, early retirement, outsourcing, and redundancies.

On April 14, Reuters, Ltd. publishes news that CHC will bid Nkr 45 per share for the remaining shares in HSG and that the official offer will be released within a week, again through its Norwegian subsidiary, Vinland Helicopters. After a preliminary discussion, the Norwegian operator indicates that the offer, compared to booked capital, is too low. CHC requires acceptances from those who hold 90% of HSG shares in order to accomplish the takeover.

CHC counters on April 26 with an offer, via Vinland, of Nkr 45 per share for the remaining shares. The purchase would be subject to successful completion of a due diligence review and government approvals. A statement from CHC also indicates that the offer is conditional upon Vinland gaining a minimum of 90% of HSG stock.

Because it has not yet received the required consent from HSG for the shares previously acquired, Vinland Helicopters (acting on behalf of **Canadian Helicopter Corporation, Ltd.**), on May 10, extends its voluntary offer to acquire all the shares of HSG to May 28.

A major minority shareholder with a 20% stake, the U.S.-based investment firm Tiger Management moves on May 21 to block the CHC takeover of HSG. Tiger, like the HSG management, believes CHC's 45 crowns per share bid is too low. A spokesperson tells the Norwegian business daily *Dagens Naeringsliv* that the current share price does not reflect the real value of the company.

CHC ups its offer to Nkr 60 per share in early June. As a result, CHC obtains 90.2% of the shares in HSG on June 25. The takeover immediately brings concern to workers at **Bond Helicopters, Ltd.** that many may lose their jobs if the new owners elect to merge their concern with **British International Helicopters, Ltd.**, which CHC already owns.

Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** announces on August 2 that all of the remaining conditions to its offer to purchase all shares in Helikopter Services Group, A.S. (HSG) have been satisfied or waived and that the acquisition is completed. Shareholders accepting the CHC offer receive a cash settlement by August 9.

CHC now finds itself the owner of two major U.K. rotary-wing subsidiaries, as well as the giant Norwegian operator's foreign subsidiaries that include **Court Helicopters (Pty.), Ltd.** of South Africa and **Lloyd Helicopters (Pty.), Ltd.** of Australia. In a move that foreshadows a corporation-wide integration a year later, **Bond Helicopters, Ltd.**, the HSG U.K. subsidiary also acquired, is now renamed **CHC Scotia, Ltd.**

On October 28, HSG is delisted on the Oslo Stock Exchange. This is the final step in CHC's takeover of its former rival; with completion of the acquisition, the Canadian giant is now the world's largest helicopter operator.

By November, the activities of CHC's **British International Helicopters, Ltd.** subsidiary and **CHC Scotia, Ltd.** at Aberdeen, Scotland, have been amalgamated and over 100 nonflight positions are eliminated.

On January 26, 2000, the U.K. Department of Trade and Industry and the EU Competition Commission both clear the merger of CHC's UK operations and those of **Helikopter Services Group, A.S.**

Phillips Petroleum Company Norway, A.S. awards HSG a Nkr 750-million (\$130.2-million), five-year contract on March 8, with an option for another five years. Under terms of the new deal, HSG will provide helicopter support to Phillips operations in the Ekofisk area of the North Sea. The contract also includes SAR and shuttle services for BP Amoco's Ula, Gyda, and Valhall fields in the same offshore region.

Working with the Welsh Development Agency, the U.K. managers of **British International Helicopters, Ltd.** open negotiations with CHC during the first quarter concerning a possible management buyout. With the acquisition of **Bond Helicopters, Ltd.**, now **CHC Scotia, Ltd.**, BIH has become the redundant U.K. subsidiary (publicly referred to as a noncore operation in the United Kingdom) for the giant North American concern.

A satisfactory arrangement is concluded on May 17 under which BIH, sold for \$51 million, once again becomes the largest U.K.-owned heli-

copter operator. The Canadian corporation's U.K. offshore activities will now center fully on **CHC Scotia, Ltd.**

Effective October 19, all of the subsidiaries of the **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, Helikopter Service, A.S. becomes **CHC Helicopter Service, A.S.** Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

Operations continue as before, employing a fleet of 30 aircraft, including 19 AS-332L Super Pumas. The main focus remains support of oil and gas exploration, although a variety of EMS, SAR, and charter flights continue to be offered, along with a scheduled passenger service from the north Norway town of Bodo to the island of Vaeroy.

HELIKOPTER SERVICE EURO AIR, A.B.: Oceangatan 6, S-25225 Helsingborg, Frihamnen Malmö, S-21123, Sweden; Phone 46 (42) 183515; Fax 46 (42) 187415; <http://www.helikopterservice.com>; Code YQ; Year Founded 1982. HSEA is established at Helsingborg in 1985 to provide daily roundtrip shuttle flights linking its base with Malmö and Copenhagen. Managing Director Sten Gunnarsson employs a workforce of 15 and inaugurates services with a small fleet of Bell 206Ls and Agusta A109s.

Operations continue apace during the remainder of the decade.

In 1990, the company replaces its earlier helicopters with a fleet of Aerospatiale AS-365N Dauphins. During 1991–1993, these are supplemented by two Bell 206L LongRangers. Passenger enplanements steadily increase, reaching 37,800 in 1994, a 37% jump in 5 years.

During 1995, the company makes a total of 12,500 flights, transporting 55,000 passengers. Three Sikorsky S-76C+s are purchased in October 1996. Enplanements for the year reach 70,000.

Service is expanded in 1997–2000, during which years the staff grows to 45 and 82 weekday flights are operated by the Sikorsky S-76C+s. The Dauphins and Agustas are replaced, but one LongRanger is retained for use on taxi runs and contract inspection flights. A new departure lounge is opened at Helsingborg.

HELIKOPTER SERVICE GROUP. See BOND HELICOPTERS, LTD.; COURT HELICOPTERS (PTY.), LTD.; HELIKOPTER SERVICES, A.S.; LLOYD HELICOPTERS (PTY.), LTD.

HELIKOPTERIPALVELU O/Y: Finland (1960–1999). One of the oldest rotary-wing operations in Finland, Helikopteripalvelu (Helicopter Service) is established at Helsinki in 1960 to provide power line inspections. It later branches out into passenger and cargo charters, search and rescue, EMS, aerial photography, and flight training. Flying between November and March will continue to prove difficult.

In 1978, the company becomes Finnish distributor for the Robinson Helicopter Company. Still, throughout the 1980s the company's main business remains power line inspection. Some 10–12% of Helikopteripalvelu's income is, however, now derived from passenger charters, including the transport of businessmen from Helsinki across the Gulf of Finland to Tallinn, Estonia.

By 1991, the company employs 10 workers, including 5 pilots. Fifteen other pilots are available on call, primarily from **Finnair O/Y** or the Finnish Frontier Guard. The fleet includes 2 Agusta A109s, 3 Robinson R-22, 3 Bell 206B JetRangers, and 1 Bell 206L LongRanger.

Newer activities include search and rescue and, on behalf of the police, speed checks using radar guns. In September, the carrier begins a six-month EMS test in the southern part of the nation.

Revenues total \$1.8 million.

Service continues apace in 1992–1997. During these years, the carrier leases a Bell 212 from **Helikopter Service, A.S.** of Norway. It is em-

ployed on behalf of the Finnish Ministry of the Environment to fly oil pollution patrol and containment missions in the eastern archipelago. It is also engaged to test the possibility of Finnish civil offshore support; the trial will show the market to be insufficient.

In 1999, Managing Director Pekka Kannien oversees a 22-person workforce and enjoys annual revenues of \$3.5 million. His fleet includes 1 Augusta 109, 1 Aerospatiale AS-355, 2 Eurocopter BO-105Cs, 1 Bell 206L LongRanger, 4 Bell 206B JetRangers, and 1 Robinson R-22.

In March, the operator is merged with cross-town Copter Action, O/Y to become **Copterlines, O.Y.**

HELIPOLIS AIRLINES, S.A.E.: Egypt (1996–2000). Heliopolis is established at Cairo in late fall 1996 to offer nonscheduled charter and inclusive-tour flights to domestic and European destinations. A McDonnell Douglas MD-83 is leased and begins flights to Mediterranean holiday spots in late December.

Early in 1997, the MD-83 also begins tourist flights from Cairo to Sharma El Sheikh, Hurghada, and Luxor. Orders are placed for an MD-90-30, which is delivered in August. Unable to maintain viability, the company shuts down in June 1998.

Following an 18-month hiatus, Heliopolis is reborn at the beginning of 2000. Chartered from ILFC, a Boeing 737-3Q8 in a white color scheme is christened *Karim* and enters service on March 16; a second Boeing 737-3Q8, *Shaza*, follows. Unhappily, rising fuel costs and a poor summer season combine to force the company on October 22 to again cease operations.

HELIOS AIRWAYS, LTD.: Ria Court, No. 9, P.O. Box 52022, Larnaca, 6028, Cyprus; Phone 357 (4) 815700; Fax 357 (4) 815701; <http://www.helios-airways.com>; Code HCY; Year Founded 1998. Helios is established in September 1998 as the first independent charter airline in Cyprus. It is majority-owned by TEA (Cyprus), a Cypriot offshore operator specializing in wet-leased Boeing 737 worldwide, with minority stakes held by various Swiss interests. A long gestation period will ensue before company flight activities actually begin.

At the beginning of 2000, CEO Markus Seiler has assembled a workforce of 90 ground and flying personnel. During the first quarter and into the second, the new airline, which is capitalized at £3 million, secures contracts from the following tour operators: London-based Olympic Holidays, Golden Sun, Falcon Holidays, Profilo Mediterraneo of Milan, Warsaw-based Cypriosun Holidays, and Nicosia's Louis Organisation.

The company's first dedicated aircraft, a B-737-4Y0 leased from GECAS christened *Athena* and wearing an ancient figurehead depicting the Greek Sun god on its tail, arrives at Larnaca on May 17. After Helios receives its air operators certificate from the Cyprus Directorate on May 24, the new Boeing is employed on May 26 to inaugurate weekly Sunday roundtrips from Larnaca to London (LTN). B-737-4Y0 charters are operated from Cyprus to Bergamo and Verona, Italy, between June 12 and September 18. Other destinations visited include Milan and Warsaw.

As the year continues, preparations are made for the arrival of two B-737-86Ns in March and April 2001.

HELIPORTUGAL, LTDA.: Cascais Municipal Airport, Hangar 3, Cascais, 2785632, Portugal; Phone 351 (21) 445-1575; Fax 351 (21) 444-8067; <http://www.heliportugal.pt>; Year Founded 1982. The oldest rotary-wing operator in Portugal, this concern is established in 1982 to provide fishery spotting, offshore oil rig support, air taxi and urgent-express delivery, aerial filming, and forest fire-fighting support. Over the next 18 years, the company spreads its wings across both Portugal and Spain, adding such missions to its portfolio as infrared inspection of power lines, life-line insulator spraying, forest fertilizing with differential GPS guidance, emergency medical services, power line pilot line placement, electronic journalism, and sling load work, such as the placement of antennas or air conditioning units.

Major customers for which services have been provided include SNB Service Nacional de Bombeiros, EDP Electricade de Portugal, SIC So-

ciade Independente de Comunicacao, RTP Radio Televisao Portuguesa, Empresa Sevillana de Electricidad, Electricidad de Cataluna, Portucel, Soporcel, CELBI, CELPA Associacao das Empresas Produtoras de Pasta de Papel, CME Construcoes e Manutencao Metalurgica, and Pinto & Bentes. The concern also joins the Flight Safety Foundation and the Helicopter Association International. Its maintenance arm becomes an authorized service center for both McDonnell Douglas Helicopters and Robinson Helicopter Company equipment.

Francisco Silva Passos is managing director in 1998, with G. Sousa Coutinho as operations director. The company now also provides a number of services to various sporting and entertainment industry projects. Among these are Portugal's Bike Tour, Rallye TAP Air Portugal, Baja Telecel, and Beja 2000. It also provides filming for the RTL television series *Der Clown*, television commercials, and documentary films about Portugal for foreign television channels. It also provides support for the producers of the motion pictures *Overkill* and *Hornblower*, the latter seen in the U.S. over the Arts & Entertainment Network (A&E) in 1999.

Also, in January 1999, the company takes over competing HFS Portugal, Ltda. The fleet is increased to 4 Eurocopter AS-350B Ecureuils, 1 AS-355 Ecureuil Twin Star, 1 Robinson R44 Newscopier, and 2 McDonnell-Douglas MD 500s. In October 2000, Heliportugal becomes the first rotary-wing operator in the country to accept delivery of a new Eurocopter EC-120 Colibri.

HELISUL LINEAS AEREAS, LTDA.: Rua Bela Cintra, 2093, São Paulo, 01415, Brazil; Phone 55 (455) 231190; Fax 55 (455) 744114; <http://shsibm.shh.fi/~an944420/heli.htm>; Code PE; Year Founded 1994. To take advantage of the recent increase in scheduled Brazilian regional airline operations, Helisul is established at Bacacheri Airport, in downtown Curitiba, in May 1994 as a subsidiary of the 32-year-old air taxi concern, Helisul Taxi Aereo, Ltda.

Flights commence with a fleet of 4 Embraer EMB-110P1 Bandeirantes. After fall negotiations, the government authorizes the company in December to inaugurate scheduled flights linking Curitiba with Francisco Beltrão, Pato Branco, Guarapuava, Campo Mourão, Maringá, Apucarana, Cascavel, Blumenau, Joacaba, Concordia, Chapeco, and São Paulo.

The company also operates a rotary-wing fleet that comprises 3 Bell 206A and 2 Bell 206B JetRangers, plus 2 Eurocopter AS-350B A-Stars. These continue to offer helicopter flights in Rio de Janeiro on behalf of Helisight Viagens e Turismo, Ltda., services that now include regular operations from the Urca Hill (Sugar Loaf) helipad.

Operations continue apace in 1995. Five more communities in the southeastern states of Paraná and Santa Catarina become scheduled destinations.

To supplement its domestic feeder routes, the rapidly expanding **TAM (Transportes Aereos Regionais, Ltda.)** purchases Helisul in August 1996. The sale price is 2 million reais (US\$2 million). The company, which is allowed to retain its independent identity, is assigned to TAM's **Brasil Central (Linha Aerea Regional, S.A.)** subsidiary.

An EMB-110 freighter with two crew crashes into a mountain near Joinville, Brazil, on September 13; there are no survivors.

At the beginning of 1997, the fleet of President Eloy Biesuz includes 1 Bell 206A, 7 Bell 206Bs, 4 HB350Bs, and 4 Bandeirantes. In September, the carrier takes over a number of routes previously operated by Brasil Central.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Enplanements for the year total 148,287.

Flights continue in 1998. On December 30, the DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Passenger boardings increase 126.1% to 335,000, while freight traffic skyrockets 116.6% to 2.06 million FTKs.

Flights continue in **1999–2000**, during which years a honeypage for the Helisight operation is also opened on the Internet at <http://www.helisight.com>.

HELISUL TAXI AEREO, LTDA. See **HELISUL LINEAS AEREAS, LTDA.**

HELISWISS (SWISS HELICOPTERS, LTD.): P.O. Box 75, Bern Airport, Belp, CH-3123, Switzerland; Phone 41 (31) 819-3311; Fax 41 (31) 819-4171; <http://www.businessworld.ch/11/be/31/heliswiss.htm>; **Year Founded 1953.** This charter operator is formed at Berne in April 1953. In 1953–1982, extensive domestic passenger and cargo operations are developed, along with survey flights, agricultural spraying, and sight-seeing charters, including many of an international nature. The company's fleet includes a variety of rotary-wing aircraft, including Bell 47s, 204s, 205s, 206s, 412s and Aerospatiale AS-315s and 350s.

The company is purchased in 1983 by competing Air Grischa Helikopter, A.G.; allowed to retain its own name, the company is folded into a group of firms managed by Heri/Swiss Helicopter Management. Other operators in the group include **Eliticino, S.A.** and **Helitrans**; the three fly from several bases. Corporate headquarters are maintained at Bern's Belp Airport, where Dr. Jurgen Riedi serves as president.

In 1984–1988, Heliswiss develops a reputation for construction work in mountainous areas. In addition, it continues to undertake international missions, including geological survey work in Greenland, insect spraying in Africa for the World Health Organization, power line construction in Nigeria, and fish spotting in Mauretania. During the latter year, the company's Bell 214B participates in the construction of a crane on top of 9,745-ft. high Schilthorn Mountain, which will be employed, in turn, to build a cable car station.

Two Barcelona, Spain-based operators are brought into the corporate fold in 1989, Aercombi, S.A. and Rescate Aero, S.A. The acquisition allows the Spanish customers of Heliswiss, Ltd. to circumvent the need to seek government permission to contract with foreign firms.

The fleet in 1990 includes 5 Bell 206B JetRangers, 5 Aerospatiale SA-315 Lamas, and 1 each Bell 205A, 214B, and Aerospatiale SA-316 Alouette III and AS-350B Ecureuil. The Eliticino fleet features 8 Lamas, 2 Alouette IIIs, and 1 each Ecureuil, Bell 205A, and Bell 206B JetRanger.

A Soviet-built Kamov Ka-32 is chartered for three months and is employed to assist civil authorities in clearing salvageable timber from damaged forests between Unterwallis to Zentralschweiz following major storms early in the year.

A Ka-32 is again placed into service during April 1991. Service continues to expand during the remainder of the decade and by 2000, Dr. Riedi's fleet includes 5 Eurocopter AS-315Bs, 6 each AS-350Bs and Agusta-Bell 206B JetRangers, 2 Bell 214Bs, and the leased Kamov Ka-32.

HELITOURS, LTD.: P.O. Box 594, Colombo 2, Sri Lanka; Phone 431584; Fax 432336; **Year Founded 1971.** Helitours is born of the 1971 political and economic debacles, the containment of which is responsible for a sudden large expansion of the Sri Lankan Air Force. After the upheavals, a proposal is made to the government to utilize the helicopters and fixed-wing aircraft and their crews on nonmilitary duties as a way of helping to recover part of the cost of the defense establishment, while keeping personnel trained and ready. The idea is accepted and authorized under a presidential decree as a charter operation, not a scheduled service selling tickets. Regular domestic flights are inaugurated between Colombo and Amparal, Anuradhapura, Batticalos, Jaffna, Koggala, Minneriya, Trincomalee, Vavuniya, and Wirawila.

Within seven years, Air Vice Marshal Harry Goonetilleke's fleet comprises 1 Convair CV-440, 2 Riley Turboliners (de Havilland DH 114 Herons with turboprop engines), 2 Herons, 2 DC-3s, and 7 Bell 206 JetRangers. During the early 1980s, the fixed-wing fleet is upgraded by the

addition of 1 Hawker Siddeley HS 748 in place of the Convair, 3 Cessna 337F Super Skymasters, and 2 Aerospatiale SA-365C Dauphin 2s.

By 1988, CEO Air Marshal M. J. T. des Gunarante's fleet comprises 3 HS 748s, 1 Beech King Air 200, the 3 Super Skymasters, and 6 Yun Y-12s. Two Y-8s are acquired in 1990. Airline employment in 1992 stands at 35 civilian personnel in addition to military flight and ground crews.

Operations continue in 1993–1994, at which point the rotary-wing fleet includes 12 Bell 212s, 4 Bell 412s, 6 Bell 206A JetRangers, and 3 Mil Mi-17s. The fixed wing fleet has not changed since the 1980s.

Just after takeoff from Palay AFB on a charter troop service to Colombo on April 18, 1995, a BAe (HS) 748-2A with 3 crew and 42 passengers is hit in the left wing by a surface-to-air missile. The pilot attempts to return to his point of origin in heavy rain, but the right wing fails and his aircraft crashes 700 ft. short of the runway. There are no survivors from a tragedy blamed on Tamil separatists.

The next day, a BAe (HS) 748-B2 with 3 crew and 49 passengers on another troop charter en route from Anuradhapura to Palay AFB, is hit at 3,000 ft. by a surface-to-air missile. The turboprop smashes into the ground 10 km. from its destination and, again, there are no survivors.

While on final approach to Palay AFB on November 18, a Yunshuji Y-8 with six crew is shot down by 20mm. Orikon antiaircraft fire from two Tamil separatist gunboats and crashes into the sea three km. off-shore (five dead).

As civil disturbances continue to rock the island nation and attacks by the Tamil Tiger rebels become more fearsome, the government bans domestic flights, particularly those between the Jaffna Peninsula and Colombo. As a result, the company is shut down.

In late January 1999, the Sri Lankan Defence Ministry informs the press, including the BBC, that Helitours, Ltd. will be reactivated to operate daily service into the Jaffna Peninsula. The service, employing SLAF Antonov An-32s, will replace the frequencies previously provided by Lionair before its aircraft was destroyed.

Due to the threat of missile attack from rebel forces, the government again halts its Jaffna Peninsula service in March 2000. Civilian traffic from the embattled area to the capital must travel by sea to Trincomalee and then by train.

In October, arrangements are completed with **Air Moldova International** for the operation, on behalf of Helitours, of a replacement civil service between Colombo and the Jaffna Peninsula. The Moldovians send out a wet-leased Antonov An-24V, which begins revenue flights on November 17 from Colombo to Ratmalana and Palaly/Kankesanturai.

HELITRANS, LTD. See **HELISWISS, LTD.**

HELITRANS AIR SERVICE: United States (1989–1992). Longtime tour operator Helitrans, based at Los Angeles, makes plans in the spring of 1989 to offer a new helicopter scheduled airline service for the city. A fleet of 3 Aerospatiale A350D AStars is assembled to which is added Helitrans' Bell 206L LongRanger. Simultaneously, joint-fare agreements are signed with two American and three foreign flag carriers: **American Airlines, United Airlines, British Airways, Ltd. (2), Korean Air, and Virgin Atlantic Airways, Ltd.**

Roundtrip revenue flights commence on August 15, linking Los Angeles (LAX) with John Wayne Airport in Orange County, John Wayne to Catalina Island, San Pedro to Catalina Island, and Los Angeles (LAX) to Catalina.

Operations continue apace with no change into 1991. However, significant financial problems are encountered as a result of the recession and the carrier becomes the latest in a long line of scheduled rotary-wing failures when it folds in 1992.

HELLENIC AIR, S.A.: Greece (1992–1995). Established at Athens in 1992, HA must wait two years to begin regional services. When flights commence in 1994, only one British Aerospace (BAC) 1-11-500 is employed. Unable to achieve viability, the company shuts down in 1995.

HELLENIC AIRLINES, S.A.: Greece (1947–1951). The commissioners of the three branches of the Greek armed services plus the Civil Service Pension Fund (60% interest) join **Scottish Airlines, Ltd.**, the air transport division of Scottish Aviation (40% interest), in forming this ambitious carrier on September 1, 1947. A leased Scottish Douglas DC-3 is employed for crew training, but while on a September 3 training mission, the plane, with eight crew, crashes near Hassani Airport (three dead).

In February and March 1948, a **Scottish Airlines, Ltd.** Consolidated Liberator II and two Douglas DC-3s are purchased and these are employed, beginning in February, to initiate scheduled services from Athens to Salonika, Larissa, Crete, and London. On September 14, eight armed Communists seize one of the Douglas transports, beat the crew, and force the aircraft to land in Yugoslavia. The plane, crew, and passengers are allowed to return the next day.

A DC-3 crashes near Athens on June 6, 1949 (22 dead). A second Liberator II is acquired in July, allowing the Greek airline to provide new or additional frequencies to Glasgow, Alexandria, Kavala, Janina, Nicosia, Paris, Tel Aviv, and London. Additionally, DC-3s are flown to the various islands in the Aegean.

The last Liberator II is withdrawn, together with **Scottish Airlines, Ltd.** involvement, in October 1950, having been replaced by DC-4s that allow new or more frequent flights to start to Rhodes, Cairo, and Cyprus. Unfortunately, these services are not financially viable.

The Greek government in July 1951 supervises a national airline realignment. Hellas is one of three carriers amalgamated into a new joint stock company under the banner of the country's major local service operator, **TAE Greek National Airlines, S.A.**

HELLINIKI ETERIA ENAERION SYNGHINONION, S.A. (HEES): Greece (1931–1940). This company is formed at Athens in early 1931 to provide service along the coast and northwest to Janina. Four Junkers G.24 trimotors are obtained and services begin in mid-June. The first flight is made between Athens and Thessaloniki and an enthusiastic Prime Minister Eleutherios Venizelos is the first official passenger. Frequencies are expanded throughout the remainder of the decade.

By 1939, the fleet has been upgraded to include not only the original G.24s but three new Junkers Ju-52/3ms; this year some 2,000 passengers are transported. When a new company, **TAE Greek National Airlines, S.A.**, known officially as Technical and Aeronautical Exploitations Company (TAE), is formed in 1940, HEES ceases operations.

HELO AIR: Richmond Jet Center, 5733 Huntsman Road, Sandston, Virginia 23150, United States; Phone (804) 226-3400; Fax (804) 226-3494; <http://www.heloair.com>; Year Founded 1993. Helo Air is established at Richmond in 1993 to provide executive and small group passenger charters throughout the Washington, D.C. and Virginia metropolitan area, including the major airports of Washington, D.C. (DCA and IAD) and Baltimore (BWI).

By 2000, the company employs five pilots. From Richmond, it flies 2 Bell 206B JetRangers and 1 Bell 206L LongRanger; 1 JetRanger is also stationed at Washington, D.C. (DCA).

HELOG, A.G.: Haltikon, Kussnacht CH-6403, Switzerland; Phone (041) 854-0854; Fax (041) 854-0855; <http://www.helog.ch>; Year Founded 1981. Helog is established in the central region of Switzerland in 1981 to provide lift support for construction projects in an area stretching to Zurich and Lucerne. Over the next 20 years, the company, beginning with a single Aerospatiale AS-332 C1 Super Puma, specializes in such activities as lift for the building or repair of cable car and electrical systems, as well as fire fighting and VIP passenger transport. A maintenance center is established that carries out its work in accordance with JAR 145 standards, while the concern's safety is recognized by receipt of the Operator Safety Award from the International Helicopter Association.

In 2000, CEO Rolf W. Stalder's fleet includes 2 Aerospatiale AS-332C1 Super Pumas and 1 Kama Ka-21 heavy lift helicopter leased from Russia.

HELY AIR SERVICES, LTD.: Sofia Airport North, Sofia, 1540, Bulgaria; Phone 359 (2) 795036; Fax 359 (2) 791151; Year Founded 1988. HAS is established at Sofia Airport in 1988 to undertake the international and domestic air transport of passengers, construction and assembly work, fire fighting, timber work, and agricultural and sanitary activities. Managing Director Georgi Spassov's fleet comprises 10 Mil Mi-8 helicopters.

The rotary-wing component is changed in 1989–1990 as four Mi-2s are added. Operations continue apace in 1991–1992. Airline employment in 1993–1994 totals 84 and revenues in the former year reach \$1.5 million.

Flights continue during the remainder of the decade; however, the number of Mi-8s is reduced by one.

HELYJET, S.A: Esmeralda 1320, Piso 5A, Buenos Aires, 1007, Argentina; Phone 54 (11) 4322-9100; Fax 54 (11) 4327-0404; Year Founded 1996. Helyjet is established at Buenos Aires in 1996 to offer executive and small group passenger charters and medevac flights. By 2000, Managing Director David Yacobite oversees the work of 12 full-time pilots and the operations of 2 each Swearingen Metros and Learjet 25s, plus 1 Eurocopter Bo-105 helicopter.

HEMISPHERE AIR TRANSPORT. See NORTH AMERICAN AIRLINES (NAA) (1)

HEMUS AIR, LTD.: Sofia Airport, Sofia, BG-1540, Bulgaria; Phone 359 (2) 702 076; Fax 359 (2) 796 380; Code DU; Year Founded 1989. Hemus is formed at Sofia Airport in 1989 to operate domestic services, initially with a single Antonov An-30. The fleet is substantially increased in 1990, adding three Let L-410UVPs, two Tupolev Tu-134As, one Tu-134A-3, and eight Yakovlev Yak-40s.

The Tu-134A-3 is withdrawn in 1991 and one Let 410 is chartered to **Malitas (Mali Tombouctou Air Service)**. Two internal routes are now flown on behalf of **Balkan Bulgarian Airlines**. The Malitas lease ends in 1992 as flights begin to Thessaloniki, Greece. Operations continue apace in 1993 and revenues total \$4.7 million.

In 1994, Managing Director Zdravko Velichkov's fleet includes 9 Yak 40s, 2 Tu-134As, and 3 Let 410UVPs. In addition to international and domestic air transport, the company continues to offer charter flights, air photography, sanitary activities, and the technical air control of air navigation equipment.

Flights continue in 1995–1998. Destinations served on a scheduled basis include Bratislava, Bucharest, Leipzig, Oslo, Skopje, Sofia, and Triana. Dimitar Pavlov becomes managing director and his fleet is revised to include 5 Yak-40s, 3 Tu-134As, and 2 L-410UVPs. As **Balkan Bulgarian Airlines** encounters financial difficulties, Hemus is able to assume some of its business.

Unable to change the Belgrade government's policy toward the ethnic Albanians in Kosovo province, NATO, on March 24, 1999, closes the airspace over the federal republic of Yugoslavia, plus Croatia, Bosnia, and Albania and launches the bombing campaign Operation Allied Force against Yugoslavia. Hemus is prohibited from flying into those nations and, like other European airlines, finds itself confronted with cancellations and delays on services throughout southeastern Europe until June.

The Bulgarian transport minister argues in April for a delay in the timing of Hemus Air's privatization. However, it is reported on May 23 that the carrier will be put up for auction. Plans for a sale of a 51% stake in Bulgaria's second state airline are confirmed in September.

On November 3, the airline is officially put up for sale. Thirteen companies, including **Albanian Airlines**, submit tender documents after studying Hemus' finances. All agree that they will be able to pay up

front at least half of the total price, when it is set. These results come in the wake of two deadline extensions, the second to January 10.

Flights to 7 international and 2 domestic points continue with 6 Tu-134s, 6 Yak 40s, several L-410UVPs, and 1 leased Tu-154. At the end of the year, Reuters, Ltd. reveals that the state privatization agency has extended the bid deadline for a third time, from January 10 to February 12.

HENEHERY AVIATION (PTY.), LTD.: Australia (1967–1987). Incorporated by Manager Kevin T. Henebery and Assistant Manager Irene M. Henebery at Caloundra, Queensland, in early 1967, Henebery Aviation inaugurates local charter and contract service flights in August with a single Cessna 172. Flight training is also provided. In early 1972, by which time the company's fleet has grown to comprise 1 Cessna 210 and 2 Cessna 172s, permission is received to inaugurate commuter services; regularly scheduled flights to Brisbane commence in July.

For the next 15 years, the single route is maintained. During this time, A. J. S. Fyfe takes over and the fleet is upgraded by the addition of three Partenavia P-68Bs, two Beech B-58 Barons, and a Piper PA-34 Seneca. Financial difficulties mount through the mid-1980s and, in 1987, the carrier is forced to close.

HENRY'S CHARTER SERVICE: United States (1965–1968). Henry's is formed at Concordia, Kansas, in the summer of 1965 to offer nonscheduled Cessna lightplane services to Kansas City. FAA certification to provide scheduled daily passenger and cargo roundtrips is received on August 17.

Revenue commuter flights commence on May 15, 1966 and continue until 1968.

HENSLEY FLYING SERVICE: United States (1944–1978). Walter Hensley establishes an FBO at Havre, Montana, in 1944, adding charter flights, which continue to be offered for the next 30 years. In 1974, the company is purchased by James Stroh, who continues to provide nonscheduled air taxi services for the next two years.

Cessna 206 scheduled services to Great Falls are introduced in 1976 and maintained, along with the charter network, until the company's certificate is sold to **Big Sky Airlines** in late 1978.

HENSON AVIATION: United States (1962–1993). Richard A. "Dick" Henson begins **Hagerstown Commuter** on October 1, 1962 as a division of his successful FBO operation, originally started in 1931. A Beech 18 in bright yellow livery together links the western Maryland city four times Monday–Friday with Washington, D.C. (DCA). The Beechcraft is initially unprofitable and beginning in 1963 it is supplemented by an Aero Commander 680 and a Beech Bonanza. Operations continue apace in 1964–1967, during which years Henson captures over 70% of the Hagerstown traffic.

In August of the latter year, Henson enters into the first "Allegheny Commuter" associate agreement with **Allegheny Airlines**. The third-level carrier will now provide four per day scheduled flights from its western Maryland base to Washington, D.C. (actually, Baltimore's Friendship Airport). For its part, the larger local service carrier agrees to help with reservations and ticketing, station handling, market planning, and accounting, and to offer a two-year financial guarantee against loss.

Employing a Henson Beech B-80 Queen Air with the words "Allegheny Commuter" painted on its white fuselage sides in red, what will become the nation's most successful interline operation begins on November 15, replacing the heavier (and more expensive) Fokker F.27 service of **Allegheny Airlines (1)**.

The third-level contract quickly proves its worth. Within a year, **Allegheny Airlines (1)** is able to withdraw its \$58,000 annual subsidy. On June 1, 1968, Beech 99s, in suitable livery, increase capacity. After two promotional flights, they launch seven-times-per-day frequencies between Salisbury, Maryland, and Washington, D.C. (DCA). Traffic increases dramatically over the next decade as a variety of new destinations are added, including Pittsburgh, Hagerstown, and Philadelphia.

Operations continue apace in 1969–1973 and, by 1974, enplanements are 126,380.

Airline employment in 1975 stands at 68. A new hangar and terminal are dedicated in November at Salisbury. The carrier's five Beech 99s transport 142,369 passengers on the year, an increase of 11%.

The workforce is increased by 30% in 1976 to 80. Although a sixth Beechcraft is acquired, termination of Beech 99 production requires the company to begin seeking different equipment.

Passenger boardings accelerate 30% to 184,932. Freight traffic rises a spectacular 179.8% to 21.6 million FTKs.

In 1977, enplanements reach 219,179.

Airline employment is increased by 8.1% in 1978 to 134 as service is maintained over the carrier's 435-mile route network.

Passenger boardings increase by 17.1% to 256,769; however, cargo is down by 17.1% to 822,000 pounds.

Beginning on June 1, 1979, service is inaugurated from Baltimore (BWI), Norfolk, and Newport News to many of the communities on the Virginia peninsula.

The carrier's 8 aircraft are able to boost enplanements by 34% to 343,986; they cannot carry more freight, which falls by 26.6% to 603,000 pounds.

As the airline grows, so does its workforce, reaching 235 in 1980. William P. Gombe is now appointed vice president-operations and the fleet grows to include 1 de Havilland Canada DHC-7-102, 4 Shorts 330s, and 6 Beech 99s, with orders outstanding for another Dash 7 and 6 Dash 8s. Service is extended into the Shenandoah Valley on September 15, with emphasis on the Virginia capital of Richmond.

Bookings advanced 16% to 400,676. On revenues of \$8.85 million, expenses are \$7.3 million, leaving a \$691,906 profit.

Airline employment is increased to 267 in 1981. Two more Dash 7s arrive in early spring to join the four Shorts and one less Beech 99. Services are inaugurated from Richmond to Pittsburgh and Washington, D.C. (DCA) via Newport News; and from Baltimore (BWI) to New York City (JFK). Corporate headquarters are transferred to Salisbury, as a new \$1-million multipurpose facility is opened.

Traffic increases by 24% as 495,945 passengers are flown. Revenues advance 36.2% to \$11 million and expenses by 36.3% to \$10 million, leaving a profit of \$931,238.

The payroll is increased another 38% in 1982 to 363. In January, the company receives the 1981 "Regional Airline of the Year" award from *Air Transport World* magazine.

During the year, founder Henson begins looking for a buyer who can assure the future of his carrier. Early in the spring, a new market is initiated at Harrisonburg, Virginia, and the move is followed by a June launch of service to Charlottesville.

On June 23, a woman, claiming to be armed, approaches the copilot of a Dash 7 as it prepares for a commuter service from Staunton, Virginia. When the man calls her bluff and refuses to immediately depart, she walks back into the terminal, where she is arrested on attempted hijacking charges by security police.

Later, flights begin from Baltimore (BWI) to New York (LGA) and Ocean City. The outstanding Dash 7 is delivered and a new livery and logo are introduced during December.

Enplanements for the year jump 31.1% to 650,290 and income of \$35 million is reported.

Airline employment jumps 37.6% in 1983 to 494 and the fleet now includes 4 Shorts 330s, 7 Beech 99s, and 6 Dash 7s. Orders remain outstanding for eight DHC-8s. Long Island, Roanoke, and Norfolk join the route market.

Henson concludes its 15-year-old arrangement with **USAir** and signs an agreement on October 30 with Piedmont Aviation, holding company for **Piedmont Airlines (1)**.

The North Carolina-based national will now acquire full ownership of the regional through five annual 20% stock transactions to be concluded in 1987. Henson will continue to operate under its own name as Henson, the Piedmont Regional Airline, becoming, in essence, a dedicated

feeder, transporting passengers for its new owner, especially to Baltimore (BWI), where its schedule is integrated with the national's. These "Piedmont Commuter" services commence in November.

Bookings rise 7.6% to 699,437 and cargo jumps 10% to 983,000 pounds. A private company, Henson chooses to no longer release financial data.

The payroll ascends 18.6% in **1984** to 554 and the fleet includes 7 Shorts 330s, 5 DHC-7-102s, and 9 Beech 99s. The route system is extended from Boston to North Carolina; among the new destinations visited are the Pennsylvania cities of Allentown, Wilkes-Barre, and Harrisburg; MacArthur Airport on New York's Long Island; the West Virginia resort area of Greenbrier; and the Virginia communities of Lynchburg, Norfolk, and Roanoke.

Enplanements jump 4.9% to 733,569, but freight declines 2% to 963,000 pounds.

The employee populations increases again in **1985**, climbing 72.3% to 672 and the fleet is enhanced by the delivery, through the year, of 5 DHC-8-102s and 5 Shorts 330s. Six cities circling Piedmont's Charlotte, North Carolina, hub receive initial service beginning on March 15, as do markets at Bridgeport, Connecticut, and White Plains, New York. Also in March, a fifth frequency is added from Baltimore (BWI) to Wilkes-Barre and Scranton. The first DHC-8-102 enters service on May 2 between Salisbury and Baltimore-Washington International Airport. Later in the month, frequencies begin to Florence and New Bern, South Carolina.

Flight 1517, a Beech 99 with 2 crew and 12 passengers, crashes into the side of a 2,400-ft. high mountain in Shenandoah National Park, 5 mi. E of Shenandoah Valley Airport in Weyers Cave, Virginia, on September 23; there are no survivors. Flights to Hilton Head, South Carolina, also commence in September.

Passenger boardings swell 19.8% to a record 878,659, but cargo plunges further, down 31% to 664,000 pounds.

Airline employment rises 21.1% in **1986** to 814. Fellow commuter **Jetstream International Airlines** is acquired, allowing the **Piedmont Airlines** affiliate to extend its influence west toward Dayton and the Midwest. A reorganization plan is initiated, with **Jetstream International Airlines** remaining an independently named Henson subsidiary.

In July, company officials, seeking a new aircraft, sponsor a fly-off between the British Aerospace BAe Jetstream 31, the Fairchild Metro III, and the Beech 1900C. By September, Henson flies farther north, south, and west than any other regional airline on the eastern seaboard.

Donald Curtis Smith becomes president in October and in November it is announced that Henson will implement a Piedmont Shuttle Link service in Florida, under the direction of long-time **Eastern Air Lines** official Joseph Chornyel, beginning early the next year.

Customer bookings jump 31% to pass the one million-mark in annual boardings for the first time (1,151,027). Cargo also accelerates, by 24%, to 910,000 pounds.

The workforce is increased by 26% in **1987** to 1,028 and the fleet comprises 9 DHC-8-102s, 4 Dash 7s, 11 Shorts 330s, and 7 Beech 99s. Orders are outstanding for 9 additional DHC-8s. From a headquarters at Jacksonville, the Piedmont Shuttle Link service is inaugurated in Florida on February 1; 11 Sunshine State cities and 5 Bahamian destinations are connected by DHC-8-100 with the major's intrastate route network.

The system is expanded on March 15 and by June, over 60 daily frequencies are available. The incremental stock purchase signed with **Piedmont Airlines** in 1983 is now completed and in October Henson becomes a wholly owned subsidiary of the major.

Passenger boardings advance by 15.2% to 1,325,917, including 200,000 flown in Florida.

The employee total is cut by 2.5% in **1988** to 1,000 and the fleet now includes 20 DHC-8-102s, 5 DHC-7-102s, and 6 Shorts 330s. Service is inaugurated in February from Fort Lauderdale and Orlando to Treasure Cay and Marsh Harbour, in the Bahamas. Trenton, New Jersey, becomes the 39th point on the route map in March, with a service to it from Washington, D.C. (DCA).

In May, the company inaugurates flights from Nassau to Fort Lauderdale and West Palm Beach. Two daily flights are added in September between West Palm Beach and Freeport, Grand Bahamas. During the same month, a DHC-8-102 is ferried north one day per week from Jacksonville to Charlotte; from there it undertakes a roundtrip shuttle to Hilton Head Island, South Carolina.

Four-times-per-day DHC-8-102 frequencies are initiated in October from Brunswick's Glynnco Jetport to Charlotte's Douglas International Airport; thrice-daily Shorts 330 flights begin from Mercer County Airport at Trenton to Washington, D.C. (DCA). Service is also launched from Washington, D.C. (DCA) to New York (JFK). Flights are now provided to 42 airports in 12 states, the District of Columbia, and the Bahamas. Founder Richard A. Henson retires at year's end and is succeeded as president/CEO by Ronald Holley.

Customer bookings hit a new record as 1,586,142 passengers are flown, a 19.6% boost.

The **USAir** subsidiary replaces its Shorts 330s in **1989** with 13 additional DHC-8-102s. In April, four daily DHC-8-102 frequencies are added from Naples Municipal Airport to Tampa. On July 1, the **Piedmont Airlines** merger into **USAir** is completed.

The new services help the operator to establish yet another new traffic record for itself as enplanements climb 16.8% to 1,852,530.

The fleet in **1990** includes 7 DHC-7s and 33 DHC-8-102s. The last four remaining Shorts 330s are all chartered to **Allegheny Commuter Airlines**. In April, the company's flight attendants, represented by the Association of Flight Attendants (AFA), overwhelmingly accept their first contract with the airline. Passenger boardings for the year expand another 8.3% to 2,006,069.

The largest "USAir Express" carrier withdraws two DHC-7-102s in **1991**. In January, the company becomes the first regional certified to use TCAS in scheduled U.S. airline service.

The year's enplanements move ahead by 2.6% to 2,058,329.

The fleet in **1992** includes 44 aircraft: 39 DHC-8-102s and 5 DHC-7-102s. Passenger boardings swell 9.1% to 2,246,195.

A new \$1.6-million maintenance facility is opened at Jacksonville, Florida, in January **1993**. In honor of its onetime owner and code-sharing partner, Henson is renamed **Piedmont Airlines (2)** later in the year.

HERMEN'S AIR: United States (1970-1990). Established at St. Mary's, Alaska, in **1970** by Stanley Hermen, HA develops an nonscheduled route network that links its base with Nome in the north, Holy Cross, Dillingham, and Bethel in the south, Toksook in the west, and St. Michael in the east. By **1977**, company employment is 12 and the fleet comprises 5 Cessna 207s, 1 Piper PA-18 Super Cub, and 1 Piper PA-24 Seneca II. Enplanements for the year are 2,292.

Boardings fall a significant 17% in **1978** to 1,956. Following the introduction of scheduled passenger and cargo flights late the previous year, enplanements rebound in **1979**, advancing by 114% to 4,178.

The fleet is increased in **1980** by the addition of several de Havilland Canada DHC-2 Beavers and DHC-3 Otters and a feeder arrangement is entered into with **Wien Air Alaska**. Bookings skyrocket 180% to 7,513, but grow by only 8 bookings in **1981**.

Bethel becomes a major hub in **1982** and operations continue apace, despite the loss of the feeder arrangement with **Wien Air Alaska** upon the national's failure in **1984**.

By **1985**, the fleet comprises 8 Cessna 207s, 2 Cessna T-1040s, 1 Cessna 185, 1 Cessna 402, 1 Piper PA-34 Seneca, 1 Cessna 172, and 1 de Havilland Canada DHC-2 Beaver.

Just after takeoff from Bethel on November 1, a Cessna 208 with a pilot and three passengers suffers a total loss of power and crashes; there are no survivors.

Flights continue without incident in **1986**, but tragedy again occurs on August 8, **1987**. While en route to Red Devil, a Cessna 207A becomes lost in fog and crashes at a point 9 mi. S of Crooked Creek, along the western shore of the Kuskokwin River; the pilot is killed and the aircraft is destroyed.

Galena Air Express is purchased and merged on June 27, 1989.

Having found it necessary to relocate its two Cessna T-1040s away from Fairbanks International Airport, the carrier, on August 1, discontinues passenger services from that point to Anaktuvuk Pass, Bettles, Fort Yukon, Galena, Ruby, and Tanana.

In 1990, the company is sold to **MarkAir**, which reconfigures its new wholly owned subsidiary as **Hermen's MarkAir Express**. Stan Hermen remains as president and the fleet is altered to include 10 Cessna 208 Caravan Is, of which 6 are leased from the new parent.

HERON AIRLINES (PTY.), LTD.: Australia (1991–1993). Heron is established at Sydney in 1991 to offer charter and local tourist flights. Revenue services commence with a pair of de Havilland DH 114 Heron 2s and continue for approximately two years.

HEUSSLER AIR SERVICE: United States (1977–1983). This Buffalo, New York-based air taxi and air ambulance operator is formed by Richard A. Hammond in early fall 1977. In addition to its charter flights, Heussler also offers, beginning in October, a scheduled service from Erie, Pennsylvania, to Detroit. The fleet employed comprises 1 Cessna Citation executive jet, 1 Cessna 402, and 4 Bell Model 47G helicopters.

Unable to weather the recession of the early 1980s, President Hammond's company folds in 1983.

HEVI LIFT (PTY.), LTD.: Box 49, Mt. Hagen, WHP, Papua New Guinea; Phone 67 5 545 1240; Fax 67 545 1261; Year Founded 1985. Following the bankruptcy of Australian helicopter pilot Tony Karas's helicopter charter company during the early 1970s, two new companies are established to take its place: Rotorwork (Pty.), Ltd. and Pacific Helicopters (Pty.), Ltd., the latter based at Goroka, Papua New Guinea, where it exists today.

Having gone with Rotorwork as its managing director, Karas in 1985 provides the leadership necessary to expand. Financing is found from a group of investors collectively known as Hevi Lift. With this capital investment, Rotorwork is reorganized during the year, becoming Hevi Lift-Rotorwork (Pty.), Ltd. A Bell 205 is acquired and employed to service an oil industry contract.

The operation is purchased by Collins & Leahy (Pty.), Ltd. in 1989. The new investor, a Papua New Guinea concern listed on the Australian stock exchange, provides a cash infusion that allows Hevi Lift to acquire a number of new helicopters. Among these is a wet-leased Mil Mi-26 and several Kamov Ka-32s acquired from **Aeroflot Soviet Airlines** during the fourth quarter.

In 1990, Rotorwork is split off from Hevi Lift and quickly thereafter ceases operations. In June, an Aeroflot Antonov An-26 arrives at Lae and unloads three Kamov Ka-32Cs, which allows the company to begin introducing the Russian-made equipment into competition with the Boeing-Vertol 107s operated under contract in support of the PNG energy industry by **Columbia Helicopters**.

At the end of July, a Soviet freighter, unable to dock at Lae, sails over to Brisbane where it unloads the giant Mi-26, which is its principal cargo. The helicopter is flown over to Lae and in August enters service for Hevi Lift on behalf of a consortium of Papua New Guinea oil exploration concerns, headed by Chevron Niugini, which have decided to begin oil production in the Kutubu Basin. Language difficulties between the Russian-speaking flight crews and ground control are solved by the addition of English-speaking copilots.

Hevi Lift establishes a presence at Sydney, Australia, in 1991; from the company's new base, two Bell 212s are assigned to forest fire control. A variety of support contracts are acquired over the next three years and the number of Kamov helicopters is increased to four. In addition, an engineering and maintenance hangar is built and filled with \$3 million worth of spare parts.

The Mi-26, valued at \$20 million, reaches the end of its yearlong charter in October. Although the Soviet airline is willing to release the aircraft, the government's customs service vetoes the arrangement, forcing

return of the huge helicopter at the beginning of 1992. Flights continue with the smaller Kamovs and other aircraft in 1993. **Columbia Helicopters**, meanwhile, has responded to the "Russian threat," by introducing the larger Boeing 234 Civil Chinook.

Veteran pilot Brian Lukian is managing director in 1994 and his fleet includes 2 Bell 206B JetRangers, 8 Bell 206L LongRangers, 4 Bell 212s, and 4 Kamov Ka-32Cs. For the transport of larger numbers of workers or various supplies, the company also flies 2 de Havilland DHC-6 Twin Otters, 2 Beech King Air 100s, and 1 Piper PA-31-310 Navajo.

During the year and into 1995, three LongRangers and two Ka-32s are assigned to long-line rig equipment and move supplies and personnel to an oil and gas exploration site being established by British Petroleum at Nogoli. Three other helicopters are assigned to support the Chevron project at Moro, while two others are flying on a contract at the Frieda River copper deposit.

In August, a Bell 212 is contracted to begin a nine-month contract to help build the 4.6-mile Skyrail gondola cableway in Cairns, Australia. Towers are assembled by sections, with three required for each. During the year, the company's aircraft put in 14,500 hours moving rig equipment and other material in support of the mineral and petroleum industries.

Early in 1996, the fleet is increased by the addition of two Bell 407s, two McDonnell Douglas MD-500s, and two Ka-32s. A Ka-32, a Bell 212, and a new Mil Mi-171 continue an assignment, several years old, to support workers at the Porgera gold mine in the mountainous central region of the nation. The mine, the 11th largest one in the world, is a joint venture of the government, Placer Pacific, Ltd., Highlands Gold, Ltd., and Gold Fields, Ltd.

At Cairns during the spring, the Bell 212 working on the Skyrail gondola cableway is joined by another Bell 212 and a Kamov Ka-32. By the time the project is completed in April, the three helicopters have installed, in careful flying over the forest canopy, 29 of the 36 towers. Late in the year, Mick McDonald becomes managing director.

Early in 1997, discussions begin with Pacific Helicopters (Pty.), Ltd. concerning a possible merger. In December, **Erickson Air Crane** via Hevi Lift contracts with the Australian Department of Natural Resources and Environment for the use of a Sikorsky S-64 Skycrane during the upcoming fire season.

The Erickson S-64, equipped with its "helitanker" attachment, no sooner reaches the scene in January 1998 than it is called to battle a series of lightning-caused brush fires that threaten the Eastern Highlands in Victoria, Australia. Employing the Wonnangata River for fast water delivery, the S-64 is quickly able to assist ground personnel in containing the running edges of the fires.

As summer in Australia continues, lightning sparks a fire in the Frankston area north of Melbourne. Because of environmental restrictions against building roads to the fire site, air attack is the only way to contain the potentially devastating blaze. The EAC helicopter is brought to the scene and drops 40,000 gallons of water and successfully checks the leading edge of the fire.

Flights continue in 1999–2000. Each December, the Australian Department of Natural Resources contracts with Hevi Lift and Erickson for fire support. The local S-64 is duly barged over to Melbourne to operate under an operating certificate provided by Hevi Lift.

HEVRA AVIRIT MISKHARIT: Israel (1939). Equipped with a Fokker F-XVIII trimotor, this one-purpose freight line is formed at Aqaba, Palestine, in early 1939 to fly fish from the Red Sea, Aqaba–Transjordan–Lydda. The Dutch aircraft is repaired following a crash in January but a second crash late in the month costs the company both its aircraft and its business.

HEX'AIR, S.A.: Aeroport Le Puy Lourdes, Lourdes, F-43320, France; Phone 33 (4) 71 08 62 28; Fax 33 (4) 71 08 00 33; Code UD; Year Founded 1992. Hex'Air is founded by Financiere Hex Air at Le Puy Aero-

port at Loudes in late **1992** to offer scheduled commuter services to Paris and Valladolid. Flights begin with a Fairchild-Swearingen Metro II.

In July, a \$20-million order is placed for a single British Aerospace BAe Jetstream 31, plus an option. The turboprop is delivered in January.

Early in **1993**, Hex'Air acquires the distinction of becoming the first French regional carrier to place a Jetstream 31 into service. It flies from Le Puy to Loudes and Paris.

The workforce totals 21 in **1994** as a second Jetstream 31 and a Beech 1900D join the fleet.

Flights continue in **1995–2000**, during which years President Pierre Bernard withdraws the Jetstreams, but continues services to Bordeaux, Paris, and Reims with the Beech 1900D.

HI-WOOD HELICOPTERS, LTD.: 71 Sienna Park Terrace, S.W., Calgary, Alberta, T3H 3L4, Canada; Phone 217-2278; Fax 217-2275; Year Founded 1972. Hi-Wood is established at Calgary in **1972** to provide passenger and cargo charters, VIP and executive transport, and to engage in construction, pipeline surveys, forestry patrol and fire protection, energy exploration, aerial photography, survey work, and law enforcement.

By **2000**, President and General Manager Hermann Lorenz employs 7 full-time workers and has revenues of C\$1 million per year. His fleet comprises 6 Aerospatiale or Eurocopter AS-350s and 2 AS-315 Lamas.

HIBERNIAN AIRLINES, LTD.: Ireland (1966–1967). Founded at Dublin Airport in early **1966** as **Air Charters of Ireland, Ltd.**, this carrier acquires a Douglas DC-3 on April 5, employing it to begin commercial charters to British airports on April 9. With business good, a second Douglas transport is acquired in July. In December, 55% control in Ulster-based **Emerald Airways, Ltd.** is purchased.

A DC-3 is leased for a month from **Skyways Coach-Air, Ltd.** in May **1967** while in June, the machine purchased in April 1966 is sold, but a second is chartered from **Air Gregory, Ltd.** These are employed on behalf of Emerald and also on replacement flights for **British United Airways, Ltd.**, Dublin–Isle of Man–Blackpool.

A few inclusive tours are also flown from Dublin during the summer, however, the second 1966 machine is sold in August. By early October, only one Douglas is left in service and financial difficulties compel Hibernian to cease operations at month's end.

HIGH LINE AIRWAYS, LTD.: Canada (1975–1983). Saskatchewan entrepreneur and construction company magnate Albert Ethier forms High-Line in **1975** to support the passenger and equipment transport needs of his company throughout the province, as well as the Northwest Territories and into the high Arctic.

Employing two Convair CV-640s, Ethier continues nonscheduled operations for the remainder of the decade and into the next.

The historic and larger **Norcanair, Ltd.** is purchased in **1983** and its name survives when the two air transport concerns are amalgamated.

HIGHLAND AIR, A.B.: Sweden (1995–2000). In July **1995**, **Holmstroem Air (Holmstroem Flyg, A.B.)** receives a new corporate identity. Sivert Andersson remains managing director, his workforce totals 48, and the fleet comprises 3 Shorts 330s. On September 1, service is resumed over the previous Holmstroem routes.

The fleet is altered in **1996** to include 1 each Dornier 228-100 and 228-201 plus 1 British Aerospace BAe Jetstream 32EP. Destinations visited now include Borlaenge, Gallivare, Goteborg, Hultsfred, Oskarshamn, Mora, Stockholm (Arlanda Airport), Sundsvall, Umea, and Vasteras.

In order to provide itself with assured feed, the Swedish regional **Skyways, A.B.** purchases 91% majority ownership in March **1997**. The company name remains the same and Managing Director Andersson is left in charge. In August, a former **American Eagle Airlines (2)** Jetstream 32 is placed into service; it frees up one of the Dorniers for use on dedicated cargo frequencies.

Flights continue during the remainder of the year and in **1998**, linking the company's base with Borlaenge, Galivare, Goteborg, Mora, Stockholm (Arlanda Airport), Sundsvall, Umea, and Vasteras. During these years, the Dornier 228-101 is replaced with three more Jetstream 32EPs.

Early in **1999**, the fleet receives a new color scheme. The aircraft are all painted white, with stylized billboard "Highland" fuselage titles and a small white "s" in a red circle on their tails. Flights continue apace with the Skyway acquisition process completed on May 12. Further route integration continues during the remainder of the year and into the new millennium.

On October 1, **2000**, Highland is combined with **Air Express I Norrköping, A.B.** and **Airborne of Sweden, A.B.** to form Hultsfred-based **Skyways Regional, A.B.**

HIGHLAND AIRWAYS, LTD. (1): United Kingdom (1933–1937). In September **1931**, former RFC instructor Capt. Ernest Edmund Fresson, flying the **North British Aviation Co., Ltd.** Avro 504K, transports sight-seeing passengers between Kirkwall and Thurso. Later in the year and during **1932**, a de Havilland Gipsy Moth makes exploratory flights Inverness–Kirkwall and surveys a variety of routes to the Orkney Islands over Pentland Firth. Additionally, Fresson provides charter flights for local businessmen, some of whom are easily persuaded as to the potential value of air transport.

Capt. Fresson, with himself as managing director/chief pilot, establishes HA-1 on April 3, **1933**; registered at Edinburgh, the new entrant is capitalized by 17 shareholders at £2,675. Dr. Thomas Alexander, a physician, becomes chairman and an office is set up on that city's Academy Street.

Employing a General Aircraft Monospar ST-4 painted in a green-and-white livery and named the *Inverness*, Fresson launches summer service from Inverness' new Longman Airport in the Scottish Highlands to Kirkwall via Wick on May 8. The inauguration follows a public ceremony and both events are given prominent coverage by the Edinburgh newspaper *The Scotsman*, which is one of the carrier's sponsors.

As the spring proceeds, additional ground facilities are opened at Wick and Wideford Farm, near Kirkwall.

A route is stretched from Kirkwall to Thurso on May 11, but is officially suspended on September 6. Meanwhile, during July, the *Inverness*, piloted by Capt. Fresson, is badly damaged when it makes a bad landing in fog at Wideford Farm. Although no injuries are reported, it will take six weeks to repair the Monospar. Fortunately, Fresson is able to borrow an aircraft from **Midland & Scottish Air Ferries, Ltd.** with which to maintain services in the interim.

Meanwhile, in August, an order is placed for a de Havilland DH 84 Dragon. To obtain the necessary funds, capitalization is increased during the first week of October. The North of Scotland Orkney & Shetland Steamship Company, Ltd. subscribes £2,000, while George Law, owner of *The Scotsman*, offers £500. Dr. Alexander is succeeded as chairman by Richard Donald, managing director of the Inverness bus company, Macrae and Dick, Ltd.

Airline employment reaches 3 in the spring of **1934**; the DH 84 Dragon, christened *Aberdeen*, is acquired and employed to open weekday Aberdeen (Seaton Airport)–Wick–Kirkwall flights on May 7. The company becomes the first local service airline to fly regularly scheduled, British internal airmail and receives the initial internal Royal Air Mail pennant from Sir Frederick Williamson, Postal Services director; Capt. Fresson, flying the *Aberdeen*, transports 2,000 letters from Inverness to Kirkwall on May 29. Weekday flights commence next day.

Beginning on August 6, the *Inverness* is used to inaugurate weekday summer service to airfields on the islands of North Ronaldsay, Rousay, Stronsay, Westray, Sanday, and Hoy. Airmail flights are started Inverness–Wick on December 1 and Thurso–Wick on December 10. During the year, the North of Scotland and Orkney and Shetland Steam Navigation Company's managing director joins the Highland board of directors.

Aberdeen operations are transferred from Seaton Airport to Kintore on May 22, **1935**. On June 1, mail service is extended to the Shetland

Islands, with the Lerwick–Kirkwall sector covered by ship. Financial difficulties do not allow seasonal opening of the trans-Pentland Firth route. In June, Edmund Fresson is forced to merge with **United Airways, Ltd.**, formed on April 4 by the Whitehall Securities group; however, the Scottish carrier is allowed to fly under its previous name and livery.

Additional resources now allow purchase of a de Havilland DH 89A Dragon Rapide. On September 30, Highland Airways, Ltd. is one of several small carriers merged into **Allied British Airways, Ltd.**, later **British Airways, Ltd. (1)**, a title employed during the winter. Again, Highland is permitted to retain its identity and Capt. Fresson remains in control.

Another Dragon Rapide is acquired in early 1936 and on May 4, HA-1 reopens its Aberdeen–Kirkwall via Wick route. A month later on June 3, the network is extended thrice weekly to Sumburgh Airport in the Shetlands; the frequency becomes daily between July and October. Other routes and charter work are maintained during that summer and the next.

Capt. Fresson, with the company Monospar ST.4, makes the first landing on Fair Isle on May 13, 1937. To undertake domestic operations for **British Airways**, Highland is merged on August 12 with **Northern and Scottish Airways, Ltd.**, to form the northern division of **Scottish Airways, Ltd.**

Thirty years later, Capt. Fresson will tell his story in *Air Road to the Isles* (London: David Rendel, 1967).

HIGHLAND AIRWAYS, LTD. (2): Inverness Airport, Inverness, Scotland, IV1 2JB, United Kingdom; Phone 44 (1667) 462 664; Fax 44 (1667) 462 696; <http://www.highlandairways.co.uk>; Code 8R; Year Founded 1991. Capt. Alan Mossman and Capt. Kath Burnham establish a flight school, Air Alba, Ltd., as a subsidiary of the Atlantic Group at Inverness Airport in 1991. Following the erection of a 15,000-sq.-ft. hangar, the company acquires a Douglas DC-3 and a Cessna 404. The Cessna is employed to fly oil spill reconnaissance, while the Douglas is used, as required, to spray dispersant.

A Cessna 310 is purchased in 1992 and is employed to fly H.M. Forces mail to St. Kilda and on organ transplant missions. The company staff is involved in helping to contain the Braer oil spill. The CAA now approves of the company's training course for commercial pilots and flight instructors. With this certification in hand, Air Alba is able to take over aviation training responsibilities for the Atlantic Group.

In 1993, the company takes over the avgas refueling concession at Inverness Airport. An air operating certificate is received from the CAA that allows the beginning of passenger charter operations with a Britten-Norman BN-2Islander. Regular passenger charters now begin, transporting oil industry personnel to and from Norway. The charter base is increased during 1994 and missions are undertaken on behalf of a wide range of customers. The Douglas, meanwhile, also operates a contract flying building materials to Fair Isle.

Capt. Mossman's concern takes on training responsibilities in 1995 for the local Highland Aero Club. The FBO's office area at Inverness is expanded and a Beech 55 Baron is acquired. A regular charter service is initiated to Islay for the Scottish whiskey industry.

A Cessna 402C is acquired in 1996 and is employed to enhance charter operations. Among the new contracts taken on are the movement of high-value seafood from the Faroes and Western Isles and the movement of trawler crews. When it becomes necessary, on occasion, to offer charters to points further out, as in the London area or Europe, Air Alba is able to lease larger aircraft from his Atlantic Group partners **Atlantic Airways, Ltd.** or **Atlantic Cargo Airways, Ltd.** The DC-3 flies dispersant missions to combat the Sea Empress oil spill.

Air Alba is renamed in 1997, receiving its current name. Capt. Mossman continues as chairman/managing director and his workforce now totals nine. The flight school extends its range of training aircraft while the concern helps to establish an Islander operation in Gibraltar and North Morocco. After the Islander departs south, the fleet is enhanced

by the addition of a Cessna 406 Caravan II and two Beech Super King Air 200s.

During the summer, a leased Shorts 360 is employed to operate two oil contract shuttles from Aberdeen to Cork and Shannon. While on a training flight from Dalcross on October 30, a lightplane crashes into Cromarty Firth (one dead).

Highland retains its subsidiary status in 1998 when the Atlantic Group becomes **Atlantic Airlines, Ltd.** Three more C-406s are delivered, allowing the carrier to enhance the number and type of its cargo charters. The Cessnas are tasked to operate a daily newspaper distribution contract to the Northern and Western Isles, as well as from Inverness to Stornoway, Orkney, and Shetland. Additionally, the number of regular charters flown from Inverness to Islay on behalf of the whisky industry is increased.

A new terminal is opened at Inverness in 1999 as Highland Aviation Services are formed. The company begins to operate specially converted surveillance aircraft on behalf of the Brig Marine of Aberdeen and of the Oil Spill Response Club. A contract is also accepted for the operation of transatlantic cable surveillance. The newspaper delivery contracts received the previous year are extended, while the live seafood consignments from Stornoway and Sumburgh to Inverness are increased. Single passenger tickets are now offered for flights from Sumburgh or Stornoway to Inverness.

The Discovery Channel comes to Scotland in January 2000 to film a story concerning Highland's reconnaissance and pollution control activities that airs in April. Several new contracts are now accepted, including one to fly oil crew return flights thrice weekly between Aberdeen and Donegal, a second to transport oil crews from Aberdeen to Stornoway, and a third to transport oil crews twice weekly between Aberdeen and Cork. In order to accomplish these assignments, the carrier adds a British Aerospace BAe Jetstream 31, which is based in Glasgow much of the time. The new turboprop also operates a BAe Systems corporate travel return service thrice weekly between Glasgow and Filton.

During the summer and fall, construction is begun on new purpose-built offices next to the company's Inverness hangar. A modern air operations center and an upgrade in information technology systems are built into the move. Also, the company disengages from its longtime mission of running the local flying school, spinning it off to operate under separate management.

HIGHLAND EXPRESS AIRWAYS, LTD.: United Kingdom (1983–1987). Former **Virgin Atlantic Airways, Ltd.** Chairman Randolph Fields, a U.S. lawyer based in the U.K., forms HEA at Prestwick, Scotland in 1983 to offer low-fare Lockheed L-1011 service from Prestwick–New York, Newark, Toronto, London, Birmingham, and Maastricht. Petitions for authority and financing delay actual start-up almost three years.

Christened *The Highlander*, one ex-American Airlines B-747-123 is acquired on lease from Citicorp in May 1986, but failure to raise required capital in time for the scheduled June 20 launch forces a year's postponement of service.

The carrier, labeling itself the new Scottish flag carrier, is finally piped off the ground by bagpipes on July 1, 1987. With a one-way fare of \$179, the inaugural flight is made from Prestwick to Newark; later transatlantic services will also be flown from Birmingham. In September, the Boeing also starts \$46 one-way service between London (STN) and Brussels—the world's shortest 747 route is just 170 miles.

Operations as originally designed continue apace and, in the fall, the company offers its passengers, with the purchase of a single regular fare roundtrip ticket, their choice of a three-day bed and breakfast visit at one of three Scottish hotels, or a free economy-class roundtrip ticket. When the Jumbojet is taken out of service for maintenance in November, Highland is unable to generate sufficient funds to cover its return to service.

As a result, the enterprise is liquidated on December 11. At a creditor's meeting in Scotland, debts of \$5.4 million are reported with a total deficiency of \$15.1 million, including \$4.32 million to creditors and another \$720,000 owed to people who had purchased tickets.

HILLMAN'S AIRWAYS, LTD.: United Kingdom (1931–1935). In November 1931, Edward Hillman has been the rough-and-ready owner of the Essex-based 300-unit tour bus company Hillman's Saloon Coaches, since 1928. The former British Army sergeant-major, diplomatic chauffeur, taxi driver, and car hire service operator is forced out of business when the U.K. government places severe regulation upon the growing number of bus companies proliferating around the country.

The government grants Hillman a £145,000 settlement, which he uses to purchase a new de Havilland DH 80A Puss Moth from Brian Lewis, Ltd. and establishes an air taxi operation. The first flight of Hillman's Saloon Coaches and Airways occurs as a December 25 de Havilland Puss Moth charter flown from the Maylands airfield near Romford, Essex, a private grass field that Hillman rents from a farmer.

Former noncommissioned RAF pilots are engaged as pilots at bus driver's salaries and on March 11, 1932, Hillman purchases a pair of de Havilland DH 83 Fox Moths and employing them, together with his Puss Moth, opens regularly scheduled Romford (Maylands) to Clacton-on-Sea service on April 1. Beginning in June, the service is operated as a summer shuttle, flying every three hours during daylight. Hillman is launch customer for one of de Havilland's more successful small airliners, the DH 84 Dragon; he accepts the first. When he is satisfied with the plane's £3,000 bill (he objects strongly to the £50 toilet), the aircraft is flown from Stag Lane to Romford, where it is christened *Maylands* by Amy Mollison on December 20.

On April 1, 1933, HA launches twice-daily Maylands–Paris DH 84 service. The flights cost passengers less than the fares charged by **Imperial Airways, Ltd.** and are completed half an hour faster. The same day, seasonal flights are resumed to Clacton with a service to Manston, for Margate and Ramsgate, added on April 8. On June 30, the Paris route is stretched to Vichy for the summer, ending on September 4. On November 8, the company is renamed Edward Henry Hillman, Ltd.

Hillman's operation begins use of Stapleford Airport, Essex on June 1, 1934. Hillman becomes launch customer for the DH 89 Dragon Rapide in late spring. On July 16 the company takes over the London to Belfast via Liverpool and Isle of Man route of **Midland and Scottish Air Ferries, Ltd.** (abandoned on July 14), only to suspend it on September 30 in face of overwhelming competition from the subsidized **Railway Air Services, Ltd. (RAA).**

Hillman obtains his own airmail subsidy on November 15 and on December 1 he relaunches his Belfast service on strength of the contract previously held by RAA, substituting Glasgow for Isle of Man. Hillman's Airways, Ltd., is registered as a public company on December 12. It is reorganized and capitalized at £150,000 and all of the shares are taken up in just 60 minutes. Edward Hillman dies of a heart attack on December 31.

Early in 1935, the estate of Hillman's family sells the late founder's shares to the banking house owned by Erlangers. One of the directors, Gerard d'Erlanger, will later become chairman of the state-run **British Overseas Airways Corporation (BOAC).** The new owners appoint Maj. Ronald McCrindle as chairman. On June 6, Liverpool–Hull services via Manchester are inaugurated. Thrice-daily Stapleford–Antwerp flights are started on June 19 via Ostend and Brussels. The first DH 86 is delivered to Stapleford next day; christened *Drake*, it is immediately placed on an accelerated service to Paris. Flights to Ramsgate and Le Zoute from Stapleford begin on July 15.

Although these additional opportunities have been added, the carrier's future without its dynamic founder is bleak; when **British Airways, Ltd. (1)** is founded on September 30, it moves to purchase several smaller independents, including HA, which is amalgamated on December 11.

HIMALAYAN AIR TRANSPORT AND SURVEY, LTD.: India (1934–1935). Founded in 1934 to provide ad hoc charters, Himalayan Air Transport and Survey, Ltd. flies an experimental Airspeed Ferry route between Hardwar and Gauchar. Beginning on April 22, 1935, the Ferry, joined by a de Havilland DH 83 Fox Moth, begins flying the route

on a scheduled basis, twice weekly. At the end of the summer, business slows and both the route and the airline are closed on October 21.

HIMALAYAN AVIATION, LTD.: India (1947–1953). HAL is formed as a charter operation in 1947. Nonscheduled flights are undertaken between Kathmandu and various small Nepalese communities with subsidy from the Nepal government. When **Deccan Airways, Ltd.** and **Dalmia-Jain, Ltd.** suspend their Delhi–Madras and Bombay–Calcutta via Nagpur night-airmail contract on June 30, 1949, the government passes it to Himalayan, which reopens it with Douglas DC-3s on October 15–16.

This service remains the company's primary business in 1950; however, in June 1951 the contract is returned to **Deccan Airways, Ltd.** Charter and irregular services resume; flights are occasionally made to Karachi in Pakistan and even to Zahedan in Iran. In December, a formal scheduled Ahmedabad to Kabul frequency is inaugurated, provided rather as compensation for loss of the mail service. Kandahar is also visited.

As the result of parliamentary study and debate in 1952, an Air Corporation Bill for the nationalization of the Indian air transport industry receives presidential assent on May 28, 1953. As a result, **Indian Airlines Corporation** is established on August 1, acquiring and merging the assets of Himalayan Aviation and other small carriers.

HIMALAYAN HELICOPTERS, LTD.: P.O. Box 10775, Kathmandu, Nepal; Phone 977 (1) 231236; Fax 977 (1) 225150; Year Founded 1992. HH is established at Kathmandu in October 1992 to provide sight-seeing and charter flights to local destinations, including the mountains. Sunil Bhattarai is appointed managing director and revenue flights commence with a single Bell 206L3 LongRanger.

Operations continue apace in 1993–1994 and the fleet is enhanced by the addition of another LongRanger. Severe economic difficulties are encountered in 1995–1999. By the latter year, Rabindra Rimai is general manager and his concern operates one Eurocopter AS-350B Squirrel.

HINDUJA CARGO SERVICES, LTD.: 2nd Floor, D1 Green Park Commercial Complex, New Delhi, 110 016, India; Phone 91 (11) 686-4201; Fax 91 (11) 686-4189; Code LF; Year Founded 1996. HCS is established at New Delhi on February 9, 1996 to offer domestic all-cargo services. Shareholding is divided between nonresident Indians based in London as the Hinduja Group (60%) and **Deutsche Lufthansa, A.G.** through its **Lufthansa Cargo Airlines, A.G.** subsidiary Lufthansa Cargo Ventures (40%); Robert Strodel is named managing director/CEO.

In addition to a management contract, the Germans lease three (later five) B-727-243Fs with which to begin operations. In September, **Hinduja Cargo Services, Ltd.** contracts with the American freight charter operator **Custom Air Transport** to provide flight services to Sharjah, U.A.E., from six cities on the subcontinent, where they connect with LCA DC-8-73CFs from Europe.

The Custom-flown Boeing freighters duly inaugurate scheduled services to Hyderabad, as well as New Delhi, Bombay, Madras, Bangalore, and Kathmandu. Flights are also made to Colombo, Sri Lanka.

The route network is increased in October with stops added at Ahmadabad, Varanasi, and Coimbatore. In mid-October, the company inaugurates weekly service into Indonesia's new Hang Nadim Airport, which is located just 20 miles from Singapore.

The fleet is increased in 1997 by the addition of four more B-727Fs. During the first quarter, the Indian Ministry of Civil Aviation decrees that no more than 40% equity may be held in Indian carriers by foreign entities. **Lufthansa Cargo Airlines, A.G.** files a rejoinder that argues that the Hinduja joint-venture company is, in fact, an international airline based in India and therefore no subject to the 40% rule.

Bangalore, Bombay, Calcutta, and Madras join the route network in May. To the surprise of many, the Indian government accepts the carrier's status, as suggested by **Lufthansa Cargo Airlines, A.G.**

Flights continue without incident in **1998**, but disaster strikes on July 7, **1999**. Flight 8533, a B-727-243F with five crew, crashes while taking off from Kathmandu for a service to New Delhi; there are no survivors.

It is announced on April 20, **2000**, that **Lufthansa Cargo Airlines, A.G.** is terminating its arrangement with Hinduja Cargo, which has been feeding the German major's Frankfurt-bound MD-11Fs at Sharjah for flights to India. With increased demand, Lufthansa Cargo is now operating its Frankfurt service nonstop.

The June 26 report of the Nepali government's Commission for Accident Investigation reports that although the crew of the July 7 crash had not adhered to standard instrument departure procedures during their takeoff, it had also not received any advisory alert from ATC.

The company's relationship with **Lufthansa Cargo Airlines, A.G.** is officially ended on December 31.

HISPANIA LINEAS AEREAS, S.A.: Spain (1982–1989). Hispania is established in the Balearic Islands in November **1982** by some 80 former employees of the recently failed Spanish charter carrier **TAE (Trabajos Aereos y Enlaces, S.A.)**. Revenues are provided by the founders, as well as on loan from several Spanish banks.

The new charter and inclusive-tour airline is physically activated during the first quarter of **1983**. A pair of Sud-Est SE-210 Caravelle XRs is acquired and on April 28, the first revenue service is operated from Palma de Mallorca to Seville. Enplanements for the three quarters or so of operations this year are 20,323 and these are the last traffic figures ever released.

Charters to points in Germany, France, the U.K., and internal Spanish locations continue in **1984**, as two more Caravelle XRs join the fleet. The workforce totals 90 at the beginning of **1985** and fleet is increased by the addition of a former **Maersk Air, A.S.** Boeing 737-2L9 leased from GPA. Due to their high operating costs, the Caravelles are withdrawn and sold in **1986** and replaced with one more B-737-200 and three B-737-300s, all chartered from GPA.

The company generates its first profit in **1987** and in early **1988** the carrier places orders for two B-757-200s. The first of the advanced Boeing narrow-bodies arrives during the spring of **1989**. Unhappily, the carrier has, by now, fallen deeply into debt and banking interests begin to withdraw their support. In July, the company must enter receivership following seizure by GPA of its Boeings for lease nonpayment.

HISPANIOLA AIRWAYS, S.A.: Dominican Republic (1979–1988). This privately owned carrier is formed at Santo Domingo in **1979** to offer scheduled passenger and cargo flights, plus charters. A Douglas DC-6A, a DC-8-43, and a Boeing 720-022B are acquired and regular flights to Puerto Plata, Miami, and New York are initiated.

A frequency is launched to Port-au-Prince (Haiti) in **1980**. Because of increasing fuel prices and a downturn in the world economy, the carrier's services and finances begin to deteriorate in **1981**.

While on a ferry flight, the B-720B with five crew is destroyed as the result of a bad landing at Miami on December 16; there are no fatalities.

In **1983**, flights to the U.S. are suspended and the single route to Haiti will prove insufficient to generate required revenues. Still, service is continued.

While en route over the Gulf of Mexico on July 20, **1988**, the DC-6A, with three crew suffers fuel exhaustion to three of its four engines. Permission is received to make an emergency landing; however, the aircraft crashes into a drainage canal at Golden Meadow, Louisiana, killing the three flyers. The company shuts its doors shortly thereafter.

HISPANIOLA AIRWAYS: P.O. Box 524211, Miami, Florida, 33138, United States; Phone (305) 591-1704; Fax (305) 591-1706; Code ZS; Year Founded 1996. Hispanola is established at Miami (MIA) in **1996** to resume the work abandoned by **Hispanola Airways, S.A.** almost a decade earlier. President/CEO Jacques Bernateau recruits a workforce of 25 and serves markets in the Dominican Republic with leased Boeing 727F freighters, which fly both to Miami and to New York (JFK).

HOGAN AIR: 1707 Run Way, Middleton, Ohio, 45042, United States; Phone (513) 422-3737; Fax (513) 422-1494; Year Founded 1993. Terry Hogan forms his all-cargo airline at Middleton, Ohio, in **1993** to provide regional services on behalf of other express-cargo operators and freight forwarders. Revenue operations commence and continue with a fleet that includes 3 Beech 18s, 5 Douglas DC-3s, 2 Piper PA-23 Aztecs, and 2 Gates Learjets.

Operations continue.

HOKKAIDO AIR SYSTEM COMPANY, LTD.: Sapporo-Shi, Shinashi-Ku, Hokkadama-Cho Airport, Sapporo, 063, Japan; Phone 81 (11) 7811247; Fax 81 (11) 7841716; Code HAS; Year Founded 1998. HAS is established at the beginning of **1998** as a joint venture between **Japan Air System Company, Ltd.** (51%) and the Hokkaido prefectural government (49%). Takeshi Kandi is named president and revenue operations begin with a pair of leased SAAB 340Bs.

Fights continue during the remainder of the decade. The fleet is enhanced by the addition of a third leased SAAB 340B and destinations visited include Asahikawa, Hakodate, Kushiro, and Sapporo.

HOKKAIDO INTERNATIONAL AIRLINES COMPANY, LTD. ("AIR DO"): Cargo Center Building, 4F, 2-6 Haneda Airport, 3 Chome, Ota Ku, Tokyo, 144-0041, Japan; Phone 81 (3) 5757 4901; Fax 81 (3) 5757 4918; <http://www.hac-air.co.jp>; Code HD; Year Founded 1996. This Sapporo-based new entrant is established in November **1996** with initial capitalization of ¥3.58 billion. When it finally begins flying over two years later under its two names, it will be only the second airline to begin service in Japan in 35 years.

The brainchild of a successful poultry farming business on the northern home island of Hokkaido, the start-up, with Teruo Hamada as president, will take advantage of the new era of deregulation being fostered in Japan by the Ministry of Transport.

Over 100 local individuals and concerns invest in the carrier during the first half of **1997**. A business plan is developed, based on a paper by Prof. Tadahisa Wada of Seishu Women's University in Sapporo, which projects the city's new Chitose Airport as a new international hub for northern Japan.

On November 6, the start-up carrier signs an agreement with **Japan Air Lines Company, Ltd. (2)**. JAL will provide operational, technical, and airport handling support and assist the carrier as it seeks Ministry of Transport operating and route authority and can launch Japanese domestic service, hopefully in July.

The economic situation and the recession on Hokkaido bring a slowdown in the effort to launch Air Do. Still, plans are afoot in the spring of **1998** to lease a B-767-33AER from Ansett Worldwide Aviation, Ltd. and to achieve certification in September. The start-up date is changed to October 30.

After a long gestation period, Hokkaido International is finally able to launch service on December 20. Employing the chartered B-767-33AER, the JAL-backed new entrant begins thrice-daily roundtrips from Tokyo (HND) to Shin-Chitose Airport near Sapporo. The inaugural one-way service is fully booked with 286 passengers, each of whom pay ¥16,000 (\$138) for their tickets (or about 36% less than regular fares on the same route offered by the Big Three Japanese airlines).

HIA is the second discount airline to launch service in Japan since September when **Skymark Airlines Company, Ltd.** took to the air. During the remainder of the fall, the company makes plans to raise an additional ¥1.5 billion in capitalization.

Although traffic figures are unavailable, the company has brought in revenues of \$16.66 million and has expenses of \$21.66 million. The operating loss is \$5 million.

On January 24, **1999**, it is revealed that Air Do has approached Kyocera in an effort to gain ¥500 million of the new funding it seeks. Kyocera, which is receptive to a proposal, already has ¥3 million invested in the airline.

All Nippon Airways Company, Ltd. and Japan Air Lines Company, Ltd. (2) respond to the challenge posed by the discount carriers by slashing their fares by up to 50% in early February. By April, Air Do's load factor has been cut to 65%.

On May 5, company officials inform the Dow Jones Newswires that HIA will begin performing its own maintenance and will add another aircraft in early 2000.

Once again, traffic figures are not released. The year's pretax and net losses total approximately ¥ 2 billion.

Facing stiff competition and significant financial problems throughout 2000, Air Do takes the controversial step on December 1 of revoking a ban it had earlier placed on in-flight smoking. A company official notes that the island of Hokkaido has the highest smoking rate in Japan and in a bid to attract some of those passengers, the company is now allocating smokers one quarter of all seats on its flights from Sapporo to Tokyo (HND).

The airline is flooded with complaints from antismoking groups and announces that it will review how big an economic boost the smoking seats make before making a decision on whether or not to continue. During the month, approximately 20% of the company's passengers will request a smoking seat.

The new smoking policy is not the only change needed; the carrier, facing bankruptcy, must obtain a government loan. Although the politicians are willing, the investment is contingent upon a matching grant from business leaders, who are unwilling to extend themselves for the loss-making airline. Progress in obtaining this funding is slowed after the death of the airline's president. As late as December 10, no replacement has been chosen, but that decision will be taken as the end of the year approaches.

Beginning on November 30, Hokkaido is unable to pay its user fees at New Chitose and Tokyo (HND); the bill will amount to ¥ 300 million by mid-January.

On December 15, word is received that the carrier will be given a ¥ 1-billion loan by the Hokkaido business community if it continues drastic cost-cutting steps. After several candidates turn the post down, government official Michimasu Ishiko is named president on December 27.

At a New Year's Eve party, the president-designate, a reformed smoker, indicates that he may soon quash the in-flight smoking policy, indicating that his carrier cannot go against the "nonsmoking trend."

HOLD TRADE AIR SERVICES, LTD.: PMB 2346, 6A Sokoto Road, Ahmadu Bello Way, Kaduna, Nigeria; Phone 234 (62) 215 405; Fax 234 (62) 215 368; Code H2D; Year Founded 1991. HTAS is established at Lagos in early summer 1991 to provide regional scheduled services. Revenue operations commence on August 1 with four British Aerospace (BAC) 1-11-208ALs and a Douglas DC-8-61.

One of the BACs, with 72 passengers, is involved in an accident at Kaduna on August 29, 1992; although no injuries are reported, the badly damaged aircraft must be withdrawn.

Operations continue apace in 1993-1994; however, CEO Zakari Hamura is forced to withdraw a second BAC when the capacity of three machines proves not to be required.

The aircraft is returned to service in 1995-2000. By the latter year, airline employment stands at 150 and destinations visited from Lagos include Kaduna, Kano, Maiduguri, and Yola.

HOLDEN AIR TRANSPORT (PTY.), LTD.: Australia (1929-1936). L. H. Holden forms an air transport operation bearing his name in 1929 to haul freight from Port Moresby to the mining towns of New Guinea. Upwards of six tons of cargo are carried per day in 1934-1935. The company is purchased by **Guinea Airways (Pty.), Ltd.** in 1936.

HOLIDAIR, LTD.: Canada (1980-1990). Established at Edmonton, Alberta, in the fall of 1988, Holidair, Ltd. is a wholly owned subsidiary of Harry Borenstein's holiday company Travel 'N' Save. Joe Garrihy is appointed president and an ex-Iberia Spanish Airlines (2) (Lineas

Aereas de Espana, S.A.) DC-8-52 is purchased. When Spain delays in delivering the Douglas, the company is forced to contract with a U.S. firm to fly a Lockheed L-1011 TriStar 1 on a short-term basis in order to begin its mid-December Honolulu operations.

Several flights are made, each costing in excess of C\$200,000. The DC-8-52 arrives after Christmas, allowing the American Lockheed contract to be concluded. Christened *Aaron*, the former Spanish jetliner now initiates tour flights from Calgary and Edmonton to Honolulu and Cancún, Reno, and Las Vegas.

In the summer of 1989, charter and inclusive-tour flights begin from Vancouver to Prestwick, London, Amsterdam, or Frankfurt, all via Edmonton. Operations cease in response to the boost in fuel prices and costs associated with the invasion of Kuwait by Iraq on August 2, 1990.

HOLIDAY AIRLINES (1): United States (1960). The first U.S.-based Holiday Airlines is established at Pomona, California, on April 1, 1960, to provide scheduled passenger and cargo flights to Santa Catalina. Beech 18 flights commence on April 15 and continue until October 10, when the company shuts down.

HOLIDAY AIRLINES (2): United States (1965-1966). Holiday Airlines (2) is set up at Oakland, California, in late spring 1965 to provide scheduled commuter service. Regular de Havilland DH 104 Dove 1 flights commence on June 14, linking the company's base with Red Bluff via Marysville and Chico. Unable to achieve viability, the airline folds before its first anniversary.

HOLIDAY AIRLINES (3): United States (1968-1975). Holiday Airlines (3) is created at Lake Tahoe, California, in 1968 to provide scheduled passenger services linking that destination with San Francisco, Sacramento, San Jose, Los Angeles, Burbank, and San Diego. Revenue operations commence in November with a pair of Lockheed L-188A Electras, including the very first of the type, purchased from **Pacific Southwest Airlines (PSA)** on October 22.

Flights continue apace during the remainder of the decade and into the 1970s. In 1974, a third L-188A is acquired and is employed to inaugurate services to Lake Tahoe.

Operations continue apace until 1975 when, in deep financial difficulty, the company is forced, in February, to shut its doors. Its southern routes will subsequently be awarded to **Pacific Southwest Airlines (PSA)**.

HOLIDAY AIRLINES (4): United States (1970). This short-lived Holiday is set up at Monticello, New York, in the spring of 1970 to provide scheduled passenger and cargo services from Sullivan County Airport to New York (LGA). Also known as **Catskill Holiday Airlines**, the company duly inaugurates daily Beech 99 roundtrips, but these are discontinued in late fall.

HOLIDAY AIRLINES (5): United States (1979-1989). Dominick Borzomati founds the longest-lived U.S.-based Holiday Airlines as a wholly owned subsidiary of Clinton Industries at Newark in the spring of 1979. With a goal of providing scheduled passenger services to Baltimore (BWI) via Montgomery, and to Atlantic City from Baltimore (BWI), the new commuter inaugurates daily services in April employing a fleet of 2 Piper PA-31-350 Navajo Chieftains.

Within two years, frequencies have risen to thrice daily. Although the private company chooses not to release traffic figures in 1979-1981, in 1982 it reports to the CAB that 15,139 passengers have been transported on the year. During these years, service is started to Hartford and Richmond, and seasonally, to Martha's Vineyard and Hyannis.

Airline employment stands at 40 in 1983 as the Pipers are replaced by two de Havilland Canada DHC-6-200 Twin Otters.

Customer bookings jump 50% to 19,500.

Flights to Atlantic City and the recently introduced Richmond market are suspended in 1984.

Enplanements balloon by 45.1% to 33,528.

A third Canadian turboprop joins the fleet in **1985** as the New Jersey-based airline boosts its passenger boardings 9.9% to 36,848.

Airline employment jumps 100% in **1986** to 70 as 3 more Canadian turboprops are acquired. Service is extended to Providence, Rhode Island.

Customer bookings increase by 53.7% to 56,131.

Airline employment is cut by 35.7% in **1987** to 45. Still, passenger boardings accelerate 26.3% to 70,902. The fleet in **1988** continues to include only the two Twin Otters.

Enplanements for the year fall by 10.6% to 63,396.

The Clinton Industries subsidiary is sold to new owners in the spring of **1989**. They immediately order four Beech 1900s. Employing them to replace the DHC-6-200s, they inaugurate services to Nantucket, Providence, Hartford, and Martha's Vineyard during the summer.

Internal discord, argument, and disagreement between the owners begin in the fall, leading to a permanent suspension of operations on December 18. Through August, when the carrier stops supplying its figures, passenger boardings are down 30.9% to 31,553.

HOLIDAY AIRLINES, A.S.: Turkey (1994–1996). Holiday is established at Istanbul in the first quarter of **1994** to offer passenger charter and inclusive-tour flights to various European destinations. Arrangements are completed to charter two Airbus Industrie A320-231s from **Mexicana Airlines, S.A. de C.V.**, while the manufacturer provides a former **Delta Air Lines** A310-324 under a short-term contract. The latter is delivered first and is employed to launch revenue flights on June 23. The summer season is not profitable. Unhappily, the company is forced to stop flying in November when the Mexicana aircraft are returned for lease nonpayment.

The fleet is significantly altered in early **1995**. Brought in, again under lease, are one each A300B2-1C and A300B4-2C from **Air Inter, S.A.**, a Tupolev Tu-154M from the Russian carrier **Alak Airlines**, and a Yakovlev Yak-42 from **Air Ukraine**. When the summer holiday calendar begins at the end of March, flights are again undertaken to a variety of locations in Europe, particularly Germany.

On February 6, **1996**, a **Birgenair, A.O.** B-757-225 wet-leased to **Alas de Transport Internacional, S.A.** crashes off the Dominican Republic. The German media now begins an exposé on charter airlines, focusing on those from Turkey. In the process of revelation, newsreaders brand all Russian aircraft as unsafe for use in European skies. This uproar causes Holiday Airlines to replace both its older Airbus and the Russian aircraft with a purchased Boeing 737-217, another chartered A300B4, and a Lockheed L-1011 TriStar 1 first flown by **Eastern Air Lines**.

On September 10, German aviation authorities withdraw permission for Holiday to land at any airport in the Federal Republic. Holiday sues to regain this lost authority, but is turned down by a high court in November. With its principal European market out of bounds, the company has no option but to shut down and liquidate.

HOLIDAY EXPRESS HX (DEUTSCHE LUFTVERKEHRS, GmbH. & CO.): Germany (1962–1988). Organized at Hamburg in **1962** as the air taxi operator General Air, this company is reformed and renamed **Hadag Air, GmbH.** in **1974**. The decision is now taken to undertake scheduled commuter operations. Managing Director York C. Hevelke's de Havilland Canada DHC-6 Twin Otter and light Cessna equipment initiates services linking the company base with Helgoland, Westerland, Sylt, Dortmund and Wyck.

In the interest of promoting new services, the company is renamed **Holiday Express, GmbH.** in **1983**. The fleet, upgraded by the addition of a Dornier 228-100, undertakes new services to Rotterdam. Flights to Goteborg and Hanover begin in **1986**, by which time the Canadian turboprop has been withdrawn in favor of two Britten-Norman BN-2 Islanders and a Fairchild-Swearingen Metro II.

Fleet and route changes continue apace in **1987** as the BN-2s are replaced by a Dornier 228-201 and Antwerp succeeds Goteborg and Hanover

as destinations. In an effort to capitalize on the idea of providing an air link between the old trading cities of northern Europe, the carrier is reformed yet again in early **1988** and renamed **Hansa Express, GmbH.**

HOLLAND AERO LINES, B.V. (HAL): The Netherlands (1978–1988). Holland Aero Leasing, B.V. is formed in **1978** to undertake contract charter and leasing operations. Lightplane flight activities begin in July. Between **1979–1982**, nonscheduled flight opportunities are pursued with a fleet comprising Piper PA-31-310 Navajo and PA-31-350 Navajo Chieftain equipment. When **Air U.K., Ltd.** surrenders its Southend–Rotterdam route in September **1983**, HAL bids for and receives the service.

During **1984**, corporate reorganization to meet the scheduled challenge is undertaken. A new company is formed; Holland Aero Leasing remains as a division while the new airline division, Holland Aero Lines, B.V., is formed to assume the ex-**Air U.K., Ltd.** operation. Theo Scholes becomes managing director. Two GAF Nomad 24As, the first of the Australian-built commuters to be purchased by a European regional, are acquired and readied for service.

Scheduled Rotterdam–Southend and Norwich service is inaugurated on February 4, **1985**. During the summer, two Avions de Transport Regional ATR42s are ordered and are received late in the year.

Rotterdam–Paris and Frankfurt ATR42 services begin in January and July, **1986**, respectively. Groningen, Norwich, and Southend join the route network in **1987**. Unable to generate the traffic to cover the costs of expansion, the company enters receivership in early **1988**.

HOLMSTROEM AIR HUDIKSVALL, A.B.: Sweden (1994–1995). HAH is established at Hudiksvall in **1994** as a subsidiary of **Holmstroem Flyg, A.B.** to offer scheduled domestic commuter flights. Revenue services are inaugurated with three Shorts 360-100s. In July **1995**, the decision is taken to provide the company with a new corporate identity. Its aircraft launch services on September 1 as **Holmstroem Air Sweden, A.B.**

HOLMSTROEM AIR SWEDEN, A.B.: Skogsta 41, Hudiksvall, S-82492, Sweden; Phone 46 (650) 24000; Fax 46 (650) 24224; Code HJ; Year Founded 1995. In July **1995**, the decision is taken to provide Hultsfred-based **Holmstroem Air (Hudiksvall, A.B.)** with a new corporate identity. On September 1, Managing Director Sivert Andersson's three Shorts 330s resume services over the previous Holmstroem routes.

The fleet is altered in **1996** to include 1 each Dornier 228-100 and 228-201 plus 3 British Aerospace BAe Jetstream 31s. Destinations visited now include Borlaenge, Gallivare, Goteborg, Hultsfred, Oskarshamn, Mora, Stockholm (Arlanda Airport), Sundsvall, Umea, and Vasteras.

In order to provide itself with assured feed, the Swedish regional **Skyways, A.B.** purchases 91% majority ownership in March **1997**. The company name remains the same and Managing Director Andersson is left in charge. In August, a former American Eagle Jetstream 32 is placed into service; it frees up one of the Dorniers for use on dedicated cargo frequencies.

HOLMSTROM AIR (HOLMSTROM FLYG, A.B.): Sweden (1989–1995). Holmstrom Flyg, A.B. is founded at Hultsfred in early **1989** to offer scheduled services to Stockholm. Founder John Olof Holmstrom becomes managing director and inaugurates flights with a fleet of 2 Dornier 228-100s, and 1 each 228-201, Beech 99, and Super King Air 200.

The year does not, however, begin auspiciously. While on final approach to Oskarshamn after a May 8 flight from Stockholm, a Beech 99 with 2 crew and 14 passengers suddenly enters a steep dive to the left and crashes 150 m. short of the runway; there are no survivors.

Operations continue apace in **1990–1991** and three Shorts 360-300s and a Piper PA-31-310 Navajo are purchased. In **1992**, a fourth Dornier is acquired, a Dash-201.

Destinations visited in 1993 include Gavle, Hudiksvall, Idre, Mora, Oskarshamn, and Stockholm's Arlanda Airport. In response to the national airline recession that brings a traffic downturn, the fleet is reduced to the two Dornier 228-201s, the Shorts, and the Navajo.

Flights continue in 1994 and frequencies are increased after the addition of an Avions de Transport Regional ATR42-312 leased from **Cimber Air, A.S.** In July 1995, subsidiary **Holmstrom Air Hudiksvall, A.B.** is established to operate commuter passenger flights from Hudiksvall.

At this point, both the parent and its offspring are renamed. The former becomes **Highland Air, A.B.**, while the latter becomes Holmstrom Air Sweden, A.B., better known as **Swedeways, A.B.**

HOLMSTROM AIR SWEDEN See **SWEDWAYS, A.B.**

HOLYMAN'S AIRWAYS (PTY.), LTD.: Australia (1933–1936): With capitalization equally provided by Huddart Parker Ltd., the Union Steam Ship Company of New Zealand shipping firm, plus Holyman Brothers, Ltd., the corporate identity of **Tasmanian Aerial Services (Pty.), Ltd.** is changed to Holyman's Airways, Ltd. in late 1933.

Given **Hart Aircraft Co. (Pty.), Ltd.**'s subsidized mail route Launceston–Flinders Island–Melbourne, the carrier's new de Havilland DH 61, *Miss Hobart*, piloted by Victor Holyman and Gilbert Jenkins, initiates service on October 1, 1934. Nine days later, the aircraft is lost (12 dead).

A new DH 89 is acquired in the summer of 1935; christened *Memma*, it begins weekday flights from Melbourne–Sydney via Canberra on October 7. On October 29, a Melbourne–Adelaide frequency is introduced.

The fleet at year's end comprises the *Memma*, two DH 86s, the *Lepana* and *Loila*, two DH 84s, *Golden West* and *Miss Launceston*, plus a Fox Moth, a Percival Gull, and three DH Moths. Orders are placed for three Douglas DC-2s, the first of the large American airliners to be allowed entry into the Australian market.

The first DC-2 is delivered to the carrier in June 1936; named *Bungana*, it is placed in service on a Melbourne to Hobart via Launceston route. On July 1, Holyman's is the largest of four airlines merged to form **ANA (Australian National Airlines [Pty.], Ltd.)**; the company retains its identity until November 2, when it is officially absorbed.

HOME AVIATION, LTD.: Canada (1990–1999). Home is created in the early 1990s as the charter division of Home Oil Company, Ltd., which has had its own corporate flight unit for some years operating a de Havilland DH 103 Dove flown by the unit's founder and chief pilot, Donald Douglas (no relation to the famous manufacturer).

In early 1996, Home Oil is sold to Anderson Exploration, Ltd., which in turn sells Home Aviation, together with its Beech Super King Air 200 and Cessna Citation II, to Richard Hotchkiss and three partners in March. In June, Hotchkiss adds a Learjet 55.

By 1997, Home, which is operating from an inherited, leased Esso Aviat hangar, is flying passenger and cargo charters with 8 aircraft. It also operates medevac flights and manages aircraft for various clients.

During the spring of 1998, merger discussions are begun between CEO Hotchkiss and Gordon Laing, who together with his wife and several partners own Calgary-based **Sunwest International Aviation Services, Ltd.**, and his chief pilot, Mark Eberl. Although discussions between the two concerns continue into the summer, they end abruptly in August after Gordon and Kathy Laing are killed in an accident.

Southwest and Home resume amalgamation discussions in January 1999. On June 24, a merger is completed and the two concerns become **Sunwest Home Aviation, Ltd.**, with Eberl and Hotchkiss as joint managing directors.

HONDA AIRWAYS COMPANY, LTD.: 51-3 Ooaza Shimogo Kawashima-cho, Hiki-Gun, Saitama-Prefecture, Japan; Phone 81 492-99-1111; Fax 81 492-97-7748; Year Founded 1964. Honda is established in 1964 to offer small group passenger and other contract service flights with a mixed fleet of helicopters and fixed-wing aircraft. By

2000, the company, which now also flies small package cargo and medevac, employs 96 full-time pilots. The rotary-wing fleet includes 1 Agusta AG-109A Mk. II, 14 Eurocopter AS-350B Ecureuils, 1 Eurocopter BK-117, and 2 Robinson R-22s. Also flown are 18 Cessna 172 Skyhawks.

HONG KONG AIR INTERNATIONAL (PTY.), LTD.: Hong Kong (1966–1975). A subsidiary of Hutchison International, Ltd., HKA is formed as a helicopter airline to provide scheduled services between Kai Tak International Airport and Hong Kong Island.

Like many similar operations around the world, costs prove too high and the carrier is forced to cease operations in 1975.

HONG KONG AIRWAYS, LTD.: Hong Kong (1947–1959). With support and equipment from **British Overseas Airways Corporation (BOAC)**, HKA is set up on October 22, 1947 to feed traffic coming out of China to the British flag carrier at Hong Kong's airport. Another purpose is to regain commerce lost to **Pan American Airways (PAA)** via its subsidiary **China National Airways Corporation (CNAC)**. Outfitted with Douglas DC-3s from BOAC, HKA inaugurates twice-daily service to Shanghai on December 2.

Twice-daily frequencies are initiated on January 10, 1948 between Hong Kong and Canton. The new route proves so rewarding that it is doubled to four times per day on March 22.

Later in the spring, flights begin to Manila and a spirited competition is undertaken with **Cathay Pacific Airways (Pty.), Ltd.**

On May 13, 1949, the Hong Kong government, acting on orders from the Colonial Office in London, divides the routes emanating out of Hong Kong between HKA and Cathay. The BOAC-supported company receives all of those to the north, except Manila, which it must share with Cathay. When the forces of Mao Tse-tung take power in China, they order all Chinese contact with the West be severed, including HKA services. As a result, on November 30 BOAC sells its stake to Jardine, Matheson. The new owners sell the Douglas transports and consider new services.

In January 1950, Hong Kong Airways, which had once aspired to size, is reduced to operating a single route to and from Taipei with a Curtiss C-46 Commando leased from **The Flying Tiger Line** and a DC-4 chartered from **Northwest Airlines**. This service is the company's entire business for the next five years. In October 1954, HKA orders a pair of Vickers Viscount 760Ds, while the TFTL Curtiss lease ends in November.

In January 1955, BOAC reenters the picture, taking back the stake it had sold six years earlier. While awaiting delivery of the Viscounts, an effort is made by the British company to revitalize HKA and expand its services with leased aircraft.

The Viscounts arrive in January 1957 and enter service on February 25 between Hong Kong and Seoul, South Korea. The turboprops expand HKA business in March when they begin flying to Manila, following up with services in April to Taipei and in May to Tokyo.

Strong, but unprofitable, competition now resumes with Cathay Pacific. Eighteen months into the fiscal bloodletting, BOAC and Cathay officials agree to rationalize the situation by combining forces. Cathay Pacific Holdings (Pty.), Ltd. is established in December 1958 for the purpose of organizing a merger of the two airlines.

Management of HKA passes to Cathay Pacific on February 1, 1959. Assimilation begins and is formally announced on June 8; the process is completed on July 1, with Butterfield and Swire (Pty.), Ltd. the majority owners and Cathay Pacific the surviving name.

HONG KONG DRAGON AIRLINES. See **DRAGONAIR (PTY.), LTD.**

HOOD AIRLINES: United States (1963–1972). Hood is organized at Killeen, Texas, in late 1963 to offer lightplane shuttle service for military personnel stationed at Fort Hood. Employing Beech 18s and Beech 99s, the new entrant inaugurates scheduled daily roundtrips, beginning on April 27, 1964, linking the company base with Dallas and Houston.

The carrier is unable to maintain economic viability and its fiscal situation deteriorates throughout 1967. On May 23, 1968, Ted C. Connell's **DAL Airlines**, Hood's major Killeen-based competitor, purchases the company from bankruptcy proceedings. DAL is merged into Hood and the amalgamated company emerges not as an upgraded DAL Airlines, but as a new Hood Airlines.

In 1969, Hood transports 34,700 customers.

In 1970, owner-operator Connell purchases **Rio Airways**, an airline begun as a charter operator in 1963 and operating a single Austin-Houston route with a Piper PA-31-350 Navajo Chieftain since August 1966.

The Hood fleet in 1971 includes the Rio Piper plus a Douglas DC-3 and a Cessna 402. With assistance from **Air South** President/CEO F. E. "Pete" Howe, then in the process of transferring to a similar post with Hood, Chairman Connell is able to acquire a new intrastate route from Dallas to Wichita Falls on November 15.

Howe's presidency begins on January 1, 1972 and, on May 1, the merger of Hood into Rio is completed. The Hood name disappears and a stronger **Rio Airways** begin operations.

HOOKE AIR SERVICES, LTD. See **AUSTIN AIRWAYS, LTD.**

HOP-A-JET: 5340 NE 21st Ave., No. 60, Fort Lauderdale, Florida 33309, United States; Phone (954) 771-5779; Fax (954) 772-6981; http://www.aerosearch.com/companies/hopajet; Year Founded 1976. Hop-a-Jet is set up at Fort Lauderdale in 1976 to provide executive and small group passenger charters throughout the U.S., the Caribbean, South America, and Europe.

By 2000, Operations Director Barry Ellis oversees the work of 22 pilots and directs a fleet comprising 3 Canadair 600 Challengers, 2 Learjet 25Bs, 2 Learjet 35A Century IIIs, and 1 Learjet 55 Longhorn.

HORDUR GUDMUNDSSON AIR SERVICE. See **FLUGFELAG ERNIR H.F.**

HORIZON (GORIZONT): Russia (1993-1996). Established at Krasnopar airport in 1993, this new all-cargo charter operator names V. V. Fedorchenkov as its general manager. He acquires an Antonov An-26, which is employed to inaugurate revenue flights to other CIS destinations, as well as ad hoc markets in Africa, Europe, and the Mideast. Additional An-26s are acquired in 1994 as operations continue for two more years.

HORIZON AIR (HORIZON AIR INDUSTRIES): 19521 Pacific Highway South, Seattle, Washington 98188, United States; Phone (206) 241-6757; Fax (206) 248-6361; http://www.horizonair.com; Code QX; Year Founded 1981. Horizon Air (officially Pacific Horizon Airlines) is incorporated on May 7, 1981 at Seattle, Washington, under the leadership of campground magnate (Thousand Trails, Inc.) and former Boeing Commercial Airplane Company executive Milton G. "Milt" Kuolt II. The new regional's initial investors (Joe Clark, Bruce McCaw, and Scott Kidwell) put up sufficient capital to hire 36 employees and acquire 3 Fairchild F-27As from **Quebecair, Ltd.** These inaugurate daily scheduled, roundtrip, third-level passenger flights to Yakima on September 1 in competition with Spokane-based **Cascade Airways**. A week later, flights commence to Pasco's Tri-Cities Airport. Airline employment stands at 98 by year's end, but there is no profit.

Air Oregon is acquired on June 17, 1982, together with its fleet of Swearingen Metro IIs and its route from Medford to Seattle via Portland and Tacoma. This new Horizon service is now marketed as the I-5 Express.

The route system is increased when service is initiated to Spokane, Pullman, and the Idaho community of Lewiston.

Charter trips for ski buffs to Sun Valley, Idaho, commence in December.

Following the **Air Oregon** merger, passenger boardings increase to 282,214, which is 52% over the 185,372 combined 1981 total of the two

independents. The fleet now includes 3 F-27As, 2 F-27Js, 1 F-27M, and 5 Swearingen Metro IIs, many with a brilliant sun logo; orders remain outstanding for 2 more F-27s.

In 1983, President Kuolt's 650-employee Horizon begins merger discussions with the financially troubled, Utah-based commuter **Transwestern Airlines**. Destinations now visited by Horizon include Spokane, Weco, Pullman, Seattle, Spokane, Wenatchee, Yakima, Eugene, Klamath Falls, Medford, North Bend, Pendleton, Portland, Redmond, and Salem. In Idaho, flights are made to Boise, Idaho Falls, Lewiston, Pocatello, Sun Valley, and Twin Falls. San Francisco and Salt Lake City are also markets following **Transwestern Airline's** absorption in December.

With a total of 3 F-27As, 1 F-27M, 6 F-27Js, and 13 Fairchild-Swearingen Metro IIIs in its fleet, the airline increases passenger traffic by 94.1% to 452,925 passengers flown.

The workforce is increased 79.5% in 1984 to 917 and to meet the year's continuing demand, two more Fokker Fairchild (F-27Fs) and seven Metros (Metro IIIs) are acquired and arrangements are made for receipt of the first jetliner.

Meanwhile, on January 1, the holding company Horizon Air Industries is formed as a public stock corporation; Horizon Air is now the operating subsidiary. An initial public offering of 750,000 shares of common stock is now made.

During January-May, plans are made to occupy a new Seattle headquarters facility later in the year; a frequent-flyer program is introduced, along with the SunStreak small-package express service on scheduled flights. Two Convair CV-580s are wet-leased from **Sierra Pacific Airlines** during the summer.

Sunjet Service, employing a DC-9-14 (wet-leased from Boston-based **All Star Airlines** and wearing that airline's livery) is inaugurated between Seattle, Portland, Boise, and Pasco at the end of July, making Horizon the first regional from the northwest to make such a link. The Douglas service is an economic disaster and the chartered jetliner is withdrawn and returned after Thanksgiving.

A leased Fokker F.28-1000 replaces the Douglas in December and is employed to launch weekday return service from Seattle to Boise. On weekends, it provides Sky Lift Service flights from San Francisco to Sun Valley, Idaho.

Enplanements spiral upward by 95.9% to 887,280 and cargo balloons 106.9% to 4.25 million FTKs. Revenues skyrocket 113% to \$56.42 million and costs climb 107.9% to \$53.86 million. The operating profit swells to \$2.56 million and the previous year's net loss turns into a gain of \$293,000.

In 1985, Horizon becomes a code-sharing partner of **United Airlines**. To replace the aging Fokker Fairchild, the company now places an order for 10 de Havilland Canada DHC-8-100s. To help cover the cost, Horizon arranges for the manufacturer to take the F-27s as partial payment, acquiring them as new Canadian aircraft are delivered.

Meanwhile, beginning in June, the carrier attempts to reach an arrangement to acquire bankrupt **Cascade Airlines**, which has steadily been withdrawing from routes on which it has been challenged by Horizon.

During negotiations, two BAC 1-111s are wet-leased to Horizon to help cover the routes Cascade abandoned in the spring, but the short-lived operation actually costs Horizon \$1.5 million. A deal to take over Cascade is signed on July 31.

Passenger boardings ascend 22.4% to 942,023 and freight skyrockets 75.7% to 7.47 million FTKs. This year, Horizon transports more cargo than any other regional save one. Revenues advance 23% to \$69.3 million, but a net \$9.1 million loss is suffered, including a \$4-million write-off of the Cascade takeover attempt costs.

On January 31, 1986, a day after the DOT grants approval (with restrictions) to the merger, the 870-employee Horizon, itself losing money, pulls out of discussions regarding a takeover of **Cascade Airways**, citing unacceptable competitive issues raised in the DOT approval.

Service from Seattle to Kalispell, Montana, begins on March 1. Unable to find other financing, **Cascade Airways** collapses on March 7 and is liquidated in April. The defunct company's leadership files a breach of contract suit against Horizon, but the case is dismissed.

Although Kuolt's concern is now the largest regional carrier in the Pacific Northwest, the **Cascade Airways** "mistake" costs Horizon \$4 million. Also in March, the first of 10 requested de Havilland Canada DHC-8-102s is placed into service between Seattle and Pocatello. The only company aircraft to wear names, the first ship is christened *Seattle/Tacoma*.

On May 1, I-5 Super Shuttle service is introduced between Seattle and Portland; by early October, 50 roundtrip weekday frequencies will be flown between the two cities.

The following day, May 2, an armed gunman hijacks a Metroliner en route from Medford to Portland with 14 passengers and orders it diverted to Hillsboro, Oregon. After releasing his hostages, the pirate negotiates his own surrender, three hours later. While in police custody, the perpetrator will commit suicide.

It is also announced in May that the company will be purchased for \$68 million by Alaska Air Group, parent of **Alaska Airlines**, in late fall and notice of withdrawal is provided to **United Airlines**.

The fifth anniversary is celebrated on September 5 as the company now serves 27 cities in Washington, Oregon, Idaho, Utah, Montana, and California. In October, Chairman Kuolt suggests that he is looking toward retirement.

The formal Alaska purchase occurs on November 19, when the boards of both Alaska and Horizon approve it. Alaska makes clear that it will operate its new subsidiary as a separate "sister" company, allowing it to retain its own identity and management.

In December, Horizon Air Holiday flights are started to the Sun Valley ski country while scheduled service to Helena and Great Falls, Montana, is begun. Full DOT approval to the Alaska takeover occurs before Christmas.

Customer bookings ascend 21.8% to 1,147,805 and cargo grows by 36.1% to 10.17 million FTKs. Revenues slip to \$62.4 million, but expenses of \$56.6 million allow a \$5.8-million operating profit. The company loses its independence on a profitable note, showing a net gain of \$3.7 million.

Airline employment is increased by 22.7% in 1987 to 1,466 and the fleet includes 2 F.28-1000s, 8 F-27s, five DHC-8-101s, and 22 Metro IIIs.

Alaska Airlines Vice President John F. Kelly is appointed president/CEO (effective in June) at the first of the year. Former Chairman Kuolt agrees to remain vice chairman and a consultant, but Executive Vice President George Bagley (who will retain that title and become chief operating officer as well) will have charge of day-to-day operations during the year's first half. Service is started to Bellingham, Washington, in February.

The code-sharing agreement with **United Airlines** officially ends on March 1 as the large regional switches from that major's Apollo computerized reservations system to the CCS system operated by **Continental Airlines**. It also joins the **Alaska Airlines** Gold Coast Travel frequent flyer program. On April 5, thrice-daily Metro III nonstop roundtrips are inaugurated between Seattle and Port Angeles.

Competitors now increasingly enter Horizon's Northwest territory. Montana-based **Big Sky Airlines** begins service to Spokane under a code-sharing agreement with **Northwest Airlines** while new "United Express" partner **NPA, Inc.**, using British Aerospace Jetstream 31s, forces Horizon to abandon its Sacramento market in June. Late in that month, a court appeal is lost and the effort to have a DOT decision giving **San Juan Airlines** the lucrative Seattle-Vancouver route cannot be reversed.

While on a training flight from Twin Falls, Idaho, on September 29, a Swearingen Metro with three crew collides with an antenna tower and crashes out of control; although the aircraft is damaged beyond repair, there are no fatalities.

Despite these disappointments, passenger boardings leap upward by 22.7% to 1,388,912 and freight is up by 6.9% to 10.87 million FTKs. Revenues ascend 29.2% to \$107.8 million and push the carrier from the ranks of the large regionals (where it was Number Four) into national status. Expenses are kept low enough to guarantee profits: \$2.93 million (operating) and \$887,000 (net).

Employment falls by 4.5% in 1988 to 1,400, but the fleet is increased by the brief addition of another F-27J, plus nine DHC-8-102s.

In January, the company begins to offer weekend discount fares that are 40% to 60% lower than regular weekday fares. The Canadian routes of the small Washington State-based regional **San Juan Airlines** are purchased. Thrice-daily Seattle-Spokane roundtrip F.28-1000 service is introduced in February.

Just after takeoff from Seattle for Spokane on April 16, a DHC-8-102 with 3 crew and 37 passengers develops a large fire in its No. 2 engine nacelle. The turboprop returns to its point of origin, makes an emergency landing, and strikes ground equipment and jetways B7 and B9 of the main terminal. Although the de Havilland is damaged beyond repair and there are no fatalities, 18 people are injured.

A third DHC-8-102 roundtrip is added in May from Seattle to Kennewick, Pasco, and Richland, Washington. The twelfth Dash 8 is acquired in early August and, on August 19, the last F-27 is retired.

Service is inaugurated from Seattle to Bellingham and from Billings to Missoula, Montana, in November, and several other frequencies are increased.

Operating regional services throughout the Pacific Northwest, Horizon enplanes a total of 1,397,139 passengers, a slight 0.6% increase. Revenues, however, jump 5.31% to \$113.38 million, costs climb 5.53% to \$110.52 million, and operating income totals \$2.86 million, a slight decline. Net gain skyrockets to \$2.56 million.

The workforce grows by 7.1% in 1989 to 1,500 and the fleet, which continues to feed **Alaska Airlines** in the Pacific Northwest, now includes 3 F.28-1000s, 32 Metro IIIs, and 13 DHC-8s, including 2 101s and 11 102s. Six DHC-8s remain on order.

Beginning in February, three of the eight roundtrips from Bellingham to Seattle are served by new DHC-8-102s. The U.S. routes of **San Juan Airlines** are purchased in May when the Washington State small regional becomes a code-sharing affiliate of Horizon's parent.

In June, five daily nonstop DHC-8-101 flights from Seattle to Vancouver and Victoria, British Columbia, begin over the Canadian routes transferred earlier from **San Juan Airlines**. During the month, an hourly Seattle-Spokane nonstop roundtrip F.28-1000 shuttle service is inaugurated.

Three months later, in August, **San Juan Airlines**, the 40-year-old small regional, turns in its operating certificate to the FAA and liquidates. Meanwhile, a ninth daily Pasco to Portland service is added. Other new frequencies are initiated from Seattle, Spokane, Vancouver, and Yakima.

A third daily flight is added in September from Portland to Lewiston, Idaho, and an eleventh weekday service is started from Seattle to Spokane. In November, additional frequencies are added from Seattle to Vancouver, Walla Walla, and Wenatchee.

The year's passenger boardings at Horizon swell 13.6% to 1,587,000 and freight jumps 10.1% to 1.03 million FTKs. Revenues increase 16.86% to \$132.52 million, expenses ascend 14.48% to \$126.52 million, and the operating profit doubles to \$5.99 million. Net profit nearly doubles, to \$1.86 million.

In 1990, the 1,500-employee **Alaska Airlines** feeder owns or leases 48 large and small airliners, including 32 Metro IIIs, 13 DHC-8-100s, and 3 F.28-1000s. Six DHC-8-100s remain on order.

In January, daily service is initiated from Butte to Billings, Helena, Kalispell, and Spokane and from Cincinnati to Birmingham, Alabama; three daily roundtrips are added from Kalispell to Billings and from Boise to Pullman and Lewiston. A passenger is injured on May 24 when a window in the cabin of a DHC-8-102 blows out during a flight from Portland to Seattle.

Service is inaugurated in September between Portland, Oregon, and Vancouver. Customer bookings climb another 14.4% to 1,816,000 and revenues swell 23.6% to \$163.82 million. Costs rise 24.86% to \$157.97 million and operating income dips very slightly to \$5.84 million. Net gain slides to \$1.05 million.

The employee population declines by 6.7% in 1991 to 1,400 and the fleet now includes 53 aircraft. Additional flights are begun in February from Portland to Lewiston and Pullman and return trips from Seattle to Walla Walla.

In April, two DHC-8-102 trips are added from Seattle to Spokane. A second DHC-8-102 frequency is launched from Kalispell to Spokane and replaces its Metro IIIs with DHC-8-102s on most of its Spokane-Missoula roundtrips. DHC-8-102s are added to the hourly F.28-1000 Spokane-Seattle shuttle.

In May, a \$260-million order is placed for 35 Dornier 328-110s, plus 25 options. A new corporate image is unveiled during the first half, including a new white, red, and burgundy livery. Additionally, aircraft fuselages are adorned with the Horizon name in scripted lettering 5-feet high.

In July, a second DHC-8-102 is added to the Victoria and Port Angeles to Seattle roundtrip making a total of four per day. A DHC-8-102 is also added to the Seattle-Portland shuttle service. In August, the Metro IIIs are replaced on the afternoon frequency between Bellingham and Seattle.

Passenger boardings pass the two million-mark in annual enplanements for the first time, climbing by 11.3% to 2,022,000. Freight, meanwhile, rises 6.8% to 1.6 million FTKs. Revenues ascend 11.79% to \$183.14 million and expenses are up 10.89% to \$175.17 million, guaranteeing a \$7.96 million operating profit. Net income doubles to \$3.6 million.

Company employment increases 42.9% in 1992 to 2,000. With the retirement of a Metroliner and the addition of 4 DHC-8-102s, the fleet reaches a total of 55 aircraft.

Spokane is one of five Western cities under consideration by **Alaska Airlines** in the spring as the location of a heavy maintenance base for its aircraft and Horizon's.

Alaska officials express displeasure with Spokane on May 8 when new entrant **Morris Air Service** begins daily nonstop roundtrips to that point from Seattle. **Alaska Air** and Horizon, which had dominated the air corridor between Washington State's two largest cities and charged roundtrip fares of \$190 to \$380 per trip, are forced to match the \$78 tariff of MAS.

A one-stop Portland-Redding roundtrip is inaugurated. One of the last F-27s is destroyed by Hurricane Andrew at Miami on August 24.

Alaska Airlines B-737 service from Nome to Anchorage via Kotzebue must be curtailed on September 11 as airport authorities repair and upgrade the main runways. For the next five days, twice-daily roundtrips will, however, be provided by Horizon DHC-8-100s.

Customer bookings jump 17.8% to 2,381,000 and revenues ascend 13.7% to \$208.1 million. Expenses climb 14.6% to \$200.84 million and leave an operating profit of \$7.3 million. Net gain slips to \$5.73 million.

In 1993, President/CEO Kelly oversees a workforce of 2,267, a 13.4% boost, and a fleet of 20 DHC-8-100s, 32 Metroliners, and 3 F.28-1000s. The de Havillands are all now equipped with the Head-Up Guidance System (HGS) employed by **Alaska Airlines** for four years. Orders are outstanding for 35 Dornier 328-110s.

In the spring, the company, together with **Alaska Airlines**, begins to employ the **American Airlines** SABRE reservations system. During the summer, the Metros are withdrawn from the high-frequency Seattle to Portland and Spokane shuttle and are replaced with Dash 8s. The premier Dornier 328-110 is handed over on November 12 in ceremonies at the builder's Oberpfaffenhofen facility.

Not only does the first Dornier enter service in December, but the original F.28-1000s are also increasingly taken out of service for normal maintenance and upgrading. Seventeen of the daily roundtrip Seattle-Spokane shuttle flights will be operated over the next six months by wet-leased **Alaska Airlines** jetliners.

Passenger boardings shoot up 15.6% to 2,751,778 and freight ascends 26.1% to 3.49 million FTKs. Revenues climb 7.3% to \$223.33 million, expenses are up only 6.8% to \$214.57 million, and operating income grows to \$8.75 million. Net profit swells to \$4.6 million.

Airline employment is increased by 22.4% in 1994 to 2,999 and Sacramento is added to the route network in April. During the spring, **Southwest Airlines** moves into Horizon's service area, placing pressure on Horizon's fare structure and directly competing with it on routes from Seattle to Spokane and Portland.

In September, six Fokker F.28-1000s are leased from **USAir**. When President Kelly is appointed executive vice president/chief operating officer of sister **Alaska Airlines** in December, he is succeeded by that carrier's vice president-finance, Kathleen H. Iskra. Senior Vice President Operations William Ayer is also promoted into Alaska's hierarchy.

Customer bookings surge 26.5% to 3,481,587 while cargo moves up 3.8% to 3.63 million FTKs. Revenues accelerate 15% to \$256.9 million while expenses rise only 13.7% to \$243.98 million. Pretax profit climbs to \$12.92 million, while net gain increases to \$7.7 million.

One new employee is hired in 1995. The fleet grows throughout the year to include 23 Fairchild Metro IIIs, 10 Dornier 328-110s, 23 DHC-8s, and 12 Fokker F.28-1000/4000s.

Thrice-daily nonstop F.28-1000 roundtrips are initiated on March 19 between Boise and Oakland, California.

During the summer and fall, electronic ticketless travel is made available with **Alaska Airlines** on routes from Seattle to Ketchikan, Oakland, Spokane, and Oakland to Boise. On October 11, this electronic option is extended from Seattle to San Francisco, San Jose, and Portland.

At the same time, automated check-in becomes available employing kiosks similar to bank ATM machines. President/CEO Iskra departs in October and is replaced, initially on a temporary basis, by Executive Vice President/Chief Operating Officer Bagley.

Daily F.28-1000 roundtrips commence on December 17 from Seattle to Edmonton. Two more Dornier 328-110s are delivered in December, including the 50th production unit.

Despite competition from other discount carriers, enplanements jump 9.1% to 3,796,000 and freight accelerates 12.1% to 2.78 million FTKs. Operating revenues move up 8.8% to \$279.5 million and costs advance 12.8% to \$275.3 million. Operating profit falls to \$4.2 million while an equal \$4.2-million net profit is posted.

There is no change in the workforce in 1996. Chief Operating Officer Bagley becomes permanent president/CEO at the beginning of the year. The two new Dornier 328-110s enter service in January. Plans are made to replace the F.28-1000s with F.28-4000s.

Also during the first quarter, the FAA approves Horizon's request to launch new low-visibility landings at the airport at Medford, Oregon. Seven of the company's eight daily services to Medford will be performed by DHC-8s equipped with Flight Dynamics' HGS. The eighth frequency, performed by a Dornier, must remain high-visibility until the 328-110 can be equipped with its own HGS.

Daily Dornier 328-110 roundtrips to Jackson Hole, Wyoming, via Bozeman, Montana, commence in June. In August, negotiations for a new contract begin with AFA. Also during the month, orders are placed for 25 DHC-8Q-200s.

During the fall, a cost-cutting program built around schedule and fleet simplification is announced. A losing two-year-old rivalry with **Southwest Airlines** (2) on routes from Seattle to Spokane and to Portland begins to hurt the company's bottom line.

Customer bookings slide 1.1% to 3,752,690 on 204,447 scheduled departures, but cargo accelerates 9.1% as 3.04 million FTKs are operated.

Revenues climb 7.8% to \$301.3 million and expenses jump 9.4% to \$301.2 million. At \$300,000, the net gain is \$200,000 higher than operating profit. Still, it is only 7% of the previous year's gain and causes alarm bells to ring at company headquarters.

The employee population is cut 3.6% in 1997 to 3,000. At an impasse, the National Mediation Board (NMB) is called in during February to assist in the negotiations between the carrier and AFA.

Flight 2157, a DHC-8 with 3 crew and 13 passengers arriving from Seattle, is substantially damaged on March 26 when it collides with ground equipment during taxi in Wenatchee, Washington; no one aboard the plane is injured as it moves to the terminal following its landing.

To help lower costs, the company begins to rationalize its fleet. Plans are made to withdrawn all of the Dornier 328-110s and Fairchild Metro IIIs in favor of Fokker F.28-4000 and DHC-8 equipment. Frequencies will also be slightly reduced—an inconvenience the carrier hopes to offset with the comfort of the larger aircraft.

Service to a few less popular stops is now suspended, including Twin Falls, Idaho, Jackson Hole, Wyoming, and Helena, Montana. Daily F.28-4000 return service is started from Seattle to Billings, Montana, in June.

On August 3, twice-daily nonstop DHC-8 return flights are started between Seattle and Medford, Oregon. These are in addition to the 10 flights a day between Portland and Medford. A third daily nonstop is initiated from Seattle to Redmond and Bend. New shuttle service is launched from Seattle to Vancouver. Flights are increased from 13 to 16 per day and are scheduled to depart every hour on the half-hour from Seattle and every hour on the hour from Vancouver.

A seventh daily DHC-8 nonstop between Seattle and Victoria, British Columbia, is added on September 7. Simultaneously, a second daily F.28-4000 roundtrip is instituted between Seattle and Billings.

Also during the fall, an F.28-1000 is sold to the Canadian charter operator **Air Niagara Express, Ltd.** Still, sufficient units remain on hand to honor all commitments, including daily service between Seattle and Spokane and Spokane and Billings.

On November 9, the company replaces the Metroliners serving the Portland to Klamath Falls, Oregon, route with DHC-8s.

In a special ceremony at the Bombardier facility at Toronto, the company, on November 21, receives the 500th DHC-8 built, a Dash-8Q-200, which is christened *Wenatchee*.

At the same time, the manufacturer rolls out its new DHC-8Q-400. During the fall, most of the airline's final Metro IIIs wing their way north to the manufacturer as part of the price Horizon pays for the new de Havilland equipment.

A tentative agreement on a new five-year contract is reached between the carrier and AFA on December 15. The 275 rank-and-file flight attendants, based at Spokane, Portland, and Boise, will vote on acceptance during January.

Nonstop return service from Seattle to all seven of the company's Montana destinations begins three days later. Also on December 18, thrice-daily nonstops are inaugurated between Seattle and Sun Valley for the ski season.

Passenger boardings dip 1.8% to 3,685,606 on 171,417 scheduled departures. Operating revenues inch up 0.8% to \$303.6 million. Expenses fall 1.1% to \$297.8 million. The operating profit grows to \$5.8 million, while net gain sails upward to \$6.3 million.

With founder Kuolt, cofounder McCaw, and CEO Bagley aboard, Flight 2420, a Metro III piloted by Capt. Mike Roy, lands at Portland on February 10, 1998, from North Bend, completing the carrier's last scheduled Metroliner service. The aircraft taxis to Gate A2 under the traditional water arch provided by the Port of Portland Fire Department.

Later in the day, the plane will replace an out-of-service DHC-8-100 on a flight to Redmond, but the North Bend-Portland flight completed earlier will remain, officially, its last company service.

On March 1, a third daily F.28-4000 roundtrip is added between Seattle and Calgary. On the same day, a one-stop jet flight between Seattle and Missoula becomes nonstop, making all three daily roundtrips nonstop. Similarly, between Seattle and Kalispell, Horizon converts a one-stop to a nonstop so that two of three flights each way will be nonstop.

In March, Horizon introduces new DHC-8Q-200s on services to and from Klamath Falls, North Bend, and Pendleton. Fares on the inaugural flights are reduced. In an effort to remain competitive, tariffs are also reduced on flights from Portland, Seattle, Spokane, and Boise.

Four-times-a-day nonstop, roundtrip DHC-8Q-200 flights from Seattle to Kelowna, British Columbia, commence on May 10.

A new 190,000-sq.-ft., \$17.3-million Operations Center is dedicated on August 14 at Portland International Airport. Full occupancy by 1,400 employees requires a 5-week move from 5 World War II-era buildings on the southside of the airport.

On September 27, the number of daily seats offered on the thrice-daily flights between Seattle and both Butte and Helena is doubled by upgrading from 37-seat DHC-8Q-200s to 69-seat F.28-4000s. Horizon now provides jet service to all of its Montana markets.

Also during the day, a ninth nonstop is introduced from Seattle to Pasco, Washington, with the elimination of flights shared with Walla Walla. Walla Walla now receives its own nonstop flights and two new daily nonstop return services are introduced from Seattle to Spokane.

First used by **Piedmont Airlines (1)**, a 17th F.28-4000 is leased during October.

Moses Lake is dropped as a destination between Seattle and Wenatchee on November 1 while Wenatchee is cut from three of the four daily roundtrips between Moses Lake and Seattle. A fourth daily nonstop roundtrip is introduced between Seattle and Medford, Oregon.

On November 20, the company announces that it will start thrice-daily F.28-4000 roundtrips on March 1 between Seattle and Fresno, the first nonstop service between the two communities ever offered.

On December 9, Alaska Air Group President Ayer announces that a letter of intent for the creation of a marketing partnership has been signed between its subsidiaries, **Alaska Airlines** and Horizon, and AMR Corporation and its subsidiaries, **American Airlines** and **American Eagle Airlines (2)**. The alliance will greatly expand travel and mileage opportunities for AAG passengers and strengthen the marketing presence for both corporations in California, the Pacific Northwest, and the West Coast. The four airlines will implement a fully reciprocal frequent flyer relationship; code-sharing is also under discussion, but remains subject to labor contract provisions.

Alaska also announces that notice has been provided to **Northwest Airlines** of its intent to modify an existing marketing agreement. Talks are underway and it is hoped that it might be maintained.

A February 14 schedule enhancement is announced on December 14. On that date, the company will add a fourth daily F.28-4000 roundtrip between Seattle and Calgary and a fifth daily DHC-8Q-200 roundtrip between Portland and Klamath Falls.

On December 17, a third daily nonstop roundtrip is added between Seattle and Sun Valley, with a fourth flight on weekends. The nonstop weekend service will cease on February 5.

Alaska Airlines President Ayer and **Northwest Airlines** President/CEO John Dasburg jointly announce on December 22 that their commercial cooperation agreement, which includes Horizon Air, will be extended. To mark and celebrate this arrangement, both carriers offer their respective frequent flyers the opportunity to earn bonus miles for flights taken on the other carrier between January 4 and February 28, 1999.

Also during the day, Horizon President Bagley announces that his carrier has placed a \$580 million order with Bombardier for 25 Canadair CRJ-700s, delivery of which will start during the second quarter of 2002.

During the 12 months, customer bookings jump 19.07% to 4.38 million, while freight traffic drops 2.54% to 2.85 million FTKs. Revenues jump 14.6% to \$347.8 million, while expenses are up 10.7% to \$329.6 million. Operating profit grows to \$18.2 million, while net profit triples to \$18.9 million.

A comprehensive marketing agreement, effective April 1, is announced by **Canadian Airlines, Ltd.** on January 12, 1999, with **Alaska Airlines** and its sister carrier Horizon.

On February 10, an agreement is concluded with *The Wall Street Journal* under which passengers travelling with Horizon to or from Boise, Portland, Seattle, or Spokane will be offered copies of the newspaper as they board their flights.

Starting on February 14, flights are increased from Seattle to Calgary and from Portland to Klamath Falls.

A comprehensive three-way marketing alliance is entered into with **Continental Airlines** and **Alaska Airlines** on February 25.

Nonstop F.28-4000 daily roundtrips begin on March 1 from Seattle to Fresno, California. While en route from Billings to Seattle on March 31, Flight 2419, an F.28-4000 with 4 crew and 40 passengers, experiences a loss of hydraulic pressure in the primary hydraulic system. The flight crew switches to the secondary hydraulic system and diverts to Spokane, where a safe landing is made without incident.

When the code-sharing agreement between **Canadian Airlines, Ltd.**, **Alaska Airlines**, and Horizon takes effect on April 1, the three companies begin to participate in each other's frequent flyer programs and begin code-sharing on routes between Vancouver, Seattle, and numerous cities across the western U.S. and Canada.

Thrice-daily F.28-4000 roundtrips begin on June 7 from Boise to Los Angeles (LAX). On June 14, a firm \$321-million order is placed with Bombardier Aerospace for the acquisition of 15 DHC-8-Q400s, with an option taken on 15 more. Deliveries of the advanced turboprop, for which Horizon is North American launch customer, are expected to begin in August 2000.

Passenger boardings accelerate 13.6% to 4,984,000 while freight climbs 11.7% to 3.18 million FTKs. Revenues swell 19.6% to \$415.9 million, while costs are up 18.7% to \$391.1 million. The operating profit rises to \$24.8 million, while net gain reaches \$25.5 million.

Airline employment at the beginning of 2000 stands at 3,798, a 17.2% increase over the previous 12 months.

While en route from Seattle to Fresno on February 14, Flight 2457, a Fokker F.28-4000 with 4 crew and 20 passengers, encounters clear-air turbulence over Red Bluff, California. One flight attendant is thrown across the cabin, suffering a broken ankle.

The carrier, on April 9, increases its DHC-8-102 return frequencies from Seattle to Bellingham (8 to 9) and Victoria, British Columbia (7 to 8). An agreement is reached with Bombardier Aerospace on May 31 for the acceleration in delivery of the company's order for 30 CRJ700s. Instead of 2002–2003, the first 14 are rescheduled to arrive between December 2000 and October 2001.

With contract talks unsuccessful, the carrier's Teamster-represented pilots vote on August 15 to strike if released from federal mediation efforts.

New daily nonstop F.28-4000 roundtrips are inaugurated on September 11 from Eugene, Oregon, to Los Angeles. On October 1, an F.28-4000 replaces a DHC-8-102 on one of the carrier's six daily return flights between Seattle and Eugene. The withdrawn Fokker is put up for sale as the carrier awaits delivery, hopefully in December, of its first CRJ700.

On November 13, the carrier's Transport Workers Union-represented mechanics approve a two-year contract extension, which includes a 15% wage increase.

As the year ends, employees are thrilled by the receipt of the carrier's first DHC-8-Q401 on December 29. It will enter service on February 18, 2001, and fly from Seattle to Kalispell, Missoula, Portland, Spokane, and Vancouver.

HORIZON AIR TAXI, LTD.: Switzerland (1984–1987). HAT is established at Zurich in 1984 to offer charter and on-demand passenger flights to regional destinations. Revenue operations commence with a pair of Cessna 414s.

Services are maintained until 1994, when the company stops its non-scheduled flights and becomes a flight training center.

HORIZON AIRLINES: United States (1967–1969). Horizon Airlines is initially set up at Lynchburg, Virginia, in the first quarter of 1967 before moving its base to Charlottesville. Employing a Piper PA-23 Aztec, the company inaugurates daily roundtrips on June 11, linking the home of the University of Virginia with Lynchburg and Richmond. Services are maintained into 1969.

HORIZON AIRLINES (PTY.), LTD.: Hangar 14, Airport Ave., Sydney, New South Wales, Australia; Phone 61 (2) 9791 9398; Fax 61 (2) 9791 9844; <http://www.horizonairlines.com.au>; Year Founded 1998. Horizon Airlines is established at Sydney in early 1998 to offer third-level passenger services to points in New South Wales and Victoria. Employing a small fleet of Fairchild Metro 23s, General Manager Malcolm Campbell's new concern launches revenue flights to Mildura on March 31. Service to Broken Hill begins on July 1.

So popular are these new frequencies that the company expands again on February 1, 1999, adding new flights to Deniliquin and Swan Hill. In March 2000, the company begins flying to Wangaratta and Shepparton. This strong new route is served daily after July 1.

HORIZON AIRWAYS: United States (1969–1976). Horizon is established at Kirksville, Missouri, in 1969 to provide air taxi flights to St. Louis and Kansas City. Cessna 207 operations continue apace until April 1976, when the company is reformed into the commuter **Air Missouri**.

HORNBILL SKYWAYS SDN BHD: P.O. Box 1387, North Pan Hangar, Kuching International Airport, Kuching, Sarawak, 93728, Malaysia; Phone 60 (82) 455737; Fax 60 (82) 455736; Year Founded 1988. Hornbill Skyways is set up at Kuching in 1988 by the State Government of Sarawak to provide charter and contract service flights to bush airfields in the jungle regions of Sarawak and Sabah in eastern Malaysia. Operations begin with 1 Shorts SC-7 Skyvan, 1 Cessna Citation I, and 5 Bell 206B JetRangers. In 1994, minority interest is taken in Malaysian Helicopter Service, Ltd.

Flights continue in 1995–1999. By the latter year, the fleet of General Manager Lt. Col. Sharkawi Hasbie includes the Skyvan, Citation I, 9 JetRangers, and 1 Bell 222.

HORTON AIRWAYS, LTD.: United Kingdom (1946–1950). Formed at London (LGW) in late summer 1946 by three brothers named Gee, Horton Airways acquires a Percival P.44 Proctor 5 in October and inaugurates air taxi flights. An Airspeed AS.65 Consul is purchased in February 1947 and in April the company is registered as an airline, purchasing two more Consuls the same month. Nonscheduled personnel and cargo charters are undertaken and the fleet is increased during the summer by the addition of an Auster J/1 Autocrat, a de Havilland DH 89A Dragon Rapide, and a Miles M.65 Gemini 1A.

In January 1948, the company establishes an overseas charter division in Cyprus, purchases a Douglas DC-3, and joins forces with the Swiss-based White Star Continental Tours, Ltd. The company's two Consuls are transferred to Cyprus on February 1 and launch ad hoc passenger and cargo charters from Nicosia on February 7. Coach-Air service from London to Switzerland, the south of France, and the Channel Islands is started in early summer.

On September 24, the carrier's lone DC-3 arrives at Lubeck to join the civil side of the Berlin Airlift. Flying most of its 108 cargo flights into the ex-German capital from Hamburg, beginning on October 5, the lone plane transports a total of 397 tons of supplies in 301 flying hours. The Douglas returns to London on November 18 and resumes its holiday charter operations.

British European Airways Corporation (BEA) grants Horton an associate contract in April 1949 for a scheduled routes between London (LGW) and Land's End and London (LGW) to Exeter and Plymouth. The Dragon Rapide is assigned to provide the scheduled service while the Gemini begins concentration on the provision of flights to horse races.

Without sustainable financial success, the carrier is faced with a severe cash flow problem in the spring of 1950 and is ceased to force operations in May.

HOT AIR, LTD. See BALTIC AIRWAYS, LTD.

HUACHUCA AIRLINES: United States (1983–1985). Organized at Sierra Vista, Arizona, in 1983, this small third-level operation begins in-

trastate Piper PA-31-310 Navajo services to Phoenix, Safford, Globe, Ft. Huachuca, and Tucson. Operations continue for two years until, deeply in debt, the carrier stops flying in **1985**.

HUB AIR SERVICE: United States (1964–1976). HAS is established at McGrath, Alaska, in the summer of **1964** to provide scheduled passenger and cargo flights to local destinations. Employing various Piper and Cessna lightplanes, revenue services commence on October 15 linking the company base with Medfra, Tatlina, Ophir, and Flat.

Operations continue apace for just over a decade until the company folds in **1976**.

HUB AIRLINES: United States (1966–1973). George Bailey establishes Hub Airlines at Fort Wayne, Indiana, in the late fall of **1966** to provide scheduled air taxi services to Chicago's Meigs Field via South Bend and to Detroit. Employing a Beech B-80 Queenaire, the company inaugurates daily revenue frequencies on December 21.

In September **1970**, Hub acquires the Meigs Field-based **Commuter Airlines of Chicago**, together with its Beech 99. Bailey transfers his headquarters to Chicago and maintains his schedule, adding flights to Dayton, Ohio.

On May 1, **1972**, the company enters into an association with Flint, Michigan-based **Great Lakes Commuter**. Operations continue apace throughout the remainder of the year; however, financial difficulties ensue in **1973** and in November the company closes its doors and its routes are transferred to **Skystream Airlines**.

HUB EXPRESS: United States (1987–1991). Ex-U.S. Marine Corps helicopter pilot Morris "Rhett" Flatter signs a wet-lease agreement with **New Hampshire Helicopters** in late fall 1986 to begin Hub Express, a rotary-wing air taxi operation based at Minuteman Airfield, Stowe, Massachusetts. Flights along the I-495 and Route 128 corridor from Boston to Logan International Airport commence on December 1. Shortly after nonscheduled service begins, HubExpress is able to acquire by merger the paper Part 135 operator **Air East Airlines**.

During **1987**, as operations continue apace, Flatter is able to raise nearly \$1 million in investments, including \$100,000 from Boston University. Additionally, by March, frequencies from suburban landing sites to Logan are increased to 17 per day and in September the DOT grants the company a fitness determination, originally started for **Air East Airlines**, but amended for helicopter operations.

Regularly scheduled helicopter shuttle service from Logan International Airport to various corporate locations in the Boston area begins in December. The fleet of the nation's only federally registered helicopter commuter airline comprises 3 Bell 206B JetRangers.

A total of eight scheduled round trips are completed by year's end and, after start-up costs are deducted, revenues total only \$100,000.

Sustained revenue operations commence in January **1988** and in August, daily roundtrip flights are increased to 26. The fleet is increased by another JetRanger.

Charter flights grow to account for 40% of the carrier's business; however, the remainder is all scheduled and 90% of the passengers are business people. Enplanements for the year total 6,756.

By May **1989**, the company has concluded joint-fare agreements with seven airlines serving Logan (**Northwest Airlines**, **Delta Air Lines**, **USAir**, **American Airlines**, **Swissair, A.G.**, **Sabena Belgian World Airlines, S.A.**, and **Trump Shuttle**) and added another LongRanger. Plans for substantial growth are made, including the inauguration of shuttle flights to New York and Washington, D.C.

Passenger boardings jump 108.9% to 13,279.

The workforce is increased by 7.4% in **1990** to 29 and the fleet now includes 2 LongRangers. In March, Bell Helicopter Textron agrees to finance 90% of two new \$950,000 LongRangers that are placed into service. Plans are made to expand to Washington, D.C. and link the Reagan National and Dulles Airports with an intermediate stop at Tysons Cor-

ner, Virginia's business park. Operations continue apace into the summer as 14,000 passengers are transported.

Iraq's August 2 invasion of Kuwait forces up avgas prices and causes a severe downturn in business travel. As the Massachusetts recession deepens, Hub is unable to maintain its viability let alone launch its expansion. No profit has been earned since start-up and \$3.5 million has thus far been invested.

Still, based on traffic generated early in the year, customer bookings accelerate to 26,035.

Investors, in January **1991**, call off plans for a major recapitalization effort and, in February, all but a few of the 40-person workforce is laid off. Unable to generate sufficient traffic to continue, the company ceases operations at the end of June, becoming the latest in a long line of American scheduled helicopter operations to fail.

HUBBARD AIR TRANSPORT: United States (1919–1935). On March 2–3, **1919**, carrying 60 letters and airplane designer William "Bill" Boeing as passenger, pilot Edward "Eddie" Hubbard undertakes an international mail route survey flight from Vancouver, British Columbia, to Seattle, Washington. Flying a Boeing CL-4S, the pair run into a snowstorm, which requires an overnight stop at Anacortes.

Together with Vancouver postmaster R. G. Macpherson, this first transport of airmail across an international boundary in North America is the product of an idea by a prominent Vancouver druggist, E. S. Knowlton, who earlier at the Vancouver Exhibition had spoken to Boeing and Hubbard about the feat. This exercise in Canadian-U.S. cooperation requires 2 hrs. 10 min. flying time.

After leaving Boeing's employ, Hubbard resumes these trials on July 1, **1920**. After obtaining a U.S. Post Office mail subsidy for Foreign Air Route (FAM) 2, Hubbard departs Seattle for Victoria on October 15. As the head of newly created Hubbard Air Transport, with a Boeing B-1 purchased from his former boss, Hubbard connects at Victoria with the Japanese ship *S.S. Africa-Maru*, which will take the post on to the Orient.

A small group witnesses the Seattle liftoff; however, thousands are on hand to see the Vancouver arrival. In accordance with the terms of his contract, Hubbard undertakes, beginning on October 20, the prescribed 12-plus, monthly roundtrips necessary to transport a quota of 7,200 pounds of mail. The FAM contract pays \$200 for each flight and makes Hubbard the first company to exercise a U.S. Post Office FAM agreement.

Averaging 25,000 to 50,000 pounds of mail annually in larger B-1s and B-1Ds, Hubbard continues his service for seven years, although other pilots will take a more active hand toward the end. He and Boeing remain close and Hubbard actually serves as a Boeing test pilot during the early to mid-**1920s**.

In the fall of **1926**, Hubbard returns to work for Boeing, primarily to convince the manufacturer and his representatives, including chief designer Clairmont "Claire" L. Egrvedt and Philip Johnson, of the benefits to be gained by their direct involvement in the provision of air services.

HAT is left, for the most part, for others to handle while its owner seeks to engineer the birth of a larger concern. Boeing and Hubbard, who has continued to receive much support from designer Egrvedt, now busily creating the Boeing Model 40, submit an application to the Post Office for its newly available Chicago to San Francisco Contract Air Mail Route (CAM) No. 18.

The route award is granted on January 15, **1927**. Boeing now names Hubbard vice president-operations of his new **Boeing Air Transport**, which will begin scheduled Model 40 service on July 1. Hubbard, for his part, now sells his own HAT to Vernon C. Gorst, who renames it the **Seattle-Victoria Air Mail Line**, a title it will keep until July **1928** when chief pilot Percy Barnes purchases half interest and it is renamed **Northwest Air Service**.

Although Gorst, who had begun **Seattle Flying Service** on June 15, will stray away to form and lose other airline projects, the two men share equally in this enterprise and keep it flying the international route until December 31, **1935**.

Today's **United Airlines** traces its history back to this first U.S. intercontinental contract airmail service and author Jim Brown profiles its founder in his *Hubbard, the Forgotten Boeing Aviator* (Seattle, Wash.: Peanut Butter Publishing, 1996).

HUDSON AIR SERVICE: P.O. Box 648, Talkeetna State Airport, Talkeetna, Alaska 99676, United States; Phone (907) 733-2321; <http://www.hudsonair.com>; Year Founded 1946. The oldest of six air taxi services in Talkeetna, Alaska, HAS is established by pioneer aviator Glen Hudson in 1946 to provide all manner of Denali-related services, from climber support to sight-seeing. Charter services are also arranged to bush destinations for fishermen, hunters, and kayakers, many of whom elect to stay in the company's own rental cabins.

Over the next 50-plus years, Hudson will also become the largest FBO in the Talkeetna area, providing a variety of aviation support services. After the founder's passing, the firm is taken over and operated by his brother Clifford, his wife Ollie, and their sons.

On July 23, 1997, a ski-equipped Cessna 185 with one pilot and three passengers sustains substantial damage when it impacts terrain during takeoff from the 9,500-ft. level of the Kahiltina Glacier; no injuries are reported.

Flights from the Talkeetna Airport, which is located 115 mi. N of Anchorage, are maintained in 1998–2000.

HUDSON VALLEY AIRWAYS: United States (1972–1973). HVA is created at White Lake, New York, in 1972 to provide scheduled passenger and cargo services to regional destinations. Employing Piper light-planes, the company duly inaugurates daily roundtrips linking Monticello with New York (LGA) and with Buffalo via Scranton, Pennsylvania. Operations cannot be maintained beyond 1973.

HUFF-DALAND DUSTERS: United States (1924–1928). Thomas H. Huff and Elliott Daland form Huff, Daland & Co., Ltd. at Ogdensburg, New York, in 1921 to build light bombers and small civil aircraft, including the Model 5 Petrel, used successfully in crop-dusting experiments.

To make regular use of the agricultural aircraft, a subsidiary, Huff-Daland Dusters is established at Macon, Georgia, in 1924. It is the world's first aerial crop-dusting company. Huff, with authority from Maj. Gen. Mason Patrick, chief of the Army Air Service, is able to recruit Capt. Harold R. Harris (on official leave of absence) to become chief executive and pilot.

Harris joins Huff-Daland in February 1925, at which point both the parent organization and its child move. Huff, Daland and Co., Ltd. is reorganized, renamed Huff-Daland Airplanes, Inc., and shifted to Bristol, Pennsylvania, where a new plant is built for the construction of improved airplanes, including an upgraded Model 5 known as the Model 31.

Huff-Daland Dusters, meanwhile, moves to a new base at Monroe, Louisiana, where, Harris is joined by the division's new chief entomologist Collett Everman (C.E.) Woolman, who has been loaned to the enterprise by the U.S. Department of Agriculture (DOA), who in turn has borrowed him from the State of Louisiana.

Following a moderately successful dusting season up and down the Gulf coast, it is found that there is no off-season work for the specially equipped Petrel 31s. As a result, an experimental service is operated in Mexico.

At the beginning of 1926, the acreage of the cotton planters in the South American country of Peru is under siege by plant-eating army worms. Acting on behalf of the planter community, Pedro Beltran, himself owner of a large cotton farm, travels to Washington, D.C. to consult with the DOA, which recommends dusting and sends him down to Monroe. Beltran is able to convince Huff-Daland to send Woolman down to check out the problem and, once on the scene, the entomologist finds such promise that a contract for dusting is signed.

In December, Huff-Daland sends Harris and Woolman, along with five crated dusters, by ship to Lima, Peru. There the two, having re-

assembled their Petrel 31s, begin what will prove a valuable seasonal service to local cotton growers.

Back in the U.S. on March 8, 1927, Huff-Daland Airplanes, Inc. is purchased by the New York City-based Hayden Stone brokerage house and reorganized, becoming the Keystone Aircraft Corporation. Later in the year, Harris presents a report on the Huff-Daland operation in Peru, which is complete with maps and notebooks containing proposed passenger and airmail routes down the west coast of South America.

Hayden Stone senior partner Richard Hoyt brings in Juan T. Trippe and Andre Priester of newly formed **Pan American Airways (PAA)** to review the Harris documents. Trippe and Priester, who are busily expanding into the Caribbean from south Florida, are excited

Stone and Trippe move to form a new airline for Peru on September 4, **Peruvian Airways, S.A. (PAC)**. Trippe will be president of the new carrier, with Harris as vice president-general manager. An arrangement for joint services is quickly struck with Harris and Woolman, in their capacity as officers of the Huff-Daland Dusters Air Navigation Company, and orders are placed for Fairchild cabin monoplanes.

After two successful seasons in both the U.S. and Peru, Harris and Woolman, still in charge of Keystone's Huff-Daland Dusters subsidiary in South America, seek additional opportunities for that organization and also for the new PAC. On May 28, 1928 they are awarded Peruvian government permission to initiate services both within the nation and to the U.S.

Supplying a Fairchild FC-2 and operating under terms of Huff-Daland's government certificate, **Peruvian Airways, S.A.** inaugurates regularly scheduled weekly flights from Lima's Santa Beatriz racetrack to Talara on September 13.

Three days after **Peruvian Airways'** first revenue flight, the Aviation Corporation of the Americas, holding company of Juan Trippe's **Pan American Airways (PAA)**, purchases 50% shareholding in the **Peruvian Airways, S.A.** operation. Just over two months later, on November 28, all of the Huff-Daland operating permits are turned over to **Peruvian Airways Corporation, S.A.** PAC will soon be transformed into **Pan American-Grace Airways (PANAGRA)**.

Harris and Woolman return to the U.S. in the fall after briefing president-elect Herbert Hoover when the latter visits Callao, Peru, aboard the battleship *U.S.S. Maryland*. At Monroe, Louisiana, the latter finds the local Huff-Daland Dusters operation in shambles, due largely to a lack of interest and leadership from Keystone Aircraft Corporation, which desires to divest itself of this southern stepchild. With \$40,000 from local investors, Woolman purchases Keystone's subsidiary on November 12 and obtains its Petrel 31s three days later. Following a preliminary reorganization, the new company is chartered as **Delta Air Service** on December 3. Sixty years later it would be one of America's largest carriers, **Delta Air Lines**.

HUGHES AIRWEST: United States (1968–1980). **Air West** is created at Seattle on April 9, 1968 through the mergers of **Bonanza Air Lines**, **Pacific Air Lines**, and **West Coast Airlines**, which is engineered by the latter's CEO, Nick Bez. The three bring their fleets and routes into this CAB-approved marriage with hopes that a combined operation can hold market share. As each airline component retains significant independence, resistance to the merger begins almost immediately.

The combo, unfortunately, also quickly encounters major financial difficulty increased in magnitude by the failure of the new computerized reservations system. So great do these fiscal problems become that the last option before bankruptcy must be exercised: the company's sale. The purchaser turns out to be pioneer aviator Howard Hughes, who had seven years earlier been forced out of his longtime association with **Trans World Airlines (TWA)**.

On August 12, Bez announces a \$90-million sale. A number of **Air West** directors, several of whom hear of the deal over the radio for the first time, pillar Bez as a Hughes stooge and bring suit to halt the takeover. Still, sufficient boardroom support is found for Bez (who dies

in the new year) and Hughes, in the entity of his Hughes Air Corporation (Summa), to sign the legal papers on December 31.

Following unsuccessful legal opposition, the CAB grants sale approval and Summa assumes control on July 21, 1969. During the next 10 months, the carrier is reorganized. Headquarters are transferred to San Mateo, California. The changeover does not have sufficient time to work before the year's net balance sheet is revealed to have been written in \$20.8 million worth of red ink.

Less than a year later, in April 1970, the concern is relabeled Hughes Airwest. At this point, the employee population numbers 3,500 (a 6.8% decline) and the fleet includes 44 aircraft: 19 DC-9-30s and 25 Fairchild F-27s and F-27As. A former **Pacific Air Lines** Boeing 727-193 is sold to **Union of Burma Airways, Ltd.** The highly visible purple and yellow colors of Hughes Aircraft are applied to all of the company's aircraft.

Passenger boardings increase 2% to 2,898,258 and freight traffic is up by 26%. Revenues advance 15.3% to \$75.9 million. Operating losses are cut to \$5.7 million and the net loss is cut in half to \$10.1 million.

Nonstop service from Phoenix and Tucson to Guadalajara begins in April 1971.

While climbing to 33,000 ft. on June 6, Flight 706, a DC-9-31 with 5 crew and 44 passengers en route from Los Angeles to Salt Lake City, collides with a USMC F-4B Phantom II at 15,150 ft. over the San Gabriel Mountains. Both planes crash, killing all aboard the jetliner. One of the fighter-bomber's two crew is able to successfully bail out and survives.

Aircraft mechanics, members of the Aircraft Mechanics Fraternal Association, walk out on strike on December 15.

Enplanements for the year total 2,917,935 and a net loss of \$3.3 million is absorbed.

Dressed in cowboy boots and western clothes, former paratrooper R. C. LaPoint hijacks Flight 800, a DC-9-30 on the ground at Las Vegas as it is about to takeoff for Reno on January 20, 1972. He releases 2 stewardesses and 67 passengers in exchange for parachutes and a \$50,000 ransom and then orders the Douglas to takeoff in the direction of Denver.

LaPoint, the second bandit after D. B. Cooper to escape from a jetliner by parachute, jumps from the jetliner over Akron, Colorado, but is captured by police in nearby Sterling after suffering injuries during his descent. He will be tried and given a 40-year prison sentence.

A four-month strike by mechanics ends on April 10 after an agreement is reached with management.

R. Butte is arrested by FBI agents aboard Flight 775, a DC-9-30, at Portland on July 1 after reportedly asking a stewardess for \$50,000 and a parachute during a service from Seattle. Upon examination, Butte will be found mentally unfit and sent to a psychiatric facility.

As the year progresses, the billionaire's carrier seems to recover and prosper. Plans are announced for the relocation of its headquarters to a new \$6.1-million complex under construction in the San Francisco Bay region. Services to Mexico are increased and frequencies enhanced on the Portland to Los Angeles via San Francisco route. A new market is opened at Lake Havasu City, Arizona.

Ten DC-9-10s are purchased from **Continental Airlines** in November and in December Howard Hughes is indicted by a federal grand jury on charges of conspiring with Bez to force **Air West's** stockholders to sell out four years earlier. The case will continue for six years.

Passenger boardings this year decline 6.3% to 2,745,000 and freight traffic is down by 13.9%. Both failures are due largely to a strike. Still, the company performs well on the economic side. Revenues are \$96.7 million and expenses are \$94.17 million. Consequently, profits are made: \$2.52 million (operating) and \$1.91 million (net).

The workforce in 1973 is 3,476. Customer bookings accelerate 33.9% to 3,675,000 and freight jumps by 38.9%. On income of \$130.10 million, expenses are \$123.82 million. The operating profit is \$6.28 million and net income is up to \$4.66 million.

A total of 285 new employees are hired in 1974. In February, HAW begins phasing out its F-27As and replacing them with four DC-9-30s purchased from **Hawaiian Airlines (HAL)**.

Flights begin to Edmonton, Alberta, while new services are opened from Seattle and Salt Lake City to five vacation cities in Mexico. A fifth overseas management contract is signed at year's end, with **Air Mauritanie, S.A.**

Enplanements climb 8.8% to 3,662,200 while cargo is up by 8.9%. Revenues swing upward to \$164.69 million while expenses are held to \$152.32 million. The operating profit is \$12.36 million and the \$7.94-million net profit is an all-time record.

The workforce in 1975 is 3,790. A sixth overseas management contract is signed, this one with **Saudia (Saudi Arabian Airlines)**. Three of the withdrawn F-27As are leased to the Saudis and 33 Hughes personnel are sent to manage their operation on domestic routes.

Spokane-based **Cascade Airways** begins flying replacement service over the carrier's routes to Pullman and Moscow, Idaho, and Walla Walla, Washington. Scheduled jetliner flights are inaugurated from Seattle and Portland to Edmonton and charter services are resumed.

Passenger boardings accelerate a slight 1.1% to a record 3,700,519, but cargo is down 1.7%. Expenses of \$174.84 million are submerged in overall revenues of \$177.6 million. The operating profit is \$2.76 million and a fourth consecutive net gain (\$1.7 million) is achieved.

The employee population is increased by 5.6% in 1976 to 4,004.

HAW becomes an all-jet company with the delivery and integration into the DC-9-10/30 fleet of three B-727-200s. On April 1, a DC-9-10 and a **Northwest Airlines** DC-10-40, carrying 181 people between them, nearly collide over Spokane. The near-miss occurs after the DC-9-10 misses its landing approach and overtakes the wide-body, which has just taken off. Chief patron Howard Hughes dies on April 5.

On July 1, flights commence from Portland and Seattle to Reno in Nevada. An interchange agreement is inked with **Frontier Airlines (1)** allowing flights from the Pacific Northwest to Orange County and Hollywood and Burbank Airports in southern California. Among five other nonstop segments begun are frequencies from Las Vegas to Alberta and from Alberta to Los Angeles. President Irving Tague resigns in midyear and Russell V. Stephenson is named acting president.

Customer bookings accelerate 9.1% to a record 4,038,811 while FTKs climb 8% to 8.95 million. On revenues of \$210.98 million, expenses are only \$204.31 million. As a result, another year of profits can be celebrated: \$6.67 million (operating) and \$3.64 million (net).

Acting President Stephenson is permanently confirmed in his post in January 1977. Enplanements for the year total 5,044,000. On revenues of \$249.86 million, the company posts its highest profit (\$9.4 million). It will not, however, be able to withstand the rigors of deregulation now under debate.

Airline employment is increased by 13.7% in 1978 to 5,029 and the fleet now includes 26 Douglas DC-9-30s, 11 DC-9-10s, 5 Fairchild F-27As, and 4 Boeing 727-200s. During the year, five more DC-9-30s arrive, along with a fifth B-727-200. Twelve DC-9-30s are reengined with Pratt & Whitney JT8D-15s and refurbishment is begun on the cabin interiors of the entire Dash-30 fleet. A new regional base is established in El Segundo and assistance agreements are renewed with seven foreign countries.

Following President Carter's signing of the deregulation law in October, the 55-point western route network is expanded by five cities as widely separated as Milwaukee, Des Moines, Houston, Denver, and Manzanillo, Mexico. Several older routes become nonstop and business-class service is introduced. New flight attendant uniforms are adopted.

Higher fuel costs, the expense of the new routes, and increased competition cause significant fiscal problems. Passenger boardings jump 21.4% to 6,417,000 and FTKs flown are up by 20.8% to 12.8 million. On income of \$313.15 million, expenses are held to \$300.88 million. Although a \$12.17-million operating profit is made, expenses associated with deregulation cause a 43% dip in profits to \$5.3 million.

Disaster strikes in 1979 and for the first time since 1972, Hughes falls out of the black. In January, Summa agrees to pay \$37 million to the former **Air West** shareholders to end their conspiracy challenge. Four more B-727-200s are delivered and new frequencies are improved from Houston, Denver, and Los Angeles to Seattle, and Seattle to Phoenix.

A unique "sale" is launched, offering 70% discounts in several markets on tickets purchased by passengers the night before use. Technical assistance programs are renewed in Saudi Arabia, the Philippines, Argentina, and Mauritania.

Ticket and reservation agents and office personnel, members of the Air Line Employees Association, strike Hughes on September 10. The walkout is resolved by mediated agreement on November 10.

Still, the lengthy job action leads to a 19.5% decline in passenger boardings to 5,166,000. Cargo is down 18% to 10.53 million FTKs and the workforce is cut by 0.06% to 5,000. Revenues shrink to \$312 million and expenses rise to \$326 million, leaving the airline to suffer a \$13.78-million operating loss and \$22.6-million net in the red.

The employee population is cut by 2% in 1980 to 4,900. On January 2, a DC-9-30 with 53 aboard must make an emergency landing at Seattle after smoke from faulty air recycling equipment enters the cabin. In the spring, the carrier's parent company, Summa Corporation, reaches an agreement to sell the airline to **Republic Airlines** for \$38 million plus its assumption of Hughes's debt, including that for four more B-727-200s acquired.

The acquisition process is completed on October 1, on which date the airline, pending its integration, is relabeled **Republic West** and operated as a subsidiary.

Enplanements for the year, as HAW/RW, grow 6.6% to 5,504,000 while freight traffic rises 13.7% to 11.98 million FTKs.

HUISSON AVIATION (1989), LTD.: Canada (1974–1998). Huisson is established at Timmins, Ontario, in 1974 to serve the forestry and mining industries. During the next 15 years, service is expanded into passenger charters and air ambulance service and support and via provision of outsized-load lift, the construction industry.

The company is reformed in 1989 and by 1997, President Luc Pilon employs a 50-person workforce. With annual revenues of C\$8.5 million, Huisson also owns a fleet that includes 1 Aerospatiale AS-350 Ecureuil, 3 Bell 205s, 7 Bell 206B JetRangers, 7 Bell 206L LongRangers, and 1 each Bell 212, Bell 222, Robinson R-44, and Sikorsky S-76A.

In 1998, Huisson becomes part of one of the largest and most diverse helicopter operations in North America, the trans-border firm **Helicopter Transport Services**, with corporate headquarters in Baltimore, Maryland.

HUITONG AIRWAYS (HUITONG HANGKONG GONGSI, LTD.): China (1936–1938). Backed by the Japanese Army, which is in need of air transport support for its invasion of North China, Huitong Hangkong Gongsi, also known as Huitong Airways, is established at Tanjin on November 7, 1936. Publicly, the new entrant is a subsidiary of **Manchurian Air Transport Co., Ltd.** and a local Chinese government. Employing several Fokker Model 8 Super Universals, Huitong begins service on November 17.

Operations are maintained on a small scale in 1937 and 1938 and the company never quite meets the need of its covert military sponsors. As a result, it is merged into **Zhonghua Hangkong Gongsi (China Airways Corporation)**, which is established as a subsidiary of **Japan Air Lines Company, Ltd.** (1) on December 16 of the latter year.

HULMAN AIRLINES: United States (1959–1971). **Hulman Field Aviation** is set up by George Johnson at Terre Haute, Indiana, in 1959, offering charter passenger and cargo services to destinations throughout the state.

In the early summer of 1969, the decision is taken to establish a scheduled air taxi division, which is named Hulman Airlines. Outfitted with Cessna 402s, daily revenue frequencies are undertaken to Indianapolis and Chicago, beginning on November 12. With little change, operations are maintained for the next two years.

HULMAN FIELD AVIATION. See **HULMAN AIRLINES**

HUMBER AIRWAYS, LTD.: United Kingdom (1968–1975). Formed as an executive air taxi operator in 1968, Humber begins Piper PA-23 Aztec flights from Hull, Lincoln, and Grimsby, often leasing additional aircraft from other small operations. The carrier is purchased by Ellerman Wilson Shipping Line, Ltd., in early 1969 and receives a substantial boost in capitalization. Christopher Treen is appointed managing director in September and a Britten-Norman BN-2 is evaluated in October and November, leading to the long-term lease of two Islanders, christened *Apollo* and *Juno*, in December. Treen is killed in an auto accident on December 13.

Following a hearing, the ATLB grants a license for a scheduled route from Hull to London (Leavesden), which is initiated on March 16, 1970. Only 57 passengers are carried during the first week; however, by May 27, the 1,000th is boarded. A second scheduled service, Chester to London (Leavesden) is launched in October and by November 23, bookings reach 3,500. Meanwhile, company Piper PA-23 Aztecs continue to provide nonscheduled charters, being joined by the Islanders during the winter.

Having proven financially unsuccessful, the company's scheduled services are suspended in August 1971. While the PA-23s continue air taxi flights, primarily between Hull and London (LHR), the BN-2s are employed in charter work in support of the North Sea oil industry. They are also, occasionally, leased to other small carriers.

The four Douglas DC-3s of the **Macedonian Aviation, Ltd.** are purchased in December 1974 in anticipation of additional oil industry charter contracts. When the contracts do not materialize out of on-going negotiations, the company is forced to cease operations on January 13, 1975; the DC-3 purchase is voided, the Islanders are returned their manufacturer, and the Aztecs are sold.

HUMMINGBIRD AIRWAYS, LTD.: Maldives (1997–1998). **Hummingbird Helicopters, Ltd.** is renamed in the spring of 1997 to reflect its new operating equipment, 2 float-equipped de Havilland Canada DHC-6-300 Twin Otters. These, together with the 4 Mil Mi-8 helicopters already on hand, continue to operate scheduled service from the capital of Male to the nation's 74 ocean-atoll resorts.

In October, the company's ownership forms another subsidiary, **SunExpress Airlines Maldives, Ltd.** to take over fixed-wing operations, leaving HA to return to helicopter charters. Shareholding is divided between UB Group (60%), Air Beach Resorts (30%), and Kit Chambers (10%).

HA chief pilot Capt. Garth Duncan is named flight operations manager. The two Twin Otters, along with an Mi-8, are wet-leased to his start-up, along with a Yakovlev Yak-40 chartered from Russia. Revenue flights from Male to the outer islands of the Maldives commence in March 1998.

When Kit Chambers departs the company in October 1998, UB Group and Air Beach Resorts purchase his equity and rename the company **Hummingbird Island Airways, Ltd.**

HUMMINGBIRD HELICOPTERS, LTD.: Maldives (1989–1997). Backed by private investors, former **British International Helicopters, Ltd. (BIH)** executive Kit Chambers and his wife establish Hummingbird in the Republic of Maldives in January 1989. A fleet of 2 Sikorsky S-61Ns is leased from **Court Helicopters (Pty.), Ltd.** of South Africa and a staff of 15 employees is assembled. Twice-daily interisland flights are inaugurated in May from Male International Airport.

Operations continue apace in 1990 and as demand for shuttle flights between the nation's 19 atolls slowly grows, the company, in October 1991, wet-leases a pair of Mil Mi-8s from Sofia, Bulgaria-based Heli Air Services. Upon arrival, the first of two Russian-made helicopters, flown by Bulgarian crews, begins a six-month trial in December. Also during the year's final month, the two **Court Helicopters (Pty.), Ltd.** S-61Ns are returned as the first of two S-61Ns chartered from **Bristow Helicopters, Ltd.** arrives and enters service.

The second Heli Air Services Mil Mi-8 arrives on January 29, 1992. The second Bristow S-61N is delivered in November. Two more Mi-8s

are placed into service in **1993** as Managing Director Chambers' concern continues to enjoy a successful and expanding scheduled and charter business.

While shuttling tourists to the island of Kandholhudu on January 8, **1994**, an Mi-8 with 11 aboard suffers a failure of its tail-rotor drive system and crashes into the Indian Ocean (9 dead). The entire fleet is grounded for inspection, but returns to service three days later.

Operations continue apace in **1995** and in **1996** the company is transporting some 10,000 passengers per month, most to the country's 74 ocean atoll resorts. The corporate name is changed to **Hummingbird Airways, Ltd.** in **1997** as the carrier also begins flying a pair of float-equipped de Havilland Canada DHC-6-300 Twin Otters.

HUMMINGBIRD ISLAND AIRWAYS, LTD.: Maldives (1998-1990). When Kit Chambers departs **Hummingbird Airways, Ltd.** in October **1998**, UB Group and Air Beach Resorts purchase his equity and rename the company Hummingbird Island Airways, Ltd. HA Chief Pilot Capt. Garth Duncan is named flight operations manager. Services continue employing 1 leased Yakovlev Yak-40, 1 Mil Mi-8 helicopter, 1 float-equipped Cessna 208B Caravan, and 2 float-equipped de Havilland Canada DHC-6-300s

Just after takeoff from a hotel on Rangali Island on January 26, **1999**, the pilot of the Mi-8 hears a loud noise and attempts to turn back. The Russian-made helicopter loses power and ditches into the sea, rolls over, and sinks. Five aboard die.

The company is now reduced in size as the chartered jetliner is returned. Fixed-wing floatplane charters continue and on May 27 the company is renamed **Trans Maldivian Airways, Ltd.**

HUNGARIAN AVIATION JOINT STOCK COMPANY: Hungary (1922-1928). The HAJSC is formed at Budapest on November 19, **1922**. Employing the first of four Fokker F-IIIa, it launches daily service between the capital city and Vienna on July 30, **1923**. Budapest to Graz flights also begin.

Seeking independence from the growing German multinational airline groups, the government in **1924** grants exclusive domestic rights to the company, thereby ending competition from the Junkers Trans-Europa Union partner **Aero-Express R.T.** It also acquires five more Fokker F-IIIas. The next four years are spent building a local system and maintaining the Austrian connection.

Flights continue until the middle of **1928**. During these years, the company transports some 10,000 passengers and 1 million kg. of mail and freight over 850,000 km. At this point, the company is reformed as **Malert**.

HUNGARIAN-UKRAINIAN HEAVY LIFT, LTD.: Hungary, Ukraine (1994-1995). Established in late **1994** as a joint venture all-cargo airline, H-U is based at Budapest. Revenue operations commence with 2 Ilyushin Il-76TDs, but last less than a year.

HUNS AIR, LTD.: India (1974-1976). HA is set up at Bombay in late fall **1974** to operate passenger and charter services to the Persian Gulf port of Sharjah. Employing a leased Boeing 707 and two Vickers Viscounts, the company inaugurates revenue services in November, hauling cargo in and contract workers out.

HUNTER AIRWAYS: United States (1932). Organized at Tulsa, Oklahoma, in the first week of January **1932**, Hunter employs a Stinson SM-6000B to inaugurate scheduled, multistop passenger service to Little Rock, Arkansas, on January 11.

Just after takeoff from Little Rock on November 25-26, the trimotor, piloted by Kenneth Yoder with one passenger aboard, crashes into the bottoms of the St. Francis River, northeast of Marianna; both are killed. Without an aircraft and/or the funds to obtain a replacement, the company is forced to close its doors during the first week in December.

HUNTING AEROSURVEY, LTD. See **HUNTING AIR TRAVEL, LTD.**

HUNTING AIR TRANSPORT, LTD. (HAT): United Kingdom (1951-1953). With a staff of 150, a fleet comprising 8 Vickers Vikings and 1 Douglas DC-3, and significantly increased business, **Hunting Air Travel, Ltd.** is renamed in August **1951**. During the remainder of the year, the carrier flies those contracts initiated by its predecessor as well as replacement flights on behalf of **British European Airways Corporation (BEA)** and **Air France**.

On February 16, **1952**, HAT suffers its first fatal accident when a Viking, christened *A. C. Greta*, with 5 crew and 26 passengers, crashes into Mt. Rose, near Burgio, Sicily; there are no survivors. A second DC-3 is acquired at the end of February.

Employing Vikings and in association with **Airwork, Ltd.**, the carrier launches joint, weekly Colonial Coach and Safari services, London-Nairobi via Malta and Cairo from its Bovingdon base on June 14. A advanced model Viking is purchased late in the month and leased to **Aer Lingus Irish Airlines, Ltd.** for the summer.

The workforce is now 200 and a total of 37,103 passengers are transported on the year.

Two Avro Yorks are purchased in January **1953**, but never enter service. Government permission is granted in February allowing the company to operate twice-weekly Safari flights to Africa for a period of seven years. Additional licenses are now also received allowing start-up of scheduled services from Newcastle to destinations in Holland, Switzerland, Denmark, Germany, Luxembourg, Norway, Sweden, and the U.K. As a result, four additional DC-3s are acquired during the second quarter.

The new scheduled international services are introduced: daily Newcastle to Glasgow and London (Bovingdon) and thrice-weekly Newcastle to Paris, Luxembourg and Basle on May 2 and thrice-weekly Newcastle to Amsterdam and Dusseldorf on May 25.

Joint Safari service, in cooperation with **Airwork, Ltd.**, is extended to Salisbury, Rhodesia, on June 26 via Nice, Malta, Mersa Matruh, Wadi Halfa, Khartoum, Juba, Entebbe, Tabora, Ndola, and Lusaka. The company's international network provides the resume necessary for HAT to become, in July, the first independent ever admitted to the ranks of IATA.

In the two years since its award, the Malta and Gibraltar war office's trooping contract has witnessed the transport by HAT aircraft of 75,333 personnel. In October, it is renewed for an additional two-year period. Also in October, the Clan Line shipping combine purchases an interest in **Hunting Air Transport, Ltd.**

The Hunting and Clan groups jointly form Hunting-Clan Air Holdings, Ltd., with capitalization of £1 million (£500,00 each). The new concern acquires all Hunting Air Transport shares, together with equipment, facilities, and the associated Field Aircraft Services, with the airline division being renamed **Hunting-Clan Air Transport, Ltd.**

HUNTING AIR TRAVEL, LTD.: United Kingdom (1945-1951). Hunting Aviation Group directors Charles, Percy, and Gerald Hunting form HAT at London (CTN) Airport in December **1945**, equipping it with a P.44 Proctor 5 from the associated Percival Aircraft Company. This aircraft makes the first postwar U.K. air taxi flight on January 1, **1946**. During the year, the company undertakes ad hoc charters and establishes several flying clubs. The fleet is upgraded by the addition of three more Proctor 5s, three de Havilland DH 89As, and in October, three Avro 19s.

The company base is moved to London (LGW) Airport in February **1947**. The first Proctor 5 is lost in a crash at Haven, Belgium, on May 17. The company's premier DH 104 Dove 1 is delivered on April 22. Christened *Clyde*, it makes the first private charter flight from London (LGW) to Jersey by its type within the U.K. on May 8. An initial Vickers Viking is, meanwhile, accepted on May 5, beginning commercial service on May 13 hauling fruit to England from Italy.

A second Dove, the *Thames*, also enters service in May and the second Viking joins the fleet in July. When a French railway strike strands British tourists in June, HAT Doves, Avro 19s, and Dragon Rapides return many to England.

During the fall, the Vikings fly three replacement flights to Athens on behalf of **British Overseas Airways Corporation (BOAC)** and one roundtrip service to Johannesburg. During the year, two Proctor 5s and an Avro 19, christened *Oryx*, are sold.

A variety of domestic and continental tourist charters are undertaken in **1948**. The Avro 19 called *Eland* is sold in April. Weekly Viking charter flights, London (Bovingdon) to Dar es Salaam on behalf of Overseas Food Corporation, are inaugurated on November 1.

The contract necessitates the purchase for four additional Vikings, three of which are delivered in January **1949** and the fourth in July. In March of the new year, the company receives a contract from the British Legion to fly member veterans to grave sites in Italy beginning on May 16. The Dove 1 *Clyde* is sold in May.

Between September 10 and 22, a Bristol 170 Freighter is leased from **Hunting Aerosurveys, Ltd.** and used to fly a government pest control helicopter out to Khartoum. Losing the Overseas Food Corporation contract to **British Overseas Airways Corporation (BOAC)**, which had flown it before HAT, the company begins flying Catholic pilgrims from Dublin to Rome on December 9 in a series of Christmas-oriented Viking charters.

Under BOAC subcontract, a Hunting Viking provides transport for a British Board of Trade mission to and around Pakistan during February and March **1950**. On April 3, the Dublin–Rome Viking holiday charters are restarted, on behalf of **Aer Lingus Irish Airlines, Ltd.**, first for the Easter season and then continuously throughout the year. The Dove 1 *Thames* is sold in April.

As a follow-up to ad hoc West African flights on behalf of the war office, the company receives a nine-month troop transport contract in June; previously flown by **Airwork, Ltd.**, the undertaking is launched on July 1. At the same time, HAT signs up as a **British European Airways Corporation (BEA)** associate and is allowed to start scheduled London–Strasbourg service on May 16.

The contract with West Africa's war office is renewed in March **1951** and is followed, in August, by a two-year accepted offer to fly servicemen and dependents from U.K. to Malta and Gibraltar and back. Meanwhile, a Vickers 639 Viking I with 5 crew and 32 passengers is lost in an accident at Mirnac Airport, Bordeaux, on May 8 (2 dead). During that month and the next, three more Vikings and a Douglas DC-3 are added. As a result of this growth, the company name is changed in late August to **Hunting Air Transport, Ltd.**

HUNTING CARGO AIRLINES, LTD.: United Kingdom (1992–1998). In September **1992**, the Hunting Associated Industries, PLC, subsidiary **Air Bridge Carriers, Ltd.** is reorganized and renamed. Chairman G. H. Williams and Managing Director M. P. Timpson retain their 185-employee workforce and a fleet comprising 1 Boeing 737-200QC, 2 Lockheed L-188C Electras, and 3 Vickers V-593C Merchantmen, all of which receive a new livery.

The company continues its tasks as subcarrier to such major parcel distributors as **DHL Worldwide Express** and **UPS (United Parcel Service)**. In October, four L-188CFs are leased from **Falcon Aviation, A.B.**

The sold ABC routes into Europe, flown primarily at night, are maintained; the company operates scheduled all-cargo services to 15 Continental destinations in 10 countries. Statistics are reported, under both names, through November and show a total of 22.7 million FTKs of freight operated.

Airline employment increases to 240 in **1993** and the Boeing is replaced by the last Swedish Electra freighter upon its arrival in May. Markets now visited include Coventry, Belfast, Manchester, Bergamo, Cologne, Brussels, East Midlands, Shannon, Southend, Dublin, Frankfurt, Nuremberg, Stuttgart, and London (LHR).

Data is provided through September and reveal cargo traffic to be down by 13% to 18.06 million FTKs. One of the Merchantman freighters is now retired.

At year's end, the company creates a Dublin-based subsidiary, **Hunting Cargo Airlines (Ireland), Ltd.**, which begins to operate a number of European freighter services on behalf of **Aer Lingus Irish Airlines, Ltd.** For the year as a whole, the Aviation Division of Hunting posts an operating profit of £1.8 million.

At the beginning of **1994** and in association with **DHL Worldwide Express**, it is decided that HCA will develop a fleet of Boeing 727Fs. The first such freighter, a B-727-225F, is delivered in April and joins a fleet of 7 Electras and 2 Vickers Vanguard 953Cs. Operating profit swells to £2.3 million (\$3.8 million).

Operations continue apace in **1995** as four B-727-223Fs are purchased. A contract is won to manage the entire B-727F fleet of **TNT Worldwide Express**. On November 12, the Merchantman stored at East Midlands Airport is carved into five large sections and is put on trucks to be hauled away to a scrap dealer. Another Merchantman is withdrawn at the end of the year.

There is no change in the workforce in **1996** and the owned fleet includes 4 B-727-223Fs, 7 L-188CFs, and 1 Vanguard 953C. The latter, named *Superb*, is the world's last operating Merchantman cargo aircraft. It is employed primarily on DHL contracts from Belfast to Brussels via Coventry. Also operated, under charter, are 1 B-727-225F, 2 B-727-281Fs, 1 B-727-243AF, and 1 B-727-243AF.

A contract is won to provide international support to Oil Spill Response, Ltd. A Lockheed L-100-30 Hercules is leased from **Safair (Pty.), Ltd.** with which to spray dispersant.

The final Merchantman service is operated on September 20 by Hunting's fleet manager Capt. Peter Moore and Capt. David Smart. The *Superb* is flown for preservation to Brooklands Museum, on the site of the former Vickers factory in Surrey on October 17.

A total of 15.31 million FTKs are operated.

Flights continue apace in **1997**. On June 17, **DHL Worldwide Express** announces that it has chosen Hunting to operate its first three A300B4F freighters. Traffic figures are released for the first half-year and show the operation of 166.4 million FTKs.

In order to concentrate on its oil and defense business, Hunting, PLC, in late June **1998** sells the airline to **Safair (Pty.), Ltd.** and Compagnie Maritime Belge, S.A. for \$14.7 million, not including the aircraft. Hunting negotiates with other parties the sale of its five remaining L-188CFs. The new owners transfer the operation to Ireland, where it is outfitted with new aircraft and registered as **Air Contractors (Ireland), Ltd.**

HUNTING CARGO AIRLINES (IRELAND), LTD. See **HUNTING CARGO AIRLINES, LTD.**

HUNTING CLAN AFRICAN AIRWAYS, LTD. See **HUNTING CLAN AIR TRANSPORT, LTD.**

HUNTING CLAN AIR TRANSPORT, LTD.: United Kingdom (1953–1960). The Clan Steamship Company buys into **Hunting Air Transport, Ltd.** in October **1953** and the independent airline's name is once more changed. The two stockholders operate the carrier as a division of a holding company, Hunting Clan Air Holdings, which the Hunting and Clan groups had jointly capitalized £1 million (£500,000 each). The start-up fleet comprises 8 Vickers Vikings and 4 Douglas DC-3s; the workforce totals 200 with Maurice Curtiss as managing director. Late in the year, a 5% interest is taken in the Kuwait-based **British International Airlines, Ltd.** and orders are placed for three new Vickers Viscount 732s.

The London terminal is transferred from Bovingdon to Northolt on April 1, **1954**. On April 9, DC-3 flights commence Newcastle–Hamburg and Copenhagen, with a Manchester–Newcastle connection also begun. Frequency is extended Newcastle–Oslo and Stockholm on April 14. Two Avro Yorks are acquired, one each in April and May. Joint Safari

multistop London–Accra flights begin on June 14; two days later, the Stockholm destinations are withdrawn in favor of Stavanger. On June 21, mail is first carried aboard Safari flights. London (LHR)–Newcastle DC-3 operations are inaugurated on October 3.

Also in October, the carrier reaches an agreement with **Dragon Airways, Ltd.** for the latter to operate a Hunting-Clan Northern Division and to provide Manchester–Owlieli holiday service. In December, Vikings are introduced on the European network: London–Newcastle and Newcastle–Oslo and Stavanger on December 1; London–Paris on December 3; London–Hamburg and Copenhagen on December 6; and London–Amsterdam and Dusseldorf on December 10.

Systemwide boardings for the year total 85,483.

Operating without **Airwork, Ltd.**, the carrier opens a third monthly Colonial Coach service on February 21, **1955** from London to Gibraltar. On February 28, the subsidiary Hunting-Clan African Airways, Ltd. (HCAA) is formed at Salisbury, Rhodesia, to provide Africargo Avro York all-cargo services from London and Manchester.

Hunting-Clan becomes the sixth British carrier to employ the Vickers Viscount, receiving its first 732 in May and launching service with the turboprop on June 17. Two more Viscount 732s are received, one each in June and July.

Africargo flight activities commence on July 23, with frequency increased to twice weekly by the end of September. Meanwhile, employing a DC-3 freighter, HCAA begins all-cargo services in August from Salisbury to Nairobi.

Not having made a significant difference in scheduled service and with the war office contract of 1953 completed, the Viscounts are found to provide excess capacity and so are leased to **Middle East Airlines, S.A.L. (I)** on September 22 for two years.

During the fall, HCAA initiates a passenger route from Salisbury to Abergorn via Lusaka, Ndola, and Kasama.

In December, the carrier becomes half owner (with Elder-Dempster Lines/Tyne-Tees Shipping Co.) of **Dragon Airways, Ltd.**, which is now reorganized and moved to Newcastle from Liverpool and assigned Hunting-Clan's entire Northern Network.

While performing an oil industry support flight in Arabia on February 18, **1956**, a DC-3 is lost in a crash. In April, DC-3s replace the DH 89A that HCAA has been employing for a year on inclusive tour services from Salisbury and Vilanculos, the airport community serving a number of resort areas.

On May 3, newly delivered de Havilland DH 114 Heron 2s are placed on the London to Newcastle and Newcastle to Amsterdam and Dusseldorf frequencies.

Johannesburg becomes a stop on the HCAA Salisbury and Vilanculos network on July 1. An additional DC-3 is purchased by the parent in July.

A new scheduled route is opened by HCAA on August 3 between Salisbury, Lusaka, and Kariba. Also in August, subsidiary Dragon Airways takes over the parent's Southern Network; Vikings and Herons begin several new routes, including Newcastle–Belfast, Liverpool, and Bergen.

Two Viscount 759s are delivered in November and December and orders are placed for two DC-6Cs.

Not requiring the capacity of the Viscount 759s, they are sold in March and April **1957**, never having entered company service. A weekly Frankfurt stop is added to the Africargo system on August 1. The Viscount 732s return from Middle East Airlines in September and on October 17 and 18, respectively, they are introduced on the Nairobi and Salisbury Safari flights.

Viscounts are placed on the joint Safari route to Accra on January 6, **1958**, replacing former Colonial Coach service. One of the Viscount 732s is lost in a crash at Frimley, Surrey, on February 12 (five dead).

The two requested DC-6As arrive at London (LHR) in August and September and replace Avro Yorks on the Africargo frequencies as of December 14. Meanwhile, a DC-3 crashes in Iran on October 22 and two Bristol Britannia 317 turboprops are delivered, one each in October and December.

A Vickers Viscount 732 with a 6-man crew is lost while on a training mission at Frimley on December 2; there are no survivors.

The first Bristol Britannia 317 is placed in commercial service on January 31, **1959**, flying a charter to India; the other Britannia 317 is now also making inclusive-tour flights to the Far East. A Britannia 319 is leased in January, but is returned to Bristol in February. In April, the War Office grants the carrier a new trooping contract for services to the Far East.

On May 1, a DC-6A kicks off the year's inclusive-tour operations, flying a charter from Manchester to Palma. Three new Viscount 833s are delivered in June and July and begin flying tours from Manchester on July 10. The larger Viscounts are also placed on the Colonial Coach routes in July and August. HCAA is dissolved late in the year; its assets will later be combined with those of several other small African airlines to form **Rhodesia United Air Carriers, Ltd.**

A DC-3 is sold in February **1960** while negotiations are started with **Airwork, Ltd.** in March with the idea of a possible merger. The last five Vikings are sold in May. Following lengthy negotiations, the carrier is combined with **Airwork, Ltd.**, on July 1 to form **British United Airways, Ltd.**

HW AIR, GmbH.: Germany (1975–1982). HW Air is organized at Hamburg in June **1975** to offer passenger charter flights to Elba on behalf of a tour operator. These duly begin in April **1976** with a fleet of 2 Cessna 404 Titans. Later in the decade, a Cessna 441 and a Fairchild-Swearingen Metro II are added and scheduled services are undertaken to Saarbrücken and Straubing. Unable to generate sufficient traffic and revenues in a time of recession and increased fuel prices, the small carrier shuts its doors in **1982**.

HYANNIS AVIATION: United States (1977–1982). Formed to service the area around its Massachusetts namesake community, HA begins scheduled third-level operations with 3 Cessna 402s in late **1977**. Enplanements total 872. The workforce is increased by 600% in **1978** to 42. Passenger boardings jump 81.7% during this first full year of business, rising to 4,762. In **1979**, two more Cessna 402s are acquired and routes are stretched to Falmouth and Martha's Vineyard.

Unable to survive recession and maintain viability, the carrier ceases operations in **1982**.

HYDRO AIR CARGO (PTY.), LTD.: Johannesburg International Airport, Johannesburg, South Africa; Year Founded 2000. HAC is established at Johannesburg in the fall of **2000** to operate all-cargo charters to northern Europe. After acquiring a Boeing 747-258C from **El Al Israel Airlines, Ltd.**, the new freighter launches a roundtrip proving flight on November 12 to Ostend via Frankfurt. Regular thrice-weekly return service over the route begins on November 15. Plans are also announced concerning a possible initiation for four-times-a-week roundtrips from Johannesburg to Ostend via Libreville and Munich.

IAACA. See **INDUSTRIA AERO AGRICOLA, C.A.**

IAT CARGO AIRLINES, LTD.: Unit 127, Southampton House, Building 521, World Cargo Centre, London Heathrow Airport, Hounslow, Middlesex, England, TW6 3HF, United Kingdom; Phone 44 (181) 745-1780; Fax 44 (181) 745-1778; Code VGO; Year Founded 1996. IAT is set up at London (LHR) in August **1996** to offer worldwide and ad hoc all-cargo charters. Peter Barnes is general manager and he recruits a workforce of 20 and leases a Boeing 707-355C. Revenue services commence on November 1. It is understood that flights have continued.

IBA INTERNATIONAL BUSINESS AIR, A.B.: Bromma Flygplats, Bromma, S-16169, Sweden; Phone 46 (8) 286050; Fax 46 (454) 19596; <http://www.algonet.se/ulldani/iba.html>; Year Founded 1995. IBA is set up at Bromma in **1995** to offer executive charter services to

domestic and Scandinavian destinations. Joakim Palsson is operations manager and his concern operates a fleet comprising 2 Mitsubishi Mu-2Bs and 1 each SAAB-Fairchild Metro II and Piper PA-31-350 Navajo Chieftains.

Scheduled services are added in 1996 with a Metro III and these continue.

IBC AIRWAYS: 8401 NW 17th St., Miami, Florida 33126, United States; Phone (305) 591-8080; Fax (305) 471-9619; Year Founded 1991. IBC is founded at Miami (MIA) in 1991 to provide all-cargo and express charters to destinations throughout the U.S. and Latin America. By 2000, the company employs four pilots and flies three Swearingen Merlins.

IBERIA SPANISH AIRLINES (1) (SOCIEDAD IBERICA DE AVIACION, S.A.): Spain (1927–1929). On April 11, 1927, the Spanish government forms a Superior Aviation Council (CETA) to oversee airline development and subsidy distribution. Meanwhile, in need of a jumping off point for its South American services, **Deutsche Luft Hansa, A.G. (DLH)** on June 28, assists a Spanish business group in the formation of the first Iberia and the Spanish state awards it exclusive rights to the air route between Madrid and Barcelona.

The local interests hold 51% of the shares and the German airline owns 49% while providing technical support and three ex-DLH Rohrbach Rolands, the *Watzmann*, *Feldberg*, and *Brocken*. Following a ceremony attended by King Alfonso XIII, the aircraft are employed to inaugurate Madrid–Barcelona flights on December 14. Passengers at Barcelona are able to connect with DLH's service to Marseilles and hence to Berlin and beyond.

In early 1928, a fourth ex-DLH Rohrbach Roland, the *Zugspitze*, is acquired. Having determined just over a year later that a unified state carrier is required, CETA halts subsidy to Iberia and two other small carriers, **Compania Espanola de Trafico Aereo, S.A. (CETA)**, and **Union Aerea Espanola, S.A. (UAE)**. On March 29, 1929, these are merged into the new national airline **Concessionaria Lineas Aereas Subvencionadas, S.A. (CLASSA)**.

IBERIA SPANISH AIRLINES (2) (LINEAS AEREAS DE ESPANA, S.A.): Calle Valazquez 130, Madrid, E-28006, Spain; Phone 34 (1) 587-8787; Fax 34 (1) 587-7329; <http://www.iberia.com>; <http://www.irinfo.es/aviacion/eng/iberia.html>; Code IB; Year Founded 1940. During the Spanish Civil War, a Falangist air transport wing is formed (**Sociedad Espanola Iberia or SEI**) and in August 1937 is equipped with two **Deutsche Lufthansa, A.G.**-supplied Junkers Ju-51/3ms, a third being delivered in 1938. As Nationalist forces approach victory, the military airfield at Son Bonnet on Palma de Mallorca is readied to receive civilian traffic.

Meanwhile, the Republican airline **Lineas Aereas Postales Espanolas, S.A. (LAPE)** employs a variety of transports until the government surrenders in April 1939. During that month, the most modern LAPE units, the original Douglas DC-1 and three DC-2s, flee to France with officials of the former regime.

In May, the Douglas transports are returned to Madrid, where they are reunited with the *Capitan Vara de Rey*, a former LAPE DC-2 taken early in the war and renamed. On June 15, civilian services are resumed to Palma de Mallorca from Barcelona.

LAPE continues to function in a minimal fashion until late in the year when it is succeeded by the **Compania Anonima Espanola de Transporte Aereo, S.A. (SAETA)**, to which all former commercial airliners and some military transports in the country are transferred.

In April 1940, the Franco government replaces SAETA and forms the **Trafico Aereo Espanol (TAE)** to control air services. TAE is given the seven or eight SEI trimotors and the Douglas transports, including the DC-1 now christened *Manuel Negron* (after the Battle of Turuel hero Commandante Manuel Negron de las Cuevas) and assigned to a Seville to Tetuan via Malaga route. During the spring, an agreement is signed

with Italy and services commence Lisbon–Barcelona via Madrid and Madrid–Tetuan and Melilla via Malaga.

On July 7, the new state airline, Iberia Spanish Airlines (2) (**Lineas Aereas de Espana, S.A.**), is formed around the TAE aircraft, plus the former Republican Douglas DCs and a de Havilland DH 89 Dragon Rapide. The government holds 51% of the shares and private and foreign interests, including **Deutsche Lufthansa, A.G. (DLH)**, own the remainder. An Administrative Council is set up to control operations; two of its members come from DLH. While taking off from Malaga on December 1, the DC-1 *Manuel Negron* loses an engine and makes a crash belly landing; although no injuries are reported, the aircraft must be written off as a complete wreck.

In June 1941, a network of domestic service is opened within Spain to the Canary Islands via Cabo Jabi and Ifni to Palma and Morocco. Three Junkers Ju-52/3ms are delivered from Germany in December and are placed in service. Fuel shortages cause severe reductions in frequencies beginning in March 1942 and, in November, the Canary Island service is withdrawn.

In March 1943, only the Madrid–Morocco route remains; service to Seville is suspended on May 5. The route is operated by the Dragon Rapide, the only available aircraft that burns ordinary gasoline. On August 14, a new government organization, the Instituto Nacional de Industria (INI) acquires the carrier's private and foreign shares, thereby buying out any German interest. Service is resumed on November 20 between Barcelona, Madrid, and Lisbon.

While landing at Barcelona on February 3, 1944, the DC-2 *Capitan Vara de Rey*, with 11 aboard, crashes (8 dead). INI assumes full control of Iberia on September 30; however, provision is made for a future sale of stock to create a new private minority holding and a 20-year domestic concession is granted. During the summer, limited fuel resources are delivered by the U.S. and allow the start-up of domestic services, together with flights to Bata (Spanish Guinea) and Santa Isabel. Three interned Douglas C-47s are brought up to DC-3 civil standard and three purchased DC-3s arrive from America. A new Spain–U.S. bilateral agreement is signed on December 2.

Route development continues in 1945, with the DC-2 *Carlos Haya* withdrawn from service in September. In March 1946, the Canary Islands route is restarted. The DC-2 *Garcia Morato* completes its final flight on April 11.

Service is extended to London on May 3 and to Rome in August. In the latter month, multistage flights are launched, in cooperation with the Argentine carrier **FAMA (Flota Aerea Mercante Argentina, S.A.)**, from Madrid to Buenos Aires via Villa Cisneros, Natal, Rio de Janeiro, and Montevideo, with newly delivered Douglas DC-4s. Service to passengers on long-haul routes demands new approaches, including the introduction of the air hostess, or stewardess.

In 1947–1948, the European regional network is improved as additional DC-3s are placed in service. One of these crashes near Tarragona on Christmas Eve 1948 (27 dead). Also in 1948, an arrangement is concluded with **AVIACO (Aviacion y Comercio, S.A.)** whereby the private airline will operate low-density, secondary domestic routes for the state carrier while Iberia flies the high-density trunk routes.

Multistage Madrid–Caracas via the Central Atlantic DC-4 flights are inaugurated on July 3, 1949 and on March 15, 1950 transatlantic DC-4 flights start from Madrid to Havana and Mexico City via Venezuela and Puerto Rico. In 1951–1953, in anticipation of long-haul service, orders are placed for three Lockheed L-1049G Super Constellations; additionally, Convair CV-440 Metropolitans are ordered for the regional routes.

On May 27, 1954, Lt. Gen. Gonzales Gallarza reports, too optimistically, that the carrier will begin thrice-weekly Madrid–New York flights at month's end. The first direct Madrid–New York service begins on September 2 with three newly delivered L-1049Es; on November 30, a Super Connie flies from New York to Madrid nonstop in a record 9 hrs. 25 min. A total of 1,000 persons are flown across the North Atlantic during the fourth quarter. Meanwhile, the new CV-440s enter service on the

European routes. Two L-1049Gs are ordered in December 1955 as the carrier's North Atlantic traffic grows to 7,000.

An L-1049E crashes while attempting to land at Madrid on May 10, 1957 (37 dead). The two surviving L-1049Es are now brought up to L-1049G standard. A DC-3 with 4 crew and 17 passengers is lost at Getafe, near the Spanish capital, on October 26; there are no survivors.

Under unknown circumstances, a DC-3 is lost at Palma de Mallorca on April 10, 1958; there are no fatalities.

En route from Bilbao to Barcelona on April 15, another DC-3 is lost with 16 passengers. Another Douglas transport crashes while flying from Vigo to Madrid on December 4 (21 dead). Orders are placed in 1959 for three DC-8-30, later Dash-52, jetliners.

A DC-3 with 3 crew and 25 passengers is lost at Cuenca, near Valdemeca, on April 29; there are no survivors.

Later in the year, the L-1049G Super Constellations enter service.

In 1960, controlling interest is taken in **Aviacion y Comercio, S.A. (AVIACO)**. North Atlantic enplanements for the year total 11,000. An L-1049E is lost in a crash at Madrid on March 6, 1961. An L-1049E is leased as an interim replacement from **KLM (Royal Dutch Airlines, N.V.)** on April 1. The arrival of the first DC-8-52 in late spring allows launch of jet service from Madrid to New York's Idlewild Airport on July 2, Caracas on September 3, and Buenos Aires on November 1. Meanwhile, on July 18, the first DC-3 service is inaugurated to the new Son Sant Joan airport on Palma de Mallorca.

For the first time, the company this year flies in excess of one million passengers.

Early in 1961, an L-1049G is leased from **KLM (Royal Dutch Airlines, N.V.)**. On March 6, the Super Constellation with 10 crew and 36 passengers arriving from Madrid, crashes while on final approach to São Paulo; although the Super Constellation is damaged, there are no fatalities.

The damaged KLM machine is replaced in service by an L-1049G purchased from **Aerovias Guest, S.A.** of Mexico. As the CV-440s begin orderly retirement, they are replaced on European services by four Sud Est SE-210 Caravelle VIRs, the first of which enters operations on May 1, 1962.

The chartered Dutch L-1049E Super Constellation is returned to Amsterdam on May 28; however, the leased L-1049G, by now repaired, is purchased on August 15.

While on initial approach to the airport at Carmona on October 12, a CV-440, with four crew and 14 passengers, crashes into a mountain; there are no survivors. Transatlantic traffic accelerates for the year to 16,000.

The two remaining Super Constellations are withdrawn from frontline service in 1963. One is outfitted as a freighter and the other is leased to **Aviacion y Comercio, S.A. (AVIACO)**.

Systemwide, enplanements total 1,432,293.

Airline employment is 6,518 in 1964. On March 1, the airline steps up its DC-8-30 passenger traffic to Cuba, cutting back on cargo shipments; the weekly Madrid-Havana return service becomes Cuba's only western air link to Europe. Orders are placed for three DC-9-15s.

Total passenger boardings accelerate 14.7% to 1,679,124 and the 68% gain in North Atlantic traffic is the largest recorded by any airline in that market this year. Revenues total \$72.59 million.

The employee population swells to 9,700 in 1965. Two additional SE-210s arrive, in March and April respectively, with three more ordered in March. The fleet now includes 6 DC-8-30s, 11 SE-210s, 6 L-1049Gs, 15 CV-440s, 7 DC-4s, and 17 DC-3s.

En route from Malaga, a CV-440 with 5 crew and 48 passengers stalls 10 nm. off Tangier, Morocco, on March 31 while on initial approach and crashes into the Mediterranean Sea (50 dead).

While going around in thick fog for another landing at Los Rodeos Airport, Tenerife, Canary Islands, on May 5, Flight 401, a L-1049G with 9 crew and 40 passengers coming in from Madrid, crashes (32 dead). Construction is undertaken during the year on a new 15-floor headquarters building in downtown Madrid and bookings jump to 2,254,356, of

which 60% are flown in national service and 40% in international. Three DC-9-15s are delivered in 1966 and two Caravelles are leased.

A DC-3 with 3 crew and 24 passengers loses an engine just after take-off from Tenerife on September 16; the Douglas is ditched, but remains afloat for 5 min. One passenger who refuses to abandon the aircraft goes down with it.

As Spain continues to attain world recognition as a major tourist destination, passenger boardings climb slightly to 2,274,000.

During 1967, 22 more aircraft join the fleet: 2 Carvairs, 9 DC-9-32s, 1 DC-8-63, 6 SE-210s and 4 Fokker F.27s. Orders remain outstanding for 4 F.27s, 12 DC-9-32s, 1 DC-8-50, 4 DC-8-63s, 4 B-747s, and 3 U.S. SSTs, the last on option.

The first of the nine DC-9-32s to be received on the year arrives on June 29, the day after the company celebrates its 40th anniversary. Iberia is the first European operator of the DC-9.

A Boeing 707-387B, operated jointly with **Aerolineas Argentina, S.A.**, inaugurates 6,462-mile nonstop service from Buenos Aires to Madrid on August 8, the world's longest nonstop scheduled frequency.

During the summer, a Convair CV-990A Coronado is leased from the cargo charter operator **Spantax, S.A.**

On descent toward a November 4 landing at London (LHR) following a service from Malaga, an SE-210 Caravelle XR with 7 crew and 30 passengers crashes into the southern slope of Black Down Hill, near Femhurst, England, 40 mi. SW of the airport; there are no survivors.

The workforce grows to 9,581 and passenger boardings jump 16% to 2,632,053.

The employee population numbers 12,615 in 1968. Nonstop New York to Barcelona service is opened on April 1. In Europe, new routes are opened to cities in Belgium, Holland, the U.K., Germany, Denmark, France, and Switzerland, while domestic services are also expanded. Twenty new offices are opened worldwide and new aircraft livery and flight attendant uniforms are introduced, along with Royal Rose first-class service. The fleet is increased by four DC-9-32s, four DC-8-62s, and six Friendships. All but five DC-3s and one DC-4 are retired.

Cargo traffic skyrockets 60% and passenger boardings soar 30% to 3,410,008. Revenues are now \$147 million.

An unofficial Douglas jetliner capacity record is established in April 1969. A company DC-8-63 transports 346 Spanish nationals from Bata to Las Palmas and Madrid in an emergency evacuation following the independence of Equatorial Guinea.

On June 4, Socarras Ramirez becomes history's most daring—and luckiest—stowaway. Fleeing "Cuban oppression," he hides in the unpressurized wheel well of a DC-8-62's starboard wing and survives the 5,600-mi. flight from Havana to Madrid. He receives asylum for his effort. During the summer, two more CV-990As are chartered from **Spantax, S.A.** and orders are placed for a pair of Boeing Jumbojets.

In the fall, the carrier joins the ATLAS maintenance consortium, along with **Air France, Alitalia, S.p.A., Deutsche Lufthansa, A.G.,** and **Sabena Belgian World Airlines, S.A.**

Enplanements swell to 4,249,341 as the last DC-4 is sold. As the new decade dawns, Iberia, in terms of bookings, is the world's 17th largest airline; its workforce of 15,529 is 13th in size and the fleet, with 86 aircraft, ranks 11th.

Jesus Romero Garcia becomes chairman on January 1, 1970.

An F.27-600, with 3 crew and 46 passengers skids off the runway while landing at Tenerife on January 5; there are no fatalities.

On January 7, teenager M. Ventura Rodriguez is held after attempting to hijack a CV-440 with 45 other passengers when it stopped for refueling at Zaragoza while on a domestic flight from Madrid. On January 9, Spanish pilots charge that Lt. Gen. Rute Vilanova, military governor of the city, had endangered the lives of the crewmen and passengers on the plane during his capture of the pirate, who had actually surrendered peacefully. Rodriguez will be tried and given a six-year prison sentence.

On May 11, planes in four European cities are targets of fire bombers believed to be political enemies of the Franco government. Disaster is

narrowly averted in Geneva where 50 passengers have been removed just before a bomb explodes in the baggage compartment of a DC-9-32.

Named for the Spanish literary giants *Cervantes* and *Lope de Vega*, two B-747-156s are placed in service in October and November, boosting the fleet total to 86 airliners, all of which, except for seven CV-440s and three DC-3s, are jets. Madrid to New York B-747-156 flights commence in December. Freight climbs 11.65% and in recognition of a booming cargo business, the carrier opens a new air cargo terminal at Madrid Barajas Airport.

Passenger boardings pass the five million-mark, up 26.12% to 5,742,352, and freight tonnage accelerates by 11.65%.

In March 1971, Jose Sanz Insausti is named director general. Service begins on April 1 from Madrid-Santo Domingo, Panama, and Guatemala.

Enplanements reach 6,362,404, the third consecutive year in which boardings are up by over 1 million.

Airline employment is 17,346 in 1972.

While on final approach to Sierra de Atalaya on a January 7 service from Valencia, Flight 602, an SE-210 Caravelle VIR with 6 crew and 98 passengers, crashes into the side of a 415-m. mountain, 30 m. from its summit; there are no survivors.

As the first 2 Fokker F.28s and 10 DC-9-32s enter service, 3 of the 5 remaining DC-3s are sold.

The first of six B-747-256Bs, the *Calderon de la Barca*, joins the fleet on June 4.

Faulty brakes cause an F.28-1000 with four crew to run off the runway while landing at Bilbao on a December 28 training flight; there are no fatalities.

Passenger traffic zooms upward again this year, climbing 18.2% to 7,778,374 passengers carried and freight is up by 27.1%. On revenues of \$461 million, a \$10-million net profit is posted.

To bolster **Aviacion y Comercio, S.A. (AVIACO)**'s charter mandate, the 4 older DC-8-62s and 15 Caravelles are transferred to the subsidiary in 1973. The flag line acquires 3 Douglas DC-10-30s and 13 Boeing 727-256s, the latter for European service.

On March 5, while en route from Palma de Mallorca to London (LHR) during a strike of French air traffic controllers, Flight 504, a DC-9-32 with 7 crew and 61 passengers collides with a **Spantax S.A. (Transportes Aereos)** CV-990A Coronado over La Trauche, near Nantes. The Coronado makes an emergency landing at the military airfield near Cognac, but the Douglas explodes and crashes, killing all aboard.

New routes are extended during spring and summer to Washington, D.C., Costa Rica, and El Salvador, and the DC-10-30s are placed in service on routes Malaga and Las Palmas-New York and Madrid-Venezuela.

An SE-210 Caravelle VIR is destroyed in a hangar fire at Madrid on September 29. Another SE-210 Caravelle VIR is destroyed after it catches fire on the ground at Madrid on November 5.

On December 17, during an instrument landing at Boston in bad weather, Flight 933, a DC-10-30 with 14 crew and 154 passengers, strikes approach lights. The aircraft hits a dyke and with its right main landing gear collapsed, skids 3,000 ft. to a stop. There are no fatalities, but the aircraft must be written off, the first of its type to be lost.

Passenger boardings accelerate 16% to 10,267,754 and total revenues climb 17.9% to \$543 million.

The workforce in 1974 is 19,100. New Boeing 727-200 flights are launched to Rome, Athens, Istanbul, Warsaw, and Budapest, while DC-10-30s fly from Las Palmas to Dakar and Lagos. Two pedestrians are injured in Brussels on May 22 when a bomb explodes near the company's office.

Hourly DC-9 Madrid-Barcelona shuttle service begins; the first Spanish cities to be linked by air are now the first in Europe to be joined together by an air bridge—or shuttle.

In July, an agreement is signed with **LOT Polish Airlines** for the introduction of what will evolve into joint code-sharing flights over a

route from Madrid to Warsaw. The last two DC-3s are sold; all of the F.27s and both F.28s are transferred to **Aviacion y Comercio, S.A. (AVIACO)**, thus giving the parent an 84-aircraft, all-jet fleet. Late in the year, the Inforiberia high-technology telephone information service is introduced.

Passenger traffic dips 2.4% to 9.5 million.

A total of 858 personnel are added to the employee base in 1975. Cargo service to New York is inaugurated from Alicante along with new routes to Central America. New European customer and cargo destinations include Rome, Athens, Istanbul, Warsaw, and Budapest. A fourth DC-10-30 is delivered and in June joint flights commence from Madrid to Beirut in cooperation with **Middle East Airlines, S.A.L. (2)**.

The airline cancels its flights to Italian and Scandinavian destinations on October 2, following boycotts by European trade unions protesting the execution of terrorists by the Spanish government.

The year's freight traffic grows 9.3% and enplanements leap a modest 3.6% to 9,844,000.

The employee population in 1976 is 20,181. Manuel de Predo y Colon de Carvajal, the IATA president, is appointed CEO. New routes are opened to Monrovia, Abidjan, Libreville, and Recife. Two additional DC-10-30s arrive and one DC-8-63 is reconfigured into a freighter. A new engine maintenance facility is opened at Barajas Airport; it not only services Iberia's aircraft but the Concorde of **Air France**.

Passenger bookings climb 8.14% to 10,779,000 and cargo is up 3.89%.

In 1977, the company celebrates its fiftieth anniversary by redesigning its insignia and renovating its international image.

During a March 14 Barcelona-Palma flight, gunman Luciano Porcari hijacks a B-727-256 with 36 aboard and diverts the aircraft to the Ivory Coast, where he receives \$16,000 of a demanded \$140,000 ransom. Refused landing permission in Morocco, the pirate orders the Boeing flown to Seville and Turin, now requiring the return of his young daughter from his estranged wife. From Turin, the aircraft is ordered to Moscow, but Porcari is seized by police during a refueling stop in Switzerland.

Porcari will be tried and receive a 10-year prison term. Later, he will walk away from a prison leave and try to take over another aircraft. Captured in Italy, he will go on trial again and be imprisoned for an additional nine years.

After a flight from Madrid on May 2, hijacker Abuiasha Ali Fargani is overpowered by the pilot of a B-727-256 during an attempted takeover at Rome. Fargani is turned over to police and will be tried and sent to prison.

Enplanements for the year jump to 11,831,296.

The workforce totals 23,116 in 1978. On March 3, a DC-8-63 with 11 crew and 211 passengers is broken in two after a bad landing at Santiago de Compostella, in northwest Spain; there are no fatalities.

New service is launched to Tehran and Moscow while an order is placed for four Airbus Industrie A300B4-120s. The first electronic ticket reservation terminals are made available to Spanish travel agencies.

Passenger boardings climb 15.2% to 13,952,000 and freight accelerates 9%. On revenues of \$1.2 billion, a record \$11.3-million net profit is earned.

New routes are started to Kuwait, Mairubi, Cairo, and Jeddah in 1979. The ATLAS Group names Iberia as Central Agency and assigns to it the task of inspecting and maintaining the engines of the B-747 and A300 fleets maintained by the partners. The carrier's industrial installations in this regard now cover in excess of two million square meters and employ over 5,000 workers.

On August 5, a trio of armed Spanish foreign legionnaires hijacks a DC-9-32 with 23 aboard at Fuerteventura, Canary Islands, and forces it to fly to Lisbon. There they release all of their hostages save the captain and first officer and demand food and fuel for a flight to Rhodesia. The next day, they fly to Geneva, instead, and surrender to Swiss police. The 3 perpetrators will be tried and given prison terms of 20 months.

Passenger traffic moves ahead 5.8% to 14,417,023 and freight climbs 5.6%. High fuel costs and a drop in Spanish tourism conspires to raise

expenses 19.7% to \$1.46 billion. On total revenues of \$1.42 billion, a net \$39-million loss is suffered.

The B-747-156 *Cervantes* is sold to **Trans World Airlines (TWA)** in May 1980, the same month in which two B-757-256Bs, *Cervantes II* and *Francisco de Quevedo* enter service. A DC-10-30 collides with a Colombian Air Force plane on the runway at Bogota on June 12; no injuries are reported.

As the economic crisis deepens, passenger boardings fall 4% to 13.8 million. Still, new B-747-256Bs inaugurate nonstop flights to Mexico City and Buenos Aires; a multistop route is opened to Nairobi. On revenues of \$1.7 billion, expenses climb 30.4% to \$1.85 billion, and a record \$120.8-million loss is taken.

The workforce is increased a scant 0.1% in 1981 to 23,181 and the B-747-156 *Lope de Vega* is sold to **Trans World Airlines (TWA)** in February. Christened *Francisco de Quevedo*, a new B-757-256B arrives on February 18. The B-747-256B *Lope de Vega II* enters service on March 24 as frequencies are inaugurated to Algiers and Tunis.

A new training center is opened in La Munoza where Iberia trains its pilots for the A300B4-120s; ATLAS Group now contracts with the carrier to teach all of its A300 pilots as well. A new computerized reservations system is installed late in the year.

Enplanements fall another 4.4% to 13,234,000, but freight grows 5.4% to 415.76 million FTKs. Revenues are down to \$1.75 billion, but expenses are up to 1.79 billion. Thus a \$40.6-million loss is recorded.

The workforce in 1982 is 24,332, a 2.4% boost. The last F.27 is sold as a B-747-256B and two A300B4-120s are delivered; the B-747-256B *Juan Ramon Jinez* is acquired on February 26.

In March, a code-sharing agreement is signed with **CSA (Czechoslovak Airlines)** covering flights over the route from Madrid to Prague. In April, a similar arrangement is inked with **Balkan Bulgarian Airlines** for services going from Madrid to Sofia. New charter operations and classes of service, including business-class, are introduced. The new CRS, Resiber III, is turned on.

Cargo is up 8.1% to 488.09 million FTKs, but boardings decline again, down 9.7% to 13,144,342. On revenues of \$1.76 billion and expenses of \$1.81 billion, the net loss climbs to \$76.1 million, atop an operating decline of \$54.5 million. The cumulative loss since 1979 is now \$210 million.

The workforce is cut 4.7% to 23,189 in 1983. Carlos Espinosa becomes director general in March. In April, a joint marketing arrangement is signed with **TAROM (Transporturile Aeriene Romane, S.A.)** covering flights from Madrid to Bucharest. New uniforms are now designed for cabin attendants, a market is opened at Tel Aviv, and three additional A300B4-120s are delivered.

In thick fog at Madrid on December 7, Iberia Flight 350, a B-727-256 with 9 crew and 84 passengers, is taking off for Rome when its crew sights **Aviacion y Comercio, S.A. (AVIACO)** Flight 134. The DC-9-32 with 5 crew and 37 passengers is taxiing out onto the active Runway 1 for takeoff to Santander. Flight 350 attempts to take evasive action, but it is too late and the aircraft collide. The Boeing's left wing and left main landing gear are torn off and the two planes catch fire and are destroyed. Although 8 crew and 30 passengers escape burning Flight 350, there are no survivors from Flight 134.

This is the second airline disaster at Barajas Airport within a 10-day period, causing union and airline officials to complain bitterly about the lack of ground radar and warning lights.

Boardings slip 1.3% to 12,968,000 as freight gains 0.8% to 492.2 million FTKs. Revenues jump 14.3% to \$1.3 billion, but are submerged under skyrocketing expenses. The operating loss quadruples to \$150 million.

Airline employment grows 0.1% to 24,232 in 1984. Madrid-Los Angeles and Houston charter flights are introduced. Pilots return to work on July 25, ending a 36-day strike that causes the loss of \$20 million in lost business. Two accidents and a series of pilot navigational errors bring additional concerns and new safety precautions are taken on top of a rigid cost-cutting program.

New freight terminals and automated booking and routing systems are introduced along the company's domestic network. In November, a new shuttle service is inaugurated between Madrid and Barcelona.

Passenger boardings drop 3.2% to 12,577,000, but cargo grows 6.7% to 525.31 million FTKs. On total revenues of \$1.58 billion, another giant net loss is suffered, \$106.8 million, which comes on top of an operating loss of \$99.3 million.

The employee population drops 1.7% to 22,335 in 1985 and the fleet now totals 6 B-747-256Bs, 8 DC-10-30s, 6 A300B4-120s plus 35 B-727-256s and 29 DC-9-32s.

On initial approach to Bilbao on a service from Madrid on February 19, Flight 610, a B-727-256 with 7 crew and 141 passengers, is 3 mi. off course and 990 ft. below its recommended minimum altitude. Consequently, the aircraft strikes a television antenna atop Mount Oiz. The left wing separates and the Boeing crashes at the hill's 3,400-ft. altitude; there are no survivors.

Following acrimonious clashes with government officials of Instituto Nacional de Industria regarding safety, Director General Espinosa is replaced on March 18 by respected banker Narciso Andreu Muste, with Francisco Escarti Carbonell as managing director; at approximately the same time, plans to withdraw the carrier's 29 DC-9s are shelved. As a new management team takes office, routes are opened to Hamburg, Tokyo, and Bombay; however, a two-week pilot strike is also suffered.

Once operated by **Air Canada, Ltd.**, a B-747-133 is leased from Guinness Peat for six months, May-October, to replace the Airbus. A new "Iberiamatic" ticket dispensing system installed at Madrid and Barcelona airports are the first of their kind anywhere in Europe. Based on a Unisys package, a new yield management program is introduced at year's end.

Passenger bookings grow 4.8% to 13.16 million and freight is up 13% to 517.49 million FTKs. On revenues of \$1.94 billion, up 10.4%, a smaller net loss is reported, \$64.5 million, on top of an operating loss of \$56 million. Despite its financial woes, Iberia retains its position as Europe's 3rd largest carrier and in terms of passengers carried, 17th among all world airlines; it is 22nd in terms of fleet size, 12th in total number of employees, and 14th in revenues generated.

The payroll increases 12% in 1986 to 25,009 and the new yield management program is started up in January. In March, weekly Madrid to Bombay via Tokyo service is announced; it is inaugurated on May 1. Protesting the line's failure to carry out certain provisions in its contract, the carrier's pilots stage a 24-hour strike on May 17, forcing the cancellation of 143 domestic and international flights. During the year, two DC-9-32s are retired and other aircraft are moved from unprofitable to profitable routes.

On September 24, a DC-10-30 en route from Managua, Nicaragua, to Madrid via Havana makes an emergency landing in Miami when Manuel de Jesus Prado-Ortega, the 20-year-old son of a Nicaraguan official, joins a Cuban family of three in asking for political asylum.

A joint venture is now formed with **Swissair, A.G.**, "Iberswiss," a catering company that begins operations in several domestic airports. Under its ATLAS partnership agreements, the carrier now services the aircraft of 110 airlines in 48 airports, including 21 outside of Spain.

Passenger boardings climb 3.8% to 13,645,463 while cargo rises 2.3% to 525.23 million FTKs. Revenues advance 4.3% to \$1.98 billion and costs are kept low, allowing profits of \$45.9 million (operating) and \$5.3 million (net). The operating gain is the first in a decade.

Airline employment in 1987, the 60th anniversary year, totals 26,417, a 3.6% boost. Share capital amounts to PTA 93 million and offices are maintained in 51 nations. In January, a code-sharing alliance is entered into with **Kuwait Airways Corporation** for flights between Madrid and Kuwait City. Nonstop service is introduced from Chicago and Los Angeles to Madrid in April, with special reduced fares through the month of May. Also in April and May, a process to redesign the uniform of all personnel working in contact with passengers is started in cooperation with the nation's best fashion designers.

In the summer, flights begin to Los Angeles and San Francisco. In October, code-sharing flights commence from Las Palmas to Nouabibou

via Nouakchott, under terms of an alliance inked with **Air Mauritanie, S.A.**; the following month, a similar deal with **MALEV Hungarian Airlines** brings joint services from Madrid to Budapest. Sometime afterwards, MALEV jetliners take over the frequencies and add a route from Barcelona to Budapest.

Late in the year, the fleet includes 83 aircraft as \$400 million in orders are placed for 17 McDonnell Douglas MD-87s as B-727-256 replacements.

Customer bookings zoom upward by 7.3% to 14,127,160. Revenues climb 8.7% to \$2.7 billion and allow an operating profit of \$279.4 million.

The workforce is cut a major 16.9% in 1988 to 21,994 and the fleet now includes 6 B-747-256Bs, 35 B-727-256/-256As, A300B4-120S, 8 DC-10-30s, 24 DC-9-32s, 4 DC-9-33Fs, and 6 Airbus Industrie A300B4-120s. Orders are placed for 15 A320s as DC-9-32 replacements and 8 A340s as DC-10-30 follow-ons and the B-747-256B *Garcia Lorca* enters service on April 5.

New uniforms are introduced by all personnel having contact with customers. Chairman Muste and Managing Director Carbonell oversee planning for privatization two years hence. A code-sharing and pooling agreement is signed with **Royal Air Maroc** in March covering the route from Madrid to Malaga via Barcelona, Casablanca, and Tangier. Dual-designator flights from Barcelona to Casablanca and from Malaga to Casablanca will be added later. On April 1, nonstop Madrid to Los Angeles service is introduced, followed by the initiation of a third weekly Los Angeles (LAX)–Madrid roundtrip in June.

A code-sharing agreement is reached with **Dominicana Airlines, S.A.** covering a route from Madrid to Rio de Janeiro via Santo Domingo and Bogota. Passenger boardings ascend 2.6% to 14,487,687 and freight grows 13.5% to 596.08 million FTKs. The operating gain is \$190 million.

Airline employment is increased by 27.3% in 1989 to 28,003. Two B-747-256Bs are withdrawn as two A300B4-203s join the fleet.

A strike forces cancellation of 55 flights on January 3. Later in the month, a B-747-256C succeeds the DC-10-30CF employed on the Madrid–Chicago–Los Angeles route. In February, a B-747-256B is introduced on the semiweekly flights from Madrid to Los Angeles via Chicago. Planning for privatization continues and total 100% shareholding is taken in **Aviacion y Comercio, S.A. (AVIACO)**.

The state carrier now begins to develop five regional feeder airlines. These include Seville-based **Binter Andalucia, S.A.**, Canary Islands-based **Binter Canarias, S.A.**, Binter Cantabria, S.A. in northern Spain, Madrid-based **Binter Centro, S.A.**, and Majorca-based **Binter Mediterraneo, S.A.**

Binter Canarias, S.A. is the first of the regionals to inaugurate services. With pilots provided by the parent, it begins operations in March, only to be shut down for two days in May by a pilots' strike.

Service to the U.S. is significantly expanded in June. Six-times-per-week roundtrip passenger service is inaugurated from Barcelona to New York and two more B-747F frequencies are added from Madrid to New York. During the month, the carrier also joins the frequent flyer programs of **Continental Airlines**, **Eastern Air Lines**, and **United Airlines**. The previous four-times-per-week Madrid to Miami roundtrip DC-10-30 service becomes a daily Jumbojet offering on July 1.

On September 1, Iberia becomes the first airline to fly nonstop from New York (JFK) to Barcelona; passengers choosing to fly the new Barcelona Express route receive six nights free at a hotel in either Barcelona or Torremolinos.

Customer bookings climb another modest 2.8% to 14,894,485 while cargo surges by 23.6% to 736.47 million FTKs.

With 28,000 workers, Iberia is Europe's fourth largest carrier in 1990, overseeing the 14th largest number of airline employees in the world. Additionally, the company's 97 aircraft comprise the 22nd largest fleet. On May 25, the government grants the company permission to purchase 16 B-757-256s for \$1 billion; the cost will actually be closer to \$4 billion.

Chairman/CEO Muste signs a major cooperative agreement in June with Giovanni Bisignani, managing director of **Alitalia, S.p.A.**; the pact covers not only the joint development of new routes, but joint cooperation in technical, commercial, and other operational activities. During the summer, flights are initiated from Barcelona and Madrid to Berlin and from Bilbao to Frankfurt.

On July 15, the carrier reaches resolution with **American Airlines** concerning a four-month dispute over reservations systems. Four days later, Argentina agrees to sell the majority share of **Aerolineas Argentinas, S.A.** to a consortium led by Iberia for an estimated \$260 million in cash and \$2.01 billion in debt paper.

The **Alitalia, S.p.A.** pact comes into effect in August; under its terms, Iberia begins to fly the Italian line's passengers from Madrid to Mexico City while Alitalia takes Spanish-booked travelers from Rome to Bangkok. Iberia on September 14 purchases the 48% minority shareholding in the inclusive-tour operator **Viva Air, S.A.** from the German state airline **Deutsche Lufthansa, A.G.** **Viva Air, S.A.** is reconfigured as a scheduled airline for the tourist trade.

Later in the year, the Majorca-based feeder **Binter Mediterraneo, S.A.** initiates services. The airline is reorganized in October into two principal units with the entire structure overseen by corporate group headquarters.

The major operating division is comprised of three business units: Iberia Intercontinental, Iberia Europe, and Iberia Spain, while four other business units cover Iberia Cargo, **Aviacion y Comercio, S.A. (AVIACO)**, **Viva Air, S.A.**, and the Binter subsidiaries. The support division comprises four units: flight technology, engineering, systems, and handling. Also during the month, the company begins to explore the possibility of taking shares in three more South American airlines: **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**, **VIASA (Venezolana Internacional de Aviacion, S.A.)**, and **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)**. The **Aerolineas Argentinas, S.A.** takeover comes into effect on November 1.

Passenger boardings ascend 4.3% to 15,500,000 (including 1.84 million on the Madrid–Barcelona shuttle service) and freight climbs 3.7% to 763.9 million FTKs. The boarding figure makes the Spanish airline the world's 20th largest.

The payroll is sliced 10.1% in 1991 to 25,000 and the fleet now includes 114 aircraft. Seven days of strikes early in the year cost the company PTA 2.1 billion; however, the carrier's unions do agree to accept work rules changes along with their 7% wage increase. A new terminal is opened at Barcelona's Prat Airport in March for the company's shuttle service to Madrid.

During the second quarter, the carrier acquires an almost total monopoly of the Argentine scheduled air transport industry. Iberia retires over \$1.6 billion in debt, along with a \$142.5-million foreign-debt title payment to the Argentine government (plus the \$130 million in cash paid the previous year). Iberia then increases its ownership in **Aerolineas Argentina, S.A.** from 13% to 30% and acquires a 70% majority interest in **Austral Lineas Aereas, S.A.**

In order to increase its South American presence, the Spanish flag carrier's consortium in April purchases 35% shareholding in **LanChile Airlines, S.A.**'s domestic competitor **LADECO Chilean Airlines (Lineas Aerea del Cobre, S.A.)** for \$10.5 million; a comprehensive marketing agreement is also signed with Ladeco.

Chairman Muste resigns in June to become chairman/CEO of the Spanish-Italian independent **Meridiana Air, S.A.** and is succeeded by Miguel Aguilo. The same month, the U.S. government grants the airline permission to operate a minihub at Miami.

In addition, the carrier leads a Venezuelan consortium, with Banco Provincial, which is able to acquire controlling interest in the Venezuelan airline **VIASA (Venezolana Internacional de Aviacion, S.A.)** on August 9 for \$145.5 million; the arrangement marks the first big sale of a Venezuelan state asset to a foreign buyer. A major alliance is signed with this South American carrier; it includes a management contract and marketing agreement with joint routes, code-sharing, joint frequent flyer programs, and schedule coordination.

Also during the month, agreement is reached with the Argentine government on a new formula covering Iberia's 85% acquisition of **Aerolineas Argentinas, S.A.** Although the amount of foreign debt that the Spanish must retire is reduced, \$171 million is added to AA's cost. The arrangement is completed in September, the same month the **LADECO Chilean Airlines (Lineas Aerea del Cobre, S.A.)** agreement takes effect.

Due to recession and the Gulf crisis, customer bookings decline 10.3% to 14,551,989 and cargo drops 18.7% to 635.17 million FTKs. Expenses exceed income and there is a \$305-million operating loss.

The employee population declines another 13% in 1992 to 27,000 and the fleet now includes 8 Airbus Industrie A300B4-120/203s, 21 A320-211s, 29 Boeing 727-256As, 6 B-747-256Bs, 1 B-747-256B/C, 12 Douglas DC-9-32s, 1 DC-9-34, 2 DC-9-34CFs, 24 MD-87s, and 8 DC-10-30s.

In a move completed by summer, the carrier, in February, begins the transfer of its U.S. headquarters from Los Angeles to Miami, where a hub is created to connect European traffic with Latin America. An alliance is entered into with **Air Canada, Ltd.** in April providing for code-sharing on the route from Madrid to Montreal and Toronto.

The company transports passengers to the Expo'92 World's Fair at Seville and the Summer Olympics at Barcelona. Iberia helps to sponsor both events, as well as Madrid's year as Cultural Capital of Europe. In addition, new markets are opened at San Salvador, San Pedro Sula, and Guatemala City. The company now stations three DC-9-32s at Miami that are employed to operate a daily change of gauge operation to these points, as well as Cancún and Managua. Simultaneously, two DC-9-32s are posted to Santo Domingo in the Dominican Republic to fly services to Havana and Panama City.

On July 7, the computerized reservations system dispute with **American Airlines** resumes as Iberia files a complaint with the European Union accusing the U.S. major of using its jointly run reservation system to discourage passengers from using the Spanish airline. Also in July, the company receives EU Commission approval for a PTA 120-billion bailout from the government; the approval is contingent upon the funding being "the last capital injection from public funds for the duration of the [1989-1996] programme." The arrangement prohibits Iberia from acquiring shareholding in European carriers, but does permit Chairman Aguilo's continuing "Latin American adventure." Preliminary discussions concerning the acquisition of a stake in **Dominicana Airlines, S.A.** end.

The Argentine government agrees to take its shareholding in **Aerolineas Argentinas, S.A.** to 33%, but then threatens to damage its flag carrier by deregulating domestic routes. Numerous wrangles with the Argentine government and its legislature over this and manpower issues lead to a revised pact with the Iberia group, signed in October. In an effort to further reduce expenses, the workforce is reduced 12% during the year and the wages of all pilots are frozen.

Enplanements recover and grow by 11.1% to 23,172,000, but freight falls 7.4% to 588.41 million FTKs. Revenues rise 9.1% to \$3.55 billion and with costs down, the operating loss is cut to \$128 million. The net loss is \$263.5 million.

The workforce in 1993 totals 26,000, down 3.7% from the previous year. One more A320-211, a B-727-256A, three B-757-256s, and three DC-9-32s are acquired. In January, the company begins to second 38 managers to **Aerolineas Argentinas, S.A.**, including directors for financing and commercial, marketing and maintenance. Strategic plans are developed for massive route rationalization with the South American partners, beginning late in the first quarter. In April, the carrier joins with the American charter operator **Carnival Air Lines** in an application to the U.S. DOT seeking permission to code-share on routes out of Miami to New York, New Orleans, Chicago, Houston, and Los Angeles. The plan envisions the purchase of blocks of up to 150 seats on flights operated by the American carrier.

Air Seychelles signs an agreement with Iberia during the same month that provides for code-sharing flights from Madrid to Mahe via Nairobi.

The following month, a similar deal is signed with **Garuda Indonesia** covering joint services from Madrid to Jakarta and Denpasar. In May, Argentine company employee Manuel Moran is appointed president of **Aerolineas Argentinas, S.A.** During the first six months, the flag carrier loses a total of PTA 29.9 billion (\$221 million). The code-sharing pact with **Carnival Air Lines** is approved by the U.S. DOT on June 15.

Chairman Aguilo's turbulent and expansionist tenure comes to an end in September when he is succeeded in office by the parent INI company's chairman, Javier Salas; another INI official, Juan Saez, is appointed vice chairman and managing director. In October, **VIASA (Venezolana Internacional de Aviacion, S.A.)** becomes the exclusive general sales agent for the Spanish major, as well as **Aerolineas Argentinas, S.A.** in Colombia. A new cargo division is established to coordinate the freight operations of all three airlines in South America.

Late in the month, Saez, reporting the annual loss of \$15 million on the Miami hub, recommends its closure. The first code-sharing flight with **Carnival Air Lines**, from Miami to Los Angeles, is completed on October 11 with an Airbus A300B4-203 leased from **VIASA (Venezolana Internacional de Aviacion, S.A.)**. Simultaneously, the Spanish flag carrier ends its thrice-weekly service from Madrid to Los Angeles.

Argentina in November rejects an Iberia request that \$215 million be contributed by its government to a \$500-million capital pool being assembled for use in reinvigorating **Aerolineas Argentinas, S.A.**

Passenger boardings for the year slide 6.7% to 14,383,262 while freight drops 5.4% to 543.21 million FTKs. The operating loss reaches \$124.06 million with a net loss of \$487 million following right behind. The cumulative debt is now almost \$1 billion.

Airline employment is cut another 3.8% in 1994 to 25,100 and the owned fleet now includes 8 A300B4-120/203s, 22 A320-211s, 30 B-727-256As, 6 B-757-256Bs, 1 B-747-256B/C, 8 B-757-256s, 10 DC-9-32s, 1 DC-9-34, 2 DC-9-34s, 24 MD-87s, and 8 DC-10-30s, 1 of which is chartered to **VIASA (Venezolana Internacional de Aviacion, S.A.)**. A total of \$2.6 billion in debt still remains on those aircraft acquired after 1990. Leased units include six B-727-256As and orders are outstanding for eight A340-300s.

Early in the year, a code-sharing and block-space agreement begins with **Austrian Airlines, A.G.** on routes from Barcelona and Madrid to Vienna. In February, the government, following deregulation of the domestic airline market, authorizes the private carrier **Air Europa, S.A.** to begin competitive scheduled service over the lucrative Madrid to Barcelona route. In March, a comprehensive marketing agreement and management contract is negotiated, but put on hold, with **Aerolineas Argentinas, S.A.**

A marketing and code-sharing alliance is signed with **United Airlines** on April 18. About the same time, a code-sharing agreement is signed with **Finnair O/Y** covering service over routes from Madrid and Barcelona to Helsinki, via Amsterdam and Gothenburg. Later in the month, the on-again, off-again stake increase in **Aerolineas Argentina, S.A.** (to 85%) is on again after a higher court overturns a lower court challenge to the \$500-million arrangement. Although many no longer wish to acquire the Argentine carrier, the unacceptable alternative is to let it collapse and assume responsibility for its debt. The March pact now comes into effect as code-sharing, joint routes, and a linked frequent flyer program begins.

By August, the start-up **Air Europa, S.A.** has seized 14% of the traffic on the Madrid-Barcelona return service; the state carrier must now offer discount fares on this important internal artery. Another new entrant, **Spanair, S.A.**, is also becoming something of a concern. Both are based at Palma de Mallorca; their entry onto the scene will help force Iberia to push its self-reform.

In early November, Chairman Salas announces a restructuring plan designed to stave off bankruptcy and to win EU Commission approval for a government aid package worth PTA 130 billion (\$1 billion). Under its terms, salaries will be cut 15%, approximately a quarter of the workforce will be laid off, an order for eight A321s is cancelled, and deliveries of four A340-300s are delayed. In addition, the U.S. investment

banks Goldman Sachs, Morgan Stanley, Bankers Trust, and Salomon Brothers are invited by the government holding company INI (Instituto Nacional de Industrias) to undertake valuations of the carrier's assets.

Airports across Spain are paralyzed on November 28 and more than 100,000 passengers are stranded in a wildcat strike by the carrier's workers, staged to protest the state carrier's announced plans to dismiss almost 25% of its workforce and to start selling off assets. All Iberia flights are grounded as management and the unions seek an agreement that will save the airline from financial disaster. The one-day job action ends on November 29, but costs the airline over \$11.5 million in lost revenue and compensation to replacement carriers and stranded passengers. The government agrees to pay back wages of PTA 10 billion (\$76 million) and the workers agree to reduce their wages by 8%, seven points less than management had desired.

On December 2, the airline's 1,100 pilots, facing 20% salary and benefit reductions, make it known that they will not accept the pay cuts agreed to by the carrier's other employees. The next day, the airline agrees with the unions to postpone its decision on drastic employment reductions. Talks continue until December 6 when Iberia, without an agreement from the pilots union, announces that it will impose a huge program of asset sales recommended in a plan from the American bankers. Jobs will be cut by up to 5,200 in an effort to avoid the necessity of a government bailout or bankruptcy. On December 7, the layoff figure is stated as one-fifth of the workforce.

The pilots union threatens a 12-day strike, but following several weeks of posturing on both sides, the pilots call off their job action on December 28 after having reached an accord with management. Contingent upon EU approval of state aid to the carrier, the pilots approve an 8% salary cut in exchange for a larger share in company decision-making.

In something of a footnote, one other piece of good news is received this year. After 239 judges have flown 100,000 miles on the carrier since January, Iberia defeats 29 others carriers (including two from the U.K.) to win the 1994 British National Tea Council's "Inflight Best Cup of Tea" award.

On the year, customer bookings decline by 4.4% to 13,756,022, while cargo swells by 4.9% to 569.75 million FTKs. Revenues move up 2.9% to \$3.28 billion and expenses dip 2.3% to \$3.24 billion. As a result, there is an operating surplus of \$45 million. The net loss "improves" to \$314 million. In terms of passengers flown, Iberia is now the 22nd largest airline in the world.

The number of employees is cut by 4% in 1995 to 24,000. Company officials report, on April 18, that they have cut Iberia's fleet by 19% as part of the state carrier's bid to secure European Union approval for a \$1.06-billion government bailout. Also in April, a memorandum of understanding concerning possible future joint operations is signed with **Air Afrique, S.A.** The same month, a code-sharing pact with **British Midland Airways, Ltd.** begins on services from Barcelona, Bilbao, Madrid, Seville, and Valencia to London (LHR) and beyond to Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

Dual-designator flights with **Ukraine International Airlines** commence in August between Madrid and Kiev. With EU approval still not forthcoming, pilots vote on October 20 to stage a series of one-day strikes in November to protest what they see as management's inability to get the needed permissions and funding.

During the last week of the month, the company refuses to allow **LADECO Chilean Airlines, S.A.** a capital raise of \$3 million. Iberia indicates that it must evaluate the South American line's expansion strategy.

In a further effort to win EU approval, Iberia announces during the last full week of November that it is planning to sell its entire 83% stake in **Aerolineas Argentinas, S.A.** It is hoped that most of the company would be sold to a consortium of American banks; however, any sale would have no effect on the operating and marketing alliances in place between the two national carriers. Still, based on the October vote, pilots stage a 48-hr. walkout, beginning on November 29, that heavily disrupts the major's operations.

On December 14, the EU Commission reports that it has approved the Spanish government's plans to inject PTA 87 billion (\$71 million) into Iberia as soon as the Spanish airline has its house in order. It also agrees that the company may apply for additional aid of PTA 20 billion (\$16 million) the following year, if it improves its productivity and gains.

Enplanements inch ahead 2.6% to 13,705,800, but cargo does much better, rising 19.8% to 678.82 million FTKs. Although revenues are \$5.4 billion, costs leave a \$360-million net loss.

The workforce is reduced by 4,000 in 1996 and the owned fleet now includes 8 A300B4-120/203s, 22 A320-211s, 25 B-727-256As, 6 B-747-256Bs, 1 B-747-256BC, 4 B-757-256s, 5 DC-9-32, 8 DC-10-30s, and 24 MD-87s. Also operated, under charter, are 3 B-757-256As and 4 B-757-256s. Orders are outstanding for 8 A340-300s and 8 B-757-256s. Four DC-9-32s are out on lease to **Binter Canarias, A.S.** and one DC-10-30 is with **VIASA (Venezolana Internacional de Aviacion, S.A.)**.

Settlement is reached between Iberia and its pilots on February 19, thereby clearing the last obstacle to an injection of EU-approved \$690 million in new government-supplied capital. A code-sharing service begins in March with **Syrianair (Syrian Arab Airlines)** over a route from Madrid to Damascus.

With the beginning of the summer schedule on May 1, Iberia inaugurates service to four new European markets—to Hanover, Stuttgart, and Venice from Madrid via Barcelona and to Oporto from Madrid. On May 23, the company reports a \$22.55-million profit for the first quarter, the first fiscal gain in this time period since 1989.

The international press reports the same day that **British Airways, Ltd. (2)** has under active consideration a plan for the acquisition of a \$100 million 15% stake in the Spanish carrier. A block-space agreement with **Korean Airlines/Korean Air (KAL)** commences in June on flights from Madrid to Seoul.

The current daily roundtrip nonstop service from Madrid to Miami is doubled on July 1; the twice-daily service will be offered through September 29.

On July 26, Lebanese passenger Saad'o Mohamed Ibrahim Intissar, claiming to have a bomb, hijacks Flight 6621, a B-747-256B with 232 passengers and bound for Cuba from Madrid, and forces it to land at Miami (MIA). When Ibrahim eventually surrenders and is arrested, his bomb turns out to be a fake, assembled in one of the plane's bathrooms from a cassette record and an electric shaver. Two Palestinians reportedly involved in planning the hijacking are arrested in Germany on July 30.

During late summer and early fall, Iberia begins the search for a U.S. alliance partner. In addition, the first four A340-313s are delivered; one is christened *Rosa Chacel* and enters transatlantic service from Madrid to New York (JFK).

On November 19, Spanish Transport Minister Rafael Arias-Salgado and U.S. Transportation Secretary Federico Pena meet to discuss an "open skies" agreement between the United States and Spain, a liberalization that could help the state carrier find a U.S. affiliation.

Passenger boardings accelerate 5% through November to 14,070,616 and 661.56 million FTKs are operated, a 7.8% increase. In December, Iberia notifies officials of the Venezuelan government and **VIASA (Venezolana Internacional de Aviacion, S.A.)** that no more money will come to the South American carrier from Madrid until it puts a radical restructuring plan into effect.

The Spanish partner proposes that VIASA withdraw from its more unprofitable routes, that 30% of the workforce be laid off (some 2,200 personnel), and that the remaining 70% have their wages frozen. In addition, restructuring costs should be assumed by Fondo de Inversiones de Venezolanas (FIV), which national privatization and investment body owns 40% of VIASA.

A net profit for the year of \$24.9 million is widely reported; it will later be adjusted downward to \$18.4 million.

During January 1997, the EC orders Iberia to reduce its Latin American holdings as a condition for the company receiving another \$330 million in government capitalization. On January 17, following nearly a

month of discussions, the FIV and VIASA employees reject Iberia's December restructuring demand; the Spanish withdraw their plan. On January 23, VIASA's board of directors closes down the airline and sets February 8 as the date to decide upon the carrier's fate.

Meeting at Madrid on January 28, officials from Iberia, the Venezuelan government, and **VIASA (Venezolana Internacional de Aviacion, S.A.)** agree on a plan to keep the partner going. The Venezuelan government will set up a special fund to take care of their carrier's expenses until a foreign operating partner can be signed up. Iberia, for its part, will convert \$30 million, about 20% of the money it is owed by VIASA, into additional equity by taking over ownership of its fleet. It is also agreed that the Venezuelan airline will remain grounded until a new associate is located and new labor agreements are signed.

On February 18, however, FIV Chairman Alberto Poletto announces that the nation will spend no more money on **VIASA (Venezolana Internacional de Aviacion, S.A.)**, which lost \$45 million in 1996 and had accumulated debts of \$200 million. He also notes that the deal put forward the previous month does not preclude liquidating VIASA, particularly since it is now losing \$250 million per month, more than twice the figure estimated.

Now that the end is at hand, Iberia pays severance to VIASA's employees and agrees to write off its \$30-million stake in return for preservation of its rights to serve Venezuelan destinations.

The company's 1996 net profit, the first since 1989, attracts investment interest from **Continental Airlines**, **KLM (Royal Dutch Airlines, N.V.)**, **British Airways, Ltd. (2)**, **Air France**, and **American Airlines**. In a February interview in the European edition of *The Wall Street Journal*, Chairman Xavier de Irala notes that, despite its profit, the company still faces acute challenges from growing competition, European deregulation, and falling airfares. These problem areas have a potential, de Irala warns, to change the government's plans to privatize the carrier two years hence.

Consequently, a new three-year cost cutting plan will be implemented designed to boost productivity by 20% and reduce expenses 3% annually. Such an effort should bring a PTA 40-million operating profit and underscore the carrier's obligation, under Spanish law, to remain in the black for three years prior to privatization.

Also during the first quarter, a group of Spanish regional airlines, including **Canarias Regional Air, S.A.** doing business as Air Europa Express, **Spanair, S.A.**, and **Futura, S.A.**, complain to the EC that part of the government funds injected into the state line during the fall of 1995 have been employed to finance a fare war against them. In addition, Canarias claims that Iberia has engaged in predatory pricing, arranging some of its schedule to directly affect private carriers such as itself. The Commission investigates.

Spanair S.A. increases its ticket prices by 15% on April 10, leading Iberia to increase its tariffs by 3.5% on April 25, the same day **Air Europa, S.A.** boosts its fares by 20%, the largest increase yet.

Saad'o Mohamed Ibrahim Intissar is convicted of air piracy in U.S. federal court on April 25. Also during the month, the company leases the lone Lockheed L-1011 TriStar 1 of **Aer Turas, Ltd.** painted in the full livery of the Spanish major, the Irish aircraft is the first of its type to fly with Iberia and enters charter service from Madrid to the Canary Islands.

Following complaints from a consumers' group and local authorities in the Balearic and Canary Islands, the Spanish government, on April 28, begins a price-fixing investigation of Iberia and two of its rivals. Antitrust authorities in the Ministry of Finance begin to review an arrangement between the flag carrier and **Spanair, S.A.** and **Air Europa, S.A.** that has seen them end a yearlong price war while increasing fares an almost equal average of 10% on all Spanish domestic routes and dropping promotional fares.

At the same time, Iberia is also accused of employing a part of the government's capital injection to fund domestic fare reductions. The Asociacion Espanol de Companias Aereas is unable to prove its case given that Iberia's average prices remain some 25% higher than those of its competitors.

A block-space agreement begins with **Malaysia Airlines, Ltd. (MAS)** in May on frequencies from Madrid to Dubai and Kuala Lumpur. An expansion of the marketing agreement with **TAROM (Transporturile Aeriene Romane, S.A.)** is considered; if implemented, dual designators will appear on flights of the two carriers between Barcelona and Bucharest.

A formal franchise agreement is entered into with **Air Nostrum, S.A.** on May 12. Employing 12 (later 14) Fokker 50s, the partner will operate its 400 weekly departures under Iberia code, livery, and other branding. At the same time, Iberia and **Aviacion y Comercio, S.A. (AVIACO)** also begin dual-designator flights over their domestic routes.

A wide-ranging new strategic partnership with **American Airlines** is tentatively concluded on July 21. Under its terms, AMR Corporation would acquire a 10% stake in Iberia's owner, SEPI, which also controls the Argentine carriers **Aerolineas Argentinas, S.A.** and **Austral, S.A.** and Andes Holding, which controls Interinvest, S.A.—which actually owns the two companies. It will also lead an effort to find additional investors who will purchase up to 35% additional shareholding. In addition, Iberia and American will begin to share codes on flights from Spain to the U.S. and link their frequent flyer programs. In South America, American would establish reciprocal frequent flyer arrangements with both **Aerolineas Argentinas, S.A.** and **Austral, S.A.** and code-share on certain of their internal routes.

Meanwhile, the U.S. major's almost-partner **British Airways, Ltd. (2)** and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent flyer program linkage and code-sharing on routes between Madrid and London. Significant opposition quickly materializes from **Continental Airlines** and **United Airlines**, which fear not only an AA-BA linkup, but the potential domination of Latin American routes by the Dallas-based megacARRIER.

On October 26, the carrier integrates its own resources, together with those of its domestic subsidiary **Aviacion y Comercio, S.A. (AVIACO)**, its charter operation, **VIVA Air (Vuelos Internacionales de Vacaciones, S.A.)**, and its regional **Air Nostrum, S.A.** under one centralized operational holding company. Long-term plans are made to place all three under the Iberia name, but due to potential union problems, this plan will be implemented in phases. Meanwhile, coordination becomes the theme of the day in the short run.

Although the companies are held as separate legal entities, a management committee made up of the commercial directors from each airline now allocates the group's fleet, crew, and scheduling according to perceived daily requirements for each route. All passenger revenue receipts are turned into a central office and all marketing activities are also centralized. Under this reorganization, VIVA begins to drop unprofitable charters, while AVIACO dumps unprofitable routes off on Air Nostrum, thereby freeing up capacity for Iberia.

The Spanish Airlines Pilots Union (SEPLA), concerned that the modernization and cost-cutting plans afoot at Iberia's airlines might badly impact its members, stages a one-hour strike at the end of October as a symbolic protest against them.

On November 3, an aircraft, crew, management, and insurance (ACMI) contract is signed with **Air Atlanta Icelandic, H.F.** under which the Icelandic line will operate twelve roundtrip charters from Madrid to Tenerife during the winter holiday season.

Iberia's cargo division deploys four extra freighters to the Netherlands from Madrid on November 4, boosting its total to 10 B-747Fs and DC-8Fs in an effort to defeat the road blockade earlier established by French truckers at the borders.

In a normal week, Iberia operates six freighter flights from Madrid to Maastricht-Aachen Airport. Two of these are flown by **Aerolineas Argentinas, S.A.** and are routed via Madrid on to Buenos Aires. The French road blockade is lifted on November 5.

During the last week of November, final agreement is reached with **American Airlines** along the terms negotiated in July. A \$71-million record profit is reported for the year. AMR Corporation, parent of

American Airlines, executes the purchase of equity in Interinvest, S.A. in December, subject to approval by the U.S. Justice Department.

Customer bookings grow 5.5% this year to 15,431,583, but freight dips 1% to 724.77 million FTKs. A \$70.58-million net profit is reported atop operating revenues of \$3.74 billion.

At the beginning of 1998, airline employment stands at 23,576 and the fleet, 71.1% of which is Stage III certified, includes 114 airplanes: 28 B-727-200s, 5 DC-9s, 7 B-747s, 10 B-757s, 23 A320s, 6 each A300B4-120s and A340s, 4 DC-10-30s, 24 MD-87s, and 1 L-1011.

Four-times-a-week nonstop roundtrips commence on January 1, between Madrid and Santiago. At the beginning of the year, Iberia is the 19th largest airline in the world in terms of passenger boardings and employee number, 20th in fleet size and operating revenues, and 23rd in net profit.

Iberia purchases all of the outstanding stock of **Aviacion y Comercio, S.A. (AVIACO)** early in the year, making the nation's second largest carrier a 100%-owned subsidiary of its largest carrier.

At the end of January, a \$2.5-billion order is placed with Airbus Industrie for up to 76 new aircraft from the A319/A320/A321 family. Fifty of the orders are firm and the rest are options.

The carrier struggles to integrate AVIACO's resources and schedules, having particular problems in redeploying the unit's pilots to fly a range of aircraft with which they are unfamiliar. A new labor accord will be reached with the pilots' union, SEPLA, in April. To accommodate the reorganized European operations, Iberia plans to open a new terminal at Madrid Airport large enough for the unified network.

On February 1, Chairman de Irala proposes to end a number of pilot perks, including the 70-hour monthly flying requirement and travel bonuses for dependents. Angry pilots retaliate with a "work-to-rules" slowdown, which causes chaos for everyone attempting to employ Madrid's Barajas Airport.

On February 3, Iberia repossesses three DC-10-30s from **VIASA (Venezolana Internacional de Aviacion, S.A.)**, hoping to lease them to another carrier.

Chairman de Irala, in an effort to hold firm on his cost-cutting measures, negotiates a franchise agreement similar to those signed by **British Airways, Ltd. (2)** and **Deutsche Lufthansa, A.G.** with smaller regional carriers, including **Air Europa, S.A.** Under terms of the arrangement, Iberia will wet-lease 11 of the carrier's 34 aircraft (also employing their crews) and operate them out of the domestic line's Spanish airport slots.

Also during the month, a code-share partnership is entered into with **Royal Air Maroc**. Both share their codes on roundtrips from Barcelona and Malaga to Casablanca.

At the same time, discussions continue with **British Airways, Ltd. (2)** concerning an equity stake. BA wishes to take 25% shareholding, but 5% is all the Spanish are willing to offer.

Daily MD-87 roundtrips commence on March 29 between Madrid and Helsinki.

In April, a dual-designator arrangement is entered into with the BA partner **Finnair, O/Y**. In May, code-sharing is introduced on flights between Barcelona and Helsinki.

Repainted in Iberia livery, two wet-leased **Air Europa, S.A.** B-767-3Y0s enter service in May over the flag carrier's routes from Madrid to Chicago, San Jose, Costa Rica, and Rio de Janeiro.

A broad marketing agreement is signed with **American Airlines** on May 18. In addition to linking their frequent flyer programs, the majors will code-share on numerous flights between the U.S. and Spain. Twice-weekly A340-313 nonstops commence on May 19 between Madrid and Johannesburg.

Beginning on May 27, Iberia Plus members are able to earn mileage on **American Airlines'** AAdvantage Travel Awards Program while AAdvantage members can do the same on Iberia flights.

Having taken delivery of its first A321-211 (christened *Benidorm*), Iberia places its new aircraft into twice-daily service on June 5 between Madrid and Amsterdam.

American places its two-letter code aboard the Spanish carrier's services from Madrid to Miami, San Juan, and New York (JFK) on June 10. Simultaneously, Iberia begins dual-designator service aboard **American Airlines** and **American Eagle Airlines** services beyond Miami to Orlando and Houston (IAH).

On July 1, American does the same aboard Iberia flights beyond Madrid to Barcelona, Malaga, and Palma de Mallorca. Also on July 1, Iberia places its "IB" code on **American Eagle Airlines** frequencies from New York (JFK) to Philadelphia and Pittsburgh.

The U.S. DOJ grants clearance for the AMR Corporation equity investment in Interinvest, S.A. on July 8.

A five-year agreement is signed with ILFC on August 20 for the charter, beginning the following May, of nine A319s.

On September 1, new daily A340-313 nonstop roundtrips commence from Madrid to Chicago (ORD). Although customers can earn free travel by being members of the Iberia Plus or AAdvantage frequent flyer programs, the service is not a dual-designator offering with **American Airlines**.

Discussions continue with **British Airways, Ltd. (2)** concerning a code-sharing pact similar to that enjoyed with AA. Both the British and American majors are each expected to acquire 5% equity in Iberia when it is privatized during the first quarter of 1999. A dispute with the pilots' union, SEPLA, over pay is settled and permits the company to place a huge \$1.3-billion order for long-haul fleet renewal.

A 23-year-old man hides in the wheel bay of a DC-9-34 and survives a flight from San Pedro Sula to Miami on September 16. While conducting a routine checkup of the aircraft just after landing, mechanics discover the stowaway, who is taken in hand, seated in the passenger cabin, and returned to Honduras when the plane turns around.

It is announced at a London news conference on September 21 that **Cathay Pacific Airways (Pty.), Ltd.** has joined its first airline alliance, the new "OneWorld" grouping established to compete with the "Star Alliance" headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by **American Airlines** and **British Airways, Ltd. (2)**, which continue their battle to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.**, both of which already have marketing partnerships with AA and BA, are also charter members.

Leaders of the five companies indicate that they will coordinate ticketing and flight schedules, while cooperating on frequent flyer programs. Other carriers will be invited to join and Iberia announces its membership before the day is over.

Orders are placed on September 27 for six A340-313s with which to replace the carrier's DC-10s; the initial deliveries are slated for 1999.

On October 6, the carrier enters into a long-term agreement to acquire B-747-200F air freight services from **Atlas Air**. Iberia quickly utilizes the Atlas aircraft to provide scheduled services on its routes with Atlas supplying not only the planes, but the crews, maintenance, and insurance under an ACMI contract.

The Miami freight center benefits greatly from the two Jumbojets; one opens a route from Miami to New York and Madrid, while the other flies from Madrid to New York to Mexico City and back. Other new services operated include one from Madrid to Tokyo (NRT) direct and another that is operated roundtrip from Madrid to Bogota, Lima, Santiago de Chile, and Buenos Aires.

Because of a change to the ATC system at Madrid (Barajas Airport), Iberia must cancel 90 flights between October 8-16; affected passengers are transferred to other services. Employing mostly **Aviacion y Comercio, S.A. (AVIACO)** MD-88s, Iberia, on October 25, inaugurates up-graded daily roundtrips between Madrid and Amsterdam.

Citing continuing problems with the pilots' union SEPLA, Iberia absorbs its charter subsidiary **VIVA Air (Vuelos Internacionales de Vacaciones, S.A.)**, on November 1, and operates it as a separate division as it prepares for full integration.

Also on November 1, a new contract is signed between management and the pilots' union SEPLA. It includes pay raises, a change in work rules, and an increase in annual flight hours.

Plans for **British Airways, Ltd. (2)** and **American Airlines** to formally sign equity-agreement papers during the month are held up as the two foreign airlines, Iberia, and the holding company SEPI begin to wrangle over management issues. Due to declining passenger numbers, Iberia operates its final scheduled service from Tokyo (NRT) on November 30 following a decision to shut down operations in Japan.

On December 18, the company agrees to take for its own purposes three of the four DC-10-30s previously operated by **VIAS (Venezolana Internacional de Aviacion, S.A.)** and which have been repossessed.

By the end of the year, the 185 aircraft assigned to AVIACO, flying primarily to domestic destinations in Spain, account for 23% of Iberia's daily departures. Angel Mullor is now managing director.

Passenger boardings climb 5.5% to 21.75 million, while freight traffic is up 5.8%, with 766.51 million FTKs operated. Revenues for the year increase by 20.5% to \$4.46 billion and expenses, at \$3.74 billion, are low enough to allow an operating profit of \$304 million and a \$328.3 million net gain.

It is announced on January 17, 1999 that the three DC-10-30s repossessed from the assets of **VIASA (Venezolana Internacional de Aviacion, S.A.)** will be employed as the flight equipment for a new charter subsidiary. When it becomes operational, Arcadia will operate long-haul flights to points in North America.

When Iberia refuses to hire 43 pilots specified in the April labor accord, AVIACO's 323 flyers commence a series of strikes beginning on January 26. Another job action occurs in early February, followed by a third on February 10. The latter forces the cancellation of 70 flights, primarily in the northern Spanish regions of Galicia and Asturias as well as the southern region of Alicante. A spokesman for SEPLA simultaneously indicates that, unless the pilots are employed, there will be three more work stoppages before the end of March.

On February 12, **American Airlines, British Airways, Ltd. (2)**, Iberia, and SEPI (the state holding company that presently owns Iberia) sign an important agreement in Madrid, one that has been delayed since November by wrangling over management issues. Under its terms, the Spanish flag carrier strengthens its relationship with the Anglo-Americans by selling to them, via SEPI, a combined 10% equity stake. For £226 million, BA takes the majority 9% share, with AA acquiring 1%; each of the foreign airlines receives a seat on Iberia's board of directors.

SEPI will sell an additional 30% of the airline to institutional investors in a June flotation on the Madrid stock exchange. The privatization of the Spanish airline will be valued at £2.5 billion.

Most of the CEOs of the "OneWorld" alliance meet in Sydney, Australia, on February 15 where Iberia is formally welcomed into the group.

Managing Director Mullor announces on February 24 that Iberia will divide up its business into six to eight different units before the end of the year in order to improve performance in each new department.

A contract is signed on March 1 with the Mexican courier and delivery service Multipack; the arrangement will enable the airline to provide one-day delivery services between Mexico City and Madrid.

While celebrating the forty-fifth anniversary of service between Spain and the U.S., Iberia, on March 28, inaugurates daily nonstop A340-313 roundtrips between Barcelona and New York (JFK). Iberia is the only carrier operating nonstops between the two cities; however, the services are offered as dual-designator flights with **American Airlines**.

Under terms of an agreement signed on March 8, the company begins to code-share with **Deutsche BA Luftfahrtgesellschaft, GmbH**, over a route from Madrid to Munich on June 17.

It is announced on March 12 that the 400 employees of the about-to-be-closed VIVA Air have voted to accept an agreement for the unit's winding down phase. Under the plan jointly developed by unions and management, employees are given several options, including joining Iberia's workforce, taking voluntary redundancy and a lump-sum

payment, or accepting early retirement if above age 58. Iberia intends to keep just 58 VIVA workers on the payroll.

On March 16, SEPLA calls for a strike during Easter Week; the job action during one of Spain's busiest travel periods, would, hopefully, pressure management into providing a new contract and honor arrangements regarding pilot hiring. SEPLA does, however, indicate that it is willing to negotiate to avert a crisis.

Flight 4494, an MD-80 with 101 passengers, suffers blocked landing gear while on approach to Geneva on March 18. Spectacular TV coverage records the emergency landing made on the international airport's single landing strip and no injuries are reported. The runway must, however, be closed for two hours during the incident, forcing other incoming flights to divert and upsetting thousands of tourists.

The company moves a step closer to completing privatization on March 26 when it closes bids by institutional investors for 30% of the company. Although 16 institutions had initially expressed interest in buying stakes of 3-10%, fewer offers are received. A public offer for most of the remainder of the outstanding stock is expected as soon as June.

Also on March 26, over 50 flights are cancelled as members of SEPLA begin a planned 8-day strike. Fortunately, an agreement is already in place between management and labor under which 95% of Iberia's roughly 800 daily flights are not to be affected. Although both sides in the dispute meet, there is a delay in the signing of a new labor pact as the airline seeks to renegotiate some of its terms, including bonuses for pilots who fly at night. Iberia's officials anticipate a \$100-million loss from the job action.

Despite repeated talks between SEPLA and Iberia, the strike continues into the second quarter. Over 400 flights are cancelled through April 5, impacting at least 100,000 travelers over the Easter holidays. The situation at Spanish airports has, meanwhile, been further exacerbated due to the many cancellations and delays imposed by Operation Allied Force, the NATO bombings in Yugoslavia that began on March 24 and will continue into June.

On April 7, Managing Director Mullor informs Carlos Ruano of Reuters, Ltd. that 100,000 reservations have been cancelled so far in April (a 12% decline), with another 170,000 passengers lost during the first week of the month. Over 800 flights have been cancelled. He notes that Iberia, concerned over the potentially serious repercussions of the strikes on the upcoming privatization, will sue SEPLA for PTA 4 million. At the same time, the airline will be with the union on April 8 in a further effort to resolve the job action.

Citing congestion in European air traffic, Iberia, on April 20, announces that it will cut by 15% the number of its scheduled regional services offered between June and December. Approximately 77 existing flights are to be cancelled each day. The continuing lack of an agreement between Iberia and its pilots also helps prompt the airline into the service reduction.

The same day, the government holding company SEPI talks with both sides in the contract negotiations and encourages them to work more creatively to fashion a collective agreement. At the same time, the market launching of the remainder of the stock planned for June is put off until October.

Reacting to the Iberian traffic cut, both **Spanair, S.A.** and **Air Europa, S.A.** announce on April 26 that they will continue with their scheduled flights and expansion plans despite the air space congestion. Spanair will, however, reduce certain frequencies during the summer.

By this time, the company's schedules appear chaotic. Flights are routinely cancelled and delays can run anywhere from half an hour to half a day. Newspapers across the country run tales of delay and colorful accounts of passenger annoyance and displeasure.

In one instance, police must be called after passengers aboard an aircraft, kept idle on the tarmac for over three hours without explanation, begin using their cell phones to call family, the media, government offices, and the national guard. The police are able to arrange for the captain's takeoff.

In another incident, passengers refuse to disembark from an aircraft that is so far behind schedule that it is grounded by curfew. Together with a pair of sympathetic flight attendants, they elect to spend the night on board rather than lose the plane's place in line for takeoff when the airport is reopened.

On one April day, 90% of all flights from Madrid are delayed, 85% are held up on another, and a daily average of 70% held up at the national capital becomes the standard for the month. At Barcelona, 1,300 flights are delayed during the 30-day period. The delay situation becomes a scandal across the country with everyone involved blaming someone else: Iberia charges the pilots, who blame the overcrowded airports, which scold ATC, which blames the Kosovo crisis and increased military traffic over Europe.

Chairman de Irala informs reporters during a May 7 news conference that his company has no objection to the possibility that **LanChile Airlines, S.A.** may purchase a stake in **Aerolineas Argentinas, S.A.** or that **American Airlines** may seek to increase its shareholding. Indeed, conversations are underway to determine if collaboration with the Chilean line in this regard might be arranged.

Contract talks between SEPLA and Iberia break down on May 13, with both sides accusing the other of cutting off negotiations. In its press release, SEPLA reserves the right to call a strike coinciding with Spain's summer vacation season. Iberia, in turn, makes what it calls a "final and definitive" offer in the form of an ultimatum: accept the company's offer or accept the consequences.

There is by now little public sympathy for the flyers who are, after all, the second highest paid in Europe behind the Swiss. With average after-tax salaries of between £47,000 and £120,000, 1 in every 10 pilots with the flag carrier is the son of another. Indeed, one captain has two brothers and four cousins also flying for Iberia.

Three days later, SEPLA, reacting to adverse publicity, seeks to "re-assure" the carrier's passengers by temporarily lifting their strike threat. It hopes to involve Industry Minister Josep Pique in the on-going negotiations and call upon him to mediate. Pique tells reporters that he has no intention of mediating talks between the two parties. Privately, he informs SEPLA's leaders that he would personally guarantee Iberia's offer, but that the time for negotiation is now over. Iberia says nothing.

The Canary Island subsidiary **Binter Canarias, S.A.** is sold on May 17 to a group of local banks and businesses for \$35 million.

There is no additional public movement on the labor front until May 27, when SEPLA leaders again pledge not to strike during the summer in order to reassure passengers that travel would not be disrupted further during the country's busiest vacation period. Iberia also does not respond to this truce offer.

After months of discord, SEPLA and company management are finally able to come to terms and sign an accord at the beginning of June.

The company introduces its first A319-100 into revenue service on June 9 on its twice-daily route between Madrid and Amsterdam. Operation Allied Force ends on June 11.

On July 1, the carrier signs a code-sharing pact with **Croatia Airlines**, covering flights between Barcelona and Zagreb.

Smoking is banned on all flights beginning on September 1.

In September, Iberia wins EU Commission approval for the final \$125.7-million tranche of its \$672-million government bailout. The award opens the door to a possible initial public offering after the government concludes the airline's privatization.

SEPI Chairman Pedro Ferreras announces in October that Spain will proceed with the last stage of Iberia's privatization with an initial public offering of its remaining 53% stake on or around November 22. A formal document will be signed with **British Airways, Ltd. (2)** and **American Airlines** in the period immediately thereafter. With stockholders questioning as inflated SEPI's 580 billion pesetas (\$3.6 billion) valuation of Iberia, Spanish Industry Minister Joseph Pique suggests in November that the carrier's privatization may be put off until early 2000.

A new A340-313X and the year's last A320-214 are delivered on December 1. **British Airways, Ltd. (2)** signs, subject to shareholder

approval, an agreement on December 15 with SEPI, the government holding company that oversees Iberia. Under its terms, BA will invest approximately 41 billion pesetas (£155 million/\$250 million) for a 9% stake in the Spanish flag carrier. Two BA executives are also to take seats on the Iberia board. The U.S. carrier **American Airlines** acquires a 1% equity, bringing the total stake by the "OneWorld" alliance partners to 10%.

Execution of the privatization package will require debate and procedural agreement between investors and Iberia's other new partners, as 30% is simultaneously set to be acquired by five Spanish firms: Caja Madrid, Spain's second largest savings bank (10%); Banco Bilbao Vizcaya (7.3%); the Logista distribution unit of the tobacco group Tabacalera (6.7%); the retailer El Corte Ingles (3%); and the broker Ahorro Corporacion Financiera, (3%). Although Caja Madrid has a larger stake, the arrangement calls for BA to have principal say in the operation of the Spanish flag carrier. With more votes than any of the other partners, BA will still require the support of at least two of them to wield its majority within the core shareholder group. The entire investment is conditioned by BA and AA on two conditions: SEPI will need to complete the remainder of Iberia's initial public offering by the end of 2000 and the partnership agreement must receive approval from the EU Commission. If either of these conditions is not met, BA and AA may withdraw their stake.

Also in December, Iberia, together with **Air Europa, S.A.** and **Spanair, S.A.**, are fined a total of \$865,000 by the Tribunal de Defensa de la Competencia. Spain's fair-competition agency has found the three guilty of collusion in the termination of a 1997 price war.

The last of eight B-757-256s received during the year is delivered on December 22. It is the 900th B-757 manufactured by Boeing.

Neither **British Airways, Ltd. (2)** or the Spanish banks protest too loudly when, as the month ends, Industry Minister Pique is forced to put off completion of Iberia's initial public offering until the new year. As the result of a lower valuation for Iberia's stake in the Amadeus computerized reservations system and for its real estate holdings, SEPI reduces its valuation of Iberia to 460 billion pesetas (\$2.55 billion) and ends a long, drawn out debate that has been holding up the airline's final disposal.

Passenger boardings slide 3% to 24,274,000, as cargo rises 1.2% to 823 million FTKs. Operating revenues slip 2.8% to \$3,877,980,000, while costs increase by 4% to \$3,820,230,000. Profits are down to \$57.75 million (operating) and \$153.57 million (net). Company assets total 687 billion pesetas, including 114 owned aircraft.

Airline employment at the beginning of 2000 stands at 29,079, a 5% increase over the previous 12 months. Among the world's top 25 airlines, Iberia is 14th in passengers, 13th in employees, 14th in fleet size, 21st in operating revenue, and 21st in net gain.

The first of four A319-111s to be received under charter from ILFC during the year is delivered on January 13. Another new A340-313X, the carrier's sixth, arrives on February 9.

Following considerable debate among investors, **British Airways, Ltd. (2)** announces on February 12 that it has finally concluded execution of an agreement with SEPI. Under its terms, BA pays approximately 41 billion pesetas (£155 million/\$250 million) for a 9% stake in the Spanish flag carrier. The investment can be removed if a public flotation of Iberia stock does not occur by December 31 or the deal does not gain EU approval. **American Airlines** picks up a 1% stake under the same terms. The arrangement values Iberia at E2.73 billion (\$2.74 billion), which is 20% below the original figure quoted by SEPI, but higher than the December figure.

Two more A340-313Xs arrive on April 11 and 13, respectively. The first of 11 A320-214s to be received this year is delivered on April 25. The DC-10-30 fleet begins retirement during the month, with two aircraft retired and put up for sale.

A specially painted B-757-256 is unveiled in ceremonies at Madrid on April 24. The narrow-body, the first of eight to be delivered this year, wears titles celebrating the 25th anniversary of the Madrid-

Barcelona air bridge, the busiest route in Spain. On April 26 a B-747-312 is chartered for a month from **Air Atlanta Icelandic, H.F.** It is employed on the return route from Madrid to Havana.

The carrier reports on June 12 that it will retire 16 DC-9-32s, 4 DC-9-34Fs, 4 DC-9-34s, and 7 DC-10-30s during 2001. At the end of the month, Chairman Xabier de Irala informs the aviation press that the long-delayed initial public offering will not occur until at least the end of August and maybe not until October.

Plans are announced on July 18 for the accelerated retirement of the DC-10-30 fleet, with the last unit departing the fleet at the end of the year. The company board also approves a broad, four-year strategic plan designed to increase accumulated net profit to 153 billion pesetas (\$871 million) by 2003.

While en route from Madrid to Germany on September 26, Flight 5008, a B-757-256, loses cabin pressure and is forced to dive 15,000 feet. A safe emergency landing is made at Dusseldorf. The aircraft had been transporting the Spanish football team Real Madrid to Germany for a European Champions League game against the team Bayer Leverkusen.

Late in September, Iberia makes a bid to take over **Air Europa, S.A.** Arrangements for the merger are completed, subject to government approval, on October 6. The Spanish newspaper *El Pais* reports on October 26 that Sociedad Estatal de Participaciones Industriales, Iberia's majority owner, has yet to approve the amalgamation and even assuming it does, the final outcome will depend on the Spanish and EU antitrust authorities.

A third DC-10-30 completes its final revenue flight on October 9 and is withdrawn. Suspended service from Barcelona to Milan is resumed on October 29. Officials from **Air Europa, S.A.** and Iberia publicly confirm the merger talks on November 4, noting that they have set a 45-day limit on negotiations.

The press reports on November 16 that Iberia has offered to purchase 27 **Air Europa, S.A.** aircraft and hire upwards of half of its staff. **Air Europa, S.A.** owner Juan Jose Hidalgo, in turn, seeks a 10% stake in Iberia before he will turn over his airline. Negotiations between the two majors leads the Spanish government to postpone its own initial public offering plans for Iberia; privatization of the state's remaining 53.7% is tentatively rescheduled for April 2001.

A company official admits on November 20 that the carrier is interested in purchasing the **British Airways, Ltd. (2)** subsidiary GO. Although 2000 losses of £25.3 million are forecast on sales of £101.7 million, the unit is still valued at between £100 million and £300 million.

The same day, arrangements are made with **Air Atlanta Icelandic, H.F.** for a four-year charter of three B-747-341s previously operated by **VARIG (Viacao Aerea Rio Grandense, S.A.)**. It also sells two of its own B-747-256Bs to the Icelandic concern and then leases them back for 18 months.

The final A319-111 of a four-ship order is received on November 15. The last two of three DC-10-30s are retired on November 27 after one completes a final flight to Madrid from Caracas. The final unit completes a roundtrip revenue flight from the Spanish capital to Mexico City, after which the type is fully retired.

The last of 11 A320-214s to be received this year is delivered on November 29. Since May 1999, Iberia has acquired 21 of this Airbus type. The last of the year's eight B-757-256s is delivered on December 6. Since July 1988, the company has accepted 23 of these Boeing narrow-bodies.

The formal period for negotiations between Iberia and **Air Europa, S.A.** ends on December 15. On December 16, Iberia becomes the latest European or Mideast carrier to defy the UN embargo and operate a humanitarian service to Baghdad. The A300B4 transports 150 people and 8 tons of medical and educational equipment.

Wearing full Iberia colors, the first B-747-341 is delivered by **Air Atlanta Icelandic, H.F.** also on December 16. Christened *Jose de Zorrilla* in honor of a classic Spanish writer, the Jumbojet enters service the next day on the route from Madrid to Buenos Aires.

Sunday Business reports on December 17 that Iberia and **KLM (Royal Dutch Airlines, N.V.)** are, together with the venture capital firm Electra Partners, on the shortlist of purchase bidders drawn up by the U.S. brokerage firm Goldman Sachs for the **British Airways, Ltd. (2)** subsidiary GO.

The media also reveals on December 17 that Iberia and **Air Europa, S.A.** have agreed to a merger under which the latter would be purchased by the former for \$212 million. Negotiations on the actual turnover continue.

Noting the formal end of the agreed-upon time for negotiations, on December 19, leaders from Iberia and **Air Europa, S.A.** extend their self-imposed deadline until January 25. Analysts suggest that no merger between the two will be approved by the EU Commission unless the pair agrees to surrender a number of valuable slots held by them at Spanish airports.

Still, the news is encouraging enough for the Spanish government to postpone plans for the initial public offering of its remaining 53.7% stake in Iberia until (or if) a deal with Air Europa can be concluded.

On December 23, a code-sharing agreement is inked with **LanChile Airlines, S.A.** Under its terms, the two will place their codes on each other's flights across the Atlantic and through Europe and South America beginning on January 1.

At the end of the year, Iberia withdraws its plans to bid on GO, the **British Airways, Ltd. (2)** subsidiary, noting that the British carrier operates from an airport where the Spanish line has no facilities. At the same time, the Sepia pilots union rejects a proposal to create a parallel promotion structure for **Air Europa, S.A.** pilots and threatens to obstruct any takeover if the newcomers, no matter how senior, do not start at the bottom of Iberia's promotion ladder.

Revenues for the year rise 16% to 747 billion pesetas, while pretax profit grows 18.5% to 37 billion pesetas.

The flyers' problem will be solved on January 19 when merger discussions between Iberia and Air Europa collapse following an irresolvable disagreement over price.

IBERWORLD AIRLINES, S.A.: Via Portugal 5-4, Palma de Mallorca, Baleares, E-07012, Spain; Phone 34 (971) 229144; Fax 34 (971) 713184; Code TY; Year Founded 1998. Established by Grupo Viajes Iberia in early 1998, this domestic and international charter operator is affiliated with the U.K. charter operator **Airworld Aviation, Ltd.** Managing Director Casimiro Bermudez recruits a workforce of 139 and leases a pair of Airbus Industrie A320-231s. With the first of these on hand, service is launched on April 12 to both local and long-haul holiday destinations in Europe and the Mediterranean.

Two A320-214s are requested in 1999 as an A310-324 is acquired under lease. Among the new tours flown is a weekly service, on behalf of First Choice Holidays, between Humberside, England, and Tenerife.

The workforce stands at 300 at the beginning of 2000. Acquired from Oman Aviation Services, an A320-231 arrives early in the year wearing the company's new color scheme featuring bold "Iberworld" titles.

With the launch of the summer schedule at the end of March, Iberworld takes over the weekly roundtrip service between Tenerife and Humberside previously flown by **Air Europa, S.A.**

On October 29, weekly A320-231 return charters are introduced between Tallin, Estonia, and Las Palmas in the Canary Islands. The flights, which will continue through the end of April, are made in cooperation with the Estonian travel agency Continental Travel.

IBIS AVIATION ARUBA, A.V.V.: P.O. Box 11586/1256, Doiniganesse Straat, #22, Oranjestad, Aruba; Phone 297 (8) 32665; Fax 297 (8) 23038; Code IB; Year Founded 1993. Ibis is established, for financial reasons, at Oranjestad in the summer of 1993 to offer international, regional, and domestic all-cargo services from a base in Africa. Dr. Gibril Mohd is named managing director and an operating subsidiary, Ibis Aviation-Sudan, is established to fly from the company's principal hub at Khartoum, Sudan.

Revenue flights commence in September and continue thereafter with a pair of Boeing 707-320Cs. Destinations visited in **1998–2000** include Central Africa, Doha, Jeddah, Johannesburg, Kano Maiduguri, Nairobi, and Sharjah. Flights to Europe and the Far East are undertaken on a non-scheduled basis.

IC JET: Mather Field, Sacramento, 1209 Orange Street, Wilmington, Delaware 19801, United States; Phone (906) 852-9838; Fax (906) 852-9822; <http://www.icjet.com>; Year Founded 1989. Originally founded in June 1989 as Chancellor Charters, this nonscheduled operator provides Beech lightplane flights to destinations in Northern California from the state capital at Sacramento. In 1992, the concern is purchased by Delaware-based Investment Capital Corporation, which names the carrier after itself, upgrades service with a Beech Super King Air 200, and enters into an executive aviation affiliation with **American Airlines**.

Flights continue apace for the next four years. In 1996, after an extensive study of customers and services, the carrier elects to acquire new equipment and to change its corporate image once again. A Beechjet 400A is selected and the name is shortened; flights are extended from California to worldwide destinations as the **American Airlines** relationship continues.

Service is maintained during the remainder of the decade.

ICAR AIRLINES INDEPENDENT. See **INDEPENDENT CARRIER (ICAR)**

ICARUS CARIBBEAN CORPORATION: Isla Grande Airport, Lot 3, South Isla Grande, San Juan, Puerto Rico 00936, United States; Phone (787) 729-0000; Fax (787) 729-0003; Year Founded 1995. ICC is the FBO at Isla Grande Airport. Established in 1995, it also operates executive and small group passenger charters with 2 Piper PA-31-310 Navajos.

ICC CANADA, LTD. See **INTERNATIONAL CARGO CHARTERS CANADA, LTD.**

ICEBIRD AIRLINES, H.F. See **ISLANDSFLUG, H.F.**

ICELANDAIR. See **FLUGFELAG ISLANDS, H.F. (2) /ICELANDAIR, H.F.**

ICELANDIC AIRLINES. See **LOFTLEIDIR H.F./ICELANDIC AIRLINES H.F.**

ICELANDIC MD AIRLINES, H.F.: Arlanda Airport, Stockholm, Sweden; <http://www.trafficeuropa.se>; Year Founded 2000. A new subsidiary of the **MK Airlines, Ltd.** subsidiary MK Flugfelagid, H. F. is formed at Reykjavik in February 2000. Icelandic MD Airlines, H.F., headquartered at Keflavik but based at Stockholm, specializes in commissioned flights for travel companies and replacement service for regular airlines requiring increased capacity.

An exclusive contract is signed with Traffic Europa Svenska, A.B. and a single McDonnell-Douglas MD-81, previously flown by **SAS (Scandinavian Airlines System)**, is acquired on April 6. From Stockholm's Arlanda Airport, the operator launches inclusive-tour flights on April 13, with Bologna the first destination. Thereafter, weekly roundtrips are also flown to Rome, Nice, Malaga, Alicante, and Thessaloniki. All flights from Arlanda are staffed by Swedish cabin crews. During the summer, charters are also laid on to Edinburgh.

IGARKA AIRLINE (IGARSKA AIR ENTERPRISE): Igara Airport, Krasnoyarsk, Krasnoyarsk Region, Russia; Year Founded 1996. IA is set up as a domestic all-cargo charter operator at Igara Airport in 1996. Wacheslav Kopytov is general director and he begins revenue flights with a fixed-wing fleet of 5 Antonov An-26s and 4 An-2s, plus 8 Mil Mi-8 helicopters.

IKAR: Russia (1994–1995). The joint-stock company Ikar is established at Voronezh in 1994 to provide domestic services. A. S. Mezhor is appointed general director and revenue flights commence with a single Yakovlev Yak-40. Flights cease in 1995.

IKAR (ARSENEVSKAYA A/K): Russia (1994–1995). Ikar (Arsenevskaya) is established at Arsenov in 1994 to offer domestic services. V. I. Manoylenko is named general director and he launches revenue passenger and cargo frequencies with a fleet comprising 3 Antonov An-12s, 1 Tupolev Tu-134, and 1 Mil Mi-8 helicopter. Flights cease in 1995.

IKAROS FLY (IKAROS FLY A.p.S.): Roskilde Airport, Hangarvej A12, Roskilde, DK-4000, Denmark; Phone 45 46 19 10 10; Fax 45 46 19 05 15; <http://www.daa.dk/ikaros>; Code KR; Year Founded 1981. IF is established at Roskilde Airport at Roskilde on March 1, 1981 to provide international, regional, and domestic charter passenger and cargo services. It also serves as a major Danish flight school, preparing pilots for many of the nation's nonscheduled operators. J. Poulsen is chairman, with C. Thomsen as president. Revenue operations commence later in the month and by 1994 the company employs 13 workers and flies 1 each Beech 95, Piper PA-31-350 Navajo Chieftain, and Dornier 228-212.

Flights continue in 1995–2000, during which time the company also begins to fly a Piper PA-31-350P Chieftain Panther Conversion 11. Destinations visited include Baku, Gyandzha, Istanbul, Minsk, Moscow, Rimini, Sharjah, Tashkent, and Urumqi.

On May 7 of the latter year, the company, in association with its owner, the Kharkov Trade Company and the Kharkov Aviation Plant (KhGAPP), becomes launch customer for the Antonov An-140. The first of five are to be delivered within a few weeks.

With production delayed, only the one aircraft has been received by the end of the year. At this point, plans are announced for the March 8, 2001, inauguration of scheduled return service from Kiev to Kharkov, Simferopol, and Lvov.

ILAVIA: Russia (1995–1999). With Emil G. Akopian as president, Ilavia is established at Moscow in 1995 to provide domestic air cargo services. Flights commence with a fleet that includes 5 Ilyushin Il-76s and 3 Il-18Fs. A total of 12,100 tons of freight are hauled during the year.

In 1996, charter flights are inaugurated to the UAE. As a result, 21,300 FTKs are operated.

Like several airlines that have appeared after the collapse of the Soviet Union, Ilavia specializes in facilitating lift for the *chelnoki*, also known as shuttle or suitcase traders. Thousands of these small-time merchants, usually young men but sometimes even middle-aged housewives, travel to foreign lands, often in the Mideast, but also China, Greece, and Africa, to find low-priced goods to sell for large profits at home.

In mid-August 1998, the Russian ruble is devalued. Almost immediately, many of the *chelnoki* must quit their trading as they can no longer afford to pay for hard currency to make their acquisitions. Additionally, the devaluation impacts the Russian air cargo carriers engaged in this trade, forcing them to cut back on scheduled flights and particularly on charters.

The carriers operating certificate is pulled by Russian authorities in 1999 after it is caught flying an IL-76D with time-expired engines purchased from a scrap dealer.

ILFORD RIVERTON AIRWAYS, LTD.: Canada (1953–1987). Founded at Winnipeg Airport in 1953, Ilford Riverton inaugurates passenger and cargo charter flights to various destinations in Manitoba and the Arctic. Operations continue apace over the next 17 years. A Curtiss C-46 Commando is leased in 1970–1971 to operate all-cargo charters.

The carrier suffers only two fatal accidents during its entire existence. On June 24, 1972, a Beech 18 crashes and burns at Winnipeg, killing all nine persons aboard.

A chartered Douglas DC-3, with two crew and one passenger, strikes a riverbank while landing at Fort Severn on January 3, 1975, collides with a building and catches fire; there are no survivors.

By 1978, President P. M. Lazarenko oversees a workforce of 40 and a fleet of 5 Douglas DC-3s, 1 Consolidated PB5Y-5A Canso, 1 Piper Aztec, 1 Piper Apache, 1 de Havilland Canada DHC-3 Otter, and 1 Cessna 180. The flying boat, named *The Fisherman's Friend*, is employed to take anglers to the lakes of northern Manitoba.

During the early 1980s, regularly scheduled services are introduced linking the company's Winnipeg base with Island Lake, Gods Narrows, and Oxford House. The fleet is upgraded and in 1984 comprises 6 DC-3s, 1 Curtiss C-46, 2 Cessna 185s, 1 Cessna 206, and 1 Cessna 337. Late in the year and over the next two, three additional Commandos are purchased.

In early 1987, Ilford Riverton attempts to change its name to Air Manitoba, Ltd.; however, the provincial government will not permit this new corporate identity. The government does not object when company officials adopt the name **Northland Air Manitoba, Ltd.**

ILIAMNA AIR TAXI: P.O. Box 109, Iliamna, Alaska 99606, United States; Phone (907) 571-1248; Fax (907) 571-1244; Code LS; Year Founded 1980. Iliamna is formed by Timothy J. LaPorte at the Alaskan community of Iliamna in 1980 to offer charter and contract service flights to surrounding small communities and bush areas. Four-and-a-half years later, in July 1985, regularly scheduled commuter services are inaugurated linking the company with Nondalton, Port Alsworth, Kakhonak, and other previously charter points. Operations continue apace for the remainder of the decade and into the next.

In 1991, President LaPorte operates a fleet of 2 Cessna 207As, 1 Cessna 206, and 2 de Havilland DHC-2 Beavers. A total of 418 passengers and 712,784 pounds of mail are flown on the year.

Services are maintained in 1992–1993 and the fleet grows to include 3 Beavers, 2 Cessna 207s, 1 Pilatus-Britten-Norman PBN-2 Islander, 1 Piper PA-34 Seneca, 1 Cessna 206, and 1 Beech Bonanza. Enplanements in 1994 total 7,608.

Operations continue apace in 1995–1999. During the latter year, the carrier flies 4 Beavers, the 2 Cessna 207As, the Cessna 206, plus 1 Cessna 208 Caravan I, 1 Beech Baron, and 1 Pilatus-Britten-Norman PBN-2 Islander.

The new millennium begins poorly for the 20-year-old concern. While on a February 5, 2000 air taxi flight from Iliamna to Koliganek, the Cessna 206 with a pilot and five passengers, disappears. Although a search is conducted by the Alaska Air National Guard, the plane's emergency locator transmitter is not working. When the wreckage is found the next day, approximately 31 mi. W of the point of origin, there are no survivors.

ILIM AIRLINES: Magadan, Russia; Year Founded 2000. Privately owned Ilim is established at Magadan in the spring of 2000 to reestablish services over routes to several local communities that have been closed over the past five years. Andrey Koryakin is named director general and he assembles a staff and a fleet of 4 Antonov An-2 biplanes and several Mil Mi-8 helicopters. After the snow melts in late spring, weekly return revenue flights are initiated to Amga, Borogontsy, Churapcha, and Ytyk-Kyuel.

ILLINI AIRLINES: United States (1956–1957). One of the nation's pioneer small regionals or commuter airlines, IA is established at Rockford, Illinois, during the summer of 1956 to provide scheduled passenger and cargo flights to Chicago's downtown airport, Meigs Field.

Employing a pair of de Havilland DH 104 Doves, revenue flights commence linking the company's base with its primary destination, as well as Freeport, Sterling, and Madison. Operations continue apace until late in 1957, when the company is purchased by and merged into Detroit-based **TAG Airlines**.

ILOILO-NEGROS AIR EXPRESS COMPANY (INAEC): Philip-pines (1932–1941). Eugenio Lopez, son of a rich sugar-producing family at Iloilo, on the Philippine island of Panay, establishes INAEC in April 1932. The remainder of the year is taken up in acquiring a fleet of Stinson aircraft and building a hangar and other facilities.

Determined to provide a successful air service where Jose Tinsay had failed during the previous decade, Lopez's new concern begins its operations on February 3, 1933, with a Stinson SM 6000 proving flight to Manila. The next day, a charter route is opened to Bacolod, north of Manila and on February 9 another is extended south to Cebu. With additional Stinson trimotors and several single-engine Stinsons now available, the north-south service between Luzon, Panay, and Negros is given regularly scheduled timetables.

This service is continued without incident until 1935 when frequencies are initiated to the southern Philippine island of Mindanao. Davao and Cagayan de Oro (home of the Del Monte pineapple farms) now become the carrier's fourth and fifth major markets. A total of approximately 24,000 passengers are carried during the year.

A Stinson SM-6000 is lost in a nonfatal accident on May 29, 1936. It is replaced with a Sikorsky S-43 amphibian, which, complete with a steward, enters service on February 22, 1937.

Services and frequencies are increased during the remainder of the decade and into 1940. Twice-weekly services cover the entire archipelago while three more roundtrips are completed in midweek between Manila and Iloilo.

Despite political tensions in the Pacific, 1941 begins on a good note when, on February 12, service is started to the resort community of Baguio. Operations become irregular after the Japanese begin attacks on the Philippines on December 8; the same day, the Lopez family is evacuated to Manila. Ten days later, Rising Sun aircraft wipe out the carrier's entire fleet during air raids on Iloilo.

The airline will rise again late in 1945 under the name **Far Eastern Air Transport, Inc. (FEATI)**.

IMAIR AIRLINES: 115 Hazi Aslanov Street, Baku, 370000, Azerbaijan; Phone 994 (12) 98 23 76; Fax 994 (12) 93 04 78; Code IK; Year Founded 1994. The limited liabilities company Imair is set up at Baku on October 6, 1994 to offer passenger and freight charters to international destinations. Fizouli Alekperov is named chairman/president and he recruits a workforce of 217 and acquires a fleet of 2 each Ilyushin Il-76Ts and Tupolev Tu-154Ms, plus 1 Tu-134A.

The carrier receives its air operators permit in July 1995 and immediately inaugurates flights that link its base with Gyandzha, Istanbul, Minsk, Moscow, Rimini, Sharjah, Tashkent, and Urumqi.

Flights continue in 1996–1999. By the latter year, Chairman Alekperov's fleet has been reduced to 1 each Il-76M, Tu-134A, and Tu-154M. Although Baku is added to the scheduled route network, Gyandzha, Istanbul, and Minsk have been dropped.

IMPALA AIR CARGO (PTY.), LTD.: P.O. Box 8067, Bonaero Park, 1622, South Africa; Phone 27 (11) 395-1527; Fax 27 (11) 395-2619; Year Founded 1993. Impala is established at Johannesburg in 1993 to offer all-cargo charters and international contract service flights. Revenue operations commence and continue with a single leased Boeing 707-351C first flown by **Northwest Airlines** years earlier.

By 2000, employment at President J. P. Bezuidenhout's concern has reached 120.

IMPERIAL AIR, S.A.: Peru (1993–1996). Imperial Air is established at Lima in the spring of 1993 to provide regional services. Revenue operations commence in May with a pair of Antonov An-32s purchased from **Aeroflot (Russian International Airlines)**. The route network of President Luis A. T. Salazar's concern includes 22 destinations by year's end. Three leased Tupolev Tu-134A-3s join the fleet in 1994, along with a pair of Boeing 727-23s.

The company reports traffic figures to ICAO for the first time in **1995**. These show that, for the period through June, a total of 94,888 passengers are transported, a 22.2% increase of the same time a year earlier. Operations cease in **1996**.

IMPERIAL AIRLINE COMPANY, LTD.: 2-12-5 Kyobashi, Chuo-ku, Tokyo, 104, Japan; Phone 82 (3) 3522-1701; Fax 82 (3) 3522-1705; Year Founded 1960. Imperial is established at Tokyo in **1960** to provide executive and small group charters and contract service flights, first with small fixed-wing aircraft and later with helicopters. By **2000**, the carrier employs 15 full-time pilots and operates 4 Aerospatiale AS-350B Ecureuils and 6 Bell 206B JetRangers.

IMPERIAL AIRLINES (1): United States (1960–1962). A major all-cargo operator, Miami Springs, Florida-based Regina Cargo Airlines is renamed in January **1960**. Having taken up charter passenger operations within the continental U.S., the company acquires a pair of passenger-configured Curtiss C-46 Commandos. Later in the year, the company trades in the former freighters for a pair of Lockheed Constellations.

A chartered L-1049E with 5 crew and 74 passengers crashes during final approach to the airport at Richmond, Virginia, on November 8, **1962** (76 dead). Following the crash, the U.S. government cancels the airline's operating certificate.

IMPERIAL AIRLINES (2): United States (1964–1987). Founded as **Visco Flying Company** on October 10, **1964**, this small carrier offers Beech 18 and Beech B-80 Queen Air charter and air taxi service in the San Diego, California, area from its base at Palomar Airport. On August 30, **1967**, the company name is changed to **Imperial Commuter Airlines**. A Beech 18S with four aboard crashes at San Diego on January 8, **1968** (three dead).

Operations continue apace during the remainder of the decade and into the early **1970s**. Embraer EMB-110 Bandeirantes are introduced in **1976**.

Services are provided throughout the San Diego region and, in **1977**, early morning San Diego–Los Angeles (LAX) flights on the half-hour are introduced.

Enplanements are 13,432.

Plans are made in **1978**, but not immediately realized, to replace the company's fleet of six Embraer EMB-110 Bandeirantes with larger aircraft. Despite President Carter's signing of the Airline Deregulation Act in October, the company's growth rate for passenger traffic stalls.

Passenger boardings actually decline by 1.5% to 13,234. Still, freight traffic is up nicely, by 32.1%, to 154,134 pounds.

At the beginning of **1979**, the company is in dire financial straits and is rumored to be near collapse. In July, the company is purchased by former **Golden West Airlines** President James M. Harmon, who, together with his son Mark, named senior vice president, changes the corporate identity to just Imperial Airlines and moves his acquisition to Carlsbad, California. Intrastate destinations include not only Los Angeles, but also Ontario, El Centro, San Diego, and San Luis Obispo as well.

Enplanements total 32,196.

In **1980**, the small regional, now flying 3 Bandeirantes and 5 Cessna 402s, introduces a shuttle service from Los Angeles to San Diego and from Los Angeles to Santa Barbara, with a total of 12 daily departures. In addition, 20 flights (evenly split) are flown daily from San Diego and Los Angeles to Ontario.

Imperial experiences a 72.7% traffic rise as boardings advance to 55,600. Revenues total \$1.91 million, expenses are \$3.41 million, and the loss is \$1.50 million.

In **1981**, following the demise of competing **Swift Aire** and the addition of service from Los Angeles (LAX) to San Luis Obispo and Orange County, boardings skyrocket by 241.6% to 189,910 and cargo traffic reacts likewise, rising a spectacular 172.1% to 174,000 pounds.

This good fortune allows the carrier to increase its workforce by 62.9% to 145 and add three EMB-110s to help handle the demand. Rev-

enues balloon an unbelievable 236% to \$6.41 million. Despite these remarkable figures, the year is not profitable. Operating expenses rise a steep 125% to \$7.66 million, advancing the deficit another 17% to \$1.24 million.

San Diego and Los Angeles shuttle schedules are accelerated from 12 roundtrips to 32 in February **1982** to fill a 40-day void created by strike-struck **Pacific Southwest Airlines (PSA)**. Simultaneously, a contract is signed with **United Airlines** to provide feeder service to the major at the Los Angeles hub. Even after PSA returns to full service, the San Diego–Los Angeles shuttle is continued at a high rate. This is largely due to aggressive marketing, a reduction of UAL jet flights, and a reduction by **Golden West Airlines** in its schedule over the route, a drop from 12 daily flights to 4.

Passenger traffic accelerates by 40.1% to 265,963 passengers carried, forcing the carrier into CAB classification of Large Regional.

The payroll jumps 70.1% in **1983** to 318 and the company begins to replace its Bandeirantes with three Shorts 360s and a Cessna 404 Titan. Options are held for three additional Shorts. Daily flights to Bakersfield begin.

Customer bookings increase 29.2% to 343,680 and cargo climbs 23.6% to 253,000 pounds. Revenues rise 32.8% to \$14.5 million.

The fleet in **1984** includes 6 EMB-110s and 3 Shorts 360s. Following four years of steady growth, Imperial encounters many of the problems of competition suffered by others in the tight California air market.

Enplanements drop by 11.7% to 303,470. Freight also falls, by 25.2%, to 190,000 pounds.

The company can only take one more year of such downturn and it occurs in **1985** as \$2.5 million are lost on revenues of \$11 million. Imperial stops flying on January 10, **1986** and files for bankruptcy protection in February, following its purchase by a group of investors who acquire 70% shareholding. Although efforts are made throughout the rest of the year to reorganize, refinance, and restart, they are unsuccessful.

In February **1987**, the company's operating certificate is voided. The company's assets will be acquired by United Imperial Airlines, which will fail when its own attempted takeover of **Pacific Coast Airlines** ruins them both.

IMPERIAL AIRWAYS, LTD.: United Kingdom (1924–1939). On March 31, **1924**, the British government's "chosen instrument" and first national airline is established in offices at Wolseley House, Piccadilly, London. A motion to name the new company The British Air Transport Service is rejected because of its initials (BATS) and the grander moniker Imperial Airways, Ltd. (IA), is chosen.

The initial components of the new state-owned company will include the serviceable 7 de Havilland DH 34s, 1 Vickers Vimy Commercial (the *City of London*), 2 Supermarine Sea Eagles, and 3 Handley Page HP W8bs) aircraft and assets of the former independents **Handley Page Transport, Ltd.**, **The Instone Air Line, Ltd.**, **The Daimler Airway, Ltd.**, and **British Marine Navigation Company, Ltd.** As noted under their individual entries, these are bought out and the total consideration is £148,750.

Plans are made to start service on April 1 with a staff of 260 from a base at Croydon Airport. Many of the personnel taken on from the previous operators have been in commercial aviation since its birth in 1919; they will, as a group, come to be known in later years as the "Old Contemptibles."

Capitalized at £1 million (\$5 million) with a government promise of an annual £1-million subsidy for a decade, the carrier's initial chairman is Sir Eric Campbell Geddes, previously the first minister of transport and general manager of the North Eastern Railway and current chairman of the Dunlop Rubber Company. Former **Handley Page Transport, Ltd.** officials Col. Frank Searle and George Woods-Humphrey are named managing director and general manager, respectively.

The board of directors is comprised of the chairmen of the former independents plus two government representatives, Sir George Hambling, deputy director of the Barclays Bank and Maj. J. W. Hills, late financial

secretary to the treasury; and two from industry, H. Scott-Paine and Lt. Col. J. Barrett-Lennard. Sir J. George Beharrel, managing director of Dunlop Rubber, a Geddes confidante, assistant, and chartered accountant, is employed as chief financial officer, as well as a director.

Sixteen pilots from the former independents, led by Frank Barnard formerly of **The Instone Air Line, Ltd.**, are offered, just before service is launched, £100-per-year retainer each plus 15-shillings-per-hour flight pay (\$3.75). Among this number are the veterans H. S. Robertson, O. P. Jones, R. H. McIntosh, Gordon P. Olley, Ray Hinchliffe, C. F. Wooley Dod, Herbert Horsey, F. Minchin, A. L. "Scruffy" Robinson, W. Rogers, and future Air Commodore Griffith J. Powell. They are informed that they can be laid off with but one day's notice.

Displeased by this tender as well as by the prospect of their being under the command of Woods-Humphrey, who is seen to be both antisafety and unqualified, the pilots form a union at Croydon at month's end. Unhappily, ground staff are prohibited from following their example. Almost immediately, the Imperial board asks the RAF to release pilots to the carrier to be employed as strikebreakers, should the need arise.

Chairman Geddes, Managing Director Searle, and union leaders meet separately to resolve the crisis with Lord Thomson of Cardington, the Secretary of State for Air (SSA) in the new Labour government. The atmosphere becomes more bitter when Woods-Humphrey files a libel suit against the pilot's new union. Air Ministry officials and the widely respected Sir Samuel Instone now intervene; the latter suggests that an Air Superintendent (AS) acceptable to the flyers be appointed to represent the pilots to the Imperial board.

This proposal, plus a new salary scale (£880 maximum), a £1000 life insurance policy per aviator, and annual contracts, are agreed upon by both parties. Maj. Herbert G. Brackley, formerly of **Handley Page Transport, Ltd.** and now back from a government-assistance tour in Japan, is appointed the first AS and the initial pilot's union is dissolved. The widow of Maj. Brackley will, years later, tell her husband's story in *Brackles: Memoirs of a Pioneer of Civil Aviation* (Chatham, Eng.: W & J Mackay, 1952).

Brackley quickly appoints another pilot, William Armstrong, formerly of **Aircraft Transport and Travel, Ltd. (AT & T)**, who will carefully fly for the carrier and its successor organization **British Overseas Airways Corporation (BOAC)** until his 1945 retirement; his memoir, *Pioneer Pilot* (London: Blandford, 1951) is a helpful introduction to Imperial history.

Once the pilot dispute is finally behind it, IA is able to commence service on April 26. Every pilot is given a copy of the carrier's new 95-pp. *Imperial Airways Pilot's Handbook and General Instructions*. (The book will be reprinted in 1974 by the London firm of Ducimus Books.)

Once more, as in the days of the independents, passengers are offered ground transport to and from scheduled airports and are even given a booklet entitled *Points for the Passenger*, explaining what they might expect. Capt. (an honorary title, as Imperial will not use the term until the early 1930s) H. S. Robertson, flying a DH 34, inaugurates daily return flights on a London (Croydon Airport) to Paris (LBG) route. A number of frequencies are now opened.

Sea Eagles commence flying Southampton (Woolston)—Guernsey on May 1, while Capt. A. L. Robinson, flying a DH 34, operates from London to Cologne on May 2. London to Brussels and Cologne and London to Ostend and Cologne daily flights begin on May 3, followed by weekday London—Amsterdam, Hanover, and Berlin, in cooperation with **Deutsche Aero Lloyd, A.G.** on June 2, and thrice-weekly summer service, London to Paris, Basel, and Zurich on June 17. A Supermarine Sea Eagle, meanwhile, is lost in a May 21 crash.

Failure by Imperial to participate in a previously discussed joint Anglo-French flying boat service from Marseilles to Alexandretta leads to a French refusal to grant overflight rights Paris to Genoa.

Under the original document of incorporation, payment for the predecessor companies is to be made one-third in cash and two-thirds in fully paid shares. A prospectus is issued on Derby Day in June; an initial public offering of 500,000 £1 shares is made. The public response is under-

whelming and the underwriters of the initial public offering are left to purchase 75% of the issue.

A July service between Croydon and Le Bourget is relived by William H. Rankin in his *London to Paris by Air—The "Imperial Way"* (New York: Carey Craft Press, 1924).

On November 3, the company's first trimotor, the Handley Page W8F *Hamilton City of Washington* is christened and placed in service on the Paris route. With Civil Aviation Director (CAD) Sir Sefton Brancker as expedition leader and passenger, Alan Cobham, with his engineer A. B. Elliott, departs London in a DH 50 on November 10 on the first leg of a survey flight through India to Rangoon, Burma. Fiscal support for the expedition is provided by the company, the U.K. Air Ministry, the Society of British Aircraft Constructors, de Havilland Aircraft Company, and the Anglo-Persian Oil Company. The state airline's first fatal accident occurs on December 24 when a DH 34 crashes at Purley (eight dead).

Passenger enplanements for the last three quarters (traffic figures being always reported on March 31 of the following year) are 11,395.

The Amsterdam—Berlin segment of the London—Berlin service is suspended on January 1, 1925. Brancker and company return to London on March 17, having suffered illness at Calcutta on the way to Rangoon and a forced landing near Stuttgart en route home. Still, Brancker's positive report results in the government's decision to replace its military airmail service in the Middle East with one flown by IA under subsidy. Brancker's story, which will end tragically with the crash of the airship R.101 in 1930, is ably told by Basil Collier in *Heavenly Adventurer: Sefton Brancker and the Dawn of British Aviation* (London: Secker & Warburg, 1959).

On April 1, it is reported that in the company's first year, over 800,000 revenue passenger miles have been flown. Simultaneously, Managing Director Searle resigns and is succeeded by General Manager Woods-Humphrey. On one of the April flights (according to information from <http://www.robinsonresearch.com/MOVIES>), the first motion picture screening for airline passengers is made. The film is the silent version of Sir Arthur Conan Doyle's *The Lost World*.

In cooperation with **ABA Swedish Air Lines, A.B.**, a London—Stockholm frequency is inaugurated by the DH 34 *City of Washington* on May 15, with Imperial flying the London to Amsterdam leg.

By summer, the company is unable to position the six serviceable aircraft needed for daily operations; one day in August, the carrier must cancel all flights because it has no ready planes. In early September, three new Handley Page W10s are ordered. The first joint Air Ministry/IA survey of a possible Cairo to Karachi route, begun on August 31, is completed on October 1. During the month-long aerial expedition, Capt. Minchin lands at a large number of airfields of possible utility and writes up a report on each. His work is followed by a ground survey made under the direction of Capt. Wooley Dod, who will shortly be named chief pilot of the eastern route. Simultaneously, Sir Sefton Brancker concludes secret arrangements with the Persians concerning overflights of their territory. The Air Ministry contract and the Persian arrangement allows the company to order four trimotored airliners from de Havilland.

On November 16, the Air Ministry and IA sign an agreement for the latter's operation of a subsidized fortnightly Egypt—India service beginning in 1927. The same day, Cobham and Elliott (with B. W. G. Emmott as cameraman) lift their DH 50J *Sepia*, the *Pelican*, from Edgeware, England, on the first leg of a survey flight to Cape Town. The crew carries a number of souvenir cards, which are to be mailed at Lyons, Brindisi, Athens, Cairo, Wadi Halfa, Khartoum, Pretoria, Johannesburg, Bloemfontein, and Cape Town.

At the annual December general meeting, it is announced that the year's bookings are 11,703. The loss since start-up is put at £15,217. Also, Government Director Maj. J. W. Hills is succeeded by Air Vice Marshal Sir V. Vyvyan and Managing Director Woods-Humphrey also receives a seat.

Flying by way of Greece, Egypt, and the Sudan, Cobham, Elliott, and Emmott reach the Northern Rhodesian (now Zambia) city of

Livingstone on January 27, 1926, arrive at Cape Town on February 17. Cobham and Co. begin the return to London (Croydon) on February 27; the 3 men carry 18 letters that they have all signed, all dated at Cape Town the previous day. The flight arrives at London on March 13. The historic adventure is recorded by Cobham in his *My Flight to the Cape and Back* (London: A & C Black, 1926).

One of three ordered earlier, the first Armstrong Whitworth Argosy I 20-seat, trimotor airliner, piloted by Imperial Capt. F. L. Barnard, makes its inaugural flight.

In ceremonies at Croydon Airport on March 31 for VIPs and shareholders, hosted by Imperial Chairman Geddes, Lady Maud Hoare christens five new aircraft: the trimotor W9 *City of New York* and the twin-engine W10s *City of Melbourne*, *City of Pretoria*, *City of London*, and *City of Ottawa*. Just after the *City of New York* is officially named, a flight of pigeons is released from its cockpit.

All of the planes, which had been flown down to Croydon from Cricklewood in formation, are painted in a new livery that features a dark blue fuselage and silver wings; the style, previously employed by **The Instone Air Line, Ltd.**, also includes the decoration of aircraft with their city names. Meanwhile, orders have been placed for five nine-seat de Havilland DH 66s capable of undertaking mail flights between India and Egypt.

In support of miners, the Trades Union Congress calls a general strike on May 3 that quickly paralyzes the railroads and other ground and water transport companies. As a result, the demand for IA seats triples and the company cannot meet the demand. The first W10 service is flown to Paris on May 4; on the return flight, the Prince of Wales becomes the first Royal heir to cross the Channel by air. The general strike collapses in just eight days, but company bookings remain high even after May 12. Cobham and Elliott depart London in the *Pelican* on June 30 on the first leg of a survey flight to Australia.

The first delivered Armstrong-Whitworth Argosy I, *City of Birmingham*, launches luxury return flights on the Paris route on July 16. This aircraft is the first in company service to carry a steward and offer a buffet. Near Ostend on August 18, the propeller of a W10 is so severely damaged by a wild duck that the plane is forced to make an emergency landing; no one aboard is injured. The first trimotored de Havilland airliner, a DH 66 piloted by H. S. Broad, makes its maiden flight over Edgeware on September 30; the *Hercules* has had its name supplied by Eaton College instructor E. F. Hope-Jones, who had chosen it from submissions made by readers of *Meccano Magazine*. In September, the first finished Argosy I, *City of Glasgow*, is the second to be delivered and is followed by the third, *City of Wellington*.

The *Pelican*, with Cobham and Elliott returns to London on October 1, alighting on the Thames at Westminster; there Cobham is knighted by King George V. The new Sir Alan records the flight down under in his book, *Australia and Back* (London: A & C Black, 1926).

The Amsterdam–London service frequency is taken over by **Deutsche Luft Hansa, A.G.** on October 16. An engine failure causes Capt. Dismore's W10 *City of London* to ditch, without casualties, in the English Channel on October 16. Two days later, legal documents are signed between the Air Ministry and the airline concerning the start-up of Egypt–India operations that are to be subsidized over five years at an annual figure of £93,600. During the last week of October, Managing Director Woods-Humphrey serves notice upon Air Superintendent Brackley for a variety of perceived failings; the latter appeals to the company board and avoids dismissal, continuing in his post for another 13 years.

Three DH 66 Hercules trimotors, designed, built, and tested within the short period of one year, are turned over to Imperial Airways between late November and early December. The first is readied and, piloted by Capt. C. F. Wooley Dod with Sir Sefton Brancker and two other passengers, departs Croydon for Heliopolis, Egypt (serving Cairo), on December 18 with a load of mail.

On December 26, another Hercules, under the command of Capt. Barnard, departs Croydon on a multistop survey flight to India; it carries

Secretary of State for Air Sir Samuel Hoare, his wife Lady Maude, and other VIPs. Sir Samuel will describe the trip in his *India by Air* (London: Longmans, Green, 1927).

During the year, the last four DH 34s, *City of New York*, *City of Washington*, *City of Chicago*, and one unnamed unit, plus the popular Vickers Vimy Commercial G-EASI *City of London* are taken out of service and scrapped. The latter unit, when taken over from **The Instone Air Line, Ltd.** on April 1, 1924, had already transported nearly 30,000 passengers and flown 107,950 miles.

Passenger boardings for the year accelerate to 17,083, but loss also climbs, to £20,415. At the annual general meeting, one shareholder suggests the unprofitable company be shut down.

The DH 66 transporting the party of Sir Samuel Hoare arrives at Karachi on January 6, 1927. Capt. Wooley Dod's DH 66 opens the first segment of the India route on January 7–9, with the first scheduled civilian mail flight into Iraq, flying from Basra to Cairo and Baghdad via Gaza. Flying close to the ground, the aircraft follows a double-plowed furrow, with numbered circles placed at 20-mile intervals, all the way from Amman to Rutbah and beyond.

Following a flight of 62 hrs. 27 min., Capt. Barnard's India-bound DH 66, which had departed London on December 26, reaches Delhi 14 stops later, on January 8, where it is christened *City of Delhi* by Lady Irwin, wife of the viceroy. On January 10, a Supermarine Sea Eagle is rammed by a steamer in St. Peter Port harbor, Guernsey, and sunk. On January 12, a DH 66, piloted by Capt. Hinchliffe, departs Cairo, arriving at Basra on January 14.

Weather, meanwhile, turns sour in England, with heavy snow and sleet. A build-up of snow on one of the company's canvas hangars at Croydon Airport causes its collapse; a W10 inside is badly damaged. During this period, Capt. McIntosh, to allay the concerns of a group of delayed and grumbling passengers, takes off on a scheduled morning service to Paris only to be forced down in a field by deteriorating weather. Suffering an even greater delay than if they had waited, the sullen group is able to continue to France the next day. McIntosh will recall this story and others in his interesting memoir *All-Weather Mac: The Autobiography of Wing Commander R. H. McIntosh, DFC, AFC* (London: Macdonald, 1963).

The *City of Delhi* departs Delhi on February 1, landing at Cairo on February 7 after a flight of 32 hrs. 50 min. At Cairo later in the month, the DH 66 fleet grows to four as the earlier unnamed ship is christened *City of Cairo* by King Faud, and is joined by two others from England, the *City of Jerusalem* and *City of Tehran*. Capt. Wooley Dod is now appointed to manage the IA Cairo Station.

On April 13, the Cairo–Baghdad–Basra frequency becomes weekly. Piloted by Capt. Gordon P. Olley, the Argosy I *City of Glasgow* (first to wear the carrier's new all-silver livery) on May 1 introduces lunchtime, first-class Silver Wing service on the Paris route. This is the world's first named air service, costing £9, and takes 2 hrs. 30 min. and features a steward and bar service. Olley will recall this milestone and others in his useful memoirs *A Million Miles in the Air: Personal Experiences, Impressions, and Stories of Travel by Air* (London: Hodder & Stoughton, 1934). The W10s, meanwhile, are tasked to offer £7 second-class service that takes 20 minutes longer.

Weekday, summer London to Le Touquet flights begin on July 15. A rich pearl merchant charts a DH 66 to fly from Baghdad to Bahrain via Basra and return on August 11–12. The summer and early fall are particularly tragic as three of the company's best-known pilots are lost. Chief Pilot Barnard is killed while testing a private aircraft for the upcoming King's Cup Air Race, which he had won back in 1922. Captains Hinchliffe and Minchin, having found private sponsors, both attempt in separate flights to emulate Charles Lindbergh's successful transatlantic flight, but going east to west; both disappear.

The first Supermarine Swan flying boat is placed on the Southampton (Woolston)–Guernsey service on October 6. During late fall, unsuccessful talks are held with officials of the Irish Free State concerning the possibility of inaugurating London–Dublin services. With his wife and

four other passengers, Sir Alan Cobham, with financial backing from Sir Charles Wakefield, departs the Thames in a borrowed RAF Shorts Singapore flying boat on November 17 to undertake an aerial survey of Africa.

In December, the DH 66 *City of Cairo* is forced down in Iraq out of fuel. It remains out of contact for two days until a second de Havilland can bring in enough fuel to enable both to return to Baghdad. During their sojourn, the crew and passengers of the *City of Cairo* have been treated well by local natives.

Enplanements for the year soar to 26,479 and £11,461 profit is reported.

Early in 1928, IA creates a charter department that is placed under the management of Capt. Olley. An advertised Argosy vacationer's charter flight from London to North Africa is cancelled on January 31 due to a lack of patronage, specifically, American bookings. One of the first efforts to offer an inclusive (meals, hotels, sight-seeing, and guides) air tour, the £456 price is simply too high. Olley and his bosses also begin planning for a domestic joint air-rail all-cargo service.

Built on instructions of the British Air Council specifically for IA, the first trimotored Short S8 Calcutta flying boat piloted by J. Lankester Parker makes its maiden flight from the Medway River on February 14. Based on the Short Singapore, the aircraft is unique among large civil flying boats of its time due to its largely metal construction.

While on a test flight, the first Handley Page W8b, *Princess Mary*, acquired upon the company's formation from **The Instone Air Line, Ltd.**, is destroyed in a nonfatal February crash at Abbeville. Also in February, all three of the Argosy trimotors, parked in the open at Croydon during a period of bad weather, are damaged by a severe squall.

Daily London to Cannes flights begin on March 1. In the spring, the Persian government revokes its 1925 agreement with the carrier. This move is made in reaction to Soviet pressure placed upon it in the wake of British refusal to grant **Junkers Luftverkehr Persien** permission to fly a scheduled service from Tehran to Baghdad. Following some weeks of negotiations, Managing Director Woods-Humphrey is able to secure a route along the southern shore of the Gulf in early May. As the company has no airports in the area, the Mideast route must now be terminated as Basra.

Sir Alan Cobham's Short Singapore returns to England on May 31 having completed its African mission. During the flight, Cobham and company cover 23,000 miles in 330 flying hours via Malta, the Nile, the Great Lakes, Duban, and Cape Town. They also note 50 potential flying boat landing sites. The group's adventure is reported by Cobham in his *20,000 Miles in a Flying Boat: My Flight Round Africa* (Philadelphia: David McKay, 1930).

At this point, the government agrees that the carrier's principal task should now be the development of routes throughout the British Empire; local and regional European services will receive scant attention in the immediate future.

On June 13, Capt. Olley's Argosy I *City of Glasgow* loses (by 15 minutes) a London to Edinburgh race with the London and North Eastern Railway's *Flying Scotsman* passenger train. The publicity stunt had been proposed in an effort to gain support for company plans to introduce a domestic joint air-rail all-cargo service. Unhappily, Capt. Olley had tracked the wrong train passing over the Royal Border Bridge, which crosses the River Tweed at Berwick. The Air Ministry subsequently refuses to approve the proposed cargo operation.

The first Short S8 Calcutta-class flying boat is delivered on July 26 and is christened *City of Alexandria*; it is placed in service on the Southampton (Woolston)–Guernsey frequency the next day, before mooring on the Thames at Westminster for public inspection during August 1–3. During late summer, a joint Air Ministry–IA survey team examines the Arabian side of the Persian Gulf, seeking landing sites in the region ruled by the Trucial Sheikdoms.

To help celebrate Liverpool Civic Week, the second Short S8 Calcutta, *City of Athens*, flies an experimental Liverpool–Belfast passenger and mail service, subsidized by the two cities, between September 24

and October 4. A third Calcutta, *City of Rome*, is delivered in late fall. During the year, Woods-Humphrey begins a correspondence on possible Atlantic cooperation with **Pan American Airways (PAA)** CEO Juan Trippe.

The year's bookings advance to 35,522 and these figures are announced at the annual meeting, along with a £72,567 gain. Lord Chetwynd assumes a board seat as an industry representative.

The Southampton (Woolston)–Guernsey route is closed on February 28, 1929, in order to allow transfer of the S8 flying boats to the Mediterranean. On March 30, Captain A. S. Wilcockson and Maj. Brackley pilot the Argosy I *City of Glasgow* from London to Basel via Paris on the first leg of the U.K.–India airmail service, the first weekly commercial air service between England and its largest colony. When Italian officials refuse to allow British-registered airliners to enter their airspace, the VIP passengers at £130 single fare and 364 pounds of mail are sent to Genoa by train.

On March 31, the Short S8 Calcutta *City of Athens* flies the India-bound mail and passengers from Italy to Alexandria via Ostia, Naples, Corfu, Athens, Suda Bay, and Tobruk, where they are taken to Cairo by train. The DH 66 *City of Jerusalem* then takes the postal sacks on the multistop flight along the Arabian coast and over the sea to Gwader and Karachi, arriving at the latter point on April 6. The *City of Baghdad* inaugurates westbound service the next day; regularly scheduled seven-day England–India passenger operations begin in early May. Fares one way are £130 per head. Meanwhile, new 10-year subsidized agreement between the Air Ministry and IA comes into effect on April 1.

During the spring, orders are placed for eight Handley Page HP 42s (four each E and W models). Three new Armstrong Whitworth Argosy IIs are delivered and christened *City of Edinburgh*, *City of Liverpool*, and *City of Manchester*. Beginning on June 1, mail is accepted in Athens for delivery on the Eastern route.

Although no longer officially acting on behalf of the airline, Sir Alan Cobham, with a small administrative team, determines to use his energies to take the cause of civil aviation to both the public and to those government officials as yet unconvinced of its merit. Employing a brand new DH 61 purchased from de Havilland for £3,750, Cobham now undertakes a 21-week "Municipal Aerodrome Campaign." During this time frame, the noted aviator visits 110 U.K. airfields, makes 5,000 landings and takeoffs, and transports 40,000 passengers, including 10,000 school children. He also gives 110 speeches on the values of airports to communities, provides his expert counsel when asked, and finds time to raise cash by giving rides to the general public.

The wholly owned subsidiary **Imperial Airways (Africa), Ltd.** is registered on June 6. Financial backing is provided by the British Air Ministry, IA, the Union government of South Africa, the various African colonial governments loyal to the Crown, and the Beit Trust, which had been established earlier by Sir Alfred Beit to foster African communications.

During the second week of June, Argosies inaugurate promotional, 30-minute, £2 sight-seeing flights over London called Tea Flights. The novel digressions are initially popular. Also during June, the *City of Basra* arrives at Cairo, the sixth DH 66 acquired. At the same time, Colonel H. Burchall is appointed assistant general manager.

On June 17, the W10 *City of Ottawa* crashes into the English Channel off Dungeness (seven dead). In July, Capt. Wooley Dod is granted leave and is replaced by Air Superintendent Brackley, who is sent out from London on temporary duty.

Upon the completion of his "Municipal Aerodrome Campaign," Sir Alan Cobham sells his DH 61 to IA for £3,000 and personally delivers it to Salisbury, Southern Rhodesia, on behalf of the state airline.

On September 6, the DH 66 *City of Jerusalem*, preparing at Jask in Persia per usual evening practice, catches fire from its own wingtip landing flare, which explodes prematurely, forcing the plane to crash. The pilot, mechanic, and passenger are all killed and 25,000 letters are lost.

Engine trouble forces the S8 *City of Rome* to put down on a rough sea off Spezia on October 26; an Italian tugboat comes to the rescue and begins a tow toward evening. Unfortunately, the towropes part in the

darkness and bad weather causes the flying boat to capsize and sink (seven dead). Another DH 66, *City of Karachi*, is ordered to replace *City of Jerusalem*; it will join the fleet by year's end.

On October 16, Assistant General Manager Burchall informs Superintendent Brackley, acting head of the Near East Division and the Cairo station, that he must remain in Egypt another six months as his predecessor, Capt. Wooley Dod, is needed elsewhere. Brackley busies himself rerouting traffic and rescheduling flights in the wake of an Arab-Jewish conflict in Palestine. His duties as air superintendent will be filled, in turn, by senior captains Armstrong, Wilcockson, and Walters.

On October 19, the Royal Navy's Mediterranean fleet begins a week-long visit to Corfu. The Eastern route of Imperial Airways is employed for mail addressed to these ships and two deliveries of letters to and from the sailors will be made before the fleet moves on.

In early fall, the Italian carrier **Societa Anonima Navigazione Aerea, S.p.A. (SANA)** begins a parallel Genoa-Alexandria service with Dornier Wals, insisting that IA pool the operation and its receipts. When the British refuse, their rights to stage through Italian ports are withdrawn on October 31 and the *City of Alexandria* and *City of Athens* are transferred to Athens. Both flying boats are temporarily put out of action the next day following hard landings of Mersa Matruh.

At the beginning of November, British postal rates are revised. The published airmail schedule shows a cost of 2d. per half-ounce for letters to Egypt, Sudan, and Palestine, 31/2d. per half-ounce to Iraq, and 5d. per half-ounce to Persia and India.

Following refusal of traffic rights by Italy, an all-air Argosy service is opened over a Balkan route Cologne-Salonika on November 2; poor weather forces cancellation of the service after two flights and as of November 16, the Cologne-Athens route is accomplished by train on *The Orient Express*.

Meanwhile, the Air Ministry's Supermarine Southampton flying boat is chartered for six months on November 15 to replace the *City of Rome*. The first acceptance of Australian mail for accelerated aerial delivery to London on the Eastern route is made on December 17. The post had traveled by sea from Perth to Colombo, Ceylon, from whence it was shipped to India and the overland to Karachi, where it is placed on a DH 66.

Under the direction of IA's Capt. Wooley Dod and Air Ministry representative Colonel Shelmerdine, a joint expedition to survey an air route north through Africa from Cape Town to Cairo is undertaken. The mail route is extended by the DH 66 *City of Delhi* on December 21 from Karachi to Jodhpur and on December 30 by the same aircraft from Jodhpur to Delhi under charter to the Indian government.

Calling subsidy gain, Chairman Geddes reports to the company's general meeting during the month that the carrier has earned a £60,000 profit over the past year. On the other hand, he must also confess that enplanements this year are down to 29,338, due in all probability to adverse publicity generated by the air accidents and the onset of world depression.

During the year, the surviving Supermarine Sea Eagle is retired, along with the W9 *City of New York*. Keith Granville, who will rise to become the last chairman/CEO of successor **British Overseas Airways Corporation (BOAC)**, joins the company as a commercial trainee at a salary of 10 shillings per week. This is also the year when the Guild of Air Pilots and Air Navigators is formed, with Sir Sefton Brancker as first Master and several IA senior managers, including Air Superintendent Brackley, as members. At the annual meeting, I. C. Geddes succeeds Lord Chetwynd as a company director.

By December 31, the company's financial condition is so precarious that cash to pay the Croydon staff is obtained by paymasters in a very crafty manner. Checks are cashed in one of London's West End bank branches on Friday with full knowledge that they will not clear the Croydon bank until the following Monday, by which time, it is hoped that weekend Paris services will provide sufficient revenues to cover them. The year's profit is £78,861.

Consignments left with agents at U.K. railway stations are accepted for air shipment as of January 1, 1930. During the month, the new Shorts

Calcutta flying boat *City of Khartoum* enters service at Athens. The first sacks of accelerated Australian mail arrive in London on January 9.

In February, the DH 66 *City of Tehran* is destroyed in a windstorm in Gaza. The joint Air Ministry-IA Cape Town to Cairo route survey begun the previous November under the direction of Capt. Wooley Dod and Col. Shelmerdine is completed on April 11. The former is subsequently appointed manager of the carrier's European division.

The next day, the London-Athens Argosy route is reopened (except for a rail journey between Skopje, Yugoslavia, and Salonika, which is finally omitted on April 22). During the month, the Argosy II *City of Edinburgh* is destroyed in a London (Croydon) crash and at month's end, Maj. Brackley returns to his air superintendent's post in London, being succeeded by Capt. Armstrong as the Near East Division's station chief at Cairo.

On June 16, thrice weekly Birmingham, Manchester, and Liverpool-London Argosy feeder service is opened. Also during June, the new Calcutta flying boat *City of Salonika* enters service at Athens. During six weeks of the summer, an experimental S8 Alexandria-Haifa-Famagusta operation is offered.

On September 20, passengers are once again forced to enjoy *The Orient Express* on portions of the European sector of the India service; on the same day the feeder route to Birmingham, Manchester, and Liverpool is closed.

An agreement between the Air Ministry and the carrier is initialed on October 22 for the launch of a weekly Egypt-South Africa service; seven days later, the W8f *City of Washington* crashes near Neufchatel in bad weather (four dead).

Based on his V/1500 World War I bomber, the aircraft builder Frederick Handley Page watches on November 14 as his HP 42 biplane airliner, ordered for IA, makes its maiden flight from Radlett, England. It is the first four-engine airliner to be built in the U.K. Eight will be delivered to the state carrier at a price of £42,000 each. Future pilots, because of its exaggerated spring in the fuselage during taxiing, will christen the plane "The Flying Banana."

Late in the year, the Argosies *City of Birmingham* and *City of Arundel* are sent to Cairo and the assets of **Cobham-Blackburn Air Lines, Ltd.** are acquired for £50,000. Bookings for the year drop even further, down to 20,993. Profit falls to £60,139.

When the HP 42 *Heracles* enters service on the London-Paris *Silver Wing* route in January 1931, its comfortable and luxurious in-flight operation is widely praised. There are drawbacks: the cruising speed on the return service is only 95 mph. while all previously complementary passenger refreshments provided by the two stewards must be paid for—even the pilots are charged for their cups of tea or coffee.

The first African leg of the London-Cape Town Argosy air route is opened by the *City of Arundel* on February 28, a 14-stop, 10-day passenger and mail service (passengers only as far as Khartoum) from Cairo to Mwanza on Lake Victoria, Tanganyika. A Calcutta flies the Khartoum to Mwanza segments, with mail for the Belgian Congo dropped off at the Juba stop. Return service, with one or two stop variations, departs Mwanza on March 10; through passengers and mail, by air and rail, are back to London within nine days. Cities visited en route north or south include Assiut, Luxor, Aswan, Wadi Halfa, Kareima, Khartoum, Kosti, Malakal, Juba, Port Bell, and Kisumu.

Also during the month, the W8b *Prince George* is taken out of service and scrapped. It is announced about this time that company aircraft will henceforth bear names of classical origin.

On April 1, the Italian government withdraws its ban on company overflights of Italy and Imperial aircraft are freed to fly to Rome, Genoa, or Naples. The same day, the S17 Kent-class flying boat *Sylvanus* is launched. Also, the U.K. and Australian governments, together with IA, agree to a pair of return airmail proving flights from England to Australia. The first of these experimental eight-stop services is begun by Capt. R. Mollard's DH 66 *City of Cairo* from Delhi on April 4. Cities scheduled to be visited en route to Darwin are Calcutta, Akyab, Rangoon, Penang, Singapore, and Batavia.

Night flights are introduced on the Baghdad to Basra segment of the India route on April 11; four days later, Maj. Brackley takes the controls of the *Sylvanus* and flies it from Medway.

On April 19, the *City of Cairo*, having developed a fuel leak and encountered a headwind, cannot complete its flight to Australia and must, instead, make an emergency landing. While putting down on the rocky grass field at Koepang, Timor, the de Havilland crashes and is destroyed beyond repair. The mail is salvaged and forwarded to Darwin via an Australian aircraft flown by noted aviator Charles Kingsford-Smith, who also ferries Capt. Mollard and his colleagues. At Darwin, the mail is turned over to **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)**, which transports it to Melbourne via Dalywaters, Cloncurry, Charleville, Brisbane, and Sydney.

At the Australian city, Mollard receives a telegraph to continue on to Perth and purchase a replacement DH 86 from **West Australian Airways, Ltd.** Mollard's new ship departs Melbourne on April 23 with a return shipment of letters (including those accepted for it in New Zealand), which arrives at London by May 14. Meanwhile, beginning on April 27, a second African mission is started, this time from Cape Town; when the HP 42 *Heracles* arrives at London (Croydon) from Paris on May 8, it is found that only one of the 25 passengers aboard had come all the way through from South Africa.

A second experimental England–Australia mail flight is made (again with Australian assistance) between April 25 and June 4. Having regained staging rights at Italian ports, the Calcutta flying boats now initiate a new route Brindisi–Corfu–Phaleron–Mirabella. The first S17 delivered, the *Scipio*, departs the U.K. for the Mediterranean on April 27; it is followed soon thereafter by the second, *Satyrus*. On April 29, Capt. Olley's Argosy *City of Glasgow* returns the Prince of Wales from France on the final leg of a South American visit. Following a new air traffic agreement with Italy, the central European leg of the India route is abandoned in favor of a combined air and train route, London–Basel and Basel–Genoa.

On May 9, flying the HP 42 *Horatius*, Capt. O. P. Jones departs Croydon Airport for Paris with 13 passengers on the first leg of a new African operation. The aircraft is hit and damaged by lightning and returns to England where Jones and his passengers—now reduced to eight—exchange aircraft and successfully depart again in the HP 42 *Helena*. On May 16, flying boat service over the Mediterranean segment is enhanced when the *Scipio* and *Satyrus* begin service, flying across that sea simultaneously, one from Genoa and one from Alexandria. Later in the month, the *Scipio* is damaged in a rough landing at Candia. She is replaced by the *Sylvanus*.

On June 5, mail is, for the first time, accepted in Zanzibar for conveyance on the northbound Imperial flights from Kisumu. The newly delivered Handley Page HP 42E *Hannibal* is placed on the Paris route on June 11, initiating new standards in air travel. Also during June, the Argosy *City of Birmingham* is destroyed when it crashes at Aswan, Egypt. It is briefly replaced by the *City of Glasgow* and the *City of Wellington*, but both will be recalled to the U.K. by year's end. Meanwhile, two of the four engines of the Kent Class flying boat *Sylvanus* are damaged in Genoa when its tow forces a collision with a Dornier Wal of **Societa Anonima Navigazione Area, S.A. (SANA)**.

The southbound DH 66 on the African route makes a forced landing at Kibanga Port (15 mi. N of Entebbe) on July 4. The mail is unloaded and shipped to Kisumu by road, where it arrives the next day. The sacks are turned over to **Wilson Airways, Ltd.**, which takes them on to Nairobi.

While on the Silver Wing service near Tonbridge during July, the HP 42 *Hannibal* loses a propeller, which disintegrates, its fragments striking the propeller above. Suffering severe vibration and loss of power, the airliner narrowly avoids hitting a row of houses before hitting a telephone pole and tree stump and coming to light in a field; no casualties are reported.

It is decided on August 1 to implement an experimental South West African feeder route. It will be operated by newly formed **South West**

African Airways, A.G. Also in August, the repaired *Hannibal* arrives at Cairo from London. Her sister ship, the HP 42W *Heracles*, enters service on the same route on September 11.

On October 17, the England to India and England to Mwanja routes are separated; still, passengers are required to transverse the Paris–Brindisi sector by train. Also during October, the Kent Class flying boats *Scipio*, *Sylvanus*, and *Satyrus* inaugurate twice-weekly operations from Alexandria to Cyprus via Haifa. For the experimental delivery of the Christmas mail and as a way of conveying aircraft to South Africa, the Croydon–Mwanja flight of December 9 is extended. Flying from Lake Victoria, the DH 66 *City of Karachi* delivers the postal bags (containing letters with special “springbok” envelopes) to Cape Town on December 21. Communities visited on this “Christmas flight” include Nairobi, Moshi, Dodoma, Mbeya, Mpika, Broken Hill, Salisbury, Bulawayo, Pietersburg, Johannesburg, Kimberly, and Victoria West.

During the year, orders are placed for eight Armstrong Whitworth AW-15 Atalantas and at year's end the three-year Indian government mail contract expires and Karachi once more becomes the terminus of the company's Far East service.

The year's passenger traffic rebounds from the 1930 low as a total of 34,162 travelers are carried, including 24,192 transported on European routes. Still, Chairman Geddes must declare a financial decline to the annual meeting late in December; profits are down to only £27,140. At this time, Sir Walter Nicholson succeeds Sir Herbert Hambling as one of the government directors.

On January 20, 1932 the weekly Croydon–Kisumu mail-only route (launched London–Paris by the final HP 42W *Helena*) is extended on to Cape Town, as the Kisumu to Mwanja segment is abandoned. After an 11-day journey with 33 stages and 6 changes of vehicle (train and plane), the Royal postal bags from England finally arrive aboard the DH 66 *City of Jodhpur* on February 2. Mail officials had hoped to introduce their new “speedbird” letter envelopes (“covers”) for this flight, but because they were not received from the printer in time, substituted “springbok” envelopes instead.

The first return South Africa–U.K. flight, meanwhile, departs Cape Town for Croydon on January 27; however, the service meets with delay.

The DH 66 *City of Basra* crashes at Salisbury on January 29 and the replacement aircraft, *City of Delhi*, crashes at Broken Hill on the same day. This leaves the *City of Jodhpur* to arrive at Nairobi on February 3 with mail from only Broken Hill, the mail sacks salvaged from the *City of Delhi* arrive at London with those of the second weekly Cape Town–U.K. service flown February 3–16. Search parties do not find the *City of Basra* until March 1 and the mail recovered from it does not reach London until March 16.

Alexandria to Haifa and Limassol S17 service is begun by the *Sylvanus* on April 19 and the first return mail service departs Limassol on April 24. On April 27 the Croydon to Cape Town frequency is opened for passenger service in both directions, marking the complete introduction of scheduled passenger service between Great Britain and South Africa. Passenger bookings are accepted in both London and the South African city; through flights cannot, however, be completed because the sectors between Cairo and East Africa are always sold out.

For one flight only, the May 15 northbound African mail service does not stop at Kimberley, but diverts to De Aar, where the *City of Jodhpur* and its crew are participants in ceremonies opening a new airport. Less than 60 letters are carried each way between the two communities.

A giant step forward in British large civil transport design, the first Armstrong-Whitworth A.W. 15 monoplane airliner makes its maiden flight on June 6. On July 13, the first of three flights (the others are made on July 30 and August 13) London (Croydon)–Cherbourg flights are made to connect with the RMS *Empress of Britain*, thereby accelerating transatlantic mail during the Imperial Economic Conference in Ottawa. The Tiberias–Baghdad sector of the India route is changed to Ramleh–Baghdad on September 5. The newly delivered Armstrong Whitworth AW-15 *Arethusa* is introduced (for testing) on September 26 on the London to Brussels and Paris to Basel and Zurich routes.

Due to difficulties with the Persian government, which withdraws its permission for flights over its territory, the India route's Gulf segment is switched to the Arabian side on October 1, with new stops initiated at Kuwait, Bahrain, Sharjah, and Gwadar. Much of the credit for the success of this new routing is given to Sheikh Issa, who persuades the other local sheikhs to allow flying boats to land and cooperates with IA and the RAF in the construction of facilities. The Alexandria-Haifa and Lissol routing is suspended on October 12.

Also during the month, the W8b *Prince Henry* is taken out of service and scrapped. In November, HP 42s replace Argosies and Calcuttas on the Cape Town service from Cairo to Kisumu. Chief Financial Officer Beharrel makes the London to Cape Town flight in December. To accommodate a large amount of mail, a special "Christmas flight" is made between Karachi and Cairo on December 11.

Enplanements for the year soar to 60,966, of which 42,892 are flown on the European routes. The financial gain is, however, just £10,186, the lowest in any profitable year of company history.

The new Armstrong Whitworth AW-15 Atalanta, piloted by Maj. Brackley, departs Croydon Airport for Cape Town on January 5, 1933, in the first African flight by this aircraft type. On January 14, an additional Kuwait stop is made on the eastbound route from London to Karachi; the first mail westbound from Kuwait for London departs on January 19.

Aircraft replace trains on the Alexandria-Cairo segment of the India route on February 11. However, the Atalanta, piloted after its Cairo arrival by Capt. H. W. C. Alger, reaches Cape Town on February 14, a day before aircraft replace trains on the Alexandria-Cairo segment of the South African route.

On February 18, the carrier completes its 10-millionth mile of flying; the company's excellent safety record results in a lowering, on March 1, of insurance premiums for those passengers wishing such assurance from 12 shillings per £1,000 to 1 shilling.

Hardly had insurance rates been readjusted when, on March 28, the Argosy *City of Liverpool*, with 3 crew and 12 passengers en route from Cologne to London, suffers a catastrophic structural failure at an altitude of 250 feet. The aircraft crashes in flames at Dixmude, Belgium, 60 mi. WNW of Brussels; there are no survivors. Investigators on the scene surmise that the trimotor has been the victim of a timed incendiary or a fire purposely set in the aft lavatory. Although no one will ever know for sure who may have caused it or exactly how the disaster occurs, suspicion will fall on passenger Albert Voss. His body is found a mile from the crash scene in such a condition as to suggest that he may have jumped or fallen from the plane before the fire had intensified. In debt and speaking of suicide, the 69-year-old dentist has a history of drug trafficking.

The Cairo-Khartoum segment of the Cape Town route is now flown in one day as of April 26, reducing overall journey time to 10 days. On April 29, J. V. Prendergast, with route-planner Maj. Brackley and QANTAS (Queensland and Northern Territories Aerial Service, Ltd.) Managing Director Hudson Fysh as passengers, flies the AW-15 *Astraea*, which has been outfitted with auxiliary fuel tanks, from Croydon on the first leg of a flight that will survey a route from Singapore to Australia.

All eight AW-15 Atalantas are delivered by May. In South Africa, the Union government refuses to allow IA to transport its domestic mail, reserving that right for the local concern, **Union Airways, Ltd.**; the British carrier henceforth flies only Empire mail.

HP 42Ws commence Croydon to Cologne, Basel, and Zurich week-end services on June 10. To provide service Karachi-Calcutta, **Indian Transcontinental Airways, Ltd.** is formed on June 21 as an associate company. Shareholding is divided between IA (24%), **Indian National Airways, Ltd.** (25%), and the Indian government (51%). Several of the Atalantas will be chartered to the new entity.

Having flown via the Middle East, India, Singapore, and the Dutch East Indies, the *Astraea* arrives at Brisbane on June 23, visiting Sydney on June 26, Canberra on June 28, and Melbourne on June 29 before

starting the return flight on July 2, arriving at Karachi on July 16. On July 7-11, meanwhile, the AW-15 *Arethusa* extends the London-Karachi operation to Calcutta, flying via Jodhpur, Delhi, Cawnpore, and Allahabad.

In August, the AW-15s *Arethusa* and *Aurora* are formally transferred to **Indian Transcontinental Airways, Ltd.** The same aircraft, on September 23, extend the Calcutta route to Rangoon via Akyab. The first service departs Rangoon on October 2.

During early fall, the provincial government of Newfoundland completes a secret agreement with IA, granting it a monopoly on landing rights for the next 50 years. This arrangement is not known in Ottawa, where the Canadian government grants the company exclusive rights to fly from the same province during the following 15 seasons.

Working with the government's Empire Marketing Board and the General Post Office Film Unit, the director of public relations, C. F. Snowden Gamble, begins to depict Imperial in a series of documentary films that will be released to the public. The first under his sponsorship is *Wings over Africa*. During the year, two other films will also depict the carrier's activities. The General Post Office Film Unit's *Air Post* shows collection and sorting of the mail, which is sent to Croydon Airport for transport overseas. The film department at Shell Oil releases Edgar Anstey's *Air Port*, which is a study of both Croydon and Imperial.

The Handley Page W10s *City of Melbourne* and *City of Pretoria* are sold in November to National Aviation Day Displays, Ltd. Also during the month, **QANTAS (Queensland and Northern Territories Aerial Service, [Pty.], Ltd.)** Managing Director Fysh arrives in London for discussions with Managing Director Woods-Humphrey. Intent upon an agreement for a joint operation of a regular England-Australia airmail service, the two seek out Sir Geoffrey de Havilland and convince him to construct DH 86s.

On December 9, the *Astraea* departs for Rangoon, thereafter stretching the route on to Singapore where one of her passengers, Hudson Fysh, bids adieu. On December 30, the Avro 10 *Apollo*, 9 miles off course and flying too low, crashes into a 900-ft.-high radio mast at Ruysselede (10 dead). Relatives of the dead passengers will file suit charging pilot error and receive a settlement of £40,000 in damages—a large award for such an airline suit at that time. The *Astraea* begins the first return flight from Singapore on the year's final day.

As the depression deepens, bookings decline again on the year, down to 58,060. Still, a £52,894 profit is reported. At the annual meeting, Air Chief Marshal Sir John Salmond succeeds government representative Air Vice Marshal Sir V. Vyvyan.

Pioneer company pilot Gordon P. Olley (with £6,015) forms **Olley Air Services, Ltd.** on January 10, 1934. Eight days later, his former employer and the Australian carrier **QANTAS (Queensland and Northern Territories Air Service [Pty.], Ltd.)** subscribe equal capital and form **Qantas Empire Airways (Pty.), Ltd.** to stretch the London-Singapore route on to Australia's east coast. In the government's early March air estimates for this year, IA will receive its first subsidy (£10,000) dedicated toward a transatlantic service.

Capitalized at £150,000, **Railway Air Services, Ltd.** is founded on March 21 by the four major British rail companies (Southern Railway, North Eastern Railway, Great Western Railway, and London Midland and Scottish Railway) and Imperial Airways, Ltd. to operate certain domestic routes. Captained by John Lankester Parker and with 3 passengers aboard, the 38-passenger Short S17 *Scylla*, a derivative of the Kent-class flying boat and the last biplane built by this firm, makes its maiden flight on March 26.

On April 10, another day is cut from the total time of the Cape Town-London route, this time by flying the Brindisi-Alexandria segment in one day. Southbound flights depart London on Wednesdays and arrive on Fridays while northbound frequencies leave Cape Town on Tuesdays and arrive at London on Thursdays.

During the month, the South African government refuses to renew its mail contract with the carrier and denies passage to the line's aircraft beyond Salisbury, Southern Rhodesia. Instead, in a move designed to put

the small **Rhodesia and Nyasaland Airways, Ltd.** out of business, it invites IA to open a flying boat route from East Africa to Durban and Cape Town. Woods-Humphrey rejects the idea.

Beginning on May 15, Luxor replaces Aswan as a night stop on north-bound flights from Cape Town to London; it is also substituted for Aswan and Assiut as a refueling stop on the southbound service. The first of two Short L.17s, the *Scylla*, is placed on the London–Paris route on May 16. The first of two Short L.17s, the *Scylla*, is placed on the London–Paris route on May 16.

The first DH 86 is delivered and christened *Delphinus* on May 25. The next day, Postmaster General Sir Kingsley-Wood presents the official Royal Air Mail pennant to IA Chairman Geddes in Croydon Airport ceremonies. The HP 42W *Hengist* wears the flag the next day when it departs for Paris on the first leg of a service to India. Thereafter, the Post Office places special blue pillar post boxes around London designed to receive airmail letters.

Flights continue apace over the summer and during these months Public Relations Director Snowden Gamble's documentary film unit releases the story of *Air Ways to Cape Town*. In November, Managing Director Woods-Humphrey suggests that the company will establish a route linking Khartoum with Gambia and Sierra Leone.

England–Australia regular through mail service is officially inaugurated on December 8, with the HP 42W *Hengist* flying the London–Paris leg. From there, the now-regular eastern route is followed to Singapore. Due to **Qantas Empire Airways (Pty.), Ltd.**'s lack of aircraft, the AW-15 *Arethusa* completes the first flight (under charter) from Singapore, arriving at Darwin via the Ditch East Indies, on December 18. Postal rates for airmail letters on the route are 1s3d. per half-ounce or 6d. for postcards. Return service departs that city the next day.

Meanwhile, the Duke of Gloucester officially launches regularly scheduled Australia–England through mail service on December 10. On December 20, the British government announces the Empire Air Mail Program and plans for its 1937 start-up. The last segment, from Paris to London, is flown by the Argosy *City of Coventry* and the Shorts S17 *Syrinx*, arriving at Croydon Airport on December 24.

The four surviving Armstrong Whitworth Argosies, *City of Birmingham*, *City of Wellington*, *City of Coventry*, and *City of Manchester*, are withdrawn from service in late December. On December 29, Bellary is dropped as a stop on the eastern route, while Hyderabad is added. The London–Cape Town service is duplicated as far as Johannesburg on December 30, with flights scheduled to depart Croydon on Mondays.

The year's bookings rebound to a record 62,382 and profit climbs to £78,572. At the general meeting where these figures are announced, Sir Hardman Lever and the Hon. E. Harmsworth join the board as industry representatives. Still, after a decade of flying, the state airline has exactly the same number of routes as it did on April 26, 1924 and is actually operating over route mileage shorter than that flown by its original merger partners.

A second Calcutta–London frequency (a duplication of the first) is launched on January 1, 1935. Henceforth, flights will depart London on Tuesday and Saturdays. Four days later, the London–Johannesburg route is duplicated from that South African city to the British capital, with this second service slotted onto schedule's Saturday location. The same day, airmail letter rates from London to South Africa are slashed to 1½d. per half-ounce, with 1d. asked for postcards. Ordered by the carrier, the twin-engine, four-passenger Avro 652 makes its maiden flight on January 7.

Later in the month, the first two Boulton Paul P-71As are delivered and christened *Boadicea* and *Britomart*; both will crash within a year. DH 86s, specifically designed to cross the Sea of Timor, enter **Qantas Empire Airways (Pty.), Ltd.** service on February 23. During the month, Air Ministry and IA technical officials meet to discuss possible acquisition of a British-built flying boat capable of flying the North Atlantic.

As the result of a rebellion in Greece, the routing from Egypt to Italy must be changed on March 2. Instead of flying from Alexandria to Brindisi via Athens, the company now operates from Alexandria to Brindisi

via Malta. Although this stretches the route by 400 mi., the schedule is not changed.

The first low-wing monoplane with retractable landing gear to be employed by the British state carrier, the Avro 652, is delivered on March 11 and christened *Avalon*; it is followed into service by the *Avatar*, later *Ava*.

On April 1, Capt. J. T. Percy, flying a DH 86, begins a new unsubsidized route London–Budapest via Brussels, Cologne, Halle, Leipzig, Prague, and Vienna. The first regularly scheduled weekly Croydon–Brisbane through passenger service departs the U.K. on April 13; single fare for the 12,754-mile, 12 1/2-day journey is £195.

In mid-month, the U.K. government completes bilateral agreements with the governments of Italy and France that will permit IA to transport passengers and freight (but not mail) from London to Brindisi via Marseille and Rome. The Avro 652s are placed in service on April 28 as the second aircraft, *Ava*, begins unsubsidized London–Brindisi via Paris, Marseilles, and Rome flights.

On May 8, a mail sack is filled in London with letters and postcards destined for Lusaka, the new capital of Northern Rhodesia (now Zambia).

To accommodate the delivery of airmail posted too late to be placed on regular services, the governments of the U.K., France, and Italy amend their April accords to permit the transport of "Late Mail" by air on the company's Marseille–Rome segments. IA takes advantage of this permission for its eastern route for the first time on May 12 and for the Cape Town run on May 14. Thus, for the first time, post is transported entirely by air from London to Brisbane and Cape Town.

Also in May, plans are announced for a West African survey flight from Khartoum.

When during the summer Maj. Brackley closes pilot access to the public bar at the Croydon terminal building, the nearby Aerodrome Hotel opens a pilots' bar and invites the disbarred flyers over; there the thirsty flyers form a private social club. In future years, caricature portraits of the company's veteran pilots will adorn the walls of the room; A. S. Jackson will reproduce a number of these in his valuable *Imperial Airways and the First British Airlines, 1919–40* (London: Terence Dalton, Ltd., 1995).

Three wholly owned subsidiaries are established in mid-August to assume local services: **Imperial Airways (Far East), Ltd.** and **Imperial Airways (Nigeria and Gold Coast), Ltd.** on August 12 and **Imperial Airways (Continental), Ltd.** on August 21. At home during the month, Chairman Geddes is visited by the new Secretary of State for Air Viscount Swinton. He warns Geddes that forces in Parliament are disturbed over the carrier's monopoly of foreign air routes and suggests that Imperial's board consider abandoning its exclusivity over its line from London–Cologne–Budapest.

London to Singapore service is duplicated as of September 30; Singapore to London duplication begins on October 3. On October 16, Nuremberg replaces the Leipzig and Prague stops on the London–Budapest route. Seven days later, Capt. Armstrong, flying the DH 86 *Dorado*, launches the first of six Penang to Hong Kong return flights via Saigon and Tourane. The first four are proving missions while the last two connect with the **Qantas Empire Airways (Pty.), Ltd.** service. Capt. Armstrong covers the entire 1,852-mi. inaugural route in just one day.

The *Astraea* overshoots the runway while landing at Rangoon on November 2; no injuries are reported and the aircraft is quickly repaired. The next day, an *Atalanta* strikes a tree while taking off from Kisumu; although several crewmembers are hurt, the passengers, including Lord Balfour of Burleigh, are uninjured. The S17 *Sylvanus* is destroyed while refueling (sabotage will be suspected) at Brindisi on November 9; she is replaced on her routes by the older S8 *City of Khartoum*. Later in the same month, the DH 66 *City of Jodhpur* is lost in a crash in Southern Rhodesia.

During December, the remaining DH 66s are withdrawn: *City of Baghdad* and *City of Karachi* are scrapped while *City of Basra*, *City*

of Cape Town, and City of Delhi are sold to the Royal South African Air Force. During the same period, representatives from the governments of the U.K., Canada, and Ireland meet in Montreal to review the Empire's options with regards to transatlantic service. The officials agree that airfields should be built by the Canadians at Montreal and Newfoundland (paid for by London) and that all aircraft flying the North Atlantic in either direction would land at an Irish airfield.

While on landing approach to Alexandria on the evening of December 31, all three engines of the S8 *City of Khartoum*, piloted by Capt. W. Rogers, suddenly stop out of fuel and cause the aircraft to crash into the sea off Alexandria. The crew sent to prepare a flare path is unable to find the sinking flying boat and it will be several hours later before *H.M.S. Beagle* comes upon the scene. Of the 12 passengers, only the pilot, Capt. V. S. Wilson, is saved. A week later, 71 bags of mail will be recovered from the sea floor and are forwarded by steamship. Also on the same night, the *City of Stonehaven* arrives at the same destination with but 12 minutes of fuel left. An inquiry into the two incidents result in all of the Calcutta-class flying boats having their fuel capacity increased by 50 gallons.

Chairman Geddes is able to report to the annual meeting at year's end that a total of 68,372 passengers have been carried on the year. At the time of his report, no one knows that this will be the highest number the carrier will ever board within a 12-month period. Still, of these, only 410 have flown to India or beyond. The profit jumps to £133,769, in addition to an additional £31,593 not attributable to the year.

In January 1936, the U.K. government requires the Armstrong-Whitworth concern to concentrate upon the building of its new Mk. I Whitley bomber, thereby pushing back the delivery schedule for IA's 14 Ensigns requested two years earlier. An east to west trans-Africa mail route is extended on February 9, when the first segment is proven. Capt. O. P. Jones initiates this return service trial from Khartoum to Kano via El Obeid, El Pasher, Geneina, Abecher, Ati, Port Lamy, and Maidugari, with the DH 86 *Daedalus*.

On February 10, the AW 15 *Atalanta Artemis*, which had departed London for Cape Town nine days earlier, crashes while taking off from Pietersburg. Although the aircraft must be written off, no injuries are reported. The recovered mail is forwarded by railroad. Regularly scheduled Kano to Khartoum flights commence on February 17.

During the month, IA surrenders its exclusivity over the service area north of the London-Berlin line and the U.K. government signs a mail contract with Whitehall Securities, Ltd., which has air transport ideas of its own. The carrier agrees with **Pan American Airways (PAA)** that the two companies will, when prepared, fly two return flying boat services per week from New York to England.

At the beginning of March, a British government committee, chaired by Sir Warren Fisher, recommends that IA concentrate on Empire routes and that a second subsidized British airline be created for European operations. It also recommends that a subsidized airmail service be established to compete with the French and Germans on the South Atlantic. The General Post Office will pay the state carriers of those two nations £87,500 to carry British letters to Brazil this year alone. No subsidized services for either Europe or Brazil will be completed and by 1939 the cost of allowing **Deutsche Luft Hansa, A.G.** and **Air France** to fly British mail will rise to £118,000.

In the air estimates published during the month, Imperial Airways is granted funding for transatlantic bases (£75,000), experimental proving flights (£20,000), and scheduled flights to Bermuda (£18,000).

On March 14, London-Hong Kong service is begun, with the DH 86 *Dorado* flying the final segment from Penang to Hong Kong via Tourane and Saigon on March 23. This regularly scheduled service allows mail to reach Hong Kong from England in just 10 days, instead of the 34 previously required by ship. Incidentally, private pilot Ong Eee-lim, nestled atop 16 bags of mail in the *Dorado*'s cargo bay, becomes the first regular airline service passenger to fly into Hong Kong, arriving on the March 23 flight.

Meanwhile, on March 17, a former IA passenger is fined £10 in the Croydon police court for smoking aboard one of the HP 42 *Heracles*'

Paris return flights. The case is the first in Britain involving the prosecution, conviction, and punishment of an airline passenger for smoking aboard an aircraft in flight. The landplane terminus of the South African sector is shifted from Cape Town to Johannesburg on March 24 and on March 27 Hong Kong to Penang flights begin via Saigon and Tourane.

On March 20, the schedule for the Africa route is changed, with departures now announced for Tuesdays and Fridays instead of Wednesdays and Sundays. The mailplane departing London on this date will be the last to complete a through run to Cape Town.

With the coming of spring, the company, hoping to take advantage of the introduction of new roulette gaming at le Touquet's casino, introduces a seasonal series of one-day or weekend flights to the French city employing two dedicated HP 42s plus the *Scylla* and *Syrinx*. Passengers are promised free limousine service and those choosing to return to London on Sunday nights will receive a free dinner served in flight.

With the conclusion of the March 24 flight from London on April 1, IA terminates its Africa route at Johannesburg, turning over all responsibility for South African internal flights to **South African Airways (Pty.), Ltd.**

In association with **Qantas Empire Airways (Pty.), Ltd.** on May 6, the London-Brisbane route is duplicated. Piloted by John Lankester Parker, the first 17-passenger, 4-engine Shorts S23 Empire- or C-Class flying boat *Canopus* makes its inaugural test flight on July 3. Having been ordered in quantity (28) even before the first is built, the type represents one of the first great aircraft gambles in commercial airline history. On July 30, the SSA announces government plans for transatlantic air operations.

As the result of his unwelcome covert efforts to succeed Chairman Geddes, the activities of the Permanent Secretary to the Air Ministry Sir Christopher Bullock become the subject of an August inquiry. The committee of inquiry looking into his case finds the gentleman to have exercised bad form in bending the rules governing private gain for officials and he is forced to resign, being replaced by Sir Donald Banks.

The wholly owned subsidiary **Imperial Airways (Bermuda), Ltd.** is formed on August 22; the same day, the S17 *Scipio* alights heavily at Mirabella, Crete, and sinks (two dead). The mail sacks are brought up from the sea floor within six hours and the letters and cards are delivered by surface ship to Athens for transshipment.

At month's end, the HP 42 *Horsa*, attempting to make up time by flying to a night landing at Bahrain, fails to make appropriate contact with the IA station there and flies on in darkness to a forced landing 100 miles into the desert. The passengers are rescued by the RAF the next day and the plane, refueled, is ferried back to Bahrain.

The second S23 Empire flying boat *Caledonia* makes its first flight on September 11; after she has been stripped of her usual cabin furnishings and outfitted with 2,300-gallon extended-range fuel tanks, it is hoped that she can make a North Atlantic crossing before year's end. Having departed London for Australia on September 25, the Boulton Paul P-71A *Boadicea* crashes into the English Channel; there are no survivors. Most of the mail washes up on beaches along the coast of France or England over the next few months and is returned, as possible, to senders.

Just prior to departure from Delhi on September 29 for a continuation of the service from London to Australia, the AW 15 *Athena* catches fire on the runway; although all aboard escape, the aircraft is destroyed. Most of the mail is recovered (some burned) and delivered later.

Whitehall Securities, Ltd., registers the private carrier **British Airways, Ltd. (1)** on September 30. Also during the month, the Australian government accepts terms of the Empire Air Mail Scheme, with reservations that must be considered by the U.K. government.

By early fall, radio telegraph stations are nearly finished at Foynes and Rineanna, on the Shannon River in Ireland; work is also advanced on transatlantic facilities on Newfoundland. On October 15, the trans-Africa Kano route is extended via Kaduna, Minna, and Oshogbo to Lagos. Mail service from England to Lagos is now reduced from 19 days by sea to 6 by air. With no radio direction stations along the route, all flights from Khartoum to Lagos and back must be made in daylight.

Having departed Rochester, near the Thames estuary, on October 22, the first Short S23 Empire-Class flying boat, the *Canopus* piloted by Maj. Brackley, begins a proving service with it to Alexandria, Egypt. Having arrived via Bordeaux and Marseilles at Lake Bracciano, Rome, Brackley is relieved by Capt. F. J. Bailey, one of the original **British Marine Air Navigation Company, Ltd.** flyers, who takes the ship on to Egypt.

Return service from Lagos to Khartoum begins on October 20. In the first scheduled flight employing the new flying boat, Capt. Bailey's *Canopus* returns to Rome in slightly over 7 hrs. via Brindisi, Athens, and Mirabella on October 30.

On November 2, Capt. Bailey makes the delivery flight for the S23, *Caledonia*. With the waters around Newfoundland frozen, a plan to fly her on a trial mission across the North Atlantic must be scrapped; she will be sent on a long-range flight to the Far East instead. The S23s *Centaurus* and *Cavalier* are also delivered during the month. They will be followed into service by the *Castor* in December. The independent competitor **British Airways, Ltd. (1)**, owned by Whitehall Securities, Ltd., merges the independent companies **Hillman Airways, Ltd., British Continental Airways, Ltd., Highland Airways, Ltd., and Northern and Scottish Airways, Ltd.** on December 11.

Beginning its flight under the command of Capt. Cumming on December 13, the *Caledonia*, flown by Capt. A. S. Wilcockson, makes a roundtrip multistop flight to India carrying 5 1/2 tons of Christmas mail on each run. On December 21, continuing on with the Christmas mail, the *Caledonia* flies 1,700 miles nonstop Alexandria–Marseilles in 11 1/2 hours; the next day she flies 4 hr. 15 min nonstop to Southampton from Marseilles.

After Egypt agrees to join the upcoming Empire Air Mail Scheme in December and pays a 22,500 subsidy to IA, the *Centaurus* is dispatched to Cairo with the first shipment of airmail.

During the fourth quarter, a unit from the independent Strand Films receives a commission to make a motion picture concerning the carrier's imperial air routes. It is hoped that the enterprise will be as successful as *China Clipper*, which had been made in cooperation with **Pan American Airways (PAA)**. By year's end, Strand has captured over 50,000 feet of images.

At the annual meeting at year's end, Chairman Geddes reports that enplanements for the year have dipped to 60,367; however, a profit of £140,705 has been generated, plus £7,487 not attributable to the year.

Instead of sending the usual Paris to Brindisi airmail by rail between those two points, sacks are sent by train only between Paris and Marseilles, beginning on January 2, 1937. On January 4, the S23 *Castor* inaugurates regularly scheduled Marseilles–Alexandria via Rome (Lake Bracciano), Brindisi, and Athens service. The first IA all-air Southampton–Alexandria service is begun by the S23 *Centaurus* on January 12 via Marseilles, Rome (Lake Bracciano), Brindisi, Athens, and Mirabella; an Alexandria–Southampton return service is started by the S23 *Cassiopeia* on January 26. The latter now constitutes the final leg of the regular service from India.

The unsubsidized London–Brindisi service started in April 1935 is withdrawn during the month. Capt. H. W. C. Alger, flying the S23 *Castor*, begins regularly scheduled Southampton–Alexandria service after a false start on February 6. In preparation for service on the North Atlantic, the S23 *Caledonia* flies the 2,222-mile Southampton–Alexandria run nonstop in a record 13 hrs. 5 min. on February 18. The British government on February 22 approves reciprocal transatlantic flying boat services with **Pan American Airways (PAA)**. Also during the month, the Australian reservations concerning the Empire Air Mail Scheme are allayed.

The new company flying boat base at Hythe, near Southampton, is opened on March 5 and from this date on, IA landplane flights are ordered restricted to Europe. Flights to Africa and Australia will be conducted from the new flying boat base at Hythe, in Hampshire starting the next day.

On March 24 while transporting the first through mail for Australia, the new S23 *Capricornus* runs into a blizzard over the French Alps and

becomes lost. The plane ices up and crashes into a mountain near Lyon, killing five of six crewmen aboard. The radio operator alone survives and pushes through deep snow to find a farmhouse and sound the alarm. All of the bodies are recovered, along with the mail, which is forwarded on by the next available aerial service.

To investigate icing conditions reported by his DH 86 pilots on the Cologne run, the European Division's chief, Capt. Wooley Dod, takes a night flight over the route at month's end to see for himself. The de Havilland in which he is flying encounters a snowstorm and crashes, killing all aboard.

At the beginning of April, a subsidy of £25,500 is received to allow continuance of the London–Hong Kong mail service. The Cologne and Leipzig stops on the London to Budapest service are suspended on April 5 in favor of Frankfurt in order to provide a connection with the rigid airships of **Deutsche Zeppelin-Reederei, GmbH**. The S23 *Cavalier* is taken off Mediterranean services and is broken down. Repacked in 21 crates, she is shipped by steamer to Bermuda, where she will be reassembled and readied for her Bermuda–New York trials.

On May 2, the 40,000th Channel crossing is logged by the HP 42W *Heracles*. S23s assume, on May 15, responsibility for the South African route as far as Kisumu, Lake Victoria, the first flight from Cairo being inaugurated on that day by the *Capella*. The mail flight departing Southampton for South Africa on May 21 is the 1000th made over an Empire route. On May 23, Capt. D. C. T. Bennett, flying 14 passengers and 3,000 pounds of mail in the S23 *Cassiopeia*, makes the first one-day Alexandria–Southampton flight in 18 hours.

Bennett, who will become a major figure with the prewar airline, is well remembered by Alan Bramson in his *Master Airman: A Biography of Air Vice Marshal Donald Bennett, CB, CBE, DSO* (Shrewsbury, Eng.: Airline, 1985).

On May 27, the S23 *Cavalier*, piloted by Capt. M. Alderson, flies a proving route over a 700-mile route from Bermuda to New York in just under 6 hours. A **Pan American Airways (PAA)** Sikorsky S-42 simultaneously flies from New York to Bermuda. Six days later, the wholly owned subsidiary Imperial Airways (Atlantic), Ltd., is formed. A hanger fire at Karachi on May 31 destroys the HP 42W *Hengist*. During the month, both the S23s *Corsair* and *Castor* are slightly damaged in incidents while on the water.

Following a May meeting at the Greyhound Hotel at Croydon, the British Airline Pilots' Association (BALPA) is formed, with Lord Chesham as president and Lord Amhurst as vice president. Two pilots each from IA and **British Airways, Ltd. (1)**, plus one each from Surrey Flying Services and **Olley Air Services, Ltd.** make up the original organizing committee. Lane Burslem and Senior Captain W. Rogers are recruited to serve as the new chairman and vice chairman. At the Airways House company headquarters in London, orders are issued for most landplane pilots to undertake a summer of retraining learning to fly the Empire boats.

Capt. E. H. Attwood, flying the S23 *Canopus*, departs Southampton on June 2, inaugurating 20-stop England–South Africa through passenger and mail flying boat service. The route to Kisumu is the same as flown earlier; however, at that point, the *Canopus* travels to Mombasa, Dar es Salaam, Lindi, Mozambique, Quelimane, Beira, Inhambane, Lourenco Marques, and to Durban.

On June 4, the S23 *Cambria*, which like the *Caledonia* has been outfitted with long-range fuel tanks for transatlantic work, completes a survey of African flying boat routes. The S23 *Courtier* begins the return route from Durban to London on June 6. The AW 15 *Amalthea* makes the final IA departure from Johannesburg on June 7; thereafter, all return service between South Africa and England will be operated by flying boats.

The flag carrier's capitalization is increased on June 18 to £5 million. On June 24, the old Kent Class flying boat *Satyrus* departs Alexandria on the first leg of an 18-stop survey flight to Singapore via Lindi, Tanganyika. The flight will examine possible marine facilities for a planned extension of S23 service to Singapore.

Secretary of State for Air Viscount Swinton unveils the Empire Air Mail Scheme on June 29. The rate for "All Up" African letters is set at 1 1/2d. per half-ounce. With 3,500 pounds of unsurcharged mail, the S23 *Centurian* lifts off Southampton Water for Sudan, East and South Africa on the program's inaugural flight. Upon the death of Sir Eric Geddes, his longtime confidant and chief financial officer, Sir George Beharrel, becomes company chairman.

The first return transatlantic survey flight by an S23, the *Caledonia* piloted by Capt. A. S. Wilcockson, with C. H. Bowes, T. E. Hobbs, and T. A. Vallette, departs Foynes, Northern Ireland, on the evening of July 5. Flying at 1,000 feet, the *Caledonia* arrives at Botwood, Newfoundland, 15 hrs. 26 min. later. On July 6, the S23 *Cambria* makes the first flying boat proving flight Southampton-Lisbon. The *Caledonia* flies on to visit Montreal on July 7 and the **Pan American Airways (PAA)** flying boat base at Port Washington, Long Island, New York on July 8 before returning to the U.K. on July 16. Meanwhile, the Bermuda to New York service, run in alternate directions by the British and U.S. carriers, continues weekly.

On July 23, the HP 42W *Heracles* boards its 80,000th Paris-bound passenger. Three days later, on July 26, company officials meet at Dublin with executives from the British and Irish governments and **Pan American Airways (PAA)** to examine issues of common concern, including weather forecasting, postal services, and signal codes in preparation for the reciprocal transatlantic service of the two carriers.

Designed to serve as midair launch platform for the seaplane *Mercury*, the Short S21 *Maia* makes its maiden flight from England's Medway River on July 27. The S23 *Cambria*, piloted by Capt. Powell, with C. F. Elder, C. A. Woods, and J. H. A. Lewis, flies from Foynes to Botwood on July 29-30.

Using the best footage from the 50,000 feet of film shot late the previous year, Strand Films producer Paul Rotha, under commission to Imperial, creates and releases the celebratory *The Future's in the Air*. With narration written by Graham Greene, the documentary traces the route of an airmail letter from Australia to Southampton. Also using shots from the 50,000-foot film cache, the Strand release *Air Outpost* depicts activities at the Persian Gulf airport at Sharjah.

Between August 6-9, the S23 *Ceres* makes an Alexandria-Karachi proving flight flying via the Dead Sea, Habbaniyah, and Sharjah. The aircraft is forced to employ the Dead Sea rather than Lake Galilee because of local religious objections. Meanwhile, the *Cambria* returns to Foynes on August 8-9. Six days later, on August 15, Capt. Wilcockson's *Canopus* returns to Botwood; the flight back to Foynes occurs on August 20-21. The *Cambria* flies again to Botwood on August 27.

Designed to lift off from the S21 *Maia* flying boat in midair, the Shorts S-20 *Mercury* makes its maiden flight from Medway, England, on September 5. The *Canopus*, too, makes another test flight from Foynes to Botwood on September 13-14, returning to Foynes on September 23-24. Completing another New York survey flight, the S23 *Cambria* returns Botwood-Foynes on September 27-28 in a 10 hr. 36 min. hop. During September, the AW-15 *Athena* is destroyed in a Delhi hangar fire and the Bermuda to New York service is duplicated.

The Air Ministry, on October 1, imposes new safety requirements upon the company as well as other British carriers. For the first time, passengers and crew must wear seatbelts. Aircraft seating more than 10 must have a pair of fire extinguishers and oxygen must be available for use on flights above 15,000 feet. In aircraft cockpits, artificial horizons and directional gyroscopes are now necessary.

The same day, the S23 *Courtier* lands so heavily on the sea at Phaleron Bay in Athens that it cracks open and sinks (three dead). Most of the mail, which had been en route to England from India, Iraq, and Egypt, is recovered and forwarded. This disaster will lead the Air Ministry to require the use of seat belts on all British airliners.

On October 3, the S23s *Clio* and *Calypso* inaugurate five-day Southampton-Alexandria and Alexandria-Karachi service. From this point, flying boats are employed to operate the entire eastern route as far east as India. The route, however, is changed; from Alexandria, the air-

craft operate via the Lake of Galilee, Lake Habbaneyeh at Baghdad, Basra, Bahrain, Dubai, Gwa Jor, to Karachi.

On October 4, the Budapest service is suspended. Between October 6-7, the S23 *Caledonia* flies a proving run Southampton to the Azores and on October 7, the S23 *Camilla* launches two-day Karachi-Alexandria flights.

On October 13, the DH 86 *Delia* extends the Lagos route to Accra on the Gold Coast; this new service is operated in conjunction with Elder-Dempster Steamship Lines, Ltd. Two days later, the L.17 *Satyrus* departs Alexandria for a second two-week proving flight to Singapore, arriving in Malaya on October 29.

During the month, the company introduces a new two-tier pay scale for its pilots, with new hires earning considerably less than veterans.

After objecting to the carrier's aging equipment, high fees, and new two-tier wage system, six of the leaders of the new pilots union BALPA, including Chairman Capt. Lane-Burslem and Vice Chairman Capt. W. Rogers, are summarily fired by new Chairman Beharrel. Air Superintendent Brackley, originally appointed to represent pilot concerns, is unsympathetic when many of the flyers express their dismay over developments at the union's strike meeting.

BALPA's council requests that the carrier recognize their group and discuss the action against the dismissed pilots; solicitors for IA answer for the company, upholding the justification of the firings. For this and other, safety- and equipment-related reasons, along with the airline's declaration of a 7% dividend during the month, BALPA Vice Chairman Robert Perkins, a Conservative Member of Parliament (MP) from Stroud, speaks out in the House of Commons on October 27.

Orders are placed on November 10 for three DH 91 Albatross aircraft, to be known at IA as the Frobisher or "F" class; these will be christened *Frobisher*, *Falcon*, and *Fortune*. The S23 *Cordelia* leaves Karachi on November 15 on a six-day proving flight to Singapore.

Following weeks of claims and counterclaims by the fired pilots, unions, airline safety and administration, airliners, and government subsidy, MP Perkins introduces a motion in the House of Commons asking for an inquiry into British civil aviation, issuing a long list of allegations built around the various public issues.

When Perkins sits down, his motion is seconded by MP Moore-Brabazon (later Lord Brabazon of Tara), himself holder of the nation's first civil pilot's license. A Committee of Inquiry into Civil Aviation, under the chairmanship of Lord Cadman of the Anglo-Iranian Oil Company, is formed on November 17 in the House of Commons. Other members include MPs J. W. Bowen and Sir Frederick J. Marquis, plus T. Harrison Hughes and, as secretary, Air Ministry official W. W. Burkett.

The first meeting of the Cadman Committee is held on December 2. Both sides are invited to send position papers (IA provides a 32-page document, with 32 pages of appendices) and provide witnesses to be interviewed.

On December 3, Capt. J. W. Burgess' S23 *Centaurus* departs Southampton on the first leg of a 24-day survey flight to Auckland, New Zealand. Piloted by Capt. Mollard, the S23 *Cygnus* fails takeoff from a choppy sea at Brindisi on December 5 and crashes. Two aboard are drowned before rescue and all of the others, including IA Director Salmond, are injured. Three days later, the *Horatius* carries the 250,000th Paris-bound passenger aboard an HP 42 airliner. The Penang, Saigon, and Tourane segments of the Hong Kong route are abandoned on December 19 in favor of routing via Bangkok, Udorn, Hanoi, and Fort Bayard. The *Centaurus* reaches Auckland on December 27.

Also during December, letters transported on the "All-Up" scheme are found to be underfranked. When the error is discovered, special "Christmas Concession Labels" are attached to all envelopes originating in Great Britain, South Africa, Northern Rhodesia, Southern Rhodesia, Kenya, Nyasaland, and Mauritius.

Enplanements for the year, the last for which passenger traffic figures are available for the unmerged carrier, total 62,105 (as of March 31, 1938). With a network of 80,000 unduplicated miles, the carrier now op-

erates more air route mileage than any other in the world. During the year, the last two Short S8 Calcutta flying boats, the *City of Athens* and *City of Swanage*, are withdrawn and sold. At the annual meeting, Sir Francis Joseph succeeds Sir Walter Nicholson as a government representative to the board and a £164,735 profit is announced, not including £12,229 attributable to the year.

The Short *Mayo* composite aircraft begins taxi trials at Southampton on January 1, 1938. The first official takeoff occurs on January 19; however, during final trials the previous day, *Mercury* test pilot John Parker had inadvertently become airborne. On January 23, under the direction of Sir Alan Cobham, company advisor and founder of **Flight Refueling, Ltd.**, the Armstrong Whitworth AW-23 bomber and transport prototype, acquired on loan from the Air Ministry, refuels the S23 *Cambria* in the first British flying boat in-flight refueling test. The demonstration, made offshore from Southampton, illustrates the possibility of extending the transatlantic range of British aircraft.

During the first quarter, Air Chief Marshal Salmond departs the board to assist in the nation's rearmament process. He is succeeded as a government representative to the board by Sir James Price. Except for the departure of Managing Director Woods-Humphrey a few months hence, the Price appointment is the last change in IA board membership.

On February 6, the piggyback Short *Mayo*, comprising the S21 flying boat *Maia*, piloted by Capt. D. C. T. Bennett and A. J. Coster, and the S20 seaplane *Mercury*, flown by Harold Piper, first successfully separate in midair over Rochester when the *Mercury* departs the *Maia*. Meanwhile, company operations at London (LGW) are temporarily transferred to Heston as the result of the mud conditions at the London field.

After 30 meetings, the Cadman group's *Report of the Committee of Inquiry into Civil Aviation* is delivered to the Secretary of State for Air on February 8; it will be published as a pamphlet a month later. The document offers several recommendations that will be acted upon within a year or so. Among these are coordination of effort between IA and **British Airways, Ltd. (1)**, with the former concentrating on international services and the latter on further penetration to Continental markets as well as to South America. Routes to South America, the West Indies, and the Far East should all be subsidized, while a private company, jointly owned by the two majors, should be established to operate the London-Paris return service.

It is further recommended that more medium-range airliners be built and that the government's civil and military sectors be more closely linked, though not as closely as those in Germany. With Air Ministry agreement, RAF bomber pilots now begin to fly as copilots on company services to Germany, so as to familiarize themselves with the aerial view of the Third Reich. Additionally, it is further recommended that a full-time chairman/CEO be appointed. This view becomes the most controversial of the report and will bring several months of often public debate within the government and aviation circles concerning the position of Managing Director Woods-Humphrey.

A week later on February 17, the S23 *Coogee* departs Southampton for the final proving flight to Singapore via India. The Empire Air Mail Scheme is extended to Singapore on February 23 as the S23 *Centurian* departs Southampton for the Far East on the first flight without surcharge over this scheduled route. The same day, the Shorts *Mayo* makes a second separation flight off Southampton, this one recorded by newsreel cameras. The *Centurian* arrives at Karachi on February 27, meeting the **Qantas Empire Airways (Pty.), Ltd.** S23 *Coolangatta*, which continues on to Singapore. The first "All Up" mail from Ceylon is dated February 28; that from Egypt and India and from Singapore will be dated March 1 and March 2, respectively.

Also during the month, company executives join those from **Pan American Airways (PAA)** in a meeting in Canada with British and Irish government leaders where it is agreed that the weather forecasting and communications procedures of the two airlines will be standardized.

On March 1, the Karachi-Singapore service is terminated at Calcutta and on April 10 the S23 *Centaurus* departs Southampton on the first leg of an accelerated three-day service to Karachi. Cutting a day and a half

off the previous time, the S23 *Ceres* departs Southampton on April 13 inaugurating accelerated two-day England-South Africa return service. By the end of the month, flights from London to Karachi require just three days, while those to Singapore take five and a half and Brisbane can be reached in nine days.

On April 28, a French fishing boat in the English Channel recovers a sack of mail that had been lost when the Boulton Paul P-71A *Boadicea* had crashed on September 25, 1936. Postal authorities return (when possible) all letters and postcards to senders.

Also during the spring, Capt. Powell is dispatched to Bermuda to serve as station manager for the New York service (and backup pilot to Capt. Alderson).

On May 5, IA begins to accept mail in London for a service from Baghdad to Tehran via Kermanshah. In addition to the cost of a letter to Baghdad, each envelope traveling on to the Iranian capital costs 3d. per half-ounce.

On June 3, Chairman Beharrel is visited by Sir John, later Lord Reith, respected Director General of the British Broadcasting Corporation (BBC), who has been sent over by Prime Minister Neville Chamberlain's assistant, Sir Horace Wilson, to inform Sir George Beharrel that the government desires the ex-BBC headman as its new airline CEO.

Discussion on the fate of Woods-Humphrey intensifies. Sir Kingsley Wood now informs the House of Commons that Reith has been appointed and that director Sir James Price will conduct an inquiry into rumored management failures. Following the lengthy and often public debate concerning his tenure, longtime Managing Director Woods-Humphrey, stung by certain Cadman Report criticisms and the threat of an inquest by Sir James, finally resigns from his £7,000-per-annum position, effective June 30. He does, however, agree to remain available to assist the new chairman until he can reorganize the company.

Many of the 3,600 company rank-and-file employees from IA's 111 stations around the world send messages of support to the managing director and two days before he leaves, a testimonial dinner is given for Woods-Humphrey by members of the carrier's senior staff, during which event he receives a huge silver salver.

The S23s *Camilla*, *Cordelia*, and *Challenger* depart Southampton on June 26 to inaugurate the first through flying boat service to Australia. Also in June, the last remaining Kent Class flying boat, the *Satyrus*, is broken up at Hythe on Southampton Water. In Africa, the Elder Dempster shipping company acquires a Short Scion flying boat and, in support of Imperial's Empire mail operation, opens a cooperative contract mail route weekly from Accra to Bathurst and Free-town.

Sir John Reith moves from the BBC to become the new chairman on July 1, succeeding Sir George Beharrel, and Sir James Price remains a director. The former works to improve relations with BALPA pilots while the latter will conduct his investigation into the previous administration's management failures—finding none that stand. Reith soon comes to appreciate the work of ex-Managing Director Woods-Humphrey and years later in his memoir *Into the Wind* (London: Hodder & Stoughton, 1949) pays him tribute: "Woods-Humphrey personally handled an inordinate amount of detail, so that to a great extent the whole business had depended upon him. With his departure, no one in Imperial Airways knew where they were."

Having reached Singapore, the *Challenger* begins to operate, on July 2, the Singapore-Sydney segment of the U.K.-Australia route. The *Camilla* and *Capella*, meanwhile, fly on to Darwin; the seven British journalists accompanying the two flying boats are appalled by the lack of preparation made by the Australians for their arrival.

In the first commercial mail crossing of the Shorts combination aircraft, the *Mercury*, piloted by Capt. D. C. T. Bennett, with Radioman A. J. Coster, on July 20-21, separates from Capt. A. S. Wilcockson's *Maia* near Poynes. The *Maia* returns to base and the *Mercury* then flies 2,930 miles nonstop to Montreal in a record 20 hrs. 20 min., proceeding hence to Port Washington, New York. The S20 returns to the U.K. via Botwood, the Azores, and Lisbon on July 25-27.

The Empire Air Mail Scheme is extended to Australia, New Zealand, and the Western Pacific on July 28 as the S23 *Calypso* departs during the day from Southampton. A special souvenir booklet is issued to mark the occasion and the significance of the service is noted, including that "the postage for letters is now three-halfpence a half-ounce and a penny for postcards. The airmail fee has been abolished."

The month is closed out with the assignment of DH 86s to the four-stop London (Croydon)–Frankfurt service and the loss of the AW-15 *Amalthea* in a Kisumu crash.

The Empire Air Mail Scheme extends to Hong Kong on September 2. During the Munich Crisis of September 22–24, the HP 42W *Heracles* evacuates British residents of Prague back to London.

Also during the month, former Managing Director Woods-Humphrey is sent to New York to ascertain the progress of **Pan American Airways (PAA)** toward the introduction of regular transatlantic service. He will report that the American enterprise is so well advanced that it might be necessary to seek a way to share that pioneer's new facilities in Portugal and the Azores.

By late summer, Chairman Reith is well advanced on his company reorganization. Maj. Brackley, whose post of air superintendent has been abolished, is dispatched to survey the West Coast of Africa at the beginning of September. It is hoped he can find new routes to replace any that would be endangered should war come with Germany.

The first Armstrong-Whitworth AW-27 *Ensign* is delivered at Croydon on October 5 and christened *Ensign*. On October 6–7, after separating from the *Maia*, Capt. Bennett's *Mercury* establishes a long-distance seaplane record, flying the 6,045 miles from Dundee to the Orange River (not far from the Alexander Bay diamond mining settlement in South Africa) in 42 hrs. 5 min. The achievement breaks the record set on August 10 by the New York flight of **Deutsche Luft Hansa, A.G.'s** FW-200S-1 *Brandenburg* and is still considered the current world distance in a straight line record for seaplanes.

The first DH 91 is accepted on October 17 and christened *Frobisher*; it makes a demonstration flight from Croydon Airport to Paris on October 20. The AW-27 *Ensign* is placed in ad hoc service on the scheduled Paris route on October 24; the new DH 91 *Frobisher* begins ad hoc service on the same route on November 25, flying it in 53 minutes.

On November 11, as a result of the findings of the Cadman Committee, Minister of State for Air Sir Kingsley Wood announces in Parliament the government's intention to merge IA and the competing independent, **British Airways, Ltd. (1)** into a new state airline, **British Overseas Airways Corporation (BOAC)**. Private shareholders will now be bought out and an issue of fixed interest stock will provide funding to cover the acquisition, as well as future expenditures. Chairman Reith and his chief assistant, Leslie Runciman, begin to draft guidelines for the new flag corporation. British Airways (1) Chairman Clive Pearson is invited to become deputy director, with Runciman and Harold Brown becoming directors. Director I. C. Geddes is retained.

While en route from London to India, the S23 *Calpurnia*, carrying mail but no passengers, encounters a fast-rising sandstorm while trying to land on the lake at Habbaniyah on November 27; the storm causes the flying boat to crash (four dead). Most of the letters and cards are recovered and forwarded.

As the month ends, the carrier's subsidy to operate DH 86s from Penang to Hong Kong is increased to £56,000; some of the funding comes from the colonial governments of Malaya and Hong Kong.

Also in November, the U.K. government, pushed into faster rearmament by the Munich Crisis, not only refuses to allow IA to consider acquisition of several long-range Focke-Wulf Fw-200 Kondor airliners, but, given the new priority requirements of the RAF, halts North Atlantic flying boat trials until the following year.

In early December, the Elder-Dempster Shorts Scion, flying the mail weekly from Accra to Bathurst and Freetown in Africa, is found to have significant seawater-caused defects. It must be taken out of service while a repair team is sent down from England to affect repairs.

On December 18–19, the *Frobisher* and her new sister, the *Falcon*, fly Christmas mail to Alexandria. At the same time, Capt. Bennett's *Mercury* flies nonstop from Southampton to Alexandria with a cargo of mail.

It might be noted here that this year, under the pseudonym of "A Flying Boat Pilot," Capt. Bennett publishes his short but excellent guide to flying the airline's flying boats, *The Air Mariner* (London: Pitman, 1938).

Three of the newly delivered AW-27s are ordered to take Christmas mail to Australia. The *Egeria* must have a failed engine changed at Athens before proceeding, while neither the *Elsinore* nor *Euterpe* make it as far as India before their Tiger engines also break down. They and their six sisters will be returned to their manufacturer; Armstrong Whitworth replaces the power plants with U.S.-made Wright Cyclones and pays IA a £42,500 settlement to avoid a suit.

Bookings for the year are 191,485 and a £97,267 profit is reported to the air chief marshal; it does not include a £1,205 gain attributable to the year. Also at the general meeting, the chairman acquaints the carrier's shareholders with the proposal and negotiations concerning the merger with BA-1.

On January 8, 1939, the DH 91 *Falcon* flies Croydon–Marseilles in 3 hours. Two days later from the same point, the same plane flies to Brussels in a record 48 minutes. The DH 91 *Fortuna* inaugurates London (Croydon)–Zurich service on January 13; the service is suspended on January 31. Also in mid-month, the S-23 *Calypso* suffers engine failure while flying off the Normandy coast; a tugboat tows the aircraft into Cherbourg harbor, where repairs are made.

Capt. Alderson's S23 *Cavalier*, with 12 others aboard and en route to New York from Bermuda, is forced down by carburetor icing SE of Port Washington, New York, on January 21; rough seas cause the flying boat to sink within 15 minutes (three dead). Survivors of this, the first scheduled airliner to be lost over the Atlantic, are rescued by the tanker *Esso Baytown*. No replacement for the Empire boat is immediately available.

A final Dublin meeting between company officials and those from **Pan American Airways (PAA)** and the British and Irish governments in early March results in creation of the Transatlantic Air Service Safety Organization (TASSO). Having run out of fuel, the S23 *Corsair* makes a forced landing on the Dangu River (Belgian Congo) on March 14. Although the aircraft is holed and sinks, no injuries to anyone in Capt. Kelly Rogers' crew are reported. The mail is recovered and salvage operations commence when a rescue team arrives from Juba, 150 miles away.

The Croydon–Frankfurt via Brussels and Cologne service is withdrawn on April 15. The next day, joint IA/**British Airways, Ltd. (1)** London–Paris and London–Basel–Zurich service begins (the former flown by DH 91s and the latter by BA-1 Lockheed Model 14s). On the same day, overall travel times on the South African and Hong Kong routes are cut to 4 1/2 and 5 1/2 days, respectively.

The S23 *Challenger* crashes into a jetty while landing at Mozambique on May 1 and bounces off into shallow water, badly damaged (two dead).

Also during the month, the repaired Elder-Dempster Shorts Scion seaplane, out of service since the previous December, is able to resume its weekly mail flights on behalf of Imperial from Accra to Bathurst and Freetown via Conakry and Boulama.

The negotiations with the government concerning the takeover being completed, an extraordinary meeting of Imperial shareholders occurs on May 22 in which they vote to approve the chairman's acceptance of the offer from the government. Stockholders are also informed that they will be able to obtain BOAC shares equal to an amount purchasable by their redemption money.

Sir Kingsley Wood, on June 2, introduces the BOAC Bill in the House of Commons; it receives a second reading on July 10. The financial terms of the legislation will have the government pay £2,659,086 for IA and £262,500 pounds for **British Airways, Ltd. (1)**.

The AW-15 *Andromeda* is, meanwhile, withdrawn from service. Two S23s are also lost, the *Centurion* to a crash in the Hooghly River at Cal-

cutta and the *Connemara* in Hythe when a refueling barge alongside it catches fire. These are the eighth and ninth Empire flying boats to be lost within just two years of delivery.

During the month, a new headquarters, under construction for two years, is occupied in Buckingham Palace Road. At the same time, as a result of the deteriorating political situation in Europe, the carrier draws up plans for the evacuation of Croydon should war occur and the establishment of a temporary base at Bristol. Departments are notified and essential personnel designated to remain behind to handle details.

Meanwhile, on July 3, the S23 *Clyde* departs Southampton on the first leg of Imperial's U.K.–India terminating service. Also during July, repairs are completed to the *Corsair* that had crashed in the Congo. Unhappily, the flying boat fails its takeoff run and is holed and sinks again while Capt. Rogers is preparing for a second liftoff attempt. It will be necessary to begin repairing her all over again.

By month's end, preparations are complete to launch transatlantic proving flights employing the S23s *Cabot*, *Caribou*, *Connemara*, and *Clyde*, all of which have been stripped of unnecessary internal furnishings and given extended-range fuel tanks. At month's end, the first of three new S26 G-Class flying boats, the *Golden Hind*, is delivered and employed for crew training.

The training of flying boat crews is demonstrated to the public in Ralph Keene's Strand Films production of *Watch and Ward in the Air*. The film, commissioned by Imperial, focuses on young pilots from their initial appointment through a first voyage out on an imperial air route. Also at this time, the General Post Office Film Unit's *Love on the Wing*, an early color animation by Norman McLaren, celebrates the Empire Air Mail Scheme. The BOAC Bill receives Royal Assent on August 4; the next day, the S23 *Caribou*, piloted by Capt. Kelly Rogers, launches weekly experimental mail service Southampton–New York via Foynes, Botwood, and Montreal. Refueling is provided in-flight by ex-RAF Hampton bombers of Sir Alan Cobham's **Flight Refueling, Ltd.**, operating from bases at Shannon, Ireland and Hatties Camp, Newfoundland (later the great air base at Gander).

Cobham will recall his services for both Imperial and Flight Refueling in his reminiscences, *A Time to Fly: The Memoirs of Sir Alan Cobham* (Concord, Mass.: Paul & Company Publishers Consortium, 1986).

Early in August, arrangements are completed for the temporary housing of personnel at Bristol should the need—now growing increasingly probable—arise. On August 9, Imperial sends all U.K.-based personnel a memorandum entitled "National Emergency," outlining evacuation and pay details, as well as information on how those in the military reserves should separate from the company.

During August, the Karachi–Calcutta service is suspended and at month's end it is noted that the HP 42s have, since their introduction in 1931, transported their customers over 2.3 million revenue-miles without a single passenger fatality.

Also during the month, the Elder-Dempster flying boat, conducting mail flights on behalf of the company under contract in West Africa, is put out of service when it strikes flotsam at its Accra mooring; war will prevent it from resuming flights. With war imminent, the brand new headquarters complex in Buckingham Palace Road is evacuated.

On August 30, an order is placed with the Douglas Aircraft Company in California for the purchase of nine DC-5s that are to begin delivery to New York for ocean-shipment in December. At midnight on the month's last day, all U.K. airlines are, upon receipt of a prearranged code word, ordered to evacuate Croydon Airport, as all of eastern England is put off-limits to civil aviation.

Poland is invaded on September 1 and, by mid-day, all of the company's aircraft present (except three out of service units) have been transferred to Whitchurch, near Bristol; there, IA and **British Airways, Ltd. (1)** officials take over the Grand Spa Hotel as their joint headquarters. A notice from the new headquarters indicates that the merger process will be advanced and that the joint move to Bristol "necessitates the working of the two companies as a single unit and this anticipates the formation of the Corporation."

On September 2, two AW-27s fly RAF officers to France. At the same time, scheduled services to Paris are suspended. Britain declares war on Germany on September 3.

The flying boats are ordered transferred from Southampton Water to Poole on September 9, while the Dragon Rapides and HP-42s are shifted to the airport at Exeter. Some Imperial aircraft begin support operations for the British Expeditionary Force in France under the aegis of National Air Communications. Incidentally, the DC-5 order is now cancelled, with down payment funds already paid slated for other Douglas types of use to the U.K. military.

By mid-month, the two carriers are well into a process of integration. On September 22, the DH 91 *Fortuna* introduces a seven-stop landplane route U.K.–Egypt. On the North Atlantic, the S23 *Cabot*, with in-flight refueling, flies the Foynes–Botwood segment on September 23–24 in a record 13 hours.

The last of 16 weekly experimental New York S23 return flights, all refueled in flight, is completed and the program is terminated on September 30 as the *Cabot*, piloted by Capt. Bennett, alights back at Poole. There she, together with the *Calypso*, *Caribou*, are impressed into RAF Coastal Command to conduct antisubmarine patrols; the *Golden Hind* will also be taken over to conduct long-range maritime reconnaissance flights.

A special agreement is signed with **Air France** on October 11 under which joint service will be operated twice daily between the British and French capitals. During the fall, a route is started from Perth to Oslo and Stockholm, employing BA-1 aircraft. RAF Reservists serving with the company depart to the air service. Even Maj. Brackley, upon his return from his African survey, volunteers, becoming a Coastal Command squadron leader. AW Ensigns immediately resume flying the British schedule. Returning from France on November 7, the HP 42W *Horatius* is wrecked in an emergency landing. BOAC is formally established on November 24, purchasing the assets of its two predecessors for £2,920,000.

Repaired once more, the flying boat *Corsair*, which had made a forced landing in the Belgian Congo 10 months earlier, is flown off the Dangu River by Capt. Kelly Rogers on January 6, 1940 and returns to Alexandria via Juba. During the months of salvage, a native village is established at the wrecksite; Corsairville still exists. In January and February, the S23s *Clio* and *Cordelia* pass to the RAF, along with the new S26 flying boats *Golden Fleece* and *Golden Horn*.

On March 1, en route Jiwani–Sharjah, the HP 42 *Hannibal* is lost over the Gulf of Oman (eight dead), leading to the withdrawal of the type from the Cairo–Karachi route. The mail is not recovered.

Clive Pearson succeeds Sir John Reith as company chairman on March 6. The last documentary film commissioned by Imperial's public relations department is, upon its release, the most controversial. Directed by Donald Taylor, the Strand Films release *African Airways* is not only a depiction of the flying boat service from Southampton to Cape Town but, in its closing scenes, becomes a political statement when the luxury of the imperial traveler is contrasted with the living conditions of South Africa's native population.

Capt. Lloyd C. "Digger" Ifford, who has flown the London–Paris service since 1924, now stands down; he will publish his memoirs in 1949, *Immortal Era: The Birth of British Civil Aviation* (Montreal, Que.: Adanac Press).

A storm at Whitchurch airfield on March 19 destroys the HP 42s *Heracles* and *Hanno*. On April 1, **British Overseas Airways Corporation (BOAC)** officially assumes the operations of IA and **British Airways, Ltd. (1)** and the three surviving HP 42s, *Horsa*, *Hadrian*, and *Helena* are impressed into RAF No. 271 Squadron.

It might be added that, as a result of the war, none of the airways' stock noted at the May 22, 1939 special shareholders meeting is actually issued to members of the public. Rather, it is held by the Commissioners for the Reduction of the U.K. National Debt.

IMPERIAL COMMUTER AIRLINES. See **IMPERIAL AIRLINES**

IMPERIAL PALACE AIR: P.O. Box 97979, Las Vegas 89193, United States; Phone (702) 794-3394; Fax (702) 794-3392; Year Founded 1997. IPA is established at Las Vegas in 1997 to provide charter and inclusive tour services for gamblers visiting the city. Revenue flights commence with a single Boeing 727-200.

IMPULS AERO AIR TRANSPORT ASSOCIATION: Sovetskaya Str 26, Bykovo Town, Moscow, 140120, Russia; Phone 7 (095) 166-2089; Fax 7 (095) 166-2100; Code IMR; Year Founded 1993. Established at Bykovo in the Moscow Region in 1993, General Director S. A. Popov's executive charter carrier begins revenue services to ad hoc destinations in Europe, Asia, Africa, and the CIS with a single Yakovlev Yak-40. A second Yak-40 is acquired in 1994.

Charters continue to be offered.

IMPULSE AIRLINES (PTY.), LTD.: Australia (1982–2001). Gerry McGowan and his wife, Sue, establish Impulse Airlines at Sydney in 1982 as the dedicated cargo carrier of the John Fairfax newspaper group. For the next decade, the concern's aircraft will transport issues of *The Sydney Morning Herald*, *The Age*, and *The Australian Financial Review* around the country. Even later, it will maintain its air freight distribution and warehousing contract with Fairfax.

When **Oxley Airlines (Pty.), Ltd.** goes into receivership in 1993, its assets are purchased by Impulse Transportation Group and is reorganized at Port Macquarie, Queensland. Orders are placed for 10 British Aerospace BAe Jetstream 41s to supplement Oxley's 12 Piper PA-31-350 Navajo Chieftains and w Beech King Air 100s. Four Beech 99s are purchased by Managing Director Gerry McGowan to replace the Chieftains and two BAe (HS) 748s are employed on night freight operations. Unprofitable routes to Lord Howe Island, Wee Waa, and Gunnedah are replaced by new services to Inverell and Glen Innes and from Newcastle to Brisbane.

Early in 1994, the regional transfers its headquarters from Port Macquarie to Sydney. A new corporate identity is taken on as Oxley and Impulse are finally integrated on March 1. Managing Director McGowan becomes executive chairman.

During the spring, the company becomes the Asia-Pacific launch customer for the British Aerospace BAe Jetstream 41 as a US\$75-million order is placed for 10 aircraft.

The fleet is upgraded by the arrival of the first five Jetstream 41s in late fall, and the company begins to feed **Ansett Australia (Pty.), Ltd.** The route network grows to 14 stations, with services added to Canberra and Melbourne.

Enplanements total 240,000.

The company's capacity plans are radically altered in 1995. Both BAe (HS) 748s are withdrawn, along with all five Jetstream 41s so far received. The outstanding order for J-41s is cancelled. Instead, the company acquires three Beech 1900Ds and a 1900C, which complement the four Beech 99s already in hand.

Passenger boardings climb 9.2% to 166,000.

Three more Beech 1900Ds enter service in 1996, replacing three withdrawn Beech 99s. The unit delivered in November is the 200th of its type built. The carrier completes painting of its aircraft in a new livery.

Highlights of 1997 include the inauguration of services from Newcastle to Melbourne and the opening of a new maintenance facility at the first-named location. Enplanements for the year total 148,000. Traffic figures are again unavailable.

When **Tamair (Pty.), Ltd.** ceases operations in July 1998, its assets are sought by Impulse. These are acquired in August, along with the defunct carrier's Tamworth-Sydney route license. Three Beech 1900Ds join the fleet during the fall.

A controversy arises with the Federation of Australian Air Pilots on December 7 when Chief Pilot Quentin Flemming is terminated. Chairman McGowan has replaced his top flyer for allegedly speaking out against and refusing to train company pilots concerning the Civil Aviation

Safety Authority's radar trials in Class G airspace between Canberra and the northern New South Wales community of Ballina.

The fleet in 1999 includes nine Beech 1900Ds. Customer boardings through June jump 32.6% to 199,000. Impulse is served notice during the summer that it will be dropped as an Ansett regional affiliate, effective October 1. Revenues for the year total A\$60.9 million (\$32 million), with a pretax A\$7.5-million profit.

Airline employment stands at 112 at the beginning of 2000. Service into Melbourne's Essendon Airport begins on February 7. On March 22, it is revealed that the carrier is establishing a new national hub at Canberra; a new headquarters, maintenance facility, pilot training center, and call and reservation facility will be opened in time for the initiation of new services in June.

Arrangements are completed with the ACT Government on April 11 on an A\$10-million assistance package that will allow Impulse to develop a southern regional hub at Canberra International Airport.

It is revealed on April 12 that three B-717-2K9s have been leased from Bavaria International Leasing Co. and two from Pembroke Capital, Ltd. The first is expected to arrive in Australia by the end of the month and when it enters service it will be the first of its type operated down under. Simultaneously, it is announced that Impulse will become Australia's first low-cost airline when it begins budget services on routes linking Sydney, Melbourne, and Brisbane. Tickets are expected to be marked 50% cheaper than those sold by either **Qantas Airways (Pty.), Ltd.** or **Ansett Australia (Pty.), Ltd.**

At the same time, it is noted that a mix of local and overseas institutions have agreed to take up private placements of equity in the carrier, capitalizing it at A\$100 million. Among those coming aboard are AMP, Arabian Gulf Investments (Far East), Ltd., GIC Special Investments, and CVC Asia Pacific, Ltd.

Wearing blue and yellow colors, the first B-717-2K9 arrives at Sydney on April 27; it has flown in from Long Beach, California, via Osaka (KIX). On May 22, an A\$5-million National Reservation Centre is opened at Newcastle. Also, the daily Beech 1900D return service between Newcastle and Melbourne ends in May.

The former Ansett partner becomes Australia's first low-cost airline when it receives government authority on June 1 for its deep-discount route from Sydney to Melbourne. Employing the first two of five leased B-717-2K9s, Impulse begins the seven-times-a-day return service on June 5 and the inaugural flight is sold out. Simultaneously, 17 daily Beech 1900D roundtrips are offered between Sydney and Canberra.

Market capitalization of Impulse reaches the A\$100-million level on June 9 as National Australia Asset Management (Pty.), Ltd. assumes a large, undisclosed equity stake. In making the announcement, Chairman McGowan notes that he and his wife, Sue, will continue to maintain their 40% position.

Impulse will cease its own operations on May 14, 2001, and be merged into the super regional **Qantas Link**.

Arrival of the third B-717-2K9 allows return service to be boosted to 11 daily roundtrips on June 19. On July 17, the Motor Trades Association of Australia Superannuation Fund agrees to invest A\$20 million in Impulse in the form of converting debt. The facility will strengthen the airline's available working capital as it expands.

Delivery of a new Beech 1900D is taken on August 1, bringing the number in the company's fleet to 13.

An exclusive, two-year partnership agreement is signed with the leading travel retailer, Flight Centre (Pty.), Ltd., on August 4; the pact is expected to generate A\$50 million annually for Impulse. On August 6, the company initiates Australia's first deep-discount fares exclusively for Internet customers. The Web Hot airfare deal offers reductions of up to 79% for travel on the company's upcoming trunk services. Fares are reduced to just A\$66 (US\$38) on the routes from Sydney to Melbourne and Sydney to Canberra.

In response to deep-discount fares by the low-cost start-up, **Qantas Airways (Pty.), Ltd.** in early August, begins to offer its own cut-rate tickets over the routes from Sydney to Brisbane, Melbourne, and New-

castle. Protesting that the major is engaged in predatory pricing, Impulse objects to this obvious expansion into its potential core markets and protests to the Australian Competition and Consumer Commission. After reviewing the situation, the ACCC, in the person of Allan Fels, its chairman, informs Impulse, Qantas, and the media that there is no basis for legal proceedings because Impulse has not been harmed economically and Qantas has not breached accepted trade practices.

To gain a foothold in the market before competing **Virgin Blue (Pty.), Ltd.** starts flying in September, Impulse, on August 13, offers 10,500 Web Hot Internet-purchased seats on its upcoming four-times-a-week roundtrip service from Brisbane to Sydney for A\$33. The entire ticket batch is sold out within hours, with demand so heavy that the company's website slows to a crawl.

Chairman McGowan and ACT Chief Minister Kate Carnell preside over ceremonies on August 17 for the beginning of construction on a A\$9-million project to build a state-of-the-art aircraft heavy maintenance and engineering training facility at Canberra International Airport. B-717-23S is simultaneously received.

The inauguration of B-717-2K9 service from Brisbane to Sydney is delayed on August 28 until Australian Protective Services can remove four members of the rock group The Screaming Jets, who are being abusive to fellow passengers and crew members. The same day, a revamped Web Hot fare structure is introduced. Four pricing tiers on a range of interstate and regional services for the period through October 7 are offered.

Four-times-weekday Beech 1900D roundtrips are launched on September 11 between Taree and Sydney. Arrival of the second B-717-23S allows Impulse, beginning on September 13, to double to eight the number of daily return services offered between Sydney and Brisbane.

Due to external cost pressures (read: fuel prices), the company announces on October 10 that, effective October 23, it must raise airfares by 9.5%. This despite the fact that Impulse earned its first profit—A\$200,000—in September.

The easy Impulse Freebies loyalty program is started on October 23; one free flight may be earned for every ten direct flights flown at the carrier's flexible economy fare rate. The same day, a multimillion-dollar corporate makeover and advertising campaign is launched. The sulfur-crested cockatoo is the centerpiece of the carrier's new market image.

A bold new Web Hot Internet sales campaign is unveiled on October 30. Impulse will offer over 130,000 seats under A\$100 between January 1 and March 31 for services from Sydney to Melbourne, Brisbane, and Canberra services.

A new color scheme is introduced in November, initially on a Beech 1900D. The entire rear and tail of the aircraft are given over to the image of a *Cacatus galerita* or sulfur-crested cockatoo.

On December 4, Impulse Chairman McGowan and **Virgin Blue (Pty), Ltd.** CEO Brett Godfrey join Christopher Barlow, CEO of Melbourne Airport, for the joint opening of the new A\$8.4-million "Domestic Express" terminal the two competitors will share.

An earlier order for three B-717-200s is cancelled by **Wuhan Airlines Company, Ltd.** on December 11; two of the aircraft will, instead, be taken by Impulse. The new aircraft will enter service on February 12, allowing the number of daily frequencies between Sydney and Melbourne to grow from 12 to 19 and rise to 10 on the Sydney to Melbourne route.

On December 13, Impulse and **Virgin Blue (Pty.), Ltd.** come under renewed competitive pricing from **Qantas Airways (Pty.), Ltd.** and **Ansett Australia (Pty.), Ltd.** The majors both slash their summer domestic fares by 75% for the normally quiet booking period between Christmas and April.

Negotiations with the Motor Trades Association for an A\$20-million loan fail on December 18. Still, Impulse plans to continue its rapid low-cost expansion. Once the B-717-2BD and B-217-2CMs have joined the fleet in January, it will begin to operate 19 daily roundtrips between Sydney and Melbourne and 10 from Sydney to Brisbane on February 12. Also on February 12, daily B-717-2K9 return flights will start from Mel-

bourne, via Sydney, to Newcastle. Unhappily, because of a mandatory structural maintenance program on the Beech 1900Ds, daily service on the direct Armidale to Sydney will be suspended a day earlier.

IN TOURS AUSTRALIA (PTY.), LTD.: Australia (1988–1989). ITA is established at Sydney in 1988 to offer regional services throughout Southern Queensland with a fleet of Shorts 330s and 360s. The company does not achieve viability and closes down the next year, 1989.

INAI (INTERNACIONAL DE AVIACION, S.A.): Panama (1967–1987). In January 1967, this company is formed as a charter operation at Panama City. A fleet of 3 Curtiss C-46 Commandos is assembled and under Panamanian permits, scheduled all-cargo services are started to a variety of Central and South American destinations, including Guayaquil, Cali, Lima, and Manus. The American CAB grants Inair permission to initiate flights to Miami, beginning in December 1969.

During 1971, the company expands its route network throughout the Caribbean and acquires a fleet for 4 Douglas DC-6Bs and 1 Boeing 720B. Services link Panama with Chetumal, Caracas, Cozumel, Porlamar, Maracaibo, Bogota, Cali, Medellin, Barranquilla, Lima, Manaus, Iquique, Santiago de Chile, and Arica. The C-46s are withdrawn in late 1973. A former **United Airlines** Boeing 707-022 is added; however, it will be lost in an April 22, 1976 crash landing at Barranquilla.

Airline employment at General Manager George F. Novey's airline reaches 112 in 1975 and in February a DC-6B, the first of its type received by **Pan American World Airways (1)** and once known as *Clipper Liberty Bell*, is withdrawn and scrapped.

Flights continue in 1976–1979. During these years, a single Lockheed L-188A, first flown by **Western Airlines**, is briefly employed. A B-720-022 is acquired and provides lift for the Fiesta Travel Club, beginning in October 1977.

In early 1980, the Boeing is replaced by a Convair CV-880 acquired from **Delta Air Lines**. It is damaged beyond repair when it aborts its takeoff from Panama City on March 29; there are no fatalities.

In 1981–1982, the last DC-6Bs are withdrawn and replaced by two DC-8-55F freighters. Airline employment reaches 105 by 1983 and permission is sought to serve Los Angeles, Montreal, and New York.

As has been the case with many Latin American all-freight carriers, Inair faces severe economic difficulties over the next four years and by 1987 it is flying only one DC-8-55F north to Miami.

In the spring, U.S. Customs agents find 2,500 pounds of cocaine in the aircraft's belly, buried in the center of four pallets of perfume goods. The aircraft is confiscated and rather than pay the penalty to obtain its return, the airline goes out of business.

INDEPENDENT AIR: United States (1966–1990). Formed in the spring of 1966 this charter airline begins commercial contract services in July as the principal domestic and international transport of the Atlanta Skylarks travel club. A single Boeing 707-320 provides lift. The company acquires a B-720-022 in 1969, at which point it is able to offer flights to both the Atlanta Skylarks and, under contract, the U.S. government.

Fifteen years later in August 1984, the company wins charter certification from the CAB. It is now reformed by A. L. Pittman and O. L. Dickerson as a Colorado corporation to acquire all of the stock of its same-named predecessor. Pittman becomes president with Dickerson as executive vice president.

With a workforce of 50 (many executives are transfers from **Capitol Airways**) and two Boeing 707-331Bs and a B-707-323Bs, the supplemental undertakes charter and inclusive-tour services from a Smyrna, Tennessee, base in 1985.

Bookings total 29,000 and profits total \$97,000 (operating) and \$734,000 (net).

Airline employment grows by 33.3% in 1986 to 60 and the fleet is altered to include 1 operational hush-kitted B-707-331B and 1 B-720-022. Two of the Stratoliners are sent off to have their engines hush-kitted.

Passenger boardings skyrocket 132.1% to 65,000. Revenues increase 86.2% to \$5.4 million, expenses are up 23.3% to \$3.7 million, and the operating profit is \$1.7 million. Net gain, however, drops to \$39,000.

Having completed noise-control conversion, the two B-707-331Bs return to the fleet in 1987 along with a B-720-025.

Customer bookings climb 2.9% to 72,000.

Enplanements rise by 31.9% in 1988 to 95,000; however, a \$3.25-million net loss is suffered.

Club International, an Atlanta-based tour operation, is created in January 1989 and to accommodate the new enterprise, facilities are acquired at Atlanta and Hapeville, Georgia.

On February 8, Flight 1851 is on its initial approach to Santa Maria Airport in the Azores on a flight from Bergamo that is continuing on to Punt Cana, Dominican Republic. The B-707-331B with 7 crew and 137 Italian vacationers crashes into the 1,795-ft. level of fog-shrouded Mt. Pico Alto, 7 seconds after the sounding of its enhanced ground proximity warning system (EGPWS); there are no survivors.

Customer bookings rise by 34% this year to 96,505 and the net loss declines to \$2.62 million.

The recession, together with the effects of Iraq's August 2 invasion of Kuwait in 1990, wreaks such traffic and fiscal havoc that the company is forced to file for Chapter XI bankruptcy in November.

Passenger boardings plunge 49.5% to 50,000 and revenues total \$7.68 million. With expenses of \$9.78 million, the operating loss is \$2.1 million and net loss is \$2.05 million. Services cease at year's end.

INDEPENDENT AIR FREIGHTERS (PTY.), LTD.: Hangar 81, Bristol Street, Essendon Airport, Melbourne, Victoria, 3041, Australia; Phone 62 (3) 3979 8999; Fax 62 (3) 9379 5949; Code IN; Year Founded 1993. IAF is set up by the Lamb family concern **Australasian Jet (Pty.), Ltd.** at Essendon Airport in 1993 to offer domestic all-cargo services. Alistair Lamb is chairman/managing director, with Andrew Lamb as director general. A workforce of 25 is recruited, two Douglas DC-9-33Fs are leased, and revenue flights commence.

Operations continue across the Pacific with leased equipment during the remainder of the decade and into the new millennium. Australian domestic cargo charters are also offered with a Fokker F.27-600F.

INDEPENDENT AIR TRANSPORT, LTD.: United Kingdom (1953-1959). Originally formed as a travel agency on January 1, 1953, Independent Air Travel, Ltd. is purchased in January 1954 by a group of airline pilots led by Marian Kozubaki. With a single Avro Anson 1, the company begins ad hoc charters from London (Hurn) in March, replacing the Anson with two de Havilland DH 104 Dove 1s in February and June 1955, respectively. Flying primarily nonscheduled cargo and passenger flights to northern France, and these not often, the two aircraft are sold in July and November as Kozubaki and his colleagues plan a change in emphasis.

In April 1956, the company is renamed Independent Air Transport, Ltd. and is equipped with 4 Vickers Vikings purchased from **British West Indian Airways, Ltd.** They are employed to inaugurate inclusive-tour flights during the summer. These nonscheduled operations continue in 1957 as the fleet is upgraded by the addition of five additional Vikings (one of which is sold in May) and a Beech 18.

Plans for cargo operations fail and a Bristol 170 Mk. 21 Freighter purchased in January is sold in May. Two Douglas DC-4s are delivered during the year, one each in July and November; the former becomes the center of an international incident on December 31 when it is forced down by MIGs in Albania for allegedly violating that country's airspace. During the year, the carrier transports 50,000 travelers.

Airline employment in 1958 totals 100 and the fleet comprises 9 aircraft, 1 Viking being sold in February. The DC-4 held in Albania is allowed to return to the U.K. on January 4. Inclusive-tour services continue, with new destinations added in the Mediterranean, Scandinavia, the Middle East, and Africa. Another DC-4 is acquired in June, replacing a Viking sold the same month.

En route to Tel Aviv from London (LHR) on September 2, a Viking is destroyed in a crash at Southall, Middlesex (five dead). A court of inquiry concludes that IAT had been guilty of technical infractions leading to the disaster.

As a result of the court findings, Capt. Kozubski sells his majority shareholding in March 1959 and departs to form **Falcon Airways, Ltd.** His former company is reorganized with A. E. Cooper becoming chairman; it now operates under the marketing title "Blue Air." A full summer of ad hoc and inclusive-tours are flown about Europe by the company's two remaining Vikings and three Skymasters. Unfortunately, the publicity of the previous year's crash had cost the company significant business; the cash flow situation becomes so desperate that no option exists other than to cease operations on October 16.

INDEPENDENT CARRIER (ICAR): 87/89 Frunze Street, Kiev, 254080, Ukraine; Phone 380 (44) 462 5875; Fax 380 (44) 462 2992; Code C3; Year Founded 1993. ICAR is originally established at Kiev on October 18, 1993, to offer charter cargo services. Victor Vershigora is director general and a fleet of 2 each Antonov An-12Bs and An-24s duly commence freighter runs to local and international points beginning on August 18, 1994. Flights continue in 1995-1997 and the fleet is increased by the addition of one more An-24 and an An-74.

On August 18 of the latter year, the company is granted a new certification to provide scheduled passenger service. The all-cargo operation is maintained through December 31 as orders are placed for a pair of Avions de Transport Regional ATR42-320s.

Airline employment stands at 103 at the beginning of 1998, when passenger flights commence.

The company is severely impacted by the Russian currency devaluation that occurs during the summer and the order for the ATRs must be cancelled. As the situation improves toward the end of 1999, orders are placed for 10 An-140s.

The fleet in 2000 includes 1 An-12 and 2 An-24s. These offer scheduled service to Kharkov, Moscow, Simferopol, and Uzhgorod.

INDIA INTERNATIONAL AIRWAYS, LTD.: India (1990-1998). IIA is established at New Delhi in 1990 to offer air taxi services. In addition to small group and business charters, the company also flies air ambulance and search and rescue missions, airport transfer flights, and provides links with other carriers, both private and commercial at airports around the country.

By 1998, the fleet is made up of Cessna Citation IIs, British Aerospace (HS) 125-700s, Piper PA-31-350 Navajo Chieftains, and Bell 206B JetRanger helicopters.

Faced with mounting debts and unpaid bills, the airline does not survive the year.

INDIAN AIRLINES, LTD.: Airlines House, 113 Gurdwara Rakabganj Road, New Delhi, 110001, India; Phone 91 (11) 371-8951; Fax 91 (11) 371-1730; <http://www.nic.in/indian-airlines>; http://www.redicc.co.in/rediff_on_the_net/freecopy/noticeb/indair.htm; Code IC; Year Founded 1953. Following the Delhi government's decision to nationalize the nation's entire air transport industry, the Air Corporation Act receives presidential assent on May 28, 1953. On June 15, two new corporations modeled on the **British Overseas Airways Corporation (BOAC)/British European Airways Corporation (BEA)** arrangement in Great Britain, come into formal existence. **Air India International, Ltd.** assumes responsibility for overseas service while India Airlines, Ltd. takes over domestic and regional operations.

On August 1, Indian Airlines formally acquires the routes and assets of eight previously independent carriers that are now organized into divisions: **Airways India, Ltd., Bharat Airways, Ltd., Himalayan Aviation, Ltd., Kalinga Air Lines, Ltd., Indian National Airways, Ltd., Deccan Airways, Ltd., Air India, Ltd., and Air Services of India, Ltd.**

Compensation of 47 million rupees is paid to the owners of the nationalized companies, 10% in cash and the remainder in 3.5% interest-bearing

Indian government bonds. The new entity will begin with an extant route structure, a large combined fleet (74 Douglas DC-3s, 12 Vickers Vikings, and 3 DC-4s), and a huge staff which, by law, cannot be trimmed.

Nationalization is completed on August 8 and Prime Minister Nehru launches the corporation's first flights. The service now begun is under the administrative control of the Ministry of Tourism and Civil Aviation, headed by Air Chief Marshal P C Lal. The Night Mail Service, previously operated by **Deccan Airways, Ltd.**, is also assumed. A DC-3 with 4 crew and 10 passengers fails its takeoff from Nagpur on December 11 and crashes (13 dead). Enplanements for the period June–December are 287,122.

A DC-3 with three crew is lost near Delhi on a February 25, 1954 training exercise; there are no survivors.

In July, an order is placed for 10 Vickers Viscount 768s; as it will take three years for their construction and delivery, an order is given to de Havilland in October for eight DH 114 Herons.

Bookings for the first full year are 477,583.

In dense fog, a DC-3 freighter with three crew hits a tree line and crashes at Gauhati on January 21, 1955; there are no survivors. Having failed its initial climb out of Nagpur on February 1, a DC-3 with four crew and six passengers crashes in a field near the runway; there are no survivors.

At the end of the first quarter, the former **Skyways, Ltd.** DC-4 *Sky Freedom*, provided by **Air France** to **Air Vietnam, S.A.** at the beginning of the year, is acquired.

While on initial climb away from Simra, Nepal, on August 30, a DC-3 with three crew stalls and crashes (two dead).

On November 5, DC-4s replace DC-3s on the night mail service flown from Delhi to Madras and Calcutta to Bombay. Placement of the larger aircraft on the post office routes also allows the transport of some "redundant" passengers. The DH 114 Herons arrive and begin service during late fall.

Integration of the previous carriers is completed by the end of December. Indian Airlines now visits 32 domestic destinations, plus markets in Pakistan, Afghanistan, and Burma.

Bookings this year climb to 500,363.

Bombay to Calcutta DC-4 daylight service, replacing Viking Mk. 1Bs, is inaugurated on February 1, 1956, the same day the Delhi to Karachi DC-3 service becomes nonstop and new de Havilland DH 114s are introduced on the Delhi to Rajkot route via Jaipur, Jodhpur, and Ahmedabad.

A DC-3 with 3 crew and 18 passengers is destroyed while landing at Tezpur, Assam, on March 21 (two dead).

A chartered DC-3 with 3 crew and 30 passengers is destroyed while landing at Kathmandu, Nepal, on May 15; in addition to 14 dead aboard the aircraft, a person on the ground is also killed. A DC-3 with 3 crew and 16 passengers is destroyed beyond economical repair while landing at Ahmedabad on May 18; there are no fatalities.

A DC-3 freighter with three crew is lost at Agartala on October 19; there are no survivors.

Enplanements during the 12 months accelerate to 571,106.

While on a first-quarter 1957 training flight, a DC-3 with two crew crashes at Kingsway Camp, India; both men aboard are killed along with three people on the ground.

A DC-3 freighter with three crew is lost at Santoshpur village on May 5 (one dead).

The first of 10 Viscount 768s to be delivered during the year arrives on August 19. As the number of British turboprops increases, they begin service on routes from Bombay to Rangoon on October 10, to Karachi on October 10, to Colombo on October 21, and to New Delhi on November 22.

Meanwhile, while landing at Dum Dum Airport, Calcutta, on September 1, a chartered **Airwork, Ltd.** HP81 Hermes IVA with 6 crew and 64 passengers collides with an Indian Airlines DC-3 with four crew; all aboard the Indian aircraft are killed, along with three persons on the ground.

Daily Delhi to Jaipur DH 114 service begins on December 1. Passenger traffic this year climbs to 599,573.

A DC-3 with 4 crew and 16 passengers is lost near Kathmandu, Nepal, on March 24, 1958; there are no survivors.

Viscount 768s replace DC-4s on evening flights to Nagpur beginning April 9–10 and to Calcutta on May 13. Nonstop Delhi to Srinagar and Kulu twice-weekly service commences on April 17 and October 3, respectively.

A DC-3 freighter with three crew and four passengers is lost at Mahanbari on June 25 (five dead). A second DC-3 freighter with three crew crashes at Dacca on July 9; there are no survivors.

A bad landing wrecks a C-54A with 4 crew and 27 passengers at Madras on September 8; there are no fatalities. Viscount 768s are introduced on the Madras–Calcutta run on October 15, the same day the entire southern DC-3 route pattern is altered.

Bookings this year are up to 653,494.

In 1959, a fleet of seven additional DH 114 Herons is purchased to provide feeder service from smaller communities. The Delhi to Jaipur DH 114 service is replaced by DC-3s, which extend the route beyond Jaipur to Jodhpur, Udaipur, and Ahmedabad.

A DC-3 freighter with three crew and four passengers is lost near Tobu, Assam, on March 12 (five dead). A second DC-3 with 4 crew and 20 passengers is lost near Silchar on March 29; again, there are no survivors.

A DC-3 with three crew and three passengers is lost at Sagone on August 3; there are no survivors.

The year's enplanements are 703,013.

Having entered the wrong valley during a January 3, 1960 cargo flight, a DC-3 freighter with four crew and five passengers stalls while attempting to turn back and crashes 4 mi. NW of Takasing; there are no survivors.

Viscount 768s replace DC-4s on the Delhi–Karachi route on November 1; on November 25, an inaugural Calcutta–Port Blair DC-3 service is offered.

The fleet in 1961 comprises 10 Viscount 768s, 5 DC-4s, 54 DC-3s, 13 DH 114s, and 12 Viking Mk. 1Bs. Orders are placed for 5 Fokker F.27-100s.

A Vickers Viscount 768 with 6 crew and 36 passengers is destroyed as the result of a bad landing at Colombo on November 15; there are no fatalities.

Four Viscount 768s and five DH 114s join the fleet in 1962. A C-54A is destroyed in a hangar fire at Dum Dum Airport, Calcutta, on May 3.

The one-time **Air Vietnam, S.A.** C-54A with 6 crew and 30 passengers makes a forced landing near Haveri, India, on May 7; there are no fatalities.

A C-47 freighter with three crew and six passengers, crashes N of Loheshyphn, India, on July 16; there are no survivors. Another C-47 with three crew and five passengers crashes near India's Sela Pass on September 21; again, there are no survivors.

Flights to Katmandu are suspended on November 1 as a result of the confrontation between China and India. In December, all Indian Airlines aircraft are requisitioned to transport troops, guns, and supplies to the northwest frontier in support of the Indian military. The conflict is quickly resolved without major combat.

All of the DH 114s are sold in 1963 as the F.27-100s enter service. Orders are now placed for five Sud-Est SE-210 Caravelle VINs. While on a June 3 domestic flight, a DC-3 with 3 crew and 26 passengers, crashes at Pathankot; there are no survivors.

While en route from Nagpur, a Vickers Viscount 768D with 5 crew and 13 passengers, crashes 51 km. S of Agra, near Patti, on September 11; again, there are no survivors.

The fleet is upgraded and reduced in 1964 to 66 aircraft, including 5 Caravelles, 12 Viscount 768s, 3 DC-4s, 12 F.27-100s (2 on lease), and 34 DC-3s. The first of the French-made jetliners, the *Gagandoot*, enters service in February on the company's trunk routes.

A C-47 freighter with three crew and four passengers crashes while on final approach to Alor on April 7; no fatalities are reported.

Airline employment in 1965 is 11,615. There is a conflict between India and Pakistan of some magnitude and Indian Airlines again provides logistic support of the military. A DC-3 freighter with three crew and five passengers crashes at Assam on October 17; there are no survivors.

A total of 926,942 passengers are flown.

En route from Srinagar to Delhi via Jammu and Amritsar on February 7, 1966, an F.27-100 with 4 crew and 33 passengers, crashes into a hill-top in the Banihall Pass of the Pirpanjal mountain range; there are no survivors. On final approach to Calcutta on February 15, an SE-210 Caravelle VIN with 7 crew and 73 passengers overshoots the runway while landing, strikes a cement pillar, and bursts into flame (2 dead).

In August, Indian Airlines is among the first postwar carriers to enroll a woman pilot when it hires Durba Banerjee; by 1998, 13% of the airline's total workforce will be made up of women, including 1 executive pilot and 17 line pilots.

An Se-210 Caravelle VIN with four crew crashes into a hill during a training flight from Bombay on September 4; there are no survivors.

The workforce grows to 12,597 in 1967. The fleet now includes 71 aircraft: 7 Caravelles, 10 F.27-100s, 8 Viscount 768s, 4 Viscount 779s, 1 Viscount 723, 1 Viscount 730, 3 DC-4s, 23 DC-3s, 7 DC-3Fs, and 2 Indian-built Hawker Siddeley HS 748s. (The latter are also known as Avro 748s in honor of the British manufacturer that had originally signed an arrangement to coproduce the aircraft.) Although plans are made to purchase Douglas DC-9s, it is alleged that senior executive Capt. R. P. Huilgol has been bribed by the manufacturer. Charges are filed against members of the evaluation committee and although all will later be cleared, the DC-9 request is cancelled.

In September, Indian Airlines aircraft are again requisitioned by the government to provide support to Indian troops defending the Sikkim state against a Chinese incursion. After negotiations, Beijing's forces retreat across the border. Meanwhile, the first of many Avro 748s enter service and an **Air India, Ltd.** B-707 is leased for trunk service.

The year's enplanements pass the million-mark for the first time (1,598,652).

Flights begin from New Delhi to Benares, Khajuraho, and Agra on October 26, 1968.

An overloaded DC-3 with 4 crew and 26 passengers fails its takeoff from Jaipur on February 18, 1969 and comes down hard; although the aircraft is damaged beyond repair, there are no fatalities.

On April 21 en route from Assam, an F.27-100 with 4 crew and 40 passengers crashes during thunderstorms and downdrafts while approaching Khulna, Pakistan; there are no survivors.

With memories of the Douglas scandal still fresh, the company now turns to Boeing for airliners.

An order for seven B-737-2A8s is placed on January 15, 1970.

An F.27-100 with 5 crew and 34 passengers is damaged beyond repair overrunning the runway while landing at Agartala on June 7; there are no fatalities.

Just after takeoff from Silchar, Assam, on August 29 for a flight to Gauhati, a climbing F.27-100 with 5 crew and 34 passengers, crashes into a hill; the wreckage is not found until August 31, but there are no survivors.

The first Boeing 737-2A8 is delivered on November 9. During the year, revenue passenger miles have grown to 997.6 million while cargo traffic is off 2%.

On January 3, 1971, India bans all Pakistani air traffic over India.

Kashmiri members of the Pakistan National Liberation Front, wielding guns and grenades, hijack Flight 422, an F.27-100 with 30 passengers en route from Srinagar to Delhi, on January 30, and force it to fly to Lahore. In Pakistan, the pirates are granted political asylum by the Pakistani government and turn around and destroy the Indian aircraft with grenades the next day. The incident marks the first case of airline hijacking in India.

An outbreak of cholera causes a significant drop in bookings during spring and summer.

A Vickers Viscount 768D with 4 crew and 23 passengers, overruns the runway while landing at Jaipur on August 9; there are no injuries reported.

An Avro 748-2A with 4 crew and 27 passengers strays off course and hits a hill near Chinnamanur on December 9 (21 dead). Calcutta to Dacca flights, suspended during the conflict between India and Pakistan in 1965, are resumed on December 30.

Additional fleet modernization occurs during 1972 as 29 DC-3s begin orderly retirement and are replaced by 7 B-737-2A8s and 13 Avro 748s.

An F.27-100 with 4 crew and 14 passengers, crashes while on initial approach to the airport at Maqsoodpur on August 12; there are no survivors.

Officials report an operating loss of Rs 45 million

While on initial approach to Hyderabad on a March 15, 1973 training flight, an Avro 748-2A with three crew strikes power lines and crashes into a house; all aboard the turboprop are killed, along with a person on the ground.

While on final approach to Delhi on May 31, the B-737-2A8 *Saranga* with 7 crew and 58 passengers, hits power lines and crashes 6 km. from the runway, bursting into flames (48 dead).

An SE-210 Caravelle VIN with seven crew and eight passengers, suffers the collapse of its nosewheel after landing at Bombay on July 3; there are no reported injuries.

The 24-year-old night mail service ends as a separate operation on September 12 and 9 of the 11 Viscounts employed for it are withdrawn. A Caravelle and two Avro 748s are also damaged in operational accidents, the SE-210 so badly that it must be written off.

To offset skyrocketing fuel bills (which will eventually account for 46% of the year's costs), the carrier must boost all ticket prices on February 1, 1974 by 25% and suspend a number of unprofitable routes. The last DC-3 is retired on March 18 as two more B-737-2A8s arrive. Fearing the possibility of a scandal such as that which surrounded the DC-9, company officials pass the decision for which new equipment to order to the Ministry of Aviation. A long pilots strike and retaliatory lockout seriously impact both traffic and revenues.

Enplanements fall 17% to 2,479,484.

The employee population in 1975 is 14,983. After reviewing the technical data, the Ministry of Aviation, and not the airline, places firm orders for three Airbus Industrie A300B2-101s in April, also taking three options. Part of the purchase price (\$2.4 million) will be saved by local production of ground-handling equipment for the new wide-bodies.

Management and the airline unions come to an agreement that permits an end to wasteful practices in exchange for a pay increase. A variety of cost-cutting measures are now put in place, including the elimination of full-meal service and reductions in the number of in-flight cabin crew members.

An SE-210 Caravelle VIN with 6 crew and 87 passengers, overruns the runway after landing at Bombay on June 17; no injuries are reported.

Passenger boardings grow 22.6% to 3,220,000 and cargo jumps 34.9% to 19.8 million FTKs.

In April 1976, A. H. Mehte succeeds P. C. Lal as chairman. The same month, flights to Kabul resume and a new route is opened from Trivandrum to Male, capital of the Maldives Islands.

An F.27-100 with 4 crew and 19 passengers is destroyed as the result of a bad landing at Bhubaneswar on July 24; there are no fatalities.

While on a domestic flight from New Delhi to Bombay with 77 passengers and 6 crew, Flight 491, a B-737-2A8, is commandeered by unidentified hijackers on September 10 and forced to Lahore, Pakistan. The six pirates are arrested by Pakistani police after the hostages are released. All of the hijackers will be released on grounds of "insufficient evidence."

Just after takeoff from Bombay for Madras on October 12, an SE-210 Caravelle VIN with 6 crew and 89 passengers, suffers the failure of its No. 2 engine, which erupts into flames. The crew attempts to return to the point of origin, but crashes 1,000-ft. short of the runway. There are no survivors. The tragedy causes the government to order the three remaining Caravelles grounded and sold.

From October through December, three new A300B2s are delivered. The first machine is placed into service on December 1 on the routes linking New Delhi, Calcutta, Bombay, Bangalore, and Madras.

Passenger bookings climb 13.7% to 3,660,736 while freight is up 26.2%. On revenues of Rs 1.09 billion, a net Rs 77.9-million profit is earned.

During 1977, one Avro 748 and two F.27-100s are disposed of as five B-737-2A8s and five A300B2-101s join the fleet. The last SE-210 Caravelle is sold in January, during which month all three A300B2-101s are operational.

The company joins with the government of the Maldives to establish **Maldivian International Airlines, Ltd.**; Indian Airlines Corporation provides a B-737-2A8 plus technical and managerial assistance under contract. Little noticed during the year is the conclusion of the DC-9 bribery case, first filed in 1967. It is discovered that Exhibit A, an incriminating letter supposedly sent to bribe Capt. R. P. Huilgol, is a forgery; the Indian Supreme Court acquits all of those accused.

A B-737-2A8 with 6 crew and 126 passengers fails its takeoff from Hyderabad on December 17, 1978; the Boeing comes down and slides through a field, catching fire. One person aboard the aircraft is killed along with three people on the ground.

Two armed men hijack Flight 410, a B-737-2A8 en route from Lucknow to New Delhi on December 20, and hold its passengers and crew hostage for 12 hours at its destination in protest of the imprisonment and expulsion from Parliament of former Prime Minister Indira Gandhi. The men release their prisoners and, after being returned to Lucknow aboard a private lightplane, surrender to police.

While on final approach to Madras on an April 26, 1979 service from Trivandrum, a B-737-2A8A with 6 crew and 61 passengers, suffers an explosion from a bomb placed in or near the forward lavatory that causes a total loss of electrical and instrument power. The aircraft makes a flapless crash landing, but runs off the end of the runway into a field; the right side of the fuselage catches fire after the plane has stopped. All aboard are safely evacuated before the Boeing is engulfed in flames, but 10 passengers are hurt, 8 seriously.

While on initial approach to Bombay on the night of August 4, an Avro 748-2A with 5 crew and 40 passengers crashes into the Koroli Hills near Panvel, not far from Bombay; there are no survivors.

Following the Soviet invasion of Afghanistan in December, Indian Airlines is the only foreign airline, other than **Aeroflot Soviet Airlines**, to continue service to Kabul.

Systemwide, enplanements total 5,313,600 and revenues total Rs 2.07 billion (\$37 million).

Airline employment at Chairman Mehta's carrier in 1980 stands at 17,321, a 2.6% boost. Pilot Rajiv Gandhi now enters politics and in June a revenue pooling agreement is signed with **Air Lanka, Ltd.** covering services from Colombo to Madras, Tiruchirappally, Trivandrum, Bombay, and Delhi.

Freight is up 4.3% to 66 million FTKs and passenger bookings grow a scant 1% to 5,048,253. On revenues of \$256.25 million, expenses are \$239.24 million; operating and net profits are, respectively, \$17 million and \$2.9 million.

The number of employees is increased by 0.5% in 1981 to 17,903.

While climbing away from Tirupati on June 16, an Avro 748-2A, with 4 crew and 24 passengers stalls and falls to the ground tail-first from an altitude of 245 ft.; there are no fatalities.

Coming in from Bangalore on August 18, Flight 557, another Avro 748-2A with 4 crew and 22 passengers, overruns the runway while landing at Mangalore, falls over into a valley and comes to rest against several large rocks; there are no fatalities.

In an August 29 finding, the Indian Supreme Court rules that the carrier's female flight attendants can work until age 45 and overturns a regulation requiring retirement at age 35. Also overturned are rules requiring dismissal for pregnancy.

Half owned with **Air India, Ltd.**, the new local service operator **Vayudoot, Ltd.** is created by Indian Airlines. Chaired part-time by Indian Airlines's managing director, the new entrant operates to smaller communities with F.27-100s and Avro 748s leased (later purchased) from the corporation.

Two B-737-2A8As are delivered and on September 29 one of these, Flight 425 with 117 aboard, is hijacked by knife-wielding Sikh separatists, who force the pilot to fly to Lahore in Pakistan. There the pirates release 61 women and children and demand the release of fellow militants from Indian prisons. Pakistani security police surround the little Boeing and the next day commandos storm the aircraft, rescue all 44 remaining captives, and arrest the 5 skyjackers. Indian officials publicly thank the Pakistan government.

Convicted of the hijacking, the group's leader, Tejinder Paul Singh, will be sentenced to a long prison term. After serving 14 years in jail, he will be released in 1995 and flees to Vancouver on a fake passport. Singh will be arrested by Canadian authorities in Vancouver in early December 1997 and extradited back to New Delhi.

Passenger boardings jump 16% to 6,009,825 while cargo soars 25.7% to 58.38 million FTKs. On revenues of \$345.6 million, operating and net profits, respectively, of \$24.9 million and \$2.99 million, are reported.

Airline employment stands at 18,543 in 1982, a 3.6% boost. On March 1, R. P. Billimoria is appointed chairman with Capt. K. Chanha becoming managing director. Two A300B4-203s and 6 B-737-2A8A join the fleet, which also includes 8 A300B4-203s, 20 B-737-2A8/2A8As, 8 F.27-100s, and 12 Avro 748s.

On August 4, Flight 423, a B-737-2A8A with 135 passengers en route from New Delhi to Srinagar via Amritsar, is taken over by a single assailant claiming to have a bomb (later revealed to be a rubber ball) and demanding a flight to Lahore. When Pakistan refuses landing permission, the Boeing returns to Amritsar where, while he is figuring out his next move, the perpetrator is overpowered by crew members.

En route from Jodhpur to New Delhi on August 20, Flight 492, a B-737-2A8A with 71 persons aboard, is taken over by a hijacker who orders it to fly to Pakistan. India's northern neighbor refuses the plane clearance and it must land at Amritsar. There the pirate makes the mistake of stepping outside the cabin door and is shot dead by police surrounding the little Boeing.

Meanwhile, Airbus service is introduced on the Calcutta-Gahati route and B-737-2A8 service is initiated on several routes formerly served by the turboprops.

Freight is up 9.5% to 63.94 million FTKs and passenger boardings advance 11.1% to 6,679,000.

The workforce is increased 1.3% to 18,781 in 1983. Two new points are added to the route network and B-737-2A8 services are extended to two others. The corporation agrees to bankroll an order to the German manufacturer Dornier on November 29 for 10 228-200 turboprops for **Vayudoot, Ltd.** Cost is held down when Dornier agrees to allow the aircraft to be assembled under license at Hindustan Aeronautics, Ltd., an aircraft plant at Bangalore. Passenger bookings shoot up 10.1% to 7,354,000 and cargo grows 21.3% to 76.98 million FTKs.

The employee population is 19,312 in 1984. Eight Fokker F.28s join the fleet, replacing all of the F.27-100s and one Avro 748.

During takeoff from Hyderabad on a March 5 training flight, an Avro 748-2A with three crew runs off the left side of the runway and crashes into a boundary wall; although the aircraft is damaged beyond repair, there are no fatalities.

Carrying 255 passengers and a crew of 9, Flight 405, an A300B4-203 en route from Srinagar on July 5, is hijacked by 9 Sikh separatists and diverted to Lahore. Negotiations continue for the next 17 hours, during which time the hostages remain aboard with little food or water and after which, on July 6, the extremists surrender. The next day, a number of security guards are suspended at Srinagar and others are questioned in connection with the takeover. The perpetrators will be tried; three will receive life prison sentences while two others will be executed.

While en route from Mangalore to Bangalore on August 10, a B-737-2A8 is taken over by a confused man who does not know what to do with his capture. When the plane lands at its scheduled destination, he surrenders and is taken in hand by police.

On August 22, Indian Airlines signs a letter of intent and puts down a \$900,000 refundable deposit on 12 Boeing 757s.

On August 24, 7 Sikhs seize Flight 421, a B-737-2A8 en route to Srinagar from New Delhi with 100 aboard, demanding to go to America; they fly to Dubai via technical stops at Lahore and Karachi. While continuing to threaten the lives of their captives and the aircraft itself, the pirates release seven hostages in Pakistan, five in Lahore and two in Karachi. In exchange for immunity, the hijackers free their remaining prisoners the next day and surrender. All will be tried and given life prison terms.

Following the assassination of his mother Indira on October 31, former company pilot-turned-politician Rajiv Gandhi becomes prime minister.

Passenger traffic rises 12% to 7,669,000.

The payroll is increased in 1985 to 20,100. Thrice-weekly Calcutta to Bangkok flights begin in June. In August, following Prime Minister Gandhi's visit to the Paris Air Show, the Indian Airlines board, having already signed a letter of intent to purchase Boeing 757s, overturns its own decision. It cancels the Boeing request and signs a letter of intent on September 20 to acquire 31 Airbus Industrie "fly-by-wire" A320-231s. Boeing, naturally, protests this political decision.

Passenger boardings rise 8.2% this year to 9.21 million and freight is up 5.18%. The fleet now comprises 53 aircraft, mostly jet. In October, an order is placed for 19 A320s.

The number of workers is boosted by 1.6% in 1986 to 20,884. In January, a \$300, 14-day "Tour India" promotion is introduced.

While taking off from Madras on September 29 on a service to Bombay, Flight 571, an A300B2-101 with 11 crew and 185 passengers, runs into a flock of large birds on the runway, one of which is ingested into the starboard engine. Although the takeoff roll is aborted, the Airbus runs off the end of the runway and is damaged. There are no fatalities.

Customer bookings swell 7.4% to 9,695,349 and cargo grows 1.3% to 98.51 million FTKs. The carrier, in terms of passengers carried, is the largest in South Asia. Profits for the year total \$78.1 million (operating) and \$29.9 million (net).

The payroll is cut 0.8% in 1987 to 20,177 as Regional Director Gerry Pais is appointed managing director; he also becomes chairman of the third-level carrier **Vayudoot, Ltd.** Flights from Madras to Singapore commence with a single weekly roundtrip.

Passenger boardings rise 5.7% to 10,252,000 (the first time the 10 million passenger mark is passed) and freight is up by 9.9% to 108.25 million FTKs. Revenues ascend 10.6% to \$700.9 million and expenses allow an operating profit of \$83.76 million and net gain of \$31.3 million.

Airline employment ascends once again in 1988, growing by 3.8% to 20,934. The fleet now includes 10 A300B2/4s, 25 B-737-2A8/2A8As, 7 Avro 748s, and 3 F.27-100s. Orders are outstanding for 19 A320-231s.

In April, daily service is opened to Karachi; flights operate four times per week from Bombay and thrice weekly from Delhi, while four weekly Calcutta to Bombay frequencies are added in May. In June, weekly nonstop service is initiated between Delhi and the Bangladesh capital of Dhaka. During the summer, frequencies are opened to Bangkok and Singapore.

On October 19, during final approach from Bombay to foggy Ahmedabad Airport, some 300 mi. SW of New Delhi, Flight 131, a B-737-2A8 with 5 crew and 124 passengers, collides with trees and a high-tension pylon near Bel Nagar, 10 km. from the airport. The jetliner crashes and bursts into flame (124 dead).

Within hours, a **Vayudoot, Ltd.** Avro 748, far to the northeast, also goes down, killing all 34 aboard. In light of the two tragedies, Indian legislators and consumer advocates charge the airline on October 23 with lax safety and training standards. Almost exactly two years later, the crash is blamed on pilot error.

The government, in early November, orders the carrier to begin supplementing **Air India, Ltd.**'s capacity on various routes to the Far East, Persian Gulf, and southern Russia. In December, an \$11-million jet engine overhaul plant, built by General Electric, is opened at Delhi.

Late in the year, citing security reasons, the carrier halts its twice-weekly roundtrips between New Delhi and Kabul. A presence is kept in

the Afghan capital, however, through the chartering of a weekly roundtrip by the B-727-113C of **Ariana Afghan Airlines**.

Customer bookings climb a scant 0.2% to 10,271,069 and cargo does better, rising by 5.2% to 113.62 million FTKs.

The 20,934-employee state airline begins taking delivery of its A320-231s in the spring of 1989, placing the first one into service July 1. Meanwhile, company pilots refuse to continue the Delhi-Kabul run after the Soviet troop withdrawal from Afghanistan, citing hazardous conditions at Kabul Airport.

During September, the carrier's first all-women crew takes off. The B-737-2A8A, piloted by Captains Saudamini Deshmukh and Nivedita Bhasin, is operated from Bombay to Goa.

Technical problems aboard the new A320-231s, particularly with on-board computers, increase along with their deliveries—15 by December—causing such difficulty that two units are grounded and cannibalized for spare parts. New Managing Director Raghunandan Prasad announces on November 1 that the airline will expend an additional \$1.56 billion on fleet expansion.

On November 7, 600 machinists go out on strike over pay claims and concerns over the lack of proper maintenance facilities for the new Airbus machines. By year's end, widespread disruption of service has led to a 30% flight cancellation rate.

As the result of these industrial troubles, passenger boardings dip 2.8% to 9,979,250, while freight is off by 4.5% to 108.55 million FTKs. Revenues total \$604.2 million and a \$22.5 million net profit is earned.

Company employment is reduced by 0.4% in 1990 to 20,177, still the 24th largest workforce in the world. The deadlock with machinists continues into the new year. Upon its January resolution, the company's employee training and discipline over the previous decade is seriously impugned by the report of a government committee. The airline, meanwhile, introduces a number of new services. In addition to eight daily frequencies between Delhi and Bombay, new flights are introduced from Delhi to Dibrugarh via Bagdogra, to Guwahati, Calcutta, and Jaipur via Varanasi, and to Visakhapatnam via Raipur.

Flights also begin from Bombay to Bhubaneswar via Nagpur and to Bangalore and Tiruchirapally via Madurai. Three-days-per-week capacity is added to the daily flight on the popular tourist route from Delhi to Agra, Khajuraho, and Varanasi, a fourth weekly service is initiated between Bombay and Karachi, and a third weekly flight begins to Karachi from Delhi.

On a February 14 service from Bombay, Flight 605, a 2-month-old A320-231 with 7 crew and 139 passengers, descends below minimum while on final approach to Bangalore in clear weather. The aircraft keeps on descending until it crashes on the boundary of the Karnataka Golf Club, 2,300-ft. short of the runway. After bouncing, the plane comes to rest on a 12-ft. high embankment, with its landing gear and engines sheared off (92 dead).

Three days later, on February 17, Managing Director Prasad resigns and is replaced by civil service officer P. C. Sen. The remaining 14 aircraft in the A320-231 fleet are grounded on February 19, creating a significant capacity shortage for 40 weeks. The government, meanwhile, refuses access to the crash site to Airbus and French accident investigators and declines to release cockpit-voice-recorder and flight-data-recorder information to the manufacturer. The latter is sent to Canada for decoding while a Judicial Committee of Inquiry, headed by Justice Shivshankar Bhat and with a technical panel led by Air Minister S. S. Ramdas of the Indian Air Force, is appointed to review the airline's A320 preparedness. The latter dispatches an inspector of accidents to Bangalore to review the tragedy.

On March 14, Indian newspapers report engine failure as the cause of the tragedy; however, in May, a preliminary report is released by the inspector of accidents claiming pilot error. Plans are made to resume A320 operations on March 24 and refresher courses are started for senior pilots; however, company pilots refuse to operate the aircraft until a final cause is determined.

Prime Minister V. P. Singh announces in April that the plane will not be allowed to fly pending the inquiry committee's finding; Civil Aviation Minister Arif Mohammed Khan informs Parliament that the aircraft cannot be employed for cargo flights.

Those units on hand remain grounded, even as the government relents and allows an Airbus Industry team to visit the crash site, causing the airline a \$1.4-million per week revenue loss. Also in May, the Indian Central Bureau of Investigation (ICBI) charges five former top government and airline officials, including two former managing directors (Kamini Chadha and Raghunandan Prasad), with accepting bribes in connection with the company's 1985 decision to acquire the A320s rather than Boeing 757s.

The government, in June, directs the carrier to lease out its 14 A320s for a period of not less than 6 months and to sell the delivery positions for 4 more of the type scheduled to arrive later in the year. An Airbus official threatens legal action to quash the previous month's ICBI bribery charges.

In July, the government orders its flag carrier, **Air India, Ltd.**, to turn over its three A300B4-203s to Indian Airlines Corporation in an effort to ease the domestic line's capacity crunch. The Minister of Civil Aviation Madhavrao Scindia now also eases restrictions against competition and encourages a number of air taxi operators (formed in the 1980s) to expand their services, thereby also helping with the Indian Airlines capacity problem.

At the same time, Indian Airlines begins to charge hard currency fares to its nonresident Indian and foreign passengers as one way of boosting foreign exchange income. The affected travelers are exempted from the 15% inland travel tax and are offered priority reservation services.

Following the Iraqi invasion of Kuwait on August 2, **Air India, Ltd.**, together with Indian Airlines, becomes involved in the largest airlift of expatriates from the Gulf region. The latter employs a number of its grounded A320s on these mercy flights. In just four weeks, beginning on August 13, over 125,000 Indians, including a number on Hadj pilgrimage, are taken home from Amman, Jordan, in 488 flights. The massive airlift costs \$117.6 million, which the government promises to reimburse, and wins the airlines a citation in the *Guinness Book of World Records* for the "largest civilian evacuation." These flights and pilot refresher courses point toward an earlier reintroduction of the Airbus equipment than originally planned.

En route from Coimbatore to Bangalore on September 13, Flight 534, a B-737-2A8A, is taken over by a young man demanding to be flown to Australia. The pilot is able to convince him that the aircraft does not have the range to reach that continent and so the little Boeing is allowed to stop at its scheduled destination as the first step in securing a longer-legged aircraft. Once the aircraft puts down, the man surrenders to security police.

Also in September, the government announces that, henceforth, only federal officials will sit on the airline's board of directors.

Air Marshal S. S. Ramdas, the senior Indian Air Force Maintenance Command officer who headed the technical panel investigating the airline's A320 preparedness, is named the company's chairman/managing director in October. The first A320s begin returning to service in December.

Customer bookings plunge 17.9% to 8,214,952 while cargo drops 14.5% to 92.79 million FTKs. Although revenues are up a slight 3.4% to \$625 million, the year's terrible costs also deliver a \$43.6-million net loss.

The payroll is cut 0.4% in 1991 to 21,000 and the fleet now includes 8 owned and 1 leased A300B2/4, 18 A320-231s, 4 B-737-2A8s, 18 B-737-2A8As, 1 B-737-2A8AC, 2 Fokker F.27-100s leased to the Indian Coast Guard, and 1 F.27-400 chartered to Vayudoot.

Following the outbreak of the Mideast war on January 17, the government imposes a 25% fuel cut on the airline and **Air India, Ltd.** The reduction forces Indian Airlines to end all of its international services and many of its domestic frequencies.

Representatives of the U.S.S.R. aviation industry demonstrate the Tupolev Tu-204 for the airline at Delhi on February 12. By April, eight A320s are back in service. During the month, the government permits

the carrier to operate on routes that achieve load factors higher than 50%; consequently, many services cut as a result of the 25% fuel cut are restored. An A320-231 sustains serious damage while trying to avoid a flock of birds during takeoff from Hyderabad at month's end.

While on approach to Imphal after an August 16 service from Calcutta, Flight 257, a B-737-2A8 with 6 crew and 63 passengers, collides with a hill 8 km. from the runway. There are no survivors in the third fatal accident suffered by the carrier during the past three years.

The final A320 is returned to service during the fall.

A massive two-day "sick-out" strike occurs in early December, occasioned by the transfer of eight pilots from Bombay and Delhi to Calcutta. This is the third time that pilots have disrupted service over pilot transfers out of Calcutta, where a B-737-2A8A flyer shortage is noticeable. Chairman/Managing Director Ramdas is initially encouraged to take a tough stand, but Civil Air Minister Scindia quickly agrees to negotiate with the pilots without first informing Ramdas, who now resigns. A high level committee is appointed to consider the pilots' demands and Ramdas is succeeded as acting chairman/managing director by Lakshminarayanan Vasudev.

Passenger boardings recover and grow by 4% to 8.9 million. Freight traffic is not reported. The carrier's worst-ever operating profit is suffered—\$78.9 million.

Employment is lowered another 4% in 1992 to 20,177 as the company survives another bleak financial year. The **Ariana Afghan Airlines** charters cease on March 13 as Indian Airlines resumes its own twice-weekly B-737-2A8A roundtrips between New Delhi and Kabul.

In June, it is announced that Acting Chairman/Managing Director Vasudev has been appointed chairman/managing director, effective September 1. After staging a "work to rule" campaign over a pay dispute, pilots are offered a "fly more, earn more" plan by the government airline, offering to increase pay based on the number of hours worked in excess of 65 hours per week. Unable to fly that much per month because of scheduling, the pilots balk and beginning on December 9, strike at the height of the November-January tourist season, just when the rupee is being devalued.

Approximately 30 Indian Airlines executives and some 45 junior officers are all that are available from the state carrier to operate flights. Desperate for assistance, the carrier wet-leases five **Uzbekistan Airways** Tupolev Tu-154s along with their crews to provide replacement flights.

Through November, customer bookings rise 7.5% to 8,331,014 and cargo rises 3.8% to 84 million FTKs. Although fares are increased upwards of 25% and revenues are elevated 15.7% to \$517.2 million, the net loss swells to \$69 million.

The employee population is increased 12% in 1993 to 22,600. Over the past two years, the fleet is increased by the addition of two A300B4-203s and six A320-231s. Withdrawn are 16 B-737-2A8As and orders remain outstanding for 6 A320-231s. While providing replacement services, a **Uzbekistan Airways** Tu-154 with 163 aboard misses the Madras Airport entirely on January 5 and lands at a nearby military base, nearly hitting a jet on the tarmac.

The next day, it is announced that **Balkan Bulgarian Airlines** will also provide four wet-leased Tu-154 that help Indian Airlines increase its frequencies approximately 50%.

At 4 a.m. on January 9, Flight 840 comes in for a landing in fog at New Delhi on a service from Calcutta. The wet-leased **Uzbekistan Airways** Tu-154B-2 with 11 crew and 152 passengers touches down 700 m. right of the runway and 400 m. past the threshold, knocking out the guide lights. The plane's right wing hits the ground and it flips over, breaks up, and catches fire. Amazingly, there are no fatalities aboard the destroyed Tupolev, which, incidentally, was the same plane involved in the January 5 incident.

The Indian government grounds the Soviet-made jetliners and terminates its contract with Bulgaria and the former Tashkent directorate of **Aeroflot Soviet Airlines**.

Just after takeoff from Lucknow on a January 22 service to New Delhi, an A320-231 with 4 crew and 48 passengers is hijacked by Hindu

militant Satish Pande, who claims to have a bomb. Upon the arrival of the Airbus back at its point of origin, the pirate surrenders peacefully after Atal Berhari Vajpayee, a top Bharatiya Janata Party (Indian People's Party) official, is allowed to come aboard for consultation.

Minister of Civil Aviation Scindia resigns under pressure and is succeeded by Chulam Nabi Azad. Company pilots end their 45-day strike on January 24 when Azad promises to examine their grievances and not to seek punishment of the union for its job action. During the strike, which has cost the company \$1 million per day, 63 pilots quit, causing the airline difficulty in fulfilling its daily schedule.

Minister Azad in February announces that the government has decided to reconsider its proposal to repeal the 1953 Air Corporation Act, which would allow the privatization of Indian Airlines. The air taxi operators that have been expanding—and failing—since 1990 are further encouraged when Azad relaxes restrictions on currency exchange and aircraft financing. In early March, extremists undertake a terrorist bombing campaign in Bombay; a company reservations center is among the buildings destroyed.

On March 24, protesting the violence between Hindus and Moslems and corrupt national politics, a Kashmiri separatist, Mohammed Yusuf Shah, hijacks Flight 427 shortly after its takeoff from New Delhi for Madras, via Hyderabad. The pirate demands that the A320-231 with 205 passengers aboard be flown to Pakistan, but when that country refuses landing permission for Lahore, the plane lands at Amritsar, near the border. The next morning after an 11-hour standoff, Indian commandos storm the plane, killing the hijacker and freeing his captives.

On April 10, a B-737-2A8A, en route from Lucknow to Delhi, is hijacked by four college students, who claim to have explosives and want to protest a postgraduate course being offered at their university. They are eventually overpowered and found to be unarmed.

On April 26, a B-737-2A8A with 6 crew and 112 passengers hits a truck parked on a road just outside the airport perimeter at Aurangabad, in western India, while taking off for Bombay. The aircraft brushes a high-tension wire and crashes into a field where it explodes (58 dead). The government immediately grounds 4 other 20-year-old B-737-2A8As.

Beset with problems from all sides, Chairman/Managing Director Vasudev resigns in the face of a parliamentary inquiry into airline operations, charging government interference in airline activities. Operations are now organized into four regions controlled from Delhi, Bombay, Calcutta, and Madras.

While landing at New Delhi on June 25, an A320-231 with 4 crew and 85 passengers slams into a bull that has strayed onto the runway from a nearby field; the animal is killed and one of the plane's wheels is damaged. No human injuries are reported.

Scheduled services are provided to 73 domestic locations as well as regional markets in Thailand, Sri Lanka, Nepal, Pakistan, Maldives Islands, Afghanistan, and Bangladesh. A number of new and private airlines begin to appear on the scene and take significant traffic and financial bites out of the state carrier's inflexible operations. Pilots continue to resign in order to join the new entrants that offer higher salaries.

Statistics are provided through September and show that passenger boardings are off 15.7% to 7,307,288 and freight is down 19.4% to 70.6 million FTKs. Revenues for the whole year will be established at \$516.1 million. However, after just three quarters, the net loss is already at \$73 million with a quarter of reporting unrevealed at this writing.

On a November 15 service from Madras to New Delhi, the pilot of an A300B2-101 with 13 crew and 250 passengers is unable to retract the flaps following a missed approach to Hyderabad, its midpoint stop. The stricken aircraft returns to Madras at a lower altitude with the flaps extended. Due to fuel exhaustion and flap failure, however, the Airbus is forced to begin a rapid descent. An emergency landing is made into rice fields near the town of Tirupati, 186 nm. SE of Hyderabad. Although the nosegear collapses during the maneuver, no injuries are reported. Indian Air Force helicopters are dispatched to transport the passengers back to Madras.

The workforce is cut by 1.5% in 1994 to 22,250 and K. Padmanabhalah, former secretary of the Ministry of Urban Development, becomes chairman of both Indian Airlines and **Air India, Ltd.** in February. P. C. Sen, who had briefly led the carrier following the Bangalore A320 accident, is appointed managing director. The same month, the government raises its set prices on petroleum products, including avgas.

On March 1, the government of India converts the carrier into a public limited company and Indian Airlines Corporation is renamed Indian Airlines, Ltd. Under the Air Corporation Ordinance giving it effect, all assets, liabilities, and functions of Indian Airlines are vested in a public company. **Air India, Ltd.** is also converted. Although the two airlines share a joint chairman and common directors, the latter sit as two separate boards in making decisions for the state carriers.

Padmanabhalah is also appointed secretary of the Ministry of Civil Aviation in April and as such is given control over the policy of all Indian commercial aviation. The carrier's Hyderabad Training Centre is suggested as a source for the training of pilots for the country's new private airlines.

Just after takeoff from Benaras on an April 22 service to New Delhi, an A320-231 with 4 crew and 50 passengers, suffers hydraulic failure; the Airbus returns to its point of origin and makes a safe emergency landing. No injuries are reported.

After less than two months on the job, Padmanabhalah is unexpectedly transferred in June from the Civil Aviation Ministry to become secretary of the Home Ministry; he retains his chairmanship of both state-owned airlines. To offset increasing costs, the company raises its domestic fares on July 25 by an average of 15%. Indian Airlines and **Air India, Ltd.** together sign an agreement with **American Airlines** in August for joint participation in the U.S. major's SABRE computerized reservations system.

Late in September, when pneumonic plague breaks out in Surat, Indian Airlines planes are banned from landing in a number of regional nations, particularly those in the Gulf. At the same time, Managing Director Sen is forced to replace the company's A320-231s on international service with A300B4-203s in an effort to retain crews by allowing the A320 pilots to earn foreign allowances. The transferred A300B4 pilots are not happy.

Traffic figures for the year are reported only through month's end. These show customer bookings ahead by 8.2% to 5,744,148, with freight up 15.7% to 58.83 million FTKs.

At the end of October, the governments of Russia, Pakistan, Bangladesh, Sri Lanka, and the Gulf nations, responding to diplomatic pressure, lift their embargo of Indian Airlines. In November, Russi Modi, ex-chair of Tata Steel, assumes the dual chairmanship of the airline and **Air India**. Late in the year, the regional **Vayudoot, Ltd.** is absorbed.

Revenues for the year total \$646.19 million, while operating expenses are higher at \$649.14 million. As a result, a \$2.95-million operating loss is taken, along with a huge \$74.46-million net loss.

Airline employment is reduced by 0.3% in 1995 to 22,180. As a result of negotiations completed the previous year, a strategic alliance with **Air India, Ltd.** begins. Under its terms, the two companies link their reservations systems and frequent flyer programs. In addition, **Air India, Ltd.** begins to code-share on 12 weekly Indian Airlines flights from Calicut to Abu Dhabi, Muscat, and Dubai and on certain domestic Indian Airlines routes out of Delhi.

In February, **Singapore Airlines, Ltd.** joins with the Tata Corporation in announcing plans for the expenditure of \$700 million for the establishment of a domestic rival to Indian. SIA would hold a 40% stake in the new concern and gain easier access to the subcontinent's expanding market.

A pilots' strike is threatened in July, but is called off in August. The flyers nevertheless press a campaign of harassment and pressure by a campaign of "working to the rules." Chief Financial Officer N. C. Ghosh issues a warning in August concerning the airline's poor financial state.

While landing at New Delhi on December 2 after a service from Bombay and Jaipur, Flight 492, a B-737-2A8A with 6 crew and 102 passen-

gers, loses its main landing gear wheels on touch down. Consequently, the little Boeing overshoots the runway by 450 m. and comes to rest in a field with its nose and right wing smashed. Rescue personnel arrive and all aboard are safely evacuated, with only four minor injuries reported.

Enplanements of 8 million are recorded, with 72.3 million FTKs operated. Operating income totals \$716.1 million, with expenses of 670.6 million. Although a \$45.4-million operating profit is generated, there is a net loss of \$31.9 million.

The workforce is cut another 0.3% in 1996 to 22,112 and the fleet now includes 30 A320-231s, 8 A300B2-101s, 2 A300B4-203s, 16 B-737-2A8As, and 1 each B-737-2A8, B-737-2A8C, 1 F.27-100, and 1 F.27-400. In addition, 3 Ilyushin IL-76Ts are wet-leased.

On March 15, Gati Cargo Management Services, a division of the Travel Corporation of India, Ltd., enters into a strategic alliance with India Airlines. Under its terms, GCMS is granted permanent reservation for 500 kg. of cargo on the airline's first flights everyday.

During the spring, the company elects to resurrect the feeder operation halted with the merger of **Vayudoot Airlines, Ltd.** The new operation, which will operate autonomously with a fleet of B-737-200s and HAL-manufactured Dornier 228-212s transferred from its parent, will be known as **Alliance Air, Ltd.** The new airline will be staffed by pilots who had once protested against Indian Airlines.

On May 2, in an effort to gain a few points in its rivalry with its private competitors as well as to send a message, begins to crack down on its overweight cabin crew. According to the newspaper *Indian Express*, the airline fires 41 obese male and female flight attendants, all of who exceed company guidelines by at least 85 pounds.

During the third week of July, the government elects to raise by 10-30% its set-prices on all petroleum products except kerosene. The move will raise the financially strapped carrier's fuel bill by \$17 million. Company officials, along with those from the affected private carriers, immediately petition for a 10% fare increase.

The wet-leased IL-76Ts are withdrawn in August as the company, in an economy move, disbands this portion of its cargo operation.

Passenger tariffs are finally hiked by 20% in November.

Indian Airlines joins the on-going airlift with **Air India, Ltd.** On September 30 to bring back some 50,000 Indians from the UAE who do not have proper travel papers. That nation had demanded that the undocumented Indians depart by this day, when the airline lays on seven flights per week. The India Association of Dubai also charts flights and numerous people return by ship.

Just after takeoff from Visakhapatnam on a November 27 service to Hyderabad, a B-737-2A8A with 6 crew and 119 passengers develops engine problems and must return to its point of origin; a safe emergency landing is made and no injuries are reported.

Having failed to wrest control of the company or **Air India, Ltd.** from the government or to persuade either of the carriers to join forces in marketing, code-sharing, and fleet planning, Chairman Russi Modi resigns on December 2.

Simultaneously, biweekly A320-231 service is inaugurated from Bangalore to Sharjah via Muscat. A connection to Mangalore will also be available. The next day, A320-231 flights commence from Tiruchi and Sharjah.

Late on the evening of December 31, a frantic traffic controller at Delhi is successfully able to divert a midair collision between a company and an **Air India, Ltd.** aircraft, with 400 passengers aboard. As both aircraft simultaneously approach Delhi from Bombay for a landing on the same runway, the two aircraft come within 900 feet of one another before one veers off. Civil Air Minister H. S. Khola orders the seizure of the black boxes of both planes and an investigation into the near disaster.

The full year report shows traffic down. Passenger boardings fall to 7 million, while FTKs drop to 69.8 million. Income, on the other hand, rises to \$788.9 million, with costs of \$751.4 million. Still, operating profits fall to \$37.5 million and the net loss is down to \$4 million.

Airline employment is increased by 2.1% in 1997 to 22,585. Early in the year, the Indian government appoints a planning commission, under former petroleum secretary Vijay Kelkar, to look into the corporation's finances. The commission projects 12% annual growth and recommends a \$250-million injection. Yet, despite the possession of 52 routes and 72 destinations, the company's market share continues to drop in the face of competition from independent airlines.

Crew members of a company flight report on January 22 that they have been assaulted by an airport manager at Ahmedabad, in western India. As a result, members of the Indian Commercial Pilots Association begin a work slowdown on January 23 as 77 flyers absent themselves and 64 report sick, causing the cancellation of 22 flights. The number falls to 15 absent pilots the next day and 5 on January 25, when 3 flights are cancelled, including 2 from Bombay and 1 from Guwahati. The union and airline management come to an agreement to end the walkout on January 28.

In March, Managing Director Sen is appointed joint chairman of **Air India, Ltd.** While also remaining Indian managing director, he replaces Chairman Modi, who had resigned three months earlier.

A number of schedule changes are made "for operational reasons" between March 10 and 24. According to an India Airlines press release, flights from Pune to Chennai via Bangalore are cancelled, along with the sectors Goa-Bangalore-Chennai, Bangalore-Calcutta-Bangalore, Singapore-Bombay, Chennai, Mumbai, Hyderabad-Bangalore, Thiruvananthapuram-Chennai, Kozhikode-Madurai-Chennai, Mumbai-Karachi-Bombay, Sharjah-Bombay, and Ahmedabad-Bombay.

Two new A320-231 thrice-weekly Singapore roundtrips are inaugurated on March 31, Bangalore to Singapore and Calcutta to Singapore. Additionally, the Singapore-Kuala Lumpur service is extended to Madras.

Singapore becomes a hub on April 7. Three new weekly flights are added from that point to Bangalore and another three to Calcutta, while a flight from Madras to Kuala Lumpur is extended on to Singapore. These are in addition to the thrice-weekly A300B4-203 roundtrips already operated to Madras.

An appeal by Indian Airlines and the nation's private domestic airlines of an earlier ruling by the Indian Foreign Investment Board results in a new aviation policy in mid-April. Issued by Civil Air Minister C. M. Ibrahim and the cabinet of the United Front government of Prime Minister H. D. Deve Gowda, the new decision prohibits investments in Indian domestic carriers by foreign airlines. However, groups from outside the aviation business may continue to acquire or hold up to 40% of the stakes in domestic carriers. The decision halts **Singapore Airlines, Ltd.** plans to join with the Tata Corporation in forming a rival to Indian Airlines, Ltd.

On June 1, the carrier wins the 1996 Grand Pacific Asia Travel Association Award; executives are proud to accept the trophy as a testimony to the effectiveness of their marketing program and the airline's turnaround success.

Between June 17 and August 12, the company accepts tenders before selling and leasing back its entire B-737-200 fleet. Because of a heavy rush on the route, the company, between July 15 and 31, operates a third section on its twice-weekly roundtrip route from Calicut to Sharjah.

On takeoff from Chennai Airport on August 2, an A320-231 with 81 passengers bursts a tire. A ground safety staff member notices pieces of the tire strewn on the runway and immediately alerts ATC, which in turn alerts the pilot. The airport is closed for an hour as the plane loses fuel and then makes a safe emergency landing. No injuries are reported.

In the middle of the month, it is noted that the carrier will continue to accept losses as it moves to take over services formerly provided by the private carriers **East West Airlines, Ltd.**, **ModiLuft, Ltd.**, **NEPC Airlines, Ltd.**, and **Skyline NEPC, Ltd.** Among the routes to be taken over are those from Cochin to Agatti (Lakshadweep), Guwahati to Dimapur, Delhi to Leh and to Chandigarh, Calcutta to Agartala, and Chandigarh to Ahmedabad.

During the fall, a code-sharing agreement for the provision of feeder services is signed with the small independent airline **Archana Airways, Ltd.**

The domestic departure terminal at Delhi is destroyed by fire on October 30. The calamity disrupts the company's flight schedule and forces it to move back into the cramped facilities it had shared in the old airport terminal.

Throughout the year, productivity makes dramatic improvement. Pilots now fly 50% more than a year earlier while there is a 17% increase in fleet utilization.

Still, physical growth demonstration will have to wait as traffic figures, released in November, show enplanements down 4.7% to 6,018,250, but cargo climbs to 77.21 million FTKs. Fiscal improvement is reflected in the carrier's year end figures. Operating revenues jump 19% to \$1.11 billion and, after eight years of losses, there is now an \$11.5 million net profit.

At the beginning of 1998, Indian is the 14th largest airline in the world in terms of employee population, with 22,582 workers. The fleet, 80% of which is Stage III certified, includes 50 airplanes: 10 each B-737-200s and A300s and 30 A320-231s.

Early in the year, the Kelkar Commission makes several recommendations, including privatization and the injection of \$230 million in new capital. It also notes that, should the new funding not be provided, the airline—which will not have the funds to renew its fleet or protect its market share—will eventually (by about 2003) fold, costing the government its \$1-billion investment.

On the March 8 occasion of International Women's Day, two all-women crew flights take off on roundtrip over-border services. Captains Sangeeta Kabra and Anupama Kohli operate an A320-231 with 5 other women crew and 127 passengers, from Bombay to Karachi. Captains Indrani Singh and Avantika Nittal pilot an A300B4-203 with 8 other women crew and 146 passengers, from Delhi to Kathmandu.

Also during the first quarter, the board of directors, together with that from **Air India, Ltd.**, accepts the government's recommendation that the two carriers not merge, but operate independently under the control of a joint board and chairman. On the other hand, the government proposes only a R 3.2-billion (\$91.5-million) rescue package, instead of the R 10-billion program earlier discussed.

In May, to provide capacity while its A300s are grounded for inspection, the carrier makes preparations to lease four A320s and two A300s. Following national elections during the month, Anant Kumar becomes the new civil air minister, with P. V. Jayakrishna as civil aviation secretary.

The government, on June 1, announces that it will disinvest in the company over the next three years, cutting to 49% its current majority stake. Unlike **Air India, Ltd.**, Indian Airlines is not permitted to have a foreign airline equity partner. It will, however, be allowed to enter into alliances and enjoy a cooperative mechanism.

The Indian Airlines board requests that it be allowed to increase fares in the face of continuing sharp operational costs, depreciation of the rupee, and the continuing necessity to fly unviable routes. Civil Aviation Minister Kumar publicly resists the move, but will eventually, in the face of fiscal realities, be forced to accept the measure.

In one of the largest seizures of illegal narcotics in Indian history, customs officials at New Delhi on September 30 detain two Nigerians who are about to depart on an Indian Airlines flight to Bombay with 18.7 kg. of heroin. If undetected, the pair had planned to connect at Bombay with a **South African Airways (Pty.), Ltd.** service to Luanda, Angola.

During the fall, two A310-304s are chartered by **Air India, Ltd.** and with the beginning of the winter schedule in late October, are employed to break Indian's monopoly on services to the Gulf. The Air India aircraft operate thrice-weekly roundtrips to Calicut, in the southern province of Kerala.

October also witnesses yet another debate between the airline and Civil Air Minister Kumar. It is Kumar's idea that Indian should invest in at least 6 new 50-seat Avions de Transport Regional ATR42-320s to operate routes in the northeastern part of the country. The aircraft would be a joint project between ATR and Hindustan Aeronautics, Ltd.

Managing Director Sen and the Indian Airlines board not only do not believe the carrier needs the new aircraft but continues to find the very

routes themselves unviable. They point to Indian Airlines operations department studies that show the introduction of the new aircraft would, even with fare hikes, cause huge losses.

When it becomes clear that Minister Kumar will continue to exert pressure to accept his plan, Sen and the board demand that, as a condition of acceptance, the government provides the initial down payment on the aircraft and then subsidizes their operation. With the government unwilling to make the investment, the project is, at least for the short haul, put on hold.

Also during the fall, the consultants A. F. Ferguson are retained to review the operations of and future possibilities of the airline and **Air India, Ltd.** and to offer suggestions.

While en route from Delhi to Bombay on November 4 to collect the body of her son, a 50-year-old woman complains that she feels uneasy. Although attended by three physician-passengers, the lady dies before the aircraft can land at its destination. After formalities are completed, both she and her son are returned to Delhi in coffins aboard the first regularly scheduled Indian Airlines flight the next day.

On November 12, as an A300B2-101 with 7 crew and 152 passengers is taxiing away from the gate for departure from Bombay to Delhi, the plane's captain and flight engineer get into an altercation in the cockpit, after which the flight engineer refuses to fly in the aircraft. The captain returns the Airbus to the gate where the engineer is removed. To minimize inconvenience to passengers, the captain is retained and a new flight engineer is assigned to the flight, which departs two hours late. An investigation is ordered.

Just after takeoff from Calcutta to New Delhi on November 20, an A310-304 experiences an engine fire. An emergency is declared and the aircraft makes a safe landing back at its point of origin. No injuries are reported.

A revision in the winter schedule is announced on November 30, effective December 1. As part of the new timetable, times for two flights to Ahmedabad are changed, two other services are withdrawn, and two new Ahmedabad stops are introduced on services from Calcutta. Meanwhile, citizens from Vadodara meet with Minister Kumar on December 1 to protest the end of service from their city to Bombay; the official tells them that he will order the service maintained.

The Times of India reports on December 6 that the company has suffered enormous fiscal losses during the first half of the year and passenger boardings well below those expected, largely because of a 50% decline in tourist arrivals. Company officials are quoted as indicating that plans to achieve profits in order to allow for disinvestment are in serious jeopardy. This despite attempts to arrest losses by generating new business, taking business away from the private carriers, flight rescheduling, and the introduction of various discount fares.

On December 7, following a recommendation based on the Ferguson Report, the boards of both state-run airlines move to form an apex body in the form of a holding company supported by a joint management group. Initially opposed to the concept, Chairman Sen supports the action. The move is completed without consultation with the Ministry of Civil Aviation or Minister Kumar.

Under terms of this apex arrangement, the two airlines owned by the new holding company would be merged in a phased manner. Meanwhile, the two would continue to have day-to-day operational autonomy, but the apex board would give directions on matters of synergy, which would progressively unite them. Although all agree that such a linkup of the airlines into a larger carrier with a joint new network would be helpful in the face of strong competition from the new private airlines, the scheme must still go to the Indian government for its approval.

Minister Kumar is infuriated by the action—and the perceived snub—and is reported by the press to believe the move is a direct effort to derail the manner of the disinvestment process his agency has been promoting.

Kumar's position is supported by members of the Disinvestment Commission, which suggests that creation of a holding company would not only worsen each carrier's financial position, but would also be un-

able to tackle the surplus staff problem and would slow rather than speed disinvestment. Kumar and the Commission must also enforce one other point that the boards have chosen to ignore; under Indian law, foreign airlines are not allowed to take stakes in India's domestic carriers, public or private.

By December 11, Minister Kumar has decided to reorganize the state airlines and wins the Indian government's cabinet approval to do so. Rather than simply rejecting the holding company proposal and sending it back, Kumar dissolves the boards of **Air India, Ltd.** and Indian Airlines and ends the practice of having a common chairman. There will now be two boards with two separate chairmen. To this end, Civil Aviation Secretary P. V. Jayakrishna becomes the new CEO of **Air India, Ltd.**, on December 12 while a joint secretary in the Civil Aviation Ministry, Anil Bajjal, takes over the leadership of Indian Airlines.

Plans for a single apex management board are shelved and common chairman P. C. Sen is relieved two months ahead of schedule.

(Interestingly enough, Sen had confirmed in an article on Indian Airlines in the November 1998 issue of *Air Transport World* that he had, while enjoying government support, been "less than free to do all the things he would have liked to do to improve the airline's cost structure.")

Civil Aviation Secretary Jayakrishna, now also chairman of **Air India, Ltd.**, informs the press on December 14 that the government plans to complete the disinvestment in **Air India, Ltd.** and Indian Airlines by December 1999. The next day, it is reported that both airlines have completed the installation of airborne collision avoidance systems (ACAS) in their aircraft ahead of the December 31 deadline.

It is Indian Airlines Chairman/Managing Director Bajjal's turn to meet the press on December 16. He informs reporters that within two weeks, steps will be taken to improve service for executive class passengers. The carrier will also take additional steps to increase brand loyalty and increase income. It is revealed that Bajjal's first step toward cutting costs was an inspection of the Indian Airlines supply department at Palam Airport. Numerous changes are ordered, while the facility's general manager is sacked and replaced with a new one from corporate headquarters.

Thick fog disrupts company flights all over the country on December 16-17. The timing of the natural disaster is unfortunate as the airline had been able, as of the previous week, to increase its ridership by 2,000 passengers a week due to the holiday season. Fog continues to play havoc with company schedules through the remainder of the month. The delays cause hardships and strain passenger tempers on a widespread basis. In one case at New Delhi on December 23, a Bombay-bound passenger seeking to reschedule his flight gets into a shoving match with company check-in personnel. The incident is reported to police.

Also on December 23, Minister Kumar establishes nine subcommittees to study various areas where greater synergy might be found between **Air India, Ltd.** and Indian Airlines. The areas under review include information technology, scheduling, ground transfer, accommodation, engineering, fare rationalization, common general sales agent appointments, engineering, advertising and marketing, and ground handling.

Customer bookings during the 12 months ascend 2.3% to 5.61 million, while cargo traffic climbs 10.7% to 78.3 million FTKs. Revenues climb 5.2% to \$809 million and a net \$2.4-million profit is reported.

Thrice-weekly A310-304 roundtrips are started on January 1, 1999 by **Air India, Ltd.** from Kozhikode to the Persian Gulf, two to Dubai and one to Abu Dhabi. These A310 frequencies are in addition to the 12 weekly services being operated by the company, with Indian Airlines, between Kozhikode and the Gulf since December 1993—four each to Dubai, Abu Dhabi, and Muscat.

Minister Kumar meets with Air India Managing Director Mascarenhas and Indian Airlines Managing Director Anil Bajjal on January 12 to discover what progress has been made between the two airlines towards cooperation. It is learned that joint bids will be let for ground handling of foreign airlines in India while a proposal is put forward for a joint

fund to cover advertising costs at those stations where both airlines operate. Spare Air India capacity might be employed by Indian Airlines, while additional time will be required to come up with ideas concerning joint scheduling and fares. Plans are put in place to share spaces at various coastal stations.

Sharing the service with 96 ticketed passengers, Prime Minister Vajpayee and Minister Kumar join Managing Director Bajjal and other VIPs aboard Flight 833, an A320-231, as it undertakes the first scheduled roundtrip flight from Lucknow to Sharjah on February 4.

In an effort to make its two carriers financially viable, the Indian government, on March 1, allocates a token amount to strengthen the equity base of **Air India, Ltd.** and of Indian Airlines. The decision, reflected in the 1999-2000 budget presented to Parliament, comes after a committee, headed by Finance Secretary Vijay Kelkar, has made its final recommendations.

The March 3 issue of *Flight International* reports that Indian has dropped its fleet renewal plans, opting instead to pursue a program of refurbishing its aging fleet of 11 A300B2/B4s and 12 B-737-2A8As. On March 23, it is reported on the Asia Pulse website (www.asiapulse.com) that the carrier is expending R 30 million (\$712,081) on the redecoration and sprucing up of the cabin interiors.

Members of the Standing Committee on Transport and Tourism also make a report to the upper house of Parliament, on March 4, concerning its review of the two airlines. Citing continuing losses, the legislators recommend that both companies be merged. Until that process can occur, there should be joint operations of their fleets to avoid duplication. In addition, both carriers require financial restructuring, reduction in manpower, and a discontinuation of flights on loss-making routes.

The fiscal losses suffered from heavy fog in Delhi and cities in north India during December and January become known on March 16. Minister Kumar notes that **Air India, Ltd.** and Indian Airlines have lost a combined R 98.4 million (\$2.33 million), with the latter company suffering the largest loss, R 65 million.

At the springboard meeting at New Delhi three days later, these figures are relayed, together with revised budget estimates. Permission is received to dry-lease four A320s for the upcoming winter schedule and approval is provided for the 1999-2000 capital budget estimates and revenue expenditure budget.

Barely five months after a top level reorganization, senior management is reshuffled again on March 23. The post of marketing director is abolished and its director, A. K. Goyal, is named director of cargo; marketing is merged into commercial and its director, P. S. Shetty, is appointed regional director at Bombay for the airline's western district. Manet Paes, the eastern district director who had previously been commercial director, is now returned to his old post. S. K. Ghorai, western regional director, moves to Calcutta to take over the eastern district from Paes.

While landing as scheduled at Patna on March 27 during a service from Delhi to Calcutta, the left engine of a B-737-2A8A explodes. Although a safe landing and evacuation is completed, the passengers must be put up overnight in local hotels while a replacement engine is brought in the next day. A number of passengers are rebooked on Flight 772, another B-737-2A8A that is diverted on a service from Bangalore to Calcutta.

With the beginning of the summer season on March 29, capacity is increased by over 500 seats per day. New daily flights are added to the schedule for the routes from Bombay to Delhi and from Bombay to Chennai, with seven additional weekly services from Bombay to Hyderabad and six per week from Bombay to Visakhapatnam.

Among these new services is an hourly Metro Shuttle between Bombay and New Delhi. Seven of the company's 30 A321-231s are dedicated to the enterprise, together with two A300B4-203s and a B-737-2A8A chartered from **Alliance Air, Ltd.** The shuttle is promoted with an introductory offer of a free ticket should a customer fail to connect via any of its frequencies.

New daily flights are also started from Bombay to Lucknow and from Bombay to Patna and Ranchi. Jamnagar and Rajkot are also linked to Bombay with new flights.

A fare war is started by **Sahara Airlines, Ltd.** on April 1 over the lucrative Delhi to Bombay route. Sahara offers thrice-daily service compared to the state line's 10 flights, but all are deep-discount, no-frills flights. **Jet Airways, Ltd.**, which operates eight flights either way between the two cities, is forced to join in.

While en route from Bombay to Calcutta on April 8, an A300B2-101 with 11 crew and 160 passengers, experiences a drop in oil pressure in the left engine. An emergency landing is made by Capt. R. K. S. Modi's aircraft at Nagpur, where the customers wait until a replacement aircraft can be flown in during early evening for a completion of their service.

The problems of the nation's airlines take a back seat when, on April 16 the Hindu nationalist government of Prime Minister Vajpayee loses a vote of confidence in Parliament and collapses. Still, *The Times of India* reports in this day's issue that, to compete with **Jet Airways, Ltd.** and **Sahara India Airlines, Ltd.** in the fare war, the contest may be spread as Indian Airlines pumps additional capacity onto the routes from Bombay to both Chennai and Bangalore.

On April 22, an effort by the Congress party, led by Sonia Gandhi, widow of former Prime Minister Rajiv Gandhi, fails to obtain the majority support necessary to form a new government. Elections loom.

On April 23, a fire damages the offices of Indian Airlines, **Deutsche Lufthansa, A.G.**, **Air France**, **British Airways, Ltd. (2)**, and **Japan Air Lines Company, Ltd. (2)** in the cargo terminal at New Delhi's Indira Gandhi Airport.

Company officials report on April 29 that average seat utilization per day over the Bombay to New Delhi route has jumped by 70% since the introduction of the Metro Shuttle a month earlier.

On May 7, Minister Kumar informs the press that the government has granted permission for **Air India, Ltd.** and Indian Airlines to quickly acquire new aircraft with which to expand their fleets. Following negotiations with Boeing and Airbus, an expert committee will choose types to be acquired and, hopefully within a week, make a written report to Kumar's department.

Three days later, the Indian cabinet approves a plan to overhaul the carrier's capital structure in order to boost its market share and strengthen its equity base. Using the report of Finance Secretary Kelkar as the basis of its action, the cabinet recommends that an equity injection of R 3.25 billion (\$76.11 million) be made in the form of a loan and that Indian be granted authority to generate funds from an initial public offering. The government body also approves a two-year moratorium on payment of outstanding debts.

Reacting to the decision, officials at the competing private airlines agree that the equity injection will allow the state carrier to acquire badly needed aircraft. Reuters, Ltd. reporter Biman Mukherji on May 12 quotes **Sahara India Airlines, Ltd.**'s Kapil Kaul, "For Indian Airlines, it is the best thing that has happened."

The cabinet's move to boost the airline is not everywhere welcomed. The political opposition urges Indian President K. R. Narayanan to intervene and ensure that the "caretaker" Vajpayee government does not make major policy decisions. Disinvestment of the airline has not been approved by Parliament and the lame duck government, it is charged, has no business taking such an important—and unwarranted—decision.

Also on May 12, the company releases figures that demonstrate that in the month and a half since its introduction, the Bombay–New Delhi shuttle service has boosted Indian Airline's market share in that corridor by 9% to 61% control. This one route now accounts for 11% of all of the airline's traffic.

Indian Airlines refuses to engage in the upgrades of its rivals and continues to push its new shuttle service and to stress "on-time" performance. The May 18 issue of *The Times of India* reports that **Sahara India Airlines, Ltd.** is offering a five-star bed-and-breakfast add-on with tickets purchased for Bombay and Chennai, while **Jet Airways, Ltd.**, having linked up with ITC hotels, offers domestic passengers a 20% discount on overnight accommodations.

On May 22, following ceremonial comments by Minister Kumar, an A320-231 with Commerce Minister Ramakrishna Hedge and 12 other

passengers inaugurates the company's new twice-weekly roundtrip service from Bangalore to Kuala Lumpur via Chennai.

The number of nonstop weekly roundtrip frequencies between Lucknow and Sharjah is increased on May 24 from two to three.

As the result of Indian Air Force raids on "guerrilla" positions in the Kargil area of Kashmir, which begin on May 25, the capital airport of Srinagar is shut to commercial traffic, forcing Indian Airlines to suspend its service to that city.

Just after departure from Amausi, a scheduled stop on a June 16 service from Patna to New Delhi, a fully loaded A320-231 is struck by two birds that badly damage an engine. A safe emergency landing is made and the passengers, including Bihar's chief minister, Rabri Devi, and the RJD President Laloo Prasad Yadav, are flown on to Delhi aboard the regular flight of an unnamed private airline.

Despite the continuing Kargil conflict, air travel between India and Pakistan remains unaffected. As late as July 15, it is noted by *The Times of India* that Indian Airlines continues to operate thrice-weekly service between Bombay and Karachi. Indeed, since May, traffic on the route has increased.

Fares on the twice-daily roundtrip route between Bombay and Ahmedabad are reduced on August 15.

Tariffs are also reduced on the routes from Bombay to Calicut, Bangalore, and Cochin. On September 1, competing **Jet Airways, Ltd.** reduces the cost for flying its thrice-daily return service between the two points, heating up a continuing fare war with the state carrier.

Tensions between India and Pakistan cause the carrier, on October 13, to cancel its scheduled night flight to Karachi.

A mistaken command by a controller at the Nagpur ATC center on December 2 nearly causes a midair disaster. While en route from Bangalore to New Delhi, Flight 812, a **Jet Airways, Ltd.** B-737-33A, is asked to ascend from 26,000 ft. to 35,000 ft. through airspace where Flight 540, an Indian Airlines A300B2, is flying from New Delhi to Chennai at 29,000 ft. Fortunately, the TCAS equipment of both aircraft activates and a collision is avoided.

While en route from Kathmandu to New Delhi on December 24, Flight 814, an A300B4 piloted by Capt. Devi Sharan with 154 others aboard, is hijacked as it crosses into Indian airspace over Lucknow by 5 masked Kashmiri extremists armed with guns and grenades. After being refused permission to land at Lahore in Pakistan, the plane is permitted to put down at the Indian city of Amritsar, where one Indian passenger is knifed to death.

Granted permission to land at Lahore, the plane duly departs for Pakistan; Indian National Security Guards commandos arrive 10 minutes too late to rush the plane while it is still on the ground at Amritsar. At Lahore, the plane refuels and then flies on to the United Arab Emirates. On December 25, 27 passengers are released and the Airbus then flies on to Kandahar.

Once the plane is on the ground in Afghanistan, a diabetic passenger is released and a prolonged period of negotiation begins, with the remaining 155 passengers kept blindfolded in their seats by the violent terrorists. Initial demands include the release of 36 militants, including religious leader Mohammed Azhar Masood, jailed in India for their role in battling Indian rule in Kashmir, \$200 million, and the corpse of a dead comrade in India.

As a result of the Airbus hijacking from Kathmandu, the Indian government suspends its 19 weekly flights to and from Nepal. Airport security had been so lax in Nepal that the terrorists were not only able to go aboard fully armed, but were able to secret explosives in the hold of the jetliner. Three days after the crisis erupts, the Indian government cabinet holds its first meeting on the situation; the country's crisis management team, formed earlier, has yet to decide on a strategy to resolve the incident.

Talks between international intermediaries from the UN and the hijackers of Flight 814 drag on and nearly break off on December 30 amid acrimony and disagreement. The UN now applies a bit of political pressure and, consequently, Afghanistan's Taliban Foreign Ministry threat-

ens to storm the plane if any hostages are harmed. Fundamentalist Taliban Afghan soldiers now surround the Airbus in a move to intimidate the pirates; the hijackers threaten to kill their hostages one by one. The leaders of Afghanistan's Taliban, which controls most of the country, now begin to facilitate an end to the drama by acting as intermediaries, pushing the Indians, Pakistanis, and the hijackers to come to terms. While surrounding the aircraft, the Taliban also agrees to accept any freed Kashmiri rebels and permit free passage for the pirates. On December 31, Indian leaders reverse their policy of refusing to negotiate with terrorists and begin talking in earnest. The decision has been viewed as necessary, even if the talks involve cooperation with avowed enemies in Pakistan and Afghanistan.

Passenger boardings climb 5.4% to 5,912,000, while freight jumps 19.2% to 93,322,000 FTKs. Revenues inch up 0.5% to \$819.44 million, while the net profit shoots up to \$18.2 million.

Airline employment at the beginning of 2000 stands at 21,990, a 0.2% increase over the previous 12 months.

A deal is struck on January 1 to end the hijacking of Flight 814, the longest such hostage drama in over a decade. Although the Indian government is able to shave down the demands of the Kashmiri air pirates, it is, in the end, forced to make some gesture in order to save the situation from becoming a bloodbath. Accordingly, the important Kashmiri guerrilla leaders Maulana Masood Azhar, Mushtaq Zargar, and Ahmad Omar Sayed Sheikh are all freed. The hijackers turn over the aircraft to the Taliban and depart with an Afghani soldier as hostage. At a secret location south of Kandahar, they meet the three released leaders and all disappear into the mountains. The freed hostages are all returned to New Delhi aboard an aircraft sent for them and endure a joyous and chaotic reception.

The following week, India arrests four Kashmiri separatists in connection with the hijacking and issues a statement placing blame for the incident on Pakistan. Civil Aviation Minister Chaman Lal Gupta also indicates that the nation will now create an aviation security force of up to 25,000 that will allow the National Security Guard to place between 2 and 6 commandos on every flight over 37 "sensitive" domestic and international routes.

On January 25, acting on the initiative of Arun Jaitley, the minister of state for disinvestment, the government announces that it will begin the process of privatizing the airline. The state will sell 51% of the carrier by March 31, 2001, and then allow a "strategic partner," which has purchased a required 26% equity stake, a free hand in running the operation. Foreign airlines are not, however, permitted to invest. The ANZ Consortium, comprising ANZ Investment Bank, Speedwing, and IDBI, are retained to advise the government on the carrier's privatization.

With government approval, the IA board of directors on March 1 rolls back the retirement age of company personnel from 60 years to 58 years, thereby sacking 800 employees with the single stroke of a pen. Among the newly retired are Gurdeep Singh, six directors, several general managers, four pilots, a number of flight engineers, and Capt. J. R. D. Rao, chairman of **Alliance Air, Ltd.** and head of the internal committee evaluating potential new jetliners.

During the month, the government increases domestic aviation fuel taxes by 62.96¢ a kiloliter, making overall fuel rates for domestic flights Rs 5,000 (\$114.50) higher than those for international services. With no corresponding fare rates planned (though now necessary), hoped for profits are expected to slide as the year's fuel costs rise by \$73 million.

A tripartite signing ceremony is held in New Delhi, also in March, for a pair of new cargo agreements. In one, **Emery Worldwide Express** acquires 80% of the daily cargo capacity of Indian Airlines between Madras and Singapore. The other, between **Swisscargo** and **Emery**, permits **Emery** to book belly space aboard **Sabena Belgian World Airlines, S.A.** passenger flights and **Swissair, A.G.'s** dedicated thrice-weekly DC-10-30F freighter service to Africa and beyond from Basel.

When the carrier is put up for sale on March 28, the news is met with an underwhelming response. Neither of the independent Indian airlines shows initial interest and foreign carriers are barred by law from taking stakes in domestic Indian carriers.

The next day, Indian and Nepalese government officials open talks concerning the possibility of a resumption of service by the airline from New Delhi to Kathmandu. Tremendous pressure has been exerted by the tourism industry lobby as the suspension has caused nearly a 30% drop in tourist traffic to Nepal. The IA delegation is led by Sunil Arora, who will shortly become IA's new chairman/managing director, while retaining his position as joint secretary (security) in the Ministry of Civil Aviation. In response to a fare hike by **Royal Nepal Airlines, Ltd.**, IA announces that when flights are resumed there will be a 10% rise in ticket prices.

After negotiations are restarted, a deal for the resumption of Nepalese service is finally struck following a visit to India of Nepalese Foreign Minister C. P. Bastola. Daily return flights from New Delhi to Kathmandu begin on June 1, along with service five times a week between Calcutta and Kathmandu. With the resumption of these scheduled flights, Indian sky marshals ride the aircraft and Indian security agents screen passengers at Kathmandu Airport.

Upon completion of the term of Anil Bajjal as chairman/managing director on May 26, Mr. Arora steps into his new post, which is to be temporary until the government recruits a permanent official for the soon-to-be privatized national airline. In a surprise move on June 22, the government, which has so far been unable to find a good prospect to take over the airline's leadership, advertises for the post of chairman/managing director for the newly privatized IA. It also takes the unusual step of writing to Naresh Goyal, chairman of **Jet Airways, Ltd.**, asking him to suggest names of suitable candidates.

To provide on-going connections throughout India for its new international service from London (LHR) set to begin on July 6, **Virgin Atlantic Airways, Ltd.**, on July 3, signs an interline agreement with Indian Airlines.

Thrice-weekly A320-231 roundtrips start on July 10 between Delhi and Bangkok, Thailand.

Tenders are requested from Boeing and Airbus during the last week of July for 39 aircraft; the decision will be made between the 100-seat A310, B-717, and B-737-600 and the 150-seat A320, A321, and B-737-900.

Computerized check-in is offered to passengers boarding flights at Thiruvananthapuram beginning in mid-August. The provision of this service follows its introduction at New Delhi, Calcutta, Bombay, Hyderabad, Bangalore, and Chennai.

On August 24, IA pulls the B-737-2A8A normally employed on the New Delhi-Raipur-Nagpur sector and replaces it with an A320-231 to fly the VVIP BJP passengers, including 17 union ministers, to Nagpur for a three-day party and executive council meeting. The withdrawal of the Boeing and its replacement with the Airbus requires that the Agra-Khajuraho-Varanasi flight be suspended until the beginning of the winter schedule in late October.

The fourth fake bomb threat against a company aircraft is received on August 25, forcing a three-hour search delay at New Delhi for Flight 813 for Kathmandu.

In early September, it is reported that IA's share of the domestic market has fallen below 50% for the first time in company history, totaling 46.8% for the year's first half.

On September 19, the board of directors authorizes the dry-lease of five B-737s in time for the beginning of the winter season next month, along with a pair of A320s to be procured before the summer schedule starts in March.

While en route from New Delhi to Singapore on September 26, Flight 555, an A300B4, encounters heavy turbulence at 29,000 ft. over the Bay of Bengal 80 km. SE of Chennai. The autopilot is disrupted, causing the aircraft to plunge 5,000 ft. An unspecified number of passengers are injured before a safe emergency landing can be made at Chennai.

Without key personnel in some areas since the mass retirements earlier in the year, the company, on September 27, announces that it has filled the open directorships in the operations, flight safety, and training departments.

Coming in from Calcutta on September 29, Flight 229, an A320-231, is forced to circle its intended destination, Gauhati Airport, for three hours as a safety precaution while officials on the ground organize workers and villagers to drive off an elephant wandering around the airport.

While climbing to FL370, the TCAS of Flight 701, an A320-231 en route from Calcutta to Dibrugarh on October 1, sounds a warning that it is near **Jet Airways, Ltd.** Flight 207, a Next Generation B-737-800 cleared to climb to FL350, the TCAS of which is also screaming. Both pilots take corrective action and avoid meeting head-on in an area over the Bangladesh border.

Also on October 1, the government invites expressions of interest (EOI) in IA from those Indian or nonresident Indian companies willing to purchase a 26% equity stake. It willfully excludes **Jet Airways, Ltd.** by inserting a clause in the EOI document prohibiting scheduled Indian air transport operators from applying in order "to maintain a competitive environment."

The code-share arrangement with **Air India, Ltd.** for 12 joint weekly flights to Dubai, Muscat, and Abu Dhabi from Calicut ends on October 29. Return A320-231 service on the route from Ahmedabad to Bangalore via Bombay becomes daily, while a new daily roundtrip A320-231 service is introduced from Chennai to Muscat.

On November 1, new twice-weekly roundtrips are inaugurated from Hyderabad to Doha via Cochin. Twice-daily return frequencies from Hyderabad to Muscat become thrice daily. In mid-month, the company begins to take delivery of five leased B-737-200As that are to be passed along to its **Alliance Air, Ltd.** subsidiary. A pair of A320-231s for Alliance will be delivered in April.

Four-times-a-week return flights are started on December 1 between New Delhi and Chandigarh. The Indian government steps in on December 10 and kills a deal with **Air India, Ltd.** under which the latter would sell to IA, by March, three A300B4s for \$9 million each. The state believes the price is too low.

On Christmas Eve, exactly one year after Kashmiri militants hijacked Flight 814, Capt. Devi Sharan and his flight officer have the ironic luck to draw the evening's service over the very same route filled with so much terror 12 months before.

Allegedly as the result of protests caused in Kathmandu by anti-Nepalese comments made by an Indian motion picture star, Indian Airlines, on December 28, abruptly cancels two scheduled flights to Nepal and sends an empty Airbus to Kathmandu to bring back waiting passengers.

INDIAN AIRLINES CORPORATION. See **INDIAN AIRLINES, LTD.**

INDIAN NATIONAL AIRWAYS, LTD. (INA): India (1933–1946). To serve as a shareholder in **Indian Trans-Continental Airways, Ltd. (ITCA)** and as agent to develop internal and feeder services in northern India, INA is founded in May 1933 with R 3 million in capitalization; controlling interest is held by Govan Brothers, Ltd. concern, 60% of that ownership being non-Indian. Technical assistance will be provided under contract by **Airwork, Ltd.** of the U.K. On July 7, INA officially acquires a 25% stake in ITCA after which INA begins marketing its new product, and that of **Imperial Airways, Ltd.** and ITCA.

Employing de Havilland DH 84 Dragons, the company begins weekly Calcutta–Rangoon service on December 1 via Chittagong, Akyab, and Bassein. Simultaneously, in the country's first daily scheduled flights, DH 83 Fox Moth flights commence Calcutta–Dacca. These services are designed to supplement the ITCA operation to the east of Calcutta.

During the year, pilot Capt. Harold H. Balfour publishes his recollections of flying for the carrier, *An Airman Marches* (London: Hutchinson, 1933).

On December 4, 1934, weekly Percival Gull mail service is launched from Lahore to Karachi via Sukkur; the first return flight is made two days later. On June 13, 1935, Sukkur is dropped as a stop. Daily

Calcutta–Dacca services are withdrawn on June 15; the same day, Chittagong is dropped as a stop on the Calcutta–Rangoon route. The Rangoon service is withdrawn on August 9.

INA flies only a Lahore–Karachi service in 1936. Under charter to the British Air Ministry, INA, employing an Indian government Avro 10, surveys the Southern Shan States for a China route during November and December 1937.

Under terms of the Empire Air Mail Program, the government contracts with INA on February 28, 1938 for the transport of first-class unsurcharged mail over the Lahore–Karachi route, with Jacobabad and Multan added as stops. Beech 17s commence the service the next day. The Lahore end of the Karachi route is extended to Delhi in November. On July 1, 1939, thrice-weekly flights are begun to Kaika from both Delhi and Lahore.

The Delhi end of the Karachi service is extended to Calcutta on June 27, 1940, with Beech 17s now flying from Karachi to Jacobabad, Multan, Lahore, Delhi, Cawnpore, Allahabad, and Calcutta. Frequency is doubled on December 8. Between March 30 and August 25, 1941, Patna replaces Allahabad on the Delhi–Cawnpore–Calcutta segment, but is supplanted by Allahabad once more on November 3.

Twice-weekly Calcutta–Rangoon services begun on January 5, 1942 are suspended on February 17. Seven days later, service is started between Calcutta and Magwe, Burma. On March 17, Calcutta to Shwebo, Burma, flights begin via Chittagong. The Calcutta–Magwe service is withdrawn on March 22 and that between Chittagong and Shwebo is suspended from March 28–April 12.

The Chittagong–Shwebo route is cancelled on April 12, the same day thrice-weekly Calcutta–Dinjang via Tezpur DH 89A/Beech 17 flights commence. A weekly Delhi–Colombo Beech 18 frequency is introduced on May 27 via Bhopal, Hyderabad, Bangalore, and Trichinopoly. Daily Lahore–Multan–Jacobabad–Quetta services are offered during the summer. The first of three Douglas DC-2s to be received from the RAF arrives on September 22 and is placed on the Delhi–Colombo route.

Twice-weekly Delhi–Karachi via Jodhpur DC-2 service is initiated on January 17, 1943. Three days later, Jorhat replaces Dinjang as terminus on the service formerly flown via Tezpur from Calcutta. With Rawalpindi as an optional stop, thrice-weekly Delhi–Peshawar via Lahore Beech 17/DH 89A flights begin on August 19.

INA's first DC-3s are introduced on the Delhi–Colombo service in March 1944. On August 28, DH 89A Gwalior–Delhi flights begin. Twice-weekly DC-3 frequencies are launched Delhi–Madras on April 18, 1945 and are flown via Allahabad, Nagpur, Hyderabad, and Bangalore. On June 4, the carrier ceases operations west of Karachi. Six DC-3s are purchased and after VJ-Day all of its routes are officially certified.

The first Indian air service with a title is launched on February 7, 1946; U. P. Indiaman DC-3 flights commence Delhi–Lucknow. Six Vickers Vikings are ordered in April. On June 1, Delhi–Ahmedabad via Lahore, Bikaner, and Jodhpur Rajputana Indiaman flights begin. During the summer, additional Indiaman frequencies are inaugurated to Calcutta, Peshawar, and Karachi. In July, the carrier is acquired by Dalmia-Jain, Ltd., and is renamed **Dalmia-Jain Airways, Ltd.**

INDIAN OVERSEAS AIRLINES, LTD. (IOA): India (1947–1950). IOA is registered on January 13, 1947 as successor to **Mistri Airways, Ltd.** Equipped with 17 Canadian-built Noorduyn Norsemen and Douglas DC-3s, the carrier operates charters as well as a single route from Bombay to Calcutta via Nagpur.

On February 20, 1948, the company receives an 11-month provisional license to fly a route from Nagpur to Lucknow via Jubbulpore, Allahabad, and Kanpur. Late in the year, executives of the Indian Post Office, in a precursor to a concept developed by Frederick Smith for **Federal Express** a quarter of a century later, design a night mail program based on a single centralized sorting hub.

On January 31–February 1, 1949, the company begins night DC-3 air-mail flights from Delhi to Madras and Bombay to Calcutta; Nagpur is the central exchange point to which aircraft from each city arrive, pick

up their mail, and return. IOA encounters financial difficulties and on June 10 suspends operations. The carrier ceases business in October 1950.

INDIAN TRANS-CONTINENTAL AIRWAYS, LTD. (ITCA): India (1933–1942). Capitalized at R 1 million, ITCA is founded on June 21, 1933 to operate a transcontinental route in association with **Imperial Airways, Ltd.** Shareholding is held by the government of India (51%), **Indian National Airways, Ltd. (INA)** (25%), and **Imperial Airways, Ltd.** (24%). Two British-registered **Imperial Airways, Ltd.** Armstrong Whitworth AW-15 Atalantas, the *Arethusa* and *Aurora*, are wet-leased and transferred to the new carrier, given Indian registry, and painted in ITCA livery. Meanwhile, the enabling arrangement provides for INA to market the new long-distance product, selling tickets at 11 of its owner's (Govan Brothers, Ltd.) offices and handling local promotions.

Alternating weeks with the British carrier, ITCA's *Arethusa* begins Karachi–Calcutta service on July 7 via Jodhpur, Delhi, Cawnpore, and Allahabad. Westward service departs Calcutta on July 11.

On October 1, the *Arethusa* extends the Calcutta end of the Karachi–Calcutta service to Rangoon via Akyab. The first westward flight of the joint **Imperial Airways, Ltd.**–ITCA service departs Rangoon the next day. The two carriers jointly extend the Rangoon destination to Singapore on December 18 via Bangkok and Alor Star. Westward flights begin from Singapore on December 31.

ITCA services continue with little change until March 1, 1938 when the route to Singapore is halted at Calcutta. The route now flown is Karachi–Calcutta via Jodhpur, Delhi, Cawnpore, and Allahabad.

On June 10, 1940, the route is suspended; hope of resumption continues for the rest of the year but, following the outbreak of war in the Pacific, the *Arethusa* and *Aurora* are commandeered by the Indian government in February 1942 and assigned to the air force.

INDIAN WELLS AIRLINES: United States (1984–1985). Founded as **C & M Airlines** and having operated for a year as **Mojave Airlines**, this carrier receives its final corporate identity in 1984. Employing a fleet of Cessna 402s and 441s, the Inyokern, California-based carrier maintains scheduled passenger and freight services to Los Angeles. Previous frequencies to Bishop, Mammoth, Ontario, Palmdale, and San Diego are all suspended.

Operations cease in February 1985 as the result of FAA enforcement action against a variety of alleged company FAR violations.

INDIANA AIRWAYS (1): United States (1930–1931). Organized at Indiana, Pennsylvania, in the fall of 1930, this small operator obtains a Ryan B-5 Brougham and uses it to launch scheduled passenger flights to Pittsburgh in November. Without a mail contract, the carrier is unable to generate sufficient revenue traffic to fly beyond mid-1931.

INDIANA AIRWAYS (2): United States (1977–1980). The second IA is set up by Reid Airways owner Charles R. Reid at West Lafayette, Indiana, in the fall of 1977 to provide scheduled air taxi roundtrips to Indianapolis and Columbus. Daily Piper PA-31-310 Navajo revenue frequencies are inaugurated on November 15 and are maintained until April 15, 1980.

INDIANA AIRWAYS (3): United States (1979–1980). The third IA is set up not in the Hoosier State, but at Indiana, Pennsylvania, in 1979. Employing Piper lightplanes, the commuter inaugurates daily roundtrip scheduled services linking its base with Youngstown, Ohio, via Pittsburgh. The company fails to attract sufficient traffic and closes down in April 1980.

INDOAVIA (INDONESIAN AVIATION CORPORATION): JL, Cileduk Raya No. 9, C & D, Jakarta Selatan, 12230, Indonesia; Phone 62 (21) 720-3651; Fax 62 (21) 725-3330; Year Founded 1990. Indovia is formed at Jakarta in 1990 to offer regional services to and in

Maluku. Managing Director Rusdy Attamimi's initial fleet comprises 4 Beech 18s, 2 de Havilland Canada DHC-6-300 Twin Otters, and 1 Pilatus-Britten-Norman PBN-2 Islander.

The Canadian turboprops are withdrawn in early 1992 as the carrier struggles to maintain economic viability. The situation stabilizes and the fleet of Beech 18s is doubled in size during 1993–1994.

It is understood that flights continue during the remainder of the decade. During these years one Twin Otter is returned to service.

INDONESIAN AIR TRANSPORT: Pondok Cabe Aerodrome, P.O. Box 2485, Jakarta, Indonesia; Phone 62 (21) 749-0213; Fax 62 (21) 749-1287; Code IDA; Year Founded 1968. IAT is set up at Jakarta in 1968 to operate passenger and cargo charter and contract service flights within Indonesia under affiliation with the Netherlands carrier **Schreiner Airways, N.V.** Operations are undertaken and continued with little fanfare. By 1985, the fleet includes 5 Piper PA-31-310 Navajos, 1 Britten-Norman BN-2 Islander, 2 Beech Super King Air 200s, and 6 Aerospatiale Alouettes.

By 2000, Manager Nico Van Der Ploeg oversees a workforce of 300 and his concern operates 2 each British Aerospace BAe (BAC) 1-11-400s and Dassault Falcon 20 jets, 2 each Navajos, Shorts SC-7 Skyvans, and Beech 1900Ds, 4 Grumman Gulfstream I executive jets, 1 Islander and 1 Super King Air 200, and 2 Eurocopter AS365N Dauphin IIs.

On December 19, a pair of Fokker 50s, previously operated by **SAS Commuter, A.B.**, are leased from Pembroke Capital.

INDONESIAN AIRWAYS: Indonesia (1948–1950). Following eruption of the post-World War II revolution in the Dutch East Indies, air transport by the Netherlands armed forces and a local division of **KLM (Royal Dutch Airlines, N.V.)** is a dominant form of communication. Local freedom fighters, led by Achmed Sukarno, president of independence-bound Indonesia, have no comparable capacity.

While visiting Banda Aceh on June 16, 1948, Sukarno presents a model Douglas C-47 (military DC-3) to local officials, pledging to begin a national carrier once Indonesian statehood is achieved. This gesture is so effective that merchants in the north Sumatra area subscribe 40 kilos of gold to purchase a real C-47 located in Singapore, complete with a pallet of spare parts.

A group of airmen, led by Wiweko Supono, are sent off to Singapore to collect the merchants' purchase and fly it to Jakarta. The aircraft, named *Seulewah* after a mountain in northern Sumatra, is flown back to Jakarta. From this capital city, the plane makes several flights between Java and Sumatra, careful not to get itself shot down by Dutch fighter aircraft.

The Douglas transport makes a significant contribution in October when it flies the republic's prime minister, Mohammed Hatta, from the Javanese city of Yogyakarta to Banda Aceh via Jambi and Payakumbuh. From northern Sumatra, the *Seulewah* is flown to Calcutta, India, for its 50-hour check. As the result of renewed combat between The Netherlands and Indonesia, the aircraft cannot now return.

At Calcutta, pilot Supono acquires a contract from the new government of Burma to assist it with air transport during its war on its native guerrillas, particularly insurgent Karens. Arriving at Rangoon during January 26, 1949 Supono's aircraft flies nonscheduled flights to Mandalay and Moulmein. To give itself the legitimacy required to issue an invoice for service to the Burmese government, the one-plane organization is christened as Indonesian Airways two days later. Services continue and sufficient income is received for the fledgling airline to purchase two additional DC-3s.

After Indonesian independence is officially proclaimed on December 19, Indonesian Airways transfers back to Jakarta. There the flyers are drafted into the new national air force and the company goes dormant. With the creation of **Garuda Indonesian Airways** on March 31, 1950, the need for a second carrier ends. Consequently, what remains of the traveling pioneer is dissolved on August 1. Its leader, Wiweko Supono, will become CEO of Garuda itself 18 years later.

INDUSTRIA AERO AGRICOLA, C.A. (IAACA): **Aeropuerto de Barinas, Estado Barinas, Venezuela; Phone 58 (7) 322 668; Fax 58 (7) 322 668; Code WQZ1; Year Founded 1995.** Originally established as an air taxi at Barinas Airport to operate nonscheduled passenger services as well as agricultural and aerial work, IAACA elects to begin scheduled flights in 1995 upon the Venezuela's deregulation of air transport.

President Arnaldo Bazzichelli's 85-person company acquires 2 each Aero International (Regional) ATR42-320s and ATR72-210s for regional and domestic schedules.

Flights continue in 1996–1997. A third ATR72-210 joins the fleet in January 1998.

INDUSTRIAL AIR TRANSPORT. See PACIFIC OVERSEAS AIRLINES CORPORATION

INDUSTRIE AIR CHARTER, S.A.: France (1988–1993): IAC is established at Paris (LBG) in 1988 to fly charter and contract service flights on behalf of **TAT French Regional Airlines, S.A.** Operations continue during the remainder of the year and in 1989 with a pair of Nord 262s.

In the spring of 1990, plans are made to begin scheduled passenger services during the summer with a leased SAAB 340A. Iraq's August invasion of Kuwait and subsequent negative economic and political developments force the company to temporarily give up its goals.

Once the Gulf conflict is resolved in early spring 1991, the regional obtains its SAAB on lease from **Aigle Azur, S.A.** and inaugurates scheduled flights. One Nord is withdrawn in 1992 as operations continue into 1993. Economic difficulties prevent the company from finishing the year.

INEX ADRIA AIRWAYS (INEX ADRIA AVIOPROMET): Yugoslavia (1968–1986). Adria Airways is reorganized and renamed in 1968 and made part of the government-controlled Interexport trading organization. Orders are placed for jet equipment with which to replace the four former **KLM (Royal Dutch Airlines, N.V.)** Douglas DC-6Bs operated since formation.

The first DC-9-32 is delivered on April 25, 1969 and is placed in service on European flights. Scheduled service is introduced in 1970 initially over a Ljubljana–Belgrade route. Coming into Rejeka Airport at Belgrade from Great Britain on May 23, 1971, a Tu-134 with 83 aboard crashes (78 dead).

As additional DC-9-32s are introduced in 1972–1975, scheduled domestic operations are increased as supplemental to the charter task; stops include Sarajevo, Skopje, Split, and Titograd.

Coming in from Tivat in heavy fog on October 30 of the latter year, a DC-9-32 with 5 crew and 115 passengers, strikes high ground 8 km. from Prague (75 dead).

En route from London (LHR) to Istanbul on September 9, 1976, Flight 475, a **British Airways, Ltd. (2)** HS 121 Trident 3B with 9 crew and 45 passengers collides in midair near Vrobec, Yugoslavia, with Inex Adria Flight 550. The DC-9-31 with 5 crew and 108 passengers is en route from Split to Bonn. Both aircraft crash and there are no survivors. The disaster is the worst midair collision in aviation history to date. Six years later, the tragedy will be reported in Richard C. Weston and Ronald Hurst, *Zagreb One-Four—Cleared to Collide?: A Study of Human and Technological Conflict in Aviation* (London: Granada, 1982).

General Manager Janez Nedog's company employs 337 workers in 1977 and owns a fleet of 2 DC-9-51s, 3 DC-9-33s, and 2 DC-9-32F freighters. Total enplanements reach 728,722.

Airline employment is 362 in 1978. The fleet now comprises 3 DC-9-32Fs, 3 DC-9-33s, and 3 DC-9-51s. Orders are placed for 3 DC-9-80s. Passenger boardings climb 19.3% to 902,767. On total revenues of \$45 million, a \$2.1-million profit is revealed.

The number of workers is increased by 11.9% in 1979 to 405. The company's 20th anniversary, together with the 10th anniversary of the introduction of jet service, is celebrated throughout the year.

Cargo traffic soars 47.7% to 848 million FTKs and passenger bookings accelerate 1.2% to 913,845. A net gain of \$5.8 million is posted on total income of \$52.9 million.

In 1980–1981, three DC-9-33s and a DC-9-51 are retired as the first two DC-9-80s and a DC-9-30F are placed in service.

Having arrived from Ljubljana on December 1 of the latter year, an MD-81, with 7 crew and 173 passengers is placed into a holding pattern over Ajaccio. The aircraft descends through the minimum holding altitude and crashes into Mt. San Pietro, 40 km. S of its destination. There are no survivors.

Still, enplanements for the year total 949,520.

Bookings jump 12% in 1982 to pass the million mark in annual boardings for the first time (1,079,000); freight soars 41% to 1.62 million FTKs.

The workforce in 1983 is 509, a 1.2% boost. International scheduled service is begun over a route to Larnaca. Orders are placed for five Airbus Industrie A320s and the third DC-9-80 is delivered.

Passenger boardings grow 2% to 1,103,261; however, cargo declines 17.9% to 1.33 million FTKs. On revenues of \$50 million, the net earnings are \$574,000 and come on top of an operating gain of \$7 million.

Cargo falls 20% to 1.07 million FTKs in 1984, but enplanements climb 9% to 1,197,000. A net \$1.09-million profit is realized on top of an operating gain of \$2.3 million.

The employee population grows to 662 in 1985 and the fleet now includes 2 DC-9-32s, a DC-9-33, 2 DC-9-51s, 1 MD-81, 3 MD-82s, and 2 de Havilland Canada DHC-7s.

Passenger boardings rise 6% to 1,267,204 and freight skyrockets a remarkable 77% to 3.01 million FTKs. Revenues increase 33.9% to \$80.9 million and expenses climb 30.3% to \$75.6 million; this balance produces profits of \$5.23 million (operating) and \$1.78 million (net).

In May 1986, the company becomes independent of the Inex group and its name is changed back to **Adria Airways (Adria Aviopromet) (2)**.

INLAND AIR CHARTERS, LTD.: P.O. Box 592, Prince Rupert, British Columbia V8J 3R5, Canada; Phone (250) 624-2577; Fax (250) 627-1356; <http://www.inlandair.bc.ca>; Year Founded 1980. IAC is set up by Trevor Pearce at Prince Rupert in 1980 to service the local fishing fleet with a single float-equipped Cessna 185.

Over the next 20 years, Pearce enlarges his business and adds five float-equipped de Havilland Canada DHC-2 Beavers and a DHC-3 Otter. These are employed to operate charters of various kinds, including executive flights, flight-seeing, bush tours, sports fishing, and work in support of the forestry industry. The company's aircraft also assist local charter boats by pointing out whale positions.

INLAND AIR LINES: United States (1938–1952). On July 1, 1938, Richard Leferink's **Wyoming Air Service** is reorganized and renamed. Services are maintained linking Cheyenne with Great Falls via Casper, Sheridan, and Billings and with Huron, South Dakota, via Rapid City and Pierre. The fleet at this point comprises 2 Lockheed Model 9D Orions and 7 Boeing Model 247Ds.

Scottsbluff is added as a stop on the Cheyenne–Huron route in August 1940 and during 1941 merger discussions are held with **Mid-Continent Airlines**. The latter are broken off following the Japanese attack on Pearl Harbor on December 7.

Passenger boardings for the year total 12,086.

In April 1942, a contract is signed with the Army's Air Transport Command to operate an all-cargo service within its five-state region and to Washington state. During the summer, flights are resumed to Denver.

Two Lockheed Model 18 Lodestars are received from **Continental Air Lines** during the first week of June to assist with the freight service and a Boeing C-73 (military 247D) acquired from the government is sold to **Transcontinental and Western Air (TWA)** on July 28. Also in July, four company B-247Ds are turned over to the Army for conversion into C-73s and three are sold to the Canadian government.

On October 7, **1943**, Inland transfers its Lockheeds to **Western Air Lines** and purchases two Beech C-17B Staggerwings from J. W. Marshall of Dallas, Texas. On June 1, **1944**, Leferink sells 83.57% majority ownership to Western. The latter operates its new subsidiary as an autonomous division.

In January **1945**, the carrier receives a Douglas C-53 (military DC-3), which allows it to sell the Beech equipment. The lone Douglas transport will fly all Inland services until April 9, **1952** when the subsidiary is merged into its parent.

INLAND EMPIRE AIRLINES: United States (1977–1983). J. Healy forms IEA at La Verne, California, in the spring of **1977** to provide scheduled passenger and cargo commuter flights, as well as charter sight-seeing services. Employing a fleet of 4 Piper PA-31-350 Navajo Chieftains, revenue frequencies commence on May 1, linking the carrier's base with Fresno, Los Angeles, Ontario, Inyokern, Visalia, San Francisco, and Sacramento. In addition, tours are provided to the Grand Canyon and Death Valley. Operations continue apace in **1978** and four Fairchild-Swearingen Metro IIs join the fleet in **1979**.

The company is purchased by Reno-based **Air Chaparral** in October **1980** and thereafter operates as a subsidiary. Enplanements in **1981**, the first full year under new ownership, total 48,280. During **1982**, 180-employee IEA initiates flights from San Francisco to Merced, Modesto, and Stockton, as well as from Merced to Los Angeles. The fleet is upgraded by the addition of eight Metro IIs; orders remain outstanding for eight more.

Passenger boardings climb to 94,332.

Following the collapse of **Air Chaparral** in **1983**, Inland is operated a few months longer, but without the parent's support it must cease operations. At the time of its failure on September 16, bookings are up 21.5% to a total of 52,000.

INLAND FLYING SERVICE, LTD. See **WIGHT AVIATION, LTD.**

INLET AIRLINES: United States (1980–1990). Dennis Rothgeb establishes **Cook Inlet Aviation** at Homer, Alaska, in **1980** to provide charter passenger and cargo flights and contract services to local communities and bush destinations in the surrounding region.

Employing a fleet of float-equipped Cessnas, operations continue apace until **1989**, when the decision is taken to begin scheduled commuter frequencies under the name Inlet Airlines. These services are duly launched, linking the company's base with Seldovia, Port Graham, and English Bay.

In the face of recession, the company cannot maintain its viability and closes down in **1990**.

INNOTECH AVIATION, LTD.: Canada (1970–1989). Organized at Montreal (YUL) in **1970**, Innotech, a subsidiary of the Innocan investment concern, operates charter and contract service flights to various Canadian destinations from what will become a nationwide system of bases. Employing such aircraft as Douglas DC-3s, Convair 580s, Cessna Citations, and Dassault Falcons, operations continue from Montreal, Toronto, Ottawa, Calgary, Vancouver, and St. John's.

Flights continue over the next 15 years, during which time **Air Canada, Ltd.** acquires a 30% equity stake. By **1985–1986**, the fleet includes 1 each Cessna Citation, Falcon 20, Convair 580, Piper PA-31-310 Navajo, and 2 DC-3s. Operations cease in **1989**.

INSTONE AIR LINE, LTD. (1): United Kingdom (1919–1924). Postal delays in the fall of **1919** result in steamers unable to unload due to the tardy arrival of bills of lading. Sir Samuel Instone and his brother Theodore, owners of the shipping line S. Instone & Co., Ltd. to seek a novel solution this problem.

On October 13, the company begins a private Cardiff–London (Hounslow)–Paris (LBG) DH 4A service for corporation documents and officials. Over the French capital that day, chief pilot Frank Barnard

tosses out a number of greeting cards bearing the company name, the Union Jack, and the Tricolor.

Flying the firm's de Havilland DH 4A (converted from the DH 4), chief pilot Barnard, on February 18, **1920**, offers a public service on the company route from London to Paris. In April, a flight is made to Prague to investigate the possibilities of a route to Czechoslovakia via Cologne; no route will materialize due to German opposition.

Also added is a converted Vickers FB 27 bomber, the FB-2B Vimy Commercial, registered G-EASI and christened *City of London*. The airline's flagship, the Vimy is painted royal blue with silver wings and cream-colored interior. It is employed to inaugurate scheduled flight to Brussels on May 9.

During the remainder of the year, additional pilots are hired at an annual salary of £827 and the fleet is increased through the addition of a BAT FK-26, the *City of Newcastle*, and two leased Westland Limousine IIs.

Lack of traffic and capital caused by deep-discount subsidized foreign competition forces the company to downsize early in **1921**. Indeed, it can only offer flights to Paris on a nonscheduled basis when seats are filled and service to Brussels is terminated altogether. Facing ruin, the carrier joins other British pioneer airlines in halting operations on February 28.

While the company is still grounded on March 1, the first former **Aircraft Transport & Travel, Ltd. (AT & T)** DH 18A is delivered; two more will be accepted, one each in April and May. Having originally opposed state aid, Secretary of State for Air Winston S. Churchill organizes a Cross-Channel Subsidies Committee under Lord Londonderry on March 2.

On March 19, the Air Ministry agrees to provide the British overseas carriers with a total subsidy of £88,200, allowing fares to be reduced to the level of those charged by the French lines. With a £25,000 government grant in hand, Paris services are resumed for the public on March 21. Simultaneously, the carrier receives one of only two existing Westland Limousine IIIs on loan from the Air Council.

The second DH 18A is lost in a May 15 crash. The air transport division of S. Instone & Co. is split off on May 20 as plans are laid for incorporation. The first of two DH 18Bs to be delivered before year's end arrives in early December. Capitalized at £50,000, The Instone Air Line, Ltd. is registered on December 12; Sir Samuel names himself chairman, with S. T. L. Greer as general manager.

Uniforms are introduced for pilots and company officials on January 1, **1922**, the first to be worn on a regular basis by personnel of any world airline. The first of four DH 34s to be delivered on loan from the Air Council during the year arrives in March and is christened *City of Glasgow*. All future Instone aircraft will also receive names that will be painted on the sides of their royal blue fuselages.

The Air Ministry, on April 1, introduces an ongoing subsidy scheme under which TIAL's proposed Brussels route will be covered. The *City of Glasgow*, piloted by Barnard and with eight journalists as passengers, makes a proving flight to Paris on April 2; on April 18, an early morning DH 4A newspaper delivery service is launched to the French capital.

On May 8, carrying five passengers, Pilot Barnard launches Brussels service with the DH 34 *City of New York*. On May 22, the first DH 18B is lost in the North Sea. The first of two Vickers Type 61 Vulcans to be acquired during the year is delivered in late May and is christened *City of Antwerp*; it begins flying to Le Bourget on June 1.

During June, the two Westland Limousine IIs leased in 1920 are purchased. Chief Pilot Barnard now wins the huge trophy given to the victor in the King's Cup Air Race, an honor that he shares with Sir Samuel. Five years later, Barnard, by then chief pilot of **Imperial Airways, Ltd.**, will be killed while preparing to compete in another King's Cup Air Race. On August 15, the Brussels route is extended to Cologne. Also during the summer, IAL carries the first known racehorse to be transported by air. Jockeys now become frequent travelers on the company's passenger services. This heritage has recently been recalled by the

latter-day Australian branch of Instone Air Services, Ltd. on its website at <http://www.instone.com.au>.

On October 1, the government announces a revised subsidy scheme designed to prevent cutthroat competition on the same services by assigning specific routes to the various operators; the carrier's Brussels and Cologne route is confirmed and a new £25,000 grant is awarded. Instone's last Paris flight is completed on October 2. Simultaneously, service is inaugurated by the Vickers Vimy Commercial *City of London*, nicknamed "Old Easy" from its registration numbers G-EASI, from London–Cologne; however, poor weather forces an unscheduled night layover at the Brussels intermediate stop.

In early February 1923, the Parliament's Civil Air Subsidies Committee, headed by Sir Herbert Hambling, makes a report favoring the merging into one state carrier of all the private British carriers. On March 14, Sir Samuel Hoare, Secretary of State for Air, indicates the U.K. government's acceptance of the Hambling Report and its intention to merge the private airlines when their subsidy contracts expire the following March.

Nonstop London–Cologne out and return service starts on May 14. Ordered by the company as a 23-seat transport, the world's largest civil airliner, the Vickers Vanguard (1), makes its inaugural flight at Brooklands. Derived from the Virginia I, the prototype G-EBCP will only be employed as a demonstrator. On August 4, chief pilot Barnard makes an experimental Vulcan flight to Prague, but continuing political difficulties prevent the start-up of regular services.

As a result of the French occupation of the Ruhr following Germany's default on reparation payments, the Weimar government must fly currency to its unemployed workers. The only practical way is to charter a British carrier to fly the cash first to London and then back to Cologne. To accomplish this duty, the Vimy Commercial *City of London* launches daily freight service to Cologne, earning Instone an extra £120 per trip.

The *Report of the Civil Air Transport Subsidies Committee*, released earlier, results in a December 3 Air Council agreement to merge the independent British carriers into a single state airline. During the year, a Bristol 175 is added to the fleet and a total of 3,022 passengers are carried.

IALL disappears when **Imperial Airways, Ltd.** is officially incorporated on March 31, 1924. During IALL's existence, the carrier had operated without a single injury to any passenger—a most remarkable achievement in the early 1920s.

Years later, Capt. Alfred Instone recalls his pioneering efforts in *Early Birds: Air Transport Memories, 1919–1924* (Cardiff, Wales: Western Mail & Echo, 1938). He will also reveal that it was this company that introduced what will later become one of the great prizes of the airline memorabilia collector, the stick-on baggage label.

INSTONE AIR LINE, LTD. (2): Charity Farm, Pullborough Road, Pullborough, West Sussex, England, RH20 4HP, United Kingdom; Phone 44 (1908) 740 101; Fax 44 (1908) 740 102; <http://www.instone.com.au>; Year Founded 1976. Named for its owners, the second Instone is organized by Giles and Jeremy Instone at London in August 1979. Following the lease of a Douglas DC-8-63F and the purchase of two Bristol 170 Freighters Mk. 31—wearing red seahorse logos on their tailfins—the carrier begins international freight charters and contract service flights on August 3, 1981. The company specializes in the transport of industrial and other outsized equipment and livestock, especially racehorses. A DC-6A joins the fleet in June 1988 and, by 1992, the fleet has been revised to include the DC-6A and a chartered DC-8-73F.

In 1993, Chairman Jeremy Instone and Managing Director Giles Instone oversee a workforce of 26. Operations, including those flown under marketing alliances with **Air Canada, Ltd.** and **Federal Express**, continue in 1994–2000. During these years, the company, now with the marketing name Instone Air Services, Ltd., boosts its employee population to 28. The all-leased fleet is increased to include 6 Boeing 737-500s, 4 B-737-400s, and 2 each B-767-200ERs and B-767-300ERs.

INSTONE AIR SERVICE, LTD. See **INSTONE AIR LINE, LTD. (2)**

INSULAR AIRWAYS COMPANY (INACO): Philippines (1946–1947). Victor Osias establishes INACO at Manila in the spring of 1946 to operate nonscheduled interisland services with a number of Consolidated PBV-5A Catalina flying boats and Noorduynd C-64 Norsemen. Services duly commence and, late in the war, several Catalinas are leased to another small Filipino carrier, **Trans Asiatic Airlines, Inc. (TAALI)**.

Sympathetic to the revolution under way in the Dutch East Indies, Osias flies arms to rebel forces. Netherlands forces capture his flying boats and put him out of business in the spring of 1947.

INTAIR, LTD.: Canada (1989–1991). **Inter-Canadien Airlines, Ltd. (1)** is renamed in January 1989. Simultaneously, the first 2 of 12 ordered Fokker 100s arrive, followed by 1 per month through June. Their delivery allows orderly release of chartered Boeing B-737-219s in February, April, and November, respectively, as Intair becomes the first North American airline to put the F28 follow-on into revenue service. The new Fokkers are placed on the carrier's **Canadian Airlines International, Ltd.** feeder services from Toronto to Montreal and Quebec City.

A number of new destinations are added during the year and the company becomes the sole airline to serve all regions of Quebec. Among the new stops are Toronto, Ontario; Alma and Dolbeau, Quebec; Moncton, Charlo, Chatham, and St. John, New Brunswick; and Charlottetown, Prince Edwards Island. Service between Ottawa, Montreal, and Quebec is improved, along with that into the Abitibi region, while frequencies are also added in the Maritimes. As a result of all this expansion and continuing hard feelings in certain quarters, shareholders from Quebec vote in October to terminate the agreement with **Canadian Airlines International, Ltd.** and to continue operations as an independent.

By December, the airline is performing 1,000 departures per week to 36 destinations. A total of 843,962 passengers are flown on the year.

The fleet in 1990 includes 6 Avions de Transport Regional ATR42-320s, 9 Convair CV-580s, 7 Fokker 100s, 2 Lockheed L-188ACs, 5 Swearingen Metro IIs, and 2 F28-1000s, the latter being leased to **TAT (Transport Aerien Transregional, S.A.)**. Passenger traffic figures for the first 6 months show that a total of 451,653 customers have been carried, a 3.3% increase over the same period a year earlier. As a result of recession, computerized reservations system difficulties, and the Gulf crisis, costs accelerate and financial difficulties take center stage. In September, the regional seeks C\$20 million from the Quebec provincial government.

New financing is provided in January 1991 as the Quebec provincial government rescues the regional from bankruptcy. First, the government agrees to an advance of C\$2.5 million on annual subsidies for services to remote sites on the north shore of the St. Louis River. To settle a C\$16-million lawsuit filed against the government back when the airline was known as Quebecair, Quebec authorities hand over another C\$2.7 million.

The major shareholders, President Michel LeBlanc and Marcel Dutil, pledge a total of C\$3 million in capital stock and the Bank of Montreal offers C\$2 million more. The Quebec Federation of Labor, also known as Fonds de Solidarité des Travailleurs du Québec, provides C\$5 million in convertible debentures and the lessor, International Lease Financing Corporation (ILFC), agrees to postpone the next rental payments, worth C\$4 million, for an indefinite period.

President LeBlanc resigns in March as the regional's fiscal problems deepen. PWA, Inc.'s new **Canadian Regional Airlines, Ltd.** division purchase 70% of the company's turboprop operation and Quebec routes in June and restart them as **Inter-Canadien Airlines, Ltd. (2)**. Meanwhile, Intair retains four Fokker 100s, which are operated on charter. Regularly scheduled services commence in October between Toronto and Montreal. The costs associated with this service will prove the airline's final undoing.

Discussions are held with **Nationair, Ltd.** concerning a merger; however, when these break down in November, Intair ceases operations and returns its aircraft to their manufacturer. The remaining 30% is cleared for transfer to **Inter-Canadien Airlines, Ltd. (2)** on April 27, 1994.

INTENSIVE AIR (PTY.), LTD.: P.O. Box 91212, Auckland Park, Johannesburg, 2006, South Africa; Phone (011) 788-7659; Fax (011) 880-7404; <http://www.intensiveair.co.za>; Year Founded 1989. The air ambulance service Care Airlines (Pty.), Ltd. is established in 1989 and begins revenue flights with a single Cessna 410 and two staff members. In 1995, the company is renamed, becoming a general passenger charter operation under its present name.

Airline employment stands at 25 in 2000 and the fleet includes 3 British Aerospace BAe (HS) 748s. Charters are provided to numerous domestic destinations, including Cape Town, Durban, Port Elizabeth, East London, Upington, George, Margate, Richards Bay, Mkuzi, Skukuza, Hoedpruit, Komatipoort, Pietersburg, Pietermaritzburg, Wonderboom, Bloemfontein, Alexander Bay, Umtata, Welkom, and Ysterplaat. International flights are also made to Namibia, Malawi, Zambia, Zimbabwe, Mozambique, Lesotho, and Swaziland.

INTER AIR (INTER AVIATION SERVICES (PTY.), LTD.): Unit 12, Jan Smuts Office Park, 12 Jones Road, Jet Park, Johannesburg, South Africa; Phone 27 (11) 397-1445; Fax 27 (11) 397-1449; Code D6; Year Founded 1993. IAS is set up at Johannesburg in 1993; shareholding is divided between J. and M. Attala, M. and R. Ebeling, and N. Schwartz. Domestic charter services are undertaken under the leadership of General Manager Bruce Booysen.

After a year of nonscheduled operations, Inter Air, in early April 1995, becomes licensed to offer regularly scheduled international and regional passenger services. Flights are inaugurated to Entebbe, Seychelles, Antananarivo, and Ndola.

By 1999–2000, the company is flying a pair of chartered Boeing 727-230As to Antananarivo, Entebbe, Ndola, Reunion Island, Comoro Islands, Seychelles, Douala, and Brazzaville. The workforce now stands at 150. On April 15 of the latter year, weekly B-727-100C roundtrips are introduced from Johannesburg to Libreville and Douala.

INTER AIR SERVICES (LIGNES INTERIEURES ALGERIENNES, S.A.): Algeria (1984–1986). IAS is founded at Algiers in 1984 as the new government-owned domestic airline. It is equipped with 9 Fokker F.27s, 16 Beech B-80 Queen Airs, 2 Beech 90 King Airs, and 16 Grumman G-164 Agricons. In addition to air taxi and agricultural duties, the company's main duty is provision of scheduled air service between 25 of Algeria's larger cities and towns. **Air Algerie, S.A.** Boeing 727-2D6s are employed to fly the long segments between Algiers and Oran, Annaba, and Constantine.

After only two years of operation, it is decided to fold domestic flight operations into **Air Algerie, S.A.** The carrier is liquidated and its employees and aircraft are transferred.

INTER-AMERICA, S.A.: Mexico (1993–1994). Inter-America is established at Monterrey in the spring of 1993 to operate passenger charter flights to domestic destinations. A Boeing 737-244 is leased and begins flights linking its base with Mexico City, Acapulco, Cancún, and Puerto Vallarta. Later in the year, a second aircraft is also chartered, a B-737-275.

Operations cease in February 1994.

INTER-AMERICAN AIRWAYS. See TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)

INTER ATOLL AIR, LTD.: Maldives (1986–1987). IAI is established at Kadhdhoo Island, in late 1986 to provide interisland shuttle service to vacation resorts in the southern atolls of the Maldives. Revenue flights commence with a single float-equipped de Havilland DHC 6-300 Twin Otter.

The company cannot sustain operations after its aircraft is involved in a nonfatal crash on February 7, 1987.

INTER AUSTRAL, S.A.: Argentina (1993–1995). This third-level operation is established at Buenos Aires in July 1993 as a subsidiary of **Austral Lineas Aereas, S.A.** Feeder operations by CEO Tomas Hanach's concern to a ring of communities around the metropolis commences with a pair of CASA CN-235-200s.

Within a year, a total of 89,700 passengers have been transported.

Inter Austral is renamed **Austral Express, S.A.** at the end of 1995.

INTER-CANADIAN AIRLINES, LTD. (1): Canada (1988–1989). On January 17, 1988, **Quebecair, Ltd., Nordair Metro Express, Ltd., and Quebecair Inter, Ltd.** are merged to form Inter-Canadien. The new regional, Canada's largest, is controlled by the holding companies Quebecair and Les Lignes Aeriennes Inter-Quebec which are, in turn, owned by **Canadian Airlines International, Ltd. (35%),** President/CEO Michel Leblanc (35%), Chairman Marc Racicot (20%), and Marcel Dutil (10%).

The initial fleet comprises 10 Convair CV-580s, 5 Fairchild-Swearingen SA-226 Metro IIs, and 2 Fokker F.28-1000s. Revenue services, coordinated with the major, begin on the Montreal–Toronto return route in early February. A CV-580 is withdrawn in March, by which time all of the aircraft have been given new livery. Montreal to Dolbeau and Alma Metro II flights begin that month, followed by frequencies to Charlottetown and Moncton.

Two leased Boeing 737-219s arrive in May and are used in June to fly replacement flights for Canadian between Montreal and Chatham, New Brunswick, via Charlottetown, along with the Fokkers. Orders are now placed for seven Fokker 100s, for which the carrier becomes North American launch customer. Two Avions de Transport Regional ATR42-320s are delivered in December; orders are placed for three more.

The year's enplanements total 758,857 and a total of 1.83 million FTKs are flown. Revenues are C\$88.46 million and costs allow an operating profit of C\$2.2 million. Net gain is C\$2.6 million.

Late in January 1989, Inter-Canadian becomes **Intair, Ltd.**

INTER-CANADIAN AIRLINES, LTD. (2): 795 Graham Boulevard North, Dorval, Quebec, H4Y 1E4, Canada; Phone (514) 631-9802; Fax (514) 631-2129; Code QB; Year Founded 1991. After only two years operations, the regional **Intair, Ltd.** is in severe financial difficulty. Following the March 1991 resignation of President Michel LeBlanc, PWA, Inc.'s new **Canadian Regional Airlines, Ltd.** division steps forward in June and purchases 70% of Intair's turboprop operation as well as its routes in Quebec. Under the new name, services are resumed with five leased Avions de Transport Regional ATR42-320s as a "Canadian Partner" affiliate of **Canadian Airlines International, Ltd.** Traffic and revenue statistics are not revealed.

Operations continue apace in 1992–1993. The remaining 30% shareholding in **Intair, Ltd.** is acquired on April 27, 1994 and two more ATRs are chartered. The fleet in 1995 includes 7 ATR42-300s and 2 Fokker F.28s, the latter being employed to provide service to several new northern destinations.

Duncan Fischer is president in 1996–1997 as another Fokker Fellowship is acquired. Destinations visited include Bagotville, Saguenay, Baie Comeau, Blanc Sablon, Bonaventure, Chevery, Harrington Harbour, Gaspé, Havre St. Pierre, Iles de la Madeleine, Kegaska, Kuujuaarapik, La Grande, La Romaine Gethsemane, La Tabatiere, Mont Joli, Natashquan, Ottawa, Port Menier, Quebec City, Saint Augustin, Schefferville, Sept Iles, Tete a la Baieine, Toronto, Val d'Or, and Wabush. During the latter year, enplanements total 586,312.

Flights continue in 1998. On August 27, it is announced that **Canadian Airlines International, Ltd.** will terminate its commercial agreement with St. John's-based **Air Atlantic, Ltd.** on October 24 and that the small regional will cease all scheduled flight operations. Only half of the carrier's 118 pilots and 20 flight attendants will be taken on by Inter-Canadian, which will assume the carrier's 12 routes the next day.

After October 25, IMP International Group, which owns Air Atlantic, maintains that company's operating certificate and studies the viability of undertaking nonscheduled flights over the winter season.

In the fall interim, **Canadian Regional Airlines, Ltd.** sells Inter-Canadian to Canadian Investors Corp. The new owners obtain all of the Inter-Canadian assets, including routes in Quebec and Ontario, plus the Air Atlantic routes in Atlantic Canada. Chairman Michael Cochrane indicates that the company will continue to feed CAI's hubs at Halifax, Montreal, and Toronto, while also increasing its fleet size.

Passenger boardings accelerate 11.7% to 664,000, while 1.16 million FTKs are also operated.

By the start of 1999, airline employment has been boosted 80.4% to 868. On February 1, the company enters into a major marketing and code-sharing agreement with **Air Labrador, Ltd.** Under terms of the arrangement, the carriers inaugurate an enhanced schedule of weekday "Canadian Partner" flights. There are now four-times-a-day roundtrips between St. John's and Goose Bay, daily service from Goose Bay to Deer Lake, and twice-daily departures from Deer Lake to Goose Bay. Also included are twice-daily roundtrips from St. John's to St. Anthony and from St. Anthony to Goose Bay, as well as daily roundtrips St. John's to Wabush and Deer Lake, Deer Lake to Wabush and Blanc-Sablon, Blanc-Sablon to St. John's, and Blanc-Sablon to Goose Bay.

The regional enhances its spring and summer "Canadian Partner" schedule on April 4. New offerings include two new direct daily flights between Fredericton and Ottawa; thrice daily roundtrips between Halifax and Iles de la Madeleine and Miramichi as well as from Halifax to Gander. There are also new daily roundtrips between St. John's and Stephenville and the number of daily roundtrips from Gander to St. John's grows from one to two. There is also a new daily roundtrip from Gander to Stephenville.

Flight 2210, an F.28 with 4 crew and 56 passengers, stops approximately 200 ft. past the end of the runway after landing at St. John's, Newfoundland, on August 2. Six people with minor injuries are taken to hospital.

With traffic off by 20%, operations are temporarily suspended in late November as the carrier seeks a rescue package. Although associated with the **Canadian Airlines, Ltd.** regional program, Inter-Canadian is not on the list of assets to be taken over when that major is purchased by **Air Canada, Ltd.** As a result, it may prove extremely difficult to find investors.

After four months of fruitless efforts to find additional financing, the carrier is declared bankrupt on April 1, 2000.

INTER CITIAIR EXPRESS. See ALASKA-WASHINGTON AIRWAYS

INTER-CITY AIR LINES: United States (1932–1933). Another soon-to-be airline victim of the Great Depression, Inter-City is founded at Springfield, Massachusetts, in the summer of 1932 to offer scheduled flights to Boston. Employing two Travel Air 6000s, the new entrant inaugurates revenue passenger and air express flights on July 1.

A multistop route is stretched from Boston to Albany in February 1933. Without a mail contract, the carrier's owners, after witnessing the transport of only 842 passengers and 17 pounds of air express in 10 months, elect to shut the operation down in April.

INTER-CITY AIRLINES. See ALIDAIR, LTD.

INTER-EUROPEAN AIRWAYS, LTD.: United Kingdom (1987–1993). Inter-European is set up by the Asprou family at Cardiff, Wales in 1987 to offer passenger charter and inclusive-tour flights for its Asprou Holidays travel firm to European and Mediterranean holiday destinations. M. G. Asprou is chairman with joint managing directors Chris M. Asprou and George M. Asprou. Two Boeing 737-3Y0s are purchased along with a B-737-33A and a B-737-23A; these are employed to inaugurate revenue operations. Operations continue apace in

1988–1989. Destinations visited include Europe, the Greek Islands, Malta, Portugal, Cyprus, Spain, and the Spanish islands.

Airline employment stands at 173 in 1990 and the Dash-23A is leased to **Air Aruba, N.V.** Enplanements total 411,100 and a net profit of £3.2 million is generated.

A B-737-4S3 is received and orders are placed in 1991 for four B-757-236s. Passenger boardings more than double to 900,000.

The employee population by 1992 totals 389 as the first chartered B-757-236 is placed into service. Requests are now made for two Airbus Industrie A320-321s. Customer bookings ascend a remarkable 113% to 1.3 million. In June 1993, the company is purchased by **Airtours International, Ltd.**

INTER-FRET (INTER-FRET TRANSPORT AERIEN, S.A.): Zaire (1981–1988). Established at Kinshasa in 1981, Inter-Fret undertakes charter and contract passenger and freight services both within Zaire and to other African destinations. For its entire seven-year life span, the company operates a pair of Boeing 707-321Cs.

INTER-ISLAND AIR SERVICES, LTD.: Antigua (1977–1980). Formed as a subsidiary of **LIAT (Leeward Islands Air Transport, Ltd.)**, Inter-Island begins scheduled revenue flights in mid-1977 with a fleet of 3 Britten-Norman BN-2 Islanders and 1 BN-2A Trislander. Destinations served include Barbados, Carriacou, Grenada, St. Lucia, Mustique, Union Island, and St. Vincent.

Unable to make a profit in the face of increasing fuel bills and poor traffic yields, the carrier is merged into its parent in 1980.

INTER-ISLAND AIRWAYS (1): United States (1929–1941). With F. C. Atherton as president and Stanley C. Kennedy as general manager, Inter-Island Airways is incorporated at Honolulu under the laws of the territory of Hawaii on January 30, 1929 as an 80%-owned subsidiary of the Inter-Island Steam Navigation Company. Initial capitalization is \$500,000, with authorization to raise that level to \$5 million. Start-up working capital total \$250,000.

The company's first pilot, Charles I. "Sam" Elliott joins the paper carrier on August 1. After completion of the first hanger during the summer, a Bellanca CH-300 Pacemaker is obtained and beginning on October 6 undertakes passenger sight-seeing flights over Oahu, to and from Koko Head. Meanwhile, two Sikorsky S-38 amphibians ordered earlier arrive by ship at Honolulu from New York via the Panama Canal.

In ceremonies at John Rodgers Airport on November 11, Betty Judd, daughter of Hawaii's territorial governor, Lawrence M. Judd, christens the two Sikorskys. One, the *Hawaii*, is then employed to inaugurate the carrier's scheduled interisland services, Honolulu to Hilo via Maui. Honolulu to Kauai flights begin next day.

A third Sikorsky S-38 is acquired in January 1930 and the company's 3 amphibians transport a total of 10,367 interisland passengers during this first full year of operations; another 2,600 Honolulu sightseers are also accommodated.

Even though a fourth S-38 is added in July, bookings drop to 9,215 scheduled for 1931 and below 7,000 for each year during 1932–1933.

The Great Depression has a significant impact on bookings. When, following the Airmail Scandal of early 1934, the Post Office rebids all mail-carrying contracts in April, Inter-Island is the only company to apply for Hawaii and in September receives route AM-33, linking the four main islands.

Rather than a hoped-for subsidy, the Post Office provides only service payments. Still, history is made on October 8 when the first airmail flights in territorial history commence from Honolulu to Hawaii, Maui, Kauai, Lanai, and Molokai. Late in the year, two S-43s are ordered.

Chief pilot Elliott travels to the Sikorsky plant at Stratford, Connecticut, during the fall of 1935 to familiarize himself with the new flying boats, the first of which is delivered on November 18. Elliott ferries the S-43 to Alameda, California, where it is disassembled in the hangar of **Pan American Airways (PAA)** and shipped to Hawaii by sea. Uncrated

and reassembled, the amphibian is placed into service to Hilo on December 20.

Enplanements for the year exceed 13,000.

The second S-43 joins the fleet on January 15, 1936, followed by the third on January 19, 1937.

During June-August 1938, employees of Inter-Island Steam Navigation Company initiate a job action and the strike encourages increased passenger utilization of the subsidiary.

Passenger boardings rise to 28,000.

A fourth Sikorsky S-43 amphibian is delivered on March 7, 1939 and the CAB grants a permanent certificate on June 16. The company's 10th anniversary is celebrated on November 11.

The outbreak of the European war and heightened tensions in the Pacific bring an increase in bookings and in late 1940 three Douglas DC-3s are ordered for \$483,000.

During the last week of August 1941 the three aircraft are flown in a V-formation from Long Beach to Honolulu; the flight, the longest over water by DC-3s to date, requires 14 hrs. 58 min. During September, the new aircraft are christened *The Moanalua*, *The Haleakala*, and *The Waialeale*.

Thinking ahead to transpacific operations, company officials on October 1 change the corporate identity to **Hawaiian Air Lines** (the present single-word suffix being elected in 1960).

INTER-ISLAND AIRWAYS (2): United States (1964–1980). Jack Chapman forms this small carrier at St. Thomas, U.S. Virgin Islands, in the fall of 1964 to offer scheduled passenger flights to San Juan, Puerto Rico, and to Tortola and charter flights throughout the Caribbean. Daily Piper PA-23 Aztec roundtrips commence on October 21.

When operations cease on March 19, 1980, Chapman is employing just one Britten-Norman BN-2 Islander.

INTER-ISLAND AIRWAYS (3): Pago Pago International Airport, 1000 Airport Road, P.O. Box 4929, Pago Pago, American Samoa 96799, United States; Phone (684) 633-7000; Fax (684) 633-5727; <http://www.samoanet.com/iaa>; Year Founded 1993. IIA-3 is established at Pago Pago in 1993 to offer interisland FAR Part 125 air taxi and charter services. Employing a pair of Aero Commander 680s, revenue passenger and cargo flights commence linking the company's base with Ofu and Tau Islands, as well as to the independent country of Western Samoa. A new hangar is constructed late in the year.

During the next three years, President Alex Sene Jr. and Vice President Barney Sene oversee the investment of \$2 million in their concern and make the decision to seek a scheduled Part 135 certificate from the FAA. A Fairchild Dornier 228-212 is acquired late in 1997.

Scheduled and charter services continue.

INTER-ISLAND AIRWAYS, LTD.: Seychelles (1976–1979). Established at Mahe in August 1976, Managing Director P. Benniman's 22-employee IIA is equipped with 1 Britten-Norman BN-2 III Trislander, 1 BN-2 Islander, and 1 Piper PA-23 Aztec. Scheduled services are undertaken in the fall linking the capital with the islands of Darros, Platte, Bird, Denis, and Frigate. Passenger and cargo ad hoc charters are also undertaken.

The company is combined with **Air Mahe, Ltd.** in July 1979 to create **Air Seychelles, Ltd.**

INTER ISLAND EXPRESS: Base Aerea Muniz, Isla Verde, Puerto Rico, United States; Phone (787) 253-1400; Fax (787) 253-1410; <http://www.interislandexpress.cm>; Year Founded 2000. Inter Island Express is established at San Juan in 2000 to offer local and Caribbean air cargo and passenger charters. Revenue flights begin with a new Cessna 208 Grand Caravan and destinations visited include Culebra, Vieques, St. Thomas, St. Croix, the British Virgin Islands, St. Martien, Anquilla, St. Kitts, Antigua, Guadalupe, Nevis, and St. Barths.

INTER PILOTO, S.A.: Portugal (1994–1995). Inter Piloto is established at Lisbon in 1994 to offer ad hoc passenger and cargo charters. Revenue flights commence with a single Convair CV-580. Flights cease in 1995.

INTER-PROVINCIAL AIRWAYS, LTD.: Canada (1929–1930). In early 1929, **Fairchild Aviation Company, Ltd.** is renamed Inter-Provincial. In addition to the routes of the merger partner, the carrier now offers passenger and freight service from Montreal to Fort Erie. Mail flights begin from Oskelaneo to Chibougamau on December 24.

On November 25, 1930, the company, controlled by the Aviation Corporation of Canada, Ltd. is merged with **Western Canada Airways, Ltd.** to form **Canadian Airways, Ltd.**

INTER-RCA, S.A.: Central African Republic (1980–1985). With assistance from the **UTA French Airlines, S.A.** subsidiary Sodetraf, Inter-RCA is formed by the government at Bangui in 1980. Equipped with two Douglas DC-3s, the company begins revenue operations in 1981 linking the capital with Bambari, Bangassou, Berberati, Birao, Bria, Carnot, Ouadda, and Ouanda Djaile. Within five years of its start-up, the carrier is gone, its services largely replaced by **Air Tchad, S.A.**

INTER-VALLEY AIRLINES: United States (1983–1991). Inter-Valley is established at Chugiak, Alaska, in the spring of 1983 to provide scheduled passenger and cargo commuter service. Revenue flights commence in April to Anchorage, Whittier, Birchwood, Settler's Bay, and other small communities. Unable to maintain viability in the face of recession, the Cessna lightplane operator expires in 1991.

INTERAIR, A.B.: Business Terminal, Malmo-Sturup Airport, Malmo-Sturup, S 230 32, Sweden; Phone 46 (40) 500300; Fax 46 (40) 500309; Year Founded 1981. Interair is the FBO originally established at Malmo-Sturup Airport in 1981. Over the next 19 years, the company also undertakes worldwide executive and small group passenger charters with a fleet that includes 3 Cessna Citations and 2 Dassault Falcon 10s.

INTERAMERICANA CARGO VENEZUELA, S.A.: Venezuela (1982–1995). One of the few Latin American all-cargo airlines to survive into the 1990s, Interamericana is formed at Caracas in 1982 to offer charter and contract cargo services. Services initially begin with a Douglas DC-8-55F over routes to South American destinations as well as Miami. Later in the decade, a second DC-8-55F is acquired.

The economic recession of the early 1990s forces the company to reevaluate its equipment situation. The two DC-8-55Fs are sold in 1990 and replaced by the first leased unit, a DC-8-54F acquired from **Argo Air**. In 1992, the company elects to lease its flight equipment from **Fine Air**, obtaining two DC-8-54Fs. One aircraft is returned in 1993 and operations continue without change thereafter until 1995, when the company encounters fiscal problems and shuts down.

INTERANDES, S.A.: Colombia (1979–1993). Interandes is established as an air taxi at Bogota in 1979. Employing a single Douglas DC-3, the carrier undertakes cargo and ad hoc passenger charters until its demise in early 1993.

INTERBRASIL STAR, S.A. (SISTEMA TRANSBRASIL DE AUTOMACAO DE RESERVAS, S.A.): Rua General Pantaleao, Teles 40, Transbrasil Aeroporto, Sao Paulo-SP, CEP-04355-040, Brazil; Phone 55 (11) 533-7111; Fax 55 (11) 543-8048; <http://www.transbrasil.com.br/i/inter1.htm>; <http://shsibm.shh.fi/an944420/inter.htm>; Code Q9; Year Founded 1994. Interbrasil is established at São Paulo in early spring 1994 to provide third-level regional scheduled passenger and cargo feeder services and charter flights. A total of \$18 million is invested in the company by **Transbrasil, S.A. (Linhas Aereas)**, with financing supplied by BINDES-Banco Nacional de

Desenvolvimento Economico e Social via its Finame agency. Marcos Antonio Lacerda de Athayde is named president and a \$22-million order is placed for three Embraer EMB-120 Brasílias.

Late in the year, **Transbrasil S.A. (Linhas Aereas)** assigns spring delivery to its daughter of three EMB-145 Amazons, the first jetliner to be designed and built in Brazil. Options are taken on eight others.

Ten months later, the first EMB-120 Brasília is delivered during the third week of May 1995, with the other two arriving in June. Revenue flights commence on July 3 with the three Brasílias, which are based at Brasília, São Jose do Rio Preto, and São Paulo. These will feed **Transbrasil, S.A. (Linhas Aereas)** from markets at Gaiania, Londrina, Foz do Iguaçu, Chapeco, Concordia, and Porto Alegre.

In 1996, a Boeing 737-3Q4 is subleased from **Transbrasil, S.A. (Linhas Aereas)** and the route network is expanded to cover the interior of São Paulo State and the states of Parana and Santa Catarina in southern Brazil. Destinations added include Campinas, Guaruihos, Londrina, Maringa, and Riberirao Preto.

Enplanements for the first full year of service total 52,715.

As 1997 begins, the EMB-145s expected in 1995 have still not been delivered. Flights continue in 1998–1999, during which years four Amazons join the fleet.

At the beginning of 2000, the company serves 11 Brazilian cities with daily service, while providing instant connections with **Transbrasil, S.A. Linhas Aereas** flights at the international airports of Porto Alegre, Florianopolis, São Paulo, and Brasília.

INTERCARGO SYSTEM, S.A. See INTERCIEL SERVICE, S.A.

INTERCIEL SERVICE, S.A.: France (1987–1990). Interciel, also known as Intercargo System, is established at Paris in early 1987 to offer all-cargo charter and contract service flights to regional destinations, including many in the Mediterranean and Mideast. Revenue operations commence with a leased fleet of 2 B-737-230Cs, 1 B-737-242C, 2 B-737-2K2Cs, and 1 B-737-2Q5Cs.

Three years later in 1990, company officials, faced with the problems associated with the costs and market closures of the Gulf War, elect to join with **Air Inter, S.A.** to form **Aeropostale, S.A. (2)**.

INTERCITY AIR, LTD.: Canada (1983–1986). Intercity is established at Kelowna, British Columbia, during the summer of 1983 as a division of **Kelowna Flightcraft Air Charter, Ltd.** An application is placed with the government of Canada seeking permission to begin scheduled services throughout the southern part of the province.

Authority is received in October to begin revenue services and over the next eight months, planning for flights is undertaken. Employing a Convair CV-580 and a Swearingen Metro II leased from the parent, Intercity inaugurates scheduled services on June 4, 1984.

Flights linking Kelowna with Kamloops, Vancouver, and Penticton are continued during the remainder of the year and through most of the next two. During these years, a British Aerospace (BAe) 748-2A joins the fleet. Service is suspended in October 1986.

INTERCITY AIRLINES, LTD.: United Kingdom (1981–1983). Intercity is formed at East Midlands Airport in early 1981 to operate contract services for the Scottish oil industry, as well as a limited number of scheduled commuter routes to such points at London (CTN) and Manchester. Revenue flights commence in May with a Shorts 330-200 and continue until the company shuts its doors in August 1983.

INTERCITY AIRWAYS (PTY.), LTD.: Australia (1936–1937). IA is set up at Sydney in the fall of 1936. Outfitted with an L.J.W.-7 Gannett, the company begins twice-weekly service to Nyngan and Broken Hill on November 16. On July 30, 1937, the carrier is purchased and merged into **Southern Airlines and Freighters (Pty.), Ltd.**

INTERCONAIR (IRISH INTERCON CATTLE MEATS, LTD.): Ireland (1975–1977). Interconair is formed at Shannon in 1975 for the express purpose of transporting frozen Irish beef to London (CTN). A single Bristol Britannia 235F is acquired and given a plain white livery, with the Irish flag and a pair of cattle horns painted on its tail. Revenue flights commence in the spring and continue without incident until the Bristol is destroyed as the result of a bad landing at Shannon in September 1977.

INTERCONTINENTAL AIRWAYS: United States (1980–1981). This charter carrier is established at Wilmington, Ohio, in the fall of 1980. Nonscheduled flights begin to various domestic and Caribbean locations, including Atlantic City.

The carrier is unable to gain airspace as a result of the August 1981 PATCO air traffic controller's strike. As a result, the financially debilitated company is forced to quit; at the time the doors are shut, a total of 55,000 passengers have been flown. Its assets are sold to the leasing concern Charlotte Aircraft.

INTERCONTINENTAL AIRLINES, LTD.: Nigeria (1980–1992). Formed by G. O. Onosode as Air Vanni, Ltd., at Lagos in 1978, privately owned Intercontinental is reformed in 1980 and specializes in long-haul holiday passenger and cargo charters between Lagos and London, as well as contract services and aircraft leasing.

For most of the 1980s, the fleet comprises 2 Douglas DC-8-52s, 3 Sud-Est SE-210 Caravelle IIIs, and 2 Hawker Siddeley HS 125 executive jets.

The Douglas airliners are withdrawn in 1989 and the carrier, unable to maintain economic viability during the recession of the early 1990s, is forced to close down in late 1992.

INTERCONTINENTAL COLOMBIA (INTERCONTINENTAL DE AVIACION, S.A.): Avenida Eldorado, Entrada No. 2, Interior 6, Bogota, Colombia; Phone 57 (1) 413-8888; Fax 57 (1) 413-9893; http://www.insite-network.com/Inter; Code RS; Year Founded 1982. The privately owned **Aeropesca, S.A.** is reorganized in December 1982 and changes its name. The route network comprises a base at Bogota and stops at Arauca, Cali, Cucuta, Florencia, Ipiales, Leticia, Medellin, Pasto, Popiyan, Richacha, Santa Marta, and Valledupar. Scheduled passenger and cargo flights are undertaken along with general cargo charters and specialized livestock flights.

In 1983, orders are placed for three Douglas DC-9-15s as replacements for the company's five Vickers Viscount 745s. Passenger boardings total 85,153. By 1985, the fleet comprises 3 DC-9-15s and 1 Curtiss C-46 freighter; airline employment stands at 177.

In 1986–1988, passenger and cargo services are maintained and plans are undertaken to open services to Maracaibo and to Tulcan. The fleet in 1989 includes 2 DC-9-15s, with 2 more added in 1990.

In 1991, traffic statistics for the 236-employee airline are reported through September and show enplanements of 308,706. A total of 792,000 FTKs are hauled during the same period as four Viscounts are retired.

Managing Director Capt. Luis Hernandez Zia's fleet in 1992 comprises 7 DC-9-15s, 5 of which are leased.

A DC-9-15 with 4 crew and 88 passengers is destroyed as the result of a heavy landing at Tumaco on March 26; although the aircraft is destroyed when its fuselage cracks aft of its over-wing exits, there are no fatalities.

Passenger boardings climb 26% on the year to 388,835, but freight declines 15.8% to 667,000 FTKs.

An eighth chartered DC-9-15 is acquired in 1993, along with five leased DC-9-14s. In addition to general and specialized charters, including livestock, passenger services are also operated. From Bogota, local flights are made to Cucuta, Cali, Ipiales, Medellin, Pereira, Popayan, Riohacha, San Andres, Tumaco, and Valle.

Customer bookings accelerate 72.2% to 960,797 while cargo jumps 33.4% to 1.44 million FTKs.

Two units of the DC-9-14 fleet are chartered out in **1994**, one to **SAM (Sociedad Aeronautica de Medellin, S.A.)** and the other to **Aerovias Caribe, S.A.**

Passenger boardings decline by 13.6% to 830,524, but freight accelerates 24.2% to 1.79 million FTKs.

The workforce totals 840 in **1995**. While en route on a return service from Bogota to Cartagena via San Andres, Panama City, and Cali, and back to Bogota on January 11, Flight 2056, a DC-9-14 with five crew and 48 passengers, explodes in midair at 14,000 feet. The aircraft crashes into a grassy field some 10 mi. S of Cartagena. All aboard are killed, except a nine-year-old girl, who is thrown clear when the fuselage breaks in two upon impact.

Traffic figures are only reported through June. These show that enplanements are down 24% to 284,911, but that cargo is up a slight 0.4% to 830,000 FTKs.

A short circuit aboard a DC-9-15 on the ground at Barranquilla in the fall causes the Douglas to catch fire and it is burned out.

Operations continue apace in **1996–1998**. Capt. Zia's fleet now includes 4 DC-9-14s, 1 of which remains on charter to **Aerovias Caribe, S.A.**, and 11 DC-9-15s, 2 of which are leased to **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)**. Destinations visited include Cartagena, Cucuta, Cali, Esmeraldas, Florencia, Havana, Ipiales, Maracaibo, Medellin, Neiva, Panama City, Pasto, Pereira, Popayan, Riohacha, San Andres, Tulcan, and Valledupar.

During the latter year, passenger boardings are 130,000.

The workforce at the beginning of **1999** totals 591. Flights continue without incident or headline.

INTERFLUG DDR AIRLINES (GESELLSCHAFT FÜR INTERNATIONALES FLUGVERKEHR, mGH.): Germany (1955–1991). Claiming to be the rightful successor to the "old" **Deutsche Lufthansa, A.G. (DLH)**, the East German government, employing the same flying crane logo as the West German carrier, establishes its Deutsche Lufthansa in East Berlin on July 1, **1955**. The move is made with the full approval of the U.S.S.R., which had closed all civil airports to East Germans during the previous decade. Viewed as a sister organization to the East German Railways, Lufthansa-East is administered from the Transport Ministry, which largely defers to its Director General Artur Pieck, son of the DDR President Wilhelm Pieck.

A newly received East German license-built Ilyushin Il-14 inaugurates the carrier's first route from East Berlin to Moscow in September.

Equipped with Il-14s, the airline begins operations on February 4, **1956**, and on February 15 the carrier joins the "Six-Pool" league of Eastern block airlines. A route network encompassing the capital cities of the Warsaw Pact nations is inaugurated from East Berlin to Prague, Budapest, and Sofia on May 14, the same day Il-14s open domestic services over a Dresden-Karl Marx Stadt (Chemnitz) route.

Service is launched East Berlin–Bucharest on May 19. A joint agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** on September 22 whereby each will act as the other's agent. East Berlin–Moscow flights begin on October 7 and service to Budapest, suspended during the Hungarian Revolution, is resumed on December 21.

Domestic frequencies begin on June 17, **1957**, over a route that extends from East Berlin–Leipzig, Dresden, Erfurt, and Barth. Proposed **1958** plans to operate segments into Western Europe meet with resistance as the North Atlantic Treaty Organization (NATO) and associated countries prefer to recognize only one Deutsche Lufthansa, that of the Federal German Republic. Consequently, a subsidiary of the East German carrier, Interflug DDR Airlines, is created on September 13 as a marketing cover to overcome Western objections.

Ordered earlier, the VEB-152 II four-engine airliner developed by the Flugzeugwerke Dresden makes its maiden flight on December 4. The passenger jet is the product of the largest industrial project in the DDR.

Employing an Il-14 in Interflug livery, flights begin to and from Western Europe on February 27, **1959**; the first service flown is Copenhagen–Leipzig for the Leipzig Fair.

Services continue apace in **1960**, during which year the carrier becomes the only one to order the VEB-152. The aircraft is proudly heralded on stamps and in the newspapers, with the propagandists proclaiming it the product of the nation's *Wirtschaftswunder*.

Early in **1961**, three turboprop Il-18s join the fleet. Talk of *Wirtschaftswunder* in the aircraft industry simultaneously ends as no more orders are received for the VEB-152, upon which the nation has so far spent DM 1.6 billion. In February, the DDR cancels production and it will be years before the carrier receives its first jetliner—and that a foreign-made unit.

One of the new Il-18s initiates a new service from East Berlin to Moscow on March 30.

In **1962**, the Comecon states reduce their air fares to a point where the East German government decides that it is more cost effective to allow DDR citizens to take passage aboard East Block airliners than to further develop its own internal route network.

An Il-14 is lost near Koningbrek, E. Germany, on February 28, **1963**; there is no report on casualties.

Dropping its claim to the Lufthansa title, which had been employed in parallel with the marketing title since 1958, the carrier is officially renamed Interflug on September 1; control remains with the Ministry of Transport.

By **1964**, all East bloc capitals are served by Interflug with a fleet of An-2s, Il-14s, and Il-18s. Plans are put in place to cut back on domestic services, which are not seen by the government as necessary (or cost effective enough) to the national interest. In addition, the nation's airports, like other aspects of the transport system, will not be developed, with few even provided with concrete runways.

East Berlin to Cairo flights commence on June 22, **1965**. The company, which has always had a terrible service reputation, cancels or accepts delay of 10% of its domestic flights during the year.

Two new routes are started in **1966**—East Berlin to Kiev on June 1 and East Berlin to Bamako via Algiers on October 27.

The first jetliner, a Tupolev Tu-124, is received in early **1967** and placed in service over the West European routes. While undergoing maintenance at Moscow, an Il-18 catches fire on January 16 and is destroyed.

Flights continue in **1968** and by **1969** passenger boardings total 809,500.

Il-62s join the fleet in **1970**, making long-haul routes possible. An East German couple commits suicide when they fail on March 10 in their attempt to seize an An-24 en route from East Berlin to Leipzig. Although having had control of it for almost 15 years, the Transport Ministry only now decides to begin making improvements at Schoenfeld Airport in East Berlin.

Enplanements for the year climb to 847,600.

In **1971**, frequencies are inaugurated to Bamako, Conakry, and Freetown in western Africa and passenger traffic is 923,400.

The **1972** fleet comprises 15 Il-18s, 6 An-24s, 1 Tu-124, 2 Il-62s, and 3 Tu-134s. Flights begin to Dhaka and Hanoi. The helicopter subsidiary **Agraflug** is formed to undertake agricultural, survey, and support missions.

En route to Burgas, Bulgaria, a chartered Il-62 with 8 crew and 148 passengers loses an elevator in flight just after takeoff from Schoenfeld Airport at East Berlin on August 14; there are no survivors.

A Tu-134 is lost at Dresden on October 30; there are no other details concerning the accident.

Bookings accelerate to 925,900.

Between **1973–1979**, the carrier begins an active route expansion effort, providing scheduled passenger and cargo service to some 50 cities by decade's end. Among these are Copenhagen, Amsterdam, Brussels, Stockholm, Helsinki, Leningrad, Moscow, Warsaw, Havana, Algiers, Tunis, Malta, Tripoli, Lagos, Brazzaville, Luanda, Maputo, Cairo, Khartoum, Addis Ababa, Milan, Rome, Vienna, Zagreb, Belgrade, Split, Prague, Tatra, Bratislava, Budapest, Bucharest, Sofia, Burgas, Amman, Kiev, Simferopol, Sotachi, Tashkent, Karachi, and Hanoi.

Director General Dr. Klaus Henkes, who also serves as general in the East German Air Force, head of the aviation department of the Transport Ministry, and CEO of the national institute for flight control, emphasizes the importance of Interflug to the nation. Not only is it a civil transport organization, but the troop-carrying wing of the military as well. For that matter, Interflug is also in charge of the country's airports, general aviation, and all business, agricultural, and charter flying.

During these years, a new passenger terminal is opened for Interflug at East Berlin's Schoenefeld Airport. It has no reliable baggage transport and its air conditioning seldom works. Indeed, company staff handle baggage manually and windows are left open to let in fresh air.

Passenger boardings during these 6 years climb from 911,700 in 1973, pass the million mark for the first time in 1975 (1,139,300), and reach 1,242,600 in 1979. Director General Kurt Diederich and Managing Director Friedwald Oehlmann oversee a workforce of nearly 6,000 and suffer 3 accidents during the period (2 fatal).

While on initial approach to Leipzig on a nonscheduled flight from Stuttgart on September 1, 1975, a Tu-134A with 6 crew and 28 passengers descends below the glide path, strikes a radio mast short of the runway, and crashes (26 dead). The cockpit crew all survive and all three members are sentenced to prison terms ranging from 3–5 years.

Another Tu-134A is damaged beyond repair as the result of a bad landing at Berlin's Schoenefeld Airport on November 22, 1977; there are no fatalities.

The failure of the No. 2 engine causes the pilot of an Il-18D freighter with four crew and six passengers, to abort takeoff from Luanda on March 26, 1979; the aircraft overruns the runway, hits the instrument landing system localizer antenna, and breaks up in flames. There are no survivors.

Domestic service is determined to be not in the national economic interest (i.e., not cost effective) and is withdrawn in **1980–1986**; however, demand for internal operations by hard currency passengers leads to introduction of L-410 "Saloon Service."

On January 30 of the former year, an Il-18, en route from Erfurt to East Berlin, is briefly taken over by a lone assailant; before the aircraft can be diverted, the pirate is overwhelmed by his fellow passengers.

Passenger traffic climbs very slowly, from 1,216,300 in 1980 to 1,446,000 in 1985. Director General Dr. Henkes' fleet by 1986 has grown to include 8 Il-62s, 20 Tu-134s, 14 Il-14s, and 5 L-410s.

During **1987**, three more Il-62s join the fleet as six Tu-134s and six Il-14s are withdrawn. Under terms of its February pact with the People's Republic of China, an Interflug DDR Airlines Il-62 initiates weekly service on May 1 between East Berlin's Schoenefeld Airport and Beijing; the 8,100-km. flight, completed via Moscow, requires 9 hrs. 50 min. The route is the shortest link between China and Europe, being 2,000 km. shorter than services operated by **Air France** and other carriers.

Enplanements reach 1,260,792.

Orders are placed in **1988** by Vice President Andreas Kramer for Airbus equipment. The U.S. government grants an export license to General Electric for CF6-80C2 engines to power the Airbus planes and an agreement is reached with **Deutsche Lufthansa, A.G.** for engine maintenance to be performed at the West German flag line's Hamburg base.

Bookings this year total 1.6 million.

The workforce is increased by 0.7% in **1989** to 7,611. The takeoff of an Il-62 with 113 aboard from East Berlin's Schoenefeld Airport is aborted on June 17; the jetliner's wing crashes into a water tank, fire breaks out, and the aircraft is destroyed (20 dead).

The first of three ordered, long-range Airbus Industrie A310-304s is delivered in a formal ceremony at Toulouse, France, on July 1. Sixteen days later, an elevator malfunction causes an Il-62 to run off the runway at Berlin's Schoenefeld Airport; no injuries are reported.

Two more A310-304s arrive before November and replace Il-62s on services from Berlin to Havana, Singapore, Beijing, and Vietnam. Unprofitable routes to Maputo, Brazzaville, Addis Ababa, and Mexico are cut.

A jammed rudder and elevator causes the pilot of an Il-62MK with 9 other crew and 103 passengers, to abort his takeoff from Berlin's

Schoenefeld Airport for a June 17 service to Moscow; the aircraft overruns the runway and hits various obstacles, catching fire. Nineteen persons on the Ilyushin are killed, along with one person on the ground.

The Berlin Wall comes down on November 9 and 15 Soviet-built jetliners once reserved for use by top East German Communist leaders are put into regular service on December 6. Also in December, an A310-304 performs one of the type's longest flights. After a passenger charter, the European-built jetliner flies the 4,720-nm. segment nonstop from Kumamoto to East Berlin in 13 hrs. 25 min. Following the startling reunification movement at year's end, cooperation with onetime rival **Deutsche Lufthansa, A.G.** begins in earnest.

Passenger boardings for the year, meanwhile, rise 2.2% to 1,616,400, but freight is down by 5% to 87.54 million FTKs.

In the spirit of glasnost, the returned Director General Dr. Henkes engages in conversations with Heinz Ruhnau, chairman of DLH in January **1990** concerning cooperative projects between the two airlines. The initial result is an agreement to make joint use of training and other facilities and the doubling of the West German carrier's flights from Frankfurt to Leipzig.

DLH Chairman Ruhnau also suggests purchase of a 26% equity interest. The fiscal stake is designed to fend off financial participation in the DDR airline by such Western airlines as **British Airways, Ltd. (2)** and **Air France**. The Federal Cartel Office objects to the financial arrangement.

In pursuit of the previous month's discussions, the two airlines announce in February their intention to expand and intensify their cooperation under the marketing name Interhansa. Working together to remove all artificial barriers hindering air traffic between the two German states, including Berlin, the executives of the two airlines plan a variety of joint activities. These include passenger, freight, and charter services, a joint A310 simulator at Berlin's Schoenefeld Airport, an Interhansa catering service, an Interhansa software company, a new Berlin airport, and various engineering and airport handling projects.

Beginning in March, the East German carrier expands its services to West Germany to 17 flights per week. After Interflug's employees vote 92% approval of a closer association with DLH, the West German carrier announces, in April, its plans to go ahead with its 26% investment.

Interflug is now restructured on the **Deutsche Lufthansa, A.G.** model and operates under an eight-member supervisory board with Dr. Henkes as chairman and two **Deutsche Lufthansa, A.G.** members. A second level executive board, chaired by Vice President Kramer, oversees marketing and sales. Service to Paris also begins in May and the airline joins the western industry group, IATA, on July 1.

Unable since its beginning to fly directly into West Germany, Interflug is now able to do so with flights to a number of formerly forbidden cities. The number of flights between east and west Germany is increased during the month from 31 to 56. During August, LET 410 service is inaugurated between Berlin and Erfurt.

In September, daily service is launched from Dresden to Cologne and Hamburg and the number of weekly frequencies between the formerly independent countries grows to 68. Following German unification in October, both **Deutsche Lufthansa, A.G.** and **British Airways, Ltd. (2)** make unsuccessful attempts to purchase the airline outright. Following its failure, the West German flag carrier drops its investment plans on October 16. Later in the month, Berlin–Tel Aviv service is initiated.

Although company officials hope to keep Interflug operating, excessive expenses associated with the Gulf War and growing recession force it to cease operations on February 8, **1991**, becoming a training company. The A310s are purchased by the Luftwaffe for \$192.3 million.

On June 26, the Danish Supreme Court fines the carrier for its earlier role in transporting illegal refugees into Denmark.

INTERGLOBUS: Russia (1994–1995). Interglobus is established at Ulitsa Lobachevskovo in **1994** to offer ad hoc international and regional passenger and cargo charters. General Director A. I. Ekzarkho begins revenue flights with 1 Ilyushin Il-76TD and 1 Tupolev Tu-154B. Unable to achieve viability, the company shuts down in late **1995**.

INTERIOR AIR TAXI. *See* **INTERIOR AIRWAYS**

INTERIOR AIRWAYS: United States (1947–1972). IA is formed at Fairbanks, Alaska, in 1947 to offer lightplane charters to various bush destinations, as well as Anchorage. Operations continue with little change for most of the next 20 years. In 1959, the company acquires the first of five Curtiss C-46 Commandos to be received over the next decade; it is placed into all-cargo service and is the largest aircraft in the fleet.

On April 12, 1965, a subsidiary, **Interior Air Taxi**, begins to offer scheduled passenger and cargo flights to local destinations with Beech 18s and Twin Bonanzas. To operate long-haul charters, a Lockheed L-1049H is leased from **The Flying Tiger Line** on January 21, 1966. The Super Constellation is leased back by the cargo operator for part of 1967.

With the discovery of oil in the state, the company abandons its passenger service in early 1968 and changes its role to that of a heavy cargo operator. In January, the L-1049H is sold back to **The Flying Tiger Line**. A DHC-6-100 freighter with two crew crashes at Sagwan, Alaska, on September 6; both men are killed.

Interior now gradually disposes of its commuter aircraft and begins to assemble a fleet of Lockheed L-100-20 Hercules freighters.

The pilot of an L-100-20 with four crew loses sight of the runway at Prudhoe Bay while landing in heavy snow on December 24 and crashes (two dead).

The Hercules fleet is complete by 1970–1971, complementing the seven Commando freighters. In 1972, Interior is reformed, becoming a subsidiary of Alaska International Industries, which also supplies its new name, **Alaska International Air**.

INTERISLAND AIRWAYS, LTD.: P.O. Box 191, Providenciales, Turks and Caicos Islands, British West Indies; Phone (809) 941-5481; Fax (809) 941-5481; <http://www.interilandairways.com>; Code PLS; Year Founded 1992. Under the direction of Lyndon R. Gardiner, Interisland is established at Providenciales, Grand Turk, in 1992 to offer passenger charters within the Turks and Caicos Islands to Miami or other Caribbean points upon demand. Revenue flights begin with a single Piper PA-23 Aztec.

During the remainder of the decade, the fleet is increased by the addition of another Aztec and a Cessna 421 and a number of unusual charters are provided. Among these are flights to and tours of Grand Caicos, the largest island in the archipelago and the former home of the Arawak Indians. Nature buffs are given the chance to visit North Caicos, the ecology capital of the islands. Flights from Miami to Grand Turk allow visitors a chance to visit the national museum and the shore where Christopher Columbus landed in 1492.

By the beginning of 2000, the Cessna has been replaced with a Piper PA-31-350 Navajo Chieftain and a homepage has been opened on the Internet's World Wide Web. Other destinations now visited include Cap Haitien, Port-au-Prince, Santo Domingo, Inagua, and Santiago de Cuba. Unless in possession of special permits, U.S. citizens are not allowed to fly with the airline to the latter point.

In June, the carrier opens the nation's first full-service FBO.

INTERJET HELLENIC AVIATION, S.A.: 350 Sygrou Avenue, Kallithea, Athens, G-176 74, Greece; Phone 30 (1) 93 02 151; Fax 30 (1) 93 02 152; <http://www.interjet.gr>; Year Founded 1989. Interjet is established at Athens in 1989 as the rotary-wing department of the Interamerican Life Insurance Group. Corporate services are provided with two Eurocopter BO-105s and an AS-355F Twinstar.

A Cessna 560 Citation V bizjet is acquired in 1991 and is employed to inaugurate executive and small group charters throughout Greece. During the remainder of the decade, nonscheduled destinations in southeastern Europe, the Mideast, and North Africa are also visited.

A total of 40 workers are employed at the beginning of 2000, including 12 flight crew.

INTERLINE, LTD.: Unit 5, The Business Centre, Norwich Airport, Norwich, Norfolk, NR6 6BS, United Kingdom; Phone 44 (1603) 484 594; Fax 44 (1603) 484 907; Code 5W; Year Founded 1994. Formerly known as **Aztec Charter, Ltd.**, Richard Underwood and Stephen Hatfield set up Interline at Norwich Airport on January 28, 1994 as a scheduled commuter subsidiary of Eagle Aviation, Ltd. Managing Director Underwood and General Manager Hatfield, with a staff of 20 and 2 British Aerospace BAe Jetstream 31s, launch revenue services to Manchester and Rotterdam the same day.

Operations continue apace in 1995. In January 1996, a Shorts 330 is acquired to launch a new route from Norwich to London (LGW). When this does not immediately prove attractive to customers, the Dash-300 is replaced by a Shorts 360-300 in May.

Scheduled service is discontinued at the end of the summer season. Nonscheduled charters are, however, maintained, including flights to Blackpool and the Isle of Man.

INTERMOUNTAIN AIRWAYS: United States (1977–1978). Intermountain is set up at Boulder, Colorado, in the spring of 1977 to provide scheduled Piper PA-31-310 Navajo services to Durango. The airfield at the latter destination's Animals Air Park must be employed while the runway of the community airport is lengthened.

Early in 1978, the company is taken over by **Rocky Mountain Airways**.

INTERNATIONAL AIR BAHAMA, LTD. *See* **AIR BAHAMA, LTD.**

INTERNATIONAL AIR CARGO CORPORATION. *See* **AIR CARGO EGYPT**

INTERNATIONAL AIR FREIGHT, LTD.: United Kingdom (1937–1938). Capitalized at £50,300, IAF is registered at London on January 22, 1937. Employing four ex-Eastern Air Lines Curtiss T-32 Condors previously flown in the U.S., the carrier inaugurates London (Croydon Airport)–Amsterdam cargo flights on September 29. Under contract to the British Post Office, the company begins flying parcel mail over its London–Amsterdam route on March 27, 1938; the same day, it accepts a subcontract from **British Airways, Ltd.** (1) to fly letters.

London (Croydon)–Brussels freight operations commence on May 3. Flight services cease on September 29. Shortly thereafter, the Condors are purchased by the British Air Ministry and placed in storage, where they remain until sold for scrap in November 1939.

INTERNATIONAL AIR LINES, LTD.: United Kingdom (1933). Equipped with two Monospar ST.4s, this new entrant labels itself The Western Air Express and launches a mail flight from London (Croydon)–Plymouth via Portsmouth and Southampton. The enterprise cannot, figuratively, get off the ground and ceases operations in late September.

INTERNATIONAL AIR TAXI (1): United States (1965–1970). IAT is established at Anchorage in early 1965 to provide scheduled third-level passenger and cargo flights to local destinations. Revenue flights commence with Cessna lightplanes on March 30 and continue until the company goes out of business in 1970.

INTERNATIONAL AIR TAXI (2): United States (1980–1983). A decade after the demise of the first IAT, a second is established at Anchorage in 1980 to serve as a feeder affiliate for **Wien Air Alaska**. Employing a fleet of Cessna lightplanes, the small regional undertakes revenue passenger and cargo flights until it goes out of business in late 1983, just prior to the demise of its national partner.

INTERNATIONAL AIRWAYS (KOKUSAI KOKU). *See* **JAPAN AIR LINES COMPANY, LTD (1)**

INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1946–1950). Thomas Barclay forms this charter carrier at London (Croydon) Airport in the summer of 1946, also giving it the marketing title of Barclay's International Airways. Services begin in August after the delivery of the first company aircraft, an Airspeed AS.65 Consul. Another Consul is delivered in November, followed by third in April 1947. During the French railway strike in June, the company's aircraft returns stranded British tourists from Le Bourget Airport at Paris. Tourist charters are flown to the Channel Islands and the airfields of Holland, Northern France, and Belgium during the remainder of the summer season.

Three more Consuls and an Avro Anson are purchased in October from **Steiner Air Services, Ltd.**; the Consuls are now sent out to Israel on a two-year lease to the UN Commission. On November 13, a Consul is lost in a crash at La Rochelle and a Percival Proctor 5 purchased earlier in the year is destroyed at London (CTN) on November 20.

With too few aircraft on hand in the U.K. at the start of 1948, IAL purchases another Percival Proctor 5 in January and then three de Havilland DH 89As from **British European Airways Corporation (BEA)** in July. The same month, the state carrier grants the independent an associate agreement to fly scheduled passenger service from London to the Isle of Wight.

The Dragon Rapides commence this route immediately. Another associate agreement is received in September for the operation of scheduled flights between London (Croydon) and Birmingham.

Another associate grant is received in May 1949 for operation of a route from London (Hendon) and Birmingham specifically designed to carry passengers to the British Industries Fair. A full schedule of charters is flown during the summer and for part of that season, several of the Dragon Rapides are leased to **Jersey Airlines, Ltd.**

On November 1, a Consul is destroyed in a crash at Normanton, Yorkshire and at the end of the year those Consuls on duty in Israel are returned and sold. Scheduled service to Birmingham is suspended during the winter and as a result of a poor summer tourist season in 1950, the airline stops flying in October.

INTERNATIONAL CARGO CHARTERS CANADA, LTD. (ICC CANADA, LTD.): 6299 Airport Road East, Mississauga, Ontario L4V 1N3, Canada; Phone (905) 672-8731; Fax (905) 672-8732; <http://www.iccaircargo.com>; Code ICC; Year Founded 1997. After a careful review of the Canadian air cargo industry, Edward C. C. Peagram establishes and incorporates ICC International Cargo Charters Canada, Ltd., doing business as ICC Canada, Ltd. in December 1997. During the spring of 1998, arrangements are completed to acquire 3 Airbus Industrie A300B4-203F freighters and in August a contract is signed with **Emery Worldwide** to operate them on its behalf. ICC is the first Canadian airline to import and utilize an Airbus freighter.

Bases are now established at Vancouver and Calgary and in the U.S. at Dayton, Ohio. Flight and ground crew are hired and trained and on November 16 a foreign air carrier certificate is obtained from the U.S. Department of Transportation. The next day, regularly scheduled A300F roundtrips are inaugurated, five nights a week, between Vancouver, Calgary, and Dayton. Cargo, express, and mail are transported.

On March 1, 1999, Toronto to Dayton return service, also on behalf of Emery, is started, followed by flights from Montreal to Dayton in May. Two more A300B4-203Fs enter service and during the summer, operations, administration, and maintenance functions are consolidated at Toronto. Satellite offices are opened in Ottawa, Richmond, British Columbia, Farnham, Quebec, and Santa Rosa, California. Both the Emery contract and the DOT authority are renewed at the end of the year.

Arrangements are made with forwarders early in 2000 to operate transcontinental all-cargo service, to which the carrier's fourth A300B4-203F will be dedicated. Flights duly begin in mid-June, but the volume of business required to make a success of this new approach is not present. At the end of July, the Airbus is withdrawn and the company begins work on a new plan for action beyond its Emery workload.

In December, an 80,000-sq.-ft. service center is opened by **Emery Worldwide** near the Toronto Airport.

INTERNATIONAL CARIBBEAN AIRWAYS, LTD. See **CARIBBEAN AIRWAYS, LTD.**

INTERNATIONAL CHARTER EXPRESS: United States (1992–1994). Danny Jones, former president of **Interstate Airlines** and 1989 founder of the Little Rock, Arkansas-based leasing concern International Cargo Xpress, establishes this subsidiary at Baltimore (BWI) in the spring of 1992. Two Douglas DC-8-62CFs are acquired, configured with 6 berths, 92 first-class seats, and 250-ton freight capacity. Their services will be aimed specifically at the international travel requirements of such organizations as sports teams, oil companies, or entertainers that need to transport large amounts of cargo along with personnel.

From its Maryland base, the new entrant initiates bimonthly charter flights in June to Moscow and Kuwait. By year's end, a total of 25,000 passengers and 2.6 million FTKs are flown. Revenues are \$6.4 million and although a \$186,102 operating loss is suffered, a net profit of \$4.2 million is earned.

Enplanements zoom to 50,000 in 1993 and cargo skyrockets by 233.4% to 8.6 million FTKs. Revenues surge 71.4% to \$11.02 million, expenses climb 53.4% to \$10.15 million, and operating income of \$869,389 is earned. The net gain falls, however, to \$186,000.

The company's new aircraft livery is first unveiled on a DC-8-62CF on March 15, 1994.

Through the year's first 9 months, 45,000 passengers are flown on charter and freight traffic skyrockets an almost unbelievable 437% to 46.2 million FTKs. Despite these figures, the company is in so much fiscal difficulty that it must shut down at year's end.

INTERNATIONAL CORPORATE AND CARGO SERVICE, S.A.: Mexico (1994–1995). ICCS is set up at Mexico City's airport in 1994 to offer both corporate and cargo flights to worldwide destinations. Alberto May is appointed manager and he begins service with a workforce that includes 10 full-time and 20 part-time pilots. His fleet consists of 1 Boeing 727-100F and 1 Learjet 24 for passengers. Unable to achieve economic viability, the company shuts down in 1995.

INTERNATIONAL FLYING SERVICE, S.p.A.: Italy (1991–1998). IFS is established at Orio's Aeroporto in late 1991 to offer regional third-level passenger and cargo flights with 1 each Fairchild Metro II and Metro III. General Manager Carlo Musumeci's fleet is dramatically increased in 1992 as 1 each Beech Super King Air 200, Rockwell Turbo Commander 690A, Beech 400A Beechjet, and Fairchild-Swearingen Merlin IVC are placed into service.

The Beech equipment is withdrawn in 1993, but services continue apace in 1994 with a new Dornier 228-212, the Turbo Commander, the Merlin, and 1 each Metro II and Metro III.

In January 1998, the company is renamed **Eureca (European Regional Carrier, S.p.A.)**.

INTERNATIONAL JET AIR, LTD.: Canada (1969–1976). IJA is established at Calgary in 1969 to operate charter and inclusive-tour flights, initially with a single Lockheed L-188A Electra purchased from **Northwest Airlines**. The turboprop is the first of its type registered in Canada. Many of the charters flown are in support of Panartic Oil and Dome Petroleum, ferrying crews to Arctic drilling locations.

Three more Electras are acquired from the same source and placed into service in 1971, followed by a fifth in 1973, the same year a Fokker F.27 is purchased. Nonscheduled flights continue to be made, flying not only oil company workers, but tourists on gambling trips to and from Las Vegas and Canadian professional athletic teams.

The Fokker is sold to **Northward Airlines, Ltd.** in 1975 and upon the failure of that carrier in 1976, the remaining three L-188As are sold to **Northwest Territorial Air, Ltd.**

INTERNATIONAL JET AVIATION SERVICES: 12830 E. Control Tower Road, Centennial Airport, Englewood, Colorado 80112, United States; Phone (303) 790-0414; Fax (303) 790-4144; Year Founded 1979. IJAS is set up at Centennial Airport in 1979 to offer passenger and light cargo charter services to destinations throughout North America. Revenue operations duly commence and by 2000 the flight staff includes 18 full-time and 10 part-time pilots. The fleet features 4 Learjet 25s, 3 Learjet 24s, 2 Learjet 35As, and 1 each Learjet 25D, Cessna 340A, and a Mitsubishi Mu-2B freighter.

INTERNATIONAL JET CHARTER: 6101 Burton Station Rd., Norfolk, Virginia 23502, United States; Phone (757) 857-6481; Fax (757) 857-1684; <http://www.intljetcharter.com>; Year Founded 1993. This corporate carrier is set up at Norfolk in 1993 to transport business executives worldwide. By 2000, the fleet includes 1 each Grumman G-1159A Gulfstream III and Learjet 25D.

INTERNATIONAL PARCEL EXPRESS (IPX): United States (1986–1987). IPX is formed at Redwoods, California, as a joint venture company by **DHL Airways** and **UPS (United Parcel Service)** in 1986 to bid on the U.S.–Japan small package route award to be let by the DOT. Former **Transamerica Airlines** Chairman Henry Huff is named chairman/president and two Douglas DC-8-73s are leased from UPS. In October, the carrier inaugurates service flying under contract to UPS.

In 1987, the company is wholly acquired by **UPS (United Parcel Service)**, which integrates IPX into its own operations during the year's second half.

INTERNATIONAL SKY CAB: United States (1969–1970). ISC is established at San Juan, Puerto Rico, in 1969 to provide scheduled passenger air taxi services from both of the city's airports, International and Isla Grande.

Employing one each Piper PA-31-310 Navajo and PA-32 Cherokee Six, daily roundtrips are duly inaugurated linking those airports with Ponce, Viequez, Mayaguez, as well as St. Thomas and St. Croix in the U.S. Virgin Islands. Flights cannot be maintained beyond 1970.

INTERNORD, A.B.: Sweden (1965–1968). Internord is established at Stockholm on November 30, 1965 through the merger of the Danish carrier **Aero-Nord, A.S.** and the Swedish charter operator **Osterman Air Charter, A.B.** Inclusive tour revenue services are continued to the destinations of the merger partners with inherited and leased Douglas DC-7s and DC-7Bs that wear both Danish and Swedish registrations.

Early in 1967, a contract is concluded for the acquisition of three former **American Airlines** Convair CV-990 Coronados. The first enters service on June 28, executing a tour flight to the Mediterranean. Another Coronado is received later in the year, followed by the third in March 1968. Unable to maintain economic viability, the carrier shuts its doors on October 30. The jetliners are repossessed by the U.S. major and returned to Texas when the company's assets are liquidated in December.

INTEROT AIRWAYS, GmbH.: Germany (1979–1995). Organized at Augsburg in 1979, **Interot Air Service**, a subsidiary of the Augsburg-based air freight forwarding company Augsburg Internationale Rotationspapier Spedition, inaugurates charter passenger and cargo services to Dusseldorf with a Beech Super King Air 200. In 1986, these occasional frequencies are licensed, Handl Papier becomes a shareholder, and frequencies become regularly scheduled. Indeed, the first regularly scheduled roundtrip flight is undertaken in September between Augsburg and Dusseldorf.

In the fall of 1987, the new managing director, Peter Staehle, purchases a second Beech Super King Air 200 and a Beech 1900C, using them to launch service to Hamburg.

Enplanements in 1988 total 10,050. A second Beech 1900C is acquired in May 1989 and airline certification is received in December.

Passenger bookings climb to 16,000.

Guenther Weiss becomes general manager in 1990 and in October a leased de Havilland Canada DHC-8-103 is acquired for the Dusseldorf route. Late in the year, the corporate name is changed to IA.

Enplanements total 24,000.

During 1991–1992, flights begin to Berlin, Cologne, and Leipzig and the fleet is upgraded by the addition of another DHC-8-103. In the former year, Interot becomes the first German airline to ban smoking on all flights.

A total of 92,500 passengers are flown during the latter year and revenues of DM 25 million (\$17.2 million) are earned.

The new managing director, G. H. Eberhard Schmidt, oversees a workforce of 145 in 1993 and a third DHC-8, a Dash-300, is delivered in August. Destinations served from Augsburg now include Berlin, Cologne, Dresden, Dusseldorf, Hamburg, and Leipzig. Contracts for ground handling are signed with **British Airways, Ltd. (2)** for Dusseldorf, Cologne, Bonn, and Leipzig and **Deutsche BA, GmbH.** for Dresden.

Enplanements during the 12 months total 105,609.

Airline employment is increased by 5.6% in 1994 to 147 and the fleet now includes 1 each Beech 1900C, Beech 1900C-1, and de Havilland Canada DHC-8-314, plus 3 DHC-8-103s, one of which is chartered from **Tyrolean Airways, A.G.** In the face of intense competition from **Deutsche Lufthansa, A.G.**, the Hamburg service is discontinued. However, the company's route to Florence—its first international route—is inaugurated and plans are made to start a new twice-daily service from Cologne and Bonn to London (LCY).

These moves help to increase passenger boardings by 10.4% to 117,867. Revenues advance 16.7% to DM 35 million (\$24 million).

During the second quarter of 1995, daily, all-business class DHC-8-314s roundtrips commence from Cologne to Birmingham, England. On November 6, the company is renamed **Augsburg Airways, GmbH.**

INTERPROVINCIAL AIRLINES, LTD. See PROVINCIAL AIRLINES, LTD.

INTERSTATAL DE AVIACION, S.A. de C.V.: Mexico (1980–1986). Interstatal is formed at Mexico City in March 1980. Equipped with a pair of Convair CV-440s, it inaugurates a route linking the capital with San Luis Potosi, Zacatecas, and Ciudad Victoria.

In 1982, the company is relocated out of the highly competitive Mexico City market to Vera Cruz, where the Convairs are put to work flying passengers between cities in the Bay of Campeche area. Destinations visited include Villahermosa, Minatitlan, and Ciudad del Carmen.

Unable to maintain viability during the difficult economic years of the middle 1980s, the carrier is forced to close down in 1986.

INTERSTATE AIR LINES: United States (1928–1930). Organized at Chicago in June 1928, Interstate is the successful bidder for Post Office Contract Air Mail Route No. 30 (CAM-30), Chicago to Atlanta, which is awarded on August 9. A fleet of Fairchild FC-2W2s and Stearman C3Ms is assembled and appropriate personnel hired during the summer and early fall.

One of the Fairchilds is employed to inaugurate the mail route on November 10, stopping en route at St. Louis, Evansville, Louisville, Knoxville, and Chattanooga. A spur from Evansville to St. Louis is opened on November 19.

On December 1, an FC-2W2 inaugurates a new five-stop route from Chicago to Atlanta via Terre Haute, Evansville, Nashville, and Chattanooga. The airline is the first to provide scheduled service to Nashville and when the Fairchild arrives to participate in the celebratory ceremonies at McConnell Field, it is christened *Miss Nashville* by Martha Lindsey, former president of the Nashville Junior League.

Taking off from Chattanooga to continue a flight to Chicago on December 23, an FC-2W2 is unable to gain altitude and crashes into a railroad embankment (four dead).

On March 22, 1929, having experienced consistently inclement flying conditions at McConnell Field, Interstate purchases a farm 7 mi. N of

Murfreesboro, Tennessee, upon which to build a new Nashville airfield. With fiscal assistance from state and civic groups, additional funding is raised and construction begins on June 5.

In midyear, the control of the company is purchased by a major airline holding company, The Aviation Corporation (AVCO), which allows Interstate to continue operations under its own name. In July, three Stearman LT-1s are acquired. The new Sky Harbor Airport at Nashville is officially opened in public ceremonies on October 14. Company, government, and civic leaders join the public in dedication ceremonies; representing the Army Air Corps is its noted flyer Jimmy Doolittle.

On January 25, 1930, **American Airways** is formed as AVCO's principal operating subsidiary through an exchange of stock with the former subsidiaries. Interstate, for this purpose, receives 1,025 shares.

INTERSTATE AIRLINES (1): United States (1966–1968). The first IA is set up at Springfield, Missouri, in the summer of 1966 to provide scheduled passenger and cargo flights to Wichita, Kansas. Employing a Piper PA-32 Cherokee Six, revenue roundtrips commence in September and are maintained until 1968.

INTERSTATE AIRLINES (2): United States (1978–1988): Initially known as **USAirways**, IA-2 is organized as a scheduled all-cargo airline at Ypsilanti, Michigan, in 1978. Employing a fleet of 11 Convair CV-580s, President David Clark's company undertakes revenue services to Boston, Hartford, Philadelphia, Pittsburgh, Teterborough, Syracuse, Buffalo, Dayton, Columbus, Detroit, Chicago, Memphis, Smyrna, and Memphis.

From its base at Detroit (YIP), the operator maintains services during the remainder of the decade and into the 1980s. The fleet is expanded in 1982–1984 to include 3 Boeing 727-100Cs, 4 Lockheed L-188AFs, and the CV-580s. The company enters the package express business on behalf of other concerns, especially **UPS (United Parcel Service)**, and an additional 11 B-727-100C is leased to operate overnight flights.

The base of operations is transferred to Little Rock, Arkansas, in 1985. The fleet, both owned and chartered, grows to 23 aircraft as 4 DC-8Fs are acquired. The reformed company begins to report its traffic and financial data.

Figures show that a total of 104.8 million FTKs are hauled and revenues of \$19.98 million are earned. Costs are kept low, allowing a \$1.1-million net profit.

Operations continue apace in 1986 and appear headed to significant improvement in 1987. On October 1, however, **UPS (United Parcel Service)** informs its contractors that it is taking over its own airlift and will no longer need the small transporters. The move costs Interstate 80% of its business and forces it to declare Chapter XI bankruptcy in November.

Simultaneously, the freighter files suit against **UPS (United Parcel Service)** on the basis that IA-2 had run up expenses obtaining a fleet that UPS requested; the suit is unsuccessful.

A total of 395.6 million FTKs of cargo are flown on the year and revenues increase to \$48.5 million. Expenses are \$43.28 million and leave an operating profit of \$5.18 million. Net gain reaches \$4.71 million.

Bankrupt IA-2 operates for eight months in 1988. During this time, it takes into service the former **Japan Air Lines Company, Ltd. (2)** DC-8-62 *Taisetsu*, which it has had converted into a freighter. After only a few rotations, the aircraft is sold to **Cargosur, S.A.**

A total of 221.1 million FTKs are flown, down 44.1% from the same period a year earlier. Unable to recover, the carrier is liquidated in September.

INTERSTATE AIRLINES (3): United States (1981–1982). IA-3 is set up at Burbank, California, late in 1981 to provide scheduled commuter flights to Las Vegas. Equipped with a single Handley Page HP 37 Jetstream, the company initiates services on December 11, but is forced to shut down early in 1982.

INTRA AIRWAYS, LTD.: United Kingdom (1969–1979). The charter carrier IAL is formed at Jersey Airport on January 1, 1969 to offer scheduled flights between the Channel Islands. However, with **Aurigny Air Services, Ltd.** already filling that niche, Managing Director L. C. Thomas and other company officials, who have purchased a Douglas DC-3 in February, elect to change emphasis to international charter. Revenue operations begin on March 14 and ad hoc charters are flown between the Channel Islands and into northern France throughout the summer.

Inclusive-tours on behalf of a Belgian booking agency are started from Ostend to the Channel Islands in May 1970. Meanwhile, ad hoc flights into France continue. At the end of the year, the company applies to the Air Transport Licensing Board (ATLB) to take over an abandoned **British Midland Airways, Ltd.** route; permission is granted.

Another DC-3 is purchased in March and weekly scheduled service is started between the Channel Islands and London (Staverton) on April 3, 1971. Frequency on the route is increased on May 15.

As replacement for another suspended British Midland route, Intra joins with **Air Anglia, Ltd.** to operate a scheduled route from Jersey to Cambridge, beginning on May 10, 1972. In August, another DC-3 is added. The Jersey-based air taxi operator **International Air Charter, Ltd.** is purchased in November, together with I.A.C.'s lightplanes. A scheduled all-cargo DC-3 service is initiated with **British Air Ferries, Ltd.** thrice weekly Jersey to Bournemouth in December.

Two more DC-3s are purchased in February and May, 1973, respectively, and in addition to the usual charter operations, they are employed to open scheduled services in the spring from Jersey to Ostend, Dinard, Deauville, and Morlaix. Meanwhile, a Britten-Norman BN-2 Islander is also purchased in May and used to fly, without **Air Anglia, Ltd.**, the Cambridge service. When BAF retires from the all-cargo route to Bournemouth, Intra increases its own frequency.

The company's Islander inaugurates scheduled flights from Deauville to London (LGW) on April 1, 1974. In early May, a second BN-2 is acquired and it is employed to begin twice-weekly scheduled service from Jersey–St. Brieuc. During the summer, company pilots fly Hawker Siddeley HS 748s, leased from **Dan-Air/Dan-Air Services, Ltd.**, from Jersey to Ostend and employ Handley Page Herald, chartered from **British Island Airways, Ltd.**, to carry passengers from Jersey to Caen and Deauville. The Islander obtained in May is sold in November.

Early in 1975, Welsh Bernell Finance purchases 55% controlling interest in Intra and provides it with needed new capital. At this time, the Deauville–London (LGW) service is suspended and two more DC-3s are purchased from **Humber Airways, Ltd.**; these are delivered in June and August.

The scheduled services to France from Jersey are not flown during the summer as the company shifts its emphasis to participation in the support of the North Sea oil industry. The DC-3s fly ad hoc charters around Scotland on behalf of several oil companies and small aviation firms holding support contracts. The second Islander is sold in November.

In March 1976, the company enters into a yearlong lease with **Alidair, Ltd.** for the use of a Vickers Viscount 724. This turboprop is employed, beginning on April 1, on the scheduled Jersey–Cambridge and Ostend services. During the remainder of the year and for the next three, scheduled operations, together with ad hoc and inclusive-tour charters for both tourists and oil companies, continue.

Unable, however, to maintain its financial viability, the third-level carrier enters bankruptcy in early 1979. It will be succeeded in November by **Jersey European Airways, Ltd.**

INVERSIJA, A.S.: Riga Airport, Riga, LV-1053, Latvia; Phone 371 (7) 207 095; Fax 371 (7) 207 029; Code INV; Year Founded 1991. Organized in 1991, this new Latvian carrier is headquartered at Riga with its fleet based at Malta. President Yefim G. Brook recruits a workforce of 300 and assembles a fleet comprising 1 Antonov An-12, 2 Fokker F.27s, 1 Ilyushin Il-76T, and 1 Boeing 757-200. Passenger and cargo charter and contract service flights are undertaken to destinations throughout Europe and the Far East.

The workforce is reduced by a third in **1992–1993**. Operations continue apace in **1994**, during which year the fleet is expanded by the addition of three more Ilyushin Il-76Ts.

Flights continue in **1995–1999**, during which years President Brook's title is changed to director general and the company mission becomes all-cargo. The Fokkers and Boeing are withdrawn and replaced with two more Il-76Ts. Destinations visited include Amsterdam, Berlin, Düsseldorf, Hamburg, Milan, Rome, and Skopje.

Airline employment stands at 100 at the beginning of **2000**.

INVESTMENT CAPITAL CORPORATION. *See* **IC JET**

INVICTA AIR CARGO, LTD. *See* **INVICTA INTERNATIONAL AIRLINES, LTD.**

INVICTA INTERNATIONAL AIRLINES, LTD.: United Kingdom (1964–1980). *Invicta Airways, Ltd.* is formed by Hugh Kennard at Manston Airport in November **1964**. In February and March **1965**, two Vickers 610 Viking 1Bs and two Douglas DC-4s are purchased for inclusive-tour work, the first of these flights being made on March 20 from Manston to Basel.

A Viking 1B with three crew fails its takeoff from Manston on August 2 and crashes; there are no fatalities.

Destinations throughout southern Europe plus the Canary Islands are flown during this first tourist season and 120,143 passengers are transported.

In April **1966**, two more Vikings and three more DC-4s are delivered. The summer season begins on April 5 with charters from Manston and Glasgow (Renfrew) to the Dutch bulb fields. The company's first scheduled route, Manston–Ostend, begins in May on a daily basis. Ad hoc and inclusive-tour charters range as far as Tokyo during the year. Similar flights are undertaken in **1967**, during which time the company sells two Vikings and a Douglas.

In February and March **1968**, two Vickers Viscount 755s are purchased. One is relocated to West Berlin to fly inclusive-tours for German tour agencies. Following completion of the annual Dutch bulb flights, the last two Vikings are sold in May and July. New inclusive-tour destinations in Scandinavia are visited during the summer.

With *Invicta* now controlled by the Minster Assets Group, which also controlled **British Midland Airways, Ltd.**, plans were put in motion in January **1969** to merge the two carriers. As part of the arrangement, it is decided that BMA will fly only Viscounts; *Invicta*'s two Viscounts are turned over on January 13. The merger is an unhappy one and in June, Kennard purchases back the three DC-4s surrendered upon merger and establishes a new carrier—**Invicta Air Cargo, Ltd.**

Ad hoc all-cargo charters are now started from Manston Airport. Company Skymasters visit all major British airports during the next three years and stage flights into Europe and the Middle East from many of them.

In October **1970**, a Vickers Vanguard freighter is purchased from Air Holdings, entering service in November and allowing sale of a DC-4 in February **1971**. Two more Vanguards are purchased, in March and May, respectively. After being restored to passenger standard, they are placed in inclusive-tour service. At this point, the company name changes once again, to IIAL. Among the significant charters now undertaken are pilgrim flights from London (CTN) to Rome and Tarbes. Trooping flights are now also flown for the Ministry of Defence.

Another Vanguard is acquired in March **1972**, allowing the number of passenger services to be increased. Ad hoc and inclusive-tour flights continue as in 1971, with the addition of a significant new series of inclusive tours to Austria a highlight. Low-fare Bristol–Basel and Munich frequencies are flown during the winter.

These cost-cutting services come to an end on January 16, **1973** when the entire Vanguard fleet is repossessed by Air Holdings due to delinquent payments. All IIAL services are now suspended. In February, the European Ferries Group purchases 76% majority control of the airline

and repurchases on a delayed payment plan the Vanguards surrendered to Air Holdings the month before. *Invicta International* resumes operations in early March; however, tragedy strikes on April 4.

En route from Bristol with 6 crew and 139 passengers, mostly members of a women's group from Axbridge, a chartered Vanguard 952 crashes into the Juru Mountains, near Hochwald during a heavy snowstorm while on its Basel landing approach (108 dead); this is the worst accident befalling the Vanguard type.

Air Holdings immediately provides a replacement aircraft. Inclusive-tour personnel and ad hoc cargo charters continue to various B-720-023B (B-720B) European destinations during the remainder of the year. A Boeing 720B is purchased in December.

Charters continue through **1974**, with the Tarbes pilgrimages again proving quite rewarding. During the year, another Vanguard is purchased along with a Boeing B-720-023B that does not enter service, but is instead leased to **Somali Airlines**. The B-720B of 1973 flies only a few services for *Invicta*, spending most of the year and next under lease to **Britannia Airways, Ltd.** and **Dan-Air/Dan-Air Services, Ltd.**

The **1975** company schedule is filled with services similar to those of previous years, such as Tarbes pilgrimages, Algerian cargo flights, and replacement passenger services for **Monarch Airlines, Ltd.** On October 26, in the last flight by its type over the U.K., a Vanguard flies 100 enthusiasts on an hour-long final flight over London (CTN). The five remaining Vanguards are now sold. In December, *Invicta* is sold to Universal Air Transport Sales, Ltd., of which original *Invicta* founder Hugh Kennard is chairman.

Two Bristol Britannia 312s are leased from **IAS Cargo Airlines, Ltd.** in January **1976**, allowing *Invicta* to resume operations on January 3. All-cargo flights are maintained between Manston and European and Middle Eastern destinations. In November **1978**, Chairman/Managing Director Kennard oversees 85 employees. Unable to generate sufficient traffic to overcome expenses generated in a time of recession and much higher fuel costs, the carrier ceases operations two years later.

ION TIRIAC AIR, S.A.: Otopeni-Bucharest Airport, Bucharest, 71850, Romania; Phone 401 230-60-81; Fax 401 230-60-41; Year Founded 1997. Ion Tiriac is established at Bucharest in **1997** to offer executive and small group passenger charters throughout Europe, North Africa, and the Mideast. Operations Director Radu Ruse begins revenue services with a single Cessna 525 Citation. A Bell 206L LongRanger helicopter is also employed on domestic charters.

IONA NATIONAL AIRWAYS, LTD.: Ireland (1989–1994). Privately owned by the Cahill family, Iona is established at Airport Cloghran, County Dublin, in **1985** to offer scheduled freight services and passenger air charters throughout the Irish republic and the United Kingdom. Chairman Peter Cahill and Managing Director Hugh Cahill's initial fleet comprises 2 Cessna 404 Titans, 3 Cessna 310s, 1 Cessna 208 Caravan I, 1 Handley Page Dart Herald, 1 Fokker Fairchild F-27F, and 2 Embraer EMB-110s.

A Cessna 414A joins the fleet in early **1986**; in April, it flies VIPs to Liverpool for a horse race.

The company now begins to concentrate on its major business, which is contract service on behalf of **UPS (United Parcel Service)**, **Federal Express**, and **DHL Airlines**. Neither traffic nor financial figures are released.

In **1990**, the workforce numbers 40 and the fleet is increased by the addition of two Fairchild Hiller FH-227s and a Fokker Fairchild F-27J Friendship. In **1991–1993**, services are provided throughout Ireland, the U.K., and northern Europe. The fleet is altered to include 2 Embraer EMB-110 Bandeirantes, 2 Cessna 404 Titans, 3 Cessna 414 Conquests, 1 Cessna 303, 2 Cessna 310s, 2 Cessna 172s, 1 Cessna 182, and 10 Cessna 152s.

Unable to achieve profits with them, the Bandeirantes are withdrawn in **1994**. The move foreshadows increased economic difficulty, which forces Iona to shut down in December.

IOSHKAR-OLA UNITED AIR DETACHMENT: Ioshkar-Ola Airport, Man El, 424010, Russia; Phone 7 (83622) 54481; Fax 7 (83622) 98847; Year Founded 1995. Named for its airfield, this concern is established to undertake regional charters and aerial work. Flights begin and continue with a single Tupolev Tu-134 and several Mil Mi-8 helicopters.

IOWA AIR LINES: United States (1979). This small regional is set up at Spencer during the first month of 1979 to provide scheduled passenger and cargo services. Cessna 402 flights commence on February 1, linking the company's base with Iowa City via Pocahontas and Des Moines, but cannot be maintained until year's end.

IOWA AIRPLANE COMPANY. See MID-WEST AIR LINES

IOWA AIRWAYS: United States (1985–1994). Founded by Jack Schap as an associate of **Tennessee Airways** at Knoxville Airport in the summer of 1985, IA is equipped with 2 each Embraer EMB-110s and Piper PA-31-350 Navajo Chieftains. Daily roundtrip revenue flights commence on October 15 from a base at Dubuque to Cedar Rapids, Des Moines, Omaha, and Moline. A total of 4,000 passengers are flown by December 31.

In early 1986, the commuter enters into a code-sharing agreement with the Chicago-based national carrier **Midway Airlines**. Two more Bandeirantes arrive to replace the Chieftains.

Enplanements for the first full year jump to 22,925.

A Piper T-1020 is placed into service during 1987. On June 15, the company joins with **Fischer Brothers Aviation** to form the Midway Connection and services are inaugurated to Waterloo, Iowa, Elkhart, Indiana, and Benton Harbor, Michigan.

Passenger boardings jump 27.1% to 29,141.

The fleet in 1988 includes 4 Bandeirantes and 1 Piper T-1020. These insure that customer bookings rise by 18.8% to 34,000.

Another good year is enjoyed in 1989 as enplanements for the 60-employee small regional increase 43.5% to 49,657.

The fleet is increased by two leased EMB-110s in 1990, including one obtained from **Tennessee Airways**. The code-sharing agreement with the Midway Connection ends on February 8. With the demise of its affiliated carrier, the fleet is cut in half during 1991, to 3 Brazilian turboprops.

Operations continue apace in 1992–1993 with 3 leased Bandeirantes, although only one is flown in early 1994 before the company shuts down.

IPEC AVIATION (PTY.), LTD. (INTERSTATE PARCEL EXPRESS COMPANY): Australia (1976–1993). A subsidiary of IPEC (Australia), Pty., Ltd., **IPEC Airbridge (Pty.), Ltd.** is formed at Melbourne and receives a license to operate in 1964. Due to import restrictions, the subsidiary is unable to acquire suitable freighters to operate a desired four-times-per-day, Bass Strait all-cargo service linking Essendon Airport with Launceston in Tasmania. When the possibility for acquisition of a large aircraft presents itself, the carrier is reformed as IPEC A. (retaining the Airbridge subtitle), a subdivision of Interstate Parcel Express Company and IPEC Holdings (Pty.), Ltd. in December 1976.

In 1977, IPEC purchases the Hawker Siddeley HS 650 Argosy 101 and Argosy 222 formerly operated by **BBA Cargo (Pty.), Ltd.** Simultaneously, the Tasmanian charter airline **Fleet Air Services (Pty.), Ltd.**, together with its single Douglas DC-3, is purchased and merged.

Following almost a year of overhaul, the Argosies enter revenue service in January 1978, at which time the carrier employs 44 workers. Scheduled Melbourne–Tasmania freight flights commence on February 1.

FTKs operated total 8,986,000.

Even though a second Argosy 222 is acquired in 1979, the workforce is cut by 17.8% to 37. Both the Argosy 101 and DC-3 are withdrawn;

improved systems and avionics in the larger Argosies allow an increase of cargo traffic by 10.9% to 9,984,000 FTKs.

The number of employees is cut a further 4.9% in 1980 to 39. IPEC A becomes a division of IPEC Transport, Ltd. and Philip Petersen, the aviation manager, becomes a divisional general manager. Singapore-based **Kris Air (Pty.), Ltd.** obtains the Argosy 101 while the Fleet Air subsidiary and its DC-3 are also sold.

A total of 7.84 million FTKs are operated, up 4.8%, and revenues climb 19.8% to \$A4.1 million.

The workforce remains the same in 1981 and cargo advances only a minor 0.4% to 7.87 million FTKs, with most growth occurring in the fourth quarter. In 1982, the company expands its route network, adding such destinations as Adelaide, Brisbane, Hobart, Sydney, Perth, Rockhampton, Mackay, Townsville, and Cairns.

Tonnage carried rises from 15,315 in 1982 to 26,806 in 1983. General Manager Dick Creak's fleet now includes 3 Argosys and the employee population grows to 65.

Operations continue apace in 1984–1988 and a DC-9-33CF is added in 1989, the year Ron Taylor becomes general manager.

A second DC-9, a Dash-33RC, joins the fleet in 1990 and IPEC now has 2 jetliners, 2 Argosy 222s, and 1 Argosy 101.

Still, freight traffic declines 25.6% from the previous year, down to 8.95 million FTKs. Income exceeds costs and there are profits: \$A500,000 (operating) and \$A300,000 (net).

Company employment is cut 5.6% in 1991 to 84 and the fleet now includes 1 each, leased, DC-9-33CF and DC-9-33RC. The Argosies are now retired.

Cargo falls yet another 13.3% to 7.76 million ton-kilometers. Revenue swells 18.9% to \$A22 million, but costs climb 32.8% bringing an operating loss of \$A1.9 million. The net loss is \$A1.4 million.

The payroll rises 11.9% in 1992 to 94, but freight declines 19.2% to 6.7 million FTKs. The workforce at the beginning of 1993 totals 82. R. R. Tayles becomes general manager and the two DC-9-33Fs continue to visit Launceston, Hobart, Brisbane, Sydney, and Melbourne until the company shuts down in April.

IPX. See INTERNATIONAL PARCEL EXPRESS (IPX)

IRAN AIR (IRANIAN NATIONAL AIRLINES CORPORATION): Iran (1961–1979). **United Iranian Airways** is formed on November 2, 1961 through the merger of **Iranian Airways (Iranair)** and **Persian Air Services**. Dr. Ighani is managing director. The Vickers Viscount and Douglas DC-3 Middle Eastern services of the former and the long-haul Avro York, DC-6, and Boeing 707-138 operations of the latter are continued by the amalgamated carrier, once the union is completed on February 24, 1962. (Persian Air's first 707-138 had begun service during August 1961.)

Meanwhile, a DC-3 is lost at Kabul, Afghanistan, on January 2; no other details are available. Another DC-3 is lost at Ahvaz, Iran, on February 20.

Under the direction of Iran Air Force Chief of Staff, Lt. Gen. Ali Mohammad Khademi, the airline is nationalized by imperial decree and is renamed **Iranian National Airlines Corporation (Havapeimai Melli Iran, Homa)** on March 29, 1962. Gen. Khademi had, as a young air force officer, also flown as a captain for **Iranian Airways (Iranair)**. The fleet comprises 5 Douglas DC-3s, 7 DC-6s, and 2 Viscounts.

New bilateral air agreements are negotiated between Iran and various governments through 1963 as the company expands its operations.

The workforce totals 773 in 1964. A DC-3 is lost at Isfahan on May 4 under unknown circumstances.

On August 11, joint Tehran–Moscow service is started in cooperation with **Aeroflot Soviet Airlines**. Two B-727-86s are ordered as the company signs management and technical assistance agreements with **Pan American World Airways (1)**.

Enplanements are 257,000 and revenues total \$16.48 million.

Airline employment nearly doubles in 1965, up to 1,300.

A Vickers Viscount 782D is destroyed as the result of a bad landing at Isfahan on February 15; there are no fatalities.

While awaiting its Boeings, Iran Air leases a 727-100 for the year. Routes are extended during the summer to Beirut, Geneva, Rome, Frankfurt, and Hamburg. Flights also begin to Kabul, and the company becomes the first airline to fly jet aircraft to Afghanistan.

Enplanements for the year climb to 282,841.

The first of two B-727-86s ordered in 1964 is delivered beginning on October 13, **1966**; christened *Abadan*, it enters regional service. They join an owned propeller fleet still comprising 5 DC-3s, 7 DC-6s, and 2 Viscounts.

In **1967**, orders are placed for two B-707-386Cs.

A DC-3 with 4 crew and 24 passengers makes a wheels-up forced landing at Bandar Abbas on March 17; there are no fatalities.

The employee population is 2,688 in **1968**. Two additional B-727-86s are placed in service. International schedules are increased from five to nine per week, including two to London via Moscow. A Tehran-based catering facility, capable of generating 3,000 meals per day is opened.

Passenger bookings hit 535,518, with a 54% increase on the European routes. Revenues are \$22.75 million.

The fleet is enhanced by the delivery of two B-707-386Cs in **1969**. Enplanements climb 35% to 772,948. B-707-386 service is launched to Brussels, Geneva, London, and Paris in **1970**. A B-727-86 with 91 aboard is seized on June 21 by 3 Iranians while on a Tehran-Abadan flight and diverted to Baghdad, where the three seek asylum; the plane and its passengers are allowed to return to Tehran next day.

On October 10, another B-727-86 with 49 passengers en route from Tehran to Abadan, is skyjacked to Baghdad by 3 pirates, who are taken in hand by police after the tri-jet lands. Nine men, including 6 criminals, divert a DC-3 with 22 passengers to Baghdad from a domestic flight between Dubai and Bandar Abbas on November 9; the plane, like those before it, is allowed to return to the Iranian capital.

Bookings this year climb past 728,000.

A third B-707-386C is delivered in **1971** and used to inaugurate service to India. Enplanements grow another 10,000. The workforce in **1972** is 3,885. Two DC-6s are sold as three B-727-86s arrive.

Passenger traffic climbs 18% to 900,000.

One more B-707-386C and a B-727-86 enter operations in **1973**. New services are launched to Peking and Shanghai from Tehran. The fleet now includes 3 B-727-86s, 3 B-707-386Cs, 4 B-737-286s, and 2 DC-6s. On October 10, orders are placed for two B-747SP-86s, with two options.

A total of 1,068,000 passengers are carried as the company passes the one million-mark for the first time.

A third B-747SP-86 is ordered on June 18, **1974**. The world takes heed when orders are placed in October for two Anglo-French Concorde for 1977 delivery; the order will not be filled. Routes are, meanwhile, opened to Zurich, Vienna, Peking, and Tokyo.

Passenger boardings rise 23.7% to 1.4 million and the workforce reaches an even 5,000. A net \$13-million profit is reported.

Formerly flown by **Pan American World Airways (1)**, one each B-707-321B and B-707-321C, plus two new B-727-286As, join the fleet in **1975**. In May, five-times-per-week North Atlantic Stratoliner service is inaugurated from Tehran to New York via London. A total of 16,960 passengers are carried over the route during the next 8 months. Meanwhile, six, later nine, B-747-131s are purchased from cash-poor **Trans World Airlines (TWA)**; most will be delivered to the Iranian Air Force for conversion into freighters. One Jumbojet is resold to TWA in December.

Freight traffic for the year climbs 25% while passenger enplanements rise 43% to 1.95 million. The employee population is increased to 5,198.

In **1976**, Sen. Jacob K. Javits (D-NY) voices opposition to the U.S. SST program. It is revealed on January 15 that his wife, Marian B. Javits, employed by the public relations firm of Ruder & Finn, received a \$67,500 fee as a consultant to Iran Air, which has just ordered an Anglo-French Concorde. Following media exposure and public criticism, Mrs. Javits resigns her account on January 28.

Also during the month, a DC-9-33RC is leased from **Martinair Holland, N.V.** in order to operate a one-month tour for the wife of the Shah.

The first B-747SP-86, christened *Kurdistan*, is delivered on March 12, but must remain at Boeing Field until the end of the month while its crews complete their training. The second SP, the *Khorasan*, is turned over on May 10.

The two B-747SP-86s enter service in June on a 6,296-mi. nonstop route from Tehran to New York. After a good initial load factor, the two aircraft reportedly fly half empty (except for full loads of caviar) while new B-707-386C routes are extended to New York via Cairo and Paris. Two more B-727-286As also arrive before the end of December.

Passenger traffic climbs 28.2% to 2,499,000 while cargo skyrockets 82.9% to 66.9 million FTKs.

Airline employment in **1977** soars to 7,069 and service is maintained to 18 domestic points and 22 foreign markets.

The third B-747SP-86, *Fars*, is delivered on May 27, and is followed into service by a fifth B-727-286A and the B-747-286BC, *Khuzestan*.

Enplanements, nevertheless, dip to 2,367,000.

On March 7, **1978**, a leased Airbus Industrie A300B2-203 enters service and is operated to regional destinations. In April of what will prove to be the airline's final year, the fleet comprises 2 Boeing 747-286Bs, 3 747SP-86s, 2 A300B2-203s, 5 B-727-286As, 4 B-727-86s, 2 B-737-286s, and 2 B-737-286Cs. Orders remain outstanding for three A300B2-203s and a fourth B-747SP-86 is requested on June 1.

A B-727-286A makes a crash landing with a jammed landing gear at Tehran on July 27, but no injuries are reported.

The carrier experiences a traumatic downfall as the result of the national revolution. Employees agree to resume work on November 11 after a strike that has paralyzed domestic air services for a full two months.

Through October, passenger boardings are up 24% to 3,114,000, while freight is off 0.8%; after October, the airline is in disarray.

In November, the 18-year veteran chairman/managing director, Gen. Khademi, resigns. Retired Air Force Maj. Gen. Assadollah Amir-fazli comes out of retirement in London a week later to accept the post.

Service is suspended on December 29 because of civil strife.

IRAN AIR (THE AIRLINE OF THE ISLAMIC REPUBLIC OF IRAN): Iran Air Building, Mehrabad Airport, Tehran, 13185-775, Iran; Phone 32 (20) 683-7744; Fax 98 (20) 685-3522; <http://www.iranair.nl>; <http://www.nether.net/~behzadx/homa.html>; Code IR; Year Founded 1979. As a result of the Islamic revolution, Iran Air is reformed and renamed. Masoud Refghi becomes chairman/CEO in February 1979, succeeding Chairman Maj. Gen. Assadollah Amir-fazli. He is almost immediately replaced by Ghasem Shakibnia, the deputy minister of Post, Telephone, and Telegraph in the Shah's government. Four months later, Shakibnia is out and is succeeded by Deputy Managing Director Cyrus Chaichian.

The carrier, meanwhile, has entered a period of retrenchment; service is cut on many international routes, including the once-prestigious New York run. Four months into his new post, Chairman Chaichian is also replaced.

Wearing an all-white fuselage and no titles save its registration number, the fourth B-747SP-86 is ferried from Everett, Washington, to Frankfurt on July 12. There the Jumbojet is unceremoniously turned over to representatives of the Iranian airline.

The airline is not allowed into New York after November 4 and the multiple frequencies to the major cities of Western Europe are cut to but once per week each. Meanwhile, service is started to Beijing and Tokyo and offices are opened in Bangkok, Manila, and Singapore in preparation for the establishment of future air links. The carry-over company debt is \$15 million.

At such airports as London and Rome, austere counters staffed by women shrouded in black and employing Islamic timetables replace attractive booking facilities. Still, a previously ordered, new B-747SP-86 is delivered in July and is followed by a B-747-186B. Orders for three

more B-747-186Bs are cancelled by Managing Director Houshang Tajadod, who also cancels the 1974 Concorde order.

When **British Airways, Ltd. (2)** stops flying to Iran on December 2, Iran Air is the only carrier still flying a London to Tehran service. Enplanements total 2,827,544.

While on initial approach to Tehran in fog and snow on January 21, **1980**, after a flight from Babo Sar, the B-727-86 *Shiraz* with 8 crew and 120 passengers, crashes into the Elburz Mountains, near Lashgarak; there are no survivors.

Late in the year, when war erupts with Iraq, scheduled flights to various Western Iranian cities are suspended. In August, September, and November, two ex-Iranian Air Force B-747-131SFs are transferred over to the airline; their military markings and roundels are removed and they receive the civil designation of Dash-2J9F. They will be joined by four more Dash-2J9Fs.

John Booth, a British businessman who has been forbidden to leave the country because of his arrest on charges of espionage, stows away to London aboard a B-747-286B on April 25, **1981**.

Enplanements for the year are 1,539,700.

The last of six Airbus Industrie A300B2-203s, which began delivery in 1979, is received in **1982**. Less than 30 weekly A300/B-747 flights are scheduled from Tehran to destinations in the Middle East and European, while 18 points within the nation are served by B-727 and 737 equipment.

After traffic drops in each year since the revolution, bookings increase to 2,009,000.

The fleet in **1983** comprises 7 B-747s, 7 B-747Fs, 6 A300B2-203s, 4 B-707-386s, 7 B-727-286As, and 4 B-737-286s. The workforce totals 9,515, a 0.2% decline.

While giving a B-727-86 a high-speed taxi check at Mehrabad Airport at Tehran on January 7, two mechanics run the Boeing off the side of the runway, badly damaging its undercarriage and the bottom of its fuselage. The aircraft will eventually be written off.

En route from Tehran to Shiraz with 388 passengers on a July 6 domestic flight, a B-747-286B is seized by six Iranians armed with sub-machine guns and explosives. They divert the Jumbojet to Kuwait, where 186 women, children, and elderly men are released. Although the pirates want to go to Iraq, they agree, instead, to fly to France. The aircraft departs Kuwait with 185 hostages and arrives at Paris (ORY) on July 7; the remaining captives are freed and the pirates surrender to French authorities on orders from their exiled guerrilla leader, Massoud Rajavi.

On July 9, Tehran closes two French government offices in the Iranian capital because the Paris government refuses to return the hijackers who will be tried, given suspended sentences, and granted political asylum.

Cargo climbs 37% to 123.6 million FTKs and passenger boardings jump 42.1% to 3,663,000.

Six B-747Fs are sold in **1984**. A B-727-286A departs Paris for Tehran on June 22 with four Iranians who were unwilling passengers aboard a commandeered Iranian navy transport plane that had landed in Nice three days earlier.

Former Iranian military officer Mohammed Reza Aheri and his companion, Gholamreza Vahidjou, hijack an A300B2-203 four days later and force its pilot to fly to Qatar, where 142 passengers and 3 crew members are released. The Airbus travels to Cairo East military field, where the plane is refueled after Egypt refuses to grant the pirates sanctuary. When Iraq offers the skyjackers protection, they surrender to Egyptian officials, who allow them to take passage for Baghdad on June 27.

The Airbus returns to Iran. One of the pirates will later be returned to Iran, which will provide him with a quick trial and execution.

On August 7, armed only with a knife, teenaged Iranians Hosein Eftekhari and Moshsem Rahgohzar commandeer the same A300B2-203 en route from Shiraz to Jeddah with 280 people aboard and order it flown to Cairo via Bahrain. After refueling, the Airbus flies to Rome, where the pirates, identifying themselves as opponents of the Khomeini

regime, release their hostages and surrender to police. The plane is released to fly back to Tehran on August 9. Both hijackers will be placed on trial; one will receive a seven-year prison term, while the other will be released.

A young Iranian couple, reportedly unarmed, hijacks an A300B2-203 with 204 captives and en route from Shiraz to Tehran, on August 28 and force it to land in Iraq. All but the hijackers, plus three other Iranians and a Czech citizen, elect to return home when given the opportunity to do so on September 4; the Airbus is turned over to **Iraqi Airways**.

Five pirates (an Iranian policeman and a family of four, including two young boys), seize a B-727-286A with 123 passengers en route from Bandar Abbas to Tehran on September 8 and force it to land, first in Bahrain and then Cairo. After 52 hostages dash to freedom in Egypt, the plane is flown to an undisclosed military airfield in southern Iraq, where the hostages are released. The next day, the skyjackers surrender in return for political asylum. The Boeing, like the Airbus earlier, is passed to **Iraqi Airways**.

On September 12, another attempted hijacking of an Iranian Airbus to Iraq during a domestic service from Tehran to Shiraz is foiled by security guards aboard the plane. Following a shoot-out between the police and four hijackers, the plane lands at Isfahan and the pirates are arrested. Although the pirates' fate is unrecorded, it is likely to have been terminal.

Security men also foil a lone gunman's attempt to take over another domestic flight, from Meshed to Tehran, on October 5, placing the suspect under arrest. He, too, is probably executed.

Enplanements for the year total 4,591,384, many, as in the previous year, flown in support of the war effort.

The employee population in **1985** is 9,988. Service is now provided to 18 domestic points and 16 Asian, European, and Mideast destinations.

The airline is subjected to three unsuccessful hijacking attempts between August and December. On August 5, two men seek to capture a B-727-286A en route from Tehran to Bandar Abbas, but are frustrated by security guards, who kill one and arrest the other.

On November 2, security guards overpower a lone gunman who tries to capture a B-727-286A as it flies between Tehran and Bandar Abbas. A B-727-86 en route from Sirri Island to Shiraz on December 23 is also subjected to a takeover attempt by a lone gunman who is shot dead by security guards.

Cargo dips 6% to 143.8 million FTKs and bookings fall 14.1% to 4,024,000.

The payroll is cut 1.2% in **1986** to 9,869 and the fleet includes 4 B-747SP-86s, 3 B-747-286Bs, 4 B-727-286As, 2 B-727-86s, 3 B-737-286s, 6 A300B2-203s, 1 B-747F, and 1 B-707-386C.

Having received a minimal warning, passengers aboard a B-737-286 are caught deplaning as Iraqi aircraft sweep in to attack Shiraz Airport on October 15. Three passengers are killed, 30 are wounded, the little Boeing is badly damaged, and several C-130 Hercules freighters are also destroyed.

Passenger boardings ascend 33.4% to 4,023,614 and freight rises 25.1% to 143.8 million FTKs.

Airline employment grows 0.7% in **1987** to 9,942. Customer bookings rise 2.1% to 4,108,109.

The workforce is cut 1.3% in **1988** to 9,615 and the fleet is altered by the addition of one B-727-286A and deletion of two A300B2-203s.

On July 3, the crew of the U.S. Aegis cruiser *Vincennes* mistakes Flight 655, en route from Bandar Abbas to Dubai, for a hostile F-14A. The cruiser shoots down the A300B2-203, carrying 16 crew and 274 passengers, at 12,000 ft. over the Strait of Hormuz in the Persian Gulf. There are no survivors; wreckage and bodies fall into the sea near Henqam Island. Sadly, the airliner's crew had not been monitoring the available international air defense frequencies over which the U.S. task force had been broadcasting radio challenges.

Capt. Will Rogers of the cruiser and his wife will later collaborate with Gene Gregston in revisiting the tragedy in *Storm Center: The U.S.S. Vincennes and Iran Air Flight 655—A Personal Account of*

Tragedy and Terrorism (Annapolis, Md.: Naval Institute Press, 1992). At the same time, the Subcommittee on Investigations of the House Armed Services Committee will also publish an account, *The July 3, 1988 Attack by the Vincennes on an Iranian Aircraft: Hearings*. 102nd Cong., 2nd sess. (Washington, D.C.: GPO, 1992).

The year's overall passenger boardings drop 13.1% to 4,726,291 and cargo declines 24.3% to 157.36 million FTKs.

Company employment is increased by 2.2% in 1989 to 9,827. The company's last two B-747-2J9Fs continue to operate weekly roundtrips from Tehran to London (LHR) via Frankfurt and Amsterdam. A program of fleet modernization is now undertaken as orders are placed for six Fokker 100s.

Customer bookings inch up 2.3% to 4,430, but cargo is down 24% to 92 million FTKs.

The number of employees grows again in 1990 by 15.9% to 11,392, second highest in the Mideast after **Saudia (Saudi Arabian Airlines)**.

Security guards on Flight 133, a B-727-286A en route from Shiraz to Bandar Abbas on January 25, foil a skyjacking attempt, killing all four hijackers.

Also in January, an agreement is signed with **Malaysia Airlines, Ltd. (MAS)** providing for joint services between Tehran and Kuala Lumpur. The first of six Fokker 100s to arrive before year's end is delivered in September and enters service in early October.

In November, an Iran Air team is allowed to retrieve the A300B2-203 hijacked to Baghdad six years earlier; the aircraft is ferried to Hamburg and restored by **Deutsche Lufthansa, A.G.**

Passenger boardings ascend 18% to 5,710,383 while freight moves ahead by 34% to 176.24 million FTKs. Revenues reach \$746.4 million and with costs held down, an \$89,000 operating profit is earned. There is, however, a \$23.1-million net profit.

The payroll is cut again by 14% in 1991 to 9,800. During the Gulf War in January, a portion of the **Iraqi Airways** fleet is flown to Iran and there interned. At the same time, the A300B2-203 rebuilt in Germany returns to service. Four-times-per-week flights to Kuwait City begin in September.

Customer bookings inch up 2.9% to 5,876,577, but cargo drops 21.7% to 138.05 million FTKs.

The fleet in 1992 includes 5 A300B2-203s, 1 B-707-321C, 3 B-707-386Cs, 2 B-727-86s, 5 B-727-286As, 1 B-737-286A, 2 B-737-286CA, 1 B-747-186B, 2 B-747-286B/Cs, 2 B-747-2J9Fs, 4 B-747SP-86s, and 6 Fokker 100s. Orders are outstanding for two A 300B4-605Rs.

In April, new services are inaugurated to Nairobi, Baku, and Yerevan. The carrier now forms a separate charter subsidiary, Iran Air-Tours.

Following lengthy negotiations, the five A310s and one A300B4-605R interned by Iraqi military forces and given over by them to **Iraqi Airways** administration the previous year, are returned in July to **Kuwait Airways Corporation, Ltd.** Pooled flights begin in November with **Gulf Air** over routes from Iran into the Gulf states.

Statistics are provided through November and show passenger boardings off 10.5% to 4,810,382 and freight down 28.2% to 90.5 million FTKs.

In 1993, Chairman/Managing Director S. H. Shafiti oversees an 18.2% increase in the employee population to 11,583. Destinations now visited include Abu Dhabi, Ashghabad, Athens, Bahrain, Baku, Beijing, Bombay, Damascus, Doha, Dubai, Frankfurt, Geneva, Hamburg, Istanbul, Karachi, Kuala Lumpur, Kuwait, Larnaca, London, Muscat, Paris, Rome, Sharjah, Tokyo, and Vienna.

An A300B2-203 and a military plane collide near Tehran on February 8, killing all 132 aboard the commercial plane; the two-man crew of the military plane ejects safely.

A couple, with five children in tow, take over a company Airbus on November 29, diverting it to Basra, Iraq, where they receive the protection of Saddam Hussein.

Customer bookings swell 4.9% to 5,503,765, but cargo plunges 29% to 70.38 million FTKs.

The workforce is cut 15.4% in 1994 to 9,800 and a new color scheme, featuring a Homa bird painted on the fin, is first introduced by a

B-747SP-86 at Hamburg in the fall. Iran Air-Tour B-727s commence service to domestic and Mediterranean destinations.

Customer bookings recover by 3.8% to 5,714,902 and cargo climbs 13.3% to 79.97 million FTKs.

There is no change in the workforce during 1995. Code-sharing begins with **Austrian Airlines, A.G.** flights from Tehran to Vienna; the service employs Austrian aircraft exclusively.

A disgruntled crew member hijacks an A300B2-203 on September 19 and orders it flown to Ovda Air Force Base in Israel where he seeks political asylum. The plane is returned to Iran next day.

Despite this incident, the company has a very good traffic year. Enplanements jump 10.6% to 5,776,131 and freight increases 41.8% to 106 million FTKs.

Airline employment grows 20.9% in 1996 to 11,855. On February 23, a U.S. Department of State spokesman, conceding to error, announces that the U.S. will pay \$60 million in compensation to the families of Iranians aboard the Airbus accidentally shot down in 1988, but that it will pay no money to the Iranian government.

New weekly service (soon doubled) is inaugurated to Stockholm and the Hady traffic to Mecca this year from 15 Iranian airports totals 75,000 pilgrims.

After the 15th touch-and-go landing made during a June 9 training flight from Tehran, a B-727-286 with seven crew crashes into a paddy field (four dead).

Later in the fall, hijacker Gholamreza Vahidjou, on the run since 1984, attempts to return home; he is captured and executed.

Customer bookings soar 15.6% to 7,392,488 and 116.98 million FTKs are operated, a 2.8% boost.

The employee population is decreased by 2.3% in 1997 to 11,579. At the beginning of the year, an arrangement is reached with the Russian government for the wet-lease of 17 Tupolev Tu-154Ms and 8 Yakovlev Yak-42s. All will be turned over to Iran Air-Tour for use on its non-scheduled charter routes.

A new moderate Iranian government takes office in early August. Its leaders appoint a new chairman/managing director for the airline, Ahmad Reza Kazemi.

It is announced on August 24 that Iran and Saudi Arabia will reestablish airline links, severed in 1979. During the summer, frequencies are initiated to Copenhagen and to Dhaka, Bangladesh, via Dubai.

Late in the year, following summer elections, Iranian political leaders put out rapprochement feelers toward the United States, even as Islamic clerics continue to heap scorn on "The Great Satan." Consequently, the DOS continues to ban travel to Iran by American citizens.

In December, the company's 50th anniversary is celebrated; differences between the Iranian and Georgian calendars explain why the birth of Iran Air in 1944 is now commemorated. The company notes that it has transported 100 million people during these years, 83% of whom have flown in the 17 years since the 1979 revolution.

For this year, passenger boardings accelerate 5.7% to 7,815,849 while freight rises 2.1% to 119.39 million FTKs.

On January 5, 1998, a Fokker 100 with 9 crew and 104 passengers en route from Tehran to Orumiyeh, encounters bad weather, forcing it to divert to the central city of Isfahan. Due to certain unspecified "technical problems," the airliner is unable to land at the airport and is forced to perform a night emergency landing in the desert near the city. After an all-night search, rescue teams reach the plane on the morning of January 6 and find all aboard unhurt.

During the spring, new service is introduced to Stockholm, Copenhagen, Goteborg, and Oslo. Plans are made to inaugurate new services to Canada. Managing Director Kazemi informs Reuters, Ltd. on September 3 that government permission has been received for the acquisition of six new airliners. Negotiations for their purchase begin with Airbus Industrie and with Ilyushin in Russia.

Service is maintained throughout the remainder of the year.

Customer bookings fall 7.9% to 7.2 million, while cargo traffic drops 16.1% to 100.13 million FTKs.

Airline employment drops 2.5% in 1999 to 11,285. The company's fleet still only includes 8 planes purchased after the 1979 Islamic revolution: 6 Fokker 100s and 2 Airbus A300B4-605Rs.

On March 9, it is reported that in the nine months prior to December 21, the company's delay-time has been reduced by 43% to just 11 minutes average for each flight. As in the past, delays are blamed on the U.S. embargo, which has prevented Iran from acquiring modern Western aircraft.

A new homepage is opened on the World Wide Web at the beginning of the second quarter. The government signs a bilateral commercial aviation agreement with the Kingdom of Saudi Arabia on May 2. The new pact permits an increase in the number of flights between the two countries and specifically grants **Saudi Arabian Airlines** the right to transport Iranian pilgrims during the Hadj season.

On May 9, Managing Director Kazemi, quoted in the daily *Hamshahri*, indicates that a top state economic body has recently approved a request for purchase of four Airbus jetliners during the months ahead.

After a two-decade suspension, twice-weekly roundtrip service to Beirut from Tehran is resumed on June 27.

After some weeks of media speculation, the carrier, on November 6, confirms an order for four Airbus Industrie A330-300s, delivery of which will begin in 2001.

Fearing a disaster that may be caused if engines fall off an older Iran Air B-747, U.S. Undersecretary of State Strobe Talbott, in mid-November, approves a special license that will allow Boeing to sell selected spare parts to the Tehran-based flag carrier despite the official U.S. embargo. The story is reported in the December 4 issue of *The Washington Post*.

Passenger boardings fall 13% to 6,266,000 while cargo traffic rises 5.6% to 105.77 million FTKs.

Airline employment at the beginning of 2000 stands at 10,840, a 3.9% decrease over the previous 12 months.

While gathering speed for liftoff from Tehran's Mehrabad Airport on February 1, an Iran Air Force Lockheed C-130 Hercules apparently suffers an engine failure and veers off the runway onto the apron. It thereafter smashes into an Iran Air A300B2, which, with airport workers aboard, is taxiing toward a maintenance hangar. Both planes catch fire and a total of six are killed.

On March 16, the navigational system of an A300B2 en route to Tehran from Kerman in SE Iran fails, causing the airliner to become lost. After hours of fruitless searching and unhelpful assistance from the ground, the aircraft eventually lands safely at Karachi, Pakistan.

One of the company's two Boeing 727-86s is leased to **Oman Air** on May 22. It also continues to fly four B-727-286As. Weekly A300B4-605R roundtrips are inaugurated on June 20 from Tehran to Berlin's Tegel Airport.

While on approach to Shiraz Airport on July 27, the crew of a B-727-286A is unable to deploy the trijet's nose gear. A safe emergency landing is made with the gear retracted and no injuries are reported.

A memorandum of agreement is signed on October 9 between the governments of Iran and South Africa. Under its provisions, Iran Air is permitted to begin flights from Tehran to any point in South Africa, while **South African Airways (Pty.), Ltd.** will be able to operate from Johannesburg and Cape Town to Iran's various communities.

While en route from Ahvaz to Bandar Abbas on November 13, Flight 1492, a Yak-42 with 7 crew and 39 passengers and operated on behalf of Iran Airtours, is subjected to a hijack attempt by three men. They are quickly overwhelmed (and injured) by onboard security officers; the aircraft lands as scheduled and no injuries are reported.

IRAN AIR-TOUR. See **IRAN AIR (THE AIRLINE OF THE ISLAMIC REPUBLIC OF IRAN)**

IRAN ASSEMAN AIRLINES: P.O. Box 141748, Mehrabad Airport, Tehran, 13145-1476, Iran; Phone 98 (21) 648-4198; Fax 98 (21) 603-

0413; <http://www.neda.net/tours/asseman.htm>; Code Y7; Year Founded 1980. Following the Iranian revolution, **Air Taxi Company** and **Pars Air** are merged in 1980 to form Iran Asseman. In addition to charter and contract service flights, the new entrant undertakes services connecting the following points in a route system to cities large and small: Ahwaz, Birjand, Fasa, Gonbad, Hamadan, Isfahan, Kerman, Khorramabad, Lar, Mashad, Now Shahr, Ramsar, Shiraz, Tabaz, Tabriz, Tehran, and Zahedan. Late in the year when war breaks out with Iraq, operations into western Iran are severely curtailed, particularly those routes to Ahwaz, Hamadan, Khorramabad, and Tabriz. Traffic and financial statistics are not released.

In 1981-1987, the fleet comprises 2 Fokker F.28-4000s, 2 Fairchild Hiller FH-227Bs, 3 Piper PA-31-350 Navajo Chieftains, 3 Britten-Norman BN-2 Islanders, 2 Dassault Falcons 20s, and 16 Aero Commanders/Turbo Commanders.

One of the more exciting events during this period is the attempted hijacking of an FH-227B during a January 5, 1985, domestic service from Khorramabad to Tehran. All three of the gunmen are captured by security police and their fate, though unrecorded, will probably be terminal.

On February 18 of the same year, Iraqi fighter jets shoot down an F.27-600 with 5 crew and 44 passengers during a scheduled service from Tehran to Ahwaz, some 530 km. SW of the point of origin; there are no survivors. The dead are mourned at a large, outdoor funeral service in Tehran on February 23.

A third FH-227B and another Falcon 20 join Managing Director Ali Abedzadeh's fleet in 1988. Within 4 years, airline employment grows to 1,100.

Operations continue apace in 1989-1990 and the fleet is enhanced by the addition of two F.28-1000s chartered from **TAT European Airlines, S.A.**

An F.27-600 with 4 crew and 46 passengers is destroyed as the result of a bad landing at Ramsar on October 4 of the latter year; there are no fatalities.

Airline employment in 1991 stands at 700 and the fleet includes 24 aircraft. In August, the U.S. government blocks a possible sale of British Aerospace BAe 146 aircraft to the company under its Export Control Act.

Passenger boardings decline 17.5% over the previous year to 184,614.

In 1992, an Ardebil-Abadan route is added to the 21-point route system. A proposal of the previous September is confirmed with Avions de Transport Regional for the purchase of an ATR42-320 and four ATR72-212s.

In 1993, Managing Director Ali Abedzadeh oversees a workforce of 1,100 and a fleet that includes 4 Dornier 228-212s, 3 Dassault Falcon 20Es, 2 each F.28-1000s and F.28-4000s, and 1 each Dassault Falcon 20F and F.28-1000C. The ATR42-320 is delivered in March and is based at a new hub at Shiraz, from which it will offer internal flights and, more importantly, international services to such neighboring Persian Gulf states as Dubai. The four ATR72-212s arrive at Shiraz during the summer and fall.

During August and September 1994, the company completes an arrangement via an unidentified source for the purchase of four B-727-228s. Three are delivered by the first week in October.

Just after takeoff from Natanz on October 12, Flight 746, an F.28-1000 with 7 crew and 59 passengers, suffers the sudden loss of power to both engines, enters an uncontrolled descent, and collides with a peak in Iran's Karkas mountains, 200 mi. S of the capital of Tehran. There are no survivors and wreckage is spread over a 300-m. area.

The fourth used B-727-228 arrives on November 21.

During the spring of 1995, Managing Director Abedzadeh and four other senior company officials are arrested in connection with the October disaster and are put on trial at Esfahan, in central Iran. After a trial that lasts most of the year, the court establishes that poor maintenance led to the crash. The five are convicted of "technical negligence" and four, including Abedzadeh, are sentenced to two-year prison terms; the fifth official receives a six-month sentence.

Operations continue apace in **1996–1997**. On July 9 of the latter year, a B-727-228 inaugurates the first scheduled service between Mashhad, Iran, and Qatari, Doha. The ATR72-212 is lost and in October a \$40-million order is placed for two more ATR72-212s.

Airline employment stands at 1,100 in **1998** and the 2 ATR72-212s are delivered during the summer. Enplanements for the year total 745,000.

After a five-month suspension, flights to Kazakhstan are resumed on August 10.

Enplanements for the year total 365,000.

The fleet at the beginning of **2000** includes 4 B-727-286As.

IRANAIR (IRANIAN AIRWAYS): Iran (1944–1961). A group of Persian businessmen, led by noted local entrepreneur G. H. Ebtehaj, form this enterprise in December **1944**. With Ebtehaj as general manager and equipped with de Havilland DH 89A Dragon Rapides, it begins service, from Tehran to Mashhad, on May 21, **1946**. On October 26, **Transcontinental and Western Air Lines (TWA)** assumes a 10% interest and begins to provide technical and managerial assistance as well as a few Douglas DC-3s. The U.S.-built transports wear a depiction of the Homa bird on their tails and undertake regional services.

Flights to Azerbaijan cease in early **1947** when the U.S.S.R. objects to the carrier's use of an American flight crew. On the other hand, scheduled service to Paris begins in April.

In **1949**, the government reorganizes the carrier; the 10% TWA interest is purchased and the company is merged with independent **Eagle Airlines**. Reza Afshar acquires 70% ownership and becomes managing director.

The company suffers two fatal crashes during the second half of **1950**. A DC-3 with three crew and five passengers crashes at Tehran upon takeoff on September 14; there are no survivors.

On December 1, a DC-3 with seven crew and a passenger makes a forced landing, but collides into a mountain NNW of Chamaran, Iran; there are no survivors.

Operations continue apace in **1951–1952**; however, on December 25 of the latter year, a Curtiss C-46 crashes while landing at Tehran Airport in thick fog (23 dead). The newly amalgamated Iranian Airways, which employs the marketing name Iranair, receives technical assistance and pilot training from the American supplemental operator **Transocean Air Lines (TAL)**.

In **1953**, the carrier signs a contract with TAL for operation and maintenance. While on a training flight from Tehran on June 30, a DC-3 with six crew suffers a propeller failure in flight and makes a hard forced landing; although the aircraft must be written off, there are no fatalities.

Beginning in **1954**, under the TAL arrangement, the company operates another leased Curtiss C-46 Commando for a year.

The fleet is expanded to include DC-3s and in January **1955** a DC-4 is piloted over an Arctic route to Tehran by TAL President Orvis Nelson. During the year, the company begins to fly Muslim pilgrims to Saudi Arabia as part of the Hadj.

A Vickers Viscount joins the fleet in March **1958**. A DC-3 is lost at Kerman on April 25, **1959**; circumstances surrounding the accident are unknown.

Help from Nelson's carrier ends on January 6, **1960** when TAL ceases operations. Assistance is, however, delivered, beginning later in the month, by **Pan American World Airways (1)**, which signs a management and technical assistance contract and supplies the DC-4 it had formerly operated as *Clipper Union*. At this point, Houshang Tajadod becomes managing director and will remain a key management executive until the Islamic Revolution of 1979.

The former *Clipper Union* ceremoniously inaugurates a weekly return European service on Sundays to Frankfurt via Ankara on February 16.

As a result of fuel starvation, the *Clipper Union* with three crew, makes a forced landing into the Caspian Sea on August 4, **1961**; all aboard are rescued, but the DC-4 is a total loss.

Foundering as a result of financial and administrative difficulties, to say nothing of the loss of its largest aircraft, Iranair is merged with **Per-**

sian Air Services on November 2 to form **United Iranian Airlines**, later the present **Iran Air**. Amalgamation is completed in February **1962**.

IRANIAN STATE AIRLINES: Iran (1938–1950). With technical assistance from **Imperial Airways, Ltd.**, the Persian government's Ministry of Posts and Telegraphs forms this carrier in early **1938**. Equipped with de Havilland DH 89A Dragon Rapides, it inaugurates service on March 15 over a single route from Tehran to Baghdad via Kermanshah. The outbreak of World War II in September **1939** prohibits fulfillment of plans to expand westward.

Services are suspended on April 6, **1946**, but resume in July. A route is opened to Bushire in August but is closed in November **1947**. The one-route airway continues until the formation of **Iranair** in **1950**, when it ceases operation.

IRAQI AIRWAYS: Saddam International Airport, Baghdad, Iraq; Phone 964 (1) 887-2400; Fax 964 (1) 887-5808; Code IA; Year Founded 1945. The government-owned Iraqi State Railways, with **British Overseas Airways Corporation (BOAC)** technical assistance, forms the subsidiary IA in December **1945**. A fleet of 5 de Havilland DH 89A Dragon Rapides is assembled.

Domestic Dragon Rapide service is initiated on January 29, **1946** over a Baghdad–Basra route. International service is started on February 25 in pool with **Middle East Airlines, S.A.L. (1)** on a route from Baghdad to Damascus. Douglas DC-3s leased from BOAC join the fleet and on December 17, the joint international route is pushed to Cairo.

Domestic, Middle Eastern, and European routes and frequencies are instituted or improved in the period from **1947** to **1959** with, at first, leased Vickers Vikings, and after April 16, 1956, Viscount 735/773s. Service is extended as far north as London.

Two aircraft are lost during the period.

A Vickers 644 Viking 1B is damaged beyond repair on June 13, 1949, as the result of a hard landing at Baghdad.

A Vickers 644 Viking 1B, with 3 crew and 16 passengers, crashes while on takeoff from Baghdad on October 10, 1955; although the plane must be written off, there are no fatalities.

Independence from the state railway system is gained on April 1, **1960**. On August 8, service is suspended to New Delhi via Karachi as the result of a cholera epidemic in west Pakistan. In cooperation with **Air Jordan, Ltd.**, the carrier resumes Amman to Baghdad service on October 30 after a two-year lapse.

Orders are placed in **1961–1962** for three Hawker Siddeley Trident 1Es to supplement, and eventually replace, the carrier's five Viscounts.

Airline employment in **1964** is 970 and enplanements total 100,000.

In **1965**, offices are opened in Istanbul and Vienna and much of the ground staff undergoes new training, some in other nations.

A Vickers Viscount 773 is destroyed as the result of a bad landing at Cairo on March 19; there are no fatalities.

The first Trident 1E is delivered on October 3 and begins flying the European routes in November. Traffic figures for the year are not released.

Two of the three Viscount 735s are sold in **1966** after the second Trident 1E enters service. In addition to regional destinations, the British aircraft now also visit London, Paris, Vienna, and Moscow. Passenger traffic drops to 74,298 in **1967**, partially as a result of the effects of the Six Day War; it rebounds by 51.5% in **1968**, to 151,939, while freight traffic soars 63%.

Additional North African services are opened in **1969–1970** and plans laid for the eventual acquisition of American jetliners. Orders are also placed for Russian-made Antonov An-12s and An-24s, and a fleet of 10 Lockheed Model 1329 JetStar Is is acquired for domestic operations.

In **1971–1972**, the route network covers some 10,000 unduplicated miles in the Middle East, North Africa, India, and Pakistan. The fleet now includes 3 Trident 1Es, 3 Viscount 735s, and 10 JetStar Is. En route from Baghdad to Khartoum on July 22 of the former year, carrying Iraqi

representatives to the Sudan, a Trident 1E crashes in Saudi Arabia, 10 mi. NW of Jiddah Airport; there are no survivors.

The Antonovs ordered earlier begin to enter service in **1973**. Having run out of fuel, a Vickers Viscount 735 with 6 crew and 27 passengers, belly-lands at Mosul on April 17; there are no fatalities.

On August 11, a **Middle East Airlines, S.A.L. (2)** Caravelle, chartered by Iraqi Airways and en route from Beirut to Baghdad, is forced by fighter planes to land at an Israeli military airfield, where it is hoped that members of the PLO will be captured. An official of the Tel Aviv government concedes, however, that the wrong plane has been intercepted. The gambit is condemned at the UN.

Bookings reach 208,797 and a total of 2.3 million FTKs are flown.

On February 1, **1974**, orders are placed for three Boeing 707s, two 737, and three 727s. While the carrier awaits this equipment, it signs a wet-lease contract with U.K.-based **Donaldson International Airways, Ltd.**; the British operator's B-707-321s begin flying the Iraqi line's European services on May 1. When Donaldson goes bankrupt on August 8, the remaining two months of obligation are assumed by **Monarch Airlines, Ltd.** with a B720-051B. The three B-707-370Cs enter service beginning October 31.

Passenger boardings rise 39.3% to 290,890 and cargo grows 4.3%. The employee population is 1,570.

Two B-737-270Cs join the fleet in **1975** and enplanements rise to 303,880. An order is placed for four B-747Fs.

Three armed hijackers seize a Trident 1E with 85 aboard during a March 1 Mosul-Baghdad flight and order the crew to fly to Tehran, where the pirates demand a \$5-million ransom and freedom for Kurds jailed by Iraq. Security guards aboard the jetliner overcome the pirates in a gunfight on the ground that leaves one passenger dead and 10 wounded.

A bomb causes extensive damage to the carrier's Los Angeles office on April 6, but no injuries are reported. The hijackers captured after the March 1 Tehran gun battle are executed by an Iranian firing squad on April 7.

The workforce is increased 28% to 4,050 in **1976**. The fleet is enhanced by the arrival of two B-747-270Cs, three B-727-270As, and one B-737-270C. Passenger bookings accelerate 46.5% to 568,000 and cargo skyrockets 118.8% to 13.7 million FTKs.

New catering and training centers are occupied at Baghdad in **1977**, along with a huge maintenance hangar. The three British-made Trident 1Es are withdrawn from service.

The carrier receives Ilyushin Il-76MDs for cargo operations in **1978**; the Soviet-made freighters, painted in civil livery, retain military capability, including rear gun turrets. A third B-747-270C also enters service as a new technical agreement is negotiated with **KLM (Royal Dutch Airlines, N.V.)**. Director General Mohammed Tahir Al-Yasin's company now employs 4,000 workers.

With the April 5, **1979** announcement of reciprocal air services between Egypt and Israel, Iraq breaks its air link to Cairo on April 15.

Reliable information evaporates in **1980-1984** following the opening of hostilities between Iran and Iraq. Domestic passenger operations are suspended while regional and international flights are maintained. There are gains and losses.

While on final approach for a September 23, 1980 landing at Baghdad, Iranian fighter planes intercept and shoot down a company Il-76T with four crew; there are no survivors. An An-24TV crashes near Kirkuk on September 24.

It is known that an An-24B crashes while on final approach to Baghdad on April 22, 1982; there is no information concerning any possible casualties.

In July, a B-747-270C is delivered to Baghdad, followed by a B-747SP-70 on August 30. The latter is officially a government aircraft christened *Al-Qadissiya*. An An-24TV crashes on takeoff from Nasiriyah on August 28; again, there is no information concerning deaths or injuries.

In 1984, hijackers provide the fleet with units from the **Iran Air (The Airline of the Islamic Republic of Iran)** fleet: a B-727-286A and an

A300B2-203. On September 12, three Iranians attempt to take over the B-737-270C en route from Larnaca, Cyprus, to Baghdad and divert it to Tehran. The trio is killed by security guards.

Destinations visited during these years and in **1985-1986** include Amsterdam, Athens, Belgrade, East Berlin, Bucharest, Budapest, Copenhagen, Frankfurt, Geneva, Istanbul, Larnaca, Lisbon, London, Madrid, Moscow, Paris, Prague, Rome, Sofia, Vienna, Warsaw, Rio de Janeiro, Bangkok, Beijing, Bombay, Delhi, Dhaka, Karachi, Tokyo, Amman, Cairo, Casablanca, Jeddah, Khartoum, Kuwait, and Tunis. Services are suspended to Munich, Brussels, Abu Dhabi, Algiers, Bahrain, Beirut, Damascus, Dhahran, Doha, Dubai, Kuwait, Muscat, Ras al Khaimah, Sana, Sharjah, and Tripoli.

On December 25 of the latter year, while en route from Baghdad to Amman, gunmen commandeer the carrier's B-737-270C operating as Flight 163, with 15 crew, 1 security guard, and 91 passengers, shortly after takeoff. A fight breaks out with security men as the crew struggles to retain control of the plane, but after two hand grenades are exploded, the little Boeing has only one chance to survive by making an emergency landing at Arar, Saudi Arabia, 400 km. SW of Baghdad. Almost there, the jetliner crashes into the desert 0.8 km. (.5 mi.) from the end of the airstrip; 71 are killed and all of the survivors are injured.

Operations continue apace in **1987-1988**. On August 20 of the latter year, the day of the cease-fire in the Iran-Iraq War, an Iraqi Airways' B-727-270A flies Transport Minister Hamza al-Zubiadi to Basra for the opening of the new international airport. Although still government-owned, the airline now becomes an independent company. To assist in the government's drive to increase tourism, the airline purchases a 40% interest in Baghdad's Palestine Hotel. Enplanements for the year total 695,538.

In April **1989**, Chairman/CEO Nuraldin A. Saffi's carrier enters into discussions with **Egyptair, S.A.E., Royal Jordanian Airways, and Kuwait Airways Corporation, Ltd.** concerning the possibility of establishing an **Air Afrique, S.A.**-type consortium; the talks will lead nowhere. Meanwhile, the Iraqi government elects to establish a tourism industry. While seeking to dry-lease another Jumbojet to supplement the three B-747-270Cs already on hand, the carrier, in October, begins to operate the government B-747SP-70 that is used primarily by President Saddam Hussein.

Although no traffic figures are provided by the airline, it is reported that revenues of \$96 million are earned, a 16.6% increase over the previous year. Airline employees receive 30% of the profit.

The company's first Airbus order is placed in July **1990**; five A310-300s are requested for delivery the following spring. On August 2, Iraq invades Kuwait. Occupation forces take over **Kuwait Airways Corporation, Ltd.**'s facilities and 15 aircraft: 8 A300s and A310s, 2 B767-269ERs, 1 B-727-269A, and 4 bizjets; also captured and destroyed is a **British Airways, Ltd. (2)** B-747-136. Iraqi Airways crews fly all of the transports to Baghdad. Meanwhile, company transports return foreign nationals caught in Kuwait, receiving revenues equal to \$12 million. A month later the dissolution of **Kuwait Airways Corporation, Ltd.** is announced; however, in October, the carrier relaunches limited services from temporary hubs at Cairo and Bahrain.

The UN Security Council votes 14-1 on September 25 to extend an economic blockade against Iraq. This total boycott requires all countries to close their airspace to Iraqi Airways and Iraqi-controlled Kuwaiti commercial flights. Would-be passengers mob the company's check-in counter in Amman on September 26 for the last flights to Baghdad before the carrier is forced to cease almost all of its commercial flights.

ICAO condemns the Baghdad government for its theft of the Kuwaiti jetliners and sets curbs aimed at making it difficult for Iraq to use them. In addition, IATA prohibits its member-carriers from honoring the vast number of Kuwaiti tickets stolen by occupying forces.

While on final approach for a landing at Kuwait City on October 2, an Il-76T with 4 crew and approximately 125 passengers, mostly Iraqi military personnel, is hit by a surface-to-air missile fired by Kuwaiti resistance fighters; the Ilyushin crashes and there are no survivors.

Wearing an all-white livery for protection against the desert sun, the B-747SP-70 *Al-Qadisiya* is ferried to Tozeur, Tunisia, at the beginning of January 1991 and placed into storage for safekeeping. It will remain there for years to come due to the no-fly restrictions that will be instituted against Iraq by the UN. The 20 IL-76MDs, meanwhile, escape to India.

It is reported to the UN Security Council on January 18 that just before the Allied assault the previous day, IA flew 10 stolen Kuwaiti jetliners, repainted to look like its own aircraft, to Mauritania. The British Foreign Office adds that it has a report that President Saddam Hussein's wife and family had traveled to that destination aboard some of the pirated aircraft. It is later reported that all of the captured fleet, along with the three old and parked Trident 1Es, is destroyed during Operation Desert Storm, except for six Airbuses, flown to Iran and interned.

Information appears in April indicating that the Baghdad government intends, once the aircraft are released by Tehran, to lease these aircraft to other carriers in the region as a means of earning badly needed foreign currency. In May, UN permission is received to undertake helicopter flights on limited domestic routes.

In June, Iraqi Airways seeks to resume operations from a temporary base at Amman, employing aircraft flown to Mauritania; parked at Queen Alia International Airport during the unsuccessful request to the UN are two B-707 Stratoliners and four B-727-270As.

On June 26 the Danish Supreme Court fines six foreign airlines a total of Dkr 452,000 (US\$64,570) for bringing illegal refugees to Denmark without visas or identity documents. The decision in the case against European operators **SAS (Scandinavian Airlines System)**, **Sabena Belgian World Airlines, S.A.**, **KLM (Royal Dutch Airlines, N.V.)**, and the defunct **Interflug DDR Airlines, mbH.**, plus Iraqi Airways and **Singapore Airlines, Ltd.**, has been eagerly awaited by the some 50 airlines flying into Denmark.

The companies have argued that it was not their responsibility to do the police's work when checking in Denmark-bound passengers. Nor could they be expected to tell the difference between genuine and false visas and passports, or prevent passengers from tearing up their passports once on board the plane, as has often happened. The supreme court is unconvinced by their arguments and orders the airlines to pay a fine of Dkr 8,000 per passenger illegally brought to Denmark.

Late in the year, the UN agrees to permit a fixed-wing Iraqi internal route.

In January 1992, the carrier's Antonov An-24s are permitted to begin flying from Baghdad to Basra. Cross-border flights remain suspended by UN order.

In 1993-1994, Chairman Saffi oversees a workforce of 3,800 and a fleet of 20 Ilyushin IL-76MDs, 11 IL-76s, 6 B-727-270As, 5 Antonov An-12Bs, 3 B-747-270ACs, 2 each B-737-270ACs, An-24TVs, An-24Vs, and B-747-270Cs, and 1 B-747SP-70. All but the An-24s remain grounded. These, too, stop flying once again in 1995 following renewed disputes between Iraq and the UN.

On April 9, 1996, Iraq openly defies the UN air embargo enforced against it since the Gulf War by allowing the airline's smaller Boeings to transport Hadj Muslim pilgrims to the holy sites in Saudi Arabia. The Saudis offer no objection.

Airline employment stands at 2,770 in 1997-1998, although Chairman/CEO Rabie M. S. Abdulbaki's company has nowhere to fly.

Late in December of the latter year, **Aeroflot Russian International Airlines (ARIA)** Africa and Mideast Division Director Yuri Vasilenko is in Amman for discussions with Lebanese officials concerning the inauguration of additional frequencies to Beirut. Executives of Iraqi Airways approach Vasilenko, seeking a renewal of flights by their carrier between Baghdad and Russia. Support is sought for a lifting of the UN air embargo.

It is reported on March 17, 1999, that one of the carrier's two B-737-270As has recently violated the UN air embargo and the southern no-fly zone to transport 110 Muslim pilgrims to Jeddah, Saudi Arabia. U.S. officials affirm that such Hadj flights, if they occur in the future, will not

be considered targets by allied fighter planes patrolling the region. That said, Iraqi Airways operates two more services, on March 18-19, employing IL-76 freighters temporarily modified to handle large numbers of pilgrims.

The British Broadcasting Corporation reports on April 23 that Iraqi Airways and **Emirates Airlines** are holding discussions aimed at creating a package holiday product for Shi'ite pilgrims wishing to visit the holy sites in the southern cities of Kerbala and Najaf. Although UN sanctions against Iraq prevent tourists from flying into the area, it will be possible for them to travel on the existing ferry service between Dubai and southern Iraq.

Sensing that the time for a resumption of Iraqi services may be nearing, a delegation from Airbus Industrie travels to Baghdad on September 26 for discussion with the airline's leadership. The European consortium remains committed, under a 1990 contract, to the provision of new aircraft to the carrier as soon as UN sanctions are removed.

Saddam International Airport at Baghdad opens for international flights on August 17, 2000.

As the result of an August meeting between Deputy Prime Minister Tariq Aziz and Russian President Vladimir Putin, a decision is taken by the two governments to shortly resume air services.

On September 14, **Aeroflot Russian International Airlines (ARIA)** representative Pavil Piryatku announces the new arrangement, noting that his airline will reopen its Baghdad office in mid-October. Papers are also signed between Iraqi Airways and **Vnukovo Airlines** concerning the inauguration by the latter of regular Iraqi flights.

A memorandum of agreement is signed in Moscow by **Aeroflot Russian International Airlines (ARIA)** CEO Okulov and Iraqi Airways President Maamoon Muhetdin on October 1 calling for the restoration of air service to Baghdad at an unspecified future date.

In accordance with a memorandum of agreement signed the previous month in Moscow, Iraqi Airways opens a representative office in Moscow on November 15; **Aeroflot Russian International Airlines (ARIA)** simultaneously opens a similar office in Baghdad.

Vnukovo Airlines, not ARIA, is the first Russian carrier to launch regularly scheduled services to Baghdad, beginning its flights on October 27.

After being grounded for almost a decade, the airline, on November 5, resumes domestic services, flying from Baghdad to Basra and to Mosul. Because its commercial fleet is unavailable, the airline uses an IL-76 on the Basra service and an An-24 on the Mosul run. It is reported on November 10 that the carrier will soon take back six airliners, four B-727-270As and two B-707s, it had sent to Jordan for safe-keeping on the eve of the 1991 Gulf War. An agreement is reached with Jordan to help rehabilitate the static aircraft.

In ceremonies at Baghdad Airport on November 16, President Sheikh Hamad Ali Jabour Al-Thani of Sharjah-based **Gulf Falcon** presents Iraqi Airways with the gift of a B-747SP-09 previously owned by **Mandarin Airlines, Ltd.**

The company's office at Damascus, Syria, is reopened on November 27; it is the first to restart business outside of Iraq since the UN imposed sanctions.

Managing Director Ayad Abdul-Kareem is quoted in the December 19 issue of *al-Thawra*, the publication of the country's ruling Ba'ath Party, as indicating that Russia, Jordan, Egypt, Yemen, and the United Arab Emirates have all filed requests to resume scheduled service to Baghdad. He also reveals that the airline has reopened its offices in Amman and Damascus. The company will place the new B-747SP-09 into service over the Baghdad to Basra daily return route on January 9. It will also operate the company's first postwar international service, from Baghdad to Damascus, on February 12, a route not flown since 1980.

IRELAND AIRWAYS, LTD.: International House, Dublin Airport, Dublin, Ireland; Phone 353 (1) 704-4799; Fax 353 (1) 844-4884; Code 2E; Year Founded 1991. Ruadhan Neeson establishes Ireland Airways at Dublin Airport in 1991 as a division of EI Air Exports, a

charter operator. Nonscheduled operations are undertaken to Donegal and Sligo through July 1996 with a fleet that includes 1 each Shorts 330, Fairchild F-27, Fairchild Hiller FH-227, and Piper PA-31-350 Navajo Chieftain. On August 1, Shorts 330 scheduled flights are inaugurated between Dublin and Donegal, with an extension added to Sligo in the fall.

The fleet is increased in January 1997 by the addition of a Shorts 360-300. The new aircraft will initially undertake a Dublin to Coventry freight contract on behalf of EI customer Target Express, Ltd. Orders are placed for three British Aerospace BAe ATPs, the first of which is delivered before year's end.

Service continues in 1998–1999.

IRISH CARGO AIRLINES, LTD. *See* AER TURAS TEORANTE

IRISH HELICOPTERS, LTD.: Westpoint Hangar, Dublin Airport, Dublin, Ireland; Phone 353 (1) 628-0059; Fax 353 (1) 628-0059; http://www.iol.ie/irish_helicopter; Year Founded 1968. Having purchased the Fairchild Hiller 1100 helicopter of the U.S. ambassador, Kenneth Besson establishes this company at Dublin in 1968 to provide photographic and executive charters. In 1969, he is able to persuade the Commissioners of Irish Lights to establish helipads at a dozen offshore lighthouse stations. Employing an Aerospatiale SA-319 Alouette II, IHL undertakes an experimental support service during the winter and into 1970. The trial is so successful that the company receives a two-year support contract from the Irish government.

Operations continue apace in 1971 and in the spring of 1972 Besson sells his operation to British Executive Air Services, Ltd. (BEAS). Having convinced the Irish lighthouse authorities that twin-engine equipment would provide better over-water safety, the carrier is allowed in November to substitute an MBB Bolkow Bo-105D for the Alouette II.

In 1973–1976, a Bell 212 is acquired to transport workers and supplies to newly established offshore oil and gas platforms. In 1977, the company becomes a subsidiary of **Aer Lingus Irish Airlines, Ltd.** A second Bell 212 is acquired and is employed to support the Marathon Oil development and construction of the Old Head of Kinsale gas field complex.

In April–September 1978, a supplemental Sikorsky S-61N is leased from KLM (**Royal Dutch Airlines, N.V.**). Beginning in the winter, foreign contracts are undertaken in nations as distant as Tunisia, Turkey, and Egypt. To support BP Petroleum and Phillips Petroleum exploration in the Porcupine Basin, an S-61N is purchased in 1979 and an additional base is later established at Cork.

A second S-61N is purchased in 1981 and new work is undertaken during the winter season on behalf of the state electric utility when exceptionally heavy snowfall damages or downs transmission lines.

Revenues for the year total £5.4 million (\$6.7 million).

In 1982, Managing Director Capt. Frank Laycock's fleet includes 2 owned Sikorsky S-61Ns, 2 Bell 206 JetRangers, 2 Bell 212s, and the German Bolkow.

Unable to justify its expense, one of the JetRangers is sold in 1983–1984. The move is made with the complete agreement of Desmond Traynor, the Aer Lingus board member who chairs the Aer Lingus committee that oversees the helicopter subsidiary.

During March 1985, the company introduces a JetRanger shuttle service between Tory Island and the mainland. In May, IHL is awarded a contract for maintenance on helicopters of the Aer Choir (Air Corps) of the Irish military. On August 27, in the presence of the Lord Mayors of Dublin and Cork, a custom-built helistop facility is opened in the heart of downtown Dublin.

With the decline in offshore oil exploration suffered by the energy industry throughout the North Sea area, revenues for the year slide to £4.2 million.

The workforce in 1986 includes 47 employees, including 17 air crewmen. A total of four helicopters are active in offshore support roles, a figure that does not change in 1987–1989.

Company employment is 45 in 1990, with only three helicopters now active in support of energy concerns. Only Marathon Oil's Kinsale gas

field off Cork remains in year-round production at the beginning of 1991 and it is serviced by Irish's single Bell 212.

On March 26, the company receives a warmly contested £2.5 million 5.5-year contract from the Irish government to operate a search and rescue service that it will coordinate with the SA-365C Dauphins operated by the Irish Air Corps. The line initiates search and rescue (SAR) operations under the award from Shannon in July with an S-61N.

Operations continue apace in 1992–1993. From bases at Dublin, Cork, and Shannon, Managing Director Ray Kenny operates 2 each S-61Ns, MBB BO-105s, McDonnell Douglas MD-500Cs, Bell 212s, and Bell 206B JetRangers.

Late in 1994, plans are made by parent Aer Lingus Group to privatize the company through its sale. The fleet is meanwhile reduced.

Airline employment in 1995 stands at 54. Two S-61Ns continue to be flown on SAR and offshore support, a Bell 212 is used on offshore support, a BO-105 flies lighthouse maintenance, and a JetRanger performs pipeline patrols and other surveillance duties.

On July 28, **Bristow Helicopters, Ltd.** of the U.K. takes a 51% stake while **Petroleum Helicopters** of Louisiana purchases the remaining 49% interest, the maximum allowed for foreign ownership under EC rules. The combined price is \$8 million.

The company retains its name and management, led by Managing Director Kenny, and operates from bases at Shannon, Cork, and Dublin.

Flights continue in 1996. During the spring, the company loses its only short-term oil support contract to **Bond Helicopters, Ltd.** In July, the Irish Department of Marine's coast guard contract for the station at Shannon is—in a move that surprises many—lost to Bond as well. At this point, the company's work involves only the use of a BO-105 on lighthouse support and a few general purpose Bell 206 contracts.

The Shannon SAR mission is handed over to Bond Helicopters (Ireland), Ltd. on January 1, 1997. In an example of industry consolidation, execution of the contract is arranged by Norway's Helikopter Service Group employing a Sikorsky S-61N leased from **Court Helicopters (Pty.)**, Ltd. of South Africa.

Petroleum Helicopter's minority stake is purchased by Bristow in March.

On July 1, 1998, Bond Helicopters (Ireland), Ltd. takes over the SAR contract at Dublin. As with the earlier arrangement, some of the flight crew are provided by the Irish Air Corps. The company continues other services during the remainder of the year.

Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** announces on August 2, 1999 that all of the remaining conditions to its offer to purchase all shares in **Helikopter Services Group, A.S. (HSG)** have been satisfied or waived and that the acquisition is completed. In a move that foreshadows a corporation-wide integration a year later, **Bond Helicopters, Ltd.**, the HSG U.K. subsidiary also acquired, is now renamed **CHC Scotia, Ltd.** Interestingly enough, Bond Helicopters (Ireland), Ltd. is not renamed and its activities in Ireland remain as before. Irish Helicopters continues to fly lighthouse support and medium-range SAR, as well as conduct general purpose contracts.

In late January 2000, company Managing Director Guy Perrem is drawn into a controversy over the government's delay in replacing the Irish Air Corps' Dauphin helicopter fleet. His ire is directed particularly at retired military pilots who suggest that civil operators engaged in SAR work try whenever possible to reduce their attention to the details of SAR training.

Prior to the public announcement on April 14, the Enterprise Oil Company signs contracts with Irish Helicopters for support during its drilling campaign in the newly opened Corrib fields.

IRISH INTERNATIONAL AIRLINES. *See* AER LINGUS IRISH AIRLINES, LTD.

IRISH SEA AIRWAYS. *See* AER LINGUS IRISH AIRLINES, LTD.; BLACKPOOL AND WEST COAST AIR SERVICES, LTD.

IRON DRAGONFLY: Dimitrova Str. II, Kazan, Privolzhskaya Zone ATD, 420033, Russia; Phone 7 (8432) 428 344; Fax 7 (8432) 428 364; Code F7; Year Founded 1994. Under the direction of president M. I. Rozenstein, Iron Dragonfly is established at Kazan, Tatarstan, in 1995 to offer passenger charters and inclusive-tour flights to destinations throughout the CIS and to Europe and the Mideast. Revenue flights begin with an unspecified number of Tupolev Tu-154B/Ms.

Flights continue in 1995–2000, during which years the company opens an office in Moscow and the fleet is standardized on 2 Tu-154Bs, 1 Ilyushin Il-76T, and 1 Mil Mi-8 helicopter.

IRRAWADDY FLOTILLA AND AIRWAYS, LTD. (IF & A): Burma (1934–1937). Formed in late summer with technical assistance from Imperial Airways, Ltd., IF & A, employing a float-equipped de Havilland DH 83 Fox Moth, begins weekly Rangoon to Moulmein service on November 13, 1934. Two days later, weekly Rangoon to Mandalay flights begin.

Service is extended beyond Moulmein to Tavoy, a point beyond the railroad terminus, on January 1, 1935. Later in the year, two Shorts Scion Senior seaplanes are received.

Rangoon to Yenangaung flights begin in June 1936. The summer is hard on the company as the Fox Moth and a Scion are lost in accidents. Rangoon to Prome and Yenangaung to Mandalay service is suspended on May 24, 1937. The company stops flying later in the year.

IRTYSH AVIA IT: Pavlodar Airport, Pavlodar, 637014, Kazakhstan; Phone 7 (3182) 320617; Fax 7 (3182) 324958; Code IRT; Year Founded 1994. The small regional Irtysh Avia is established at Pavlodar in 1994. Employing a fleet of 5 Yakovlev Yak-40s and 2 Yak-42Ds, the company flies to Almaty and other points without headline or reported incident.

As reported by the Kazakhstani newspaper *Vremya* on December 22, 1999, Air Kazakhstan, on November 18, has joined with several smaller Almaty-based carriers, including Irtysh Avia IT and Atyrau United Aviation Detachment, to form Air Kazakhstan Group. President Alexander Krinichansky becomes group CEO, with Yerbol Yetekbay moving up to the Air Kazakhstan presidency. Under the new alliance, Air Kazakhstan operates all foreign and 70% of domestic routes. In a news conference confirming the group's formation, Krinichansky notes that Kazakhstan still has 52 independent domestic airlines, but in his estimation, only two or three are required to meet the nation's air travel needs.

As one of the two small group divisions, Irtysh continues to fly in 2000, primarily employing its two Yak-42Ds on half of the domestic routes not taken over by Air Kazakhstan. Its financial picture, as part of the Air Kazakhstan Group, will become dire.

IRVING AIRWAYS: United States (1935–1936). Backed by Juneau merchant James Hickey Sr., Wilbur "Wing Ding" Irving purchases a float-equipped Lockheed Model 5 Vegas at a sheriff's sale at Seattle in the spring of 1935. Painted snow white with a red stripe, the aircraft is piloted up to Juneau where it provides air taxi and on-demand charter services to local communities and bush destinations for the next year.

In 1936, Irving's Vega is purchased by Sheldon B. "Shell" Simmons, who adds it to the fleet of his newly formed Alaska Air Transport.

ISCARGO, H.F.: Iceland (1972–1980). Organized at Reykjavik in March 1972, Chairman Arni Gudjonsson and Managing Director Hallgrímur Jonsson inaugurate worldwide cargo charter and contract service flights with a fleet comprising 1 each Douglas DC-6A and DC-6B. The 15-employee company also undertakes scheduled all-cargo flights to the Netherlands.

Isargo is unable to survive the higher fuel costs and world recession at the end of the decade and stops flying in 1980.

ISLAND AIR (1): United States (1971–1972). IA-1 is established at Honolulu in 1971 to provide flight-seeing services throughout the Hawai-

ian Islands with a single Britten-Norman BN-2 Islander. The company is unable to achieve viability and closes its doors on January 24, 1972.

ISLAND AIR (2): United States (1970–1990). Following the demise of Puget Sound Airlines in October 1970, the assets of merger partner Island Sky Ferries are purchased out of the combine by John Carabba and Marigine Wilson. These resources form the basis of a new charter carrier, IA-2, which is set up at Anacortes and begins to provide two decade's worth of nonscheduled flights with Cessna lightplanes to Seattle and destinations in the San Juan Islands group.

During this period, Carabba and Wilson sell the company to Katie and Gary Rovetto, who operate it until the first quarter of 1990, when they transfer it to Jim Burton. The new owner reforms the operations and begins scheduled services in April as West Isle Air.

ISLAND AIR (3): United States (1971–1983). Island Aviation of Agana, Guam, establishes an airline division in March 1971 with which to inaugurate charter passenger and cargo flights to other destinations in the Mariana Islands. President R. L. Brown inaugurates flights on April 3 with a pair of Cessna 402s. Destinations visited include Rota, Tinian, Yap, and Palau.

Nonscheduled operations continue over the next five years without significant change. In 1977, the carrier elects to inaugurate scheduled service and enplanes a total of 3,708. Airline employment is reduced by 33 1/3% in 1978, down to 12. The company receives a third Cessna 402 and signs interline agreements with Pan American World Airlines and Continental Airlines. Passenger boardings skyrocket 85.2% to 25,053.

A new route is inaugurated to Yap and Palau in 1979. An Embraer EMB-110 Bandeirante is delivered in December.

Customer bookings accelerate 39.2% to 34,879 while freight traffic soars by 73.3% to 732,547 FTKs. Despite increased income, greater expenses (led by a \$1.20-per-gallon avgas price increase) cause a \$55,250 net loss.

A second Bandeirante is delivered in March 1980 and operations continue apace through 1982. Unable to weather the recession, the carrier ceases operations in 1983.

ISLAND AIR (4): United States (1976). IA-4 is set up at New York (LGA) in 1976 to provide scheduled passenger and cargo services to Farmingdale and also down to Baltimore via Philadelphia. Although daily Douglas DC-3 roundtrips are duly inaugurated, they can only be offered for a few months of the Bicentennial year.

ISLAND AIR (5): United States (1984–1985). Organized at Farmingdale, Long Island, in the fall of 1984 as successor to Trans-East International Airlines, which had ceased operations in the spring, IA-5 resumes revenue services with a fleet of Embraer EMB-110 Bandeirantes, de Havilland Canada DHC-6 Twin Otters, and Cessna 402s.

Scheduled passenger and cargo commuter flights are started or planned to link the carrier's base with New York (LGA), White Plains, Newark, Atlantic City, Washington, D.C. (IAD), Boston, Nantucket, Martha's Vineyard, and New Bedford. Before most of these destinations can be visited, the new entrant encounters significant financial difficulty that forces it to close in January 1985.

ISLAND AIR, LTD. (1): Suite 30, The Concourse, Private Mail Bag, Nadi, Fiji; Phone 722 371; Fax 720 378; Code 4M; Year Founded 1983. Island Air, Ltd. is formed at Nadi in late 1983 to offer scheduled commuter flights from the international airport to Malololailai in the Mamanuca Islands group. Equipped with a single Britten-Norman BN-2 Islander, the company commences revenue services in early 1984.

Managing Director R. Smith's little carrier maintains its one-route service throughout the next 15 years. By the end of 1999, the fleet has grown to include 3 each Embraer EMB-110 Bandeirantes, de Havilland Canada DHC-6-300 Twin Otters, and Beech Super King Air 200s, plus 8 Bell 206L LongRanger helicopters.

ISLAND AIR, LTD. (2): P.O. Box 2433, Georgetown, Grand Cayman, Cayman Islands; Phone (809) 949-0241; Fax (809) 949-7044; <http://www.cayman.com.ky/com/iair>; Code G5; Year Founded 1989. Island Air is established by its owner/president Mervyn Cumber at Georgetown in 1989. Employing a fleet that will come to include 1 each Britten-Norman BN-2 Islander, Piper PA-31-310 Navajo, and de Havilland Canada DHC-6-300 Vistaliner, revenue flights are begun to Cayman Brac and Little Cayman. Charters are also operated throughout the Caribbean area.

In 2000, the company has approximately 30 employees based on all 3 islands and main offices located in a 12,000-sq.-ft. hangar next to the general aviation terminal on Grand Cayman. A Learjet 25A is acquired and worldwide executive charters are now begun.

ISLAND AIR CHARTERS, LTD.: United Kingdom (1946–1950). This nonscheduled carrier is formed at Jersey Airport in early 1946. Following the July purchase of a Percival P.44 Proctor 5, ad hoc charters are initiated between the Channel Islands and to northern France and southern England. A Percival P.28 Proctor 1 is added in September and in October a Miles M.57 Aerovan 3 and a de Havilland DH 89A Dragon Rapide are acquired; however, the former is sold in February 1947, being replaced by an Auster Autocrat two months later. When a second Dragon Rapide is added in May, the company begins scheduled service, both passenger and cargo, between the Channel Islands. In association with **Air Transport Charter, Ltd.**, vacationers are also flown to England and France. A Miles M.65 Gemini 1A is purchased in October.

The scheduled and nonscheduled services flown in 1947 are continued in 1948 and 1949, but by the end of the latter year the fleet had been reduced to comprise only 2 Dragon Rapides. In the spring of 1950, the shrinking operation is purchased and merged into **Air Transport Charter, Ltd.**, which elects to discontinue the interisland scheduled flights of its acquisition.

ISLAND AIR SERVICES, LTD.: United Kingdom (1945–1957). Daughley Hills-Grove-Hills forms IASL at St. Mary's airport in June 1945, equipping his new company with 2 Percival P.44 Proctor 5s. One of the aircraft is leased out; however, the second begins nonscheduled services between the Scilly Isles and Land's End in the spring of 1946, continuing the flights through the summer season. The principal cargo is cut flowers.

When the second Proctor 5 is returned in early 1947, it begins flying passenger charters and joyrides from London (Croydon Airport); the pilot is a lady, Miss Monique "Aggie" Agazarian, the former Air Transport Auxiliary flyer who had been appointed the company's office manager the year before. A de Havilland DH 89A Dragon Rapide is now leased, permitting the carrier to mount nonscheduled services into Europe.

Early in 1948, Miss Agazarian is named managing director of the London half of the company. With the assistance of two additional pilots and two more Dragon Rapides purchased in April and May, respectively, she begins offering profitable and successful pleasure flights from London (LHR). Indeed, the £1, 15-minute cruises prove so popular that an Airspeed AS.65 Consul must (briefly) be acquired to provide additional capacity. Additionally, charters are flown from London's other airfields at Croydon and Northolt. As they also prove a success, it is decided, at the close of the summer season, to end the charter flights from the Scilly Isles and concentrate operations at London. On December 31, Island Air Services (London), Ltd. is registered with Miss Agazarian as chairman; the new firm takes over all facilities and equipment of its predecessor.

Pleasure flights continue to constitute the company's primary business in 1949. During the year, Chairman Agazarian marries Ray Rendall, a former RAF pilot whom she had recruited to fly for the concern. The fleet is rationalized to contain four Dragon Rapides, plus one leased from **Airwork, Ltd.**, for the summer.

In March 1950, the company signs a **British European Airways Corporation (BEA)** associate agreement to provide scheduled services to Deauville. These flights, in association with **Birkett Air Service,**

Ltd., commence on July 1; passengers are hauled primarily on weekend gambling jaunts. La Baule and Le Touquet are also added to the return route network during the summer while pleasure flights from London (LHR) are also continued. The international frequencies do not prove financially viable and are discontinued at the end of the 1951 season.

All company efforts are now placed into the short pleasure flights out of London's airports. As most of this traffic occurs from Heathrow Airport, the Croydon base is shut down at the end of 1952 and its operations are transferred to London (LHR) where Miss Jean Edwards becomes operations manager. Operations continue almost unchanged for the next four years.

When airport officials ban pleasure flying from London (LHR) in 1956 due to the increase in scheduled airline traffic, IAS transfers its business to London (Ramsgate) Airport. Pleasure flights from the new location dry up almost completely in 1957 and, when combined with the loss of a DH 89A in a June takeoff accident, this down turn forces financially depleted IASL to sell off its aircraft and go out of business.

ISLAND AIRLINES (1): United States (1929–1991). Island Airlines (1) is founded at Port Clinton, Ohio, by ex-barnstormer Milton "Red" Hersberger in 1929 to fly mail from Sandusky and Port Clinton to the Lake Erie islands. This small airline, originally known as **Erie Isle Airways**, is dramatically enlarged into a passenger-carrying operation on November 4, 1936 through the acquisition of a Ford Trimotor 4-AT-38 from **Air Service of Pittsburgh**. The Ford 4-AT-5 is acquired on June 10, 1937.

Under the name Air Tours, Inc., Hersberger's Fords transport tourists, ice fishermen, permanent and summer residents, sightseers, and supplies to South, Middle, and North Bass and Rattlesnake Islands, a chain lying some 10 miles into the lake near Toledo. The Ford 4-AT-5 is sold to the Central Flying School at Little Rock, Arkansas, on July 10, 1941 while a 4-AT-42 is purchased from Mike Murphy's Murphy Flying Service of Findlay, Ohio, on October 9 after two years of use as a neon sign carrier for Marathon Oil.

A fourth Tri-Motor, 4-AT-53, is purchased from a private Dallas owner on December 7, 1944 and up-engined with war surplus Wright N3N engines in June 1946. On July 27, the crashed remains of a Ford 5-AT-27 and Ford 5-AT-40 are purchased for spare parts from **Cubana (Compania Nacional Cubana de Aviacion, S.A.)**.

In May 1949, a 4-AT-38 is also up-engined with war surplus Wright N3N engines. In 1950–1952, a 5-AT-40 is repaired, employing a variety of spare parts as diverse as wheels from a Lockheed Model 18 and Oleo struts from a Republic P-47 Thunderbolt. On January 28 of the latter year, the aircraft is sold to a private Idaho owner, who will sell it to **Johnson Flying Service** 18 months later.

In August 1953, Ralph Dietrick of Sandusky, Ohio, owner of rival Sky Tours (which operates a Ford 4-AT-42) and several of his associates, purchase Island Airlines for \$95,000, merging the two operations under the Island banner and the official name Travelair Taxi, Inc. The Post Office contract is retained.

Unable to achieve takeoff from Kelley's Island in early evening on July 31, 1954, a 4-AT-53 crashes; 2 of the 12 passengers aboard are injured and the aircraft must be written off. First flown by **United Air Lines** 20 years earlier, a Boeing 247D is acquired during the year. Island will add another leaf on its wreath of fame as the last commercial operator of the famous B-247D.

Headquarters of the 6-station, 25-mile-long route are moved to Sandusky from Port Clinton in 1961 and the Tri-Motors, still flying a quarter of a century after their purchase, gain national attention as the last of their breed still in regularly scheduled U.S. passenger service. Competing with ferryboats, Dietrick's Tri-Motors and Boeing, backed up by 5 Cessna 172s, transport upwards of 60,000 passengers per year during the late 1960s and 1970s, more than 90% in the Fords.

The larger Tri-Motor, 5-AT-11, is purchased in June 1966. Proving too expensive to operate over the carrier's short segments, it is sold in November 1968. Early in 1969, the Boeing 247D, which has been

grounded for some time due to lack of spare parts, is purchased by a U.K. enthusiast.

The 4-AT-42 is withdrawn in **1972**, following an August 21 crash at Port Clinton. Its remains are sold to Allan T. Chaney of Hebron, Ohio. The Ford 4-AT-38 loses power while taking off from Put-in-Bay Airport and crashes at South Bass Island on July 1, **1977**; pilot David Martin is injured severely. It is rebuilt by Kal-Aero and is flown again, beginning in March **1980**.

In February **1982**, the Ford 4-AT-38 is withdrawn and put up for sale at an asking price of \$950,000. Company headquarters are moved back to Port Clinton. Airline employment stands at 11 and the fleet comes to comprise 2 Cessna 207s, 3 Cessna 172s, and 1 de Havilland Canada DHC-3 Otter.

Tragedy strikes in **1983**. Having received a call, the pilot of a Cessna 207A with three medevac passengers, takes off from Toledo on the night of December 9 to fly to the aid of a heart attack victim on Put-in-Bay Island. Before disappearing, the aircraft radios the sheriff's department to report that it has encountered fog. Wreckage is found the next morning at a point approximately 45 mi. W of the point of origin and there are no survivors.

Flights continue in **1984** and the Ford 4-AT-38 is sold to Mercury Aviation Companies of Richmond Heights, Ohio, on August 12, **1985**. As a postscript, the Ford 4-AT-38 passes to Allan T. Chaney, who barnstorms it around the midwest and southeast for six years, giving the media free promotional rides with which to attract paying passengers. The aircraft is sold in 1991 to Kermit A. Weeks for \$650,000, who currently exhibits it at his Weeks Air Museum at Miami.

Meanwhile, operations continue apace for the Port Clinton-based small regional in **1986–1987**, with some 22,000 passengers transported during the latter year. There is little change over the next three years, although a contract is received from UPS (United Parcel Service), along with the almost 60-year-old mail delivery task. In **1990**, as recession deepens, the owners seek and find a buyer.

ISLAND AIRLINES (2): P.O. Box 2640, Nantucket Memorial Airport, Nantucket, Massachusetts 02584, United States; Phone (508) 228-7575; Fax (508) 775-6645; <http://www.nantucket.net/trans/islandair>; Code IS; Year Founded 1992. William J. McGrath Jr. establishes Island Airlines at Nantucket in **1992** to provide FAA Part 135 charter flights to the mainland. Small-scale operations commence with 3 Cessna 402s and 1 Beech 18 freighter.

ISLAND AIRLINES HAWAII: United States (1977–1984). IAH is established at Honolulu in January **1977** to offer a courier express service for small package delivery. Employing a fleet of 3 Beech 18s, the carrier begins regularly scheduled flights from Honolulu to Kahului on June 5. Soon the aircraft are making pickups at the airports at Waimea, Lanai, Kauai, Kona, and Molokai. In addition to airport-to-door, \$35-per-package delivery for Hawaii business, interline services are also arranged with incoming major carriers.

FTKs total 11,599 and advance each year thereafter for the remainder of the decade: up 286.5% to 44,833 in **1978**; 644% to 333,682 in **1979**; and 25.4% to 418,153 in **1980**. Expenses outpace revenues in each year. The latter climb from \$26,953 in 1977 to \$1.43 million in 1980; however, the former advance from \$186,283 in 1977 to \$1.73 million in 1980. The cumulative loss is \$626,832.

Despite the fact that the fleet is upgraded by the addition of a Convair CV-440 and three Douglas DC-3s, the **1980s** also begin on a mixed basis.

Airline employment in **1981** is up from 60 to 76 and freight advances 54% to 643,589 FTKs. On the other hand, revenues are \$2.25 million and expenses are \$2.55 million. Still, the \$300,000 operating loss is a \$1,563 improvement.

In **1982**, three CV-600s join the fleet of replacing the CV-440 and Douglas transports. As the recession deepens through **1983**, losses continue. Service is steadily downgraded and suspended at Lihue, Lanai

City, Kahului, Kaunakakai, Kalaupapa, Hilo, and Kona. Operations cease in **1984**.

ISLAND AIRWAYS, LTD. See **UNION AIR, LTD.**

ISLAND AVIATION, LTD. See **AIR BC, LTD.**

ISLAND EXPRESS AIRLINES: 750 Southwest 34th Street, Fort Lauderdale, Florida 33315, United States; Phone (954) 359-0383; Fax (954) 359-7944; Code 2S; Year Founded 1995. IEA is established by Ruben Acrich at Ft. Lauderdale in late **1995** to offer charter flights to destinations in south Florida. President Acrich begins revenue operations with a single Cessna 402C.

The fleet is significantly enhanced during **1996**. Two more Cessna 402Cs arrive and allow the inauguration of scheduled flights. Meanwhile, charters are operated with 11 de Havilland Canada DHC-2 Beavers, 2 DHC-2T TurboBeavers, 3 DHC-3 Otters, and 2 TurboOtters. Enplanements reach 18,204.

Services continue in **1997** as passenger boardings advance 4.9% to 19,097. Customer bookings plunge 22.3% to 15,000 in **1998**.

Passenger boardings plunge another 46.3% in **1999** to 8,000.

Flights continue without headline or incident until December 14, **2000**. On that date, Flight 938, a Cessna 310Q with one pilot, is en route from Lewiston, Maine to Albany, New York, when one of its engines ices up. While attempting to make an emergency landing at Keene, New Hampshire, the aircraft crashes into a hill 7 mi. SW of the runway. The pilot is killed and the aircraft and its cargo are destroyed.

ISLAND EXPRESS HELICOPTER SERVICE: 1175 Queens Highway South, Long Beach, California 90802, United States; Phone (310) 510-2525; Fax (310) 510-9671; <http://www.islandexpress.com>; Year Founded 1981. IEHS is established at Long Beach Dugherly Field in March **1982** to provide several-times-daily flights between Long Beach and San Pedro and Catalina Island. John Moore, who will become owner/president, is the first and only employee. Not only does he pilot the helicopter, he also answers the phone and arranges to pick up passengers.

Enplanements for the first month total 31.

Operations continue and by **2000** President Moore and Operations Director John Moore oversee the work of 5 pilots and fly 4 Eurocopter AS-350B A-Stars from a heliport at Avalon, on Catalina Island and a newly built state-of-the-art heliport at the site of the *Queen Mary* exhibit at Long Beach. Mrs. Patti Moore, vice president and personnel director/accountant, helps the company project a family image for its customers.

ISLAND HELICOPTER CORPORATION: United States (1968–1997). IHC is established as an FBO and charter division of Transleisure Corporation at Garden City, New York, in **1968** to provide passenger charter and flight-seeing services from a base at that Long Island city's Island Heliport. Operations commence with a fleet of 2 Sikorsky S-62As and 3 S-55s.

In May **1971**, IHC inaugurates scheduled passenger services from Garden City to the Wall Street and 34th Street East Heliports in Manhattan. These are suspended for lack of traffic in April **1974**. Nonscheduled operations continue apace, however, during the remainder of the decade.

By **1978**, Chairman/CEO Frederick Fine and President Arthur C. Schneider oversee a workforce of 70 and have increased their fleet by the addition of 9 Bell 206 JetRangers and 10 Bell Model 47Gs.

The operator forms a subsidiary in **1981**, **New York Helicopter Corporation**, to provide scheduled passenger shuttle services. Flights continue in **1982**.

While on final approach to the heliport at New York City on August 14, **1983**, an SA-360C, with a pilot and five passengers, loses power and strikes a barrier at the edge of the landing point. Four people receive minor injuries, although the helicopter is badly damaged.

When Transleisure files for Chapter XI bankruptcy reorganization in April 1984, IHC is separated out and allowed to continue over the next decade.

Donald J. Gault is president in 1994–1997 and employs 16 full- and 8 part-time pilots. The fleet now includes 5 Bell 206L LongRangers, 4 S-58Ts, and 1 each Bell 206B JetRanger and Eurocopter AS-355F Twinstar.

The company continues, with lessening gain, to offer agricultural, medevac, aerial photo, and external load services. As it has since its beginning, the company specializes in aerial tours of New York City. Four different flight-seeing tours are offered: United Nations, Statue of Liberty, Skyscraper, and Ultimate Delight; the latter tour combines elements of the other three.

A brief news item in the August 18, 1997 issue of *Travel Weekly* reads simply: "N.Y. closes Island Helicopters."

ISLAND HELICOPTERS KAUAI: P.O. Box 831, Lihue, Hawaii 96766, United States; Phone (808) 245-8588; Fax (808) 245-6258; <http://www.islandhelicopters.com>; Year Founded 1980. One of the state's oldest rotary-wing operators, IHK is established at Lihue by Curt and Bonnie Loftstedt in 1980. Over the next 20 years, the FAA Part 135 company comes to specialize in two major services: personalized, small group passenger tours and flight-seeing and aerial photography charters on behalf of the television and motion picture industry. Indeed, former Vietnam War helicopter pilot Loftstedt's resume includes a number of well-known productions and the flyer, widely respected throughout the film industry, is often the first to be called when aerial photography in Hawaii is required for the movies or television.

Painted in rainbow livery, the charter operator's helicopters have been seen in some of the films they have helped to shoot, including *King Kong* and the Tom Selleck television series *Magnum PI*. IHK has also participated in filming the motion pictures *Raiders of the Lost Ark*, *North*, *George of the Jungle*, and *Six Days/Seven Nights*. Other television series include *Hawaii 5.0* and *Fantasy Island*. Various commercials, Discovery Channel and ESPN specials, and documentaries are also logged in the company's scrapbooks.

Small groups of passengers flown on tours of Kauai have also been a staple of the operator's business since its beginning. Special attention has always been taken to provide ecologically friendly flights designed to preserve the natural beauty of the islands sights and sounds. When in the late 1990s, the FAA began to require helicopter tour operators to fly no lower than 1,500 feet, Island, based on its previous compliance to existing regulations and its spotless safety record, was the first company granted a 500-foot above-ground-level altitude deviation. By the end of the decade, IHK is making over 5,000 annual flights, transporting in excess of 25,000 passengers yearly.

In 2000, the fleet includes 4 Bell 206B JetRangers and 1 Eurocopter AS-350B A-Star.

ISLAND HOPPER CHOPPER (PTY.), LTD.: Australia (1986–1987). This single-machine helicopter airline is formed at Perth in the fall of 1986 to offer scheduled rotary-wing flights to Rottnest Island; the Sikorsky S-61N begins operations on December 20. Unable to compete with **Rottnest Airlines (Pty.), Ltd.** and other services, the company ceases operations on April 30, 1987.

ISLAND HOPPERS HAWAII AERIAL TOURS: Gate 29, Hilo Airport, Hilo, Hawaii 96720, United States; Phone 808 969-2000; Fax 808 331-2079; <http://www.fly-hawaii.com>; Year Founded 1990. Phil Auldridge establishes this Part 135 concern on the Big Island of Hawaii in 1990 to offer air tours, charters, flight lessons, and plane rentals. Daily air tours are provided over Hilo and Kona and by the end of the decade, an average of 900 sight-seeing flights are made annually, transporting over 1,800 passengers.

The fleet in 2000 includes 6 Cessna 172s and Piper Warriors.

ISLAND MAIL: United States (1966–1979). IM is originally set up at Anacortes, Washington, in the spring of 1966 to fly mail under contract to **Island Sky Ferries** and **Skyline Air Service**. Employing Cessna light-planes and a refurbished Stinson SR Reliant, the company begins flying its mail routes in the Puget Sound and San Juan Islands area on July 1.

Even after the sponsors become part of the new **Puget Sound Airlines** in August 1967, IM operations continue apace throughout the remainder of the decade and into the 1970s. The company base is relocated to Friday Harbor in 1973 and services are continued until the enterprise ends in 1979.

ISLAND PACIFIC AIR: United States (1975–1978). Mike Hartley establishes IPA at Honolulu during the first quarter of 1975 to provide scheduled passenger and cargo services to all of the state's main islands. Employing Cessna 402s, Hartley begins revenue flights on April 16 and these continue until early 1978 when the company is purchased by and merged into **Air Hawaii (2)**.

ISLAND SKY FERRIES: United States (1950–1967). This company, originally formed by Robert F. and Margaret Ann Schoen in 1947 as **Orcas Island Air Service**, is purchased by Dr. Wallace Howarth in the spring of 1950, who changes its name to **Island Air**. The Schoens' partner, Roy Franklin, and a Stinson 108 Voyager remain with the company, which is managed by Howarth's son David, just returned from the U.S. Army.

Electing not to continue the operation, the younger Howarth sells the tiny airline in 1951 to Harold and Virginia Ferris, owners of Eastsound Airfield on Orcas Island. They also retain Franklin's services, but rename their acquisition ISF. The fleet is enlarged by the addition of the Ferris' Voyager and two small Cessnas. On June 1, 1953, Roy Franklin becomes the new owner.

Adding Piper lightplanes, ISF continues to provide nonscheduled flights to Bellingham via the islands of the San Juan group. On June 1, 1956, scheduled service is inaugurated to Seattle. Meanwhile, throughout the decade and into the next, a contract is held with the U.S. Forest Service to fly forest fire patrols over Mount Baker National Forest.

In 1962, Franklin travels to Texas and purchases a refurbished Lockheed Model 10A Electra for use on passenger services to the islands from Seattle. However, Travelers do not visit and the pioneer aircraft is sold. Operations continue apace in 1963.

During the summer of 1964, the decision is taken to offer scheduled passenger and package third-level flights to Seattle. Employing Cessna lightplanes, the company begins revenue service on September 24. Two years later, the airline joins with **Skyline Air Service** to found the contract mail subsidiary **Island Mail, Inc.**, which begins revenue flights from a hub on Anacortes on July 1, 1966. ISF continues scheduled and charter services until August 28, 1967, when it is taken over by **Puget Sound Airlines**.

ISLANDS AVIATION (ISLANDS NATIONAIR) (PTY.), LTD.: P.O. Box 488, Boroko, Port Moresby, Central Province, Papua New Guinea; Phone 675 325-4055; Fax 675 311-2611; <http://pinelodge.com.pg/islandsair.html>; Code CN; Year Founded 1991. CN, a subsidiary of **Islands Helicopter Services (Pty.), Ltd.**, is established at Port Moresby in July 1991 to provide fixed-wing scheduled and passenger air charter services throughout the nation. David Pidduck is chairman, with Tony Skelton as general manager. The fleet includes the rotary-wing operator's 9 Bell 206L LongRangers plus 1 Beech 58 Baron, 3 Beech Super King Air 200s, 1 Cessna 206, 3 each de Havilland Canada DHC-6-300 Twin Otters and Embraer EMB-110P1 Bandeirantes plus 2 Pilatus-Britten-Norman PBN-2 Islanders.

From bases at Nadzab, Mt. Hagen, Port Moresby, and Rabaul, flights are initiated and continued in 1992–1995 linking those destinations, as well as Buka, Goroka, and Hoskins. During these years, only six LongRangers are devoted to the charter services of **Islands Helicopter Services (Pty.), Ltd.**

In April 1996, Malaysia-based Mofaz Air purchases a 40% stake. Flights continue in 1997–2000, during which time the workforce grows to 140. Scheduled destinations visited include Boang, Buiolo, Cape Orford, Gonalia, Goroka, Jacquinot Bay, Kavieng, Kerema, Lae, Lihir Island, Malekolon, Manguna, Mount Hagen, Port Moresby, Rabaul, Sauer, Tadjji, and Wewak.

ISLANDS HELICOPTER SERVICES (PTY.), LTD. See **ISLANDS AVIATIONS (ISLANDS NATIONAIR) (PTY.), LTD.**

ISLANDS NATIONAIR (PTY.), LTD. See **ISLANDS AVIATION (ISLANDS NATIONAIR, (PTY.), LTD.)**

ISLANDSFLUG, H.F.: Reykjavik Airport, Reykjavik, IS-101, Iceland; Phone 354 (91) 570-8090; Fax 354 (91) 570-8091; <http://www.islandsflug.is>; Code HH; Year Founded 1991. Islandsflug is set up at Reykjavik Airport in 1991 to offer scheduled domestic passenger services. Gunnar Thor is president, with Omar Ben as general manager. A workforce of 45 is assembled and revenue flights commence with a fleet comprising 3 Dornier 228-212s, 1 Fairchild Metro III, and 1 Piper PA-31-350 Navajo Chieftain.

Flights continue in 1992–1998, during which years an Aero International (Regional) ATR42-320 and a Boeing 737-2M8A are also placed into service.

Islandsflug is now the second largest airline in scheduled and charter flight operation in Iceland, serving 16 domestic destinations with annual boardings in excess of 100,000.

Additionally, the company operates the largest flight school in the nation, employing 12 small training planes.

During the first quarter of 1999, the B-737-2M8A is wet-leased to Caraibenne des Transportes Aeriens. This joint venture was established by **Air France**, **Air Martinique, S.A.**, **Air Saint Martin, S.A.**, and **SATA (Societe Antillaise de Transportes Aeriens, S.A.-Air Guadeloupe)** to replace the French major on its Caribbean routes from Fort de France and Pointe-à-Pitre to Cayenne, Miami, and Port au Prince. The Icelandic Boeing will be returned as soon as Caraibenne is able to secure a pair of B-737-300s.

In June, the marketing name Icebird Airlines, H.F. is introduced for the carrier's foreign operations. Domestic destinations visited include Akureyri, Bidudalut, Egisstadir, Gjogur, Saudarkrokur, Siglufjörður, and Vestmannaeyjar. A B-737-3Q8QC is operated on behalf of **DHL Worldwide Express**.

Airline employment stands at 160 at the beginning of 2000. Wearing a special livery in honor of its employer, the Spanish tour operator Sunbird, a B-737-3Q8 is based at Palma de Mallorca at the end of March to fly tourists to and from northern Europe. Both of the company's ATR42-320s are turned over to **Flugfelag Islands, H.F. (3)** on May 21, although one is also advertised for sale in June with Piedmont Aviation Services.

In order to create a larger carrier in fact as well as by alliance, the small airlines of the French Caribbean are actually merged into **SATA (Societe Antillaise de Transportes Aeriens, S.A.-Air Guadeloupe)** during July. They had been flying the Antilles as part of the umbrella Caraibenne des Transportes Aeriens joint venture.

The surviving partner, controlled by 70% majority owner Groupe Dubreuil, which had previously owned the French carrier **Regional Airlines, S.A.**, is then renamed **Air Caraibes, S.A. (2)**. The enlarged airline maintains the local service routes of three previous independents. It also retains the Islandsflug B-737-2M8A, previously chartered for Caraibenne des Transportes Aeriens, and employs it to operate daily roundtrips from Fort-de-France and Pointe-à-Pitre to Miami via Port-au-Prince, Haiti.

On September 29, the company receives permission from the UN Sanctions Committee for the initiation of charter flights between Paris (CDG) and Baghdad. It is anticipated that such flights may begin in October using a B-737-3Q8.

Flown for Sunbird during the summer, a B-737-3Q8 is repainted and sent to **Bahamasair, Ltd.** for its winter charter schedule that begins in late November.

ISLE OF MAN AIR SERVICES, LTD.: United Kingdom (1935–1947). A major supporter of **Blackpool and West Coast Air Services, Ltd.**, **Olley Air Services, Ltd.** provides total capitalization of £1,000 and registers IOMAS as an airport company on January 21, 1935. On September 27, 1937, Olley, with the Isle of Man Steam Packet Co., Ltd. and London, Midland and Scottish Railway as partners, merges the airline and the FBO, providing it with a fleet of 1 DH 84 and 6 DH 89As.

Blackpool and West Coast Air Services, Ltd. is allowed to fly under its own identity until November 2. On that date, its former mail contract for the Liverpool–Isle of Man–Belfast route is reconfirmed to IOMAS and its **Irish Seas Airways, Ltd.** arrangement with **Aer Lingus Irish Airlines** is renamed **West Coast Air Services, Ltd.** Previous Blackpool direct routes to England and Ireland from the Isle of Man are continued.

Enplanements since start-up total 3,925.

Between May and October 1938, IOMAS operates a service to the Isle of Man from Leeds and Bradford via Liverpool and Blackpool. In accordance with the Air Navigation Order of September 16, the new ATLB on October 21 confirms the carrier's routes from the Isle of Man to Manchester, Liverpool, Manchester, Belfast, and Carlisle. The year's passenger traffic swells to 21,279.

On September 3, 1939, war is declared on Germany and all civil flying ceases. On November 20, the carrier is allowed to resume limited service from the Isle of Man to Liverpool and Belfast. The year's bookings are 12,185.

On May 5, 1940, the Secretary of State for Air signs an agreement with seven independent carriers governing the wartime routes and services to be operated; the coordinating body IOMAS joins is the **Associated Airways Joint Committee**. Passenger boardings for the year are 9,264. Throughout the war, the Isle of Man–Liverpool route is flown and passenger bookings vary: 12,052 (1941); 11,664 (1942); 12,147 (1943); 14,567 (1944); and 16,172 (1945).

During the summer of 1946, the carrier introduces vacation flights to the island from Manchester, Carlisle, Blackpool, Glasgow, and Belfast. **British European Airways Corporation (BEA)** is formed on August 1 and the year's final bookings achieve a carrier highpoint of 24,104. On February 1, 1947, IOMAS is one of 10 ex-AAJC carriers acquired and merged into BEA.

ISLE ROYAL SEAPLANE SERVICE. See **SHAWANO FLYING SERVICE**

ISLE ROYALE AIRWAYS: United States (1965). A Great Lakes-based flying boat operator, IRA is set up at Houghton, Michigan, in 1965 to provide scheduled passenger and cargo services to Rock Harbor, on Isle Royale, by way of Copper Harbor. Although Grumman G-21A Goose (and Beech 18) revenue flights are inaugurated, they cannot be maintained to year's end.

ISLE ROYALE SEAPLANE SERVICE: United States (1975). IRSS is established at Isle Royale, Michigan, during the summer of 1975 to provide scheduled passenger services to small communities in the Upper Peninsula. Employing Piper and Cessna floatplanes, the company offers daily roundtrips during the summer season.

ISLENA AIRLINES (ISLENA DE INVERSIONES, S.A.): P.O. Box 402, Ave San Isidro, Re Parque Central, La Celba, Honduras; Phone (504) 432 631; Fax (504) 432 632; <http://www.intertel.hn/tourism/islena>; Code WC; Year Founded 1981. Islena is established at La Celba in 1981 when Arturo Alvarado Wood begins flying a Cessna 206 on nonscheduled flights to the island of Roatan. As the air taxi

grows, it begins flying to the capital at Tegucigalpa where, in **1989**, it is reformed to offer scheduled third-level passenger and cargo services to domestic destinations, as well as communities in neighboring Central American republics. General Manager Wood's company begins these revenue operations with 3 de Havilland Canada DHC-6-200 Twin Otters and 1 Fairchild F-27J Friendship.

The fleet is radically altered in **1990** as all of the start-up equipment is removed and replaced with 1 Beech King Air 90 and 2 Embraer EMB-110P2 Bandeirantes. A second King Air 90 arrives in **1991**, along with an EMB-110P1, a different leased F-27J, and a Grumman G-159 Gulfstream I.

Operations continue apace in **1992** as the company continues to expand both its frequencies and flight equipment. Added this year is a Beech 99, an F-27A, and an F-27M. The leased F-27J is destroyed on the ground at Miami by Hurricane Andrew on August 24.

Another Beech 99 is delivered in **1993** along with a Shorts 360. These replace the Gulfstream I, which is sold in Guatemala.

In **1994**, the company charts one each Boeing 727-251 and B-727-2B7, which are in turn subleased to the new Bogota-based subsidiary **Islena Colombia, S.A.** A Let L-410UVP is acquired.

In **1995**, orders are placed for two Avions de Transport Regional ATR42-320s, the first of which is delivered by year's end.

The second ATR arrives in early **1996** and is employed to inaugurate new routes to Managua and Guatemala City.

While taking off from La Ceiba on March 3, **1997**, the Let L-410UVP with 2 crew and 19 passengers fails to climb. It returns to Runway 6 after its gear has been retracted and consequently skids 450 meters. Although the aircraft must be written off, there are no fatalities.

From the La Ceiba hub, President/CEO Wood's company in **1998** visits eight destinations, including Grand Cayman in the British West Indies. Two more used ATR42-320s arrive, one in December and the other in January **1999**.

Airline employment stands at 250 at the beginning of **2000**. Scheduled destinations visited include Cauquira, Grand Cayman Island, Guanaja, La Ceiba, Patacios, Puerto Lempira, Roatan, San Pedro Sula, and Trujillo. Late in the year, the company repaints its aircraft in the colors of Grupo TACA.

ISLENA COLOMBIA, S.A.: P.O. Box 402, Ave San Isidro, Re Parque Central, La Ceiba, Honduras; Phone (504) 432 683; Fax (504) 432 632; Year Founded 1994. IC is organized at Bogota in **1994** as a subsidiary of the Honduran carrier **Islena Airlines (Islena de Inversiones, S.A.)**. One each Boeing 727-251 and B-727-2B7 is acquired by the parent and leased to the new entrant, allowing it to commence revenue operations. Later in the year, a B-727-25 freighter is also chartered from **AVENSA (Aerovias Venezolanas, S.A.)**. Operations continue apace in **1995-1998**.

ISLES OF SCILLY SKYBUS, LTD.: Steamship House, Quay Street, Penzance, Cornwall, England, TR18 4BD, United Kingdom; Phone (0) 736 362009; Fax (0) 736 788366; <http://www.islesofscillytravel.co.uk>; Code 5Y; Year Founded 1990. This new commuter operator is established at Lands End Airfield in Cornwall in **1990** to offer scheduled services to the Scilly Isles as a subsidiary of the Isles of Scilly Steamship Company, Ltd. Managing Director J. E. C. Cartwright inaugurates revenue services with a fleet of four Pilatus-Britten-Norman PBN-2 Islanders. A total of 13,557 passengers are transported. Two more Islanders are acquired in **1991**.

Passenger boardings increase to 20,920. Enplanements climb 31.3% in **1992** to 31,824. Kenneth N. Christopher becomes managing director in **1993** and through September customer bookings are up 4.3% to 29,887.

A de Havilland DHC-6-300 Twin Otter is acquired in **1994** and it assists the company to realize, through September, a 22.3% increase in passenger boardings to 37,362.

A new Pilatus Britten-Norman PBN-2B Islander is delivered during the first quarter of **1995**. Traffic growth through September is very en-

couraging. Enplanements rise 18% to 44,100. Airline employment stands at 20 in **1996**, but full-year passenger traffic falls off, dropping 6.8% to 45,931 passengers flown.

In **1997**, the company continues to fly from Land's End to St. Mary's in Scilly Islands with several Islanders, while tasking others to make interisland flights. Frequencies are upwards of 40 per day during the summer, but just 4 in the winter. Passenger boardings inch up 1.7% to 46,719.

Two more Islanders enter service in **1998**. Customer bookings fall 2.1% to 44,000. On the plus side, 296,000 FTKs are operated.

Passenger boardings drop another 7.8% in **1999** to 43,000. The workforce at the beginning of **2000** totals 20.

ISO COMMUTER: United States (1979-1980). ISO Aero Service, the FBO at Kinston, North Carolina, elects to establish a scheduled air taxi service in **1979** to provide passenger services to Raleigh/Durham and to Washington, D.C. Although daily Cessna 310 roundtrips are duly inaugurated, they can only be maintained into **1980**.

ISRAIR AIRLINES AND TOURISM, LTD.: 23 Ben Yehuda Street, P.O. Box 26444, Tel Aviv, Israel; Phone 972 (3) 7955 888; Fax 972 (3) 7955 800; Code 6H; Year Founded 1995. **Emek Wings, Ltd.**, the airline division of Kanfey-Ha'Emek Aviation, changes its corporate identity in **1995**. Revenue scheduled and air taxi flights continue, under the direction of CEO Doron Dovrat, with 2 Shorts 330-200s and 1 each Shorts 360-300 and Aero International (Regional) ATR42-320. Destinations visited include Dov Hoz, Eilat, Haifa, and Jerusalem.

In **1996-1997**, flights continue without incident or coverage, but with four additional ATR42-320s. The ATRs are subcontracted to **El Al Israel Airlines, Ltd.** and are employed on services to Jordan. These turboprop flights bring the carrier much needed capital. Ownership is now divided between Ganden Investments (70%) and Zeev Horn and Moshe Leibovitz Holdings (30%).

Early in **1998**, cooperation negotiations commence with El Al, but these cease when the flag carrier opts, instead, for closer ties with **Arkia Israel Airlines, Ltd.**

Late in the year, the decision is taken to break into the foreign charter market, using a "flexible approach" of customer service and discount prices to lure customers. The owners will invest approximately \$10 million to turn Isair from a small domestic company into an international airline.

A total of 300,000 passengers are flown during the year.

Beginning on February 23, **1999**, two Boeing 737-7S3s are chartered from Pembroke Group, the Irish lessor. The first unit enters revenue service in March with a charter from Tel Aviv to Spain. While Isair pilots are in Seattle training, five pilots will be provided under an agreement with **Balkan Bulgarian Airlines** and they will fly to European destinations with the newly educated aviators. Five former El Al captains are also hired as advisors.

An agreement is also reached with **Onur Air, A.O.** to provide backup for the new Boeings, should that become necessary, within three hours. El Al is contracted to provide maintenance.

Foreign revenue charters to and from Israel commence in April and are expanded following the delivery of the second B-737-7S3 in May.

Airline employment stands at 330 at the beginning of **2000**. **El Al Israel Airlines, Ltd.** Vice President Michael Gat becomes CEO on June 1.

The company's first Next Generation B-737-700 is returned to its lessor, Pembroke Capital, in early October, with the second to follow. In the period prior to the arrival of a pair of chartered A320-200s in January, a Next Generation B-737-8K2 is leased from **Transavia Holland, N.V.** in late October for use through March on its holiday charter services. On November 2, biweekly return charter service is inaugurated from Tel Aviv to Moscow.

ISTAIR ISTANBUL AIRLINES (ISTANBUL HAVA YOLLARI, A.O.): Firuzkoy Yolu No. 26, Avclar, Istanbul, 34850, Turkey;

Phone 90 (212) 509-2100; Fax 90 (212) 593-8742; Code IL; Year Founded 1985. **IA** is established at its namesake city in December 1985 to operate passenger charter flights on behalf of its owner, a tour group with holdings in both Turkey and Germany. General Manager Safi Ergin assembles a fleet comprising 4 Sud-Est SE-210 Caravelle XRs and 2 Boeing 727-200s.

Revenue operations commence on March 14, 1986 from Istanbul, Ankara, Antalya, Adana, Dalaman, and Izmir to Barcelona, Dusseldorf, Berlin, Hanover, Frankfurt, Stuttgart, Bologna, Madrid, Tel Aviv, and Rome.

Between 1987-1988, scheduled services are inaugurated to Amsterdam and Munich and authority is obtained to commence flights to Hamburg and Cologne. Two BAC 1-11s are chartered from **TAROM (Transporturile Aeriene Romane, S.A.)** during the former year and a leased B-737-4Y0 is delivered in November of the latter. Airline employment is increased by 5% in 1989 to 410 and the B-727-200s are withdrawn and replaced in service by a second leased B-737-4Y0. Orders are placed for three B-737-300s. Enplanements ascend 35.4% over the previous year to 355,987.

In 1990, General Manager Ergin's fleet comprises 4 Caravelle XRs and 2 Boeing 737-4Y0s. It is decided not to retain the B-737s; those on hand are returned and those on order are cancelled. Instead, two B-727-228s are leased in 1991 from **Noble Air, A.O.** and five B-727-230As are ordered from **Deutsche Lufthansa, A.G.**, of which one is delivered this year and the remainder in 1992. Also in 1992, the Caravelles are all withdrawn and are replaced with another leased B-737-4Y0.

In 1993, General Manager Ergin oversees a workforce of 1,650 and the fleet now includes 5 each B-737-230As and B-737-4Y0s (leased) and 2 each B-727-228s and B-737-4S3s (leased). Charter flights continue across Europe.

Through September, passenger boardings increase to 1,075,071, a spectacular 161.3% over boost the same period the previous year.

In 1994, scheduled flights are undertaken from Istanbul to Munich, Amsterdam, and domestic stops while charters continue to be flown to the German cities of Cologne, Frankfurt, Dusseldorf, Hamburg, Hanover, Munich, Saarbrücken, and Stuttgart, plus London, Zurich, Vienna, Graz, Linz, and Salzburg. A B-737-291A subleased from **Air Atlanta Icelandic, H.F.** helps to operate the inclusive-tour flights for a year.

Services continue in 1995-1998, during which years the owned fleet comprises 5 B-737-230As and 1 B-737-230AF while the company also charts 4 B-737-4Y0s and 2 each B-727-228s, B-737-4S3s, and 3 B-757-236s.

On August 26 of the latter year, the carrier leases the Salamis Bay Hotel, in the area of Famagusta, for 49 years at an annual fee of \$613,000 plus 10% of any profits.

During the fall, orders are placed for 12 B-737-800s. Arrangements are completed with General Electric Capital Aviation Services to lease three of the type during the following spring.

A B-737-4Y0 must make an emergency landing at Istanbul on March 25, 1999, when its landing gear fails to properly deploy. There are no injuries reported.

The three GECAS B-737-86Ns arrive during the spring and enter service on scheduled Turkish services, as well as on regional charters started with the opening of the spring schedule.

Airline employment totals 2,500 at the beginning of 2000.

While en route from Izmir to Dusseldorf on April 29, a B-727-230A is forced to make an emergency landing at Istanbul when one of its three engines fails. An A300B4 begins a two-month lease on June 15.

A Lockheed L-1011-385 TriStar 1 is wet-leased from **Air Atlanta Icelandic, H.F.** on June 17.

Just after takeoff from Trabzon for Frankfurt on August 23, a B-737-3Y0 is forced to return to its point of origin after colliding with a flock of birds. Although both engines are damaged, the jetliner is able to complete a safe emergency landing.

With his airline in deep financial difficulty, Chairman Safi Ergin attempts to obtain government assistance during July, aid that will help

him pay off some of the company's approximately \$113-million debt. Without aid, Istanbul Airlines attempts to save costs by reducing its fleet and selling assets, including hotel properties. The two B-737-4Y0s owned by GECAS are returned on July 10.

In the end, the savings and aid pleas are not sufficient. The carrier cancels all flights on August 24 and ceases operations. Hundreds of passengers are stranded at Turkish airports as all 900 employees are sent home.

ISTANBUL AIRLINES, A.S. See **ISTAIR ISTANBUL AIRLINES, A.S.**

ISTHMIAN AIRWAYS, S.A.: Panama (1929-1933). Ralph Sexton forms Isthmian in the Panama Canal Zone in the spring of 1929; the company is the first civil air transport concern established in Panama. Employing Hamilton H-45s/H-47s floatplanes, service is inaugurated on May 5 across the entire width of the country, Cristobal to Balboa.

The 47-mile route is maintained until the pioneer airline becomes a victim of the Depression in 1933.

ITA (ITAPEMIRIM TRANSPORTES AEREOS, S.A.): Praca Pio X No. 15, 4th & 6th Floor, Rio de Janeiro, 20 040 020, Brazil; Phone 55 (21) 263-4255; Fax 55 (21) 233-4261; http://www.itapemirim.com.br/visa/aero/htm; Code K9; Year Founded 1990. ITA is founded by its chairman, Camilo Cola, at Rio de Janeiro in September 1989 and is one of the first all-cargo carriers to be established in Brazil since the 1970s. Ownership is held by Cola's Itapemirim Transportes group, the largest surface transport concern in the country. A Boeing 727-25F is acquired and is given a grey belly and yellow fuselage above the wingline, with titles reading "ITA Itapemirim Cargo." After a delay, services are inaugurated in January 1991 on a route to Manaus. A B-727-173C arrives at year's end and doubles the company's capacity.

In 1992-1993, the fleet is significantly increased as two more B-727s, a Dash-46F and a Dash-30C, are placed into service. The former had previously been operated by **Evergreen International Airlines**.

Marketing alliances are established in 1995-1997 with **Federal Express (FedEx)**, **KLM (Royal Dutch Airlines, N.V.)**, and **Deutsche Lufthansa, A.G.** To handle these commitments, Chairman/CEO Cola acquires two Cessna 208B Grand Caravans, as well as one each B-727-25F, B-727-225AF, and B-727-259AF.

Scheduled destinations visited include Belem, Brasilia, Fortaleza, Manaus, Porto Alegre, Recife, Salvador, and Viracopos. Montevideo and Miami are new charter markets.

At the beginning 1998, airline employment stands at 400 and the company is designated a flag carrier; it is assigned to the Brazil-U.S. market as a scheduled all-cargo airline.

It is reported on September 6, 1999 that ITA has been taken over by **TAM (Transportes Aereos Regionais, S.A.)** and will shortly be renamed **Interexpress Transportes Aereos Regionais, S.A.**

Airline employment totals 2,000 at the beginning of 2000.

ITALAIR, S.p.A.: Italy (1996-2000). This third-level operator is established at Rome in 1996 to offer regional scheduled passenger services within Italy. Luigi Greco is president and he begins revenue flights with five Avions de Transport Regional ATR42-320s.

Service is maintained in 1997-2000. In these years, the company's turboprops visit Alghero, Bologna, Brindisi, Cuneo, Genoa, Naples, and Pisa. Enplanements during the latter year total 65,000. The company announces during the summer of the latter year that it's routes from Alghero to Venice and Verona are to be dropped with the beginning of the winter schedule on October 29. At that point, the carrier will be operating a single ATR42-320 on daily roundtrips from Alghero to Bologna and from Cuneo to Rome, thrice weekly to Genoa, and four times a week to Pisa.

Before these changes can be made, ItAlAir shuts down in September.

ITALY FIRST, S.p.A.: 115 Corso d'Augusto, Rimini, 47900, Italy; Phone 0541 438811; Fax 0541 28808; <http://www.italy-first.com>; Code IF; Year Founded 1999. Italy First is established as a subsidiary of Gruppo Condor at Rimini in 1999 to operate scheduled domestic replacement passenger services as well as charters and air ambulance flights to points around the Mediterranean and to the CIS. Two Avions de Transport Aerien Regional ATR42-320s initiate revenue flights to Alghero, Bologna, Milan, Naples, and Rome.

Employing both ATR42-320s wet-leased from Italy First., **Meridiana, S.p.A.**, on behalf of **Alitalia, S.p.A.**, inaugurates twice-daily roundtrips on May 1, 2000, from Naples to Bologna

ITAPEMIRIM TRANSPORTES AEREOS, S.A. See **ITA (ITAPEMIRIM TRANSPORTES AEREOS, S.A.)**

ITAU (COMPANHIA ITAU DE TRANSPORTES AEREOS, S.A.): Brazil (1947–1957). ITAU is formed as an all-cargo carrier at São Paulo on September 30, 1947. Most of 1948 is taken up with obtaining route permits and assembling a fleet of 9 Curtiss C-46 Commandos; however, services do begin late in the year.

Flying also from Rio de Janeiro, in 1949–1955 the carrier is able to offer services to most of the nation's larger cities, including Belo Horizonte, Recife, Salvador, Fortaleza, and Campo Grande.

On February 21, 1951, a C-46A with four crew is forced to make a belly landing at Galeao Airport, Rio de Janeiro, and catches fire; although the aircraft is destroyed, there are no fatalities.

In financial difficulty after the loss of four freighters in two years, the company is purchased in October of the latter year as the cargo component of the airline consortium sponsored by **TAN (Transportes Aereos Nacional, S.A.)**. Assimilation is completed by October 22, 1957.

ITAVIA, S.p.A.: Italy (1958–1989). Itavia is founded in Rome in 1958 to provide, as Italy's second domestic airline, scheduled flights to mainland destinations as well as points on Sicily and Sardinia. Charter operations are also undertaken. The initial fleet consists of de Havilland DH 114 Heron 2s and one of these, with four crew and seven passengers, crashes into Mt. Capanne, Elba, on October 14, 1960; there are no survivors.

Several Douglas DC-3s are acquired in 1961–1962. One of the new American-made transports with three crew and eight passengers, hits a mountain near Sora, Italy, on March 30, 1963; there are no survivors. Service continues without incident during the next six years as several Fokker F.27-100s and F.28-1000s are purchased.

The first of the latter enters service on April 21, 1969. A Fokker F.27-100 is lost in a crash near Reggio di Calabria on May 24 (one dead). Although business is conducted over the next two years without incident, an F.27-100 with 18 aboard smashes into a mountain near Frosinone on April 16, 1972; there are no survivors. At year's end, a Douglas DC-9-15 is purchased from *Hawaiian Airlines*.

Later, the fleet comes to consist of Douglas DC-9s and Fokker F.28-1000s. One of the latter types is involved in the second of the carrier's three fatal accidents, on January 1, 1974. En route from Cagliari to Geneva, a Fokker with 4 crew and 38 passengers, crashes 2 nm. short of the runway while landing at Torino Caselle Airport at Turin in very bad weather (39 dead); among the victims are 5 members of the American Brickheimer family.

An F.28-1000 with 50 passengers fails its takeoff from Bergamo on April 9, 1975 and makes a forced landing that is 200 m. short of the end of the runway; there are no fatalities.

The carrier's third fatal disaster is very controversial. Flight 870, the Ex-Hawaiian DC-9-15 with 4 crew and 77 passengers en route from Bologna to Palermo, disappears into the Tyrrhenian Sea, off Naples, on June 27, 1980. On December 18 of that year, Italian Transportation Minister Rino Formica reports that the crash was caused by a missile, a view that will be debated for over a decade. Operations of the airline, meanwhile, continue apace until Itavia closes its doors for financial reasons at the end of 1989.

In 1990, Franco Scottoni and Luigi Di Stefano review the missile evidence in their *Ustica, Quel Maledetto Missile* (Roma, Italy: Atlantis, 1990).

On February 9, 1991, a motion picture, *The Rubber Wall*, opens in Italian theaters and depicts the 1980 disaster as a government cover-up of a shoot down by "friendly" warplanes. The controversy is further flamed after the *Magellan 725*, a remotely operated vehicle owned by Eastport International, recovers the flight recorder from the Tyrrhenian Sea and photographs 350 pieces of wreckage at a depth of 10,825 ft. during the first week of August.

Claudio Gatti and Gail Hammer revisit the case in their *Il Quinto Scenario* (Milano, Italy: Rizzoli, 1994) while Daria Lucca, Paolo Miggiano, and Andrea Purgatori rework the topic in *A Un Passo Dalla Guerra* (Milano, Italy: Sperling & Kupfer, 1995).

It will be revealed in 1996–1997 that the 1980 incident was the result of political differences between the West and Libya. According to information filed in the 1980 hull-loss database of the *Aviation Safety Network*, a pair of Libyan MiG fighters had concealed themselves from radar detection by flying closely to the Itavia jetliner. This move is detected by either French or U.S. forces in the area, aircraft from which fire on the MiGs. An errant missile strikes Flight 870, causing it to disintegrate and crash off Ustica Island. One MiG escapes, while the other is shot down over Calabria.

ITR AIRLINES. See **FRONTIER COMMUTER**

IVANOVO UNITED AIR DETACHMENT: Ivanovo Airport, Ivanovo, Central Regions Zone, 153041, Russia; Phone 7 (09322) 34289; Code IGAP; Year Founded 1995. Ivanovo is established at its namesake city in 1995 to offer domestic and regional charter and scheduled services, both passenger and all-cargo. Boris Vorobiov is CEO and he begins services with a fleet that comprises 2 Tupolev Tu-134s, 6 Antonov An-24s, and 16 An-2 biplanes.

Services continue in 1996–1999. By the end of the latter year, the company has suffered severe financial reversal, much of it due to the Russian currency crisis, and declares bankruptcy. Despite the views of its creditors and managers, the rules of the bankruptcy code are invoked on November 22 and the airline is given another six months to regain its economic viability.

On April 25, 2000, many employees receive layoff notices.

IZHEVSK AIR ENTERPRISE (IZHAVIA): Izhevsk Airport, Republic of Udmurtia, 426015, Russia; Phone 7 (3412) 641 675; <http://www.izhavia.udm.ru>; Code IZA; Year Founded 1995. IAE is established at Izhevsk Airport in 1995 to provide domestic and regional passenger and cargo charters. Mikhail Khatomkin is CEO and he begins revenue flights with 4 Tupolev Tu-134s and Antonov An-24s, 3 each An-2s and An-26s, and 1 Yakovlev Yak-42D.

Late in 2000, the company opens a Russian-language homepage on the Internet's World Wide Web.

J-AIR COMPANY, LTD.: 4-10-2 Kan-non Shin-Machi, Nishi-ku, Hiroshima, Japan; Phone 81 (82) 234-6168; Fax 81 (82) 296-2443; Code JL6; Year Founded 1991. It is arranged in November 1990 that, upon its creation, **Japan Air Lines Company, Ltd. (2)**'s new Air Academy, a flight training subsidiary, will take over the **Asahi Air Lines Company, Ltd. (AALC)** services in the West Seto region from a base at Hiroshima. To equip the new endeavor, JAL in November places a ¥1.6-billion order for a pair of British Aerospace BAe Jetstream 31s.

The JAL Air Academy is officially founded at Nishi (West) Hiroshima Airport in early March 1991. Later in the month, it is placed in charge of the former AALC commuter operation in the Nishi-Seto region, which JAL had acquired the previous November. The service is renamed J-Air Company, Ltd. in order that the public may gain the impression that the service is operated and supported by JAL. JAL also undertakes an advertising campaign for the new operation.

J-Air services commence in April. Until the Jetstream 31s can be delivered in August, the new flights will be made with Asahi's Bandeirantes.

With the arrival of the Jetstream 31s in August, the Bandeirantes are returned by JL6 to AALC. The new pressurized turboprops begin flying on behalf of the JAL affiliate from Hiroshima to Oita and Matsuyama.

On November 20, JL6 launches Jetstream 31 services from Hiroshima to Nagasaki and from Hiroshima to Komatsu.

Operations continue apace in 1992 and in June 1993 a BAe Jetstream 32 is ordered. It is delivered in August. The 10,000th passenger is transported on December 17.

There are no changes in 1994 and enplanements reach 65,231 in 1995. There are substantial losses: \$2.27 million (operating) and \$1.04 million (net).

Airline employment is increased by 11.1% in 1996 to 50 and the fleet now includes 4 Jetstream 31s. The company, now fully established as a JAL feeder, operates over 10 lightly traveled domestic routes.

Passenger boardings soar 32.4% to 96,495 and operating income jumps 12.4% to \$10.12 million. Costs, however, accelerate 19.9% to \$13.51 million, leaving a \$3.39-million operating loss. The pretax loss declines to \$702,000.

A graduate of the state-owned pilots academy, 26-year-old Aya Nagano becomes Japan's first woman commercial pilot on April 1, 1997 when, as first officer, she begins flying a company Jetstream 31.

Flights continue during the remainder of the decade and into the new millennium. During these years, president Masashi Obuse's 55-worker concern trades in its four Jetstream 31s, replacing them with five Jetstream 32s.

On January 24, 2000, a firm order, with three options, is placed with Bombardier for a pair of Canadair CRJ200ERs. Two of the three options are converted into firm orders on November 3, with deliveries scheduled in December and the second quarter of 2002. Two more options are now taken.

The first CRJ200ER arrives at the company base on December 8. It is announced that the regional jets will replace JAL B-737-400s in April on the routes from Nagoya to Yamagata and from Sapporo to Fukushima.

JAGSON AIRLINES, LTD.: 12-E Vandana Building, 11 Tolstoy Mang, New Delhi, 110 001, India; Phone 91 (11) 372-1593; Fax 91 (11) 332-4693; Code JGN1; Year Founded 1991. Jagson International, Ltd. establishes this air taxi subsidiary at New Delhi in November 1991 to undertake domestic passenger charters. Jagdih Gupta is chairman, with Pardeep Gupta as managing director. Flights commence at this time with a pair of Dornier 228-201s; destinations visited include Chandigarh, Dehra, Dun, Himalayan Darshan, Jaisalmer, Jodpur, Kulu, and Simia.

Orders are placed for a pair of Fairchild Dornier 328-110s at mid-decade and scheduled flights are initiated from New Delhi to the markets previously visited on a nonscheduled basis.

The Dornier 328-110s are not delivered; instead, a third 228-201 joins the fleet. By 2000, airline employment stands at 95.

JAL EXPRESS COMPANY, LTD. (JEX): 4-11 Higashi-Shinagawa, 2-chome, Shinagawa-ku, Tokyo, 1040, Japan; Phone 81 (6) 6857 7378; Fax 81 (6) 6857 7384; <http://www.jal.co.jp/jex>; Code JC; Year Founded 1997. JAL Express is established as a low-fare subsidiary of Japan Air Lines Company, Ltd. (2) on April 1, 1997. Outfitted with two Boeing 737-446s chartered from the parent, the new domestic line begins twice-daily roundtrips from a hub at Osaka to Miyazaki and Kagoshima beginning on July 1, 1998. A Japanese-language homepage is opened on the World Wide Web.

Service is expanded from Osaka to Nagasaki, Oita, and Kumamoto on July 1, 1999. Additional routes are taken over from JAL in 2000 and plans are announced for the January launch of flights from Nagoya to both Kagoshima and Sapporo.

During October, two more B-737-446s are transferred to the carrier on a wet-lease basis.

JALways COMPANY, LTD.: JAL Building 18F, 4-11 Higashi-Shinagawa, 2-chome, Shinagawa-ku, Tokyo, 140-8647, Japan; Phone 81 (3) 5460 6830; Fax 81 (3) 5460 6839; <http://www.jalways.co.jp>; Code JO; Year Founded 1999. Chairman Jirb Sagara's 1,046-employee Japan Air Charter Company, Ltd. is renamed on October 1, 1999. Possession of the company's 50,000 shares remains divided between Japan Air Lines Company, Ltd. (2) (80%) Japan Asia Airways Company, Ltd. (2%), NYK (2%), The Industrial Bank of Japan (1%), the Dai-Ichi Kangyo Bank (1), and private investors (14%).

The fleet of 4 Boeing 747-246Bs and 4 Douglas DC-10-40s, all leased from Japan Air Lines Company, Ltd. (2), is retained. Cockpit crews, hired on a contract basis, are based in Hawaii, while cabin attendants are hired and based in Bangkok, where JAZ operates a cabin crew training center. Some cockpit crew and senior flight attendants are seconded over from JAL as the company's mission, under the direction of President/CEO Yukio Ohtani, is now expanded.

In addition to charter flights to such points as Bangkok, Fukuoka, Guam, Hiroshima, Kona, Nagoya, Niigata, Osaka, Saipan, Sapporo, Sendai, and Tokyo, the company begins to take over the scheduled routes of JAL to Pacific resort locations. JAL had previously flown many of them on a wet-lease basis. The initial return services are the previous JAL flights from Tokyo (NRT) to Kona and Honolulu.

Airline employment at the beginning of 2000 stands at 1,045, including 143 cockpit crew, 844 cabin attendants, and 58 ground staff. On April 1, the carrier takes over the JAL scheduled services from Sapporo, Sendai, Niigata, and Hiroshima to Honolulu. At this point, a fifth chartered B-747-246B arrives from the parent. All of the Jumbojets are now painted in a white livery with depictions of colorful flowers and hummingbirds and wear "Reso'chu" titles.

On August 7, JAL facilitates the lease to JALways of a B-747-146 from Japan Asia Airways Company, Ltd. JAL paid-in capital as of September 30 totals ¥ 188.32 billion.

With the beginning of the winter schedule on October 29, the company also takes over the previous JAL daily frequencies from Tokyo (NRT) and Osaka (KIX) to Saipan and from Fukuoka to Honolulu. The redistribution of routes is part of the parent's effort to drive down costs.

Arrangements are completed at year's end for JAL to take over 100% shareholding on March 9. To process the arrangement, the parent's paid-in capital will be increased by ¥ 226 million to ¥ 188.55 billion.

JAMAHIRIYA AIR TRANSPORT. See JAMAHIRIYA LIBYAN ARAB AIRLINES

JAMAHIRIYA LIBYAN ARAB AIRLINES: P.O. Box 2555, Haiti Street, Tripoli, Libya; Phone 218 (18) 602 083; Fax 218 (21) 602 085; Code LN; Year Founded 1990. Libyan Arab Airlines is renamed in 1990, at the same time assuming the charter services of Jamahiriya Air Transport. The Libyan Arab Airlines marketing name is retained and often is employed in airline directories.

The fleet, inherited from Libyan Arab Airlines, comprises 5 Boeing 707-2L5As, 5 De Havilland Canada DHC-6-300 Twin Otters, 3 Fokker F.28-4000s, 13 F.27-600s, 2 F.27-500s, 1 F.27-400, 21 Ilyushin Il-76s, 4 Lockheed L-100-20 Hercules freighters and 2 Airbus Industrie A310-203s technically leased from Air Algerie, S.A.

Employment stands at 3,798 and enplanements reach 1,803,030 (1,170,731 domestic).

The routes and destinations of the previous carrier are maintained during the remainder of the year and in 1991 the workforce is increased to 5,830. Mohammed Aissa, formerly secretary general, becomes CEO on December 1.

A B-707-351C with 10 crew and 189 passengers, is damaged beyond repair following a takeoff accident at Tripoli on December 7; there are no fatalities.

After a three-year investigation of the Lockerbie tragedy is concluded on November 14 with the Lord Advocate, Scotland's chief law official,

issuing a warrant for the arrest of two Libyans, Abdel Baset Ali Mohamed al-Megrahi and Al-Amin Khalifa Fhimah. The two are charged with conspiracy, murder, and contravention of the U.K.'s Aviation Security Act of 1982. A similar indictment is issued by the U.S. Both men are alleged Libyan intelligence agents. The former was **Libyan Arab Airlines** station manager at Malta at the time of the destruction of the **Pan American World Airways (1)** Jumbojet, while the other was head of LAA's security on the island. In December 1988, he is alleged to have purchased clothes in a Maltese store that were contained in the suitcase bomb on board Flight 103.

A seven-year dispute concerning the Lockerbie suspects begins on December 8 when Libya, concerned that the two will not receive a fair trial, refuses to hand the men over.

Two A300B4-622Rs are leased from **EgyptAir, S.A.E.** in February 1992. The UN Security Council, under Resolution 748, votes sanctions against Libya on April 14 for its refusal to hand over the two men accused of the bombing of the **Pan American World Airways (1)** B-747 over Scotland in 1988.

Beginning on the next day, company passenger jetliners are turned back in flight and are not permitted to land at Amman, Brussels, Cairo, Casablanca, Damascus, Milan, Vienna, and Zurich. Italian jet fighters are scrambled to turn back the Libyan Boeing about to enter their airspace. Only Nicosia, Cyprus, remains open, but it, too, is closed to the carrier, on April 16. On April 17, **Royal Jordanian Airlines** stops accepting reservations for its services to Tripoli.

Operations Manager T. Missurati's Tripoli-based carrier still manages to upgrade its fleet during the remainder of the year, employing the aircraft on domestic services.

Flight 1103, a B-727-2L5A with 10 crew and 147 passengers and en route from Benghazi to Tripoli, collides with a Libyan Air Force MiG 23UB at 3,500 ft. over Soul al-Sabt on December 22 and crashes; all aboard the jetliner are killed, however, the fighter plane crew parachutes to safety.

Replaced through 1993 are several of the Friendships, Twin Otters, B-727-2L5As, and four B-707-3L5Cs. The Ilyushin and Lockheed freighters are transferred to the Air Force and new units purchased include 3 B-737-2L5As, 13 Fokker 50s, 2 Embraer EMB-110 Bandeirantes, and 1 Cessna 441 Conquest. Although the workforce totals 3,798, only domestic services are flown. International passengers travel by surface transport to Djerba in Tunisia and fly via **Tunisair, S.A.** Capt. Saleh Ferjani becomes the airlines managing director in April. Libya continues to maintain its position concerning the Lockerbie suspects, despite the tightening of UN sanctions in December.

There are no operational changes in 1994; however, the fleet now includes 2 B-707-3L5Cs, 9 B-727-2L5As, 15 Friendships, and 3 Fellowships. All of these are grounded except for a pair of B-727-2L5As. Joint insurance purchasing begins with **Royal Air Maroc**.

It is reported in *The New York Times* on April 14, 1995 that the airline plans to defy the UN ban on international flights to and from the country; the same newspaper also reports that 10 of the carrier's trimotors and Stratoliners can no longer fly.

On April 19, the UN Security Council eases its three-year-old ban on flights from Libya; it will permit **EgyptAir, S.A.E.** and other Egyptian airlines to carry Muslim pilgrims to Mecca. The same day, Libyan leader Muammar el-Qaddafi says he will live within the confines of the UN-imposed sanctions for failure to turn over the suspects he harbors that are linked to the bombing of PanAm 103 in 1988. He will not defy the international body's ban on foreign commercial flights by his nation's airline. **EgyptAir, S.A.E.** and **ZAS Airline of Egypt, Ltd.** commence the pilgrim airlift two days later.

The workforce stands at 6,027 in 1996 and despite UN sanctions, the carrier continues to operate a large fleet. Owned units include 12 Il-76TDs, 8 B-727-2L5As, 9 F.27-600s, 5 each Il-76Ts and Il-76Ms, 4 L-382G Hercules freighters, 2 each Grumman G-1159 Gulfstream IIs and Airbus Industrie A310-203s, the latter two leased to **Air Algerie, S.A.**, plus 1 each B-707-3L5C, B-727-224, Dassault Falcon 20C, F.27-400,

F.27-500, L-382E, and L-1329 Jetstar II. In addition, a chartered B-707-351C and Jetstar 8 are also operated.

On April 15, a B-707-3L5C flies Islamic pilgrims without fanfare to Saudi Arabia in violation of the UN ban on Libyan international air travel. The aircraft is allowed to land at Mecca and discharge its passengers.

When a vote comes up at the UN Security Council in November, it is decided to leave the air embargo against Libya in place because of that nation's continuing failure to cooperate in the investigation of two attacks against airliners. Enplanements for the year total 640,424.

Continuing to defy the UN embargo, the company's B-707-3L5C with a Libyan foreign ministry delegation aboard, flies from Tripoli to Accra, Ghana, on January 22, 1997.

Just under a year after the previous unauthorized pilgrim incident, the same Boeing Stratoliner is employed on March 29 to carry Muslims on a pilgrim flight to Saudi Arabia. On September 21, the nations of the Arab League, meeting in Cairo, vote to defy UN sanctions by permitting Libyan aircraft transporting Col. Qaddafi to land in their territory and to permit his airline other flights for humanitarian or religious purposes.

Only internal domestic services are provided in 1998. During a meeting with representatives of Lockerbie victims on April 20, Col. Qaddafi apparently agrees to hand over the two bombing suspects for trial by a Scottish judge in a neutral country. In July, the U.K. and U.S. agree that such a judicial action would be acceptable. In November, authorities in The Netherlands set aside a former air force base near Utrecht for the trial. Despite hopes, the hearings do not proceed. Libya balks over where the men might serve their sentences if convicted and refuses to allow them to be imprisoned in Scotland.

On February 25, 1999, Libya and Dubai sign a memorandum of understanding that will allow Jamahiriya and **Emirates Airlines, Ltd.** to schedule flights between the two countries. Libya, however, remains under UN embargo.

Taking advantage of a UN and U.S. pledge not to attack **Iraqi Airways** aircraft that have begun to illegally operate Hadr flights for Muslim pilgrims to Saudi Arabia on March 17, the Libyan airline, on March 18, also flies a planeload of pilgrims into Saudi Arabia.

Libya informs the UN on March 22 that it will extradite the two men charged in the Lockerbie bombing and will turn them over to representatives of the world body on or before April 6. In return, the UN Security Council indicates that it will abide by its resolutions to suspend sanctions as soon as the two suspects are received.

South African President Nelson Mandela, who has brokered the arrangement, telephones Col. Qaddafi on March 30 to assure him that their deal for the surrender of the two Libyans suspected in the 1988 Lockerbie airline bombing is going as planned.

Following an elaborate farewell ceremony attended by Qaddafi on April 4, the two suspects depart into UN captivity next day. At the hour they are turned over, the world body's sanctions against Libya are lifted.

Two aircraft flown by the carrier and **Air Malta, Ltd. (2)** make commemorative flights into each other's country on April 6. The special flights, carrying aviation officials from the two countries, are the first to be flown into and out of Libya since the UN lifted air restrictions.

On April 9, Managing Director Mohammed al-Mukhtar Ibssim flies into Egypt on a three-day visit, the first stop on a tour of Arab countries that he is making to study markets and to negotiate with other airlines on possible services that might be provided to the Libyan carrier. At a press conference, it is announced that his company will resume international operations within two weeks and will upgrade its aging fleet.

Piloted by Capt. Mohammad Bureiki, Flight 2821, Managing Director Ibssim's B-727-2L5A, arrives at Amman on April 14, ending a seven-year break in flights between Jordan and Libya. All aboard are welcomed with flowers, kisses, and ceremonial cake as they disembark. While the airline chief and fellow executives disappear into talks with their Jordanian counterparts, Capt. Bureiki, caught by a Reuters, Ltd. reporter, notes that regularly scheduled service to Amman will resume in two weeks. He also lets it be known that only one other B-727-2L5A is

operational, the remainder of the fleet having fallen into disrepair during the long UN-sponsored embargo.

On April 24, the first Libyan aircraft in seven years to fly from Libya to Syria arrives at Damascus. Upon arrival, Capt. Bureiki's B-727-2L5A deplanes officials from Tripoli's civil aviation authority and transport ministry. On the last day of the month, flights to Rome are resumed.

The company's international network is gradually rebuilt during the remainder of the year.

Two leased **TransAer International Airlines, Ltd.** A320-231s, resplendent in a new color scheme with Arabic titles on the left side of the fuselage and English on the right, are turned over to the Libyan carrier at Marseilles on December 8.

Airline employment at the beginning of 2000 totals 3,798. In addition to its modern Airbus units, the fleet also includes 8 B-727s, 7 Dash-2L5As, and Dash-228. A B-727-224 and a B-727-2L5A have been withdrawn and is being cannibalized for parts. Also operated are several B-707F and Il-76 freighters. Scheduled international destinations visited include Amsterdam, Accra, Kano, and Mali. Flights are also maintained to the domestic communities of Al Bayda, Al Khufrah, Benghazi, Ghadames, Mersa Brega, Misurata, Sebha, Tobruk, and Tripoli.

On January 19, twice-weekly return service, employing A320-231s, is resumed from Tripoli to Rome, along with weekly roundtrips from Tripoli to Milan.

Thrice-weekly A320-231 roundtrips are initiated on January 24 from Tripoli to London (LHR).

A320-231 return service is resumed on June 13 between Tripoli and Tunis. Also during June, weekly all-cargo roundtrips are inaugurated from Ostend, Belgium, to Tripoli and Benghazi, reportedly handled by European Cargo Services, S.A. and operated by a wet-leased **Trans Mediterranean Airways, S.A.L.** B-707F.

After an eight-year lapse due to the UN embargo, daily A320-231 roundtrips are restarted between Tripoli and Cairo on July 8. Altogether, eight weekly return services will soon be operating from Tripoli, Benghazi, and Sabha to Cairo and Alexandria.

The carrier's single A310-203 is returned to Airbus on August 15. In its place, two A310-203s are wet-leased from **Royal Jordanian Airlines** in early October. On October 24, four days after **TransAer International Airlines, Ltd.** collapses, the Libyan airline seizes the two A320-231s it had chartered from the Irish carrier a year earlier. Both planes are owned by ILFC.

It is announced on December 12 that, after an eight-year suspension, twice-weekly roundtrips will resume on January 1 between Tripoli and Sfax, Tunisia.

Twelve years after the destruction of Pan Am 103 over Scotland and nine months after the beginning of an international \$80-million trial in The Netherlands, former Libyan intelligence agent Abdel Basset Ali al-Megrahi is found guilty of the crime on January 31 and sentenced to life in prison. Former Libyan airline official Lamien Khalifa Fhimah, who had been charged with helping al-Megrahi plant the bomb-laden suitcase at Malta, is found innocent and released.

JAMAICA AIR SERVICES, LTD. See AIR JAMAICA, LTD. (1)

JAMBO AIRLINES, LTD.: Nigeria (1983–1992). Created at Lagos in early 1983, Jambo is outfitted with four Dornier 228-201s and begins revenue flights in the summer to domestic locations.

Six years later in 1989, Managing Director S. Ibrahim Muhammad's fleet comprises 2 British Aerospace BAe (HS) 748-2Bs and 1 BAe (HS) 125. Both passenger and cargo charters are undertaken until the carrier ceases operations in late 1992.

JANA-ARKA AIR: Ningradova, Alma Ata, 480012, Kazakhstan; Phone 7 (3272) 632 874; Fax 7 (3272) 631 909; Code JAK; Year Founded 1996. Under the direction of President Yalken Valin, Jana-

Arka is established at Alma Ata in 1996 to offer regional passenger charters. Revenue flights begin with a single leased Ilyushin Il-86.

Service is maintained throughout the remainder of the decade and into the new millennium. During these years, airline employment grows to 150 and 2 Tupolev Tu-154Bs join the fleet.

JANES AVIATION, LTD.: United Kingdom (1987–1992). Andrew S. and Hilary Janes establish this concern at Southend Airport in November 1987. Having originally planned to operate a think tank to review the commercial air cargo scene, the Janes sign a contract with Lynx Express Delivery Network, a division of the National Freight Corporation, to operate night newspaper and mail services. Employing a leased Pilatus Britten-Norman PBN-2 Islander, overnight flights commence on December 1 to various destinations north of England.

Over the next three years, a variety of aircraft are flown on behalf of Lynx, including the larger Douglas DC-3, Shorts 330s, Handley Page Herald, and British Aerospace (HS) 748. The company undertakes revenue flights to the Isle of Man, Leeds/Bradford, Edinburgh, Aberdeen, Coventry, and London (STN). To accommodate its customers, the company moves to Blackpool Airport, but when that facility, in light of environmental concerns, refuses to allow continuation of night operations with larger aircraft, the enterprise is removed to Speke Airport at Liverpool.

A contract is obtained from the British Post Office to perform Royal Mail flights and new routes are opened to Belfast and Dublin in Ireland at the beginning of the 1990s.

The first owned BAe 748 is purchased in January 1992 and, on June 1, the entire six-unit fleet of the former **Dan Air/Dan Air Services, Ltd.** is purchased. On June 16, the carrier is incorporated as **Emerald Airways, Ltd. (2)** in 1992.

JAPAN AIR CHARTER COMPANY, LTD. (JAZZ): Japan (1990–2000). JAC is established by **Japan Air Lines Company, Ltd. (2)** at Tokyo on October 5, 1990 to provide nonscheduled worldwide passenger and cargo charters. Shinzo Sudo is chairman/president and revenue services begin in July 1991 with a fleet that initially comprises a Boeing 747-246B leased from the parent and a Douglas DC-10-40; emphasis is placed on "Super Resort Express" flights to Hawaii, where a cockpit crew base is established.

Operations continue apace in 1992 with a weekly roundtrip from Sapporo to Honolulu and twice-weekly roundtrips from Fukuoka to Honolulu. In an effort to relieve congestion at Tokyo (NRT), the company also begins to fly to various resort destinations from Japan's regional airports. A cockpit crew base is now established at Bangkok, Thailand.

Airline employment stands at 360 in 1993 as the carrier begins seven-times-per-week scheduled wet-lease replacement flights for its parent, in addition to holiday nonscheduled services. The fleet is increased by a second leased DC-10-40.

By year's end, enplanements total 144,300, including 53,200 on 232 charters.

The number of wet-leased flights is increased to 72 per week in 1994 as another chartered B-747-246B is acquired. In the 4 years since start-up, the company loses \$450 million.

Operations continue apace during 1995–1996. During this period, airline employment grows to 1,046 and JAC replaces upwards of 45 of JAL's 420 weekly departures. In addition, the parent largely employs foreign pilots (Australian, U.S., British, Canadian) and flight attendants (Thai) for JAC under contract and thereby reduces its overall labor costs by 8% or more.

Service is maintained in 1997–1998. During these years, the company continues to operate at costs 20% and more below those of JAL. Airline employment stands at 980 and the leased fleet now includes 5 B-747-246Bs and 4 DC-10-40s.

Japan Air Lines Company, Ltd. unveils its revised corporate plan for the years to April 2002 on March 1, 1999. The first step will be the transfer of routes to Southeast Asia, Oceania, and Pacific routes to JAC.

The low-cost subsidiary will be given a fleet of 14 planes to operate these flights, with JAL sharing codes. Discussion continues on whether or not to change the subsidiary's name from JAC to "JALways."

Results of internal JAL deliberations are released on June 30. JAC will, indeed, be upgraded into a schedule carrier and as of October will be known as "JALways." The carrier's charter routes from Tokyo (NRT) to Hawaii will be scheduled.

The carrier is renamed **JALways, Ltd.** in October.

JAPAN AIR COMMUTER COMPANY, LTD.: 822 Fumoto, Mizobecho, Aira-gun, Kagoshima, 899-64, Japan; Phone 81 (995) 58 2151; Fax 82 (995) 58 3904; http://www.jac.co.jp; Code 3X; Year Founded 1983. This small regional is formed on July 1, 1983 as a subsidiary of **Toa Domestic Airlines Company, Ltd.** Shareholding is divided between the parent carrier (60%) and local Japanese governments (40%). The first Dornier 228-200 is delivered in September and revenue operations begin on December 10 over a route Amami Shima-Kakai Jima.

During 1984-1987, operations continue apace as the employee population at President Hiroshi Hamada's company grows to 19 and a second Dornier turboprop is placed in service. It is reported that increased maintenance costs cause the commuter to lose ¥ 20 million during these years.

Routes are extended to Okinoerabu Shima, Yoron Shima, and Tokuno Shima in July 1988. Ordered in October, a third Dornier 228-200 enters service on November 18, flying from Amami Shima to these nearby islands.

Enplanements for the year are 40,033. Revenues reach \$7.8 million as profits of \$451,000 (operating) and \$306,000 (net) are generated.

The workforce is increased by 33.3% in 1989 to 112 as six YAMC YS-11A-500ss are leased from the parent, now renamed **Japan Air System, Ltd.**

A total of 244,100 passengers are transported, a remarkable 83.5% increase, while freight traffic climbs 59.5% to 437,000 FTKs. Revenues grow to \$14.8 million and with expenses down, operating income climbs to \$886,000. Net gain totals \$395,000.

Company employment is increased by 37.4% to 158 in 1990, the year Shizuo Shigeru becomes managing director. Orders are placed for eight SAAB 340Bs.

Passenger boardings advance by 49.9% to 340,010 while freight skyrockets 204.6% to 5.06 million FTKs. Revenues move up 34.1% to \$23.6 million, but \$23.59 million in costs, led by fuel prices after Iraq's August invasion of Kuwait, lower the operating profit to just \$51,000. Net gain, however, doubles to \$621,000.

In 1991, Yoshitomi Ono succeeds Hiroshi Hamada as president of the 160-employee concern. The company henceforth will not report its traffic figures.

Two purchased SAAB 340Bs and another chartered YS-11A join the fleet in 1992, the first of the former in March.

On April 1, the carrier, employing the YS-11A-500s, begins its first services from Itami Airport at Osaka. It takes over two routes from its parent, **Japan Air Systems, Ltd.**, when it begins to provide four-times-a-day roundtrips between Osaka and Tokushima and daily roundtrips from Osaka to Tanegashima.

A new 4,800-m. hangar is opened at Kagoshima Airport on September 23; large enough to house 4 SAAB 340Bs, it is valued at ¥ 1.7 billion.

Employing its new SAAB 340Bs, JAC, on October 1, takes over the daily **Japan Air System, Ltd.** routes from Oita to Kagoshima, Kagoshima to Matsuyama, Matsuyama to Miyazaki, and Miyazaki to Nagasaki, which the parent had previously operated with YS-11A-500s.

In 1993, President Ono oversees a fleet of 3 Dornier 228-200s, 9 leased YS-11A-500s, and 3 SAAB 340Bs. Orders are outstanding for seven of the latter type. Destinations visited include Amami Oshima, Tokunoshima, and Yoronjima. In October, parent **Japan Air System, Ltd.** announces that it will begin to gradually phase out the regional's subsidies.

During 1994, two YS-11A-500s are withdrawn as four additional SAAB 340Bs are received. The country's third largest regional airline continues operations in 1995-1996; the fleet in the latter year includes 9 SAAB 340Bs and 12 YS-11A-500s. Options are exercised in February for two more SAAB 340Bs, the first of which is delivered during the summer.

The second SAAB 340B optioned the previous year arrives in July 1997. The carrier now operates a total of 78 daily flights linking 14 destinations with Osaka and Kagoshima.

Smoking aboard all company aircraft is banned on July 1, 1998.

Service is continued, largely without fanfare, during the remainder of the decade. During these years, two YS-11A-500s are withdrawn.

Scheduled destinations visited in 2000 include Fukuoka, Hiroshima, Kigaiga-shima, Matsuyama, Okayama, Okino Erabu, Takamatsu, Tanegashima, Yakushima, and Yononjima.

JAPAN AIR LINES COMPANY, LTD. (1) (GREATER JAPAN [DAI NIPPON KOKUYUSO KABUSHIKI KAISHA] AIR LINES): Japan (1938-1945). On December 1, 1938, upon the recommendation of the Ministry of Communications, three companies merge to form **Japan Air Lines Co., Ltd. (1) (Greater Japan [Dai Nippon Kokuyuso Kabushiki Kaisha] Air Lines):** the Imperial Navy-supported paper carrier **Oceanic Airways, Ltd.; International Air Lines Co., Ltd.**, a subsidiary of the Army-backed **Manchurian Air Transport Company, Ltd. (MAT);** and **Nihon Koku Yuso Kabushiki Kaisha (NKYKK),** also known as **Japan Air Transport Company, Ltd.**

Noboru Otani is named chairman, with Takeo Saito as president; International's two Heinkel He-116s are transferred over. Although officially an independent entity, the airline is very heavily influenced by the military and on behalf of the Imperial Navy, even establishes an oceanic division; the civil influence of the Ministry of Posts and Communications, which had previously administered **Nihon Kokuyuso Kabushiki Kaisha (JAT),** begins to evaporate.

On December 16, under direction of the Japanese Army, the company becomes joint founder, with three local Chinese governments under Tokyo's control, of **China Airways, Ltd. (Zhonghua Hangkong Gongsu).** A subordinate to the military, the new entrant succeeds the former **Huitong Airways, Ltd.** The last of 10 Fokker VIIb/3ms and 4 imported Douglas DC-2s are withdrawn in December and are sent out to China Airways, Ltd.

For the year, JAT and JAL-1 transport a total of 69,268 passengers (almost all soldiers); this figure represents 2.6% of the world's air passenger traffic.

The He-116 *Nogi* makes a goodwill flight to Siam between January 25 and February 5, 1939, flying Tokyo-Bangkok in 18 hrs. 52 min. Also in February, the last of seven DC-3s imported by Mitsui & Co., Ltd., beginning at the end of 1937, is received. A modified Kawinishi H4K or Type 97 undertakes a flying boat survey flight from Yokohama to Saipan and Palau on April 1 and on April 9 the modified Mitsubishi G3M2 *Soyokaze* makes a goodwill flight to Persia to participate in the wedding of the Iranian crown prince and for long-range flight training. Twenty-four Mitsubishi G3M2s obtained the previous fall, joined by other types such as Nakajima AT-2s and Douglas DC-3s, now commence operations on internal routes as well as destinations in China, Formosa, Korea, and Thailand.

Orders are placed for the Mitsubishi MC.20 I transport, a design based on the company's Ki-21 bomber. (The Allies codename the type "Sally.") With ¥ 3.725 million from the government and ¥ 6.275-million public investment, JAL is reorganized on August 31 into a half state-owned joint-stock concern; renamed **Great Japan (Dai Nippon Koku) Air Lines (DNK),** Kenzo Nakagawa is appointed president with former JAL President Saito as vice president. The move allows the government to exercise almost direct control over the carrier and its operations.

Between August 26 and October 20, the G3M2 *Nippon* makes a 32,845-mile around-the-world demonstration flight under sponsorship of the *Asahi Shimbun* newspaper group, flying via Alaska, Canada, the

U.S., Central and South America, Dakar, Casablanca, Rome, the Mideast, Southeast Asia, and Taiwan in 194 flying hours. Having been found too large and costly to operate by American carriers, the experimental Douglas DC-4E Super Mainliner is sold to this Japanese airline via the Mitsui Trading Company, Ltd. in mid-September for \$950,000; disassembled, the aircraft is shipped to Japan by sea on September 29. On October 1, all remaining domestic airline activity in Japan ceases or is transferred over to DNK.

Ostensibly to be employed by the carrier, after tests as a VIP transport the DC-4E is reassembled by Douglas technicians at Tokyo in mid-October and given Japanese registration. It is flown on evaluation by Capt. Haruo Odagiri, who will, in the service of the Army's Tachikawa Aeronautical Institute (Engineering), become something of an expert on Allied transports, and will test fly a DC-5 captured from **KNILM (Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V.)** in February 1942.

Also in October, the builder Showa Hikoki Kogyo KK delivers the first Douglas L2D1 (DC-3) completed in Japan. An aviation bilateral agreement is signed with Thailand on November 30 and the Mitsubishi G3M2 *Yamato* departs Tokyo on December 23 on a goodwill flight to Rome.

The *Yamato's* multistage goodwill flight to Italy is completed on January 23, 1940; in February, another of her type undertakes a survey flight to Bangkok, to which city regularly scheduled weekly service begins on June 10. Meanwhile, regularly scheduled Kawanishi Type 97 services are inaugurated in March from Yokohama to Saipan and Palau and the Tokyo to Taipei via Fukuoka route is extended to Canton.

At midyear, the two He-116s are withdrawn and it is reported that the former Super Mainliner has crashed into Tokyo Bay while on a test flight. In fact, the aircraft has been disassembled by Nakajima for study; components of the DC-4E wing and tail will be employed in creation of the unsuccessful G5N1 Shinzan bomber.

War erupts in Europe on September 1 and the first of 60-plus Mitsubishi MC.20 Is are introduced at Tokyo (HAD) during the month. Provisional scheduled service is initiated on behalf of the Japanese Army during October and in November, while on a test flight, the first MC.20 I crashes into Tokyo Bay (13 dead). The tragedy does not impact the generally high opinion of the aircraft, which is now ordered into full production (several units will be transferred to the Imperial Navy as L4M1s).

Now at its civil peak, the company employs a workforce of 5,000 and operates 120 transports. Its 31,000-km. network stretches from Japan to Korea, Taiwan, China, Manchuria, French Indochina, Thailand, and the Marshall and Caroline Islands.

Early in 1941, the last of 8 Nakajima P-1s and 15 Airspeed Envoys are retired. MC-20 service is inaugurated from Tokyo to Changchun via Seoul on March 17, while on April 1 the company, with Vichy French permission, begins visiting the Indochinese communities of Hanoi, Touran and Saigon. Service arriving at Dairen from Seoul is simultaneously extended on to Peking.

Following a July close inspection by the Army and Imperial Navy, a new agreement is signed by them with the airline promising that, in the event of war with the U.S., a percentage of the JAL-1 fleet and crews would still be reserved for commercial operations. In August, as part of this arrangement—and for the first time since its formation in 1938—the company is called upon to directly support a military operation when several of its aircraft and crews are taken over by the Imperial Navy and formed into the 1st Drafted Air Transport Unit. The group is sent out to Hainan Island, China, to fly local transport missions from Haikou.

Due to a shortage of crews, domestic flights are curtailed in September and in preparation for war with the West, the company establishes a special transport group during October and sends it to Indochina. By late November, Japanese aircraft carriers are at sea en route to attack Hawaii and the airline is now at its prewar zenith, with a total network of 30,600 km., including 17,850 km. of domestic routes.

War is launched with Britain, the Netherlands, and the United States on December 7–8; the same day, the Imperial Navy informs the carrier

that its modified G3M2s and H4Ks, plus a number of AT-2s and DC-3s will henceforth operate under naval control. Drafted Air Transport Units 2, 3, 4, 5, and 6 are now established.

JAL-1 suspends all private commercial services in January 1942; its aircraft lose their civil livery and are painted in camouflage with military *Hinomaru* (The Sun's Red Disc) markings as the company, almost as a whole, now becomes a super transport arm for the nation's military. In February, several provisional scheduled services are started for the Army between Japan and Manila, Davao, Tarakan, Miri, Canton, Kuching, Moulmein, and Rangoon; the latter two points via Saigon and Bangkok.

The same month, the Imperial Navy's Drafted Air Transport Units are dispatched to secured Southeast Asian areas to establish a scheduled service network. With 1,200 affected employees and 75 aircraft, the units provide flights to Japan, the Philippines, French Indochina, Malaya, Singapore, the Dutch East Indies, Burma, and the Marshall and Caroline Islands. The Imperial Navy provides only basic oversight, leaving all operational procedures, maintenance, etc. to the airline officials and personnel involved. The first up-engined MC-20 II transports enter service in May.

On July 10, aircraft and crews from the company and its subsidiaries, **Manchurian Air Transport Company, Ltd. (MAT)** and **China Airways, Ltd.**, are merged into the Army's Southern Air Transport Command (Nanpo Koku Yusobu or NKY), based at Singapore. With almost 2,000 affected employees and 125 aircraft, the NKY provides flights over a 28,000-km. network with destinations in Japan, China, the Philippines, French Indochina, the Dutch East Indies, Thailand, Malaya, Singapore, Burma, and New Guinea. The Army treats civilian personnel as military personnel, but the organization is allowed its own maintenance center and flight school. Integration of personnel and procedures from the three carriers is difficult and causes not only maintenance and repair difficulties, but has a negative effect on the rate of aircraft utilization as well.

Late in the year, the government begins the rapid training of young pilots, many fresh from school. When these are sent out to the forward combat areas, they are often involved in transport accidents. The last of the 8 imported Fokker Model 8 Super Universals and 14 Beech C-17Es are written off, retired, or lost during the year.

As the battle for Guadalcanal reaches its conclusion in March 1943, the use of civil transports for evacuation purposes intensifies. In April, direct airline services are inaugurated between Manila and Tokyo with Army MC-20s and Navy H8K Emily flying boats.

On July 7, the Army attempts to open a commercial air route to Berlin; a Kawasaki Ki-77 with a combined military and civilian crew departs Singapore, but soon goes missing over the Indian Ocean, presumably shot down by the Allies. With the Rising Sun's military air forces shifting over to defensive operations, fighter escort is now unavailable for company transports. During the remainder of the year, at least 15 civilian flight crewmen are killed in action when their unescorted planes are shot down or bombed.

American troops land on Saipan on June 15, 1944 and by July 4, all of the civilian aircrews on the island are dead. By fall, activities of the civilian flight crews operating on behalf of both the Army and Imperial Navy decrease significantly, both because of attrition and because of interception by marauding Allied aircraft. A total of not less than 73 civilian flight crew members are killed in action during the year.

During a single bombing raid on Clark Field, Philippine Islands, in January 1945, the NKY loses 41 transports. The conflict ends on August 15, by which time another 94 civilian flight crew members have perished on the year. The airline's remaining fleet, in Japan, totals 16 G3M2s, 33 MC-20 I/Is, and 38 DC-3s. All civil flying in Japan is banned on August 24.

In cooperation with the Imperial Army and Navy, JAL-1 is allowed to resume domestic services on September 14. Aircraft all wear green crosses on white backgrounds painted over the former location of their Rising Suns. Flights are conducted between the principal cities of

Tokyo, Osaka, Nagoya, Kyushu, Takamatsu, and Sapporo. Hiroshima and Nagasaki are noticeably absent from their route network. By order of General Douglas MacArthur, Supreme Allied Commander, all JAL-1 flights cease on October 9, after completion of a final service from Sapporo to Matsudo.

The airline is dissolved on October 31 and the Supreme Allied Commander's Aviation Prohibition Order SCAPIN 301 takes effect on November 19 banning all civil flight. Beginning in August 1946, **Northwest Airlines** and other U.S. carriers will provide commercial services in and to the country.

JAPAN AIR LINES COMPANY, LTD. (2) (NIHON KOKU KABASHIKI KAISHA) (NKKK/JAL): JAL Building, 4-11 Higashi Shinagawa 2 chome, Shinagawa-ku, Tokyo, 140, Japan; Phone 82 (3) 5460 3109; Fax 82 (3) 5460 5910-1; <http://www.jal.co.jp>; <http://www.japanair.com>; Code JL; Year Founded 1951. On June 26, 1950, the Supreme Commander of the Allied Powers (SCAP) by order 2106 authorizes the resumption of domestic commercial air transport in Japan. Those foreign airlines that had provided services during the 1945-1950 "dark ages" of Rising Sun civil aviation were invited to form a carrier. The Japan Domestic Air Corporation, essentially a paper airline or study group, is established by the joint actions of **Pan American Airways (PAA)**, **Northwest Airlines**, **Canadian Pacific Air Lines**, **Ltd.**, **Philippine Air Lines**, and **Civil Air Transport, Ltd.**

SCAPIN 2106 is altered on January 27, 1951 to allow creation of an indigenous Japanese airline that will employ **Northwest Airlines** pilots and receive maintenance and other technical support from **Transocean Air Lines (TAL)**. Japanese government approval for such a step is received from the Ministry of Transport on May 22.

Private banking and other interests led by central bank vice governor Seijiro Yanagito (who becomes first president) form Japanese Air Lines Company, Ltd. (2), which will come to be known by its JAL initials, on August 1. Initial capitalization is ¥ 100 million (\$280,000) and the carrier's first office is established in a tiny building in Tokyo's Ginza district; it is so small that the freshman directors must sit upon their straw hats.

At the first meeting, Yanagito vows not to play golf, his favorite game, until the infant airline makes a profit. On August 6-7, 13,000 apply for 12 jobs as hostesses with the new airline. On September 4, a peace treaty between the U.S. and Japan is signed at San Francisco.

Forbidden to employ Japanese pilots, the carrier now leases a single Martin 2-0-2 from **Northwest Airlines**; christened *Mokusei-go (Jupiter)* and with a contract crew acquired from **Transocean Air Lines (TAL)**, the plane is employed to start service from Tokyo (HAD) to Osaka and Fukuoka on October 25.

Unable to provide additional equipment, flight crews, or dispatchers, the new Japanese operator subcontracts with TAL to provide both; Orvis Nelson's carrier now begins flying from Honshu to the industrial centers of the outer islands with three 2-0-2s, which it has purchased from **Northwest Airlines**.

A Douglas DC-4 is also leased from TAL, in November. In addition, seven instructors, under the direction of TAL's Far East Operations Director Gene Cohan, begin training Japanese crews for service on the nation's domestic routes.

TAL crews fly two additional 2-0-2s, purchased from **Pioneer Air Lines**, to Japan in February 1952, placing them in service with the other four. Meanwhile, TAL staff begin specified contract maintenance in the company's new JAL Maintenance Company subsidiary facility. The peace treaty with the Allies comes into effect in April. On April 9, the *Mokusei-go* with 4 crew and 33 passengers, crashes into Mount Mikara on Oshima Island; there are no survivors.

During the remainder of the year, additional **Northwest Airlines** and **Transocean Air Lines (TAL)** Martin 2-0-2s and Douglas DC-4s are chartered and 24 additional TAL crewmen are welcomed, allowing extension of the route network to include Sapporo and other points. The Transport Ministry gives the company a full domestic operator's certi-

ficate on September 20, freeing it to begin employing its own owned aircraft and to return the leased 2-0-2s to TAL.

On October 23, a contract is signed with TAL for the provision of international flight crews. On October 25, the carrier employs its owned aircraft, the first of five DC-4s purchased from **Northwest Airlines**. Two de Havilland DH 106 Comet 2s are ordered on November 18, but are never delivered. On December 20, 15 flyers begin training at the TALOA Aeronautics Academy at Oakland.

The fleet is enhanced in 1953 through the purchase of three Douglas DC-6As from **The Flying Tiger Line** and **Slick Airways (1)**; these are converted to DC-6B passenger standard. The Japanese Diet passes legislation on August 1 naming JAL as the nation's single international airline; this Japan Air Lines Law is known as the Nikko Ho. On August 28, company officials announce that, henceforth, its hostesses will wear kimonos. The DC-6Bs are delivered by **Transocean Air Lines (TAL)**, beginning on September 15.

The carrier is reorganized under its present name on October 1 and the \$5.5-million ownership is divided equally between private interest and the government. In fact, the reconfiguration represents an unofficial revival of the prewar **Japan Air Lines Company (1) (Greater Japan [Dai Nippon Kokyuso Kabushiki Kaisha] Air Lines)**, although its Japanese name is Nihon Koku Kabashiki Kaisha (NKKK). The next day, the first DC-6B service is flown from Tokyo to Sapporo.

The same month, JAL joins both ICAO and IATA. Traffic rights to the U.S. are obtained and on October 23, the DC-6B *City of Nagoya*, piloted by **Transocean Air Lines (TAL)** Capt. Claude Turner, departs Tokyo for a survey flight across the Pacific. The first New York sales office is opened in December.

Weekly DC-6B transpacific return flights to San Francisco (Oakland) begin via Wake Island and Honolulu on February 2, 1954. The initial aircraft employed is the *City of Tokyo*, which makes the premier flight in 23 hrs. and introduces the *oshibori* hot towel service to all passengers, a tradition that continues.

The company's first regional service is a route to Okinawa inaugurated on April 5. Tokyo to Osaka night-airmail flights commence on April 27-28. The Emperor and Empress make their first air trip on August 23 aboard a company DC-6B. During the year, additional U.S. sales offices are opened in San Francisco, Los Angeles, and Chicago. The first of two DC-6B flights to Brazil are made in November, allowing passengers to participate in that country's 400th birthday. Although the company acquires a significant share of the transpacific market by year's end and despite a \$3-million government subsidy, it loses money.

A route is opened to Hong Kong on February 4, 1955 and a second Brazil flight is made in March. A group of hostesses begin a promotional tour of the U.S. and Canada on May 23. On August 31, it is reported that the American pilots flying for the carrier may resign rather than pay new higher income taxes.

The 10-millionth mile is recorded in September and 4 DC-8-30s are ordered on November 19. Meanwhile, the decision is taken to replace American pilots on domestic flights while retaining them for foreign services. On December 15, an order is placed for 20 Boeing 707 Stratoliners.

Orders are placed in April 1956 for four DC-7Cs. The first issue of public stock is offered in May; the \$1.38 million raised allows funding for the previously ordered DC-8 jetliners. Labeled the Silk Road, DC-6B service is launched to Bangkok on October 5. The company makes its first profit and Chairman Yanagito is able to play his first game of golf since incorporation.

The first Japanese captain is assigned to a San Francisco flight in March 1957. The subsidiary Airport Ground Service Company is created to provide maintenance services for JAL and other airlines serving Japan.

Company training programs are now finished and for the first time the carrier is able to operate its regular flights with all-Japanese crews. On July 13, the American CAB grants JAL permission to make four special

Tokyo–São Paulo roundtrip flights via San Francisco and New Orleans. On July 20–21, Tokyo–Sapporo summer season midnight flights begin.

The DC-4 *Unzen* with 5 crew and 52 passengers, crash-lands near Itami Airport on September 30; there are no fatalities.

The premier DC-7Cs arrive at the beginning of 1958. On February 15, the *City of San Francisco* is the first to enter transpacific service. As the powerful Douglas transports begin their revenue flights, the DC-6Bs replaced are inserted onto the high-density domestic routes from Tokyo to Osaka, Fukuoka, and Sapporo. On May 9, a DC-6B adds Singapore to the international Silk Road.

A chartered DC-7C flight is made to South America, departing Tokyo on June 8. The carrier's operations center is completed at Tokyo (NRT) on January 26, 1959. All-cargo Tokyo to Los Angeles flights via Honolulu commence on May 2 and on May 28 this new transpacific service is doubled.

One-stop flights to Seattle commence on June 27; Taipei is added as a Silk Road stop on the Hong Kong run on July 30. A new crew training center is opened at Tokyo (HAD). A cooperative pooling agreement is signed with **All-Nippon Airways Company, Ltd.** on October 10 covering domestic routes.

Orders are placed for five Convair CV-880s on March 19, 1960. Joint flights to London and Paris via the North Pole begin in cooperation with **Air France** on March 31, employing French Boeing 707-128s. The first DC-8-32 is delivered to Tokyo on July 22; christened *Fuji*, on August 12 it is placed on the San Francisco route, the company's first jet route, via Honolulu. The second Douglas narrow-body *Nikko* is received on July 29. Osaka to Hong Kong DC-7C service commences the next day.

After trials and demonstrations, the *Nikko* enters service on November 1. Also during the month, the carrier begins to lease a 1,500-sq.-ft. office and warehouse space from **Northwest Airlines** at New York. Share capital of \$14.7 million is acquired and DC-8 service is provided to San Francisco, Seattle, and Hong Kong by the end of the year.

The third DC-8-32 and the first two of five CV-880s are received and placed in service during 1961. It is announced on January 19 that Shizuma Matsuo will succeed President Yanagito the following year. Polar DC-8-32 service to London and Paris via Anchorage is begun on June 7. The premier CV-880M *Sakura* is delivered on July 21 and is employed on training services.

The CV-880Ms *Matsu* and *Kaede* arrive on September 1 and September 8, respectively; they join the *Sakura* in entering revenue service on September 25, initially from Tokyo to Sapporo. On October 1, the CV-880Ms replace DC-6B and DC-8-33 equipment on three routes: Tokyo to Hong Kong direct, with continuing service to Bangkok and Singapore; Tokyo to Hong Kong via Okinawa; and Tokyo to Hong Kong via Osaka and Taipei.

In his final year as president, founder Yanagito's company enplanements total 1,647,940.

Shizuma Matsuo becomes president on January 1, 1962, and his fleet includes 5 CV-880Ms, 5 DC-8-32s, 10 DC-4s, 4 DC-7Cs, and 7 DC-6Bs. Another of the latter type is purchased from **Western Airlines** of the U.S. on February 27.

A DC-4 with 4 crew and 60 passengers is destroyed as the result of a bad landing at Osaka on April 10; there are no fatalities.

Regional Silk Road CV-880M flights commence on June 16. Two more CV-880Ms are received, the *Kiku* on June 7 and the *Ayame* on July 2. A Convair proving flight to London (LHR) is completed on July 14.

European Silk Road CV-880M service begins on October 4; it is flown via Hong Kong, Bangkok, Calcutta, Karachi, Kuwait, Cairo, Rome, and Frankfurt. The stop in Calcutta represents the carrier's first-ever postwar service to India.

During the year, share capital is increased to \$32.5 million.

Three leased CV-880Ms and two additional DC-8-32s join the fleet in 1963. The first two of the former, the *Sumire* and *Kikyo*, are assigned to domestic and regional services. The DC-7Cs and DC-4s are withdrawn. The CV-880M *Yanagi* is received on July 3.

On November 19, an order is placed for five U.S. built SSTs. (The aircraft will never be built and JAL-2 will receive a refund on December 3, 1970.)

Passenger bookings this year reach 1,719,000.

The employee population in 1964 is 8,546. A Tokyo–Seoul route is opened on April 15 and traffic to and from the Tokyo Olympic Games is serviced by an augmented frequency of transpacific flights. The company's two routes to Europe also enjoy traffic increases. Improvements at Osaka Airport to accommodate CV-880Ms makes it possible to reinstate the city as a stop on routes from Tokyo, Taipei, Hong Kong, and Okinawa. A major rapid transit competitor, the *Shin Kansen* or "Bullet Train," begins running in August.

Three additional DC-8-32s join the fleet as six Boeing 727-146s and a DC-8-50F are ordered. Passenger bookings increase 25% to 2,292,000, largely due to the Olympics, but also because this is the first year in which the Japanese government allows tourists to travel abroad. Revenues are \$45.4 million.

The workforce is increased to 8,975 in 1965.

Two B-727-146s and 2 DC-8-32s join a 33 plane fleet that now also includes 10 other DC-8-32s, 7 CV-880Ms, 8 DC-6Bs, and 3 Beech 18 trainers. Outstanding are orders for 4 B-727-146s, 2 DC-8-32s, and 1 DC-8-50F.

The CV-880M *Kaede*, with six crew, crashes at Iki Island, Kyushu, on February 27 while on a training flight; the aircraft, which has descended too fast and hit the runway, slides along, catching fire. There are no fatalities.

Traffic rights to New York City are obtained and plans are made to begin flights to the "Big Apple."

The *Asama* enters service in March over the company's routes from Tokyo to San Francisco; it is the first DC-8-55NB Jet Trader, configured for both passengers (54) and freight (26 tons on 9 cargo pallets).

On April 1, a pooling agreement is signed with **Alitalia, S.p.A., Deutsche Lufthansa, A.G.,** and **Air France**. The arrangement provides for joint maintenance and technical support and is actually a preliminary pact to the larger ATLAS group accords signed later.

CV-880M Polar service to is rerouted via Hamburg on May 2, while Paris and New Delhi become stops on the European Silk Road. The Boeing trimotors, the first products to be acquired from the Seattle manufacturer, enter service on August 1 over the company's several-times-per-day routes from Tokyo to Osaka and Fukuoka, replacing DC-7Cs.

On September 15, requests are made for three Anglo-French Concorde. (The type will never be delivered and JAL-2 will receive a deposit refund for these planes in June 1973.) The *isuru* (crane) is unveiled as an important new and official symbol of corporate identity.

Air cargo on the San Francisco route is growing so quickly that one DC-8-32 on order must be changed to freighter configuration. The first JALPAK two-week group tour to Europe sets off a demand for foreign air travel that requires daily flights to Europe and frequency increases to 17-per-week on the Pacific and Hong Kong routes. JAL, which will compare this sudden re-entry of its citizens into the world to Commodore Perry's initial opening of Japan in 1853, will play a key role in the westernization of postwar Japan. Just after its receipt, the new DC-8-33F crashes at San Francisco on December 25.

While freight traffic, overall, is up significantly; enplanements do not, however, take off immediately and are, in fact, down to 2,073,756. Share capital is increased to \$50.5 million.

Six B-727-146s and four DC-8-32s join the fleet in 1966 as four DC-6Bs are retired. Orders are placed for six B-747-100s. Amsterdam joins the trans-Polar route on April 2, while Silk Road flights touch down at Tehran, en route to Europe, beginning on April 4. The Convair CV-880M *Gina* is leased from **Japan Domestic Airways Company, Ltd.** on May 1.

Negotiations are opened with the Russians for a trans-Siberian route. Flown by a five-man crew and still in JDA colors, the CV-880M *Gina*, explodes in midair while taking off from Tokyo on a training flight on August 26; there are no survivors.

The company's around-the-world network is completed when the San Francisco terminus is connected to New York and London and from there to the head of the Silk Road at Frankfurt.

On Christmas Day, the airline's hostesses win their campaign to be called stewardesses.

Bookings this year rise to 2,175,000.

Airline employment in 1967 climbs to 10,499. In the spring, the JALCOM computerized reservations system is introduced. Four B-727-146s are added and orders are placed for 10 additional DC-8-62s.

On January 20, the governments of the Soviet Union and Japan sign an agreement under which JAL will be allowed to fly to various European destinations via Moscow. The deal requires the use of Soviet aircraft and cockpit crews. In cooperation with **Aeroflot Soviet Airlines**, a joint 4,563-mi. "Great Circle" route Moscow-Tokyo via Siberia, Tu-114 return service is inaugurated on April 17. Aeroflot flight crews pilot the aircraft while JAL cabin crew service passengers. The Tupolevs employed wear JAL's crane logo and name on their lower forward fuselages.

New regional flights to Kuala Lumpur commence on May 8. **Southwest Airlines, Ltd.** (later **Southwest Air Lines, Ltd.**) is formed on June 22 as a subsidiary to offer services from Japan to the Ryukyu Islands. A third consecutive one-year deal is signed with **Trans International Airlines** on October 20 for pilot training. Manila is a new market entered on November 20.

Passenger boardings rise to 3,029,717 while freight traffic is up by 40%.

The payroll in 1968 grows to 11,279 personnel. Including one freighter, six DC-8-62s are delivered as two DC-6Bs are sold. One of the former inaugurates nonstop Tokyo to San Francisco service on June 16. Vancouver becomes a part-time destination on the San Francisco route as of September 11.

A DC-8-62 with 107 aboard comes down in San Francisco Bay about three miles short of the runway at the international airport on November 22; no one is hurt as the passengers and crew are taken off on rafts. Salvage operations begin the next day and the plane is recovered two days later.

On the year, cargo increases 40% and passenger traffic advances by 25.5% to 3,802,211 passengers carried. Revenues of \$89.6 million are earned.

Three more DC-8-62s are placed in service during 1969. The last DC-6B is retired on March 30. As part of a newly unveiled Global Growth plan, frequencies are increased on transpacific, Japan-Europe polar and southern routes, North Atlantic and Asian routes, and the subsidiary JAL Creative Tours, Ltd. to market excursions and various other travel packages. On June 1, Il-62s succeed Tu-114s on the joint service with **Aeroflot Soviet Airlines**.

While on a training flight from Moses Lake, Washington, on June 24, a CV-880M, with five crew and leased for charter work, yaws to the right, strikes the runway, and slides off of it, bursting into flames (three dead).

Orders remain outstanding for seven DC-8-61s, two DC-8-62s, one a CF variant.

The Hong Kong route is extended to Sydney on September 30. Later in the year, the company moves its U.S. operations into a new headquarters building on New York's Fifth Avenue.

Enplanements for the year are 5,938,960.

Airline employment in 1970 is 14,566. In cooperation with **Aeroflot Soviet Airlines**, 14-hr. 40-min. Paris-Moscow-Tokyo "Great Circle" flights begin on March 29. The service is the first Aeroflot-JAL pooled service to be operated employing the Japanese line's aircraft (DC-8-62s) and flight crews, with Aeroflot cabin crew, as well as Il-62s with Japanese cabin crews.

On March 31, a group of some 15 radical Japanese students, including four Red Army terrorists led by T. Tamiya, armed with swords and a bomb, take over Flight 351, a DC-8-62 with 138 passengers en route from Tokyo to Fukuoka, and order it diverted to P'yongyang. After re-

fueling at Fukuoka, where 15 women and children are allowed off, the Douglas transport departs as required. Entering North Korean airspace, it is fired upon and when turned back, is intercepted by South Korean fighter planes, which force it to land at Kimpo Airport, Seoul, where all of the flags have been removed to make it resemble a North Korean airport.

When the ruse fails, a compromise is offered that would allow the plane to proceed to P'yongyang in exchange for the release of the hostages. This offer is rejected by the pirates and the plane sits without significant change until April 3. On that date, the passengers are exchanged for Japanese Vice Transport Minister Yamamura, who agrees to act as hostage.

The DC-8-62, the minister, fanatics, and three crew members are allowed to proceed to P'yongyang where the pirates are taken in. The aircraft and the former hostages return to Tokyo the next day.

Bunsei Sato, in a translated edition, reviews the event in his *Hijack: 144 Lives in the Balance—a First Hand Report* (Los Angeles: Gateway Publications, 1975).

The first of three additional B-747-146s to be delivered on the year arrives at Tokyo on April 22 and joins an all-jet fleet comprising 36 DC-8-32s/62s, 4 CV-880Ms, and 14 B-727-146s. Also in April, pooled services begin with **Garuda Indonesian Airlines** on routes from Tokyo to Jakarta and Denpasar.

Two more Jumbojets arrive on May 18 and June 26, respectively.

Following the same arrangement as that instituted on March 29, twice-weekly London-Moscow-Tokyo service is inaugurated on June 2.

A B-747-146 with a full JAL-only crew is allowed to fly the Tokyo-Paris via Moscow route for the first time beginning on July 1, the same day six-times-per-week Jumbojet transpacific service is inaugurated. The Sydney route is simultaneously rerouted via Manila. The CV-880Ms *Matsu* and *Kiku* are sold to **Cathay Pacific Airways (Pty.), Ltd.** in June and July.

For the first time since 1944, flights to Guam are undertaken, beginning on October 1. By year's end, the last CV-880Ms are retired.

Cargo accelerates 10.6% and passenger boardings swell 26.4% to 6,067,000. In terms of passenger boardings, JAL is now the 15th largest airline in the world; in freight and fleet size it ranks 19th, and in employment it is 16th.

Orders are placed in 1971 for four B-747SRs as five Jumbojets join the fleet between February 11 and November 30—one Dash-146 and four stretched Dash-246Bs. Shizuma Matsuo is named chairman and is succeeded as president by Shizuo Asada. It is reported on January 17 that the heavy passenger traffic enjoyed on the 11-month-old trans-Siberian route from Tokyo to Western Europe is causing friction with the Soviets, whose **Aeroflot Soviet Airlines** has averaged about half as many passengers. JAL personnel in Moscow, meanwhile, complain of poor housing, embargoes on Japanese food, and travel restrictions.

A new joint return cargo service is opened with **Aeroflot Soviet Airlines** on May 28 between Khabarovsk and Tokyo. The Soviet carrier initially flies its Tu-134s from the Russian Far Eastern provincial capital to Tokyo, while JAL operates Boeing 727-146s from Japan to Russia. Again, the aircraft involved wear joint markings. Passengers are able to fly the route after June 2.

Enplanements this year balloon to 6,764,705.

The workforce in 1972 rises to 17,689. The fleet now includes 16 Jumbojets, 19 DC-8-61s, 6 B-727-146s, 13 DC-8-32s/50s, 9 DC-8-62s, 2 DC-8-55Fs, and 5 DC-8-62Fs. Three B-747-146s and five B-747-246Bs are acquired between March 2 and December 8. These, like their predecessors, are called Garden Jets; their upper decks are dubbed "Tea-houses of the Sky."

Copenhagen is added as a destination on the joint "Great Circle" route service with **Aeroflot Soviet Airlines** as of April 3. Daily flights are also simultaneously opened over the polar route via Anchorage to New York, and thrice-weekly Tokyo-Mexico City service via Vancouver is also inaugurated. An \$8-million cargo terminal is opened at New York (JFK).

En route from Tokyo to Hong Kong and Bangkok on June 14, Flight 471, a DC-8-53 with 11 crew and 76 passengers, catches fire in midair as it attempts to land at Palam Airport at New Delhi; it crashes onto the banks of the River Yamuna (82 dead).

Dwindling demand causes the carrier's Calcutta stop to be transferred to Bombay during July.

Japanese jetliners leave Shanghai on August 17 after returning the Shanghai Ballet Troupe to the People's Republic following a Rising Sun tour; the trip represents the first commercial flight by a Japanese aircraft into China since World War II.

A DC-8-53 with 14 crew and 108 passengers, lands on the wrong runway at Bombay's Juhu Airport on September 24 and runs off the runway into a ditch. There are no fatalities.

On a November 6 domestic flight, a short-range B-747-146 with 120 passengers is taken over by T. Nakaoka, who forces it to land at Tokyo. The pirate holds the Jumbojet and its passengers on the ground for 7 hours while awaiting a \$2-million ransom and the arrival of a DC-8-61 to fly him to Cuba. While boarding the Douglas transport, Nakaoka is seized by police. He will be tried and given a 20-year prison term.

A second pilot training center is occupied at Napa, California. At New York (JFK), a \$2-million passenger terminal and an \$8-million cargo terminal are both opened. Plans are made to begin services to Communist China during the next year or two.

While taking off from Moscow's Sheremetyevo Airport on November 28, Flight 446, a DC-8-62 with 14 crew and 62 passengers, crashes (61 dead); a week later, the company offers to pay \$4,000 each to families of the 42 Japanese killed.

On December 1, following an order from Transport Minister Sasaki that requires the line to reduce its services on international routes and restrict its policy of rapid expansion, the carrier announces that it is suspending its "Around-the-World" service links between London, New York, and San Francisco until March.

Passenger boardings soar to 7,840,000, a rise of 25% over 1971.

Operations continue apace throughout the first half of 1973. On June 3 Niigata replaces Tokyo as the Japanese terminus of the joint Japan to Khabarovsk service flown with **Aeroflot Soviet Airlines**.

En route from Amsterdam to Tokyo on July 20, a B-747-246B, Flight 404 with 145 aboard, is hijacked just after takeoff by three Popular Front for the Liberation of Palestine (PFLP) guerrillas and a member of the Japanese Red Army "acting for the people of Palestine." The pirates make unsuccessful attempts to land in Basra, Iraq, and Bahrain, but are finally allowed to land in Dubai. The body of a female hijacker, killed after a grenade she was holding explodes, is removed, along with an injured JAL crewman. UAE Defense Minister Sheik Mohammed Bin Rashid is allowed aboard to negotiate. On July 24, the Jumbojet is forced to fly to Benghazi, Libya, where all deplane and the airliner is blown up. The same day, JAL files a record single-plane aircraft insurance claim of \$24 million. Two days later, two Japanese DC-8-61s arrive at Benghazi to take the stranded passengers back to Tokyo.

Delivered on September 26, the world's first B-747SR, a Dash-46, is placed into service on October 7 on the route from Tokyo to Okinawa. A second B-747SR-46, also capable of lifting 498 passengers, enters service on December 21 and joins the first on the services from Tokyo to Sapporo and Fukuoka. Freight traffic during the year jumps 22% and passenger bookings accelerate 12% to 8,780,800.

Airline employment stands at 20,624 in 1974. Between February 19 and December 17, four B-747SR-46s, two B-747-246Bs, and one B-747-246F are added.

En route from Tokyo to Okinawa on March 12, a B-747SR-46 is hijacked by a lone gunman, who demands a ransom of \$55 million, 15 parachutes, and mountain-climbing gear. Before any of this is delivered, he is captured at Naha by police who boarded the aircraft disguised as caterers.

Japan and Hong Kong enter into new bilateral discussions in March. Also during the month, **Cathay Pacific Airways (Pty.), Ltd.** service to Osaka is restricted; in retaliation, JAL is forced to drop Hong Kong from

its Tokyo to Sydney route. B-747SR-46 Tokyo to Fukuoka and Sapporo flights commence on April 1.

On April 5, Frankfurt becomes a destination on the joint "Great Circle" route service operated with **Aeroflot Soviet Airlines**. Following the government's recognition of the People's Republic of China and the signing of a bilateral agreement between Japan and the PRC on April 20, the flag carrier suspends flights to Taipei on April 22. Also in April, new frequencies are initiated to Rome.

On July 15, a youth armed with a knife and claiming to have a bomb, hijacks a DC-8-61 during an Osaka to Tokyo flight. He orders the craft to fly to Nagoya and demands freedom for imprisoned Red Army Chairman Takaya Shiomi; the pirate is seized by police when the plane lands in Nagoya. He will be held for 3 years, then tried and given a 10-year prison sentence.

The hardball bilateral negotiations between Japan and Hong Kong take a turn for the worse on September 15 when JAL is banned from Hong Kong entirely. British and Japanese diplomats redouble their efforts to find a new accord. Creating the first air link between North America and the PRC via the Pacific, Tokyo-Peking and Shanghai twice-weekly DC-8-62 service is inaugurated on September 30. JAL will be allowed to use Peking as a stopover on flights to the Mideast and Pakistan.

Using the new freighter delivered on September 17, the airline commences B-747-246F flights across the Pacific in October, followed by the opening of new routes to Rome and Frankfurt via Moscow and the introduction of B-747-146 service to Bangkok, Copenhagen, and Singapore. Having found agreement on a new bilateral for Hong Kong, JAL is able to resume full service to the British Crown Colony on November 1; **Cathay Pacific Airways (Pty.), Ltd.** flights to Osaka and other Japanese cities also return to normal.

While it is preparing for departure on a domestic service from Tokyo to Sapporo on November 23, a DC-8-61 is taken over by a 16-year-old boy claiming to have a stick of dynamite. While ranting and raving, the youth is overpowered by a crew member. He will be turned over to police shortly thereafter.

Orders are placed on December 28 for four Douglas DC-10-40s.

Passenger boardings jump 8.79% to 9,204,679 and cargo is up 2.68%.

In 1975 the payroll is increased by 576 personnel. On February 1, a possible airline accident is averted when quick action by Danish health officials identifies a ham omelet served on an Anchorage-Copenhagen flight as the cause of food poisoning in 144 passengers. Joint freighter service is begun with **Air France** on routes from Tokyo to Paris.

On April 1, the new B-747SR-46s are placed in service on domestic routes. Nine days later, one of the new aircraft, while en route from Sapporo to Tokyo, is taken over by a lone gunman who demands a ransom of ¥ 30 million. Following arrival of the flight at its destination, police covertly enter the plane and seize the hijacker while he is engaged in debate with the pilot.

During the month, joint freighter flights commence with **Deutsche Lufthansa, A.G.** over a route from Tokyo to Frankfurt.

The wholly owned subsidiary **Japan Asia Airways Company, Ltd.** is formed on August 8 to operate services to Taipei. One additional B-747SR-46 is ordered and four B-727-146s are retired. One each B-747SR-46, B-747-246B, and B-747-146 are acquired as orders are also placed for two more DC-10-40s.

Nonstop B-747-146 Los Angeles and San Francisco to Tokyo service is launched and Jumbojets replace DC-8-62s on the Vancouver, Mexico City, India, Middle East, and Europe routes. DC-8-62s with a wide-body look, complete with audiovisual entertainment systems, go into service on the daily New York-Tokyo run. The JALCOM II automatic reservations system is extended to Europe, making it the only computerized airline reservations system linking three continents. The carrier's hotel system is expanded by the opening of the new Imperial Hotel in downtown Tokyo.

While preparing to leave snowy Anchorage on December 16 to continue a flight from Tokyo to London, a B-747-246B is blown off a

runway before takeoff and slides backward down an embankment to rest straddling a gully; although there are no casualties, the Jumbojet is badly damaged.

Charter boardings increase 59% on the year to 318,674 and scheduled bookings grow 1.59% to 9,207,097; freight is up 22.5%. A net loss of \$90 million is suffered.

Airline employment declines 2.2% in 1976 to 20,685 as the carrier's twenty-fifth anniversary is celebrated.

While en route from Bangkok to Tokyo, a DC-8-61 with 200 passengers is seized by 2 gunmen at its intermediate Manila stop on January 5. The pirates surrender 10 hours later, after receiving assurances from the Philippine government that it will improve the nation's living conditions.

The first of six DC-10-40Ds for use on domestic routes to arrive during the year is delivered in February and enters service between Tokyo and Fukuoka, Osaka, and Sapporo on March 17.

It is followed in August by the first of 10 DC-10-40s that will be employed on international services. New bilateral discussions are opened with the U.S. with the goal of obtaining additional U.S. destinations and services beyond to South America.

Cargo increases 8% and passenger boardings ascent 2.4% to 9,319,000. A \$3.7-million net profit is recorded.

A DC-8-62AF with 3 crew, 2 passengers, and 56 head of cattle, stalls during its initial climb away from Anchorage on January 13, 1977 and crashes; there are no survivors. It will later be determined that the American pilot had a blood alcohol level of 0.298% or twice the legal limit for drivers on U.S. highways.

Beginning on January 27, the company, in response to the Anchorage tragedy, requires preflight alcohol tests of all pilots. DC-10-40 service from Tokyo to New York via Anchorage begins on April 1 while B-747SR-46 service is inaugurated on May 17 from Tokyo to Osaka. A DC-8-62 inaugurates the company's first service to Brazil on June 20, visiting both São Paulo and Rio de Janeiro.

While on initial approach to Kuala Lumpur in a thunderstorm on September 27, a DC-8-62H with 10 crew and 69 passengers, strikes a 300-ft. hill 4 mi. from the runway and crashes (34 dead).

The corporate shareholding is now realigned; private and local government interests take 62.3% while the national government holds 37.7%. Negotiations begun with the U.S. in 1976 are successfully concluded.

En route from Bombay to Bangkok and Tokyo on September 28 with 156 aboard, a DC-8-62 is seized by 5 members of the Red Army, armed with guns and grenades, and is forced to land at Dacca, Bangladesh. There the pirates demand, and receive the next day, the release of 9 of their colleagues from Japanese prisons, along with a \$6-million ransom. Five hostages are released.

The five ex-Red Army prisoners willing to make the trip are delivered to Dacca on October 1, at which point 30 additional hostages are released. The Red Army pirates order their aircraft flown to Algiers later in the day, where they surrender to authorities after releasing the last of their captives. On a happier note, new scheduled roundtrips to Saipan also begin on October 1.

In December, the airline begins an annual tradition of displaying an origami-decorated Christmas tree in the window of its New York headquarters. The number of DC-10-40s in the fleet inventory grows to eight during the year and a B-747-146 is converted into a B-747-146SF freighter.

On the year, a total of 11,235,306 passengers are carried.

The workforce at Chairman Kogoro Uemura's company is increased 3.2% in 1978 to 21,584. The fleet now comprises 7 B-747-146s, 11 B-747-246Bs, 7 B-747SR-46s, 2 B-747Fs, 2 B-727-146s, 8 DC-10-40s, 3 DC-8-55Fs, 6 DC-8-50s, 17 DC-8-61s, 8 DC-8-62s, and 4 DC-8-62Fs. Orders are outstanding for 5 B-747-246Bs, 2 B-747SR-46s, 2 B-747Fs, and 6 DC-10-40s.

In January the company receives the 1977 "Passenger Service Award" from *Air Transport World* magazine.

The carrier's experimental high speed surface transport (HSST) train achieves an operating speed of 300 km. per hour over its route from Narita Airport to downtown Tokyo. Abu Dhabi becomes a Silk Road stop on June 2.

Beginning on July 18, the carrier offers five beds in its California-Tokyo bound Jumbojets. With government approval, the freight carrier **Nippon Cargo Airlines Company, Ltd.** is formed on September 21.

Baghdad on November 1 becomes a destination on the Silk Road. On November 22, JAL flight attendants strike and threaten additional action if the sleeper service is not ended.

Passenger boardings jump 9% to 12,401,000 and freight is up 15.3%. After paying off all earlier deficits, an \$11.7-million net profit is posted.

Shozo Hotta becomes chairman in 1979. Five B-747-246Bs, a B-747-246F, and three DC-10-40s join the fleet as two DC-8-61s are sold. New Pratt & Whitney engines are installed on the B-747s employed on the Los Angeles service.

In celebration of the twenty-fifth anniversary of the start-up of international operations, initial service is started from Komatsu, Kumamoto, and Nagasaki; a route is extended to Zurich on April 1. Tokyo to Indonesia services via Thailand, however, are suspended between April 15 and May 1 due to a fuel shortage. Advance Purchase Excursions (APEX) fares are introduced across the Pacific.

Two B-747SR-46s return to Tokyo on August 26 after developing engine trouble on flights to Sapporo. A DC-10-40 with 187 aboard hits air turbulence over the north Pacific on November 18; 10 are hurt.

Four days later, Kaqumi Nomura commandeers a DC-10-40 with 356 aboard en route from Osaka to Tokyo, by threatening a stewardess with a can opener. He demands to be flown to the U.S.S.R. While the plane is on the ground at its destination, Nomura is overwhelmed and captured by the aircraft's captain.

Passenger bookings for the year rise 9.2% to 13,535,623 and cargo climbs 16.6%. On revenues of \$2.2 billion, expenses are \$2.1 billion; the profits are, respectively, \$105 million (operating) and \$14.7 million (net).

The workforce is increased by 4% in 1980 to 22,230. Two B-747SR-46s enter service in January and February followed by two B-747-246Fs on March 17; five DC-10-40s are also entered into service.

On February 14, B-747SR-46s fitted with 550 seats are placed on the Okinawa run and the new DC-10-40s become the first wide-bodied airliners to operate into the PRC. New service is inaugurated to Auckland and Nandi on July 4, and Madrid three days later. In September, three classes of service are initiated.

Flights to Bombay cease in October. A new fuel conservation division is established at corporate headquarters in Tokyo during the last quarter.

Freight is up 13.2% to 1.6 billion FTKs, but passenger boardings dip 1.9% to 13,283,000. Revenues are \$1.475 billion, but expenses (led by fuel bills) jump 22.6% to \$1.474 billion, leaving an operating loss of \$1.3 million and a net profit of \$11 million.

Airline employment is decreased by 0.3% in 1981 to 21,854. In January, the company receives the 1980 "Airline of the Year" award from *Air Transport World* magazine.

The fleet now includes 2 DC-8-61s, 12 DC-8-62s, 41 B-747s, 2 B-727-100s, and 18 DC-10-40s, the last Dash-40 unit being delivered in December. Three additional B-747-246Bs and a Dash-246F arrive during the year and the passenger Jumbojets are assigned to new Aloha Express routes started from Sapporo to Honolulu on February 1. Kuwait becomes a Silk Road stop on February 11, replacing Tehran.

The 1953 Japan Air Line Law (Nikko Ho), which recognizes the company as the nation's only international carrier, is revised on April 1, allowing some relaxation in competition. On June 30, Shizuo Asada retires and Yasumoto Takagi, a veteran employee who had begun with **Japan Air Lines Company, Ltd. (1)**, assumes the posts of president/CEO.

The carrier's thirtieth anniversary is celebrated on October 1 and Tokyo (NRT) to Jeddah, Saudi Arabia, flights commence on December 28.

Passenger traffic declines again, by 0.5%, down to 13 million, but freight climbs 8.2% to 1,725,057,000 FTKs, bringing the carrier the honor of becoming (according to IATA figures) the world's leading international cargo carrier. Revenues are up 15.1% to \$2.97 billion, while expenses grow only 13.4% to 2.93 billion; profits are, respectively, \$43.2 million (operating) and \$17 million (net).

The employee population in 1982 is increased 1.3% to 22,132. Two B-747-246Bs and a DC-10-40 are delivered and a B-747-146 is transferred to **Japan Asia Airways, Ltd.** The pioneering DC-8-55NB *Asama* is sold to a Central American concern.

In January, the carrier receives the 1981 "Cargo Development Award" from *Air Transport World* magazine.

On February 8, a deranged Capt. Seiji Katagiri, who had once been grounded for a year for psychosomatic illness, puts one of the four engines of a DC-8-61 during its final approach to Tokyo into reverse thrust. Despite the attempt of flight engineer Yoshimi Ozaki to stop him, the jetliner, with 7 other crew and 166 passengers, loses altitude sharply. After hitting the approach lights, it crashes into Tokyo Bay just 300-m. short of the runway at Haneda Airport, losing its nose and right wing (24 dead). President Takagi apologizes to the Diet during the uproar that follows, but does not, as is customary in Japan, resign.

DC-10-40s replaced DC-8-61s on the company's New Zealand service on April 2. Tokyo-Chicago service via Seattle begins in April.

Just after takeoff from Shanghai on September 17, Flight 792, a DC-8-61 with 11 crew and 113 passengers, loses all hydraulic power; the aircraft is able to make an emergency landing back at its point of origin and there are neither fatalities nor injuries.

Formerly flown by **Pan American World Airways (1)**, a B-747-221F is acquired from the pioneer American carrier on October 29.

The adverse effects of the year's accidents, plus the poor performance of the world's economy in general, leads to a 6.1% decline in passenger boardings to 13,040,000, although freight is up 5.3% to 1.87 billion FTKs.

Airline employment decreases 3.1% in 1983 to 21,058. Four B-747s and a DC-10-40D join the fleet (the Douglas wide-body, the last of its type to be delivered, arrives in March) as six B-767-246s and three B-767-346s are ordered. The year's highlight is the initiation of Tokyo to Chicago via Seattle service. Americans, intrigued about Japan because of the recent television miniseries *Shogun* based upon the James Clavell novel, fly JAL to the Land of the Rising Sun in increasing numbers. Many also join the six million visiting the new Tokyo Disneyland during its first six months. Two more B-747-246Bs arrive during the first two weeks of June and are employed to inaugurate a new Executive Express service.

Meanwhile, an internal company committee recommends that JAL be operated like a commercial enterprise or even privatized. A second B-747-221F is purchased from **Pan American World Airways (1)** on December 20.

As the result of poor ATC, a B-747-200F, just after landing at Anchorage on December 23, strikes an unoccupied and unseen state-operated pickup truck stopped on the runway; of the four crewmen aboard the freighter, one receives serious injuries as the aircraft attempts a quick stop.

Passenger bookings climb 1.9% to 13,584,958 while freight jumps 14.2% to 2.26 billion FTKs. The operating loss is \$37.1 million.

The workforce drops another 1.7% in 1984 to 20,699. Two DC-8-61s, a DC-8-62, and a DC-8-55F are retired as a B-747SR-46 and the first B-747-346 join the fleet in December. With 49 of the Boeing Jumbojets, JAL is now the world's largest operator of the type. Service is reintroduced to São Paulo and Rio de Janeiro on April 1 after a two-year suspension.

Passenger traffic increases. 7.5% to 14,596,000 passengers carried while cargo swells 10.6% to 2.5 billion FTKs. Revenues total \$3.4 billion, up 1.6%, and the operating profit climbs to \$94.5 million.

The payroll in 1985 is reduced by only 134 personnel. The 50th B-747, which is also the second Dash-346, and three B-767-246s are

delivered, the latter beginning in July. Service is launched to Dusseldorf on June 3; a third B-747-246B is assigned to the Executive Express business-class operation.

The worst single-plane accident in commercial aviation history occurs on August 12. Just after takeoff from Tokyo (HAD) for Osaka while the cabin is pressurizing, the rear bulkhead of Flight 123, a B-747SR-46 with 15 crew and 509 passengers, ruptures, severely damaging the tail fin. Without maneuverability, the aircraft is able to remain aloft for 30 min. as the crew employs engine thrust. Eventually, all flight characteristics deteriorate to a point where the Jumbojet brushes against a forested ridge and continues on to hit a second one before impacting a mountainside in flames (520 dead). Details of how much the company will pay victims' families will not be disclosed, but amounts will be estimated at between \$570,000 and \$1.15 million each; survivors of a dead company owner will reportedly receive \$3.45 million.

On September 10, the Minister of Transport appoints a special committee to review Japan's entire air transport and airline structure and to make recommendations on competition and privatization.

En route from Tokyo to Paris via Moscow, a B-747-246B with 132 aboard strays off course over the Sea of Japan on November 2 in the same general area where Soviet fighter planes downed **Korean Airlines/Korean Air (KAL)** KAL 007 two years earlier. Although Russian interceptors are scrambled, they do not confront the airliner. Also in November, a second weekly flight to Auckland is added.

Following the liberalization and privatization recommendations of his special committee, the decision is taken on December 17 to privatize the carrier and, while increased responsibility for domestic service is given, the Transport Ministry also seeks an end to the airline's monopoly on scheduled international flights.

On December 18, President Takagi and Vice President Naoshi Machida resign following company-sponsored memorial services for victims of the August disaster, victim compensation, and government hearings. Tagaki is succeeded by Susumu Yamaji. Also during the December board meeting, Matsuo Toshimitsu is named vice president and Junji Itoh becomes board vice chairman.

Prior to his death at the age of 82 on January 9, 1999, Takagi will not only visit with each victim's family, but will donate \$182,000 to maintain a garden in their memory. Continuing to assume personal responsibility for the disaster, he visits the scene every August 12.

As in 1982, the accident impacts on passenger traffic, which increases only 0.4% to 14,649,000; cargo rises a scant 2.4% to 2.56 billion FTKs, a figure that is still twice as large as that for the second leading Asian freighter, **Korean Airlines/Korean Air (KAL)**. An operating profit of \$152 million and a net profit of \$29.7 million are posted on revenues of \$3.3 billion. Despite the year's difficulties, the carrier at year's end still ranks 14th among all world airlines in terms of passengers carried and total number of employees, 3rd in freight, 23rd in fleet size, 7th in revenues, and 10th in operating profit.

Employment grows 1.6% in 1986 to 20,884. In January, orders are placed for four B-747-346s and a B-747F, while a B-747-146 and the former **Pan American World Airways (1)** Dash-221F are transferred to **Japan Asia Airways, Ltd.** Also in January, in an effort to regain traffic still slowed by the previous year's Jumbojet crash, the company inaugurates hot meal services for early morning flights, with monthly menu changes following. Simultaneously, nonstop Tokyo-London, Paris, and Chicago B-747-246 service is inaugurated, the first two destinations the result of four-times-per-week trans-Siberian runs. The first B-767-346 makes its maiden flight on January 30 and the company's international scheduled service monopoly ends with the introduction of **All Nippon Airways Company, Ltd.** into that arena.

The first B-747-346SUD (SUD stands for "stretched upper deck") with seating for 563 passengers is introduced on March 26. On April 4, Nagoya-Honolulu flights begin; later in the month and in cooperation with **Qantas Airways (Pty.), Ltd.**, joint weekly Tokyo to Perth, Cairns, and Brisbane flights begin with the Australian carrier's B-767-246s. The same month, nonstop Tokyo to London and Paris frequencies are

introduced and, based on the results of a 1985 nationwide contest, new uniform styles for female flight attendants are selected.

In May, the Transport Ministry sets July 1, 1987, as the date for total privatization and Junji Itoh is named chairman on May 27. In July, service is launched to Atlanta. On July 20, the first domestic route since 1951 is opened as B-747SR-46s fly from Tokyo to Kagoshima and Komatsu.

A B-747-246B, carrying Foreign Minister Tadashi Kuranari, is delayed for three hours at New York (JFK) on September 25 after receipt of a bomb threat; no explosive is found. Back in Tokyo the same day, the first B-767-346 is delivered. Also in September, the company signs an interline agreement with **TranStar Airlines** providing JAL's Los Angeles passengers with connections with 11 cities in Florida, Louisiana, Texas, Nevada, and California.

Tokyo to Komatsu flights begin on October 1, followed by Nagoya to Fukuoka service on October 20. Also in October, the first B-767-346 enters revenue service as an \$869-million order is placed for five B-747-346s and six B-767-346s for delivery between September 1987 and June 1988. The DC-8-62 *Taisetsu* is sold to **Interstate Airlines** in the U.S., which has it converted into a freighter.

Flight 1628, a B-747F coming into Anchorage from Iceland on November 17, encounters an Unidentified Flying Object (UFO) near Eielson AFB, which is also captured on radar; the 50 minute incident attracts much public attention.

Another B-747-346 arrives on December 15; since February, four of her type have entered service with the carrier. During the year, the fleet also is enhanced by the staggered delivery of three B-767-246s, two B-747-146SAs, a B-747-246LR, and a B-747-246F; retired are six DC-8-61s and a DC-8-62.

Passenger boardings improve by 2.9% to 15,240,182 and cargo does much better, growing 10.1% to 2.84 billion FTKs. Income accelerates to \$5.3 billion and although an operating profit of \$196.7 million is earned, there is a net loss of \$43.3 million.

The employee population is increased 1.5% in 1987 to 20,884. Under Chairman Itoh's direction, the carrier is restructured and organized into three operating divisions: international, domestic passenger, and cargo. Under criticism from both the government and employees, Itoh resigns on March 31.

Company unions join those from **All-Nippon Airways Company, Ltd. (ANA)** and **Air Nippon Company, Ltd.** in a 48-hour strike on April 22-23 as labor and management negotiations on annual wage hikes collapse. Officials report that the job actions are the first for JAL in two years and the first for ANA in eight. Nearly half of domestic and international services are cancelled on the two days.

Employing B-767-246s, JAL opens its fourth domestic route, between Nagoya and Sapporo, twice daily in May. Four additional weekly U.S.-Japan roundtrips are added in June from Tokyo to New York via Chicago.

The Lower House of the Japanese Diet passes legislation on August 20 abolishing the 1953 Japan Air Lines Law (Nikko Ho), with the Upper House following suit on July 4. Also during the summer, the airline's JALCOM reservations system is revamped and its name is changed to AXESS.

At the end of October and against strong opposition from company labor unions that fear reduced cockpit crews, orders are placed for five B-747-446s. B-747-246s succeed DC-10-40s on November 2 on the company's frequencies to Auckland, New Zealand.

Repeal of the 34-year-old JAL Law, enacted by the Japanese Diet during the summer, takes effect on November 18. Privatization is initiated as the government's remaining 34.5% interest, 48.1 million shares held by the Finance Ministry, is put up for sale to the public on December 15. Much cross-sector shareholding takes place and of the 1.7 billion shares, 30% are held by 14 bank and insurance companies; Tokyo Fire and Marine, with 2.87%, becomes the airline's largest investor, although 400,000 individual investors also gain a stake. The sale nets ¥ 664.5 billion (US\$4 billion).

The same year, the country's airline industry is deregulated and the country's nationalized overseas routes are opened to longtime domestic rival **All Nippon Airways Company, Ltd. (ANA)**. In a major change in JAL's articles of association, the company is now allowed to diversify into 17 new business areas, including real estate and food services. The last DC-8-62 is retired on December 31.

Customer bookings swell 18% to 17,876,636 as freight ascends 12.7% to 3.19 billion FTKs, tops among Asian airlines. Revenues reach \$5.6 billion and profits are \$116 million.

A total of 54 employees are laid off or retired in 1988, a decline in the workforce of 0.1%. Fumio Watanabe is elected chairman on January 11 and in keeping with the company's new private status, a revision of the corporate image is undertaken.

In March, a code-sharing and blocked space agreement is signed with **VARIG Brazilian Airlines (Viacao Area de Rio Grandense, S.A.)** for flights from Tokyo and Nagoya via Los Angeles to Rio de Janeiro and São Paulo. The company's privatization is completed in April. In the same month, President Yamaji writes to Boeing Chairman Frank Schrontz complaining of poor quality control on a newly delivered B-747F and 5 of 11 B-767s; the complaints are leaked to the press.

During the spring, nonstop Tokyo to Frankfurt operations begin. In cooperation with **Aero Asahi Corporation, Ltd.**, the helicopter carrier **City Air Link** is established; it inaugurates Bell 412 passenger transfer services on June 20 between Tokyo (HAD and NRT). In August, joint weekly flights with **Air New Zealand, Ltd.** commence over a route from Tokyo to Christchurch and Auckland. During September, a leasing subsidiary, **Nikko Lease Company, Ltd.**, is established to charter aircraft, ground vehicles, and airport equipment. Simultaneously, a financial company, **JAL Finance Company, Ltd.**, is set up to raise and manage funds for the airline and its affiliated firms.

The number of subsidiary companies now numbers 164, including 16 formed after privatization. Interisland feed in Hawaii is secured through the acquisition of a 20% stake in **Hawaiian Airlines**. In October, joint flights commence with **Thai Airways International, Ltd.** over routes from Nagoya and Fukuoka to Bangkok.

Passenger boardings increase through November by 12% to 18,547,878 and cargo jumps 7.3% to 3.13 billion FTKs. Operating revenues of ¥ 972 million are earned and allow a net profit of ¥ 19.44 million.

The payroll is cut 1.7% in 1989 to 20,486 as the company continues a limited expansion, concentrating on an increase in route frequencies and an expansion into three major non-airline activities: the hospitality industry, associated air transport industries, and information services.

The corporate makeover begun the previous year is completed on May 17, at which time the company name is officially changed to Japan Airlines Company, Ltd. For purposes of consistency in the cross-referencing of this profile, the previous designation will continued to be employed here.

A public offering of \$1 billion in four-year bonds, each with a \$5,000 face value, is placed in the Eurobond market via Nomura International, Ltd. Cooperation with **Southern Air Transport (SAT)** is strengthened in July with the introduction of Tokyo-Chicago freight operations. Later in the month, flights begin from Tokyo to Hakodate.

The carrier, via block-seat purchase, introduces joint weekly service with **Swissair, A.G.** from Tokyo to Zurich in August. The same month, a cargo service network is established in the U.S. in cooperation with **USAir**. Joining with four other companies, the airline, also in August, inaugurates a new subsidiary tourism company, **The Japan Submarine Tourism Company, Ltd.**, to take customers on sight-seeing underwater visits to the Okinawa Marine National Park.

The first B-747-466, publicly called a "Sky Cruiser," is delivered in November. During the month, an alliance is entered into with **Air New Zealand, Ltd.** that provides for code-sharing on services from Tokyo (NRT) and Fukuoka to Auckland and Christchurch.

At year's end, it is reported that the carrier has spent some \$1.1 billion on the purchase of U.S. goods since January, making it the largest

single corporate purchaser of U.S. goods and services. Statisticians for the company also report that, since April 1970, JAL has purchased \$14 billion in U.S. goods from over 3,000 suppliers. Customer bookings accelerate 9.6% on the full year to 21,953,137 while freight is up 5.1% to 3.64 billion FTKs.

Company employment is cut 3% in 1990 to 20,498; however, the workforce is still the 23rd largest among the world's airlines. With 98 aircraft, the fleet is 21st largest.

In January, the first 5 of 20 ordered B-747-446s are placed into service. Simultaneously, the carrier offers an armrest video system in the first- and business-class sections of the new aircraft.

On April 2, the carrier, together with **All Nippon Airlines Company, Ltd.**, begins direct nonstop trans-Siberian flights between Tokyo and Madrid and Tokyo and Stockholm five times a week. These passenger flights will no longer stop in Anchorage.

A new crew training facility is opened at Nagasaki Airport in April to convert flight engineers into pilots. To promote cultural activities, the nonprofit JAL Foundation is established on April 16.

A strategic marketing alliance is signed with the Italian flag carrier **Alitalia, S.p.A.** and late in the month, orders are placed for 10 McDonnell Douglas MD-11s, with options taken on an equal number.

With a May 24 supplemental order for 20 B-747-446s, one unit of which represents the 1,000th request of Boeing for a Jumbojet, JAL now operates or has ordered 104 B-747s, with options taken on 34 more. Also in May, the carrier opens its \$13-million Plane Wash at Tokyo (NRT); the automatic aircraft washing machine can complete the exterior cleansing of a wide-body in 1 hr. 20 min.

During the six-month Garden and Greenery Exposition at Osaka that begins in June, a JAL Sky Restaurant serves selected meals from the airline's executive and first-class menu. Supervised by actual JAL flight attendants, \$80 first-class meals are available in a full-scale B-767 mockup. At the airline's annual meeting on June 28, President Yamaji is named vice chairman; Executive Vice President Matsuo Toshimitsu is elevated to the presidency in his place. The company now begins to sponsor the annual LPGA Big Apple golf classic at New York's Wykagyl Country Club.

During July, the nominal or par value of company stock is reduced from \$3.16 per share to 32 cents in preparation for a summer 10-for-1 stock split that, when completed, increases the volume of authorized shares from 600 million to 6 billion. Also during the month, the company is authorized to begin new North American routes. By the end of the month, there are 6,000 AXESS reservations terminals in operation around the nation, as part of the largest privately owned reservations system in Japan. Incidentally, it is also the first to feature a Japanese-language database employing Japanese characters.

Kuwait is invaded by Iraq on August 6. Later in the month, a cooperative reservations agreement is signed with **Korean Airlines/Korean Air (KAL)**. On November 20, the company reports that it has suffered a loss of more than \$77,500 from counterfeit tickets in circulation since June. Also in November, the carrier orders a pair of British Aerospace BAe Jetstream 31s for use next spring on the Nishi-Seto Air Link.

In December, it is reported that during the past two years the carrier has increased its capitalization by ¥ 235 billion in equity, ¥65 billion in convertible bonds, and \$1 billion in warrant bonds and that the company's bond rating is the highest for any airline in the world.

Passenger boardings rise 7% to 23,463,918, but cargo falls 4.3% to 3.47 billion FTKs. While the passenger figure is only 11th best in the world, the freight figure, although down, is still 3rd behind **Federal Express** and **Deutsche Lufthansa, A.G.** Revenues increase 13.3% to \$6.71 billion, 6th highest in the world and tops among carriers outside of the U.S. Expenses move ahead 14.3% to \$6.24 billion and leave an operating profit of \$468.36 million, 2nd in the world behind only **Singapore Airlines, Ltd.** Net profit increases to \$147.37 million.

The payroll climbs a slight 1.3% in 1991 to 21,485. The fleet now includes 5 B-747-146s, including 1 leased to **Japan Asia Airways, Ltd.**, 3 B-747-146Bs, 1 B-747-146BF, 2 B-747-146BSUDs, 1 B-747-212B,

22 B-747-246Bs, including 1 leased from **Japan Air Charter Company, Ltd.**, 2 B-747-221Fs, including 1 chartered to **Japan Universal System Transport, Ltd.**, 5 owned and 2 leased B-747-246Fs, 16 B-747-446s, 1 B-747SR-46, 4 B-747SR-346s, 3 B-767-246s, 13 B-767-346s, including 3 chartered to other carriers; and 16 DC-10-40s, including 1 leased from **Japan Asia Airways, Ltd.** Orders are outstanding for 24 B-747-446s, 10 B-777-246s, and 10 McDonnell Douglas MD-11s.

Daily flights begin in January from Tokyo to Hiroshima and in February thrice-weekly B-747-246B passenger flights open between Tokyo and Washington, D.C. (IAD). In March, twice-weekly B-747-221F all-cargo service begins from Tokyo to Chicago and on to New York, while the number of Washington, D.C. passenger frequencies is increased from 12 per week to 15. Wet-leased from **Evergreen International Airlines**, a B-747-121F (JAL 43E en route from Tokyo to Chicago) loses its No. 2 engine shortly after takeoff from Anchorage on March 31; there are no injuries.

Employing the two newly received BAe Jetstream 31s, JAL takes over the deficit-ridden Nishi-Seto Air Link service from **Asahi Air Lines, Ltd.** on April 1. The routes from Hiroshima to Matsuyama, Oita, and other destinations, is turned over to **J-Air, Ltd.**, the new commuter subsidiary of the major's JAL Flight Academy. In need of experienced B-767 and Jumbojet crews, discussions are begun with **Qantas Airways (Pty.), Ltd.** for the seconding of a number of surplus Australian personnel.

When the Transport Ministry opens additional slots at Tokyo (HAD) on May 17, they are immediately assigned to Japanese carriers. JAL receives four domestic routes to Akita, Nagasaki, Kumamoto, and Fukuoka, service over which will begin on July 20.

Also in May, weekly B-747-221F flights commence to Cologne and Vice Chairman Yamaji becomes chairman in June. During the last week of June, a bomb is found in the baggage being loaded aboard a company Jumbojet at São Paulo, Brazil; the owner, a Japanese resident of Paraguay, is released after convincing police he had not planted it.

A new passenger charter subsidiary, **Japan Air Charter Company, Ltd.**, is formed and begins service in July, providing lower cost international charter services to the nation's smaller airports under a program labeled JAZ. Simultaneously, a new domestic cargo carrier, **Japan Universal System Transport, Ltd. (JUST)**, is set up to provide express-cargo operations; ownership is divided between JAL (80%) and the trucking firms Yamato Transport (10%) and Nippon Express (10%).

As a result of the company's continuing need for pilots, which translates into the hiring of a significant number of expatriate flyers, local company pilots stage a brief protest strike in late July.

In August, nonstop B-747-446 flights begin to Washington, D.C. In September, domestic flights begin from Osaka to Kagoshima. Later in the month, ground is broken for a new \$115.5-million cargo and office building at New York (JFK). En route from Tokyo (NRT) to Chicago at 16,500 ft. on October 2, a B-747-246B incurs a 3 x 2-ft. hole in its fuselage, punched by hot liquid released from a burst pipe. Although the Jumbojet loses cabin pressure, the pilot is able to dump fuel and make a safe landing back in Japan.

On November 3, twice-weekly B-747-446 passenger flights begin from Tokyo to Berlin's Schoenefeld Airport. Later in the month, daily B-767-346 flights are started from Tokyo to Akita, Kumamoto, and Nagasaki.

Recession and the aftermath of the Gulf crisis cause customer bookings to slide 1.6% to 23,081,459. Cargo dips 3.3% to 3.36 million FTKs and the \$104-million net loss is the largest since privatization.

The number of employees grows 3.2% in 1992 to 22,179. The first of 10 MD-11s is delivered during the first quarter; the group will be named for birds and the first two are the *J-Bird* and *Fairy Pitta*.

In April, the carrier becomes a completely private joint-stock corporation, with 198,836 shareholders. During the spring, a major agreement is signed with **Deutsche Lufthansa, A.G.** that provides for joint freight flights on a route from Tokyo (NRT) to Frankfurt. In addition, joint ventures will begin in such areas as maintenance, the two carriers will share

a cargo facility at Chicago (ORD), and JAL will participate with **Air France** in a joint terminal at New York (JFK).

Beginning in July, the carrier begins introduction of a new first- and business-class food service menu featuring food cooked *Ofukuro no Aji* ("to mother's taste," i.e., home cooking). With the opening of the Beverly Hills hostelry, JAL now operates 32 Nikko hotels worldwide, including 10 in Japan and 22 in major world cities. New services are initiated from Tokyo to Munich, Osaka to Sydney via Cairns, and from Fukuoka to Hakodate. Now unable to provide sufficient flight deck crews to man all of its flights, JAL subcontracts **Qantas Airways (Pty.), Ltd.** to provide replacement services on its routes from Cairns to Brisbane and from Tokyo to Auckland.

As the result of an August agreement with **DHL Worldwide Express**, DHL undertakes cargo delivery in Scandinavia on behalf of the Japanese flag carrier, as well as between inter-U.S. points. The unprofitable route to Bombay is now closed.

Concerned over pollution caused by the painting process, the airline, in September, begins to test a B-747F with a polished aluminum skin, devoid of livery except for the company's name and logo. Chartered **Qantas Airways (Pty.), Ltd.** B-747-338s, repainted in JAL livery, are flown by Australian crews. A new series of first-class and business-class packages are introduced in October on the routes to New York (Big Apple Express) and London (Big Ben Express).

On November 1, the company withdraws from India as its last weekly service to New Delhi via Hong Kong is cancelled. Service to Seattle is suspended the same day.

During December, it is announced that the company will cut costs and reduce capital expenses by ¥ 200 billion (\$1.6 billion) over the next year; bonuses are to be reduced, overtime cut, salary increases limited, the hiring of ground staff will be frozen, and more foreign flight attendants will be employed.

Also during the month, after 5 years of negotiations with Aeroports de Paris, the company is able to obtain 3,200-sq.-m. of warehousing space in the new Fret 4 cargo area at Paris (CDG).

Passenger boardings rebound upward by 4% to 24,005,310, but freight declines 3.9% to 3.22 billion FTKs. Revenues are \$8.4 billion, but expenses are more and as a result, an operating loss of \$98 million is experienced. The net loss is \$22.3 million.

In 1993, Chairman Yamaji and President Toshimitsu oversee a workforce of 21,650, down 3%. The fleet now includes 1 owned and 1 leased B-747-146s, 3 B-747-146Bs and 2 B-747-146SUDs, 14 owned and 7 chartered B-747-246Bs, including 1 borrowed from **Japan Air Charter Company, Ltd.**, 1 B-747-221F, 4 owned and 1 chartered B-747-246Fs, 3 B-747-338s leased from **Qantas Airways (Pty.), Ltd.**, 7 owned and 2 leased B-747-346s, 21 B-747-446s, 4 owned and 4 chartered B-747-446Ds, 4 B-747SR-346s, 10 owned and 3 chartered B-767-346s, 15 DC-10-40s, including 3 leased units, 1 from **Japan Asia Airways, Ltd.**, and 2 MD-11s.

To return the carrier to profitability as quickly as possible and end three years of downturn, a stringent cost-cutting program, the *Mid-Term Plan of 1994-1997*, designed to reduce the operating budget by ¥ 100 million (\$10 million), is instituted. Staff reductions over the next 5 years will reduce the workforce to 17,000.

After six months of operation between Tokyo and Osaka, the East Japan Railway Corporation and Tokai Railway Corporation boost the twice-daily service of their *Nozomi (Hope)* bullet train to hourly on March 18. The competition, now severe, forces JAL to reduce the number of its daily roundtrips two days later from seven to six.

Also in March, as the result of strong turbulence and an undetected 2-inch pylon crack, an engine falls off a B-747F over Anchorage. By March, the complement of expatriate pilots has grown to 300.

With its freighter services unprofitable since 1991, JAL, on April 1, ceases all-cargo flights between Tokyo (NRT) and the Chinese cities of Shanghai and Beijing. It also reduces its transpacific freighter frequencies from 25 to 22 per week.

On April 2, JAL increases its Tokyo to Amsterdam (Schiphol Airport) frequency from three flights per week to five and **KLM (Royal Dutch Airlines, N.V.)**, under a code-sharing agreement, begins transporting JAL passengers from Amsterdam's Schiphol Airport to Madrid and Zurich. The next day, a new direct service originating in Rome is started, linking Milan with Tokyo.

During the same month, a similar agreement, first signed almost 20 years earlier, is revised with **Air France** and now provides for 3 joint freight flights per week between Tokyo (NRT) and Paris (CDG).

A 10% stake is taken in October in Haeco's \$6.3-million Xiamen Aircraft Maintenance Company, scheduled to open in 3 years. On October 29, the carrier asks its more than 200 affiliated companies engaged in the hotel, travel, resort, passenger services, and information sectors, to suspend hiring for fiscal 1995 as part of an ongoing streamlining effort during a prolonged industry slump. The carrier's first president, Seijiro Yanagid, dies on November 18. Customer bookings for the year inch up 0.4% to 23,589,662 and cargo moves ahead by 1.8% to 3.28 billion FTKs. Revenues total \$4.78 billion and expenses are \$4.83 billion. The operating loss declines to \$79.95 million, but the net loss worsens to \$31.93 million. A year later it will be reported that the real operating loss is \$328.98 million and the net downturn is, in fact, \$284.98 million.

The airline population is reduced by another 4% in 1994 to 20,876. A new "survival plan" is unveiled in January that calls for a return to profitability through the elimination of additional positions and the introduction of new products. A joint agreement is signed with **All Nippon Airways Company, Ltd. (ANA)** in February that provides for the joint purchase and repair of aircraft parts, shared hangars and engine test cells, and joint development of technical and staff training manuals for the B-777.

Early in the year, the first two MD-11s, delivered late the previous December, are placed into service as a new route is opened to Bali. The new aircraft are christened "J Birds," with each named for a different species of bird visually portrayed on its winglet, beginning with the *Yairocho (Fairy Pitta)*.

The fortieth year of international service is celebrated. From 2 weekly DC-4 flights to the U.S. in 1954, the carrier has grown to 106 Jumbojet frequencies. In addition to 150 daily flights on its domestic network, the world's 8th largest airline now offers 864 international flights per week to 25 nations. Under a code-sharing agreement signed with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, joint flights are undertaken from Tokyo (NRT) to Mexico City; the two companies also begin to participate in one another's frequent flyer programs.

At the same time, following the signing of a new bilateral agreement between Japan and Vietnam, JAL resumes direct, roundtrip flights (suspended in April 1975) between Osaka (KIX) and Ho Chi Minh City. In July, a new automated, multilevel 640,000-sq.-ft. cargo center is opened at New York (JFK).

On August 1, Kobe University student Tomoko Azuma becomes the first female accepted by JAL for pilot training. Her schedule calls for her to begin right-seat service in the fall of 1997. The Hawaiian routes are "branded" in August with the company's new Super Resort Express service, featuring brightly painted aircraft (seven Jumbojets and two DC-10-40s) and new services with a South Seas flavor. The number of weekly Japan to Hawaii roundtrip frequencies increases to 54.

A \$3.5-million advertising concept, centering around the International Family Year sponsored by the UN, Dream Express service is introduced, also in August, with a B-747-146B and two B-767-346s painted in a "Disney on Tour" color scheme. When the company asks its female flight attendants on those aircraft to don Minnie Mouse ears, special aprons, and large red bows to welcome families with children aboard and to sell them Disney products, the ladies refuse. Still, a year of domestic flights from Tokyo (HAD) begin. International flights cannot be made as **Delta Air Lines** holds the exclusive license with Disney for such services).

With the opening of Osaka (KIX) on September 4, the company is able to have its first full-fledged hub, expanding its domestic services

from Osaka, including those from Itami Airport, by 76%—from 21 to 37 per day. International departures climb in number from the 55 from Itami to 90 per week, all of which now originate from Kansai. Itami becomes strictly a domestic hub.

At home, planned flights commence from Kansai to Oita, on Kyushu, and to Nagasaki, Kanazawa, Kumamoto, and Misawa on Honshu. From Tokyo, service is inaugurated to Obihiro, Aomori, and Miyazaki. The number of weekly Tokyo to Vancouver transpacific flights is increased from 4 to 11.

Also on opening day and in cooperation with **Air France**, daily nonstop roundtrips are scheduled to begin from Osaka (KIX) to Paris (CDG). As negotiations over the use of Russian airspace are not completed, it must be postponed.

Later, dual-designator service with **Air New Zealand, Ltd.** is launched from the new airport to Christchurch and Auckland and with **Thai Airways International, Ltd. (THAI)** to Bangkok.

On November 3, company officials join with those from **American Airlines** to announce a linking of their frequent flyer programs; passengers on either carrier's international services are able to earn credits on the other.

Thrice-weekly roundtrips commence on November 16 to Tan Son Nhat Airport at Ho Chi Minh City, Vietnam. Later in the year, plans are made for the introduction during 1995 of the first B-777-246s. The new aircraft will be known as "Star Jets," and each will be named after a star or constellation.

In cooperation with **Air France**, daily nonstop roundtrips are finally inaugurated on December 6 between Paris (CDG) and Osaka (KIX). The service is operated thrice weekly by JAL's B-747-446 and four times per week by the French line's A340-211s. Flight attendants from both carriers work on these new services.

Late in the month, the Transport Ministry relaxes airfare regulations.

Overall passenger boardings for the year swell a welcome 8.8% to 25,666,230, but freight declines by 8.9% to 3.28 billion FTKs. Revenues jump 5.4% to \$11.63 billion, while expenses climb 3.3% to \$11.74 billion. Consequently, there is a \$110.76-million operating loss and an "improved" net loss of \$13.48 million.

Airline employment in 1995 stands at 21,000, a 6% increase. The November pact with **American Airlines** takes effect in January. The two majors also agree to reciprocal cargo sales representations in various geographic regions. The JAL stake in **Air New Zealand, Ltd.**, which has by now shrunk to 5%, is sold to Brierley Investments, Ltd. for \$64.8 million.

On January 20, the company announces that it will fly donated earthquake supplies, free of charge, across its international network to Osaka (KIX), from where they will be shipped by sea to disaster-struck Kobe.

Toward the middle of the second quarter, an agreement is concluded with **Shanghai Airlines** under which the Chinese airline will send approximately 90 flight attendant candidates to Tokyo for a 4-month training course.

In order to build markets without violating its bilateral agreement with the U.S., the company at the beginning of the second quarter introduces charters to Hawaii from such secondary cities as Akita and Takamatsu. It is announced on May 29 that the carrier will, during high-traffic periods, contract a portion of its cross-border cargo business to **Southern Air Transport**; it is estimated that the company will save up to 10% over the cost of operating its own aircraft by wet-leasing needed capacity elsewhere.

Sponsored by the airline, together with **Air France**, **Korean Air Airlines/Korean Air (KAL)**, and **Deutsche Lufthansa, A.G.**, work begins on June 15 on a \$450-million improvement project to Terminal One at New York (JFK). Also during June, a wide-ranging business cooperation agreement is signed with **Air France**. Under terms of the pact, the two link their frequent flyer award programs, establish traffic cooperation at Paris (CDG), and agree to begin joint daily flights between Osaka (KIX) and Paris and four times per week from Tokyo and Noumea.

Deviations from "approved practices" regarding parts and procedures are found by U.S. inspectors at the company's repair facilities at Narita

Airport on July 3 and Haneda Airport on July 10. In response, FAA Administrator David R. Hinson suspends the airline's authority to repair U.S. airliners or to provide them with parts or services from the two repair stations.

Under the subservice contract entered into with **Southern Air Transport**, weekly B-747-212F services are inaugurated in July on JAL's behalf from Tokyo (NRT) to the U.S.

An agreement is signed with **American Airlines** on August 2 that will see the reservations systems of the two companies linked; under terms of the deal, AMR Corporation will also purchase a 25% stake in the JAL computer division.

The company doubles its call for contract flight attendants during the fall, hiring 200. Plans are made to hire 200–300 more by spring.

On November 1, the company adds an extra service from Tokyo to London (LHR), bringing the total to 10 each week, and an additional flight to the same airport from Osaka, making 5 per week.

Simultaneously, the alliance with **Air France** is strengthened when the two carriers link their frequent flyer programs. Plans are made to transfer JAL Paris (CDG) services from Terminal One to the Air France facility at Terminal Two.

Joint services with **Thai Airways International, Ltd. (THAI)** are increased seven-fold in November; frequencies from Bangkok to Fukuoka, Osaka (KIX), and Nagoya are increased to nine per week. Additionally, JAL begins to code-share on THAI frequencies from Bangkok to New Delhi.

Also in November, an agreement is reached with **Mexicana Airlines, S.A. de C.V.** that provides for seamless transfer of JAL and MA passengers on to partner flights departing Los Angeles. Service from Tokyo to Munich is ended.

During the third week, the company announces that it will install a special "smoker's nook" with aft-facing seats and special air conditioning ducts in the tail of each of its Jumbojets. On November 24, agreement is reached with the FAA concerning maintenance procedures and the company's Tokyo (HAD and NRT) facilities again become "approved foreign repair stations" for U.S.-registered airliners.

The twice-weekly roundtrip route to Washington, D.C. (IAD) is closed in December. Dual-designator services with **Thai Airways International, Ltd. (THAI)** between Osaka and Bangkok now grow to 14-per-week.

Customer bookings increase by 11.2% to 28,566,560 and cargo traffic also grows, up to 3.69 billion FTKs. The good traffic year is rewarded with profits: \$124.21 million (operating) and \$3.96 million (net). During the year, Eitaro Itoyama, one of Japan's richest men and chairman/CEO of the golf course concern Shin Nihon Kanko Kogyo Co., Ltd., purchases 12 million shares of company stock.

The workforce is reduced by 3.1% in 1996 to 20,030. A B-737-4Q3 is leased to **Japan TransOcean Air, Ltd.** The first of 10 B-777-246s is delivered on February 16 and is christened *Sirius*.

Between March 8 and 18, company routes are altered during Chinese military missile exercises off Taiwan; flights to Hong Kong, Bangkok, and other Southeast Asian destinations do not pass over Taipei.

Tokyo to Chicago service is inaugurated, also in March.

Also during the first quarter, services are expanded from Tokyo (HAD) to the islands of Shikoku and Hokkaido and the company begins using the old Itami Airport at Osaka for increased regional operations.

A new cargo agreement is signed between the United States and Japan on April 16. The accord removes all limitations on freight services to the U.S. by JAL and grants it rights to three more U.S. destinations. Also during April, the airline introduces daily frequencies from Tokyo to Kona, Hawaii, and thrice-weekly services from Tokyo to Zurich.

Three new alliances also commence in April. A code-sharing agreement with **Canadian Airlines International, Ltd.** begins on a weekly route from Tokyo (Nagoya) to Vancouver; CAI aircraft are employed exclusively. Also during the month, dual-designator cargo services are launched with **SAS (Scandinavian Airlines System)** between Osaka (Kansai Airport) and Goteborg, Sweden. Finally, daily code-sharing

starts with **Vietnam Airlines** between Osaka (Kansai Airport) and Ho Chi Minh City.

The **Sirius** enters service between Tokyo (HAD) and Kagoshima on April 26. As additional aircraft are delivered, they will also fly from Tokyo's domestic airport to Fukuoka and Nagasaki.

From late May to early June, China, which has improved its ATC capabilities, grants the airline a more direct routing north to Beijing, Dalian, and Qingdao than the old direction south to Shanghai from Tokyo, Nagoya, and Osaka and then north. The company quickly adjusts and begins to save 35–45 minutes per flight.

Thrice-weekly B-747-346 roundtrips commence on June 2 between Tokyo (NRT) and Kona, on the "big island" of Hawaii.

On June 13, Meiji Seika Kaisha, Ltd. commercializes its instant soups, which have been served on JAL for over 20 years. First on the market are JAL Beef Consommé and JAL Corn Cream soup.

The number of weekly return services between Nagoya and Bangkok is increased on July 6 from 4 to 5, while the number of weekly return flights is increased from 5 to 5.5 per week between Osaka (KIX) and Ho Chi Minh City.

On July 15, an agreement is signed with Walt Disney Productions. Under its terms, JAL can now offer discounted tickets on its flights to and from the U.S. for visitors to Disney World and Disneyland.

An on-going dispute with the U.S. over air cargo flights to and beyond Tokyo escalates on July 16. The DOT warns the Japanese Ministry of Transport (MOT) that unless it relaxes restrictions by the end of the month on FedEx as promised a year earlier, JAL will be prohibited from carrying any freight to the U.S. that has originated in the Philippines, Indonesia, or China.

On July 18 the MOT refuses to allow **Federal Express** and **Northwest Airlines** to fly to destinations in Asia from Japan in retaliation for the U.S. threat against JAL.

Also on July 18, in response to a March service initiative by **Japan Air System, Ltd.**, four of the carrier's B-747-446s are outfitted with first-class lavatories and are placed back into service between London and New York; the contest with JAS is labeled a "lavatory war" by the aviation press.

Based on expenditures of \$1,258,938,000 in the U.S. during the year ending the previous December 31, JAL reports on July 22 that for the 26th consecutive year, it continues to rank as the largest single foreign corporate purchaser of American goods and services. Between April 1970 and the previous December, the company has acquired a cumulative \$24.85 billion in goods from 3,000 U.S. suppliers.

During late summer and early fall, newspapers in Japan report that HIS Corporation, a ticket broker, intends to form a deep-discount airline of its own to offer low-cost domestic services.

JAL stocks decline in the 60 days following September 1.

On September 25, an interline agreement is reached with **Myanmar Airways International** of the former Burma. Under its terms, a total of 21 of 29 weekly JAL flights between Bangkok and Japan will connect with MAI services to Yangon.

On October 1, two information-related subsidiaries, JAL Data Tsushin and Nikko Information Development, are merged. The new concern is named JAL Informatech and it is expected to help save a portion of the ¥ 25 million annually allocated to information services.

At the same time, the carrier reaches a new agreement with **Qantas Airways (Pty.), Ltd.** and begins to code-share 14 weekly nonstop flights from Tokyo to Brisbane and Cairns.

On October 3, direct frequencies between Japan and India (Tokyo and Osaka to New Delhi), abandoned in 1992, are resumed twice weekly using MD-11 equipment. On November 8, 85-year-old former President Shizuo Asada dies in Tokyo. In December, flights are started from Tokyo to New Delhi.

Enplanements total 30,197,904 and 4.17 billion freight FTKs are operated. Operating revenues jump 7.1% to \$9.63 billion while costs climb 8.2% to \$9.6 billion. The operating profit falls to \$36.75 million and a huge \$74.5-million net loss is suffered.

The workforce is cut by 7% in 1997 to 18,112. A code-sharing agreement with **Malaysia Airlines, Ltd. (MAS)** takes effect on January 14 allowing weekly cargo services from Tokyo (NRT) and Osaka (KIX) to Kuala Lumpur and Penang. The flights are operated by an MAS B-747-3H6F. Two days later, a pact is signed with **Air France** under which the two majors will begin dual-designator flights on April 1 from Tokyo to Paris and Istanbul.

The first link between a Japanese airline and East European carriers occurs on January 18 when JAL signs code-sharing agreements with **CSA Czech Airlines** and **MALEV Hungarian Airlines**. When the pact takes effect during the summer, flights from Tokyo (NRT) or Osaka (KIX) to Frankfurt will be able to make seamless connections on to the partner lines for flights to Prague and Budapest. Between now and June, JAL will aggressively market the new alliance.

Negotiations with **Korean Airlines/Korean Air (KAL)** begun the previous September are successfully completed on January 31. Under terms of the code-sharing and marketing agreement, JAL and KAL will share codes on flights from Osaka (KIX) to Seoul. Plans are made for joint navigation of the Fukuoka–Seoul route.

At the end of February, plans are announced for the creation of a new low-cost subsidiary airline that will be formed to operate over domestic routes employing B-737-400s leased from the parent and expatriate cockpit crews.

It is announced on March 15 that the airline, in conjunction with Nissin Food Products, has developed "Soba De Sky," an instant noodle snack (with small fried shrimp, shiitake mushrooms, and spring onions—just add hot water) that will be offered to all executive-class passengers. The product, based on the 1992 release "Udon (Wheat Flour Noodles) de Sky," will also be available to the public via airport retail stores and mail order. Another scheme designed to boost domestic profits is a series of raffles introduced during the month in which passengers can win what, in Japan, is a wildly popular virtual pet, the "Tamagotchi."

Also in March, the Ministry of Transport announces that JAL will receive nine new slots that will be made available at Tokyo (HAD) following the summer opening of a new runway.

Flights from Tokyo (NRT) to Cairns and Brisbane begin on April 1 in cooperation with **Qantas Airways (Pty.), Ltd.** Frequencies from Kansai Airport to Ho Chi Minh City are increased from six times per week to daily while connections to Frankfurt are boosted from thrice weekly to four per week. The Tokyo to New York route is expanded to eight per week from seven per week while Tokyo to Kona, Hawaii, flights are boosted ahead by one to four times per week.

The new schedule launched this day also includes an increase of frequencies from Nagoya to Manila from twice weekly to six per week, while Nagoya to Singapore service is increased from thrice weekly to five times per week. Nagoya to Bangkok service is also increased, from thrice weekly to four times per week.

Thrice-weekly all-cargo service to Atlanta is inaugurated on the first day of April and daily dual-designator flights begin with **Air France** from Paris (CDG) to Istanbul. The Turkish flights from Paris are timed to connect with the arrival and departure of JAL daily flights from Tokyo and JAL is the first Japanese carrier to operate to Turkey.

On April 1, the company launches a new fully owned low-cost subsidiary airline, JAL Express, which will begin flying in 1998. With initial capitalization of ¥ 5.8 billion, the carrier will be outfitted with a pair of B-737-446s, operate its own domestic network, and hire foreign cabin crew to work short-term contracts.

It is announced in May that additional staff cuts will be required during the next year to help the company return to profitability; as many as 5,000 positions may be cut. At the same time, the carrier enters into an agreement with **Japan Air System, Ltd.** to cooperate in the area of domestic frequent flyer programs.

While on final approach to Nagoya on June 8, an MD-11 encounters severe air turbulence. Three flight attendants and a passenger are seriously injured, while seven other attendants and passengers receive

minor injuries. Cabin attendant Atsuko Taniguchi will die of her injuries in February 1999.

On June 9, **Federal Express** Flight 80, a DC-10-30F with four crew is taxiing into the ramp area at Chicago (ORD). The FedEx plane must stop and back up 20 ft. to avoid being struck by the left wing of JAL Flight 6012, a B-747-246F with three crew that is taxiing out of the ramp area.

In the past year, the carrier has suffered over 40 cases of violent or abusive passenger behavior, 80% of them Japanese. The company is now having so many problems with unruly passengers that it issues tough new guidelines on June 23 that include getting other travelers to use force against disruptive passengers. In addition to improving awareness at check-in, JAL tells its cabin crew that, with the cooperation of other passengers, they can restrain passengers with tape or plastic devices similar to handcuffs.

A total of 155 domestic flights are cancelled on June 27 by **Japan Air System, Ltd.**, JAL, **All Nippon Airways Company, Ltd.**, **Air Nippon Company, Ltd.**, and **Japan Transocean Airways Company, Ltd.** as the result of a tropical storm and tornado.

In July 1, twice-weekly, nonstop, code-shared return service begins with **Air France** to Paris (CDG) from Nagoya. The service is performed by the French line's A340-311. The same day, daily B-767-346 roundtrips commence from Tokyo (HAD) to Memambetsu and Obihiro on Hokkaido and Kochi on the island of Shikoku.

While on approach into London (LHR) on a July 3 service from Osaka (KIX), a fully loaded B-747-346 is involved in a near miss with an ITT Gulfstream IV bizjet en route to London (CTN) from Olbia, Sardinia. The degree of separation in the ATC-caused incident is 100-ft. vertical and 0.83-nm horizontally.

A code-sharing agreement is signed with **South African Airways (Pty.), Ltd.** on July 7, with JAL thus becoming the first Japanese airline to offer connections to South Africa.

On July 11, an interline agreement is signed with **Southern Air Transport**. Under its terms, twice-weekly JAL flights from Tokyo (NRT) to San Francisco will offload their goods to an SAT aircraft, which will deliver them to Dallas (DFW) the next day. The service replaces the current Tokyo-Atlanta offering, which requires truck transport from the Georgia hub to Dallas (DFW).

Basic agreement is reached with **American Airlines** on July 21 on an all-encompassing business deal that includes shared dual-designator flights. When a new bilateral is completed between the U.S. and Japan, AA and JAL will sign a formal contract.

On August 27, the largest sales agreement for used aircraft ever made in Japan is concluded when the carrier agrees to sell 20 DC-10-40s to the NI Aircraft Leasing Co., Ltd. for \$170 million. The planes will be delivered to the concern over the next nine years. Three days of talks on a new bilateral air agreement between the U.S. and Japan end in Washington, D.C. on August 29 without an accord.

On September 1, JAL announces that it will sell all 20 of its DC-10-40s, plus \$170 million worth of spares, to NI Aircraft Leasing Co., Ltd. over the next 7 years, earning \$84 million. On the same date it notes that, since April, it has had 15 incidents of passenger violence on its services, the majority of which have occurred on international flights where alcohol is served.

Late in the first week of September, JAL is named Japan's official airline for the 18th Olympic Winter Games. Under terms of the agreement with the Japanese Olympic Committee and the Organizing Committee for the Games, JAL will provide international and domestic transport for these organizations and promote the Games through in-flight videos shown on all of its flights. Negotiations for a U.S.-Japan bilateral air agreement resume in Tokyo on September 22.

"Welcome to Japan" fares are introduced on October 1; the promotion, for tickets that must be purchased outside the country, features discounts on domestic flights that are 50% or more off regular prices.

Following the Transport Ministry's deregulation of the aviation inspection sector the previous day, JAL, on October 2, announces that it

will boost its outsourcing of aircraft maintenance to foreign carriers and halve its maintenance and inspection staff stationed offshore by 2001. Initial contracts for maintenance and inspection will be entered into with **Qantas Airways (Pty.), Ltd.**, **British Airways, Ltd. (2)**, and **United Airlines**.

Twice-weekly, block-seat service with **South African Airways (Pty.), Ltd.** begins on October 2 between Osaka (KIX) to Johannesburg via Bangkok; the flights are operated by SAA B-747-244Bs.

Late in the month, a traffic alert and collision avoidance system (TCAS) warning is sounded aboard a company B-767-346, en route from Osaka (KIX) to Hakodate, when two USAF F-16 fighters from Misawa AB come so close as to cause the jetliner to take evasive action.

Also during the month, a contract is signed with the Boeing Company's Wichita-based Modification Center for the transformation of four B-747-346s from domestic-passenger to international-passenger configuration. Work will be completed by November 1999.

A new marketing pact with **THY (Turkish Airlines, A.O.)** comes into effect on October 31; JAL purchases block-seats on THY A340-311 thrice-weekly flights to Istanbul from Osaka (KIX).

On November 1, the company's twice-weekly service is replaced by thrice-weekly frequencies code-shared with **Air New Zealand, Ltd.** During the first week of November, it is reported that, for the previous year, JAL had \$118 million in in-flight sales, the most for any airline; from a catalog of 120 selections, top items purchased included scotch whiskey and designer makeup.

On November 6, an agreement is signed with the start-up carrier **Hokkaido International Airlines Company, Ltd. ("Air Do")**; JAL will provide operational, technical, and airport handling support and assist the carrier as it launches Japanese domestic service, hopefully in July.

The scariest moment of the month occurs when the TCAS aboard a B-737-446, en route over Shikoku Island, sounds because two USMC F/A-18s from Iwakuni have come close enough to cause the jetliner to take evasive action. As was the case with a similar near miss a month earlier, both Japanese and American officials investigate.

When the winter schedule is introduced, adjustments are made. Reflecting static demand in Hawaii, the number of weekly flights from Tokyo to Honolulu is reduced from 28 to 21, while the number to Kona is increased from five per week to daily. The route from Tokyo to Los Angeles is increased from 9 to 10 and the Nagoya to Vancouver route code-shared with **Canadian Airlines International, Ltd.** is increased from 2 to 3. Tokyo to Bangkok is increased from 10 to 13, Tokyo to Singapore from 13 to 14, Tokyo to Manila from 7 to 10, and Tokyo to Guam from 7 to 11. The Osaka to Sydney route's daily stop at Cairns is replaced with Brisbane.

It is announced on November 17 that JAL and **Canadian Airlines International, Ltd.** will link their frequent flyer programs in two phases, beginning in January.

Also in November, reclining Sky Sleeper seats are installed in the first-class cabins of 17 B-747-400s. Flights begin to Dalian.

Customer bookings jump 6% to 31,772,241 while cargo does a little better, improving by 7.3% to 4.17 billion FTKs. Operating revenues advance just 2% to \$9.6 billion, while costs hit \$9.54 billion. Significant cost-cutting brings an operating profit of \$60.18 million, but the company's decision to write off hotel and resort losses of \$893.5 million and clear out the accumulated \$453-million deficit brings a gigantic ¥94.19-billion (\$741.6-million) net loss.

At the beginning of 1998, JAL is the 7th largest airline in the world in terms of freight carried, 9th in operating revenues, 11th in passenger boardings, 19th in fleet size, and 23rd in employee number, with 18,514.

The fleet, all of which is Stage III certified, includes 136 airplanes: 6 B-737s, 79 B-747s, 20 B-767s, 5 B-777s, 16 DC-10-30s, and 20 MD-11s.

A new, but tentative, bilateral air agreement is announced between the U.S. and Japan on January 30. President Kondo is disappointed in the arrangement, which gives the company not only beyond-rights to Latin America, but a host of new competitors.

During the month, plans are announced for the receipt during the year of four B-747-400s, three B-777s, and two B-737s; two B-747-300s and a DC-10-30 will be retired.

Also in January, the first phase of the linkage of frequent flyer programs with **Canadian Airlines International, Ltd.** begins; the second phase will kick in during November.

A major code-sharing agreement is signed with **American Airlines** on February 25. Although no start-up date is indicated, the two announce that they will share their designations on each other's flights to and beyond U.S. and Japanese gateways. Additionally, the January 1995 frequent flyer linkage will be extended from international routes to domestic services as well.

Later in the month, JAL announces that it will outsource its passenger and cargo handling functions at New York (JFK), Los Angeles (LAX), San Francisco, and Honolulu. The move will bring a staff reduction of 300 workers.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

Two days later, the DOT authorizes **Hawaiian Airlines (HAL)** and **Trans World Airlines (TWA)** to begin serving Japan as the two new American passenger carriers terms of the treaty allow.

As losses mount, JAL is forced to withdraw ¥ 154.6 billion from its reserve fund to cover its ¥ 57.6-billion (\$443-million) 1997 losses, plus the ¥97 billion (\$746 million) loss in JAL Hotels Corp. Perceived as a significant loss of face, this action brings about the resignation of President Kondo and Chairman Yamaji on March 17. Senior Managing Director Isao Kaneko will replace the president.

In an effort to cut costs further, a number of U.S. hotels and Southeast Asian resorts are put up for sale and plans are announced for a reduction of 1,500 ground crew workers. Additionally, executives resolve to join their colleagues at **All-Nippon Airways Company, Ltd. (ANA)** and **Japan Air System, Ltd.** in taking a tough stand against the pilot's unions, finally cutting the practice of paying flyers for 65 hours of flight time a month regardless of actual flight time.

The first students' airline credit card, "JAL Card navi," is introduced in Japan on March 31. Students employing it will be able to earn bonus points for passing foreign language examinations or flying JAL for overseas study. No annual fees will be assessed the young users as long as they remain in school.

When the new pilot flight time and benefit package takes effect on April 1, pilots at ANA go out on strike. Those at JAL and JAS do not, but neither do they agree with management's plan to cut their pay.

Services to certain Southeast Asian points are cut back when the new summer schedule begins on April 1, but flights to the U.S., Chinese, and Europe are expanded. Singapore, Manila, Hong Kong, Guam, Frankfurt, and Milan suffer decreases in frequencies. Passenger flights are boosted to Beijing, Shanghai, Dalian, New York, Honolulu, Los Angeles, London, and Paris. New roundtrips are launched from Nagoya and Hiroshima to Los Angeles and from Nagoya to London.

Under terms of a second subcontract signed with **Southern Air Transport** on March 24, an SAT B-747-212F is employed, beginning on April 1, to offer weekly all-cargo roundtrips from Tokyo (NRT) to both Chicago (ORD) and Atlanta.

Twice-weekly, 9,508-km. MD-11 roundtrips are initiated on April 3 from Nagoya to London (LHR). The new service brings to 18 the number of weekly JAL roundtrips between Japan and the U.K. Deeply disturbed by management's instance on a wage and benefit cut, company pilots stage a 24-hr. strike on April 9. Led by President Kaneko, a cap on wage increases for B-747 pilots will be put in place, bringing remuneration for those flyers down to the same level as that of **United Airlines**, though the salaries are still higher than those paid to other Asian or European competitors.

The economic situation brings a slowdown in the effort to launch **Hokkaido International Airlines Company, Ltd. ("Air Do")**. Still,

plans are afoot to lease a B-767-33AER from Ansett Worldwide Aviation, Ltd. and to achieve certification in September. The start-up date is changed to October 30.

Thrice-weekly B-767-346 roundtrips from Osaka (KIX) to Tianjin begin on April 20; the same day, twice-weekly B-767-346 service to Tianjin is started from Tokyo (NRT).

On May 1, dual-designator cargo service is started with **American Airlines** between Chicago and Tokyo. Under pricing pressure from **United Airlines**, **Delta Air Lines**, and **Northwest Airlines**, JAL in mid-month cuts its roundtrip economy fares to the U.S. by 48%; the Chicago-Tokyo tariff drops from \$1,600 to \$875, while flights from San Francisco fall from \$1,250 to \$675.

Joined by **Deutsche Lufthansa, A.G.**, **Air France**, and **Korean Air/Korean Airlines, Ltd. (KAL)**, the carrier, in mid-May begins a two-week move into the newly opened \$434-million Terminal One at New York (JFK). The four carriers, having developed, financed, designed, and constructed the huge project, will now operate it and sell space to other carriers.

On June 14, Flight 745 lands on the wet runway of the Philippines' Ninoy Aquino International Airport following a service from Tokyo (NRT). The MD-11 with 11 crew and 248 passengers swerves halfway off the runway and becomes stuck at an angle in muddy grass, with its left wing and engine a foot above the ground. A total of 23 passengers are hurt during the emergency chute evacuation that follows, with 5 being taken to hospital. The wide-body blocks the runway for 12 hours, causing ATC to request incoming flights during that period to divert elsewhere.

As noted above, membership on the board of directors and in top executive offices changes at the annual general meeting on June 26. Retiring are Chairman Yamaji, President Kondo, Counselor Toshimitsu, and Senior Vice President-Flight Safety Sadao Hara. Although the post of chairman is left vacant, Senior Managing Director Kaneko becomes president, with Yoshihiko Murata as the new senior managing director and Yasushi Yuasa as managing director-flight operations. A total of 28 other new officials are also named.

Deep-discount JAL Express B-737-446 service is inaugurated on July 1 from Itami Airport at Osaka to Kagoshima and Miyazaki, on the southern island of Kyushu. Departure follows a tape-cutting attended by Mickey and Minnie Mouse, special ambassadors from Tokyo Disneyland, over the routes last flown by parent JAL just the day before. Interestingly enough, JAL Express cabin attendants are called the JAL Express "Sky Cast," and among their duties is the cleaning of the 150-seat cabins between flights.

Twice-weekly B-767-346 roundtrips are started, also on July 1, between Tokyo (NRT) and Dalian; they are followed on July 4 by the introduction of twice-weekly B-767-346 roundtrips from Tokyo (NRT) to Tsingtao. JAL now serves five Chinese cities.

A major marketing agreement is signed with **Swissair, A.G.** on July 7. The two airlines will launch dual-designator service between Japan and Switzerland in October. Additionally, the pair will also cooperate in such areas as information technology, technical services, catering, and cargo.

On August 17, Japanese police arrest two men on suspicion of extorting \$155,000 from the company in return for guaranteeing trouble-free shareholders' meetings. The payments have been disguised as rent for artificial plants at JAL headquarters. In a televised news conference, JAL President Kaneko indicates that these payments to racketeers, or *sokaiya*, were part of a "business contract" not dissimilar from those held by many Japanese corporations. The *sokaiya* are covertly employed to silence hostile shareholders or can, in turn, blackmail companies by threatening to reveal embarrassing secrets to shareholders. As quoted by the Associated Press, this illegal practice is, as Kaneko tells viewers, "very regrettable from the corporate ethics point of view."

Two days later, a company DC-10-30 comes within 525 ft. of a midair collision with a USAF jet fighter over Japan. The incident is investigated by both Japanese and U.S. government aviation authorities.

It is announced on September 1 that smoking will be banned aboard all company flights by March 18.

As the result of negotiations successfully completed during the summer for a joint weekly all-cargo service with **SAS (Scandinavian Airlines System)** and JAL, a **Lufthansa Cargo Airlines, A.G.** B-747-230F begins flying over a polar route on behalf of the three between Frankfurt, Goteborg, and Osaka on September 21. Frequencies over the first northbound cargo connection between Osaka and Europe will be increased to three per week during the following April.

While en route from Sendai to Honolulu on September 27, Flight 56, a DC-10-30, encounters clear air turbulence as it approaches Hawaii; 11 aboard are injured.

Deep-discount **Skymark Airlines Company, Ltd.** inaugurates services at the end of the month over a single route from Tokyo (HND) to Fukuoka.

Smoking is banned on all domestic flights on October 1; the ban will be extended to international services next March. On October 1, just after takeoff from Osaka (KIX) on a service to Sydney, the crew of a B-747-246B with 17 crew and 335 passengers, hears abnormal sounds in one of the Jumbojet's engines. The aircraft is returned to its point of origin and a safe emergency landing is completed without injuries to anyone aboard.

As the two airlines have yet to reach complete agreement, implementation of a seat-sharing pact with **American Airlines** is postponed on October 1; the arrangement is now expected to proceed early in the new year.

Twice-weekly B-747-346 service is inaugurated on October 2 between Tokyo (NRT) and Las Vegas, the airline's first new North American destination in two years and its sixth U.S. gateway. The Jumbojet flights operate on Tuesdays and Fridays from Tokyo (NRT) to McCarran International Airport, while the same-day departures from Las Vegas stop at Los Angeles (LAX) before proceeding nonstop across the Pacific to Tokyo.

It is reported on October 15 that JAL has entered into a strategic alliance with **Cathay Pacific Airways (Pty.), Ltd.** Under its terms, the two will share codes on some routes between Hong Kong and Japan and their frequent flyer programs will be linked. The pact will take effect in early 1999.

Under the code-sharing pact signed on July 7, the company, on October 25, begins daily dual-designator services with **Swissair, A.G.** over routes to Zurich from both Tokyo and Osaka.

Also during the month, the first of four B-747-346s arrives at Wichita, Kansas, for conversion from domestic-passenger to international-passenger configuration by the Boeing Aircraft Modification Center.

By November 1, the company has also added new services from Tokyo to Milan and Rome and added services to Manila, Seoul, and New Delhi. Flights from Tokyo to Hong Kong are cut back while those from Osaka to both Rome and New Delhi are dropped. Three new Osaka to Honolulu services are, however, added.

Having been chartered to transport nearly 500 vendors who supply a Japanese tool manufacturer, 2 B-747-446s both make history in 14-hour flights to Fort Lauderdale on November 2, the longest flights yet made into the Florida city. One Jumbojet flies directly from Tokyo (NRT) nonstop over the North Pole to Fort Lauderdale while the second, operating from Osaka (KIX), makes a refueling stop in San Francisco.

On November 13, President Kaneko holds a new conference to explain how JAL will return to profitability. Admitting that the carrier is "passing through a period of turbulence," the executive expresses confidence that it will be in the black by the end of the year.

Specifically, the company will cut the number of ground workers employed by 2,300 over the next 3 years and increase the number of foreign flight attendants by a quarter during the same period. Fewer new hires will be employed and those who are will be signed to short-term contracts. It is anticipated that these changes will bring labor costs down 40% by the end of December.

In an effort to lure recession-weary travelers aboard its aircraft, company officials announce in early December that fares will be cut for a month on two of the carrier's most lucrative and competitive domestic routes.

Although it has no plans to enter the new "OneWorld" alliance, JAL indicates on December 10 that it is in talks with **British Airways, Ltd.** (2) concerning the formation of a possible strategic marketing arrangement.

A U.S. gateway change is announced on December 16. As the result of declining traffic demand and the competitive situation, the decision has been taken to discontinue the company's thrice-weekly roundtrips between Tokyo (NRT) and Atlanta on March 15. On the same date, thrice-weekly B-747-446 roundtrips will be initiated from Tokyo (NRT) to Dallas (DFW).

The company receives its 100th Boeing Jumbojet, a B-747-446, on December 19.

After a long gestation period, **Hokkaido International Airlines Company, Ltd. ("Air Do")** is finally able to launch service on December 20. Employing a B-767-33AER, the JAL-backed new entrant begins daily roundtrips from Tokyo (HND) to Shin-Chitose Airport near Sapporo. The inaugural one-way service is fully booked with 286 passengers, each of who pay ¥16,000 (\$138) for their tickets, or about 36% less than regular fares on the same route offered by the Big Three Japanese airlines.

HIA is the second discount airline to launch service in Japan since September, when **Skymark Airlines Company, Ltd.** took to the air.

The Singapore Shipping Times reports on December 22 that JAL will follow the lead of **All Nippon Airways Company, Ltd. (ANA)** in March and reduce its fares by half on 13 out of 24 daily roundtrips between Tokyo (HND) and Fukuoka.

The company's largest individual shareholder, Eitaro Itoyama, with a 3% stake, reports to the media on December 30 that he has called upon the company's board of directors, as well as President Isao Kaneko, to resign. A stipulation that Kaneko take responsibility for the decline in revenue and profit at Asia's largest airline is also included. Itoyama, one of Japan's richest citizens, reports that he has lost \$171.6 million from his investment in JAL, whose shares have fallen 67% in the past 30 months.

Customer bookings dip 1.3% to 31.36 million, while cargo traffic falls 3% to 4.04 billion FTKs.

It will be reported at the end of the following May that this year's operating profit has quadrupled to ¥ 32.52 billion (\$269 million), while net profit totals ¥ 26.28 billion (\$220 million), up from the ¥ 10 billion originally projected. This improvement is attributed to ¥ 7 billion in aircraft purchase credits and ¥ 8 billion from aircraft sales.

Heavy snows in northern and central Japan cause the cancellation of many domestic services on January 7-10, 1999; one service from Nigata to Honolulu on January 8 must also be scrubbed.

After some months of discussion, a strategic alliance is entered into with **British Airways, Ltd. (2)** on January 13. The bilateral, which does not include entry of JAL into BA's "OneWorld" alliance network, provides for the initiation of code-sharing on JAL's daily service between London (LHR) and Osaka (KIX) during the summer, as well as an earlier merging of frequent flyer programs.

Twice-weekly roundtrips between Osaka (KIX) and Johannesburg are suspended by both JAL and **South African Airways (Pty.), Ltd.** on January 31.

On February 1, JAL and **Cathay Pacific Airways (Pty.), Ltd.** link their frequent-flyer programs as part of the implementation of their new code-sharing agreement. Overall ticket prices are increased by 5% on February 16, with another 2% anticipated by April.

On February 24, JAL and **Japan Air System, Ltd.** agree to share a common reservations system for their domestic route scheduling. The pact between the two airlines is the first such arrangement in postwar Japanese commercial aviation history.

Nikkei America quotes local media sources on February 26 that report that a reputed Japanese organized crime boss has acquired over a

million JAL shares, making him the second largest individual shareholder in the huge airline.

Also during the month, the first of four B-747-346s to be converted at Boeing-Wichita from domestic-passenger to international-passenger configuration is finished and returned to JAL. The remainder of the schedule calls for a second plane to be finished in May, the same month the third plane will arrive from Japan for modification. The third aircraft will be delivered in July while the last reconfigured aircraft will arrive in September and be completed by November.

On March 1, the carrier announces that it will expand its code-sharing pact with **Singapore Airlines, Ltd.** in April on freighter flights from Tokyo to Singapore from weekly frequencies to thrice weekly.

After 13 years of operation, decreased demand and increased competition forces the company, on March 13, to discontinue its Tokyo (NRT) to Atlanta service.

Thrice-weekly B-747-446 roundtrips commence on March 15 between Tokyo (NRT) and Dallas (DFW); a number of frequencies are marketed with **American Airlines**. The next day, company sources confide to Nikkei America that the carrier will probably report a ¥ 12-billion net profit when results for the fiscal year are announced at month's end.

President Kaneko meets with the press in Tokyo on March 16 to unveil JAL's revised corporate plan for the period covering until April 2002 as well as to announce a number of new measures that the airline will be taking to quicken decision-making, reduce debt, and improve profitability. The number of full-time directors will be reduced on April 1 from the current 28 to just 13, with 10 new executive directors appointed. A total of 3,600 on-the-ground jobs will be eliminated by March 2002 and the operations of certain flight units will be reorganized.

The first of these latter steps will be the transfer of routes to Southeast Asia, Oceania, and Pacific routes to **Japan Air Charter Company, Ltd.** The low-cost subsidiary will be given a fleet of 14 planes to operate these flights, with JAL sharing codes. Discussion continues on whether or not to change the subsidiary's name from JAC to "JALways."

At the same time, JAL Express will receive additional B-737s and even a B-767 and will grow its route network by 20% or more. It is hoped that it will be able to continue to generate operating costs that are much lower than JAL's.

To shave ¥100 billion from its interest-bearing debt of ¥1.4 trillion, there will also be a deferral of deliveries for eight B-777s, three B-767s, and one B-737. Three aircraft will be retired ahead of time.

All of this restructuring is designed to cut debt by some \$850 million to \$12 billion and to achieve, by March 2002, a pretax profit of \$255 million.

In a major news story on March 23, the newspaper *Yomiuri*, in a story picked up by the Associated Press, reveals that a police investigation has found Tadamasu Goto, who heads a gang based southwest of Tokyo, is the second largest individual investor in the airline. The Tokyo police refuse comment on the report that Goto, who is allegedly affiliated with his nation's largest organized crime syndicate, the Kobe-based *Yamaguchi-gumi*, is involved with the carrier and a JAL spokesman indicates that his company cannot confirm who owns its stock.

Government tax authorities reveal that the airline has failed to declare the many discount tickets, valued at millions of yen, provided under the table to racketeers.

Under the terms of the accord signed with **Cathay Pacific Airways (Pty.), Ltd.** in the fall, the two begin dual-designator service on March 28 from Osaka (KIX) to Hong Kong.

Joint flights with **Cathay Pacific Airways (Pty.), Ltd.** between Nagoya and Hong Kong start on April 1. Simultaneously, smoking is banned on all international flights.

Also on April 1, the carrier markets seats on 13 of its 24 daily return services from Tokyo (HND) to Fukuoka for ¥ 13,700, or 49% less than standard fare. A similar sale is in effect on the route from Haneda Air-

port to Sapporo. The measure is necessary to match the deep-discount ticket prices of **Skymark Airlines Company, Ltd.**

Despite growing concerns over security in Indonesia, JAL, on April 1, doubles its flights into that nation. It also opens a new route from Osaka (KIX) to Jakarta, seven times a week.

On April 4, the carrier's code-sharing agreement with **Canadian Airlines, Ltd.** is expanded from two to four daily flights between Tokyo (NRT) and Vancouver. This new service brings the number of nonstops offered by the two airlines from Vancouver to Tokyo and Nagoya to 42 each week.

A portion of the carrier's flight management services at both Tokyo airports (HND and NRT) are transferred to a subsidiary in April; the move is designed to cut labor costs while training flight management experts.

On April 23, a fire damages the offices of JAL, **Deutsche Lufthansa, A.G., Air France, British Airways, Ltd. (2), and Indian Airlines, Ltd.** in the cargo terminal at New Delhi's Indira Gandhi Airport.

The slashing of fares on those services flown in competition with **Skymark Airlines Company, Ltd.** and **Hokkaido International Airlines, Ltd.** begins to show results by the end of April. Both Skymark and Hokkaido show huge 60+% drops in their load factors over the contested routes.

Eitaro Itoyama, a former member of Japan's lower house of Parliament and a major investor (3% personal) who controls, via a commercial group, 7.7% of the company's stock, sends a registered letter to JAL during the last week of April calling for the resignations of all board members. Visiting New York on May 3, Itoyama explains to reporters that he is attempting to line up backing from foreign investors of shareholding sufficient to force management changes at the next shareholders' meeting.

After a year of detail resolution, JAL and **American Airlines** implement the first phase of code-sharing on routes between the U.S. and Japan and on other routes beginning on May 10. American places its "AA" designator on JAL flights from Tokyo (NRT) to Chicago (ORD), Dallas (DFW), Los Angeles, San Francisco, and New York (JFK); between Osaka (KIX) and Los Angeles; between Nagoya and Los Angeles; between both Tokyo (HND) and Osaka and other Japanese cities; and between the U.S. and both Bangkok and Singapore, via Tokyo (NRT).

JAL initially places its code on American and **American Eagle Airlines** flights from Dallas (DFW), Chicago (ORD), San Jose, and Seattle to Tokyo (NRT) and on American's new route from Dallas (DFW) to Osaka (KIX). JAL is also able to assign its designator on American and **American Eagle Airlines** frequencies from Los Angeles, Dallas (DFW), and Los Angeles and other internal U.S. communities.

While en route from Tokyo (NRT) to London (LHR) on May 16, Flight 403, a fully loaded B-747-446, experiences an air rage incident that is embarrassing for the British Royal Ballet company. One hundred members of the company, along with Royal Opera House support staff, are returning home after a six-week tour of China and Japan. In the economy section, a Royal Opera House stage technician gets into a fight with two other passengers that must be broken up by his fellow stage crew members and other passengers, one an Australian special forces soldier. Although claiming to have been attacked, the two passengers fail to press charges after the Jumbojet lands; the technician is suspended while the Royal Ballet investigates.

While en route from Tokyo (NRT) to Honolulu on May 18, a B-747-446 returns to Japan after a 14-year-old physically disabled boy falls ill.

The previous year's profits are announced on May 28. Simultaneously, the company is able to resume dividend payments for the first time in seven years, granting a payout of ¥ 3 per share. At this point, \$1 equals ¥ 121.

On June 1, JAL and **British Airways, Ltd. (2)** link their frequent flyer programs. Executive Club members are able to gain mileage credits on Japan's international route network while Mileage Bank loyalists may accumulate credit on the British line's routes.

Following a 38-month trial, a man accused of hijacking a JAL aircraft in 1970 is acquitted of fraud conspiracy charges by a provincial court in Thailand on June 22. The court rules, however, that the alleged sky-jacker may be detained while Japan seeks an extradition order.

JAL pilots, via their union, protest a company decision on June 25 to allow soldiers in combat fatigues on commercial flights. JAL informs them that the 252 unarmed Japanese soldiers so attired will be allowed to board 2 flights to Hokkaido at the request of the Japanese Self Defense Forces.

During the week, the home of a former JAL president is riddled with bullets in an effort to intimidate the company.

In a coordinated effort designed to dampen the effect of the *sokaiya* tactics, 2,000 Japanese companies hold their annual meetings on June 29. Even though police believe there are only 600 of these criminals still in business, a number do show up at the JAL annual general meeting and disrupt presentations by President Kaneko and other executives.

Results of internal deliberations are released on June 30. **Japan Air Charter Company, Ltd.** will, indeed, be upgraded into a schedule carrier and as of October, will be known as "JALways." The carrier's charter routes from Tokyo (NRT) to Hawaii will be scheduled. Simultaneously, it is noted that JAL will retain its discount fare structure for flights connecting Tokyo (HND) with Sapporo and Fukuoka rather than end them as originally scheduled in September.

In the wake of the ANA disaster on July 23, JAL, on August 2, stops the practice of allowing passengers to visit aircraft cockpits during flights.

CNN, quoting the *Yomiuri* newspaper, reports on August 29 that JAL and **Japan Air Systems Company, Ltd.** have come to an arrangement under which they will jointly run international services. Beginning in October, JAL will provide aircraft and JAS will allocate three of its Tokyo (NRT) arrival and departure slots for services to either the U.S. or Korea.

During October, JAL creates three new in-house companies to handle cargo, engineering and maintenance, and passenger sales. A sales and marketing subsidiary is also formed under the passenger sales company. It is hoped that these managerial moves will improve cost efficiency company-wide.

Four-times-a-week Tokyo (NRT) to São Paulo B-747-446 return service, routed via New York (JFK), begins on November 2. The third of four B-747-446s to be received during the year is delivered on November 21. Seven days later, the final B-767-346 in a 20-ship order is delivered.

JAL completes the sale of its 20% equity stake in **DHL Worldwide Express** on December 13 to two investment trusts. The last of four B-747-446s to be received this year is delivered on December 16.

As the result of problems in the adjustment of their ticketing and reservation systems, JAL and **British Airways, Ltd. (2)** are forced, also in December, to indefinitely postpone the launch of their already delayed code-share on JAL flights between London (LHR) and Osaka (KIX).

Customer bookings climb 5% to 32,933,000, while freight jumps 9.2% to 4,423,157,000 FTKs. Revenues move up a slight 2.1% to \$15.15 billion, while costs rise 1.3% to \$14.72 billion. Operating profit moves up to \$425.43 million, while the net gain slides to \$187.09 million.

Airline employment at the beginning of 2000 stands at 18,974, a 4.2% decline over the previous 12 months. Among the world's top 25 airlines, JAL is 12th in total passengers; 8th in FTKs, 24th in employees, and 22nd in fleet size, while JAL Group is 3rd in operating revenue, 12th in operating profit, and 19th in net profit. The company now operates 5 B-777-246s and 5 B-777-346s.

On January 27, JAL becomes one of the corporate sponsors of Tokyo DisneySea, a new Disney theme park that will open at the Tokyo Disney Resort in the autumn of 2001.

The Japanese government, on February 1, announces a new round of domestic airline deregulation; this significant step removes all entry and

exit restrictions and also eliminates the upper and lower levels of ticket prices. JAL and its competitors now increase unrestricted tariffs an average of 15% while instituting deep discount restricted prices. As part of this approach, JAL now offers a 25% discount off standard fares booked over the Internet.

Continuing JAL's cost-cutting campaign, President Isao Kaneko announces on March 14 that another 700 positions are to be eliminated by March 31, 2003, bringing the workforce to 31,800, down 4,200 posts in five years. Additionally, more routes and airplanes will be transferred to the carrier's subsidiary airlines.

On March 26, JAL is named the official airline of the new Tokyo DisneySea theme park scheduled to open in the fall of 2001.

A 24-hour strike by the carrier's pilot union for both Haneda and Narita Airports at Tokyo on March 28 causes no disruptions. No flights are cancelled as high-ranking senior pilots step in to replace strikers on all affected frequencies. A job action scheduled for the next day is cancelled.

On March 30, the company confirms that it will operate four charters in August from Osaka (KIX) to Havana, Cuba. The tours, requested at the behest of the Castro government, will be booked by a Cuban travel agency and flown via Vancouver.

Return service on the route from Osaka to Seoul is increased to thrice weekly on April 1. Code-shared services between Osaka (KIX) and Zurich are simultaneously increased when **Swissair, A.G.** increases its MD-11 return flights between the two cities from six per week to daily. Also on April 1, JAL becomes the first airline to order the long-range B-777-300X; the first of eight of these aircraft is scheduled for delivery in June 2004.

On April 26, JAL begins to offer special 20% discounts on fares for delegates and media representatives who will attend the series of G8 Summit-related meetings and opens a special JAL G8 Summit support group. Fares are available to visitors to the finance ministers meeting on July 8 in Fukuoka City, the foreign ministers meeting July 12-13 in Miyazaki, and the heads of states and government meeting on July 21-23 in Nago City, Okinawa.

JAL carries out an on-line sales trial, beginning in mid-May and continuing through mid-June, offering a 25% discount to customers who book regular-fare flights over the Internet. Meanwhile, on May 22, JAL becomes the first Japanese airline to offer international ticketless travel when it begins accepting reservations for e-ticket travel from June 12 onward. The new service will be phased in, beginning with flights from Tokyo (NRT) and Osaka (KIX) to Los Angeles and New York (JFK).

On June 1, JAL and **Swissair, A.G.** link their frequent flyer programs. The e-ticket service to the U.S. begins as scheduled on June 12. Also on June 12, JAL places its code on **Air France** flights from Paris (CDG) to Berlin, Munich, Copenhagen, and Stockholm. On June 19, Air France begins to code-share on JAL return services from Tokyo (NRT) to Nagoya.

Daily return frequencies from Tokyo (HND) are increased to eight cities on July 1. Increased from two flights per day to three are Akita, Hiroshima, Komatsu, Matsuyama, Miasaki, and Nagasaki. Kagoshima is increased from three to four and Osaka Itami and Osaka Kansai from five to six. As special encouragement to Japanese athletes bound for the Sydney Olympic games on July 8, a B-747-446 sports "*Ganbarre Nippon!*" (Go Go Japan!) titles on its fuselage aft the wing.

JAL is named 14th best-managed company among non-state-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

On July 13, it is announced that to cut costs, JAL will share passenger-handling services for domestic flights with **JAS (Japan Air Systems Company, Ltd.)** at important off-airport sites beginning in the spring. The two will also introduce joint gate boarding card machines in 2002.

Upon the completion of the 10th annual Japan Airlines Big Apple Classic golf tournament at Wykagyl Country Club in New Rochelle, New York, on July 16, JAL relinquishes its sponsorship.

The first of four planned B-747-246B charters between Japan and Cuba is completed on August 1. On August 7, the company facilitates the lease of a B-747-146 from **Japan Asia Airways Company, Ltd.** to **JALways Company, Ltd.**

With the united goal of gaining some of the 85% market share held by the *Shinkansen* "bullet train," JAL joins with **JAS (Japan Air Systems Company, Ltd.)** and **All Nippon Airways Company, Ltd.** during the second week of August to inaugurate 33 daily roundtrip shuttle flights between Tokyo (HND) and Osaka (KIX/ITM). Start-up of the joint venture has unavoidably been delayed six weeks.

Another B-747-446 is delivered on August 17.

Just after takeoff from Jakarta's Sukarno-Hatta International Airport on a midnight flight to Tokyo (NRT) on September 5, Flight 726, a B-747-346 with 17 crew and 366 passengers, experiences severe engine trouble. Passengers witness the No. 1 engine falling off. The power plant disintegrates in midair at 1,000 ft. and pieces from it damage 16 houses in 3 villages of the Sepatan district of Tangerang regency. After dropping fuel, a safe emergency landing is completed back at the point of origin. No injuries are reported aboard the aircraft or in the affected communities. On September 11, JAL announces that it will pay for the repair of all housing damages.

JAL, **JAS (Japan Air Systems Company, Ltd.)** and **All Nippon Airways Company, Ltd.** open joint check-in counters on September 23 to handle passengers using their roundtrip shuttle service between Tokyo (HND) and Osaka (KIX). It is announced on September 25 that the company is planning an alliance with **Aerolitoral (Servicios Aereos Litoral, S.A. de C.V.)** that will allow the two companies to operate joint operations as early as November.

Also in September, JAL begins to provide ramp handling and cargo support services for **JAS (Japan Air Systems Company, Ltd.)** under contract at Osaka (KIX) for both domestic and international services. Also in September, international ticketless travel is extended to normal fares and published discount fares on all JAL routes between Japan and North America (save Mexico), including Hawaii. Further expansion to South America, Europe, Asia, and Mexico is planned for the first half of 2001.

Between October 5–12, JAL, the Japan Travel Bureau, and the Japan National Tourist Organization offer a special \$2,350–\$2,450 (per head), seven-day tour for U.S. travelers. They will be attending the 400th anniversary observances of the Battle of Sekigahara, which was fought and won in October 1600 by the warlord Ieyasu Tokugawa, founder of the dynasty that ruled the country until 1867.

The carrier joins with **ACES (Aerolineas Centrales de Colombia, S.A.)**, beginning on October 10, to explore joint cooperation in marketing and other services, possibly including code-sharing, handling, and passenger facilities and services.

The cargo divisions of JAL and **Singapore Airlines, Ltd.** begin weekly joint B-747-400F return flights on October 19 between Osaka (KIX) and Singapore.

The code-sharing agreement with **American Airlines** is expanded on October 25 as the Japanese carrier places its designator on AA services to four Mexican destinations (Mexico City, Monterrey, Cancun, and Guadalajara) from Dallas (DFW), New York (JFK) and Chicago (ORD) to Toronto, Montreal, and Ottawa. With these latest additions, the two majors offer an average of 1,700 weekly flights on 116 routes, covering 73 airports in 7 countries.

With the beginning of the winter schedule on October 29, the company transfers to **JALways Company, Ltd.** its daily frequencies from Tokyo (NRT) and Osaka (KIX) to Saipan and from Fukuoka to Honolulu. The redistribution of routes is part of the parent's effort to drive down costs. On March 9, the subsidiary will become 100% owned.

At this point, international cargo charges to Europe are increased by 10% and to North America by 5% in an effort to compensate for soaring fuel costs. The price hike is necessary even though JAL has hedged against fuel price rises on about 40% of its fuel bill.

On November 1, **Alitalia, S.p.A.** and JAL begin code-sharing on each other's weekly return services—eight Alitalia, seven JAL—between Italy and Japan.

Code-shared with **Vietnam Airlines**, twice-weekly direct roundtrip service is initiated on November 2 from Tokyo (NRT) to Ho Chi Minh City. Shared flights from Tokyo (NRT) to Hanoi begin on November 11. When the DC-10-40 with 164 passengers touches down, it marks the first scheduled JAL flight ever into the Vietnamese capital.

On November 11, JAL begins the greatest wine airlift in the nation's history. To meet the demand of enthusiasts for French-made Beaujolais Nouveau wine, which can only be released on the third Thursday of the November, 13 scheduled passenger aircraft, four scheduled freighters, and three ad-hoc aircraft begin the initial deliveries. The first aircraft arrives with 100 tons (527,650 bottles), followed by the others with 620 tons more.

Under a deal worked out with Boeing on November 16, the flag carrier will sell back its eight MD-11s to the U.S. manufacturer and apply the funds received to the purchase of two B-767-346ERs and eight B-777-246ERs in their place. The entire process is to be completed by 2005.

It is announced on December 12 that the carrier will begin a wholly owned subsidiary, JAL Cargo Sales, Ltd., in January. With a staff of 110, the new unit will handle all JAL cargo sales across Japan. It is simultaneously noted that, in response to a growing demand, weekly roundtrips from Tokyo (NRT) to Seoul will be increased to eight on January 15 and nine on February 5.

Arrested in Thailand in 1996 and acquitted in 1999 for extradition back to Japan, Yoshimi Tanaka, one of those charged with the 1970 hijacking of Flight 351, admits his guilt at his Tokyo District Court trial on December 15. Granted political asylum by North Korea after the piracy and believed to have worked as a spy for the P'yongyang government, Tanaka publicly apologizes for his actions. Tanaka is only the second of the Red Army extremists involved in the case ever to appear in court.

A B-747-246F enters service with JAL Cargo on December 17. The last of nine B-747-446s received since April 1998 is delivered on December 19.

As the year ends, the company prepares to celebrate its 50th anniversary and to join with Walt Disney International Japan in a Dream Express 21 marketing campaign that will see six of its aircraft painted in a special livery incorporating Disney-related themes. A special \$43 one-way fare on all domestic services will be offered between May 10–14.

JAPAN AIR SERVICE. *See* FUJITA AIRLINES.

JAPAN AIR SYSTEM, LTD.: JAS M1 Building, 5-1 Hanedakuko 3-chome, Ota-ku, Tokyo, 144-0041, Japan; Phone 81 (3) 5756-4046; Fax 81 (3) 5756-0663; <http://www.jas.co.jp>; Code JD; Year Founded 1988. On April 1, 1988, the former **Toa Domestic Airlines Company, Ltd.** is renamed **Japan Air System, Ltd.** to reflect its new status as an international carrier and its receipt, the previous day, of its first Douglas DC-10-30. Chairman Isamu Tanaka's 4,273-employee carrier maintains its huge domestic network of 66 routes to 38 cities. Charter services are also provided to destinations throughout Southeast Asia. The first two of four ordered DC-10-30s are used for training and charter flights while authority is awaited to begin Tokyo to Honolulu service.

Beginning in June, DC-10-30 service is inaugurated to Okinawa; in July, the first international flights commence with Airbus Industrie A300B2K-36 frequencies to Seoul, South Korea.

Passenger boardings jump 4.6% to 10,683,201 and freight is up by 9% to 49.29 million FTKs.

The workforce in 1989 stands at 3,991. In May, approximately \$61.2 million is raised through the private placement of five-year convertible stock worth SFr 100 million.

The year's enplanements total 12,227,722.

Company employment grows 35.3% in 1990 to 5,400 and the fleet now includes 50 aircraft. Beginning in April, company stock traded over

the counter at the Tokyo Stock Exchange is listed. Additional funds from the listing will be employed to acquire additional aircraft.

Passenger boardings advance by 9% to 13,437,101, a figure 22nd largest among all airlines in the world. Freight climbs by 22% to 76.77 million FTKs.

Operations continue apace in 1991. When the Transport Ministry opens additional slots at Tokyo (HAD) on May 17, they are immediately assigned to Japanese carriers. JAS receives three domestic routes to Fukuoka, Kita-Kyushu, and Komatsu that it will begin on July 20. Meanwhile, on June 3, scheduled service is inaugurated from Tokyo to Honolulu.

The fleet in 1992 comprises 21 YAMC YS-11As (including 7 on lease to subsidiary **Japan Air Commuter Company, Ltd.**), 20 McDonnell Douglas MD-81s, 8 MD-87s, 10 DC-9-41s, 2 leased DC-10-30s, 9 Airbus Industrie A300B2K-36s, and 13 A300B4-203s. Orders are outstanding for 11 A300B4-622Rs, 5 Boeing 747-400s, 6 MD-81s, and 10 MD-90-30s.

On April 1, **Japan Air Commuter Company, Ltd.**, employing the leased YS-11As, begins its first services from Itami Airport at Osaka. It takes over two routes from its parent, JAS, when it begins to provide four-times-a-day roundtrips between Osaka and Tokushima and daily roundtrips from Osaka to Tanegashima.

Having sustained losses with it since 1982, the company, also in April, abandons its helicopter business. Down from 10 helicopters a decade earlier to 2, the 16 pilots involved will be transitioned to the carrier's fixed-wing fleet.

Statistics for the 5,400-employee company are reported only for the first half-year and show enplanements up 4.9% over the same period a year earlier, to 7,671,815. Freight rises 3.4% to 46.92 million FTKs. Revenues are \$2.56 billion, but expenses are more. As a result, there are losses: \$15 million (operating) and \$49.3 million (net).

On October 1, employing its new SAAB 340Bs, **Japan Air Commuter Company, Ltd.** takes over the daily routes from Oita to Kagoshima, Kagoshima to Matsuyama, Matsuyama to Miyazaki, and Miyazaki to Nagasaki, which the parent had previously operated with YS-11As.

In 1993, Chairman Tanaka and President Takeshi Mashima oversee a workforce of 5,669, up 1% over the previous year. The number of YS-11As is reduced to 19, although the number chartered to **Japan Air Commuter Company, Ltd.** is increased to 9. The number of MD-81s is increased to 23.

After six months of twice-daily operations over the Tokyo–Osaka route, the East Japan Railway Corporation and Tokai Railway Corporation on March 18 boost their *Nozomi* (Hope) bullet train trips to hourly. Two days later, in the face of this stiff competition, the airline is forced to cut its daily roundtrip frequencies in half, from two to one.

Hoping to compete with discount travel agents for customers, the airline now begins to introduce more services for passengers paying full-fare for economy-class tickets on international flights. In March, for example, presents of wines, spirits, and handicrafts are offered to passengers boarding at Tokyo (NRT) for flights to Singapore, Honolulu, and Seoul. They also receive discounts on car rentals and a hotline for making reservations at affiliated hotels. On Singapore and Honolulu flights, passengers may also choose between baggage delivery service or a free limousine bus ticket from Narita Airport to anywhere in the Tokyo area.

Flight 451, a DC-9-41 with 4 crew and 72 passengers, is caught by wind shear while putting down at Hanamaki on April 18 and lands hard, skidding 1,860 m. Fuel spills and the Douglas catches fire, but all aboard are safely evacuated before it is destroyed by the flames.

Also in April, a four-year restructuring program is announced. Its provisions include a ¥100 billion (\$880 million) reduction in capital spending by the indefinite postponement of its ordered Dash-400 Jumbojets and a switch from that type to the new B-777. A new employment system will be introduced, including job displacements and labor reductions. In addition, planned construction of maintenance buildings, new hangars at Tokyo (NRT) and Osaka (KIX) and the purchase of upgraded computer systems are put off.

In October, further cost cutting is announced, designed to save ¥5 billion (US\$50 million) the following year. Smaller aircraft will be employed and service will be suspended altogether on a quarter of the company's 74 domestic routes. In addition, company offices will be moved to the downtown Tokyo headquarters to cut down on rental expenses and subsidies paid to **Japan Air Commuter Company, Ltd.** will be gradually eliminated.

Like other Japanese carriers, JAS also suffers a recession-induced downturn. Although passenger boardings inch up 0.5% to 15,018,000, freight falls 10.3% to 878.73 million FTKs. On income of \$2.58 billion, the company's net loss increases to \$103.8 million.

The employee population falls 8.3% in 1994 to 5,200. To combat a continuing poor performance, in February the carrier's leadership undertakes the restructuring program announced in April of the previous year, with revisions. It includes the elimination of unprofitable routes, deferral of investments in new aircraft and facilities, and staff reductions.

The unprofitable Tokyo–Honolulu routes are suspended in June, bringing to 23 the number of unprofitable segments suspended or reduced in a year. A number of thinner routes are transferred to Japan Air Commuter, but 14 domestic flights are scheduled from the new Osaka Airport (KIX) when it opens in early September.

Operations continue apace during the remainder of the year and plans are made in the final quarter to discontinue service to Singapore during the upcoming spring. Beginning in November and just in time for Christmas, the company's in-flight catalog begins to offer \$600 golf clubs (putters) made from recycled B-747 engine fan blades. Late in December, the Transport Ministry relaxes airfare regulations.

Overall, customer bookings recover, growing by 3.1% to 15,352,618, and cargo moves ahead by 2.1% to 106.79 million FTKs.

There is no change in company employment numbers during most of 1995. The carrier continues to reduce its international services, discontinuing its Tokyo to Singapore route in April. At this point, Tokyo to Seoul is the only international route flown.

Jointly sponsored by the airline and the nation's second largest travel agency, Kinki Nippon Tourist Co., Ltd., Peter Pan Flight charters are inaugurated on September 2, initially from Sendai to Honolulu. The service, designed to support fund raising for the Tokyo branch of the international Peter Pan Children's Fund, is provided by a DC-10-30 painted in a special Peter Pan livery.

Traffic figures are reported through September and show passenger bookings accelerating by 9.7% to 12,568,182. On the other hand, freight falls by 7.2% to 72.46 million FTKs. Later in the fall, JAS hires 150 contract flight attendants.

The first of 10 ordered MD-90-30s is turned over during a Long Beach ceremony on December 19; it is the first of its type to be delivered outside of the United States. It is also the first to wear a special livery conceived by famed Japanese motion picture director Akira Kurosawa that highlights the seven colors of the rainbow.

Airline employment surges 15.7% in 1996 to 6,015 and the fleet now includes 78 aircraft. The premier MD-90-30 flies from Long Beach to Tokyo (HAD) via Honolulu and Saipan on January 6–9.

Beginning in March, the company agrees to modify its jetliners to include, for the first time, separate men and women's lavatories. On March 8, the carrier's last YS-11A service is flown from Nanki-Shirahama to Tokyo (HAD). Beginning in April, the withdrawn YS-11As are sold, including several to **Air Philippines** (2).

By the end of the first quarter, the DC-10-30 supporting the Peter Pan Flight has conducted a total of 21 charter flights to Honolulu, Brisbane, Wuhan, and Bali from Tokyo, Hiroshima, Nagoya, and Miyazaki.

The first MD-90-30 in its rainbow livery enters service from Tokyo (HAD) to Nagasaki on April 1. When the new aircraft featuring male and female bathrooms begin flying during the summer tourist season, a "lavatory war" begins. **Japan Air Lines Co., Ltd. (2)** now matches JAS by installing "super lavatories" in the first-class sections of certain B-747-446s.

On July 1, via its computerized reservations links with **Northwest Airlines**, the carrier begins accepting transpacific feed at Osaka for its routes to Sapporo, Fukuoka, Kochi, and Niigata. The same four cities feed Northwest flights to Honolulu and Los Angeles, with JAS able to issue through-tickets to U.S. cities beyond the California gateway.

The first B-777-289 is delivered on December 1. A contest is held over the Internet for the aircraft's livery; from entries by 10,000 participants, a design by a 13-year-old boy is chosen the winner.

Although one month is missing from its annual report to ICAO, JAS announces traffic figures for the full year.

Enplanements for the 11 months are up 6.4% to 12,936,599 and 77.23 million FTKs are operated, a 4.1% increase. Revenues total \$2.65 billion, while expenses are \$2.64 billion; there is a \$2.3-million operating profit and a net gain of \$1.4 million.

The workforce is cut 3.4% in 1997 to 5,223. The charter and domestic subsidiary **Harlequin Air Company, Ltd.** is established at Tokyo on January 20. JAS provides ¥ 480-million initial capitalization.

In March, the Ministry of Transport announces that JAS will receive 12 new slots that will be made available at Tokyo (HAD) following the summer opening of a new runway.

On April 1, the B-777-289, painted in the prize-winning "spiral rain-bow" color scheme, inaugurates service with frequencies from Tokyo to Fukuoka and Sapporo. Following up on the concept first employed by **Western Pacific Airlines (Westpac)** in the U.S., President Hiromi Funabiki authorizes the country's first "logojet." The livery of the initial aircraft, an A300-622R, is sponsored by Otsuka Pharmaceutical Company, Ltd., which produces Japan's third most popular soft drink, Pocari Sweat.

In May, the company signs an agreement with **Japan Air Lines Company, Ltd. (2)** to cooperate in the area of domestic frequent flyer programs.

A total of 155 domestic flights are cancelled on June 27 by JAS, **Japan Air Lines Company, Ltd. (2)**, **All Nippon Airways Company, Ltd.**, **Air Nippon Company, Ltd.**, and **Japan Transocean Airways Company, Ltd.** as the result of a tropical storm and tornado.

A commercial agreement is signed with **Northwest Airlines** on July 17 under which the two carriers, in November, will link their frequent flyer programs. The two agree to study other possible joint operations, including airport handling, marketing, and even code-sharing.

Also during July, President Funabiki announces that the carrier's 100-point domestic network is under review as only a third of the destinations visited are profitable. An increase in service to China is also contemplated.

The Pocari Sweat logojet is unveiled at Tokyo (HAD) on September 1 and begins service to Okinawa, Sapporo, and Fukuoka. During the month, negotiations are undertaken with **KLM (Royal Dutch Airlines, N.V.)** concerning the possibility of a cooperative agreement. A memorandum of understanding is signed with the Dutch major in October; the two airlines will cooperate in commercial areas.

A letter of intent is signed with **Midwest Express** in October via Dolphin Trade & Finance, Ltd. for the sale of eight MD-81s. Deliveries to Midwest will begin in December and continue through 1999.

A code-sharing agreement with **KLM (Royal Dutch Airlines, N.V.)** is signed on October 28; the arrangement, when it takes effect in February, will also include cooperative marketing, joint ground operations, and a joint frequent flyer program.

The alliance with **Northwest Airlines** takes effect on November 1.

The charter subsidiary **Harlequin Air Company, Ltd.** completes its first flight, to Brisbane, on December 19.

Customer bookings slide 3% to 17,435,656, but cargo increases 17.1% to 121.47 million FTKs. Still, costs are so high that a loss of ¥ 1.5 billion is suffered.

At the beginning of 1998, JAS is the 18th largest airline in the world in terms of passenger boardings. Airline employment stands at 6,095 and the fleet, all of which is Stage III certified, includes 86 airplanes: 3 B-777s, 34 A300s, 1 DC-10-30, 34 MD-80s, and 14 MD-90-30s.

The dual-designator pact with **KLM (Royal Dutch Airlines, N.V.)** begins on February 1. As the result of losses suffered over the last several years and the Asian economic downturn, JAS, at the end of the first quarter, begins to implement a number of new cost-cutting measures.

In addition to a hiring freeze, it is announced that the company will cut its workforce by 500 over the next 3 years, suspend pay increases for managers, and restructure the domestic route network so as to emphasize only the most important routes. To save \$4 million in annual rent, it will transfer its headquarters to Tokyo (HAD).

Additionally, executives resolve to join their colleagues at **All Nippon Airways Company, Ltd. (ANA)** and **Japan Airlines Company, Ltd. (2)** in taking a tough stand against the pilot's unions, finally cutting the practice of paying flyers for 65 hours of flight time a month regardless of actual flight time.

Hokkaido Air System, Ltd. is established during the first quarter as a joint venture between JAS (51%) and the Hokkaido prefectural government (49%). Takeshi Kandi is named president and revenue operations begin with a pair of leased SAAB 340Bs. Destinations visited include Asahikawa, Hakodate, Kushiro, and Sapporo.

When the new pilot flight time and benefit package takes effect on April 1, pilots at **All Nippon Airways Company, Ltd. (ANA)** go out on strike. Those at JAL and JAS do not, but neither do they agree with management's plan to cut their pay. Continuing to voice their displeasure, the pilots threaten to walk out on April 9-10, a move that will force the airline to cancel 454 domestic flights. At the last minute, there is no strike.

The crash of a USAF F-16C at Misawa in northeastern Japan on July 24 forces a brief closure of the joint civil and military airfield. JAS must cancel four flights. Service is otherwise continued during the remainder of the year. In October, JAS announces that it will gradually transfer its international operations to **Harlequin Air Company, Ltd.**

On December 28, the carrier announces that it will slash airfares on the Tokyo to Fukuoka route by 50% on March 1 and by 40% on the Tokyo to Sapporo service.

Customer bookings accelerate 11.9% to 19.51 million, while cargo traffic jumps 10.6% to 134.33 million FTKs. Revenues rise 2% to \$2.6 billion.

As part of a master plan to reduce costs, salaries for cockpit crew are cut by 3% in January 1999; pay cuts of 12% will occur in April 2001.

On February 24, JAS and **Japan Air Lines Company, Ltd. (2)** agree to share a common computerized reservations system for their domestic route scheduling. The pact between the two airlines in the first such arrangement in postwar Japanese commercial aviation history.

As the result of stiff competition from **Skymark Airlines Company, Ltd.** and **Hokkaido International Airlines Company, Ltd. ("Air Do")**, JAS, on March 1, reduces its ticket prices on the Tokyo to Fukuoka service by 50% and on its route from Tokyo to Sapporo by 40%.

Twice-weekly return service starts on March 28 between Osaka and Kunming, China.

Demanding better working conditions and an end to wage cuts, JAS pilots begin an eight-day partial strike on April 14. Services from Tokyo (HND) to Sapporo, Osaka, Kushiro, Tokushima, Kochi, Takamatsu, Fukuoka, Hiroshima, Kumamoto, Oita, and the Amami Islands are affected. Thirty domestic flights are cancelled on April 21 as the partial job action continues for another few days.

The slashing of fares on those services flown in competition with **Skymark Airlines Company, Ltd.** and **Hokkaido International Airlines, Ltd.** begins to show results by the end of April. Both Skymark and Hokkaido show huge 60+% drops in their load factors over the contested routes.

The marketing alliance with Northwest Airlines is enhanced on August 7 when the two companies begin code-sharing. The "JD" code is placed on Northwest nonstop roundtrips between Osaka (KIX) and Detroit, Minneapolis (MSP), Seattle, Los Angeles, and Honolulu, while the "NW" designator appears on JAS connecting service from Osaka to Fukuoka and Okinawa.

CNN, quoting the *Yomiuri* newspaper, reports on August 29 that JAS and **Japan Air Lines Company, Ltd. (2)** have come to an arrangement under which they will jointly run international services. Beginning in October, JAL will provide aircraft and JAS will allocate three of its Tokyo (NRT) arrival and departure slots for services to either the U.S. or Korea.

Passenger boardings rise 5.5% to 20,597,000, while cargo jumps 21.3% to 162.94 million FTKs.

Airline employment at the beginning of 2000 stands at 5,994, a 1.6% decline. The company now operates seven B-777-289s.

On February 1, the Japanese government announces a new round of domestic airline deregulation. This significant step removes all entry and exit restrictions and also eliminates the upper and lower levels of ticket prices. JAS and its competitors now increase unrestricted tariffs an average of 15%, while instituting deep-discount restricted prices.

While landing in a snowstorm at Aomori in northeast Japan after a March 9 flight from Osaka, Flight 751, an MD-81 with 159 passengers overruns the runway and ends up in a snow bank. No injuries are reported.

A series of DC-10 charters undertaken on its behalf by **Harlequin Airlines Company, Ltd.** end on March 27.

On July 13, it is announced that to cut costs, JAS will share passenger handling services for domestic flights with **Japan Air Lines Company, Ltd. (2)** at important off-airport sites beginning in the spring. The two will also introduce joint gate boarding card machines in 2002.

With the united goal of gaining some of the 85% market share held by the *Shinkansen* "bullet train," JAS joins with **All Nippon Airways Company, Ltd.** and **Japan Air Lines Company, Ltd. (2)** during the second week of August to inaugurate 33 daily roundtrip shuttle flights between Tokyo and Osaka (KIX and ITM). Start-up of the joint venture has unavoidably been delayed six weeks.

An A300B4 is forced to return to Naha for an emergency landing on August 9 when ground observers report seeing flames coming from its No. 2 engine.

A code-sharing agreement is signed with **China Southern Airlines Company, Ltd.** on September 22 covering service over a route from Guangzhou and Osaka (KIX).

JAS, **Japan Air Lines Company, Ltd. (2)**, and **All Nippon Airways Company, Ltd.** open joint check-in counters on September 23 to handle passengers using their roundtrip shuttle service between Tokyo and Osaka (KIX).

Also in September, **Japan Air Lines Company, Ltd. (2)** begins to provide ramp handling and cargo support services for JAS under contract at Osaka (KIX) for both domestic and international services.

At the end of the year, all employees prepare to celebrate the company's 30th anniversary beginning on May 15, 2001. Throughout the year, a special "birthday fare" will be available—any passenger flying within 15 days of his or her own birthday may purchase a one-way \$86 fare to any point on the JAS domestic system.

JAPAN AIR TRANSPORT COMPANY, LTD. (JAT) (NIHON KOKYUSO KABUSHIKI KAISHA): Japan (1928–1938): Aircraft designer Seibei Kanwanishi forms **Nihon Koku Kabushiki Kaisha (NKKK)** or **Japan Airways Corporation (JAC)** at Osaka in July 1923 to operate a holiday charter service to Beppu, Kyushu.

Japan's first civil aviation law takes effect on January 1, 1927 and, employing a Dornier Wal flying boat christened *Naniwa*, under the direction and sponsorship of the government's Ministry of Posts and Communications, NKKK's first scheduled service is inaugurated on July 1 from Osaka to Fukuoka.

The government-sponsored **Nihon Kokuyuso Kabushiki Kaisha (NKKK)** or **Japan Air Transport Company, Ltd. (JAT)**, is formed as a national flag carrier, administered by the Ministry of Posts and Communications, on October 30, 1928. With capitalization of ¥ 10 million, orders are placed on its behalf for 8 U.S.-made Fokker Model 8 Super Universals and 10 Dutch-built Fokker F-VIIb/3ms as the original NKKK stands down.

Together with **Tozai Teiki Koku Kai (TTKK)** founded in January 1923 and recipient of a commercial operator's certificate a year later, JAC is merged into NKKK in late winter 1929. In exchange for a ¥11-million subsidy to be spread out over the next decade, the company is required to sign a contract allowing the Army free use of the carrier in times of emergency. In exchange, it is provided with 18 Salmson 2-A-2s with which to initiate services.

Sendai to Fukuoka via Tokyo and Osaka Salmson biplane cargo and mail service is inaugurated on April 1. The crated Super Universals arrive in June; after they are assembled and special pilot training is completed, one is test flown over the Korea Strait from Fukuoka to Pusan, Korea, on June 21. The Model 8s launch daily roundtrip passenger flights Tokyo to Fukuoka via Osaka on July 15.

Late in July, the first F-VII/3ms arrive from the Netherlands; they are employed to begin thrice-weekly service from Pusan to Seoul to Dairen via P'yongyang, on September 10. These flights are so well received that the Nakajima and Kawasaki aircraft manufacturers acquire licenses to build Super Universals and Dornier Wals for the company.

A total of 2,755 passengers are flown on the year.

With a Kawasaki-built Dornier flying boat, a proving flight is made from Fukuoka to Shanghai on March 7, 1930. The year's enplanements more than double to 7,642.

The first group of stewardesses ("Air Girls") is employed in February 1931. On August 28, the base of operations is transferred from Tachikawa to newly opened Haneda Airport. The Manchurian Incident occurs on September 18; two days later and under Army direction, JAT dispatches several Fokker Super Universals and their crews to Shenyang to help with military requirements, including resupply flights and the evacuation of wounded soldiers. This is the first mobilization of civil aircraft crews by the Japanese Army or Navy. In December, the company begins provisional scheduled services on behalf of the Army and the Dairen route is extended to Mukden via Sinugi and on to Changchun, on December 28. Bookings slip to 6,766.

The Shanghai incident occurs in January 1932 and the colony of Manchukuo is created on March 9. NKKK supports the formation of **Manchurian Air Transport Co., Ltd. (MAT)** on September 26 as a joint venture between the Manchukuo government and Japanese business interests. When a Super Universal, engaged in an Army liaison flight, makes a forced landing in Manchuria the next day, all eight aboard are killed by Chinese irregulars. The deaths mark the first for JAT in service to the military. MAT commences operations on November 3.

Thereafter, JAT is able to concentrate on civil flying for some time and passenger boardings subsequently rise to 10,716.

The installation of 16 airway beacons between Osaka and Tokyo is completed in September 1933, allowing one of the carrier's 8 new Nakajima P-1s to initiate nightly airmail runs over that route beginning on November 1–2. The route is marked by powerful searchlights; not immediately successful, it is soon suspended. Enplanements for the year are nearly level at 10,992.

The manufacturer Nakajima Hikoki KK, on March 27, 1934, pays \$80,000 to purchase a license to build Douglas DC-2s. The first DC-2 is delivered to Tokyo (HAD) on November 22, and in December, Nakajima, having acquired manufacturing rights, begins to modify the aircraft's plans into the AT-2 (also known as the Ki-34), the first Japan-built twin-engine commercial transport built to a primarily original design.

Customer bookings swell to 12,187.

On April 1, 1935, daily airmail flights commence between Tokyo and Changchun, capital of Manchuria, by way of Dairen. The nightly airmail service via the lighted airway between Tokyo and Osaka is resumed with the coming of spring, while passenger and cargo frequencies to Dairen become daily. Several speedy Airspeed Envoys, imported from the U.K., enter domestic service during the summer. Fukuoka to Taipei, Taiwan F-VII/3m service is inaugurated via Okinawa (Naha), on October 8. A number of additional Airspeed Envoys, license built in Japan as the Mitsubishi *Hina Zuru* (Young Crane) replace the Fokkers on home service.

Unhappily, the year's boardings drop to 10,822.

The first of 33 production AT-2s is completed in January 1936, while in February, four crated DC-2s received under the 1934 contract are assembled. These Japanese and American units are placed into service on company routes, including that to Taipei, beginning on September 12 replacing the Airspeeds and Mitsubishi's. A Beech C-17E, the first of 14 imported from the U.S., is also placed on local routes in September.

On October 1, new AT-2 routes are opened from Tokyo to Niigata and to Osaka via Toyama; from Osaka to Matsue via Tottori; and to Kochi via Tokushima. A scheduled route network is also begun on the island of Taiwan, with service extended from Taipei to Kao-hsiung and Hualien.

A commercial aviation bilateral agreement is signed with Germany on November 25.

These capacity and route improvements have a positive impact on the carrier's traffic and financial reports; enplanements leap to 18,955.

Regularly scheduled Tokyo to Sapporo flights, made via Sendai and Aomori, commence on April 1, 1937. The route network from Tokyo now includes Sendai, Aomori, Sapporo, Niigata, Toyama, Nagoya, Tottori, Tokushima, Kochi, Osaka, Matsue, and Fukuoka in Japan; Taipei, Yilan, Hualien, Taizhong, Tainan, and Naha in Taiwan; Tianjin in China; Ulsan, Taegu, Seoul, P'yongyang, and Sinuiju in Korea; and Shengyan, Darien, and Changchun in Manchukuo.

On June 1, AT-2s launch express service from Tokyo to Changchun via Fukuoka and Seoul.

The Sino-Japanese conflict breaks out on July 7 and on July 12 the company dispatches aircraft and crews to China under Army direction. A block-seat agreement is signed with the military, covering payment for reserved seats (filled or not) on all flights from Japan to China or Manchukuo.

In the fall, **Nippon Koku Yuso Kenkyujo**, founded in 1922 and known as the **Japan Air Transport Research Institute**, is taken over and merged. Orders are placed for 30 Lockheed Model 14s and during the year the Japanese Army Air Force begins to receive AT-2s under the designation Type 97. Flights from Taipei to Shanghai commence on October 2. The first of seven Douglas DC-3s to be delivered over the next year arrives on December 6.

Passenger boardings increase to 47,432.

The trading organization Mitsui & Co., Ltd., covertly acting on behalf of the Imperial Japanese Navy, acquires a \$90,000 license on February 24, 1938 to build the Douglas DC-3 in Japan. Two crated DC-3As will be shipped to Tokyo from California, where they are assembled by the Showa Hikoki Kogyo KK and allow the airline and its successor to test them. Rising Sun airplane builders, led by Showa Hikoki Kogyo KK and Nakajima Hikoki KK, will eventually construct 414 modified Douglas transports, designated Type O.

In March, the North Chinese route network is completed with the inauguration of new services from Fukuoka to Peking via the Shantung Peninsula community of Tsingtao. At the same time, flights begin from Shanghai to Nanking.

In April, newly organized **International Airlines Co., Ltd.**, created the previous August as a subsidiary of the Army-backed MAT in Manchukuo, receives two Heinkel He-116s from Germany; the pair arrives at Tokyo from Berlin in a 5-day, 23-hr., 43-min. flight. The announced plan for the aircraft is to begin mutual air service between Tokyo and Berlin, but this will not materialize. The real, although covert, intention of the flight is to establish a basis for military aerial collaboration in case of emergency.

The same month, the Ministry of Posts and Communication begins large-scale training of civilian pilots. The Imperial Navy, meanwhile, begins planning for its own "civilian" airline, an operation to be known as **Oceanic Airways, Ltd.**

JAT receives its first L-14WGs in June and July and they are employed to commence Tokyo to Changchun operations on August 1. Another 119 Model 14s will be built in Japan and designated Type LOs. On Taiwan, the coastal communities of Taichung, Makung, Pingtung, Taitung, and Giran now all receive air service from Taipei.

JAT is now peaking in size. With a workforce of 1,500 and 80 transports, it operates a 12,800-kilometer route network with destinations in Japan, Korea, Taiwan, China, and Manchukuo. A DC-3 imported from the U.S. is assembled at Tokyo (HAD) on September 30; it opens routes from Tokyo-Peking and Fukuoka-Nanking on October 5. In late fall, the first three of 24 Mitsubishi G3M2s, converted to civil standard, are acquired.

A rivalry occurs between the Army, Navy, and Ministry of Communications for control over the nation's civil airline. Despite the huge military payments that bring an end to the need for subsidy, payments to the airline continue because none of the agencies involved can agree to halt them. In November, a compromise is struck whereby **International Airlines Co., Ltd.**, the still-paper **Oceanic Airways, Ltd.**, and JAT will be merged into an entirely new carrier. JAT ceases operations on November 30 to make way for the establishment of **Japan Air Lines Company, Ltd. (1) (Greater Japan [Dai Nippon Kokyuso Kabushiki Kaisha] Air Lines)** the next day.

JAPAN AIR TRANSPORT RESEARCH INSTITUTE. See **NIPPON KOKU YUSO KENKYUJO (NKYK)**

JAPAN ASIA AIRWAYS, LTD.: **Yurakucho Denki Building, 7-1 Yurakucho 1 Chome, Chiyoda-ku, Tokyo, 100, Japan; Phone 81 (3) 3284 2972; Fax 81 (3) 3284 2980; http://www.japanasia.co.jp; Code EG; Year Founded 1975.** To allow resumption of the lucrative Taiwan route given up when PRC service is started in 1974, **Japan Air Lines Company, Ltd. (2)** creates this wholly owned subsidiary on August 8, 1975 to get around Beijing's objection to the flag carrier's Taiwan service. With three dedicated DC-8-61s and a DC-8-62 transferred from the parent, Chairman Hiroshi Arai's 400-employee JAAC begins Tokyo-Taipei service on September 15. Traffic figures are reported with those of the parent. Routes are opened from Tokyo and Osaka to Manila and Hong Kong in July 1976.

During 1977-1979, the introduction and maintenance of inclusive tour and cargo charters supplement scheduled operations. With three DC-10-40s supplied by JAL, new frequencies are initiated on the Tokyo to Taipei route during 1980. Manila service is suspended in 1981, but a route is started to Kao-hsiung in 1982. The same year, the company receives its first Jumbojet, a B-747-146 transferred from the parent.

Enplanements total 734,955 in 1983. In 1984, a total of 415,480 passengers are flown to Taipei while 228,600 Taiwanese passengers are flown to Japan. When a B-747-146 and a B-747-221F are transferred to the carrier from its parent in 1985-1986, the DC-8s begin scheduled freight service and are all dedicated to the charter operations, which include a return to the Philippines.

The fleet in 1987 includes 1 B-747-346, 2 B-747-146s, and 3 DC-10-40s. In July, **China Airlines, Ltd.** purchases block-space on JAA services between Taipei and Tokyo.

The company's 12th anniversary is celebrated in August, at which time it is reported that 7.3 million passengers (cumulative) have been flown. Through October, the year's bookings jump 21.8% to 793,205 and cargo rises 33.3% to 77.88 million FTKs. Profits total \$37.3 million (operating) and \$13.3 million (net).

The workforce is increased by 14.3% in 1988 to 603 as Okinawa-Taipei flights begin. Customer bookings ascend 15% to 1,125,498 and cargo climbs 7% to 100.63 million FTKs. Revenues ascend by 6.8% to \$398 million. With expenses up only 3.3%, operating income is able to balloon to \$51.6 million. The net profit reaches \$25 million.

The payroll is cut 17.4% in 1989 to 498. Still, passenger boardings jump 17.1% to 1,262,914 and freight ascends 10.1% to 110.45 million FTKs.

Company employment inches up 0.4% in 1990 to 500 and the fleet now includes 2 Boeing 747-146s, 1 B-747-346, and 3 DC-10-40s. Traffic is good as customer bookings rise 3.6% to 1,338,622 and cargo climbs 4.2% to 115 million FTKs.

The fleet in 1991 includes 3 B-747-146s, including 1 leased back to JAL; 1 each B-747-246B and B-747-346; and 4 DC-10-40s, 1 of which

is also leased to JAL. Recession cuts deeply into business and figures are reported only through June. These show passenger boardings down 7.2% to 633,844. On December 25, four-times-per-week service is inaugurated from Nagoya to Guam via Saipan.

Airline employment at Chairman Mitsunari Kawano's carrier reaches 1,023 by 1992 and the fleet comprises 2 B-747-246Bs, 2 B-747-146s, 1 B-747-346, and 3 Douglas DC-10-40s, 1 of which remains on lease to JAL. Faced with greater competition on the principal Japan to Taiwan route, the company hires additional non-Japanese flight attendants, based at Taipei, at lower rates.

Through November, customer bookings climb 6.5% to 1,299,904. Cargo inches up 0.6% to 108.63 million FTKs. The year's net profit is \$5.2 million.

In 1993, Chairman Kawano and President Noboru Okamura oversee a workforce unchanged in size and a fleet cut by one B-747-146. Service continues to be provided from Tokyo and Osaka to Taipei, Kao-hsiung, and Hong Kong and from Okinawa and Nagoya to Taipei. To assist with its parent's cost-cutting efforts, the JAL route from Hong Kong to Bangkok is assumed on a scheduled basis.

For the year as a whole, passenger boardings plunge 8.7% to 1,278,176 and freight is down 1.1% to 117.14 million FTKs.

Despite a recovering Japanese economy, the number of employees is reduced by 12% in 1994 to 900. Customer bookings recover to make up the ground lost the previous year, rising 9.4% to 1,398,481. Cargo ascends 4.3% to 122.15 million FTKs.

There is no change in company employment during 1995. Traffic figures are reported through September and show passenger boardings declining 0.4% to 1,029,813. Conversely, freight jumps 22.2% to 106.86 million FTKs. In late December, as part of the company's 20th anniversary celebration, the carrier's B-747-146 is painted in a "dancing children" motif.

Nine new employees join the company in 1996, a 1% increase, and the fleet now includes 4 DC-10-40s, 2 B-747-246Bs, and 1 each B-747-146 and B-747-346.

During Chinese military missile exercises off Taiwan between March 8 and 18, Japan Asia changes the route of its six-times-a-week service between the southern Japanese city of Naha and Taipei. The service is lengthened by 10 minutes and is not considered a major problem.

Enplanements jump 10.1% to 1,124,513 while 100.65 million FTKs are operated, a 6.2% decline.

The workforce is reduced 1% in 1997 to 900. Customer bookings advance by 2.1% to 1,576,172 and cargo moves up 2.9% to 134.4 million FTKs.

In 1998, the company continues to fly from Tokyo, Osaka, and Nagoya to Hong Kong, Kao-hsiung, Manila, Okinawa, and Taipei. Passenger boardings drop 8.6% to 1.44 million, while traffic is down 3.3% to 129.91 million FTKs.

By the start of 1999, airline employment has been increased by 1% to 909. Passenger boardings jump 4.7% to 1,376,000, while cargo dips 1.8% to 127,588,000 FTKs. The workforce has been reduced to 832 by the beginning of 2000.

On August 7, the company's only B-747-146 is leased via **Japan Air Lines Company, Ltd. (2)** to **JALways Company, Ltd.**

JAPAN CONTINENTAL AIRLINES COMPANY, LTD.: Makurazaki Airport, Kyushu, Japan; Year Founded 1991. JCAC is established at Makurazaki Airport in 1991 to offer nonscheduled flights to Kagoshima Airport, Yakushima, in the Kagoshima Prefecture. Operations commence with a single Pilatus-Britten-Norman PBN-2B26 Islander leased from Tokyo-based ITC Aerospace, Ltd.

Having received its license, the company, in early 1992, inaugurates scheduled services from Makurazaki Airport in the Kyushu islands to Tanegashima. The lone aircraft is occasionally chartered by the Japanese Customs Service for maritime surveillance work.

It is understood that operations continue during the remainder of the decade. Exact information is unavailable.

JAPAN DOMESTIC AIRLINES COMPANY, LTD.: Japan (1964–1971). At the instigation of the Ministry of Transport, Japan Domestic is formed on April 15, 1964 to fly medium-haul services on the longer legs between cities in the nation's four islands. The company is an amalgamation of **Fuji Airlines, Ltd., Nitto Air Lines Company, Ltd.,** and **North Japan Airlines Company, Ltd. (Kita Nihon Kabushiki Kaisha).** The latter, being the largest and most sophisticated, forms the nucleus around which the others are amalgamated.

The aircraft of the merger partners are assembled into a unified fleet that includes 9 Convair CV-240s, several Douglas DC-3s, many light-planes (e.g., Beech 18s), and a few helicopters. Destinations served include those of the merged carriers, e.g., Tokyo, Osaka, Kochi, Sapporo, Wakkanai, Nagasaki, Kyoto, Nagoya, Sendai, Kagoshima, and Sado Island. Additional new routes link Honshu and Hokkaido.

A Convair CV-880M, a large jetliner leased from **Japan Air Lines Company, Ltd. (2)**, is delivered on January 4, 1965 and is christened *Gina*. A trunk route is initiated by the CV-880M on March 1 from Tokyo to Sapporo and Fukuoka.

In July, a Nord 262 is leased and employed, beginning on August 1, over a route from Osaka to Tokushima. Later, a purchased aircraft is also acquired and is placed into service between Osaka and Niigata. Six YAMC YS-11As are also acquired during the year.

Orders are outstanding for four additional YS-11As and two Boeing 727-100s. The Convair jetliner begins flying from Tokyo to Sapporo and Fukuoka while the YS-11As launch flights from the capital to Obhiro, Aomori, Niigata, and Oita. Enplanements for the year are 504,673.

The Boeing trijets, leased Dash-146s, arrive under charter from JAL-2 in February 1966 and enter service on March 15.

The *Gina* is leased back to JAL on May 1. On May 20, the Ministry of Transport, which had created JDA, wins approval of the cabinet for a merger of its creation into JAL-2. Political circumstances will ensure that the plan is not implemented. Still in GDA colors, the *Gina* is lost in a training accident at Tokyo (NRT) on August 26.

Growth continues throughout the remainder of the decade and by May 15, 1971, when the company is combined with **Toa Airways, Ltd.** to form **Toa Domestic Airlines Company, Ltd.**, the fleet comprises 15 YAMC YS-11As and 3 Boeing 727-146s.

JAPAN HELICOPTER AND AEROPLANE TRANSPORT COMPANY, LTD. (NIHON HERIKOPUTA YHUSO KABUSHIKI KAISHA): Japan (1952–1958). Also known as by its initials (JHAT or NHYKK) or as Nippeli, this postwar Japanese pioneer is formed on July 15, 1952 with initial capitalization of ¥ 150 million (US\$450,000). Masuichi Midoro is named president, with Katsuyoshi Nakano and Ryuichi Fukumoto as senior vice presidents and Seiji Torii as vice president. Operating authority is sought from the government via applications filed on July 15. As regulatory decision is awaited, 2 Bell 47D-1s are acquired and a 16-man workforce is recruited.

Government permission to undertake rotary-wing aerial work is received in early February 1953, with the first contract flight undertaken on February 20. A license for charter service is granted to the company on May 26. Over the next seven months, as helicopter contracts continue to be operated, the fleet is increased by the addition of two Bell 47D-1s and two de Havilland DH 104 Doves.

On December 15, the first postwar service using Japanese pilots is initiated as the company's premier DH 104 Dove makes a cargo flight from Tokyo to Osaka.

The carrier's chief competitor, **Far Eastern Airlines, Ltd. (FEA)**, begins revenue services with a mail flight over the JHAT route on January 20, 1954. JHAT's first passenger service is flown from Tokyo to Osaka on February 1. The decision is now taken that the two companies should complement one another and not compete; thus alternate route networks will be developed. On March 1, FEA launches its own passenger services over a route from Osaka to Iwakuni. Employing three DH 114 Heron 1Bs, JHAT commences regularly scheduled revenue

flights from Tokyo to Nagoya and Osaka on March 1. Tokyo to Misawa and Sapporo flights commence on August 10.

The first leased Douglas DC-3s are received in the summer of 1955 and the first 6 cabin attendants are hired in September—from a pool of 1,000 applicants. One of these, Yoko Kitano, gains the honor of becoming the company's first serving stewardess when she hosts passengers on the inaugural DC-3 service, Tokyo–Osaka–Nagoya, on November 15. Meanwhile, on October 1, flights have been launched to Kanazawa and Oshima.

Frequencies are initiated from Osaka to Kitakyushu on May 15, 1956 and from Osaka to Kamazawa on July 2. Merger discussions with officials from FEA now begin. On April 13, 1957, the two companies begin to coordinate their activities on a formal basis. JHAT starts flying from Tokyo to Sendai on April 22 and begins its last new route on October 10 from Tokyo to Kitakyushu, direct.

Services are maintained until March 1, 1958 when the carrier is merged with FEA to create **All-Nippon Airways, Ltd. (ANA)**.

JAPAN REGIONAL AIRLINES COMPANY, LTD.: Yamaguchi-Ube Airport, Honshu, Japan; Year Founded 1995. JRAC is set up at Yamaguchi-Ube Airport on the western side of Honshu in 1995. Non-scheduled operations commence with a single Pilatus Britten-Norman PBN-2A Islander.

The fleet is increased in 1996–1998 to also include 2 leased Cessna 208 Caravan Is and 3 Dornier 228-200s.

It is understood that operations continue during the remainder of the decade. Exact information is unavailable.

JAPAN TRANSOCEAN AIRWAYS COMPANY, LTD.: 3-24 Yamashita-Cho, Naha-shi, Okinawa, 900, Japan; Phone 81 (98) 857-2112; Fax 81 (98) 858-2581; <http://www.210.174.160.218/jta>; Code NU; Year Founded 1993. Based at Naha City on Okinawa, 25-year-old Southwest Airlines Company, Ltd. is renamed in July 1993. Chairman Keiichi Inamine and President Michio Okumo continue to oversee a workforce of 835 and operate a fleet that includes 6 owned and 1 leased Boeing 737-2Q3As, 1 chartered B-737-205A, 2 B-767-246s, including 1 leased from Japan Air Lines Company, Ltd. (2), the carrier's principal owner. Also in the fleet are 5 NAMC YS-11A-500s and 4 de Havilland Canada DHC-6-300 Twin Otters leased to Ryukyu Commuter, Ltd. Orders are placed for four B-737-4Q3s.

From Naha City, interisland flights continue to be offered in the Okinawa (Rack) Group, including the communities of Ishigaki, Miyako, Kume, Yoron, Shimoji, Yonagumi, Nagoya, Okayamu, and Matsuyama. Services are also undertaken from Kagoshima Miyako to Tokyo and from Ishigaki to Tokyo.

Enplanements for the year total 11,304, but there are fiscal losses: \$41.92 million (operating) and \$43.11 million (net).

The workforce in 1994 totals 740 and the first B-737-4Q3 is received in late June.

Customer bookings skyrocket 99.5% to 2,260,603 while freight does even better, climbing 124.7% to 13.79 million FTKs. Revenues inch up 0.8% to \$331.32 million, while expenses are up 0.1% to \$370.78 million. The loss picture worsens as the operating loss is \$46.18 million and the net rises to \$47.54 million.

Airline employment is increased by 5.6% in 1995 to 764. The previous year's good traffic fortune is reversed somewhat.

Passenger boardings decline 5.8% to 2,129,380 and cargo is off by 23.1% to 10.66 million FTKs. Cost-cutting measures greatly improve the financial picture. Although revenues fall 19% to \$273.65 million and expenses are down 27.1% to \$276.08 million, the operating loss is cut to \$2.43 million and the net loss is down to \$1.34 million.

The workforce is reduced by 1.8% in 1996 to 750. The owned fleet includes 5 YS-11-A-500s and 5 B-737-2Q8As; also operated, under charter, are 1 B-737-2Q8A, 3 B-737-205As, 3 B-737-205As, and 3 B-737-4Q3s, 1 of which is chartered from Japan Air Lines Company, Ltd. (2). Four owned de Havilland Canada DHC-6-300 Twin Otters are leased to Ryukyu Air Commuter, Ltd.

Enplanements surge 31.1% to 2,024,511 and freight soars 24.6% to 8.63 million FTKs.

The workforce is increased by 1.3% in 1997 to 760.

A total of 155 domestic flights are cancelled on June 27 by Japan Air System, Ltd., Japan Air Lines Company, Ltd. (2), All Nippon Airways Company, Ltd., Air Nippon Company, Ltd., and Japan Transocean as the result of a tropical storm and tornado.

The carrier's 15 aircraft haul 2,130,703 passengers, a 5.3% increase. Cargo jumps 8.4% to 9.36 million FTKs.

Facing significant fiscal losses, executives at parent Japan Airlines Company, Ltd. (2) agree in mid-March 1998 on a new package of cost-cutting measures. They also join their colleagues at All-Nippon Airways Company, Ltd. (ANA) and Japan Air System, Ltd. in taking a tough stand against the pilot's unions, finally cutting the practice of paying flyers for 65 hours of flight time a month regardless of actual flight time.

The flyers at Japan Transocean are considerably more upset about this policy than their fellow pilots at JAL are. To combat this move against their contracted time and benefit package, they begin staging a series of periodic work stoppages on March 28. Through April 7, the carrier is forced to cancel 22 flights.

Customer bookings inch up 0.9% to 2.11 million just as freight traffic dips 1.5% to 9.22 million FTKs.

By the beginning of 1999, airline employment has been cut 1.3% to 750. Customer bookings jump 4.6% to 2,209,000.

The workforce at the beginning of 2000 totals 750. The B-737-400 fleet now includes 8 Dash-4Q3s and 3 Dash-4K5s.

Having worn a rhinoceros logo advertising the clothing chain Papas since November 1998, the B-737-4Q3 involved begins sporting a new jumping sailfish figure in January. On March 3, another B-737-4Q3 is given a "Kyushu–Okinawa Summit 2000" logo promoting the upcoming G8 meeting between Japan, the U.S., the U.K., France Germany, Italy, Canada, and Russia.

As a result of a March 14 strike threat by a number of its pilots and flight attendants, the airline cancels 6 of the 20 services from Okinawa to Tokyo (HND), Osaka, and Kagoshima and 19 of 52 Okinawa interisland flights.

JAPAN UNIVERSAL TRANSPORT SYSTEM, LTD. (JUST): Japan (1991–1995). Formed by Japan Air Lines Company, Ltd. (2), Nippon Express, and Yamato Transport at Tokyo in October 1991 to overcome a shortage of surface trucking capability, this new all-cargo carrier initiates a daily scheduled roundtrip freight service between Tokyo and Sapporo, on Hokkaido. Flights from Nagoya and Sapporo commence in late November employing a single Boeing 747-221F leased from Japan Air Lines Company, Ltd. (2). The plane has been repainted, given a white livery with billboard "JUST" titles on the forward fuselage and a whale logo on its tailfin.

The domestic flights cease in 1992 with the end of the truck capacity crunch; the airline (now 69.7% owned by JAL) changes course, wet-leasing its Jumbojet back to JAL for frequencies between Japan and the U.S. West Coast, including Los Angeles and Anchorage, and Frankfurt, Germany. The aircraft is reintegrated into the fleet of its airline parent during 1995.

JARO INTERNATIONAL, S.A.: 500 Bucuresti Ploesti 14-22, Bucharest, Romania; Phone 40 (1) 212-2273; Fax 40 (1) 212-2274; Code JT; Year Founded 1990. JARO is established at Bucharest on August 1, 1990 to offer international, regional, and domestic passenger and cargo charters. Mirica Dimirescu is appointed president and he recruits a workforce that will come to total 117 and acquires a leased fleet of 2 British Aerospace (BAC) 1-11-528FLs, 1 Boeing 707-321B, and 1 B-707-327C.

Revenue operations commence on August 5, 1991 from Bucharest and Sibiu to Athens, Berlin, Budapest, Istanbul, Izmir, Paphos, Stockholm, Tunis, Verona, and Naples.

Operations continue apace in **1992–1998**. One each B-737-200 and B-737-300 are received in March and June of the latter year. Revenue flights are expanded and new stops are made at Dusseldorf, Larnaca, London (STN) and Naples.

Another B-707-320C joins the fleet in **1999**. Airline employment totals 150 at the beginning of **2000**.

JAT YUGOSLAV AIRLINES (JUGOSLOVENSKI AEROTRANS-PORT): JAT Poslouni Center, Ho Shi Minova 1670, Novi Beograd, 11070, Yugoslavia; Phone 38 (11) 13 3535; Fax 38 (11) 13 7756; <http://www.jat.com>; Code JU; Year Founded 1946. Marshall Josip Borz Tito's government in the fall of 1946 forms a new company under the name **Jugoslovenski Aerotransport** to take over the Jugoslovensko Ratno Vazduhoplovstvo (military air transport division) civil service started in November 1945 and to restart the domestic services provided by **Aeropot** until May 1941.

Flight operations from grass airfields begin on April 1, **1947** with Junkers Ju-52/3ms, some of which are replaced by Douglas DC-3s during the summer and fall. Many of the aircraft are serviced by former **Aeropot** personnel who had survived the war.

Simultaneously, the government enters into a fifty-fifty partnership with the Soviet Union to provide international Li-2 service via a new company, **Jugoslovenska Soviet Transport Aviaciza (JUSTA)**. Services to Budapest, Tirana, and Bucharest are inaugurated during the summer.

On November 27, a DC-3 with 3 crew and 19 passengers, crashes while on initial approach to Montenegrin; there are no survivors.

Following the diplomatic break with the Soviet Union in **1948**, JUSTA is dissolved and Jugoslovenski Aerotransport suspends service.

En route from Belgrade to Sarajevo on June 4, a DC-3 with 28 passengers is seized by the radio operator and a passenger and diverted to Bari, Italy.

In **1949–1952**, international services are restarted on a limited basis while, due to weather and terrain, domestic services are provided only during summer. Fatal accidents are not uncommon and there are sky-jackings.

Coming in from Belgrade on September 21, 1950, a DC-3 with four crew and seven passengers, crashes while landing at Zagreb (ten dead).

A DC-3 with three crew and eight passengers, must be written off following an emergency landing at Wittelsbach, West Germany, on June 8, 1951, due to an in-flight fire; there are no fatalities.

A Ju-52/3m with 14 aboard crashes near Zagreb on June 29; again, there are no survivors.

The captain and copilot of a DC-3 just happen to have their wives and two children aboard for a domestic service on October 17; midway through the flight, the two fliers change course and fly to Zurich, where they obtain political asylum. The three other crew members and 22 non-participating passengers are returned to Belgrade aboard the Douglas.

Flying between Belgrade and Skopje on October 25, a DC-3 crashes while landing at the latter point (12 dead).

On June 26, 1952, a DC-3 with 32 passengers en route from Zagreb to Pola is seized by three passengers, who order the plane diverted to Foligno, Italy.

During **1953**, preliminary (and eventually unsuccessful) discussions occur between Yugoslavia, Greece, and Turkey with the aim of forming an **SAS (Scandinavian Airlines System)**-type Balkan consortium airline. Orders are placed in the U.S. for three Convair 340s.

By summer **1954**, the fleet comprises 5 DC-3s; it is enhanced during the fall by the arrival and placement into service of three Convair CV-340s. Flying below minimum altitude while on final approach to Schwechat Airport at Vienna, Austria, on October 10, **1955**, a CV-340 with 4 crew and 25 passengers, crashes onto the slope of the Kahlenberg 25 km. out (7 dead).

Having descended below the cleared 3,000-ft. altitude, a CV-340 with 3 crew and 27 passengers en route from Vienna to Munich, collides with the ground while on approach to the airport at Grub, Germany, on December 22, **1956** (3 dead).

To expand charter and scheduled services, the carrier, in November **1957**, takes delivery of the last two DC-6Bs manufactured; they will remain the fleet flagships for six years. During the year, enplanements total 85,941.

Five CV-440 Metropolitans join the fleet during the first half of **1958**. The 288th DC-6B built, which is the 704th and final aircraft in the entire DC-6 series and the final DC propellerliner constructed, is delivered from Santa Monica to Belgrade on October 24 via New York and Gander. It enters service as a VIP transport for President Tito at month's end. A second DC-6B arrives from California on November 17.

President Tito makes a state visit to India on January 14–19, **1959**, aboard his new DC-6B, which is flown by a joint JAT/Yugoslav Air Force team.

En route from Cattaro to Belgrade on July 8, a lone gunman seizes a DC-3. After firing a warning shot, the pirate orders its crew to divert to Bari, Italy.

Later in the year, domestic services, now year-round, are increased in frequency as other Eastern European cities are added to the route network.

The fleet is improved through the addition of five CV-440s so that, by **1960**, the fleet comprises 3 CV-340s, 5 CV-440s, 4 DC-3s, and 2 DC-6Bs.

Overall bookings total 172,454.

Orders are placed in **1961** for 3 Sud Est SE-210 Caravelles VINs and enplanements in **1962** include 226,681 domestic and 81,490 international.

In **1963**, the DC-6Bs are orderly retired as the first two French jetliners are placed into service in January and July, respectively.

Domestic enplanements are 283,600 and international boardings total 111,533.

Airline employment is 1,771 in **1964**. Three DC-3s and two CV-340s are retired as the SE-210s launch new routes to Moscow, Warsaw, and Copenhagen.

Enplanements total 461,000 systemwide and revenues are \$6.51 million.

The employee population is 1,900 in **1965**.

A DC-3 with five crew, is lost near Belgrade on February 20 while on a training flight; there are no survivors.

Bookings are up to 524,170.

Two additional Caravelles are received in **1966**, but cannot keep boardings from dropping to 450,697. During the year, the last DC built, the DC-6B acquired in November 1958, is passed to the government.

As domestic service and Dalmatian coast charters increase in **1967**, the number of DC-3s is increased to nine. One more Caravelle VIN is also received. Passenger traffic is 543,000, a 17% increase.

A sixth Caravelle VIN is delivered early in **1968**. Airline employment climbs to 2,282 and 5 DC-9s are ordered.

A DC-3 is lost at St. Florian, Austria, on January 8; there are no other details.

Passenger boardings accelerate 23.8% to 667,334 and freight traffic skyrockets 101%. Income is \$19.8 million.

A CV-440 is destroyed as the result of a bad landing at Titograd on February 4, **1969**; there are no fatalities.

Two DC-9-32s are leased for a year from their manufacturer on April 15. To sweeten the deal, McDonnell Douglas agrees to purchase \$40,000 worth of canned hams and various small machine tools. A Boeing 707-320B is delivered during the summer.

Enplanements zoom to 718,724.

The workforce totals 3,085 in **1970**.

Three armed Arabs are seized at Munich on February 18 on suspicion that they intend to hijack a JAT plane, refueling while en route from Paris to Belgrade, as it flies to the Yugoslav capital. A search reveals a leaflet identifying them as members of a commando group and proclaiming that the plane will bear the name "Palestine."

The leased DC-9-32s are returned in March. When the transaction is revealed, the media plays up the "hams for planes" aspect of the charter. Interestingly enough, the airplane builder will sell additional planes to

the carrier in the years ahead—and purchase more ham. With the delivery of the 5 owned DC-9-32s, the fleet now totals 22 aircraft, including 2 DC-3s, 8 CV-440s, 6 SE-210s, and 1 B-707-320B.

Cargo is up 21% and passenger boardings pass the one million-mark for the first time, up 35% to 1,105,730.

Three more B-707-320Bs and two Caravelle VIRs are acquired in 1971 as bookings jump to 1,558,050. The employee population is 4,155 in the twenty-fifth anniversary year of 1972.

On January 26, Flight 364 is en route from Stockholm to Zagreb via Copenhagen. Premier Dsemal Bijedic is thought to be among the 5 crew and 23 passengers on board the DC-9-32 when it is blown up over Krussne Hory Mountain by Croatian extremists from the Ustasji group, who have planted a bomb in the forward baggage compartment. Breaking up on the way down, the fuselage crashes into the ground near Hermsdorf, in NW Czechoslovakia; all but one aboard are killed. Alone in the tail assembly, 22-year-old stewardess Vesna Vulovic survives the fall to earth from 33,000 ft.; severely injured, she tumbles out when the segment, which has fluttered down like a leaf providing life-saving deceleration, strikes the earth.

Four CV-440s are retired as two more DC-9-32s and an SE-210 Caravelle III are added, the latter on lease to replace the lost Douglas. Routes are extended Dubrovnik–Pula and London, Tivat–Vienna, and Belgrade–Tirana.

Five passengers aboard the B-707-321B on a New York to Shannon flight are injured on August 12 when the pilot aborts the flight after encountering mechanical problems during his takeoff from New York (JFK). A \$32-million order is placed for 6 additional DC-9s, bringing the total on order to 13.

Passenger bookings grow 15% to 1,833,000.

Two Caravelle VINs and four CV-440s are retired in 1973. Service is inaugurated to Dusseldorf, Lyon, and Manchester.

An SE-210 Caravelle III is damaged beyond repair during its landing at Belgrade on February 15; there are no fatalities.

Coming in from Skopje on September 11 with 6 crew and 35 passengers, a Caravelle VIN crashes into the Maganick Mountains while preparing to land at Titograd Airport; there are no survivors. Orders are placed for two Boeing 727-2H9s late in the year as the last of the CV-440 Metropolitans are withdrawn.

The two Boeings and a pair of DC-9-32s are delivered in 1974 as the last two DC-3s are retired. On April 15, a B-707-351C is purchased from the American carrier **Northwest Airlines**.

A DC-9-32 with 6 crew and 44 passengers lands 2,570-m. short of the runway at Beograd, Yugoslavia, on November 23; the plane is safely evacuated before it catches fire and is destroyed.

Enplanements total 2,158,650.

The workforce is 5,146 in 1975. Dragoslav Radisavljevic becomes director general and three additional B-727-2H9s are delivered. As a partial reward to Zambia for its purchase of Yugoslav-built Soko Galeb and Jastreb military aircraft, President Tito donates JAT's DC-6Bs to the Zambian Air Force.

Routes are opened from Belgrade to Sydney via Karachi and Singapore, to Malta via Ljubljana, and to Baghdad via Athens.

Passenger boardings rise 19% to 2,664,701. Freight climbs a handsome 35% to 13.6 million FTKs.

A total of 120 employees are added in 1976. Belgrade and Zagreb Boeing 707-320B transatlantic service to New York is initiated while two B-747-100s are ordered for 1978 delivery.

Bookings dip 0.6% to 2,646,840, but freight grows by 9% to 21.41 million FTKs.

The Jumbojet order is cancelled in 1977 and replaced by one for two DC-10-30s. The 30th anniversary of JAT is celebrated throughout the year, along with the 50th birthday of commercial flight in Yugoslavia. Flights begin from Belgrade to Damascus.

Enplanements accelerate to 2,943,800.

The workforce grows to 5,600 in 1978. The first DC-10-30 is delivered on December 8 and is christened *City of Belgrade*. A total of 16 do-

mestic and 37 cities are now served by Director General Dragoslav Radisavljevic's carrier.

Passenger boardings move upward 18% to 3,590,000 and freight soars 25.2%.

A second DC-10-30 arrives in 1979 and is placed in service on the New York route. Flights begin to Karachi and Beijing and the remaining Caravelles are all retired. During the year, the company begins an annual Gallery Above the Atlantic art auction on one of its May transatlantic flights; works by the nation's leading contemporary artists are sold to raise money for cultural institutions.

Boardings climb 9.6% to 3,910,000.

Airline employment in 1980 is initially increased by 15.1% to 5,965. Passenger traffic falls 19.2% to 3,161,000 as the effects of the world recession and rising fuel costs are felt. Revenues drop to \$293 million.

En route from Dubrovnik to Belgrade on a September 26, 1981 domestic flight, a B-727-2H9A with 101 aboard is hijacked by 3 Croatians. After Israel refuses the aircraft permission to land, the passengers stage a mock fire alarm that requires the pilot to land at Cyprus, where the pirates are captured and all others escape. The perpetrators will be tried and given prison terms ranging in length of time from 3½ to 8½ years.

Passenger traffic figures for the year are 5.1 million passengers carried. The number of workers is increased by 2.6% in 1982 to 6,136. New frequencies are inaugurated to Algiers, Beirut, and Kuwait.

Customer bookings decline to 3.45 million.

JAT Avio Taxi is formed as a subsidiary in 1983 to provide domestic services from Belgrade with a fleet of three Cessna 402Bs. Orders are placed for seven B-737-300s to replace the parent's aging fleet of DC-9s as two B-727-2H9As are leased, long-term, to **Air Afrique, S.A.**

Enplanements total 3.3 million in 1984 and a net profit of \$17.7 million is reported.

Airline employment in 1985 is 7,315, a boost of 12.6%. Miljenko Zrelec becomes president. Two DC-9-32s are sold as the first four of seven B-737-3H9s enters service in July and a route is opened to Kuala Lumpur. To overcome a shortage of available Douglas wide-body pilots and flight engineers, **Air Afrique, S.A.** contracts for JAT crews, while at the same time leasing one of its DC-10s to the Yugoslavs.

Cargo dips 4.8% to 85.97 million FTKs, but passenger boardings are up 6.5% to 3,531,000. Revenues advance 2.9% to \$364.6 million, and expenses are up 13.9% to \$330 million; these figures conspire to produce profits of \$34.2 million (operating) and \$15.5 million (net).

The payroll is increased by 2.8% in 1986 to 7,522. Former Federal Administration for International Scientific and Technical Cooperation Director Miljenko Zrelec succeeds the retiring Director General Milan Redojcic in February.

Two DC-9s are sold and the fifth and sixth B-737-3H9s are acquired. Two DC-10-30s, including the **Air Afrique, S.A.** charter, join the two already available to handle summer tourist traffic. Orders are placed for a McDonnell Douglas MD-11 and two more B-737-300s.

Customer bookings jump 9.4% to 3,862,000 while freight rebounds by 19.1% to 97.4 million FTKs. The profits are \$55.7 million (operating) and \$25.1 million (net).

The employee population grows by 8.7% in 1987 to 8,069 and the 7th B-737-3H9 is received in January. The B-727-2H9A contract is terminated by **Air Afrique, S.A.** in March and in May, while the carrier studies acquisition of a new regional aircraft, two Avions de Transport Regional ATR42-200s are leased for short-haul routes.

A DC-9-32 is leased to **Air Djibouti** for a year during the fall.

Passenger boardings increase 17.3% to 4,531,000 and revenues rise 27.7% to \$539.8 million. Costs are kept down and as a result, profits of \$60.3 million (operating) and \$16.9 million (net) are earned.

Airline employment is up again in 1988 by 8.1% to 8,988. The fleet now includes 9 DC-9-32s, 8 B-727-2H9As, 7 B-737-3H9s, 5 DC-10-30s, and 3 ATR42-200s. In May, a regional sales office is opened at Washington, D.C.

The eighth and ninth B-737-3H9s arrive later in the year.

An An-12V freighter with seven crew, crashes while on initial approach to Yerevan on December 12; there are no survivors.

Customer bookings decline a slight 0.9% to 4,491,000, but cargo swells 13.1% to 730.24 million FTKs.

The payroll is cut 12.5% in 1989 to 1,400 as traffic plummets. Passenger boardings decline 16.5% to 3,750,000 and freight is off a huge 46.8% to 66 million FTKs.

In 1990, the fleet comprises 1 Aerospatiale/Aeritalia ATR72, 8 Boeing 727-2H9As, 9 B-737-3H9s, 9 Douglas DC-9-32s, 4 DC-10-30s (3 leased), and 3 Piper PA-31T Cheyenne IIs. Orders are outstanding for 2 ATR72-200s and a 4 McDonnell Douglas MD-11s. One DC-9-32 is leased to **Air Djibouti** and a total of 19 domestic and 61 foreign destinations are served.

Foreign destinations include routes to and from Belgrade, Mostar, Nis, Ohrid, Pristina, Sarajevo, Skopje, Titograd, and Tivat. Major overseas markets include Amman, Amsterdam, Athens, Bangkok, Barcelona, Beirut, Berlin, Bucharest, Budapest, Brussels, Cairo, Chicago, Copenhagen, Damascus, Dubai, Dusseldorf, Frankfurt, Glasgow, Goteborg, Hamburg, Hanover, Istanbul, Larnaca, London, Madrid, Melbourne, Milan, Montreal, Moscow, Munich, New York, Paris, Prague, Rome, Singapore, Sofia, Stockholm, Stuttgart, Sydney, Tel Aviv, Thessaloniki, Tehran, Toronto, Tripoli, Tunis, Trieste, Venice, Vienna, Warsaw, and Zurich.

During the year's first half, customer bookings are up 2.6% to 1,726,490; cargo, however, declines 1.4% to 65.21 million FTKs.

At year's end, JAT is the 14th largest airline in Europe and 34th in the world, with 90 weekly departures to 32 European cities. Operating revenues reach \$410 million and a \$40-million net profit is posted.

The Yugoslav civil war has a devastating impact on the carrier and airline is cut 21.6% in 1991 to 7,411. Although the two ATR72s are delivered, one DC-10-30 lease lapses. Still, the carrier is able to initiate six new markets: Tehran, Larnaca, Maastricht, Beirut, Trieste, and Tel Aviv. The secession crisis disrupts air service in Yugoslavia after late June.

Flights to the Slovenian capital of Ljubljana are suspended on June 27, two days before the airport is attacked. The airport at Zagreb, capital of Croatia, is closed by fighting on July 2, the first of many times it will be shut down in the years ahead. On July 4, the company suspends services to the two breakaway republics, although flights to other parts of the nation are continued.

As a result of the conflict, the year's passenger boardings plunge 51.8% to 1,846,296 while cargo drops more, falling 54.2% to 57.67 million FTKs. The net loss is \$90 million.

Following the breakup of the federal government of Yugoslavia in 1992, the new state of Serbia, while attempting to retain the previous national identity in company with the republic of Montenegro, obtains 51% majority ownership of the airline while selling off the remaining 49% interest to public and private interests. Nearly all of the airline's assets, valued at some \$960 million, are held by Belgrade, with the nation's five other former republics owning only the infrastructure and equipment at their airports.

In late April, the UN, as a result of the fighting in Croatia and Bosnia-Herzegovina, places sanctions, under Security Council Resolution 757, on trade and air traffic with Yugoslavia. The international embargo invalidates all of JAT's bilateral air agreements.

In early May, the U.S. seizes all JAT assets in the U.S. and orders the company's offices closed. The last flight by the Yugoslav carrier from New York to Belgrade occurs on May 18; on May 20, Washington revokes JAT's landing authority. After these rights are lost, the company attempts to reroute its U.S. and Canadian passengers through Montreal and Toronto, only to find those avenues closed. One by one gateways in Europe also shut down and the airline, on May 30, must suspend all international services.

Now it flies only two domestic routes from Belgrade: to Tirstand and to Podgorica (formerly Titograd). The **Air Djibouti** lease is concluded; however, two B-737-3H9s are chartered to **Bosphorus Airways, S.A.**

Enplanements for the year (mostly in the first quarter) total 4 million and 43,000 tons of cargo are transported.

Director General Zika Petrovic oversees a workforce of 6,100 employees in 1993. Workers report for duty on a rotational basis, with only 40% working at any one time. Only domestic flights on two routes continue during the year. Income for many employees is so insufficient as to require them to take second jobs or worse, to sell smuggled goods on the black market.

The company's pilots take turns flying the services, thereby logging the minimum number of flying hours required to maintain licensure. Fortunate to have a two-year stockpile of spare parts, company mechanics are able to draw on this hoard in order to keep five airliners operational.

Several efforts are made to find work for company pilots overseas, but all are rejected. The ploy, begun in January with an offer to **Indian Airlines Corporation** to provide flyers during that carrier's strike, is roundly rejected by all concerned as a violation of UN sanctions against Yugoslavia.

The company realizes a total of just \$1.7 million in operating revenues or 0.4% of 1990's income.

The sanctions continue through the first three quarters of 1994. On October 5, the UN embargo is lifted and in celebration the company introduces a new corporate image with "Yugoslav Airlines" titles now a part of its aircraft color scheme.

The company does not have sufficient fuel on hand to begin sustained operations. To get its international services restarted, it is necessary to employ the DC-10-30 *City of Belgrade* as a tanker, continuously flying it back and forth over the short distance from Belgrade to Thessaloniki and Timisoara to fill its tanks. With the UN fuel embargo still in place, the company is charged upwards of \$200 per ton of kerosene.

The first limited international schedule, from Belgrade to Athens and Moscow, is started by the wide-body on October 6.

The number of frequencies grow throughout 1995 and of these, the most important is a return to London (LHR). Following the first service, a team of London-based mechanics is asked to inspect the company's aircraft; finding it to be in order, the airline is given an important bill of health, which assists it in seeking permission to fly elsewhere or to align with additional European operators. The cost of a required \$7-million D check for the *City of Belgrade* in Italy is paid for by donations from state-owned companies as well as the Belgrade government.

In November, the UN withdraws all of its previous sanctions against Yugoslavia. Efforts are made to have the U.S. sanctions removed so that flights to New York (JFK) might resume. Plans are made to resume operations to Canada and Australia, although JAT continues to owe the governments involved for landing and service fees C\$450,000 and A\$1.5 million, respectively. The U.S. is owed \$800,000.

By year's end, a total of 563,300 passengers have been transported and 710,000 FTKs operated.

On February 15, 1996, President Clinton lifts the sanctions placed upon the carrier by the U.S. four years earlier; two days later, airline officials announce that they will resume services to New York and add new services to Chicago.

By May, JAT is operating to all 32 of its 1990 destinations, although with fewer frequencies. During the month, it also initiates a process of renewing transport communications with former Yugoslav republics by introducing a return flight between Belgrade and Skopje.

Employing the carrier's lone owned DC-10-30 repainted in its striking new livery, JAT launches frequencies in July from Belgrade to New York (JFK) and Chicago (ORD).

In September, a commission of aviation experts sent to Belgrade by the U.S. FAA acknowledges that the airline meets all international safety standards. In October, a DC-9-32 is chartered to **Tuninter, S.A.**

Enplanements for the year total 838,990.

Airline employment stands at 6,000 in 1997. Two more DC-9-32s are leased out, both to **Macedonian Airlines**. Destinations visited include Amman, Amsterdam, Athens, Barcelona, Brussels, Bucharest, Copenhagen, Dusseldorf, Frankfurt, Istanbul, Kiev, Larnaca, London, Moscow, Paris, Rome, Stockholm, Stuttgart, Tel Aviv, Vienna, and Zurich.

When Carlos Westendorp, the chief international representative in Bosnia-Herzegovina, reopens the airport at Banja Luka on November 17, it is the only one in the Serbian-controlled area of Bosnia. JAT, which is scheduled to have been the first airline to resume scheduled civilian flights into the airport, must cancel its participation just hours before the reopening for technical reasons. A few days later, JAT begins daily roundtrips in and out of the airport.

DC-10-30 service over a single weekly route to Beijing is restarted on December 18.

Passenger boardings accelerate 16.6% to 1,005,983 while cargo skyrockets 100.7% to 4.74 million FTKs.

Airline employment at the beginning of 1998 stands at 5,707. Offices are maintained in 42 foreign cities and in 11 Yugoslav communities. Flights are conducted to 44 destinations in Europe, the Mediterranean, and China.

Flights to Bosnia resume during the spring. At this point, the airline again becomes the subject of international politics. In an effort to pressure an end to repressive Serb actions in the province of Kosovo, the European Union imposes a ban on support of JAT and upon JAT flights into EU member states. The U.K., citing a 1959 agreement requiring 12 months notice, initially refuses to join in the sanctions.

As the situation on the ground in Kosovo worsens during the summer, pressure for a larger ban on JAT activities builds. On September 7, 15 member states of the European Union impose an embargo on all JAT flights into Europe. Britain, citing the need to grant Yugoslavia notice under the bilateral air agreement existing between the two countries, is slow to join and beginning on September 11 is roundly criticized by EU Commission President Jacques Santer and by the foreign ministries of other European states, lead by Germany.

During the third week of September, the U.K. reluctantly waives the 1959 agreement requirements and joins in sanctions against the Yugoslav flag carrier. In addition, the nation now joins France in seeking a worldwide ban against the operations of Yugoslav airlines. Most European airports, including those in the former Eastern bloc, are now closed to JAT, although the BBC will report that both **Austrian Airlines, A.G.** and **Deutsche Lufthansa, A.G.** are paying the regime in Belgrade in hard currency for the right to take over JAT's trade on certain routes.

Enplanements for the year are down 6.5% to 940,000, but cargo traffic accelerates 112.7% to 5.34 million FTKs. Airline employment is now reduced by 11.9% to 5,640.

When the Bosnian Serb airline **Air Srpska** is established on January 22, 1999, it receives assistance from JAT as well as the Airports of Republic Srpska. The new entrant leases from JAT one each B-737-2H9A and ATR72 and inaugurates scheduled services on January 29 to Tivat, Zurich, and St. Gallen.

During the first quarter, the carrier leases a pair of DC-9-32s to the Nigerian company **Bellview Airlines, Ltd.** Upon their arrival in Africa, the two inaugurate Lagos Express services. Meanwhile, JAT continues to offer local and non-EU charters on an ad hoc basis.

On March 24, in anticipation of NATO air strikes against Serbian military targets in a campaign against Belgrade for an independent Kosovo, Europe's major airlines and several regionals halt all scheduled service into Belgrade as Yugoslavia's airspace is closed. Spokesman, in making the announcement, indicate that the situation will be evaluated further; however, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins that evening.

Service to Belgrade remains halted on March 25–May 25 and into June for the duration of the NATO bombing campaign. During this period, seven JAT airliners, including the DC-10-30, are allowed to find shelter at Kiev, Odessa, and Simferopol. At a news conference on May 3, Ukraine Foreign Minister Boris Tarasyuk had indicated that the Ukraine would continue to provide sanctuary for the aircraft and that the state aviation administration Ukravitsiya would negotiate with JAT officials concerning their possible short-term lease.

Company officials inform the media on June 12 that the carrier plans to resume both domestic and international services as soon as it is al-

lowed to again begin flying. Initial destinations to be served should include Tivat, Banja Luka, Larnaca, Tunis, Prague, Moscow, and Zurich.

JAT remains grounded under the national state of emergency until June 25, at which point it is allowed to resume limited charter work and domestic and regional scheduled service. The first service is flown from Belgrade to Moscow exactly three months and a day after the company had suspended operations. On July 5, Yugoslavia's ambassador to Russia, Borislav Milosevic, will candidly inform a news conference that the reason for the first international flight being made to Moscow was political, to show the significance of relations between the Union Republic of Yugoslavia and Russia.

Flights to Larnaca resume on June 29, with those to Prague and Tunis beginning on July 1 and 8, respectively.

On August 30, weekly roundtrips are inaugurated between Belgrade and Tripoli.

Airline employment totals 5,640 at the beginning of 2000. The fleet's largest components are groups of 9 B-737-3H9s, 8 B-727-2H9As, and 9 DC-9-32s. Restrictions on the airline's scheduled international service are suspended in late February (for six-monthly renewable periods) and the carrier is able to resume domestic services on March 1. The renewal of traffic into Serbia will allow the Milosevic regime to earn valuable income from landing fees and other charges to foreign airlines and passengers.

On April 6, service is resumed from Belgrade to Amsterdam, Brussels, and Prague; flights to Malmoe are started on April 7. CEO Zivorad Petrovic is assassinated on April 25 while walking his dog outside of his Belgrade home. Petrovic is the fourth colleague of President Milosevic to be murdered in 2000.

At the end of June, a B-727-2H9A is leased to the new Enugu, Nigeria-based start-up carrier **Sosoliso Airlines, Ltd.**

Following the concession of electoral defeat on October 6, President Slobodan Milosevic's son Marko, together with his wife and son, flee to Moscow the next day aboard JAT's regularly scheduled service from Belgrade. The Beta news agency reports that the young man has an extensive business empire stretching out of the family hometown of Pozarevac. Also on October 7, authorities of the new Yugoslav government attempt to keep JAT's regularly scheduled DC-10-30 service from departing Belgrade for Beijing. They claim that the former president is attempting to ship an unspecified amount of the state's gold out of the country and that its supports have already prevented some £15 million in national treasure from leaving the country.

Neither the claims nor the airline actions can be independently confirmed. However, the remaining international restrictions against the carrier are lifted within days after the removal of the Milosevic government.

A B-727-2H9A is wet-leased to **Nigeria Airways, Ltd.** on November 13. Limited cooperation agreements are signed with **Air Bosna, S.A.** and **Air Srpska, S.A.** on November 27. The arrangement is initially aimed at the implementation of joint cost-cutting measures, but envisions the opening up of abandoned routes within Yugoslavia and the Balkans. At the end of the month, JAT Director General Mihajlo Vujinovic issues an invitation for representatives from airlines throughout the Balkans to meet at Belgrade to discuss widening their mutual cooperation.

Hosted by JAT Yugoslav CEO Vujinovic, a "meeting of the scheduled airlines of Southeast Europe" is held at Belgrade in mid-December to consider possible joint cooperation. Attending are representatives of **MALEV Hungarian Airlines**, **Croatia Airlines**, **Air Bosna, S.A.**, **Air Srpska, S.A.**, **Monenegro Airlines**, **Macedonian Airlines**, and **Adria Airways (Adria Aviopromet)** (2). Due to an unplanned management change, **TAROM Romanian Air Transport (Transporturile Aeriene Romane, S.A.)** is unable to participate, but expresses interest in joint activities.

Of the eight airlines participating in the conclave, six express interest in joint commercial operations, four in joint technical and maintenance activities, and five in joint training exercises. To study and discuss

matters further, three working committees are established: commercial, chaired by a representative from **Adria Airways (Adria Aviopromet)** (2), technical, chaired by a MALEV representative, and training, chaired by a representative from JAT.

At the end of December, orders are placed for eight Airbus A319s and a second B-727-2H9A is leased to **Sosoliso Airlines, Ltd.**

JATAYU AIR (JATAYU GELANG SEJAHTERA): **Jl. Slamet Riyadi Raya No. 4, Matraman, Jakarta, 13150, Indonesia; Phone (021) 85904657; Fax (021) 85904656; <http://www.jatayu-air.com>; Year Founded 1998.** Jatayu Air is established at Jakarta in 1998 to offer public charter flights to many of the nation's islands. H. Nasiran Wangi is president/commissioner, with Capt. Alexander Lumowa as managing director. Revenue flights begin with a single Fokker F.28 Fellowship.

JAY HAWK AIR: 1842 Merrill Field Dr., Anchorage, Alaska 99501, United States; Phone 907 276-4404; Fax 907 276-0883; Year Founded 1983. Jay Hawk is established at Anchorage in 1983 to offer lightplane air taxi, charter, and freight services to the surrounding area. In 2000, President Tim Karlovich operates a fleet that includes 3 Cessna 206 Stationaires and 1 Piper PA-31-310 Navajo.

JAYLINE, LTD.: United Kingdom (1990–1994). Established at Cardiff in 1990, Jayline does not inaugurate service until January 25, 1993. At that point, Managing Director Jan Schonburg's single Embraer EMB-110 Bandeirante begins scheduled revenue flights from the Welsh capital to Manchester. Operations continue into 1994.

JAYROW HELICOPTERS (PTY.), LTD.: Hangar 59, Bundoora Parade, Moorabbin Airport, Mentone, Victoria, 3194, Australia; Phone 61 3 587-1833; Fax 61 3 580-1236; Year Founded 1965. Jayrow is established at Mentone in 1965 to provide helicopter work services, including passenger and cargo charter, energy support, medevac, and other rotary-wing activities. By 2000, General Manager Lindsay Rose oversees the work of 21 full-time pilots and a large fleet that includes 5 Aerospatiale AS-350B A-Stars, 2 Bell 206L LongRangers, and 22 Bell 206B JetRangers.

JEFFERSON AIR SERVICE: United States (1928). Established at Minneapolis in mid-1928, Jefferson is equipped with the single Ford Tri-Motor, 4-AT-25. Scheduled passenger services are inaugurated to Rochester, but, without traffic, do not last out the year.

JEN AIR: United States (1970–1983). Joseph Flever founds JA at Barrow, Alaska, in 1970 to provide scheduled passenger, cargo, and mail services to the bush communities of Alkasook, Point Lay, Wainwright, Nuiqsut, Barter Islands, and Point Hope. Operations are undertaken with a fleet that comes to comprise 1 Piper PA-31-350 Navajo Chieftain, 1 Cessna 207, 1 Cessna 185, and 1 Cessna 210.

Unable to weather the recession of the early 1980s, the carrier folds in 1983.

JERDON AIR COMMUTER SERVICE: United States (1980–1982). Organized at Ardmore, Oklahoma, in 1980, Donald Ratliff's JACS inaugurates scheduled third-level passenger flights to Sherman and Oklahoma City, plus Dallas (DFW). Operations continue apace during the remainder of the year and in 1981 with two Piper PA-31-310 Navajos; however, the carrier is unable to survive the recession and stops flying in December 1982.

JERSEY AIRLINES, LTD.: United Kingdom (1948–1963). Welshman Maldwyn Thomas forms JA at Jersey Airport in the spring of 1948. Employing leased aircraft, the company undertakes several successful day trips to France during the summer. With business profitable, Thomas seeks to register his company as an airline. With the **Channel Islands**

Airways, Ltd. merger partner **Jersey Airways, Ltd.** holding a similar name, it is decided to keep Jersey Airlines, Ltd. as marketing title for Airlines (Jersey), Ltd., which is registered on December 31.

A de Havilland DH 89A is leased from **International Airways, Ltd.** and is employed to launch initial revenue service on March 9, 1949, a Jersey–St. Brieuc passenger charter. This Dragon Rapide is returned on April 18, but replaced by two other rented units. The company's first owned DH 89A is delivered on May 3; the three Dragon Rapides spend the summer flying vacationers and other tourists to France.

Enplanements for the year total 5,500.

Two more Dragon Rapides are purchased in February 1950 to replace the two returned to **International Airways, Ltd.** However, another is leased in May, followed by a fourth owned aircraft in August. The charter business is expanded during the summer, at the end of which, the rented DH 89A is returned.

Two more Dragon Rapides are purchased in 1951 and three-times-daily-on-Saturday scheduled services are introduced Jersey and Guernsey–Southampton.

Jersey–Exeter and Plymouth scheduled DH 89A service is inaugurated on April 7, 1952 and during the summer, additional charter destinations from Jersey are first flown: Manchester, London (LGW), Paris (LBG), Coventry, Dinard, Lessay, St. Malo, and Lannion. Airline employment is now 53 and orders are placed for 2 new DH 114s.

The first Heron 1B is delivered on May 1, 1953; christened *Duchess of Jersey*, it becomes the first of its type to enter service with a British airline when it commences scheduled operations over the Jersey–London (LGW) route on May 9.

While the Heron remains on this route, the Dragon Rapides, as the result of **British European Airways Corporation (BEA)** associate agreements signed in the spring, are given the additional scheduled routes. Included are Exeter–Paris via Jersey, Manchester–La Baule via Coventry, Bournemouth, Jersey, Dinnard, and Rennes, London (LGW)–Brest via Jersey and St. Brieuc, and Jersey–Exeter via Manchester, Coventry, and Weston-super-Mare.

Bookings for the year climb to 41,000.

In April and July 1954, respectively, two more Heron 1Bs, the *Duchess of Guernsey* and the *Duchess of Alderney*, join the fleet.

Passenger boardings figures for the year advance to 60,000 and the workforce is increased to 135.

A Heron 1B nonstop proving flight is undertaken Manchester–Dinard on January 30, 1955 and results in the start of a scheduled service over this route in June. Meanwhile, in March, the Paris terminus is transferred to Orley and on May 11 Heron flights are initiated Jersey–Bilbao. Two more Heron 1Bs, the *Duchess of Paris* and the *Duchess of Sark*, are delivered in June and August, while four Dragon Rapides are sold.

Passenger traffic for the year jumps to 76,000.

British European Airways Corporation (BEA) obtains a 25% interest in February 1956 and a new operating arrangement between the state carrier and the independent comes into effect on March 31. On April 22, the latter takes over the corporation's scheduled services to and from Alderney as well as those from Guernsey to Southampton, Dinard, and Alderney, dropping its own Jersey–Southampton route. **British European Airways Corporation (BEA)** provides JA with two Heron 2s, the *Duchess of Brittany* and the *Duchess of Normandy*, in May and in early summer a new scheduled Jersey–Nantes frequency is advertised.

By year's end, a record 132,480 bookings have been recorded and the staff is increased to 250.

In January 1957, a Bristol 170 Mk. 31E Freighter is purchased from **Aer Lingus Irish Airlines, Ltd.** and employed, beginning in the summer, to provide "Baronet Class" vehicle ferry service Jersey–Dinard. Three Dragon Rapides are sold during the spring, but otherwise, business operations remain the same as in 1956.

On April 1, 1958, company officials and pilots witness a demonstration of a Handley Page Herald powered by Rolls Royce Dart engines. The carrier's first Heron 1B, *Duchess of Jersey*, is destroyed as the result of a landing accident on Guernsey on August 15. When financially

troubled **Cambrian Airways, Ltd.** suspends flight activities at the end of the summer season, JA takes over its daily scheduled Jersey–Manchester via Bristol and Cardiff route under charter. Simultaneously, the unprofitable Dinard vehicle ferry service is dropped.

Reorganized, **Cambrian Airways, Ltd.** reclaims its Jersey–Cardiff route on March 21, 1959. At about this same time, a fleet of Douglas DC-3s is purchased from **Transair International, Ltd.** These join the Bristol Freighter, now outfitted with passenger seats, on the heavy traffic routes from Jersey to England; however, the Bristol is sold in July. When **British European Airways Corporation (BEA)** withdraws its Southampton–Jersey route, the company resumes it after a three-year absence. Jersey to Nice direct flights begin in September.

In April and May 1960, three more DC-3s are delivered and in the spring the Exeter route is extended on to Dublin. At this point, the company is reorganized, becoming a subsidiary of a new holding company, Jersey Airlines Development Corporation. In September, a £1.5-million order is placed for four Dart Heralds.

In March and April 1961, the Heron 2s are sold, being replaced in June by a pair of DC-3s. With a delay in production holding back delivery time, Handley Page leases the HPR-7 Dart Herald 100 prototype to JA, delivering it on April 17. After several demonstration and proving flights, it is placed in service Jersey–Hurn on May 16. On June 18, the carrier, the first in the world to fly the Dart Herald commercially, uses the prototype to reopen Jersey and Guernsey–Southampton service over the route reclaimed from **British European Airways Corporation (BEA)** in 1960.

In need of additional capacity, JA begins flying a Vickers Viscount 754 chartered from **Middle East Airlines, S.A.L. (1)** on July 1. It will serve a one-month lease while a second leased Dart Herald 100 is delivered and worked up and it enters service on July 28 on the Jersey–London (LGW) route. The Heralds and Herons maintain both scheduled and summer services, the former opening weekly direct Jersey–Amsterdam flights. Lost in the fanfare of the return of the Herald 100 to Bristol in October is the sale that month of the company's last Dragon Rapide. The second Herald is returned to its builder in December.

The first production model Dart Herald 201 is delivered on January 5, 1962, with three more acquired during the second quarter. Air Holdings, Ltd. purchases the carrier on May 20, allowing it to continue operating under its previous identity. On June 2, Jersey–Glasgow (Renfrew) scheduled service is inaugurated. Other new scheduled routes initiated during the summer include Jersey to Belfast via Exeter and Exeter to Cork. During the winter, the carrier's Heralds begin inclusive-tour flights, the first by this aircraft type, for Lord Brothers travel agents to the Mediterranean.

British United (Channel Islands) Airways, Ltd. is formed on November 1 and on August 1, 1963, JA, following receipt of two additional Herald 201s in May and June, is totally absorbed into that new entity.

JERSEY AIRWAYS, LTD.: United Kingdom (1933–1945). Capitalized at £120,000, Jersey is formed on December 9, 1933 by W. L. Thurgood, owner of the People's Omnibus Company. The first aircraft, a DH 84 christened *The St. Aubin's Bay*, is received on December 15. However, it is a Dragon leased from Brian Lewis, Ltd. that opens daily Portsmouth–Jersey service on December 18, the carrier's own craft arriving on the island later in the day. (The beach at St. Aubin's Bay, near St. Helier, serves as the airfield.)

Passenger bookings reach 643.

Daily Jersey–London (Heston) DH 84 service is launched on January 28, 1934. The Jersey–Portsmouth route is extended to Southampton on March 18. On June 4, twice-weekly Jersey–Paris Dragon frequency is undertaken; the route will be withdrawn on September 27 due to a Colorado Beetle scare. On December 1, Whitehall Securities takes an interest in the airline, assigning its shareholding to the financial firm's new nonflying holding company **Channel Island Airways, Ltd.**

The year's enplanements swell to 19,221.

JA starts twice-weekly DH 84 service to Rennes on January 8, 1935. A new DH 86, christened *The Giffard Bay*, is placed in service London (Heston)–Jersey–London (Heston) on February 7, followed shortly by a second service. Financial difficulties become significant and the Southampton extension from Portsmouth is withdrawn on February 28 and the Rennes frequencies are halted on March 29.

Whitehall Securities takes majority shareholding in the carrier and the two, on April 4, found **United Airways, Ltd.**, which is initially capitalized at £50,000. On April 30, the company's two DH 86s accompany United's DH 89A in formation as it begins twice-daily London (Heston)–Blackpool service.

A total of 31,229 passengers are transported on the year in the company's fleet of 2 DH 86s and 8 DH 84s.

JA opens twice-weekly Jersey–Plymouth DH 84/DH 89A summer service on April 3, 1936. The previous Southampton–Jersey service is upgraded on April 5 by the addition of an on-demand stop at Alderney.

Passenger traffic climbs to 32,411.

On April 12, 1937, newspapers become cargo for the first time on the company's Southampton–Jersey route. Jersey–Brighton and Jersey–Exeter flights begin on May 31, the latter replacing the Plymouth route of the previous year. On June 1, mail is initially flown on the Jersey–Southampton route.

As of February 28, 1938, an on-demand stop is made at Portsmouth; the destination becomes regular on May 28. On August 9, a pooled service with **Air France** is launched between Jersey and Dinard, with each company flying the route twice weekly. In accordance with the Air Navigation Order of September 16, the new Air Transport Licensing Board (ATLB) issues the company route certification on October 21 to Jersey from Southampton and London (Heston).

Boardings advance to 33,875.

On May 27, 1939, both JA and **Guernsey Airways, Ltd.** open DH 86 services from Guernsey to Exeter and Brighton. The prototype of the de Havilland DH 95 Flamingo is accepted for testing on July 3. On July 31, founder W. L. Thurgood sells his interest to Whitehall Securities' non-flying holding company **Channel Island Airways, Ltd.**, which now becomes half owner along with Great Western Railway (25%) and Southern Railway (25%).

Services are suspended on June 30, at which point 6,553 passengers have been flown since May. By September, the DH 95 has transported 1,373 passengers over 25,915 miles. On September 3, war is declared on Germany and all civil flying ceases. Working in close association with **Guernsey Airways, Ltd.** as the result of increased railroad investment, limited interisland services are resumed on October 24 as well as flights from Shoreham to Jersey and Guernsey.

As with **Guernsey Airways, Ltd.**, the company is not required to become a member of the British wartime internal route and service coordinating body, **Associated Airways Joint Committee**, formed on May 5, 1940. The seriousness of the war situation forces the suspension of all Channel Islands operations; Company aircraft are transferred to Exeter on June 15 and, flying from there, assist Guernsey in the evacuation of 319 people from the islands to Britain.

In March 1943, the Great Western Railway and Southern Railway take majority shareholding in Channel Islands Airways, naming K. W. C. Grand chairman; the holding company now controls both Jersey Airways, Ltd. and **Guernsey Airways, Ltd.**

Officials of the two carriers fly to the islands on May 26, 1945 aboard a de Havilland DH 89A leased from **Railway Air Services, Ltd.** to plan the resumption of services. Another Dragon Rapide is received on loan from RAS and on June 21 are employed to resume London (Croydon)–Jersey and Guernsey service. The two RAS machines are replaced by purchased units delivered on July 7 and 12, respectively. JA and **Guernsey Airways, Ltd.** begin early morning cargo and newspaper services from London (Croydon) to their namesake islands on July 16, following this two days later with the reintroduction of local weekday interisland services. On September 1, the two airlines are merged by

their railroad owners into a single carrier, which is given the name of the holding company, **Channel Islands Airways, Ltd.**

JERSEY EUROPEAN AIRWAYS, LTD.: United Kingdom (1979–2000). **Express Air Services, Ltd.** is formed at Bournemouth–Hurn Airport in 1978 to offer passenger and cargo charter flights, contract cargo operations, and aircraft leasing. The initial fleet comprises 2 Handley Page HPR 7 Dart Herald.

The third-level carrier Jersey European Airways, Ltd. is formed on November 1, 1979, to take over the assets and activities, as well as the routes, of bankrupt Jersey-based **Intra Airways, Ltd.** Simultaneously, Intra is merged with **Express Air Services, Ltd.**

The new company, wholly owned by St. Aubins Finance Company Holdings, Ltd., appoints J. D. Habin chairman, with C. G. Rabbitts as general manager. A workforce of 70 is recruited and a fleet is assembled comprising 3 de Havilland Canada DHC-6 Twin Otters and 2 Embraer EMB-110 Bandeirantes.

Destinations visited in 1980 from Guernsey and Jersey include London (STN), Shoreham, Dinard, St. Brieuc, Paris (CDG), Brussels, and Lille.

On October 14, the company joins the Royal Mail program known as “Spokes from Speke,” flying a Twin Otter each night from Southend to the sorting hub at Liverpool and back to Southend for distribution.

The fleet is altered late in the year to include 3 Britten-Norman BN-2 Islanders in place of 2 of the 3 Twin Otters. Enplanements for the first complete year total 35,000.

By 1981, passenger boardings are 65,000. In March 1982, service is started Liverpool–Dublin and Liverpool–Waterford and Cork.

Enplanements drop to 61,000 on the year in the wake of poor summer traffic and increasing financial difficulties.

The \$3-million-plus debt-ridden carrier is purchased in November 1983 by Blackburn-based C. Walker and Sons, Ltd. (later Walker Steel Group). Activities of Walker’s small commuter, **Spacegrand Aviation, Ltd.**, begun by Jack Walker in 1978 as a corporate air taxi with a Piper PA-23 Aztec, are coordinated with JEAL in 1984 and Peter Glenister is appointed managing director by the Walker Aviation Group. Exeter is chosen as the coordinated airlines’ main base, as well as headquarters for the leasing and engineering departments of Walker Aviation Group. Following a CAA grant of scheduled routes, Spacegrand begins to provide scheduled services from Belfast to Exeter while JEAL flies to Exeter from Jersey.

Post Office overnight airmail service is launched from Exeter in 1985. Productivity and route rationalization campaigns are continued. The subsidiaries Guide Leasing, Skybreak Tours, and JEAL Engineering are formed. In August, a deal is signed with the French carrier **UTA French Airlines, S.A.** to facilitate transfers and ticketing through the Charles De Gaulle International Airport at Paris.

Enplanements total 150,000.

The employee population in 1986 is 140. The fleet is altered as a Shorts 360 is delivered. In addition to the Shorts 360 and Twin Otters, Managing Director Glenister’s fleet now also possesses 4 Bandeirantes and 3 Shorts 330s.

Spacegrand and JEAL are finally amalgamated within the Walker Aviation Group and the Jersey–Exeter–Belfast networks of the two former independents are integrated on the route map. The JEAL name survives and a new aircraft livery is adopted to provide a uniform appearance over the whole network.

Also during the spring, the carrier withdraws its application for routes out of the new London City STOLport after its five DHC-6 Twin Otters are proclaimed unacceptable for service at the then-unfinished facility. Meanwhile, Exeter–Dublin services are inaugurated.

Teesside joins the route network in 1987. A new sales office is opened at States Airport, St. Peter, Jersey.

Enplanements are 98,000 and revenues total £5.5 million.

Three Twin Otters are replaced in 1988 by three more Shorts 360s. Enplanements total 115,000.

Services are started to Bournemouth in 1989 and the fleet is strengthened by the purchase of two Fokker F.27-500s from Australian-based **Eastwest Airlines (Pty.), Ltd.** and the lease of three British Aerospace (HS) 748s. F.27 service is now begun to Jersey and Guernsey from Southampton and a massive advertising campaign is undertaken.

Passenger bookings jump to 263,000.

David McCullough becomes managing director in 1990 and he inherits a workforce of 150. McCullough now removes all of the Shorts 330s and Twin Otters, replacing them with four more Australian F.27-500s.

Following Iraq’s August 2 invasion of Kuwait, it becomes necessary to increase fares 13%–15% just to cover increased fuel bills.

In October, a new appearance is presented, complete with new uniforms for personnel. All aircraft are painted in the company’s new corporate livery, largely applied under the eager eyes of Chairman Jack Walker, who has retired from the chairmanship of his steel conglomerate to devote his energies to the airline.

Passenger boardings skyrocket 75% to 460,000 and revenues reach £26 million (\$49.4 million).

Company employment is increased by 33.3% in 1991 to 200 as 1 F.27-500 and 1 Shorts 360 are withdrawn. **Birmingham European Airways, Ltd.** founder Trefor Jones is appointed Group managing director in January. Destinations now visited include Belfast, Birmingham, Blackpool, Bournemouth, Bristol, Dinard, Exeter, Guernsey, Isle of Man, Jersey, Leeds/Bradford, London (LGW), Manchester, Paris, Southampton, and Teeside. Two two-year Post Office night mail contracts are received for routes from Glasgow to East Midlands and Edinburgh to Manchester and the last two remaining chartered BAe 748s operate them.

Customer bookings ascend 24% to 605,385.

The workforce is boosted by 90% in 1992 to 380. During the year, **Air Europe Express, Ltd.** and **Dan Air/Dan Air Services, Ltd.** withdraw from their respective routes from London (LGW) to the Channel Islands and to Belfast. JEAL quickly acquires the rights and begins Shorts 360-300 flights to Guernsey within three days. The company also starts to significantly strengthen its fleet by ordering two British Aerospace BAe 146-200s and a 146-300.

In October, the “Spokes from Speke” program is changed into Royal Mail Skynet.

Passenger boardings fall 2.1% to 580,818.

In 1993, new Managing Director Barry Perrott oversees a workforce of 380 and a fleet that includes 4 each Fokker F.27-500s, F.27-500Fs, 5 Shorts 360s, and 1 Bandeirante. The first BAe 146-200 arrives in March and begins flying from London (LGW) to Belfast; two more follow in April. A fourth BAe 146-200 is delivered in late May and in June inaugurates jet service from Belfast to Birmingham.

Scheduled departures total 30,651 this year, customer bookings rise 13.8% to 776,610, and the year’s net loss is \$5.92 million.

For the second straight year, in 1994, JEAL is awarded the “Best U.K. Regional Airline” trophy at the Northern Ireland Travel and Tourism awards ceremony. Business-class services are also introduced. Although the number of scheduled departures drops to 25,473, passenger boardings increase by 29% to 847,462. Consequently, a net gain of \$2.88 million is reported.

There is no change in the workforce in 1995. The jet fleet is, however, increased by three additional BAe 146-200s. A new corporate business image is projected and new uniforms are introduced designed to fit in with JEAL’s new corporate business image.

The company enters into a code-sharing, blocked-seat agreement with **Air U.K., Ltd.** and during the summer employs its BAes in support of its new partner over a route from Belfast to Amsterdam. When it is determined that the joint service will have no long-term benefit, it is suspended and the partnership is ended.

Enplanements, through October, total 982,529 and operating income reaches \$115.4 million. There are profits: \$1.6 million (operating) and \$4.7 million (net).

Airline employment is increased by 20.5% in 1996 to 458 and the owned fleet now includes 3 Shorts 360-300s, 1 F.27-500F, and 6

F.27-500s, 2 of which are leased to **Channel Express Air Services, Ltd.** Also operated, under charter, are 1 BAe 146-100, 3 146-200s, and 2 146-300s.

In March, London (LGW) to Guernsey service is upgraded when the F.27s previously employed are replaced with BAe 146s. The number of daily flights to Birmingham via Jersey is now doubled. During October, the company becomes the first U.K.-based carrier to become an **Air France** franchise partner. Two more BAe 146-100s, painted in "Air France Express" colors, are delivered and are employed to operate thrice-daily "Air France Express" roundtrip routes from Toulouse to London (LHR). It also takes over the Air France service from Lyon to London (LHR), which is upgraded to thrice daily at the end of the year with a fourth BAe 146, a Dash-300, which like the others, has been leased from BAe Asset Management: Jets.

Customer bookings this year reach 1,267,476 and a £2.5-million pre-tax profit is recorded.

The employee population increases 72.7% in 1997 to 791. Markets visited from Belfast and Jersey include Birmingham, Blackpool, Bristol, Derry, Exeter, Glasgow, Guernsey, Isle of Man, Leeds/Bradford, London (LGW and STN), Manchester, and Paris.

In March, the carrier increases frequencies on its core routes from London (LGW) to Belfast (City Airport) and from London (STN) to Belfast International Airport. At the same time, new BAe 146-100 "Air France Express" routes are inaugurated from Birmingham to Glasgow and to Paris (CDG).

Passenger boardings soar 33.7% to 1,694,074 while cargo skyrockets 157.4% to 1.07 million FTKs.

The fleet at the beginning of 1998 includes 3 each BAe 146-100s and Shorts 360s, 7 BAe 146-200s, 5 Fokker F.27s, and 2 BAe 146-300s.

Weekly service is inaugurated on May 2 between London (CTN) and Jersey. As of May 18, all of JEAL's services from the Channel Islands to Birmingham and Glasgow are operated with BAe 146s, which have replaced F.27s.

Arrangements are made to take over five former **Thai Airways International, Ltd. (THAI)** BAe 146-300s that had previously been designated for delivery to **Debonair Airways, Ltd.** All are on hand by the end of June, bringing the number of BAe 146s in the JEAL fleet to 17.

Employing the new aircraft, JEAL inaugurates thrice-daily roundtrips from London (CTN) to both Jersey and Guernsey on June 29.

Flights continue apace during the remainder of the year.

Customer bookings jump 17.3% to 2.06 million and revenues reach £135 million.

On February 13, 1999, **KLM U.K., Ltd.**, apparently without much warning to tour operators, withdraws service to Guernsey from Amsterdam, Southampton, and London (LGW). Upwards of 3,000 vacationers and others are to be left without transport after March 28 and despite its new marketing campaign, the carrier gives itself a black eye with travel agents.

JEAL, the other scheduled carrier into Guernsey, meets with Transport Board officials on February 17 and agrees to do what it can to provide additional lift, particularly over the Easter holidays. Managing Director Ian Taylor agrees to purchase new aircraft after the Transport Board assures him that he will have no competition on the route from Southampton to Guernsey for at least a year.

In March, JEAL adds three new "Air France Express" services from Glasgow and Edinburgh to Paris (CDG). Those from Glasgow are operated with BAe 146-300s while that from Edinburgh is flown with a wet-leased **Air France** B-737-228A.

On March 15, a £150-million (\$250-million) order is confirmed with Bombardier Aerospace of Canada for 15 new DHC-8 turboprops and Canadair CRJ-200 Regional Jets, delivery of which will begin in October and continue through early 2001. It is anticipated that the upgrade will result in over 200 new jobs at the company's Exeter base.

On March 19, **Aurigny Air Services, Ltd.** is granted route authority to serve the Channel island of Guernsey from London (STN). The decision comes as a major surprise to Jersey European, which had itself ap-

plied for the route and had recently committed larger aircraft and additional services to Guernsey following the sudden withdrawal of **KLM U.K., Ltd.** Officials at the government agency indicate AAS is chosen in order to guarantee competition.

At the end of the month, two BAe ATPs are wet-leased from **British World Airlines, Ltd.** and allows JEAL to increase capacity on its route from Southampton to Guernsey.

Correspondent Nick Mollet reports in the April 15 issue of the *Guernsey Press* that JEAL will not appeal to the Royal Commission against the decision to grant **Aurigny Air Services, Ltd.** a conditional license to operate from the island to London (STN). Aurigny Managing Director Andrew Round tells Mollet that his company will take on up to 20 additional workers. He also announces that, from the end of the month, Aurigny will operate two SAAB 340s, one dedicated to serving a route from Guernsey to London (STN) and the other from the island to Amsterdam.

In preparation for a flotation on the stock exchange, JEAL the next day alters its chevron logo to a more contemporary design; it also alters the logo formats of its several divisions.

A number of managers' secretaries testify before an employment tribunal at Exeter on May 14 claiming sex discrimination. Among them is a former JEA secretary who notes that she was asked to carry out hostess duties at management meetings when the male meeting participants were not. JEA's personnel manager notes that the airline has no male management secretaries and thus none would have been present at any management meetings. Indeed, the *Newcastle Chronicle and Journal* reports that only two secretary applications had been received by the airline in the previous decade.

The last F.27-500 revenue flight is operated on December 6.

Customer bookings climb 8.7% to 2,109,000, as cargo falls 26.8% to 619,000 FTKs.

Airline employment at the beginning of 2000 stands at 1,300, a huge 47.6% increase over the previous 12 months. It is announced at the beginning of February that Rockwell-Collins head-up guidance systems have been ordered for the company's Canadair fleet.

Thrice-weekday and once-Sunday DHC-8 nonstop return service is launched on February 25 from London (LCY) to the Isle of Man. The first two of three Bombardier DHC 8-Q200s are received in March.

It is reported at the end of March that company operations from London City Airport will be expanded and that by fall, JEA will be flying 218 weekly flights from that point. It is simultaneously revealed that beginning in June, the company will operate four-times-a-day DHC-8 return trips from London (LCY) to Leeds and thrice-daily roundtrips to Jersey. In September, daily return flights will be started to Aberdeen.

A new five-year franchise agreement is signed with **Air France** on April 1; under its terms, the regional will commit five BAe 146s on "Air France Express" services. It is simultaneously announced that, beginning in September, the company will boost its service from London (LCY) to Jersey to three daily DHC-8 roundtrips while increasing DHC-8 return service to Leeds to four daily return flights. New daily service will be launched to Aberdeen in September.

A strange equipment exchange occurs on April 3 when **CityJet, Ltd.** dry-leases a BAe 146-200 for six months to JEA while JEA wet-leases a CityJet BAe 146-100 to operate its routes from Dublin to London (LCY).

Company officials now believe that the airline's name does not reflect the size or mission of the carrier. Consequently, JEA changes its name to **British European, Ltd.** on May 8, taking pains to assure the public that it is not taking the moniker once held by BEA, a historic British airline, which is still owned by **British Airways, Ltd. (2).**

JERSEY FERRY AIRLINES, LTD.: United Kingdom (1971-1974). With financial backing from R. Barnett and R. N. Norris of the trucking firm Mainland Market Deliveries, John Fisher forms "JF Airlines" at Portsmouth Airport in January 1971. A Scottish Aviation Twin Pioneer is delivered in February, followed by a second in April. With an ATLB

permit in hand, scheduled service is inaugurated from Portsmouth to Jersey and Guernsey on May 20. A de Havilland DH 114 Heron 1B is briefly acquired for the last month of the summer tourist season, which ends on October 15.

Enplanements since start-up total 7,500.

The Channel Islands services resume in April 1972 and in May a second Heron 1B is purchased; christened *Spirit of Enterprise*, the DH 114 begins revenue operations on May 22. Bookings during the summer climb three times over 1971 boardings. In September, the company is purchased by Portsmouth businessman Reginald P. Slack, who sells the Twin Pioneers in October and places orders with Fair Oaks Aviation Services for Britten-Norman equipment.

The *Spirit of Enterprise* maintains the Channel Islands service during the winter. On February 13, 1973, a BN-2 and a BN-2A are delivered and are placed on the Jersey and Guernsey route in March. On May 8, the Islander opens a service from the Channel Islands to Shoreham, which had been briefly flown in early 1972. On December 31, the Islander lands at Portsmouth Airport from Jersey, at which point, that airport is closed.

Company officials are unable to find a suitable replacement airport and flight operations thus end. The Heron 1B is sold to **Fairflight (Charters), Ltd.** while the Islander and Trislander are disposed of at Blackbushe. The carrier's books are officially closed in June 1974.

JERUSALEM WINGS (KANFEI JERUSALEM), LTD.: P.O. Box 27261, Atarot Airport, Jerusalem, 91271, Israel; Phone 972 (2) 583-1444; Fax 972 (2) 583-1880; <http://www.jerwings.co.il>; Year Founded 1995. Jerusalem Wings is set up at Atarot Airport in 1995 to provide flight-seeing and other passenger charters to scenic and historic points, as well as such regional destinations as Jordan, Cyprus, Greece, Turkey, and Egypt.

Haviv Matzliach is managing director and he begins, and continues, revenue flights with a group of small Cessnas. In addition to passenger service, the company also operates air taxi and aerial photography flights.

JES AIR: Bulgaria (1992–1993). Privately funded JA, with 25% backing from the Jupiter Electronic Systems of Singapore, is established at Sofia in 1992. Two Airbus Industrie aircraft are acquired, one each A310-222 and A310-324, the latter leased from **Air Niugini (Pty.), Ltd.** Scheduled services are inaugurated to New York's John F. Kennedy International Airport, Ottawa, and Singapore. The company also provides charters on behalf of **Vietnam Airlines**.

Unable to achieve economic viability during a time of international airline recession, the carrier goes out of business in 1993.

JET AIR CARGO, A.G. See **JET AVIATION GROUP; METRO CARGO, A.G.**

JET AIRE: United States (1985–1986). This short-lived third-level operator is founded at Albuquerque in the first week of January 1985 to provide scheduled passenger and cargo intrastate flights to Las Cruces, Santa Fe, and Taos. Employing a pair of Handley Page HP 37 Jet-streams, daily or weekday flights are inaugurated on January 16 to Las Cruces.

The route network is extended to Carlsbad and Clovis during the remainder of the year, but financial shortfall forces the new entrant to cease operations on January 14, 1986.

JET AIRWAYS (PTY.), LTD.: SM Center, 1st Floor, Andheri-Kurla Road, Andheri (East), Bombay, 400 059, India; Phone 91 (22) 821-5080; Fax 91 (22) 821-5631; <http://www.jetairways.com>; Code 9W; Year Founded 1992. JAL is founded at Bombay on April 1, 1992 to operate domestic services throughout the subcontinent. The privately owned carrier is a wholly owned subsidiary of Naresh Goyal's Isle of Man-based holding company Tailwinds, Ltd.

With initial capitalization of \$10 million, Goyal becomes chairman with Peter Roberts as CEO and Saroj Datta as executive vice president. A fleet is assembled comprising 4 Boeing 737-33As dry-leased from Ansett Worldwide, Ltd. for three years. An agreement is concluded with SABRE for computerized reservations system services.

Revenue operations begin on May 5, 1993 and link the company's base with Ahmedabad, Bangalore, Baroda, Calicut, Coimbatore, Cochin, Goa, Delhi, Hyderabad, Madras, and Mangalore. During the next 7 months, a total of 438,204 passengers and 1.9 million FTKs will be transported.

The airline becomes an associate member of IATA in July. In August, plans are announced to sell 40% shareholding to **Gulf Air, Ltd.** and **Kuwait Airways Corporation, Ltd.**, with each of the Mideast airlines obtaining 20% interest.

Airline employment is increased by 28.8% in 1994 to 1,561 and during the first quarter JAL operates 13 daily flights to 11 destinations. In May, a B-737-4H6 is leased from **Malaysia Airlines, Ltd. (MAS)** which, under contract, agrees to provide maintenance, technical, and training support.

The frequent flyer program Jet Privilege is launched on July 4. Five new cities join the route network during the year, as David Wookey becomes managing director.

Enplanements for the first full 12 months total 1,067,162 and 6.98 million FTKs are flown.

The workforce grows again in 1995, up 19.8% to 1,860. Another B-737-4H6 arrives from **Malaysia Airlines, Ltd. (MAS)**, along with two B-737-4Y0s chartered from a private leasing concern. The extra capacity will help traffic to dramatically improve as will a new connecting agreement signed in August with **KLM (Royal Dutch Airlines, N.V.)**.

Passenger boardings jump 31.3% to 1,480,724 while cargo rises 61.2% to 11.27 million FTKs.

A total of 83 flights per day are operated in 1996 to 23 destinations. Many of these provide connections not only to **KLM (Royal Dutch Airlines, N.V.)** but to **Kuwait Airways Corporation, Ltd.**; indeed, the arrangement with the latter comes to account for 80% of KAC's feed from the Indian interior.

On August 28, it is announced that a reciprocal frequent flyer program will begin with **British Airways, Ltd. (2)** on November 1.

In December, the carrier becomes the first in Southeast Asia to order the Boeing 737-800 when it places a requisition for six, along with four more B-737-400s. The request is valued at \$486 million and when delivered they will be the first provided to an Indian start-up since the advent of deregulation in 1993. The company's twelfth "Baby Boeing," a Dash 500, is now received.

Enplanements increase 46.8% to 2,172,561 and 15.88 million FTKs are operated, a 40.9% increase. Revenues jump 33% to \$200 million.

Airline employment in 1997 is 1,860. JAL is now the second largest domestic airline in India and a serious threat to **Indian Airlines, Ltd.** Destinations served from hubs at Bombay and Delhi include Baroda, Ahmedabad, Pune, Goa, Mangalore, Calicut, Cochin, Trivandrum, Coimbatore, Chennai, Bangalore, Hyderabad, Aurangabad, Indore, Jaipur, Jammu, Srinagar, Bagdogra, Calcutta, Guwahati, Jorhai.

During January, lease and purchase orders are placed for 10 B-737s, 4 Dash-400s and 6 Dash-800s. Arranged by ANZ Grindlays, this is the first direct deal between a private Indian airline and a manufacturer. A total of 85% of the \$325 million required for acquisition of the first 4 is guaranteed by a loan from the U.S. Export-Import Bank.

Indian Airlines, Ltd., together with the nation's domestic airlines, appeal an earlier ruling by the Indian Foreign Investment Board that foreign airlines might take significant shareholding in domestic carriers. This results in the issuance of a new aviation policy in mid-April from Civil Air Minister C. M. Ibrahim and Prime Minister H. D. Deve Gowda's United Front cabinet. Simply put, the new decision prohibits investments in Indian domestic carriers by foreign airlines, although groups from outside the aviation business may continue to acquire or hold up to 40% of the stakes in domestic carriers. The government

decision halts **Singapore Airlines, Ltd.** plans to join with the Tata Corporation in forming a rival to **Indian Airlines, Ltd.**, the action that had set off initial government concern.

The ripple effect from the cabinet ruling impacts Jet dramatically. Company officials are informed by Minister Ibrahim that **Gulf Air, Ltd.** and **Kuwait Airways Corporation, Ltd.** have six months to divest themselves of their stake. During September and October, Chairman Goyal negotiates a buyout of the shares held by both of his foreign investors.

The first of the four new B-737-400s arrives in October and enters service during the first week of November. By mid-month, JA is operating a total of 118 daily frequencies and transporting a quarter of India's domestic airline traffic. Two more B-737-400s arrive in December.

Customer bookings soar 34.8% to 2,298,796 while freight shoots upward 25% to 19.85 million FTKs.

The fleet at the beginning of 1998 includes 4 B-737-33As, 2 each B-737-4H6s and B-737-4S3s, 3 B-737-4Y0s, and 1 B-737-5Y0. Orders remain outstanding for 4 B-737-700s and 6 B-737-800s.

Destinations visited now include Ahmedabad, Aurangabad, Bagdogra, Bangalore, Bhuj Rajkot, Calcutta, Calicut, Chennai, Cochin, Coimbatore, Delhi, Goa, Guwahati, Hyderabad, Imphal, Indore, Jaipur, Jammu, Jhart, Mangalore, Mumbai, Port Blair, Pune, Srinagar, Trivandrum, and Vadodara.

During the first quarter, a special offshore company is established in the Cayman Islands to handle the financing for purchase of the 10 requested Boeing jetliners. Two B-737-33As are returned to their lessor in April upon completion of their charter term.

Despite the announcement by **Sahara India Airways, Ltd.** that it will deeply discount its fares, Jet, on March 26, indicates that it will not cut costs on key routes. The decision is taken after **Indian Airways, Ltd.** also decides against chopping fares. Indian, instead, will increase frequencies, offering hourly shuttle flights between Delhi and Bombay.

At the beginning of the second quarter, the company completes installation of the automated Codeco Departure Control System in twelve of its station networks.

On May 5 it is announced that during the past five years the company has signed interline agreements with 104 major international carriers that fly in and out of India.

Daily B-737-400 roundtrips commence on May 20 from Calcutta to both Imphal and Guwahati and from Bombay to Bhavnagar. By month's end, the fleet includes 22 aircraft: 16 B-737-400s and 6 B-737-500s.

On December 15, the Civil Aviation Ministry announces that Jet is one of several carriers to have completed installation of airborne collision avoidance systems (ACAS) on their aircraft before a December 31 deadline to do so.

Passenger boardings surge 40% to 4.2 million. Revenues total \$380 million.

Early in January 1999, a B-737-71Q is received and enters service. Three more remain to be delivered. In addition, new CEO Nikos K. Kardassis, a 17-year veteran of **Trans World Airlines (TWA)** and **KLM (Royal Dutch Airlines, N.V.)**, who has been with Jet since August 1994, arranges to lease three Avions de Transport Regional ATR72-202s from **Air Liberte, S.A.** The three turboprops are delivered in February and March.

A fare war is started by **Sahara Airlines, Ltd.** on April 1 over the lucrative Delhi to Bombay route. Sahara offers thrice-daily service compared to **Indian Airline, Ltd.**'s 10 flights, but all are deep-discount, no frills offerings. JAL, which operates eight flights either way between the two cities, is forced to join in.

On April 16 the problems of the nation's airlines take a back seat when the Hindu nationalist government of Prime Minister Vajpayee loses a vote of confidence in Parliament and collapses. Still, *The Times of India* reports in this day's issue that, to compete with Jet and **Sahara Airlines, Ltd.** in the fare war, the contest may be spread as **Indian Airlines, Ltd.** pumps additional capacity onto the routes from Bombay to both Chennai and Bangalore.

On April 28, the carrier signs a multimillion-dollar agreement with SABRE for the licensing of the information technology provider's airport check-in and load control system (ASCI) and its flight operating system (FOS).

Indian Airways, Ltd. refuses to engage in the upgrades of its rivals and continues to push its new shuttle service and to stress "on-time" performance. The May 18 issue of *The Times of India* reports that **Sahara India Airlines, Ltd.** is offering a five-star bed-and-breakfast add-on with tickets purchased for Bombay and Chennai, while Jet, having linked up with ITC hotels, offers domestic passengers a 20% discount on overnight accommodations.

As the result of Indian Air Force raids on "guerrilla" positions in Kashmir that begin on May 25, the capital airport of Srinagar is shut to commercial traffic, forcing JAL to suspend its thrice-daily service.

An order, valued at approximately \$550 million, is placed on June 24 for 10 Next Generation B-737-800s; announced at a joint Paris Air Show news conference with Boeing, the request will be filled beginning in 2001.

CEO Kardassis suddenly resigns "for personal reasons" on July 7 and is succeeded by Executive Vice President Saroj K. Datta.

A marketing agreement is signed with **British Airways, Ltd. (2)** on July 28. Under its terms, the frequent flyer programs of the two carriers are linked, while passengers flying on both airlines are granted through-check-in.

On August 9, Chairman Goyal, in an interview published in *The Times of India*, calls for an end to the fare war on the Delhi-Bombay sector. The airline leader also takes the opportunity to note that his ATR72-202s will, beginning in October, boost company traffic on its trunk routes by bringing in passengers from smaller towns.

Plans are announced on August 23 for the creation of an aviation academy where company staff will be trained, as well as the establishment of an engineering and maintenance unit.

Permission is received on June 23 for the import of five ATR72-520s, which will be leased from the French concern Aircraft International Renting, S.A.

Fares on the twice-daily roundtrip route between Bombay and Ahmedabad are reduced by **Indian Airlines, Ltd.** on August 15. Tariffs are also reduced on the routes from Bombay to Calicut, Mangalore, and Cochin.

On September 1, competing Jet reduces the cost for flying its thrice-daily return service between the two points, heating up a continuing fare war with the state carrier. The next day, the last of three Next Generation B-737-85Rs to be received during the year is delivered.

A group of Indian journalists is given a demonstration flight at Toulouse on September 26 aboard the new ATR72-520 that is about to be turned over to Jet.

The first new ATR42-520 is received on October 4 following a three-day delivery flight from Toulouse, France. On October 15, the new high-winged turboprops, the first of their type in India, inaugurate frequencies to smaller towns and tourist centers in the northern, southern, and western portions of the country.

The second and third ATRs are delivered in November. The new aircraft allow expansion of the carrier's feeder routes to Udaipur, Keshod, Porbandar, Chandigarh, Bhavanagar, Diu, Belgium, Visakhapatnam, and Tirupati, in addition to new daily connections from Bombay, New Delhi, Bangalore, and Hyderabad.

A mistaken command by a controller at the Nagpur ATC center on December 2 nearly causes a midair disaster. While en route from Bangalore to New Delhi, Flight 812, a Jet Airways, Ltd. B-737-33A, is asked to ascend from 26,000 ft. to 35,000 ft. through airspace where Flight 540, an **Indian Airlines, Ltd.** A300B2, is flying from New Delhi to Chennai at 29,000 ft. Fortunately, the TCAS equipment of both aircraft activates and a collision is avoided.

Passenger boardings for the year increase 21.4% to 4,870,000 (32% of the domestic market), while 37.59 million FTKs are operated. Operating revenues surge 18.9% to \$440 million.

Airline employment at the beginning of **2000** stands at 4,230, a huge 83.9% increase over the previous 12 months. The B-737 fleet now includes 4 Next Generation Dash-71Qs, 2 NG Dash-86Ns, 4 NG Dash-85Rs, 2 each Dash-4H6s, Dash-497s, and Dash-48Es, and 4 Dash-45Rs.

Flight 605 for Jammu is cancelled on January 4 after a bomb threat against the carrier is received at Palam; despite a four-hour search, no explosives are found. Fog and a strike by ground staff cause cancellations and delays on January 5–7. Two Next Generation B-737-85Rs are now received, one each on January 21 and February 29.

Former **Trans World Airlines (TWA)** Vice President S. Forte is named the carrier's new CEO in early March.

The last two ATR42-520s arrive in March and April, respectively. New Delhi, Bangalore, and Madras each receive one of the new European turboprops and two others are stationed at Bombay. The company now flies to 40 destinations, compared to 23 just 4 years earlier.

With the introduction of the summer schedule, new daily return service is inaugurated between Bangalore and Goa, with convenient links from the former to Hyderabad and Coimbatore. On April 16, Bombay to Madras daily roundtrips begin, along with similar ATR frequencies from Bangalore to Kochi and Coimbatore and from Hyderabad to Chennai, Vishakapatnam, and Tirupati. The B-737 jetliner return frequencies from Bombay to Hyderabad are boosted from three to five every day while those from Bangalore to Chennai are now offered five times a day. Those from Bombay to Calicut and Jaipur are withdrawn.

After weeks of speculation, Jet issues a statement at the end of August indicating that it will not seek equity holding in the **Air India, Ltd.**, which is being privatized by the government. A Next Generation B-737-85R is delivered on September 2 and a B-737-76N is received on September 29.

Tragedy almost strikes on October 1. While climbing to FL370, the TCAS of Flight 701, an **Indian Airlines, Ltd.** A320 en route from Calcutta to Dibrugarh, sounds a warning that it is near Jet Flight 207, a Next Generation B-737-800 cleared to climb to FL350, the TCAS of which is also screaming. Both pilots take corrective action and avoid meeting head-on in an area over the Bangladesh border.

Also on October 1, the government invites expressions of interest (EOI) in IA from those Indian or nonresident Indian companies willing to purchase a 26% equity stake. It willfully excludes Jet Airways by inserting a clause in the EOI document prohibiting scheduled Indian air transport operators from applying in order "to maintain a competitive environment."

To help cope with rising fuel prices and an increase in landing and navigational charges payable to the Airports Authority of India, fares are increased approximately 10% on October 10. The boost is less than the previously announced 18%–20% primarily because principal competitor **Indian Airlines, Ltd.** has chosen not to revise its fare schedule.

The year's last Next Generation B-737 is a Dash-76N delivered on December 20. On January 29, Jet will be named recipient of the 2000 "Market Development Award" from *Air Transport World* magazine.

JET ALASKA. See ERA AVIATION

JET ALSACE, S.A.: France (1992–1993). This charter carrier is established in its namesake department in **1992** to offer charter and inclusive-tour passenger flights to destinations in both Europe and the Mediterranean. Revenue operations commence with one each leased McDonnell Douglas MD-82 and MD-83.

Having accumulated debts of FFf 24 million (\$4.2 million), but no significant income, the operator, unable to assemble additional financing, goes bankrupt in February **1993**.

JET AMERICA AIRLINES (1): United States (1980–1987). Founded in Long Beach, California, by J. Thomas Talbot in September **1980**, this new entrant must first defeat a coalition of local homeowners intent upon preventing the start-up of what they believe will be extremely noisy services. To win support, the carrier acquires a pair of new Mc-

Donnell Douglas MD-82s and it is these noise-restrained jetliners that commence coach-class operations on November 16, **1981** over Jet America's only route, Long Beach–Chicago (ORD).

With a load factor of 63%, the 2 aircraft ferry 21,339 passengers by December 31. Start-up and other costs bring an anticipated loss of \$3.2 million.

Fire engulfs a jet engine moments before an MD-82 is about to take-off from Long Beach for Chicago on March 10, **1982**; no injuries are reported. The initial service continues to be so successful that a second route—to Dallas (DFW)—is opened by the company's MD-82s, now increased to three, in September.

As is the case for many U.S. air transport companies starting up in the era of deregulation, Jet America's first year is rather shaky.

Although 205,361 passengers are transported, the airline's \$38.2 million in operating expenses exceed the \$29.9 millions of revenue earned, leaving a net loss of \$8.3 million atop an operating loss of \$9.3 million.

In **1983**, St. Louis is added to the route network and four MD-83s are acquired.

Passenger traffic nearly doubles, up 94% to 398,324. Revenues do double, rising to \$60 million, while with expenses under control, an operating profit of \$3.86 million is posted. Thanks to the sale of \$4.6 million worth of tax benefits, the net profit jumps to \$7.97 million.

Oakland becomes the company's fourth destination in **1984**. During the summer, two Boeing 707 Stratoliners are leased and placed into service on various charter routes. The company suffers a number of technical problems with the old planes and they are returned toward year's end.

Passenger boardings rise by 35% to 537,737 and freight skyrockets 188% to 4.2 million FTKs. As the result of heavy competition, Jet America earns no profit, suffering instead a net loss of \$3.7 million. On the plus side, however, its \$90.2 millions in revenues boost it into the CAB category of "National."

In March **1985**, twice-daily service is started linking Oakland with Detroit via Chicago and daily flights connect Long Beach with Detroit, also via Chicago.

An MD-83 with 138 aboard makes a second emergency landing at Chicago (ORD) on April 1 because of a landing gear problem that ground crews apparently failed to correct after a first emergency landing a few hours earlier.

At the end of August, the carrier files a complaint with the DOT charging the New Orleans-based air taxi service Jet America Corporation with deceptive practices in assuming the Jet America name within its corporate restructuring and then not reporting same. The two begin to litigate the name issue in California courts. In mid-September, the Louisiana concern files an affidavit noting that it operates only small aircraft in on-demand service, that there is no actual public confusion over the similarity of names, and that, even though it registered the Jet America moniker first, it is being harassed by the California national.

The 695-employee carrier now also initiates a frequency to Los Angeles (Orange County Airport) late in the year and agrees, in principle, to acquire the Kentucky-based charter company **Best Airlines** and its two DC-9s.

Despite participation in the costly fare-wars, Jet America is able to increase its customer bookings by 43.9% to 774,145 and cargo traffic by 33.5% to 6.8 million FTKs. Revenues ascend 13% to \$102 million, costs jump 14.2% to 99.56 million, and an operating profit of \$2.41 million is achieved. Net loss doubles to \$8.1 million.

Airline employment jumps 10.8% in **1986** to 818, but financial troubles prove terminal. Atlanta-based **Delta Air Lines** announces its intention to acquire the company; however, the \$18.7-million deal is not consummated. During the summer, Jet America reports an \$8.7-million net loss for the first half and advises the DOT that it has a working capital deficit of \$27 million and a negative net worth of \$2.8 million.

In the fall, management reaches the decision to sell the carrier to another suitor, **Alaska Airlines** parent Alaska Air Group, for \$25 million. The new owners elect to operate their prize as a separate subsidiary until

such time as the government approves the takeover. In October, nonstop MD-83 service is initiated to Orange County Airport from Chicago.

Twice-daily nonstop flights commence in December from Washington, D.C. (DCA) to Minneapolis (MSP), as well as direct flights from Orange County to Portland and Seattle, plus nonstop service between St. Louis and Las Vegas, Orange County, and Portland. The Detroit service is expanded by the addition of flights from the Michigan city to Chicago, Long Beach, Las Vegas, Orange County, and Portland.

The year's cumulative passenger boardings rise 17.1% to 906,470, but revenues drop 10.7% to \$91.02 million. Expenses are also down, but not far enough, falling 34.5% to \$92.65 million. The operating loss is \$1.62 million and the net loss nearly doubles to \$15.81 million.

The amalgamation process requires nine months and Jet America, spawned of deregulation, disappears within its new parent on October 1, 1987. During its last three quarters of life, the new entrant transports a total of 789,000 passengers. Revenues of \$72.5 million are earned, but expenses are so high that losses ensue: \$11 million (operating) and \$15.8 million (net).

JET AMERICA AIRLINES (2): United States (1989–1994). David Weekly establishes JAA-2 at Fort Lauderdale, Florida, in 1989. Passenger charters are inaugurated and continued with a fleet of 1 each Gates Learjet 25, Learjet 35A, and Learjet 36, plus a Beech Super King Air 200. A base is also established at Lewisburg, West Virginia, where 1 each Learjet 35A and a Mitsubishi Mu-2J turboprop are stationed.

Unable to maintain viability in the face of recession, the company shuts its doors in 1994.

JET AVIATION BUSINESS JETS. See JET AVIATION GROUP

JET AVIATION GROUP: 1515 Perimeter Road, West Palm Beach, Florida 33406, United States; Phone (561) 233-7233; Fax (561) 233-7222; <http://www.jetaviation.com>; Code PP; Year Founded 1967. The world's only global business aviation service company, JAG begins at Basel, Switzerland, in 1967 when Carl W. Hirschman takes over the Globe Air hangar and sets up his own concern. Two years later, Hirschman is able to acquire the maintenance and handling facilities of the aircraft manufacturer Pilatus, A.G. at Geneva and Zurich.

JAG enters the aircraft charter and management business in 1972, operating executive and small group passenger flights with two Learjet 24s and a North American Sabreliner 75. The first step in an eventual encirclement of the world takes place in 1975 when the carrier takes over a maintenance base in Dusseldorf, Germany. During the next 20 years, the company will also acquire FBOs at Munich, Saarbrücken, Hanover, Kassel, and Cologne. Company headquarters are shifted to Zurich.

Two years later the company begins to diversify further, undertaking not only maintenance, repair, avionics support, and ground handling, but business aircraft outfitting and refurbishment as well. In 1979, JAG forms a partnership with a group of Saudi businessmen and opens a handling facility at Jeddah for both corporate and private aircraft.

The expanding service concern enters the U.S. market in 1982 by opening a small office in Washington, D.C. Over the next six years, it acquires FBOs (and their in-house charter operations) at Bedford, Boston, and West Palm Beach, Florida. Six years later, in 1988, the company scores a major coup, taking over the large Aero Services FBO based at Teterboro, New Jersey, as well as **EAF Charter**, the largest U.S. charter operation, which is located in the same city. The latter is reformed into Jet Aviation Business Jets, Inc.

Thomas M. Hirschmann succeeds his father as chairman/CEO in 1990. In one of the first major east and west joint aviation ventures, Swiss **Metro Cargo, A.G.** is established at Lugano in August. Private Swiss investors associated with Metropolitan Aviation, also based at Lugano, join with the Siberian directorate of **Aeroflot Soviet Airlines** to provide international cargo charters.

Mario Calmai is named chairman with Shimon Lahav as managing director; they begin revenue services employing 8 Ilyushin Il-76s and 1

Antonov An-12 contributed by the Soviets. Operational services for the new entrant are provided by Zurich-based Jet Aviation Business Jets, A.G. (JABJ), under a contract that requires Metro to pay for each flight in advance.

Operations continue without incident until May 1991. During that month, Metro Cargo delays its payments to JABJ as well as its aircraft lease payments to Aeroflot. At the beginning of June, the Soviets, owed \$7 million, request that the authorities in Canton Ticino freeze Metro Cargo's bank accounts. Unfunded, Metro Cargo suspends operations while a criminal investigation is launched.

With Metro Cargo finished, the Soviets turn to JABJ to establish another joint operation, Jet Air Cargo, A.G., which will lease and employ, briefly, three Il-76s.

In October, JAG's corporate headquarters are transferred to West Palm Beach in Florida. The move is taken as part of the company's globalization plan, while emphasizing the large U.S. market. On the other hand, the three facilities (JABJ; Jet Aviation Zurich, A.G.; and Jet Aviation Handling, A.G.) at Zurich will continue to employ some 500 workers, the largest number in any corporate location.

Once in the U.S., JAG is reformed and divided into regional operations centers. A new Office of the Chairman is established, comprised of chairman Hirschmann plus Terrance P. Kelley, president/chief operating officer in the U.S., and Heinz Kohli, president/chief operating officer for Europe, the Mideast, and the Far East.

During the mid-1990s, the company continues to develop support facilities around the world. New operations begin at Moscow, Lugano, and Caracas overseas and, in the U.S., at Burbank, San Jose, Chicago, Newark, Morristown, and Nashville. Other U.S. cities include Jackson, Wyoming, Leesburg, Virginia, Rochester, White Plains, and Ronkonkoma, New York, Warwick, Pontiac, and Waterford, Michigan, and Westfield, Massachusetts.

In 1993, JAG wins the right to handle not only charter flights but the scheduled carriers arriving at Zurich and Geneva as well. Among the airlines handled are **Air France**, **Deutsche Lufthansa, A.G.**, **Air U.K., Ltd.**, and **United Airlines**.

Early in 1996, the concern moves into the Pacific, opening a base at Singapore. In September, the charter and aircraft management firm of K-C Aviation, third largest in the U.S., is acquired.

In 1997–1999, JAG has over 1,560 employees worldwide and operates the largest fleet of corporate and private jets and helicopters in the world, some 145 aircraft, ranging in size from Douglas DC-8-72s to Sikorsky S-76 helicopters. Planning and reservations for this huge complement is arranged at two international coordination centers at Zurich and Teterboro.

Early in 2000, Jet Aviation Group completes the remodeling of a new regional hub at Dallas (DAL), which was acquired to meet increased southwestern demand for charter services and aircraft sales. Purchased from another concern, the company's new facilities include a 62,000-sq.-ft. hangar space and 103,000-sq.-ft. ramp area, from which 17 business aircraft are operated.

JET BUSINESS AIRLINES, N.V.: Brussels National Airport, Zaventem, B-1930, Belgium; Year Founded 1989. JBA is set up at Brussels National Airport in 1989 as a subsidiary of the German **Aeroleasing Deutschland, GmbH**. Mme. van de Busch is appointed managing director and she initiates and continues executive passenger and air express charters with 4 Learjet 35A Century IIIs.

JET CARGO, N.V.: Building 70, Suite 138, Schiphol Airport East, Amsterdam, NL-1117, The Netherlands; Phone 31 (20) 601-5811; Fax 31 (20) 601-0057; Code JCL; Year Founded 1988. Jet Cargo is established at Amsterdam in 1988 to provide long-haul, nonscheduled passenger and freight services to international destinations. Revenue services commence and continue with 1 each Boeing 707-321B and B-707-309C. The B-707-321B is withdrawn in 1993.

The privately owned concern continues to offer ad hoc all-cargo flights in 1994–2000 to destinations in Africa, the Mideast, and Europe.

JET CHARTER INTERNATIONAL: 200 Ocean Trail Way, No. 606, Jupiter, Florida 33477, United States; Phone (561) 743-3210; Fax (561) 743-8389; Year Founded 1992. Bruce A. Shinneman sets up JCI at Opa Locka Airport in Florida in 1992 to provide executive and small group passenger charters worldwide. By 2000, the company employs four pilots and bases its three executive jets at three different airports. A Dassault Falcon 10 is stationed in Florida, while another is based at Vail, Colorado, and a third at Chicago (MDW).

JET CHARTER SERVICE: United States (1979–1988). This privately owned supplemental air carrier is founded at Miami in August 1979 to operate domestic and worldwide passenger and freight charters and inclusive-tour services. Three Boeing 707-320Cs, including a Dash-329C first flown by Sabena Belgium World Airlines, S.A., are acquired and the first charter is flown in December 1981 between Miami and Caracas via Central America under the name **Jet 24 International Airways**. All passenger services flown in 1982 are subcontracts offered on behalf of **Air Florida**, **Jet America Airlines**, and several other carriers.

The company receives its own passenger authority in 1983 and is able to initiate charters under its Jet 24 name. Two Douglas DC-10-40s are acquired by charter in 1984 and operate inclusive-tour flights from Miami to San Juan, Bogota, Madrid, Paris, and Zurich.

Operations continue apace in 1985 and beginning on May 18 a scheduled return service is flown from Miami to Madrid via San Juan. This schedule is withdrawn on June 3 as the entire airline loses money. In August, the company ceases operations and files for Chapter XI bankruptcy reorganization. Plans are made to reintroduce transatlantic services.

In 1986, working with the FAA, the company is able to regain its operating certificates, choosing not to fly again under the name **Jet 24 International Airways**.

In March, a former **American Airlines** B-747-123 is leased from Citicorp and employed to offer inclusive-tour flights from New York (JFK) to Madrid. The Jumbojet is returned in June and released to **Cargolux Airlines International, S.A.**

The fleet is expanded over the next 2 years by the addition of 2 more leased DC-10-40s and the workforce grows to 150. An effort is made to win DOT approval for renewed scheduled service to Madrid, Paris, and Zurich, but permission is not forthcoming. Unable to generate sufficient traffic to remain financially healthy, JCS shuts its doors in 1988.

JET CITY (PTY), LTD.: Melbourne Airport, Cargo Road, Tullamarine, Victoria, 3045, Australia; Phone 61 3-93301555; Fax 61 3-93303969; Year Founded 1989. Jet City is established at Tullamarine in 1989 to provide executive and small group passenger and cargo charters. By 2000, Managing Director Lorne Cole oversees the work of 9 full-time pilots and the operations of 1 each Beech 55 Baron, Gulfstream G-1159C Gulfstream IV, and Learjet 35A Century III.

JET CONNECTION BUSINESS FLIGHT, A.G.: Flughafen Frankfurt am Main, Gebaude 514, Frankfurt, D-60549, Germany; Phone 49 (69) 6959-1225; Fax 49 (69) 6959-1224; Year Founded 1997. JCBF is set up at Frankfurt in 1997 to offer executive and small group passenger charters worldwide. Flights commence and continue with a pair of Learjet 55 Longhorns.

JET EAST: 7363 Cedar Springs Road, Dallas, Texas 75235, United States; Phone (214) 350-8523; Fax (214) 358-7641; Year Founded 1975. Beginning as the air taxi and FBO aviation support operation, Jet East, Inc., at Dallas' Love Field in 1975, this concern establishes an airline division and begins to operate charter and worldwide contract service flights with Beech King Airs and Gates Learjets in 1980.

By 1984, the airline division, known as **Jet East International**, has a number of clients but its principal customer is **UPS (United Parcel Service)**, for which it flies 5 Boeing 727-100s. Jet East also operates a B-727-100, a Cessna Citation, and a Beech Super King Air 200 under its

original name and among the regions visited are Alaska, Canada, the Caribbean, South and Central America, the U.S., and Europe.

During 1985, the Texas airline flies 1,000 passengers, but more importantly for its bottom line, 24.5 million FTKs. A total of 63.55 million ton-kilometers of cargo are flown in 1986. In 1987, the airline division, **Jet East International**, is split off and becomes a subsidiary of Wilkert and Wilkert and is renamed **Express One International**.

With its airline division sold, Jet East continues to offer worldwide passenger charter services. By 2000, the company is flying 1 each Cessna 560 Citation V, Dassault Falcon 20, and Learjet 35A.

JET EAST INTERNATIONAL: United States (1980–1988). Beginning as the air taxi and FBO aviation support operation, Jet East, Inc. at Dallas' Love Field in 1975, this concern establishes an airline division and begins to operate charter and worldwide contract service flights with Beech King Airs and Gates Learjets in 1980.

By 1984, the unit, known as Jet East International, has a number of clients but its principal customer is **UPS (United Parcel Service)**, for which it flies 5 Boeing 727-100s. Jet East also operates a B-727-100, a Cessna Citation, and a Beech Super King Air 200 under its original name and among the regions visited are Alaska, Canada, the Caribbean, South and Central America, the U.S., and Europe.

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JET EUROPE, S.A.: France (1990–1991). JE is set up at Paris in the summer of 1990 to operate scheduled passenger and cargo services to Valence on behalf of **Europe Aero Service, S.A.** Although Aerospatiale Sud Est SE-210 Caravelle XB frequencies are inaugurated during the summer, they are only maintained for a year.

JET EXPRESS: United States (1987–1993). Ken Carlson organizes JE at Atlantic City, New Jersey, in late 1987 to operate regional commuter services with a staff of 20.

In early 1988, Carlson places orders for three CASA C-212-200 Aviocars and following receipt of the first, flights are inaugurated to various northeastern U.S. destinations.

Enplanements for the first full year total 13,253 (a 67.9% increase) and revenues reach \$689,363. The operating profit is \$6,913.

Negotiations are successfully completed by early spring 1989 allowing the carrier to serve as a "TWExpress" code-sharing partner of **Trans World Airlines (TWA)**. Simultaneously, two additional Aviocars join the fleet and service is inaugurated to Washington, D.C. (DCA).

Following its purchase by **Smith Air Express**, the company's headquarters are moved to Norfolk, Virginia, on July 17, 1990, but no further details of the year are publicized.

The fleet in 1991 includes 1 Aviocar and 5 Fairchild Metro IIIs. In May, the company declares Chapter XI bankruptcy and switches affiliations, becoming a "USAir Express" partner. On October 1, thrice-daily Metro III flights commence from Washington, D.C. to Richmond, Virginia.

A total of 14,162 passengers are transported by year's end.

Early in 1992, a reorganization plan is filed. Under its own banner, the company now employs its four Metro IIIs to inaugurate services to New York (LGA) from Groton, Connecticut, and Atlantic City.

Customer bookings shoot up to 100,319.

The fleet in 1993 is increased to 5 Metro IIIs (2 out of service) and 3 chartered CASA C-212-100 Aviocars. In the fall, the company's owners purchase the name of defunct **Midway Airlines** and assume its identity as **Midway Airlines (2)**.

JET FLEET INTERNATIONAL AIRLINES: United States (1970–1992). The Jet Fleet Corporation is established at Dallas' Love Field in

1970 to provide executive charter and contract service flights to U.S. destinations, as well as locations in the Caribbean, Central and South America. Over the next decade, branch bases are set up at Washington, D.C. (DCA), Teterboro, New Jersey, Shreveport, Midland, and Houston.

In **1984**, the carrier obtains government authority for the inauguration of scheduled operations by a new subsidiary to be known as Jet Fleet International Airlines. Although the airline is formed, only charter and contract services are performed.

The fleet in **1985** includes 2 Cessna Citations, 1 Grumman Gulfstream II, and 1 British Aerospace BAe (BAC) 1-11-401. A total of 3,000 passengers are flown during the year. Operations continue apace over the remainder of the decade.

In **1990**, the fleet has come to comprise 1 each Gates Learjet 25/Learjet 35, British Aerospace Jetstream 31, Grumman Gulfstream II, Cessna Conquest, BAC-111-401, and 3 Cessna Citations.

The operator now begins to report its traffic figures to the DOT, with 11,000 boardings the initial statistic. Revenues are \$1.04 million, expenses are \$891,000, and the operating profit is \$150,000. Net gain reaches \$158,000.

Enplanements advance to 20,000 in **1991** and the year is profitable. Revenues climb 28.5% to \$1.1 million, but costs are also up, forcing operating income down to \$77,733 and net gain to \$79,192.

Unable to maintain its fiscal viability, the carrier ceases operations in **1992**.

JET FRET, S.A.: France (1991–1993). JF is established at Paris in **1991** to provide charter cargo and contract service flights to domestic and African destinations. Services begin with a single Lockheed L-382G Hercules leased from Safair Freighters (Pty.), Ltd. of South Africa. A Douglas DC-8-71F is chartered in **1992**, but unable to maintain viability due to the recession, the one-plane operation ends in **1993**.

JET LINK: United States (1990). JL is established at Houston, Texas, on April 15, **1990**, as the temporary corporate umbrella employed by Continental Airlines to coordinate the regional airline operations of its new subsidiaries, Rocky Mountain Airlines, Bar Harbor Airlines, and Britt Airways. The new group's equipment is upgraded through the provision of British Aerospace BAe Jetstream 31s and Avions de Transport Regional ATR42-300s. The organization is reformed into Continental Express on August 16.

JET LINK HOLLAND, B.V.: Jupiterstr 51, Hoofddorp, 2132, The Netherlands; Phone 31 (23) 562 4560; Fax 31 (23) 562 4059; Code JLH; Year Founded 1998. JLH is established at Amsterdam in the spring of **1998** to offer all-cargo charters around the globe. Abdul Messeh is president/CEO and he places orders with C-Aviation for a pair of Airbus Industrie A300B4-203Fs.

The first wide-body freighter is delivered on July 27 and enters service on routes to the Mideast and North Africa in September.

Flights continue without headline or incident in **1999**. The second Airbus cargo plane arrives in November. Only one A300B4-203F is operated by the end of **2000**.

JET SOURCE: 2036 Palomar Airport Road, Carlsbad, California, 92008, United States; Phone (760) 804-1500; Fax (760) 804-1515; Year Founded 1987. Douglas Jacobson establishes this concern at Carlsbad in **1987** to provide executive and small group passenger charters throughout the U.S. and Canada. Thirteen years later, he is flying a Learjet 35A Century III from McClellan–Palomar Airport and another from Van Nuys.

JET SUL CARGO, LTDA.: Aeroporto Internacional Afonso Pena, Hangar Jet Sol, Sao Jose dos Pinhais, 83010-620, Brazil; Phone (41) 381-1500; Fax (41) 381-1505; http://www.jetsul.com; Year Founded 2000. A new cargo division of the FBO Jet Sul is established on April 28, **2000**. Arrangements are made with TAM (Transportes Aereos

Regionais, S.A.) for the purchase of two Fokker F.27-600s as the necessary certification paperwork is completed with the government's civil aviation agency.

The first Fokker enters revenue service on August 9. The second turboprop is leased to TAVAJ (Transportes Aereos Regulares, S.A.).

JET 24 INTERNATIONAL AIRWAYS. See JET CHARTER SERVICE

JET 2000: Vnukovo Airport, Moscow, 121099, Russia; Phone 7 (095) 241-6593; Fax 7 (095) 241-3987; Year Founded 1999. Serguei Fast establishes Jet 2000 at Moscow in **1999** to provide executive and small group passenger charters, along with some express flights, throughout Europe and the CIS. Employing 6 full-time pilots, Managing Director Fast begins revenue services with 2 Dassault Falcon 20s and 1 British Aerospace HS-125-700.

An Embraer ERJ-135 is acquired in the spring of **2000**. On September 17, it begins a dry-lease in its own colors with KLM Exel, B.V., flying from Maastricht to Munich.

JET U.S.: United States (1993). JUS is set up by local businessman Lawrence Adams at Detroit (DTT) during the spring of **1993** to offer first-class-only roundtrip service to Newark. St. Petersburg, Florida-based Sun Jet International leases Adams a McDonnell Douglas MD-80, which is employed to inaugurate revenue flights on July 31. The initial frequency features an on-board concierge and fares that are lower than those of either Northwest Airlines or Continental Airlines.

A week later, a malfunctioning component forces the new entrant to ground its aircraft at Newark, forcing the transfer of over 40 passengers to other flights. Sun Jet International, which has promised to keep a back-up plane available, is unable to provide one and offers no explanation. To search for a certified carrier willing to replace Sun Jet International, JUS initially suspends services until August 30; when no arrangements can be made, the shutdown becomes permanent.

JET WAY. See CONNIE KALITTA SERVICES

JETABOUT (PTY.), LTD. See QANTAS AIRWAYS (PTY.), LTD.

JETAIR: Germany (1982–1985). JetAir is established at Munich in **1982** by a pair of former Bavaria Germanair, GmbH, pilots. The company suffers a long gestation period, as attempts to raise capital for the purchase of aircraft are not successful. By the spring of **1984**, sufficient funds have been cobbled together to lease a former Air Panama International, S.A. Boeing 727-81. Unhappily, the usual links between an airline and tour operators have not been cemented and no inclusive-tour contracts are booked. Beginning in May, JetAir is able to offer a series of one-off charters to several European destinations.

Expensive arrangements are completed with several tour operators in early **1985** and the company is able to complete a full summer season starting at the end of March. Unhappily, costs far exceed income. New efforts to win bridge financing for the winter period are unsuccessful and, consequently, the carrier declares bankruptcy and is liquidated in December.

Several years later, after the books have been closely examined, the carrier's top executives are charged with fraud. Following a trial in which it is revealed that the men had rigged JetAir's bankruptcy as a way of avoiding debt to creditors and shareholders, the founders are imprisoned.

JETALL AIRWAYS, LTD.: Canada (1987–1996). Arie Tall founds this privately owned scheduled and cargo carrier at Mississauga, Ontario, in **1987**. With a fleet that comes to comprise 2 Cessna 402Bs, 5 Convair CV-580s, 8 Fairchild SA-226s and 3 SA-227s, flights are inaugurated late in the year to both domestic and international destinations.

Airline employment in **1993** stands at 105. Canadian destinations now visited include Halifax, Hamilton, Montreal, Moncton, Ottawa,

Quebec City, Saint John's, Sault St. Marie, Stephenville, Sudbury, Thunder Bay, Toronto, Windsor, Winnipeg. International markets are maintained at Buffalo, Guatemala City, Indianapolis, Miami, New York, and Toledo.

The fleet is increased in **1994** by the addition of one each B-737-2A9AC and B-737-210CA; the jet freighters are joined by two more Metro IIIs as one CV-580 is withdrawn. Three more Canadian destinations are added in **1995**, as one more CV-580 is retired.

Several more Metro IIIs are placed into service in **1996**. They come too late, however, as fiscal difficulties force the company to shut its doors before the end of the year.

JETBLUE AIRWAYS: 90 Park Ave., New York, New York 10116, United States; Phone (212) 557-6565; Fax (718) 286-4110; <http://www.jetblue.com>; Code B6; Year Founded 1998. JetBlue is originally established under the working name "New Air" at New York (JFK) on August 24, **1998** to offer low-cost domestic services. David Neeleman, one of the founders of **Morris Air** (later acquired by **Southwest Airlines**), is chairman/CEO, with David Barger, former **Continental Airlines** vice president, as president/chief operating officer. Neeleman initially hopes to become an American version of **Virgin Atlantic Airways, Ltd.**, but negotiations with Sir Richard Branson on the concept fall through. The acquaintance with the U.K. airline does, however, result in the hiring of two of its top marketing executives, Amy Curtis and Gareth Edmondson-Jones.

With support from financier George Soros, Western Presidio Capital, and Chase Capital Partners, \$128 million in financing for the carrier is quickly raised and orders, valued at \$3.6 billion, are placed for 82 new Airbus Industrie A320 jetliners. While awaiting certification, the company wins 75 slots at JFK on the strength of its promise to bring frequent service and low fares to upstate New York.

The search for a new name now begins in earnest. After some months of consideration and an inability to choose from a list of 200 potential titles, the as-yet-unborn concern turns to the well-known airline public relations team Landor Associates for help. By late June, the apparent winning moniker is "True Blue."

On July 1, it is learned that Thrifty Rent-A-Car already owns the "True Blue" name, which is thus unavailable. Landor, embarrassed, halves its bill. Finally, during a casual conversation between Neeleman, Curtis, and the airline's general counsel the next evening, the name "Jet Blue" is suggested. It immediately gains favor and is quickly adopted.

At a on July 14, **1999** news conference attended by New York Governor George Pataki, U.S. Senator Charles Schumer, New York City Mayor Rudy Giuliani, and company officials, the company's new moniker is unveiled. Chairman Neeleman refers to his company as "New York's new low-fare, hometown airline." The press, in covering the event, notes that the airline is the most heavily capitalized new entrant airline in U.S. history and refers to it as a "mega start-up."

On September 17, the start-up receives DOT operational authorization and is awarded 75 takeoff and landing slots at New York (JFK), to be phased in over a 3-year period. The start-up announces in October that Fort Lauderdale and Buffalo will be its first destinations; Rochester and Syracuse will be added later.

The first A320-232, wearing two-tone blue tail stripes, departs Toulouse on December 3 and arrives in time to be unveiled at ceremonies at New York (JFK) the next day. Employees, families and the New York media are all given a chance to board the new jet and look around inside. Another Airbus will be delivered in January.

The company turns on its interactive World Wide Web homepage on January 11, **2000** and immediately sells 1,000 firm bookings for its announced new service to Fort Lauderdale.

Twice-daily return service is inaugurated on February 11 from New York (JFK) to Fort Lauderdale, followed the next day by the introduction of thrice-weekly roundtrips from New York (JFK) to Tampa. Thrice-daily roundtrip frequencies from New York (JFK) to Buffalo commence on February 17 and to Tampa on March 16. Beginning in late

March, the company offers 24-channel DIRECTV, available at seat-back monitors on every seat for a \$5 charge per flight.

"Delta Express" begins direct competition with the carrier on April 2 with its own twice-daily roundtrips between New York (JFK) and Fort Lauderdale. It is reported on May 20 that the start-up has operated 1,144 flights through April 30 without a single cancellation and a 70.9% load factor.

The company's fourth A320-232 is received at New York (JFK) on June 9. Daily roundtrip frequencies from New York (JFK) to Buffalo are increased from three to four on June 21, the same day new twice-daily return service begins to Orlando. Five days later, another A320-232 is received.

On July 6, the Buffalo route is boosted to five daily roundtrips, Fort Lauderdale becomes four a day, and Orlando is made thrice daily. On July 21, daily A320-232 return service is inaugurated from New York (JFK) to Ontario, California. Five days later, the carrier announces it will not implement a \$5 service fee for access to the onboard seat-back DIRECTV system. Two more A320-232s arrive during the month.

New four-times-a-day roundtrips from New York (JFK) to Syracuse are launched on August 1. Two days later, daily A320-232 return frequencies are initiated from New York (JFK) to Oakland, California, while new twice-daily frequencies are introduced to Rochester, New York. On August 6, daily return flights from New York (JFK) to Orlando are increased again, to five roundtrips. The eighth A320-232 is delivered on August 10.

A sixth A320-232 is leased from ILFC on August 11; it will be delivered under a 12-year contract in April 2001. The twice-weekly return service between New York (JFK) and Rochester is doubled on August 22 to four weekly roundtrips. The company's financial position is now further strengthened by the commitment of an additional \$30 million in equity capital from existing shareholders.

In the period between February 11 and August 31, the start-up has operated 4,328 flights with only 10 cancellations.

On September 5, JetBlue becomes the first airline to offer its passengers live, in-flight Olympic television coverage when it begins two weeks of nightly feed from NBC-Sports. Two days later, twice-daily return flights begin from New York (JFK) to Burlington, Vermont. The ninth A320-232 arrives on October 9.

On October 18, daily roundtrip frequencies are initiated from New York (JFK) to West Palm Beach. The 10th and last A320-232 to be received this year is delivered on November 6. Daily Airbus return frequencies begin on November 17 between New York (JFK) and Salt Lake City. The West Palm Beach service becomes twice-daily on November 18, the same day new roundtrips are launched between New York (JFK) and Fort Myers.

In business since February 11, JetBlue reports that it has, as of December 31, carried 1.11 million passengers on 10,246 scheduled flights, with a load factor of 73.2%. \$100 million in passenger flight revenues are generated.

JETCORP: 18152 Edison Ave., Chesterfield, Missouri 63005, United States; Phone (314) 530-7000; Fax (314) 519-1212; Year Founded 1981. Jetcorp is originally established as an FBO in **1981**. During the next 16 years, it also becomes a significant provider of executive and small group passenger charters worldwide. In **2000**, the company employs 14 pilots and bases its aircraft at 4 airports.

The major portion of the fleet is stationed at Spirit of St. Louis Airport. From here are flown 4 Learjet 55 Longhorns, 2 Learjet 35A Century IIIs, and 1 each Dassault Falcon 50 and Beech Super King Air 200. A Learjet 60 is also operated from St. Louis.

An IAI Westwind II is operated from Waukegan Regional Airport in Illinois and a Learjet 31 is flown from Anoka County-Blaine Airport in Minnesota.

JETCRAFT AVIATION (PTY.), LTD.: P.O. Box 270, Archerfield, Queensland, 4108, Australia; Phone 61 (7) 3274 1241; Fax 61 (7)

3277 3481; <http://www.jetcraft.com.au>; Year Founded 1989. Ian Foster establishes this company at Archerfield in **1989** to provide passenger and cargo charters throughout Queensland, with special attention paid to VIP and mining charters, plus priority air freight. Revenue flights commence with 3 Swearingen Metro IIs and 5 Fairchild Swearingen Metro IIIs. Major clients served in the years ahead will include Mayne Nickless, Placer Pacific and Arimco Mining, **Ansett Australia (Pty.), Ltd.**, and Western Mining Corporation.

In **1996**, the company is reformed. Jetcraft becomes the charter and freight subsidiary Transjet Corporation (Pty.), Ltd., which has been established to also oversee an airline, Transtate Airlines (Pty.), Ltd., created to offer scheduled commuter services over routes acquired from **Flight West Airlines (Pty.), Ltd.** Transtate revenue flights, under the direction of Transjet Managing Director Randal McFarlane, commence in November with 6 Embraer EMB-110P1 Bandeirantes and 1 de Havilland Canada DHC-6-300 Twin Otter.

Flights continue without incident or headline in **1997**. A Pilatus-Britten-Norman PBN-2 Islander is added to the fleet in **1998** as a number of additional routes are taken over from **Sunstate Airlines (Pty.), Ltd.**

Destinations visited by Transtate in western and northern Queensland in **1999** include Cooktown, Normanton, Karumba, Mornington Island, and Mt. Isa. Also, under a long-term contract with P&O Australian Resorts, flights are also offered regularly to Dunk, Brampton, and Lizard Islands.

During the 1990s, Jetcraft has not remained idle. Indeed, it has assembled a fleet of 23 aircraft, including the largest collection of Fairchild Metros outside of the United States. Additionally, it flies a de Havilland Canada DHC-7, an IAI Westwind 1124, and a Beech 58 Baron. Services provided include passenger charter, priority air freight, and corporate VIP and mining charters.

The workforce totals 45 at the beginning of **2000**. *AsiaPulse News* reports on May 12 that **Transtate Airlines (Pty.), Ltd.** will soon be merged with **McKinlay Air Charter (Pty.), Ltd. (Macair)**, with the new partner's name surviving. When the event occurs a month later, the passenger activities of Transtate and Jetcraft are passed to Macair, while Jetcraft continues to provide express freight flights.

JETFLIGHT, LTD.: Gwen Roberts International Airport, P.O. Box 10033 APO, Grand Cayman, West Indies; Phone (345) 949-3225; Fax (345) 949-1037; Year Founded 1996. Thom Guyton establishes Jetflight at Grand Cayman in **1996** to provide executive and small group passenger charters throughout the Caribbean, the U.S., and Mexico. Operations begin and continue with a single Learjet 25D.

JETFLITE O/Y: Helsinki-Vantaa Business Flight Center, P.O. Box 86, Vantaa, FI-01531, Finland; Phone 358 (9) 822 766; Fax 358 (9) 870 3202; Year Founded 1980. Jetflite is originally set up at Helsinki in **1981** as an FBO. Over the next 16 years, President Olli Koskimies' concern also enters the air taxi business, specializing in air ambulance, patient transfer, and intensive care flights.

In **2000**, flights are performed with 2 British Aerospace BAe (HS) 125-700 Hawkers and 1 each Canadair 600 Challenger, Cessna 550 Citation II, and Piper PA-31T Cheyenne II.

JETSTREAM COMMUTER: United States (1974). JC is set up at Oklahoma City during the first quarter of **1974** to provide scheduled passenger and cargo services. Employing a British Aerospace BAe Jetstream 31, the new commuter inaugurates daily revenue roundtrips in April, linking its base with Tulsa, Dallas (DAL), and Waco. Unable to achieve viability, the carrier must fold its wings in July.

JETSTREAM INTERNATIONAL AIRLINES: United States (1983-1995). Founded by V. Neal Frey as **Vee Neal Airlines** at Latrobe, Pennsylvania in **1980**, this small regional, in celebration of its dream and its acquisition of British Aerospace BAe Jetstream 31 turboprops, changes its name on December 1, **1983** to **Jetstream International Airlines**.

Shareholding is acquired by a group of Erie businessmen who move the airline's corporate headquarters to that northwest Pennsylvania city on the shores of Lake Erie.

On the year, enplanements rise 32.8% to 38,440.

As additional Jetstream 31s and Embraer EMB-110 Bandeirantes are added in **1984** and the route network is expanded from the carrier's new base at Erie, Pennsylvania, to cover markets in four states.

Passenger traffic jumps 109.8% to 80,533 passengers flown.

Destinations visited in **1985** include Pittsburgh, Indianapolis, Cleveland, and Dayton. The company becomes a "Piedmont Commuter" partner on November 1 and unveils connections from Erie and Dayton to Youngstown and Baltimore.

On the year, customer bookings accelerate 5.8% to 85,213.

Maryland-based **Henson Aviation** purchases the 80-employee carrier on behalf of **Piedmont Airlines** on August 1, **1986**. A reorganization plan is initiated, although the company is allowed to continue operations as an independently named subsidiary. Corporate headquarters are moved from Erie to Dayton, where the carrier becomes Piedmont's principal feeder at that Ohio hub.

While being prepared for a flight at Erie on November 30, a private Cessna 441 gets loose and runs into a company BAe Jetstream 31; both planes catch fire and are burned out, but no injuries are reported.

The newest "Piedmont Commuter" at year's end exercises an option to acquire 14 more Jetstream 31s and takes a new option on another 20 of the aircraft.

Passenger boardings skyrocket 123.2% to 190,235.

Airline employment grows 400% in **1987** to 400 and the fleet now includes 27 Jetstream 31s, with 20 others on order or option. Customer bookings also increase, by 201.5%, to 573,473.

The payroll grows a more sedate 5% in **1988** to 420 and 5 more Jetstream 31s join the fleet.

While on a low-altitude, one-engine, practice go around from Dayton on February 9, a BAe Jetstream 31 with three crew, rolls over and descends into the ground; there are no survivors.

Passenger boardings for the year leap upward by 33.5% to 765,622.

When **Air Kentucky** closes down in May **1989**, many of its routes are acquired by Jetstream. With the absorption of **Piedmont Airlines** into **USAir** in August, **USAir** reconfigures its "Allegheny Commuter" network into "USAir Express." The 455-employee Jetstream becomes a member of the new group and flight attendants begin to appear on the British-made turboprops.

Overall customer bookings rise 3.7% to 793,848.

Enplanements drop in **1990** to 743,146.

The fleet in **1991** includes 28 Jetstream 31s and 7 Brasilias. "USAir Express" Jetstream 31 service is initiated in October from Pittsburgh to Madison, Wisconsin. At the same time, four-times-per-day flights commence from Cleveland to Washington, D.C. (DCA).

A number of other routes are changed and as a result, passenger boardings fall 17% to 635,168.

Two Jetstream 31s are removed in **1992**. A \$180-million order is placed for 20 Dornier 328s, plus options for 20 more.

Thrice-daily nonstop Jetstream 31 service is inaugurated from Dayton to Flint, Michigan, on January 7, along with four-times-per-day frequencies from Indianapolis to Flint. In the spring, President/CEO Keith Houk becomes president of the "USAir Express" division, succeeding new **USAir Shuttle** chief Gordon Linkon. Meanwhile, former **Midway Express** President Richard Pfennig is brought in to take over Jetstream.

The previous year's decline is reversed as customer bookings accelerate 14.7% to 728,592.

At the start of **1993**, president/CEO Pfennig's decade-old "USAir Express" carrier operates from hubs at Indianapolis, Dayton, and Pittsburgh with a fleet of 27 Jetstream 31s and a workforce of 468. During the year, the fleet of Jetstream 31s is reduced by one as seven Embraer EMB-120 Brasilias are acquired under charter.

A significant route exchange is engineered with fellow "USAir Express" partner **Chautauqua Airlines** and the carrier's hub is transferred

to Pittsburgh from Indianapolis. Late in the year, an order is placed for 20 Dornier 328-100s.

Passenger boardings rise another 17.3% to 852,931.

Airline employment is reduced in **1994** to 450 and the first Dornier 328-110 is delivered in early November and begins training and route proving.

Customer bookings move ahead by 11.7% to 952,510.

The first Dornier 328-110 enters service from Pittsburgh on February 20, **1995**. Nineteen more will join the fleet this year, while route realignment continues. As partial payment, the regional returns five Jetstream 31s to the manufacturer and, as their leases begin to expire, nine Brasilias.

To keep alive the name of another **USAir** acquisition, **Pacific Southwest Airlines**, Jetstream is renamed **PSA Airlines** in November.

JETTRAIN: United States (1993–1996). JetTrain is established at Aliquippa, Pennsylvania, on April 2, **1993** to operate domestic charter services between Pittsburgh and Florida. Twenty individual investors subscribe initial capitalization of \$5–\$6 million. James M. Davis, a founder of the **Pan Am Shuttle**, is president/CEO, but the airline depression prevents immediate start-up.

As the market for air transport services improves into the fall of **1995** and officials note the high cost of operation for rival **USAir**, the company's private board elects to begin operations, first nonscheduled and then scheduled. A single Douglas DC-9-31 is leased and is painted with the company's art deco streamliner nose logo on its tail. Nonscheduled services are inaugurated on December 11.

Scheduled deep-discount frequencies are introduced on January 27, **1996** between Pittsburgh, Newark, and Orlando. To keep fixed overhead costs to a minimum, most of the airline's major services are outsourced. For example, ground handling is contracted to UAL, Inc. while **Trans World Airlines (TWA)** agrees to provide heavy aircraft maintenance.

Unable to compete with "Delta Express," JetTrain ceases service to Orlando on September 30. Expecting to return to the South Florida city, few realize that this is the beginning of the end.

Citing "insurmountable barriers" to its entry onto the scene, the 60-employee carrier suspends its schedules in November.

During its 10 months of service, JetTrain transports a total of 110,697 passengers.

Early in **1997**, the ruined Pittsburgh-based deep-discount airline is reformed. Its single McDonnell Douglas DC-9-31 receives a new black, white, and copper livery and the company begins flying charters as **Atlantic City Express**.

JETWAYS: 644 Bayfield Street, St. Paul, Minnesota 55107, United States; Phone (612) 224-3733; Fax (612) 224-3590; Year Founded 1978. Jetways is originally established at downtown St. Paul's Holman Field in **1978** to provide executive and small group passenger services to destinations throughout the U.S., Canada, Mexico, and the Caribbean.

By **2000**, the company employs 20 pilots and operates 2 Beech King Air 90s and 1 each Dassault 10, Dassault 20, and Cessna 500 Citation I business jets.

JETWEST INTERNATIONAL AIRWAYS. See **SUNWORLD INTERNATIONAL AIRWAYS**

JHM CARGO AIRLINES, S.A.: 1 Santamaria International Airport, San Jose, Costa Rica; Year Founded 1997. JHM is established by the TACA Group at San Jose in late **1997** to operate the consortium's cargo services. Revenue flights to points in North, Central, and South America begin with a fleet of 4 Airbus Industrie A300B4-200Fs.

JIANGMAN GENERAL AVIATION COMPANY: 23 Jichang Rd., Xijiao Airport, Changzhou, 231016, China; Phone 86 (519) 60 4640; Fax 86 (519) 60 2037; Year Founded 1990. JGAC is established at Xijiao Airport at Changzhou in **1990** to provide scheduled regional

passenger flights, as well as forestry services and agricultural. President Luo Zhenxi begins and continues services with four Xian Y-11s.

JIHUA AIRLINES COMPANY, LTD.: 164-95 Jichang Rd., Shijiazhuang, China; Year Founded 1987. Jihua is established by the Shijiazhuang Aircraft Plant in **1987** to operate agricultural, aerial photography, and forestry services in the local region. Wu Fengxia is named CEO and he begins and continues operations.

By **2000**, Fengxia's workforce totals 85 and 6 SAP Y-5s are flown.

JIM DODSON AIR SERVICES. See **NORTHERN CONSOLIDATED AIRLINES**

JIM HANKINS AIR SERVICE: 1600 Airport Road, Jackson, Mississippi 39209, United States; Phone (601) 354-2789; Fax (681) 352-8984; Year Founded 1990. The Hankins family airline is established at Jackson in **1990** to provide all-cargo services under FAA Part 135 certification. James A. Hankins is president/treasurer, with his wife Marian B. as vice president/secretary and their son Mike as director of operations. Tom Dugger is chief pilot.

Business proves fruitful and by **2000** the company is flying 11 Beech 18s, 3 Beech Barons, and 1 Douglas DC-3.

JIVAIR, A.B.: Goteborg Saeve Airport, Saeve, S-423, Sweden; Phone 46 (31) 877800; Fax 46 (31) 274512; Year Founded 1981. This tiny air taxi is established in **1981**. By **2000**, Jivair operates both domestic and worldwide executive flights. Four full-time and 2 part-time pilots fly 1 each Cessna Citation I bizjet and Piper PA-31-350 Navajo Chieftain.

JMC AIRLINES, LTD.: 2nd Floor, Commonwealth House, Chicago Ave., Manchester Airport, Manchester, England, M90 3FL, United Kingdom; Phone 44 (161) 489-5757; Fax 44 (161) 489-5758; http://www.jmc-airlines.co.uk; Code MT; Year Founded 1999. In late October **1998**, the Thomas Cook Group, which has recently purchased and begun to merge both the Sunworld travel concern and its house carrier **Airworld Aviation, Ltd.** as well as its own **Flying Colours Airlines, Ltd.**, acquires Carlson Leisure Group and its airlines **Caledonian Airways, Ltd. (2)** and **Peach Air, Ltd.**

By November 1, the U.K. charter airline business is rapidly approaching consolidation. Through its October move, Thomas Cook gains Caledonian's slots at London (LGW) and Manchester and with 32 aircraft, now owns the second largest fleet among the nation's charter carriers. Plans are announced for an increase of service from London (STN), Bristol, Cardiff, Birmingham, and Glasgow. The fleet will be rationalized, with only the TriStars seen as certain for retention.

As the year ends, Thomas Cook Group, which has assigned its own name to the enlarged travel group, is conducting marketing surveys to determine which airline brand name has the best public image and should be retained for the larger carrier. Early betting is that the names Caledonian (with its memory of delays and incidents) and Peach Air will disappear in addition to that of Airworld, with the romantic Flying Colours winning the label. A final decision is promised before the start of the 1999 summer holiday season.

The merger between Thomas Cook and the Carlson companies is completed on February 2, **1999**. Shareholders Carlson Companies, Westdeutsche Landsbank, Thomas Cook, and Preussag, A.G. combine their shares with those of Carlson Leisure Group U.K. to create Thomas Cook Holdings. The Preussag arrangement to acquire 51.1% majority control is transferred to this new entity. With over 20,000 employees, Thomas Cook Holdings is now the third largest of the "big four" British travel and tour operators after Thomson and Airtours.

Although **Flying Colours Airlines, Ltd.** is, indeed, the surviving airline, the **Caledonian Airways, Ltd. (2)** brand does not immediately disappear. The two companies, with their enlarged fleet of 34 aircraft, begin the new summer holiday season at the end of March. The

amalgamation of travel concerns comes as the European Commission grants permission for Thomas Cook to merge with the Carlson Leisure Group's U.K. travel interests.

Plans for amalgamation with **Caledonian Airways, Ltd. (2)** at the conclusion of the summer holiday season in November proceed; it is anticipated that the two carriers will officially become one by the end of March 2000. Caledonian Operations Director David Newall and Operations Manager Barry Fitzgerald resign in July, as Robert Willis becomes operations general manager for the combined operation.

The engineering facilities of the two companies are also combined at Manchester, with some job loss, while fleet rationalization and repainting continues. Arrangements are also made under a new fleet rationalization plan to replace four L-1011s with three B-757-200s and to return three wet-leased TriStars to **Air Atlanta Icelandic, H.F.**

On September 1, Thomas Cook Group establishes a new holiday travel concern to replace its Sunworld, Sunset, and Inspiration holiday subsidiaries, as well as both **Caledonian Airways, Ltd. (2)** and **Flying Colours Airlines, Ltd.** Under the direction of Managing Director Simon Vincent, the new travel brand, to be known as JMC after John Mason Cook, grandson of Thomas Cook, will complete this changeover within five years, assisted in the process by a £200-million (\$320-million) investment program.

As aircraft are repainted with blue bottom and white top fuselages and green tails and other vestiges of corporate image are altered, the names of the tour operating division (JCM Holidays, Ltd.) and in-house airline (JCM Airlines, Ltd.) will be gradually introduced during the next six months. Terry Soult is named managing director of the new JMC Airlines, Ltd. The first two aircraft given the new color schemes are a B-757-28A, previously operated by **Flying Colours Airlines, Ltd.** and an Airbus A320-231. The latter, plus two others, is leased to **Ryan International Airlines** in October for the winter tourist season in the U.S.

It is reported, in late November, that the company is working on a new business class to be introduced in the summer of 2001 that will replace the current Caledonian Highland First product.

Caledonian Airways, Ltd. and **Flying Colours Airlines, Ltd.** disappear completely on March 26, 2000, when JMC Airlines, Ltd. becomes operational under a single air operator certificate. The B-757 fleet now includes 9 Dash-28As, 3 Dash-25Fs, 2 Dash-2Y0s, and 1 Dash-2G5.

A B-757-2G5 is leased from **LTU International Airways (Lufttransport Unternehmen, K.G)** on April 16; it arrives in England on May 1 wearing full JMC colors. On May 11, JMC becomes only the fifth airline to order the stretched B-757 when it places a \$148-million request for two Dash-3CQs to be delivered in the spring of 2001. Two B-757-25Fs leased from GATX join the fleet at the beginning of June. An A300B4 is chartered from **Transaer International Airlines, Ltd.** for six months from July 14.

In September, orders are placed for two leased A330-243s that will replace the DC-10-30s beginning in January and be ready for the opening of the new summer holiday season at the end of March.

With the beginning of the winter schedule on October 29, one B-757-28A, three A320-214s, and one A320-231 are leased to Apple Vacations in the U.S.; they will be operated by **Ryan International Airlines** for the tour operator until March. Another B-757-28A is chartered to **North American Airlines**, which also operates Caribbean holiday charters.

C&N Condor Neckermann Touristik, A.G., parent of **Condor Flugdienst, GmbH.**, purchases Thomas Cook Group at the beginning of December for £550 million. Subject to EU Commission approval, the arrangement will create the world's third largest holiday group. The UK concern had been put up for sale by C&N rival Preussag, A.G., which had recently acquired Thomson Travel Group, parent of **Britannia Airways, Ltd.**

The result of the C&N and Thomas Cook merger will be a close new relationship between **Condor Flugdienst, GmbH.**, which is part-owned by **Deutsche Lufthansa, A.G.**, and JMC Airlines, the aircraft of which complement one another very closely. The combined 70-plane fleet includes A320s, B-757s, and Condor's B-767s.

Also in December, Thomas Cook Group reaches an arrangement with **British Airways, Ltd. (2)**, again subject to EU Commission approval, under which the two will merge their UK-originating scheduled tour operations. Each partner will own 50% shareholding in the new concern when it is officially formed in the new year.

Confirmation of the charter of two A330-200s from CIT Aerospace is provided on December 29. The aircraft will be delivered in late 2001 or early 2002.

JOE BRIGHAM, INC.: 720 Clough Mill Road, Pembroke, New Hampshire 03275, United States; Phone (603) 225-3134; Fax (603) 224-9050; Year Founded 1983. Joe Brigham establishes this carrier named for himself at Pembroke in 1983 to offer air taxi and charter flights, as well as executive and VIP transport, construction support, external load, agricultural, forestry patrol, and sight-seeing services. The company also operates a flight school, as well as FAA Repair Station #FTYR033E.

By 2000, Raymond G. Newcomb is president and oversees five full-time employees. The company generates \$1.6 million in annual revenues and operates a Bell 204B and 4 Bell 206B JetRangers.

JOHNSON, L. McK. (PTY.), LTD.: Australia (1932). Lawrence McKenzie-Johnson of Launceston, Tasmania, wins an Australian government contract in early 1932 to fly the mail between that town and Whitemark on Flinders Island, 120 miles offshore. Employing a Desoutter Mk. II, formerly owned by Ireland's **Iona National Airways, Ltd.**, biweekly service is inaugurated on June 7. In October, McKenzie-Johnson purchases shareholding and merges his operation in a small, unnamed airline owned by the two Holyman brothers, Ivan and Victor; the amalgamated carrier is registered as **Tasmanian Aerial Services (Pty.), Ltd.**

JOHNSON AIRLINES. See **JOHNSON FLYING SERVICE**

JOHNSON AIRWAYS: United States (1931-1934). In December 1931, A. E. Cambas sells his **New Orleans Air Line**, which has been operating foreign airmail (FAM) route 3 from New Orleans to Pilot-town, to a gentleman named Johnson. **Johnson Airways** takes over the foreign airmail route on January 1, 1932, employing an amphibious N-2 Neptune and a pair of Sea Rover flying boats.

En route to New Orleans from Pilot-town on October 12, 1933, the N-2 Neptune, flown by pilot George Canaday, crashes near Belle Chaise. With the principal mailplane now gone, it is less than two months before the carrier goes out of business, losing out in competitive bidding to **Tropical Airways.**

JOHNSON FLYING SERVICE: United States (1928-1975). With \$14,000 subscribed in stock, Bob Johnson's unique air service is incorporated at Missoula, Montana, on December 6, 1928.

Passenger air charter and contract service flights begin late April 1929 after a \$13,000 Travelair 6000, the *Mae Gerard*, is acquired. Flights are undertaken with this and other single-engine aircraft, including U.S. Forest Service freighting contracts begun in May 1931, until 1934 when, on September 5, a big and new Ford Tri-Motor, 5-AT-102, is purchased from **Pacific Air Transport (PAT).**

Caught in a down draft while landing at Big Prairie, Montana, on September 3, 1938, the aircraft breaks a landing gear and swerves into trees; although there are no injuries, the plane must be written off.

The first older and smaller Ford Tri-Motor, 4-AT-58, is purchased from the Link Aeronautical Corporation on April 10, 1939 while the second, 4-AT-46, purchased from William "Bill" Monday, the "Flying Cowboy" of Cody, Wyoming, is delivered on September 19. Over the years, the company comes to specialize in forest fire fighting and builds a fleet around the delivery of U.S. Forest Service smoke-jumping firemen and antifire devices. Employing his two Ford Tri-Motors, Johnson, under contract, makes the first test of the smoke-jumping concept in August 1940 against a Montana fire.

A third Ford, 4-AT-62, is acquired in March 1941. Operations continue apace during the next quarter-century, as men are delivered by parachute to fire sites in Idaho, Montana, and occasionally California.

The first Douglas DC-3 is delivered in 1946 and under sponsorship of the U.S. and Idaho agricultural departments, the company participates in the Tussock Moth Control program in northern Idaho during 1947. For this the control assignment, two Tri-Motors, 4-AT-58 and 4-AT-62, are fitted with special tanks that allow them to dispense 96,527 gallons of spray. In late summer 1948, the carrier cooperates with 20th-Century Fox in the production, at Missoula, of a movie about smoke jumpers, *Red Skies of Montana*.

The Ford 4-AT-58 is modified into a convertible insecticide sprayer in spring 1950 and although licensed in that modification, it is not initially so employed. A larger and later model Ford, the 5-AT-58, is purchased from Tucson-based **G & G Airlines** in June 1951. A record 362 fire jumps are made in 1952.

Having begun service with **Pan American Airways (PAA)** on March 16, 1935, a DC-2, well used throughout South America, is purchased from the North Hollywood firm of Hasmer Independent in March 1953. It is modified to carry smoke jumpers and provide aerial spray. On July 14, the Ford 4-AT-62, while spraying near Boulder, Montana, hits a static cable over a power line and crashes (two dead).

Another Ford, an 5-AT-40, is obtained on August 1; noteworthy as the only 5-AT ever equipped with 420 hp Wright engines, it, too, is lost in a nonfatal crash while taking off for a smoke-jumping drop in Flathead Forest, Montana, 17 days later. By the end of August, an extremely busy fire season has resulted in a huge increase in smoke jumps, to 1,131.

A new subsidiary, Johnson Airlines, is formed in January 1954 to offer DC-3 flights between Seattle and Spokane and to the tri-cities of Pasco, Richland, and Kennewick. Washington State certification of the intrastate airline is quickly received. The company moves into a new airport late in the year, at which time JFS owns a fleet that includes 1 Curtiss C-46, 2 DC-3s, 1 DC-2, 3 Ford Tri-Motors, 2 helicopters, 1 Beech 18, and 20 single-engine lightplanes.

En route from Newark to Tacoma on December 22, a DC-3 with 5 crew and 23 passengers, runs low on fuel and ditches in the Monongahela River, 2 mi. S of Allegheny County Airport at Pittsburgh (10 dead).

Only 429 smoke jumps are made in 1955. In 1956, **Northwest Airlines** leases 5-AT-58, repaints it in company livery, and employs it in a multistop New York–Seattle promotional tour. While spraying sagebrush near Townsend, Montana, on June 19, 1957, the left wing of 4-AT-58 hits a hill causing the plane to crash; both pilots are killed, including 25-year company veteran Penn Stohr. Another Tri-Motor, 4-AT-55, is acquired in October, while 4-AT-69 arrives in May 1958.

Back two years from its **Northwest Airlines** lease, 5-AT-58 crashes while landing at Moose Creek, Idaho, ranger station on August 4, 1959 (four dead).

Two more films receive Johnson support in 1960—a segment of the television series *You Asked For It* and the Disney film *A Fire Called Jeremiah*. The 1953 record for smoke jumping is surpassed in 1961 with a total of 1,938 jumps being made during the fire season. Operations continue apace in 1962–1963 and the fleet grows to include 5 Grumman TBM torpedo bombers, converted to carry slurry against fires.

The workforce in 1964 exceeds 50, although some pilots continued to be employed on a seasonal basis to spray weeds or fight fires. A Douglas DC-4 joins the fleet on May 10. The Ford 4-AT-69 is sold to an Ottawa, Kansas, aerial spraying outfit in July.

A permanent supplemental certificate is received from the CAB in September 1965. In Forest Service Region I, covered by Johnson, the fewest smoke jumps (322) are made since 1955. Although \$711,251 is received in revenues, expenses are \$843,821. As a result, Johnson Airlines suffers a loss of \$102,831.

Negotiations are completed in August 1966 for the sale of JFS to Columbus, Ohio-based **Executive Jet Aviation, Inc.**; however, the transaction will not be completed. In November, Johnson expands its business northward into Canada. A total of 1,564 jumps are made dur-

ing the year. Revenues reach \$1,213,626 and a net profit of \$75,244 is turned in.

A record number of 1,687 smoke jumps are made in 1967. Chief pilot Floyd O. Bowman dies in August and is succeeded by Frank A. Borgeson. Now the 11th largest supplemental, the airline division increases its earnings to \$1,513,896. Profits also rise: \$193,995 (operating) and \$124,531 (net).

The original developer of smoke jumping, Frank Derry, dies at Bigfork, Montana, on August 2, 1968. Airline revenues are down on the year to \$1.08 million. Profits are also down to \$92,555 (operating) and \$59,701 (net). The JFS parent shows a net loss of \$42,014.

The U.S. Forest Service decrees an end to the use of Ford Tri-Motors in 1969. Consequently, the 4-AT-55 is purchased by Jack Adams Aircraft Sales of Walls, Mississippi, in February. The 4-AT-46 is sold to Dexter Coffin in May and donated to the Naval Aviation Museum. Each plane brings in excess of \$50,000.

Airline revenues climb to \$1.35 million, but operating losses are again suffered: \$78,669. Still, a \$26,577 net profit is banked.

In 1970, JFS owns and operates, among other aircraft, the former **Pan American Airways (PAA)** Douglas DC-2.

Income advances to \$1,499,155. Again, an operating loss is taken (\$23,924), but a net profit \$33,679 of is realized.

In 1971, Johnson is the smallest of the 10 surviving supplemental carriers, but still manages to operate 27,000 FTKs. An effort to sell JFS to USSteel is disallowed by the CAB and during the summer fire season, 1,094 jumps are made. On the basis of increasing U.S. Forest Service requirements and a hoped-for improvement from the airline division, Johnson leases a used Lockheed L-188A Electra turboprop first flown by **Western Airlines**.

The 78-employee company sees its airline business slide in 1972 as the number of FTKs operated is down by 1,000.

A total of 28,000 charter passengers are accommodated. Income this year is \$3.18 million, but expenses are \$3.19 million. The losses are \$6,000 (operating) and \$71,000 (net). The sale, in July, of the last Travelair 6000 does not help the balance sheet by more than \$9,000.

Johnson rallies in 1973 and makes a turnaround in both traffic and finances. Consequently, a second Electra is purchased and increased transport of military personnel under the Civil Air Movement program is realized. The DC-2 is traded as partial payment for a used DC-8 jetliner.

Enplanements for the year skyrocket by 67.9% to 47,000 and 697,000 FTKs are flown, an incredible increase of 2,580.8%. Revenues are \$2.87 million and expenses are \$2.73 million. The operating profit is \$139,000 and the net profit, the first since 1970, is \$152,000.

After decades of fire fighting and smoke-jumping operations, the nation's oldest supplemental carrier makes a determined effort in 1974 to continue its charter service revival. With 63 employees and 2 Lockheed L-188A Electras painted in attention-grabbing red, white, and blue livery, the carrier takes over the facilities of defunct **Purdue Airlines** at West Lafayette, Indiana, and establishes a satellite facility at Seattle.

On March 31, a sale of JFS to McMinneville, Oregon-based **Evergreen Helicopters, Inc.** is negotiated. On June 4, Johnson becomes board chairman and Morten S. Beyer, from Hendersonville, Tennessee, is named president/CEO.

With a CAB law judge's recommendation that the supplemental be allowed to institute international charters, the airline division changes its name to **Johnson International Airlines** on September 3.

The noble goal is not realized as passenger bookings actually fall 22.6% to 36,000. The previous year's success in freight transport fails as well; FTKs operated drop 96.7% to 23,000. Income drops to \$3.98 million, but expenses rise to \$4.32 million. The losses—\$342,000 operating and \$273,000 net—will prove fatal.

The company changes its leadership on April 13, 1975 when Vice President/General Manager Jack R. Hughes succeeds Beyer as president/CEO. The end of an era occurs on April 30 when it is announced that the U.S. Forest Service has accepted the lower fire

fighting and smoke-jumper transport bids of Thermopolis, Wyoming-based Christler Flying Service. Out of its decades-old contract business, the firm continues its emphasis on air transport. The carrier's Electras cannot now reverse the carrier's headlong plunge toward bankruptcy.

Passenger enplanements fall 19% to 29,160 and cargo is off another 5%. These figures are for the first nine months of the year as Johnson suspends operations on October 1. Income for the year to date is \$3.99 million, but expenses are \$4.03 million. As a result, the operating loss is \$43,000 and a final \$10,000 net loss is posted.

With the approval of the CAB and President Gerald R. Ford, the pioneer's certificate is acquired by Oregon-based **Evergreen Helicopters** on November 28. The sale price is \$1 million cash. Following absorption, the new company is renamed **Evergreen International Airlines**. In 1979, the wreckage from three withdrawn Ford Tri-Motors will be sold to Kal Aero of Kalamazoo, Michigan, for restoration.

JOHNSON INTERNATIONAL AIRLINES. See **EVERGREEN INTERNATIONAL AIRLINES; JOHNSON FLYING SERVICE**

JORDAN AIRWAYS, LTD.: Jordan (1961–1963). Sheikh Najib Alamuddin acquires the assets of bankrupt Air Jordan of the Holy Land and on October 1, 1961 forms Jordan Airways. **Middle East Airlines, S.A.L. (1)** takes a 35% interest, providing technical assistance.

In 1962, 61,594 passengers and 667.4 tons of cargo are transported. Although flying over the predecessor's routes and offering similar activities, Sheikh Najib's company is no more successful and fails in September 1963.

JORDAN AVIATION, LTD.: Head Office off 3rd Circle, Amman, Jordan; Phone (9266) 461 2229; Fax (9266) 464 49704; <http://www.jordanaviation.com>; Year Founded 2000. Jordan Aviation is established at Amman in early 2000 to offer passenger charters to points around the country, to Egypt, and throughout the Middle East and Mediterranean region. The first privately owned Jordanian airline to be licensed by the Jordan Civil Aviation Authority, the company acquires a leased Boeing 737-3Y0 during the summer with which to launch business. When not flying on behalf of its in-house holiday tour subsidiary, Sunday International, the carrier's aircraft is available for short-term ACMI service to companies and airlines.

On October 30, Jordanian Aviation receives a B-737-4Y0 leased from **Travel Service Airlines, A.S.** Arrangements are also made for the acquisition of a de Havilland Canada DHC-7-102. The former is employed on charter services.

JUGOSLOVENSKI AEROTRANSPORT. See **JAT YUGOSLAV AIRLINES**

JUNEAU FLYING SERVICE. See **WARD AIR**

JUNKERS LUFTVERKEHR, A.G.: Germany (1921–1926). In March 1919, just as the pioneer **Deutsche Luft Reederei, GmbH** is getting started, the aircraft manufacturer Junkers Flugzeugwerke, A.G., begins flying from its Dessau base to Weimar, site of the new German government. Two years later, on March 12, 1921, these flights are taken over by a special Air Services Section, formed as Junkers-Werke Abteilung Luftverkehr. With the dual purpose of providing service while extolling product, JWAL now initiates flights from Berlin to Munich via Dessau, Leipzig, and Nuremberg. On-demand charters are also operated, including one in late 1922 in which the Papal Nuncio to Germany, Eugenio Pacelli (later Pope Pius XII), is flown roundtrip from Munich to Oberammergau for a viewing of the famous Passion Play.

The aircraft employed to operate these new services was the revolutionary Junkers F-13 Nightingale (*Die Nachtigall*), the first German passenger plane built after World War I. Of all-metal construction and powered by a single 180 hp BMW IV engine (later a 310 hp engine is installed), the durable machine can be configured to accommodate two

crew and four passengers or one crew and five passengers. The Nightingale has the distinction of receiving the first German national numerical registration number, D-1.

Concerned by the competition being generated by **Deutscher Aero Lloyd, A.G.**, Junkers seeks to counter the effort by assembling a route network in north and central Europe through an affiliation of airlines equipped with Junkers F-13s.

Under the name **Aviakultura**, founded by I. A. Valentei, the company organizes a Moscow–Nizhni Novgorod scheduled service at the latter point in mid-summer 1922. Pilots Alfred Gothe and Georg Juterbock arrive with a pair of F-13s and flights are initiated on July 29. A third Junkers monoplane joins the first two on August 17 and, when the prototype service concludes on September 25, a total of 228 passengers have been flown, including 167 revenue.

The successful Russian experiment leads to the creation on November 26 of the Junkers Joint-Stock Company-USSR Air Service Direction (*Aksionernoe Obshchestvo Junkers-Upravlenie Vozdushnogo Soobshcheniya v SSSR*) or Junkers Luftverkehr Russland. The purpose of the new line will be air transport over a line from Sweden to Persia.

The Junkers Luftverkehr Russland agreement is officially signed by representatives of the Soviet central government on January 29, 1923. The Junkers Luftverkehr Russland agreement is officially signed by representatives of the Soviet central government on January 29, 1923. Arrangements will soon be completed for the equipment of the new enterprise. Back in Germany, French troops have occupied the Ruhr industrial area and inflation goes out of control. At the end of March, the Junkers company airline inaugurates new F-13 routes from Munich to Vienna and Zurich. Among the more important passengers flown is King Boris of Bulgaria, who is a passenger over the entire route from Zurich to Munich and on to Vienna.

During April and early May, eight F-13s arrive at Moscow from Germany to begin the nearly 3000-km contract route to Tbilisi. Junkers Luftverkehr secures 9 pilots and 24 other personnel to its Russian subsidiary. On May 14 and October 22, respectively, the **Trans-Europa Union** and **Ost-Europa Union** are formed.

Meanwhile, the first mail is flown from Moscow to Tbilisi on May 31 via Orel, Kharkov, Rostov-on-Don, Novorossiisk, and Batum; twice-weekly passenger flights commence the next day. The route is altered south of Rostov-on-Don as of July 25 and runs via Mineralnye Vody, Vladikavkaz, Grozny, and Baku. The Russian season ends on October 1; a total of 1,231 passengers have been flown (445 revenue).

On April 10, 1924, a proving flight is made by the F-13 *Papagei* from Baku and Enseli in Persia. Meanwhile, beginning in early May and continuing for a year, a series of ground agencies and FBOs are set up in Frankfurt, Breslau, Essen, Dresden, Gleiwitz, and Munich to service JWAL and the Trans-Europa partners. These include **Bayerische Luftverkehrs A.G.**, **Oberschlesische Luftverkehrs A.G.**, **Sudwestdeutsche Luftverkehrs A.G.**, **Schlesische Luftverkehrs A.G.**, **Sächsische Luftverkehrs A.G.**, and **Luftverkehrsgesellschaft Ruhrgebiet A.G.**

Also during the spring, a number of Junkers G-24 trimotors enter service over new company routes to Geneva and Budapest. The all-metal, open-cockpit aircraft, which have been constructed at the subsidiary AB Flygindustri at Linhamm-Malmoe, Sweden, in order to get around Allied restrictions on German aircraft manufacture, have seats for two crew and nine passengers and are equipped with radios for ground communication.

In Russia, permission to fly scheduled services is withdrawn by the government. Several propaganda flights are made on behalf of the Soviets between May and August. On August 13, Junkers' special Air Services Section is eliminated in favor of a formal subsidiary, Junkers Luftverkehr, A.G. Employed are four F-13s christened *Elster*, *Bussard*, *Meise*, and *Widenopf*. Small Junkers A-20 floatplanes are now employed to deliver mail across the Baltic.

The F-13 *Papagei* is transferred to Tehran on November 2 and on December 2 a provisional service is launched by the F-13 *Albatros*

between the Persian capital and Baku. On December 30, the *Wachtel*, *Mowe*, and *Bremse* join the two German monoplanes in Persia.

By year's end, passengers of JL are now able to fly the carrier and its affiliates from Geneva in the south to Helsinki in the north. A total of 3,963 people are flown on charters within the Soviet Union during the year.

The experimental Persian air service between Tehran and Baku ends in March 1925. During April, the company demonstrates a G-24 trimotor at Moscow, but cannot sell it to either the Russian airline *Dobrolet* or the Ukrainian carrier *Ukrvozdukhput*. The latter, however, now arranges to take over the former Junkers Moscow-Baku route. The German concern initially plans to maintain its various efforts, but elects to abandon Russia in favor of Persian operations.

Competition between **Deutscher Aero Lloyd, A.G.** and JL is ferocious during these years and the drain on state, municipal, and private funds for subsidies becomes burdensome. On May 7, Junkers proposes the creation of a superconsortia, the Europa-Union, to unite both the Trans-Europa and Ost-Europa groups. A meeting of the 16 airlines involved takes place in Berlin on September 7. The aviation department of the German Transport Ministry (GTM) disallows this move, seeing it as an attempt by the manufacturer to increase its power.

This government bureau assumes 80% control of JL in October. At approximately the same time, Deutsche Bank/Deutsche Petroleum official Dr. Kurt Weigelt, who had assisted in the creation of DAL, in co-operation with the GTM's aviation bureau chief, Ernst Brandenburg, now prepares a pamphlet entitled *Fusion in the Field of Air Traffic*, which recommends a Junkers/DAL merger.

Consequently, merger negotiations proceed and on January 6, 1926, the two corporate carriers are merged into a new national airline, **Deutsche Luft Hansa (DLH)**.

JUNKERS LUFTVERKEHR PERSIEN, GmbH.: Iran (1927–1932). In 1924, several pilots flew Junkers F-13s to Tehran via Moscow and Baku and received a government concession to form an internal airline. When the enterprise did not begin, the aircraft found their way into the Persian Air Force. There they were found by Kurt Weil and sent to Tehran by Hugo Junkers in January 1927 to test his theories of unsubsidized airline operations. After refurbishing the F-13s and founding JLP, Weil begins negotiations with the Persian government toward a definitive agreement.

Scheduled service begins on February 8 and the final pact is signed on February 26. The routes from Tehran go to Pahlevi and to Qasr-i-Shirin via Hamadan and Kermanshah. The F-13 *Albatros* is returned to Germany later in the year and sold.

Outfitted with a fleet that eventually comprises three F-13s, JLP begins expanding its route network in February 1928 with service to Baku via Pahlevi and to Shiraz and Bushire via Isfahan. Two Soviet pilots are employed by Junkers as compensation to Moscow for permission to land at Baku. Despite initial British opposition, the Kermanshah leg is pushed on to Baghdad later in the year while the company's three aircraft, *Wachtel*, *Albatros II*, and *Bremse*, are registered in Germany:

Meshed joins the system in 1929 and Tabriz in 1930. A connection allowing through-service to Berlin is made at Baku during the latter year with the Ukrainian carrier *Ukrvozdukhput*. For political reasons, services are indefinitely suspended in March 1932; Weil and his aircraft return to Germany.

JUNKERS LUFTVERKEHR RUSSLAND, GmbH.: U.S.S.R. (1923–1925). Having established a production facility at Fili, a Moscow suburb, for production of its all-metal F-13s (known in Russia as Ju-13s), Junkers elects to inaugurate a scheduled multistop service in summer 1923 from the Soviet capital to the Caspian Sea city of Baku (see the *Junkers Luftverkehr, A.G.* entry). With these new flights, those travelers willing to undertake the hardships can now reach Persia by air from Berlin. In early 1925 the operation is closed down and its principal route is taken over by the Ukrainian airline *Ukrvozdukhput*.

JUPITER AIRWAYS, LTD.: India (1948–1949). Capitalized at Rs 2,574,622, JAL is formed at Madras in early 1948 to fly a thrice-weekly service from Madras to Delhi via Visakhapatnam and Nagpur, coining the phrase "By Jupiter, It's Quick!" Licensing difficulties and an adverse ruling by the Bombay High Court force the company to cease activities in February 1949.

KABO AIR, LTD.: 6733 Ashton Road, P.O. Box 1850, Kano, Nigeria; Phone 234 (64) 639 591; Fax 234 (64) 632 386; Code KO; Year Founded 1975. Formed as a subsidiary of Kabo Travels, Ltd. at Kano in 1975, the carrier is established by its chairman, Alhaji Dan Kabo, to transport of Hadj pilgrims to Jeddah, air gateway to Mecca, employing leased jetliners. Shitu Adamu is managing director.

Charter flights to Jeddah from Maiduguri begin in February 1980. In April 1981, the carrier receives permission to begin scheduled domestic services linking Kano with Lagos, Kaduna, and Port Harcourt. Charter rights are obtained a year later, in summer 1982.

In addition to routinely leasing aircraft, particularly larger types such as B-747s subleased from **Cargolux Airlines International, S.A.**, Kabo's fleet during the early-to-mid 1980s comprises 1 chartered Boeing 727-100 and 1 chartered B-737-100, plus 3 owned Sud Est SE-210 Caravelle IIIs.

A Caravelle III overruns the runway on landing at Calabar, Nigeria, on August 6, 1986; although the aircraft is heavily damaged, there are no fatalities.

One each B-727-25, B-727-51, and B-727-225 are purchased in 1987, followed by a Douglas DC-8-55F christened *Sir Amandu Bello* in 1988. The Douglas is employed to fly international cargo and contract service charters. It is joined by a B-707-321C Stratofreighter in 1989.

Domestic and regional charters, particularly in support of the Hadj, are undertaken throughout the remainder of the decade and into the 1990s, while domestic services are also maintained.

A BAC 1-11-204AF with 90 passengers makes a wheels-up landing at Port Harcourt on September 16, 1991; although the jetliner is damaged beyond repair, there are no fatalities.

In 1992, the 120-employee company of Executive Director Shitu Adamu and President Thomas B. Gado possesses a fleet comprising 1 each B-727-25, B-727-51, and B-727-225, 9 British Aerospace BAe (BAC) 1-11-204AFs, 2 1-11-407AWs, 1 Lockheed L-1011-100 TriStar, A B-707-321C, and 1 Douglas DC-8-55F.

On March 31, the chartered Stratofreighter with five crew, loses power to two engines and crashes near Istres, France; although the aircraft must be written off, there are no fatalities. A BAC 1-11-204AF with 4 crew and 53 passengers, overruns the runway while landing at Sokoto, Nigeria, on August 23; although the aircraft is damaged, there are no fatalities.

The number of aircraft is increased by two in 1993–1994 as a second B-727-25 is leased along with a further BAe (BAC) 111-204AF. During May of the former year, the former **Pan American World Airways (1)** B-747-121 *Clipper Juan T. Trippe* is leased from GE Credit Corporation. With a crew made up entirely of personnel from the failed U.S. pioneer, the plane flies Muslim pilgrims from Sokoto to Jeddah. It is joined in this Hadj airlift by two B-747-1D1s wet-leased from **Air Atlanta Icelandic, H.F.**

Operations continue apace in 1995. As they had in the previous two years, the **Air Atlantic Icelandic, H.F.** Jumbojets again fly Hadj charters. Domestic services are maintained from Lagos to Abuja, Enugu, Jeddah, Jos, Kaduna, Maiduguri, Port Harcourt, Sokoto, and Yola.

On November 7, 1996, a B-727-25 with 191 aboard disappears during a flight from Port Harcourt to Lagos; the next day, search crews find the submerged wreckage of the aircraft in a swamp outside Lagos and there are no survivors.

Simon Tumba reports in the November 1997 issue of *Airline Business* that the airline industry in Nigeria is on the verge of collapse, with only 10 aircraft from 8 carriers left to provide domestic services for 90 million people.

By the year's 10th month, **ADC Airlines, Ltd.** has only one operational B-727, while Kabo Air has two. **Bellview Airlines, Ltd.** can fly only one DC-9. **Nigeria Airways, Ltd.** and several small operators fly the remaining six. All call upon the government to politically and financially guarantee a restructuring of the industry.

Flights continue without headline or incident in **1998–2000**. The fleet during these years includes 2 B-747-148s, 3 B-747-136s, 1 B-727-225, 2 B-727-224As, 2 BAC 1-11-407Aws, and 5 BAC 1-11-204AFs. As required, additional B-747s and L-1011s are wet-leased to cover Hady pilgrimages flights.

On July 3 of the latter year, the airline is drawn into a controversy involving the allegedly fraudulent sale of its B-727-225 by its lessor, the Irish-based O Corporation, Ltd., to settle a debt owed to TK Motors.

KACHEMAK AIR SERVICE: P.O. Box 1769, Homer, Alaska 99603, United States; Phone (907) 235-8924; <http://www.xyz.net/~decreeft>; Year Founded 1967. Kachemak is established at Homer in 1967 to provide lightplane point-to-point air taxi flights to bush destinations and communities in the mountains, glaciers, and along the shores of Kachemak Bay. Over the next 30 years, it also flies tourists to the local National Parks and engages in "ecotourism" services.

The subsidiary Kachemak Bay Flying Services is established by owners Bill and Barbara de Creeft in 1998 to operate a restored 1929 Travel Air 6000. The aircraft is the only one of its type operating as a fully licensed air taxi.

Service continues in **1999–2000**.

KACHEMAK BAY FLYING SERVICE. See **KACHEMAK AIR SERVICE**

KAIKEN LINEA AEREA, S.A.: Perito Moreno 937, 9420 Rio Grande, Tierra Del Fuego, Argentina; Phone 54 (964) 22742; Fax 54 (964) 30665; <http://www.kaikenta.com.ar>; Code F7; Year Founded 1990. Oscar Valls establishes KLA in 1990 to offer scheduled third-level passenger and cargo flights throughout Tierra Del Fuego. Revenue services commence with 2 each de Havilland Canada DHC-7-102s and Fairchild Metro III.

Frequencies are continued in **1991–1999**. During this period, the fleet is increased through the addition of three SAAB 340As. Destinations visited include Comodoro Rivadavia, Lago Argentino, Mendoza, Neuquen, Punta Arenas, Rio Gallegos, Rio Grande, San Carlos de Bariloche, Trelew, and Ushuaia.

KAISERAIR: Hangars 3-5 & 7, Oakland International Airport, Oakland, California 94614, United States; Phone (510) 569-9622; Fax (510) 635-3173; Year Founded 1946. Kaiserair is originally established as an FBO at Oakland Airport in 1946. It also undertakes lightplane charters in the San Francisco Bay area.

Fifty-four years later, in 2000, Vice President Sandy Waters oversees a worldwide executive and small group passenger charter business that operates 2 Grumman G-1159 Gulfstreams, 1 Cessna 550 Citation II, and 1 British Aerospace BAe (HS) 125-700 Hawker.

KAKUDA AIR (PTY.), LTD.: Australia (1993–1995). Kakuda is established at Jabiru in 1993 to offer flight-seeing services around the Northern Territory. Nonscheduled services continue through 1994 with a fleet of 2 Cessna 402Cs and 2 Partenavia P.68s. Scheduled services begin in 1995, but cease within a year.

KALAHARI AIR SERVICES & CHARTERS (PTY.), LTD. See **AIR BOTSWANA (PTY.), LTD.; AIR CHARTER BOTSWANA (PTY.), LTD.**

KALAHARI EXPRESS AIRLINE (PTY.), LTD.: P.O. Box 40179, Odessa Hangar, Aviation Road, Eros Airport, Windhoek 9000, Namibia; Phone 264 (61) 245 665; Fax 264 (61) 245 612; [http://](http://www.kalahariexpress.com.na)

www.kalahariexpress.com.na; Code KEA; Year Founded 1996. A new and private local competitor to **Air Namibia (Pty.), Ltd.**, Kalahari Express is formed by Sheik Hani Yamani and five other investors during the fall of 1996. A long gestation period will follow before the new entrant can take to the skies.

By the spring of 1998, the two-year-old has yet to start and finds itself in dire financial straits. Led by its Managing Director, Sattar Aboobakar, the company approaches **Air Namibia (Pty.), Ltd.** offering to sell it 51% controlling interest. The flag carrier's managing director, Andreas Guibeb, expresses great interest, but when he refers the matter to his board of directors for consideration, it becomes split on the issue. As the decision-making process drags on, KEA elects to seek other partners. Its air service license expires and, during the last week of May, all 61 employees are laid off.

On June 5, it is reported in *The Namibian* that plans by Air Namibia to purchase a controlling interest in the beleaguered KEA have collapsed. Namibia Harvest, a company in which Aaron Mushimba, a local businessman and Petrus Damaseb, Air Namibia board chairman, have interests, has purchased the carrier outright. In addition, KEA Managing Director Aboobakar confirms that, while Namibia Harvest will finance the arrangement, **SA Express (Pty.), Ltd.** of South Africa will operate it under a management contract.

Air Namibia Chairman Damaseb and Dr. Peingondjabi Shipoh, Managing Director of the national transportation holding company TransNamib, both deny on June 8 that they know anything about the collapse of the Air Namibia–KEA negotiations. Damaseb indicates that his board had approved acquisition of a 51% majority stake following a positive due diligence report and that only required funding approval from TransNamib Holdings stands in the way of the deal's completion.

By June 9, Chairman Damaseb has become the center of a conflict-of-interest controversy for his role on the board of Namibia Harvest. He claims to be innocent of such charges and notes that both he and Air Namibia's board believed it had an arrangement to takeover KEA on June 1 in partnership with Namibia Harvest, which it now appears, has hijacked the entire arrangement to its own benefit. Indeed, Damaseb protests that it was through his intervention that KEA was able to renew its license, an authority that was conditioned on Air Namibia's acquiring a controlling stake.

On June 24, Namibian Vice President Katutire Kaura informs the National Assembly that he will personally request that Works, Transport, and Communications Minister Hampie Plichta undertake a review of the latest development, the transfer of KEA ownership from Air Namibia to TransNamib Holdings. Such a move, he contends, is also contrary to government liberalization policy. Indeed, he recommends that the entire relationship between TransNamib and the government be investigated.

During the fall, managers from Kalahari Express and **Air Namibia (Pty.), Ltd.** reach an understanding and agree to work in tandem much as **South African Airways (Pty.), Ltd.** does with **SA Express Airways (Pty.), Ltd.** Start-up arrangements between the two, plus **SA Airlink (Pty.), Ltd.**, are sorted out during the remainder of the year, with the South African airline purchasing 49% equity in October. Andre Compton is appointed the new managing director.

A new strategic agreement is signed between **South African Airways (Pty.), Ltd.** and **Air Namibia (Pty.), Ltd.** on January 7, 1999. Under terms of the document, the two carriers pledge to explore such joint business opportunities as combined customer services, linked frequent flyer programs, and code-sharing. The arrangement is extended to Kalahari Express, **SA Express Airways (Pty.), Ltd.**, and **SA Airlink (Pty.), Ltd.**

It is announced on March 15 that Kalahari Express will initiate daily flights between Windhoek, Johannesburg, and Cape Town by midyear using a pair of Fokker F.28-3000s. The services will complement rather than compete with the frequencies offered on those routes by **Air Namibia (Pty.), Ltd.** or **SA Airlink (Pty.), Ltd.**

F.28-3000 revenue flights are finally inaugurated on October 31, linking the company's base with Johannesburg and Cape Town.

A total of 60 workers are employed at the beginning of 2000.

A Kalahari Express Fokker F.28-3000 is acquired by **Air Namibia (Pty.), Ltd.** It is ready to enter service on September 3 when Air Namibia and **SA Express Airlines (Pty.), Ltd.** (employing a Canadair CRJ) launch an intense competition with twice-daily return flights over a new route from Johannesburg and Eros Airport, near Winhoek

KALINGA AIR LINES, LTD.: India (1946–1953). KAL is formed as a charter operation in 1946. In May 1949, it is granted a license to operate scheduled all-cargo flights between Calcutta and Agartala, principal town in Tripura state.

These services continue during 1950–1952; the fleet is built up to 8 Douglas DC-3s and the route frequency grows to 8 per day. This expansion does not come without loss.

A DC-3 with three crew strikes a stand of trees beyond the runway at Dum Dum Airport, Calcutta, on December 31, 1951, and crashes; there are no survivors.

Following an engine failure, a DC-3 freighter with four crew attempts an emergency landing at Agartala on April 10, 1952; the pilot loses control, the aircraft crashes, and there are no survivors.

A DC-3 with three crew is lost on September 15 when it strikes high ground west of Wadi Halfa, Sudan; there are no survivors.

As the result of parliamentary study and debate, it is decided to nationalize Indian air transport. On May 28, 1953, presidential assent is given to an Air Corporation Bill, which results in the August 1 formation of **Indian Airlines Corporation**; the new state enterprise now acquires and merges Kalinga Airlines.

KALININGRADAVIA: Khrabrovo Town Airport, Kalingrad Area, Guriev Region, 238315, Russia; Phone 7 (0112) 459 411; Fax 7 (0112) 460 828; <http://www.baltnet.ru/avia/index.htm>; Code K8; Year Founded 1945. Also known as the Kalingrad United Air Detachment or Kaliningradski OAO from its Russian name, this **Aeroflot Russian International Airlines (ARIA)** division is established on October 8, 1945 to provide service to the Baltic region of Kalingrad from Khrabrovo Airport. Flights commence in the spring of 1946.

Following the collapse of the Soviet Union, the unit is reformed into the joint stock company Kalingradavia in 1993. Comdr. Vladislav S. Philipenko becomes general director and shareholding is divided between the state (51%), Kalingrad employees (40%), and private investors (11%).

Service continues with 5 Tupolev Tu-154s. Enplanements for the year total 339,650 and a total of 47.8 million FTKs are transported.

Two Tu-134s are added in 1994 and passenger boardings climb by 7.7% to 365,500.

Plans are made to begin flying into Scandinavia early in 1995, the company's first international routes; these begin on schedule. Unlike most other Russian carriers, KUAD enjoys a good traffic year.

Customer bookings inch up 2% to 352,900 while a total of 3.85 million FTKs are operated.

In 1996, the company's 11 aircraft transport a total of 270,200 passengers, a 23.4% decline.

Airline employment stands at 1,036 in 1997. The fleet now comprises 2 Tu-154Ms and 9 Tu-134As.

Passenger boardings rise 2.6% to 277,000.

Scheduled destinations visited in 1998 include Almaty, Bishlek, Ekaterinburg, Hanover, Krasnodar, Mineralnye Vody, Moscow, Murmansk, Novosibirsk, Rostov, Samara, St. Petersburg, Tashkent, and Volgograd.

Customer bookings fall 10% to 218,000.

KALITTA AIR See **KITTY HAWK INTERNATIONAL AIRWAYS**

KALITTA AMERICAN INTERNATIONAL AIRWAYS. See **AMERICAN INTERNATIONAL AIRWAYS**

KALITTA FLYING SERVICES. See **CONNIE KALITTA SERVICES**

KALUZHSKI ENGINES (KALUGA ENGINES): Ulitsa Moscovskaya Street 247, Kaluga, 248633, Russia; Phone 7 (08422) 24009; Year Founded 1994. Another ex-Soviet state-owned industry allowed to begin private enterprise flights in an effort to raise currency, Kaluzhski Engines establishes an air transport division at Kaluga in 1994. Yuri A. Leikovsko is appointed general director and he launches revenue services with a fleet of Antonov An-12s and An-32s.

Flights continue.

KAMCHAT-AVIA: Russia (1992–1995). Also known as **Kamchatski**, this semiautonomous third-level **Aeroflot Russian International Airlines (AIRA)** detachment continues, in 1992, to operate scheduled flights from Kamchatsky. Victor Klimenkov is managing director and operates an all-Antonov fleet comprising 20 An-24s and 10 An-26s. Enplanements total 176,694.

The declining Russian economy causes a significant traffic downturn in 1993.

Passenger boardings plunge 44.5% to 122,280 while freight traffic falls 36.3% to 9.3 million FTKs.

Customer bookings decline again in 1994, falling 25.5% to 90,500. By year's end, the fleet includes only 1 each An-24, 1 Let 410UVP, and 1 Yakovlev Yak-40. Flights cease in 1995.

KAMLOOPS AIR SERVICES, LTD. See **CENTRAL BRITISH COLUMBIA AIRWAYS, LTD.**

KAMPUCHEA AIRLINES (1): Cambodia (1982–1994). KA-1 is formed at Pochentong Airport, Phnom Penh, in the summer of 1982 with assistance from the government of Vietnam as successor to **Air Cambodge, S.A.**, which had ceased operations following the April 1975 Khmer Rouge defeat and overthrow of Cambodia's government.

Employing a pair of Antonov An-24 turboprops supplied by the Soviet Union, the carrier undertakes regularly scheduled domestic and contract service flights from the capital to Siem Reap and Ho Chi Minh City beginning on September 7.

Flight operations continue for only a short period. On January 10, 1983, the Vietnamese renew their war upon the Khmer Rouge, which had ceased in 1979, grounding KA-1. Although the nonflying flag line is briefly known as **Air Kampuchea** beginning in 1988, its original title is restored by decade's end.

Revenue operations between Phnom Penh and Bangkok are resumed in November 1991 with a wet-leased Tupolev Tu-134A. At the same time, Cambodian and Thai businessmen form a small carrier, **SK Air**, and seek to wet-lease the Tupolev.

Antonov flights to Siem Reap are restarted in 1992, along with other local destinations. The Tupolev is leased to **SK Air** and a Mil Mi-8 helicopter enters service to provide both heavy lift capability and short-haul passenger transport.

All cargo service is initiated between Phnom Penh and Singapore in March 1993. The principal freight consists of supplies and equipment sent into Cambodia by the UN. The twice-weekly B-737 service between Kuala Lumpur and Phnom Penh is increased to thrice weekly on August 6.

In association with **Singapore Airlines, Ltd.**, the new government now plans a new flag carrier, **Royal Air Cambodge, S.A. (2)**. Meanwhile, **SK Air** fails and the Tu-134A is returned. In December, an Avions de Transport Regional ATR72-202 is leased from **TAT (Transport Aerien Transregional, S.A.)** and joins Managing Director Tep Hen's fleet of 3 An-24s and 1 An-26. All KA aircraft are now repainted in blue and white livery.

In 1994, KA-1 receives two more **TAT European Airlines, S.A.** ATR72-202s, one each in October and in mid-November. KA-1 ceases operations at year's end, allowing the new entity to take to the air in January 1995. By December, the carrier's assets have all been taken over by **Royal Air Cambodge, S.A. (2)**.

KAMPUCHEA AIRLINES (2): 62 Tousamuth St., Phnom Penh, Cambodia; Phone 855 232 4167; Fax 855 232 6169; Code KT; Year Founded 1997. In early July 1997, Hun Sen, Cambodia's second prime minister, overthrows the coalition government of first prime minister Prince Norodom Ranariddh. Heavy fighting ensues, much of it along the road to and within the perimeter of Phnom Penh's Pochentong Airport. The airport itself will be badly damaged; its visual omni-directional range (VOR) beacon is put out of service and looters steal or destroy equipment from the ATC tower and passenger terminal.

Despite the chaos that causes all of the international carriers, except **Thai Airways International, Ltd. (THAI)**, to halt services, Cambodia's incumbent carrier, **Royal Air Cambodge (2)**, continues to operate its scheduled flights Hong Kong, Bangkok, Singapore, Kuala Lumpur, Guangzhou, and Ho Chi Minh City.

The company's ATR72-200s maintain limited domestic services to Siem Reap and Battambang. Later in the month, the Boeings are grounded at Kuala Lumpur and the new government of the Cambodian People's Party announces plans to end the airline and form a new one.

The Cambodian government at the end of the month decides to resurrect KA-2 while calling for a quick resumption of air services to the country. Prime Minister Hun Sen announces an "open skies" policy for foreign carriers wishing to resume flights into Phnom Penh. The new policy also permits Royal Air Cambodge to continue; its national monopoly ended, RAC is now marketed as "The Airline of Cambodia."

KA-2 comes to life on August 1. Yin Chan is appointed CEO and a 40% stake is sold to **Orient Express Air, Ltd.** That carrier's CEO, Udom Tantiprasongchai, now serves as Kampuchea's managing director as well, and arranges for the lease to KA-2 of an Orient Lockheed L-1011 TriStar 1 with which to resume service. Flight 311, the inaugural service, is operated to Kuala Lumpur on August 15. A service to Singapore is flown the next day.

Plans are made to acquire Boeing 737s with which to start domestic services to Angkor Wat and Siem Riep; several B-727-200s are received instead.

Flights continue in 1998. Although plans are announced by KA-2 to initiate regional and international services along most of the routes operated by **Royal Air Cambodge (2)**, fears by members of the government that **Malaysia Helicopter Service Sqn. Bhd.** might withdraw its support from RAC cause this initiative to be somewhat thwarted. KA-2 is allowed to fly the routes from Phnom Penh to Bangkok and Hong Kong as charter operations, but with the onslaught of the Asian economic crisis, bookings nearly evaporate.

Scheduled operations to the previous charter points are allowed in 1999 and a second **Orient Express Air, Ltd.** TriStar is briefly dedicated to the company's schedule. Unhappily, the impact of the Asian financial crisis continues to be felt and these new regularly offered flights are not profitable. In addition, an eventual competitor now appears on the scene.

Royal Phnom Penh Airways is established as a tourist airline on October 29 by Prince Norodom Chakrapong, son of King Norodom Sihanouk. The owner is also chairman/CEO. He had previously served as deputy prime minister, civil aviation minister, and chairman of **Kampuchea Airlines (1)**.

As the year ends, the company returns to offering charters only. Still and despite hard times, Kampuchea Airlines is able to survive into the new millennium and is even able to lend a helping hand to another regional company in trouble.

Losing some 20 million baht (\$500,000) a month, Thailand-based **Angel Airlines Company, Ltd.**, on June 1, 2000, stands down for 30 days as it is reorganized. The sublease of a Lockheed L-1011 TriStar 1 from Kampuchea allows Angel to announce that daily flights to Hong Kong will restart on July 15. Despite the formulation of a rescue plan, Angel teeters on the brink of collapse by mid-July. The announced Hong Kong TriStar service is initially cancelled, but begins on July 22.

It is reported on October 8 that Angel will sign a new marketing and code-share agreement with **China Northern Airlines Company, Ltd.** Under its terms, the previous TriStar lease will end as CNA provides a

pair of Airbus Industrie A300-600Rs in November with which to operate Angel's domestic and international routes from Bangkok.

KANAF AIR SERVICES. See **ARKIA ISRAEL AIRLINES, LTD.**

KANAIR LUFTVERKEHRS, A.G.: Germany (1975-1995). Kanair is established at Dusseldorf in 1975 to offer cargo charters, primarily to the United States and South America. Operations continue apace with little fanfare over two decades.

By 1993-1994, Chairman Franz Kanehl and President Karl Werres oversee a workforce of 200 and a fleet comprising 4 B-707-320Cs and 2 Lockheed L-100 Hercules freighters.

Flights cease in 1995.

KANSAS CITY AVIATION CENTER: Johnson County Executive Airport, P.O. Box 1850, Olathe, Kansas 66063, United States; Phone (913) 782-0530; Fax (913) 782-6591; Year Founded 1969. KCAC is originally established as an FBO at Johnson County Airport in 1969. It also flies lightplane passenger charters as part of its operation.

By 2000, the company employs six pilots and offers executive and small group passenger charters throughout the U.S. and to Alaska, Canada, and Mexico. The fleet includes 1 each Cessna 500 Citation I executive jet, 1 C-425 Conquest I, and 1 C-421.

KARAIR O/Y: Finland (1957-1996). To foster a more modern marketing image, **Karhumaki Airways**, once known as Veljekset Karhumaki (VKD), is reformed in 1957 and renamed. Scheduled and non-scheduled services are maintained with Convair CV-440 Metropolitans between the Finnish capital and outlying cities and towns. **Finnair O/Y** takes a 29% interest in the company during 1962, later increasing its shareholding to 35%. A significant portion of the company's business now comprises passenger and cargo charters.

When the carrier encounters financial difficulties, the government instructs **Finnair O/Y** to take the airline over, leaving its name in place. G. Korhonen is named chairman with Tuomas Karhumaki, a cousin of the VKD founders, as managing director. A joint operating agreement is signed between the two airlines under which Finnair assumes Karair O/Y's scheduled routes, leaving its new partner to concentrate on charters as a separate profit center under its previous identity. Karair is, however, allowed to retain one scheduled service linking Helsinki and Lappeenranta.

A Douglas DC-6B is purchased from **Northwest Airlines** on June 12, 1964. Nonscheduled operations are continued throughout the remainder of the decade and into the 1970s. The most interesting development during these years is the 1968 conversion of the former **Northwest Airlines** DC-6B into a swing-tail freighter; the modification is carried out by **Sabena Belgian World Airlines, S.A.** in April-July. The conversion is employed to fly relief missions to Biafra, Nigeria, late in the year and in 1969.

By 1978, the workforce totals 184 and operates a fleet made up of a Douglas DC-8-51 leased from Finnair, the Belgian-modified DC-6B, and a DC-3. Enplanements total 175,394.

Airline employment in 1979 stands at 190. Passenger boardings grow a very modest 0.3% to 175,921.

The workforce is reduced by 19.3% in 1980 to 142. The fleet, on the other hand, is increased by the addition of a de Havilland Canada DHC-6-300 Twin Otter, an Embraer EMB-110 Bandeirante, and a pair of Fokker F.27s. The O/Y is deleted from the corporate marketing identity late in the year.

Customer bookings fall 28.1% to 126,428.

The employee population grows by 3.5% in 1981 to 147. A contract is let on October 12 for an Avions de Transport Regional ATR42 turbo-prop. Enplanements decline again, dropping a significant 27.1% to 92,220. Cargo, however, grows by 27.3% to 28,000 pounds.

The employee population is reduced by 1.4% in 1982 to 145. The famous DC-6B swing-tail freighter is sold out of service in June.

Passenger boardings are level, at 92,240, but freight advances handsomely, up 35.7% to 38,000 FTKs.

The number of workers grows a substantial 17.2% in **1983** to 170. Although 531,000 FTKs are operated, customer bookings drop 6.6% to 86,119.

In **1984**, airline employment is 188 and the fleet comprises a DC-8-63 leased from Finnair along with a DC-8-51, plus an Embraer EMB-110P1 Bandeirante chartered from **Finnaviation O/Y** and an owned de Havilland Canada DHC-6-300 Twin Otter. A Karair-Toivelomat/Dreamtours sales division is now established to handle inclusive-tour operations.

Customer bookings swell 39% to 119,686, while cargo increases an outstanding 221.8% to 1.7 million FTKs.

Enplanements rise a slight 0.9% in **1985** to 120,756, but freight continues to expand, rising 13.6% to 1.94 million FTKs.

Two Airbus Industrie A300B4-203s are requested on lease from Finnair in **1986** to replace the DC-8s; the first arrives in December.

Passenger traffic for the 200-employee Finnish airline falls 9.3% to 109,544 passengers flown; however, cargo continues to thrive, rising 6.6% to 2.07 million FTKs.

The workforce is increased by 19% in **1987** to 238. The first Airbus enters service in February; a second arrives in March and begins flying in late April. The main destination for both, flown as they are by Finnair flight crews, is the Canary Islands.

Passenger boardings revive, moving ahead by 15.1% to 126,124. Freight, on the other hand, falls by 3.1% to 2 million FTKs.

Airline employment is up another 1.5% in **1988** to 278 and the fleet now includes a pair of A300B4-203s and a Twin Otter, the EMB-110 having been returned. The de Havilland Canada DHC-6-300 is employed for geological survey flights.

Passenger boardings advance 40.2% to 176,850, but freight declines 3.4% to 1.93 million FTKs.

The payroll is cut 5% in **1989** to 264 as **Finnair O/Y**, on February 3, assumes 95% shareholding and begins to operate the domestic airline as a subsidiary. The five ATR42s are turned over to the parent, along with responsibility for the flag carrier's domestic routes. Managing Director Tuomas Karhumaki's airline is allowed to operate its new services in its own livery and with its own staff. When Finnair takes delivery of five ATR72-201s, beginning in July, they are gradually shifted to Karair.

Customer bookings fall 12.2% to 155,252 and cargo slides 2% to 1.89 million FTKs. There are losses: \$877,100 (operating) and \$80,227 (net).

Company employment is increased by 28.8% in **1990** to 340. Pekka Valimaki becomes managing director and the fleet is significantly increased and services grow. In addition to the two Airbus Industrie A300B4-203s leased from Finnair, the last of five ATR72-201s is delivered in February. The company enters into a code-sharing agreement with its parent in preparation for the initiation of turboprop replacement services from Helsinki.

Daily Finnair replacement flights to Stockholm and Tallin are undertaken, in addition to new services to such domestic destinations as Turku, Maarianhamina, Port, Vaasa, Kokkola, Oulu, Kittilä, Jyväskylä, Tampere, Kuopio, Varkaus, Joesuu, Savonlinna, and Lappeenranta.

Passenger boardings not only recover but almost double, climbing to 347,000. Revenues jump 13% to \$47.1 and allow an operating profit of \$470,000. Net gain reaches \$110,422.

The payroll is sliced by 11.8% in **1991** to 300 as the company's ATR72-201 operations are separated from Finnair domestic services into an operationally and economically independent unit.

Customer bookings ascend another 26.6% to 398,846.

A sixth ATR72-201 is received in October **1992**, replacing the two A300B4-203s; orders are placed for two more.

The workforce is cut 10% to 270 as enplanements decline an equal amount, 10%, to 359,179.

In **1993**, Chairman Antti Potila and Managing Director Valimaki employ the same workforce and operate the same aircraft. Efforts are made by the parent, **Finnair O/Y**, to absorb the company. Passenger boardings jump 18.6% to 464,560 as freight rises 22.1% to 254,000 FTKs.

Twenty workers are released in **1994** and the fleet now includes the 6 ATR72-201s and 1 de Havilland Canada DHC-6-300.

Customer bookings ascend 11.8% to 519,131 and revenues inch up 0.7% to \$61.1 million. There is no change in the employment base in **1995** as traffic suffers a downturn; enplanements are off 8.7% to 473,839 while freight drops 24.9% to 229,000 FTKs.

During the first quarter of 1995, the company, together with Finnaviation, move into the former Finnair maintenance hangar at Helsinki's Vantaa Airport.

In October **1996**, the company is finally merged into Finnair. Through the first 9 months of the year, a total of 337,336 passengers are transported, a 7.1% decline.

KARAT JOINT STOCK COMPANY: 125-A Vernadskogo Prospect, Moscow, 117571, Russia; Phone 7 (095) 434-2114; Fax 7 (095) 433-2633; <http://www.karat.msk.ru>; Code 2U; Year Founded 1996. Rikori Aviakompania is established at Moscow's Vnukovo Airport in **1993** to provide domestic passenger charters. Viktor Mikheyev is director general and he begins revenue flights with five Yakovlev Yak-42Ds.

The company is reformed in **1996** and renamed. Mikheyev remains CEO as the mission is enlarged to include third-level scheduled regional service. The airline is now also the official carrier for the Russian National Cosmos Agency. The fleet is also boosted, growing to include 3 each Yak-42s and Yak-42Ds, 1 Yak-40, 2 Tupolev Tu-134As, and 2 Antonov An-24RVs.

When Ivanovo Airport gains international status in July **1997**, Karat begins flying regularly scheduled deep-discount services into it from the Russian capital. Enplanements for the year total 20,100.

In August **1998**, Russia devalues the ruble and further exacerbates an economic crisis. From an exchange rate of 6 rubles to the dollar, Russian currency trades at more than 16 to 1 by mid-September. To help offset this situation, Karat is forced, on September 22, to boost its economy-class fares from 720 rubles to 1,045. Still, the company advertises itself as the nation's first low-fare, no-frills airline. Passenger boardings increase 90% to 201,000.

Flights continue in **1999-2000**, during which time a homepage is opened on the World Wide Web.

KARHUMAKI AIRWAYS O/Y: Finland (1951-1957). Organized at Helsinki in **1951**, KA, is a subsidiary of the Karhumaki aircraft manufacturing and manufacturing operation, an overhaul facility, which had been formed by the three Karhumaki brothers (the family name means "Hill of the Bear" in Finnish) in 1925. It is originally known as **Veljekset Karhumaki (VKD)**. Employing Lockheed Model 18 Lodestars, the carrier inaugurates a scheduled service from the Finnish capital to outlying destinations. During the middle part of the decade, the fleet is upgraded by the addition of Douglas DC-3 and Convair CV-440 Metropolitans. In **1957**, the corporate identity is changed to the more modern **Karair O/Y**.

KATALE AERO TRANSPORT. See **KATALE AIR TRANSPORT, S.A.**

KATALE AIR TRANSPORT, S.A.: Zaire (1978-1994). Established at Goma Kivu in **1978**, KAT, originally named for the Domaine de Katale coffee plantation and known as Katale Aero Transport, undertakes cargo transport from Goma to Kinshasa and Mombasa. Much of the work centers on the transport of coffee, using 3 former RAF Bristol Britannia 253Cs.

Within five years, the coffee market suffers a downturn, forcing the one-industry oriented carrier to diversify. A Boeing 707-329C Stratofreighter is purchased from **Sabena Belgian World Airlines, S.A.** in **1983** and is employed to take over from the Britannicas and provide international and regional general freight services and contract service flights.

The Boeing is supplemented in **1988** with a Douglas DC-8-55F Jet Trader christened *Hubert*. By **1989**, the fleet includes 1 each Britannia 312F, Boeing 707-329C, and Douglas DC-8-55F.

Business slows in 1990, requiring the withdrawal of the Britannia 312F and a grounded Britannia 253C. On March 1, the Stratofreighter, with three crew, is damaged beyond repair after its Belgian pilot lands short of the Goma Airport runway; no personnel injuries are reported.

To avoid damage during civil unrest, the surviving Jet Trader is dispatched to a base at Ostend, in Belgium, in September 1991. The aircraft is grounded there until May 1992, when it is sold.

Although the company's international service is thus finished, Katale soldiers on within Central Africa, flying the remaining pair of Britannica 253Cs in 1993 until the airline shuts its doors in 1994.

KATMAI AIR: 4550 Aircraft Drive, Suite 2, Anchorage, Alaska, 99502 United States; Phone (907) 243-5448; Fax (907) 243-0649; Year Founded 1992. Raymond F. Petersen forms this FAR Part 135 operation at Anchorage in 1992 to offer charter flights to small communities and bush destinations. Griffith W. Bennett is named director of operations/chief pilot and he launches revenue services as Katmai Air with 1 each Cessna 206 and de Havilland Canada DHC-3 Otter.

Both planes are float-equipped and flights continue. Enplanements reach 8,613 in 1996, dipping 1.6% in 1997 to 8,478.

Customer bookings inch up to 8,631 in 1998, but plunge 23.3% in 1999 to 7,000.

KATO AIR, A.S.: P.O. Box 5544, Harstad, 9401, Norway; Phone 47 (77) 08 22 00; Fax 47 (77) 08 47 28; <http://www.geocities.com/CapeCanaveral/Hangar/4686/Katoair.html>; Code KAT; Year Founded 1995. Using the initial two letters of their first names to form the company's moniker, Karl Johan and Torlaug Karlsen establish this small carrier at Evens Airport in late 1995 to offer scheduled passenger service to Tromsø and Bodo in northern Norway.

With an initial fleet of one each Dornier 228-200 and Piper PA-31-350 Navajo Chieftain, revenue flights commence in the spring of 1996. Charter flights are also provided to Trondheim and Bronnoysund.

In 1997, the workforce totals eight, including both Karlsons, and a Cessna 208 Caravan I is acquired. It is expanded to undertake all-cargo newspaper services to Tromsø and Bodo.

The Dornier 228-100 *Bjornfjell* is leased in early 1998. On December 11, a supporter, Christian H. Kamhaug, opens a homepage for the carrier on the Internet's World Wide Web.

Flights continue.

KAVMINVODYAVIA: Mineralniye Vody Airport, Mineralniye Vody, Stavropol, 357310, Russia; Phone 7 (86533) 56676; Fax 7 (86533) 59637; <http://www.196.131.10.64/kmvavia>; Code KV; Year Founded 1961. The Aeroflot Soviet Airlines directorate Mineralvodskoe, based at Mineralniye Vody Airport, is reformed in 1992 into a semiautonomous division of Aeroflot Russian International Airlines (ARIA). Vasilii V. Babashkin is director general of this KMV (Kavkazia Mineraline Vody Mineraovodskoe Production Association). Regional revenue services are continued with a fleet of 20 Tupolev Tu-154B/Ms, 25 Tu-134s, and such smaller types as Yakovlev Yak-40s, Yak-42s, and Antonov An-26s.

Operations continue apace in 1993 as regional and truck services are provided to major cities, while charters are provided to Europe and Asia.

Under the leadership of Director General Babashkin, KMV is reformed into Kavminvodyavia in 1994. The independent operates both scheduled and nonscheduled international, regional, and domestic services from Mineralniye Vody. A fleet is assembled comprising 33 Antonov An-2s, 5 Tupolev Tu-134s, and 14 Tu-154A/M/Bs. Enplanements for the year total 565,757.

Regional frequencies to Berlin, Dubai, and Sharjah commence in 1995. Passenger boardings inch up 1% to 568,600 while freight traffic climbs 30% to 14.3 million FTKs.

The CIS carrier has a very bad 1996 as customer bookings plunge 16.9% to 472,506. The fleet in 1997 is much as it was three years earlier, save for the addition of another Tu-154M. Passenger boardings plunge 19.1% to 382,600.

Babashkin's fleet in 1998 includes five Tu-134s, 14 Tu-154s, and a newly delivered Tu-204-100, one of seven ordered at the beginning of the decade. Scheduled service link the company's base with Chisinau, Chita, Ekaterinburg, Khabarovsk, Krasnoyarsk, Moscow, Munich, Murmansk, Nizhnevartovsk, Nizhni Novgorod, Norilsk, Novosibirsk, Omsk, Smarara, St. Petersburg, Surgut, Tashkent, Tyumen, Ufa, and Ylyanovsk.

The company also offers year-round charters to Sharjah, Athens, Thessaloniki, Tel Aviv, Istanbul, Lamaka, and Aleppo. During the summer, charters are also operated to Malta, Varna, and Antalya. For its activities, the carrier is awarded the national "Wings of Russia" prize. Late in the year, a homepage is opened on the World Wide Web.

Customer bookings fall another 12.1% to 332,000.

Service is maintained without headline or incident in 1999. Four Tu-154Bs depart the fleet as the company prepares to receive its second Tu-204.

Airline employment totals 3,117 at the beginning of 2000. The fleet now includes 1 Tu-204-100, 14 Tu-154s, and 5 Tu-134As.

Delivery of the second Tu-204-100 from AviaStar is reported in the Russian press on November 8.

On December 20, the carrier becomes the first Russian airline to order the new 160-seat Tupolev Tu-234, a twin-engine derivative of the Tu-204, from AviaStar. According to a report from OAO Tupolev chief designer Lev Lanovsky, Kavminvodyavia will partially fund the premier plane's completion and the maiden flight will occur in April.

KAZAIR (KAZAKHSTAN NATIONAL AIRWAYS): 59 Mira Prospect, Alma Ata, 483000, Kazakhstan; Phone 7 (3270) 336 349; Fax 7 (3270) 335 506; <http://rz.uni-frankfurt.de/~puersuen/twakza.htm>; Code K4; Year Founded 1993. Long a major Aeroflot Soviet Airlines directorate based at Alma Ata, Kazair in 1993 begins a year-long process of shedding its code-sharing and joint marketing arrangements with the reorganized Russian major. CEO A. Ershov operates a fleet of 12 Ilyushin Il-62s, Il-76s, and Il-86s plus 25 Tupolev Tu-154Ms and 40 Antonov An-24s, An-26s, and An-28s. Domestic and international flights continue, while the airline also takes over responsibility for the operation, maintenance, and upgrade of Almaty Airport and the Academy of Civil Aviation.

While on final approach to Kustanay on January 16, the right engine of an An-24, with 4 crew and 19 passengers, fails; an effort is made to go around, but the aircraft continues to descend and hits the ground 162 m. short of the runway, sliding into a military An-24. Although the aircraft is damaged beyond repair, there are no fatalities.

On January 6, 1994, a Boeing 747SP-31 is acquired from American Airlines and is christened *Sunkar*. Orders are placed for B-767s. The company joins IATA and makes its first traffic reports to the organization. These show, through the first quarter, enplanements of 191,265.

Later in the year, construction is begun on a second runway at Almaty Airport. On September 1, the company takes delivery of two more Tu-154Ms and an Il-76TD.

While taking off from Sambailo on January 26, 1995, an An-26V with five crew and two passengers and wet-leased to Guinee Air Service, S.A. the previous year, overruns the runway, fails on lift off, and collides with a line of trees. Although the aircraft is damaged beyond repair, there are no fatalities. Over the next several years, two replacement An-26Vs will be chartered to the African carrier.

Kazair flights continue as Anatoly Galunov becomes director general. On August 3, one of the company's four Il-76TDs is seized by Taliban rebels in Afghanistan.

During the year, the company encounters significant financial difficulties. A consortium of local construction companies and banks sues the airline for \$11.1 million in damages in a dispute over the Almaty Airport runway construction. A number of aircraft are seized at Western airports for nonpayment of landing or parking fees.

An An-24B with four crew is destroyed as the result of a hard landing at Chimkent after a November 1 training flight; there are no fatalities.

Other aircraft are grounded at year's end when their insurance coverage is allowed to lapse.

The fleet flagship *Sunkar* is leased to the government of Brunei in March 1996.

On April 30, the Kazakstan government announces a plan to restructure the troubled national carrier. The State Property Committee and Kazkommertzbank act as general managers for the airline during the early stages of reorganization. The latter conducts a financial and technical audit, which is published in August. The Transport and Communications Ministry puts forward its own suggestions for restructuring, including plans to spin off Kazair's holdings in the Almaty Airport and the Academy of Civil Aviation.

By July 15, the company's Il-76TD and crew have been held in Afghanistan for almost a year. On this date, a report surfaces that the Taliban rebels have handed the aircraft and its crew over to separatists in the breakaway Russian province of Chechniya. Director General Galunov immediately calls a press conference to report that this is not the case and to reassure families of the crew that the airline is doing everything possible for them. He notes that foodstuffs, drinking water, clothes, medications, and letters are forwarded to them in Quandahar whenever possible.

Meanwhile, some consideration is also given in various quarters to simply transferring all of the airline's assets over to **Kazakhstan Airlines**, which is also known as Air Kazakhstan. That option loses its viability when, on August 20, Air Kazakhstan also goes bankrupt. Thereafter, every effort is put into restructuring Kazair and upgrading its financial situation.

KAZAKHSTAN AIRLINES: Kazakhstan (1994–1996). KA, also known as Air Kazakhstan, is established at Alma Ata in 1994 to provide scheduled and charter passenger and cargo services to domestic, regional, and international destinations.

Yermek S. Abdaramanov is CEO. 3,000 employees are recruited, and a fleet is assembled that comprises 22 Antonov An-24s, 9 An-26s, 8 An-30s, 1 An-72, 1 each Boeing 767-300, B-737-300, and Ilyushin Il-18, 7 Il-86s, 2 Tupolev Tu-154Ms, 10 Tu-134s, 29 Yakovlev Yak-40s, and 5 Yak-42Ds.

Revenue flights are duly inaugurated to destinations throughout the CIS, plus Hanover, Budapest, Beijing, Delhi, and Tel Aviv.

Unable to achieve economic viability after almost two years of operation, the company, with debts of \$180 million, goes bankrupt on August 20, 1996.

Efforts to restart are only briefly considered and by government decree the airline is liquidated by year's end.

KAZAKHSTAN NATIONAL AIRWAYS. See **KAZAIR (KAZAKHSTAN NATIONAL AIRWAYS)**

KAZAN AVIA: Russia (1993–1995). KA is established at Tatarstan's Kazan Airport in 1993 to operate regional and international services, both scheduled and charter. Nikolay P. Tretyak is general manager and he initiates revenue services with a mixed fleet of Antonov An-2s, An-24s, An-26s, Tupolev Tu-154s, Yakovlev Yak-40s and Yak-42s, Let 410VUPs, and Mil Mi-8 helicopters.

Operations continue for just two more years.

KAZAN HELICOPTERS: Ulitsa 10, Let Oktyabr, Kazan, Tatarstan, 420030, Russia; Phone 7 (843) 545 463; Fax 7 (843) 545 252; Year Founded 1994. The Mil helicopter manufacturing concern establishes an air transport division at Kazan in 1994 and begins commercial charter work in an effort to earn financial support. A. F. Levrentev launches services with a fleet comprising 1 Antonov An-26, 1 An-24, and 2 Yakovlev Yak-40s.

Flights continue.

KCI AVIATION: Benedum Airport, Bridgeport, West Virginia 26330, United States; Phone (304) 842-3591; Fax (304) 842-8799;

<http://www.kciaviation.com>; Year Founded 1951. Having operated a small FBO at Morgantown Airport since 1947, Angelo C. Koukoulis moves his family to Clarksburg, West Virginia, in 1951 to open a larger aviation enterprise. Aside from aircraft services, sales, and flight training, charter and air taxi flights become an important segment of his business. Koukoulis acquires a Cessna 310 in 1959 to service local corporate airlift requirements.

In 1964, when the runway at Clarksburg Benedum Airport is temporarily closed for repairs (thereby forcing curtailment of flights by the larger planes of **Lake Central Airlines**), KCI provides regularly scheduled Cessna service to Pittsburgh, Pennsylvania. Three years later in 1968 and with **Lake Central Airlines** failing to meet community air transport needs, Koukoulis resumes full-scale regular, but nonscheduled, service.

Aeromech Airlines, as the company flight division has become known, joins the "Allegheny Commuter" network in November 1971, simultaneously receiving the first of six Beech 99s it will acquire over the next six years. In July 1976, KCI Enterprises is established as a holding company for the airline and FBO subsidiaries. Aeromech will offer scheduled services until its merger into **Wright Airlines** on October 1, 1983.

Following the demise of Aeromech, KCI operates its FBO activities, as it had before and during the years the airline was in operation. Full-scale general aviation support is provided from facilities leased from Benedum Airport, including a 22,500-sq.-ft. hangar. The concern is officially branded KCI Aviation on January 1, 1985.

Under the direction of president Charles A. "Chuck" Koukoulis, KCI Aviation in 2000 continues to fly corporate and small group charters employing a Piper PA-34 Seneca and later a Cessna 310, not unlike that Angelo Koukoulis had operated in 1959. It also offers FAA-approved flight training, some of it in conjunction with nearby Salem College, now the Japanese-owned Salem International University.

KD AIR CORPORATION, INC.: RR #2, Site 225, C-11, Port Albemi, British Columbia V9Y 7L6, Canada; Phone (250) 724-4495; <http://www.kdair.com>; Year Founded 1994. Ketty and Diane Banke form KD Air in 1994 to provide both scheduled local flights and charter services throughout British Columbia and down into the U.S. as far south as Oregon.

By 2000, the fleet includes 1 each Cessna 172 Skyhawk, Piper PA-31-310 Navajo, and PA-31-350 Navajo Chieftain. Daily roundtrips are flown from Vancouver International Airport to Vancouver Island and Texada Island. Charters afford sight-seeing visitors the opportunity to view mountain ranges, valleys, and glaciers, while other customers are taken to bush locations for fishing or hunting.

KEARSLEY AIRWAYS, LTD.: United Kingdom (1947–1950). A subsidiary of the freight forwarding concern J. W. Kearsley and Company, Ltd., KAL is formed at London (STN) Airport and registered as an airline on April 9, 1947. Mr. and Mrs. J. W. Kearsley are directors and initial equipment consists of a single Percival P.44 Proctor 5 purchased in February. During the remainder of the year, ad hoc personnel and freight charters are undertaken.

Three Douglas DC-3s are ordered; when the first arrives on October 31, it is christened *Bora* (North Wind). On November 1, the new aircraft undertakes, on behalf of **British Overseas Airways Corporation (BOAC)**, an urgent charter of medical supplies and aviation spares to India. Following its arrival at Delhi, the DC-3 is quickly leased and pressed into service transporting Hindu refugees out of the new state of Pakistan.

The *Bora* returns to the U.K. in early 1948 and begins a variety of international charter flights to such regions as Africa and the Mideast. A second Douglas transport is received in May and christened *Sirocco*. During June and July, the company's two DC-3s mount a number of long range charters; destinations include India, North Borneo, Singapore, the Gold Coast, Malta, and Cyprus. The *Bora* begins participation

in the civil portion of the Berlin Airlift on its very first day, August 4, followed by the *Sirocco* at the end of September.

The two aircraft fly from Fassberg, Lubeck, and Hamburg until November 10, when they are withdrawn. During their time into the former German capital city, *Bora* and *Sirocco* mount 246 sorties, giving Kearsley Airways, Ltd. second place (to **Ciro's Aviation, Ltd.**) for the number of DC-3 relief flights by a British independent airline. New charters are now flown from London (STN) and in December, another DC-3, the *Mistral*, joins the fleet.

A wide variety of international charters are again undertaken in 1949, beginning with a DC-3 flight to Wunsdorf, West Germany, on January 6. As in previous years, racing pigeons are transported to the Continent and urgently needed aircraft spare parts are flown to India and Africa. General cargo, machinery, fruits and vegetables, and other items are flown about Europe, Africa, and the Far East. On December 27, all three DC-3s fly soccer fans to Hull for a big match with Brentford.

Unable to find sufficient charters during the winter season for the idle Douglas transports, then worth large sums in the used aircraft market, in March 1950 the Kearsleys decide to sell their fleet and get out of the airline business.

KEENAIR CHARTER, LTD.: Hangar #4, General Aviation Apron, Liverpool Airport, Liverpool, England, L24 1YD, United Kingdom; Phone 44 (0) 151 448 0303; Fax 44 (0) 151 448 0909; <http://www.keenair.co.uk>; Year Founded 1963.

This small operator is initially established in 1963 as the Liverpool Aero Club. During the 1960s, it develops into the Liverpool Flying School, which still exists. Kennair, Ltd., an engineering concern, is set up in 1968 to provide maintenance for the flight school's aircraft.

The subsidiary Kennair Services, Ltd. is established in 1971 to provide lightplane charters throughout the country. Employing a fleet of Piper Navajos, business grows substantially during the remainder of the decade, through the 1980s, and into the early 1990s. All cargo services and urgent express deliveries become a company specialty.

The fleet is enhanced in 1995 through the addition of three cargo-configured Britten-Norman BN-2A Trislanders. One of the trimotors is reconfigured in May 1997 for passenger charters. The aircraft is unsuccessful in this role and is replaced in November with an Embraer EMB-110P1 Bandeirante, which, again, is largely employed for cargo charters.

The company's success increases during 1998, particularly in the provision of passenger flights. A second Bandeirante is ordered in early 1999 and is delivered in September. A homepage is now opened on the World Wide Web. Flights continue into the new millennium.

KEEWATIN AIR, LTD.: 15-20 Hangar Line Road, Winnipeg, Manitoba R3J 3Y8, Canada; Phone (204) 888-0100; Fax (204) 888-3300; <http://www.nunavutlifeline.com>; Year Founded 1972. Keewatin Air is established in the Keewatin district in 1972 to provide charter airline services out of Rankin Inlet, Northwest Territories. Rankin is later included in the new Nunavut Territory, 300 mi. S of the Arctic Circle.

During the middle 1980s, the need arises in this remote area for an air ambulance service. To answer the need, Life-Line is established in 1987. Over the next decade, pressurized aircraft, medical staff, and equipment are deployed to meet the needs of the northern health agency. A modern hangar facility, with staff accommodations, is opened in Rankin Inlet, with similar facilities also operated at Churchill, Manitoba. A Beech Super King Air 200 is stationed at Rankin Inlet while a Fairchild Swearingen Metro II is kept at Churchill; a Learjet 35A is employed as regional backup aircraft. It also flies the Critical Care International Service, founded by Keewatin in 1997, to transport patients wherever it may be required.

Under the direction of President/CEO Robert May, the subsidiary Kivalliq Air, Ltd. is established in December 1998 to meet a requirement for public scheduled passenger and express flights between Winnipeg and the communities in the new Nunavut Territory. Beginning in Janu-

ary 1999, a Pilatus PC-12 is employed to fly six-times-a-week return service from Winnipeg and Churchill to Repulse Bay, Coral Harbour, Rankin Inlet, Baker Lake, and Arviat.

Two additional PC-12s are acquired during the first quarter of 2000. These are employed by Kivalliq Air to launch new four-times-a-week roundtrips from Cambridge Bay to the Kitikmeot communities of Gjoa Haven, Taloyoak, and Pelly Bay. On August 12, a new direct flight links those three communities via Rankin Inlet with Iqaluit.

KEL-AIR, S.A.: France (1988–1990). Kel-Air is established at Nice in the fall of 1988 to undertake third-level charters and contract service flights on behalf of **Air Inter**, **TAT Regional Airlines**, and **Air France**. Revenue operations commence in December with a single, brightly liveried British Aerospace BAe 748-B2;

Two more BAes are acquired in early 1989 as the company adds **Air Littoral, S.A.** to its list of replacement customers. Plans are made to purchase two BAe 146-100QCs and to inaugurate scheduled passenger and cargo flights on its own behalf. Economic conditions are such in 1990 that the plans cannot be realized and as a result, the carrier enters bankruptcy in July.

KELOWNA FLIGHTCRAFT AIR CHARTER, LTD.: 1-5655 Kelowna Airport, Kelowna, British Columbia V1V 1S1, Canada; Phone (604) 765-1481; Fax (604) 765-1489; <http://www.flightcraft.ca>; Code KF; Year Founded 1970. Established at Kelowna Airport, British Columbia, on March 20, 1970, this company initially specializes only in the modification of Convairliners into what would become known as Convair 5800s. Five years later, in 1974, a charter subsidiary is organized to fly regional passenger and cargo services to destinations throughout the nation.

Services are operated throughout 1975 and into 1976 without incident. A lavatory fire causes a chartered DC-3 with 2 crew and 24 passengers, to make an emergency landing in a stubble field near Brocket on September 7 of the latter year; all aboard are safely evacuated before the aircraft is destroyed.

Operations continue apace during the remainder of the year and over the next six, during which time contracts are obtained to haul packages on behalf of Purolator Courier of Canada, Ltd. and **Federal Express (FedEx)**.

A scheduled subsidiary, **Intercity Airways, Ltd.**, is set up in 1983 and begins revenue services throughout southern British Columbia in 1984, but is closed down in October 1986. Nonscheduled service is maintained during the remainder of the decade and into the next.

In 1993, President Barry Lapointe oversees a workforce of 275 and his fleet comprises 1 Boeing 727-51C, 1 B-727-172C, 2 Cessna 402Bs, 2 Swearingen Merlin IIs, 14 Convair CV-580s, 1 Douglas DC-3, and 1 Grumman G-159 Gulfstream I. One of the Convairs is leased to the new start-up carrier **All Canada Express, Ltd.**

During the first quarter of 1994, KFAC acquires its major contract from Purolator Courier of Canada, Ltd. To support it, the jet freighter fleet is enhanced by the purchase of a B-727-92C, two B-727-25Cs, and four B-727-22Cs.

Purolator-related flights throughout Canada begin on April 23. While on final approach to the airport at Thompson, Manitoba, on June 1, a Merlin II hits a nondirectional beacon tower and crashes; all three people aboard are killed.

Later in the year, a B-727-27F is purchased and leased to **All Canada Express, Ltd.**

Late in 1995, the carrier enters into an agreement with the Greyhound Corporation, Ltd. to provide capacity for a new air transport company designed to complement the bus operator's ground schedule with links from western Canada to Hamilton, Ottawa, and Toronto, Ontario. Meanwhile, it is reported that over 20,000 passengers a year are transported on KFAC charter flights to fishing lodges around British Columbia.

With the Dial Corporation holding 66% shareholding, **Greyhound Air** is established on February 11, 1996. Greyhound Vice President John

Munro is placed in charge and his fleet includes Kelowna's 2 B-727-25Cs, 3 B-727-22Cs, and 1 B-727-51C. Operations on behalf of Greyhound finally get underway from Winnipeg on July 1; eight daily frequencies are offered to Vancouver, Calgary, Edmonton, Ottawa, and Toronto. Scheduled flights are increased to 12 per week during the second week of July.

Meanwhile, Kelowna continues its FedEx and Purolator flights and a lease of one each B-727-22C and Convair 580 to **All Canada Express, Ltd.**

Just after landing at Hamilton, Ontario, on March 14, the right main landing gear of a B-727F with three crew aboard, collapses; no injuries are reported and the incident with the empty freighter will cause no service issues for Purolator Courier, on whose behalf it is operated.

The decision having been taken to discontinue operations, Greyhound Canada, the parent of failing **Greyhound Air**, works out an arrangement on September 1 with **Canadian Airlines International, Ltd.** The major agrees to honor all reservations made before September 2 for travel after the new entrant's shutdown, subject to availability. Affected Greyhound passengers or their travel agents will be rebooked by September 15. The last Greyhound service is operated on September 21.

All Canada Express, Ltd. also suspends services and at year's end the fleet includes 2 B-727-25Cs and DHC-6-300s, and 1 each CV-580, DC-3, Cessna 402, Piper PA-42, and IAI Westwind I executive jet. A total of 600 workers are on the company payroll.

KFAC continues to provide domestic services in **1997–2000**. During these years, it also maintains its aircraft modification and maintenance business, which now also includes the installation of electronic flight instrument packages into Russian-built Mil Mi-17KF helicopters.

One of the company's B-727-25Fs allows **Winnport Logistics, Ltd.** to inaugurate return all-cargo service between Winnipeg and New York (JFK) on November 1, 1999. It also provides the chartered fleet of four Convair CV-580s that allows the new **Air Monarch, S. A. de C.V.** to begin nightly freight flights in March 2000 from Mexico City to Monterrey.

The B-727 fleet at the beginning of the new millennium includes 6 Dash-227Fs, 4 Dash-22Cs, 2 Dash-225Fs, 3 Dash-25Fs, and 1 each Dash-92C, Dash-51C, Dash-172C, and Dash-214.

KENAI AIR ALASKA: 155 Granite Pt. Court, Kenai, Alaska 99611, United States; Phone (907) 283-7561; Fax (907) 283-3287; http://www.ptialaska.net/julieann/K_Aviation.html; Year Founded 1946. Founded as the FBO Kenai Aviation by Vernon L. Loftsteadt at Kenai, Alaska, in **1946**, KAA provides passenger and cargo charter and contract service flights throughout the future 49th State. Nonscheduled services to urban and bush destinations have been conducted with both lightplanes (e.g., Cessna 185, Piper PA-31-310 Navajo) and helicopter (e.g., Bell 206B JetRanger, Bell 206L LongRanger).

Owner Loftsteadt reconfigures his company into Kenai Air Service in **1977** to offer scheduled passenger and cargo services and renames the enterprise Kenai Air Alaska in **1978**. Employing a Grumman G-44 Wildcat, a Piper PA-31-310 Navajo, and a Beech King Air 100, revenue flights commence to Anchorage, Seward, Soldotna, and other regional destinations.

A subsidiary is established in **1983**, **Kenai Helicopters Hawaii**, doing business as **Pacific Paradise Helicopter**. In October of that year, **Southcentral Air** is purchased and merged. Scheduled services cease in **1987**; however, nonscheduled helicopter operations continue at CEO Craig R. Loftsteadt's carrier.

The Hawaiian subsidiary is renamed **Kenai Helicopters** in **1995**. Service in Alaska is continued during the remainder of the decade, as are sight-seeing tours over the Grand Canyon in Arizona. During these years, the fleet comes to include 2 Bell 212s, 3 Bell 206L LongRangers, and 8 Bell 206B JetRangers.

During its takeoff climb from the Grand Canyon, Arizona, Airport on April 18, **2000**, a Bell 206L Long Ranger suffers loss of engine power. Successfully avoiding electrical wires, the pilot is able to land the air-

craft, albeit hard, onto an adjacent area of the airport. The pilot and five of six passengers are seriously injured in the accident.

KENAI AIR OF HAWAII: United States (1983–1995). Kenai Air of Hawaii is established at Lihue Airport, Kauai, Hawaii in **1983** as a subsidiary of **Kenai Air Alaska**. Something in excess of a dozen rotary-wing flight-seeing activities are now inaugurated as tours are flown to the islands of Kauai, Hawaii, Maui, Molokai, Lanai, and Oahu.

At the end of the decade, the business of the carrier is split between contract service operations and aerial tours. The former continue to be flown under the KHH name while the latter are undertaken as **Pacific Paradise Helicopter**. Paul A. Morris is CEO of the former in **1994** and K. Christy Johnson leads the latter. Both share a fleet of Bell 206B JetRangers and Bell 206L LongRangers.

The company is renamed **Kenai Helicopters** in **1995**.

KENAI AIR SERVICE. See KENAI AIR ALASKA

KENAI HELICOPTERS: P.O. Box 3270, Lihue, Hawaii 96766, United States; Phone 808 329-7412; Fax 808 329-2898; Year Founded 1995. The two divisions of **Kenai Air of Hawaii** are merged in **1995** under this blanket name. Emphasis is placed on providing aerial sight-seeing and tour flights which, as a company advertisement has it: "combine the personalized service of a family-run business with the sophistication of a large fleet staffed by experienced professionals." By the end of the decade, the company is operating over 1,400 annual flights that transport in excess of 15,000 passengers.

The fleet in **2000** includes a mix of Bell 206L3 LongRangers, Bell 206B3 JetRangers, and a single Eurocopter AS-350BA A-Star.

KENDELL AIRLINES (PTY.), LTD.: 86 Baylis Street OR, P.O. Box 78, Wagga Wagga, New South Wales, 2650, Australia; Phone 61 (69) 220 100; Fax 61 (69) 220 116; <http://www.kendell.com.au>; Code KD; Year Founded 1966. Former **British European Airways Corporation** pilot Donald Kendell returns to farming in southwestern New South Wales in 1959, but a dream of returning to aviation is too strong. In 1965, the former flyer and his wife Eilish Burke Kendell move to Wagga Wagga to operate a small general aviation concern. The operation is purchased in **1966** and incorporated as **PremiAir Aviation (Pty.), Ltd.** Operations are undertaken with a Piper PA-23 Apache and later, a Piper PA-28 Cherokee Six. Outback locations visited include Coober Pedy, Streaky Bay, Woomera, Yulara, Ceduna, and King Island.

In early **1971**, Kendell acquires **Inland Aviation, Ltd.** and merges it with his previous operation to form KAL; PremiAir Aviation becomes a holding company.

On October 16, the company inaugurates scheduled Piper PA-31-310 Navajo services between Wagga Wagga and Melbourne on a route from which **Ansett Australian Airlines (Pty.), Ltd.** has withdrawn its Douglas DC-3s and Fokker F.27s. On 10 return flights during the first week, a total of 36 passengers are flown.

In **1972**, the first full year of service, flights are added West Wyalong to Sydney and Wagga Wagga to Canberra. A total of 4,000 passengers are flown. Operations continue apace in **1973**.

In **1974**, a Melbourne–Merimbula frequency is initiated. Within the next five years, Kendell's route network grows to include these southeastern Australian destinations: Albury, Merimbula, Wagga Wagga, Mount Gambier, Hamilton, Melbourne, and Mildura.

The fleet is upgraded by the addition of a de Havilland DH 114 (Riley) Heron in January **1975**. In February, it is placed on the Wagga–Melbourne route. Two years later, in **1977**, a second Riley Heron is acquired for the Griffith–Canberra service and in **1978** the decision is taken to upgrade to pressurized turboprop equipment.

Melbourne–Cooma flights begin in July **1979** and from Melbourne–King Island, Tasmania, before the year's end. During the year, the first Swearingen Metro II is placed into service. Passenger

traffic grows steadily, reaching 29,402 in **1980**. The Navajos are now overhauled and sold.

The fleet in **1981** comprises 3 Swearingen Metro IIs, with 1 SAAB-Fairchild SF340A on order.

Passenger boardings jump 23.3% to 38,300.

The employee population is increased by 4.7% in **1982** to 45. In early spring, services are started from Melbourne to Portland and Warmambool.

The new stops help customer bookings swell 19.5% to 45,160.

A total of 63,600 passengers are carried in **1983**. The workforce is increased by 19% in **1984** to 69. A new maintenance hangar is completed at Wagga Airport.

Enplanements jump 34.1% to 84,329.

The workforce is increased 25% in **1985** to 75 and the fleet grows to include 5 Metro IIs. The first SF340A is delivered in February and when it enters service at month's end, Kendell becomes the first airline to operate the type in the Southern Hemisphere. A new hub is opened at Adelaide and a number of South Australian routes are taken over from the financially distressed **Airlines of South Australia (Pty.), Ltd.** The acquisition virtually doubles the company's network.

Passenger boardings accelerate 21.1% to 102,111 and 74,000 pounds of freight are hauled.

Employment increases 51.9% in **1986** to 120 as two additional SF340s and a sixth Metroliner join the fleet. When Ansett's **Airlines of South Australia (Pty.), Ltd.** shuts its doors, Kendell moves in to assume the remainder of its routes, including those to Broken Hill, Whyalla, Ceduna, Port Lincoln, and Streaky Bay. When the South Australia operator **Opal Air, Ltd.** ceases trading in October, Kendell is able to initiate service to four more markets, Coober Pedy, Olympic Dam, Woomera, and Ayers Rock.

Enplanements total 151,698.

Thirteen new employees join the airline in **1987** as the second SAAB-340A joins the fleet.

Passenger boardings shoot up by 35.6% to 235,555 and freight climbs 8% to 85,000 pounds.

The payroll grows by 9.8% in **1988** to 146 as orders are placed for a 4th SAAB 340. Hub and spoke operations are consolidated on Adelaide and Kendell becomes Australia's largest regional airline.

Customer bookings ascend a more modest 1.2% to 241,844 as cargo dips by 2.4% to 83,000 pounds.

In **1989**, employment at this Australian third-level operator grows by 19.9%, to 175. Largely unaffected by the pilot job actions afflicting the larger domestic operators, Kendell is able to employ its 4 SAAB 340As (the last is delivered in August) and 8 Metro IIs to gain a traffic boost. Among the new markets now entered are Devonport and Burnie on Tasmania.

Enplanements rise 7.1% to 261,829 passengers flown on the year, picking up the slack from **Ansett Airlines of Australia (Pty.), Ltd.** and operating the only frequent service from Melbourne to Burnie and Devonport, Tasmania. Freight traffic is up 28.2% to 108,000 FTKs. On revenues of A\$24.5 million, an operating profit of A\$1.5 million is generated.

The number of workers is cut by 27.2% in **1990** to 127 and 1 SAAB 340A is withdrawn. When **Lloyd Aviation (Pty.), Ltd.** is forced to stop operating in the fall, its scheduled Adelaide to Kangaroo Island route is taken over. TNT/News Corporation, Ltd., parent of **Ansett Airlines of Australia (Pty.), Ltd.**, acquires 100% ownership on October 1, three months after negotiations are completed. Geoffrey Brust becomes general manager, but the company is allowed to operate as an independent subsidiary. Kendell wins the Civil Aviation Authority's inaugural "Airways Award for Excellence" as best Australian airline of the year. It will be a runner-up the following year.

Passenger boardings leap skyward by 21.8% to 319,016, but freight slides 3.9% to 103,470 FTKs. An A\$1.01-million net profit is earned.

Company employment is increased by 10.7% in **1991** to 197 and the fleet now includes 5 SAAB 340As, 1 Fairchild-Swearingen Merlin IV,

and 7 Metro IIs. Kendell joins both the Ansamatic and Galileo computerized reservations systems. Company headquarters are moved to larger premises in Wagga Wagga in August and the sixth SAAB 340A arrives in December.

Customer bookings ascend another 6.6% to 337,864 and cargo climbs 23.5% to 128,000 FTKs. Revenues jump 7.1% to A\$29 million and the net profit is up to A\$1.86 million. The company's assets are now worth A\$50 million.

In **1992**, the carrier is flying 6 SAAB-340As, 8 Metro IIs, and 2 Metro 23s. The SAAB 340A received in December is employed in January to inaugurate a new service from Melbourne to Devonport. Also during the year's first month, Kendell is named the 1991 "Regional Airline of the Year" by *Air Transport World* magazine. Kendall is the first airline in Australia to win this prestigious award.

In February, orders are placed for two Saab 2000s. Founder Kendell is made a member of the Order of Australia (AM) in the Queen's Birthday Honors for his services to aviation.

Passenger boardings rise 19.1% to 402,348 while freight declines 7.7% to 117.99 million FTKs.

In **1993**, Don Kendell oversees a workforce of 210 and adds 2 more Fairchild 23s in September. The company continues to operate services that link Adelaide with Kingscote, Mount Gambier, Port Lincoln, Whyalla, Ceduna, Broken Hill, Woomers, Olympic Dam, Coober Pedy, and Ayers Rock. In addition, flights are made from Melbourne to Albury, Wagga Wagga, Merimbula, Cooma, King Island, Mildura, Portland, Mount Gambier, Burnie, and Devonport.

Customer bookings ascend 6.3% to 427,775 and cargo is up half that percentage, 3.1%, to 121,600 FTKs.

The fleet in early **1994** includes 6 340As, 6 Metro 23s, and 2 Metro IIs; both of the latter type are retired as another new Metro 23 is delivered.

Passenger boardings jump 5% to 449,336 while freight balloons by 19.6% to 145,000 FTKs. An A\$2.6-million net profit is reported.

Airline employment is dramatically increased in **1995**; 70 new workers arrive, a 24.4% increase. The seventh and eighth SAABs join the fleet in June and new routes are opened in July to Sydney from Wagga and Albury.

The new services replace Fokker 50 services previously provided by parent **Ansett Australia (Pty.), Ltd.** A fourth SAAB 340B is delivered during the fourth quarter and begins flying from Wagga Wagga to Albury, Melbourne, and Sydney.

Customer bookings accelerate 12.3% to 525,600.

There are no changes in the workforce during **1996**, but five SAAB 340Bs do enter service and the two Metro IIs are retired. In March, a new program of cooperation with **Ansett Australia (Pty.), Ltd.** begins with initiation of the Capital Shuttle from Sydney to Canberra. Complementing the major's jet service, Kendell provides 11 return turboprop flights per day. Cooperative flights with Ansett are extended in July from Sydney to Coffs Harbour and from Sydney to Ballina in August.

On October 17 the company celebrates 35 years of service to Melbourne, noting that bookings have increased during those years to 17,000 per week on 900 flights.

Flights over the new routes help to send overall passenger traffic upwards by 47.2% to 772,812 passengers flown. Additionally, 184,000 freight FTKs are operated, a 23.6% growth.

Two more SAAB 340Bs are acquired in early **1997** and service begins on two new routes. Acting on behalf of Kendell, **Ansett Australia (Pty.), Ltd.** agrees in May to trade four Fokker 50s to **Skyways, A.B.** of Sweden in exchange for four SAAB 340As.

Customer bookings increase 26.5% to 978,184, while cargo rises 27.4% to 234,000 FTKs.

Services continue apace in **1998**. After some months of negotiations, **Ansett Australia (Pty.), Ltd.** Chairman/CEO Rod Eddington announces, during the third week of September, that the major will turn over most of its regional routes to Kendell over the next two years. Among the regional markets to be completely turned over are Mackay,

Rockhampton, Launceston, and Coffs Harbour, while Kendell will pick up many of Ansett's services into Hobart and Canberra.

To handle the increased responsibility, Kendell begins to assess the possibilities of regional jet acquisition. Both the Canadair CRJ-200ER and the Embraer ERJ-145 undergo evaluation during the remainder of the month and into October. On October 21, Kendell places an order with Bombardier Aerospace for 12 Canadairs, plus 12 options, with deliveries scheduled to begin during the last quarter of 1999.

While on a November 11 night service, a SAAB 340B with 30 passengers, encounters turbulence, stalls, and rolls almost inverted in light icing conditions, losing 2,500 ft. before the stall is recovered. The flight attendant is slightly injured. The Australian Bureau of Air Safety Investigation immediately launches an inquiry.

Passenger boardings inch up 1.3% to 973,000, while cargo traffic increases 13% to 260,000 FTKs. Revenues shoot up 15.2% to A\$82 million and there is an A\$5.7-million net profit.

Airline employment at the beginning of 1999 stands at 430.

In October, a \$40-million deal is signed with GE Engine Services for the maintenance and service of the new GE CF34-3B power plants of Kendell's new CRJs.

Customer bookings dip 0.4% to 969,000 while freight falls 13.5% to 225,000 FTKs. Revenues inch up 1% to \$80.84 million, while costs jump 6.5% to \$75.77 million. The operating profit falls to \$5.07 million.

Airline employment at the beginning of 2000 stands at 780. The fleet now includes 16 SAAB 340Bs and 7 Metro 23s.

In mid-February, the aviation media reports that **Ansett Australia (Pty.), Ltd.** is considering a merger of its regional carriers **Skywest Airlines (Pty.), Ltd.**, **Aeropelican Air Services (Pty.), Ltd.**, and Kendell into a super regional airline; the enlarged Kendell would be led by Ansett executive Ronald Roalky. This move would take the major's two-year campaign to cut A\$55 million (\$31 million) in costs across its regional network to a new stage.

Upon their delivery the previous September, the first CRJs were scheduled to enter service on the airline's routes from Melbourne to Launceston and to Hobart. This start is, however, delayed because of unexpected difficulties experienced by the airline in gaining its High Capacity Air Operators Certificate from the Civil Aviation Safety Authority. Additionally, with the CRJ transitional training of its designated SAAB 340 pilots taking longer than anticipated, a number of those flyers are seconded to **SA Express Airways (Pty.), Ltd.** to gain practical experience. These delays cause **Ansett Airlines (Pty.), Ltd.** to replace the entire senior management at Kendell.

The official domestic carrier of the Olympic flame, one of the new Canadairs makes a short Outback tour during the last week of April with the miner's lantern in which the flame will be carried on its flights around the country. The practice flight from Melbourne lands at Adelaide, Ayers Rock, Alice Spring, Mt. Isa and Longreach.

Kendell picks up the Olympic flame when it arrives in Ayers Rock from Auckland aboard an **Ansett Australia (Pty.), Ltd.** jetliner on June 8 on the last international leg of its journey from Olympia, Greece. With the flame safely in the miner's lantern, the company CRJ transports it on to Alice Springs, Mt. Isa, Longreach, and Dalby in Queensland, where it is handed over to the Sydney Olympic Committee convoy, which travels by road to Cairns.

On July 12, a company jet again collects the Olympic flame, this time at Port Lincoln, in South Australia, and flies it on via Port August, Mildura, Broken Hill, Bourke, and Lightning Ridge, to Mooree, where it is turned over to runners for the final sprint to the Olympic stadium.

Beginning on October 12, passengers are able to employ the **Ansett Australia (Pty.), Ltd.** E-check in machines which were installed at the domestic terminals at Melbourne, Sydney, and Brisbane in August.

Twice-daily nonstop CRJ200ER roundtrips commence on October 30 from Adelaide to Canberra. CRJ200ER return service is inaugurated between Melbourne and Rockhampton on November 6, with flights operated four times a day Sunday through Friday and twice daily on Saturdays.

KENMORE AIR HARBOR: P.O. Box 82064, Kenmore, Washington 98028, United States; Phone (206) 486-1257; Fax (206) 486-5471; <http://www.kenmoreair.com>; Code M5; Year Founded 1940. Founded to undertake floatplane services exclusively, Kenmore begins operations in 1940 from bases on Lake Union and at Kenmore on the northeast end of Lake Washington, near Seattle. In early 1946, Bob Munro, Jack Mines, and Reg Collins establish an "air harbor" or FBO seaplane base at the northeast end of Lake Washington at the town of Kenmore.

The site chosen is a former lumber mill located on a swampland; tons of fill are required to make it useable. The company is initially named Mines Collins Munro, but that name proves so cumbersome that it is quickly scrapped and the concern is renamed in honor of the community.

Kenmore Air officially opens for business on March 21 with the flight of an Aeronca Model K seaplane that Collins and Munro have restored. During the second quarter, the fleet is increased by the addition of an Aeronca Champ and two Taylorcrafts.

The company's first crisis occurs in July when cofounder Mines is killed while flying supplies to a search and rescue team in the Cascade Mountains. His widow sells her interest to Collins and Munro; shortly thereafter, Collins also turns over his share to Munro and leaves for an aviation job in California.

After his partners' departure, Munro, through the remainder of the decade, continues to develop his operation. An FBO and maintenance facility is constructed and air taxi flights become increasingly frequent. Kenmore develops modifications for the popular Republic Seabee aircraft and sets up a parts department to service other operators. Munro and his staff develop a reputation for their expertise in seaplane restoration.

In 1951, Munro signs his first U.S. government contract and leases a restored seaplane to the Bureau of Land Management for a mapping survey in Alaska. A number of bush charters are also operated.

Kenmore is hired by the Canada-based Granby Mining, Power, and Smelting Company in 1953 to fly much of the equipment needed to build a mining camp at LaDuc Glacier, 50 mi. N. of Ketchikan, Alaska. A Republic Seabee and two Norduyn Norsemen are used to complete the two-month operation.

Charters continue during the 1950s and destinations visited include Seattle and Friday Harbor, Washington, and Pender Harbour, British Columbia. Kenmore also becomes a Cessna dealer late in the decade.

The Air Harbor sees accelerated growth during the early to mid-1960s as a flight school is added and new contracts undertaken. A new hangar and office building is opened at Kenmore and in 1963 the carrier acquires its first de Havilland Canada DHC-2 Beaver. President Munro and Bill Peters now establish a rebuilding and modification program for the popular floatplane and by 1998 they will have rebuilt 125 DHC-2s, delivered to operators all over the world.

During the next 20 years, President Munro's fleet comes to comprise 12 de Havilland Canada DHC-2 Beavers of its own, several Grumman G-21 Geese, 2 DHC-3 Otters, and nearly every type of single-engine Cessna. Almost all flight equipment is float-equipped. Charters are flown as far north as Alaska and as far south as California.

In the early 1970s, Kenmore transports unarmed torpedoes to a joint U.S.-Canadian test range facility on the Strait of Georgia off Canada's Vancouver Island; the weapons are flown attached to Beaver floats. Geological survey teams exploring Mt. Olympia for five years during the 1970s are all supplied by company Beavers, which land in the snow at a 6,800-ft. altitude Snow Dome on floats. To takeoff from the glacier, planes are run down a 4,000-ft. downhill "runway" which ends as a cliff to the valley floor below.

Scheduled commuter services are inaugurated in the spring of 1981, linking the company's base with Seattle, Big Bay, British Columbia, Victoria, Friday Harbor, Roche Harbor, Rosario, and Lopez. Also in the 1980s, new return services are introduced to British Columbia's many fishing resorts. Three- and five-day summer fishing packages prove so popular that they will remain a staple of the carrier's product ever after.

Seattle-based **Otter Air** is acquired in **1986**, along with its scheduled route from Seattle to Victoria, British Columbia, which is flown until **1988**, when it is sold to **Lake Union Air**. Kenmore's operations continue apace throughout the remainder of the decade and into the next. Not only does the company fly scheduled and nonscheduled services, it also continues to build on its reputation for DHC-2 modification work. It also provides FBO services to local and transient floatplanes. Two Turbo Beavers are acquired in **1989**.

As in the past, the company through the remainder of the decade and into the **1990s** prides itself on the uniqueness of its airline. As it will later note on its World Wide Web page, "our airline is different." Tickets are not necessary; passengers need only give their name. There are no departure gates. Customers are directed to a picnic table where they meet their pilot and fellow passengers. The panorama from the window is the main in-flight entertainment; if a pod of whales or a Trident nuclear submarine is spotted, the pilot does not mind a slight diversion for a better view.

One hundred workers are employed by the company in January **1993** when it acquires **Lake Union Air Service**, its only seaplane competitor in the Seattle region. Included in the acquisition is a downtown Seattle terminal at Lake Union.

From Lake Washington and Lake Union, company aircraft in **1994** provide services to Victoria, Canada, the San Juan Islands, and many tiny communities along the shores. The fleet is increased by the addition of 1 each rebuilt Beaver and DHC-3 Otter; 2 DHC-2s are also refurbished for other operators.

Enplanements total 50,000.

Operations continue apace in **1995** as two more Otters are acquired. During the peak summer season, the tiny airline offers four daily roundtrips from Seattle to the San Juan Islands and four daily roundtrips from Seattle to Victoria. Traffic is level with the previous year and estimated revenues of \$11 million are generated.

The employee population stands at 72 in **1996** and the fleet now includes 12 Beavers, 5 Otters, 4 Cessna 180s, and 2 Cessna 172s. The aircraft serve 30 points in the Puget Sound and Inside Passage areas of Washington State and British Columbia. Chatterbox Falls at British Columbia's Princess Louise Inlet is a new destination.

A total of 35,659 passengers are transported as the 50th anniversary is celebrated.

The workforce is reduced by 2.8% in **1997** to 70. The fleet of 22 planes annually logs more than 2 million miles for the largest full-service seaplane operation in the world.

Customer bookings accelerate 34% to 47,785.

Airline employment is increased by 2 in **1998**, back to 72. Service is maintained without fanfare.

Enplanements climb 18.9% to 57,000.

Customer bookings ascend 5% in **1999** to 60,000.

KENN BOREK AIR, LTD.: 290 McTavish Road, NE, Hangar 4, International Airport, Calgary, Alberta T2E 7G5, Canada; Phone (403) 291-3300; Fax (403) 250-6908; <http://www.borekair.com>; Code 4K; Year Founded 1971. In **1971**, Borek Construction takes over **Vic Turner, Ltd.**, which is renamed. Operations are undertaken from a head office in a Calgary Airport hangar built in 1941 for the British Commonwealth Air Training Plan (the Aero Space Museum of Calgary is now located just in front of it) and branch bases at Dawson Creek, Inuvik, and Resolute Bay. KBA maintains or initiates scheduled and charter services to Aklavik, Arctic Bay, Coppermine, Ft. McPherson, Grise Fiord, Holman Island, Inuvik, Nanisivik, Paulatuk, Pond Inlet, Resolute Bay, Sachs Harbour, and Tuktoyaktuk in the Northwest Territories, and to Prince George, Prince Rupert, Smithers, and Terrace in British Columbia.

In **1975**, the fixed-wing operations of **Kenting Aviation, Ltd.** are purchased and operated as the subsidiary **Kenting Earth Sciences, Ltd.**; later in the decade, **Reindeer Air Service, Ltd.** is also acquired.

Initially hired in 1973, Steve Penikett becomes general manager in **1976**; this air division leader will remain in charge of the concern's flight operations for the remainder of the century.

A de Havilland Canada DHC-6-300 with two crew and six passengers, loses control while on final approach and crashes 2,200-ft. short of the runway at Nanisivik on December 21; there are no survivors.

Airline employment is 45 at General Manager G. H. Stevenson's company by **1978** and the fleet consists of 4 Douglas DC-3s, 1 Curtiss C-46, and 6 DHC-6 Twin Otters.

While landing in heavy winds at Komakuk on September 18, a DC-3 freighter with two crew, goes off the runway and over a 5-ft. embankment, ending up on its nose. No serious injuries are reported.

In late **1981**, a decade after the company's rebirth, President Borek oversees a workforce of 52 and operates a fleet comprising 3 Douglas DC-3s, 8 de Havilland Canada DHC-6 Twin Otters, 2 Beech 99s, 1 Piper PA-23 Aztec, and several light Cessnas.

Unable to gain takeoff speed from a slush-covered runway at Calgary on May 7, **1982**, a DC-3 aborts its departure, but runs off the runway into a ditch; the aircraft is damaged beyond repair, but there are no injuries to its two-person crew.

By **1985**, the DC-3s are gone, replaced by 1 Douglas C-54G (military DC-4), 4 additional Twin Otters, 1 DHC-5 Caribou, 2 Beech King Air 100s, and 4 Bell 206B JetRanger helicopters. Airline employment is up to 55.

Operations continue apace in **1986-1988**. There are two fatal accidents during these years.

En route from Fort Nelson to Ross River on January 15, 1987, a DHC-4 Caribou, with two crew and two passengers, suffers an engine failure and crashes while executing a missed approach procedure at its destination; both pilots are killed.

While on a flight from Redmond, Oregon, on July 14, 1988, a DHC-6-300 and its pilot, crashes into trees at the 5,900-ft. level on a ridge on the E side of Battle Creek Mountain, 50 km. W of John Day, Oregon; the flyer is killed.

In **1989**, Englewood, Colorado-based Antarctic Support Associates, prime contract for the U.S. National Science Foundation, provides the funding that allows the company to send a pair of ski-equipped DHC-6s to Antarctica to support the work of the American NSF scientists.

With the top halves of their fuselages painted bright red-orange for easy identification at a distance, the aircraft lift scientists to remote, small camps outside helicopter range. Occasionally, they are sent aloft with instruments to gather various data, and are also requested to provide flights to and from New Zealand's Terra Nova Station.

In **1990**, the fleet includes 1 C-54G, 10 DHC-6-300s, 4 DHC-6-100s, and 2 DHC-6-200s; of these, 3 are leased to **Harbour Air, Ltd.**, 2 to **Empire Airways**, and 1 each to **Aeroperlas, S.A.** and one to **ACES (Aerolineas Centales de Colombia, S.A.)**. Two Beech 99s are also flown.

While landing at an Arctic Circle LOD on March 29 after a service from Rae Lakes, the C-54G with three crew, strikes a 4-ft. high snow-bank on the edge of the ice landing strip with its left main landing gear. The Skymaster is spun 180 degrees and the nosegear collapses. There are no fatalities.

The number of DHC-6-300s is reduced to nine in **1991** and one Beech 99 is leased to **Empire Airways**. The Empire and Harbour leases cease in **1992** and one more DHC-6-100 is acquired.

Flights to various northern points continue in **1993** as the fleet is increased by the addition of one each DHC-6-100 and DHC-6-300.

While taking off from Baffin Island on March 6, the nosegear of a DHC-6-100 with two crew, strikes an ice ridge, causing the plane to hit a river bank and do a ground loop; although the Twin Otter is damaged beyond repair, there are no fatalities.

Six more DHC-6-300s are acquired in **1994** along with two DHC-6-200s. Heavy emphasis on aircraft leasing continues as **Aeroperlas, S.A.** charters a Beech 99 and DHC-6-300. **Harbour Air, Ltd.** takes three of the four DHC-6-100s, and two of the five DHC-6-200s.

In June, a joint venture is established with Inuvik-based **Aklak Air, Ltd.** Under terms of this agreement, Kenn Borek provides Twin Otter or Beech 99 equipment to operate Aklak's scheduled flights to Fort McPherson, Paulatuk, Sachs Harbour, and Tuktoyaktuk, as well as its charters to bush locations. Aklak provides ground and management support for a Borek Douglas R4D8 (USN designation for the DC-3) which provides it with all-cargo capacity.

While taking off from Rhotera Adelaide Island Station for a flight to Terranova Bay, Antarctica on November 24, a DHC-6-300 with two crew and four passengers, fails to gain altitude and crashes; there are no survivors.

Service to various northern points from Calgary, Inuvik, Norman Wells, and Resolute Bay continues in **1995** as another Beech 99 is placed into service. A replacement Twin Otter is sent to the South Pole.

The fleet in **1996–2000** includes 35 Twin Otters, 2 Cessna 185s, 1 Beech 55 Baron, 2 Beech King Air 90s, 3 Beech 99s, 5 Beech King Air 100s, 3 Super King Air 200s, 2 Embraer EMB-120P1 Bandeirantes, 1 R4D8, and 2 Bell 206L LongRanger helicopters. Both the NSF Antarctic and Aklak Air contracts continue and beginning on September 21, 1998, the company operates a DHC-6-300 on behalf of the new Nepalese carrier **Yeti Airlines (Pty.), Ltd.**

KENNEDY AIR SERVICE: United States (1978–1979). KAS is established at Valdez, Alaska, in **1978** to offer scheduled passenger and cargo flights to Anchorage. Revenue services commence with a single Piper PA-31-310 Navajo and a Beech 58 Baron and continue until November **1979** when the owner disappears, forcing the company to cease.

KENOSHA AERO: United States (1980–1982). This tiny commuter is set up by Jim Beardsley at Kenosha, Wisconsin, in **1980**, as an outgrowth of an FBO. Kenosha employs a fleet of 2 Cessna 172s, 1 Cessna 207, 1 Cessna 182, and 1 Piper PA-23 Aztec to inaugurate both scheduled and nonscheduled passenger and cargo flights to Madison and Milwaukee. Enplanements on the former service for the year total 55.

The route network is increased in **1981** and destinations visited now include Chicago, Milwaukee, Detroit, Minneapolis, Madison, and Rochester. A Cessna 414 joins the fleet and assists the carrier to increase its scheduled traffic by 36% to 75 passengers carried.

Unable to combat either the ATC effects of the previous summer's PATCO air traffic controller's strike or the recession, the carrier is unable to continue far into **1982**.

KENTING AVIATION, LTD. See KENN BOREK AIR, LTD.

KENTING EARTH SCIENCES, LTD.: Canada (1962–1986). Formed as Atlas Aviation, Ltd. at Ottawa in **1962**, this third-level operation is initially operated as an air charter, air ambulance, and aerial survey provider. An Aero Commander 680 with four aboard crashes near Thompson, Manitoba, on April 1, **1964**; there are no survivors.

Late in the decade, regularly scheduled flights are inaugurated to such remote areas as Pond Inlet, Arctic Bay, Igloolik, and Clyde River. The fleet grows to include several Douglas DC-3s, Britten-Norman BN-2 Islanders, Piper PA-31-310 Navajos, and a Consolidated PB-Y-5A Canso.

Owned by Kenting Aviation, Ltd., this subsidiary is sold to **Kenn Borek Air, Ltd.** in **1975** and operated as a Borek subsidiary. Flights continue for a decade.

KENYA AIRCRAFT COMPANY, LTD.: Kenya (1925–1929). KAC is set up at Nairobi in **1925** to provide airplane charters to citizens, hunters, tourists, and others needing faster transport to bush locations. Shareholding is divided by Thomas Campbell-Black, G. T. Skinner, and A. E. Hughes. Revenue flights commence with a single de Havilland DH 51 purchased from John Carberry, which is christened *Miss Kenya*.

Revenue flights continue in **1926–1928**, during which years Archie W. Watkins is hired as a pilot.

In order to review her late expatriate husband's British business interests, Mrs. Florence Kerr Wilson, in late January **1929**, contracts with pilots Campbell-Black and Watkins to fly her to England. Employing the Fokker Model 8 Universal *Miss Africa* owned by the flyer's KAC, the group departs for England on February 6, **1929**.

During the trip up, so the story goes, Mrs. Wilson convinces the two men to join her in plans to set up an airline when they get home. All realize the need to provide reliable scheduled air services to remote areas of both Kenya and Tanganyika. While in the U.K., the trio visits the de Havilland plant and makes arrangements to purchase a DH 60G Gypsy Moth.

Wilson Airways, Ltd. is officially established at Nairobi on July 13, with Mrs. Wilson as chairman, C. W. F. Wood as general manager, Campbell-Black as chief pilot, with Watkins as his No. 2. At the same time, the Kenya Aircraft Company, Ltd. is disbanded.

KENYA AIRWAYS, LTD.: P.O. Box 19002, Kenyatta International Airport, Nairobi, Kenya; Phone 254 (2) 823 000; Fax 254 (2) 823 488; <http://www.kenyairways.co.uk>; Code KQ; Year Founded 1977. Following the decision to end **East African Airways Corporation (EAAC)**, the Nairobi government forms a new national carrier for the Republic of Kenya and on January 22, **1977**, signs a management contract with **Aer Lingus Irish Airlines, Ltd.** A Douglas DC-9-52 and three Fokker F.27-200s acquired from the assets of the dead multinational are placed on regional and domestic routes.

Two Boeing 707-321s are leased from **British Midland Airways, Ltd.** and begin international service on February 4 on the Nairobi–London route via Athens, Rome, and Frankfurt. Chairman Eliud Mathu and **Aer Lingus Irish Airlines, Ltd.** Managing Director Donald Downing, serving as an advisor, place orders for two Boeing 720Bs. During the peak summer safari season, a B-747-148 is chartered from the Irish flag carrier.

Three used B-707-351Bs Stratoliners previously flown by **Northwest Airlines** and a used B-720-047B, first flown by the U.S. carrier **Western Airlines**, are delivered in late spring and early summer **1978**, allowing development of additional routes and frequencies in Africa and the Middle East.

Enplanements total 356,894.

In **1979**, the fleet comprises 3 owned B-707-351Bs, 1 B-720B, 1 DC-9-52, and 3 F.27-200s. **Air Madagascar, S.A.** begins to pay the company royalties for its Nairobi segment of a longer African route.

Freight traffic declines 11% to 22.4 million FTKs, but passenger boardings rise 5% to 375,678.

Routes are opened to Athens, Rome, and Zurich in **1980**. The summer safari Jumbojet service is now turned over to **KLM (Royal Dutch Airlines, N.V.)** for operation.

Bookings accelerate to 402,566.

The workforce stands at 2,600 and 1 F.27-200 is sold in **1981**. Richard Nyaga becomes managing director.

Passenger boardings accelerate 1.7% to 409,520 and a total of 16.5 million FTKs are operated.

Nonstop Nairobi to Bombay B-707-351B service is inaugurated in **1982**. Cargo service receives greater emphasis, particularly the transport of perishables to the Mideast. Government subsidy ceases in October. Enplanements drop to 392,476 as the effects of the world recession are felt.

The employee population grows 1.7% in **1983** to 2,594. Tanzania operations commence and the government requests that a third-level service be initiated. Late in the year, the company proposes to the Ministry of Transport the acquisition of two DC-8-71s with which to replace the aging Stratoliners.

Freight soars 29.4% to 30.31 million FTKs and passenger traffic rebounds, growing 8.3% to 428,195 passengers carried.

Ninety-four employees are laid off in **1984**, a 3.7% dip. Routes are extended to Lilongwe, Dar es Salaam, Kigali, and Bujumbura. Orders are placed for two Airbus Industrie A310-304s, rather than the DC-8s previously considered.

Cargo grows 4% to 31.45 million FTKs and passenger boardings rise 15% to 502,377.

The employee population is increased in **1985** by 300. Leo Odera succeeds Richard Nyagah as managing director in September, and in November, four-times-per-week European service is begun with an Airbus A310-203 leased from **Condor Flugdienst, GmbH**. Due to a shortage of foreign exchange, foreign airlines cannot repatriate income earned in Zambia, where Kenya Airways now has \$3.5 million frozen.

Freight for the year dips 3% to 30.36 million FTKs, but passenger bookings jump 11% to 559,997.

In March **1986**, service is launched to Kilimanjaro. Two A310-304s are delivered, one each in May and September; christened *Nyayo Star* and *Harambee Star*, both are placed on the European routes, allowing return of the one leased from the German charter carrier. These are the first Dash-300s flown by any African carrier.

Enplanements for the year total 442,209.

Domestic destinations served in **1987** include Kilimanjaro, Mombasa, Malindi, Kisumu, and Nairobi. From the capital, flights are undertaken to Cairo, Athens, London, Rome, Frankfurt, Paris, Dubai, Khartoum, Jeddah, Addis Ababa, the Seychelles, Mogadishu, Entebbe, Dar es Salaam, Harare, and Lusaka. The company's Stratoliners are now re-modeled into B-707Fs.

Through September, the 2,745-employee carrier books 485,943 passengers, a boost of 9%. In October, following the suspension of General Manager Fred Neto and other senior officials, Executive Chairman Leo Odera is forced to take over day-to-day management activities, with David Kagari placed temporarily in charge of commercial services. Joseph Nyagah is appointed managing director at year's end.

Flight 650, an F.27-200 with 4 crew and 39 passengers arriving from Nairobi on July 10, **1988**, approaches its destination too fast, lands gear up, and skids for 600 m.; although the wreck must be written off, there are no fatalities.

Half-year figures only are reported, and show that a total of 334,436 passengers are carried, a 9.4% increase of the same period a year earlier. Freight is also up, by 14%, to 29.24 FTKs.

The first two of an order for three Fokker 50s arrive in November; christened *Simba* and *Chui*, they replace F.27-200s on routes from Nairobi to Mombasa 10 times per day, Malindi twice daily, and Kisumu 12 times per week.

Operations continue apace in **1989**. In February, the company's DC-9-32 is put up for sale and a DC-8-71 is leased to finish the winter season.

On June 30, it is reported that the cumulative loss is \$40.8 million. An economy move begins: 1,000 temporary employees are laid off and frequencies to Addis Ababa, Entebbe, Kigali, and Kisumu are reduced.

Upon departure from Addis Ababa on a July 11 service to Bole, a B-707-351B with 10 crew and 66 passengers, is unable to retract its landing gear. Although the Stratoliner returns to its point of departure, the brakes fail upon touchdown, causing the aircraft to overrun a wet runway. There are no fatalities.

The first of three ordered B-757-23As arrives in November and a third A310-304, named *Uhuru Star*, also arrives under charter from ILFC, allowing retirement of the two B-720-047Bs to commence.

Enplanements for the year double to 760,461. Although there is an operating profit of \$13.5 million, the net loss is \$12.7 million.

In **1990**, the 2,860-employee flag carrier operates 2 owned and 1 leased A310-304s and 2 B-757-23As. The first of the latter, received late the previous year and christened *Jamhuri Star*, enters service in January, the same month during which **Swissair, A.G.** begins a two-year assistance contract. The European line will provide help in reorganization and support in the areas of flight operations, information technology, passenger service, and marketing.

In May, Tel Aviv is added as a stop on one of the flights from Nairobi to London.

By the end of the year, the 707/720 fleet and last F.27-200 are largely phased out and a lease with the GPA Group on a DC-8-71 is cancelled. The third Fokker 50, *Twiga*, arrives in December.

Enplanements rise 7.5% to 643,398 and freight climbs 25.2% to 44.49 million FTKs.

In cooperation with **South African Airways (Pty.), Ltd.**, weekly B-757-23A roundtrip flights commence in January **1991** between Nairobi and Johannesburg. The reciprocal service had been delayed throughout the previous year as a result of conflicting presentations made to Kenyan President Daniel Moi by African National Congress Deputy President Nelson Mandela and South African Foreign Minister Pik Botha.

It is announced in February that the carrier will receive \$1.6 million in UN Development Project funds over the next four years; the ICAO-administered financing will allow for the upgrading of procedures and training of personnel.

Frequency on the new Johannesburg route becomes daily in April, the same month during which the carrier inaugurates twice-weekly service from Nairobi to Bangkok via Bombay.

In July, Philip Ndegwa, a prominent local businessman and former governor of the Central Bank of Kenya, becomes chairman and David Namu is named chief general or administrative manager, reporting to Ndegwa. These two men are mandated by the government to turn the company around.

A two-year assistance agreement with **Swissair, A.G.** concludes in December. With the onset of recession and negative numbers, traffic figures are no longer released.

In **1992**, the fleet is altered again. The former **Western Airlines** B-720B is stored in January and two B-757-23As are withdrawn and replaced by two leased B-737-266As, one of which receives the name *Umoja Star*, beginning in February. These are placed into service over regional routes to Dar es Salaam, Entebbe, and Zanzibar.

Although not an airline man himself, Ndegwa, unlike his predecessors, is convinced that he needs advice from those who are. To that end, a contract is signed, also in February, with Speedwing Consulting, a subsidiary of **British Airways, Ltd. (2)**.

The Speedwing team that comes out from London is headed by BA executive Brian Davies; during the summer and fall he stresses to Ndegwa that one of Kenya Airways' greatest requirements is for top-flight managers. The chairman asks the consultant if he would consider taking up the challenge himself; Davies agrees and is appointed managing director in November.

A \$30-million loss is reported for the year.

In **1993**, Davies oversees a workforce of 2,624 and a fleet of 3 A310-304s, 1 B-707-351B/F, 2 leased B-737-266As, and 3 Fokker 50s. Uneconomical charter flights to Paris, along with scheduled services to Athens, are eliminated during the first quarter. In June, a day-long corporate workshop is held for all 2,700 employees. It is announced that, after years of losses now equal to \$800 million, the first quarterly profit since 1977, \$6.9 million, has been earned.

More hard work lies ahead. Jomo Kenyatta Airport at Nairobi is turned into a hub operation, feeding passengers from London and other European points to domestic and regional airports. Thrice-weekly roundtrips are inaugurated from Nairobi to Harare via Lilongwe.

Much of **1994** is spent in preparing the airline for privatization in late 1995. In the spring, the Fokker 50s are assigned the additional responsibility of providing backup for the B-737-266As on regional services. A contract is signed with International Finance Corporation (IFC) and one of its executives, Michael Tiller, arrives to oversee the privatization process.

Late in the year, the government assumes the carrier's \$89.6 million of debt arrears and makes plans to convert \$31.3 million in loans into equity. Plans are also made to acquire four A340-300s early in the coming year.

A total of 1.8 million passengers are flown during the 12 months and a \$16.9 million profit is recorded.

Work towards privatization continues throughout 1995. A request for proposals is made of the world's major airline groups, with negotiations set to start as early as August.

On March 26, the airline is listed on the Nairobi stock exchange. Pilots, meanwhile, win a court case against the airline and are ordered to receive a 90% retroactive salary increase.

In late fall, **KLM (Royal Dutch Airlines, N.V.)** expresses interest in purchasing shareholding. Thrice-weekly Nairobi to Amsterdam roundtrips commence in November.

After several months of discussion, the Kenya government approves the KLM partnership plan in mid-December.

Enplanements total 800,000 and financial data is posted: operating revenues are \$165 million and a net gain of \$16 million is realized.

KLM (Royal Dutch Airlines, N.V.) purchases a \$26 million, 26% stake in the company on March 1, 1996. Although the Dutch carrier does not seek a management contract, it does agree to provide up to \$3 million worth of helpful services in kind, including new computer systems. This sale is followed on April 6 by implementation of additional public offerings, which allow shareholding to be held by Kenya Airways staff (3%), overseas institutions (14%), and local institutions or individuals (34%).

By late April, the government's interest in the first national carrier in Africa to be privatized is only 23%. The airline's board is changed, with two KLM officials receiving seats. KLM agrees to train all Kenya Airways pilots.

On June 3, Kenya Airways is successfully launched on the Nairobi stock exchange.

Meanwhile, a marketing alliance is formalized with **KLM (Royal Dutch Airlines, N.V.)** that calls for joint service on routes from Amsterdam to Nairobi and code-sharing on Kenya Airways flights out of Nairobi to the rest of Africa.

Services to Frankfurt, Zurich, Copenhagen, and Stockholm are withdrawn and ticket offices are closed in New York, Tokyo, Los Angeles, and Hong Kong.

Under its new alliance with KLM, Kenya Airways, beginning in November, operates an A310-304 replacement service from Nairobi to Amsterdam; in effect, one of Kenya's London flights travels by way of Amsterdam, allowing one of KLM's four weekly MD-11 services to be cut.

Orders are placed at year's end for two B-737-3U8s with which to replace the B-737-266As.

Enplanements are 794,067. Operating income is \$178 million and lower costs allow a net profit of \$16 million to be posted, despite the route closures.

Employment stands at 2,350 in 1997. A310-304 dual-designator return service with **KLM (Royal Dutch Airlines, N.V.)** from Nairobi to Amsterdam begins. At this point, a third B-737-3U8 is ordered.

In late May, a standoff arises between the company and **Aero Zambia, S.A.** over flight schedules and landing rights between the two countries. On June 8, Zambian President Chiluba meets with a Kenyan government delegation led by Transport and Communications Minister Wilson Ayah and thereafter orders a lifting of suspensions imposed upon Kenya flights to Lusaka.

Pointing out that Kenya Airways has not, however, acted in good faith with Aero Zambia to find a more equitable mode of sharing passenger traffic, Zambian Transport Minister Suresh Desai and Aero Zambia Managing Director Yowondwossen Mengishu announce on June 11 that differences have not been resolved nor landing rights reinstated.

Toward the end of the year, a code-sharing agreement is signed with Mombasa-based **Eagle Aviation, Ltd.**

Although customer bookings decline 1% to 786,205, freight traffic accelerates 6.3% to 892.9 million FTKs. Net profit totals \$21.4 million.

The pact with **Eagle Aviation, Ltd.** begins in early 1998. One Eagle Avions de Transport Regional ATR42-320, operating under Kenya Airways' "KQ" flight code, offers increased frequencies to Malindi, Kisumu, and Eldoret from both Nairobi and Mombasa. During the spring and summer, plans are discussed for the initiation of additional

services to the domestic communities of Garissa, Lodwar, Rudolf, and Lamu Island.

Discussions are also held with the government of Tanzania concerning the introduction of additional services to that nation once a new bilateral air agreement is signed. Flights would be started with the second Eagle ATR to Arusha and Kilimanjaro from Nairobi and to Mwanza on Lake Victoria from Kisumu.

Also in the first quarter, Kenya Airways becomes an all-jet operator. The last three Fokker 50s are leased to the Spanish carrier **Air Nostrum, S.A.** and the premier unit of two new B-737-3U8s is delivered during the first week of April and enters service over the company's regional routes later in the month.

With great ceremony, a twice-weekly A310-304 return service is opened from Nairobi to Lagos on April 29. The new route allows the company to complete a plan to connect the four major hubs in Africa—Cairo, Lagos, Johannesburg, and Nairobi.

A code-sharing agreement is signed with **Alitalia, S.p.A.** on May 8 for twice-weekly, dual-designator return flights over the route between Nairobi and Rome.

Authority is granted in May and employed to launch twice-weekly roundtrips from Nairobi up to Cairo via Khartoum. A third weekly roundtrip to Lagos is launched at the end of the month with a B-737-3U8.

In addition, Kenya Airways, with **South African Airways (Pty.), Ltd.**, has become one of the two African airlines seeking an equity stake in **Uganda Airways Corporation**. Ugandan officials reveal at the start of June that Kenya Airways has failed a prequalification review for participation in the divestiture program of UAC.

The second B-737-3U8 arrives at the beginning of June. On June 6, Managing Director Davis and 50 children from the King Baudouin Children's Home place the new aircraft into service on a flight from Nairobi to Mombasa. Also during June, twice-weekly B-737-3U8 return flights are started between Nairobi and Douala, Cameroon.

At the end of the year, plans are made for receipt of the third B-737-3U8 early in the new year.

Passenger boardings this year accelerate 22% to 1.05 million.

Airline employment in 1999 stands at 2,775, an 18.1% increase.

In an investigative report published in the Nairobi *Sunday Standard* on January 3, Managing Director Davies is alleged to have established, without the approval of the airline's board of directors, Simba Finance, Ltd., a private firm. Simba, in turn, has borrowed \$130 million from Kenya Airways to lease four B-737-300s and two Cessna lightplanes. The U.S. Export-Import Bank is found to be a major shareholder in Simba and has structured the loan and guaranteed the leases. Although the article does not specifically say so, it all but accuses Davies of some kind of wrongdoing.

The news for the managing director only gets worse the next day. While taxiing to the terminal after a service from Nairobi on January 4, thieves wave down and force a B-737-3U8 to halt on the Lagos, Nigeria, runway. The passengers are robbed, several pieces of luggage are removed from the cargo hold, and the perpetrators make a clean getaway. The event makes headlines in the January 6 issue of *The International Herald Tribune*.

Leaders of East Africa end their 2 1/2-year embargo of Burundi on January 26; Kenya Airways, which has honored the sanctions since their imposition in July 1996, resumes flights to Bujumbura on February 1.

With the beginning of the new schedule on March 28, European services are increased to 25 weekly flights, with additional frequencies added to Abidjan, Dubai, Entebbe, Dar es Salaam, and Zanzibar. City-pair connections are increased by 73% over what they had been at the beginning of the year.

Former Managing Director Nyaga is reappointed to his old post on April 15, effective upon the conclusion of Managing Director Davies' contract on July 31. Chairman Isaac Omolo Okero reports the change as being made under amiable conditions and that Nyaga and Davies will work closely together over the next three months to secure a smooth transition.

Martin Wahome, a human resources manager with the local Block Hotel, is honored in special Nairobi ceremonies on April 27th as the airline's one-millionth passenger.

Under the code-sharing agreement with **Eagle Aviation, Ltd.**, an Eagle ATR42-320 initiates new twice-daily nonstop Interlink roundtrips on May 1 between Nairobi and Lokichoggio.

In a ceremony keynoted by Kenyan transport and telecommunications minister William ole Ntimama, Kenya Airways and **KLM: Royal Dutch Airlines, N.V.** open their first joint sales office at a facility in Barclays Plaza, Nairobi, on May 13.

Interlink services are expanded on June 1 with new flights from Nairobi to Malindi, Lamu, Kisumu, and Eldoret.

The carrier's three Fokker 50s, out on lease to **Air Nostrum, Ltd.**, are withdrawn on June 17 and are sold to the Spanish airline.

On August 18, Managing Director Nyaga announces that his board of directors has just approved a new cost-cutting plan designed to save \$4.72 million during the remainder of the year. The package includes instructions in the areas of fuel management, route and crew rationalization, and more cost-efficient purchasing.

In September, a cost-cutting program, designed to save \$4.7 million, is put into place.

Passenger boardings surge 20% to 435,000 while cargo jumps 28% to 24.06 million FTKs. Net gain climbs to \$38.09 million.

Airline employment at the beginning of 2000 stands at 2,780, a 0.1% increase over the previous 12 months.

An agreement is signed with **Air Botswana** on January 26, calling for the resumption of service between Gaborone and Nairobi within several months. On January 28, the carrier announces that it will invest \$750 million over the next five years to modernize its fleet with new Boeing equipment. The three A310-304s will be replaced with B-767-300s.

Just after an unusually long takeoff from Abidjan on its January 30 return service to Nairobi via Lagos, Flight 431, the A310-304 *Harambee Star* with 11 crew and 158 passengers, stays low and stalls, crashing 1.5 km offshore into the sea. There are no survivors. Confusion surrounds the initial rescue effort and the investigation thereafter will be described as "particularly secretive." (*Flight International*, January 23, 2001).

The Boeing order announced in late January is officially placed on February 15.

On February 16, a wet-leased B-767-306ER arrives from **KLM (Royal Dutch Airlines, N.V.)** to replace the lost A310-304.

The cockpit voice recorder is recovered by divers on February 24 and sent to Ottawa, Canada, for analysis.

In March, a wholly owned subsidiary, **Kenya Flamingo Airways, Ltd.**, is established to operate the Kenya Airlink feeder services now provided under contract by **Eagle Aviation, Ltd.**

A new service is introduced on May 22 between Nairobi and Eldoret. Also in May, weekly return frequencies from Nairobi to Johannesburg are doubled from three to six. Previously flown by **Emirates Airlines**, a fourth A310, a Dash-308, arrives on May 25 under a 15-month lease from the Airbus Industrie Financial Services (AIFS).

The Nairobi to Johannesburg service becomes daily on June 1. Due to an increase in demand, the B-767-306ER wet-leased from **KLM (Royal Dutch Airlines, N.V.)** for use on the code-shared route between Amsterdam and Nairobi is replaced with a larger MD-11 on July 21.

It is reported on August 8 that experts at Transport Canada have found the black box recovered from the January 30 crash defective and thus will not reveal any early clues as to the cause of the disaster. A B-737-3U8 is severely damaged as the result of a hard landing in crosswinds at Khartoum on September 23.

On November 6, in an effort to promote trade in the countries forming the newly created Common Markets for Eastern and Southern Africa, Kenya Airways reduces fares for its daily Dar es Salaam-Nairobi-Harare flights from \$1,020 to \$450. It also introduces reduced-fare daily roundtrips from Dar es Salaam-Nairobi-Dubai and Zanzibar-Nairobi-Dubai.

On November 13, a memorandum of understanding is signed with **KLM (Royal Dutch Airlines, N.V.)** and **Martinair Holland, N.V.** for the establishment of a joint sales and service organization in Nairobi. When the organization comes into being in 2001, it will employ Nairobi Airport as a hub from which to fly leased freighters on intra-African services. Sales and services in the Kenyan and African cargo markets will also be handled.

A strategic marketing and code-sharing agreement is finalized with **Air Malawi, Ltd.** on November 20. The pact formalizes dual-designator activities between the two airlines that have been occurring for some time.

KENYA FLAMINGO AIRWAYS, LTD.: Kenya Airways, Ltd., Barclays Plaza, 5th Floor, Loita Street, P.O. Box 41010, Nairobi, Kenya; Phone 254 (2) 822288; Fax 254 (2) 336254; <http://www.kenyaflamingo.com>; Year Founded 2000. Kenya Flamingo is set up in March 2000 as a wholly owned subsidiary of **Kenya Airways, Ltd.** to take over the Kenya Interlink feeder routes currently operated under contract by **Eagle Aviation, Ltd.** Two SAAB 340Bs, one of which is christened *Naivasha*, are leased from SAAB Aircraft Leasing.

With delivery of the Swedish-made turboprops, the new regional beginnings operations on June 30. SAAB 340B roundtrips begin on December 8 from Nairobi to Eldoret.

KESTREL INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1970-1972). Peter Anderson and George Corson form KIAL at Lydd Airport in October 1970. Equipping it with a single Douglas DC-3, christened the *Maid of Kent*, the partners begin revenue operations late in the month. When Lydd Airport proves unsatisfactory, the company is transferred to Castle Donington Airport on February 28, 1971. From here, the company operates a variety of ad hoc charters, many of which are equipment haulage for Ford Motor Company to Antwerp and Cologne.

Early in 1972, the company, planning to enter the inclusive-tour business, is renamed KIAL. On March 1, a former **British Midland Airways, Ltd.** Viscount 815 is purchased. The machine not only flies tours to Palma for Tristar Travel, but also replacement services in the U.K. for both **British Midland Airways, Ltd.** and **Dan-Air/Dan Air Services, Ltd.**

During the dock strike of July and August, the company's two aircraft fly stranded shipments around the country, including cigarettes from Southend to Belfast. The *Maid of Kent* is sold in August. Following the September 23 conclusion of the **Dan-Air/Dan Air Services, Ltd.** replacement service contract, it proves difficult to find charters for the big Viscount. On November 1, KIAL ceases operations and returns the unpaid for Viscount to its previous owner.

KETCHUM AIR SERVICE: P.O. Box 190588, Anchorage, Alaska 99519, United States; Phone (907) 243-5525; Fax (907) 243-8311; <http://www.ketchumair.com>; Code K3; Year Founded 1966. Former USAF pilot Lindley H. "Ketch" Ketchum brings his wife Marguerite and their children on a tour of Alaska in 1961 and so taken are the couple that they elect to make the state their home. In 1962, the management of an air taxi service at Anchorage becomes available and the family takes it over. In 1965, Ketchum Air Service is incorporated and continues to offer statewide charter and contract service floatplane flights from Anchorage's Lake Hood. Craig Ketchum joins the staff as a pilot during the 1970s, helping his father fly the aircraft and manage the concern. The most traumatic event of the period is the loss, on September 12, 1975, of a de Havilland DHC-2 Beaver and its occupants in a crash near Kijik.

After years of flying sportsmen and rural residents to backcountry locations, the Ketchums notice a change in the Alaska bush flying business in the early 1980s. As more summer visitors arrive to enjoy nature's wonders, more scenic tour flights are provided. By mid-decade, the company's fleet has grown to comprise 1 Cessna 185, 2 Cessna 206s, and 2 Beavers.

Scheduled services to and between Anchorage, South Central, Cordova, Valdez, and Prince William Sound are started during the late **1980s**. Increased activity, particularly over Prince William Sound, necessitates the opening of branch offices in Valdez and Cordova in **1991**. In **1992–1994**, the 10-employee company operation operates 3 Cessna 206s, 4 Beavers, 3 DHC-3 Otters, and 1 DHC-3 Turbo Otter.

During the mid-**1990s**, floatplane tours over Wrangell–St. Elias National Park and the Columbia Glacier become very popular. The number of sport fishing and hunting trips also increases, with rental houseboats added to the sport-fishing program. In **1995–1996**, two de Havilland DHC-6-300 Twin Otters are added and Craig Ketchum and his wife, Bertsie, take over the business. In the spring of **1997**, the company is taken over by its longtime rival **Taquan Air Services**, but is allowed to continue operations under its own name.

KEY AIRLINES (1): United States (1969–1988). Ogden, Utah-based **Thunderbird Airlines** is renamed Key Airlines on January 1, **1969**. Cessna smallplane operations to Salt Lake City and Logan are continued until August **1975**, when the company is purchased by Johns-Manville Company and merged with another new acquisition, Gooding, Idaho-based **Sun Valley Airlines** (formerly **Janss Airways**), to create the 120-employee **Sun Valley Key Airlines**.

The amalgamated airline is given a large-aircraft exemption by the CAB and begins operation of 2 Convair CV-440s, 3 de Havilland Canada DHC-6 Twin Otters, and 6 Piper PA-31-310 Navajos over a route from Salt Lake City to Boise via Sun Valley. In November, the name reverts to Key Airlines.

Enplanements total 44,888, a 14% rise over Key's bookings the previous year.

A warm winter and lack of snow at ski resorts in its service area create traffic difficulties for Key in **1976**.

Passenger boardings decline 9.4% to 40,878. Enplanements decline sharply in **1977**, falling to 18,569.

The severe winter of **1978**, however, results in a sharp traffic boom upward as the number of passengers boarded climbs 63.7% to 51,154. Costs of fuel and inflation in **1979** lead to the carrier's end in early **1980**.

KEY AIRLINES (2): United States (1983–1993). The Salt Lake City division of **Tiger Air**, a subsidiary of Tiger International Corporation, is purchased by the Key Holding Group in **1983**. The new subsidiary's corporate identity is changed to Key Airlines and contract flights are undertaken for the Department of Defense to various U.S. destinations.

Worldwide charter authority is sought and obtained and charter and inclusive-tour flights commence in **1984**. Destinations visited include Florida, Mexico, and the Caribbean.

At this point, the workforce totals 200 and the fleet includes 4 chartered Boeing 727-22s, 1 B-727-51, 2 Convair CV-580s, 1 Cessna 421, 1 Cessna Conquest, 1 Cessna Cheyenne, 1 Bell 206L LongRanger, and 1 Bell 222.

Airline employment grows 20% in **1985** to 270 as 4 more leased B-727-100s, Dash-95s, join the fleet. Permission is sought for the introduction of scheduled services.

Meanwhile, the number of charter passengers flown totals 540,000.

The workforce is increased again in **1986**, up by 15.8% to 220. The scheduled permission is not received and in midyear the carrier is sold to **Presidential Airways**.

Operating under the colors of both airlines, the company transports a cumulative total of 675,000 passengers, a 25% boost. Revenues advance 32% to \$32 million.

In March **1987**, the company is sold to and becomes a wholly owned subsidiary of WorldCorp, the newly formed holding company that is also parent to **World Airways**.

Passenger boardings advance by 6.4% to 532,000 and revenues climb to \$48.2 million. Unhappily, expenses are higher than income and losses are suffered: \$1.4 million (operating) and \$1.79 million (net).

The four B-727-22s, three B-727-95s, and B-727-51 of the World subsidiary are able to maintain positive traffic levels in **1988**.

The number of passengers flown increases by 6% to 566,000. Revenues plunge 19.2% to \$38.94 million, expenses drop 13.3%, but still total \$43.03 million, and the operating loss deepens to \$4.08 million. The net loss swells to \$5.21 million.

Airline employment is increased by 18.5% in **1989** as the carrier enjoys a good year. A number of international charters are operated employing DC-10-30s leased from **World Airways**.

Passenger boardings move ahead by 13.9% to 644,454 and revenues increase 40.8% to \$54.82 million. Expenses jump 32.2% to \$56.89 million and halve the operating loss to \$2.06 million. Net loss, however, worsens to \$6.41 million.

The payroll swells 7.1% in **1990** to 254 and the fleet is increased by the addition of 2 B-727-228s. The principal passenger destinations continue to be Europe, the Caribbean, Florida, Las Vegas, Florida, Canada, and Mexico.

Customer bookings move ahead by 2.2% to 665,221 and revenues jump 25.2% to \$68.61 million. Expenses grow by 18.1% to \$67.18 million and allow an operating profit of \$2.72 million. The net loss improves to \$2.41 million.

The **World Airlines** sister carrier sees its company workforce cut 26% in **1991** to 188. The company joins with **American Trans Air** in mid-October to call into question the "nationality" of **Aerocancun, S.A. de C.V.**, which is owned by the Spanish Oasis International Group, S.A. in violation of the U.S.–Mexico air agreement. In December, Caribbean Connection charter flights commence from Savannah to St. Thomas.

The fleet's 10 aircraft transport a total of 442,000 passengers, a decline of 33%. Revenues fall 18.9% to \$55.66 million, expenses slip 14.9% to \$56.08 million, and the operating loss is \$420,000. The net loss surges to \$6.98 million.

In **1992**, President Thomas Kolfenbach oversees the same fleet and a workforce of 254. During February, scheduled rights are acquired from the DOT and twice-weekly roundtrip B-727-228 scheduled services commence on April 1 from Savannah to St. Thomas. Key flights from its other U.S. gateways at Atlanta, Baltimore, Boston, New York (JFK), and Philadelphia feed into the Savannah hub for connections.

Chicago (MDW) becomes a sixth gateway on May 17 as the other Caribbean points served with charters receive scheduled services: Aruba, St. Martin, Montego Bay, and Cancún. During the summer, scheduled flights are launched to Antigua, Cozumel, Curaçao, Nassau, and Freeport.

Through September, the last month data is supplied, the charter operator flies 294,182 passengers.

WorldCorp sells Key to a group of Savannah investors on February 2, **1993**; they, in turn, attempt to pass it to a new Florida airline **Skybus (2)**, which is unable to complete the takeover. As a result, Key files for Chapter XI bankruptcy protection on February 11 and begins to seek a new backer.

Key continues to operate charters until May 10, when operations cease and all aircraft are returned to their lessors. The Chapter XI status is converted to Chapter VII liquidation and all remaining assets are sold.

KEY AVIA (KLUICH AVIA): Russia (1994–1995). Key Avia is established at Samar in **1994** to offer domestic passenger and cargo charters. I. N. Kuznetsova is named general director and he launches revenue services with an unspecified number of Antonov An-2s and Ilyushin Il-76s. Flights cease in late **1995**.

KEY LIME AIR: 7625 South Peoria Street, Suite D-15, Englewood, Colorado 80112, United States; Phone (303) 619-6667; Fax (303) 768-8144; Year Founded 1998. Key Lime Air is established by Clifford D. Honeycutt at Englewood, Colorado, in **1998** to provide regional express and small cargo services. Revenue operations begin with a fleet that includes 5 Fairchild Metros, 5 Piper PA-31-310 Navajos, 1 Cessna 404 Titan, and 1 Learjet.

KEY WEST AIRLINES: United States (1980–1981). KWA is created at Boca Raton, Florida, in **1980** to provide daily roundtrip air taxi flights

to Miami via Fort Lauderdale. Cessna lightplane revenue flights are duly inaugurated, but in the face of the summer PATCO air traffic controllers' strike, cannot be maintained beyond September 1981.

KEYSTONE AIR SERVICE, LTD.: P.O. Box 2140, Swan River, Manitoba, R0L 1Z0, Canada; Phone (204) 734-9351; Fax (204) 734-9181; <http://www.keystoneair.mc.ca>; Year Founded 1985; Keystone is established at Swan River in 1985 to provide twice-daily roundtrip passenger flights to Winnipeg. Twice-daily return service is extended to Dauphin in 1989. In addition to regular flight service and aircraft maintenance, passenger charters are often operated on behalf of government employees, industry executives, sportsmen, and trades people to points in Northern Ontario, Manitoba, Saskatchewan, Alberta, Minnesota, and North Dakota.

Flights continue during the 1990s. A new base is occupied at St. Andrews, Manitoba, in 1998, followed by the opening of a new facility at Red Deer, Alberta, in December 1999. The fleet in 2000 includes 1 each Beech 99, Beech Super King Air 200, Piper PA-31-350 Navajo Chief-tain, and PA-34 Seneca.

KEYSTONE AIRLINE: United States (1936–1937). Keystone is organized at Philadelphia in the fall of 1936 to offer passenger and air express flights to New York City employing a Sikorsky S-38 amphibian. Revenue services commence in November. Without a mail subsidy or traffic in winter, the operation ceases in February 1937.

KEYSTONE AIRLINES: United States (1967–1977). In order to expedite the expansion of its local route network in 1969, Connellsville, Pennsylvania-based **Pitt Airlines** is renamed **Keystone Commuter**. Services are inaugurated beyond the Pittsburgh region to Wheeling, Akron, Erie, and other communities.

Operations continue apace over much of the next decade, during which time the company is renamed **Keystone Airlines** and the fleet is upgraded by the addition of several Beech 99s and Embraer EMB-110P1 Bandeirantes. Walter Christman purchases the company in September 1977 and renames it **Christman Air System**.

KEYSTONE COMMUTER. See **KEYSTONE AIRLINES**

KEYSTONE HELICOPTER CORPORATION: 1420 Phoenixville Pike, West Chester, Pennsylvania 19380, United States; Phone (610) 644-4430; Fax (610) 644-7681; <http://www.keystone-helicopter.com>; Year Founded 1953. KHC is established by Peter Wright at West Chester in 1953 to operate general rotary-wing support services. Examples of operations carried out over the next 40 years include executive charter, power line patrol, offshore oil rig shuttles, aerial crane flights in support of construction and logging, and air ambulance work. Helicopter manufacturers represented in the company fleet include Sikorsky, Bolkow, Bell, Hughes, and Aerospatiale.

By 1998–1999, Peter Wright Jr. is president and his concern has also become an authorized service center for all of the major helicopter types: Bell, Sikorsky, American Eurocopter, McDonnell Douglas, and their Al-lison and Turbomeca engines. The fleet now includes 12 Eurocopter BK-117s, 5 Sikorsky S-76s, and 1 Eurocopter SA365N2 Dauphin II.

In addition to its activities as an FAA and JAA approved repair service, Keystone in 2000 manages several corporate helicopters and eight air medical helicopter programs that collectively encompass over 17 twin-engine aircraft, their support, mechanics, and pilots. Keystone's current air-medical programs include: Allgeheny General Hospital's Life Flight, Bangor and Lewiston's Life Flight of Maine, Boston's Med Flight, Conemaugh's Med Star, Hahnemann's University Medevac, Lehigh Valley's University Medevac, Promedica's Promedica Air, and Robert Packer's Guthrie One.

In February, negotiations with Turbomeca Engine Corporation concerning the proposed sale of the Keystone Engine Division in West Chester, Pennsylvania, are broken off.

KEZHEMSK AIR ENTERPRISE: Kodinsk Airport, Krasnoyarsk, 563470, Russia; Phone 7 2 255 4; Year Founded 1992. KAE is set up at Krasnoyarsk in 1992 to operate feeder services and undertake aerial work with helicopters. By 2000, Director General V. M. Shurkin's fleet includes 5 Antonov An-2s, 4 Let L-410UVPs, and 3 Mil Mi-8s.

KHABAROVSK UNITED AIR DETACHMENT (KHABAROVSKI OAO). See **DAK FAR EASTERN AVIATION (KHABAROVSK UNITED AIR DETACHMENT); DALAVIA**

KHAKASIA AIRLINES: Abakan Airport, Abakan, Krasnoyarsk Region, 662608, Russia; Phone 7 (39022) 63061; Fax 7 (39022) 50588; Code BKN; Year Founded 1997. An associate of **Abakan Avia**, Abankanskoe Avioapredpriatie (Abakan Air Enterprise) is re-named in late 1997. Director General B. M. Kochetov continues non-scheduled operations over a domestic route network with 5 Antonov An-24s, 2 Let L-410s, 6 Tu-154Bs, plus 5 Mil Mi-8 and 10 Mi-2 helicopters.

Flights continue in 1998–2000, during which years Nikolai Merelkov becomes director general and the fixed-wing fleet is reduced to 4 each An-24RVs and Tu-154Bs.

KHALIFA AIRWAYS, S.A.: Lotissement Ben Haddadi, No. 61, Algiers, Algeria; Phone 0825-0825-01; <http://www.khalifaairways-dz.com>; Code K6; Year Founded 1999. Under the Algerian government's newly liberalized commercial aviation rules, the private Khalifa is established by Rafik Khalifa at Algiers in early 1999 as a subsidiary of his Khalifa Group, which also includes Khalifa Bank and KRG Pharm. Delivery of a Next Generation B-737-86N is taken on April 14 and the GECAS-owned Boeng is immediately subchartered to **Pegasus Airlines (Pegasus Hava Tasimaciligi, A.S.)**.

On June 27, orders are placed for a pair of Airbus Industrie A310-324s that have come off lease with **Aeroflot Russian International Airlines (ARIA)**. The first unit, christened *Melissa*, arrives on July 7 and the second later in the summer. Employing the pair of leased Airbus Industrie A310-324s, revenue flights to Oran are launched on September 9. Links to Constantine, Lyon, Marseilles, and Paris follow.

On April 5, 2000, an A340-211 is leased from **Sabena Belgian World Airlines, S.A.** The aircraft will operate in full Savena livery with Khalifa titles.

During the spring, two A320-231s are chartered from **Transaer International Airlines, Ltd.** A frequent-flyer program is unveiled on June 1, as is a program giving discounts to customers of the Khalifa Bank. Roundtrips between Oran and Toulouse commence on June 2. A third leased A310-324 arrives on June 12 and is christened *Farida*.

The Transaer machines are returned in late July and early August.

Arrangements are completed with Avions de Transport Aerien on August 18 for the purchase of four new ATR72-520s and the charter of four used ATR42-320s.

Thrice-weekly nonstop roundtrips are inaugurated on August 25 between Algiers and Barcelona. At the same time, twice-weekly service from Algiers to Alicante via Oran is also begun.

By October 1, the carrier has received three ATR42-320s; the first ATR42-520 arrives on October 9.

The company's 18th and 19th domestic lines are initiated on October 22 with daily roundtrips from Algiers to Batna and to Tiaret.

The fourth ATR72-520 is received on November 23. The turboprops are employed on the 19 domestic routes to such points as Batna, Bejaia, El-Oued, Hassi-Messaoud, Ghardaia, Tiaret, and Tlemcen. It is anticipated that flights to Adrar, Bechar, Biskra, and Timimoun will start before year's end.

A lease is signed with AI Leasing on December 1 for the five-year charter of two more A310-324s. On December 29, arrangements are completed for the renewal of the lease of a GECAS-owned Next Generation B-737-86N, currently being operated by **Pegasus Airlines (Pegasus Hava Tasimaciligi, A.S.)**. A new Classe Executive business-class

service is introduced at the end of the year as the company quietly takes over control its smaller rival, **Antinea Airlines, S.A.**

KHARKOV UNITED AIR DETACHMENT: Kharkov Airport, Kharkov, 310031, Ukraine; Phone 380 (0572) 520 163; Fax 380 (0572) 516-907; Year Founded 1992. KUAD is set up at Kharkov Airport in 1992 as the domestic charter subsidiary of **Air Ukraine**. A. N. Chekhov is CEO and he undertakes flights with a fleet of Antonov An-24s and Tupolev Tu-134As leased from the parent.

Service is maintained during the remainder of the decade. Enplanements in 1998 total 11,000, but are more than halved in 1999, falling to just 6,000.

Twenty people are employed by the carrier at the beginning of 2000.

KHAZAR AIRLINE: Turkmenbashi Airport, Turkmenbashi, 745007, Turkmenistan; Phone 7 (43222) 954 154; Fax 7 (43222) 75841; Code KHR; Year Founded 1992. Originally established at Krasnovodsk in May 1940 as an airport and charter operation, Khazar blossoms in 1992 when the city is renamed. **Turkmenistan Airlines** now acquires full shareholding and Mered Myhiyev is named director general. The mixed-purpose concern is outfitted with a fleet of 3 Antonov An-2s, 1 An-24, and 5 An-26s.

Flights, both scheduled and charter, are increased to regional, domestic, and international destinations. Airline employment totals 849 in 2000 and fleet now boasts 5 An-24Bs, 3 An-24RVs, and 5 An-26s.

KHMER AKAS (CAMBODIA AIR): Cambodia (1970–1975). In October 1970, American interests create **Air Alliance**, a **Continental Air Service** subsidiary (the U.S. major **Continental Airlines** is CAS parent) designed specifically to assist in the organization and operation of Phnom Penh-based Khmer Akas (Cambodia Air), which is publicly established by a Cambodian businessman.

Certified to provide both domestic and international scheduled passenger services, KA is outfitted with 6 Douglas DC-3s. Initial service from Battambang to Phnom Penh is inaugurated on October 21.

Operations continue apace in 1971–1975. Flying passenger routes to Saigon, Bangkok, and local destinations, often on behalf of the national flag carrier **Air Cambodge, S.A.**, Khmer is best known as a well-maintained cargo operator specializing in the transport of goods to small towns and provincial capitals. Although no aircraft are lost to hostile action, the company ceases operations after the fall of the country to the Khmer Rouge in April of the latter year.

KHORS AIR COMPANY: 16 Volinskaya St., Kiev, 252133, Ukraine; Phone 380 (044) 295-7731; Fax 380 (044) 294-9811; <http://www.khors.com.us>; Code X9; Year Founded 1990. Khors is set up at Kiev in 1990 to provide international, regional, and domestic charters, both passenger and all-cargo. Edward Samoilov is CEO and he begins revenue services with a fleet of 10 Ilyushin Il-76TDs, 4 Antonov An-12s, and 1 An-26.

While on final approach to Cafunfo, Angola, on a June 24, 1996, service from Luanda, the An-26 with eight crew experiences problems with its No. 1 engine. While attempting a missed approach procedure, the pilot loses control and the aircraft makes a belly landing near the runway and catches fire (four dead).

Flights continue during the remainder of the year and in 1997–1998. Regularly visited destinations include Dubai, Kiev, and Tivat.

Anatol Vissotchanski is director general in 1999 and his fleet includes 4 An-12s, 7 Il-76TDs, and 1 each An-24 and An-26. At the end of the year, a leased Douglas DC-9-51 is acquired.

In 2000, two An-12s are withdrawn. *AirlinersOnline.com* reports on July 27 that the concern is now offering passenger charters with a Tupolev Tu-154M.

KHORTITSA AIR: 77 Lenina Ave., Zaporozhye, 330600, Ukraine; Phone 612-646591; Fax 612-646693; Year Founded 1995. Khortitsa is

established in 1995 to provide passenger and cargo charters and flight training. By 2000, Director General Nikolay N. Zenkevich oversees 38 employees and the flights of 2 Antonov An-28s, 1 Let L-410, and 1 Yak 18T.

KHOSEBA SIC: 17 Tiernobulskaya Street, Kiev, 252115, Ukraine; Phone 380 (044) 444-1139; Fax 380 (044) 450-5942; Year Founded 1995. This all-cargo operator is established at Kiev in 1995. Regional and international flights commence with a single former-military Ilyushin Il-76MD.

KIBRIS TURK HAVA YALLARI, A.O. (CYPRUS TURKISH AIRLINES): Bedreddin Demirel Ave., Box 793, Yenishir, Nicosia, Turkish Republic of Northern Cyprus; Phone 357 (2) 520 83901; Fax 357 (2) 520 81462; http://www.nether.net/~timeflux/public_html/cta.html; Code YK; Year Founded 1974. Following the Cypriot war, Turkey gains control of the northern portion of the island and is the only nation to recognize the creation of the Turkish Republic of Northern Cyprus. Kibris Turk Hava Yallari, A.O. (KTHY) is organized at Ercan Airport near Lefkosa, Nicosia, on December 4, 1974 as an operational subsidiary of **THY Turkish Airlines (Turk Hava Yollari, A.O.)**. Equal shareholding is held by the airline and by the Cyprus Turkish Community Assembly Consolidated Improvements Fund.

Vedat Alpasian is named chairman/president and a bilateral air agreement, the carrier's only one, is signed with the Turkish government. A 99-employee workforce is recruited and a single leased Boeing 727-100 is provided to inaugurate scheduled passenger and cargo services in February 1975 to Istanbul, Ankara, and Adana.

Late in the decade, a B-720B is leased from **Aero America** and Izmir joins the route network of the national carrier of the Turkish Republic of Northern Cyprus. During the early 1980s, the fleet is increased by the addition of a Douglas DC-9-30. When necessary, the Turkish parent provides chartered B-707s.

An office is established in London for a British tour subsidiary, CTA Holidays, Ltd. and traffic figures are reported sporadically: 116,023 (1983), 154,510 (1986), and 233,287 (1988).

Meanwhile, permission to attend meetings of IATA, implied since 1974, is formally withdrawn in 1987. Enplanements in 1989 total 256,973. Revenues are \$16 million, expenses are \$13 million, and a \$2.5-million profit is generated.

The route structure does not change into the 1990s; however, a B-727-2F2A, painted in Cypriot colors, is purchased from **THY Turkish Airlines (Turk Hava Yollari, A.O.)** in the spring of 1990 as capitalization reaches \$2.4 million. Erol K. Andac becomes president in 1992, with Yaljn Erisik as managing director. In 1993, the company owns three B-727-2F2As, leasing added capacity as needed from its parent. Airline employment stands at 269 and destinations visited include Istanbul, Ankara, Adana, Izmir, Antalya, and London.

Operations continue apace in 1994–1995. During the latter year, an Airbus Industrie A310-203 is acquired, replacing one of the B-727-2F2As.

The fleet in 1996 is increased by the addition of a A310-304. Orders are placed for three McDonnell Douglas MD-90-30s. On March 8, a pro-Chechen Turkish waiter, hoping to win sympathy for the Chechen revolt in Russia, hijacks a Boeing trimotor with 109 aboard to Munich; on the ground in Germany, he quickly releases his hostages, gives himself up, and is arrested.

The first of three MD-90-30s is delivered in February 1997, wearing a black-and-white livery and billboard-sized “KTHY” titles. When the remainder of the order is delivered, the last two B-727-2F2As are returned to **THY Turkish Airlines (Turk Hava Yollari, A.O.)**.

Flights continue in 1998–1999. During these years, Umit Utku becomes CEO, two Next Generation B-737-800s are ordered, and the workforce totals 269. Three B-727-2F2As and a B-727-228A are operated.

The first of two chartered Next Generation B-737-8S3s is delivered by Sunrock Aircraft Corporation on April 20, 2000, and is christened

Guzel Yurt. The second arrives the next day and orders remain outstanding for two others. When all of the new aircraft are on hand, they will replace the remaining B-727s on holiday charter flights coming into Turkish-controlled North Cyprus from Turkey, Germany, Israel, and the U.K.

KIEV UNITED AIR DETACHMENT: 77, Vozdukhoflotski Prospect, Kiev, 252036, Ukraine; Phone 380 (044) 276-8128; Year Founded 1994. KUAD is established at Kiev in early 1994 to offer domestic passenger and cargo charters. G. V. Fedchenko is CEO and he begins revenue flights with a fleet made up of an unspecified number of Antonov An-24s and An-2s, plus several Let 410s and Yakovlev Yak-40s.

A chartered An-26 with seven crew is shot down near Bihac, in Bosnia-Herzegovina, on July 27; the aircraft crashes in a minefield and all aboard are killed.

Although operations are understood to continue during the remainder of the decade, exact information is unavailable.

KINAIR CARGO, S.A.: Zaire (1984–1988). Kinair is established at Kinshasa in 1984 to offer regional and domestic cargo charters with one each Douglas C-54D (military DC-3) and a swing-tail DC-4. Operations continue without fanfare until January 7, 1987, when the C-54D loses an engine and is damaged beyond repair.

The company is able to continue until August 23, 1988, when the swing-tail DC-4 with five crew crashes at M'Bamou Island, Zaire; there are no survivors.

KING AIRCHARTERS: Lawrence Municipal Airport, North Andover, Massachusetts 01845, United States; Phone (978) 688-6888; Fax (978) 682-1444; <http://www.800aircharter.com>; Year Founded 1994. King is set up at North Andover in 1994 to provide executive and small group passenger charters throughout the U.S., Canada, Mexico, and the Caribbean. Within six years, the company has two bases.

An IAI Westwind II and a Piper PA-42 Cheyenne 400LS are flown from the Massachusetts facility while a second Westwind II is stationed at Indianapolis.

KING AIRLINES: United States (1965–1979). The Wichita Falls, Texas-based FBO King Flight Service establishes a scheduled airline division in January 1965 to provide scheduled passenger and cargo services to Abilene and Dallas. Employing a Beech 18 and a de Havilland DH 114 Heron, King inaugurates daily roundtrips on February 18; these are maintained until May 1971.

KING ISLAND AIRLINES (PTY.), LTD.: Building 35, End of First Street, Moorabbin Airport, Mentone, Victoria, 3194, Australia; Phone 61 (3) 9580 3777; Fax 61 (3) 9580 7361; Code KG; Year Founded 1990. Former Flinders Island Airways (Pty.), Ltd. officials William Patterson and W. G. Saunders form King Island Airways (Pty.), Ltd. at Mentone, Victoria in 1990 to provide scheduled services from Melbourne to King Island and other regional destinations. Saunders becomes general manager and the start-up fleet comprises 3 Piper PA-31-350 Navajo Chieftains.

Patterson becomes general manager in 1993 and oversees flights by 5 Navajo Chieftains. Frequencies to Melbourne total three per day in 1994–1995. Although the route network remains unchanged in 1996, the fleet is increased by the addition of an Embraer EMB-110 Bandeirante. Twice-daily roundtrips from King Island and Melbourne continue to be offered in 1997–1999.

According to Geoff Ayton from King Island, Lee Falkner is in charge of the airline in 2000.

KING SOLOMON AIRWAYS (PTY.), LTD.: Cairns International Airport, Cairns, Australia; Phone 61 (7) 4031 3372; Fax 61 (7) 4031 3272; <http://www.islandshotels.com.au/KSAirways/KSA.html>; Year

Founded 1998. Cairns-based KSA is established in the spring of 1998 as a division of Islands Hotels. Employing a remodeled Convair CV-580, the single-ship carrier launches daily revenue flights to Honiara and Gizo, Guadalcanal, on May 22.

The fate of the concern during the Solomons political unrest in June 2000 is unknown.

KINGDOM OF LIBYA AIRLINES: Libya (1964–1969). Taking over from Libavia and United Libyan Airlines, Kingdom of Libya Airlines is formed as the state carrier in September 1964. Hashem el Abbar is named chairman and a workforce of 260 is assembled.

Initial international routes are flown by 2 Sud Est SE-210 Caravelle VIRs, beginning in August 1965. Roundtrip frequencies are offered from Tripoli to Rome seven times a week, with Paris added as a stop twice weekly and weekly from Tripoli to London.

Also during the summer, roundtrip Caravelle VIR frequencies are offered 16 times a week from Tripoli to Benghazi. To ensure the route's viability, the government requires that no other national airlines operate over it.

A support contract is signed with ATI (*Aero Transporti Italiani, S.p.A.*) in March 1966. Under its terms, the Italian independent airline leases KLA a pair of Fokker F.27-200s. A Gates Learjet 23 is purchased to handle executive and VIP travel.

Other international airlines also provide the company assistance under contract and send executives and experts to Libyan headquarters at Tripoli. KLM (*Royal Dutch Airlines, N.V.*) dispatches a group to operate the carrier's sales and reservations services; communications, finances, and traffic research is handled by a team from British Overseas Airways Corporation (BOAC), while Air France loans aircraft crews and offers technical assistance.

During 1967, an order is placed for another Caravelle VIR that will be employed to handle new routes to Malta, Athens, Beirut, and Cairo. The chartered Fokkers operate over the route from Tripoli to Benghazi, as well as to Djerba, Ghadames, Marsa El Brega, Al Bayda, and Tubruq. A new route from Tripoli to Sabhah is started.

Trans World Airlines (TWA) undertakes a productivity study for the airline in 1968, which recommends that the carrier reequip with new aircraft.

In 1969, two owned Friendships replace the leased examples on domestic routes. Following a coup against King Idris led by Col. Muammar Qaddafi, the government changes the airline's name to Libyan Arab Airlines.

KING'S FLYING SERVICE (1). See KING'S SKYLINE

KING'S FLYING SERVICE (2): United States (1986–1988). KFS is set up at the Alaskan community of South Natnek in the spring of 1986 to provide scheduled passenger and cargo commuter flights to local communities and bush destinations. Employing Piper lightplanes and a de Havilland Canada DHC-2 Beaver, King's inaugurates revenue flights in May linking the company's base with King Salmon, Egegik, Pilot Point, Levelock, Igiugig.

Operations continue apace until KFS goes out of business in August 1988.

KING'S SKYLINE: United States (1968–1969). The FBO and charter operator King's Flying Service (1), based at Olathe, Kansas, sets up a scheduled airline division in 1968. Employing a Beech 18, plus Piper and Cessna lightplanes, the new subsidiary introduces daily passenger and cargo frequencies linking the company's base with Kansas City, Hutchinson, and small communities in northeast Kansas. The service ends within a year.

KIRGIZSTAN AIRLINES (KYRGYSTAN ABA YOLDORU). See KYRGYSTAN AIRLINES (KYRGYSTAN ABA YOLDORU NATIONAL AIRLINE)

KIROV AIR ENTERPRISE (KIROVSKOE AP). *See KIROV AIRLINES*

KIROV AIRLINES: Kirov Airport, 610009, Russia; Phone 7 (8832) 637 632; Fax 7 (8832) 696 600; Code KTA; Year Founded 1993. The Kirov division of **Aeroflot Soviet Airlines** is reformed as an independent joint-stock company in 1993. Comdr. Alexandr Solostei is named director general and his 1,000-man workforce operates a fleet that includes 40 Antonov An-2s, 5 An-24s, 2 An-26s, and 3 Tupolev Tu-134As, plus 9 Mil Mi-2 helicopters.

Scheduled and charter passenger services within Russia and the CIS continue during the remainder of the decade. A total of 1,229 workers are employed at the beginning of 2000 and the fixed-wing fleet includes the original 3 Tu-134As plus 3 An-24Bs, and 1 each An-24, An-26, and An-26B.

KISH AIR: P.O. Box 19395-4639, 215 Afrgha Express Way, Tehran, 19697, Iran; Phone 98 (21) 837-0856; Fax 98 (21) 226-6630; <http://www.itto.org/transport/kishair>; Code KN; Year Founded 1992. Kish Air is established by the Kish Free Zone Organization at Kish Island in 1994 to offer regional passenger services. A. Golrounia is named president and he assembles a fleet comprising 2 Tupolev Tu-154s and 1 Yakovlev Yak-42 with which revenue services are inaugurated.

Flights to Dubai and domestic markets are initiated or continued during the remainder of the year and into 1995. On September 19 of the latter year, a Tu-154, with 174 passengers is taken over by a dissatisfied steward, who orders the aircraft diverted to a military air base in southern Israel. No injuries are reported.

Operations continue without fanfare during the remainder of the decade and the fleet is increased by the addition of two more Tu-154Ms and three Yak-40s. The Tu-154Ms are wet-leased from the Russian carrier **Samara Airlines**.

Enplanements total 280,000 in 1998, while 3.1 million FTKs are also operated. Passenger boardings surge to 551,000 in 1999 and 1.21 million FTKs are also operated.

A new multicolored "sun" color scheme in two versions is introduced on May 1, 2000, along with billboard titles. One version is applied to the Tupolevs and the other to the Yaks. During the fall, a Yak-42D is acquired.

Thrice-weekly Yak-40 roundtrips begin on November 23 between Kish Island and Abu Dhabi.

KITA NIHON KABUSHIKI KAISHA. *See NORTH JAPAN AIRLINES COMPANY, LTD.*

KITTY HAWK AIR CARGO: 1515 West 20th Street, P.O. Box 612787, Dallas-Fort Worth International Airport, Texas 75261, United States; Phone (972) 456-2200; Fax (972) 456-2210; <http://www.kha.com>; Code KR; Year Founded 1976. KHAC is organized by M. Thomas Christopher at Dallas (DAL) in 1976. Regularly scheduled all-cargo and executive charter flights are initiated to destinations in Texas and Louisiana, plus other southwestern communities. Flights with 2 Piper PA-31-350 Navajo Chieftains and 2 Piper PA-34 Senecas begin in July to Shreveport and Lafayette. Operations continue apace in 1977.

In February 1978, a scheduled passenger airline division, Kitty Hawk Airways, is set up to provide daily Navajo Chieftain roundtrips to Texarkana. Although flights are duly inaugurated, the enterprise is folded back into KHAC during October. Meanwhile, Christopher Charters is formed to broker air freight charters.

In 1984, a major subcontract is arranged with **General Aviation (2) (Greeneville Air)** of Greeneville, Tennessee.

Freight and traveler services are maintained during the remainder of the decade and into the next. Kitty Hawk is reorganized into a holding company, Kitty Hawk Group, in 1985 to serve as parent to several operating subsidiaries, including the reborn Kitty Hawk Airways, Kitty

Hawk Air Cargo, Skyfreighters, Christopher Charters, and Kitty Hawk General Aviation and Aircraft Leasing.

In May, the company receives a contract from the U.S. Postal Service (USPS) to operate mail delivery service on its behalf during the peak Christmas holiday season. The agreement will be renewed annually thereafter.

In November 1986, Bruce A. Martin's overnight express operation **Martinaire** purchases Kitty Hawk, combining the two companies into one of the country's largest Part 135 overnight airlines. General Motors Corp. appoints the corporation its air charter manager and the fleet is shared between the divisions as appropriate. Contracts continue to be held with all the major overnight express operators in the industry and flights are made into Oklahoma, Louisiana, Arkansas, Kansas, Colorado, Utah, New Mexico, and Texas.

In 1988, **General Aviation (2) (Greeneville Air)** is purchased; the acquisition increases the Kitty Hawk fleet by six CV 440s.

The Kitty Hawk Air Cargo subsidiary employs 74 persons in 1990 and operates 8 Convair CV-440s, 1 CV-640, 2 Douglas DC-3s, and 1 Dassault Falcon 20.

A total of 4.21 million FTKs are flown and revenues reach \$11.2 million. With expenses held to \$10.75 million, the operator generates \$454,000 in operating income and a net profit of \$196,000.

In 1991, the carrier earns a \$1.32-million net profit on total revenues of \$33.38 million. In 1992, the carrier is chosen to receive a \$1-billion, 10-year U.S. Postal Service contract. The award is immediately protested by **Emery Worldwide**.

When the USAF Log Air program ends, it is revealed that Kitty Hawk has been the only operator in its history to have a 100% reliability record. Contracts are held with **Burlington Air Express**, **Airborne Express**, **DHL Worldwide Express**, **Airborne Express**, and others, while revenues climb to \$50 million and profits to \$2.5 million.

In the spring of 1993, Kitty Hawk settles a dispute out of court, allowing **Emery Worldwide** to assume the government postal contract in exchange for \$18.5 million. At the same time, a quality management program is facilitated by the Richard Rogers Group of Portland, Oregon. Operations continue with a fleet that now includes 11 Convair CV-600s, 3 CV-640s, 1 Dassault Falcon 20, and 2 Learjet 35s. Orders are placed for four McDonnell Douglas DC-9-15s.

Chairman Christopher's workforce totals 77 in 1994 and these join him in a move from Fort Worth's Meacham Field to a modernized hangar and headquarters at Dallas (DFW); the 42,000-sq.-ft. facility had previously been occupied by **SMB Stage Lines** and **Braniff, Inc.**

During the fourth quarter, a B-727-223F is sent to Saipan on a charter for a Chinese seafood shipping company.

The fleet at year's end includes the Convairs, 3 DC-9-15s, and 3 Boeing 727-223Fs. The latter are based at Ypsilanti, Michigan, to fly ad hoc charters for the automotive industry.

On the year, a total of 2.8 million FTKs are flown. Revenues total \$53.53 million and expenses are \$43.56 million. Consequently, there is an operating profit of \$9.96 million and a net gain of \$6.36 million.

In January 1995, another former **American Airlines** B-727-223F is acquired via Aircraft Leasing, Inc.

This year, the company's 20 aircraft operate a total of 58.65 million FTKs. Operating income exceeds costs and there are profits, which are down from the previous year to \$6.08 million (operating) and \$3.22 million (net).

The employee population grows 21.1% in 1996, the twentieth anniversary year, to 270. In August, a B-727-223F is wet-leased to the Philippine freight operator **Pacific East Asia Cargo**. The highlight of the year comes in October when the carrier completes its first public stock offering. The income will allow fleet expansion.

At year's end, **Burlington Air Express** is the company's most prominent domestic client, accounting for nine B-727-200Fs flying routes in the U.S., Canada, and Mexico. **Emery Worldwide**, **Burlington**, and **DHL Worldwide Express** employ Kitty Hawk's nine Convairs

throughout North America, including one that flies daily cross-border trips for Emery between El Paso and Chihuahua, Mexico.

Cargo traffic skyrockets 134.5% to 137.55 million FTKs while revenues soar 53.4% to \$70.24 million. Expenses rise 57.9% to \$62.67 million, there is an operating gain of \$6.98 million, and a net \$7.57-million profit is reported.

During the first half of 1997, five more B-727Fs join the eight already in the fleet. Five DC-9-15Fs and seven Convair CV-600/640s are also operated. One each B-727F and DC-9-15F are based at Fort Worth, Texas.

On September 22, Conrad Kalitta signs a letter of intent to combine the Kalitta companies with Kitty Hawk; Kalitta will receive 5.1 million shares of Kitty Hawk common stock, \$22 million in cash, and a "significant management role" in the combined operation. At the same time and in a related transaction, Kitty Hawk Air Cargo, the airline operating subsidiary of Kitty Hawk, Inc., purchases 16 **American International Airways (3) (AIA)** B-727s for \$51 million in cash. The first three aircraft will start flying under their new livery on October 1, with the remainder arriving at approximately one per month thereafter.

On November 18, Kitty Hawk, which is now the largest nonintegrated air freight transportation company in the U.S. and the seventh largest cargo airline in the world, closes an equity and debt offering of three million shares of common stock. The offering brings in \$39.5 million, which is used to fund the merger, merger-related activities, and general corporate purposes. A private placement of \$340 million in 9.95% senior secured notes (due in 2004) is also successfully completed.

The Kitty Hawk Group merges with the Kalitta Companies, including **AIA** and **Connie Kalitta Services**, on November 19. Mr. Kalitta becomes vice chairman of the Kitty Hawk board even while the process of amalgamation is underway. The synergies of the merger appear exceptional.

For example, the integration of the Kalitta Companies' maintenance capabilities will allow the new company to conduct substantially all of its own maintenance work in-house. Additionally, there is little route overlap. Consequently, the combined operation will enjoy an air network with virtually comprehensive coverage of the U.S. and a significant number of routes throughout Central America, South America, Europe, and the Pacific Rim. Previously capacity-constrained, the new Kitty Hawk will be able to mount a rapid expansion of its air cargo capabilities in all of these regions.

A total of 100 pilots are hired during the year. In addition, the company increases its overseas presence. A B-727-200F is sent to Auckland to operate on behalf of **Ansett New Zealand, Ltd.**; a B-727-200F works for **Japan Air Lines Company, Ltd. (2)** on Guam; and a DC-9-15F is based in Caracas for **DHL Worldwide Express**.

While departing from Syracuse, New York, on November 21 on a flight to Ypsilanti with two crew, several unsecured cargo pallets impact the aft bulkhead of a DC-9-15F; the takeoff is aborted, after which the pallets are secured. Following an inspection for fuselage damage, the Douglas uneventfully completes the service to its Michigan destination.

The annual USPS Christmas Mail contract again requires the company to daily move mail in November and December from almost 36 U.S. cities to a central USPS hub in Arkansas; once the mail is sorted and reloaded into aircraft, it is returned to the spoke cities for local distribution. This single contract brings in \$25.8 million.

Freight traffic accelerates 84.5% to 253.8 million FTKs, while operating revenues advance 11.7% to \$83.38 million. With expenses up only 4.5% to \$70.69 million, the operating profit doubles to \$12.68 million while net gain rises to \$9.17 million.

A new USPS contract is entered into on March 1, 1998. Under its terms, a DC-8-61F flies a daily mail service from Seattle to Indianapolis.

At the end of the first quarter, Connie Kalitta Services are absorbed. **American International Airways (3)** remains a division under its previous name.

On April 1, two B-727-200Fs begin to fly six times a week on behalf of the USPS from Knoxville, Tennessee, to Spokane, Washington, via Dallas and Seattle.

Board Vice Chairman Kalitta retires on April 15, although he does not leave the trustees group. Tilmon "Jim" Reeves, president of Kitty Hawk, becomes chief operating officer, retaining his title as president and his seat on the board of directors.

Valued at \$16 million, the 13th consecutive USPS Christmas Mail contract is received on May 26.

Exclusive of the aircraft thus acquired earlier, Kitty Hawk also takes delivery of five more B-727-200Fs by July, most from **Omni Air Express**.

On July 11, Kitty Hawk begins operating a pair of L-1011F six-times-per-week roundtrip from Los Angeles to Indianapolis and from San Francisco to Indianapolis, while a DC-8-61F puts in the same number of roundtrip frequencies weekly from San Antonio to Dallas (DFW) to Chicago to Indianapolis. These operations are part of the three new two-year contracts, valued at \$62.2 million, signed with the USPS on June 25 as part of the D-Net operation.

Ground is broken on July 22 for a \$33-million cargo hub at Fort Wayne, Indiana. When it is completed in mid-1999, the new facility will become home to American International Freight, the cargo division of **American International Airways (3)**, which will be transferred up from its current Terre Haute base.

On August 24, the same day in which it has extricated itself from due diligence under a letter of intent for its acquisition by **Fine Air, Southern Air Transport** signs a nonbinding letter of intent to be taken over by Kitty Hawk. If completed, the acquisition will be made for a combination of cash and stock and indemnities against certain SAT lease obligations. Kitty Hawk will not get the SAT fleet of Lockheed Hercules aircraft, together with their related parts, equipment, and associated debt; rather, these will be transferred to another entity before closing.

On September 2, SimuFlite Training International President Charles C. Carson II, a former executive with **Southern Air Transport**, is named **American International Airways (3)** president. Kitty Hawk management confirms that AIA will remain in Ypsilanti, although its accounting and finance operations will be consolidated in Dallas.

The same day, it is announced that Connie Kalitta Service (a small aircraft charter service) and Connie Kalitta Enterprises (a small aircraft engine overhaul and repair service) have been folded into Kitty Hawk Charters, under the direction of Vice President/General Manager Skaar. The Kalitta name is dropped.

Unable to reach a definitive agreement, discussions for the acquisition of **Southern Air Transport** end on September 14. The press release issued the next morning indicates that there are no penalties or fees for either side associated with the breakdown. SAT will be able to dispose of its Lockheeds, but will itself be unable to survive. The historic carrier is shut down before the end of the month.

Clark Stevens, former **Mesa Air Group** chief operating officer, becomes AIA vice president-technical services at month's end.

American International Airways (3)'s first B-747-2B4BC is received from Boeing's conversion facility in Wichita in early October and is placed under a three-year aircraft, crew, management, and insurance (ACMI) contract with **Fast Air Chile, S.A.**

Chairman/CEO Christopher announces on December 11 that the company is evaluating the economics of its passenger charter business, which is also operated by **American International Airways (3)**. One B-747-146 has been parked pending a decision about its disposition or cargo conversion; the second B-747-146 will be parked in early January. The two remaining L-1011s will remain in service as the evaluation is continued in 1999.

A nonbinding letter of intent is signed on December 23 for the retirement of the company's seven remaining Convair turboprop freighters.

Further actions to achieve profitability at the AIA division are revealed by Chairman Christopher on December 28. To cut losses, the workforce will be reduced during 1999 in excess of 50% from 2,700 to 1,200 and a reduction in the number of aircraft from 42 to 19. In addition to the Convairs, the Stage II DC-8-50 and DC-8-61 will also be retired. Emphasis will be placed on the division's core business of moving freight in its own aircraft.

During the 12 months, 337.92 million FTKs are operated, a 33.2% boost over the previous year. Financial figures are not available.

To create a more unified image among its operating units, Kitty Hawk, Inc., on February 3, 1999, creates four new divisions. Kitty Hawk Cargo will handle scheduled overnight cargo, Kitty Hawk Charters will fly logistics and small aircraft charters, and Kitty Hawk Air Cargo will be a narrow-body airline. **American International Airways (3)** is renamed **Kitty Hawk International** and will serve primarily as a wide-body airline.

On March 19, Kitty Hawk Air Cargo reaches a settlement with Pacific Aviation Logistics, Inc. whereby it acquires PAL's 40% interest in **Kitty Hawk International**, held since the earlier takeover of American International Airways (3). In announcing the arrangement, Chairman/CEO Christopher indicates that Kitty Hawk will pay PAL and its owner, Ms. Beti Ward, \$2.35 million over the next 3 years at 9.98% interest.

On April 8, the company is awarded an additional contract by the USPS to service the Seattle to Anchorage market. Based at Anchorage, a B-727F will fly on behalf of the USPS six days a week through January 31, 2001. The trijet joins an already committed DC-8 on the same route for the same period. With the addition of this service, Kitty Hawk now flies eight daily scheduled service routes for the USPS, as well as the annual Christmas Network Blytheville Hub contract.

Following the resignation of Vice President Stephen Murray, Toby Skaar, vice president-charter operations, is promoted vice president/general manager of Kitty Hawk Cargo on April 14.

A 5% rate increase for the by-the-pound scheduled cargo service of Kitty Hawk Cargo takes effect on June 1. On June 4, Kitty Hawk Cargo expands its overnight freight system to include Friday night service with next day delivery to its customers, mainly U.S. air freight forwarders, in 22 markets.

The carrier's large maintenance facility at Oscoda, Michigan, is sold early in August. On August 31, Clark Stevens is promoted to be president of Kitty Hawk Air Cargo.

Also during the summer, the remaining seven units of the Convair fleet are sold. Beginning in September and in support of the five-year, \$264-million C-Net USPS contract recently received, B-727Fs are stationed at Honolulu to conduct daily interisland flights to Maui, Kona, and Hilo. It acquires additional air capacity to handle its new USPS business, Kitty Hawk stops freight flights from Baltimore, El Paso, Miami and Hartford. The B-727Fs freed up are sent to Mather Airport, outside Sacramento, from whence they will fly in support of the new dedicated mail service until the USPS can negotiate over noise protests to get into a desired hub at Reno, Nevada. Service to Hartford and Baltimore is provided by trucks. Meeting with freight forwarders believing themselves short-changed, CEO Christopher indicates that air service to the four cities will eventually be resumed.

It is reported in the October issue of the company newsletter *Kitty Hawk Talk* that the carrier is proceeding with the acquisition, through mid-2000, of ten additional B-727Fs from Pegasus Capital Corporation of San Francisco. Also during October, Clark Stevens is promoted to Kitty Hawk Air Cargo president.

Two B-727Fs are leased from on November 12. The first, a Dash-251F, enters service on December 1.

Freight traffic falls 12.1% to 1,164,789,000. Revenues climb 3.9% to \$731.35 million, while expenses increase 26.5% to \$655.89 million. Operating profit grows to \$75.4 million, while net gain reaches \$23.45 million.

The workforce totals 733 at the beginning of 2000. The second Pegasus B-727F, a Dash-232AF, enters service on January 20.

Chairman Christopher is relieved in a January meeting with disgruntled U.S. air freight forwarders to have their pledge to keep his trijet freighters filled if he resumes service to the cities dropped the previous summer. Christopher agrees to resume flights to Baltimore, Hartford, El Paso, and Miami as his new B-727Fs enter service. Additionally, to ensure better loads, stops will also be added in Norfolk, Jacksonville, and Rochester. Further, new flights will be offered to southwestern

manufacturing hubs by coupling Ontario, California, with Tucson, McAllen, Texas, with San Antonio, and Austin with Guadalajara, Mexico.

On April 5, five-times-a-week A300F roundtrip freighter service is initiated from Fort Wayne to Anchorage via Seattle.

On April 12, company officials reveal that the carrier is experiencing a severe cash-flow problem brought on by high fuel prices and unexpected maintenance costs. It has had to purchase a number of expensive hush kits to meet tougher environmental standards. Consequently, first quarter earnings are expected to fall below expectations and Kitty Hawk may not be able to pay a \$17-million interest payment due on May 15. Additionally, the company reports that it may have to restate its 1999 financial figures and write down the value of the aging DC-8s belonging to **Kitty Hawk International Airways**. On top of that, it is noted that Chief Financial Officer Paul Tate has resigned after only 10 days on the job. The next day, Kitty Hawk's price-per-share value plunges 80% to below \$1-a-share.

During the following week, New York law firm Milberg, Weiss, Bershad, Hynes, & Lerach files suit against Kitty Hawk Holdings, alleging that it and certain of its officers have overstated financial reports thereby inflating the stock prices that have now fallen. The large air freight forwarder Eagle Global Logistics, which has eight aircraft making point-to-point flights on its behalf, makes contingency plans to shift its cargo contracts quickly away from Kitty Hawk should it cease operations.

Kitty Hawk's board of directors, after meeting on the crisis, removes Chairman/CEO Christopher without cause and replaces him on an interim basis with President Tilmon J. Reeves. It also announces that it has retained Seabury Advisors to assist in the development of a strategic plan that will assist it in restructuring its debts and easing the liquidity problems. In the process of the shakeup, Directors Richard R. Wadsworth and Daniel R. Garner resign.

Air Cargo World reports in its June 2000 issue that Greeneville, Tennessee-based Forward Air, a leading national expedited trucking concern serving air freight consolidators, has put together a team of former air freight executives, including several from defunct **Roadway Global Air**, to review Kitty Hawk as a potential takeover target. Forward Air had begun years earlier as the cargo airline **General Aviation (2) (Greeneville Air)**. No merger will, this year at least, occur.

On May 1, Kitty Hawk, listing \$907 million in assets and \$500 million in debts, declares Chapter XI bankruptcy and informs the Dallas bankruptcy court handling its case that it will reorganize. The Ypsilanti-based international division, formerly **American International Airways**, is shut down. The three other divisions, including charter, aircraft leasing, and overnight freight, are continued. The freight business, the most visible unit, operates from the new overnight heavy freight hub opened at Fort Wayne the previous year.

Beginning on May 15, a **TradeWinds Airlines** A300F operates on behalf of Kitty Hawk from Fort Wayne to Los Angeles. The last B-727-200F operated by the cargo division of **Ansett Australia (Pty.), Ltd.** is withdrawn on May 22 and returned to Kitty Hawk, from whence it had been leased. During the month, several large accounts, particularly the anchor, General Motors, begins shifting to such operators as **Grand Aire**, **Gemini Air Cargo** and **Evergreen International Airlines** are able to pick up some of the mail which **Kitty Hawk International Airways** is no longer in a position to fly.

On August 21, Starman Brothers, the world's leading aviation auctioneers, sell off over 40,000 line items of DC-8, B-747 and L-1011 spare parts belonging to the defunct **Kitty Hawk International Airways** subsidiary.

It is reported on August 21 that the operating certificate of **Kitty Hawk International Airways** has been sold to former director Conrad ("Connie") Kalitta, together with one or two Jumbojet freighters. The company's reorganization plan is filed with the U.S. Bankruptcy Court in Dallas on August 28. It recommends that all of its remaining subsidiaries be folded into one concern, with the board of the new company controlled by Kitty Hawk's creditors.

The Dallas Bankruptcy Court allows Kitty Hawk to disclose its reorganizational progress in a press release on October 17. With support from its vendors and creditors, the company has refocused on its core business of scheduled freight charter contracts, including the U.S. Postal Service and **BAX Global** contracts held earlier. The company's plan of repayment provides for full payment of its bank creditors and distribution of all of the stock of the reorganized company to its unsecured creditors. Confirmation of this plan is expected by mid-December, with its implementation beginning on January 1, 2001.

A DC-9-15 is sold to **Reliant Airlines** on November 28. At the end of the year, three ex-**Kitty Hawk International** DC-8s are sold for parts to National Aircraft Services via Fortis Aviation.

The company's fleet of B-727Fs now includes 6 B-727F-251Fs, 2 each B-727F-225AFs, B-727F-243Fs, B-727F-232AFs, B-727F-222Fs, B-727F-2J0AFs, 1 each B-727F-214F, B-727F-287AF, and B-727F-259F, 15 B-727F-223Fs and 3 B-727F-224AFs. Three Dash-223Fs are leased from **BAX Global** and operated in its colors, while one Dash-223F is operated under contract to the U.S. Postal Service and wears its livery. In addition, four DC-9-15Fs are also operated.

KITTY HAWK AIRWAYS. See **KITTY HAWK AIR CARGO**

KITTY HAWK INTERNATIONAL: United States (1999–2000). To create a more unified image among its operating units, Kitty Hawk, Inc., on February 3, 1999, creates four new divisions. Among these is KHI, which is the renamed **American International Airways (3)**. The new division, which will continue to operate out of its Michigan base, will fly 19 Stage III-prepared cargo jetliners: 7 B-747-200s, 6 L-1011s, and 6 DC-8s under ACMI leases and scheduled flights. Ten older DC-8Fs, which are not being modified to meet noise standards, will be removed from the fleet by the end of the year.

While en route from Los Angeles to Indianapolis at 33,000 ft. over Kansas on March 2, a Kitty Hawk L-1011F with three crew, comes within 100 ft. of a **Federal Express (FedEx)** DC-10F en route from Portland, Oregon, to Memphis. According to a report in *The Washington Post* two days later, both aircraft had apparently lost radio contact with the Kansas City ATC center.

On March 19, **Kitty Hawk Air Cargo** reaches a settlement with Pacific Aviation Logistics, Inc. whereby it acquires PAL's 40% interest in KHI, held since the earlier takeover of **American International Airways (3)**. In announcing the arrangement, Chairman/CEO M. Tom Christopher indicates that Kitty Hawk will pay PAL and its owner, Ms. Beti Ward, \$2.35 million over the next three years at 9.98% interest.

Even as reparations continue apace for the retirement of the Stage II DC-8s, a new overnight heavy freight hub is opened at Fort Wayne. After two years of negotiation, an agreement is signed with the International Brotherhood of Teamsters for this division's flight crews.

Two new weekly long-haul B-747 roundtrips routes are opened on September 22. The first, requiring three days, takes its Jumbojet freighter from New York (JFK) to Hong Kong and back via Fort Wayne, Los Angeles (LAX), Honolulu, and Melbourne, Australia. The second, also taking three days, is operated from New York (JFK) to Hong Kong via Fort Wayne, Los Angeles, and Guam.

Also during September and in support of the C-Net USPS contract, eight daily B-747F roundtrips are flown every week between Los Angeles and Honolulu.

D. C. "Pete" Sanderlin succeeds Charles C. Carson as vice president/general manager of Kitty Hawk International on November 16.

On November 19, Flight 873, a company L-1011, delivers the BMW Z8 roadster used in the James Bond film *The World Is Not Enough* from Fort Wayne to Los Angeles in time for its offloading to be captured in a live feed by the television series *Entertainment Tonight*.

In support of the C-Net USPS contract between November 20 and December 30, a B-747 and DC-8 mount daily roundtrip mail runs from Honolulu to Los Angeles and San Francisco, respectively.

On January 1, 2000, Kitty Hawk International has just 6 DC-8s, but all are Stage III noise compliant. It also flies 6 L-1011Fs and 7 B-747Fs, including 1 each Dash-146F, Dash-121F, and Dash-132F and 2 each Dash-269BFs and Dash-2B4BFs. All wear blue tail stripes, except one, which is painted all-white and wears the logo of the Willow Run-based air charter management concern Pathfinder Air Resources on its tail. That Jumbojet operates roundtrips to Birmingham, England, and Ostend, Belgium, transporting parts for General Motors.

During takeoff from Seattle on a February 19 service to Anchorage, Flight 8102, a DC-8-63F with five crew, loses its No. 1 and 2 engine cowlings that requires a return to the ground. Although none of the crew or any persons on the ground are injured, the aircraft sustains substantial damage to its left wing and horizontal stabilizer.

On May 1, the Kitty Hawk parent declares Chapter XI bankruptcy, blaming its situation on a number of factors not the least of which are higher fuel bills and the need to purchase expensive hush-kits for the L-1011s. The Ypsilanti-based international division, formerly **American International Airways**, is now shut down. **Gemini Air Cargo** and **Evergreen International Airlines** are able to pick up some of the mail that Kitty Hawk International is no longer in a position to fly.

AirlinersOnline.Com reports on July 30 that former AIA owner Conrad ("Connie") Kalitta may repurchase title to the airline, along with a single B-747-200F with which to resume operations. It is reported on August 21 that the operating certificate of Kitty Hawk International has indeed been sold to former director Kalitta, together with one or two Jumbojet freighters. Plans call for a restart of services, under the name Kitty Hawk Air, before the end of the year.

On November 13, Connie Kalitta's purchase, now renamed **Kalitta Air**, is found fit by the DOT to start all-cargo charter operations. Flights will begin with three B-747F (one each Dash-132F, Dash-146F, and Dash-269BF) which, by November 29, have been painted in the old **American International Airways** color scheme, minus titles. The old Kitty Hawk International B-747-121F has been purchased for spare parts.

KIVILLAQ AIR, LTD. See **KEEWATIN AIR, LTD.**

KIWI INTERNATIONAL AIR LINES: United States (1992–1999). Former **Pan American World Airways (1)** Senior Vice President Russell Thayer and onetime **Eastern Air Lines** pilot and Pan Am executive Robert W. Iverson form Kiwi at Newark in the spring of 1992 with the goal of becoming a full-service airline priced to compete at coach-class fares.

Ownership is divided among a group of former pilots from defunct **Eastern Air Lines**, **Pan American World Airways (1)**, and **Midway Airlines (1)**, who combine to provide initial "insider" capitalization of \$10 million, with Iverson as chairman/CEO and John Anderson as vice chairman. In a democratic spirit that harkens back to the founding days of **PEOPLExpress**, managers and workers invest from \$5,000 to \$50,000 each and feel a sense of ownership entitling each to have their "say" in company operations.

Headquarters are established in an office building across from the airport, with the entire staff housed in the large sixth floor office once slated to be the personal office of **PEOPLExpress** founder Donald Burr. An employee ownership plan is expanded to include emphasis upon an egalitarian work environment designed to create flexible cost structure, friendly service, and very low overhead.

Employing four leased Boeing 727-251s first flown by **Northwest Airlines**, low-fare, one-class services are initiated on September 21 to Orlando, Fort Lauderdale, Atlanta, and Chicago (MDW). CEO Iverson, the only American airline boss qualified at this point to fly a jet transport, undertakes weekly flights between Kiwi's stations. In December, **Continental Airlines** undercuts the new entrant's fares on the routes from Newark to Atlanta and Orlando.

To provide the resources to fight back, employees vote themselves a 50% wage cut until the major's challenge is met. A total of 89,000

passengers are flown during the year's second half. Revenues of \$7.9 million are earned, but start-up expenses are higher. As a result, losses are suffered: \$2.61 million (operating) and \$2.64 million (net).

The number of airline employees in 1993 stands at 581, all of whom have purchased a minimum of \$5,000 in shareholding as a condition of their hiring, and hold 85% of total interest. The fleet includes the four chartered B-727-251s, plus five leased B-727-225As and three B-727-230As. During the year, work is begun on hush-kitting the aircraft to comply with FAA noise-abatement regulations. On April 20, the Romanian aircraft manufacturer Romaero, S.A., noted for its conversions of the British Aerospace BAe (BAC) 1-11 jetliner, purchases \$1 million shareholding. As part of the arrangement, Romaero agrees to provide 11 Rombac (BAC) 1-11-2500s beginning the following year.

The fledgling joins with **Virgin Atlantic Airways, Ltd.** in a June 7 joint venture to provide service between London (LHR) and Chicago (MDW); the arrangement also gives Virgin access to Chicago and Kiwi more passengers. Also in June, daily nonstop flights begin from Newark and Chicago to Tampa.

Nonstop flights commence on July 5 between Newark and San Juan, Puerto Rico, while the daily service between Newark and Tampa is expanded on August 1. The first anniversary is celebrated on September 21 and service to West Palm Beach begins in November. Customer bookings shoot up to 617,000 and revenues are \$68.73 million. Expenses are \$74.37 million and the operating loss deepens to \$5.64 million. The net loss also increases, to \$6.94 million.

The financially stressed carrier continues operations apace in 1994, while increasing its staff of employee-owners to 1,200. On December 7, "small and temporary" pay cuts are announced for 1,000 employees; the savings will be a million dollars.

The company is forced to suspend operations on December 15, after the FAA raises concerns over the carrier's pilot training and requires that all 87 flyers on the payroll receive recurrent training. The FAA also orders the airline to rewrite its training program and places it under administrative surveillance.

The move forces the Airline Reporting Corporation, insurer of travel agents, to require Kiwi to increase its reserves on deposit from \$100,000 to \$1.7 million. Not entirely grounded, the airline is able to operate up to five scheduled flights per day as late as December 18.

Despite these difficulties, the DOT elevates the company to National status and passenger boardings skyrocket 80.7% to 1,115,000. Although revenues rocket up to \$114.3 million, Kiwi suffers a \$24.85-million operating downturn and a \$24.66-million net loss.

The workforce stands at 1,200 in 1995. As a consequence of the December problems, Chairman/CEO Iverson is expelled from his posts during the first week of February in a boardroom coup led by fellow founder and Vice Chairman Anderson. His top lieutenants will follow him out the door. Iverson will be succeeded as chairman/CEO on February 8 by former **Federal Express** Senior Vice President Byron Hogue, with Daniel Wright, CEO of Atlanta-based Aviation Compliance Services, as president. The same day, service is halted between Orlando and San Juan.

When the aircraft of charter carrier **Private Jet Expeditions** are repossessed by their lessor on March 13, PJE contracts with Kiwi to continue its flight commitments to Club America Vacations on a wet-lease basis.

Former CEO Iverson takes his case public in a March 22 interview with *The New York Times*. On March 31, he files suit in New Jersey Superior Court, contending that the airline and its board members wrongfully dismissed him and in so doing, breached their duty to the company and its employees. Although he seeks compensatory and punitive damages, Iverson does not seek reinstatement to his former post. Again, he takes the opportunity to blast certain Kiwi board members, charging them with gross negligence and mismanagement and conspiracy to oust him for their own personal gain.

When Club America Vacations abruptly shuts down on March 30, it leaves nearly 2,000 passengers stranded at destinations in Mexico and

the Caribbean. Although U.S. law requires airlines providing outbound transportation to return stranded passengers if a charter firm goes out of business, that is not possible in this case as the carrier involved, **Private Jet Expeditions**, has itself lost its aircraft and failed two weeks earlier.

Consequently, Kiwi, which had been providing flights for Club America Vacations and **Private Jet Expeditions** under a wet-lease arrangement, becomes one of several U.S. and Mexican operators to assist in the return of the tour operator's clients. By April 6, Kiwi has transported a total of 700 American vacationers back to the U.S. from Mexico and Jamaica.

The Club America Vacations fiasco and other problems cause Kiwi to continue losing money. New chairman Hogue now falls victim to the same sort of intrigue that brought about the dismissal of his predecessor. Following a May 2 internal power struggle with President Wright, who is supported by five other employee-directors, including Vice Chairman Anderson, Hogue, too, is ousted. Wright now moves up to become chairman/CEO.

As costs rise and on-time performance falls, the new chairman/CEO is also sacrificed. A July 12 press release announces that Wright has temporarily been replaced by Vice Chairman Anderson, who will step down on August 1 when joint founder Thayer, an outside director, takes over. He will last only until August, when he will be replaced by Jerry Murphy.

During the fall, new CEO Murphy announces a new business plan for 1996 entitled *Beyond Tomorrow*. Sixty positions will be cut, pilot salaries are to be reduced, and new services will be introduced.

Enplanements increase 42.7% to 1,661,620 and revenues jump 49% to \$170.3 million. Costs climb 22.8% to \$170.9 million. The operating loss is reduced to \$651,000 and the net loss falls to \$770,000.

The employee population is reduced by 16.7% in 1996 to 1,000. In an effort to use its excess capacity, Kiwi introduces flights from Atlanta and Chicago to Las Vegas in February. At the end of the first quarter, the carrier unveils the B-727 *Spirit of KIWI* as a tribute to its employee-owners; it is painted in a teal and purple stream fuselage color scheme designed by Capt. Bill Halsey.

Under increased scrutiny by the FAA in the wake of the May 11 **ValuJet Airlines** disaster, the start-up carrier agrees, on June 21, to voluntarily reduce its fleet of Boeing 727s from 15 to 11. Federal regulators have noted that 32 of its pilots have been improperly trained, an unapproved pilot training manual has been in use, and that the company now lacks sufficient properly trained personnel to crew all of its aircraft. The grounding forces the airline to cut back its 82-flights-per-day schedule by 13 departures.

A midair collision is narrowly avoided on June 24. **USAir** B-737-3B7, en route to New York from Bermuda, passes within 4 nm. and zero vertical separation at 31,000 ft. of a Kiwi B-727-225A, en route from Bermuda to New York. Disaster is averted when the Kiwi plane, which had been wrongly ordered to climb by a controller at the New York Air Route Traffic Control Center, descends.

The Kiwi pilots affected by the June 21 FAA finding all resume training, including classroom work and simulator training. By July 15, 10 have been cleared to return to work. The government by August 19 clears all of the carrier's grounded trimotors. Although all 15 are certified, 3 are held back for 2 months in order for hush kits to be installed.

Noting that debt accumulated in its first three years is insurmountable, CEO Murphy, on September 30, announces that Kiwi must file for Chapter XI bankruptcy protection. As a result, the company will dramatically downsize its services at mid-month, dropping flights to Tampa, Orlando, Las Vegas, and Bermuda. Only a triangle route network between Newark, Atlanta, and Chicago will remain and 400 of the company's 1,200 workers will be laid off. The filing triggers a "continuing fitness review" by the DOT. Twelve days later, the carrier promises to refund tickets or arrange flights for customers affected by the shrinking of its service area.

On October 15, bankruptcy lawyer Howard S. Greenberg reports that the carrier now has \$5 million in assets and \$61.3 million in liabilities

and will have to shut down within a week unless additional financing can be found. A scramble for additional funds ensues, but the airline must be grounded on October 21 as negotiations with different potential-saviors continue.

The next day, counsel Greenberg is able to inform the federal bankruptcy judge, Rosemary Gambardella, that Kiwi has achieved an agreement with the Florida-based investment fund Wasatch International Group, which has promised an injection of \$5 million. Such funds would allow the airline to resume flying by mid-November and Gambardella allows Kiwi to continue its skeletal operations pending another progress hearing.

With the rescue plan for Kiwi in doubt by the time the court reviews the case on November 8, Judge Gambardella gives the airline additional time to secure the financing necessary to resume operations. A contract is signed with **Valujet Airlines** on December 26 under which Kiwi will operate charter flights from Atlanta to Dallas, Fort Myers, and West Palm Beach through January 6. The flights will carry passengers who booked with Valujet when it advertised the service before it received FAA approval.

Customer bookings until the shutdown total 1,218,000, a 27.9% decline over the same period a year earlier. Only 58,000 FTKs are operated. Large, almost equal, losses are suffered on the year: \$12.67 million (operating) and \$12.94 million (net).

CEO Murphy announces on January 2, 1997, that Kiwi has received a \$5-million loan and expects to receive another \$10 to \$15 million capital infusion shortly. The total \$8.5-million debtor-in-possession injection from Edwards-Wasatch Enterprises (E-WE) will allow the company to plan for the future and Murphy goes on to state that his company will emerge from Chapter XI and resume regularly scheduled flights on January 20. A new, abbreviated schedule will permit the recall of 450 to 550 of the airline's 1,200 employees.

As it prepares to emerge from Chapter XI, Kiwi, on January 7, begins to sell \$99 unrestricted fares on flights it will make from Newark to Chicago, Atlanta, and West Palm Beach. Employing seven B-727-200s, the carrier resumes flying to four cities on January 20. Murphy's timetable for emergence from Chapter XI is delayed.

On March 20, the FAA releases Kiwi from administrative surveillance and recertifies its pilot training programs.

A tentative agreement is reached in April with city officials in Niagara Falls, New York, for the inauguration of new services. The arrangement is delayed after Wasatch International Corp., one of Kiwi's financial backers, informs Niagara officials that the money they will provide for the cause should be channeled to them.

On June 19, President Murphy announces that Kiwi has received a \$16-million bid from Kiwi International Holdings, a corporation formed by Baltimore surgeon Dr. Charles Edwards. Edwards, through EW-E, has already provided over \$10 million in debtor-in-possession financing and pledges to retain current management and employees.

News of the agreement with Niagara Falls comes to light on July 10 when, after two days of hearings, Dr. Edwards wins permission from the U.S. Bankruptcy Court in Newark to buy Kiwi for approximately \$16.5 million. After failing to invest as much as it had pledged when it won the court's approval to act as Kiwi's prime backer last November, Wasatch, as a result, becomes just another creditor.

After the carrier's \$16.5-million debt is paid off in July, the company, with Dr. Edwards as chairman and 75% majority owner, is finally able to emerge from Chapter XI, six months behind the original schedule. President Murphy agrees to remain on board for an undetermined amount of time.

In what the media portrays as one of the last great labor-management clashes of this century, 200,000 members of the Teamsters strike **UPS (United Parcel Service)** on August 4. The job action is supported by company pilots. Management flyers and contract aircraft are only able to provide a trickle of service.

Kiwi recruits new business for its shipping services and **Emery Worldwide** attempts to accommodate customers sending packages in

excess of 5 pounds. However, UPS' major competitors, **Federal Express** and **DHL Worldwide Express** refuse most new corporate accounts (the latter takes new international business), but do accept packages left in drop-off boxes.

On August 5, Kiwi celebrates its fifth anniversary by offering coupons for \$5 fares to passengers who fly during August. The coupons are good for \$5 for an outbound flight when customers pay the regular one-way fare for the return segment of the required roundtrip purchase.

Talks between the Teamsters and UPS resume on August 7 and the job action is settled a little over a week later. Kiwi is able to retain some of the new business generated. However, it is unable to sell sufficient seats to crack the hold of **Delta Air Lines** on the Atlanta to Orlando route and so, at month's end, withdraws from it.

By this time, the company has regained approval from the Niagara County Legislature for a \$550,000 loan for start-up and marketing expenses associated with the launch of service to the city. Once the schedule, fares, and other details are worked out in September and service begins, the 5% loan is processed.

Although the majors disagree over routing and other issues, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing.

This payment initiative is immediately matched by **American Airlines**, **Continental Airlines**, **Delta Air Lines**, **USAirways**, and **Northwest Airlines**. **Southwest Airlines** and Kiwi announce that they will maintain the 10% scale. The travel agency industry, which, despite ticketless travel, still writes 80% of all tickets sold, protests.

On October 10, additional Newark to Orlando and Newark to West Palm Beach flights are added. Twice-daily roundtrip flights from Palm Beach and Newark to Boston commence on October 20.

On November 6, thrice-daily nonstop service is inaugurated to Tampa from Newark, Chicago, and Atlanta. Because one aircraft flies to Chicago through Atlanta, Tampa also will get a fourth scheduled flight back to Atlanta.

To celebrate Veterans Day, the airline gives all veterans a free trip between New York and Boston on November 11–12. On November 21, seasonal Newark to Orlando to San Juan service is restarted.

On December 15, winners of a vacation package to the Bahamas are announced, based on a drawing of tokens from certificates given away on flights during the autumn.

Passenger boardings plunge 69% to 607,539. Operating revenues drop 50.2% to \$71.84 million, while expenses fall 42.1% to \$90.99 million. The operating loss deepens to \$19.15 million while the net loss jumps to \$19.86 million.

During the week of March 2, 1998, Kiwi, which needs extra charter lift capacity, contracts with newly bankrupt **Pan American World Airways (2)** to operate 10 B-737-4Q8 charters on its behalf.

A fifth weekly flight is added on May 1 between Orlando and San Juan.

Thrice-weekly return service is inaugurated on May 8 between Newark and Aguadilla, Puerto Rico; this is the only nonstop flight between the mainland U.S. and the island's second largest airport and the communities of its west coast.

Twice-daily weekday roundtrips are started on May 15 between Newark and Niagara Falls, with continuing service to Orlando.

On June 18, the Aguadilla–Orlando service is stepped up to daily frequency. A second daily B-737-4Q8 service is also added between Orlando and San Juan.

During the second quarter, Boca Raton, Florida-based Coventry Industries Corporation signs a letter of intent to purchase Kiwi. It is not exercised following due diligence. President Murphy, meanwhile, begins lining up tour companies to keep the airline earning during the summer and the lean weekends that will, as usual, follow Labor Day.

Twice-weekly nonstop roundtrips commence on July 21 between Miami and Newark. Simultaneously, thrice-weekly nonstops commence

between Miami and San Juan and from Miami to Aguadilla. With this expansion, the company offers 34 weekly nonstops from Puerto Rico to Newark, Orlando, and Miami.

Also during the third week of July, hundreds of former creditors, shareholders, and employees file millions of dollars in damage claims against the U.S. government under the Federal Tort Claims Act. They charge that the FAA was negligent in failing to follow its own rules when it threatened Kiwi into parking 4 of its Boeings and laying off 42 pilots in 1996, thereby causing a Chapter XI filing.

Frequencies between Miami and Newark are increased to daily on August 22, at which point flights to Niagara Falls cease. Pilots from **Northwest Airlines** walk out on strike on August 29. On August 31 and in an effort to gain new traffic, weekday return service is inaugurated between Newark and Detroit (DTT). Frequencies are twice daily. An additional Thursday roundtrip between Newark and Detroit begins on September 10.

Daily roundtrip frequencies are inaugurated to Minneapolis on September 13 from Newark, Chicago (ORD), and Detroit.

With the Northwest job action resolved, that major's passengers return to it in droves and by the end of September, it becomes necessary for Kiwi executives to admit defeat and begin to abandon the attempt to build new inroads into the Midwest.

A travel slump is encountered toward the end of the month and into October that has a significant fiscal impact. Even so, on October 26 the airline starts to offer daily return service from Flint, Michigan, to Newark (EWR), a flight that replaces the previous short-lived Detroit frequencies.

Having found Chairman Edwards's close oversight and the problems of the summer taxing, President Murphy resigns on November 21.

In a taped message to employees, Edwards, who has refused all media interviews since saving the carrier, reports on his decision to elevate Chief Administrative Officer James Player to the post of interim president. He also admits that the airline is having a difficult time and that his ability to make up its deficit is at an end, his liquidity and ability to raise cash exhausted. The cash flow is such that paychecks will be delayed for each of the next two weekly pay periods.

On a more positive note, it is hoped that new investment, which will be coupled with cost-cutting, better scheduling, and more profitable routes, will lead to profits.

Service continues to be a significant problem. In November, irate customers file a total of 16 complaints about Kiwi with the DOT, 1 fewer than the number raised, for example, about the major **Trans World Airlines (TWA)**, which is many times its size.

On December 12, Chairman Edwards again has a tape-recorded message played to employees, denying that the airline is going bankrupt.

While Kiwi wrestles with its fiscal and public relations situation, plans are made for additional services. On December 15, the company announces that it will begin twice-weekly roundtrips between New York (JFK) and Aguadilla, Puerto Rico, on January 12. Unhappily, as the time approaches for implementation, the new service will be indefinitely postponed and passengers booked for it will be bussed from Queens to instead take the flight from Newark.

Daily return flights commence on December 21 between Flint and Chicago (MDW). Chairman Edwards is required to come to Washington, D.C. on December 23 for a meeting with John Coleman of the DOT's Office of Aviation Analysis. Although the content of the discussion is private, such meetings are unusual and it is known that Edwards is warned that the DOT will monitor his airline's fitness closely.

On Christmas Eve, the departure of the service from Newark to Atlanta is delayed from 5:30 p.m. to 3:30 a.m. on Christmas Day.

Still, the fiscally challenged airline will begin to pull back from additional routes; flights to Flint and Chicago (MD) will end before the new year is a month old. It is also anticipated that flights to Boston, where large amounts in landing fees and federal ticket surcharges are owed, will also be halted.

Customer bookings for the year increase by 12.9% to 685,777. Load factor increases from 53% to 61%, a gain of 8 points. On revenues of

\$76.4 million, there are losses: \$19.8 million (operating) and \$20.6 million (net).

On February 1, 1999, Kiwi adds 16 extra flights each week between the U.S. and Puerto Rico. Turnaround specialist Gene Gillespie becomes a special consultant to Dr. Edwards.

Prompted by rumors and incorrect reports concerning the carrier's cash-flow situation, Chairman Edwards is forced to make a public statement on February 19 concerning the return of two B-737s to lessors. The aircraft, he indicates, were returned "by mutual consent" and "were not repossessed." Only one had been in operation anyway, with the other out under heavy maintenance. As the company struggles to fly its network with just four available aircraft, most analysts agree the planes returned to the British lessor were repossessed.

Edwards indicates the his carrier's scheduled service is fully covered by the fleet's remaining aircraft, as well as by supplemental backup contracts with **Pan American World Airways (2)** and **Sun Jet International Airlines**. Still, Atlanta and Boston are also removed from the network.

At the beginning of March, Kiwi undertakes discussions with Guilford Transportation (GT) owners Timothy Mellon and David Fink, PAA-2 owners, concerning a rescue arrangement.

Kiwi Holdings, which has a 15% stake in the company, is reorganized on March 15. New officers and offices are selected and the pursuit of a bailout is intensified.

On the morning of March 23, Transportation Secretary Rodney Slater holds a press conference to announce possible DOT actions concerning Kiwi. The government, according to Slater, has taken the unusual step of trying to ground the discount carrier, filing a show-cause order that claims Kiwi lacks the financial stability—and management sufficiently competent—to operate the airline safely. Unless Kiwi can successfully respond with a new management plan, its operating certificate may be withdrawn within three weeks.

The FAA, separately, reports that it has, for the last several months, been operating stepped-up surveillance and monitoring of the airline, in light of the situation with its finances and high-ranking personnel. The agency maintains that it has determined that Kiwi may be able to operate safely despite its financial problems, but that the agency will need to continue to devote significantly more resources than it possesses in any monitoring effort.

Kiwi is not caught unaware by Slater's announcement in Washington, D.C. Later in the day, having completed fiscal arrangements, Kiwi files for Chapter XI bankruptcy protection, owing \$750,000 in airport fees. Kiwi simultaneously names consultant Gillespie president and receives \$3 million in debtor-in-financing from GT. A hearing in bankruptcy court on the Pan Am arrangement will be held on March 29.

GT, which also owns **Pan American World Airways (2)**, indicates that it is seeking a stronger scheduled division to complement PAA-2s charter operations. As soon as the bankruptcy court sets a price, GT will purchase Kiwi's assets. Meanwhile, the airline named for the wingless bird will maintain its current, six-city schedule, charter Pan Am aircraft, and continue its upgraded service to Puerto Rico.

Citing safety concerns at bankrupt Kiwi, the FAA grounds the once-innovative discount carrier on March 24. Of particular concern are aircraft in less-than-airworthy condition and failure by the company to perform adequate maintenance on its four B-737s. Kiwi is given 10 days to appeal the ruling, but if it loses, the airline is informed that it will have to reapply for FAA certification. That process, if restarted, will be lengthy, requiring at least several months.

The shutdown comes as a surprise and strands thousands of travelers, many of whom are college students who have booked tickets for spring break or others looking to get away for Easter or Passover. It also throws 450 of the company's 500 employees out of work. Probably few at the time know the exact figures, but passenger boardings so far this year have plunged 91.8% to a final total of 55,000.

On March 25, Kiwi and FAA officials meet for two hours at New York (JFK) with executives of the former attempting to convince the

FAA to reverse its grounding order. Kiwi indicates that the expected Pan Am money and seven wet-leased aircraft will satisfy agency demands, as well as those of the DOT expressed earlier in the week.

When the regulators refuse to relent, Kiwi appeals the FAA decision to the National Transportation Safety Board (NTSB), which must rule within 60 days of its receipt of the FAA response. The board cannot rule until the FAA counters Kiwi's appeal. A spokesman for GT owner Mellon in Connecticut indicates that Pan Am's ownership is waiting to see what happens next and will then determine whether or not to proceed with the takeover.

Continental Airlines offers to honor some Kiwi tickets on a standby basis and to provide reduced-rate tickets to other Kiwi passengers. **American Trans Air** and **Midway Airlines (2)** come forward with similar proposals.

On March 26, President Gillespie informs reporters that the proposed arrangement under which Kiwi is to be purchased by Pan Am will fail if the FAA revokes his airline's operating license. "Without a valid, even severely restricted Air Carrier Certificate," Gillespie reports, "Kiwi has no hope of completing the Pan Am or any other transaction."

Pan Am legal representative Jack Sherwood agrees, informing Gillespie and the press that he will withdraw the Guilford Transportation offer of support on Monday when representatives of the two companies appear before U.S. Bankruptcy Court Judge Rosemary Gambardella in Newark. Sherwood indicates that the original Pan Am offer had been made on the assumption that Kiwi could continue operations, an assumption the FAA grounding ruins. In short, there is nothing to finance unless the airline is able to get up and running again. If it can, Pan Am may reconsider the financing proposal.

Kiwi Chairman Edwards, contacted by the news media, indicates that he is not surprised by the Pan Am development. If, however, the airline is able to win reinstatement and Pan Am chooses not to participate, three other investors have been found who are each willing to invest several millions of dollars. No one, however, is interested in financing a grounded airline. Not only do all of its employees stand to lose their jobs, Edwards notes, but he will personally be out \$21 million.

Late in the day, President Gillespie again urges the FAA to reconsider, this time requesting permission to fly only one of the company's three working jetliners outfitted with safety personnel, and that after FAA-supervised pre-and post-flight inspections. Again, the FAA rejects the petition.

Louis Lavelle, a staff writer for the Bergen County (N.J.) *Record*, reviews the situation in the March 27 issue of his newspaper. All of the analysts contacted in conjunction with the preparation of the article suggest that it is unlikely that any investors will step forward, even if the FAA revocation order is lifted.

On March 29, Judge Gambardella holds off appointing a bankruptcy trustee until April 1, giving Kiwi three days to get the grounding order lifted. Pan Am's general counsel, John Naldolny, indicates that, should the order be reversed, "we certainly stand ready to assist them." An FAA spokesman contacted during the day indicates that the revocation edict still stands.

Company pilots and flight attendants, many in uniform, pack Judge Gambardella's Newark courtroom on April 1 as President Gillespie admits that the FAA has not changed its position. As the result, Charles Stanziale is appointed trustee to take over the day-to-day operations of the airline and to find a buyer; both Dr. Edwards and President Gillespie fade from the picture.

On April 16, the airline and the FAA sign a settlement agreement that will give KIA the opportunity to revalidate its certification on an expedited basis. Subject to approval by the U.S. Bankruptcy Court, the arrangement vacates the agency's revocation order and designates it as a suspension pending completion of the certification review. This change involves no fines or penalties and does not constitute or imply an admission by the airline of the FAA's allegations.

In a letter released on April 17, the DOT pledges that KIA will receive "expeditious consideration" as that agency reviews the airline's economic fitness.

Trustee Stanziale pledges full cooperation with the government agencies and admits that these changes have allowed his charge to avoid a lengthy and expensive litigation process. Still, while KIA's revalidation is handled on an expedited basis, work toward the ultimate goal of restarting the airline proceeds slowly.

Bankruptcy Judge Gambardella formally grants the airline permission on May 7 to seek permission from the FAA to resume operations. Kiwi, meanwhile, continues a frantic search for either a merger partner or investors.

Also on May 7, the British charter carrier **Sabre Airways, Ltd.** files a \$1-million suit against Kiwi for damages sustained to a jet engine it had leased to the American operator.

After spending the summer vainly seeking a buyer for Kiwi, now devoid of market value, Trustee Stanziale gives up on September 1. The next day, papers are filed with the U.S. Bankruptcy Court seeking to convert the carrier's Chapter XI status to Chapter VII, liquidation. At the end, Kiwi owes over \$20 million. The largest and first creditor, the Internal Revenue Service, expects to be out in excess of half that amount.

On November 12, a plan is put forward by Executive JetPort of New Jersey under which it would purchase the company's name and operating certificate and then use the carrier to fly charters on its behalf to Las Vegas. Nothing further comes of the idea and on November 13, liquidation of the carrier is approved.

KIWI TRAVEL INTERNATIONAL AIRLINES, LTD.: New Zealand (1994-1996). Begun as a retail travel agency at Hamilton, New Zealand, sometime earlier, this new entrant, under the direction of Ewan Wilson, becomes an international charter carrier in late 1994. Plans are made to inaugurate twice-daily scheduled frequencies in the trans-Tasman market.

A B-757-225 is wet-leased from the British carrier **Air 2000, Ltd.** at the beginning of August 1995. It is painted in an all-white livery with billboard-sized "Kiwi" titles on the forward fuselage and a footless kiwi bird on the tail. The jetliner is employed to inaugurate twice-weekly scheduled service from its Hamilton base to Sydney on August 23, as well as to Brisbane from Hamilton and Dunedin. The cabin of the aircraft is divided into three classes front-to-back: Kiwi Plus, Nuts & Cola, and Kiwi Economy.

On February 18, 1996, the company reports an operating profit of NZ\$1.2 million for the 10 months since April 1995.

During mid-spring, a B-737-3Y0 is chartered from **Flugfölag Islands (2)/Icelandair, H.F.** In June, it begins thrice-weekly frequencies from Christchurch to Melbourne, Sydney, and Perth.

At the same time, an A320-200 is chartered from Singapore-based Regent Air; the airline thus becomes the first New Zealand carrier to operate the Airbus Industrie type.

On June 30, it is reported that, for the previous three months, the carrier has suffered a trading loss of NZ\$3.16 million and a deficit of shareholders' funds of NZ\$1.91 million.

Despite these losses, the airline continues to trade and accept prepaid bookings until, unable to achieve economic viability, it collapses on September 10, leaving numerous stranded passengers in both Australia and New Zealand. Liquidators are appointed from Price Waterhouse to close out the company, but are unable, after a month, to determine the full extent of its assets and liabilities.

In addition, 12,000 people with prepaid tickets are owed NZ\$5 million. However, during the first week of October, the airline's bankers, the Bank of New Zealand, announces that it will refund money to people who have purchased Kiwi tickets on their credit cards but have been unable to use them.

CEO Wilson will be convicted of four counts of fraud and, in October 1998, a New Zealand judge will sentence him to three months' periodic detention and community service.

KLM/ERA HELICOPTERS, B.V.: The Netherlands (1991–1997). In July 1991, Rowan Companies, Ltd. of Houston, Texas (parent of **ERA Aviation**) signs a letter of intent with **KLM (Royal Dutch Airlines, N.V.)** for the purchase of 49% shareholding in **KLM Helikopters, B.V.** The final agreement with Rowan takes effect in October, at which point the Dutch flag carrier begins a “close association” with **ERA Aviation, Inc.** in a joint venture known as **KLM/ERA Helikopters, B.V.**

The same month **KLM Helikopters, N.V.** Managing Director Harry Schoevers, a 27-year veteran of the company, is named chairman of the European Helicopter Association; he will continue as managing director of the new operation, with former **ERA Aviation Services Division** General Manager Rudy Park as deputy managing director. The combined helicopter fleet numbers 114 medium twin-engine aircraft, except for the previous **KLM Helikopters, B.V.’s** 7 S-61Ns.

Effective November 1, **KLM Helikopters, B.V.** is given the name of the new partnership. A few days later it begins pilot-transport operations in Rotterdam and Amsterdam and makes plans to replace its S-61Ns within two years. While **ERA Aviation** concentrates on the North American market, **KLM/ERA** will concentrate on the rest of the world. The joint-venture company receives its first contract, for six months, in mid-December from British Gas.

Employing a Bell 412 leased from **ERA Aviation**, **KLM/ERA** begins working on the British Gas contract in January 1992, providing support for an exploration drilling rig 105 nm. off the coast of Thailand.

In July, the company contracts with Marathon Petroleum Sakhalin, Ltd., in conjunction with its **ERA Aviation** affiliate, to provide two Bell 212s and eight crew for oil exploration work off Sakhalin Island, north of Japan. The work, conducted through October, marks the first time a U.S. helicopter operator has flown U.S.-registered aircraft in Russian territory.

In March 1993, the company becomes the first North Sea operator to make a crossover between countries when it establishes a base at Norwich, Norfolk, U.K. The move, headquartered in a hangar leased from the **KLM (Royal Dutch Airlines, N.V.)** British affiliate, **Air UK, Ltd.**, is made under terms of European Council regulations that come into effect in January. The British move includes the establishment of an English subsidiary, **KLM-ERA Helicopters (UK), Ltd.** for which the parent firm’s director of operations, Jan G. Nip, becomes manager at its Norwich base.

Two Sikorsky S-76Bs are acquired and modified at Amsterdam according to specifications of the U.K.’s Civil Aeronautics Authority (CAA). On July 1, the concern wins its first North Sea offshore deal, a 16-month support contract from the LASMO oil company. While not considered a major coup, the award represents a start.

At Helitech ’93, a trade show at Redhill Aerodrome in September, the U.K. offspring nearly acquires its first major contract, a five-year commitment from Amoco Oil. In the end, Amoco, however, prefers to remain with **Bristow Helicopters, Ltd.**, which has supported it for 20 years. The S-76Bs arrive at Norwich and begin flying ad hoc charters. Overall, the carrier suffers severe financial losses and is forced to release 100 employees, including 20 pilots.

In March 1994, officials at Amsterdam, who are changing their airport’s complete focus toward air carrier operations, require the helicopter line to transfer its operations to Den Helder Airport. Late in the year, officials, led by new Managing Director T. J. van Wijk, prepare to bid on a major offshore support contract with Shell Expro which, if won, will allow the carrier to move away from its minor North Sea support services.

In March 1995, the company signs a 15-month contract with the Dutch government, Dutch automobile club, and Amsterdam University Hospital for a test of helicopter emergency medical services. A company Eurocopter BO-105 and crew begin the evaluation process in April.

At the beginning of May, **KLM-ERA Helicopters (UK), Ltd.** wins its first major North Sea contract, a three-year award from Shell Expro for support of its activities in the southern sector. The contract, formerly held by **British International Helicopters, Ltd.**, will require assignment of three Sikorsky S-61Ns and an S-76.

Operations continue apace in 1996. On August 28, 1997, **KLM (Royal Dutch Airlines, N.V.)** sells its 51% interest to Schreiner Aviation Group, parent of **Schreiner Airways, N.V.** The Dutch concern indicates its willingness to take over the minority stake held by the U.S. group Rowan Companies. The acquisition will be reformed as North Sea Helicopters, B.V. and will continue to operate within the Netherlands and British offshore market.

KLM/ERA HELICOPTERS (U.K.), LTD. See **KLM/ERA HELICOPTERS, B.V.**

KLM HELIKOPTERS, B.V.: The Netherlands (1977–1991). **KLM Helikopters, B.V.**, formerly known as **KLM Noordzee Helikopters, B.V.**, is established as a wholly owned subsidiary of the Dutch flag carrier **KLM (Royal Dutch Airlines, N.V.)** in mid-1977 to provide domestic and international rotary-wing charter and contract services, including North Sea oil industry support flights. Based at Schiphol Airport at Amsterdam, the 180-employee operates 7 Sikorsky S-61Ns and 3 S-76As.

Operations continue apace in 1978–1985 as the fleet grows to also include four S-76As. During the first quarter of 1986, another S-61N is purchased from the Norwegian operator **Helikopter Service A.S.** During the summer, the company trades in its four S-76As for three S-76Bs. Additionally, an Aerospatiale SA-365N Dauphin is leased from **Schreiner Airways, B.V.** A total of 12 aircraft are now active in offshore support roles.

During 1987–1988, 12 oil companies maintain 43 production platforms in The Netherlands sector of the North Sea and **KLM** support services to the Pennzoil, Nam, Petroland, Placid, and Union fields. These flights, averaging 9,000 hours per year, include regular crew changes and shuttles, plus standby and emergency medical services (EMS). During the latter year, the company begins to diversify into outside maintenance work and establishes the worldwide brokerage house, **KLM Air Taxi**. The number of aircraft involved in offshore support drops to 11.

Airline employment stands at 240 in 1990. On December 30, an S-61N on approach to an offshore installation in the Dutch sector of the North Sea, suffers severe vibration and immediately upon landing, the blade separates and falls into the ocean. No injuries are reported. The company’s five remaining S-61s are immediately grounded and one is sold to Halifax-based **Cougar Helicopters, Ltd.**

Following an improved inspection program, the company’s S-61Ns return to service in January 1991. A fifth S-76B is delivered in July and in July Rowan Companies, Ltd. of Houston signs a letter of intent with **KLM (Royal Dutch Airlines, N.V.)** for the purchase of 49% shareholding. The final agreement with Rowan takes effect in October, at which point **KLM** begins a “close association” with **ERA Aviation, Inc.** in a joint venture known as **KLM/ERA Helikopters, B.V.** The same month Managing Director Harry Schoevers, a 27-year veteran of the company, is named chairman of the European Helicopter Association; he will continue as managing director of the new operation, with former **ERA Aviation Services Division** General Manager Rudy Park as deputy managing director.

Effective November 1, **KLM Helikopters, B.V.** is given the name of the new partnership and a few days later, begins pilot-transport operations in Rotterdam and Amsterdam and makes plans to replace its S-61Ns within two years. While **ERA Aviation** concentrates on the North American market, **KLM/ERA** will concentrate on the rest of the world. The joint venture receives its first contract in mid-December.

Operations continue apace in 1992–1996. Having decided to concentrate on its core business of offshore support, on September 1, 1997, Leiden-based Schreiner Aviation Group purchases the 51% controlling interest in **KLM-ERA Helikopters, B.V.** held by **KLM (Royal Dutch Airlines, N.V.)**. The remaining shares are held by the Rowan Co. via its subsidiary **ERA Aviation**. The acquisition includes six Sikorsky S-61Ns and five S-76Bs.

KLM (ROYAL DUTCH AIRLINES, N.V.): KLM Royal Dutch Airlines, External Communications, (AMS/DR) P.O. Box 7700, Schiphol Airport East, Amsterdam, ZL-1117, The Netherlands; Phone 31 (20) 649-2227; Fax 31 (20) 648-8391; <http://www.klm.nl>; Code KL; Year Founded 1919. Owner of one of the most illustrious records in civil aviation history, Koninklijke Luchvaart Maatschappij (KLM) is generally agreed to have the longest continuous lineage. Until recently, the only remaining competitor for the seniority title is the tiny nonscheduled American operator **Chalk's International Airlines**, founded at Miami on June 1, 1919.

Private interests, led by Lt. Albert Plesman, begin forming **Nederlandsche en Koloniale Luchtverkeer Maatschappij** at the Hague in late spring 1919. During this developmental stage, Plesman organizes a six-week long Eerste Luchtverkeer Tentoonstelling Amsterdam or First Air Transport Exhibition Amsterdam (ELTA) aviation extravaganza in Amsterdam to appeal to public interest in aviation. It is opened by Queen Wilhelmina on August 1 and will host over a half-million visitors during its run.

Meanwhile, company representatives are invited to join officials from five other pioneer carriers at the August 26–28 meetings at The Hague, which result in creation of the International Air Traffic Association (later the International Air Transport Association, IATA). On September 12, Queen Wilhelmina grants the airline-to-be the right to bear the title Koninklijke or "Royal." When the ELTA exhibition closes in late September, it is revealed that over 500,000 persons have attended.

Slightly renamed, **Koninklijke Luchvaart Maatschappij voor Nederland en Koloniën (Royal Airline Company for the Netherlands and Colonies)** or KLM (Royal Dutch Airlines), is officially registered on October 7, with Albert Plesman as managing director. Two weeks later, on October 21, the first KLM office is opened on Heerengracht, above the Odeon Cinema, in The Hague.

Even before a single flight is made, the company, after only five months, is broke and in April 1920 must turn to the Ministry of Waterworks, then in charge of Dutch civil aviation, for a subsidy. With a de Havilland DH 16 piloted by Jerry Shaw and wet-leased from the U.K. pioneer **Aircraft Transport and Travel, Ltd. (AT & T)** following a difficult charter and pool negotiation, KLM begins alternate-day Amsterdam–London service on May 17. In addition to two passengers, one of who is Albert Plesman, Shaw transports 15 pounds of newspapers under his seat.

Waterworks Minister Adriaan Konig, an enthusiastic aviation booster, is able, after two months work, to obtain a subsidy for the infant carrier, promising to cover two-thirds of KLM's losses during the remainder of the year and through 1921, to a maximum of G 200,000. Also in June, four **Aircraft Transport and Travel, Ltd. (AT & T)** DH 9s are purchased.

A contract is signed with Anthony Fokker's Netherlands Aircraft Factory for the delivery of two new passenger aircraft; unbeknownst to KLM, Fokker builds the aircraft in Germany, in violation of the terms of the Versailles Treaty. Only at the last minute does Plesman learn that the Allies will not object.

The first two Fokker F-IIIs are delivered in August and on September 1, in cooperation with the German line **Deutsche Luft Reederei, GmbH.**, a route is inaugurated Amsterdam–Copenhagen via Hamburg. Services are suspended for the winter on October 31. On the year, a total of 345 passengers, 22 tons of freight, and 3 tons of mail have been carried. The first commercial-aviation animal transport is also made—a shipment of bees.

Revenue flight operations resume on April 14, 1921. Also on this day, the inaugural scheduled service by the first of 11 newly delivered, high-wing, 5-seat Fokker F-IIIs is flown between Amsterdam and London (Croydon) by two aircraft, piloted by British aviators G. Ray Hinchliffe and Gordon P. Olley, flying the route in opposite directions. On May 9, the first KLM ticket office is opened at Leidseplein, Amsterdam.

During the summer, frequencies are expanded to London via Rotterdam and to Hamburg via Bremen. By year's end, subsidy payments

from the Ministry of Waterworks total G 406,313, more than twice that promised the previous June; the government, conscious of a need for an air route to the East Indies, agrees to pay these and later sums.

A route is opened to Brussels in 1922 as the last of 14 Fokker F-IIIs are delivered. One is lost in a crash at Hythe in May. Paris is added to the route network on June 4, 1923. Another F-III is lost on October 18 after landing on the Goodwin Sands. During the year, CEO Plesman is able to convince the government to grant his company three years of subsidy, upon his personal promise of a profit. Orders are placed with Anthony Fokker in December for a successor to the F-III, which will be designated the F-VII.

On April 23, 1924, a service is opened to Copenhagen in cooperation with **Det Danske Luftfartselskab, A.S. (DDL)** and **Deutscher Aero Lloyd, A.G.** Also in April, a Fokker F-III is lost when forced to ditch in the English Channel, the same month in which the prototype of the eight-seat, single-engine F-VII is initially flown. The first of five new Fokker F-VIIs is placed in service on July 1 and on July 9 the first recorded flight of a bull is made, that of the champion breeder Nico V in a Fokker F-III from Rotterdam to Paris.

On October 1, Capt. A. N. G. Thomassen a Thuessink van der Hoop and two other crewmen depart Amsterdam aboard the first new F-VIIa on a 22-stop, 55-day, 9,552-mile proving flight to the Dutch East Indies. After a flight of 520 miles, the Fokker lands at Prague, remaining overnight before departing for Belgrade the next day. Engine trouble forces an emergency landing at Plovdiv, Bulgaria, on October 3. After a month-long delay in Bulgaria, where the plane must be reengined, van der Hoop and company depart for the east via Constantinople on November 3. They arrive at Batavia (now Jakarta) by way of Angora, Aleppo, Baghdad, Bushire, Bandar Abbas, Karachi, Calcutta, Amballa, Allahabad, Akyab, Rangoon, Bangkok, Sengora, Medan, and Muntok on November 24. Having returned from the East Indies aboard the steamship *Patria*, pilot van der Hoop and his colleagues receive a hearty welcome back to Schiphol Airport on December 18.

Fokker begins testing an F-VIIa on March 12, 1925, powered by a Packard Liberty engine. In cooperation with **Det Danske Luftfartselskab, A.S. (DDL)**, Amsterdam–Copenhagen F-VII flights are begun on April 20. A new Amsterdam–Paris frequency is opened with Fokker F-IIIs in May. In June, one of the aircraft is lost en route. The first of 11 Fokker F-VIIs is delivered in late September. Another Fokker F-III crashes at Hamburg in November.

Five Fokker F-IIIs are sold to **Basler Luftverkehrs, A.G. (Balair)** and are delivered in a formation flight from Rotterdam to Basel on April 28, 1926. A Fokker F-III crashes at Schiphol Airport at month's end. A Fokker F-VII is destroyed in an accident near Hythe on June 21 and must be written off; another crashes near the Belgian city of Wolverthem on July 9. When the Dutch government subsidy expires on December 31, KLM is unprofitable; the Ministry of Finance refuses to pledge additional funds.

With the company out of funds by early February 1927, it comes within days of bankruptcy before the government relents and mounts a rescue. In exchange for its assistance, the Ministry of Finance demands a substantial increase in private shareholding. Unhappy board members join with colonial investors in the spring to demand establishment of a separate airline for the East Indies.

Produced as a result of a KLM requirement for an aircraft larger than the F-VII, the prototype 10–24 passenger F-VIII makes its maiden flight on March 12. In cooperation with **Basler Luftverkehrs, A.G. (Balair)**, F-VIIas service is launched to Basel on May 2. Also during the spring, **Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij (KNILM)** is formed with backing by KLM board member Cornelis van Aalst, president of Nederlandsche Handel Maatschappij, Holland's largest financial institution.

On June 15, in the first intercontinental long-haul charter flight, an F-VIIa/3m, the *Maryland Free State*, piloted by Capt. G. J. Geysendorffer with *Baltimore Sun* publisher William van Lear Black as passenger, is flown 9,120 miles from Amsterdam to Batavia in 15 days (86 hrs. 27

min). The 14-day return flight of 97 hrs. arrives back at Schiphol Airport on July 23. Lear Black had hoped to become the first airline passenger to fly across the Atlantic, but gladly accepted CEO Plesman's 18,710-mile roundtrip East Indian offer. Capt. Geysendorffer tells the story in the translated and privately printed *Amsterdam to Batavia and Back by Air: A First-Hand Account of the Flying Trip with Mr. Van Lear Black of Baltimore to the Dutch East Indies and Return* (Baltimore, 1928).

By July, CEO Plesman has been able to find a sufficient number of investors to satisfy the Ministry of Finance and KLM becomes a semistate enterprise. The prototype F-VIII is lost in an August 22 crash at Sevenoaks. Officials of the new Dutch East Indies colonial carrier meet with CEO Plesman and as a group, unofficially pledge mutual route cooperation. The new KLM associate will not attempt to compete on intercontinental routes while it will receive autonomy in intra-island routing.

Capt. G. A. Koppen, employing a new Fokker F-VIIa/3m, the *Post-duif* (Carrier Pigeon), makes a second East Indies proving flight beginning on October 1, Amsterdam-Batavia in 10 days.

Basel is replaced as the Swiss terminus when operations begin to Zurich on April 23, 1928. During the first two quarters, six Fokker V-IIIs are placed on the European routes; one is lost in a Nigtevecht accident in April. Unable to afford the creation of another East Indies subsidiary, KLM must stand aside as the right to carry out commercial air transport in the colony passes to another concern.

On July 16, a Royal Charter is issued for the formal incorporation of KNILM, which will be largely financed by the Dutch East Indies colonial government. As part of the arrangement officially establishing this new entrant, KNILM investors take a G 200,000 stake in KLM and CEO Plesman becomes a KNILM board member. KLM undertakes to provide operational assistance (training, wet-leased aircraft, and crews), and technical help in obtaining new airliners.

After taking off from Waalhaven field at Rotterdam later in the month, a Fokker F-III collides with the masts of a ship and crashes. Two new Fokker F-VIIb/3ms are employed to make six East Indies proving flights, one every two weeks between September 13 and October 11. During the same two months, four new F-VIIb/3ms are sent to the East Indies; two are destroyed in landing crashes.

A KNILM F-VIIb/3m, with Dutch East Indies governor general A. C. D. de Graeff as passenger, inaugurates the subsidiary's operations on November 1 with a flight Batavia-Samarang. On December 11, the last Amsterdam-Batavia proving flight is undertaken with Christmas mail. At year's end, a route is opened from Batavia-Bandung.

Fokker F-VIIb/3m night airmail flights begin on May 30, 1929. Seeking additional capacity, the 18-passenger long-range F-IX/3m, Fokker's largest and most modern trimotor, makes its maiden flight on August 26.

A fifth F-VIIb/3m is purchased for KNILM and on September 12, every-two-weeks mail and full passenger service (proving flights) start over a route from Amsterdam-Istanbul via Nuremberg, Budapest, and Sofia. The mail is then continued by F-VIIb/3ms to Batavia. A new F-VIIb/3m purchased at the end of October is the first KLM aircraft to bear the name of a bird—the *Heron*.

The fortnightly Batavia flights continue until December 12, and are then suspended for the winter. During the next decade, this route will be considered the longest scheduled service in the world.

Two final Fokker F-VIIb/3ms are purchased for KNILM, which inaugurates a new service to Palembang on March 4, 1930. The first Fokker F-IX/3m is delivered on May 8; christened *Adelaar* (Eagle), it is initially assigned to the carrier's Amsterdam to Batavia service. Upon its return, it is dedicated to the Amsterdam to London service. During the summer, the final Fokker F-III is withdrawn and sold to **Pacific Aerial Transport, Ltd.**, of Wau, New Guinea. With a government mail subsidy in hand, every-two-weeks service to Batavia is resumed on September 25.

A second F-IX/3m is received and employed to inaugurate passenger service Amsterdam-Athens-Cairo on October 2. On November 13, the F-IX/3m *Adelaar* is dispatched out on the Amsterdam-Batavia route, making the flight down to the East Indies in 13 days (84 hrs. 20 min.

flight time) and back in 12 days (84 hrs). During the mission, the *Adelaar's* crew tests new radio equipment (both short- and long-range plus air-to-ground) and reviews transmission levels.

Come December, the Batavia mail service is not suspended as it had been in 1929 and KNILM officials note that, in the two years since opening, the KLM subsidiary has carried 31,352 passengers, 189 tons of freight and 10 tons of mail.

The second Fokker F-IX/3m is placed in service to London on January 15, 1931. Beginning in early spring, delivery is taken on eight Fokker F-XII/3ms. Christened *Ijsvogel*, *Ibis*, *Havik*, *Ekster*, *Duij*, *Valk*, *Uil*, and *Leeuwerik*, they are placed in service during March-May, initially on European routes. On March 5, the new Fokker F-XII/3m *Leeuwerik* makes an Amsterdam-Batavia proving flight and a Fokker F-IX/3m frequency is extended to Hanover on May 1.

Flying the F-VIIb/3m *Abel Tasman*, Capt. M. P. Pattist and his crew make the first KNILM proving flight to Australia, Batavia-Wyndham on May 12; the plane visits Sydney and Melbourne before returning to Batavia on May 27. During the summer, the parent company begins to concentrate on the development of a domestic network within the Netherlands. Service is inaugurated Rotterdam to Haamsteds in July and to Groningen in August.

The second F-IX/3m is lost after a crash at Rotterdam's Waalhaven Airport, also in August. Regularly scheduled F-XII/3m Amsterdam-Batavia multistop passenger service is launched by the *Leeuwerik* on October 1. An Amsterdam-Rome route is started on October 29. Late in the year, two F-XII/3ms are turned over to KNILM, which employs them to open service Batavia-Medan. During the year, an experimental freighter, built by Werkspoor N.V. and christened *Jumbo*, is acquired and employed for two years to fly all-cargo services between Amsterdam and London via Rotterdam.

Five Fokker F-XVIII/3ms are accepted during 1932; christened *Snip* (Snipe), *Rijstvogel* (Rice Bird), *Kwartel* (Quail), *Pelikaan* (Pelican), and *Oehoe* (Eared Owl), they are placed in service on the Batavia run. In September, CEO Plesman approaches Anthony Fokker, seeking updated designs for new aircraft. As a result, the one and only Fokker F-XII/3m *Zilvermeeuw* (Silver Gull) is delivered in November. On December 18, the *Pelikaan*, which replaces the engine-troubled *Zilvermeeuw*, accomplishes the Amsterdam-Batavia run with Christmas mail in a record 4 days, 4 hrs., 35 min. (74 hrs. 34 min. flying time). The ship is back in Holland by December 30.

Repaired, the *Zilvermeeuw* enters service on the London-Amsterdam-Berlin run in early 1933. In March, Australian confectioner Sir MacPherson Robertson announces a grand England to Australia air race to be staged in October 1934; the winning purse will be £15,000 (\$75,000). Beginning on May 3, KLM provides a connection to Singapore from Palembang, seven months before the arrival of **Imperial Airways, Ltd.** Senior pilot Koene D. Parmentier is sent to the United States in October to study American operations, including night flying; he sends home a glowing report on the new DC-2 transport of Donald Douglas. The KLM board immediately orders one of the new machines for evaluation on the route to the East Indies. On November 28, Anthony Fokker agrees to act as go-between with the U.S. manufacturer.

On January 15, 1934, Fokker signs a contract with Donald Douglas that gives the Dutch airplane builder exclusive manufacturing licensing and sales rights for the DC-2 in Europe. Fokker will not build any Douglas aircraft, but as agent, will import both DC-2s and later, DC-3s for resale, often as a result of negotiations conducted by his top salesman, F. W. Seekatz.

Amsterdam-Liverpool via Hull Fokker F-XIIb/3m summer service begins on June 1. Designed to meet a KLM specification for an East India airliner, the Fokker F-XXXVI makes its maiden flight on June 22. Only this one unit will be built and after service on KLM's London via Amsterdam to Berlin route, it will eventually be sold to **Scottish Aviation, Ltd.**

On loan from Douglas, the first DC-2—the initial aircraft of its type to be exported—arrives by sea on September 11 uncased; it is

reassembled at Rotterdam's Waalhaven Airport and christened *Uiver* (Stork). At the same time, the board votes to purchase 14 more of the type. Meanwhile, Fokker, having obtained all sales and license rights for Douglas aircraft in Europe, charges Plesman's concern a 40% markup for the delivery of the new aircraft. Having already sold a number of older aircraft and in desperate need of the new airliners, KLM has no option but to agree to the arrangement. The order will mark the beginning of an invasion of Europe by U.S.-made equipment.

The Amsterdam–Liverpool summer operation is suspended on October 6. The first new DC-2 *Uiver*, the one obtained by KLM on trial from Donald Douglas in September, is entered in the October 20–24 multi-stage England to Australia MacRobertson Air Race. Piloted by regular officers Capt. Parmentier and Jan Johannes Moll, the aircraft carries 2 stewards, 3 revenue passengers, and a full load of 30,000 letters.

The race begins from Mildenhall in Suffolk, but the Dutch aircraft flies its regular route (1,000 miles longer than the race course) to Melbourne, even backtracking to the Indian city of Allahabad to pick up a missed passenger. After a flight of 90 hrs. 13 min. 36 sec., the *Uiver* comes in second overall and even wins the transport class, defeating a specially configured Boeing 247D provided by **United Air Lines (2)** and flown by famous American pilots Roscoe Turner and Clyde Pangborn.

In honor of the three hundredth anniversary of the Dutch presence in the Lesser Antilles, the F-XVIII/3m *Snip*, outfitted with extra fuel tanks, flies Amsterdam–Curaçao in December; this first KLM transatlantic flight requires 55 hrs. 58 min. flying time.

On December 20, the first Fokker-assembled DC-2, *Uiver*, en route from Amsterdam to Java with seven aboard, is struck by lightning, which instantly kills all aboard. The famed airliner continues on alone until it crashes at Rutbah Wells, Iraq, bursting into flame. During the year, the one and only Koolhoven FK 48, the *Ajax*, is received; it will be employed on the Rotterdam–Eindhoven frequency for two years.

Two more company aircraft are sent to Curaçao, the F-XVIII/3m *Oriol* and the F-VIII/3m *Duif*; with the *Snip*, they are the nucleus of a new West Indisch Bedrijf (West Indies Division) formed on January 19, 1935. Simultaneously, scheduled service is opened Curaçao–Aruba. In March, the only four-motored Fokker F-XXXVI is received and christened *Arend* (Eagle). It is placed into service on various European routes, but is most usually employed to fly from London to Berlin via Amsterdam. During the same month, the first four-motored Fokker F-XXII *Papegaai* (Parrot) arrives.

A second DC-2 is acquired by the parent on March 22 and is christened *Gaai*; eight more Douglas transports arrive between April 3–29. These are respectively christened *Haan*, *Kievit*, *Jan Van Gent*, *Koetlang*, *Lijster*, *Maraboe*, *Machtegaal*, and *Oeverwaluw*. Prague service begins on April 1. Three more DC-2s arrive between May 9–17: *Rietvink*, *Sperwer*, and *Toekan*.

When Donald Douglas visits KLM in May, he informs CEO Plesman that he had not given Fokker exclusive rights as the Dutch manufacturer had maintained the year before; enraged, the airline leader goes before his board and ends the company's long exclusivity with Anthony Fokker.

Three additional DC-2s are ordered and the available fleet launches twice-weekly Amsterdam–Batavia operations on June 12. Fokker, meanwhile, successfully challenges Douglas's claim to Plesman in the U.S. courts; Douglas is shown to have made Douglas his exclusive European sales agent. Although the contract will keep the manufacturer in business, the aircraft builder will be unable to sell another original airliner design until the F.27 Friendship, 20 years later.

Having been purchased from the American carrier **Northwest Airlines** during the spring, the Ford Tri-Motor 5-AT-42 arrives at Rotterdam by sea; uncrated and reassembled at Waalhaven Airport, the aircraft is test flown by Capt. G. A. Koppen on June 19. Following several additional test flights, the aircraft is rejected for survey work or long-haul flights over areas devoid of airports. Meanwhile, the Fokker F-XVIII/3ms, which are being displaced, are assigned to such European

routes as Amsterdam to Prague. Two additional F-XXIIs are acquired in May; these two, named *Kwikstaart* (Wagtail) and *Roerdomp* (Bittern) join the *Papegaai* on European services, including Amsterdam to London.

The *Kwikstaart* crash-lands at Schiphol Airport on July 14 and must be written off. Three DC-2s are delivered to KNILM in July and are placed on the Jakarta–Singapore route. The DC-2 *Gaai* is lost in a Piah San Giacomo crash on July 20, but the Ford 5-AT-42 is placed on the Dutch aircraft register on September 4. Also in September, three de Havilland DH 89A Dragon Rapides are acquired by KNILM to allow aerial survey work in support of the petroleum industry; these are transported to Batavia in a mass flight under command of Capt. Koppen.

Eleven DC-3s are ordered in 1936. The last three DC-2s arrive on April 12 and 16 and are named *Djalak*, *Edelvalk*, and *Flamingo*. Routes are opened to Vienna and Budapest on April 19 and on July 1 F-XVIII/3m flights begin Curaçao–Maracaibo. One F-VIII is modified into a photographic and survey ship. When Fokker F-XII/3ms reopen the summer Amsterdam–Liverpool service, Doncaster replaces Hull as intermediate stop. Six Fokker F-XII/3ms are sold to the two U.K. independents, two to **British Airways, Ltd. (1)** and four to **Crilly Airways, Ltd.**

On August 26, the registration of the Ford 5-AT-42 is cancelled and the trimotor is placed into storage. The F-VIIb/3m *Heron* is retired at the end of the month.

As with the DC-2, KLM becomes the first European operator of the DC-3; the first of an eventual fleet of 24 is delivered on September 21 and christened *Ibis*. Also in October, the noted F-XVIII/3m *Pelikaan*, the last of its type in KLM inventory, is sold to a French independent along with the F-XX/3m *Zilvermeeuw*. During the year, KNILM begins flying from Batavia to Borneo. A DC-2 crashes at London's Croydon Airport on December 10 (14 dead).

Curaçao–Caracas service begins on January 19, 1937 while two more DC-3s, the *Torenvalk* and *Wielewaal* arrive on April 10 and 25, respectively. DC-2s enter service on the London and Paris routes in the spring and one of these crashes at Lembecq-et-Hal, Belgium on July 29 (15 dead). On October 2, DC-3s are placed on the thrice-weekly Amsterdam–Batavia run. CEO Plesman, in the company's most disreputable action of the year, even if unintentional, arranges via his representative in Rome to meet with Benito Mussolini to discuss peace. The former aviator is disillusioned by the dictator's unpleasant response. European enplanements for the year total 91,702.

The first Lockheed Model 14H Super Electra is delivered on February 24, 1938; christened *Ekster* (Magpie), it is placed into service in March on a new route to Manchester, England; the carrier is also the first European operator of this aircraft. Super Electras are also purchased for both the West and East Indian operations and Lockheed 14 Curaçao–Barranquilla operations are inaugurated on May 16. Five Lockheed 14s are sent to KNILM at Batavia and on June 28, in cooperation with KLM, inaugurates the first service to Sydney. Piloted by Capt. Gerson van Messel, the Super Electra touches down at 1442 hrs. on July 5 with 4 passengers, including 12-year-old Diane Riley, and 20,000 letters from Europe. The next day, the *Sydney Morning Herald* proclaims that the local airfield, Kingsford-Smith Airport, officially became an international airport with the arrival of PK-AFM (the Dutch plane's registration number). An eight-day Dutch Amsterdam–Australia route is now a reality. Incidentally, 96-year-old Capt. Van Messel and Ms. Riley will be guests of honor at a Sydney 60th anniversary celebration on October 28, 1998.

A second L-14H, the *Lepelaar* (Spoonville) is acquired on June 30. Following the Munich Crisis in September, KLM is hard pressed to cope with the number of Czech refugees seeking sanctuary in Holland. Night airmail flights to London commence on October 2 and later in the fall, orders are placed for four Douglas DC-5s. The L-14H *Ekster* crashes at Amsterdam on December 9 (six dead).

With **Pan American Airways (PAA)** and **Imperial Airways, Ltd.**, KLM is now one of only three airlines with worldwide service. During

this, the last regular year of European airline operations before the outbreak of World War II, the company is able to earn revenues of G 11.3-million and generate a profit of G 73,609 (\$29,400).

The German move into Czechoslovakia forces cancellation of Prague service on March 14, 1939. Flights from Curaçao to Barbados and Port of Spain begin on May 6. In cooperation with **DNL Norwegian Airlines, A.S.**, connecting routes are opened to Kristiansend and Oslo on June 1 and in cooperation with **ABA Swedish Air Lines A.B.**, the Stockholm line is extended to Helsinki on July 1. In early August, the F-XII *Roerdomp* is sold to **British American Air Services, Ltd.** All European routes are closed down on August 23, except those to England, Belgium, and Scandinavia.

In the West Indies, service to Paramaribo, Surinam, is started on September 4. During this first week of the war, the Fokker F-XXII *Papegai* is sold to **Scottish Aviation, Ltd.** The European terminus of the Batavia route is moved to Naples on September 16, with through-service now requiring nine days. Piloted by Capt. Moll, famed as copilot of the DC-2 *Uiver* in the 1934 England to Australia race, the DC-3 *Mees*, en route from Malmo, Sweden, to Amsterdam on September 26, is mistakenly attacked by Luftwaffe floatplane; Swedish passenger Gustave Lamm is killed by machine gun bullets.

The northern terminus of the company's European daily operations are switched from London's Croydon Airport to Shoreham, in Sussex, England, on October 16. On November 9, flights to Shoreham become twice daily and joint service to that point is carried on with **Det Danske Luftfartsselskab, A.S. (DDL)** after November 13. KLM board is now convinced that subsidiary companies should be established in Lisbon and at Paramaribo in Surinam. On December 27, the DC-2 *Edelvalk* makes a proving flight to Portugal via Shoreham and Madrid; it will, in fact, be the only DC-2 in the company's fleet to survive the war.

The DC-2 *Haan* is sold to the Swedish line **ABA Aero Transport, A.B.** on January 13, 1940. The joint service with DDL is increased to four roundtrips per day on March 1. Flights to Scandinavia end on April 9 and to Belgium on April 18. Weekly Amsterdam-Lisbon DC-2 service via Shoreham and Madrid is started on April 20. Two days later, the route becomes twice weekly. The company must halt flights throughout Europe on May 10 as the German advance into Western Europe begins. That day, Luftwaffe bombers assault Amsterdam's Schiphol Airport, among other points, and destroy five KLM DC-2s on the ground: *Koetlang*, *Nachtegaal*, *Oeverwaluw*, *Perkoetoet*, and *Djalak*. Four DC-3s are also reduced to burned-out hulks: *Tapuit*, *Xema*, *Uil*, and *Patrijs*. Several older units are destroyed, including the old F-VIII survey ship, smashed by bombs at Waalhaven.

When German troops occupy Schiphol five days later, they also capture the DC-2s *Kievit*, *Jan Van Gent*, *Kwak*, *Rietvink*, *Sperwer*, and *Toekan*, along with the DC-3s *Mees*, *Valk*, *Hop*, and *Roek*. At least five DC-3s and the DC-2 *Edelvalk* flee to the U.K., where they take on British registration and are assigned to a base at Heston Airport in Middlesex. KLM President Plesman is placed under house arrest. The four new DC-5s slated for delivery are diverted, two each to the West Indies and East Indies. Later, on June 1 and 2, respectively, the British-based DC-3s *Wielewaal* and *Torenvalk* are sent off to the Dutch East Indies.

In an effort to halt the war's madness, Plesman, through the intercession of his house guest, Swedish Count von Rosen, is allowed to travel to Berlin to speak with Rosen's uncle, Reichmarshall Hermann Goering, about the possibilities of a peace treaty between Germany and Great Britain. Plesman formulates a document that is forwarded to the office of Prime Minister Churchill in London and receipted by Lord Halifax. The Plesman initiative is ignored.

An "agreement" of July 19 concerning "special duties of Lufthansa relating to the war effort" specifies, among other undertakings, the supplying of aircraft to the Ministry of Air Traffic. Thus a number of airline planes and crews come under Luftwaffe control, beginning the following week with one of the former Czech DC-2s and all five of the captured KLM DC-3s and six DC-2s. One of the latter, the *Toekan*, is repainted in camouflage and becomes the personal transport of Nether-

lands-based Wehrmacht commander, General Christiansen, whose name is painted on the airplane's nose. The ship will crash near Lammersshagen on August 9.

The Dutch government-in-exile authorizes escaping KLM personnel to operate the carrier from England under a charter arrangement with **British Overseas Airways Corporation (BOAC)**. The European terminus of the Batavia route is transferred from Naples to Tel Aviv on July 26. In August, a Bristol-Lisbon frequency is inaugurated on behalf of BOAC; signs inside the aircraft cabins proclaim "KLM—Still Flying." At Lisbon, the service connects with the transatlantic flying boat service of **Pan American Airways (PAA)**.

Meanwhile, two new DC-5s, the *Wakago* and *Zonvogel*, acquired by the West Indies Division in May, are diverted along with three others from the U.S. builder to the East Indies. Their use there by KNILM will assure that KLM goes on record as being the only carrier in airline history ever to operate every type of pre-McDonnell-merger Douglas transport ever manufactured.

The DC-3 fleet remaining in England is all but wiped out during the Battle of Britain. One aircraft must be written off following a landing accident at Heston Airport on September 21, while a second is destroyed during a Luftwaffe bombing attack on Whitechurch on November 24. Also during the year, KNILM acquires two Grumman G-21As and two Sikorsky S-43s and employs them in service to the Celebes Islands.

Having allegedly engineered the escape of a Fokker G-1 from Amsterdam's Schiphol Airport in May 1941, KLM President Plesman is confined at Scheveningen Prison, also known by resistance-fighter inmates as the Orange Hotel (orange is the royal color), "for the duration." Deputy Managing Director Hans Martin, who is left free by the occupation forces, supervises the company's Dutch affairs.

West Indies Division Lockheed service to Kingston begins on August 19, with charter flights started to Miami by fall.

The Tel Aviv-Batavia service ends on February 15, 1942 with the Japanese invasion of the East Indies. The four remaining DC-5s ferry war refugees to Australia—or attempt to. One escapes to Australia, two crash on takeoff, and one is damaged in an air raid and left behind. KLM/KNILM management escapes the East Indies aboard five DC-3s, first to Australia and then to New York.

In April, President Plesman is released from Scheveningen Prison, but is placed under house arrest at his home in Driene, in east Holland, again "for the duration."

West Indies Division Lockheed Model 14s commence operations to Havana in July. On October 15, KLM Bristol-Lisbon route is extended, twice weekly on behalf of **British Overseas Airways Corporation (BOAC)**, to Gibraltar. The remnants of the airline are thus placed at Allied disposal.

Abwehr agents in Portugal on June 1, 1943, report that British Prime Minister Winston S. Churchill has boarded the DC-3 flight to London. Word is passed to Capt. Kunkel, commanding the long-range Luftwaffe Ju-88C and Me-110 fighters of I/Z.G.I patrolling over the Bay of Biscay. Kunkel dispatches eight Junkers to find and shoot down the transport. They duly locate Flight 2L272, piloted by Capt. Tepas with 3 other crew and 13 passengers, proceeding north along the coasts of Portugal and Spain en route from Portela Airport, Lisbon, to Whitechurch, England. The kill is quick.

Although Churchill is not among the 13 passengers and 4 crewmen aboard, the killed include Reuters, Ltd. correspondent Kenneth Stonehouse and British actor and spy Leslie Howard. Howard, famous for his role in the recent motion picture *Gone with the Wind*, had been in Portugal promoting his newest release, *The First of the Few*, a propaganda film concerning the Battle of Britain. It will be conjectured that the man mistaken for the prime minister is Howard's business manager, Alfred Chenhalls.

West Indies Division L-14s begin flights Curaçao-St. Martin on July 27 and to Miami on August 17 via Jamaica, Haiti, and Cuba. The first charter flight from Curaçao to St. Martin is made on December 5.

During the year and even with the war still raging, company officials, led by former KNILM Managing Director Hendrik Nieuwenhuis and

operating under authority of the Netherlands government-in-exile in London, but with headquarters at Curaçao, place orders for four Douglas DC-4s and four Lockheed L-049 Constellations to be delivered later.

While serving as a Luftwaffe transport, the airline's former DC-2, the *Sperwer*, crashes at Berlin's Tempelhof Airport on February 11, 1944. On March 29, briefly suspended U.K. to Gibraltar via Lisbon services flown under **British Overseas Airways Corporation (BOAC)** contract, are resumed. The 1,000th Lisbon-London flight is recorded on April 18 by the DC-3 *Buizerd*. Following the invasion of France in June, President Plesman's son Jan is shot down while flying a Spitfire for the British RAF. Late in the year, and with ex-KLM crews, DC-3s of the Netherlands Military Air Transport service launch flights from London to liberated Eindhoven.

When Driene is liberated on April 2, 1945, KLM President Plesman is able to requisition a jeep, drive south through the lines to Brussels in Belgium, and catch a flight to London. There he confers with the Netherlands government-in-exile, placing a claim on his prewar office, now officially occupied by Hendrik Nieuwenhuis. From the U.K., the airline leader makes his way to New York where, over the next three months, he negotiates the loan of 14 C-54s (military DC-4s).

Meanwhile, Canadian troops recapture the carrier's DC-2 *Kwak* at the Luftwaffe base at Flensburg on May 6. On August 17, nationalists in the Netherlands East Indies proclaim the independence of Indonesia. The Dutch government rejects this declaration and a colonial war begins.

De Havilland DH 89A Dragon Rapides restart Dutch domestic service on September 26, reestablishing the local-service route network by year's end.

The prewar East Indies routes of **Koninklijke Nederlandsch Indische Luchtvaart Maatschappij, N.V. (KNILM)** are reopened in October by a No. 19 (Dutch) Squadron of the Royal Australian Air Force. The first C-54 also arrives at Schiphol Airport during the month and reopens weekly Amsterdam-Batavia service on November 10, with twice-weekly frequency after November 28. During the month's Chicago Conference on the future of world civil aviation, KLM is able to offer a compromise position agreeable to both the U.S. and U.K., which allows a convention to be written. Having flown under British registration since escaping in May 1940, the DC-2 *Edelvalk* returns to Schiphol Airport in early December. Initial DC-2/DC-3 intra-European company service begins on December 17 over an Amsterdam-Copenhagen-Malmö line.

The England-Portugal service, flown under contract to **British Overseas Airways Corporation (BOAC)** since August 1940, is terminated in January 1946. A total of 18,108 passengers have been flown over the wartime route, the last operated by the carrier in Europe.

RAAF No. 19 (Dutch) Squadron, which has been providing air transport services in the East Indies, has its civil services reconstituted on February 1 as Vliegtuig Transport Group (Netherlands Indies Government Air Transport Group). The military group will continue to operate during the Indonesian revolution. On February 14, a C-54 flies an Amsterdam-Curaçao proving flight; weekly service between the two destinations will begin on April 10.

With KLM's headquarters now returned to Amsterdam, the prewar board of directors regains administration of the airline and officially reinstates Albert Plesman as managing director and Hans Martin as deputy managing director.

On March 4, KLM takes over the Amsterdam-London service previously flown by the Netherlands Military Air Transport Service. The first of six L-049 Constellations arrives in April and is christened *Utrecht*. North Atlantic Amsterdam-New York via Shannon and Gander C-54 operations begin on May 24; the Dutch flag line thus becomes the first European carrier to begin regular postwar transatlantic New York service. The *Utrecht* is placed on the New York route four days later.

On June 4, Amsterdam-New York-Curaçao C-54 operations are inaugurated, linking with the West Indies service. A new Lockheed L-049 Constellation makes a nonstop, 3,800-mile flight from New York to Schiphol Airport at Amsterdam on September 9 in 14 hours. As of Octo-

ber 3, transatlantic flights from New York are shifted from the North Atlantic to the Mid-Atlantic route for the winter, with Constellations replacing C-54s, which are shifted to European, African, and Latin American routes.

Miami to Curaçao C-54 flights begin on November 5; the next day, all passengers escape injury when an L-049 crashes at Santa Maria in the Azores. Also on November 6, a DC-3 with 5 crew and 15 passengers, crashes near Shere, England; although the aircraft must be written off, there are no fatalities. On November 14, a C-47A with 5 crew and 21 passengers, crashes while on final approach to Schiphol Airport; there are no survivors.

The fleet at year's end includes 40 DC-3s, 24 DC-4s, and 4 L-049s. A total of 313,000 passengers are flown and 42,000 FTKs are operated.

A C-47A with 4 crew and 18 passengers, crashes just after takeoff from Kastrup Airport at Copenhagen on January 27, 1947; there are no survivors. Among the fatalities is Prince Gustav Adolf of Sweden.

An Amsterdam-Johannesburg multistop C-54 frequency is launched on March 26. DC-3s are acquired for the West Indies Division and Curaçao via Ciudad Trujillo, Port-au-Prince, and Kingston to Havana flights start on April 20.

Thrice-weekly Amsterdam-Dublin via Manchester service is inaugurated on May 20. Plans are announced on June 18 for twice-weekly flights to Berlin, now that a permit has been received from the U.S.S.R. for the use of Tempelhof Airport. President Plesman receives an honorary doctorate from the Technical University of Delft during the month's graduation exercises; his "dissertation" is said to consist of but three letters: K L M.

Meals cooked during flights are first offered as of July 7 on the New York to Amsterdam runs and on August 1 KNILM is fully absorbed by its parent. KNILM shareholders are compensated with KLM shares and the company's former routes are now to be flown by KLM under contract to the colonial government at Batavia.

The subsidiary **Nederlands Nieuw Guinea Luchtvaart Maatschappij, N.V. (NNGLM)** is established to provide these scheduled flights between the coastal and inland cities of New Guinea with the Hollandia-Jakarta route now closed. Another division, Het Interinsulair Bedrijf (HIB), is set up to operate the previous KNILM services in the East Indies.

Also during the month, IIB inaugurates services with four Consolidated PB5Y-5A Cansos from Batavia to Pontianak, Samarinda, and Tarakan and from Batavia to Singapore via Billiton, Bangka, Singkep, and Tandjoeng Pinang.

India prohibits KLM from landings between August 4 and October 7; however, the Dutch carrier circumvents the embargo by flying its new Constellations to Batavia via Ceylon.

The first of 20 L-749A Constellations is delivered to Amsterdam on August 13 and is christened *Pontianak*.

In late summer, *Cosmopolitan* L-749A sleeper service to New York is introduced via Montreal. Lockheed Constellations take over the Amsterdam-Brazil via Curaçao route on October 6. A new route is initiated from Biak Island to Port Darwin via Sorong, which connects with the **Qantas Empire Airways (Pty.), Ltd.** service to Australia.

On December 27, a C-47A with 15 passengers is lost while on final approach to Leeuwarden, Netherlands; although the aircraft must be written off, there are no fatalities.

Following the disbanding of the U.S. carrier **Santa Fe Skyways** on January 15, 1948, KLM purchases two of its DC-4s, the *Sky Chief Navajo* and *Sky Chief Apache* on May 24 and June 12; these are rechristened *Limburg* and *Zeeland*, respectively. Meanwhile, the pioneer also acquires six Douglas DC-6s, the first of which arrives in time to inaugurate a new route from Amsterdam to Tehran on April 21. Out in the East Indies, No. 19 Squadron of the Dutch Air Force, which had taken over from the Australians, turns over its C-46s and C-54s to IIB.

A DC-6 with five crew is involved in a Schiphol Airport landing accident on May 1; although the aircraft must be written off, there are no fatalities.

A DC-4 is badly damaged while on final approach to Schiphol Airport on June 16; no serious injuries are reported.

En route from Amsterdam via Scotland to New York City on October 28, the L-049 *Nijmegen*, with 10 crew and 30 passengers, hits a high tension wire 4 km. E of Prestwick, Scotland, during its second radar-guided landing attempt and crashes and burns; there are no survivors. Among the fatalities are Koene Parmentier, who had piloted the DC-2 *Uiver* in the England to Australia MacRobertson Air Race back in 1934, and President Plesman's designated successor Henk Veenendaal.

During the year and into the next, Consolidated PBY-5A Catalinas are employed to open routes from Sarawak–Brunei via the Dutch West Borneo destination of Pontianak and to Hollandia, New Guinea.

Curaçao–Tocumaen, Panama, service is inaugurated on January 3, 1949. Amsterdam–Jakarta flights via Khartoum and Mauritius are flown January 29–July 22. Landing rights on Mauritius Island are received from Great Britain on January 31 as India again bans company aircraft from landing on the subcontinent due to the Indonesian conflict. An L-749A makes the first commercial Amsterdam to New York City flight by an aircraft of its type on March 31.

On May 20, the last of the newly delivered DC-6s begin weekly Amsterdam–Curaçao flights. En route from Batavia to Amsterdam on June 23, an L-749A catches fire and crashes into Bari Harbor, Italy (32 dead, including President Plesman's second son, Hans).

On July 3, India announces that it will exempt at mid-month one Constellation-load of U.S. journalists returning to America from an Indonesian inspection trip. On July 12, 13 of those reporters (including double Pulitzer Prize winners S. Burton Heath and Hobert Renfro Knickerbocker), along with 32 others, are killed when their L-749A crashes during a blinding snowstorm at Tsjatkopar, near Bombay. It is the worst crash yet in Indian commercial aviation history and although terrorism is suspected, it is not proved. India lifts the ban on KLM landings as of July 18.

On August 18, Amsterdam to Batavia frequencies are increased. Curaçao to Amsterdam to Lydda flights resume on October 25. Out in the East Indies, the new government and nation of Indonesia are proclaimed on December 19. At this time, and with KLM technical support and partial minority equity shareholding (valued at G 15 million), the former IIB is reborn as **Garuda Indonesian Airways**. In its almost-four years, the KLM division had flown 508,000 passengers and hauled 14,500 tons of cargo and 4,000 tons of mail.

Operations continue apace in 1950. Following its departure from Schiphol Airport on February 2, a DC-3 with seven crew is lost in the North Sea; there are no survivors.

During the summer, the three surviving L-049s are sold to **Capital Airlines** in the U.S. and are replaced with the first of sixteen additional L-749s. A fashion show is staged aboard a London to Amsterdam flight on October 13 and weekly Sarawak–Hollandia flights are also inaugurated during the year. NNGLM C-54 service is also started from Biak Island to Amsterdam.

Airline employment in 1951 stands at 11,900. On March 12, an L-749 flies from Shannon to New York in a record 10 hrs. 25 min. Flights from Amsterdam to Beirut commence on April 16.

Managua and San Salvador join the route network on May 5. During the summer, the U.S. carrier **Capital Airlines** purchases seven of the company's earlier L-749As, which have been traded back to Lockheed on new Super Constellations.

Beginning on October 18, the carrier joins with Farrell Lines to offer reduced-fare, air-sea travel from New York to Africa. Service to Australia via Manila and Biak is resumed on December 7. At year's end, **Capital Airlines** contracts with the carrier to refurbish the former KLM L-749s to its specifications over the next year.

Customer bookings total 499,000 and 153,000 FTKs are operated.

Service is begun on March 19, 1952 to Salzburg, Naples, Barcelona, and Helsinki. En route from Johannesburg to Amsterdam on March 22, a DC-6 crashes and burns while making a blind approach to Frankfurt Airport (45 dead); \$11,000 of the \$500,000 worth of gold bullion aboard disappears from the wreck.

An L-749 with 10 crew and 34 passengers, must be written off following a hard landing at Bangkok on March 23; there are no fatalities.

Scheduled passenger flights are initiated to Colombia on June 8; the same day, tourist flights from Amsterdam to New York are increased to four per week. Extra frequencies are added on June 29 for Olympic Games visitors. On October 27, Amsterdam–Mexico City via Montreal flights are begun. Orders are now placed for nine L-1049C and three L-1049E Super Constellations.

A DC-6 with 66 aboard crash-lands in the Saudi Arabian desert on January 2, 1953; none aboard are hurt as the USAF rescues the survivors. The prototype L-1049C, slated for the company and christened *Atoom*, makes its maiden flight on February 17 and nine German cities are linked to New York via Amsterdam as of February 20. Beginning in the first quarter and continuing, five of the L-749s refurbished for **Capital Airlines** are ferried to the U.S. from the company's shops at Schiphol Airport.

Just after takeoff from Schiphol Airport for a flight to Paris on May 25, a CV-240 with 6 crew and 28 passengers, makes an unscheduled descent from 60 ft. while climbing. The plane makes a belly landing and slides through a field and into a ditch, killing two people on the ground. Although there are no fatalities on the Convair, it is damaged beyond repair.

The newly delivered L-1049Cs, including ship No. 2, the *Electron*, begin nonstop eastbound New York–Amsterdam service on August 15. Atmospherics prohibit this first nonstop Atlantic landplane service from being available in a westbound direction.

On August 20, the carrier begins using 3-D color films to promote its ticket sales.

In October, a multistop promotional "air race" (for transport evaluation) from Amsterdam to New Zealand is staged between a KLM DC-6, a **British European Airways Corporation (BEA)** Viscount, and a Royal New Zealand Air Force Hastings. KLM supports publication of a 95-page booklet by Henrik Scholte commemorating the adventure, *We Flew to Christchurch: The Story of a Memorable Long Distance Flight* (The Hague, KLM, 1954).

The DC-3 *Robin*, the last airliner in the fleet bearing the name of a bird, is sold to **Air Vietnam, S.A.** at the beginning of December.

Perhaps knowing the end is near, President Plesman, aged 64 and a victim of arteriosclerosis, throws a huge dinner party for company pilots at Schiphol Airport on December 29; on New Year's Eve, he dies in the hospital from arterial bleeding in the stomach. He is succeeded as president by I. A. Aler.

Some 5,000 employees in Indonesia strike on February 1, 1954 over the pending nationalization of **Garuda Indonesian Airways**; however, on March 24, the government of Indonesia and The Netherlands sign a nationalization accord on Garuda, with the former guaranteeing compensation to KLM.

Biweekly Amsterdam to Manila multistop service begins on April 4 and later in the month, orders are placed for nine Vickers Viscount 803s. In May, orders are placed with Lockheed for four L-1049G Super Constellations.

The West Indies Division receives new Convair CV-340s; Amsterdam–Lima service is begun on June 19.

On July 12, KLM shareholding in **Garuda Indonesian Airways** is purchased by the Indonesian government; however, the Dutch airline retains management and maintenance involvement under contract. Some 350 KLM employees will remain in Indonesia to fulfill terms of the arrangement.

On August 23, after stopping at Shannon to disembark 9 passengers, the DC-6B *Willwm Bontekoe* with 9 crew and 12 passengers is en route to New York from Amsterdam via London and Shannon. The aircraft crashes into the North Sea approximately 20 mi. NW of Schiphol Airport, near the community of Ijuuiden; there are no survivors.

Flight 633, the L-1049C *Triton* with 10 crew and 46 passengers en route from Amsterdam to New York on September 5, crashes into the River Shannon after failing its takeoff from Shannon (28 dead).

En route from London to New York on September 8, an L-1049C with 46 passengers, including 9 survivors of the second Shannon disaster, lands safely at Gander, Newfoundland, following the loss of an engine.

Late in the year, the wholly owned subsidiary **Surinaamse Luchtvaart Maatschappij, N.V.** is formed to operate domestic services in the colony of Dutch Guiana. Additionally, the 34-year-old department, which conducts photography and aerial survey work, becomes a full-blown subsidiary, KLM Aerocarto. São Paulo joins the South American route network on December 23.

Amsterdam-Bermuda operations are inaugurated on April 17, 1955. **Australian National Airlines (Pty.), Ltd.**'s 49% interest in **Air Ceylon, Ltd.** is purchased in October and London-Colombo L-1049C flights are begun by year's end.

A new subsidiary, Kroonduif (Crown Pigeon) is established to operate a contract service for the Dutch authorities in New Guinea, where the last Netherlands outpost in Southeast Asia remains.

Meanwhile, as of November 1 the number of Amsterdam to New York all-cargo frequencies increases to five per week.

Destined to be the largest European operator of the passenger Electra, KLM places a \$30-million order on February 29, 1956 for 12 Lockheed L-188Cs. The Dutch company thus becomes European launch customer for the American turboprop, confirming Lockheed's initial decision not to build a jetliner. The order is confirmed on March 8 and when the aircraft arrive, KLM will become the only European operator of factory-delivered Electras.

In March-June, four L-1049Es are converted to L-1049G standard. A DC-6 makes the first company flight into Ferihegy Airport at Budapest on June 21.

Two L-1049Gs originally requested by **Thai Airways, Ltd.** are purchased and delivered in June and July.

On September 22, the company signs an agreement to act as the western agent for **Interflug DDR Airlines**; the East German carrier agrees to serve as the Eastern Block agent for the Dutch flag carrier.

A total of 822,000 passengers are boarded and 235,000 FTKs are operated.

Three Lockheed L-1049H Super Constellations are received during the first half of 1957. Regularly scheduled service to Budapest begins on February 7; KLM is the first Western airline to serve the Hungarian capital. On May 7, KLM Vice President Van Oldenbourg opens an office at Budapest; the company is again the first Western airline to do so.

Flight 844, an L-1049C with 9 crew and 59 passengers fails its take-off from Biak Island on July 15 and crashes into the sea off Netherlands New Guinea; there are no survivors.

All-cargo service to Houston via Montreal begins on September 3. Company technical and managerial support and all other Dutch assistance to **Garuda Indonesian Airways** ceases in September.

On November 8, an L-1049G crashes into a swamp near Montreal (79 dead). Two days later, New York to Curaçao flights begin. Jakarta service ceases on December 3.

Routes are extended Azores-Caracas and Bermuda-Panama, Guayaquil, and Lima in 1958. Between March 16 and 20, pilots strike for the reinstatement of two dismissed colleagues. The carrier is one of four European airlines charged by **Pan American World Airlines (1)** on April 11 with violating IATA rules by serving full meals disguised as sandwiches on economy flights; the industry association promises to investigate this excess-food-sandwich case. Moscow service is opened on July 21.

On August 14, the decade's first major disaster on the transatlantic route involving an airliner flying in all-tourist-class configuration occurs. Flight 607E, the L-1049H *Hugo de Groot* with 8 crew and 91 passengers and en route from Amsterdam to New York via Shannon and Gander is lost at sea 130 mi. SW of Shannon, Ireland; there are no survivors.

A DC-7C frequency in Australia is rerouted on November 1 via the North Pole to Tokyo and Biak. This is the company's first transpolar service. During November, tourist class is abolished in favor of econ-

omy class. Also during the month, the leased L-749A, which has been providing Sapphire service from Colombo to Amsterdam and London on behalf of **Air Ceylon, Ltd.**, is replaced by the chartered L-1049E *Isotoop*. The last DC-7C built is delivered on December 10 and is christened *Barents Zee*.

Services to Singapore are cut to one flight per week on April 1, 1959 by order of the British government. In cooperation with **LOT Polish Airlines**, Amsterdam-Warsaw flights begin on June 1; on June 22, the DC-4 *Limburg* is sold to **Air Algerie, S.A.**

On September 4, a new DC-8-32 flies from Los Angeles to London in a record 10 hrs. 42 min. The first Lockheed L-188C Electra turboprop is delivered on September 21 and is christened *Mercurius*; it is introduced on December 9, along with several other units from Amsterdam to Budapest, Düsseldorf, Frankfurt, and Vienna. Long-haul multistop Electra service from Amsterdam to Khartoum begins on December 15.

During the year, a Publication Distribution Service is established. The somewhat secretive division begins a long-term project to persuade overseas customers to ship their printed matter to Amsterdam, where it is separated into individual pieces and turned over to the Dutch postal system ready to distribute to individual addresses in Holland or to other European postal systems.

The first airline in Europe to take delivery of a DC-8, KLM, on March 19, 1960, receives its first DC-8-32, which is employed to begin scheduled weekly revenue service from Amsterdam to New York's Idlewild Airport on April 16. DC-8-32 frequencies between Amsterdam and New York are advanced to daily on April 23 while Amsterdam to Amman L-188 service begins on April 30.

The fortieth anniversary of Amsterdam-London service is celebrated on May 17 when a DC-8-32, with the carrier's first pilot H. "Jerry" Shaw aboard as a passenger, flies the route.

Electra flights to Jeddah and Benghazi and L-749 service to Accra begins on November 1. Rotterdam-London flights are inaugurated on November 2. Amsterdam to Monrovia L-188 operations are started on November 5 via Casablanca, Las Palmas, and Konahey. Orders are placed for Douglas DC-8-50 jetliners. DC-8-32 Amsterdam to Sydney service is opened on November 20.

When the L-1049E *Isotoop* returns from two years of service with **Air Ceylon, Ltd.**, it is chartered to **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. The last of 12 Electras is received on December 14 and is christened *Sirius*.

In January and February 1961, support is given to the formation of the new South American carrier **VIASA (Venezolana Internaional de Aviacion, S.A.)**; DC-8-32 Caracas-Amsterdam flights on behalf of the new entrant begin on April 1. The same day, an L-1049E is leased to **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**; the two former **Thai Airways, Ltd.** L-1049Gs are also chartered to the Spanish flag line.

The carrier receives its first DC-8-53 on April 3; the second DC-8-53 establishes a new distance record of 6,890 mi. when it flies nonstop from Long Beach to Rome in 11 hrs. 17 min. on April 21.

On May 30, one of the Dutch carrier's Douglas DC-8-32s, under lease to the Venezuelan airline, is lost when it crashes into the Atlantic Ocean during a flight from Lisbon to Santa Maria, Azores (65 dead).

A DC-7C with 73 passengers from the U.S., lands safely at Prestwick, Scotland, on June 11 after an engine catches fire and drops into the Atlantic.

Flight 823, the L-188C *Sirius* with 7 crew and 29 passengers crashes 4 km. SE of Cairo while on final approach after a service from Rome on June 12 (20 dead).

In December, the company's interest in **Air Ceylon, Ltd.** is sold to **British Overseas Airways Corporation (BOAC)**.

Systemwide, enplanements total 1,398 million and 399,000 FTKs are operated. The company's first year of losses leads to the resignation of President Aler.

In 1962, KLM's new president, Ernst Hans van der Beugel, formerly of the Netherlands Foreign Affairs Ministry, hires the consulting firm of

McKinsey & Co. to offer suggestions for a return to profitability. Its report simply confirms staff and capacity reductions already underway. A DC-8-53 is leased from **Philippine Airlines (PAL)** in February. When PAL is unable to obtain a second ordered DC-8-53, its order is cancelled; KLM now steps in, purchases the jetliner, and in April leases the Douglas to PAL long-term.

Portuguese citizen E. da Silva is held at Amsterdam on April 16 after attempting to force a Santiago-bound DC-8-53 with 52 aboard to fly to East Berlin.

The leased L-1049E is returned from **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on May 28. A DC-7C with 62 aboard crashes just after takeoff from Lisbon on May 30; there are no survivors. The two former **Thai Airways, Ltd.** L-1049Gs leased to Iberia are purchased by that Spanish company on August 15. On August 30, **Surinaamse Luchtvaart Maatschappij, N.V. (SLM)** is finally officially registered and is given a DC-3.

In compliance with a Cuban government order, flights to Havana from Curaçao are suspended on October 24. Meanwhile, as additional Douglas jetliners become available, a concentrated effort is launched to dispose of propeller equipment, including the DC-7Cs.

Dutch rule in New Guinea ends and the subsidiary Kroonduif is shut down; its activities are taken over by **Garuda Indonesian Airways**.

Passenger bookings for the year grow to 1,455,000.

The first DC-8-55F freighter is placed in service in 1963. Having already reduced his staff by one-seventh and refusing to slice further, President van der Beugel resigns and is succeeded by banker Horatius Albarda, who undertakes a company reorganization leading to further reductions in staff and services. Curaçao-Havana services are resumed on August 12.

When the third Convair CV-880M is delivered to **VIASA (Venezolana Internacional de Aviacion, S.A.)** late in the year, it wears its own colors on its left side and those of KLM on the right.

A total of 1,466,000 passengers are carried, but a net loss of \$4.2 million is recorded.

Airline employment stands at 14,500 in 1964. Employing the VIASA CV-880M with the two-sided livery, KLM, on May 2, begins jetliner service from Curaçao to Miami. Curaçao to Paramaribo, Surinam, flights commence the next day.

On August 1, the West Indies Division is reformed into the wholly owned subsidiary **Antilliaanse Luchtvaart Maatschappij, N.V. (ALM)**. Late in the year, ALM and SLM begin pooled West Indian service. Fleet standardization continues, as all DC-3s, CV-340s, and most DC-7Cs are retired or transferred to the subsidiaries and two additional DC-8-55Fs join the fleet. An additional VIASA CV-880M is chartered for Caribbean operations.

Passenger boardings for the only European carrier exhibiting at the New York World's Fair rise 9% to 1.6 million. On total revenue of \$182.7 million, a net loss of \$1.7 million is suffered.

The workforce shrinks to 13,900 in 1965. When President Albarda is killed in a private plane crash, he is succeeded by Deputy President Gerit van der Wal. Service is started to Bucharest and frequencies to the Far East are increased. A subsidiary, **KLM Noordzee Helicopters, B.V.**, is created to service North Sea oil platforms and incorporated on October 12. Nine Vickers Viscounts and the last three DC-7Cs are sold as five DC-9-32s are delivered. Orders are placed for six more DC-9s and an additional DC freighter. Passenger boardings climb 7% to 1,705,000 and freight traffic jumps 17%.

A DC-8-55F and six DC-8-55s are delivered in 1966 and placed into service. One of the latter, flying from New York on April 5, arrives at Ferihegy Airport at Budapest after a 10 hr. 20 min. flight; the landing of the Douglas narrow-body represents the first scheduled intercontinental flight to pass through Hungary.

The commuter carrier **NLM Dutch Airlines, B.V.** is formed in August as a wholly owned subsidiary and incorporated on September 12. During the year, Dutch government interest in the airline is reduced to 49.5%.

Enplanements total 1,913,000 and 625,000 FTKs are operated.

The fleet in 1967 comprises 6 DC-8-32s, 7 DC-8-55s, 4 DC-8-55Fs, 2 DC-8-63s, 6 DC-9-55s, 5 DC-9-32s, 4 DC-7Fs, and 11 L-188s. Orders are outstanding for 5 DC-8-63s, 4 DC-9-32s, 5 DC-9-33RCs, 3 B-747s, and 6 U.S. SSTs, the latter on option. The new Schiphol Centre terminal is opened in April. Passenger boardings climb to 1,913,000.

Airline employment in 1968 is 14,243. The carrier undertakes extensive facilities expansion in New York and Holland during the year. Under construction at Schiphol is an eight-story headquarters building with an adjacent three-story computer center, plus a mammoth maintenance hangar.

Early in the year, all 11 L-188Cs are sold to **Universal Airlines**, which will convert them into freighters. The first is turned over to the U.S. carrier on March 14.

The last DC-7Fs are also phased out, making KLM an all-jet airline.

On March 29, the **British Eagle International Airways, Ltd.** BAC 1-11-205 *Stalwart* is leased for use during the summer charter season. It will be returned in August.

A DC-8-55F is purchased from **Philippine Airlines (PAL)** and is christened *Gerard Mercator*.

On December 31, the Dutch Antilles government acquires 96% majority control of **Antilliaanse Luchtvaart Maatschappij, N.V. (ALM)** with KLM retaining a minority interest. The independent airline is renamed **ALM Antillean Airlines**.

Freight accelerates 11% and passenger boardings pass the 2-million mark for the first time (2,050,000). Revenues ascend to \$211.44 million, allowing an operating profit of \$42.87 million and net gain of \$24.64 million.

The last of 11 L-188Cs is turned over to **Universal Airlines** on February 2, 1969. Later, a pair of DC-8-63s and one F.27 join the fleet, the latter for **NLM Dutch Airlines, B.V.**

A new three-level catering center is opened near New York (JFK) during the summer.

Enplanements grow only slightly, to 2,087,780. Revenues swell to \$311 million; although the operating profit is up to \$47.61 million, the net profit slips to \$20.39 million. Orders are placed for Boeing 747s.

Service begins to Casablanca, Kinshasa, Kano, Barbados, and Chicago in 1970. In February, two DC-9-33Cs and a DC-8-63 are received. In the same month, the KSSU Group for technical and operational cooperation is formed with **SAS (Scandinavian Airlines System)**, **Swissair, A.G.**, and **UTA French Airlines**; the multi-airline pact is signed for a 10-year period.

Freight climbs 6%, but passenger boardings do even better, up 14% to 2,423,000. Revenues advance to \$354.17 million; however, the operating profit dips to \$43.51 million and net gain drops to \$12.96 million. In terms of air freight carried, the Dutch flag line is now the ninth largest airline in the world; it ranks 12th in employment and 25th in fleet size.

The employee population stands at 16,755 in 1971. The first of seven B-747-206Bs, all named for major world rivers and the company's first wide-bodied aircraft, to be delivered on the year arrives on January 16; christened *The Mississippi*, it is placed on the New York route in February. It is the airline's first wide-body aircraft. On March 1, the KLM head office moves from The Hague to the newly constructed Amstelveen building. The B-747-206B *Donau* (The Danube) is received on March 5 and Jumbojet flights from Amsterdam to Tokyo via Moscow commence in April.

Also in April, and continuing through November, a joint venture route is opened with **Aeroflot Soviet Airlines** from Moscow to Amsterdam via Zurich. The weekly service is flown by four Soviet Il-62Ms wearing small KLM titles below the main Aeroflot titles on their fuselages. A third new wide-body, *Amazona* (The Amazone) enters service on May 21.

A 74-year-old widow, Mrs. S. Krasnoff, makes an estimated 160 roundtrip transatlantic flights with her 14-year-old grandson between July and September in an effort to keep him from his father, who believes the boy requires psychiatric help for personal problems. During the last of these trips, Mrs. Krasnoff, whom company officials reveal as

having spent \$140,000 on tickets, suffers a heart attack from exhaustion and dies in an Amsterdam hospital.

The last four B-747-206Bs are received between August 31 and December 15 and are christened, respectively, *Nijl* (The Nile), *Rio de la Plata*, *Rijn* (The Rhine), and *The Orinoco*. Enplanements for the year pass the three-million mark, rising to 3.130 million, while 1.24 million FTKs are operated. Revenues advance to \$449.66 million, but operating income falls to \$9.96 million and there is a \$30.11-million net loss.

The fleet in 1972 is increased by delivery in December of the first DC-10-30, christened *Ludwig van Beethoven*, and four DC-9-32s. The fleet is now 100% wide-bodied on U.S. and European routes. A total of 3.5 million travelers are accommodated. Revenues jump to \$557.32 million and the operating gain is \$27.52 million; the net deficit is reduced by almost half, to \$16.40 million.

Beginning on January 7, 1973, the carrier offers \$329 roundtrip New York to Amsterdam flights for chess enthusiasts that includes chess instruction from Dutch grand masters. Two additional DC-10-30s join the fleet in February and March and are named, respectively, *Frederic Francois Chopin* and *Maurice Ravel*; orders are now placed for a fleet of GE-powered convertible or combi Jumbojets, which will be named for aviation pioneers.

On August 1, after a long tenure, President van der Wal retires and is succeeded by Sergio Orlandi; Chairman J. E. de Quay and General Manager J. F. A. de Soet are replaced, respectively, by J. W. de Pous and B. van de Breevaart. The last of the first generation of DC-8s are sold and one more DC-10-30 is acquired.

On October 2, a DC-9-32, preparing for departure from Dusseldorf to Amsterdam, is taken over by a lone assailant, who is quickly talked out of his hijacking plans by the pilot. The man is arrested when police arrive aboard the Douglas.

En route from Beirut to New Delhi and Bangkok, Flight 861, a B-747-206B with 288 passengers, is seized over Iraq on November 25 by 3 members of the Arab Nationalist Youth for the Liberation of Palestine. After making a refueling stop in Damascus, the craft is forced to fly to Nicosia, where the hijackers demand release of 7 Arabs jailed since April for various offenses. After Cypriot officials reject this request, the plane takes off again, stops briefly at Tripoli, and on November 27, lands at Valletta, Malta. Once on the island, the pirates free all 247 passengers and 8 stewardesses, but depart again with 10 crewmen and KLM Vice President A. W. Withholt for Dubai. From Dubai, on November 28, the Jumbojet is flown to Aden and then back to Dubai, where the gunmen surrender the plane and their hostages in return for safe conduct passes.

Enplanements for the year are 3,785,600. Revenues ascend to \$665.53 million and the operating profit climbs to \$31.25 million; the net loss deepens to \$20.05 million.

Service to Aruba in the Caribbean begins in February 1974. The fourth and final DC-10-30, the *Johann Sebastian Bach*, is delivered in March. During the year, **NLM Dutch Airlines, B.V.** begins international regional flights. Under strong pressure from the U.S. government and competing airlines, the carrier, on July 14, drops a controversial rebate scheme under which travelers to Amsterdam aged 16 through 23 are paid \$50 for answering an opinion questionnaire from the Netherlands tourist office.

A DC-8-63, with 162 aboard, crashes while landing at Colombo, Sri Lanka, on December 4; there are no survivors.

Freight soars 22%, but passenger bookings overall dip 4% to 3,640,000. Fuel costs rise significantly, explaining a \$27.24-million loss on total revenues of \$889.02 million.

The workforce in 1975 is 16,700. New flight attendant uniforms are introduced and traffic rights talks commence with the U.S. The first two new B-747-206Cs are acquired on October 19 and December 15 and are christened, respectively, *Albert Plesman* and *Wilbur Wright*. Surinam gains its independence from Holland in November and on November 2, employing a DC-8-55 leased from KLM, begins service to Amsterdam as **Surinam Airways**.

Passenger boardings increase 8% to 3,931,200 and cargo falls 1%. Operating expenses, particularly fuel costs, are reduced by \$30 million, leading to a \$12.6-million profit.

The subsidiary NLM Dutch Airlines is renamed **NLM CityHopper, N.V.** in 1976. Charging that he was bumped from a flight from Aruba and thereby missed his January 3 inauguration, Riverdale, New Jersey, Mayor Howard Card sues the company for \$25,000.

Flight 366, a DC-9-32 with 82 passengers en route from Malaga, Spain, to Amsterdam on September 4, is commandeered just after takeoff by three pro-Palestinian gunmen, who force it to fly to Tunis for refueling.

The next day, the plane proceeds to Larnaca, Cyprus, and then takes off for Tel Aviv, but is turned back to the island after Israeli jet fighters prepare to intercept it. After receiving assurances of safe conduct, the gunmen release their hostages and surrender. They will be turned over to the government of Libya.

Bookings this year slip to 3.7 million, while 1.81 million FTKs are operated. The net profit reaches \$30.84 million.

When KLM repossesses its only jetliner on January 17, 1977, **Air Siam, Ltd.** is grounded.

On March 27, the world's worst aviation disaster grows out of terrorist actions. Just after noon local time, a bomb explodes in the passenger terminal at Las Palmas Airport; warnings are made concerning a second blast. As a result, all air traffic is diverted to Norte Los Todeos on Tenerife Island, Canary Islands. Two such flights are Pan Am Flight 1736, the B-747-121 *Clipper Victor* with 16 crew and 380 passengers flying to Europe from Los Angeles via New York, and KLM Flight 4805, the B-747-206B *Rijn* (The Rhine), with 14 crew and 234 passengers en route to New York from Amsterdam.

Unlike the KLM passengers, those aboard the Pan Am aircraft remain aboard and are ready to leave as soon as the ban on service to Las Palmas is lifted at 3 p.m. Unhappily, all of the taxiways are congested with other diverted aircraft and immediate departure is not possible. Pan Am 1736 is required to backtrack on Runway 12 for departure on Runway 30, but the entrance to Runway 12 is blocked by KLM Flight 4805, which is being refueled.

Finally, at 5:59 p.m., its refueling completed and all but one of its passengers reboarded, KLM 4805 is cleared by ATC to backtrack to Runway 12 and make a 180-degree turn at its end. At 6:02 p.m., Pan Am 1736 is cleared to follow the KLM Jumbojet. Pan Am 1736 is told to leave Runway 12 at the third taxiway. Three minutes later, KLM 4805 reports itself ready for departure and is given instructions, which are reported back to ATC, with the added words "We are now at takeoff." The *Rijn's* brakes are released and it begins to roll.

Meanwhile, ATC, knowing that Pan Am 1736 is still taxiing, advises KL4805 to stand by for takeoff until the *Clipper Victor* has cleared the runway. Not having takeoff clearance but, as the result of misinterpretation, in absolute conviction that it had been given, the Dutch Jumbojet continues.

At the last moment, the flight crew of the *Rijn* sees the *Clipper Victor* still taxiing down the runway and tries to climb away, becoming airborne after a 65-ft. tail-drag in an excessive rotation. The flight crew of the *Clipper Victor* immediately turns their aircraft to the right and applies full power.

Although KLM 4805 is airborne, it smashes through the top of Pan Am 1736's after fuselage, destroying it and taking off the tail as well. The *Rijn* flies on out of control before crashing and bursting into fire; flaming wreckage spills 1,488 ft. down the runway.

All aboard the KLM Jumbojet are killed, but 3 crew and 51 passengers aboard the Pan Am plane survive. To date, the 583 deaths at Tenerife continue to hold the top spot on a grisly list of accidents and death. Somewhat surprisingly, the tragedy results in only one small, 161-page paperback book, that by a survivor, Norman Williams, with George Otis, *Terror at Tenerife* (Van Nuys, Calif.: Bible Voice, 1977).

The Dutch line's booking continue to fall during the year, hitting 3,677,814. Still, the net profit jumps to \$36 million.

New service is inaugurated to Basel, Salonika, and Kilimanjaro in **1978**. Agreements for technical assistance are signed with **THY Turkish Airlines (Turk Hava Yollari, A.O.)** and **Iraqi Airways**. President S. Orlandini and Managing Director L. J. van Ameyden oversee a workforce of 16,500. With orders outstanding for two B-747-200Bs and two B-747-200Cs, the fleet now comprises 6 B-747-206Bs, 2 B-747-206Cs, 11 DC-8-63s, 5 DC-8-50Fs, 6 DC-10-30s, 9 DC-9-30s, 7 DC-9-30Fs, and 2 DC-9-15s.

Three passengers and female flight attendants subdue hijacker Paul Gokkel, who commandeers an Amsterdam–Madrid DC-9-32 flight on August 6 in an effort to reach Algeria. He will be extradited to the Netherlands, tried, and sent to prison.

Two more B-747-206Cs are delivered on September 1 and November 3 and are named, respectively, *Louis Bleriot* and *Charles A. Lindbergh*. Passenger traffic grows 9.1% to 4,046,000 and freight is up 8.1%. Total revenues of \$1.3 billion are earned and the net profit soars to \$63 million, a 75% jump.

Los Angeles, Helsinki, Khartoum, Lome, and Tangiers join the international route network in **1979**. Following the Chicago **American Airlines** crash, all DC-10-30s are briefly grounded. Two more B-747-206Cs are acquired on May 15 and August 17: the *Sir Charles E. Kingsford-Smith*, and the *Anthony H. G. Fokker*. They are joined on September 21 by the GE-powered pure passenger liner B-747-206B, *The Missouri*, which begins Amsterdam–Los Angeles service in April. Still, enplanements accelerate to 4,100,800. A \$39-million net profit is reported.

Airline employment is reduced 0.4% in **1980** to 19,230. Routes are offered to Belfast and San Jose. In January, an alliance is entered into with **Air U.K., Ltd.** that provides from Dutch ground handling of the British airline at Amsterdam in exchange for code-sharing on routes into Britain. The sixtieth anniversary of the Amsterdam–London line, the oldest scheduled air route in the world, is celebrated. The festivities are improved when word is received during the month that the company has received the 1979 “Cargo Development Award” from *Air Transport World* magazine.

A new maintenance hanger is completed and a second GE-powered B-747-206B passenger plane is received on September 11 and is christened *Ganges*. Following the outbreak of hostilities between Iran and Iraq in September, the carrier halts service to Tehran.

On November 3, three former employees receive \$17,500 each and lifetime passes allowing one around-the-world trip annually as settlement of their age discrimination suit. *The Indus*, another B-747-206B, arrives on December 15.

Freight rises 11.6% and passenger bookings are up 6.8% to 4.4 million. Total revenues climb 14.5% to \$1.543 billion, but expenses (again, primarily for fuel) jump 17.6% to \$1.535 billion so that this year's net profit is only \$7 million.

The employee population falls another 0.8% in **1981** to 18,753. New uniforms for female cabin and ground personnel are introduced, as are inaugural frequencies to Muscat, Stuttgart, and Atlanta. An improved business-class service is offered on select flights and a comprehensive marketing agreement is signed with **ALM Antillean Airlines** covering services over the Atlantic from the Dutch Antilles to Amsterdam.

A seventh B-747-206C, the *Admiral Richard E. Byrd*, arrives on September 29 and during the fourth quarter, complete shareholding is secured in Highmark International.

Boardings decline 3.1% to 4,293,000, but freight traffic totals 993 million FTKs. Cost reduction efforts allow a \$43.1-million net profit on \$1.43 billion in revenues.

The carrier in **1982** is one of six participating under an ICAO grant in the training of personnel for **Biman Bangladesh Airlines, Ltd.** A new cargo terminal is completed at Amsterdam.

A total of 4,655,580 passengers are carried and a \$28.6-million profit is posted.

The number of workers is cut 0.7% in **1983** to 18,965. Service is launched to Taipei and Salisbury, Zimbabwe. Four new Airbus Industrie A310-203s are delivered and begin service on high density European

routes and to some destinations in North Africa and the Middle East. Delivered in April, May–June, and December, they are christened, respectively, *Rembrandt*, *Albert Cuyp*, *Jeroen Bosch*, and *Marinus Ruppert*.

The first stretched upperdeck (SUD) B-747-300C, the *Dash-306C Sir Frank Whittle*, joins the fleet on September 30 as orderly retirement of the DC-8-63s begins.

Passenger boardings pass the five-million mark for the first time, accelerating 0.7% to 5,006,000 and cargo jumps 15.8% to 1.21 billion FTKs. Revenues swell 4.1% to \$1.3 billion and the net profit climbs to \$56.5 million.

The payroll is boosted 2.1% in **1984** to 19,365 as 10 B-747-206Bs are chosen for reconfiguration by Boeing to Dash-306 SUD standard over the next two years. New routes are opened to Doha, Larnaca, and Seoul. Two more A-310-203s are delivered in January and February and named *Jan Steen* and *Frans Hals*. Also in February, the KICK quality-raising program is initiated with mass sessions in a hangar at Schiphol East.

Systemwide, in-flight services are improved; meals and tableware are upgraded and free alcoholic beverages and earphones are offered in tourist class. In June, as a result of a new agreement between the Dutch and British governments, 10 new \$70 London–Amsterdam return services are introduced.

The second B-747-306C, the *Sir Geoffrey De Havilland*, arrives on September 13. In December, a restored DC-2, which is renamed *Uiver*, is employed to refly the famous England to Australia MacRobertson Air Race route of 1934.

Passenger bookings accelerate 4.3% to 5,223,150 and freight soars 16.8% to 1.42 billion FTKs. Total revenues jump 9.8% to \$1.2 billion; an \$89.8-million operating profit is thereby generated and an \$84.8-million net profit is realized.

The employee population is boosted 4.8% to 20,287 in **1985**. Service is inaugurated to Portugal, Lyon, and Dubrovnik. In January, February, and March, three additional A-310-203s join the fleet: *Vincent van Gogh*, *Pieter de Hoogh*, and *Jan Toorop*. Flights to Beirut are suspended in May.

In June, the carrier abandons an MD-80 order in favor of becoming the second European major to order the Fokker 100; a \$240-million request is made for 10 of the upgraded Fellowships. The last DC-8-63 is retired, and the last of 10 A310-203s, the *Johannes Vermeer*, enters service in September. In October, a \$385-million order is placed with Boeing for a fleet of 10 737-300s.

In November, the last 16 remaining DC-9s (6 DC-9-33RCs, 9 DC-9-32s, and 1 DC-9-15) are sold to United Aviation Services for 1987 turnover. In cooperation with the Utrecht University School of Veterinary Medicine, the company's pioneering Animal Hotel, located at the cargo facility at Amsterdam's Schiphol Airport where animals are held prior to shipment, is expanded and improved.

Freight remains level with 1984, but passenger boardings climb 4% to 5.4 million. Total revenues are up 4.8% to \$1.79 billion. The operating gain climbs to \$77.7 million and the net profit grows to a record \$88.6 million. At year's end, Europe's oldest carrier ranks 16th in the world in terms of airline revenues generated.

The payroll is cut by 5.4% in **1986** to 19,193. KLM is named “Airline of the Year” for 1985 by *Air Transport World* magazine in January and in February, twice-daily Schiphol–London (LGW) flights begin. In the largest New York airline equity issue since Howard Hughes' sale of his stake in **Trans World Airlines (TWA)**, the Dutch carrier offers 15 million common shares at \$20.50 each in March (government shareholding shrinks from 55% to 38.2%) and raises over \$300 million. In April, the carrier becomes the first in Europe to order the stretched Boeing 747-400.

The same month, it opens a new route to Calgary and Vancouver and joins **Sabena Belgian World Airlines, S.A.** (48.6%) in taking an interest (33.3%) in the regional carrier **Delta Air Transport, N.V.** The carrier and its **NLM CityHopper, B.V.** subsidiary transfer from Terminal 2 to the new Terminal 4 at London (LHR) in May.

In June, London–Tokyo flights begin over a trans-Siberian route via Moscow while in July, a corporate discount program is introduced for

U.S.-based concerns. In October, the KLM board elects J. F. A. de Soet to succeed President Sergio Orlandini upon the latter's September 1, 1987 retirement. From a high of 78%, Dutch government interest in the airline is now reduced to 54.8%.

Boeing's 5,000th jet airliner, a B-737-306, is delivered to the Dutch flag line in September. In fact, six new B-737-306s are added between September and December; these are christened *William Barentsz*, *Olivier van Noort*, *Cornelis de Houtman*, *Anthony van Diemen*, *Abel J. Tasman*, and *Michiel A. de Ruyter*.

Meanwhile, the carrier adds one last B-747-306C, the *Leonardo da Vinci*, on October 3, while retiring four DC-9-32s. In November, KLM signs a marketing agreement with **United Airlines** designed to provide better synchronization of flight schedules at the Dutch flag line's six U.S. gateways—New York, Chicago, Atlanta, Los Angeles, Houston, and Anchorage.

Customer bookings swell 3% on the year to 5,586,586 and cargo jumps 7% to 1.53 billion FTKs. Revenues plunge 10.1% to 1.89 billion, costs are down 10.5% to \$1.76 billion, and the operating profit is down by \$6 million to \$131 million. The net profit falls an even greater amount, from \$156.5 million to \$132.2 million.

Employment at the Dutch flag carrier increases by 4.8% in 1987 to 21,235. The board of directors, in January, rejects a proposed \$975-million purchase of the Hilton International Co. from Transworld Corp., which turns around and sells the 90-hotel chain to UAL, Inc., parent of **United Airlines**. Four additional B-737-306s arrive in January–March and are named *Petrus Plancius*, *Maarten H. Tromp*, *Jan H. van Linschoten*, and *Piet Heyn*.

The carrier inaugurates a nonstop B-747-306 trans-Siberian weekly flight between Tokyo and Amsterdam on April 3. At the same time, one of four weekly flights presenting operating between the two cities via Anchorage is discontinued. Compared to the Anchorage route, the Jumbojet shortens the transit time by some 4.5 hours. In May, all cargo-related functions are centralized, as Jacques Ancher becomes vice president-cargo for KLM Cargo.

Orders are now placed for a fleet of B-737-400s and direct, weekly A310-203 service is inaugurated from Amsterdam to Izmir. President de Soet takes office in September.

En route from Amsterdam to Milan on December 23, Flight 343, a B-737-306 with 97 passengers, is hijacked by a teenager claiming to have a bomb and demanding to be flown to Rome. On the ground at the Italian capital, he demands a \$1-million ransom, but does release half of his hostages. As what appears to be the payoff is brought aboard, the young pirate is overwhelmed by police.

Passenger boardings improve by another 15% to 6,399,000 while freight is up an equal 15% to 1.76 billion FTKs. Revenues climb to \$2.64 billion and allow operating income of \$152.5 million and a net profit of \$161.4 million.

The payroll grows another 7.3% in 1988 to 22,775. In March, the Dutch regional carrier **NetherLines, N.B.** is taken over while Orlando to Amsterdam B-747-306 service begins on April 1. Also during the spring, the carrier acquires the small package airline **XP Express Parcel Systems, N.B.** and takes shareholding in **Transavia Airlines, N.V.** and **Air UK, Ltd.**, plus a 35% stake in **Air Littoral, S.A.** An interest is also taken in the European trucking firm Franz Maas Beheer. A weekly B-747-281F all-cargo service is started on June 7, in cooperation with and employing the aircraft of **Nippon Cargo Airlines, Ltd.** between Tokyo and Amsterdam.

On August 11, Dr. Max Albrecht succeeds G. A. Wagner as board chairman and nonstop twice-weekly DC-10-30 flights commence in November. The B-737-306s *Willem van Ruysbroeck* and *Jacob van Heemskerck* arrive in November and December, respectively.

Customer bookings grow by 5.4% to 6,228,961 and cargo rises 8.5% to 1.87 billion FTKs. Revenues ascend 8.3% to \$2.3 billion and generate an operating profit of \$198 million and net gain of \$173.3 million.

The first two Fokker 100s, *Adriaensz*, *Leeghwater* and *Johannes Blaeu*, arrive in January and February 1989 and the last B-737-306,

Jacob Roggeveen, is delivered in March. Meanwhile, on March 5, the first Fokker 100, after only a few hours service, suffers a left main landing gear collapse upon landing at Geneva. Also during the first quarter, a request is received from **Air Littoral, S.A.** for the lease of up to six Fokker 100s.

During the spring, a contract is entered into with **Air Bridge Carriers, Ltd.** to provide nightly scheduled freight services between Holland and airports in the U.K. and Ireland; the outward bound flights to Amsterdam are known as The Midnight Express while return service becomes The Dawn Breaker.

The first B-747-406 destined for the manufacturer's European market is received on May 20; christened *Atlanta* (all future DASH-400s will be named for cities or countries), it is introduced in June, the same month the second new Jumbojet, the *Bangkok*, is delivered. Meanwhile, a major break with fellow Dutch company Fokker occurs in May. The last Fokker 100, the *Christiaan Huygens*, arrives in early June.

Late in the Fokker 100 delivery period and after incurring the airline's wrath over corrective actions, the manufacturer finds its long-time national customer cancelling the last 4 of its original order for 10 Fokker 100s and ordering B-737s with which to replace the first 6 as soon as possible.

During late spring, four B-747-206Bs are sold to **America West Airlines**, with two repainted and delivered in time for the new American major to use on its summer and fall schedules. At the same time, construction is undertaken on a major expansion of the cargo handling center at Schiphol Airport.

In July, a \$400-million stake, or about 60% equity, is taken via Wings Holdings in **Northwest Airlines**, as a significant joint step on the road to a global airline system. Plans are made to acquire a 20% interest in the **Sabena Belgian World Airlines, S.A.** subsidiary **Sabena World Airlines, S.A.**, similar to that taken by **British Airways, Ltd. (2)**. Together, the three carriers would also contribute to the creation of a major Eurohub at Brussels.

In August, the company becomes the first airline to begin flying the European flag on its aircraft; it is displayed alongside The Netherlands flag. Two additional B-747-406s, the *Calgary* and *Dubai*, arrive in September, along with the first three B-737-406s, the *Willem C. Schouten*, *Joris van Spilbergen*, and *Gerrit de Veer*. The airline's seventieth birthday is celebrated in October and a third weekly Amsterdam to Orlando roundtrip is initiated. Service to St. Martin, the carrier's 142nd destination, is also celebrated.

In November, it is announced that the remaining order for Fokker 100s will be diverted to **SAS (Scandinavian Airlines System)**, which has recently completed the return of its 100s to Amsterdam for structural strengthening. At the same time, a mutual cooperation agreement is signed with **Garuda Indonesian Airlines** covering expansion of joint services between The Netherlands and Indonesia, studies of human and fleet resource usage, further development of the hub and spoke systems of both carriers, and the joint development of Garuda's organization, management, and workforce.

On December 15, Capt. Karel van der Elst, with first officers Walter Vuurboon and Imme Visscher, the first ever female B-747-400 flight crew member, are flying Flight 867 from Amsterdam to Tokyo. All four engines of the B-747-406 *Calgary* with 234 passengers shut down temporarily when the Jumbojet flies through a cloud of ash from erupting Redoubt volcano at 25,000 ft. over Alaska. After gliding the plane to 13,000 ft. and 8 attempts, the crew is able to restart the engines in time to make a safe landing at Anchorage. Damage to the plane's body and wings from the sandblasting effects of the volcanic ash, together with engine injuries, will cost \$80 million to repair.

The year's enplanements swell by 3.9% to 6,539,883 and freight is up by 6.4% to 1.99 billion FTKs. Revenues ascend 8.8% to \$2.62 billion. The operating profit is \$206.8 million and net gain inclines upward 19% to reach \$180.9 million—the best ever.

Company employment is increased by 10.6% in 1990 to 25,195; this total now gives KLM the 16th largest airline workforce in the world.

The fifth B-747-406 is delivered in January and is christened *Melbourne*. It is followed by the *Freetown* in February and the *Guayaquil* and *Hong Kong* in April. Meanwhile, on March 1, a \$1.3-billion order is placed for 10 McDonnell Douglas MD-11s, with options taken on another 5. The last two of four B-747-206Bs are delivered to **America West Airlines** and three Fokker 100s are chartered to **Air Littoral, S.A.** All interest in Hotel Maatschappij Oud Amsterdam is sold on May 29.

A "Products 90s" quality-raising program is kicked off in June. During the same month, a "Europe by Design" summer vacation program is introduced that allows travelers, who must arrive at Amsterdam, to choose which of 14 other European cities they wish to visit. The **Sabena World Airlines, S.A.** plan falls through in July after KLM, **British Airways, Ltd. (2)**, and **Sabena Belgian World Airways, S.A.** each receive a statement of objections to the new entity from the European Commission.

During the same month, the carrier drops six months of investment conversations with the West German regional **Air Bremen, GmbH**. On the other hand, twice-weekly B-737 service is begun on July 14 to the former East German city of Dresden from Maastricht. Simultaneously, weekly B-747-306C roundtrips begin between Amsterdam and Baltimore (BWI); the service is increased to twice weekly on July 8.

Fokker 50s are delivered in July, August, and October and are christened, respectively, *Bremen*, *Brussels*, *Stavanger*, and *Dusseldorf*.

Following Iraq's invasion of Kuwait on August 2, the carrier begins several weeks of route suspensions, with services discontinued to Tel Aviv, Muscat, Dubai, Damascus, Dhahran, Jidda, and Riyadh. On August 10, KLM is informed that Nigerian officials have withdrawn its landing rights at Kano; although the twice-weekly flights to that city are cancelled, thrice-weekly service to Lagos proceeds per normal.

Two more B-737-406s arrive, also in August, and are christened *Marco Polo* and *Leifur Eriksson*. Shareholding in **Air Littoral, S.A.** is increased to 49% in September. In November, two additional B-737-406s, the *Vasco da Gama* and *Christophorus Columbus*, join the fleet.

The U.S. government, partly due to complaints from competitors and partly due to a law preventing overseas ownership exceeding 25% in a domestic airline, forces KLM by this month to reduce its **Northwest Airlines** investment to \$150 million and 5% of the American major's voting stock. In September, KLM joins the Frequent Traveler frequent flyer program of **USAir**.

On October 28, the Maastricht-Dresden route is turned over to **NetherLines, B.V.**, which flies it with a SAAB 340B. At the same time and as a result of a drop in demand due to the Gulf War, the company withdraws 5 of its 49 weekly services to the U.S. In Europe, frequencies are expanded to Lyon, Goteborg, Budapest, Madrid, and Manchester and withdrawn from Malta, Izmir, Ankara, and Palma de Mallorca.

B-737-406 roundtrips commence on December 17 between Schiphol Airport and Turin, four times a week.

Passenger boardings jump 5% to 7,438,616 and freight rises 6% to 2.13 billion FTKs. In terms of freight carried, KLM is now the eighth largest airline in the world. Expenses exceed income and there are losses: \$18 million (operating) and \$10 million (net).

The payroll is increased by 2.8% in 1991 to 28,660 and on January 1, Pieter Bouw is appointed president, succeeding the retiring J. F. A. de Soet. The Gulf crisis brings a suspension of service to Amman, Jordan, on January 3. As a result of the Gulf War, flights from Amsterdam to Muscat, Doha, and Dubai are suspended on January 21. Services to and from Istanbul are reduced from six to four per week.

Also in January, ski vacation packages are added to the carrier's Europe by Design program and allow skiers to visit Intertaken in Switzerland, Chamonix in France, and the Austrian cities of Innsbruck and Kitzbuehel.

Two more Fokker 50s, the *Eindhoven* and *Paris*, are delivered during the month.

In response to the fuel crisis and growing world recession, the airline announces in February that it will cut up to 1,100 positions and transfer another 2,000 workers to subsidiaries or subcontractors. Weekly service from Amsterdam to Muscat is resumed via Cairo on March 6; weekly

flights from Schiphol Airport to Tel Aviv start on March 8 and to Dubai, also via Cairo, on March 9.

During March, InterPost Systems USA, Inc. is established as a subsidiary to provide international publication distribution services for the American publishing industry. The new enterprise replaces the former KLM Cargo Division unit, KLM Publication Distribution Service.

By March 17, frequencies to Tel Aviv have been increased to thrice weekly, along with those to Muscat, which again becomes the company's intermediate stop between Amsterdam and Hong Kong. On this date, thrice-weekly flights begin again to Dhahran, followed by the same number of flights to Jeddah via Cairo on March 21.

A joint frequent flyer program is now entered into with **Transavia Airlines, N.V.** The major assumes a 40% stake in Transavia (the remaining 20% being held by private investors); however, the two will continue to operate independently.

Also during the month, a new business-class lounge is opened at the carrier's Schiphol Airport base. As of March 24, most of the intra-European schedule has been returned to its prewar level and the next day, all five of the withdrawn U.S. frequencies are reinstated.

As of March 31, four services to Cairo are flown each week and the Istanbul schedule sees five frequencies per week. Another Fokker 50, the *Stuttgart*, arrives in March.

The new subsidiary **KLM Cityhopper, B.V.** is formed in April by the merging of **NLM CityHopper, B.V.** and **NetherLines, B.V.** Simultaneously, thrice-weekly B-747-306 service begins from Amsterdam to Baltimore, a Saturday departure is added from Amsterdam to Newark, and in cooperation with **Northwest Airlines**, twice-weekly roundtrip flights begin from Amsterdam to Minneapolis (MSP).

Weekly DC-10-30 service is inaugurated on April 20 from Amsterdam to the Caribbean island of Bonaire. The return flight stops at Curaçao en route.

Two more B-747-406s are delivered in May and christened, respectively, *Jakarta* and *Karachi*. Celebrating three years of service to Atlanta, the carrier, also in May, presents a three-day floral-related program in conjunction with the city's Art in Bloom celebration.

With permission from the Japanese government, the carrier's five weekly roundtrips to Tokyo from Amsterdam are now made nonstops, and the intermediate landings at Anchorage are discontinued.

The final three Fokker 50s are delivered in May, June, and July and are named, respectively, *Hannover*, *Bordeaux*, and *London*. In the face of growing international competition in its own country, KLM, in June, receives authority from the government to increase its shareholding in **Transavia Airlines, N.V.** from 40% to 80% majority.

On June 17, **Air Littoral, S.A.** begins operating daily EMB-120 return flights on behalf of KLM from Marseilles, Toulouse, and Bordeaux to Amsterdam.

On June 25, code-sharing flights commence, in cooperation with **Cyprus Airways, Ltd.**, on the route from Amsterdam to Larnaca and via Larnaca to Amman and Damascus.

The Danish Supreme Court the next day fines six foreign airlines a total of Dkr 452,000 (\$64,570) for bringing illegal refugees to Denmark without visas or identity documents. The decision in the case against European operators KLM, **SAS (Scandinavian Airlines System)**, **Sabena Belgian World Airlines, N.V.**, and the defunct **Interflug**, plus **Iraqi Airways** and **Singapore Airlines** has been eagerly awaited by the some 50 airlines flying into Denmark.

The companies have argued that it is not their responsibility to do the police's work when checking in Denmark-bound passengers. Nor could they be expected to tell the difference between genuine and false visas and passports, or prevent passengers from tearing up their passports once on board the plane, as has often happened. The Danish Supreme Court is unconvinced by their arguments and orders the airlines to pay a fine of Dkr 8,000 per passenger illegally brought to Denmark.

Weekly A310-203 service resumes to Doha on June 29; a stop at Dubai is made on the Amsterdam-Doha leg.

For the first time in seven years, the carrier announces on July 1 that it will omit its dividend for 1990–1991. Three days later, an A310-203 resumes the weekly Amsterdam–Tehran service suspended in September 1980. The return service stops at Istanbul en route. With the exception of Kuwait, KLM has now resumed service to all of its pre-Gulf War destinations.

The airline yields to pressure from environmental groups on July 15 and agrees not to transport wild tropical birds into the U.S. Also in July, Jumbojet service to Baltimore is increased to four flights per week. Twice-weekly dual-designator service begins with **Cyprus Airways, Ltd.** on July 30 from Amsterdam to Beirut via Larnaca; the service is flown by a Cyprus A320-230.

In August, Baltimore to Reykjavik nonstop frequencies are expanded to five per week.

The company's share in Transavia is extended in October from 40% to 80% majority. The *Fernando Magalhaes*, the eighth B-737-406, is delivered later in the month as a 40% share is acquired in **ALM Antillean Airlines**. At the same time, 49% shareholding in **KLM Noordzee Helikopter, B.V.** is sold to Houston-based Rowan Companies and renamed **KLM/ERA Helicopters, B.V.**

During November, company publicists admit that discussions are underway with **British Airways, Ltd. (2)** concerning future cooperation; insiders read the release to mean merger discussions, which are in fact underway under the code name Project Sahara. The hope is to create a megacARRIER more capable of competing evenly with such U.S. majors as **United Airlines**. The 11th B-747-406, the *Lima*, arrives in December, the same month in which the company introduces its Flying Dutchman "World of Difference" loyalty program, becoming the first European airline to do so.

Routes now cover 148 cities in 77 countries. Customer bookings ascend 3.2% to 7,120,800 while cargo moves ahead by 4.5% to 2.22 billion FTKs. Although revenues are up 14.2% to \$4 billion, a disastrous first year quarter caused by the Gulf War brings yearlong failure. The operating loss hits \$153.9 million and there is a net loss of \$340.2 million.

The employee population is cut a slight 1.9% in 1992 to 25,599. The B-737-406 *Henry Hudson* arrives in January, followed by the B-747-406 *Mexico* and the B-737-406 *David Livingstone* in February. Project Sahara merger discussions held with **British Airways, Ltd. (2)** collapse in March when negotiators cannot agree on how to divided anticipated profits between each company. Simultaneously, the two airlines go to court in an effort to retrieve the BF 1 billion (\$30 million) each had invested in the stillborn **Sabena Belgian World Airlines, S.A.** joint venture carrier **Sabena World Airways, S.A.**

The first phase of a drastic Wave System rescheduling project is also initiated in March covering the European network. An austerity program is now put in place at **Air Littoral, S.A.** by its KLM management team; however, because the French line has not expanded as hoped, the Dutch flag carrier sours on its ownership participation and elects to retire from its commitment. Before that, however, it arranges for Air Littoral to fly additional wet-leased Fokker 100s on its French-speaking routes, four from March and six from October.

In April, the A310-203s *Jan Steen* and *Frans Hals* are leased to **Middle East Airlines, S.A.L. (2)** for three years and a marketing agreement is signed with **Mexicana Airlines, S.A. de C.V.**

Taking advantage of a new bilateral agreement between the U.S. and The Netherlands, KLM and **Northwest Airlines** announce plans in September to merge their operations and create a "global airline." The equity interest in **Northwest Airlines** is allowed by the U.S. government to reach 49%. During September, the carrier becomes the first from Europe to establish electronic clearance links with the U.S. Customs Service and U.S. Department of Agriculture.

In October, the Wave System rescheduling program is introduced systemwide. Thrice-weekly B-747-306C service is inaugurated from Amsterdam to Bombay on October 23. During the fall and winter schedule that begins on October 25, a number of new markets are opened.

That day, twice-weekly A310-203 flights begin from Amsterdam to Sana'a via Jeddah with Jeddah services now flown nonstop instead of via Cairo. The new arrangement with **Mexicana Airlines, S.A. de C.V.** begins on October 26, a date celebrated as the fortieth anniversary of the first KLM flight to Mexico City. The airline's schedule to Mexico is altered; service is no longer through Houston, but thrice weekly nonstop and via Orlando the other four days. KLM's passengers are able to smoothly transfer to Mexicana's extensive domestic network served by 250 flights a day.

On October 27, two of the carrier's thrice-weekly nonstop B-747-406 services to Johannesburg begin to stop at Cape Town. Simultaneously, twice-weekly B-737-406 return flights start to Kiev. The next day, weekly DC-10-30 roundtrips begin from Amsterdam to Bogota. Weekly flights begin on October 31 from Amsterdam to Calcutta via Delhi. The same month the 13th B-747-406, the *Orlando*, is delivered.

Having soured on its investment, the megacARRIER sells its stake in **Air Littoral, S.A.** on November 20 to the **Euralair International, S.A.** subsidiary *Compagnie Francaise d'Investissements Aeronautiques (CIFA)*, making certain to maintain its wet-lease on 6 Fokker 100s for the next 17 months. In December, the B-747-406 *James Cook* is received and an "open-skies" bilateral air agreement is signed with the U.S., which will allow a deepening of the **Northwest Airlines** alliance.

Passenger boardings for the year leap skyward 17% to 9,182,657 while freight moves ahead by 8% to 2.4 billion FTKs. Revenues grow 20.7% to \$4.27 billion and expenses are \$4.04 billion. As a result, there is a \$225-million operating surplus. Unfortunately, there is a net loss of \$117.43 million.

In 1993, Chairman Abrecht and President Bouw oversee a workforce of 26,163, up 2.2% over the previous year. The Dutch government now owns 38.2% of its flag carrier, which remains the only non-U.S. airline to have its common stock traded on the New York Stock Exchange.

Twice-weekly DC-10-30 roundtrips commence on January 1 between Amsterdam and Harare via Dar es Salaam, Tanzania and Lilongwe, Malawi.

On January 11, the U.S. DOT gives its final approval for KLM and **Northwest Airlines** to integrate their services and operate as a single carrier. Under a "Seal of Partnership" of intertwined logos, the two begin to join forces on January 31.

KLM Cargo opens a new regional Cargo Center at Linz, Austria.

The twelfth B-737-406, the *Roadl Amundsen*, is received in March and two B-747-406s are also delivered, one each in April and September and are christened *Nairobi* and *Paramaribo*.

Meanwhile, as of the start of the summer schedule on March 28, KLM will offer flights to 159 cities in 83 countries from Amsterdam. Thrice-weekly B-747-406 service is inaugurated from Amsterdam to San Francisco.

Merger discussions are held with **Austrian Airlines, A.G., SAS (Scandinavian Airlines System)**, and **Swissair, A.G.** in conjunction with the European Quality Alliance.

Under a code-sharing agreement negotiated between the two carriers, KLM on April 2 begins to fly **Japan Air Lines Company, Ltd. (2)** passengers between Amsterdam and Zurich and Amsterdam and Madrid.

Cooperation with **Northwest Airlines** is increased as the Dutch carrier receives access to Northwest's domestic markets under its code-sharing agreement; joint flights begin on April 4, creating the world's third largest airline system, linking more than 300 cities in 100 nations.

In addition to joint ground handling, flight catering, and frequent flyer programs, the two undertake thrice-weekly joint flights, employing **Northwest Airlines** DC-10-30s, between Amsterdam and Boston and Minneapolis (MSP). In the U.S., KLM begins to code-share Northwest flights from Minneapolis (MSP) and Detroit (DTT) to Dallas (DFW) and New Orleans. International code-sharing service is added in February by Northwest via KLM on flights to Berlin, Hamburg, Dusseldorf, Brussels, and Antwerp, all via Amsterdam. In America, KLM undertakes code sharing Northwest flights from Minneapolis (MSP) and Detroit to Denver and Seattle.

A code-sharing deal is inked with **Austrian Airlines, A.G.** at month's end for services over the route from Amsterdam to Vienna.

The Washington, D.C. terminus is switched on May 2 from Baltimore (BWI) to Dulles International Airport. Beginning on May 24, NS Netherlands Railways, KLM, Amsterdam Airport Schiphol, and the Netherlands Ministry of Transport and Public Works combine on a unique six-month trial. Passengers traveling by rail from the eastern and central Netherlands to Schiphol to catch KLM flights are able to check in their baggage on their train, if they have booked for this privilege ahead of time.

Also in May, a joint task force is formed with representatives from **Garuda Indonesia** to examine the possible joint development of cargo and tourist traffic between the Netherlands and Indonesia.

Frequencies on the San Francisco route are increased in June to four times a week. In cooperation with **ALM Antillean Airlines**, twice-weekly service is made possible to Havana; KLM flies the Europe to Curaçao leg, with ALM providing the flights on to Cuba.

The same day, a weekly return service is started from Amsterdam to Ho Chi Minh City via Kuala Lumpur. B-747-306Cs replace A310-203s on the route from Amsterdam to Karachi via Dhahran and from Amsterdam to Colombo via Muscat.

Having decided that market conditions no longer warrant a separate flight to Nagoya, KLM and **Nippon Cargo Airlines, Ltd.** begin shipping cargo for that city via Tokyo on July 8.

It is announced on July 20 that KLM and **Northwest Airlines** will expand their joint operations to all KLM flights in the U.S. and that the two will share revenues and costs of operating these flights.

Flight 110, a B-737-406 en route from Tunis to Amsterdam on August 15 with 135 aboard, is seized by an unidentified 55-year-old Egyptian and is diverted to Dusseldorf. On the ground at the German city, all except two flight crew members are freed as the pirate demands freedom for imprisoned militant Islamic cleric Sheik Omar Abdel Rahman, linked to the bombing of New York's World Trade Center. In darkness 10 1/2 hours after the plane's touchdown, the German antiterrorist unit GSG-9 springs into action, captures the perpetrator, and frees the hostages.

In August and September, KLM and **Northwest Airlines** expand their joint-venture service from Minneapolis (MSP), Detroit, and Boston to 11 additional U.S. domestic destinations, nine of which are served by the Dutch airline. On September 26, the partners link all nine of their transatlantic flights into their joint-venture, dual-designator service, with KLM flying routes to and from nine destinations and Northwest the remaining two. Thus, to illustrate, KLM services to and from New York, Chicago, Washington, Atlanta, Orlando, Houston, Los Angeles, and San Francisco will carry a Northwest "NW" code alongside their "KL" flight numbers.

On October 15, the Dutch and American partnership announces the beginning of identical tourist-class fares for flights between the Netherlands and U.S. The two airlines merge their Dutch cargo operations on October 21 under KLM Cargo.

During the fall, a new contract is negotiated with the local chapter of the Dutch Air Line Pilots Association, VNV; it provides the carrier's pilots with a 2.5% pay increase. The company and union agree to continue discussions on revising certain work rules. The company's first McDonnell Douglas MD-11, the *Amy Johnson*, is delivered on December 9.

Customer bookings for the year jump 19% to 10,892,074 as cargo swells 16% to 2.78 billion FTKs. The passenger count marks the first time in company history that 10 million travelers have been flown in a single year. Revenues advance 2.5% to \$3.39 billion as expenses remain level at \$3.12 billion. The operating profit bolts skyward to \$270.25 million as a net profit of \$133.33 million is generated.

Airline employment is cut by 8.1% in 1994 to 24,048. The B-747-406 *Rio de Janeiro* is introduced in January. In an effort to assist **CSA (Czechoslovak Airlines)**, the government of the new Czech Republic, later in the month and at its airline's request, orders KLM to reduce its Amsterdam to Prague roundtrips from 14 to 10 per week to more evenly

match CSA's 7. At month's end, the *Amy Johnson* enters services on routes from Amsterdam to the Caribbean and West Africa.

The B-737-406 *Alexander von Humboldt* arrives in February, followed by the MD-11 *Mari Montessori* in March. Meanwhile, on February 15, KLM and **Northwest Airlines** introduce World Business Class, a roomier and enhanced international business-class service offered at a regular business-class price. They are the first airlines from two different countries to offer a joint international service product and identical in-flight amenities.

The Mideast receives much-expanded service when the new summer schedule begins on March 27. Daily flights are offered to the Jordanian capital of Amman, with continuing service to Beirut four times a week and to Damascus thrice weekly. Bahrain is served daily — four times a week in combination with Muscat and thrice weekly with Dubai. Daily service is provided to Istanbul, but no longer in combination with Tel Aviv.

Also during the summer season, dual-designator flights with **Northwest Airlines** will grow to include another 28 North American destinations, including Anchorage, Baltimore, Richmond, San Antonio, Sarasota, Sioux Falls, and Ontario, California. Northwest will add its code to 19 more KLM destinations in Europe.

As **Air Littoral, S.A.** deepens its relationship with **Air France**, KLM, on schedule on April 1, recalls the six Fokker 100s it has had on long-term wet-lease with the French regional and places them into operation on its own network.

A global public offering of ordinary shares in April results in a gain of G 1.19 billion (\$625 million); with the purchase of 970,455 shares, the Dutch government retains its 38% voting stake. On April 15, the Operations Division is dissolved with Flight Operations and Cabin Crew combined into the new department, Flight Services.

In May, a block-space agreement is signed with **CSA (Czechoslovak Airlines)** covering flights from Amsterdam to Prague. Also during the month, a multimillion-pound contract is awarded to **Air U.K., Ltd.** for the line maintenance of the carrier's six Fokker 100s.

In July, a joint agreement is signed with **Emirates Airlines, Ltd.** covering all-cargo services; under its terms, the two airlines make plans to employ each other's cargo networks and distribution centers to enhance their freight possibilities. The third MD-11, the *Marie Curie*, arrives during the month.

A weekly, roundtrip freighter service is inaugurated on August 10 between Dubai and Amsterdam; the flight, later increased to twice-weekly, is made on a code- and cost-sharing basis with **Emirates Airlines, Ltd.**

Twice-weekly (later thrice-weekly) B-747-406 service is inaugurated on September 6 from Amsterdam to Osaka (KIX), Japan.

Dipping into its cash reserve of G3 billion (\$2 billion), KLM takes the September opportunity to purchase an additional 5% interest in **Northwest Airlines**. The \$180-million stake, acquired from Australia's Foster's Brewing Group (Pty.), Ltd., brings the Dutch carrier's shareholding in Northwest to 25%, the maximum allowed by U.S. law. At the same time, it also accepts its fourth MD-11, which is christened the *Florence Nightingale*.

KLM celebrates its seventy-fifth anniversary of its incorporation as a commercial airline on October 7; the anniversary theme is "Bridging the World." From October 24, KLM and **Martinair Holland, N.V.** turn KLM's previous thrice-weekly Orlando route into a joint-venture employing Martinair B-767-31AERs four times a week. Both airlines will market the service in the U.S. and Europe.

Later in the fall, plans are made to inaugurate flights to Memphis the following June. In November, joint return flights commence with **Air Aruba** between Aruba and Amsterdam. Later in the month and in December, two more MD-11s arrive, the *Audrey Hepburn* and *Annie Romein*.

Passenger boardings jump 8% to 11,755,487 while freight is up 15% to 3.2 billion ton kilometers. Revenues are up 6% to \$5.85 billion and expenses rise only 2.6% to \$5.36 billion. Consequently, there is an operating surplus of \$474.9 million and a net gain of \$338 million, both figures noted being later adjustments.

The workforce is increased a slight 0.6% in 1995 to 24,177 and four B-737-42Cs are leased from **Air U.K., Ltd.** French officials, who had resisted the move claiming **Air France** required time to recover from its recent ordeals, now accede to European Union demands and on January 1, open Orly Airport to KLM.

Also in January, the company establishes a B-767 maintenance unit, similar to its semiautonomous repair units, established earlier, to handle company Jumbojets, A310-203s, and GE CF-6 jet engines.

On February 22, KLM and leaders of six unions and employee associations representing company personnel agree in principle on the terms of a collective labor contract for 1995. Issues with the Dutch Air Line Pilots Association, VNV, remain unresolved.

During the first quarter, the cargo division is reorganized in an effort to provide closer relations with shippers and air freight forwarders who require long-term alliances. It is announced on March 15 that executives expect that, during the upcoming summer season, KLM will operate more than 41,000 flights with over 10 million available seats.

The summer schedule takes effect on March 27. That day, frequencies to Osaka (KIX) are increased to four per week (later six). Simultaneously and due to poor traffic, service is ended to Bogota, Montevideo, and Doha. At Schiphol Airport, a new "Back on Track" team springs into action; its task is to increase the punctuality of departures from Amsterdam's airport.

In Europe, flights to Nuremberg end, while, twice-weekly service is inaugurated to Almaty in Kazakhstan. In the U.S., the number of dual-designator domestic destinations increases by 30 to 126. Existing daily service to Minneapolis (MSP) and Detroit is doubled, with KLM and **Northwest Airlines** daily operating one code-sharing flight to both cities.

In April, a maintenance and overhaul agreement is signed with **Garuda Indonesia**; planning also begins for joint services from Indonesia to Amsterdam. Service to Hanover is suspended on April 29.

On May 1, a code-sharing agreement is signed with **Eurowings Luftverkehrs, A.G.** and several of the Dutch major's thinner routes are turned over to the German regional, including Hanover and Nuremberg, just dropped from the main line. A similar arrangement covering feed from Indian domestic destinations to the major's service from New Delhi is signed with **Jet Airways, Ltd.**

On May 8, the Dutch Air Line Pilots Association, VNV, files suit against KLM at the Amsterdam District Court in an effort to obtain the 2.5% pay increase promised in the 1993 contract. Additionally, pilots are displeased with management's plan to raise their retirement age from 56 to 60 and its failure to enter into the renegotiation of certain work rules. Yet another MD-11, the *Maria Callas*, enters service at mid-month.

Following informational picketing and a mini-walkout by pilots on May 30, the Dutch Air Line Pilots Association, VNV, schedules another 4-hr. strike on June 8. Once again, the airline reschedules its flights to avoid the hours specified for the job action. The Amsterdam court finds against the pilots association on June 15, but also rejects a countersuit by the airline requesting that the court force the flyers to continue negotiations with the assistance of mediators. KLM invites the union representatives to return to the table and finally, after four days of constructive negotiations, a settlement covering all unresolved issues (some dating from 1992) is signed between the parties on the evening of June 22.

Four-times-a-week MD-11 roundtrips between Amsterdam and Memphis commence on June 27. Both **Northwest Airlines** and **Federal Express** join city officials in welcoming the new service. A contract is signed with the International Lease Financing Corporation (ILFC) on June 30 for the charter of two B-747-4Q8Cs and three B-767-3Q8ERs. When the order is complete, KLM will have the world's largest fleet of combi Jumbojets.

The first two B-767-306ERs, the *Blue Bridge* and *Pont Neuf*, are delivered during July and August; the entire B-767 class will be named for world-famous bridges. In late July, joint weekly cargo flights commence with **Garuda Indonesia** over a route from Amsterdam to Jakarta via

Bombay and Kuala Lumpur, employing a B-747F leased from **Atlas Air**.

A code-sharing agreement is signed with **Garuda Indonesia** in late August. At the same time, a lease order for 4 (later 7) Fokker 70s is placed with their manufacturer.

The MD-11 *Ana Pavlova* is placed into service during September. During the month, the 4 weekly roundtrips from Amsterdam to Kiev are increased to 6.

A third B-767-306ER, the *King Hoessain Bridge*, arrives in October. During the month, the carrier suspends its 4-times-a-week service to Washington, D.C., which now becomes a daily dual-designator flight provided by a **Northwest Airlines'** DC-10-40.

With the start of the winter schedule on October 29, the number of flights to Johannesburg, Tel Aviv, Tehran, and Osaka is increased by 1 per week, while the number to New York and San Francisco is reduced by 1.

A new KLM Cargo sub-hub operation is opened at Zaragoza, in northern Spain, on October 24.

On November 1, the carrier teams with **Northwest Airlines** to provide U.S. passengers with the option to travel from Columbus, Georgia, to Amsterdam via Memphis. The same day, service is halted to Montevideo.

Employing a second B-747F wet-leased from **Atlas Air**, KLM Cargo introduces twice-weekly services on November 7 from Amsterdam to Penang, Malaysia. On Tuesdays, there are stops at Dubai, Kuala Lumpur, and Jakarta and on Thursdays, at Dubai, Kuala Lumpur, and Singapore.

Also in November, the company begins dual-designator service with **Aer Lingus Irish Airlines, Ltd.** on Irish flights between Amsterdam and Dublin. It also takes delivery of its final MD-11, the *Ingrid Bergman*.

In December, KLM files suit in U.S. Federal Court against **Northwest Airlines**, seeking to overturn a "poison pill" provision adopted by its partner's board of directors over the objections of its three KLM representatives. The move is allegedly taken as a self-protection measure against any effort by the Dutch carrier to increase its 19% equity in the Minneapolis-based major.

In mid-month, an planned agreement for shareholding in **Kenya Airways, Ltd.** is approved by the Kenya government. Contract negotiations with the company's pilots, broken off in November, are resumed.

Passenger traffic figures now also reflect those of **KLM Cityhopper, B.V.** and both, together, are up 5% to 12,285,517. Cargo swells 14% to 3.63 billion FTKs and is the highest amount carried by any European airline save **Deutsche Lufthansa, A.G.**

Operating income totals \$4.41 billion, a 3.2% increase, with expenses up 7.3% to \$4.07 billion. There is an operating gain of \$334 million, down from the previous year, and a net profit of \$326 million, also down. Both figures are later reduced, to \$237.82 and \$287.17 million, respectively.

Airline employment is increased by 7.7% in 1996 to 26,030. As the result of recent **British Airways, Ltd. (2)** announcements concerning its European expansion, speculation begins anew in late winter concerning the possible merger of the British and Dutch carriers.

Twice-weekly MD-11 services to Lusaka, Zambia, are inaugurated on January 10, when the one-stop roundtrip from Amsterdam via Nairobi to Lilongwe, is extended. The fourth B-767-306ER, the *Ponte Rialto*, is delivered in late January.

It is reported in the February 19 issue of *The Journal of Commerce* that the company has put on hold a planned freighter link between the western U.S. and Penang and is no longer looking for a partner for the rapidly expanding cargo market in India.

During the last week of February, KLM elects to replace three of its own people on the **Northwest Airlines** board of directors with people not affiliated with the Dutch flag carrier. The departure of KLM President Pieter Bouw, Managing Director Leo van Wijk, and Chief Financial Officer Rob Abrahamsen will allow the carrier to continue its

anti-takeover court challenge against Northwest without any suggestion of a conflict of interest. The first two Fokker 70s are delivered in February and are christened *Amsterdam* and *Bologna*.

On March 1, the company, having signed the official documents in Nairobi on January 11, officially takes a 26% stake in **Kenya Airways, Ltd.** Early in the month, the air ministry at The Hague completes a new bilateral agreement with the People's Republic of China. On March 20, KLM stock rises more than 3% as speculators guess—wrongly, as it turns out—that a merger deal with **British Airways, Ltd. (2)** is imminent.

When **Chalk's International Airlines** is purchased early in the year and transformed into **Pan Am Air Bridge**, KLM takes the honor of being the world's oldest continuously operated airline. New routes are inaugurated to Baku, San Juan, and Bologna and a joint service with **Kenya Airways, Ltd.** is inaugurated over a route from Amsterdam to Nairobi.

On March 31, KLM's twice-daily service between Amsterdam and Billund is transferred to Maersk Air, A.S. Eight-times-a-week B-737-306 roundtrips commence on April 9 between Amsterdam and Bucharest.

Also in April, dual-designator service begins aboard **Ansett Australia (Pty.) Ltd.** flights operating out of Sydney to Adelaide, Brisbane, Cairns, Canberra, and Melbourne.

During the same month, the B-767-306ER *Golden Gate Bridge* enters service.

On April 28, flights to Manila are increased to thrice weekly. B-747-406 flights are undertaken on April 30 from Amsterdam to Den Pasar via Surabaya twice weekly.

As a result of the flights to the Chinese capital begun by **Northwest Airlines** on May 1, the U.S.–Dutch partnership is now able to offer an “around-the-world” service via China. The *Lyon*, the third Fokker 70, arrives at mid-month.

During the first week of June, a conference is held at Minneapolis to focus on **Northwest Airline's** three-year recovery from near bankruptcy. Airline officials admit that cultural and personality differences are largely responsible for the erosion of the KLM–Northwest alliance, rather than the contest over stockholders' rights the Dutch airline leadership claims. KLM, the Northwest officials suggest, has confused alliance with governance.

Officials of the American airline, in light of the legal case filed by the Dutch, have adopted a strictly business approach to the alliance, which is working well financially. Meanwhile in Amsterdam, KLM President Bouw announces that, in light of the uncertain relationship between the two carriers, his airline is shelving for the moment a \$300-million plan to merge its international cargo operation with that of Northwest.

Also during the first week of June, an alliance is signed with **Nippon Cargo Airlines, Ltd.** to provide joint all-cargo B-747F service between Chicago and Osaka. In order to accommodate PRC sensibilities, the Amsterdam to Bangkok via Taipei route is renamed KLM-Asia.

A fourth weekly B-747-306C service is initiated on June 23 between Amsterdam and Seoul; **Korean Airlines/Korean Air (KAL)** will follow suit shortly thereafter. The same day, frequencies are increased by one weekly flight to Hong Kong, Johannesburg, and Cape Town. In Europe, one weekly service is added for Warsaw, Berlin, Budapest, Prague, Athens, Turin, and Istanbul.

When the summer transatlantic season begins this day, the company, in partnership with **Northwest Airlines**, increases its four-times-per-week services from Amsterdam to Memphis or San Francisco to daily flights. The number of code-share destinations on the Northwest domestic network is expanded from 150 to 178.

As a result of the new aviation bilateral agreement signed between the governments of The Netherlands and China, KLM, on June 26, is able to inaugurate twice-weekly nonstop B-747-406C flights from Amsterdam to Beijing.

In an effort to convince Northwest shareholders that a continuing alliance is the best way to defeat the proposed strategic alliance between

American Airlines and **British Airways, Ltd. (2)**, President/CEO Bouw announces on July 1 that his company will sell 6,654 shares of Northwest preferred stock back to the American major for some \$378 million. As the result of additional negotiations, a series of new agreements will be concluded over the remainder of the summer.

When KLM in July adds capacity and lowers roundtrip fares (to just £70) to compete on the London (CTN) to Amsterdam route, **easyJet, Ltd.** finds itself engaged in a fierce price war with the Dutch flag carrier. The new Dutch fares are marketed to customers seeking to switch to a more traditional service; the promotion is titled “Easy Choice.”

The approach is the same taken simultaneously by KLM partner **Air U.K., Ltd.** in its contest with new entrant **World Airlines, Ltd.** on the route from London (LCY) to Amsterdam.

KLM and **Air U.K., Ltd.** merge their frequent flyer programs in July as the seventh B-767-306ER, the *Tower Bridge*, is delivered. As the result of a May incident in which radiation levels are higher than a manufacturer's claims, the company during the month announces that it will no longer transport radioactive materials on passenger services.

On July 20, the B-737-306 service between Amsterdam and Bucharest is boosted to 10 roundtrips per week.

The last of seven leased Fokker 70s is delivered during August. At this time, the 4 Fokker F.28-4000s in the **KLM Cityhopper, B.V.** fleet are traded to **Air U.K., Ltd.** in exchange for the right to purchase the 4 B-737-42Cs that have been chartered for the past 18 months.

KLM makes a significant error in its fare war with **easyJet, Ltd.** in August when one of its officials grants an interview to the London *Financial Times*. The executive is quoted as saying that the “Easy Choice” price cuts are necessary “to stop the growth and development of easyJet and to make sure that this newcomer will not be able to secure a solid position in the Dutch market.” At this point, Chairman Haji-Ioannou directs the company's legal department to send KLM a letter accusing the airline of abusing its market dominance and asking it to cease and desist from such practices as selling seats below their cost.

Eurowings Luftverkehrs, A.G. begins thrice-daily ATR42-300 dual designator roundtrip flights with KLM on September 1 over a route from Cologne to Amsterdam. The next day, weekly roundtrips are inaugurated to Baku, Azerbaijan. In the same month, the B-767-306ER *Erasmus Bridge* arrives.

During the fall, **Air U.K., Ltd.** code-shares 12 daily feeder flights from U.K. destinations to Amsterdam; the number will increase to 14 early in the following year. Its new rival, **World Airlines, Ltd.**, is grounded on October 1.

KLM has not made the changes in its London–Amsterdam fare structure demanded by **easyJet, Ltd.** in August. On October 9, **easyJet, Ltd.** Chairman Haji-Ioannou lodges a 22-page complaint (including the *Financial Times* article) with the competition directorate of the European Commission at Brussels, stating that the Dutch major is engaged in predatory pricing tactics designed to chase easyJet out of Schiphol. The commission investigates.

The B-747-406C *Seoul* is delivered, also in October, along with the Fokker 70s *Toulouse* and *Turijn/Torino*.

In the face of rising fuel costs, the carrier adds a surcharge, beginning on November 1, to its fares, including those for joint flights with **Northwest Airlines**. The sixth Fokker 70 to be delivered since February, the *Berlin*, arrives at the end of the month.

Under its new alliance with KLM, **Kenya Airways, Ltd.**, beginning in November, operates an A310-304 replacement service from Nairobi to Amsterdam; in effect, one of Kenya's London flights travels by way of Amsterdam, allowing one of KLM's four weekly MD-11 services to be cut.

On December 16, executives announce that KLM will pay G 976.5 million (US\$560.2 million) to purchase an additional 13% of its common and preferred shares from The Netherlands government; the national stake in the airline will fall from 38% to 25%.

Customer bookings, minus those for **KLM Cityhopper, B.V.**, which is allowed to report its own, increase 5% to 12,934,690 and 3.78 billion

freight FTKs are operated, a 4% growth. Operating income soars 8% to \$5.43 billion and expenses rise 13.1% to \$5.39 billion. The operating profit drops all the way down to \$47.77 million and due largely to rising fuel costs, the net gain is reduced to \$123.9 million.

The employee population is reduced by 2% in 1997 to 25,500. In February, an alliance is entered into with **Sun Air (Pty.), Ltd.** that provides for code-sharing on the South African carrier's routes from Johannesburg to Cape Town and Durban. The B-767-306ER *Bosporus Bridge* enters service at the same time.

Also during the month, the company wins one and loses one in its ongoing dispute with **Northwest Airlines**. The Delaware Chancery Court rejects Northwest's motion to dismiss the KLM lawsuit, which may now go forward. On the other hand, a New York State court rejects a separate KLM suit regarding other Northwest measures.

On March 1, Surabaya is dropped from the twice-weekly route from Amsterdam to Denpasar. KLM now flies Amsterdam-Denpasar via Singapore.

The company and **Air U.K., Ltd.** merge their marketing and sales operations on April 1, creating a strong competitor for **British Airways, Ltd. (2)** in the British air transport market. Stelios Hajilaonnon, owner of the U.K. start-up carrier **easyJet, Ltd.**, complains to the EU that KLM has employed predatory pricing techniques and dominant market position, in violation of EU competition rules, to drive his carrier out of the Netherlands.

The fuel surcharge imposed the previous November is removed on April 15. The next day, a company B-747-406 near Los Angeles (LAX) unexplainably comes within 400 feet of a **VASP Brazilian Airlines (Viacco Aerea Sao Paulo, S.A.) MD-11**.

At Houston (IAH) on April 20, an **Air France** B-767-328ER, with an unspecified number of passengers on board and number one in sequence for takeoff at the run-up area for Runway 14L, reports to ATC that it is not ready to depart. KLM Flight 662, a B-747-306C with 15 crew and 284 passengers, is cleared to taxi around the French aircraft and precede it in departure. During the maneuver, the right wing of the Dutch aircraft hits and slightly damages the left wing tip of the B-767. Both aircraft are returned to their respective gates and later released; both then take off without further incident.

On May 14, **Surinam Airways (SLM)** and KLM expand their joint roundtrip services between Paramaribo and Amsterdam from twice weekly to thrice weekly.

In cooperation with **Northwest Airlines**, nonstop service is started in May between Amsterdam and Newark. The B-747-406C *Tokyo* enters service late in the month, along with the last B-767-306ER, the *Zeeland Bridge*. The last four Fokker 70s have been delivered, one per month, since January: *Gothenburg*, *Frankfurt*, *Prague*, and *Birmingham*.

President/CEO and 30-year KLM veteran Bouw, who is credited with shaping KLM's pioneering alliance with **Northwest Airlines**, surprises the airline industry on June 22 by saying he will retire from KLM on August 5, because the "time is ripe for a transfer of leadership." Bouw will be replaced by 22-year KLM veteran Leo van Wijk.

The twice-weekly service between Amsterdam and Denpasar via Singapore is cut to weekly on June 23. On July 1, The Netherlands' stake in KLM is 11%, down from 28% in February.

In mid-July, KLM reaches agreement with British Air Transport Holdings, Ltd., owners of **Air U.K., Ltd.**, to purchase its 55% majority stake in the British carrier. The Air U.K. takeover, subject to European Commission approval, leaves that company as Dutch-owned, but operationally independent.

The long-simmering boardroom disputes with **Northwest Airlines**, together with the lawsuits growing out of it, are settled by the two partners on July 31. In effect, they will now become alliance partners, not equity partners. A decade-long commercial and operational partnership document is signed that allows each company to appoint a member to the other's board of directors. Additionally, a compact is entered into by which Northwest will be able to purchase back, in four tranches over the

next three years, the 19% stake held by the Dutch line. KLM will earn a profit on its investment estimated at between \$500-600 million.

With the ticklish legal and financial matters concluded, the two companies announce that their working relationship will be intensified. New joint cargo and passenger services will be introduced and talks with other potential alliance partners will be undertaken.

Two Airbus Industrie A300B4-203Fs, first flown as passenger aircraft by **Air France**, are leased to **HeavyLift Cargo Airlines, Ltd.** in July from S-C Aviation.

On August 1, discussions commence with **Alitalia, S.p.A.** concerning a possible strategic alliance. A \$200-million (\$95-million) arrangement is concluded in August with the Norwegian shipping concern Ludv. G. Braathens Rederi for the acquisition of 30% shareholding in **Braathens SAFE, A.S.**

Simultaneously, the two, spurred on by the pending alliance between **American Airlines** and **British Airways, Ltd. (2)**, negotiate a strategic marketing partnership that will include code-sharing, frequent flyer program linkage, and coordinated customer and airport services. The Bouw-van Wijk management change occurs on August 5 and, late in the month, the B-747-406C *Beijing* enters service.

The first HeavyLift A300B4-203F enters service in August and is flown on behalf of KLM under subcontract. On weekdays, the freighter, flown by **TransAer International Airways, Ltd.** under another subcontract, provides lift between KLM's Scandinavian hub at Skavsta, Sweden, and Amsterdam. On weekends, the Airbus flies from Amsterdam to Bologna, Italy, and Zaragoza, Spain.

Having decided to concentrate on its core business of offshore support, Leiden-based Schreiner Aviation Group on September 1 purchases the 51% controlling interest in **KLM ERA Helikopters, B.V.** held by KLM. The remaining shares are held by the Rowan Co. via its subsidiary **ERA Aviation**. The sale includes 6 Sikorsky S-61Ns and 5 S-76Bs.

The European Union Commission schedules hearings into the complaint by **easyJet, Ltd.** that KLM has engaged in unfair practices against it. Documents have been gained from KLM and experts suspect that the start-up might actually win its claim against the Dutch major.

Also during the ninth month, negotiations are begun with **Japan Air System, Ltd.** concerning the possibility of a cooperative agreement.

The EU Commission, on September 23, grants approval for the acquisition of sole control over Air U.K. Holdings, Ltd. The price is still not disclosed.

On September 29, the new KLM-Northwest joint-venture 10-year agreement is signed by KLM President/CEO Leo van Wijk and Northwest President/CEO John Dasburg in New York ceremonies.

According to the terms of the pact, KLM will receive \$1.2 billion over the next three years for the shares it holds in the American major, or a \$400 million profit on its original investment. Northwest will repurchase all of the common and preferred shares held by KLM in four tranches beginning this day. The schedule calls for 6.8 million common shares and all of the remaining preferred shares to be sold back for \$324 million in 1997; 4.9 million common shares to be returned in 1998 (\$210 million); 3.2 million common shares in 1999 (\$147 million); and 10 million common shares in 2000 (\$491 million).

As a result of these transactions, KLM's common stock voting position in Northwest will decrease from 19% to 17% in 1997 to 13% in 1998, to 10% in 1999, and to 0% in 2000.

In addition, KLM President van Wijk will join the Northwest board while Northwest President Dasburg will sit with the leaders of the Dutch major. A process for adding new partners to the compact is worked out; almost immediately thereafter, KLM opens discussions with **Alitalia, S.p.A.** and **Air France** on the subject.

Plans are unveiled for a single marketing force, which will be in place for the two carriers around the world next year, and a steering committee and employee joint task forces are established to coordinate further integration.

For example, a number of joint task forces are set up to determine and implement improvement recommendations concerning airport check-in,

yield management, ticketing and reservations, and other computer-based applications. Another task force devoted to joint networking determines which airline flies which alliance route; revenues are divided between the partners regardless of which airline operates a given frequency. Already highly profitable, the alliance is now performing 160 weekly dual-designator transatlantic services plus code-sharing on many other routes.

On October 1, Amsterdam's Schiphol Airport begins to enforce two new restrictions against noise. The first cuts down on the operations of wide-bodies from the field during night hours, while the second results in the closure of the outer runway to use as a second runway for departures and arrivals during peak hours. KLM and other airport occupants immediately protest the actions, suggesting that they will hurt its abilities to further its global alliance structure while at the same time causing much inconvenience for its passengers.

Thrice-weekly dual-designator service with **Northwest Airlines** begins on October 3 from Delhi and Bombay to New York via Amsterdam. The inaugural flight of the first Northwest DC-10-40, unfortunately, is scrubbed when the wide-body is hit by mechanical failure that forces its grounding. Passengers are transferred to rival company flights. The service is relaunched the next day.

Also in early October, the company begins to code-share with **Regional Airlines, S.A.** over routes from Amsterdam to Marseilles and to Clermont. Financial and marketing links between the two carriers will be intensified. It also inaugurates dual-designator service with **Transavia Airlines, N.V.** between Amsterdam and Casablanca.

Twice-weekly direct roundtrip B-747-406C service is inaugurated on October 28 from Amsterdam over Russia to Sapporo and Nagoya, Japan. The same day, a code-sharing pact is signed with **Japan Air System, Ltd.**; it is set to begin in February. Also during the month, exact conditions for the equity purchase into **Braathens SAFE, A.S.** are finalized.

The weekly service from Amsterdam to Denpasar via Singapore is dropped on November 1. The only KLM service to Indonesia is the daily roundtrip flown from Amsterdam to Jakarta via Singapore.

Also on November 1, KLM and **Surinam Airways (SLM)** introduce new, permanent low fares on flights between Amsterdam and Paramaribo.

A preliminary report on the work of the KLM-Northwest task forces is released in early November. It is noted that the 10-year alliance extends geographical coverage from Europe to U.S. to include Europe to Canada, Mexico, and India. The two begin sharing Passenger Name Record data, which details the carriers' passenger relationships. Negotiations with **Alitalia, S.p.A.** and **Air France** continue.

In addition to the August KLM pact, which is seen as a way to contest **SAS (Scandinavian Airlines System)** domination of the Norwegian domestic and European regional markets, **Braathens SAFE, A.S.** on December 1 also initials a similar strategic, but nonequity, alliance with **Northwest Airlines**. The same day, KLM-Northwest announces that it will launch a joint, daily roundtrip service the following May from Amsterdam to Philadelphia; a Northwest DC-10-40 will be dedicated to the route.

On December 14, the carrier and **Alitalia, S.p.A.** complete negotiations and announce the formation of a nonequity strategic alliance. With a priority goal of creating a combined multihub system based on Amsterdam, Milan, and Rome, the two agree to concentrate initially on expanded, dual-designator European routes, transatlantic services, and cargo operations.

As part of the latter design, the company, in December, enters into agreements with the freight transportation concerns KLM Cargo, Trailstar, and Jan de Rijk, which will coordinate the rail shipment of air freight goods from Milan to Schiphol Airport at Amsterdam for onward flights aboard KLM aircraft.

During the month, **British Airways, Ltd. (2)** announces plans for the inauguration of its own low-cost division during the following spring. Such a prospect so disturbs **easyJet, Ltd.** that Chairman Haji-Ioannou

drops his claim against KLM in order that the European Union's competition division might focus its attention on investigating this new threat. The last B-747-406C to be received is the *Vancouver*, delivered at year's end.

Passenger boardings jump 12% to 14,507,062 while cargo dips 0.4% to 3.86 billion freight FTKs. Operating revenues accelerate 29% to \$6.68 billion, while expenses are just \$6.2 billion. The G 811-million (\$405.5-million) operating profit sets a new record. Much of the \$1.1-billion net gain comes from the Northwest equity sale.

At the beginning of 1998, KLM is the 12th largest airline in the world in terms of operating profit, 14th largest in operating income, 22nd largest in passenger boardings, and 23rd in fleet size. Airline employment stands at 26,923 and the company owns 91 airplanes, all of which are Stage III certified: 38 B-737s, 32 B-747s, 10 B-767s, 9 MD-11s, and 2 Fokker 100s.

In January, **Air U.K., Ltd.** is renamed **KLM U.K., Ltd.** and **Air Exel Commuter, C.V.** is rebranded **KLM Exel, C.V.** The move, also involving **KLM Cityhopper, B.V.**, is made to better integrate feeder services; the combined fleet of 72 regional aircraft is repainted in a new blue and white livery with silver accents.

The rail-air shipment of goods out of Italy begins during the month. New partner **Braathens SAFE, A.S.** changes its corporate image, becoming **Braathens, A.S.**, and KLM indicates that it will purchase the 50% stake in **Martinair Holland, N.V.** held by Royal Nedlloyd, N.V.

During the first month, KLM and **Northwest Airlines** share the 1997 "Airline of the Year" award from *Air Transport World* magazine. At the same time, the two global partners agree to accelerate Northwest's repurchase of KLM's remaining stake in the Minneapolis-based airline.

Simultaneously, a memorandum of understanding is signed with **Malaysian Airlines, Ltd.** under which the two companies will explore all avenues of commercial cooperation, including frequent flyer programs, joint ground handling, marketing and sales. Dual-designator services will be undertaken between Amsterdam and Kuala Lumpur.

The dual-designator pact with **Japan Air System, Ltd.** takes effect on February 1. It also includes cooperative marketing and linkage of the frequent flyer programs of the two airlines.

Back-dated to January 1, the 50% Royal Nedlloyd, N.V. stake in **Martinair Holland, N.V.** is officially purchased on February 5. Martinair is allowed to retain its independent identity pending conclusion of what will prove to be a lengthy European Commission review. Also during the month, arrangements are completed with ILFC for the charter of a B-767-3Q8ER for seven years, beginning in March 1999.

On April 5, KLM and **Northwest Airlines** introduce daily nonstop service from Seattle to Amsterdam, the only Seattle to Amsterdam nonstops available.

The carrier and **Northwest Airlines** close their financial arrangement on May 1. Northwest repurchases KLM's remaining 18 million shares of its stock for \$775 million in cash and senior unsecured notes.

Philadelphia-Amsterdam Friendship Day is also celebrated on May 1. At a press conference at Philadelphia, a proclamation is read from the Mayor of Philadelphia recognizing the event. Mayor J. van Houwelingen of Haarlemmermeer (the Dutch city that is home to Schiphol Airport) is given a copy, along with a replica of the Liberty Bell. The guest, in turn, presents his host with traditional Dutch wood shoes. Thereafter, **Northwest Airlines** and KLM kick off new daily nonstop return service between Philadelphia and Amsterdam.

A new code-sharing agreement begins on June 1 with **Northwest Airlines** dual-designator partner **Alaska Airlines**. The two will link their frequent flyer programs on selected routes, enter into schedule coordination, and share codes on certain Alaska flights connecting with KLM services to Los Angeles and San Francisco. The arrangement is also extended to KLM services operated by **Northwest Airlines** from Seattle.

Following upon the earlier memorandum of understanding, the carrier, on June 19, signs a commercial agreement with **Malaysia Airlines, Ltd.** that will introduce code-sharing on their seven (later eight) weekly nonstop services between Amsterdam and Kuala Lumpur. The pact is

timed to coincide with the opening of the new KLIA Airport at Sepang, near Kuala Lumpur. Malaysia will handle KLM flights in Kuala Lumpur and KLM will service Malaysia flights in Amsterdam.

Dual-designator services with **Malaysia Airlines, Ltd.** commence on July 1. Employing B-747-4H6, Malaysia (using KLM's "KL" code) begins thrice-weekly roundtrips from Kuala Lumpur to Amsterdam, while placing its "MH" designator on the four weekly nonstops KLM already operates between the two nations. Plans are announced for an upgrade of the service at the end of the year; Malaysia will switch to B-777-2H6 IGWs and increase frequencies to four-per-week.

On July 6, The Netherlands government and KLM reach agreement on the complete withdrawal of the government as a holder of KLM common shares. KLM also reaches agreement with the KLM Flight Personnel Pension Fund Foundation on the repurchase by KLM of all KLM Participation Certificates held by the Pension Fund.

For a new order of eight B-737-806s, to be delivered between 1999 and 2000, the company, on July 8, announces that all will be named after birds: *Swan, Falcon, Grouse, Eagle, Hawk, Swallow, Crane, and Goose*. This will be the first time in 50 years that KLM aircraft have been named after birds.

The same day, the board of the KLM Flight Personnel Pension Fund Foundation approves the proposed privatization plan of July 6, as do priority shareholders.

The Dutch major begins discussions with **Cathay Pacific Airways (Pty.), Ltd.** on July 14 concerning a possible strategic partnership. The talks are announced by CEO van Wijk during a visit to Bombay.

The privatization plan is submitted to the August 4 annual general meeting, where it also wins acceptance. Although the government will continue to hold 11,750,000 preference share-A and 1,300 priority shares (15% voting stake), thereby enabling KLM to continue to operate as the Dutch flag carrier whenever necessary. On August 6-7 and 10, 118,470,723 common shares and 4,844,711 participation certificates are traded on the AEX Amsterdam Exchange. The proceeds from the stock sale are effected on August 14.

As their colleagues at **Northwest Airlines** move toward a strike at the end of the month, leaders of the Dutch Air Line Pilots Association, VNV, calls upon its members on August 19 to join the American flyers in a job action if it occurs. The airline announces that it will take the VNV to court if the union does not respond within a specified period to an urgent request by KLM not to call KLM pilots out in a sympathy strike. When the VNV fails to respond, KLM obtains a hearing before the president of the District Court of Amsterdam on August 20 to prevent a job action.

While en route over the Atlantic Ocean near Ireland on September 11, Flight 752, an MD-11, is involved in a double near-miss with a **Swissair, A.G.** MD-11 and a **British Airways, Ltd. (2)** B-747-436.

On September 27, KLM concludes an arrangement with **Federal Express (FedEx)** to sell the U.S. freight giant all nine of its MD-11s. The transfer to Memphis will begin in 2004.

Northwest Airlines pilots strike between August 19 and September 12. KLM will tell the Associated Press on September 28 that, although it continued to fly during the American partner's job action, it lost passengers who would otherwise have transferred to it from Northwest, so many in fact as to lose \$26 million worth of business.

A new agreement is signed with **Eurowings Luftverkehrs, A.G.** on October 14. The pact is designed to boost German market share up to 15% from the current 7% through an increase in capacity.

So positive are the negotiations between KLM and **Alitalia, S.p.A.** that on October 26, the cargo divisions of the two airlines, not waiting for a master agreement to be finalized, begin the first cooperative projects. Employing two KLM Cargo B-747-306Cs and three Alitalia B-747-243Fs as well as the KLM base at Amsterdam's Schiphol Airport and the Alitalia facilities at Milan and Rome, the two operate joint flights to 16 destinations in Europe, Asia Pacific, India, the Middle East, and Latin America. Although the two are able to expand their cargo networks in these areas as a result, they maintain, for political reasons, their

individual freight services over the Atlantic and their separate alliances with various other partners.

Two days later, the sixtieth anniversary of the first scheduled international service to Australia is celebrated with a special ceremony at Sydney Airport.

Under the terms of the upcoming code-sharing pact with **Alitalia, S.p.A.**, the subsidiary **KLM U.K., Ltd.** and the Italian major begin dual-designator flights on November 30 aboard the British line's Fokker 100s. Both companies will sell tickets aboard the services, which operate from London (STN) to Rome and from Manchester to Milan.

On December 17, the carrier and **Alitalia, S.p.A.** complete negotiations and announce the formation of a nonequity strategic alliance. With a priority goal of creating a combined multihub system based on Amsterdam, Milan, and Rome, the two agree to concentrate initially on expanded, dual-designator European routes, transatlantic services, and cargo operations. A multihub system will be developed at the airports of Rome and Amsterdam.

At year's end, planning begins for a large anniversary celebration on the upcoming October 7; on that date, KLM, the oldest airline still operating under its original name, will celebrate its eightieth anniversary.

On December 10, the carrier is forced to defend itself against claims that it has refused to carry a passenger suffering from the AIDS virus. It is pointed out that the passenger in question had been coughing violently and appeared very weak while on a flight from Harare to Johannesburg. It is determined that the customer is in no physical shape to undertake the remainder of his trip, two lengthy segments to Amsterdam and New York, with a layover. Unaware of the cause of his illness, but wishing to prove helpful, KLM rebooks the man on a direct **South African Airways (Pty.), Ltd.** flight from Johannesburg to New York.

Passenger boardings climb 4% to 15.07 million, while cargo traffic falls 3% to 3.71 billion FTKs. Operating profit plunges 48% to G 425 million (US\$206.4 million). Net gain falls to G 456 million (\$216.37 million), including a G 221-million gain from the sale of holdings.

It is announced on January 5, 1999, that KLM will abandon its plans to reequip with A340s and will, instead, seek additional MD-11s, including previously used units. The company had earlier agreed to sell nine MD-11s to **Federal Express (FedEx)**.

The company makes it known on January 28, that it has a shortage of flight attendants and will need to recruit 800 during the remainder of the year.

The European Commission, fearful of dominance on cargo routes from Amsterdam to North America and the Mediterranean, announces on February 1 that it will undertake an in-depth review of the **Martinair Holland, N.V.** merger with KLM.

An **El Al Israel Airlines, Ltd.** B-747-200 overshoots the runway while landing at Amsterdam's Schiphol Airport on February 9; the accident occurs in slippery conditions and results in the Jumbojet's nose gear sinking into the ground off the pavement. The incident has a greater impact on KLM, which is forced to cancel 25 intra-European and 4 intercontinental flights before the runway can be reopened.

The Italian news agency Ansa reports on February 21 that **Air France** is in discussions with KLM, **Northwest Airlines**, and **Alitalia, S.p.A.** concerning the possibility of Air France joining their global alliance. Northwest and KLM, it will be recalled, are also alliance partners of **Continental Airlines**, which is one of two U.S. airlines seeking a partnership with the French line. None of the suggested participants will confirm the story.

On February 23, breaking ranks with its partners, **Alitalia, S.p.A.**, through an unidentified spokesman, confirms that his carrier, along with **Northwest Airlines** and KLM are at the "very beginning" of alliance talks with **Air France**.

The CEOs of KLM, **Northwest Airlines**, and **Alitalia, S.p.A.** meet with **Air China International Corporation** officials in Beijing, also on February 23, to discuss bringing the Chinese carrier into their global alliance.

The next-to-last of 12 B-767-306ers is delivered on February 25 and is christened *Garibaldi Bridge*. The *Swan*, first of the Next Generation

B-737-806s, is delivered on March 1. KLM, simultaneously, places an order with Boeing for five more of the type, plus four B-747-406Cs. A B-767-3Q8 is immediately chartered from ILFC.

The Beirut *Daily Star* reports the next day that **Middle East Airlines, S.A.L. (2)** has complained to the government of Lebanon that KLM has been allowed to fly too many services into the capital city, thereby causing MEA's losses to deepen.

For business and environmental reasons, KLM flights are ended on March 28 between Amsterdam and the Dutch communities of Enschede and Groningen.

New long-haul, twice-weekly roundtrip service is introduced on April 5 from Amsterdam to Shanghai, along with the resumption of a twice-weekly roundtrip service to Beijing. The move coincides with KLM's celebration of its eightieth anniversary.

While en route to Athens, a shipment of 440 Chinese ground squirrels arrive at Amsterdam on April 12 without the proper import and health papers. Efforts are unsuccessfully made to return the animals to their Chinese exporter and to find them a home in a nation outside of Europe. Left with no option, the airline is forced to eliminate the squirrels.

When news of the incident leaks out the next day, protesters angrily react to an admission that airline workers had employed an industrial shredding machine for the slaughter. While confessing that it has "made a grave mistake on ethical grounds" in using such a method of execution, KLM indicates that it had no choice in the disposal after its failure to find a new home for the little animals. It also notes that all future shipments of ground squirrels from China have been barred pending an investigation.

On April 27, the company announces that it will sell its entire 10.63 million shares in the U.S.-listed travel services provider Galileo International.

The next day, the company, citing the complexity of the project, ends its joint venture with software developer The Baan Company on the development of maintenance software for the airline industry; Baan indicates that it will continue development on its own.

Following the ground squirrel debacle, the company, on April 29, bans all shipments of amphibians, reptiles, and rodents—including squirrels—on its flights.

In a joint statement with **Alitalia, S.p.A.** on April 30, KLM confirms that the two majors are offering dual-designator service under a temporary contract while the final documents of the commercial alliance are hammered out for signature. Original plans had called for the definitive alliance accord to be signed on April 15; the new projected date is November 1.

Also during April, a new joint marketing agreement is entered into with **Air Engiadina, Ltd.** and its new Austrian subsidiary Air Alps, GmbH. Under its terms, the two small companies, with their six Dorniers, become part of the Dutch major's global route network. Together, the two are rebranded as KLM Alps, GmbH. and repaint their aircraft in a modified version of the major's light blue and white livery. Small individual company titles are worn on the port side of aircraft fuselages, below the silver forward cheatlines.

On May 1, KLM Alps, GmbH. inaugurates thrice-daily roundtrips between Bern, Innsbruck, Salzburg, and Amsterdam. The new concern replaces **Tyrolean Airways, A.G.** on the service. Frequencies on the route to Sana'a, Yemen, are reduced, also on May 1.

Chief Financial Officer Rob Abrahamsen announces a buy-back plan on May 3 designed to reacquire up to a quarter of the airline's equity. The gambit depends on the sale of its stake in the Galileo computerized reservations system, in Equant, an airline communications system, share consolidation, and other considerations. If the scheme is approved by shareholders at their annual general meeting in August, it will take effect about two months later and will bring a distribution amount the ultimate size of which is not presently known.

The second Next Generation B-737-8K2, the *Valk* (Falcon), is delivered on May 10. At a New York press conference, also on May 10, it is announced that **Alitalia, S.p.A.** will join the multinational airline alliance operated by **Northwest Airlines** and KLM.

The representatives of the partners present indicate that their companies are asking the DOT to grant antitrust immunity to their joint venture, after which they will be able to set ticket prices together, code-share, manage seat inventories, and share services, costs, and revenues. Following approval, the first routes to be operated under the new joint venture will be from Detroit to both Rome and Milan.

This new partnership will form the core of a long-awaited fourth major global airline alliance, "Wings," which will be formally announced later in the year, probably in the fourth quarter. Before that time, it is anticipated that **Continental Airlines** will also become an alliance partner.

It is reported on May 11 that **Alitalia, S.p.A.** has integrated KLM's Italian sales operations within its own; meanwhile, KLM has absorbed the Italian line's sales operations in The Netherlands.

In a ceremony keynoted by Kenyan transport and telecommunications minister William ole Ntimama, **Kenya Airways, Ltd.** and KLM open their first joint sales office at a facility in Barclays Plaza, Nairobi, on May 13.

While on its takeoff roll from New Delhi for the continuation of a May 16 service from Calcutta to London (LHR), a B-747-406C suddenly experiences an engine fire. The liftoff is aborted and the pilot taxis the plane to a remote bay where firemen put out the flames. The evacuated passengers are put up overnight and resume their trip next day.

At the same May 19 news conference in which the 1998 profit decline is announced, CEO van Wijk notes that talks with **Air France** regarding the possibility of the French line joining the KLM/**Northwest Airlines** "Wings" group continue at an exploratory stage.

On May 25, KLM, in anticipation of a negative decision from the European Commission on its plan to take full control of **Martinair Holland, N.V.**, voluntarily withdraws its application to prevent the media attention that will be generated by a negative finding and to review its options in the case. The move is made after consultation with both Martinair and Royal Nedlloyd, N.V., the Dutch transport group that owns the stake KLM had sought.

The Financial Times reports on May 27 that Royal Nedlloyd, N.V. has begun to seek other investors interested in purchasing Martinair Holland, N.V.

While on approach to London (LHR) on a service from Amsterdam, flight attendants on a B-737-806 with 132 passengers, spot smoke coming from a lavatory. Five men burning documents are subdued and restrained after a brief, but violent fight. After the aircraft has landed, police enter the aircraft and another fight erupts as two men attempt to escape. All are arrested on suspicion of attempting to illegally enter the country.

Received at the end of May, the first **Schreiner Airways, B.V.** A300B4-203F enters service on intra-European routes, also on June 1, flying on behalf of KLM.

Service to Sana'a, Yemen, is suspended on June 15. The next day, twice-weekly flights are started to Riyadh, Saudi Arabia. The Next Generation B-737-8K2 *Korhoen* (Grouse) is delivered on June 30.

The August 23 issue of Malcolm Ginsberg's *Air and Business Travel News* reports that the proposed "Wings" global alliance is in serious jeopardy. Abstracting a report from the previous day's London *Financial Times*, the newsletter notes that a significant disagreement between KLM and **Continental Airlines** concerning linkage and revenue sharing on transatlantic flights risks termination of the grouping and creation of a new alliance without Continental.

New service is started to Tashkent on August 30. The same day, the fourth Next Generation B-737-8K2 *Arend* (Eagle) is delivered.

KLM Cargo serves notice on October 6 that it will not, in light of its forthcoming merger with **Alitalia, S.p.A.**, be renewing its contract with **HeavyLift Cargo Airlines, Ltd.** for the use of its two A300 freighters.

During the month, KLM's GSA in Baku arranges the start of a weekly Antonov An-24 passenger charter between the oil fields at and around Aktau and the Azerbaijan capital, where connections with a scheduled KLM flight are made.

At the end of October, the carrier and **Northwest Airlines** terminate their 16-month-old joint Philadelphia-to-Amsterdam service.

The union with **Alitalia, S.p.A.** becomes effective on November 1. Mario Pascucci, formerly vice president-Alitalia Cargo, is appointed managing director of the joint cargo venture, while Henny Essenberg, former KLM executive vice president/network organizer, is tapped as managing director for the joint KLM-Alitalia Passenger Venture.

Also on November 1, KLM and **Northwest Airlines** introduce their Select line of cargo services; dubbed "3-Speed," the product is offered as Select 100 for urgent cargo, Select 300 for standard cargo, and Select 700 for economy cargo.

Anticipated for some months, a joint marketing agreement is signed with **Continental Airlines** on December 15. Under its terms, the two carriers pledge to undertake code-sharing, reciprocal frequent flyer and lounge programs, and through check-in of passengers and baggage. The same day, **Northwest Airlines** is allowed to place its code aboard the daily KLM return service from Amsterdam to Nairobi and the Dutch line's thrice-weekly roundtrips from Amsterdam to Kilimanjaro and Dar es Salaam.

The KLM-Alitalia Passenger Venture is fully integrated by the end of December as over 100 joint managers are named and stationed at all 80 of the carriers' country organizations.

With the exception of its evening departures for Amsterdam from New York (JFK) and Montreal, the remainder of the carrier's 125-plane fleet remains grounded on New Year's Eve.

Passenger boardings are unreported. Freight traffic climbs 6.8% to 4,149,000,000 FTKs. Overall revenues for KLM Group are up 4.1% to \$6.05 billion, while expenses rise 5.9% to \$5.95 billion. Although the operating profit is down to \$91.14 million, net gain jumps to \$324.02 million.

Airline employment at the beginning of 2000 stands at 27,302, a 5.8% increase over the previous 12 months. Among the world's top 25 airlines, KLM is 9th in FTKs and 15th in employees, while KLM Group is 14th in operating revenue.

On January 6, a company plane and a **British Airways, Ltd. (2)** B-757-236 are in a holding pattern 9,000 ft. over the Essex village of Passingford Bridge awaiting permission to land at London (LHR). The pilots of both planes are able to take last minute evasive action and avoid a midair collision.

Also in January, KLM completes the earlier-promised infusion of E 100 million (\$93 million) to **Alitalia, S.p.A.** to assist the latter as it creates a joint North Italy hub at the new Malpensa Airport at Milan.

The last of 12 ordered B-767-306ERs is delivered on February 1 and is christened *Karmsund Bridge*.

While on a February 6 domestic service from Kabul to Mazar-e-Sharif, an **Ariana Afghan Airlines Company, Ltd. B-727-228A** with 128 passengers is taken over by armed gunmen, who order the jetliner flown on to landings in Uzbekistan, Kazakhstan, and Moscow. Passengers are released at each point, including 10 both at Kazakhstan and Moscow. On February 8, the aircraft is flown to London (STN) where negotiations open. The resulting confusion at the U.K.'s designated hijacking airport causes KLM to lose 28 flights.

When Italy reacts sluggishly in transferring flights to the new airport and privatizing Alitalia, KLM President Leo van Wijk is forced to take the unusual step of publicly announcing in February that the delay is forcing his carrier to completely reconsider the future of its joint venture with Alitalia. Under terms of the accord between the two airlines, KLM has the right to abandon the alliance if Malpensa's development into a joint hub is stalled beyond March 31.

On February 16, a wet-leased B-767-306ER is delivered to **Kenya Airways, Ltd.** to replace the A310-304 lost in January's tragedy over the Atlantic. It is employed on the code-shared route between Nairobi and Amsterdam.

A marketing and code-sharing agreement is signed with **Lithuanian Airlines, A.B. (Lietuvos Avialinijos)** on February 24. Under its terms, the partners are able to jointly operate a service from Vilnius to Amsterdam.

Although the Italians in March announce an interest in fully integrating with the Dutch carrier, the privatization of their own airline is once more pushed back.

At the beginning of the summer season on March 26, KLM ceases flights from Amsterdam to Basel/Mulhouse, Jeddah, Karachi, London (LGW), Riyadh, and Santiago de Chile. Having provided 30 days notice, KLM, which has also found it too expensive to conduct business there, ceases service to Baku, Azerbaijan, on March 31. The aircraft employed on the closed routes are transferred to the services from Amsterdam to both San Francisco and Tokyo (NRT).

Also beginning in March, the carrier initiates enhanced commuter service from Germany to Amsterdam under contract with **Eurowings Luftverkehrs, A.G.** The German originating cities include Berlin, Bremen, Cologne, Dortmund, Dresden, Dusseldorf, Hamburg, Hanover, Leipzig, Munich, Munster, Nuremberg, Paderborn, and Stuttgart.

Designed to combat rising fuel costs and discount operators and return to profitability, a major new cost-cutting plan, Operation Baseline, is announced at the end of March. The chief savings will be through a 7.9% staff reduction (2,700 positions), certain route reductions, and the retirement, beginning in August, of 7 aircraft. Fortunately for them, 60 cadet pilot graduates of the KLM Flight Academy who are among the layoffs will find immediate employment with **Deutsche Lufthansa, A.G.**

The current commercial and operational partnership with **ALM (Antillean Airlines, N.V.)** for joint operations between the Netherlands Antilles and The Netherlands is terminated on April 1.

On April 20, despite bitter opposition from Europe's carriers, the Italian government begins implementation of a long-delayed program to move flights from Milan's Linate Airport to Malpensa. The same day, one of the carrier's two daily summer season return flights between New York (JFK) and Amsterdam is given to partner **Northwest Airlines**, which has found itself with an extra available B-747-451.

All of this corporate and government confusion finally causes KLM, as is its right, to pull the plug on the pending **Alitalia, S.p.A.** operational merger as of April 28. Upon notice of cancellation, the Amsterdam-based major also demands repayment of its E 100 million (\$93 million) advance. Within a month, the Dutch and Italian flag carriers will have restored their own sales offices in 80 countries. A B-747-306C is leased to **Martinair Holland, N.V.** for a six-month period that begins on April 30.

Coming upon the heels of the April 28 breakup of the all-but-concluded operational merger with **Alitalia, S.p.A.**, KLM, in early May, begins discussions with **British Airways, Ltd. (2)** concerning a similar arrangement. The initially denied move reflects a certain amount of frustration by the British line over its inability to fully align with **American Airlines**.

Having taken delivery of four aircraft in 1999, the speed of delivery for the remaining units in KLM's Next Generation B-737-8K2 order picks up, beginning with the delivery of the *Havik* (Hawk) on May 18. To celebrate its status as the official airline of the "Euro 2000" European football championships being held in Belgium and The Netherlands, five of the Next Generation B-737-8K2s enter service with color schemes featuring a ball and players. Also during May, an interline agreement is signed with **Aeroflot Russian International Airlines (ARIA)**.

A fifth daily nonstop, code-shared roundtrip with **Northwest Airlines** is initiated between Amsterdam and Detroit (DTT) on June 1; the service will be flown through October 27 by a Northwest DC-10-41. Another Next Generation B-737-8K2, the *Zwalu* (Swallow), is turned over on June 15.

As a result of the growing uncertainty caused by the April "demerger" with **Alitalia, S.p.A.** and the new merger talks with **British Airways, Ltd. (2)**, the joint venture planned by the Dutch carrier with **Braathens, A.S.** is shelved on July 1. On July 3, frequencies are suspended between Amsterdam and Kristiansand.

New **British Airways, Ltd. (2)** CEO Rod Eddington and KLM CEO Van Wijk meet with EU Competition Commissioner Mario Monti on

July 7 to launch the official EU Commission review required before the proposed BA/KLM merger can be launched. Principal concerns include the number of flights by the merged partners to and from London and Amsterdam as well as international route rights.

Due to the BA discussions and KLM's financial uncertainty, plans for closer collaboration with **Braathens, A.S.** are shelved on July 9. KLM is named seventh best-managed company among non-state-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

Due to an increase in demand, the B-767-306ER wet-leased to **Kenya Airways, Ltd.** for use on the code-shared route between Amsterdam and Nairobi is replaced with a larger MD-11 on July 21. A Next Generation B-737-8K2, the *Kraanvogel* (Crane), is delivered the next day.

News circulates over the weekend of August 5-6 that merger talks with BA had nearly collapsed; they are reportedly saved by Chairman Van Wijk, who lowers KLM's stake demand in a consolidated carrier from 35% to 26%. The two companies announce on August 10 that discussions will continue and that formal merger documents will be filed with the European Union toward month's end.

A legal battle between KLM and **Alitalia, S.p.A.** is also started on August 10 when the board of the Italian carrier files an E250-million (\$228-million) claim against the its erstwhile partner, claiming the split-up is "illegitimate." The case will be heard in Amsterdam by an international panel (one Italian member, one Dutch, one neutral) in Amsterdam applying Netherlands Arbitrage Instituut procedure and using Italian law.

Two Next Generation B-737-8K2s, the *Gans* (Goose) and *Zilvermeeuw*, are delivered in August, one each on August 15 and August 23.

On August 22, *Flight International*, in its annual commercial airline survey, reports that KLM has the best load factor (77.4%) of any airline in the world.

Just after takeoff from Los Angeles (LAX) Runway 25L on an August 27 service to Amsterdam, Flight 602, the B-747-206C *Ganges* with 13 crew and 436 passengers, drops the center tailcone and aft cowl of its No. 3 engine, which has apparently been struck by birds. A safe return to the point of departure is executed, while witnesses find engine pieces at Dockweiler State Park, 1 mi. W of the airport. The NTSB will inform the airline on September 27 that the bird entering the engine was a western sea gull.

Code-sharing, frequent-flyer program reciprocity, and shared lounges with **Alitalia, S.p.A.** ends on August 31 and the "demerger" of the two airlines is completed the next day.

When, on the morning of September 2, maintenance workers at Amsterdam examine the wheel well of a company B-737-406 that had arrived from Moscow late the previous night, they discover the body of a dead 21-year-old Russian youth who had stowed away and died of exposure.

Two more Next Generation B-737-8K2s, the *Gierzwalu* (Swift) and *Sperwer* (Sparrow), arrive during September, one each on September 12 and September 26.

The arrangement with **Eurowings Luftverkehrs, A.G.** is modified on September 19; although the contract remains in place, Dresden and Leipzig will be dropped as service points beginning on October 29.

Having found that the final issues between them cannot be resolved, KLM and **British Airways, Ltd.** (2) end their merger discussions on September 22. The major stumbling block to a deal is structural, revolving around a BA demand for the control necessary to amalgamate the two carriers into one airline.

KLM celebrates its eighty-first birthday on October 7. All World Class passengers that day receive as a gift the 81st addition to the KLM collection of historic Dutch house miniatures, Het Goudkantoor, a replica of a historic building in Groningen.

The last of 22 B-747-406s received since 1989 is delivered on October 24 and is christened *Shanghai*.

The roundtrip service code-shared with **Northwest Airlines** from Amsterdam to India is boosted on October 29, with flights to Delhi increasing from four to seven and those to Bombay from three to seven.

The summer New York (JFK) to Amsterdam service operated by **Northwest Airlines** is reclaimed, as is service from Detroit (DTT) to Amsterdam.

The code-sharing agreement with **Malaysia Airlines, Ltd. (MAS)** is expanded on October 29. Under the arrangement, KLM adds three more flights between Amsterdam and Kuala Lumpur to match Malaysia's already provided daily services. The Dutch code is added to 55 additional Malaysia flights between Kuala Lumpur and 7 destinations in Australia and New Zealand, while the Malaysian designator is added to 75 weekly KLM-operated roundtrips between Amsterdam and 7 cities in Scandinavia.

Frequencies from Amsterdam are increased on October 29 by one daily roundtrip to Milan and Rome; by one weekly return service to Dar es Salaam, São Paulo, Kilimanjaro, and Hong Kong; and by two weekly roundtrips to Damascus and Helsinki (cargo only). The same day, B-747F twice-weekly roundtrip cargo flights from Amsterdam to Osaka (KIX) become thrice-daily. However, dual-designator service with **Regional Airlines, S.A.** now ends.

Martinair Holland, N.V. returns the leased B-747-306C on October 31. Simultaneously, the B-737-306 *Jan H. van Linschote* and the B-747-206C *Wilbur Wright* are retired.

The Amsterdam-Kuala Lumpur route, previously operated four times a week, becomes daily on November 1. On November 13, a memorandum of understanding is signed with **Kenya Airways, Ltd.** and **Martinair Holland, N.V.** for the establishment of a joint sales and service organization in Nairobi. When the organization comes into being in 2001, it will employ Nairobi Airport as a hub from which to fly leased freighters on intra-African services. Sales and services in the Kenyan and African cargo markets will also be handled. Another Next Generation B-737-8K2, the *Kluut* (Avocet), is turned over to KLM on November 27.

A three-month media campaign, complete with a lottery awarding automobiles, television sets, and vacations, is begun in Russia on December 1. It is hoped the advertising blitz will boost the previous year's traffic totals (Amsterdam-Moscow, 38,000 and Amsterdam-St. Petersburg, 58,000).

Also during the first week of the month, the B-747-206C *Louis Ble-riot* is retired.

It is reported on December 8 that the carrier has begun discussions with **Sabena Belgian World Airlines, S.A.** concerning possible commercial cooperation. KLM, it seems, is interested in taking over the Sabena route from Brussels to Johannesburg that is being suspended in March.

On December 12, KLM and **Eurowings Luftverkehrs, GmbH.** agree that, as of March 26, the Dutch national airline will assume full commercial control of the Amsterdam-Germany services currently flown by Eurowings. **KLM Cityhopper, B.V.** will immediately take over the Amsterdam-Bremen route, with the other frequencies gradually turned over by October.

The last of nine Next Generation B-737-8K2s to be delivered this year, the *Merel* (Blackbird), is received on December 16.

Sunday Business reports on December 17 that KLM and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** are, together with the venture capital firm Electra Partners, on the shortlist of purchase bidders drawn up by U.S. brokerage Goldman Sachs for the **British Airways, Ltd. (2)** subsidiary GO.

Chairman Van Wijk indicates on December 19 that the carrier is considering the elimination of service to Buenos Aires, Sydney, and Rio de Janeiro. At the same time, it is noted that capacity on the Amsterdam to Johannesburg and Cape Town route will be boosted on April 1.

An office is opened in Moscow at the end of the year. Simultaneously, it is learned that Managing Director/Chief Financial Officer Rob J. N. Abrahamsen will retire on July 25 and be succeeded by Rob A. Ruijter.

KLM ALPS, GmbH. See **AIR ENGIADINA, LTD.**

KLM CITYHOPPER, B.V.: KLM Royal Dutch Airlines, External Communications (AMS/DR), P.O. Box 7700, Schiphol Airport East, Amsterdam, ZL-1117, The Netherlands; Phone 31 (20) 649-2227; Fax 31 (20) 648-8154; <http://www.klm.nl>; Code KL; Year Founded 1988. The KLM (Royal Dutch Airlines, N.V.) subsidiary NLM City Hopper, B.V. is assigned the responsibility in April 1988 of managing the weakened commuter carrier **Netherlines, B.V.** That company is merged and initially operates as **NLM CityHopper/Netherlines, B.V.** A. J. Leyer is named managing director and the combined fleet comprises 3 Fokker 50s, 4 Fokker F.27-200s, 3 F.27-500s, 4 F.28-4000s, and 8 SAAB 340s.

Domestic destinations visited from Amsterdam's Schiphol Airport (East) include Eindhoven, Rotterdam, and Maastricht. A significant number of foreign destinations are also served, including Antwerp, Belfast, Birmingham, Bremen, Bristol, Brussels, Cardiff, Dusseldorf, East Midlands, Gurnsey, Hanover, Jersey, London (CTN), Luxembourg, Malmo, Southampton, Strasbourg, Stuttgart, London (LHR and LGW), Paris, and Hamburg.

Operations continue apace in 1989 and in late 1990 the F.27-200s are withdrawn. When **KLM (Royal Dutch Airlines, N.V.)** withdraws jet service on its new Maastricht to Dresden route, it is picked up by **NetherLines, B.V.** employing a SAAB 340B. Passenger boardings total 500,982.

The fleet in 1991 includes 4 Fokker 50s, the last F.27-200, 3 F.27-500s, 1 F.27-600, 4 F.28-4000s, 1 SAAB 340A and 9 340Bs. Orders are outstanding for 6 Fokker 50s and 3 SAAB 340Bs.

Between February 11 and March 24, frequencies from Amsterdam to Maastricht are reduced from five daily roundtrips to three.

In April, the company is renamed KLM Cityhopper, B.V. (KLMC) and begins to serve Dresden, Mulhouse/Basel, Berlin (Tegel), Cork, Nuremberg, and Stavanger. The 10th SAAB 340B is delivered in November. The 270th of its type built, the new turboprop is the 100th SAAB 340 to be placed with a European customer.

Customer bookings jump 32.4% to 491,497 and cargo accelerates by 24.9% to 296,000 FTKs.

Thrice-daily Rotterdam to Frankfurt flights begin on January 3, 1992. Seven Fokker 50s and three SAAB 340Bs are acquired during the year. A new route opened in the spring from Rotterdam to Frankfurt is discontinued on July 13 for lack of patronage.

On October 25, the carrier launches daily SAAB 340B roundtrips between Amsterdam and Billund. Traffic figures are now reported with the parent's.

Airline employment in 1993 is 396 as the number of Fokker 50s grows to 10. A route rationalization now occurs; roundtrip services dropped include Eindhoven to Hamburg on January 10 and Amsterdam to Bordeaux on February 1. On May 15, the company ceases service between Rotterdam and London (LGW). The capacity released allows an expansion of frequencies on the routes to Billund and Bremen.

During the summer, KLMC increases its weekly roundtrip flights to 458, with the number of trips to and from Stavanger, Strasbourg, Turin, and Cardiff expanded. The Cardiff flights on six days of the week include a night stop in the Welsh capital.

The workforce is cut to 250 in 1994. Managing Director K. C. E. Roojman's fleet comprises 10 Fokker 50s, 4 F.28-4000s, and 11 SAAB-340Bs. Orders are placed for Fokker 70 jetliners.

Just after departure from Amsterdam on an April 4 service to Cardiff, Flight 433, a SAAB 340B with 3 crew and 21 passengers, encounters problems with its No. 2 engine. While attempting a return to its point of origin, the turboprop stalls and crashes (three dead).

A total of 44,000 scheduled departures are made and enplanements skyrocket to 1.35 million.

Passenger boardings decline in 1995 to 1,216,500. In August, a lease order for four (later seven) Fokker 70s is placed with their manufacturer for Cityhopper by its KLM parent.

Airline employment is increased 18.9% in 1996 to 630 and the fleet increases by the addition of seven Fokker 70s, the last of which is de-

livered in August. Meanwhile, on April 9, twice-daily service is inaugurated between Amsterdam and Aarhus, Denmark.

During late summer and fall, the six Fokker F.28-4000s are sold to **Air U.K., Ltd.** Customer bookings jump 7.1% to 1.5 million on 46,000 scheduled departures.

Destinations visited in 1997 from Amsterdam, Eindhoven, and Rotterdam include Aarhus, Antwerp, Belfast, Berlin, Birmingham, Bremen, Bristol, Brussels, Cardiff, Cork, Dusseldorf, Eindhoven, Frankfurt, Guernsey, Hamburg, Hanover, Jersey, Luxembourg, London (CTN), Luxembourg, Maastricht, Malmo, Mulhouse/Basel, Paris, Rotterdam, Southampton, Stavanger, Strasbourg, Stuttgart, and Toulouse.

In early October, the company begins to code-share with **Regional Airlines, S.A.** over routes from Amsterdam to Marseilles and to Clermont. Financial and marketing links between the two carriers will be intensified. When Cityhopper relinquishes its Amsterdam-Strasbourg route, it is picked up by **Regional Airlines, S.A.** on November 17 and serviced with one of its SAAB 340Bs.

Passenger boardings accelerate 42.9% to 2 million on 52,000 scheduled departures.

To better integrate its feeder operations, the parent, in January 1998, rebrands **Air U.K., Ltd.** as **KLM U.K., Ltd.** and **Air Exel Commuter, C.V.** as **KLM Exel, C.V.** The combined 72-aircraft fleet, including that from KLMC, is repainted in a new blue and white livery with silver accents.

Customer bookings jump 17.7% to 2.15 million.

Customer bookings in 1999 slip 0.9% to 2,134,000.

Airline employment at the beginning of 2000 stands at 700, a 7.7% increase over the previous 12 months. At the beginning of the summer season on March 26, two Fokker 50s are replaced with Fokker 70s.

On August 22, one of the displaced Fokker 50s is subleased to **Norwegian Air Shuttle, A.S.**

On December 12, the KLM parent and **Eurowings Luftverkehrs, GmbH.** agree that, as of March 26, the Dutch national airline will assume full commercial control of the Amsterdam-Germany services currently flown by Eurowings. KLM Cityhopper will immediately takeover the Amsterdam-Bremen route, with the other frequencies gradually turned over by October.

KLM EXEL, C.V.: P.O. Box 300, Vliegvelweg 12, Maastricht-Aachen Airport, 6236 ZN, The Netherlands; Phone 31 (43) 365-0700; Fax 31 (43) 365-0708; <http://www.klm-exel.nl>; Code XT; Year Founded 1998. To better integrate its feeder operations, **KLM (Royal Dutch Airlines, N.V.)** in January 1998 rebrands **Air U.K., Ltd.** as **KLM U.K., Ltd.** and **Air Exel Commuter, C.V.** as **KLM Exel, C.V. (KLME).** The combined 72-aircraft fleet, including that from **KLM Cityhopper, N.V.**, is repainted in a new blue and white livery with silver accents.

The Enschede-based small regional **Fairlines, N.V.** is taken over in April and merged.

Flights continue largely as before and passenger boardings jump 31.4% to 222,000.

Airline employment at the beginning of 1999 stands at 125. During the first quarter, a new Dutch-language homepage is opened on the World Wide Web. Director General Roberto Stinga's fleet now includes 3 Avions de Transport Regional ATR42-320s and 4 Embraer EMB-120 Brasilias. Scheduled destinations include Amsterdam, Eindhoven, Hamburg, London (STN), and Paris (CDG).

Passenger boardings increase 58.3% to 351,000.

Airline employment at the beginning of 2000 stands at 178, a 42.4% boost over the previous 12 months.

The first of three ERJ-145s is received on March 9. On April 10, the new ERJ begins thrice-daily return service linking the company's Maastricht/Aachen base with Munich.

Flight 3925, an ATR72 en route from Eindhoven to London (LHR) on May 2 is forced to return to its point of origin when a bomb threat is received. At Eindhoven, the aircraft is searched; no bomb is found and the turboprop is allowed to takeoff for England again.

On September 17, a **Jet 2000** Embraer ERJ-135 is dry-leased in its own colors to fly daily roundtrips from Maastricht to Munich.

An ERJ-145 previously employed by **European Regions Airlines, S.A. (ERA)** is acquired on October 16 and is employed to complete some of the defunct Spanish line's charters. It is also used to inaugurate weekday-only roundtrips on November 6 between Maastricht and Milan.

Four-times-a-week ERJ-145 return service is begun on December 16 from Maastricht to Berlin (Tempelhof).

KLM U.K., LTD.: Stansted House, London Stansted Airport, Stansted, Essex, England, CM24 1AE, United Kingdom; Phone 44 (0) 1279 660 535; Fax 44 (0) 1279 660 340; <http://www.klmuk.com>; Code UK; Year Founded 1998. In July 1997, **KLM (Royal Dutch Airlines, N.V.)** completes its 100% acquisition of **Air U.K., Ltd.** stock. For the next six months, the carrier functions as a subsidiary of the Dutch carrier under its old identity.

To better integrate its feeder operations, the parent, on January 30, 1998, renames **Air U.K., Ltd.** as **KLM U.K., Ltd. (KLMuk)** and **Air Exel Commuter, C.V.** as **KLM Exel, C.V. (KLME)**. The combined 72-aircraft fleet, including that from **KLM Cityhopper, N.V. (KLME)**, is repainted in a new blue and white livery with silver accents.

A new logo is commissioned for KLMuk, a swan with its wings outspread symbolizes the effortless way customers can fly on the revamped subsidiary. In addition, a £3-million advertising campaign promises unparalleled service "From all over the U.K., to all over the world."

Henry A. Essenberg is succeeded as CEO by Floris J. van Pallandt, with John Derbyshire as chief financial officer. The workforce now stands at 2,000 and the fleet includes 5 ATR72s, 10 BAe 146-300s, 9 Fokker 50s, and 17 Fokker 100s.

Flights continue to destinations throughout the U.K. and Northern Europe.

Previously announced, thrice-weekday roundtrips commence on January 16 from Sheffield to Amsterdam. The new service is also run once on Saturdays and twice on Sundays.

Having lost more than £1 million on its Inverness to London (STN) route since opening it in October 1996, the company announces on February 11 that it will drop the daily return service on March 28.

A drunken passenger aboard a British Aerospace BAe 146-300, preparing to depart from Amsterdam for Aberdeen on March 1, becomes unruly and disturbs both flight personnel and his fellow passengers. After ground security staff is called to remove him, the man claims to have planted a bomb on the aircraft. The Scottish passenger is removed and the plane is cleared and searched. No bomb is found and three hours later all except the perpetrator are allowed to reboard and the aircraft departs. The hoaxer pays a fine of £300 pounds and is released.

Just after takeoff from Amsterdam on a September 24 service to Belfast, a Fokker 100 with 67 passengers, loses its left outside wheel. The pilot of another aircraft on the ground sees the wheel fall off and alerts the ATC tower, which radios the plane. The Fokker circles over the North Sea to burn off fuel before making a safe emergency landing back at Schiphol Airport. No injuries are reported.

On October 19, KLMuk announces that its new service to Milan, due to begin at the end of November, will fly to Linate Airport because of the problems being encountered by airlines in establishing the new Malpensa facility as a hub airport.

Through April 30, business-class ticket prices are reduced on flights over the company's network from 22 departure airports in the U.K. and Ireland to more than 50 European destinations via Amsterdam. Return tariffs include Frankfurt from £319, Zurich from £399, Madrid from £409, and Milan from £389.

A new London (STN) to Dortmund service is opened in September in cooperation with **EuroWings Luftverkehrs, A.G.** The new ATR42-320 flights are operated twice daily during the workweek and daily on weekends.

Thrice-daily BAe 146-300 roundtrip flights to Glasgow begin from London (City Airport) on October 26. The Scottish city is the airline's third domestic U.K. destination.

Under the terms of the code-sharing pact between **KLM (Royal Dutch Airlines, N.V.)** and **Alitalia, S.p.A.**, KLMuk and the Italian major begin dual-designator flights on November 30 aboard the British line's Fokker 100s. Both companies will sell tickets aboard the services, which operate from London (STN) to Rome and from Manchester to Milan.

During the year, the company introduces state-of-the-art "speedpoint" check-in facilities at Aberdeen, Edinburgh, and Glasgow, London (CTN and STN). It also opens new lounges at London (STN) and improves those at Glasgow and Edinburgh.

Passenger boardings move ahead by 1.7% to 4.4 million.

Airline employment at the beginning of 1999 stands at 2,000.

To celebrate its first anniversary, KLMuk launches a £2.7-million advertising campaign in early February, targeting the U.K. print and electronic media. New discount fares for spring and summer travel are also introduced.

While en route from Newcastle to Amsterdam on the evening of February 10, a Fokker 50 with 4 crew and 24 passengers, is nearly hit by an RAF Tornado fighter bomber at 21,000 ft., N of Flamborough Head near Bridlington. No injuries are reported, but both the CAA and RAF investigate.

On February 15, the carrier, apparently without much warning to tour operators, withdraws service to Guernsey from Amsterdam, Southampton, and London (LGW). Upwards of 3,000 vacationers and others are to be left without transport after March 28 and despite its new marketing campaign, the carrier gives itself a black eye with travel agents.

Jersey European Airways, Ltd., the other scheduled carrier into Guernsey, meets with Transport Board officials on February 17 and agrees to do what it can to provide additional lift, particularly over the Easter holidays.

During early March, arrangements are completed with **Suckling Airways, Ltd.** for new replacement services. The Dornier 328-110 to be employed is repainted with a Scottish flag on its nose and a red and black tartan tail design. Tartan seats are in the cabin and cabin crew are outfitted with tartan ties.

KLMuk operates its final ATR42-320 service between Guernsey and London (STN) on March 27. In addition to the loss of 49 jobs, the event marks the end of an era as the airline, in various forms, has served the island for more than 50 years.

In cooperation with **Braathens, A.S.**, the company, on March 28, increases its daily service from Aberdeen to Stavanger from four flights to five; two of the services are operated by the Norwegian carrier with Boeing 737s.

On March 29 the **Suckling Airways, Ltd.** tartan Dornier takes over the larger line's service from London (CTY) to Glasgow, four times a day.

In order to reorganize its scheduled services into a concentrated focus on feeder services to and from Amsterdam and provide additional connections to Amsterdam, the carrier, on October 30, drops its current services from London (STN) to Rome, Aberdeen, and Jersey. Also dropped are from Manchester to London (CTY), from Southampton to Jersey, and from Aberdeen to Stavanger, Norway. In addition, the number of flights to Brussels and Edinburgh from London (STN and CTY) is reduced.

The five aircraft freed up by the service reduction are leased to the new subsidiary **Buzz** (initially known as "K2"), which is being set up to offer low-cost service from London (STN) to various European destinations, particularly Amsterdam.

While revealing his plans for **Buzz** on September 22, KLMuk CEO Floris van Pallandt commits £10 million (\$16.1 million) to **Buzz** start-up costs and promises that the airline will break even by the end of 2001. When **Buzz** begins service, it will employ eight KLMuk BAe 146s painted in yellow, purple, and lime green livery, which are now being

gradually rolled out of KLMuk service to Norwich for repainting (without titles). Two 146s will be retained in KLMuk service to operate the routes from London (LCY).

It is announced on October 5 that **Gill Airways (Gill Aviation, Ltd.)** will soon replace KLMuk on the routes it had operated from Newcastle to London (STN) and from Norwich to Aberdeen. When Gill picks up these services on October 29, they are flown in its own colors and not as part of its "Air France Express" contract. KLMuk begins accepting reservations on October 31 for flights on **Buzz**. Promotional fares are offered for flights made by the new airline in January–March.

Return frequencies between Amsterdam and Aberdeen are increased on November 1 from four to five every day. In late November and through December, the aircraft scheduled for **Buzz** return to Norwich where they receive final paint touchups and their **Buzz** titles.

The final KLMuk service from London (STN) to Brussels is operated on December 19.

Customer bookings fall 6.6% to 4,113,000, while cargo traffic drops 22.5% to 1.06 million FTKs. Airline employment at the beginning of 2000 stands at 2,200, a 10% increase over the previous 12 months.

Revenue flights by **Buzz** commence on January 4 with Done Deal restricted and flexible Open Deal fares on roundtrips between London (STN) and Berlin, Frankfurt, Dusseldorf, Vienna, Milan, Paris and Lyon. All of the routes, except those to Lyon and Vienna, were previously flown by KLMuk. Unlike the other low-cost carriers, **Buzz** employs the primary airport at each community instead of a secondary field.

With the transfer of the bulk of its BAe 146 fleet plus two B-738-3L9s to **Buzz**, KLMuk maintains its principal Amsterdam schedule with Fokker 100s and turboprops. At the end of the winter season in late March, flights cease to London (STN) from Edinburgh and Glasgow.

It is reported on October 2 that, for the first time, more passengers are flying to Amsterdam with **easyJet Airlines, Ltd.** from London (LTN) than with KLMuk from London (STN).

A BAe 146-200 is transferred back to KLMuk by **Buzz** on October 29 so that the parent might replace the Fokker 100 it has been employing on its London (STN) to Amsterdam service. In what will become a routine, the BAe will revert to **Buzz**, which, in the interim, is suspending its thrice-daily route from London (STN) to Hamburg.

KLYUCH AVIA: Russia (1993–1994). KA is established at Samara in late 1993 to offer primarily ad hoc cargo charters to domestic and international destinations. Revenue services commence with a mixed fleet of Ilyushin Il-76s and Antonov An-74s, but do not continue a year.

KMK AIRLINES: United States (1969–1970). KMK is established at Arlington, Virginia, in early 1969 to provide scheduled air taxi services between Washington, D.C. (DCA) and Williamsport, Pennsylvania. Daily Cessna lightplane roundtrips are duly inaugurated, but are only maintained into 1970.

KMV (KAVKAZIA MINERALINE VODY MINERAOVODSKOE PRODUCTION ASSOCIATION). See **KAVMINWODYAVIA**

KNIGHT AIR, LTD.: United Kingdom (1982–1996). KAL is founded by its Chairman Ian Hall at Leeds/Bradford in 1982 to offer regional services to Cardiff, the Isle of Man, Aberdeen, and Southampton. Operations continue apace during the next decade with little change. On the financial front, ownership passes to the Yorkshire conglomerate Lambson Group.

In 1993, Managing Director Malcolm Dobson oversees a workforce of 67 and operates a fleet that includes 1 Cessna C-550 Citation I, 1 Cessna 421, and 2 Embraer EMB-110 Bandeirantes.

Early in 1994, Knight Air assumes the Southampton to Aberdeen scheduled route suspended by **Yorkshire European Airways, Ltd.** upon its cessation of operations the previous November. Later in the year, new frequencies are added to Cardiff and the Isle of Man.

Through September, enplanements for the 30-worker airline total 6,537.

In January 1995, it is announced that a Bandeirante will be replaced the following year by addition of two leased British Aerospace BAe Jetstream 41s.

Passenger boardings are up dramatically to 22,534 during the first 9 months.

The BAes are not taken, as on January 10, 1996 the company elects to halt scheduled service at the end of March. During the first two months of the new year, a total of 3,873 passengers are flown. Having elected to expand its aircraft engineering business at Leeds-Bradford, company owners sell their routes from Belfast, Southampton, and Aberdeen on March 1 to **Manx Airlines, Ltd. (2) (Manx Airlines Europe, Ltd.)**. For its part, Manx assumes the lease of the two BAe Jetstream 41s.

KNIGHT AIRLINES: United States (1979–1980). Knight is set up at Miami in 1979 to offer daily roundtrip air taxi shuttle flights to Lakeland. Although Piper PA-23 Aztec flights are duly inaugurated, they cannot be maintained far into 1980.

KNIGHTHAWK AIR EXPRESS, INC.: 55 York Street, Suite 330, Toronto, Ontario M4P 3B7, Canada; Phone (416) 932-1649; Fax (416) 932-9477; <http://www.knighthawk.ca>; Code KNX; Year Founded 1991. Knighthawk is incorporated at Toronto on July 31, 1991 by Hugh J. MacMillan and F. Martha Deacon to open their own freight and express services, which will operate both domestically and transborder between Canada and the U.S. The two acquire the assets of bankrupt **Soundair Express, Ltd.**, a division of Soundair Corporation, in November. The acquisition includes a pair of small Dassault Falcon 20 jet freighters, along with a stock of spare parts, tools, and office equipment.

At the beginning of 1992, the partners begin operating a series of short-term contracts on behalf of **Purolator Courier, Ltd.** In November, KnightHawk enters into an agreement to operate its Falcons between Toronto and Wilmington on behalf of **Airborne Express**.

During 1993–1996, the fleet grows to 4 Dassault Falcon 20s and 1 Beech 1900C. MacMillan continues as chairman/president, with W. Laurie Fox as vice president-financial as additional bases are established at Ottawa, Calgary, and St. John's. A large number of additional contracts are received for flights on behalf of numerous concerns, including **Airborne Express**, **Purolator Courier**, **TNT Express Worldwide**, **Federal Express (FedEx)**, and **Air Georgian, Ltd.** Revenues in 1995 and 1996 total C\$4.61 million and C\$7.06 million, respectively, with respective net profits of C\$136,000 and C\$112,000.

Early in 1997, a Beech 99 freighter is leased. A new contract arrangement is concluded with **TNT Express Worldwide** on April 8. Under its terms, a Falcon 20 will fly five-nights-a-week roundtrips from Ottawa to Indianapolis via Toronto and Buffalo.

A public offering is completed on July 16 that brings in C\$1 million. Vice President Fox resigns on August 1 and is succeeded by Philip Dziedzic.

Due strategic operational reasons rather than dissatisfaction, **TNT Express Worldwide** provides notice on October 27 of its decision to terminate its KnightHawk contract on December 23. The business represents approximately 35% of KnightHawk's current revenues. Over the next few weeks, KnightHawk executives scramble to market the Beech 1900C and Falcon 20 that are to be freed up by the TNT move.

Also on October 27, Knighthawk enters into a 60-day contract with **Federal Express (FedEx)** to operate a Falcon 20 between Ottawa and Montreal five days a week.

On December 15, Chairman MacMillan announces that a long-term contract has been signed with Dynamex, Inc. to provide Falcon 20 air freight charter services five nights a week between Regina and Calgary. On Christmas Eve, KnightHawk launches five-nights-a-week Beech 1900C air freight charter services from Ottawa to Toronto on behalf of **Airborne Express**.

Although revenues for the year climb to C\$9.23 million, there is a net loss of C\$202,000.

An experimental corporate shuttle service on behalf of Digital Equipment of Canada, Ltd. begins on January 5, 1998. Employing a Piper PA-31T Cheyenne, KnightHawk flies company officials between Digital's U.S. and Canadian operations.

Two days later, Chairman MacMillan reviews the new business that the company has received since October and indicates that it has more than made up for the cancelled **TNT Express Worldwide** contract.

Four-nights-a-week roundtrip Beech 1900C freight charters commence on March 2 between Toronto and New York (JFK) on behalf of Canadex, Ltd., the oldest wholesale courier in North America.

On behalf of **Federal Express (FedEx)**, five-nights-a-week roundtrip Falcon 20 cargo flights are started on April 13 between St. John's, Newfoundland, and Moncton, New Brunswick. A member of the board of directors since 1996, Adrian Noskwith resigns on July 16.

Cofounder Deacon resigns from the board on December 1, the same day former director Noskwith rejoins. The same day, Vice President-Finance Dzedzic is named to the board, along with new member Scott Butler.

The year's operating income rises to C\$9.92 million, while a welcome net profit of C\$168,000 is reported.

The **Airborne Express** Beech 1900C service between Ottawa and Toronto ceases on March 8, 1999. The contract is replaced with a larger arrangement, under which KnightHawk simultaneously launches five-nights-a-week Falcon 20 roundtrips between Ottawa, Montreal, and Wilmington, Ohio. It is noted on March 26 that the company has flown over 27,000 hours since start-up.

In May, two **Federal Express (FedEx)** contracts are extended; one sees a Falcon 20 operating from Moncton to St. John's and the other continues flights of a Falcon 20 between Ottawa and Montreal.

On September 20, **Airborne Express** discontinues the March Falcon route, agreeing to operate KnightHawk's Beech 1900C from Ottawa to Toronto. A new **Federal Express (FedEx)** Falcon 20 contract begins on November 3 with five-times-a-week return cargo flights between Calgary and Regina.

In December, KittyHawk and a partner, the New York & Lake Erie Railroad, acquire 104 miles of track in the Okanagan Valley of British Columbia from the Canadian National Railroad. This diversification into the short-line railroad business will be operated by Kelowna Pacific Railway, Ltd., in which KnightHawk holds a 35% equity stake, under the name Okanagan Lines.

At C\$10.62 million, the year's revenues, up 7%, pass the C\$10 million mark for the first time; net gain climbs to C\$270,000.

Flights continue in 2000. On August 29, Calgary-based Jetport, Inc., headed by financier Ronald Joyce, acquires 250,000 common shares of stock, raising its equity stake in the company to 12.8% or 1.01 million shares.

KOB AIR, LTD.: Uganda (1991–1993). KA is established at Entebbe in early 1991 to offer scheduled all-cargo services to Amsterdam. Managed by the Dutch company Kay Aviation, a single Boeing 707-320C is employed in April to begin weekly roundtrip revenue flights to Amsterdam. Flights cease in 1993.

KOBRIN AIRWAYS: United States (1982). Bernie Kobrin sets up his scheduled air taxi service at Princeton, New Jersey, in early 1982 to offer passenger flights to Philadelphia. Although daily Piper T-1020 roundtrips are duly inaugurated, they cannot be sustained beyond the fall.

KODIAK AIRWAYS: United States (1960–1973). KA is formed in 1960 to provide scheduled passenger and cargo services from Kodiak Island, Alaska, to the mainland. The fleet includes Grumman G-21A Geese and float-equipped Cessna 180s. A Goose is destroyed in a landing accident at Kodiak on June 3 when the pilot, who is injured, fails to

raise the landing gear prior to setting down. A second Goose with four aboard is destroyed while landing at Kodiak on December 19; injuries are slight.

A G-21A without passengers crashes into the crown of Mt. Kodiak on March 31, 1961 during bad weather. When its right float is punctured, a Cessna 185 sinks at its Kodiak moorings on June 21. A Goose with five aboard crashes during takeoff from Old Harbor at Kodiak on December 24; one passenger is killed.

Although 1962 passes without incident, an underprepared pilot crashes a Piper PA-18-150 Super Cub while taking off from Kodiak on December 4, 1963. Still, during the past 3 years, passenger boardings have reached the 10,000 level.

In 1964, airline employment is 22 and the company operates 6 aircraft. One of these, a G-44 with four aboard, is badly damaged in a crash landing at Karluk, on Kodiak Island, on January 21. The great Alaska Earthquake of March causes over \$100,000 in damages, including the total destruction of one G-21A. In addition, the hangar, offices, and passenger waiting rooms are all damaged and revenues are lost when schedules cannot be met.

A G-44 with five aboard strikes a submerged object while taking off from Cape Alitak, Alaska, on November 12 and crashes; only minor injuries are reported as all are quickly rescued.

Enplanements total 14,000 but the number of revenue passenger miles flown declines by 21% to 12,000. Revenues are \$438,000.

Three new employees are hired in 1965 and the fleet includes 10 aircraft: 3 Grumman G-21As, 4 G-44 Widgeons, 2 Piper PA-18-150s, and 1 Cessna 180.

Enplanements grow by 523 bookings and 20,880 ton-miles of freight are flown.

Operations continue apace in 1966 and 1967. By the end of the latter year, the workforce is 23 and fleet size is unchanged from the previous 2 years. A total of 17,000 passengers are boarded and 20,000 freight ton-miles flown.

Bookings in 1968 advance to 22,000, with 15,000 freight ton-miles flown. Revenues are \$710,000.

Passenger enplanements in 1969 are 23,114. The employee population in 1970 numbers 36 and the fleet includes 13 aircraft. An application is filed with the CAB for permission to operate a route from Kodiak to Seattle.

Customer bookings accelerate 20.3% to 25,614 and freight traffic skyrockets by 92.9%.

Enplanements drop sharply in 1971, down to 22,968. Passenger boardings jump 4.3% in 1972 to 26,715 and the number of freight ton-miles flown accelerates 8.5% to 26,000. On April 1, 1973, the carrier joins with **Dillingham Air Service** to form **Kodiak-Western Alaska Airlines**.

KODIAK-WESTERN ALASKA AIRLINES: United States (1973–1984). Kodiak Airways and its services to Kodiak Island merge with **Billingham Air Service**, organized in its namesake town in March 1959, to form K-WAA on April 1, 1973. Operations continue from a Kodiak base over the combined route network of the merger partners. The workforce is now 83.

Passenger boardings for the integrated carrier accelerate 5.4% to 39,000, but freight traffic is off by a huge 57.9%.

Seventeen new employees are hired in 1974. Enplanements climb 19.4% to 42,856, but overall, freight is off again, by 5.7%.

A significant traffic decline is suffered in 1975 as passenger boardings drop 20.9% to 34,000 and cargo is off by 31.7%.

The workforce in 1976 is 71 and the fleet includes 24 aircraft: 5 Cessna 207s, 3 Beech 18s, 4 Grumman G-21As, 3 Grumman G-44As, 2 Cessna 206s, 2 de Havilland Canada DHC-2 Beavers, and 1 each DHC-3 Otter, Cessna 150, C-185, C-421, C-404, and Martin 4-0-4. The latter, in yellow and white livery, is employed to offer summer service from Anchorage to Billingham via Kodiak and King Salmon.

The approaching conclusion of Alaska pipeline construction still has a negative impact upon traffic figures.

Customer bookings drop 50% to 34,910. Cargo stages something of a comeback, rising 2.81% to 96,808 FTKs.

Enplanements decline to 32,424 in 1977 and plummet by 35.1% in 1978 to 24,000. Freight traffic for the 43-employee company is also a failure, declining by a huge 75.9% to 48,000 pounds. The downturn requires the carrier to sell its Martin 4-0-4.

The workforce is increased by 16.3% in 1979 to 50. Passenger boardings jump a meager 4.2% to 25,000 while cargo ascends 9% to 53,000 pounds. Revenues increase 12% to \$1.9 million and expenses are held to \$1.86 million. Consequently, the profits are \$48,000 (operating) and \$164,000 (net).

The fleet in 1981 includes 1 Cessna 402, 2 Cessna 206s, 6 Cessna 207s, 2 Grumman G-21 Geese, 1 Douglas DC-4C, and 2 Sikorsky S-58 helicopters. By November, Chairman John D. Gifford and President Howard Fowler operate an extensive bush community network in the Kodiak and Bristol Bay areas. Destinations visited include Port Williams, Larson Bay, King Salmon, Parks, and Dillingham. Enplanements for the year swell 16% to 21,000 and grow to 26,000 in 1982.

When the parent company, Anchorage-based Gifford Aviation, goes bankrupt in early spring 1984, K-WAA follows suit in May.

KOGALYMAVIA (KOGALIMAVIA TOO): Kogalym Airport, Tyumen Region, 626481, Russia; Phone 7 (3462) 280 066; Fax 7 (3462) 280 067; Code 7K; Year Founded 1993. Early in 1993, engineer Nikolai N. Zolnikov is approached by Lukoil, the largest oil company in western Siberia, concerning the possibility of establishing an airline to support its operations through the provision of both scheduled and charter services. Lukoil had been working with the Tyumen director of **Aeroflot Soviet Airlines** before its demise and with a small subsidiary of Tyumen Airlines, Surgatavia, thereafter. Both **Tyumen Airlines** and **Surgatavia** are named for communities in the region, now enjoying a boom period of energy exploration. The place chosen for the new carrier to set up shop is Kogalym, a 66,000-resident city, where a new airport had been opened in the fall of 1992.

With a Lukoil commitment to pay for the establishment and running of the airline, Zolnikov agrees to operate it and Kogalymavia (Kogalimavia Too), shortened to Kolavia, is established in May. Shareholding is divided between the city of Kogalym (67%), Lukoil (32%), and airline employees (1%).

Director General Zolnikov immediately acquires a fixed-wing fleet of 2 leased Tupolev Tu-154Bs and 1 Yakovlev Yak-40, plus a rotary-wing division comprising 1 Mil Mi-2 and 3 Mi-8 helicopters. A VIP-configured Yakovlev Yak-40 is also purchased.

Revenue flights commence from Surgut to Moscow. Additionally, charter flights are not only provided on behalf of Lukoil, but Gazprom, the state-owned natural gas industry and Surgutneftgaz, a private oil and gas producer as well. Lukoil now also provides the capital with which to purchase four new Tu-154Ms and three Mi-8s, thereby making Kolavia one of the few new Russian airlines of this period to actually purchase its own airliners.

Flights continue in 1994-1996, during which years the fleet is increased by the addition of three Tu-154Ms. Regularly scheduled roundtrips are launched from Kogalym and Surgut to Sochi, Anapa, Krasnodar, Ufa, Kazan, and Samara in Russia and Baku, Azerbaijan. Enplanements in the latter year total 356,686.

The fixed-wing component is further enhanced during 1997 when two more Tu-154Bs and two Tu-154Ms are acquired. Charter services are inaugurated to the United Arab Emirates, Norway, Finland, the Czech Republic, Greece, Turkey, and Bulgaria. Passenger boardings accelerate 9.7% to 395,000.

Scheduled destinations visited in 1998 include Baku, Krasnodar, Moscow, Surgut, and Volgograd. Unhappily, the Russian currency crisis of August has a devastating impact on the carrier's charter operations,

most of which are scrubbed. Bookings this year are up to 560,000, making the company the seventh largest Russian airline in terms of traffic.

Arrangements are completed during the summer of 1999 for the acquisition of three used Tu-134As from **MALEV Hungarian Airlines** and another from **CSA Czech Airlines**. The first of these jetliners is delivered in July and enters service at the beginning of August on a network of regional routes. New destinations added for these aircraft include Mineralnye Vody and Rostov-on-Don. The country's fiscal situation continues to hurt the airline, as passenger boardings for the year fall 10% to 481,000, while 3.87 million FTKs are operated.

Flights continue in 2000.

KOHLER AVIATION CORPORATION: United States (1929-1934). Kohler is organized by John B. Kohler and his brother Frank at Grand Rapids, Michigan, during the summer of 1929 to offer Lake shore flights to Milwaukee. Richard Robbins is appointed president/CEO. Joseph Doerflinger becomes chief pilot, as well as crew chief, baggage handler, and ticket agent. Together with a pair of copilots, Doerflinger travels to New York City to obtain a Keystone-Loening C-2C amphibian, which the trio ferry back to Michigan. A proving flight occurs in late August from Lake Muskegon to Maitland Field, Milwaukee, and the company is officially opened for business on September 1.

Scheduled passenger and air express flights begin on September 21, with Milwaukee's mayor, Daniel W. Hoan, as featured traveler. Following an elaborate welcoming ceremony and banquet, twice-daily frequencies are initiated over Lake Michigan the next day. The route is now sold to **Northwest Airways**, which sublets it back to Kohler.

Between May 15 and June 9, 1930, President Richard Robbins attends the so-called "Spoils Conference" at Washington, D.C., together with Postmaster General Walter F. Brown and the heads of various air transport concerns. While the executives discuss air routes and subsidies, the fleet grows to include three Loenings. As a result of the Washington meeting and during May 1931, Grand Rapids to Detroit service is started with six new C-2Cs.

A C-2C makes a faulty takeoff run from Milwaukee harbor on August 29, 1932 and crashes; pilot Jim Benedict is rescued by a USCG cutter. Plane No. 5 is lost in a hangar fire at Milwaukee in late 1933.

On February 9, 1934 (effective February 19), the government, reacting to an "Air Mail Scandal," cancels all mail contracts. Without subsidy, Kohler's C-2Cs sit idle. At the end of March, following a disastrous attempt by the Army Air Corps to fly the mail, the Post Office offers new bids to commercial operators, excepting those participating in the May-June 1930 "Spoils Conference."

Despite the specific prohibition, Kohler rebids its previous routes, but it is rejected due to Robbins presence at Brown's infamous 1930 meeting. Without the mail subsidy, the carrier cannot continue and is sold in June to **Pennsylvania Airlines**.

KOKUSAI KOKU YUSO K.K.: Chofu Airport, 1060 Nishi-Machi, Chofu-shi, Tokyo, 182, Japan; Phone 81 422-32-2211; Fax 81 422-32-7129; Year Founded 1962. KKY is established at Tokyo in 1962 to offer executive and small group passenger charters and contract service flights. By 2000, the company, which now also flies small-package express, employs 18 full-time pilots and operates 2 Cessna 206 Stationaires, 1 Cessna 207A Skywagon, and 20 Cessna 172 Skyhawks.

KOLAVIA. See **KOGALYMAVIA (KOGALIMAVIA TOO)**

KOLPASHEVO STATE AIRLINE (KOLPASHEVSKOE GAP): Lazo Str. 6, Tomsk Area, Kolpashevo, West Siberian Zone, 636420, Russia; Phone 7 (38254) 75200; Fax 7 (38254) 23761; Code KSAE; Year Founded 1992. KSA is established at Kolpashevo in 1992 to offer domestic and regional scheduled passenger services. Karmil Kuzmin is CEO and he begins revenue flights with a fleet that comprises 5 Yakovlev Yak-40s, 15 Antonov An-28s, 47 An-2 biplanes, and a large rotary-wing contingent of 37 Mil Mi-8/17s and 7 Mi-2s.

KOLYMA AVIA ENTERPRISE (KOLIMA AVIA AVIAPREDRIY-ATIE): Keki Magadaski 7, Magadan Nagberzhenaya, Magadan Zone, 685000, Russia; Phone 7 (41322) 24464; Fax 7 (41322) 21082; Code KLI; Year Founded 1994. KAE is formed at the beginning of 1994 to provide ad hoc all-cargo services throughout the region. V. R. Yefest, the new general director, begins revenue flights with an all-Antonov fleet, comprising an unspecified number of An-24s and An-26s.

While on its takeoff roll from Omsukchan on February 1, an An-24B with 5 crew and 48 passengers, veers right and crashes into a 1.2-m.-high mound of plowed snow; although the aircraft is badly damaged, there are no fatalities.

Flights continue in 1995–1996 with a fleet that comprises 10 An-24s and 2 An-26s.

On January 25, 1997, an An-26 with 6 crew and 24 passengers makes an incredibly bad landing at Chorkurdah. The aircraft is actually put down alongside the runway and then goes across it to come to rest against a building. Although the turboprop must be written off, there are no fatalities.

Flights continue during the remainder of the year. In 1998, customer bookings reach 540,000.

Service is maintained in 1999–2000.

KOMANDOR AERO AIR COMPANY (KOMANDOR AERO A/K): Chubarov St. 14/8, Petropavlovsk-Kamchatski, Kamchatka, 683000, Russia; Phone 7 (41500) 61210; Year Founded 1994. KAAC is established at Petropavlovsk, Kamchatka, in 1994 to offer regional third-level flights. Yu B. Levitski is named general director and he commences revenue services with four Let L-410s. Flights continue.

KOMI AVIA (KOMIAVIA KONTSEM). See KOMIAVIATRANS

KOMIAVIATRANS: Pervomaiskaya Str. 53, Syktyvkar, Komi Zone ATD, Republic of Komi, 167610, Russia; Phone 7 (82122) 22 797; Fax 7 (82122) 25 583; http://www.komi.com/ki_avia; Code KMA; Year Founded 1992. Komi Avia: (Komiavia Kontsem), the former Aeroflot Soviet Airline Komi directorate established in 1967, is reformed in 1992. The new Komiavia State United Aviation Enterprise, better known by its marketing name of Komiaviatrans is upgraded to provide both international scheduled and charter services from the autonomous region in north central Russia. Oleg G. Chernov is director general and he undertakes operations to Africa, Asia, and Europe with a fleet that includes 30 Tupolev Tu-134s, 5 Antonov An-12s, 5 An-26s, and 10 An-28s, all retaining their Aeroflot livery. Enplanements for this initial year of independence total 1,731,634.

En route from Luena to Catumbela, Angola, on April 26, 1993, a chartered An-12 with two crew is hit in its No. 4 engine by a surface-to-air missile; the aircraft crash-lands in a field in Moxico province. Climbing out of the wreck, the uninjured pilots begin to walk out when they step on land mines; one is killed and the other severely injured.

While on initial climb away from Slavgorod, Russia, on August 20, an An-12V with six crew collides with a flock of birds that take out the No. 2 and 4 engines; a safe gears-up landing is carried out, after which the aircraft catches fire. There are no fatalities as all aboard escape safely.

The uncertain Russian economy brings an enormous turndown in traffic. Passenger boardings plunge 49.6% to 1,157,510 while freight falls 52.6% to 116.7 million FTKs.

Managing Director Chernov's fleet is expanded in 1994 by the acquisition of 12 Tu-134s. The additional capacity cannot increase traffic as customer bookings decline another 19.3% to 935,200 while cargo drops 12.8% to 102 million FTKs.

The traffic picture is no brighter in 1995. Enplanements fall 12.7% to 816,000 and cargo drops 9.5% to 9.5 million ton-kilometers. The Russian carrier suffers a bad 1996 as passenger boardings plunge 30.7% to 566,160.

Although flights continue in 1997, the company comes to emphasize charters and wet-lease services over scheduled flights. A fleet of 19 PZL-Mielec An-28s made under license in Poland is employed.

Customer bookings decline 24.1% to 429,730.

Service is maintained in 1998–1999 with a fleet of 12 Polish-built An-28s. The Russian currency crisis has a severe impact upon the airline, nearly driving it out of business. On May 19 of the latter year, a court grants it the time necessary to restructure and avoid bankruptcy.

KOMIINTERAVIA: Sovetskaya Street 69, Syktyvkar, Komi Zone ATD, Republic of Komi, 167619, Russia; Phone 7 (8212) 216732; Fax 7 (8212) 216716; <http://www.komicom.ru>; Code 8J; Year Founded 1996. This joint stock company is established at Syktyvkar in May 1996 to provide domestic scheduled flights within Russia and charters to both domestic and international destinations. Mikhail Kutuzov is named director general and after a year of planning and preparation, he is able to launch revenue services in July 1997.

Flights continue during 1998–1999, during which years the fleet comes to total 9 Tupolev Tu-134As and 1 Tu-134B. A workforce of 664 is employed at the beginning of 2000. Scheduled points visited include Moscow, St. Petersburg, Ukhta, and Usinsk.

KOMSOMOLSK NA ARMURE APO (KOMSMOISK-ON-AMUR AIRCRAFT PRODUCTION ASSOCIATION): Komsomolsk na Amure APO, 681018, Russia; Phone (42172) 28504; Fax (42172) 29851; <http://www.ccebd.co.uk/ccebd>; Code KOMS; Year Founded 1995. Under the leadership of General Director Victor Merkulov, KNAA is founded at Komsomolsk na Amure in 1995 to fly international and domestic all-cargo charters, plus executive passenger flights. Services begin with a fleet that comprises 3 Antonov An-12s, 2 each An-32s, Tupolev Tu-134As, Ilyushin Il-76TDs, and 1 An-26.

TwoMil Mi-8 helicopters are also employed by this concern, which also manufactures military aircraft, light planes, and motor boats.

KONINKITJKE NEDERLANDSCH-INDISCHE LUCHTVAART MAATSCHAPPIJ, N.V. (KNILM): Dutch East Indies (1928–1947). On October 1, 1925, Capt. A. N. G. Thomassen a Thuessink van der Hoop departs Amsterdam on a 22-stop, 9,552-mile Fokker F-VII proving flight to the Dutch East Indies; he arrives at Batavia on November 24.

Seeking an air service capable of rapid delivery of personnel and goods around the islands, a group of Dutch businessmen form Koninkitjke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM) at Amsterdam during the spring of 1927. Backing is provided by KLM (Royal Dutch Airlines, N.V.) board member Cornelis van Aalst, president of Nederlandsche Handel Maatschappij, Holland's largest financial institution.

In September, officials from the new company and those from KLM (Royal Dutch Airlines, N.V.) enter into an informal agreement that will come to have the strength of law; KLM will not intrude onto intracolony routes while KNILM agrees not to compete on international services. Capt. G. A. Koppen, employing a new Fokker F-VIIa/3m, makes a second East Indies proving flight beginning on October 1, Amsterdam–Batavia in 10 days.

KNILM is formally incorporated at Amsterdam on July 16, 1928. It joins with KLM in a G 200,000 exchange of stock; KLM receives subsidy from the Dutch national government while KNILM is supported by a 75% stake taken by the Dutch Colonial Government in Batavia. KLM agrees to provide operational support and training, wet-lease of aircraft and crews, and technical assistance in the evaluation and acquisition of new airliners.

Six East Indies proving flights are made, one every two weeks between September 13 and October 11. During these months, four new F-VIIb/3ms are sent to the East Indies; two are destroyed in landing crashes.

On October 15, a Royal Charter is issued to KNILM. A KNILM F-VIIb/3m, with Dutch East Indies Governor General A. C. D. de

Graeff as passenger, inaugurates the company's operations on November 1 with a flight from Batavia to Samarang. Later in the day, a second route is launched from Batavia to Bandoeng. On December 11, the last Amsterdam-Batavia proving flight is undertaken by KLM with Christmas mail.

Flights from Semarang to Surabaya commence early in 1929. On September 12, Amsterdam to Batavia mail and passenger flights are started via Nuremberg, Budapest, Istanbul, and points east; passengers from Holland are carried only as far as the Turkish capital. These every-two-weeks operations are suspended for the winter on December 12.

During February 1930, KNILM launches its first over-water route via the Sunda Strait to Palembang, Sumatra. On March 4, the company's premier international proving flight is made from Palembang to Singapore. Nonscheduled flights between the Dutch and British colonies are thus begun.

With a Netherlands government mail subsidy in hand, every-two-week services to Batavia from Amsterdam are resumed on September 25. Two days later, the Palembang service is extended, by way of Pakanbaroe, to Medan. Come December, the Batavia mail service is not suspended as it had been in 1928 and KNILM officials note that, in the two years since opening, the KLM subsidiary has carried 31,352 passengers, 189 tons of freight and 10 tons of mail.

On May 12, 1931, flying the F-VIIb/3m *Abel Tasman*, Capt. M. P. Patist and his crew make the first KNILM proving flight to Australia: Batavia to Melbourne via Timor and Wyndham. The plane also visits Sydney before returning to Batavia on May 27. F-XII/3m Amsterdam-Batavia multistop passenger service is launched on October 1. Late in the year, two F-XII/3ms are turned over to KNILM, which employs them to open service Batavia-Medan.

Five Fokker F-XVIII/3ms are accepted during 1932; christened *Snip*, *Rijstvogel*, *Kwartel*, *Pelikaan*, and *Oehoe*, they are placed in service on the Batavia run. On December 18, the *Pelikaan* accomplishes the Amsterdam-Batavia run with Christmas mail in 100 hours flying time. The ship is back in Holland by December 30.

Beginning on May 3, 1933, KLM/KNILM provides a regularly scheduled connection to Singapore (from Palembang), seven months before the arrival of **Imperial Airways, Ltd.** at its eastern terminus. The company also begins flying from Medan to Alor Star, a point in the northern Federated Malay States.

As the result of the success of the Douglas DC-2 *Uiver*, flown by **KLM (Royal Dutch Airlines, N.V.)** in the MacRobertson Air Race of October 1934, 13 additional DC-2s are ordered in April and May and the available fleet of five launch twice-weekly Amsterdam-Batavia operations on June 12, 1935. Three DC-2s are delivered to KNILM in July and are placed on the Jakarta-Singapore route. The DC-2 *Gaai* is lost in a Piaah San Giacomo crash on July 20. At year's end, three de Havilland DH 89As *Dragon Rapides* are acquired by KNILM to allow aerial survey work in support of the petroleum industry.

A number of route improvements are made in 1936. Flights begin to Bali and Makassar in the Celebes, while service is also inaugurated from Batavia and Surabaya to Banjarmasin, Balikpapan, and Tarakan on Netherlands Borneo. Additionally, frequencies from Batavia to Sumatra are increased significantly.

On October 2, 1937, DC-3s are placed on the thrice-weekly Amsterdam-Batavia run. After six years of waiting, the British government, on February 22, 1938, finally grants permission for KNILM to inaugurate revenue flights to Australia. Lockheed Model 14H Super Electras are purchased for East Indian operations at the beginning of the year, with the first two arriving at Sluisbrug, Batavia, on March 12. The third arrives on April followed by the fourth and fifth on June 24.

On June 28, in cooperation with **KLM (Royal Dutch Airlines, N.V.)**, the new American-made aircraft inaugurates twice-weekly, multistop return service from Batavia to Sydney. Piloted by Capt. Gerson van Messel, the Super Electra touches down at 1442 hrs. on July 5 with 4 passengers, including 12-year-old Diane Riley, and 20,000 letters from Europe. The next day, the *Sydney Morning Herald* proclaims that the

local airfield, Kingsford-Smith Airport, officially became an international airport with the arrival of PK-AFM (the Dutch plane's registration number).

An eight-day Dutch Amsterdam-Australia route is now a reality. Incidentally, 96-year-old Capt. Van Messel and Ms. Riley will be guest of honor at a Sydney sixtieth anniversary celebration on October 28, 1998.

A second Lockheed international service is started on September 1, a twice-weekly run from Batavia to Saigon in French Indochina via Singapore.

The new Australian route is cut back to one weekly flight on August 1, 1939. Germany invades Poland on September 1, setting off World War II. The European terminus of the Batavia route is moved to Naples on September 16.

On May 10, 1940, The Netherlands is invaded by German forces, being occupied five days later. Much of KLM's fleet, including six DC-2s and five DC-3s, is captured, but at least three DC-3s escape to the East Indies. Meanwhile, two new DC-5s are acquired by the West Indies Division while three others are diverted to Batavia from the U.S. builder to the East Indies. Their use by KNILM will assure that **KLM (Royal Dutch Airlines, N.V.)** goes on record as being the only carrier in airline history ever to operate every type of pre-McDonnell-merger Douglas transport ever manufactured.

On June 1 and 2, respectively, two DC-3s briefly based in the U.K., the *Wielewaal* and *Torenvalk*, are transferred to Batavia. When, on June 19, **Qantas Empire Airways, Ltd.** ceases flying the mail, the Australian government contracts with KNILM to continue transporting it. The joint service north and west with KLM terminates at Lydda in Palestine on July 26. Two Grumman G-21A Goose amphibians are acquired during the first half of August and are utilized, beginning on August 21, to begin flying from Batavia to Makassar via Surabaya and Ambon.

The joint service from England to Australia, by way of India and Africa, continues and the Batavia to Sydney segment is once again increased to twice weekly. On October 1, a new multistop Goose route is started from Makassar to Ambon. The first of two ordered Sikorsky S-43s is received on November 29. Also during this month, permission is received from the U.S. for the operation of charter mail services from Batavia to Manila via Tarakan.

KNILM acquires its second Sikorsky S-43 on January 3 in 1941 and the two replace the Grummans on the Greater Eastern services the G-21As had launched. The two Goose amphibians shifted to multistop routes from Batavia to Singapore and to Pontianak, in western Borneo. Having been refurbished in California after their service with the West Indies Division, the DC-5s *Wakago* and *Zonvogel* arrive by ship in June and July to bolster available air transport in the colony, initially on a route from Batavia to Bandoeng.

On October 6, a third S-43 is purchased from Hawaii's **Inter-Island Airways** for \$100,000. When Japanese Naval Air Force Zero fighters strafe the Dutch Naval Air Station at Lake Tondano in the Celebes on December 25, the original S-43 is destroyed. Also during the month, a DC-2 is lost in a crash at Darmo.

JNAF Zeros claim two aircraft during the last week of January 1942. A DC-3 is reportedly shot down near Samarinda, Borneo, on January 24 while, two days later, they destroy a Grumman Goose near Kupang, Timor. There is no information concerning possible casualties aboard either aircraft.

The Tel Aviv-Batavia service ends on February 15 with the Japanese invasion of the East Indies. The last two S-43s are caught at anchor at Semplek, Java, by Japanese aircraft on February 19. One is sunk outright and the second is destroyed when struck by burning debris from an exploding Hudson of the RAAF. The four DC-5s ferry war refugees to Australia—or attempt to: one escapes to Australia, two crash on takeoff, and one, damaged in an air raid on February 9, is left behind. The latter aircraft, the *Wakago*, is captured more or less intact at Batavia's Kemajoran Airport; it will be overhauled, evaluated, and sent off to Tachikawa, Japan, to end its career as a JAAF navigation trainer.

Following the creation of the Allied Directorate of Air Transport two months earlier, the company charters several aircraft to the composite group on a contract basis as negotiations for their long-term use are undertaken.

KLM/KNILM management, including Managing Director Hendrik Nieuwenhuis, escapes the East Indies during the first two weeks of March aboard five DC-3s. The officials stop first in Australia, where the DC-3s *Wielewaal* and *Torenvalk* are sold to that government, and then fly on to New York. A DC-3 with 12 passengers is attacked by JNAF Zeros near Wyndham, Western Australia, on March 3 and shot down (four dead).

The L-14Hs are purchased by the U.S. Army Air Forces; however, one crashes into Australia's Katherine River on March 26 before it can be acquired. Talks concerning the charter of three KNILM DC-2s and the last two DC-5s are completed two days later and on May 18 they are purchased by the U.S. Armed Forces in Australia.

The company's management transfers to Willemstad in Curaçao and from there to London. In 1943, The Netherlands government-in-exile appoints KNILM Managing Director Nieuwenhuis to oversee the European operations of **KLM (Royal Dutch Airlines, N.V.)**, which at this point consists of a single England-Portugal route flown under contract to **British Overseas Airways Corporation (BOAC)**.

The Dutch resume air service in their colony on August 15, 1945, when Douglas C-47s (military DC-3s) of No. 19 (Dutch) Squadron, Royal Australian Air Force begin flying on behalf of the liberated government. Four North American TB-25 converted medium bombers and five Lockheed L-12s are also available.

On August 17, nationalists in the Netherlands East Indies proclaim the independence of Indonesia. The Dutch government rejects this declaration and a colonial war begins.

The prewar East Indies routes of KNILM are reopened in October by No. 19 (Dutch) Squadron when it receives 17 DC-3s from a depot of Douglas transports maintained by the U.S. military at Manila. A C-54 reopens weekly Amsterdam-Batavia service on November 10 with twice-weekly frequency after November 28.

On February 1, 1946, No. 19 (Dutch) Squadron is reconstituted into Vliegtuig Transport Group (Netherlands Indies Government Air Transport Group). It is also allowed to fly to adjacent nations, with routes from Batavia to Manila via Balikpapan and Pelawan and from Batavia to Bangkok via Singapore.

A permit for Burbank-Batavia flights is dropped on July 17, 1947 and on August 1 KNILM's assets and routes are taken over by KLM, which reconstitutes it as a local division, *Het Interinsulair Bedrijf (IIB)*. KNILM shareholders are compensated with KLM shares and the company's former routes are now flown by KLM under contract to the colonial government at Batavia.

KONVEYOR AIR COMPANY (KONVEYER AVIAKOM-PANIYA): Russia (1994-1996). Konveyor Air Company is founded at Moxcow in 1994 to offer international passenger and freight charter services, primarily to the UAE. I. M. Panov, the new general director, inaugurates revenue flights with 3 Ilyushin Il-76s and 2 Tupolev Tu-154Ms. Unable to achieve economic viability, the carrier shuts down in 1996.

KOREAN AIR LINES/KOREAN AIR (KAL): 41-3 Seosomundong, Jung-Gu, Seoul, South Korea; Phone 82 (2) 751-7915; Fax 82 (2) 751-7386; <http://www.koreanair.com>; Code KE; Year Founded 1962. Under provisions of Corporation Law 1041, **Korean National Airlines** is reorganized on March 3, 1962 and renamed. Capitalized at 250 million won, shareholding is divided between the government of the Republic of Korea (60%) and private interests (40%). Shin You-hyop is appointed president on April 30, with Lee Kak-sun as vice president. Orders are placed for Fokker F-27-100 turboprops. With two DC-3s and a DC-4 taken over from KNA, revenue service is resumed from Seoul on December 2, linking the capital with Pusan, Taegu, Kwangju, Kang-

nung, Samchok, and the island of Cheju. The KNA Lockheed L-1049H, which had been leased from **The Flying Tiger Line**, continues freighter operations.

The Constellation's all-cargo route from Seoul to Hong Kong is discontinued during 1963, while the first Dutch-made turboprop is received in December.

The premier Fokker enters domestic service on February 12, 1964, followed by a second F.27-100 in the spring. These new airliners inaugurate services to Osaka on March 12, followed by Tokyo on April 15 and Fukuoka on September 1.

Enplanements for the year total 181,179.

The fleet in 1965 comprises 6 aircraft: 1 chartered Lockheed L-1049H, 2 Douglas DC-3s, 1 DC-4, and 2 Fokker F.27-100s. An order is placed for a DC-9-32.

Passenger boardings increase 14% to 210,673.

On April 14, 1966, another L-1049H is leased from **The Flying Tiger Line**. Service is launched over two new international routes: Seoul-Osaka-Taipei-Hong Kong and Seoul-Taipei-Hong Kong.

A reciprocal service agreement is signed with **Air Vietnam, S.A.** on January 17, 1967. Several Fairchild-Hiller FH-227s arrive from the U.S. during the spring. Following delivery of the DC-9-32 on July 19, the L-1049H is retired. The new Douglas jetliners are introduced on twice-weekly routes to Osaka on August 9 and Hong Kong on August 14. Orders are now placed for Boeing 707-365Cs and DC-8-63s.

President Shin You-hyop resigns on September 27 and is succeeded by Chang Sung-hwan. Due to fiscal and managerial difficulties, the airline is forced to retrench during the fall. On November 18, services to Taipei and Hong Kong are suspended and the company's Hong Kong and Taiwan offices are closed.

Frequencies on the Japan routes are increased on July 25 to six per week. The Douglas and Boeing orders are postponed in 1968. The carrier, in deep fiscal difficulty, does order a number of Nihon YS-11 turboprops from Japan. It also suffers its fifth consecutive year of \$1-million losses.

On March 1, 1969, President Park sells the carrier to Chong Hoon ("Harry") Cho, co-owner with his brother Choong Kun ("Charlie") Cho of the diversified Hanjin Transport Group, which had begun by earning a trucking fortune during the Korean War. With Harry Cho as chairman/president and Chong Kun Cho as vice president, the brothers begin a policy of recruiting pilots from the Korean Air Force and to prevent hijacking, permit cabin crews to be armed.

The first Nihon YS-11 enters service on April 28 and the Corporation Law 1041 is repealed on August 4. Two Ex-Eastern Air Lines B-720-025s arrive in September and beginning on October 2 they reopen the regional services to Taipei and Hong Kong, adding Saigon and Bangkok as well. Cheju to Osaka via Pusan flights commence five days later.

The Flying Tigers Line L-1049H is returned on December 4. On December 11, a YS-11 with 47 passengers and 4 crew en route from Kangnung to Seoul, is hijacked to Wonsan, North Korea, by the plane's pilot.

Direct Seoul to Hong Kong frequencies commence on December 22.

Four Nihon YS-11As enter domestic service in 1970 and a second route is opened to Saigon.

On February 3, North Korea rejects a South Korean demand for the return of the YS-11 passengers diverted the previous December. A week later, 39 passengers are allowed to return; however, the aircraft, eight passengers, and the four crewmen are retained.

Beginning on May 10, police are assigned to all company international and internal flights to guard against hijacking. The B-707-365Cs arrive during the year.

An order is placed in 1971 for a B-747-200B.

While en route from Kangnung to Seoul on January 23, an F.27-500 with 5 crew and 55 passengers is hijacked by a lone man carrying grenades. As the man is being overwhelmed, he pitches his bombs through the cockpit door and they detonate, killing the pilot and the perpetrator and wounding 16 others. The wounded copilot is able to make an emergency forced landing on a beach near Sokcho.

All-cargo B-707-365C transpacific flights to Los Angeles commence on April 26. The B-720Bs and DC-9-32 are replaced with three B-727-181s chartered from **All-Nippon Airways Company, Ltd.**

Enplanements for the year reach 1,475,838.

The fleet in **1972** comprises 4 B-707-365Cs, 3 B-727-181s, 1 DC-8-63, 7 YS-11As, 1 DC-3, and 5 F.27-100s. Sixth Freedom rights are initiated on April 18 on a new route from Bangkok to Seoul via Hong Kong, Taipei, Tokyo or Osaka. On April 19, twice-weekly Seoul to Los Angeles passenger service is inaugurated via Tokyo and Honolulu.

By year's end, frequencies over the new passenger route have been increased, due to demand, to six per week. Three leased DC-8-63s join the fleet (bringing the total to four) on December 11.

Passenger boardings rise 9% to 1,638,000.

The first of two B-747-2B5Bs to be delivered during the year arrives on May 1, **1973**, followed by the second on July 12; after May 16, these Jumbojets are successively placed on the transpacific Seoul-Honolulu-Los Angeles and Seoul-Tokyo routes. Orders are placed for five DC-10-30s. Sales offices are established in London, Frankfurt, Amsterdam, and Singapore.

The workforce is now 4,123 and an IBM S/360 Model 40 computerized reservations system is opened. In partnership with **Air France**, weekly B-707-365C all-cargo service is initiated on October 6 between Seoul and Paris via Anchorage.

As a result of the fuel shortage, the carrier, beginning on November 20, supplies all of its foreign flights, originating in South Korea, with just enough fuel to allow them to reach their next immediate destination. At the same time, the carrier's 45 domestic flights are reduced in number to 20.

Still, customer bookings climb 35% to 2,214,000 and freight traffic skyrockets by 71%.

Two additional DC-10-30s are delivered in early **1974** as a B-747-273 leased from **World Airways** arrives on June 12.

On July 17, a DC-8-63 with 165 American teenagers aboard from the American Field Services international scholarship program and incoming from Los Angeles, accidentally strays into the prohibited air zone over Seoul and is shot at by antiaircraft artillery. No injuries are reported aboard the aircraft, but shrapnel from the firing falls on the city, killing 1 citizen and wounding 27 others.

KAL Vice President Cho Choong Kun is arrested on September 22 on charges of diverting \$330,000 of the carrier's overseas earnings to various real estate ventures.

Orders are placed in September for six Airbus Industrie A300B2s; KAL becomes the first airline from outside Europe to purchase the European-built aircraft. A second weekly all-cargo service to Paris is begun on October 1.

As South Korea begins to export workers to pay for oil imports in the wake of the previous year's oil crisis, traffic increases; enplanements for the year total 1,915,992.

The work force in **1975** stands at 5,090. Three DC-10-30s and two A300B2s join the fleet as three DC-8-63s are sold. An all-cargo route is started to Singapore on April 17. A weekly 17-hr. passenger frequency is initiated to Paris via Anchorage on March 14. Flights to Manila commence on July 1. The new Airbuses enter regional service in August, visiting Tokyo, Osaka, Taipei, Hong Kong, and Bangkok.

Passenger bookings rise 6.4% this year to 2,075,000.

One each B-747-2B5B and DC-10-30 join the fleet in **1976** along with two A300B2-1Cs; the last DC-8-63 is sold. Direct Tsegu to Cheju Island flights commence on March 1, but better highways lead the carrier to suspend frequencies from Seoul to Chinju, Yosu, and Kangnung. DC-10-30 service to Bahrain is inaugurated on May 21. The Mideast route is extended to Zurich via Bahrain on July 14. Capitalization is increased during the fourth quarter to 12 billion won.

Freight traffic is up 19%, but passenger boardings dip 1.8% to 2 million. Revenue jumps 22% to \$275.9 million.

One each B-747-2B5B and DC-10-30 are received in **1977** along with another A300B2-1C and another B-707-365C. The Bahrain service is

extended to Jeddah on April 5, followed by a direct service from Seoul to Riyadh on April 13. Seoul to Nagoya Airbus flights commence on October 1.

A total of 2,415,105 passengers are flown on the year.

The workforce is increased 32.1% in **1978** to 9,594. Two DC-10-30s and two A300B2-1Cs are received early in the year.

En route from Seoul via Anchorage to Paris on April 28, Flight 903, a B-707-365C with 12 crew and 97 passengers and piloted by Capt. Kim Chang Kyu, strays 1,000 miles off course over the U.S.S.R. until it is near the Northern Fleet base at Severomorsk, near Murmansk. There, it is intercepted by two Soviet Red Air Force Sukhoi Su-15 fighters, which open fire. Damaged, with its left wingtip gone and suffering decompression, the Stratoliner rapidly drops from 35,000 ft. to 5,000 ft. However, Capt. Kyu and his flight crew are able to maintain control and crash-land the plane on a frozen lake not far from Kem, about 300 mi. south of Murmansk. Two passengers are killed and 13 are wounded during the attack.

The wreck is impounded and the surviving passengers are flown out of Leningrad by a **Pan American World Airways** (1) Jumbojet two days later. Kyu and his crew are released a week later. It will be revealed in 1991 that the Sukhoi pilots had ignored an order from their commanders to destroy the aircraft (and its occupants) once the Boeing had put down.

In May 18, weekly all-cargo service is initiated between Seoul and Amsterdam via Anchorage. Simultaneously, a second freight route is started to Singapore. On June 10, Filipino judge Augusto L. Valencia orders KAL to pay \$41,230 in damages to a Filipino passenger who was bumped from a flight in favor of an American. Kuwait joins the Mideast route network on July 8.

Formerly operated by **Deutsche Lufthansa, A.G.**, two Boeing Jumbojets are leased from Intel Air in December, one each Dash-230B and Dash-230F. Colombo joins the route network on December 10. Capitalization is now increased to 23 billion won.

Systemwide on the year, passenger traffic soars 23.5% to 3,156,982 passengers, while freight advances 10.2%.

Abu Dhabi becomes a scheduled destination on February 5, **1979**. A B-747-230B formerly operated by **Condor Flugdienst, GmbH**, is chartered from Intel Air on February 7; it is followed by receipt of a new B-747-2B5B on March 23. The year's first Jumbojet service—a new all-cargo route to New York via Anchorage—is initiated by the B-747-230F on March 23. Beginning on March 29, thrice-weekly Seoul to New York via Anchorage passenger service is also introduced. Also in March, the Jumbojet chartered from **World Airways** five years earlier is returned.

Two B-747SP-5Bs are ordered on April 10, while a third Boeing giant, another Dash-2B5B, is acquired on April 11. Also in April, the largest (to that time) order by a non-U.S. carrier is made to that manufacturer: 10 Jumbojets valued at \$1.2 billion. Another ex-**Condor Flugdienst, GmbH**, B-747-230B is chartered on July 1, the same day direct Pusan to Tokyo service is started. Later in the year, KAAD is formed as a subsidiary company to engage in the manufacture of military aircraft.

The Los Angeles route becomes direct on September 16. Frequencies are opened to Kagoshima on September 28 and to Kumamoto and Niigata on December 17.

Passenger boardings drop to 2,724,926; systemwide, freight grows 35.12% with domestic cargo skyrocketing 126.3%.

Three more Jumbojets arrive in **1980**, including a rare double freighter delivery of two B-747-230Fs on June 25. Another passenger B-747-2B5B arrives on November 13.

On November 18, the B-747-2B5B received the previous April, coming in from Los Angeles for an intermediate stop en route to Seoul with 14 crew and 198 passengers, lands short of the Anchorage Airport runway in poor visibility and catches fire (16 dead). The plane must be written off.

The route network in **1981** now includes 3 destinations in the U.S., 4 in Europe, 7 in the Middle East, and 10 in Asia, plus 9 domestic stops. Among the Mideast stops is Libya, where Korean companies have important contracts.

A B-747SP-5B arrives on January 12 and is followed into service by another B-747SP-5B received on March 18. The SPs now permit non-stop flights from Seoul to New York. One each B-747-2B5B and Dash-2B5F are delivered on April 13 and May 8, respectively.

Meanwhile, direct Cheju to Osaka flights commence on February 28. Service to Tripoli via Baharian begins on August 25. A B-747-2B5B, carrying 378, veers off the runway during its takeoff and crashes through a fence at Manila on September 15; although there are no fatalities, 40 persons are injured.

The two B-747-2B5Bs purchased in 1973 are sold back to Boeing in November and then leased back. A huge new cargo terminal is opened at Los Angeles on December 3.

A total of 3,855,281 passengers are transported.

Orders are placed in 1982 for two B-747-300s and an F.28-4000. On July 27-30, two B-747-2B5Bs are acquired under charter from Orient Leasing. Flights to Baghdad commence on May 8.

Enplanements reach 4,249,141 and a net profit of \$6.4 million is recorded.

Airline employment in 1983 is 9,829, a 0.4% boost. The fleet now comprises 7 B-747-2B5Bs and Dash-230Bs, 2 B-747SPs, 4 B-747-2B5Fs and Dash-230Fs, 4 DC-10-30s, 8 A300B2/4s, 2 B-707-365Fs, 4 B-727-281Bs, 1 F.27, and 1 B-727-181B.

During a foiled hijacking attempt on January 7, a passenger attempts to blow up a B-747-2B5B; the aircraft is able to make a safe emergency landing at Tokyo. A passenger route is extended to Singapore on July 1, complementing the existing cargo runs.

On August 31–September 1, Flight 007 is en route from New York (JFK) to Seoul via Anchorage. The former **Condor Flugdienst, GmbH**. B-747-230B leased from ITEL Air and piloted by senior Capt. Chung Byung-in, carries U.S. Congressman Larry McDonald and 267 other occupants (including 2 other flight crew, 20 flight attendants, 6 off-duty company personnel, and 239 other passengers). The aircraft strays into restricted Soviet airspace E of Kamchatka, where it is mistaken for a USAF Boeing RC-135 spy plane flying in the area. The Jumbojet, 12 mi. N of the Bethel beacon, gains the attention of Russian air defenses, which scramble 6 MIG-23s to intercept it. The giant aircraft wanders back out of Soviet airspace over the Okhotsk Sea and the MIGs return to base.

The Jumbojet now enters Soviet airspace for a second time. After flying over secret installations at Petropavlovsk and heading toward Pacific Fleet base facilities at Vladivostok 185 mi. off course, it is encountered some 80 km. SW of Sakhalin Island off Siberia, by two Red Air Force Sukhoi Su-15s scrambled from the Dolinsk-Sokol AFB. The Su-15, piloted by Lieut. Colonel Gennadi Osipovich, launches two air-to-air missiles, which strike the giant Boeing, forcing it to lose cabin pressure and suffer control problems, causing it to spiral down into the sea.

The remains of several victims and a small amount of debris will be recovered by the West, although the Soviets will locate and hold the flight recorders. The disaster will heat up the Cold War between Russia and the West for months.

Books and articles and other presentations on the disaster will appear for a decade, including the 1989 American television movie *Tailspin: Behind the Korean Airline Tragedy*, starring Michael Moriarty.

Among the book titles are: Oliver Clubb, *KAL Flight 007: The Hidden Story* (Sag Harbor, N.Y.: Permanent Press, 1985); Alexander Dallin, *Black Box: KAL 007 and the Superpowers* (Berkeley, Calif.: University of California Press, 1985); Seymour M. Hersh, "The Target is Destroyed": What Really Happened to Flight 007 and What America Knew about It (New York: Random House, 1986); R. W. Johnson, *Shootdown: Flight 007 and the American Connection* (New York: Viking, 1986); David E. Pearson, *KAL 007: The Cover-Up* (New York: Summit Books, 1987); Richard H. Rohmer, *Massacre 747* (Markham, Ont.: Paperjacks, Ltd., 1984); Jeffrey St. John, *The Day of the Cobra: The True Story of KAL Flight 007* (Nashville, Tenn.: T. Nelson, 1984); and Marilyn J. Young, *Flights of Fancy, Flight of Doom: KAL 007 and Soviet-American Rhetoric* (Lanham, Md.: University Press of America, 1988).

Among the latest studies is James Gollin and Robert Allardyce's, *Desired Track: The Tragic Flight of KAL Flight 007* (Pittsfield, Mass.: American Vision Publishing, 1996).

While taxiing in fog at Anchorage on December 23, KAL Flight 084, a DC-10-30F with three crew, manages to become situated on the wrong runway. During its takeoff roll, the wide-body collides head on with **Southcentral Air** Flight 59, a PA-31-350 Navajo Chieftain with nine passengers, which is waiting on the ground for the fog to clear so it can depart for Kenai. Flight 084 overruns the runway by 1,434 ft. and although both aircraft are badly damaged, amazingly, there are no fatalities and only six injuries.

On the year, passenger boardings jump 12.8% to 4,792,000 and freight is up 9.5% to 1.19 billion FTKs. On revenues of \$1.2 billion, the profits are \$159 million (operating) and \$3.2 million (net).

The employee population is increased by 3% to 10,125 in 1984. All-cargo service to Kuala Lumpur begins on February 21. On March 1, the carrier celebrates its sixteenth anniversary by adopting a new logo and livery and by changing its name to Korean Air. The logo, a round red, white, and blue insignia displayed on aircraft tails, is known as a *Taeguk*.

It is reported on March 20 that the previous year's incidents have led to a series of KAL shake-ups, including the forced resignation of 14 pilots, tightened screening procedures for all cockpit crew members, a new effort to improve the company's image, and the replacement of Chairman/President Harry Cho by his brother, Charlie Cho.

Passenger flights to Kuala Lumpur commence on April 3. Two B-747-2B5Bs, an F.28-4000, and a CASA C-212 are delivered; service starts to Frankfurt via Anchorage and Paris on June 21.

Not flexible enough to meet its requirements, the **Air Afrique, S.A.** B-747-2S4F Jumbojet *Lome*, which had been withdrawn on March 1 and leased to **National Airlines (2)**—and then subleased to **Saudia (Saudi Arabian Airlines)**—is sold to KAL on August 1.

All-cargo service to Amsterdam ends in October. The first B-747-3B5B, a Stretched Upper Deck or SUD model, arrives on December 12.

Passenger boardings advance 12.3% to 5,370,000 and cargo soars 21.6% to 1.45 billion FTKs. Expenses are \$1.06 billion on revenues of \$1.19 billion, leaving an operating profit of \$127.2 million and a net income of \$4.4 million.

The workforce is decreased 8.3% in 1985 to 9,238. Two MD-82s and one F.28-4000 are added and orders are placed for four more MD-82s, two A300F4-203s, and three A300B4-622s. Two B-747SP-B5s are acquired during the first quarter and are employed to increase frequencies on the direct New York service to daily on March 30.

A second B-747-3B5B arrives on April 15 and also in April the airline becomes the only airline to provide cargo service from the U.S. to Kuala Lumpur and Bangkok via Seoul.

En route from Seoul to Cheju on May 18, a B-727-281B with 118 passengers is hijacked by a lone assailant claiming to have a bomb and demanding to be flown to North Korea. Security guards and passengers overwhelm the perpetrator and a search finds no bomb.

The Seoul in-flight food center is expanded and a B-747-2S4F once operated by **Air Afrique, S.A.** is chartered from Japan Leasing in May for use the following year. An ex-**World Airways** B-747-273C is purchased on August 12. On September 9, KAL is named the official airline of the 1988 Seoul Olympics.

Passenger bookings swell 14.6% to 6,156,000 and freight is up 5.1% to 1.3 billion FTKs. The cargo figure ranks the airline second among Asian airlines in terms of freight hauled behind **Japan Air Lines Company, Ltd. (2)**. Revenues are \$1.3 billion and expenses are up 8.8%, thus cutting the operating profit to \$12.4 million. The net profit, however, rises to \$5.15 million. In terms of revenues generated, KAL in 1985 ranks 22nd among all world airlines.

The payroll is boosted 1.3% in 1986 to 10,493 and the fleet includes 49 aircraft. Rotary-wing flights are initiated on March 8 between Cheju and Sogwipo and from Pusan to Jejudo. A joint service agreement is signed with **Deutsche Lufthansa, A.G.**, also in March, covering all-cargo flights between Seoul and Frankfurt.

In August, the two newly acquired A300F4-203s are introduced on the Orient/Southeast Asian cargo routes. Simultaneously, the B-747-2S4F formerly operated by **Air Afrique, S.A.** enters service and orders are placed for three B-747-400s for April 1989 delivery.

Enplanements jump 14.5% to 7,184,031 while cargo rises 13.2% to 1.49 billion FTKs. Revenues accelerate 14.9% to \$1.51 billion, costs are \$1.44 billion, and a \$72.3-million operating profit is achieved.

The employee population grows by 7.6% in 1987 to 11,293. On February 26, the company becomes a launch customer for the MD-11. Weekly charter flights are operated throughout the summer between Seoul and Chicago via San Francisco. The first two of three ordered A300B4-622s are delivered in September and October. During the latter month, these are employed to inaugurate twice-weekly flights from Seoul to Bangkok. Service is now suspended to Baghdad.

On December 1, Flight 858, a B-707-3B5C with 11 crew and 104 passengers en route from Abu Dhabi to Seoul via Bangkok explodes in midair over the Andaman Sea, off Ban Sal Yok, Thailand, near the Burma border; there are no survivors.

Two Koreans, initially claiming to be a Japanese and his daughter, are initially held by police in Bahrain, where they had arrived from Abu Dhabi two days after the disaster. The man, 70-year-old Kim Sungil, commits suicide, but the other, a woman, Kim Hyon-hui codenamed "Mayumi," whose forged passport initially raised the interest of police, will live to be extradited back to South Korea. The two saboteurs, disguised as passengers, had left a radio and liquor bottle containing hidden explosives in the overhead rack at Row 7 and certain of the incriminating evidence had survived.

Passenger boardings ascend 17.3% to 8,423,531 and freight swells 12.7% to 1.67 billion FTKs. Revenues rise 17.8% to \$1.77 billion and low expenses allow an operating profit of \$96.1 million. Profits of \$380.6 million (operating) and \$23 million (net) are generated.

Twice-weekly Airbus A300B4-622s service is inaugurated from Seoul to Bangkok in February 1988. A B-747-2B5B makes an unscheduled landing at Anchorage on April 13, after a man, wielding scissors, is restrained by passengers and crew members. The struggle results in injuries to both the pirate and the vigilantes.

In June, the carrier receives permission to overfly the People's Republic of China. Later in the month, a new five-level, \$71.5-million passenger terminal is opened at Seoul's Kimpo Airport. Twice-weekly roundtrip DC-10-30 service begins on October 1 from London to Toronto and on to Vancouver, Anchorage, and Seoul. New frequencies begin in December to Nagasaki.

The official airline of the summer Olympic Games, KAL transports 9.8 million passengers, a boost of 12.6%. Cargo climbs 13.5% to 1.9 billion FTKs. Revenues jump 21.6% to \$2.1 billion and operating income accelerates to \$889 million. Net gain is \$174 million.

The workforce is increased by 6.4% in 1989 to 11,778 as its fleet is increased by the addition of 2 A300B4-622s, 3 MD-82s, and 3 B-727-281s. The carrier now serves 11 domestic and 27 overseas destinations in 16 countries. In January, the government lifts restrictions on overseas travel, leading to an explosion in overseas flights by South Korean citizens.

Confessed North Korean agent Kim Hyon-hui testifies in a Seoul courtroom on March 7 that she planted the bomb that blew apart the Stratoliner in 1987, claiming that she acted on the orders of Kim Jong II, who wished to disrupt the 1988 Olympics. The lady will be sentenced to execution, but pardoned by the president of South Korea.

Toronto-Seoul via Vancouver all-cargo service begins in mid-March; while flights from Seoul to Baghdad, suspended in 1987, are resumed. On March 26, daily nonstop flights begin from Los Angeles to Seoul, followed five days later by the initiation of daily nonstop service from Los Angeles to Tokyo. Weekly roundtrip passenger service is introduced between Seoul and Amsterdam on April 1. The first of nine ordered B-747-4B5Bs arrives from Seattle in June.

Encountering heavy fog while on final approach off a service from Jeddah, Flight 802, a DC-10-30 18 crew and 181 passengers, crashes

short of the runway at Tripoli, Libya, on July 27, hitting homes and cars before bursting into flames. In addition to the 75 killed aboard the jetliner, 4 people die on the ground. Two Korean pilots are jailed in Libya in connection with the tragedy.

New service to Jakarta begins on August 3 and a ninth weekly Seoul-Los Angeles frequency is added, also in August.

Wing icing causes the No. 1 engine of an F28-4000 with 6 crew and 42 passengers to lose power just after takeoff from Kimpo Airport at Seoul on November 25. The pilot aborts the takeoff, at which point the aircraft overruns the runway and catches fire. Although there are no fatalities, the plane is burned out and 21 aboard are injured.

Weekly passenger service is introduced during December from Seoul to Jakarta via Singapore.

A marketing agreement is signed with **Philippine Air Lines (PAL)** in December that provides for joint freighter service between Seoul and Manila employing KAL aircraft and crews. Passenger boardings shoot up another 15.4% to 11,330,000. Freight does even better, ascending by 26.8% to 2.41 billion FTKs. Revenues only advance 1% to \$2.29 billion as costs cut the operating profit to \$797 million. Net profit, however, marches up to \$181 million.

Company employment is reduced a slight 0.5% in 1990 to 12,102. In cooperation with **Philippine Air Lines (PAL)**, weekly Seoul-Manila A300F4-203 all-cargo flights begin in January. New passenger services are initiated to Kagoshima and Sydney on April 1. A joint marketing agreement is signed with **Cathay Pacific Airways (Pty.), Ltd.** in May providing for joint freight flights between Seoul and Hong Kong and in June, a \$4.8-billion order is placed for B-747-400s (including confirmation of existing orders and some options). Simultaneously, permanent approval is received to overfly the Peoples' Republic of China, thereby cutting 3 hrs. off the weekly service from Seoul to Bahrain.

On June 27, the Polar route to Europe is closed as a new routing is established via Moscow, regularly visited on this date for the first time. Flights to Paris, Frankfurt, London, Amsterdam, and Zurich are all rerouted.

During July, a cooperative computerized reservations system agreement is signed with **Japan Air Lines Company, Ltd. (2)** and in November, a freight block-space agreement is signed with **Garuda Indonesia** covering service from Seoul to Jarkarta. Scheduled frequencies to Honolulu, Los Angeles, and New York total 36 per week, with weekly "charters" made to San Francisco that conclude in Chicago. A new *ab initio* pilot training program is begun at a company academy on Cheju Island, off the southern coast; 45 cadets are enrolled for the initial 24-month program.

Customer bookings ascend 8.2% to 12,259,000, placing the airline 23rd in enplanements among all world airlines. Cargo climbs 4.9% to 2.52 billion FTKs, which is good for 6th best. Although revenues are only up 2.3% to \$2.34 billion, only 18 other carriers do better. Operating profit falls to \$144.4 million, 8th finest in the world, while the net figure turns from profit to a \$10.9-million loss.

The payroll is increased by 11.7% in 1991 to 14,580 and the fleet now includes 80 aircraft: 8 A300B4-103s, 2 A300F4-203s, 5 A300B4-622s, 9 A300B4-622Rs, 1 B-707-321C, 5 B-727-281s, 7 B-727-281As, 4 B-747-2B5Bs, 1 each B-747-212B, B-747-230B, B-747-273C, 6 B-747-2B5Fs, 1 each B-747-2S4F and B-747-230F, 2 B-747-3B5s, 1 B-747-3B5C, 6 B-747-4B5s, 1 B-747-4B5C, 2 B-747SPs, 1 each CASA C-212-100 Aviocar, Cessna 500 Citation I, Dassault Falcon 20F, and Falcon 50, 6 McDonnell Douglas MD-82s, 2 MD-83s, 1 Fokker F27-500, 3 F28-4000s, and 1 Piper PA-41 Cheyenne 400LS. Orders are outstanding for 7 A300B4-622Rs, 7 A330-223/322s, 16 B-747-4B5s, 2 MD-82s, and 5 MD-11s.

The Korean flag carrier and **Garuda Indonesia** agree in January to launch joint freighter services between Seoul and Jakarta using KAL aircraft. Simultaneously, the two companies launch block-seat return passenger flights from Seoul to Jakarta and Denpasar. The first MD-11s are delivered in February. In March, biweekly A300F4-203 flights begin from Seoul to Colombo, Sri Lanka, and weekly A300F4-203 frequencies are started to Jakarta.

The premier Asian operator of the MD-11, KAL places its first unit into nonstop daily service in May on the Seoul to Los Angeles route; later in the month, frequencies on the Seoul to Singapore cargo run become daily. Other new passenger flights begin to Okayama and Kumamoto. Twice-weekly B-747-2B5F flights begin from Los Angeles to Taipei via Seoul. Service to Rome via Moscow begins on June 6.

When the crew fails to read out the landing gear procedure checklist and thus do not lower the landing gear, a B-727-281 with 7 crew and 120 passengers, makes a belly landing at Taegu on June 13 following a service from Cheju. Although the aircraft is damaged beyond repair, there are no fatalities.

In July, a freight agreement is signed with **Malaysia Airlines, Ltd. (MAS)** covering all-cargo services on routes from Seoul to Kuala Lumpur. The pact will later be changed to provide for cargo frequencies from Seoul to Johor Bahru and from Kuala Lumpur via Seoul to Anchorage, San Francisco, and Los Angeles. A strategic code-sharing alliance is entered into with **Alitalia, S.p.A.** in September. The Korean and Italian flag carriers will employ dual designators on passenger flights from Seoul to Rome.

Flights to Milan via Moscow are initiated on October 13. Employing a Jumbojet freighter, the MAS-shared, all-cargo service from Seoul to Los Angeles becomes twice weekly in November. Simultaneously, joint B-747-2B5F twice-weekly service is inaugurated, in cooperation with the Italian flag carrier, from Seoul to Milan via New Delhi.

In December, weekly A300F4-203 cargo flights are initiated from Seoul to Kuala Lumpur and Manila, the latter under a compact signed with **Philippine Airlines (PAL)** earlier. At the same time, an order is placed for nine Fokker 100s, along with three options.

Passenger boardings advance 9.9% to 13,470,000 and freight is up 7% to 2.7 billion FTKs. Revenues shoot up 12.7% to \$2.6 billion and with costs held down, the operating profit swells to \$256.2 million. Net gain is \$21 million.

The number of employees grows by 17% in **1992** to 15,314 as 3 Fokker 100s are placed into domestic service beginning in April, replacing several F.28-4000s. During the spring, the company opens a Service Academy at its Pusan base designed to teach amenities to customer service staff; the operation will be nicknamed "The Smile Academy."

Thrice-weekly roundtrip service is inaugurated on April 12 between Seoul and Chicago. Other new passenger service is also initiated to Guam and Oita. Cargo routes are started to Colombo via Singapore, Bombay via Bangkok, and London. Canada removes its visa requirement for Korean travelers; the move will eventually see tourist traffic from Seoul to that country jump by 300%. Weekly frequencies are initiated to São Paulo on October 25 via Los Angeles.

Customer bookings increase 13% to 15,249,000 while freight is up 4.6% to 2.82 billion FTKs. Revenues jump 16.4% to \$2.97 billion and grant an operating surplus of \$259.3 million. The net falls to \$1.5 million.

In **1993**, Chairman/CEO Charlie Cho oversees a workforce of 15,862, up 5.5% over the previous year. The fleet now includes 10 A300B4-103s, 19 A300-622/622Rs, 11 B-747-4B5s, 8 MD-82s, 7 Fokker 100s, 7 B-747-2B5Fs, 3 each B-727-281As, B-747-2B5Bs, and DC-10-30s, 2 each B-747SP-B5s, MD-83s, and Piper PA-42 Cheyenne 400LSs, and 1 each B-747-212B, B-747-273C, B-747-2S4F, B-747-230F, B-747-3B5C, B-747-4B5C, Cessna 500 Citation I, Dassault Falcon 20F, Dassault Falcon 50, and Fokker F.28-4000 Fellowship.

A Soviet secret for nearly a decade, the "black box" cockpit voice recorder and digital flight-data recorder tapes recovered from the wreckage of KAL 007 are turned over by the Russians in January to ICAO. When played, the recordings suggest errors with the Jumbojet's inertial navigation system.

During the same month, KAL becomes the first international airline to land at China's new Shenzhen Airport, near Hong Kong.

A new cargo route is inaugurated to London in February as the result of a marketing agreement with **British Airways, Ltd. (2)**, with a second started to Penang under the earlier pact with **Malaysia Airlines, Ltd.**

(MAS). Weekly B-747-2B5F passenger service is launched to Bombay on March 29 via Bangkok. Ho Chi Minh City joins the route network on June 1, along with Cairo. At the same time, a B-727-281 is donated to **MIAT (Mongolian Airlines)**. Frequencies to China are increased during the summer and flights begin to Mexico City.

An A300B4-103 with 110 aboard crashes on the southwestern coast of the Korean peninsula on July 26 (66 dead). Also in July, a code-sharing and passenger block-space agreement is signed with **Vietnam Airlines** for services on the new route from Seoul to Ho Chi Minh City. Frequencies from Tokyo to Brisbane commence on August 9.

During the fall, the carrier transports many visitors to the national Expo '93, held at Taejo. A strategic code-sharing alliance is signed with **Air Canada, Ltd.** in September covering services from Seoul to Vancouver and Toronto. Auckland is first visited on November 3.

Passenger boardings swell 8.1% to 16,487,000 while freight rises 18.2% to 3.34 billion FTKs. Revenues ascend 12.7% to \$3.34 billion and expenses increase only 9.3% to \$2.95 billion. As a result, the operating profit jumps to \$384.41 million and net gain increases to \$14.56 million.

The number of employees is increased by 7.8% in the 25th anniversary year of **1994** to 16,515. Early in the year, in-flight telephone service is introduced. A code-sharing and passenger block-space agreement is initiated with **Air New Zealand, Ltd.** in January covering services from Seoul to Auckland. The pact will eventually cover flights to Brisbane as well.

Under terms of the pact signed with **Air Canada, Ltd.** the previous October and employing one of its Jumbojets, Korean Air inaugurates weekly flights in May between Seoul and Toronto via Vancouver. The pact also allows both carriers to exchange seats and cargo pallets on flights between the two countries.

As a result of the airliner gift to **MIAT (Mongolian Airlines)**, the company is given overflight rights; service via Mongolia to Moscow and Rome is thereby reduced by 1.5 hours.

The same month, the first A330-322, displaying markings celebrating the airline's twenty-fifth anniversary, is delivered to Seoul via Alaska. On July 1, it is announced by CEO Charlie Cho that the assets of the owning Hanjin Group are ranked fifth among all South Korean firms. KAL itself now offers 112 domestic daily flights over 19 routes to 12 cities and serves 43 cities in 24 nations with 272 weekly flights. Flights to Christchurch begin on July 11, followed by Phuket on July 27 and Madrid via Bahrain on August 8.

While landing at Cheju in a thunderstorm at the conclusion of an August 10 service from Seoul, Flight 2033, an A300B4-622R with 8 crew and 152 passengers, touches down too far down the runway to stop; going off the concrete, the Airbus strikes the airport wall guard post. The cabin crew safely evacuates all customers and no fatalities are reported, however, the airliner slides off the runway and is destroyed in a post accident explosion and fire minutes after evacuation.

Local prosecutors weigh into the accident investigation and in September, charge pilots Barry Woods, a Canadian, and Chung Chan Kyu with violating aviation law and causing the injuries. The arrest of Woods, who will later be released, is protested by the Canadian Air Line Pilots Association.

Vladivostok joins the route network on September 6, followed by San Francisco on October 29. Flights from San Francisco to Atlanta and Dallas commence on December 12 and 14, respectively. Seventeen weekly flights are started on December 22 to four northern cities in mainland China: Beijing, Tienjin, Qingdao, and Shenyang.

Overall customer bookings jump 14.9% to 18,939,000 while cargo swells 20.6% to 4.03 billion FTKs, 5th highest in the world and tops in Asia. Revenues are up by 16% to \$3.87 billion and expenses are up 19.4% to \$3.53 billion. As a result, the operating profit slips to \$346.31 million while net profit balloons to \$46.77 million.

In January **1995**, the company begins revenue sharing with **Air China** on flights from Seoul to Beijing. Also during the month, the carrier joins with Global Network System Asia to establish a service in South Korea

that provides local forwarders with information about cargo transport and carrier reservations.

During the first half, a decision is made to convert the company's five MD-11s into freighters.

Following the granting of new routes over China and Russia in May, the company is able to begin flying directly to Moscow and then on to Rome. Converted in South Korea, the first MD-11F is available by the end of June.

A major marketing alliance begins with **Delta Air Lines** in July. Its provisions link the frequent flyer programs of the two giants and also provide for code-sharing, via block-space, on their return flights from Seoul to Atlanta, Newark, New York (JFK), Washington, D.C. (IAD), Orlando, Boston, and Portland. Also covered are frequencies from Los Angeles to Honolulu. A joint all-cargo service is inaugurated with **Swissair, A.G.** from Seoul to Basel.

Services to Tel Aviv commence on November 27. On December 6, company officials admit that they had illegally contributed \$4,000 to the 1992 campaign of U.S. Representative Jay Kim (D-California), the first Korean-American elected to Congress. The airline will be arraigned in federal court on December 18 and will end up paying a fine.

As Korean contractors work on construction projects throughout the Mideast, frequencies to Saudi Arabia, Bahrain, and Egypt are also increased during the fourth quarter. Despite good traffic and financial figures, company officials express concern over the negative effect the state of the national economy and rising competition may have on the airline.

Passenger boardings accelerate 13.1% to 21,424,000 while freight moves up 8.2% to 4.4 billion FTKs. Revenues climb 12.5% to \$4,362,823,000 while costs move up an almost equal 12.9% to \$3,986,474,000. Operating profit is \$376,349,000 and net gain leaps to \$136,680,000.

Airline employment stands at 16,000 in 1996 and two more MD-11s become freighters. On January 17, the U.S. Supreme Court rules unanimously that survivors of the passengers killed on KAL 007 shot down in 1983 may sue for monetary damages, but not for compensation for loss of loving relationships enjoyed.

As a result of additional new routes allowed by China and Russia to the company during the last week of April, the carrier is able to save almost three hours when it begins flying from Seoul to Paris over Beijing, Ulan Bator, Novosibirsk, and Kotlas. Also in the spring, code-sharing begins with **Ansett Australia (Pty.), Ltd.** on frequencies from Seoul to Brisbane and Sydney.

While landing at Los Angeles on May 25, an MD-11F suffers a tail strike that damages the wide-body.

Sponsored by the airline, together with **Japan Air Lines Company, Ltd. (2)**, **Air France**, and **Deutsche Lufthansa, A.G.**, work begins on June 15 on a \$450-million improvement project at Terminal One of New York (JFK).

Also in June, the company begins a block-space agreement with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on a route from Seoul to Madrid.

KAL becomes the first Asian airline to serve the Boston gateway to the New England states of the U.S. when, on August 21, it commences thrice-weekly B-747-4B5 roundtrips to Logan International Airport.

The company receives its first B-747-4B5F in September. At this point, the company joins with its sister, Hanjin Shipping, to inaugurate a Sky-Bridge intermodal transport service. Cargo arriving in South Korea from five major Chinese ports is off-loaded aboard Hanjin trucks, which are driven to various airports and loaded aboard KAL aircraft for worldwide distribution.

A B-747-4B5 veers while taxiing toward Terminal One at New York (JFK) on November 2, knocking down a light pole and denting its wing; no injuries are reported.

On December 8, former Soviet Air Force Lt. Colonel Gennadi Osipovich, who shot down KAL 007 in 1983, gives his first interview to the

Western press. The pilot insists that no civilians were aboard the Jumbojet on that fateful day and that his only complaint concerning the incident was that the bonus he received for his act was less than he had expected.

Rising fuel costs and a decline in the value of the South Korean won will cause financial distress.

Enplanements soar 10.8% to 23,740,000 and 4.99 billion FTKs are operated, a 13% increase over the previous year. Operating revenues slip 0.5% to \$4.34 billion and costs are \$4.31 billion. Although there is a \$27-million operating profit, a huge \$249.4-million loss is suffered and the first red-ink annual report in company history is released.

The workforce is increased by 1,000 in 1997. Negotiations with **Japan Air Lines Company, Ltd. (2)** begun the previous September, are successfully completed on January 31. Under terms of the code-sharing and marketing agreement, JAL and KAL will share codes on flights from Osaka (KIX) to Seoul. Plans are made for joint navigation of the Fukuoka-Seoul route.

One of Airbus' largest customers, KAL now also operates a fleet of 29 A300B4-600s and 2 A300F4-203s. On March 21, KAL receives its first B-777-2B5 IGW (IGW stands for "increased gross weight"). At the end of March, thrice-weekly return service is extended from Seoul to Denver via Los Angeles. Korean Air is the first Asian carrier to not only provide service from Denver to Seoul, but also to destinations in Southeast Asia and beyond.

An enhanced memorandum of understanding is signed with **Delta Air Lines** at the beginning of May; it will expand the partnership between the two companies established back in 1995. Beginning on May 23, thrice-weekly service is inaugurated from Seoul to Denver via Los Angeles; the Colorado market is actually an expansion from the company's thrice-daily flights from South Korea to California.

The carrier, which also has 10 flights per week to Honolulu, now counts 15 North American markets, including New York (JFK), Boston, Dallas (DFW), Los Angeles, Toronto, and Vancouver plus an all-cargo service to Portland, Oregon.

On June 1, KAL takes delivery of the second of eight B-777-2B5 IGWs and President/CEO Yang Ho Cho announces plans to spend \$10 billion through the year 2005 to double the carrier's fleet size. It also receives the first of 10 Airbus A330-223s.

In a July report, IATA reveals that KAL has surpassed **Air France** to become the world's second largest cargo-transporting passenger airline behind **Deutsche Lufthansa, A.G.** Freight traffic now accounts for a full one quarter of the carrier's income.

According to an article written by Dave English in *Airways* magazine, KAL now operates one of the longest routes in the world, New York to Seoul. The 6,875-st.-mi. distance is flown in 15 hrs. 15 min. out and 13 hrs. 20 min. back (*Airways* (July-August 1997): 21).

On August 6, Flight 801 is coming in from Seoul for a landing at Agana, Guam. The B-747-3B5, piloted by Capt. Park Yong-chul with 231 passengers and 23 crew, crashes into the south face of 700-ft. Nimitz Hill, a few hundred yards north of the nonfunctioning navigation beacon used for approaches to Runway 6L, breaks up, and bursts into flame. Rescue groups from nearby homes, military bases, and hospitals speed to the scene, cutting their way through 8-ft.-tall saw grass with the assistance of illumination from two USN CH-46 Sea Knights from HC-5. Within 17 hours, 35 survivors are rescued, 8 of whom will die from their injuries. In Korea, hundreds of relatives, complaining of a lack of information, protest at Seoul Airport while the national television network suspends its normal programming to provide blanket coverage of the disaster.

On August 9, a second weekly all-cargo service is inaugurated between Dallas (DFW) and Sydney, Australia, via Seoul. Normal cargo to be flown over the route will consist of computers, aircraft parts, and oil field equipment.

A block-space, code-sharing agreement is signed with **Biman Bangladesh Airlines, Ltd.** in August. Under its terms, Biman purchases space on a weekly Korean B-747-2B5F service to transport locally made ready-to-wear garments to the U.S. from Dhaka via Bangkok and Seoul.

In September, the company begins to phase out all of its A300B4-103s, selling three to Ansett Worldwide and three to Japan Fleet Services. One is broken up and the last is given to an amusement park. In their place, two A300B4-622Rs are leased from Ansett Worldwide and two more from Japan Fleet Services.

On September 30, fares are reduced from 11 U.S. gateways to 13 Asian destinations; roundtrips from Los Angeles to Seoul go for just \$699, while flights to Seoul from New York are just \$200 more.

Revenues from cargo in October total a record \$100.5 million. Still, plunging currency rates will have a severe impact on the bottom line by year's end.

The carrier's first female pilot, 28-year-old MD-82 First Officer Shin Su-jin marries pilot trainee Kim In on October 28.

Late in the year, a new Operations Center is opened at Kimpo International Airport. With a B-747 hangar, a main building 7-stories high, and 13 annexes, the facility is labeled "the world's largest air complex."

Economy-class passengers are offered advance seat assignments on services between South Korea and the Americas or Europe as of November 17.

Starting on November 20, KAL serves the special Beaujolais Nouveau French wine to all cabins on any of its international services for a month.

Passenger boardings shoot up 7.7% to 25,559,000 while cargo moves ahead by 14.6% to 5.71 billion FTKs. Operating revenues jump 17.1% to \$2.66 billion as costs move skyward by 7.5% to \$2.48 billion. Although there is an operating profit of \$170.9 million, the company must also report a huge \$280.7-million net loss.

At the beginning of 1998, KAL is the 3rd largest airline in the world in terms of freight carried, 12th largest in passenger boardings, 21st in operating profit, 22nd in fleet size, and 24th in employee number, with 17,000. The fleet, all of which is Stage III certified, includes 112 airplanes: 45 B-747s, 2 B-777-2B5 IGWs, 32 A300s, 12 Fokker 100s, 5 MD-11s, and 14 MD-80s.

Under terms of an all-cargo marketing agreement signed at the end of the previous year, **Vietnam Airlines** on January 10 begins dual-designator service with KAL, placing its two-letter code aboard the Korean line's A300F4-203 weekly freighter flights between Seoul and Ho Chi Minh City.

Col.-Gen. Anatoly Kornukov, the Soviet air defense commander who had ordered the firing upon KAL 007 in 1983, is appointed Commander-in-Chief of the Russian Air Force on February 1.

In accordance with the announced December 12 agreement between the government of North Korea and IATA, KAL, on March 1, makes the second trial flight (behind **Cathay Pacific Airways (Pty.), Ltd.**) through a North Korean corridor opened to international civil transport.

Departing from the carrier's normal Anchorage to Seoul route flown via Takhtayamsk, Khabarovsk, Harbin, and Beijing, a B-747-4B5 is piloted from Anchorage to Takhtayamsk. It then flies to Yedinka, south to the North Korean coastline (spending 20 min. in Communist airspace), and across the South Korean border to Seoul. Depending on weather, it is anticipated that the new routing can save as much as 50 min. on flights from East Asia to North America. A passenger code-sharing pact is entered into with **Vietnam Airlines** on April 9.

Joined by **Deutsche Lufthansa, A.G.**, **Japan Air Lines Company, Ltd. (2)**, and **Air France**, the carrier in mid-May begins a two-week move into the newly opened \$434-million Terminal One at New York (JFK). The four carriers, having jointly developed, financed, designed, and constructed the huge project, will now operate it and sell space to other carriers.

On June 9, the U.S. Supreme Court unanimously rules that families of the victims lost in the shoot-down of KAL 007 in 1983 are not entitled to sue for damages because the aircraft had been destroyed over international waters.

Nearly a year after the Guam disaster, KAL, in July, contracts with code-share partner **Delta Air Lines** for the performance of a detailed safety survey. Completed by month's end, the audit includes recom-

mendations and an implementation plan designed to upgrade the safety of the company's cockpit procedures and pilot training program.

East Asia's recession requires KAL on July 22 to defer its 1999 delivery of four A330-322s, one A330-223, two B-747-4B5s, one B-747-4B5F, one B-777-2B5, and two B-777-3B5s, plus all of the Pratt & Whitney PW4000 engines needed to power them. Plans, however, go forward to take all 11 aircraft scheduled for delivery by December. The company is still left with a fleet of 111 planes, including 94 passenger jets and 17 freighters, of which 33 are leased.

Four-times-a-week roundtrips commence on August 1 between Cheju and Beijing. On August 5, Flight 8702 is diverted for refueling from Kimpo Airport at Seoul to Cheju because of rain. The B-747-4B5 with 21 crew and 358 passengers spins around while landing, shears off part of its undercarriage, and damages its right wing before skidding to a stop off the runway in a meadow. Although there are no fatalities, 18 passengers are injured.

Under terms of a fifty-fifty code-sharing agreement worked out with **China Eastern Airlines Company, Ltd.** in July, a KAL MD-11F inaugurates scheduled weekly all-cargo roundtrips into China from Seoul at the end of August.

While on approach to Kimhae Airport on a September 8 service from Seoul, an A300B4-103 with 185 passengers experiences landing gear problems and circles the airfield for 30 min. attempting to resolve them. An emergency landing is successfully completed; however, one of the plane's tires explodes during the roll. The plane comes to a stop without further incident and no injuries are reported from the second landing mishap within a month.

The code-sharing agreement with **Delta Air Lines** is expanded on September 15. Under the arrangement, new dual-designator daily services are inaugurated to Seoul via New York or Los Angeles from Las Vegas, New York, Orlando, Philadelphia, and Portland. Flights are also added from Atlanta, Boston, Dallas (DFW), New York, and San Francisco.

Under terms of a dual-designator pact signed on August 10, the company begins code-sharing with **Air France** over long-haul routes from Paris to Seoul (six times a week) and Seoul to Paris (four times a week) on September 16. The French major employs its A340-311s while KAL flies B-747-4B5s.

Just after landing at Ulsan following a September 30 service from Seoul, Flight 1603, an MD-82 with 142 passengers, slides 150 meters past the end of the runway; no injuries are reported.

On October 9, in an effort to discipline the airline for a rash of recent minor accidents and breakdowns, the Transportation Ministry orders KAL to reduce the number of its domestic flights by 20% on October 25. The cutback means a suspension of 138 weekly services on 10 of the company's most lucrative routes and will amount to an overall \$37-million penalty in lost revenues.

The Ministry also notes that it will order the carrier to cut the number of its weekly Seoul-Tokyo flights early in the new year from 28 to 26. Lost revenues from the cut will amount to \$962,000 each week.

Taken together, these are the heaviest assessed penalties in Korean civil aviation history.

The cutbacks, which the airline claims will cost it between \$30 and \$40 million in lost revenues, will last for six months. Airline analysts expect the company to suffer loss of market share and then need to expend large sums and cut fares to win it back, all of which will undermine profitability.

Although the company now pledges 150 billion won over the next two years to improve safety under the **Delta Air Lines** safety audit of July, all observers are agreed that further serious safety incidents will have dramatic and negative economic implications for the airline's viability.

The company finishes the year strongly, taking a large number of aircraft just before its conclusion. On December 30, two B-777-3B5s, two B-747-4B5s, and a B-747-4B5F are received, followed the next day by the arrival of one each B-777-2B5 IGW and B-777-3B5 and another B-747-4B5.

Passenger boardings plunge 22.9% to 19.71 million, while cargo traffic falls 8.6% to 5.22 million FTKs. Revenues jump 25.4% to \$3.79 billion, while costs increase 62.5% to \$3.54 billion. There is a \$253.69-million operating profit and a \$247-million net profit is posted for the year, a significant turnaround since the release of figures for 1997.

Since the previous fall, **Delta Air Lines** has been the only U.S. major still flying to Seoul. Unable to sustain the negative finances of this operation, Delta suspends its daily nonstop roundtrips from Portland, Oregon, on February 14, 1999, thus ending the code-share with KAL on the route. However, Delta continues to provide service between 11 other U.S. cities and Seoul via its dual-designator flights with the South Korean major. Delta also closes down its connecting service from Boston to Portland; officials from Portland now approach KAL concerning the possibility of its taking over the route to Seoul until such time as the U.S. major is ready to resume it.

Discussions opened earlier with **Pakistan International Airlines Corporation** concerning the possible acquisition by PIA of two B-747-3B5Bs end at mid-month. KAL wishes to sell the aircraft while the Pakistan line wishes only to lease.

On March 1, KAL opens an online reservations service on its World Wide Web page; initially, the operation applies only to short-haul routes into China and Japan. The service will be expanded to include Southeast Asia and Europe during the second half of the year.

A company official reveals on March 8, in advance of the release of the airline's annual report, that it will post a sizeable net profit for 1998 due largely to route reductions and the sale and leaseback of 16 aircraft.

Just after landing on its second attempt at Pohang in rain after a March 15 service from Seoul, an MD-82 with 6 crew and 156 passengers, skids off the runway, hits a barbed-wire fence and an airport antenna. The fuselage is cracked and the nose cone is ripped off; 33 people are injured, two seriously.

Three days later, an A300B4-622R with 279 passengers en route from Seoul to Cheju, encounters winds of up to 50 kn. near Kwangju Airport, in southwest Korea. The wide-body's pilot elects to make an emergency landing at Kwangju, where strong crosswinds force him to put down with one wheel off the runway. The aircraft comes to an uneventful stop and no injuries are reported.

With the beginning of the new schedule on April 1, KAL replaces its narrow-body transport with wide-bodies on its thrice-weekly roundtrips from Seoul to Osaka. At the same time, the company doubles its return service to Australia from two flights per week to four and is allowed to operate three charters a week to Ulan Bator, Mongolia, instead of the current one.

Shortly after landing at Chicago (ORD) early on the morning of April 2 after a service from New York (JFK), Flight 9018, an **Air China International Corporation** B-747-4J6C freighter with eight crew, exits its runway onto a taxiway, but makes a wrong turn, ending up back on the runway. At the same time, Flight 36, KAL B-747-4B5 with 22 crew and 357 passengers, is rolling down the same runway toward takeoff for Seoul. The Korean jetliner lifts up and passes over the nose of the Chinese 747, missing it by approximately 50 feet.

On April 14, KAL announces that it is hiring 50 non-Korean pilots from other airlines as part of its safety-improvement program. The move apparently does not come soon enough.

Just after takeoff from Shanghai on April 15 with 68 tons of cargo on a service to Seoul, Flight 6316, an MD-11F with three crew, grazes a building and crashes into a construction site 10 km. SW of its point of departure. All aboard the aircraft are killed, along with 5 people on the ground; 37 others on the ground are injured. The aircraft involved was the same one that had suffered a Los Angeles (LAX) tail strike in 1996. In covering the accident, the media notes that, including the 269 who died when KAL 007 was shot down in 1983, more than 700 people have died in KAL crashes during the past 2 decades.

Delta Air Lines, on April 16, suspends its code-sharing agreement with KAL and immediately contacts its customers booked on KAL-operated flights to assist them in making alternative travel arrangements.

The suspension will remain in effect until Delta has completed a thorough review of KAL operations. **Air Canada, Ltd.** follows suit.

At a cabinet meeting on April 20, South Korean President Kim Dae-jung calls for an overhaul of the airline's management, noting that the series of accidents by the flag carrier is now a national issue that is sullying the country's reputation.

Two days later, on April 22, KAL shuffles its management. Chairman Cho Joong-hoon, the 79-year-old chairman, steps away from the airline, while retaining the chairmanship of its parent, the Hanjin Group, South Korea's sixth-largest corporation. The former leader's son and the airline's president, Cho Yang-ho, becomes the new chairman, while direct, day-to-day management responsibility passes to non-family member Executive Vice President Shim Yi-taek, who steps into the presidency.

All but 4 of the 29 top executives who had earlier tendered their resignations to assume responsibility for the recent Shanghai crash have had their letters accepted by the new CEO by May 3. At a news conference at Seoul, a company spokesman unveils a number of initiatives designed to raise company safety standards by year's end.

The next day, the U.S. Department of Defense advises its personnel not to employ KAL for official travel, citing its poor safety record.

A contract is signed with Boeing Airplane Services on May 7 for the conversion of two passenger MD-11s into freighters by the end of the year. A week later, Korean officials indicate that they hope to begin talks with **Delta Air Lines** in June aimed at a resumption of dual-designator services.

On May 18, as a result of the KAL Shanghai crash in April, **Air France** requires that the South Korean flag carrier suspend its code-sharing pact with the Paris-based major for a year.

Simultaneously, the embarrassed South Korean government, specifically in the person of President Kim Dae Jung, demands changes in the flag carrier and strips KAL of 17 weekly roundtrips between Seoul and Pohang (half of all KAL flights on the route) for 6 months. It is anticipated that the penalty, which amounts to 1% of the company's weekly domestic flights, will cost the airline 36 billion won (\$30 million). Additionally, the company is banned from increasing the number of its domestic flights for the remainder of the year.

Orders are placed on June 15 for a pair of B-747-4B5Fs that will be delivered in May and June 2000.

On June 28, Flight 027, a **British Airways, Ltd.** (2) B-747-436 with 400 passengers en route from London to Hong Kong, accidentally drops down to just 200 m. above a KAL B-747F en route from Seoul to Uzbekistan. The move sets off collision warnings aboard both aircraft and they are able to maneuver safely out of danger.

On June 29, the U.S. Export-Import Bank announces that it will enable KAL to lease six Boeing jetliners under a \$796-million loan package.

A new package of reforms is announced on July 7 designed to improve operations and safety. Among the changes are the outsourcing of pilot training, an English-language training program, and the recruitment of expatriate captains from foreign airlines.

Signed a month earlier, a new \$30-million contract with Flight Safety Boeing begins on August 1. Instructors from Boeing arrive at Seoul to train—or retrain—KAL pilots.

Two new B-777-3B5s are placed into service on August 16, one each on the routes from Seoul to Sydney and Honolulu. The second of two new A330-323Xs to be received this year arrives at Seoul on August 30.

The wreck of the B-747-4B5 that had crash-landed at Seoul on August 5, 1998 is finally declared a total wreck on October 7; written off, the aircraft will be broken up for scrap. Claiming that its pilots are also involved in national security activities, KAL now refuses them permission to form a trade union.

KAL and the Won family, its controlling shareholders, run afoul of the National Tax Administration in October. Having been charged with illegally taking foreign exchange out of the country and also avoiding the payment of 1 trillion won in taxes, the KAL parent Hanjin Group is fined a record 541.6 billion won (\$450 million). Tax officials also indicated that judicial penalties are to be sought against individuals as well.

On November 11, Nonexecutive Chairman Cho Yang-Ho, son of the airline's founder, is arrested and charged with \$17 million in tax evasion and diverting to personal use rebates received from the purchase of Boeing and Airbus equipment in 1997-1998. It is alleged that he has made off with \$142.3 million from the \$243.3 million KAL received on the rebates, upon which appropriate taxes were also not paid. Founder Cho Joong-Hoon and one of his other sons, Cho Su-Ho, are also implicated. The senior Cho is not arrested due to his advanced age and poor health, while Cho Su-Ho also avoids detainment, primarily because prosecutors do not believe his wrongdoing sufficient.

Following a finding by the U.S. National Transportation Safety Board that blames both KAL and local airport authorities for the 1997 Guam crash, the South Korean Ministry of Construction and Transport, on November 12, prohibits the carrier from adding any new air routes for a year. It also bans the company from reopening the fatal Saipan-Guam route.

At the beginning of December, twice-weekly MD-11F return flights are added from Seoul to Sydney and Brisbane.

Having reached 2,532-ft. in its climb away from London (STN) on a December 22 service to Milan, Flight 8509, a B-747-2B5F with 4 crew and 63.7 tons of cargo, noses over into a descent. The plane crashes in flames into a field 1.5 mi. S of the airport, near the M11 motorway; there are no survivors. Almost 700 people have now died in KAL accidents since 1983.

Even as a third B-777-3B5 is delivered on December 28, chances for a renewal of code-sharing arrangements with both **Air France** and **Delta Air Lines** fade in the public glare of renewed safety concerns.

As part of a management shakeup made in response to continuing KAL safety problems, President Cho Yan-Ho becomes chairman, even though he is under indictment.

Passenger boardings rise 4.2% to 20,537,000, while cargo climbs 14.1% to 5,962,143,000 FTKs. Revenues jump 11.1% to \$4,218,794,000, while costs ascend 14.6% to \$4,060,055,000. Profits slide to \$158.73 million (operating) and \$226.59 million (net).

Airline employment at the beginning of 2000 stands at 14,500, a 3.6% increase over the previous 12 months. Among the world's top 25 airlines, KAL is 18th in passengers, 4th in FTKs, 20th in operating revenue, 23rd in operating profit, and 15th in net gain.

As a result of the December 22 crash, the carrier, on January 6, ceases freighter service into London (STN) until at least April; all-cargo service to Heathrow Airport is continued.

While Flight 637, a B-747-2B5F with five crew, is preparing to land at Kuala Lumpur at the end of a service from Seoul on January 9, ATC controllers visibly note a large hole in the aircraft. Once it is down, the plane is ordered grounded until repairs can be made; it is towed behind the MAS Catering facility where a large canvas is put over the hole to keep out rain. Examination will suggest that the damage has been caused by a section of the wing flap assembly detaching and striking the aircraft fuselage just before it put down. The incident immediately results in the reinstitution of a U.S. Department of Defense ban on military personnel flying KAL.

Former **Delta Air Lines** Vice President-Operations David Greenberg is named vice president/chief operating officer on January 10 and he pledges to establish a company-wide culture that emphasizes flight safety. He also promises an immediate fleet review and an enhanced training program, assistance with which will be provided by newly promoted Vice President/Line Operations Director Capt. William Hardy, a former B-747-400 pilot.

On January 13, the government of South Korea announces that a special safety audit of all 107 KAL aircraft will be conducted by June. The first phase, to be concluded by the end of February, begins immediately on nine older B-747s: five Dash-2B5Bs, two Dash-2B5Fs, and one each Dash-212B and Dash-273C. Counting three aircraft permanently grounded earlier and those lost in crashes, the carrier now has only 5 of the 17 freighters it had had on strength at year's end.

At this point, Transport Canada steps into the picture, issuing a threat to ban KAL flights into the country, pending the findings of the safety

audit. With Korean government approval, it dispatches experts to Seoul to conduct an independent review of the South Korean flag carrier. The first of eight Next Generation B-737-8B5s to be delivered during the year arrives at Seoul on January 28. They will join a fleet that also includes two MD-83s and six MD-82s.

At the beginning of February, Chief Operating Officer Greenberg announces that KAL will employ 240 pilots during the year, including 130 expatriate captains, in a bid to improve the carrier's safety record. All are to be offered voluntary Korean language training. The remaining 110 flyers will be chosen from the Korean Air Force, the Korean Aviation University, and Cheju Flying School. The new hiring campaign is a 40% boost over that conducted the previous year. Additionally, the promised new training program is instituted and includes increased simulator training provided by Boeing FlightSafety International, as well as new or refresher ground school and cockpit resource management (CRM) education.

On February 11, the company confirms plans to purchase 23 new aircraft and lease 8 others by the end of 2001: 6 A330-300s, 16 Next Generation B-737-800s, and 2 each B-777-200s and B-777-300s. A leased B-747-47UF is delivered on February 17.

On February 25, the Seoul District Court sentences Chairman Cho Yan-Ho to four years in prison for failing to report and pay taxes on \$24.2 million in hidden overseas investments. Cho is fined 30 billion won (\$27 million), while KAL is assessed penalties of 80 million won from its own coffers. The prosecution had sought a jail term of eight years and a 55-million won fine. Cho now surrenders day-to-day control of the airline to Chief Operating Officer Greenberg. The airline itself pays a 138.9-million won fine.

During March, KAL stops accepting hazardous materials shipments aboard its passenger jets. With several recertified B-747-2B5Bs, frequencies from Seoul to Frankfurt are increased to six per week as of March 26. Return passenger service to Anchorage is doubled on April 14 as the carrier increases its Seoul to Toronto to six times a week.

Also during these weeks, KAL begins to restructure its flight operations division. Four of seven VPs and seven chief pilots are replaced and former **USAirways** Vice President-Safety George Snyder is brought in as the unit's managing vice president. Nine newly assigned chief pilots are given direct responsibility for the division's adherence to all company safety policies and procedures. In April, a cargo reservation service is opened on the World Wide Web.

Angered by the company's effort to boost safety and reduce their workload through the hiring of 205 foreign pilots over the past 2 years, the company's cockpit crews, despite the company's October prohibition, form a union in May. Delivery of the first B-747-4B5F is accepted on May 25 and another A330-323X is delivered on May 31.

The second B-747-4B5F is delivered on June 8 and a fourth B-777-3B5 is received on June 27; on June 29, orders are placed for three additional A330-200s, which will be delivered in 2001 and 2002.

A year after **Air France** and **Delta Air Lines** announce plans to create a global alliance, the new group, which also includes **Aeromexico (2) (Aeronaves de Mexico, S.A. de C.V.)** and KAL, is officially named "SkyTeam" in July. Together, the partners offer 6,402 daily flights to 451 cities in 98 nations.

B-747-4B5 roundtrips are initiated on July 25 between Seoul and Amsterdam. The next day, the year's second new A330-323X arrives.

On August 3, flights begin from Cheju to Beijing. A net loss of 197 million won on sales of 2.5 billion on is reported for the year's first half. A third A330-323X is delivered on August 10.

On August 22, *Flight International*, in its annual commercial airline survey, reports that KAL is the fourth largest cargo airline in the world behind **Federal Express (FedEx)**, **Lufthansa Cargo, A.G.**, and **United Parcel Service (UPS)**.

A code-sharing agreement is signed with **Air Kazakhstan** on September 7. At the end of the month, a new \$102-million dedicated cargo terminal is opened at New York (JFK). It will be shared with other "SkyTeam" alliance members **Aeromexico (2) (Aeronaves de Mexico, S.A. de C.V.)**, **Delta Air Lines**, and **Air France**.

The last of eight new Next Generation B-737-8B5s to be received during the year is delivered on October 11. Another B-777-2B5ER is turned over to the company seven days later.

Demanding higher wages, the carrier's pilots go on strike on October 22. The job action, the first to hit a South Korean airline, forces the airline to cancel 384 flights and many customers are left stranded as only 7 international and 12 domestic services are completed. The strike ends two days later after KAL agrees to increase flight allowances by 50% on top of salary and to gradually cut the number of foreign pilots employed.

With the beginning of the winter schedule on October 29, international freight charges to North America are increased by 10% in an effort to compensate for soaring fuel costs.

The last B-777-2B5ER is delivered on November 9. Two more B-747-4B5Fs are ordered on November 29 for delivery in 2002. The number of KAL Dash-400Fs will then total seven. The same day, the last of four A330-232Xs to be delivered this year arrives at Seoul from France.

It is announced on December 15 that service to Boston will cease at the end of January. Flights will also be suspended to Amsterdam, Ulan Bator (in Mongolia), and to the resort island of Cheju.

Due to rising fuel costs, currency depreciation, and a softening national economy, the company, on the year, suffers a \$368-million loss.

KOREAN AIRWAYS. See **CHOSONMINHANG KOREAN AIRWAYS; AIR KORYO**

KOREAN NATIONAL AIRLINES: South Korea (1947–1962). **Korean National Airlines**, started as a nonscheduled company by Capt. Yong Wook Shinn in 1945, receives the support of the Ministry of Transport in May 1947 to operate domestic services in the Republic of Korea. The initial fleet comprises Shinn's 3 Stinson Voyagers. Several Stinson Model A Tri-Motors are also employed and services link the capital of Seoul with the seaboard communities of Kunsan, Kwangju, Chumunjin, and Pusan.

Douglas DC-3s replace the Voyagers in April 1950. Service is, however, suspended following the North Korean invasion on June 25. All of the company's planes, old and new, are commandeered by the Republic of China's Ministry of Defense.

Following the cease-fire of July 1952, KNA's DC-3s are returned and it is able to resume flights over its previous routes in November. Late in the year, international routes are opened from Seoul to Iwakuni and Tokyo with DC-4s chartered from the Taiwanese carrier **Civil Air Transport, Ltd. (CAT)**, then a proprietary company of the U.S. CIA.

Little significant change occurs during 1953–1961 as the domestic route network is improved; one Lockheed L-1049H is leased from **Transocean Air Lines (TAL)** to fly the Tokyo and Iwakuni route, which is extended down to Hong Kong.

En route from Pusan to Seoul on February 16, 1958, Flight 302, a DC-3 with 34 passengers, is seized by air pirates, reported to be North Korean agents, who order the aircraft flown to P'yongyang. Although the hostages are released within a month, the plane is not; thereafter, the South Koreans enact tighter airline security measures.

The carrier is reorganized on March 3, 1962, and is renamed **Korean Air Lines/Korean Air (KAL)**.

KORSAR SOVIET AUSTRIAN JV AIRLINE (AVSTRISKOE SP AVIAKOMPANIYA KORSAR): Suvorov Square 1, Vnukovo Airport, Moscow, Moscow Region, 101000, Russia; Phone 7 (095) 284-5618; Fax 7 (095) 281-2588; <http://www.olvit.iasnet.ru/transport/korcar/in.htm>; Code 6K; Year Founded 1991. Korsar, presently known as Korsar Airlines, is founded as a joint Russian-Austrian airline at Moscow's Vnukovo Airport in 1991 to provide regional passenger and cargo services. Two-thirds of the company is owned by Russian and Austrian private concerns, while the remaining third is held by the Vnukovo Aviation Enterprise. Oleg V. Sham is appointed director general and he leases from the minority shareholder a fleet of 2 each

Tupolev Tu-154Ms, Tu-134s, and Yakovlev Yak-40s. These begin passenger charters throughout the new CIS on behalf of foreign and local concerns.

The fleet is doubled in size during 1992–1993 and Ilyushin Il-62s are added for long-haul charters. Among the companies and organizations serviced are Sumitomo, Shell, Conoco, Pechiney, the Louisiana Land Corporation, the International Moscow Bank, soccer teams, the Moscow Symphony Orchestra, and Procter & Gamble. To assist in the coordination of lift with charter groups, the company forms its own travel agency. New destinations visited include Siberia, France, Cyprus, Israel. Operations continue apace in 1994.

Flights continue in 1995–2000, during which years Sergei Cheremnykh becomes director general and the fleet is increased by the addition of three Tu-154Ms and a Tu-134.

KOSMOS AND TRANSPORT AVIA (KIT KOSMOS E TRANSPORT AVIAKOMPANNIYA): Reisovaya St. 12, Vnukovo Airport 3, Moscow, 103027, Russia; Phone 7 (095) 436-4252; Fax 7 (095) 436-4252; Code KSM; Year Founded 1992. K&TA is established in 1992 at Vnukovo Airport, Moscow, to provide domestic passenger and cargo charters on behalf of a local industry in need of hard currency. Later, the concern will be restricted to in-house operations.

I. I. Kanygin is named director general and he begins flights with a small and mixed fleet of 1 each Tupolev Tu-134, Yakovlev Yak-40, Antonov An-12, An-24, and An-26, plus 4 Mil Mi-8 helicopters.

By 2000, Director General Alexander N. Ilyukhin oversees the work of 250 employees and the flights of 1 each Antonov An-12 and An-26, an Ilyushin Il-76, and 3 Tupolev Tu-134As.

KOSTROMA AIR ENTERPRISE: Kostroma Airport, Kostroma, 156012, Russia; Phone 7 (09422) 553 651; Code KOST; Year Founded 1995. KAE is set up at Kostroma in 1995 to provide regional third-level passenger and cargo services, plus contract aerial work. Boris Anokhin is named CEO and scheduled flights commence with 9 Let L-410UVPs, 14 Antonov An-12s, 14 An-2s, and 14 Mil Mi-2 helicopters.

KOTLAS UNITED AIR DETACHMENT: Kotlas Airport, Arkhangelsk Region, 165400, Russia; Phone 7 (81837) 44555; Fax 7 (81837) 44269; Code KTS; Year Founded 1995. KUAD is established at Arkhangelsk in 1995 to operate regional third-level passenger and cargo services, plus contract aerial work. V. V. Dmitriev is named CEO and scheduled flights commence with 7 Yakovlev Yak-40s, 28 Antonov An-2 biplanes, and 6 Mil Mi-8 helicopters.

Dmitriev remains director general in 2000 and he oversees a fleet of 6 Yak-40s and 1 Yak 40K.

KRAI AERO RUSSIAN AUSTRIAN JV (KRAI AERO RUSSIAN AVSTRISKOE SP). See **KRAIAERO AIRLINES**

KRAIAERO AIRLINES: 34 Cheremushkinskaya Bolshi St., Moscow, 117259, Russia; Phone 7 (095) 436-7262; Fax 7 (095) 436-7239; Code K3; Year Founded 1993. A second joint-venture Russo-Austrian carrier, KA is set up as Krai Aero Russian Austrian JV (Krai Aero Russian Avstriskoe SP) at Moscow in 1993 to offer passenger charters to Vienna. V. P. Gordienko, the new director general, inaugurates revenue flights with a single Tupolev Tu-154B leased from **Aeroflot Russian International Airlines (ARIA)**.

Flights continue during the remainder of the decade, in which years the company is reformed into the present Kraiaero Airlines and the fleet is doubled by the addition of a Tu-154M. Anatoli Denislov is director general at the beginning of 2000.

KRAS AIR (KRASNOYARSK AVIALINII-KRASAIR): Emelianovo Town Airport, Krasnoyarsk, Krasnoyarsk Zone, 663020, Russia; Phone 7 (3912) 236 366; Fax 7 (3912) 244 896; <http://www.krasair.ru>;

Code 7B; Year Founded 1994. KrasAir is established in 1994 as a charter subsidiary of **Krasnoyarsk Avia (Krasnoyarskavia Aviakompaniya)**. V. I. Medvediev is appointed director general and his initial fleet comprises 12 Tupolev Tu-154Ms, 3 Ilyushin Il-86s, 6 Il-76s, and 10 Antonov An-26s.

Later in the year, the airline begins flying the first of two refurbished Douglas DC-10-30s acquired under lease from McDonnell Douglas, and formerly flown by **KLM (Royal Dutch Airlines, N.V.)**, on long-haul charters to China, India, and East Asia. Kras thus becomes the first Russian airline to fly a passenger-version of the DC-10.

Enplanements during the 12 months total 2,399,343.

The highlight of 1995 for this airline is its inauguration of scheduled international operations, particularly the beginning of a return service to New York (JFK).

Passenger boardings move up 3.6% to 1,451,600 while freight inches up 0.1% to 94.4 million FTKs.

The Russian carrier suffers a terrible 1996. The New York service must be terminated and the DC-10-30 is returned to McDonnell Douglas.

Customer bookings plunge 46.7% to 789,671.

The fleet in 1997 includes 65 airplanes of different types, including 22 Tu-154Ms. Among the 30 destinations visited are Kamchats, Krasnoyarsk, Los Angeles, Moscow, Norilsk, Petropavlovsk, St. Petersburg, and Vladivostok.

On August 10, the company, with financial backing from Citibank, signs a contract with the Egypt-based Sirocco leasing company for 10 Tu-204-120 jetliners, built by Sirocco Aerospace International and powered by Rolls Royce engines. Part of the funding for these planes is provided by the Krasnoyarsk regional administration. It is suggested that the first plane may be in service by October.

Passenger boardings fall another 10.2% to 709,400, while 290 million FTKs are also operated.

In August 1998, Russia devalues the ruble and further exacerbates an economic crisis. Russian currency trades at more than 16 to 1 by mid-September. At this point, the carrier is merged into **Krasnoyarsk Avia (Krasnoyarskavia Aviakompaniya)**. A new management team, headed by Director General Boris Abramovich, comes to power and puts in place a large number of reforms and cost-cutting measures. These come too late to prevent customer bookings from dropping 5.4% to 598,000.

Still, a highlight of the year widely reported for positive gain is the November flight, via the North Pole from Krasnoyarsk via Khatanga to Cherill, Canada. This is the first commercial flight over this route and heralds the airline's published plans to eventually launch cross-polar routes to Toronto and New York (JFK), for which rights have recently been obtained.

The number of routes flown begins to increase, in January 1999, from 20 to 41. Most of these will continue to originate in Krasnoyarsk, but some will also start from other airports, notably Norilsk. In February, the company enters into a code-sharing alliance with **TransAero Airlines**. The event marks the first dual-designator agreement between two Russian carriers.

That highlight is followed by a nadir on June 23 when, out of fuel, the company must cancel the day's flights. Hundreds of passengers who have arrived at the airport are stranded and they are given hotel rooms and meal vouchers until the situation can be resolved.

With only a handful of aircraft in airworthy condition, a crash program in maintenance and service is undertaken. At a cost of 80 million rubles, 18 airliners, mostly Tu-154s, are given a major overhaul for life-time extension, 23 D-30 engines are overhauled at Rybinsk Motors, and 11 new NK-86 engines are purchased from KMPO, the Kazan engine plant. A dispute soon arises with the Moscow trade company OFI-INT and the airline over payments for some of the new engines. Plans are made to replace the unprofitable Il-62s as soon as new Tu-204s become available.

On October 19, the airline places a credit application with the legislative assembly of the Krasnoyarsk Region seeking a loan to pay for the complete construction of the first two Tu-204-100s.

The Russian media reports on October 27 that the administration of the Krasnoyarsk Region is planning to secure the controlling 51% stake in KrasAir, a move that is not opposed by the Federal Ministry of State Property. The local government will reimburse the federal budget by writing off the federal 152-million-ruble debt owed the Krasnoyarsk Region.

The Tu-204-100 loan application is approved by the legislative assembly on October 30. The local administration is instructed to appropriate a 35-million-ruble loan from the budget. In early December, KrasAir and the manufacturer, Ulyanovsk-based Aviastar, jointly define the financing and delivery schedule for the second Tu-204-100.

Passenger boardings accelerate 27.6% on the year to 763,000, while 347 million FTKs are operated. The company's fleet makes nearly 6,000 flights with a total duration of 40,000 hrs. Revenues of \$70.1 million are generated.

It is reported by the media on March 27, 2000 that the carrier will pay its shareholders a dividend. It is also noted that a new hangar complex is under construction. The fleet now includes 10 Tu-154Ms, 7 Tu-154Bs, 11 Il-76T/DTs, 5 Il-62Ms, 4 Il-86s, and 5 Yak-40s.

Also during the first quarter, the company places three Tu-134As into service; one of the new planes is a luxuriously furnished VIP unit to be employed for executive and small group charter services.

As the first half of the year progresses, KrasAir begins training flight and maintenance personnel who will operate and repair the new Tu-204-100s. In addition to the creation of a special maintenance division to service the new jetliners, it also hammers out the certification documents allowing operation of the aircraft by the airline and prepares airport facilities.

A weekly Il-86 return service is inaugurated on July 18 from St. Petersburg to Seoul via Krasnoyarsk.

The Samara newspaper *Samarskoye Obozreniye* reports on July 24 that, for the first time in Russian history, an airliner has been "arrested." The newly repaired KrasAir Tu-154M had been detained in Samara three days earlier on orders of the Samara Region Arbitration Court because of the continuing dispute between the nation's fifth largest air carrier and the OFI-INT trading concern. Moscow-based OFI-INT, unable to recover money for delivered aircraft engines, will apparently attempt to obtain it by auctioning off the money. As the paper puts it, the event "may cause a precedent for other air companies' creditors."

KrasAir files suit claiming that the arrest of its aircraft is illegal, but the Arbitration Court refuses to release the aircraft, as does an appeals court. With support of unknown persons, the aircraft, in defiance of the Arbitration Court's ban, takes off from Samara on August 24 and returns to Krasnoyarsk. Outraged, executives from OFI-INT begin bankruptcy proceedings against KrasAir under the Federal Bankruptcy Law.

The OFI-INT trading concern settles with KrasAir over the engines on September 18. It is suggested that the two concerns will not do future business together. Indeed, OFI-INT offers the hope that their experiences "will help other companies and organizations avoid future losses associated with the financial activities of KrasAir."

Through the first nine months of the year, the carrier transports a total of 583,080 passengers, a 6% decline over the same period a year earlier. Although international bookings jump 55% to 105,145, the number of domestic customers declines 14% to 477,935. On the other hand, revenues advance 22% to 2.2 billion rubles (\$78 million). Freight traffic also rises, by 7%, with 15,768 tons carried.

Company officials and those from the Aviastar manufacturing concern report on October 26 that the company will take delivery of its first Tu-204-100 by the end of November. At the same news conference, it is also reported that KrasAir is reviewing the possibility of acquiring Boeing 737s for its international routes. It is less keen on the possibilities of the Tu-234, which has restarted flight trials this week. The carrier believes that the plane is underpowered and would not be a candidate for its longer segments unless up-engined from its current D-436T1s to D-436T2s or Rolls Royce BR715s.

With the beginning of the winter schedule on October 29, the carrier introduces a new weekly Tu-154M Moscow-Kemerovo-Vladivostok

return service. On November 1, new return flights commence from Magnitogorsk to Mineralnye Vody and to Krasnoyarsk. Tu-154M return frequencies begin on November 4 from Krasnoyarsk to Hanover and Frankfurt.

The premier Tu-204-100, previously operated by the bankrupt Moscow-based charter carrier **Trans European Airlines** but repossessed by Aviastar, is accepted in ceremonies on November 10. During the festivities, it is announced that the airframe of the carrier's second Tu-204-100, originally intended to be its first, is currently being painted at Aviastar and will be paid for in two tranches. The engines are to be leased from Perm.

On November 15, a new Tu-154M route is opened from Moscow to Blagoveshchensk via Novokuznetsk. After workup, the new Tu-204-100 enters service on November 18 on the company's Krasnoyarsk-Tashkent-Irkutsk route.

Between November 21 and 28, the carrier sponsors a familiarization tour of South Korea for Russian journalists and travel agents from Moscow, St. Petersburg, and Krasnoyarsk. It is anticipated that participants will help the carrier expand its popular new route to Seoul.

Meeting at Domodedovo Airport at the end of November, the CEOs of KrasAir, **Domodedovo Airlines**, **Chelai-Chelyabinsk Airlines (Chelyabinsk Chief Aviation Enterprise)**, and **Avia Express Cruise** form a new strategic alliance to be based at this Moscow airport. Under terms of the pact, the four will share fleets, create a single-tariff policy, and adjust their schedules and sales systems for maximum joint benefit, while retaining individual identities. They will finalize arrangements during the winter in hopes of being ready to operate with the beginning of the summer schedule at the end of March.

On December 6, leaders of the new four-airline alliance hold a news conference to announce and promote their pact and invite other Russian airlines to join. To demonstrate the feasibility and potential impact of their joint project, a chart is offered comparing their assets with those of **Aeroflot Russian International Airlines (ARIA)**, the nation's leading carrier. Although Aeroflot is ahead in terms of aircraft (113 to 97) and passengers (4.6 million to 1.8 million), the alliance partners have more domestic routes (44 to 28).

In presenting this information, KrasAir Director General Boris Abramovich indicates that the partner's pact has not been established as a "counterbalance" to Aeroflot, which has itself recently been actively courting and bringing under its wing a number of smaller regional airlines. At a separate news gathering across town, Aeroflot Director General Valery Okulov welcomes news of the alliance, brushing aside suggestions that it might become a domestic rival. Reporters note that, if actually launched, this would be Russia's first true private airline alliance.

Representatives from the four partners continue meeting over the next three weeks. In addition to drafting cooperation proposals to be offered to Western airlines, an application for aid is prepared for submission to the Russian government before the end of the year. The alliance does not seek cash, but rather, the sort of state privileges and tax exemptions currently enjoyed by Aeroflot. It is anticipated that the plan will have the backing of the Russian Aircraft Operator Association.

During the Christmas period, KrasAir undertakes 30 long-haul charters (a 150% increase over 1999) to resorts in Egypt, Finland, Indonesia, Italy, the Philippines, Spain, and Thailand, with 35% of the flights made by the new Tu-204-100s. Revenues from these added services jump 145% to \$1.6 million.

At the end of the year, the newly completed Tu-204-100 begins its acceptance trials with its delivery anticipated before the end of March. Enplanements for the 12 months approach 726,000 and 3.03 million rubles are generated.

In late December, a new charter service is started from Moscow to Langkawi, Malaysia. It is reported by the Just Planes Web site on December 29 that Kras will soon take delivery of its second Tupolev Tu-204-100. In the new year, it is learned that the company will begin Il-76TD cross-polar flights over the Polar 1 route from Krasnoyarsk to

Canada within a month after the Russian state service of civil aviation (GSGA) opens it on February 1.

At the same time in February that the GSGA reports that the total number of Russian air carriers has fallen from 328 in January 2000 to a current 294, it will also reveal that KrasAir, **Siberia Airlines (Sibir)**, **Pulkovo Airlines (Aviation Enterprise Pulkovo)**, and **Aeroflot Russian International Airlines (ARIA)** have, between them, carried half of all Russian passenger traffic in 2000.

Those numbers can be expected to grow under the new "Aeroplan Alyans" alliance that will be signed by KrasAir and **Siberia Airlines (Sibir)** at the beginning of March.

KRASNOYARSK AVIA (KRASNOYARSKAVIA AVIAKOM-PANIYA): Russia (1992-1998). When **Aeroflot Soviet Airlines** is reformed into **Aeroflot Russian International Airlines (ARIA)** in 1992, this Krasnoyarsk-Yemil'yanovo directorate, with its base in the central Siberian town of its namesake, is retained as a semiautonomous division to operate regional and trunk services. A small number of international all-cargo charters are now added.

I. A. Levandovski is managing director and his fleet includes 3 Ilyushin Il-86s, 12 Il-76s, 8 Il-62s, 22 Tupolev Tu-154s, 80 Yakovlev Yak-40s, 12 Antonov An-12s, 15 An-24s, 12 An-26s, and a mix of 123 An-28s, Let 410s, and Mil Mi-2, Mi-6, Mi-8, and Mi-26 helicopters.

Enplanements for the year total 2,681,098.

While landing at Norilsk on June 22 after a freight service from Igarka, an An-12BP with seven crew and five passengers, stalls and strikes the ground; two people survive the crash.

Due to the slowdown in the Russian economy in 1993, Krasnoyarskavia suffers a significant traffic downturn. Passenger boardings plunge 38.7% to 1,933,020 while freight is off 52.6% to 116.7 million FTKs.

The company forms the new **Kras Air (Krasnoyarsk Avialinii)** subsidiary in 1994 and in late fall, it begins flying the first of two refurbished Douglas DC-10-30s acquired under lease from McDonnell Douglas and formerly flown by **KLM (Royal Dutch Airlines, N.V.)**.

Meanwhile, the parent continues to witness a traffic downturn. Customer bookings fall another 28.9% to 1,376,000, while cargo is off by 12.5% to 490 million FTKs.

Flights continue in 1995. While en route from Novosibirsk to Petropavlovsk on April 5, 1996, the pilot of an Il-76TD with 9 other crew and 10 passengers, elects to attempt a shortcut. The aircraft, which is loaded with 57 tons of detergent powder (17 tons overweight), collides with a 2,900-m.-high mountain and there are no survivors.

Service is maintained in 1997, but the fleet is reduced to 1 each Il-86 and Tu-154M. In August 1998, Russia devalues the ruble and further exacerbates an economic crisis. Russian currency trades at more than 16 to 1 by mid-September. At this point, the carrier is merged into **Kras Air (Krasnoyarsk Avialinii)**.

KRILATAYA ROUS (WINGS OF RUSSIA): Russia (1993-1996). Krilataya is founded at Moscow in 1993 to offer domestic and international all-cargo charter services. A. P. Bolshakov is general director and revenue flights begin with a single Ilyushin Il-76. Flights continue until 1996.

KRILO MALOE AVIATSIONNO SMALL AVIATION TRANSPORT ENTERPRISE (TRANSPORTNOE PREDPRIYATIE WING): Russia (1994-1996). Established at Moscow in 1994 to offer ad hoc passenger and cargo charters, KM begins domestic services under the general directorship of E. I. Gorbunov and with a fleet, unspecified in number, of Antonov An-26s and Yakovlev Yak-42s. Flights cease in 1996.

KRIS AIR, LTD.: Singapore (1977-1980). Privately owned Kris Air, Ltd. is formed at Singapore in June 1977 to provide all-cargo charter services to various destinations in Southeast Asia. After acquiring a

Fokker F.27-200 and four Curtiss C-46R Commandos, the company begins services in August.

Although a Vickers VC10 freighter is also acquired, Chairman Lim Kong Bu's 25-employee carrier is unable to maintain its viability in the face of higher costs, led by fuel prices, and must cease operations in 1980.

KROONDUIF. *See* KLM (ROYAL DUTCH AIRLINES, N.V.)

KRYLO AVIAKOMPANIA: 2, Sokoinicheski Val, Moscow, 107113, Russia; Phone 7 (095) 350-3624; Fax 7 (095) 264-2750; Code KRI; Year Founded 1993. Based at Moscow's Sheremetyevo Airport, Krylo and its sister carrier, **Poliot Chernobyl**, are subsidiaries of GOSSNII-GA, the Russian State Scientific and Research Institute for Civil Aviation. When, as a result of a national economic downturn in 1993, this organization, established in the days of **Aeroflot Soviet Airlines** to test and develop civil aviation concepts, is left largely unfunded, it is forced to earn its own income.

Consequently, the two subsidiaries begin international passenger and charter flights to raise the currency necessary for GOSSNII-GA to continue. V. A. Goriatchev is placed in charge of the enterprise and begins revenue service with a fleet that includes 4 Ilyushin Il-18s, 1 Il-62, 1 Il-76, 3 Antonov An-12s, 1 An-30, and 1 each Tupolev Tu-154 and Tu-134.

Operations continue apace during the remainder of the decade, during which years the Tupolev jetliners are withdrawn. A total of 65 workers are employed at the beginning of 2000.

K2000 AIRLINES, LTD.: New Zealand (1999-2000). K2000 is established by **Kiwi International Airlines** founder Ewan Wilson at Auckland in late fall 1999 to offer regional scheduled and charter passenger flights. An eight-person workforce is assembled by Managing Director Jeffrey Mathews and a Boeing 737-4Y0 is subleased from **Pegasus Airlines (Pegasus Hava Tasimaciligi, A.S.)**, with which an alliance has been signed. Revenue flights commence on December 1, linking Auckland, Dunedin, and Hamilton with Brisbane, Sydney, and Rarotonga.

Citing lack of demand and stiff competition from **Air New Zealand, Ltd.** and **Qantas Airways, Ltd.**, the company shuts down on January 11, 2000.

KUBAN AIRLINES: Krasnodar Airport, Krasnodar, Southern Zone, 350026, Russia; Phone 7 (8612) 370500; Fax 7 (8612) 321935; http://www.kuban.ru/~airlines; Code GW; Year Founded 1992. The Kuban directorate of **Aeroflot Soviet Airlines**, originally established in 1932, is privatized in 1992 and formed into this joint stock concern. Ownership is divided between the Russian state (51%) and employees (49%). Ivan R. Babichev is named director general and he oversees the inauguration of privatized domestic services with a fleet of 9 Antonov An-24Bs, 4 An-24Vs, 9 An-26s, 4 An-26Bs, 1 Let L-410UVP, 5 Yak-42Ds, and 6 Yak-42s.

Flights continue in 1993-1998, during which years scheduled destinations come to include Adler/Sochi, Gyumri, Kazan, Moscow, Naberevnye Chelny, Nzhenevartovsk, Sartov, St. Petersburg, Surgut, Tashkent, Tbilisi, Ufa, and Volgograd. Long-haul charters to Frankfurt are also frequently undertaken.

Enplanements during the latter year total 504,000.

Customer bookings inch up 1.8% in 1999 to 512,000, while 8 million FTKs are operated. Revenues of \$26 million are generated.

Late in 2000, a Russian-language homepage is opened on the Internet's World Wide Web. At the end of the year, it is learned that the Russian Ministry of State Property, which owns 51% of Kuban, intends to put up a percentage of its stake in the airline for sale in the new year as part of a package of 30 state holdings that are to be privatized. It will first be necessary for the Duma to amend the current law prohibiting the sale of state holdings exceeding \$17 million in valuation.

KUILIMA AIR SERVICE: United States (1973). Robert Faker establishes KAS at Kulima Air Park in early 1973 in order to provide sched-

uled passenger and cargo flights to Honolulu with a Cessna 402C. Unable to achieve viability, the new commuter is unable to finish out the year.

KUMERTAU EXPRESS: Kumertau 54, Bashkortskaya, 453350, Russia; Phone 7 (34761) 22300; Year Founded 1994. **Kumertau Production Enterprise (Kumertauskoe Aviatzionnoe Proivodstvehnniya Predr-e)** is set up at Bashkortskaya in 1994 as the air transport arm of a local manufacturer. General Manager B. S. Malishev commences ad hoc passenger and cargo charters with an all-Antonov fleet that includes an unspecified number of Antonov An-8s, An-12s, An-24s, and An-26s.

Flights continue in 1995-2000, during which years the company is renamed and the number of aircraft is reduced to just 1 each An-26 and An-30. The fleet now includes 1 each An-12, An-30, An-8, and Yakovlev Yak-40.

KUMERTAU PRODUCTION ENTERPRISE (KUMERTAUSKOE AVIATIONNOE PROIVODSTVEHNNIYA PREDR-E). *See* KUMERTAU EXPRESS

KUNGSAIR NORRKOPING, A.B.: Sweden (1984-1990). KNAB is organized at Norrkoping in 1984 to offer both charter and scheduled services. Managing Director Lennart Olsson oversees a fleet that comprises 1 Beech 99, 1 Cessna Citation 500, 1 Piper PA-31T Cheyenne II, 2 Piper PA-31-350 Navajo Chieftains, and 1 PA-31-310 Navajo. Scheduled services are inaugurated to Linkoping, Nykoping, and Trollhattan. The Navajo is withdrawn in 1986-1987. Operations are maintained until 1990, when economic difficulties force the carrier to stop flying.

KURGAN STATE AIR ENTERPRISE (KURGANSKOE GOSUDARTSVENNOE): Kurgan Airport, Kurgan, Urals Zone, 640009, Russia; Phone 7 (35222) 93234; Fax 7 (35222) 99747; Code KURG; Year Founded 1993. Kurgan Avia is established at Kurgan in 1993 to provide domestic freight and passenger charters. Valeriy Bolshakov is general manager and services are undertaken with a mixed fleet of Antonov An-24s, An-26s, and Tupolev Tu-154s.

Airline employment totals 755 in 1994; operations continue in 1995-2000. During these years, the Tupolev is leased out to other carriers and revenue flights are undertaken with 8 An-24s, 2 An-26s, 2 An-2 biplanes, and 1 Kamov Ka-32 helicopter.

KURSK AIR ENTERPRISE: 24 Kursk Aeroport, Kursk, Central Regions Zone ATD, 305024, Russia; Phone 7 (70122) 61205; Fax 7 (70122) 61733; Code KRS; Year Founded 1994. KAE is set up at Kursk Airport in 1994 to offer domestic ad hoc passenger and charter services. New General Director V. V. Darakhvilidze launches revenue flights with an all-Antonov fleet, made up of an unspecified number of An-2s, An-24s, and An-26s.

Flights continue in 1995-1998, during which years the fleet comprises 8 An-24s, 5 An-26s, and 33 An-2 biplanes.

KUSTANAI UNITED AIR DETACHMENT: Kustani Airport, Kustani, 458017, Kazakhstan; Phone 7 (3142) 274 855; Year Founded 1993. Established at Kustani Airport in the spring of 1993, Comdr. Valery V. Lamanov's new Kazakhstani airline begins domestic freight and passenger services with an all-Antonov fleet of An-24s and An-26s.

Operations continue in 1995-2000 with 6 An-24s and 10 An-2 biplanes.

KUWAIT AIRWAYS (KUWAIT AIRWAYS CORPORATION, LTD.): P.O. Box 394, Kuwait International Airport, Safat, 13004, Kuwait; Phone 965 434 5555; Fax 965 431 4118; http://www.travelfirst.com/sub/kuwaitair.html; Code KU; Year Founded 1954. Together with other local interests, the Sheik of Kuwait in March 1954 establishes Kuwait National Airways Corporation as the country's national carrier. Three Douglas DC-3s are acquired; crews and technical

assistance are provided by the **British Overseas Airways Corporation (BOAC)** affiliate **British International Airlines, Ltd.** Services are launched in May over routes to Basra and Beirut, the latter via Jerusalem or Damascus.

The Basra segment is extended to Cairo in April 1955. In July, the Kuwait government takes 50% control, and the airline's name is changed to that presently employed.

A DC-3 is lost under unknown circumstances at Durkham, Saudi Arabia, on February 18, 1956. Two Handley Page Hermes 4s are placed in service during the summer and operations continue apace during 1957.

The government takes full control on June 1, 1958, but at the request of the British government, BOAC is allowed to retain management responsibility. The first Viscount 700 is delivered on September 18 and enters service on October 1. Orderly retirement of the Hermes IVs and DC-3s begins.

As of January 1, 1959, the carrier possesses an all-Viscount 700 fleet. Kuwait-Karachi and Bombay flights via Bahrain are begun during the summer. In September, **British International Airlines, Ltd.** is purchased and merged. The fleet in 1960-1961 includes three Viscount 702s, a Viscount 761, and a Viscount 776.

In 1962, government ownership is increased from 50% to 100% while competition is offered by newly formed **Trans-Arabian Airways, Ltd.** An chartered Avro 685 York C.1 freighter with three crew is destroyed as the result of a hard landing at Lahore, Pakistan, on April 6; there are no fatalities.

Orders are placed on August 8 for two de Havilland (HS) DH 106 Comet 4C jetliners and two DH 121 Trident 1Es. The next day, orders are placed for three BAC 1-11-205s. The first of the Comets arrives late in 1963.

Airline employment is 782 in 1964. The airline's tenth anniversary is celebrated in March, on the second day of which thrice-weekly Comet 4C service to London is inaugurated. As will remain company practice, no alcoholic beverages are served on international flights. A total of 116,000 passengers are flown on the year and revenues of \$10 million are earned. **Trans-Arabian Airways Kuwait, Ltd.**, together with its DC-6Bs, is acquired and absorbed in 1965. Lease of two Comet 4C from **British Overseas Airways Corporation (BOAC)** late in the year allows routes to be opened to Paris, Frankfurt, and Geneva.

The first of two Trident 1Es to be delivered in 1966 arrives on March 19, followed by the second in May. Both enter service on regional routes and then fly to Amman, Baghdad, Cairo, Karachi, and Damascus. On June 8, the company sells its three BAC 1-11-301s before delivery to **British Eagle International Airways, Ltd.**

Flight 32, the second Trident 1E with 11 crew and 72 passengers, crash-lands 3.5 mi. short of the runway at Kuwait City on June 30; although the aircraft must be written off, there are no fatalities.

One of the leased BOAC Comet 4Cs is purchased in December.

Bookings for the year reach 145,039.

The Six Day War of 1967 adversely affects traffic, despite the entry into service of two de Havilland DH Comet 4Cs and the retirement of the last Viscount and DC-6B. Orders remain outstanding for three B-707-320Cs.

Passenger boardings increase only 1.8% to 147,698. The employee population stands at 1,243.

Airline employment rises to 1,411 in 1968. Routes are extended to Athens and Aden. Following receipt of the *Kadhma* on November 14, two more Boeing 707-369Cs are delivered late in the year.

Passenger traffic soars 41% to 207,761 and total revenues top \$17.1 million.

The new Boeings replace the three Comets in January 1969. Within the month, a new IBM 360/20 computer system comes on line. In April, a multistop frequency is opened to Rome.

A total of 231,383 passengers are carried on the year.

The workforce is increased 3.7% in 1970 to 1,589. Operations to Baghdad, suspended in 1967, are restarted in May. New offices are opened in Houston and Toronto and a weekly mixed passenger and cargo service is launched by B-707-369Cs over a route London-Bombay-Abadan.

Freight increases 32% and passenger boardings accelerate 26.6% to 315,236.

Two additional B-707-369Cs are placed into operation during 1971, replacing the two Trident 1Es. A route is inaugurated to Taiz, North Yemen.

Enplanements climb to 335,000.

The employee population stands at 1,703 in 1972. Five B-707-369Cs are in service and in-flight movies and stereo entertainment are introduced on board. Muscat is added to the route network.

Cargo traffic rises 13.1% and passenger traffic jumps 14.2% to 391,000.

Freight increases 4.3% and bookings climb 16.1% to 454,000 in 1973.

Airline employment is now 1,822. In 1974, two additional B-707-369Cs are placed in service (bringing the total to seven) as the carrier enjoys a seventh consecutive profitable year.

Enplanements are up 14.16% to 519,894 while freight rises 15% to 19.5 million FTKs.

The workforce stands at 1,994 in 1975. Frequencies are increased on the Bombay run and new service is inaugurated to Paris via Prague. A new policy now prohibits the serving of alcoholic drinks to passengers on any flights, domestic or international.

Passenger boardings climb 19% to 667,101 and freight jumps 27.3%.

In 1976-1977, a second nonstop London frequency is added. New routes are extended from Kuwait to Cairo, Tripoli, Casablanca, and Tunis; Kuwait to Bahrain and Dubai; Kuwait to Jeddah and Khartoum; and Kuwait to Bahrain and Ras Al Kheimah. Orders are placed for three B-747-200s and a B-737-200.

On July 8 of the latter year, six armed Popular Front for the Liberation of Palestine (PFLP) hijackers seize a B-707-369C on a Beirut-Kuwait flight, landing at the latter destination. There, 18 hostages are released, followed by 28 more the next morning just before the plane departs. In the air, group leader Abu Sayed is overpowered by two of his colleagues, who have had a change of heart, and three hostages. The Boeing is directed to land at Damascus, where all of the remaining prisoners are freed as the skyjacks surrender.

The first wide-bodied B-747-269BC is delivered on July 28, 1978; christened *Al Sabahiya*, this new aircraft makes Kuwait the 50th operator to buy Jumbojets from Boeing and begins service to London in August; at about the same time, the B-737-269 also arrives. The second Jumbojet combi, the *Al Jaberiya*, arrives on August 17.

Chairman/Managing Director Ghassan Al-Nisf's company now employs a workforce of 2,412. A total of 834,000 passengers are carried on the year.

A computerized reservations system is introduced in 1979. An extensive effort is undertaken to improve service standards, staff support and training, and advertising. One additional B-747-269BC, the *Al Mubarakiya*, enters operations and orders are placed for three B-727-200s.

Passenger boardings grow 13.6% to 965,000.

On July 24, 1980, four gunmen hijack the B-737-269 with 80 aboard en route from Beirut to Kuwait, demanding repayment of a large sum they claim is owed to them by a Kuwaiti businessman. They later free 37 women and children before forcing the plane to fly to Iran, where the rest of the passengers are released. Kuwait authorities indicate the demands of the pirates will be met when they return and free the crewmembers still held hostage. The aircraft returns the next day and after the crew escapes, the gunmen surrender.

Transatlantic B-747-269BC service to New York begins in December as an extension of the London route.

Cargo advances 18.2% to 71.56 million FTKs, while passenger enplanements accelerate 11.5% to pass the million mark for the first time (1,076,214). The workforce is unchanged and stands at 5,342 employees.

Airline employment is increased by 4.7% in 1981 to 6,198. The B-727-269As enter service and orders are placed for five Airbus Indus-

trie A310-222s and A300C4-203 combi airliners. Following the November signing of a joint service agreement with **Philippine Airlines**, long-haul flights are inaugurated to Manila via Bangkok employing KAC aircraft.

Freight soars 50.67% to 107.79 million FTKs, while passenger boardings jump 16.4% to 1,078,000. Total revenues are \$323.5 million.

Airline employment is 6,531 in **1982** and a fourth B-747-269BC, the *Al Salmiya*, arrives on January 20. On February 22, 12 fundamentalist gunmen, led by well-known hijacker "Hamzeh," hold 105 passengers captive for 9 hours aboard Flight 538, a B-707-369C that was diverted to Beirut from a Kuwait to Tripoli service, and demand the return of their leader, Imam Moussa Sadr, who disappeared in Libya in 1978. The pirates will surrender after being informed that the UN will mount an inquiry into the matter.

Service is launched to Seoul while domestically, air taxi operations to and from the oil fields and refineries are started with two Hawker Siddeley HS 125 executive jets.

Cargo is up 7.3% to 115.67 million FTKs and passenger traffic rises 16.6% to 1,461,000. Revenues rise 16% to \$382.6 million.

The workforce in **1983** grows 2.3% to 6,700. Three A310-222s are delivered. Police successfully dismantle a bomb at the company's Baghdad office on March 5. A B-707-369C grazes a **Pan American World Airways (1)** jetliner as both are waiting to take off from Frankfurt on March 12; extensive damage is caused to both aircraft, but no injuries are reported. Later in the year, a new technical complex is opened and routes are extended to Algiers and Riyadh.

Freight climbs 15.5% to 133.6 million FTKs and passenger bookings jump 12.1% to 1,640,969. For the 18-month period from January 1982 to June 1983, the carrier reports total revenues of \$632.3 million, an operating loss of \$12.7 million, and a net profit of \$2 million.

The employee population is 6,672 in **1984**. Service is inaugurated to Vienna and on April 12 the first A300C4-203 makes its maiden flight. Orders are placed for three B-767-269ERs as Boeing agrees to purchase the Airbus products ordered earlier as a way of gaining a marketing foothold in the region. Three A310-222s enter service, but are destined for Seattle.

En route from Kuwait to Karachi via Dubai on December 4, Flight 221, an A310-222 with 161 passengers, is captured just after its takeoff from the intermediate point by terrorists, who divert it to Tehran. While demanding the release of 17 prisoners held in Kuwait, the pirates release a third of the hostages, but kill an American passenger and throw his body out onto the runway.

The next day, the hijackers plant explosives around the Airbus and announce their intention to blow up the aircraft if demands are not met promptly. Thirty additional hostages are released, but another American is killed and his body, like that of the U.S. citizen murdered the day before, is thrown off the aircraft.

Although all but seven hostages are released, negotiations are stalemated for four more days. Late on December 8, the pirates ask that a generator be attached to the aircraft and that two cleaning persons be sent aboard to clean up the mess. Two brave Iranian security men, disguised as cleaners, come aboard the aircraft and capture the pirates.

Freight jumps 26.1% to 164.56 million FTKs, but passenger enplanements dip 2.4% to 1,497,340. On revenues of \$419.9 million, a \$735,000 net profit is reported—but so too is a \$14.8-million operating loss.

The workforce dips 9.2% in **1985** to 6,670 as the first A300C4-203s join the fleet. Cost-reduction programs are instituted and service is suspended to Beirut, Baghdad, and Tehran. In May, three B-707-369Cs are sold to **Southern Air Transport**.

Considered security risks, all Lebanese citizens are barred from traveling on the airline as of July 27. The last B-707-369C is retired.

Passenger boardings drop 3.3% to 1,449,000 and cargo declines 3.3% to 159.13 million FTKs. The operating loss deepens to \$35.4 million on total revenues of \$450 million; the net profit drops to \$599.

The payroll is cut again in **1986** to 6,127. Enplanements rise a slight 1.1% to 1,465,726; however, freight is up substantially, by 35.8% to

222.69 million FTKs. Revenues are off 1.6% to \$500.19 million, but costs are also down by 1.6% to \$499.64 million. As a result, operating profit improves to \$544,000.

In January **1987**, a code-sharing agreement is signed with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** covering flights between Kuwait and Madrid.

Enplanements through November are up 3.1% to 1,402,658. The full year's losses total \$26.7 million (operating) and \$838,000 (net).

The small-nation's flag carrier suffers a poor operational and fiscal **1988**.

The most significant incident of the year is the hijacking of Flight 422, the B-747-269B *Al Jaberiya* with 112 passengers en route from Bangkok to Kuwait, on April 5. Pirates force it to land at Mashhad, Iran, where they demand the release of 17 people imprisoned in Kuwait for terrorist attacks against the U.S. and French embassies 5 years earlier. The demands are repeated the next day as 32 hostages are released. After a third day on the ground at Tehran, during which time the gunmen are provided additional arms and more terrorists come aboard, the aircraft departs for Beirut. There, however, the plane is denied permission to land, with Syrian troops blocking the approach roads to the airport and firing warning shots at the Jumbojet as it circles overhead. The odyssey continues on to Cyprus where, after an initial refusal, the Jumbojet is allowed to land.

During a long stalemate with Cypriot officials at Larnaca over whether or not the Boeing will be refueled, the hijackers beat, shoot, and kill one of their hostages on April 9. They dump the victim's body onto the runway, rejecting in the process a Cypriot offer to let them all leave Cyprus if the passengers are freed. The terrorists threaten to kill all of their hostages on April 10; however, PLO negotiators persuade them to hold off on their threat of a "massacre." Impatient, the pirates murder a second hostage the next day and throw his body off the plane as well, halting negotiations.

On April 12, 12 hostages are freed. After PLO head Yasir Arafat is able to negotiate landing permission from Algeria, the Jumbojet takes off for that North African country, putting down at Houari Boumedienne Airport. The next day, Algerian officials begin intensive negotiations with the hijackers, visiting the aircraft on three occasions.

On April 14, one more hostage is released, reducing the number held to 31, and a doctor is allowed aboard to examine the captives, whom he pronounces to be in "fair" condition. Twenty-four hours later, two more hostages are released to deliver a plea for their captors' main demand, the release of the Kuwaiti prisoners. When the pirates begin talking tough again on April 16, negotiations officially break down and stalemate sets in.

Unbeknown to either Kuwait or the media, which is providing intense coverage, talks continue behind the scenes, however, and on April 19 the hostages are released and the gunmen are granted safe passage to Syria, from whence they return to Beirut. Kuwait has given in and commuted the death sentences of 3 of the 17 persons they hold.

Almost unnoticed because of the hostage drama, pooled flights begin during the month with **Gulf Air Company, G.S.C.** between Kuwait and the other Gulf nations.

Passenger boardings for the year as a whole decline 0.8% to 1,485,750 and freight is off 4.3% to 234.21 million FTKs. Revenues also drop, by 5.8%, to \$411.1 million. The operating loss almost doubles, to \$51.1 million; however, a net gain of \$11.6 million is generated.

Company employment is cut by 5.1% in **1989** to 5,339. In April, company officials undertake discussions with leaders from **Egyptair, S.A.E., Iraqi Airways**, and **Royal Jordanian Airlines** to consider the possibilities of forming an **Air Afrique, S.A.**-type airline consortium; the talks will lead nowhere.

Still, customer bookings move ahead by 5.3% to 1,640,556 and cargo rises 4.6% to 233.43 million FTKs.

In May **1990**, plans are discussed with **Egyptair, S.A.E.** concerning the establishment of a joint charter subsidiary with which to begin non-scheduled services to Europe. On August 2, Kuwait is invaded by Iraq.

Occupation forces occupy the airline's headquarters and seize 13 aircraft on the ground: 3 A300C4-620s, 5 A310-222s, 2 B-767-269ERs, 1 B-727-269A, and 2 BAe (HS) 125-700B bizjets; all are flown to Baghdad by **Iraqi Airways** crews. Two airline employees are killed and four taken hostage during the invasion, while two Gulfstream G-1159A Gulfstream III bizjets are destroyed. One of the A300C4-620s had been wet-leased to **Egyptair, S.A.E.** and despite its adornment in the colors of the Cairo-based flag carrier, it, too, is transferred to Iraq.

On vacation in France, Chairman/CEO Ahmed Hamad Al-Mishari rushes to London and begins to establish what will later be called by those who have forgotten their World War II history "The first airline to operate in exile." The first step is to quickly renegotiate all bilateral agreements that require Kuwait City to be flight origin or termination points.

In September, the Iraqis announce the dissolution of KAC, even as executives who have escaped set up a smuggling route in Saudi Arabia to funnel cash back across the border to besieged employees needing to purchase food. **Saudia (Saudi Arabian Airlines)** grants permission for KAC personnel to charge fuel on its account.

Just 80 days after the invasion, KAC begins scheduled exile operations from a temporary hub at Cairo on October 18 employing the four B-747-269BCs, three B-727-269As, and one B-767-269ER that were out of the country in August. Routes served include those to Jeddah, Bahrain, and Dubai. Meanwhile, the airline begins an extensive charter program of flying Allied troops into Saudi Arabia; in Operation Granby, it will concentrate on the airlift of British troops from Germany to the Gulf. Temporarily based in Bahrain, the Kuwaiti Fortune Promoseven agency undertakes a large advertising campaign, including extensive use of the Cable News Network, to thank the world for its support of the nation and the carrier. Scheduled service from Cairo to London, Bombay, and New York begins on November 6.

KAC flights from Cairo cease on January 16, 1991. Air raids on Baghdad, carried out as part of Operation Desert Storm on February 15, bring about the destruction on the ground of two B-767-269ERs and one each BAe (HS) 125-700B and A300C4-620 taken to the Iraqi capital. The remainder of the captive jetliners are flown by **Iraqi Airways** crews to Iran, where **Iran Air** maintains them at Tehran. On February 26, the company obtains a judgment in the High Court of London against **Iraqi Airways** involving the 15 stolen aircraft; the London law firm of Clyde & Co. wins the \$489,455,380 assessment.

Following the successful February 26 removal of Iraq from Kuwait via Operation Desert Storm, Chairman Al-Mishari is aboard the first KAC aircraft, a B-727-269A, to return to Kuwait Airport, on March 7. There is much damage at that location: ATC has been knocked out; the control towers are damaged and partially stripped of equipment; there is no fuel; the terminal buildings are wrecked; ground equipment is missing; the office building is heavily damaged as is the computer center, from which the mainframe computer has been removed; and the flight kitchen is out of order.

Thanks initially to USMC-supplied ATC, a full schedule comes into effect on April 2 with Kuwait employing its temporary hub at Bahrain to link Mideast destinations with its prewar international services to Cairo, New York, London, Frankfurt, Rome, and Bombay. Bahrain will remain the temporary company hub until airport facilities can be rebuilt in Kuwait.

Airline officials report that the war's impact upon KAC has resulted in a minimum of \$1.2 billion in losses. All of the aircraft taken by Iraq, except for six Airbuses interned in Iran, are destroyed by the Allied offensive; insurance provides \$392 million for the lost aircraft and \$300 for the six planes, which is applied to their reacquisition from Iran. During the spring, the carrier signs a support contract with **British Airways, Ltd. (2)**, under terms of which the U.K. giant will provide marketing, training, flight, ground operations, and security support and training.

Simultaneously, Kuwait orders three B-747-469Cs and four A340-300s and is cohosted on the **Aer Lingus Irish Airlines, Ltd.** Astral reservations system. New tickets are printed to replace those stolen by

the Iraqi invading forces and free transportation is offered to enable those Kuwaitis who fled the country after the invasion to return. In addition, charter flights to Colombo and Seoul are laid on to bring back some of the foreign laborers who departed during the occupation. A Jumbojet is leased to **Garuda Indonesia** in October.

The carrier continues rebuilding in 1992 as Alexandria and Lahore are added to the route network. On April 1, plans are announced for the creation, with **Egyptair, S.A.E.**, of a fifty-fifty joint venture cargo and charter subsidiary, **Shorouk Air**, to be based at Cairo with a tentative start-up date of September.

Following lengthy negotiations, Iran, in June, returns five A310-222s stolen by Iraq and flown into Iranian internment during the previous year's military operations. The A300C4-620 painted in **Egyptair, S.A.E.** livery follows in September. All are traded in to Airbus Industrie as partial payment for the new A340s.

During the summer, two Lockheed L-1011s and a DC-10-30 are wet-leased from British Airways to help increase summer capacity. Markets now also served include Amsterdam, Athens, Abu Dhabi, Bahrain, Bangkok, Bombay, Cairo, Colombo, Dhaka, Damascus, Delhi, Dhahran, Doha, Dubai, Frankfurt, Geneva, Istanbul, Jeddah, Karachi, Larnaca, London (LHR), Luxor, Madrid, Manila, Muscat, Paris, Riyadh, Rome, and Tehran.

Shorouk Air is inaugurated on schedule and the main 43,050-sq.-ft. hangar is rebuilt at Kuwait City by year's end. Enplanements for the year are 553,450 and a \$30-million net profit is generated.

In 1993, Chairman al-Mishari and Director General Ahmad al-Zabin oversee a workforce of 4,420 and a fleet of 4 B-747-269Cs, 3 each A300C4-620s, A310-308s, A320-212s, B-727-269As, 2 B-707-327Cs chartered from the Egyptian carrier **Transmed Airlines, Ltd.**, 1 B-707-331C leased from the same source, and 1 B-767-269ER. Two A320-212s are operated on the **Shorouk Air** joint venture with **Egyptair, S.A.E.** The airline's color scheme is slightly altered and new routes are inaugurated to Aleppo, Beirut, Jakarta, Shiraz, and Singapore.

During the third quarter, the company acquires a 20% interest in the new Indian domestic airline **Jet Airways, Ltd.** At the same time, scheduled service is inaugurated from Kuwait City to Singapore and Jakarta. When the U.S. lifts its ban on Syria in December, Kuwait, as payback for Syrian support during the Gulf War, pledges to give Damascus its B-727-269A fleet.

Passenger boardings ascend 11.2% to 559,712 and freight swells 21.3% to 106.69 million FTKs. The net gain slides to \$18 million.

During the first quarter of 1994, the B-707-331C is returned to **Transmed Airlines, Ltd.** and all three B-727-269As are transferred to **Syrianair**. Following the outbreak of pneumonic plague at Surat, India, in mid-September, the airline suspends flights to India. These are not resumed until early October. The four company employees seized by Iraqi forces on August 2, 1990 remain prisoners and are remembered by yellow ribbons painted on every Kuwaiti airliner. Plans are made for the inauguration of service to Copenhagen, Chicago, and Trivandrum during the new year, along with the entry into service of the new A340-313s.

Enplanements through August total 1,242,952 and the last of 4 new A300B4-605Rs is received.

Airline employment stands at 5,000 in 1995 and beginning in March, four A340-313s are delivered. The premier units begin flying company roundtrip routes from Kuwait City to New York via Frankfurt and London, and from Kuwait City to Manila via Bombay and Bangkok.

During the spring, **Polynesian Airlines, Ltd.** replaces its **Air Canada, Ltd.** Boeing with a B-767-269 chartered from KAC. Part of the cost and a shared route are born by **Royal Tongan Airlines, Ltd.**, and, as a result, the aircraft also wears that company's markings as well.

In June, the month in which the final A340-313 arrives, **Cyprus Airways, Ltd.** enters into a block-space agreement covering KAC flights between Kuwait and Larnaca. **Air India, Ltd.** in November begins joint service aboard KAC jetliners flying between Kuwait and Trivandrum. The two carriers also begin cooperating on each other's thrice-weekly frequencies from Kuwait to Madras.

With the second pair of A340-313s in hand, the carrier, on July 1, launches twice-weekly roundtrips from Kuwait City to Chicago via Amsterdam. Later in the month, two B-747-269Bs are sold to **American International Airways**.

Traffic figures are again reported through August and show passenger boardings up 4% to 1,294,741. Cargo is also up, by 19.5%, to 221.36 million FTKs. Flights are also started to Copenhagen and Trivandrum during the fall.

The workforce is cut 4.8% in 1996 to 4,760. Service is initiated in April to Nairobi and Johannesburg. Full year figures reveal customer bookings of 2,130,039.

There is no change in the employee population during 1997. Destinations visited now include Abu Dhabi, Alexandria, Amsterdam, Athens, Bahrain, Bangkok, Bombay, Cairo, Colombo, Dakar, Damascus, New Delhi, Dubai, Istanbul, Jeddah, Johannesburg, Karachi, London, Madrid, Manila, Munich, Nairobi, New York, Paris, Rome, Singapore, and Tehran.

The third near miss over India in two weeks occurs on January 11. An **Air Lanka, Ltd.** A320-211, on approach to Bombay from Trivandrum, is mistakenly authorized by an air traffic controller to land at that city's airport at the same time he has granted permission to land to a Kuwaiti B-747-269BC; a collision is avoided by several hundred feet.

Traffic figures are available only for the first two months of the year. These show enplanements down 0.5% to 332,096, while freight inches up 0.8% to 119.4 million FTKs.

The first scheduled flight in seven years is inaugurated on July 9 between Kuwait City and Amman, Jordan; this resumed service is fully booked within an hour of its initial announcement.

In March 1998, KAC signs a \$282-million syndicated loan accord with a Gulf Arab consortium led by the National Bank of Kuwait to finance the purchase of the two new B-777s. The carrier's first B-777-269 IGW is delivered on April 1.

A new 14-million dinar headquarters is opened in May and the second B-777-269 IGW arrives in early June.

Some 50 minutes into a flight from Kuwait City to Jidda on June 24, an A310-308, with 253 passengers, receives a bomb threat, relayed from the national airport. The aircraft returns to the capital where it is searched. No bombs are found, no injuries are reported, no claims of responsibility are made.

In an interview with Reuters, Ltd. on June 28, Chairman al-Meshari reveals that Kuwait plans to begin, within months, the phased privatization of KAC, which now has some \$2 billion in net assets and \$880 million in debt. The announcement is based on the Kuwait cabinet's June 21 approval of a draft law transforming KAC into a shareholder company, a law that is sent to Parliament for approval.

A strategic marketing agreement is signed with **Trans World Airlines (TWA)** on December 16. Under its terms, the two will, during the upcoming spring, link their frequent flyer programs. Additionally, KAC will place its "KU" code on TWA services to New York (JFK) from Los Angeles (LAX), San Francisco, St. Louis, and Washington, D.C. (DCA).

Enplanements during the 12 months total 1.57 million, while 241.1 million FTKs are operated.

Airline employment at the beginning of 1999 stands at 4,760.

While on approach to London (LHR) from Kuwait on February 10, the crew of an MD-83, being operated for the government, is forced to extend the plane's landing gear manually. Although the gear doors strike runway lights during the landing, the aircraft remains under control until coming to a stop. No injuries are reported.

The British House of Lords on March 15, rules that the airline is entitled to recover \$150 million (plus nine-years interest on same) from war risk insurers for losses taken during the August 1990 Kuwait invasion. Kuwait has already received over \$300 million in insurance payments.

Officials from KAC meet with their counterparts from **Emirates Airlines, Gulf Air Company G.S.C., Oman Airways, Qatar Airways, and Saudi Arabian Airlines** at Kuwait City on May 15 to plan a united

body to compete against the growing number of major world airline alliances. The CEOs, who also agree to meet quarterly, discuss ways to coordinate and develop additional revenues, cut expenses, and invest jointly in support services.

Revenues total \$640.25 million, but expenses are \$880.77 million. The operating loss totals \$240.51 million.

On June 1, 2000, the code-sharing agreement with **Trans World Airlines** is expanded to cover services from Kuwait to Frankfurt and Amsterdam, from Amsterdam to New York (JFK), and from Frankfurt to New York (JFK) and Chicago (ORD).

A dual-designator pact is signed with **Philippine Airlines** on June 28 covering services between Manila and Bangkok.

Flight 165, an A300-605R departing Kuwait International Airport on a service to Paris (CDG) via Rome on November 13 aborts its takeoff after bursting several tires. As the airport's other runway is under repair, the accident causes the airport to be shut down for several hours while the Airbus is moved.

KUWAIT NATIONAL AIRWAYS CORPORATION. *See* KUWAIT AIRWAYS (KUWAIT AIRWAYS CORPORATION)

KYOKUSHIN AIRWAYS COMPANY, LTD.: Nigata, Japan; <http://www.sado.co.jp/kyokusin/default.htm>; Year Founded 1995. Kyokushin is established during the summer of 1995 to offer scheduled third-level services between the northwestern coastal community of Nigata, at the mouth of the nation's largest river, and the island of Sado. Dressed in a livery featuring *toki*, the Japanese crested ibis, a new Pilatus Britten-Norman PBN-2 Islanders is delivered in August, allowing unscheduled frequencies to commence on September 1.

Upon receipt of its Approval for Commuter Operation from the Japanese Civil Aviation Bureau, the company launches scheduled flights in the summer of 1996, which continue.

KYRGYZSTAN AIRLINES (KYRGYSTAN ABA YOLDORU NATIONAL AIRLINE): 720026 Bishkek, Manas Airport, Bishkek, 720062, Kyrgystan Republic; Phone 7 (3312) 25 77 55; Fax 7 (3312) 25 77 55; <http://rz.uni-frankfurt.de/~puersuen/twakqa.htm>; Code K2; Year Founded 1993. The former **Aeroflot Soviet Airlines** Kirghizi directorate is reformed at Manas Airport in 1993 into a joint stock company at Manas International Airport, which is located 35 km. N of Bishkek. The new parent organization is Bishkek Airenenterprise, with Osh and Karakol air enterprises as subsidiaries. The company also acts as the country's Civil Aviation Department and assumes the old Aeroflot responsibility for general aviation, airports, and air traffic control. Shareholding is divided between the government (90.05%) and the carrier's employees (9.95%); constant capitalization is put at 982 million som (\$33 million). Timur Muratov is chairman, with Oroskul B. Kutubaev as president.

Plans are made to separate from **Aeroflot Russian International Airlines (ARIA)** in the near future; however, current code-sharing and marketing arrangements are maintained along with present markets. Operations are undertaken with a fleet of 10 Tupolev Tu-154s, 10 Tu-134s, 20 Yakovlev Yak-40s, and 15 Antonov An-24s/-26s.

These service a nine-stop domestic route and two "foreign" points, the Russian communities of Moscow and Ekaterinburg. Charter flights are undertaken to India, China, Iran, Turkey, and Pakistan. After the nation abandons the ruble in May and establishes its own currency, company growth is slowed by the necessity of paying for all imports in hard currency.

Operations continue apace in 1994, as does the Aeroflot connection. For the first time, the company reports its traffic figures. Through November, it flies a total of 22,132 and 4.74 million FTKs.

The 19 aircraft fleet reports to ICAO in 1995 that it has flown 375,325 passengers through July and operated 10.79 million FTKs.

Airline employment stands at 4,170 in 1996. During the spring, flight crews receive advanced training at Istanbul from instructors employed

by **THY Turkish Airlines (Turk Hava Yollari, A.O.)**. Their additional education will allow the introduction of new scheduled services into Western Europe and the Mideast.

The first Western scheduled service begins during the summer with roundtrips to Frankfurt, Cologne, and Hanover. Istanbul also joins the route network, along with Dubai and Mashhad. New charter services are opened to Seoul, Beijing, Karachi, Aleppo, Warsaw, and Bangkok. To handle some of the anticipated traffic, offices are opened at Frankfurt and Istanbul.

Full year figures reported to ICAO show enplanements of 520,347. Cargo rises to 21.9 million FTKs.

The fleet in 1997 comprises 11 Yak-40s, 14 Tu-154s, 6 Tu-134s, and 1 each An-26, An-28, and Il-76TD. Destinations visited include Almaty, Baku, Ekaterinburg, Frankfurt, Irkutsk, Istanbul, Kalingrad, Karakol, Khabarovsk, Krasnoyarsk, Moscow, Novosibirsk, Omsk, Osh, Samara, St. Petersburg, Tashkent, and Ufa.

In February, the governments of Kyrgyzstan and France sign an agreement under which the latter will make a 13-year FFr 25-million loan for the reconstruction of the airport at Osh.

During July, the national government receives a \$45-million loan from Russia. On August 22, the government hands over \$16 million of the Russian funding to the national carrier, which will employ it to modernize its fleet. An Airbus A320 will be obtained under a lease-purchase deal with its manufacturer, while a Tu-154B will be secured from Russian sources.

In October, a strategic alliance is entered into with **Aeroflot Russian International Airlines (ARIA)**. Under its terms, the two pledge to co-operate in the areas of maintenance, marketing, and ticketing and to code-share on selected scheduled flights.

Regularly scheduled twice-weekly Tu-154B roundtrips are initiated on December 20 between Bishkek and Kuala Lumpur, Malaysia.

Passenger boardings plunge 19.6% on the year to 382,589, while freight falls another 26.3% to 14.15 million FTKs. Losses total 110 million som.

A company Tu-154B transports Kyrgyz President Askar Akayev to Beijing for a state visit on April 26-30. During the meetings, arrangements are made for the inauguration of regular airline service between the CIS republic and China. Regularly scheduled Tu-154B return service is inaugurated on May 16 from Bishkek to Beijing via Urumqi.

Negotiations are made with Airbus Industrie during the spring for the lease of an Airbus Industrie A320-231 and two A319-100s. The A320, previously operated by **Trans Asia Airways, Ltd.** of Taiwan and repainted in company livery by Lufthansa Technik, is delivered on June 29; the smaller pair will follow in 2002.

With approval of the government and backing from the State Property Fund, the airline begins the work necessary for a major upgrade to Manas International Airport. Bids are put out and the major contractor chosen is Germany's HOKTIF Construction Company, GmbH. The estimated DM 171.6-million cost will be financed with a ¥ 5.454-billion loan from Japan's Bank for International Cooperation (JBIC) and the Kyrgyz government, which allocates \$6.6 million to the project.

President Akayev signs a special decree on September 16 appointing Jumabek Ibraimov chairman of the state carrier. Timur Muratov, the former chairman, becomes president.

The Russian financial crisis that begins during the summer has negative impact on Kyrgyzstan and its national airline and service deteriorates. Seven-times-daily Yak-40 roundtrips between Bishkek and Osh are, for example, often reduced to one Tu-154 service. Flights to Karakol are reduced to weekly, with four-times-a-week service to Cholpon-Ata.

Toward year's end, President Muratov informs a news conference that the carrier will be privatized in the near future.

Customer bookings surge 45.4% to 262,000, while cargo traffic skyrockets 71.5% to 8.95 million FTKs. Expenditures exceed revenues by 41 million som (\$1.4 million).

Expansion and improvement to Manas International Airport continues in 1999. When joint venture opportunities for services at the new airport

are opened, the Italian financial concern ITI, S.p.A., in April, becomes the first to announce that it will participate. The same month, the Malaysian investment concern Safuan signs a contract with the national airline creating a joint international air company. Under terms of the arrangement, into which Safuan will pour \$4 million in capitalization in return for a controlling interest, the Malaysians will provide a pair of A310-300s with which to launch new routes from Kyrgyzstan to the Asian cities of Bangkok, Kuala Lumpur, Tokyo, and Seoul.

With his country suffering from the continuing regional economic crisis, new Prime Minister Amageldy Muraliyev announces on June 25 that his government will sell a controlling stake in the airline before the end of the year. At the same time, the A320-231 is returned to its Irish lessor and the A319 order is cancelled.

A new international route is inaugurated at the beginning of August linking Bishkek with Ancona, Italy, via Baku.

Enplanements during the 12 months total 156,000 and 3.07 million FTKs are operated

Airline employment totals 4,170 at the beginning of 2000. The fleet now includes 1 Ilyushin Il076TD, 2 An-26Bs, 6 Tu-134A-3s, 12 Tu-154Bs, 2 Tu-154Ms, and 24 Yak-40s. A number of Mi-8 and Mi-2 helicopters are available, although many are out of service.

Destinations visited include Baku, Bathen, Beijing, Birmingham, Bombay, Chardzhou, Cholpon-Ata, Delhi, Dushanbe, Ekaterinburg, Frankfurt, Hanover, Irkutsk, Istanbul, Jalal-Abad, Kaliningrad, Karachi, Karakol, Kazarman, Khabarovsk, Krasnojarsk, Kuala Lumpur, Kyzyl-Kiya, London (LHR), Moscow, Novosibirsk, Tolmachevo, Omsk, Orenburg, Osh, Rostov, Samara, St. Petersburg, Sharjah, Tashkent, Tbilisi, Ulanbator, and Urumqi.

It is reported in January that the national airline has saved an estimated DM 9 million in loans for the Manas International Airport expansion project as the result of the efficient completion of the first phase by HOKTIF Construction Company, GmbH. Pending approval from the JBIC, plans are made to employ the unexpended funds to construct a second telescopic boarding passage for domestic flights, perform needed repairs to the terminal's ceiling, and replace lighting facilities and fix technical facilities throughout the airport.

Chairman Muratov reveals in July that his board of directors has come to terms with ITI, S.p.A. on the establishment of a new joint venture concern to be called Manas Management Company. With a seven-year, \$10.5-million loan from Mediocredito Centrale in Rome, the partners will create a turnkey air cargo and catering complex, built to IATA standards, at the expanded Manas International Airport. Construction will be undertaken by ITI's civil engineering and construction division.

Sunday Tu-154B roundtrips to Birmingham, England, are suspended between August 13 and 27.

Malcolm Ginsberg's *Air & Business Travel News* reports on October 8 that Kyrgyzstan Airlines will turn over management control to London, England-based Eastlink Lanker. The arrangement calls for the UK firm to acquire a 77% stake in the former Kyrgyz Division of **Aeroflot Soviet Airlines**, not through privatization, but through a technical pact under terms of which the state property fund retains its shares, but loses its voting rights. Shareholding in the nation's airports will also come as part of the deal.

KYRNAIR, S.A.: Aeroporto Campo dell'Oro, Ajaccio, Corsica, F-20090, France; Phone 33 (4) 95 10 60 80; Fax 33 95 46 81 01; Code KH; Year Founded 1986. Originally established as an air taxi at Aeroporto Campo dell'Oro at Ajaccio, Corsica, in 1986, Krynair is upgraded in 1990 to offer a scheduled service to Toulon. President J. P. Thouemen inaugurates flights with 1 each Cessna 402, Pilatus- Britten-Norman PBN-2 Islander, and Embraer EMB-110P2 Bandeirante.

Another Brazilian turboprop is added in 1992. Operations continue in 1993-1999. During these years, two more Bandeirantes are acquired and nightly all-cargo flights are added.

Scheduled destinations visited in 2000 include Ajaccio, Bastia, and Toulon.

LA COSTENA AIRLINES, S.A.: Aeropuerto Internacional Augusto C. Sandino, Managua, Nicaragua; Year Founded 1993. Bay of Pigs veteran Don Alfredo Caballero establishes La Costena at Managua in the spring of 1993 to offer scheduled domestic passenger and cargo services. One of two Antonov An-32 turboprops belonging to the former **Aeronica, S.A.** Antonov An-32 is purchased; christened *Bilwi*, it begins revenue services from the international airport to Tegucigalpa, Honduras, as well as 10 domestic destinations.

Having also obtained the Cessna dealership for Central America, Chairman Caballero also places four C-208B Grand Caravans into service. The single-engine turboprops are primarily employed for freight flights.

Operations continue apace, with flights started to regional locations. With 150, employees, LCA is the largest airline employer in Nicaragua by 1997. The company suffers its first fatal accident in October when a Grand Caravan crashes into the mountains of northern Costa Rica. The *Bilwi* is withdrawn at the end of the year and replaced with a leased Shorts 360-300.

Although it is understood that operations continue thereafter, exact information is not available.

LA HELICOPTER: United States (1986–1989). The eighties' first new scheduled U.S. helicopter operator, L.A. Helicopter inaugurates revenue flights around Los Angeles during September 1986. The company's 3 Aerospatiale A350 Ecureuils transport a total of 1,200 passengers during the fourth quarter.

A fourth A350 is acquired in May 1987 and passenger boardings jump 15% to 1,380. Operations cease in 1989.

LA POSADA AIRWAYS: United States (1968). Owned by Tom Herring Sr., La Posada is set up at Laredo, Texas, in February 1968 to provide scheduled shuttle passenger and cargo flights from San Antonio, via McAllen, for travelers visiting the company's associate firm, the La Posada Hotel. Employing a Cessna 402 and a Britten-Norman BN-2 Islander, La Posada begins daily roundtrips on March 13. The traffic is not there and the service is ended with the year.

LA RONGE AVIATION SERVICES, LTD.: Hangar 6, John G. Diefenbaker Airport, Saskatoon, Saskatchewan, S7L 5X4, Canada; Phone (306) 425-2382; Fax (306) 933-0155; Year Founded 1960. Originally set up at La Ronge, Saskatchewan, in 1960, this nonscheduled operator undertakes charter and contract service flights in Western and Arctic Canada. Revenue services commence with a pair of de Havilland Canada DHC-2 Beavers.

The company continues to grow during the remainder of the decade, adding bases at Lynn Lake in Manitoba and Yellowknife in the Northwest Territories. A scheduled airline division, Air Sask Aviation, Ltd., is established and a former **Wardair Canada, Ltd.** DHC-6-100 Twin Otter, acquired in 1968, is assigned to it.

Flights continue apace during the 1970s and the fleet is upgraded with additional aircraft, including a pair of Beech 58 Barons, several DHC-3 Otters, and numerous Cessna 185s. A second DHC-6 arrives in 1978. During the next decade, three more Twin Otters are placed into service.

A variety of new aircraft join the fleet during the 1990s, including a British Aerospace BAe Jetstream 31 and a Beech 99. A Grumman Gulfstream I operated during the 1980s is removed.

After almost 40 years of competition, **Athabaska Airways, Ltd.** takes over Air Sask Aviation, Ltd., the airline division of La Ronge Aviation Services, Ltd., on August 15, 2000. The new entity, renamed **Transwest Air, Ltd.** on September 9, is based at Saskatoon, from which it operates 40 fixed- and three rotary-wing aircraft and employs over 300 people.

LA TUR. See **LATUR (LINEAS AEREAS LATUR, S.A. de C.V.)**

LAB (LINHAS AEREAS BRASILEIRAS, S.A.): Brazil (1944–1948). Following Air Force authorization for formation received in No-

vember 1943, this carrier is organized at Belem in 1944. The first shareholders meeting is held on February 9, 1945, at which capitalization is realized from public subscription. Six ex-military Douglas C-47s reconfigured to DC-3 civil standard are ordered in May and the company is officially registered on July 14. Scheduled services are started from Rio de Janeiro to Salvador on December 8.

In early 1946, flights begin to São Paulo, with route extensions to destinations in Minas Gerais. Despite the addition of a seventh DC-3, route frequencies and services deteriorate during the remainder of the year and through 1947.

A March 1948 request to the government for frequency increases is turned down and employees face nonpayment of wages. The company is reorganized on April 27 and a new board of directors is installed. The change cannot impact the failing financial or service situation and in August, the carrier's insurance provider seizes the DC-3s as collateral against a mounting debt. Unable to fly, LAB shuts its doors.

LAB (LINEAS AEREAS DEL BALSAS, S.A.). See **SAM (SERVICIOS AEREOS DE MICHOACAN, S.A.)**

LAB (LLOYD AERO BOLIVIANO, S.A.): Aeropuerto Jorge Wilstermann, Casila 132, Cochabamba, Bolivia; Phone 591 (42) 25903; Fax 591 (42) 50744; http://labairlines.bo.net; Code LB; Year Founded 1925. Led by E & W Hardt associate Wilhelm Kyllmann, a group of resident German businessmen in Cochabamba strive to establish a domestic air transport service in 1925. Following demonstration flights between Cochabamba and Sucre that begin on July 31, the men subscribe capital and purchase a Junkers F-13 that they christen *Goldweber* and present to the government during the 100th independence day celebration on August 6. Having stirred the interest of Bolivian parties as well, an airline under the present title is begun on September 15, with Kyllmann named first director general. The new entity is capitalized at 400,000 pesos and shareholding is divided between Bolivian citizens (75%) and the Cochabamba German community (25%). This is the second South American carrier with German interest created after the Colombian **SCADTA (Sociedad Colombo-Alemana de Transportes Aereos, S.A.).**

Agreement is reached with the government over routes within days. The officials promise an annual \$b 100,000 subsidy for five years and to return to the shareholders the F-13 *Goldweber*, which is rechristened *El Oriente*.

With Willy Neuenhoffen, a well-known Junkers pilot now also LAB air operations chief, at the controls, the *El Oriente* begins service to Santa Cruz de la Sierra on September 23–24. The time saved is extraordinary; the trip between the two points is reduced from fifteen days by mule to just two-and-a-half hours.

During the last quarter, the F-13 makes 118 flights over this main route. A total of 12,381 miles are covered in 128 hrs. 10 min. flying time and 631 passengers are carried. Meanwhile, on November 7, the carrier is recognized by government resolution and three more Junkers F-13s are ordered.

On January 25, 1926, the second F-13, *Beni*, is lost in a crash during the delivery flight; the replacement, *Beni II*, arrives in April. A proving flight is made to Trinidad on October 28, cutting the previous thirty-day mule and boat journey time down to two-and-a-half hours. Unhappily, the *Oriente* is lost in a Santa Cruz crash on November 6. The F-13 *Charcas* arrives from Peru in December.

The F-13 *Oriente II* arrives early in January 1927, allowing the pioneer to launch weekly service in April and May to Vallegrande, Santa Cruz, Todos Santos, and Trinidad. In response to a request for aid, **Junkers Luftverkehrs, A.G.** pilot Hermann Schroth—a future LAB director general—arrives during the summer to improve technical facilities. Following a government request for an extension of service, Kyllmann works out an arrangement with Junkers; the German company agrees to supply additional aircraft and spares in exchange for 1,000 shares in the infant airline.

Santa Cruz-Puerto Suarez flights commence in February 1928. The time required to travel between these two cities falls from ninety days by ox cart to three-and-a-half hours. Three more F-13s arrive on April 16, two of which are converted into floatplanes during May. In April, LAB's entire 6-plane F-13 fleet and their crews are lined up for a famous Cochabamba group photograph that will be employed as an illustration in most historical accounts of the airline written thereafter. On May 7, the F-13 *Charcas* is lost at Bacas. Floatplane services to Riberalta begin on June 3; landplane flights to Yucuiba start five days later.

Weekly F-13 service is started early in 1929 Cochabamba-Sucre and Cochabamba-La Paz via Oruso. The first Junkers W.34 is delivered on July 24; christened *Vanguardia*, it enters service on those routes opened at the start of the year.

The second W.34 arrives at Cochabamba in March 1930, where it is christened *Tunari* and placed in service. By summer, the route network includes 16 stops flown either weekly or every two weeks. Occasional contract flights are made to the mining centers at Potosi and Sucre. On July 30, LAB begins participation in the German European airmail service, flying the postal sacks to Puerto Suarez on the Brazilian border for a connection with the **Condor Syndikate, S.A.**

On July 3, 1931, Hermann Schroth makes the first of six reconnaissance flights over the Chaco area. On July 7, an F-13 makes the carrier's first all-cargo flight, taking mail and military supplies Cochabamba-Robore. Since 1925, LAB has made 4,486 flights, transporting 16,535 passengers over 581,255 miles. Negotiations begin with Junkers late in the year aimed at acquisition of several new Ju-52/3ms.

The one-millionth kilometer is flown on April 25, 1932. An F-13 proving flight is made La Paz-Tacna on May 23 preparatory to a proposed joint mail service with **Pan American-Grace Airways (PANAGRA)**. In association with the U.S. carrier, a joint service is started four days later from Lima to Tacna and hence over the border to La Paz. The operation is short-lived, being abandoned by LAB on June 27.

The carrier's first large airliner, the Ford 5-AT-113 *Cruz del Sur*, is delivered on September 26 during the same month in which the Bolivia-Paraguay Chaco War erupts for control of a huge jungle area known as Gran Chaco and often called "the Green Hell." Simultaneously, two Junkers W.33s are also added and christened *Mururata* and *Sajama*.

Quickly impressed into the service of the military, the *Cruz del Sur*, which has yet to receive a civil registration, is lost in a crash at Villa Montes on October 26. American pilot Donald Duke and German mechanic Willy Kettman are both killed. The Junkers Ju-52/3m originally sought in 1931 is delivered in November and is christened *Choroloque*.

Following the outbreak of the Chaco War, patriotic tin millionaire Senor Patino subscribes capital for the purchase of two Ju-52/3ms as a gift to the government. These, the first production models of their type, duly arrive in January 1933 and are accepted by Bolivian officials, who christen them *Juan del Valle* and *Huanuni*. The government, in turn, hands the transports over to LAB in exchange for a commitment of the carrier's resources to the war effort as a logistical air bridge. Four pilots, led by Hermann Schroth, immediately employ the new trimotors to begin supply and medical flights from Villa Montes to Fortin Munoz. Late in the year, the fleet is enhanced by the delivery of three Junkers A-50 Juniors that are christened *Acre*, *Piray*, and *Warnes*, and two Sikorsky S-38Bs, the *Mirihui* and *Nicholas Sudrez*.

The Chaco War and LAB's involvement therein continues during 1934. In January, a Sikorsky S-38B is delivered and is christened *Nicholas Suarez*. A maintenance hangar is completed at Cochabamba in October. The facility will exist into the next century and in 2001 the modified structure is employed as a training center.

A second B-38B, *Marihui*, joins the fleet in January 1935. The fourth Ju-52/3m is delivered in April and is christened *Bolivar*.

The Chaco War ends with Bolivian defeat in June. Since 1933, LAB's aerial involvement has consisted of 9,706 flights, during which 58,259 passengers have been carried plus 9.25-million kilograms of freight. Following the war, LAB is reconstituted with the government acquiring 48% interest. The *Marihui* is lost in a September 27 crash.

The Ju-52/3m *Choroloque* is lost between Cochabamba and La Paz on January 17, 1936. The charred wreck is found two days later near Challavinto (13 dead). Later in the year, a Ju-86 is ordered; it is delivered in March 1937 and is christened *Illimani*, thereafter being placed on the Cochabamba-La Paz and Santa Cruz de la Sierra routes. On March 13, the Junkers W.33 *Sajama* is destroyed in a crash. Another Ju-52/3m arrives from Germany during the summer and is named *Illampu*. During the fall and with assistance from **Deutsche Lufthansa, A.G.**, the fleet begins to receive radio and navigational aids. On December 15, the Ju-52/3m *Huanuni* is lost in a crash while en route from La Paz to Apolo.

LAB's fleet in 1938 comprises one Ju-86, three Ju-52/3ms, two W.34s, and three F-13s. In cooperation with **Deutsche Lufthansa** and the **Condor Syndikate**, company Ju-52/3ms on May 24 open the La Paz-Corumbá leg of the Lima-Frankfurt international route known as "La Recta." Three Ju-86K-7s (bomber configuration of the transport aircraft) arrive at La Paz in July. They will be employed for freight operations. Simultaneously, a Grumman G-21 Goose is acquired, christened *Moxoa*, and is placed in service in Beni Province.

Since the end of the Chaco War, LAB's books reveal in 1939 that the carrier has made 11,010 flights and transported 68,695 passengers. The unduplicated route network has been expanded to 2800 miles and reaches every manor community in Bolivia. The Junkers W.33 *Mururata* is lost on April 3 while the Junkers W.34 *Vanguardia* is destroyed in an April 12 crash. The three Ju-86K-7s are transferred to the Fuerza Aerea Boliviana (Bolivian Air Force) in early 1940. On November 4, the Ju-52/3m *Juan del Valle* crashes while en route from Santa Cruz to Corumbá.

As the result of inter-American agreements, LAB is nationalized on May 14, 1941, the government obtaining 64% shareholding. All German employees are summarily dismissed, including Director General Hermann Schroth. **Pan American-Grace Airways (PANAGRA)** personnel take over on June 3, an act ratified by government resolution on July 31, the same day the American giant obtains a loan from the U.S. Defense Supplies Corporation, American Republics Aviation Division, loan that will be employed to order three Lockheed L-18s. The funds will also allow airport improvement and the provision for additional ground equipment and radio gear.

On August 6, **Pan American-Grace Airways (PANAGRA)**, in exchange for 23% interest in LAB, receives a five-year management and operational contract. Immediately, it takes over flights on the main Cochabamba-Puerto Suarez trunk line, leaving the national carrier to operate as a feeder. PANAGRA flies the route at no cost to the Bolivian government, receiving its income for the service from a U.S. postal contract. The LAB fleet of 1 Ju-86, 1 W-34, 2 Ju-52/3ms, and the G-21 is strengthened by the arrival of the first pair of Lodestars in September. During the third quarter, the *Moxos* is sold to a U.S. operator and the Ju-86 *Illimani* to Fuerza Aerea Boliviana.

The W.34 *Tunari* is retired on April 22, 1942 and two more L-18s are placed in service. The Ju-52/3m *Bolivar* is sold in June 1943.

Under **Pan American-Grace Airways (PANAGRA)** direction, LAB begins direct weekly return service to Tarija on April 6, 1944. A month later, LAB's Cochabamba to Yacuiba roundtrip route is stretched to Santa Cruz. At the same time, the *Illampu* is sold. On September 18, receives the Inter-American Safety Council Award for 1943.

Six ex-USAAF C-47s (rebuilt to DC-3 civil standard) join the fleet in August 1945.

The **Pan American-Grace Airways (PANAGRA)** contract expires on August 2, 1946, but a second is negotiated on November 26. Technical support is retained under the new arrangement, but the American carrier's share shrinks to 19.8%. The Bolivian government's interest is also reduced, to 55.4%, with private interests assuming the remainder. One more DC-3 is placed in service and enplanements total 32,000.

Route development is undertaken during 1947-1948 with concentration on the reopening of service to all of the provincial capitals, particularly Trinidad. In 1948, capitalization is increased to \$b 50 million and orders are placed for additional aircraft. Additional DC-3s are received.

Valued for their cargo capacity, three Curtiss C-46As are delivered throughout 1949 and are placed in service to outlying areas.

The fleet is significantly strengthened in 1950 by the addition of 3 more C-46s, 1 DC-3, and the first of 11 Boeing B-17F/G bombers converted to civil standard.

A C-46 with two crew is damaged beyond repair at Cochabamba, Bolivia, on April 24; there are no fatalities.

A DC-3 is lost at La Paz on January 1, 1951; there is no information on casualties.

An agreement is reached with the Brazilian government allowing **Cruzeiro do Sul, S.A.** to extend westward from Corumba and to enjoy cabotage rights within Bolivia. LAB's fleet is increased by the addition of four DC-3s, a Consolidated C-87, and two B-17s. The last two C-46As are withdrawn. On July 29, four LAB officials and the wives of two are killed when a C-46 fails takeoff and crashes near Cochabamba.

One DC-3 and one more B-17 are placed in service during 1952 and on January 30, 1953, service is started from Cochabamba to Santa Cruz, Yacuiba, and Salta. Two more DC-3s join the fleet and on November 3, one of these, with 28 aboard, disappears while on a Camiri-Sucre flight. The wreck is found two days later near the city of Tarabuco and there are no survivors.

DC-3 multistop flights commence on an east to west line from La Paz to Arica, Chile, on March 20, 1954.

Boardings for the year reach 89,000.

The fleet is next increased through the addition, in April 1955, of two DC-4s. Traffic rights into Colombia are received on November 2. DC-3 service Cochabamba-Bogota via Riberalta starts on April 19, 1956; it will end on November 3. Meanwhile, on August 25, one of the Douglas transports, with two aboard, crashes while landing at La Paz; neither crewman survives.

Three additional civil B-17s and another DC-4 are received. During the year, a total of 20,884 flights are made and 171,243 passengers are transported.

A DC-3 crashes into Mt. Sayary in the Andes on April 7, 1957 (19 dead). DC-4 flights to Corumba are inaugurated on July 9. A B-17G is delivered in November. During the year, DC-3s launch Cochabamba-Puerto Suarez service and assume the cabotage routes of Cruzeiro do Sul. Cochabamba-Porto Velho, Brazil, service is launched on January 28, 1958 while flights begin to Asuncion on April 1.

Asuncion service is withdrawn on July 1, 1959 while La Paz-Buenos Aires DC-4 flights begin the next day. The *Handley Page Herald* is demonstrated for the carrier during the summer as a possible Flying Fortress replacement, but it is not chosen due to a shortage of funds. Orders are, however, placed for three Douglas DC-6Bs previously operated by **American Airlines**.

The Porto Velho route is closed in December and on the last day of the year, a DC-3 with 11 aboard crashes near San Jose de Chiquitos; there are no survivors.

Enplanements for the year are 165,030.

A DC-4 with 4 crew and 55 passengers crashes at Cochabamba, near the city of La Paz, on February 5, 1960; there are no survivors.

A leased DC-4 is received as a replacement on April 1 and another B-17G in September. The first DC-6B is delivered on December 15. DC-6B service starts to Lima on March 2, 1961. The second pressurized Douglas transport is delivered on November 9 and the leased DC-4 is returned on December 18.

Bookings for the year are 175,542.

Meanwhile and while on a maintenance test flight on August 21, 1962, a DC-3 with five crew crashes at Cochabamba Airport (four dead).

Pan American-Grace Airways (PANAGRA)'s long-term lease expires in 1963 and is not renewed as financial difficulties mount. The LAB fleet now comprises 2 DC-4s, 2 DC-6Bs, 6 DC-3s, and 6 B-17Gs. The second DC-6B with 3 crew and 36 passengers crashes on a slope of Mount Tacora, a volcano located 60 mi. NE of Arica, on March 15; there are no survivors.

The carrier's third DC-6B is delivered on July 24, followed by a leased C-46 in September.

In October, the U.S. carrier **North Central Airlines** is awarded a two-year contract by the U.S. Agency for International Development (AID) to provide LAB with the managerial and technical assistance given up by **Pan American-Grace Airways (PANAGRA)**.

When the NCA team arrives just before Christmas, they find that the 33% of LAB's 12-plane fleet has been grounded in order that they might be cannibalized for the parts necessary to keep the other eight planes flying. The airline is also without published flight and tariff schedules, up-to-date manuals, a reservations system, or a modern administrative and financial structure.

The workforce in 1964 totals 957. A fourth DC-6B is delivered on January 8 and a DC-3 is damaged and one person is killed in a Potosi crash six days later. A La Paz-Cochabamba-Santa Cruz-São Paulo route is inaugurated on February 4. The same day, another Douglas transport goes down near Yacuiba (two dead). During the year, a concrete runway is completed at La Paz, only the second in the country after that at Cochabamba.

Enplanements for the year are 197,000 and revenues of \$3.22 million are earned.

A B-17G crashes at La Paz on February 7, 1965. On March 29, the government transfers a Curtiss C-46 to the carrier from the assets of the *Corporacion Boliviano de Fomento*, but it will not be flown. Unsuccessful in providing the desired aid, North Central's contract is cancelled in July; however, three additional DC-3s are received throughout the remainder of the year. When the **North Central Airlines** contract ends, LAB is in a far superior position to that in which it had been found just two years earlier.

The Washington, D.C.-based Systems Analysis Research Corporation is contracted in 1966 to advise LAB on new equipment. As a result of its work, orders are placed for two Fairchild Hiller FH-227Ms.

A C-46D with three crew disappears on August 3 while en route from Riberalta to Cochabamba; the wreckage is found 12 days later and there are no survivors.

A Lockheed L-188A is ordered in 1967. Enplanements for the year are 268,672.

Airline employment in 1968 is 690. A DC-3 aborts its takeoff from Trinidad, Bolivia, on April 19 and crashes; although the aircraft will be written off, there are no fatalities.

A B-17G crashes near La Paz on August 2; the same day, the *Electra*, formerly the **American Airlines Flagship Memphis**, is delivered. In September, it is placed in service on the international routes.

Bookings for the year are 284,000 and revenues of \$4.3 million are generated.

The two FH-227Ms are delivered on July 31 and August 6, 1969, respectively, and soon enter service over domestic routes. Also in August, **Braniff International Airways** is asked to supply a Boeing 727-171C.

En route from Santa Cruz to New York (JFK) on September 26 via La Paz, a DC-6B with 5 crew and 69 passengers, crashes into Mount Choquetanga near Viloco, 176 km. SE of La Paz; there are no survivors. The disaster is ranked as Bolivia's worst air accident ever.

Despite the disaster, passenger boardings are up to 315,351.

The jetliner is delivered on March 14, 1970; christened *Puerto Suarez*, it is placed in service on the La Paz-Cochabamba route three days later. Bookings rise to 341,787.

Frequencies are increased and routes refined during 1971-1972. On December 16 of the former year, one of the FH-227Ms is commandeered by an air pirate during a domestic service from Sucre to La Paz. The gunman kills the pilot and orders the copilot to fly to Arica, Chile. The Fairchild halts at Cochabamba for refueling, where the plane is attacked by police and military police, who shoot and kill the hijacker.

The L-188A is sold in 1973 to the Bolivian Air Force. Enplanements for the year are up to 357,840.

The workforce in 1974 totals 679. The fleet now includes 2 DC-3s, 3 B-17Gs, 2 FH-227s, and 1 B-727-171C. A second B-727-171C is delivered in May and a third FH-227 on December 17.

Passenger boardings rise 29% to 504,000.

The company's fiftieth anniversary is celebrated in **1975**. A B-727-78 is delivered on March 7, followed by a fourth FH-227 on March 26 and a B-727-2KS on October 8. A DC-6B are sold to **TAM (Transport Aereo Militar)**. On September 17, B-727-171C weekly service is inaugurated to Miami via Panama City.

Bookings decline to 486,144.

The employee population is reduced 7.9% in **1976** to 816. By now, the fleet possesses only one DC-3.

A B-707-131F with three crew fails its takeoff from Santa Cruz on October 13, striking trees, utility poles, and the rooftops of houses; the plane turns left and crashes into a football pitch 560 m. from the runway. All aboard the aircraft are killed, along with 88 people on the ground.

Weekly return flights commence to Santiago de Chile on December 3.

Passenger bookings accelerate 25.5% to 575,559 and freight skyrockets 79%.

In April **1977**, orders are placed for two additional B-727-2KSs. Yacuiba-Salta service is withdrawn on May 16. A proving flight is made to Caracas on July 25, followed by the start-up of twice-weekly B-727-171C service on October 5. During the year, the fleet is enlarged through the addition of two F-27Js, a leased B-727-14, and a purchased B-707-323CF freighter, **American Airline's** former *Astrojet Detroit*.

Enplanements drop to 493,200.

A B-727-2KS is delivered on August 8, **1978** and another on October 2; the leased B-727-14 is returned on October 16. A new Miami route via Manaus, Brazil and Caracas, is opened on November 30.

Bookings soar 58.9% to 1.2 million, producing the carrier's first one-millionth passenger year. Consideration is given to the purchase of wide-body aircraft.

Enplanements inch up ever so slightly in **1979** to 1,236,240.

The workforce in **1980** totals 1,692. On January 23, an F-27J with 3 crew and 15 passengers runs off the taxiway at Yacuma into a ditch, catching fire; although the aircraft is destroyed, all aboard are safely evacuated.

Another F-27J with 3 crew and 10 passengers, crashes while on approach to Yacuiba on June 2; there are no survivors.

In October, LAB joins IATA.

Passenger boardings jump 9.1% to 1,376,894, while freight is up 9.8% to 34.6 million FTKs. Revenues remain static at \$7.5 million, but expenses, led by fuel price increases, jump to \$8.1 million, producing a loss of \$654,500.

Another B-707-323C/F freighter is delivered on June 30, **1981**. Bookings decline to 1,249,000.

Thrice-weekly flights to Cuzco commence on November 27, **1982**. Boardings drop again, down to 1,163,400.

Several routes in northern Bolivia are found to be uneconomical and are transferred in **1983** to the small, DC-3 equipped feeder **Linea Aerea Candedo, S.A.**, a privately owned airline that also provides contract services. Bookings dip again.

All but one FH-227 is sold in **1984**. They are replaced with one each Fokker F.27-200 and F.27-600, plus an F-27M.

The F-27M with 3 crew and 20 passengers crashes into the jungles near El Pillon Hill, Bolivia, on March 16; there are no survivors.

Enplanements decline to 1,131,200 as the recession continues to trouble the airline.

Company employees total 1,627 in **1985**.

En route from La Paz to Asuncion via Santa Cruz on January 23, Flight 900, a B-727-2K3 with 7 crew and 120 passengers, becomes the target of a suicide-for-insurance scheme. The perpetrator locks himself in the lavatory when the aircraft is at 10,000 ft. and descending toward its intermediate stop. He lights a single stick of dynamite, which blows up and kills him. The force of the blast is absorbed by the pirate and does little damage to the aircraft, which lands at its destination on schedule. Three other passengers are injured in the incident.

Cargo is up this year by 1.4% to 41.03 million FTKs and passenger boardings rise 2% to 1,414,000. This despite record inflation that reaches a peak of 24,000%.

The fleet in **1986** includes 3 B-727-2K3As, 3 B-727-100s, 2 B-707-323C/Fs, and 1 owned and 2 leased F.27s. In August, employees go on a six-day strike to force the ouster of President Agustin Saavedra.

Customer bookings drop 6.6% to 1,329,160. Revenues jump 39% to \$83.9 million, but costs zoom upward 77% to \$87.4 million, causing an operating loss of \$3.5 million.

The workforce is cut 3.9% in **1987** to 1,661. Passenger boardings rise only 0.8% to 581,622, while freight does slightly better, up 1.3% to 20.14 million FTKs. Revenues decline to \$80.8 million, expenses jump to \$88.4 million, and an operating loss of \$7.5 million is suffered. The net loss is \$5.8 million.

Airline employment is downsized another 1.1% in **1988** to 1,642 and the fleet now includes 3 each B-727-100s and B-727-2K3As, plus 2 B-707-323C/Fs, and 2 leased F.27s.

In March an agreement to integrate routes is signed with **LAP Paraguayan Airlines, S.A.** and **Pluna (Primera Uruguayas de Navegacion Aerea, S.A.)** of Uruguay.

Customer bookings decline 1.8% to 1,307,059 and cargo is off by 3% to 23.69 million FTKs. Income exceeds expenses and profits are earned: \$8.36 million (operating) and \$7.32 million (net).

The payroll is increased by 2.7% in **1989** to 1,707; however, the fleet remains unchanged. A slow privatization process begins and beginning on December 1 and continuing for two months, a B-767-204 is leased from U.K.-based **Britannia Airways, Ltd.** and flown roundtrip to Miami. The British aircraft is the first wide-body operated by the carrier.

Passenger boardings recover and inch up by 0.6% to 1,314,809, while freight does much better, gaining by 9.4% to 25.92 million FTKs. Revenues swell 7.8% to \$102.79 million, expenses are up 9.9% to \$95.61 million, and the operating profit is \$2.3 million. Net gain dips to \$1.9 million.

The decision is taken during the summer of **1990** to replace the aging Boeing fleet with three leased Airbus Industrie planes. The first Airbus, an A300B2, is wet-leased, beginning in June, for four months from **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. Meanwhile, the company assists the government and national banks with studies designed to foster the creation of up to three feeder airlines. The Bolivian government in August announces that the carrier will be privatized, with the state disposing of a 50% interest.

Customer bookings climb a modest 1.8% to 1,330,000, but cargo does quite well, moving ahead by 45.3% to 31.96 million FTKs. Revenues rise 6.9% to \$107. The operating profit is \$4 million and net gain totals \$3.4 million.

Airline employment in **1991** stands at 1,729 and the fleet now includes 1 leased A310-304 and an owned fleet comprising 1 each B-707-323C, B-727-78, B-727-1A0, B-727-171C, F.27-200, F.27-600, and 3 B-727-2K3As.

An A310-304 arrives under wet-lease from **Royal Jordanian Airlines** in June; it will serve through the summer season. The B-707-323C is burned out in a La Paz hangar fire on August 31. Another A310-304, chartered long-term from IFLC, is delivered on December 1.

Passenger boardings decline to 1,141,289; however, freight ascends to 35.39 million FTKs.

The employee population is reduced by 1.4% in **1992** to 1,705 as 2 Fokker Friendships, 1 F.27-200 and 1 F.27-600 are acquired. Following a bid period, only one tender is received. The offer from **Iberia Spanish Airlines (Lineas Aereas de Espana, S.A.)** (2) is rejected as too low. It will now be necessary to restart the entire privatization process all over again.

Customer bookings ascend a slight 0.5% to 1,275,086, but cargo drops 14.6% to 33.17 million FTKs. Revenues total \$118.8 million, but expenses are more. Consequently, there are losses: \$9.1 million (operating) and \$11.8 million (net).

In **1993**, President Edgar Rottes Saravia and General Manager Luis Gereca oversee a workforce of 1,530, down 10.3% from the previous

year. The fleet now includes 3 B-727-2K3As and 1 each A310-304 (leased), B-707-323CF, B-727-78, B-727-1A0, B-727-171C, F.27-200, and F.27-600.

Destinations visited include Arica, Asuncion, Belo Horizonte, Buenos Aires, Caracas, Lima, Manaus, Mexico City, Miami, Montevideo, Panama City, Rio de Janeiro, Salta, Santiago de Chile, and São Paulo.

Passenger boardings drop 8.2% to 1,170,145, but freight rises 22.9% to 40.69 million FTKs.

Early in 1994, a code-sharing agreement is entered into with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** covering service on a route between Santa Cruz and La Paz. The fleet is increased by the addition of a leased Airbus Industrie A310-304 and the new ship helps the company to increase its passenger traffic.

Customer bookings accelerate by 7.2% through October to 1,036,363; cargo, however, reverses itself and falls 3.3% to 32.12 million FTKs.

On December 22, while on its takeoff roll from Guayaramerin, Bolivia, an F.27-600 with 4 crew and 36 passengers suffers the loss of its No. 2 engine; takeoff is aborted, but the turboprop overruns the runway and is halted by a tree 120 m. beyond. There are no fatalities.

Airline employment is increased by 2.9% in 1995 to 1,373.

In October, **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**, the only bidder for the airline in the government's second sell-off round, acquires a 49% stake in LAB for \$47.4 million. The fee consists of \$5 million in cash, \$10.5 million through credit services and other assets, and the remaining \$31.9 million through the transfer to LAB of a B-737-3A1 christened *Paititi*. The remaining shareholding is split between the Bolivian government (51%), **American Airlines** (.5%), and LAB employees (.5%). VASP is also given a management contract.

The company's 8 aircraft transport a total of 1,272,715 passengers this year, a 0.8% dip. Cargo traffic, on the other hand, jumps 8.3% to 36.91 million FTKs.

The workforce grows 12.6% in 1996 to 1,546. **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** is now in charge and in July LAB introduces a new two-tone blue color scheme on its aircraft, reflective of the changes. Ulisses Canhedo, son of VASP's owner, becomes president, with Daniel Doering as director general.

Customer bookings increase 5.4% to 1,342,149 and 46.21 million FTKs are operated, a 25.3% increase.

The employee population dips 1% during 1997 to 1,530. The fleet now includes 2 leased A310-304s, 3 owned Boeing 727-2K3As, 1 each owned B-707-323C, B-727-78, B-727-1A0, B-727-171C, and F.27-400M. One each B-727-2J4A and B-737-3A1 are chartered from **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** and an F.27-200 is also leased.

In addition to domestic markets, the carrier now also visits Arica, Asuncion, Belo Horizonte, Buenos Aires, Caracas, Lima, Manaus, Mexico City, Miami, Montevideo, Panama, Quito, Rio de Janeiro, Santiago, and São Paulo.

Passenger boardings surge 28.6% to 1,726,071 while freight rises 2% to 47.14 million FTKs.

Service is maintained without fanfare in 1998. Unhappily, Bolivia fails to comply with ICAO safety standards and LAB consequently finds itself rated as a Category II carrier, unable to add new routes to or fly new equipment into the U.S. The airline is restricted to Miami, where it continues to operate its A310-304s.

Customer bookings inch up 1.8% to 1.75 million, while cargo traffic falls 6.4% to 44.14 million FTKs.

By the beginning of 1999, airline employment has been increased by 17.6% to 1,800. In addition to the work required for the removal of its Category 2 status, LAB now begins planning for fleet renewal and the addition of new routes to Washington, D.C. (IAD) and Havana.

A review by Boeing during the year reveals that the Dash-171C *Puerto Suarez* is the world's highest-cycle B-727. Also during the spring, a new airport terminal is opened at Cochabamba.

Passenger boardings decline 13.1% to 1,526,000, while 19.15 million FTKs are also operated. Revenues reach \$146,259,506.

Airline employment at the beginning of 2000 stands at 1,713, a 4.8% decline over the previous 12 months. The company will celebrate its seventy-fifth anniversary throughout the year.

On May 11, officials of the Brazilian carrier announce that they will soon sell all **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** shareholding in LAB and **Ecuatoriana de Aviacion, S.A.** to help meet its huge deficit problems.

Flying members of the National Pilot Association call a 24-hour strike on May 30 to protest the entry of the new TAM (Transportes Aereos Regionais, S.A.) subsidiary into the Bolivian market. The job action leaves thousands stranded at airports across the country. The Bolivian government does, however, suspend the TAM authority.

In June, one each B-727-1A0 and B-727-171C are leased to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** for six months.

A B-737-382 is chartered from Pegasus Aviation on August 22. A newly Stage III-compliant B-727-2K3, equipped with QWS winglets, is placed on the Miami route on September 11.

As the result of employee complaints concerning alleged "cannibalization" of LAB assets by VASP, the Bolivian Civil Aviation Authority opens an audit of LAB in the days just before Christmas. The CAA also brings in the Superintendent of Pension Funds to assist in the review.

LAB FLYING SERVICE: P.O. Box 272, Haines, Alaska, 99827-0272, United States; Phone (907) 766-2222; Fax (907) 766-2734; <http://www.haines.ak.us/lab>; Code JF; Year Founded 1956. Layton A. Bennett forms LAB Flying Service at Haines, Alaska, in the late spring of 1956 to operate charter and flight-seeing services from his base to destinations in southeastern Alaska and Canada. Piper lightplane operations commence on July 1.

Unscheduled operations continue for 10 years. A contract is won from the U.S. Post Office in 1974 and scheduled mail flights begin late that year.

Scheduled passenger and cargo services are introduced on November 15, 1975 and by 1981, daily or more frequent flights are offered to Excursion Inlet, Gustavus, Hoonah, Juneau, and Skagway. With a workforce of 37, the fleet now comprises 1 Piper PA-31-310 Navajo, 1 Piper PA-34 Seneca, 2 Britten-Norman BN-2 Islanders, 3 Piper PA-32R Cherokee Lances, 4 Piper PA-32 Cherokee Sixes, and 3 Piper PA-28 Cherokee Arrows.

Early in 1982, the decision is taken to discontinue scheduled operations in August; during the year's first 8 months, 11,000 passengers are flown. Unscheduled and charter flights continue apace in 1983-1984, but on November 1 of the latter year, a feeder agreement is signed with **Alaska Airlines**. Scheduled commuter flights resume in January 1985 linking the company's base with all of its previous scheduled points, plus Funter Bay.

Services continue apace in 1986-1989. The latter year is particularly successful, although much traffic is acquired when the FAA closes three competitors.

By 1990, the 30-employee small regional is the state's oldest and largest air taxi and operates a mixed bush-oriented fleet of 1 each Piper PA-31-350 Navajo Chieftain, Aerostar, Douglas DC-3, 2 each Helio Courier, Senecas, and Islanders, 3 Cherokee Lances, and 7 Cherokee Sixes.

A total of 19,985 passengers are transported.

Customer bookings accelerate in 1991 to 22,101 and a total of 694,689 pounds of mail are flown.

Company employment is increased by 40% in 1992 to 42. Passenger boardings climb 28% to 28,389.

In 1993, President Bennet's fleet still contains 2 Islanders and 1 Navajo, plus 3 Senecas, 16 Cherokees, 1 Aerostar, and 2 Helio Courier 2s.

Enplanements total 36,404, a 28% increase.

Operations continue apace in 1994 and passenger boardings accelerate 17% to 42,742. A total of 39,000 FTKs are also flown.

While circling 700 ft. above the shoreline over a moose on July 7, **1995**, a Piper PA-32R on a flight-seeing sortie with one pilot and five passengers, goes out of control and crashes; there are no survivors.

The 19 aircraft of the Haines-based company transport a total of 66,737 passengers during the year, a huge 61% increase.

The employee population stands at an even 100 in **1996** and the fleet now includes 15 Cherokees, 5 Senecas, 4 Navajo Chieftains, and 2 Islanders. Lynn N. Bennett, son of the founder, is now deputy president, while Mrs. Lou Bennett, remains chief financial officer.

While on a September 1 flight-seeing sortie over an extensive field of glaciers, a PA-32R with a pilot and five passengers, runs into a fog bank; the aircraft inadvertently descends and collides with the glacier. All aboard are injured, four seriously.

Passenger boardings drop 9.7% to 60,281.

In **1997**, founder Bennett switches to the position of vice president/maintenance director as his son takes the helm. Destinations visited now include Excursion Inlet, Gustavus, Haines, Hoonah, Juneau, Kake, Petersburg, Skagway, and Sitka.

While on an all-cargo service from Juneau to Kake on October 23, a PA-32 with two crew crashes into mountainous terrain 16 mi. SE of its point of origin; there are no survivors.

Unhappily, customer bookings for the year plunge 43.3% to 34,176.

LAB suffers another bad business year in **1998**. Passenger boardings drop another 11.2% to 30,000. Still, the workforce is increased by 66.7% to 100 as plans are made to increase cargo services further.

Customer bookings in **1999** fall 37.6% to 19,000. A total of 100 workers are employed at the beginning of **2000**.

LABRADOR AIRWAYS, LTD.: Goose Bay Airport, P.O. Box 310, Stn. A, Goose Bay, Labrador, A0P 1S0, Canada; Phone (709) 896-3658; Fax (709) 896-5209; Code WJ; Year Founded 1969. The bush division of **Eastern Provincial Airways, Ltd.** is sold to an employee group in **1969**. With their headquarters at Goose Bay, the new owners assemble their fleet that ranges in size from 2 de Havilland Canada DHC-6-100 Twin Otters down to DHC-3 Otters, DHC-2 Beavers, and Cessna 207As. Revenue services, both charter and scheduled, are inaugurated linking the company base with such destinations as St. Anthony and Deer Lake.

Flights continue apace in the **1970s** and by the date of the company's tenth anniversary in **1979**, President G. E. Patey oversees a workforce of 110 and a fleet comprising 2 Twin Otters, 2 Beech B-80 Queen Airls, 1 Aero Commander 500B, 3 Otters, 1 Beaver, and 1 Turbo Beaver.

Early in **1984**, a Saunders ST-27 is purchased, but it is soon lost. With three crew and five passengers, it is damaged beyond repair during its landing at St. Johns on August 25 when its gear collapses; there are no fatalities.

Electing to continue a visual flight rules (VFR) ambulance flight into adverse weather conditions, the pilot of a DHC-6-100 with two crew and two passengers, flies his aircraft into one of the Mealy Mountains on October 11; there are no survivors.

A second Saunders ST-27 joins the fleet in **1985–1986**, together with a replacement Twin Otter, a Dash-300, purchased from **Norontair, Ltd.** A major owner of the new **Air Nova, Ltd.**, Labrador begins to feed traffic to that carrier at Goose Bay.

In **1987**, Goose Bay-based **Goose Bay Air Service, Ltd.** is purchased, together with its fleet of 4 Otters, 3 Beavers, and 1 Britten-Norman BN-2 Islander.

Operations continue apace during the remainder of the decade and into the **1990s**. In **1993**, President W. Pike's fleet consists of 4 Twin Otters, 1 Otter, 1 Beaver, 1 Cessna 208, and 1 Shorts 330. One more Cessna 208 Caravan I joins the fleet in **1994**, along with three Shorts 330s and two Shorts 360-300s. Services continue.

Scheduled service is provided to 21 communities in **1995** and a DHC-7 joins the fleet. Airline employment stands at 75 in **1997–1998**. **Air Nova, Ltd.** is now the East Coast's "Air Canada Connector" carrier, which creates enhanced income for both carriers as they fly parallel

competing routes between St. John's and Goose Bay. Planning begins to take advantage of potential revenue to be earned from the various commercial megaprojects being launched at Lower Churchill Falls and Voisey's Bay.

Scheduled destinations visited at the beginning of **1999** include Cartwright, Charlottetown, Davis Inlet, Fox Harbour, Gander, Goose Bay, Hopedale, Makkovik, Mary's Harbour, Postville, Nain, Rigolet, and Wabush. On behalf of **Air Nova, Ltd.**, Labrador inaugurates a scheduled route from Quebec City to Moncton via the New Brunswick communities of Charlo and Miramichi.

At the beginning of **2000**, **Air Canada, Ltd.**, which has also taken over **Canadian Airlines, Ltd.**, begins the consolidation of its "Air Canada Connector" commuter network. On October 15, Labrador upgrades its Quebec City to Moncton service to twice daily. Increasing fuel prices do not have an immediate impact and the airline is initially spared the necessity of adding a ticket surcharge. Late in the year, the company joins the Air Canada Enroute frequent flyer program.

LAC (LIGNES AERIENNES CONGOLAISES, S.A.). See **LIGNES AERIENNES CONGOLAISES, S.A.**

LAC (LINEAS AEREAS CANEDO, S.A.). See **LINEAS AEREAS CANEDO**

LAC (LINEAS AEREAS DE CARIBE, S.A.): Colombia (1976–1997). Trading under the name LAC Airlines, this carrier is formed at Barranquilla in late **1976** by Capt. Luis Carlos Donado Velilla to take over the routes (but not the assets) of **Aerocosta International, S.A.**, which had ceased trading earlier in the year. The new entrant does not claim any connection with **LIDCA (Lineas Aereas de Caribe, S.A.)**, which failed in 1980.

A fleet of 7 Douglas DC-6As and 2 DC-8-54Fs is built up during the remainder of the decade and scheduled all-cargo services are undertaken linking Barranquilla with the Colombian cities of Bogota, Cali, Cartagena, and Medellin.

Having received a U.S. permit, regularly scheduled freight services are also initiated to Miami. There are two fatal accidents without survivors in **1978**.

A C-118A with three crew and nine passengers fails its initial climb away from Bogota on April 29 and crashes.

En route from Bogota to Trinidad on December 8, a DC-6A with three crew disappears in the vicinity of Sierra Cucuy.

In **1979–1980**, the company sells five of its piston-engine Douglas transports. In **1981–1988**, President Orlando Donado and his brothers, Vice Presidents Carlos, Raul, and Alvaro, increase the size of the family carrier to 327 employees. There are losses.

A DC-6BF with four crew strikes an 800-ft. hill while on initial approach to Cerro el Tablazo, Colombia, on February 19, 1982; there are no survivors.

A DC-8-54F with three crew and two passengers is destroyed as the result of a bad landing at Barranquilla on September 18, 1984; there are no fatalities.

The lost DC-6A and DC-8-54F replaced by a DC-8-30F and a DC-8-63F and new routes are opened to Asuncion, Caracas, Panama, São Paulo, and Toronto. Worldwide charters continue to be flown. A total of 43.88 million FTKs are hauled during the latter year.

The fleet in **1989** includes 1 DC-6A, 2 DC-8-33Fs, and 2 DC-8-55Fs.

Cargo traffic declines by 9.3% to 36.09 million ton-kilometers.

The 309 employees of the Colombian freight operator watch as its FTKs zoom upward 47.4% during the first eight months of **1990** to 46.65 million.

Airline employment is increased by 10.4% in **1991** to 270 and the fleet is altered to now include 2 DC-8-33Fs and 1 DC-8-54F.

The previous year's traffic grow goes into reverse as freight falls 5.5% through September to 50.13 million FTKs.

The workforce grows by 21.1% in **1992** to 327.

While landing at Medellin after an all-cargo service from Miami on October 15, a DC-8-55F with three crew overruns the runway and is damaged; there are no fatalities.

Statistics are provided through October and reveal that cargo traffic has risen 31% to 72.98 million FTKs. Revenues total \$26.9 million and produce an operating profit of \$800,000.

In 1993, President Donado oversees an employee population of 327 and a fleet of but 1 owned DC-8-54F and 1 DC-8-55F leased from **Fine Air**. Freight slips 0.4% to 89.75 million FTKs.

The workforce is cut by 17.4% in 1994 to 270 as a DC-8-52F arrives under charter. Cargo recovers, growing by 21.8% to 109.36 million FTKs.

There is no change in the workforce during 1995. Traffic figures are reported through August and show a 9.7% increase to 74.48 million FTKs.

A DC-8-52F is chartered in 1996 and from bases at Barranquilla and Bogota, the carrier's three freighters visit Asuncion, Caracas, Miami, Panama City, São Paulo, and Toronto on a scheduled basis.

Just after takeoff from Asuncion, Paraguay, on February 4, the DC-8-55F with 3 crew and 1 passenger, loses control and crashes into a playing field 2 km. from the runway; all aboard the freighter are killed, along with 20 people on the ground.

The carrier is unable to survive this disaster. Not only does the government quickly pull its operating certificate forcing it into bankruptcy, but the U.S. DOT revokes its foreign air carrier authority. Interestingly enough, the DOT Docket suggests that a principal reason for the U.S. suspension is an allegation that the company has been operating all-cargo flights carrying unauthorized passengers.

LAC (LINEAS AEREAS DE CUYO, S.A.): Argentina (1958–1960). LAC is formed at Mendoza in early 1958 to provide hub services on spokes spanning north, south, and west. A fleet of Aero Commanders and a Lockheed Model 18 Lodestar is assembled and revenue flights commence in early 1959. Flights link the carrier's base city with Buenos Aires, Bariloche, Mar del Plata, Cordoba, and Tucuman.

Despite great expectations on the part of company and government officials when the original announcement of a 15-year concession was made in 1958, the third-level operator is unable to earn sufficient revenues to maintain its heavy commitment and operations cease in July 1960.

LAC (LLOYD AEREO COLOMBIANO, S.A.): Columbia (1954–1964). Colombia's first second-level airline is formed at Bogota in August 1954 to operate domestic and regional services with a fleet of 3 Curtiss C-46 Commandos. Daily revenue flights commence in December over routes to Barranquilla, Cartagena, Medellin, and Cali.

A Fairchild C-82 Packet is acquired in March 1956 and during the first quarter, a C-46 is equipped with Palas/JATO jets for difficult operations. After two years of start-up operations, the company initiates flights from Bogota–Leticia–Riberalta–Cochabamba on April 19. The rocket-assisted Commando crashes at Bogota on June 26. Without the traffic to make it economically viable, the new Colombia–Bolivia route is suspended on November 3.

In early 1957, LAC orders three Vickers Viscounts and is awarded a U.S. CAB foreign air carrier permit for Miami operations. Later in the year, as financial problems continue, the Viscount order is cancelled and a new government begins to question the company's various route awards.

The company is reorganized in 1958 and sold to its employees, who unsuccessfully seek another buyer. En route from Barranquilla to Miami on June 26, a C-46A with 3 crew and 20 passengers, makes a forced landing at Puerto Colombia, Colombia; there are no fatalities.

The domestic network is maintained during the next seven years against stiff well-funded competition from **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**.

Flight 503, a C-46D with 7 crew and 44 passengers en route from Miami, crashes at Bogota's Eldorado Airport on April 19, 1960 (37 dead).

The contest with AVIANCA Colombian eventually proves unequal and LAC is faced with very unattractive prospects by late 1964. In February 1965, the Colombian government withdraws the carrier's Miami authority and follows this drastic action with cancellation of its operating certificate during the fall.

LACSA (LINEAS AEREAS COSTARRICENSES, S.A.): Apartado 1531, La Uruca, San Jose, 1000, Costa Rica; Phone (506) 290-2727; Fax (506) 232-4178; http://www.flylatinamerica.com/acc_lacsa.html; Code LR; Year Founded 1945. Pan American Airways (PAA), the Costa Rican government (20%), and local private interests (40%) form this carrier at San Jose on October 17, 1945; the American major's shareholding is 40%. In the late January 1946, the first company aircraft, a Douglas DC-3, is received on lease from **COPA (Compania Panamenana de Aviacion, S.A.)** and it is employed to fly a San Jose–Parrita demonstration flight on June 1. Service with the machine continues between summer and fall.

On November 27, the DC-3 with 3 crew and 20 passengers crashes near San Jose while on initial approach to the capital's airport; there are no survivors.

The public outcry later in the year and early 1947 occasioned by the loss of the COPA Douglas delays the further start-up of flight activities. A replacement DC-3 lands into the sea off the Ecuadorian island of Santay on January 22; there are no fatalities among those aboard.

In early summer joint flights begin to Managua in cooperation with another PAA affiliate, **LANICA (Lineas Aereas de Nicaragua, S.A.)**, which supplies the DC-3. At the same time, the carrier begins to receive new fleet elements: a C-47, a pair of DC-3s, a Consolidated C-46D, and a pair of Beech 18s. These are used to begin domestic flights and on August 16, service to Panama City.

The government commandeers LACSA's three Douglas transports upon the outbreak of the March 12, 1948 revolution, the leadership employing them to flee to Nicaragua on April 24. As a result of this development, the carrier is forced to limit operations. Although the airline is recompensed by the new Costa Rican government, it has no aircraft until four Curtiss C-46 Commandos can be purchased.

The DC-3s in Nicaragua are repatriated in 1949, but are later sold in Miami. The new Curtiss fleet maintains increasingly reliable domestic services as the carrier regains strength. During the year, LACSA is designated as the national flag carrier and is authorized to open foreign routes, including services to the U.S. cities of Miami, New Orleans, and Brownsville. The U.S. CAB, however, balks at San Jose's largess and only permits service to Miami. Still, new international routes are started in 1950 to Panama City, Havana, Miami, Mexico City, and San Salvador.

A longtime rival now politically out of favor, the pioneer **TACA de Costa Rica, S.A.** is purchased on June 2, 1952 and integrated; among the assets thus acquired are 4 DC-3s and a route network of 20 domestic stops. One of the new Douglas transports, with 3 crew and 11 passengers en route from Palmar Sur Airport, crashes in the San Ramon Mountains near San Isidro del General on June 15, 1953; there are no survivors. On August 7, the PAA shareholding is reduced to 36%.

The first pressurized airliners to fly for any Central American airline are two Convair CV-340s placed in service by LACSA on March 5, 1954; the C-46s are diverted to new duties, primarily cargo. Grand Cayman is authorized as a scheduled destination during the year.

LACSA's DC-3s are employed in government support during an abortive January 1955 coup attempt. In February, the subsidiary **Cayman Brac Airways, Ltd.** is established to provide Cessna T-50 service to the Cayman Islands on routes leased from **British West Indies Airlines, Ltd. (2) (BWIA)**.

San Jose–Panama City–Curaçao–San Juan CV-340 service is initiated in February 1956; uneconomical, the new route will be dropped within a year.

Other operations, however, continue without change or incident in 1957–1959. Flight 19, a DC-3 freighter with three crew, is lost at San Isidoro, Costa Rica, on August 15 of the latter year (one dead).

A C-46 with 32 aboard crashes while landing at Bogota on April 19, 1960; there are no survivors. On June 25, a DC-3 crashes near San Jose (one dead). Two ex-PAA DC-6Bs are introduced on the international routes in 1961, replacing the CV-340s. On June 1, 1964, PAA shareholding is reduced to 33%.

On January 19, 1966, an order is placed for a single BAC 1-11-409, with an option. The BAC 1-11-409 is received in early May 1967 and is christened *El Tico*; it begins revenue flights on May 14 from San Jose to Miami. The jetliner cuts two hours off the DC-6B time.

Cayman Brac Airways, Ltd. is reorganized by the Cayman Islands government and LACSA, becoming **Cayman Airways, Ltd.** While en route to Miami on October 9, two passengers are killed and six hurt when the *El Tico* hits clear air turbulence over Nicaragua.

Airline employment in 1968 totals 473 and the fleet comprises 2 BAC 1-11-409s, 2 DC-6Bs, 2 CV-340s, 3 C-46s, and 1 DC-3.

Following the sale of *El Tico* to **TACA International Airlines, S.A.** in September 1969, the second BAC 1-11-409, taken up on option and leased to two other carriers after its inaugural flight on February 14, is delivered on charter in November.

En route from Puerto Limon to San Jose on December 23, a C-46 with 3 crew and 30 passengers, is captured by a lone hijacker, who orders the aircraft flown to Cuba. The pilot persuades the gunman to let the passengers deplane at an intermediate stop before proceeding to Havana.

Enplanements this year reach 193,579.

The workforce is increased 13% in 1970 to 544 as the number of C-46s drops to 3. An order is placed for three BAC 1-11-531s.

On September 14, the Costa Rican investment firm Aero Transportes Internacionales, S.A. purchases Pan Am's remaining 33% shareholding.

En route from Limon to San Jose on October 21, a C-46 with 44 passengers is captured by five men and two women passengers, who demand that it be diverted to San Andres Island for refueling. There they steal a smaller aircraft and flee to Cuba.

Passenger boardings jump 21.3% to 245,971 and freight traffic is up 7.8%.

The Grand Cayman-Miami and Kingston routes are transferred to **Cayman Airways, Ltd.** in 1971 as LACSA opens a new service to Caracas via Barranquilla and Maracaibo. The first BAC 1-11-531 arrives in June and is christened *Arenal*. It replaces the Dash-409 on the international frequencies from San Jose to Mexico City or Miami.

Airline employment stands at 750 in 1972 and the fleet includes 10 aircraft: 2 Curtiss C-46As, 1 BAC 1-11-409, 2 CV-440s, 3 BAC 1-11-531s, and 2 DC-6Bs. Jetliner service is now available from San Jose to Barranquilla, Maracaibo, and Caracas. The second BAC 1-11-531, *Poas*, arrives on November 6.

Passenger bookings jump 10.3% to 299,000 and freight traffic is up a slight 2.3%.

Enplanements in 1973 total 333,216. This rise comes in spite of the fact that the previously operated route from Grand Cayman to Miami and Kingston is now operated by **Cayman Airways, Ltd.** using the BAC 1-11-531 *Arenal* chartered from LACSA and given the name *Cayman Progress*. Meanwhile, on May 14, the third BAC 1-11-531 enters service as the *Barracuda*. A former **Paninternational Airways, mbH. & Co.** BAC 1-11-531 is acquired in December and is christened *Arenal*.

The BAC 1-11-409 is returned to the U.K. in January 1974. Passenger boardings increase 19.9% to 416,000 and cargo climbs 14.3%.

The employee population in 1975 totals 886. Two Lockheed L-188 Electra freighters, including one first flown by **Pacific Southwest Airlines (PSA)**, are ordered late in the year to join a fleet that now includes 3 BAC 1-11-531s, 2 DC-6Bs, 1 DC-3, 2 C-46s, and 2 CV-340s.

Passenger bookings rise 5.3% to 423,000 and cargo accelerates 4.5%.

The workforce is reduced 7.9% to 816 in 1976. On June 1, the former PSA L-188A, converted to AF status, joins the C-46s on the all-cargo service to Miami, replacing the DC-6Bs, which are now retired.

Freight skyrockets 53.67% while passenger traffic is up only a slight 0.24% with 425,000 passengers carried.

Ownership of the carrier is reconfigured in 1977; shareholders are now the Costa Rican government (8.52%), local government and private interests (81.11%), and an employee association (10.37%). Dr. A. Pena Chavarria is named chairman of the 860-employee company.

Revenue services continue as before. First flown by **Western Airlines** and converted to freighter status, an L-188CF is acquired for the company's growing air cargo business.

Enplanements drop to 358,000.

The CV-340s and C-46s are retired in 1978 and the ex-PSA L-188AF is sold to **Hawaiian Airlines**. When **Pan American World Airways (1)** transfers its Central American hub from Guatemala to Miami, opportunity exists in the Central American market for expansion. Simultaneously, a 900% devaluation of Costa Rica's currency leads to a drop in operating costs.

Although bookings dip by another 1,000 to 357,000, cargo grows 8.3% and a net \$531,000 profit is realized.

In an effort to increase tourism and earn hard foreign currency, a liberal aviation bilateral is signed by Costa Rica with the U.S. in 1979; the arrangement allows protection for LACSA from competition on its route to Miami. Four Boeing 727-200As are ordered and BAC 1-11-531 scheduled routes are started to New Orleans, Los Angeles, and Cancun. In September, the domestic subsidiary **SANSA (Servicios Aereos Nacionales, S.A.)** is formed by the carrier (51%) and the government (49%).

Late in the year, SANSA's commuter operations are launched with a fleet of 2 DC-3s and 2 CASA C-212s.

Passenger boardings are up 7.1% to 360,000 and freight shows a 4.2% increase. Revenues jump 17.5% to \$37.1 million, but expenses, including dramatically increased fuel costs, advance 18.8% to \$36.9 million. The previous net profit is thus turned into a \$220,000 loss.

The workforce is reduced by 6.6% in 1980 to 995. Two B-727-2Q6As arrive and are placed in service, allowing the L-188CF to be withdrawn. To ease the financially weak airline's move to competition from monopoly, protection of the airline's Miami route is continued for another two years under a letter of understanding signed between the U.S. and Costa Rican governments.

The world economic situation and rising fuel costs force enplanements down to 244,375. Expenses outrun revenues by 4.2%, resulting in an operating loss of \$936,000 and a net downturn of \$813,000.

A third B-727-2Q6A is delivered in 1981, replacing the three BAC 1-11-531s, two of which are sold by year's end to **Dan Air, Ltd./Dan Air Services** and one of which remains leased to **Cayman Airways, Ltd.** On October 30, Nicaraguan rightists hijack a BAC 1-11-409 with 19 aboard, demanding the release of seven Nicaraguan prisoners in Costa Rica. After releasing all of the hostages, except for the plane's two pilots, in exchange for six willing prisoners, the aircraft is flown to El Salvador, where officials detain both the pirates and their newly freed colleagues.

A DC-8-55F freighter is also received and as a result, cargo gains 2.8%. Passenger boardings, however, dip again, falling 5.9% to 325,189. Revenues accelerate 16.6% to \$54.7 million and expenses grow only 7.3% to \$51.3 million, allowing profits: \$2.98 million (operating) and \$2.9 million (net).

The company's fiscal improvement allows the workforce to be increased 11.9% in 1982 to 1,112. The carrier's administrative functions are computerized and service is inaugurated to San Pedro Sula, as a fourth B-727-2Q6A joins the fleet. The U.S.-Costa Rica market surges and, for a period of nine months ending in July, LACSA's market share actually reaches a high of 61%.

When **TACA International Airlines, S.A.** is revitalized, LACSA loses its fifth-freedom rights over El Salvador to the U.S.

Passenger bookings rise 6.4% to 364,302 and cargo is up 2.7% to 21.9 million FTKs. Revenues jump 21.7% to \$66.6 million and expenses rise 15.7% to \$59.8 million. The operating profit doubles to \$6.7 million, but the net income falls by about \$800,000 to \$3.12 million.

Airline employment rises 7.6% in 1983 to 1,200. Returned from **Cayman Airways, Ltd.**, the BAC 1-11-531 that it had flown as *Cayman*

Progress is sold and a second DC-8-55F is acquired. Joint flights commence in April with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. In the face of heavy traffic declines, the **SANSA (Servicios Aereos Nacionales, S.A.)** subsidiary is reorganized in May, its two CASA C-212s being sold and replaced with three Cessna 306s.

Overall passenger boardings fall 19.8% to 320,368 while freight soars 13.4% to 24.67 million FTKs. Revenues total \$63.7 million.

Staff layoffs ensue in **1984**, primarily at **SANSA (Servicios Aereos Nacionales, S.A.)**, dropping the workforce to 990. Orders are placed for two B-757-200s.

Passenger bookings dip 4.8% to 294,000, but freight jumps 36.6% to 33.72 million FTKs. Losses are again suffered: \$2.7 million (operating) and \$9.2 million (net).

Airline employment declines another 1.9% in **1985** to 943. Direct San Jose–Orlando flights commence.

Passenger enplanements dip 0.8% to 291,189. Revenues rise 2.3% to \$61.9 million and expenses fall 8.1% to \$58.1 million; although a \$3.75-million operating profit is generated, another net loss is taken: \$2.85 million.

The payroll is increased 3.5% in **1986** to 976 and the fleet includes 3 B-727-2Q6As and 1 DC-6.

Customer bookings accelerate 5.8% to 326,739 and cargo is up 20.7% to 29.43 million FTKs. Revenues swell 6.7% to \$64.8 million and with expenses gaining only 0.9%, the operating profit is able to improve to \$2.39 million, but the net gain falls to \$72,000.

The employee layoffs commence again in **1987** as 36 positions are cut (a 3.7% decline). Two B-727-100s are acquired. In late fall, government ownership is reduced from a third to 5% as a number of Japanese investors, operating through the local investment company Agraexport and Costa Rican concerns, purchase significant shareholding.

In addition, the Sanyo Oil group directly acquires a 4.6% stake. Briefly dismissed by the company, longtime Director General Luis Casafont returns to his office in December.

Although passenger boardings are up only 2.6% to 313,042, freight ascends by 24.9% to 31.02 million FTKs.

The workforce grows in **1988**, rising a healthy 22.3% to 1,150; again, there are no fleet changes. In January, the company contracts to carry the traffic of **Challenge International Airlines** between Miami and San Jose.

On May 23, a B-727-22 with 10 crew and 16 passengers fails to lift off from the runway at San Jose. It overruns the end of the runway and goes through a fence, crosses a ditch, crashes into a hill, and catches fire; although the wreck must be written off, there are no fatalities.

Customer bookings shoot up 14.5% to 358,424 and cargo climbs 6.9% to 33.17 million FTKs. Revenues reach \$78.84 million and expenses are \$78.04 million; the operating profit is \$801,000, but a net loss of \$3.32 million is suffered.

Company employment is cut by 13.4% in **1989** to 996 and the fleet now includes 2 B-727-212As, 2 B-727-2Q6As, 1 B-727-100, and 1 DC-8-55F. Orders are placed for three Airbus Industrie A320-212s and two A310-300s. In a decade, dependence upon the U.S. market has increased from 30% of sales to 49%. For the same period, passenger enplanements are level and on total revenues of more than \$760 million, the airline has lost \$9 million. Throughout most of the year, the company battles a proposed entry into the Miami–San Jose market by **American Airlines**.

The debate reaches a point where the U.S. government announces its plan to restrict LACSA's route access to U.S. markets. As a result, Costa Rican officials drop their resistance and American begins its service in December.

Passenger boardings jump 11.8% to 400,859, but freight slips 0.5% to 33 million FTKs. Revenues are \$90.88 million and costs total \$88.06 million; although there is an operating profit of \$2.82 million, there is also a net loss of \$1.66 million.

The employee population remains the same in **1990**. The joint leasing venture GATX/CL Air delivers an Airbus Industrie A320-212 in December; when it is placed into service, the Costa Rican airline becomes the first in Latin America to operate the type.

Customer bookings move ahead by 6.1% to 425,850 and cargo rises 18.2% to 39.23 million FTKs. Revenues total \$103.32 million, but expenses are \$103.84 million; as a result, there is an operating loss of \$524,000 and a net downturn of \$2.56 million.

The payroll is cut 11.7% in **1991** to 1,100 and the fleet now features 4 leased A320-212s, 2 B-727-2Q6As that are leased to **Mexicana Airlines, S.A. de C.V.**, 1 B-727-212A, and 1 CASA C-212-200 Aviocar chartered to the domestic operator **SANSA (Servicios Aereos Nacionales, S.A. de C.V.)**. The A310-300 order is still pending.

Daily flights begin from Cancún to New York in March and in July, twice-weekly service is inaugurated from San Jose to Los Angeles via Acapulco.

Passenger boardings ascend 9.4% to 465,674, but freight declines by 7.4% to 36.14 million FTKs. Revenues total \$109.04 million.

The number of workers drops another 9.5% in **1992** to 996 as a 5th leased A320-212 is delivered. A 10% interest is sold to **TACA International Airline, S.A.**'s TACA Group. Under terms of the agreement, the two companies begin joint purchasing, fleet rationalization, and cooperation in such support services as ground handling, catering, and maintenance. Under leadership from the San Salvador-based carrier, TACA Group will come to comprise six members.

Statistics are provided only through May, but these show customer bookings up 58.6% to 262,496 and cargo rises 12.9% to 15.95 million FTKs. Revenues total \$127.2 million and an operating surplus of \$500,000 is recorded. Unhappily, so too is a net loss of \$1.6 million.

In **1993**, Chairman/President Mario Quiros Lara oversees an employee population of 1,100, up 10.4% over the previous year, and a fleet of 6 chartered A320-212s, 2 each B-737-2L9As and CASA C-212-200 Aviocars, and 1 B-737-242A. International markets served from San Jose include Barranquilla, Cancún, Caracas, El Salvador, Guatemala, Los Angeles, Maracaibo, Mexico City, Miami, New Orleans, New York, Panama City, and San Pedro Sula. Again, only partial year figures are made public.

Through August, passenger boardings of up 3.8% to 568,241, but freight is off by 4% to 20.97 million FTKs. Revenues reach \$141.18 million.

One A320-212 is returned in **1994**, as four leased A320-233s take its place. TACA Group begins to refine its infrastructure. Hubs are established in San Salvador for traffic headed to North America and San Jose for southbound TACA Group passengers. A secondary hub is also set up at Guatemala City.

Customer bookings, reported through June, are ahead by 14.3% to 341,093 while cargo is up 22.5% to 21.84 million FTKs.

There is no change in the size of the workforce in **1995**, just as there had been none a year earlier. An A320-233 is leased to **LADECO Chilean Airlines, S.A.** between January and March to fly that carrier's international services to Argentina, Brazil, Uruguay, and Paraguay. The U.S. reservations centers of the TACA Group members are consolidated in a single El Salvador facility.

Although enplanements dip 1.9% through the first half to 334,689, cargo inches ahead by 0.6% to 21.97 million FTKs. During the summer, four B-737-200s are leased from **TACA International Airlines, S.A.** Three are repainted in full LACSA colors while one wears TACA livery with LACSA titles.

Airline employment climbs 4.5% in **1996** to 1,150. Two Airbus A320-233s are subleased from **TACA International Airlines, S.A.** During the year, **American Airlines** begins discussions with the TACA Group concerning a possible strategic alliance. By the end of the year, TACA Group operates an impressive international route network with 14 destinations in Central America, 12 in South America, 3 in Mexico, and 8 in the U.S.

Full year traffic figures show that 868,872 passengers are carried and 42.41 million FTKs operated.

The employee population declines 4.3% in **1997** to 1,100. From its base at San Jose, the company visits Barranquilla, Cancún, Caracas, El Salvador, Guatemala City, Guayaquil, Havana, Liberia, Lima, Los

Angeles, Managua, Mexico City, Miami, New Orleans, New York, Orlando, Panama City, Quito, Rio de Janeiro, San Juan, San Pedro Sula, Santiago, and Tegucigalpa.

During the spring, TACA Group signs a code-sharing pact with **American Airlines**.

LAC inaugurates thrice-weekly roundtrip service from San Jose to Toronto via Havana, on July 2. In so doing, it becomes the only airline to offer scheduled service from Cuba to North America. The company also starts flights to Buenos Aires, Bogota, and Santo Domingo in August, September, and November, respectively.

During the fall, a number of company aircraft are repainted in a new TACA Group livery, which features a white fuselage and a blue tail, with a red vertical slash over which appears a logo consisting of five golden macaws, which represent the group members.

Thrice-daily roundtrip service to Dallas (DFW) from San Salvador, San Jose, and Guatemala City begins in December.

Passenger boardings increase by 4.2% to 833,488, while freight soars 29% to 50.59 million FTKs.

At the beginning of **1998**, LACSA flies the longest A320 route currently operated in regularly scheduled service; the service is the 2,500-nm. nonstop segment from Guayaquil to Rio de Janeiro. Another long-haul A320 route is the 2,200-nm. route from Guatemala to San Francisco, with a flight time in excess of 6 hours.

On January 10, Flight 691, an A320-233 with 122 passengers, veers off the runway at San Francisco at full speed during takeoff in heavy rain at 1 a.m. on a flight to Guadalajara. The aircraft blows an engine and comes to rest in a field of mud; no one is injured and the passengers are taken to a nearby hotel to spend the night while a replacement aircraft is dispatched. Meanwhile, the airport's longest runway is closed for several hours.

On behalf of the TACA Group, LACSA, on April 1, inaugurates thrice-weekly B-737-200 roundtrips between Santo Domingo and Havana, Cuba.

Airbus Industrie achieves a historic victory over its Boeing competitors in April when it signs a gigantic South American consortium purchase agreement. Under its terms, TACA Group, including **TACA International Airlines, S.A.**, **SAHSA (Servicio Aereo de Honduras, S.A.)**, **NICA (Nicaraguenses de Aviacion, S.A.)**, **LACSA (Lineas Aereas Costarricenses, S.A.)**, and **Aviateca (Aerolineas de Guatemala, S.A.)** promises to take 32 firm A320 family planes, plus 32 options.

Other participants are **TAM (Transportes Aereos Regionais, S.A.)**, on behalf of itself and its subsidiaries, which agrees to acquire 38 firm A320 family aircraft, with 37 options and **LanChile Airlines, S.A.**, which will take 20 A320 family aircraft, with 20 options.

Arriving in bad weather at Havana on May 5 after a service from San Jose, Costa Rica, Flight 622, a B-737-200 with 6 crew and 63 passengers, departs the runway during its landing roll; although the aircraft is badly damaged, no injuries are reported.

During the year's second half, the company's operations are largely undertaken under the banner of TACA Group, which continues to be led by **TACA International Airlines, S.A.**

Customer bookings accelerate 12% to 743,000, while cargo traffic increases 75.6% to 38.79 million.

Airline employment at the beginning of **1999** stands at 1,100. Enplanements total 923,000 and 77.15 million FTKs are operated.

Airline employment at the beginning of **2000** stands at 1,364, a 24% increase over the previous 12 months.

Service from San Jose to Orlando is cancelled on January 21; although the carrier advises officials at the Florida airport that service will be resumed by February 3, it is not.

Due to safety concerns and its inability to measure up to ICAO standards, the FAA downgrades El Salvador to Category 2 status during June. Grupo TACA's core airline **TACA International Airlines, S.A.** now faces a freeze on its U.S. operations, including its alliance with American Airlines, forcing the Group to shift much of its international operational emphasis to its partners **COPA (Compania Panamena de**

Aviacion, S.A.) and **LACSA**. LACSA is now able to shoulder more of the load because, in July, Costa Rica is upgraded to Category 1.

LADE (LINEAS AEREAS DEL ESTADO): Peru 714, Buenos Aires, Argentina; Phone 54 (1) 361-7071; Fax 54 (1) 362-4899; <http://www.alde.com.ar>; Code LD; Year Founded 1940. Following a series of proving Buenos Aires-Esquel flights, the Fuerza Aerea Argentina (the nation's air force) consolidates the pattern into a regular route and forms a special commercial air transport arm on June 19, **1940** to provide service from the capital to the southern Argentine mountain resort community. Employing a single Junkers Ju-52/3m, **LASO (Linea Aerea Suroeste)**, the military unit designated to fly the route, begins operations on September 4, flying weekly via Santa Rosa, Neuquen, and Bariloche. The frequency is soon there after advanced to twice weekly.

Following an exploratory flight from Buenos Aires to Iguazu Falls, it is decided that this remote, but economically desirable area, also be opened to air service. Regularly scheduled operations commence on September 20, **1943** and prove so successful that another division of the air force transport arm is created in honor of the route, **LANE (Linea Aerea Nor-Este)**, on January 6, **1944**. This division is subdivided on December 15, when a special small plane mail and express route is developed, **SADE (Servicio Aeropostales del Estado)**. Another subdivision occurs the same day when thrice-daily flights are initiated from the capital to Mar del Plata by **Servicio a Mar del Plata**. Additional Ju-52/3ms are acquired.

On May 15, **1945**, LANE is requested to extend its route first to Clorinda on the Paraguay River and then to offer service westward to Posadas and hence to Presidencia Roque Saenz Pena via Resistencia. Late in the year, the LASO and LANE units are combined into a single air force-run commercial air transport division, **LADE (Lineas Aereas del Estado)**; SADE and Servicio a Mar del Plata are retained as subsidiary-equivalents and several former **Air France** Dewoitine D-338s join the fleet.

Following the **1946** creation of several government-backed joint-stock companies designed to assert local control over the nation's commercial air industry, the government, by a January 21, **1947**, transfers LADE's routes to the new entrants. Between 1940 and 1947, the various lines of the special Argentine military air transport unit have carried a combined total of 31,071 passengers.

By the same edict that has transferred its routes, LADE is now directed to provide essential air service to small areas not served by the commercial carriers and to develop, by experimental flights, new routes that might be developed for exploitation by the civilian carriers.

Over the next quarter century, as commercial operators come to provide coverage to most major cities and towns, LADE's service area moves gradually south of the capital. There are occasional operational failures. For example, a Vickers Viking Mk. 1B with 17 aboard fails its takeoff from Buenos Aires on January 11, **1957**; there are no survivors aboard the aircraft and one person is killed on the ground. Only five months later, on May 13, a second Viking with 16 aboard crashes near Bariloche and again no one walks away.

Several thin **Aerolineas Argentinas, S.A.** routes are acquired during the spring of **1966**, together with that major's last remaining Douglas DC-3s.

The Fuerza Aerea Argentina takes delivery of seven de Havilland Canada DHC-6-200 Twin Otters in **1968-1969** and painted in full air force livery and titles, is assigned to the domestic service. The first Fokker F.27-400M is delivered in June of the latter year.

An F.27-400M with eight passengers crashes into a 4,500-m.-high mountain near Huaricanga, Peru, on June 10, **1970** (five dead). Flights continue without incident in **1971**.

In **1972**, with British permission, services are started from Comodoro Rivadavia to Stanley in the Falkland Islands. Two fatal accidents are suffered in mid-decade.

The premier F.27-400M with 52 passengers, crashes near San Carlos de Bariloche, Argentina, on March 16, **1975**; there are no survivors.

While climbing away from El Bolson on August 7, 1977, a DHC-6-200 with four crew and two passengers, crashes into a mountain; there are no survivors.

Late in the decade, President Oscar Araque Angulo's 1,700-employee unit, headquartered at El Palomar Air Base at Buenos Aires, is serving 31 destinations in the Patagonian region, primarily in the states of Neuquen, Rio Negro, Santa Cruz, Chubut, and Tierra del Fuego.

By 1978, the fleet comprises 5 Fokker F.28-1000C jetliners, 7 DHC-6-200 Twin Otters, 10 Fokker F.27-400M turboprops, and 3 Douglas DC-6Bs. Services continue without change in 1979-1981, primarily from the Comodoro Rivadavia area in the Patagonian region.

The Comodoro Rivadavia-Stanley service is abruptly ended on April 2, 1982 upon the outbreak of war between Argentina and the U.K. Orders are placed for five Fokker F.28-1000C jetliners, the first of which enters service in 1985. Operations continue apace on the mainland through 1988; however, the size of President D. Aly Luis Ipres Corbat's unit drops to only 450 personnel.

In 1989, the fleet includes 9 de Havilland Canada DHC-6-200 Twin Otters, 7 F.27-400Ms, 3 F.27-600s, 5 F.28-1000C Fellowships, and 1 Lockheed L-382G Hercules freighter.

An F.28-1000C, with 6 crew and 59 passengers fails its takeoff from the snow-covered runway at San Carlos de Bariloche on August 16, strikes an ILS aerial, bounces across a ditch, and comes to rest against a dyke; although the aircraft is damaged beyond repair, there are no fatalities.

Another Fellowship is withdrawn in 1990, followed by an F.27-400M in 1991. Director Corbat's fleet in 1992 receives two more DHC-6-200s as one F.27-400M is retired.

Operations from El Palomar AFB continue in 1993 to the same 31 Patagonian destinations visited 20 years earlier.

While en route from Maceio on January 31, a B-707-387B with 12 crew and 156 passengers suffers a hydraulics failure and is diverted to Recife; the crew lowers the landing gear manually, but they do not lock in place and collapse as the plane lands. Although the Stratoliner is damaged beyond repair, there are no fatalities.

Just as the previous year had provided traffic joy, this one is a disaster. Customer bookings plunge 38.2% to 469,989 and cargo drops 47% to 15 million FTKs. The workforce is reduced to 450; however, operations are suspended at year's end.

Flights resume in 1994 and traffic continues its nosedive. Passenger boardings fall all the way down to 15,537.

Airline employment is decreased by 3.3% in 1995 to 353.

While landing at Jeremie Airport in Haiti on June 16, a chartered F.27-400M with 4 crew and 31 passengers, suffers the collapse of the left main landing gear; the turboprop runs off the runway and collides with the airport terminal building. There are no fatalities.

On November 9, while en route from Comodoro Rivadavia to Cordoba via Villa Reynolds in bad weather, an F.27-400M with 5 crew and 48 passengers collides with an 8,000-ft. mountain near Villa Dolores; there are no survivors.

Despite the accidents, the company's fortunes seem to recover along with the return of prosperity to the world's airline industry. Enplanements jump 19.5% to 19,300 and cargo increases by 38.1% to 25,000 FTKs.

The workforce swells 27.5% to 450 in 1996. Traffic figures are only provided for the first quarter, but are promising. Customer bookings are up 16.6% to 6,443.

Passenger boardings for 1997 are reported for the year's first half. These show a significant 26.9% increase over the same period in 1996, up to 13,393.

Service is maintained in 1998-1999. Enplanements for the latter year total 20,000.

LADECA (LINEAS AEREAS DEL CARIBE, LTDA.): Costa Rica (1967-1971). The San Jose-based air taxi Expreso Aereo Costarricenses, S.A. is reformed in 1967 and is reborn as this larger all-cargo

carrier. A Douglas DC-3 is acquired and services commence to the Colombian free port island of San Andres.

Later in the year, the new concern trades its Douglas to **LACSA (Lineas Aereas Costarricenses, S.A.)** for a larger Curtiss C-46 Commando and also leases a DC-6 from **Pan American World Airways (1)**. The latter is employed to feed passengers to the American major at Panama City. The company is history by 1971.

LADECO CHILEAN AIRLINES (LINEA AEREA DEL COBRE, S.A.): Chile (1958-2001). Nicknamed "The Copper Airline," LADECO is formed at Santiago de Chile on September 3, 1958 to serve Calama and El Salvador, in the copper-mining region of northern Chile, from a base at Santiago. Owned by the U.S. concern Anaconda, the world's largest open pit copper mine at Chuquibambilla, near Calama, generates sufficient traffic to guarantee success to any entrant.

Major shareholders are the Costabal family (48.78%), Fondo de Asistencia Social LADECO (14.73%), Tierras Amarillas (15.77%), and Agustin Edwards (15.77%). Equipped with two ex-**United Air Lines** Douglas DC-3s, the new entrant inaugurates revenue services on November 1 over a route to Calama, with stops at Potrerillos and Antofagasta. In December, the domestic route of **CINTA (Compania Nacional de Turismo Aereo, S.A.)**, which had merged with **ALA (Sociedad de Transportes Aereos, S.A.)** the previous December, is acquired.

Within two years, the carrier acquires two more DC-3s and two Curtiss C-46s and has opened a route south of Santiago to Puerto Montt.

A C-47 with 20 passengers fails its initial climb away from San Jose on June 25, 1960; one person is killed in the subsequent forced landing.

A C-46A with two crew strikes a tree while landing at Palma Sur on November 8 and smashes into the ground; although the aircraft must be written off, there are no fatalities.

A DC-3 freighter with two crew crashes at Cerro del Arenal, C.R. on September 6, 1961; both flyers are killed.

In 1962-1963, Arica, El Salvador, and Iquiqueto are added to the domestic network. Airline employment in 1964 is 1,108. The company joins IATA as an associate member on October 1 and enplanements for the year total 19,000.

The scheduled route network in 1965 includes three southern cities and seven northern mining communities. In addition, many flights are offered on a charter basis. Airline employment totals 65 and the fleet comprises 1 Beech 18, 2 DC-3s, and 2 C-47s.

In 1966, 6 Douglas DC-6Bs are purchased and 1 is leased, allowing operations to begin to Buenos Aires, Argentina. Enplanements total 29,000.

LADECO becomes a full IATA member on December 1, 1967. Airline employment is now 1,201 and bookings are up to 46,312.

Thirty-seven new workers are hired in 1968. Two new domestic routes are granted and construction is started on new facilities at Pudahuel International Airport.

While on an April 8 domestic flight, a DC-3 with 3 crew and 33 passengers crashes near Coihaique; there are no survivors.

Enplanements advance to 50,373 and freight is up by 63.6%.

The two new domestic routes are inaugurated in February 1969. Cargo operations are expanded in April, following the delivery of a DC-6A. Enplanements total 56,728.

The Pudahuel facilities are occupied in 1970. Airline employment declines 0.6% to 163. The fleet now comprises 3 DC-6s, 2 DC-3s, and 1 each Beech 65 and 95. Marxist Salvador Allende becomes president on November 4.

Although freight traffic is flat, passenger boardings jump 18.5% to 69,690.

Domestic and Argentine flights continue in 1971.

En route from El Plumerillo to Los Cerrillos on October 19, a DC-6B freighter with three crew, crashes into Mt. Santa Elena, Argentina; there are no survivors.

In 1972, enplanements total 68,289.

The workforce in 1973 is 223. The third and fourth quarters are plagued by political difficulty in the country (culminating in Allende's September 11 assassination) and as a result, traffic drops sharply.

Customer bookings are down 33.9% to 51,000 and freight is off by 11.5%.

National recovery and national stabilization begins under President Gen. Augusto Pinochet in 1974, during which year the carrier operates 6 DC-6Bs and 1 DC-3. An order is placed for a Boeing jetliner.

Passenger boardings increase a scant 2% to 52,000.

In 1975, a Boeing 727-100 is acquired and an orderly retirement of the DC-6Bs is planned. Domestic routes are extended to Arica and Punta Arenas, allowing LADECO to cover the extremes of the country. Authorization is granted by the free market-oriented Pinochet regime for scheduled twice weekly all-cargo flights to São Paulo, Brazil, and the company begins later in the year following receipt of a second B-727-100.

Late in the year, authority is granted for the operation of new non-scheduled cargo flights to a variety of destinations throughout the hemisphere.

Customer bookings accelerate 11.8% to 62,000 and freight traffic is up a healthy 16.7% to 10.67 million FTKs.

Operations continue apace in 1976.

En route from Arica to Santiago on July 5, 1977, a B-727-100 with 60 passengers is hijacked to Lima, Peru. Seeking political asylum, the four perpetrators are allowed to take passage to Cuba.

Enplanements for the year total 93,353.

Employment at President Julio Bouchon's airline totals 196 in 1978 and another B-727-100 is ordered. Patricio Reich is named executive vice president. Scheduled frequencies are launched to Asuncion, Paraguay, and São Paulo, Punta Arenas, and Puerto Montt, Brazil. Passenger boardings zoom upward by 15.7% to 110,738 while freight is up by 28.5% to 8.5 million FTKs.

With another Boeing jetliner on hand by summer 1979, the final DC-6B can be withdrawn. International service is opened to the Argentine cities of Mendoza and Rio de Janeiro via Asuncion and São Paulo.

A total of 145,188 customers are transported.

The workforce is increased by 23% in 1980 to 428. A third B-727-100 is placed in service and flights commence to the Chilean towns of Iquique and Balmaceda.

Passenger boardings soar 49.7% to 288,644 while freight traffic advances by 36.9% to 6.2 million FTKs. Revenues accelerate 50% to \$43.9 million and net gain registers \$1 million.

Three B-737-2E3s are ordered during 1981, with the first entering service by October; feasibility studies for new routes and equipment are conducted.

Enplanements total 436,700, a 51.3% boost, while cargo jumps 28.1% to 7.9 million FTKs. Revenues advance 33.1% to \$59.5 million and expenses, though up by 25%, are held to just \$54.8 million. Profits generated total \$4.7 million (operating) and \$1.2 million (net).

The world economic situation and rising costs (led by increased fuel costs) impact both profits and traffic in 1982. Passenger boardings decline to 420,000. Highlight of the troubled year is delivery of two B-737-200s in July. The low point is the carrier's placement into receivership.

Scheduled multistop flights to Miami commence on July 9, 1983 via Guayaquil, Ecuador, and Bogota, Colombia. Bookings decline again, down to 330,500.

The third B-737-2E3 is received in 1984-1985 and as a result, domestic frequencies are increased along the 13-stop network.

Enplanements pick up during the middle 1980s, reaching 373,844 in 1986, during which year the company is reformed into a public corporation.

In mid-October 1987, LADECO, in cooperation with the Chilean Air Force, operates a unique charter service. Three B-727-100s fly adventurous tourists from Santiago de Chile to Punta Arenas, the nation's southernmost town; there, the visitors board a CAF Lockheed C-130 Hercules for a roundtrip visit to the Marsh Martin Base in Antarctica.

Passenger boardings for the year accelerate 15.2% to 440,853.

The workforce is increased by a huge 31.4% in 1988 to 670 and the fleet now includes 5 owned and 1 leased B-727-100s, 3 B-737-2E3s, and 2 chartered Fokker F.27-500s. Super Class business service is introduced on May 1 with 12 seats so designated on each B-727-100 flight.

In August, an agreement is signed with Ansett Worldwide Services, under which the Chilean carrier will sell 25% of its equity to the Australians in exchange for several cargo jets. The first of two hush-kitted B-707-320C or "Super Q" is delivered in November.

Passenger boardings swell 15.1% to 507,355 and freight skyrockets 142.6% to 32.31 million FTKs. Revenues for the year total \$72.6 million and a net gain of \$1.6 million is reported.

Company employment rockets ahead by 49.3% in 1989 to 1,000. In January, a second B-707-320B is acquired for General Manager Ernesto Silva's fleet via the Ansett arrangement. Following the signing of a very liberal U.S.-Chile bilateral air service agreement, which will lead to difficulties for the nation's airlines later on, new service is added from New York (JFK) to Iquique, Chile, Asuncion, Paraguay, and Santiago de Chile.

The company now visits Bogota, Guayaquil, Mendoza, São Paulo, and Rio de Janeiro as well as local destinations. A new marketing campaign is undertaken in which the carrier identifies itself as "The First-Class Airline" and an in-flight magazine, *LADECO America*, is introduced in March.

In April, a hush-kitted Stratoliner introduces thrice-weekly nonstop roundtrips from Miami to Santiago de Chile. In June, thrice-weekly direct flights begin from New York to Santiago. Following the privatization of **LanChile Airlines, S.A.** in September by a group led by LADECO Vice President Guillermo Carey and backed by **SAS (Scandinavian Airlines System)**, Carey becomes CEO of **LanChile Airlines, S.A.** and that carrier's ousted president, Patricio Supulveda moves over to briefly head up LADECO.

Customer bookings swell 5.8% to 536,782. Cargo rises a huge 40.4% to 45.36 million FTKs. Revenues total \$84.2 million; the operating profit is \$1.1 million and net gain is \$6.4 million.

The workforce is increased another 20% in 1990 to 1,200 and scheduled flights to Buenos Aires commence in January. With 56% of all boarding passengers, the airline is now the leading air transport concern in the Chilean domestic market; in the international arena, LADECO flies 24% of Chilean capacity to the U.S. and 27% to other South American markets. In competition with **LanChile Airlines, S.A.**, LADECO, now under the direction of Gaston Cummins, formerly executive vice president, now offers promotional night fares 40% lower than regular ticket prices.

In June, frequencies to Miami are doubled from two to four per week. The carrier's extensive scheduled domestic network comes to reach every major city in Chile while Cancún, Mexico City, Havana, Montevideo, and San Jose join the international system. During July, the company acquires a pair of BAC 1-11-207AJs; these replace the F.27-500s.

In July, the company joins with **LanChile Airlines, S.A.** to go before the Comision Resolutiva Antimonopolios (Chilean Antitrust Commission) to charge **American Airlines**, which has placed massive capacity and discount fares into the region over the last year, with price dumping. A joint "direct access" agreement is signed with **LanChile Airlines, S.A.** in August providing use of the System One computerized reservations system. Two B-737-300s are added to the fleet late in the month.

In September, weekly roundtrip Stratoliner flights begin from Washington, D.C. (IAD) to Santiago de Chile via Miami; the frequency is increased to twice weekly in November. During the third quarter and in response to **LanChile Airline, S.A.'s** 50% discount on international services, LADECO is forced to initiate its own half-price tickets, bringing a fare war to South America's only deregulated air space.

Passenger boardings rise 6% to 568,743 and freight skyrockets 94.6% to 86.27 million FTKs. Revenues ascend to \$115.9 million; however, there are now losses: \$11.9 million (operating) and \$8.7 million (net).

In 1991, President Jose Luis Ibanez's workforce totals 1,059 and his upgraded and entirely leased fleet now comprises 2 B-757-2Q8s, 2 B-727-100s, 6 B-737-2E3s, 2 B-737-3E3s, 1 B-707-321B, 1 B-707-327C, 2 BAC 1-11-207AJs, 2 BAC 1-11-301AGs, and 1 Douglas DC-8F.

During the first quarter, a new strategic plan is developed, with emphasis on route expansion into Central America and the Caribbean. The Spanish state carrier **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, in the year's most significant company event, purchases 35% minority shareholding—and one board seat—in April for \$11 million. Although there is no management contract, there is a comprehensive marketing arrangement also signed between the two and Ernesto Silva becomes president.

A code-sharing agreement is signed with **USAir** in July that is designed to promote transportation between Chile and those USAir cities served from Baltimore (BWI). Thrice-weekly B-757-2Q8 flights begin from Buenos Aires to Baltimore in September. Later in the fall, flights begin to Montevideo.

The year's statistics are revealed through August and show customer bookings up a slight 0.2% to 378,047. Cargo, however, is down by 25% to 43.24 million FTKs. Revenues jump to \$128.7 million, but the operating loss also rises to \$39 million. The net loss "improves" to minus \$3.2 million.

The employee population skyrockets 70% in 1992 to 1,800. The company's two B-727-100s, two B-737-2E3s, and the Douglas freighter are withdrawn and an order for another B-737-3E3 is cancelled.

Passenger boardings jump 29.1% to 760,500 while freight rises 54.4% to 107.02 million FTKs. Revenues total \$168.5 million, but expenses are higher, causing an operating loss of \$5.9 million. This year, net downturn rises to \$8.7 million; net losses since 1990 total \$21 million.

The workforce is unchanged in 1993, but a chartered B-737-3Q8 is placed into service and the two BAC 1-11-301AGs are withdrawn. Among the Argentine points now served are Salta, Neuquen, San Carlos de Bariloche, Tucuman, and Ushuaia; elsewhere in the hemisphere, flights are made to Cancun, Guatemala City, Guayaquil, San Jose, Havana, Montego Bay, and Punta Cana. When **American Airlines** and **United Airlines**, beginning in April, increase their frequencies, the company, again in partnership with **LanChile Airlines, S.A.**, charges the U.S. majors with capacity dumping; the Comision Resolutiva Antimonopolios grants an injunction against the new services.

During the period of government hearings, LADECO drops service on a number of unprofitable routes, including the route from Bogota to Miami. Discussions are now held with **Continental Airlines** concerning a possible code-sharing arrangement and the **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** investment reaches \$16 million and 37.5% shareholding. During the year, the company begins code-sharing flights with Aerolineas Argentinas over routes from Santiago to Miami via Buenos Aires.

Customer bookings accelerate by 17.6% to 653,208 while cargo climbs 29.1% to 99.77 million FTKs.

Airline employment is cut by 44.4% in 1994 to 1,000 and the fleet now includes 1 each owned BAC 1-11-207AJ, B-727-95 and B-727-116, as well as many leased units: 3 B-737-205As, 2 B-757-2Q8s, and 1 each B-737-3Q8, B-737-219A, B-737-2T5A, B-737-2Q8A, B-737-2M8A, and B-737-2A6.

A strategic and commercial alliance is signed with competing **LanChile Airlines, S.A.** in June and its most important provision allows passengers of either to fly on routes flown by both. During the fall, **LanChile Airlines, S.A.** approaches the government's Anti-Monopolies Commission for permission to takeover the carrier altogether, even though all know the major would thus gain control of 80% of Chile's total air transport market.

The bid is turned down, but **LanChile Airlines, S.A.** successfully reapplies in December. The final BAC 1-11-207AF service is flown on December 30.

The year's passenger boardings are up 46.2% to 1,221,937. Freight moves ahead by 3.7% to 134.73 million FTKs.

Despite the **LanChile Airlines, S.A.** takeover, there is no change in the workforce during 1995. Between January and March, an Airbus A320-232 is leased from **LACSA (Lineas Aereas Costarricenses, S.A.)** and is employed to provide international flights to Argentina, Brazil, Uruguay, and Paraguay. Also during the first quarter, a code-sharing agreement is signed with **Carnival Air Lines**. Prior to its inauguration, the U.S. carrier employs one of its B-737-225s to provide connecting USA Express service on behalf of the Chilean line between Miami, Washington/Baltimore, and New York. Dual-designator service with Carnival officially begins on April 28 over the route and is provided by a CAL A300B4-203 also painted in USA Express colors.

A \$20.4-million, 57.9% stake is purchased by Chilean investor Sebastian Pinera on June 1 from a family holding equity; at the same time, Pinera sells to LAN owner Enrique Cueto, a business colleague, the 21% stake he holds in **LanChile Airlines, S.A.** The Chilean Comision Resolutiva Antimonopolios approves the arrangement on August 11. There is speculation that LADECO stakeholder **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and the nation's No. 3 carrier **National Airlines, S.A.** may challenge the decision in court as a monopoly.

When the company seeks a capital increase of \$3 million during the last week of October, the plan is blocked by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, which indicates that it must first evaluate LADECO's expansion strategy.

After **LanChile Airlines, S.A.** pilots go on strike on December 4-5, that carrier is able to continue services over certain routes by renumbering LADECO flights as its own. During the year, a B-737 is seen landing to start the Steve Railsbach action film *Pressure Point*.

Traffic figures are mixed. Enplanements recover and grow by 4.3% to 1,397,199, but cargo plunges 76% to 33.13 million FTKs.

Eight hundred new workers are hired in 1996 as **LanChile Airlines, S.A.** begins to negotiate with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for purchase of the European company's 38% stake in LADECO.

A company jet at New York (JFK) in November requests permission to cross an active runway. ATC requires that he continue to hold short until one more plane has departed. The pilot of the LADECO aircraft, having misunderstood, moves out onto the runway. The controller orders an American Eagle turboprop to abort its takeoff and that plane is able to stop short of a collision.

Customer bookings fall 19.1% to 1,130,346 and 20.81 million FTKs are operated, a 37.2% decline.

The employee population increases by 80% in 1997 to 1,800. Chile's Anti-Monopoly Commission tentatively rules, in February, that the company's assets may not be acquired by **LanChile Airlines, S.A.** when the Liquidation Commission places them on the open market.

LanChile appeals the ruling to the Supreme Court and wins a reversal in June. International services to Asuncion, Bogota, Guayaquil, Mendoza, Miami, Rio de Janeiro, and Washington, D.C. are withdrawn as the company concentrates on domestic operations.

Passenger boardings, consequently, fall 15.7% to 953,205 while freight plunges 46.2% to 11.2 million FTKs.

During the remainder of the year and into 1998, eight new aircraft are received and services are increased to the Chilean markets of Punta Arenas, Puerto Montt, La Serena, and Temuco. In July, LADECO and LanChile agree that the former should absorb **Fast Air Chile, S.A.** during early 1999. In fact, LADECO takes over Fast Air in October.

A contract is signed with **Atlas Air** of the U.S. on February 24, 1999, which provides for the placement of a B-747-245F with LADECO under a standard aircraft, crew, maintenance, and insurance (ACMI) contract.

Enplanements for the year total 608,000 and 11.07 million FTKs are operated.

Service is maintained without incident or headline during 2000. At the end of the year, the carrier signs a new \$1.3-million, four-year contract

with its pilot's union. The pact gives company flyers a pay raise and restructured earning incentives.

LADECO will be shut down on September 1, 2001.

LADESA (LINEAS AEREAS DEL ESTE, S.A.): Mcal Lopez 4531, Asuncion, Paraguay; Phone 595 (21) 600 984; Fax 595 (21) 611 052; Code OQG; Year Founded 1994. Pastor Verdun founds LADESA at Asuncion in late 1994 to provide regional scheduled and charter services. Roberto Neira becomes vice president-operations, a workforce of 50 is recruited, and a Fokker-Fairchild F-27F is leased.

Revenue flights commence on January 18, 1995. From a hub at Ciudad del Este, frequencies are undertaken to Pilar and Concepcion.

Operations continue into 1996-2000, during which years a British Aerospace BAe Jetstream 31 is leased.

LAER (LINEA AEREA ENTRE RIOS, S.A.): Aeropuerto Gral. Urquiza, Parana (Entre Rios), 3100, Argentina; Phone 54 (43) 230 347; Fax 54 (43) 316 375; <http://www.laer.com.ar>; Code ER; Year Founded 1986. The former LAPER (Lineas Aerea Parana Entre Rios, S.A.) is reformed in 1986. Ownership is vested in the regional government of Entre Rios. The former carrier's Israeli Aircraft IA-50s begins service over routes from Parana to Buenos Aires and Buenos Aires to Concordia via Gualaguaychu. A SAAB 340A is leased from its manufacturer in 1987 and is the vehicle to introduce the airline's new livery.

As recession attacks the airline at the beginning of the 1990s, Operations Director Ariel San Martin's fleet is reduced to two Cessna 402s and one Cessna 411A.

In August 1992, orders are placed for the charter of two British Aerospace BAe Jetstream 32EPs. Introducing another new color scheme, they are delivered in November, giving their operator the distinction of becoming the first Jetstream operator in South America. The turboprops begin flying from Parana to Buenos Aires' downtown Aeroparque and between the central Argentine cities of Concordia, Paso de los Libres, Rosario, Goya, and Reconquista.

In 1993, President Dato oversees a workforce unchanged from the previous year as a third Jetstream 32EP arrives. Destinations served includes the Aeroparque at Buenos Aires, Concordia, Goya, Paso de los Libres, Reconquista, Santa Rosa, Santa Teresita, Rosario, and Villa Gesell. Enplanements reach 46,877.

Operations continue apace in 1994 and passenger boardings, through July, are up 60.7% to 30,157.

Enplanements in 1995, through September, total 53,700. On December 5, the carrier is privatized and sold to Aerovip by the regional government of Entre Rios.

Airline employment stands at 58 in 1996. Customer bookings, again for 9 months, are up 9% to 59,010.

The employee population is increased by 27.6% in 1997 to 74. From its Parana hub, the company now visits Buenos Aires, Concordia, Goya, Paso de los Libres, Reconquista, Santa Rosa, Santa Teresita, Santa Rosa, and Villa Gessel.

Passenger boardings are reported through the year's first half and show an increase of 12.5% to 43,000. Flights continue during the remainder of the year.

Service is maintained in 1998. Customer bookings are again reported through June and show growth of 7.3% to 47,000. Business declines somewhat during the second half and employment is cut by 32.4% to 50.

During the first quarter of 1999, the BAe leases are extended through the summer of 2002. In addition, a fourth BAe Jetstream 32EP is acquired in May and is employed to inaugurate new service from Buenos Aires to Olavarria, increase frequencies to Tandil, and cover on-demand charters.

Enplanements for the year total 115,000.

Service continues in 2000. In September, thrice-weekly return service is introduced from Montevideo to Parana and Rosario.

On October 12, two ex-Argentine Air Force (Fuerza Aerea Argentina) Fokker F.28s are purchased; upon delivery, they will initiate new flights to Florianopolis and other points around the country.

LAGE (LINEAS AEREAS DE GUINEA ECUATORIAL, S.A.): Equatorial Guinea (1969-1987). Following the independence of the Republic of Equatorial Guinea from Spain in 1968, this company is established at Santa Isabel in early 1969 to take over the domestic services previously provided by Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.) Two Convair CV-440s are leased from the Spanish line and fly from Santa Isabel to Bata and Douala.

The Convairs have been replaced by 1985 with a single Letov L-410A of the type acquired by the national carrier, EGA (Ecuato Guineana de Aviacion, S.A.) Services end two years later.

LAGOSA (LINEAS AEREAS GUERRERO-OAXACA, S.A. de C.V.): Mexico (1946-1951). Isidoro Linares and Anastasio Blanco Elola create LAGOSA in the summer of 1946 for the purpose of flying livestock and cargo inland from the Mexican coast. An old Boeing 247D is acquired and service begins.

The Ford Tri-Motor 5-AT-75 is purchased from TACA (Transportes Aereos Centros Americanos, S.A.) in April 1947 and begins flying livestock from Guerrero and Oaxaca on the coast to Puebla and Huajuapán. The Ford transports different cargos (groceries, medicines, sundry supplies) on its return runs, but like the Boeing, it proves difficult to service. In December, a C-39 (military DC-2) is leased from Aeronaves de Mexico, S.A. de C.V. and an experienced pilot, Manuel Gomez Mendez, is hired to fly it. The following year the aircraft is purchased.

Operations continue apace in 1948; however, 1949 is costly. While taking off from Putla, Oaxaca, on August 16, the 5-AT-75 with a 2-man crew and a 2,600-lb. load of coffee, blows a tire and crashes; the aircraft is destroyed but no injuries are reported.

Damaged in an accident at Pinotepa Nacional the previous October, the repaired Ford Tri-Motor 5-AT-103 is purchased from TAJ (Transportes Aereos de Jalisco, S.A. de C.V.) in January 1950. In February, a C-60 (military L-18) is obtained to fly services under contract. Departing Pinotepa on its inaugural flight, the Lockheed is destroyed in a crash (three dead).

The Ford, which had originally begun service with National Air Transport in the U.S. during 1931, soldiers on until the company closes in June 1951 and it is sold to SACS (Servicios Aereos de Chiapas, S.A. de C.V.).

LAI (LINEA AEREA IAACA, C.A.): Aeropuerto de Barinas, Barinas, Venezuela; Phone 58 (7) 322-668; Fax 58 (7) 322-668; Code KG; Year Founded 1995. Originally established as an aerial work company that operated air taxi flights, President Arnaldo Baaicheli's LAI begins domestic commuter service in 1995 following the country's deregulation of air transport. By 2000, flights from Caracas are operated with 2 Avions de Transport ATR42-320s and 3 ATR72-212As.

LAI (LINEA AEREA IMPERIAL, S.A.): Bolivia (1983-1989). LAI is formed at La Paz in 1983 to offer scheduled passenger flights in central and southern Bolivia. Employing a pair of Swearingen Metro IIs, General Manager Luis Jamio Alvarez oversees the inauguration of service to Cochabamba, Potoai, Santa Cruz, Sucre, and Tarija. The main lines, served by daily or near-daily flights, link the capitol to Sucre and Tarija.

The carrier maintains the same routes, frequencies, and aircraft until the end of the decade.

LAKE CENTRAL AIRLINES: United States (1950-1968). This post-war local service company is originally organized as Roscoe Turner Aeronautical Corporation, named in honor of its owner, the famous aviation pioneer, and is certified on September 3, 1947. The CAB grants the company local service authorization from a base at Indianapolis early in 1948. Later, Turner, agreeing to remain president and work on public relations, sells out majority control to his two partners, Paul and John Weesner.

On May 31, 1949, the firm's name is changed to Turner Airlines and reflecting its new purpose, it begins scheduled Douglas DC-3 service from Indianapolis on November 12.

A year later, on November 12, **1950**, the airline is renamed again, this time becoming Lake Central Airlines. Employing 3 DC-3s and 3 V-tailed Beech BE-35 Bonanzas, the company operates a pair of twice-daily roundtrip routes: one from Indianapolis to Grand Rapids, Michigan, via Kokomo, South Bend, and Kalamazoo; and the other from Chicago (MDW) to Cincinnati via Indianapolis and Connersville. During the fall, Bloomington and Richmond, Indiana, join the route network.

Enplanements for the year, as both Turner and Lake Central, total 12,757.

Operations are refined during **1951** as a fourth DC-3 enters service. Also, a Curtiss C-46 Commando is leased from the USAF and operates all-cargo charters on behalf of the U.S. military.

Enplanements exceed 24,000.

Turner sells his remaining 25% interest to the Weesners in **1952** and retires to the lecture circuit. The company, encountering financial difficulties, does not expand; indeed, Connersville service is ended.

While on final approach to Indianapolis in August, a BE-35 is caught in the wake turbulence caused by a **Trans World Airlines (TWA)** Constellation; pilot Jerry Haas is just barely able to keep the Bonanza from crashing. About the same time, a DC-3 survives a midair collision with an unidentified small aircraft over Richmond. No injuries are reported in either incident.

Cash-starved LCA is approached by Dr. Robert B. Stewart and Grove Webster of the Purdue University Aeronautical Foundation in early fall. The Foundation, which has recently gained significant holding in **North Central Airlines**, would be willing to purchase LCA from the Weesners. A contract to this end is signed between the parties in October. With the approval of the former owners and the board of North Central, Stewart and Webster record the arrangement on a merger application, which is dispatched to the CAB. The government agency does not immediately approve the marriage, preferring to order the Weesner's LCA stock held in trust while it studies the situation.

Enplanements for the year remain at the 24,000 level.

Dr. Stewart becomes chairman/president in January **1953**. He immediately changes the livery on the DC-3s, which are now marketed as "Centraliners," upgrades station facilities, and institutes a large employee training program at Purdue University. Also during the first quarter, the company receives CAB route authority for a large number of Ohio cities, service to which had been ended by **Trans World Airlines (TWA)**.

With three more DC-3s acquired from **Braniff International Airways** between April 30 and May 20 are employed to initiate services to Gary in Indiana and Cleveland, Columbus, Dover, Dayton, Youngstown, Mansfield, Zanesville, and Pittsburgh. During the year, *Holiday* magazine presents a lifetime safety award to Capt. James Elrod.

Customer bookings ascend to 58,200.

The year **1954** is one of consolidation. The CAB has yet to make a decision on the LCA/NC merger application. In January **1955**, the company is sold by the Weesners to a group of 162 company employees, led by Vice President Lloyd Hartman. Because of merger proceedings, the stock of the nation's first employee-owned airline is initially held in trust.

At this point, Dr. Stewart returns to Purdue and **West Coast Airlines** executive Gwin Hicks is recruited to succeed him. An eighth DC-3 is purchased in June.

Flights continue apace in **1956–1957**. The CAB, in July of the latter year, denies the North Central application; however, that airline appeals the decision to the U.S. Supreme Court. Service is maintained in **1958**. In these three years, the CAB increases the number of authorizations, allowing LCA to operate to Detroit (YIP), Buffalo, Erie, and New York (LGA) over routes suspended by **Capital Air Lines**.

By **1959**, the company's 10-station route network has grown to 33 destinations and the fleet contains 10 Douglas DC-3s, including 1 each turned over in February and March by **Braniff International Airways**.

During the spring, the CAB allows LCA to float a \$300,000 unsecured bond underwritten by a Chicago-based firm. In the fourth quarter,

the Supreme Court rules that the North Central merger is not in the public interest and joins the CAB in its denial. Lake Central's employees now own the airline, free and clear of any North Central concern. Profit for the year reaches \$129,000.

The carrier's stock is released from trust in **1960**. A \$3-million loan is achieved from Indiana banks and an initial public offering is made, netting \$5 million on \$20 shares. No longer an employee-owned concern, but a public enterprise, the company enters the marketplace seeking Convair 340s. The first, from **United Airlines**, is purchased on October 27.

In addition to the new aircraft, new uniforms and a new livery are introduced, the latter featuring the company's new logo, a stylized airplane fitted between two ellipses. Two DC-3s are leased from the USN at \$2,000 per month each.

In December, the CAB authorizes service to 17 additional markets, including all of the former **Capital Air Lines** destinations in West Virginia. The grant in the Mountaineer State is opposed by **Allegheny Airlines (1)**, but to no avail. Plans are made to fly south from Pittsburgh to Wheeling and Morgantown, from where an extension is authorized to Washington, D.C. (DCA) and Baltimore. Continuing south from Morgantown, the company picks up Clarksburg, Elkins, Charleston, Parkersburg, and Portsmouth, the latter in Ohio.

To handle the new additions, two more ex-**United Airlines** CV-340s are brought in, one each on December 28 and December 30; three DC-3s are acquired from **Northeast Airlines** on the latter date.

Fleet growth continues in **1961**. Three more **Braniff International Airways** DC-3s arrive between January 19–30. A former **Northeast Airlines** DC-3 follows on February 3, followed a **United Airlines** CV-340 on February 27.

Another ex-Northeast DC-3 is delivered on March 10, while a CV-340, also from United, is brought in on March 27. Two more ex-Braniff DC-3s are delivered on April 17 and 20, respectively.

The Convairs begin twice-daily multistop roundtrips from Indianapolis to both Buffalo and Grand Rapids as well as from Detroit to Cincinnati. The DC-3s fly to the remaining Ohio, Indiana, and West Virginia destinations and points east.

During the year, the company transfers its Chicago operation from Midway Airport (MDW) to O'Hare International Airport (ORD), while low ridership causes the carrier to halt service to the Ohio communities of Dover and Marion.

A DC-3, landing on a wet runway at Morgantown, West Virginia, on November 23, skids into a crash; none of the 14 aboard is hurt. By year's end, airline employment reaches 800.

Former Vice President Hartman becomes president in **1962**, while his predecessor, Gwin Hicks, remains a member of the board of directors. New routes and services opened in 1961 are consolidated and improved upon.

A DC-3 is destroyed in a hangar fire at Indianapolis on November 1, **1963**; the hangar is saved.

Enplanements for the year reach 476,651 and net earnings total \$113,303.

After extensive research, LCA elects not to undertake a DC-3 modification program on its own, but to replace the aging Douglas transports in its fleet through the purchase of eight Nord Aviation (now Aerospa-tiale) Nord 262s, at \$585,000 per copy, in March **1964**. These are the first new aircraft requested by the airline. A USN DC-3 is returned in June.

A fleet-financing program of \$10.6 million is completed: \$7 million in loans and \$3.6 million in convertible debentures. The company also continues to receive approximately \$3 million each year in federal subsidy for maintenance of service to small communities. The money is needed when one considers that passenger boardings at small towns like Richmond, Indiana, Findlay, Ohio, and Jackson, Michigan, average just one person.

Three more Convairs, all from **United Airlines**, are delivered, one each on July 31, November 2, and December 14. Meanwhile, a new

single-day company service record is achieved on October 16—2,315 passengers. An owned DC-3 is sold to a dealer in September, followed by a second in December.

Passenger bookings jump 10.8% to 534,361 and cargo increases by 18.1%. Revenues increase to \$7.21 million and a net profit of \$186,319 is banked.

Airline employment in 1965 stands at 904. On March 17, orders are placed for eight Convair 580 turboprops, which will be rebuilt from company units. Six of the Nords are received from France between August 17 and November 20, including two each delivered on the first and last named dates.

Five of the new aircraft are placed into service to 32 cities beginning on October 31. In the jubilation, orders are placed for four more, which will also have interiors designed by Dave Ellies Industrial Design, of Columbus, Ohio. Sold earlier, two DC-3s are turned over to dealers in December; the last chartered USN unit is returned.

Bookings for the country's smallest local service carrier, which also has the shortest average route stage at 80.2 miles, grow by 14.8% to 613,686. These make the shortest average passenger trips among all local service customers—159 miles. Net earnings skyrocket 85% to \$344,424.

The high-wing French-made transport is not a Lake Central success. Between February 1966 and August 12, four in-flight turbine failures are recorded, with some engines flying apart; four passengers are injured, one seriously. On the latter date, Nord officials arrive in the U.S. from France to examine the Bastan power plants; the carrier's entire 262 fleet is grounded for 5 months. Even so, six more aircraft are delivered, the last on July 15.

To help compensate for this equipment disaster, Lake Central initiates operations with the first of eight August-delivered turboprop Convair CV-580s on September 6.

Passenger boardings are 699,000 and a total of 870,000 freight ton-miles are flown. The year is a disaster, financially.

The employee population in 1967 is 1,363 and the fleet includes 23 aircraft: 12 Nord 262s and 11 CV-580s. The Nords, now labeled Nord IIs, return to service on February 24, although with FAA restrictions applied.

Five DC-3s will be sold during the year. Despite mounting debt, President Hartman opens negotiations with Boeing for three B-737-200s, hoping for delivery in 1968.

While en route from Columbus to Toledo and Detroit on March 5, Flight 527, a CV-580 with 3 crew and 37 passengers suffers the separation of all 4 propeller blades from the No. 4 engine. One of the propeller blades pierces the fuselage causing it to fail; there are no survivors from the subsequent crash near Kenton, Ohio.

Within weeks of the disaster, the board of directors has sacked President Hartman, replacing him in June with **Allegheny Airlines (1)** executive Thomas Ferguson.

In mid-August, the NTSB issues a finding that the disaster is due to manufacturing defects in a propeller and on October 18, Allison pays an \$8,000 fine for manufacturing faulty propellers and failing to issue proper warnings of defects. The \$8,000 does not begin to cover revenues lost to the bad publicity surrounding the accident.

Still, President Ferguson and his staff must try and a new "Airline with a Heart" marketing campaign is introduced. To emphasize the slogan, the tails of the Nords and Convairs are painted red with a white heart in their center. The "Love at First Flight" campaign begins soon thereafter, as does service to St. Louis and Louisville.

Discussions begin with officials of **Allegheny Airlines (1)** in October. The last DC-3 service is operated on October 28 from Washington, D.C. to Pittsburgh via Clarksburg and Morgantown. At the end of the year, a joint application for a merger is filed with the CAB.

Customer bookings climb 3% to 718,000, but freight traffic is down by 7.36%. Further losses are taken on the revenue side: \$4.5 million.

On March 14, 1968, the CAB and the stockholders of both airlines approve the merger of Lake Central into **Allegheny Airlines (1)**, effective

July 1. The Pittsburgh-based carrier assumes all of LCA's debts and liabilities, property and assets while holders of LCA common shares receive 0.44 of an Allegheny share for each of their own.

LAKE CENTRAL AVIATION: United States (1976–1977). LCA is established at Traverse City, Michigan, during the summer of 1976 to provide regional scheduled passenger and cargo services. Employing Cessna 402s, LCA inaugurates daily roundtrips on August 31 to Hancock and Marquette as well as to Lansing and down to Columbus in Ohio.

Operations are maintained until the fall of 1977.

LAKE GENEVA AIRWAYS: United States (1970–1973). LGA is set up at Lake Geneva, Wisconsin, in 1970 to provide scheduled roundtrip Beech 18 passenger flights for those wishing to visit the local Playboy Club from Chicago (ORD). Operations continue until 1973.

LAKE HAVASU AIR SERVICE: United States (1974–1978). LHAS is founded in the summer of 1974 to offer passenger and cargo charter flights between Lake Havasu City, Arizona, and Las Vegas. Piper PA-31-310 Navajo flights continue until the spring of 1978 when the operation is purchased by **Nicholson Air Service** (owners of **Cumberland Airlines**) and reconfigured as that company's **Havasut Airlines** division.

LAKE STATE AIRWAYS: United States (1973–1981). Founded by Roger Karuse in 1973 as a division of his New Ulm Flight Service, this third-level operation is originally known as **Air New Ulm**. Scheduled passenger commuter operations are flown by the owner in his single aircraft, a Piper PA-31-310 Navajo, linking his base with the Minnesota communities of Marshall and Minneapolis (MSP) and the Iowa cities of Spencer and Des Moines.

In January 1976, the company is merged with Marshall-based **Midwest Aviation**, with flights continuing under the LSA name until October 9, 1981. Midwest will be able to disentangle itself from LSA and continue flying.

LAKE UNION AIR SERVICE: United States (1946–1992). Founded by Hank Riverman as an FBO at Seattle's Lake Union in 1946, this company sets up a charter floatplane division and inaugurates seasonal (summer) passenger flights to various destinations in Puget Sound, to Lopez Island, and to Friday Harbor and Roche Harbor on San Juan Island. Charter flights are offered throughout Washington State and into British Columbia.

Operations continue in this vein for the next 35 years, even after the company is purchased by Clyde Carlson on May 12, 1961.

In the spring of 1981, the decision is taken to offer scheduled services. Employing float-equipped Cessna 206s and de Havilland Canada DHC-2 Beavers, Carlson's firm inaugurates regular revenue flights on July 3, linking its base with Roche Harbor, the San Juan islands, and to several destinations in British Columbia.

Operations continue apace for the remainder of the decade; Bruce Leven purchases Lake Union on October 9, 1987.

In 1991–1992, President Leven's company operates 1 float-equipped de Havilland Canada DHC-6-300 Twin Otter and 6 DHC-2 floatplane Beavers. Unable to maintain economic viability in a tough recession, the pioneer folds during the latter year. In January 1993, its assets are acquired by **Kenmore Air Harbor**.

LAKELAND COMMUTER AIRLINES: United States (1980–1984). Organized by Steven C. Van Beck at Rice Lake, Wisconsin, in the late spring of 1980, Lakeland initiates scheduled third-level passenger and cargo services on June 2, linking its base with Minneapolis (MSP). The initial workforce totals 10 and the fleet is made up of Cessna 207s. Start-up costs for President Van Beck's carrier result in a loss of \$33,114.

Two Cessna 402s are purchased in 1981 and the route network is significantly increased; new destinations added include Duluth, Rhinelander, and Wisconsin Rapids.

A total of 12,480 passengers are carried and profits of \$85,443 are reported.

Early in 1982, the number of destinations added is upped again; now flights are also made to Eau Claire, Hayward, and Ashland.

In 1983, Van Beck initiates frequencies to Madison and Chicago. Recession and financial difficulties caused by overly rapid expansion force the carrier to suspend scheduled passenger and cargo flights on January 21, 1984, and metamorphose into a cargo air taxi that will subsequently fail.

LAKER AIRWAYS: United States (1995–1999). Sir Freddie Laker and Texas investor Oscar Wyatt, CEO of LaSara Grain Corporation, establish LAI at Fort Lauderdale in late 1995 to offer scheduled international passenger services. James Kenney is appointed president, a workforce of 50 is recruited, and two Douglas DC-10-30s are leased.

Revenue services are launched by the *Endeavour* on March 26, 1996, linking the company's base with London (LGW). Laker becomes the only carrier to offer nonstop scheduled London service to Fort Lauderdale.

Two days later, Laker inaugurates frequencies from Orlando to Manchester and Prestwick.

Traffic figures are reported through September and reveal enplanements of 57,000. Revenues during the second half total \$24.86 million, but expenses are \$28.66 million. There is an operating loss of \$3.1 million and a net loss of \$2.77 million.

Miami joins the route network in early 1997. In March, a new Regency Premier business-class product is introduced on daily flights between Florida and the U.K.

On July 1, LAI files suit against **British Airways, Ltd. (2)** in U.S. District Court for the Southern District of Florida. LAI charges that the U.K. major is barring Laker from obtaining commercially viable landing and takeoff slots and refusing to enter into the same standard interline ticketing and baggage agreements that it has with 150 other competitors.

Claiming that BA is violating U.S. and Florida antitrust laws, Laker seeks treble damages, a preliminary injunction, and a permanent injunction against BA, as well as better takeoff and landing slots, and standard interline ticketing and baggage agreements. Florida Attorney General Robert Butterworth meets with both sides in his office on July 9 to resolve their difficulties.

En route from Orlando to Prestwick on July 25, a DC-10-30 with 10 crew and 310 passengers, encounters turbulence over the Atlantic Ocean near Jacksonville. Four cabin attendants are injured, one seriously, and are taken to the hospital after the aircraft lands at Bangor, Maine. One attendant is quickly released and able to continue the flight to Scotland.

At the end of the year, the computer company that operates LAI's Florida-based reservations system declares bankruptcy, although it is able to handle Christmas and New Year's holiday traffic.

Customer bookings accelerate 12.9% to 175,000, while 8.3 million freight FTKs are also operated. Operating revenues skyrocket 106% to \$16.04 million, but expenses rise 159.5% to \$27.96 million. The operating loss worsens to \$11.91 million, while the net loss reaches \$11.95 million.

Scheduled flights from Fort Lauderdale and Miami to London (LGW) are suspended on January 16, 1998. Well in advance, booked customers are provided refunds or switched to other scheduled airlines.

On July 26, Laker is purchased by Breakthrough Aviation, an affiliate of Star Group; the new owners are known for specializing in top-end VIP, White House press, and rock group charters.

For the year as a whole, only 20,000 passengers are flown, many from the categories noted above.

Airline employment stands at 60 at the beginning of 1999. The company does not survive the year.

On July 15, 2000, one of the DC-10-30s, which had been returned to GECAS, is sold to **Gemini Air Cargo**.

LAKER AIRWAYS, LTD.: United Kingdom (1966–1982). With £211,500 of his own money and £4 million borrowed from the Scottish Clydesdale Bank, Freddie Laker, the former **British United Airways, Ltd.** managing director, establishes a holding company (Laker Airways [Leasing], Ltd.) on February 8, 1966 for a new package tour charter carrier bearing his name.

Three BAC 1-11-320AZs are ordered and two Bristol Britannia 312s are purchased in March from **British Overseas Airways Corporation (BOAC)**. Under contract to **Air France**, Britannia charters to southern Europe commence on July 29.

The first of the BAC 1-11-320AZs is delivered on February 27, 1967; the other two are acquired on April 8 and May 13 and, for a year each, are leased to **Air Congo** and **Middle East Airlines, S.A.L. (2)**. Arrow-smith Holidays, a Liverpool travel agency, is now purchased and Laker introduces the principle of the "time charter," under which tour- and resort-operators virtually wet-lease aircraft for a year, thereby allowing lower inclusive rates for customers.

For the remainder of this year and in 1968, inclusive-tours are flown for the new tour subsidiary, as well as such other well-known travel firms as Lord Brothers and Wings. Capacity is augmented on April 11 when another BAC 1-11-320AZ is delivered.

An Indonesian carrier purchases the two Britannia 102s in January 1969. At this point, Laker is Britain's first all-jet air carrier. Following the February purchase of two Boeing 707-138Bs from bankrupt **British Eagle Airways, Ltd.**, the company flies Eastern Hemisphere inclusive tours while applying to the U.S. CAB for permission to mount tours into America. Charter rights are granted on August 5. North Atlantic charters, primarily to the U.S., are now organized for all manner of special groups.

Enplanements for the year advance 44% to 335,272.

On February 1, 1970, the parent company name is changed to Laker Airways (International), Ltd.; in addition to LAL and Arrow-smith Holidays, other travel agency subsidiaries include Lord Brothers, Middleton Travel Agency, and, in Spain, *Viajas Trans Espana* and *Trans Espana*.

In September, the subsidiary **International Caribbean Airways, Ltd.** is formed with the government of Barbados taking a 51% shareholding and Laker a 49% share. A Laker B-707-138B begins a low-cost Luxembourg-Barbados weekly frequency.

Previously owned by **British Eagle International Airways, Ltd.**, the BAC 1-11-301AG *Superb* is acquired on February 18, 1971; the fleet is enhanced by its delivery in March. It is now that Laker conceives the idea of low-fare, no-frills Skytrain service to America and on June 15, applies to the British Air Transport Licensing Board (ATLB) for authority. The idea meets resistance from the major scheduled carriers and IATA.

While the Skytrain idea undergoes litigation and an appeal is made in April 1972 for permission from the new Civil Aviation Authority, Laker purchases two Douglas DC-10-10s from the Japanese Mitsui Bank, christening them *Eastern Belle* and *Western Belle*. The transatlantic services are approved by the government on October 5. The two wide-bodied jetliners are introduced to Europe during November demonstration flights around the U.K. and on November 21 in a southern European charter flight from London (LGW)–Majorca.

At the close of the year, the Laker fleet includes 9 jetliners and passenger bookings average 250,000 per year.

On January 11, 1973, the Civil Aeronautics Authority (CAA) designates LAL as a British flag carrier and grants it a license to operate Skytrain service from London (STN); however, the U.S. CAB refuses to grant a permit, recommending study and approval the following year.

In May 1974, another DC-10-10 is purchased and named *Canterbury Belle*. President Richard M. Nixon, meanwhile, delays the Laker permit in June and the British operator is forced to file an antitrust suit. The new Labour government's secretary for trade, Peter Shore, reacting to union opposition to Laker's independent enterprise, revokes the Skytrain license. Following the collapse of **Courtline, Ltd.** in August, Laker's DC-10-10s return many of the stranded tourists.

As Skytrain litigation proceeds apace, passenger boardings continue to increase; traffic figures for 1975 top 952,000, making LAL the second largest charter operator on the North Atlantic after **Pan American World Airways (1)**.

Airline employment increases by 3% in 1976 to 865 and the fleet at the beginning of the year includes 3 DC-10-10s, 2 B-707-138Bs, and 5 BAC 1-11-301AG/320AZs. A fourth DC-10-10 arrives. Unreasonable CAA guidelines imposed under **British Airways, Ltd. (2)** pressure the previous year are withdrawn as the result of court action and public opinion.

Charter enplanements for the year drop to 933,661, a 2.8% dip.

A fourth DC-10-10 is added early in 1977 as the Labour government's next trade secretary, Edmund Dell, reacting to a court decision by Lord Denning, reverses his predecessor and allows Laker a license. In America, under pressure from Laker attorney Bob Beckman and the new CAB chairman, liberalization proponent Alfred Kahn, President Carter, on June 15, grants Laker his U.S. permit. To allow his competitors some relief from the new low fares, the CAA allows other international airlines to institute cheap "stand-by" fares as well.

As part of an inaugural festival, DC-10-30 Skytrain London (LGW)–New York JFK service, £59 one-way fare, is launched on September 26. Skytrain goes on to carry over 50,000 passengers before year's end with each flight over 80% full. Just over one million passengers are carried systemwide on the year and net profit reaches \$1.5 million.

In January 1978, the company receives the 1977 "Market Development Award" from *Air Transport World* magazine. Now a hero in many quarters, Laker is knighted by Queen Elizabeth II in the spring and his face appears on the cover of *Time* magazine. From this point on, he is referred to as "Sir Freddie."

A low-fare Skytrain route is extended to Los Angeles on September 26 as the entrepreneur talks of Globetrain flights. Ticket prices from London to Los Angeles are \$162 during the off-season and \$165 during the summer months. The first year of no-frills, low-priced flights are celebrated on September 27 when the company welcomes its 250,000th passenger. At this point, airline employment totals 1,071 and the fleet comprises 4 DC-10-10s, 2 Boeing 707-320Bs, 2 B-707-138Bs, and 5 BAC 1-11-301AG/320AZs.

Passenger boardings rise 52% to 1,520,000 in 1978 and profits jump to \$3 million.

On April 10, 1979, Sir Freddie orders 5 more DC-10-30s and 10 Airbus Industrie A300B4s to complement the current fleet of 6 DC-10-30s, 2 B-707-138Bs, and 5 BAC 1-11-301AG/320AZs.

Enplanements pass 1.8 million as the 5 additional Douglas widebodies are placed in service.

The grounding of all DC-10s for six weeks as the result of the Chicago **American Airlines** crash costs the carrier some \$13 million in lost revenue. The resistance of Hong Kong, Australia and New Zealand combined with the rise in fuel costs triggered by the second oil crisis of the decade causes the concept of Globetrain to be placed on hold. Indeed, even the new Los Angeles service loses \$2 million its first full year.

The workforce in 1980 stands at 3,000. An effort to extend the Skytrain concept to the Continent runs into national protectionism and is scrapped. Plans to offer Skytrain flights to and from Hong Kong fail again. On February 8, the CAA approves requests from **Cathay Pacific Airways (Pty.), Ltd.** and **British Caledonian Airways, Ltd. (BCAL)** to service the Far Eastern crown colony, but specifically denies Laker. After direct appeal to Prime Minister Thatcher, the U.K. Secretary of State on June 17 directs that permits be issued to all three airlines, without restrictions. Unhappily, executives of the company in Hong Kong alienate members of the Hong Kong ATLB, which, on October 18, rejects application for landing rights.

Charter and Skytrain passenger traffic increases to 1,983,000 passengers carried; freight traffic is also up to 31.12 million FTKs. The independent airline is now the sixth largest overall operation on the North

Atlantic; nine different U.K.–U.S. frequencies are offered and one in seven of every transatlantic air passenger flies aboard a Laker DC-10-30.

The worsening world economic condition, overextension, increased expenses, monetary devaluation, and the reactions of competitors cause severe financial difficulties for Laker in the spring of 1981. In May, Laker realizes he cannot pay his loans and warns his main lenders; they grant him no leniency. In September, the airline chief meets with his bankers in London and seeks postponement of repayments for a year.

McDonnell Douglas financial analysts project that, given concessions, Laker might earn a profit within two years; as a result, Midland Bank corporate finance officer Dennis Kitching is able to offer a rescue plan through the restructuring of LAL's loans. On October 16, **Pan American World Airways (1)**, **Trans World Airlines (TWA)**, and **British Airways, Ltd. (2)**, themselves all in some financial difficulty, win British government approval to lower their own fares. Along with other carriers, they take on Laker in a price war, seen by many as a predatory move designed to kill off Skytrain. The move takes effect immediately; during the first two weeks of November alone, Laker's transatlantic traffic falls to 59% of projection. First-class, high-fare Regency Service is introduced in an effort to regain some lost bookings and capital.

On the year, passenger boardings fall 3% to 1,941,000, but cargo skyrockets 118% to 74.06 million FTKs. A week before Christmas, the bank's rescue plan is announced.

In January 1982, under the leadership of Sir Adam Thomson of **British Caledonian Airways, Ltd. (BCAL)**, Laker's competitors unveil a new tactic: pressure upon the aircraft engine division of General Electric and McDonnell Douglas, which are allowing the conversion of debts into preferred Laker shares. Thomson's threat not to purchase further equipment from them is followed by similar messages from **Sabena Belgian World Airlines, S.A.** Chairman Carlos Van Rafeleghem, **UTA French Airlines, S.A.** Chairman Rene Lapautre, **SAS (Scandinavian Airlines System)** official Bo Stahle, **Swissair, A.G.** Chairman Armin Baltensweiler, **Deutsche Lufthansa, A.G.** leader Dr. Abraham Kraemer, and **KLM (Royal Dutch Airlines, N.V.)** Chairman Sergio Orlandini, among others.

Unable to arrange a last-minute financial bailout at the height of the world economic recession and \$270 million in debt, LAL collapses on February 5; all scheduled and tour operations cease immediately. In November, the airline's liquidator, Christopher Morris of Touche, Ross & Company, files an \$350-million antitrust action against McDonnell Douglas, General Electric, Midland Bank, **British Caledonian Airways, Ltd. (BCAL)**, **Sabena Belgian World Airlines, S.A.**, **UTA French Airlines, S.A.**, **KLM (Royal Dutch Airlines, N.V.)**, **Deutsche Lufthansa, A.G.**, **Swissair, A.G.**, **SAS (Scandinavian Airlines System)**, **British Airways, Ltd. (2)**, **Pan American World Airways (1)**, and **Trans World Airlines (TWA)**. An out-of-court settlement is reached on June 12, 1985, as Morris recovers \$48 million. Eventually, claims of \$300 million are settled.

LAKER AIRWAYS (BAHAMAS), LTD.: 1170 Lee Wagner Blvd., No. 200, Fort Lauderdale, Florida 33315, United States; Phone (305) 359-7708; Fax (305) 359-7698; Code 7Z; Year Founded 1985. Following the 1982 demise of his **Laker Airways, Ltd.**, Sir Freddie Laker becomes a consultant to Bahamas-based Princess Hotels International/Princess Casino. Two years later, in 1984, he forms Princess Vacations International at Miami. For the next eight years, he will contract with foreign carriers, including **Carnival Air Lines**, to fly tourists to the Bahamas Princess Resort and Casino at Freeport.

Meanwhile, LABL is incorporated in September 1985, but remains dormant. A total of eight million tourists are transported through late 1991.

Carnival Air Lines now increases its charter rates, triggering a decision by Laker to take over the Miami–Bahamas flights with his reactivated company. He will work closely with two other men with whom he

now divides shareholding: Texas investor Oscar Wyatt, CEO of LaSara Grain Corporation (33%) and Grand Bahamas Port Authority owner Sir Jack Hayward (33%).

Laker acquires three Boeing 727-281s and on May 18, 1992 assumes the \$16-million contract from Princess Casinos to bring it customers from the U.S. cities of Birmingham, Chicago, Cincinnati, Cleveland, Fort Lauderdale, Hartford, Jacksonville, Memphis, Nashville, Orlando, Tampa, and West Palm Beach. On December 15, all routes become fully scheduled; the same day, service is started to Miami.

Operations continue apace in 1993-1994. In December of the former year, the three non-Advanced trijets are replaced with two B-727-2J7As. Additional destinations added include Greenville/Spartanburg, Raleigh/Durham, and Richmond. Plans are made to inaugurate transatlantic DC-10-30 service and enplanements total 250,000 per year.

Late in 1995, Sir Freddie and Mr. Wyatt establish **Laker Airways** at another Fort Lauderdale location to undertake the transatlantic flights that duly begin on March 26, 1996. Meanwhile, through those years and during the remainder of the decade, the original concern's two trimotors continue to fly vacationers to Orlando, Miami, Fort Lauderdale, and West Palm Beach from Baltimore, Birmingham, Chicago, Cincinnati, Cleveland, Greenville/Spartanburg, Hartford, Memphis, Raleigh/Durham, Richmond and Manchester, New Hampshire.

Enplanements reach 142,324 in 1998, but slide 19.6% to 119,000 in 1999. At the end of the year, the company is renamed **LB, Ltd.**

LAKESIDE AVIATION, LTD.: United Kingdom (1991-1994). Organized at Aberdeen Airport in 1991, this new Scottish regional, an associate of **Lakeside Helicopters, Ltd.**, provides scheduled domestic commuter services as well as charter and contract service flights on behalf of the North Sea oil industry. Chairman Christopher Thomas and Managing Director John Begg initiate operations with a pair of Cessna 404 Titans.

Two British Aerospace BAe Jetstream 31s are acquired by lease in 1992, with a third chartered Jetstream 31 arriving in 1993. Flights cease in 1994.

LAKESIDE HELICOPTERS, LTD. See LAKESIDE AVIATION, LTD.

LAM (LINEA AEREA MISIONERS, S.A.): Argentina (1978-1995). LAM is formed at Posadas in Misiones Province in 1978 to offer commuter services. Two Israel Aircraft Industries Aravas are obtained and scheduled services are initiated linking the capital with destinations throughout the northeastern Argentine province as well as Asuncion, Paraguay.

During the early 1980s, a Piper PA-31 Navajo is acquired. Operations continue apace throughout the remainder of the decade and President Hector Do Santos fleet is altered to include 1 each de Havilland Canada DHC-6-300, Fokker F.27, and F.28-1000.

In 1992-1994, services remain unchanged, but the company goes out of business in 1995.

LAM LINHAS AEREAS DE MOCAMBIQUE (LAM MOZAMBIQUE AIRLINES, S.A.): CP 2060, Maputo, Mozambique; Phone 258 (1) 465 137; Fax 258 (1) 735 601; <http://www.lam.co.mz>; Code TM; Year Founded 1980. On June 14, 1980, following the independence of Mozambique for Portugal, work begins on a makeover of **DETA (Divisao de Exploracao dos Transportes Aereos, S.A.)**. The workforce is increased by 50.2% to 1,996 and the fleet includes 4 Boeing 737-2B1s and 3 Fokker F.27-200s. A state company reporting to the Ministr of Transport and Communications, DETA is renamed on November 19 by Decree 8/80. Cargo grows 11.2% to 10.5 million FTKs, while passenger boardings increase 5% to 299,670.

Airline employment grows another 1.1% in 1981 to 2,017. Orders are now placed for four additional B-727-2B1A/Cs.

Freight accelerates 3.4% to 9.82 million FTKs and the passenger count in 306,374, up 8.6%.

The Douglas DC-8-62 ordered in 1979 joins the fleet in 1982, contributing to a 58% jump in freight traffic to 15.6 million FTKs; passenger bookings soar 30% to 398,937, due largely to the addition of more B-727-200s.

The employee population is 1,927 in 1983, a 3.6% decline, while an order is placed for a DC-10-30.

While on final approach to Quelimane on the night of March 27, a B-737-2B1 with 6 crew and 104 passengers, lands 400 m. short of the runway, causing the landing gear to collapse; there are no fatalities.

In cooperation with **Air Lesotho (Lesotho Airways Corporation)**, F.27-200 flights are initiated from Maputo to Maseru via Manzini.

Cargo grows 3% this year to 16.2 million FTKs while bookings for passengers rise 7% to 428,024.

The Douglas DC-10-30 ordered late in the year and is delivered in 1984, allowing the extension of routes to East Berlin, Copenhagen, and Paris.

Passenger boardings are now down to 282,048.

The DC-10-30 is leased to **TACV Cabo Verde Airlines, S.A.** on weekends in April 1985 while, because of fuel shortages, domestic operations are also curtailed. In November, the Douglas wide-body is chartered to **TAAG Angola Airlines** to operate a weekly flight from Luanda to Lisbon.

Passenger bookings decline further, down to 208,000 and freight is off 26.43%.

The employee population stands at 1,975 in 1986 and the fleet includes 4 Partenavia P.68Cs, 5 Cessna 402Cs, 3 B-737-2B1A/Cs, 2 DC-10-30, and 2 Il-62M. In cooperation with the East German carrier **Interflug DDR Airlines**, weekly services are started during the summer from Maputo to Addis Ababa.

Customer boardings grow 17.7% to 244,409 and cargo swells 13% to 10.3 million FTKs.

The payroll is advanced by 1.6% in 1987 to 1,692, even though a large traffic downturn occurs.

Passenger bookings drop 11.8% to 220,296 and freight slips by 17% to 11.27 million FTKs.

The payroll is increased by 11.3% in 1988 to 1,883 and the fleet now also includes 4 turboprops: 2 Beech Super King Air 200s and 2 CASA C-212-200 Aviocars. The Douglas wide-body undertakes weekly Sal-Boston flights on behalf of TACV and plans are made to initiate service between Maputo and London.

Customer boardings rise a welcome 10.3% to 243,094 and cargo recovers, rising 3.3% to 11.65 million FTKs.

An Antonov An-26 is acquired in 1989. A B-737-2B1A with 108 passengers overruns the runway at Lichinga while landing in a rainstorm on February 9; although one engine separates from the wing, there are no fatalities.

Beginning in May, a stop at Madrid is added to the Maputo-Lisbon route.

Enplanements for the first 9 months reported total 184,883, with 7.63 million FTKs of freight flown.

During the spring of 1990, the airline contracts with **Air Botswana (Pty.), Ltd.** to operate certain domestic flights; one day per weekend, the Botswana British Aerospace BAe 146-300 is based at Maputo.

Through November, the 1,700-employee flag carrier transports a total of 265,114 passengers and hauls 8.75 million FTKs of freight.

Company employment grows by 1.7% in 1991 to 1,729 and the fleet now includes 2 Beech Super King Air 200s, 3 CASA C-212-200 Aviocars, 4 P.68Cs, 5 Cessna 402Cs, and 1 each B-737-2B1, B-737-2B1CA, 1 DC-10-30, and 1 Il-62M. Orders are outstanding for 2 B-767-2B1ERs.

This year traffic figures are only reported through the first quarter. They show boardings off by 3.8% to 64,965, but freight climbs 2.5% to 2.27 million FTKs. The first of two B-737-3B1s to be leased from GPA Group during the year arrives in April.

There is no change in either fleet or employment in 1992. Recession attacks bookings, however, and enplanements decline 16.2% to 244,781. Freight also falls, by 6.8%, to 10.3 million FTKs. In addition, with the

end of the civil war, domestic flights cease to be the main mode of transportation as the government places emphasis on the opening of roads.

In 1993, Chairman/Director General Jose Ricardo ZuZarte Viegas oversees a workforce of 1,948. Gone from his fleet are the DC-10-30, IL-62M, replaced by two leased B-737-3Y0s and two chartered B-767-2B1ERs, whose arrival triggers the introduction of a new livery throughout the airline.

In addition to domestic stops at Beira, Quelimane, Nampula, Pemba, Tete, and Lichinga, the Maputo-based flag carrier also serves the regional cities of Johannesburg, Harare, Matsapa, and Dar es Salaam as well as the European destinations of Lisbon, Madrid, Paris, Copenhagen, and Berlin (Schoenfeld Airport).

Operations continue apace in 1994, but business is off significantly, causing the return of the leased B-737s.

Enplanements total but 134,000. The carrier now has an accumulated deficit of \$6 million and a debt of approximately \$15 million.

The fleet in 1995 includes 4 CASA C-212-200 Aviocars, 2 Beech Super King Air 200Cs, 4 Partenavias, 5 Cessnas, and 1 each B-737-2B1, B-737-2B1CA, and 1 B-767-2B1ER that is leased to **South African Airways (Pty.), Ltd.**

Equipment-related flight cancellations and stiff competition from airlines in neighboring countries, pushes down both traffic and finances, neither of which are reported.

The Mozambique government begins to consider privatizing its flag line during 1996. The Restructuring of Enterprises agency of government favors the move, which is opposed by senior government officials who wish LAM to continue as a national airline. In June, code-sharing is started with **TAP-Air Portugal, S.A.** on services from Maputo to Lisbon; these employ a Lockheed L-1011-385-3 TriStar 500 leased from the Portuguese flag carrier. A Fokker 100 is chartered in October from **Royal Swazi Airways Corporation, Ltd.**

Enplanements during the 12 months total 160,198.

Airline employment stands at 1,403 in 1997. During the spring, the light aircraft company TTA is privatized; the new owners understand that part of their arrangement with the government includes assumption of certain domestic and regional routes currently operated by LAM.

On October 15, a marketing agreement is signed with **PGM (Portugal Airlines, S.A.)**. Under its terms, passengers are able to make reservations in Portugal for the Mozambique carrier's domestic services and regional flights to South Africa, Swaziland, and Zimbabwe. The reverse is true in that customers may purchase tickets in Mozambique for PGM, which only flies in Europe. PGM also becomes the LAM sales agent in Spain.

As a result of the PGM arrangement, the TAP TriStar is returned in November.

Passenger boardings jump 15.4% to 189,359 while freight climbs 11.9% to 6.36 million FTKs. Revenues total \$41.59 million.

Flights continue in 1998. On February 3, a Lockheed L-1011-500 previously operated by **TAP-Air Portugal, S.A.** is leased from Air Madeira.

During the summer, a B-747SP-44 is chartered from **South African Airways (Pty.), Ltd.** Just after takeoff from Maputo on October 5, the Jumbojet suffers an uncontained engine failure in its No. 3 engine. The No. 4 engine and portions of the wing are damaged by debris from the No. 3 engine; however, the giant aircraft is able to complete a safe emergency landing back at its point of departure. No injuries are reported.

LAM is now left with just one B-737-2B1A and the Swazi Fokker 100 with which to operate its domestic and regional services.

On December 23, the airline is transformed into a limited company, adopting the name LAM (Mozambique Airlines) by Decree 69/98. Shareholding is divided between the state (80%) and company managers, technicians, and workers (20%). It will take a year for the paperwork to be completed and a new board of directors to be installed, but it now enjoys complete administrative and financial independence from the Ministry of Transport and Communications.

Customer bookings climb 6.7% to 202,133 while revenues advance by 6.4% to \$45.88 million. A net profit of \$248,000 is reported.

Airline employment at the beginning of 1999 stands at 1,153. On January 25 **SA Air Link (Pty.), Ltd.** purchases 43% of **Royal Swazi Airways Corporation, Ltd.** and passes word to LAM Mozambique that it wishes the Swazi Fokker 100 to be returned by March. Now LAM will be down to just one little Boeing with which to operate its domestic and regional flights.

Company officials on February 1 open negotiations with TTA, which has not received a single route since its privatization in 1997 and remains a paper airline. There is speculation, reported by the Panafrican News Agency, that LAM may now be forced to seek the help of TTA.

As late as March 19, LAM denies continuing reports that Royal Swazi has recalled the Fokker, indicating that the lease remains opened-ended and that the required six-month repossession notice has not been given.

Late in the year, the names of the principal members of the new board of directors are finally announced: Jose Viegas, chairman; Capt. Joao Abreu, operations director; Dr. Jeremias Tchamo, chief financial officer; and Armindo Matos, representative from the government of Mozambique.

Customer bookings jump 16.3% to 235,000 while freight climbs 12.8% to 6.64 million FTKs. Operating revenues dip 1.3% to \$46.71 million as expenses rise 3.6% to \$41.82 million. Operating gain falls to \$4.88 million, but net profit is boosted to \$545,000.

Airline employment at the beginning of 2000 stands at 1,142, a 3.5% decrease over the previous 12 months.

A comprehensive cooperative agreement is signed with **TAP-Air Portugal, S.A.** on January 24. Under terms of the pact, the Portuguese flag carrier will purchase blocks of seats and place its code on LAM's return services from Maputo to Lisbon. Arrangements are simultaneously made for the return of the B-767-2B1ER, leased earlier to **South African Airways (Pty.), Ltd.**, which will provide most of the lift.

The B-767-2B1ER leased to **South African Airways (Pty.), Ltd.** is returned to Maputo on March 23; it arrives with a cargo of nine metric tons of relief supplies sent by aid agencies to help with flood relief.

The block-seat, dual-designator pact begins with **TAP-Air Portugal, S.A.** on April 1. Three of the four weekly roundtrips from Maputo to Lisbon are operated with LAM's B-767-2B1ER, with the third flown by TAP's A340-312. The Tuesday and Wednesday LAM flights stop at Beira, while the other two frequencies are direct.

Government authority for the initiation of scheduled domestic trunk line service is awarded to tiny **TTA (Empresa Nacional de Transporte e Trabalho Aereo, S.A.)** on December 13. It is anticipated that the Maputo-based Britten-Norman BN-2 Islander operator will soon be purchasing larger flight equipment.

LAMA (LINEAS AEREAS DE LA AMAZONICA, S.A.): Colombia (1991-1994). LAMA is established at Villavicencio in 1991 to provide both scheduled and unscheduled cargo and express flights to local destinations. Revenue operations commence with a single de Havilland Canada DHC-6-200 Twin Otter. The Canadian-built turboprop is withdrawn in 1992 and replaced with a Lockheed L-188C Electra; operations continue until 1994.

LAMBAIR, LTD.: Canada (1938-1981). To provide quicker transportation for customers of his lumber and fishing businesses, Thomas Lamb starts a lightplane (often floatplane) charter service in 1938. The operation, known as **Thomas Lamb Airways, Ltd.**, remains small until 1968, when the decision is made to open scheduled commuter service. Reformed and renamed Lambair, Ltd., the company acquires a Britten-Norman BN-2 Islander and employs it to inaugurate passenger flights linking Rankin Inlet, Churchill, Thompson, and The Pas.

The passenger commitment is strengthened in 1969 by the addition of a de Havilland Canada DHC-6-100 Twin Otter while two Bristol Mk. 31 Freighters are obtained to support the cargo portion of the business.

Service and frequencies are increased over the next decade and the fleet is significantly enlarged. Added between 1971 and 1977 are three more Twin Otters (two of which are sold after two-year stints), four Douglas

DC-3s, and a Fokker F.27F Friendship. Following Lamb's death, Jack Lamb becomes president with Gregory Lamb as vice president.

Airline employment stands at 90 in 1978 and the fleet comprises 1 F.27F, 5 DC-3s, 4 Twin Otters, 1 Islander, 2 DHC-3 Otters, and 2 Cessna 180s.

A Curtiss C-46F is obtained in early 1979. Experiencing engine trouble during a November 13 flight, the new freighter with two crew, attempts to return to Churchill. Instead, it must make a forced landing in rough terrain 1/4-mi. short of the runway; there are no fatalities.

Unable to maintain the operation in the face of recession and higher fuel prices, the Lambs are forced to close the company in February 1981.

LAMSA (LINEAS AEREAS MEXICANAS, S.A. de C.V.): Mexico (1944–1953). Having acquired 80% majority control on October 1, 1943, **United Air Lines** acts to change the name of Gordon Barry's **LAMSA (Lineas Aereas Mineras, S.A. de C.V.)** on February 9, 1944. On May 4 of that year, a permanent route concession is received for a Chihuahua–Nogales service that had been planned by Barry before his resignation the previous October 28. On May 13 and June 8, respectively, the carrier applies to the Mexican and U.S. governments for permission to fly from Mexico City to Phoenix and Los Angeles. The Mazatlan–Tayoltita segment is sold on September 6.

On October 8, **United Air Lines** obtains 100% control, and the next day transfers five Boeing 247Ds to its Latin subsidiary; these will be known as *Aguila Aztec* (Aztec Eagles) and will each be named after a Mexican state: *Estado de San Luis Potosi*, *Estado de Coahuila*, *Estado de Sonora*, *Estado de Chihuahua*, and *Estado de Sinaloa*.

They will also employ markings similar to those employed by UAL in 1941 and wear colors of white, with red, white, and green trim. The last received is christened *Estado de Chihuahua*. Application is made on October 24 to operate from Nogales to San Diego.

Torreón–Houston permission is sought on August 19, 1945. In the first six months of 1946, **United Air Lines** adds six new Douglas DC-3s to the LAMSA fleet and pays for a new maintenance facility at Torreón. By December, only one *Aguila Aztec*, the *Estado de Chihuahua*, is still in operation, being employed on a Mexico City to Juárez freight service.

Two more DC-3s are transferred from **United Air Lines** in 1947 and in November the B-247D *Estado de San Luis Potosi* is retired. It is followed in December by the *Estado de Sinaloa* and the *Estado de Chihuahua*. In January 1948, family fares are introduced.

During 1949 an ex-Pan American Airways (PAA) DC-4 is purchased and christened *Ciudad de Juarez*. Although Mexican services are maintained, the necessary U.S.–Mexican bilateral air agreement cannot be negotiated and without it, the American carrier's plans for services between the two nations are dashed.

Frustrated, **United Air Lines** sells its subsidiary on July 22, 1952 to a purchasing syndicate, which is ironically entitled LAMSA (Lineas Asociadas Mexicanas, S.A. de C.V.) and headed by Mexican President Miguel Aleman, for \$1,230,000. LAMSA's routes are coordinated with those of **Aeronaves de Mexico, S.A. de C.V.** and the two are completely merged on July 17, 1953.

LAMSA (LINEAS AEREAS MINERAS, S.A. de C.V.): Mexico (1934–1944). Former CAT (**Corporacion de Aeronautica de Transportes, S.A. de C.V.**) pilot Gordon Barry, flying an ex-CAT Bach 3-CT-6 Air Yacht, opens a service between Mazatlan and the mining town of Tayoltita in 1931 on behalf of the San Luis Mining Company. William Randolph Hearst holds majority control of the mining company. A Belanca P-100 Airbus is obtained to operate over the 68-mile route.

After three years of service, the miners put up a \$25,000 loan (against a guarantee of continuing service) as capitalization, which allows Barry to incorporate his operation on August 27, 1934. A government experimental permit for scheduled operation of the Mazatlan–Tayoltita route is granted on September 24.

A WACO is added to the fleet in 1935 along with a Sikorsky S-38B; on September 3, the initial single route is extended to La Paz and Durango. Meanwhile, a 30-year concession for the original service is awarded on October 10.

Another experimental certificate is received for the Durango and La Paz extensions on June 10, 1936, and is followed by receipt of a permanent concession on March 29, 1937. Barry acquires a Mazatlan to La Paz route following the death of Noel Bullock and his five passengers in the crash of his Bach Air Yacht.

During the year, the owner's wife is appointed president of LAMSA, becoming the first woman in the Western Hemisphere to hold that position. On December 4, multistop flights are initiated from Mexico City–Torreón–Ciudad Juárez. By year's end, most of the 11 Lockheed Model 5 Vegas ordered have been received.

A 30-year permit for Barry's north central route of December 1937 is awarded on October 3, 1938. On August 29, 1939, a spur is thrown from Durango to Torreón (conceded in 1940) and flights start to Nuevo Laredo in March 1941 (conceded a year later). At this point, LAMSA's route network appears very much like that first flown by CAT years earlier. **United Air Lines** lends Barry \$230,000 on October 6; \$50,000 is immediately invested in six Lockheed Vegas.

A scheduled service for a route from Chihuahua northwest to Nogales is granted on November 7, 1942. Unable to compete against both **American Airlines** and **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**, the Nuevo Laredo service is cancelled in January 1943. The Chihuahua–Nogales service is inaugurated on February 5. Three quarters interest in the carrier is purchased by **United Air Lines** on September 17; the American trunk line's holding is increased to 80% on October 1. With the U.S. major now seeking for international expansion and making all operational decisions, Gordon Barry resigns on October 28.

United Air Lines changes the carrier's name to **LAMSA (Lineas Aereas Mexicanas, S.A. de C.V.)** on February 9, 1944.

LAN (LINHAS AEREAS NATAL, S.A.): Brazil (1946–1950). Cyro Novais Armando creates "Natal" in the Minas Gerais State city of Juiz de Fora on July 3, 1946. Capitalization is provided by the former **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** pilot's uncle, a wealthy textile plant operator, and in his honor the airline's initials, at least initially, form the acronym for Navegacao Aerea Theodorico Alvares de Assis, S.A.

After government operating permission is received on July 30, Armando imports four ex-RCAF Douglas C-47s (reconfigured to DC-3 civil standard) and employs them to inaugurate service between Rio de Janeiro and São Paulo on December 7.

Early in 1947, "Natal" comes to stand for a more ambitious goal, Navegacao Aerea Trans-Americana, S.A. Four more routes are opened west of São Paulo: to Belo Horizonte via Mococo and Guaxupe; to Buaxupe via Mococo; to Aracatubo via Lins; and to Campo Grande via Rancharia, Presidente Prudente, and Presidente Wenceslau.

On February 1, 1948, the carrier is purchased by the nonflying entrant **VITA (Viacao Interestadual de Transportes Aereos, S.A.)**; however, when that company's operating permit is cancelled for nonuse on June 6, 1949, "Natal" is sold to a Capt. Aguiar. The new owner cannot hold on a year and in May 1950 sells the airline, its routes, and DC-3s to **REAL, S.A.**

LANA AIR COMPANY: Gogolevskaya 25, Kiev, 252054, Ukraine; Phone 380 (044) 264 863; Fax 380 (044) 244 664; Code RKS; Year Founded 1995. Lana is set up in 1995 to offer domestic and regional all-cargo services. Charter flights begin with three Ilyushin Il-76MDs.

LANCASHIRE AIRCRAFT CORPORATION, LTD.: United Kingdom (1946–1957). Having formed LAC during World War II as a repair facility for Bristol Beaufighters, J. Eric Rylands adds a charter operation in January 1946, becoming chairman/managing director. With two de Havilland DH 89As acquired in February and a third in

April, ad hoc charters are undertaken in northern England from Blackpool and Preston.

At the end of the summer, six ex-RAF Percival Proctors 1s/3s and three Airspeed AS.65 Consuls are acquired. In September, five Handley Page HP-61 Halifax bombers are purchased for conversion into civilian transports.

The first civil standard Halifax freighter is delivered on April 10, 1947; christened *Air Viceroy*, it is followed into service by four others during the remainder of the quarter. Before it could be christened, one of these is lost in a landing accident at London (LHR) on June 6. The survivors fly produce charters from the Continent as well as long-range missions to Asia. The first Halifax, *Air Viceroy*, is lost in a Tegel crash on July 6.

Three additional DH-89As are purchased in July and together the six Dragon Rapides fly a variety of unscheduled charters from Blackpool. In the first week of September, a Halifax is converted to passenger standard and is employed on September 12 to fly, on behalf of the U.S. Maritime Administration, a Liverpool–New York charter via Prestwick, Iceland, and Gander. Other long-distance passenger and freight charters are undertaken during the fall.

A company Halifax becomes, on December 11, the first British civil aircraft to land at Budapest since V-E Day. The same day, the carrier begins a series of textile flights to Britain from France. On December 12, another Halifax, the *Air Adventurer*, is destroyed in a Rhyl crash.

Textile flights increase in 1948 between Paris (Le Bourget), Lille, and Liverpool. Halifax flights to distant destinations continue; examples include Saigon and Athens. Beginning in May, pleasure flights are offered by company Dragon Rapides from London (Northolt). In July, as the result of acquiring **British European Airways Corporation (BEA)** associate agreements, lightplanes begin flying scheduled service Leeds to the Isle of Man and Blackpool to Southport. On August 31, Halifaxes begin participation in a "milk airlift" between Belfast and Liverpool and Blackpool, continuing into early October.

LAC begins its contribution to the civil portion of the Berlin Airlift on October 16, with three Halifax freighters flying into the former German capital from Wundtsdorf; company Halifax tankers join in this service in early November. On November 24, operations are transferred to Schleswigland; on December 16, the freighters are withdrawn and the number of tankers is increased to 12.

Tanker flights into Berlin continue during the winter of 1949; on January 23, some 100 tons of diesel fuel are transported. On March 21, a Halifax is destroyed in a crash near Schleswigland (three dead). When the Russian blockade ends in May, LAC has completed over 2,000 sorties into the city carrying 3 million tons of fuel oil and 15,000 tons of cargo. With the exception of **Flight Refueling, Ltd.**, the carrier completes more sorties than any other charter company. When the 11 surviving aircraft are withdrawn on July 12, the final sortie tally reads 183 freight and 2,577 tanker flights.

Meanwhile, two Halifaxes are lost in crashes at Tegel, one on May 10 and one on June 1. Three of the Berlin Airlift Halifaxes are reconverted to freighter standard and the first of these completes a produce charter from France on July 27. During the summer and again under arrangement with **British European Airways Corporation (BEA)**, DH-89A, Airspeed Consul, and Percival Proctor scheduled flights are flown from Blackpool to Southport, Jersey, the Isle of Man, and London (Northolt) and from Leeds to the Isle of Man, London (Northolt), and Jersey.

In August, Newcastle-based **Astral Aviation, Ltd.** is purchased, giving LAC the opportunity to commence a scheduled service from that town to London. During the same month, the company receives the first of two Hanley Page HP.70 Halton transports. All but the Leeds to London service are maintained following the summer tourist seasons, while the four available Halifaxes are so heavily booked with textile and fruit flights to England from the Continent that business must be turned away. The Halifax *Air Explorer* is lost in a Paris (LBG) crash on December 28.

The Halifax textile and fruit flights continue in 1950, although a long-distance charter to Tehran on March 13 breaks the Continental pattern.

Meanwhile, the Halifax *Air Enterprise* is withdrawn in January. Other destinations visited during the spring include Milan, Rome, and Abadan. A new charter service for ship passengers is now introduced whereby a company representative drives agreeable passengers disembarking at British ports to the nearest airfield and puts them on an LAC aircraft flying to their destination. During the summer, a new **British European Airways Corporation (BEA)** approved scheduled service is initiated from London (Northolt)–Penzance.

Other routes include Jersey to Blackpool and Leeds; London (Northolt) to Newcastle via Leeds and Manchester; and Isle of Man to Newcastle via Blackpool, Carlisle, and Leeds. Pleasure charters, as well as air racing with Proctors, is also engaged. On October 27, 14 of the 15 scheduled routes are suspended for the winter. When **Eagle Airway, Ltd.**'s last Halifax is lost in November, LAC finds itself the only British charter operator still flying the type.

In December, under contract to **British Overseas Airways Corporation (BOAC)**, all of the company's Halifaxes fly cargo to Singapore and Tokyo. At the conclusion of this charter, the Halifax *Air Rover* is withdrawn, joining four Percival Proctors and a Dragon Rapide sold earlier in the year.

Long-distance Halifax charters to such destinations as Buenos Aires, Bangkok, and Hong Kong continue in the spring of 1951. A second Handley Page Halton is added in February and another Halifax is lost in a crash on March 8, the *Air Monarch* at Great Missenden.

With the availability of Halifax spare parts drying up, company officials purchase 23 Avro Yorks from **British Overseas Airways Corporation (BOAC)** in May. Simultaneously, a number of light aircraft are purchased from the failed carrier **Skytravel, Ltd.**; however, three older Percival Proctors are sold.

While the Yorks, 16 of which will be delivered during the year, including 9 in May and June, are readied, Halifaxes continue to provide charters, though in fewer numbers as crews are trained on the Avros.

An Avro 685 York C.1 is lost at Fayid, Egypt, on August 31; there is no information on casualties. Throughout the year, the carrier's lightplanes continue flying the scheduled routes of the previous 12 months.

In March 1952, **Skyways, Ltd.** is purchased for £157,000 and the new company is known as **Lancashire Aircraft Corporation and Skyways, Ltd.** David Brown remains chairman with Eric Rylands as managing director. Two divisions are created out of the merger partners, with **Skyways, Ltd.** responsible for long-range charters and LAC in charge of single- and twin-engine operations. During the spring, the Yorks and last two remaining Halifaxes mount operations to the Continent. When its two-year contract with **British European Airways Corporation (BEA)** is concluded, **Northwest Airlines (Isle of Man), Ltd.** sells its two Douglas DC-3s and agrees to have the remainder of its assets sold to Lancashire.

By July, 20 Yorks have been painted in **Skyways, Ltd.** livery and are transferred. These now undertake a variety of long-range ad hoc charters as well as troop transport contracts on behalf of the War Office; this history is continued separately under the **Skyways, Ltd.** entry. Three Douglas DC-3s are delivered in November.

Enplanements on the north England scheduled services for the year total 15,000.

The company's 1953 workforce totals 75. While en route from the Azores to Gander, Newfoundland, on an RAF troop transport flight, an Avro 685 York I with 6 crew and 33 passengers, disappears off Newfoundland on February 2; there are no survivors. Neither wreckage nor bodies are ever found.

Scheduled services from Leeds are suspended in February; however, earlier routes are maintained. The first Douglas transport enters service in April, followed by the other two in May and a new purchased machine in July. In addition to scheduled services, the American-made airliners also fly a weekly inclusive tour from Manchester to Tarbes, France, and various ad hoc charters to the Continent.

Passenger bookings for the year total 21,073.

Airline employment in 1954 drops to 63. Despite the sale of four Dragon Rapides, passenger boardings grow to 30,334.

The DC-3s are employed in **1955** to fly inclusive tours from Manchester and London (LGW) to Spain. The light aircraft are left to handle scheduled services. On September 22, two DC-3s are transferred to Skyways and launch scheduled coach service from London to Paris in association with **Air-Coach, Ltd.**, still in LAC colors. Following two days of proving flights, regularly scheduled coach flights begin on September 30.

Sir Wavell Wakefield becomes chairman in **1956**. Scheduled services continue much as before. On September 14, a DH 89A is lost in a crash at Newcastle-under-Lyme. During the fall, the last two DC-3s are transferred to **Skyways, Ltd.**; however, in November and December, before the switch is completed, a company DC-3 in its final charter flies 120 Hungarian refugees from Austria to the U.K. Meanwhile, on December 10, the LAC portion of Lancashire Aircraft Corporation and **Skyways, Ltd.** is purchased by British Aviation Services Corporation.

Almost all of the light airliners are now sold and in early **1957** two Bristol 170 Mk. 21 Wayfarers are leased from **Silver City Airways, Ltd.** to fly the routes to Jersey and the Isle of Man. LAC is amalgamated into the northern division of that carrier.

LANCHILE AIRLINES (LINEA AEREA NACIONAL CHILE, S.A.): P.O. Box 147D, Santiago, Chile; Phone 56 (2) 639-4411; Fax 56 (2) 638-3976; http://www.lanchile.com; Code LA; Year Founded 1932. Under terms of a March 5, **1932** government decree (No. 247), the commercially oriented air transport arm, **LASA (Linea Aeropostale Santiago-Arica)**, is separated from the Fuerza Aerea Nacional (National Air Force) on July 21 and becomes an independent state-owned agency under its present name. The new entrant also receives a monopoly on all national routes, sharing several with the U.S. international **Pan American-Grace Airways (PANAGRA)**. The initial fleet comprises 5 Ford 5-ATs, 6 de Havilland DH 60 Gipsy Moths, and 5 Fairchild FC-2s.

A Fairchild FC-2 is lost in an April 24, **1933** crash. New aircraft ordered earlier make their appearance and by **1934** the fleet comprises 2 Fords, 4 Douglas DC-2s, and 2 DH-60s. The fleet is significantly strengthened in **1935** when three Curtiss T-32C Condor IIs, formerly owned by **American Airlines**, are delivered. One of these initiates service to Puerto Montt, nearly doubling the carrier's unduplicated route mileage.

Fleet building continues apace in **1936** as eight French-made Poetz 56s and two American-made Sikorsky S-43s are acquired. During the year, crashes destroy an FC-2 near Ovalle on March 14 and a Condor II on July 29. Five are killed in the former tragedy. The Curtiss-Wright Export Company's aircraft factory at Los Cerillos Airport, Santiago de Chile, is purchased. Here the carrier sets up its first maintenance center and begins to perform maintenance for both its own and foreign airliners.

Routes are opened on an experimental basis to Puerto Aisen in the spring of **1937** and Punta Arenas in September; both destinations are abandoned due to lack of technical facilities. Crashes claim two Poetz 56s, on March 27 and October 13, respectively.

While en route from Puerto Montt to Punta Arenas in May, one of the carrier's two S-43s suffers engine trouble and makes a forced water landing, sliding up a beach into a tree where its wing is damaged.

During the first week of June, LanChile's lone operational S-43 disappears while on a service from Punta Arenas to Puerto Montt. Flying his S-38 from Buenos Aires across the Uspallata Pass to Santiago, Capt. Fritz Sterling of **Pan American-Grace Airways (PANAGRA)** participates in the search for the lost aircraft; after several days, only one body and pieces of debris are located.

Replacing lost aircraft, the carrier leases a Junkers Ju-52/3m from **Syndicato Condor, S.A.** in **1938** and adds two Ju-86s. A second Ford 5-AT is lost in an accident on May 10.

When an earthquake smashes the Chillan zone at the beginning **1939**, an air link is established to the area from the capital city, allowing LAN to fly emergency material in and evacuate casualties. Crashes destroy an FC-2 (March 9) and a Ju-86 (March 14).

The leased Ju-52/3m is returned in **1940**. A total of 2,600 passengers are carried on the year.

Orders are placed for six Lockheed Model 10A Electras, the first of which arrives at Santiago de Chile on March 11, **1941**. The American-made aircraft begins new services to Concepcion. An air hostess service division is established later in the year and the first female flight attendants are employed. In **1942**, service is opened from Concepcion to Chanarel.

Early in **1943**, crashes claim two Poetz 56s on January 18 and March 29, respectively. The first of four Lockheed Model 18 Lodestars to be delivered on the year is flown into Santiago on September 11. The Lockheed fleet in **1944** includes 6 Electras and 5 Lodestars. Regularly scheduled service is kicked off to Puerto Aisen. In June **1945**, L-10A flights commence from Punta Arenas to Porvenir, Tierra del Fuego. Bookings climb to 27,000.

In cooperation with **FAMA (Flota Aerea Mercante Argentina, S.A.)**, L-18 flights from Santiago de Chile to Buenos Aires, over the Andes, are inaugurated in March **1946**. This is the company's initial international route. The first of what would eventually total 17 Douglas DC-3s are received from war surplus stocks and regular flights are finally started to Punta Arenas far to the south.

The DC-3 fleet in **1947** stands at 10 as 4 Martin 2-0-2s are placed in service on the Buenos Aires run, replacing the L-18s. A Lockheed Model 10A Electra is lost in an August 4 landing accident.

The Buenos Aires route is extended to Montevideo in **1948**. Orders are placed for 12 de Havilland DH 104 Doves.

In **1949**, the Doves are received and placed on domestic routes, replacing DC-3s. Routes are opened to a variety of new destinations in **1950-1954**, including Illapel, Valdivia, Ancud, Castro, Putalénfu, Alto Palena, Balmaceda, Puerto Natales, Rio Gallegos, Manantiales, and San Sebastian. Lima and La Paz increase the international network.

This expansion is not made without cost. A Lockheed Lodestar with seven aboard crashes near Copiapo on June 15, **1953**; there are no survivors. After completing its landing at Provenir, Chile, on May 29, **1954**, a DC-3 with 3 crew and 26 passengers, runs off the runway and catches fire; although the aircraft must be written off, there are no fatalities.

Orders are placed for 6 DC-6Bs, which order is later increased to 11.

LAN-Chile Airlines is adopted as a marketing title in **1955**. The first two of three DC-6Bs to be delivered during the year arrive in January and enter service in the spring. During the year, the new aircraft allow initiation of the first nonstop flights linking Santiago with Punta Arenas in the south and Arica and Antofagasta in the north.

DC-6B Lima service is started during the summer of **1956**. On December 22, a DC-6 makes a proving flight to Antarctica. LanChile thus becomes the first commercial airline to make a flight over that frozen continent, a fact ever afterward recorded on all aircraft fuselages, "First Over the Antarctic."

The carrier receives approval from the U.S. CAB in April **1958** to commence flights from Santiago to Florida. DC-6B Miami flights via Lima and Panama City start in August. They will be flown twice weekly by the third DC-6B, after its introduction into service on September 4. The return service continues on from Santiago to Buenos Aires and Montevideo.

Following the **1959** Castro revolution and the demise of the competing independent **ALA (Sociedad de Transportes Aereos, S.A.)**, LanChile initiates service to Havana late in the year.

Two violent earthquakes strike southern Chile in May **1960**—so violent that maps of Chile will need to be redrawn. LanChile joins the Air Force in providing an air bridge to bring assistance and relief to the disaster areas. In terms of passenger kilometers flown, the carrier now ranks as the seventh largest in Latin America. A total of 388,000 passengers are transported on the year. Meanwhile, a deal is struck with **Allegheny Airlines (1)** for the purchase of four Convair CV-340s.

The carrier's very first DC-3 (CC-CBG), operating as Flight 310 with 4 crew and 20 passengers, disappears into the Andes near Lastima on April 3, **1961**. The wreck is found on La Gotera Hill a week later and there are no survivors.

Delivery of the CV-340s from Pennsylvania is completed during the remainder of the year.

No new services or fleet units are introduced in **1962**; however, in **1963**, orders are placed for three Sud-Est SE-210 Caravelle VIRs.

The first Caravelle VIR is delivered on March 6, **1964**, and is placed in service on the Miami route, replacing a DC-6B on March 30. The twice-weekly jet route, 8 hrs. shorter than the piston-engine flight, is now christened the Lan-Jet Royal Blue Caravelle Service. The return service is operated to Santiago via Panama and Lima and continues from the capital on to Buenos Aires and Montevideo.

The two other SE-210s are received during the year, joining several DC-6Bs displaced from the Florida run on domestic routes. The jetliners cut the travel time between the extreme ends of the country in half. Eric Campana becomes chairman/president with Pedro Gase as vice president-operations.

Enplanements climb by 29.4%.

Flight 107, a DC-6B with 7 crew and 80 passengers, crashes near San Jose Volcano in the Andes Mountains near Santiago on February 6, **1965**; there are no survivors.

As of April, all Miami services are provided by Caravelles, with a stop being added at Guayaquil. The destroyed Douglas is replaced by another DC-6B purchased from **Western Airlines** on August 17.

Orders are placed in **1966** for nine Hawker Siddeley HS 748-234s, the first being delivered in December, and a Boeing 707-385C.

On January 6, **1967**, the first HS 748-234 service is flown from Santiago de Chile to Puerto Montt and San Carlos de Bariloche.

A DC-6B makes a proving flight to Easter Island on April 3, becoming the first commercial aircraft to land on that isolated part of the nation. Regularly scheduled flights to Easter Island commence on April 8.

Meanwhile, the first Boeing jetliner, the former **Deutsche Lufthansa**, A.B. B-707-330B *Bremen*, is delivered on April 5 and is employed to inaugurate New York (JFK) service on April 15 as an extension of the twice-weekly Miami frequencies. The "Big Apple" becomes a joint terminus with Miami, as twice-weekly flights begin. Roundtrip Caravelle frequencies to Miami are increased to four per week. A B-727-116C is ordered toward year's end.

A DC-6B route is opened to Tahiti, French Polynesia, via the Easter Island airfield, on January 2, **1968**. The B-727-116C is delivered on March 13 and Lima to New York nonstop B-707-385C service is launched on March 25.

On April 1, the B-727-116C begins flying from Santiago de Chile to Punta Arenas and Arica. Hawker Siddeley HS 748-234s begin Santiago de Chile-Balmaceda operations on July 8; by fall, the British-made liners are replaced by DC-6Bs. On November 2, the B-707-385C begins a frequency from Buenos Aires to New York via Santiago de Chile and Guayaquil. An order is placed for another B-707-385C late in the year.

Cali, Colombia, is added to the route network on April 27, **1969**.

On final approach to Santiago after an April 28 flight from Buenos Aires, Flight 160, a B-727-116 with 8 crew and 52 passengers, strikes the ground 24 km. N of Colina; although the aircraft must be written off, there are no fatalities.

Service is inaugurated from Santiago de Chile to Asuncion via Antofagasta on May 2; this route is stretched to Rio de Janeiro on May 12.

Caravelle VIRs replaced DC-6Bs on the Balmaceda run on September 27. While en route from Santiago to Puerto Montt on November 12, a Caravelle VIR is subjected to an attempted hijacking by two juveniles; just after takeoff from an intermediate stop at Antofagasta, the young people are captured by the flight crew.

A DC-3 freighter with three crew fails its takeoff from El Tepual, Chile, on December 5 and makes a wheels-up forced landing from which all aboard walk away.

Later in the month, the second B-707-385C is delivered and christened *Lago Ranco*. En route from Santiago to Arica on December 19, a DC-6B with 99 passengers is captured by a lone gunman and diverted to Cuba. The craft is allowed to depart next day after Chile agrees to pay \$20,000 for provisions, fuel, and landing rights.

A youth is slain and a second held in a February 6, **1970** attempt to force a Caravelle VIR, with 71 passengers and on a domestic flight from Puerto Montt to Santiago, to fly to Cuba. Two detectives, a crewman, and a mechanic are wounded in the shootout, before a third policeman, disguised as a caterer, is able to act successfully.

The *Lago Ranco* is employed to begin an additional weekly Tahiti frequency via Easter Island on February 28. Having gained long-haul experience, the B-707-385C's crew inaugurates service to Europe on August 1, flying a route from Santiago and Asuncion to Frankfurt via Buenos Aires, Rio de Janeiro, Madrid, and Paris (ORY). The DC-6 service on the South Pacific route to French Polynesia is replaced by Strato-liner frequencies, when the *Lago Ranco* returns from Europe, thereby linking Tahiti with Europe via South America.

Marxist Salvador Allende becomes president of Chile on November 4. Domestic passenger boardings for the year are 200,069.

Given Soviet and Cuban political cooperation, the government in March **1971** decrees the opening of a new service from Santiago de Chile to Madrid via Havana, which begins on July 17.

Inconclusive talks are held with the governments of Australia and New Zealand concerning South Pacific rights.

Domestic enplanements for the year are down to 189,147.

When Braden Copper wins a court action to freeze Chilean assets in the U.S., LanChile is forced to cease New York services on February 18, **1972**; the suspension lasts just over a week. During the spring, domestic fares are significantly reduced and frequencies to Europe are doubled.

While en route from Panama City to Miami on May 25 on the continuation of a flight originating in Santiago, the B-727-116C with 60 passengers and flying at 30,000 ft., is subjected to a pipe-bomb explosion in its ice water service compartment. The blast causes rapid decompression and significant damage; however, the flight crew is able to cope and a safe emergency landing is made at Montego Bay, Jamaica. No injuries are reported.

In the summer, the carrier's technical staff successfully thwarts a government desire for the purchase of Soviet-made Ilyushin Il-62s.

In late winter **1973**, LanChile holds discussions with **SAS (Scandinavian Airlines System)** concerning the technical possibilities of opening a route to Sydney via McMurdo Sound in Antarctica.

President Allende is overthrown by assassination on September 11 and succeeded by Gen. Augusto Pinochet. Shortly thereafter, board member Gen. German Stuardo becomes the airline's new president. A charter proving flight is made Santiago de Chile-Sydney via Tahiti and Fiji on September 29. The former **Western Airlines** DC-6B is sold to the Chilean Air Force late in the year.

An experimental B-707-385C flight is made from Sydney to Punta Arenas via McMurdo Sound on February 9, **1974**. The historic aerial voyage is the first nonstop flight over the South Pole and is widely heralded in the international press. The Tahiti route is extended on a regular basis to Fiji on September 5. The fleet now comprises 8 B-727-116/116Cs, 2 B-707-385Cs, 3 Caravelle VIRs, 9 HS 748s, 8 DC-6Bs, and 6 DC-3s; orders are placed for two additional B-727-100s. On November 14, a B-707-351C is acquired from the American carrier **Northwest Airlines**.

A DC-3 with 3 crew and 27 passengers crashes on takeoff from Santo Domingo for a January 30, **1975** flight to Port au Prince (one dead).

During the remainder of the year and in **1976**, the carrier seeks to recover the success of the Allende period, facing record inflation and the loss of foreign credit only slowly restored. Although three additional B-707-385Cs are acquired, financial losses are suffered in both years.

The B-727-100s ordered in 1974 are received in **1977**. Carlos Tamayo hijacks one of the new Boeings, with 78 aboard, during a June 21 domestic service from Antofagasta to Santiago and diverts it to Mendoza, Argentina, where he surrenders.

Led by Patricia Castro Flores, three Chileans hijack a B-727-116 on a July 10 domestic flight and force it to land in Lima. There, they release their hostages and surrender to police in exchange for a promise of asy-

lum in the Venezuelan embassy; the pirates are allowed passage to Cuba the next day. On November 1, a nonstop Santiago de Chile–Miami service is started.

Enplanements for the year total 489,712, as a \$2.4-million loss is taken.

The workforce in 1978 totals an incredible 39,815. Santiago de Chile–Bogota and Caracas service begins in June. Simultaneously, service is suspended to Asuncion, Paraguay, and Guayaquil, Ecuador. Four Nihon YS-11As are placed in domestic operation.

While on final approach in fog to Buenos Aires after an August 3 flight from Miami, a B-707-342 with 8 crew and 55 passengers, strikes trees 2,500 m. short of the runway and hits the ground; although the plane is badly damaged, there are no fatalities.

Passenger boardings fall 1.6% to 481,591 and freight traffic is up a slight 0.2%. Revenues jump 26.3% to \$109.5 million and expenses are up 18.8% to \$105.9 million, providing a \$3.6-million operating profit.

Airline employment is reduced by 26.8% in 1979 to 2,059. Both a new logo and flight attendant uniforms are introduced, but otherwise, the carrier begins to retrench as the financial picture, led by increased fuel prices, worsens. Three B-727-116Cs and the four YS-11As are sold, the former to **Federal Express**. Service is suspended on several domestic routes, HS-748 flights are ended, along with flights to Bogota and Mendoza.

Passenger boardings drop 20.1% on the year to 384,801 and cargo falls 18.3%. A period of large financial losses begins.

The workforce is reduced 5.8% in 1980 to 1,940. Service is restarted to Mendoza and U.S. frequencies are increased. During the year, the last B-727-116 and all of the propeller equipment are withdrawn. In December, the company acquires its first wide-body, a DC-10-30 christened *Santiago*, leased from **Laker Airways, Ltd.** The first of two B-737-2A1A/Cs is delivered on December 22 and is christened *Arica*.

Passenger boardings dip 0.8% to 381,644, but cargo ascends by 13.1%. In terms of passenger kilometers flown, LAN-Chile now ranks as the 15th largest airline in Latin America.

The fleet in 1981 comprises 1 leased DC-10-30, 3 B-707-385Bs, 1 B-707-385C, 1 B-737-2A1A, and 1 B-737-2A1C. Patricio Supulveda is named president. The *Santiago* is returned to Laker in February; however, three other units will eventually be operated.

Enplanements grow to 435,554, but cargo is down by 23% to 75 million FTKs.

Airline employment in 1982 is 1,432. Two former **Air New Zealand, Ltd.** DC-10-30s are leased, replacing the returned Laker Douglas; the fleet is also enhanced by the addition of two more B-707-320Bs.

As the recession continues, along with internal problems, bookings plunge 17.4% to 370,781; freight, however, is up 12.7% to 79.2 million FTKs.

As the financial and traffic crises deepen in 1983, one B-707-320B and two B-707-385Cs are withdrawn.

In recognition of Chile's tacit support of Great Britain during the previous fall's Falklands War, Chile becomes the main commercial-air departure point to those islands. It is home to 2,000 British citizens and a large military base that has been beefed up to guard against any further attack from Argentina.

LanChile Flight 991 operates weekly return service from Puerto Montt via Punta Arenas, both on the tip of Chile, to Mount Pleasant airport on the Falklands.

Passenger boardings fall again, down 13.6% to 320,368 and cargo is off by 8.9% to 72.18 million FTKs.

After a level employment year, the workforce is increased in 1984 to 1,495. Passenger boardings finally rise, up 5.2% to 337,183; freight grows 1.6% to 73.33 million FTKs.

Airline employment is slashed to 851 in 1985. One more B-707-320B is sold as a B-767-284ER and a B-737-216 are ordered. In July, the structure of LanChile is changed as it becomes a public share company.

Bookings swell 17.3% to 395,524 and cargo grows a miniscule 0.7% to 73.82 million FTKs. Revenues are \$126.3 million and expenses

\$124.9 million; profits (at last) are \$1.34 million (operating) and \$675,000 (net).

The B-767-284ER is received in July 1986 and placed on the Miami and New York routes. The B-707-330C, first known as the *Bremen*, is retired and one of the chartered New Zealand DC-10-30s, the *Valparaiso*, is returned to its owner.

On September 1, the new B-767-284ER with 193 passengers, makes the first ever twinjet revenue service across the South Atlantic, Rio de Janeiro to Madrid. A second B-767-284ER and a B-737-216 are received late in the year, allowing the return of the carrier's second chartered New Zealand DC-10-30. In an effort to restore financial viability, the government, in December, transfers 51% shareholding to the state development agency CORFO, which begins to sell shares to the private sector.

Enplanements for the year total 433,743.

Airline employment stands at 895 in 1987. Operating under its new legal and administrative status, LanChile undertakes a number of cost-cutting strategies. Early in the year, the two leased DC-10-30s are returned and the in-flight catering division is closed down and replaced by a contract with Marriott Corporation. Even the flight attendants are dismissed—and then rehired indirectly through a temporary employment agency.

Arriving at Calama with the sun in his eyes on an August 4 service from Santiago, the pilot of the first B-737-2A1, the *Arica*, with 2 other crew and 30 passengers, lands 520 m. short of the runway. The nosegear collapses, the aircraft breaks in two, and a fire starts (1 dead).

LanChile provides transport around the country for Pope John Paul II during his visit. Mercury Air Cargo is retained at Los Angeles (LAX) as the company's cargo handler and general cargo sales agent.

The carrier's 9 jetliners transport a total of 498,555 travelers, for a 13% increase; cargo accelerates 42.9% to 123.97 million FTKs. These figures translate into profits of \$5.6 million (operating) and \$4.12 million (net).

The workforce is increased by 22.7% in 1988 to 1,261 and 4 B-737-216s join the fleet, all dedicated to increasing domestic services. At the beginning of the year, a new route to Los Angeles is inaugurated.

The company's third hush-kitted B-707F is received in March and is the 100th Stratoliner modified by Tracor Aviation with its Tracor/Shannon Quiet 707 hush kit. In August, **British Airways, Ltd. (2)** proposes its acquisition of up to 35% of the Chilean carrier; the two companies undertake feasibility studies, as other airlines also prepare bids.

The privatization is opposed by the military on national security grounds. Later in the year, B-767-284ER flights begin to Los Angeles. Also, Gen. Pinochet is rejected by a popular referendum. Having himself named a senator-for-life, he leaves the presidency to what will become a multiparty democratic system.

Passenger boardings jump 17.2% to 587,520 and freight increases 23.9% to 153.66 million FTKs. Revenues rise 16.8% to \$183 million and although the operating profit falls to \$3.9 million, net gain climbs to \$4.86 million.

Company employment grows by 26.9% in 1989 to 1,600. In January, the government alters the terms of the bidding process available to foreign airlines seeking an interest in the carrier and as a result, most drop out forcing the government to temporarily cancel the planned 32.7% privatization. A liberal Chile–U.S. air service bilateral agreement, which will lead to later difficulties, is negotiated.

Simultaneously, twice-weekly B-767-284ER flights begin from Santiago de Chile to Montreal via Miami and New York. Employing a leased DC-8-73F, all-cargo services begin over the same route. Meanwhile, a B-767-284ER frequency is stretched by President Patricio Supulveda's airline from Santiago de Chile to Los Angeles via Panama City. Late in the first quarter, construction is started on a new \$4.2-million, 13,000-sq.-m. maintenance center in Santiago.

Representatives of 60 Latin American export corporations are transported during August to destinations in Tahiti, New Zealand, Indonesia, and Australia. The carrier is privatized in September, with **SAS**

(**Scandinavian Airlines System**) acquiring both minority shareholding and the resulting management contract. With SAS support, the Chilean firm Icarosan, S.A. takes \$42.3-million majority, 51% control. Icarosan is headed by **LADECO Chilean Airlines, S.A.** Vice President Guillermo Carey, who jointly owns it with Banque Europeene pour Amerique Latine; \$29.5 million of the purchase price comes from SAS-backed loans from New York's Morgan Guaranty Trust.

Following the October takeover, Carey is named CEO, succeeding Sepulveda, who moves to LADECO. A third leased B-767-284ER is delivered, also in October; the new aircraft replaces the last leased Strato-liner and is employed to double the Santiago to Madrid frequency to twice weekly.

During the final two months of the year, negotiations are opened with **Aeroflot Soviet Airlines** concerning the establishment of joint Santiago-Moscow air services, with reciprocal ground handling at the two destinations.

The B-747-44 *Ciaran* (St. Kieran), painted in full LanChile colors, is leased to the Santiago-based flag carrier on December 1 by **Aer Lingus Irish Airlines, Ltd.** For the high summer season in South America, the Jumbojet is placed on the services from Santiago to Miami and New York and to Los Angeles.

Also the first of two ordered British Aerospace BAe 146-200s is received in December.

Customer bookings jump 15.6% to 673,842 while cargo rises 19.8% to 184.09 million FTKs. Profits are \$2.56 million (operating) and \$6.4 million (net) on revenues of \$213.1 million.

The payroll climbs 15.3% in 1990 to 1,743 and the fleet now includes 2 ex-**Presidential Airways** BAe 146-200As delivered on January 8, 3 B-767-284ERs, 2 B-737-291As, and 5 B-707C/Fs. **SAS (Scandinavian Airlines System)** acquires 30% shareholding, worth \$15 million, in January. That figure will later climb to 35% and include three seats on the Chilean carrier's board of directors. The acquisition is made from Icarosan via Inversiones SAS Chile, a company incorporated just for the occasion.

Also in January, the first BAe 146-200 enters domestic service as the second arrives; orders are placed with GPA Group for two leased B-767-33AERs. On February 20, one of the new BAes, with 84 aboard, overruns a runway on landing at Puerta Williams, Navarino Island, and comes to rest on a submerged sandbar offshore (19 dead).

The privatized carrier becomes much more aggressive and during February and March introduces, in competition with LADECO, new promotional night fares that are 40% lower than regular ticket prices. The company is now the leading Chilean airline between Santiago and the U.S., carrying 76% of all traffic, and between Santiago and other South American nations, transporting 73% of the passengers; at home, 44% of domestic Chilean flights are made aboard LanChile aircraft.

The *Ciaran* (St. Kieran) returns to Dublin on March 5. In April, new domestic destinations are added at La Serena, Los Angeles, Valdivia, Osorno, and Coyhaique.

The new Santiago maintenance center is opened in April and on June 23, a B-707-321C is destroyed beyond repair in a towing accident at Santiago.

In July, a supersaver 50% promotion is unveiled on international flights. Following signature of the previous year's bilateral, **American Airlines** begins massive capacity and discount competition in the company's region. During the month, LanChile joins with **LADECO Chilean Airlines, S.A.** to file a suit with the Chilean Comision Resolutiva Antimonopolios charging the American major with price dumping. Following Iraq's August invasion of Kuwait, oil prices rise rapidly.

At the same time, a joint "direct access" agreement is signed with **LADECO Chilean Airlines, S.A.** covering the use by both airlines of the System One computerized reservations system. In September and October, LADECO retaliates with its own 50% discount tickets; the two airlines are now engaged in the first fare war in South America's only deregulated skies.

The competition, rising fuel costs, excessive capacity, and other factors have brought a \$7.6 million loss since January. The **SAS (Scandinavian Airlines System)** partnership with Icarosan collapses in November, following the dismissal of the latter's head as airline chairman/CEO by the former and his replacement by two Swedish appointees. Jose Luis Moure, a Corfo member of the board, becomes chairman, with former SAS U.K. official Karl A. Kristiansen as CEO. Two other SAS officials, Rudi Schwab and Luis Davids Poskitt, are also seconded from Stockholm. Capitalization is increased by \$10 million, 40% immediately with the remainder due in eight quotas every three months. Frequencies to some destinations are reduced, while all New York flights are scheduled through Miami. With union agreement to a wage freeze and a reduction in force, personnel layoffs begin. In addition, two B-707Fs are sold to the Chilean Air Force for \$8 million and a B-737-291A is disposed of to **Aloha Airlines** for \$15 million.

En route from Tahiti to Santiago de Chile on November 23, Flight 33, a B-767-284ER, is seized on Easter Island by a group of passengers protesting the high cost of Chilean air fares. Once the demonstration has been completed, the hijackers release their hostages and allow the flight to be completed.

Passenger boardings for the year ascend 11% to 752,848 while freight swells 14% to 209.85 million FTKs. Revenues are up 14.2% to \$243.4 million, but expenses increase 22.9% to \$258.74 million. As a result, the carrier suffers an operating loss of \$15.3 million and a net loss of \$8.5 million.

The payroll is sliced 31.2% in 1991 to 1,200 and the leased fleet now includes 1 each B-707-323C, B-707-331C, B-737-2L9A, B-737-2T5A, B-737-291A and 2 each BAe 146-200s, B-707-351Cs, B-767-2Q8ERs, and 2 B-767-284ERs that are leased to **Royal Brunei Airlines** and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** Orders are outstanding for one B-767-216ER and a B-767-33AER. During the year an extensive corporate restructuring and reorganization occurs and the company is divided into six business units.

In January, an agreement is signed with **Mexicana Airlines, S.A. de C.V.**, whereby LanChile will feed passengers into Mexico City for transfer to the Mexican airline's flights to the U.S. and Caribbean.

Just after landing at Puerto Williams on February 20 after a non-scheduled service from Punta Arenas, a BAe 146-200A with 7 crew and 66 passengers, overruns the runway and ends up in the water (20 dead).

Also during the first quarter, a \$7-million loan is negotiated from the NMB Bank of Holland. Having completed his emergency work, CEO Kristiansen resigns in April and is succeeded Rudi Schwab, who actually resigns from SAS before accepting the post.

In July, the company joins with **SAS (Scandinavian Airline System)** in a joint venture to operate duty-free sales on the Chilean carrier's international services to North America, Europe, the South Pacific, and within Latin America. SAS Trading provides training and other support. The following month, the Chilean airline becomes general sales agent for the Scandinavian carrier in Chile.

Customer bookings decline 7.7% to 693,531, but cargo is up 5.5% to 221.39 million FTKs. Income of \$261.1 million exceeds expenses and there are record profits of \$12.1 million (operating) and \$3.5 million (net).

Company employment is increased a dramatic 58.8% in 1992 to 1,905 and the fleet is increased by the addition of a B-767-33AER and two B-767-3Y0ERs, one of which is subleased to **Transbrasil S.A. (Linhae Aereae Transbrasil)**, plus a Douglas DC-8-71F. In an effort to improve its Executive business-class service, seat pitch is increased to 50 inches in April.

Passenger boardings resume their upward path, growing by 33% to 922,653. One of the few international airlines to have both a good 1991 and 1992, LanChile sees its revenues ascend 18.5% to \$309,000. Revenues swell to \$309.4 million, but the operating profit drops to \$8.6 million. This year's net profit also slides, declining to \$1.2 million, due largely to a \$7.5-million charge required to unload the leases on unneeded flight equipment.

In 1993, President Moure and General Manager/Chief Operating Officer Sverneric Persson oversee a workforce of 1,979, up 3.9% over the previous year. Fleet modernization continues and by March two more DC-8-71Fs and a B-767-3Y0ER are placed into service. A domestic network is operated from Santiago to Arica, Antofagasta, Calama, Concepcion, Copiapo, Coyhaique, Easter Island, El Salvador, Iquique, Osorno Puerto Mont, Punta Arenas, and Temaco. From the same hub, international markets served include Asuncion, Buenos Aires, Caracas, Rio de Janeiro, Lima, La Paz, Los Angeles, Madrid, Mexico City, Miami, Montevideo, Montreal, New York, Panama City, Papeete, Santa Cruz, and São Paulo.

In April, both **American Airlines** and **United Airlines** announce plans to dramatically increase capacity and services into Chile. Once again, the two Chilean carriers go before the Comision Resolutiva Antimonopolios seeking relief and this time the government body grants an injunction. The capacity question intrudes on bilateral discussions with the American government. During the summer, negotiations are held with **Delta Air Lines** concerning a possible code-sharing agreement.

CEO Moure resigns in October, effective the coming March 1. Former CEO Carey sells his 20% stake to Fast Air in December and to Chilean investor Boris Hirmas. Fast Air, represented by its Executive Vice President Enrique Cueto, and Hirmas each receive seats on the LanChile board of directors. Later in the month, the U.S.-Chile bilateral disagreement is resolved; however, the airline's pilots go on strike for two days.

By year's end, the **SAS (Scandinavian Airlines System)** 42.1% share totals \$35 million in equity and loans; the Scandinavian consortium offers to sell all or part of this investment.

Customer bookings move ahead by 14.3% to 953,000 while cargo is up 13.3% to 256.3 million FTKs. Revenues climb 2.7% to \$317.9 million and an operating surplus of \$10.5 is registered; net profit, however, plunges 72% to \$324,000.

Airline employment is increased 3.8% in 1994 to 2,143. Cueto and Hirmas, in February, purchase the 42.1% stake held by **SAS (Scandinavian Airlines System)** for a bargain \$19 million. At the same time, the new board authorizes a \$45-million capital expansion.

Although he remains on the board of directors, CEO Moure's resignation takes effect on March 1, at which time he is succeeded by Cueto. Company officials join with those from **Air New Zealand, Ltd.** in March to announce the inauguration of code-sharing flights between Santiago and Australia and New Zealand via Tahiti. In April, frequencies to Madrid and Frankfurt are increased from twice weekly to thrice weekly. Flights to Panama City end.

In the spring, the two B-767-2Q8ERs are subleased to **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and the two B-767-284ERs to **Transbrasil S.A.** The Cueto consortium, on May 26, acquires the 19.98% stake held by the Icarosan investment company and former CEO Carey. For the first time in its history, the carrier is 100% privately owned, with shareholding divided four ways: Cueto Group 38.5%, Pinera Group 33.1%, Hirmas Group 19%, and Eblen Group 8.1%. Four days later, \$20 million in new capital is injected, which will lead to many dynamic initiatives.

Full control of **Fast Air Chile, S.A.** is acquired on June 1 for \$13.7 million. The same month, a strategic and commercial agreement is signed with competing **LADECO Chilean Airlines (Linea Aerea del Cobre, S.A.)**. Its most significant provision allows passengers to fly on either airline on routes flown by both. In addition, flights to Bolivia are increased to 10 per week.

Service expansion continues throughout the summer and into the fall. In July, frequencies to Easter Island and Papeete, Tahiti, are increased to three per week while new domestic flights commence to La Serena and Valdivia. Flights over the route to Mexico City and Los Angeles climb to four per week during August, while an equal number of flights to Europe begin in September.

In November, the carrier wins a case in a U.S. federal court against the Immigration and Naturalization Service; under the court's ruling, the

INS will pay the Chilean company \$620,678 plus interest to cover its costs for passengers who flew into the U.S. without visas and then claimed asylum. During the fall, the airline applies to the Antimonopolios Commission for permission to take over **LADECO Chilean Airlines (Linea Aerea del Cobre, S.A.)**; however, the bid, which will give LanChile control of 80% of the domestic market, is turned down. LanChile successfully reapplies in December.

Passenger boardings leap up 16.4% to 1,176,389, while freight accelerates by 9.5% to 322.47 million FTKs. Revenues jump 27.9% to \$406.76 million and expenses are up 27.5% to \$391.95 million. The pretax gain climbs to \$14.77 million and the net profit reaches \$5.33 million.

The workforce grows 5.2% in 1995 to 2,255.

In January, the company expands its services to and from U.S. gateways. In Miami, the carrier adds daily nonstop flights direct to Santiago, bringing the total number of weekly flights to 11. From New York (JFK), it adds two weekly nonstops to Lima, Peru. An additional flight is also added on the Los Angeles to Santiago run, bringing the total number of weekly departures to four.

On June 1, **LADECO Chilean Airlines (Linea Aerea del Cobre, S.A.)** majority owner and close business associate Sebastian Pinera sells his 19% equity in LanChile to the LanChile investor group headed by the company's chairman Enrique Cueto; the equity costs \$19 million. The arrangement is approved by the Chilean Comision Resolutiva Antimonopolios in August.

Unhappy with contract negotiations, the company's 200 unionized pilots strike on December 4-5. In order to maintain some services, the company is able to successfully renumber certain **LADECO Chilean Airlines (Linea Aerea del Cobre, S.A.)** flights as its own. Talks resume on December 6 and reach closure.

Enplanements jump 21.3% to 1,427,195 and cargo accelerates by 38.3% to 446.04 million FTKs. Operating revenues increase 44.8% to \$588.87 million and costs ascend 41.6% to \$554.85 million. Operating gain moves up to \$34.01 million and net profit increases five-fold to \$25.36 million.

Airline employment is increased 28.4% in 1996 to 3,546.

The routes to Asuncion, Paraguay, and Guayaquil, Ecuador, closed 18 years earlier, are reopened in June. In July, code-sharing is begun with **Air New Zealand, Ltd.** aboard flights between Santiago and Auckland. New routes are also opened to Cancún, Mexico, and Punta Cana, Dominican Republic.

During the year, negotiations are undertaken with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for purchase of the European carrier's 38% stake in **LADECO Chilean Airlines (Linea Aerea del Cobre, S.A.)**

Customer bookings increase 34% to 1,912,207 and 529.83 million freight FTKs are operated, an 18.8% increase. Revenues advance 18.5% to \$697.68 million while expenses are up only 17.4% to \$651.52 million. A \$46.15-million operating profit is generated and a net return of \$38.31 million is posted.

The employee population is cut by 23.9% to 2,700 in 1997 to 2,700, the year the company celebrates its sixty-eighth anniversary. The BAe 146-200s are retired during the year.

In February, the Chilean Comision Resolutiva Antimonopolios tentatively rules that the company may not acquire the assets of **LADECO Chilean Airlines (Linea Aerea del Cobre, S.A.)** when the Liquidation Commission places them on the open market. LanChile appeals the ruling to the Supreme Court.

At the end of the first quarter, the company announces that it will undertake a \$20-million investment program to upgrade its first- and business-class seating, install new in-flight entertainment systems, improve in-flight services, and modernize airport lounges and ticket counters. Additionally, it contracts with Davies Bacon Co. for a makeover of the LanChile logo and livery, as well as the design of new uniforms and service products.

On June 1, a \$300-million order is placed with Boeing for three B-767-316ERs, which will begin delivery in April 1998. The same day,

Chile's Minister of Labor Jorge Arrate and company President Videla announce the signing of a historic labor pact with the unions of administrative employees, pilots, technicians, and mechanics good for the next four and a half years.

Six days later, service from Santiago to Mexico City is increased from five flights per week to seven while frequencies to Cancún are boosted from one each week to thrice-weekly. Seven new flights to the U.S. are also added.

The purchase of **LADECO Chilean Airlines (Linea Aerea del Co-bre, S.A.)** is completed on June 27. For a total purchase price of \$38.4 million handled by the subsidiary San Alberto, S.A., LanChile has acquired 99.41% of LADECO's property and a new wholly owned affiliate. LADECO's international services to Asuncion, Bogota, Guayaquil, Mendoza, Miami, Rio de Janeiro, and Washington, D.C. are withdrawn.

A B-737-281 is purchased from **Arkia Israel Airlines, Ltd.** during July. By month's end, the carrier has increased its share of the domestic passenger market to 42.9% since January.

In August, an all-cargo alliance is entered into with **American Airlines**; the South American carrier assumes responsibility for boosting American's cargo sales throughout Chile. CEO Purcell notes at an August 21 meeting that he is negotiating with both **American Airlines** and **United Airlines** concerning a possible code-sharing agreement.

Two weeks later, in the first week of September, Lan Chile signs a full code-sharing agreement with **American Airlines** designed to increase the number of its U.S. passenger destinations and permit its customers to travel from any city in Chile to any destination in the U.S. airline's worldwide network.

The compacts will be held up in regulatory hearings following challenges to the U.S. DOT by **United Airlines** on September 12.

During the summer and fall, joint planning is undertaken with the TACA Group and the Brazilian carrier **TAM (Transportes Aereos Mercosur, S.A.)** for the joint acquisition of up to 200 new narrow-body jetliners.

In November, the carrier becomes the first airline from Latin America to be listed on the New York Stock Exchange. Its initial public offering brings in \$100 million.

Having exceeded its existing cargo facilities at Miami (MIA), the company, on December 1, retains Mercury Air Cargo as its import cargo ground handler.

Twice-weekly B-767-3Y0ER roundtrips commence on December 26 from Santiago de Chile to Orlando. In celebration of the new service, all passengers departing on the new route through March 1 and who are LatinPass frequent flyer club members will receive a bonus 5,000 loyalty miles. LanChile is the only South American carrier offering regularly scheduled flights between these two communities.

Passenger boardings jump 38.5% to 2,647,584 while freight skyrocket 78% to 943.25 million FTKs. Operating revenues accelerate 39.8% to \$969.8 million, while expenses rise 37% to \$886.9 million. The operating profit climbs to \$82.9 million and net gain nearly doubles, reaching \$64.1 million.

Lufthansa Lan Technical Training Chile, S.A., a new maintenance, repair, and overhaul (MRO) training operation jointly owned with Lufthansa Technik, opens at Santiago on January 1, 1998.

During an official ceremony in Santiago on January 23, a commercial alliance agreement is signed with **Canadian Airlines International, Ltd.** When the pact takes effect on March 11, the two will coordinate their schedules and link their frequent flyer programs. Initially, passengers will be able to travel on LanChile from Santiago to Los Angeles and connect with Canadian service to Vancouver. The signing by the airline representatives is witnessed by Eduardo Frei, president of the Republic of Chile, and Canadian Prime Minister Jean Chretien.

Also in January, the company unveils a new \$600-million, 3-year self-investment plan. In addition to fleet standardization, the program will include interior renovation of all aircraft and a corporate image change.

On March 2, nonstop B-767-3Y0ER roundtrip frequencies between Lima and New York (JFK) are increased from four times a week to daily,

while roundtrip service from Lima to Los Angeles, the only nonstop service between Chile and California, is boosted to thrice weekly.

As a result of the new air bilateral agreement between Peru and Chile, the number of weekly frequencies between Santiago and Lima is simultaneously increased from 7 to 21.

Dual-designator flights with **Canadian Airlines International, Ltd.** commence on April 8. In addition to the daily Los Angeles connection announced earlier, the two companies also share daily return flights between Toronto and Santiago. Customers fly Canadian to Miami, where they seamlessly board LanChile for the remainder of their trip; the process is reversed on the return.

Airbus Industrie achieves an historic victory over its Boeing competitors in April when it signs a gigantic South American consortium purchase agreement. Under its terms, LanChile will take 20 A320 family aircraft (11 A319-100s and 9 A320-200s), with 20 options. Other participants are **TAM (Transportes Aereos Regionais, S.A.)** on behalf of itself and its subsidiaries, which agrees to acquire 38 firm A320 family aircraft, with 37 options. TACA Group, which includes **TACA International Airlines, S.A.**, **SAHSA (Servicio Aereo de Honduras, S.A.)**, **NICA (Nicaraguenses de Aviacion, S.A.)**, **LACSA (Lineas Aereas Costarricenses, S.A.)**, and **AVIATECA (Aerolineas de Guatemala, S.A.)** promise to take 32 firm A320 family planes, plus 32 options.

In May, service from Miami to both Bogota and Guayaquil is increased from two flights every week to three.

A new \$30-million corporate identity, designed by the British firm Diefenbach, Elkins, Davis and Baron, is unveiled on June 10, based on the theme "The Spirit of the South of the World." New images, colors, and design elements are incorporated into a new logo. In addition to new exterior paint, all aircraft receive interior makeovers, with new fabrics, colors, and textures. New uniforms, designed by Ruben Campos, are introduced, along with new menus. Enhanced in-flight service and customer training for company flight attendants also begins.

A B-767-316ER delivered during the month is the first aircraft to wear the new livery. Two more will arrive before the end of the year. Arrangements are also made to exchange one of the B-767-316ERs, scheduled for delivery in June 1999, for a B-767F, to be delivered in September.

On July 6, daily nonstop B-767-3Y0ER roundtrips commence between Lima and Los Angeles. The new frequency more than doubles that previously available over the route. Also during the month, agreement is reached to merge **Fast Air Chile, S.A.** into LADECO.

A strategic marketing agreement is signed with **Qantas Airways (Pty.), Ltd.** on July 22. The new alliance will allow customers of one airline to participate in the frequent flyer program of the other. Qantas is able to place its codes on LanChile return flights from Santiago to Easter Island and Papeete, while the Chilean major affixes its code to Qantas services from Papeete onto Auckland and Sydney.

Twice-daily B-737-230A roundtrips are introduced on August 1 between Santiago and Cordoba, Argentina. Unexpected slow growth in the Chilean airline industry so far this year leads to the carrier's layoff of 150 workers on August 10.

The regrettable news for workers is succeeded on August 17 by the award of an international prize. In the tenth annual "Cellars in the Sky" airline wine voting sponsored by *Business Traveler International Magazine*, LanChile is judged to have the top cellar out of the 34 airlines participating in the contest.

In celebration of the fortieth anniversary of Santiago to Miami service, the company, on August 26, makes a special offer. All passengers purchasing a full-fare roundtrip from the U.S. to South America over the next three days may have a companion ticket for just \$40.

During September, a survey of the readers of *Travel & Leisure* magazine finds LanChile to be the best airline for service between North America and Latin America. Also during the month, the B-767F is received and enters service.

In an effort to assist individuals impacted by Hurricane Georges in and around the city of San Pedro de Macoris, Dominican Republic,

LanChile, on its two flights to Punta Cana from Miami during the week of October 5, flies in *gratis* some 21,000 pounds of food.

Later in the month, former Chilean dictator Augusto Pinochet is arrested while in the U.K. for medical treatment and faces extradition to Spain on murder and torture charges arising from his years in power.

Fast Air Chile, S.A. is merged into LADECO at the end of the month.

In November, the carrier announces a 49% stake in a new domestic Peruvian airline to be called **LanPeru, S.A.** The start-up will operate a pair of B-737-200s leased from LanChile. Also during the month, the company begins to code-share with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on flights between Santiago and Mexico City.

Pinochet appears in a London court on December 11 and is remanded on bail pending another hearing in January. Reacting to the charges facing the now Chilean senator-for-life, Chilean Foreign Minister Jose Miguel Insulza the next day indicates his government's opposition to any extradition of Pinochet to Spain.

As a way of putting pressure on Great Britain, Insulza announces that LanChile has been requested to halt its Flight 991 to Mount Pleasant Airport on the Falkland Islands. The airline initially resists implementation of the drastic step, which would effectively sever regular commercial air contact between the remote South Atlantic islands and the outside world.

Thrice-weekly B-767-3Y0ER roundtrips commence on December 26 from Santiago de Chile to Orlando via Miami. The next day, the company's wide-bodies launch direct return service from Miami to Iquique, four times a week. Connections are available from the oceanfront city to other destinations in northern Chile, including Arica, Calama, and Antofagasta.

Passenger boardings shoot up 13.3% to 2.99 million and cargo traffic increases 27.7% to 1.2 billion FTKs. Net income of \$31 million is reported for the year, on top of revenues of \$1.08 billion.

Airline employment stands at 4,884 at the beginning of **1999**, a huge 80.9% increase.

On March 5, the company celebrates its seventieth anniversary. The carrier announces on March 31 that it has raised \$60 million in the international debt capital markets by securing future U.S. credit card ticket sales.

As former ruler Gen. Pinochet's case moves through British courts, the government of Chile on April 10 suspends LanChile's services from Punta Arena to Port Stanley in the Falkland Islands. The only commercial air service to the British possession, except for a single weekly flight from Britain, is thus terminated.

Executives express interest in rejoining the LatinPass multi-airline frequent flyer program on April 20; meanwhile, customers continue to earn bonus miles on the company's LanPass program, or on the Canadian Plus plan of **Canadian Airlines, Ltd.** or AAdvantage of **American Airlines.**

On April 22, the long-planned alliance with American receives tentative approval from the U.S. DOT, with certain restrictions. Although the two are allowed to coordinate their routes and jointly market tickets on each other's flights through code-sharing, computerized reservations system cooperation and fare coordination are restricted and the Miami-Santiago route is excluded from antitrust immunity for a period of 18 months.

The British government on April 30 requests that Chile reconsider its April 10 suspension of LanChile's flights to the Falkland Islands.

Following a meeting of the CEOs of the "OneWorld" global airline alliance in Vancouver on May 14, it is announced that LanChile will become the group's eighth member in early **2000**. It will also be the first South American partner in the international marketing pact.

On May 21, LanChile moves to the new Terminal A at Miami (MIA). The location allows the carrier to enjoy new counters, equipment, and the latest computer technology.

Under terms of a strategic agreement signed on May 21, LanChile and **VARIG Brazilian Airlines, S.A.** commence dual-designator service on June 1 from Peru to Japan.

During the week of May 24, three days of discussions are held in London between British and Argentine ministers concerning the possibility of renewed air links between Argentina and the Falkland Islands. Although no breakthrough is reached, the parties agree to resume negotiations in New York during the summer. Meanwhile, the LanChile ban remains in place.

LanPeru, S.A. receives certification from the Peruvian government on June 24 and inaugurates B-737-2Q3As service on July 5 from Lima to Cuzco and Arequipa.

Three new nonstop weekly B-767-3Y0ER roundtrips begin on July 7 from Santiago to Los Angeles, with direct service to Buenos Aires. The new service marks an increase to 10 flights weekly between the 2 cities, a 42% increase in frequency.

All international flights become nonsmoking on August 1. Saturday-only B-737-291A return service is resumed on August 7 from Santiago to Mount Pleasant Airport in the Falkland Islands via Puerto Montt and Punta Arenas.

Internet ticket sales are launched on September 8.

The code-sharing pact with **American Airlines**, started in September 1997, is finally approved by the U.S. DOT on September 15. The same day, a joint-venture company, formed with Lufthansa Flight Training, GmbH., opens at Santiago. Designed to become the largest airline-run pedagogical academy in South America, the new facility will offer comprehensive pilot training, flight attendant emergency instruction, and other educational instruction.

Code-sharing flights between Miami and Santiago with **American Airlines** commence on October 13.

A joint-marketing and code-sharing agreement is signed with **Alaskan Airlines** on November 3; in the first phase, the South American carrier will place its designator on Alaskan flights from Los Angeles to Portland and Seattle.

The company accepts delivery of its second B-767-316F on December 22.

Passenger boardings accelerate 2.6% on the year to 4,288,000 while freight traffic increases 39.5% to 1.73 billion FTKs. Operating revenues ascend 14.1% to \$1,236,667,000 and expenses are also up 14.1%, to \$1,185,827,000. The operating profit climbs to \$44.39 million, while net gain reaches up to \$47.58 million. These figures confirm that LanChile is the most profitable airline in South America.

Airline employment at the beginning of 2000 stands at 5,492, a 12.4% increase over the previous 12 months. Among the world's top 25 airlines, LanChile ranks 21st in FTKs.

In May, the U.S. DOT proposes to levy a \$332,500 fine against the airline for its undeclared shipment of oxygen generators on a U.S. flight in 1999.

A comprehensive marketing and code-sharing alliance is entered into with **British Airways, Ltd. (2)** on June 12. Under terms of the new code-sharing agreement with its "OneWorld" partner LanChile, the previous BA service from London (LHR) to Santiago via Buenos Aires is halted at the Argentine city on August 1. The connection between Buenos Aires and the Chilean capital are now flown by LanChile, with these flights also operating with a BA designator.

The company's third B-767-326F enters service on a Santiago to Miami route on August 25.

An extraordinary shareholders meeting is held on September 5 during which stakeholders approve a measure to increase capitalization by \$120 million. The board of directors will determine the exact price of an offering at a later point. The new funds will be employed for the acquisition of new aircraft.

The first A340-313X is delivered during Toulouse ceremonies on September 25 and flies to Lima the next day.

A woman passenger aboard the airline's September 28 B-767-3Y0ER service from Santiago to New York (JFK) suffers an epileptic seizure, causing the pilot to divert to Guayaquil. Just before landing, flight attendants, checking the plane, discover a man's dead body in the rear restroom.

The premier A340-313X enters service on September 29 on the carrier's thrice-weekly roundtrip service between Santiago and Madrid, with continuation to Frankfurt. En route, a Brazilian male passenger attempts to open an exit door (which is not physically possible). He is restrained and arrested by police when the aircraft reaches Spain.

On October 7, the daily B-767-3Y0ER roundtrip service between Santiago and New York (JFK) is doubled.

The first of 25 new A320-233s is delivered on October 21. After its arrival at the Chilean capital a day later, it is put into service on domestic and regional routes to São Paulo, Buenos Aires, Lima, and Cordoba.

At the end of October, Eagle Global Logistics, new majority owner of **Miami Air International**, enters into a strategic all-cargo alliance with LanChile, as well as the freight lines it controls, **Fast Air Chile, S.A.**, **MasAir (Aerotransportes Mas de Cargo, S.A. de C.V.)**, and **Florida West International Airways**.

On November 1, a two-year commercial agreement is signed with **Ecuadoriana Airlines, S.A.** to operate its aircraft on the Ecuadorian airline's international routes beginning in December. The initial wet-leased and code-shared services will be flown from Guayaquil and New York (JFK); later, Guayaquil to Miami via Quito flights will be added.

A court in Lima, on November 4, approves the continuing ACMI contract with LanChile, S.A. **LanPeru, S.A.** ceases its international flights on November 16, however, when its founders, LanChile and Peruval, get into a brawl over cargo regulations and use of the B-767, Peruval requests that a Peruvian court appoint a provisional administration to replace LanPeru's LanChile managers. In fact, the battle is really over the division of belly-cargo revenues. On November 24, LanPeru is placed into administration (declared bankrupt). A court-appointed administrator takes over day-to-day operations, now restricted to domestic flights only.

The second A320-233 arrives on November 9. Also in November, the former Chilean cabinet member and businessman Sebastian Pinera succeeds Jorge Awad as chairman of the board of directors; Awad remains a director. At the same time, CEO Cueto is named "2000 Aviation Person of the Year," by the leading Spanish-language aeronautical journal *Rivista Aerea*. Also during November, an agreement is signed with Eagle Global Logistics under which the giant U.S. forwarder will seek greater use of LanChile's freighter capacity.

LanPeru, S.A., on December 1, files a \$10-million suit against LanChile, claiming that the Chilean line had forged customs papers in order to illegally employ shared joint cargo space on the company's services to Miami. Employing a pair of A340-313Xs received in September and November, daily nonstop return service commences on December 1 from Santiago to Madrid. The last two of four A320-233s to be delivered this year arrive at Santiago on December 1 and 7, respectively.

On December 11, the internal dispute at **LanPeru, S.A.** causes it to cease domestic operations and park its aircraft at midnight when their leases expire. The concern is officially closed down at 6 a.m. the next morning.

On behalf of **Ecuadoriana Airlines, S.A.**, B-767-3Y0ER roundtrips commence between Guayaquil and New York (JFK) on December 15. On December 19, it is reported that LanChile will, in fact, enhance its own cargo service, purchasing a pair of B-767Fs and leasing a third from GECAS.

To provide assistance as it reaches to expand its cargo markets in North America, LanChile, on December 22, formally purchases a 25% stake in **Mas Air (Aerotransportes MAS de Cargo, S.A. de C.V.)** for \$5.1 million. It also pays another \$900,000 to acquire a 25% equity share of **Florida West International Airlines**.

On December 22, a code-sharing agreement is inked with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Under its terms, the two will place their codes on each other's flights throughout Europe and South America beginning on January 1.

Revenues this year grow 15.2% to \$1.42 billion, while expenses rise 13.2% to \$1.34 billion. Net income surges 92.2% to \$36.7 million.

LANEP (LINEAS AEREAS DE NICARAGUA, EMPRESA PALAZIOS, S.A.): Nicaragua (1934–1935). In 1934, Palazio and Company purchases the year-old carrier **LANEV (Lineas Aereas de Nicaragua, Empresa Vendetti, S.A.)**, plus its Ford Tri-Motor and route from Managua to the Pacific coast. Despite coordination with equally unsuccessful Honduran-based **Morgan Airlines, S.A.**, the operator is unable to turn a profit and is sold to Lowell Yerex's **TACA (Transportes Aereos Centro Americanos, S.A.)** on October 16, 1935.

LANEV (LINEAS AEREAS DE NICARAGUA, EMPRESA VENDETTI, S.A.): Nicaragua (1933–1934). LANEV is organized at Managua in 1933 to connect the Nicaraguan capital with the Pacific coast. A Ford Tri-Motor is obtained and employed to launch revenue flights. Unable to succeed, the company is sold to Palazio and Company in 1934.

LANG AIRE: United States (1987–1992). Lang is established by Larry J. Siggelkow at Las Vegas in early 1987 as the airline division of his Lang Enterprises, Inc. to fly passenger charter flights over the Grand Canyon. The company's 11 Cessna 402s and 207s transport a total of 27,000 customers. Orders are placed for four Skytrader 1400s.

Operations continue during the remainder of the decade and into the early 1990s. In December 1992, the airline's Part 135 certificate is purchased by Gene Yamagata, CEO of Yamagata Holdings, and in early 1993 the company is reformed into **Eagle Canyon Airlines**.

LANICA (LINEAS AEREAS DE NICARAGUA, S.A.): Nicaragua (1944–1981). Taking 40% shareholding, **Pan American Airways (PAA)** forms LANICA as an affiliate on November 17, 1944. Nicaraguan citizens subscribe 60% of the initial \$1-million capitalization, with the government taking the remaining stake. A charter network of unscheduled services, based on routes out of the capital city of Managua, is started in June 1945.

Scheduled flights do not begin until 1946, in which year two Boeing 247Ds and, later, two Douglas DC-3s initiate domestic service in competition with **TACA de Nicaragua, S.A.** to business and mining communities along the coast.

Regional services to San Jose and Guatemala City via San Salvador begin in early 1947, but are soon too expensive to maintain and are dropped by midyear. Contract flights from Managua to Miami are, however, begun and will be the only direct link between Nicaragua and the U.S. for almost a decade.

The Somoza family acquires principle ownership of the airline in early 1948 and arranges with the government for the cancellation of mail and subsidy payments to competitors. As a result, the assets of **TACA de Nicaragua, S.A.**, a unit of the famous **TACA (Transportes Aereos Centro Americanos, S.A.)** are acquired. The near monopoly allows the company to pay a record dividend in 1949.

In 1950, the small charter operator **FANSA (Flota Aerea Nicaraguense, S.A.)** is purchased and merged, allowing LANICA to take over the routes to the Bonanza and Siuna gold mines. Destinations served from Managua by the carrier's DC-3s now include Bluefields, El Gallo, Puerto Cabezas, Bilwaskarma, Waspan, Bonanza, Siuna, and Matagalpa. On September 6, PAA shareholding is reduced to 20%. Operations continue apace with little change in 1951–1955.

The U.S. CAB grants authority for Miami flights in June 1956. Two Vickers Viscount 786s are now ordered. A DC-3 with 3 crew and 13 passengers smashes into Concepcion Volcano, at Ometepe Island, Nicaragua, on January 23, 1957; there are no survivors. On October 14, the **Pan American World Airways (1)** interest is reduced to 13%. Flights to Miami commence in December utilizing a leased DC-4.

Employing Vickers pilots hired away from the U.S. carrier **Capital Airlines**, the two Viscounts, christened *Nicarao* and *Ruben Dario*, respectively, are placed in service on February 17, 1958, allowing the chartered four-engine Douglas to be withdrawn. The first of five Curtiss C-46 Commando freighters are also acquired this year.

On March 2, **1959**, the carrier begins flying from Miami to Lima via Managua and Guayaquil.

A C-46A with 4 crew and 14 passengers fails its climb and crashes 1.5 mi. from Suina Airport on April 5, **1960** (2 dead).

The new Viscount routes prove deceptive in terms of traffic and now LANICA's financial difficulties are such that it is forced to suspend the two frequencies to Florida later in the year and sell its Vickers.

The Nicaraguan government provides fresh capitalization in **1961**, allowing the acquisition of a new DC-4, which is placed on the Miami run via San Salvador on September 15. The Four will be followed by a DC-6.

A C-46 freighter with two crew fails its initial climb away from Managua on December 15 and crashes; there are no survivors.

Curtiss C-46s are added to the Miami route in **1962-1964**. The C-46 fleet stands at three in **1965**.

On April 6, **1966**, an order is placed for a single BAC 1-11-412, with an option. Pending delivery of the ordered unit, the **Aer Lingus Irish Airlines, Ltd.** BAC 1-11-208 *St. Malachy* is leased in October. When it arrives at Managua from Dublin at the end of the month, it allows LANICA to become the first Central American airline to operate a jet transport. The BAC inaugurates service on November 1 to Miami via San Salvador.

Following delivery of the LANICA Dash-412 on April 27, **1967**, the chartered jetliner is returned to Ireland. The new, unnamed jetliner begins flying over the *St. Malachy* routes on May 1, adding Mexico City to the schedule as well.

A short-lived agreement to pool BAC 1-11 service is concluded with **TAN (Transportes Aereos Nacionales, S.A.)** of Honduras on October 19; the document is signed by the national presidents, Gen. Anastasio Somoza on behalf of Nicaragua and Col. Oswaldo Lopez of Honduras. Joint service begins on November 1 from San Pedro Sula, Honduras, to Miami.

The DC-6 is withdrawn in **1968**, but with the start of border problems with El Salvador in July **1969**, the carrier is not permitted to fly between San Salvador and Honduras. A female-impersonator attempts to take over a C-46 during a domestic service on July 29, but is captured and turned over to police.

On November 4, two gunmen seize a BAC 1-11 with 32 passengers en route from Managua to San Salvador and divert it to Grand Cayman; there, an attempt to seize the pirates fails and the plane is flown on to Cuba.

Contract chilled-beef flights on behalf of the Nicaraguan government begin in July **1970**; these and other operations continue without major event into **1971**. A **Court Line, Ltd.** BAC 1-11-518 is leased for four months in December. The year's major event is a December 12 sky-jacking.

En route from Miami to Managua, Flight 419, a BAC 1-11-412 with 54 passengers is taken over by 3 armed men who order it flown to Cuba. The plane proceeds to El Coco Airport at San Jose for refueling, but once on the ground, Costa Rican forces, personally led by President Jose Figueres Ferrer, refuse to allow it to depart. During the two-hour siege that follows, the BAC's tires are shot out and one engine is hit and set ablaze (the first is quickly extinguished). Troops assault the aircraft, killing one pirate and capturing the other two, who are returned to Nicaragua.

While serving prison terms, the two culprits will escape on December 23, **1972**, during the great Nicaraguan earthquake.

On August 21, **1972**, two Convair CV-880s, formerly leased by **Northeast Airlines** but now in storage, are formally acquired from the Hughes Tool Company, owned by resident billionaire recluse Howard Hughes, in exchange for 25% shareholding. Actually, the first had been delivered in June and had begun service on July 14 over a return route from Miami to Mexico City via Managua, San Pedro Sula, and San Salvador.

A C-46A with two crew is destroyed in a belly landing at Managua on August 29; neither flyer is hurt.

A BAC 1-11-401 is chartered during the spring and summer of **1973**. On December 31, Pan Am reduces its stock to 10% interest, which is sold to local interests in August **1974**.

The two Hughes 880s, out of time before overhaul, are traded in during February **1975** for two from **Delta Air Lines** that have official flying time left. The swap actually occurs following the December earthquake, which causes Mr. Hughes to depart Managua.

Two nonfatal accidents occur to the Curtiss fleet in **1976**. The right main landing gear of a C-46D collapses just after the Commando lands at Managua on February 25; although the aircraft is damaged, there are no serious injuries reported. A C-46A is damaged beyond repair as the result of a bad landing at Puerto Cabezas on March 17; again, there are no fatalities.

Two Boeing 727-76s are leased in **1977**. Upon their arrival in June, the two former Delta Convairs are withdrawn.

The upswing of political turbulence in **1978** leads to outright civil war by the spring of **1979**. To protest the growing violence, which will lead to a shutdown of the airline, a B-727-76 crew hijacks their own flight to Costa Rica as a protest.

A C-46A strikes a ditch while landing at Bonanza, Nicaragua, on May 16, **1980** and crashes; there are no fatalities.

Following the Sandinista victory in July, flights, temporarily suspended in June, resume, although the CV-880s are now grounded and a DC-6B is employed instead.

On August 28, **1981**, the carrier purchases a B-727-25 from **Eastern Air Lines**. Two days later, the ministry of transport elects to reform the airline and declares LANICA legally bankrupt. The colorful Central American pioneer ceases operations on August 31 in order that it might be succeeded by a new state-sponsored carrier, **Aeronica (Aerolineas Nicaraguenses, S.A.)**.

LANPERU, S.A.: Av. Jose Pardo 805, Piso 5, Miraflores, Lima, Peru; Phone (51-1) 241-5522; Fax (51-1) 445-6237; http://www.lanperu.com; Code LP; Year Founded 1998. LanPeru is established at Lima in November **1998**. Shareholding is divided between Lorenzo Sousa's Peruval, S.A.(30%), Inversiones Aereas, S.A., owned by Enrique Cueto and Boris Hirmas (21%), and **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)** (49%)

The Chilean flag carrier's CEO, Enrique Cueto, presents a prospectus on the new affiliate at the 7th International Airline CEO conference at Miami on March 3, **1999**. In his presentation, Cueto reports that the new Peruvian entity will operate entirely with local personnel, will benefit from the safety standards and quality service guaranteed by the experience of its parent, and should be able to corner 40% of the Peruvian domestic market within a year.

During the spring, as LanPeru completes its gestation period, the national carrier **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** is forced to suspend operations for economic reasons. Although several attempts are made to sell an equity stake in it to foreign carriers such as **Continental Airlines**, they all fail. In an effort to ensure continued commercial air transport, the Peruvian government now comes to look with favor upon the authorities requested by LanPeru and several other private companies.

LanPeru, via **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**, receives its certification papers on June 24. Employing a pair of B-737-2Q3As registered in Bermuda and leased via LanChile Airlines, the new entrant launches daily return services on July 5 from Lima to Cuzco and Arequipa. A third "Baby Boeing" is received in August, allowing the initiation of flights to Juliaca.

Authority is sought from the U.S. government for the initiation of service to New York and Miami and in anticipation, a B-767-375ER is subleased from the parent. On September 20, the DOT authorizes service between Peru and the U.S. Direct, twice-daily B-767-375ER roundtrips are inaugurated on October 16 between Lima and New York (JFK).

Flights continue without incident or headline for the first eleven months of **2000**—and then the entire operation nearly disappears.

A Lima court on November 14 approves the company's ACMI contract with **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**. All international flights are suspended on November 16, however, due to a fight between LanChile Airlines, S.A. and Peruval over use of the B-767 and cargo regulations. LanChile is charged with wishing to operate cargo against regulations on the Boeing's Lima to Miami return service, while Peruval is accused of unjustly refusing to renew the 767's rental contract. In fact, the battle is really over the division of belly-cargo revenues. Peruval requests that a Peruvian court appoint a provisional administration to replace LanPeru's LanChile managers.

On November 24, LanPeru is placed into administration (declared bankrupt). A court-appointed administrator takes over day-to-day operations, now restricted to domestic flights only. LanPeru, S.A., on December 1, files a \$10-million suit against **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**, claiming that the Chilean line had forged customs papers in order to illegally employ shared joint cargo space on the company's services to Miami.

The internal dispute continues and, on December 11, LanChile terminates its leasing contracts for the two Bermuda-registered LanPeru B-737-2Q3As and suspends domestic flights. The concern is officially shut down at 6 a.m. on December 12.

An agreement will be reached between LanChile, S.A. and Peruval, S.A. on January 16 ending the pending legal actions of both concerns. Peruval will sell its stake to Peruvian businessman Emilio Rodriguez-Larrain, thereby allowing stakeholders LanChile and Inversiones Aereas, S.A. to ink a compact with a new partner. Sergio Purcell resumes his duties as CEO and both domestic and international scheduled flights are to be restarted between February 1 and March 5.

LANSA (LINEAS AEREAS NACIONALES, S.A.) (1): Colombia (1945-1954). Led by Ernesto Recaman, a group of Colombian investors form **LANSA (Limitada Nacional de Servicio Aero, S.A.)** as a limited partnership at Bogota on May 5, 1945; initial capitalization is 135,000 pesos, which is increased to 523,000 pesos on January 2, 1946. Employing Douglas DC-3s and light aircraft, the carrier spends the remainder of the year establishing a domestic route network to large and small cities.

An agreement for pooled Bogota to Caracas via Maracaibo service is reached with **LAV Venezuelan Airlines (Linea Aeropostal Venezolana, S.A.)** on January 21, 1947; however, the Colombian line takes over the entire service on May 27. On June 13, the carrier is incorporated and changes its name.

On December 16, 1948, while taking off from Bogota for Barranquilla, a DC-3 crashes and burns (20 dead). The tragedy is the second worst accident in Colombian history. Another Douglas transport, with 12 aboard, crashes into the mountains near Barranquilla on November 27, 1949; there are no survivors.

A C-47 freighter with two crew is lost at Santa Ana, Colombia, on April 15, 1950; there are no survivors.

A DC-3 with 3 crew and 23 passengers hits Galeras volcano and crashes near Pasto, Colombia, on May 24; a 10-year-old girl survives.

At the end of the expansion period, however, the carrier runs into severe financial difficulty and faces the unhappy choice of merger or shut-down. The first quarter of the new year is also marked by accident.

A C-47 freighter with two crew suffers an engine failure on a flight from Cali to Bogota on January 31, 1951 and is forced to make an emergency landing at Madrid, Colombia; although the aircraft is destroyed, there are no fatalities.

A C-46A is lost at Yali, Colombia, on February 14.

While on a flight from Cartagena on March 21, a C-47 with 3 crew and 27 passengers crashes at Corozal, Colombia; there are no survivors.

The government allows LANSA to issue stamps for its domestic network and the resumption of its international route to Havana on May 23. On September 10, an agreement is signed with **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** that permits LANSA to continue flying under its own name through a five-year period of integration. AVIANCA completes its takeover on May 1, 1954.

LANSA (LINEAS AEREAS NACIONALES, S.A.) (2): Honduras (1962-1993). Based at La Ceiba, Lansa Airlines is set up in November 1962 and begins charter flights in March 1963.

Scheduled third-level commuter service linking La Ceiba with Tegucigalpa and San Pedro Sula is started in 1967.

During the 1970s, the fleet includes 4 Douglas DC-3s, 1 DC-4 for all-cargo flights, and 1 each Fairchild F-27J, Cessna 186, and Cessna 182.

The DC-4 and F-27J are removed during the early 1980s, at which time the route network includes stops at Ahuas, Brus Laguna, Guanaja, La Ceiba, Puerto Lempira, Roatan, San Pedro Sula, Tegucigalpa, Trujillo, and Utila. The Cessna light equipment and one of the DC-3s are retired from General Manager Rafael Nunez's carrier by 1990, to be replaced by a Pilatus-Britten-Norman PBN-2 Islander.

Carrying a false U.S. registration, a covertly acquired Curtiss C-46D Commando with two crew and four passengers, crashes while trying to land at a farm near Quirigua; there are no survivors and the cargo (three tons of cocaine) is destroyed.

Operations cease in 1993.

LANSA (LINEAS AEREAS NACIONALES, S.A.) (3): Peru (1963-1972). A group of local bus company owners and operators combine in late 1963 to form this carrier at Lima. Employing Douglas DC-3s initially, service is inaugurated from Lima to seven major domestic cities in January 1964. In February, two Lockheed L-749A Constellations are acquired from **Eastern Air Lines** in the U.S. Four more arrive before year's end.

In late 1965, Eastern, in exchange for managerial and technical assistance contracts, purchases a third of the carrier. In addition to its regularly scheduled routes, LANSA now begins charter and inclusive-tour flights to the tourist destinations and ruins in or near Arequipa, Iquitos, Machu Picchu, and the Chan-Chan area near Trujillo. An L-1049E once flown by **Qantas Empire Airways (Pty.), Ltd.** is leased during the year.

Flight 501, an L-749 with 6 crew and 43 passengers, disappears into the Andes on April 27, 1966, during a flight from Lima to Cuzco; the wreck is found two days later on Mount Talsula, near the former city, and there are no survivors.

Despite Eastern's stake and influence, the airline now faces poor economic times and suspends operations until September. During its hiatus, the company is reorganized and the **Eastern Air Lines** interest is bought out.

With its fortunes on the mend in 1967, LANSA upgrades its fleet during the summer. Four Japanese-made Nihon YS-11As are purchased new and upon entering service, take over the company's domestic routes.

While maintaining its routes and services in 1968, LANSA continues to operate on the edge with regard to both finances and safety. Still, the company in need of more capacity to its high-altitude airports and on international services, is able to place orders with Boeing for three Lockheed Electras traded in by **Braniff International Airways** on new jetliners.

The first ex-Braniff L-188A is delivered on August 5, 1969. While on a Cuzco to Lima flight with 100 aboard, including 54 U.S. students who are members of the student exchange organization International Fellowship, Inc., the Lockheed crashes near the flight's point of origin on August 9, 1970. Ninety-nine people aboard the plane are killed, along with two on the ground.

A second former Braniff turboprop is received later in the month and a third in October.

A fourth L-188A is acquired in April 1971. The 1970 Electra disaster is followed by a second on Christmas Eve. While en route from Lima on December 24, Flight 508, an L-188A with 6 crew and 86 passengers, is hit by lightning, causing a fire in the right wing, which separates; the turboprop crashes in flames at Puerto Inca (91 dead).

The uproar caused by the second tragedy within six months causes the Peruvian government to withdraw the company's operating permit on January 4, 1972. Almost out of cash, LANSA stops flying immediately.

Meanwhile, a survivor of the Christmas crash is found in the jungles of eastern Peru the next day; the wreckage is found on January 6 and there are no other survivors.

LAO (LINEAS AEREAS OCCIDENTALES, S.A. de C.V.): Mexico (1933–1935). Having relocated to Burbank Airport following the summer 1933 demise of the California portions of his Varney Speed Lines System, **Varney Speed Lines Air Service**, U.S. airline pioneer Walter Varney negotiates an airmail contract with the government of Mexico and establishes LAO as another subsidiary late in the fall. The son of the Mexican president is named company vice president.

On April 10, 1934, with a 20-year Mexican government mail route and concession in hand, Varney inaugurates thrice-weekly service from Los Angeles. Employing 1 Lockheed Model 9 Orion and 2 Model 5 Vegas, cities served include Mexico City via San Diego, Tijuana, Mexicali, Nagales, Hermasillo, Ciudad Obregon, Los Machis, Mazatlan, and Guadalajara. Extensions are made to offer weekly flights to La Paz in Baja California from Mazatlan and multistop from Mexico City to Tapachula.

Fearful of giving offense to **Pan American Airways (PAA)**, the Mexican government, in January 1935, revokes Varney's arrangements and hands the mail routes and subsidies over to a new PAA subsidiary, **Aerovias Centrais, S.A. de C.V.** Not forewarned, Varney barely has time to get his Orion and one Vega out of the country before they are impounded for outstanding fuel bills; one Model 5 is caught and the major equipment and furnishings of eight LAO stations are impounded.

LAO AIRLINES. *See* LAO AVIATION COMPANY

LAO AVIATION COMPANY: BP 119, 2 Rue Pang Kham, Vientiane, Laos; Phone 865 (21) 212 057; Fax 865 (21) 212 056; <http://www.lao-aviation.com>; Code QV; Year Founded 1976. The **Lao Civil Aviation Company** is formed at Vientiane on January 19, 1976. The company, which had operated during the Indochina War on behalf of the Pathet Lao with assistance from North Vietnam, is the People's Republic of Laos' successor to the earlier **Royal Air Laos, S.A.** and **Lao Airlines**. Having ceased operations with the Communist victory the previous May, the two companies are now combined under the new banner. The initial fleet comprises 6 Antonov An-24s, 1 Yakovlev Yak-40, and 1 Vickers Viscount 700 taken over from **Royal Air Laos, S.A.** As there are now parts or maintenance available for the damaged Douglas DC-3s, DC-4s, and Lockheed C-130 Hercules, these aircraft are sold or scrapped.

Flying from Wattay Airport, the carrier inaugurates domestic flights to major provincial centers, including Luang Prabang, Savannakhet, and Pakse. In December 1977, a bilateral agreement is signed with Thailand. The arrangement allows the company to inaugurate DC-3 services to Chiangmai and Bangkok during 1978.

In 1979, the company name is changed to LAC. In association with **Thai Airways Company, Ltd. (TAC)**, the carrier inaugurates twice-weekly An-24 service to Hanoi. During the 1980s, the fleet includes 7 An-24RVs, 2 Yak-40s, 2 Viscount 700s, and 2 Sikorsky S-58 helicopters. Services connect Vientiane with Bangkok, Hanoi, and Phnom Penh in addition to the domestic network. There are few changes over the next 12 years.

Having aborted its April 22, 1990 takeoff from Luang Namtha, an An-24RV with three crew, overshoots the runway and crashes into a building, killing one occupant.

On July 16, 1991, the carrier is reformed. Although domestic responsibility is still held by a state enterprise, international shareholding is divided between the Del Chang Import-Export Company and China Travel Air Service at Hong Kong.

Hu Chang is named managing director and the workforce is increased to 300. An Avions de Transport Regional ATR42-300 is leased for a year, along with two Boeing 737-291s. Three An-24RVs are grounded as their service lives end; as arrival of the Boeings is anticipated, a

Tupolev Tu-154M is leased from **Balkan Bulgarian Airlines**. Permission is sought to begin flights to Rangoon, Chiangmai, and Kunming.

As the company waits into 1992 for authority to fly to the desired Burmese and Chinese markets, economics force the carrier to cut its expensive Western aircraft leases. Removed are one Boeing and the ATR42-300, replaced by four Harbin Yu-12 IIs and one Xian Y-7-100.

The service life of one An-24RV is stretched by Russian engineers during the former year and the remaining leased B-737-291 arrives in June from Iceland (where it is registered) via Keflavik, Helsinki, Tehran, and Bombay. A month later following departure of the Bulgarian jetliner, the new Boeing enters service from Vientiane's Wattay Airport to Bangkok, Ho Chi Minh City, Hanoi, and Phnom Penh.

In the spring of 1993, the fleet includes the 4 Chinese-made Yu-12s, 1 Y-7-100, 2 Mil Mi-8 helicopters (only 1 of which is operable), and 1 An-24RV, as well as 1 B-737-291. The non-American built aircraft maintain domestic services to the old capital of Luang Prabang, Savan, Pakse, Louang Namtha, Savannakhet, and smaller stations.

Westcoast Helicopters (Pty.), Ltd. of Australia begins Bell 206B JetRanger charter services on behalf of the government and the UN. The An-24RV with 17 aboard crashes 100 mi. E of Vientiane on December 1; there are no survivors.

While on final approach to Phong Savanh on December 13, a Yunshuji Y-12-II with 2 crew and 16 passengers, collides with a treeline in fog and crashes, catching fire; there are no survivors.

Managing Director Hu Chang's 1994 fleet includes the 1 B-737-291, 3 Y-7s, 3 Y-12s, and 2 new, leased Avions de Transport Regional ATR42-320s. As traffic improves, a second B-737, a Dash-2P5A, is now chartered and the lease on the first Dash is extended.

In 1995, the company charters an ATR72-202s. In 1996–1998, the company owns 6 Y-12s and 1 Y-7. It also operates, under lease, 2 ATR72-202s and 1 each Y-7 and B-737-2P5A. Regional destinations visited include Bangkok, Chiangmai, Hanoi, Ho Chi Minh City, Kunming, Luang Prabang, Pakse, Phnom Penh, Xieng Khouang, and Yangon. Enplanements average 65,000 per year.

While on its normal service between the Xaysomboune and Xieng Khouang provinces on June 25, 2000, an Mi-8 with 3 crew and 15 passengers, encounters bad weather and crashes into Phasay Mountain. There are no survivors.

While on approach to Sam Neua from Vientiane on October 19, Flight 703, an off-track Harbin Y-12 with 2 crew and 15 passengers, crashes into an 1,800-ft. high mountain ridge at a point 15 km. from its destination. Eight passengers are killed. One of the survivors leaves the wreck site to summon help.

LAOS (LINEAS AEREAS ORIENTALES, S.A.): Colombia (1971–1978). Alfredo Betancourt and Manuel Borde form LAOS at Villavicencio in 1971 to offer all-cargo services to Mitu and other regional towns. A fleet of 3 Douglas DC-3s is employed, along with a Curtiss C-46. Unable to compete with larger carriers also hauling freight, this small operator stops flying in 1978.

LAP (LINEAS AEREAS PETROLERAS, S.A.): Aptdo Aereo 151227, Ave. Eldorado, Entrada 1, Bogota, Colombia; Phone 57 (1) 413-5711; Fax 57 (1) 413-8635; Year Founded 1975. Having obtained a mixed fleet comprising 1 Douglas DC-3, 3 Piper PA-31-310 Navajos, and 1 Piper PA-34 Seneca, LAP is formed at Bogota in late 1975. Charter and contract services are started to various destinations throughout the country.

Never undertaking scheduled operations, the ad hoc carrier grows to include a helicopter division with Bell 47Gs, and Eurocopter Lamas and Ecureuils.

Maria Fernanda Drango is general manager in 1997–2000, with Capt. Gabriel Toro as director of operations. In addition to the Ecureuils and Lamas, the fleet now features Hughes 500s.

LAP (LINHAS AEREAS PAULISTAS, S.A.): Brazil (1943–1951). Capitalized at 50 million cruzeiros received as the result of public

subscriptions, LAP is formed at São Paulo in the fall of 1943. An organizational meeting is held on February 9, 1945, officers are chosen, and the new entrant proceeds to purchase an ex-military Lockheed Model 14.

Operating authority is received from the government in June; however, the remainder of the year is spent lining up a fleet of four ex-military Douglas C-47s (converted to DC-3 civil standard) for purchase in early 1946. During the summer, the airline initiates flights to several coastal and slightly inland destinations, including Pernambuco, Campina Grande, and Recife.

Shuttle flights are started to Rio de Janeiro in 1947. Service to Maceio is suspended in October 1948 and from that point on the carrier, facing competition from numerous and sometimes larger operators, begins to suffer financial reversals. Fortaleza and Natal become route destinations on the coast in April 1950.

As a way of cutting costs, LAP now joins with TABA (Transportes Aereos Bandeirantes, S.A.) and Loide Aereo Nacional, S.A. in a technical consortium. The inland stops are cut later in the year. By early 1951, all three airlines are losing serious money and thus plans are made for them to join into an operational consortium under the Loide banner. Before this can be accomplished on August 21, LAP loses a DC-3 on July 12 as it is attempting to land at Rio do Sul (33 dead).

LAP (LINEAS AEREAS PICH0, S.A. de C.V.) See SAM (SERVICIOS AEREOS DE MICH0ACAN, S.A. de C.V.)

LAP PARAGUAYAN AIRLINES (LINEAS AEREAS PARAGUAYAS, S.A.): Paraguay (1962–1994). LAP is formed at Asuncion in late 1962 as Paraguay's national airline and is at first, essentially, the international arm of the military's domestic carrier TAM (Transportes Aereo Militar). Initial capitalization is 200 million Guaranis (some \$700,000) and the board of directors includes four military representatives. All operations personnel are air force officers.

Early in 1963, three Convair CV-240s are purchased from Aerolineas Argentinas, S.A. They are christened *Carlos Antonio Lopez*, *General Bernardino Caballero*, and *Jose Gaspar Rodriguez de France* and are employed to begin twice-weekly flights to Rio de Janeiro, Buenos Aires, and São Paulo in August.

In early 1964, an agreement is negotiated with **Cruzeiro do Sul, S.A.** whereby the latter will provide ticket, baggage handling, and other ground support services at Brazilian destinations.

Following the demise of LAPS (Lloyd Aereo Paraguayo, S.A.) in 1965, LAP has a free hand to develop additional frequencies in 1966–1968 into Brazil as well as Chile, Bolivia, and Uruguay.

A CV-240 with 5 crew and 18 passengers crashes onto the runway at Buenos Aires while on final approach on May 26, 1967; although the aircraft is destroyed, there are no fatalities.

In December 1968, the carrier purchases one Lockheed L-188A and two L-188C Electras from Eastern Air Lines.

Repainted in LAP's red-on-white livery, the ex-EAL turboprops are placed into service in February 1969 on routes from Asuncion to Buenos Aires, Montevideo, Rio de Janeiro, and São Paulo. Service continues apace in 1970–1971.

Domestic service is enhanced in 1972 by the addition of a Douglas DC-3. L-188C flights into the Argentine communities of Jujuy, Resistencia, and Salta commence in 1973–1974. Electra frequencies are initiated to Lima and Santiago de Chile in 1975–1977.

Three years later, in October 1978, the company purchases two Boeing 707-321Bs from Pan American World Airways (1), employing them on November 17 to begin stretching the Lima route twice-weekly to Miami. Following the award of a Florida permit, the U.S. CAB joins the Paraguayan government in granting permission for a new marketing title—Air Paraguay. At this point, President Luis A. Gonzales Ravetti's airline has 500 employees.

On November 2, 1979, a B-707-321B inaugurates European service with a flight to Frankfurt via Rio de Janeiro and Madrid. There is no change in either fleet or operations during 1980–1983.

On December 20, 1984, the fleet is increased by the addition of a DC-8-63 formerly flown by Air Canada, Ltd. and in 1985 another B-707-321B is added to the fleet and Brussels is added to the European route network.

Operations continue apace in 1986–1988 and in March of the latter year an agreement to integrate routes is signed with LAB (Lloyd Aero Boliviano, S.A.) and PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.) of Uruguay.

In 1989, the fleet includes 3 B-707-321Bs and 1 each Douglas DC-8-61 and DC-8-63. The three Lockheed Electras go out of service, but during the spring, weekly Asuncion to Brussels DC-8-63 service is inaugurated via Dakar, Madrid, and Frankfurt.

As the result of problems associated with its old equipment and plagued with large annual losses, 50% of the carrier is put up for sale by the government in July. The DC-8-61 is taken out of service in 1990 and replaced by a leased DC-8-71.

An L-188C is returned to the fleet in 1991. In late spring, the executive branch of the government proposes a privatization plan under which shareholding would be divided between VASP Brazilian Airlines (Viaçao Aerea de São Paulo, S.A.) (30%), Paraguayan investors (30%), VASP employees (5%), and the government (30%). The U.S. informs the national legislature, which must approve the arrangement, that the major Paraguayan investors had previously been involved in aircraft transactions with the Medellin drug cartel; consequently, the plan is defeated. With \$180 million in foreign debt, the company lays off 1,170 employees—30% of the workforce—while seeking to accelerate the privatization process.

A major fleet change is made in 1992. Two B-707-321Bs are taken out of service and are succeeded by a leased British Aerospace BAe 146-300.

The chartered BAe 146-300 and DC-8-63 are returned in 1993. Chairman Gen. Geraldo Johansen Roux and President Raul F. Calvert oversee a workforce of 1,000. Destinations visited from Asuncion include Brussels, Buenos Aires, Frankfurt, Lima, Madrid, Miami, Santa Cruz de la Sierra, Santiago, Montevideo, Rio de Janeiro, and São Paulo. A wet-leased DC-10-30 is obtained from European Airlift in September.

During the first quarter of 1994, the company ceases flights to Europe. Later in the same time frame, frequencies are suspended to Montevideo, Buenos Aires, São Paulo, Rio de Janeiro, and Miami. With a total debt of \$41 million, LAP closes its doors in April, at which time the nation's Senate opens a special line of credit to cover the firm's debt.

A consortium of Paraguayan investors, joined by SAETA (Sociedad Anonima Ecuatoriana de Transportes Aereos, S.A.), has the winning bid when the government places LAP in the privatization market during the fall. The group, in October, makes a \$22.1-million offer for an 80% stake. The carrier is reborn as LAPS Air Paraguay, S.A.

LAPA (LINEAS AEREAS PATAGONIAS ARGENTINAS, S.R.L.): Argentina (1960–1966). Formed at Buenos Aires in late August 1960, LAPA is authorized to perform nonscheduled all-cargo charters throughout the country and beyond to the rest of Central and South America. Revenue services commence the following month with a pair of Curtiss C-46 Commando freighters.

Services continue without significant event until 1964, when the company acquires a Lockheed L-1049 Super Constellation. Too expensive to operate and having drained the concern of its resources, the huge aircraft is grounded and the company is forced suspend operations in September 1965.

New support is generated and a second Super Constellation is acquired. The new aircraft crashes in March 1966 while on its delivery flight. Evidence is found that it had been smuggling cigarettes and the government consequently cancels LAPA's license.

LAPA (LINEAS AEREAS PRIVADAS ARGENTINAS, S.A.): Av. Santa Fe 1970, 2 Piso, Buenos Aires, 1123, Argentina; Phone 54 (11) 4819 6255; Fax 54 (11) 4819 6204; <http://www.lapa.com.ar>; Code

MJ; Year Founded 1977. LAPA is set up at Buenos Aires in December 1977 to operate local services within Buenos Aires Province. An initial fleet of 3 Swearingen Metro IIs, 1 Douglas DC-3, and 1 Piper PA-31T Cheyenne is assembled and revenue services are inaugurated to Pehuajo and Mar del Plata on January 22, 1978. Authority to operate international charters to points in North, Central, and South America is received in May.

Permission to initiate scheduled third-level regional flights to the eastern provinces of Buenos Aires, Entre Rios, and La Pampas is given in March 1979, the same month in which three Japanese-made Nihon YS-11As are purchased from **Austral Airlines, S.A.** for delivery over the next three years. Frequencies begin on September 29, linking the capital city with La Plata, San Nicholas, Necochea, Tres Arroyos, Pahuajo, Olavarria, Parana, General Pico, and General Roca. At this point, the Metroliners are sold.

The company, during 1980, obtains international notice when it announces forthcoming orders for British Aerospace BAe 146-100 jetliners that will be placed upon new routes. When the new routes are not awarded, the company elects to purchase two Shorts 330s. Meanwhile, when routes to Gualaguaychu and Concordia are dropped by **Aerolineas Argentinas, S.A.**, this smaller operator grabs them up.

In 1981, President Count Claudio Zichy-Thyssen's fleet includes 1 Japanese-made Nihon YS-11A, 1 DC-3, and 2 Shorts 330s.

The DC-3 with three crew is destroyed as the result of a forced landing into a plowed field near Anapoima on March 2; there are no fatalities.

The two outstanding Nihons are acquired and services continue in 1982. The Falklands War with Great Britain results in an embargo on British goods, including needed spare parts for the Shorts 330s. Consequently, one of them remains grounded throughout much of the year and into 1983.

The carrier is purchased by Gustavo Andres Deutsch and a group of fellow investors in September 1984; he immediately places orders with SAAB for the lease of two new 340As. Deutsch's relationship with the U.S.-based Flight Level Corporation results in the lease in 1985 of a third Shorts 330 as well as an Embraer EMB-110P1 Bandeirante. The latter is assigned to operate the company's less profitable segments.

The route network is expanded in 1986 with services to the three Uruguayan cities of Tandil, Montevideo, and Colonia del Sacramento, which benefits from one of the world's shortest international routes (25 miles). The SAABs arrive in early 1987 to replace the Shorts and the chartered Embraer EMB-110 Bandeirante; bureaucratic difficulties result in a delay of several months before they can be introduced.

In January 1989, service is inaugurated to Catamarca, La Rioja, San Luis, Villa Dolores, and Villa Mercedes. Unhappily, however, the national economy is now victimized by inflation that is so high that it virtually dries up any demand for LAPA's domestic services. Consequently, one after another, the new services are abandoned. Additionally, the YS-11As are withdrawn in favor of an Aero Commander, a Dassault Falcon 50, and most importantly, the two leased SAAB 340As. By year's end, the company is operating only the Swedish-made turboprops.

Only one SAAB 340A is available in 1990 and it enplanes a total of 57,801 passengers. A second SAAB is acquired in 1991 and passenger boardings move to 62,725. Customer bookings rise to 75,270 in 1992.

Airline employment stands at 60 in 1993 as President Deutsch's company applies for permission to begin serving Montevideo. A Boeing 737-244 is leased in March and is employed to initiate flights to Bariloche, Iguazu, Mendozas, and Mar del Plata on March 15. Although advertised as scheduled flights, the frequencies are, in fact, nonscheduled. The government does not, however, choose to interfere with them.

A second "Baby Boeing, a B-737-2M6A, is acquired from **Air New Zealand, Ltd.** Employing a B-757-212 leased from **American Trans Air (ATA)**, the company enters the Caribbean charter business in the fall.

Passenger boardings skyrocket 172% to 131,853. Although there is an operating profit of \$2.2 million, there is also a net loss of \$2.35 million.

Despite opposition from **Aerolineas Argentinas, S.A.**, LAPA achieves it scheduled route authority on January 19, 1994. The ATA aircraft is returned at the end of the winter holiday season. Having decided to emulate the deep discount services of the U.S. carrier **Southwest Airlines (2)**, LAPA now leases four more B-737s, two each DASH-204Cs and DASH-2T4As.

From Buenos Aires' downtown Jorge Newberry Airport, the company inaugurates one-fare jetliner flights to Cordoba, as well as 23 other points. Early in September, a B-757-236 is chartered from the **British Airways, Ltd. (2)** subsidiary **Caledonian Airways, Ltd.** and is employed to inaugurate charter services from Buenos Aires to Miami and Caribbean destinations.

Customer bookings are reported through June and show a total of 89,585. Revenues for the year skyrocket 146.5% to \$35.63 million, while expenses are up 112.3% to \$26.01. Consequently, the operating profit swells to \$9.61 million while there is a net gain of \$1.53 million. The profit, a first, brings much cheer.

Airline employment stands at 100 in 1995 and two leased B-757-2Q8s are ordered. Traffic figures are reported through June and show enplanements of 331,000, a huge 127.7% increase over the same period a year earlier. During the year, the fleet is increased by the addition of one each leased B-737-2P6A, B-737-2S3A, and B-737-2T4C.

The **Caledonian Airways, Ltd.** B-757-236 is reacquired in September for the winter charter season. The carrier's own DASH-2Q8 arrives at the end of the month and is christened *Sirius*; it enters service on October 16. At the end of the year, the company is reorganized. Changes bring layoffs and some contract cancellations. Whole-year revenues total \$60 million.

The *Sirius* helps the no-frills, low-fare company post huge traffic returns in 1996 equal to 27% of the entire Argentine domestic market. A total of 1.3 million passengers are transported and income reaches \$100 million.

The second B-757-2Q8 arrives in 1997 and is named *Antillaco*, in honor of an Argentine community. More importantly, this is the aircraft that introduces the carrier's premier First Class services. The B-737 fleet now stands at 14. Plans are made to extend services to points in Chile and Brazil. The carrier also applies for permission to assume the dormant Buenos Aires to Los Angeles authority previously exercised by **Aerolineas Argentinas, S.A.** The two SAAB 340As continue to fly twice daily to Colonia del Sacramento, Uruguay.

In October, orders are placed for 6 (later 12) Next Generation B-737-700s for delivery in the year 2000. In addition, two will be chartered from the International Lease Finance Corporation (ILFC) in January and September 1999.

Passenger boardings leap ahead by 38% to 1.8 million and operating revenue total \$150 million. There is a \$2.1-million net loss.

Flights continue in 1998. The first ILFC Next Generation B-737-7Q8 arrives on August 2, four months ahead of schedule. It is employed, beginning on September 1, to inaugurate twice-daily roundtrips on a new Buenos Aires to Montevideo route which, after a 15-year legal battle, LAPA has finally won authority to operate.

Also during September, the company receives Argentine route authority to operate an international service from Buenos Aires to Atlanta. Talks commence with **Delta Air Lines** concerning the launch of a possible code-share on the route by year's end.

The second B-737-7Q8 is delivered in early October. Late in the year, a homepage is opened on the Internet's World Wide Web.

Enplanements remain level at 1.8 million and represent a 26% domestic market share. Cargo traffic surges 60.3% to 8.64 million FTKs. Revenues advance 20.6% to \$161.69 million, while costs are up 24.8% to \$160.36 million. Although a \$1.33-million operating profit is generated, there is a \$1.79-million net loss.

During the first quarter of 1999, the parent Deutsch group sells off its Tia supermarket chain to The Exxel Group for \$300 million. The newspaper *El Clarin* reports on April 11 that the proceeds will be injected into the airline as part of a plan to upgrade the fleet by 2002 with 17 new Boeing jetliners.

Employing a B-737-3Q8 leased from ILFC, the company inaugurates daily nonstop roundtrips on August 19 from Buenos Aires to Atlanta; the service is offered in conjunction with **Delta Air Lines**.

Scheduled on August 31 from Buenos Aires to Cordoba, Flight 3142, a B-737-204C with 6 crew and 95 passengers, is delayed in order to allow technicians to go over an engine. After its release, the aircraft fails its takeoff, rising some 2 ft. above the runway when the left, No. 1 engine catches fire. The "Baby Boeing" settles back down, but then rolls off the runway, through a perimeter fence and onto Costanera Avenue. As the aircraft rolls across the highway, it hits 8 cars, finally coming to a stop at the Costa Salguero Convention Center and Golf Course, where it bursts into flames (69 dead).

Delivery of another Next Generation B-737-76N is accepted on November 19. A leased B-757-3Q8ER, previously operated by **Transaero Airlines** in Russia, is received at year's end.

Enplanements for the year total 1,757,000.

Airline employment at the beginning of 2000 stands at 2,250, a 21.5% decline over the previous 12 months. The fleet now also includes 1 B-767-3Q8ER, 2 B-757-2Q8s, 3 Next Generation B-737-7Q8s, and 4 B-737-76Ns. LAPA now flies thrice-weekly scheduled nonstop roundtrips to Atlanta and regular service to 27 domestic destinations, plus 2 in Uruguay. Regular charters are offered to 12 additional international points.

An earlier unannounced order, valued at \$270 million, for six Next Generation B-737-700s is confirmed on May 25. During the fourth quarter, one each B-737-2T4C and B-737-2U4 are leased, while another Next Generation B-737-7Q8 is delivered on November 29.

Enplanements during these 12 months surge to 2,076,258.

LAPE. See **LINEAS AEREAS POSTALES ESPANOLAS, S.A.**

LAPER (LINEAS AEREAS PARANA ENTRE RIOS, S.A.): Argentina (1967–1979). LAPER is formed at Parana, Entre Rios, in 1967 and offers scheduled services to destinations in the central part of the country. At its base, President Domingo Dato's 48-employee carrier supports a fleet that grows from 2 Cessna 337s to 1 Cessna 402, 1 Cessna 411A, and 1 Bell 206 JetRanger. Cities served include Buenos Aires, Concordia, Goya, Paso de los Libres, Reconquista, and Rosario.

Operations continue apace with little change in route or fleet until 1973, when two FMA IA-50 Guarini IIs are acquired. The company shuts its doors in 1979.

LAPSA (LLOYD AERO PARAGUAYO, S.A.): Paraguay (1960–1965). With 88% Paraguayan shareholding, LAPSA is formed at Asuncion on September 14, 1960. Two Curtiss C-46s are acquired late in the year and in May 1961, scheduled twice-weekly services are started to Rio de Janeiro via Curitiba and São Paulo. An additional Curtiss is added in 1962 and service is maintained through the following year.

In January 1964, the carrier purchases a Lockheed L-049 Constellation in the U.S. for use on a new service to Buenos Aires. While the Rio run continues and appropriate Argentine permissions are sought, carrier pilots obtain the "Connie," but are unable to get it beyond Campinas, where it loses an engine. Meanwhile, officials in Buenos Aires inform the Paraguayan carrier that it will not receive authority to fly the new aircraft to their city.

Financially overextended through these exertions, the company shuts its doors in 1965. In February 1995, a new company, **LAPSA Air Paraguay, S.A.**, will start up as successor to LAP.

LAPSA AIR PARAGUAY, S.A.: Paraguay (1994–1996). In September 1994, a consortium led by **SAETA (Sociedad Anonima Ecuatoriana de Transportes Aereos, S.A.)** purchases from Paraguay 80% control of this reborn national, which will operate jointly with the Ecuadorian airline. Miguel Candia is named managing director and a fleet is assembled at Aeropuerto Internacional at Asuncion. It includes one each Boeing 737-2Q8 and B-737-219A, plus an Airbus Industrie A310-304, all leased from SAETA, plus two Fokker 100s.

Revenue flights commence in February 1995 over a network that will increase by December to the South American destinations of Buenos Aires, Lima, Montevideo, Rio de Janeiro, Santa Cruz de la Sierra, São Paulo, and Santiago de Chile, plus Miami.

Although the Florida point had been removed from the company's route network by FAA's ban on flights into the U.S. by Paraguayan airlines, LAPSA gets around the prohibition by operating an A320-232 jointly with SAETA.

Although traffic figures are not released, it is noted that an operating profit of \$23.6 million is posted for the period from start-up through October.

Two more A320-232s and an A310-304 join the fleet early in 1996. All are leased from or through SAETA. The long-range A310s inaugurate services to Madrid, Brussels, and Frankfurt.

A major stake and management control is acquired in August by **TAM (Transportes Aereos Regionais, S.A.)** and on September 1 the entire company is sold to the new Brazilian airline holding company, TAM Group, for \$27 million. The same day, service between Asuncion and Miami is suspended.

The carrier is now renamed **TAM-Mercosur (Transportes Aereos Mercosur, S.A.)** in honor of the free trade zone established by Argentina, Brazil, Paraguay, Uruguay, and Chile. TAM President Rolim Adolfo Amaro appoints former **VARIG Brazilian Airlines (Viacao Area de Rio Grandense, S.A.)** President Rubel Thomas as his deputy director in charge of TAM-Mercosur.

A code-sharing agreement is signed with **American Airlines** in October. Under its terms, TAM-Mercosur purchases blocked seats on AA's daily roundtrips from Miami to Asuncion. Plans are made to lease a fleet of 10 Fokker 100s from TAM.

LAR ROMANIAN AIRLINES (LINILILE AERIENE ROMANE): Romania (1975–1996). LAR Romanian is organized at Bucharest in 1975 as the charter subsidiary of **TAROM (Transporturile Aeriene Romane, S.A.)**. Employing 3 BAC 1-11-424s, Managing Director C. Radut's carrier inaugurates unscheduled and inclusive-tour flights in December to holiday destinations in North Africa, Europe, and the Middle East. These operations are continued with little change for the remainder of the decade and throughout the 1980s. In 1990, the fleet comprises 3 Antonov An-26s and 1 BAC 1-11-424.

Following the fall of the Communist government, the company is reformed on February 19, 1991 as a joint stock company, one-third of which is owned by the new Romanian government. Dorin Ivascu is named general director and a workforce of 61 is recruited. Charter services are resumed with a new fleet, which includes 2 An-24Vs, 1 of the previously owned An-26s, 1 Ilyushin Il-18D, and 2 BAC 1-11-424s leased from TAROM.

The recession causes a significant cutback in operations during 1992–1994 and only two An-26s are flown. Flights continue in 1995, during which year two American-made Beech 1900Ds replace the Antonovs. Destinations visited include Izmir, Skopje, Zagreb, and Tirana. Unable to maintain economic viability, the company shuts down in 1996.

LAR TRANSREGIONAL, S.A. (LIGACOE AEREAS REGIONALS): Portugal (1986–1997). Founded at Aeroporto de Lisboa in 1986, Portugal's new domestic operator is organized as a subsidiary of **TAP-Air Portugal**, which owns a 30% interest, under the name **Ligacoe Aereas Regionais, S.A. (LAR)**. The carrier is initially equipped with 1 Beech King Air 90 and 3 de Havilland Canada DHC-6 Twin Otters. These are employed to inaugurate scheduled passenger and cargo air bridge services linking the capital with Faro and Oporto.

In 1988–1989, Managing Director Alberto Aragao's fleet is altered; gone are the Canadian turboprops, replaced by three British Aerospace BAe (HS) 748-B2s and two Dornier 228-202Ks. These provide twice-daily service to Faro and eight-times-per-day roundtrips to Oporto. In addition, first time flights are inaugurated from Oporto to Braganca and

Vila Real and from Lisbon to Covilha. Enplanements during the latter year total 300,000.

Two DHC-6-300s join the fleet in **1990**, along with three leased BAe ATPs and another Dornier 228-202K. International services are begun in **1991** from Lisbon and Oporto to Bilbao, Bordeaux, Compostela, Malaga, Santiago, and Seville. The marketing title is now changed to LAR Transregional, S.A.

President Armando Moreira's fleet in **1992** includes 2 BAe ATPs, 3 BAe (HS) 748-B2s, 2 Dornier 228-202Ks, and 2 Twin Otters. In the spring, the ATPs are grounded and replaced by a pair of BAe 146-200s, the company's first jet equipment. These are employed during the summer to offer new or enhanced scheduled services over routes from Lisbon to Seville, Malaga, Bilbao, Genova, Las Palmas, and Port-Bordeau.

Unsuccessful, the British jetliners are withdrawn in early **1993** and the ATPs, upon which no lease payments have been made in some time, are returned to their owners, the Canadian Imperial Bank of Commerce. CEO Rogelio Rodrigues' fleet now includes 3 Dornier 228-202Ks. A de Havilland Canada DHC-6-100 Twin Otter is leased in **1994** and plans are made to charter a pair of Boeing 737-200s.

The Boeings are not acquired and one Dornier is removed from service in **1995**. Operations continue apace in **1996**. During both years, the carrier suffers from poor traffic, the accumulation of debt, and an inability to identify a strategy that will ensure survival. As a result, the carrier is forced to shut its doors at the beginning of **1997**.

LARADO AIR: United States (1989–1990). Wolf Holman organizes Larado Air at the Texas city of that name in **1989** to offer scheduled services to the state's larger communities with a pair of Convair CV-440s. Daily roundtrip passenger and cargo flights commence in April, linking the company's base with San Antonio, Dallas, and Monterrey, Mexico.

Unable to attract sufficient traffic, the company abandons its scheduled work and begins flying charters in early **1990**. The failed enterprise is sold for its equipment later in the year.

LARES. See **LINILE AERIENE ROMANE EXPLOATATE CU STATUL, S.A. (LARES)**

LARIVIERE AIR SERVICES, LTD. See **AIRGAVA, LTD.**

LARKIN AERIAL SUPPLY COMPANY (PTY.), LTD.: Australia (1921–1928). Following enactment of the 1920 Air Navigation Act, the government of Australia accepts tenders for the operation of new routes. After **QANTAS (Queensland and Northern Territories Aerial Service, [Pty.], Ltd.)** and **West Australian Airways (Pty.), Ltd.** had received contracts, a third is awarded on November 1, **1921** to Larkin, which had originally been formed in London in 1919 as the Larkin-Sopwith Aviation Company of Australasia. Equipped with Sopwiths, the carrier inaugurates operations over an Adelaide–Sydney route on June 2, **1924**.

As the result of significant competition from the railroads, the company is granted permission to withdraw its frequency east of Cootamundra, substituting branch lines from Hay to Melbourne and from Mildura to Broken Hill, the latter an important mining community now served commercially from the air for the first time.

Service is maintained over these routes in **1925–1928**; however, at the end of the latter year, the company ceases operations when the government mail subsidy is withdrawn.

LARRY'S FLYING SERVICE: 3822 University Ave., P.O. Box 72348, Fairbanks, Alaska 99707, United States; Phone (907) 474-9169; Fax (907) 474-8815; <http://www.larrysflying.com>; Code J6; Year Founded 1978. Lawrence A. Chenaille and his wife Jean establish LFS at Fairbanks, Alaska, in **1978** to undertake passenger and cargo charter and contract service flights throughout Alaska and Western Canada. Scheduled frequencies are initiated in July **1982** linking the

company's base with Denali National Park and Mount McKinley. By **1985**, the fleet comprises 1 each Cessna 206, Cessna 207A, Cessna 185, and Piper PA-23 Aztec.

Regularly scheduled third-level passenger flights to communities commence in **1986**, with Galena, Bethel, and Kotzebue the first destinations. Frequencies are inaugurated in **1987–1988** to Tanana, Ruby, Alakaket, and Anakiuvuk Pass.

By **1989**, enplanements total 18,040.

Airline employment in **1990** stands at 55 and the fleet includes 1 Aztec, 2 Cessna 207As, 3 Cessna 206s, and 6 Piper PA-31-310 Navajos.

Passenger boardings jump 18% to 22,000.

The payroll is increased by 9.1% in **1991** to 60 as a reconditioned Beech 99 joins the fleet during the first quarter.

Customer bookings inch up 0.2% to 25,028 and 1.3 million pounds of mail are also flown. Revenues are \$4.3 million.

Airline employment stands at 35 in **1992** and the fleet includes 7 Navajos, 2 Cessna 207As, and 1 each Beech 99, Cherokee Six, Saratoga, Lance, and Aztec.

Passenger boardings climb 3% to 27,531.

The workforce still stands at 35 in **1993** but the fleet has grown to include 6 Piper PA-31-310 Navajos, 5 Piper PA-32 Cherokee Sixes, 4 Cessna 207As, 1 Pilatus Britten-Norman PBN-2 Islander, and 2 Beech 99s.

Unhappily, customer bookings decline by 30% to 12,339.

Passenger boardings plunge an additional 30% in **1994** to 8,696; however, 242,000 FTKs are flown.

Although there are again no changes in the workforce in **1995**, the fleet is reduced to just 12 aircraft: 4 Navajos, 2 Beech 99s, 1 Cherokee Six, 2 C-207As, and 1 each Piper Aztec, Cherokee Lance, and Saratoga.

Enplanements inch up 2% to 8,847.

One Beech 99 is withdrawn in **1996**. Encountering power problems, the June 4 takeoff of a Cessna 207 from the gravel strip at Akiachak is aborted; the aircraft is unable to stop and overruns the runway, losing its nosegear and nosing over. Both crewmen aboard receive slight injuries.

Passenger boardings plunge 11.3% to 7,494.

The company's 10 aircraft transport a total of 7,185 customers in **1997**, a 4.1% decline.

While en route from Gambell to Nome via Kaltag on a February 6, **1998** air taxi service, a new PA-31-350 Navajo Chieftain with a pilot and nine passengers suffers fuel exhaustion; the aircraft makes a forced landing into snow seven mi. W of its destination. No injuries are reported.

Larry's enjoys a good traffic year as passenger boardings jump 26.1% to 9,000.

During the first quarter of **1999**, a new homepage is opened on the World Wide Web.

While en route on a June 11 all-cargo service from Fairbanks to Galena via Tanana, a Piper PA-31-350 Navajo Chieftain with one pilot, crashes through trees into the Yukon River some 1.5 mi. from its intermediate stop. The flyer is killed.

Customer bookings during these 12 months fall 7.3% to 8,000.

A total of 20 full-time pilots are employed at the beginning of **2000** to fly the company's fleet, which now includes 4 PA-31-310 Navajos and 3 PA-32-301 Saratogas.

For the first time, the salmon runs along the entire Yukon watershed collapse. By fall, subsistence salmon fishing must be shut down and Gov. Tony Knowles declares an emergency. In addition to the economic loss, thousands of dogs in rural bush areas, used to haul sleds and which depend upon salmon as their food source, face starvation or liquidation. Something must be done to avert this disaster and a number of small airlines, coming off a bad year caused by rising fuel and insurance costs, are able to assist, while also enjoying renewed profits.

The key to the situation, in the eyes of many, is the transport of donated dog food and fish obtained by local governments and tribes as the result of press reports of the failed salmon returns. In late August and September, a massive food shipment is organized by Warbelow's at Fairbanks, with support from the U.S. Postal Service and other small airlines.

Because Warbelow's has made special arrangements with its competitors, the USPS, which will not be directly involved in distribution, agrees to allow the donated food to be classified as bypass mail, for which rock-bottom postage is charged. The entire \$25,000 bill will be paid by the Tanana Chiefs Conference, which also rents refrigeration to hold frozen food awaiting delivery.

Under the direction of chief pilot Michael Morgan, Warbelow's, which has the only bypass mail shipping permit in Fairbanks, runs the packages through its meter and with USPS assistance, farms out this mail for delivery. The airlines involved, including **Warbelow's Air Ventures, Frontier Flying Service, Arctic Circle Air Service, Belair, Larry's, Servant Air, Tanana Air Service, Tatonduk Air Service, and Wright's Air Service**, are paid a rate per pound (between 40¢ and \$1 depending on distance), to haul the approximately 100 tons of food to villages along the Yukon, Tanana, and Koyukuk rivers.

LAS (LIGNES AERIENNES SEYCHELLES, LTD.): Seychelles (1987-1988). LAS is established by Paul Lewis at Mahe in January 1987. Equipped with a single Boeing 707-323C, it undertakes all-cargo charters to Malawi and Botswana in southern Africa, as well as Singapore and Perth, Australia. Unable to establish economic viability, the company folds in 1988.

LAS (LINEAS AEREAS SANTAFECINAS, S.A.): Argentina (1986-1992). Established at Rosario in 1986, LAS is outfitted with two Rockwell Aero Commander 690s provided by the provincial government and is requested to provide third-level scheduled flights to communities throughout Santafecinas. In 1988, two CASA C-212-200 Aviocars are leased from their Spanish manufacturer and these remain in service for four years.

As a result of the general recession of the early 1990s, LAS is forced to retrench and the CASAs are returned. Schedules are often missed and the Aero Commander service, while continuing to provide service, might better be described as that of an on-demand air taxi. Operations cease in 1992.

LAS VEGAS AIRLINES: P.O. Box 15105, Las Vegas, Nevada, 89114, United States; Phone (702) 647-3056; Fax (702) 647-1846; <http://www.lasvegasair.com>; Code 6G; Year Founded 1973. LVA, billing itself as "The Grand Canyon Professionals," is founded by Donald J. Donohue and his wife Joan at Las Vegas, Nevada, in October 1973 as a sight-seeing concern offering various air tour packages. In addition to a flight school and Piper dealership, scenic air tours over the Grand Canyon and charters to destinations throughout the U.S. are also available. Revenue flights commence on November 23.

Operations continue apace in 1974-1977. Early in 1978, scheduled frequencies are initiated, linking the company's base with the Grand Canyon. A Piper PA-31-350 Navajo Chieftain and its occupants are lost in a crash at Las Vegas on August 30.

It is reported in 1979 that more than 90% of the company's traffic is foreign speaking. The company begins a process of diversification by acquiring Las Vegas Piper, the local smallplane distributorship from which it has been acquiring its aircraft.

A total of 36,069 passengers are carried by the company's 10 Navajo Chieftains during 1980; however, as a result of currency fluctuations, bookings drop 19% in 1981 to 29,159. Still, the workforce is increased by 29.7% to 48.

To attract additional foreign business, the company opens offices in England, France, Australia, Japan, Germany, Italy, and Norway in 1982 and offers its brochures in five languages.

The recession; however, continues to bite into company success and bookings fall 29.3% to 20,622.

Flight 88, a Piper PA-31-350 Navajo Chieftain with 10 aboard en route for the Grand Canyon, crashes at Peach Springs, Arizona, on August 17, 1983; there are no survivors. Enplanements for the year plunge another 23.6% to 15,744.

In 1984, airline employment totals 43 and the fleet is half of what it was 5 years earlier. Customer bookings fall another 13.5% to 12,421. The workforce is cut by a third in 1985 to 28 as business continues to slip badly, with passenger boardings plunging 43.6% to 7,002.

Employment drops by another 19.2% in 1986 to 21 and the fleet now includes 4 Piper Chieftains and 1 Saratoga. Still, the year is good traffic-wise as enplanements jump 78.9% to 12,530. Airline employment grows 14.3% in 1987 to 24 and orders are placed for 2 more Chieftains. Passenger boardings swell 17.5% to 14,728.

The workforce is increased by another 16.2% in 1988 to 34. Lean bookings bring further equipment reductions and only three PA-31-350 Navajo Chieftains are on the flight line. The scheduled service is now relinquished and the company reverts to its original on-demand charter status.

The year's enplanements decline by 5.8% to 13,874.

Business picks up in 1989 and another Navajo Chieftain is obtained. Passenger boardings jump 13% to 15,684.

A fifth Chieftain is purchased in 1990. In order to generate even more foreign bookings, general sales agents are appointed for South Africa, Canada, and the U.K.

Customer bookings accelerate 22.6% to 19,230, due largely to the cost of foreign travel and fear of war in the Mideast.

Company employment is cut by 8.8% in 1991 to 31. A Navajo Chieftain crashes at Temple Bar, Arizona, on December 10 (five dead).

Still, the fear of the Iraq situation causes more customers to choose Las Vegas and passenger boardings shoot up 45.8% to 28,043.

The payroll decline is reversed in 1992, growing 16.1% to 36. The 5 Chieftains increase ridership by 3% to 29,129.

In 1993, Chairman Donohue oversees a workforce of 29, a 14.7% decline. Although the fleet remains unchanged, orders are outstanding for two more PA-31-350s.

The number of overseas visitors declines, forcing passenger traffic to fall by 13.7% to 25,126.

Airline employment increases to 41 in 1994 and the fleet now includes 8 Chieftains.

With 97% of its traffic made up of foreign tourists, Las Vegas watches its renewed Grand Canyon tour traffic surge 48.7% to 37,369.

The most successful and profitable year in the company's history gives way to tragedy in the next. On February 13, 1995, a Piper Chieftain with a pilot and nine Taiwanese tourists aboard reports an engine out. The aircraft crashes during its attempt to return from a point south of the Grand Canyon to Grand Canyon Airport at Tusayan (eight dead).

After this disaster, the company suffers a continuing decline, requiring a workforce reduction of 17.7% to 18. Enplanements drop 26.2% to 27,569.

The employee population is increased to 36 in 1996. Just after landing at Grand Canyon on February 28, a PA-31-350 with a pilot and nine passengers, suffers the collapse of its main landing gear as it slides across an icy runway. No injuries are reported.

Passenger boardings continue to fall this year, dropping 9.9% to 24,850.

Services continue in 1997 with six Navajos. Customer bookings plunge another 40% to 14,731.

On May 15, 1998, a new subsidiary, **Virgin Islands International Airlines**, is created to operate scheduled passenger services from St. Thomas. LVA will continue to hold the FAA operating certificate under which VIIA will operate.

Jehu Hand is named president of the new operation and on September 17 announces an agreement with the government of the Virgin Islands. In addition to a \$50,000 development contribution, the government agrees to endorse and help market the new entrant as it promotes its services. Simultaneously, plans are announced for the inauguration of 14-times-a-day deep-discount services in October from St. Thomas to San Juan and St. Croix and from San Juan to St. Croix, plus a daily return service from St. Thomas to Antigua.

The first of several turboprop aircraft bearing the VIIA emblem is unveiled in ceremonies at Dana Point, California, on September 22.

Overall passenger boardings drop 21% to 12,000.

By the beginning of **1999**, airline employment has been cut by 11.1% to 32.

LASA (LINEA AEREA SACIFI, S.A.): Cerrito 1320, Piso 3, Capital Federal, Buenos Aires, 1010, Argentina; Phone 54 (1) 812-3390; Fax 54 (1) 811-2966; Code CT; Year Founded 1993. CATA Linea Aerea Sacifi, S.A. is reformed at Buenos Aires in **1993** and renamed. Roque Pugliese remains president as his company receives a new corporate identity, logo, and aircraft livery. Operations are continued from Buenos Aires to Bariloche, Viedma to Bariloche, and Viedma to Buenos Aires with a fleet of 4 Fokker F-27Js, 1 Israeli Aircraft Industries 102 Arava, and 2 Rockwell Turbo Commanders. Operations continue apace in **1994–1995**.

Airline employment stands at 200 in **1996** and through June, enplanements total 2,086. Flights continue in **1997–2000**, during which years two Fairchild-Hiller FH-227Bs are acquired.

LASA (LINEA AEREA SUD AMERICANA, S.A.): Chile (1964–1983). LASA is founded at Santiago de Chile in **1964** as an all-cargo carrier offering general purpose and beef-hauling charters both within the nation and over the Andes to Argentina. Services are started with a fleet of 5 Curtiss C-46 Commandos, which are eventually succeeded in **1976–1977** by 2 Douglas DC-6s acquired from **LADECO Chilean Airlines, S.A.**

Unable to pay higher fuel costs or make a profit in the poor economy of the early eighties, LASA closes down in **1983**.

LASA (LINEA AEROPOSTALE SANTIAGO-ARICA, S.A.): Chile (1929–1932). Having received authorization from Chilean President Carlos Ibanez del Campo, FAN (Fuerza Aerea Nacional) (National Air Force) founder Commandante Arturo Merino Bonitez forms LASA as a division of his military organization on March 5, **1929**.

Equipped with 12 de Havilland DH 60 Gipsy Moths, the pioneer airline, in late spring, inaugurates regular mail and passenger service from Santiago de Chile to Arica on the Peruvian frontier, via Ovalle, La Serena, Vallenar, Copiapo, Antofagasta, Tocopilla, and Iquique.

A total of 762 passengers are carried over this route during the year's final three quarters.

FAN takes delivery of seven Fairchild FC-2W2s in early **1930** for its airline division; these are followed by four Ford 5-ATs, one of which is lost in a December 22 crash. New routes are opened southward to Puerto Montt via Chillan and Temuco. More than 5,000 passengers have been transported by year's end.

The LASA fleet is increased in **1931** by the addition of six Fairchild FC-2s, again delivered via FAN. As guests of the Chilean government, the Prince of Wales and his brother the Duke of Kent are flown from Antofagasta to Santiago in February.

The route network is increased as the American-made trimotors fly over the Andes to the Chilean cities of San Juan and Mendoza.

An FC-2W2 is destroyed in a February 27, **1932** crash. On July 21, under terms of government decree No. 247, the airline is separated from FAN and made an independent agency under the name **LanChile Airlines (Linea Aerea Nacional Chile, S.A.)**.

LASER (LINEAS AEREAS DE SERVICIO EJECUTIVO REGIONAL, S.A.): Avenida Francisco de Miranda Torre, Bazer Bolivar, Piso 8, El Marques, Caracas, D.F., Venezuela; Phone 58 (2) 235-6181; Fax 58 (2) 235-8359; http://www.laser.com.ve; Code KZ; Year Founded 1993. Capt. Jose Augusto Azpurua, founder of **VIASA (Venezolana Internacional de Aviacion, S.A.)** and a chief consultant in the launch of **Aserca (Aerolineas Regional de Centro, S.A.)**, joins with his brother, Capt. Rodolfo Azpurua, and a group of experienced commercial pilots to establish LASER at Caracas toward the end of **1993**. With the promise of good service at affordable prices, the veterans attract a sufficient number of investors to begin operations.

Employing a single Douglas DC-9-14, christened *El Pitufu* and outfitted with full-size, first-class leather seats, the company inaugurates scheduled flights in the spring of **1994** between Caracas and Porlamar (Margarita Island).

Over the next six years, two more DC-9s, Dash-32s are chartered and daily return service is also initiated to Maracaibo and Puerto Ordaz. A Boeing 727-224AF freighter is also operated.

Airline employment totals 90 at the beginning of **2000**.

LATAVIO LATVIYSKIE AVIALINII (LATVIAN AIRLINES, A.S.): Latvia (1992–1995). Following national independence in **1992**, the former **Aeroflot Soviet Airlines** division based at Riga is reformed as Latavio to provide scheduled passenger and cargo flights, as well as charter services. President/General Manager Edward I. Makharev acquires a fleet of ex-Russian aircraft from his former unit. These include 14 Tupolev Tu-134B-3s, 1 Tu-154B, and 7 Tu-154B-2s. Revenue operations commence and continue, primarily over the old routes to Moscow and other Russian communities.

While landing at Stepanavan, Armenia, on April 6, **1993**, the nosegear of an An-24RV with 4 crew and 28 passengers, collapses, forcing the plane to overrun the runway by 600 m. There are no fatalities.

In January **1994**, the company receives an offer from **SAS (Scandinavian Airlines System)** to participate in the formation of a new Riga-based Latvian airline. Under terms of the arrangement, SAS would acquire 40% shareholding and provide technical and financial support. The offer is not immediately accepted.

Domestic and international markets are visited with a fleet that now includes 5 Tu-154B-3s, 9 Tu-134s, 9 Antonov An-24s, 2 An-26s, and 2 Yakovlev Yak-40s.

Enplanements in January–July are 50,674.

Airline employment stands at 500 in **1995**. A major traffic decline is suffered during the first half of the year and figures are again reported only through this period.

Customer bookings are down 4.8% to 48,354 and freight falls 24% to 781,000 FTKs. The company cannot survive this plunge.

At a meeting of the stockholders in early September, a management change is immediately ordered. It is also announced that the company will discontinue all regularly scheduled flights on October 1. Newly formed **Air Baltic, A.S.** will take them over.

LATB (LINHA AEREA TRANSCONTINENTAL BRASILEIRA, S.A.): Brazil (1944–1951). LATB is formed at Rio de Janeiro on July 22, **1944**. Following V-J Day in **1945**, a fleet of 5 British-made Avro Ansons is assembled and employed to undertake a series of route proving flights under the direction of President Col. Dulcideo Espirito Santo Cardoso.

Three ex-military Douglas C-47s (reconfigured to DC-3 civil standard) are purchased in January **1946**; beginning in February, these aircraft join the Ansons in a year and a half of charter work around north-east Brazil.

In early **1948**, LATB moves into a partnership arrangement with another new entrant, **VASD (Viacao Aerea Santos Dumont, S.A.)**. Santo Cardoso becomes joint president and the two carriers share facilities, equipment, and other resources, as well as revenues. VASD, idle for part of 1947, now resumes its coastal routes while LATB, as the result of an August 27 government concession, starts two new routes: São Paulo–Rio de Janeiro direct and multistop Rio de Janeiro–Recife. The Ansons are withdrawn and after chartering two of its DC-3s to VASD, LATB leases two others from **NAB (Navegacao Aerea Brasileira, S.A.)**.

A Beech 18 is acquired and the LATB route network is expanded in **1949**. Local services are provided to destinations in Minas Gerais State, while an internal route to Fortaleza is opened via Conquista, Salvador, and Paulo Afonso. All-cargo flights are started between Rio de Janeiro and São Paulo with a newly purchased Curtiss C-46A Commando.

Despite its growing success, LATB, with VASD leaning upon it, remains a fragile operation. In August **1950**, the Curtiss is severely

damaged in a crash, thereby ending a fairly profitable all-freight operation.

Within six months, in January 1951, one of the NAB DC-3s is destroyed in an accident. LATB's financial situation becomes hopeless as claims on its meager resources mount. The relationship with VASD is ended and in August, Santo Cardoso's carrier is purchased by **REAL, S.A.**

LATCHARTER, A.S.: 2 Blaumania St., Riga, LV-1050, Latvia; Phone 371 (7) 207 392; Fax 371 (7) 207 398; Code LT; Year Founded 1992. Post-Soviet Latvia's first international charter company is set up at Riga in late 1992. Yuri Rubenchik is named managing director and 4 Tupolev Tu-134As are acquired.

Ad hoc revenue flights, including business and VIP charters, are launched at the end of March 1993. These continue through the remainder of the decade to Athens, Bologna, Naples, and other European points, as well as destinations in Western Europe and Asia.

By the end of the decade, the fleet comprises just 2 Tu-134As. A total of 38 workers are employed at the beginning of 2000.

LATHAM ISLAND AIRWAYS, LTD. See **AIR TINDI, LTD.**

LATIN CARGA (LATINAMERICANA AEREAS DE CARGA, S.A.): Venezuela (1972–1980). The Caracas-based all-cargo carrier **Ti-gres Voladores, S.A.** is reformed in 1972 and continues operating domestic freight charters with a fleet of 9 Curtiss C-46 Commandos. Flights continue until 1980.

LATN (LINEA AEREA DE TRANSPORTE NACIONAL, S.A.): Paraguay (1944–1956). Following some preliminary experimentation in 1941, the national government decrees the establishment of LATN at Asuncion on July 12, 1944. The initial fleet comprises 3 Fleet biplanes and 2 Italian-made Caproni AP-1s. Nonscheduled flights are started to outlying Army posts during the summer. Following the initial organization meeting of the board of directors on October 2, scheduled passenger flights are inaugurated on October 9.

On February 6, 1945, the government de-emphasizes the airline's military identity in order to attract additional traffic. Capitalization is increased and the fleet is upgraded by the addition of a Breda 44 and two Travel Air 6000s. By year's end, the two-route system includes stops at over 30 destinations.

Despite a slight increase in the number of passengers carried (enplanements total 700 in 1946), the nation does not have the resources to sufficiently support both a civil airline operation and military logistics. In 1954, the air force transport unit **TAM (Transportes Aereo Militar)** acquires a fleet of Douglas C-47s that are employed to support both logistical requirements and commercial routes.

By 1956, the military line is outperforming the civil carrier and has taken over flights to the nation's 12 largest destinations. LATN is again downgraded to outpost resupply flights and soon thereafter disappears.

LATUR (LINEAS AEREAS LATUR, S.A. de C.V.): Mexico (1988–1991). The Mexican ALPA and Promotora Mexicana de Hoteles establishes this charter carrier in late spring 1988 to operate between U.S. East Coast cities and Mexican resorts, especially Cancun, enlivening the local tourist markets. Shareholding of 5% is also distributed among minor investors. Employing a dry-leased McDonnell Douglas MD-83, the carrier initiates service in December. It is the first exclusive passenger-charter operator in Latin America, the first to order new generation high-tech transports, and the first South American airline to order the Airbus Industrie A320.

The first high-tech A300-621, christened *Yum'ik*, is delivered for service on August 3, 1989, with a second arriving in October. Orders are outstanding for two A320-200s and contracts with four major tour operators insure a steady flow southward of leisure travelers from the United States and Canada.

Start-up and associated costs lead to a \$1.3-million operating loss.

Company employment is increased by 13.2% in 1990 to 172. Due to a lack of bookings, the two A300B4-621s are wet-leased to **Garuda Indonesian Airlines** as three McDonnell Douglas MD-83s arrive to replace them. An MD-87 is ordered.

Passenger boardings skyrocket 154.1% to 628,963. Revenues increase 166.4% to \$52.5 million and the operating loss is cut to \$839,000.

Mexican air transport deregulation, currency devaluation, and the growing recession combine to fatally impact the carrier, which ceases operations on December 18, 1991.

LATVIJAS GAISA SATIKMES, A.S. See **AERONAUT, A.S.**

LAU (LINEAS AEREAS SURAMERICANAS COLOMBIA, S.A.): Aeropuerto Eldorado, Entrada 2, Interior 7, Bogota, AA 98971, Colombia; Phone 57 (1) 413-9515; Fax 57 (1) 413-9608; Year Founded 1993. Luis Enrique Prieto sets up this all-cargo carrier at Bogota in 1993. Services are launched with an initial fleet that includes 1 leased Boeing 727-25F, along with 1 each owned Aerospatiale (Sud) Caravelle XB3 and Caravelle XR.

A Caravelle VIR is purchased in 1994 and two B-727-24Cs follow in 1995. In 1996–1998, the Caravelle VIR is taken out of service and replaced with a Caravelle XB1R. Even though the Caravelles are employed as freighters, they are among the last of their type in commercial operation anywhere in the world.

Operations continue without headline or incident. Freight traffic in 1999 totals 163.31 million FTKs. The fleet in 2000 includes not only the Caravelles but 5 B-727s, 2 hush-kitted Dash-24Cs, 1 Dash-C3, and 1 each hush-kitted Dash-25F and Dash-51F.

It is not until January 31, 2001 that a tragic event brings this carrier, one of the last Caravelle operators in the world, back to public attention.

While on approach to Mitu, coming in from Yopal and en route to Bogota, the crew of the Caravelle XR experiences difficulty putting down the landing gear and elects to return to Yopal. Just 3 mi. short of the runway at its destination, the jetliner, with a crew of 3 plus 3 passengers and 14 55-gallon barrels filled with gasoline, crash-lands in a meadow and catches fire. Two passengers and a crewman are killed and the aircraft is burnt out.

LAUDA AIR LUTFAHRTGESELLSCHAFT, A.G.: World Trade Centre, P.O. Box 56, Vienna-Schwechat, A-1300, Austria; Phone 43 (1) 7007 2081; Fax 43 (1) 7007 2091; <http://www.laudaair.com>; Code NG; Year Founded 1979. World champion and Grand Prix race driver Andreas Nikolaus "Niki" Lauda establishes Lauda at Vienna in April 1979 to offer air taxi and charter services with a fleet of 2 Fokker F.27s, which are acquired for \$3 million. Lauda holds 51% shareholding, with ITAS Austria obtaining the remainder. The certificate of **Alpair** is taken over and revenue services commence on May 24.

Operations continue apace in 1980–1982, during which time President/CEO Lauda personally pilots many flights. Unable to offer scheduled airline services because of political considerations, a disappointed Lauda leases the F.27s to **Egyptair, S.A.E.** and returns to racing in 1983.

After winning his third world championship title, founder Lauda, late in 1984, decides to retire from Grand Prix racing and return full-time to the airline scene. Two Dassault Falcon 20s are acquired and the reborn company becomes a joint-stock concern. A year later in 1985, two BAC 1-11-500s are leased from **TAROM (Transporturile Aeriene Romane, S.A.)** and used to inaugurate charter and inclusive-tour flights to Spanish and Greek holiday destinations in a cooperative venture with partner tour operator ITAS Austria, owned by Basile Varvaressos Vermoegens-ferwaltungs, GmbH. (BVV).

Managing Director Olmar Lenz's fleet is significantly increased in 1986 as two Boeing 737-200s are leased for the charter business. An application is made for a license to begin charter flights to the Far East and Australia. The company's first owned Boeing, a B-737-3Z9, arrives in July. It, together with its sister, will allow ITAS to increase its named

charters to Spain and the Canary Islands (Paco Leone), to Egypt and Israel (Topic), and to various other destinations (Belmondo).

When Lauda petitions the Austrian government for the right to operate scheduled domestic and regional services, the move is strongly opposed by the national flag carrier, **Austrian Airlines, A.G.**

Enplanements this year total 192,369 and a \$3-million operating profit is earned. The net gain is \$2.6 million.

Airline employment is increased by 50.9% in 1987 to 169 as, beginning in the spring, the B-737-3Z9 launches seasonal charter flights (with two refueling stops) from Vienna to Recife. Scheduled operations are licensed by the government in December.

Passenger boardings jump 23.1% to 250,124 and revenues advance 14.2% to \$36.6 million. With costs held down, the profits are \$4.1 million (operating) and \$3.1 million (net).

A B-767-3Z9ER is received in the spring of 1988. Upon receipt of a desired certificate for Far East flights, the new twin-engine wide-body is employed to inaugurate scheduled flights to Bangkok, Hong Kong, and Sydney in May. The second B-767-3Z9ER arrives in November.

In 1989, the 467-employee Lauda becomes an all-jet airline as the fleet now includes 2 Boeing 737-3Z9s, 2 B-767-3Z9ERs, and 1 Gates Learjet 35A. Orders are outstanding for three B-737-4Z9s and a third B-767-3Z9ER.

Enplanements are 356,045 and a total of 6.04 million FTKs are operated.

Company employment is increased by 8.8% in 1990 to 508. In February, weekly flights are opened from Vienna to Singapore via Bangkok. The company begins trading on the Vienna Stock Exchange in June. Licensure for worldwide scheduled services, previously limited to **Austrian Airlines, A.G.**, is obtained from the government on August 23. The first scheduled European regional route is inaugurated in December—weekday B-737-3Z9 roundtrips from Vienna to London (LGW).

Passenger boardings this year jump 28.7% to 458,300.

The payroll is cut 7.5% in 1991 to 470 as 1 owned B-737-4Z9 is delivered; a B-767-3Q8ER is leased from **Air France** along with a B-767-3Z9ER from **Martinair Holland, N.V.** Charter destinations now visited include Hong Kong, Singapore, Thailand, Cyprus, Greece, Jamaica, Mexico, Portugal, Florida, Spain, St. Lucia, and Santo Domingo via Milan, from Vienna, and from Lauda and Milan. Holiday flights are made to the Bahamas, Barbados, Heraklion, Montego Bay, Rhodes, St. Martin, and Santo Domingo.

On May 26 Flight NG004 is en route from Hong Kong to Vienna with 10 crew and 213 passengers. Piloted by American Thomas Welsh, the Martinair B-767-3Z9ER crashes at 11:18 p.m. local time, 16 minutes after takeoff from Mong Muang International Airport outside Bangkok. Rescuers reaching the scene report that they cannot locate any piece of the aircraft larger than 6 feet. There are no survivors from the 12th worst commercial aviation disaster to date and although a terrorist bomb is initially suspected, it is later established that a manufacturing fault had caused the port engine's thrust reverser to deploy unexpectedly. Via **Condor Flugdienst, GmbH., Deutsche Lufthansa, A.G. (DLH)** now acquires 25% shareholding.

Enplanements of 309,002 are reported for the year's first seven months.

Twice-weekly scheduled services are inaugurated on March 29, 1992 from Vienna to Miami via Munich in cooperation with the German flag carrier. Lauda operates the Vienna to Munich segment. Also added from Vienna to Seoul via Bangkok are flights to Phuket, Hong Kong, Melbourne, and Sydney.

Chairman Lauda now oversees 676 employees and his fleet is upgraded by the addition of another B-737-4Z9. Orders are placed for four B-777-2Z9s. In July, the company sells another 26.5% shareholding to **Condor Flugdienst, GmbH.** and in August another B-767-3Z9ER is delivered.

In November, a major alliance with DLH, also inked in July, comes into effect. Under its terms, codes will soon be shared on flights from Munich

to Miami and Los Angeles and the two companies will engage in sales and marketing cooperation to seven European destinations. A fourth B-767-3Z9ER is delivered in December. Just before Christmas, thrice-weekly services are inaugurated from Frankfurt to Miami via Vienna.

Passenger boardings swell 16.6% to 644,784 while freight is up an almost unbelievable 267.8% to 28.71 million FTKs.

The workforce grows by 40.5% in 1993 to 950 and the fleet now includes 2 each B-737-3Z9s and B-737-4Z9s, 3 B-767-3Z9s, and 1 Learjet 36A.

Backing up its strategic marketing agreement with Lauda signed the previous fall, DLH purchases another 13.24% stake on January 4, the same day **Condor Flugdienst, GmbH.** acquires 26.47% shareholding. A "Partner of Lufthansa" logo is applied to all Lauda aircraft liveries. Also during the first quarter, the subsidiary **Lauda Air, S.p.A.** is formed in Italy to provide holiday flights to the Caribbean and is outfitted with a single B-767-31AER.

In cooperation with DLH, four-times-per-week flights begin on April 1 from Los Angeles to Miami and Munich, with continuation service provided by Lauda to Vienna. Later in the month, twice-daily service is launched to London (LGW).

Other destinations visited include Bangkok, Phuket, Hong Kong, Melbourne, Miami, Sydney, Cyprus, Florida, Greece, Jamaica, Mexico, Portugal, Spain, St. Lucia, Santo Domingo, the Bahamas, and Barbados.

In July, the **Condor Flugdienst, GmbH.** interest is shifted to DLH, which now controls 39.71% of Lauda Air. Founder Lauda's share falls to 39.71%, with the remaining 20.58% traded on the Austrian stock exchange. In October, a contract is placed with Bombardier Regional Aircraft Division for six Canadair CRJ-100ER regional jets.

Customer bookings ascend by 21.2% to 782,200 and after-tax profits reach Sch 43 million (\$4.3 million).

The first three Canadair Regional Jets, beginning with the lead plane *Herbert von Karajan*, are delivered in January and February 1994. After workup, the three CRJ-100ERs begin flying twice daily on March 27 on behalf of DLH from Vienna to Barcelona, Madrid, Brussels, Geneva, Manchester, and Stockholm. In April, the last 25.94% stake held by BVV is purchased. The strategic alliance signed with the German flag carrier in 1992 is now enhanced as European sales and marketing joint efforts are expanded to eight more cities.

Reflecting national approval of the expensive material, it is announced in July that, by summer's end, cabin crew members will be wearing Levi's blue jeans as part of their uniforms.

Despite a ruling by the EU Commission during August, the government of France refuses to allow Lauda Air flights from Vienna and Salzburg to land at Paris (ORY), despite the fact that it already has the necessary landing slots. On September 8, another 13.2% stake is sold to Lufthansa; both DLH and Lauda each now hold a 39.71% interest, however, the latter retains control through ownership of an additional two shares. The remaining stock is sold on the Vienna Stock Exchange. In October, the company enters the executive travel market, operating a Learjet 60 and a Cessna Citation II on the service.

Passenger boardings for the year rise 5.7% to 826,835 while freight ascends 3.3% to 45.41 million FTKs. There are profits: \$10.9 million (operating) and \$4.1 million (net).

The workforce is increased by 37.8% in 1995 to 1,120. French officials, who had resisted the move claiming that **Air France** needed time to recover from its recent ordeals, accede to European Union demands and open Paris (ORY) to Lauda on January 1. Three more Canadair CRJ-100ERs now become available, allowing routes and frequencies to be significantly increased from Salzburg, beginning on January 30 with new twice-daily service to Frankfurt and daily flights to Paris (ORY) and London (LGW).

On March 26, three new Canadairs based at Milan begin flying to Vienna, Manchester, Brussels, Paris (Orly), Barcelona, and Dublin while, from Vienna, new daily B-737-3Z9 frequencies commence to Lisbon via Barcelona and to Milan with a Canadair. Meanwhile, several new destinations are added in Asia and the Pacific.

A trilateral around-the-world service is initiated in October with **United Airlines** and **Thai Airways International, Ltd. (THAI)**. The new thrice-weekly flights allows dual-designator code-sharing via Bangkok with THAI, Los Angeles or San Francisco with **United Airlines**, and Vienna via Lauda. **Deutsche Lufthansa, A.G.** is the big winner in this arrangement in that, under its pact with Lauda, the German major is provided with an alternative service from Frankfurt to Sydney, Australia, one that permits it to drop its own thrice-weekly frequencies over the route.

On November 1, changes occur in the European regional market. As Milan has failed to generate the traffic expected, the two CRJ-100ERs based there are returned to Vienna. Meanwhile, new schedules are introduced to Rome and Paris (Orly) and the number of frequencies to London (LGW) and Frankfurt is increased.

Enplanements jump 15.7% to 935,799 while cargo accelerates 21.7% to 594,000 FTKs. Operating revenues are boosted 24.3% to \$308.6 million and costs, while up 25.7%, are still \$298.2 million. Operating gain dips slightly to \$10.4 million, but net gain rises to \$4.6 million. Both figures are later adjusted upward slightly, to \$11 million and \$4.7 million, respectively.

Airline employment grows another 21.6% in **1996** to 1,273 and the fleet now includes 7 Canadair CRJ-100ERs, 3 B-767-3Z9ERs, 4 B-737-3Z9s and 1 each Learjet 36A, B-767-33AER, and B-767-31AER, the latter continuing its charter to **Lauda Air, S.p.A.** Orders are outstanding for four B-777-2Z9As.

In April, a Dassault Falcon 20 joins the carrier's executive fleet. Also during the early spring, the carrier contracts with DO & CO to provide catering services. Weekly B-767-3Z9ER roundtrips commence in May between Vienna and Ho Chi Minh City in Vietnam. In June, the company begins to code-share with **Austrian Airlines, A.G.** on frequencies from Vienna to Nice, Milan, and Rome; Lauda CRJ-100ERs operate the services. The two carriers also enter into a "gentleman's agreement" not to compete over the same routes.

Daily CRJ-100ER frequencies commence on July 1 between Salzburg and Sofia, Bulgaria, the company's first gateway in Eastern Europe. By month's end, the company is operating 100 weekly dual-designator departures with Lufthansa to destinations throughout Western Europe as well as thrice weekly to Miami.

In November, Salzburg to Rome Canadair flights commence. At the same time, two B-737s devoted to inclusive-tour flights are integrated into the European regional service, flying from Vienna to Paris (ORY) and London (LGW), as well as from Vienna to Lisbon via Barcelona. A newly redesigned fleet livery is introduced in December.

Passenger boardings surge 30.9% to 1,224,584 and 65.19 million FTKs are operated, a 25.2% increase. Operating income climbs 24.1% to \$385 million and expenses are up 23.3% to \$368.6 million. Operating profit accelerates to \$16.4 million and a net \$5.5-million profit is recorded.

The workforce grows by 2% in **1997** to 1,299. During the third week of March, DLH agrees to sell almost half of its 39.7% stake to **Austrian Airlines, A.G.** At the same time, a tentative equity agreement is signed by Lauda with **Austrian Airlines, A.G.** The agreement with **Austrian Airlines, A.G.** takes effect on June 1 when Lauda surrenders 36% shareholding. Despite loss of majority control, founder Nikki Lauda remains CEO.

After months of negotiations, the company is able to announce that it has won Australian government permission for new flights to their nation that include fifth freedom rights to bring in passengers from Kuala Lumpur, Malaysia. On August 18, the carrier is able to begin offering its passengers electronic visa applications when they book for services to Australia.

The former **Tyrolean Airways, A.G.** route to the Romanian city of Timisoara is taken over on October 6, with a Lauda Canadair providing weekday flights. A Sunday service to Timisoara begins on October 26.

When the winter schedule begins on October 26, the carrier launches daily Canadair services over the former **Austrian Airlines, A.G.** routes

to the Baltic cities of Riga, Latvia, and Vilnius, Lithuania, and begins its own new route from Vienna to Tallinn, Estonia. It also begins flying to Sydney and Melbourne via Kuala Lumpur instead of Singapore. In addition, the number of weekly dual-designator flights with new code-sharing partner **Malaysia Airlines, Ltd.** from Vienna to Kuala Lumpur is doubled from three to six.

During November, the company joins with **Austrian Airlines, A.G.** and **Tyrolean Airways, A.G.** to create Austrian Airlines Group-Cargo. The airline has a turnkey network for freight of 118 destinations in Europe, the Mideast, the Far East, the U.S., and Australia.

Passenger boardings accelerate 13.6% to 1,438,100.

On January 28, **1998**, a memorandum of understanding is signed between **Austrian Airlines, A.G.** and **TAP-Air Portugal, S.A.** for a broad commercial agreement, that includes Lauda; plans are made to begin code-sharing on routes from Austria to Portugal during the summer.

With the inauguration into service of the first new B-777-2Z9 in March, the company also begins to allow in-flight video gambling.

In July, the company takes delivery of the first of two Next Generation B-737-8Z9s. Christened *Falco* after the famous Austrian singer, the aircraft enters revenue service on August 1.

The second B-777-2Z9 arrives at the end of September. It is placed into revenue service on October 15, operating an additional service to Australia via Kuala Lumpur.

Passenger boardings ascend 8.7% to 1.56 million.

During the second week of January **1999**, a \$519-million order is placed with Boeing for two B-737-6Z9s and four B-737-7Z9s to be delivered between **2000** and **2002**. The airline takes delivery of a B-767-3Z9s, with the second scheduled to arrive in August.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Lauda, **Tyrolean Airways, A.G.**, and **Austrian Airlines, A.G.**, on March 24, halts all scheduled service into Belgrade, as well as Sarajevo, Mostar, Zagreb, Split, Skopje, Tirana, Ljubljana, Timisoara, and Sofia. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25-26 and for much of the duration of the NATO bombing campaign Operation Allied Force. Flights to south-central and southeastern Europe experience delays of 30-60 min. through mid-May due to airspace closure.

Flights worldwide begin to operate under a nonsmoking policy on March 28; Nicorette inhalers are, however, available for those passengers who need to smoke.

By April 23, the company is able to fly to all of its previous Balkan destinations except Belgrade, Skopje, and Tirana.

Austrian CEO Mario Rehulka reports on April 26 that the Austrian group, including Austrian Airlines, Lauda Air, and Tyrolean Airways, have lost revenue in each of the past 5 weeks because of the Kosovo crisis, including Sch 4.4 million (\$340,000) the week of April 19.

A second weekly B-777-2Z9 service to Denpasar, Bali, is launched on May 9 via Bangkok.

In an interview with Austria's *Format* magazine, Lufthansa Chairman Juergen Weber indicates that his company is willing to sell its stake in Lauda if the price is right. Lufthansa confirms to Reuters, Ltd. on May 10 that the quote is accurate.

Between June 2 and June 20, Lauda sponsors the "Renaissance of Johann Strauss" at the Renaissance Hotel at Kuala Lumpur, Malaysia. To help promote Austrian culture and tourism, the airline brings in a musical ensemble and chefs from two Vienna hotels.

Piloted by owner Lauda, a B-767-3Z9ER departs Frankfurt on August 30 on a World Adventure. When the Lauda aircraft returns to Germany on September 15, it has covered 40,000 km. in 46.1 hrs. flying time—improving the record by almost an hour—and has made stops at Bangkok, Sydney, Honolulu, and Los Angeles.

Citing lack of customer support, the carrier, on November 1, halts its service from Vienna to Puerto Plata via Miami.

Passenger boardings climb 9.2% to 1,707,000.

Airline employment at the beginning of 2000 stands at 1,692, a 17.5% increase over the previous 12 months. After six months of successful changeover and an investment of ATS 500 million, the full Austrian Airline Group—**Austrian Airlines, A.G.**, Lauda Air, and **Tyrolean Airways (Tyrolean Airways Luftfahrtgesellschaft, GmbH.)**—becomes the 10th official member of the “Star Alliance” on March 26.

Weekly B-767-3Z9ER roundtrips are inaugurated on May 4 from Vienna to Kathmandu, Nepal. The service has been taken over from **Austrian Airlines, A.G.** Two Next Generation B-737-6Z9s are delivered on May 4 and May 10, respectively. Outfitted with leather seats, both aircraft are employed for business-class services from Vienna to Hamburg and Munich.

Employing its first new Next Generation B-737-8Z9, Lauda, on May 22, initiates new four-times-a-day return service from Linz to Frankfurt, taking over the route from **Tyrolean Airways (Tyrolean Airways Luftfahrtgesellschaft, GmbH.)**.

The Next Generation B-737-6Z9s, christened *Romy Schneider* and *Albert Einstein* are placed into service in mid-June on routes from Frankfurt to Linz and from Vienna to Istanbul, Madrid, Munich, and Rome.

Beginning on July 14, weekly B-767-3Z9ER charters are operated, through September 15, from Milan to Osaka (KIX).

On August 22, officials at **Austrian Airlines, A.G.** announce that they will increase its current 35.6% stake in Lauda Air to 59% over the next 11 months. Officials at Lauda are criticized for alleged mismanagement, setting off a war of words.

Acknowledging an expectation of a 558-million-schilling loss for the year to October 31, Chairman Lauda, in October, announces a plan to offset the downturn through a 1.1-billion-schilling (\$67-million) sale-and-leaseback deal with Boeing for five company aircraft. The rescue plan is pushed through without the blessing of the major shareholders at **Austrian Airlines, A.G.**

With the beginning of the winter schedule on October 29, the number of weekly roundtrips from Vienna to Kathmandu is increased from one to three. Weekly return frequencies from Vienna to Sydney are reduced from six to four, with flights to Melbourne held at twice weekly.

On November 10, the **Austrian Airlines, A.G.** board of directors approves the start of negotiations with **Deutsche Lufthansa, A.G.** for the purchase of the German flag carrier's 20% stake in Lauda Air. When Reuters, Ltd. reports the development the next day, it reminds readers that, as part of its minority purchase in 1986, Austrian also acquired the right to buy an additional 23% of founder Nikki Lauda's 30% remaining stake by July 2001. Lauda, on the other hand, can remain CEO as long as he holds at least 7% of the carrier's shares.

Expecting huge losses beyond those suggested by Lauda, the board of directors, led by Chairman Rudolf Streicher, orders an external review of the company's finances by the independent accounting firm of KPMG Corporate Finance.

When received on November 20, the KPMG report criticizes the lack of internal financial control by the airline of its foreign currency dealings.

The Austrian carrier's board members, on November 21, call for a special meeting of Lauda shareholders on December 7 to vote founder Niki Lauda out of the carrier's management. Lauda, who has been speaking ill of Austrian's efforts to takeover the airline, calls for a special meeting on December 22 to vote off the **Austrian Airlines, A.G.** representatives. At the same time, Lauda also resigns as CEO and the next day accepts a simple pilot's contract from the airline's personnel chief.

New Lauda Air CEO Ferdinand Schmidt refuses to acknowledge the contract and, in effect, fires founder Lauda as a company pilot on December 8. Lauda agrees to accept the ban because he has no desire for a direct meeting with Schmidt. Instead, a week later the former race car driver turns around and accepts a captaincy with the subsidiary, **Lauda Air, S.p.A.**

On December 13, Austrian Airlines Group announces that its large restructuring process will bring a profit for FY00, despite an expected

E 14.5-million (\$12.8-million) loss at Lauda. Lauda will be reined in and its new management will be integrated closely with those of wholly owned subsidiary airlines Austrian and Tyrolean. The group's supervisory board approves implementation of the reorganization scheme by the executive board during the first half of 2001. Lauda will continue as a charter operator with a few scheduled flights and Tyrolean will be primarily a domestic and regional carrier.

A news report from the U.K. press service *Ananova* reveals on December 14 that officials of Austrian Airlines Group have had founder Niki Lauda's executive office cleaned out in the World Trade Center. Lauda agrees to the move only on condition that the furniture and other items are sold and the money given to the charity Light in the Dark. Consequently, a sale is staged by the Internet auction house OneTwoSold later in the month.

LAUDA AIR, S.p.A.: Strada Provinciale 52, Aeroporto Milano Malpensa, Vizzola Ticino (VA), I-21010, Italy; Phone 39 (331) 75931; Fax 39 (331) 230467; Code L4; Year Founded 1993. This Italian subsidiary of the Austrian independent is founded at Milan in September 1993 to offer charter flights to the Caribbean. Shareholding is divided between **Lauda Air Luftfahrtgesellschaft, A.G.** (33%), ITC&P (33%), and Volante Sri (33%).

A. Molinaris is named general manager and is provided with a single Boeing 767-31AER, under lease from the parent, which inaugurates holiday services in October to Barbados, the Bahamas, St. Martin, and Santo Domingo.

Flights continue apace in 1994. When **Deutsche Lufthansa, A.G.** advances its shareholding in the Lauda parent to 39.71% in early August, it also receives access to General Manager Molinaris's Milan base.

International and regional charters are continued in 1995–1999, during which years a second Boeing wide-body is leased and two Canadair CRJ200ERs are acquired. During the latter year, the entire fleet is repainted, adopting a green accent that complements the colors of its Austrian parent.

A total of 151 workers are employed at the beginning of 2000. Destinations visited now include Recife in Brazil, Colombia, Sharm-el Sheikh and Hurganda in Egypt, Cancún in Mexico, Senegal, Tobago, and the Florida cities of Fort Lauderdale and Orlando.

Following his November 21 resignation as chairman/CEO of **Lauda Air Luftfahrtgesellschaft, A.G.** and his December 8 dismissal as a pilot from the airline he had created, Lauda Air founder Niki Lauda turns around and accepts a captaincy with this subsidiary. His first flight is a December 18 B-767-31AER charter from Rome to the Dominican Republic.

LAUGHING SKY AIR CHARTERS, LTD. See **AVWEST CHARTERS, LTD.**

LAUMSA (LINEAS AEREAS MEXICANAS UNIDAS, S.A. de C.V.): Mexico (1950–1964). In 1950, Felipe Gutierrez de Lara, owner of **TAT (Transportes Aereos de Tampico, S.A. de C.V.)**, orchestrates a merger between his **TAT, Aeronaves Oaxaca, S.A. de C.V.**, and **SAN (Servicios Aereos Nacionales, S.A. de C.V.)**. The resulting amalgamation is registered as **LAUSA (Lineas Aereas Unidas, S.A. de C.V.)** (“United Air Lines”) and begins flying the routes of its predecessors with Avro Ansons, Cessna T-50s, and Douglas DC-2s and DC-3s, some still in military configuration. Principal destinations served from Mexico City include Putla, Ometepe, and Cacahuatpec.

While taking off from San Luis on November 27, 1951, a C-39 (military-configured DC-2) with 13 aboard, crashes; there are no survivors. Operations are conducted safely in 1952 and plans are made in April 1953 to operate Matamoros–Acapulco and Tampico with Lockheed L-1049s and permission for start-up is sought. Certification is not forthcoming and the concept is abandoned. Local routes are flown for another decade, during which time the carrier's name is changed to LAUMSA.

On July 14, 1955, a DC-3 en route from Acapulco to Oaxaca crashes near the latter point, killing all 21 aboard. Two Curtiss C-46 Commandos enter service during 1957 and the fleet is upgraded in late 1961 with four Canadair DC-4M-2s.

In 1962, following a change in ownership, the carrier is awarded permission to fly from Tampico to the U.S. border town of Reynosa. In early 1964, the carrier is purchased by and merged into SAESA (*Servicios Aereos Especiales, S.A. de C.V.*).

LAURENTIDE AIR SERVICES, LTD.: Canada (1921–1925). After two summers of forest fire patrol and timberland charting, the aerial division of Quebec's Laurentide Company is reorganized late in 1921 as the separate Laurentide Air Services, Ltd. Equipped with two original Curtiss HS-2Ls, the first of the ex-military flying boats to be employed on civil service anywhere, new pilot Managing Director/ William Roy Maxwell finds C\$10,000 capitalization from shareholder Thomas Hall.

The fleet is increased by the addition of 1 each HS-2L, Loening M23 Air Yacht, and Vickers Viking IV amphibian. During the summer operating season of 1922, the 5 aircraft fly 688 hours, although the original 2 Curtiss machines must be written off after nonfatal takeoff accidents.

By transporting 310 revenue passengers, the carrier becomes one of the world's first bush charter operations, providing not only contract and charter services on behalf of the parent, but forestry patrols and aerial mapping flights under charter to the Ontario government.

Nine additional HS-2Ls and a JN-4 (Can.) Jenny are acquired in 1923 as Laurentide becomes the first Canadian air transport company to allocate fleet numbers to its aircraft. A large headquarters and maintenance building is acquired at Trois-Rivieres, Quebec, as the staff continues to grow and the mapping work is expanded along the north shore of the St. Lawrence River and into the unrecorded regions north of the Manicouagan River.

A total of 1,480 hours are flown over 20,000 square miles of forest with an HS-2L and the Loening lost in nonfatal accidents. When the new **Ontario Provincial Air Service, Ltd.** is founded in the fall, it contracts with Laurentide for the modification and delivery of 13 civil HS-2Ls. During the year, some 550 passengers are carried.

The carrier's Trois-Rivieres facility completes modification of the first contract HS-2L on April 21, 1924 and delivers it to the new OPAS provincial carrier. On May 21, Laurentide joins the Canadian Pacific Railroad in establishing a scheduled thrice-weekly service (the first in Canada) for the transport of passengers, mail, and express from the railroad at Angliers and the gold mines at Rouyn and Noranda. Considered the first air-rail cooperative operation of passenger aircraft, the service, flown by pilot Jack Caldwell in an HS-2L, is also remembered as the country's first regular airmail service.

Laurentide's principal operating base is transferred to Haileybury, Ontario, on July 31. On August 9, the company receives Post Office permission to issue its own airmail stamps, the first to be printed by a private concern in Canada. The premier Canadian airmail service is inaugurated on September 11 between Haileybury and the Rouyn and Noranda gold mines.

Financial difficulties ensue, and all but four of the 11 HS-2Ls are sold to the newly formed **Ontario Provincial Air Service, Ltd.** A number of pilots, including Maxwell, also transfer to the new state-sponsored carrier and business follows them. Still, the year is the company's best. In 933 flying hours, a total of 1,004 passengers are carried, as well as 15,000 letters and 39.4 tons of freight.

Overextended and unable to recoup, the pioneer airline is in deep financial trouble by early January 1925. A ski-equipped de Havilland DH 9C is acquired to fly winter airmail from Haileybury to Rouyn and Noranda, but is lost in a nonfatal accident after only three runs. Laurentide shuts its doors; one HS-2L is sold to **Northern Air Services, Ltd.** and the other three are scrapped. In 1928, Maj. Gen. James MacBrien organizes the assets of Laurentide, the Canadian Fairchild Companies, and several other bush operations into **Inter-Provincial Airways, Ltd.**, beginning Montreal–Fort Erie passenger and freight services.

LAUSA (LINEAS AEREAS UNIDAS, S.A. de C.V.). See **LAUMSA (LINEAS AEREAS MEXICANAS UNIDAS, S.A. de C.V.)**

LAV VENEZUELAN AIRLINES (LINEA AEROPOSTAL VENEZOLANA, S.A.)/AEROPOSTAL (ALAS DE VENEZUELA, S.A.): Torre Capriles, Pisos 21-22-23, Plaza Venezuela, Caracas 105, Venezuela; Phone 58 (2) 708-6211; Fax 58 (2) 782-6323; <http://www.aeropostal.com>; Code VH; Year Founded 1933. Following the French government's withdrawal of subsidy from Marcel Bouilloux-Lafont's **Compagnie General Aeropostale, S.A.**, the Venezuelan government on December 31, 1933 purchases that carrier's subsidiary, which had been registered at Caracas back in 1929.

Renamed ANV (**Aviacion Nacional Venezolana, S.A.**), the nationalized carrier continues operations in 1934 as before; a French management team, headed by Robert Guerin, who reports to the Ministry of Labor and Communications, flies the planes and provides all support. In 1935, ANV becomes an autonomous government entity; capitalized at B 1.16 million, it is renamed **LAV (Linea Aeropostal Venezolana, S.A.)** and Lt. Colonel Francisco Leonardi is named CEO.

LAV's independence is guaranteed by a government decree of May 21, 1937. Capitalization is increased and three Fairchild 71s are purchased to succeed the inherited Latecoerte 28s. Route expansion begins. The first of six Lockheed Model 10As ordered is delivered in February 1938 as orders are placed for two L-14 Hudsons, which join the fleet in 1939, the year the operations center is shifted from Maracay to Maiquetia. Two new Lockheed Model 14H Super Electras are received on December 13.

The fleet in 1942 comprises 6 L-10As and 2 L-14s and the carrier's route network links all of the country's major cities. Difficulties in receiving supplies due to the war curtail company operations for much of the year. The first of five L-18 Lodestars ordered in 1941 is placed in service in 1943. Early in 1944, LAV acquires a 23% interest in competing **Avensa (Aerovias Venezolanas, S.A.)**.

Service is inaugurated to Boa Vista, Brazil, in July 1945. The first of 33 ex-USAAF Douglas C-47s (converted to civil DC-3 standard) made available to the airline by the Reconstruction Finance Corporation begin to arrive late in the year.

On January 24, 1946, routes are extended to Aruba and to Bogota via Cucuta and authorization is received from the U.S. CAB to start a route from Caracas to New York via Havana and Miami.

Two Lockheed L-049s are delivered late in the summer and are christened *Simon Bolivar* and *Francisca de Miranda*. On August 21, the former, having come up from Maiquetia, departs on a European proving flight from New York (LGA) for Rome via Labrador, Iceland, London, and Paris. Employing leased Douglas DC-4s, contract flights to the U.S. begin in November.

While on a March 20, 1947 training mission, a DC-3A with three crew crashes at La Carlota Airfield; there are no survivors.

The Constellations inaugurate Caracas–New York service on March 21, while DC-3 flights begin to Port of Spain, Trinidad. Meanwhile, domestic service is strengthened by the addition to the fleet of two Martin 2-0-2s, which are christened *Rafael Urdaneta* and *Andres Bello*.

On April 8, a C-47 with 3 crew and 24 passengers is lost 40 mi. E of Cara, Venezuela; there are no survivors.

The routes and schedules of **Linea Aeria TACA de Venezuela, S.A.** (founded in 1944) are integrated with LAV's on July 1. The competitor is allowed to continue reduced operations under its own name. Meanwhile, a new law passed on June 9 increases capitalization to B 14.6 million (\$4.37 million) and an order is placed for two L-749As.

While undergoing flight tests over Ciudad Bolivar on November 25, a C-47 with three crew crashes; there are no survivors. A new international division is formed at year's end.

The two L-749As are delivered in 1948–1949. Christened *Jose Martin* and *Antonio Jose de Sucre*, they are placed in service on the New York run. Meanwhile, on February 24 of the former year, a DC-3 crashes near Lafrie (13 dead). **TACA de Venezuela, S.A.** is liquidated in 1950,

having no resources of its own upon the collapse of its multinational parent, **TACA (Transportes Aereos Centro Americanos, S.A.)**. Four Curtiss C-46s are acquired in 1951 to boost the carrier's freight haulage capabilities and scheduled passenger flights begin to Lima, Peru.

Early in 1952, the routes and 88% of the physical assets of **TACA de Venezuela, S.A.** (including 13 DC-3s) are purchased and the new subsidiary is allowed to operate under its previous identity. During the summer, orders are placed for two de Havilland DH 106 Comet 2s, but these will never be delivered.

Inspired by Capt. C. Baughan, LAV initiates \$200, weekend DC-3 package trips, from Caracas to Gran Sabana on March 20, 1953. In November, the L-749As launch Caracas-Rome service via the Azores, Lisbon, and Madrid.

Martin 2-0-2 flights to Panama City are initiated in 1954. On April 6, the first production Lockheed L-1049E Constellation, slated for the carrier, makes its maiden flight. Late in the year, this plane and one other are received; they are christened *Rafael Urdaneta* and *Simon Bolivar*.

A C-47A is lost on the ground at Guasualito, Venezuela, on December 10; there are no injuries or fatalities. While on an all-cargo flight, a C-47A with two crew is lost 120 km. S of Ciudad Bolivar on December 18; there are no survivors.

The New York terminus is changed to Miami in 1955. Orders are placed for three Vickers Viscount 700s and seven L-1049Gs as the *Rafael Urdaneta* and *Simon Bolivar* enter service. One of the "Connies" is assigned to a route from Caracas to Miami via Havana alternating with a nonstop route from Caracas to New York. The other begins to fly from Caracas to Rome via Bermuda, the Azores, Lisbon, and Madrid.

A DC-3 with 13 passengers must make an emergency landing at sea off Barcelona, Venezuela, on May 21 (4 dead).

In August, the retired L-049s *Simon Bolivar* and *Francisca de Miranda* are sold to **Braniff International Airways**.

The **TACA de Venezuela, S.A.** subsidiary is completely absorbed in mid-1956. The L-1049Gs begin to arrive during the summer and the first is immediately christened *Simon Bolivar*. In the worst accident in commercial aviation history to date, one of these new aircraft en route to Caracas from New York on June 20 with 10 crew and 64 passengers, develops a runaway engine problem and attempts to return to Idlewild Airport.

While dumping avgas preparatory to an emergency landing after the failure of the No. 2 propeller, the Super Constellation *Simon Bolivar*, piloted by Capt. Luis Plata, catches fire and crashes into the Atlantic 32 mi. E of Asbury Park, New Jersey; there are no survivors.

Flight 253, an L-749 with 7 crew and 18 passengers en route from New York to Caracas, crashes into Mt. Naiguata, Venezuela, on November 27; there are no survivors.

On August 13, 1957, an entire four-ship fleet of L-1049Gs is purchased from the American carrier **Northwest Airlines**. The L-1049E *Rafael Urdaneta*, with 25 aboard, is destroyed in a Caracas forced landing on November 27; there are no survivors.

A decree of March 1, 1958 declares the carrier an Instituto Autonomo, thereby reconfirming the independence charter first guaranteed in 1937. The arrival of additional Super Constellations now results in the European frequency being advanced to twice weekly.

On a flight from Maracaibo, an L-1049G with 6 crew and 17 passengers is lost at Alto del Cedro, Venezuela, on October 14; there are no survivors. This is the third Super Constellation lost by the airline in three years.

The fleet in 1959 comprises 22 DC-3s, 1 Martin 2-0-2, 4 C-46s, 4 Viscount 700s, and 5 L-1049Gs. A sixth of the latter type is acquired during the year.

En route from Caracas to Puerto Ayacucho via Calabozo on April 28, a DC-3 with four crew and nine passengers is suddenly rocked by an explosion and crashes in flames 10 mi. from Calabozo. The two survivors, who will succumb to injuries, inform rescuers that a berserk Russian, V. Lavinski, had detonated a live grenade after the plane's captain had thwarted the immigrant's attempt to take over the aircraft.

On November 21, LAV and **AVENSA (Aerovias Venezolana, S.A.)**, on a 55 to 45 share basis, form **VIASA (Venezolana Internacional de Aviacion, S.A.)** to handle their long-haul international operations.

On March 10, 1961, a missing DC-3 with four crew and eight passengers is found wrecked in the mountains of Trujillo State where it had crashed the previous day; there are no survivors. When **VIASA (Venezolana Internacional de Aviacion, S.A.)** begins international services on April 1, LAV is allowed to retain its Rome route until a reciprocal agreement can be worked out with **Alitalia, S.p.A.** later in the year.

LAV now concentrates on domestic and regional services, turning over all of its surviving Super Constellations to **VIASA (Venezolana Internacional de Aviacion, S.A.)** in 1962. In 1963, orders are placed for Hawker Siddely HS 748s. Also, a U.S. federal judge, acting on a lawsuit filed in the wake of the June 1956 Constellation crash, awards \$387,387 to the wife and daughter of one of the victims.

Airline employment in 1964 totals 1,208 and the fleet numbers 28 aircraft. A total of 323,000 passengers are carried on the year and revenues of \$7.2 million are earned. The first HS 748s are placed in service during 1965.

An order is placed in 1967 for a Douglas DC-9-10 jetliner, which is received and placed in service during 1968. In that latter year, airline employment stands at only 34 more than in 1964. The fleet comprises 4 C-46s, 20 DC-3s, 6 HS 748s, and 4 Viscount 700s.

Just after takeoff from Maturin on an August 20 domestic flight, an HS-748-2A with three crew and four passengers, suffers the failure of its No. 1 engine; the aircraft crashes while maneuvering at low altitude (four dead).

Enplanements for the year total 479,000 and revenues are \$11.1 million.

Seven armed men divert an HS 748 to Havana from a domestic flight from Maracaibo to Caracas on February 11, 1969. Cuba holds the turboprop pending its probe of whether the skyjacking is "legitimate" or simply a "provocation" on Venezuela's part. The British-made plane is released on February 17 after Venezuela pays Cuba \$31,466 for "expenses."

The DC-9-10 with 155 aboard crashes into the suburb of La Coruba just after takeoff from Maracaibo on March 16. There are no survivors and the black box recording indicates that the pilot has been shot.

Beginning in 1970, two additional DC-9-15s are placed in service; in a unique arrangement, a DC-9-30 is operated jointly with **AVENSA (Aerovias Venezolanas, S.A.)**.

A C-46A with two crew and four passengers crashes into the sea off Puntarenas, Costa Rica, on May 22; there are no survivors.

En route from Merida to Caracas on January 25, 1971, a Viscount 749 with 4 crew and 43 passengers, smashes into Cruces del Daji mountain, near the flight's point of origin (13 dead).

Another Viscount 749, with four crew, crashes just after takeoff from Maracaibo on November 1; there are no survivors. The cause of the crash cannot be determined.

Having lost its No. 1 engine while en route from Valencia to Ciudad Bolivar, a C-47D with 3 crew and 31 passengers, attempts to return to the airport at Canaima on August 27, 1972, but crashes before it can arrive; there are no survivors.

A Fairchild C-123 is leased from the Venezuelan Air Force later in the year as the last two C-46s are withdrawn.

Service is maintained over domestic routes in 1973 and to the new regional destinations of Curaçao, Trinidad, and Guyana. Leftists, led by F. Bottini, a member of the Punto Cero guerrilla organization, brandishing pistols and hand grenades, take over a DC-9-15 with 50 aboard on May 19, demanding the release of 35 political prisoners from Venezuelan jails. After a refueling stop at Panama, where three women and two children are allowed to deplane, the aircraft flies to Merida, Mexico. When the Venezuelan government refuses to grant the pirates' requests, the plane flies on to Havana. The Douglas is allowed to return to Caracas next day.

Enplanements for the year total 736,560.

The employee population in **1974** totals 1,813. The fleet now includes 3 DC-9-15s, 1 DC-9-30 (with AVENSA), 5 HS 748s, and 6 DC-3s (3 dedicated to commuter passengers and 3 exclusively to cargo).

While en route from Caracas to the Island of Margarita on August 14, an HS 748 with 4 crew and 45 passengers, crashes into La Gloria mountain during a torrential rainstorm; there are no survivors.

Passenger boardings increase 7% to 792,315 and freight traffic is up 1%.

During **1975–1977**, the fleet is increased by the addition of 5 DC-9-50s, 3 DC-9-32s, and 6 de Havilland Canada DHC-6s, while all of the DC-3s and an HS 748 are retired. Enplanements rise significantly, exceeding first the million and then the two-million mark in annual boardings.

Just after takeoff from Punta Mulatos on March 3, **1978**, an HS 748-2A with 4 crew and 43 passengers, encounters artificial horizon problems and attempts to return to its point of origin. The turboprop crashes into the sea 2.8 nm. offshore and there are no survivors.

A DHC-6-300 with two crew crashes at Uriman, Venezuela, on April 17; there are, again, no survivors.

A total of 2,316,314 passengers are carried on the year.

The workforce in **1979** totals 2,794. Passenger boardings increase 19.6% to 2,881,000 and cargo jumps 14.9% to 124.28 million FTKs.

In terms of passenger kilometers flown, LAV in **1980** ranks as the 17th largest airline in Latin America.

On December 5, 4 armed hijackers commandeer a DC-9-30 with 120 aboard during a domestic flight from Porlamar to Caracas and force the plane to land at a small airstrip 53 miles east of Caracas. Deplaning, they escape in a truck with B 7.5 million (\$1.6 million) in insurance money that had been aboard in two chests. The loot will later be recovered and 35 people will be arrested in connection with the crime.

In a coordinated December 7, **1981** in the skies over Venezuela, 11 hijackers seize 2 LAV DC-9s and an AVENSA B-727, with over 250 aboard, and force the crews to fly to Colombia and later to Tegucigalpa and Guatemala City. Twenty-two hostages are freed at an Aruba stop and 67 in Colombia, while Caracas newspapers receive a ransom demand for \$10 million, plus freedom for 12 jailed in Venezuela. On December 8, the 3 airliners, with 11 gunmen plus 89 passengers and 19 crew members, are flown to Havana, where the pirates are taken into custody. The next day, the 3 planes are allowed to return to Caracas with their 102 passengers and crew members.

Operations continue apace in **1982–1983**.

On July 29, **1984**, two gunmen—a former Haitian Army captain and a man with a Dominican passport—hijack a DC-9-32 en route from Caracas to Curaçao with 87 aboard and force it to fly to Trinidad and Aruba. In Aruba, the pirates free 8 hostages and demand that the Venezuelan government give them a \$5-million ransom. A small group of U.S. Delta Force soldiers rendezvous at a racetrack on the eastern end of Curaçao with 12 Delta-trained Venezuelan commandos and Netherlands Antilles security forces. This force is helicoptered to Hato International Airport, 18 miles away, where they storm the Douglas on July 30, killing both pirates and rescuing the remaining captives.

Late in the year, orders are placed for two McDonnell Douglas MD-83s, the first of which joins the fleet in **1985**. Enplanements in the new year reach 2,192,826 and profits are \$5 million (operating) and \$1.38 million (net).

Airline employment is increased by 4.9% in **1986** to 2,106 and in July the second MD-83 is delivered.

Passenger boardings jump 20.3% to 2,751,350 and cargo swells 12% to 75.84 million FTKs. Revenues advance 30.7% to \$58.4 million and with costs held down, the operating profit rises to \$5.1 million and a net gain of \$3.9 million is celebrated.

The employee populations is reduced by 19.3% in **1987**. Enplanements climb 9.8% to 2,253,789. The fleet in **1988** includes 2 MD-83s, 1 MD-82, 6 DC-9-51s, 3 DC-9-32s, 1 DC-9-15, 1 DC-9-34CF, and 6 DHC-6-300s. The third MD-83 arrives in May as new services are inaugurated to Barbados and Boa Vista in the Amazon region of Brazil.

Passenger boardings increase 29.5% to 3,855,993, but freight is down by 3.1% to 5.57 million FTKs.

The 2,500-employee Venezuelan carrier has a bad **1989**. Customer bookings decline 14.1% to 2,913,335 while cargo does even worse, falling by 21.8% to 1.52 million FTKs.

The fleet is cut by 15 aircraft in **1990**. In September, daily service is started from Caracas to Orlando. Four-times-per-week Aruba to Atlanta MD-82 flights begin in December along with thrice-weekly Aruba to Orlando runs.

Airline employment is increased by 20% in **1991** to 3,000.

While en route from Maracaibo on March 5, Flight 108, a DC-9-32 with 5 crew and 38 passengers, strays off course and strikes a cloud-covered mountain near La Puerta in western Venezuela; there are no survivors.

Corporate statistics are only reported through July, but these show passenger boardings rising 9.3% to 1,551,573. Freight during the same period ascends 16.4% to 1.26 million FTKs.

The employee population stands at 1,699 in **1992** and the fleet includes 3 owned MD-83s, 6 DC-9-51s, 2 DC-9-32s, and 1 each DC-9-31 and DC-9-34CF.

Enplanements total 936,098 through July and a \$30.8-million operating loss is suffered for the full year.

In **1993**, President Rafael Santana Barrios oversees a workforce of 1,750, up 2.9% over the previous year. Three DC-9-51s are leased from **Finnair, O/Y**. Although most international services are handled by **VIASA (Venezolana Internacional de Aviacion, S.A.)**, routes are maintained to Aruba, Curaçao, and Port of Spain.

While on a maintenance check flight from Caracas on April 2, a DC-9-15 with three crew and eight passengers, crashes into the sea N of Margarita Island; there are no survivors.

During the first six months, the carrier reports that its passenger boardings are down 8.6% to 861,969. For the year as a whole, the operating loss is cut to \$18 million.

As financial and traffic difficulties continue unabated in **1994**, the company reports its statistics only through April. These show customer bookings down 10% to 631,889 and cargo off 17.6% to 539,000 FTKs.

A privatization effort fails in July when the Venezuelan Investment Fund rejects as too low a \$35-million offer for the airline. Unable to maintain viability, the pioneer is forced to halt operations in August. LAV declares bankruptcy in October.

LAV is moribund during **1995**. The company continues to control prime counter space, good hangars, a huge stockpile of spare parts, and its DC-9 fleet is well maintained in a Maiquetia hangar.

In April **1996**, the Venezuelan Investment Fund sets a price of \$40 million for the airline, but this, in fact, represents a \$30-million tag, as the bankruptcy court is authorized to accept any bid that comes within 75% of the set figure. As late as July, no prospective purchaser has stepped forward. After considering a reduction to \$28 million, the VIF instead opts to dispose of the airline in a public auction.

Aviation broker Nelson Ramiz purchases the company when its assets are sold at auction in August. Ramiz, who has formed an investment company Corporacion Alas de Venezuela, S.A. together with Aeron Aviation Resources, acquires the LAV name, 9 DC-9s, and domestic route authority for just \$43 million. With a 53% majority stake, Ramiz becomes president/CEO and restarts the airline's operations in December.

Employing the marketing name Aeropostal (Alas de Venezuela, S.A.), the carrier is relaunched on January 7, **1997**. The fleet, although reduced in size and comprising 3 DC-9-31s, 6 DC-9-51s, 2 MD-83s, and 1 DC-9-34CF, continues to call at Aruba, Curaçao, Port of Spain, and several domestic locations, including the capital. Every expectation is held that the airline will return to profitability by June.

Despite this eye-opening success, LAV descends into a legal battle that threatens to put it out of business once more. During the spring, Ramiz's investment partners accuse the CEO of failing to repay their \$20-million loan, which he, as the nominal Venezuelan purchaser, had employed to place the winning bid in the previous year's asset sell-off.

Israeli banker Zadik Bino, David Massie, who is chairman of the U.K. finance concern IAF, and Aeron Aviation Resources Chairman Ben Yosef, have wanted to liquidate the airline's assets, but are resisted by Ramiz. They now claim that the LAV president had, per a prepurchase agreement, failed to transfer the newly won airline assets into a special-purpose offshore holding company. Instead, they allege, he had fraudulently employed the assets, plus their \$1-million security deposit, to capitalize Alas de Venezuela, S.A.

The three foreign partners file suit against Ramiz in New York over the money trail and in Caracas for fraud. They also seek an independent financial assessment of the airline.

Later in the year, as the boardroom and legal battles continue, LAV begins flights to Atlanta, Orlando, San Juan, Havana, and Santiago.

In March 1998, a marketing agreement is entered into with **Delta Air Lines**. The two begin to share codes on Delta's new Atlanta to Caracas return service that starts on April 2.

By fall, LAV, which has settled its fiscal dispute, is operating services to 9 cities in Venezuela and 10 destinations in the Caribbean and South America.

At this time, two Airbus Industrie A320-231s are wet-leased to LAV by **TransAer International, Ltd.** of Ireland. They are employed on the carrier's northern winter holiday schedule and allow the company to visit three U.S. gateways despite Venezuela's classification by the FAA as a country failing to meet international air safety standards.

A strategic alliance is entered into with **American Airlines** on December 9. In addition to the usual linkage of frequent flyer programs, marketing, ground handling, and other activities, the two agree to implement code-sharing as soon as government approvals are received. Aeropostal will place its "VH" designator code on American's flights between Caracas and the U.S. cities of Miami, Dallas (DFW), and New York (JFK). It will also place its code on certain American flights connecting at Miami, Dallas (DFW), and New York (JFK) to other U.S. cities.

Although traffic figures are not released, it is noted that revenues of \$117 million have been generated.

Airline employment stands at 1,612 at the beginning of 1999. Aeropostal signs a strategic code-sharing agreement with **Air France** on March 3. In addition to coordinating connections at Paris (CDG) and Caracas, the two, employing AF A340-311s, inaugurate dual-designator flights on June 9 between those two cities, four times a week.

Passenger boardings surge 22% on the year to 2,100,000.

The workforce at the beginning of 2000 totals 1,732. International destinations visited include Aruba, Curaçao, Santo Domingo, Havana, Barbados, Puerto Espana, Miami, Orlando, Guayaquil, Lima, and Varadero. Domestic points include Caracas, Island of Margarita, Barcelona, Maturin, Puerto Ordaz, Maracaibo, Valencia, Barquisimeto, and San Antonio.

In late spring, **AVENSA (Aerovias Venezolanas, S.A.)** is approached by LAV with a buyout offer. Under the proposal, AVENSA would pay \$20 million for 80% majority control. In June, the AVENSA board rejects the Aeropostal offer, preferring instead a union with **Aserca (Aerolineas Regional de Centro, S.A.)**.

Two B-737-3H6Fs, previously operated by **Malaysia Airlines, Ltd. (MAS)**, are chartered from Aviacargo Leasing on September 22. These are operated to Miami from Caracas and Maracaibo under subcontract by **Falcon Air Express**.

Falcon Air Express also paints two of its own B-727-224As in Aeropostal colors and operates them on LAV's behalf beginning on November 1. At the end of the year, it is learned the thrice-weekly DC-10-30 roundtrips from Caracas to Madrid will begin in June.

LAVERY AIRWAYS. See ALASKA AIRLINES

LAW (LINHAS AEREAS WRIGHT, S.A.): Brazil (1947-1948). Lasting only a year, LAW is founded at Rio de Janeiro in early 1947. After obtaining an operating permit and 2 Lockheed Model 18 Lodestars,

the new entrant bravely inaugurates multistop services to Santos on April 1. Unable to succeed financially, the outfit is purchased by expanding **REAL, S.A.** on March 17, 1948.

LAWRENCE AVIATION: United States (1973-1983). Founder/President Eugene F. Kletchka sets up LA as an FBO at the Lawrence, Kansas, municipal airport in April 1972. After gaining certification for a third-level division, Kletchka inaugurates daily scheduled Cessna and Piper lightplane roundtrips to Kansas City in 1973. Operations continue apace over the next decade, with Emporia added to the route network.

LB, LTD.: 1170 Lee Wagner Blvd., No. 200, Fort Lauderdale, Florida 33315, United States; Phone (954) 359-0199; Fax (954) 359 7698; http://www.princess-vacations.com; Code 7Z; Year Founded 1999. With customer bookings sliding, the decision is taken at the end of 1999 to rename **Laker Airways (Bahamas), Ltd.** Ownership continues to be divided between founder Sir Freddie Laker (34%), Texas investor Oscar Wyatt, CEO of LaSara Grain Corporation (33%), and Grand Bahama Port Authority owner Sir Jack Hayward (33%). The lone Boeing 727-2J7A is supplemented with a former **Western Airlines** B-727-247, which is christened *Lucayan Princess* and wears "Grand Bahama Island" titles.

With a workforce of 101 and a pair of B-727s, the company in 2000 continues to operate holiday charters on behalf of Laker's Princess Vacations. With Freeport via Miami and Fort Lauderdale the final destination, the trijets transport travelers from Baltimore, Cincinnati, Cleveland, Greenville/Spartanburg, Hartford, Memphis, Nashville, New York (LGA), Pittsburgh, Raleigh/Durham, and Richmond. One B-727-89 is operated at the end of the year.

LBC AIRWAYS OF MANILA: 14th Corner Railroad St., Port Area, Metro Manila, Philippines; Phone 63 (2) 832-2066; Fax 63 (2) 832-1775; Year Founded 1990. LBC is established as an express parcel carrier at the LBC Aviation Center at Pasay City's Domestic Airport in 1990. Initially equipped with 3 BAe 748-B2s and 1 Pilatus-Britten-Norman BN-2T Turbo-Islander, President Rommel C. Mabansat's airline begins services to various island destinations throughout the nation.

In order to allow visits to smaller landing fields, the fleet is upgraded during the next nine years by the addition of a Beech B-50 Twin Bonanza, two Cessna 207s, two more BN-2T Turbo-Islanders, and one Aero Commander 500.

LEADAIR UNIJET, S.A.: Aeroport du Bourget, Le Bourget Cedex F-93352, France; Phone 33 (1) 48 35 90 90; Fax 33 (1) 48 35 90 65; Year Founded 1966. Leadair is originally established as an FBO at Paris (LBG) in 1966. Over the next 34 years, it also undertakes executive and small group passenger charters on a worldwide basis.

By 2000, General Manager Anne Bouis oversees the operations of 4 Dassault Falcon 10s, 1 each Falcon 20 and Falcon 50, and 1 Beech Super King Air 200.

LEAVENS BROS. AIR SERVICES, LTD.: Canada (1927-1946). The Leavens brothers establish a small charter operation at Toronto's Bake Airport in 1927. Single-engine operations continue apace during the next 20 years, with a scheduled frequency offered between Leamington and Pelee Island, Ontario.

An application is filed with the Air Transport Board in 1945 for the inauguration of feeder services in Ontario's southeastern peninsula. When they are not approved, the company fails.

LEBANESE INTERNATIONAL AIRLINES, S.A.L.: Lebanon (1956-1969). Two wealthy Lebanese, the Arida brothers, form this carrier at Beirut in 1950 to operate passenger charters to Europe and South America. Irregular operations begin in the Mideast, however, in 1953 with 2 Curtiss C-46s flying cargo over a route from the Lebanese capital to Kuwait. In January 1956, service is inaugurated from Beirut to Baghdad via Doa and to Dhahran via Kuwait.

Rights to operate to South America are gained in 1957 when LIA purchases and absorbs the small competitor **Compagnie de Tourisme Mondial, S.A.L.**

A C-46A with 4 crew and 23 passengers, fails its takeoff from Beirut on October 3 on a flight to Kuwait City and plunges into the sea; there are no survivors.

In 1958, **Sabena Belgian World Airlines, S.A.** purchases an interest and provides DC-6s, which serve to increase the route network to Baghdad, the Gulf states, Tehran, and twice weekly to Brussels via Rome and Paris. The second C-46 is sold in 1959 and Sabena's interest is withdrawn in 1960.

In 1962, Sheikh Najib Alamuddin begins to campaign for an amalgamation of all Lebanese airlines into a single national carrier. In March 1963, LIA enters into a joint agreement with **Air Liban, S.A.L.** and **Middle East Airlines, S.A.L. (2)**; the associates operate under joint schedules and merge the operations of their aircraft. Operating revenues reach \$2,240,000.

In 1964, a Boeing 720B is chartered to handle the Beirut to Paris via Milan frequencies; it brings the airline into the jet age.

Bookings increase to a new high of 27,376 and revenues jump 44% to \$4 million.

Airline employment in 1965 stands at 521. The company purchases 2 Convair CV-990s from **American Airlines** to be added to its fleet of 3 Douglas DC-6Cs, 1 leased B-720B, and 1 chartered Sud-Est SE-210 Caravelle; an option is taken on a third Coronado. CV-990A service begins on December 23; twice-weekly Coronado services are flown to Rome and Paris, together with a weekly flight to Zurich.

Late in the year, two of the three jointly operating carriers are fully merged and take the name **Middle East Airlines Airliban, S.A.L. (MEAA)**. Bookings increase to 28,254 and cargo traffic is up by 10%.

Operations continue apace in 1966. The second ex-AA CV-990A is delivered in February and allows all of the principal routes to become jet. Competition from MEAA is severe and LIA falls into fiscal difficulty.

By the summer of 1967, the carrier is \$5 million behind on its lease payments to **American Airlines**. Rather than simply repossess the jetliners, the American major works out an arrangement whereby it acquires a 31% equity stake in LIA, as well as technical and management contracts.

One of the Coronados is leased to **Balkan Bulgarian Airlines** between June 1 and December 1, 1968.

Israeli commandos hit Beirut International Airport on December 28, destroying or damaging beyond repair two Douglas DC-7s and two Convair CV-990As.

The company, which has continued to be closely associated with MEAA, is finally purchased by that concern in April 1969. The resulting entity is **Middle East Airlines, S.A.L. (2)**.

LEBANON AIRPORT DEVELOPMENT CORPORATION: United States (1975–1976). The Lebanon Airport Development Corporation of West Lebanon, New Hampshire, begins to offer a scheduled air taxi service to Whitefield, New Hampshire, in 1975. Daily Aero Commander 500B roundtrips are only maintained into early 1976.

LEBAP-TURKMENISTAN: Turkmenistan (1993–1995). LEBAP is established at Ashkabad in 1993 to offer regional passenger and cargo services. Revenue flights commence with a fleet of 10 Yakovlev Yak-40s. Schedules are maintained until 1995.

LEBCA (LINEA EXPRESA BOLIVAR, S.A.): Venezuela (1958–1968). LEBCA is set up at Maracaibo in early 1958; capitalized at B 500,000 (\$167,000), U.S. citizens hold 29% of the shares with Venezuelan interests the rest. Employing a Fairchild C-82 Packet and a Curtiss C-46, the company begins all-cargo contract flights to Miami on August 18. In 1959, the carrier receives both U.S. and Venezuelan cargo service operators certificates, greatly increasing the company's value.

A C-46D with two crew and two passengers crashes into La Culata Peak, Venezuela, on January 21; there are no survivors.

Additional contracts and services are undertaken between Florida and Venezuela in 1960–1961 and a C-46A with three crew is damaged beyond repair in a forced landing at David, Panama, on May 19 of the former year; there are no fatalities.

In January 1962, three Canadair DC-4M2 Argonauts are purchased from the British independent airline **Overseas Aviation, Ltd.**

A DC-4M freighter with three crew is lost off Caracas, Venezuela, on July 6; there are no survivors. A C-46F with three crew is damaged beyond repair after ground looping at Carora, Venezuela, on November 2; there are no fatalities.

A variety of freight operations are undertaken in 1962–1964 as five more C-46s and three DC-3s join the fleet. A second DC-4M2 Argonaut is written off at Miami on August 27 of the latter year.

In 1965, two Lockheed L-1049H Super Constellations formerly operated by **Seaboard & Western Airlines** are obtained and placed into service on the company's Caracas–Miami scheduled all-cargo route.

Two more L-1049Hs arrive in 1966, one each from **Slick Airways** and one from **Trans World Airlines (TWA)**. The Ministry of Communications names LEBCA the nation's official cargo airline on September 14, 1967 and in a reorganization, all of the shareholding is acquired by the state airline **VIASA (Venezolana Internacional de Aviacion, S.A.)**. LEBCA ceases operations on January 22, 1968 and on April 24 its traffic rights are assigned by VIASA to its newly formed subsidiary **Transcarga (Transportes Aereos de Carga, S.A.)**.

LECONTE AIRLINES: United States (1981). Owned by Camps, Inc., Leconte is established at Wrangell, Alaska, in October 1981 to provide scheduled flights to Yakutat, Petersburg, Sitka, Juneau, and Ketchikan. Revenue operations, some of which are flown as feed for **Alaska Airlines**, commence with a fleet of Cessna 185s and 207s, a Piper PA-31-310 Navajo, and a de Havilland Canada DHC-2 Beaver. A victim of the effects of the PATCO air traffic control strike, the company shuts down in November.

LEES-HILL AVIATION, LTD. See **DON EVERALL (AVIATION), LTD.**

LEEWARD ISLANDS AIR TRANSPORT, LTD. See **LIAT (LEEWARD ISLANDS AIR TRANSPORT, LTD.)**

LEGEND AIRLINES: United States (1996–2001). In 1996, Dalforth Aviation C. Chairman Bruce Leadbetter proposes the establishment of an airline at Dallas (DAL) to operate long-haul service using 56-seat aircraft, the largest allowed under the 1979 Wright Amendment to the 1978 Airline Deregulation Act. The Wright Amendment had been enacted by the U.S. Congress as a measure to protect the new Dallas–Fort Worth International Airport from competition by limiting flights from Love Field to short intra-state hops only. Even airfield incumbent **Southwest Airlines**, which had won a compromise to the total restriction originally conceived by the Wright law, is unable to gain an allowance for passenger service to points beyond the four contiguous states of Arkansas, Louisiana, New Mexico, and Oklahoma. A legal battle would ensure as Leadbetter and his allies attempt to clarify the possibilities of the 56-seat rule in order to determine if Contrails, the working name for the new airline, could take to the skies.

Former FAA administrator T. (Trusten) Allan McArtor and former **Continental Airlines/Pan American World Airways (1)** leader Thomas Plaskett are recruited to lead the charge for the new carrier, now renamed Legend Airlines. Shareholding in the new enterprise is divided between Dalforth Aviation and private interests, including the Dallas-based investment firm The Hampstead Group (who together will pump \$60 million into the start-up). McArtor is named as chairman/CEO and Plaskett, vice-chairman.

The legal struggle to open up Love Field now begins, with the potential new entrant opposed by the cities of Dallas and Fort Worth and

American Airlines. The initial round appears to go to the cities as the DOT rules that the aircraft are designed for 56 seats (e.g., Canadair Regional Jets) and not larger aircraft with fewer seats, as Leadbetter and McArtor have envisioned.

Under the sponsorship and guidance of Senator Richard Shelby (D-Ala.), Congress, on October 9, 1997, passes another law, the Shelby Amendment, which weakens the Wright rule by authorizing airlines flying aircraft of 56 seats or fewer (regardless of size) to operate long-haul flights from Love Field. It is this law which, potentially, opens the gate for Legend. First, however, it must be kept on the books.

The two Texas cities, supported by **American Airlines**, now attempt to circumvent Shelby by filing lawsuits. The first goes on the docket on October 10, when Fort Worth files against Dallas to block any service expansion from Love Field. On November 6, Dallas countersues Fort Worth, seeking a determination of its rights and requirements.

In January 1998, the U.S. District Court returns the Fort Worth lawsuit of October 10 to a Texas state court. The case is refiled with the plaintiffs again, alleging that long-distance flights from Love Field violate a 1968 pact between Dallas and Fort Worth made as part of the arrangement to build Dallas-Fort Worth International Airport. The state judge rules in favor of the cities, agreeing that they may continue to place Texas-originated restrictions on flights from the contested airport. In December 1998, the U.S. Department of Transportation rules that federal law (read: Shelby) takes precedence over the local agreements for control of Love Field made between the Texas cities.

In early 1999, Legend files suit with the court of appeals for the second district of Texas appealing the state court decision of 1998, which, in effect, upholds the Wright Amendment. Meanwhile, Dallas, Fort Worth, and **American Airlines** file suit with the Fifth Circuit U.S. Court of Appeals at New Orleans appealing the legality of the DOT ruling.

There is no judicial action on either case during the next 11 months. There is, however, another player added when **Continental Airlines** sues Dallas and Fort Worth seeking long-haul rights and the Dallas-Fort Worth Airport Board countersues Continental and **Continental Express**. For good measure, on June 4 the Dallas-Fort Worth Airport Board will also sue **American Airlines**, which has begun contingency planning in case the airport is opened, to also prohibit it from beginning distance flying from Love Field. American is now a plaintiff and a defendant in the Dallas (DAL) matter.

Legend, meanwhile, continues to make preparations for a service launch. Construction is nearly completed on a new \$21-million, 6-gate, 105,000-sq.-ft. terminal building at Love Field, the first private terminal built by an airline before its premier service. Additionally, four former **Continental Airlines** Douglas DC-9-32s are being refurbished, two each leased from Republic Financial Corporation and Triton Aviation Services. Plans call for these planes to provide an upscale service that includes chef-crafted meals on custom Legend china, complementary wine and champagne served to passengers in 56 leather seats equipped with the latest electronic and telecommunications gear.

Dallas, Fort Worth, and **American Airlines** fear that Legend may stage a *fait accompli* and begin flying before the courts can rule. On December 20, their attorneys appear before the court of appeals for the second district of Texas at Fort Worth asking for an injunction to keep Legend on the ground.

In the week after New Year's 2000, the Texas appeals court notifies attorneys for Legend that it may, in fact, prevent it from selling tickets as planned in mid-January or launching service at the end of February if the Fifth Circuit Court of Appeals in New Orleans has not ruled. It also refuses to rule on Legend's 1999 appeal the Dallas-Fort Worth's enforcement of the Love Field restrictions in their 1968 compact.

On January 26, President McArtor announces that the carrier's upscale DC-9 nonstop return service from Dallas (DAL) to Los Angeles and Washington, D.C. (IAD) will start on February 29; daily nonstop roundtrips from Dallas (DAL) to Las Vegas are scheduled to begin on March 9. The Founders Society, meanwhile, is unveiled, offering double miles for life to passengers who fly during the introductory period of

flights to Las Vegas, Chicago, or New York. The plan also allows redemption of sky miles aboard **Delta Air Lines** flights under a deal made with the Atlanta-based major.

On February 1, the U.S. Fifth Circuit Court of Appeals at New Orleans upholds the December 1998 DOT Love Field ruling and, in effect, grants Legend authority to operate from Love Field to any U.S. destination. **American Airlines** hesitates to join an appeal of the New Orleans court's ruling made by Fort Worth to the U.S. Supreme Court. Fort Worth contends that the city of Dallas itself would be in violation of the two-city 1968 compact agreed upon before construction of Dallas-Fort Worth International Airport, a compact virtually dissolved by the DOT ruling over a year earlier. Within days, **American Airlines**, which has been planning for a possible opening the airfield, announces that it will launch its own 56-seat Fokker 100 services from Love Field to Los Angeles and Chicago (ORD) beginning on May 1.

The Supreme Court refuses to take the case, thereby letting the New Orleans Court of Appeals ruling stand. The Fort Worth-based Second District Texas Court of Appeals also rules in favor of long-haul flights in the case first brought by **American Airlines** in December. American files a motion asking the court to reconsider its decision and hints that a negative outcome will result in a petition to the Texas Supreme Court.

Following the protracted legal gestation period, Legend must still complete the FAA certification process before it can offer the revenue flights that are set to commence on February 29. Unhappily, government inspectors conducting a final conformity review of the airline's DC-9s on February 22 discover approximately 60 items that do not pass certification. Of particular concern are uncertified custom-made galley ovens. Consequently, the announced service start-up is postponed on February 28. In addition to the necessity to reequip with conventional steam ovens, an unexpected slowness is also experienced in the installation of new 24-channel satellite television equipment, with monitors on every DC-9-32 seat.

During late March, FAA route proving demonstrations are conducted by the company's DC-9-32s, with the last practice run into Los Angeles (LAX) on March 25. It is anticipated that the company's Part 121 operating certificate will be received without further problem and within about a week. Unhappily, start-up will be pushed back, however, from March 29 to April 2, and then to April 4. Despite the fact that two DC-9-32s, including one christened *Birth of a Legend*, are ready to go, launch is pushed back 24 hours on April 4.

The first scheduled service is undertaken on April 5 from Dallas (DAL) to Washington, D.C. (IAD). Flights to Las Vegas and Los Angeles begin the next day. Return frequencies from Dallas to Dulles (IAD) and Los Angeles (LAX) are operated five times a day, while those to Las Vegas go daily.

On May 22, a lease is signed with Pegasus Aviation for two more DC-9-32s. The carrier goes to court on June 29 claiming that earlier in the year an **American Airlines** employee had gained access to a proprietary area of its computer system by "guessing" the password of a SABRE reservations colleague. American admits the incident, blames it on the employee's "innocent" mistake, and offers an apology.

American Airlines President Donald Carty, on July 7, instructs his attorneys to drop the airline's appeal to the Second District Texas Appeals Court concerning its earlier affirmative decision permitting Love Field long-haul flights and promises not to appeal, as earlier suggested, to the Texas Supreme Court. During July, Legend transports 15,866 passengers from Dallas (DAL), while **American Airlines** flies out 12,988. The figures provide Legend workers with a great psychological boost. Wearing an "I Love New York" sticker on its nose (with a Legend star replacing the standard heart), a fifth DC-9-32 arrives at Dallas (DAL) on August 18.

Four-times-a-day DC-9-32 roundtrips are inaugurated between Dallas (DAL) and New York (LGA) on September 6. The first scheduled service over this route since 1974 is piloted by Capt. Timothy Berwick and Flight Officer Diane Hensleigh-Mullins.

The *Dallas Morning News* reports on October 12 that, between April and September, Legend has lost \$10.8 million flying its modified

upscale 56-seat DC-9s from Love Field to Washington (IAD), Los Angeles, Las Vegas, and New York (LGA). Documents later filed with the DOT will show an actual loss of \$25.6 million. Having lost \$1 million a week during its first six months, the carrier suspends operations on December 2 after a key investor withdraws support. **Continental Airlines** and **Continental Express Airlines** agree to honor the failed upscale start-ups tickets to all of its destinations.

On December, 3, Legend files for Chapter XI protection with the U.S. Bankruptcy Court in the Northern District of Texas. Documents show that the airline owes \$9.26 million to its 20 largest creditors; it lists assets of \$87.3 million and debts of \$84.97 million. Since its 1996 formation, it has lost \$44.7 million, even as investors have injected \$52.75 million capital.

The staff is largely laid off and the company Web page goes blank. On December 19, Legend wins a 10-day extension from the bankruptcy court to come up with the money needed to resume operations. If it fails, liquidation appears inevitable. Permission is also granted for the operation of charter flights.

During the last week of December, a group of New York investors, the Legend Funding Group, steps forward to offer a \$20-million debtor-in-possession loan. A Customer Accommodation Plan, reflecting a commitment to accommodate customers holding Legend tickets, is developed which, together with the financing package, is presented to the U.S. Bankruptcy Court on December 29, which gives its permission for the resumption of services using \$1 million in LFG funding. Chairman McArtor reports that his service to New York (LGA) and Washington, D.C. (IAD) could resume as early as January 15. On December 31, a simple statement appears on Legend's Web page indicating that it "will be flying again in January," pending approval of its creditors, the court, the FAA, and the DOT.

Unhappily, the statement may prove optimistic. By the end of January, the airline will have only 31 employees and no funding has as yet been received from the Legend Funding Group. Because of objections by creditors, the airline's charter operations will be halted by U.S. Bankruptcy Judge Robert McGuire on January 30 when he refuses to permit a Triton Aviation Services affiliate to supply a short-term \$700,000 loan. Ironically, the company's death warrant is thus signed on the first anniversary of the federal appeals court ruling allowing it to begin its flights from Dallas (DAL). The next day, the creditors will reclaim all remaining aircraft and the FAA will move Legend's operating certificate to the dormant file, indicating that it will be permanently withdrawn on March 5 if the carrier is not restarted by then.

In late February, it will be reported that the airline has plans to petition the bankruptcy court for permission to permit it to auction off its operating certificate. Upon learning of this, the FAA will notify Legend CEO/President McArtor, a former FAA administrator, on February 20 that airlines may, under the law, sell only their names and assets, not their operating certificates. The agency will also demand that the company now surrender its document or face legal action. FAA representatives will pick up the certificate from Legend's offices on Monday morning March 5. The story of Legend's epic Love Field battle and its short operational life now become another chapter in American aviation lore.

LEISURE INTERNATIONAL AIRWAYS: United States (1992–1995). Harold "Hap" Pareti, a former official with **PEOPLExpress** and owner of **Presidential Airways**, establishes this charter operation at McLean, Virginia, in July 1992 as a subsidiary of his Worldwide Airline Services. Part 121 certification, with extended range permission (EROPS), is received from the U.S. DOT on September 17. A trio of chartered Airbus Industrie A320-231s, flown by former **Braniff, Inc.** pilots, begin international and regional operations at year's end from a base at Smith Reynolds Airport, Winston-Salem, North Carolina.

Operations continue apace in 1993. By March 1, the company is flying a schedule of 16 to 18 weekly flights to holiday destinations in Florida, Mexico, the Caribbean, and Las Vegas. A contract is accepted

from a tour operator to fly from Los Angeles and San Francisco to Hawaii during the winter period. As the A320s are not suited to this transpacific work, two Douglas DC-10-30s are leased from **United Airlines** to operate the service. At this point, arrangements are completed for the recurring winter season lease of the A320s to the Irish carrier **Translift Airways, Ltd.** Enplanements for the first full year total 500,000.

On behalf of the West Coast tour operator SunTrips, DC-10-30 charters are started from Los Angeles and San Francisco to Honolulu and Maui in January 1994. The Douglas wide-bodies are repainted in a new livery and two B-757-39HERs join the fleet in June. The new Boeings commence charters from Ontario, California, to Guadalajara, Mexico.

Weekly SunTrips flights are undertaken, beginning on June 2, from Los Angeles to Boston, Newark, and onto London (STN). Twice-daily scheduled roundtrip service from Boston to Atlanta commence on June 16. Seats are sold on a first-come first-served basis at the airports, with a \$30 extra charge for a confirmed booking.

Weekly SunTrips begin on July 12 from San Francisco to London via Newark. On November 18, following a weeklong special inspection that uncovers apparent unsafe practices in maintenance and flight operations, the FAA grounds the company. This temporary shutdown lasts over the lucrative Thanksgiving holiday period; however, once safety questions are resolved, the carrier receives FAA permission to resume services in early December.

The new operating authority excludes, however, both the DC-10s and B-757s. In deep financial trouble and only able to fly its A320-231s, which cannot now be sent to Ireland, the carrier fails to release its traffic and financial figures for the year. Only a few charters can be completed in January 1995 before the company runs out of resources. Leisure enters Chapter XI bankruptcy on February 4 and is shortly thereafter liquidated. The DC-10s will be returned to their lessor, who will charter them to the new **Laker Airways**.

LEISURE INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1996–1998). In June 1996, Unijet Group, plc, is able to purchase the 60% stake held in LIA by **Air U.K., Ltd.** The company, which had been formed in February 1992 to offer international charter passenger and cargo services, now becomes an independent operator. C. J. Parker is chairman with Philip Ovenden as managing director. The fleet includes 3 Airbus Industrie A320-212s and 2 Boeing 767-39HERs. The main base is now transferred from London (STN) to London (LGW).

Revenue services continue as before and enplanements climb to 1,399,800.

Airline employment in 1997 stands at 450. The all-leased fleet includes 3 A320-212s, 2 B-767-39HERs, and 2 B-737-4YOs, 1 of which is briefly leased to the Indian carrier **Modiluft, Ltd.** Destinations visited from London (LGW), Birmingham, Glasgow, and Manchester include cities in Florida and the Caribbean. Orders are placed in December for a pair of A330-200s for delivery in 2000.

Passenger boardings drop 7% to 1,302,100.

In early April 1998, at the start of the summer season, the growth of scheduled services at London (LGW) prevents the company from operating a third aircraft from that prime charter airport.

While landing at Ibiza after a flight from Manchester on May 20, an A320-212 with 7 crew and 180 passengers, overshoots the runway and skids 200 meters before coming to a stop. Seventeen passengers are injured during the emergency evacuation that follows.

The carrier establishes a network of trucking contacts in the U.K. and begins to transport freight to 20 sites in the U.K. and 38 in Europe.

During June, First Choice, the tour-operator parent of **Air 2000, Ltd.**, purchases Unijet, the business of which is quickly wound up. First Choice creates a combined carrier the size of **Monarch Airlines, Ltd.**, the country's third largest charter airline. All seven LIA aircraft are incorporated into the Air 2000 fleet in time for the opening of the winter holiday season at the end of October.

LENSIBAVIA: Pilotov 38, St. Petersburg, 196210, Russia; Phone 7 (812) 104-1531; Code LSB; Year Founded 1993. Another reformed **Aeroflot Soviet Airlines** division, Lensibavia is established at St. Petersburg in late 1993 to offer international passenger charter flights. V. V. Romanenko is appointed director general and he launches revenue services in early 1994 with an unspecified number of Tupolev Tu-154Ms. Flights continue.

LENTOHUOLTO, O/Y. See **FINNAVIATION, O/Y**

LEOPARD AIR, LTD.: Malawi (1965–1968). Robert G. Cathcart "Chip" Kay and eight members of the Luchenza Flying Club establish this small charter operation at Tennet Airport in 1965. Maintenance and flight training are the company's initial concern.

Central African Airways Corporation (CAAC) opposes the grant of scheduled authority, but agrees to allow the company's Cessna 206 to fly nonscheduled passenger and cargo services and air taxi flights from its bases at Luchenza and Cholo. These begin in 1966.

Following the demise of CAAC at the end of 1967, the carrier flies a Cessna 310. Flights cease in 1968.

LENTOTOIMI O/Y: Finland (1990–1993). Lentotoimi is established at Pirkkala in 1990 to offer regional air taxi services. Laura Heinonen is managing director and operations begin and continue with a Cessna 401 and a Piper PA-31-350 Navajo Chieftain. Operations cease in 1993.

LES AILES DE CHARLEVOIX, LTD.: Canada (1990–1992). Yvan Gaudreault sets up this small carrier at Clermont, Quebec, in 1990 to offer charter and contract service flights with a Cessna 421C and a Rockwell Aero Commander 500S. In 1991, the first full year of service, a total of 300 passengers are flown. In 1992, that number falls to 260. Operations cease.

LESOTHO AIRWAYS (PTY.), LTD.: Lesotho (1967–1970). With the assistance of **Comair (Commercial Air Services [Pty.], Ltd.)** of South Africa, **Basutair, Ltd.** is reformed in mid-1967. Founder/Managing Director Richard Southworth remains in charge. A Douglas DC-3 is leased from Comair and under contract to the government it is employed, beginning on October 2, to offer a scheduled weekly roundtrip between Maseru and Johannesburg. A second weekly roundtrip is offered as a pooled frequency in partnership with **South African Airways (Pty.), Ltd.**

After two years of service with South African support, the company's entire R 100,000 capitalization is purchased by the government of Lesotho on December 12, 1969. Again reformed, this time into a national corporation, the company's service continues as before.

LESOTHO AIRWAYS CORPORATION, LTD.: Lesotho (1970–1982). To succeed privately owned **Lesotho Airways (Pty.), Ltd.**, LAC is formed at the capital of Maseru on January 1, 1970. H. M. Nts'aba becomes chairman, with C. G. Kenyon as managing director.

In addition to charters, the reformed carrier's carry-over Douglas DC-3 flies scheduled twice-weekly services from the capital's Leabua Jonathan Airport to Johannesburg in association with **South African Airways (Pty.), Ltd. (SAA)**.

In 1971, an HS 748-A1 is wet-leased from SAA and replaces the Douglas transport. Three Cessna 180s are acquired and are used to begin domestic services.

Within a decade, P. Mangoela has become chairman and the carrier employs 58 workers. The South African HS 748 has been returned and the fleet comprises 2 Britten-Norman BN-2 Islanders and 3 Cessna 206s. New destinations include Maputo and Manzini.

Airline employment in 1981 is 125 and the fleet comprises 1 Fairchild FH-227, 3 de Havilland Canada DHC-6 Twin Otters, 2 Britten-Norman BN-2 Islanders, and 1 Dornier Do-28. Domestic services link Maseru with 11 towns and villages, while mail is delivered to 15 additional

airstrips. The FH-227s fly internationally to Johannesburg, Manzini, and Maputo.

A total of 36,000 passengers are carried on the year as the company suffers a net loss of \$152,000.

In January 1982, the carrier takes the new operating title **Air Lesotho (Lesotho Airways Corporation)**.

LETABA AIRWAYS (PTY.), LTD.: South Africa (1974–1985). Formed by a local businessman at Tzaneen in the summer of 1974 to operate domestic flights in South Africa's Transvaal, Letaba is also known as **Letaba Lugdiens**. Set up as a result of the fuel crisis and the resulting reduction of the speed limit for road traffic, the company acquires a single Piper PA-31-350 Navajo Chieftain and employs it to inaugurate revenue services to Johannesburg on September 23.

In October 1976, the one-route airline is taken over by the Shangaan Tsonga Development Corporation and is renamed **Giyani Airways, Ltd.** Despite the addition of services to Giyani, the new name does not stick and the carrier continues to trade under its old title. During 1977–1981, flights are also initiated to Pietersburg.

The Gazankulu government takes control and in the period 1982–1983, the fleet is upgraded by the replacement of the PA-31-350 by 1 Fairchild-Swearingen Metro II, 2 Cessna 404 Titans, and 1 Cessna 421 Golden Eagle. However, Letaba is unable to maintain its economic viability in a time of international recession and the boycott of South Africa and passes from the scene in 1985.

LETHBRIDGE AIR SERVICE, LTD.: Canada (1966–1969). Alberta rancher Walter Ross establishes LAS at Lethbridge, Alberta, in May 1966 to replace the service previously offered to Calgary by **Air Canada, Ltd.** A single Beech 18S is acquired and placed on the service, which is maintained without change until 1969, when the company name is changed to **Time Air, Ltd.**

LEVETZ GROUP: Youngstown Municipal Airport, Youngstown, Ohio 44484, United States; Phone (330) 847-8660; Fax (330) 847-6419; Year Founded 1989. Michael Leveto sets up this small executive and public passenger charter operator at Youngstown Airport in 1989. By 2000, the company's Beech Super King Air 300 is transporting customers throughout the Midwest and Eastern U.S.

L'EXPRESS: United States (1989–1992). L'Express is organized by Stephen Reed at Kenner, Louisiana, in the summer of 1989 to provide regional scheduled passenger and cargo services from New Orleans. Norman McInnis becomes president with Jim Clark as general manager. The initial fleet comprises 5 Beech 99s and 3 Beech 1900Cs. Revenue flight operations commence on August 9, linking the company's base with New Orleans, Shreveport, Alexandria, Baton Rouge, Lake Charles, and Monroe.

By year's end, a total of 20,058 passengers are transported. Revenues total \$1.61 million, expenses are \$2.63 million, and the operating loss is \$1.01 million. The net loss, due to start-up costs, is \$2.01 million.

The workforce is increased by 50% in 1990 to 180 and the fleet is increased by the addition of 1 Beech 1900 and 1 Beech 99. Interline and joint fare agreements are signed with a number of major carriers.

Passenger boardings increase to 75,574 and revenues rise to \$6.55 million. Expenses, however, skyrocket and the carrier is forced to file for Chapter XI bankruptcy.

Company employment is reduced 16.7% in 1991 to 150. Although former **Trump Shuttle** President Bruce Nobles is appointed president, he is unable to alter the carrier's financial tailspin.

En route from Mobile on July 10, Flight 508 is on the last leg of a flight from New Orleans via the Birmingham, Alabama. The Beech 99C with 2 crew and 13 passengers stalls while landing at its destination during a thunderstorm and crashes into a house; there are no survivors and 4 people on the ground are injured.

Customer bookings for the year, nevertheless, jump 7.3% to 77,858.

In February 1992, Beach Aircraft Corporation repossesses its aircraft for nonpayment and L'Express is forced to cease operations. The New Orleans-based regional is unable to find the capital necessary to resume and closes down for good on March 22.

LIA (LINEA INTERNACIONAL AEREA, S.A.): Ecuador (1958–1963). LIA is formed at Guayaquil in June 1958 as the country's officially designated second international airline after **CEA (Compania Ecuatoriana de Aviacion, S.A.)**. Several Douglas DC-3s and two Curtiss C-46s are acquired and by the spring of 1959, service is being offered on the Guayaquil–Quito trunk route. Simultaneously, government-subsidized flights are undertaken from Guayaquil to the Galapagos Islands.

On April 29, 1960, the carrier is designated as Ecuador's participant in a major South American route from Buenos Aires to Miami. Later in the year, the U.S. CAB approves a permit that would allow service to Los Angeles.

During 1961–1962, efforts are made to raise the capital to purchase the long-haul aircraft for the Buenos Aires run. Arrangements are reportedly made for the purchase of a Boeing 307 Stratoliner, possibly one of the two once operated by **AREA (Aerovias Ecuatorianas, C.A.)**.

Although the earlier services are continued in the face of stiff domestic trunk line competition from **CEA (Compania Ecuatoriana de Aviacion, S.A.)**, funds cannot be found for the overseas operations. As a result, LIA shuts its doors in early 1963.

LIA (LINHAS AEREAS DA GUINEA-BISSAU, S.A.): Guinea Bissau (1974–1995). Portuguese Guinea declares its independence on September 24, 1973, a fact recognized by Lisbon the following year. In 1974, **TAGB (Transportes Aereos da Portugusa, S.A.)** is renamed LIA. With a fleet of 5 Douglas DC-3s, 2 de Havilland DH 114 Herons, 3 Dornier Do-27s, and 3 Cessna 206s, the company maintains scheduled services linking Bissalanca International Airport at the capital of Bissau to Dakar, plus the domestic destinations of Farim, Nova Larnego, Bafata, Buba, Catio, and Santo Domingo.

During the next eight years, the carrier's fleet is upgraded by the addition of a Fokker F.27-100 Friendship and a Hawker Siddeley HS 748-B2, which replace the two Herons. Scheduled flights are initiated to Conakry and Praia.

Operations continue apace during 1985–1987. Employing a Boeing 727-100 wet-leased from the French operator **Europe Aero Service, S.A.**, the company undertakes Bissau–Lisbon–Paris flights in August 1988.

Operations continue in 1989 as two Antonov An-24Vs are acquired from the Soviet Union. In July 1990, the government of Guinea-Bissau and the International Bank for Reconstruction and Finance agree that the company should be replaced by a new entity partially owned by a foreign operator.

Meanwhile, the Bissau–Paris frequencies are suspended as the company returns to its domestic and regional services during the period of world recession.

During 1991–1992 there two accidents. On August 15 of the former year, the Friendship, with three crew, crashes near Dori, Burkina Faso; there are no survivors. On April 8 of the latter year, an An-24V with 3 crew and 10 passengers en route from Khartoum to Tunis, crashes near Sarra, Libya (3 dead).

In 1993, the Bissau-based airline, with Capt. Eduardo Pinto Lopez as general manager, operates 1 British Aerospace BAe (HS) 748-B2, 1 Do 228-200, and 1 Antonov An-24. Operations, often under the marketing title **Air Bissau**, continue apace in 1994. In 1995, the airline is officially designated **Air Bissau (Transportes Aereos da Guine-Bissau S.A.)**.

LIANA AIR COMPANY: Nikoliaiev Morekhodnaya 2A, Kiev, 327021, Ukraine; Phone 380 (0512) 341 152; Fax 380 (0512) 349 458; Code NSG; Year Founded 1995. This Russo-Ukraine joint venture company is established at Kiev in 1995 to provide ad hoc all-cargo charters. Revenue flights begin with a single Antonov An-74.

LIAT (LEEWARD ISLANDS AIR TRANSPORT, LTD.): Antigua (1956–1974). With 56% controlling interest held by **British West Indies Airways, Ltd. (2) (BWIA)**, aviation entrepreneur Frank de Lisle forms Leeward Islands Air Transport, Ltd. in 1956 to provide local services. Flights begin in November with a single Piper PA-23 Apache over an Antigua to Montserrat route.

In response to growing demands for more Caribbean air links, the carrier acquires a second aircraft, a Beech Twin Bonanza, in 1957 and initiates services to St. Kitts, St. Eustatius, and St. Martin.

During the year, arrangements with BWIA are formalized and it begins to increase its shareholding in LIAT, as it will annually until, within two years, it has acquired 75% and de Lisle has gradually withdrawn.

By 1959, the fleet has also been increased, growing by three more Twin Bonanzas and a de Havilland DH 114 Heron 2B. Also during the year, **St. Vincent Government Air Service** is purchased and merged. The new DH 114 Heron 2B is lost at St. Kitts on August 23; there are no fatalities.

As the 1960s begin, the company acquires a pair of de Havilland DH 114 Herons. A Curtiss C-46 Commando is employed for all-cargo services during four months in 1964. During the remainder of the decade, the route network grows to 22 island destinations, stretching from Trinidad in the north through the Lesser Antilles to the Virgin Islands. To help properly service these points, six Avro 748s and five Britten-Norman BN-2 Islanders are acquired.

Late in 1970, BWIA announces its plan to dispose of its LIAT stake. In December 1971, with its shipping parent Court Line already owning holdings in the West Indies, the expanding British independent carrier **Court Line Aviation, Ltd.** takes the 75% controlling interest formerly held by BWIA; the purchase price is £1.6 million (\$4 million).

The Court Line group, which is building a large resort at St. Lucia and planning to begin air service to the U.K., names M. A. Warwick as managing director and he brings in a new management team. The CLA BAC 1-11-416EK *Halcyon Sun* is leased and placed into service as the carrier adopts a mauve livery, the two-tone paint scheme favored by the new owners.

In late winter with British business slow, two of CLA's BAC 1-11-518s are transferred to LIAT in what will become an annual practice. Enplanements for the year total 495,611.

Airline employment in 1972 is 806. Plans continue to be made for long-haul service as a second former CLA BAC 1-11-400 joins the fleet that now also includes the first BAC plus 6 HS 748-B2s and 5 Islanders. Originally slated for delivery to **Bahamas Airways, Ltd.**, a BAC 1-11-517 is acquired in June. It replaces the *Halcyon Sun*, which returns to the U.K. on July 5.

In October the fleet is repainted in the same livery scheme as the previous year's BAC delivery; CLA's last two HS 748-B2s are sent out from England. Following the collapse of **Bahamas Airways, Ltd.**, its two BAC 1-11-517s are acquired by CLA and are sent to LIAT in November and December.

Passenger boardings increase 9.56% to 548,000 and freight traffic is up a huge 65%.

In June 1973, LIAT attempts to raise fares in the face of financial problems, but the island governments involved refuse permission. Services are cut and some islands agree to fare hikes only when faced with discontinuance of services. Inflation, high fuel costs, and a decline in ridership by U.S. citizens cause significant fiscal difficulties.

Services to those islands refusing to approve rate hikes is withdrawn in 1974 as the company's financial difficulties deepen. Amidst growing acrimony, the BAC 1-11-517s are forced out of service due to increasing fuel costs. One jetliner per month is returned to the U.K. in March, April, and May.

In mid-August, the carrier slips into bankruptcy along with its parent. Emergency aid from the U.K. and the island governments keeps LIAT alive until a new consortium can be put together in September by the governments of Dominica, St. Lucia, St. Vincent, Grenada, Antigua, and St. Kitts/Nevis. LIAT is reregistered as **LIAT (1974), Ltd.**

LIAT (1974), LTD.: P.O. Box 819, VC Bird International Airport, Coolidge, Antigua; Phone (268) 462-0700; Fax (268) 462-3455; <http://www.flyliat.com>; Code LI; Year Founded 1974. In mid-August 1974, Court Line Aviation, Ltd. of the U.K., which owns LIAT (Leeward Islands Air Transport, Ltd.) declares bankruptcy, taking its Antiguan subsidiary into receivership as well. Emergency aid from the British government and the leaders of several West Indies islands keeps LIAT alive until a new consortium can be put together in September by the governments of Dominica, St. Lucia, St. Vincent, Grenada, Antigua, and St. Kitts/Nevis.

LIAT is reregistered on September 30, under the Companies Act, Chapter 358, of the Laws of Antigua. Although frequent inadvertent errors concerning the carrier's name will continue, from this point on, the legal name of the company is simply LIAT (1974), Ltd.

The governments of Barbados, Guyana, Jamaica, and Trinidad and Tobago join the consortium in 1975. With funds from Venezuela and technical and administrative assistance from Air Canada, Ltd., services are resumed and an agreement is reached with British West Indies Airways, Ltd. (2) (BWIA) for at least initial avoidance of cutthroat competition.

During the peak winter season of 1975–1976, on-time performance suffers due to unpredictable mechanical breakdowns and attendant tight aircraft scheduling. The costs associated with maintaining its expensive older aircraft place immense pressure on the carrier's finances. Indeed, there is insufficient funding for the purchase of new planes, so those on hand are simply refurbished.

The subsidiary Four Island Air Services, Ltd. is formed at Antigua in 1976 to offer service with three BN-2s to Anguilla, Barbuda, Nevis, St. Croix, and St. Kitts. A second subsidiary, Inter-Island Air Services, Ltd., is created in 1977; it begins service from Antigua–Barbados, Carriacou, Grenada, St. Lucia, Mustique, Union Island, and St. Vincent with a fleet of three Islanders and a BN-2A Trislander.

Overall, it is reported that revenues have increased by 34% in 1977 over 1976.

The main LIAT fleet is revised during 1978–1980 to comprise 4 Hawker Siddeley HS 748s, 5 de Havilland Canada DHC-6s, 2 BN-2As, and 6 BN-2s, some of which are employed by the subsidiaries. Service is maintained between all the islands in the consortium.

Another HS 748 and an Embraer EMB-110 are placed in service in 1981–1982. Enplanements are 396,909 (1981) and 374,223 (1982). After several difficult financial years, profits are earned in 1982: \$213,324 (operating) and \$304,365 (net).

The workforce in 1983 totals 688, a 4.9% boost. The Antigua-based airline now operates 4 HS 748s, 8 Islanders, 2 DHC-6s, and 1 Banderante, with orders outstanding for two more Twin Otters.

Passenger bookings climb 7.3% to 403,744 as revenues jump 8.4% to \$24.3 million. Expenses, however, surge 9.1% and cause the operating profit to fall to \$76,053. The net gain is significant: \$636,240.

The employee population is reduced in 1984 to 683. Orders are placed for four additional HS 748s and five DHC-8-100s. With financial assistance from their Canadian manufacturer, the company will be able to receive the five new DHCs for the price of three.

Future Aer Lingus Irish Airlines, Ltd. CEO Gary Cullen is now seconded to LIAT, where he will spend the next three years as commercial manager.

Passenger boardings increase 0.5% to 447,435. Revenues drop 0.5% to \$24.1 million as expenses accelerate 7.5% to \$26.2 million, leaving a \$2.1-million operating loss.

Still, airline employment is allowed to grow in 1985, up 9.5% to 748. A DHC-8 and four HS 748s join the fleet as routes are opened to Caracas, San Juan, and St. Eustatius. The overall route system is revised and numerous intermediate stops are suspended.

Passenger boardings jump 13.8% to 460,302.

The payroll is cut in 1986 by 13.1% to 650; however, another DHC-8 is acquired.

While on final approach to St. Vincent on August 4, a DHC-6-300 with 2 crew and 11 passengers, crashes into the sea in poor weather; there are no survivors.

Also in August, a marketing agreement is signed with Eastern Air Lines to feed traffic to and from the lower Caribbean into the American major's hub at San Juan; LIAT/Eastern Express service commences from St. Kitts and Antigua to the Puerto Rican capital.

Customer bookings increase 16% to 529,858.

The previous year's boarding figures lead to a 1987 boost of 12.3% in employment to 911. The fleet now includes 4 BAe (HS) 748-B2s, 5 DHC-8-110s, 5 DHC-6-310s, and 2 Islanders.

Passenger boardings rise another 8.9% to 581,622 and revenues jump 19.5% to \$43 million. A \$553,000 operating profit is enjoyed.

Operations continue apace in 1988, during which year the fleet is increased by the addition of a fifth BAe (HS) 748-B2 and a sixth Twin Otter.

Enplanements in 1989 reach 710,000 and the operating profit totals \$322,000. There is, however, a \$2.4-million net loss.

Company employment is increased by 5.6% in 1990 to 975. Passenger boardings inch up 1% to 712,244 and revenues ascend 2% to \$38 million. The operating loss is \$5.1 million and net loss is \$8.7 million.

Three DHC-8-102s are leased in 1991 and the fleet in 1992 includes 6 DHC-6-310s, 3 leased DHC-8-102s, 5 DHC-8-110s, and 4 BAe (HS) 748-B2s. In March, a joint marketing agreement is signed with BWIA. Employing Antigua and Barbados as connecting hubs, the two pledge through-baggage service, as well as joint fares and schedules.

In 1993, Chairman Rawle C. Brancker and CEO William Warren Smith oversee a workforce of 1,070. Destinations visited from Antigua include San Juan, Tortola, St. Thomas, Anguilla, St. Croix, St. Martin, St. Eustatius, St. Kitts, Nevis, Barbuda, Montserrat, Guadeloupe, Dominique, Martinique, St. Lucia, Barbados, St. Vincent, Union Island, Carriacou, Grenada, Trinidad and Tobago, Venezuela, Guyana, and Mustique. The company's reputation for service suffers; some claim its initials now stand for "Leaves Island Any Time." Plans are made to privatize the company, now suffering from significant financial losses.

In 1994, a DHC-8-102 is replaced by a DHC-8-103, and a new Pilatus Britten-Norman PBN-2 Islander is acquired. The 650-person employee population now amounts to 3% of the national labor force. In August, a new board of directors is appointed with St. Lucia businessman William Rapier as chairman and former Air Alliance, Ltd. executive Gilles Filiatreault as managing director. The company begins a rationalization process in September trimming its employee population by 14% and retiring its four BAe (HS) 748s-B2s. The operational and engineering base at Barbados is closed down along with several regional offices and all activities are concentrated at Antigua. The carrier markets itself as "The Caribbean Airline."

In 1995, the company fleet includes 5 owned and 4 leased DHC-8-100s plus 6 Twin Otters. It flies to 28 points on 26 Caribbean islands and continues to provide feed to BWIA. Competition from Barbados-based new entrant Carib Express, Ltd. begins in February. The restructuring program begun the previous September is completed in May.

Having struggled financially for years, the carrier has now amassed a \$15-million debt. In July, its owner, the Caricom economic group, agrees to a monetary infusion and also permits the company to order three DHC-8-300s.

The first step toward privatization occurs on November 21 when a public stock offering is made. Twenty-one shareholders take most of the paper and ownership is now divided between Caricom, BWIA (29%), the government of Antigua and Barbuda (13.8%), and company employees (11.6%). A new board of directors is installed under the chairmanship of Senator Aziz Hadeed. Former chief pilot Capt. Ferdinand De Gannes, whose career spans almost the entire history of the airline, is appointed CEO.

Traffic figures are not reported, but it is noted that a profit slightly in excess of \$4 million has been earned.

Although plans are made to finish privatization during the first half of 1996, the action cannot be completed due to disagreement between the shareholders and the Caribbean governments of Antigua, Barbados, Dominica, Grenada, the Grenadines, Guyana, Jamaica, Montserrat, St. Kitts/Nevis, St. Lucia and St. Vincent, and Trinidad and Tobago.

The first new DHC-8-300 is arrives on June 30, followed by the second on July 5. The third is delivered in September.

Markets visited in 1997 include Anguilla, Antigua, Barbados, Barbuda, Caracas, Carriacou, Grenada, Guadeloupe, Guyana, Martinique, Montserrat, Nevis, San Juan, St. Croix, St. Kitts, St. Lucia, St. Martin, St. Thomas, St. Vincent, Tortola, Trinidad and Tobago, and Union Island.

Former **Air Canada, Ltd.** executive Fred Jarvis is named CEO on March 1, succeeding the retiring Capt. De Gannes.

In ceremonies at London's Royal Garden Hotel in March, LIAT, for the second year in a row, is named "Interisland Airline of the Year," by the U.K.-based lifestyle and travel magazine *Caribbean World*. A city sales office is opened in downtown St. John's, capital of Antigua, in April. In May, daily direct service is expanded to Antigua from St. Vincent, Barbados, St. Lucia, and Trinidad.

CEO Jarvis resigns in mid-August and the search for a new CEO begins. Management of the airline is turned over to Dr. Vincent Richards. The government of Dominica now bans the operation of Beech 99 aircraft into Canefield, on the west coast of the island. LIAT's Twin Otters, which the company had planned to sell are, other than charters, the only aircraft now permitted. Canefield travelers are advised to board the LIAT aircraft at Melville Hall, on the east coast of Dominica.

During the fall, Chairman Hadeed orders a number of cost-cutting programs. The carrier grounds its Twin Otter fleet, servicing its Caribbean routes only with Dash 8s. The company suffers financially and Chairman Hadeed now reverses an earlier decision to divest the airline.

On December 3, LIAT takes over the twice-daily air bridge roundtrip service between Trinidad and Tobago operated by BWIA. The move is contested in court by the designated air bridge carrier, **Air Caribbean, Ltd. (ACL)**.

On June 18, 1998, Justice Fyard Hosein grants the ACL request and orders LIAT to halt flights on behalf of BWIA over the Trinidad to Tobago air bridge. BWIA and LIAT, in turn, appeal Hosein's decision to the court of appeals.

On July 1, that high court overturns Judge Hosein's finding and permits BWIA and LIAT to return to the air bridge effective August 31. A week later, unfruitful discussions are held between representatives the governments of Antigua and Barbuda and Trinidad concerning the possibility of establishing a joint holding company for both LIAT and BWIA.

Chairman Hadeed appoints Ray Sayer, an airline professional from the U.K., as CEO of LIAT on July 28.

On August 20, ACL Executive Chairman Leslie "Lucky" Samaroo and General Manager Nelson Tom Yew meet in a "peace conference" at the Red House at Port-of-Spain with BWIA Chairman Lawrence Duprey and CEO Conrad Aleong. The session, brokered by TT Works and Transport Minister Senator Sadiq Baksh, is designed to create an atmosphere under which previous operational differences between the two carriers, including those involving LIAT, might be resolved. During the meeting, Baksh expresses a hope that BWIA will fly more services over the air bridge, while ACL might be designated a national air carrier, which will allow it to expand its regional and international activities.

Hurricane Georges forces LIAT to stand down on September 20 and during several days following. With the exception of St. Kitts, where the airport is badly damaged, LIAT is able to resume service to St. Vincent and the Grenadines, Antigua and Barbuda, St. Lucia, and Grenada on September 25.

The new **HelenAir (Barbados), Ltd.** overcomes objections from LIAT and receives operating authority from the Barbados Air Transport Licensing Authority on September 28.

A "security event," the details of which are unknown, forces Flight 1533, a Dash-8 with 3 crew and 33 passengers en route from St. Kitts to

Antigua, to be met on the Antigua runway by a full emergency crew on November 25. **HelenAir (Barbados), Ltd.** begins flying to Trinidad, St. Lucia, Grenada, and St. Vincent five days later.

Flights continue through the remainder of the year while financial troubles mount.

On February 12, 1999, the Antigua Workers' Union, representing 400 company employees, threatens a strike. The airline, which had promised employees a 4.25% wage increase effective in January 1998, has yet to make good on the arrangement. CEO Sayer acknowledges the increments or pay raises are due, but notes that the airline just does not have the money to pay them.

Chairman Senator Hadeed circulates a letter to employees on February 16 asking them to withdraw their threat and warns that a job action could lead to the carrier's collapse. By February 27, the situation has reached the point where LIAT is obligated to delay payment of February salaries to everyone on the staff from the CEO down.

As if increased competition from the new **HelenAir (Barbados), Ltd.** were not enough, LIAT now faces an even larger challenge.

Having been delivered in January and February, two new DHC-8Q-300s, for which BWIA has paid \$12.5 million each, enter service under the subsidiary name **BeeWee Express, Ltd.** on March 1. The turboprops fly to Grenada (thrice daily), to Barbados (twice daily), to St. Lucia and Barbados (twice daily), to Tobago (twice daily), and to Caracas (daily).

Later in the week, Chairman Hadeed meets with Antiguan Prime Minister Lester Bird and on March 8 the government leader announces that Antigua and Barbuda is buying out BWIA and Hadeed, that LIAT is becoming a wholly state-owned company, and that the jobs of its workers are protected.

Officials from the head office at Antigua travel to Barbados and there sack Winslow Lewis, the local representative, without notice on March 12. The move angers local staffers and politicians.

As workers continue to complain over the next two months, David Jardine becomes acting chairman. In a letter to employees on May 13, he confesses that the company is still in serious financial trouble. Although negotiations are underway with an important bank for a \$3.7-million loan, the arrangement is not yet set. Consequently, employees are again asked to defer receipt of their salaries. May salaries will not be paid for at least two weeks.

In early June, Guyanese national Lynden Bollers is named chief financial officer at a monthly \$6,290 salary. Company employees, angered to learn of the high-priced managerial appointment at a time when they seek back pay for 1998-1999 and are accepting salary deferrals, strike the company on June 22-24. Antiguan Labor Minister Stedroy Benjamin is able to satisfy employees by withdrawing Boller's work permit; the brief industrial action costs the fiscally troubled carrier \$370,000.

St. Vincent joins the route network following delivery of a third Dash-8 at the end of June.

In July, CEO Ray Sayer resigns; he is succeeded, on acting basis, by Capt. Osmond Lake.

During the summer, the **British Airways, Ltd. (2)** subsidiary Speedwing, Ltd., is commissioned to conduct a review of the airline's potential in light of its continuing financial problems. The BA group makes a number of recommendations to the carrier's board, including installation of new management and an infusion of new capital, a radical downsizing of the troubled carrier (principally via a staff and management reduction in force), even its complete shutdown.

Local political and tourism leaders react with horror to the last idea; some travel agents go so far as to suggest that a shutdown would be nothing short of a disaster. On September 4, Antigua and Barbuda Prime Minister Bird calls a meeting of the Organization of Eastern Caribbean States to discuss the LIAT situation.

LIAT's board of directors meets on September 16 to review the Speedwing recommendations. It also authorizes the airline to begin making good on bills owed the government of Grenada.

On September 22, Grenadian Prime Minister Dr. Keith Mitchell informs his parliament that LIAT owes the government close to \$900,000

in ticket taxes, to say nothing of unpaid landing fees for use of Point Salines International Airport. The politician is embarrassed to later learn that LIAT had begun regular payments on these bills three days before presentation of his parliamentary report.

In a further effort to keep LIAT alive and improve its dismal financial situation, on November 20 the board of directors, with stockholder approval, proposes a series of drastic cost-cutting measures that are sent to various unions representing its workers across the Caribbean. Among the ideas floated is a salary rollback for flight attendants and a salary freeze for everyone else through the end of 2001.

The board also acts to restructure the airline's management, reducing the number of managerial staff from 14 to 7. Under this arrangement, Capt. Lake remains acting CEO. Five other positions are filled by managers with acting titles, while four positions remain unfilled, including those of directors of marketing and flight operations.

The leadership of 9 of the company's 10 unions meets at Barbados on November 30 to review the management proposal and flatly reject them, indicating that they would soon present concrete counter ideas, including a plan under which they would acquire 55% of the airline, making it employee-owned. The Barbados Union will not be a party to the news release of the other nine, simply because it has a policy of never signing joint measures.

On December 1, also in keeping with the Speedwing report, the airline offers its employees, from top management to the lowest-paid worker, a voluntary separation package. Those accepting before the December 10 agreement are to receive 80% of whatever their involuntary severance pay would be, along with 75% of outstanding vacation time.

The carrier's new, albeit acting, management team, headed by Capt. Lake, is introduced on December 6; all are required to accept a 10% pay cut. At this time, the CEO indicates that downsizing will continue with an initial layoff of 77 staff, to be followed by between 150 to 200 systemwide. Two of the 12 Dash-8s will be withdrawn and the 10 remaining will be deployed to the most lucrative routes. After the planes were withdrawn and sold, the pilots and flight attendants flying them will be laid off. Plans continue for meetings with the various labor unions, as first requested by the Antigua & Barbuda Workers Union (ABWU) several days earlier, and efforts continue to find funding from several nervous local banks.

It is reported on December 8 that several of the workers' unions are threatening to strike to protest the restructuring measures Capt. Lake has launched. It is noted that the ABWU, which has scrubbed meeting plans, has now taken the unusual step of formally writing to LIAT's board demanding the dismissal of the airline's management team.

The next day, the embattled CEO reports that a number of workers have filed applications for voluntary separation. Several days later, *The Antigua Sun* will reveal that three pilots have withdrawn. Antigua Aviation Minister Robin Yearwood holds talks with **BWIA West Indian Airways, Ltd.** on December 10 regarding LIAT's tenuous position. With 29%, BWIA remains the carrier's largest single shareholder.

On December 11, U.S. Virgin Island authorities contact LIAT threatening to shortly cease any of the company's aircraft landing in the territory if immediate and satisfactory arrangements are not concluded to pay on back landing fees, now totaling \$400,000. Meanwhile, several of the lessors owning company de Havillands begin issuing similar threats if guarantees of payments against long-standing arrears are not soon forthcoming. With payday only three days off, the overdraft facility of the airline is \$2 million above the agreed upon limit. Although the paychecks are cut, it requires the immediate redundancy of 50 workers to find the money.

Workers expecting the first portion of their bimonthly salaries on January 14, 2000, are informed a day earlier that they will be paid their January amounts on February 15. In an effort to force management to back down from the pay deferral, 100 reservations, check-in, and other staff workers at Antigua strike on January 16. Most stage a sit-in, while others call in sick. Manager Wilbur Edwards and Chief Engineer Eugene Abbot man the check-in county, while a "Closed" sign is placed on the

ticket counter. Late on January 17, management caves in, pledging to pay these workers on January 28 instead waiting until February.

When flight attendants strike on January 20 because their paychecks are late, the whole airline must be shut down. All LIAT flights to Barbados and throughout the region are cancelled. Representatives of the unions, LIAT flight attendants, and the board of directors are able to resolve the dispute the next day, allowing flights to resume.

No sooner do the flight attendants get agreement for a new pay date than the 86 company pilots, members of the Leeward Islands Air Line Pilots Association, threaten to strike. On January 25, this group, too, is pacified as CEO Lake indicates all staff will be paid on or before January 31. At this point, the largest indigenous carrier in the eastern Caribbean has \$76 million in liabilities, including \$11 million owed to Caribbean governments for landing fees and other charges.

Work on a large rescue package for LIAT progresses behind the scenes during the first two weeks of February. A number of company directors are sent on missions to persuade owed Caribbean governments that the airline needs their support (read: funding or fee cancellation) in order to survive. On February 11, the same day that the carrier temporarily shelves a plan for another personnel reduction in force, Minister Yearwood goes before the cameras to announce that a \$2.8-million financing arrangement, backed by the Antigua and Barbuda government, has been created. Funding involves a \$1.4-million bank overdraft facility and a \$1.5-million bank loan.

As the month wears on, other Caribbean governments, noting the importance of LIAT and Antigua's generosity, agree to provide a \$14.8-million financing package.

Following a special stockholders meeting, local businessman Wilbur Harrigan, whose firm Pannell Kerr Foster, Ltd. has audited the airline for 13 years, is named chairman on February 21. At his first news conference the next day, he declares that he can "fix" the troubled airline by installing a new management team, cooperating with competing **BWIA West Indies Airways, Ltd.**, outsourcing LIAT's unprofitable in-house facets, and a further personnel RIF. Addressing the company's huge debt, the new leader indicates that his board will continue to reach out across the region for forgiveness, even though some shareholder governments, like Barbados, have indicated an unwillingness to do so.

Although no new routes are started with the beginning of the summer schedule, the opportunity of its beginning is taken to note a number of improvements. Chief among these is a 6% increase in passenger boardings during the first quarter, vis-à-vis a year earlier, together with improved on-time performance and a new standardized schedule. Bookings for the upcoming charter season, particularly with regards to cricket matches, are encouraging.

On March 30 at an emergency board meeting, the decision is made to appoint former **Aer Lingus Irish Airlines, Ltd.** CEO Gary Cullen as the company's new CEO, succeeding Capt. Lake on June 1. Cullen, who had suddenly resigned from the Dublin-based major on February 9, had been seconded to LIAT as its commercial manager in 1984-1987.

The launch of the new start-up **Caribbean Star Airlines, Ltd.** brings considerable concern at the beginning of April, particularly after it is reported that three experienced LIAT pilots and five flight attendants have resigned from LIAT to join the new concern.

New CEO Cullen has barely arrived on June 1 before his new concern is faced on June 7 with a crisis of a potentially more dangerous kind than financial. An armed gunman allegedly hijacks a company Dash-8 with 17 aboard at V.C. Bird International Airport and demands a \$2.5-million ransom. A hostage drama involving the airline, various police, government, and military agencies, is played out for almost eight hours before the pirate surrenders. When it is revealed that this had been the annual test for the Regional Security System, many people are not amused. *Caribbean Week*, in its June 8 issue, runs the headline: "LIAT Hijacked, 2.5 Million Demanded."

During the next month and a half, CEO Cullen brings in a new management group and the board of directors prepares a new development plan, which is revealed after a July 14 meeting. Although details are not

provided, it is noted that personnel productivity, additional cost cutting, and recapitalization are to be stressed. Attention is also paid to feeding, wherever possible, the flights of **BWIA West Indies Airways, Ltd.** Plans to lay off workers will, however, be soft-pedaled as reports suggest that severance pay could cost LIAT \$9.9 million it does not have.

CEO Cullen and John Strugnell, managing director of **WIA (Windward Islands Airways International, NV-Winair)** announce a new code-sharing and marketing agreement on July 28. Under terms of the pact, the two will quickly integrate their schedules and launch new services between the French islands, St. Martin, Antigua, and Santo Domingo.

The two airline leaders unveil a new regional networking plan on September 22. Under their concept, the pair link with Trans Island Airlines, Ltd. of Barbados, **Carib Aviation, Ltd.** of Antigua, and **Air Caraibes Exploitations, S.A.** of Guadeloupe to serve an anticipated 1.4 million passengers in Miami, Cuba, the Dominican Republic, French Guiana, and Guyana with upwards of 690 daily flight movements. The new business confederation, which is expected to be fully effective by April 1, is tentatively labeled the CARIB Partner Alliance.

On October 6, Grenada becomes the first government to grant route rights to **Caribbean Star Airlines, Ltd.**; LIAT, as its most probable competitor, files objections to permits from Barbados, Dominica, Trinidad, and St. Lucia. To protect cash-strapped LIAT, the Antigua and Barbuda government refuses Caribbean Star flying rights on the profitable route to St. Martin.

Employing three DASH-8-100s and a DASH-8-300, **Caribbean Star Airlines, Ltd.** launches low-cost roundtrip service on October 18 from Antigua to Trinidad via Grenada. Receipt of route rights from Dominica allows the inauguration of service between Antigua and Roseau on October 23.

In the wake of the failure of **Air Caribbean, Ltd.**, **Caribbean Star Airlines, Ltd.** on October 27 applies to the Air Transport Licensing Authority to operate a service on the Trinidad-Tobago air bridge. After an objection by LIAT ally **BWIA West Indies Airways, Ltd.**, ATLA Chairman Ramsaran Bissessar announces that law and international treaties exclude the Antigua-based carrier's bid.

In recent years, the government of Antigua and Barbuda has injected \$6.1 million in cash and contingent liability into LIAT, in addition to waiving \$4.4 million in unpaid landing and navigational fees. Without stating exactly why additional state funding is required, LIAT, on October 25, approaches the government for a temporary overdraft guarantee of \$2.5 million over the next six months. Speculation for the request centers around a necessity to lower ticket prices in the face of competition from Caribbean Star Airlines, Ltd.

Consideration of the LIAT request is not immediately heard by the government cabinet; however, on November 3, Prime Minister Bird indicates that he would support a merger of LIAT with its new rival, Caribbean Star. LIAT Chairman Harrigan had earlier invited the new entrant's to discuss such a possibility rather than engage in a devastating fare war. In the interest of LIAT's preservation, the government now guarantee's the requested \$2.5 million, subject to presentation of an acceptable business plan.

LIAT CEO Garry Cullen and Conrad Aleong, CEO of **BWIA West Indies Airways, Ltd.**, sign a comprehensive marketing and code-sharing agreement on November 16.

As the year ends, arrangements are completed for the initiation in January of DHC-8 roundtrips, in cooperation with **WIA (Windward Islands Airways International, NV-Winair)**, between Antigua and Santo Domingo via St. Martin. Additionally, CEO Cullen plans to put another management structure into place, headed by new COO Louis Harkin, another veteran of **Aer Lingus Irish Airlines, Ltd.**

LIBAVIA: Libya (1958-1964): A 21-year-old Libyan travel agency, with offices at Tripoli and Benghazi, sets up its own in-house airline at Tripoli in the spring of 1958. Hag Mustafa Mezran is named president. A Douglas DC-6B is leased from the French independent carrier **UAT**

(Union Aeromaritimes de Transport, S.A.) to launch twice-weekly roundtrips to Ankara, beginning in July.

Twice-weekly flights to Athens commence in May 1959 when the Greek capital is added as a stop on the Ankara service. The route is made thrice weekly before year's end.

The segment from Greece to Turkey is withdrawn in 1960, although thrice-weekly roundtrips from Tripoli to Athens continue, now with a stop at Benghazi.

In 1961, **Tunis Air, S.A.** turns over a cabotage route from Tunis to Sabah to Libavia, along with a DC-3. To prevent its competition and to strengthen its foundation, Libavia is taken over by the government-owned national carrier **Libyan Arab Airlines** in 1964.

LIBERIA NATIONAL AIRLINES: Liberia (1965-1974). At the command of the government and with assistance from **UTA (Union de Transports Aeriens, S.A.)**, **Liberia National Airways** is reformed on January 1, 1965. Romeo A. Horton is appointed president and scheduled services previously operated to domestic and regional destinations are continued with 2 Douglas DC-3s. A new route is opened from Monrovia to Freetown, Sierra Leone.

Unable to maintain its viability in the face of intense competition from the more modern aircraft of neighboring states, LNA is reformed into **Air Liberia** in January 1974.

LIBERIA NATIONAL AIRWAYS: Liberia (1949-1965). LNA is established at Monrovia in the fall of 1949 to serve as the country's national airline. For the first four years, flights by President F. H. Syphert's concern are largely charter.

Employing LNA's de Havilland DH 89A Dragon Rapide and Douglas DC-3, scheduled services are inaugurated in 1952 to domestic and regional destinations, including Robertsfield.

The company never earns a profit and on January 1, 1965, with the assistance of **UTA (Union de Transports Aeriens, S.A.)**, it is reformed into Liberia National Airlines.

LIBERIA WORLD AIRLINES. See **LWA (LIBERIA WORLD AIRLINES)**.

LIBERTY AIR: United States (1984). Liberty Air is set up at Fairbanks in August 1984 by former executives of **Sunair** and **Markair** through the purchase and merger of **Air North (Yukon Air Service)** and **Valdez Airlines**. Even before the combined fleet comprising aircraft from the two acquisitions can be painted, the new entrant goes bankrupt in September.

LIBERTY AIRLINES: United States (1982-1983). Organized by Thomas Wiles at Toledo, Ohio, during the first week of January 1982, this third-level carrier opens daily roundtrip scheduled passenger and cargo services to Chicago (MDW) on January 18 with a pair of Convair CV-440s and a Beech B-58 Baron. Later, in August, flights are inaugurated to Akron and Canton and to Philadelphia.

Recession and start-up costs force the suspension of scheduled flights in May 1983. Various unimplemented plans are made to resume operations in 1984, including the start-up of services from Newark to Bedford, Massachusetts, or relocation to Puerto Rico and the initiation Caribbean services.

LIBERTY EXPRESS: United States (1994-1997). The Falls Creek, Pennsylvania-based "USAir Express" partner **Crown Airways** is purchased at the end of 1993 by megaregional **Mesa Airlines**. Early in 1994, the subsidiary is reformed as a **Mesa Air Group** division and begins offering "USAir Express" service from Pittsburgh with a fleet of 8 Beech 1900Cs and 4 Shorts 360-200s.

Enplanements for the year total 76,771.

The fleet is rationalized in 1995 to include 13 Beech 1900Cs. Traffic figures are now reported with those of **Mesa Air Group**.

Operations continue apace in **1996**. A Beech 1900D with 2 crew and 14 passengers makes such a hard landing at Bradford Airport, Pennsylvania, on February 7 that it bounces up and off the runway to the left, skidding 1,148 ft. before stopping; although the aircraft is badly damaged, there are no fatalities.

During the first week of January **1997**, **Mesa Air Group** is again reorganized. The operating divisions Desert Sun, Florida Gulf, Liberty Express, and Mountain West are replaced by four new units: America West Express, Independent, United Express, and USAir Express. Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**. Liberty Express will be merged into the USAir Express section.

On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional will repaint its aircraft in a modified version of the major's new grey and dark blue livery.

LIBERTY HELICOPTERS: P.O. Box 1338, Linden Municipal Airport, Linden, New Jersey 07036, United States; Phone (908) 474-9700; Fax (908) 474-0488; http://www.libertyhelicopters.com; Year Founded 1985. Liberty is set up at Linden, New Jersey, during the first quarter of **1985**. Executive and small group passenger charters in the New York City area begin on April 10. In addition to airport transfers, the carrier also makes courier flights and provides sling-load services.

Originating from the VIP Heliport, the company begins sight-seeing tours of "The Big Apple" on September 6, **1990**. Growth, brought about by an aggressive marketing plan aimed at both domestic and international customers, allows the company to open a second location, at the Downtown Manhattan Heliport, in **1995**. By the end of the decade, Liberty enjoys annual revenues of \$12 million.

In **2000**, President Patrick Day oversees a workforce of 45 and a fleet that now includes 8 Eurocopter AS-350B A-Stars plus 1 each AS-355F TwinStar, SA-365N Dauphin, and Bell 206L LongRanger.

LIBYAN AIRWAYS: Libya (1952–1953). Tripoli travel agency owner Sayyed Mohammed Senussi Giaber joins with the British independent airline **Silver City Airways, Ltd.** to form this carrier in **1952**. The U.K. operator provides 2 wet-leased Bristol 170 Freighters, which are employed to operate nonscheduled all-cargo services to Benghazi and Kufra.

Weekly scheduled roundtrip Bristol services are initiated between Tripoli and Benghazi in January **1953**. Unable to maintain its viability against intense competition from regional carriers, the company shuts its doors before year's end.

LIBYAN ARAB AIRLINES: Libya (1969–1990): Following a coup against King Idris led by Col. Muammar Qaddafi in August **1969**, the new government changes the corporate identity of **Kingdom of Libya Airlines** to LAA on September 1.

During the fourth quarter, \$14 million worth of orders are placed for two Boeing 727-200s. Enplanements for the year, under both names, total 201,620.

The fleet in **1970** includes 3 Sud Est SE-210 Caravelle VIRs, 2 Fokker F.27-100s, 1 Douglas DC-3, and 1 Gates Learjet 23. International destinations visited include Rome, Geneva, Paris, London, Malta, Athens, Beirut, and Cairo, while domestic points served are Al Bayda, Benghazi, Djerba, Ghadames, Marsa El Brega, Sabhah, and Tubruq.

Passenger boardings drop 6% to 190,208 while cargo traffic is off 13.5%.

Airline employment is increased 25% in **1971** to 1,113. The fleet now comprises 3 Sud-Est SE-210 Caravelle VIRs, 2 newly delivered B-727-2L5s, and 2 Fokker F.27-200s.

A total of 207,100 passengers are carried.

Freight accelerates 29% in **1972** while passenger boardings jump 27% to 370,000.

Airline employment in **1973** stands at 1,436. Service is inaugurated to Geneva and Misurata.

En route from Tripoli via Benghazi to Cairo on February 21, Flight 114, a B-727-2L5 with 8 crew and 103 passengers, strays over the northern tip of Great Bitter Lake in the Israeli-occupied Sinai Peninsula. The jetliner is intercepted at 5,000 ft. by two Israeli Air Force McDonnell Douglas F-4E Phantom II fighters, which attempt to force the aircraft to land. After the Boeing allegedly ignores the warnings to divert and raises its undercarriage, which had been lowered. The Phantoms interpret this as an effort to escape and open fire on the Boeing.

Severely damaged, Flight 114 attempts an emergency belly landing, but crashes in the desert 15 km. E of the Suez Canal. The copilot and four passengers survive. Defence Minister Moshe Dayan offers the Israeli government's public regret over the tragedy and to show it, announces plans to compensate the families of the victims.

A B-727-2D6A is wet-leased from **Air Algerie, S.A.** for a replacement, as orders are placed for two B-727-2L5As that will enter service in **1974**; the Boeing will have **Air France** crews. Scheduled flights begin between Tripoli and Misurata.

Passenger bookings for the year climb 11% to 408,000, but cargo traffic is off by 13.3%.

The Algerian trijet is retained in **1974**, but the two new Boeings are delayed. Plans to withdraw the Caravelles are shelved. Orders are placed for six more F.27-200s, which will support the energy industry. Later in the year, the **Air France** crews operating the **Air Algerie, S.A.** B-727 go on strike; with job actions illegal in Libya, the French are ordered out of the country and crews are provided by **Royal Air Maroc, S.A.**

During the year, cargo accelerates 22.5% and boardings soar 15.9% to 408,000.

The workforce in **1975** totals 1,725. New and enlarged training programs are launched as the company is given exclusive rights under January's Law No. 5 to operate all airline services within the country. The law will force small competitors to merge or fail. Six new F.27-600s are delivered and are placed on domestic routes. The B-727-2L5As are delivered at the end of the year.

Passenger boardings are up 37% to 558,000 while freight climbs 28%.

One B-720-023B, leased from **Middle East Airlines, S.A.L. (2)**, and three more B-727-2L5As are delivered in **1976**, as airline employment grows to 2,300 and the carrier is reorganized into a public corporation.

On July 6, twenty-year-old Libyan Mustafa Hadlumagid hijacks a B-727-2L5A carrying 98 passengers en route from Tripoli to Benghazi and orders it flown to Tunisia. When landing permission at Tunis is denied, the aircraft is directed to Palma de Mallorca, where the youth frees his hostages and surrenders to Spanish police.

Passenger boardings climb 19.95% to 669,909 (plus 202,813 charter travelers); freight advances by 38%.

Amin B. Marghani is named chairman in **1977** with Hasan M. Cuniali as general manager. The carrier's three Caravelles are retired. The Boeing jetliners open new routes from Tripoli to Frankfurt, Athens, Tunis, and Casablanca and from Benghazi to Rome and London. Domestic schedules are significantly increased.

Airline employment stands at 2,500 in **1978** as Cuniali replaces Marghani as chairman. Four B-737-2L5s and four F.27-400s are placed in service. Delivery of the last two "Baby Boeings" have been held up by the U.S. government until Libya signs the Hague International Convention on Hijacking.

Enplanements total 861,031.

Badri Ali Hasan succeeds Cuniali as chairman in **1979**. Service is inaugurated to Madrid, Moscow, Sofia, and Warsaw. The first five Ilyushin Il-76s freighters are delivered in LAA livery. As the remaining 38 arrive over the next 5 years, many will also be shared (complete with changed colors) with Jamahiriya Air Transport.

A request to Boeing for three B-747 Jumbojets is cancelled in May by order of the U.S. Department of State, which has determined that Libya is in violation of the Hague Convention.

En route from Benghazi to Tripoli on August 24, a B-727-2L5A with 59 passengers is hijacked by a lone gunman, who diverts it to Larnaca,

Cyprus. The pirate surrenders, requesting political asylum. Instead, he will be extradited back to Libya and reportedly executed.

An F.27-400 en route from Hon to Tripoli on October 16 is taken over by three gunmen, who order it flown to Switzerland. The Fokker flies to Malta, instead; on the ground, the pirates demand and receive permission to hold a news conference, during which they surrender.

Before the end of the year, Libyan Arab Air Cargo is formed as a wholly owned, all-cargo subsidiary.

Cargo grows 11.7% and passenger boardings grow 19.3% to pass the one million-mark for the first time (1,066,952).

Routes are opened to Karachi and Malta in 1980; orders are placed for three F.28-4000s for the fleet. Although Boeing has sought permission to complete three B-747-2L5Bs for the carrier, it is prohibited. Finished through the painting phase, the aircraft are later sold to **VARIG Brazilian Airlines (Viacao Area de Rio Grandense, S.A.)**. Still, several older B-707 Stratoliners are acquired from the used aircraft market.

An F.27-400 is lost at Chad on March 26, 1981; there are no other details available regarding the accident.

On November 27, the carrier signs a contract to purchase 10 Airbus aircraft. The next day, a second F.27-400 is destroyed in Chad. Five F.27-500s are ordered as replacements.

Three Lebanese Muslims, who say they are seeking the return of Imam Moussa Sadr, who is imprisoned in Israel, seize a B-727-2L5A over Italy on December 7 and force it to fly to Beirut, and then to Athens. The next day the aircraft, with 38 hostages aboard, is allowed to land in Tehran and on December 9 the Boeing departs for Beirut, where the hijackers free their captives and surrender. Passenger bookings for the year total 1.48 million.

The U.S. Department of State orders the Airbus order cancelled in early 1982 because the European consortium aircraft employ significant numbers of American components. The Libyans propose the acquisition of \$597.5 million worth of Boeing airliners and, although the manufacturer again seeks an export license, the DOS again blocks the sale.

Enplanements grow steadily this year, reaching 1,550,000.

Libyan army lieutenants At-Tawali and Mansur Al-Mahdi hijack a B-727-2L5A en route from Sabha to Tripoli with 158 passengers aboard, on February 20, 1983 and force it to land at the airport at Valletta, Malta. Refusing to refuel the airliner, Prime Minister Dom Mintoff opens negotiations from the control tower, which continue for three days. On February 23, the pirates release their captives and surrender after Mintoff promises them political asylum. Mintoff's reprieve leads to a diplomatic dispute with Col. Muammar Qaddafi.

A B-707-338C with 5 crew crashes 30 km. N of Sabha, Libya, on March 14 and explodes; there are no survivors.

Routes are started to Milan, Damascus, Jeddah, Tunis, and Algiers and four A310-203s and six A300-600Rs are ordered from Toulouse. This new request for Airbus equipment involves a certain amount of subterfuge designed to get around the U.S. ban. The aircraft will be leased or sold to banks and other non-airline concerns. U.S. intelligence gains knowledge of the plan and the airliner acquisition must be cancelled.

En route from Tripoli to Athens on June 22, a B-727-2L5A is taken over by two armed men, who divert it to Larnaca, Cyprus, where they surrender. They will be tried and given seven-year prison sentences.

A total of 1,758,999 travelers are flown on the year.

In 1984, the Fokker F.28-4000s enter service. Bookings fall to 1,627,701. In 1985, services are offered to 17 destinations in Asia, Europe, and North Africa, as well as domestically. Passenger boardings drop 0.31% to 1,579,000.

A by-product of Mideast terrorism, the Benina military airfield (previously the U.S. Wheeler Field) becomes target for a U.S. raid on April 14, 1986. Several LAA airliners are damaged when bombs fall from 23 F-111 bombers based in England and F-14As from the carriers U.S.S. *America* and U.S.S. *Coral Sea*. The next day, an Ilyushin Il-76T freighter is involved in a landing accident at Tripoli.

An F.27-600 with 39 passengers is destroyed as the result of a bad landing at Zella on June 6; no injuries are reported.

Following a break in diplomatic relations, Libyan airliners are banned from the U.K. at the end of October. As of November 1, Libyan-U.K. air freight must be flown by charter or transshipped over from airports on the Continent. Another F.27-600 crashes at Gialo on December 31 under unknown circumstances.

Moftah Saad Al-Diew becomes chairman in 1987; the entire top management of the airline is changed and a new team is installed.

In June 1988, two former **British Caledonian Airways, Ltd. (BCAL)** A310-203s are acquired by devious means. As a result of U.S. diplomatic intervention, these must first be leased to **Air Algerie, S.A.** Initially given Algerian livery and leased to the Libyans, who provide the flight crews, the two Airbuses begin operation on Libyan routes in the early fall.

Not long after takeoff from London (LHR) as a continuation of Flight 103, the 18-year-old **Pan American World Airways (1)** B-747-121 *Clipper Maid of the Sea* with 16 crew and 243 passengers, explodes in midair 31,000 feet over Lockerbie, Scotland. The blast immediately rips the fuselage apart and causes catastrophic structural failure; the cockpit and forward fuselage separate from the main body which, as it falls to earth, loses all four engines and suffers disintegration of the rear fuselage.

There are no survivors from the plane and an additional 11 people on the ground are killed and 5 injured when the center fuselage and wings crash into the Sherwood Crescent subdivision of Lockerbie. The debris erupts into a huge fireball that digs a giant crater, destroying at least 20 homes outright and damaging others beyond repair. Investigators will initially look to Iran, but will soon thereafter develop information that Libyan agents, perhaps connected to the national airline, are behind the atrocity.

Just after takeoff from Zella 74 on a June 6, 1989 service to Tripoli, the No. 1 engine of an F.27-600 with 3 crew and 36 passengers must be shut down. The Fokker attempts to return to its point of origin, but is unable to maintain altitude and must make a forced landing in the desert. There are no fatalities.

In 1990, the carrier is renamed **Jamahiriya Libyan Arab Airlines**.

LIBYAN AVIATION COMPANY, LTD.: Libya (1960–1967). LACL is formed at Benghazi on July 4, 1960 by Capt. Brian L. R. Pocock, C. H. J. Bos, and Abdul Mejid Bujazia. Employing Douglas DC-3s and de Havilland DH 104 Doves, the company undertakes ad hoc charters in support of exploration and oil pipeline interests.

In 1961, Pocock and Bos are bought out, but form another company, Air Bos, Ltd., which is given a contract to provide management and support services. The number of Douglas transports is increased to four, plus a de Havilland Canada DHC-2 Beaver.

In June 1962, a management and consultant services contract is signed with newly reformed Biggin Hill-based **Metropolitan Air Movements, Ltd.** Capt. Pocock, having become managing director of the British carrier, leases two, later five, Metropolitan Doves for use in Libya.

Charter services throughout Libya and nearby countries continues apace, although one Metropolitan Dove, leased from Keegan Aviation, is lost in a crash on February 26, 1964. Both Libyan Aviation and **Metropolitan Air Movements, Ltd.** cease all operations in early 1967.

LIBYAN NATIONAL AIRWAYS (LINAIR): Libya (1962–1975). Linair is set up at Tripoli in 1962 to provide passenger and cargo charters on behalf of the energy industry. Shareholding is divided between local Libyan concerns and **Sabena Belgian World Airlines, S.A.**, which provides the aircraft and technical support, including Douglas DC-3s. Z. Y. Lenghi is president.

Sabena turns over its interest to **Belgian International Air Services, S.A.** in July 1965. The new support airline picks up where the state carrier had left off.

Flights continue through the remainder of the decade and into the 1970s with a fleet that comprises six DC-3s and a Fokker F.27-200. In

January 1975, **Libyan Arab Airlines** is given exclusive authority to operate in the country, forcing Linair out of business.

LIDCA (LINEAS AEREAS DEL CARIBE, S.A.): Carrera 56, No. 74-22 Edificio LAC, Barranquilla, Colombia; Phone 57 (58) 347 923; Fax 57 (58) 458 291; Code LC; Year Founded 1954. LIDCA is formed at Barranquilla in early 1954 by Alfonso R. Aria. The first of what would eventually comprise a fleet of 11 Curtiss C-46s and 3 Fairchild C-82s is assembled and all-cargo operations are started to Colombian and Caribbean destinations. Bogota also serves as a terminus.

A Curtiss C-46D with two crew is lost near Medellin on November 24; although the aircraft must be written off, there are no fatalities.

A decade and a half following its start-up, the airline shares the fate of others attempting success in the Latin American air freight business—it shuts down. The suspension is only temporary as services are resumed.

During the early 1980s, the fleet includes 2 each Douglas DC-9-54Fs and 2 DC-6s. Destinations visited include Bogota, Miami, Cali, Cartagena, and Medellin.

LIDCA is not immune to the rash of Cuban hijackings in this time period. En route from Barranquilla to Bogota on October 2, 1984, a DC-8-54F is seized on the ground during a stop at Cartagena. The gunman, who has other family members in tow, requires that the freighter be diverted to Havana.

Flights continue through the remainder of the decade and the next. Orlando Donado is president and the company operates 3 Douglas DC-8-54Fs to Caribbean destinations.

LIDER TAXI AEREO, S.A.: Rua Haroldo Paranhos S/Nr., Aeroporto de Congenhas, São Paulo, 04357-060, Brazil; Phone 55 (247) 623 202; Fax 55 (247) 622 039; Year Founded 1958. Jose Alfonso Assumpcao founds what will eventually become Latin America's largest air taxi service at Belo Horizonte (capital of Minas Gerais State) during the summer of 1958. On demand service (passenger, cargo, and charter) begins from Aeroporto de Pampulha with 3 Cessna 170s on November 14.

During 1959–1961 the fleet is increased by 12 aircraft, with Cessna 180s and 182s predominating. The operator's first hanger is opened at its Belo Horizonte base in 1962 and three Aero Commander 500Bs join the fleet. In 1963–1967, the Aero complement grows to 12 and charter services are maintained to such destinations as Belem, Brasilia, São Paulo, and Rio de Janeiro.

A Learjet is added to the fleet in 1968 and during 1969–1971, bases are opened at Belem, São Paulo, Rio de Janeiro, Brasilia, and Manaus. Four additional Gates Learjets are acquired. A sales division is formed in 1972 and Assumpcao becomes the exclusive Learjet distributor in Brazil and, later, Paraguay. A helicopter division is formed in 1973.

In 1974–1980, as additional Learjets are acquired, the helicopter fleet, comprising mostly Bell types for which Assumpcao also becomes sole Brazilian distributor, is employed in support of the Petrobras state oil industry operating offshore and in the Amazon region. Enplanements in 1981 are 113,464 and due to economic recession, 98,537 in 1982.

In 1983, Lider helicopters are leased to Globe TV, which in turn begins an extensive advertising campaign on behalf of the charter carrier. In the middle 1980s, the fleet grows to comprise 7 Aero Commanders, 8 Learjet 35s, 2 Learjet 55s, 8 Bell 212s, 4 Bell 205s, 14 Bell 206s, and 5 Bell 222s. Airline employment exceeds 650 and the extensive operations built up are maintained throughout the remainder of the decade. Unhappily, as the Brazilian economy declines into chaos, so does traffic, which is off 60% by the end of 1989.

Government approval is received in July 1990 for the establishment of new scheduled domestic passenger and cargo services throughout the country under the name **Air Brasil**. In April 1991, LTA, hoping to beat competitors in the introduction of jetliners on the Rio–São Paulo air bridge, establishes its new **Air Brazil, S.A.** subsidiary.

Three British Aerospace BAe 146-200s are acquired, but **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.), VASP (Viacao Aerea Sao Paulo, S.A.), and Transbrasil, S.A. (Linhas Aereas Transbrasil)** replace their Electras more quickly than anticipated. Consequently, Lider withdraws its backing in December and **Air Brazil, S.A.** never gets off the ground.

Unscheduled air taxi and rotary-wing work is continued during the remainder of the decade. Managing Director Paulo Assumpcao oversees a fixed-wing fleet that includes 6 Beech 400A Beechjets, 4 Learjet 55 Longhorns, and 3 Learjet 35 Century 3s. The helicopter complement contains 6 Bell 206B JetRangers, 3 Bell 206L LongRangers, 6 Bell 212s, 4 Bell 414s, and 6 Sikorsky S-76 Spirit IIs.

LIETUVA AIR COMPANY, A.B. (AIR LITHUANIA, LTD.): 132 Valveriu Street, Karmetava Airport, Kaunas, 3018, Lithuania; Phone 370 (7) 291 770; Fax 370 (7) 226 030; <http://www.airlit.huania.lt>; Code TT; Year Founded 1991. A new national airline is established on September 13, 1991 from the former Kaunas subdivision of **Aeroflot Soviet Airlines** to provide nonscheduled domestic flights. Services are inaugurated later in the day with a fleet of 6 Yakovlev Yak-40s.

The owned fleet is increased in April 1992 by the addition of a Tupolev Tu-134A. A Tupolev Tu-154B is leased during the summer to operate charters to Stambul.

Enplanements for the year total 5,894.

In 1993, Chairman Kestutis Aurila oversees a workforce of 206.

The first regularly scheduled regional nonstop return flight by this company occurs on February 12 over a route from Kaunas to Budapest. Scheduled return service is introduced from Kaunas to Prague in April, with a new roundtrip service added in June from Kaunas to Kristianstad via Palanga. Frequencies from Kaunas to Helsinki commence in August, with roundtrips from Kaunas to Hamburg via Palanga beginning in November.

Passenger boardings this year increase to 6,047.

Airline employment is reduced by six workers in 1994. Orders are placed for two Fokker F.27-200s, with options taken on two others. Scheduled roundtrips are launched in September from Kaunas to Oslo.

Passenger traffic doubles during these 12 months, with customer bookings increasing 95.9% to 27,209. A total of 46 tons of cargo are also flown.

Airline employment stands at 200 in 1995. The fleet includes 6 Yak 40s, 1 Tu-134A, and 2 F.27-200s. Destinations visited include Budapest, Hamburg, Kristianstad, Oslo, Palanga, Poprad, Tatry, and Prague.

On July 17, the state-owned carrier is reorganized into a joint-stock company.

Enplanements climb 38.6% to 37,709, while 153.4 tons of goods are also transported.

Ten new employees are hired in 1996. To meet customer need, a bus service is initiated between Palanga Airport and Klaipeda, Kaunas Airport, and Vilnius.

In April, regularly scheduled roundtrips are started from Kaunas to Tallinn via Palanga. The service from Kaunas to Oslo is rerouted in August to fly from Kaunas to Oslo via Palanga. New roundtrips are launched in November from Kaunas to Billund via Palanga.

Despite the new service initiation, traffic falls badly, dropping 8% to 34,320 passengers flown. Freight is also off, with only 78.2 tons flown.

An Aero International (Regional) ATR42-320 is leased during the first quarter of 1997. On February 11, the Lithuanian government declares its intentions to privatize both of its carriers starting in the fall of 1998.

Following delivery of the ATR42-320 in April, it is placed into service to Kristianstad from Kaunas, and Palanga. With the start of the summer vacation schedule, long-haul charters are operated to Palma de Mallorca in Spain and Varna in Bulgaria.

In June, the Lithuanian Ministry of Transport approves a plan to merge the company with **Lithuanian Airlines, A.B.** On July 9, it is announced that Lietuva will first be merged with another small carrier, Vilnius-based Lietuvos Avioliņas, Ltd.

During the summer, two Yak-40s are leased out. Meanwhile, the number of weekly flights to Budapest, as well as to Billund and Oslo, is increased from two to three.

Rather than merge Air Lithuania into **Lithuanian Airlines, A.B.**, the former becomes a subsidiary on September 11. Although its shares are turned over to the other carrier, it retains its identity and is allowed to function as a regional operator.

Passenger boardings for the year accelerate 29.3% to 44,363. Cargo traffic, however, declines, with only 75.3 tons flown.

Airline employment stands at 178 in 1998. During the summer, the numbers of weekly flights from Kaunas are again increased—to Billund from three to five, Kristianstad from five to six, and Prague from two to three.

The carrier now offers a total of 27 weekly departures to 6 destinations in Germany, the Czech Republic, Norway, Sweden, Hungary, and Denmark.

On August 17, Tomas Laurinaitis is appointed director general as the company structure is somewhat changed. A new passenger-handling department is created at Kaunas Airport and begins operations in September.

Flights to Oslo are switched from the old airport at Fornebu to the new location 47 km. N of the city. Thrice-weekly Yak-40 roundtrips begin from Palanga to Moscow on October 22.

Customer bookings climb 8.2% to 48,000. Figures reveal that 50.1 tons of goods have also been transported.

A second ATR42-320 is placed into service in January 1999. Thrice-weekly roundtrips commence on October 31 from Kaunas to Cologne and Bonn.

Enplanements for the year total 48,000.

A total of 173 workers are employed at the beginning of 2000.

LIGACOE AEREAS REGIONAIS, S.A. (LAR). See LAR TRAN-SREGIONAL, S.A.

LIGNE AERIENNE ROI-ALBERT, S.A. (LARA): Belgium (1920–1922). In the Belgian Congo, **Syndicat National Pour l'Etude des Transport Aeriens, S.A. (SNETA)** joins with the aerial survey operator **Comite d'Etudes Pour le Navigation Aerienne au Congo, S.A. (CENAC)** under the joint title **Ligne Aerienne du Roi Albert, S.A. (LARA)** on July 1, 1920. The experimental east to west air service is named in honor of the king of Belgium. Levy-Lepan R three-seat flying boats are employed to launch the first segment of a route between the Congolese towns of Leopoldville and Stanleyville, flying from the former destination as far as Ngombe. This is the first intra-African air service.

Despite the irksome necessity of reattaching the aircraft's fabric after each flight, the Ngombe end of the Congo service is extended by the little pusher biplanes to Lisala on March 3, 1921. During the summer, the 1,078-mile Stanleyville route is finished and opened.

The combined LARA service is completed on June 7, 1922; in two years of operations, 95 passengers and 4,400 pounds of mail and freight are transported between the 4 towns on the Leopoldville–Stanleyville route.

To combine and upgrade both the Congolese and European operations, the Belgian government takes over SNETA's assets on May 23, 1923 and forms them into the new state airline, **Societe Anonyme Belge d'Exploitation de la Navigation Aerienne—Sabena**.

LIGNES AERIENNE SEYCHELLES, LTD. See LAS (LIGNES AERIENNE SEYCHELLES, LTD.)

LIGNES AERIENNES CONGOLAISES, S.A. (LAC): BP 10120, Airport de N'Djili, Kinshasa, Democratic Republic of the Congo; Phone 243 (12) 20 874; Fax 243 (12) 20 964; Code QC; Year Founded 1997. In early May 1997, following the overthrow of the government of Zaire by rebel forces under Desire Kabila, the new Congo

Republic is established. In April, the new transport minister, Aubert Mukendi, who had headed **Air Congo, S.A. (2)** between 1964–1968, proposes that a new airline to succeed the former flag carrier, **Air Zaire, S.A.** be established. He suggests that the company be named Congo Airways, S.A.

President Kabila directs Mukendi to turn the project over to the chief executive's personal pilot, Capt. Paul Mukandila. For a variety of reasons, including the start-up of competing **Zaire Express, S.A.**, which has claimed **Air Zaire, S.A.**'s air traffic rights, the Congo Airways scheme is dropped.

Instead, a new national airline, **Lignes Aeriennes Congolaises, S.A.** is established, with Mukendi as president. The company name, incidentally, translates as Congo Airlines; the same name, in English, will later be employed by **Zaire Express, S.A.** Most of the previous 2,500-person workforce is rehired, many or most of whom had not been paid a salary since 1993–1994. All uniforms worn are former **Air Zaire, S.A.** outfits, with a few new patches.

In a show of support to the new government, the government of Rwanda, which had seized **Air Zaire, S.A.**'s last operational B-737-298C, *Lac Upemba*, in April 1996, now returns the aircraft to Kinshasa's N'Djili Airport for overhaul and repainting. **Air Zaire, S.A.**'s second B-737-298C, *Lac Tumba*, and Douglas DC-8-54, inoperable at Kinshasa, begin overhaul and repainting as well. The new livery will replace the previous white, red, and green color scheme with a white fuselage and a blue tail, with a large centered yellow star and six smaller ones just inside the rear edge.

On September 22, the Xinhau New Agency of China reports that the company has announced that it will resume passenger and cargo flights to Lagos on October 1. Although the substance of the dispatch is correct, the service start-up date is off by two months.

When the B-737-298C *Lac Upemba* returned from Rwanda is ready, it undertakes the new carrier's first service on November 1 on behalf of the government; the inaugural flight visits Bukavu and Goma. The first scheduled public service begins on November 26 from Kinshasa to Mbuji-Mayi, Kisangani, and Lubumbashi.

International service commences on December 1 with regular flights to Lagos and Luanda; flights to Lome start on December 5. At year's end, President Mukandila is able to proudly announce that all of his employees have been paid for their work since November 1.

In need of freight capacity and with the DC-8-54 still in the shop, LAC wet-leases a B-707-324C from **Angola Air Charter, S.A.** in early January 1998. Cargo flights commence on January 25 transporting food supplies on behalf of the UN.

Electing to discontinue cooperation with his Ugandan and Rwandan allies, leader Kabila orders the last of their troops out of the country in July.

A renewed civil war breaks out on August 2 and has a significant impact on the airline's schedule. The B-707-348C Stratofreighter of **Congo Airlines, S.A. (3)** is seized on the ground at Goma as the fighting begins, along with a chartered LAC B-707F.

On August 4, Tutsi rebels under Comdr. Jean-Pierre Ondekane and Rwandan soldiers seize the airport at Kisangani. The facility is reportedly recaptured six days later.

Angola and Zimbabwe now begin to intervene in the fighting on behalf of the Kabila government. Rwanda, meanwhile, covertly employs a pair of B-727s to airlift troops and equipment from Goma to Kitona AFB, near the Atlantic Ocean. Uganda joins Rwanda in threatening to intervene openly in an effort to protect their own long-term interests. Angolan troops capture Kitona AFB on August 23.

President Kabila also receives support from Sudan and Chad, while Burundi also assists his opponents.

A number of charter pilots are also captured and these are required to fly military equipment and troops from Uganda and Rwanda to rebel positions in the eastern part of the country. In addition, the Stratoliners haul freedom fighters from their strongholds to points in the west, where they battle for towns held by forces loyal to Kabila.

Government forces suffer serious setbacks in their efforts to put down the rebellion and enemy forces move into the mineral-rich province of Eastern Kasai. Communities ranging in size from villages to cities the size of Kindu are surrounded, attacked, and often captured.

To assist in resupply efforts, anti-Kabila forces charge, the Kinshasa-government employs the civil airliners of LAC and CAL as troop transports. One of these, a CAL B-727-30, is shot down by a rebel missile over Kindu (440 km. SW of Goma) on October 10.

Flights continue during the remainder of the year and into 1999.

In January, a five-year code-sharing and wet-lease agreement is signed with **City Bird, S.A.** Under its terms, the Belgian new entrant will fly passengers and cargo between Europe and Kinshasa on a weekly basis, using LAC flight codes. The arrangement will allow LAC to resume international air links abandoned in 1992, with passenger services starting in May and A300-600F freighter flights beginning in summer.

A public row between City Bird and **Sabena Belgian World Airlines, S.A.** erupts in Brussels on April 27 over City Bird's month-old dual-designator pact with LAC. Claiming that the new arrangement is a surprise action that will damage the pioneer line, which operates between Brussels and Kinshasa four times a week, Sabena demands \$9.22 million in damages. It also indicates that it is seeking an arbitration ruling that City Bird's actions constitute a unilateral termination on its part of the commercial arrangement with Sabena.

City Bird, S.A. President/CEO Victor Hasson calls a news conference to rebut the Sabena action. Hasson complains that Sabena had not wanted the LAC link in the first place and given its 11.2% stake and seat on the City Bird board, should have known about it. Both companies, which do not suspend their existing pact, indicate that there are no plans to terminate their cooperation agreement and acknowledge that arbitration may take six months to a year.

The wet-lease pact with **City Bird, S.A.** begins on May 17. Weekly B-767-339ER roundtrips, conducted in the manner of those launched by City Bird with **Luxair (Luxembourg Airlines, S.A.)** at the end of March, are undertaken between Brussels and Kinshasa.

AirlinersOnline.Com reports on September 23, 2000, that LAC has acquired a DC-10-30 previously operated by **AVENSA (Aerovias Venezolanas, S.A.)**.

During October, arrangements are concluded between the company and **Air Zimbabwe Corporation** under which the latter would begin to service internal Democratic Republic of the Congo routes for the planeless Congolese airline.

The new arrangement on behalf of LAC begins on November 21, as wet-leased Air Zimbabwe aircraft operate roundtrip from Harare to Lumbumbashi, Mbujimayhi, and Kinshasa. The pact between the two companies is further extended on December 7 when Air Zimbabwe takes over the moribund international LAC frequencies to Paris and Brussels.

LIGNES AERIENNES FARMAN, S.A.: France (1919–1922). On February 8, 1919, the Farman brothers sponsor the first Paris–London proving flight. An F-60 Goliath with 12 military passengers, piloted by their chief test pilot Lt. Lucien Bossoutrot, flies from the Toussus le Noble Airport near Paris to the British airfield at Kenley and on to London (Croydon). For many years, the trip will, erroneously, be hailed as the first international flight in Europe.

The feat is duplicated two days later when Bossoutrot employs a converted Caudron C.23 bomber to fly five journalists on a prescheduled proving flight between Paris and Brussels. A scheduled weekly 2 hr. 30 min. Paris–Brussels F-60 service starts on March 22. At the completion of the third flight on April 6, Belgian customs officials examine the passengers and their possessions—the first customs check in the history of air transport.

Proving flights are made to Casablanca and Etienne between August 11–16. During the first day, pilot Bossoutrot, flying a Farman Goliath, sets a distance record: 1,273 nonstop miles in 18 hrs. 23 min.

On August 13, regularly scheduled Paris–Copenhagen flights commence. The pioneer carrier is officially registered on August 26. Regularly scheduled Paris–London frequencies are inaugurated in September.

Employing twin-engine Farman F-50Ps, a Paris–Brussels route is opened to regular service on July 1, 1920; the route is extended to Amsterdam on May 17, 1921. In 1922, the company is renamed **Societe Generale de Transport Aerien, S.A. (SGTA)**.

LIGNES AERIENNES FELOU, S.A.: Kayes, Mali; Year Founded 2000. LAF is established at Kayes in the fall of 2000 to offer all-cargo services. Revenue flights to Bamako begin with a lone Antonov An-24RV leased from **Gomelavia**.

LIGNES AERIENNES LATECOERE. See **AEROPOSTALE: COMPAGNIE GENERALE AEROPOSTALE, S.A. (1)**

LIGNES AERIENNES LIBANAISES, S.A.L. (AIR LIBAN). See **AIR LIBAN, S.A.L.**

LIGNES AERIENNES NORD-AFRICAINE, S.A. See **REGIE AIR AFRIQUE, S.A.**

LIGNES D'ORIENT, S.A. See **AIR ORIENT, S.A.; AIR UNION, S.A.**

LIGNES NATIONALES AERIENNES CONGOLAISES. See **LINA CONGO**

LIMBERG AIRWAYS, B.V.: The Netherlands (1973–1978). Organized at Maastricht in early 1973, this Dutch operator inaugurates twice-daily scheduled Fokker F.27 flights to London (LGW) on September 29. These services are discontinued in March 1974 and the company undergoes a period of reorganization. Revenue operations are relaunched in early 1975; worldwide charter flights are undertaken in cooperation with **Transmeridian Air Cargo, Ltd.** The arrangement continues for four years until terminated in spring 1978, at which time Limberg Airways, B.V. stops flying.

LINA CONGO (LIGNES NATIONALES AERIENNES CONGOLAISES, S.A.): PB 2203, Brazzaville, Congo; Phone 242 813 065; Fax 242 828 034; Code GC; Year Founded 1965. After buying out all the remaining **UTA French Airlines, S.A.** financial interest, the privately owned **Air Congo (Brazzaville), S.A.** is reformed by the government in August 1965. To avoid the confusion with the flag line of the Democratic Republic of the Congo, the new airline is named Lina Congo.

Operations to previously served destinations are maintained throughout the remainder of the decade, particularly over the triangle-shaped network linking Point-Noire with Brazzaville and the Gabonese city of Moanda.

During the late 1960s, Director General Aime Portella's fleet comprises 1 leased Douglas DC-6B and 3 DC-3s. Scheduled flights are undertaken from Brazzaville's Maya Maya Airport to Djambala, Dolié, Fort Rousset, Impfondo, Jacob, Kelle, Loukolela, Makoua, Ouesso, and Pointe-Noire.

Two Antonov An-24s are received from the Soviet Union in 1970 and fly local routes in central Africa and occasionally to Paris (Le Bourget). By 1973, both have been taken over by the air force. Enplanements in 1974 reach 54,948.

Airline employment in 1975 is 219. The carrier's DC-6B and DC-3s are now withdrawn in favor of two Fokker F.27-600s, two de Havilland Canada DHC-6-300s, a Fokker F.28, and a Nord 262. Service is undertaken to seven new destinations bringing the number of stops within the route network to 22. New marketing initiatives are now begun.

Passenger boardings accelerate 27.7% to 76,000.

Scheduled service is inaugurated to the Angolan city of Luanda in March 1976.

Operations continue apace during the remainder of the decade. During the early **1980s**, one F.27-600 is withdrawn and is replaced by a Fokker F.28-1000 and a leased Boeing 737-2Q5CA. Additional destinations added to the system by the middle of the decade include Boundji, Epena, Ewo, Loubomo, Mossendjo, Okoyo, Owanda, Sibiti, Souanke, and Zanaga; the Brazzaville–Pointe-Noire connection is maintained by daily jetliner service.

In January **1987**, the carrier contracts with **Cameroon Airlines** for the heavy maintenance of its B-737-2Q5CA. The Boeing is withdrawn in **1988** and in August an agreement is signed with **Air Gabon** for the initiation in the fall of a pooled operation over the Pointe-Noire–Libreville route.

The fleet in **1989** comprises 1 Fokker F.28-1000, 1 Friendship, and 2 Twin Otters. Another B-737-2Q5CA is leased in late **1990** and is employed in early **1991** to inaugurate an international service to Bangui.

In **1992**, Director General Jean Jacques Ontsa's company employs 250 workers. One of the Twin Otters, with three crew and five passengers en route to Brazzaville on March 12, crashes at Etsouali in a thunderstorm (three dead).

The fleet in **1993** includes 1 each B-737-2Q5CA, DHC-6-300, and F.28-1000. The Boeing is subleased to **Air Afrique, S.A.** and services linking Brazzaville to Loubomo and Pointe-Noire are provided by the remaining three aircraft. An F.27-600C is leased from the French carrier **Air Jet, S.A.** in **1994**.

The **Air Afrique, S.A.** lease continues in **1995** and in **1996** the government contracts with Aviation Capital Partners to privatize the company and help develop its operations. This is accomplished during the remainder of the decade. On the last day of **2000**, a Boeing 727-217 is leased from Air Exchange.

LINAIR HUNGARIAN REGIONAL AIRLINES, LTD.: 1675 Budapest, P.O. Box 53, Ferihegy, Airport Terminal 1, H-1675, Hungary; Phone 36 (1) 296-7791; Fax 36 (1) 296-7891; http://www.linair.hu; Code LIN; Year Founded 1995. Privately owned LinAir is set up at Budapest in **1995** to operate scheduled third-level commuter services to domestic points near the capital city. Tamas Kovacs is managing director and he begins revenue operations with a single Yakovlev Yak-40 on several short-haul routes previously operated by **MALEV Hungarian Airlines**.

Flights continue in **1996–1998**. During the latter year, a homepage is opened on the Internet's World Wide Web. By **1999**, the fleet has been increased to include two more Yak-40s, which now offer charter flights, many for businessmen, to several European cities and Mideast destinations.

A total of 31 workers are employed at the beginning of **2000**. Twelve-times-a-week roundtrips commence on July 28 between Budapest and Zagreb, Croatia. The company's two Yak-40s operate this service as **MALEV Partner** flights on behalf of the Hungarian major.

LINCOLN AIRLINES (PTY.), LTD.: Australia (1987–1997). Malcolm J. Catt founds Lincoln at Port Lincoln, South Australia, in **1987** to offer scheduled passenger and cargo flights to Adelaide. Operations commence and continue with 1 Embraer EMB-110P Bandeirante and 2 Piper PA-31-350 Navajo Chieftains.

Operations continue apace in **1988–1990** and in **1991–1992** the revised fleet of 2 Chieftains and 1 each Embraer and Cessna 402 makes 28 weekly roundtrips between Port Lincoln and Adelaide.

Traffic requires addition of a second Bandeirante in **1993** and enplanements in **1994** total 30,000. Customer bookings dip slightly in **1995**, to 29,159.

Operations continue apace in **1996–1997** as the two Bandeirantes continue the same number of weekly frequencies as they had at the beginning of the decade. At the end of the latter year, the company is merged with **Augusta Airways (Pty.), Ltd.** to form **Airlines of South Australia (Pty.), Ltd. (2).**

LINEA AEREA IMPERIAL, S.A. See LAI (LINEA AEREA IMPERIAL, S.A.)

LINEA AEREA SACIFIC, S.A. See LASA (LINEA AEREA SACIFIC, S.A.)

LINEA AEROPOSTAL VENEZOLANA, S.A. See LAV (VENEZUELAN AIRLINES, S.A.)

LINEA DE AVIACION CONDOR TAMPA, S.A.: Peru (1935–1941). Acting on behalf of New York-based **Tampa-New Orleans-Tampico Air Lines, Inc.**, Hugh Wells forms **Condor Peruana de Aviacion, S.A.** at Lima on October 7, **1935**. Two years will transpire until the first step can be taken to meet the company's plans for a multistop New Orleans–Buenos Aires route.

Wells receives Peruvian permission to import four Curtiss BT.32 Condors on February 23, **1937**, but is restricted from employing them on a transcontinental route for fear that they might be diverted into the Chaco War.

For a year, Wells' twin-engine biplanes do charter work. Cargo is flown to remote towns and mining communities, photographic surveys are undertaken, and tobacco is hauled from Andean towns like Tarapoto down to Lima.

In **1938**, the company is reorganized and renamed to show its connection with the American airline. Multistop scheduled services are inaugurated from Lima up to Iquitos via Huanuco, Tarapoto, and Yurimaguas. In **1939** the capital city is linked for the first time to Cuzco, 13,000 feet up in the Andes.

Unable to compete, unsubsidized, against **Faucett Peruvian Airlines, S.A.** or **Pan American-Grace Airways (PANAGRA)**, despite gallant efforts in **1940**, Condor Tampa is forced to cease scheduled revenue flights in April **1941**. All company assets are commandeered by the government on May 23.

LINEA INTERNACIONAL AEREA, S.A.: Ecuador (1957–1959). LIA is set up at Guayaquil in **1957** to operate all-cargo charters throughout the country. Two Curtiss C-46 Commandos are acquired during the first half of **1958** and are employed to launch revenue services in September. Unable to achieve economic viability, the company shuts its doors within a year.

LINEA TURISTICA AEROTUY, S.A. See AEROTUY (LINEA TURISTICA AEROTUY, S.A.)

LINEAS AEREAS ALLEGRO, S.A. See ALLEGRO (LINEAS AEREAS ALLEGRO, S.A.)

LINEAS AEREAS AZTECA, S.A. de C.V. See TAESA (TRANSPORTES AEREOS EJECUTIVOS, S.A. de C.V.)

LINEAS AEREAS CANARIAS, S.A. (LAC): Spain (1985–1991). LAC is formed in the Canary Islands in **1985** to provide services from Los Rodeos Airport on Tenerife. While permission is sought from the government to launch scheduled operations, the new entrant offers charter flights with a pair of Vickers Viscount 800s purchased from **British Air Ferries, Ltd.**

Authority for scheduled flights is not received and charter operations continue apace in **1986–1988**. During these years, the Viscounts are replaced by five leased McDonnell Douglas MD-83s; the first, christened *Isla de Lanzarote*, arrives at Santa Cruz de Tenerife in October 1987.

Enplanements in **1989** total 752,000. Operations continue apace in **1990** and the company is merged into **Meridiana Air, S.A.** on May 1, **1991**.

LINEAS AEREAS CANEDO, LTDA.: Aeropuerto Jorge Wilsterman Rampa Oeste, P.O. Box 1721, Cochabamba, Bolivia; Phone 591

(42) 54001; Fax 591 (42) 54001; Year Founded 1981. LAC is set up at Santa Cruz-El Trompillo in 1981 to offer domestic cargo and passenger charters. Operations commence with 4 Douglas DC-3s, one of which began life with **Pennsylvania-Central Air Lines** in 1939. Destinations visited include Guayamerin, Magdalena, San Joaquin, San Ramon, and Santa Ana. The following year, the company takes over the Trinidad-Guayamerin route of **LAB (Lloyd Aero Boliviano, S.A.)**.

Flights continue throughout the decade.

During the early 1990s and because of the recession that affects airlines everywhere, the company elects to sell its DC-3s and revert to lightplanes, adding in their place three Aero Commanders. Business begins to improve after 1995. Service continues in 1996-1997, during which time the company's base is moved to Cochabamba in the northern part of Bolivia.

Rolando Canedo Lopez remains president in 1998 and he now flies a pair of former USAF Convair C-131Ds (military version of the CV-440), among the last of their type in commercial operation anywhere in the world. These are joined in the next two years by a CV-440 painstakingly repaired after its crash while in service with **NEBA (North East Bolivian Airways, Ltda.)**.

LINEAS AEREAS COSTARRICENSES, S.A. See LACSA (LINEAS AEREAS COSTARRICENSES, S.A.)

LINEAS AEREAS DE CALIFORNIA, S.A. de C.V.: Mexico (1958-1960). Founded by Juan Tighman at Mexico City in 1958, this small concern operates 2 Curtiss C-46 Commandos on nonscheduled freight services to Ensenada, California, via Tepic and Durango. Flights cease by 1960.

LINEAS AEREAS DE GUINEA ECUATORIAL, S.A. See LAGE (LINEAS AEREAS DE GUINEA ECUATORIAL, S.A.)

LINEAS AEREAS DEL CARIBE, LTDA. See LADECA (LINEAS AEREAS DEL CARIBE, LTDA.)

LINEAS AEREAS DEL CARIBE, S.A. See LAC (LINEAS AEREAS DE CARIBE, S.A.)

LINEAS AEREAS DEL CENTRO, S.A. de C.V.: Mexico (1975-1982). This third-level airline is formed at Mexico City in 1975 to offer scheduled services to Colima and Guadalajara. In addition, the company's single Convair CV-440 and Douglas DC-3 undertake regularly appointed flights to Morelia, Uruapan, Apatzingan, and Lazara Cardenas in Michoacan Province.

Flights continue in 1976-1977, during which years the fleet is increased by the addition of a pair of de Havilland Canada DHC-6-100 Twin Otters. A chartered DHC-6-100 with 2 crew and 19 passengers crashes into mountainous terrain near Mexico City on September 9, 1978 (18 dead).

Unable to remain viable in the face of rising fuel costs and the world economic recession of the early 1980s, the airline is forced into bankruptcy in 1982.

LINEAS AEREAS DEL ESTADO. See LADE (LINEAS AEREAS DEL ESTADO)

LINEAS AEREAS DEL ESTE, S.A. See LADESA (LINEAS AEREAS DEL ESTE, S.A.)

LINEAS AEREAS DEL PACIFICO, S.A. de C.V. See AERONAVES DE MEXICO, S.A. de C.V.

LINEAS AEREAS ENTRE RIOS, S.A. See LAER (LINEAS AEREAS ENTRE RIOS, S.A.)

LINEAS AEREAS JESUS SARABIA, S.A. See TACH (TRANSPORTES AEREOS DE CHIAPAS, S.A.)

LINEAS AEREAS LA TUR, S.A. See LATUR (LINEAS AEREAS LA TUR, S.A.)

LINEAS AEREAS LA URRACA, S.A. See LA URRACA (LINEAS AEREAS LA URRACA, S.A.)

LINEAS AEREAS MIXTECAS, S.A. de C.V.: Mexico (1956-1970). This small commuter is formed at Huajuapán in the state of Oaxaca in 1956. Employing single-engine smallplanes, the little carrier offers flights to various destinations in Oaxaca as well as in the state of Guerrero.

As is the case for many small airlines facing competition from the third-level operation established by **Aeronaves de Mexico, S.A. de C.V.**, it cannot survive financially and goes out of business in 1970.

LINEAS AEREAS NACIONALES, S.A.: Honduras (1963-1975). Having begun in 1963 as a La Ceiba-based air taxi charter operation, LANSAs steps up to scheduled passenger and freight flights in 1967. Within three years, the company is operating four Douglas DC-3s on flights around the country.

The company's big opportunity arrives in November 1972 when the U.S. CAB grants authority for all-freight services from San Pedro Sula to Miami via Grand Cayman, Belize, and Cozumel. A Curtiss C-46 Commando and a Douglas DC-4 are acquired and the new route is inaugurated in early 1973.

The carrier suspends services in April 1975 as the result of technical problems.

LINEAS AEREAS NACIONALES, S.A. See also LANSAs (LINEAS AEREAS NACIONALES, S.A.)

LINEAS AEREAS NAVARRAS, S.A.: Garcia Ximenez 3, 1st Floor, Pampiona, E-31002, Spain; Phone 34 (48) 212 852; Fax 34 (48) 212 569; <http://www.irinfo.es/aviacion/navarra.html>; Code ZH; Year Founded 1994. The Spanish carrier **Air Truck, S.A.**, with the government district of Navarre, establishes this commuter subsidiary in late 1994. Orders are placed for three Avions de Transport Regional ATR 42-320s; these arrive during the spring and summer of 1995 and enter third-level service under contract from the parent. Destinations visited include Granada and Madrid.

In June 1996, Air Truck is renamed **Air Track, S.A.**; however, this corporate move has no impact whatsoever upon this regional associate, which operates as before.

Flights continue in 1997-2000. Markets served include Barcelona, Granada, Madrid, Munich, Pampiona, and San Sebastian.

LINEAS AEREAS PARAGUAYAS, S.A. See LAP PARAGUAYAN AIRLINES (LINEAS AEREAS PARAGUAYAS, S.A.)

LINEAS AEREAS PATAGONIAS ARGENTINAS, S.R.L. See LAPA (LINEAS AEREAS PATAGONIAS ARGENTINAS, S.R.L.)

LINEAS AEREAS POSTALES ESPANOLAS, S.A. (LAPE): Spain (1932-1939). Following the failure of **CLASSA** in April 1932, this new carrier is formed by the Spanish Republic to take over its routes. Employing the Ford Tri-Motor, Junkers G.24s, Rohrbach Rolands, and Fokker F-VII/3ms of its predecessor, LAPE begins a program of both route and fleet expansion. Flights begin to Bordeaux and Paris and the company joins IATA. Regularly scheduled flights from Madrid to the Canary Islands are restarted in 1933, with stopovers in several North African cities.

Another Rohrbach Roland is received from **Deutsche Luft Hansa, A.G. (DHL)** in 1934. Two ex-DHL Junkers Ju-52/3ms, the *Lothar von Richthofen* and *Emil Thuy*, will be delivered in the next two years.

Following the success of the **KLM (Royal Dutch Airlines, N.V.)** Douglas DC-2 in the previous October's England to Australia MacRobertson air race, the LAPE board of directors, during a meeting held in flight in November, requests that Spanish Director General of Aeronautics Ismael Warleta de la Quintana order five Douglas airliners from Fokker, their European distributor.

The company's first DC-2 is completed at the Douglas plant in California on January 12, **1935** and arrives at Cherbourg by ship in mid-March. Following its assembly Fokker technicians, the aircraft arrives in Spain in April and is christened *Hercules* at a ceremony. The aircraft inaugurates Madrid to Paris (Le Bourget) roundtrips on May 22. Late in the month, a second DC-2 arrives and is named *Orion*. On August 6, a Fokker F-VII/3m is employed to inaugurate service from Madrid and Valencia to Palma de Mallorca.

LAPE receives a third DC-2 on March 1, **1936** that it christens *Sagitario* and during the second week of the month, the three American-made transports fly 9,810 pounds of government gold to Paris for safekeeping. By April, a total of 908 passengers have been transported on 153 flights over the new routes from Madrid and Valencia to Palma de Mallorca.

A fourth Douglas, the *Mallorca*, arrives in June and like its predecessors, serves on the Spain-France route.

On July 1, services are initiated to Paris, Berlin, and Geneva as well as Valencia and Majorca. The outbreak of the Spanish Civil War on July 18 prevents delivery of the fifth DC-2 and causes suspension of scheduled passenger services, including those to Palma de Mallorca.

The Douglas in Paris is summoned back to Madrid empty while Operations Manager Joaquin Mellado leads the *Orion* and *Mallorca* to Seville's Tablada Airport, where he has orders to support Republic forces. Upon arrival, the *Mallorca* is disabled when a Nationalist officer, Capt. Vara de Rey, shoots out its starboard engine. Mellado is able to refuel the *Orion* and two Fokker F-VIIb/3ms, outfit them with bomb racks, and attack the Tetuan airfield in Morocco. The aircraft return to Madrid, necessitated by the fall of Tablada.

The DC-2 *Mallorca*, damaged by small arms fire at Tablada, is captured by Nationalist troops and repaired by July 25. It is turned over to Grupo 42 of General Franco's air force, where it is christened *Capitan Vara de Rey*. Piloted by Capt. Carlos de Haya, later a famous Nationalist fighter pilot, the Douglas helps to ferry troops from Morocco to Spain and drops supplies to forces surrounded at the Santuario de la Cabeza monastery near Cordoba.

The three Douglas transports remaining in the Republic's hands are equipped with bomb chutes and a pair of machine guns and are sent to hit Nationalist positions, including airfields and the barracks outside of Madrid, at San Sebastian and Oviedo. In the first and only air-to-air combat between airliners, the *Sagitario*, while assaulting Badajoz on August 4, encounters the *Capitan Vara de Rey*. The two aircraft circle one another while their gunners unsuccessfully exchange fire.

On August 11, the *Capitan Vara de Rey* flies General Franco from Morocco to Spain; the Fascist leader will retain the aircraft as his personal transport for the remainder of the war. The next day, the *Orion* completes its seventh gold flight to Paris in a series begun on July 31; in the two weeks, seven metric tons (one ton per flight) have been ferried out. The aircraft disappears from all records at the end of August, its fate unknown.

During the remainder of August and into September, the LAPE transports fly supplies on behalf of the Republic's forces, and also make occasional bombing sorties. The *Hercules* is renamed *Toledo* on September 1 and another DC-2 is acquired from France on September 10-11 and, a week later, is placed on the gold service to Paris. After the fall of Toledo to Nationalist forces on September 29, the *Toledo* is rechristened *Hercules*.

LAPE pilot Jose-Maria Carreras ferries a fifth DC-2 from Paris to Barcelona on October 26; previously flown by **Swissair, A.G.**, the Douglas will be part of a package that also includes two Lockheed Orions and a General Aviation Clark GA-43A. By November, the bulk of Spain's gold is in France, from whence it will be secretly forwarded to the U.S.S.R.

Company headquarters are transferred to Salamanca, northwest of Madrid in early **1937** while, in France, the original Douglas DC-1 is purchased from the Viscount Forbes, Earl of Granard, by La Societe Francaise de Transports Aeriens, S.A. for transfer to the Spanish republic. The DC-2 acquired the previous September is destroyed on the ground at La Albericia airfield, Santander, on April 6.

While landing at Tarragona with 35 fully armed troops in May, a DC-2 is damaged; despite a wing bent to a 17-degree angle, the plane is able to safely return to its Valencia base. Acquired from Switzerland the previous fall, a DC-2 is employed during the year's first half as flying headquarters of Russia's chief advisor, Maj. Gen. Jacob Smushkevich, who will take the cover name "General Douglas," keeping it even after he transfers the aircraft to LAPE during the summer. Throughout the year, the carrier's Douglas transports continue to fly gold, silver, and other valuables to Paris as payment for goods and services, covert and overt. In late November, a DC-2 is employed by Republic officials to fly roundtrip to Ankara via Malta for the funeral of Kemal Ataturk.

LAPE transports continue their military support activities throughout **1938**. The supply of valuables all but exhausted, the company halts "gold flights" to Paris in midyear. The DC-1, painted in camouflage, is delivered in November and enters commercial service over routes from Barcelona to Toulouse and Paris and to Valencia and Santander.

Following the collapse of Barcelona in March **1939**, the DC-1 and DC-2s fly Republic officials to France. On March 23, the aircraft transports Colonels Ortega and Garigo from Madrid to Burgos, where the two men unsuccessfully attempt to obtain better terms from General Franco. The Republic government capitulates to the Nationalists in April, ending the Civil War.

The DC-1 and three remaining DC-2s are returned to Madrid in May, where they are entered on a new civil aircraft register, along with the *Capitan Vera de Rey*. The DC-1 initially remains unnamed and the Nationalist hero-transport retains its name. The *Hercules* is renamed *Carlos Haya*, the *Sagitario* is remarked as the *Ramon Franco*, and the final unit is christened *Garcia Morato* in honor of a fighter ace.

Late in the year, LAPE is replaced by a new organization, **Compania Anonima Espanola de Transporte Aereo, S.A. (SAETA)**, to which all of its aircraft are transferred. Following one more change the following spring, the carrier's lineage will reach its final form as **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)**.

LINEAS AEREAS PRIVADAS ARGENTINAS, S.A. See **LAPA (LINEAS AEREAS PRIVADAS ARGENTINAS, S.A.)**

LINEAS AEREAS SURAMERICANAS COLOMBIA, S.A. See **LAU (LINEAS AEREAS SURAMERICANAS COLOMBIA, S.A.)**

LINEAS AEREAS TACA DE COLOMBIA, S.A.: Colombia (1944-1947). TACA de Colombia is formed at Bogota on November 17, **1944** by Lowell Yerex's **TACA (Transportes Aereos Centro Americanos, S.A.)**. Employing a Douglas DC-3 and operating in cooperation with **Lineas Aereas TACA de Venezuela, S.A.**, the carrier inaugurates direct Bogota-Caracas flights on January 2, **1945**.

A certificate allowing operations from Bogota to Miami is received from the U.S. CAB on July 17, **1946**; however, due to a series of accidents and a severe financial downturn, the company is unable to fly the Florida service.

The parent **TACA (Transportes Aereos Centro Americanos, S.A.)** withdraws its financial support on January 13, **1947**, dooming its subsidiary to a bankruptcy in May.

LINEAS AEREAS TACA DE VENEZUELA, S.A.: Venezuela (1944-1957). TACA de Venezuela is founded at Caracas on August 18, **1944**. Capitalized at 700,000 bolivars, the company's shares are owned by Venezuela (55%) and **TACA (Transportes Aereos Centro Americanos, S.A.)** (45%). Employing Lockheed Lodestars and in cooperation with **TACA de Colombia, S.A.** in perhaps South America's first pooled

operation, direct nonstop flights to Bogota are inaugurated on January 2, 1945. Service to Ciudad Bolivar begins seven days later. On March 2, the company begins flying to San Antonio and Valera via Maracaibo. Capitalization is raised to 2.1 million bolivars on October 1.

Routes are maintained and frequencies increased during 1946 as Douglas DC-3s join the fleet. Direct service to Bogota from Maracaibo and Caracas is launched on July 1, 1947. Despite the carrier's expansion, the collapse of the TACA (Transportes Aereos Centro Americanos, S.A.) parent in 1950 brings ruin.

The company is liquidated and thus passes in 1952 to LAV Venezuelan Airlines, S.A., which operates it under its own name until 1957.

LINEAS AEREAS TAXADER, S.A. See TAXADER (LINEAS AEREAS TAXADER, S.A.)

LINEAS INTERAMERICANA AREA, S.A.: Colombia (1950–1962). Little is known about this Bogota-based domestic all-cargo carrier beyond two facts. It begins domestic freighter services in 1950 and during the decade comes to operate, although not simultaneously, a fleet of 9 Curtiss C-46 Commandos. In his *Curtiss C-46 Commando* (London: Air Britain, 1978), author John H. Davis suggests the company was merged with LIDCA (Lineas Aereas del Caribe, S.A.) in or about 1962.

LINEE AEREE ITALIANE, S.p.A. (LAI): Italy (1946–1957). With government and industrial backing (60%) and minority shareholding (40%) by Transcontinental & Western Airlines (TWA), LAI is formed on September 16, 1946. In 1947–1949, domestic routes are built and flown with a fleet of 7 Douglas DC-3s. In January 1950, LAI becomes the final airline to order a DC-6. With Trans World Airlines (TWA) support, the carrier receives a transatlantic license and on July 5, launches Rome–New York multistage flights with Douglas DC-6s, initially leased from the Argentine airline FAMA (Flota Aerea Mercante Argentina, S.A.).

Following receipt of the 175th production DC-6 in the first quarter of 1951, Rome to New York frequencies are tripled in April. En route to New York on December 23, a DC-6 makes an emergency landing at Milan. Although the plane is destroyed by fire, all aboard escape.

The failed Italian combined carrier Avio Linee Italiane-Flotte Reunite, S.p.A. is taken over on March 31, 1952, giving LAI its first extensive European regional network. Luxury service from Rome to New York begins on July 25 and Paris is added as a stop on the New York service as of August 6.

Operations continue apace in 1953, although a strike grounds the airline from February 24 to March 7. The company is again idled by strike on March 1, 1954. Europe to New York frequencies are increased again on May 30. Managing Director Gen. Gallo reports the same day that the line will continue to use piston-engine planes in the near future.

In the first major crash at New York's Idlewild Airport, an LAI DC-6B inbound from Rome on December 18 with 32 aboard, is unable to execute any of four instrument-landing attempts in fog and rain and crashes into Jamaica Bay (26 dead).

A fleet of six Vickers Viscount 785s is ordered in the fall of 1955; four Lockheed L-1649As are requested in December.

The Italian air transportation industry is examined by the government during 1956. Four Lockheed L-1649A Starliners, to be named *Roman*, *Ambrosian*, *Vesuvian*, and *Sicilian*, are ordered on March 3. Another pilots' strike grounds the carrier between May 9 and 27. The Viscounts enter service later in the year as Trans World Airlines (TWA)'s holding falls to 30%.

Shortly after takeoff for New York from Orly Airport on November 23, a DC-6B crashes into two homes near Paris and burns (35 dead). On December 22, a new Viscount 785 with 21 aboard, disappears while on a Rome to Milan flight; the wreckage is found atop Mount Giner the next day and there are no survivors.

On January 1, 1957, President Gen. Aldo Urbani urges that his company be merged into Alitalia. During the spring, four additional

Viscounts are ordered. The government's decision having been taken, LAI is now closed down and its assets are transferred on August 8 to Alitalia, S.p.A. The Trans World Airlines (TWA) share is sold to the Instituto per la Ricostruzione Industriale, which on September 1 forms the new state carrier Alitalia, S.p.A. (Linee Aeree Italiane). TWA will be allowed to receive the four Starliners ordered the previous year.

LINEE AEREE TRANSCONTINENTALE ITALIANE, S.p.A. (LATI): Italy (1939–1941). In the late summer of 1939, Umberto Klinger, CEO of the state airline Ala Littoria, S.p.A., assembles pilots with transatlantic experience (including Bruno Mussolini) into a special division, Ala Littoria Linee Atlantiche, with the purpose of beginning service to Brazil and Argentina. The first Savoia-Marchetti SM-83A is delivered. Following the outbreak of World War II in September, the division is turned into the independent LATI.

With SM-83As on the overland legs and SM-83Ts flying the ocean, weekly flight operations begin on December 21 over a route from Rome to Seville, Villa Cisneros, Sal Island, Natal, Recife, and Rio de Janeiro. Two SM-83As depart simultaneously from Italy and Argentina; the crew and three passengers in the European plane are killed in a crash at Mogador, French Morocco.

Avoiding Allied territory and air patrols, the Italian transoceanic service continues in 1940. On August 15, Brazil renews the previous Ala Littoria, S.p.A. certificate in the name of LATI. A second SM-83A is lost in January 1941. LATI receives an Argentine permit in February, but in April, under U.S. pressure, Brazil imposes a \$1,000 fine, claiming the carrier is warning Italian ships concerning the British blockade.

The transatlantic route is extended to Buenos Aires in September. Fuel supplies are cut by the U.S. on December 11 and unable to operate, the carrier collapses on December 22. All assets in Brazil will be taken over by the government there on February 13, 1942.

LINHA AEREA REGIONAL BRAZIL CENTRAL, S.A. See BRAZIL CENTRAL

LINHA AEREA TRANSCONTINENTAL BRASILEIRA, S.A. See LATB (LINHA AEREA TRANSCONTINENTAL BRASILEIRA, S.A.)

LINHAS AEREOS DA GUINE-BISSAU, S.A. See LIA (LINHAS AEREOS DA GUINE-BISSAU, S.A.)

LINHAS AEREAS DE ANGOLA, S.A. See TAAG ANGOLA AIRLINES

LINHAS AEREAS DE MOCAMBIQUE, S.A. See DETA MOZAMBIQUE AIRLINES

LINHAS AEREAS DE SAO TOME E PRINCIPE (TRANSPORTES AEREOS DE SAO TOME, S.A.): Sao Tome and Principe (1975–1985). This government-operated airline is created in 1975 as the national carrier of the former Portuguese island possession off the coast of Gabon. With 1 each Fokker F.27 Friendship, Piper PA-31-310 Navajo, and Britten-Norman BN-2 Islander, the company maintains scheduled services between the two islands of the Democratic Republic until ceasing operations in December 1985.

LINILE AERIENE ROMANE (LAR). See LAR ROMANIAN AIRLINE

LINILE AERIENE ROMANE EXPLOATATE CU STATUL, S.A. (LARES): Romania (1932–1941). In early 1932, the Romanian government forms this carrier to provide competition to the French-owned Compagnie Internationale de Navigation Aerienne, S.A. (CIDNA), which will shortly become part of Air France. A fleet of Junkers F-13s

is purchased and agreements reached with nearby foreign governments for the launch of international flights.

In 1935, the Messerschmitt-designed IAR-36 is received; built by Bucharest manufacturer Intreprindere Constructivii Aeronautice Romane, the aircraft enters service on various domestic routes, including that between the capital city and Cernauti. Toward 1936, the carrier purchases seven de Havilland DH 89As as an initial step in a large fleet upgrade.

On July 13, 1937, LARES is reformed into a national airline by the purchase of the competing French-backed domestic company **Societe Anonyme Roumaine de Transports Aeriens, S.A. (SARTA)**. The route network is upgraded domestically and internationally, routes are opened to Berlin, Warsaw, Milan, and Athens. By 1939, the fleet includes 1 Junkers Ju-52/3m, 4 F-13s, 2 Douglas DC-2s, 11 Lockheed L-10 Electras, 5 Savoia-Marchetti SM-73s, 13 Poetz 56s, and 7 Dragon Rapides; passenger boardings for the year approach 20,000. All operations cease in 1941.

LINJEFLYG, A.B.: Sweden (1950-1993). Swedish newspaper publishers form the charter carrier **Airtaco, A.B.** in 1950 to deliver their product from Stockholm to outlying areas. The operation is acquired on April 2, 1957, on a fifty-fifty basis, by the air holding company **ABA Swedish Airlines, A.B.** and by **SAS (Scandinavian Airlines System)**. Reformed to operate domestic services and given its current title, the carrier inaugurates scheduled Convair CV-440 flights on September 30.

A solid domestic network is established in 1958-1968 offering both passenger and cargo services, primarily with propeller equipment, although four French Nord 262s are acquired. Indeed, the fleet grows to comprise 18 CV-440s and 4 Nord 262s.

Having prematurely descended from its November 20, 1964 service from Stockholm, a CV-440 with 4 crew and 39 passengers, touches ground 2 km. short of the runway at Angelholm and catches fire (31 dead).

Enplanements in 1969 are 739,224 and the workforce totals 653. Revenues total \$17.97 million.

Freight traffic rises 12.5% in 1970 and passenger boardings are up 16.3% to 752,085. Gross income climbs 14% to \$20.9 million, leaving a net profit of \$171,000.

Enplanements dip in 1971 to 694,540.

Customer bookings rebound by 2.3% to 902,000 in 1972. Four Convairs are sold to Aegis Marketing International and new equipment is ordered that will eventually make the airline an all-F.28 operator. President Arne Wickberg retires on March 31 and is succeeded by Sten Sandberg.

Bookings increase 2.3% to 902,000.

Three Fokker F.28-1000s that are, incidentally, the only jetliners at this time that can meet the noise regulations of Stockholm's Bromma Airport, are received in May and June 1973. The employee population is now 745 and the fleet now includes the 3 F.28-1000s, plus 4 Nord 262s and 14 Convairliners.

Customer bookings climb 4.7% to 934,503 and freight grows by 1.8%

Fuel shortages in 1974 cause service cuts on certain of the 24 maintained routes during the first quarter. The four Nord 262s are sold to the Mohawk Air Services division of the U.S. carrier **Allegheny Airlines (1)**.

Passenger boardings accelerate 11.2% to pass the one million-mark for the first time at 1,002,000. Cargo is level.

The workforce in 1975 is 828 and orders are placed for 5 more F.28s. Minority 25% shareholding is acquired in the new commuter airline **Swedair, A.B.**; ownership will climb to 75%.

A two-month strike of traffic personnel and engineers results in a 12% dip in enplanements to 881,000.

As the result of Swedish government reorganization of domestic services in 1976, the carrier in January takes over two of the daily roundtrip frequencies of **SAS (Scandinavian Airlines System)** between Stockholm and Lulea. During the year, the workforce is increased by 17.3% to 971. Three more F.28-1000s are received, with orders outstanding for five others. Two of the former, received in December, are the first production model F.28-4000s.

Passenger traffic rebounds as boardings jump 38% to 1,298,734.

Two additional F.28-4000s are placed in service in 1977. All 22 aboard die in the crash of a Viscount at Stockholm on January 16. By July, a number of operations have been transferred to or planned for Stockholm's Arlanda Airport.

Enplanements drop slightly to 1,209,504.

Jan Carizon is appointed president/CEO in January 1978, succeeding N. Horjel. He now oversees a workforce of 1,118 and a fleet comprising 10 Fokker F.28-4000s, 3 F.28-1000s, and 11 CV-440s. An off-peak, low-fare pricing concept is introduced in November.

On the year, another F.28 and 3 de Havilland DHC-6 Twin Otters are acquired and boardings accelerate 12.1% to 1,376,000.

Airline employment stands at 1,130 in 1979. The last CV-440 is sold and the long-standing free in-flight refreshment service, which has reached a cost of Kr 2.5 million (\$330,000) per year is replaced with complementary soft drink, tea, or coffee.

Still, passenger bookings skyrocket 37.3% to 2,029,101. An operating profit of \$15.8 million is banked.

Despite deteriorating world economic conditions in 1980, the Swedish local service airline increases its workforce by 2.8% to 1,232. Off-peak afternoon fares are introduced to fill empty F.28s between the morning and evening business rushes.

President/CEO Carizon becomes **SAS (Scandinavian Airlines System)** President/CEO on December 31. He is succeeded at Linjeflyg by Olle Hedberg and Capt. P.O. Olemyr becomes vice president-operations.

Meanwhile, for the year, the company posts a 2.1% boost in enplanements, up to 2,022,000. Revenues advance by 20% to \$141.5 million while expenses are held to \$133.5 million. Profits are made: \$8 million (operating) and \$1.19 million (net).

The employee population grows by 5.5% in 1981 to 1,300. Passenger boardings increase again, up 14.3% to 2,440,278. Cargo declines by 4.9% to 2.88 million FTKs.

One hundred more workers are hired in 1982 and the fleet comprises 3 F.28-1000s and 12 F.28-4000s. The carrier is one of six now participating in an ICAO grant to train personnel from **Biman Bangladesh Airlines**.

A total of 2,690,177 passengers are carried, a 10.2% increase, while cargo advances 9.3% to 3.15 million FTKs.

The workforce is dramatically increased in 1983, up 32.1% to 1,850, while capacity is increased in January when another F.28-4000, delivered in December, enters service.

In October, Stockholm operations are transferred from Bromma Airport to the International Arlanda Airport.

Customer bookings accelerate 6.9% to 1,875,015 and freight traffic rises 9.7% to 3.46 million FTKs. Profits of \$4 million (operating) and \$10.4 million (net).

The three DHC-6s are disposed of in early 1984 and replaced by a SAAB-Fairchild SF340 leased from **Swedair, A.B.** It joins a fleet comprising 3 F.28-1000s and 13 F.28-4000s. Christer Magnusson succeeds Managing Director Hedberg. As a result of the devaluation of the kroner, Swedes find it too expensive to travel abroad and the company's summer charter business is off by 25%.

Enplanements reach 3.1 million, a 9.8% boost. Revenues advance 18.1% to 150.2 million while expenses are held to \$148.2 million, a 20.3% increase. The operating profit is cut in half to \$2 million while net gain totals \$10.2 million, and comes on top of a \$12-million operating profit.

Employment increases 3.6% in 1985 to 1,669 as another SF340 is wet-leased from **Swedair, A.B.** The carrier adopts a new logo and blue and gold paint scheme.

Passenger bookings rise 11% to 3.45 million. Revenues jump 20% to \$216 million and with expenses up only 18.5%, a \$17-million operating profit is generated.

The payroll grows by 8.8% in 1986 to 1,850. Linjeflyg becomes completely nonsmoking in January and in August, the airline accepts its 18th F.28, a dash 4000. Orders remain outstanding for two more F.28-4000s.

Customer boardings ascend 6.1% to 3,666,000 and revenues climb 8.8% to \$272 million. The operating gain swells to \$21 million.

The workforce is reduced by 2.7% in 1987 even as another good traffic season is enjoyed. Managing Director Magnusson operates 18 F.28s over a large regional route centered upon Stockholm.

The company celebrates its thirtieth anniversary at the end of August with festivities costing \$400,000. Following an air show over downtown Stockholm climaxed by a 20-minute formation flight by 8 F.28s at altitudes between 1,000 and 1,500 feet, the company sponsors a birthday party, with food, drink, and entertainment for 3,000 people.

Passenger enplanements climb 9.6% to 4,113,700 while freight improves a less spectacular 2.2% to 3.88 million FTKs.

Christer Nilsson becomes managing director in 1988 as 2 more F.28s are acquired and airline employment grows by 38.9% to 2,500.

Customer bookings jump 9.7% to 4,513,900 while cargo moves ahead another 2.3% to 3.97 million FTKs.

Passenger boardings swell 4.9% in 1989 to 4,732,809 and freight climbs an equal 4.9% to 150.66 million FTKs.

Company employment is cut a slight 0.2% in 1990 to 2,000. The fleet, however, is enlarged by the addition of eight SAAB 340s. Following a decision by the Swedish government to deregulate the nation's domestic airline industry, **SAS (Scandinavian Airlines System)** sells its 50% shareholding to the shipping company Bilspedition in September for \$82.6 million. Managing Director Nilsson is named president of the fully independent airline.

Customer bookings move upward by 3.8% to 4,914,412 and cargo climbs 10.6% to 4.23 million FTKs.

In 1991, one SAAB 340 is withdrawn leaving the company with 7 turboprops and 16 Fokker F.28-4000 jetliners. Plans to sell the carrier's 75% shareholding in **Swedair, A.B.** are shelved in April following the latter's decision not to merge with **Salair**.

A plan (abortive as it turns out) is unveiled under which the company would join with **LOT Polish Airlines, S.A.** to create a joint-venture regional airline. Boeing's 100th B-737-500, Dash-53A, is delivered to the carrier in October.

Passenger boardings fall 18.2% to 4,021,417 while freight is down by 11.7% to 3.73 million FTKs.

In 1992, Chairman Martin Lundberg and President Jan Sundling oversee a workforce of 2,200. Frequencies to the nation's 38 markets are increased as the result of the arrival of 4 B-737-59Ds. Orders remain outstanding for five more.

In March, it is announced that **SAS (Scandinavian Airlines System)** will purchase back the 50% interest sold to Bilspedition, plus an additional 1%, to take majority shareholding. The regional continues to operate as an independent, linking its Swedish operations with the major's.

Customer bookings continue to decline, dropping 5.9% to 3,785,400. Cargo is unchanged at 3.73 million FTKs.

On January 1, 1993, Linjeflyg is merged into **SAS (Scandinavian Airlines System)**. There is an unofficial website at <http://fly.to/linjeflyg>.

LINK AIR (PTY.), LTD.: Australia (1991-1994). Link is established at Wagga Wagga in the early summer of 1991 to offer scheduled passenger and cargo flights to Brisbane. Revenue services commence in July with a Rockwell Turbo Commander 690.

Traffic success in 1992-1993 requires that the fleet be increased by the addition of a second Turbo Commander and a Piper PA-31-310 Navajo. Operations cease in 1994.

LINK AIRWAYS (PTY.), LTD.: South Africa (1989-1992). Link Airways is formed at Johannesburg in late 1989 through the merger of **Magnum Airlines (Pty.), Ltd.**, **Border Air (Pty.), Ltd.**, and **Citi Air (Pty.), Ltd.** The initial fleet includes 3 Fairchild Metro IIs and 9 Piper PA-31-350 Navajo Chieftains. David White and I. Dowell are named joint general managers, reporting to Executive Director J. Morrison. Revenue flights commence over the routes of the merger partners in

early 1990 and by Christmas, a total of 73,405 passengers have been transported.

Airline employment in 1991 stands at 140. Through August, a total of 44,000 passengers are transported, a 10.2% decline. Operations cease on June 1, 1992.

LION MENTARI AIRLINES: Jaya Building, 7th Floor, J1MH, Thamrin No. 12, Jakarta, 10340, Indonesia; Year Founded 2000.

Another of the new airlines authorized under Indonesian law, Lion is established at Jakarta during the spring of 2000 to offer scheduled revenue service. Shareholding is divided between President Rusdi Kirana (49%) and local, unnamed partners (51%). The company's operating license allows for scheduled services on 48 domestic routes, but only five are planned for this year. Of the four Being 737-200As on order, one, a Dash-2P5A, has been delivered under lease from NAT Aviation by June 15.

Twice-daily Boeing 737-2P5A return frequencies are inaugurated on June 30 linking the carrier's base with Pontianak. Lion's \$115 one-way fare on this route is almost 30% lower than that charged by the state carrier **Merpati Nusantara Airlines**. Additionally, Lion attempts to attract its passengers through the provision of better service. For example, it offers tray meals instead of box lunches and gives toys away to children.

The Pontianak launch makes Lion the second new carrier after **Awair International Airlines** to begin service in 2000. When the delivery of a second "Baby Boeing" from ILFC is delayed in July, an Airbus Industrie A300B4 is leased short-term and employed to fly passengers from Jakarta to both Medan and Surabaya.

During late fall as the carrier plans for a serious upgrade in its services, arrangements are made for fleet expansion. Instead of additional Western charter orders, however, President Rusdi Kirana places an order for up to 25 Yakovlev Yak 42Ds from Russia. The first Yak arrives in Indonesia in November and, after passing flight feasibility and safety tests, is awarded its government airworthiness certificate.

On December 9, daily Yak-42D return service is launched from Jakarta to Kuala Lumpur via Surabaya. The second Yak-42D arrives in mid-December and is employed to initiate daily roundtrips from Medan to Penang and Kuala Lumpur on December 20. Plans are made for the receipt of two more Yaks in January.

LIONAIR (PTY.), LTD.: Asian Aviation Centre, Colombo Airport, Ratmaia, Sri Lanka; Phone 94 (1) 622 622; Fax 94 (1) 611 540; Code LNS; Year Founded 1994. Owned by the U.S. firm Lionvert, Inc., USA and having government backing, Lionair is established at Colombo on July 29, 1994, to fly unscheduled passenger and cargo services to regional destinations. Donald T. McDevitt is chairman, Chandran Rutnam is co-chairman, and Wing Comdr. (Ret.) Palitha Wijesuriya is managing director/CEO. Operations commence on October 24 with a pair of Antonov An-24s.

Although specific figures are not provided, company officials, on the date of the first anniversary in October 1995, claim that the company has made a "solid profit" for its first 12 months.

Flights to 8 destinations continue and by 1998, airline employment stands at 22.

Just after takeoff from the Palaly AFB on a September 30 service to Colombo, Flight 602, an An-24 with 7 crew and 48 passengers, disappears off Mannar. While a search is undertaken, the airline is ordered to stop flying to Colombo by the Civil Aviation Department (CAD) on advice of the Ministry of Defense (MOD).

The CAD investigates the disappearance during the next month, but no wreckage is found. It is widely believed that the loss is the work of the Liberation Tigers of Tamil Eelam. Still, Managing Director Wijesuriya writes the CAD on October 30, seeking to resume flights on November 9. Approval from the CAD and MOD is not forthcoming.

On January 25, 1999, the Sri Lankan Defence Ministry informs the press, including the BBC, that **Helitours, Ltd.** will be reactivated to operate daily service into the Jaffna Peninsula. The service will replace the

frequencies previously provided by Lionair before its aircraft was destroyed.

Although Managing Director Wijesuriya has continued to seek authorization for a service restart, it still has not been received by the spring of 2000.

LIONAIR, S.A. See **CARGOLUX AIRLINES INTERNATIONAL, S.A.**

LIPETSK STATE AIR COMPANY (LIPETSKOE STATE AVIA KOMPANIYA): Lipetsk Airport, 398000, Russia; Phone 7 (0742) 250 106; Code LIP; Year Founded 1993. LUAD is a reformed **Aeroflot Soviet Airlines** unit based at Lipetsk Airport. In 1993, Comdr. Yaroslav V. Spiridonov's mixed fleet of 40 Antonov An-2s, 13 Yakovlev Yak-40s, 1 Yak-42s, and Mil Mi-2 helicopters continue regional services as before. The workforce in 1994 totals 790.

Flights continue in 1995–2000, during which years two Yak 40s are withdrawn and replaced with two Yak-42s. In addition, a large complement of Mil Mi-2s is acquired; 24 helicopters undertake charters and aerial support contract work.

LISLE AIR SERVICE: United States (1965–1966). LAS is set up at Fresno, California, in the fall of 1965 to provide scheduled passenger and cargo services to Sacramento. Employing a Cessna 206, Lisle begins revenue flights in November. Unable to achieve viability, the tiny commuter disappears in 1966.

LITHUANIAN AIRLINES, A.B. (LIETUVOS AVIALINIOS): A.Gustaieio 4, Vilnius Airport, Vilnius, 232038, Lithuania; Phone 370 (2) 306 017; Fax 370 (2) 266 828; <http://www.lal.lt>; Code TE; Year Founded 1991.

This new national carrier is originally founded at Vilnius in 1989 as one of three **Aeroflot Soviet Airlines** divisions given an autonomous status. Indeed, it is the first airline to be formed for the newly independent Baltic republics. Plans call for development of a separate fleet and route structure.

In 1990, Stasys Dailyka is appointed managing director and during the remainder of the year and into 1991, he assembles a fleet comprised of 4 Antonov An-24s, 3 An-26s, 9 Tupolev Tu-134As, and 12 Yak-42Ds.

These are employed to start regional services to Ekaterinburg, Groznyg, Kiev, Mineral Vody, Moscow, Odessa, St. Petersburg, Samara, Tskent, Ufa, and Warsaw.

A single Boeing 737-2Q8A is leased with which to inaugurate scheduled international passenger services to Berlin, Frankfurt, and Copenhagen. A six-month contract is signed with **MALEV Hungarian Airlines** to provide flight crew and technicians to operate the plane.

On September 20, the company is officially registered and begins operations under the jurisdiction of the Ministry of Transport and Communications. The first B-737-2Q8A flight to Copenhagen is operated on December 20.

In 1992, the first full year of independent service, LA continues to operate its Boeing 737-2Q8A with support and pilot training provided under contract by **MALEV Hungarian Airlines**. On August 3, weekly service is inaugurated to London—one flight to Gatwick and one to Heathrow; the British frequencies on October 25 become twice weekly to London (LGW) from Vilnius. The carrier joins IATA during the fourth quarter.

A total of 631,516 passengers and 5.25 million FTKs are flown during the year.

The training contract with MALEV is completed on January 20, 1993. The number of short-haul Boeings is increased to four during the year as new international routes are opened to Amsterdam, Paris, and Stockholm. Yak-42 service between Vilnius and London (LGW) is increased to thrice weekly. At the beginning of the winter scheduled in October, the U.K. base is switched to London (LHR).

Customer bookings plunge 66.8% to 209,637 while cargo drops a huge 81.1% to 992,000 FTKs.

In 1994, Managing Director Dailyka oversees a workforce of 1,200. On a tour of the U.S. and Canada, Dailyka retains the services of three to four consultants, including Bill Walker, an aircraft sales and lease specialist. Scheduled frequencies are initiated to Hamburg and Tallin, while charter flights are made to Athens and Istanbul. A new red and white color scheme is introduced during the fall.

Passenger boardings jump 11% to 232,588 as freight ascends 13.5% to 7.88 million FTKs.

Managing Director Dailyka and U.S. advisor Walker prepare a new business plan at the beginning of 1995. Points outlined include modernization of the internal organizational structure, westernization of book-keeping and accounting practices, computerization, improved marketing, and the acquisition of Western aircraft with which to replace Soviet capacity. As a result of their work, new offices are opened in Frankfurt, Warsaw, Stockholm, Moscow, London, and Copenhagen.

Walker, whose five-year contract with the airline requires him to be in Vilnius one week per month, is particularly interested in selling the company's fleet of Antonov An-2s to aircraft enthusiasts in the U.S., to and from which he commutes each month.

Passenger carriage is not nearly as successful as it had been a year earlier—enplanements decline by 12.5% to 203,415. Cargo is a completely different story, with 7.88 million FTKs operated.

There are no changes in the employee population in 1996 and the owned fleet now includes 12 Yak-42s, 6 Tu-134As, and 1 Lockheed L-1329 Jetstar 731. Also operated, under charter, are 1 each B-737-2Q8A, B-737-2T2A, and B-737-2T4A. A code-sharing alliance is signed with **Finnair O/Y** in May. It leads to dual designator flights that begin in August on a route from Vilnius to Helsinki. Two SAAB 340Bs are requested in December.

Customer bookings dip another 0.2% to 202,917, but freight traffic plunges 40% to 2.28 million FTKs.

The workforce is cut by 3.5% in 1997, to 1,045. Early in January, the company, hubbing on Vilnius, launches regional services with the first leased SAAB 340. Initial schedules include flights to Berlin, Warsaw, and Kiev.

On February 11, the government of Lithuania announces its intention to privatize both of its carriers beginning in the fall of 1998. The second Swedish-built turboprop is delivered in April.

In June, the Ministry of Transport approves a plan to merge the company with **Lietuva Air Company, A.B. (Air Lithuania, Ltd.)**. This transfer does not occur.

Rather than merge Air Lithuania into Lithuanian, the former becomes a subsidiary of the latter on September 11. Although its shares are turned over to the other carrier, Air Lithuania retains its identity and is allowed to function as a regional operator.

By the end of the year, the company is visiting markets at Amsterdam, Berlin, Copenhagen, Ekaterinburg, Frankfurt, Hamburg, Kiev, London, Moscow, Odessa, Paris, Samara, St. Petersburg, Stockholm, Tallinn, Tashkent, and Warsaw. Charters are also flown to Athens and Istanbul.

Passenger boardings shoot up by 11% to 225,868 while cargo climbs 29% to 2.5 million FTKs. Revenues ascend 3.6% to 53 million.

In early May 1998, a strategic alliance, effective September 1, is entered into with **SAS (Scandinavian Airlines System)**. The two will try to blunt aggressive Baltic marketing by **Finnair O/Y** by offering reciprocal code-sharing and ground handling, while coordinating their Baltic routes. On May 12, a dual-designator pact is inked with **Air Baltic, A.S.**

A B-737-382, first flown by **TAP-Air Portugal, S.A.**, is chartered from ILFC in June and arrives wearing the airline's new livery.

A marketing and code-sharing agreement is signed with **LOT Polish Airlines, S.A.** on September 4. When the pact takes effect on October 26, the two sell tickets on each other's route between Vilnius and Warsaw, which LOT flies in the morning and LAL in the evening.

During the fall, two SAAB 2000s are leased from their manufacturer. The first arrives at Vilnius on November 19 and enters service on November 22 over the route to Stockholm. The second SAAB 2000 is delivered on December 16.

Customer bookings jump 11.5% to 252,000, while cargo traffic falls 9.3% to 2.27 million FTKs.

By the beginning of 1999, airline employment has been increased by 10% to 1,150. On February 26, an agreement is made to fly members of the Lithuanian National Olympic Committee. Also in February, a new Amber Miles frequent flyer program is unveiled.

During the first quarter, a new homepage is opened on the World Wide Web. With backing from the Transport and Communications Ministry, additional capacity is acquired, including two B-737-200As (a Dash-2T4A and Dash-2T2A) purchased on credit supplied by the U.S. Export-Import Bank and a pair of SAAB 340Bs.

New services are introduced between Vilnius and Minsk on June 16 and during July both pilots and flight attendants begin to wear new uniforms.

Internet booking becomes possible in September.

Customer bookings slide 3.1% during the 12 months to 244,000 while cargo traffic drops 27% to 1.66 million FTKs.

Capt. Stasys Jarmalavicius is director general at the beginning of 2000 and airline employment stands at 1,181. Destinations visited include Berlin, Copenhagen, Frankfurt, Stockholm, Paris, London, Moscow, Warsaw, Helsinki, Kiev, Minsk, Riga, and Tallinn.

The last of the company's Russian-made airliners, a Yak-42, is withdrawn from service on February 23 and sold.

A marketing and code-sharing agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** on February 24. Under its terms, the partners are able to jointly operate a service from Vilnius to Amsterdam.

A new supervisory board and board of directors is approved on March 21; on March 27, Kestutis Auryla is appointed director general.

The new subsidiary Aviatours & Partners begins business in May as the tour operator arm of Lithuanian Airlines. Customers are urged to book holiday trips, via the firm, for Turkey, Spain, and Bulgaria. In July, the company enters into an exclusive contract with the 700-unit European Minotel hotel chain.

When **Air Ukraine** is forced to drop its service between Kiev and Vilnius on September 11, Lithuanian increases return frequencies on the route from thrice weekly to five times a week on October 28.

Figures for the first nine months are released at the end of October and show that passenger boardings have risen 36% as compared to the same period a year earlier. Despite these gains, rising fuel prices and a weak Euro are causing losses—profitless prosperity.

Just after the New Year, traffic figures for the entire year are released and show passenger boardings up 21% over 1999 to 294,800; freight traffic has risen 2% to 1.69 million FTKs. Anticipating losses of about \$5 million due to an 11.71% increase in costs, the State Property Fund steps in and replaces the old management with a new one led by a new chairman, the Deputy Transport Minister Kazimieras Savinis.

LITORAL (SERVICIOS AEREOS LITORAL, S.A.) See **AEROLITORAL (SERVICIOS AEREOS LITORAL, S.A.)**

LIVERMORE AIR SERVICE: United States (1968–1970). LAS is founded at Tonopah, Nevada, in the fall of 1968 to provide scheduled air taxi flights over local routes. Employing small Cessna 205s and 206s, the company begins commuter flights on October 1, maintaining them until it goes out of business in 1970.

LIZ-AIR, A.B.: Sweden (1989–1990). Liz-Air is established at Stockholm in 1989 to offer regional services, hopefully as the first Western operator of the Czechoslovak Let 410 turboprop. While Swedish government certification of the aircraft is awaited, operations commence with 2 Cessna 404 Titans and 1 Beech Baron.

The company is unable to achieve financial viability before the certification process is completed and is forced to shut its doors in January 1990.

LJ ASSOCIATES: Westmoreland County Airport, Latrobe, Pennsylvania 15650, United States; Phone (412) 537-0520; Fax (412) 537-

9504; Year Founded 1987. Originally established as the FBO at Westmoreland County Airport in 1987, LJ over the next decade also undertakes a significant business in executive and small group passenger charters, local, regional, and worldwide. Many flights are undertaken on behalf of the steel industry and other heavy manufacturing concerns in the Pittsburgh area.

In 2000, the company employs 12 pilots and operates a fleet of 2 British Aerospace BAe (HS) 125-700 Hawkers, 1 IAI Westwind I, 1 Learjet 25D, 2 Beech King Air 100s, and 2 Bell 206B JetRanger helicopters.

LLOYD AERO BOLIVIANO, S.A. See **LAB (LLOYD AERO BOLIVIANO, S.A.)**

LLOYD AEREO CORDOBA, S.A.: Argentina (1925–1927). In order to transverse the Sierra de Cordoba mountain range, the government of the Province of Cordoba, in cooperation with representatives of the German aircraft manufacturer Junkers, then in the region demonstrating their aircraft, forms LAC on January 1, 1925.

Capitalized at SP 75,000 and employing 2 Junkers F-13s, the new airline initiates services in May, flying from Cordoba across the mountains to Rio Cuarto via Villa Dolores. A second route, sponsored by the Cordoba auto club, is begun in the fall west to the Laguna Mar Chiquita.

The daily flights continue without incident during 1926 and service is upgraded by the addition of a trimotor Junkers G.24 floatplane. Unable to resolve misunderstandings over patronage and grants-in-aid, the local Junkers officials are forced to shut down the growing enterprise in 1927.

LLOYD AIRLINES: United States (1960–1961). Lloyd is established at Miami in 1960 to offer nonscheduled passenger and cargo services to destinations throughout South America. A Lockheed 049 Constellation is purchased from **Braniff International Airways** and flights duly commence.

En route from Miami to Uruguay on August 2, 1961, the company's transport is intercepted over Bolivia by a Bolivian Air Force North American F-51D, which has orders to force the plane down upon suspicion of smuggling. According to reports, the Constellation's pilot fires his revolver through an open cockpit window at the fighter plane, chasing it off. Regardless of the veracity of this report, the Lockheed lands at Santa Cruz de la Sierra, where it is promptly impounded, putting Lloyd out of business.

LLOYD AVIATION, C.A.: Calle El Callao, Red Cachamay, P B Pto Ordaz, Edo Bolivar, 8015, Venezuela; Phone 58 (86) 514584; Fax 58 (86) 527078; Year Founded 1990. The largest rotary-wing operator in Venezuela, Lloyd Aviation undertakes both domestic and offshore flights, the latter in support of the nation's energy industry. President Pedro Ferrer's fleet soon includes 8 Bell 206B JetRangers, 3 Bell 206L LongRangers, 5 Bell 212s, 4 Bell 214s, 7 Bell 412s, and 10 Sikorsky S-76s.

A decade later, President Ferrer's fleet features 3 JetRangers, 1 LongRanger, and 1 Augusta A109.

LLOYD HELICOPTERS (PTY.), LTD.: Australia (1969–2000). Initially established by Guy Lloyd as an FBO and fixed-wing charter operation at Wayville in the late 1960s, this concern receives its helicopter operator license in 1969 and changes its name and basic flight mission the following year. For most of the decade, Lloyd helicopters are engaged in general domestic aerial work, including passenger and express charters, photography, agriculture, and forest fire patrols. Meanwhile, a fleet of up to 12 twin-engine lightplanes continue to provide passenger charters around the island continent.

During the middle-to-late 1970s, Lloyd provides pioneering leadership in the development of Australia's air medevac services, which will come to comprise one of the world's most extensive state-supported networks. A Bell 206L LongRanger is first dedicated to medevac on a

part-time basis in **1978**. Lloyd will continue to provide the vision that will, eventually, lead all of Australia's states into the funding of helicopter emergency services.

Two years later in **1980**, the company inaugurates a dedicated air medevac service for South Australia employing the same specially equipped helicopter(s) previously employed ad hoc. The same year, it receives authority from the Australian government to operate twin-turbine equipment and to perform helicopter maintenance.

As emphasis on rotary-wing operations intensifies in the early **1980s**, owner Lloyd elects to conclude his fixed-wing operations and to expand further, now into international services. With all of his lightplanes withdrawn, Lloyd ventures into international services and into offshore support of the energy industry for the first time in **1985**. Over the next decade, Lloyd helicopters will see service in Cambodia, China, India, Korea, Myanmar (Burma), the Philippines, Papua New Guinea, New Zealand, and Thailand.

As the decade draws to a close, LH is able to take over when the National Safety Council shuts its doors and cuts adrift its major helicopter medevac network. In addition, the company gains a contract from the RAAF to provide search and rescue (SAR) on a model first demonstrated by **Bristow Helicopters, Ltd.** in the U.K. A contract is won to provide helicopter support services for the police of Victoria and support for energy exploration in the Timor Sea begins.

Early in the **1990s**, Chairman Lloyd begins to search for an international partner. At the same time, new work appears in the form of Australia's largest oil support contract, acquired with Woodside Petroleum for Eurocopter Super Puma flights. Service is operated from Darwin, Karratha, Troughton Island, Onslow, and other points as required.

On January 9, **1992**, Lloyd purchases a 50% stake in **National Jet Systems (Pty), Ltd.** of Adelaide. The remaining shares continue to be held by National's founder Warren Seymour.

In **1993**, Lloyd begins discussions with Alan Latham of the U.K.'s **Bond Helicopters, Ltd.** concerning a possible merger. Meanwhile, beginning on July 24, upwards of five Sikorsky S-76s are ordered. These will join the company's single unit that is now dedicated to SAR work at fighter plane bases under a new RAAF contract. At the same time, Teledyne Controls/Stewart Hughes health and usage monitoring systems (HUMS), plus flight-data and cockpit-voice recorders, are requested for two Bell 214STs and a Bell 412 used on offshore operations. The order marks the first sale of a HUMS designed for medium-sized helicopters.

Despite founder Lloyd's death, the union with the British concern is completed in **1994**. In July, minority interest in new Chairman Latham's parent, **Bond Helicopters, Ltd.**, is sold to **Helikopter Service, A.S.** of Norway (ownership will become 100% within two to three years) and Lloyd gains corporate sisters that give it worldwide capability.

In midyear, the company leases a Bell 412 from HAS, which is employed on a fire-fighting contract in New South Wales. One of the company's own 412s and a Bell 212 are shipped to Portugal on behalf of Bond to assist Heli-Portugal, S.A. with fire fighting.

Four Sikorsky S-76A+s join the fleet in early **1995**. These powerful aircraft are assigned to the company's offshore work in West Australia. A contract with Total for offshore oil support in southern Thailand using two S-76A+s is renewed in July.

In August, the company announces plans to build a commercial heliport in downtown Melbourne. In September, the New South Wales government tenders bids to prospective operators to take over its medevac network. The three local community-supported operators are matched by a bid from Lloyd and as the government moves to reorganize, the press watches and reports on what becomes an emotional battle between the three versus the outsider from a neighboring state.

Late in the year, the company gains renewal of the RAAF search and rescue contract.

In February **1996**, Lloyd becomes the Australian partner in the new Helikopter Services Group, which is headquartered in Norway and includes the operational arms of its European sisters. Remaining autonomous in operation, each company will report directly to the HSG;

however, such subsidiaries as each has acquired will continue to report directly to its owner. Additionally, Lloyd, Bond, and HS will increase support to one another where required. For example, Lloyd still maintains a Bell 206L LongRanger into Portugal on behalf of Bond to help fight forest fires.

In July, the government of New South Wales renews, for just three months, its contract with three local community-supported EMS operators. The reorganization proceeds and plans are again made to open competition for the support contract.

An A\$38-million (\$20-million) contract to provide police and ambulance helicopter service throughout the state of Victoria is received from the Victoria government in Melbourne on August 16. Although Lloyd will take over ownership and maintenance of three Eurocopter Dauphins and an Ecureil at its new heliport, the Victoria Police air wing will continue to command and fly the units.

Lloyd opens its new Melbourne heliport, located in the city's central dock area, in early fall; the facility includes a hangar large enough to house eight helicopters.

In October, the New South Wales government cancels its plans to reorganize its medevac operations and negotiates new contracts with the three local EMS operators currently holding bids. In addition, Lloyd receives a contract to provide coverage for Canberra and the state's southeastern quadrant. It will work with the Australian Capital Territory Heli Service and New South Wales Health Department.

At year's end, one-half of Lloyd's fleet is engaged in medevac work, for which contracts are held with every Australian state, as well as the federal capital of Canberra. It also continues to manage the police air wing of Victoria, including three SA-365C Dauphins and an AS-350B.

In **1997**, the fleet includes 5 Bell 412STs, 3 Bell 212s, 7 Bell 206B JetRangers, 3 Bell 206L LongRangers, 13 Sikorsky S-76s, 4 Eurocopter AS-332L Super Pumas, 3 AS-365C Dauphins, and 1 AS-350B. Work is begun on a new maintenance facility and heliport in Melbourne. Following the finalization of the arrangement to enter into a group with **Bond Helicopters, Ltd.** and **Helikopter Air Service, A.S.**, the carrier's Australian parent company is renamed Lloyd Helicopter Services (Pty.), Ltd.

The company begins flying a new contract during the first quarter on behalf of New South Wales, which provides forest fire-fighting capability over the entire southern half of the state. It also begins its EMS service over the southeastern section of the state, plus the federal capital at Canberra.

Flights continue in **1998**. On February 9, the company is awarded a two-year A\$12-million contract by Shell Development (Australia) for support of the energy firm's drilling requirements in the Sea of Timor. At the same time, an AS-332L-1 Super Puma is acquired from **MHS Aviation Services Sqn. Bd.** under a lease-purchase arrangement to service the new pact.

On June 13, the Aberdeen (Scotland) *Press and Journal* reports that **Canadian Helicopter Corporation, Ltd. (CHC)** is targeting either Norway's **Helikopter Services, A.S.** or one of its subsidiaries (most likely U.K.-based **Bond Helicopters, Ltd.**) as a possible takeover target.

Two new contracts are won on June 26. The first extends by six months the carrier's contract with BHPP for operations in the Timor Sea using a Super Puma Mk. 1. The second renewal is inked with Total for offshore support of that company's operation out of Thailand for the next four years. A pair of S-76A++s will be utilized for the first two years and three for the last two years.

The existing contract for two Bell 206B JetRangers to provide support for Santos is extended for a period of three years, beginning on October 1. Under a contract signed with the government on September 17, a Bell 412ST is stationed at Canberra, beginning on October 1, to provide search and rescue service over the next five years.

Having successfully concluded a new contract with the government midway through the third quarter of the previous year, Lloyd, on January 1, **1999**, begins a five-year contract to provide search and rescue support for the RAAF. Five S-76A++ helicopters are operated.

The Aberdeen (Scotland) *Press and Journal* reports on January 12 that the **Canadian Helicopter Corporation, Ltd.** has purchased a package of 5.1 million shares in **Helikopter Services, A.S. Group**. The 25% stake in the Norwegian operator, valued at a "knock-down price" of £16 million (Nkr 40 per share), is acquired from an institutional investor via the CHC Norwegian subsidiary Vinland Helicopters. The purchase makes CHC the largest shareholder in HAS, as well as its subsidiaries, **Bond Helicopters, Ltd.** and Lloyds.

An additional 5% stake in HSG is acquired on March 24, together with controlling interest. Interviewed by the *Press and Journal*, Helikopter Services Group Chairman Reidar Lund indicates that the action is regarded as an "unfriendly takeover" attempt. CHC Chief Financial Officer Jo Mark Zurel discourages "takeover speculation" and claims the share purchase is a moneymaking exercise.

On April 14, Reuters, Ltd. publishes the news that CHC will bid Nkr 45 per share for the remaining shares in Helikopter Services, A.S. Group and that the official offer will be released within a week, again through its Norwegian subsidiary, Vinland Helicopters. After a preliminary discussion, the Norwegian operator indicates that the offer, compared to booked capital, is too low.

CHC counters on April 26 with an offer, via Vinland, of Nkr 45 per share for the remaining shares. CHC also indicates that the offer is conditional upon Vinland gaining a minimum of 90% of HSG stock. Again rebuffed, CHC will increase the offer to Nkr 60 per share by early June.

During the fall, Australian forces are tasked by the UN to restore order to the Indonesian province of East Timor. Lloyd receives a short term contract to provide humanitarian assistance.

A new East Timor contract, valued at \$9.1 million, is received from the UN on May 1, 2000. Under its terms, a pair of AS-332L Super Pumas provide personnel transportation, while a Bell 212 is engaged in medevac operations. The international body will commend the operator for its skill in saving lives in the troubled region.

Effective October 19, all of the subsidiaries of the **Canadian Helicopter Corporation, Ltd.** adopt the CHC moniker and are renamed in the manner of **CHC Scotia, Ltd.** Thus, Lloyd Helicopters (Pty.), Ltd. emerges as **CHC Helicopters Australia (Pty.), Ltd.** Aircraft from all subsidiaries are now repainted in the CHC red, blue, and white livery and a common look is adopted for all company literature. The reason for the changeover is reported in a single key sentence in the CHC newsletter, *Rotortales*: "The integrated global oil companies which have emerged in recent years seek an integrated global helicopter company to provide services around the world."

Employing a mixed fleet of Bell and Eurocopter aircraft, including Super Pumas and Dauphins, the concern continues operations as before. The main focus remains support of oil and gas exploration, although a variety of EMS, SAR, and charter flights continue to be offered, including support for the UN effort in East Timor.

LLOYD INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1961–1971). Shipbrokers Brian Lloyd and Alastair Macloed form LIA (becoming joint managing directors) at Cambridge Airport on January 18, 1961. A Douglas DC-4 is delivered in March and after overhaul allows the charter carrier to commence revenue operations on June 1 with a passenger charter London (LGW)—Basel.

Various destinations on the Continent are flown during the summer as well as several long-distance charters to Hong Kong. On October 8, a fueling accident at Malaga results in an explosion that destroys the DC-4. A replacement Douglas is chartered from Trans World Leasing late in the month.

In March 1962, the Trans World airliner is replaced by two DC-4s purchased from **Alaska Airlines**, one delivered that month and one in May. The charter business is expanded throughout Europe and the Far East with additional inclusive-tours and ad hoc missions performed that year and in 1963. In the latter year, the company's base of operations is switched to London (LGW) from Cambridge and Brian Lloyd sells his shareholding.

A DC-6C is purchased from **Alaska Airlines** in March 1964 and after its refurbishing, is delivered on June 18 and begins revenue charter service on June 27 with a flight from Glasgow to Barcelona. Singapore, Palma, Tel Aviv, Ostend, Perpignan, Rimini, and Valencia are some of the destinations visited during the year.

Two Bristol Britannia 312s are purchased from **British Overseas Airways Corporation (BOAC)** in the spring of 1965, being delivered in April and July, respectively. The second is immediately placed out on lease to **British Eagle Airways, Ltd.** Meanwhile, in June, a DC-4 is sold. Lloyd's Britannia 312 inclusive-tour operations begin on July 10 with a flight from Glasgow to Palma.

Permission is now sought to operate twice-weekly, scheduled, all-cargo services between London and Hong Kong. With the turboprop available to handle holiday flights, the two DC-4s and DC-6 are chartered as freighters, primarily in the haulage of freight for the Ministry of Defence. With both Britannias available in early December, their London base is switched from Gatwick Airport to Stansted, although the Douglas base remained at Gatwick.

Enplanements for the year total 25,973.

The workforce in 1966 totals 72. The DC-6 is sold in March and the limited amount of cargo work is passed to the DC-4. Inclusive-tours are flown almost exclusively from Glasgow on behalf of Mercury Air Holidays.

In 1967, the Britannias are converted to all-cargo configuration in hopes the company might win approval for a scheduled freight brought to the Far East. When the ATLB refuses the quest, ad hoc charters are won and fulfilled instead. Meanwhile, the DC-4 is leased out to **Air Ferry, Ltd.** Late in the year, Lloyd is purchased by the Far East Aviation Company, Ltd.; however, A. L. Macloed remains as managing director.

The carrier's three aircraft maintain a schedule of ad hoc freight charters during 1968. During the summer, a **Donaldson International Airways, Ltd.** Britannia 317 is chartered for use on inclusive-tour services out of Glasgow. In September, a weekly unscheduled Britannia operation is undertaken between London (STN) and Hong Kong via Rotterdam and Bangkok. The DC-4 is sold in December.

In 1969, **Donaldson International Airways, Ltd.** takes over the Mercury Air Holidays inclusive-tour contract held by Lloyd for seven years. Two Britannia 307F freighters are acquired in January and February and Donaldson's Britannia 317 is returned in March. Ad hoc charters continue as before. Revenue passenger miles total 7,939,152.

Lloyd becomes a jet operator in April 1970 with the delivery of a Boeing 707-321. Following workup, it enters service on April 22 with a charter from London (STN) to Karachi and on to Kuala Lumpur. The Boeing flies a variety of ad hoc charters not only to the Far East during the summer, but to North America on affinity group flights as well.

Substantial shareholding is taken in the Costa Rican airline **LACSA (Lineas Aereas Costarricenses, S.A.)** in October, but plans for scheduled service to Costa Rica from England are not completed. In December, a Britannia freighter is leased to **British European Airways Corporation (BEA)**, then awaiting its Merchantmen.

Enplanements decrease to 48,467 but revenue passenger miles increase to 203.56 million.

On January 7, 1971 the company agrees to operate scheduled freight service for **East African Airways Corporation** from London to Lusaka. In February, a B-707-324C arrives and along with the 707-321 flies summer affinity group charters to North America beginning in April. On behalf of Clarkson's Holidays, Ltd., inclusive-tour Britannia flights are started Bristol and Cardiff to Beauvais and Rotterdam. Far East cargo services advance to six per week. Another B-707-324C is delivered in December.

Early in 1972, the Far East cargo flights are increased to eight per week; however, as the previous summer's North American services had not proven profitable, the company is forced into receivership on June 16, ceasing all operations three days later when its operation permit is withdrawn.

LLOYD LUFTDIENST, GmbH. See **DEUTSCHER AERO LLOYD A.G.**

LLOYD LUFTVERKEHR SABLATNIG, GmbH.: Germany (1919–1923). The German aircraft manufacturer Sablatnig Flugzeugbau, employing one of its Sablatnig N1s, begins a scheduled service on March 19, 1919 from Berlin to Warnemünde. Joining with **Deutsche Luft Reederei, GmbH. (DLL)** on July 5, a route is opened from the former capital city to Swinemünde and in September, cooperating with the Danish associate **Dansk Luft Expresit, A.S.**, Sablatnig P.1s extend it to Copenhagen. Due to the same fuel shortage crisis that hits DLL, operations are curtailed at the end of September.

On October 8, the builder joins with the Bremen-based Norddeutscher Lloyd (NDL) shipping concern, which provides additional capital and access to the supplies of its associate Deutsche Petroleum A.G. Together the two form Lloyd-Luftverkehr Sablatnig GmbH. (LLS)

In 1920, new Sablatnig P.IIs are employed to open Berlin–Bremen flights, stretching that route on to the Ruhr city of Gelsenkirchen. When the Allies occupy the Rhineland, the Gelsenkirchen leg terminates at Münster.

When Hamburg-Amerikanische Packetfahrt (HAPAG) establishes its **Deutscher Aero-Union, A.G.** holding group in early 1921 (in cooperation with A.E.G. and Zeppelin), its shipping rival NDL elects to move into airlines so as not to lose ground in the new air travel business. On March 8, it creates **Lloyd Luftdienst GmbH.** to coordinate bookings and promotions for several smaller companies that can now be nurtured, especially by Lloyd associate Deutsche Petroleum A.G.

LLS and **Deutsche Luft Lloyd, GmbH. (DLL)**, who is assigned Bremen–Berlin route, connect their flights so as to provide an integrated route system to the Rhur, the Baltic, and west of Berlin. In the summer, holiday operations are conducted from Bremen to Wangerooge Island and along the Baltic coast from Travemünde via Warnemünde and Sassnitz to Swinemünde. At the end of the year, the Revel-based Estonian carrier **Aeronaut, A.S.** is formed with support from Sweden and Denmark.

During the summer of 1922, LLS flights begin to Norderney Island. As the Lloyd Luftdienst system grows, it becomes possible for LLS to connect with **Lloyd Ostflug/Danziger Lloyd Luftdienst, GmbH.** operations and offer its passengers through-passage from Berlin as far as Riga. In Poland, connecting F-13 service from Danzig to Lemberg and Warsaw is available courtesy of **Aero Lloyd Warschau, GmbH.** On February 6, 1923, HAPAG and NDL merge their airline groups, **Deutscher Aero Union, A.G.** and **Lloyd Luftdienst, GmbH.** to form **Deutscher Aero Lloyd, A.G.**

LLOYD OSTFLUG, GmbH.: Germany (1920–1923). Having been unable to win approval from the German Air Ministry (Reichluftamt) for the creation of an airline because he has no aircraft, former German naval officer Gotthard Sachsenberg contacts Hugo Junkers during the summer of 1920 seeking assistance. Junkers, who is seeking ways to place his F.13 cabin monoplane, readily agrees. In order to gain sufficient capitalization, Sachsenberg is convinced of the necessity of involving other investors.

On November 7, Norddeutscher Lloyd's umbrella organization **Lloyd Luftdienst, GmbH.** welcomes newly created Lloyd Ostflug (LO), which is incorporated in association with the aircraft builders Albatros-Flugzeugwerke, GmbH. and Junkers. Since November 11, 1919, Albatros had been flying a Berlin to Königsburg route via Stettin and Danzig in cooperation with Junkers and the license-holder Ostdeutsche Landwirtschafts, GmbH. Each of the four shareholders contributes RM 1 million in start-up capital and Sachsenberg becomes CEO.

Employing a modified military Rumpler Ru C I, the new airline inaugurates airmail flights on December 27 from Berlin to Johannisthal, Schneidmühl, Danzig, and Königsburg.

In February 1921, World War I ace Erhard Milch establishes Danziger Luftpost, GmbH. at Danzig. Lloyd Ostflug, GmbH. begins to cooperate

with the Milch concern. Passenger service is inaugurated over the Berlin–Königsburg route in March. New Junkers F-13s now make it possible to fly a system of 14-hr. daily return services from Königsburg to Berlin, connecting at the German capital with **Lloyd Luftverkehr Sablatnig, GmbH.** or **Deutsche Luft Lloyd, GmbH.** to continue west. The new service is faster, by 4 hours, than trains operating between Berlin and Königsburg and one-way tickets are priced at RM 975. Stettin joins the route network in May.

Under the rigidly enforced "Polish Corridor" provision of the Versailles Treaty, only Danzig-registered aircraft are allowed to fly over the area separating Germany in the west from East Prussia and thus the Albatros route dies.

It is replaced in March 1922 by the LO link with newly created **Danziger Lloyd Luftdienst, GmbH.** set up by Norddeutscher Lloyd in March. The Königsburg route is extended in May to Memel, Riga, and Reval on behalf of Danziger Luftpost, GmbH. Another connection is also added in early May between Stettin and Hamburg.

At this point, Norddeutscher Lloyd establishes its own air transport company, **Lloyd Luftdienst, GmbH.**, which takes over the shipping line's shareholding in LO.

During the summer, LO and Danziger Luftpost, GmbH. undertake further efforts to expand eastward. In Poland, the two companies enter into discussions with the Fanto and Polnaft oil companies, which agree to participate in the formation at Danzig of a Polish airline, **Aero Lloyd Warschau, S.A.** Under terms of the July pact, the oil companies will provide fuel, Junkers Flugzeugwerke, A.G. will supply F.13s, and Danziger Luftpost will provide ground support and operational management. Revenue services commence in September over a route from Danzig to Warsaw and Lemberg.

On February 6, 1923, **Lloyd Luftdienst, GmbH.** and **Deutsche Aero Union, A.G.** merge their components to form **Deutscher Aero Lloyd, A.G.** The flight activities of LO cease on May 31.

LOFTLEIDIR H.F./ICELANDIC AIRLINES, H.F.: Iceland (1944–1979). Three local pilots—Kristinn Olsen, Alfred Eliasson, and Sigudor Olafsson—with Canadian bush flying experience, return from North America late in the first quarter of 1944, intent upon selling their Stinson SR Reliant floatplane to **Flugfélag Islands, H.F.** When they are unable to do so, they form Loftleidir (Skyways) at Reykjavik on March 10 and begin domestic operations the following month.

On June 4, 1945, a Douglas C-47 converted to civil DC-3 standard becomes the first passenger-carrying Icelandic aircraft to arrive at Stockholm from Reykjavik. Domestic flights with a few charters to Sweden are continued in 1946.

Having obtained a war surplus Douglas DC-4, the carrier begins international operations with 37 passengers on national day, June 17, 1947, over a route from Reykjavik to Copenhagen. With approval of the U.S. CAB for six-times-per-week Copenhagen–New York via Reykjavik and Gander service, the two DC-4s now available begin transatlantic flights on August 25, 1948. The number of transatlantic flights must be cut during 1949 due to Iceland's poor economy.

En route to the U.S. from Luxembourg on September 18, 1950, a C-54B freighter with six crew is forced down on Vatna Jokull Glacier, 135 mi. N of Reykjavik; a USAF C-47 on skis lands on the glacier and finds the six unhurt. The rescue plane is damaged upon takeoff the next day, but a ground party reaches the crash site and saves all on September 20. Unfortunately, an excess of expenses over revenue now forces cancellation of all international flights.

Only domestic services are maintained through 1951. A DC-3 with 20 aboard disappears on February 1 while en route from Vestman to Reykjavik; the wreckage is found the next day and there are no survivors. Later in the year, the second DC-4 is badly damaged in a takeoff accident.

Early in 1952, the national government begins to regulate the domestic air transport industry, assigning local business to **Flugfélag Islands, H.F.** With a new marketing name, Loftleidir/Icelandic Airlines, H.F., the

directors of the transoceanic carrier now abandon domestic operations in favor of a return to the North Atlantic. The government, for its part, designates **Lofteidir, H.F.** as the national flag carrier of Iceland.

Meanwhile, with **SAS (Scandinavian Airlines System)**, the national flag carrier of the three Scandinavian countries, longtime Norwegian carrier **Braathens SAFE (South American and Far East Air Transport, A.S.)** seeks a partner that will allow it to continue to fly across the Atlantic. Following negotiations, an arrangement is struck with Lofteidir, H.F. that will allow the Oslo-based pioneer to continue flying to New York. With two DC-4s (one from each company), a joint venture operation, which remains Icelandic on the surface, is begun.

Bargain prices some 10% lower than that of the other transatlantic carriers are offered to induce passengers to fly the four-engine Douglas transports from Oslo and Copenhagen. The first low-cost transatlantic flight departs Reykjavik for New York on June 12.

A total of 2,000 passengers are carried on the year.

To the consternation of IATA (to which it does not belong), unsubsidized Lofteidir significantly strengthens its value-based transatlantic concept in 1953 and begins its long-standing tenure as a maverick airline. Fares to North America will be non-IATA economy rates, although those flown through sectors east of Iceland will eventually come to have IATA-agreed tariffs. Restrictions imposed by the competition insure that Lofteidir, H.F. remains one technological step behind; the restriction brings about the marketing slogan "We're slower . . . but our fares are lower!"

Enplanements reach 5,000 as additional DC-4s are put on the line.

The marketing title "Icelandic Airlines" is introduced in 1954 as bookings skyrocket to 11,000.

Under pressure, **Braathens SAFE, A.S.** begins a gradual withdrawal from its compact. On May 23, 1955, Luxembourg becomes the carrier's European transatlantic terminus, with flights now going through Iceland. From now on the company will be known as the Grand Duchy's official airline.

Traffic increases another 5,000, to 17,000.

Despite the fact that it flies older aircraft and must stop at Iceland, the carrier continues to turn the stopover into an advantage. Throughout the decade and into the next two, the company will promote duty-free shopping opportunities and offer inexpensive hotel and sight-seeing packages for stopovers that last up to two days.

The fleet's DC-4s transport 22,000 travelers over the North Atlantic in 1956 and 25,000 in 1957. The need for newer equipment forces retirement of certain DC-4s and their replacement with Vickers Viscount turboprops. Boardings climb to 32,000 in 1958 and to 35,000 in 1959.

Enplanements for the "hippie airline" dip to 33,000 in 1960. The first two Douglas DC-6Bs arrive at Reykjavik in late spring 1961 and are placed on the North Atlantic routes in July. They help customer bookings rebound to 38,000 in 1961 and exceed 45,000 in 1962.

In 1963, IATA begins an effort to eliminate low-fare competition through a general 20% reduction in fares by member airlines (and 30% on services to Luxembourg). Still, traffic for Icelandic, which is proud to be the last piston-engine operator on the North Atlantic, surpasses 50,000 passengers transported on the year.

The workforce totals 615 in 1964. Two Canadair CL-44JD Monsars (monsters) are acquired, one in June and one in November, joining a fleet now comprising 7 DC-6Bs.

The Bristol Britannia derivatives, outfitted with 189 seats, are the largest Western-built passenger airliner in service anywhere. Charter operations are started with two dedicated DC-6Bs. Enplanements total 87,875.

Two more CL-44Js are purchased in 1965 and are sent back to Canada for power plant conversion to Rolls Royce Tyne turboprops. Also, ground is broken for a Reykjavik hotel.

Passenger boardings accelerate 37% to 141,051.

Airline employment stands at 1,150 in 1966. Equipped with British engines, the first CL-44J is delivered on March 13. As the result of an agreement between the engine-maker and Icelandic's public relations di-

rector, Sigurour Magnusson, the giant airliner, along with the other CL-44Js to join the fleet, will be marketed as "Rolls Royce 400s." The IATA effort to squeeze the carrier off the North Atlantic is largely defeated as the company reduces its own fares by 20% to 30%; the larger capacity of the Canadairs allows Icelandic to compete, even against jetliners.

The Reykjavik hotel is completed during the fourth quarter and a total of 157,000 travelers are carried on the year.

Bookings swell to 185,600 passengers in 1967. The employee force in 1968 drops to 948. New sales offices are occupied at Mexico City and Washington, D.C.

Another Rolls Royce-powered CL-44J is delivered; this Canadair combines with three others already on hand and five DC-6Bs to boost freight traffic 48.7% on the year, although passenger boardings dip to 183,375.

At the beginning of 1969, company DC-6Bs are chartered to make relief flights during the fighting in Biafra, Nigeria.

Still, passenger traffic falls again, down to 163,686 passengers flown.

International Air Bahamas, Ltd. is acquired and merged in late 1970. The first of two new Douglas DC-8-63CFs, leased from **Seaboard and Western Airlines**, are placed on the North Atlantic run and help passenger bookings to leap 42% up to 283,000; cargo grows by 41.9%.

The workforce is now 1,272 and a second DC-8-63 plus a DC-8-51 are delivered in 1971; these join a fleet that also comprises 4 Canadair CL-44s and 4 DC-6Bs.

Enplanements for the year decline slightly to 278,640.

Airline employment in 1972 stands at 1,122 and a total of 23 weekly New York to Luxembourg flights are offered. The major portion of Icelandic's maintenance department is transferred to Luxembourg from New York.

Passenger traffic recovers to rise 8.6% to 324,000. Freight traffic is off by 6.4%.

The workforce in 1973 is 1,286. Thrice-weekly Chicago-Luxembourg service is inaugurated in May. Icelandic begins a slow merger process with **Flugfelag Islands-Icelandair H.F.** in August. Although consolidated under a new holding company, Flugleidir H.F., Icelandic Airlines maintains a separate operating identity and continues to focus on the transatlantic market. A total of 33 weekly flights are offered—11 to the U.S. and 22 to Europe.

Customer bookings climb 0.8% to 327,000, but freight traffic skyrockets by 85%. The company's fortieth anniversary is celebrated in 1974.

During 1974-1978, Chairman Kristjan Gudlaugsson and Managing Director Alfred Eliasson oversee an employee population of 1,220 and the operation of 4 DC-8-63CFs.

On November 15, 1978, a DC-8-63CF with 10 crew and wet-leased to **Garuda Indonesian Airlines** is carrying 249 Indonesian Muslim pilgrim passengers from Jeddah to Surabaya. After overshooting the runway on its final approach to the intermediate stop at Colombo, Sri Lanka, the aircraft crashes into some trees in a coconut plantation (183 dead). The disaster is labeled as the fourth worst in aviation history to date.

Also during the year, a third U.S. gateway is opened at Baltimore.

Early in 1979, the company acquires a DC-10-30. However, just as the peak transatlantic tourist season is about to get underway in May, a similar unit operated by **American Airlines** crashes at Chicago (ORD). The U.S. FAA orders the Douglas wide-bodies operating in American airspace grounded, forcing the Iceland operator to switch back to DC-8s. Corporate integration is completed on October 1, as Icelandic and Icelandic are fully merged into a new national carrier with the latter's name, **Flugfelag Islands (2)/Icelandair, H.F.** Flugfelag becomes the domestic trade name, with Icelandair used for international services.

LOGANAIR, LTD.: St. Andrews Dr., Glasgow Airport, Paisley, Renfrewshire, England, PA3 2TG, United Kingdom; Phone 44 (141) 848-7594; Fax 44 (141) 887-6020; <http://www.british-airways.com/>

[inside/wrldwide/partners/franchise/docs/loganair.shtml](#); **Code LC**; **Year Founded 1962**. On February 1, 1962, a modest air taxi, **Capital Cities (Aero), Ltd.**, is purchased by Duncan Logan Construction, Ltd., to fly its workers (in a single Piper PA-27 Aztec) from Glasgow to various Scottish job sites. Duncan Logan renames the operator Loganair, Ltd., and places his son in charge.

Upon the death of company Chairman William Logan in 1966, new Managing Director Scott Grier reforms Loganair into an airline company to provide scheduled commuter services to remote Scottish communities. The first regularly appointed route is inaugurated on September 13, Glasgow (Renfrew)–Oban–Mull. A Mull–Coll spur is opened soon thereafter.

Single-engine service with a Bolkow Bo-208 Junior and Piper PA-32 Cherokee Six, both obtained earlier, continues apace in 1967. Two Britten-Norman BN-2s are ordered and following demonstration flights with machines leased from their manufacturer, the first purchased unit, christened *Captain E. E. Freeson OBE*, is employed to start scheduled services to the Orkney Islands from Kirkwall on August 27. The second BN-2, the *Captain David Barclay MBE*, is placed on the Mull route on September 1.

The Islander service now offered between the Orkney Islands of Westray and Papa Westray will later gain the record of being aviation's shortest scheduled flight in a piston-engine aircraft. Elapsed time for the service is normally 2 minutes, although, under favorable circumstances, the journey has been completed in less than 60 seconds!

In May 1968, a Beech 18 is purchased to fly cargo charters as well as to fulfill a Post Office night airmail contract, Glasgow to Blackpool. During the summer, BN-2 service is started to the Inner Hebrides. The tiny regional is acquired in October by the National Commercial Bank, forerunner of the Royal Bank of Scotland.

A Short SC-7 Skyvan 3 is delivered on March 4, 1969 and placed in service three days later, Glasgow–Stornoway. Beginning in July, the Beech 18 and Shorts Skyvan start a Glasgow–Stavanger via Aberdeen route, the company's first international service.

The same month, a Piper PA-23 Aztec is leased for 30 days from CSE Aviation, replacing an Aztec rented for a month back in June. In September, a BN-2 begins air ambulance and charter service to the Shetland Islands from a base at Sumburgh.

A new scheduled Sumburgh–Unst Shetland Islands route is opened in May 1970. In September, an Islander is rented for a quarter from **Glossair, Ltd.** For lack of passengers, the Stavanger route is closed in November. In 1971, Loganair becomes the second British carrier to order the BN-2A Trislander. The *Captain E. E. Freeson OBE* is sold in May and replaced by an Islander christened *Robert McKean OBE*. In August, **British Eagle Airways, Ltd.**'s abandoned Dundee–Glasgow route is acquired and started.

Sumburgh–Whalsay scheduled service begins in the spring of 1972. A new Islander joins the fleet in June, allowing sale of the *Captain David Barclay MBE* in July. Isle of Skye to Glasgow and Inverness scheduled flights begin on July 4. The following day services are extended from Durnoch to Inverness and Wick; proving unsuccessful, they are suspended on November 29. Meanwhile in August and November, two Islanders are leased from **Humber Airways, Ltd.** while a BN-2 is also purchased in November. The last Aztec is sold in September.

Another BN-2 is acquired in January 1973 and is given the name of an earlier aircraft, *Captain E. E. Freeson*. The unprofitable Isle of Skye–Inverness route is abandoned in February. Another Islander is acquired in March and named *Sister Jean Kennedy*. On April 1, the entire Scottish Air Ambulance Service is acquired from **British European Airways Corporation (BEA)**; 7 BEA airfields are added to the 23 Loganair has been serving since 1965. Later in the month, the two **Humber Airways, Ltd.** BN-2s are returned.

The first of two BN-2A Trislanders ordered in 1971 is delivered to Glasgow on June 9; following workup, it is sent to Sumburgh in September to make proving flights in support of the North Sea oil industry. A BN-2 is leased from Cannon Aviation in November and another

is chartered from Shorelink in December, the same month the second BN-2A is delivered and the Short Skyvan is sold.

Enplanements for the year are 28,480.

The employee population in 1974 numbers 93. The Shorelink Islander is returned in January. On April 1, the Trislanders are placed in scheduled service on the Glasgow–Dundee and Isle of Skye route. Later in the month, the Cannon Aviation Islander is returned as a third Trislander is received. The former **British Airways, Ltd. (2)** routes from Glasgow to Barra and Tiree are acquired on September 1. With Chevron now taking an interest, the carrier elects to increase its service to the offshore oil industry. In September, a Trislander is positioned in Aberdeen to fly ad hoc oil charters.

Passenger boardings accelerate 11% to 32,000.

The Beech 18 is withdrawn in March 1975 and presented to the Royal Scottish Museum as the last of its type to fly in the U.K. The Barra and Tiree routes are officially turned over by BA on April 1. The unprofitable Glasgow–Dundee scheduled route is halted on May 30.

Although Chevron withdraws from its association, in August, Burmah Oil signs a three-year contract for the use of two company Trislanders out of Aberdeen, requiring the purchase of two more BN-2As. In September, BA's Stornoway–Benbecula and Barra routes are acquired. The government withdraws its Shetlands subsidy during the same month, temporarily ending Loganair service until political pressure can restore funding.

Three more Trislanders are delivered in 1976, two in March and one in May, allowing start-up of the Burmah Oil service in April. Other Trislander flights from Aberdeen reach Amsterdam, Cork, London (LHR) and Stavanger. Also in April, four-times-per-day Kirkwall–Wick scheduled frequencies begin, along with twice-daily operations from Wick to Inverness. Lacking subsidy, the Coll, Mull, and Oban services are halted in late spring.

The first de Havilland Canada DHC-6 Twin Otter is placed into service in 1977, as enplanements reach 123,690.

The fleet in 1978 comprises 3 Twin Otters, 8 Trislanders, and 7 Islanders.

Passenger boardings jump 26% to 133,000.

Seven de Havilland Canada DHC-6 Twin Otters are added in 1979. Following conclusion of the Burmah Oil contract and the world fuel crisis, the commuter begins a painstaking rationalization of routes and aircraft.

Enplanements total 190,490.

The workforce is reduced by 7.4% in 1980 to 250. Routes are now extended to larger cities, beginning with the inauguration of flights to Edinburgh and Blackpool. Consequently, the fleet is increased by the addition of two Embraer EMB-110 Bandeirantes and a Shorts 330. One Twin Otter and four Trislanders are withdrawn.

Passenger boardings accelerate 11.4% to 215,000.

Destinations visited in 1981 include Glasgow, Edinburgh, Londonderry, Isle of Man, Campbelltown, Islay, Tiree, Barra, Skye, Inverness, Aberdeen, Wick, Kirkwall, Sumburgh, and Unst. The fleet now comprises 2 Shorts 330s, 9 Twin Otters, 2 Embraer EMB-110 Bandeirantes, 3 Britten-Norman Trislanders, and 7 BN-2 Islanders. Belfast Harbour and Manchester frequencies are initiated in 1982.

The DHC-6-300 *Skianyn Vannin* is leased to **Manx Airlines, Ltd. (2)** in October 1983 for an 18-month period. In November, British Midland Bank acquires 75% shareholding (Managing Director Grier continues to hold the remaining 25%) and turns direction of the airline over to its subsidiary, **British Midland Airways, Ltd.**

Passenger boardings reach 210,000.

Enplanements jump 18% in 1984 to 242,000.

The employee population increases 10% to 275 in 1985 and the world's shortest scheduled commercial flight—2 minutes between Westray and Papa Westray in the Orkney Islands—now officially enters the record books.

Bookings for the year rise 7.1% to 258,000.

Fifty more employees are hired in **1986**, by which time Scottish commitments are being met with a fleet that includes 6 BN-2 Islanders, 5 DHC-6s, 2 Shorts 360-300s, and 1 Fokker F.27 Friendship.

Having mistaken Laphroaig for Port Ellen on June 12, Flight 423, a DHC-6-300 with 2 crew and 14 passengers, turns onto final approach and collides with a 360-ft.-high hill (1 dead).

Passenger boardings jump 6.3% to 274,851.

The workforce grows another 15.2% in **1987** to 363 and 2 more Shorts 360-300s and another Fokker Friendship join the fleet. A leased DHC-7 is introduced on the Manchester-Belfast route during the spring.

Customer bookings rise 18.1% to 324,487.

Capt. B. R. Bayley becomes CEO in **1989** even as Managing Director Grier continues. The first jetliner, a British Aerospace BAe 146, is purchased.

Enplanements through the first half are up over the same period a year earlier by 17.7% to 216,881.

Company employment grows 5.7% in **1990** to 555. A second BAe 146 is acquired, along with two ATPs and a Shorts 360-300. Capt. Roly Beaumont becomes Managing Director. Destinations now visited include Belfast, Edinburgh, Glasgow, Inverness, Islay, Kirkwall, Lerwick, Londonderry, Manchester, Stornoway, Tiree, and Wick. Services to the Channel Islands are increased.

Passenger boardings accelerate 7.2% to 607,000.

The payroll is sliced 20.8% in **1991** to 440 as the BAe 146s are withdrawn and replaced by 3 BAe Jetstream 61s (ATPs).

A total of five refurbished BAe Jetstream 31s are in service by the end of October; the new planes upgrade existing services and inaugurate new routes from Edinburgh and Glasgow to Orkney and Shetland and from Glasgow to Southampton.

Statistics are reported for the first 10 months and show customer bookings up 11.8% to 594,822. Cargo, however, is down by 3.8% to 251,000 FTKs.

The employee population resumes its upward mark in **1992**, climbing 27.3% to 560. The fleet is enhanced by the addition of 2 more Jetstream 61s, which brings the total to 5, along with 3 leased DHC-6-310s, 5 Jetstream 31s and 6 Shorts 360-300s. During the year, one Jetstream 61 is leased to **Manx Airlines, Ltd.** New markets initiated include Sumburgh, Bergen, Birmingham, Guernsey, Shetland, Southampton, Benbecula, and Conaught.

In December, the Scottish Air Ambulance Service awards the company a \$2.8-million contract to provide fixed-wing emergency medical service flights for all of Scotland. The service will be coordinated with a rotary-wing medevac service that will be operated by **Bond Helicopters, Ltd.**

Recession causes passenger boardings to fall 14% for the year to 594,913, while freight plunges 23.4% to 219,000 FTKs.

Airline employment in **1993** stands at 560 as the first of 3 Jetstream 41s are acquired in January. The launch customer places its new aircraft into domestic service between Southampton and Manchester on February 1. The company's first Continental service, Southampton to Brussels, is inaugurated by the J-41 in March.

Other new routes started include Manchester to Dublin, Southampton, and Guernsey, Birmingham, Kirkwall to Sumburgh, and Glasgow to Knock. Two Pilatus-Britten-Norman PBN-2 Islanders are based in the Northern Isles and a Beech King Air is stationed at Aberdeen in April to begin, with **Bond Helicopters, Ltd.**, the first integrated aeromedical service in the U.K. A 24-hour "air desk" at Aberdeen coordinates the EMS assets.

In July, a £25-million order is placed for three BAe ATPs.

Customer bookings for the year are level, but freight grows by 8.4%.

The company begins to concentrate exclusively on Scottish services during **1994**, transferring its other routes, along with its five BAe ATPs and three Jetstream 41s, to sister Airlines of Britain regional **Manx Airlines, Ltd. (2)** on March 28. In April, a code-sharing agreement is signed with **British Airways, Ltd. (2)** under which the company will operate

regional and Scottish flights to the Orkney and Shetland Islands for the major in aircraft painted in modified BA livery.

These "British Airways Express" flights commence in July using Shorts 360-300s in place of the retired DHC-6 Twin Otters. The new aircraft are not suited to their duties and mechanical problems cause many flights to be canceled, particularly in late fall. The decision is taken to resume Twin Otter operations, with the first, leased from **Wideroe's Flyvelskap, A.S.**, entering service in November.

As is anticipated, passenger boardings plunge 50.1% through November to 296,487.

The fleet in **1995** includes 8 Shorts 360-300s and 5 Pilatus Britten-Norman PBN-2 Islanders. The leased Wideroe Twin Otter is replaced with a refurbished Loganair unit painted in modified BA livery. It begins flying from Glasgow via Tiree to Barra on January 18.

Having been shrunk to accommodate its new specialist role, Loganair suffers an anticipated traffic decline throughout the year. Enplanements fall 14.8% to 252,288.

Airline employment stands at 60 in **1996**. The small regional soldiers on until October. During that month, sister carrier **Manx Airlines (Europe), Ltd. (2)** is renamed **British Regional Airlines, Ltd.** and is given authority, as a BA franchise partner, to operate all of the internal Scottish services previously flown by **British Airways Regional, Ltd.**

The Shorts 360-300s are withdrawn and Loganair operations are now incorporated into **British Regional Airlines, Ltd.**

Passenger bookings since January have continued to fall, dropping 8.2% to 251,214.

The workforce is increased by 16.7% in **1997** to 70. The fleet comprises 5 Pilatus Britten-Norman PBN-2 Islanders and 1 de Havilland Canada DHC-6-300 Twin Otter.

In a management buyout, Scott Grier, Stephen Bond, and Trevor Bush purchase the company on March 1 and take it independent again. With Bush as managing director, the company continues to operate specialist BA franchise service for the Scottish Air Ambulance Service, as well as its regular passenger routes to the Orkney and Shetland Islands. Customer boardings plunge 75% to 62,706.

A Shorts 360-300 with 3 crew and 20 passengers crash-lands at Stornoway Airport in Scotland on February 9, **1998** after a flight from Benbecula; the airport fire service attends and assists with the removal of passengers, none of whom are seriously hurt.

Plans to replace the aging Shorts 360-300s on the twice daily Glasgow to Shetland roundtrips and the daily roundtrips from Edinburgh to both Kirkwall and Shetland are shelved on July 28 when **British Regional Airlines, Ltd.** decides to turn these Orkney Island routes over to Loganair. Word of the changeover is leaked to the press before BRA can make a public announcement the next day, causing further alienation between that airline and the political leadership of northern Scotland.

With a fleet of three Shorts 360-300s and three Shorts 360-200s (one always kept in reserve), Loganair takes over the BRA routes on October 27. In addition, routes from the Orkney Islands to Inverness and Wick are also started. Chairman Grier pledges that a new hangar will be constructed at Kirkwall.

Passenger boardings jump 30.1% to 82,000, while 4,000 FTKs are also operated.

By the start of **1999**, airline employment has been increased by 58.6% to 111. By the end of the winter season in March, the Shorts 360-200s have been replaced with SAAB 340Bs.

Passenger boardings skyrocket 81.6% to 158,000. Airline employment at the beginning of **2000** stands at 154, a 38.7% increase over the previous 12 months.

In late August, a de Havilland Canada DHC-6-300 is dry-leased from **Zimex Aviation** and is employed to provide backup for its own Twin Otter flying from Glasgow to Isle of Barra contract. The second machine also allows the introduction of flights from Barra to Benbecula and from Glasgow to Tiree, Campbelltown, and Islay. Upon the completion of the arrangement, the Zimex DHC is returned on November 27.

In late December, the company is one of two chosen by the Irish government to operate the nation's Public Service Obligation (PSO) routes for the next three years, being specifically awarded the new route from Londonderry to Dublin. This will be operated in January with Shorts 360-300s.

LOIDE AEREO NACIONAL, S.A.: Brazil (1949–1962). Having lost two of its three Douglas C-47 freighters in crashes during two years of charter operations, **TCA (Transportes Carga Aerea, S.A.)** is reorganized on August 24, 1949 TCA CEO Rui Vacant remains as president and capitalization is increased to 30 million cruzeiros.

Three Curtiss C-46A Commandos are imported from the U.S. and together with the remaining TCA C-47, two scheduled routes are inaugurated: Rio de Janeiro–Lapa-Fortaleza and Rio de Janeiro and Belo Horizonte–Formosa–Carolina–São Luis. Toward year's end, the carrier joins in a technical consortium for maintenance and facilities with two smaller, but older airlines: **TABA (Transportes Aereos Bandeirantes, S.A.)** and **LAP (Linhas Aereas Paulistas, S.A.)**.

With competition growing over Brazil's domestic routes in 1950, officials of the three carriers elect to follow the example set that year by **TAN (Transportes Aereos Nacional, S.A.)** and form a complete operating consortium.

A C-46A with three crew is destroyed beyond salvage at Campinha Grande, Brazil, on December 17; there are no fatalities.

The consortium move is taken on August 24, 1951 under Loide's umbrella name. At the same time, new service is started from Rio de Janeiro to Manaus via Anapolis, Carolina, and Santarem.

There are three accidents this year. A C-46A is destroyed at Guanabara Bay, Brazil, on April 15; there are no fatalities. While approaching Aracaju, Brazil, on July 12, a DC-3 with 5 crew and 28 passengers hits high ground and crashes; there are no survivors. A C-46A, with three crew and four passengers, is lost at Cochabamba on July 29; there are no survivors.

The next two years are also unsafe. A C-46A with six crew, crashes into the Rio Negro River after failing its climbout from Manaus, Brazil, on May 24, 1952; there are no survivors.

While on approach to Potosi, Bolivia, from Camiri on November 3, 1953, a DC-3 with 3 crew and 25 passengers is lost; there are no survivors.

Flights are conducted without incident in 1954.

During the remainder of the year and through 1955, Loide builds up a substantial long-haul network connecting most of the nation's state capitals, duplicating some of the routes flown by larger carriers. At the same time, the fleet grows to comprise 16 C-46 freighters and 3 C-46 passenger-configured transports. As a method of avoiding wasteful competition and route duplication, Loide and **Panair do Brazil, S.A.** reach an agreement on November 22, 1956 for coordinated operations on the long segments in the north and northeast part of the country.

The experiment is set to run two years beginning in January 1957. Loide orders four DC-6As in February and during the remainder of the year obtains four DC-4s from the American carriers **Western Airlines** and **United Air Lines**. During the year, the company's registers show it has the largest fleet of C-46s in South America—26.

One of the new U.S. aircraft, with 74 passengers, fails its takeoff from Rio de Janeiro on February 2, 1958 and crashes (five dead).

The pooling plan with **Panair do Brazil, S.A.** never receives official federal approval and ends in July. A DC-4 with 6 crew and 5 passengers, is lost at Maraso Bay, Brazil, on August 12 (10 dead).

A C-46 crashes while on approach to Campina Grande on September 5 (13 dead). The first DC-6A arrives in December and is christened *Azadonas*.

The DC-6A order is completed on February 10, 1959 with the delivery of the 74th and last unit of its type to roll off the Douglas production lines. At this point the freighters are leased to **Panair do Brazil, S.A.** for a two-year period. In July, all-cargo DC-4 charters are initiated to Miami. Two DC-4s are lost in crashes during the summer, but are promptly replaced by new four-engine Douglas Fours.

The big event of 1960 is the introduction of deep-discount day excursions between Rio de Janeiro and the federal capital of Brasília—lunch provided. The fleet now includes 8 DC-4s, 8 C-46s, and 4 DC-6As.

In March 1961, the DC-6As return from **Panair do Brazil, S.A.** and are placed on Loide's Miami and other long-haul routes. In one final effort to win a continuing contest with the larger and older carriers, Loide, on October 24, seeks a larger route network by purchasing **NAB (Navegacao Aerea Brasileira, S.A.)**. The takeover is more expensive than expected and rather than declare bankruptcy, the newly enlarged carrier sells out to the government of São Paulo on January 7, 1962. That local government turns over operational control of the former consortium to **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**.

LOKEN AVIATION: United States (1989–1997). Following an eight-month battle with the inspection office of the Alaska regional FAA division, the Juneau-based scheduled air taxi **Channel Flying Service** is reformed into Loken Aviation, Inc., a Part 135 charter operator, in December 1989.

Following a period of satisfactory unscheduled lightplane service, the carrier elects to begin scheduled operations to bush and regional destinations in 1991. A single de Havilland Canada DHC-5, one of the few ever employed by an American commuter carrier, is employed to fly 265 passengers and 24,218 pounds of mail during the 12-month period.

Founder Craig J. Loken's company continues in 1992–1993 and in 1994 enplanements total 2,589, a 44% boost over the previous year.

Loken becomes an affiliate of the newly established **Lynden Air Cargo** during the spring of 1995. Consequently, the DHC-5 and several DHC-2 Beavers haul a total of 4,547 passengers, an impressive 76% increase.

En route from Hoonah to Elfin Cove on a July 19, 1996 nonscheduled charter on behalf of **Lynden Air Cargo**, a Loken Aviation DHC-2 smashes into steep terrain near the latter point. The aircraft is destroyed by the impact and subsequent fire; the pilot is killed.

The good traffic fortune cannot be maintained this year as customer bookings plunge 20% to 3,650. Loken Aviation struggles on in 1997, but finally ceases flying during the summer. Lynden Air Cargo informs the DOT on September 24 that Loken is out of business and petitions that its certificate be reissued eliminating the Loken trade name. A new certificate is duly allowed on October 8.

LONDON CITY AIRWAYS, LTD.: United Kingdom (1987–1991). Earlier known as **Eurocity Express, Ltd.**, this small Airlines of Britain group STOL operator, under the direction of Nigel Harris, begins flying into and from London (LCY) with a pair of leased de Havilland Canada DHC-7s in October 1987. Orders are placed for four Dash 7s as the chartered aircraft undertake services to Paris and Brussels. The later operations are conducted in association with **Sabena Belgian World Airlines, S.A.** French flights are curtailed at year's end for a month as the result of an ATC dispute with the field's other carrier, **Brymon Airways, Ltd.**

Service to Paris resumes early in 1988. During the spring and summer, a marketing agreement is signed with **UTA French Airlines** and flights begin to Amsterdam. Beginning on July 24, two leased BAe 146-200s undertake a series of noise tests at London (LCY) sponsored by the CAA. British officials are so concerned with noise that groups of local citizens are driven to the airport during tests; after watching takeoffs and landings, they are polled as to their opinions about the noise levels.

British officials work to lengthen the runways at London (LCY) in order that larger British Aerospace BAe 146-200s might be accommodated. The carrier, however, in financial trouble, must cut services in half in 1989 and transfers one Dash 7 to **Brymon Airways, Ltd.** and sells a second to the British Antarctic Survey. Following two years of discussion, an interline-ticketing agreement is signed with **Air France** in December that is designed to increase traffic on the route to Paris from London's Docklands STOLport.

Services continue to deteriorate during the first half of 1990 and in August, the four-times-per-day Paris service from Docklands is dropped. At the same time, **Brymon Airways, Ltd.** takes over the re-

gional's route to Amsterdam. Figures are reported for the first 8 months of the year and show a total of 53,367 passengers flown.

On September 1, the decision is taken to merge the carrier and its 70 workers into **British Midland Airways, Ltd.** Only one route is operated, as two DHC-7s, painted in BMA livery offer Diamond Class service to Brussels. In **1991**, the company is renamed **Love Air, Ltd.**

LONDON EUROPEAN AIRWAYS, LTD.: United Kingdom (1985–1990). In February **1985**, newly formed London European Airways, Ltd. begins regional and commuter service in England and to Amsterdam with one Vickers Viscount 806 and one Shorts 330. In June, Managing Director N. R. Harford's new entrant purchases **Euroflite, Ltd.** from McAlpine Aviation, Ltd. Flights begin to Brussels late in the year.

Unable to swallow the **Euroflite, Ltd.** merger and taking big financial losses, LEA in April **1986** is forced to lay off its 50 employees and cease trading. Late in the year, the company's assets are acquired by the independent Irish carrier **Ryanair, Ltd.** Reformed into a sister airline of the Irish company, Harford's former airline will operate as **Ryan European Airways, Ltd.** for the next four years.

In November **1990**, **Ryan European Airways, Ltd.**, now primarily a charter operation, is renamed LEA. Operations continue with a British Aerospace BAe (BAC) 1-11-518FG and a 1-11-476FM, the latter leased from Ryanair. The BAe (ROMBAC) 1-11-561RC, previously chartered from **TAROM (Transporturile Aeriene Romane, S.A.)**, is returned. Operations cease at the end of the year.

LONDON EXECUTIVE AVIATION, LTD.: Stapleford Airport, Stapleford Tawney, Essex, England, RM4 1SJ, United Kingdom; Phone 44 (1708) 688 420; Fax 44 (1708) 688 663; http://www.FLYLEA.com; Year Founded 1995. LEA is set up at Stapleford Airport in **1995** to provide executive and small group passenger charters around the country and into Northwest Europe. Also flown are aerial photography and survey missions, cargo and express, and air ambulance.

Within five years, Operations Director Amanda Patchey oversees the work of 16 pilots and the operations of aircraft from 4 bases.

Two Piper PA-31-310 Navajos are flown from Stapleford, along with 5 PA-34 Senecas and 1 Beech Super King Air 200. The company's only executive jet, a Cessna 550 Citation II, is based at London (LCY) while Senecas are also dispatched from Cambridge and Manchester.

LONDON FLIGHT CENTRE, LTD. See LOVE AIR, LTD.

LONDON, SCOTTISH AND PROVINCIAL AIRWAYS, LTD.: United Kingdom (1934). LS & PA is registered at London on February 7, **1934**. Employing an Airspeed Courier, it makes a London–Glasgow (Renfrew) via Nottingham and Manchester, proving flight on March 19. On August 6, twice-daily Leeds to Paris service is initiated via Nottingham, London (Heston), and Le Touquet, with two Airspeed Couriers. Seven days later, the Monospar ST.10, which had won the Kings Cup air race in July, is used for one day between London (Heston) to Leeds in place of a Courier.

Operations cease at the end of summer.

LONE STAR AIRLINES: United States (1991–1996). Fort Worth, Texas-based **Exec Express II** is renamed in June **1991**. Philip H. Trenary remains chairman/CEO and his fleet includes 8 Fairchild Metro IIIs. Frequencies are continued from Dallas (DFW) to St. Louis and Joplin, Missouri, and Liberal and Garden City, Kansas, the latter stop added during the year.

In the fall, negotiations are completed for the takeover of fellow Texan carrier **Conquest Airlines**.

Bookings climb to 69,200. Orders are placed for another Metro III. The net loss falls to \$487,530 as revenues jump to \$11.09 million and expenses to \$11.58 million.

Airline employment stands at 90 in **1992** as the ninth Metro is placed into service and the **Conquest Airlines** acquisition is completed.

While on a test flight from Hot Springs, Arkansas, on August 25, a Metro III with three crew aboard rolls right and crashes near the end of the runway; there are no survivors.

Late in the year, the fastest growing airline at Dallas (DFW) inaugurates flights to Columbia, Missouri, Ponca City, Oklahoma, Camden, Arkansas, and Terre Haute, Indiana.

Passenger boardings swell 47.4% to 71,772.

Destinations visited in **1993** include Terre Haute, Memphis, St. Louis, Columbia, Joplin, Branson, Mountain Home, Jonesboro, Harrison, Hot Springs, El Dorado, Magnolia, Enid, Ponca City, Dallas (DFW), Brownwood, Alpine, Austin, and Paris, Texas.

Chairman Trenary enters shareholding negotiations with a consortium of Chihuahua, Mexico-based government agencies and commercial businesses. Stratega Mercadotecnica Chihuahuan undertakes an air service survey. A Fairchild Metro 23 is ordered in late December; the order will subsequently be doubled.

Enplanements for the year increase 28% to 92,741. Revenues are now \$16.34 million, expenses are down to \$15 million and a \$1.34-million net profit can be reported on top of a \$41.9-million pretax gain.

Following implementation of the North American Free Trade Agreement (NAFTA) and completion of the air service survey in early **1994**, the Mexican consortium, led by American Industries International Chairman Luis Lara and Internacional de Ceramica Chairman Victor Almeida, elects to buy into the airline. In exchange for 49% equity, the Lone Star Promotora de Vuelos Internacionales (International Flight Promoters) gains three of the carrier's nine board seats and a 22% voting interest (the maximum allowed under U.S. law). Trenary remains chairman/CEO of the airline.

An Embraer EMB-120 Brasilia is placed into service during the spring for flights between Dallas (DFW) and Chihuahua, but will eventually prove unsuccessful. One Metro III is replaced in August and September by two Metro 23s and orders are placed for four Dornier 328-110s. Essential Air Service (EAS) routes are maintained to 16 cities in 4 states.

Late in the year, plans are made to inaugurate services to Mexico in the first quarter of **1995**, following receipt of the first of the Dorniers on February 1. Among the operations scheduled to begin are direct daily roundtrip Dallas (DFW) flights to Chihuahua City, Torrejon, and Saltillo and service from El Paso to Chihuahua.

Passenger boardings jump 15.8% to 107,414, but freight slides 6.3% to 53.43 million FTKs. Revenues increase 8% to \$13.4 million.

The workforce is increased by 161.1% in **1995** to 235 to handle inauguration of the services noted above. Two Dornier 328-110s arrive in January; one is put to work on charters and the other opens service between Dallas and Chihuahua City on February 1. On July 10, Dornier 328-110 frequencies commence to Torreon and Saltillo, both via the Texas town of Del Rio.

During the second week in August, a third Dornier begins flying to Aguascalientes and San Luis Potosi. Notice is given to Harrison and Hot Springs, Arkansas, that service to those cities will end when the government ends the EAS subsidy later in the year. Enplanements, nevertheless, fall 20.8% to 85,058.

While on initial climb to altitude from Enid, Oklahoma, on June 11, **1996**, a Metro 23 with a pilot and seven passengers, suffers an uncommanded shutdown of its right engine. A safe emergency landing is made back at the point of origin and no injuries are reported.

Employing a Metro III freighter, the company in July inaugurates a Motorola-subsidized daily cargo route from Chihuahua to Dallas (DFW) that links the electronics manufacturer's Mexican factory with its Global Paging Infrastructure Division's world headquarters at Fossil Creek business park.

By summer, the company is in significant financial difficulty; it owes over \$3 million alone on its Dorniers. Majority interest in the carrier is purchased by Peak International in October. Founder/CEO Philip Trenary resigns and is replaced as interim president by Vice President-Flight Operations Allen McGinness. Peak International's owners

amalgamate Lone Star into their **Aspen Mountain Air**. Services under the new name begin on November 1.

LONG AND HARMON AIRLINES: United States (1934–1935). On February 9, 1934, the Post Office cancels all existing airmail contracts during the so-called “Air Mail Scandal” controversy. The U.S. Army Air Corps is tasked to fly the mail, a military option that fails. At the end of March, the Post Office rebids the contracts and opens the applications a month later.

Among the new applicants are Dallas-based Long and Harmon, which secures the subsidy for AM-15, a multisegment route formerly operated by **American Airways**. Employing a Ford Tri-Motor 4-AT-29 and several single-engine lightplanes, the company begins flying mail and passengers from Fort Worth to Amarillo and Houston and Galveston to Brownsville via Fort Worth. Two larger Ford Tri-Motors, 5-AT-70 and 5-AT-86, are acquired in September.

Successful in **Braniff Airways’** backyard, the new entrant is taken over by the Braniff brothers on January 1, 1935.

LONG ISLAND AIRLINES: United States (1984–1991). **Montauk Caribbean Airlines** is renamed by founder Robert O. King in 1984 and the former **Ocean Reef Airways** subsidiary is sold. Michael Peragine is named president and nonstop daily scheduled services are undertaken linking the company’s base at the East Hampton Airport in New York with Boston and New York (LGA).

In defiance of a town order to halt operations by October 1, LIA continues to fly in and out of East Hampton until the town, contending the commuter has violated its lease, evicts it on November 11. The fleet employed before and after headquarters are moved to Republic Airport at Farmingdale, New York, comprises 2 Piper PA-31-350 Navajo Chieftains and 1 PA-23 Aztec.

King sells out to Peragine in 1985 and flights begin to Washington, D.C. (DCA). In 1986–1987, the fleet is upgraded by the addition of two de Havilland Canada DHC-6-300 Twin Otters, a Fairchild Metro III, and two more Navajo Chieftains. The Metro is withdrawn in 1989.

In 1990, another Twin Otter and another Navajo Chieftain are acquired, together with two Beech Barons. In November, the scheduled routes and La Guardia slots and terminal spaces are purchased by **Southern Jersey Airways**. Long Island continues to operate a charter service from Republic Airport, but recession causes operations to cease in early 1991.

LONGHORN AIRLINES: United States (1965–1967). Longhorn is established in Lafayette, Louisiana, in the fall of 1965 to offer scheduled third-level passenger and cargo services to Houston and New Orleans. With a fleet of Cessna and Piper lightplanes, the company begins daily roundtrip revenue services on October 21.

Operations continue apace in 1966 and in 1967 the company transfers to Fort Worth. After completing its move, it does not operate.

LONGKEN GENERAL AVIATION: 86 Shengping Road, Jiamus, 154002, China; Year Founded 1988. When CAAC (The General Administration of Civil Aviation of China) loosens its grasp on China’s civil aviation in the mid-to-late 1980s, it also opens the way for the establishment of a number of nonscheduled operators. One of these is Longken General Aviation, set up at Jiamus in 1988 to provide executive and small group passenger charters.

Operations continue apace and by 1999–2000 President Hongjun’s fleet comprises a pair of HAMC Y-11s.

LONS FLYING SERVICE. See **ALASKA ISLAND AIR**

LORAIR LTD.: 1000 E. Valencia Rd., Tucson, Arizona, 85706, United States. Phone (520) 294-3136; Fax (520) 889-4496; <http://www.lorair.com>; Code: LOR; Year Founded: 1999. LorAir, Ltd. is established by its CEO, Ron Clark, at Tucson, Arizona, in 1999

to provide passenger charters and contract service flights, mostly on behalf of the casino industry. Revenue flights commence on behalf of the Grand Casino in Gulfport/Biloxi, MS. Wearing “Grand Casino” titles on its bright red tail, the B-737-247 employed is one of the oldest Dash-200s still flying, having been delivered new to **Western Airlines** in 1968.

The carrier garnishes significant adverse publicity on November 25 when it strands a 124-member group of mourners from Texas A & M University, led by its president, Dr. Ray Bowen, in Stockton, California, where they have come to attend the funeral of Jeremy Frampton, one of those killed in the bonfire collapse of November 18. The majority remain stuck in local hotels over another day while the carrier brings in a chartered replacement aircraft.

Enplanements for the year total 54,000. At the beginning of 2000, the company operates three B-737-247s on regularly scheduled sub-service charters on behalf of CAIG Air between Miami and Managua. It also flies weekday charters on behalf of the Fort Lauderdale-based consolidator Swissjet, from Boston to Fort Lauderdale and on to Montego Bay, Aruba, and Curaçao. LorAir also undertakes contract flights for the U.S. Forestry Service and the U.S. Bureau of Prisons (“Conair”).

Swissjet files an application with the DOT on June 25 seeking its own operating authority. If granted, the LorAir contract will be withdrawn. The CAIG sub-service flights end on June 30.

A contract is signed with Vacation Express Charter Service on July 17 under which the carrier will provide holiday tourists flights on its behalf from Charlotte, NC, beginning in December. Before the new arrangement can begin, LorAir declares Chapter XI bankruptcy on October 3.

On June 12, 2001, a letter of intent will be signed with California-based Transtar Holdings under which that concern will take over 51% control and bring the carrier back to fiscal viability.

LOS ANGELES AIR SERVICE: United States (1947–1960). Kerkor “Kirk” Kerkorian and Rose Peculs found LAAS at Los Angeles Airport in 1947 to offer charter cargo services and aircraft leasing throughout the western United States. Incorporated in December 1948 and equipped with a single war-surplus Douglas C-47 (converted to civil DC-3 standard), the small operator inaugurates unscheduled flights to Las Vegas.

A CAB certificate as a Large Irregular is received on July 8, 1949. The assets (two Sikorsky S-43s) of **Amphibian Air Transport Service** are purchased on July 12 and air taxi services from Glendale to Catalina Island are maintained.

Unable to achieve viability with the Catalina service, that portion of the business is closed down on March 22, 1950 and the amphibians are sold to **Reeve Aleutian Airways**. Early in the second quarter, Kerkorian adds a DC-4 that is used when the company obtains a military contract following the outbreak of the Korean War in June. Unlike some others, the company does not make large wartime profits.

During the spring of 1951, Kerkorian purchases a wrecked **British Overseas Airways Corporation (BOAC)** Lockheed L-049 Constellation and an undamaged wing from a crashed **Air France** Constellation; the Anglo-French combine is welded back into a useable aircraft, which is leased to **California Central Airlines**. Following a CAB advisory that it might restrict the business of “non-skeds,” Kerkorian ceases operations and grounds, leases, or sells off his little fleet.

When the anticipated action does not occur, the company, having been reequipped, resumes revenue service in May 1954. Among its aircraft is the Constellation, returned after CCA’s February failure. Flights continue until January 1957, when the carrier is again shut down.

Following a 22-month hiatus in service, LAAS resumes operations in December 1958. On July 18, 1960, to avoid confusion with the helicopter carrier **Los Angeles Airways** and to emphasize a planned expansion in its route system, the company changes its name to **Trans-International Airlines (1)**.

LOS ANGELES AIR TAXI. See **DESERT COMMUTER AIRLINES**

LOS ANGELES AIRWAYS (LAA): United States (1944–1971). A disciple of helicopter designer Igor Sikorsky, **Hawaiian Air Lines** maintenance official Clarence M. Belinn assembles a group of businessmen in Los Angeles in **1944** to create a rotary-wing airline. Los Angeles Airways (LAA) is incorporated on May 11, **1944**. Belinn files two petitions with the CAB, one for the operation of a helicopter airline and the other for a combined air and ground service that would operate in the Los Angeles area until rotary-wing aircraft become available.

Actual start-up will need to wait until after the conclusion of World War II. In **1945**, the CAB rejects the air and ground concept.

In **1946**, LAA is chosen by the U.S. Post Office to implement an experimental helicopter airmail route. A temporary CAB certificate is granted on May 22, **1947** and Belinn and his vice president-operations, Arthur G. Tobey, begin to search for flight equipment and crews, as well as write a handbook of procedures for their new enterprise. All of this is quickly accomplished and on October 1, LAA, employing 3 Sikorsky S-51s, begins the world's first regularly scheduled helicopter mail operation, flying from the roof of the downtown post office building to Los Angeles (LAX).

In 2 months, 21 tons of mail is carried between the roof of the downtown Post Office and Los Angeles (LAX).

The unique airline's route network spreads out from the Los Angeles hub in **1948** to Newport Beach, the San Fernando Valley, and San Bernardino. Mail tonnage for the year reaches 1,250.

On June 11, **1951**, the company receives a CAB permit to open the world's first helicopter passenger service. More than three years will be required to make the transport of customers a reality. Express is added in **1952**.

In July **1953**, the CAB renews the pioneer's certification, while again agreeing to the transport of passengers to, from, and between the area's airports. Meanwhile, in December, the first scheduled helicopter air express services are launched. The enplanement of travelers does not begin until its newly ordered Sikorsky S-55s are ready to enter service on November 22, **1954**. At year's end, records show that mail tonnage carried has risen to 3,050.

Passenger flights in the Los Angeles metropolitan area commence on March 1, **1955** and in **1956** the company is making 72 daily S-55 flights (17 with passengers) between 16 California cities. Among the destinations visited are communities in the San Fernando Valley, the San Gabriel Valley, the coastal area south of Los Angeles via Whittier and Long Beach to Santa Ana, and the original shuttle route between the Post Office and Los Angeles (LAX). The latter will reach an eventual peak of 85 daily roundtrips.

By **1958**, LAA possesses 7 Sikorsky S-55s and on March 15, **1959** the company orders 2 turbine-powered S-62Ls, followed by 5 S-61s on October 22. On June 14, **1960**, an S-55 with nine aboard crashes on take-off at Anaheim; all aboard are hurt. A taxiing S-55 with eight aboard hits a ground service vehicle near Gate 18 on July 17. On December 21, Los Angeles Airways introduces its first S-62L.

An S-55 crash-lands at Whittier, California, on January 6, **1961**; all three aboard are hurt. On March 1, **1962**, the helicopter carrier inaugurates the world's first multiengine, turbine-powered transport helicopter service when it places the 28-passenger Sikorsky S-61L into flight operations.

San Francisco-Oakland Airlines (SFO-1), having petitioned the CAB for a permanent, nonsubsidized operating certificate, argues in its hearings before the CAB in the spring of **1963** that government support is not necessary for a helicopter line to be successful. In its arguments, company officials cite LAA as a prime example of waste and inefficiency. True or not, the charges will lead to an eventual end of Congressional funding for all of the rotary-wing airlines. On July 15, an S-61L with three aboard on a training flight crashes at Los Angeles.

Enplanements for the year total 161,282.

Airline employment in **1964** stands at 194 and the carrier operates 7 helicopters. Groundwork and proving flights are undertaken for instru-

ment operation of the four S-61Ls and Whittier, California, becomes a scheduled destination.

On May 8, an S-61L with 17 aboard crashes while landing at Anaheim, but there are no serious injuries. Instrument Flight Landing (IFL) certification is obtained from the FAA late in the year. Passenger boardings climb 18.5% to 197,891 and revenues are up by 19% to \$3.41 million.

The workforce in **1965** is increased by 12. Over the years, LAA has taken in considerable operating revenue from the mail subsidy acquired at its birth, but on April 11, Congress terminates the support program citing the company's high costs. Still, the CAB grants the company a permanent operating certificate.

Service is expanded as new frequencies are started between Los Angeles (LAX) and West San Fernando Valley, Thousand Oaks, Oxnard, and Ventura. Service to Whittier is reinstated and the Van Nuys heliport is relocated to an upgraded facility. Scheduled passenger instrument flight rules (IFR) flights by the carrier's four Sikorsky S-61Ls are inaugurated with great publicity.

Passenger boardings increase 22% to 245,192 and air express is up by 19%.

A fifth S-61L is received in **1966**. In order to avoid closure of the pioneer, the CAB agrees when **American Airlines** and **United Air Lines** step forward with an offer to acquire coequal control via a \$3.2-million loan arrangement. All mail and express services are suspended and the two begin to operate the carrier as an airport shuttle.

LAA operates nine helicopters in **1967**, its peak year. A total of 396,000 passengers are transported and 40,000 freight ton-miles are flown.

The employee population in **1968** numbers 251. On May 22, the worst accident in U.S. civil helicopter operations to date occurs. A chartered chopper's crew of 2 is returning 21 children and adult passengers to Los Angeles after a day at Disneyland. The chopper develops a runaway rotor that cuts into the craft, causing it to crash at Compton, California, and burn; there are no survivors.

The carrier ceases operations while a review is made. A defective rotor is found in aircraft wreckage and the fleet's other four machines are examined and receive replacements. Service resumes on August 20. This fatal Sikorsky crash brings much adverse reaction and a downturn in traffic and profits. Two de Havilland Canada DHC-6-100 Twin Otters are now leased and on December 22 an S-61L is involved in an accident at Paramount, California.

Passenger boardings for the year decline to 327,879 and revenues are \$3.84 million.

In **1969**, as potential customers not only turn cautious but switch to fixed-wing air taxis, LAA reacts by acquiring four more Twin Otters, in addition to a scheduled S-61L. When these Twin Otters begin to arrive, they join the earlier units in flying from Los Angeles (LAX) to Ontario and San Bernardino. The company's pilots, members of the Air Line Pilots Association (ALPA), now strike for higher pay on October 20, crippling LAA for six months.

The job action, finally settled by mutual agreement on April 24, **1970**, proves fatal as the company, unable to recoup financially, is forced out of business in October. Its assets are purchased by **Golden West Airlines** in **1971**.

LOS ANGELES–SAN DIEGO AIR LINE (RYAN AIRLINES): United States (1925–1927). Late in 1924, California aircraft engineer Claude Ryan obtains six war surplus Lincoln Standard J biplane trainers, which he converts into five-seat airliners, equipping each with the then-new Hispano Suiza 150-hp engine. Although Congress passes the Kelly Air Mail Act in February **1925** that provides subsidies to be administered by the U.S. Post Office, that executive agency does not speedily offer awards. Desirous of putting his Standards to work, Ryan elects to open an air passenger transport service on his own, without government sponsorship.

To that end, he begins a scheduled San Diego to Los Angeles frequency on March 1. It will enter the record books as the first regularly

scheduled passenger operation flown year-round over the U.S. mainland (this fine point separates it from **Pacific Marine Airways'** over-water service started in **1921–1922**). Tariff for the hour-and-a-half, 120-mile, one-way service is \$17.50 (\$26.50 roundtrip), with ground fare to the airport included.

LA-SDAL is very popular with customers during its inaugural year—so much so that Claude Ryan purchases Donald Douglas' first aircraft, *The Cloudster*, the first flying machine able to lift a load exceeding its own weight. Designed with David Davis as a transcontinental airliner in the back of a Los Angeles barbershop and first flown on February 24, 1921, the large biplane is employed over the commercial route as well as in the transport of prospective real estate purchasers to San Clemente Island. Late in the year, the aircraft's propeller and upper wings are damaged in a landing accident. During repairs, Douglas converts it into an 11-seat cabin airliner for use in the new season.

During **1926**, the carrier transports 5,600 passengers between its two gateways. *The Cloudster* is occasionally employed on charter services, the last of which brings its end. In December, the aircraft is rented to fly a cargo of beer from Mexicali to American tourists in Tijuana who are avoiding U.S. Prohibition laws. During this airlift, the plane, piloted by J. J. Harrigan, is diverted to fly a wealthy Chinese businessman to Ensenada where, arriving after dusk, the plane is crashed while attempting a beach landing.

Having proven the value of his air transport ideas, Ryan, in **1927**, quits the airline business to concentrate on building aircraft. Among his creations are numerous mailplanes, including one upgraded model that will enter the history books as *The Spirit of St. Louis*.

LOT POLISH AIRLINES (POLSKIE LINIE LOTNICZE): 17 Stycznia Str. 3900906, Warsaw, PL-00-908, Poland; Phone 48 (2) 606-8215; Fax 48 (2) 896-0909; <http://www.lot.com>; Code LO; Year Founded 1929. On January 1, **1929**, the government of Poland simultaneously nationalizes domestic air transport services and creates the state airline LOT Polish Airlines by merging **Aerolot, S.A.** and **Aero T.Z., S.A.** A special design competition to design a company logo is won by Tadeusz Gronowski, who offers a stylized flying crane. Domestic service is undertaken, starting the next day, with the Junkers F-13s formerly owned by **Aerolot, S.A.** Later in the year, additional F-13s and several single-engine Fokker F-VIIas are acquired, allowing the route network to stretch from Warsaw to Danzig, Lvov, Krakow, Poznan, and Vienna via Krakow.

During the first half of **1930**, the company orders 10 Fokker F-VII/3ms. In November, the Podlaska Wytwornia Samolotow (PWS) builders of Warsaw deliver the first of two Model 20Ts, which begin flying from the national capital to Bucharest via Lvov and Czerniowce. Passenger boardings for the year approach 12,000.

In March **1931**, the carrier becomes a full member of the International Air Traffic Association, forerunner of the present IATA. The first four Fokker F-VIIb/3ms are received in late spring and beginning on June 27 are employed to inaugurate services from Danzig to Salonica via Warsaw, Bucharest, and Sophia. Also in June, the Lublin R-XI, built at Lublin by Plage & T. Laskiewicz, is delivered for testing. The company's fleet now comprises the Lublin, 13 F-13s, 6 Fokker F-VIIas, and the 4 F-VIIb/3ms.

Service is started from Warsaw to Katowice and Bydgoszcz. Flights between Warsaw and Bucharest are launched in early **1932** and are later extended to Sofia and Saloniki via Lvov, Czerniowce, and Bucharest, while in the north, Warsaw is connected to Vilnius, Riga, and Tallinn. In April, the PWS 24 prototype is tested and orders are placed for five production models.

On May 3, **1933**, the five Polish-designed PWS-24s are placed in service on the Warsaw–Poznan route. Later in the year, the PZL-44 *Wicher* is tested. LOT's foreign network continues to grow in **1934**, with Berlin added as a destination. Orders are placed for two Douglas DC-2s, to be powered by British-made Bristol Pegasus VI engines.

Seven upgraded PWS 24bis are placed in service in the spring of **1935**; unsatisfactory, they will be withdrawn in a year. Following vari-

ous demonstrations in the U.S., the two DC-2s arrive at Amsterdam from New York by ship in July and August. Reassembled by technicians from Fokker, Douglas's European sales agent, they enter service on the route from Warsaw to Berlin via Posen on September 5, cutting its scheduled time from three plus hours to two. Orders are placed for Lockheed Model 10A Electras, the first of which arrives crated from the United States on November 22.

A second Electra arrives on January 4, **1936** and with Bristol Pegasus engines, two Douglas DC-2Bs are acquired during the year. A bilateral air agreement is signed between Poland and Finland in midyear, with CEO Wacław Makowski signing for Poland.

One of the new Douglas transports is employed on October 3 to extend the Salonika leg from Warsaw down to Athens. The premier Electra crashes at Tomaszow on December 28.

The DC-2 *Taurus* is sold to LOT in February **1937** by **Deutsche Lufthansa, A.G. (DLH)**. On April 29, service is pushed from Helsinki and Warsaw to Beirut, Lebanon, and to Lydda, Palestine, via Lvov, Czerniowce, Bucharest, Sofia, Thessaloniki, Athens, and the island of Rhodes. At 4,300 km., the route is the longest meridional route opened in Interwar Europe. Whereas the conventional train and ship service over this route requires ten days, the flights are made in just 34 hours.

Two more Lockheed Model 10As arrive on May 17 and 24, respectively, but another Electra is destroyed in a crash on November 11, this time at Warsaw. On November 28, the former German airliner *Taurus* crashes in the Rhodopa Mountains of Bulgaria (six dead).

During the year, orders are placed for 10 Lockheed Model 14-H Super Electras.

As part of preparations for the hoped-for start of transatlantic services in 2 years, a 25,600-mile test and delivery flight is made to Warsaw from Burbank in May **1938** by General Manager Makowski with the first of 10 new Lockheed Model 14H Super Electras. The 85-hour aerial voyage is routed via Mazatlan, Mexico City, Panama, Lima, Santiago de Chile, Buenos Aires, Rio de Janeiro, Natal, Dakar, Casablanca, Tunis, and Rome.

The newsworthy event marks the first transatlantic delivery flight of an airliner from a manufacturer to a customer and LOT's first delivery of mail from South America. A total of eight Super Electras enter service during the spring and summer, with several on the service to Romania. Two are lost in Bucharest crashes; one each on July 22 and August 13.

Airline employment at the beginning of **1939** stands at 694 and LOT operates 26 airplanes to 25 cities.

In January, two new Lockheed L-14 Super Electras are placed in service, joining a fleet modernized over the decade and now comprising 3 Junkers Ju-52/3ms, 3 Douglas DC-2s, and 12 Lockheed L-10/14 Electras and Super Electras. Four more of the latter are acquired between March 20 and May 2. Service is started to Helsinki and to Copenhagen via Gdynia.

As the summer of disaster approaches, the LOT network covers Western Europe with connections to 21 cities in 13 nations. The company now serves six international multistop flight connections, with one of the most important being that from Helsinki to Budapest via Tallin, Riga, Kovno, Vilnius, Warsaw, and Krakow.

Following the announcement of the Russo-German nonaggression pact on August 23, the company begins to transfer units of its fleet to Great Britain, including six of its Super Electras that will be operated by **British Airways, Ltd. (1)**. Prior to the outbreak of war on September 1, approximately 65,000 passengers and 1,400 tons of cargo have been carried on the year.

On the day World War II begins, Luftwaffe Stukas destroy an L-10A Electra on the ground at Wiszenka. At the same time, Germany's Romanian ally captures two Super Electras, one after crash landing at Bucharest, while Estonia takes over a third, which will crash at Riga. One of the DC-2s is lost on September 5, while the other is taken over by the Romanian government on September 10. In southeast Poland, one L-10A is damaged at Horondenka on September 12 and abandoned. When Soviet Red Army

forces roll into the nation five days later, another is captured at Kolomyja. Both are turned over to **Aeroflot Soviet Airlines**.

LOT now ceases operations for five years. Of the 26 aircraft on hand on September 1, only 5 are lost to enemy action; although taken over by their recipients, the remainder escape destruction. All ground facilities and other property are destroyed.

With Poland still a combat zone in **1944**, certain LOT activities are resumed under auspices of the Polish Committee of National Liberation. On August 24, Duda Roman becomes the first passenger of the reconstituted airline, which begins conducting courier, liaison, and passenger flights with rebuilt ex-Luftwaffe Junkers Ju-52/3ms from Lublin to Bialystok, Rzeszow, Jaroslaw, and Przemyśl.

A Polish Inspectorate of Civil Aviation is formed in February **1945**. On March 6, a resolution of the Council of Ministers recreates LOT as a state enterprise. The decree is published as Item #1 in the *Polish Monitor* (March 16, no. 1).

Destroyed hangars and buildings at Warsaw's Okęcie Airport are reconstructed. Twenty Li-2s are acquired from the Soviets, allowing regular domestic services to be resumed to nine major Polish cities on March 30: Warsaw, Lodz, Krakow, Rzeszow, Lublin, Poznan, Katowice, Olsztyn, and Bydgoszcz. Flights to Gdansk (as Danzig is now renamed) begin on May 14, followed by a service from Warsaw to Wrocław (formerly Breslau) that starts on June 18.

London service begins toward the end of the year. Poland thus becomes the first East European country to reestablish its air transport industry.

Warsaw-Berlin services are restarted in May **1946** and orders are placed for nine new Douglas DC-3s. Ju-52/3m roundtrip service from Warsaw to Paris via East Germany begins on July 4. Five days later, roundtrips are inaugurated from Warsaw to Stockholm. As the result of the new August 7 bilateral air agreement between Poland and Czechoslovakia, LOT is able to inaugurate direct air services from Warsaw to Prague on August 27.

Enplanements during the 12 months total 54,489 and 2,537 FTKs are operated.

In **1947** routes are also initiated to Paris and Stockholm. The fleet now includes 5 Polikarpov Po-2s, 25 Li-2s, and 9 DC-3s.

Services start to Bucharest, Budapest, Belgrade, Copenhagen, and Brussels during **1948-1949**, with several routes, such as Warsaw to Belgrade, Paris, and Budapest flown by five French-made Sud-Est SE-161 Languedocs, the first Western airliners sold to a Communist nation in the postwar era. Service to Stockholm is now withdrawn.

A Lisunov Li-2T is lost near Popow on May 26, 1948. There is no information on passenger or crew loss.

During April of the latter year, five Ilyushin Il-12Bs are received from Russia and will form the backbone of the Polish fleet for a decade. On April 29, an Li-2 en route from Gdansk to Lodz with 16 passengers is seized by 4 of the passengers and diverted to Stockholm.

On August 25, the company is able to claim a perfect four-year safety record. On December 16, 16 of the 18 people aboard an Il-18B en route from Warsaw to Gdynia participate in its takeover. The Ilyushin is flown to Bornholm Island, Denmark, where the pirates receive political asylum. The plane is claimed by and returned to the Polish Aviation Ministry two days later.

In **1950**, LOT is a signatory to the Berlin Agreement that links the airlines of the Warsaw Pact countries into a confederation; emphasis is placed on service to domestic locations and Socialist capitals during the next six years.

An Li-2P with 16 passengers is lost at Lodz on November 15; there are no survivors.

The fleet in **1951** includes 24 Li-2s, 6 C-47s, and 4 Il-12Bs.

Customer bookings reach 113,176, while 5,187 FTKs are operated.

Although services will be maintained in mid-decade, losses continue to occur. An Li-2T is lost near Siwina on May 19, **1952**; there is no information on casualties. An Ilyushin Il-12B is lost while landing at Warsaw on July 18.

Under unclear circumstances, a DC-3 is lost at Katowice on March 13, **1953**. An Li-2P is lost under unclear circumstances at Limanova on March 19, **1954**.

Thrice-weekly services to Moscow begin on April 4, **1955**. Orders are placed for 13 Il-14s and flights to Vienna commence.

An Li-2P is lost under unclear circumstances at Katowice on April 14. The one-millionth passenger (cumulative) is transported.

The first Il-14 is registered on June 20, **1956**. The workforce stands at 1,424 and enplanements are 199,561.

In **1957**, flights begin to Athens and during the summer are extended to Tirane via Belgrade.

En route from Warsaw to Moscow on June 14, Flight 232, an Il-14P with five crew and eight passengers is lost near Vnukovo Airport, Moscow (nine dead).

Late in the year, three Convair CV-240s are received from the U.S.

Enplanements during the 12 months total 224,276.

In early **1958**, the carrier begins flying to London and Zurich. While on an April 11 training flight over Warsaw, a CV-240 with four crew loses a propeller in flight; although the aircraft must be written off following the subsequent crash landing, there are no fatalities.

Ordered earlier from the Flugzeugwerke Dresden, the VEB-152 II four-engine jetliner makes its maiden flight on December 4.

Flights to Rome begin in **1959** and in cooperation with **KLM (Royal Dutch Airlines, N.V.)** to Amsterdam. The last Il-12Bs are withdrawn.

A Lisunov Li-2P is lost near Tcz, Poland, on August 25, **1960**; there are no other details.

A total of 175,700 passengers are flown on the year as the company's 40 aircraft visit 24 cities.

The workforce in **1961** totals 1,571. On May 24, the first of eight new Il-18 turboprops enter service on a Warsaw-Moscow route.

Among the 201,600 customers transported on the year is the two-millionth traveler (cumulative). A total of 8,350 FTKs are also operated.

Three more turboprops, British-made Vickers Viscount 804s, join the fleet in **1962**. One of the new Viscount 804s with 5 crew and 28 passengers, crashes while on final approach to Warsaw from London on December 19; there are no survivors.

Bookings for the year increase to 245,700.

The first postwar service to a destination outside of Europe is opened in **1963** to Cairo.

An Li-2 with 3 crew and 12 passengers is destroyed on December 16 as the result of a bad landing at Warsaw; there are no fatalities.

Passenger bookings are 237,900.

In **1964**, the routes to Stockholm and Helsinki are reopened and in **1965** new routes are introduced to Milan—the airliner inaugurating Warsaw-Milan service on May 1 lands at the wrong Italian airfield—and Frankfurt.

While on a positioning flight, a Vickers Viscount 804 with four crew crashes near St. Truiden, Belgium, on August 20; there are no survivors.

The Frankfurt service is opened by the fourth new Il-18 on September 7.

Enplanements are 368,200.

Airline employment at the beginning of **1966** stands at 2,756. A further step in carrier development comes when a new stop at Beirut represents initial deployment into the Middle East. Flights to Baghdad, Beirut, Benghazi, and Damascus follow. The first 3 of 10 Antonov An-24s ordered for domestic flights are received in March, allowing the inauguration of Warsaw-Wrocław return service on April 20.

Passenger boardings are 493,700 and 35,544 FTKs are operated.

The **1967** fleet includes 8 Il-18s, 11 An-24s, and 10 Il-14s. Orders are outstanding for 6 Tupolev Tu-134s and 5 more An-24s.

The airline joins with **Aer Lingus-Irish International Airlines** on January 22 to announce the initiation of weekly roundtrip services from Poland to North America; the Irish line will fly the transatlantic leg and connect with LOT at Shannon. On May 1, the carrier joins with **Trans World Airlines (TWA)** in opening a one-stop service from New York to Warsaw.

Customer bookings jump to 696,900.

With the support of **Aeroflot Soviet Airlines**, Warsaw is linked to Leningrad and Kiev in **1968** while the airline, simultaneously, introduces its first jetliners, the Tu-134s. The fleet now comprises 34 aircraft and new routes are opened to Kiev. Enplanements are 773,800.

On final approach to Warsaw on January 24, **1969**, Flight 149, an An-24V with 4 crew and 44 passengers, strikes trees, a pair of 30,000-volt power lines, and electric railway cables, before hitting the ground. The aircraft skids to a halt on a road; although it is damaged beyond repair, there are no fatalities.

Coming in from Warsaw, an An-24V with 5 crew and 48 passengers crashes into Polica Mountain, near Krakow, on April 2; there are no survivors.

Also in April, service to Istanbul is introduced. The opening of a modern international airport at Warsaw's Okęcie Airport now greatly improves LOT's passenger capabilities.

En route from Warsaw to East Berlin on October 19, an Il-18 with 74 passengers is seized by two East Germans, who force it to land at Tegel Airport in the French sector of West Berlin, seeking political asylum. During the hijacking, the craft is buzzed by Soviet MIG fighters, which also buzz the airport in an unsuccessful effort to keep the plane from landing. The plane will be allowed to return and the pirates will be tried; each will receive a two-year prison term.

Armed with toy pistols and a fake bomb, two skyjackers take over an An-26 with 20 passengers en route from Warsaw to Bratislava on November 20 and divert it to Austria. As in the October incident, the aircraft is allowed to return and the perpetrators are put on trial. They will receive prison sentences of 24 and 27 months, respectively.

The fleet grows to 38 aircraft and enplanements for the year are 856,200.

In May **1970**, a LOT Tu-134 touches down for the first time at Madrid, launching services from Warsaw via Geneva.

En route from Stettin to Gdansk on June 5, an An-24 with 23 passengers is hijacked to Copenhagen by a man holding a hand grenade; in Denmark, the man seeks political asylum. Instead of freedom, he will be tried and sentenced to a Danish prison for 3 1/2 years.

The airline will now be subjected to a string of attempted and successful skyjackings.

On June 10, the crew of an airliner foils an armed hijacking attempt by two men during a Katowice-Warsaw flight; authorities later report the pirates had planned a diversion to Vienna. The would-be pirates will be tried and sentenced to jail for four and five years, respectively.

Wanted for rape and blackmail, a criminal armed with a grenade seizes an An-24 on an August 7 domestic service and orders it to divert to West Germany. The pilot covertly manages to land in East Berlin, where the hijacker is captured. Tried, he will be sentenced to separate prison terms for air piracy, blackmail, and rape.

Three men and two women armed with grenades take over an Il-14 domestic flight between Gdansk and Warsaw on August 19 and force it to fly to Bornhold, Denmark. All are granted political asylum.

On August 26, an attempted hijacking to Vienna of an Il-14 on a Katowice-Warsaw flight with 27 aboard is foiled when the bomb carried by the hijacker explodes prematurely. Although the pirate and 10 others are hurt, the pilot is able to land safely. When he recovers from his wounds, the pirate will be tried and sentenced to 25 years in prison.

LOT acts as host to the director general of IATA, Knut Hammarström, during his official visit to Poland. Passenger bookings are 958,600.

At the beginning of **1971**, the carrier orders three Ilyushin Il-62s and opens an office in Montreal.

Bookings reported at year's end total 1,085,700, the first time that the one million-mark is surpassed. A total of 71,734 FTKs are also operated.

In January **1972**, service is begun to Hamburg. On March 16, the first Il-62 is delivered and is christened *Nicholas Copernicus*; the second arrives on April 27 and is named *Tadeusz Kosciuszko*. Both Russian-made jetliners begin service on May 15 over routes from Warsaw to Moscow,

London, Paris, and Rome. A series of charter flights are undertaken in May and June from Warsaw to such destinations as Chicago, New York, Boston, Toronto, Montreal, and to Tashkent, Calcutta, and Hanoi.

Offices are opened in New York and Amsterdam and regularly scheduled service begins to Baghdad. On December 13, President Nixon approves a permit for LOT to begin flights between Poland and New York, thrice weekly, until October 1976.

Passenger traffic rises to 1,342,900.

The employee population in **1973** is 4,500. Transatlantic service is opened on April 16, Warsaw-New York twice weekly. A new route is opened to Damascus the same month. Another Il-62 is received. On June 15th, American Harvey Reisman becomes the 10 millionth passenger carried since 1945.

Bookings advance a staggering 116% to 1,563,700 and cargo traffic is up by just 11 percentage points less.

The New York frequency is increased to three-per-week in April **1974**; simultaneously, two additional Il-62s, the *Kazimierz Pulaski* and the *Henryk Sienkiewicz*, are placed in service. On April 26, Cologne becomes the third West German stop and on May 5, routes are initiated to Tunis and Algiers.

In July, joint services commence with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** over a route from Warsaw to Madrid. Destinations now total 47 international and 10 domestic. Flights to the Leipzig Trade Fair begin in September.

Boardings decline 26% to 1,162,000, but cargo is up by 20%.

Airline employment in **1975** stands at 4,739. Early in the year, the airline and Polish Ministry of Communication introduce overnight airmail service, called POSTLOT. Routes are stretched to Benghazi (April 4) and Lyon (April 21). The corporate identity is changed and comes to feature a new logo, new aircraft livery, and new uniforms for all. In September, the carrier goes on line with the reservations system LOTAR.

On September 26, a LOT Il-62 becomes the first Polish airliner to cross the equator since World War II when it flies a charter group of Dalmor Shipping Line employees from Gdansk to Lima, Peru. In October, Dalmor sends fishermen by LOT from Gdansk to Tijuana, Mexico. In November, LOT opens a Tokyo office and hosts a conference of Warsaw Pact ("Berlin Agreement") airlines.

Systemwide enplanements drop to 1,596,000, but freight traffic climbs a healthy 39.4%.

The number of employees is increased by 4.3% in **1976** to 4,943. Beginning in April, LOT undertakes several charters to Montreal, including a number for the Olympic Games. The domestic network is extended with the opening of services to Slupsk on May 3. A second transatlantic service is started on June 4 from Warsaw to Montreal.

En route from Copenhagen to Warsaw on November 4, a Tu-134 is taken over by a lone hijacker, who orders the Tupolev diverted to Vienna, where he surrenders and seeks political asylum. The man will be tried and sentenced to four years in prison.

Also in November, the carrier engages **Aeroflot Soviet Airlines** in a "friendly" competition concerning customer service satisfaction. Late in the year, new gates are opened at Warsaw and the carrier begins international services from Gdansk, with flights to Berlin, Budapest, Burgas, and Varna.

Passenger traffic declines 2.3% as 1,560,773 passengers are carried. Freight, on the other hand, grows by 18% to 30.36 million FTKs.

Preparing to depart from Krakow on April 24, **1977**, on a charter to Nuremberg, West Germany, a Tu-134 is subjected to an attempted skyjacking by a lone assailant. Before the aircraft can depart, the would-be pirate is overpowered by police.

En route from Warsaw to Beirut via Varna on May 13, an An-12BP freighter with nine crew, strikes power lines and trees and crashes eight km. S of its destination; there are no survivors.

During the summer, the number of weekly flights is increased from 418 to 603. An office is opened in Sydney, Australia. A new livery is introduced domestically and on June 24, Zielona Gora is added to the domestic network.

LOT begins a new Far Eastern route on September 14, flying twice weekly from Warsaw to Bangkok via Baghdad, Dubai, and Bombay. The crew of an An-24 with 50 passengers overpowers a lone assailant who has taken over a domestic service from Katowice to Warsaw on October 18.

In February 1978, Capt. Damian Zuchowski completes 10 million kilometers in the air, an airline record. Director General W. Wilanowski oversees a workforce of 5,211 and the operation of a fleet comprising 7 Ilyushin Il-62s, 9 Il-18s, 5 Tupolev Tu-134s, 5 Tu-134As, and 16 Antonov An-24s.

Scheduled domestic passenger and cargo services now link Warsaw with Gdansk, Slupsk, Bydgoszcz, Koszalin, Szczecin, Poznan, Wroclaw, Katowice, Krakow, and Rzeszow. International markets outside of Europe, Africa, and the Middle East include Bombay and Bangkok in Asia and New York and Montreal in North America. Charter flights reach out to Manila, Vancouver, Buenos Aires, and Rio de Janeiro.

In June, the new livery of 1977 is painted on all Tu-134s and Il-62s and introduced throughout the remainder of the system.

On August 30, using an unloaded starter's pistol, Detlef Alexander Tiede hijacks a Tu-134 with 70 other passengers en route from Gdansk to East Berlin to Templehof AFB, West Berlin, where he and 7 East German passengers ask for political asylum. Put on trial, Tiede will receive an eight-month jail sentence.

In November, Kuwait is added as a stop. On December 5th, LOT carries its one-millionth international passenger in a single year.

The workforce in 1979 totals 5,324. The company marks its fiftieth anniversary with a yearlong celebration. During the first quarter, a joint-venture agreement is signed with Air France under which the two companies agree to timetable coordination and revenue-sharing on their routes from Poland to France.

Service is started to Luxembourg on April 6. On May 1, daily nonstop flights are introduced from New York during the summer season, with the frequency increased to five per week during the year's remainder; the Montreal connection is increased to two per week.

LOT's first English-language in-flight magazine, *Kaleidoscope*, is introduced in May and in June, Pope John Paul II completes his Polish visit and departs the country aboard a LOT Tu-134A. It is the first of six times that he will fly with the airline. July sees the 20-millionth (cumulative) postwar passenger boarding.

Overall bookings for the year total 1,997,000 as the company's 46 aircraft visit 56 cities. Freight traffic is up by 8.5% to 257.8 million FTKs. The number of employees is increased another 7.2% in 1980 to 5,891.

A Tu-134 overruns the runway while landing at Warsaw on January 23 and catches fire; all aboard are safely evacuated before the aircraft is destroyed.

On final approach to Warsaw after a flight from New York (JFK) on March 14, an Il-62 with 10 crew and 77 passengers experiences last-minute engine problems, overshoots the runway, crashes, and explodes; there are no survivors. Among the victims are 22 members of the U.S. amateur boxing team.

On May 19, a direct route is opened between Warsaw and Bombay. Two Il-62Ms are received.

Charter flights are undertaken to Chicago during the summer while in June nonstop flights are launched to Manchester, England.

On a December 4 domestic flight from Zielona Gora to Warsaw, an An-24 with 25 aboard is commandeered by Andrzej Perka, who orders it flown to West Berlin. At Templehof Airport, Perka asks for political asylum. Instead, he will be tried and sent to prison for four years.

Passenger enplanements this year decline 8.4% to 1,826,000.

The employee population climbs again in 1981, rising by 3.7% to 6,109. The fleet overseen by Director General Jozef Kowalski includes 4 Il-62s, 2 Il-62Ms, 9 Il-18s, 7 Tu-134As, 4 Tu-134s, and 16 An-24s.

A January 10 escape to the West goes awry for four pirates who take over an An-24 flying between Katowice and Warsaw. The four are nabbed at the Polish capital by police as they attempt to move to another aircraft that can fly them to Germany.

An An-24B with 5 crew and 47 passengers crashes near Redzikowo on March 26 after losing a propeller (1 dead).

Employees threaten to strike on July 9 over the government's rejection of Bronislaw Klimaceswski as the company's new director general. Strike talks will continue throughout the month, but a job action will be narrowly averted on July 23 when Klimaceswski takes office.

Meanwhile, on July 21, a lone assailant, claiming to have a hand grenade (which is really a fake), takes over an An-24 on a domestic service and causes it to be diverted to West Berlin. There, police take him in hand; he will be tried and sentenced to a prison term of three years.

August and September will be remembered as the months of skyjackings. On August 5, an An-24 with 49 passengers is taken over during a service from Katowice to Gdansk; when the plane arrives at its destination, the pirate surrenders.

While on an August 11 domestic flight, another An-24 is taken over by a "dissatisfied customer" who demands to be flown to West Germany. The pilot is able to trick the pirate into believing that the aircraft has arrived in the West when it arrives at its destination. The man is taken in hand by Polish police when he reaches the bottom of the air stairs.

En route from Wroclaw to Warsaw with 50 passengers and a crew of 5 on August 22, another An-24 is hijacked to West Berlin, where the pirate surrenders to authorities. Tried, the freedom-seeker will receive a prison term of 5 1/2 years.

On September 18, 12 Poles, aged 17 to 24, hijack an An-24 operating between Katowice and Warsaw. Seeking asylum, they order it to fly to the U.S. air base at West Berlin. The 8 pirates over age 18 are tried and sentenced to prison for terms of 1 to 4 years.

While en route from Warsaw to Koszalin on September 22, an An-24 is subjected to a skyjacking attempt by three men and a woman demanding to be flown to West Germany. Instead, the pilot returns to Warsaw, where police capture the pirates.

Seven days later, on September 29, a lone assailant attempts to take over an An-24 at Warsaw as it is preparing for departure on a domestic service. Threatened into putting down his razor blade by other passengers, the pirate surrenders to police who have boarded the aircraft.

The government issues a declaration of martial law on December 13 and closes its airspace to western overflights two days later. Meanwhile, President Ronald Reagan suspends Poland's civil aviation privileges in the U.S. on December 14. On December 17, Warsaw television reports that eight LOT aircraft have been able to fly during the day, the first departures permitted since the imposition of martial law.

Enplanements for the year total 1,711,000, a drop of 6.4%, while cargo falls by 21.5% to 23.62 million FTKs.

Beginning on January 11, 1982, the carrier begins flying a reduced, but regular, schedule of flights to certain foreign capitals, with three to four frequencies per day. Following the lead of Austria and France, the U.K., as of January 30, refuses LOT landing privileges at London.

On April 30, a LOT pilot diverts a domestic An-24 flight from Wroclaw to Warsaw, with 52 aboard, to West Berlin, bringing his wife, two daughters, and several other relatives along as passengers. There, asylum is sought for all and although the copilot, his relatives, and a 19-year-old man elect to remain in the West, 14 others return to Poland.

En route from Katowice to Warsaw on June 9, an An-24 is subjected to an attempted takeover by two armed men; when the turboprop lands at its destination, the two pirates are captured by police.

Throughout the remainder of the year, political turmoil severely impacts upon the carrier's traffic, frequencies, and personnel activities. The surge of hijackings continues.

While en route from Warsaw to Budapest on August 25, an Il-18 with 55 passengers is taken over by two men who order it diverted to West Berlin. Once the plane lets down, the pirates are taken in hand by German police; the Il-18, its crew, and other passengers are released to return to Poland. The perpetrators will be tried and sentenced to 4 1/2 years in prison.

One of three company security guards aboard an An-24 with 38 passengers en route from Wroclaw to Warsaw on November 22, takes over

the aircraft and orders it flown to West Germany. Although hurt in a gun battle that erupts with the other guards after the plane lands, he is able to jump out and run into American hands.

A total of only 575,120 passengers are flown this year.

The workforce is increased by 3.5% to 5,559 in **1983** as the calming political unrest leads to traffic recovery. Still, not all are happy. Ryszard Kuzminski, a LOT mechanic, flees to Canada for asylum on March 6 by hiding in the baggage compartment of an Il-62 for 14 hours.

Although freight is off 1.9% to 14.34 million FTKs, boardings skyrocket 60.5% to 1,455,524.

The workforce is increased to 5,643 in **1984** and the fleet now features 7 Il-62Ms. Passenger boardings climb 27.3% to 1,852,000, as freight advances 5.4% to 10.53 million FTKs.

Eight Tu-154Ms are purchased in **1985**. Even though passenger bookings are off 0.56% for the year to 1,587,000, freight is up 29.29%.

The payroll grows 2.6% in **1986** to 6,163 as the company decides to retire all of its Il-18s and Tu-134s.

During the spring, the in-house tour operator Air Tours Poland is established. It will offer inclusive-tour services for foreign travelers wishing to see the sights of Warsaw (particularly the Old Town), the palaces and castles of Krakow, the religious significance of Czestochowa, and the shipyards of Gdansk, home of the revolutionary movement. The company coordinates every aspect of travel to and from Poland, including currency exchange, hotel reservations, and tour guides.

En route from Wroclaw to Warsaw on August 28, a Tu-134 with 56 passengers is captured by a lone assailant, who holds a straight razor to the throat of a female flight attendant. He will be captured by security police, tried, and sent to prison for five years.

Passenger boardings are up by 1.7%, to 1,819,896. Cargo continues to grow by 21.8% to 19.19 million FTKs.

The workforce is reduced by 2.5% in **1987** to 6,006. Weekly Il-62M return service from Warsaw to Beijing via Moscow is inaugurated on March 25. A new downtown Warsaw air terminal begins construction as service is also inaugurated to Larnaca and Kiev.

Less than an hour after takeoff from Warsaw on May 9 on a service to New York (JFK), Flight 5055, a chartered Il-62M with 11 crew and 172 passengers, suffers the loss of its No. 1 and No. 2 engines. The aircraft attempts to return to its point of origin, but crashes into a forest 6 km. from the end of the runway and catches fire. There are no survivors from Poland's worst-ever commercial air accident.

Bound for Iraq with 110 people aboard on May 12, a Tu-154M makes a safe emergency landing at Warsaw after the pilot finds a malfunction in the plane's hydraulics. A company Il-62M transports Pope John Paul II from Krakow to Rome following his third Polish visit.

While flying between Warsaw and Krakow on September 6, an An-24, with 30 passengers, is hijacked by a lone assailant, who demands to be flown to West Germany. The perpetrator is quickly overcome by the plane's other passengers.

Customer bookings rise 2.1% to 1,858,418, but freight slides 5.3% to 13.19 million FTKs.

The fleet in **1988** includes 8 Il-62Ms, 1 leased DC-8, 7 Tu-134As, 4 Tu-154Ms, 2 leased Tu-154Bs, 12 An-24s, and 10 Il-18s. Late in the year, the airline approaches a group of Western banks, led by Citicorp, to raise a \$160-million, 12-year loan; 15 will subscribe \$220 million.

Orders are outstanding for 11 Tu-154Ms and in November orders are placed for three B-767s, two Dash-200s, and a Dash-300.

While en route from Warsaw to Rzeszow on November 2, Flight 703, an An-24B with 4 crew and 25 passengers suffers engine failure and attempts to return to Warsaw to make an emergency landing. The plane goes out of control and crash-lands in a field at a point 170 mi. SE of the city, rolls into a ditch, and catches fire (one dead).

Passenger boardings jump 8.6% to 2,017,781 and freight swells 19% to 15.69 million FTKs.

The payroll grows 1.4% in **1989** to 6,089. The unduplicated route mileage is 78,750, as service is provided to 44 cities in 36 countries. LOT becomes the first East Bloc airline to fly the B-767 wide-body

when the two Dash 25DERs, having arrived in April and May, are christened *Gnieszno* and *Kracow* and enter service in late spring.

During the summer, the four Il-62s are withdrawn from North Atlantic service as the 2 new Boeings offer 12 nonstop roundtrip flights per week to the U.S., including 6 to New York, 4 to Chicago, and 2 to Montreal. The Il-62s are assigned to other long-haul routes and charter work and in September the carrier begins to offer its first-ever supersaver and youth fare programs.

In October, IATA convenes its annual meeting in the new 42-story hotel, air terminal, and convention center built by the airline in Warsaw as its headquarters and reservations heart. The facility, Poland's first joint stock venture with foreign investors, has Marriott and Austria's Ilbau as its other partners.

Customer bookings surge 14.2% to 2,305,118 (the largest total in company history to date) while cargo skyrockets 94.8% to 30.58 million FTKs.

Company employment is increased by 15.6% in **1990** to 7,296. In February, nonstop service is inaugurated from Gdansk and Krakow to Moscow and a weekly roundtrip is begun from Warsaw to Sharjah, UAE. Weekly nonstop roundtrips commence on April 6 from Warsaw to Newark. Later in the month, a maintenance agreement is signed with **SAS (Scandinavian Airline System)** covering technical support of two new Boeing 737-59Ds leased from the Stockholm-based major.

In May, frequencies between Warsaw and New York (JFK) are increased from four to six; a B-767-35DER, given the name *Warsaw*, arrives at Warsaw's Okecie Airport for service in June, under charter from **Air New Zealand, Ltd.**

The new wide-body is employed to launch nonstop roundtrips to Los Angeles, Vancouver, Toronto, Bangkok, and Singapore. The company suffers a passenger traffic decline not only after Iraq's August invasion of Kuwait, but throughout the year as Communism fails in Eastern Europe and the Soviet Union.

Overall enplanements decline 25.6% to 1,714,968. Freight, on the other hand, increases 69.8% to 51.94 million FTKs. Revenues total \$344.7 million, but expenses are higher and a net \$43.1-million loss is suffered.

The payroll is sliced 16.4% in **1991** to 6,100. In an adroit marketing coup, the company sells 7 of its Soviet-made Il-62s and 10 An-24s in January to the new Ukrainian airline **Avialinie**. The \$15 million obtained from the sale is employed to help pay for the two Boeing 767-25DERs and B-767-35DER, the latter chartered from **Air New Zealand, Ltd.** The Kiwi carrier dispatches maintenance personnel to Warsaw, under contract, to oversee the care of its airliner, while two LOT officials are posted to Auckland to review various service, marketing, scheduling, and route planning operations. Also during the year, the first of five Avions de Transport Regional ATR72-202s arrive for service on the domestic network.

On March 8, Director General Klimacesski announces that the airline will be partially privatized; under a government plan, 49% shareholding will be offered to private investors. First, however, all Soviet-made aircraft will have to be replaced by Western planes before the airline can offer shares to foreign investors.

Joint venture discussions are held with Sweden's **Linjeflyg, A.B.** covering domestic and regional services. These negotiations, however, which include creation of a shared airline subsidiary, collapse when markets during this recession are judged to be too soft to sustain the operation.

On May 17, weekly nonstop B-767-35DER charter flights are launched from Warsaw to Los Angeles. A majority of the Sejm votes on June 14 to gradually transfer ownership of the carrier from the public to the private sector.

In July, in addition to five flights per week from New York (JFK), new daily service is started from both JFK and Newark to Warsaw.

An exchange-of-seats pact is signed with **Alitalia, S.p.A.** in July covering services from Warsaw to Milan and Rome.

Passenger boardings fall 29.7% to 1,208,355 and freight declines 19.4% to 41.89 million FTKs. The net loss is cut to \$43.14 million on top of an operation loss of \$20.07 million on revenues of \$361.4 million.

The number of employees continues to freefall in 1992, dropping 29.6% to 4,403. The fleet now includes 5 ATR72-202s, 4 B-737-55Ds, 2 B-737-59Ds leased from **SAS (Scandinavian Airlines System)**, 2 B-767-25DERs, 1 B-767-35DER chartered from **Air New Zealand, Ltd.**, 7 Tu-134As, and 14 Tu-154Ms.

During the spring, Banker's Trust and its affiliate, BT Securities, is contracted to provide advice in arranging a \$264-million, 12-year U.S. Export-Import Bank loan necessary for the purchase of 9 B-737s. Okecie International Airport II is opened at Warsaw as the airline's international hub. It features new passenger and cargo terminals and a catering facility. New services are inaugurated to Vilnius, Kiev, Minsk, and Lvov.

The **American Airlines** subsidiary, AMR Services, signs a five-year contract with the airline in July to provide ramp and cargo handling services at the new Warsaw airport facilities. A contract is signed with Lufthansa Consulting, a subsidiary of **Deutsche Lufthansa, A.G.**, to provide general management training for 20 of the airline's senior officials.

Poland's prime minister, Hanna Suchocka, endorses a new bill regarding the company's future from the Sejm on November 16.

On December 16, LOT is transformed from a government owned and operated operation into a joint stock holder company, as a transitional move toward hoped-for privatization two years hence. PLL LOT S.A. is capitalized at ZL 2072 billion (approximately \$149.5 million).

A new nine-seat supervisory board is formed, with Poland's under-secretary for civil aviation, Boguslaw Liberadzki, as chairman; Director General Klimaceswski, an old-line Communist, is dismissed and his departure is acrimonious.

Four B-737-500s, covered by a commercial note arranged by Banker's Trust, are delivered on December 17, tying the manufacturer's record for the largest number of deliveries of the same model on a single day. The company's new status is registered with the appropriate Warsaw court on December 29.

Customer bookings recover and ascend 3.8% to 1,254,324 as freight bounces upward by 14.2% to 48.4 million FTKs. Revenues are up 5.5% to \$277.7 million and expenses rise 1.8% to \$288.45 million. As a result, the operating loss is \$12.07 million and net loss is \$9.4 million.

In 1993, the new president/CEO, Jan Litynski, the 21-year veteran who served as commercial director of the airline, and his executive vice president, Zbigniew P. Kiszczak, oversee a workforce of 4,511, down 0.8% from the previous year. The fleet is increased by the addition of the 3 B-737-45Ds, 3 ATR72-202s, and 1 B-737-55D delivered in December; 4 of the 7 Tu-134As and all 14 Tu-154Ms are now withdrawn.

The company undergoes a restructuring designed to convert the company from a socialist form of management to a profit-oriented Western approach. The number of operating divisions is reduced from eight to four: operations, finance, technical, and marketing and sales. A block-space agreement between the new LOT Polish Airlines, S.A. with **Balkan Bulgarian Airlines** takes effect in March covering frequencies between Warsaw and Sofia.

In April, Banker's Trust is appointed adviser for additional equity maneuvers, strategic planning, and a search for foreign investment. Claiming the existence of procedural irregularities, the nation's transport ministry does not approve the arrangement, which is left in limbo. New routes are opened to Riga, Oslo, Dusseldorf, and Kuwait. LOT and Air Tours Poland expects to handle 15,000 visitors for the first time.

In August, a block-space agreement is inked with **CSA (Czechoslovak Airlines)** covering a route from Warsaw to Prague, which will be flown by ATR72-202s 12 to 13 times per week. New routes are opened from Warsaw to Riga and to Stockholm via Oslo and from Katowice to Frankfurt and Wroclaw via Poznan to Dusseldorf.

Talks with **British Airways, Ltd. (2)** aimed at increasing frequencies between the two airlines' capitals are suspended on November 1 when LOT demands compensation for the fares it will lose if the number of flights grow. Direct services between Warsaw and London are temporarily terminated.

Passenger boardings swell 10.7% to 2,388,848 while cargo ascends 5.7% to 54.9 million FTKs. Revenues jump 7.7% to \$296.3 million, but

expenses are up by 6% to \$304.1 million. The operating loss is cut to \$7.8 million while a \$3.42-million net profit is generated.

Airline employment falls by 4.7% in 1994 to 4,300. Early in the year, another B-767, a Dash-204, is leased from **Air New Zealand, Ltd.** At the same time, a DC-10-30 is wet-leased from **Finnair O/Y**. Over 1,400 employees are in training to raise the level of passenger services to meet Western standards.

The dispute with **British Airways, Ltd. (2)** is settled in March when the British airline is allowed to increase its weekly flights to nine per week. Flights to Zagreb begin during the second quarter as three flights per week are shared between the carrier and **Croatian Airlines**. Split, Beirut, and Nice also join the company's expanding Western network.

As of April 1, LOT is the first central European carrier to operate a fleet of all-Western aircraft, which is certified by the Australian consulting company BDW Aviation Service (Pty.), Ltd. to be the youngest fleet with any airline worldwide. Also in April, block-space flights commence with **TAROM (Transporturile Aeriene Romane, S.A.)** on a service from Warsaw to Bucharest.

On May 10, a 60-day, nonbinding memorandum of understanding, without financial links, is signed with **American Airlines**. Under its terms, the two pledge to share communications, reservations, and technical support systems while working toward a code-sharing agreement. Limited frequent flyer and training program collaboration will also begin.

Finding that it requires additional summer capacity, the DC-10-30, which had been returned to Helsinki at the end of the first quarter, is chartered once more in June. Flights begin from Krakow to Vienna. During this quarter, a company that had previously been of service to **KLM (Royal Dutch Airlines, N.V.)** is retained to train employees in customer services.

Pooled flights commence with **Aeroflot Russian International Airlines (ARIA)** in July over a route from Moscow to Warsaw. Also during the summer, block-space service begins with **Austrian Airlines, A.G.** between Warsaw and Vienna.

During the summer, dual-designator service begins with **Croatia Airlines** employing a Polish ATR72-202 over a route from Warsaw to Zagreb.

An additional marketing and code-sharing agreement is signed with **American Airlines** in September for forthcoming services linking Warsaw with New York (JFK) and Chicago (ORD). An advertising and promotion campaign, which will win prizes the following year, is undertaken in the American market; the principal slogan, often proclaimed in elegant white and red posters in travel offices, is "Poland Is Free . . . The flight very reasonable."

In November, twice-weekly service is inaugurated from Warsaw to Tallin, capital of Estonia. A month later, service is inaugurated to Thessaloniki, Zagreb, and Nice. A nonequity agreement is reached with **Air France** for creation of a passenger and cargo cost and revenue-sharing program.

Customer bookings this year accelerate 13.9% to 1,495,955, while freight balloons 11.9% to 56.1 million FTKs. Revenues move up 3.7% to \$307.36 million, but expenses jump 5% to \$320.53 million. Consequently, there is an operating loss of \$13.16 million. Net gain plunges to \$916,000.

Airline employment in 1995 stands at 4,079, a 5.6% drop over the previous year. All seven of the Tu-134s are now out of service and the last of seven Ty-154Ms, the final Soviet-made aircraft in the inventory, will go by fall. Another B-767-35DER is received; christened *Gdansk*, it will be employed to open several new international routes.

On January 17, under a code-sharing agreement with **Austrian Airlines, A.G.**, the company inaugurates daily ATR72-202 roundtrips between Krakow and Vienna. The service complements one provided by a **Tyrolean Airways, A.G.** Fokker 50 since the previous November.

Also in January, a block-space arrangement begins with **Deutsche Lufthansa, A.G.** on frequencies between Warsaw and Berlin. The German terminus is moved from Berlin's Schoenefeld Airport to the larger

Tegel Airport. ATR72-202s that LOT had previously operated to Schoenfeld are replaced by the German flag line's B-737s.

A block-space service begins in cooperation with **Swissair, A.G.** in March on a route from Krakow to Zurich. The daily roundtrips are also operated by **Crossair, Ltd. SAAB 2000s**.

On April 20, the Polish government announces plans to sell a 29% stake in the carrier by the end of next year. A cargo division is established in August to handle the carrier's freight in a more professional manner. All GSA and sales agreements for freight are revised, marketing research is undertaken, and a wide-ranging advertising campaign is undertaken to emphasize the new cargo service.

At year's end, it is noted that service on the Warsaw-Prague route has grown by 60% in the last 12 months.

Enplanements jump 16.2% to 1,839,376 and cargo climbs 19.4% to 67.7 million FTKs. *The Journal of Commerce* will report in its December 30, 1996 issue that LOT Cargo has carried 7,700 tons of goods from Poland during the year, while importing 9,100 tons.

Operating revenues also move ahead by 19.4%, rising to \$367.12 million. Even though they are up 21.1%, expenses total \$363.85 million, leaving a \$3.26-million operating gain and a \$2.48-million net profit.

The workforce is cut 1.2% in 1996 to 4,030 and the B-767-35DER *Warsaw* is leased to **Air New Zealand, Ltd.** The company, in conjunction with Air Tours Poland, releases a 26-page pamphlet in February designed to attract tourists to traditional and not-so-traditional destinations around the country.

In April 1, the company begins to code-share with **Air France** on 14 weekly frequencies from Warsaw to Paris, Lyon, and Nice and from Krakow to Paris. On May 31, the carrier launches low-cost "Flying Bus" fares for tourists wishing to visit Poland and surrounding countries through the end of August.

On July 26, a marketing and operations agreement is concluded with **DHL Worldwide Express**; at this point, the Polish line becomes general sales agent in the country for the Brussels-based cargo carrier. The next day, ATR72-202 service, 14 times per week, begins from Warsaw to Szczecin; passengers wishing to travel on to Kolobrzeg and Koszalin are now able to connect to that city via a new Ivecoturbo Minibus.

DHL Worldwide Express launches B-727F freight service on August 1 from Copenhagen to Katowice via Warsaw. At Prague on August 27, grand ceremonies are held to celebrate the fiftieth anniversary of LOT's Warsaw-Prague air service.

Under terms of the July 26 agreement, a B-727F painted in **DHL Worldwide Express** colors with LOT markings introduces roundtrip service from Brussels to Warsaw on September 8. The B-727F that had previously operated through Warsaw from Copenhagen to Katowice is sent to Berlin to fly from the German city to Katowice.

After two years in a holding pattern, the code-share agreement with **American Airlines** finally takes off on September 16. Six weekly flights are inaugurated from Miami to Warsaw via New York (JFK) while daily service is initiated from Los Angeles to Warsaw via Chicago (ORD). The U.S. carrier performs the domestic segments while LOT handles the international service with one of its B-767-35DERs.

Reworking the plans originally proposed for a joint-venture regional airline with **Linjeflyg, A.B.**, LOT establishes its own fully owned feeder subsidiary, **EuroLOT, S.A.**, at Warsaw in December. Also in December, the company spins off its fuel business into Petrolot, which it will jointly own (49%) with the Petrochemia Plock oil refinery (51%).

During the year, the company has flown over 650 charter flights that transport some 120,000 passengers. Meanwhile, no privatization advisor is yet appointed because the bidders have demanded excessive fees for their consulting services.

Passenger boardings surge 10.6% to 2,033,352, passing the 2 million mark for the first time; a total of 75.07 million freight FTKs are operated, an 18.9% increase. Overinvestments lead to a net loss of approximately \$13 million.

The number of employees inches up by 0.5% in 1997 to 4,050. A new code-sharing agreement with **Alitalia, S.p.A.** takes effect on March 30.

Daily, except Thursday and Sunday, LOT B-737-45Ds will fly roundtrip from Warsaw to Rome; the other two days will be serviced by the Italian major's MD-80s. At the same time, LOT begins dual-designator flights from Warsaw to Milan on Wednesdays, Fridays, and Saturdays (a second flight on Fridays stops in Krakow) while Alitalia MD-80s serve the same route each weekday.

LOT agrees to share its code with **Aeroflot Russian International Airlines (ARIA)** in an April 1 agreement on flights, beginning on May 1, from Warsaw to St. Petersburg. The joint cost and revenue-sharing plan with **Air France** is scrapped in April at LOT's request; it is replaced by a block-seat, code-sharing agreement. The first of five new Boeing jetliners to be delivered this year, a B-737-45D, arrives at Warsaw on April 30. Some \$225 million in financing for the new jetliners has been arranged by Chase Manhattan Bank and Polska Kasa Opieki, S.A.

With the mission of taking over the flag carrier's domestic and regional services, **EuroLOT, S.A.** is equipped during early spring with eight Aero International (Regional) ATR72-202s leased from its parent. On May 1, the block-seat agreement with **Air France** takes effect. The two are enabled to resell 30 seats on each other's flights on new joint routes from Krakow to Paris and from Warsaw to Lyon and Nice. The roundtrip Warsaw-Paris route is increased from 14 to 28 weekly services.

The sixth B-767-35DER is received during the month and "Flying Bus" fares are offered again, between May 31 and August 31. On June 12, the government announces its decision to proceed with the long-delayed privatization of the airline, confirming that it will continue to retain a 51% stake. A new tender for privatization will be opened soon; meanwhile, the supervision of LOT and this process will be transferred to the Ministry of Treasury from the Ministry of Transport and Maritime Economy.

On June 18, the B-737-45D received at the end of April is employed to return Pope John Paul II to Rome from Krakow following his fifth visit to his native country. Three more of the type are received by month's end. In a formal religious ceremony presided over by Archbishop Juliusz Paez at Poznan on June 29, the latest B-767-35DER is christened *Poznan*. The plane will service transatlantic routes.

On July 1, these ATRs launch 200 weekly roundtrip frequencies from Warsaw to 5 other Polish cities. Plans are made to provide it with additional turboprops in order that it might start regional flights to cities in Scandinavia, France, Germany, Austria, and the Baltic States.

Also on July 1, the pact with **American Airlines** is deepened as dual-designator service is expanded to 26 U.S.-Poland services from 3 AA gateways. On July 9, LOT begins to share its code on all American Airlines flights between Chicago and Miami and between New York (JFK) and Los Angeles. LOT had previously placed its "LO" designator code only on selected flights between those cities.

On July 20, it is decided to spin off the company's charter division into a separate company during the following year and to sell a minority stake in it to outside concerns. A team is ordered to examine the financial and legal aspects of such a move.

Since January, demand for tourist flights to the Mediterranean have increased by 50%, requiring the company to lease a pair of B-737-300s during the summer to provide required lift.

A new Polish government is elected in September and privatization planning is intensified.

LOT and **Continental Airlines** sign a pro rata accord at Warsaw on November 6, cutting fares on joint routes. The reduced fares will apply on LOT's services to Frankfurt, London, Manchester, and Paris, with onward connections by Continental to 130 destinations in the U.S. Also in early November, a new supervisory board is elected with Andrzej Majkowski as chairman.

Weekly roundtrip B-767-35DER service is inaugurated on December 6 from Krakow and Warsaw to New York and Chicago. After Wislawa Szymborska collects the Nobel Prize for Literature late in the month, she returns to Warsaw aboard a special LOT flight.

Customer bookings surge 15% to 2,338,000, while cargo increases 43.5% to 95.4 million FTKs. Still, due largely to the high installments

its pays for its leased Boeings, a ZI 137.5-million (\$33.92-million) loss is suffered.

In January 1998, a strategic alliance is entered into with **British Airways, Ltd. (2)**. Discussions begin on a possible equity investment in the Polish flag carrier by the British giant and planning is undertaken concerning the inauguration of code-sharing flights.

The code-sharing agreement with **American Airlines** is expanded on February 27. American places its "AA" code upon LOT's roundtrip B-767-35DER services from Warsaw to New York (JFK) and Chicago (ORD). LOT in turn is allowed to place its code on American connections to Boston and Washington, D.C. (IAD) via New York (JFK), to Seattle via Chicago (ORD), and to San Francisco and Dallas (DFW) via both New York (JFK) and Chicago (ORD).

The code-sharing agreement with **American Airlines** is further expanded on March 4; five new U.S. gateways are added to the program, including Cleveland, Denver, Phoenix, Syracuse, and Washington, D.C. (DCA). The Washington, D.C. and Syracuse flights connect through New York (JFK), while the others connect via Chicago (ORD).

On March 11, a dual-designator arrangement is entered into with the **British Airways, Ltd. (2)** partner **Finnair, O/Y**. Under its terms, flights from Warsaw to Helsinki will be served by Finnish aircraft seven times a week and six times a week by LOT. Dual-designator flights to points in the Baltic region are planned for the summer of 1999.

In May, flights are increased between Warsaw and Helsinki.

Beginning on May 10, a summer-long series of Sunday-over-Monday-back B-767-35DER roundtrips are offered between Toronto and Krakow.

Following delays in the formulation of foreign ownership laws, the government, in July, announces that the privatization of LOT will be postponed for a year. At the same time, the Warsaw-based consulting company Business Management & Finance, together with SH & E of the U.S. and Dresdener Kleinwort Benson & Commerzbank are appointed privatization advisors.

Dual-designator reciprocal service is launched on August 10 over the respective thrice-weekly LOT and **British Airways, Ltd. (2)** routes between Warsaw and Manchester, as well as on LOT's two weekly return services between Gdansk and London (LGW).

A marketing and code-sharing agreement is signed with **Lithuanian Airlines, A.B. (Lietuvos Avialinijos)** on September 4. When the pact takes effect on October 26, the two sell tickets on each other's route between Vilnius and Warsaw, which LOT flies in the morning and LAL in the evening.

The last of the weekend roundtrip tourist flights between Krakow and Toronto is operated on September 20.

Service is maintained apace during the remainder of the year. Passenger boardings jump 11% to 2.59 million, with robust growth reported in charter operations. Freight traffic declines 9% as 23,400 tons of goods are flown. Revenues accelerate 16% to \$535 million. After years in the red, the company shows a ZI 1.9-million (\$474,300) profit for the year.

LOT celebrates its seventieth anniversary on January 2, 1999. On January 27, LOT provides transport for an 11-day visit to New York, cosponsored by the Polish-American Travelers Club, of the famous Polish alpinist and explorer Andrzej Zawada.

On February 25, a \$200-million request is placed with Embraer for 12 EMB-145 ExpressJets; 6 orders are firm and 6 are options. The order is a first for the Brazilian manufacturer from an East European carrier.

During the second week of April, the treasury ministry reports that the first stage of LOT's privatization may be completed by the end of the year or early 2000. On April 20, Treasury Minister Emil Wasacz indicates that the government, on the advice of the economic council, has cleared the sell-off, which will commence with the sale of an initial 10% stake to a strategic investor. That partner will be required to raise the airline's capital by between 30 and 50% and will hold upwards of 38% shareholding by the end of the process. Up to 15% of LOT's shares will be given to its employees, while the state will retain 51% voting majority.

Pope John Paul II returns to Rome from Krakow on June 17 on the same B-737-45D that had brought him to Krakow 13 days earlier; the

pontiff is met at Ciampino Airport by Italian President Carlo Azeglio Ciampi.

A block-seat, code-sharing agreement is signed with **El Al Israel Airlines, Ltd.** on August 30. Under its terms, the two will sell seat groupings on each other's scheduled services between Warsaw and Krakow and Tel Aviv beginning in mid-September.

It is announced on November 19 that SAirGroup, parent of **Swissair, A.G.**, has outbid both **British Airways, Ltd. (2)** and **Deutsche Lufthansa, A.G.** to purchase a 10% stake in LOT by year's end. In making the award, Polish Treasury Minister Emil Wasacz indicates that the stake will be increased to 37.6% through a recapitalization of the airline.

Passenger boardings rise 4% to 2,603,000. Operating revenues increase 23.7% to \$639,493,000, while expenses rise 23.6% to \$638,624,000. The profits are \$869,000 (operating) and \$845,000 (net).

Airline employment at the beginning of 2000 stands at 4,156, a 1.4% increase over the previous 12 months. The B-737 fleet now includes 6 Dash-55Ds, 3 Dash-53Cs, 2 Dash-36Ns, and 7 Dash-45Ds.

The current weekday B-737 service from Warsaw to Brussels is doubled on March 27 through the addition of a second, morning, departure. Thrice-weekly roundtrips between Warsaw and Turin begin in May.

During the spring, the American unscheduled operator **Tradewinds Airlines** has unsuccessfully attempted to gain permission from the government of Poland for the initiation of charter services into Poland. Company officials appeal to the Department of Transportation, which exerts heavy pressure.

On June 1, the DOT warns the Warsaw government, as well as executives at LOT and **American Airlines** that it will unilaterally cancel the code-sharing pact between LOT and AA unless Tradewinds is granted access under the bilateral air agreement between the two countries.

On June 14, orders are placed for nine Embraer ERJ-145 Amazons. The aircraft are to be financed through Polish tax leases, the first such transactions in the country's history. A "Performance Improvement Package" is launched in mid-July; 100 projects are initiated, including enhancements to ground and in-flight services. It now also takes over business representation of the "Qualiflyer" group in Poland.

EuroLOT, S.A. is entirely reorganized into a purely low-cost service division of LOT on August 1, losing its autonomous status. As a result, all management functions, such as sales and ticketing, revenue management, route planning, and purchasing are transferred back to the parent airline. All aircraft are now wet-leased from LOT. The changeover is part of the "Performance Improvement Package."

Poland A.M. reports on October 6 that the company will soon triple its number of flights to 2,300 every week. It will also enlarge its fleet by 11 aircraft and will then fly 5 B-767s, 18 B-737s, 13 ATRs, and 13 ERJ-145s.

It is reported on October 7 that LOT will spend some \$218 million to bring itself up to full "Qualiflyer" group standard. Beginning at the end of the month and continuing over the next few years, the number of flights from an enhanced Warsaw hub will be boosted from 800 every week to 2,200.

The opening of the fall schedule on October 29 brings several increases in weekly roundtrip frequencies from Warsaw. Flights to Prague increase to 12, Milan to 16, Vienna to 11, Stockholm and Paris to 10, and Zagreb to 4. Daily nonstop ERJ-145 return flights are initiated from Poznan to Dusseldorf.

Daily B-737-300 roundtrip service is started on November 1 from Warsaw and London (LGW) to Hamburg. Also on November 1, new daily ERJ-145 return frequencies are initiated to Brussels from both Poznan and Gdansk. Operations at Warsaw are now divided into 6 daily connecting "waves."

All 3 B-737-500s previously operated by **AOM French Airlines, S.A.** are leased in November and enter service before Christmas.

Deputy Polish Treasury Minister Aldona Kamela-Sowinska reports on December 17 that the decision to continue with the privatization of LOT will be made after the treasury ministry has had a chance to study the airline's 2000 financial results.

On December 19, Frederick Sorensen, the EU Commission's aviation negotiator, meets with LOT and Polish government officials in Warsaw and is able to reach an agreement concerning full liberalization of air transport between Poland, the EU, and other EU candidate nations. The happy event will occur on November 1, 2004. Poland is granted a transition period, until January 1, 2004, to prepare its air transportation national carrier monopoly, LOT, for full market liberalization and the competitive requirements that will entail. It is anticipated that the Polish government will approve in January.

Customer bookings for the year accelerate 7.2% to 2.79 million. Revenues advance 41% to 373.6 million zloty, while gross profits accelerate to 49.7 million zloty (\$11.4 million). These figures represent a significant improvement in LOT's financial situation and will encourage the treasury to push for the second stage of the airline's privatization.

LOTUS AIR, S.A.E.: 81-AL-Obour Buildings, Building #5, Nasr City, Cairo, Egypt; Phone 20 (2) 392 3795; Fax 20 (2) 392 3799; <http://www.lotusair.com>; Code TAS; Year Founded 1997. Lotus Air is established at Cairo on December 17, 1997 to offer passenger charters between Egypt and Europe, especially Germany. Employing the marketing slogan, "The Spirit of Egypt," the company, under the leadership of Managing Director Ali Dashti, charters an Airbus Industrie A320-211 and an A320-212, the latter from ILFC.

Upon delivery of the new Dash-211, wearing Lotus and "The Spirit of Egypt" titles on April 22, 1998, the company is able to inaugurate revenue services on May 1. The second aircraft is subchartered to Sabre Airways, Ltd. of the U.K. through July.

Flights to European destinations continue without headline or incident during the remainder of the year and in 1999. During this period, two more A320s are chartered, one each Dash-212 and Dash-214.

Arrangements are completed with CIT Aero space on August 18, 2000, for the lease of an additional pair of A320-231s that will enter service in May 2003 and August 2004.

LOTUS INTERNATIONAL AIR, FZE: Sharjah Airport International Free Zone, P.O. Box 8006, Sharjah, United Arab Emirates; Phone (9716) 557-0560; Fax (9716) 557-0563; <http://www.lotusair.com>; Year Founded 1999. Lotus Air is established at Sharjah in 1999 to provide air cargo charters to points in Asia, Africa, and Europe. With the acquisition of an owned Antonov An-12 from Russia, the company is able to launch and continue its on-demand services.

LOUISIANA AIRCRAFT: 4225 Chuck Yeager Ave., East Baton Rouge Parish, Baton Rouge, Louisiana 70807, United States; Phone (504) 356-1401; Fax (504) 359-3919; Year Founded 1941. Originally established as the FBO at Baton Rouge Metropolitan Airport-Ryan Field in 1941, LA, over the next half-century, also operates a significant executive and small group passenger charter business. Customers are flown throughout the U.S. and into Mexico and the Caribbean, many in support of the energy industry.

By 2000, the concern employs 9 pilots and flies 1 British Aerospace BAe (HS) 125-800 Hawker, 1 IAI Westwind I, 1 Beech Super King Air 300, 2 Super King Air 200s, 1 King Air 90, and 3 Beech 58 Barons.

LOVE AIR, LTD.: United Kingdom (1991-2000). The scheduled airline operation of London Flight Center, **London City Airways, Ltd.** is renamed by its founder, Nigel Harris, in 1991. Operations are undertaken with 1 Embraer EMB-110 Bandeirante, 2 British Aerospace BAe (HS) 748-B2s, and 4 Piper PA-31-350 Navajo Chieftains.

Passenger boardings climb 31.4% to 14,720 while freight rises 103% to 28,000 FTKs. Revenues ascend 29.4% to \$2.4 million and produce an operating surplus of \$840,269. The net profit is \$72,146.

As a marketing stunt, a couple is married over international waters on St. Valentine's Day, February 14, 1992. The only operator to provide scheduled service from the ex-RAF airfield at Biggin Hill, Love Air's enplanements increase 36.4% to 2,495. Through November of 1993,

passenger boardings climb 0.2% to 2,421. They do better in 1994, swelling 42.3% to 3,446.

Traffic falls off dramatically in 1995. Through November, the latest reporting period, company officials note a 34.2% drop in enplanements, down to 2,268.

Airline employment stands at 64 in 1996 and the company's 5 aircraft transport a total of 1,011 passengers, a huge 55.7% drop. Orders are outstanding for two British Aerospace BAe Jetstream 32s.

The workforce is cut by 17.2% in 1997 to 53. Scheduled service is inaugurated from Biggin Hill to Caen, Le Touquet, and Rouen on September 14 under a code-sharing agreement with **Regional Airlines, S.A.** The first J-32 arrives in late fall. Passenger boardings increase to 4,741.

The second Jetstream 32 joins the fleet during the summer of 1998. Thrice-weekly roundtrips begin on August 31 from Biggin Hill to Deauville. Customer bookings during the 12 months fall to 1,000; 4,000 FTKs are also operated.

Airline employment stands at 18 in 1999 and the fleet includes 2 J-32s and 2 Navajo Chieftains. At the beginning of August, two more J-32s are acquired for use on the **Regional Airlines** code-sharing service.

In severe financial difficulty, the company, which had not been able to make a profit as either an air taxi operator or on scheduled flights on behalf of Nantes-based **Regional Airlines, S.A.**, ceases operations on April 30, 2000.

LTE INTERNATIONAL AIRWAYS, S.A.: Calle de Ter 27, Palma de Mallorca, Balearic Islands, 07009, Spain; Phone 34 (71) 475 700; Fax 34 (71) 478 886; <http://www.irinfo.es/aviacion/lte.html>; Code XO; Year Founded 1987. This Spanish charter carrier is organized at Palma de Mallorca on April 29, 1987 as an operating subsidiary of the German operator **LTU International Airlines, GmbH.**, which holds a 25% interest. Hans-Joachim Driessen is named president with Christian Leifheit as managing director. Two Boeing 757-2G5s are leased from the parent and are employed to inaugurate unscheduled and inclusive-tour flights on November 1 between the Spanish mainland and the Canary and Balearic Islands, in addition to Austria, Finland, Italy, Norway, Switzerland, and the Dominican Republic. A total of 90.8 million revenue passenger kilometers (RPKs) are flown in the next two months.

The workforce increases 42.5% in 1988 to 171 and enplanements during the first full year of service total 350,871.

The payroll is increased by another 60.2% in 1989 to 274 and a third leased B-757-2G5 is acquired in April.

Passenger boardings accelerate by 52.1% to 529,670.

Company employment rises another 10.2% in 1990 to 302 and the fleet comprises 1 leased B-757-225 from the LTU subsidiary **LTU-Sud International Airlines, GmbH.**, along with 3 B-757-2G5s.

The unsettled political situation leads to a 17.1% drop in customer bookings to 439,000.

Another chartered Dash-225 is acquired in 1991 as a new livery is introduced and as the result of reunification, the carrier increases its service into the newer and low volume airports. Enplanements reach 745,503.

Airline employment in 1992 stands at 373 and the chartered fleet now includes 1 B-757-236, 1 B-757-225, and 3 B-757-2G5s, the last 4 aircraft being leased from LTU. LTU assumes total shareholding on December 31.

Passenger boardings ascend 22.1% to 957,000.

President Driessen oversees a workforce of 300 in 1993, down 19.6% from the previous year. Increasing competition brings a traffic decline of 16.3% as only 800,800 passengers are flown.

Airline employment is slashed another 43.3% in 1994 to 170 and only 3 chartered B-757-2G5s are employed. This curtailment reflects a sharp decline in traffic as passenger boardings drop 39.1% to 487,900.

There is no change in the workforce in 1995. Enplanements rebound somewhat, climbing by 7.8% to 526,100.

Airline employment is increased by 11.8% in 1996 to 190 and the company's 3 aircraft transport a total of 639,100 passengers, a 21.5% increase.

Flights continue in 1997. Enplanements fall to 636,286.

The picture brightens somewhat in 1998. Passenger boardings climb 3.3% to 658,000. During the year, airline employment is increased by 5.3% to 200.

LTS (LUFT TAXI, mbH.): Flugplatz, Strausberg, D-15344, Germany; Phone 49 (3341) 312 276; Fax 49 (3341) 311 339; Year Founded 1992. As Germany is being reunited, this air taxi service is set up at Berlin's Schoenfeld Airport in 1992. Flights begin with a single Cessna 421.

LTS (LUFTTRANSPORT-SUED, A.G. & Co.): Germany (1984-1988). This charter carrier is formed at Munich in December 1983 by the owners of Lufttransport Unternehman GmbH./LTU International Airlines, GmbH. as a long-haul subsidiary. Following the delivery of the first of two Boeing 747-225s, LTS charter service begins in July 1984. With the arrival of the second Jumbojet, operations are expanded in 1985 along routes complementing those of LTU to the Canary Islands, North Africa, southern Europe, and the Mediterranean. Two B-757-225s also arrive. A total of 899.2 million RPKs are accomplished by the 225-employee carrier in 1986, an upward boost of 276.2%.

In 1987, RPKs swell 40.1% to 1.26 billion. In January 1988, the carrier is reformed and renamed **LTU Sued International Airlines, GmbH.** Its aircraft are repainted from a pleasing blue livery to that of the parent.

LTU INTERNATIONAL AIRLINES (LUFTTRANSPORT UNTERNELHMAN GmbH. & CO., KG): Halle 8, Flughafen, Dusseldorf, D-40474, Germany; Phone 49 (211) 941 80; Fax 49 (211) 941 871; http://www.ltu.de; http://www.ltu.com; Code LT; Year Founded 1955. Having purchased a Vickers Viking from **British European Airways Corporation (BEA)**, Englishmen Ronald Myhill and Bernard Dromgoole forms **Lufttransport Union, GmbH. (LTU)** on October 20, 1955. German restrictions on foreign investment force Myhill and Dromgoole to cease control in December. In 1956, its new owner/managing director, A. J. Ahrens, gives the inclusive tour and charter operator its present name, which translates as "Air Transport Enterprise."

Services are undertaken with Vickers Vikings from Frankfurt in January 1957 with an initial flight to Catania, Sicily, via Nice. Later in the year, Bristol 170s and de Havilland DH-104 Doves are acquired.

Expansion follows throughout the remainder of the year and into 1958 from Frankfurt and Cologne to holiday destinations in southern Europe, North Africa, and the Canary Islands destinations of Palma de Mallorca and Tenerife follow. The fleet is increased by the addition of Douglas DC-4s and Nord-Est Nord 262s.

Operations continue, largely without change, during 1959 and in 1960 the base is switched to Dusseldorf's Lohausen Airport. During the year, as preparations are made for the addition of new Dutch-made turbo-props, the Bristols, de Havillands, Nordes, and DC-4s are all withdrawn.

The first Fokker F.27-200s arrive in 1961 and the last Vickers Viking is withdrawn in 1963. Sud-Est SE-210 Caravelle IIIs join the carrier's fleet in 1965. LTU is the first European charter operate the French-made jetliner.

Retirement of the F.27 propeller equipment commences in 1967-1968 and during the latter year the Caravelle IIIs are replaced with Caravelle XRs.

On February 28, 1969, the carrier is the first airline to receive a Fokker Fellowship; it introduces the premier production model F.28-1000 into charter service on April 1 and receives its second F.28-1000 the following day. By year's end, LTU is an all-jet airline.

During the 1970s, operations to the Greek archipelago, the Balearic and Canary Islands intensify. The fleet in 1972 includes 5 Caravelle XRs and 4 F.28-4000s, which are insufficient in lift to accommodate this growth. To provide additional capacity, a new Lockheed L-1011 TriStar 1 is ordered in October.

The wide-body is delivered on May 29, 1973. At this time, an option is taken on another Lockheed wide-body for the spring of 1975. The arrival of these aircraft will allow the carrier to retire its F.28-4000s.

Operations continue apace in 1974 as the TriStar option is cancelled. A second, used L-1011 TriStar I is, however, acquired from **Eastern Air Lines** on November 8, 1975; it will be sold and repurchased five times over the next decade. The last Caravelle XR is withdrawn at year's end.

Three L-1011s that Lockheed has been unable to deliver to **Pacific Southwest Airlines (PSA)** are offered to LTU at the end of 1976.

In early 1977, plans are made to trade the company's two TriStars back to Lockheed for the newer PSA units; one is, however, retained. L-1-11 service to New York begins in April, followed by flights to Los Angeles in June. Meanwhile, between March and May, the two earlier TriStars are traded in to Lockheed on three new L-1011s that the manufacturer has been unable to deliver to **Pacific Southwest Airlines (PSA)**.

In 1978, Ahren's unscheduled operation flies 4 TriStar 1s and 3 Caravelle XRs. The route network is expanded during the year by the addition of new markets at Nassau and Curaçao. Another L-1011 is acquired in March 1979 followed by two more from **Eastern Air Lines** in the spring of 1980, along with two long-range L-1011 TriStar 500s, the first of which arrives from Lockheed in April.

As before, the major European services for the remainder of the decade of the 1980s are flown from gateways at Dusseldorf, Frankfurt, Munich, and Stuttgart to vacation destinations in Italy, Spain, Portugal, Greece, and Turkey. Transatlantic destinations reached from Frankfurt include New York, Chicago, Los Angeles, San Francisco, Seattle, Miami, and Tampa. Charters are also flown to North Africa, the Middle and Far East, and the Caribbean Islands.

The "regularly scheduled charter carrier" begins Dusseldorf-Frankfurt shuttle flights in 1981. An eighth L-1011 TriStar I arrives from **Eastern Air Lines** in December. The fleet in 1982 includes 6 L-1011 TriStar 1s and 2 L-1011-500s.

Passenger boardings reach 1.9 million while the 9th consecutive net profit, \$10 million, is reported.

Upon its formation in December 1983, an interest is taken in **LTS (Lufttransport Sud, GmbH.)**. Enplanements for the year total 2,281,282.

Airline employment grows 2.3% in 1984 to 949 and orders are placed for 5 Boeing 757-2G5s. Thursday flights are inaugurated to Munich late in the year from Los Angeles and San Francisco. Customer bookings accelerate only 0.9% to 2,302,000, while freight falls by 1.4% to 845,000 FTKs.

In 1985-1986, General Manager Hans-Joachim Driessen's fleet comprises 6 TriStar 1s and 2 TriStar 500s. A total of 6.96 million RPKs are flown during the latter year, a 19.6% improvement over the previous 12 months.

The first of five B-757-2G5s is delivered during the first quarter of 1987. In April, **LTE International Airways, S.A.**, a Spanish operating subsidiary, is formed and based at Palma de Mallorca; a 25% interest is taken and it will begin operations in November with leased equipment. RPKs improve by 9.4% to 7.6 billion.

The workforce is increased by 16.7% in 1988 to 1,611. The fleet now includes 6 TriStar 1s and 3 TriStar 500s, plus 5 B-757-2G5s. Orders are placed for 3 B-767-3G5ERs.

In January, **LTS (Lufttransport Sud, GmbH.)** is purchased outright; renamed **LTU Sud International Airways, GmbH.**, it operates joint services with its parent, as Hans-Joachim Driessen and Joachim Beickler, joint managing directors of LTU, assume the same posts with the subsidiary.

Passenger boardings this year jump 10.3% to 3,554,667 and revenues ascend 6.7% to \$550.6 million.

Company employment rises another 25.5% in 1989 to 1,858. Delivery is taken early in the year on two of the three ordered B-767-3G5ERs and orders are placed for four McDonnell Douglas MD-11s with which to replace the Lockheeds. The new Boeings enter service in April as a

third arrives. Also in April, a third L-1011 TriStar 500 is received, having been purchased from **United Airlines**.

The company, having joined the Amadeus reservations system, approaches the government seeking certification as a scheduled air carrier. In November, weekly service is inaugurated from Dusseldorf to Honolulu via Frankfurt and Anchorage.

Customer bookings surge ahead by 13.9% to 4,049,000 and cargo moves up 7.4% to 5.95 million FTKs.

The workforce is reduced in **1990** to 1,370 and the fleet now includes 7 B-757-2G5s, 3 B-767-3G5ERs, 6 TriStar 1s, 1 TriStar 200, and 3 TriStar 500s; orders are outstanding for 5 Airbus Industrie A330-322s and 4 McDonnell Douglas MD-11s.

In April and May, the company begins negotiations with the U.S. DOT for authority to operate charters to the U.S.

In late spring, the company discovers that its wide-bodies can earn significant income by hauling cargo in available spaces. A new cargo division is established at Dusseldorf under the direction of Ralph R. Auslander.

The company joins IATA on July 1 as four new scheduled routes are inaugurated to New York, Miami, Los Angeles, and San Francisco.

Passenger boardings jump 13.2% to 4,488,961 and revenues ascend 17.9% to \$736.7 million.

Airline employment for the sister carriers declines a joint 8% in **1991** to 2,000. While undergoing a maintenance check in the Dusseldorf hangar on June 28, the interior of an L-1011 TriStar I catches fire; although mechanics tow it outside, it is a total loss. A replacement TriStar is leased from **American Trans Air** for 11 days before another TriStar can be made available from **Eastern Air Lines**.

During the year, 58 destinations are served, including many in Spain, Turkey, and Greece, and new scheduled markets at Atlanta, Bangkok, Colombo, Acapulco, Male, Montego Bay, Abu Dhabi, Barcelona in Venezuela, Punta Cana, Puerto Plata, Porlamar, Santo Domingo, San Jose, Cancún, and Orlando.

The first MD-11 is delivered late in the year and on the evening of December 31, the new McDonnell Douglas transport circles 26,000 ft. over Germany and provides a live, televised 20-min. concert by the 10-piece Polish chamber orchestra Sinfonia Varsovia, conducted by Justus Frantz. At the conclusion of the publicity-gathering event, the trijet takes the players, plus 200 invited guests, on to Majorca.

Traffic statistics for the year as a whole are now also combined and show customer bookings for both carriers together sliding 4.1% to 4,305,570; cargo skyrockets 117.4% to 29.3 million FTKs.

A TriStar 1 is withdrawn in **1992** as two more MD-11s join the fleet. Complete control of **LTE International Airways, S.A.** is now assumed. New destinations now include Abu Dhabi, Durban, Goa, Hurghada, Kathmandu, and Langkawe. In July, the company agrees to buy 90% of the Thomas Cook Group, Ltd. from British Midland Bank for £200 million; the remaining 10% is taken by Dusseldorf-based Westdeutsche Landesbank (WestLB), Germany's third largest bank and also an LTU owner (34.3%).

The workforce for the sister carriers is increased by 3.1% to 2,401 and their overall passenger boardings recover, climbing 11.1% to 4,782,000. Freight, however, declines by 2.7% to 28.38 million FTKs.

Joint airline employment in **1993** stands at 2,432, up 1.3% from the previous year. The combined fleet includes 4 MD-11s and 4 B-767-3G5ERs and new markets are opened at Kilimanjaro, Santiago de Cuba, Varadero, and Windhoek.

LTU's 98 stations are now linked together by the Champ system of **Cargolux Airlines International, S.A.**

Customer bookings accelerate 8.2% to 5,176,132 while cargo swells 21.5% to 90.9 million FTKs.

The combined workforce of the two companies is slashed 3.8% in **1994** to 2,340. Flights are started in the summer to Los Angeles.

Passenger boardings swell 4.9% to 5,654,000 and combined revenues jump 7.4% to \$1.11 billion. The combined net profit is \$97.7 million.

There is no change in the workforces of the two carriers in **1995** as the three A330-322s finally enter service. The company celebrates its fortieth anniversary.

When the main runway is closed at Stuttgart Airport between July 31 and October 4, the company leases a British Aerospace BAe 146-200s from **Manx Airlines, Ltd. (2)** and employs it to maintain services from the cross-runway of the Baden-Württemberg Airport.

Enplanements for the linked companies rise 5.1% to 5,921,482, while revenues swell 13.1% to \$1.2 billion.

Employment at the two airlines grows 8.1% in **1996** to 3,122 and in May LTU begins to code-share with **Air New Zealand, Ltd.** on the Kiwi carrier's frequencies from Los Angeles to Frankfurt. Service to Phoenix begins in November.

On December 19, the former **Rheinland Air Service, GmbH.** becomes a commuter subsidiary and begins to operate domestic services on behalf of its parent under the name **RAS Fluggesellschaft, mbH.** The last of the Lockheed TriStars is withdrawn by year's end.

The company's 25 aircraft transport a total of 6,879,000, a growth-rate of 3.6%. Additionally, 20,000 tons of cargo are also flown. Revenues of \$2.2 billion are generated.

LTU reports in February **1997** that it is the first German airline to equip its entire fleet with traffic alert and collision avoidance system (TCAS) avionics. On March 7, the company resumes weekly MD-11 flights from New York to Dusseldorf and Munich.

The company's Florida operations are consolidated on May 1 when the company eliminates a Tampa stop on its service between Dusseldorf and Fort Myers. The carrier now offers eight weekly frequencies to four Sunshine State destinations: Miami, Orlando, Daytona Beach, and Fort Myers. On Wednesday afternoons, roundtrip services are flown between Miami and San Jose, Costa Rica. As of the May, the average age of LTU's fleet is 5.5 years.

On May 5, an MD-11 replaces the B-767-3G5ER on the route from Dusseldorf to Phoenix.

Following a report of losses, the company is restructured during July; it is suggested that a number of long-haul routes be suspended within six months, that the German internal feeder network be terminated, and the MD-11s retired.

On November 5, weekly B-767-3G5ER frequencies are inaugurated from Dusseldorf via Fort Myers to Puerto Vallarta, Mexico. Also in the fall, LTU, in a cost-cutting move, absorbs its separately operated subsidiary **LTU Sud International Airways, GmbH.**, hubbed in Munich.

In early December, **Swissair, A.G.** outbids **Gemini Air Cargo** and is able to purchase LTU's four MD-11s.

Saturday nonstop roundtrip B-767-3G5ER frequencies are initiated on December 20 from Dusseldorf to Denver. The service is timed to allow connections with LTU departures to or from Hamburg, Munich, and Berlin (Tempelhof Airport) for the benefit of German passengers who wish to enjoy Colorado's ski season.

Enplanements for the year total 7.2 million.

Having uncovered three "absolutely unacceptable" maintenance deficiencies as the result of required record checks during the amalgamation of **LTU Sud International Airways, GmbH.**, the carrier in January **1998** terminates three senior managers involved.

In order to gain German antitrust office approval for the merger of **Hapag-Lloyd Fluggesellschaft, mbH.** and Touristik Union International (TUI), WestLB, at the beginning of the year, is required to divest itself of its 34.2% interest in LTU. A search is started for another concern or concerns willing to take on LTU.

The Germany to Denver winter schedule ends on March 28. Replacement of the MD-11s begins with one B-767-3G5ER and two B-757-2G5s coming on as replacements. When the fleet change is completed, capacity will have been reduced by 11% and attendant savings affected.

After months of negotiation, WestLB completes arrangements during October for the sale of its LTU stake to SAirGroup, parent of **Swissair, A.G.**, in a phased transaction effective January 1.

In order to devote additional capacity to its operations in Florida, the carrier, having warned of its action nine months earlier, drops its weekly Dusseldorf to Phoenix service on October 27.

Passenger boardings for the year drop to 5,926,000; however, group income drops 2.6% to DM 3.9 million (\$2.3 million).

LTU Group in 1999 employs 5,305 workers, of whom 2,876 work directly for the airline, a 9.4% decline.

On January 1, WestLB and several private investors turn over a combined 49.9% of LTU Group to a newly formed SAirGroup subsidiary, LTU Holdings. In order that European civil aviation rules might be satisfied, German investors assume 39.9% of the shares in LTU Holdings, together with the remaining WestLB 10.2% stake. The remaining 50.1% of LTU will be purchased into LTU Holdings in a later phase.

LTU International is quickly restructured, with a significant housecleaning of personnel. Kunoi Holdings Switzerland, A.G. provides Peter Fankhauser as the new CEO of LTU Holdings, while veteran **Swissair, A.G.** executive Peter Haslebach becomes the airline's new managing director.

Plans are now announced by SAirGroup for the creation of a large European Leisure Group, which will include not only LTU International, but the **Swissair, A.G.** subsidiary **Balair/CTA**, **Sabena Belgian World Airlines, S.A.**'s subsidiary **Sobelair, S.A.**, **Crossair, Ltd.**, **Air Europe, S.p.A.**, and **Volare, S.p.A.** The new arrangement, under the direction of the project leader, Stefan Helsing, is designed to be part of an integrated network built around the already existing "Atlantic Excellence" and "QualiFlyer" alliances.

With the opening of the summer season at the end of March, LTU flies from 10 German airports to 62 destinations in 22 countries, including points as far afield as Cuba, South Africa, Kenya, and the U.S. A total of 60 weekly departures are made from the home base at Dusseldorf.

During the spring, slot-congested Dusseldorf Airport imposes an 11 p.m. curfew, although special dispensation is granted to LTU for landings until midnight.

Twice-weekly A330-322 roundtrips are initiated on November 8 from Germany to San Jose, Costa Rica, via Miami.

Enplanements total 7.4 million. Although revenues of DM 4 billion (\$2.05 billion) are generated, there is a DM 224-million (\$112,948,000) net loss.

Airline employment at the beginning of 2000 stands at 5,200, a huge 80.8% increase over the previous 12 months. Long-haul charters continue to be offered with a fleet which includes 1 owned and 5 leased A330-223s, 5 B-767-3G5ERs, 1 B-767-33A, 9 B-757-2G5s, and 1B-757-225.

With assistance from minority owner SAirGroup, LTU, beginning in April, moves to shore up its sagging distribution network, while also designing a fleet renewal program. Additionally, it is decided to spin off the carrier's noncore catering, ground handling, maintenance, and information activities to SAirGroup, the latter two as joint ventures. This move will reduce the LTU payroll by 800 names; another 700 positions through reductions in force are anticipated through natural attrition over the next 3 years. The previous year's poor financial showing also sees the departure of the carrier's chief financial officer and marketing director.

With the beginning of the summer schedule on March 26, LTU boosts its Dusseldorf to Los Angeles service from two weekly return flights to three.

A B-757-2G5 is chartered to **JMC Airlines, Ltd.** on April 16; it arrives in England on May 1 wearing full JMC Colors.

On May 10, a contract is signed to purchase six A320-200s as a first step to transforming its entire fleet to an Airbus fleet by 2003. Twelve more Airbus units, including seven A330-200s, will be formally requested in the months ahead. The commonality will reduce pilot training and maintenance costs significantly.

Also during May, the company enters into discussions with **Airtours International Airways, Ltd.** concerning a possible combination of tour operations. Although talks concerning the wet-lease of aircraft continue, the principal discussions are broken off by Airtours Managing Di-

rector Timothy Byrne on August 9. The UK operator is required to provide its full attention to stemming the losses being suffered by partner **Fti Fluggesellschaft, GmbH.**

SAGroup completes arrangements on August 21 for the sale of the company's parent, LTU Touristik, GmbH., to the Cologne-based tour operator Rewe Touristik, GmbH., effective January 1. The West LB bank will continue to hold its 10.1% minority stake in the airline, while SAirGroup will remain its largest and most dominant owner (49.9%). Together, Rewe Touristik and LTU Touristik will form Germany's second largest tourism group, with annual combined turnover of DM 14.7 billion.

On September 5, Fti Fluggesellschaft, GmbH., places a contract with LTU for the wet-lease of a pair of B-767-3G5ERs in April next as it switches away from **Britannia Airways Germany, GmbH.** The aircraft will transport Fti passengers to Cuba and the Dominican Republic.

A decline in visitors caused the company to announce, on September 21, that it will not fly to Jamaica after the end of March.

After SAGroup transfers control and part of the equity in parent LTU to Rewe Touristik, GmbH. in September, LTU is forced to review its core business activities with a view to returning to profitability. In mid-October, the regional subsidiary RAS Fluggesellschaft, mbH. is sold to Wings Factor, of Moenchengladbach, which destination is now added to that small carrier's Shorts 360-300 network.

Two Next Generation B-737-75Bs leased from **Germania Fluggesellschaft, GmbH.** are returned at the end of the summer season on October 28. In an effort to gain a saleable number of seats, the company also begins to return four leased A330-223s.

LTU and **Sabena Belgian World Airlines, S.A.** begin to operate joint services from Dusseldorf, Frankfurt, Munich, and Stuttgart to Brussels on December 1; Sabena provides the flight equipment.

The company experiences two emergency landings for the same flight number within hours on December 9. The B-757-2G5 departing Hamburg for Lanzarote with 95 passengers suffers a hydraulic failure and quickly returns to its point of origin, where the customers are shuffled on board a second B-757-2G5, which makes a second departure. Just into the flight, the second plane must shut down an engine for technical reasons and return to Hamburg. There the passengers are transferred to a third B-757-2G5, although five (perhaps believing a third takeoff may be bad luck) remain behind. Except for being many hours late, this time the flight to Lanzarote is completed without a hitch.

On December 11, the carrier leases one each A330-200 and A320-214 from CIT Aerospace for delivery in February and May, respectively.

LTU LUFTTRANSPORT, GmbH.: Germany (1970-1995). Hans-Joachim Peters founds this small executive charter operation at Munster-Osnabruck Airport in 1970. Operations continue with little fanfare over the next 24 years and in 1994 the company employs 8 workers and operates a fleet of 2 Beech Super King Air 200s and 1 Cessna Citation SS1. Flights cease in 1995.

LTU SUD INTERNATIONAL AIRWAYS, GmbH.: Germany (1988-1997). Having become a member of the Dusseldorf-based LTU Group, **LTS (Lufttransport Sud, A.G. & Co.)** is reformed and renamed in January 1988. Hans-Joachim Driessen and Joachim Beickler, joint managing directors of **LTU International Airlines, GmbH.**, assume the same posts with this subsidiary. Passenger charter and inclusive-tour flights are continued with 3 Boeing 757-2G5s, now given the red and white livery of the parent. Enplanements for the year total 424,100. Weekly roundtrip flights begin on November 1, 1989 from Dusseldorf and Frankfurt to Honolulu. Traffic statistics for the year are not released.

In 1990, the fleet comprises 9 Boeing 757-2G5s (3 of which are leased out to **LTE International Airways, S.A.**), 2 B-757-225s (1 of which is chartered to **LTE International Airways, S.A.**), and 3 B-767-3G5ERs. In January, the carrier introduces New York to Frankfurt, Dusseldorf, and Munich roundtrip fares of \$369, with fares from Miami of \$439; the offer expires on March 11. Destinations visited by the

803-employee company include Brasilia, the Canary Islands, Costa Rica, Kenya, the Caribbean, Malaysia, the Maldives, Mexico, Nepal, North Africa, South Africa, Sri Lanka, the Mediterranean holiday ports, Thailand, and the U.S. Passenger boardings skyrocket to 1,745,600.

Beginning in 1991 statistics for the two carriers are reported together and will be found under the entry for **LTU International Airlines**. The fleet is increased in 1992 by the addition of a B-767-33AER. In 1993, airline employment stands at 999 while combined figures are again shown in 1994-1995.

The fleet in 1996-1997 includes 11 B-757-2G5s, 4 B-767-3G5ERs, 2 B-757-225s, and a B-767-33AER. In the fall of the latter year, Dusseldorf-based **LTU International Airlines, GmbH**, in a cost-cutting move, absorbs its separately owned, Munich-hubbed subsidiary.

LUCAS AIGLE AZUR, S.A.: France (1977-1987). Lucas Aigle Azur is organized at Pontoise Cedex in 1977 to provide scheduled nonstop daily passenger services in the summertime between Deauville and London (LGW). The 20-employee company obtains a fleet comprising 1 Embraer EMB-110 Bandeirante, 2 Beech Super King Air 200s, 1 Beech King Air 100, 1 Beech B80 Queen Air, and 1 Piper PA-23 Aztec. Air taxi, air ambulance, and charter flights are also offered.

Managing Director Jean Denis' carrier continues operations over the next decade largely without change in purpose, routes, or equipment. In 1987, the company is renamed **Aigle Azur Transport Aeriens, S.A.**

THE LUDINGTON LINE. See **NEW YORK, PHILADELPHIA AND WASHINGTON AIRWAY**

LUFT HANSA. See **DEUTSCHE LUFT HANSA, A.G. (DLH)**

LUFTFAHRTGESELLSCHAFT WALTER, GmbH. (LGW): Flugplatz 11, Dortmund, Mordrhein-Westfalen, D-44319, Germany; Phone 49 (231) 21980; Fax 49 (231) 212 798; http://www.lgw-flug.de; Code HE; Year Founded 1992. Bernard Walter establishes this third-level commuter operation at Dortmund in 1992. A workforce of 25 is recruited and a fleet of 2 Dornier 228-200s, 2 Cessna 404 Titan IIs, and 1 Pilatus Britten-Norman PBN-2 Islander is assembled. Revenue flights are inaugurated and continue, linking the company's base with Hamburg, Erfurt, and Rostock.

Operations continue apace in 1993-2000. With the fleet enhanced with another pair of Dornier 228-200s, additional destinations visited include Berlin, Cologne, Dortmund, Dusseldorf, Hanover, and Koln/Bonn.

LUFTHANSA CARGO AIRLINES, A.G.: P.O. Box 1244, Langer Kornweg 34i, Keisterbach, D-6092, Germany; Phone 6107-777-700; Fax 6107-777-880; http://www.lufthansa-cargo.com; Code LH; Year Founded 1977. German Cargo Airlines, GmbH. is established as a charter subsidiary of **Deutsche Lufthansa, A.G.** on March 10, 1977. For most of the next two decades, it will operate freight on behalf of its parent, using its aircraft and reporting its traffic figures with those of DLH.

To cut costs, Chairman Jurgen Weber unveils a new program on November 27, 1994 that will eliminate 8,400 jobs, abolish unprofitable routes, and spin off air freight, catering, and some passenger services to independent subsidiaries called profit centers. This is the first time an airline has divided its passenger and cargo operations into separate entities; the practice will become common.

Lufthansa Cargo Airlines, A.G. stands alone as of January 1, 1995. Wilhelm Althen, a former DLH vice president who had served with GCA, is named chairman and oversees a workforce of 4,800. The fleet includes 2 Boeing 737-230Cs, 1 of which is leased from **Air Atlanta Icelandic H.F.**, 1 leased B-737-3S3F, 1 leased B-737-3S3F, 5 B-747-230Fs, 1 of which is chartered to **Atlas Air** in the U.S., 6 leased B-747-230BFs, 2 leased Douglas DC-8-73AFs, and 3 leased DC-8-73CFs.

The company operates a huge network. There are 15 destinations in Africa, 27 in Asia and the Pacific, 24 in Germany and the CIS, and sev-

eral in North America, including New York. A partnership arrangement, completed the previous year, is in place with **Aviatrans Airlines** and covers service via Moscow to 56 CIS locations.

To meet the escalating demands of exporters of textiles and agricultural products, the carrier inaugurates twice-weekly service to Tirana, Albania, in September. The pact with Aviatrans is renewed and enhanced in December.

During its first year as an independent, LCAG operates 6.23 billion FTKs, a 9.6% increase.

Airline employment in 1996 totals 4,883. Early in the year, a hub is established at Sharjah, UAE, to serve as a center for all-cargo flights to and from the Indian subcontinent.

At the end of April, the number of weekly all-cargo frequencies operated with **Singapore Airlines, Ltd.** from Singapore to Frankfurt via Sharjah is increased from twice weekly to four times a week.

Transatlantic services are significantly increased during the summer as the carrier operates 35 flights weekly to the U.S. and Canada. At the same time, the company invests 40% minority shareholding in and receives a management contract from the new **Hinduja Cargo Services, Ltd.** (also known as Lufthansa Cargo India). Headquartered at Delhi, the new carrier, 60% held by the nonresident London-based Hinduja Group, leases three B-727-243Fs with which to begin operations.

In September, **Hinduja Cargo Services, Ltd.** contracts with the American freight charter operator **Custom Air Transport** to provide flight services to Sharjah, UAE, from six cities on the subcontinent. A total of 1.03 billion tons of cargo are flown worldwide this year and revenues of \$1.88 million are generated.

The company's sixth Indian cargo market is opened by **Hinduja Cargo Services, Ltd.** at Hyderabad in 1997 when its B-727-243Fs, flown by **Custom Air Transport** crews, inaugurates services; the market joins the GCA destinations of New Delhi, Bombay, Madras, Bangalore, and Kathmandu. Flights are also made to Colombo, Sri Lanka.

An order is now placed for three McDonnell Douglas MD-11F freighters; it is the first new order for the MD-11 since **Singapore Airlines, Ltd.** had cancelled its request back in 1991.

It is reported in September that, for the first six months of the year, the carrier has posted a DM 33-million (\$18.7-million) profit as compared to a DM 44-million loss of the same period a year earlier.

In mid-October, the company inaugurates weekly service into Indonesia's new Hang Nadim Airport, which is located just 20 miles from Singapore.

When LCAG determines during the month that it no longer requires its 25.4% stake in **Cargolux International Airlines, S.A.**, that shareholding is sold by parent **Deutsche Lufthansa, A.G.** to **Swissair, A.G.**'s **Swisscargo**, which is owned by SAirGroup's SAirLogistics subsidiary.

In December, LCAG executives meet near Frankfurt with the cargo directors of the five airlines in the "Star Alliance" to coordinate plans for the creation of a global air-cargo system.

For the year, the company's 15 freighters operate 6.44 million FTKs, a 3.4% rise, and haul 1.05 billion tons of goods. Revenues ascend to \$2.15 billion.

At the beginning of 1998, LCAG is the 2nd largest airline in the world in terms of freight carried and the 24th in net profit. The fleet now includes 11 B-747-200Fs and 5 MD-11Fs.

In January, in a continuing effort to develop and expand joint products and cooperation, the carrier enters into a series of "business partnership plans" with selected air freight forwarders. These include Jet Speed (Pty.), Ltd. in Hong Kong, Hellmann International Forwarders, GmbH. in Germany, and the U.S. concerns Expeditors International and Air Express International.

A subcontract is entered into with **HeavyLift Cargo Airlines, Ltd.** in February. It is operated from Frankfurt to and from Athens and Istanbul by an Airbus Industrie A300B4-203F chartered from HeavyLift and flown under contract by **TransAer International Airways, Ltd.** At the end of February, the LCAG board approves the purchase of three additional MD-11Fs, with delivery scheduled for February 1999.

The company, on April 1, commences "td.Flash" and "td.X" express services in an effort to provide the same sort of time-definitive and traceable delivery of general packages and cargo as is offered by **Federal Express** and **UPS (United Parcel Service)**. The new product is introduced at 53 **Deutsche Lufthansa, A.G.** stations in Germany and Europe.

A ceremony at Frankfurt on July 1 marks the arrival of the first two MD-11Fs from Long Beach.

As the result of negotiations successfully completed during the summer for a joint weekly all-cargo service with **SAS (Scandinavian Airlines System)** and **Japan Air Lines Company, Ltd.** (2), an LCAG B-747-230F begins flying on behalf of the three between Frankfurt, Goteborg, and Osaka on September 21.

The carrier's North Asia headquarters are moved to Shanghai in October.

The company greatly expands its express product line during November. The time-definite services are available to 100 destinations.

On the year, cargo traffic ascends 2.2% to 6.69 billion FTKs. Financial data is released with that of the parent group. It is noted that, having handled 93,000 tons on 4,200 flights, Sharjah is now the carrier's second largest cargo hub behind Frankfurt.

In a joint service with **Air China International Corporation**, Lufthansa Cargo, on January 15, 1999, inaugurates weekly roundtrip all-cargo flights between Frankfurt and Shanghai employing one of its MD-11Fs. These direct freight flights are upgraded to twice weekly in March.

Also during the first quarter, the company announces that it will temporarily suspend services into Dallas (DFW) from March 26 through October 29 in order to implement growth elsewhere and allow freighter rotation.

Frequencies on the joint service between Frankfurt, Goteborg, and Osaka are increased to three per week during April.

Also at the beginning of the second quarter, the company's express product line is boosted. Not only are 63 destinations added to the schedule just for these time-definite services, but a new tailor-made and integrated package, Service Package, is also introduced.

In something of a surprise move, LCAG resumes MD-11F flights to Dallas (DFW) on May 31, five months earlier than it had anticipated. Large quantities of high-tech equipment, computers, petroleum and chemical machinery, live animals, and perishables are flown from the Texas airport, thrice weekly to Mexico City and four times a week to Frankfurt. A high volume of auto-related parts and perishables come in from Mexico.

It is announced on September 1 that, effective November 1, weekly frequencies between Frankfurt and Kuala Lumpur, Malaysia, will be increased from one to three.

During September, a 29% stake is taken in a joint venture with Pudong International Airport (51%) and Jim Hai Jet Air (20%) to operate a large new cargo terminal at this Shanghai airport.

The cargo division of **KLM (Royal Dutch Airlines, N.V.)** informs **HeavyLift Cargo Airlines, Ltd.** on October 6 that it will not, in light of the forthcoming merger by the Dutch carrier with **Alitalia, S.p.A.**, be renewing its contract for the lease of two British A300 freighters. In response, HeavyLift now turns around and leases one to Lufthansa Cargo. Also in October, Pudong International Airport at Shanghai opens a new cargo terminal that it jointly operates with Lufthansa Cargo.

Cargo traffic jumps 5.6% to 7.07 billion FTKs.

The workforce at the beginning of 2000 totals 4,883. Among the world's top 25 airlines, Lufthansa Cargo is 2nd in FTKs.

It is reported in March that DHL Airways will soon be taken over by the combined forces of Deutsche Post and **Deutsche Lufthansa, A.G.** Each has a 25% + 1 share stake in the company and its European counterpart, DHL International. Although smaller than either **Federal Express (FedEx)** or **United Parcel Service (UPS)**, **DHL Worldwide Express** (parent of both DHL-A and DHL-I) leads both in cross-border mail and express deliveries (38% against 20% for the former and 15%

for the latter). It has also made purchases in trucking, logistics, and air freight that rivals both of the American giants.

The story is part of a general revelation in the aviation media that Deutsche Post and Deutsche Lufthansa Group are reviewing several schemes for a joint-venture (code-named PELIKAN) merging of their logistic activities. PELIKAN would see the joining of DHL Worldwide with Lufthansa Cargo with Deutsche Post-owned Air Express International.

At this point, **United Parcel Service (UPS)** demands that the EU Commission require Deutsche Post to split up its commercial and public service activities. UPS had originally petitioned the EUC in 1994 alleging unfair competition in the parcel post sector; now it emerges that Deutsche Post has invested almost \$5 billion in the years since to build up its parcel post activities, while recently engaging in alliance discussions with both DHL and **Deutsche Lufthansa, A.G.** It is anticipated that the Commission will respond by April, but it will not open its formal investigation until August.

On April 16, the company reaches an agreement with **Philippine Airlines** under which the latter will sell space aboard the German line's Manila to Frankfurt cargo flights.

It is revealed on April 20 that Lufthansa Cargo is terminating its arrangement with **Hinduja Cargo Services, Ltd.**, which has been feeding the German major's Frankfurt-bound MD-11Fs at Sharjah for flights to India. With increased demand, Lufthansa Cargo is now operating its Frankfurt service nonstop.

It is announced on April 27 that the carrier is joining with **SAS (Scandinavian Airlines System)** and **Singapore Airlines, Ltd.** to create an air freight joint venture to be known as New Global Cargo. The new entity will integrate the cargo networks of the three founders; based at Frankfurt, it will eventually have 60 long-range freighters and operate to 500 destinations in 35 nations.

During May, Lufthansa Cargo moves closer to several air freight forwarders in May when it enters into an alliance with Deutsche Post, owner of Danzas and AEI.

A commercial and operational alliance is formed between Lufthansa Cargo and the cargo division of **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** on May 31. When the partnership takes effect on November 2, the German line will be able to instantly boost its business in Brazil, while the Brazilian carrier will be able to increase sales by 40% without any new aircraft. Frequencies between Brazil and Germany will grow from five to nine weekly flights, with incoming cargo connections made via VARIG for Bogota, Buenos Aires, and Montevideo.

In early July, Jean-Peter Jansen becomes chairman of the carrier's executive board.

On August 20 and 21, two B-747-230F depart Frankfurt with 91 horses that are being transported 20,000 km. to Sydney for the Olympic Games via Dubai and Singapore. Another B-747-230F transports 52 horses from the U.K. Olympic Equestrian Team in Australia on August 23, followed by another B-747-230F, from Frankfurt, transporting 45 more four-legged contestants, including all 17 from Germany's 3 Olympic equestrian teams.

On August 22, *Flight International*, in its annual commercial airline survey, reports that Lufthansa Cargo is the second largest cargo airline in the world after **Federal Express (FedEx)**.

The horses transported to Australia in late August are all returned to Europe on special October 2-6 charters.

On November 2, Lufthansa Cargo and **DHL Worldwide Express** jointly announce the introduction of their first cooperation in Russia and the CIS, a daily return cargo service from Moscow to Cologne. As a result of the new route, DHL will be able to significantly reduce its delivery times, allowing 90% of deliveries to and from Moscow to be delivered the next day, with times to 30 cities in Russia and the CIS via Moscow to be reduced as well.

Deutsche Post, A.G. completes an initial public offering on November 20 and moves to acquire a controlling 70% stake in **DHL**

Worldwide Express. It also begins the process of forming a closer alliance with Lufthansa Cargo.

Later in the month, Lufthansa Cargo takes over the management of all cargo activities for **Spanair, S.A.**, including its three international freight flights.

In December, new Chairman Jean-Pierre Jansen and his second in command, Andreas Otto, reform the company. Effective January 1, it will have three major divisions: Global Freighter Operations (flight operations), Global Cargo Handling Services (ground handling), and Global Cargo Net (e-commerce). Also, as the year ends, it is announced that the carrier will, in January and February, take delivery of the last two MD-11Fs purpose-built at Long Beach and employ them to launch a new thrice-weekly service to Melbourne via Auckland.

A total of 1,801,817 tons of cargo and mail are delivered during the year, a 3.2% increase over 1999.

At a Long Beach, California, ceremony attended by almost 1,000 people on March 1, 2001, Lufthansa Cargo will accept delivery of the 200th MD-11, the last aircraft to be built under the McDonnell Douglas—or Douglas—name. The event will occur 80 years almost to the day after Donald Douglas flew his first plane.

LUFTHANSA CARGO INDIA. See **HINDUJA CARGO SERVICES, LTD.**

LUFTHANSA CITYLINE, GmbH: Am Holzweg 26, Kriftel, D-65830, Germany; Phone 49 (61) 92 407-0; Fax 49 (61) 92 407 466; <http://www.lhcityline.com>; Code CL; Year Founded 1992. **DLT (Deutsche Luftverkehrs, GmbH.)** is renamed Lufthansa CityLine, GmbH. in March 1992 and becomes responsible for the parent's nonstop European regional services. **Deutsche Lufthansa, A.G.** will provide a number of support services, but under terms of the contract between the two carriers, it will also receive all of Lufthansa CityLine, GmbH.'s after-tax profits (if any).

Helmut Horn and Gerhard Schmidt are appointed joint managing directors. Airline employment is increased by 46.1% to 865. The initial fleet comprises 6 Avions de Transport Regional ATR42-320s leased from **Cimber Air, A.S.**, 23 Fokker 50s (11 of which are leased), and 3 British Aerospace BAe (HS) 748-B2s, which are soon placed out of service.

During September, it is announced that the company's German domestic and feeder services have been reduced to 15% of total operations as the result of high airport fees and low fares. A plan is announced to cooperate with ICE, the rail service that is its chief competitor.

In November, the carrier, European launch customer for the Canadair CRJ-100ER Regional Jet, places the first 2 of the 13 units of the new aircraft requested into service. No longer considering itself a regional operator, the company orders the word "regional" removed from these new jetliners and chooses not to renew its membership in the European Regional Association (ERA).

At this point, a new, modified **Deutsche Lufthansa, A.G.** livery, including the famous "crane on the tail," is also applied to all of the line's aircraft. The company's 1,500-sq.-m. flight training center for the RJ is opened in December at Berlin's Schoenefeld Airport. It is operated by the new CityLine Simulator and Training, GmbH. subsidiary. Passenger boardings this year ascend 18.8% to 1,391,843.

On January 1, 1993, **Deutsche Lufthansa, A.G.** takes the company over as a wholly owned subsidiary and establishes for it an additional new base at Cologne. Airline employment stands at 865 and the leased fleet of new Managing Director Karl Friedrich Rausch includes Cimber's 6 ATR42-330s, 2 CRJ-100ERs, and 27 Fokker 50s.

While landing at Bremen on January 6 after a service from Paris, Flight 5634, a DHC-8-301 with 4 crew and 19 passengers, must choose an alternative runway after a **Korean Air Lines/Korean Air (KAL)** B-747 suffers a burst tire upon landing. As it does so, the DHC descends

rapidly and flies into the ground 1,800 m. short of the runway (four dead).

As more CRJs arrive, they join the first two on the city-pair routes of Cologne–Stockholm, Cologne–Barcelona, Cologne–Madrid, Cologne–Rome, Berlin (Tempelhof Airport)–Stockholm, and Stuttgart–Stockholm.

The new units also initiate services in March from Hamburg to Stockholm, Milan, Manchester, and Warsaw as well as from Hanover to Barcelona, Munich to Oslo, and Frankfurt to Lugano. By summer, the carrier has been folded into the DLH domestic subsidiary Lufthansa Express, GmbH. and assumes responsibility for all of its parent's 100-seater nonstop European flights, serving 60 cities in 20 countries, including new markets at Riga, Bucharest, Sofia, and Vilnius.

The fleet in 1994 includes 5 **Cimber Air, A.S.** ATR42-320s, 13 Canadair CRJ-100ER Regional Jets, and 25 Fokker 50s. Two more CRJ-100ERs arrive in May and June. Also, on June 16, a \$75-million order is placed for three Avro (BAe) RJ85s, plus three options. Also requested are eight more Canadair CRJ-100ER Regional Jets.

Registered D-AVRO, the first RJ85 is delivered on October 17. In his acceptance speech, Managing Director Rausch notes that the new aircraft will be employed to offer city-class, single-class service under a new program known as CityLine Europe, which will hub at Munich. The Canadairs and Fokkers will join the program as soon as new leather seating can be fitted. The service will also feature different menus every week graded by flight stage length: 90 minutes, 90–130 minutes, and over 130 minutes.

The next two RJ85s arrive on November 18 and December 12, respectively, and also enter CityLine Europe service.

Enplanements this year reach 2,198,325.

Airline employment grows 14.6% in 1995 to 1,321 as the fleet replacement program also picks up speed. In January, the company's requests for Avro aircraft is increased by seven in a \$175-million follow-on order. Eight more Canadairs, valued at \$146 million, are also requested. The Fokker 50 contingent declines to 13 after 10 CRJ-100ERs begin to enter service after April. In addition, three more Avro RJ85s arrive by May, a seventh in June, and three more during the fall. In addition, four **Cimber Air, A.S.** ATR42-320s remain in operation.

Meanwhile, early in the year, CityLine Europe flights from Munich commence to Amsterdam, Copenhagen, Leipzig, Milan, Minsk, Rome, Sofia, and Vienna. Flights to Oslo, Budapest, and Florence are also inaugurated.

Passenger boardings jump 15.8% to 2,610,837.

The workforce is increased by 12.3% in 1996 to 1,484 as the fleet replacement program approaches its end. The addition of 8 Canadair Regional Jets increases the number of that type in the fleet to 29; meanwhile, 5 Avro RJ85s arrive, bringing representation of that type to 17. The last three Fokker 50s are turned over to Avro as partial payment; the manufacturer passes them on to a leasing concern.

In April, the joint-venture CityLine Avro Simulator and Training facility opens at Berlin's Schoenefeld Airport. Work begins on a DM 18-million (\$10-million) headquarters, office, and warehouse complex at Bonn's Konrad Adenauer Airport, which is scheduled to open in late 1998. The facility will become known as "the airplane," because its ground plan is designed roughly along the lines of a Canadair jetliner.

An agreement with the pilots' union, also in April, allows the carrier to remove the CityLine Europe titles previously painted on the new RJ85s and replace them with Lufthansa titles.

A route is started from Bremen to London (LCY). Primarily to serve the needs of Siemens, which is building a new factory in the Wallsend region of Great Britain and needs transport for its employees, Lufthansa CityLine, GmbH., on July 15 launches twice-weekly CRJ roundtrip flights from Munich to Newcastle via Birmingham.

It is announced in November that the company's Kriftal operation will be integrated at Cologne in 1998. In December, a \$70 million follow-on order is placed for three more Canadair CRJ-100ERs, plus three options.

Customer bookings this year increase 17.5% to 3,067,780.

The employee population is reduced by 3.6% in 1997 to 1,430.

The carrier's unions, in January, agree to a new labor contract with the carrier. In exchange for a new pension plan, the 1,530 employees waive wage increases in favor of profit sharing.

In February, the last Fokker 50s and the **Cimber Air, A.S.** ATRs are retired as the carrier accepts one more Canadair and two RJ85s. The Fokkers are passed to affiliate **Contactair Flugdienst, GmbH. & Co.**

Also in February, CityLine becomes the first European airline to receive certification for the Flight Dynamics head-up guidance system, HGS-2000. The company equips its 28 Canadairs with the system and on March 1 is permitted by the government aviation ministry to become the first German regional authorized to make manual Category 3A instrument landings.

The need for transport for Siemens employees now having ended, the twice-weekly flights into Newcastle cease on March 26.

On April 1, European skies are totally deregulated. On this date, the company takes over the Friedrichshafen to Dusseldorf route from which **Regional Airlines, S.A.** had elected to retire following its purchase of the turboprop routes of **Deutsche BA Luftfahrtgesellschaft, GmbH.**

Also on April 1, the company joins with Bombardier Business Aircraft, Ltd. to form European Business Jet Services at Schoenefeld Airport in Berlin. When it begins flying in the fall, EBJS will offer charter services to those European destinations with no scheduled air service.

The 200th CRJ-100ER built is delivered to the carrier on October 24; it is the carrier's 30th Canadair. Three days later, thrice-daily weekday Avro RJ85 service is inaugurated between Frankfurt and London (LCY).

Passenger boardings accelerate 25.4% to 3,841,000. The figure represents more than a third of all Lufthansa intra-European flights. Revenues total DM 1.37 billion, with profit up 67% to DM 10.9 million.

In early 1998 the fleet of the joint managing directors, Karl-Heinz Koepfle and Georg Steinbacher, includes 32 CRJ-100ERs and 18 Avro RJ85s.

In May, the carrier joins with **Crossair, Ltd.** to become joint European launch customer for the Fairchild Dornier 724JET. On September 17, an order is placed for 10 Bombardier Aerospace CRJ Series 700 regional jets, with options taken on 10 more. Simultaneously, a follow-on order is placed for 10 additional CRJ-100s, for delivery beginning in the first quarter of the year 2000.

Beginning in August, all of the company's Avro RJ85s are sent, one after another, to Avrotec in the U.K., where they are upgraded to the latest production standard.

The company occupies its new DM 18-million (\$10-million) headquarters, office, and warehouse complex at Bonn's Konrad Adenauer Airport during the last week in October; simultaneously, the 32nd CRJ-100ER is also received.

A \$22-million contract is signed with **Debonair, Ltd.** on November 1. Under its terms, the British airline will operate short-haul replacement services from Munich, committing five of its BAe 146-200/300s to the operation beginning in March.

As the year ends, the carrier operates to 76 destinations in 27 countries. It also carries a third of Lufthansa's European passenger traffic.

Passenger boardings ascend 14.9% to 4.39 million.

The carrier's 50th CRJ-100ER is received in January 1999 and is christened *Little Europe*. As part of its color scheme, the jetliner wears depictions of landmarks at its strongest European markets on both sides of its all-white fuselage. On the right side are renderings of Cologne Cathedral, Brussels' Atomium, London's Big Ben, the Colosseum from Rome, and the Eiffel Tower from Paris. Copenhagen's Little Mermaid, the Leaning Tower of Pisa, Berlin's Brandenburg Gate, onion domes of Eastern European churches, and the Prater in Vienna all appear on the left side.

The 51st Canadair CRJ100ER is received on March 22 and the same day enters service on the company's route from Cologne/Bonn to Barcelona. The carrier's Canadair fleet now links 51 cities in 19 European countries.

As scheduled, **Debonair, Ltd.** begins operating five BAe 146-200s from Munich on behalf of Cityline on March 28. Twice-daily "Team Lufthansa" flights are offered by four aircraft to Birmingham, Helsinki, Manchester, and Toulouse. The fifth, which had previously operated "Air France Express" service, flies one roundtrip every weekday to both Brussels and Marseilles, followed by weekend flights to Amsterdam, Marseilles, Vienna, Milan (twice), and Manchester.

Also on March 28, **Flightline, Ltd.** becomes the second British "Team Lufthansa" carrier and the seventh overall. Employing a BAe 146-200 that it had previously leased to **Aer Lingus Commuter (Aerlinite Eireann Tioranta, Ltd.)** and has now painted in the colors of the Lufthansa organization, Flightline offers daily roundtrips from Dusseldorf to Birmingham, Budapest, Helsinki, and Nice.

In need of short-term extra capacity, **Debonair, Ltd.** wet-leases a BAe 146-100 from Lufthansa CityLine. The German aircraft will be operated over the British line's routes from Moenchengladbach to London (CTN) and Barcelona through May 6.

Also on March 28, daily (except Saturday) CRJ100ER roundtrips begin from Cologne/Bonn to Geneva; at the same time, the same number of CRJ100ER return flights are started between Hanover and Vienna.

On behalf of Lufthansa CityLine, GmbH., **Deutsche Lufthansa, A.G.** places a \$1.6-billion firm order on April 29 for 60 Fairchild Aerospace 728JETS, along with 60 options, with deliveries scheduled to begin in 2002. Fairchild Aerospace Chairman/CEO Carl Albert joins with DLH Chairman/CEO Jurgen Weber in announcing that the planes for the launch customer will be assembled at the manufacturer's facilities in Oberpfaffenhofen.

During late April and early May, a number of new Canadair charter routes are opened on behalf of various tour operators. Among these is a service from Frankfurt to Patras/Araxos in Greece on April 10 and to Palermo and Catania on April 17, from Hanover and Cologne/Bonn to Shannon on May 1, and from Dusseldorf to Santiago de Compostela in northern Spain on May 9.

Upon the September 30 collapse of **Debonair Airways, Ltd.**, CityLine suspends the "Team Lufthansa" service the U.K. airline had been providing. The following week, however, it makes temporary arrangements to resume flights, handing a replacement "Team Lufthansa" contract to **British Midland Commuter, Ltd.** Plans are made for BMC to take over the five BAe-146s leased by Debonair, hire required personnel, and continue the flights from Munich. Unhappily, the relaunch is delayed by difficulties in transferring the 146 leases and a November service resumption will be pushed into the new year.

Beginning on October 16 and continuing through next April 29, Saturday CRJ100ER roundtrip charters are operated from Hamburg to the Spanish Balearic island of Ibiza. Beginning on December 26 and continuing through March 26, weekly CRJ100ER return flight charters are operated from Berlin (Tegel) to Ostersund, in central Sweden.

Overall, CityLine passenger boardings jump 11.3% on the year to 4,895,000.

Airline employment at the beginning of 2000 stands at 1,726, a 7.9% increase over the previous 12 months. The fleet now includes 39 Canadair CRJ100ERs and 18 Avro RJ85s.

The delayed inauguration of "Team Lufthansa" service by **British Midland Commuter, Ltd.** from Munich begins on February 7, employing a single leased BAe 146-200.

By March, one each chartered ERJ-145, B-737-59D, BAe 146-200, and Airbus A321-231 have been stationed at Munich to fly the CityLine subservice previously operated by **Debonair Airways, Ltd.**

The first Lufthansa Cityline Canadair CRJ200ER and the 40th Canadair regional jet received enters service on March 16. With the beginning of the summer schedule on April 1, weekly CRJ100ER return flights are launched from Hanover to Venice. Six times a week Canadair roundtrips are introduced between Hanover and Geneva on April 3.

On April 17, the B-737-59D and ERJ-145 are returned by **British Midland Commuter, Ltd.** to **British Midland Airways, Ltd.** and

replaced with two more BAe 146-200s. BMC joins "Team Lufthansa" in May and its BAes are repainted.

Business Class service is added to the one-class City Class product on July 1, differentiating a somewhat higher standard of service provided to executives on a number of its flights.

Orders are placed by CityLine on September 22 for 10 more CRJ700s, bringing the total number of company orders for the enlarged regional jet to 20.

The twice-daily CRJ roundtrips from Munich to Nice and Toulouse are increased to thrice daily on October 29. The new frequency is provided with an Avro RJ85. In keeping with the policy of parent **Deutsche Lufthansa, A.G.** to develop Munich as a second and southern hub, CityLine now raises by 40% the number of its nonstop connections from the Bavarian capital to 421 weekly flights to 35 European destinations. Daily CRJ roundtrips are started to Belgrade.

For the first time in the space of a year, CityLine, on November 9, boards its five millionth passenger. The unknown customer count reaches the new record peak on the day's Flight 5897 from Brussels to Munich.

The first full Phase III CRJ700 simulator in Europe completes installation at Berlin (Schoenefeld Airport) on December 18. Jointly financed by Bombardier Aerospace, CityLine, and simulator manufacturer, the center was opened in 1991; the CRJ700 simulator will be turned on in March.

Overall enplanements for the year jump 17.3% to 5.7 million.

LUFTHANSA EXPRESS, GmbH. *See* **DEUTSCHE LUFTHANSA, A.G.**

LUFTHANSA GERMAN AIRLINES, A.G. *See* **DEUTSCHE LUFTHANSA, A.G.**

LUFTSCHIFFBAU ZEPPELIN, GmbH. *See* **DEUTSCHER ZEPPELIN-REEDEREI, A.G.**

LUFTTRANSPORT, A.S.: P.O. Box 2500, Tromsø, N-9002, Norway; Phone 47 7767 0022; Fax 47 7767 2975; Code L5; Year Founded 1983. This rotary-wing carrier is established at Tromsø in 1983 to provide unscheduled shuttle service to oil fields off the north coast employing four Aerospatiale AS-332L Super Pumas. Among the sites served from a field at Andenes is a gas-drilling rig in the Tromsø Field of Elf Aquitaine Norge, A.S. Another contract is held with Norsk Hydro A.S. and the state oil company Statoil for service from Andenes to two rigs in the Tromsø field.

Early in 1984, the company accepts a contract from Saga Petroleum, A.S. to fly Bell JetRangers on its behalf in Benin, Africa. Mobil Exploration Norway, Inc. now grants the charter operator a contract to fly Super Pumas from Bergen's Flesland Airport to the Statfjord field eight times per week. The contract ends the near-monopoly on offshore support held by competitor **Helikopter Service, A.S. (HS)**.

Operations continue apace over the next five years, during which time HS acquires shareholding. By 1987, HS has acquired ownership, and Lufttransport becomes a subsidiary (later a division) of the giant rotary-winged concern.

When HS is reorganized during the summer of 1989, onshore operations are made Lufttransport's responsibility.

There is little change in company operations during the early years of the 1990s. Passenger and cargo charters, VIP and executive transport, construction, external load, survey, and air-sea rescue flights continue to be provided, as well as coast guard work.

When HS is awarded a five-year emergency medical services (EMS) contract in May 1993, responsibility for operations on the new aeromedical routes is divided between Lufttransport and **A/S Morefly** from bases at Tromsø, Bronnoysund, and Vigra. Both companies are assigned purely domestic onshore responsibilities during the remainder of the year.

In 1994, Managing Director Gunnar Bjoersvik's carrier operates from bases at Voss, Bronnoysund, and Longyearbyen, Spitsbergen. The fleet includes 7 Eurocopter AS-350B Ecureuilss and 2 each SA-315s, SA-365Ns, Bell 212s, and Bell 205As, plus 5 Bell 214Bs.

Flights continue in 1995-1996. During these years, two AS-350Bs and two Bell 214Bs are withdrawn. On April 22, 1997, the company obtains a 5-year, Nkr 200-million air ambulance contract from the Norwegian Social Security Department.

By 1998, Managing Director Bjoersvik oversees a 160-person workforce and enjoys annual revenues of \$30 million. His rotary-wing fleet includes 5 Aerospatiale AS-350 Ecureuils, 2 SA-315 Lamas, 2 Bell 212s, 3 Bell 214Bs, and 2 Bell 212s. Additionally, the fixed-wing aircraft include 10 Beech Super King Air 200s, 1 Partenavia Spartacus, and 1 Dornier Do 228-200.

Lufttransport, on June 9, signs a sale and lease-back agreement for seven Beech Super King Air 200s, which it will fly in support of the Norwegian ambulance service. The deal is valued at Nkr 20 million.

During the summer of 1999, the company's **Helikopter Service, A.S.** parent is taken over by its North American rival, **Canadian Helicopter Corporation, Ltd. (CHC)**.

CHC undertakes a program of rationalization during the first half of 2000, selling off a number of noncore operations. Among these is Lufttransport, A.S., which is passed to **Norwegian Air Shuttle, A.S.** on July 14 in consideration of a sum of Nkr85 million (C\$14.3 million).

LUFTTRANSPORT SUD, GmbH. *See* **LTS (LUFTTRANSPORT SUD, GmbH.)**

LUFTTRANSPORT-UNTERNELHMEN, GmbH. & CO, KG. *See* **LTU INTERNATIONAL AIRLINES**

LUFTVERKEHR FRIESLAND BRUNZEMA & PARTNER, K.G. (LFH): Flugplatz/Airport Harle, Wittmund, Carolinensiel, D-26409, Germany; Phone 49 (4464) 8011; Fax 49 (4464) 8321; <http://www.inselfleuger.de>; Code LFH; Year Founded 1983. Organized at Wittmund in September 1983 to succeed **Luftverkehr Wilhelmshaven-Friesland, GmbH.**, President Jan-Luppen Brunzema's carrier is outfitted with 2 Britten-Norman BN-2 Islanders, 1 Cessna 206, and 1 Cessna 172C. Regularly scheduled services are inaugurated from Harle Airport on October 1 linking Wittmund with Wangerooge. Enplanements reach 3,500 by year's end and the employee population reaches seven.

Destinations served in 1984-1985 also include Baltrum, Borkum, Busum, Juist, Langeoog, Norddeich, Norderney, Westerland/Sylt, and Wyck. Harle and Helgoland are added to the route system in 1986.

Two more Cessna 172s are purchased in 1987. Flights begin to Fehmarn in 1988 and the year's enplanements total 47,315.

Airline employment is increased by 18.2% in 1989 to 13 and the fleet includes 2 Islanders and 3 172Cs. Passenger boardings ascend 5.6% to 50,121.

A third Islander and fourth 172C are acquired in 1990, followed by a fourth Cessna 172 in 1992.

In 1993, Chairman Brunzema's fleet visits Wangerooge, Langeoog, Baltrum, Norderney, Juist, Borkum, Helgoland, Heide, Busum, St. Peter-Ording, Wyk-Fohr, Westerland-Sylt, and Fehmarn. This schedule is maintained in 1994 and, as traffic improves, a fifth Cessna 172C is requested.

Late in 1995, the company places an order with Pilatus Britten-Norman for a new PBN2B-26 with which to replace one of its older units. The aircraft features use of new three-blade noise reduction propellers. The new aircraft is delivered in 1996. The workforce reaches 17 by 1997-2000.

LUFTVERKEHR SABLATNIG, GmbH. *See* **LLOYD LUFTVERKEHR SABLATNIG, GmbH.**

LUFTVERKEHR WILHELMHAVEN-FRIESLAND, GmbH.: Germany (1975–1983). LWF is organized as an air taxi in 1975, but within several years begins to offer scheduled services linking Wilhelmshaven with the Frisian Islands destinations of Schortens, Heidemuhle, Harte/Friesland, and Wangerooge. The fleet by decade's end comes to comprise 3 Britten-Norman BN-2 Islanders, 1 Cessna 402, 1 Cessna 310, and 1 Cessna 206. Operations cease late in 1983.

LUFTVERKEHRSGESELLSCHAFT RUHRGEBIET, A.G. (LURAG): Germany (1925–1926). LURAG is established at Dorsten on January 11, 1925 by local industrialists and bankers, government entities, and Junkers Flugzeugwerke, A.G. On February 24, the new company joins the airplane manufacturer's Trans Europa Union of airlines.

Employing F.13 cabin monoplanes provided by Junkers, LURAG inaugurates revenue services on April 20 that link its base with Munster, Frankfurt, Stuttgart, and the Swiss city of Zurich. Flights to Kassel, Erfurt, and Leipzig commence in July. The fleet is increased throughout the year, reaching a total of 5 F.13s and 5 G.24s.

Late in the year, as the French complete their occupation of the Ruhrgebiet, the airline transfers its operations to Essen.

The company gains shares in the new **Deutsche Luft Hansa, A.G.** when it is formed in January 1926 and shuts down its own flight operations, offering its aircraft to the new state carrier.

LUKUM AIR SERVICE, S.A.: Zaire (1981–1990). Also known as LUKAS, LAS is set up at Kinshasa in 1981 as an all-cargo carrier. Regional and domestic freight and contract service flights are launched with 2 Douglas DC-6s, 2 DC-4s, 1 Bristol Britannia 300F, and 1 DC-3.

A Boeing 707-320C is acquired in 1982, followed by a DC-8-50F in 1985. Flights continue through the end of the decade.

LUMBINI AIRWAYS, LTD.: P.O. Box 6215, Kathmandu, Nepal; Phone 977 (1) 482 725; Fax 977 (1) 483 380; Code LUMB; Year Founded 1996. With a goal of providing daily flights to domestic tourist spots, Lumbini is established at Kathmandu in 1996 as a joint venture between Nepalese and Japanese investors. R. Sakya is named managing director and he recruits a workforce of 200 and 4 de Havilland Canada DHC-6-300 Twin Otters.

Revenue flights commence on April 15, 1997, linking the carrier's base with Lukla, Pokhara, Jomsom, Meghauly, Braratpur, and Bhairahawa. Charters are also operated to bush locations such as Nepalgunj, Phaplu, and Semara.

Flights continue during the remainder of the year and into the new millennium.

LUNDY AND ATLANTIC COAST AIR LINES, LTD.: United Kingdom (1937–1939). Atlantic Coast Air Services, Ltd. is renamed Lundy and Atlantic Coast Air Lines, Ltd. on April 26, 1937; however, the previous Short Scion Lundy–Barnstaple service is continued.

In accordance with the Air Navigation Order of September 16, 1938, this carrier is granted route certification from Barnstaple–Lundy on October 21 by the new ATLB.

A total of 1,400 passengers are carried on the year.

War is declared on Germany on September 3, 1939 and all civil flying ceases; this airline operation is not resumed.

LUPENGA AIR TRANSPORT, LTD.: Zambia (1990–1993). Lupenga Air Charter is established at Lusaka in February 1990 to offer all cargo services to and from Europe. The carrier is the first private air transport company granted authority by the government to operate international services. Of the three directors, one is Panji T. Kaunda, brother of the nation's chief executive.

The company name is changed to LAT in early 1991 and a Boeing 707F is leased from Switzerland's Momac Aviation. Revenue flights commence in July linking Lusaka with Amsterdam, with stops at Nairobi northbound and Lagos southbound. Flights cease in 1993.

LUXAIR (SOCIETE LUXEMBOURGEOISE DE NAVIGATION AERIENNE, S.A.): Aeroport de Luxembourg, L-2987, Luxembourg; Phone 352 (4) 798-2311; Fax 352 (4) 443-2482; <http://www.luxair.lu>; Code LG; Year Founded 1961. SLNA is reformed as the national airline in 1961, complete with the marketing title **Luxembourg Airlines, S.A.** On April 1, 1962, the operation is renamed Luxair. Shareholders include the government (25.87%), Luxembourg Steel Industries (14.83%), the International (14.83%), General Banks (14.83%), State Savings Bank (14.83%), Radio Luxembourg (14.83%), and private citizens (.28%). Douglas DC-3 scheduled flights to Paris commence on April 2.

Services from Luxembourg Airport are gradually expanded to other European destinations, including Amsterdam, Athens, Frankfurt, London, Nice, Palma de Mallorca, Zurich, and Rome. Charter flights are also undertaken to vacation stops in the Mediterranean. Enplanements in this year total 12,000.

These operations continue apace during the remainder of the decade as the fleet is upgraded from piston-engine equipment to Vickers Viscounts, Fokker F.27s, and a Sud-Est SE-210 Caravelle VIR. In April 1964, a cooperative agreement is entered into with the South African independent **Trek Airways (Pty.), Ltd.** Trek flies its Lockheed L-1049A Starliners from Johannesburg to Luxembourg and Luxair takes them over to provide a connecting flight onto London.

A Bristol Britannia is leased in June 1968 for the joint Luxembourg–South Africa service, although the last Starliner is not withdrawn from the London connection until September 30. Given the popularity of its Mediterranean tour services, the company now establishes its own tour-operator department, Luxairtours.

The first Boeing 707-320 is received in 1970, the same year a 25% interest is taken in the new all-freight carrier **Cargolux Airlines International, S.A.**

The air taxi subsidiary **Luxavia, S.A.** is formed in 1971 to provide unscheduled regional services to smaller destinations. Enplanements for the year total 216,000.

The tenth anniversary is celebrated in 1972 as major expansion begins to unfold. The workforce now totals 450 as another B-707, a Dash-320C, and another SE-210 join the fleet. New services are inaugurated to Monastir and Ibiza and frequencies are increased on routes to Malaga, Paris, and Athens.

Passenger boardings jump 10% to 240,000.

When **Trek Airways (Pty.), Ltd.** closes down in 1976, many of its personnel and several of its aircraft are taken over by Luxair. In 1978, President Gust Graas and Managing Director Roger Sietzen oversee a workforce of 637 and a fleet comprising 1 Boeing 707-320, 1 B-707-320C, 2 B-737-2C9As, and 3 Fokker F.27s.

During 1979, flights begin to such new vacation stops as Las Palmas, Tenerife, Agadir, Rhodes, Salzburg, Malaga, Rimini, Ibiza, Catania, Bastia, and Alicante.

In October 1980, the Boeing 747SP-44 *Soutpansberg* is leased from **South African Airways (Pty.), Ltd.** to operate flights to Johannesburg.

Passenger enplanements this year reach 295,488.

The employee population in 1981 stands at 693 and the fleet includes 6 aircraft. The arrangement to charter the *Soutpansberg* falls through in January and the Jumbojet is not delivered.

Passenger boardings fall 2.6% to 288,140 as freight traffic declines 4.5% to 25.01 million FTKs.

The number of workers is increased by 8.2% in 1982 to 750. Customer bookings jump 11.1% to 320,137 while freight advances a more modest 1.9% to 25.5 million FTKs.

Still, the employee population is cut 2.7% in 1983 to 730. Passenger boardings jump 9.5% to 350,604 while cargo rises 12.7% to 28.72 million FTKs.

The payroll is reduced in 1984 to 700 as an Airbus Industrie A300B4 is acquired, which will prove too large to meet requirements. Customer bookings swell 4.8% to 367,419 as freight jumps 3.5% to 30 million FTKs.

The fleet of the 750-employee carrier in 1985 includes 2 B-737-2C9As and 5 Fokker F.27-100s. Enplanements rise a slight 0.4% to 368,900. Cargo accelerates a better 3.3% to 30.43 million FTKs. A net profit equivalent to \$1.3 million is generated.

In 1986, the subsidiary Luxair Commuter, S.A. is formed to offer scheduled regional services. It is equipped with 3 of the F.27-100s, 2 Metroliners, and 1 Cessna 421. Enplanements for both airlines advance to 387,500.

The twenty-fifth anniversary is celebrated by the 850-employee carrier in 1987. General Manager Rodger Sietzen's fleet now includes 2 B-737-2C9As, and 2 F.27-100s.

Planning once more to start long-haul service, **Luxavia, S.A.** leases the B-747SP-44 *Outeniqua* on November 1. The remainder of the year will be spent painting the giant aircraft in the operator's white and soft blue colors. It is christened *Luxavia Star*.

Passenger boardings for the 12 months jump 10.1% to 426,644.

In 1988, the air taxi subsidiary **Luxavia, S.A.** is renamed Luxair Executive, S.A. A B-737-239 is leased from **Sabena Belgian World Airlines, S.A.** during the spring.

The reliveried **South African Airways (Pty.), Ltd.** *Outeniqua*, now the *Luxavia Star*, is employed in February to inaugurate weekly roundtrip flights from Luxembourg to Johannesburg.

Plans are made in 1989 to revitalize the Luxair Executive, S.A. fleet. The **South African Airways (Pty.), Ltd.** B-747SP-44 *Soutpansberg* is chartered on August 1, but is subcontracted on the same day to **UTA French Airlines, S.A.** The French line returns the Jumbojet to Luxair on November 1 and it is simultaneously returned to SAA.

Enplanements total 495,956.

In 1990, the 1,050-employee carrier's fleets include 3 B-737-339s, 1 of which is leased from **Sabena Belgian World Airlines, S.A.**, the SAA *Luxavia Star*, 1 Embraer EMB-120 Brasilia leased from **Air Exel, Ltd.**, 2 Fokker F.27-100s, and 3 Fokker 50s.

The Brasilia and two Fokker 50s are dedicated to Luxair Commuter. In the fall, a \$37-million order is placed for two owned EMB-120s. Orders are outstanding for two B-737-4C9s. The carrier now joins with **Flugfelag Islands, H.F. (2)/Icelandair, H.F.** in acquiring shareholding in the tour operator Easy Travel.

Passenger boardings increase 8.9% to 544,408, but freight falls 15.1% to 461,000 FTKs.

Airline employment is increased a slight 0.7% in 1991 to 1,102. The leased Brasilia is returned and replaced, in August and December, by two owned units and another Fokker 50; orders are let for two B-737-5C9s. New flights are initiated to Vienna and London (STN) and service is inaugurated or enhanced to Berlin, Geneva, Hamburg, Munich, Nice, Saarbrücken, Strasbourg, and Vienna. **Safair Lines, Ltd.** is established at Johannesburg in October to compete with **South African Airways (Pty.), Ltd.** (SAA) now that the nation's air transport industry has been deregulated. Soon renamed **Flitestar Airlines, Ltd.**, it is owned and managed by Luxembourg investors, many of whom are the same personnel once associated with the noted South African international charter carrier **Trek Airways, Ltd.** Indeed, Flitestar is often seen as a continuation of that carrier, even as its organization provides for a holding company under the Trek name.

Luxair customer bookings decline 7.7% to 503,387, but cargo ascends 0.8% to 464,000 FTKs.

The fleet in 1992 includes 2 leased B-737-2C9As, 1 owned and 1 chartered B-737-4C9s, the SAA B-747SP-44, 3 Brasilias, and 4 Fokker 50s.

Destinations visited include Athens, Berlin (Tempelhof), Copenhagen, Geneva, Faro, Frankfurt, Hamburg, Johannesburg, London (LHR and STN), Malaga, Metz, Nancy, Lorraine, Milan (Bergamo), Munich, Nairobi, Nice, Palma de Mallorca, Paris, Rome, Saarbrücken, Strasbourg, Vienna, and recently added Budapest.

The 1,000-employee **Flitestar Airlines, Ltd.** acquires the smaller airlines **Air Cape (Pty.), Ltd.** and **Luxair Executive, S.A.** (now renamed **Luxair Express, S.A.**) and they continue the operations of all three as

subsidiaries of the holding company Trek Airways. Flitestar and Air Cape concentrate on South African domestic routes while Luxair continues to undertake flights between Luxembourg and Johannesburg employing the B-747SP-44 *Luxavia Star*.

Deutsche Lufthansa, A.G. acquires 13% shareholding in December and is also given an option to purchase an additional 10% stake over the next three years. At the same time, an agreement is signed with the German major covering code-sharing, through ticketing, and joint frequent flyer programs, as well as code-sharing on flights between Luxembourg and Germany.

In South Africa, **Flitestar Airlines, Ltd.** suffers heavy financial reversals during the remainder of the recession year as SAA pours additional capacity onto its domestic routes to overwhelm the independent. Additionally, pressure on yields and the devaluation of the rand against the U.S. dollar, in which most of Flitestar's leasing and other costs are paid, ends the hope for profits.

Luxair enplanements for the year total 460,115.

In 1993, Managing Director Sietzen oversees a 1,050-employee workforce. The two chartered B-737-2C9As and one leased B-737-4C9 are withdrawn. These are replaced by another owned B-737-4C9 and two B-737-5C9s.

In January, Prime Minister De Klerk's regulators require SAA to cut back capacity on domestic trunk routes by 30% in an effort to save **Flitestar Airlines, Ltd.** Unhappily, these measures come too late and the airline is forced to suspend operations in mid-April.

Trek Holdings is also forced to suspend Luxair Express, S.A. European services and the chartered South African Jumbojet *Luxavia Star* is returned.

Sufficient funding is found and **Flitestar Airlines, Ltd.** is able to resume limited domestic operations on September 1. Luxair Express, S.A. is able to reacquire the *Outeniqua* on September 3. Once again known as the *Luxavia Star*, its all-white fuselage is split by a black cheatline. Titles are worn over the forward fuselage and the tail is black-white-black, with the single word "Trek" written in tall block letters on the white.

Passenger boardings move ahead by 2.2% to 470,469 and a \$5-million net profit is reported.

Fifty workers are laid off in 1994 and one of the B-737-4C9s is leased to **Carnival Air Lines** in the U.S.

On April 11, **Flitestar Airlines, Ltd.**, which was able to resume limited services the previous fall, is in desperate need of support and signs a commercial agreement with SAA. The same day the B-747SP-44 *Luxavia Star*, otherwise known as the *Outeniqua*, is returned.

The arrangement with SAA puts an end to Flitestar's attempts to compete head on with SAA on domestic trunk routes. The holding company Trek Airways withdraws from the market after the flag carrier provides a multimillion rand payment.

Shareholders shut down Flitestar and Luxair Express, S.A. on April 20, thereby bringing South Africa's experiment with deregulation perilously close to failure.

Customer bookings jump 13.2% to 532,500 and revenues swell 12.8% to \$246 million. With expenses of only \$235 million, there is an operating surplus of \$11 million. An identical profit figure is also cheered as the net gain.

An even 1,000 workers are employed by the Luxembourg-based carrier in 1995. In October, the carrier begins code-sharing with **CSA Czech Airlines** on services between Luxembourg and Prague.

The company suffers a bad passenger traffic year as enplanements drop 19.1% to 569,700. Cargo is up, however, climbing 12.8% to 530,000 FTKs.

The fleet in 1996 includes 2 B-757-5C9s, the newest of which is named *Chateau de Bourglinster* and 4 Fokker 50s. In addition, 2 each B-737-4C9s and B-737-528s are flown under contract.

Company ownership is now divided between the government of Luxembourg (23.1%), Banque et Caisse d'Epargne de l'Etat (13.4%), Luxair employees and others (13.2%), Banque Internationale Luxembourg (13.1%), **Deutsche Lufthansa, A.G.** (13%), Banque Generale du Luxembourg (12.1%), and CLT-UFA (12.1%).

Many long-haul routes are suspended or consolidated, while, at Aeroport de Luxembourg, the carrier's new \$100-million air-cargo facility is opened.

Passenger bookings ascend during the 12 months to 794,356.

Markets visited in **1997** include Amsterdam, Copenhagen, Frankfurt, Geneva, Hamburg, London, Malaga, Manchester, Munich, Nice, Palma de Mallorca, Paris, Rome, and Saarbrücken.

In September, \$80 million worth of orders are placed with Embraer for a pair of ERJ-145 Amazons, with options taken on two more. The jetliners, which will replace Fokker 50s, are scheduled for delivery during the third quarter of 1998. When the winter schedule begins in October, the Tyrolean resorts of Seefeld and Soumlden are new destinations to be visited under the sponsorship of Luxair Tours.

Enplanements move upward by 6.3% to 844,039.

In May **1998**, Jean-Donat Calmes is named president/CEO. He separates the airline's passenger and cargo services into individual profit divisions.

The first ERJ-145 Amazon is delivered on August 1. During the year, six regional destinations are added: Bologna, Dublin, Florence, London (CTY), Stockholm, and Stuttgart.

Flights continue during the remainder of the year and airline employment is increased by 2.9% to 1,457. Passenger bookings ascend a further 5.2% to 866,870.

EMB-145 service is inaugurated to Helsinki via Stockholm on March 29, **1999**. Simultaneously, thrice-daily Fokker 50 roundtrips are started from Luxembourg to Munich via Saarbrücken. A second daily roundtrip is started to Vienna the same day, employing a new EMB-145.

A B-767-339ER is wet-leased from **City Bird, S.A.** on March 30; with two City Bird pilots, six City Bird flight attendants and two Luxair flight attendants, the aircraft inaugurates roundtrip service from Luxembourg to Newark, four times a week. The new service replaces one that **Flugfelag Islands (2) H.F./Icelandair** abandoned on January 9.

Under a new dual-designator pact with **Finnair O/Y**, Luxair inaugurates code-sharing on May 17 over a route from Luxembourg to Helsinki via Stockholm. Also during the month, Luxair begins to code-share on **United Airlines** services to Chicago (ORD), Denver, Los Angeles, Miami, San Francisco, Seattle, and Washington, D.C. (IAD).

Despite heavy traffic, the company board votes, on July 9, to end its nonstop service between Luxembourg and Newark (EWK).

Passenger boardings leap ahead by 20.6% to 1,045,000 while 6.22 million FTKs are also operated. Revenues of \$220 million are generated.

Airline employment at the beginning of **2000** stands at 866, a huge 40.6% decrease over the previous 12 months.

On March 26, an early morning B-737-5C9 return service is inaugurated from Luxembourg to Copenhagen. Weekly charters begin on April 1 to Mykonos (B-737-528), Malta (ERJ-145), and Jerez (ERJ-145).

Begun on May 1, a new route between Luxembourg and Newark International Airport is closed on November 1; despite heavy passenger demand, the route is unprofitable.

The Internet news service of *Air Transport World* magazine reports on December 5 that Christian Heinzmann will become Luxair's next president/CEO on January 1.

LUXAIR COMMUTER, S.A. See **LUXAIR, S.A.**

LUXAIR EXECUTIVE, S.A. See **LUXAIR, S.A.**

LUXAIR EXPRESS, S.A. See **FLITESTAR AIRLINES, LTD; LUX-AIR, S.A.**

LUXEMBOURG AIRLINES (SOCIETE LUXEMBOURGEOISE DE NAVIGATION AERIENNE, S.A.): Luxembourg (1947-1950). Luxembourg government and private interests join **Scottish Airlines, Ltd.**, the air transport division of Scottish Aviation, in forming this independent late in **1947** to provide scheduled services from the Duchy.

Scottish agrees to provide aircraft under lease, technical, and managerial support, including its own Capt. M. R. Lacy as managing director. The Luxembourg government grants the carrier a 20-year license for routes to Zurich, Paris, and Frankfurt.

With a leased Scottish DC-3, the thrice-weekly Zurich frequency is launched on February 3, **1948**. Thrice-weekly scheduled service to Paris begins on February 10 and thrice-weekly Paris-Frankfurt flights, the only air link between the two cities, commence on February 13. In March, August, and October, two DC-3s and a de Havilland DH 89A Dragon Rapide are purchased from Scottish Airlines.

With Scottish assistance, Luxembourg Airlines begins new routes in **1949**; destinations flown include Nice, London, Athens, Brussels, Rome, and Tel Aviv. The operator is forced to cease trading in **1950** when **Scottish Airlines, Ltd.** withdraws its support and assistance.

LUXOR AIR, S.A.E.: 43 Masr El-Tamir Building, Sheraton Helipolis Hotel, First Area, Helipolis, Egypt; Year Founded 1999. Luxor is established in the summer of **1999** to offer both passenger and cargo charters to destinations throughout the Middle East, Africa, and southern Europe. Revenue operations commence with an owned Boeing 707-323C, previously operated by **Middle East Airlines, S.A.L. (2)**.

A B-737-4448 is leased from GATX Capital in early **2000**.

LVOV AIRLINES: Lvov-3 Airport, Lvov, 290003, Ukraine; Phone 380 (0322) 622 112; Fax 380 (0322) 692 215; http://www.avia.lviv.ua; Code L7; Year Founded 1995. Lvov is established at its namesake city in **1995** as a subsidiary of **Air Ukraine**. Leonti Zagreva is CEO and has the mission of operating trunk and regional replacement services on behalf of the parent concern. Revenue flights begin with 6 Antonov An-24s and 4 Yakovlev Yak-42Ds leased from **Air Ukraine**.

Service is maintained in **1996-1997**, during which time the fleet is increased by the addition of two Ilyushin Il-76Ms and two An-12Bs. As is common with other airlines, the company occasionally leases its flight equipment to other companies. At the end of the latter year, this policy will land Lvov in deep trouble.

Due to engine problems, Flight 241, an **Aerosweet Airlines** Boeing 737-200A with 8 crew and 62 passengers en route from Kiev to Thessaloniki, stops at Odessa on December 17 to change planes. When all are aboard, the chartered Lvov Airlines Yak-42 departs south and because of heavy traffic, is put into a holding pattern near Salonica. At this point, the aircraft disappears. A massive search is undertaken, during which a Greek Air Force C-130 Hercules with five crew crashes, killing all aboard. Wreckage of the Russian aircraft is found on December 20 near Mount Olympus and there are no survivors.

The airline is sued in Greek courts by relatives of two crash victims and the case drags on in **1998-1999**. During the latter year, the airline flies a total of 31,000 passengers and operates 1.57 million FTKs.

On August 8, **2000**, a Greek court orders Lvov to pay 613 million drachmas (\$1.635 million) to the parents of Panagiotis Kois and Pashalis Karathanasis, killed in the 1997 crash. In reporting the judgment three days later, *The Moscow Times* suggests that the decision could pave the way for similar damages in lawsuits filed by relatives of others killed in the disaster. On August 11, Lvov Airline appeals the Greek ruling.

LWA (GIBRALTAR), LTD.: Ostend Airport, Hangar 5, P.O. Box 24 H5, Ostend, 8400, Belgium; Phone 32 (59) 80 2623; Fax 2 (59) 80 7842; Code LE; Year Founded 1987. LWA (**Liberia World Airlines, Inc.**) is reformed at the end of **1987**; registered as LWA (Gibraltar), Ltd. it is based at Ostend Airport in Belgium. Duane Egli is CEO and offices are opened at Monrovia and in the U.S.

To take advantage of the Valentine's Day market, the company's Amsterdam-based Douglas DC-4 *Juliet Papa* undertakes two flower-laden roundtrips from Amsterdam to Southend Airport in the U.K. on February 7, **1988**. In **1989**, the jet cargo fleet, which continues to offer worldwide charters, includes 1 each B-707-330B, Douglas DC-8-54F, and DC-8-55F, which is leased to **Kabo Air**.

In 1990, the fleet is altered again as the Boeing 707-330B is replaced with a B-707-123B. A DC-8-53 is also purchased. The two are employed to undertake passenger services. In 1991, as recession deepens, the passenger flights are abandoned and the Boeing and DC-8-53 are sold, being replaced with a DC-8-55F and a DC-8-54.

In 1992, Managing Director Ela Devos' firm employs 27 workers. The company's DC-8-54F is briefly chartered to **ARCA (Aerovias Colombianas, S.A.)**.

Operations continue apace in 1993-2000. During these years, Duane Egli becomes CEO and the workforce is increased to 42.

The two DC-8s, later joined by another Dash-55F, continue to provide international freight charters into the new millennium.

LWA (LIBERIA WORLD AIRLINES, INC.): Liberia (1976-1987). Established at Monrovia in 1976, LWA offers international all-cargo charter and contract service flights to destinations throughout Europe and Africa through the remainder of the decade using Bristol Britannia 253 equipment.

During the 1980s, the fleet is altered to comprise 1 Boeing 707-330B and 1 B-727-100. Late in the decade, the Boeing trimotor is traded in for a pair of Douglas DC-8-50Fs.

A Douglas DC-4, christened *Julliet Papa*, is acquired in the summer of 1987 and is sent to Amsterdam's Schiphol Airport to operate European passenger charters on behalf of the Rotterdam-based tour company Chartermaster. The first revenue flight is made to Belgrade, Yugoslavia, on December 21. At year's end, the company is reformed as **LWA (Gibraltar), Ltd.** and, although registered in Liberia, is based at Ostend Airport in Belgium.

LYNCH FLYING SERVICE: Logan Field, Billings, Montana 59105, United States; Phone (406) 252-0508; Fax (406) 245-9491; <http://www.wtp.net/lynch>; Year Founded 1940. LFS is established as the FBO at Logan Field, Billings, Montana in 1940. In addition to the usual airport "gas station" activities, Lynch begins to offer lightplane charter services, including air taxi, air express and cargo, photography, and air ambulance flights.

Forty-six years later on November 6, 1986, a Cessna 421C Golden Eagle crashes 5 mi. SW of the airport, while on approach to Butte, Montana, killing its pilot. Flights continue without incident for the next 13 years.

In 2000, Bob Palmersheim is general manager and oversees a workforce that includes 21 full-time and six part-time pilots. From Billings, LFS operates a fleet that includes 2 each Beech King Air 100s, Cessna 340As, Cessna 182 Skylanes, and Cessna 210L Centurians, 3 each Cessna 404 Chancellors, Cessna 402B/Cs, and Cessna 310s, and 1 each Beech King Air 90 and Cessna 421C Golden Eagle.

LYNDEN AIR CARGO: Anchorage International Airport, 6441 SO Airpark Place, Anchorage, Alaska 99502, United States; Phone (907) 243-6150; Fax (907) 245-0213; <http://www.lynden.com>; Code L2; Year Founded 1995. LAC is set up at Anchorage in early summer 1995 as the airline arm of freight forwarder Lynden Air Freight to operate domestic and worldwide all-cargo charters. The decision to enter the air transport business comes as a direct result of an opening of markets brought about by the demise in April of **MarkAir**. Passenger services are offered in association with **Loken Aviation**.

Revenue flights, dominated by Alaskan by-pass Special 4th Class mail service to bush areas on behalf of the U.S. Post Office, commence on August 30 with 3 each Lockheed L-100-30 Hercules freighters.

The carrier also leases from **Zantop International Airlines** 2 Lockheed L-188AFs first flown by **Northwest Airlines** and 1 L-188CF initially operated by **Pacific Southwest Airlines (PSA)**. These simultaneously start all-cargo service to Aniak, Bethel, Dillingham, King Salmon, Kotzebue, Nome, and St. Marys.

Services continue in 1996. On a round-robin, all-cargo service from Juneau to Juneau via Hoonah and Elfin Cove on July 19, a DHC-2, char-

tered from **Loken Aviation** attempts to traverse a mountain pass, but collides at the 1,250-ft. level with steeply rising terrain. The pilot is killed.

In October, the carrier receives government certification to handle and haul hazardous waste, the cleanup of which is a growth industry in Alaska. As military installations and bases are closed, the government is forced to contract with environmental companies to dig up and properly process oil drums and other buried hazardous materials.

To handle this work, a former **Northwest Airlines** L-188AF is purchased from **Zantop International Airlines**; the three leased units are now also purchased.

Before the end of the year, Lynden begins flying to remote areas to pick up materials that have been packaged according to "hazmat" guidelines. The waste is then flown to Anchorage, where it is turned over for transport to a storage facility.

Loken Aviation, which had suffered poor traffic loads in 1996, struggles on in 1997, but finally ceases flying during the summer. Lynden Air Cargo informs the DOT on September 24 that Loken is out of business and petitions that its certificate be reissued eliminating the Loken trade name. A new certificate is duly allowed on October 8.

During the year, Lynden operates 4.3 million FTKs.

Flights continue in 1998. While landing at a private strip at Hog River, 40 mi. N of Huslia, on June 26, an L-382G with five crew clips a tree; although no injuries are reported, the Hercules sustains damage to its left wing.

In July, it is announced that the company will withdraw its four Electras and operate only Hercules freighters. Although one L-188AF is chartered to **Channel Express Air Services, Ltd.**, the other three will remain in operation alongside the L-182Gs during the remainder of the year.

Cargo traffic during the 12 months increases 72.2% to 15.42 million FTKs. Revenues balloon 87.2% to \$24.08 million, while costs, unhappily, rise to \$25 million. The operating loss "improves" to \$948,000, while the net loss grows to \$5.75 million.

Service is maintained in 1999. In July and August, the company adds a service designed to handle the shipping of household goods for companies relocating workers in Russia. When the last of the Electras is retired at year's end it is believed to be the highest-time L-188 in the world: 71,659 flight hrs. and 38,382 landings.

Freight traffic skyrockets 136.4% to 21,963,000 FTKs.

A total of 20 full-time pilots are employed at the beginning of 2000 to fly the company's 5 L-100-30 Hercules freighters. In December, the concern establishes an import and ocean brokerage division and opens offices in Las Vegas, Denver, and Charlotte, North Carolina.

LYNSTAR AVIATION: Morristown Municipal Airport, 9 Airport Road, Morristown, New Jersey 07960, United States; Phone (973) 292-2829; Fax (973) 292-1529; Year Founded 1987. Lynstar is established at Morristown Municipal Airport in 1987 to provide executive and small group passenger charters, as well as courier, flight-seeing, and other rotary-wing aerial work.

Within 13 years, Ken Keith oversees the work of 3 pilots, who fly 1 each Beech King Air 90, August A-109 Mark II, and Eurocopter AS-355B Twinstar.

LYNTON GROUP, LTD.: Denham Aerodrome, Hangar Road, Uxbridge, Middlesex, England, UB9 5DF, United Kingdom; Phone 44 (1895) 835 000; Fax 44 (1895) 832 564; Year Founded 1978. Originally established as an FBO in 1978, Lynton, by 2000, employs 15 pilots and operates a group of aircraft on executive and small group passenger charters from three airports. It also undertakes a variety of rotary-wing services, including flight-seeing, courier, and executive charters.

One Dassault Falcon 900B is flown from Leeds/Bradford, while a second is operated from Oxford-Kidlington Airport, along with 1 British Aerospace BAe (HS) 125-700 Hawker. The helicopters are based

at Denham Airport and include 5 Eurocopter AS-355F Twinstars and 2 Sikorsky S-76s.

LYNX AIR INTERNATIONAL: 1995 W. Commercial Blvd., Suite A, Fort Lauderdale, Florida 33309, United States; Phone (888) LYNX-AIR or (954) 772-9808; Fax (954) 772-1141; <http://www.lynxair.com>; Year Founded 1989. Lynx Air is established at Fort Lauderdale, Florida, in May 1989 with the goal of operating the most reliable (and in many cases the only) nonscheduled passenger transportation directly from the U.S. to and from Cap Haitien, Santiago, and Grand Turk in the Turks and Caicos Islands. All flights are conducted in a fast, comfortable, fully licensed turboprop aircraft, the Fairchild Metro III.

Besides passenger transportation, Lynx also provides a range of services for people living and working in the developing nations of the Caribbean. These services include subscription mail services, standard, and express cargo.

Flights continue apace during the 1990s with neither an accident nor a safety violation. Destinations visited come to include Cap Haitien, Exuma, Fort Myers, Grand Turk, Guantanamo, Marsh Harbour, Providenciales, and Santiago. Unhappily, the company is unable to maintain economic viability and is forced to file for Chapter XI bankruptcy protection on November 16, 1999.

LYON AIR. See ALA (SOCIEDAD DE TRANSPORTES AEREOS, S.A.)

M & N AVIATION: Ribas-Dominicci Airport, Isla Grande, San Juan, Puerto Rico 00904, United States; Phone (787) 722-5980; Fax (787) 723-0465; <http://www.guides.com/acg/mnaviation>; Year Founded 1992. M & N is set up at San Juan in 1992 to provide executive and small group passenger charters throughout the Caribbean and to the U.S., Mexico, and Canada. Within 8 years, the company employs 4 full-time pilots and operates 1 Cessna 560 Citation V executive jet and 4 Cessna 402s.

While en route with a cargo of mail from San Juan to St. Croix on a July 8, 2000, a Cessna 402C crashes into the Caribbean Sea near Vieques. Both the aircraft and pilot are lost.

MAC-AIRE AVIATION CORPORATION: United States (1962–1968). Mac-Aire is set up by James Keena at Ronkonkoma, New York, in February 1962 to provide daily roundtrip air taxi services to East Hampton, Islip, Bridgeport, New Haven, and New York (LGA). Employing Piper lightplanes, the commuter inaugurates revenue frequencies on March 28.

In September 1965, Mac-Aire is one of several small New York State commuters that are joined together into the Metro Air Service, sponsored by American Airlines to provide feed for the major at New York (JFK). Operations continue apace until Kenna's airline goes out of business in 1968.

MAC DAN AVIATION CORPORATION: 167 C Passaic Ave., Fairfield, New Jersey 07004, United States; Phone (973) 244-9400; Fax (973) 244-0239; Year Founded 1971. Originally established as the FBO at Essex County Airport in 1971, Mac Dan also undertakes executive and small group passenger charters throughout the Northeast.

In 2000, Operations Director Charles J. McKenna Jr. continues to oversee the flights of 2 Cessna 310s and 1 Beech 33 Bonanza.

MACAIR. See MCKINLEY AIR CHARTER (PTY.), LTD. (MACAIR)

MACAIR (MELANESIAN AIRLINE CHARTER COMPANY [PTY.], LTD.): Papua New Guinea (1960–1986). Formed by Bryan McCook to provide charter and contract service flights in Papua New Guinea, Macair enters the realm of scheduled airlines on May 1, 1968 when it acquires Honiara, Guadalcanal-based Megapode Airways, Ltd. from its founder Laurie Crowley. The new acquisition is turned into the subsidiary Solair (Solomon Islands Airways, Ltd.).

The de Havilland DH 104 Dove 1 that Crowley has been using is found to be hardly airworthy. McCook elects to cannibalize it for spare parts and dry-lease a replacement aircraft. Solair flight activities begin on June 1 with the second Dove provided by McCook.

Revenue activities continue apace in 1969–1974 and the fleet is increased to include 2 Doves and 2 Beech 55 Barons. At the end of the latter year, Macair wins operating routes from Honiara to Kieta, on the Papua New Guinea-owned island of Bougainville.

In April 1975, Macair and its subsidiary are purchased by Talair (Tourist Airlines of Niugini, Ltd.). Macair and Solair are allowed to continue as commuter subsidiaries of the new owner; however, their traffic and financial figures are presented with those of the parent.

To operate the new international service between the Solomons and Bougainville, Talair (Tourist Airlines of Niugini, Ltd.), in 1976–1977, replaces the Solair Doves with one each Beech B-80 Queen Air and a Britten-Norman BN-2 Islander. Upon its independence in 1978, the new sovereign nation of the Solomon Islands acquires 49% shareholding and assumes the right to purchase Talair's 51% within five years.

During the 1980s, Macair operates 20 aircraft, with 7 Dornier 228-212s the major units, but severe financial reversals finally force it to cease operations in November 1986. Solair (Solomon Islands Airways, Ltd.) is taken over by the government of the Solomon Islands a year later.

MACAIR JET, S.A.: Jorge Newbery Airport, Ave. R. Obligado, 1426 Capital Federal, Buenos Aires, Argentina; Phone 54 (11) 4777-7514; Fax 54 (11) 5777-7554; <http://www.macairjet.com.ar>; Year Founded 1994. Macair Jet is established at Buenos Aires in 1994 to offer executive and small group passenger charters. By 2000, General Manager Diego M. Colunga oversees the work of 8 full-time pilots and operates a fleet that comprises 1 each Learjet 25, Learjet 60 and Gulfstream G-1159C Gulfstream IV.

MACEDONIAN AIRLINES: Bulevar Partizanski, Opodredi 17A, Skopje, 91000, Macedonia; Phone 389 (91) 116 333; Fax 389 (91) 229 576; Code IN; Year Founded 1994.

MA is established at Skopje in the fall of 1994 to serve as flag carrier of the former Yugoslav province. Shareholding is divided between Yukan Trade International and Makedonska Banka. Zlatko Petrovski is appointed chairman/president and a Boeing 737-266 is leased from Egyptair, S.A.E. and is employed to launch revenue services linking its base with Frankfurt and various other European destinations.

Flights continue in 1995–1997, during which years the Boeing is supplemented by two Douglas DC-9-32s leased from JAT Yugoslav Airlines, plus two Yakovlev Yak-42s. Dusko Grueuski becomes chairman/president, with Mirce Dimitrouski as his deputy.

Destinations visited include Amsterdam, Berlin, Brussels, Dusseldorf, Frankfurt, Halmstad, Hamburg, Hanover, Istanbul, Kerkyra, Milan, Orio al Serio, Munich, Reykjavik, Rome, Stuttgart, Vienna, and Zurich.

Traffic figures are released for the second quarter of the latter year and show a total of 15,203 passengers flown.

Flights continue with little notice in 1998. Passenger boardings increase to 77,000.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, Macedonian, on March 24, 1999, halts all scheduled service into Belgrade as Yugoslav airspace is closed. A spokesman, in making the announcement, indicates that the situation will be evaluated further; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade and other points remains halted on March 25 and for the duration of the NATO bombing campaign.

As aircraft from the NATO nations pound Yugoslav targets, hundreds of thousands of Kosovar refugees cross borders into Albania and Macedonia. Among the most notorious destinations is Blace, a no-man's-land straddling Kosovo and the former Yugoslav republic of Macedonia where, by April 4, over 65,000 refugees are huddled. As aid workers

struggle to provide relief, several governments step forward to provide sanctuary, agreeing to take various numbers of displaced persons.

Among the first nations to step forward is Turkey, which agrees to take in 20,000 people who will be assisted by the Turkish Red Crescent. After more than 500 years of Ottoman rule in the Balkans, Turkey shares a strong historical and religious bond with the Kosovar Albanians.

Late on April 5 and into April 6, a total of 9 refugee flights, carrying 1,398 displaced persons, are operated from a military airfield at Corlu, in western Macedonia, to Kırklareli, near the Bulgarian border. Seven of the services are provided by the airline's two Yak-42s plus the Egyptian Boeing, while two are flown by Turkish military Lockheed C-130s. At least one elderly woman, carried off the B-737-266 in Turkey, later dies in hospital. Additional flights will be completed in the days ahead until Operation Allied Force is concluded on June 11.

Enplanements for the year soar to a remarkable total of 202,000 and 7.53 million FTKs are also operated. The workforce at the beginning of 2000 totals 115. The carrier continues to operate 2 each B-737-46Js, B-737-230As, and DC-9-32s plus 1 B-737-42J.

Prior to the beginning of the summer schedule at the end of March, the company debuts a new color scheme that features the yellow and red of the national flag on all aircraft tails.

MAC-AIRE AVIATION CORPORATION: United States (1962–1968). Mac-Aire is set up by James Keena at Ronkonkoma, New York, in February 1962 to provide daily roundtrip air taxi services to EHosted by JAT Yugoslav Airlines CEO Mihajlo Vujinovic, a “meeting of the scheduled airlines of Southeast Europe” is held at Belgrade in mid-December to consider possible joint cooperation. Those attending include representatives of MALEV Hungarian Airlines, Rt., Croatia Airlines, Air Bosna, S.A., Air Srpska, S.A., Monenegro Airlines, Macedonian, and Adria Airways (Adria Aviopromet) (2). Due to an unplanned management change, TAROM (Romanian Air Transport-Transporturile Aeriene Romane, S.A.) is unable to participate, but expresses interest in joint activities.

Of the eight airlines participating in the conclave, six express interest in joint commercial operations, four in joint technical and maintenance activities, and five in joint training exercises. To study and discuss matters further, three working committees are established: commercial, chaired by a representative from Adria Airways (Adria Aviopromet) (2); technical, chaired by a MALEV Hungarian Airlines, Rt. representative; and training, chaired by a representative from JAT Yugoslav Airlines.

During the year, one of the company's two remaining B-727-230As is withdrawn and put up for sale.

MACEDONIAN AIRLINES, S.A.: 120 Syngou Ave., Athens, 11741, Greece; Phone 30 (1) 926 7296; Fax 30 (1) 926 7817; Code MCS; Year Founded 1992. A wholly owned subsidiary, MA is established by Olympic Airways, S.A. at Athens in 1992 to operate charter flights from the Greek province of Macedonia. Revenue operations begin and continue with 2 each Boeing 737-284As and B-737-484s leased from the parent.

During the summer of 1999, a B-737-46J is leased from Pembroke Capital. It is employed to operate not only charters, but also replacement flights on behalf of its parent to such European destinations as Geneva.

Macedonian repaints its fleet in a new color scheme during the summer and fall of 2000. A yellow sun logo appears on the navy blue tails of the aircraft.

MACEDONIAN AVIATION, LTD.: United Kingdom (1972–1974). Formed as a charter operation at London (CTN) in the summer of 1972, MAL begins ad hoc operations in October with a single de Havilland DH 104 Dove 6 purchased the month before. A Douglas DC-3 acquired in October flies its first charter on November 5 from Southend to Amsterdam. Unscheduled trips to the Continent continue during the winter.

The Dove is sold in February 1973, leaving the Douglas transport to fly a full load of ad hoc charters during the remainder of the year. Destinations include Bergen, Brussels, Jersey, Cologne, Geneva, Glasgow, Lisbon, and both passengers and freight consignments are transported. In the fall, the DC-3 is grounded for repairs and a replacement is leased for a month from Intra Airways, Ltd.

The first two weeks of January 1974 are given over to flying oil industry support flights out of Aberdeen. The profitable charter persuades company officials to purchase three more DC-3s from British Island Airways. Two are received in March; converted to combi standard, they are posted to Aberdeen in April. Meanwhile, ad hoc charters are flown throughout the spring to such destinations as Rotterdam, Lisbon, Hurn, Le Havre, Amsterdam, Gibraltar, and Belfast.

The former Limberg Airways, B.V. Tuesday service from Rotterdam to Le Havre is undertaken for a short period beginning in April; however, by summer, the company's DC-3s are fully committed at Aberdeen. The third DC-3 is received in September as the company vainly seeks financing to purchase turboprops for its Aberdeen operation. Unable to meet oil industry equipment standards, Macedonian ceases operations on November 6.

MACKENZIE AIR SERVICE, LTD.: Canada (1933–1942). MAS inaugurates operations on January 1, 1933 by flying fresh vegetables from Edmonton to the Eldorado Mines at Great Bear Lake. The route to Great Bear Lake is continued. During 1938, scheduled flights are undertaken linking the company's base with Port Radium via Yellowknife and Gordon Lake.

During the spring of 1941, the carrier is purchased by Canadian Pacific Railway and is merged with the Canadian Airways, Ltd. service from Edmonton to Prince Albert under the marketing title United Air Services, Ltd. in July. Six months later, on January 30, 1942, Mackenzie is one of several air transport companies merged to form Canadian Pacific Air Lines, Ltd.

MACKEY AIRLINES: United States (1965–1967). MA is established by Colonel Joseph Mackey as a subsidiary of his Mackey Air Taxi at Fort Lauderdale, Florida, in 1965 to operate both domestic and international scheduled services. Airline employment is 220 and the fleet includes 1 Douglas DC-3, 1 DC-4, and 6 DC-6s. Flights are inaugurated to West Palm Beach and Miami while, as a flag carrier, frequencies are also provided to the Bahamas. A total of 261,765 passengers are flown. Negotiations are initiated late in the year with Eastern Air Lines and a petition is filed seeking merger with the major. In early 1967, the airline division is sold to Eastern.

MACKEY INTERNATIONAL AIRLINES: United States (1968–1982). After selling its large-plane division to Eastern Air Lines in 1967, Col. Joseph C. Mackey, owner of Mackey Air Taxi, establishes a local third-level commuter service at his Fort Lauderdale base early in 1968. Employing a Piper PA-31-310 Navajo and a Beech 99, the carrier inaugurates scheduled passenger services to its former destinations on March 3.

Two years later, in December 1970, Mackey receives CAB authority to operate large aircraft and to take over a number of third-level routes being dropped by Eastern Air Lines and vacated with the failures of Bahamas Airways, Ltd. and Air Caicos, Ltd. A fleet of Convair CV-440s is acquired to operate the new frequencies.

Destinations visited from the enhanced Florida commuter gateways include Bimini, Georgetown, Marsh Harbour, Treasure Cay, Freeport, Nassau, North Eleuthera, Cape Eleuthera, the Turks and Caicos Islands, Rock Sound, and Cap Haitien.

Operations continue apace in 1971–1972. Stock clerks, clerical and office workers, passenger service employees, and stewards—all members of the International Association of Machinists and Aerospace Workers (IAM)—strike the carrier on March 29, 1973. Several negotiation sessions later, the job action is settled.

Enplanements for the year reach 169,752.

Airline employment in **1974** totals 255 and the fleet includes 8 Convair CV-440s and 2 Douglas DC-6s.

Passenger boardings decline 2.2% to 166,098.

The workforce is reduced by five employees in **1975**. The Miami-based carrier now receives permission from the CAB to operate 90-seat aircraft on both scheduled and charter flights between Florida and the Bahamas.

After joining the **Delta Air Lines** Deltamatic computerized reservations system, Mackey undertakes an aggressive advertising campaign to insure traffic to these new destinations. In addition, all personnel receive new uniforms. The fleet at year's end comprises 12 Convair CV-440s and Douglas DC-6Bs.

Enplanements fall another 2%, down to 161,789.

In **1976**, the number of employees is increased by 4% to 260. Flights begin to two additional Bahamian destinations while petitions are filed seeking authority to other Caribbean locations. In addition, the CAB is asked to certify the company as a first-level airline.

After the May 25 bombing of its Fort Lauderdale offices, the company cancels its current charter and projected regular flights to Cuba; the terrorism is attributed to Cuban exiles.

The 5 DC-6Bs and 6 CV-440s carry 177,330 passengers during the year, an increase of 9.6%.

By **1978**, airline employment is 250 and the fleet comprises 8 Convair CV-440s, 4 DC-6Bs, and 1 original Navajo. In **1979**, the fleet is radically altered in hopes of growth and by year's end and includes 2 CV-580s, 2 CV-440s, and 3 leased former-Delta Air Lines DC-8-51s.

A CV-440 veers off the runway while landing at Freeport in the Bahamas on November 24 and ends up 225 ft. off the runway in the water. There are no fatalities.

Enplanements for the year fall to only 41,000.

A scheduled DC-8-51 route is inaugurated on April 28, **1980** between Fort Lauderdale and Los Angeles via Las Vegas. The route is unsuccessful and is suspended in July; two Douglas transports are sold and the third is placed on charter work. As the result of a boardroom battle between its major executives and shareholders, the company shuts down on October 24.

This closure, recession, and a huge inflation are devastating; overall passenger boardings plunge 47.2% to 38,000.

During **1981**, the company resumes operations and places renewed emphasis upon its Florida commuter operations. It increases its fleet by the addition of a Short SC-7 Skyvan for its Fort Lauderdale to West Palm Beach segment and a de Havilland Canada DHC-6 Twin Otter for the Fort Lauderdale to Miami service. Unable to weather higher fuel costs and recession, the carrier ceases operations in October and is liquidated in **1982**. There is an unofficial website at <http://www.mackeyairlines.com>.

MACKNIGHT AIRLINES (PTY.), LTD.: Australia (1970–1991).

This privately owned airline is formed by John MacKnight at Deniliquin, New South Wales, in December **1970** to offer charter and scheduled commuter services throughout the state. Destinations served include Deniliquin, Hay, Tocumwal, and Wagga Wagga. Initial equipment comprises a single Aero Commander 500 and a Piper PA-60 Aerostar. These feeder services out of Wagga Wagga are maintained with little change for almost a quarter-century.

The fleet is not upgraded until the twentieth anniversary year. A Piper PA-30 Twin Comanche is acquired in **1990**, with another following in **1991**. In July of the latter year, the carrier's routes and assets are sold to **Western NSW Airlines (Pty.), Ltd.**

MACROBERTSTON-MILLER AIRLINES (PTY.), LTD.: Australia (1934–1981). On January 19, **1934**, Sir MacPherson Robertson subsidizes the start of weekly Adelaide–Kimba via Port Pirie and Whyalla service. The flights are made by a Fokker Model 4 Universal purchased by his partner H. C. Miller in 1933 and owned by the **Commercial Aviation Company (Pty.), Ltd.** The carrier's name is now

changed to the **MacRobertson-Miller Aviation Company (Pty.), Ltd.** In April, the Australian government grants internal airmail subsidies for route connections with destination points in the U.K.–Australia experimental service; the company receives a five-year contract for flights out of Perth. Following the acquisition of two de Havilland DH 84 Dragons, weekly Perth–Daly Waters frequencies are begun on October 3 via eight stops. Three days later, a temporary, two-month operation is begun from Ord River to Wyndham.

Having acquired two DH-83 Fox Moths in the spring of **1935**, a permanent Ord River–Wyndham route is opened on July 9, complementing the route started the previous year. Neither fleet nor service changes much during the next three years until the spring of **1938**, when two DH-86s are placed in service, replacing the DH-83s.

In July, the Western Australia routes are extended to Darwin via Wyndham to connect with the **Qantas Empire Airways, Ltd.** flying boat service. On August 9, the northern mail terminus is transferred to Darwin from Daly Waters and a new Lockheed Model 10A Electra arrives from the United States on October 17.

In **1939**, the routes out of Adelaide are transferred to the **Guinea Airways, Ltd.** Adelaide–Darwin network. Between **1940–1945**, mail flights are maintained and contract charters flown on behalf of the Allied war effort.

In **1946**, a Douglas C-47 is purchased from Allied war surplus, reconverted to DC-3 civil standard, and placed in service. Having survived the war, the Electra crashes at Broome Creek on June 17.

Another DC-3 is acquired in **1947**, but it is lost in a crash at Guildford Airport on July 1 (15 dead). In cooperation with **ANA (Australian National Airlines [Pty.], Ltd.)**, **Air Beef (Pty.), Ltd.** is formed in November **1948** for the transport of frozen carcasses from remote areas of Western Australia to Wyndham. A DC-3 crashes at Guildford, Western Australia, on July 2, **1949** (18 dead).

Over 5,000 carcasses are transported in **1952** as **Air Beef (Pty.), Ltd.** reaches its peak year. Competing **Airlines (West Australia) (Pty.), Ltd.**, together with its routes inland of Perth and its fleet of DH-104s, is acquired in October **1955**; MMA now stands for **MacRobertson-Miller Airline Services (Pty.), Ltd.** The carrier's first turboprop is the Fokker F.27-200 *Swan*, purchased from **Trans-Australian Airlines (Pty.), Ltd. (TAA)**; it is employed to launch Jetstream service on the Perth–Darwin route on December 28, **1959**.

The fleet in **1961** comprises the *Swan*, 3 Doves, and 6 DC-3s. Controlling interest in the airline is purchased by Ansett Transport Industries, Ltd. in **1963**; however, the carrier is left to operate under its own identity. A second F.27-200 and a Piaggio 166 are acquired in **1964**. Several new stops are added to existing routes due to new iron ore mining developments in Western Australia.

Two more F.27-200s join the fleet in **1965**. Enplanements reach 147,000 in **1966**.

The fleet in **1967** includes 4 F.27-200s, 1 F.27-100, and 8 DC-3s. Orders are outstanding for another Fokker Friendship and a de Havilland Canada DHC-6 Twin Otter. Bookings fall to 139,971.

In **1968**, one more F.27-200 and a DHC-6 are placed in service. Airline employment is 800. In March, DC-3 services from Perth to Rottne Island are suspended.

Due to the fatigue of its starboard inner main spar lower boom, Flight 1750, an F.27-200 with 5 crew and 21 passengers and en route from Perth to Port Heland on December 31, crashes 48 km. S of its Western Australia destination; there are no survivors.

The outstanding 32% shareholding is acquired by Ansett Transport Industries (Pty.), Ltd. in January **1969** and **MacRobertson-Miller Airlines (Pty.), Ltd.** becomes a wholly owned division with C. N. Kleinig as general manager.

Operations continue apace during the early **1970s** and by **1973** enplanements total 286,965. They accelerate by 8.9% in **1974** to 315,000.

Airline employment stands at 518 in **1975**. With a slowdown in the region's mineral mining business, passenger boardings accelerate only a minor 0.8% to 325,971. Freight drops 3.1% to 7.3 million FTKs.

The Ansett subsidiary is reorganized in January 1976 in an effort to generate additional bookings by emphasizing tourism. New sales and marketing campaigns are undertaken. The workforce is cut 3.7% to 492. The company's de Havilland Canada DHC-6 Twin Otter and the five Fokker F.27-100s are unable to prevent another downturn in traffic.

Passenger boardings decline 10% to 293,387 and cargo slows down 7.5%.

Enplanements begin to recover in 1977 and show a radical improvement in 1978, accelerating to 342,511.

The company employs 520 workers in 1979. Customer bookings grow a slight 1.2% to 346,671 and cargo climbs 1.7% to 7.41 million FTKs. The workforce is increased by 7.3% in 1980 to 558. Passenger enplanements jump 9.6% to 379,957 while freight declines a slight 1.9% to 7.3 million FTKs.

The division is reformed in July 1981 and is renamed **Airlines of Western Australia (Pty.), Ltd.**

MADAIR, S.A.: Malagasy Republic (1961–1962). Air Madagascar (*Société National Malagache de Transports Aériens, S.A.*) is reorganized on January 1, 1961 by the government of the Malagasy Republic, Madagascar, and TAI. Shareholding is divided between the Malagasy Republic (39%), TAI (20%), and Air France (44%).

The fleet now includes 4 DC-3s, 2 DC-4s, 6 DH 89As, and 1 Broussard. Four months later, the company is renamed Madair, S.A.

An Antananarivo–Paris route via Djibouti and Marseilles is opened on October 20 with a Douglas DC-7C leased from the French partner.

Service is taken over or started to 58 domestic points on January 1, 1962. These flights are operated with a variety of U.S.-made lightplanes, as well as five Nord 262s. Routes are also opened to neighboring islands and to Johannesburg. There are accidents.

The company is again reorganized on October 14, 1962, and the Madair name is dropped in favor of the original title.

MADANG AIR SERVICES (PTY.), LTD. See **MANDATED AIRLINES (PTY.), LTD.**

MADDUX AIR LINES: United States (1927–1929). During a reliability tour, Los Angeles Lincoln automobile dealer Jack L. Maddux is impressed with the reliability of the Ford 4-AT TriMotor. Backed by wealthy colleagues, he offers to become Ford's West Coast distributor and build an airline if two TriMotors can be flown from their Michigan factory over the mountains to Los Angeles' Rogers Airport. In anticipation, he purchases two 4-AT-Bs and hires pilot Lawrence G. Fritz to make the first delivery flight.

In mid-July 1927, aviator Fritz and his copilot, Ford Motor Company chief pilot J. Parker Van Sandt, who is also serving as operations director of **Stout Air Services**, depart Detroit for California with Ford 4-AT-7. Among the passengers are Ford Chief Engineer William B. Mayo, Ed die Hamilton, and six others.

According to Van Sandt, during this delivery flight it was he who persuaded the group to detour from Salt Lake City over the Grand Canyon to Williams, Arizona, taking in the view. This half-hour flight is credited with inspiring an entire new business, the Grand Canyon air tour industry. (Van Sandt's account was later written down as "Origin & History of **Scenic Airways**, 1926–1929," and has recently been posted on **Grand Canyon Airlines'** website.) The 4-AT-7 arrives in Los Angeles on July 27, where Fritz becomes "Commodore" of the Maddux fleet, and is joined as copilot by Edward A. Bellande, with Van Sandt returning to Stout.

The new entrant launches Los Angeles (Rogers Airport) to San Diego (Mahoney Flying Field) return passenger service on July 28, 1927. The flights, at \$15 per head, are very popular and frequencies are increased to twice daily before the end of the summer. An active publicity department is established by Maddux to promote his carrier; whenever possible, movie stars such as Dolores Del Rio are photographed next to the trimotors.

Ms. Del Rio is the star of a Raoul Walsh film *The Red Dance*, which is shot in January 1928 at Truckee, California; pilot Fritz flies 4-AT-7 in a number of the Russian Revolution-related scenes. The third Ford Tri-Motor, 4-AT-16, arrives on March 31 and on April 14 the aircraft inaugurate twice-daily flights between San Francisco and Los Angeles. A fourth Tri-Motor, 4-AT-12, is acquired on May 2. During the summer, it will be leased to Metro Goldwyn Mayer; christened *The Flying Laboratory*, it is used as an aerial cutting room during the filming of George Hill's motion picture, *Gold Braid*, starring Ramon Navarro. Meanwhile, the 4-AT-23 enters service on June 23.

Another Ford Tri-Motor, 4-AT-32, is acquired on August 25, followed by the 4-AT-33 on September 7. The 4-AT-36 is delivered on September 25 and is christened *The Glendale* in honor of the actual Los Angeles terminus. By the close of the year, Maddux can fly travelers from San Francisco via Los Angeles and San Diego to points further south in California.

A total of 9,440 passengers are transported on the year over 386,736 miles.

The first upgraded Tri-Motor, Ford 5-AT-10, is delivered on January 4, 1929. It is followed by the arrival of the \$65,475 5-AT-16 on January 16. Also on that day, the 4-AT-16 is sold to G. E. Flaherty of Los Angeles, who plans to begin an airline to be known as **Golden State Airways**. While landing at Santa Rosa, California, on January 18, the 4-AT-16, piloted by Marino J. Guglielmetti, crashes and is damaged. Ford 5-AT-17 is delivered on February 9 and the next day the carrier initiates a Los Angeles–Phoenix route, while expanding service to additional points in southern California.

The Ford 5-AT-18 arrives on February 29 followed by 5-AT-19 on March 5. In mid-month, the carrier joins with the newly established Air Express Division of **UPS (United Parcel Service)** and **Pacific Air Transport (PAT)** to ship packages from Los Angeles to Seattle. Maddux flies the UPS boxes to San Francisco, where they are transferred to PAT for shipment up to the state of Washington; service is inaugurated by the 5-AT-10.

Equipped with a large number of 4-AT-Bs and 5-ATs, Maddux, now the world's largest operator of the trimotor, also flies two Lockheed Model 5 Vegas and two Travel Air 5000s. Ford 5-AT-41 joins this collection on April 20. Enroute to Phoenix from San Diego on April 21, Ford 5-AT-10, piloted by Maurice Murphy with one crew and three passengers, is struck by a USAAC 95th Pursuit Squadron Boeing PW-9D; both aircraft crash (six dead). The replacement 5-AT-46 arrives on May 29.

In June, a 4-AT, piloted by Jack Collier and with a full complement of passengers enroute from Los Angeles to Oakland, is flown under the Carquinez Bridge over the Sacramento River in order to avoid fog, circling about for a landing at Alameda Airport. The maneuver is the first time a Ford Tri-Motor in passenger service is flown under a bridge.

While on its delivery flight, the \$55,475 5-AT-51 is employed as a press plane at Port Columbus, Ohio, during July 8 opening ceremonies for **Transcontinental Air Transport (TAT)**. Two days later, the aircraft is flown from Grand Central Air Terminal at Burbank, serving Los Angeles, up to Alameda Airport to inaugurate increased Maddux service in the San Francisco area. The pilot is TAT's chief technical advisor, Charles A. Lindbergh.

The 4-AT-23 is sold to the **Curtiss Flying Service of California** on July 12; three days later the new entrant also purchases 4-AT-32. On August 26, it is the 5-AT-51 that guides the giant German dirigible *Graf Zeppelin* into Mines Field, Los Angeles, as it arrives from San Francisco on August 26.

Ford 4-AT-36 is up-engined with Wright J-6 engines during September and, on November 16, less than a month after the New York Stock Market crash, Maddux Air is purchased by **Transcontinental Air Transport (TAT)** and becomes known as **TAT-Maddux Air Lines**. Owner Maddux receives a directorship; however, others are not so fortunate. For example, Operations Manager Daniel W. "Tommy" Tomlinson is hired as a Ford Tri-Motor copilot. During the year, 40,000 passengers are transported.

MADINA AIRLINE: Borovski Proezd 6/36, Moscow, 119619, Russia; Phone 7 (095) 470-3547; Year Founded 1995. Madina is established at Moscow in 1995 to provide domestic and regional passenger charters. M. G. Kulev is general director and he begins, and continues, revenue flights with a single Tupolev Tu-134.

MADRAS AIR TAXI SERVICE, LTD.: India (1933–1934). Founded in December 1933, this nonscheduled carrier begins experimental twice-weekly scheduled de Havilland DH 83 Fox Moth passenger and mail services between Calcutta and Madras via Puri, Vizagapatnam, and Bezwada, on February 10, 1934. These flights and the carrier cease on March 31.

MAERSK AIR, A.S.: Copenhagen Airport South, Dragoer, DK-2791, Denmark; Phone 45 32 31 44 44; Fax 45 32 31 44 90; <http://www.maersk-air.com>; Code DM; Year Founded 1969. In February 1969, A. P. Moller Shipping Co. Chairman Maersk McKinney Moller acquires a Hawker Siddeley HS 125 for corporate travel; late in the year, it is decided to offer executive charters, which commence in December.

An F.27-500 with four crew fails its takeoff from Rinne, Denmark, on December 27 for a training flight and crashes into the sea 500 yards beyond the runway; there are no fatalities.

In January 1970, the domestic freight operator **Falck Air, A.S.** is purchased and merged; however, all-cargo flights soon prove a money-losing proposition. Meanwhile, in light of the continuing popularity of the executive charters, the decision is taken to concentrate on nonscheduled service to Mediterranean holiday spots on behalf of Scandinavian inclusive-tour promoters. With an initial fleet of Fokker F.27-500s, Maersk Air is created as a fifty-fifty subsidiary of the parent's two aviation subsidiaries, A/S Maersk Aviation and Flyaktieselskabet Maersk.

In February 1971, Maersk Air (38%) joins with **SAS (Scandinavian Airlines System)** (7%) and **Cimber Air, A.S.** (5%) to create **Danair, A.S.**, the nation's new principal internal carrier, pledging flight support and equipment to the Copenhagen-based new entrant.

Operations continue apace in 1972–1973; between January 17 and March 8 of the latter year, three B-720-051Bs are purchased from the American carrier **Northwest Airlines**. Two more arrive between January 16 and February 20, 1974.

Following its January 15, 1975 bad weather landing at Vagar in the Faroe Islands, all 4 crew and 22 passengers on board an F.27-600 are safe after the plane plunges off the runway, although the aircraft must be written off.

As charter demand increases and additional destinations are added in 1976–1979, the fleet is upgraded to include 8 Boeing 737-2L9s and 2 de Havilland Canada DHC-7-102s. The latter gradually replace the original Fokkers in support of **Danair, A.S.** in scheduled services between Copenhagen and Billund, Esbjerg, Odense, Ronne, Thisted, and Skrydstrup. Managing Director Johan H. Paus's workforce grows to 600.

In addition to freight forwarding offices, Maersk travel agencies are opened in 1980 in Copenhagen, London, Hong Kong, Aberdeen, and Singapore.

Traffic figures show that enplanements for new President Bjarne Hansen's carrier have, at 1,119,255, surpassed the one million-mark.

Expansion is undertaken in 1981 in support of the offshore North Sea oil industry; an offshore-oriented subsidiary, **Maersk Helicopters, A.S.**, is created to operate a fleet of 5 Bell 212 helicopters from a base at Esbjerg Airport.

Overall passenger boardings jump 10.1% to 1,245,000.

Charter and scheduled fixed- and rotary-wing services increase in 1982, including flights over an 834-mile Boeing 737-2L9 route (the company's longest) to the Faeroe Islands in the North Atlantic. One Bell is retired in 1983 as two Aerospatiale AS-365 Super Pumas join the Offshore Division. The commuter carrier **Air Business, A.S.** (and its two Shorts 360s) are purchased on May 1 and on behalf of its new parent, launch scheduled regional flights connecting Esbjerg with Stavanger, Norway.

The Shorts are also employed on **Danair, A.S.** flights. As the result of a 1984 EEC directive allowing international regional operations, the carrier in November starts twice-daily DHC-7-102 service Billund–Southend, England; four Dash-7s are dedicated to this operation by year's end, at which time an order is placed for two B-737-3L9s.

In 1985, Maersk Air continues to undertake substantial service for its partial subsidiary, **Danair, A.S.**, while maintaining regional, international, charter, and helicopter operations. With a fifth DHC-7-102 available, boardings on the England route reach 15,000 for the first complete year. During the year, the two B-737-3L9s are delivered, replacing two B-737-2L9s on the Mediterranean holiday service.

In October, the carrier becomes the fifth airline to purchase the new Fokker 50 turboprop; four are ordered for delivery in early 1988.

Enplanements total 14,075 on the British run and the net profit is \$13.4 million.

Airline employment in 1986 stands at 950 and President Bjarne Hansen's fleet now comprises 20 aircraft: 2 B-737-3L9s, 6 B-737-2L9s, 1 HS 125-400, 5 DHC-7-102s, 1 AS-365s, and 4 Bell 212s.

In March, two additional B-737-3L9s are ordered for delivery the following June. The company, meanwhile, has five helicopters assigned to offshore support roles.

Fixed-wing passenger boardings, including 20,000 on the Southend run, exceed 1.3 million.

The workforce grows 5.3% in 1987 to an even 1,000 as the B-737-3L9s arrive in June and July.

A total of 1.58 million revenue passenger kilometers (RPKs) are flown, a 6.2% boost.

In addition to the four B-737-3L9s, the fleet in 1988 has been pared to 2 B-737-2L9s, 5 DHC-7-102s, 2 Shorts 360s, and 4 helicopters. The subsidiary **Air Business, A.S.** is reformed at **Maersk Commuter, I.S.** and equipped with the two Shorts 360s and the DHC-7-102s.

In July, the first of eight requested Fokker 50s is delivered and two more B-737-3L9s are requested. Maersk seeks permission to fly from Copenhagen to Birmingham, England; **SAS (Scandinavian Airlines System)** exercises its veto over new international routes from consortium nations to block the expansion.

Enplanements for the year dip to 1,291,000.

The 1,000-employee Danish domestic operator sees its passenger boardings dip another 5.9% in 1989 to 1,215,000.

The fleet in 1990 includes 6 Fokker 50s, 1 B-737-2L9, 7 B-737-3L9s—4 leased to **British Airways, Ltd.** (2) and three on order—and 4 B-737-5L9s, 1 of which is still on order. Four helicopters are now active in offshore support roles.

In April, the **Maersk Commuter, I.S.** subsidiary is absorbed. In England, services are switched from Southend to London (LGW) following the **SAS (Scandinavian Airlines System)** withdrawal. In October, joint venture flights begin with **Sabena Belgian World Airlines, S.A.** from Brussels to the Danish city of Billund, home to Lego toys, which now becomes a major hub with connecting flights to Britain and Belgium.

Passenger boardings for the year slip 0.5% to 1,153,000.

The fixed-wing fleet in 1991 includes 9 B-737-3L9s, 1 of which is leased to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** and 2 to **British Airways, Ltd.** (2). There are also 8 Fokker 50s, 2 of which are leased to **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)**. At the same time, an AS-332L Super Puma is leased from **Helicopter Service, A.S.** With two Bell 212s and two Super Pumas of its own, the helicopter division continues to operate offshore support flights.

During the spring, permission is won to inaugurate new scheduled passenger services from Billund to London (LGW). A previous service to Southend Airport is suspended; however, the route will briefly be flown during the summer by the Danish regional **Sun Air of Scandinavia, A.S.**

In August, the company applies for permission to fly from Copenhagen to Oslo, Stockholm, and Goteborg.

Enplanements total 1,136,640 and revenues are \$204 million; a net loss of \$3.1 million is suffered and comes after a decade of profits.

Airline employment stands at 1,038 in 1992 and the fleet now features 2 Aerospatiale AS-332Ls, 1 BAe 125 Mk. 700B, 3 Bell 212s, 8 Fokker 50s, and 5 B-737-5L9s, 1 of which is leased to the Korean carrier **Asiana Airlines**. Also included are 13 B-737-3L9s, 1 of which is leased to **Air Holland Charter, N.V.**, 7 to **Deutsche BA, GmbH.**, and 2 to **Germania Fluggesellschaft, GmbH.**

By summer, the domestic network from Copenhagen includes stops at Billund, Esbjerg, Odense, Vejens, Ronne, and the Faroe Islands.

Passenger boardings climb 11.2% to 1,280,000. Revenues climb to \$225 million and yield a profit of \$4.5 million.

Chairman Troels Dilling and President Hansen oversee a workforce of 1,200 in 1993, up 15.6% over the previous year. The Copenhagen Cargo Center, of which the company owns 40%, opens in January.

In May, the company joins with **British Airways, Ltd. (2)** to implement a rescue package designed to secure the future of the U.K. regional **Brymon European Airways, Ltd.** as well as the jobs of 500 employees of its parent organization, The Plimsoll Line, Ltd. (TPL). Under the joint agreement, the two airlines will each inject £6 million into TPL to enable it to meet its outstanding debts and restructure its three core subsidiaries. Meanwhile, Brymon Aviation and Plymouth City Airport will both become wholly owned subsidiaries of BA while BEA becomes a wholly owned subsidiary of Maersk Air.

When **Brymon European Airways, Ltd.** splits apart in July following an unsuccessful rescue attempt by the company and **British Airways, Ltd. (2)**, Maersk steps in to purchase the old **Birmingham European Airways, Ltd.** component, renaming its new subsidiary **Maersk Air U.K., Ltd.**

Maersk is the first company to take advantage of the new European Union regulations that permit 100% ownership of an airline in the nation of another EU member. The newly reformed entity becomes a BA franchise carrier in August.

On the year, Maersk Air enjoys an increase of 3.1% in customer bookings, to 1.32 million, and a 5.5% boost in revenues to \$220 million. The operating and net profits slip to an identical \$4.05 million.

The fleet in 1994 includes 12 B-737-3L9s, 4 B-737-5L9s, 8 Fokker 50s, and 1 British Aerospace BAe 125-800A. One B-737-5L9 is still leased to **Asiana Airlines** and orders are placed for six B-737-7L9s. The **Maersk Helicopters, A.S. (MHAS)** subsidiary, under the leadership of Vice President-Helicopters Jan Hagemann, flies two SA-365N Dauphin 2 helicopters.

The fixed-wing company division continues to provide regional and international services from Billund and Copenhagen to Amsterdam, Brussels, the Faroe Islands, Frankfurt, London (LGW), and Stockholm; domestic destinations include Billund, Esbjerg, Odense, Roenne, and Vejens. In October, the Kristianstad-London (LGW) via Copenhagen service is increased to six roundtrips per week.

Passenger boardings increase 31% to 1,729,000 and revenues advance 31.2% to \$286 million. Expenses climb 23.3% to \$263.7 million. Operating and net profit figures are again identical: \$22.3 million.

In 1995, seven B-737-3L9s are leased to Munich-based **Deutsche BA Luftfahrtgesellschaft, GmbH.** On September 1, a \$24-million long-term lease is signed by MHAS with **Helikopter Services, A.S.** of Norway for the lease of three Eurocopter AS-355L.1 Super Pumas.

Enplanements climb 7.9% to 1,864,800 and operating revenues accelerate 5.2% to \$303 million. Net profit reaches \$26 million.

Early in 1996, two more B-737-3L9s are sent to Deutsche BA. Code-sharing commences with **KLM (Royal Dutch Airlines, N.V.)** on March 17 from Billund to Amsterdam. The route, formerly operated by KLM, is now flown with Maersk equipment. Later in the year, Maersk Air leads a consortium that purchases majority interest in **Estonian Air, A.S.** A marketing agreement is reached with **Finnair O/Y** in November and plans for block-seat flights are announced.

Customer bookings accelerate 2.4% to 1,908,700.

A major dual-designator agreement is signed with **Finnair O/Y** during the first week of February 1997. Employing its eight available B-737-5L9s, the company launches dual-designator service from Copen-

hagen and Billund to Stockholm on April 28. Finnair will employ its DC-9-51s and, between them, the two carriers will offer 47 weekly roundtrips between the 2 Scandinavian cities.

On August 4, a code-sharing agreement is signed with **Swissair, A.G.** It takes effect on October 26 when a Maersk B-737-5L9 inaugurates daily roundtrips from Copenhagen to Geneva. The route is an extension of another new joint service that the two provide between Billund and Zurich via Frankfurt.

Passenger boardings inch up 0.7% to 1,921,600.

As a result of a five-month delay in Joint Airworthiness Authorities certification, Europe's first Next Generation B-737-700 is not delivered to Maersk until March 2, 1998. The DASH-7L9 is in service by month's end, making Maersk the airline first in Europe to operate the new type.

On June 1, Maersk Air is taken to court by the Danish Equal Status Council for demanding that its female flight attendants wear makeup. The airline is accused of gender discrimination and it is expected to be ordered to change its dress code.

Although the European Commission has begun to take a harder line toward code-sharing pacts, on July 14, EU Competition Chief Karel van Miert, speaking for the EC, approves the carrier's pact with **Finnair, O/Y**. Van Miert states that the pact has enhanced competition between Copenhagen and Stockholm, which had previously been dominated by **SAS (Scandinavian Airlines System)**.

In October, upstaging both **Finnair, O/Y** and Minister van Miert, SAS negotiates its own comprehensive commercial accord with Maersk Air, guaranteeing itself an even stronger dominant role in Nordic air transport. When the pact takes effect on March 28, it will provide for joint ground handling, marketing, frequent flyer program linkage, and dual-designator flights.

Passenger boardings drop 3% during the 12 months to 1.86 million.

By the beginning of 1999, airline employment has been increased by 3.1% to 1,279.

With the beginning of the summer schedule on March 28, twice-daily B-737-5L9 return services are launched between Copenhagen and both Athens and Venice. In addition, the three daily roundtrips from Copenhagen to Kristiansand are upgraded to B-737-5L9.

On April 1, a new B-737-5L9 return route, The Aalborg Feeder, is inaugurated four times a day between Aalborg and Billund. The flights are planned to have the best possible connections with the carrier's Billund departures for other European destinations.

A new reservations center is opened in Billund Airport on July 1. Under terms of a code-sharing agreement signed with **Deutsche Lufthansa, A.G.** on June 10, the German major is able to sell tickets on Maersk's return services from Billund to Frankfurt, for those passengers flying beyond the DLH hub, beginning on October 1. In addition to increased profits for both parties, the pact improves connections from Billund.

A Next Generation B-737-7L9 is delivered on October 19, bringing the fleet total to five, including two others received this year. Frequencies between Copenhagen and Bornholm are increased on October 29 to 40 weekly roundtrips, including early morning departures known as Fog Crushers.

Due to poor load factors, the Copenhagen to Esbjerg service, first operated in 1982, is halted on October 31.

Passenger boardings this year jump 7.5% to 2,095,000, but cargo traffic drops 33% to 654,000 FTKs. Maersk Air Group revenues advance 8.6% to \$472.77 million, even as the net gain slides to \$15.12 million.

Airline employment at the beginning of 2000 stands at 1,321, a 4.8% increase over the previous 12 months. The B-737 fleet now includes 15 Dash-5L9s, 5 Dash-7L9s, and 2 Dash-3L9s.

Two Next Generation B-737-7L9s are chartered to **Air Malta Company, Ltd.** in time for the start of the summer schedule on March 26. A B-737-5L9 is placed on half of the Copenhagen to Bornholm frequencies, thereby increasing the number of weekly seats to 3,100 each way.

On March 26, as part of a code-sharing arrangement with **SAS (Scandinavian Airlines System)**, new daily B-737-5L9 return service is inaugurated between Copenhagen and Lisbon.

On April 9, daily (except Sunday) nonstop B-737-5L9 roundtrips are inaugurated from Billund to Dublin.

On May 1, Jorn Eriksen, senior vice president at Maersk, succeeds Borge Thornbech as president of **Estonian Air, A.S.**; Thornbech returns to an executive position at Maersk.

In mid-June EU Commission officials suddenly descend upon the offices of Maersk, as well as those of Maersk owner A. P. Moeller Group, and **SAS (Scandinavian Airlines System)** as part of an investigation into the competitive results of the code-sharing pact between the two airlines. The dual-designator review, confirmed to the press by EU headquarters in Brussels, is to determine if the Maersk-SAS pact violates Commission rules.

The sixth Next Generation B-737-7L9 is delivered on October 19. The tenth anniversary of four international routes from Billund is celebrated on October 29: London (LGW), Amsterdam, Stockholm, and Brussels.

On November 1, the twice-daily roundtrip B-737-5L9 return service between Billund and Brussels becomes thrice daily. Three Canadair CRJ200LRs are leased from **Maersk Air UK, Ltd.** on November 1; the trio has been repainted from "British Airways Express" colors to the standard, two-tone scheme of the Danish line. The regional jets are scheduled to initiate daily roundtrips between Billund and Milan on November 6.

Daily Next Generation B-737-7L9 service is initiated four times a week from Copenhagen to Cairo on November 20; the next day, Next Generation B-737-5L9 thrice-weekly roundtrips commence from Copenhagen to Istanbul. Five-times-a-week B-737-5L9 return service is started on November 22 from Billund to Zurich while twice-weekly B-737-5L9 flights begin from Billund to the Faroe Islands. A fifth daily return flight is offered between Billund and Stockholm.

Six-times-a-week CRJ200LR return frequencies begin on November 22 between Billund and Milan. The service had originally been scheduled to start on November 6.

MAERSK AIR U.K., LTD.: Maersk House, 2245-2249 Coventry Road, Birmingham, England, B26 3NG, United Kingdom; Phone 44 (121) 743-9090; Fax 44 (121) 743-4123; <http://www.british-airways.com/inside/wrldwide/partners/franchise/docs/maersk.shtml>; Code VB; Year Founded 1993. When **Brymon European Airways, Ltd.** splits apart in July 1993, **Maersk Air, A.S.** of Copenhagen steps into purchase the old **Birmingham Executive Airways, Ltd.** component. Maersk is the first company to take advantage of a new European Union ruling which permits 100% ownership of an airline by another from an EU nation. Firmly in control by July, the Danish renames its new subsidiary, but chooses to see it operate as an independent in order for it to avoid service restrictions imposed by the ancient international **SAS (Scandinavian Airlines System)** compact.

Headquarters are retained at Birmingham; Peter Harris is president with Flemming Knudsen as managing director. The company is outfitted with 5 British Aerospace BAe (BAC) 1-11s and 3 BAe Jetstream 31s.

In August, the reformed entity becomes a franchise of **British Airways, Ltd. (2)**. Under its agreement with the British major, the company will repaint its aircraft in modified BA livery. These are employed to inaugurate "British Airways Express" revenue services connecting the carrier's Birmingham base with Amsterdam, Belfast, Copenhagen, Cork, Dublin, Glasgow, Milan, Newcastle, and Stuttgart.

Airline employment stands at 185 in 1994 and the fleet includes 1 each British Aerospace (BAC) 1-11-401AK and 1-11-416EK, 3 Jetstream 31s, and 2 each 1-11-408EFs and 1-11-510EXs, the latter 2 leased from **British Airways, Ltd. (2)**. Berlin and Lyon join the route network.

Enplanements for the first full year of service total 370,000.

By early 1995, the company is offering 200 "British Airways Express" flights per week from Birmingham to six European cities. Passenger boardings total 42,845.

A British Aerospace BAe Jetstream 41 is leased in September 1996. Painted in "British Airways Express" colors, it is placed into service at the beginning of October over a route from Birmingham to Newcastle.

Customer bookings rise 5% to 45,100 and revenues are \$109 million. Net gain drops to \$5.1 million.

Managing Director Knudsen returns to AP Moller Shipping Group in September 1997; he is succeeded by **Maersk Air, A.S.** Senior Vice President-Finance Gert Kristensen. Four Boeing 737-5L9s join the fleet painted in the controversial new **British Airways, Ltd. (2)** color scheme, each with a tail representing the culture of another land.

In October, the company places a \$64-million order for 3 Canadair CRJ-200LRs and takes options on 12 more. The three will be delivered during the second quarter of 1998 and will replace the BAC 1-11-400s.

Passenger boardings during these 12 months surge 22.7% to 554,352 while cargo skyrockets 66% to 1.09 million FTKs.

Flights continue in 1998. Destinations visited include Amsterdam, Belfast, Berlin, Birmingham, Copenhagen, Lyon, Milan, Newcastle, and Stuttgart.

While en route from Belfast to Birmingham on January 4, Flight 8343, a BAC 1-11, develops a minor electrical fault that causes smoke in the rear of the cockpit; a precautionary landing is made at Liverpool.

In early October, **British Airways, Ltd. (2)** leads an effort by several European airlines to prevent implementation of an Italian government decree requiring a shift of their services to the new Malpensa Airport. Consequently, when the new BA winter schedule starts on October 25, all 12 of its weekly roundtrips to Milan from Manchester and the twice-daily roundtrips from London (LGW) are switched to the new Malpensa Airport. Franchise partner Maersk is, however, permitted to continue operating its 17 weekly return flights from Birmingham into Linate Airport.

Later in the month, new services from Birmingham to Vienna and Geneva, due to start in February, are announced. The BAC 1-11 flights will be operated twice daily during the workweek and daily on weekends.

The CRJ-200LRs enter service before Christmas, with the fourth arriving just after New Year's.

Passenger boardings during the 12 months ascend 4.6% to 589,000.

BAC 1-11 twice-daily workweek roundtrips commence on February 1, 1999, from Birmingham to Vienna and Geneva. A daily roundtrip is offered between the three cities on weekends.

Two additional CRJ-200LRs are ordered from Bombardier Aerospace on February 24, along with options for two more CRJ-200LRs and five CRJ-700s. Deliveries on this request will be made in March and April 2000.

New routes to Rome and Stockholm are opened on November 1. Simultaneously, frequencies from Birmingham to Manchester are increased from four times a day to five times a day.

Customer bookings shoot up 11.4% to 686,000, while freight traffic swells 11.4% to 43.38 million FTKs.

Airline employment at the beginning of 2000 stands at 432, a 28.6% increase over the previous 12 months. The two CRJ200LRs requested the previous year are delivered as scheduled.

The BA franchise carrier introduces a Boeing 737-5L9, leased from its Danish parent, at the beginning of April. Painted in full BA franchise colors, it will soon be joined by four more of the same type.

The company's "British Airways Express" CRJ service from Newcastle to Birmingham is turned over to **British Regional Airlines, Ltd.** on October 30. The new operator downgrades the route from jet to turboprop by replacing the Canadair with a British Aerospace BAe Jetstream 41. The move is protested by **Gill Airways (Gill Aviation, Ltd.)**, which had been negotiating with Maersk Air, U.K. to take it over for itself.

Three CRJ200LRs are leased to **Maersk Air, A.S.** on November 1; the trio has been repainted from "British Airways Express" colors to the standard, two-tone scheme of the Danish line. The regional jets are scheduled to initiate daily roundtrips between Billund and Milan on

November 6. Six-times-a-week CRJ200LR return frequencies begin on November 22 between Billund and Milan. The service had originally been scheduled to start on November 6.

Options are converted on December 11 into two firm orders for a pair of CRJ700s valued at \$53.6 million. The new regional jets are scheduled for delivery in the second quarter of 2002.

As the year ends, negotiations with **British Airways, Ltd. (2)** concerning the franchise arrangement continue. The arrangement, which is scheduled to end on March 24, will be extended through the end of the upcoming summer season, with an actual decision on the pact expected by the end of April.

MAERSK COMMUTER, I.S.: Denmark (1988–1990). In 1988, the **Maersk Air, A.S.** subsidiary **Air Business, A.S.** is reformed as MCIS. Jan Goffredsen remains as general director with Leif Nielsen as operations manager. All previous routes, especially those linking Esbjerg with Stavanger and Aarhus, are maintained with the original two Shorts 360s. The reorganized regional operation is unable to expand or retain its viability and ceases operations on April 1, 1990, being absorbed into the parent company.

MAERSK HELICOPTERS, A.S. See **MAERSK AIR, A.S.**

MAFIKENG AIR SERVICE (PTY.), LTD.: South Africa (1978–1979). MAS is established by the government of the black African “homeland” of Bophuthatswana (located within the borders of the Republic of South Africa) in 1978 to operate scheduled Cessna flights and on-demand charters from an airfield near its namesake town. On July 20, 1979, the concern is renamed **Mmabatho Air Service (Pty.), Ltd.**

MAFIKENG AVIATION SERVICES, LTD. See **MAGNUM AIRLINES (PTY.), LTD.**

MAGADAN AIR CARGO (MAGADAN AERO GRUZ): Naberezhnaya Reki Magadki 7, Magadan, Magadan Zone ATD, 685007, Russia; Phone 7 (41322) 93633; Fax 7 (41322) 21082; Code MGG; Year Founded 1994. MAC is established at the Siberian city of Magadan in 1994 to provide all-cargo services throughout the vast wilderness area. M. U. Kuznechik is appointed general director and he launches revenue flights with 11 Antonov An-12s and 3 Ilyushin Il-76TDs.

Flights continue in 1995–2000; however, the number of An-12s is reduced by four. During the first quarter of the former year, an Il-76TD is chartered to **Volga-Dnepr Airlines** to help it increase its capacity on freight charters to and from China.

MAGADAN AIR CONCERN (MAGADAN AVIAKONCERN MAK): Russia (1992–2000). Based at the remote Siberian destination of Magadan, this **Aeroflot Soviet Airlines** directorate is reformed in 1992 into a semiautonomous division of the new **Aeroflot Russian International Airlines (ARIA)**. As greater independence is sought from Moscow, the company, now under Victor G. Trezbov's leadership, introduces cargo charters to Europe, Africa, Asia, and the U.S.

An Antonov An-12V with six crew and a passenger suffers fuel exhaustion and makes a forced wheels-up landing at a point 48 km. from Irkutsk on July 14; there are no fatalities.

Enplanements for the year total 814,990.

The fleet in 1993 includes 15 Ilyushin Il-76s, 20 Tupolev Tu-154s, 8 Antonov An-12s, and an unspecified number of An-24s/-26s and Yakovlev Yak-40s. As a result of the failing Russian economy, the company suffers significant traffic declines.

Passenger boardings fall 37.8% to 591,430 while freight is off 39.4% to 192.1 million FTKs.

The traffic downturn continues in 1994 as customer bookings plunge 44.2% to 330,200 and cargo drops 20.8% to 152 million FTKs. The passenger fleet is dramatically reduced in size, down to 1 each An-24, Tu-154, and Yak-40; however, an additional Il-76 is added.

Flights continue in 1995–1999, during which years cargo charters are operated to Western Europe, Asia, Africa, and the U.S. The Russian currency crisis, which begins in August 1998, has a devastating impact on the airline. By the end of 1999, the company is deeply in debt.

Having determined that Magadan Air Concern will not regain its economic viability, the Russian government's aviation authority, the FSVT, grounds the northeastern carrier on January 21, 2000. The defunct airline's assets are all seized and parceled out to its creditors.

MAGADAN AIRLINES (MAVAIL): Poselok Sokoi, Magadan, Magadan Zone ATD, 685018, Russia; Phone 7 (41300) 93644; Fax 7 (41300) 93368; Code H5; Year Founded 1995. **Magadan Air Concern (Magadan Aviakoncern MAK)** is reformed in 1995. A. A. Russ is named director general and he begins domestic and international services with a fleet of 5 Tupolev Tu-154Ms and 3 Tu-154Bs.

Flights continue in 1995–1999. Scheduled destinations now include Anchorage, Ekaterinburg, Khabarovsk, Krasnoyarsk, Moscow, Seattle, St. Petersburg, Ust-Ilimsk, and Vladivostok. The company's weekly roundtrip services to Anchorage and Seattle allow U.S. citizens a rare opportunity to see a Tu-154M on American territory.

The fleet at the beginning of 2000 includes 5 An-12s, 3 Il-76s, 7 Tu-154Bs, and 6 Tu-154Ms.

By order of a local court, the company's bank records are seized for inspection on January 20. At this point, the carrier is shut down. Flights are, however, allowed to resume on January 25.

On March 10, the company takes over the Vladivostok services to the U.S. formerly operated by **Aeroflot Russian International Airlines (ARIA)**.

MAGEC AVIATION, LTD.: London Luton Airport, Luton, Bedfordshire, England, LU2 9NT, United Kingdom; Phone 44 (1582) 724 182; Fax 44 (1582) 455 453; Year Founded 1947. Originally established as the FBO at London (CTN) in 1947, Magec, over the next half-century, also undertakes executive and small group charters, first around the country and then to northwest Europe and overseas.

By 2000, Operations Manager Richard Kneale oversees the flights of four British Aerospace BAe (HS) 125 Hawker biz jets.

MAGNICHARTERS, S.A. de C.V.: Lavarca 1128, Mitras 4, Monterrey, 64620, Nuevo Leon, Mexico; Phone 52 (83) 369-0855; Fax 52 (83) 369-0977; Code GMT; Year Founded 1994. Magnicharters is established in late 1994 as a subsidiary of Manitur, which is itself part of Gruppo Turistico Magno. Passenger charter and inclusive tour flights commence in January 1995 employing 1 each leased Boeing 737-205, B-737-205A, B-737-222, and B-737-247.

Flights to holiday points throughout North and South America and the Caribbean continue through the remainder of the decade. During this time, the Dash-205A, Dash-222, and Dash-247 are replaced with two Dash-2C3As and a Dash-2K9A. At the end of 1999, two former **Aero Continente, S.A.** B-727-130s are chartered from C-S Aviation Services.

MAGNITOGORSK STATE AIR ENTERPRISE: Magnitogorsk Airport, Chelyabinsk Region, 455033, Russia; Phone 7 (35317) 329 425; Fax 7 (35317) 346 374; Code MNG; Year Founded 1993. The former **Aeroflot Soviet Airlines** Magnitogorsk division is reformed and renamed in 1993. Vitali Martyniuk is named director general and he begins regional feeder services with a fleet of 6 each Antonov An-24Vs and An-2s, plus 4 An-26s.

During the remainder of the decade, the company also provides wet-lease contract services on behalf of Third World airlines, mostly in Africa. One more An-24V has been acquired by 2000.

MAGNOLIA AIRWAYS: United States (1975). Magnolia is set up at Alexandria, Louisiana, in 1975 to provide scheduled passenger and cargo services to New Orleans and to De Ridder and Fort Polk. Daily

roundtrips with a Piper PA-31-310 Navajo are duly inaugurated, but cannot be maintained for more than a few months.

MAGNUM AIRLINES: United States (1980–1982). Philip Kupers establishes this tiny third-level carrier at Van Nuys, California, on February 8, 1980 to provide scheduled passenger flights to Las Vegas and San Francisco. Employing a Cessna 402 and a Cessna 310, he commences revenue operations on May 10. Caught up in the ATC effects of the PATCO air traffic controllers' strike of summer 1981 and suffering from the recession, Kupers goes out of business in early 1982.

MAGNUM AIRLINES (PTY.), LTD.: South Africa (1978–1990). Magnum is founded at Johannesburg in March 1978 through the merger of **Air Lowveld (Pty.), Ltd.**, **Avna Airways (Pty.), Ltd.**, and **Mafikeng Aviation Services, Ltd.** A fleet is assembled comprising 3 Britten-Norman BN-2 III Trislanders, 8 Piper PA-31-310 Navajo Chieftains, 1 Beech B-80 Queen Air, 4 Cessna 402s, 3 BN-2 Islanders, 1 Cessna 206, 3 Beech Barons, and 1 Piper Cherokee Six.

The larger aircraft form the heart of the new operation that takes over the scheduled services of the Natal Division of **NAC (National Airways Corporation [Pty], Ltd.)** the following year. Johannesburg and Durban are now linked with Nelspruit, Middelburg, Newcastle, Vryheid, Mafeking, Dundee, Ladysmith, Pietermaritzburg, Umtata, and Mkuze.

Orders are placed for four Swearingen Metro IIs. Enplanements in 1980 the first full year of service total 67,000. Start-up and other costs (including fuel) bring an operating loss of \$1,558,391.

The workforce is increased 29.4% in 1981 to 110. Three of the four Metro IIs are delivered. During the year, the company moves from shared quarters into its own head office and becomes the first South African commuter-level airline to bring a computerized reservations system on line. New couturier uniforms are adopted late in the year.

Passenger boardings accelerate a modest 2.9% to 70,000. Revenues advance to \$4.4 million and with expenses kept in hand, an operating profit of \$26,530 is earned.

In June 1982, the company assists the newly designated flag line of Bophuthatswana, **Mmabatho Air Services (Pty.), Ltd.** to initiate scheduled services between Mafikeng and Johannesburg. A 50% stake is taken in **United Air (Pty.), Ltd.**

Enplanements for the year total 65,000.

The boarding figure climbs to 71,700 in 1983 as Magnum now offers replacement service for **United Air (Pty.), Ltd.** on routes to Pietersburg, Sishen, and Vryburg. The fleet in 1984–1985 is altered by the addition of four Fairchild-Swearingen Metro IIs.

Two de Havilland Canada DHC-8 turboprops are delivered to Managing Director Mrs. D. Farquhar's company in 1986. With the establishment of the Kerzner "kingdom" at Sun City, these are employed, with the Metroliners, to operate a shuttle service a 30 roundtrips per day between Pilanesberg and Grand Central Airport.

During 1987–1988, two more Piper Navajo Chieftains are acquired.

As the result of the failure of its No. 1 engine, a Metro II, with 2 crew and 10 passengers must execute a forced landing near Johannesburg on November 18 of the latter year; although the turboprop is destroyed, there are no fatalities.

Mrs. J. Nathanson becomes managing director in 1989 and the DHC-8s are withdrawn. Despite these changes, the carrier, already in financial difficulty, is forced to seek a merger arrangement or cease operation. Early in 1990, the company is merged with **Citi Air, Ltd.** of Durban and East London-based **Border Air, Ltd.** to form **Link Airways (Pty.), Ltd.**

MAGNUM HELICOPTER AIRLINES (PTY.), LTD.: South Africa (1977–1978). This helicopter shuttle is formed at Johannesburg in September 1977 to provide connections between Jan Smuts Airport and heliports in Pretoria. Services initially employ 4 Bell 206B JetRangers.

Upon the formation of **Magnum Airlines (Pty.), Ltd.** in 1978, the rotary-wing operator is renamed **Command Airways (Pty.), Ltd.**

MAGNUS AVIATION: N61187 Resources Drive, Sheboygan Falls, Wisconsin 53085, United States; Phone (414) 467-6151; Fax (414) 467-6611; Year Founded 1990. Magnus is set up at as an FBO at Sheboygan Falls, Wisconsin, by Jeffrey J. Magnus in 1990. Over the next 9 years, the 32-employee company also comes to operate charter passenger and cargo flights employing 1 each Cessna 172, Piper PA-23 Aztec, Piper PA-31-310 Navajo, and PA-31-350 Navajo Chieftain.

MAHALO AIR: United States (1993–1997). Hawaii's latest interisland regional, Mahalo (Hawaiian for "thank you") Air is established at Oahu in late summer 1993 by Robert N. Iwamoto Jr., president of the travel agency Roberts Hawaii, and six other local investors to offer scheduled daily roundtrips to Lihue, Kauai, and Kahului, Maui.

Honolulu CPA and investor Michael Nekoba is named CEO and his new entrant, capitalized at \$5.5 million by himself, Roberts, and four other owner/investors, is provided with a pair (later three) of leased Fokker F.27-500s. A six-month management contract is signed with Hayden Lake, Idaho-based **Empire Airlines (1)**; under its terms, the company's operations, which begin in October, will be managed until Mahalo can obtain its own operating certificate.

Orders are placed in January 1994 for six Avions de Transport Regional ATR42-320s, which are delivered between February and July. Upon receipt of its certificate from the DOT, interisland services with the multicolored European turboprops begin in November from Honolulu to Lihue, Kaunakakai, Kahului, Lanai City, and the lava field airport at Kailua-Kona on the "big island" of Hawaii.

The airline is the first to introduce one-fare level; competitors often have a lower rate for native Kamainas. A total of 66 weekday frequencies are offered, increasing to 70 on weekends.

In 1995, the company undertakes code-sharing services with **Hawaiian Airlines** and **Northwest Airlines**.

While en route over the Hawaiian Islands on December 30, an ATR42-320 with 3 crew and 21 passengers encounters severe turbulence. As the flight attendant is returning to her seat in the rear of the aircraft, she is twice bounced off the ceiling and sustains a displaced fracture of her left ankle.

The 6 ATRs transport a total of 496,404 passengers.

The employee population stands at 299 in 1996 as a seventh ATR42-320 enters service. During the summer, the carrier begins to code-share with **Hawaiian Airlines (HAL)** over routes from Honolulu to Molokai and Kapalua (West Maui Airport).

Customer bookings increase 28.8% to 639,534.

The company files for bankruptcy in September 1997. It ceases operations in November. Prior to shutdown, the company transports 324,946.

MAHAN AIR: P.O. Box 76135-1663, Kerman, Iran; Phone 98 (341) 264 312; Fax 98 (341) 263 050; Code IR; Year Founded 1994. MA is set up at Kerman in 1994 to offer charter regional and domestic passenger and cargo services. Capt. Mohammad Hassani is president and his concern begins revenue services with 2 each Ilyushin II-76TDs and Tupolev Tu-154Ms.

Operations continue apace in 1995–1996, during which years the workforce grows to 200. Traffic figures become available for the second quarter of 1997. These show passenger boardings of 169,872 and a total of 253.6 million FTKs.

Flights continue in 1998. Customer bookings for the entire 12 months climb 23.6% to 378,000, while freight traffic increases 141.4% to 616.59 million FTKs.

Airline employment at the beginning of 1999 stands at 200. Enplanements for the year total 220,000.

Destinations visited at the beginning of 2000 include Cairo, Dubai, Kish, Moscow, and pilgrim shrines in Syria. Three Airbus A300B4s, two Dash-103s and a Dash-203, previously flown by **Air Seychelles, Ltd.**, are chartered from AR Aviation during the first quarter.

Formerly operated by **Pakistan International Airlines, Ltd. (PIA)**, an Airbus A300B4-203 is purchased from ING Lease on August 1.

MAHFOOZ AVIATION, LTD.: P.O. Box 6664, King Fahad Street, Jeddah, 21452, Saudi Arabia; Phone 966 (2) 651-0550; Fax 966 (2) 651-0796; Code M2; Year Founded 1993. In the wake of the Gulf War, Sheikh Mahfooz Salem Bin Mahfooz establishes this carrier at Jeddah in early 1993 to offer international and regional passenger and cargo services. Capt. Saleem Zaidi is appointed managing director and is provided a workforce of 39 and a three-ship fleet comprising one each Boeing 707-320C, B-727-200, and Gulfstream G-159. Flights commence on May 1 and continue into 1994.

During the remainder of the decade, the carrier also operates flights for the UN and leases its aircraft out to other airlines. At the beginning of the new millennium, 2 B-757-228s and 1 B-727-251 are operated.

MAIN FLYING SERVICE: United States (1930–1931). Established at Cincinnati, Ohio, in the fall of 1930, Main is equipped with 2 Ryan B-1 Broughams, which are employed to inaugurate scheduled multistop flights to Pittsburgh on November 1 via Youngstown, Columbus, and Dayton. A total of 44 passengers are carried by year's end. Without a mail contract, passenger traffic is insufficient to permit operations to continue beyond October 1, 1931.

MAINA AIR, LTD.: General Aviation Terminal, Murtaia Muhammed Airport, Opposite Bristow Helicopter, Ikeja, P.O. Box 235, Surulere, Lagos, Nigeria; Phone 234 (1) 931 485; Fax 234 (1) 825 233; Code MAL; Year Founded 1980. MAL is set up by Alhaji Usman Lawan in 1980 to offer essential domestic air cargo charter services. Over the years, a network of markets is set up, with major stops at Jos, Kaduna, Kano, and Maiduguri. Passenger charters commence in 1994.

By the end of the decade, Chairman Lawan employs a workforce of 45 and operates a fleet of 5 Tupolev Tu-134As, 2 Yakovlev Yak-42s, and 1 Ilyushin Il-76D.

MAINE AIR: United States (1982–1983). MA is established at Bangor in 1982 to offer scheduled passenger and cargo services to Portland and Boston. Although Piper PA-23 Aztec roundtrips are duly inaugurated, recession forces the company out of business in 1983.

MAINE AIR TRANSPORT: United States (1931–1933). MAT is established at Rockland in early spring 1931 to offer unscheduled passenger charters to offshore islands. The commuter is equipped with a Fairchild FC-2, which is employed to begin flights in May.

In January 1932, the company, upgraded by the addition of a Travel Air 6000 and two float-equipped Fairchild 71s, begins scheduled passenger and air express services from Rockland to Stonington. Operations continue for a year, ending in February 1933.

MAINE AVIATION CORPORATION: Portland International Airport, Portland, Maine 04102, United States; Phone (207) 780-1811; Fax (207) 775-3359; Year Founded 1959. This corporate carrier is established in 1959 to fly business executives throughout the Northeastern U.S. and Eastern Canada. By 2000, the company employs 3 pilots and operates a fleet of 1 each Cessna 500 Citation I bizjet, Beech 99, Cessna 402, and Cessna 414 Chancellor.

MAITLAND AIR CHARTER, LTD. See MAITLAND DREWERY AVIATION, LTD.

MAITLAND DREWERY AVIATION, LTD.: United Kingdom (1959–1961). J. R. Maitland forms a small charter operation, Maitland Air Charter, Ltd., at Biggin Hill Airport early in 1959, equipping it with a Percival P.40 Prentice. Ad hoc flights commence on May 15 and in the summer it is employed to provide tourist rides from Ramsgate Airfield in Kent. A Sokol Aero 45 is purchased in June and another Prentice is added in September.

Early in 1960, W. E. Drewery becomes involved with Maitland and the company is renamed in honor of both men on March 8, with Drewery serving as chairman and Maitland as managing director.

Seeking a larger charter market, Maitland Drewery takes delivery of a Vickers Viking in March; when readied, it begins revenue flight operations from London (LGW) to Paris (LBG) on April 12. Following several flights to Rotterdam and Amsterdam, the Viking begins flying summer inclusive-tour flights for British and West German tour agencies to the Mediterranean and various Continental destinations.

The lightplanes are employed to fly air taxi and other charters, both local and international to northern France. On June 2, a second Viking is acquired and is placed in service to Tares on June 3. Requiring still additional capacity, the company now purchases four ex-Air France Vickers Viscount 708s, the first of which enters operations with a London (LGW) to Jersey flight on August 27. By fall, three of the four (the fourth will not enter service) are engaged flying tours from Britain and West Germany.

The final Viking charter is flown to Nice on February 15, 1961; both Vikings are sold in March. Lightplane and Viscount charters continue as in 1960; however, business for the latter becomes more difficult to locate and in late May, two of the Viscounts are leased to BKS Air Transport, Ltd. for six months. The third Viscount is rented to BKS in July.

Other than occasional Percival flights, the company's charter contracts are fulfilled by BKS during the remainder of the summer season. In November, the leased Viscounts are returned and in December are sold to Silver City Airways, Ltd. Drewery and Maitland close their airline the same month.

MAJESTIC AIR SERVICE: Frederick Municipal Airport, 330 Aviation Way, Frederick, Maryland 21701, United States; Phone (301) 695-8155; Fax (301) 695-8260; Year Founded 1978. MAS is set up at Frederick, Maryland, in 1978 to provide executive and small group passenger charters throughout the U.S. and to Canada, Bermuda, Mexico, and various points in the Caribbean. Twenty-two years later, William K. Caudell schedules flights for 1 each British Aerospace BAe (HS) 125-700 Hawker and Learjet 35A Century III.

MAJESTIC AIRLINES (1): United States (1988–1989). The assets of defunct Pacific Interstate Airlines are purchased in late 1988 by the Crystal Palace Resort and Casino owned by Carnival Cruise Lines of Fort Lauderdale. The lone Boeing 727-51 acquired is employed to inaugurate daily flights between the Florida city and Nassau in the Bahamas. Additionally, charters bring visitors from Cleveland, Cincinnati, and Nashville.

In 1989, Majestic is reformed and renamed Carnival Air Lines.

MAJESTIC AIRLINES (2): AMF P.O. Box 22242, Salt Lake City, Utah 84122, United States; Phone (801) 539-0612; Fax (801) 539-0617; Code 2J; Year Founded 1990. The second U.S. Majestic is set up at Salt Lake City in 1990 to offer regional and domestic services. Flights, emphasizing freight and express delivery, commence with 2 Beech 99s.

Six more Beech 99s are acquired in 1991 and are employed to expand the company's routes throughout the West. Eight years later, the company adds three Douglas DC-3s.

MAJESTIC AIRLINES (PTY.), LTD.: Australia (1994–1995). Majestic is established at Brisbane in the spring of 1994 to offer scheduled service to Hervey Bay. Two Mohawk 298s are acquired and these are employed to launch revenue services in May. Late in the year, plans are made to acquire a third Mohawk 298 in late winter. Unhappily, finances will cause the start-up to shut down in February 1995.

MAKEDONIKI AERODIAFIMISTIKI, S.A.: Stadiou St. Polykastro, P.O. Box 68, Polykastro Kilkis, 61200, Greece; Phone 30 343 22454; Fax 30 343 23886; Year Founded 1992. This air taxi and non-

scheduled freight charter operator is established in **1992** by three partners: George Savopoulos (50%), Stefanos Papadopoulos (25%), and Stergios Loukas (25%). A workforce of 7 is assembled, along with a fleet comprising 1 Cessna 210, 1 Piper PA-18, and 2 Socata TB-9s. Domestic operations begin and continue.

MAKHACHKALA AIR ENTERPRISE (DAG DAGESTAN AIRLINES). See **DASGESTAN AIRLINES (MAKHACHKALA AIR ENTERPRISE-DAG DAGESTAN AIRLINES)**

MAKUNG INTERNATIONAL AIRLINES COMPANY, LTD.: Taiwan (1989–1996). Formed at Kao-hsiung in January **1989**, Chairman Chen Wen Wu and Managing Director Chuang Chao-Cheng's new third-level airline is provided with the last two British Aerospace BAe (HS) 748s (Series 2B) to be manufactured. Services are undertaken to Makung in the Pescadores Islands, Tainan, and Taipei. Daniel Wang becomes managing director in **1990** and the first BAe 146-100 regional jetliner is placed into service late in the year.

Another BAe 146-100 joins the fleet in **1991** followed by a third in **1992**. The two U.K.-manufactured jetliners are employed to inaugurate a scheduled service from Taipei to Taitung and a charter route from Kao-hsiung to Laoag in the Philippines.

Airline employment stands at 300 in **1993–1994** and the fleet is increased by the addition of a leased Boeing 757-236. It inaugurates daily roundtrip service from Kao-hsiung to Taipei.

The Boeing is found unsatisfactory and is removed at the end of the second year in favor of a fourth BAe 146-100. The company continues to offer 30 daily roundtrip sectors from Taipei to Kao-hsiung.

In April **1995**, a 32% stake in the company is sold to **EVA Air, Ltd.** for \$18.2 million. In May **1996**, the airline is renamed **UNI Airways Corporation, Ltd.**; planes will be flown in the markings of **UNI Air**.

MALAYAN AIRWAYS, LTD.: Malaya (1937–1962). Although it is founded by Straits Steamship Co., Ltd. and Ocean Steamship Co., Ltd. (Alfred Holt & Co. and **Imperial Airways, Ltd.** are associated) and registered on October 21, **1937**, political problems and the advent of war kept MAL from beginning revenue service.

Mansfield & Co., the shipping concern, resurrects MAL at Singapore in April **1947**. Revenue flights commence on May 1 as two Airspeed AS.65 Consuls inaugurate a Singapore–Kuala Lumpur–Ipoh–Penang route. Frequencies from Singapore to Kuala Lumpur become thrice daily by year's end, while flights to Ipoh are daily and those to Kota Bharu are offered four times per week.

In early **1948**, **British Overseas Airways Corporation (BOAC)** purchases a 10% interest and replaces the Consuls with seven Douglas DC-3s. Services to Bangkok commence in April, followed by flights in June **1949** to Kuching, Labuan, and Jesselton. Singapore to Rangoon via Mergui frequencies begin in September. Routes are extended in **1950** from Singapore to Saigon, Jakarta, Palembang, and Meda.

The Kuala Lumpur-based subsidiary **Federation Air Services, Ltd.** is created in November **1951** to assist in the provision of local services near its home city. During **1952–1957**, routes and frequencies are improved and increased as services are extended not only to additional domestic destinations, but also to Sabah, Sarawak, and Brunei. During the latter year, shareholding is revised. BOAC and **Qantas Empire Airways, Ltd.** share a 64.5% stake with the governments of Sarawak, Brunei, and North Borneo, plus the Ocean Steamship Companies (6.25% each); private investors acquired 4.25% shareholding.

MAL is officially transformed into a publicly owned company on February 6, **1958**. On March 1, **Federation Air Services, Ltd.** is merged into its parent. Meanwhile, local British governments and BOAC form Labrian-based **Borneo Airways, Ltd.**

Early in **1959**, the company acquires a Douglas DC-4 from Qantas and employs it to inaugurate pooled services to Hong Kong in association with BOAC-backed **Hong Kong Airways, Ltd. (HKA)**. In August,

two Vickers Viscount 760s, purchased from now-defunct HKA are placed on regional routes.

Borneo Airways, Ltd. assumes a feeder role in **1960** as Malayan, in pool with **Cathay Pacific Airways (Pty.), Ltd.**, begins service in May to Hong Kong employing either a leased Qantas Lockheed L-1049E or a Cathay Lockheed L-188A Electra. The Hong Kong service is suspended in October after just six months. A BOAC Bristol Britannia 312 is leased during the summer of **1961** and used to resume flights to Hong Kong on September 2. The carrier's name is changed to **Malaysian Airways, Ltd.** in November **1962**.

MALAYSIA AIR CHARTER COMPANY, LTD. (MAC): Malaysia (1962–1986). MAC is formed at Kuala Lumpur in February **1962** as a general aviation operation, providing cargo and passenger contract services within Peninsular and East Malaysia. Unscheduled Cessna 310 charter flights commence on May 14. In **1969**, the Indonesian subsidiary **SMAC (Sabang Merauke Raya Air Charter)** is set up as a joint venture with a private Malaysian concern; the operation becomes free-standing on North Sumatra in **1972**.

MAC is acquired by Datuk Mohd Fathi bin Haji Ahmad in **1975** and by Marsfin Sdn. Bhd. in **1978**. Scheduled passenger services are undertaken linking the carrier's base at Kuala Lumpur with Penang, Pulau Langkawi, and Alor Setar and scheduled all-cargo flights are flown to and from Johor Bahru in East Malaysia.

The fleet of Managing Director R. J. Milne's 38-employee carrier comprises 1 each Curtiss C-46R, Shorts SC-7 Skyvan, Britten-Norman BN-2 Islander, Cessna 310, and Piper PA-23 Aztec. A bright multicolor scheme is given each aircraft, giving the company the nickname of "The Rainbow Line."

During the next four years, Mersing and Pulau Tioman join the route network and the fleet is upgraded by the addition of three Skyvans, one Islander, and a Bell 206B JetRanger helicopter. The workforce grows to 80.

In late **1980**, an interest is taken in **Malaysia Helicopter Service, Ltd.** and in the new Sri Lankan domestic carrier **Serendip Airways, Ltd.**

During the early **1980s**, flights are laid on to Malacca and to Singapore's Seletar Airport, the latter in cooperation with the **Singapore Airlines, Ltd.** subsidiary **Tradewinds Private, Ltd.** Airline employment grows to 150 and additional flight equipment is purchased: one Shorts 360, three Dornier 228-212s, and three SC-7s.

Despite these improvements, passenger traffic falls off by almost 2,000 enplanements per year; in **1981**, 13,003 passengers are flown. 11,208 people are carried in **1982** and 9,942 in **1983**. Unable to maintain its viability in the face of these traffic figures and their attendant economic reversals, the company is forced to cease operations in late **1986**. Its routes pass to **Malaysian Airline System (MAS)**.

MALAYSIA AIRLINES, LTD. (MAS): 33rd Floor, Bangunan MAS, Jalan Sultan Ismail, Kuala Lumpur, Federal Territory, 50250, Malaysia; Phone 69 (3) 261-0555; Fax 69 (3) 261-3472; http://www.malaysiaairlines.com.my; Code MH; Year Founded 1987. **Malaysian Airlines System, Ltd. (MAS)** is renamed on October 15, **1987**; although the MAS acronym is kept, it is not initially incorporated into the company's logo or aircraft livery. Still 42% owned by the government-controlled Bank Negara, the 11,154-employee carrier owns a fleet of 37 aircraft, which is enhanced by delivery of a Boeing 737-236 ordered the previous year.

The new corporate identity is accompanied by new personnel uniforms and aircraft livery, which boldly displays the word "Malaysia." A handsome 34-story office tower, built on some of the most expensive real estate in Kuala Lumpur, is occupied and the airline logo, a stylized form of the traditional Kelantan *wau* (kite), is modernized and aircraft color schemes are changed.

The company's lone B-747-3H6C continues to make a weekly roundtrip flight from Kuala Lumpur to Zurich via Dubai and Vienna.

Enplanements for the year total 6,025,944, a 9.5% increase, while cargo is up by 33.2% to 343.35 million FTKs. Profits total \$44.2 million (operating) and \$41.6 million (net).

The workforce is increased by 5% in 1988 to 11,453 and the fleet now includes 1 B-747-3H6C, 1 B-747-2H6C, 3 DC-10-30s, 5 Airbus Industrie A300B4-203s, 13 B-737-236s, 11 Fokker F.27-500s, and 4 de Havilland Canada DHC-6-300 Twin Otters. Orders are made or outstanding for 6 B-747-4H6s, 9 Fokker 50s, and 16 B-737-336/436s.

Joint services commence with **Air Mauritius, Ltd.** in March over a route from Kuala Lumpur to Mauritius. In October, the carrier joins with **Singapore Airlines, Ltd.** subsidiary **Silkair, Ltd.** to offer a joint weekly B-737-236 service to Langkawi Island, Malaysia, with a stopover at Penang Island. This year, MAS receives the Pride in Excellence Award from Boeing; the carrier is the first to receive the honor, given in recognition of B-737 on-time reliability in three consecutive years.

Passenger boardings jump 9.3% to 6,584,697 and freight increases by 9.1% to 373.21 million FTKs. Revenues move upward by 12.6% to \$597.7 million, allowing a 6th consecutive profitable year. Bottom lines show a \$61.5-million operating profit and net gain of \$60 million.

The payroll reaches 13,339 in 1989, a 16.5% boost, and the fleet includes 37 transports, with another 31 on order. The route network includes 45 domestic, 10 regional, and 20 foreign destinations and on January 1, service is launched to New Delhi and Karachi. In March, the carrier orders six B-747-4H6s while two leased B-747-2H6Cs joins the fleet in April and May.

Weekly service is inaugurated to Guangzhou, Zurich, and Fukuoka on June 1 and Istanbul, Brisbane, Auckland, Brussels, Vienna, and Ho Chi Minh City flights begin later on.

On June 12, the company's new weekly B-737-236 service to Guangzhou is suspended as the result of the political unrest at Tiananmen Square and the declaration of martial law in the city just hours after the arrival of the second flight (and its single passenger). The airline promises to review the situation in July.

Bookings by the Pilgrims Management Board are so abundant that the company must wet-lease three DC-10-30s from **World Airways** to handle all of the Hadj customers. The carrier joins IATA on July 1.

The first of nine Fokker 50s arrives in August and is placed on regional routes. B-737-236 weekly service is now restored to and from Guangzhou.

The first new B-747-4H6C is delivered in October and placed into service between Kuala Lumpur and London in December. Meanwhile, in November, the Los Angeles frequencies are increased by two per week, again via Honolulu.

Customer bookings for the year swell 14.9% to 7,568,790 while cargo is up by 8.2% to 403.73 million FTKs. Revenues ascend 13.9% to \$728.6 million and costs allow the operating profit to reach \$75.2 million. The net profit, however, slips to \$58 million.

Company employment is boosted 21.7% in 1990 to 16,227 and the fleet now includes 59 aircraft. In cooperation with **Iran Air**, joint services are inaugurated during January from Kuala Lumpur to Tehran. The airline's portion of the ABACUS reservations system comes on line and as the result of an air service agreement between Malaysia and India, the company, in April, is able to double its Kuala Lumpur to Delhi service to twice weekly. Several other new routes are started, including one to Beijing.

Throughout the year, the airline supports the national tourism agency's Visit Malaysia Year, focusing on the U.S. market. During October, a joint service agreement is signed with **All Nippon Airways Company, Ltd. (ANA)**. It is followed by an agreement with **Vietnam Airlines** in November providing for joint services from Kuala Lumpur to Ho Chi Minh City.

Under the **Air India, Ltd.** pact, joint flights to New Delhi from Kuala Lumpur commence in December. Pooled frequencies will be undertaken from Penang and Kuala Lumpur to Madras. Also during the month, the company accepts its 10th Fokker 50, the 100th of its type built.

Passenger boardings increase 19.8% to 9,065,987 while freight climbs 42.5% to 575.37 million FTKs. Revenues perk up 22.1% to \$890

million, but expenses, led by fuel costs following Iraq's August invasion of Kuwait, rise quickly and cut the operating profit to \$54.6 million. Still, only 13 airlines in the world have a better return. Net profit climbs to \$82.2 million.

Although the payroll is decreased by 26.1% in 1991 to 12,000, the fleet is increased by the addition of eight new aircraft. In January, joint flights are inaugurated with **Garuda Indonesia** between Kuala Lumpur and Denpasar. The agreement with **All Nippon Airways Company, Ltd. (ANA)** takes effect during the first quarter and employing an MAS DC-10-30, joint roundtrip service is inaugurated in March from Kuala Lumpur to Nagoya. Managing Director Tan Sri Abdul Aziz takes leave in April and is succeeded on a day-to-day basis by new CEO Dato Kamaruddin bin Ahmad.

A freight block space agreement is inked with **Korean Airlines/Korean Air (KAL)** in July covering all-cargo services over the route from Kuala Lumpur and Penang to Seoul.

Aziz retires on September 12. The same day, Chairman Mohar bin Raja Badiozaman is succeeded by Zain Azraai. Frequencies commence during the fourth quarter to Mexico City, Dhaka, Cebu City, and Surabaya.

Customer bookings leap upward by 16.3% to 10,511,072 while cargo rises 23.6% to 712.52 million FTKs.

The workforce grows 14.8% in 1992 to 19,874 and the fleet includes 1 owned and 3 leased A300B4-203s, 5 chartered B-737-2H6As, 1 each leased B-737-2M6A and B-737-2H6C, 10 owned B-737-4H6s, 7 chartered B-737-4Q8s, 4 leased B-737-4S3s, 10 chartered B-737-4Y0s, 2 B-737-405s leased from **Braathens SAFE**, 2 owned B-737-5H6s, 1 B-747-219B leased from **Air New Zealand, Ltd.**, 2 B-747-236Bs, 1 B-747-3H6C, 3 B-747-4H6s, 2 B-747-4H6Cs, 6 DHC-6-310s, 2 leased and 4 owned DC-10-30s, and 12 Fokker 50s. Orders are outstanding for 10 A330-322s, 33 B-737-4H6s, 4 B-737-5H6s, 8 B-747-4H6s, and 1 Fokker 50.

During July, the company arranges a 3-year, \$170 million syndicated loan with 27 international banks to finance its expansion. Scheduled services are inaugurated to Phnom Penh, Munich, Madrid, Johannesburg, and Hanoi.

Twice-weekly roundtrip B-747-4H6 service is inaugurated on October 25 from Kuala Lumpur to Mexico City via Taipei and Los Angeles.

On November 13, capitalization is doubled, being increased, by a rights issue of 350 million shares, to a total of 700 million shares.

Passenger boardings swell 17% to 10,976,438 and freight jumps 22.9% to 740.12 million FTKs. Revenues ascend to \$1.3 billion and allow an operating surplus of \$14 million. The net gain is \$40.5 million.

In 1993, Managing Director Ahmad oversees a workforce of 19,900, up a slight 0.1% over the previous year. The fleet is increased by the addition of 21 B-737-4H6s, 4 B-737-5H6s, and 7 B-747-4H6s.

In March, a 308.2 million ringgit (\$120 million) syndicated term loan facility is secured to help pay for all the new aircraft. By early spring, the carrier is able to claim more "Baby Boeing" maintenance experience than any other airline in Asia. Meanwhile, the new Jumbojets are employed exclusively on the nonstop routes to Europe, including Amsterdam, Paris, Madrid, Brussels, Istanbul, Frankfurt, Munich, Vienna, and Zurich. A daily nonstop roundtrip is offered between Kuala Lumpur and London (LHR).

In May, the carrier enters into a joint venture agreement with MTU Maintenance, GmbH. to form the engine repair operation Airfoil Service Sdn. Bhd. The company begins to participate in the frequent flyer program of **Continental Airlines** during June.

On July 1, a joint frequent flyer program, Passages, begins in cooperation with **Singapore Airlines, Ltd.** and **Cathay Pacific Airways, Ltd.** The three jointly incorporate Asian Frequent Flyer (Pty.), Ltd. to market the program, each taking a 33.3% stake. New markets are opened at Bali and Cebu; however, DC-10F flights are suspended to Amsterdam and Los Angeles.

Simultaneously, a joint shuttle service is opened in cooperation with **Singapore Airlines, Ltd.** between Kuala Lumpur and Singapore. The

same month, the company begins to cross-share in the frequent flyer program of **Ansett Australia (Pty.), Ltd.**, a move that will also be initiated with **British Airways, Ltd. (2)** in November.

Joint services commence with **Dragonair, Ltd.** in October on frequencies from Kuching and Kota Kinabalu to Hong Kong.

Customer bookings plunge 12% to 10,201,000 and cargo falls double that percentage, 20.2%, to 585.13 million FTKs. Although a \$6-million operating profit is recorded, so too is a net loss of \$607,000.

The number of employees inches up 0.1% in 1994 to 19,746. After borrowing \$694 million, Malaysian entrepreneur Dato' Tajudin Ramli, chairman of **Malaysian Helicopter Services, Sdn. Bhd.**, (MHS), a subsidiary of his telecommunications conglomerate Technology Resources Industry Berhad, purchases 32% controlling interest (224 million shares) of the carrier from the Bank of Negara, the nation's central bank, which holds a 42% stake. This swapping of shares, worth 1.8 billion ringgit (\$700 million), will make TRIB the airline's largest shareholder, but will not be announced until June 11.

In its efforts to promote the annual 10-day Raid Gauloises race, organized by the Paris-based Gerard Fusil Management Co. and scheduled to be held in Sarawak state on Borneo, the company's in-flight magazine portrays the isolated portions of the area as a "golden land of headhunters, hills, and hornbills." The Federation of Malaysian Consumers Associations roundly condemns the airline for its "damaging article" that claims headhunting is a passion among the tribesmen of Borneo.

A 17-year-old stowaway is found dead in the landing gear compartment of a B-747-4H6 after its March 15 arrival at Johannesburg on a service from Kuala Lumpur.

In May, a B-737-4H6 is leased to India's **Jet Airways, Ltd.**; under contract, MAS also agrees to provide maintenance, technical, and training support.

Having also arranged to purchase a 25% stake in the U.S. cargo carrier **World Airways** earlier in the year, Malaysia Airlines and MHSL join with World on June 15 to forge a code-sharing deal for a freighter service to Europe and the U.S. using a World MD-11.

The tripartite alliance takes effect on June 19 when a weekly service is opened from Kuala Lumpur to Amsterdam via Dubai and a second is started from Kuala Lumpur to Los Angeles via Penang, Taipei, and Anchorage.

Code-sharing begins, also in June, on **Ansett New Zealand, Ltd.** flights between Christchurch and Auckland.

In August, 10% equity is sought in Tail Winds, Ltd., the parent of **Jet Airways, Ltd. Gulf Air, Ltd. and Kuwait Airways, Ltd.**, however, are unwilling to dilute their stake and the arrangement fails to materialize. During the summer, flights are undertaken to Osaka (Kansai), Cape Town, Rome, and Buenos Aires.

The government appoints the new majority owner, Dato' Tajudin Ramli, chairman on August 6, succeeding Tan Sri Zain Azraai Zalnai Abidin. In September, the new chairman calls for a major restructuring of the airline.

Operations continue apace during the remainder of the year. A two-bay, wide-body maintenance workshop and office and an engine maintenance center are completed at Kuala Lumpur and Aircraft Engine Repair and Overhaul (Malaysia) Sdn. Bhd. becomes a wholly owned subsidiary.

A major marketing agreement is initiated with **Ansett Australia (Pty.), Ltd.** in October. Under its provisions, the two companies link their frequent flyer programs and undertake shared code frequencies from Kuala Lumpur to Adelaide, Melbourne, and Sydney and via Sydney and Melbourne beyond to Adelaide, Cairns, Canberra, the Gold Coast, and Hobart.

On October 30, B-737-4H6 service is inaugurated from Johor Bahru in Malaysia to three cities in Indonesia; the new weekly routes are Jakarta-Johor Bahru-Kuala Lumpur; Denpasar-Johor Bahru-Kuala Lumpur; and Surabaya-Johor Bahru-Kuala Lumpur.

In November, the carrier forms a joint venture with three other partners to operate a flight kitchen in Madras, capable of offering 5,000

meals per day. The company becomes a marketing partner of **British Midland Airways, Ltd.** during the month. In addition to providing BMA passengers through connections to some 40 Asian and Pacific destinations, MAS passengers flying from Kuala Lumpur into Britain via London (LHR) are able to seamlessly connect to the BMA U.K. destinations of Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

A block-space agreement takes effect with **Myanmar Airways** in December on flights from Kuala Lumpur to Yangon. Also in December, MHSL takes shareholding in **Royal Air Cambodge** that results in a management and operational contract for MAS from the Cambodian airline.

Overall, passenger boardings decline another 12.6% to 10,844,000 while freight does better, growing by 7.8% to 765.92 million FTKs. Revenues advance to \$1.56 billion and allow profits of \$16.4 million (operating) and \$2.7 million (net).

Airline employment is reduced by 19% in 1995 to 16,000. A comprehensive 10-year marketing and code-sharing alliance is entered into with **Virgin Atlantic Airways, Ltd.** during the third week of January. In addition, the pair agrees to joint cabin crews and linkage of their frequent flyer programs.

In February, a block-space agreement begins with **Aerolineas Argentinas, S.A.** on flights from Buenos Aires to Cape Town, Johannesburg, and up to Kuala Lumpur.

A 36-year-old stowaway from Kalimantan, Habsah Abdul Kadir, is found out during a March 15 service from Kuala Lumpur to Kota Kinabalu when a passenger manifest check in flight reveals one extra passenger. The young Indonesian maid is detained at the plane's destination, where it is found that she does not have a passport, flight ticket, or boarding pass. Malaysian Transport Minister Ling Liong Sik orders an investigation into the fifth major security breach at Kuala Lumpur Airport in the last year.

Virgin Atlantic Airways, Ltd. and MAS, employing the latter's aircraft, commence twice-daily roundtrips between Kuala Lumpur and London on April 1. The total of weekly flights to the British capital for the Malaysian flag carrier is thus increased from its present eight.

The two link their frequent flyer programs on May 22 and VA passengers are able to commence block-seat flights aboard MAS aircraft on frequencies from London to Kuala Lumpur, Sydney, Melbourne, and Adelaide. During this month and in July, the carrier sends its last two B-747-236Bs to Boeing Wichita for modification into freighters.

Flight 2133, a Fokker 50 with 4 crew and 49 passengers, lands too far down the runway at Tawau following a September 15 flight from Kota Kinabalu and the crew attempts to go around; as the plane is executing this maneuver, it crashes into a nearby residential area. Thirty-four people are killed aboard the aircraft, but no one on the ground is injured.

At an October 5 press conference, Managing Director Wan Malek Ibrahim, noting the success of Hadj and Umrah services and the demand for tourist flights into Malaysia, indicates that the carrier will aggressively pursue charter income.

Twice-weekly flights to Davao commence on November 1 via Kinabalu.

On November 3, code-sharing begins in cooperation with **Canadian Airlines International, Ltd.** aboard MAS flights from Kuala Lumpur to Vancouver via Taipei. Twice-weekly roundtrips to Macau start on November 13. At the same time, frequencies for the Sydney-Melbourne sector are increased from 8 per week to 11.

Traffic turns around: enplanements rise to 12,578,000 and cargo leaps 22.7% to 1.16 billion FTKs. Revenues increase by 17.1% to \$1.89 billion and this year's gains are up to \$59 million (operating) and an impressive \$104 million (net).

The workforce grows by 22.6% in 1996 to 19,616. An A300B4-203 is leased to **Air Maldives, Ltd.**, a B-737-4Y0 is chartered to **Royal Air Cambodge**, and two DC-10-30s are leased to **World Airways**. In exchange, MAS charts two MD-11s, one MD-11F, and one MD-11CF from **World Airways**. The two B-747-236BFs join the MD-11s and two B-737-3H6Fs in providing dedicated all-cargo services.

Employing an MD-11F, the carrier launches thrice-weekly all-cargo services on January 1 between Amsterdam and Chicago.

A management contract is signed with **Air Maldives, Ltd.** in January under which MAS will provide both management and operational services. During the month, block-space operations commence with **Middle East Airlines, S.A.L. (2)** on flights from Kuala Lumpur to Beirut and Sydney and from Beirut to Dubai.

Weekly MD-11F all-cargo roundtrips commence on January 9 to Adelaide and Melbourne in Australia, while freight service to Seoul is doubled to twice-weekly on January 16. The next day, the company launches weekly roundtrip all-cargo services to Frankfurt. The new German freight service is doubled on February 4. Simultaneously, Kuala Lumpur to Amsterdam all-cargo frequencies are increased from four per week to five.

Poor returns force cancellation of the new Amsterdam-Chicago freight service in March, just three months after it was started. On April 1, weekly direct A330-322 return service is started from Kuala Lumpur to Pusan, South Korea. MAS is the only carrier from Southeast Asia to fly direct to the southern port city.

When implemented in June, the pact with **Air Maldives, Ltd.** allows shared-code flights to commence from Male to Kuala Lumpur.

Regularly scheduled service is inaugurated on July 1 from Kuala Lumpur to Vientiane, Laos.

On August 20, the company signs for the purchase of a B-777 full-flight simulator. Direct service is started on October 30 from Langkawi to Taipei.

It is announced on November 27 that the board of directors has approved company plans to take over domestic rival **Pelangi Air Sdn. Bhd.**, in which it already holds an 18% stake via MHS.

When Mexican authorities withdraw authorization for the carrier to fly passengers from Los Angeles down to Mexico City, MAS announces on December 24 that it will cease its five-year-old air link with Mexico City as of January 1. It will continue to operate its Wednesday B-747-4H6 service from Kuala Lumpur to Los Angeles via Taipei and its thrice-weekly flights from Kuala Lumpur to Los Angeles via Tokyo (NRT).

Passenger boardings dip 0.6% to 11,419,399, but 1.04 billion FTKs are operated, a 15.7% growth. Revenues reach \$2.5 billion and leave an operating profit of \$84.82 million and a net gain of \$87.3 million.

A code-sharing agreement with **Japan Air Lines Company, Ltd. (2)** takes effect on January 14, 1997 allowing weekly cargo services from Tokyo (NRT) and Osaka (KIX) to Kuala Lumpur and Penang. The flights are operated by a MAS B-747-3H6F.

On January 21, MAS is able to successfully syndicate a \$120-million loan from nine banks. The next day, a \$283-million order is placed for Pratt & Whitney PW4056 engines with which to power its new B-747-4H6s. On January 27, a M\$150-million check is provided to the Minister of Social Services on Sabah to help assist the victims of Typhoon Greg.

Sydney Organizing Committee CEO Mal Hemerling and **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington announce on January 28 that MAS has been chosen one of seven carriers to receive the designation of official carrier for the Sydney 2000 Olympic Games.

In February, Chairman Ramli indicates that the airline is not looking for a strategic partner and that his own group would like to increase its stake to 51% by the millennium.

While landing at Sandakan Airport in the eastern state of Sabah on February 15 after a service from Kota Kinabalu, Flight 2050, a B-737-4H6 with 6 crew and 156 passengers, overshoots the rain-soaked runway, its front tires touching the grass beyond. There is no serious damage to the little Boeing and no injuries are reported to anyone aboard.

Also during the month, Deputy Prime Minister Anwar Ibrahim announces that the government is investigating the carrier's service amidst reports that quality has deteriorated for lack of pilots and cabin crew.

Severe storms near Taipei Airport cause unavoidable flight diversions beginning with the February 21 service from Kuala Lumpur to Los An-

geles via Taipei that is routed via Manila instead. On February 28, a flight in from Los Angeles must go to Okinawa, where, for lack of hotel rooms, the crew and all 295 economy class passengers must remain on board overnight.

The airline and its 1,000 pilots agree to a new contract on March 11.

In March, MAS faces additional criticism related to its service and new competition from the start-up airline **Air Asia Sdn. Bhd.** During the month, Chairman Ramli signs a memorandum of understanding with Boeing for the acquisition of up to 15 of the manufacturer's proposed B-777-200Xs.

Having departed Seattle on March 31, the company's first B-777-2H6 IGW (IGW stands for "increased gross weight") completes a record 10,823-nm. nonstop delivery flight to Kuala Lumpur in 15 hrs. 55 min., arriving on the morning of April 2. After ceremonies marking its arrival and the company's fiftieth birthday, the plane, dubbed a "Super Ranger," returns to Washington State.

Twice-weekly A330-322 roundtrips commence on April 1 from Kuala Lumpur to Shanghai. On April 27, the B-777-2H6 IGW (wearing a fiftieth anniversary emblem) arrives at Kuala Lumpur on April 27 following a 16-hr. nonstop flight from Seattle. It is again welcomed in impressive ceremonies and is then readied for revenue flights.

The new B-777-2H6 IGW enters service on May 1 over routes from Singapore to Bangkok and Hong Kong. Also in May, a block space arrangement is implemented with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on frequencies from Kuala Lumpur to Madrid and onward from Madrid to Dubai. A second B-777-2H6 IGW begins flying to Paris, Munich, Perth, and Tokyo on June 1.

A dinner dance is held at the Kristal Ballroom 1 of the Petaling Jaya Hilton Hotel on June 1 to celebrate the airline's fiftieth anniversary. At the dinner, Chairman Ramli introduces the new MAS pilot uniforms. The company celebrates its fiftieth birthday on June 9.

The company launches an electronic ticketing system on June 10, marking the beginning of a ticketless air travel era.

As the result of a March 31 agreement, the airline flies in June as the official airline of the 9th FIFA/Coca-Cola World Youth Championship scheduled for Kuala Lumpur.

As a result of the chaos following Hun Sen's coup in Cambodia and the fighting at and near Phnom Penh's Pochentong Airport, the company stops flying into the beleaguered capital from Kuala Lumpur on July 6.

It is announced by the Federation Aeronautique Internationale on August 5 that the company's second B-777-2H6 has completed a 12,455.34-mi. around-the-world service from Seattle to Kuala Lumpur and back in a record 553 mph.

The company's last B-747-312C freighter is withdrawn in August. Haze caused by the great fires in Indonesia force the company to cancel 882 domestic flights, beginning on August 20. On August 29, a block-seat code-sharing agreement is signed with **Swissair, A.G.**

Fires in Indonesia, together with haze and smog, begin to force large schedule adjustments on September 14.

By the end of September, the B-777-2H6 IGWs have initiated new wide-body services to Vienna, Zurich, Amsterdam, and Frankfurt.

On a less positive note, the continuing Southeast Asian haze problem requires that 890 domestic and 34 international flights be cancelled through September 30. In addition, another 882 flights to interior areas of Malaysia are also called off. Although 319 make-up flights are offered, the adverse schedule adjustments cost the airline M\$6.5 million (US\$1.9 million) in lost revenues.

On October 1, twice-weekly, dual-designator, all-cargo service is inaugurated in cooperation with **Virgin Atlantic Airways, Ltd.** over a route from Kuala Lumpur to London (LHR) via Osaka, Japan, on Wednesdays and via Melbourne, Australia, on Saturdays. The new freight operation employs the MD-11F that MAS has leased from **World Airways.**

Foul weather and the Indonesian fire situation continue to cause difficulties into October. On October 5, the airline must cancel all flights to the northern state of Penang following heavy rain that impairs visibility.

The next day, all of the services to the northeast resort island of Langkawi are lost to a thick haze caused by the fires. Simultaneously, heavy fog coupled with haze at Kuala Lumpur Airport forces Malaysia to divert four international flights to Penang (now reopened) and Singapore. Since mid-September, Malaysia has sent over 1,000 firefighters to help conquer the blazes in Indonesia's Sumatra and Kalimantan provinces.

Additional bad news is received on October 8 when Transport Minister Ling Liong Sik announces that the flag carrier has lost out in a tender bid to the Pilgrims Management and Fund Board to ferry Malaysians to Mecca for the annual Hadj pilgrimage. The winners are a consortium headed by **Saudi Arabian Airlines**.

The new Matsushita interactive entertainment centers aboard the company's B-777-2H6s are able to send faxes beginning in October. In addition, the number of weekly dual-designator flights with new code-sharing partner **Lauda Air, A.G.** from Vienna to Kuala Lumpur is doubled from three to six on October 26. Service to Cairo is also begun.

These achievements are overshadowed by the devaluation of the Malaysian dollar, which increases the airline's debt difficulties.

The dual-designator service with **Swissair, A.G.** begins on October 30 on thrice-weekly B-777-2H6 IGW one-stops from Kuala Lumpur to Zagreb via Vienna. In the afternoon of the welcoming ceremony, Malaysia and **Croatia Airlines** sing a code-sharing agreement for the Zagreb-Vienna sector.

In November, two former MAS DC-10-30s are ordered for use by **Transmile Air Service, Sdn. Bhd.** on Hadj service the following spring. Once the holy duty is completed, the two will be converted into freighters.

Traffic figures are not immediately released. It is noted, however, that operating revenues are up 6.6% for the year to \$1.68 billion. Costs, on the other hand, are \$1.74 billion, and cause losses of \$60.18 million (operating) and \$67.61 million (net).

The fleet at the beginning of 1998 includes 87 airplanes, all of which are Stage III certified: 49 B-737s, 17 B-747s, 4 B-777-246s, 1 A300B4-203, 12 A330-322s, and 2 each DC-10-30s and MD-11s.

It is reported on January 4 that the two DC-10-30s will be sold to a Canadian carrier later in the month. Another DC-10-30, on an aircraft, crew, management, and insurance (ACMI) contract with **World Airways**, is returned.

Also in January, a memorandum of understanding is signed with **KLM (Royal Dutch Airlines, N.V.)** under which the two companies will explore all avenues of commercial cooperation, including frequent flyer programs, joint ground handling, marketing and sales. Dual-designator services will be undertaken between Kuala Lumpur and Amsterdam.

A third B-777-2H6 IGW is delivered at the beginning of April. Later in the month, thrice-weekly roundtrips are inaugurated from Kuala Lumpur to Newark via Dubai. In addition, a special offer to attract tourists is announced. Under its terms, international passengers will be offered four nights' free accommodation at Kuala Lumpur, Langkawi, or Penang.

En route from Kuala Lumpur to Los Angeles via Tokyo on May 25, a B-747-4H6 with 20 crew and 281 passengers hits a short, sharp pocket of air turbulence over the Philippines. Seven passengers are injured and are treated at Tokyo (NRT); five continue on to California while two Japanese passengers remain behind.

On June 19, following upon the earlier memorandum of understanding, the carrier signs a commercial agreement with **KLM (Royal Dutch Airlines, N.V.)**, which will enable to introduce code-sharing on their seven (later eight) weekly nonstop services between Amsterdam and Kuala Lumpur. The pact is timed to coincide with the opening of the new KLIA Airport at Sepang, near Kuala Lumpur. Malaysia will handle KLM flights in Kuala Lumpur and KLM will service Malaysia flights in Amsterdam.

In a quite obvious effort to draw traffic away from Singapore's dominant—and physically closer—hub at Subang, the government, on

June 29, opens the brand new Kuala Lumpur International Airport at Sepang. MAS transfers its operations to the new \$2.8-billion facility, which opens amidst a variety of problems.

Dual-designator services with **KLM (Royal Dutch Airlines, N.V.)** commence on July 1. Employing B-747-4H6, Malaysia (with KLM's "KL" code utilized) begins thrice-weekly roundtrips from Kuala Lumpur to Amsterdam, while placing its "MH" designator on the four weekly nonstops KLM already operates between the two nations. Plans are announced for an upgrade of the service at the end of the year; Malaysia will switch to B-777-2H6 IGWs and increase frequencies to four per week.

Two more B-777-2H6 IGWs arrive, one each in June and July. As the new aircraft are delivered, the company's 12 A330-322s are shifted to regional routes to Singapore, Penang, Jakarta, Manila, and Langkawi.

The dual-designator agreement with **Swissair, A.G.** is intensified on July 17 as Swissair places its code on Malaysia's thrice-weekly B-777-2H6 IGW roundtrips from Kuala Lumpur to Zurich.

In need of additional capacity, **TunisAir, S.A.** leases a DC-10-30 from MAS on August 9.

Beginning in September, the B-747-4H6s are gradually withdrawn for service for 90-day upgrades with new interiors. Also during the month, the XVI Commonwealth Games are held in Malaysia and MAS, as official airline, receives worldwide attention.

By fall, the company and the government are embarrassed to learn that MAS customers do not want to make the hour-long ground commute from Kuala Lumpur to Sepang and prefer to fly from the old Sultan Abdul Aziz Shah Airport at Subang. Traffic is lost to a variety of independents, including **Pelanggi Airlines**, which have not moved.

Faced with a continuing downturn in domestic boardings, MAS, on October 25, begins to operate 17 daily B-737 return services from Subang, including twice-daily nonstops to Kota Kinabalu, Langkawi, and Penang. Only Ipoh continues to be served exclusively from Sepang. The major does not transfer all of its domestic service back to Subang for political reasons and also because it must continue to provide connections for international flights. Hoping to save money and gain face, the government, by forcing its national airline to incur the costs of operating from two large airports, has lost both face and money.

During the last full week of November, a \$250-million loan is secured from foreign sources to finance the purchase of two aircraft. Still, due to a weak Malaysian currency and a corresponding decline in traffic demand, particularly in domestic and regional markets, MAS, on November 30, posts a huge fiscal downturn for the six months ending on September 30. The net loss shown totals M\$441 million (\$116 million), compared to a profit of M\$23.50 million in the same period a year earlier.

The continuing drop in the valuation of the Malaysian dollar (down 40%) against the U.S. dollar worsens the situation. By the end of the year, company executives are able to win government support for a massive cost-cutting effort. Under plans announced late in the fourth quarter, the carrier will close down its unprofitable routes and dismiss 27% of its workforce. The abandoned routes will be offered to **Air Asia Sdn. Bhd.**

Passenger boardings plunge 12.1% to 12.52 million, while cargo traffic is off 2.4% to 1.26 billion FTKs. The net loss grows to \$184 million.

During the first week of January 1999, a major restructuring plan is presented to the airline's board of directors. In addition to refinement of the cost-cutting items noted above, a new organization, Asset Management Group, is to be created. It will take over ownership of the airline's aircraft and lease them back, thereby reducing ownership expenses.

The plan also calls for MAS to be administratively reassembled into four business units. Physical Airline will oversee airline operations while Virtual Airline will take care of sales and cargo. Derivative Business is another term for heavy maintenance activities, while Shared Services will handle financing and assets, catering, and personnel.

A rat is spotted in the first-class section of a B-777-2H6 IGW, with 15 crew and 251 passengers, a half hour after takeoff on January 8 from

Kuala Lumpur for Perth. Considerable commotion causes the captain to abort the service and return to his point of departure, where crew, passengers, and baggage are transferred to another aircraft that departs later in the day. The eradicated first-class rat is one of hundreds infesting the new Kuala Lumpur International Airport Sepang.

On January 11, an agreement is reached with the company's aviation fuel suppliers at Kuala Lumpur on a way to cut costs; MAS will pay in Malaysian instead of U.S. dollars.

The next day, service to Vancouver ends; the carrier adds additional flights from Kuala Lumpur to Los Angeles.

Philippine Airlines begins to code-share on February 1 on Malaysia's 11-times-a-week return services from Manila and Cebu to Kuala Lumpur, Kota Kinabalu, and Kuching.

Long-time Managing Director Ibrahim resigns on February 19 to take early retirement. The move fuels all sorts of rumors over the weekend concerning top-level management reorganization at the airline. Chairman Ramli, through a spokesperson, attempts to quash these stories on February 22, indicating that no such reshuffle is in prospect, even though MAS is undergoing what is termed a "transformation exercise" designed to improve company performance. Analysts agree that the airline does not need organizational change, but does need to find a way to handle its debts of M\$11.8 billion (\$3.1 billion).

As a cost-cutting measure, the company, on March 1, recalls its area managers from Brisbane and Adelaide, Australia.

Just after landing at Kota Kinabalu after a March 3 service from Kuala Lumpur, Flight 2920, a B-737-4H6 skids off the runway. No injuries are reported.

Previously operating two direct flights into South Australia, MAS, on April 26, increases the number of its weekly Adelaide flights to four.

The airline suffers a public relations setback during the first two weeks of May when it is alleged that its Jumbojets are arriving at London with dangerously low levels of fuel in their tanks. The matter is first made public by Keith Harper in the May 6 Internet issue of the Manchester *Guardian*. Harper indicates that the government transport department has confirmed that a Far East-operated B-747 made its descent across central London the previous evening with only four tons of fuel. The flight path of the incoming aircraft, following its 14-hr. flight, had taken it over Clacton in Essex and then right over the center of London via Canary Wharf, Westminster, Kensington, and Chiswick.

MAS is identified as the offending party by the *London Sunday Times* on May 9 and by David Learmount in the May 10 issue of *Flight International*. Basing his report on a variety of contacts, including the CAA's Confidential Human Factors Incident Reporting Programme (CHIRP), the magazine's operations and safety editor reveals that the carrier has been involved in 10 similar incidents at London (LHR) in recent months. British aviation rules require a minimum of 4.5 tons in aircraft landing at Heathrow, while national carrier **British Airways, Ltd. (2)** requires nine tons.

Ahmad Fuad Dahlan, the airline's vice president for Europe, the U.K., and Ireland, informs the press on May 11 that MAS did not fly over central London with near empty fuel tanks as charged in the newspaper and magazine articles. He confirms that the British government, at the direction of Transport Minister Glenda Jackson, has launched an investigation, but claims that the Transport Department is satisfied with his explanations.

At Kuala Lumpur, Malaysian Transport Minister Ling Liong Sik receives a similar report from the national airline, one that indicates that the aircraft in question is not from Malaysia Airlines. The report is passed on to the national parliament. Still, senior airline officials depart for London to explain the company's fuel policies to British authorities. Opposition political leaders urge the carrier to sue the reporting British media if the claims prove baseless.

Transport Minister Jackson meets with MAS representatives on May 12, giving them evidence that their aircraft have, indeed, landed in Britain with low fuel levels. The Far East operator is required to henceforth undergo spot checks on the fuel levels of all of its aircraft landing

in the U.K. Indeed, the CAA is instructed to increase inspections of all arriving long-haul aircraft. MAS officials, confronted with proof, pledge full cooperation.

The *Financial Times* reveals on May 13 that **British Airways, Ltd. (2)**, Malaysia's Heathrow handling agent, has reported the low-fuel situation on six occasions since January 1997. The problem has finally become public because a BA employee has contacted CHIRP concerning the questionable arrival, reporting that there is so little fuel left in the tank that his fellow engineers have been unable to conduct post-landing maintenance checks.

In discussing the fuel controversy on May 26, Transport Minister Ling Liong Sik admits to the local press that "there were certain circumstances where the fuel might have been low," but at no time was the safety of aircraft or passengers compromised.

The matter is finally cleared up during the last week of the month when the U.K. Dept. of Environment, Transportation, and the Region and CAA agree that the MAS fuel policy meets international standards. The CAA and MAS will continue to seek reasons why some of the carrier's Jumbojets apparently render misleading "fuel remaining" readings after landing at London (LHR).

A commercial agreement is signed with **Northwest Airlines** on September 23. Under its terms, the two majors will soon begin code-sharing transpacific flights. At the end of October, service between Kuala Lumpur and Medan is doubled to twice daily. Flights are also resumed between Zamboanga City and Sandakan in Sabah.

Twice-weekly B-737-4H6 service from Kuala Lumpur to Xiamen, China, is initiated on November 1. Delivery of a Next Generation B-737-7H6 BBJ is accepted next day; the aircraft is christened *Mostar*.

Customer bookings increase 25.1% to 15,659,000, even as freight falls 7.1% to 1.17 billion FTKs. Revenues jump 10% to \$1.6 billion. The previous year's net loss is turned into a \$16-million net gain.

Airline employment at the beginning of 2000 stands at 22,800, a 2.2% decline over the previous 12 months. Among the world's top 25 airlines, MAS is 22nd in passengers and 20th in employee number.

A code-sharing agreement is signed with **Garuda Indonesia** on February 11. Under its terms, the two share their designators on the return flights operated by both from Kuala Lumpur to Jakarta and Medan and the services provided by MAS from Kuala Lumpur to Surabaya and Denpasar and from Pulau Pinang to Medan.

New thrice-weekly B-777-2H6IGW nonstop roundtrips from Kuala Lumpur to Manchester, England, are initiated on March 26, along with twice-weekly B-777-2H6IGW return frequencies from Kuala Lumpur to Munich. Simultaneously, the five-times-a-week B-777-2H6IGW return service from Kuala Lumpur to Auckland becomes daily.

Complaining that the airport at Sandakan in Sabah is charging exorbitant landing fees, the company, at the beginning of the second quarter, suspends its flights into the town from Zamboanga City.

Malaysia joins in a dual-designator pact with **Middle East Airlines, S.A.L. (2)** on June 13. The "Triple-Seven" employed on the Manchester route is replaced with a B-747-4H6 on June 14. The code-sharing agreement with **Middle East Airlines, S.A.L. (2)** begins on June 16, with MAS placing its designator on MEA services from Beirut to Sydney via Kuala Lumpur, while MEA puts its code on MAS flights from Kuala Lumpur to Beirut. Two days later, on June 18, frequency on the Kuala Lumpur to Frankfurt service is boosted from four to five times a week.

In mid-June, a 10,000-sq.-ft. "Golden Lounge" is opened at London (LHR) Terminal 3. A request for a 50% increase in domestic ticket prices is filed with the government on June 29.

On July 1, the company begins to code-share with **Philippine Airlines** on flights between Manila and Kuala Lumpur and from Manila to Kota Kinabalu and Cebu.

MAS is named 19th best-managed company among non-state-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

Plans are announced on July 18 for the initiation of new services between Kuala Lumpur and Okayama, Japan, next April. Also during the

month, MAS Chairman Tan Sri Tajudin Ramli informs the media that his airline will not, as a news release from its Naluri Bhd. parent had indicated, be selling a 29% tranche of its shares to cover debt. Still, the Ministry of Finance allows MAS to raise its foreign ownership ceiling from 30% to 45%. Speculation is immediately renewed that the carrier is in discussions with another airline(s) concerning sale of a substantial equity stake.

An extensive dual-designator pact is inked with **Cathay Pacific Airways (Pty.), Ltd.** on August 7. In cooperation with the **Swissair, A.G.** cargo division **Swisscargo**, **MASKargo** inaugurates twice-weekly B-747-200F return freight flights between Kuala Lumpur and Basel/Mulhouse on August 30.

The code-sharing agreement with **Cathay Pacific Airways (Pty.), Ltd.** begins on September 2. Under its terms, the two share frequent flyer programs, airport lounges, and some handling services. Additionally, MAS places its code on Cathay's 17 weekly return services from Hong Kong to Kuala Lumpur, including seven which continue to Penang. Cathay's designator is placed on nine weekly MAS roundtrips between Kuala Lumpur and Hong Kong, including two with a Penang stopover.

Also in September, Malaysian Transport Minister Ling Liong Sik confirms that MAS is, indeed, negotiating the sale of an equity interest to **Qantas Airways (Pty.), Ltd.** Such an arrangement would also allow for an MAS entry into the "OneWorld" airline alliance. It had been reported earlier that SAirGroup, parent of **Swissair, A.G.**, has also been engaged in equity talks with the southeast Asian airline.

On October 28, the **MASKargo** subsidiary relocates its Mideast business from Dubai to Sharjah, from which nine weekly B-747-200F roundtrips to Kuala Lumpur will be offered. Additionally, regional hubs are established at Melbourne and at Hahn, Germany.

The code-sharing agreement with **KLM (Royal Dutch Airlines, N.V.)** is expanded on October 29. Under the arrangement, KLM adds three more flights between Amsterdam and Kuala Lumpur to match Malaysia's already provided daily services. The Dutch code is added to 55 additional Malaysia flights between Kuala Lumpur and 7 destinations in Australia and New Zealand, while the Malaysian designator is added to 75 weekly KLM-operated roundtrips between Amsterdam and 7 cities in Scandinavia.

On November 3, Malaysian Transport Minister Datuk Seri Dr Ling Liong Sik, while refusing to name names, indicates that a foreigner will be appointed to the position of CEO while a new chairman has also been identified.

MAS and **Northwest Airlines** are granted antitrust immunity by the DOT on November 22; their new code-sharing agreement will be implemented in January on routes from Kuala Lumpur to Los Angeles, Tokyo (NRT), and Nagoya.

On December 12, **Qantas Airways (Pty.), Ltd.** Deputy CEO Geoffrey Dixon reveals that his carrier is suspending its long-running negotiations to acquire a stake in MAS until the government of Malaysia indicates just exactly what equity percentage of the carrier is available. That word will not be forthcoming this year.

After months of negotiation, on December 20, the government's Ministry of Finance, Inc. agrees to purchase the 20.09% stake in MAS held by its chairman, Tajuddin Ramli, via his Naluri Bhd. aviation firm. Critics charge that the RM1.79 billion (\$471.6 million) paid is excessive and note that the RM8-per-share price is more than double the airline's share price on the Kuala Lumpur Stock Exchange at the close of the day's business.

A decision by Finance Minister Daim Zainuddin on a new chairman is delayed, leaving its present incumbent in a caretaker's position as the year ends. On February 15, it will be announced that Petronas oil company executive Azizan Zainul Abidin will become nonexecutive board chairman, with finance ministry official Mohamad Nor Mohamad Yusof as managing director.

MALAYSIA-SINGAPORE AIRLINES, LTD.: Malaysia/Singapore (1967-1972). Following the purchase of **Malaysian Airways, Ltd.**

from **British Overseas Airways Corporation (BOAC)**, **Qantas Empire Airways (Pty.), Ltd.**, and private interests in 1966, officials from Malaysia and Singapore discuss combined operations. These talks lead to the November 1, 1967 creation of M-SA as successor to MAL. Shareholding is divided between Singapore and Malaysia (38% each), Brunei (13.2%), BOAC and Qantas (11.6%). Former BOAC Managing Director David Craig is appointed chairman/managing director.

Previously flown routes, aircraft, personnel, and agreements are maintained. Comet 4B service, meanwhile, is extended to Perth and Sydney. Enplanements for the year are 1,005,000.

The carrier's first three Boeing 707-338C Stratoliners, leased from **Qantas Airways, Ltd.**, are placed in service on April 1, 1968 and replace the Comet 4s on overseas flights. Meanwhile, company hostesses introduce elegant *sarong kebaya* uniforms designed by Pierre Balmain. On August 1, Stratoliner flights begin to Taipei and Tokyo, while regional frequencies are introduced to Phnom Penh, Medan, and Jakarta. The former **Borneo Airways, Ltd.** Scottish Aviation Twin Pioneers are replaced with Britten-Norman BN-2 Islanders.

A total of 1,264,000 travelers are carried.

The Comet 4Bs are replaced on August 21, 1969 by five B-737-112s as MSA becomes the first airline in Asia to operate the "Baby Boeing" short-haul jetliner. B-737-112 service to Bali begins on October 19. Later in the year, the Malaysian and Singapore governments include their stakes to 42% each, leaving only 16% for the three minority partners.

Airline employment is 4,076 and bookings total 1,556,000.

Two B-707-312Cs are added in 1970 as boardings grow to 1,882,000. Cargo climbs by 28%. The fleet now comprises 3 B-707-338Cs, 2 B-707-312Cs, 5 B-737-112s, 10 F.27s, and 3 each Britten-Norman BN-2 Islanders and Douglas DC-3s. The workforce now totals 5,032 and a \$542-million profit is reported.

A restructuring becomes imminent after January 1971. Singapore leaders have, since the unification, been pushing for expanded international services while Malaysia's officials seek greater development of lengthy regional/domestic routes.

The festering philosophical differences over service leads the governments involved to determine upon dissolution of the joint airline in favor of individual national carriers. The parties involved meet to discuss an amicable dissolution on April 27; however, talks turn nasty the next day as officials are unable to agree on route frequencies.

Even as talks proceed, the route network grows to include Bombay, Bahrain, Rome, London, and Melbourne. Meanwhile, two more B-707-312Cs join the fleet and are employed, on June 2, to inaugurate a new service to London from Singapore via Bombay, Bahrain, and Rome. Malaysian Prime Minister Tun Abdul Razak coins the term MAS, Malaysian Airline System, for the proposed Malaysian carrier, which further complicates the process.

Following a particularly bitter exchange during asset division negotiations, Chairman Craig is dismissed on July 20. At this point, new bargainers enter the arena, one chairman each from Singapore and Malaysia plus Kuok Hock Nien.

A total of 1,557,000 passengers are carried during the combined airline's final year.

Three more B-707-312Cs are purchased in 1972 as routes are opened to Athens, Zurich, Frankfurt, and Osaka. The KRISCOM reservations system is installed. With dissolution negotiations finally completed and all necessary documents signed, **Malaysian Airline System, Ltd. (MAS)** and **Singapore Airlines, Ltd.** are both formally born on October 1.

MALAYSIAN AIRLINES SYSTEM (MAS), LTD. (SISTEM PENERBANGAN MALAYSIA BERHAD): Malaysia (1972-1987). Following some years of political wrangling over philosophical difference over service, the governments of Malaysia and Singapore on May 14, 1968, sign an agreement to conclude their current airline agreement. Separate names and identities are chosen and even some services are operated under the new titles. Most of the assets of the combined carrier,

including 9 Boeing 707-312Cs, 5 737-112s, and the management and technical bases, are in Singapore. Malaysia and its new MAS is left with the smaller propeller equipment (19 aircraft) and an extensive domestic system to operate in both the eastern and western parts of the nation, separated by between 500 and 1,000 miles of the South China Sea.

On October 1, 1972, the joint **Malaysia-Singapore Airlines, Ltd.** formally stand down in favor of the two individual state carriers. Despite its apparently unfavorable cut of the former company's assets, company executives at MAS, led by Chairman G. K. Rama Iyer and Managing Director Saw Huat Lye, are optimistic; when a logo is chosen, it includes the initials MAS, which in the Malay national language spells the word for "gold." The joint winged tiger logo is retired and in ceremonies at the new MAS headquarters in the Police Cooperative Building at Kuala Lumpur, the new emblem is unveiled, the *wau*, a traditional kite of Kelantan.

A total of 381,538 passengers are originated during the last quarter.

MAS is built up at its Kuala Lumpur base early in 1973. A fleet is assembled that comes to include 2 B-707-312Cs, 6 B-737-112s, 10 Fokker F.27s, and 4 Britten-Norman BN-2 Islanders; several aircraft are held under lease-purchase agreements. Revenue flight operations continue within Malaysia and provide the fastest link between east and west.

Service from Kuala Lumpur to Bandar Seri Bagawan (formerly Brunei City) begins on January 12, while flights are also started to Hong Kong and Jakarta (April 1) and Taipei (October 1).

Customer bookings climb 46.2% to 1,864,000 and freight traffic increases 75.9%.

Airline employment in 1974 stands at 5,422. Another B-707-312C joins the fleet and two more B-737-112s are delivered in September. A DC-10-30 is purchased for 1976 delivery. In addition to expanded frequencies on a revitalized domestic route network, international B-707-312C services are inaugurated to Tokyo on April 1, London via Dubai on July 1, Madras on August 1, Sydney and Manila on October 2. Working solely on behalf of this airline, the Pilgrims Management Board (Lembaga Urusan & Tabung Haji) arranges a significant number of Hadj charter flights to Jeddah.

Passenger boardings climb 26% to 2,201,000 and freight traffic skyrockets 135% to 18.93 million FTKs.

The workforce grows in 1975 to 5,641. The ninth B-737-112 (a QC) arrives in September as a second DC-10-30 is ordered. A route is opened to Melbourne on October 1. A second Sydney frequency is added plus B-737QC freighter service on domestic routes.

Freight soars 40.4% while passenger bookings increase 7.5% to 2,506,000.

The employee population in 1976 swells 15% to 6,759. The company now begins to concentrate on the region's tourism potential and on July 24, inaugurates Golden Holiday vacation flights to Bangkok and the Thai vacation resort of Pattaya.

The carrier's first DC-10-30 is delivered on August 2 and is placed in service on October 2 over its new daily Kuala Lumpur to Hong Kong, Taipei, and Tokyo route. Meanwhile, a B-707-312C route is started to Perth and Air Vice Marshal Sulaiman Sujah becomes deputy chairman.

Passenger boardings accelerate 6.2% to 2,661,000 and cargo climbs 31.8%.

A new and larger runway is opened at Penang Airport on June 19, 1977; it will allow MAS to fly tourists into that area's holiday attractions. The second DC-10-30 arrives in September and is assigned to the European service to London on October 30; on November 1, the aircraft inaugurates service to the British capital from Sydney via Kuala Lumpur and Kuwait. On November 30, Frankfurt joins the European network.

While on descent from Penang to Kuala Lumpur on December 4, the pilot of Flight 653, a B-737-2H6 with 6 other crew and 93 passengers, radios that he has lost control of his aircraft to a hijacker (later confirmed as Japanese Red Army). The Boeing continues on toward Singapore when suddenly, at an altitude of 21,000 ft., the nose of the plane is seen to pitch up, control is lost, the ship turns over into a sharp descent, and crashes into a swamp 50 km. from Johore Bharu, Singapore, disintegrated upon impact. There are no survivors. It will later be suggested that the aircraft had either run out of fuel or both pilots had been shot.

Enplanements total 2,642,075.

The employee population in 1978 totals 7,396. Orders are placed for three Airbus Industrie A300B4-203s and a B-737-212. A concentrated drive is undertaken to develop and strengthen existing routes.

Passenger traffic is up 7% to 2,843,812 while freight soars 78.2%. Operating and net profits of \$29.5 million and \$10 million are, respectively, earned.

The carrier's first A300B4-203 is delivered in September 1979 as plans are made to retire the B-707-312Cs. With a second on hand, the type begins flying to Jakarta, Madras, Perth, and Hong Kong on November 16. A labor dispute and the temporary grounding of the DC-10-30s as a result of the June 9 Chicago **American Airlines** crash permit results that are good, but less than forecast.

Passenger boardings jump 13.8% to 3,236,000, but cargo falls 17.3%. On revenues of \$251.9 million, expenses grow 10% to \$223.3 million, leaving an \$18.7-million operating profit.

Airline employment is increased by 14.7% in 1980 to 9,207 and, now that the third A300B4-203 has arrived, Airbus service is inaugurated on January 1 to Taipei, Seoul, and Tokyo. On January 4, Amsterdam joins the list of European DC-10-30 markets. The three B-707-312Cs are thereafter retired. In April, the carrier leases a DC-10-30, a B-737-212, and two F.27s pending delivery of an equivalent number of purchased aircraft plus a fifth Airbus. An Air Service Agreement is concluded on July 24 permitting wide-body service between Malaysia and Singapore and service is extended to Dubai during summer and fall.

During the year, the reconfiguration of all DC-10-30s and B-737-112s to high-density seating is undertaken, and a new color scheme is introduced on the B-737-112s and F.27s.

Passenger boardings jump 21% to 4,081,000 and freight leaps 58.8% to 110.13 million FTKs. Although revenues advance by 50.2% to \$363.6 million, expenses accelerate 57.5% to \$351.6 million. Consequently, the operating profit falls to \$12 million.

The employee population is raised by 9.9% in 1981 to 10,116. A third DC-10-30, a fourth A300B4-203, and two F.27-500s begin joining the fleet.

In April, Paris becomes the carrier's fourth European destination. Two de Havilland Canada DHC-6-300s are ordered for a local Rural Air Service and a shuttle service, jointly operated with **Singapore Airlines, Ltd.**, is opened between Kuala Lumpur and Singapore.

Cargo grows 9% to 133,000 FTKs, while passenger bookings rise 16.8% to 4.9 million. On revenues of \$351.6 million, operating and net profits of \$3.3 million and \$2.6 million are, respectively, earned.

Dato' Abdul Aziz Abdul Rahman is named managing director in March 1982 and two Boeing 747-236Bs, formerly operated by **British Airways, Ltd. (2)**, are delivered on March 12 and April 8, respectively; these are placed into operation on the Kuala Lumpur-London route. By November, the Singapore-Kuala Lumpur shuttle provides 15 daily return flights.

In December, joint services are inaugurated with **Thai Airways International, Ltd. (THAI)** over routes from Kuala Lumpur to Bangkok, Phuket, and Hat Yai and from Penang to Bangkok and Phuket.

Enplanements are 4,551,905 for the year.

Airline employment in 1983 is 10,124. From a base at Miri, three DHC-6-300s enter service to 16 destinations on a Rural Air Service into the interior of eastern Malaysia's state of Sarawak, while one Twin Otter, based at Kota Kinabalu, provides RAS for Sabah. These operations augment service by larger aircraft to 37 other domestic points.

Joint services begin with **Royal Brunei Airlines** in May on a route from Kuala Lumpur to Bahrain and Cairo. In October, an agreement is signed with **SilkAir, Ltd.** covering joint services on routes to Singapore from Kuala Lumpur and Langkawai.

Flight 684, an A300B4-203 with 14 crew and 233 passengers on final approach to Kuala Lumpur on December 18, strikes trees 2 km. from the runway that cause it to eventually hit the ground and slide to a point

1,200 m. short of the runway; although the aircraft is damaged beyond repair, there are no fatalities.

Passenger traffic climbs 3.5% to 4,716,665 while freight jumps 15% to 148.16 million FTKs.

The payroll expands by 104 personnel in 1984. One more DHC-6 joins the fleet. A \$1-million advertising campaign is undertaken in the U.S., Europe, and Australia to attract tourists. With assistance from **Swissair, A.G.**, the company inaugurates a five-year program to upgrade its KOMMAS computer system, the largest and most varied in Malaysia.

Cargo is up 17.4% to 192.58 million FTKs and passenger boardings increase 7.8% to 5,626,000. A \$41-million net profit is reported.

As a result of a joint service agreement signed with **Air Lanka, Ltd.** in February 1985, services between Kuala Lumpur and Colombo commence in April. Also, a simultaneous joint service with **Northwest Airlines** is inaugurated from Kuala Lumpur to San Francisco via Tokyo.

A twelfth B-737-212 arrives in June and in cooperation with **Alia (Royal Jordanian Airlines)** and employing a Jordanian L-1011, joint weekly roundtrip service is started from Amman to Kuala Lumpur in August.

Partial privatization is now authorized and the airline's shares are put up for sale, all except for a Special Share that the government retains in order to ensure control of major decisions. When privatization is completed in December, the government's stake is cut to 42%. The airline is the first Malaysian government agency to be privatized.

Enplanements total just over 6 million, including 150,000 flown on the Rural Air Service. On revenues of \$461 million, a \$39.9-million net profit is realized.

Joint service with **Garuda Indonesian Airlines** begins in March 1986 over a route from Kuala Lumpur to Denpasar. In May, a new cargo center, with 166,000 square feet of storage area, is opened at Kuala Lumpur. Following delivery of a B-747-3H6C on July 17, twice-weekly Kuala Lumpur-Tokyo-Los Angeles flights begin at month's end as the **Northwest Airlines** pool ends. The newly delivered Jumbojet employed on the service is the 650th B-747 manufactured by Boeing.

With radical changes ahead, the carrier stops supplying figures at the end of July. Through the year's first 6 months, bookings fall 3.7% to 3,114,891 while freight dips 3.8% to 118 million FTKs. In August, a B-737-200 is ordered for delivery during the next year. The government elects to privatize the airline and a total of 52.5 million shares are sold by it in October, as the state interest shrinks to 45%.

The semi-state carrier **Pelangi Air, Ltd.** is established on September 1, 1987, with MAS holding an 11% shareholding. A third weekly roundtrip to Los Angeles is begun via Honolulu. In one of the carrier's last substantial acts under its name, MAS, also in September, signs another cooperative agreement with **Garuda Indonesian Airlines**; in exchange for the four-month lease of an Indonesian DC-10, pilots of the two carriers are allowed access to the simulators of each. On October 15, the company is renamed **Malaysia Airlines, Ltd. (MAS)**.

MALAYSIAN AIRWAYS, LTD.: Malaysia (1962-1967). In November 1962, **Malayan Airways, Ltd.** is reconfigured and renamed Malaysian Airways, Ltd. Previous routes, personnel, aircraft, and agreements remain intact. On December 4, **British Overseas Airways Corporation (BOAC)** Comet 4Bs replace Britannia 312s on the company's new Silver Kiris service from Singapore to Hong Kong via Kuala Lumpur.

The company joins in a pooled service agreement on January 9, 1963 with **Cathay Pacific Airways, Ltd.** and **Thai Airways International, Ltd. (THAI)**. The first of five Fokker F.27-100s are delivered on May 31 and begin flying the Singapore to Kuala Lumpur trunk route. In September, the two leased Vickers Viscount 760s previously operated under lease from BOAC are transferred to **Aden Airways, Ltd.** At the same time, the new Friendships inaugurate Silver Kiris flights to Kuching.

Enplanements for this first full year of service under the company's new name total 228,373.

Merger discussions are begun with **Borneo Airways, Ltd.** in 1964. A \$1-million flight kitchen is opened to serve all airlines operating through Singapore.

A DH-106 Comet 4 with 8 crew and 60 passengers is destroyed as the result of a bad landing at Singapore on March 22; there are no fatalities.

On April 1, a wet-leased BOAC Comet 4 jetliner inaugurates a stop at Jesselton, North Borneo. In June, Chairman Dato Loke Wan is killed in an air accident on Taiwan; he is succeeded by Kuala Lumpur lawyer Yong Pung How.

Passenger boardings rise 18.6% to 280,557 and revenues are reported to have increased by 19.2%.

In April 1965, **Borneo Airways, Ltd.** is acquired and merged; its Scottish Aviation Twin Pioneers will be replaced on local services with three Cessna 310s. Borneo's base at Jesselton, a Comet 4B stop between Hong Kong and Singapore, is taken over and enlarged and its Sabah and Sarawak routes are handed over along with its fleet.

Airline employment is 1,953 and the combined fleet now includes 21 aircraft: 5 Comet 4Bs (including 4 purchased from BOAC in May), 1 Cessna 310, 4 DC-3s, 8 Fokker F.27s, and 3 Scottish Aviation Twin Pioneers. Work is begun on a new Singapore headquarters.

Passenger bookings grow 16.7% to 336,803 and revenues are up by 19%.

In 1966, the governments of Malaysia and Singapore purchase majority control of Malaysian Airways from **British Overseas Airways Corporation (BOAC)**, **Qantas Empire Airways (Pty.), Ltd.**, and private interests and begin discussing combined operations. Comet 4 service from Singapore to Manila begins on July 1.

MAL joins in a large pooling agreement on April 13, 1967; its partners include BOAC, Qantas, **Air India**, and **Air New Zealand, Ltd.** It also begins flying to Perth and Sydney, Australia.

A Scottish Aviation Twin Pioneer 1 fails its takeoff from Limbang on May 17; there are no fatalities.

The carrier's new headquarters is completed about November 1, when the carrier's name is changed to **Malaysia-Singapore Airlines, Ltd.**

MALAYSIAN HELICOPTER SERVICES, SDN. BHD.: Malaysia (1980-1996). Formed at Kuala Lumpur in late 1980 to service offshore oil rigs, MHS is owned by **Malaysian Airlines System, Ltd. (MAS)** (40%), **Malaysia Air Charter, Ltd.** (15%), **Sabah Air, Ltd.** (15%), and **Hornbill Skyways, Ltd.** (15%) plus the state of Trengganu (15%). The company receives management assistance from **Bristow Helicopters, Ltd.**

Passenger and cargo charter services and contract flights are inaugurated with a fleet comprising 1 each Sikorsky S-61N, Sikorsky S-76, and Aerospatiale SA-330J Super Puma. Services expand throughout the country and into nearby nations during the next 12 years.

MHS is listed on the Kuala Lumpur Stock Exchange in November 1990 and a number of private investors acquire shareholding. One of these, Roxy Electric Industries, for example, acquires a 33% stake on February 14, 1991, valued at M\$111 (US\$41.2 million). Still, by the end of the year, 62% of its shares are owned by Dato' Tajuddin Ramli's Malaysian-based telecommunications concern Technology Resources Industry Berhad.

In early 1992, MHS is reformed into a holding company, with the original rotary-wing operation being reformed into MHS Aviation. Tan Sri Saw Huat Lye is named chairman, with Wan Malek Ibrahim as executive director.

The MHS fleet during the remainder of the year and in 1993 includes 4 Super Pumas, 3 Bell 412s, 6 S-61s, 2 S-76As, and 6 S-76Cs. In addition, fixed-wing aircraft are available: 2 de Havilland Canada DHC-6 Twin Otters and 1 BAe 125 Srs. 700B.

A 33.3% interest in **Schreiner Airways, B.V.** of The Netherlands is purchased in April for M\$13 million (\$5 million); of the total, 28.3% of the shares are acquired from founder Robert Schreiner (who keeps a token 5%), and the remainder from other shareholders, including **KLM (Royal Dutch Airlines, N.V.)**

In November, the carrier pays \$27.4 million to acquire a 24.9% stake in the WorldCorp subsidiary **World Airways**. Since the beginning of the year, the company's stock has risen 550% from RM2.4 to RM15.7 in December.

After borrowing \$694 million, Chairman Ramli, in January 1994, purchases 32% controlling interest (224 million shares) of **Malaysia Airlines, Ltd.** from the Bank of Negara, the nation's central bank, which holds a 42% stake. This arrangement, worth M\$1.8 billion (\$700 million), will make MHS the airline's largest shareholder, but will not be announced until June 11.

The rotary-wing fleet continues to provide support services for the nation's oil and gas industry during the year.

Operations continue apace in 1995. The fleet now includes 4 Super Pumas, 3 Bell 412s, 8 S-61Ns, 2 S-76As, and 6 S-76Cs. On December 13, the company signs an accord with AR Air Taxi Aereo, S.A. to establish a joint venture helicopter-support company in Brazil.

Early in 1996, the helicopter company **MHS Aviation Sdn. Bhd.** is spun off as a freestanding company.

MALDIVES AIRWAYS, LTD.: Maldives (1984–1986). MA is created in early 1984 as a new state airline to replace **Maldives International, Ltd.**, which had stopped operations in late 1983. Initial equipment for the new entrant comprises 3 Douglas DC-8-51s and 1 Fokker F.27 and the first international services is flown to Colombo, Sri Lanka.

Traffic downturns and cash flow difficulties force the carrier to stop flying in early 1986. Domestic operations are now undertaken by reborn **Air Maldives, Ltd.**

MALDIVES INTERNATIONAL AIRLINES, LTD. (MIA): Maldives (1977–1983). MIA is formed at Male's Hulele Airport in September 1977 to succeed **Air Maldives, Ltd.**, which had abruptly halted services in May following the government's cancellation of its permits and seizure of its assets. The new national airline, jointly owned by the Maldivian government and **Indian Airlines Corporation**, employs a Boeing 737-200 wet-leased from the latter to inaugurate services to Trivandrum via Colombo on November 3. This service is maintained until late in 1983 when it, too, stops.

MALDIVIAN AIR TAXI (PTY.), LTD.: P.O. Box 2023, Male, 20-03, Maldives; Phone 960 315201; Fax 960 315203; <http://www.mataxi.com>; Year Founded 1995. MAT is set up at Male by Danish investors on November 4, 1995 to provide domestic scheduled passenger flights under the direction of Peter Selch. Revenue operations commence with a pair of float-equipped de Havilland Canada DHC-6-100s and a DHC-6-200.

Jasper Hougaard becomes general manager in 1996 and the Twin Otter fleet now includes 5 Dash-100s and 2 Dash-200s. In 1997–1999, four DHC-6-300s and two Bell 212s are added. Just after takeoff on December 6 of the latter year, a Bell 212 is forced to ditch at sea and sinks. All 10 people aboard are killed. The disaster is eerily similar to one on January 26 in which a Hummingbird Airways Mi-8 was lost.

MALERT HUNGARIAN AIR TRANSPORT CO. (MAGYAR LEGIFORGALMI): Hungary (1928–1945). The **Hungarian Aviation Joint Stock Company**, formed in 1922, is reformed and renamed in the middle of 1928. A Fokker F-VIII is acquired; Budapest builder Manfred Weiss acquires a license and builds two more, which are delivered early in the following year.

Two of the three Dutch-built Fokker F-XI Universals (as opposed to the American-made Model 4s) in existence are purchased and placed in service during 1930.

During the year, nearly 3,000 passengers are carried.

The fleet in 1931 comprises 5 aircraft, of which 2 are Fokker F-VIIIs.

Late in the decade, the carrier acquires two Savoia-Marchetti SM-73s, which are employed to start service to Prague, Munich, Warsaw, and Bucharest, and five SM-75s. By 1939, the airline owns a fleet that in-

cludes the 2 Italian trimotors plus 3 Junkers Ju-52/3ms and averages 5,000 annual passenger boardings.

Although not annexed by Germany but rather an "ally," Hungary and her airline come under the total influence of the Nazis and **Deutsche Luft Hansa, A.G. (DLH)**, respectively. All of its aircraft are requisitioned and its employees are drafted for military services. The entire fleet is destroyed by the end of 1944 and all of the nation's airfields are in ruins.

MALEV HUNGARIAN AIRLINES (MAGYAR LEGIKOZLEKEDAST VALLALAT, RT): Roosevelt ter 2, Budapest, H-1051, Hungary; Phone 36 (1) 266-9033; Fax 36 (1) 266-2759; <http://www.malev.hu>; Code MA; Year Founded 1946. In a fifty-fifty partnership, Hungary and the Soviet Union on March 29, 1946 form **Magyar-Szovjet Legiforgalmi Tarsasag (Maszovlet)** to provide domestic operations within Hungary. Maszovlet's basic regulations are published on May 4 as Hungarian statute ME 4.740/1946. All of the surviving employees of the old Malert are assigned to the new concern on August 1 and 3 days later, 5 Lisunov Li-2s (Soviet-made Douglas DC-3s), the first of 11 to be handed over by the Soviets, begin to arrive at Budapest.

On August 17, members of the Hungarian government tour the Li-2s at Budapest and are given a test ride in one of them. By August 30, work is completed at eight provincial airports plus Budapest.

Five Soviet-made Polikarpov Po-2 biplanes, the first of eight to be received, arrives at Budapest on September 26. One of these drops leaflets over a capital city soccer game on October 6, announcing the pending resumption of airline services.

Four days later, the Hungarian Post Office board of directors votes to contract with Maszovlet for airmail services. The first such flight is conducted on October 15 over a route Budapest–Szombathely via Debrecen. Airmail flights to Szeged are opened on November 4, followed by the initiation of a route from Budapest–Gyocirc–Szombathely on December 16.

Maszovlet begins its first flight attendant training course on January 27, 1947 and the next day the company's new fares come into effect. The company's first summer timetable is inaugurated on February 10 and the premier flight attendant class is graduated on April 11. The next day, passenger service is inaugurated from Budapest to Szeged. A branch office of the Central Customs Directorate is opened at Budapest Airport on April 19 and on April 21 the first four stewardesses report for duty with Maszovlet.

An Li-2 scatters leaflets over the May 1 Budapest May Day parade and on May 8 the company undertakes its first foreign flight, a charter for the Hungarian state soccer team from Budapest to Torino via Bari. A pooling contract is signed with TARS, the Romanian airline, on May 10, which enables the two companies to inaugurate roundtrip services on May 23 from Budapest to Bucharest via Arad.

CSA (Czechoslovak Airlines) and Maszovlet sign a marketing agreement on June 9, while on June 10–11 the company performs charters for the Soviet Union, transporting Russian personnel to Zurich and Prague. In cooperation with CSA, joint public flights from Budapest via Bratislava to Prague commence on June 19, followed by the initiation of service to Miskolc on June 23.

A new Hungarian three-year economic plan begins on July 11. One of its paragraphs calls for the full restoration of Ferihegy Airport. Ten days later, two more Li-2s arrive from Moscow.

A Hungarian–Polish aviation agreement is signed at Budapest on August 28 and the eighth Li-2 is delivered on September 17. Employees receive an average 9% pay increase under a new collective bargaining agreement that takes effect on October 1.

Joint frequencies with **LOT Polish Airlines** begin on October 8 between Budapest and Warsaw. Budapest to Belgrade via Szeged Li-2 services begin on December 1 in cooperation with the Soviet–Yugoslav joint airline **Jugoslovenske Sovjet Transport Aviaciza (JUSTA)**. Later in the month, company Po-2s operate emergency flights for the Ministry of Health and the national ambulance service.

Three more Li-2s arrive from the Soviet Union on January 28, **1948**. Following JUSTA's demise, the Belgrade service is suspended. Chartered Li-2s fly Hungarian athletes to the London Olympic Games between July 29 and August 14. Other highlights of the year include completion of work on Ferihegy Airport, charter flights from Budapest to Venice, a fare reduction, and the first employee newsletter.

While on a Pecs to Budapest flight on January 5, **1949**, an Li-2 with 25 passengers is seized by 22 persons, led by the captain, and flown to the U.S. zone of occupied Germany, where the dissidents obtain political asylum after landing at Munich.

Test flights commence at Ferihegy Airport during the spring and in May the company begins an airborne ambulance service, with units assigned to various airfields around the country.

A Hungarian-Bulgarian aviation agreement is signed on June 1. The company hosts an open house at Budapest on August 20. Over 100,000 attend, as parachutists jump from Maszovlet Li-2s.

An Li-2P is lost at Pecs, Hungary, on September 19; there is no information on injuries or fatalities.

A 30% fare reduction is announced on April 4, **1950** and on May 7, after special ceremonies, the new Ferihegy Airport at Budapest is opened. The first flight to Prague departs from Ferihegy next day.

The company is reformed on June 27. Gone is the joint-stock enterprise, replaced by a state-owned carrier. The 2,700 previous shares are replaced by 12 ownership stakes, which are equally divided between the Hungarians and the Soviets.

An agreement is signed between the airline and BELSPED on November 5 for the inauguration of door-to-door delivery services. Later in the year, the Hungarian Post Office contracts with the company to deliver mail overnight to 19 small domestic destinations.

By the end of the first quarter of **1951**, the overnight mail service has been expanded to 40 small Hungarian communities. Maszovlet has a fifth birthday celebration at Ferihegy Airport on March 29.

A meeting of freight-hauling companies is coordinated by the airline on April 3; during the conference, Maszovlet makes a pitch for its new door-to-door services, conducted with BELSPED. It also announces that it will soon begin all-cargo services with a dedicated Li-2.

In a humanitarian gesture, 150 children suffering from whooping cough are taken on free rides during June. The frequency of the weekly Prague-Budapest-Sofia service is doubled on July 8, the same day the airline begins flying from the new Nagykanizsa Airport.

The first concession to business travelers occurs on September 14, when those making reservations at least three days in advance receive a discount. Five more Li-2s are received during the fall and just before year's end, discount fares for children are introduced.

In February **1952**, the company undertakes a one-week test delivery of eggs for the Ministry of Food Industry. On April 1, the summer schedule is published; for the first time, it appears in Hungarian, Russian, and English. Fares are simultaneously increased.

In April, Maszovlet transports 35,000 day-old chicks for TERIMPEX from Czechoslovakia to state farms around Hungary. A new cargo delivery campaign is undertaken on May 9 as the airline begins making deliveries for the Debrecen Clothing Factory.

Chartered Li-2s on July 19 flies Hungarian athletes to the Summer Olympic Games at Helsinki. Also during the month, motorcycles built at the Budapest-based Iron and Hardware Wholesale Co. are transported to provincial cities.

The fall schedule begins on September 1. Again, no flights are allowed after 4:30 p.m. The Ministry of Transport and Postal Services delivers the first automated loading equipment (a number of forklifts) to the airline at Ferihegy Airport on September 14.

A general agency contract is signed between Maszovlet and **Swissair, A.G.** on October 1. An Li-2P is lost at Nyiregyhaza, Hungary, on October 2; there is no information on casualties.

On October 19, the company begins to require that freight shipments be properly packed. Three more Li-2s join the fleet during the fourth quarter.

Spring schedules are resumed in February **1953**. Sight-seeing tours over Budapest are offered for the first time on March 22. Summer schedules begin on April 6 and a large-scale open house is held at Ferihegy Airport on June 28. With the public able to view the MIG-15 fighter for the first time, 200,000 visitors pass through the turnstiles.

During the summer, company Po-2s conduct experimental agricultural spraying flights over a state farm. They also spray DDT over crops as they develop. Flights commence from the new airport at Zalaegerszeg on August 31.

Scheduled joint flights to Warsaw with LOT Polish Airlines, suspended the previous year, are resumed on April 19, **1954**. On April 27, two Li-2s haul 3,700-kg. of lettuce to Czechoslovakia. Flights to Berlin via Prague commence on May 18. Five Po-2s are hired by the Ministry of Agriculture on July 1 to conduct additional agricultural service flights.

The new airport at Kaposvacuter opens on October 3. The Soviet share is purchased by the state on November 6 and the airline, now completely in Hungarian control, is renamed MALEV on November 26.

An Li-2P is lost near Polna, Czechoslovakia, on December 23; there is no other information on the incident. All Soviet personnel of the former Maszovlet return home by December 31.

Enplanements for the year on the company's 9 Li-2s and 6 Po-2s total 101,900.

The fleet, on January 1, **1955**, includes 16 Li-2s, 7 Po-2s, and 1 Czech Aero-45; orders are placed for Ilyushin Il-14s. On the same day, Department VII (aviation) of the Ministry for Transport and Postal Services is merged into the airline. A general sales agency contract is signed with **SAS (Scandinavian Airlines System)** on January 2. A new Hungarian-Soviet aviation agreement is signed on February 11.

During the summer, the Ministry of Agriculture contracts for agricultural work by four Po-2s. On September 10, a Hungarian-East German aviation agreement document is drawn up.

An Li-2P is lost under unknown circumstances at Brno, Czechoslovakia, on December 16.

Scheduled services to Sofia commence on February 1, **1956**. On February 3, a Hungarian-Romanian aviation agreement is concluded.

Return flights to Vienna commence on June 5.

The annual airline open house is held at Ferihegy Airport on July 20-21. Over 100,000 people see a new **Aeroflot Soviet Airlines** Tupolev Tu-104 jetliner on display. Also on July 21, a Hungarian-Yugoslav aviation agreement is signed at Belgrade. A reciprocal general agency and trade cooperation pact is inked with **JAT Yugoslav Airlines** on August 6.

During the summer, company Po-2s are again employed by the Agriculture Ministry. Domestic frequencies and destinations are now cut back as a result of road improvements.

On July 13, an Li-2 with 20 passengers en route from Győr to Szombathely is commandeered by 7 hijackers, who win a wrestling match for control of the aircraft. The Soviet-made DC-3 is diverted to a vacant air base near Ingolstadt, West Germany, where the pirates are given political asylum. The Li-2 and 13 hostages are allowed to return to Hungary the next day.

During the Hungarian Revolution from October 23 to November 4, company aircraft ferry aid from Vienna to Budapest. Soviet troops occupy Ferihegy Airport on November 4 and close down Hungarian air transport for the next three months.

Following the restoration of peace, plans for additional domestic and international services are formulated. On January 30, **1957**, flights are allowed to resume from Budapest to Debrecen via Miskolc. Scheduled flights to Belgrade commence on February 7.

Direct service from Budapest to Debrecen is initiated on March 1 and Vienna flights resume four days later. Lettuce charters to Prague begin on March 22.

The first Il-14M arrives from the Soviet Union on April 11. As additional aircraft of this type are received, the Po-2s will be taken over by the Hungarian government for industrial use, e.g., crop spraying. Szombathely and Zalaegerszeg flights resume on April 15.

On May 7, **KLM (Royal Dutch Airlines, N.V.)** becomes the first Western airline to open an office at Budapest. A Hungarian–Netherlands aviation agreement is signed at Budapest on May 28, while a similar pact is inked with Belgium on June 1.

Service from Budapest to Bratislava begins on June 3. On June 8, general agency agreements are signed with representatives of **CSA (Czechoslovakia Airlines)**, **Deutsche Lufthansa, A.G.**, **LOT Polish Airlines**, **TAROM, S.A.**, and **TABSO**.

Under unknown circumstances, an Li-2P is lost at Budapest on June 9. Between June 14 and 29, chartered Li-2s, on behalf of Hungarofruit, deliver fresh fruit to markets in Czechoslovakia, Finland, Norway, and Sweden.

Two more Il-14Ms arrive from the Soviet Union on July 8 and on July 28 breeding pigs are transported to Budapest from Sweden and The Netherlands. A Hungarian–Swedish aviation agreement is signed at Budapest on August 2 and scheduled all-cargo domestic flights commence on August 3. Later in the month, chartered Li-2s transport shipments of live frogs from Budapest to East Berlin and London. More breeding pigs are transferred to Budapest on September 26, this time from London.

With the start of the winter schedule on October 6, the carrier now has direct air links with 28 cities in 23 countries. **SAS (Scandinavian Airlines System)** inaugurates flights to Cairo via Budapest on October 10. On October 20, the first jet service into Ferihegy Airport is operated, as a Tu-104 of **Aeroflot Soviet Airlines** arrives from Moscow.

A pooling agreement is signed with **Sabena Belgian World Airlines, S.A.** on November 6. The next day, astronomers on board an Li-2, flying at an altitude of 3,500 m., make observations of the Soviet Sputnik 2 satellite.

Airline officials and those from the Vienna office of **Air France** discuss future links on December 10. A pooling agreement is signed the next day with **SAS (Scandinavian Airlines System)**.

A Hungarian–Albanian aviation agreement is signed at Budapest on January 16, 1958. Return service begins two days later from Budapest to Copenhagen via East Berlin. Scheduled roundtrips to Tirana commence on January 23. The air service penetration of Western Europe continues on February 28 with the inauguration of return service from Budapest to Amsterdam via Prague.

Two Il-14Ps arrive from East Germany on March 8. Pooled flights with **Sabena Belgian World Airlines, S.A.** commence on March 17 from Budapest to Brussels via Prague. An Egyptian–Hungarian aviation agreement is inked at Cairo on March 20. A third East German Il-14P is received on April 21, followed by a fourth on May 16 and a fifth on May 30.

A Hungarian–Danish aviation agreement is signed at Budapest on July 17. Charter flights to the Leipzig International Fair commence on September 6 and continue for a week. Domestic air service is suspended for a week on December 25.

A Hungarian–Swiss aviation agreement is signed at Berne on January 23, 1959. An office is opened at Vienna on February 1 and on February 16 the Vienna terminus is extended to East Berlin. A new Instrument Landing System (ILS) is installed at Ferihegy Airport on March 12.

On April 7, the first scheduled service is opened from Budapest to Moscow via Kiev; it is flown with an Il-14P. A Hungarian–Norwegian air agreement is initiated on April 30.

Scheduled Il-14P roundtrips commence on May 3 from Budapest to Stockholm via East Berlin and Copenhagen. The next day, the company's Li-2s inaugurate air freight service to seven provincial communities.

Breeding pig Li-2 charter flights from London to Budapest commence on July 14 and scheduled Il-14P roundtrips to Zurich begin on July 21.

The first purchased Soviet-made Il-18 arrives at Ferihegy Airport on November 5 for inspection. The company's longest charter to date occurs on November 18, Budapest to Tunisia via Tirana.

Domestic air service is suspended for a month as of December 7. The next day, flight crews depart for Moscow for two months of Il-18 training. Meanwhile, company shops install VHF radio sets and ILS equipment on the Il-14s and five Li-2 cargo aircraft are converted back to passenger status.

Scheduled service is inaugurated on February 15, 1960 between Budapest and Frankfurt. During the month, an office is opened at Frankfurt. On March 15, inland "express" letters are initially forwarded by the Post Office to the countryside on the carrier's morning flights.

The Il-18 with trained flight crews returns from Russia on April 1, followed by a second owned aircraft the next day. When the summer schedule opens during the month, MALEV operates flights to 17 cities in 16 countries.

A Franco–Hungarian aviation agreement is signed in Paris on May 2. On May 15, nonstop Il-18 flights commence from Budapest to Moscow. The first Il-18 service to London is operated on July 4. A week later, an Il-18 flies seven tons of black currents to London.

Chartered MALEV Il-14Ps are employed between August 25 and September 11 to transport athletes to the Rome Summer Olympic Games. Il-14P service to Paris via Frankfurt is meanwhile launched on September 2. An Anglo–Hungarian aviation agreement is inked at London on October 25.

Scheduled service is started on November 23 from Budapest to Rome. Domestic air services are suspended for two months as of December 20. At month's end, three Li-2s are withdrawn from service and scrapped.

Enplanements for the year total 151,900.

Il-18 service to Moscow is restarted on January 14, 1961, while, beginning on February 1, Il-18 service is initiated from Budapest to Amsterdam via Brussels.

A new Il-18 is received from the U.S.S.R. on April 1. Four days later, scheduled London service is begun via Paris.

While on a sightseeing charter, an Li-2 with four crew and 23 passengers, crashes at Budapest on August 6; all of the people on the Douglas are killed, along with three persons on the ground.

A Hungarian–Ghanaian aviation agreement is signed at Budapest on October 23 and domestic traffic is again suspended for two months, as of December 11.

A Hungarian–Finnish aviation agreement is signed at Helsinki on February 13, 1962. In March, joint Budapest–London service is started in cooperation with **British European Airways Corporation (BEA)**.

Scheduled flights commence on June 3 from Budapest to Helsinki via East Berlin and Copenhagen. During September, an Il-18 delivers aid to Algiers. A Hungarian–Syrian aviation agreement is signed at Damascus on October 18.

Flight 355, an Il-18B with 8 crew and 13 passengers crashes while on final approach to Paris (LBG) from Budapest on November 23; there are no survivors.

Domestic air traffic is suspended on December 3 and a replacement Il-18 is received on December 27. Bookings this year total 131,138.

The February 15, 1963 date set for the resumption of domestic services must be postponed due to inclement weather. They will restart within a week. A Hungarian–Greek aviation agreement is signed at Athens on April 27 and new company uniforms are introduced on May 1.

Another Il-18 enters service on June 12, while scheduled Il-14 flights are begun on July 25 between Budapest and Munich. Similar service is inaugurated on September 17 from Budapest to Cairo via Athens.

Domestic service is again withdrawn, as of December 14. With a fleet of 20 Il-14s and Il-18s available, the carrier officially retires its entire Li-2 division later in the month.

During this year, enplanements reach 139,578.

An Il-14P is lost at Budapest on February 17, 1964; there are no details concerning the accident. Service is resumed on February 24, to Szombathely, Debrecen, and Zalaegerszeg.

On March 2, one of the retired Li-2s becomes a display at the Pecs amusement park at Szombathely. Another is sent on March 17 to the Debrecen Amusement Park. Two more Soviet-made Il-18s are received on March 28.

Scheduled return service is inaugurated by Il-18s on April 3 from Budapest to Milan. A joint MALEV-IBUSZ office is opened at Frankfurt Airport on April 19.

Weekly flights are initiated to Bratislava and Kosice on May 6. Aviation agreements are signed with the Cypriot government and with Luxembourg on June 2 and November 3, respectively. Improvements are also made at Ferihegy Airport during the summer and fall. Domestic flights end on December 5.

This year's customer bookings ascend to 154,670.

Domestic service resumes on March 1, **1965**. Scheduled service begins on April 21 from Budapest to Damascus via Athens and Nicosia. On May 21, an aviation agreement is signed with Ethiopia.

Il-14 frequencies are initiated from Budapest to Dubrovnik via either Belgrade or Zagreb, on June 5; the same day, Il-18 roundtrips start from Budapest to Kiev. An on-screen passenger travel information system is turned on during September 15 at Ferihegy Airport.

The Berlin Agreement is signed on October 27 covering overall airline operations in the Eastern Bloc countries, as well as commercial and financial activities. Company technicians at Ferihegy Airport on October 28 complete their first general overhaul of an Il-14. Domestic air traffic (with the exception of Debrecen) is halted for the winter on December 4.

Much additional work on Ferihegy Airport is completed this year, including passenger service areas and the installation of new radar and meteorological equipment.

Enplanements fall slightly, down to 152,862.

On February 1, **1966**, the Hungarian prime minister and many of his cabinet commence a month-long Il-18 charter that will take them 30,000 km. from Budapest to Nicosia, Cairo, Addis Ababa, Dar es Salaam, Asmara, Kuwait, New Delhi, Bombay, Dharan, Nicosia, and back to Budapest.

An air service agreement is signed with India on February 21.

Il-17 service is initiated to Beirut via Sofia on June 2. During the month, a chartered Il-18s transport 400 tons of apricots to London. Orders are placed for Tupolev Tu-134 jetliners.

On February 7, **1967**, a two-month flight attendant course begins; 12 women and 4 men are enrolled. Domestic flights, halted the previous December, resume on March 3.

When the summer schedule opens on April 1, MALEV is flying to 33 cities in 24 countries. This day, service to Beirut becomes nonstop, while Damascus flights no longer halt in Nicosia.

Il-18 flights begin on April 28 from Budapest to Istanbul

With the addition of a "D" model on June 21, the Il-18 fleet stands at eight. An Il-18 flies relief supplies to Jordan on July 2.

An international stewardess beauty contest is held at Budapest under MALEV sponsorship between December 4-11; contestants from 11 airlines take part. After domestic service ends, two Il-18s are sent to Moscow for conversion into Il-18D status.

The subsidiary MALEV Air Tours is created on January 1, **1968**. Il-18 flights begin on May 17 from Budapest to Luxembourg. On August 8, the company announces that it has purchased four Tupolev Tu-134s from the Soviet Union at a cost of Ft 280 million.

A modified Hungarian-Soviet aviation agreement is signed in Budapest on December 2. The carrier's first two twinjet Tu-134s join the fleet on December 22 and 26.

The Hungarian government, on January 1, **1969**, grants the airline permission to undertake foreign trading in the areas of aircraft acquisition, spare parts, and fuel.

A second international stewardess beauty contest is held at Budapest between March 5-12. Bad weather closes down Ferihegy Airport on March 15, forcing incoming flights to be diverted to Debrecen.

The two new Tu-134s enter service on April 1 with the introduction of the company's summer schedule. Initial flights take them this day from Budapest to Oslo via Copenhagen and from Budapest to Tunis via Vienna. The third Tu-134 is delivered on April 4.

The first charter flight to Glasgow is undertaken in mid-July. Offices are opened at Rome on September 23, Amsterdam on September 30, and Helsinki on October 1. On October 31, an Il-18 completes the company's 100th charter flight when it arrives at Budapest from Zurich with

a number of passengers, including the 10,000th tourist booked by the Swiss IMHOLTZ concern.

Chartered Il-18s in mid-November transport 145 Yugoslav builders from Budapest to Lusaka via Belgrade, Cairo, and Khartoum.

A Tu-134 overruns the runway while landing at Istanbul on November 19; the aircraft's landing gear collapses as it runs into the mud. No injuries are reported.

As the year ends, the company removes its Il-14s from service. With the development of the national road and highway program well advanced, domestic services begin elimination as the 1970s commence.

A new office is opened at Copenhagen on January 30, **1970**, followed by one in London on April 15. The fourth Tu-134 arrives at Ferihegy Airport from Moscow on May 6. Seasonal flights to Lake Constance commence on May 14, while, on May 23, scheduled service is inaugurated to Leningrad via Warsaw.

The Soviet Union buys back the company's decommissioned Il-14 fleet between May 30 and June 30. Two more Tu-134s are delivered on August 5 and 30, respectively; they will initially be employed as VIP government transports.

A third international stewardess beauty contest is held in Budapest from October 22-28, with contestants from 14 airlines. New offices are opened at Moscow and Istanbul on October 30. The new Tu-154 demonstrator arrives at Ferihegy Airport on November 23.

On April 2, **1971**, scheduled Tu-134 return service is inaugurated from Budapest to Madrid via Zurich. Frequencies are opened on June 1 from Budapest to Burgas and from Budapest to Varna. Il-18 flights commence three days later from Budapest to Dresden and from Budapest to Erfurt. New Tu-134As are delivered on June 19 and June 26, respectively.

En route from Oslo to Budapest on August 28, an Il-18D with 9 crew and 25 passengers and on final approach into an intermediate stop at Copenhagen, descends too low and crashes into shallow water short of the runway, near Saltenholm Island (32 dead).

Coming into Kiev on a September 16 flight from Budapest, a Tu-134 with 8 crew and 41 passengers, crashes; there are no survivors.

On December 1, a government-chartered Il-18 completes a 22,000-km. flight across Africa. New offices are opened at Milan, Stockholm, and Vienna before month's end.

By **1972**, the fleet comprises not only the 5 Tu-134 jets, but 7 Il-14s and 7 Il-18s.

Between March 13-17, a company delegation travels to Moscow to negotiate the Ft 726- million purchase of three Tu-154s. An aviation agreement is signed with the U.S. at Washington, D.C. on May 30.

Scheduled Il-18 flights begin on June 1 from Budapest to Leipzig. The company sponsors the fourth international stewardess beauty contest at Budapest on October 14-21; again, there are contestants from 14 carriers. Late in the year, a separate VIP flight unit is established.

Passenger boardings have advanced from the 154,670 in 1964 to the current year's 339,115.

Chartered by the government, an Il-18 makes a 38-hr. flight on February 12, **1973** from Budapest to Saigon via Damascus, Bombay, Rangoon, and Hanoi. Pilots and technicians depart Budapest for the Soviet Union on April 9 to begin a Tu-154 training program.

The company's first Tu-154 is delivered to Ferihegy Airport on September 5, followed by a second on October 2.

On November 19, the company finds a way to combine the radio operator's duties with those of the navigator and thereby reduces the flight crews of its Il-18s from five to four. An office is opened in Madrid during December.

This year's bookings grow to 394,878.

On March 1, **1974**, flight routing according to ICAO regulations comes into force in Hungary; flight paths are widened to 20-km. An air service agreement with Cuba is signed on March 29.

The first in-flight services are introduced aboard company aircraft on April 1, while first-class seating is reintroduced. As the summer timetable starts, the new Tu-154s begin flying to eight destinations.

The general directors of MALEV and the Societe Internationale de Telecommunication Aeronautiques (SITA) sign contracts in Paris on June 17 under which the airline will be integrated into SITA's GABRIEL reservations system. Three more Tu-154s are purchased on July 5.

A new corporate identity and aircraft livery are introduced on August 18. Two Tu-134A-3s previously employed by the government are turned over for public airline use on August 28.

Enplanements jump to 501,669.

While on a training flight from Budapest on the night of January 15, **1975**, bad weather and fog contribute to the crash of an Il-18V with nine crew; there are no survivors.

Two Tu-154s are leased from **Aeroflot Soviet Airlines** during July. As jetliners begin to arrive in quantity, they gradually replace Il-18s, which are converted into freighters. These will undertake cargo charters to Baghdad, Kuwait, Jeddah, and Tehran.

En route from Istanbul to Bucharest on September 22 with 53 aboard, an Il-18 crashes while attempting to make an emergency landing in a field near the latter city (29 dead).

While on final approach to Beirut on September 30, a Tu-154 with 10 crew and 50 passengers, mysteriously crashes into the sea; there are no survivors and no reason for the tragedy is ever determined.

Equipment for SITA's GABRIEL system is turned on at Bucharest on November 1. Two purchased Tu-154s are delivered in December.

A new office is opened at Prague on February 26, **1976**. Withdrawal of the Il-18 fleet is accelerated as the summer schedule begins on April 1. Scheduled flights to Split and Dubrovnik commence on July 1.

Arriving at Beirut on September 29 at the end of a flight from Budapest, a Tu-154 with 60 aboard plunges into the Mediterranean; there are no survivors.

A total of 464,945 passengers are transported this year.

A new office is opened in Leningrad on February 16, **1977**. When the summer schedule opens on April 1, flights to Paris are transferred to Orly Airport from Le Bourget.

Scheduled service to Barcelona and Rijeka begins on May 25 and May 31, respectively. New uniforms are introduced on July 1.

Coming in at reduced power—and a gradual loss of altitude not noticed by the crew—a Tu-134 with 8 crew and 45 passengers strikes the ground before landing at Bucharest on September 22 (29 dead).

An Il-18V is lost in a ground accident at Budapest on November 23; no other details of the incident are available.

Although exact figures are not revealed, it is reported that this year, for the first time ever, MALEV carries more than half a million passengers.

In **1978**, Director General Jozsef Javor's fleet comprises 3 Tu-154Bs, 3 Tu-154s, 2 Tu-134As, 4 Tu-134s, and 5 Il-18s, including the 10-year-old "D" model that was converted into a freighter a year earlier.

A chartered Il-18 transports eggs to Luanda on March 2–4. Two more Tu-154s are purchased on March 9. On April 1, joint service is inaugurated with **Air France** over a route from Budapest to Paris.

One each Tu-154 and Tu-134A are leased from **Aeroflot Soviet Airlines** on April 3; the latter enters service wearing both MALEV and Aeroflot titles. New offices are occupied at Helsinki on September 26. During the year, two more Il-18s are converted into freighters.

Customer bookings are reported at 697,298.

On January 1, **1979**, the company joins IATA. Between February 12–15, a chartered Il-18 transports aid supplies to Cambodia; the 24,200-km. flight requires 40 hrs. 10 min.

Two new Tu-154s arrive from the Soviet Union on March 22. With the opening of the summer schedule on April 1, several new markets are initially visited: Kuwait on April 1, Saloniki on April 5, and Baghdad on May 18.

An Il-18 freighter on November 21 completes a record-breaking 5,071-km. flight from Lagos to Budapest nonstop in 8 hrs. 21 min. A pooling agreement is signed with **Alitalia, S.p.A.** on December 19.

By **1980** the fleet grows to include 9 Tu-154/154Bs, 6 Tu-134/134As, and 4 Il-18s. On February 13–14, two Tu-134A-3s arrive and are as-

signed to the VIP flight unit. A contract is signed with **Aeroflot Soviet Airlines** on April 11 for joint operations.

Chartered Tu-154s handle the transport of Hungarian athletes to the Moscow Olympic Games between July 17 and August 4. A chartered Il-18 delivers aid supplies to Mozambique on September 21. The first MALEV flight to Afghanistan is completed on November 10 when an Il-18 arrives at Kabul with relief supplies. Twenty days later, an Il-18 delivers earthquake relief supplies to Naples. SITA's BAGTRAC computerized luggage tracking system is turned on at Budapest in December.

The employee population in **1981** stands at 3,216. In January, an Il-18 charter is flown from Budapest to Bamako, Mali. Two new Tu-154Bs arrive at Ferihegy Airport on February 28 and March 7, respectively, while on March 11, the two Tu-134A-3s are taken over from the VIP flight division.

Following a seven-year suspension, flights are resumed to Larnaca on April 3. Pooled flights with **Aeroflot Soviet Airlines** begin on May 6 from Budapest to Simferopol and from Budapest to Sochi.

A new tradition begins on July 1 as company captains welcome passengers aboard flights and provide brief operational details. Scheduled service to Tripoli begins on November 1, the same day a pooling agreement is inked with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

Coming in from Amsterdam on October 21, a Tu-154B-2 with 81 passengers breaks apart upon landing at Prague; there are no fatalities.

Enplanements this year are 1,051,268, marking the first time the airline has transported more than one million passengers. Cargo FTKs operated total 25.4 million.

A high-ranking bureaucrat, Lajos Jahoda, is appointed general director in **1982**. On January 3, an all-cargo division is commissioned while the first Tu-154 simulator is turned on at Ferihegy Airport later in the month.

Experienced in importing breeding pigs, the airline flies a shipment of mating hogs by Il-18 to Shanghai in February. Scheduled passenger flights from Budapest to Warsaw are resumed on March 11.

After an 18-month break, service to Baghdad is restarted on May 1. Two more Tu-154Bs are delivered on May 25 and June 23, respectively, while on July 18 the new SITA RAYFIDS reservations system is turned on. A duty free shop is opened by the airline at Ferihegy Airport on July 21.

Scheduled service is begun on November 1 to Algeria. The same day, seat number seating is instituted. A man with a pistol, wearing a uniform, is initially surmised to be a security guard, but is thwarted in his attempt to hijack a Tu-154 during a November 27 Warsaw to Budapest service. The perpetrator's fellow passengers and the crew overpower him.

Enplanements for the year grow to 1,070,000.

Comfort Class business-class service is introduced on January 10, **1983**. Following an eight-year suspension, service is resumed to Beirut on March 19.

On June 1 the SITA CARMEN computerized cargo reservations system is turned on. Scheduled flights from Budapest to Dubai via Kuwait are started on November 1. In early December, flights are halted to Split and Rijeka.

Passenger bookings decline to an even one million.

On January 1, **1984**, MALEV becomes the 125th carrier granted full-right membership in IATA. A record 6,474 passengers are boarded on August 31. A chartered Tu-154 is flown on September 13–19 from Budapest to Vietnam, Cambodia, Laos, and Indonesian transporting a diplomatic mission. Enplanements remain at one million.

Airline employment is 3,639 in **1985** and the fleet includes 22 jetliners. The modernized SITA GABRIEL II reservations system is turned on during January. New uniforms designed by Pierre Cardin are presented at the Atrium Hyatt Budapest on February 26. A new frequent flyer program is unveiled in March.

A reciprocal general agency contract is signed with **Air Canada, Ltd.** on May 21. A new Ferihegy 2 terminal is opened at Budapest on Octo-

ber 28 and will be exclusively employed by the airline; all other carriers will continue to employ Ferihegy Airport's less modern No. 1 terminal. Flights from Ferihegy 2 commence on November 1; the first landing is from Saloniki while the first departure is made to Sofia.

Passenger boardings increase 7.42% to 1,116,000 and freight traffic jumps 20.54%. On revenues of \$114,013,000, expenses are \$104.5 million, leaving a \$9.4-million operating profit.

The payroll climbs 13% in **1986** to 4,601 and the all-Russian-built fleet now includes 4 Il-18Fs, 12 Tu-154/154Bss, and 8 Tu-134/134As. Two more Tu-154Bs are leased from **Aeroflot Soviet Airlines** on January 15.

On May 25, 140 winners of the International Children's Day drawing competition are given an excursion flight aboard a company Tu-154. An office is opened at Szeged on June 12.

In October, the carrier introduces a no-smoking policy on 10 short-haul European routes for the winter travel season. The campaign is initiated with the slogan "Good Air in the Air!" In December, MALEV joins the Association of European Airlines.

Customer bookings accelerate 3.2% to 1,196,622 and cargo moves ahead by 2.6% to 23.68 million FTKs. Revenues are up 10.3% to \$125 million and operating profit dips to \$9.32 million.

The number of workers is cut 3.8% in **1987** to 4,612 and 3 of the Il-18Fs are withdrawn in February. With the opening of the summer season in March, 17 additional no-smoking flights are offered. At the same time, the SITA AIRFARE CRS is turned on.

On April 18, an Il-18 is donated to the flying museum at Szolnok. A new office is opened at Miskolc on September 3. On September 21, flight attendants begin serving cooled beer on Tu-154 flights.

The company boards its one-millionth passenger of the year on October 29. In November, code-sharing flights begin from Budapest to Madrid and Barcelona in cooperation with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Hungarian aircraft are exclusively employed. After an absence of several years, company officials organize an international stewardess beauty contest, which is held at Budapest on December 15-16.

Passenger boardings this year rise 10.4% to 1,321,000 while freight slides downward by 33% to 15.87 million FTKs. Operating income totals \$13.5 million.

The employee population falls again in **1988**, down by 2.3% to 4,595. The fleet now includes 6 Tu-134A-3s, 12 Tu-154B-2s, 1 Yak-40, and 1 Il-18F.

On March 30, scheduled service is inaugurated from Budapest to Hamburg. An early Tu-134 completes its last flight on April 14, a charter flight from Dusseldorf; on May 19, it is sent to the flying museum at Szolnok. Also during the month, the MALEV Flying Club purchases a 12-person Antonov An-2 biplane.

Another Tu-134 is withdrawn on July 19; two days later, a new Tu-154B is delivered to Ferihegy Airport. During August, the company negotiates with executives from GPA Group, Ltd. for the lease of three Boeing 737-200s; the company receives permission on August 31 to sign the necessary charter papers to acquire the aircraft. The next day, yet another Tu-154B is received.

A new office is opened at Debrecen is opened on September 7. A week later, company representatives sign a contract with GPA Group, Ltd. for the lease of three "Baby Boeings."

One-time mechanic Tamas Odor is appointed deputy general director in October. A British Aerospace BAe 146-200QT is leased from **TNT International Aviation Services, Ltd.** MALEV and the Australian concern create the joint-venture company, TNT-MALEV, on October 21. The BAe enters service in December over an overnight freight schedule linking Budapest with the TNT hub at Cologne. During the day, the freighter operates on the carrier's own cargo services to North Africa, Europe, and the Mideast. It should be noted that receipt of the BAe Quiet Trader makes MALEV the first East European carrier to take delivery of a Western jetliner.

Beginning on November 18, three Boeing 737-200s are acquired under charter from GPA Group, Ltd.: a Dash-2M8A, a Dash-2Q8A, and a

Dash-2T5A, all painted in the airline's new livery. Despite political pressure against the arrangement, the airline board proceeds and MALEV becomes the first Eastern European airline to receive these Western aircraft types. The first Boeing flight is undertaken on November 25 from Budapest to Rome.

Noise restrictions are put into effect at Ferihegy Airport during the fourth quarter and no flights are allowed out between midnight and 5 a.m. Also in December, following completion of a bilateral agreement between Hungary and Israel, nonstop Tu-154B-2 flights are inaugurated to Tel Aviv.

Customer bookings dip 3.8% to 1,271,119 and cargo is off by 26.7% to 11.63 million FTKs. Revenues decline 3.5% to \$132 million, expenses rise 1.1% to \$124.7 million, and the operating profit is reduced to \$7.4 million.

The payroll is increased a slight 1.8% in **1989** to 4,676. The fleet adds a second BAe 146-200QT for **TNT Worldwide Express** and deletes the Il-18F. The latter completes its 27 years of service on January 25 with a cargo flight from Budapest to Constantine, Algeria.

Also in January, the company continues to introduce its new livery, featuring a combination of white and light blue with a large block "MALEV" on the fuselage above the windowline and forward of the wing. The new scheme is now painted on all aircraft.

An aviation agreement is signed with Israel at Tel Aviv on February 28 and on March 26 scheduled flights are started to Stockholm. Two teenagers hijack a Tu-134A-3 en route from Budapest to Amsterdam via Prague to Frankfurt on March 29 to seek political asylum in West Germany.

A pooling agreement is signed on April 6 with **Pan American World Airways (1)**; the code-share is a block-space arrangement, under which the Hungarian carrier purchases 50 seats per week. On May 18, the joint, twice-weekly service is started with Pan Am to New York, employing the U.S. major's A310-324, but with a MALEV flight attendant aboard.

Service to Thessaloniki is restarted on May 29 and on June 14 scheduled flights begin to Abu Dhabi via Varna.

During the summer, B-737 flights also operate to Cairo, Larnaca, Damascus, Baghdad, Zurich, and Copenhagen. Having been ferried back to Budapest from Algeria on August 29, the withdrawn Il-18DF is sent to Papa military airfield for storage; it will later become a restaurant at Győr.

On September 7, scheduled service is initiated to Trieste; a week later, an office is opened in Stockholm. Flights begin on September 20 to Doha via Abu Dhabi. A new paint hangar is opened at Ferihegy Airport on November 3. Later in the year, an office is opened in Toronto.

Passenger boardings surge ahead by 12.4% to 1,428,631; however, freight declines by 31.5% to 7.63 million FTKs. Revenues arise by 6.4% to \$140.6 million and allow the operating profit to improve to \$7.6 million.

Three B-737-3Y0s are ordered on January 26, **1990** as a second Yak-40 is acquired. A new frequent flyer program begins during the month. A Boeing 707-320C freighter is leased on March 19 for all-cargo charters.

SITA's BAHAMAS luggage tracking system is introduced in April and in late May an in-flight wedding is performed on board a specially chartered Tu-154 as it circles Budapest.

Having been found unacceptable, the B-707 is returned on July 18 and its contract is cancelled. Thomas Deri is appointed CEO in August and begins to help the company shift away from its long-established socialist structure. When the Ft 1 billion per year annual subsidy ends, fares are increased, having a negative impact on passenger traffic.

Following a November 13 meeting of the board of directors, it is announced that company participation in the Berlin Agreement is terminated.

Enplanements for the year total 1,014,029 and revenues are Ft 17.48 billion (\$267 million). The profit is Ft 1.33 billion.

The workforce in **1991** stands at 5,145 and the fleet includes 1 BAe 146-200QT operated for TNT, 1 leased B-737-2M8, 1 leased 2Q8, 1

leased -2T5, 3 leased -3Y0s, 6 Tu-134As, 12 Tu-154Bs, and 4 Yak 40s, including 2 leased from **Aeroflot Soviet Airlines**.

Scheduled services to Dusseldorf commence on April 3, while the first B-737-3Y0 is delivered on April 12. Orders worth \$150 million a copy are placed in April for two B-767-200ERs. The Japanese trading firm Nisho Iwai and the Barclays Bank of London finance the initial down payment.

An Il-62M in full MALEV livery is leased from **CSA (Czechoslovak Airlines)** for the June–September summer period. Its first charter is operated on July 29 to Japan.

At the conclusion of his August visit to Hungary, Pope John Paul II is returned to Italy aboard a company B-737-3Y0. On September 27, passengers watch a theatrical premier on board a chartered Tu-154 en route to Cyprus.

During the fourth quarter, the carrier announces plans for privatization. Credit Suisse First Boston, Ltd. receives a contract to help MALEV find an equity partner.

On November 3, **Delta Air Lines** assumes operation of the block-seat partnership service from failed **Pan American World Airways (1)**. As before, the Hungarians purchase blocks of seats on the Atlanta-based major's four weekly A310 services to New York (JFK) via Vienna. On November 28, the business-class Comfort Class is renamed Sky Club.

In December under a six-month contract, MALEV flight crew and technicians operate Lithuanian Airlines' leased B-737-2Q8A.

Passenger boardings decline 33.2% to 910,700 and freight falls 8.7% to 5,020. Revenue reaches Ft 23.8 billion and profit grows to Ft 2.1 billion.

The payroll is cut 23% in 1992 to 3,963. On February 3, effective on June 30, a joint venture company, Aeroplex of Central Europe, is established with Lockheed Aircraft Services to provide maintenance and overhaul at Budapest Airport.

As the result of labor unrest and the loss of a legal action brought against the company by Pratt & Whitney over a power plant agreement, President/CEO Deri steps down in March. When the summer schedule begins on March 29, MALEV flies to 47 cities in 35 countries, with 210 weekly departures.

Scheduled service is resumed to Luxembourg with Yak-40s on April 10. The company's dry-leased B-767-3Y0 arrives at Ferihegy Airport on April 26 after a 10 hr. 42 min. nonstop flight from Seattle.

During the second quarter, service is inaugurated to such regional destinations as Vilnius and Krakow. At the same time, a steering committee is established to find a Western airline partner. Membership comes from MALEV; the Hungarian Ministry of Transportation, Communication, and Water Management; and the State Property Agency. Eventually, an agreement is reached with the Italian flag carrier **Alitalia, S.p.A.**

On June 30, MALEV V.P. Laszlo Gyorgy O'svath is named chairman with acting CEO Andras Pakay elevated to the twin posts of president and CEO. The same day, the carrier becomes a public limited company.

On July 1, all aircraft maintenance and overhaul is contracted out to the new MALEV and Lockheed joint-venture company, Aeroplex of Central Europe. The new firm receives orders to refurbish the Tupolev Bs at \$313,000 apiece and the Tupolev As at \$220,000 apiece. Beginning during the month and through the remainder of the year, the B-767-3Y0 dry-leased from GPA Group, Ltd. is employed to fly ethnic-market charters to Cleveland, Ohio, as well as 5,000 Japanese tourists roundtrip to Budapest from secondary airports in Japan. New offices are opened in Rome on August 1 and Miskolc on September 4.

On December 15, shareholding is divided between the Societa Italiana per le Imprese Miste All'Esteri, S.p.A. (5%), MALEV employees (14%), and the Budapest government through the State Property Agency (51%). **Alitalia, S.p.A.** acquires a \$77-million, 33% equity stake and five of nine board seats in the now partially privatized Hungarian airline.

After the contract (including a strategic alliance) is signed, **Alitalia, S.p.A.** turns over \$77 million to MALEV for fleet modernization and five of its employees assume seats on the Hungarian airline's board. In-

tegration of sales, maintenance, charter, and catering is pursued. Six-month notice is given that the code-sharing transatlantic partnership with **Delta Air Lines** will end.

bookings recover and climb 13.8% to 1,153,879; cargo advances 33.7% to 7.62 million FTKs. Revenues total \$330 million and allow a \$20-million net gain.

In 1993, Chairman O'svath and President/CEO Pakay oversee a workforce of 3,600, down 9.2% from the previous year. On January 20, a B-737 training program is completed for pilots from **Lithuanian Airlines**. The new public joint stock company holds its first general meeting on February 22.

The fleet is now increased by the inclusion of two leased B-767-27GERs, which are delivered on May 10 and May 17, respectively. With coordination between the Italian and Hungarian airlines planned at all levels and in all areas of operations, the two formally integrate their operations on the last day of the month.

On May 29, pooled MALEV and Alitalia six-times-per-week service is advertised for New York via Rome.

The company's first service to North America begins on June 1 as one of the new B-767-27GERs flies roundtrip from Budapest to Newark via Rome. Hungarian aircraft begin dual-designator flights with the Italians on frequencies from Budapest to Venice, Milan, and Rome.

Beginning on July 27 for two months, a leased B-767-3Y0 undertakes 14 roundtrip charters from Japan to Budapest, transporting 5,000 Japanese tourists to Europe. The next day, a \$123-million 12-year credit contract is signed with Barclays Bank and the U.S. Export-Import Bank.

On September 30, the joint venture with **TNT Worldwide Express** is closed down upon expiration of the 5-year contract. The last BAe 146 cargo freighter is returned.

Destinations regularly visited by fall include Amsterdam, Athens, Barcelona, Beirut, Berlin, Brussels, Bucharest, Cairo, Cologne, Copenhagen, Damascus, Dresden, Doha, Dubai, Dusseldorf, Frankfurt, Hamburg, Helsinki, Istanbul, Kiev, Kuwait, Larnaca, Leipzig, London, Madrid, Milan, Munich, New York, Paris, Prague, Rome, Sofia, St. Petersburg, Stockholm, Stuttgart, Tel Aviv, Thessaloniki, Tirana, Trieste, Varna, Vienna, Vilnius, Warsaw, and Zurich.

The Yak-40 fleet is retired on November 1 and B-767 charters to Bangkok and Las Palmas start on December 28.

Passenger boardings rise 13.1% through October to 1,129,000 while freight climbs 38.8% to 9 million FTKs. Losses are suffered: \$9.39 million (operating) and \$607,000 (net).

Airline employment is sliced by 1.4% in 1994 to 3,550 and the fleet now includes 8 Tu-154B-2s, 3 Tu-134A-3s, 2 each B-767-27GERs and B-737-2T4As, 3 B-737-3Y0s, and 1 each B-737-2K9A, B-737-2M8A, B-737-2T5A, and B-737-3Q8. All of the B-737s and the B-767-200s are leased. The **Delta Air Lines** transatlantic code-sharing arrangement is renewed in February.

At the second annual shareholders meeting on March 26, employee owners participate for the first time. Three days later, the service between New York and Budapest, flown in cooperation with **Alitalia, S.p.A.**, eliminates its stop at Rome.

The company, employing a dry-leased B-737-3Q8, inaugurates daily nonstop dual-designator roundtrips with **Delta Air Lines** between Budapest and New York (JFK) on May 2. Delta provides a flight attendant for the MALEV service. Codes are also shared on Delta's flights from Atlanta via Stuttgart to Budapest on a block-space basis; MALEV also provides a flight attendant.

Beginning on June 1 and continuing to September 21, a B-767-3Y0 undertakes 13 nonstop, roundtrip charters from Budapest to Toronto. A 10th Boeing, a B-767-3Y0, is received on August 8, followed by receipt of the first leased B-737-4Y0 on November 23, which enters service at the end of December.

On the year, customer bookings advance by 15.5% to 1,605,302 while cargo skyrockets 125.9% to 21.27 million FTKs. Revenues move up 3.3% to \$352.98 million, but expenses shoot up 3.7% to \$364.11

million. Consequently, the operating loss increases to \$11.13 million and the net loss deepens to \$6.91 million.

The workforce is reduced to 1,493 in **1995**. A Tu-154 is withdrawn on January 20 and sent to Stuttgart for use in land-based security procedures testing. Six days later, another chartered B-737-4Y0 is acquired. A general agency contract is signed with Bangkok-based JVK International Travel, Ltd. in mid-March.

On June 29, scheduled service is inaugurated to Venice. On July 19, company management agrees to start a six-month reorganization program at the end of September. Prior to that time, the U.S.-based Mercer Management Consulting is commissioned to conduct an audit. A new office is opened at Tel Aviv on September 30.

Code-sharing flights commence with **CSA Czech Airlines, A.S.** in October between Budapest and Prague. The first dry-leased Fokker 70 is received from the International Lease Finance Corporation (ILFC) on December 21.

Enplanements for the year climb 4.3% to 1,629,805 and freight skyrockets 64.1% to 29.58 million FTKs. Operating revenues are \$382.26 million, an increase of 8.3%, while expenses are \$391.83 million, a 7.6% boost. The operating loss shrinks to \$9.56 million and a \$1.49 million net profit is recorded.

Airline employment is cut another 3.7% in **1996**, dropping to 1,339. The new frequent flyer Bonus Program begins on January 1. On January 8, the first Fokker 70 enters service, flying from Budapest to Rome and back to Budapest.

The second and third Fokker 70s arrive under lease on February 14; a fourth is purchased directly from its manufacturer. Service begins to Odessa in March and beginning on March 29, the company celebrates its fiftieth anniversary with a series of jubilee events.

In October, twice-weekly frequencies are inaugurated to Bangkok.

Passenger boardings swell 14.3% to 1,856,731 and 32.95 million freight FTKs are operated, a rise of 7.3%. Operating income moves up 3.3% to \$394.76 million, but expenses jump 3.8% to \$406.14 million. The operating loss deepens to \$11.38 million, but a net \$2.3-million profit is reported.

The workforce dips 0.2% in **1997** to 3,333.

The first link between a Japanese airline and East European carriers occurs on January 18 when **Japan Air Lines Company, Ltd. (2)** signs code-sharing agreements with **CSA Czech Airlines** and MALEV. When the pact takes effect during the summer, travelers from Tokyo (NRT) or Osaka (KIX) to Frankfurt will be able to make seamless connections on to the partner lines for flights to Prague and Budapest. Between now and June, JAL will aggressively market the new alliance.

In March, MALEV implements a block-space, dual designator service with **Swissair, A.G.** on twice-weekly frequencies from Budapest to Zurich. The last three Tu-134As are sold, also in March, replaced by five (later four) leased Tu-154B2s, which are assigned to charter work.

Block-space frequencies are begun with **Air France** in April on frequencies from Budapest to Paris. In June, codes are shared with **Delta Air Lines** on the Frankfurt-Budapest and Stuttgart-Budapest segments of the American major's Flight 135 L-1011 TriStar Atlanta to Budapest service.

EU Commissioner Neil Kinnock announces on July 15 that **Alitalia, S.p.A.** will be allowed to receive a \$1.6-billion government rescue package in three stages, all tied to heavy conditions. In announcing the last bailout program to be allowed to a European airline, Kinnock notes that the carrier might have \$1 billion immediately, with the remainder coming in **1998** and **1999** if it has met various requirements, including the sale of its stake in MALEV. Negotiations between officials of the Italian and Hungarian lines on this issue begin immediately.

During the summer and fall, planning for additional privatization continues as the equity arrangement with **Alitalia, S.p.A.** ends. It is required that the state retain a 25% stake and also that 26% more must be kept in private Hungarian hands. In addition, the company begins code-sharing flights with **Aeroflot Russian International Airlines (ARIA)** on routes

between Budapest and Moscow. It also begins dual-designator service with the Romanian carrier **DAC Air**.

Two more Fokker 70s are delivered in late November. In December, MALEV becomes the first airline to offer all-cargo services into the airport at Sarajevo, Bosnia. Twice-weekly An-26 flights deliver between 500 and 5,000 kg. each.

Customer bookings move ahead by 3.5% to 1,922,152 while freight climbs 14.8% to 37.84 million FTKs. Operating revenues slid 2.4% to \$385.39 million, while expenses dip 1.8% to \$398.85 million. The operating loss increases to \$13.45 million and the net loss jumps to \$13.34 million, later reduced to \$10.55 million.

Airline employment stands at 3,500 in 1998. MALEV holds strategic discussions with **British Airways, Ltd. (2)** and it is widely expected that BA will succeed **Alitalia, S.p.A.** in the privatization process. In May, the MALEV board turns down a draft equity contract with BA because the terms offered do not allow for sufficient integration of MALEV into the British carrier.

A strategic marketing and code-sharing partnership is entered into with BA on June 1. Efforts continue to persuade BA to integrate MALEV more than is common in strategic alliances.

During July, reports begin to surface that, under terms of the rumored equity discussions, MALEV, in order for a pact to be signed, will have to forfeit its long-haul services to New York and Bangkok and cease planning for Toronto and Beijing flights. Both airlines vigorously deny the allegations.

Still, the new Hungarian right-wing coalition government of Prime Minister Viktor Orban steps in and puts a temporary freeze on MALEV's privatization process—indeed, it stops all privatization efforts in Hungary—in order to investigate the sell-offs of its predecessor. Still, both the airline and BA are confident that some arrangement will be completed, perhaps as early as August, with the British line acquiring a stake in MALEV, or in the state holding company APV.

On August 20, the company begins to code-share with **British Airways, Ltd. (2)** on the Hungarian line's six-times-a-week Fokker 70 services between Budapest and London (LGW). Under the June 1 dual-designator pact between the two companies, it is agreed that frequent flyer programs will be linked, but that the two companies will not code-share on services between Budapest and London (LHR). Discussions continue concerning the possibility of dual-designator services from Budapest to Birmingham and Manchester.

Talks with BA concerning a possible alliance drag on through the remainder of the month, September, October, and into November without resolution. Preliminary discussions are also held with executives from the "Star Alliance" and the "Qualiflyer" group concerning possible membership.

Meanwhile, on September 5, new weekly B-767-27GER nonstop roundtrips are inaugurated between Budapest and Beijing. The frequency will be doubled as seasonal demand dictates.

Fiscal results for the first half, revealed on November 1, show that the airline has lost another \$11.55 million. As a result, the state privatization agency APV replaces President Andras Derzsi and CEO Sandor Szathmary during the second week of the month.

On November 16, APV Chairman/CEO Gyula Gansperger indicates that the company will be reorganized and given a new business policy. The APV will spend "a few billion forints" on raising the airline's capital, while it rationalizes its operations and eliminates loss-making activities. When these tasks are completed, hopefully by the second half of 1999 or 2000, the company will be ready for privatization. Meanwhile, any arrangement with **British Airways, Ltd. (2)** will have to await a review by a new MALEV board of directors.

Finnish national Mikaelin Peterson harasses his 188 fellow passengers aboard a company B-767-27GER en route from Bangkok to Budapest on December 5. When cabin crew attempt to calm him, he becomes violent, punching a pilot and choking a flight attendant. Passengers and crew finally subdue the man and tie him to his seat, after which a doctor on board gives him an injection of tranquilizers. The

man dies, forcing the jet to make an emergency landing at Istanbul. An autopsy will show that the tranquilizers had mixed with either other drugs or alcohol already in the victim's bloodstream.

Also in December, in order to provide more space for business-class travelers on MALEV's B-737s, all six-abreast seating is reconfigured to five-abreast. Also during the month, two B-737-5K5s are received, replacing two Dash-200s that are returned to their lessors.

Passenger boardings ascend 4.2% during the year to 1.99 million, while cargo traffic slides 4% to 38.95 million FTKs. The net loss is "improved" to \$2.78 million.

Antal Pongracz is named general manager in January 1999. With plans for partial privatization on hold, the carrier launches a strategic reorganization in March.

With the start of the summer schedule on March 22, two new routes are introduced. B-767-27GER weekly roundtrips begin from Budapest to Toronto, while twice-weekly Fokker 70 return flights are undertaken from Budapest to Sarajevo. At this point, the MALEV route network includes 38 cities.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign for an independent Kosovo, MALEV, on March 24, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the NATO bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25 and for the duration of the NATO bombing campaign. Flights to south-central and south-eastern Europe experience delays of 30–60 min. due to airspace closure.

The Budapest to Toronto service becomes twice weekly on May 27. Operation Allied Force is completed on June 11. By September 1, MALEV has boosted its freighter service from Budapest to Skopje, Macedonia, to five times a week.

Also on June 11, the State Privatization and Asset Management RT makes a wholesale management change, revising the majority of the membership of both the board of directors and the supervisory board. Zsolt Hernadi remains president/CEO.

In honor of the airline's ninetieth birthday, the Hungarian Post Office, on August 18, issues a special commemorative stamp.

Effective August 30, the State Privatization and Asset Management RT purchases the MALEV shares owned by Air Invest Kft and thus raises its equity stake in MALEV to 96.8%.

By September 1, MALEV has boosted its freighter service from Budapest to Skopje, Macedonia, to five times a week.

At an extraordinary shareholders meeting on October 2, President Hernadi is succeeded as CEO by Deputy CEO for Commercial Operations Ferenc Kovacs. The new leader is given a mandate to initiate the necessary structural changes in MALEV to facilitate its privatization. The State Privatization and Asset Management RT also engineers the addition of five new members to the board of directors and two to the supervisory board. Csaba Siklos is chairman of the former and Lajos Savos is chairman of the latter.

Passenger boardings this year accelerate 9% to 2,176,000 while freight rises 11.4% to 43.38 million FTKs. Although a \$13.79 million operating loss is suffered, there is a net gain of \$17.7 million.

Airline employment at the beginning of 2000 stands at 3,130, a 3.8% drop over the previous 12 months. The all-leased B-737 fleet now includes 2 Dash-5K5s, 1 Dash-3Q8, 5 Dash-3Y0s, and 3 Dash-4Y0s. Two each B-767-27GERs and B-767-3P6ERs are also operated, along with a few old Tu-154Ms.

In March, the government chooses ING Barings, the investment banking arm of the Dutch bank ING Group, N.V., to manage its privatization efforts.

Just prior to the beginning of the summer schedule on March 26, a joint-venture agreement is signed between MALEV and Lufthansa Technik, A.G., the maintenance arm of **Deutsche Lufthansa, A.G.** Under its terms, a new maintenance, repair and overhaul (MRO) facility will be set up at Budapest to handle narrow-body jetliners, particularly

the B-737s operated by the two airlines. When operations begin in early 2001, the concern will be the third joint venture of its type outside of Germany (after the ones in Beijing and Manila).

At the end of March, the company enters into a direct, twice-weekly roundtrip competition with **Pulkovo Airlines (Aviation Enterprise Pulkovo)** over the route between Budapest and St. Petersburg.

Ticket prices are raised in early April, particularly on North American routes, to help compensate for rising fuel costs. When MALEV begins phasing out its Tu-154M fleet, one of the aircraft is turned over to the new Budapest-based charter operator **Pannon Air Service, Kft.** on May 15.

The former **Sun Express, A.O.** B-737-3Y0 is placed into service on May 23 under a five-year lease from GECAS.

It is announced on July 15 that the carrier will have withdrawn its last Tu-154 by April next. Due to poor load factors, the company suspends flights from Budapest to Beijing from July 19 through August 14.

In an event given worldwide media attention, 75-year-old Andras Tamas, a World War II Hungarian POW deposited in a Russian psychiatric hospital at Kotelnich in 1947 and forgotten for five decades, returns to Budapest from Moscow aboard the regular MALEV flight on August 11. With no record of his birth or any living relative available, the Hungarian government is uncertain as what to do with the man. He is sent to the National Psychiatric and Neurological Institute, where he will remain until a decision can be made.

On August 15, the government announces plans to sell a 49% stake in the carrier. The move follows unsuccessful efforts by the airline, at least according to the press, to interest **Swissair, A.G., British Airways, Ltd. (2),** or **Deutsche Lufthansa, A.G.** in nonequity partnership arrangements.

Previously operated by **Gulf Air Company**, a B-767-3P6ER is chartered from Rolls Royce Capital on August 22. On October 2, it is announced that the carrier's dual-designator agreement with **Delta Air Lines** on the Budapest to New York (JFK) route will end on March 25 next.

A special B-767-27GER "Golden Plane" flight arrives at Budapest from Sydney on October 3 bringing back the national Olympic team. A special ceremony and reception are held for all of the athletes, including the eight gold, six silver, and three bronze medal winners.

Hungarian Foreign Minister Janos Martonyi is embarrassed on October 10 when the flight equipment to be employed to take him on a foreign mission breaks down—twice. The exasperated leader is forced to complete his flight aboard a regularly scheduled plane from **LOT Polish Airlines, S.A.**

An 80-year-old passenger aboard the company's October 11 B-767-3P6ER service from Toronto to Budapest becomes ill to the point of clinical death. As the plane makes an emergency landing at Moncton, New Brunswick, the crew and one of the passengers, a doctor, use an on-board defibrillator to resuscitate the man. Once on the ground, the passenger is rushed to the hospital and the flight continues.

In a report distributed by the BBC on October 12, the Hungarian newspaper *Nepszava* reveals that the Hungarian intelligence services have been asked to look into a spate of recent faults with MALEV's aircraft. Since mid-July, hardly a day has passed without a company aircraft breaking down, with the latest double incident involving Foreign Minister Martonyi causing considerable consternation. The newspaper suggests that sabotage is a possibility.

On October 14, another medical emergency occurs, this time aboard a service from Budapest to Rome. A 45-year-old man suffers a heart attack, but fortunately for him, a group of doctors is travelling to a medical convention on the same flight and are able to use the first aid equipment aboard to stabilize his condition. An emergency landing is made at Zagreb and the man is rushed to the hospital.

Electronic ticketing over the Internet begins on October 15 for those wishing to book seats for departures from Budapest. On October 19, the State Privatization and Holding Company announces the results of its short-listing to 20 the number of candidates eligible to purchase equity

stakes. All are asked to sign confidentiality agreements concerning MALEV business information and those that do are invited to submit a bid before a January 8, 2001 deadline. The *Budapest Business Journal* reveals on October 23 that four of the bidders will be **Air France**, **KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, and **SAS (Scandinavian Airlines System)**. A previous suitor, **British Airways, Ltd. (2)**, has made it clear that it will not offer a bid.

By mutual decision, CEO Kovacs departs on October 26. He is succeeded on an interim basis by deputy CEO/Chief Financial Officer Erzsebet Antal.

Service between Budapest and Barcelona ends on October 29, while flights to St. Petersburg are suspended for the winter. Due to problems with its landing gear, a Fokker 70, with 40 passengers aboard, makes an emergency landing back at Budapest just after takeoff from the Hungarian capital for Brussels on October 29; no injuries are reported.

Acting CEO Antal, who has worked for the airline since 1984, is confirmed as the company's new president/CEO on November 22. Her immediate concern is formulation of a stabilization plan designed to save millions in operational costs. Key points include the retirement of the Tupolev Tu-154s by March, sale of the ground and baggage handling service, and trimming of unprofitable routes.

It is announced on December 10 that weekly B-767-3P6ER charters will be operated to Durban starting on January 22.

Hosted by **JAT Yugoslav Airlines** CEO Mihajlo Vujinovic, a "meeting of the scheduled airlines of Southeast Europe" is held at Belgrade in mid-December to consider possible joint cooperation. Attending are representatives of MALEV, **Croatia Airlines**, **Air Bosna, S.A.**, **Air Srpska, S.A.**, **Montenegro Airlines**, **Macedonian Airlines**, and **Adria Airways (Adria Aviopromet) (2)**. Due to an unplanned management change, **TAROM Romanian Air Transport (Transporturile Aeriene Romane, S.A.)** is unable to participate, but expresses interest in joint activities.

Of the eight airlines participating in the conclave, six express interest in joint commercial operations; four in joint technical and maintenance activities and five in joint training exercises. To study and discuss matters further, three working committees are established: commercial, chaired by a representative from **Adria Airways (Adria Aviopromet) (2)**; technical, chaired by a MALEV representative; and training, chaired by a representative from **JAT Yugoslav Airlines**.

Enplanements for the year accelerate 6.8% to 2,359,000, while cargo traffic is up 5% to 47.82 million FTKs.

As the year ends, MALEV executives and employees look forward to the happy bid opening set for January 8. They do not know that the invited participants will not respond as expected and that by January 9 the airline's partial privatization will be postponed indefinitely.

MALEV HUNGARIAN AIRLINES P.L.C. See MALEV HUNGARIAN AIRLINES

MALINAIR, LTD.: United Kingdom (1985–1987). During the spring and summer of 1985, Managing Director Frank Cannon and seven shareholders incorporate this carrier at Edinburgh on total capital of £128,000 provided by Cannon and six other investors. **Loganair, Ltd.** founder and former chairman Duncan McIntosh is named chairman and two Britten-Norman BN-2 Islanders are purchased with which to begin charter operations in September. With Civil Aeronautics Authority (CAA) approval in hand, scheduled services begin in December over a Glasgow–Carrickfergus and Belfast route. Although financial information will be forthcoming, traffic figures will not.

A \$16.5-million order is placed at the Farnborough Air Show in July 1986 for six new Dornier 228-100s, the first two of which are delivered in October.

Revenues total \$339,700 and a loss of \$152,000 is suffered.

In 1987, Managing Director Cannon's fleet comprises 1 Dornier 228-100 and 2 Islanders. Destinations now visited include Glasgow, Belfast, and Carrickfergus. Financial problems continue to mount as revenues

rise to \$2.3 million. Expenses increase, however, and cause a \$1.37-million loss. The company cannot sustain these negative figures and voluntarily places itself into liquidation.

MALITAS (MALI-TOMBOUTOU AIR SERVICE, S.A.): Bamako, Mali; Year Founded 1989. Malitas is set up at Bamako by Moussa B. Coulibaly in 1989 to provide regional passenger and cargo flights. Revenue services commence with 1 each Antonov An-24RV and Letov Let L-410 UVP.

A report that the company has ceased operations in 1994 proves unfounded.

By 1998–1999, the fleet retains the same aircraft types.

MALL AIRWAYS: United States (1973–1989). Richard X. Knipe organizes Mall at Albany, New York, in 1973 to provide on-demand Piper PA-23 Aztec charter services to local Empire State destinations. The decision is taken in 1980 to offer frequent daily roundtrip commuter services to Birmingham, Elmira, and Ithaca. A fleet of 2 Piper PA-31-350 Navajo Chieftains, 1 Beech 99, and the original Piper Aztec is utilized; orders are placed for a pair of British Aerospace BAe Jetstream 31s.

Two additional Beech 99s and another Chieftain are purchased in 1981–1982 and the Jetstream order is cancelled in 1983. During these years, routes are opened to New Bedford, Hartford, Buffalo, Newark, Rochester, Syracuse, and White Plains as the inaugural services to Elmira and Ithaca are abandoned. In addition, international flights are initiated to Montreal and Toronto. Enplanements in the latter year total 48,000.

The fleet in 1984 includes 6 Beech 99s, 3 Chieftains, and 1 King Air. Bookings figures are henceforth kept confidential. Inexact traffic figures are "leaked" in 1985 and are reported to be slightly above level. The fleet is increased by the addition of a seventh Beech 99 as one Chieftain is retired. Plans are made to acquire one or two Grumman Gulfstream G-1Cs.

Service is started to New York (LGA) in 1986–1987 and the fleet is increased by the addition of two Beech 99s. Two PA-31-350s are removed and replaced by a Piper King Air 90.

Another Beech 99 is purchased in 1988 as the last Navajo Chieftain is sold. During the fall, the Albany-based regional is subjected to a FAA inspection that raises numerous management and record-keeping questions. Making certain to protect his routes by wet-leasing two Beech 99s and a Beech 1900 from **East Hampton Aire**, President Knipe shuts his airline down in mid-November.

Airline employees then make certain that all of the government concerns are addressed, including the rewriting of all company manuals. Most top officials are changed, including the CEO. Knipe becomes chairman and appoints George Nemeth to succeed him as president.

Partial service is resumed on January 10, 1989 with 7 Beech 99s, plus the leased East Hampton aircraft. On September 1, the carrier is purchased by **Business Express Airlines**; the East Hampton Beeches are returned.

MALMO AVIATION SCHEDULE, A.B. (CITY AIR SCANDINAVIA): Sweden (1993–1999). Following bankruptcy and a boardroom conflict over continuation of the single international route from Stockholm's Bromma Airport to London (LCY) in the early spring, **City Air Scandinavia, A.B.** is purchased on April 16, 1993 by Viklund Crafoord, owner of Viklund Inter Trade. The company is provided with a new corporate identity, livery, logo, uniforms, etc. under the new Malmo Aviation Schedule name.

Stefan Wiklund becomes chairman/managing director, succeeding founding Chairman Bosco Janson, and places an order for 5 Avro (BAe) RJ-85s with which to supplement the fleet of 5 leased British Aerospace BAe 146-200s, 1 BAe 146-200QT, 1 BAe 146-300QT, and 1 Fairchild Hiller FH-227. The BAe QTs continue their contract with **TNT International Aviation Services**, operating cargo flights between Cologne and eight Scandinavian cities.

The passenger services from Stockholm to London and Malmo begun the previous year are continued, at least briefly. In May, the route to London becomes a political issue between the governments of Sweden and the U.K. and service over it is suspended. The first RJ85 arrives in late fall.

Enplanements for the first full year reach 350,342 and a total of 12.5 million FTKs of freight are flown.

Airline employment stands at 220 in 1994, as the London route remains dormant. The remaining four RJ85s arrive and passenger services continue to be offered to Bromma, Goteborg, Landvetter, and Malmo/Sturup. The TNT contract is halted during the summer.

Passenger boardings increase 53.4% to 531,000.

There is no change in the workforce during 1995. The company acquires another RJ85 and the 10 jetliners transport a total of 726,306 passengers, a 36.4% increase over the previous year.

A 11th aircraft, a BAe 146-200, is leased from Asset Management Organization in April 1996. It enters service from Bromma to Brussels via Malmo and also to Helsinki. Hans Kallenius becomes the new managing director and in September flights also commence to London (LCY) from Malmo.

In December, the Irish carrier **CityJet, Ltd.** is put into examinership (an equivalent of the U.S. Chapter XI bankruptcy) with accumulated losses of Ir£13 million and debts of Ir£2.4 million.

The carrier now enters into survival discussions with Malmo Aviation Schedule, A.B. while also seeking a capital injection from Irish financiers. The Swedish carrier agrees to assist, providing as part of its Ir£1.75 million (\$6.6 million) rescue plan a BAe 146-200 that it has recently purchased from **USA Airways**, as well as leasing and maintenance services valued at Ir£650,000.

Enplanements reach 741,000 on 12,594 scheduled departures.

In January 1997, a code-sharing agreement is signed with **Air U.K., Ltd.** and dual designator flights commence from Sweden to Edinburgh, Rotterdam, and Amsterdam. Also during the month, the company signs a long-term contract with BAe AMJ concerning the company's fleet of BAe 146-200s. One aircraft is purchased outright while the leases of the remainder are extended through January 2002.

The Malmo rescue plan is approved by the U.K. courts in February, giving the Swedish airline a 43% stake in **CityJet, Ltd.**

In August, Malmo launches services from Angelholm to domestic locations. Plans are made to open service from Malmo to Denmark three years hence. Meanwhile, the majority of passengers continue to board company flights from Malmo to Stockholm and Goteborg.

Given that it does not share the same strategy for the future of the company, Malmo sells its 43% stake in **CityJet, Ltd.** on December 16.

Customer bookings this year fall to 772,000 on 12,894 scheduled departures. Pretax profits total SKr 400 million (\$48.8 million).

Airline employment stands at 450 at the beginning of 1998 and the fleet operates 11 BAe 146-200s. Malmo is able to generate extra income during the spring by allowing certain of its aircraft to be painted in honor of non-airline concerns. Among the firms so honored is the Karlskrona-based cellular telephone company **Europolitan**, whose image appears on the fuselage of a BAe 146-200. A SKr 31-million profit is earned on operations during the first half-year.

The summer is taken up with corporate matters of major importance. Following several months of negotiation, it is announced on August 17, that the Crafoord-Wiklund family, which owns Malmo, has sold its shares to **Braathens, A.S.** for SKr 600 million (\$73.2 million), effective in September. The Norwegian carrier offers to purchase the shares of the remaining minority stakeholders, which includes board members and employees of Malmo.

Braathens Executive Vice President Geir Olsen is placed in charge when, upon implementation of the sale, Malmo Chairman Wiklund steps down. Malmo continues operations, now as a member of the **KLM (Royal Dutch Airlines, N.V.)** alliance that includes Braathens as a major partner. Indeed, it will be revealed that the Dutch flag carrier has contributed \$19.5 million of the Malmo purchase price.

Passenger boardings during the company's final year under this name increase by 7.3% to 818,000.

During the first quarter of 1999, the carrier is renamed **Braathens Malmo Aviation, A.B.** Its 11 BAe 146-200s are now repainted to reflect the new identity.

MALMO AVIATION, A.B.: P.O. Box 37, Malmo-Sturup, S-20120, Sweden; Phone 040 (660) 29 00; Fax 040 (660) 28 49; <http://www.maviation.se>; Year Founded 2000. Braathens's Malmo Aviation, A.B. is renamed on September 22, 2000. On November 15, Malmo begins to accept delivery of the first of nine Avro RJ100s previously operated by **SAM Colombian Airlines, S.A.** It wears the airline's bright orange-trimmed color scheme.

As they come off lease, nine of Malmo's current BAe 146-200s will be returned to BAe Systems' Asset Management arm. There is considerable speculation at year's end that **Braathens, A.S.** will soon sell the loss-making regional.

MALS AIR COMPANY (MALS AVIAKOMPANNIYA): 60 Years of October St., Moscow, 129100, Russia; Phone 7 (095) 135-0012; Fax 7 (095) 135-0012; Year Founded 1993. MALS is established at Moscow in 1993 to offer ad hoc domestic passenger and cargo charter services. A. Kutorov is general director and he initiates flights with one each Ilyushin Il-76 and Tupolev Tu-154. Operations continue apace in 1994-2000, during which years the Ilyushin is withdrawn.

MALTA AIR CHARTER, LTD.: Air Malta Building, Luqa, LQA 05, Malta; Phone 356 677 291; Fax 356 663 195; <http://www.airmalta.com/mac/index.html>; Code R5; Year Founded 1990. MAC is established during the first quarter of 1990 as a joint venture between the island government and Gozo Channel Company, Ltd. Employing an Agusta Bell 206 helicopter leased from **Balkan Bulgarian Airlines**, the company, administered as a subsidiary of the flag carrier **Air Malta Company, Ltd. (2)**, inaugurates a scheduled link between Malta and Gozo on June 27. A month later, the JetRanger is replaced with a Mil Mi-8 and flight-seeing is continued until September 30. Seasonal sight-seeing tours are resumed on June 28, 1991 and continue until October 31.

The Balkan lease ends in the spring of 1992 and is not renewed. Instead, another rotary wing craft of the same type is chartered from **Aeroflot Russian International Airlines (ARIA)**. Flights with the new helicopter resume on April 1. In October, the company becomes a year-round venture and services are continued without headline or incident until February 16, 1996 when work on Gozo Heliport requires MAC's sight-seeing flights be suspended.

When Malta Air Charter resumes its operations on April 28, the carrier inaugurates its first scheduled flights under the marketing name Gozo Wings. Flight-seeing charters also continue. In 2000, Chairman Joseph N. Tabone's fleet includes 4 Mi-8s, which are all gradually repainted in a new color scheme.

THE MALTA AIRLINES, LTD.: Malta (1950-1973). All assets of **Air Malta, Ltd. (1)** are purchased by **Malta Airways, Ltd.** on December 15, 1950. The new owners combine the two companies under the name The Malta Airlines. Fifteen days later, on December 30, the partners' individual route licenses are cancelled and the governor of Malta issues the combined firm new joint licenses valid for five years. TMA in turn contracts with **British European Airways Corporation (BEA)** to operate its services for the length of the licenses.

BEA inaugurates TMA flights on January 1, 1951, linking the island with the old Air Malta, Ltd. destinations of Catania and Tunis. A week later on January 7, TMA flights to Malta from London (Northolt) are undertaken by the British state regional's Vickers Vikings via the former MAL stops at Nice and Rome. The next day, the aircraft from London, the *Sir Henry Morgan*, continues on to Cairo over the old AML route via Tripoli and Benghazi. Stops at Tunis are withdrawn during the summer for lack of traffic.

Monthly Malta to Gibraltar via Tunis and Algiers flights begin on June 19, **1952**; BEA undertakes the service on behalf of both TMA and **Gibraltar Airways, Ltd.**, but lack of traffic causes cancellation shortly after start-up. BEA upgrades the London to Malta service on October 7, **1953** through the introduction of Elizabethan airlines; first to complete the route via Nice is the *Edmund Spenser*.

The *Edmund Spenser* is also the first to inaugurate a new service from London to Malta via Ajaccio, Corsica, on April 23, **1955**. Later the same day, *Sir Christopher Hatton* initiates a northern route completing BEA's first Corsican service. The TMA-BEA management and support contract is renewed late in the year.

As a result of the Suez conflict, the TMA service from Malta to Cairo is suspended east of Benghazi late in **1956**. Operations are resumed in early **1957** and on June 2, **1958**, Vickers Viscount 701s are introduced on the London to Malta via Nice and Rome route.

On June 5, **1960**, BEA, on behalf of TMA, undertakes nonstop 2 hr. 55 min. Comet 4B jetliner service between London and Malta. The same day, service is started to Sardinia with weekly Viscount 701 flights from London to Malta via Aighero.

Operations continue apace during the **1960s** as BEA continues to fly on behalf of TMA even after the island's independence in **1964**. In **1967**, a total of 97,448 passengers are flown.

Air Malta Company, Ltd. (2) is formed as the successor company in **1973**, just before Malta becomes a republic in the British Commonwealth the following year.

MALTA AIRWAYS, LTD.: Malta (1946–1950). MAL is formed on April 1, **1946**. Shareholding is divided between **British Overseas Airways Corporation (BOAC)** and local investors. During the summer of **1947**, BOAC's 34% interest is transferred to **British European Airways Corporation (BEA)** which, on December 1, inaugurates London (Northolt) to Malta service on behalf of MAL via Marseilles and Rome.

A license is obtained from the governor of Malta in November **1948** for the initiation of all-cargo flights from the island to Rome and London. BEA opens this service, from London to Malta via Nice and Rome with Douglas DC-3s on April 3, **1949**. On December 15, **1950**, the carrier purchases the assets of **Air Malta, Ltd. (1)** and the two companies are merged to form **The Malta Airlines, Ltd.**

MAMER AIR TRANSPORT: United States (1929–1932). Mamer is formed by Nicholas "Nick" Mamer at Spokane, Washington, in the first quarter of **1929** to offer scheduled passenger and air express flights to Portland, Oregon, via Yakima and Walla Walla. On March 30, the new owner arrives at the Ford factory to acquire his first aircraft, 4-AT-55, paying \$50,000 for it. On April 1, accompanied by Arthur Walker, Mamer departs for Washington State; the barnstorming delivery flight will take a month. Sufficient stops and \$5 demonstration rides are given during the trip to pay for the aircraft.

Employing 4-AT-55, the company inaugurates revenue flights on April 15. A second Ford Tri-Motor, 4-AT-65, is delivered on July 29. In early **1930**, flights to the West Coast are discontinued and on June 1 the Fords launch passenger and express flights every other day via various stops from Spokane to St. Paul, Minnesota. In July, operations are resumed to the Seattle area with Tacoma added. Too difficult to maintain financially, the Spokane to St. Paul route is closed on October 15.

The Spokane to Seattle and Tacoma service is continued in **1931**, along with a variety of special charters. Among these is the transport of firefighters and supplies for the U.S. Forest Service's Chamberlain Basin Meadows of the Nez Perce National Forest and Moose Creek in Selway National Forest, both in Idaho. The trimotor delivers a total of 300 people and 30 tons of goods and equipment during the summer.

Scheduled and unscheduled flights are maintained until the company ceases operations on October 1, **1932**.

MAMMOTH AIR SHUTTLE: United States (1984–1985). Employing Piper lightplanes, Mammoth inaugurates scheduled passenger com-

muter services between the California locations of Mammoth Lakes, Burbank, and Orange County (Santa Ana) in late **1984**. Unable to generate sufficient traffic to cover expenses, the new entrant fails in **1985**.

MANAGEMENT AVIATION AND NORTH SCOTTISH HELICOPTERS, LTD.: United Kingdom (1961–1984). Former RAF pilot David Bond establishes MA & NSH near Cambridge in **1961** to undertake general aerial work, with emphasis on crop-spraying in the East Anglia area. Flight service is undertaken by Bond and his two older sons employing Bell 47G helicopters; two younger boys, Stephen and Peter, work at ground jobs for their father.

After a decade of general work, the Bonds, who have for several years sought a way to enter the North Sea oil industry support market, find financial support in July **1972** from the U.K. investment capital group 3i Corporation. 3i advances the Bonds £37,000 for the purchase of one MBB Bolkow 105D twin-engine helicopter.

Sales Manager Stephen is dispatched to the offices of the large oil concerns to seek a contract, but is unable to break the market dominance of **Bristow Helicopters, Ltd.** and **British Airways Helicopters, Ltd.** With time running out in December for the repayment of 3i, the young salesman is able to convince the Conoco oil company to sign a three-month contract at a simple hourly rate of £95 pounds, with no fees for standing time.

The Conoco contract takes effect on January 1, **1973**, and will continue to be held even as **Bond Helicopters, Ltd.** is purchased by **Helikopter Service, A.S.** in 1994. The Bo-105D flies from Great Yarmouth and Humberside to serve the southern North Sea. A few other pieces of business come the carrier's way and turnover for the year totals £400,000.

When the oil companies begin opening up the northern North Sea area in **1976**, MA & NSH opens a base at Aberdeen and adjusts its name. Founder David Bond dies in **1977** and his 27-year-old son, Stephen, becomes managing director. The same year, the company diversifies further, establishing the Rotortech subsidiary to specialize in overhaul and maintenance.

During the late **1970s**, MA & NSH introduce a new industry practice, the weekly all-inclusive service whereby a helicopter is constantly available with no other requirements placed upon customers. The fleet at the end of the decade includes 22 helicopters (including those still employed on crop spraying flights over East Anglia) and the average turnover is £10 million pounds annually.

Flights continue into the new decade. In **1981**, the company begins scheduled daily Sikorsky S-76 crew-change flights in support of Union Oil direct from Aberdeen to the East Shetland basin. Two years later, the first Aerospatiale SA-365N Dauphin is introduced.

In **1984**, the company is reformed and renamed **Bond Helicopters, Ltd.**

MANCHUKO AIRWAYS. See **MANCHURIAN AIR TRANSPORT COMPANY, LTD.**

MANCHURIAN AIR TRANSPORT COMPANY, LTD. (MANSHU KOKUYUS KABUSHIKI KAISHA-MKKK): Manchuria (1932–1945). This carrier, also known as Manchuko Airways, MAT, Manko, or MKKK, is established on September 26, **1932** by the Japanese-controlled Manchukuo government and the Sumitomo Railroad syndicate to provide air transport throughout Manchuria and to act as a transport squadron for occupying Imperial Army troops. The airline will be mobilized for military duties at least 10 times in just the next 5 years.

The company is outfitted with the first of 35 Fokker Model 8 Super Universals and 25 de Havilland DH 80A Puss Moths, many of which will be license-built by the airline at Mukden. Commercial operations commence on November 3 over three principal routes: Mukden to Changchun, Harbin to Tsitsihar, and Mukden to Sinuiju, where connections can be had with the **Nihon Koku Yuso Kabushiki Kaisha (NKYKK)** service to Tokyo.

On February 22, 1933, the Japanese Army, in combat in Manchuria since the previous September, launches a new campaign at Rehe in the western portion of that former Chinese province. MKKK aircraft and crews provide support. MKKK opens several new segments in June, including a stop at Darien and flights from Tsitsihar to Hailar and Manchuli. At the latter two points, passengers, who have flown all the way from Tokyo, can make rail connections to Vladivostok.

The first two license-built Super Universals, relabeled Manko Type 1s, are completed at Mukden on October 2. In November, an MKKK Photographic Division is formed and several Model 8s are modified into camera planes. Two Fokker F-VII/3ms are imported and the fleet at year's end includes these 2 Dutch-built trimotors, as well as 16 Model 8/Manko Type 1s and 12 DH 80s. As 1933 draws to a close, MKKK initiates new routes from Mukden and Hsinking to Chengte, in Jehol Province.

At the beginning of 1934, the Mitsui Corporation ships a crated Clark GA-43, a rare aircraft built in the U.S. by General Motors, to Tokyo for the Manchurian airline. Reassembled, the new aircraft, renamed the M-701, crashes on its first flight, February 10; it then begins several months of repair.

Hsinking is proclaimed capital of Manchukuo on March 1. Also in March, MKKK flight crews are required to participate in Army Air Force training in gunnery, reconnaissance, and bombing. On May 18, the rebuilt M-701 takes off from Tokyo for a flight to Mukden—and again crashes. This time, the wreck must be written off; MKKK receives a compensatory DH 80A Puss Moth instead.

Operations continue apace in 1935. On April 1, various interchange and pooling agreements are signed with **Nihon Koku Yuso Kabushiki Kaisha (NKYKK)**. Aircraft from one company many now be flown on routes officially belonging to the other.

The first Nakajima AT-2 test aircraft, a Japanese design based upon the Douglas DC-2, begins flight tests from Mukden on September 12, 1936. To provide the Japanese Army with what is, in fact, a dedicated transport group with a civil face, **Huitong Hangkong Gonsi** or **Huitong Airways, Ltd. (HAL)**, is established at Tianjin, in north China, on November 7. The new entrant is a MKKK subsidiary, capitalized by both the carrier and the local puppet Chinese government, and begins flying Super Universals on November 17.

During the year, the company appoints its first five female flight attendants. On December 18, a commercial agreement, obtained through the leadership of MKKK executive Saburo Nagabuchi, is signed with the German airline **Deutsche Lufthansa, A.G.**; the document promises development of a new air route from Tokyo to Berlin via Manchukuo, Mongolia, and Afghanistan. In addition, 10 Junkers Ju-86Z-2 transports will be sold to Manchukuo, which will pay for them with soy beans.

The first indigenously designed company transport, the Manko MT-1, is unveiled in April 1937 and enters service in May. Also in May, five newly acquired AT-2s begin flying from Mukden to Harbin. **Nihon Koku Yuso Kabushiki Kaisha (NKYKK)** and MKKK inaugurate joint service from the Manchukuo capital of Hsinking to Tokyo on June 1, covering the 2,270-km. route in 10 hours. A new Nakajima LB2, christened *Akatsuki* (Dawn), makes a 3,000-km. proving flight on June 26 from Hsinking to Urumchi in Sinkiang province.

Aircraft and crews from MKKK are dispatched to the Chinese theater on July 12, five days after the outbreak of the Sino-Japanese War. Company aircraft bomb a Chinese force at Taiyuan on July 29. In August, another subsidiary, **Kokusai Koku Kabushiki Kaisha (KKKK)** or **International Air Lines Co., Ltd.**, is set up as a wholly owned MKKK subsidiary to participate with **Deutsche Lufthansa, A.G. (DLH)** in the inauguration of the mutual service between Tokyo and Berlin. It is given two Nakajima LB2s. Nanjing falls to the Japanese on November 13.

On April 29, 1938, newly organized **International Air Lines Co., Ltd. (IALCL)** receives two Heinkel He-116s from Germany; the pair arrive at Tokyo from Berlin in a 5-day, 23-hr. 43 min-flight and are christened *Nogi* and *Tokyo*. In late spring, the two are sent out to the MKKK fleet base in Manchukuo. The first Ju-86 arrives at Mukden in October; uncrated, it begins proving flights.

Following the retreat of the Nationalist government from Hankow to Chungking in October, MKKK begins service during October into the former point. Also in October, the Japanese government, as the result of intrigues between the military and the Ministry of Posts and Communication (which controls civilian aviation), elects to establish a new flag carrier.

On December 1, the MKKK subsidiary IALCL is merged with **Japan Air Transport Company, Ltd.** to create **Japan Air Lines Company, Ltd. (JAL)**. The two He-116s are also given to the new Japanese enterprise.

Unable to fulfill the military's air transport requirements in north China, **Huitong Airways, Ltd. (HAL)** is now disbanded. It will be succeeded on December 16 by **Zhonghua Hangkong Gongsi**, which is also known as **China Airways Corporation**. Together with this new company, which is not an MKKK affiliate, the Manchurian airline satisfies the Army's need for transport, leaving JAL-1 to concentrate on the exclusive provision of commercial services.

Junkers Ju-86 service begins on January 1, 1939, with an initial flight from Dairen to Chiamussu via Mukden, Hsinking, and Harbin. Scheduled flights commence on February 1 from Hsinking to Peking via Chinchow and Tientsin.

A significant number of MKKK aircraft (including eight Manko Type 1s and six Ju-86s) and their crews are involved between May 11 and September 5 in assisting the Japanese Army to suppress the Namonhan rebellion in Manchuria. The company undertakes logistic and evacuation missions with the German aircraft, employing detachable bomb racks, flying a number of attack sorties.

On October 1, service is inaugurated from Changchun to Tokyo via Seoul; MKKK becomes the only "foreign" carrier to base an air service in Japan before the outbreak of World War II. As of the end of the year, the company serves a total of 50 destinations.

Operations continue apace in 1940. The only significant event of the year for MKKK is a December 3 nonstop proving flight made in 10 hours by a Heinkel He-116 from Hsinking to Tokyo over Seoul and Fukuoka.

The first of some 20 Mitsubishi MC-20 I transports enters service during the first quarter of 1941. One of these inaugurates a nonstop 4.5-hr. route from Mukden to Tokyo on April 1. The service continues, even after a unit is lost with all 16 persons aboard in a June 21 crash in the Sea of Japan.

During October, as plans are put forward for the initiation of war against the Western powers, MKKK establishes an extra transport group comprising 12 AT-2s and sends it to Saigon in French Indochina to support the Japanese Army. Transport duties in this southern area commence following the Pearl Harbor attack on December 7–8.

In July, 1942, the MKKK unit in southeast Asia is assigned, along with groups from JAL-1 and **China Airways Corporation**, to the new Southern Air Transport Command (SATC) established at Singapore. MKKK is now at its peak, with 3,000 employees in China and Malaya and 140 aircraft. In addition to the types already noted, the company also flies 3 Junkers Ju-160s, 3 Ju-86s, 35 Manshu Hayabusas, 12 MC-20s and 12 AT-2s, plus several Douglas DC-3s. The principal 13,000-km. network covers destinations in Manchukuo, Japan, China, and Korea.

Flights are now largely unescorted, particularly in the Pacific arena and these become increasingly dangerous after the war turns in favor of the Allies late in 1942. In March 1943, the 12 MC-20s are transferred to Rabaul, New Britain. One ship is sent to Japan for conversion into a photographic reconnaissance aircraft and is reported to have been used for spy flights over the Philippines from December. Much of the company's fleet in the forward areas is destroyed and by October 1944, the Southern Air Transport Command must begin to curtail its operations due to the loss of aircraft and crews.

Operations cease on August 15, 1945 with Japan's surrender. In Manchukuo, now under attack from the Soviet Union, a Red Army parachute battalion captures the airfield at Mukden and much of the carrier's remaining fleet along with the puppet emperor, Pu Yi, who is preparing to board an MC-20 for an exile flight. In September, the few remaining units are passed out to local Chinese and Soviet contingents.

MANDALA AIRLINES: JL Garuda, #76, Jakarta, Pusat, 10620, Indonesia; Phone 62 (21) 420-6646; Fax 62 (21) 424-9494; <http://www.mandala.co.id>; Code RI; Year Founded 1969. Founded at Surabaya and registered at Jakarta in 1969, Mandala is formed primarily to offer scheduled passenger services to destinations in Sumatra, Java, and Sulawesi. Equipped with Douglas DC-3s, Chairman/President General Sofjar's company undertakes revenue flights beginning in February 1970. Initial frequencies are flown from Surabaya and Jakarta to Bali and Lombok.

The fleet is increased in 1971 by the addition of a pair of Vickers Viscount 806s, purchased from **CAAC (The General Administration of Civil Aviation of China)**, a Hawker Siddeley HS-748, and one Fokker F.27 Friendship. Ujungpandang, Menado, and Ambon join the route network during this year and into 1972.

All flights are pooled with **Seulawah Air Services** between 1971 and 1975 and the company is known as **Seulawah-Mandala Airlines**. In 1973, General V. A. M. Santoso succeeds the deceased General Sofjar and the government permits the carrier a share in the Hadj pilgrimage business to Jeddah (a full 1/10th share), which brings in sufficient revenues to begin increasing the fleet.

Fully independent in 1976, Mandala resumes independent regional and pioneer services linking Jakarta with Ambon, Menado, Padang, Surabaya, and Ujung Pandang. Flights continue during the remainder of the decade and the Viscount fleet is changed to comprise four Dash-832s.

By the early 1980s, Chairman/President Santoso's fleet also comprises four previously owned Lockheed L-188A/C Electras—*Rengga Gading*, *Giung Wanara*, *Dick Pitaloka*, and *Rengganis*.

A Vickers Viscount 832 with 4 crew and 40 passengers is damaged beyond repair when it runs off the runway after landing at Semarang on May 1, 1981; there are no fatalities. Late in the year, the former **Qantas Airways (Pty.), Ltd.** L-188C owned by the U.S. travel club **Nomads** is purchased; christened *Jaya Perkasa*, it enters service before Christmas.

Between 1982–1984, 10 CASA C-212-200 Aviocars are placed into service. The former **Garuda Indonesian Airways** L-188C *Palau Bali* is acquired in 1983 and christened *Aryo Bantati*.

While on approach to Panang, Malaysia, on November 30, 1985, the L-188C *Jaya Perkasa* suffers the loss of its right main landing gear; the aircraft is diverted to Medan, Indonesia, where it successfully executes a belly landing. Although all aboard escape injury, the Lockheed catches fire and is burned out.

A Nihon YS-11-100 is purchased from **TOA Domestic Airlines Company, Ltd.** of Japan on November 12, 1986 for ¥ 180 million. It is in service by the beginning of 1987.

In 1988, the fleet of 3 DC-3s, 5 Electras, and 5 Viscounts is reduced by 1 Electra, 1 YS-11-100, and 1 Viscount. Enplanements climb 10.7% to 144,246 and freight traffic is up by 47.4% to 1.36 million FTKs.

Traffic figures in 1989 are only available for the first 9 months and show a 2.6% decline in the number of customers flown, to 140,489. Cargo, on the other hand, surges 52.5% to 2.08 million FTKs. Three more Lockheed Electras are withdrawn before the end of the year.

The first CASA-Nurtanio CN-235 is acquired in 1990. Still, passenger boardings fall 11.9% to 163,158 and freight slides 9.8% to 2.63 million FTKs.

Airline employment stands at 500 in 1991 as another Electra is withdrawn. Through June, the company reports that its customer bookings are down 29% to 64,065 and cargo is off 26.8% to 1.01 million FTKs.

The fleet in 1992 includes 1 L-188A, 1 YS-11-100, 4 L-188Cs, and 1 each Viscount 816 and Viscount 832.

While on initial approach to Ambon on July 24 in a heavy storm, a Viscount 816 with 7 crew and 63 passengers crashes into Lalaboy Mountain; there are no survivors.

Through the first 9 months for which statistics are provided, bookings are up 36% to 132,806 and cargo reaches up 12.8% to 1.58 million FTKs.

In 1993, Chairman/President Santoso oversees a workforce still totaling 500 and a fleet significantly increased by the addition of one each

Boeing 737-2E7A and B-737-210A. At this point, the phase-out of the propeller equipment accelerates.

Figures are again provided through September and reveal that passenger boardings have risen by 2.9% to 136,666 and freight is up 31.1% to 2.07 million FTKs.

There is no change in the employee population during 1994; however, the last propeller airliner, an Electra, is retired as one each B-737-2L9A, B-737-230A, and B-737-291A enter service. From the Jakarta hub, the company offers daily direct flights to Medan, Padang, Palembang, Semarang, Yogyakarta, and Surabaya and indirect services to Ambon, Manado, and Denpasar.

Traffic is again reported through September and shows customer bookings up a spectacular 108.5% to 284,948 while cargo swells 93% to 3.99 million FTKs.

Company management in early 1995 unveils a blueprint for improvement. The plan includes internal consolidation, a new corporate identity, introduction of business-class services, and fleet standardization.

Enplanements total 332,413. Revenue figures are not released, but are estimated at approximately \$67 million.

The leased fleet grows in 1996 through the addition of a B-737-2V5A and a second B-737-230A. Destinations visited include Ambon, Bengkulu, Denpasar Bali, Jakarta, Jambi, Manado, Medan, Padang, Palembang, Pangkalpinang, Pontianak, Semarang, Surabaya, Ujung Pandang, and Yogyakarta.

Passenger boardings soar 18.6% to 408,369 and 5.93 million FTKs are operated, a 36.9% increase.

Flights continue in 1997, although in the months after July as the currency and economic crisis worsens, the company loses traffic, lays off employees, and withdraws aircraft. Indonesia and Indonesian aviation policy are in flux during the spring of 1998; President Suharto resigns on May 21 in the face of intense opposition.

In May, with the rupiah now valued at 17,000 to the U.S. dollar, the nation's airlines are granted permission to increase fares by 37.5%.

By the beginning of August, a cost-cutting plan that would have combined the domestic operations of Garuda, Bouraq, Merpati, and Mandala collapses; despite load factors as low as 30%, the smaller airlines refuse to join with the flag carrier.

The effects of the Asian currency crisis and the national economic downturn continue; at this point, the four companies are losing significant funds as 80% of their costs are in U.S. dollars, but only 20% of their income is in the same currency.

During the last week of August, the Indonesian Parliament does grant a long-desired fare increase. Domestic tickets increase in price by 40% on September 1; they rise again another 14% on December 1.

Flights continue in 1999. During the first six months of the year, the rupiah regains some 50% of its strength. The balance of the parliamentary-approved fare increase is postponed.

Customer bookings for the year total 747,000, while 19.69 million FTKs are operated.

Two B-737-2T4As previously operated by **MALEV Hungarian Airlines** are leased from GECAS on August 1, 2000, for a four-year period. In December, an A330B4F is wet-leased from **MNG Cargo Airlines, A.O.**

MANDARIN AIRLINES, LTD.: 13–14th Floor, 124 Minsheng East Road, Section 3, Taipei, Taiwan; Phone 886 (2) 717-1188; Fax 886 (2) 717-0716; <http://www.mandarin-airlines.com>; Code AE; Year Founded 1991. The nation's second privately owned and third international airline, MAL is formed in June 1991 specifically to fly to Australia, Canada, and other countries with which Taiwan no longer has diplomatic relations. Initial ownership is held by **China Airlines, Ltd. (CAL)** (66%) and Kuo's Development Corporation (33%); former CAA Director General Teh Ming Liu is appointed chairman. Employing a fleet of three Boeing 747SP-09s leased from its airline parent, the company inaugurates services in August to Ho Chi Minh City. The Hanoi government, fearful of offending the People's Republic of China, orders the flights halted in September.

Beginning in October, the new entrant initiates a B-747SP-09 link Taipei with Auckland, Brisbane, and Sydney. On December 7, in cooperation with **Canadian Airlines International, Ltd.**, the first direct service between Taiwan and Canada in 40 years is inaugurated—four-times-per-week, code-shared Taipei to Vancouver.

One long-range Jumbojet is retired in 1992 as orders are now placed for a B-747-400. A code-sharing agreement is reached with **Air New Zealand, Ltd.** in May covering ANZ services from Los Angeles to Frankfurt.

The 184-employee carrier becomes a wholly owned subsidiary of CAL in December.

Enplanements total 62,945 while freight climbs 20.8% to 15.74 million FTKs. Revenues are \$35.4 million, but costs are more and cause losses: \$15.97 million (operating) and \$8.36 million (net).

The workforce is increased by 12% in 1993 to 206 and the fleet now includes 3 B-747SP-09s and 1 new McDonnell Douglas MD-11, all leased from the company's parent. In January, **China Airlines, Ltd.** President Peter Bien becomes the new chairman, succeeding Teh Ming Liu, who becomes CAL chairman. A long-range Jumbojet inaugurates twice-weekly services in July from Taipei to Frankfurt via Bangkok.

Passenger boardings for the year increase 50.5% to 93,788 while cargo grows 40.9% to 22.2 million FTKs. Revenues swell 32.6% to \$47.11 million while expenses decline by 1.5%, but still total \$50.76 million. The operating loss improves to \$3.64 million and a net \$7.15 million profit is earned.

The number of employees is reduced by 5.8% in 1994 to 244 and an order is placed for 1 new B-747-409 as 3 more leased MD-11s are placed into service.

Customer bookings jump 20.5% to 120,966 while freight rises 43.9% to 28.16 million FTKs. Revenues rise 10.1% to \$54.2 million, but expenses climb 16.2% and force an operating loss of \$6 million. The net profit of \$1.96 million is reported.

The workforce grows by 14.8% in 1995 to 280. The new B-747-409, the first to be directly owned by this company, is received during the first week of July and enters service on routes from Taipei to Vancouver and Sydney. It helps the airline to enjoy another good year.

Passenger boardings swell 31.8% to 159,412 and cargo climbs 32.6% to 35.7 million FTKs. Revenues bounce upward by a third, rising 33.4% to \$72.25 million. Expenses are up 22.9% to \$74.02 million, but still, the operating loss is cut to \$1.76 million. Net gain dips to \$1.65 million.

Airline employment stands at 300 in 1996–1997 and the fleet now includes the B-747-409, 1 B-747SP-09, and 4 MD-11s. Frequencies from Taipei to Auckland, Sydney, and Vancouver continue.

On October 26 of the latter year, the company and **Air Canada, Ltd.** begin to sell tickets on each other's flights between Vancouver and Taipei and from Taipei to Vancouver. Signed in mid-September, the new code-sharing pact covers nine weekly flights.

In mid-1998, CAL announces that, during the following summer, **Formosa Airlines Corporation, Ltd.** will be combined with Mandarin Airlines, Ltd., with the latter name surviving. The reformed company will emphasize domestic service, with CAL operating all international flights. Flying only international services, Mandarin generates a profit of \$1.9 million on revenues of \$72 million.

The merger with **Formosa Airlines Corporation, Ltd.** occurs on August 8, 1999. Losing its identity, Formosa turns over its domestic routes to Mandarin along with its fleet of 7 Fokker 50s, 3 Dornier 228-200s, 2 SAAB 340s, and 2 Fokker 100s. Plans are announced for a capacity upgrade with six Boeing Next Generation 737-809s, which will be leased from **China Airlines, Ltd. (CAL)**.

The new aircraft begin to arrive in late fall and allow expansion of domestic services and withdrawal of the Fokker 100s. In November, the company trades its Vancouver, Sydney, and Brisbane routes to CAL for several regional frequencies and its Taipei–Kao-hsiung route. At this point, roundtrips between Taipei and Kao-hsiung are increased to 87 every week, while 3 weekly return services are introduced between Taipei and Yanggong.

Wearing a mandarin “gyrafalcon” design, the first of four B-737-809s are delivered by **China Airlines, Ltd.** in the spring of 2000.

Twice-weekly roundtrip service is introduced on May 1 from Taipei to Saipan. The previously operated twice-weekly Mandarin MD-11 route from Taipei to Sydney is replaced on July 4 by a new **China Airlines, Ltd. (CAL)** thrice-weekly MD-11 service.

MANDATED AIRLINES (PTY.), LTD.: Australia (1936–1961). The air transport division of **W. R. Carpenter and Company (Pty.), Ltd.** is merged with Raymond “Battlin” Parer's old **Pacific Aerial Transport (Pty.), Ltd.** on October 16, 1936 to form this new Papua New Guinea carrier, which remains a Carpenter subsidiary. The initial equipment comprises 1 Fokker V-IIA and 1 de Havilland DH 50 Moth from PAT and Carpenter, 1 Avro 642, 1 Australian-built DH-50A Moth, 3 DH-83 Fox Moths, 3 DH-84s, and 1 DH-50 Moth. The company undertakes a variety of charter services, including many previously provided by the merger partners.

On August 1, 1937, the administration of the Mandated Territory awards a single year passenger-cargo license for four routes from Salamaua to Wau, Bulolo, Otibanda, and Port Moresby and two from Wau to Otibanda and Port Moresby. Services cease following the Japanese attacks in early 1942.

When **Qantas Empire Airways (Pty.), Ltd.** acquires Carpenter's new air transport division in October 1944, the trading company retains its aerial interest in Mandated. With war-surplus DH-84s, the carrier resumes New Guinea operations during the late 1940s.

By 1950, the carrier's fleet comprises 8 Dragons, 1 Lockheed L-14 Super Electra, and 2 Douglas DC-3s. Routes are extended into the New Guinea highlands as MAL becomes the island's largest independent operator. The carrier's Lockheed L-14 crashes into a house at Lae on March 25 (three dead). A DH-84 crashes while taking off from a strip at Kerowagi in the highlands on April 2, 1951.

In 1954, the company begins chartered passenger flights between Lae and Sydney. On April 1, 1960, the Goroka-based bush carrier **Gibbes Sepik Airways (Pty.), Ltd.**—one of the world's last regular operators of the Junkers Ju-52/3m—and another lightplane jungle hopper, **Madang Air Services (Pty.), Ltd.**, are purchased and merged. In an effort to enter the New Guinea market in competition with **Trans-Australian Airlines (Pty.), Ltd.**, Ansett Transport Industries purchases MAL for A£950,000 in January 1961.

MANHATTAN AIR. See CATSKILL AIRWAYS

MANNIN AIRWAYS, LTD. See NORTHWEST AIRLINES (ISLE OF MAN), LTD.

MANSELL AVIATION: 2301 Yale Ave., SE, D-3, Albuquerque, New Mexico 87106, United States; Phone (505) 842-5743; Fax (505) 842-7071; Year Founded 1992. Mansell is set up at Albuquerque in 1992 to offer executive and small group charters throughout the U.S. Southwest. By 1999, Operations Manager Tom Rogers oversees the work of 3 pilots and the scheduling of 1 each Cessna T210 Turbo Centurion, C-310, and C-421 Golden Eagle.

MANTRUST ASHAI AIRWAYS: 2nd Floor Terminal Building, Halim Perdana Kusuma Airport, Jakarta, Timur, 13610 Indonesia; Phone 62 (21) 809-4116; Fax 62 (21) 809-4125; Year Founded 1991.

A subsidiary of Japan's **Aero Ashai Corporation, Ltd.**, this commuter is formed at Jakarta's Kusuma Airport in 1991 to offer local fixed-wing scheduled services, together with rotary wing charter flights. Captain Ridwan Zainuddin is named operations director and the initial fleet comprises 2 IPTN (CASA) NC-212-200s and 1 Gulfstream Commander 1000B.

Services are maintained and in 1992 the fleet contains 5 of the Spanish-Indonesian made Aviocars, the Commander, and 1 Beech 400 Beechjet. In 1993, the fleet is altered to include 3 British Aerospace BAe 748.B2s, 1 Beech 80 Queen Air, 1 Douglas DC-3, and the Aviocars.

These continue operations in **1994–1996**, together with 8 Bell 206B JetRangers, 2 Bell 212s, and 2 Bo-105s. By **1997–1999**, the Aviocar fleet has been boosted to 8 aircraft.

MANU'A AIR TRANSPORT: United States (1982–1985). Manu'a is established at Pago Pago, American Samoa, in the summer of **1982** to provide scheduled passenger and cargo flights from the carrier's base on the main island of Tutuila to the Manus Islands. Employing a Britten-Norman BN-2 Islanders, the new commuter inaugurates revenue services on October 1 and transports a total of 826 passengers during the fourth quarter.

Enplanements climb to 13,223 in **1983** and operations continue to Ofu and Tau from Pago Pago in **1984**. An order for a **1985** delivery of a second Islander is not filled because the company ceases operations early in the year due to fiscal difficulties.

MANUFACTURERS AIR TRANSPORT: United States (1970–1971). MAT is set up at Peoria, Illinois, in **1970** to provide scheduled passenger and cargo lightplane flights to Chicago, Galesburg, and Decatur. Service cannot be maintained beyond **1971**.

MANX AIR CHARTER, LTD. See **MANX AIRLINES, LTD. (1)**

MANX AIRLINES, LTD. (1): United Kingdom (1947–1956). **Manx Air Charters, Ltd.**, is formed by Capt. G. H. Drummond and Mr. G. S. Hankinson at Ronaldsway Airport in May **1947** to offer charters in association with Air Charter Experts. Equipped with a pair of de Havilland DH 89As, one of which is shared with ACE, the company, under Chairman Drummond, begins ad hoc passenger and cargo charters from the Isle of Man into Northern Ireland, Scotland, and England. A third Dragon Rapide is delivered in December.

Two more DH 89As are delivered in **1948**, one each in March and May, respectively. In July, ACE closes down, transferring its entire charter business to Manx. No changes are made in operations in **1949**, although a Dragon Rapide is sold in January. During the year, **British European Airways Corporation (BEA)** announces that it is withdrawing all but "essential service" from the Isle of Man.

Negotiations to merge with fellow charter-operator **Mannin Airways, Ltd.** fail in early **1950** as that carrier joins with **Northwest Airlines (Isle of Man), Ltd.** In response, Manx signs a two-year BEA associate agreement to provide summer only scheduled service between Carlisle and the Isle of Man. No changes occur in **1951** or **1952**; however, **Northwest Airlines (Isle of Man), Ltd.** fails during the latter year and sells its assets to **Lancashire Aircraft Corporation, Ltd.**

Early In January **1953**, Manx gains permission to begin additional scheduled service from the Isle of Man to Newcastle and Glasgow (Renfrew) under contract to BEA. As a result, the two Douglas DC-3s formerly flown by **Northwest Airlines (Isle of Man), Ltd.** are acquired and to stress its new airline status, the company changes its name to MAL-1 on February 21. The large American transports begin scheduled service from the Isle of Man to Newcastle and Glasgow (Renfrew) in May.

Enplanements for the year total 14,881.

Airline employment stands at 28 in **1954**, including 5 pilot captains. The DC-3s are occasionally employed on ad hoc charters during the summer, in addition to the Dragon Rapides that are similarly given a change from scheduled routes.

A total of 21,436 passengers are carried on the year.

Carbon copy operations continue apace in **1955** (although a DH-89A is sold in June) until December 22.

While on final approach from a ferry flight during the day, a DC-3 with three crew strikes trees and crashes at Dusseldorf; there are no survivors.

In May **1956**, the carrier, unable to acquire a replacement Douglas, is forced to sell out to British Aviation Services and is assigned to the northern division of **Silver City Airways, Ltd.** Allowed to continue under its own colors, MAL-1 is immediately provided, under lease, with

two Bristol 170 Mk. 21 Wayfarers which, in exchange for the surviving DC-3, are employed on scheduled and charter operations during the summer.

Another Wayfarer is leased from the parent in early **1957** along with two DH-114 Heron 1Bs, the first of which is delivered in February. An Isle of Man to Belfast route is opened in May, followed on June 1 by the introduction of coach-air flights from Glasgow (Renfrew)–Belfast and Isle of Man.

A chartered Bristol 170 Mk. 21E with 3 crew and 39 passengers crashes into a hill near Winter Hill, U.K., on February 27, **1958** (35 dead).

During the spring, MAL-1 is fully integrated into **Silver City Airways, Ltd.**

MANX AIRLINES, LTD. (2) (MANX AIRLINES EUROPE, LTD.): Isle of Man (Ronaldsway) Airport, Ballasalla, Isle of Man, IM9 2JE, United Kingdom; Phone 44 (1624) 82-6000; Fax 44 (1624) 82-6001; <http://www.manx-airlines.com>; Code JE; Year Founded 1982. In an effort to reduce losses on the services of **British Midland Airways, Ltd.** and **Air U.K., Ltd.** to the Isle of Man, British Midland Bank and the British and Commonwealth Shipping Company (holding 75% and 25% interest, respectively), form a new third-level Ronaldsway-based carrier in the spring of **1982**. The new enterprise is branded in honor of MAL-1. The initial headquarters at Compton House, Castletown, will eventually spread out to include six airport locations, with the main complexes at Viscount House and Leslie Vondy House.

British Midland Airways, Ltd. executive Terry Liddiard, who had proposed the idea for a new low-cost carrier, is named managing director and together with Capt. Norman Brewitt, is given 10 weeks to establish the operation. The initial fleet comprises 1 Vickers Viscount 800, 1 Embraer EMB-110 Bandeirante, and 2 Fokker F.27 Friendships. Scheduled services are inaugurated on November 1 to Belfast, Blackpool, Dublin, Jersey, Liverpool, Glasgow, London (LHR), and Manchester.

Passenger traffic accelerates quickly and by the end of **1983** has reached 253,000; employment is 110. However, start-up costs and the unsuitability of the Fokkers bring a net loss of £250,000. In October, the de Havilland Canada DHC-6-300 *Skianyn Vannin* is leased from **Loganair, Ltd.** for an 18-month period.

The F.27s are replaced in **1984** by two Shorts 360s and the chartered DHC-6 Twin Otter, while a Viscount 800 is leased for summer charter flights. An aggressive television advertising campaign is scheduled in Scotland and Northern Ireland.

Enplanements for the year rise 14% to 262,279 and a \$642,000 profit is earned on revenues of \$13 million.

A third Shorts 360 is acquired on lease in **1985** as the *Skianyn Vannin* is returned in March. Known as The Firecracker, the first low-cost, non-business tourist frequencies are introduced from the Isle of Man. In just 6 months, load factor is up 138% and 7,000 passengers are boarded in July alone.

The year's bookings exceed 300,000 and profits approach £1 million.

Plans are undertaken in **1986** to enter London's Unlisted Securities Market with an offering of 49% of the carrier's stock to the public. In April, the Liverpool to London (LHR) route of **British Midland Airways, Ltd.** is taken over and the one-millionth passenger is transported in July.

In late October, the carrier joins IATA and on December 1, flying the aircraft previously owned by **Birmingham Executive Airways, Ltd.**, launches five-times-per-day SAAB-Fairchild SF340 frequency to Liverpool.

Enplanements for the year total 372,581 and profits total \$6.6 million (operating) and \$3.6 million (net).

Airline employment grows 18.1% in **1987** to 222. General Manager Liddiard is elevated to the new post of managing director; his fleet now includes 1 Viscount 800, 4 Shorts 360s, and 1 SAAB SF340. Manx is the only British operator of the latter type while £27 million worth of orders are placed for three British Aerospace BAe ATPs.

Destinations visited include Belfast Harbour, Blackpool, Dublin, Edinburgh, Glasgow, Isle of Man, Liverpool, London (LHR), Manchester, Newcastle, Leeds, and Jersey. The company's fifth birthday is celebrated in November.

One Shorts 360 is withdrawn late in the year and is replaced in December by the carrier's first jetliner, a leased British Aerospace BAe 146-100.

Passenger boardings zoom upward by 16.4% to 445,678 and cargo grows by 24.9% to 316,000 pounds. Revenues advance 23.3% to \$34 million and costs are held low enough to allow an operating profit of \$6.7 million. Net gain reaches \$2.7 million (£1.36 million).

Operations continue apace in 1988, as the company becomes a unit in the Airlines of Britain group. In January, the new BAe 146-100 is introduced on the route to London (LHR). On March 16, Skyhopper service is introduced on the Liverpool to Heathrow Airport route.

New triweekly London Saver frequencies are introduced on June 17 from London (CTN) to the Isle of Man while, on July 5, a £27-million order is placed for three British Aerospace ATPs, plus spare parts.

The last scheduled flight by a Viscount arrives at London (LHR) at the end of October; the turboprop, in the fleet since 1985, is retired in November in preparation for receipt of two Advanced Turboprops.

Enplanements for the year total 491,877 and the operating profit is \$5.76 million. Net gain reaches \$2.94 million.

The payroll is increased by 15.9% in 1989 to 320 and the fleet now includes 1 BAe 146-200, and 3 Shorts 360s. Orders remain outstanding for three ATPs, which join the fleet during the first two quarters replacing the SAAB and Viscount.

A new £1-million maintenance hanger is opened at the company base, employing 40 workers. Daily Birmingham to Isle of Man services begins in June.

Passenger boardings rise 2.8% to 506,046 and revenues move up 3.6% to \$35.5 million. Costs allow operating income of \$5.89 million, and a slightly smaller net gain of \$2.35 million.

On March 26, 1990, daily roundtrip service is inaugurated from Liverpool to Dublin. London (CTN) to Isle of Man service becomes daily in May while a major new leisure hub is developed at Dublin for services to Jersey, Blackpool, Liverpool, and the Isle of Man.

Cardiff joins the route network on June 11 as part of a connect service on to Liverpool and Glasgow and a branch office is opened at the new destination under Manager Charlotte Kosh. Orders are placed for a BAe Jetstream 41, for which the airline will be the U.K. launch customer, and two more BAe Jetstream 31s, which will be acquired from the former Italian regional **Aliblu, S.p.A.**

Traffic figures are reported for the year's first 8 months and show customer bookings of 395,712. On October 17, company officials announce plans to significantly expand the Cardiff hub and to create, with Airlines of Britain Group approval, two new companies: Manx Airlines (Holdings), Ltd. and its two subsidiaries, Manx Airlines (Europe), Ltd. and MAL-2. The latter is needed to permit Manx to comply with tax laws off the Isle of Man. Frequencies from Blackpool to Jersey and from the Island of Man to Leeds/Bradford, and Newcastle become year-round.

The payroll is sliced 13.9% in 1991. In March, Manx Airlines (Europe), Ltd. is formally established as a subsidiary of Airlines of Britain Group; it will be administered alongside MAL-2 at Ronaldsway. The two new Jetstream 31s arrive on March 25, and an ATP and a Shorts 360 are also assigned to the new Cardiff operation. Two days later, Managing Director Liddiard orders a pair of Jetstream 41s. There have now been £20 million worth of J-41s requested.

Twice-daily services from the Isle of Man to Birmingham are inaugurated by MAL-2 during the spring, along with daily services to Dublin, Cardiff, and Jersey. A new route network, based on Cardiff, is inaugurated linking that southern Welsh city with Aberdeen, Belfast, Brussels, Dublin, Glasgow, Guernsey, the Isle of Man, and Jersey. ATP flights from Cardiff to Paris commence on October 28. Without aircraft to spare, a longtime, profitable contract to haul newspapers is lost.

Enplanements publicized through October reveal that passenger boardings are off by 0.1% to 517,447. Freight, on the other hand, ascends 35.3% to 326,000 FTKs. By year's end, it is recorded that 625,097 passengers have been flown and a pretax £1.61-million profit generated.

The workforce grows by 8% in 1992 to 433 and the fleet now includes 5 Jetstream 61s, 3 leased BAe Jetstream 31s, and 3 Shorts 360s. Orders are outstanding for 4 Jetstream 41s. One ATP is leased to **British Airways, Ltd. (2)**.

Daily Belfast to Aberdeen services commence on April 13. On October 23, the company obtains JAA certification to service any of several aircraft types flown in Europe.

Customer bookings recover and climb 5.6% to 660,267. Additionally, 276,000 FTKs are flown. Revenues total £55 million.

In 1993, Chairman Bishop and Managing Director Liddiard oversee a workforce of 601, up 39.1% over the previous year. The first five BAe Jetstream 41s enter service in March, along with a BAe 146-200. Several new routes are inaugurated: London (STN) to Manchester and Belfast and Waterford to London (STN) and Manchester.

A route replacement arrangement is signed with **British Midland Airways, Ltd.** on October 11. Beginning on November 1, Manx, which has purchased two more ATPs from BMA, launches four-times-per-day Belfast to London (LHR) and East Midlands service. It also takes over, initially for the winter schedule, the East Midlands-Birmingham-Jersey service of BMA. Minihubs are now established at Glasgow, Belfast, Liverpool, East Midlands, and Manchester.

Scheduled departures total 25,500 and passenger boardings increase by 14.6% to 756,138, but freight falls by 29.7% to 194,000 FTKs. Revenues decline to £32 million.

Airline employment grows with the company in 1994, rising 30% to 810. When sister carrier **Loganair, Ltd.** is detailed by Airlines of Britain Group on March 28 to concentrate exclusively on Scottish service, it transfers 21 routes plus all of its ATPs and J-41s to MAL-2, which now establishes a Jetstream 41 base at Southampton. Manx now starts 36 new services of its own and stands as the largest regional airline in the U.K.

The carrier's 10th Jetstream 41 is delivered in July, while another is leased to sister carrier **British Midland Airways, Ltd.** A new base is established at Edinburgh.

As is anticipated by company officials, scheduled departures leap upward to 45,900, while customer bookings skyrocket 88% to 1,355,544; cargo inches up 2% to 198,000 FTKs.

On January 9, 1995, with Airlines of Britain, plc., approval, Manx Airlines (Holdings) is renamed British Regional Airlines (Holdings). The airline operating subsidiaries remain divided into two separate divisions: MAL-2 and Manx Airlines (Europe), Ltd. The latter becomes a **British Airways, Ltd. (2)** franchise partner and flies BAe Jetstream 41s, ATPs, and two BAe 146-200s in "British Airways Express" livery. MAL-2 will operate all of the routes to and from the Isle of Man while Manx Airlines (Europe), Ltd. will fly the remainder, including those from Southampton, Cardiff, Belfast, and Manchester to Brussels, Rotterdam, and Paris. In addition, the regional carrier receives access to BA marketing, frequent flyer program, and airport service support.

In April, it is announced that one of the BAe 146-200s will be stationed at Stuttgart. Until then, it will fly ad hoc charters. Geared to increase travel on routes to the Isle of Man, an intense television marketing campaign is undertaken in the London market during the spring.

When the main runway is closed at Stuttgart Airport between July 31 and October 4, the company leases one of its locally based BAe 146-200s to the German charter carrier **LTU (Lufttransport Unternehmen, K.G.)**, which employs it to maintain services from the cross-runway of the Baden-Wuerttemberg Airport.

The 11th J-41 is delivered in September. The second BAe 146-200 is wet-leased for two months to the new **Air Baltic, A.B.** in October, allowing the new Latvian entrant to begin operations from Riga to Copenhagen, Helsinki, Minsk, St. Petersburg, Warsaw, and London (LGW). In November, one of the leased BAes is purchased, while a six-year charter agreement is signed for the other.

The company's 9 J-41s and 7 ATPs transport a total of 1,293,789, a 5% decline over the previous year. Still, finances are such as to allow only a £1.3-million (\$4.38-million) operating profit on a turnover of £112 million.

Airline employment is increased 10.2% in 1996 to 918 and the **Air Baltic, A.B.** lease ends. Having elected to expand its aircraft engineering business at Leeds/Bradford, the owners of **Knight Air, Ltd.** sell their routes from Leeds/Bradford to Belfast, Southampton, and Aberdeen to Manx on January 10. For its part, Manx assumes the lease of two Knight Jetstream 41s when it begins flying the new routes on March 1.

Late in the month, the carrier takes over management of **Loganair, Ltd.** and overall company employment exceeds 1,000 workers. At the same time, it is announced the Manx will launch Jetstream 31 services from Leeds/Bradford to Southampton and the Isle of Man.

In April, Aberdeen-based **Business Air, Ltd.** becomes an Airlines of Britain, plc. property. Its addition allows Sir Michael Bishop's group to blanket the U.K. with regional services, in addition to the international flights provided by BMA.

In August, **British Airways, Ltd. (2)** announces that, two months hence, it will withdraw from its loss-making Scottish internal services, including six routes serving Orkney, Shetland, and the Western Islands. British Regional Airlines (Holdings) in September changes the name of Manx Airlines (Europe), Ltd. to **British Regional Airlines, Ltd.** Plans are announced for the new BRA to take over the previous **British Airways Regional, Ltd.** services at the end of October as a BA franchise partner. Under terms of this agreement, BRA will enjoy all of the benefits of franchise partnership, including dual designator flights, computerized reservations and frequent flyer linkage, passenger and airport services. Meanwhile, **Loganair, Ltd.** operations are incorporated into BRA. MAL-2 continues separate operations.

Passenger traffic recovers, surging 19.8% to 1,581,190 and 224,000 FTKs are operated, a 25.5% growth rate. Operating income soars 18.9% to \$190.22 million while costs, up 17.8%, reach \$183.31 million. Operating gain grows to \$6.6 million.

The workforce grows by 24.6% in 1997 to 1,144. In January, MAL-2 is named "Regional Airline of the Year" for 1996 by *Air Transport World* magazine.

Two momentous announcements are made on February 24. Effective that date, Airlines of Britain, plc, the holding company that owns **British Midland Airways, Ltd., British Regional Airlines, Ltd., MAL-2, Loganair, Ltd., and Business Air, Ltd.** elects to break up British Regional Airlines (Holdings) and all of the carriers except BMA. The move will technically allow BRA (H) to continue its **British Airways, Ltd. (2)** affiliations without fear of conflict of interest decisions being made by Airlines of Britain, which is partnered with BA's competitor, **SAS (Scandinavian Airlines System)**. Sir Michael Bishop still retains ultimate ownership in both groups. MAL-2, **Loganair, Ltd., and Business Air, Ltd.** will continue a confederation with **British Regional Airlines, Ltd.** in a British Airlines Regional Group of BA franchise partners. Activities for each company will continue to be reported separately.

Also on February 24, Managing Director Liddiard announces an order for up to five Embraer EMB-145 Amazon Regional Jets, with options taken on another two. In March, **Loganair, Ltd.**, after a management buyout, reestablishes its independence outside of the British Regional Airlines Group. It will fly specialist services for Scottish Air Ambulance and scheduled services to the Orkneys and Shetlands with Twin Otters and Islanders.

The fifteenth birthday of MAL-2 is celebrated on May 10; the date also marks fifty years since the carrier's predecessor, Manx Air Charters, Ltd., began services. The first EMB-145, soon to be renamed the ERJ-145, is accepted during the Paris Air Show in June and begins BRA service during July and August from Manchester to Berlin.

Customer bookings accelerate 37.3% to 2,184,316 while 1.07 million FTKs are also operated. Operating income ascends 38.8% to \$255.64 million while expenses grow 39.5% to \$247.73 million. The operating profit reaches \$7.9 million.

In May 1998, British Regional Airlines Group CEO Liddiard acquires the services of Dresdner, Kleinwort Benson to act as sponsor and stockbroker for an initial public offering on the London Stock Exchange. The flotation will bring in income to pay for the additional acquisition of BRA Embraer ERJ-145 Amazons.

BRA Group is successfully floated on the London Stock Exchange on June 18. Thereafter, MAL-2 updates its corporate identity to reflect its deeply rooted Isle of Man associations.

Flights continue in 1999. The carrier continues to provide vital year round air links between the Isle of Man and a total of 10 destinations in the UK and Irish Republic: London (LTN & LHR), Manchester, Liverpool, Birmingham, Jersey, Leeds/Bradford, Glasgow, Southampton, and Dublin.

With the beginning of the fall schedule at the end of October, service from London (LTN) to the Isle of Man is upgraded from an ATP to a BAe 146 from Sunday through Friday. The Saturday roundtrip continues to be provided with an ATP. The BAe 146 service from London (LHR) is also operated.

During the spring of 2000, the equipment employed on the Manx network is somewhat revitalized. The three ATPs are dedicated to operate over the main provincial routes from the Isle of Man, including those to Liverpool and Manchester. A British Aerospace Jetstream 41 is introduced on the routes to Dublin, Glasgow, and Jersey. All five Manx aircraft wear new livery.

On December 7, British Regional Airlines Group, which owns both Manx and **British Regional Airlines, Ltd.**, confirms that it is in talks with an unidentified bidder. There is media speculation that the suitor is **British Airways, Ltd. (2)**.

On March 8, 2001, it will be revealed that BA will purchase British Regional Airlines Group for £78 million (\$114) and will merge it with its **Brymon Airways, Ltd.** unit.

MAOF AIRLINES, LTD.: Israel (1981–1984). Organized at Ben Gurion Airport in early 1981, this charter carrier is a subsidiary of the Maof Group, which also includes the travel agencies Maof Tours Israel and Four Seas Holidays. Equipped with a fleet that comes to comprise two Boeing 707-320Bs and two B-720-023Bs, the airline inaugurates vacation flights to destinations in the U.K., France, Germany, and southern Europe.

Unable to increase traffic yields during the years of the Lebanese crisis, the company declares bankruptcy in December 1984.

MARC FRUCHTER AVIATION: Reading Regional Airport, Reading, Pennsylvania 19605, United States; Phone (610) 374-0100; Fax (610) 374-7580; Year Founded 1978. Originally established in 1978 as the FBO at Reading Regional Airport, Marc Fruchter's concern also undertakes a growing business in executive and small group passenger charters.

By 1999, the company is flying throughout the U.S., Canada, Mexico, and Caribbean with a fleet of 2 each Beech 400 Beechjet bizjets and Super King Air 200s, plus a King Air 90.

MARCO ISLAND AIRWAYS: United States (1972–1985). MIA is organized at Miami on June 1, 1972 as a subsidiary of the Deltona Corporation. Beginning on October 1, several-times-daily roundtrip frequencies are offered to the parent's planned resort community on Marco Island with Beech 99s. Over the next 2 years, the 14-passenger commuter planes are replaced by a fleet of 3 Martin 404s; 52,140 passengers are enplaned in 1974.

The workforce in 1975 is 250. Freight traffic reaches 3.01 million ton-kilometers, a 23.4% boost, while passenger boardings advance by 5.2% to 54,583.

A fourth Martin 4-0-4 arrives in 1976. It joins the other 3 in carrying 83,545 pounds of freight and 61,695 passengers, the latter a 23% boost over the previous year.

A total of 65,714 passengers are hauled during 1977. Additionally, Marco Island to Tampa service is inaugurated. Vice President Raymond

L. Anderson, the executive in charge, oversees a workforce of 43. Bookings increase by 1% in **1978** to 66,688.

The Convair fleet is increased by 2 in **1979**, but enplanements grow by only 1% to 67,627. Freight is actually down 32.7% to 52,000 pounds.

Despite the addition of contract flights for **Air Florida** in **1980** to Key West, Georgetown, Rock Sound, Freeport, Eleuthera, Treasure Cay, and Marsh Harbour, bookings for the year decline by 16% to 56,795. Cargo is down by 11.6% to 46,000 pounds.

Airline employment grows in **1981** from 72 to 92. New **Air Florida** replacement service is inaugurated from Tampa to Lakeland as four Piper PA-31-350 Navajo Chieftains are purchased.

Unfortunately, heavy construction and lack of rooms at the Marco Islands resorts contribute to another 16% traffic decline as 47,876 passengers are carried. Even what little freight is transported is off by 35.8%, down to 30,000 pounds.

En route from Miami to Key West on July 22, **1982**, Flight 39, a Martin 4-0-4 with 12 passengers, is taken over by 2 men who divert the plane to Havana. Cuban authorities will send them to prison for 15 years.

Bookings drop off significantly, down 35.7% to 30,804, due primarily to recession. Cargo plunges 83.6% to only 8,000 pounds.

Enplanements advance again in **1983**, rising 10% to 33,100. Freight, however, declines again, dropping to 3,000 pounds.

On October 15, **1984**, the carrier is purchased by **Provincetown-Boston Airline (PBA)** and is operated as a subsidiary under its previous name. Prior to the purchase, a total of 33,082 passengers are boarded, a 30% boost; figures for the period after PBA acquisition are included with those of the new parent.

By February **1985**, MIA, its routes and aircraft are integrated and service to the Bahamas ceases.

MAR-EL AVIATION: International Airport, Nashville, Tennessee 37217, United States; Phone (615) 361-1007; Fax (615) 361-1090; <http://www.charter-jet.com>; Year Founded 1976. Mar-El Aviation is established at Nashville in **1976** to sell general aviation aircraft. During the **1980s**, the company enters the charter business, as well as the sale and repair of aircraft components and systems. In **2000**, the concern continues to offer Learjet charters worldwide and has branched out into the acquisition and sale of used corporate turbine aircraft.

MARGATE AIR (PTY.), LTD.: South Africa (1980–1985). MAL is established at Margate, in the eastern part of South Africa, in **1980** to attract vacationers and to provide scheduled passenger services, primarily for businessmen, linking Natal with Transvaal. With a workforce that reaches 10 in number and a fleet comprising 1 Piper PA-31-350 Navajo Chieftain, 1 Cessna 402B, and 2 Piper PA-28 Cherokees, Margate initiates daily and weekday roundtrips to Durban, Ladysmith, Nelspruit, Newcastle, and Vryheid.

In August **1985**, the company is reformed and renamed **Citi Air (Pty.), Ltd.**

MARIANAS AIRLINES: United States (1998). MA is established in early 1998 to offer scheduled and nonscheduled services, largely for tourists, visiting the Commonwealth of the Northern Mariana Islands. Four lightplanes are employed to offer interisland flights between Tinian, Saipan, and Rota, beginning in April.

The Asian economic crisis has a significant impact on the number of inbound vacation visitors to the Marianas and arrivals fall dramatically throughout the summer and fall. The company shuts its doors on October 28, barely six months after entering business.

MARINE AIRWAYS: United States (1936–1939). Veteran bush pilot Alex Holden, backed by Juneau entrepreneur James V. Davis, establishes MA in Juneau, Alaska, in July **1936**. Outfitted with a float-equipped Bellanca CH-300 Pacemaker and a Fairchild 71, convertible to both wheels and floats, the company begins unscheduled services to sur-

rounding mining camps and destinations in both Alaska and British Columbia.

In **1937**, the little carrier begins regularly scheduled revenue flights to Sitka and Chichagof. As has been the case since start-up, Holden and Davis continue their operations in **1938** in competition with Sheldon B. "Shell" Simmons and his cross-town **Alaska Air Transport**.

Meanwhile, three other competitors, Herbert Munter, Robert B. Ellis, and Tony Schwamm, who have also started flying services, begin to intensify the territory's competition. To meet these challengers, Holden and Simmons agree to merge their two companies on May 27, **1939**, creating the area's largest indigenous air transport firm, **Alaska Coastal Airlines**.

MARITIME CENTRAL AIRWAYS, LTD.: Canada (1941–1963). On September 30, **1941**, Carl F. Burke and Josiah Anderson, despite the obstacles of wartime restrictions and equipment shortages, are able to form this carrier at Charlottetown, Prince Edward Island, for the purpose of linking communities by air in the Maritime Provinces. Ownership is completely private and the company is the only scheduled air transport concern in the nation not controlled by either a surface carrier or a dominion government.

Employing a Barclay Grow T8P1, the men inaugurate twice-daily service on December 8 from Charlottetown to St. John via Summerside and Moncton. The route feeds **Trans-Canada Air Lines, Ltd.** and **Northeast Airlines** at the latter point. Late in the year, a Boeing 247D and a Fairchild F-24 join the fleet.

In January **1942**, twice-weekly B-247D winter frequencies are started to the Magdalen Islands. A de Havilland DH 89A Dragon Rapide joins the fleet in July. In mid-December, the U.S. Army Air Forces charts the Barclay Grow to seek a lost Boeing B-17 bomber. While landing on the sea ice at Angmagssalik, Greenland, on December 23, the plane breaks through; although the pilots escape, the aircraft is lost.

Schedules are maintained without change in **1943–1944**. In the former year, a Lockheed Model 10A Electra is acquired and in August, owner Burke wins an MBE for his daring rescue of an Anson crew stranded on an ice floe in the Gulf of St. Lawrence. The Fairchild is sold in November. Cofounder Anderson is killed flying for the RAF Ferry Command.

A Lockheed Model 12A and a Model 10B are added in March **1945**, with the former sold in July. Another Model 10B is delivered in May and a third in August, followed by two Cessna T-50 Cranes and the first Douglas DC-3 in November.

A second Lockheed Model 10A joins the fleet in January **1946**. The first Douglas enters service on February 4, weekdays over a route from Charlottetown to Halifax via New Glasgow. A second DC-3 is received later the same month, followed by a third in August. Weekday DC-3 flights are begun, meanwhile, on March 11 between Moncton and Halifax via Greenwood and Yarmouth. Also in March, the Boeing 247D is withdrawn.

Enplanements for the year total 32,000.

Scheduled services, together with passenger, ice patrol, and mail charters, continue apace in **1947**. An "international" service is launched by DC-3s on June 18, **1948**, connecting Charlottetown and Sydney with the French islands of Saint-Pierre and Miquelon, located in the Gulf of St. Lawrence. Originally purchased for its engines, a Consolidated PB5Y-5A Canso is refurbished and placed into service in July. One of the Cessna T-50 Cranes is withdrawn and scrapped in December.

In January **1950**, a DC-3 is placed into service while a Curtiss C-46As begins a year of all-cargo flights in December. A Lockheed Model 10A is withdrawn in March **1951**. Three more DC-3s are delivered, one each in April, September, and October. The last Cessna Crane is withdrawn in April and twice-weekly DC-3 flights from Moncton–Goose Bay commence in June.

By **1952**, Carl Burke's airline ranks as the third largest scheduled carrier in Canada, behind TCA and CPAL. A second Canso is purchased in February, followed by a third in March. Also in March, the C-46A is sold to **Air Maroc**.

While en route between Brunswick and Labrador, a DC-3 freighter with a pilot and three passengers, crashes in icing conditions near Gaspe on March 22; there are no survivors and the aircraft wreckage is not located until August 27, 1953.

The Dragon Rapide is retired in April and between February and December, five additional DC-3s are obtained.

Two DC-3s are sold in January 1953. A Bristol 170 Freighter is purchased from **Associated Airways, Ltd.** in March. A de Havilland Canada DHC-2 Beaver is acquired in early April and on April 23, twice-weekly DC-3 operations begin from Goose Bay to St. John's. Owner Burke, with Fred Briggs, purchases half-ownership of **Boreal Airways, Ltd.** That company is now rechristened **Boreal Air Service, Ltd.** A third DC-3 is sold in August, but two more join the fleet in September.

In 1954-1955, the carrier assumes responsibility for most of the Distant Early Warning (DEW) Line work in the Maritime Provinces. To meet the capacity demand of this work, the fleet is increased by the addition of two DC-4s, a DC-3, four Curtiss C-46As, two final Cansos, and four Avro 685 Yorks. In addition, a subcontract is let to **The Flying Tiger Line**. Tiger official Edward Holohan leads a fleet of 7 Curtiss C-46As and Douglas C-54s north to operate from a base at Churchill. A DC-3 is lost in an accident at a DEW Line site on November 25 of the latter year.

An Avro 685 York C.1 must be written off following a bad landing at Fort Chino on January 24, 1956.

While taking off from Frobisher Bay on February 13, a vehicle shifts aboard the Bristol 170 Mk. 31 with two crew, causing it to fail its take-off from Baffin Island and crash; there are no survivors.

International DC-4 charter flights now commence with transatlantic services, some of which bring Hungarian refugees to Canada. Two Beech 18s are accepted in May and June.

A second Avro 685 York C.1 freighter with three crew is lost 44 km. N of Fort Chimo, Quebec, on September 26; there are no survivors.

The small charter carrier **Mount Laurier Aviation** is purchased in December and amalgamated with **Boreal Air Service, Ltd.** to form a new, wholly owned subsidiary, **Nordair, Ltd.** Two Yorks, a DC-3, a Lockheed Model 10A, two Model 10Bs, and the Avro Anson V are withdrawn during the year.

Three DC-4s and three Beech 18s are acquired in 1957 for the Nordair subsidiary, which begins twice-weekly Montreal-Frobisher (Baffin Island) flights on May 24. The DEW Line project is completed in July, as is **The Flying Tiger Line** subcontract.

Enroute from Prestwick, Scotland, to Toronto under charter with Hungarian refugees on August 11, a DC-4 with 6 crew and 73 passengers crashes into a bog near Issoudun, Quebec, killing all aboard. The tragedy is Canada's worst air disaster to date.

During the year, three Cansos, a DC-4, and an Avro York are withdrawn. Two DC-6Bs are ordered in 1958, but they will never be delivered.

The next-to-last PBY-5A Canso is withdrawn in March 1959 and sold to **Nordair, Ltd.** A Beech 18 is withdrawn in April along with a DC-3, while a Vickers Viscount 805 is purchased from **Eagle Airways (Bermuda), Ltd.** and delivered in June, entering revenue service in July. MCA is now the only operator of this Vickers type in Canada. Two more DC-3s are sold in August.

The last Canso is sold in January 1960 and is followed in February by the final Avro 685 York; in March, a Beech 18 is withdrawn.

A DC-3 crashes at Moncton on April 13, 1961. No other details are available. The company's only DHC-2 is sold in July to Abbott Industries, Ltd.

Two DC-4s are sold to **Nordair, Ltd.** in March 1962. The Viscount is withdrawn in April and sold to **Aer Lingus Irish Airlines**. Orders are now placed for two Handley Page Herald 200s, but the request is withdrawn when a Herald is acquired from the Nordair subsidiary in November.

A C-46E is destroyed in a hangar fire at Moncton on January 11, 1963.

Older and smaller rival **Eastern Provincial Airlines, Ltd.** purchases MCA, merging it in September. **Nordair, Ltd.** is excluded from the buy-out and continues to function.

MARITIME GLOBAL AIRLINES, INC.: Canada (1991-1997). Headquartered at Burlington, Ontario, MGA is set up in 1991 to operate all-cargo services in Atlantic Canada from a base at Shearwater, Nova Scotia. Flights begin with a pair of Convair CV-580s.

When operations cease in January 1997, the company owes more than C\$835,000 to unsecured creditors. The only secured creditor is Montreal-based RoyNat, Inc., which holds a mortgage of more than C\$1 million on the two aircraft.

MARKAIR: United States (1984-1995). Freight-specialist **Alaska International Air** is renamed MarkAir in early 1984. One-time bush pilot Neil Bergt is chairman/CEO, with his longtime associate Ralph Brumbaugh as president.

Employing 4 Boeing 737-2X6Cs and 3 Lockheed L-100-30 Hercules freighters, the reborn entrant inaugurates scheduled passenger services on March 1 linking the carrier's Anchorage base with Fairbanks, Barrow, and Bethel.

In the next year, destinations will be increased by the addition of stops at Aniak, Dillingham, Galena, King Salmon, Kodiak, Kotzebue, McGrath, Nome, Prudhoe Bay, St. Mary's, and Unalakleet. Cargo flights continue to be operated with three Lockheed L-100-30 Hercules freighters. In midyear, most of the airport facilities of nearly bankrupt **Wien Air Alaska** are purchased and taken over.

Traffic data is kept confidential.

Flights begin in 1985 to Seattle via Juneau and Ketchikan. Scheduled cargo services are maintained by both the B-737-2X6Cs and four Lockheed L-100-30 Hercules freighters. Contracts are signed with several commuter carriers for feeder flights to a number of smaller communities and villages, including Bethel, Dillingham, King Salmon, Galena, McGrath, St. Mary's, and Unalakleet.

During the year, Raymond Vecchi of **Alaska Airlines** and MarkAir Chairman Bergt enter into a mutual-tolerance pact. Under its terms, the two will feed passengers into each other's flights on routes from Anchorage to Dillingham, Dutch Harbor, Kodiak, and King Salomon. The arrangement funnels **Alaska Airlines** passengers onto MarkAir which, in turn, pays a portion of each fare to the Seattle-based company and will last for just over half a decade. The two will continue to compete for passengers and cargo between Anchorage and Fairbanks, Bethel, and Prudhoe Bay.

MarkAir is another private airline unwilling to reveal its traffic figures, but it does report to the DOT that revenues of \$83 million are earned. Although an operating profit of \$10.9 million is generated, there is a net loss of \$2.9 million.

Airline employment grows 0.3% in 1986 to 608. A partnership arrangement is entered into with **Alaska Airlines** under which the large regional is able to offer Alaska's frequent flyer mileage and use the national's ticketing and scheduling networks. During the year, a Lockheed L-188PF is sold to **Spirit of America Airlines**.

Traffic figures are now released and show that passenger enplanements for the year are up 1.1% to 330,254. Freight, on the other hand, declines by 9.8% to 52.62 million FTKs. Revenues swell 3% to \$85.21 million, expenses drop 4.2% to \$68.8 million, and the operating profit is \$16.41. A net profit of \$20.28 million is achieved.

The workforce is reduced by eight (1.3%) in 1987 as the carrier suffers a bad year.

Passenger bookings decline 8.7% to 299,562 while freight falls 8.1% to 31.31 million FTKs. Revenues, too, are off by 1.9% to \$83.6 million. Expenses, however, are up by 3.3% to \$71.1 million, causing a decline in operating profit to \$12.6 million and a downturn in net gain to \$2.18 million.

The employee population resumes its upward march in 1988, growing by 15.5% to 693. The fleet now includes 4 B-737-2X6Cs, 1 B-737-2T2A, 3 Hercules freighters, and 1 de Havilland Canada DHC-7-101.

During late October, company officials meet with **Peninsula Airways** President Orin Seybert to discuss possible collaboration and a limitation of Peninsula's competition on routes between Anchorage and southwest Alaska regional hubs.

Traffic also recovers, climbing by 20.2% to 360,126 travelers flown. Revenues are up 18.5% to \$99.1 million and operating income grows to \$15.45 million. Net profit is \$3.16 million.

The workforce is increased a further 8.2% in 1989 to 750 as the carrier, now advanced into the ranks of National carriers, acquires a B-737-2T4A and enters into a complete code-sharing agreement with **Alaska Airlines**. MarkAir is now the 12th largest private employer in Alaska and the state's largest in-state airline.

In February, the airline temporarily slashes its cargo fares, thereby causing a large drop in postal freight rates. The competition protests to the Department of Justice that Chairman Bergt's tactic is a textbook example of predatory pricing designed to eliminate competition.

In April, **Reeve Aleutian Airways** is one of five Alaskan air carriers subpoenaed by the DOJ to provide information in an investigation of possible antitrust violations in the airline industry. Together with **Peninsula Airways**, **Frontier Flying Service**, **Ryan Air Service**, and **Alaska Airlines**, Reeve is required to supply documents (dating back to January 1, 1984) to a May 9 grand jury session or forward them directly to Washington.

Although the airline subpoenas do not name a target, the May 6 issue of the *Anchorage Daily News* reports the subject is MarkAir. The presidents of both **Peninsula Airways** and **Frontier Flying Service** confirm to the newspaper that DOJ lawyers have quizzed them within the last year concerning possible antitrust activities by Bergt's carrier.

Largely as a result of its new arrangement with **Alaska Airlines**, passenger boardings jump 10.6% for MarkAir to 394,248. Freight declines 6% to 43.2 million pounds. Revenues total \$85.4 million, expenses are 71.66 million, and the operating profit is \$16.16 million. Net gain reaches \$2.68 million.

The number of workers climbs 20% in 1990 to 900, 3 DHC-6-300s join the fleet, and 2 DHC-8-102s are ordered. The B-737-2T2A and B-737-2T4A are leased to **Delta Air Lines**.

President Brumbaugh resigns in January; his post is taken over by Executive Vice President Michael F. Cerkovnik. Scheduled daily roundtrips commence in May between Anchorage and Kenai.

En route from Anchorage to Unalakleet on June 2 to pick up a crowd of herring fishermen, Flight 3087, a B-737-2X6C with four crew, crashes into the side of 1,230-ft. Blueberry Ridge, 4½ mi. short of its runway destination. The aircraft skids several hundred feet, losing one engine and its tail section. No one aboard is killed and two men are able to walk away with rescuers.

Later in the year, the St. Mary's, Alaska-based **Hermen's Air** is purchased; as a wholly owned subsidiary, **Hermen's MarkAir Express** begins providing feed with six leased Cessna 208 Caravan Is.

Four-times-a-day scheduled return service from Anchorage to Homer is started on October 30.

Customer bookings jump 10.9% to 438,000, but cargo continues its tailspin, falling 33.9% to 29.4 million FTKs. Revenues increase 18.19% to \$128.3 million and costs are up 21.71% to \$112.44 million. Consequently, operating income slips to \$15.85 million, but net gain doubles to \$7.86 million.

Airline employment declines by 16.7% in 1991 to 750 and the fleet now includes 7 B-737-200s, 2 DHC-8-102s, 2 DHC-7-103s, and 3 Hercules freighters. Orders are placed in January for 5 Beech 1900Ds. The DHC-6-300s are transferred to **Hermen's MarkAir Express**.

On February 6, **Frontier Flying Service** expands from Fairbanks to Anchorage with a new Beech 99 route via McGrath and Galena. As a result, the commuter enters into a fare war over the McGrath-Anchorage segment with the much larger MarkAir, charging a roundtrip tariff of \$280. MarkAir, in retaliation, immediately drops its \$326 roundtrip ticket price to \$190. A B-737-353 is now purchased from the assets of *Air Europe, Ltd.*, which had declared bankruptcy on March 8.

The relationship between MarkAir and **Alaska Airlines** begins to deteriorate in July. MarkAir Chairman Bergt is extremely displeased when the larger carrier seeks an increase in the percentage of its take from fares of **Alaska Airlines** passengers booking onto MarkAir. **Alaska Airlines** also rejects a plan to substitute smaller, more cost-efficient aircraft for some of the jets serving Kodiak. Bergt determines to unilaterally abrogate the 1985 pact, claiming that the other side does not want to continue the special relationship.

In October, Chairman Bergt informs his employees that he is planning an expansion that will put his aircraft deep within airspace previously dominated by **Alaska Airlines**. He is, however, willing to consider a last-minute possibility of selling his airline to the larger company. Thus he travels to Seattle for a meeting with Alaska President Vecchi. No arrangement can be achieved and in the weeks that follow, an intense fare war will begin between the companies.

The senior carrier cancels its code-sharing pact with MarkAir in November, while suing MarkAir for fraud and breaking its mileage agreement. Bergt files a \$150-million counter suit charging that Alaska has moved to squash the regional by illegally terminating its code-sharing and frequent flyer agreements.

These moves, together with recession and higher costs, lead to significant decline. Late in the season, an office and the maintenance hangar at Fairbanks are sold to the Alaska Industrial Development and Export Authority (AIDEA), and leased back.

On December 2, Chief Financial Officer Steve Hartung writes to William Scott, executive director of AIDEA, reporting that the company needs money, but also needs more workers for its hangar and office complex in Fairbanks. With the right planning and help, Hartung suggests, the Fairbanks complex can employ up to 150 Alaskans.

The fare war with **Alaska Airlines** in December approaches cutthroat intensity on routes from Anchorage to Nome and to Kotzebue. Normal \$400 fares are slashed in half. MarkAir also pushes into Southeast Alaska, where **Alaska Airlines** has long enjoyed monopoly jet service and U.S. government subsidies. In addition to deep discounts on published fares, Bergt's airline offers bargains on group travel and begins to court cruise operators that require one-way transportation between Juneau and Seattle. On December 30, daily return service is inaugurated between Ketchikan and Seattle.

Enplanements this year drop 12.1% to 386,000 and freight plunges 30.6% to 21.2 million FTKs. Revenues fall 5.95% to \$120.67 million and expenses increase 3.58% to \$116.47 million, lowering operating income to \$4.19 million. The net profit is cut in half, to \$3.08 million. The company's total assets are listed at \$158 million, with \$50 million in current liability and \$76 million in noncurrent liability.

Company employment grows 20% in 1992 to 900 even as its rock-bottom rates damage its ability to pay creditors. Still, on January 2, the Hartung-Scott correspondence of December, which has resulted in a whirlwind round of negotiations over 28 days, brings an agreement. Under its terms, the State of Alaska agrees to purchase the MarkAir hangars at Bethel, Unalakleet, and Fairbanks for \$5.8 million. MarkAir, in turn, promises to lease them back, paying AIDEA \$1 million per year for 15 years in rent and to hire 112 full-time employees.

The price war with **Alaska Airlines** takes a new direction in January. In previous years, both competitors had rejected attempts by the Alaskan state government to gain discounts. When the Department of Administration approaches the two airlines seeking discounts, **Alaska Airlines** rebuffs the approach. MarkAir, on the other hand, agrees to sell tickets at 27% below regular coach fares. The state purchases 100 Anchorage-Juneau tickets and makes plans to acquire additional tokens in bulk. **Alaska Airlines** files a protest pointing out that the acquisition was made outside the normal bidding process; the statehouse agrees that additional ticket purchases will follow bidding rules.

Also in January, service is inaugurated between Juneau and Seattle. On January 17, the company sells all three of its Lockheed L-100-30 cargo planes to **Southern Air Transport (SAT)**. Painted in SAT's black, white, and gray colors, two of the aircraft will be wet-leased back to help

MarkAir operate a \$5.6 USAF contract, received the same day, to ferry cargo and passengers from Elmendorf AFB to Galena, King Salmon, Atka, Shemya, and Amchitka.

MarkAir, which has planned on operating with less than \$10 million until anticipated summer bookings provide saving income, sets the routes and leases the first B-737-400, 2 Dash-46B, to be placed on the Anchorage-Seattle route. While maintaining its competition with **Alaska Airlines**, MarkAir now awaits the typical surge in summer reservations.

The Federal Deposit Insurance Corporation files suit during the second quarter to recover \$6.3 million in overdue loans and back interest.

The first two Beech 1900Ds enter service on April 1. On April 28, Porcaro Blankenship, the company's Anchorage advertising agency, advises certain suppliers that they will have to wait for payment, which comes on May 7. Public discussion of plans for a public offering, current since the previous fall, now end. Also during the month, a third and fourth Beech 1900D arrive.

Eagerly anticipating a large number of summer reservations, employees are surprised when, by the second week of May, they have not arrived. The third week passes, but still the business boost does not occur. On May 18, Ralph Brumbaugh is lured out of retirement to reassume the president's chair, freeing Chairman Bergt from certain of the problems of day-to-day management.

Toward the end of May, MarkAir is required to lay off 120 workers. It also informs flight attendants-in-training that they must now look elsewhere for employment. Chairman Bergt warns that more layoffs may come, along with pay cuts, if the picture does not improve quickly. The new route between Juneau and Seattle is also sacrificed on May 20 and Juneau is left holding the bag for \$134,000 in airport lease fees. Simultaneously, service is halted to Sitka and Ketchikan.

The carrier disengages from its toe-to-toe competition with **Alaskan Airlines** when it is forced to file for Chapter XI bankruptcy on June 11. The carrier's creditors allow it to keep flying while it is reorganized and in a fund-raising event, it announces a Permanent Fund dividend special: four roundtrip fares for \$915. At month's end, the fifth Beech 1900D is delivered.

Over the next 60 days, aircraft leases are all renegotiated in a touch-and-go process. For example, on August 5, MarkAir is given until the close of business to wire \$214,000 to Beech Acceptance Corp. of Wichita, Kansas. The payment will allow the carrier to retain the five Beech 1900s for a week until leases can be renegotiated permanently.

Passenger boardings increase 49.7% to 578,000 and freight inches upward 0.4% to 21.24 million FTKs. Although \$18 million in revenues are obtained, the airline, while in bankruptcy, is relieved of its need to report specific financial statistics.

The payroll is increased another 31.2% in **1993** to 1,181; however, plans to emerge from Chapter XI are stalled. Flights to Denver and Phoenix end on January 10.

Still, MarkAir expands aggressively, completing plans instituted the previous year. A code-sharing agreement is signed with Gary, Indiana-based **Direct Air** in March for the operation of MarkAir-Direct feeder flights from Chicago (MDW). Chief Financial Officer Don King resigns in April to become vice president at **Yute Air Alaska**.

A hub is established at Denver and routes are inaugurated to nine communities in Indiana, Illinois, and Pennsylvania in the spring, reaching a yearend total of 15 "lower 48" destinations as far east as New York City.

Meanwhile in July, the Anchorage-based carrier is able to emerge from Chapter XI bankruptcy protection. The success is made possible through a reorganization under which unsecured creditors receive debentures covering 100% of the \$15-million debt owed, plus interest. Creditors may wait 3-5 years to receive payment or may exchange their debentures good for MarkAir flights or resale to third parties.

In September, a Flex Fare pricing system is introduced, allowing passengers savings of up to 70% on their tickets. On September 7, deep

discount roundtrips are inaugurated from Denver to Los Angeles, Washington, San Francisco, and Dallas (DFW).

All of this activity leads to a dramatic 95.7% increase in customer bookings to 1,125,000. Cargo, on the other hand, falls 36.6% to 13.94 million FTKs. Financial results are provided and show revenues earned of \$153.25 million. Expenses are \$152.76 million and allow an operating profit of \$496,528. There is, however, a net loss of \$18.18 million.

Airline employment is reduced by 32.3% in **1994** to 800. Destinations now visited include Anchorage, Seattle, San Francisco, Los Angeles, San Diego, Las Vegas, Denver, Phoenix, Kansas City, Minneapolis (MSP), Dallas (DFW), Kansas City, Chicago, Cincinnati, Atlanta, Washington, D.C., and New York.

Daily return service is inaugurated on February 17 from Seattle to Juneau and to Anchorage. Paul Bowers, the Juneau Airport manager, reminds the carrier that it still owes \$134,000 in airport lease fees from 1992.

The carrier is the 14th largest employer in the state, but it remains nearly \$1 million behind in loan and rent payments to AIDEA. An application, which will initially be rejected, is filed for the relocation of company headquarters to Denver's new international airport.

In December, the pay of most employees is cut by 10%.

The fleet by late December includes 3 each B-737-4S3s and B-737-4Y0s, 2 each B-737-317s, B-737-3M8s, B-737-2X6ACs, B-737-2T4ACs, and 1 each B-737-3S3, B-737-2T2A, B-737-2T4A, and B-737-25A.

Passenger boardings for the year skyrocket 86.2% to 2,095,000, while freight declines 35.2% to 9.04 million FTKs. Revenues increase 43.5% to \$220 million and expenses are \$216.58 million. As a result, pretax profit shoots up to \$3.41 million.

Early in **1995**, in an effort to increase its presence in the "lower 48," the company relocates its operations to Denver, while retaining its Anchorage headquarters.

The carrier also petitions the State of Alaska for a \$40-million loan guarantee with which to rescue the airline. In his appeal, Chairman Bergt cites a report from the Institute of Social and Economic Research at the University of Alaska that finds that MarkAir supports 2,200 Alaska jobs beyond its own. The report also estimates that Alaska travelers have an extra \$75 million in purchasing power annually because of the airline's low fares. Before negotiations begin, it is agreed that MarkAir will keep its headquarters in Anchorage during the time of any loan guarantee, plus one extra year.

A blue ribbon commission is appointed by AIDEA on February 1 to review the MarkAir request. It reports its findings on March 14 on its examination of a proposal from the company for a \$40-million loan guarantee to help the airline refinance. The unanimous panel vote is that the state should not assist MarkAir because the request is too risky and because state intervention on behalf of a private company is inappropriate and unfair to other competitors. It also recommends that if MarkAir can find another party to share the risks, increase its collateral, and show continuing revenues supporting its business, AIDEA could legally and morally reconsider the loan guarantee.

On March 16, the full board of directors of the AIDEA denies the loan request. As a result, the company announces that it must downsize and will, as a beginning, lay off up to 300 workers and raise fares on some Alaska routes. The workers, including pilots who survive the firings, will be subjected to 15% pay cuts. Chairman Bergt makes a last minute appeal to Governor Tony Knowles, but the governor stands by his agency's decision.

On March 30, flights originating from Alaska will be dropped to Los Angeles, San Diego, and Oakland. On April 1, unprofitable routes to Cincinnati and Baltimore are abandoned; however, daily service is inaugurated from Denver to Houston. The same day, the San Francisco terminus of the daily roundtrip to Anchorage is switched to Oakland.

Service from Seattle to Los Angeles is suspended on April 10, while plans to halt flights to Juneau on April 15 are moved up and they are also cut on April 10.

The company now owes more than \$1 million in rent payments at Denver and the U.S. Internal Revenue Service bids to liquidate the

firm's assets for unpaid taxes. These and other financial woes force MarkAir to refile for Chapter XI in April.

On July 30, FAA inspectors find maintenance discrepancies in two of the Denver-based carrier's six aircraft. As a result, MarkAir cancels a dozen flights with those planes until repairs can be made. Hundreds of passengers must scramble to find other flights.

To make matters worse, another aircraft, on a Seattle to Chicago flight via Denver, is forced to return to Seattle after it becomes the target of a bomb threat. The service eventually arrives in Denver.

After Boeing repossesses two jetliners on October 24, the company is unable to continue regular operations and converts from its present Chapter XI status to Chapter VII and is liquidated following its last flight on November 18. The company's final traffic figures are released and show that, through mid-October, enplanements are off 52.7% to 990,000. Former **USAir Shuttle** CEO Terry Hallcom makes an attempt to rescue the company, but fails by year's end.

The 1991 countersuit against **Alaska Airlines**, however, lives on. On July 22, 1998, four days before trial in the \$150-million claim is set to begin, the major announces a \$19-million settlement with MarkAir's bankruptcy trustee. Former Chairman Bergt calls the arrangement a "bittersweet victory."

MARKAIR EXPRESS: United States (1990–1995). St. Mary's, Alaska-based **Hermen's Air** is purchased by **MarkAir** in 1990. Although Stanley Hermen remains as president, the now wholly owned subsidiary is reconfigured into the national carrier's feeder, **Hermen's MarkAir Express**. A variety of support and aircraft will be transferred from MarkAir to its new associate.

En route from Cold Bay to False Pass to pick up passengers on December 21, a Cessna 208 Caravan I slams into the 200-ft. level of a mountain near Hot Springs Bay; the pilot is killed.

Second largest of the Alaskan Section 401 airlines, MarkAir Express in 1991 operates a fleet of 48 aircraft: 29 Cessna 207As, 12 Cessna 208 Caravan Is, 4 de Havilland Canada DHC-6-300 Twin Otters, 2 Cessna 185s, and 1 DHC-5.

A DHC-6-300 fails its takeoff from Chevak on October 26; there are no fatalities.

In mid-December, a sugar-like substance is found in the oil of two Twin Otters. Samples are sent to Exxon, the fluid's manufacturer, and the FBI investigates possible sabotage.

On the evening of December 22, a Cessna 207A is reported overdue on a flight from McGrath to Nikolai, about 50 mi. E of McGrath in the Kushkokwim River valley. The next morning, Air National Guard and Civil Air Patrol aircraft locate the wreckage on a snowy slope of Halfway Mountain, 20 mi. NE of McGrath. Searchers recover the pilot's body and key cargo.

A total of 199,155 passengers are flown during the first year along with 11,109,000 pounds of mail.

The fleet is increased to 56 aircraft in 1992. One of two newly acquired Cessna 207As depart Old Harbor for Kodiak on the afternoon of April 25, but one crashes in a riverbed east of the takeoff point minutes later. Low clouds, which may have contributed to the accident, prevent the second plane from spotting the wreckage. Tracking a locator signal to the crash site, a USCG helicopter rescues the injured pilot three hours later.

While en route from Dillingham to Koliganek with a mail cargo on July 20, the second new Cessna 207A, piloted by Edward Goodman, slams into the Muklung Hills six miles from the takeoff point. Reported overdue at Koliganek, a USCG helicopter picks up a signal from the wrecked plane's emergency locating device and flies to Goodman's rescue.

Passenger boardings for the year climb 30.4% to 259,663.

The fleet in 1993 includes 7 leased Beech 1900Cs, 5 Cessna 208 Caravan Is, 3 owned and 2 leased de Havilland Canada DHC-6-300s, 1 DHC-7-101, 1 chartered DHC-7-103, and several small Cessnas. Customer bookings slip 1.5% to 255,829.

An eighth Beech 1900C is acquired in 1994 and passenger boardings recover, jumping upward by 7.2% to 274,225.

When MarkAir moves to Denver early in 1995, it leaves its subsidiary behind, serving some 70 villages in the bush.

A bizarre incident occurs at Bethel on August 3 when a Cessna 172 plane leaves without its pilot during a preflight check. Having manually spun the propeller as part of routine testing, the unidentified pilot is shocked when the engine catches and the plane starts to move. The aircraft taxis across the ramp, through the weeds and plows into some bushes on the tundra 500 feet away, belly-up. No other passengers or cargo are aboard the aircraft.

Unable to achieve altitude after liftoff from a remote strip at Toksook Bay on November 3, a Cessna 207 with a pilot and six passengers, collides with rising terrain 1/4 mi. N of the runway; although no injuries are reported, the aircraft is badly damaged.

By late November, MarkAir Express is forced into Chapter XI bankruptcy; operations are suspended and the regional files for Chapter VII liquidation. During the first 11 months, 238,737 passengers have been flown (a 13% decline) and 3.31 million FTKs operated.

MAROOMBA AIRLINES (PTY.), LTD.: Fauntleroy Ave., Perth Domestic Airport, Perth, Western Australia, Australia; Phone 9478 3850; Fax 9479 7689; <http://www.capeweb.com.au/maroomba>; Code KN; Year Founded 1998. Tiny Maroomba Airlines is established at Perth in 1998 to offer seasonal roundtrip charters for Roscoe's Charters to Busselton and the Margaret River wine region. Flights begin and continue with a single Beech Super King Air 200.

MARQUETTE AIRLINES: United States (1938–1941). Briefly named **Midwest Airlines**, Marquette is established at St. Louis in the spring of 1938 to offer scheduled passenger and mail flights over the 564 miles to Detroit via Cincinnati, Dayton, and Toledo. It is the only airline started in the U.S. during the year. Employing four Stinson Model A Tri-Motors obtained from **American Airlines**, the carrier inaugurates revenue services on April 20. Once per day, each way flights are made Wednesdays through Saturdays.

Successful in the backyard of **Transcontinental and Western Air Lines (TWA)**, the smaller company is bought out by the larger on August 15, 1940. As the CAB does not immediately sanction the \$350,000 purchase, TWA leases its new acquisition's routes until government approval is received in April 1941. Amalgamation is completed on December 5.

MARSHALL'S AIR: United States (1979–1982). Alfred Marshall organizes this carrier at St. Thomas, U.S. Virgin Islands, in 1979 to offer tourist charter and cargo flights to Puerto Rico, the Windward Islands, and the Leeward Islands. Scheduled passenger flights are also initiated, linking the company base with Tortola, Anegada, and Virgin Gorda. Operations are flown with a pair of Britten-Norman BN-2 Islanders and a Beech B-58 Baron.

Unable to weather the recession, the company stops flying in 1982.

MARTINAIR HOLLAND, N.V.: Martinair Building, P.O. Box 7507, Schiphol Airport, Amsterdam, NL-1118 ZG, The Netherlands; Phone 31 (20) 601-1222; Fax 31 (20) 601-1303; <http://www.travelx.com/martinairholland.html>; Code MA; Year Founded 1958. With a leased de Havilland DH 104 Dove, Martin Schroeder forms **Martin's Air Charter (Martin's Luchtvervoermaatschappij, N.V.)** on May 22, 1958 to offer sight-seeing trips over Amsterdam and the surrounding bulb-growing areas. Flight operations begin on May 24. Employing a Vickers Viking leased from the British company Overseas Aviation, MAC begins flying bulbs to Berlin in 1959.

In April 1960, the 362nd Amsterdam-area charter flight is recorded. Douglas DC-3s are acquired in March and July and Amsterdam-Jersey and Mallorca inclusive tours are flown for the tour operator Centouri. The leased DH 104 is replaced by a purchased unit and the first transport of annuals, to Yugoslavia, is made on December 29.

During the winter off-season of **1961**, night cargo flights are undertaken for **KLM (Royal Dutch Airlines, N.V.)**. A head office is opened at Schiphol Airport on March 3. During the summer, a DC-3 flies Tibetan refugees from Kathmandu to Zurich. The newly founded Maastricht-based charter carrier **Limberg Airways, B.V.** is purchased and merged, together with its DH-104 and two DH-114 Herons. The first DC-4 is delivered on June 12, **1962**.

During the winter of **1962–1963**, a DH-114 and two DC-3s fly relief to Ameland Isle. Repainted in **Deutsche Lufthansa, A.G.** livery, a DH-114 and a DC-3 are contracted to fly passengers Frankfurt–Stuttgart while the airport at Stuttgart is under construction. A lease is signed with **Swissair, A.G.** and **SAS (Scandinavian Airlines System)** to fly their replacement jet engines. In October, the Holland-America Line, the Royal Rotterdam-Lloyd steamship line, and the Shipping & Coal Co. each take 12.2% interest in the airline.

A Convair CV-340 and a Douglas DC-7C Seven Seas are purchased from KLM in **1964**, entering charter operations on January 10 and February 27, respectively. A second DC-7C arrives in October and enters service in November, the same month the Dutch flag carrier acquires 25% of MAC. The fourth DC-3 and DC-7C are delivered in May **1965** as Seven Seas charter flights begin to the West Indies. Employment reaches 300.

Another DC-7C is acquired on February 23, **1966**. On March 24, an MAC Seven Seas becomes the first charter carrier airliner to fly the polar route to Tokyo. Re-engined as a Dash-640, the company's Convair begins a European demonstration flight on behalf of the manufacturer on April 15, reentering charter service on April 23. Two DH-104s are sold during the year and a DC-6A is acquired in the fall, during which time the airline is renamed Martinair Holland and orders its first DC-9-32 jetliner.

Another CV-640 is acquired on February 6, **1967** and the first three DC-3s are retired. The first DC-8-55 is purchased from KLM on November 15. In December, traffic rights to the U.S. are granted.

A Lockheed L-188 Electra leased from KLM is delivered on April 1, **1968**; the DC-9-32 ordered in 1966 is delivered on July 23, allowing return of the L-188. A DC-3 and a DC-7C are sold in October and during the fall, DC-7Cs and DC-6s fly famine relief operations in Biafra. A DC-8-55F enters service in November and two more DC-9-32s arrive in February and April, **1969**, respectively. A DC-7C is sold in September and a Fokker F28 is leased the same month. The third DC-8-55 is delivered in October.

Relief flights to Biafra continue in **1970** as the last DC-3 is sold in the fall. A DC-9-32 and an F28 are delivered in February and March **1971**, respectively. The DC-6A is sold in June and when the last CV-640 is sold in September, Martinair becomes an all-jet airline. The company then adopts a new livery and colors. Two DC-9-32s begin flying Hadj pilgrims from Borneo–Saudi Arabia.

A DC-10-30CF is ordered in February **1972** and Martinair becomes a KSSU Group subcontractor. A new color scheme is introduced when a DC-8-55F begins weekly cargo flights to Hong Kong on September 15, **1973**; a DC-9-32 is sold in October. The first DC-10-30CF is delivered on November 19, beginning charter service to Indonesia in December. Also in December, Martinair Holland is incorporated as a holding company, spreading its activities in future years into diversified interests.

On December 4, **1974**, a DC-8-55F is en route on a chartered Hadj flight from Surabaya, Indonesia, to Mecca via Katunayake. Carrying 9 crew and 155 passengers, including 183 Moslem pilgrims, the aircraft crashes into the densely wooded central highlands of Sri Lanka during a landing approach to Banaranaike International Airport, coming to rest on Laxabana Hill; there are no survivors.

In September and October **1975**, the carrier contracts to evacuate 11,000 Portuguese from Angola.

A second DC-10-30CF is delivered on January 5, **1976**. In December, 88 pedigree cows are flown Prestwick, Scotland–New Zealand, the longest air transport of cattle in history. The third DC-10-30CF arrives on December 23, for which a DC-8-55F is returned to McDonnell Douglas as a trade-in.

A second F28 is acquired and another DC-10-30CF is ordered in May **1977**. In November, a DC-10-30CF flies relief missions from Singapore–Phnom Penh, Cambodia.

In the wake of U.S. deregulation, North Atlantic charters are suspended in **1978**. Two DC-10-30CFs are leased and late in the year the company's fourth DC-10-30CF is delivered. In April and May, the Phnom Penh relief flights are continued.

President Schroeder oversees a workforce of 850 and enplanements for the year total 738,480.

All Dutch DC-10s are briefly grounded following the **1979 American Airlines** Chicago crash. On June 19, the carrier's PH-MBT becomes the first Douglas wide-body in the world to restart flights. During the summer, three Airbus Industrie A310s are ordered. By year's end, the workforce has been increased by 2.2% to 990.

Passenger boardings pass the million-mark for the first time, up 32% to 1,086,000. A \$6.3-million net profit is posted.

The workforce is reduced by 1% in **1980** to 950. An F28 is sold to Ansett Transport Industries.

Freight traffic for the year skyrockets 188.5% to 251 million FTKs, but passenger boardings fall 27.4% to 788,659. Total revenues are \$152 million; however, expenses rise 7.4% to \$144 million, cutting the profit to \$3.3 million.

A DC-9-80 leased from **Inex Adria** is delivered in November **1981**; in December, a DC-9-32 is sold back to McDonnell Douglas.

Freight drops 10.4% on the year to 225 million FTKs and passenger bookings dip 0.2% to 789,571. Revenues grow to \$147 million and the net profit soars to \$4.9 million, a 71.5% increase.

As the effects of the world economic recession hit home, freight traffic remains level in **1982**, but enplanements decline to 789,571.

The employee population numbers 865 in **1983**. Taipei–Amsterdam weekly charter flights commence in January. The **Inex Adria** Dash-80 is returned following receipt on February 18 of the carrier's first purchased DC-9-82 (McDonnell Douglas MD-82), which enters service on February 19.

A total of 621,000 passengers are carried, a dip of 18%; however, freight traffic jumps a significant 46% to 378.88 million FTKs.

A second MD-82 arrives in **1984**, along with two A310-200s. Beginning on December 1, the latter operate long-haul charter flights from Amsterdam to Bangkok via Keflavik.

Enplanements climb to 736,229. A net profit of \$5.15 million is recorded on top of an operating gain of \$10 million.

Employment jumps 16.2% in **1985** to 1,040 as a Boeing B-747-21AC is ordered for 1987 delivery. Late in the year, A310-200 charters are introduced to New York and Toronto.

Passenger boardings rise 13.7% to 853,104 and cargo climbs 13.4% to 500 million FTKs. Total revenues earned are up 16.1% to \$195 million, operating income is \$18 million, and the net profit is \$9 million.

Service begins to four southern European destinations and Philadelphia in **1986**. In June, a second B-747-21AC is ordered and as bookings plunge in the face of terrorism and the Chernobyl disaster, the carrier attempts to win bookings by the expensive process of joining all five U.S. airline passenger reservations systems.

Enplanements, however, dip to 824,000 and revenues are \$287 million. Still, there are profits: \$26 million (operating) and \$18.7 million (net).

Airline employment grows by 4.9% in **1987** to 1,185 as the fleet modernization program is pushed ahead. The first B-747-21AC is delivered on February 23 and christened *Prins van Oranje*, as orders are placed for two B-767-300ERs. On March 1, the Jumbojet inaugurates a series of cargo flights from Amsterdam to Hong Kong via Dubai and Muscat.

In June, the combi begins flying charters to the U.S. and Canada while in November, the aircraft introduces weekly all-cargo service from Amsterdam to Sydney, Australia.

Passenger boardings recover, climbing 22.6% to 1,065,000 and freight is up 8.5% to 676 million FTKs. Revenues advance 5.2% to

\$301.9 million and costs are held low enough to allow profits of \$27 million (operating) and \$18.2 million (net), down 2.7% from 1986.

The workforce is increased by 7.2% in **1988** to 1,270 and weekly DC-10-30CF all-cargo services from Holland to Sydney, Australia, begin in January. The second B-747-21AC arrives in September and in November it is substituted for the DC-10-30CF on the weekly Amsterdam-Seattle run.

In December, year-round transatlantic service is initiated, with the twice-weekly summer seasonal Amsterdam-Miami route flown during the winter as well.

Customer bookings increase another 11.1% to 1,183,000; however, cargo dips 0.9% to 670 million FTKs. Revenues rise 7.6% to \$295.8 million and operating income reaches \$28.7 million. Net gain doubles to \$33.5 million, but includes a \$10.5-million income from the sale of a DC-10-30CF.

Company employment is boosted another 11.4% in **1989** to 1,415 as the first of six B-767-31AERs enters service. Routes are initiated to Santo Domingo and Tampa and new Star Class service is introduced for business travelers. In April, the U.S. West Coast terminus for the company's Amsterdam service is transferred from San Francisco to Oakland. For four months, a B-747-21AC is leased to **Qantas Airways (Pty.), Ltd.** while its own Jumbos are down for maintenance.

In June, two company pilots purchase 1 of the 12 remaining North American Yale World War II trainers; it is loaded aboard a Martinair B-747-21AC at Seattle and flown to Amsterdam's Schiphol Airport.

A joint fare agreement is signed with **Balair Air Charter, A.G.** in July that allows travel between New York, Amsterdam, and Basel for one \$509 roundtrip fare. Simultaneously, the carrier introduces \$698 one-week, inclusive-tour packages at Amsterdam, including roundtrip airfares from New York or Newark. The **Balair Air Charter, A.G.** joint fare declines to \$484 in September and on October 2, Star Class service is introduced aboard the Jumbos and DC-10s on the North American routes as business-class accommodation without business-class prices.

The subsidiary Martinair Catering Services occupies a new catering facility and later in October, a joint pool agreement for maintenance, flight, technical training, and assistance for the new B-767-31AERs is signed with **SAS (Scandinavian Airlines System)**. Also during the month, the airline becomes the only carrier to offer nonstop cargo service, once per week, between Puerto Plata in the Dominican Republic and Amsterdam. The number of Miami-Amsterdam nonstops is increased from two to three on November 2 and the first B-767-31AER arrives later in the month.

Passenger boardings climb 9.8% to 1,299,000, but freight is down by 10.2% to 601.41 million FTKs. Revenues ascend 13.9% to \$351.7 million, but costs rise more quickly. As a result, the operating profit falls to \$31.7 million and net gain slips to \$22.5 million.

The payroll is increased 13.4% to 1,605 in **1990**. A second B-767-31AER joins the fleet and on November 1 weekly service is opened from Amsterdam to the Dominican Republic city of Punta Cana. The next day, November 2, new frequencies are inaugurated twice weekly from Amsterdam to Cancún and to Colombo, Sri Lanka. Twice-weekly flights are started on November 4 from Amsterdam to the Thai cities of Phuket and Bangkok.

Later in the month, frequencies are increased between Miami and Tampa and Puerto Plata. Customer bookings slide upward a weak 1.8% to 1,322,300. Cargo is boosted 22.1% to 734.3 million FTKs. Revenues rise 11.3% to \$406.5 million, but costs accelerate, forcing the operating profit down to \$24 million and net gain to \$21.2 million.

The workforce grows another 9.7% in **1991** to 1,760. Early in the year, the two A310-200s and an MD-82 are withdrawn as three more B-767-31AERs begin to arrive.

In the spring, service is inaugurated to Montego Bay, Cuba, and Santo Domingo. In April, direct flights begin from Amsterdam to Oakland, California, and frequencies on the B-747-228F route from Los Angeles and Seattle is increased to twice weekly.

During July, the company begins B-767-31AER weekly roundtrips from Amsterdam to Fort Lauderdale, becoming the only airline to provide nonstop service to that destination from Europe.

The carrier's first scheduled flights are initiated in August from Amsterdam to Palma de Mallorca. In October, nonstop B-767-31AER flights are started from Amsterdam to Fort Lauderdale and a weekly B-747-21AC frequency is stretched to Detroit and Los Angeles. In late fall, Mexican resort communities join the company's charter network and a B-747-228F is leased.

Passenger boardings ascend 5% to 1,388,400 while freight climbs 15% to 841.4 million FTKs. Revenues swell 19.2% to \$479 million and the net profit jumps to \$37.7 million.

The employee population declines in **1992**, falling 19.6% to 1,415. The fleet now includes 1 leased A310-203C, 2 leased B-747-21ACs, 1 chartered B-747-228F, 4 owned and 1 leased B-767-31AERs, 1 each Cessna 550 Citation II, Cessna 650 Citation III, and Dornier 228-212 (operated for the Dutch Coast Guard), 2 chartered DC-10-30CFs, and 1 F28-1000 flown on behalf of the government.

Bogota, and its abundance of cut flowers, becomes a cargo destination during the fall and is flown under a marketing agreement with **AVIANCA Colombian Airlines (Aerovías Nacionales de Colombia, S.A.)**.

During December, a comprehensive expansion of the U.S. West Coast cargo operation is undertaken. A new midweek service from San Francisco is started which, in turn, provides a second weekly Seattle departure timed to coincide with the carrier's Seattle sea-air clients.

On December 21, Flight 494, a DC-10-30CF with 13 crew and 327 passengers en route from Amsterdam, crashes while landing at Faro, Portugal (56 dead).

Customer bookings increase 23% to 1,703,900 while cargo booms upward by 37% to 1.15 million FTKs. The net profit is \$53.9 million on revenues of \$534.7 million.

Founder/Chairman Schroeder oversees a workforce of 2,025 in **1993**, up 15.1% over the previous year, and orders 4 McDonnell Douglas MD-11CFs. In addition to air taxi, executive, and international all-cargo flights, the company now also flies scheduled to Denver, Fort Lauderdale, Miami, New York, Newark, Los Angeles, Oakland, Seattle, Tampa, Edmonton, Toronto, Vancouver, Puerto Plata, Punta Cana, Santo Domingo, Cancún, Montego Bay, Holguin and Varadero, Bangkok, Phuket, and Portlamar.

In September, the carrier receives rights to operate scheduled services to the U.S. In cooperation with **LanChile Airlines, S.A.**, flights begin to Santiago during late fall. Amsterdam-Denver roundtrip charters commence in November. During the same month, Skycoach luxury bus service is introduced from the German cities of Hamburg and Cologne to Amsterdam's Schiphol Airport.

Unrest in Turkey has an impact on enplanements and cause passenger boardings to decline 7% to 1,586,100; freight, however, rises 2% to 1.17 billion FTKs. Revenues fall 8.5% to \$523.1 million, but a \$44.6-million net profit is still generated atop an operating gain of \$28.6 million.

Airline employment is increased by 4.4% in **1994** to 2,145 and the fleet is enhanced by the delivery of the first of five ordered MD-11s. New services are introduced during the spring and summer to Edmonton, Barcelona, Venezuela, and Bridgetown in the Barbados, and by late fall Martinair, with service to Amsterdam from Miami, Tampa, and Fort Lauderdale, actually flies to Europe from more Florida cities than any other carrier. A DC-10-30CF is sold to the Royal Netherlands Air Force (RNAF) in September.

Beginning October 24, Martinair and **KLM (Royal Dutch Airlines, N.V.)** turn KLM's previous thrice-weekly Amsterdam-Orlando route into a joint-venture employing Martinair B-767-31AERs four times a week. Both airlines will market the service in the U.S. and Europe and launch the service with a promotion that allows 36 people to fly free.

During December, plans are made to accept three more MD-11s and inaugurate flights to Freeport during the following spring.

On the year, customer bookings recover and ascend by 15.5% to 1,832,300. Cargo, meanwhile, plunges 14.7% to 1 billion FTKs. Rev-

enues increase 1.4% to \$576 million and the operating profit climbs to \$43.2 million and a net receipt of \$31.2 million is recorded.

The workforce grows by 4.3% in 1995 to 2,290. In January, the carrier receives the Market Development Award from *Air Transport World* magazine. A fleet development program is nearly completed as the carrier trades in its final A310 and three DC-10-30CFs for four MD-11CFs and one B-767-31AER. Routes are stretched to Puerto Vallarta, Grenada, and Banjul while cargo services to Central and South America, plus Africa, are enhanced. To assist with these frequencies, the DC-10-30CF sold to the RCAF the previous fall is leased back.

Enplanements increase by 4.5% to 1,915,000 while freight traffic rebounds, growing 26.8% to 1.27 billion FTKs. Revenues jump 11.4% to \$695 million and expenses swell 13.3% to \$657.5 million. Profits drop slightly, with operating gain down to \$37.5 million and net profit down to \$28.1 million. Both figures are later adjusted downward to \$34.5 million and \$25.8 million, respectively.

Airline employment is increased by 3.1% in 1996 to 2,360 and an MD-11F joins the fleet. In January, the company receives the 1995 "Market Development Award" from *Air Transport World* magazine.

Weekly all-cargo MD-11F service is inaugurated on May 1 between Amsterdam and Boston.

On May 28, Flight 631, a B-767-31AER piloted by Capt. Tjakko Weber en route from Amsterdam to Orlando with 205 passengers, suffers widespread electrical problems that blacks out the cockpit's electronic displays and forces a no-flaps emergency landing at Boston. Although several tires are blown during the landing, no injuries are reported. Capt. Weber and his crew ferry the aircraft to Boeing at Seattle on June 2 for repairs.

Passenger flights to San Juan begin and a cargo route is started to Johannesburg. While **Virgin Atlantic Airways, Ltd.** employs a B-747-4Q8 to open a new London-Johannesburg route in September, capacity on the Jumbojet's previous London-Orlando service is replaced by the wet-lease of a Martinair B-767-31AER.

As the result of a block-space, code-sharing agreement signed with **China Southern Airlines Company, Ltd.** in April, a Martinair B-747-21AC inaugurates twice-weekly roundtrips on October 1 between Amsterdam and Guangzhou. Under the agreement, CSA will transport incoming Martinair freight to other Chinese destinations.

During November, a 40% stake is taken in the Colombia airline **TAMPA (Transportes Aereos Mercantiles Panamericanos, S.A.)** as well as a 10% interest in Martin Aviation Group, the Miami-based cargo sales and service representatives for Central and South America. In cooperation with **VARIG Brazilian Airlines (Viacao Area de Rio-Grandense, S.A.)**, a second weekly MD-11 freighter service is also launched from Amsterdam to São Paulo.

Passenger boardings inch up 1.4% to 1,942,600 and 1.52 million FTKs are operated, a 19.1% increase. Operating income moves ahead by 8.5% to \$692.7 million, while expenses rise 13.5% to \$685.3 million. Operating income plunges to \$7.4 million and a net gain of \$2.44 million is posted.

The employee population climbs 8.5% in 1997 to 2,560. In January, a freight route is also inaugurated to Guangzhou in cooperation with **China Southern Airlines Company, Ltd.** During the summer, twice-weekly services are launched to Calgary and Edmonton in Canada. The **Virgin Atlantic Airways, Ltd.** wet-lease ends in April.

Customer bookings ascend to 1,945,000 while freight accelerates 17% to 1.78 billion FTKs. Operating revenue is up 17.4% to \$715.34 million and expenses are \$666.12 million. The operating profit is \$60.63 million, while a huge \$17.66 million net gain is celebrated.

At the beginning of the fortieth anniversary year of 1998, Martinair is the 20th largest airline in the world in terms of freight carried.

Back-dated to January 1, the 50% Royal Nedlloyd, N.V. stake in Martinair is officially purchased by KLM for \$168 million on February 5. Martinair is allowed to retain its independent identity and to celebrate its fortieth anniversary. An application is filed with the European Commission for a blessing of the union.

In April, it is announced that founder Schroeder will be succeeded upon his December 1 retirement by Aart van Bochove, ATC chairman for The Netherlands.

Significant expansion of freighter services to the western U.S. occurs in the fall. Twice-weekly B-747F service to Los Angeles begins on September 1.

Some 35 min. into a service from Calgary to Amsterdam on September 14, Flight 815, a B-767-31AER with 10 crew and 275 passengers, encounters engine problems. The aircraft returns to its point of origin and makes an uneventful landing; no injuries are reported.

On September 16, the upgraded Atlanta hub receives a boost as its all-cargo weekly services are increased from three to seven. Five flights are operated directly to Amsterdam, while two go south to Mexico City and Quito. Using a combination of MD-11Fs and B-747Fs, all-cargo service to Seattle is increased at the end of the month from one flight per week to three.

A three-tiered comprehensive expansion of the carrier's Latin American cargo program is launched on October 21. It is anticipated that by the end of the first quarter of 1999, the plan will lead to an increase of both routes and capacity in the region by 80%.

The first tier is kicked off when Martinair inaugurates new twice-weekly service from Miami to Buenos Aires; flights over this route will be increased to five per week. Simultaneously, twice-weekly return flights are started from Miami to Lima. Flights from Quito and Guayaquil increase from thrice weekly to five times a week, making Martinair the largest air cargo carrier operating from Ecuador.

A B-747-21AC is employed to inaugurate new weekly freight service on October 25 from Amsterdam to Denver. At the same time, all-cargo service is started to Houston (IAH).

Twice-weekly B-767-31AER return service is inaugurated on November 1 from Miami to San Jose, Costa Rica.

The second and third tiers of the company's southward expansion are initiated on November 24. Martinair itself launches weekly roundtrips from Miami to Guadalajara, while return flights from Miami to San Juan are boosted to five per week.

The activities of **TAMPA (Transportes Aereos Mercantiles Panamericanos, S.A.)**, for some time an integral part of Martinair's Latin American strategy, are now shifted into the third tier of expansion. Acquiring a DC-10-30CF on lease, the Colombian airline initiates five-times-a-week all-cargo flights linking Miami (MIA) with Bogota, Medellin, and Caracas.

Passenger boardings this year accelerate 6% to 2.06 million, while cargo traffic climbs 2% to 1.81 billion FTKs. Revenues climb 5.9% to \$811.14 million, while costs jump 14% to \$804.2 million. Operating profit climbs to \$69.64 million and a net \$28.03-million profit is reported.

By the beginning of 1999, airline employment has been increased by 12.9% to 2,880.

On January 16, Martinair inaugurates weekly roundtrip B-747F *Emerald Service* from Seattle to Shannon, Ireland, with continuation to Amsterdam. The flights are the first cargo service to Ireland from the U.S. for the Dutch carrier.

The European Commission, fearful of cargo dominance on routes from Amsterdam to North America and the Mediterranean, announces on February 1 that it will undertake an in-depth review of the Martinair merger with KLM.

Two days later, on February 3, it is announced that Martinair will begin twice-weekly B-767-31AER roundtrips between Miami and San Jose, Costa Rica, on November 1.

With the opening of the summer schedule at the end of March, new weekly B-767-31AER return flights are started from Amsterdam to Sri Lanka and the Maldives.

The EU Commission begins to negotiate with KLM, demanding substantial changes in the details of the Martinair acquisition. Particular attention is paid to the areas of cargo transport and the company's increased strength in southern Europe. Still, no one expects the marriage

to fail; indeed, on May 12, Royal Nedlloyd, N.V. announces that it will make certain acquisitions that will be covered by the as-yet-unpaid proceeds from the sale.

On May 25, KLM, in anticipation of a negative decision from the EU on its plan to take full control of Martinair, voluntarily withdraws its application to prevent the media attention that will be generated by a negative finding and to review its options in the case. The decision, fully discussed with Royal Nedlloyd, N.V. and Martinair, comes about as the result of a stalemate between KLM and the commission concerning the details of the merger.

The Financial Times reports on May 27 that Royal Nedlloyd, N.V., disappointed by the EU's pending negative vote and unconvinced that KLM has any options in the matter, has already begun the search for new investors in Martinair. Analysts do not believe their location will be a problem.

Under terms of a new contract with Flowerwings Kenya, Ltd. announced on September 21, Martinair dedicates one-half of the capacity of its thrice-weekly MD-11F return service to Amsterdam from Nairobi to the transport of 80,000 kg. of fresh flowers. Spurred by demand, fresh flower transport from Kenya has undergone a revolution since 1976, when only one weekly flight was operated.

Beginning on November 1, the number of "Flower Flights" to The Netherlands from Kenya is increased to six times a week. The same day, weekly B-767-31AER roundtrips to the Thai cities of Bangkok and Phuket are added to the schedule, along with weekly Monday return service to Havana.

Frequencies to other North American points are added or increased, including daily to Miami, twice weekly to Havana, thrice weekly to Cancún, four times a week to Orlando, and weekly to Bonaire. Charters are also offered to Aruba and Curaçao.

Thrice-weekly B-767-31AER return flights to Ciego de Avila, Cuba, start on November 2, the same day B-767-31AER service is inaugurated to San Jose, Costa Rica, four times a week (thrice weekly via Miami and weekly via Orlando). When **Air Holland Charter, B.V.** declares bankruptcy on November 4, one of the B-757-27Bs that Martinair has been leasing for the past four years is formally acquired.

Weekly B-767-31AER Saturday roundtrips begin to Penang on November 6, followed by weekly return flights the next day to Holguin, Cuba.

Passenger boardings this year rise 2.5% to 2,121,000 while freight jumps 13.3% to 2.06 billion FTKs. Revenues climb 4.8% to \$730.08 million, while expenses jump 9.2% to \$695.32 million. The operating profit falls to \$34.76 million, while net gain slides to \$13.34 million.

Airline employment at the beginning of 2000 stands at 3,070, a 6.6% increase over the previous 12 months. Among the world's top 25 airlines, Martinair ranks 18th in FTKs.

An emergency service begins with **MK Airlines, Ltd.** on March 20 in a collaborative effort to get badly needed relief supplies from Europe to flood-ravaged Mozambique. Supplies arrive at Nairobi aboard one of the Dutch line's MD-11Fs, where they are put aboard MK Airlines DC-8-55F services for Beira and Maputo.

A B-747-306C is leased from **KLM (Royal Dutch Airlines, N.V.)** for a six-month period that begins on April 30. The summer service from Amsterdam to the New York area that begins with the KLM Jumbojet on May 10, is routed to New York (JFK) instead of Newark International as in the past. The twice-weekly return flights will cease on September 24.

Weekly B-767-31AER roundtrips are inaugurated on July 4 from Amsterdam to the Brazilian city of Fortaleza.

To save money, the carrier announces on September 11 that, with the introduction of the 2001 summer schedule on April 1, service will be discontinued to Sri Lanka, the Maldives, Penang, and Ciego de Avila. Unlike before, B-747s will no longer be converted from cargo to passenger configuration for the summer season. The next day, the company announces that, as a cost-cutting measure, it will stop flying its routes from Amsterdam to Los Angeles and San Francisco in April. **The KLM (Royal Dutch Airlines, N.V.)** B-747-306C is returned on October 31.

The company's winter schedule to the Caribbean begins on November 1. Frequencies via Miami to San Juan are increased this year from two to three weekday roundtrips, with a fourth operated on Saturdays via Orlando. Additionally, seven weekly direct return services are flown to Miami, three to Orlando, and four to Havana. Frequencies to Cancún are boosted from two to three every week. The schedules previously operated to Aruba, Bonaire, Curaçao, Puerto Plata, and Punta Cans are unchanged; however, flights to Jamaica end.

The Amsterdam-Kuala Lumpur route, previously operated four times a week, becomes daily on November 1. On November 13, a memorandum of understanding is signed with **Kenya Airways, Ltd.** and **KLM (Royal Dutch Airlines, N.V.)** for the establishment of a joint sales and service organization in Nairobi. When the organization comes into being in 2001, it will employ Nairobi Airport as a hub from which to fly leased freighters on intra-African services. Sales and services in the Kenyan and African cargo markets will also be handled.

The November 28 issue of *Flight International* reveals that, beginning on April 1, the carrier will also drop its long-haul service to Cuba, Puerto Rico, Sri Lanka, and the Maldives. Flights to Orlando and San Jose, Costa Rica, will become thrice weekly while those to Cancún and Aruba will be operated twice weekly.

MARTINAIRE: 8030 Aviation Place, Suite 2000, Dallas, Texas 75235, United States; Phone (214) 358-5858; Fax (214) 350-7979; <http://users.aol.com/dispatcher/private/mra.htm>; Code MRA; Year Founded 1991. Bruce A. Martin sets up the all-cargo charter operation Martinair East at Dallas in 1991, initiating unscheduled executive and contract service flights that primarily feed the big overnight express carriers. The fleet consists of 3 Piper PA-31 Navajos, 2 Dornier 228-212s, 1 Piper T-1040, 1 Beech King Air 100, 1 Gates Learjet 35, 1 Dassault Falcon 20, and 29 Cessna 208 Caravan Is. Traffic and financial data is not released.

Hubs are opened at New York and Oklahoma City in 1992 and airline employment in 1993 totals 11. The company is purchased in December by Air Assets, a holding company headed by **Atlantic Coast Airlines** Chairman C. Edward Acker. In May 1994, Acker's concern purchases three Cessna 208B Caravans for its new subsidiary, which is now named Martinair, Inc.

While on approach to Ardmore, Oklahoma, on March 2, 1995, a Cessna 208B is unable to slow its rate of descent. The pilot elects to make a forced landing in an open field 2 mi. short of the runway. Although the aircraft is badly damaged, the flyer receives only minor injuries.

In 1996-1999, the fleet is increased to include 29 Cessna Caravans, 8 Fairchild Dornier 228-212s, 4 Fairchild Metros, and 1 Cessna 210. Additional contracts are accepted from **United Parcel Service (UPS)**, **DHL Worldwide Express**, and Airborne Express.

On February 16, 2000, Flight 633, a Cessna 208B is climbing away from the airport at McAlester, Oklahoma, on an all-cargo service to Hugo, Oklahoma. At approximately 1,000 ft., it is hit by a private Cessna 182 Skylane that is preparing to land after having diverted to McAlester from its scheduled flight plan due to weather. The Cessna 182 crashes into the ground, killing its pilot. The Caravan, though damaged, is able to make a safe emergency landing.

MARTINAIRE. See also **KITTY HAWK AIR CARGO**

FRANK MARTZ COACH COMPANY: United States (1930-1933). Martz establishes this carrier at Newark in the summer of 1930 to offer scheduled, multistop flights to Wilkes Barre, Pennsylvania. Martz inaugurates service on September 1 with a fleet of 1 Ford 4-AT and 2 Belanca CH-300 Pacemakers. A used Fokker Model 4 Universal is acquired in October, allowing frequencies to be increased to twice daily.

On July 15, 1931, service is started to Buffalo, New York. The carrier is sold to **American Airways** in February 1933, but is allowed to maintain services over its previous routes under its own name until the amalgamation process is completed on March 31.

MARYLAND AIRWAYS: United States (1964–1968). MA is set up at Easton, Maryland, in the fall of 1964 to provide scheduled passenger and cargo services across Chesapeake Bay to Washington, D.C. and Baltimore. Daily Beech 18 roundtrips are inaugurated on November 21 and are maintained into 1968.

MAS (MONTERRAT AVIATION SERVICES, LTD.): P.O. Box 225, Plymouth, Montserrat; Phone (809) 491-5342; Fax (809) 491-6205; Code MNT; Year Founded 1980. Montserrat Airways is formed at Blackburne Airfield, Plymouth, in 1980 and a Britten-Norman BN-2A Trislander is purchased with financial support from the U.K. government. Services are flown to the neighboring Leeward Islands.

In 1982, a de Havilland DHC-6 Twin Otter is added. In 1984, the carrier is renamed MASL and in association with **LIAT 9Leeward Islands Air Transport, Ltd.** maintains a continuing daily passenger frequency from Blackburne to Antigua's Coolidge Airport.

Operations continue apace during the remainder of the decade and into the next. The fleet is downgraded to include only one Pilatus-Britten-Norman PBN-2T Islander.

A total of 5,000 passengers are flown in the 6-employee carrier's lone airplane in 1991. Revenues total \$874,000 and allow profits of \$63,000 (operating) and \$22,700 (net). A Dornier 228 is acquired in 1992.

Services are maintained in 1993–1999, during which years managing director Capt. N. J. Harris' concern removes its Dornier and replaces it with a second PBN-2T.

MAS AIR, A.S.: Havalimair ic Hatlar, Binasi Kat 3, Yesilkoy, Istanbul, Turkey; Phone 90 (212) 663-0403; Fax 90 (212) 574-0553; Code MSE; Year Founded 1994. Established at Istanbul in late 1994, Mas Air begins domestic and regional revenue passenger and cargo services with three leased Antonov An-24RVs.

Flights continue in 1995–2000. During these years, CEO Ali Sen's fleet is altered to include 2 CASA C-212-100 Aviocars, 1 Shorts 360-100, 1 Bell 222, and 1 Bell 206L LongRanger.

The company is grounded in January 1999 when Clackburne Airfield is temporarily closed by the volcanic activity of Mount Chance.

MAS AIR (AEROTRANSPORTES MAS DE CARGA S.A. de C.V.): Almacen 22, Aeropuerto Internacional, Mexico DF, 155520, Mexico; Phone 52 (5) 786-9555; Fax 52 (5) 786-9553; http://www.masair.com.mx; Code MY; Year Founded 1990. MAS is set up at Mexico City on December 12, 1990 to offer international and regional all-cargo charter services on behalf of Promotora Aerea Latinamericana, S.A. de C.V. A workforce of 63 is recruited by Director General/CEO Cristian Ureta, but given the state of the national economy, revenue operations do not immediately begin.

Finally, one each Boeing 707-320C and Douglas DC-8-61F are leased and nonscheduled operations commence on April 29, 1992. Over the next five years, freight is transported on an irregular basis from Mexico City and Cancún to Bogota, Lima, Los Angeles, Miami, New York, and Viracopos. A DC-8-71F joins the fleet.

In May 1997, the U.S. DOT grants the company permission to include Guadalajara as an intermediate point on all of its approved routes to the U.S.

Flights continue in 1998. A total of 80.34 million FTKs are generated by the 63-worker company.

Cargo traffic falls 21.4% in 1999 to 63.13 million FTKs. Sales of approximately \$60 million are generated.

A total of 167 are employed at the beginning of 2000, a gigantic 165.1% increase over the previous 12 months.

The fleet includes 2 DC-8-71Fs. In May, a DC-8-61F, previously operated by **Florida West International Airways**, is acquired. The B-707-320C is passed to **Mexicana Airlines, S.A. de C.V.**, which employs it to reactivate its Mexicarga, S.A. de C.V. division.

At the end of October, Eagle Global Logistics, new majority owner of **Miami Air International**, enters into a new strategic all-cargo alliance

with **LanChile Airlines, S.A.**, as well as the freight lines it controls, **Fast Air Chile, S.A.**, MasAir, and **Florida West International Airways**.

To assist with its efforts to increase freight income, **LanChile Airlines, S.A.** formally purchases a 25% stake in MasAir on December 22 for \$5.1 million.

MASLING COMMUTER SERVICES (PTY.), LTD.: Australia (1967–1982). Established in September 1967 as the airline division of the Cootamundra-based FBO Masling Aviation and Engineering, Ltd., the carrier acquires an initial fleet of 3 Beech B-80 Queen Airs. Scheduled flights are inaugurated linking the company's airfield with Sydney, Young, Temora, West Wyalong, and Condobolin.

Services are maintained to these destinations over the next 15 years, during which time frame the fleet is upgraded by the addition of four Embraer EMB-110 Bandeirantes. In 1971, the company takes 80% controlling interest in newly formed **Aeropelican (Pty.), Ltd.** Rising fuel prices and the effects of world recession conspire to force the carrier out of business in 1982.

MASON & DIXON AIR LINES: United States (1929–1930). M & D is formed at Detroit in the late spring of 1929 to offer multistop passenger flights to Cincinnati. A fleet of all-metal G-2W Flamingos are acquired and revenue service commences in July. Operations continue apace until winter when the carrier stands down.

Flights are resumed in May 1930. A Flamingo is lost in a September 16 accident at Boswell, Pennsylvania. Services cease on November 30, at which point the company has transported 2,028 passengers on the year.

MASSACHUSETTS AIR INDUSTRIES: United States (1964–1971). E. Anthony & Sons founds this third-level operation at New Bedford in the fall of 1964 to offer scheduled services to Nantucket. Employing Cessna lightplanes, the company begins revenue flights on November 17 and maintains them until the carrier is purchased by Ottaway Newspapers on February 1, 1966.

Although the fleet is upgraded in 1967 by the addition of a Cessna 402, daily roundtrips continue as before until 1971 when the company is purchased by and merged into **Executive Airlines**.

MASZOVLET. See **MALEV HUNGARIAN AIRLINES**

MATANE AIR SERVICES, LTD. See **QUEBECAIR, LTD.**

MATK RUSAVIA: Russia (1997–2000). The International Aviation and Transport Corporation MATK Rusavia is founded in Moscow in 1997 as a joint venture between a number of Russian aviation concerns. Among the 30 shareholders are the airlines **Avia Express Cruise** and **TransEuropean Airlines**; the spare parts and maintenance companies **Aviazakaz** and **Svetloyar Avia**; the ticket reservation system **MTK Sirena**; and the **AFES** insurance company. Boris Likhachev, the former department head of foreign relations at the Soviet Aviation Ministry, is named director general and company headquarters are set up in the same Moscow office building—indeed, on the same floor—as the Russian State Service of Civil Aviation (GSGA).

Among the activities of the new concern are the manufacture of flight data recorders and other avionics-related computer hardware and software and aircraft management and leasing. In early 1998, arrangements are completed by Rusavia to charter a number of Ilyushin Il-62Ms to **Aeroflot Russian International Airlines (ARIA)**. In the spring, Director General Likhachev approaches the GSGA for an operating certificate deemed necessary for the acquisition of Western-built jetliners, which would then be to be leased to other Russian operators. Plans, which are not fulfilled, are announced for the charter of five Il-96-300s and several unbuilt Tupolev Tu-204s.

During the remainder of the year and in the next two, MATK Rusavia also operates a number of foreign charters employing Il-62Ms,

including those coming back from ARIA. These flight activities proceed without incident or headline until the final quarter of **2000**.

As GSGA Director Alexander Neradko would reveal to the press on January 16, 2000, Rusavia takes on more business than it can handle for the busy period between Christmas and New Year's. Although the company held licenses and permits (some of which have apparently turned out to be forged) to fly tourists to destinations in Southeast Asia, a number of its IL-62s had technical problems. Thus, Rusavia did not have available aircraft to repatriate its travelers from Thailand, Indonesia, and other points on nine contracted return flights. Informed of the situation involving the Russian nationals, the GSGA contacts **Aeroflot Russian International Airlines (ARIA)**; **Domodedovo Airlines, Rossiya Air Company, and Pulkovo Airlines** and asks them, for the good of the image of Russia's airlines, to complete the flights. The four comply and have all of the tourists home by January 16.

The situation for Rusavia worsens at the end of December. A television crew from RTR, which has just finished putting together a report on the passenger-stranding story, is held up on the road out of Shermetyevo 1 Airport by a gang of masked men who beat them up and steal their tapes. Rusavia and Director General Likhachev are blamed for the attack on national television over the next several days. Russian Prime Minister Mikhail Kasyanov now calls in GSGA Director Neradko and demands that the GSGA investigate and take action. At New Year's, Rusavia's operating certificate is pulled and the government promises new regulations governing air charter operators.

MATSON AIR LINES: United States (1943–1948). Officials of the Matson Navigation Company, who had had their proposal for the start-up of an airline turned down in **1942** by the CAB, elect to try again in **1943**. On September 22, the company applies for authority to commence a scheduled air service from the U.S. West Coast to Hawaii. No action will be taken in **1944** due to World War II.

A Douglas C-54 is purchased in **1945**, converted to civil DC-4 standard, and christened *Sky Matsonia*. Meanwhile, T. A. Schmidt is appointed operations manager, Leigh Murphy becomes general manager, and E. L. Sloniger, an early colleague of Charles Lindbergh's, retires from **American Airlines** to become chief pilot.

While the CAB considers the 1943 Matson request, Capt. Sloniger initiates interim nonscheduled service with the *Sky Matsonia* from San Francisco to Honolulu on July 5. Flying through the night with company officials and a load of strawberries, the aircraft arrives at sunrise on July 6 and is met by a trio of Hawaiian hula girls. The first passenger flight to Honolulu is made by the *Sky Matsonia* from Portland on July 30.

Over the next 5 months, 105 flights will be made in which 1,444 passengers are transported, along with 60,889 pounds of freight.

Charter operations continue apace in **1947**. The most significant event of the year is the near crash of the second, newly received DC-4 with 33 passengers at Oakland, California, due to engine difficulties. The incident will be employed by author Ernest K. Gann as the basis for his noted 1953 novel *The High and the Mighty*.

As Matson's service grows and enjoys success, other carriers worry—particularly **Pan American Airways (PAA)**. Pan Am. now move to block Matson's certification and, joining forces with **United Air Lines**, begins to lower fares on its one-way San Francisco to Hawaii service from \$195 to \$135. Matson cannot afford to compete with these deep discounts and must abandon its Hawaii service. While awaiting the government's decision, it now undertakes nonscheduled ad hoc flights to destinations as diverse as Paris and New York. Many Puerto Ricans reaching New York from San Juan fly aboard Matson DC-4s.

On July 30, **1948**, the CAB rules against Matson and awards the Hawaii route it needs to **Northwest Airlines** instead. Within a month, Matson shuts the doors of its air transport division and sells both DC-4s.

MATTHEWS AVIATION (PTY.), LTD.: Australia (1933–1934). After obtaining a mail contract for a route between Launceston, Tasmania, and Whitemark on Flinders Island, 120 miles offshore, this small carrier

is formed at Melbourne in early January **1933**. Employing a Saro Windhover, service is inaugurated on January 23. Flight operations cease in February **1934**.

MAUI AIRLINES: United States (1985–1988). In addition to scenic charters operated out of the company's base at Kahului on Maui, this small third-level carrier inaugurates multiple daily nonstop flights from Kahului to Honolulu on February 1, **1985** with 1 de Havilland Canada DHC-6-200 Twin Otter and 1 Piper PA-31-350 Navajo Chieftain.

In **1986–1987**, President Caleb K. Zia's airline is transferred to Guam where its 3 DHC-6s and 2 Navajo Chieftains undertake scheduled frequencies to Rota, Saipan, and Tinian. The Pipers are withdrawn in **1988** as Daniel Kong succeeds Zia as president. In deep fiscal difficulty, the company fails late in the year.

THE MAUI COMMUTER: United States (1975–1978). Jack Holman and Robert Frost establish **Ananda Air** at Kahului in late **1975** to offer scheduled passenger and cargo flights. Quickly changing the corporate identity to that of The Maui Commuter, the two inaugurate flights to Honolulu, Molokai, and Lani with 1 each Piper PA-31-310 Navajo and PA-34 Seneca.

Service continues until the company goes out of business in **1978**.

MAVRIK AIRE: Box 2157, Kenai, Alaska 99611, United States; Phone (907) 628-7457; Fax (907) 262-6790; <http://www.mavrikaire.com>; Year Founded 1998. Mavrik Aire is established at Kenai in **1998** to provide bush charter services. Employing a pair of Cessna 182 Skylanes, scenic tours, fishing and hunting trips, and bear-viewing flights are begun into the surrounding region.

MAVERICK AIRWAYS (1): United States (1974–1975). Maverick is set up at Eagle Pass, Texas, in **1974** to provide scheduled passenger and cargo services to San Antonio. Piper PA-32 Cherokee Six daily roundtrips are duly inaugurated, but cannot be maintained beyond **1975**.

MAVERICK AIRWAYS (2): United States (1994–1997). Maverick Airways Corporation, a privately held concern with 35 shareholders, is established at Denver in **1994** to review and promote regional air transportation in the Rocky Mountain area. Pat Carroll is chairman of the organization, with C. Cody Diejroger as president/CEO.

The decision to inaugurate regional and domestic scheduled and non-scheduled passenger services is taken in mid-**1996**. A workforce is recruited and 2 de Havilland Canada DHC-7-102s are leased from **Voyageur Airways, Ltd.** of Sudbury, Ontario.

The new entrant receives its FAA operating certificate on November 14. Charter flights to the Colorado communities of Grand Junction and Steamboat Springs commence on December 2. Final authorization from the U.S. DOT is received after the company submits its financial documents.

Scheduled roundtrip services from Denver to Steamboat Springs begins on January 20, **1997**. The next day, scheduled roundtrip frequencies are launched from Denver to Grand Junction.

In March, a marketing and code-sharing agreement is signed with **Frontier Airlines (2)**. The arrangement will connect passengers arriving at Denver aboard Frontier flights with Maverick's service to Steamboat Springs and Grand Junction.

Citing lack of financial return, scheduled frequencies are suspended on May 29 as the two-plane carrier returns to charter work. Passengers with Maverick tickets are able to employ them on **United Express (Mesa Air Group)** services.

The company shuts its doors by summer's end. During those months when it is in operation, it transports a total of 10,606 customers.

MAXAIR: W6381 Columbia Drive, Outagamie County Regional Airport, Appleton, Wisconsin 54914, United States; Phone (800) 833-1544; Fax (920) 738-3026; <http://www.maxair-inc.com>; Year

Founded 1969. Maxair is established at Appleton in 1969 to provide executive and small group passenger charters throughout northern Wisconsin and surrounding areas. Flights continue without headline or incident during the next 31 years, during which time a second base is set up at Straubel Airport in Green Bay.

In 2000, Charter Manager Patricia Roovers is able to book flights to over 12,000 airports nationwide, using a fleet of Beech 55 Barons, Piper PA-31-350 Navajo Chieftains, Cessna 414s, and Beech Super King Air 200s.

MAXAIR, A.B.: Sweden (1998–2001). Max Renard founds this third-level operation at Malmo in the summer of 1998 to offer regional flights linking southern Sweden with Germany and Norway. Employing two Fairchild Metro IIs, scheduled roundtrip revenue flights to Hamburg and Oslo commence on September 1.

Service is maintained in 1999. A SAAB 340B is received at the end of November and is placed into service on a route from Sturup International Airport in Sweden to Oslo, Norway, replacing a Metro II.

On August 14, 2000, twice-weekday return flights are initiated from Malmo to Karlstad. A second SAAB 340B arrives during the fall.

Maxair will cease operations on March 31, 2001.

MAY AIR X-PRESS: Rte. 3, P.O. Box 236, New Boston, Texas 75570, United States; Phone (903) 628-6446; Fax (903) 628-5044; Year Founded 1990. Thomas W. May founds this Part 135 all-cargo operation at New Boston, Texas, in 1990 to provide on-demand freight charters to local destinations on behalf of larger express carriers. By 1999, the company fleet includes 8 Beech 18s and 1 Douglas DC-3.

MAYA AIRWAYS, LTD.: Belize (1961–1997). This small, privately owned national carrier is founded by a group of local businessmen, headed by British expatriate Gordon Roe, at Belize City in the spring of 1961. It is established as a division of Maya Corporation, Ltd., with the purpose of replacing **British Honduras Airways, Ltd.** Charter and scheduled passenger services are begun and maintained to the local communities of Belize City, Corozal, San Pedro, Sartaneja, Puento Gorda, Independence, Orange Walke, and Dangriga.

Four Britten-Norman BN-2 Islanders are placed into service and Roe's son, Trevor, joins the company in 1968, becoming general manager in 1983, the same year Sir. W. H. Courtenay becomes chairman.

By 1984, the employee population of Managing Director Gordon A. Roe's carrier is 47 and the fleet comprises 4 Britten-Norman BN-2 Islanders and 3 Cessna 206s. In June, an Islander is sold to Jamaica. The workforce is reduced to 34 in 1985 and a Cessna 206 is replaced by a Cessna 182.

In early 1986, the British Army contracts with the company to operate rest and recreation flights from Belize City to Chetumal, Mexico. Despite the fact that MAL has obtained government authority, the first Islander to arrive is impounded by Mexican officials. The action ends the army arrangement.

In 1987 the fleet is altered by the deletion of the Islanders and their replacement by three BN-2A Trislanders. Scheduled service is inaugurated to Plancencia.

A fourth BN-2A is added in 1988, followed by a fifth in 1991. At this point, the Cessna 206s are withdrawn. Service is maintained throughout the nation in 1992–1993 by General Manager Trevor Roe's company as a Cessna 182 is acquired. A leased de Havilland Canada DHC-6-300 joins the fleet in 1994.

In 1995–1997, shareholding is divided between G. A. Roe & Sons, the Cloverleaf concern, and J. S. Shamon. Brian Roe is chairman, with Trevor Roe as executive director and Pablo Espat as general manager. Flights continue to domestic locations throughout Belize.

In December of the latter year, the local company Island Air is merged with MAL to create **Maya Island Airways, Ltd.**

MAYA ISLAND AIRWAYS, LTD.: 6 Fort Street, P.O. Box 458, Municipal Airport, Belize City, Belize CA, Belize; Phone 501 (2) 35794;

Fax 501 (2) 30576; <http://www.ambergriscaye.com/island>; Code MW; Year Founded 1997. The local Island Air is merged with **Maya Airways, Ltd.** in December 1997 to create MIAL. Brian Roe remains chairman, with Trevor Roe as executive director and Pablo Espat as general manager.

Revenue services continue with 5 Pilatus Britten-Norman PBN-2 Islanders and 1 each Cessna 207A, C-172, and C-208 Caravan I.

In 1999, a homepage is opened on the World Wide Web. Destinations visited in 2000 include Caye Caulker, Corozal, Dangriga, Placencia, Punta Gorda, and San Pedro in Belize and Tikal in Guatemala.

MAYAN WORLD AIRLINES, S.A.: 7A, Avenida 6-53, Zona 4, Oficinas 49Y50, Edificio El Triangulo, 2nd Floor, Guatemala City, Guatemala; Code EY; Year Founded 1997. MWA is set up at Guatemala City in January 1997 to promote the Central American "Mayan Route" cultural tourism program of its owners, a tourism concern that also operates various Central American hotels, travel agencies, and rent-a-car offices.

Outfitted with a single Aero Internacional (Regional) ATR42-320, the company inaugurates revenue services on February 14 with thrice-weekly flights to Flores.

Following the delivery of a second ATR later in the spring, flights are also started to Cancún, Belize, San Pedro Sula, Managua, and Havana.

Although frequencies are maintained during the remainder of the year and into the next, the company is unable to achieve economic viability. Consequently, the company shuts down on September 21, 1998. Efforts to find the funds with which to restart are initially unsuccessful.

A resumption of selected service with a Yak-40 is reported in late June 2000.

MAYFLOWER AIR SERVICES, LTD.: United Kingdom (1961–1964). Philip Cleife forms MASL at Plymouth Airport in early 1961. In June, Cleife obtains a de Havilland DH 89A and on the 13th of the month, while awaiting word on his route request filed with the Air Transport Licensing Board (ATLB), undertakes a proving flight from Plymouth to St. Mary's, Scilly Islands. Ad hoc charter flights continue during the remainder of the year, with a total of 258 passengers conveyed; ATLB approval for a scheduled service is received on December 5 for the route previously flown on an nonscheduled basis.

Scheduled flights to the Scillies from Plymouth begin on February 26, 1962 and continue until October 13. Meanwhile, the company's Dragon Rapide also flies replacement service for both **British European Airways Corporation (BEA)** and **Dan-Air, Ltd.** during the summer.

A total of 1,678 passengers are carried on the year.

Scheduled services to St. Mary's resume on March 9, 1963 and a second DH 89A is purchased on March 28, along with the services of a second pilot. Extensions are also flown from the Scilly Islands to Exeter and Newquay during the summer. On July 20, the company's 1961 Dragon Rapide flagship crashes at St. Mary's and is destroyed; founder, managing director, and chief pilot Cleife is badly injured.

The second DH 89A maintains scheduled services until September 30. **British Westpoint Airlines, Ltd.** unsuccessfully attempts to purchase the carrier in the fall; however, it is sold to **Scillonian Air Services, Ltd.** in December, being allowed to continue operations under its own name.

Bookings for the year total 2,679.

The Plymouth–Scilly Islands route is resumed on March 25, 1964. A leased Piper PA-23 Aztec begins flying from St. Mary's to Exeter the next day. Scillonian's Piper Aero Commanders also fly certain Mayflower services during the spring until another DH 89A can be obtained during the first week of May. It is placed in service on May 13. Late in the month, **British Westpoint Airlines, Ltd.** makes a successful tender and by the end of the summer season, Cleife's operation is totally merged.

MAYFLOWER AIRLINES: United States (1936–1945). Established in Boston in the early spring of 1936, officials of Mayflower Airlines

purchase 2 Stinson Model U Tri-Motors from **American Airlines** on April 4, naming one *Oaks Bluff Clipper*. In July, scheduled service is inaugurated to Nantucket via Provincetown, Hyannis, and Oak Bluffs with an extension from Nantucket to Providence via Oak Bluffs and New Bedford.

In October 1937, direct Boston–Springfield flights begin. The route is suspended after September 3, 1938 when one of the Stinson Model Us is destroyed in a ground accident and fire at Nantucket.

The remaining Model U maintains the Nantucket service and even operates a Boston to Hyannis via Falmouth route in 1939. However, the company goes dormant after the operating license of its aircraft expires on July 15, 1941. Its routes and certificate are purchased by **Northeast Airlines** on January 5, 1945.

MAYO AVIATION: Centennial Airport, Englewood, Colorado 80112, United States; Phone (303) 790-9777; Fax (303) 790-4909; Year Founded 1975. Mayo is set up at Denver by Bill and Gwen Mayo in 1975 to provide executive and small group passenger charters, many in support of the ski industry. The owners, members of the Minnesota Mayo Clinic family who had relocated to Colorado a decade earlier, have elected to become involved in civil aviation as a tax shelter for income derived from their chain of gas stations.

Operations continue apace during the remainder of the decade and through the 1980s. Late in the decade, the company encounters problems, including fiscal losses and safety concerns raised by the FAA. Choosing not to be a manager, cofounder Bill May leaves day-to-day operations to his wife and his son, Bill Mayo III, who is named VPO in 1987.

Former AMR Services Vice President Gilbert Wolin is brought in as a consultant in 1993. Among the first moves made at his recommendation is the transfer of the carrier's base from Stapleton Airport to Centennial. Over the next few years, Wolin, working with Mrs. Mayo and her son, energizes the company's public services, reservations, and maintenance departments, while also increasing its charter services. In 1996, Wolin is named president/chief operating officer, while Robert G. Robuck becomes chief financial officer. The following year, Bill Mayo III becomes CEO.

By 1998, the Mayo Aviation mission has been increased to the provision of nonscheduled services throughout the U.S., Canada, and Mexico. Operations Director Ben Letterhos oversees the work of 22 pilots and schedules 4 Learjet 35A Century IIIs, 1 British Aerospace BAe (HS) 125-731 Hawker, 3 Beech Super King Air 200s, and 2 King Air 90s from Colorado and 4 King Air 90s from Flagstaff, Arizona.

Flights continue in 1999–2000.

MAYRON AND CAMPBELL AVIATION, LTD. See **SASKAIR (SASKATCHEWAN GOVERNMENT AIRWAYS, LTD.)**

MBA AIRLINES OF PAPUA NEW GUINEA (PTY.), LTD.: Jacksons Airport, Box 170, Port Moresby, Papua New Guinea; Phone 675 325-0555; Fax 675 325-2219; <http://www.mbapng.com>; Code CG; Year Founded 1994. During 1994, the 250-employee, Port Moresby-based **Milne Bay Air (Pty.), Ltd.** of Chairman John R. Wild and Managing Director Simon D. Wild is renamed. The initial fleet includes 3 Beech King Air 100s, 1 Cessna 550 Citation II, 2 de Havilland DHC-6-200 Twin Otters, 1 DHC-6-300, and 1 Dornier 228-200. During the year, 5 additional Dornier 228-200s, 4 DHC-6-300s, and 2 Super King Air 200s will be added, the latter replacing the 3 King Air 100s. The request for a Dornier 328-100 is cancelled and replaced with an order for a Beech 1900D.

From its base at Port Moresby, the company continues to offer scheduled flights to Alotau, Amazon Bay, Balimo, Baimuru, Cape Vogel, Daru, Fane, Hagen, Ihu, Kerema, Kikori, Kiunga, Kuri, Lae, Lousia, Mendi, Mount Misima, Porgera, Tabubil, Tari, Tufi, Vivgani, Wanigela, and Safia.

On July 12, 1995, just after takeoff from Alotou on a service to Dagura, an in-flight fire develops on a DHC-6-300 with 2 crew and 13

passengers; the Twin Otter goes out of control and crashes into shallow water two km. off the runway. There are no survivors.

While on a charter on July 9, 1996, a DHC-6-300 with 1 pilot and 19 passengers, strikes a 9,200-ft. mountain 5 mi. from Mendi; there are no survivors.

At the request of the Papua New Guinea government, MBA, in 1996, embarks on a program to raise its operations from charter to the scheduled airline level. Plans are made for the receipt of a license for international airline operations.

While on a July 9 charter, a DHC-6-300 with a pilot and 19 passengers, strikes a 9,200-ft. mountain 5 mi. from Mendi; there are no survivors.

During the first quarter of 1997, the carrier makes a significant purchase from Bombardier. In addition to one each DHC-8-101 and DHC-102 formerly operated by **NorOntair (Ontario Northland Air Services, Ltd.)**, plus four of its six DHC-6-300s, MBA orders a pair of DHC-8-200s for delivery in September 1998.

Meanwhile, in March, MBA receives its certification as Papua New Guinea's second international airline and becomes a regional subsidiary of **Qantas Airways (Pty.), Ltd.** New routes are started from Gurney–Carins, Port Moresby–Cairns–Townsville, Daru–Cairns, and Daru–Merauke (Irian Jaya). At this point, the fleet is also boosted by the addition of two Beech 1900Ds.

No sooner has the carrier launched its new routes than some of them have to be suspended due to the Asian currency crisis that begins in late August. Delivery of the Dash-8-200s is cancelled.

The first class of cadets is graduated from the Coolangatta-based MBA Flight Training Australia division in September 1998 and all begin their flying careers with the parent airline in Papua New Guinea. Unhappily, due to economic difficulties, service to Australia must be halted.

Flights continue in 1999–2000. As the Asian economic situation improves during these years, the routes suspended in 1997 are resumed. At the start of the new millennium, MBA employs 65 pilots and operates 1 each DHC-8-101/102, 2 Beech 1900Ds, 7 DHC-6-300s, and 1 Super King Air 200. The 1900Ds are now mainly employed on corporate charters, many made for Chevron Niugini (Pty.), Ltd., which remains the largest corporate client.

MC AVIATION: 7240 Hayvenhurst Ave., Van Nuys, California 91406, United States; Phone (818) 904-9860; Fax (818) 904-0234; Year Founded 1995. Joe and Linda McGuire establish this fleet management and executive charter concern at Van Nuys Airport in 1995 to provide worldwide passenger flights. Nonscheduled services begin and continue with one each Grumman G-1159A Gulfstream IIIs and a British Aerospace BAe (HS) 125-700 Hawker.

MCCARTHY AIR ALASKA: Box 16, McCarthy, Alaska 99588, United States; Phone (907) 554-4440; <http://www.mccarthyair.com>; Year Founded 1975. Gary and Nancy Green establish this small air taxi in 1975 to fly backpackers, wilderness hikers, and remote campers into the Wrangell/St. Elias National Park area. Flight-seeing tours are also offered over glaciers, icefalls, and mile-high cliffs. Lightplane operations continue.

Lightplane operations continue and in 1999 a homepage is opened on the World Wide Web.

MCCLAIN AIRLINES: United States (1983–1988). Former **Trans World Airlines (TWA)** and Marriott hotel executive Thomas J. A. McClain establishes this niche carrier at Phoenix, Arizona, in April 1983. Plans are made to inaugurate all first-class Boeing 727-200 services at coach-class rates to Chicago, New York, and Dallas (DFW).

In mid-1984, company officials discuss the possibilities of a merger with St. Louis-based **Air 1**, but negotiations fail. By December 25, 1985, McClain has acquired over \$50 million in equity and lease financing.

Under the government's "use it or lose it" certification rule, McClain officially inaugurates services on September 25, 1986 with a lone B-727-100 roundtrip flight from Chicago (ORD) to Rockford, Illinois.

Requiring a break-even load factor of 32 passengers, executives initially expect to board 18–20 on every flight and build from there with such amenities as extra flight attendants, meals prepared in flight in "flying kitchens" and served upscale with silver and china, and telephones available at every seat.

B-727-100 twice-daily all first-class scheduled roundtrip services are finally inaugurated from Chicago to Los Angeles and to Phoenix on October 15, with a single daily Phoenix–Los Angeles frequency also available. These services replace the Rockford expedient.

On November 1, company officials announce that it will reward passengers who, in the next 2 years, accumulate 125,000 miles with the free use of one of five luxury European automobiles for a year.

These initiatives generate little traffic; 2–4 passengers are the norm for the first several weeks, and there is no positive income. As a result, three of the company's five B-727-100s are grounded on February 4, 1987. However, the payment dispute causing this action is set aside the next day, allowing flights to resume. Still faced with its lessor's debts, McClain stops operating on February 23. Chapter XI bankruptcy is declared in March and although efforts are made during the remainder of the year to restart operations, they are all unsuccessful.

As a consequence of the company's inability to resume services, the DOT, early in 1988, revokes McClain's fitness certificate, forcing it to turn in its operating certificate in May.

MCCULLOCH INTERNATIONAL AIRLINES: United States (1969–1979). Long Beach, California-based MA is organized in mid-1969 to transport potential McCulloch Properties real estate customers on site visitation flights. Lift is provided with a fleet of seven previously employed Lockheed L-188A Electras.

In order to convert its subsidiary into a strong and active full-service charter operator, McCulloch in 1970 purchases **Vance International Airways** from its owner Vance Roberts and merges it, keeping the McCulloch name. Following acquisition, the amalgamated carrier offers nonscheduled charter flights over Vance's old routes to Mexico and Canada.

Revenues for the year are \$2,423,772. Fiscal losses are suffered: \$101,763 (operating) and \$51,616 (net).

McCulloch changes its name to McCulloch International Airlines in early 1971 and is outfitted with the seven L-188As of the previous operation. Four additional Lockheed units and nine Douglas DC-8s are also obtained.

Enplanements for the year total 94,800.

Flying 9 Douglas DC-8s and 11 Electras, the country's 7th largest supplemental carrier in 1972 employs 245.

Passenger boardings increase 21% to 120,000 and revenue passenger miles flown advance 26% to 171 million. Income advances to \$15.38 million, but expenses advance even more, up to \$16.16 million. Consequently, losses continue: \$781,000 (operating) and \$516,000 (net).

The workforce in 1973 totals 190. Customer bookings fall 32.4% to 69,000. Despite this downturn, the company is able to keep its expenses under control.

Revenues total \$9.93 million and costs are \$9.19. The previous year's losses are turned around and shareholders see an operating profit of \$736,000 and a net gain of \$531,000.

The U.S. economic downturn brings a very bad year to McCulloch in 1974. In an effort to cut costs, many aircraft are grounded and sold (including all of the DC-8s) and the workforce is cut to only 94 by year's end.

Passenger boardings drop again, down by 48% to 36,000. Income falls to \$8.61 million while expenses are slightly higher at \$8.66 million. The operating loss is \$49,000. Still, a \$212,000 net profit is realized, largely as the result of assistance from the parent real estate firm.

The workforce in 1975 is 140. Four leased B-720-022s join the four Electras remaining in the fleet. In October, 81% shareholding is ac-

quired by the FGH Financial Corporation. Plans are made to expand into Mexican and Hawaiian markets.

Passenger bookings skyrocket 47.2% to 53,000. Although revenues total \$7.78 million, expenses are up to \$8.38 million. A \$600,000 operating loss is taken, although other arrangements allow an \$87,000 net profit.

The fleet in 1976 comprises 4 leased Boeing B-720-022s and 4 Lockheed L-188A Electras. One of the latter is contracted in March to transport the entourage of singer Elvis Presley during a U.S. concert tour; "the King" travels in his own Convair CV-880 *Lisa Marie*.

Customer bookings decline 15.3% to 45,000. Expenses grow again this year, rising to \$10.11 million on revenues of \$8.23 million. The operating loss climbs to \$1.87 million while a \$2.18-million net loss is difficult to digest.

Another Electra is withdrawn in 1977 as the fiscal situation continues to deteriorate. Figures are unavailable for either traffic or revenues.

In 1978, President John E. Gallagher oversees a workforce of 310 and a fleet increased only by the addition of a Grumman Gulfstream. No passengers are carried and freight FTKs operated totals only 149,000.

Unable to weather declining traffic and higher fuel prices, the carrier ceases operations in 1979.

MCGEE AIRWAYS. See **ALASKA AIRLINES**

MCKINLEY AIR CHARTER (PTY.), LTD. (MACAIR): P.O. Box 7191, Garbutt, Townsville, Queensland, 4814, Australia; Phone (07) 4728 2403; Fax (07) 4775 5076; <http://www.macair.com.au>; Code CC; Year Founded 1963. Macair is established at Townsville in 1963 to provide passenger and cargo charters, particularly on behalf of the energy industry, throughout the northwest portion of the Australian state of Queensland.

This lightplane operation is purchased by the Collings family in 1992, at which point the carrier enhances its corporate services, while also becoming an affiliate of **Qantas Airways (Pty.), Ltd.**

During the remainder of the decade, the fleet of Managing Director Peter Collings undertakes scheduled service from Townsville and Brisbane to Cloncurry and Mount Isa, from Macay to Brampton Island (site of P&O Australia Resorts), and from Cairns to Cooktown and Mount Isa. Flights are also offered to Lizard and Dunk Island, where P&O Australia Resorts also maintains holiday facilities.

A large number of fly-in/fly-out services are provided for corporate clients: 276 km. SW from Cairns to the Kidston gold mine site at Placer Dome; 230 km. N from Mount Isa to the Century mine at Pasmenco; 704 km. W from Townsville to the Selwyn mine; 733 km. W from Townsville to the Eloise mine of Amalgamated Resources; from Townsville and Brisbane to the Ernest Henry Mine located 40 km. N of Cloncurry; 707 km. W from Townsville to the Osborne mine at Placer Dome; and 664 km. W from Townsville to the Cannington mine of BHP Minerals.

Enplanements for scheduled services total 30,000 in 1999. During the year, the company becomes a feeder affiliate of **Qantas Airways (Pty.), Ltd.**

The workforce at the beginning of 2000 totals 76. By now, Peter Collings is one of three board members, one of whom includes his managing director successor Randal McFarlane. The fleet now includes 2 SAAB 340Bs, 1 Fairchild Metro 23, 4 Embraer EMB-110P1 Bandeirantes, 3 DHC-6-300 Twin Otters, and 4 Fairchild Metro IIIs, 1 of which is chartered from **Pelair Aviation (Pty.), Ltd.**

AsiaPulse News reports on May 12 that the company will soon be merged with **Transtate Airlines (Pty.), Ltd.**, with the Macair name surviving. The Cairns-based small regional, formed in 1996 as the airline subsidiary of Transjet Corporation (Pty.), Ltd., which also operates Jetcraft Aviation (Pty.), Ltd., operates scheduled services to Cooktown, Normanton, Karuba, Mornington Island, and Mount Isa in northern and western Queensland. Under a long-term contract with P&O Australian Resorts, it also flies to Dunk, Brampton and Lizard Islands.

When the event occurs a month later, the passenger activities of Transtate are passed to Macair, while **Jetcraft Aviation (Pty.), Ltd.** continues to provide express freight services. The Macair fleet is now enlarged to over 30 aircraft, including several additional Metro IIIs.

Although the Transtate homepage on the World Wide Web will remain up in early 2001, visitors to it are forwarded to the Macair site.

MCMAHON HELICOPTER SERVICES: Executive Heliport Building, 8351 Ronda Dr., Canton, Michigan 48187, United States; Phone (313) 459-5980; Fax (313) 459-6315; Year Founded 1981. McMahon is established by Brian McMahon at Canton, Michigan, in 1981 to provide air taxi and air ambulance services, as well as external load, aerial photography, forest fire control, and rescue services. Nineteen years later in 2000, President McMahon oversees a 12-person workforce and operates a fleet that comprises 4 Bell 206B JetRangers, 2 Bell 206L LongRangers, 1 Bell 222, and 1 Sikorsky S-58.

MCNEELY CHARTER SERVICE: 737 South Airport Road, West Memphis, Arkansas 72301, United States; Phone (870) 735-0207; Fax (870) 735-0855; Year Founded 1985. MCS is established at West Memphis, Arkansas, in 1985 to offer all-cargo services to regional destinations. A decade later in 1994, Reggie Hopwood is president and he employs 10 full- and two part-time pilots. From the corporate base at Memphis, 1 Piper PA-34-200 Seneca II is flown in passenger configuration, along with 1 Mitsubishi Mu-2B, 1 Fairchild Metro II, and 2 Douglas DC-3Cs in cargo configuration.

Hopwood also operates a passenger Mu-2B from Cape Girardeau, Missouri and a Beech 18 freighter from Dexter, Missouri. Destinations are visited throughout the U.S. and Canada, as well as Alaska and Mexico.

While on approach to West Memphis, Arkansas, following a November 7, 1997 positioning flight from Gulfport, Mississippi, a DC-3C with two crew loses both engines. A gear-up landing is made on a Mississippi River sandbar, during which the No. 1 engine separates. Neither flyer is badly hurt.

Although the fleet and market remains the same during the remainder of the decade, the workforce grows to include 14 full-time and 3 part-time staff.

MD EXPRESS. *See* MODILUFT

MED AIRLINES, S.p.A.: Via Virgin, Palermo, Sicily, 90146, Italy; Phone 39 (0923) 546 288; Fax Code 39 (0923) 871 873; <http://www.medairlines.it>; Code M8; Year Founded 1997. Franco Castiglione establishes Med Airlines at Trapani-Birgi Airport in Sicily in late 1997 to inaugurate scheduled flights around the island and to the mainland. Orders are placed for a pair of SAAB 2000 turboprops, the first to be operated in scheduled Italian service.

The new entrant receives its air operator's certificate on March 23, 1998. With the SAABs, plus a leased Avions de Transport Aerien ATR42-320 on hand, revenue flights commence on April 1. Initial destinations visited include Parma, Olbia, and Rome. On November 1, daily nonstop SAAB 2000 return service is inaugurated between Genova and Bari. Within two years, the company is operating regularly scheduled roundtrips to Bari, Bergamo, Bologna, Genoa, Lampedusa, Milan, Palermo, Parma, Rome, and Verona.

By the beginning of 2000, the fleet has been revised to include 3 SAAB 2000s. A BAe 146-200 is wet-leased by **Flightline, Ltd.** to the new Italian regional **Goldwing Airlines, S.p.A.** in mid-December, allowing that carrier to inaugurate daily roundtrip service between Taranto and Rome on December 20.

On December 23, a SAAB 2000 is leased to **Federico II Airways, S.p.A.**

MED AVIA (MEDITERRANEAN AVIATION COMPANY, LTD.): P.O. Box 48, M.I.A., Lura, Malta; Phone 356 689 760; Fax 356 689

841; Year Founded 1978. Med Avia is organized at Valletta in August 1978 by the governments of Malta and Libya to undertake international charter and contract service flights, many in support of the oil industry in Libya. The specific shareholders are Libyan Arab Foreign Investment Company (50%), Libyan Arab Maltese Holding Company, Ltd. (25%), and **Air Malta, Ltd.** (25%). The latter, under contract, provides management and technical support as well as a fleet of 5 CASA C-212-100/200 Aviocars. These are employed to inaugurate services in September 1979.

Services continue largely without change or notice for the next decade. In 2000, the fleet comprises 4 Aviocars. Chairman George Casar and Managing Director I. A. Zmirli oversee a workforce of 40. During most of these years, all transnational operations are halted by the UN Lockerbie embargo.

MEDITERRANEAN AVIATION COMPANY, LTD. *See* MED AVIA

MEDITERRANEAN EXPRESS, LTD.: United Kingdom (1987-1989). MEL is established at London (LGW) in January 1987 with Clair M. Waterbury as chairman. Two British Aerospace (BAC) 1-11-400s are leased and their capacity is booked for seasonal passenger charter services linking the carrier's base and Luton Airport with destinations in the Mediterranean and North Africa. Operations are inaugurated during the fall and continue apace for another year until financial reversals cause cessation.

The failed charter operation is acquired by the TEA Group in January 1989 and is reformed at Birmingham as **Trans-European Airways-U.K., Ltd.**

MEDJET INTERNATIONAL: 4900 69th St. North, Birmingham, Alabama 35206, United States; Phone (205) 592-4460; Fax (205) 592-4556; Year Founded 1976. Medjet is established at Birmingham in 1976 to provide passenger charters, specializing in air ambulance flights. By 2000, Vice President Phillip Morris schedules 2 medically equipped aircraft, both Learjet 35A Century IIIs.

MEGAPODE AIRWAYS, LTD.: Solomon Islands (1963-1968). Named for a family of large-footed South Pacific birds, MAL is formed by Laurie Crowley at Honiara in 1963 to offer internal services throughout the Solomons Islands area. Employing a Piper PA-23 Aztec, Crowley initiates charter flights from World War II's famous Henderson Field on Guadalcanal. Within a year, Megapode acquires a former British Ministry of Aviation de Havilland DH 104 Dove at Adelaide, Australia, and has it refurbished and placed into service on regularly scheduled services.

Destinations visited by the Dove in 1964-1968 include Munda and Segi Point on New Georgia, Yandina in the Russell Islands, Kirakira on San Cristobal, and Auki on Malaita Island. On May 1 of the latter year, Megapode is taken over by **Macair (Melanesian Airline Charter Company [Pty.], Ltd.)** of Papua New Guinea and is renamed **Solair (Solomon Island Airways, Ltd.)**.

MELILA JET, S.A.: Calle Orense 4, Madrid, E-28020, Spain; Phone 34 (91) 555-8004; Fax 34 (91) 555-0431; Code MJT1; Year Founded 1995. A. Paukner, a private Spanish company with travel agency interests, establishes Milila at Madrid in 1995. Ownership is divided between Paukner (78%) and other investors (12%). Gerd Peter Pauker is appointed president and revenue flights are undertaken to various holiday destinations with a pair of British Aerospace BAe 146-100s wet-leased from **Pan Air Lineas Aereas, S.A.**

Service continues in 1996-1998. When **Pan Air Lineas Aereas, Ltd.** exits the scheduled airline business during the latter year, use of the BAes ends. Milila turns to the use of executive jets for small group and VIP flights.

MELILLIAN JET, S.p.A. See **PAN AIR LINEAS AEREAS, S.A.**

MEMPHIS JET: Memphis International Airport, Memphis, Tennessee 38116, United States; Phone (901) 346-7111; Fax (901) 346-6622; <http://www.memphisjet.com>; Year Founded 1995. Following its takeover of Air Path and its single Learjet 55 Longhorn, Memphis Jet is set up by Kristi Jernigan and her brother-in-law Cecil Jernigan at the Memphis International Airport in August 1995 to provide domestic executive and cargo charters and patient transport. President Kristi and General Manager Cecil bring former AMR Combs pilot Buzz Carter into the company as chief operating officer. A business license is sought in September, a Learjet 35 and a Beech Super King Air 200 are acquired in October, and with the license in hand, flights commence in December.

Flights continue apace in 1996–2000. Among the special charters operated are those on behalf of local sports teams and for visitors wishing to view the Masters Golf tournament at Augusta, Georgia. New Orleans proves a popular destination.

MERCER AIRLINES: United States (1948–1976). Formed at Burbank, California, in 1948, this supplemental undertakes intrastate passenger and cargo services with a fleet of 3 war-surplus Douglas C-47s. Important to the company's long-term survival are contract service arrangements made with the USN for flights to Point Mugu, San Nicholas Island, Long Beach, San Diego, and San Clemente Island in California.

Operations continue apace during the remainder of the decade and throughout the 1950s. As DC-6s become available, USN-chartered frequencies are also inaugurated between Honolulu, Christmas Island, and Tarawa. The DC-6A prototype (the former military type XC-112A) is converted to civilian standard in July 1959 and acquired.

By the 1960s–1970s, President Thomas G. Vander Molen and his fellow owners operate a fleet of 3 DC-3s, 3 DC-6s, 1 DC-6A, and 1 BAC 1-11-400.

A DC-3 makes an emergency landing at Point Mugu, California, on August 4, 1972 and catches fire; although the aircraft must be withdrawn, there are no fatalities.

Just after takeoff from Burbank on a February 8, 1976 ferry service, Flight 901, the DC-6A with five crew and one passenger suffers propeller blade separation from the No. 3 engine. The plane attempts to divert to Van Nuys, but crashes onto a golf course a mile short of the runway (three dead).

The company is now reformed and its corporate identity is changed to **Pacific American Airlines**.

MERCHANT EXPRESS AVIATION SERVICES, LTD.: Nigeria 1990–1995. MEASL is established at Lagos on May 11, 1990 to offer on-demand and contract freight flights to destinations throughout Africa. The concern is a subsidiary of the air freight forwarder Merchant Express Aviation Services UK, Ltd. and Elvis Emecheta is chairman, with Capt. Shina Akinfenwa as managing director.

Regular revenue services commence from a base at Ostend, Belgium, on October 4, 1994, with a single leased Boeing 707-323C first flown by **American Airlines**. During the remainder of the year and into 1995, the company offers ad hoc subcharter services for a number of government and airline customers, including the UN Department of Humanitarian Affairs.

Following several years of political turmoil in Nigeria that has ended constitutional government, the Commonwealth suspends the country. The economic impact of this move dooms the airline.

MERCURY AIRLINES, LTD.: United Kingdom (1957–1964). On Jersey in January 1957, Lord Peter Calthorpe registers **Overseas Air Transport (Jersey), Ltd.** as an airline. The first aircraft, a de Havilland DH 114 Heron 1B, is delivered in March, but is immediately leased to **Dan-Air/Dan-Air Services, Ltd.** and **Cambrian Airways, Ltd.** As a result, the moribund company flies no services in either the start-up year or in 1958.

In late February 1959, the Heron 1B is returned, but in March it is leased out to **North-South Airlines, Ltd.** A second Heron 1B is acquired from **Silver City Airways, Ltd.** in December; it, too, is leased to North-South. Both aircraft now fly scheduled services for the lessee throughout 1960. At the end of the year, Lord Peter establishes a base at Manchester. Determined to enter the airline business under his own colors, he renames his concern **Overseas Mercury Airlines** or just **MAL**, as one Heron 1B comes off the North-South lease.

With ATLB permission, Mercury inaugurates scheduled service from Leeds and Manchester to Sandown, Isle of Wight, on May 20, 1961. The second Heron 1B comes off North-South lease in July. Also during the summer, Mercury joins North-South in operating **Air Safaris, Ltd.'s** Birmingham–Sandown services, as well as Cambridge–Jersey replacement service for **Derby Airways, Ltd.**

In September, the company undertakes, on behalf of **Jersey Airlines, Ltd.**, a scheduled route from Manchester to Bournemouth via Abington. Simultaneously, a Mooney M.21 is obtained to offer air taxi flights from Manchester Airport.

In January 1962, Mercury takes over an abandoned **North-South Airlines, Ltd.** Leeds to Isle of Wight scheduled service and is granted a scheduled frequency between Manchester and Exeter. The Heron 1Bs begin these flights in late spring, together with the offerings of the previous year. The Sandown route is now extended to Swansea.

Scheduled service continues to expand in 1963. On April 1, a direct Birmingham–Newcastle route is initiated; frequency increases on this service to five per week in July. As in 1962, inclusive tour and ad hoc charters are also provided.

A total of 12,845 passengers are carried.

A Douglas DC-3 is delivered to company headquarters at Manchester on April 17, 1964. It is placed in revenue service on April 23 with a charter from Birmingham to Amsterdam. Other charters are flown to Germany until June 1, when the American airliner is placed on the Sandown service. Liverpool–Isle of Wight service is inaugurated by Herons on May 30; the DH-114s maintain all of the previous year's scheduled services as well.

In October, five-times-per-week Manchester to Teesside scheduled service is launched. The company suddenly suspends all operations on October 31, placing all of its aircraft in storage at Manchester and they will never fly in company colors again.

MERIDIAN AIR COMPANY: PB 144, Moscow, 103473, Russia; Phone 7 (095) 913-1793; Fax 7 (095) 938-2216; Code MMM; Year Founded 1991. The executive charter operator Meridian is established at Moscow's Vnukova Airport on March 31, 1991. Eduard Kniagintchev is appointed managing director; however, there is a significant wait before services can begin. Eventually, a workforce of 18 is recruited and revenue flights are inaugurated on January 13, 1993, with a leased British Aerospace BAe 125-700 executive jet.

One-plane flights to western Russia and Europe continue during the remainder of the decade and into the new millennium.

MERIDIANA, S.p.A.: Zona Industriale A. Olbia, Sassari, I-07026, Italy; Phone 39 (789) 52 600; Fax 39 (789) 23 661; <http://www.meridiana.it>; Code IG; Year Founded 1991. To align with the Spanish sister carrier **Universair, S.A.** in which it enjoys part ownership, the Italian scheduled operator **Alisarda, S.p.A.** changes its name and corporate image on September 1, 1991.

Narcis Andreu, former CEO of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, is named chairman, Sergio Peralda, president, and Franco Trivia is appointed managing Director. Together they oversee a fleet comprising 3 British Aerospace BAe 146-200s (with orders outstanding for four more), 6 Douglas DC-9-51s, and 8 McDonnell Douglas MD-82s, 2 of which are leased. A single Bell 412 helicopter is also acquired. The workforce grows 12.8% to 1,139. The last significant even of the year is the introduction of the company's first business-class product, Electa Club.

The fixed-wing assets are employed to inaugurate scheduled passenger services from Florence to Zurich, Munich, and Frankfurt. Under both corporate names, enplanements for the year are up 10% to 1,701,379. Freight, on the other hand, declines 35.7% to 1.91 million FTKs.

The workforce is sliced by 25.4% in 1992 to 850 and the fleet is unchanged. In June, scheduled flights are initiated year-round from Verona to Rome and London (LGW). The company is now the largest privately owned airline in Italy.

Passenger boardings shoot up 14% to 1.9 million, of which 1.7 million are flown on domestic routes.

Airline employment in 1993 stands at 1,150, up 35.3% over the previous year, and the fleet includes 3 owned and 1 leased MD-83s, 2 chartered and 2 owned MD-82s, 5 owned and 1 leased DC-9-51s, 3 BAe 146-200s, and the Bell helicopter. Orders are placed for 4 Avro (BAe) RJ-85s.

Destinations visited from Olbia, Cagliari, Rome, Naples, and Palermo include each other plus Genoa, Milan, Pisa, Venice, Bologna, Catania, Florence, Barcelona, Frankfurt, London (LGW), Munich, Paris (CDG), and Zurich. Seasonal holiday charters are also undertaken to Bergamo, Frankfurt, Geneva, Munich, Naples, Nice, Paris, Turin, Venice, Verona, and Zurich.

In February, a 50% interest in **Avianova S.p.A.** is sold to three financial institutions controlled by IRA, the state holding company for **Alitalia, S.p.A.**

Customer bookings accelerate 15.7% to 2.2 million. Revenues are \$230 million and produce an operating profit of \$15.08 million and a net profit of \$775,000.

In 1994, Managing Director Trivia oversees a workforce of 850, down 26.1% from the previous year, and a fleet expanded by the addition of a fourth BAe 146-200. Plans are made for the acceptance of the RJ85s at year's end.

Passenger boardings rise 10% to 2.4 million and revenues accelerate 14.1% to \$278.2 million. Expenses jump only 12.1% to \$256.29 million, leaving an operating surplus of \$21.9 million and a net gain of \$935,000.

The RJ85 order is cancelled in 1995 and replaced by one for an MD-83. During the summer, an Avions de Transport Aerien ATR-42-320 is leased from the U.K. carrier **Titan Airways, Ltd.**

At the beginning of the winter schedule at the end of October, new service is started to Amsterdam. Enplanements for the year total 2,522,119.

Airline employment stands at 1,148 in 1996 and the fleet now includes 4 owned and 4 leased MD-82s, 5 owned and 1 chartered DC-9-51s, 4 leased BAe 146-200s, and 1 owned Bell 412. The MD-83 order remains outstanding.

During the first week of August, a satcom telephone system becomes available for passengers flying the four BAes based at Florence.

On November 24, the national antitrust authority, after a nine-month investigation, releases a report finding that **Alitalia, S.p.A.** has attempted to block competition from **Air One, S.p.A.** and Meridiana by controlling the allocation of airport landing slots, monopolizing ticket writing, and anticompetitive scheduling. The major is ordered to pay a L 415-million (US\$277,000) fine.

Still, in the face of domestic competition, legal and illegal, customer bookings slide 5.6% to 2,464,000 and cargo is down 6.1% to 139,000 FTKs. A small \$495,000 net profit is reported.

The employee population is cut a slight 0.4% in 1997 to 1,286 and the fleet remains the same. A strike cripples the company during March.

Destinations visited now include Amsterdam, Barcelona, Bergamo, Bologna, Cagliari, Catania, Florence, Frankfurt, Geneva, Genoa, London, Milan, Munich, Naples, Nice, Palermo, Paris, Pisa, Rome, Turin, Venice, Verona, and Zurich.

As a result of the spring job action, the company, at the beginning of August, scraps plans to launch Meridiana Express, which would have offered business-class services out of Verona with a fleet of MD-83s.

Code-sharing now begins over several new routes in partnership with **Alitalia, S.p.A.** and **Air Littoral, S.A.**

Consequently, passenger boardings jump 12.9% to 2,720,200 and freight rises 11.7% to 2.75 million FTKs. Operating revenues swell 15.1% to \$303.3 million and allow a net gain of \$8.7 million.

During late spring 1998, a homepage is opened on the World Wide Web. On December 29, two DC-9-51s are sold to **Hawaiian Airlines (HAL)**; they will be delivered in February.

Customer bookings move ahead by 9.4% to 2.97 million, while cargo traffic jumps 12.5% to 178.6 million FTKs. Revenues climb 22.2% to \$370.75 million, while expenses are up 17.5% to \$355.55 million. Operating profit grows to \$15.2 million, while net gain falls to \$3.21 million.

MD-82s replace DC-9-51s on the company's twice-daily nonstop roundtrips between Milan and Olbia with the introduction of the summer schedule on March 28, 1999. Beginning on May 1, MD-82s also replace DC-9-51s on the daily return services from Bologna to Cagliari, Olbia, and the Spanish city of Barcelona.

A second daily BAe 146-200 roundtrip is inaugurated at the end of the year between Florence and Amsterdam.

Passenger boardings jump 4.7% to 3,075,000. Although operating revenues total \$327.6 million, expenses are \$341.13 million. Consequently, there is a \$35.53-million operating loss.

Airline employment at the beginning of 2000 stands at 1,500, a 30.5% increase over the previous 12 months.

A new block-seat, code-sharing agreement with **Alitalia, S.p.A.** begins on January 4 aboard Meridiana aircraft flying from Rome to Olbia and Verona and from Milan to Cagliari and Olbia.

Company founder, the Aga Khan, places his 79% majority shareholding up for sale on January 21, calling in Lloyds TSB and KPMG Corporate Finance to handle the transaction. The Aga Khan has been gradually disposing of his Sardinian holdings and Meridiana is the last jewel in that crown.

On behalf of **Alitalia, S.p.A.**, twice-daily MD-82 roundtrips begin on April 15 from Bologna to Palermo. Employing a pair of Avions de Transport Aerien ATR42-320s wet-leased from **Italy First, S.p.A.**, Meridiana, again on behalf of Alitalia, S.p.A., inaugurates twice-daily roundtrips on May 1 from Naples to Bologna.

On June 1, daily return frequencies from Milan to Cagliari are expanded to 7, 3 to Catania, and 8 to Olbia. A new daily MD-82 roundtrip is started to Palermo. Frequencies from Genova to Olbia are halted on June 15 for the period through September 8. On June 16, a new twice-daily return service, delayed 15 days, is initiated from Bologna to Barcelona employing a Fokker 100 wet-leased from **Alpi Eagles, S.p.A.**

Another **Alpi Eagles, S.p.A.** Fokker 100 is chartered on June 22 for thrice-daily roundtrip frequencies between Verona and Naples. Also during this peak summer season into September, a thrice-weekly roundtrip is offered between Olbia and London (LGW).

On October 12, the airline's majority owner, the Aga Khan, takes his airline off the market. Although some expressions of interest in its acquisition have been received, none of these proposals were perceived to advance the interests of the airline, its employees, or the Sardinian economy.

On October 28, **Alitalia, S.p.A.** begins to code-share on Meridiana. BAe 146-200 roundtrips from Florence to Barcelona, Paris (CDG), and London (LGW). Daily MD-82/-83 roundtrips are inaugurated on December 1 from Catania to London (LGW) via Turin and twice-daily return service from Bologna to Naples.

The year does not end well politically for Italy's six major airlines. On December 22, it is announced that the government's competition authority has unleashed an antitrust investigation into Meridiana, as well as **Alitalia, S.p.A.**, **Air One, S.p.A.**, **Air Europe, S.p.A.**, **Volare Airlines, S.p.A.**, and **Air Dolomiti, S.p.A.** Under review is a question of whether the six had an understanding on two domestic ticket price hikes, following an earlier rise in fuel prices. In June, all of the carriers introduced a 10,000-lire (\$8) fuel surcharge, following it up in September with a 24,000-lire boost.

MERIDIANA AIR, S.A.: Spain (1990–1992). Meridiana is formed at Madrid in April 1990 to combine the assets of **Lineas Aereas Canarias, S.A. (LAC)**, **Euravia, S.A.**, and **Universair, S.A.** Shareholding is divided between the Armas, BBV, and Banesto groups, with the Italian Fimpar and the airline **Alisarda, S.p.A.** holding 20% and 5%, respectively. The company, a sister carrier of Italy's **Meridiana, S.p.A.**, is outfitted with 4 British Aerospace BAe 146-300s and 5 McDonnell Douglas MD-83s, 3 of which are leased.

Early in 1991, these are employed to inaugurate scheduled passenger service from Balencia and Barcelona to Zurich, Paris, Munich, London (LGW), Frankfurt, Hanover, Cologne, and Brussels.

Customer bookings climb 15.3% above the combined previous year total for the 3 merger partners to 829,234. Revenues zoom up 86.1% to \$74.4 million; however, expenses climb even higher. As a result, there is a \$20.3-million operating loss.

Recession forces the carrier to lose its viability in 1992 and at the end of June the company's severe start-up losses force a major cutback in services; gone are frequencies from Barcelona to Paris, Frankfurt, and Cologne. Other difficulties are caused by a failure to obtain government permission to transport scheduled domestic passengers between Valencia and Barcelona and an inability to secure interline partners. Operations cease on October 16.

MERIDIONAL (COMPANHIA MERIDIONAL DE TRANSPORTES, S.A.): Brazil (1944–1946). Meridional is formed at Rio de Janeiro in the fall of 1944, one of many new carriers being established in that city late in World War II. In the summer of 1945, three ex-RCAF Avro Ansons are purchased and employed to undertake proving flights during August. Regularly scheduled services to Vitoria and Campos commence on October 4.

The company is unable to recover financially from the crash of an Anson into a mountain outside of Rio in December and thus goes into liquidation in March 1946.

MERLIN AIRWAYS. See **MERLIN EXPRESS**

MERLIN EXPRESS: 9623 West Terminal Road, San Antonio, Texas 78216, United States; Phone (210) 824-2313; Fax (210) 826-4415; Code FAE; Year Founded 1983. John Karamanian establishes Merlin at San Antonio, Texas, in 1983 to offer scheduled regional freight services with a fleet of Douglas DC-3s and Fairchild SA-227AT Expeditors. The largest single shareholder is Fairchild Aircraft.

For many years, the company's single largest contract is held with **UPS (United Parcel Service)**. Additional replacement freight business is also operated for **Federal Express**, **DHL Worldwide Express**, and **Airborne Express**.

A decade later in 1993–1994, airline employment is 140 and the fleet comprises 11 Expeditors. During the spring of the latter year, a cooperative training agreement is signed with Florida-based Embry-Riddle Aeronautical University.

Twenty-five Fairchilds are in service during 1995. At this time, several Metro III passenger aircraft are wet-leased from **Yute Air Alaska** and employed to launch passenger charter and Yute replacement services on July 1.

Ron Stotz is president in 1996, with Hugh Crull as vice president-operations. During September and October, 17 more Metro IIIs and Metro 23s are leased from BAe Asset Management. Two Metro 23s are wet-leased to **Aspen Mountain Air**, which employs them to operate Essential Air Service (EAS) routes in the south-central U.S.

Destinations regularly visited this year and in 1997 include San Juan, Miami, Minot, North Dakota, and the Texas cities of Corpus Christi, Lubbock, and Midland.

While taxiing for takeoff from Anchorage on August 22, **Yute Air Alaska Flight 421**, a wet-leased Merlin Express Metro III with two crew and five passengers, collides with an airport tug. Although the aircraft sustains substantial damages, no injuries are reported.

Enplanements in the latter year reach 53,283.

Flights continue in 1998. In mid-November, bankrupt **Aspen Mountain Air** turns over its EAS routes to **Big Sky Airlines**. The Billings, Montana-based regional also takes over the two wet-leased Metro 23s that AMA has been flying.

Just after landing at George Charles Airport on St. Lucia on December 9, a Metro III making a 180-degree turn goes off the edge of the runway and gets stuck in the mud. The airport must be closed for several hours while workers rescue the aircraft.

Passenger boardings this year fall to 43,000.

When **Yute Air Alaska** files for Chapter XI bankruptcy protection in March 1999, it returns the two wet-leased Metros to Merlin.

Customer bookings plunge 94.7% during the 12 months to 2,000.

Airline employment at the beginning of 2000 stands at 205. In June, the company is reformed into Merlin Airways.

MERPATI NUSANTARA AIRLINES: P.O. Box 323, Jalan Angkasa 2, Jakarta, 10013, Indonesia; Phone 62 (21) 424-3608; Fax 62 (21) 424-6616; http://www.merpati.co.id; Code MZ; Year Founded 1962.

To keep open an Indonesian Air Force air bridge developed for Kalimantan in November 1958, the government, by Regulation 19/1962, forms this second state airline on September 6, 1962 to take over the routes. Working capital is £6,000. First Air Marshal Sutojo Adiputro is president with 7 employees, and the inherited ex-military fleet consists of 4 de Havilland Canada DHC-3 Otters and 2 Douglas DC-3s. Flight operations commence six days later linking Jakarta with various points on sparsely populated Kalimantan via routes that also touch at Banjarmasin, Pangkalanbun, and Pontianak.

Holland transfers political responsibility for Irian Jaya to Indonesia and the **KLM (Royal Dutch Airlines, N.V.)** subsidiary DeKroonduif pulls out in 1963. The Dutch do leave their local fleet of 4 DC-3s, 3 DHC-2 Beavers, and 2 Scottish Aviation Twin Pioneers.

After a year of service from **Garuda Indonesian Airways**, Merpati, in early 1964, is assigned the duty of maintaining and expanding services to Irian Jaya, including its governmental seat Jayapura; all DeKroonduif routes are now assumed, along with the ex-KLM, ex-Garuda fleet. KLM will, however, continue to provide subsidy for the next three years. In 1965, the company acquires eight Pilatus PC-6 Porters and three Dornier 28s.

Capt. R. B. Wibisono becomes president in 1966. Late in the year, Merpati is able to begin drawing from a special UN fund established by The Netherlands prior to its withdrawal from Dutch New Guinea. Subsidy from the Dutch flag carrier now ceases. On behalf of Merpati, orders are placed for three DHC-6-100 Twin Otters with which to develop routes from Jayapura to the Central Highlands.

The UN sends out a technical support team in 1967 under the leadership of W. C. Krishnan from India to develop a corporate base and communications center at Biak. The first Twin Otter arrives in December, as First Air Marshal Santoso becomes president. DHC-6 services are inaugurated in January 1968.

During the remainder of the year and into 1969, routes are developed to many of the nation's larger islands. Seven more DC-3s are delivered from **Garuda Indonesia Airways**. A corporate makeover now occurs as the new name Merpati Nusantara Airlines begins to appear on aircraft and all company uniforms and other items.

The fleet at the beginning of 1970 includes 2 DHC-6-100 Twin Otters, 3 Pilatus Porters, 3 Dornier Do-28s, 2 Scottish Aviation Twin Pioneers, 2 DHC-2s, in addition to the original DHC-3s and DC-3s.

The company's first modern airliners are two Vickers Viscount 828s purchased from **All Nippon Airlines Company, Ltd.** in April. By decree of the minister of communication, Merpati is now certified to conduct medium- and long-haul regional flights. Consequently, it inaugurates services from Pontianak to Kuching and from Palembang and Singapore.

ANA also supplies Merpati with a fleet of Nihon YS-11As, beginning in December.

The YS-11-102 *Nanggala* with three crew, belly lands with flaps up while on a training flight from Jakarta on April 1, **1971**; there are no fatalities.

An **American Airlines** BAC 1-11-401 Astrojet is leased for three months beginning August 11; it is test flown on regular domestic services.

Encountering aerial difficulties on November 10, one of the new Viscount 828s, the *Sabang*, with 7 crew and 62 passengers, ditches at sea near Padang, Sumatra; there are no survivors. Orders are now placed for two Vickers Vikings.

The first Vickers Vanguard 952, previously operated by **Air Canada**, Ltd., is acquired in March **1972** to service new, longer routes.

En route from Surabaya to Jakarta on April 5, a Viscount 828 is diverted to Maguwo by a pirate who demands an Rs 20-million (later reduced to Rs 5-million) ransom. The turboprop is surrounded on the ground and negotiations are begun. During the several hours that follow, the passengers are released and police manage to covertly slip a pistol to the pilot. When the moment is just right, the pirate is shot.

A second Vanguard arrives before year's end.

A DHC-6-100 with 3 crew and 10 passengers crashes near Nabire, Indonesia, on February 28, **1973**; there are no survivors.

Also during the first quarter, a new long-haul service is inaugurated from Jayapura to Jakarta via Biak and Surabaya. Between April 1 and May 15, a BAC 1-11-416 is subleased from **Pelita Air Service** and is employed to fly Australian tourists from Darwin to Denpasar on the island of Bali.

In November, two Fokker F.27 are acquired for medium-haul service. During the year, **Dirgantara Air Service** is set up as a subsidiary. Merpati's DC-3s are turned over to it and it begins flying to and in the Sunda Islands.

The two ex-Canadian Vikings are replaced in early **1974** with a pair of Vanguard 953s first flown by **British European Airways Corporation (BEA)**. Arrival of the huge aircraft create friction with **Garuda Indonesian Airways**, whose chairman is able to convince the nation's civil aviation department to restrict Merpati's acquisition of jetliners, should it seek to do so.

The BAC 1-11-416 subchartered from **Pelita Air Service** is back in Merpati colors again for a year, flying customers to Bali. Operational responsibilities are divided during the year into two major groups: Merpati Operasi Barat, which has responsibility for trunk routes; and Merpati Irian Barat, which takes over local service in New Guinea.

The two airline groups are divided into four semiautonomous divisions during **1975**, each responsible for a geographical division: Moluccas and Irian Jaya, Sulawesi, Kalimantan, and Jakarta and Sumatra. The carrier's air network now comprises 19 provinces, connecting 97 cities. By virtue of a government regulation, the company's status is changed from a state enterprise to a state-limited corporation (PT or Persero).

During this year and into **1976**, President Ramli Sumardi's fleet is strengthened through the acquisition of two more Viscount 800s, plus additional DHC-6-300s. Pioneer and trunk route development continues apace. The subsidiary **Air Bali** is formed during the latter year to operate charter and inclusive-tour services.

The highlight of **1977** is the acquisition, on behalf of the national tourist board, of a chartered Boeing 707-120B, which is employed to operate charters and inclusive tour flights to Bali, Los Angeles, Tokyo, and Manila.

Attempting to avoid a mountain during a March 29 scheduled flight, the pilot of a DHC-6-300 with 2 other crew and 20 passengers, applies full power into a steep climb—and stalls. The aircraft crashes into some trees before hitting the ground in the Bainaha Valley (13 dead).

Nearly £5 million in debt, the carrier is, by order of President Suharto, taken over by **Garuda Indonesian Airways** on October 27, **1978**. The process is financial; the Minister of Communications transfers Indonesian shareholding to the flag carrier. Desiring an outwardly independent feeder airline, Garuda officially allows Merpati to continue operations under its own name and livery. On November 14, the company is further

reorganized into Garuda's sister carrier, with Garuda corporate secretary R. A. J. Lumenta named president and a Mr. Soeritman as general manager.

The fleet now includes 1 Boeing 707-120B, 3 Vanguard 952s, 6 Viscount 800s, 1 B-737-100, 1 BAC 1-11-400, 2 Hawker Siddeley HS 748s, 4 Fokker F.27s, 19 Twin Otters, and 2 CASA C-212 Aviocars.

Merpati's new relationship with Garuda becomes official on January 1, **1979**. On January 2, a total of 727 employees, including all in top management, are released, reducing airline employment to 878 workers. Plans are thereafter formulated for revised local and regional services and with government loans, new locally constructed aircraft are ordered. Long-haul trunk routes from Jakarta to Biak via Ujungpandang and from Jakarta to Medan are surrendered to Garuda, but short- and medium-haul regional routes are retained, including services from Pontianak to Kuching, from Denpasar to Darwin, and from Medan to Penang. As part of the central government's attempt to increase the population in sparsely inhabited locations, Merpati is also charged with transporting settlers to the islands of Kalimantan, Sumatra, and Sulawesi.

The expensive charter and inclusive tour services to Los Angeles and other points are terminated, however, the company is allowed to continue their provision to regional markets. It is even given a minor, almost backup role, in the provision of Hadj pilgrim flights to Mecca in Saudi Arabia.

On October 8, the Merpati Nusantara Aircraft Maintenance Workshop is started under R. A. J. Lumenta at Ujung Pandang, Sulawesi.

Enplanements for the year total 553,544.

Airline employment is increased a significant 31.3% in **1980** to 1,100. The carrier now operates to 127 islands and all of the nation's airports.

Toward year's end, four-times-per-week service is started from Ujungpandang to Balikpapan and from Kupang to Tarakan. The first of 16 Indonesian-built IPTN (Nurtanto-CASA) NC-212-200s enters service.

Passenger boardings climb 10.4% to 617,794 while freight jumps 17.7% to 7.6 million FTKs. Revenues reach \$40 million.

Enplanements reach 759,680 in **1981**.

The employee population grows 10.5% to 1,394 in **1982**. The fleet now comprises 2 Vanguard 952s, 6 Viscount 800s, 14 Fokker F.27s, 2 Hawker Siddeley HS 748s, 16 IPTN (CASA) NC-212-200s, 19 DHC-6s. An order is placed for a CASA-Nurtanto CN-235.

Passenger boardings dip 1% to 752,158 and freight traffic is off by 3% to 7.3 million FTKs. Revenues, however, increase 25.3% to \$56.4 million.

The workforce is cut 26.6% in **1983** to 1,203. Two F.27-600s are added to the fleet and the CN-235 order is increased to 14.

Passenger bookings jump 5% to 764,000 and cargo rises 6.8% to 5.53 million FTKs.

In February **1984**, Soeritman becomes president. One Vanguard 952 is sold. One F.27-400 is withdrawn in **1985** as six more IPTN (CASA) NC-212-200s are acquired.

The Vickers Viscount 828 *Siberut* with three crew and nine passengers, overruns the runway after landing at Ambo on January 11; there are no fatalities.

The DHC-6-300 *Wetar* with 3 crew and 16 passengers, crash-lands near Mulia on August 12 (two dead).

Two Lockheed L-382G Hercules freighters are received as gifts from government-owned **Pelita Air Service** late in **1986** to replace the last remaining Vanguard 952. The Lockheeds undertake cargo services, both scheduled and charter, to remote destinations.

En route from Manado on March 20, an IPTN (CASA) NC-212-200 Aviocar with 2 crew and 14 passengers, crashes into a 1,900-ft. hill near Naha (2 dead).

On June 25, a contract is signed with IPTN for the purchase of 15 CN-235s, Indonesian-built turboprops.

HS 748 flights commence from Kupang to Darwin in an effort to lure more Australian tourists and a hub-and-spoke system is gradually intro-

duced based on the six major communities of Jakarta, Denpasar, Ujung Pandung, Manado, Kupang, and Biak.

Two Lockheed L-382G Hercules freighters are received as gifts from government-owned Pelita Air Service late in the fall to replace the last remaining Vanguard 952. The Lockheeds undertake cargo services, both scheduled and charter, to remote destinations.

The first IPTN CN-235-10 is delivered on December 15. At the same time, Merpati introduces a new logo, which shows airwaves representing air links.

With 120 destinations located from western Sumatra to New Guinea, the Merpati network in 1987 stretches for more than 3,000 miles. The world's first production IPTN CN-235-10 enters revenue service during the first quarter. During April, two F.28-4000s are leased from **Garuda Indonesian Airways** and are placed on the Kupang to Darwin route.

While on approach to Ruteng on May 23, the DHC-6-300 *Talud* with 3 crew and 10 passengers, crashes into a ravine; there are no survivors.

En route to Berau on December 30, the Twin Otter *Serui* with 3 crew and 17 passengers, crashes at Samarinda; there are no survivors.

Revenue passenger kilometers flown accelerate 22.9% to 408 million while freight increases 14.8% to 44.6 million FTKs. Revenues ascend 15.9% to \$40.7 million.

The workforce is increased by 0.3% in 1988 to 1,795. In addition, daily flights are undertaken from Bali to the resort island of Lombok. Other tourist destinations visited include Toraja, in central Sulawesi, and an island near Komodo famous for giant lizards.

For the six-month reporting period this year, passenger boardings are up 3.3% to 519,911 while freight traffic plunges 33% to 2.45 million FTKs.

In a move expected to take up to three years, **Garuda Indonesian Airways** begins transferring 11 of its 35 domestic routes to Merpati in April 1989. The flag carrier retains some domestic sectors operated on international routes, such as Jakarta to Bali.

Capt. F. H. Sumolang is named president at the end of May.

Only four months later, in September, Garuda is reformed into the holding company Garuda Indonesia Group, which had initially planned to assimilate Merpati into the major, but now elects to maintain both companies as operating subsidiaries, each with a different purpose. **Garuda Indonesia**, as the flag carrier is now known, will concentrate on long-haul business while Merpati, as has been planned, will take over the flag carrier's domestic role in the new holding company.

In the process of assuming the parent's local responsibilities, the new unit charts two DC-9-32s and 15 Fokker F.28-4000 Fellowships from Garuda Indonesia.

On September 16, the de Havilland Canada DHC-6-300 *Engano* with 3 crew and 19 passengers is lost into the jungles of the eastern province of Irian Jaya, between Manokwari and Bentuni; there are no survivors.

The carrier's statistics are now, for a time, reported with those of **Garuda Indonesia**, but contrary to expectation, the company does not disappear into Garuda, but is allowed to continue operating under its own name.

By early 1990, **Garuda Indonesia's** routes to and between the nation's many islands have been turned over. A fleet is assembled that includes 4 DC-9-32s leased from Garuda, 2 BAe (Vickers) Viscount 828s, 2 BAe (HS) 748-2As, 5 F.28-3000s, 1 F.28-3000C, and 16 F.28-4000s, all leased from Garuda. Also included are 18 IPTN (CASA) NC-212-200s, 3 C-212-100s, 11 Twin Otters, 11 CN-235-10s, 4 F.27-200s, 1 F.27-400, 6 F.27-500s, and 4 F.27-600s.

While climbing away from Lebuhanraio on April 3, the DHC-6-300 *Karakatau* loses power in its right engine; the turboprop loses height and strikes the crest of a hill. None of the 3 crew or 14 passengers are badly hurt.

In May, Lockheed Aeromod Center delivers the first of 2 requested 97-passenger L-382G Hercules aircraft modified for regional airline service; the second will arrive before year's end. Orders are outstanding for 12 CN-235-10s and those on hand begin to receive, as of September, new, modern livery.

Passenger boardings skyrocket an unbelievable 602.5% to 2,483,703 while freight balloons 390.2% to 32.48 million FTKs. Costs exceed income and there are losses: \$1.34 million (operating) and \$3.82 million (net).

Company employment jumps 36.4% in 1991 to 3,363 and the fleet is increased by the addition of three CN-235s and another leased DC-9-32.

Bad weather causes an NC-212-200 Aviocar with 3 crew and 18 passengers to make a forced landing into trees at Jalaludin on January 30 (one dead).

While on a scheduled May 10 service, Flight 7533, an F.27-600 with five crew and eight passengers, collides with cloud-shrouded Klabat Mountain; there are no survivors.

The most advanced maintenance facilities operated by an Indonesian domestic airline, the Merpati Maintenance Facility, is opened at Juanda Airport near Surabaya on September 6. Meanwhile, two new domestic routes are initiated.

The new routes help customer bookings ascend 39.3% to 3,794,677. Cargo also increases, by 41.7%, to 46.39 million FTKs. Revenues jump 42.4% to \$222.6 million, but costs are higher, causing the operating loss to decay to minus \$7.25 million. The net loss is cut to \$2.53 million.

The workforce increases another 24.9% in 1992 to 4,200. New routes are opened from Jakarta to Denpasar and Bali and Jakarta to Surabaya.

Ridwan Fatarudin now becomes the company's president.

Statistics are publicized through May and show passenger boardings up 4.3% to 1,557,201. Freight, for the same period, declines, however, by 4.4% to 17.91 million FTKs.

The retired F.27-500F fleet of **Air New Zealand, Ltd.** is purchased and begins to arrive in batches.

While descending in a storm toward Bandung after a service from Semarang on October 18, a IPTN (CASA) CN-235-10 with 4 crew and 27 passengers, crashes into Mount Puntang; there are no survivors.

The DHC-6-300 *Natuna* fails its takeoff from Wamena on December 16 and crashes; there are no fatalities.

In 1993, President/Director Frans H. Sumolang oversees a workforce of 2,150, down 48.9% since the previous year. The fleet now includes 15 IPTN (CASA) NC-212-200 Aviocars, 14 CN-235-10s, 9 F.27-500Fs, 8 each DHC-6-300 Twin Otters and F.28-4000s, 5 each British Aerospace BAe ATPs (now called Jetstream 61s) and F.27-500s, 4 F.28-3000s, 2 each BAe (HS) 748-B2s and Lockheed L-382G Hercules, and 1 each F.27-400, F.27-600, and F.28-3000C.

Flights are launched from Padang to Batu Besar and the remaining units of the former **Air New Zealand, Ltd.** F.27-500F fleet are delivered.

While taking off from Nabire on June 16, a cargo of bagged rice aboard a DHC-6-300 with three crew, begins to shift, causing the aircraft's nose to pitch up; after the plane stalls, it crashes near the runway (one dead).

While en route from Ambo on July 1, an F.28-3000 with 4 crew and 39 passengers crash-lands onto a rocky beach near Sorong (41 dead).

Figures are made available for the first nine months. Customer bookings during this period are up 5.6% to 2,768,665 while freight climbs 2.7% to 29.3 million FTKs. The first two of 12 ordered Fokker 100s enter service during October.

Towards year's end, permission is granted for the airline to depart the Garuda Indonesia Group.

The employee population totals 4,800 in 1994 and the fleet contains 104 aircraft. Located within the Merpati Maintenance Facility near Surabaya, the Merpati Training Centre is opened during the spring.

While on approach to Palu in bad weather on a June 18 service from Balikpapan, an F.27-500F with five crew and seven passengers, crashes into Mount Kalora at the 2,295-ft. level; there are no survivors.

The company employs its only dedicated freighter for six months of the summer season; the Boeing 707-323C, labeled "The International Air Freight of Indonesia," is returned to its lessor, **Buffalo Airways** of Texas, in November.

Just after landing at Semarang from Jakarta in bad weather on November 30, Flight 422, an F.28-4000 with 6 crew and 79 passengers, overruns the runway and falls into a ditch, where it breaks apart; although the aircraft is destroyed, there are no fatalities.

Traffic figures for the year show passenger boardings up to 4,192,609, while cargo dips 0.2% to 26 million FTKs.

At ceremonies that are part of the company's thirty-third anniversary celebration, the new Merpati Training Center is opened at Juanda Airport, Surabaya, on January 6, 1995. Another new building, a 16-story headquarters in Jakarta, will be opened later in the year. Flight 6715, the DHC-6-300 *Sangihe* with 4 crew and 10 passengers, is caught in bad weather on January 10 while en route from Bima to Ruteng and disappears; wreckage is never found and it is suspected that the Twin Otter fell into the ocean.

While attempting takeoff from Bintuni on July 17, a DHC-6-300 with 2 crew and 16 passengers, hydroplanes off a wet runway into a nearby banana plantation (1 dead).

In late October, President/CEO Ridwan Fataruddin refuses to lease 16 IPTN-built CN-235-220 turboprops from a lessor partly owned by Hutomo Mandal Putra, son of Indonesian President Suharto. Fataruddin considers the price—\$110,000 a copy—exorbitant. The national transport ministry does not share this position and Fataruddin is terminated. He is replaced by the airline's commercial director, Budiarto Subroto, who understands the political necessity of acquiring aircraft from the state-owned aviation plants regardless of cost.

Traffic and financial figures for the year are not released.

The workforce totals 2,150 in 1996 and the fleet has been reduced by two aircraft since 1994. The official Antara news agency reports in February that the airline has agreed to charter 16 CN-235-220s in June from Deutsche Morgan Grenfell at \$70,000 each per year for a decade.

The company's first long-haul international service is inaugurated on August 1 from Jakarta to Melbourne.

A total of 3,190,395 passengers are this year boarded and 25.83 million FTKs are operated.

Over 130 markets are visited in 1997, the largest being Balikpapan, Bandar Lampg, Bandung, Banjarmasin, Denpasar, Dumai, Ketapang, Kupang, Maumere, Medan, Padang, Palankarya, Paembang, Pekanbaru, Pontianak, Rengat, Semarang, Surabaya, Tanjung Pinan, and Waingapur.

President Subroto announces on January 30 that the company will soon receive under lease two A300-600s, three B-737-200s, and three BAe 146-100s. The announcement will prove premature.

New services are started from Jakarta and Denpasar to Melbourne and Taipei.

While on final approach to Tanjung Pandan after an April 19 service from Jakarta, control is lost of Flight 106, the BAe ATP *Sangeang* with 5 crew and 48 passengers. The aircraft enters a steep left bank and crashes in a coconut grove 1 mi. short of the runway and breaks apart (15 dead).

By Regulation 10/1997, Merpati regains its independence on April 29 and is allowed to depart from the Garuda Indonesia Group.

While attempting to land on one engine at Ambon at night and in rain on July 9, Flight 7979, the IPTN (CASA) C-212-AB4 Aviocar *Bunyu* with three crew, which is due for repairs, loses an engine and crashes 1 mi. short of the runway; there are no survivors.

On October 2, Merpati and Airfast Indonesia join two private companies in boycotting the mountain airport at Wamena in Irian Jaya, in the nation's easternmost province, citing the hazard posed by tribesmen and animals who routinely cross the runway as aircraft are departing or landing.

Catastrophic forest fires and Asia's economic crisis have a serious impact later in the year. Merpati attempts to close down 80 of its unprofitable domestic routes, but is prevented from doing so by the Minister of Transport Haryanto Dhanutirto, who orders that the company continue to operate all of its services, even those segments with load factors under 30%. Struggling with a \$253-million debt, the airline loses all of its remaining connections with Garuda Indonesia.

Indonesian aviation policy wavers during the opening months of 1998.

Having sped past the VR on its takeoff from Jakarta on May 15, Flight 715, an F.28-3000, aborts when a cargo door warning light comes on; the plane overruns the end of the runway when it cannot stop.

In late spring, Jakarta is rocked by political demonstrations and on May 21 President Suharto resigns. With the rupiah now valued at 17,000 to the U.S. dollar, the nation's airlines are granted permission to increase fares by 37.5%. Merpati cuts many services, suspending flights altogether in July.

By the beginning of August, a cost-cutting plan that would have combined the domestic operations of Garuda, Bouraq, Merpati, and Mandala collapses; despite load factors as low as 30%, the smaller airlines refuse to join with the flag carrier.

The effects of the Asian currency crisis and the national economic downturn continue; at this point, the four companies are losing significant funds as 80% of their costs are in U.S. dollars, but only 20% of their income is in the same currency.

During the last week of August, the Indonesian Parliament does grant a long-desired fare increase. Domestic tickets increase in price by 40% on September 1; they rise again another 14% on December 1.

During November, a Lockheed L-1011 TriStar 1 is leased from Orient Express Air, Ltd. of Thailand. It will be employed on Hadj flights the following spring.

After months of negotiation, a spectacular financing arrangement is concluded with the Swiss aircraft broker International Air Finance Corporation (IAF) on January 25, 1999. Under terms of the agreement, IAF, Garuda's general sales agent in Australia, will become 51% owner of the Garuda Indonesia subsidiary for the next 10 years and will inject up to \$500 million. The government of Indonesia retains control over company management, while IAF officials will serve as auditors of a fund set up to strengthen the company's financial condition and purchase new aircraft.

On February 15, Merpati cancels service from Denpasar and Bali to Melbourne and Perth, Australia. The routes are picked up by Garuda Indonesia.

A B-737-230A with 100 passengers en route from Bali to Dili on February 21, is forced to divert to Kupang in West Timor when a bomb is reported at Dili's Komoro Airport. No explosive is found.

Flights to some domestic and regional destinations resume in early March.

With the airline facing insolvency due to its failure to pay its outstanding debts, the Minister of State Enterprises, Tanri Abng, fires its entire management board on March 16. A new board is appointed that includes Wahyu Hidayat as president, succeeding Budiarto Subroto.

Chief Commissioner/Chairman Muchtarudin Siregar informs ANTARA (The Indonesian National News Agency) on April 8 that Merpati's debt is now more than Rs 1 trillion (\$117.6 million). The company's assets are minus Rs 830 million and Siregar admits, "we could say this company is bankrupt." Still, a new plan has been worked out that offers prospects for recovery. Among the scheme's key points are reduction of the fleet to 26 planes, the sale of several fleet units including 3 Fokker 100s, a rescheduling of the debt, and an increase in ticket sales.

The search for a foreign partner continues as the previous arrangement with the Swiss broker is rejected. IAF, with which an arrangement had been closed in late January, had subsequently wanted Merpati to turn over income from all of its international operations in exchange for a \$20-per-passenger cash injection.

The chairman informs the *Jakarta Post* on May 3 that the debt has swelled to Rs 1.8 trillion (\$212 million) and that the company is now technically, but definitely, bankrupt.

During the first six months of the year, the rupiah regains some 50% of its strength. The balance of the parliamentary-approved fare increase is postponed.

The onset of political violence in East Timor causes the carrier, in September, to suspend its services to Dili. Service from Jakarta to Pontianak is doubled from one weekly roundtrip to two on October 25.

In December, the Ministry of Transport issues permits to three new domestic carriers. The move is challenged (unsuccessfully) by the National Air Carriers Association on behalf of Merpati, **Bouraq Indonesian Airlines**, and **Garuda Indonesia**.

It will be the following May before financial results are released. When they are, they show the first pretax profit in three years: Rp97.9 billion (\$12.3 million).

Flights to Komoro Airport at Dili, East Timor, are resumed on January 5, 2000. Twice-weekly frequencies from Denpasar to Dili are restarted on March 3. Employing a DHC-6-300 Twin Otter, the carrier, at the end of March, boosts its weekly return service from Biak to Sorong via Kaimana and Fakfak from one flight to four.

Several new airlines, permitted under Indonesia's domestic air transport liberalization law, now take to the skies. One of these, **Lion Mentari Airlines** inaugurates twice-daily Boeing 737-2P5A return frequencies on June 30 linking its base with Pontianak. Lion's \$115 one-way fare on this route is almost 30% lower than that charged by Merpati.

To prevent provocateurs from landing into the troubled area, the Maluku governor closes the port of Ambon to passenger ships on August 10. To provide alternative lift, Merpati immediately increases its thrice-weekly return services to that point from Jakarta to four times a week.

On September 12, it is announced that the number of weekly roundtrip frequencies offered from Bali-Denpasar to Kupang will be increased from four to seven in 2001.

In December, the company begins adding 129 new flights. From Jakarta, services are started to Pontianak, Pangkalpinang, Tanjungpandan, Kuala Lumpur, Denpasar, and Makassar. Frequencies are also begun from Bandung to Denpasar and from Makassar to Surabaya.

MERRIMACK AIR SYSTEM: United States (1975–1978). MAS is founded at Lawrence, Massachusetts, in 1975 to provide scheduled air taxi services to regional destinations. Employing a fleet of Piper PA-31-350 Navajo Chieftains, daily roundtrips are inaugurated on June 16, linking the company's base with Boston, Springfield, White Plains, and New York (LGA).

Operations continue apace until 1978, when the company is transferred to Bedford, Massachusetts, and renamed **Merrimack Airways**.

MERRIMACK AIRWAYS: United States (1978–1979). In 1978, **Merrimack Air System** of Lawrence, Massachusetts, is moved to Bedford, Massachusetts, reformed, and renamed. From its new location, the company continues to maintain daily Piper PA-31-350 Navajo Chieftain services to Boston, Springfield, White Plains, and New York (LGA). Additionally, a new route is stretched from Boston to Burlington, Vermont.

Recession and high fuel costs force the company out of business in 1979.

MERRIX AIR, LTD. See **EAGLE EUROPEAN AIRWAYS, LTD.**

MESA AIR GROUP: 3753 Howard Hughes Parkway, Suite 200, Las Vegas, Nevada 89109, United States; Phone (702) 892-3773; Fax (702) 892-3950; <http://www.mesa-air.com>; Code YV; Year Founded 1994. In December 1994, the corporate organization of **Mesa Airlines** is changed and headquarters are transferred from Farmington, New Mexico, to Las Vegas, Nevada. Mesa becomes Mesa Air Group, with five operating divisions: **Air Midwest**, **Florida Gulf**, **Liberty Express**, and **WestAir Commuter Airlines Mountain West Airlines (4)**, which replaces the original Mesa Airlines with components from it and several other units; along with.

Also in December, a \$160-million order is placed for four additional Beech 1900Ds.

For the year as a whole as both **Mesa Airlines** and briefly, as Mesa Air Group, collective passenger boardings accelerate 16.2% to 5,170,252 and revenues jump 12% to \$396.13 million. With expenses of \$347.76 million, the pretax profit is up to \$48.37 million and net gain reaches \$27.68 million.

An arrangement is reached with **United Airlines** during the first quarter of 1995 to continue "United Express" service from Denver. As part of the deal, 12 DHC-8-300s are traded back to Bombardier Aerospace in April for 25 smaller, but hot-and-high DHC-8-200s that are more suited to the thinner Colorado air. A \$226-million order is placed for the turboprops and, upon their arrival, beginning next February, they will be operated by **Mountain West Airlines**. Also in April, the Columbus hub is closed.

Established at Phoenix as a new MAG division, **Desert Sun Airlines (2)**, under the direction of its President George Lippemeier, is equipped in April with a pair of Fokker 70 jetliners, the first to be flown by a North American carrier.

It is reported on May 25 that MAG has entered into discussions with **Continental Airlines** for the purchase of its "Continental Express" subsidiary. Under terms of negotiation, Mesa would take over the major's commuter in exchange for a 33% investment in MAG by Continental. The premier Fokker 70 is delivered during the month and is initially employed on crew and route familiarization flights.

Mesa rejects the \$90 million proposal on June 2. As part of a code-sharing agreement with **America West Airlines**, the first **Desert Sun Airlines (2)** Fokker 70 begins "America West Express" service from its base to Des Moines on June 12. When the other Fokker becomes available in July, more destinations will be visited.

On July 1, MAG President/CEO Clark Stevens is elected to the board of directors, expanding the governing body back to its original seven positions.

Competition is heavy during the summer on both the West Coast and the East Coast and the Columbus "America West Express" hub is closed. A freak snowstorm hits Denver on the evening of October 22. After landing on Runway 34 in the blizzard, a DHC-8-200 mistakenly exits onto the wrong taxiway and becomes stuck in deep snow. ATC controllers are forced to close the whole runway for 20 minutes until the plane can be retrieved.

During November, support is provided to the new U.K.-based regional **Community Express Airlines, Ltd.** MAG as a whole is now rated a "National" airline by the DOT at year's end.

Combined enplanements for the six divisions increase by 16% to 6,271,418, while operating income rises 14.7% to \$454.53 million. Costs climb 22.2% to \$424.96 million. Profits decline, with operating gain down to \$29.57 million and net gain off to \$14.01 million.

Overall employment stands at 4,100 in 1996. Early in the year, plans are made to return the two Dutch-made Fokker 70s operated by **Desert Sun Airlines (2)** and replace them with up to eight Canadair CRJs. Delivery delays on a number of DHC-8-200s and negotiations with pilots over a new contract are protracted.

While landing at Denver on May 2 after a flight from Gunnison, Colorado, "United Express" Flight 7591, a Beech 1900D with two crew and nine passengers, sustains substantial damage when the right main landing gear collapses; no injuries are reported. The group's 100th Beech 1900D turboprop is delivered during the month.

As is the case with **Rich International Airlines**, the FAA, in the wake of the May **Valujet Airlines** disaster, raises questions concerning the company's management structure, as well as safety, security, and maintenance operations. Following a number of hotline complaints concerning poor maintenance and flight delays, particularly at Denver, the FAA begins a "special emphasis" inspection, involving the company's five divisions.

At the same time, Colorado's U.S. Senator Ben Nighthorse Campbell (R-Colo.) asks for a Senate aviation subcommittee investigation as the result of continuing complaints received in his office concerning flight delays at Denver and elsewhere.

In July, Congress eliminates \$1.2 million in Essential Air Service (EAS) payments to MAG. As a result, the carrier is forced to halt **Air Midwest** "USAir Express" services to the Kansas cities of Dodge City, Great Bend, Garden City, and Hays served from Kansas City, plus a number of "United Express" communities visited by **Mountain West**

Airlines from Denver. Mesa's other resources are strained by a delay in the company's receipt of new Dash 8-200 turboprops and the resignation, over the past 60 days, of 38 pilots.

During the third week of August, a \$320-million order is placed with Bombardier for 16 Canadair CRJ-200ER Regional Jets; it also takes options for 32 more in 2 groups of 16 each.

On September 22, MAG reaches a settlement with the FAA to resolve a number of deficiencies that inspectors have found in the airline's operations and maintenance. The holding company, on behalf of its regional subsidiaries, agrees to pay a \$500,000 civil consent penalty, make changes in its training and internal audit programs, and make personnel changes in flight, maintenance, and ground crews. The government agrees to set aside half of the penalty if compliance is demonstrated within a year.

The company, clearly annoyed, releases full details of the accord because the deal has leaked to the media by an unknown source within the FAA. At the same time, a "continuing fitness review" of the group is launched by the DOT. The company is reincorporated in Nevada on September 27.

Having been launched, Senator Campbell's aviation subcommittee review now becomes a very public campaign designed to highlight the company's poor service within the lawmaker's state. MAG responds with public relations, town meetings, and back-up crews ready to make certain that delays are no longer a significant concern.

In October, former executive Jonathan Ornstein, currently CEO of Richard Branson's **Virgin Express Airlines, S.A.**, makes a \$50-million offer on behalf of Virgin to purchase the company's "United Express" division. The tender is rejected by Mesa's board. At the same time, talks with the company's pilots break down, bringing in the National Mediation Board (NMB).

Also during the month, discussions begin concerning a possible transfer of corporate headquarters from Farmington, New Mexico, to any of five new sites: Albuquerque, Dallas/Fort Worth, Denver, Memphis, or St. Louis.

Plans are announced for the launch of scheduled service from Fort Worth's Meacham Airport next spring. At the same time, Texas proposes a new aviation tax on airlines operating within its borders.

Under NMB supervision, the company and its 1,000 unionized pilots are able to reach an accord on November 13 concerning a new 5-year pact. The agreement gives the flyers an immediate pay increase and an integrated seniority list; the carrier gets productivity concessions.

The decision is taken on December 9 to retain corporate headquarters at Farmington. With all of the Model Ds in service, the last of the Beech 1900Cs are retired by the end of the year.

Customer bookings accelerate 2.3% to 6,413,907 and revenues climb 9.9% to \$500.36 million. Expenses are up only 6.3% to \$452.37 million and there is a \$47.99-million operating gain. The net profit more than doubles to \$30.4 million.

During the first week of January 1997, MAG is again reorganized. The decision is based upon the FAA's requirement that it integrate its independent airlines, giving the new units common manuals and procedures, as the necessary step to advance from a FAR Part 135 operator to a full-fledged Part 121 carrier.

The operating subsidiaries Desert Sun, Florida Gulf, Liberty Express, and Mountain West are replaced under the new certificate by four new divisions: "America West Express," Independent, "United Express," and "USAirways Express." Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**, the FAA certificates of which are also both held by MAG.

Each of the new divisions will handle their own customer services, marketing, community relations, code-sharing arrangements, and government relations. MAG will remain as a holding company and centralized purchasing agency. The carrier begins to encounter substantial training backlogs as the shift to FAR 121 begins.

A new Independent Division, which retains the original Mesa Airlines name under President Peter Otradovec at Fort Worth, will provide jet

services with a fleet of 10 Canadair CRJ-200ERs, the first of which arrives in February. Six additional RJs are delivered, several as replacements for the two Fokker 70s flying with **America West Express**.

Training flights commence in March. The cost of the company's reorganization is seen in fiscal figures for the first quarter. As of March 31, the company has lost nearly \$1 million since January.

At the beginning of April, 11 daily roundtrips commence between Fort Worth's Meacham International Airport ("Meacham Field"), which hasn't had scheduled service in a decade, and Houston. An FAA inspection forces the company to stand down from the new route in mid-month because Canadair pilots are not able to demonstrate appropriate skill in programming their sophisticated flight management computers. The grounding forces the company to postpone plans to start services to San Antonio on June 1.

Once new training is completed and procedures are revised, Mesa is allowed on May 5 to resume its 11-times-a-day frequencies between the Texas cities with 2 new RJ200ERs. A third Canadair is also on hand, but held in "ready reserve."

The initial **America West Express** RJ200ERs arrive in late June painted in the new color scheme of **America West Airlines** with "America West Express" billboard-sized titles painted along their sides. They commence revenue services on July 7 from Phoenix to Des Moines, replacing the Fokker 70s.

Recognizing the higher costs of operating at the new Denver airport, Congress, under the leadership of U.S. Senator Pat Roberts (R-Kans.), restores—and increases—the lost EAS monies on July 1 for the next fiscal year, in the amount of \$2,797,280.

A dispute between MAG and its **United Express (Mesa Air Group)** division vs. **United Airlines** and **SkyWest Airlines** concerning access to certain West Coast markets results in a July lawsuit. UAL files suit in the U.S. District Court in Chicago seeking a determination as to the rights of all parties to the routes before any of the companies suffer economically. Mesa does not countersue.

When the jetliner service between Fort Worth and Houston (HOU) proves less popular than anticipated, President Otradovec implements a fare sale; between August 1 and August 31, the \$84 one-way tariff is reduced to just \$25. Still, frequencies will have to be cut back to six per day. It is announced on August 23 that thrice-daily Canadair CRJ roundtrips will commence on October 5 between San Antonio and Colorado Springs.

On September 1, CRJ-200ER flights commence to San Antonio from Fort Worth 6 times daily; on September 7, service to Houston is reduced from 11 to 6 daily roundtrips. Due to a clause in its Meacham Field contract, Mesa is prohibited from flying from that market to cities outside of Texas.

During the month and after a new inspection is completed, the FAA forgives half of the \$500,000 fine imposed upon the airline a year earlier.

Due to a delay in receipt of FAA approval for its Beech 1900D simulator training program, Mesa, during the month, is forced to lay off 81 pilots who have graduated from its ground school. With the company suffering fiscal reversal, it can no longer justify maintaining the flyers on the payroll until such time as they can clear their final training and become active flight crews.

With the EAS subsidy coming in hand, twice-daily **Air Midwest** "USAir Express" roundtrip Beech 1900D flights are resumed on October 1 from Hays to Kansas City via Great Bend and from Garden City to Kansas City via Dodge City. Additionally, "United Express" resumes twice-daily Beech 1900D roundtrips from Great Bend to Denver via Dodge City and twice-daily roundtrips from Hays to Denver, plus thrice-daily roundtrips from Liberal to Denver via Garden City.

CCAair board member Peter Murname, a principal in Barlow Partners and former Mesa executive Jonathan Ornstein, president of **Virgin Express Airlines, S.A.**, make a \$50-million offer in October for Mesa's "United Express" operation at Denver, along with **WestAir Commuter Airlines**. The tender is rejected.

"United Express" service from Denver to Fort Collins, Loveland, and Longmont, Colorado, is terminated as the result of low prorates from **United Airlines**, lack of capacity, and high Denver airport costs. United begins an Airport Express bus service that operates 14-times-per-day roundtrips from Denver to Fort Collins and 12 times per day to and from Longmont and Loveland.

A third Canadair enters service in November, with a fourth retained as backup. Five more CRJ-200ERs will enter service by year's end. Mesa initiates thrice-daily nonstop Canadair CRJ-200ER roundtrip service between Nashville and Colorado Springs beginning Nov. 3 with introductory fares at \$99 one-way. Flights previously scheduled to begin on October 5 are now initiated thrice daily between San Antonio and Colorado Springs.

On November 10, MAG places \$350 million in orders with Bombardier Regional Aircraft for an additional 16 CRJ-200ERs; in fact, the request actually represents the conversion of 8 DHC-8 requests and the exercise of 8 options. Four will be assigned to Mesa Airlines and 12, under a new marketing agreement, to **USAirways Express (Mesa)**.

Fort Worth to Austin CRJ-200ER service begins on November 30. Seven roundtrips are provided daily during the week with an abbreviated schedule on weekends. Having weathered the required three-month interim, the company drops "United Express" flights to Worland and Rock Springs, Wyoming, plus Pueblo and Alamosa, Colorado, at the end of the year. More worrisome, completion reliability of **America West Express (Mesa Air Group)** falls to 95% in December, three points below the minimum specified by contract.

Passenger boardings increase by 5.4% to 6,759,756. Operating revenues rise 2.1% to \$510.97 million, as expenses jump 25% to \$565.46 million. The record operating profit of 1996 becomes a \$54.48-million loss, another record; simultaneously, the record \$30.4-million net profit has been turned into a record \$48.59-million loss. In short, Mesa has undergone a "riches-to-rags" experience.

At the beginning of 1998, MAG is the 12th largest airline in the world in terms of fleet size.

Chairman Risley announces in late January that he will retire on April 30 or upon appointment of his successor, although he will continue to serve as the carrier's nonexecutive board chairman. At the same time, company veteran Robert Dynan is appointed president of the independent Mesa Airlines Division and J. Clark Stevens becomes chief operating officer.

By January 14, a Washington, D.C.-based group led by Franklin Resources has gained a 9% stake in Mesa. Since December 2, it has purchased 2.54 million common shares. On January 22, it is revealed that **Virgin Express Airlines, S.A.** CEO Ornstein has acquired a 5.33% stake—sufficient for a board seat.

The worst news of the month comes from **United Airlines**, which announces an end to its "United Express" arrangements with subsidiary **Westair Commuter Airlines**. The San Francisco component is cancelled, effective on May 31, with Pacific Northwest flights to end in September.

The loss of this operation is a serious blow, as the "United Express" relationship had been worth 47% of the group's revenue.irate investors, claiming to have lost millions over the past year due to poor management, threaten lawsuits.

On February 4, the board of directors announces that Paul R. Madden, the airline's corporate/SEC counsel from 1988 to June 1997, has been elected board chairman, with James Swigart as vice chairman. The chairman position was vacated the previous day by Mr. Risley, who becomes chairman emeritus.

To help revitalize their carrier, pilots at **Westair Commuter Airlines** offer MAG \$20 million in February for a 20% stake; MAG spurns the tender. Also during the month, former executives Jonathan Ornstein and James Swigart, the latter chief financial officer of **Virgin Express Airlines, S.A.**, of which Ornstein is CEO, return to the carrier, winning seats on the board of directors, and begin demanding management change.

Disappointed with the service it has received from Mesa (particularly completion reliability), **America West Airlines** determines during early March to conclude its code-sharing agreement with **America West Express (Mesa Air Group)**, effective April 2 and notifies MAG of its decision.

Also in March, **Westair Commuter Airlines** President Rolly Bergeson memos company employees the bad news that 1,100 of their number will be laid off by mid-June, directly as a result of the loss of the United contract.

During the month, the Canadair service to Meacham Field, which is losing \$2 million per month, is suspended, as are flights to Nashville and San Antonio from Colorado Springs. Plans are made to return up to 60 Beech 1900Ds and BAe Jetstream 31s to their lessors over the next 12 months.

On March 12, it is announced that five Canadairs will be transferred from the carrier's Fort Worth system to satisfy the MAG agreement with **USAirways**, which calls for the placement of 12 regional jets into the **USAirways Express** code-sharing program.

On March 26, **Virgin Express Airlines, S.A.** CEO Ornstein is appointed CEO, effective May 1. When **America West Airlines** learns that the former Mesa executive vice president and current Virgin Express CEO Ornstein has become involved with Mesa on a management basis, AWA relents on its contract termination decision, agreeing to rescind the termination notice. On March 31, it enters into an interim dual-designator pact. A long-term code-sharing alliance will be negotiated after Ornstein takes over as Mesa's CEO in May.

The Pacific Northwest "United Express" segment is essentially completed on April 30 and with it **United Express (Mesa Air Group)** is no more.

Having initially indicated a preference not to assume an active role in management, Jonathan Ornstein becomes Mesa CEO on May 1. He will remain chairman of **Virgin Express Airlines, S.A.**, where the Mesa board's vice chairman, James Swigart, now becomes CEO. Chief financial officer from 1985–1995, Blaine Jones now returns to that post. Three Canadair CRJs enter service with **USAirways Express (Mesa Air Group)** on May 1.

Four Beech 1900Ds are transferred to **Great Lakes Aviation** during the month as the Spencer, Iowa-based carrier begins its expansion at Denver. Mesa and the aircraft's manufacturer, Raytheon Aircraft, will turn over an additional 11 1900Ds following their maintenance-acceptance inspection.

At the beginning of May, MAG retains the International Airline Support Group to assist **Westair Commuter Airlines** with the disposition of its leased fleet of Brasilias and Jetstream 31s. The process will result in a \$16.5-million suit by aircraft lessor Jet Acceptance Corporation against the airline for J-31 lease payments that are not subject to cancellation as well as damages.

CEO Ornstein begins to restructure the group's management team on May 12. Clark Stevens vacates the chief operating officer slot to become president of Mesa Airlines, Inc., which operates as the **America West Express (Mesa Air Group)**, **USAirways Express (Mesa Air Group)**, and independently as Mesa Airlines, succeeding the resigned Robert Dynan. Michael Ferverda becomes vice president-light operations, replacing Chuck Steeber, who once again becomes a line pilot. Vice President-Planning and Pricing Benjamin Harrison resigns, as does Public Relations Director Sarah Pitcher.

Having determined that the government EAS subsidy is insufficient, MAG, on June 19, serves notice to the DOT that it will halt service to Alamogordo, Clovis, and Silver City, New Mexico, and Kingman and Prescott, Arizona, within 90 days.

The second quarter losses this year are \$9.2 million, compared to \$989,000 a year earlier. Among the \$131.1 million in expenses is a \$4-million loss taken with the cessation of jet service at Fort Worth and a \$2.5-million reserve related to an anticipated closure of a shareholder class-action suit. A clearly disappointed Chairman Ornstein promises action to reverse the decline.

In July, Mesa is able to renegotiate its financial arrangements with Raytheon Aircraft Company for 15 Beech 1900s. Under terms of the pact, \$5 million in cash is immediately generated and leases on the aircraft are reduced from \$560,000 per month to \$200,000. Mesa concurrently enters into a brokering agreement with Raytheon under which any of the Beech 1900s may be sold, with the airline receiving a portion of the profit. This arrangement marks the opening of a massive sell-off or redeployment of nearly 100 excess aircraft.

Former **Chautauqua Airlines** CEO Timothy Coon is appointed to the newly developed position of vice president of **USAirways Express (Mesa Air Group)** on July 17. Plans are made to sell the flight school at Farmington.

A new, six-year code-sharing agreement with **America West Airlines** is announced on July 23. Focusing initially on America West hub at Phoenix, the agreement contemplates adding regional operations in Las Vegas and Columbus, Ohio. Additionally, Mesa's Beech 1900s will be withdrawn in favor of CRJs and DHC-8s, which will reach totals of 12 and 14, respectively, by the end of 1999.

The next day, at the company's annual general meeting, shareholders reelect the board of directors, as restructured in early February, and approve all of management's proposals. It also approves a transfer of company headquarters from Farmington to Phoenix.

Michael Suckow is named senior director of systems operations on August 6, while, at the same time, Steve Markhoff becomes director of corporate affairs. "America West Express" frequencies to Des Moines and Fresno are increased during August.

Given the history between the leadership of the two organizations, it does not come as a surprise when, on August 27, it is announced that MAG has signed a letter of intent for the acquisition of **CCAair**. The all-stock transaction, valued at approximately \$60 million (including \$15 million in debt assumption), will be complete as soon as stockholders and government regulators approve.

Mesa will operate CCAir as a wholly owned subsidiary, which will retain its own name. Through their relationships with **USAirways**, the acquisition is also seen as a way for the combined "USAirways Express" companies to serve all of the major's hubs on the East Coast.

Although the Jet Acceptance Corp. suit is still pending, MAG, on September 4, agrees to pay \$8 million to settle several other pending lawsuits in order to prevent long legal battles. The suits had been filed earlier by disgruntled stockholders accusing present and former Mesa board and executive officials of allegedly and purposefully providing incorrect financial information.

A tentative contract is reached with Association of Flight Attendants (AFA) on September 21. Rank-and-file members will vote on the matter within weeks.

At the beginning of October, Vice President-Customer Service Mike Lewis is tasked to work closely with both the Mesa Airlines Division and "America West Express"; Vice President-Station Operations Heidi Frederick receives the same charge concerning "USAirways Express."

The independent Mesa Airlines unit, operating Beech 1900Ds from the Albuquerque hub, visit the following communities Colorado Springs, Durango, Alamogordo, Albuquerque, Carlsbad, Farmington, Hobbs, Las Cruces, Roswell, Silver City, and Dallas/Fort Worth.

On October 4, **CCAair** starts nonstop "USAirways Express" DHC-8-102 roundtrips are between Charlotte and Tallahassee four times a day.

A public ceremony and news conference are held at Albuquerque on October 16 to unveil MAG's new corporate identity. Designed to symbolize the new spirit of Mesa in the New Mexico marketplace as well the group's rejuvenation, a new logo and corporate livery are unveiled aboard a Beech 1900D. The color scheme is changed from the predominant color of green to a more modern look of purple and yellow, accented by a reddish orange sun. "We're a different company," Chairman Ornstein assures the 100 community leaders and media on hand for the event.

Under terms of its new accord with **America West Airlines**, "America West Express" assigns four new CRJs to the major's Columbus,

Ohio, hub in the fall. These are employed, beginning on October 29, to double frequencies to Baltimore and Philadelphia from two flights per day to four.

Additionally, a third daily flight is started to Boston and a fourth to New York (LGA). Frequencies to Chicago (MDW) are advanced to seven per day. A mix of CRJs and larger **America West Airlines** jetliners will operate the latter services.

Also in October, a tentative agreement, which will be ratified in November, is reached between the airline and the AFA. The labor pact, the first between the union and the airline, covers the flight attendants working with the company's "USAirways Express" and "America West Express" divisions.

It is announced at a Phoenix news conference on November 25 that MAG has settled all claims with the aircraft and equipment lessors of its defunct WestAir subsidiary for approximately \$15 million.

Enplanements for the year drop to 4.32 million, a 36% decline; revenues are off by 17.1% to \$423.54 million. Although expenses are down 17.2%, they still total \$468.32 million and cause an operating loss of \$44.78 million. The net loss grows to \$53.43 million.

In a move calculated to rebuild the strength and size enjoyed before the "United Express" disaster, MAG, on February 1, 1999, officially moves to fold **CCAair** into "USAirways Express," with the \$54-million merger to be complete by June. At that point, each **CCAair** share will have been exchanged for between 0.435 and 0.6214 Mesa share.

There are no initial plans to change **CCAair's** operations or to link the carrier's route system to that of MAG.

The carrier announces on February 25 that it has entered into a contract to sell an additional 16 Beech 1900Ds as part of its fleet restructuring project. Due to new regulatory requirements and the additional costs of maintenance, the aircraft have become too expensive to operate.

Upon completion of the transaction, the group fleet will comprise 22 CRJs, 12 DHC-8s, and 77 Beech 1900Ds. An additional 10 CRJs will be received by December 31.

Mesa CEO Ornstein and **CCAair** CEO Kenneth Gann jointly sign an extension of the "USAirways Express" service contract on March 5; the renewed marketing agreement is good through December 31, 2003.

The Mesa Airlines, Air Midwest, and **CCAair** divisions all complete 100% of their flights on May 2. To celebrate this achievement, President/CEO Ornstein, on May 6, hosts a company-wide pizza party for all 3,800 employees in every unit spread over 100 locations.

Represented by the AFA, MAG's flight attendants ratify their first contract, for four years, with the airline on June 13.

A dispute with Bombardier Aerospace over financing, trade-in, and option aircraft is settled in November for \$9 million. The arrangement between the two calls for Mesa to pay the Canadian manufacturer \$4 million immediately, with additional payments over eight months.

Also during November, the ALPA-represented pilots of Mesa Airlines and **CCAair** merge their seniority lists. Both carriers operate as **USAirways Express (Mesa Air Group)**.

Mesa Airlines passenger boardings fall 17.5% this year to 2,795,000. MAG revenues drop 17.3% to \$404,616,000, while expenses are down 26.8% to \$405,862,000. Losses improve to \$1.24 million (operating) and \$13.32 million (net).

MAG employment at the beginning of 2000 stands at 4,000, a 60% increase over the previous 12 months. Among the world's top 25 airlines, MAG now ranks 23rd in terms of its fleet size.

An agreement is signed with Empresa Brasileira de Aeronautica, S.A. on January 27 for 36 additional ERJ-145s; Mesa also has options on 64 more regional jetliners, some of which may later be converted into ERJ-135 orders.

The first ERJ-145 arrives and clears customs at Fort Lauderdale on April 28. In May, Larry Risley, founder/chairman emeritus, retires from the MAG board of directors. On June 4, the premier ERJ-145 enters service with **USAirways Express (Mesa Air Group)**. (For consistency, Mesa's "USAirways Express" operational service is filed under that list-

ing.) The CRJs displaced by the new Brazilian jets will be transferred to **America West Express (Mesa Air Group)**.

MAG is named fourth best-managed company among non-state-owned regional-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10. Also in July, Michael Lotz becomes president.

On September 19, an agreement is reached with Raytheon Aircraft Company under which the manufacturer will accept return of 20 Beech 1900Ds. The arrangement is based on an August 1 offer from Raytheon under which the 36 remaining units would be refinanced.

An agreement between Chairman/CEO Ornstein and officials from Lea County and Hobbs, New Mexico, result in a company decision to rescind plans for closure of its nonsubsidized EAS route from Hobbs to Albuquerque on October 19.

The "USAirways Express" contract is extended on November 1 from 2007–2008. Mesa promises to grow the number of ERJ-145s committed to the pact from 28 to 32.

The next day, the **Air Midwest** "USAirways Express" subsidiary signs a code-sharing agreement with **Midwest Express Airlines**. The pact is scheduled to take effect early in 2001 on 14 routes out of Kansas City.

By mid-November, Mesa is operating 10 ERJ-145s for **USAirways Express (Mesa Air Group)** and 26 CRJs for **USAirways Express (Mesa Air Group)** and **America West Express (Mesa Air Group)**. The total allows the airline to claim the title of largest independent U.S. regional jet operator.

During the first quarter of 2001, Mesa will execute a new agreement with **United Airlines**. Contingent upon the proposed merger of the major with **USAirways**, United will extend the MAG **USAirways Express (Mesa Air Group)** contract through December 3, 2010. The deal requires that both UAL and MAG drop all outstanding litigation remaining from the UAL termination of its contract with Mesa in 1998.

MESA AIR SHUTTLE. See MESA AIRLINES

MESA AIRLINES: United States (1980–1994). Founded by Larry L. Risley at Farmington, New Mexico, in October 1980, this small regional begins life as a division of Mesa Aviation Services, where Risley is president and chief mechanic. Piper Saratoga frequencies are inaugurated to Albuquerque with the new commuter entrant operating as the intrastate **Mesa Air Shuttle**.

Enplanements total 14,100 in 1981, the first full year of service. When the owners of Mesa Aviation Services lose faith in their infant air transport division in 1982, Risley and his wife Janie mortgage their home and raise \$125,000 with which to purchase the shuttle's assets. Passenger boardings for the year fall to 10,300.

The fleet in 1983 includes 2 Piper PA-31-310 Navajos, 2 Piper PA-34 Senecas, and 1 Cessna 310. Mesa now obtains an Essential Air Service contract from the U.S. government to provide service to several New Mexico cities. The first Beech 99 is received in May.

Flights begin not only to the capital, but to Vernal and Grand Junction, Colorado, as well.

The economy's recovery assists the company to attract additional customers; late in the year, it is revealed that Mesa has flown 29,136 passengers for that year.

The workforce grows 102.9% in 1984 to 69 as the corporate name and identity is changed. Service is started to Carlsbad, Hobbs, and Roswell, New Mexico, and Lubbock, Texas.

The company's 6 new Beech 99s transport 65,381 customers, a 150.3% increase over the previous 12 months. Revenues total \$2.16 million and expenses are \$2.19 million, leaving an operating loss of \$30,000 and a net downturn of \$17,000.

As 1985 begins, a route is extended to Midland and Odessa, Texas, and a Beech 1900 is acquired. The Essential Air Service (EAS) designation for several more New Mexican routes is acquired.

Passenger boardings increase 84.3% to 120,537. Profits of \$290,000 (operating) and \$185,000 (net) are posted on revenues of \$4.96 million.

The 177-employee Mesa continues to safeguard its independence in 1986, a status reinforced by the fact that **Southwest Airlines**, which dominates the Albuquerque hub, has no feeder arrangements. Mesa is the chief benefactor when **Air Midwest** abandons its former Essential Air Service (EAS) destinations in New Mexico early in the year, allowing Mesa to take them over.

Employing a fleet for 4 Beech 1900s, 5 Beech 99s, and 1 Cessna 208 Caravan I, the newly elevated large regional enjoys a remarkable year operating what its publicity department labels as "low-cost, low-fare, high-frequency" services.

Customer boardings increase again, up 78.3% to 214,956. Revenues jump 100.6% to \$9.96 million, expenses are up 87.6% to \$8.76 million, and the operating profit is \$1.19 million. A net gain of \$742,000 is achieved.

Airline employment at the nation's biggest remaining independent large regional climbs by 42.1% in 1987 to 270. The fleet now includes 5 Beech 1900s, 5 Beech 99s, 2 CATpass Beech King Airls, and 1 Cessna 208 Caravan I. Mesa is launch customer for the Beech 1300, a commuter version of the King Air 200, with an order for five.

The company name is changed to Mesa Airlines in January and in March, Mesa becomes a public corporation, initiating a \$7-million initial public stock offering. Losses are suffered during the second quarter as the result of a fare war begun on April 1 with **Trans-Colorado Airlines**. Over the next three months, this "Continental Express" carrier unsuccessfully attempts to move into Mesa's major markets. A merger is arranged with Wyoming carrier **Centennial Airlines**; however, creditors cannot come to terms on the takeover and the arrangement falls through, causing the bankruptcy of the small regional.

Mesa steps in during June to takeover failed **Centennial Airlines'** Wyoming route system and during the same month, a secondary hub is begun at Denver. A new service is also started from Dallas (DFW) to the New Mexico community of Roswell in October.

On the year, passenger bookings increase another 31.6% to 283,261. Revenues advance by 41.4% to \$15.6 million and low expenses allow profits of \$1.7 million (operating) and \$623,247 (net).

The workforce is cut by 5.5% in 1988 to 420 and 1 Beech 99 is removed. Orders are placed for two additional Beech 1900s and two Beech 1300s. In February, the DOJ files suit against the carrier for discriminatory hiring practices. Later, the unprofitable Wyoming routes acquired with **Centennial Airlines** are all gradually eliminated. The first Beech 1300 is delivered in September.

Customer bookings consequently decline by 2% to 277,578. Revenues grow 15.9% to \$18 million and operating income reaches \$1.97 million. Net profit declines to \$409,206.

The employee population grows a dramatic 55.7% in 1989 to 383. In February, service is inaugurated to the Arizona communities of Prescott, Havasu, and Bullhead City, as well as San Diego, California. In early spring, a new subsidiary, **Skyway Airlines**, is created. Outfitted with three Beech 1900s and appointed a "Midwest Express Connection" carrier, the Mesa offspring, flying under its parent's certificate, inaugurates hub-and-spoke flights from Milwaukee to eight communities on April 17. The summer is spent defeating a takeover bid by **StatesWest** and losing its own takeover bid for **Air Midwest**.

The last Beech 99 is retired in October. A bid is made, also in October to take over financially troubled **Aspen Airways**; however, this effort is ended when a sale of the Colorado commuter to Los Angeles investor Burt Sugarman is announced. Shortly thereafter, the Sugarman arrangement collapses, as do Aspen's negotiations with **WestAir Airlines**.

At year's end, the company places the winning bid (\$4 million, reports Aspen owner Donald Ringsby to his employees) for **Aspen Airways'** turboprop routes and stations. After these are peeled away from the Denver-based carrier, the remainder of the operation, save for the separately-sold fleet of 10 aging Convair 580s, is acquired by **Air Wisconsin**.

The fleet at year's end includes 13 Beech 1900s, 10 Beech 1300s, and 2 Cessna 208 Caravan Is; orders are outstanding for 10 additional 1900s.

Having survived and prospered in both the boardroom and the field, the large regional does equally as well in the air and the accounting office. Passenger boardings shoot up 44.2% to 400,187 and revenues accelerate 28.6% to \$22.5 million. Expenses climb 33% to \$20.6 million and leave the carrier with an operating profit of \$1.9 million. Net profit skyrockets to \$1.04 million.

The remaining Beech 99s are retired in 1990 in favor of seven additional 1900s and nine more 1300s. Orders are placed for eight Embraer EMB-120 Brasilas with options on eight others. Four of the Brazilian-made turboprops are now leased from **Air Midwest**. As a result of the **Aspen Airways** arrangement, Mesa now enters into its first code-sharing agreement, with **United Airlines**, from a base at Denver. Beginning in February, Mesa, doing business as "United Express," replaces **Aspen Airways** on the Casper, Wyoming–Farmington, New Mexico, route. The same month, **Skyway Airlines** wins tentative government approval to operate as a commuter.

The first Brasilia is delivered in April and by June 1, "United Express" flights have started over 11 former Aspen routes in Colorado, South Dakota, and Wyoming. New livery is adopted, including the modified **United Airlines** scheme employed on the ex-Aspen system. Openheimer & Co and Jessup, Josephthal & Co in late July underwrite and manage a public offering of two million shares of common stock.

In August, Mesa becomes launch customer for the new Beech 1900D by signing a letter of intent for the purchase of 25 machines at \$3.95 million per copy. The first secondary stock offering is made in December and brings in \$5.5 million in new equity.

Customer bookings skyrocket 87.2% to 749,118 and revenues increase 104.2% to \$45.95 million. Expenses are up 94.3% to \$40.04 million and allow an operating profit of \$5.9 million and net profit of \$3.57 million.

In 1991, the fleet of the 250-employee large regional is altered again and now comprises 40 1900Cs, 4 Embraer EMB-120 Brasilas, and 10 Fairchild Metro IIs. During the first quarter, the carrier acquires the "USAir Express" partner **Air Midwest**, headquartered at Wichita. The Cessna Caravans and Beech 1300s are retired during the second quarter. On July 1, the company joins with **United Airlines** to celebrate the fifth anniversary of their "United Express" partnership.

Like **Skyways Airlines**, the Mesa-owned **Midwest Express** feeder **Air Midwest**, upon its merger in July, continues its code-sharing activities as a subsidiary under its own name. Also during the month, the company's Farmington headquarters complex is nearly doubled in size by the opening of a new training facility.

On August 1, Beech 1900C flights commence from Albuquerque to Grand Junction, Colorado, via either Farmington or Durango. On August 28, a contract is signed for the purchase of 58 Beech 1900Ds. Twice-daily nonstop and daily one stop Beech 1900C service begins in September from Phoenix to Grand Junction.

Late in the fall, **Air Midwest** CEO Robert Priddy agrees to travel to Jacksonville and establish a new subsidiary, **Florida Gulf Airlines**. The first Beech 1900D arrives at the company's Farmington base in late November.

On behalf of the major **USAir**, **FloridaGulf Airlines** begins "USAir Express" service from Tampa in December. After a period of crew training, the new Beech 1900D enters scheduled service in mid-month.

Passenger boardings by Mesa and its subsidiaries zoom upward this year by 43.5% to pass the one million-mark in annual boardings for the first time (1,074,870). Revenues ascend 69.3% to \$77.78 million, expenses rise 74.5% to \$69.85 million, and the operating profit moves up to \$7.92 million. Net gain reaches \$5.03 million.

Early in 1992, the negotiations are completed for the acquisition of national carrier and "United Express" partner **WestAir Airlines**. When the announcement is made in February, it is revealed that the transaction, which is completed in late June, will be worth \$41.4 million. Also in June, a secondary public stock offering is made that brings in another \$30 million in new equity.

WestAir Airlines continues to operate on behalf of the major at San Francisco and Seattle. A decision is taken not to purchase the Chicago (ORD) operations of **Air Wisconsin**.

On October 1, a code-sharing agreement is entered into with **America West Airlines** to create "America West Express" commuter service through the integration of routes from each carrier's existing Phoenix operations. **America West Airlines'** six de Havilland DHC-8s are given over to the collective enterprise and Mesa's Metros are withdrawn. Also on this day, the major transfers its routes to Durango and Grand Junction, Colorado, plus Yuma, Arizona, to the regional.

The **America West Airlines** route to Flagstaff is transferred on November 1, followed by the service to Palm Springs on December 1. Late in the month, a \$90-million order is placed for 20 Beech 1900Ds. The purchase will include spare parts, training, and five formerly employed Beech 1900Cs.

Customer bookings for the year skyrocket 198.1% to 3,204,372 and revenues rise 16.2% to \$85 million. Operating income moves to \$9.6 million and the net profit is \$5.4 million. Revenues for all of the divisions combined totals \$316.6 million, allowing profits of \$24.1 million (operating) and \$14.2 million (net).

Airline employment in 1993 totals 650. In January, the company receives the 1992 "Regional Airline of the Year" award from *Air Transport World* magazine.

In February, a new CalPac division is established to provide "United Express" flights from Los Angeles as an extension of the United feed to and from Denver. In May, a \$6.2-million write-off is taken on the WestAir division, half of it coming from two **WestAir Airlines** Shorts 360s. Another secondary public stock offering is completed during June and nets \$84 million in equity.

During the summer and on a seasonal basis, the subsidiary **Florida Gulf Airlines** initiates "USAir Express" flights to communities surrounding Boston.

With the delivery of six Beech 1900Ds and two more Brasilas, the CalPac is able to increase its flights out of Denver by 30% during the summer. More flights are added to the Midland, Odessa, and Liberal routes while new frequencies are initiated to Lubbock, Jackson Hole, and Rock Springs. **WestAir Airlines** President Jonathan Ornstein is named executive vice president on October 1.

The code-sharing alliance with **Midwest Express** is terminated and on October 8 the code-sharing arrangement with **America West Airlines** is expanded. A new, small regional, **Superior Airlines**, is created to initiate commuter feed from America West's Columbus, Ohio, hub. **Westair Commuter Airlines** President Jonathan Ornstein becomes Mesa's executive vice president later in the month.

Superior Airlines begins services on December 15 from Columbus to Rochester, Detroit, Lansing, Flint, Toledo, Dayton, Akron, Canton, Louisville, Rockford, Indianapolis, South Bend, Des Moines, and Cedar Rapids.

At year's end, Falls Creek, Pennsylvania-based **Crown Airways** is purchased, along with its routes feeding Pittsburgh. Also in December, the megaregional becomes U.S. launch customer by placing contracts with Fokker for two Model 70 twinjets, plus six options, to begin delivery in 1995.

Collectively, Mesa's group of airlines enplane a total of 2,097,653 passengers, down a million from the previous year. Revenues climb 11.7% to \$353.6 million and expenses are \$115.52 million. Operating income rises to \$32.25 million and net gain reaches \$26.35 million.

In January 1994, Mesa confirms its orders for two Fokker 70s, equipped with Rolls Royce Tay 620 turbofan engines, for delivery next year.

During February, Mesa is one of the investors joining with the financial group AmWest Partners, led by Texas-based Air Partners I.P.—fresh from its bailout of **Continental Airlines**—in an effort to bring the major **America West Airlines** out of Chapter XI.

In March, the new Pittsburgh-based subsidiary **Crown Airways** is renamed **Liberty Express** and offers are made to takeover the "USAir

Express" partner **CCAair** and the "United Express" operator **Sunaire Express**. In April, the transition of **Skyway Airlines** into Superior Airlines, doing business as "America West Express" at Columbus, is completed.

Following two unsuccessful attempts to acquire **CCAair**, that financially troubled small regional's board finally approves, in April, its takeover in an exchange of stock. During the spring, a new code-sharing agreement is signed with **America West Airlines**; good through the year **2004**, the contract specifies a 97% completion reliability rate.

In May, the St. Croix, Virgin Island-based "United Express" carrier **Sunaire Express** is obtained from its parent, Aeroflight Holdings. In exchange for an investment of between \$600,000 and \$750,000 in the company as part of its Chapter XI bankruptcy reorganization, which will allow it to eventually pay off its \$2.3 million debt, Mesa will expend a total of \$3.1 million, including an infusion of \$750,000 in cash.

Executive Vice President Jonathan Ornstein departs in June to become president/CEO of "Continental Express."

A letter of intent is signed with **USAir** on August 24 for the purchase of certain ground equipment and facilities at Reading, Pennsylvania, and aircraft, including nine Beech 1900Bs and five Shorts 360s. On October 23, **Florida Gulf** is purchased from **USAir** for \$28 million and becomes the "USAir Express" carrier for Baltimore, Philadelphia, and Boston.

Also in August, Blaine Jones is appointed president of all of Mesa's operating division except the WestAir unit. Twice-daily nonstop roundtrips commence on October 1 between Denver and Cody, Wyo.

Also in October, a 10-year marketing agreement is signed with **United Airlines** for the provision of "United Express" services from Denver. The first de Havilland Canada DHC-8-300s enter service, but will not prove effective in operations from

In December, the corporate organization is changed. Mesa becomes Mesa Air Group, with five operating divisions: **Air Midwest**, **Florida Gulf**, **Liberty Express**, and **WestAir Commuter Airlines Mountain West Airlines (4)**, which replaces the original Mesa Airlines with components from it and several other units.

For the year, 4,457,989 passengers are transported and a \$58.87 million net profit is generated.

MESABA AIRLINES: 7501 26th Ave. South, Minneapolis, Minnesota 55450, United States; Phone (612) 726-5151; Fax (612) 726-5541; <http://www.mesaba.com>; Code XJ; Year Founded 1944. Pioneer aviator Gordon K. "Gordy" Newstrom establishes the fixed-base operation (FBO) Mesaba Aviation at Coleraine, Minnesota, in early **1944**. "Mesaba" is the Native American name for the iron ore range in northern Minnesota. Charters are flown with a Piper J3 Cub.

Later in the decade, the company is moved to Kent County Airport at Grand Rapids. Charter flights to Minneapolis and other points around the Gopher State are regularly undertaken during the next three decades as Mesaba flourishes as a general aviation contractor.

Mesaba Aviation is sold in **1971** to the Duluth-based Halvorson company, which, in **1973** establishes an airline division using the Mesaba name and inaugurates scheduled services to Minneapolis (MSP) on May 4 with a Cessna 421. Operations, under the direction of founder Newstrom, continue apace over the next five years, losing money each year.

Early in **1977**, Lowell Swenson and his sons Robert E. and Philip establish the FBO Northern Eagle Airways (NEA) at Thief River Falls, Minnesota. A year later, in October **1978**, the Swensons purchase the financially troubled Halvorson company. Robert becomes its CEO while Philip becomes president of NEA. Detroit Lakes, Minnesota-based **Ede-Aire** is purchased late in the year.

The number of Cessna lightplanes flown is increased during **1979-1980**. In **1981**, the family dissolves Halvorson and combines its aviation activities into a new Mesaba Aviation, Inc.

Enplanements total 10,527 and the carrier posts a net loss of \$178,000.

In **1982**, the Swensons oversee a workforce of 50, a fleet of 2 Beech 99s, and the inauguration of Essential Air Service (EAS) services to

Alexandria, Detroit Lakes, and Thief River Falls. Mesaba becomes a public stock company in the fall and \$4 million is raised in a stock offering.

Bookings triple to 31,720 and a profit of \$188,000 is recorded.

The fleet in **1983** includes 5 Beech 99s, 4 Cessna 172s, and 1 each Cessna 180, Cessna 185, Cessna 206, and Cessna 210.

A marketing arrangement is entered into with **Republic Airlines**, which also helps the company plan for FAA Part 121 certification.

Passenger boardings climb again, up to 56,534. The profit is \$425,000, on revenues of \$6 million.

Airline employment in **1984** stands at 150 and the fleet now comprises 2 newly delivered Fokker F.27-200s and 7 Beech 99s. Having received its Part 121 Air Carrier Certificate from the DOT in only five months, Mesaba in July inaugurates EAS flights to a variety of destinations, including the Minnesota communities of Bemidji, Brainerd, Fairmont, Grand Rapids, Hibbing, Mankato, Minneapolis (MSP), and Worthington. Fort Dodge and Mason City, Iowa, Omaha, Nebraska, Devils Lake and Jamestown North Dakota, and Huron, Brookings, Pierre, Mitchell, Sioux Falls, and Rapid City, South Dakota, are also visited.

In November, the carrier, having discontinued its marketing relationship with **Republic Airlines**, transfers its base from Grand Rapids to a former Republic hangar at Minneapolis (MSP). From there, flight activities are coordinated with **Northwest Airlines** in a code-sharing arrangement and a new commuter network that comes to be known as Northwest Airlink.

Mesaba launches the very first Northwest Airlink service from Minneapolis on December 1. Denoting the arrangement, company aircraft are painted with red fuselage tops, black bottoms, and white titles and markings.

Customer bookings increase 83% to 86,285, but cargo is off by 3% to 216,021 pounds. Profits total \$439,995 (operating) and \$202,216 (net).

Despite ferocious competition from **Express Airlines I**, business is good for the Minneapolis-based small regional in **1985** and orders are placed for seven Fairchild Metro IIIs. The Texas-based airplane manufacturer not only purchases five Beech 99s, it also promises Mesaba \$1 million in "fleet integration" payments to be made as its aircraft are delivered. A third F.27-200 arrives in October, financed by \$2 million in debentures from the Northwest subsidiary Northwest Aircraft, Inc.

Passenger boardings jump 54.1% to 132,967 while freight climbs 10% to 230,000 pounds. Revenues ascend 42% to \$9.7 million and with expenses held down, operating profit rises to \$1.06 million while net gain reaches \$361,155.

The fleet of the Northwest Airlink partner in **1986** includes 5 Fokker F.27-200s (2 delivered after March) and 7 Fairchild Metro IIIs. The carrier profits from the massive route realignment that follows the merger of **Republic Airlines** into its code-sharing major associate on October 1. Northwest divides its Minneapolis markets between Mesaba and Republic's former commuter affiliate **Express Airlines I**.

Customer bookings increase 91.1% to 254,157. Cargo, on the other hand, declines by 12.3% to 202,000 pounds. Revenues rise 59.6% to \$19.58 million, but expenses swell 84.6% to \$20.64 million and leave an operating loss of \$1.05 million. The net loss is \$508,000, even with a profitable fourth quarter.

The fleet in **1987** comprises 7 Fairchild Metro IIIs and 5 Fokker F.27-200s; the workforce remains at 370. A charter operation is begun in January and quickly requires the purchase of a sixth, but dedicated, F.27-200. An aggressive marketing campaign is undertaken to offer discount fares to discretionary traffic in those six markets where it supplements the major. As much of the traffic for the new charters comes from the athletic teams of the Big Ten Conference, Mesaba gains its long-standing nickname of "The Big Ten Airline."

Northwest takes over almost all of Mesaba's reservations and advertising, while continuing to handle check-in, baggage, and ticketing.

Passenger boardings increase 45.8% to 370,637 and freight is up nearly as much, by 42%, to 286,000 pounds. Revenues advance by 40.3% to \$21.8 million and costs allow a net gain of \$1.3 million.

During the first quarter of **1988**, the company's strong cash flow enables it to pay off all of its long-term bank loans. The one-millionth passenger (cumulative) is boarded on March 3. In August, the company is chosen by its major partner to become the new Northwest Airlink carrier for Detroit and Milwaukee, succeeding **Simmons Airlines**, which is purchased by **American Airlines**.

During the peak of the summer, Mesaba reaches a point where it is connecting 75% of its Minneapolis passengers directly to Northwest. A new \$4.5-million, 80,000-sq.-ft. headquarters and maintenance facility at Minneapolis (MSP) is occupied in October and service to the two new hubs begins in December. During the final quarter, three more F.27-200s are leased, along with five F.27-500s and two F.27-600s.

The year's customer bookings decline 4% to 385,461 and cargo drops 17.9% to 235,000 pounds. Operating income jumps 11.9% to \$2.82 million and net profit totals \$1.67 million.

The workforce increases in **1989**, climbing by 49.7% to 904. The fleet's 15 Fokkers and 16 Metro IIIs now provide Northwest Airlink service to 3 hubs from 34 destinations in 10 states.

In celebration of its improved status, Mesaba unveils a new corporate logo. In addition, a new headquarters and maintenance facility is occupied at Minneapolis (MSP). The two-millionth passenger (cumulative) is boarded in November.

Northwest's trust is not in error as its regional partner enplanes a total of 757,956 passengers on the year, a remarkable 96.9% increase. Freight traffic skyrockets 140% to 563,319 pounds. Revenues increase 101% to \$63.82 million, expenses swell 102.6% to \$58.6 million, and the operating profit is doubled to \$5.22 million. Net gain reaches \$2.87 million.

The payroll is increased by a slight 0.8% in **1990** to 911 and the fleet remains the same. A new Northwest Airlink aircraft livery is introduced in June, with the company's turboprops painted red above a white line just below the windowline; fuselage bottoms and underwings are grey. In July, five-times-per-day nonstop Northwest Airlink service is initiated from Detroit to Pellston, Michigan. Roundtrips start in November from Detroit to Cincinnati, Cleveland, Columbus, and Kalamazoo.

One roundtrip is added in December from Detroit to Lansing and a new maintenance facility finishes construction at Detroit. The State of Michigan honors the large regional with its "Excellence Award of Aviation Enhancement."

Passenger boardings leap upward by 22.8% to 931,080 and freight climbs 26.4% to 712,187 pounds. Revenues ascend 36.9% to \$87.36 million, expenses rise 36.1% to \$79.77 million, and operating profit increases to \$7.59 million. Net profit doubles to \$4.28 million.

Company employment is cut a slight 0.1% in **1991** to 910. President Swenson's fleet comprises 21 Fairchild Metro IIIs and 15 Fokker F.27s. Orders are placed for 25 de Havilland Canada DHC-8-102s.

In January, one roundtrip is added from Detroit to Cincinnati and daily roundtrip Metro II flights are inaugurated from Minneapolis to La Crosse. Thrice-daily roundtrips are undertaken in April between Detroit and Youngstown while in May, thrice-daily Metro III flights are launched from Chicago to New Haven, Connecticut, via intermediate stops.

In July, thrice-daily Metro III frequencies begin from Detroit to Charleston, West Virginia, and Lexington, Kentucky, while daily F.27 service is begun from Detroit to Fort Wayne. Justin Dart Jr., chairman of the President's Committee on the Employment of People with Disabilities, and his assistant, John Lancaster, are refused boarding on an August 5 flight because the company, under current law, has a right and a policy denying people in wheelchairs access to aircraft of less than 30 seats. The 2 men drive 165 miles to their destinations and the policy is subsequently changed.

On September 3, thrice-daily Metro III service is launched from Detroit to London, Ontario.

Also during the year, a new hangar is built at Detroit to support its growing Michigan hub operation; it also acquires a hangar in Wausau, Wisconsin.

Customer bookings rise 12% to pass the million-mark in annual boardings for the first time (1,041,986) while freight swells 6% to 753,820 pounds. Revenues are \$90.23 million and expenses are \$82.55 million, leaving an operating profit of \$9.2 million and net profit of \$5.41 million.

The payroll resumes its upward momentum in **1992**, growing by 25.4% to 1,285. The first leased DHC-8-102s join the fleet in May and by year's end the fleet includes 17 of the Canadian-made turboprops, 8 F.27-200s, 5 F.27-500s, and 21 Metro IIIs. All are painted in the distinctive red Northwest Airlink livery. Service is initiated from the Detroit hub to five new Midwestern destinations.

Passenger boardings jump 19.3% to 1,243,476 and revenues ascend 20% to \$118.8 million. Expenses swell 18.6% to \$106.4 million, leaving an operating profit of \$12.4 million. Net profit climbs to \$6.6 million.

The employee population inches up a slight 0.2% in **1993** to 1,289 and the fleet now includes 25 leased DHC-8-102s, 5 chartered and 3 owned F.27-200s, 3 leased F.27-500s, 1 F.27-600 chartered from the Danish carrier **Alkair Flight Operations, A.S.**, and 17 owned and 4 leased (from **Trans-States Airlines**) Metro IIIs.

With Northwest on the verge of bankruptcy, this will be a trying year for Mesaba, its Northwest Airlink partner.

In the spring, flights begin to Thunder Bay, Ontario, from Minneapolis (MSP). Other new routes initiated include Knoxville-Tri-Cities-Washington, D.C. (IAD). A dispute breaks out between the regional and its parent over the interpretation of the level of promotional fares to Mesaba destinations.

On July 1, daily flights commence between St. Cloud and Minneapolis (MSP). On October 1, negotiations are completed for the takeover of the new Fort Lauderdale-based charter operator **Sun Express Airlines** by parent AirTran Corporation and plans are made to turn it over to a new subsidiary, **Conquest Sun Airlines**. In November, Minnesota Twins baseball owner Carl Pohlad purchases a 13.3% interest in AirTran Corporation for \$10 million.

Customer bookings for the year jump 12.6% to 1,400,222 and cargo is up by an impressive 64% to 1,309,184 pounds. Revenues total \$129.6 million and expenses are \$122.9 million; as a result, the operating profit is \$6.5 million and net gain reaches \$3.7 million.

Airline employment is increased by 0.9% in **1994** to 1,300. The \$2.5-million purchase of **Sun Express Airlines**, now **Conquest Sun Airlines**, along with its certificate and two chartered Boeing 737s (a Dash-214 and a Dash-2E1A), is completed by AirTran Corporation in May. The arrangement is immediately condemned by Northwest's pilots union, which correctly points out that the purchase violates the scope clause in the collective bargaining portion of the major's contract with Mesaba's parent AirTran Corporation. That wording restricts Airtran to the operation of aircraft with less than 70 seats.

In June, Northwest threatens to withhold some \$894,000 in prorated payments to Mesaba if a resolution of the **Conquest Sun Airlines** issue is not immediately forthcoming. AirTran shareholders meet in July to find a way out of the impasse. Chairman Swenson unveils a plan on August 1 which, as soon as certain tax and legal problems are resolved with Northwest, will result in the spin-off of **Conquest Sun Airlines** to AirTran stockholders and the formation of **AirTran Airways**. Phaseout of the company's F.27s continues, with only three left in service. The last is retired on October 1.

For the year as a whole, passenger boardings increase by 3% to 1,436,529 while freight jumps 33% to 1.7 million pounds. Revenues advance 5.5% to \$136.7 million, while costs are up only 2.4% to \$125.9 million. Consequently, there is a \$10.8-million operating surplus and a net gain of \$5.9 million. These figures are later adjusted downward to \$4.7 million in each category.

The workforce grows another 7.7% in **1995** to 1,400. When **AirTran Airways** is finally spun off into a wholly owned subsidiary during September, Chairman Swenson, Chief Financial Officer Jack Olbrych, and other officials transfer to it. Northwest, meanwhile, takes a 29.7% stake

in Mesaba and signs a new 10-year Northwest Airlink agreement. The pact includes provisions under Northwest will assume responsibility for the regional's scheduling and aircraft routing for two years while guaranteeing Mesaba a minimum \$17.6-million pretax income annually.

On October 1, former **Business Express Airlines** President/CEO Bryan Bedford takes over the same post with Mesaba; Vice President/Chief Operating Officer John F. Fredericksen becomes vice president-finance and is succeeded by Darrell Richardson.

During the fall, a competition is held between the SAAB 340 and the Dornier 328-110 to win the carrier's favor as replacement for its current fleet of Metro IIIs and DHC-8-100s.

Mesaba's parent, Mesaba Holdings, and Northwest, in conjunction with Wayne County, build a new regional airline terminal at Detroit. The new \$17-million "G" concourse is opened in October.

Enplanements move ahead by 3% to 1,485,929 and operating income jumps 22.1% to \$129.1 million. Costs climb 18.2% to \$119.4 million and allow profits to grow. Pretax gain ascends to \$9.7 million while a net \$5.49-million profit is posted. The figures also include nine months for **AirTran Airways** and are later adjusted upward to \$12.3 million (operating) and \$6.97 million (net).

The employee population is increased by 16.5% in 1996 to 1,616. Mesaba now operates to 61 cities in 16 states and 2 Canadian provinces.

On March 11, large orders for new equipment are placed: 27 SAAB 340Bs and 20 used SAAB 340As, 16 of the latter first flown by Metroflight, the AMR subsidiary. In addition, options are taken on 10 new and 12 pre-owned units. The SAAB order alone will be worth \$600 million over the next 30 months.

Also during March, Mesaba signs and amends its Airline Services Agreement with **Northwest Airlines**. The pact allows for Mesaba's inclusion in all fare sales and calls for Northwest to take over all inventory and pricing functions.

In early May, a facility upgrade begins at the Minneapolis (MSP) hub. It includes improved passenger seating and the addition of workstations with telephones and modem hook-ups for business travelers' computers.

The first refurbished Metroflight SAAB 340A, painted in the carrier's bright red Northwest Airlink livery, arrives during the third week of May, with others following at the rate of two per month into the fall of 1998.

On July 15, a fifth DHC-8 service is inaugurated from Detroit Metro Airport to Muskegon. During the summer, new frequencies are inaugurated from Detroit to Elmira and Corning, New York, and from Minneapolis (MSP) to Rochester, Minnesota, and Winnipeg.

In September, the first SAAB 340B is delivered. On November 1, Northwest reaches the decision to replace its 22 DC-9-10s that do not meet Stage 3 noise requirements with 12 Avro RJ85s. Once in hand, the regional jets will be subleased to Mesaba and employed to replace the older aircraft with enhanced JetLink services from Detroit and Minneapolis (MSP).

In late December, Mesaba starts daily point-to-point return flights from Pittsburgh to Detroit. By year's end, 10 SAAB 340s from the March order are on hand.

Customer bookings soar 27.5% to 1,894,000 and revenues accelerate 8.9% to \$185.7 million. Expenses move up by 4.6% to \$166.18 million, but still allow an operating gain of \$19.58 million. A net \$11.98-million profit is reported.

Daily SAAB 340 return service is inaugurated on May 22, 1997 from Minneapolis (MSP) to Kenora, Ontario. The seasonal flights, which will end on September 3, are designed to "offer convenient service to some of the best fishing in the world" at the Lake of the Woods.

A record number of passengers (210,000) are transported during May. A record number of passengers (210,000) are transported during May. Also in May, Mesaba moves into a new 9,000-sq.-ft. regional terminal at the end of the Green Concourse at Minneapolis (MSP).

At the beginning of June, the last Metro III is retired, allowing the company to offer an all-cabin-class fleet.

On June 4, a memorandum of understanding is signed between Northwest and Mesaba Holdings covering an enhancement of Mesaba's

Northwest Airlink services. Under its terms, the carrier will replace **Express Airlines One** at Minneapolis and on August 1 will increase its daily departures from 65 to some 130. In exchange for enhanced revenues, Northwest is provided with a warrant to purchase up to 880,000 of its Northwest Airlink partner's common shares.

On June 6, the first RJ85s enter service, replacing Northwest DC-9-10s on new "JetLink" frequencies from Minneapolis (MSP) to Cincinnati, Des Moines, Grand Forks, Green Bay, and Rochester and from Detroit to Des Moines and Cincinnati.

Given the carrier's new responsibilities and its success with the three RJ85s already in service, parent Northwest during the last week of July places a \$620-million order for 24 more, which will begin delivery, under lease, to Mesaba beginning the following May.

The previous year's SAAB options are revised in October. All of those earmarked the previous March are converted into a firm order for 19 340B-Plus turboprops, which will begin delivery in February.

On December 16, twice-daily RJ85 roundtrips are inaugurated from Minneapolis (MSP) to Aspen. At year's end, Mesaba serves 91 cities in 19 states and Canada.

Passenger boardings surge 53.2% to 2,899,800. Operating revenues jump 49.3% to \$277.22 million, while expenses climb to \$246.85 million. The operating gain reaches up to \$30.36 million, while net profit totals \$19.8 million.

In January 1998, the company receives the 1997 "Regional Airline of the Year" award from *Air Transport World* magazine. This is the first time in five years that a U.S.-based regional has received the prestigious award.

The first enhanced SAAB 340B-Plus arrives in February followed by a second in March. Both wear a special silver grey livery to mark the company's twenty-fifth anniversary.

On April 6, Mesaba signs an agreement with Northwest to operate six additional RJ85s in Northwest Airlink service.

The winter service from Minneapolis to Aspen ends on April 13.

The carrier celebrates the twenty-fifth anniversary of its start of scheduled services on May 4. To mark the occasion, the airline places into revenue service a new SAAB 340B, *The Silver City Flyer*, wearing a special commemorative paint scheme that notes the anniversary and the *Air Transport World* designation. The aircraft is the 39th of its type to enter Mesaba service since June 1996.

Also in May, President/CEO Bedford announces that the board has decided, in an effort to enhance shareholder value, to declare a 3-for-2 common stock split.

Daily Avro RJ85 Northwest Airlink roundtrips commence on June 1 from Minneapolis (MSP) to Aspen for the summer season, which will extend until September 8. Beginning today, the company acquires one new RJ85 every month through November in accordance with the April 6 arrangement.

On a Friday in mid-June, the company base is subjected to a violent hailstorm and other bad weather that forces it to temporarily ground 9 SAAB 340A/Bs, 3 DHC-8s, and 4 RJ85s and to cancel 292 flights through the following Tuesday. A number of SAABs suffer extensive surface damage.

Also during the month, CEO Bedford is named Regional Airline Executive of the Year by *Commuter Regional Airline News*. By midyear, Mesaba provides service to 91 communities in 19 states and 3 Canadian provinces.

Following a period of union organizing activities, the carrier's 780 customer service and ramp service workers vote 589-191 on July 6 in an election supervised by the NMB not to accept representation from the International Association of Machinists and Aerospace Workers (IAM).

In late summer, a new maintenance and crew housing facility is opened at Rhinelander-Oneida County Airport in Wisconsin.

Company officials announce on August 18 that if Northwest pilots go on strike on August 29, Mesaba will temporarily cease operations at the same time. The carrier tells the press that nearly 80% of its traffic connects to other Northwest flights from either Minneapolis or Detroit.

Without these customers, it is not economically feasible to operate to smaller communities.

As a result of the Northwest and Mesaba action, many small communities are left without air service: Bemidji, Brainerd, Chisholm, Duluth, Eau Claire, Fort Dodge, Grand Forks, Hancock, Hibbing, Houghton, International Falls, Rockford, Superior, Thief River Falls, and Watertown. Plans to launch service to Sault Ste. Marie and Alpena, Michigan, are put on hold.

On September 3, Transportation Secretary Rodney Slater orders Mesaba and its fellow Northwest Airlink feeder **Express Airlines I** to resume service to 17 small towns in 11 states in the Midwest and South. As the DOT official puts it, federal rules prohibit the carriers from suspending air service below mandated levels without first filing a 90-day notice.

Although **Express Airlines I** reaches a preliminary agreement with the DOT on September 5, Mesaba remains dormant. On September 8, Secretary Slater and Attorney General Janet Reno announce that they will file suit against Mesaba, requiring it to reinstate scheduled air passenger service at 13 communities that have been without Essential Air Service since August 31. The suit also names Northwest, which will be required to provide the necessary support for its Northwest Airlink partner to meet its obligations.

With Mesaba shut down and unable to begin its planned services to Michigan, **Great Lakes Aviation** flies to the rescue on September 9. "United Express" Beech 1900 roundtrips, which the carrier had been scheduled to end in favor of Mesaba, are continued from Chicago (ORD) to Sault Ste. Marie and Alpena on weekdays through September 30, with twice-daily roundtrips on weekends.

Plans to cease service to Pellston on October 7 in favor of Mesaba are shelved by **Great Lakes Aviation** the next day as a second weekday and Sunday "United Express" roundtrip is introduced between that Michigan city and Chicago (ORD), also through September 30.

Also on September 10, the carrier acknowledges that the DOT and DOJ have, in fact, filed a lawsuit against them, together with Northwest, in an attempt to force it to provide service to the 13 EAS communities.

Northwest itself now steps into the dispute between the DOT and DOJ and its Northwest Airlink affiliates. The major presents the same arguments that both Mesaba and **Express Airlines I** have unsuccessfully employed with government officials. In its emergency petition with the U.S. Court of Appeals for the District of Columbia, Northwest asks the court to stay the effects of the DOT order requiring Northwest to provide support services so that its affiliates can resume EAS services. Northwest argues that its constitutional right to a hearing has been violated because the DOT issued a final order adversely affecting the carrier's interests without providing it with notice. Furthermore, as preparations for the pilot strike were made earlier in the month, the major had specifically and legally executed an agreement with the Northwest Airlink partners suspending all of its obligations, including code-sharing (an important legal point now in play), should a job action occur.

None of these suits come to trial as the Northwest strike is tentatively settled late in the evening. As is the case with **Express Airlines I**, Mesaba resumes service over its route network on September 14, reaching 100% prestrike status within two days.

With appreciation to **Great Lakes Aviation**, Mesaba inaugurates turboprop services to Pellston, Alpena, and Sault St. Marie in early October.

Twice-daily Avro RJ85 Northwest Airlink roundtrips commence on October 25 between Minneapolis (MSP) and Flint, Michigan.

On December 3, company officials reveal plans to break ground for a 126,000-sq.-ft. RJ85 maintenance hangar at Cincinnati in the spring. Also in December, the last de Havilland Canada DHC-8 is retired.

Northwest, which has vowed to complete a deal with **Continental Airlines** despite an antitrust lawsuit from the government, completes its acquisition of a controlling stake in Continental. The arrangement gives the nation's 4th-largest airline a 14% equity stake in Continental as well as voting control of up to 51% of the No. 5 carrier. Executives from both

airlines indicate that they will proceed to implement domestic code-sharing involving upwards of 850 flights.

During the 12 months, customer bookings increase 42% to 4,116,000; freight traffic, on the other hand, skyrockets by 121.4% to 155,000 FTKs. Revenues advance 19% to \$331.75 million, while expenses, although up 21.3%, are \$299.53 million. The operating profit moves up to \$32.22 million, while net gain grows to \$21.27 million.

On January 7, 1999, Northwest and **Continental Airlines** begin linking a major portion of their domestic flight schedules and implementing more international dual-designator flights. The two majors, despite DOT opposition, initiate code-sharing on approximately 850 domestic and international flights to 95 destinations.

As part of the arrangement, Continental code-shares daily on Northwest and Northwest Airlink domestic flights, including cities where it does not currently fly, such as Sioux City, Boise, Knoxville, and Spokane.

In keeping with the code-sharing agreement implemented between Northwest and **Continental Airlines** in December, Mesaba, on January 14, officially enters into a dual-designator arrangement with Continental. Under terms of the pact, the major's "CO" designator will be placed on all of Mesaba's Northwest Airlink flights in and out of Detroit (DDT) and Minneapolis (MSP) which connect to Continental flights in their hubs at Newark (EWR), Houston (IAH), and Cleveland.

On February 18, Northwest places an agreement with Bombardier Aerospace for the acquisition of 54 Canadair CRJ-200LRs. A new RJ85 is received, also on February 18, followed by another on February 25. With their arrival, the company now has 20 of the 36 RJ85s order earlier.

Mesaba begins thrice-daily Avro RJ85 Northwest Airlink roundtrips from Memphis to Cincinnati on March 1. Also from Memphis, beginning on April 4, the carrier operates its RJ85s on Northwest Airlink flights thrice daily to Wichita and Huntsville. Thrice-daily RJ85 Northwest Airlink roundtrips also begin from Memphis to Fayetteville (Northwest Arkansas Regional Airport) on May 15, replacing the SAAB 340 service previously operated by **Express Airlines I**. On May 20, the Mesaba Avro is flown to Minneapolis (MSP), where it is introduced to the local population and media.

One of the company's two daily SAAB 340 Northwest Airlink roundtrips between Minneapolis (MSP) and Traverse City, Michigan, is upgraded to Avro RJ85 service on June 15.

Mesaba President/CEO Bedford assumes the same post with **Chautauqua Airlines** on June 30.

A Bridge Hiring pact is signed with Western Michigan University at Kalamazoo on August 19. Under its terms, graduates of the WMU College of Aviation will be granted flight officer interviews by the Northwest Airlink partner.

In September, a compact is entered into with Western Michigan University for the training of pilots. The deal guarantees WMU aviation program graduates a hiring interview.

Paul F. Foley is named president/CEO in October.

Twice-weekday and thrice-weekend RJ85 roundtrips commence on December 18 from Minneapolis (MSP) to Aspen.

Passenger boardings this year accelerate 32.4% to 5,452,000, while cargo rises 14.8% to 260,000 FTKs. Revenues advance 22.4% to \$406.19 million, while expenses climb 20% to \$359.36 million. The operating profit jumps to \$46.83 million, while net gain reaches \$31.06 million.

Airline employment at the beginning of 2000 stands at 3,124, a 12.6% increase over the previous 12 months. The new 126,000-sq.-ft. Cincinnati Maintenance Facility opens in February.

Weekend RJ85 seasonal service is initiated on February 5 between Memphis and Aspen; the flights will end on April 1.

On May 1, RJ85s replace SAAB 340s on two of the company's five daily return services from Detroit to Appleton and one of six to the Wisconsin city from Minneapolis (MSP). Avros, the 36th being just received, also replace SAABs on two of three daily flights between Detroit and Bloomington, Illinois.

Ten days later, one of three SAAB 340 services from MSP to Thief River Falls Regional Airport—the afternoon flight—is discontinued.

Initially ordered in October 1996, the last of 36 RJ85s, including 6 that have arrived since January, is delivered on May 22. To remain under the scope clause Northwest has in the contract with its pilots, all of the planes have been configured for 69 seats.

New daily RJ85 service is launched from Memphis to Des Moines on June 1 and twice daily to Charlotte on June 15. The latter service is coordinated with **Northwest Airlines**, which also operates a daily DC-9-31 frequency between the two cities. Also on June 15, **Express Airlines** I CRJ200ERs replace RJ85s on the Memphis–Wichita route and on one route from Memphis to Huntsville.

Mesaba is named second best-managed company among non-state-owned regional-sized airlines in the “2000 Index of Competitiveness” published by *Aviation Week and Space Technology* on July 10.

Daily DC-9-31 roundtrips are launched by Northwest on September 1 from Detroit to Charleston, South Carolina, and complement a pair of twice-daily Avro RJ85 frequencies simultaneously started between the city pair by Mesaba.

The Rapid City–Sioux Falls route is closed on October 5. **Northwest Airlines**, on November 1, proposes to Mesaba Holdings that it acquire, for \$13 a share, all of the shares of Mesaba Holdings that Northwest does not already own. The major currently holds approximately 28% of the outstanding shares and has warrants to acquire additional shares that would increase its stake to 40%. The offer is made in the wake of one made several weeks earlier by **Mesa Air Group**.

A massive computer system failure is suffered on December 21, which affects the airlines ability to allow flights to depart as scheduled. Approximately 150 flights must be cancelled.

Enplanements for the year total 6,103,709.

MESEA AIRLINES, LTD.: M-1 Zamrudpur Community Centre, Kaliash Colony, New Delhi, India; Year Founded 1992. Mesea is established in 1992 as a subsidiary of the Mid-East Integrated Steel Company, Ltd. to provide rotary-wing work from bases at New Delhi, Bombay, and Juhu. Operations begin with a fleet of 3 Mil Mi-172 helicopters.

METAVIA AIRLINES (PTY.), LTD.: P.O. Box 787106, Edenvale, 1610, South Africa; Phone 27 (11) 883 0072; Fax 27 (11) 883 0078; Code OW; Year Founded 1984. Meteorological Aviation or Metavia is established at Neispruit in late 1984 by a group of scientists and pilots researching weather conditions in southern Africa and the Transval. Following the signing of a bilateral air agreement between the governments of Mozambique and South Africa, the company, in May 1985, launches twice-daily Cessna return flights to Maputo. This route is particularly important during the Mozambique civil war, as it allows access to schools, supplies, and medical facilities in the Lowveld.

Cessna services are continued outside the limelight until July 1993, when a single Czech-made Letov L-410UVP is added to the fleet. Thrice-daily roundtrips begin from Jan Smuts Airport to Nelspruit. From that point into 1998, Managing Director Peter Farquhar's 25-worker company operates 1 Cessna 310 and 2 Piper PA-31-350 Navajo Chiefains. Two more L-410UVPs enter service during these years.

In December, the company is purchased by **SA Airlink (Pty.), Ltd.**, which allows its new subsidiary to continue operations under its original name.

METEOR AIR TRANSPORT: United States (1951–1958). Meteor is set up at Teterboro, New Jersey, in 1951 to operate nonscheduled all-cargo charters throughout the U.S. and to South America. Revenue flights commence with 2 Curtiss C-46 Commandos leased from the USAF.

During the next four years, two more Commandos are chartered and two purchased. One of these, with five crew and two passengers, is lost at St. Louis on May 24, 1953 while on a ferry flight (six dead).

Transatlantic passenger charters, employing two leased Douglas DC-4s, begin in 1956. Unable to maintain economic viability, the company shuts its doors in 1958.

METHOW AVIATION: 3311 109th Street, SW, Building 221, Everett, Washington 98204, United States; Phone (206) 355-2055; Fax (206) 290-9522; Year Founded 1990. Hugh Glassburn establishes MA at Everett in 1990 to provide FAR Part 135 freight charters to various destinations in the Northwest. By 2000, he is operating 6 Beech 18s and 1 Douglas DC-3.

METRO AIRLINES: United States (1967–1992). **NASA Commuter Airlines** is formed by Jay L. Seaborn, CEO of a hospital service company, at Houston in 1967 to offer nonscheduled executive charter and scheduled air taxi flights to Houston (IAH) in support of the new space center at Clear Lake City. Orders are placed for four de Havilland Canada DHC-6-100 Twin Otters and an interline agreement is negotiated with **National Airlines**.

In response to local demand for passenger and cargo commuter service and the federal government's interest in having short takeoff and landing (STOL) Beech B-80 Queenaire and Twin Otter operations begin around major cities, work begins on construction of the company's own STOLport at Clear Lake City.

When construction on the new international airport lags in early 1968, the tiny carrier sells its Canadian-made turboprops, earning \$300,000 in the process. When both the airport and STOLport near completion at year's end, **NASA Commuter Airlines** buys two more Twin Otters. The **National Airlines** agreement is cancelled in early 1969 and the carrier is reformed. Under its Metro name, it negotiates a new major alliance with **Continental Airlines**.

Regularly scheduled third-level feeder flights commence on June 8 and at the world's first commercial STOLport at Clear Lake City, Texas, the 2-plane company can offer 25 half-hour roundtrips to Houston daily. Among the company's passengers are the Apollo astronauts, including one who would figure in Metro's future, Frank Borman. On October 3, a Beech Queen Air crashes at Denver (five dead).

From the beginning, the working relationship with **Continental Airlines** functions as a model for future regional affiliations. Within the next seven years, routes are opened to additional points on the Gulf Coast and in east Texas. As revenues and passenger boardings increase, the company is able to augment its original pair of de Havilland DHC-6-100 Twin Otters with three more, plus two Beech 99s.

Meanwhile, with the opening of the new Dallas–Fort Worth International Airport in 1974, the carrier's parent, having fallen on hard financial times as a result of the oil crisis, is purchased for \$3 million and merged with the interests of veterinarian and real estate investor Edmond A. Henderson. Henderson becomes chairman and an airline division, with Jay Seaborn as president/CEO, begins to operate as the Metroflight subsidiary out of Dallas–Fort Worth, complete with a feeder contract from **Braniff International Airways**. A Beech 99 with six aboard crashes at Galveston on April 30; there are no survivors.

Enplanements for the year are 189,196.

The workforce in 1975 is 132. Metroflight enjoys a very good year. Passenger boardings jump 18.8% to 233,370. The company hauls 169 tons of cargo and 98 tons of mail. Employment is increased by 36% in 1976 to 191. Destinations added to the route network include the Texas cities of Paris, Greenville, Lufkin, and Nacogdoches. In addition, frequencies are increased to Tyler and between Dallas–Fort Worth and Gladewater, Kilgore, and Longview. In July, the fleet is increased to 12 Twin Otters with delivery of the 500th Canadian turboprop built.

Customer bookings accelerate 21% to 238,376 while cargo does better, up 32.4% to 3.01 million FTKs.

By March 1977, the carrier is operating 1,234 scheduled flights weekly. On April 1, President/CEO Seaborn completes negotiations (begun the previous year) for the acquisition of **Great Plains Airlines**, together with its Texas and Oklahoma routes. After reviewing its existing

code-sharing situation and reviewing new proposals, Metroflight now agrees to accept affiliation with **American Airlines**.

Enplanements for the year total 261,045.

Bookings grow again in **1978**, rising 21.5% to 393,661; freight traffic is up 29.5% to 872,743 pounds. Orders are placed for five Shorts 330s and the fleet is increased by the addition of two DHC-6s.

In **1979**, enplanements increase by 17.2% to 461,000; cargo jumps 16.6% to 1.01 million FTKs. During these past three years, the company survives and profits from the "Texas airline fare war" through creative marketing. The battle was most heated between **Southwest Airlines (2)** and **Braniff International Airways**, but also with **Continental Airlines** involvement.

By **1980**, Metro has opened service to 24 cities in Texas, Oklahoma, and Louisiana, including Houston, Clear Lake City, Galveston, Victoria, Corpus Christi, and Lake Jackson. New markets entered include Wichita Falls, Lake Charles, Oklahoma City, McAlester, Stillwater, and Lafayette. Passengers on flights to these locations are treated to the new in-flight magazine *Sunworld*. In addition, the fleet is upgraded through the acquisition of a Convair CV-580 and five Shorts 330s. Orders are placed for four Embraer EMB-120 Brasilas and four DHC-8s. In November, a complete refurbishment of the interiors of the 16 Twin Otters is started. During the year, ticket counters at all carrier locations are remodeled.

Boardings climb 6.6% to 441,013. Profits are earned: \$1.73 million (operating) and \$979,000 (net).

Airline employment in **1981** stands at 550, a 17% boost. In the spring, the carrier replaces the **Frontier Airlines (1)** service over the route from Dallas (DFW) to Fayetteville via Fort Smith. It also begins flying regularly from San Antonio to Laredo and undertakes an Essential Air Services contract to service the Oklahoma communities of Ponce City and Enid.

Having just become a member of the CAB classification category known as the large regional, Metroflight is one of the few air transport concerns not injured by the summer's PATCO air traffic controllers' strike and subsequent ATC restrictions. As a result of adroit advertising, passenger traffic returns to prestrike levels by September and in October the carrier sets an all-time company monthly boarding record of 63,001 revenue passengers.

On October 30 with a \$3.7-million stock offering, Metroflight becomes a publicly owned Delaware holding concern and its financial health is opened to casual examination for the first time. Metroflight becomes the principal operating entity for this new holding company, one of five regionals it controls.

The acquisition of three more Convair CV-580s is required in the fourth quarter to help handle the seating demand; orders are also placed for four DHC-8s for 1986 delivery.

On the year, overall traffic jumps 38%, with 609,071 passengers carried. On revenues of \$22.7 million, up 40.5%, costs advance by 40.6% to \$20.3 million. As a result, the firm's new stockholders can see an operating gain of \$2.42 million and a net profit of \$1.36 million.

The payroll is reduced by 1.1% in **1982** to 535. During the spring, the company begins replacement service from Dallas (DFW) to Fayetteville and Fort Smith, Arkansas, on behalf of **Frontier Airlines (1)**. Following the October 31 merger of **Texas International Airlines** and **Continental Airlines**, Metro's interline partner of 13 years, the large regional ends its relationship with the latter and opts to start, in December, a new code-sharing partnership with Frank Borman's **Eastern Air Lines**.

Metro now provides feed to Eastern at Houston and San Antonio, but must also face the renewal of competition in a prime market when **Continental Airlines** reestablishes the Houston to Beaumont and Port Arthur route. Four Convair CV-580s are purchased from Frontier for \$1.6 million each and begin new service from the Dallas (DFW) hub.

Enplanements rise 10.5% to 673,066 and revenues climb 48.2% to \$33.7 million. Expenses also rise by 56.9% to \$31.9 million. These figures cause a decline in operating profit to \$1.8 million and a huge fall in net gain to \$194,000.

Five employees are laid off in **1983** as the workforce falls 1.9%; the fleet now includes 6 CV-580s, 17 DHC-6s, and 5 Shorts 330s; one of the former is sold during the year while all of the latter are leased out. In March, a \$1-million operations and Convair maintenance hangar is occupied at Lawton, Oklahoma, where the CV-580s are now based.

A DHC-6-200 is destroyed by a tornado at Lawton on April 1. A Shorts 330 is destroyed on the ground by a storm at Beaumont, Texas, on May 20.

Twin Otter flights are initiated between Houston (IAH) and Southwest Houston and Sugarland and CV-580 service begins from Dallas (DFW) to Lafayette, Louisiana. Metro's new code-sharing feeder arrangement with **Eastern Air Lines** is now implemented. On October 1, while Metro continues services to Enid, Lawton, Ponca City, and Stillwater from a base at Oklahoma City, its southern route network operating through Houston and San Antonio become Eastern Metro Express routes. Company aircraft are now painted in a modified Eastern livery.

In November, the **Eastern Air Lines** partnership is extended to Atlanta. There an affiliate, Metro Express Airlines, is created at and equipped with 12 British Aerospace BAe Jetstream 31s. Metro Vice President Michael J. Brady is transferred over from the parent to become president.

Meanwhile, prior to this launching, traffic on the year falls off 12.2% as a total of 612,736 passengers are flown. Still, revenues increase 4.8% to \$35.3 million, yielding a \$10,000 operating profit. Net profit, however, drops to \$133,000.

The payroll is boosted 45.5% in **1984** to 800 and Metro's fleet, plus that of its Atlanta-based subsidiary, includes 8 CV-580s, 14 DHC-6s, 11 Jetstream 31s, and 1 DHC-8-101. Orders are outstanding for seven more DHC-8s and one Jetstream. Metro's Hartsfield-based Metro Express Airlines division, doing business as Eastern Metro Express, begins revenue service on April 2 from Atlanta to Panama City, Florida, and Chattanooga. The industry's first dedicated code-sharing arrangement is instrumental in boosting the company's overall passenger boardings.

Destinations served by the parent and its subsidiary now include Metro's earlier Oklahoma destinations plus the Texas communities of Beaumont, Clear Lake City, Houston, Laredo, Longview, San Antonio, Sugar Land, Tyler, and Victoria. Also served are Lake Charles, Louisiana, Montgomery, Alabama, Fort Walton Beach and Panama City, Florida, Atlanta, Albany, and Augusta, Georgia, and Chattanooga and Tri-Cities, Tennessee.

During the summer, the Metro owners, Henderson and Seaborn, create another carrier, **Metro Express II**, to take over Metro's previous southwest flights as a member of the **American Airlines** "American Eagle" commuter network. Specifically activated to feed the major at Dallas (DFW), it begins life as a company affiliate rather than a subsidiary and is placed under the leadership of Executive Vice President Carter Burwell III, former president of **Pinehurst Airlines**. It is initially equipped with two Jetstream 31s transferred from Atlanta.

Competition for markets with **Delta Air Line's** "Delta Connection" commuter partner, **Rio Airways**, begins on November 1. Communities visited by the Metro affiliate include Dallas (DFW), Beaumont, Longview, and Tyler, Texas, Lawton, Oklahoma, Fayetteville and Fort Smith Arkansas, and Lafayette, Louisiana. The fleet now includes Metro's 5 CV-580s (dedicated to the new MAE II), 15 de Havilland DHC-6 Twin Otters (employed to operate MEA flights out of the Houston Hub), and 7 Shorts 330s, MEA's 10 Jetstream 31s and 2 DHC-8s (2 more Jetstream 31s and 6 DHC-8s are on order), and MEA II's 2 Jetstream 31s (orders are placed for 8 additional Jetstream 31s).

En route from Augusta to Atlanta, Georgia, on November 29, Flight 1962, an Eastern Metro Express Jetstream 31 with 13 passengers is taken over by a lone assailant, claiming to have a bomb and demanding to speak with certain relatives. After he is able to speak with one, he surrenders. The perpetrator will be found sane, tried, and given a prison sentence of six years.

During the year, an initial equity issue is offered to the public and raises almost \$4 million. Overall enplanements for the year climb by

37.9% to 844,839 and cargo also improves, up 6.3% to 961,000 pounds. Revenues rise 4.8% to \$36.97 million, while the carrier's expenses ascend only 2.3% to \$36.09 million. The operating profit is \$5.2 million, and the net profit is \$3.3 million.

The payroll increases 45.5% in 1985 to 800. Metro's Houston assets are now sold to **Royale Airlines**, allowing the company to move its corporate headquarters to Dallas (DFW), where it can more easily feed **American Airlines** through its code-sharing agreement. On April 24, Eastern Metro Express is the first U.S. carrier to inaugurate FAR Part 121 services with DHC-8-101s. Also in April, construction is undertaken on a new maintenance facility at Chattanooga's Lovell Field.

In October, Virgin Islands-based **Sun Aire** is purchased. Beginning on November 15, it is operated as a wholly owned subsidiary under the name **Aviation Associates**. The acquisition allows Metro to establish an Eastern Metro Express network under the leadership of former **Sun Aire** President R. E. Phillips. Centered on a hub at San Juan, Phillips' reborn carrier undertakes scheduled passenger and commuter services with 12 Twin Otters to destinations on Puerto Rico and to the U.S. Virgin Islands.

Following a second stock offering in December that nets just over \$5 million in a three for two stock split, the Security and Exchange Commission (SEC) investigates the legitimacy of the separation claimed between Metroflight and **Metro Express II**. Although the investigation causes a decline in the overall value of corporate stock, the income from the stock offering is employed to decrease bank debt and increase capitalization.

Expansion again causes traffic to accelerate as passenger boardings soar by 32.6% to 1,120,477. To meet the public demand, the fleet is increased by the addition of 20 new aircraft: 7 DHC-8s, 9 CV-580s, and 4 Jetstream 31s. Revenues advance 33.6% to \$54.7 million, but expenses jump faster, reducing the operating profit to \$3.5 million. Still, the net profit climbs to \$3.7 million.

Airline employment rises 40% in 1986 to 1,400 and service is expanded from 25 to 30 cities. Construction is initiated on a new corporate headquarters and maintenance facility at Dallas (DFW). Eleven more aircraft are acquired for the fleet as a whole, but the unprofitable hubs at San Antonio and Oklahoma City are abandoned.

Consolidated passenger boardings for Metro and its' subsidiaries climbs 33.2% to 1,493,977.

Operating and net profits are down due to the acquisition of five BAE Jetstream 31s during the year's second half for service that is not started and because the Tax Reform Act of 1986 eliminates investment tax credits. Thus, even though total revenues advance 32.2% to \$93.4 million, bringing Metro close to National carrier status, the operating profit falls to \$4.7 million and the net to \$3.95 million.

Airline employment is increased by 25.3% in 1987 to 1,879. When **Rio Airways**, led by Seaborn's brother Hugh, files for Chapter XI in February, Chairman Henderson exercises an option to purchase it for a mere \$1,000. Five additional cities are added to the route network in the first quarter. The company moves ahead to reequip the fleet during the year as an order is placed in June for 16 SAAB 340As to replace the Convairs; 10 arrive by year's end, along with 5 additional Jetstream 31s. With 34 of the latter type, Metro surpasses **Jetstream International Airlines** as the world's largest Jetstream operator.

Two other "American Eagle" carriers are taken over during the summer and become Metro divisions—**Metro Express II** in August and **Chaparral Airlines** in September. **Chaparral Airlines** is a \$5.7-million cash purchase. Also in September, in a move untried in the regional airline industry, Metro offers \$20 million in convertible subordinated debentures and employs the funds raised to retire a \$10-million line of credit and other costs. In December, a new company headquarters and maintenance center is occupied at Dallas (DFW).

Customer bookings climb skyward by 19.7% to 2,137,558 and revenues rise 37% to \$120.3 million. With expenses held low, profits accelerate to \$7.86 million (operating) and \$4.07 million (net).

The workforce is cut 2.8% in 1988 to 1,780. Bad weather in January causes delays and financial loss. The same month, an all-cargo sub-

sidary, **Starlite Express**, is created as successor to **Metro Express II**. Equipped with six Shorts 330 freighters, it is dedicated to service **Federal Express Airlines** as a feeder on routes from Rochester to Newark and Charleston to Louisville. The last Convair is retired during the summer as the last six SAAB 340As join the fleet. Orders are now placed for 10 SAAB 340Bs for the Chaparral division, which, as the Metroflight division, adds new frequencies.

An out-of-court settlement is reached with **Atlantis Airlines**, which had charged Metro and **Eastern Air Lines** with conspiracy. For \$110,000 in cash and 100,000 shares of Metro stock, the **Atlantis Airlines** ownership agrees to dismantle their carrier and turn over several South Carolina routes and four Jetstream 31s. Metro, in turn, files and wins a suit against **Express Airlines (I)** owner Michael Brady. Overall traffic increases.

Overall passenger boardings advance by 6.5% to 2,277,199 and freight is up 3.1% to 1.15 million FTKs. Expenses of \$144.23 million exceed the 16.6% increase in revenues to \$140.2 million and insure an operating loss of \$4.01 million. The previous year's net gain is also eliminated as a \$6.98-million net loss is taken.

In January 1989, Metroflight inaugurates nightly "American Eagle" flights from Dallas (DFW) to Jefferson County, Lafayette, and Lake Charles. A seventh nonstop service will be introduced over the route in June. The agreement made the previous year with the owners of **Atlantis Airlines** takes effect on February 15.

Moving into the northeast in April, Metro purchases the **Brockway Airlines** division of Owens-Illinois, doing business as a "Piedmont Commuter," for \$14.2 million. That airline's new division is renamed Metro Air Northeast. Negotiations are started with **Trans World Airlines (TWA)** to turn the new subsidiary into a "TWExpress" code-sharing partner.

Meanwhile, on March 4, major partner **Eastern Air Lines** is shut down by a massive job action. Because of heavy point-to-point service, the Eastern Metro Express operation in Puerto Rico, operated by Aviation Associates, suffers little. On the other hand, the Atlanta-based Metro Express Airlines is forced to realign its networks. Eight cities are dropped as flights begin to six markets previously visited by the major.

With the "TWExpress" arrangement completed, the Brockway division, now known as Metro Air Northeast, begins feeding its new partner on June 1 at Boston, Philadelphia, New York, Washington, D.C. (DCA), and 20 other northeastern destinations in direct competition with former **Brockway Air** President John Sullivan's new **Commuitair**.

Operations continue apace for the Chaparral and Metroflight divisions, which provide "American Eagle" services at Dallas (DFW).

Overall enplanements by the megaregional's 108 turboprops accelerate 11% to 2,546,355. The breakdown by division is: Metro Airlines Northeast, 527,514; Metroflight, 824,828; Aviation Associates, 355,788; Eastern Metro Express, 402,641; and Chaparral, 580,034. Although corporate revenues are up by 5.2% to \$147.45 million, expenses climb 8.1% to \$155.97 million. Most of the resulting losses are carry over from the **Eastern Air Lines** job action. The operating loss doubles to \$8.52 million, but the net loss, due to a change in accounting methods, improves to minus \$2.73 million.

The payroll is cut a slight 0.8% in 1990 to 2,106. In January, thrice-daily "American" Eagle flights are launched by Metroflight from Dallas (DFW) to Alexandria while, in February, three of the eight daily flights from Dallas (DFW) to Longview become daily. The St. Croix-based subsidiary Aviation Associates is purchased and renamed **Sun Aire Express**.

On July 1, the two Texas-based subsidiaries, Chaparral and Metroflight, are merged into one Metroflight division in order to economize on operating costs. At the same time, efforts are increased to sell the surviving "American Eagle" operation to **American Airlines**.

Meanwhile, operations continue apace until the fourth quarter, as a new service is added from Dallas (DFW) to Corpus Christi. As a result of Iraq's August 2 invasion of Kuwait, fuel prices skyrocket and as fear of war increases, it combines with recessionary factors to set the stage

for a huge downturn the following year. Still, in October, Metroflight introduces a nonstop service between Dallas (DFW) and Drake Field at Fayetteville, Arkansas.

Meanwhile, systemwide passenger boardings increase 30.2% to 3,315,272. Bookings by division are Eastern Metro Express, 765,445 (up 90%), Metro Air Northeast, 588,151 (up 10.4%), and Metroflight, 1,234,185. Freight climbs 14.3% to 625,000 FTKs. Revenues swell 36.7% to \$231 million, expenses are up 26.5% to \$234 million, and the operating loss deepens to \$10.87 million. The net loss increases to \$15.04 million.

Company employment is slashed by 54.4% in 1991 to 961. The previous year's expenses and losses are compounded in January when **Eastern Air Lines** fails and traffic slows because of the Gulf War. Metro grounds its Atlanta-based Eastern Metro Express affiliate on January 19, the day after the major's collapse. Eastern Metro Express is liquidated in February under terms of Chapter VII bankruptcy law and its 8 DHC-8-101s and 19 Jetstream 31s are returned to their lessors.

Aviation Associates is sold on February 12 for \$6.5 million. In March, the Metro Air Northeast division, begun the previous year from newly acquired **Brockway Air**, is also closed down, largely as a result of **Trans World Airlines (TWA)**'s Gulf War-caused reduction in services. This unit will be sold for a \$3.88-million promissory note to ZAL Airlines Holdings of Rochester, New York, despite a \$100-million breach of contract lawsuit filed by **Trans World Airlines (TWA)**.

By May, the megaregional has been reduced to its original Dallas-based Metroflight subsidiary, the only independent "American Eagle" carrier still flying. It services the major's principal hub with a fleet of 14 Jetstream 31s and 26 SAAB 340s. ZAL Airlines Holding defaults on its note on May 30 and on June 1, Metro files for Chapter XI bankruptcy protection. Still, efforts to downsize and survive continue.

The year's customer bookings plunge 48.4% to 1,711,005. Although revenues surge 36.9% to \$47.31 million, expenses are up 14.8% to \$52.31 million, causing an operating loss of \$4.91 million, an improvement over the previous year. Net loss is cut in half to \$8.81 million.

The carrier's 41 aircraft continue operations under bankruptcy protection in 1992. The company takes **American Airlines** to court, claiming that its code-sharing agreement is good until the year 2002. Meanwhile, AMR Corporation, American's owner, suggests a reorganization plan in September that includes a 10-year extension of the marketing agreement and a plan that will allow Metro to repay its \$64-million debt in 15 years. Reviewing the plan in October, bankruptcy judge Harold Abramson encourages both parties to settle.

Just after celebration of the twenty-fifth anniversary in mid-November, founder Jay Seaborn and his colleagues on the board of directors sell the carrier to **Simmons Airlines**, another "American Eagle," for \$44 million.

Passenger boardings for the year decline 3% to 1,660,486 and a \$461,000 operating loss is taken. Although Metro retains its airline operating certificate, Seaborn now retires and the airline, famous for its growth, disappears into history.

METRO AIRWAYS (BP/D BOHNSTEDT-PETERSEN & DYRBERG, A.S.): Denmark (1983-1993). Organized at Copenhagen's Roskilde Airport, MA is a subsidiary of BP/D Bohnstedt-Petersen & Dyrberg, A.S. After obtaining a single Fairchild-Swearingen Metro II, scheduled commuter services are inaugurated on January 10, 1983. A total of 7,028 passengers are transported during the first year.

Low-key operations to a variety of local destinations are maintained over the next decade. In 1990, the equipment consists of a single Metro III. A second Metroliner is added during 1991, but withdrawn in 1992. Operations cease in 1993.

METRO CARGO, LTD.: Switzerland (1990-1991). In one of the first major aviation ventures between East and West, this Swiss freight operation is established at Lugano in August 1990. Private Swiss investors associated with Metropolitan Aviation, also based at Lugano, join with

the Siberian directorate of **Aeroflot Soviet Airlines** to provide international cargo charters

Mario Calmai is named chairman with Shimon Lahav as managing director; they begin revenue services employing 8 Ilyushin Il-76s and 1 Antonov An-12 contributed by the Soviets. Operational services for the new entrant are provided by Zurich-based **Jet Aviation Business Jets, A.G.** under a contract that requires Metro Cargo to pay for each flight in advance.

Operations continue without incident until May 1991. During that month, Metro Cargo delays its payments to JABJ as well as its aircraft lease payments to Aeroflot. At the beginning of June, the Soviets, owed \$7 million, request that the authorities in Canton Ticino freeze Metro Cargo's bank accounts. Unfunded, Metro Cargo suspends operations, while a criminal investigation is simultaneously launched.

With Metro Cargo finished, the Soviets turn to JABJ to establish another joint operation, Jet Air Cargo, A.G., which will lease and employ, briefly, three Il-76s.

METRO COMMUTER AIRLINES: United States (1968-1970). MCA is set up at Denver in the late summer of 1968 to provide scheduled passenger and cargo services. Employing a Volpar-modified Beech 18, an Aero Commander 500B, and a Beech B-80 Queenaire, the company begins revenue flights on September 17, linking its base with Greeley, Laramie, Cheyenne, Boulder, Fort Collins, Colorado Springs, Pueblo, and Canon City.

Operations continue apace until 1970.

METRO EXPRESS II: United States (1984-1987). During the summer of 1984, **Metro Airlines'** owners Edmond Henderson and Jay Seaborn create another carrier under the "corporate opportunity doctrine" to take over Metro's previous southwest routes as a member of the **American Airlines** "American Eagle" commuter network. Specifically activated to feed the major at Dallas (DFW), it begins life as a company affiliate rather than a subsidiary and is placed under the leadership of Executive Vice President Carter Burwell III, former president of **Pinehurst Airlines**.

The new commuter is equipped with two British Aerospace BAe Jetstream 31s transferred from Metro Express I operations at Atlanta. Meanwhile, the Air Line Pilots Association (ALPA) charges that Metro Express II has been formed as an "alter ego" airline that will allow Metroflight to evade the contract it has with its pilots.

Competition for markets with **Delta Air Lines'** "Delta Connection" commuter partner **Rio Airways** begins on November 1. Communities visited include the Texas communities of Beaumont, Dallas (DFW), Longview, and Tyler; Lawton in Oklahoma; the Arkansas cities of Fort Smith and Fayetteville; and Lafayette in Louisiana.

As services increase in early 1985, Metro's five Convair CV-580s based at Oklahoma City are dedicated to the "American Eagle" operation as eight previously ordered Jetstream 31s are awaited.

ALPA files a grievance with the company claiming it is the bargaining agent for the carrier's pilots. Following a second stock offering, the Securities and Exchange Commission (SEC) begins an investigation of the carrier's claim to be a separate airline. Traffic results are not released by the privately held company.

The Jetstreams arrive in 1986 and are joined by four Shorts 330s. The SEC announces that new President Clark Stevens' Metro Express II is, indeed, an airline separate from Metroflight. In July, Metro Express II files a petition with the NMB requesting release from mediation regarding the ALPA representation question. Late in the year, the carrier is able to sell 850,000 shares of common stock, raise \$8 million, and increase company worth to \$20 million.

Passenger enplanements total 295,000.

In January 1987, after ALPA and Metroflight have agreed upon an independent arbitrator to settle their two-year-old pilot representation battle, the arbitrator finds in the union's favor. Meanwhile, the company offers 47 daily flights to 5 Texas cities plus Monroe, Louisiana. In August,

Metro Express II is one of two "American Eagle" affiliates taken over by **Metro Airlines**.

METRO INTERNATIONAL AIRWAYS: United States (1980–1983). MIA is formed by Tiger International Corporation in December 1980 at New York (JFK) to take advantage of the receipt of transatlantic authorities held by recently merged **Seaboard World Airlines**. Organized as a scheduled and package-tour passenger division of its **The Flying Tiger Line**, it is equipped with 3 Boeing 747-212Bs recently acquired by the Tiger International subsidiary Tiger Air from **Singapore Airlines, Ltd.** and 1 leased Douglas DC-8-62, complete with crews.

The first trial North Atlantic Jumbojet charter is flown in December; however, the separately managed large regional inaugurates regular charters in March 1981 to Hawaii, Europe, the Caribbean, and the Mideast. The start-up of scheduled New York to Belgium passenger service is postponed in December.

A total of 377,155 passengers are flown on the year and the division generates operating income of \$31,260,825.

As the result of lower than expected returns, DC-8-62 passenger flights cease on February 23, 1982. New York to Brussels scheduled frequencies begin in March, by which time the fleet includes 4 B-747-112Bs, all leased from the parent. Aboard the Jumbojets, three types of service are offered: Captain's Deck, Metropolitan Class, and Economy Class.

In November, the company obtains a contract from **Tower Air**, formed in August, to undertake package tour flights to Frankfurt, Paris, Zurich, and Tel Aviv. The Israeli destination also becomes a scheduled stop on the Brussels run. Tower is now Metro's general agent, in charge of its sales and passenger services.

Although the number of passengers flown is not provided, it is reported that revenue passenger kilometers (RPKs) flown increase 62.8% on the year to 4.7 billion. Revenues increase to \$58,327,014.

In February 1983, the three passenger jets acquired from **Singapore Airlines, Ltd.** are traded to **Pan American World Airways (1)** for four B-747-100Fs. Employing the Jumbojets leased from the parent, the charter operator's New York–Tel Aviv service is maintained until November, when officials of Tiger International elect to close down the unprofitable division and concentrate only on scheduled freight opportunities. The lone route is taken over by **Tower Air**.

METROJET. See **USAIRWAYS**

METROLINK. See **MIDWAY AIRLINES (1)**

METROPLEX AIRLINES: United States (1978–1981). Metroplex is set up at Fort Worth, Texas, in July 1978 to operate a daily roundtrip shuttle to Houston. Employing Cessna lightplanes, revenue flights are duly inaugurated and are maintained into early 1981.

METROPOLITAN AIR FERRY SERVICE: United States (1931). William Robertson and the Curtiss-Wright Corporation set up this early example of a same city, interairport link in late August 1931. Employing the Ford Tri-Motors 4-AT-49 and 4-AT-51, the carrier inaugurates hourly services between the Curtiss Airport on Long Island, Newark Airport, and Floyd Bennett Field on September 4. Rail and sight-seeing passengers are given the option of a \$2 interairport fee or a \$5 ticket for a roundtrip over the whole 55-mile triangular route, which features spectacular views of Manhattan from 2,000 feet.

The two aircraft cover 18,405 miles in the first month and transport a total of 2,259 passengers. Bad weather and the Great Depression combine to force the little enterprise out of business in December.

METROPOLITAN AIR MOVEMENTS, LTD.: United Kingdom (1960–1967). Air Chief Marshal Sir Guy Garrod founds this air charter operation at Biggin Hill Airport in June 1960. By December, the company has acquired a de Havilland DH 90A Dragonfly and a DH-114 Heron 2, the former being employed in aerial photography work.

On January 20, 1961, the company Heron 2 begins flying ad hoc charters for the Kidlington-based Pressed Steel Company. Simultaneously, under lease but on behalf of the steel maker, Metropolitan also flies a second Heron 2. Flights originate both at Kidlington and at London (LGW) to various British cities, while a fairly regular charter is undertaken Oxford to Paris (LBG) beginning on January 29. Later in the month, the company also purchases its own Dove 1B for use on behalf of its new wholly owned subsidiary, **Aero Exploration, Ltd.** Other French destinations reached during the year include Deauville and Vitry.

On June 22, the Dragonfly is damaged beyond repair in a crash at La Baule Airport in France. The Heron 2 leased from Pressed Steel is destroyed in a crash at Biggin Hill on July 16 (two dead). For the remainder of the year, the surviving Dove 1B and Heron 2 mount charters to France and a few on to Italy via London (LGW).

In June 1962, the carrier is reorganized, with one G. Try as chairman. The original Heron 2 is sold the same month. The carrier now becomes the management and operational backer of **Libyan Aviation, Ltd.** From this point on, the carrier flies few charters in the U.K.

On September 13, 1965, Metropolitan purchases Exeter-based **British Westpoint Airlines, Ltd.**, allowing it to fly under its prepurchase name until its failure in May 1966. When **Libyan Aviation, Ltd.** ceases operations in early 1967, Metropolitan is left without a purpose or future and thus ceases flying.

METROPOLITAN AIRWAYS, LTD.: United Kingdom (1978–1985). **Alderney Air Ferries, Ltd.** is formed on Alderney in 1978 to provide scheduled services between the Channel Islands and Bournemouth Airport in Dorsetshire with Britten-Norman BN-2 Islanders. In 1981, the company shifts its base to Bournemouth and becomes a commuter associate of both **Dan-Air/Dan-Air Services, Ltd.** and **British Caledonian Airways, Ltd.**

Outfitted with a pair of de Havilland Canada DHC-6s and a Shorts 330, the 50-employee carrier, now renamed Metropolitan, undertakes, on behalf of BCAL, a scheduled route between Newcastle and Glasgow. Simultaneously and on behalf of **Dan-Air/Dan-Air Services, Ltd.**, flights are initiated from Bournemouth to Cardiff, Bristol, Manchester, Leeds, Newcastle, and Glasgow and, during the summer, between Bristol and Cork.

Operations continue apace until the carrier ceases flying in October 1985.

MEXAIR, LTD.: Switzerland (1989–1994). Organized at Geneva in May 1989, Mexair is a joint Franco-Swiss company for which two presidents are appointed: Ronald de Smet representing Mexair France and Renzo Blanchini of Mexair Switzerland. Worldwide nonscheduled passenger and cargo services are inaugurated with a Dassault Falcon 20.

Following the breakup of the Soviet Union, it is decided that profits can be made by flying less-expensive Russian equipment. To that end, a fleet is assembled in 1992 of former **Aeroflot Soviet Airlines** aircraft, including 4 Antonov An-12Cs, 1 An-72C, 2 Ilyushin Il-76TD freighters, and 1 Yak-40 passenger plane. Airline employment in 1993 stands at 82. Unable to maintain economic viability, the enterprise shuts down in 1994.

MEXICANA AIRLINES, S.A. de C.V.: Mexicana Building, Xota No. 535, Colonia del Valle, P.O. Box 12-813, Mexico City, 03100, Mexico; Phone 52 (5) 448-3000; Fax 52 (5) 687-8786; <http://www.mexicana.com>; Code MX; Year Founded 1956. The Mexicana marketing name is given to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** in 1956. The first of four Douglas DC-7Cs to arrive during the year is delivered in February 1957.

Under a new Mexico–U.S. bilateral agreement signed on August 3, DC-7C flights commence from Mexico City to San Antonio via Monterrey on September 16. The introduction of the new route is timed to coincide with the anniversary of the nation's independence. These flights are followed on October 15 by nonstop Mexico City to Chicago DC-7C services.

In May 1958, Mexico City to Matamoros via Monterrey DC-6 daily service begins. On June 3, a DC-6 with 45 aboard crashes near Guadalajara; there are no survivors.

Max Healey succeeds Elton Silliman as general manager on July 31. Communication workers call a strike on August 18 after a wage accord is not met. In an effort to upgrade California service, a Bristol Britannia 302 is leased from **Aeronaves de Mexico, S.A. de C.V.** and is placed on the Mexico City–Los Angeles service via Acapulco.

At year's end, the carrier is virtually shut down by a paralyzing strike.

The Mexican government is forced to break the strike by taking temporary control of Mexicana on January 29, 1959. Plans for and rumors of a merger with **Aeronaves de Mexico, S.A. de C.V.** collapse. Briefly, in September, the leased Britannia 302 flies nonstop Mexico City–Los Angeles service.

En route from Mexico City to Merida de Yucatan on September 8, a DC-3 with 3 crew and 12 passengers is rocked by a bomb blast at 11,000 ft. over the Bay of Campeche. A passenger, suspected of having the explosive device in his suitcase, is blown out an access door, while all of the crew and six passengers are hurt. Despite a fire, which is extinguished on board, the aircraft makes a successful forced landing at Poza Rica, Vera Cruz, with no additional injuries.

On October 27, four de Havilland DH 106 Comet 4Cs are ordered.

Becoming the first Mexican airline to fly jetliners, Mexicana takes delivery of its initial Comet 4C on January 14, 1960. It is painted in a white-top fuselage livery with a blue cheatline along the windows, large "Mexicana" titles above the windows forward of the wings, and a tail insignia that is a replica of the Aztec calendar. Following crew familiarization, it is placed on the Los Angeles route, now known as Azteca de Oro (Golden Aztec) on July 4 and the Chicago service on August 10.

A DC-3 with 3 crew and 15 passengers makes a forced landing near Juchitepec on September 28 (8 dead). The fifth Comet 4C, the *Golden Knight*, is delivered on November 29.

During the year, the carriers **Transportes Aereos Mexicanos, S.A. de C.V.** and **Aero-Transportes, S.A. de C.V.** are purchased and merged, further strengthening Mexicana's domestic route network. In the fall, the second British jetliner is received and inaugurates flights to San Antonio, a route later extended to the new destination of Houston.

Comet 4C service begins to Dallas on April 5, 1961 and Miami on November 8 as the fleet of de Havilland jetliners reaches three. In terms of passenger miles flown, the carrier is now the 2nd largest in Latin American and the 37th largest in the world. Despite this showing, the carrier's finances are uncertain.

A crippling strike hits the carrier from April 1 to May 18, 1962 and at the end of May, de Havilland forecloses on the three Comet 4Cs, obtaining a \$12-million lien on Mexicana assets and income. In March 1963, single-class service is introduced on foreign routes while domestic fares are cut 25%. The Comet 4Cs are returned to service in 1964. On November 1–2, the airline is idled by a ground crew strike.

Services begin to Miami from the island of Cozumel in 1965 and Comet 4C flights start to Puerto Vallarta. Two Comet 4s are acquired from **British Overseas Airways Corporation (BOAC)** late in the summer. In October, a \$20-million order is placed for four Boeing 727-64s. High operating costs in 1966 lead to a \$4.6-million loss; the B-727-64 order is cut to three.

While on final approach to Mexico City on January 30, 1967, a DC-6 with 3 crew and 26 passengers stalls and crash-lands near Merida; there are no fatalities.

Wage increases, Comet operating costs, competition from U.S. airlines, and the failure to obtain additional American gateways when added to a \$13-million debt bring on the carrier's greatest crisis during the year. In August, the San Antonio–Dallas and Miami–Cozumel routes are suspended.

On September 23, the board of directors meet to consider alternatives, including bankruptcy. Construction magnate Crescencio Bellesteros purchases controlling interest (including the first **Pan American World**

Airways' last 35%) and the courts allow a deferred payment debt service plan. The year's loss is \$3.2 million.

Bellesteros officially obtains Pan Am's 35% shareholding and complete control of Mexicana Airlines on January 13, 1968. To revive the ailing airline, 10 airports held since the 1930s are sold to the government, an intensive publicity campaign is undertaken, and the 3 B-727-64s are received and placed in service. The latter will be seized in the U.S. late in the year for nonpayment of bills to the Bank of America.

Acapulco to Chicago via Mexico City service begins on November 18. The same day, two armed men hijack a DC-6 with 23 aboard on a domestic flight from Merida to Mexico City and force it to fly to Cuba; the plane is released from the island later in the day.

In December, Max Healey is succeeded as president/CEO by Manuel Sosa de la Vega. The workforce comes to fear massive layoffs and the pilots threaten another big strike. The net profit for the year is \$624,000.

The B-727-64 order is increased to four on January 28, 1969 and a lease is concluded with **Pacific Southwest Airlines (PSA)** to provide jetliners until the release of the B-727-64s in U.S. custody can be arranged in late spring.

Meanwhile, on February 8, a lone hijacker is overwhelmed as he attempts to hijack a DC-6 during a flight from Mexico City to Villahermosa.

New aircraft livery is now applied and flight attendants receive new uniforms. A route exchange is arranged with **Aeronaves de Mexico, S.A. de C.V.** whereby Mexicana receives access into Acapulco while Aeronaves receives rights into Guadalajara and Puerto Vallarta.

While on descent to Monterrey on June 4 following a service from Mexico City, a B-727-64 with 7 crew and 72 passengers, strikes high terrain and bursts into flame; there are no survivors. While on a July 26 domestic flight from Minatitlan to Villahermosa, a DC-6 with 32 aboard is diverted to Cuba. A DC-6 is damaged beyond repair in a hard landing at Tuxtla on August 20; there are no fatalities. While attempting to land in a rainstorm at Mexico City after a September 21 service from Chicago (ORD), a B-767-64 with 7 crew and 111 passengers, strikes a railway embankment at Lake Texcoco and crashes (27 dead).

The summer's accidents raise a storm of public outcry. Additional routes are reopened or originated in the fall: Miami–Cozumel on September 8 and Chicago–Acapulco via Mexico City on December 4.

Three JATO-equipped B-727-264As are ordered in the spring of 1970. En route from Merida to Mexico City on May 24, Flight 600, a B-727-64 with 79 passengers is taken over by four armed men who order it flown to Cuba. The hijacking comes as a surprise, given Mexico's excellent relationship with Fidel Castro's government. It is initially surmised that the deed is in retaliation for the death of a Guatemalan guerrilla leader in Mexican custody four years earlier. It turns out that three of the perpetrators are Dominican prisoners released to Mexico in exchange for a U.S. diplomat kidnapped earlier in the year. After refueling at the Mexican capital, the aircraft is flown to Cuba.

The first B-727-265A to arrive is the *Mexicali*, delivered on November 9.

On December 15, 1971, Mazatlan–Denver service is initiated. The fleet now comprises 3 Comet 4Cs, 2 B-727-64s, and 7 DC-6s.

A DC-6 explodes while attempting an emergency landing in the jungles near Bacalar on the Yucatan Peninsula on January 6, 1972 (23 dead). Also during the month, another DC-6 is withdrawn and sold to **TAC (Transportes Aereos de Cargo, S.A. de C.V.)** On May 6, Merida–San Juan flights commence.

En route from Monterrey to Mexico City on November 8, Flight 705, a B-727-64 with 110 passengers is taken over by 5 gunmen. At the national capital, they achieve the release of 6 political prisoners and a ransom of \$330,000, plus automatic weapons and a doctor for a wounded hostage, before forcing the plane to fly to Havana the next day. Cuba returns the plane, passengers, money, and weapons later in the day.

Dallas service is resumed on December 13. Additional Boeing trijets are delivered throughout the year and a fifth consecutive net profit is earned.

The fleet in **1973** includes 8 B-727-64s, 7 B-727-264As, and only 2 DC-6s. On February 17, DC-6 nonstop service is inaugurated from Mexico City to Cancún, now a growing resort area. The employee population is now 3,986. A B-727-64 hits a mountain peak on Mexico's Pacific coast on June 20 and explodes (27 dead). A Mexico City-Kansas City jet route is launched eight days later.

A security policeman dressed as a crew member is able to subdue a lone assailant who has taken over a B-727-264A at Mexico City Airport on October 10 before the aircraft departs.

While on final approach to Mazatlan on October 20, a B-727-14 with 6 crew and 117 passengers, mistakenly lands in a field 1.5 mi. short of the runway, losing its entire undercarriage in the process; although the Boeing must be written off, there are no fatalities.

Enplanements for the year are 2,100,336.

The employee population in **1974** stands at 4,202. The Compania Mexicana de Aviacion, S.A. de C.V.'s fiftieth birthday is celebrated on August 24 and a new logo is introduced. Three additional B-727-264As join the fleet and service begins to St. Louis and Kansas City on December 1. Additionally, a new training center for flight attendants is opened, along with a new computerized reservations and communications system. Work is begun on a new maintenance base at Mexico City. Meanwhile, on December 10, the carrier resumes weekly flights to Havana after a break of almost a decade.

Passenger boardings jump 20.2% to 2,632,000 and freight traffic is up 14.2%.

The workforce is increased to 5,015 in **1975**. One B-727-64 and the last two DC-6s are retired as two more B-727-264As are ordered and two are leased out. In July, Miami-Cancún B-727-264A service is kicked off; additional routes added during the year include Havana-Yucatan and Mexico City-Istapa and Zihuatenejo.

Passenger bookings soar 20.1% to 3,113,318, but cargo dips 6.8% to 29.34 million ton kilometers.

Airline employment grows 6.3% in **1976** to 5,450. In January, the company receives the 1975 "Technology Management Award" from *Air Transport World* magazine.

The carrier is awarded a route from Mexico City to London and plans are made to inaugurate it several years in the future.

Passenger traffic swells 22.5% as 3,814,538 passengers are carried; freight advances by 23.1%. A 10th consecutive year of profits is reported.

In July **1977**, B-727-264A service is inaugurated to San Jose del Cabo in Baja California. Later, the largest maintenance center in Latin America is dedicated at Mexico City and a new charter division is created. The fleet now includes 16 B-727-264As and 7 B-727-64s, with 2 of each type on order.

A record 4.5 million passengers are transported on the year and a net \$7.9-million profit is earned. In terms of passenger boardings, the carrier is now the largest in Latin America; it carries 40% of all commercial traffic between the U.S. and Mexico.

The workforce is increased 31.4% in **1978** to 8,047. In January, the Bank of America (which had seized two of the airline's B-727-64s in 1968) awards Mexicana a \$45-million loan—without government guarantee or U.S. Export-Import Bank financing. The Los Angeles sales and marketing unit is moved to its present address and the fleet is expanded through the addition of three B-727-64s and a B-727-264A. A huge new maintenance base is opened at Mexico City, the largest facility of its type in all of Latin America.

In December, service is inaugurated to Harlingen and San Francisco.

The company becomes the first airline in Latin America to carry 5 million passengers in a single year as boardings jump 18.5% to 5,250,000; cargo is up 13.3%. On revenues of \$236.8 million, expenses are up 29% to \$212.1 million, leaving profits of \$24.6 million (operating) and \$12 million (net).

Six additional B-727-264As join the fleet in **1979** and orders are placed on September 24 for three DC-10-15s for 1981 delivery. The wide-bodies will be especially designed by McDonnell Douglas to

accommodate Mexico City's hot and high operations. Service to St. Louis and Kansas City is suspended in July, but launched to Seattle on December 1. Other route additions include San Francisco to Mazatlan and Puerto Vallarta and Los Angeles to Mexicali and Hermosillo.

Cargo is up 15.6% and passenger boardings accelerate 16.6% to 6,207,403. Revenues rise 31.2% to \$305.5 million and expenses jump 32.7% to \$273.7 million; net income falls 19% to \$9.7 million.

The fleet in **1980** comprises 13 B-727-64s and 27 B-727-264As and is the largest B-727 assemblage outside of the U.S. The workforce totals 8,635. Routes are opened to Tijuana and Philadelphia, the latter the first gateway in the northeastern U.S.

Passenger boardings surge ahead by 21% to 7,571,000 and freight rises 26.4%.

Airline employment in **1981** is reduced 12.81% to 10,580. The first of three DC-10-15s to be delivered on the year arrives at Mexico City on June 15 and enters service on July 1; the fleet is also strengthened through the addition of eight more B-727-264As. Also in July, the Compania Mexicana de Aviacion, S.A. de C.V.'s sixtieth birthday is celebrated.

A new Mexico City reservation center is placed on line and construction is started on a Guadalajara maintenance base. Mexico City-Ciudad del Carmen flights begin.

Passenger bookings are up 7.7% to 8,151,786 and cargo accelerates by 4.5% to 710.23 million FTKs. Revenues rise 28.1% to \$586.7 million, expenses jump 26.6% to \$548.75 million, the operating profit surges upward 53% to \$37.96 million, and the net profit is \$32.7 million.

The workforce is increased 2.4% in **1982** to 12,391. As the world and national depression deepens bringing inflation, peso devaluation, and a halt to currency transfers to the U.S., Mexicana Airlines again faces a severe crisis. An order for six B-727-264As is cancelled. The Lopez Portillo government, just prior to its leaving office, attempts to nationalize the carrier and merge it with **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)**. On July 15, the government purchases 54% majority interest and on July 29, President Enrique M. Loaeza Tovar is appointed director general of the combined carrier, as Mexicana CEO Sosa de la Vega is forced into retirement.

The new director general now faces a multitude of problems, not the least of which is a threatened strike and the seeming impossibility of integrating the two airlines. The new government of Miguel de la Madrid scraps the merger plan in December, reinstating Sosa de la Vega as director general of Mexicana, asking him merely to rationalize and coordinate with its brief partner, while Rodolfo F. Valdez becomes president.

Passenger boardings for the year drop 6.5% to 7,623,000, and freight is off 24.5% to 57.87 million FTKs. Revenues decline 24.3% to \$443.9 million, and a net \$22.4-million loss is suffered, the first financial failure in 15 years.

The employee population drops 8% in **1983** to 11,393. Three additional DC-10-15s are delivered in January and February. New routes are opened Mexico City-Nuevo Laredo via Victoria, Chicago-Guadalajara via Puerto Vallarta, and Dallas-Cancún. The carrier now joins the **American Airlines** SABRE reservations system. The cargo subsidiary **TAM (Transportacion Aerea Mexicana, S.A. de C.V.)** is formed. Equipped with a DC-8-63F, it inaugurates all-cargo operations over a Mexico City-Luxembourg via Houston route.

A new engine overhaul facility is occupied at Queretaro while a second maintenance base is opened at Mexico City. At the main Mexico City base, a CAE-built DC-10 simulator is installed.

En route from Mexico City to Miami on September 1, a B-727-264A with 144 passengers is taken over by a lone gunman. When the aircraft lands at Merida for refueling, undercover police come aboard and overpower the perpetrator.

Passenger boardings are up 6.2% to 8,095,183 and freight is up 0.7% to 58.28 million FTKs. The carrier returns to profitability, posting a \$64.7-million operating profit and a \$26.1-million net profit on total revenues of \$403.1 million.

The workforce is increased 16.4% in **1984** to 13,221. The fleet now includes 5 DC-10-15s and 39 B-727-264As. Service is launched San

Francisco and Denver to San Jose del Carbo, a new cargo terminal is opened at Mexico City, and the carrier transfers to the **United Airlines** Apollo reservations system.

A new \$160million, 34-story Mexico City corporate headquarters building is also occupied and a total of 183 charters are flown.

Freight jumps 28.1% to 74.63 million FTKs and passenger boardings ascend 3.9% to 8,414,000. Revenues advance 19.9% to \$482.9 million and expenses are up 23.2% to \$416.6 million; the profits are \$66.3 million (operating) and \$30.2 million (net).

The workforce in **1985** stands at 12,986. Several new domestic Mexican as well as Caribbean routes are opened and two B-727-264As are leased. The charter program is upgraded as a total of 350 tour flights are made from U.S. gateways to the holiday locations of Cancún, Acapulco, and Ixtapa through August.

After the September earthquake, the carrier's reservation network serves as a primary means of communication with stricken Mexico City.

Passenger bookings climb 6.1% to 8,652,000 and freight is up 12.1% to 83.65 million FTKs. Revenues total \$538.6 million and expenses are \$522.3 million, leaving an operating profit of \$16.3 million and a record \$43.5-million net profit.

During takeoff from Mexico City for a service to Los Angeles via Puerto Vallarta and Mazatlan on March 31, **1986**, the left main landing gear brake of Flight 940, a B-727-264 with 8 crew and 159 passengers, overheats, causing a tire to burst in the wheelwell. The explosion ruptures fuel and hydraulic lines, while also severing electrical cables. As the flight proceeds north, the cabin decompresses and an emergency is declared. Spilt fuel catches fire, causing a massive fire; with control of the plane lost, it crashes into a 9,000-ft. mountain in the remote San Andreas range 100 mi. from Mexico City, near the village of Miguel el Alta. There are no survivors. Terrorism will initially be thought the cause of the disaster, but examination will reveal the true reasons for the tragedy.

Three more B-727-264As are chartered during the summer as several new U.S. services are introduced.

On July 18, jetliners from Mexicana and **American Airlines**, carrying a total of 266 passengers, both try to land on the same runway at Dallas (DFW) and nearly collide before pulling off. The sixty-fifth anniversary is celebrated, a new Mexico City cargo terminal is occupied, and a secondary maintenance base at Guadalajara is opened.

Customer bookings decline 9.8% to 8,072,211 and cargo is down 1.9% to 82.07 million FTKs. Costs exceed income and lead to losses: \$27.8 million (operating) and \$59 million (net).

Airline employment falls 3.9% in **1987** to 1,661 and the fleet includes 40 B-727-264As and 5 DC-10-15s. Hubs are created at Puerto Vallarta and Cancún and as a result of the new U.S.-Mexico bilateral air agreement, routes are stretched to several new American destinations and a reservations system is opened in San Antonio. Flights to San Antonio from Mexico City are now offered once daily and five times a week at night.

Passenger boardings fall another 2.7% to 7,856,513, but freight recovers, climbing 11.7% to 91.68 million FTKs. Revenues ascend by 15.5% to \$597 million and costs are held low enough to allow a \$26.5-million operating profit. The net downturn deepens, however, to \$65.4 million.

The workforce is cut 7.3% in **1988** to 13,027, but still remains the second largest among Latin carriers. The number of B-727-264As in the fleet is cut to 37. The U.S. route network reaches a total of 15 cities with the addition of New York on May 12 and Tampa later in the year. Also in May, the carrier becomes the first Latin American airline to join the System One computerized reservations network of Texas Air Corporation (TAC). New union contracts aimed at increasing employee productivity are negotiated and a new hub and maintenance center are occupied at Guadalajara.

Although the full privatization that was expected does not occur, record traffic and profits do. Customer bookings recover and ascend 7.4% to 8,438,790, tops among Latin American airlines. Indeed, Mexi-

cana now transports 43.4% of all travelers flying between Mexico and the U.S. Cargo does slightly better, climbing by 9.3% to 108.21 million FTKs. Revenues swell 22.8% to \$732.8 million and allow an operating profit of \$71.2 million and a record net gain of \$135.1 million.

Company employment is reduced by another 3.8% in **1989** to 12,538. Service is inaugurated to Cancún and Zacatecas from Los Angeles, from San Francisco to Los Cabos and to Cancún via Guadalajara, and from Mexico City to Denver via Mazatlan and Juarez. Daily Mexico City to New York roundtrip service begins in May and a short-term fare war is fought over the route with **Continental Airlines** and **Pan American World Airways (1)**. During the first six months of the year, the airline transports 63.5% of all traffic on this nonstop route.

The government's interest is reduced via partial privatization on August 15 to 40% as a new investment group, headed by Chase Manhattan Corporation, Drexel Burnham Lambert, financier Sir James Goldsmith, and the Mexican conglomerate Grupo Xabre, pays \$140 million for 25% shareholding. New leadership assumes office on August 22: Chairman Carlos Abedrop, Vice Chairman Jose Giral, and CEO Guillermo Martinez Garcia.

These officials pledge to purchase 100 new jetliners valued at \$2 billion in the next decade and undertake complete modernization, including introduction of the most advanced administrative and passenger reservations computer systems. During October, daily Mexico City to San Jose, California, via Guadalajara service is inaugurated.

Passenger boardings inch up 0.7% to 8,501,505 and freight rises 8.6% to 117.57 million FTKs. Revenues advance 1.6% to \$744.39 million, expenses are up 9.2% to \$722.9 million, and the operating profit plunges to \$21.49 million. The previous year's record net profit is cut to \$12.99 million.

Employment continues to fall in **1990**, down 3.9% to 12,052. The first stage of the new owners' modernization plan is announced as a \$17-million upgrade of hardware and systems for passenger, cargo, and administrative services. Much of the latter is designed to change corporate culture from that of a state-owned enterprise into a private sector operator. Four-times-per-week nonstop service is initiated from Juarez and Mexico City to Denver in January and twice-weekly flights to Denver commence from Cancún.

In the first half of the year, service is also inaugurated from Mexico City to San Jose via Guadalajara. Two regional carriers, **Aero Caribe, S.A. de C.V.** and **Aero Cozumel, S.A. de C.V.**, are taken over to create a feeder network known as Mexicana Inter. During the spring, a new business-class product is introduced, along with automated check-in at Mexico City.

A number of new nonstop routes are initiated into the U.S. on July 1, including Cancún to San Antonio, Orlando, and Miami, Los Cabos to Seattle, Monterrey to Los Angeles, and Mexico City to Miami.

Also in July, a letter of intent, worth \$1.1 billion, is signed with Airbus Industrie covering the purchase of 30 A320-231s.

During August, the company's U.S. service areas are restructured from 14 to 4 and in September, the airline begins to offer special inclusive vacation packages from America to 9 Mexican beach resorts.

Overall customer bookings climb 6.6% to 9,059,498 (the high watermark in company boarding figures) and cargo ascends 5% to 113.81 million FTKs. Expenses exceed income and there are losses: \$68.4 million (operating) and \$38.4 million (net).

The fleet in **1991** includes 2 owned B-727-2Q4As, 28 B-727-264As, and 1 DC-10-15. The remainder of the aircraft employed are leased: 2 B-727-2A1As, 4 B-727-2J7As, 1 B-727-2M7A, 2 each B-727-2Q4As and B-727-2Q6As, 4 B-727-225As, 1 B-727-281A, 1 DC-10-10, and 4 DC-10-15s.

First-class service is inaugurated in February. In March, service is suspended to Philadelphia and Baltimore in the U.S. and San Juan, Puerto Rico; losses for the first six months total nearly \$40 million. During this time, the carrier's cargo operation is split off and formed into a separate division or profit center, Mexicarga, S.A. de C.V. Jose A. Merdiola is named president of the subsidiary and he is given a B-727F with which to haul freight.

Executive Vice President-Sales Jose Kuri-Brena quits in May and after only 20 months service, CEO Garcia unexpectedly resigns in July. He is succeeded by former Mexican Social Securite Institute (IMSS) General Director Ricardo Garcia Sainz.

Meanwhile, beginning in June and continuing into the summer, a new livery is applied to the B-727-200 fleet. Tails feature the logo and reproductions of pre-Colombian art while the all-white fuselages sport the airline's name painted in black letters; interiors are also refurbished.

The nine designs draw significant public attention: Mitla, based on a design from mosaics at that archeological site northeast of Oaxaca; Epazoyucan and Meztitlan, based on friezes at the 16th-century Augustinian convents at Hidalgo; Toluca, from the textile designs of Temoaya; Nayarit, a Huichol weavers design; Saltillo, based on serape designs at Coahuila's capital; Olinala, reproductions of lacquer patterns from Guerrero; Azcapotzalco, based on a carved stela; and Talavera, based on Pueblo ceramic designs.

The regional **Aerolibertad, S.A. de C.V.** is taken over and becomes a Mexicana Inter partner under the name **Aero Jalisco, S.A. de C.V.** Service is reduced on a number of unprofitable routes and a marketing alliance is concluded with long-time rival **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**. The first of six A320-231s, leased from the manufacturer, are on hand by December, at which time the airline ranks as one of the nation's 10 largest companies in terms of sales volume. Upon its arrival at Mexico City from Toulouse, the new European-built narrow-body is the first to receive a new individual tail pattern based upon Mexican art.

Passenger boardings decline 1.8% this year to 8,548,962 and freight is off 8.3% to 104.72 million FTKs. Revenues slip 0.6% to \$977.6 million, but costs are high, leaving an operating loss of \$41.26 million. The net loss inches up to \$39.25 million.

The workforce stands at 11,200 at the beginning of 1992 and the fleet is increased by the addition of six chartered A320-231s and four Fokker 100s. Several Boeings are sent to the U.S. for conversion into B-727Fs. The combined Mexicana Inter fleet includes 15 F.27 Friendships.

On March 6, Frecuenta, Latin America's most comprehensive frequent flyer program, is introduced. With the delivery of the ninth A320-231 in July, it is decided that it is too expensive to paint the type's tails in original art schemes so it is requested that future examples have designs repeated. At this point, Airbus Industrie is requested to defer deliveries of eight A320-231s, despite the fact that the type has proven successful, even flying the long-haul, 2,300-nm. route from Bogota to Santiago.

Once the largest airline in Latin America, Mexicana now loses that position to **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**. Still, before the month is over, the company has expanded service; a new route is opened from Mexico City to Buenos Aires and the old Los Angeles to Mexico City route is continued on to Bogota.

Corporacion Falcon, S.A. de C.V. assumes control of the airline in August and declares a \$72-million loss. These bad times are reflected in statistics that are released for only the months through July. During this period, customer bookings are off another 5.7% to 4,592,691 and cargo is down 9.8% to 56.75 million FTKs.

Mexicana, which has flown to Cuba for the past 17 years and currently has 4 regular weekly flights to Havana, introduces first-class service between Mexico City and the Cuban capital on December 18.

In 1993, CEO Julian Terminel Saldana oversees a workforce of 7,500, down 33.1% from the previous year, and a fleet that includes 10 owned and 6 leased A320-231s, 2 leased B-727-2A1As, and 24 B-727-264As, 2 of which are leased to **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**. Also included are 1 chartered DC-10-10, 10 Fokker 100s, and 3 chartered and 2 owned DC-10-15s, the latter 2 also leased to the Peruvian flag carrier.

A total of 38 markets are served in Mexico, the Caribbean, Central America, and the U.S. Among points visited in the U.S. are Los Angeles, San Jose, San Francisco, Seattle, Denver, Dallas (DFW), San Antonio, Chicago, Baltimore (BWI), Philadelphia, New York, Miami, and Tampa.

A 30-year relationship ends on January 5 when the airline cancels its twice-daily nonstop roundtrips between Mexico City and Dallas (DFW). Low patronage and competition on the route, which once featured seven daily roundtrips, is given as the cause.

Also in January, the company signs a new two-year labor agreement with the machinist union representing 650 U.S.-based employees. Citing strong competition from **American Airlines**, the airline discontinues service between Mexico City and Dallas (DFW). Late in the month, it is; however, able to announce that, in a rare gesture of confidence, the U.S. FAA has granted it a two-year, rather than a one-year, renewal of its foreign repair station license.

The parent Corporacion Falcon, S.A. de C.V. board joins with that of rival **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on February 17 to announce a strengthening of their strategic alliances in the areas of shared maintenance, cargo, maintenance, and purchasing. It is claimed that there will be no merger; both companies will retain their independent identities. Cost-cutting and other restructuring measures do not bring desired results and thus 54.7% majority shareholding is sold to Aeromexico on February 26 for \$110 million in cash and credits. Aeromexico Chairman Gerardo de Prevoisin assumes the same post with Mexicana on March 1 and the Mexican government approves the takeover in May.

In early September, the "Alas de America" strategic alliance is unveiled as joint scheduling, computerized reservations, frequent flyer, yield management, purchasing, and labor agreements are signed with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**.

On September 10, Augusto Bojorquez, president of the Mexican Association of Travel Agents (Asociacion Mexicana de Agencias de Viajes), files a complaint with the Secretaria de Comunicaciones y Transporte charging that **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Mexicana are putting pressure on his members to give preference to those airlines when issuing tickets or selling promotional packages. There is great concern among members of the travel and hotel community, as well as other airline competitors, that the two large carriers will gain a monopoly over the Mexican domestic airline market.

Mexicana begins to code-share with the former on flights from Mexico City, Cancun, and Merida to Miami and from Mexico City to Acapulco and Huatulco. It also begins to share its code with the Peruvians on domestic Mexican routes as well as on frequencies from Cancun to Buenos Aires via Lima. Code-sharing is started with **Alitalia, S.p.A.** during November on a route from Mexico City to Miami.

Passenger boardings for the year fall 13.8% to 6,887,000 and freight is down 23.6% to 69.99 million FTKs. Revenues total \$723.68 million, but expenses are \$779.65 million. An operating loss of \$55.97 million is suffered with a net loss of \$37.32 million following. The company—for the first time—is no longer Mexico's largest national airline, an honor lost to **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**.

Airline employment is cut 3.1% in 1994 to 6,824. The company joins with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on February 17 to confirm a further strengthening of a previous marketing alliance and to quash rumors of merger. Ten days later, however, **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** pays \$110 million in stock and cash to purchase controlling interest. During the month, the carrier completes the private placement of \$50 million in convertible debt and obtains a \$135-million loan from Bancomext. It also abandons first-class service in favor of an all-economy "Premium Class."

At the end of April, several Mexican regionals join with **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)** in a merger of support services designed to make the carriers more competitive with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Mexicana. Under the arrangement, the carriers share reservation systems, maintenance facilities, ticketing, airport facilities, hangars, and work crews.

Air L.A., the U.S. regional, becomes a marketing partner in July. Under terms of the arrangement between the two airlines, the California-based operator, which has recently received its third Fairchild Metro 23,

will provide connecting flights between Los Angeles, Phoenix, and several California communities.

The carrier continues losing large amounts of money, \$39 million in the second quarter alone. Unable to keep up with aircraft lease payments and owing \$20 million for them, the airline faces the prospect from European export credit agencies of the repossession of 10 A320-231s. The company also determines that its DC-10-15s are too expensive to operate and orders them withdrawn and sold.

On September 5, Geraldo de Prevoisin Legorereta, chairman of both Mexicana and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, resigns and is succeeded by Jose Luis Llamas Portilla, an insurance executive and member of the board of directors.

It is reported in October that, after emptying his office and purging his computer files, former CEO de Prevoisin Legorereta has left Mexico. At the same time, it is acknowledged that an additional \$50–\$70 million in company liabilities have been uncovered and cannot be paid. Mexico issues an arrest warrant for the talented, once highly regarded local entrepreneur as creditors and lenders make plans to take over the airline.

Despite a difficult couple of years, advertising still proudly proclaims the company to be the most experienced airline in North America and the fourth oldest in the world. The enticing message is largely disregarded as, in December, the nation, plagued by assassination, a rebellion in the state of Chiapas, and a shaky economy, devalues its peso.

On the year, customer bookings recover, rising 5.4% to 7,194,360; however, cargo falls another 7.4% to 797.08 million FTKs. Continued economic difficulties at the national and carrier levels cause revenues to plunge to \$565.6 million and expenses to top out at \$600.89 million. As a result, the pretax loss is \$35.28 million and the net downturn skyrockets to \$359.94 million.

Airline employment in 1995 stands at 6,780, a 0.6% decrease. The company and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**, now run by a consortium of banks, now face—along with the country—a six-month recession that has a horrendous impact on traffic.

In April, a marketing agreement is signed between Mexicana and **KLM (Royal Dutch Airlines, N.V.)**. An order is placed for 10 Fokker 100s, the first of which arrives under lease from GPA Group in June.

The carrier's Senior Vice President Fernando Flores is named CEO in August. He immediately unveils a "100-Day Plan" designed to reinstate staff, boost employee morale, and eliminate the carrier's weaknesses. It is revealed at this point that the former chairman, de Prevoisin Legorereta, who has been formally accused in court of embezzling \$72 million, further contributed to his company's decline the previous year by making an \$8-million donation to the country's ruling political party.

On August 14, the government approves the financial revamping plans put forward for **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Mexicana, with the provision that the group of banks controlling the two companies must be split up within three years. New international arrangements are concluded during the third and fourth quarters.

Beginning in October, joint venture passenger and cargo services are launched with the Venezuelan carrier **AVENSA (Aerovias Venezolanas, S.A.)** over a route from Caracas to Mexico City via Panama City.

The new arrangement with **KLM (Royal Dutch Airlines, N.V.)** begins on October 26, a date celebrated as the fortieth anniversary of the first KLM flight to Mexico City. The Dutch airline's schedule to Mexico is altered; service is no longer through Houston, but nonstop thrice weekly and via Orlando the other four days. KLM's passengers are able to smoothly transfer to Mexicana's extensive domestic network served by 250 flights a day.

A connection agreement is signed with **Japan Air Lines Co., Ltd. (2)** in November that provides for the seamless transfer of passengers to partner flights departing Los Angeles. A similar compact is inked with **Aeroflot Russian International Airlines (ARIA)** providing for the linking of ARIA passengers to other flights into Colombia, Central America, and South America from Mexico City.

Enplanements drop 8.7% to 6,572,629, but freight inches back up by 0.7% to 53.89 million FTKs. Still, finances are such as to allow a \$56.36-million operating profit.

The workforce is cut another 10.1% in 1996 to 5,840. As the year begins, only the modified-green Nayarit tail color scheme is retained. On March 18, the "Alas de America" strategic agreement with AeroPeru is expanded as the Mexican airline begins dual-designator flights from Lima to Buenos Aires and from Santiago to Bogota.

The fiscal picture soon also becomes one of celebration. CEO Flores and the board of directors are able to negotiate new loans and other financial agreements that will capitalize the airline's outstanding debts and result in the purchase and lease-back of the A320-231s. The arrangements will be handled by a new financial corporation, CINTRA, S.A. de C.V., which is led by banker Ernesto Martens, who has been retained by several banks to put a new package together. Government approval for the CINTRA's restructuring approach receives government approval on June 4.

Weekly nonstop return service is initiated on June 24 between Ixtapa and Zihuatanejo and Los Angeles. Offering discounts and bonuses in conjunction with the new service are the Krystal, Westin, Dorado Pacifico, Qualton, Presidente Forum, Sheraton, Doubletree, Puerto Mio, Posada Ral, and Fontan hotels.

On June 28, CINTRA offers to exchange Series A CINTRA shares for those of Mexicana; as a result, CINTRA receives 99.95% of the carrier's outstanding share capital. In essence, the nation's banks trade \$1 billion for most of the carrier's equity. A new management concern Servicios Corporativos CINTRA is established to oversee changes. Mexicana, on October 22, will cease to be a publicly traded company in Mexico.

New routes are inaugurated to Orlando and Las Vegas as the Compania Mexicana de Aviacion, S.A. de C.V. celebrates its seventy-fifth anniversary as the world's fourth oldest airline on July 12. A remodeled DC-3 and a replica of the 1921 Lincoln Standard will fly around the country assisting in the festivities. The next day, two more night roundtrips are added to the five A320-231 services already provided between Mexico City and San Antonio.

The Douglas transport, loaned to the carrier by the Fuerza Aerea Mexicana, is painted in the pioneer's colors and christened Capt. Andres Fabre Tiran for the airline's first DC-3 pilot. When the plane is exhibited at the anniversary ceremony, Capt. Tiran is in attendance.

During the summer, the downtown Mexico City headquarters building, La Torre de Mexicana, is put up for sale with a \$50-million price tag.

A DC-9-15F is leased by the Mexicarga, S.A. de C.V. division when the winter season begins in October.

A comprehensive alliance is entered into with **United Airlines** on November 25. It provides for frequent flyer program linkage, joint programming, advertising, promotions, ground handling, airport lounges, and cargo cooperation. The two will share codes on flights within the U.S. and throughout Mexico and Central America, and have access to each partner's international networks beginning the following May.

Two B-757-2Q8s are leased from the International Lease Finance Corporation (ILFC) in December; both wear the Nayarit tail design.

An A320-231 with 169 passengers is evacuated at San Jose Airport on Christmas Day following receipt by the company of a bomb threat. Police and FBI agents search the plane and, after a five-hour delay in which no explosives are found, it is permitted to depart for its original destination of Guadalajara.

Customer bookings fall another 2% to 6,438,742. Operating income soars 25% to \$837.06 million and expenses are up only 21.7% to \$746.48 million. Operating gain climbs to \$90.58 million.

The employee population grows by 12.7% in 1997 to 6,579.

While descending through 26,000 ft. toward Chicago (ORD) following a flight from Durango on March 2, Flight 199, a B-757-2Q8 with 202 passengers, experiences turbulence approximately 120 mi. S of the airport; 22 persons are injured, 4 seriously. The Mexicarga DC-9-15F is returned.

Business-class service, Clase Ejecutiva, is introduced during the early spring. A code-sharing pact is signed with **ACES Colombia, S.A.** in May and dual-designator flights commence on flights from Colombia to Santiago.

A major agreement, signed in April, is inaugurated with **United Airlines** in July. Its terms provide links to United's global market for Mexicana and to Mexicana's domestic network for United. Frequent flyer programs of the two companies are joined as are advertising and promotional activities. Connecting code-sharing via common points of service are activated throughout North and South America.

Five red diagonal stripes and the emblem of the company-sponsored Chivas soccer team are painted on a B-727-264 in September to honor the players' success in domestic cup competition.

Also during the month, a major agreement is signed with **Deutsche Lufthansa, A.G.** Under its terms, the German major will assist the Mexican line in improving its customer services. A 12-month evaluation of Mexicana procedures will be undertaken, followed by a training program for its customer service personnel. Code-sharing will begin a year later.

A new annual contract is signed with the National Pilots Union in mid-October; it grants the flyers a 25% salary increase, plus a bonus for on-time arrivals as well as other benefits.

In celebration of its 40 years of Texas flights, the carrier, on November 3, adds twice-weekly roundtrip service between Mexico City and San Antonio.

Passenger boardings accelerate 15.7% to 7,452,706 while freight advances 14.6% to 64.2 million FTKs.

Airline employment in 1998 stands at 6,000 and the fleet, 56.9% of which is Stage-III certified, includes 24 B-727s, 3 B-757s, 14 A320s, and 10 Fokker 100s.

A fourth daily nonstop Mexico City to Chicago service is introduced on January 12.

Flight 721, a Fokker 100 with 48 passengers aboard, skids off the runway at Mexico City on March 3 after completion of a service from Laredo. No injuries are reported.

Traditionally known for its single-class service, Mexicana completes, by the end of April, the introduction of business-class on all of its domestic and international flights. It also completes interior renovations on all 51 of its aircraft, bringing them up to the service standards of its major partners.

Dual-designator services with **United Airlines** commence on May 1. Under terms of the alliance, Mexicana is able to place its codes on UAL flights from Mexico City to Los Angeles, San Francisco, San Jose, Chicago (ORD), and Washington, D.C. (IAD); from Chicago (O'Hare) to Washington, D.C. (DCA), Boston, and Denver; and from Los Angeles to Honolulu, Seattle, and San Francisco.

On May 11, business-class services are introduced on all flights from Mexico to the U.S., Canada, Central and South America.

Thrice-weekly A320-231 nonstops commence on June 6 from Oakland, California, to Guadalajara, with connections to Mexico City. A week later on June 13, twice-weekly A320-231 Cancún to San Juan service is inaugurated. On Saturdays, a service is run to and from San Juan via Mexico City and Cancún.

Daily B-727-264A roundtrips are inaugurated on July 11 from Mexico City to Miami. Twice-weekly A320-231 roundtrips begin on July 12 from Miami to Merida, Yucatan. Twice-weekly B-727-264A roundtrips commence on July 13 from Chicago (ORD) to San Luis Potosi, a new destination located on the plains of north central Mexico, with continuing service to Guadalajara. The same day, twice-daily B-727-264A roundtrips are launched between Chicago and Guadalajara.

On July 17, twice-daily A320-231 service is offered between Oakland and Zacatecas in Mexico's silver-mining country, with continuing service to Mexico City.

In September, dual-designator services begin with **Deutsche Lufthansa, A.G.** to Washington, D.C. (IAD).

Also during the fourth quarter, the carrier successfully completes collective bargaining agreements with its pilots' and ground personnel unions.

It is announced on December 18 that daily nonstop roundtrips will commence on January 12 between Mexico City and Newark.

Enplanements for the year inch up 0.4% to 7,503,000, while cargo traffic is up an equal amount, with 64.45 million FTKs operated.

Airline employment stands at 6,404 at the beginning of 1999 and the fleet includes 54 aircraft, 3 more than during the previous year. The daily Newark return service duly begins on January 11. It is followed next day by the start of thrice-weekly roundtrips from Mexico City to San Juan.

The swirling wake of a Mexicana B-757-2Q8 causes a **UFS (United Feeder Service)** ATP with 50 passengers to roll 45 degrees and break off its approach into Chicago (ORD) on January 27. Both ATC and the Mexican carrier are faulted for not maintaining a proper distance between the two airliners.

In honor of the visit of Pope John II to Mexico at the end of January, the B-757-2Q8 that he will employ while in country is rechristened *S.S. Juan Pablo II* and begins to wear the papal coat of arms. Both the new name and markings will be worn for over a year.

On February 1, **Deutsche Lufthansa, A.G.** places its "DL" code on Mexicana services from Mexico City to Acapulco, Cancún, Guadalajara, Monterrey, and Merida.

On February 16, Mexico's Federal Competition Commission (CFC) begins an investigation of the airline holding company CINTRA after a pilot's union accuses its president, Ernesto Martens, of favoring growth in one of the company's airlines to the detriment of the others via the transfer of shares, routes, and aircraft. The flyers describe the practice as a "predatory action." The claim is followed by an unflattering CFC report describing CINTRA's first three years.

Two days later, on February 18, trading of the shares in CINTRA is suspended on the Mexican Stock Exchange. The action comes in the wake of a CINTRA request that the government investigate an unauthorized release to the media of its 1998 earnings figures.

The Mexican government announces on February 24 that it is postponing any decision on whether or not to break up CINTRA. The case must be studied further by the CFC.

The Ministry of Transport and Communications weighs into the CINTRA controversy on March 8. Deputy Transport Minister Aaron Dychter informs Reuters, Ltd. that the Ministry of Transport and Communications wishes CINTRA to be maintained as a "whole company," thought "not necessarily a monopoly," in order that it might compete with larger foreign air carriers. Dychter also points out that the Ministry of Transport and Communications has received few complaints about CINTRA's alleged monopolistic practices from its smaller domestic competitors.

CINTRA, the holding company for **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Mexicana, announces on April 26 that it will be investing approximately \$76 million in hush kits for its Boeing 727 fleet, in order that its units may continue flying into the U.S.

Also, the parent begins to negotiate with four U.S. banks for a \$140-million bridge loan to cover a \$134-million June loan payment to Mexico's export development bank, Bancomext, and the financial group Grupo Financiero Inbursa.

Although San Jose has a curfew from 11:30 p.m. to 6:30 a.m. Pacific Time, airlines are allowed to fly in during those hours if they are delayed due to mechanical, weather, or ATC problems. The *San Jose Mercury News* reports on April 27 that the city attorney's office has sent letters to six carriers threatening to sue or ban them from the airport and citing numerous violations of the curfew. The companies committing these "blatant violations" include, in addition to Mexicana, **American Airlines, Northwest Airlines, Reno Air, Southwest Airlines (2), and United Airlines.**

A comprehensive dual-designator marketing agreement is entered into with **Air Canada, Ltd.** on April 29. Mexicana also moves its Toronto operation from Terminal One to Terminal Two at Pearson International Airport, thereby inserting itself into the midst of Air Canada's operations and reducing connection time for its passengers.

The comprehensive code-sharing alliance entered into with **Air Canada, Ltd.** on April 29 is formalized on May 3. The frequent flyer programs of the two majors are quickly linked. While meeting with other "Star Alliance" partners at Sydney during the day, Thamnoon Wanglee, president of **Thai Airways International, Ltd. (THAI)** tells reporters that Mexicana looks set to join the multinational airline pact later this year.

On May 13, under terms of the new code-sharing agreement with **Air Canada, Ltd.**, Mexicana and its Canadian partner begin code-sharing on Toronto, Montreal, and Ottawa services via Chicago, thereby linking Air Canada's network to Mexicana's hub in Mexico City.

CINTA and the union representing flight attendants at both **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Mexicana reach agreement on May 19. The 1,500 workers will receive a 17.5% salary increase and a 4.5% benefits package boost, retroactive to May 1.

Guillermo Turincio, CINTRA chief financial officer, informs Reuters, Ltd. on May 20 that despite a negative report from the Federal Competition Commission, the holding company will receive government approval for its existence during a special meeting of the government economic cabinet in June. Also on May 20, *InfoLatina S.A. de C.V.* notes that the Puerto Rican tourist agency and Mexicana have signed an agreement that will allow the Mexican carrier to renew its direct flights to San Juan from Mexico City. Under the pact, the government of Puerto Rico will absorb half of the losses sustained during the first 12 months of operation should the route prove a loss-maker.

On June 2, **Air Canada, Ltd.** launches nonstop services, on a dual-designator basis, to Mexico City thrice-weekly on Mexicana-operated nonstops between both Toronto and Mexico City and Montreal and Mexico City.

Having completed an experimental year of offering direct reservations and sales via the Internet, the carrier, on June 17, indicates that the service will be retained and expanded.

The government ruling concerning CINTRA will not be made without a fight. On June 21, Federal Competition Commission head Fernando Sanchez Ugarte strongly criticizes CINTRA and again urges the government, on antitrust grounds, to separate **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and Mexicana.

Beginning on the 1st of July, **Air Canada, Ltd.** and Mexicana further expand their pact. Air Canada places its code upon Mexicana-operated flights to and from Guadalajara, Cancún, Acapulco, and Puerto Vallarta, while Mexicana code-shares on Air Canada-operated services to and from Winnipeg, Quebec City, Vancouver, and Calgary.

Founding member **SAS (Scandinavian Airlines System)** reveals on July 8 that Mexicana will join the international "Star Alliance" in the year 2000.

On September 11, **Air Canada, Ltd.** begins code-sharing on Mexicana flights from Mexico City to Guadalajara, Cancún, Ixtapa, and Puerto Vallarta and from Los Angeles to Guadalajara. Daily service is inaugurated by Mexicana from Leon's Aeropuerto del Bajío to Los Angeles, while new daily frequencies are introduced from that point to San Francisco.

Passenger boardings this year jump 5.7% to 7,852,000 while cargo traffic dips 0.8% to 63.93 million FTKs.

Airline employment at the beginning of 2000 stands at 6,354, a 0.8% decline over the previous 12 months. The oldest airline in Mexico, the carrier continues to maintain a route network covering 50 destinations in 9 countries.

A marketing and code-sharing agreement is signed with **AVIANCA Colombian Airlines, S.A.** on February 24; dual-designator flights will be offered between Colombia and Mexico and joint services will be provided to one another at the Bogota and Mexico City hubs.

A320-231 frequencies between Mexico City and Toronto are increased on April 5 from three weekly roundtrips to seven.

After the fueling of an A320-231 at Minatitlán, Mexico, on April 14, workers fail to detach the avgas hose from the tanker truck before driving off. The hose ruptures, spilling gas that ignites and burns out the aircraft.

Out of the physical transport of goods for some time but still on the books as a division, Mexicarga, S.A. de C.V. is revitalized in May and begins flying again, employing a Boeing 707-320C previously operated by **MAS Air (Aerotransportes MAS de Cargo, S.A. de C.V.)**.

The carrier officially becomes the 13th member of the "Star Alliance" on July 1. The next day, daily B-727264A roundtrips are inaugurated from Guadalajara to Las Vegas.

On October 3, the federal antitrust agency *Comision Federal de Competencia* rules that Mexicana and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** must be fully separated prior to their planned sale, a move that will break up their holding company, CINTRA, which itself can then be sold. The next day, Gustavo Castillo, head of the corporate asset division of Mexico's deposit insurance agency IPAB, which owns 51% of CINTRA, indicates that both airlines will be put on the market early in 2001.

The company's unionized employees, 23,000 strong, and those from **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** reject on October 10 the proposal that CINTRA be broken up and sold, thereby privatizing both airlines. Demonstrations are staged at Mexico City Airport.

Avoiding a strike, the company and its pilots union settle on a new contract on October 23; under its terms, Mexicana flyers receive a 12% wage increase.

On October 27, another A320-231 is leased from AFT Trust via GECAS for five years. Two more A320-231s, chartered from Orix, arrive in November.

On December 5, Mexicana becomes one of the first airlines to transfer its operations to the new International Terminal at San Francisco International Airport.

The eruption of the Popocatepetl Volcano 40 mi. NW of Mexico City on December 20 forces the carrier to cancel all of its flights into and out of the Mexican capital. The airport at Puebla is closed due to the fear of mudslides.

It is reported at the end of the year that the Mexican Secretary of Communications and Transportation will have its study position on the sale of the airline and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** ready in February. Still to be decided is whether the holding company CINTRA will be sold as a whole or whether the airlines will be spun off and separately sold.

Customer bookings during these 12 months accelerate 8.6% to 8.53 million, while cargo traffic rises 3.6% to 66.22 million FTKs.

MEXICANA INTER. See **AERO COZUMEL, S.A.; AERO JALISCO, S.A.; AEROMONTERREY, S.A. (1); AEROVIAS CARIBE, S.A.**

MEXICARGA, S.A. de C.V. See **MEXICANA, S.A. de C.V.**

MEXICO AIR SERVICE: United States (1979–1980). MAS is set up at Santa Monica, California, in 1979 to provide scheduled Cessna light-plane passenger and cargo commuter flights to San Diego and points in Mexico. Traffic does not develop and the company fails before its first birthday.

MEY-AIR, A.S.: Norway (1970–1974). Mey-Air is established at Oslo in the summer of 1970 to operate both local air taxi flights and charters to regional destinations. Revenue services commence with 1 each Beech 99, Beech King Air 90, and Convair CV-240.

At the end of the year, the decision is taken to enter the inclusive-tour charter arena. Contracts with tour operators are undertaken and orders are placed for a pair of Boeing 737-2H5s. As the Boeings are not immediately available, a single NAMC YS-11A is leased and employed, beginning in late March 1971. The two "Baby Boeings" are delivered in September and October, respectively, and allow the expansion of flights to southern Europe and the Mediterranean during the winter holiday season.

The company remains in business until financial trouble forces it to shut its doors in February 1974.

MGM GRAND AIR: United States (1987–1995). Capitalized at \$20 million by MGM Grand, Inc., owner Kerkor “Kirk” Kerkorian, former owner of **Western Airlines**, and President/CEO Charles Domoney receive the new entrant’s Type 401 certificate from the DOT on June 10, 1987. MGM Grand Air begins scheduled, all-first-class luxury service between Los Angeles and New York (Newark) on September 8. Roundtrip fares charged on the three former **Regent Air** 34-passenger configured Boeing 727–191s employed is \$2,034. For this fee, customers aboard the aircraft are able to enjoy four staterooms and a stand-up bar, plus gourmet meals served by flight attendants dressed in tuxedos and red bow ties.

In December, a \$16-million order is placed for three hush-kitted Douglas DC-8-62s, newly available from the Italian flag line **Alitalia, S.p.A.** A total of 31,000 passengers are carried during the 4 remaining months of the year and revenues of \$7.08 million are earned. The operating and net losses are each \$2.4 million.

In May 1988, a new frequent flyer plan is introduced; travelers are rewarded with a free ticket for every 10 trips. The Douglas transports begin modification at Burbank, California; \$14 million will be spent on airframe and engine upgrades, \$7 million on hush-kitting, and \$18 million on avionics.

Still, enplanements for the year decline to 27,037, even as revenues advance to \$22.3 million. Expenses more than exceed income and the operating loss doubles to \$4.9 million. The net loss is \$5.4 million.

The workforce is reduced by 1.7% in 1989 to 175. The carrier is reconfigured in May so that all of the seats on its four daily Los Angeles to New York frequencies are first-class; flight attendants now wear tuxedos and serve caviar.

Passenger boardings jump 18.3% to 31,988 and revenues ascend 35.8% to \$30.23 million. Costs move ahead by 9.8% to \$29.87 million and allow an operating profit of \$360,000. The net loss “improves” to \$2.57 million.

In August 1990, the company’s three Boeings are switched to worldwide charter operations as the three DC-8-62s from **Alitalia, S.p.A.** are placed on the company’s transcontinental route. In honor of their arrival, a luxurious coach-class service, Grand Class Coach, is introduced. An “alignment of service” agreement is signed with **British Airways, Ltd.** (2) in November. Under its terms, the two carriers are able to offer “the ultimate in luxury travel” as passengers are able to fly from London to New York (JFK) aboard the Concorde. Following an overnight stay at a luxury hotel in New York City, they are able to continue in first-class DC-8-62 service to Los Angeles, all for a one-way fare of \$3,966.

Scheduled customer bookings for the year jump 8.8% to 34,807 while 12,000 charter passengers are also flown. Revenues advance to \$34.7 million; however, the costs of bringing the Douglas transports on line result in an operating loss of \$10.9 million and a net loss of \$15 million.

Company employment is increased 3.3% in 1991 to 315 as letters of intent are signed for two Boeing 757-200s.

Passenger boardings increase 48.5% to 51,693. Revenues ascend 36.9% to \$47.31 million, expenses are up 14.8% to \$52.23 million, and the operating loss is \$4.91 million, an improvement over the previous year. The net loss is cut to \$8.88 million.

The payroll is reduced by 1.3% in 1992 to 311 and the fleet includes the 3 DC-8-62s and 3 B-727–191s. On January 1, MGM Grand becomes a member of the **United Airlines** Mileage Plus frequent flyer program. Former **Pan American World Airways** (1) official and **Eastern Air Lines** President Robert Gould succeeds Charles Demoney as president/CEO late in the year. He immediately orders abandonment of uneconomical scheduled services, effective December 31, and concentrates on “upscale” charter operations.

Economic conditions and overcapacity combine to push customer bookings down by 13.8% to 44,553. Although revenues are up 5.7% to \$50 million, expenses shoot up 13.1% and as a result, operating loss deepens to \$9.08 million. The net loss worsens to \$14.66 million.

The employee population declines 55.6% in 1993 to 138. The fleet of three DC-8-62s and three B-727–191s begin a year-long refurbishment

program. In January, a contract is signed with Fun Sun Tours for charters to Latin America and the Caribbean and a former **Eastern Air Lines** B-757-225 is leased to provide additional nonscheduled capacity.

The service changeover results in a decline in passenger boardings of 23.5% to 34,096. Revenues decline 57.9% to \$21.03 million, but expenses increase 68.4% to \$99.47 million and cause a dismal \$78.44-million operating loss. The net loss is, if anything, slightly worse, growing to \$79.91 million.

On September 8, 1994, the company resumes scheduled service. Leaving the company’s three DC-8-62s to fly charters, the ultra-luxury airline’s three B-727–191s are unable to make a profit on their new first-class-only New York–Las Vegas–Los Angeles route. Tickets, at \$1,423 each, do not sell and only 24,000 scheduled passengers are flown by the 300-worker airline by year’s end. The resumed scheduled flights are again ended on December 31.

Revenues increase by 3.7% to \$21.81 million and even though costs are down by 73.3%, they still total \$26.54 million. The operating loss “improves” to minus \$4.72 million and there is a net profit of \$3.94 million.

Parent company MGM Grand, Inc. will shut the company down during the first week of January 1995 and sell it to drag race king Conrad Kalitta. Kalitta, owner of the Ypsilanti, Michigan-based **American International Airways** (3), wants the aircraft to fulfill existing charter contracts. The carrier’s last charter is, however, completed as two DC-8-62s transport the American Museum of Natural History’s 125th Anniversary Around-the-World Expedition, a 33-day trek flown from New York (JFK) via France, Tanzania, Madagascar, Myanmar, Mongolia, Borneo, Papua New Guinea, Rarotonga, Easter Island, Brazil, and Cuba.

MHS AVIATION SDN. BHD.: Malaysia (1996–1998). The helicopter operating division of **Malaysian Helicopter Service, Sdn. Bhd.** is split off from its parent in early 1996 into a stand-alone company. Ma’som Mahadi is chief operating officer of this concern, which includes eight Sikorsky S-61Ns, two S-76As, six S-76Cs, four Eurocopter AS-332L Super Pumas, and two each SA-360Js, AS-355F2s, Bell 412Ps, and Bell 412SPs. Offshore support remains the company’s principal business.

On January 15, 1997, it is announced that MHS Aviation will be sold at mid-year to DRIR Equities for \$31.7 million.

Rotary-wing work continues apace during the remainder of the decade. In addition to offshore support missions, helicopters are also chartered for executive, passenger, and cargo flights and power line inspections.

In February 1998, a Super Puma is passed to **Lloyd Helicopters (Pty.), Ltd.** under a lease-purchase contract. Later in the year, the operator is renamed **Naluri BHD.**

MI AVIA: 2 Sokolnicheski Val, Moscow, 107113, Russia; Year Founded 1993. In 1993, the Mil helicopter design bureau at Moscow is allowed to establish an air transport division in order to earn hard currency to support the establishment. Under the direction of CEO V. Tolbushkin, ad hoc charter work, including executive and passenger, cargo, energy and agricultural support, is launched with 2 each Mi-10Ks and Mi-17s, plus 5 Mi-26s.

Helicopter work continues during the remainder of the decade and into the new millennium.

MIAMI AIR CHARTER (1): United States (1966–1968). MAC is set up at Miami (MIA) in late fall 1966 to offer international passenger and inclusive-tour charter services. The former **Pan American World Airways** (1) Boeing 377 Stratocruiser *Clipper Romance of the Skies* is purchased from the manufacturer in January 1967 and placed into service.

The nonscheduled supplemental is unable to maintain its short-lived viability and files for bankruptcy in April 1968. The B-377 is repossessed and scrapped.

MIAMI AIR CHARTER (2). See **NATIONS AIR**

MIAMI AIR INTERNATIONAL: 5000 North West 36th St., Suite 307, P.O. Box 660880, Miami, Florida 33266, United States; Phone (305) 876-3600; Phone (305) 871-2003; <http://www.miami-air.com>; Code GL; Year Founded 1990. Founded at the south Florida namesake city in August 1990, Miami Air is held by D. R. Fischer, G. A. Lyall, and J. R. Kommeyer.

Following nearly a year in start-up and certification, the new private company is outfitted with a pair of leased Boeing 727-225As formerly operated by **Eastern Air Lines**, the first of which is delivered in September 1991 and christened *Lois*.

Charter and inclusive-tour flights begin on October 15 with an inaugural flight to Havana. After contracting with several cruise lines for connecting service, flights are started to San Juan on December 1 and from the Puerto Rico metropolis to New York and Chicago.

Although traffic figures for the fourth quarter are not reported, the company publicizes its excellent financial returns. On revenues of \$1.38 million, profits of \$127,605 (operating) and \$97,605 (net) are generated.

Airline employment stands at 60 in 1992 as a third B-727-225A is chartered. For the period from the New Hampshire primary through the fall election, one of the trijets is chartered by the Democratic National Committee to serve as the campaign plane for candidate Bill Clinton.

The other two aircraft continue to operate on behalf of what will become Miami's standard clientele: collegiate and professional sports teams and their fans, bands, boosters and/or alumni; cruise lines; incentive groups; and entertainers, such as Billy Joel and The Rolling Stones. In the years ahead, the U.S. government will become the largest customer, employing the carrier's fleet to haul soldiers and forest firefighters.

A total of 206,000 passengers are flown during the first full year as revenues ascend to \$21.4 million. Profits are generated: \$924,278 (operating) and \$704,009 million (net).

The fleet is increased in 1993 by the lease of a B-727-231A.

Customer bookings leap ahead by 41.3% to 291,000 and revenues rise 46.6% to \$31.35 million. Expenses increase by 44% to \$29.46, allowing operating profit to double to \$1.88 million. Net profit surges to \$2.09 million.

Airline employment is increased by 24.7% in 1994 to 177 as a 4th B-727-225A is put into service.

Passenger boardings swell 6.7% to 310,346. Revenues move ahead by 23.1% to \$38.58 million, while expenses increase 21.7% to \$35.86 million. Consequently, there is a \$2.72-million operating profit and net gain reaches up to \$3.03 million.

The workforce grows by 52.5% in 1995 to 270 and 1 more B-727-225A joins the fleet. The team enters into the sports charter business, providing lift to the Carolina Panthers NFL professional football team and Florida Marlins MLB professional baseball team under contract.

Still, enplanements decline 12.5% to 272,000. Revenues exceed costs and there are profits again: \$3.55 million (operating) and \$3.93 million (net).

There are no changes in either the employee population or fleet in 1996. One of the B-727-225As wears the logo of the NFL Carolina Panthers on one side and the MLB Marlins on the other while the single B-727-231A has the Marlins logo painted on both sides of its fuselage.

Customer bookings slide 3.1% to 313,000 even as operating income skyrockets 78.4% to \$67.25 million. Expenses jump 90.3% to \$64.97 million and leave a \$2.27-million operating profit. A \$2.43 million net gain is posted.

Operations continue apace for the 60-employee company in 1997. On March 31, the company is fined \$20,000 by the DOT for violations of its reporting rules. Of the amount, \$10,000 is due by September 2; the other half will be forgiven in a year if the carrier commits no further violations.

During the last week of the year, two B-727-225As are chartered to haul University of Tennessee fans to Miami, where their football team will play—and unhappily lose to—the University of Nebraska in the Orange Bowl on January 2.

Passenger boardings climb to 363,000 while operating revenues ascend 7.6% to \$72.34 million. Expenses jump 9.5% to \$71.2 million, and allow an operating profit of \$1.13 million. The previous year's large net gain is reduced to \$517,000.

Flights continue in 1998. During the last week of the year, a B-727-225A is again chartered to transport University of Tennessee fans to a bowl game.

During the 12 months, customer bookings move ahead by 2.1% to 429,000. Revenues total \$82 million and a \$3-million operating profit is generated.

Following the Volunteers victory over Florida State University in the Tostitos Fiesta Bowl on January 4, 1999, the Miami Air trijet with 8 crew returns to Sky Harbor Airport to pick up 170 passengers for a return flight to Nashville on January 5. Just after takeoff, a passenger notices an open cargo door. When this is brought to the attention of the crew, the captain declares an emergency and immediately dumps fuel. The plane quickly lands back at its point of origin. No injuries are reported and only minor damage is found. Properly secured, the return flight is made, slightly late.

Passenger boardings inch up 1.6% during the year to 436,000. Operating revenues rise 4.4% to \$85.67 million, while expenses are up 7.1% to \$83.62 million. The operating profit falls to \$2.05 million, while net gain drops to \$871,000. Still, the company stands in need of a capital infusion to tide it over the usually lean summer charter period.

The workforce totals 425 at the beginning of 2000, a 21.4% increase over the previous 12 months. Beginning in January, a B-727-225A is chartered by the presidential primary campaign of Republican candidate George W. Bush. As had been the case with presidential challenger Bill Clinton in 1992, the trijet forces all Secret Service agents and reporters to share just 75 seats. Vice President Gore has rented a DC-9-31 from **Spirit Airlines**.

Two new Next Generation B-737-81Qs are now delivered, one each on February 6 and May 24, respectively.

On July 14, the company sells an 82% controlling interest to a group of Houston investors, including the freight forwarder Eagle Global Logistics (23%), for \$20 million. In announcing the arrangement, Miami President Ross Fischer, who retains a 10% stake while other managers hold 8%, indicates that his B-727s will be converted into cargo planes, while Next Generation B-737-800s are leased to handle passenger services. It is anticipated that the 450-person workforce will be increased.

Arrangements are also completed on July 14 for the lease of two Next Generation B-737-81Qs and a Dash-8Q8 from **Sabre Airways, Ltd.** of the U.K., soon to be named **Excel Airways, Ltd.** The first two will enter service in November and December, with a third arriving the following summer. Meanwhile, two Next Generation B-737-800s are chartered from CIT Aerospace for delivery in April and May. The subsidiary **Quest Cargo International** is simultaneously established by the carrier, along with Eagle Global Logistics, to operate the B-727s, which are now being converted into freighters.

Previously employed by Gov. Bush during the primary season, the B-727-225A is repainted on August 3 with special red and blue stripes over its white fuselage with large "Bush-Cheney" titles. It is to be used in the post-Republican National Convention campaign period in the fall.

Having developed hydraulic problems, a B-727-225A transporting the University of New Mexico football team to Lubbock for its opening game, is forced to make an emergency landing at Albuquerque on August 25. The game must be rescheduled.

On September 3, Republican candidate Bush transfers to a **North American Airlines' B-757-28A** that has been given temporary "Bush-Cheney" titles. The previously employed Miami Air B-727-225A is turned over to vice presidential candidate Dick Cheney, who has been making his appearances aboard a crowded Gulfstream IV executive jet.

Loisita, the first B-727-225A to be converted into a freighter for **Quest Cargo International**, rolls out of the shop on September 8. At the end of October, Eagle Global Logistics enters into a new strategic all-cargo alliance with **LanChile Airlines, S.A.**, as well as the freight

lines it controls—**Fast Air Chile, S.A., MasAir (Aerotransportes Mas de Cargo, S.A. de C.V.),** and **Florida West International Airways.**

Even as the debate over the vote in Florida continues, the “Bush-Cheney” plane comes off its Republican Party lease on November 17. Although the red-and-blue striped livery remains on the B-727-225A, the names of the GOP standard bearers are now replaced with Miami Air titles. After minor modification by Boeing, the first **Sabre Airways, Ltd.** Next Generation B-737-81Q is received on November 21. Wearing the basic red-tail Sabre color scheme with Miami Air titles, the new aircraft begins required FAA proving flights on November 27.

When **Planet Airways** is unable to receive its second B-727-225A as scheduled on December 1, it leases the former “Bush-Cheney” B-727-200A. Three days later, the premier Sabre Next Generation B-737-81Q enters revenue services on the carrier’s aggressive winter charter schedule.

The second **Sabre Airways, Ltd.** Next Generation B-737-81Q arrives on December 18.

MIAMI AIRLINES: United States (1946–1961). This irregular carrier is established at its Florida namesake city in **1946** to operate Douglas DC-3 passenger charters northward and to the Caribbean. Late in **1948**, three passenger-configured Curtiss C-46 Commandos are leased from the USAF.

A Curtiss C-46F with 4 crew and 52 passengers is lost at Elizabeth, New Jersey, on December 16, 1951; there are no survivors.

With little fanfare, MA continues flying during the remainder of the decade. There is one more fatal accident when a DC-3 with 3 crew and 22 passengers is lost 7 mi. E of Selleck, Washington, on April 14, **1953** (7 dead).

Two more Commandos and two Lockheed L-749 Constellations are purchased between **1959–1960**; however, the company encounters severe financial difficulties and shuts down in **1961**.

MIAMI-KEY WEST AIRWAYS: United States (1937–1938). Organized at Miami in early **1937** to employ Consolidated Commodore flying boats to Key West, this over-water operator begins revenue services in March. Operations continue for 18 months until the company, without a mail contract or sufficient traffic, ceases operations in July **1938**.

MIAMI VALLEY AVIATION: 1707 Run Way, Middletown, Ohio 45042, United States; Phone (513) 422-5050; Fax (513) 422-1494; Year Founded 1990. MVA is set up by Terry Hogan at Middletown, Ohio, in **1990** to provide domestic cargo charters under FAR Part 135 certification rules. By **2000**, the company is operating 5 Douglas DC-3s, 3 Beech 18s, 3 Learjets, and 5 Piper Aztecs.

MIAT-AIR MONGOL: Buyant-Ukhaa 43, Ulaanbaatar, 210734, Mongolia; Phone 976 (1) 21804; Fax 976 (1) 79226; <http://www.miat.com.mn>; Code OM; Year Founded 1956. With assistance from and modeled upon **Aeroflot Soviet Airlines**, MIAT (Mongolyn Irgeniy Agaaryn Teever), also known as Mongolflot, or Mongolian Civil Air Transport, is formed at Ulan Bator in early **1956**. Equipped with such Russian aircraft as the Lisunov Li-2s—Soviet-made Douglas DC-3s—and Antonov An-24s flown by Aeroflot crews under contract, the new entrant begins domestic operations on July 7, initially linking its base with Ikurk. Additionally, agricultural and air ambulance operations are also undertaken with Antonov An-2s, which will remain in service over the next four decades.

A year or so later, international flights are launched to Irkutsk and Peking. At the time of the Soviet-Chinese border incidents in **1967–1970**, service to and from the Chinese capital is withdrawn.

Services as outlined continue to 17-plus cities in the nation’s 18 provinces and Irkutsk throughout the 1970s. In **1978**, Chairman Lt. Gen. B. Tsog’s fleet comprises 6 Antonov An-24s, 3 Ilyushin Il-14s, and various smaller aircraft (An-2, Yak-12s) and Mil Mi-4 helicopters. During the early **1980s**, the fleet is increased by the addition of 11 more An-24s.

A decade after its suspension, service is restored to Peking in July **1986** and started to Moscow and Sofia. Enplanements are reported in the West during **1987** and total 726,000; in addition, 14,000 tons of cargo are flown. In **1988**, Managing Director Lhagvasurenghyn Lihagvaa has 20 An-24s on the line, together with An-2 multipurpose transports. A Boeing 727-181 is obtained in **1989** from **Korean Airlines/Korean Air (KAL)**.

Two An-26s and a Tupolev Tu-154B jetliner is acquired in **1990**. The company now begins a series of charter flights between Ulan Bator and Japan.

Darjaglyn Surenhorloo is named managing director in **1992** and eight An-24s are withdrawn. Lack of fuel forces a suspension of internal flights as of July 1.

In **1993**, the fleet includes 9 An-24s, 4 An-26s, 1 An-30, 1 Boeing 727-181, 1 Tu-154B and a number of smaller aircraft and helicopters.

While en route from Ulan Bator on April 23, an An-26 with 6 crew and 16 passengers crashes in bad weather near Zavnah; there are no survivors.

Also during the spring, a donated B-727-281 is received from **Korean Airlines/Korean Air (KAL)**. Rights over the nation for the South Korean flag carrier are provided in return. Service during the year and into **1994** is provided over an extensive domestic network and to Beijing, Moscow, Irkutsk, and Sofia.

President Surenhorloo withdraws the B-727-181, which has completed a total of 201 charter flights between Mongolia and Japan.

The B-727s are placed into service in **1995** over the company’s routes to Irkutsk and Beijing.

While on approach to Moron after a September 21 service from Ulan Bator, an An-24RV with 6 crew and 37 passengers, descends too soon and collides with a mountain at Choho Geologloh Uul (42 dead). During the year, the carrier continues to compile an impressive list of interline agreements with foreign carriers; the total will reach 40 within 5 years.

Having won authority from the Japanese Ministry of Transport, MIAT, on April 27, **1996**, begins scheduled weekly roundtrips between Ulan Bator and Osaka (KIX). Nyamdavaa G. is now managing director.

While coming in for a landing at Mandalgobi from Ulan Bator on June 10, **1997**, a Harbin Y-12 II with 2 crew and 10 passengers is caught in windshear at a height of 30 meters. The force slams the plane into the ground (7 dead). Enplanements for the year total 272,000.

Destinations visited in **1998** include Beijing, Berlin, Hohhot, Irkutsk, Istanbul, Moscow, Novosibirsk, Osaka, Seoul, Sofia, and Ulan Bator.

Just after takeoff from Erdenet on May 26, a Harbin Y-12 II with 2 crew and 26 passengers, crashes and there are no survivors. The Harbin had been designed as a 19-passenger turboprop.

As part of the government’s plan to sell off a number of state-owned industries, plans are announced in **1999** for the privatization of the carrier a year hence. Although the route network is not enhanced, the fleet is significantly upgraded by the addition of a B-727-281A. The B-737-181 is withdrawn and used for spare parts, while an order is placed for an Airbus Industrie A310-300.

Even though international passenger traffic has risen to 98,000, overall customer bookings for the year are just 224,000. Revenues reach \$40 million and, despite a \$2-million loss on the domestic network, there is still a \$1.5-million net gain.

In addition to a code-shared service to Seoul with **Korean Air (Korean Airlines-KAL)**, at the beginning of **2000** MIAT operates twice-weekly B-737-281 roundtrips from Ulan Bator to Berlin and Moscow and four-times-a-week return service to Beijing and Osaka (summer only), plus twice-weekly An-24 roundtrips to Irkutsk, Russia, and Hohhot, China. Domestic service is provided to 22 local airports, only 3 of which have paved runways.

On June 1 of the latter year, employing a chartered B-727-281A until an Airbus A310-300 can be made available, the carrier adds a second weekly return service from Ulan Bator to Berlin (Tegel), making a technical stop at Novosibirsk. An air service agreement is signed between

Mongolia and Vietnam on July 1. At this point, as the leased A310-304 arrives, the company's fleet includes the 2 trijets, plus 9 An-24s, 3 An-26s, 6 An-2s, and 3 Mil Mi-9 helicopters. MIAT is the largest An-24 operator outside of Russia.

Plans to complete privatization are shelved following the parliamentary election victory of the Mongolian People's Revolutionary Party. The new government indicates early on that it will delay the sell-offs proposed by its predecessor.

Chartered to the UN, an Mi-8 with 23 souls aboard will crash into the mountains of Machin County, Uvs Province, about 600 mi. NW of Ulan Bator, on January 14, 2001; 14 people will survive.

MIATCHKOVSKOE AVIATION ENTERPRISE. *See MY-ACHKOVSKOE AP*

MICHIGAN AIR EXPRESS: United States (1930–1931). MAE is formed at Grand Rapids, Michigan, in the spring of 1930 to operate a scheduled passenger service to Petoskey in cooperation with **Kohler Aviation Corporation**. The company is equipped with a Travel Air 6000 and inaugurates flights in May.

Operations cease in February 1931.

MICHIGAN AIRWAYS: United States (1982–1989). Founded at Emmet County Airport at Harbor Springs, Michigan, and originally known as Emmet County Aviation, a charter and FBO operation, this third-level operator is purchased by James van Sickle and Robert James Smith in April 1982, reformed, transferred to Pellston, and renamed. Although passenger charters are continued, regularly scheduled passenger flights are inaugurated in May linking the carrier's base with Mackinac Island. Piper PA-23 Aztecs and PA-32 Cherokee Sixs are employed.

Operations continue apace over the next seven years, during which time the fleet is expanded by the addition of several de Havilland Canada DHC-6 Twin Otters and a new route is stretched from Alpena to Detroit via East Tawas and Saginaw.

On July 1, 1989, the company is sold to James C. Bailey and Bruce Barda and is renamed **Drummond Island Air**.

MICHIGAN TRADE WINDS: United States (1968). MTW is set up at Lansing Airport in Michigan in the late spring of 1968 to offer a daily scheduled shuttle service to Detroit City Airport. Employing a Cessna 402, the company duly inaugurates revenue frequencies, but these can only be maintained over the summer.

MID AIRWAYS, S.A.: France (1994–1995). With shareholding divided between them 63% and 25%, respectively, J. Pierre Houdin and J. Pierre Moello establish MA at Maugulo in early September 1994. The pair recruits a workforce of 13 and lease 1 Fokker F.28-1000 with which to launch regional and holiday passenger charters on November 29.

Unable to achieve economic viability, the company folds within a year.

MID-ATLANTIC FREIGHT, INC.: P.O. Box 35408, Greensboro, North Carolina, 27425, United States; Phone (910) 668-7474; Fax (918) 668-3906; <http://www.atlantic-aero.com>; Year Founded 1990; Code MDC; Year Founded 1990. Mid-Atlantic is founded by Don S. Goodwin at Greensboro, North Carolina, on January 1, 1990, to offer scheduled all-freight services throughout the eastern and central U.S. The company is an outgrowth of the charter division of Atlantic Aero, which has been successfully engaged in the overnight express business during the previous four years. Many contracts are signed with package express concerns and revenue operations commence on February 1.

In 1993, President Goodwin oversees a workforce of 45 and a fleet of 5 Cessna 208 Caravan Is, 19 C-208 Super Cargomasters, and 2 Dornier 228-202s. A private concern, Mid-Atlantic chooses not to reveal its annual traffic and financial statistics.

Five additional Caravan Is are ordered in 1987 and 10 more in early 1988. Operations continue apace during the remainder of the decade and into the 1990s. In 1993, President Goodwin oversees a workforce of 45 and operates a fleet that includes 5 Cessna 208As, 19 Cessna 208Bs, and 3 leased Dornier 228-202s, 2 of which are out of service. One Cessna 208A is withdrawn in 1994 and replaced by a 208B.

Operations continue apace in 1995–2000 and by the latter year the fleet includes 25 Cessna 208Bs.

MID COAST AIRWAYS: United States (1960–1968). Mid-Coast is established at Rockland, Maine, in February 1960 to provide on-demand air taxi flights to Boston. Piper PA-31-310 Navajo roundtrips are duly inaugurated and are maintained until May 1968, when company officials elect to inaugurate scheduled services. In June, Mid-Coast is renamed **Downeast Airlines**.

MID-CONTINENT AIR EXPRESS: United States (1929–1931). With the financial backing of **Western Air Express (WAE)**, Mid-Continent is incorporated under Delaware laws on June 19, 1929. Employing 13 Fokker Model 8 Super Universals, the company inaugurates revenue services from a base at Denver down to El Paso (a WAE connection) via Pueblo, Las Vegas, Santa Fe, Albuquerque (another WAE connection). In December, a service is initiated from Pueblo to Dodge City, Wichita, and Kansas City. The fleet at year's end comprises the original 8 Super Universals.

Two Boeing 40B-4s join the fleet in March 1930 and in May the Pueblo route is extended nonstop to Amarillo, another WAE stop. The final expansion occurs in August as the Amarillo terminus is stretched via Wichita Falls to Dallas, also a WAE terminus.

On September 27, 1931, the carrier is taken over by its backer and is officially dissolved on December 16.

MID-CONTINENT AIR LINES: United States (1938–1952). **Hanford Air Lines** is renamed in August 1938. During the next six years, it maintains its route network linking the upper midwest with Tulsa, Oklahoma. The fleet in 1939 comprises 5 Lockheed L-10 Electras. These help to carrier to record its first profit in December.

The first three production L-18 Lodestars are delivered between March 30 and August 7, 1940 and are placed into service on August 17. Destinations now visited from Minneapolis (MSP) and Minot, North Dakota, include Kansas City, St. Louis, and Tulsa.

Bookings for the year total 35,634.

Following the outbreak of war in December 1941, Mid-Continent modifies the North American B-25B Mitchell bombers employed in the Halsey-Doolittle raid on Tokyo in April 1942 and settles into the provision of flight training programs through 1945. Plans are announced for a merger with **American Airlines**, but the CAB does not approve the move.

The route network on January 1, 1946 covers 2,522 unduplicated miles. Destinations visited from the Kansas City base include Minneapolis-St. Paul, Omaha, Des Moines, St. Louis, Tulsa, Muskogee, Fort Smith, Texarkana, Shreveport, and New Orleans. Applications are made to the CAB for a new route linking Minot, North Dakota, with Regina, Saskatchewan, Canada.

Operations continue apace in 1947 and Mid-Continent expands its routes late in the decade. Omaha and Kansas City to St. Louis service begins on January 26, 1948. During the first quarter, three Douglas DC-3s are acquired from **Northwest Airlines**.

Flights commence in 1949 to New Orleans and Houston. An attempt to acquire **Parks Air Service** is blocked by the CAB. Simultaneously, it proposes to inaugurate Convair CV-240 service in early 1950. In July of that year, the carrier is awarded a CAB local service certificate for certain of its routes.

While climbing away from Tulsa on February 27, 1951, a CV-240 with 4 crew and 30 passengers suffers the loss of its right engine, strikes trees, and slides to the ground; although the aircraft is destroyed, there are no fatalities.

A DC-3 with 4 crew and 21 passengers, misses its approach to the municipal airport at Sioux City, Iowa, during a snowstorm on March 2. It stalls, crashes, and catches fire (16 dead).

A new three-phase expansion plan is announced in mid-December, but comes to naught. Plagued throughout its history by poor traffic and a weak route system of only 26 cities, the company allows itself to be taken over by **Braniff International Airways** on August 15, 1952.

MID-CONTINENT AIRLINES (1): United States (1964–1965). This Mid-Continent is formed as a third-level carrier at Morris, Illinois, in late fall 1964. Equipped with a de Havilland DH 104 Dove and a Beech 18, the company begins scheduled passenger and cargo flights to Chicago, International Falls, and Winnipeg on December 18. Services over this route are only maintained for a year.

MID CONTINENT AIRLINES (2): United States (1969–1970). Just as short-lived as its Illinois predecessor, MC-2 is set up at Memphis, Tennessee, in 1969 to provide scheduled daily passenger shuttles to what will become a total of 21 regional destinations. Employing Cessna 402s, the commuter initially inaugurates revenue frequencies to Blytheville, Jonesboro, Dyersburg, Union City, and Paducah. Overextended, the company folds in 1970.

MID-CONTINENT AIRLINES (3): United States (1972–1974). Mid-Continent Bellanca Sales, an aircraft dealer at Duncan, Oklahoma, establishes a scheduled air taxi service in 1972. Employing not Bellancas but Piper lightplanes, the company inaugurates revenue passenger and cargo flights linking its base with Altus, Lawton, Norman, Oklahoma City, and Dallas.

Operations continue apace until 1974.

MID CONTINENT AIRLINES (4): United States (1980–1982). MC-4 is founded at Dubuque (Iowa) in June 1980. Employing a fleet of Embraer EMB-110 Bandeirantes, the carrier inaugurates scheduled third-level passenger flights to Des Moines via Cedar Rapids on August 1.

The route network is expanded into Illinois and enplanements in 1981, the first complete year of service, total 17,860. Early in 1982, the company is reformed and its corporate identity changed to **American Central Airlines**.

MID-CONTINENT AIRLINES (5): United States (1985–1989). The fifth Mid-Continent is established at Aurora, Colorado, in February 1985 to offer scheduled passenger and cargo commuter flights. In April, following the acquisition of the fleet and route network of **AAA Air Enterprises**, a hub is established at Omaha, Nebraska. S. J. Gillette is president and destinations visited by his two Embraer EMB-110 Bandeirantes include Norfolk, Columbus, and Grand Isle, Nebraska, Kansas City, Missouri, and Yankton, South Dakota.

Andrew Stumpf becomes president in 1987 and in May the company begins operations from Kansas City as a “Braniff Express” commuter affiliate of **Braniff, Inc.** The 65-employee small regional transports a total of 36,000 passengers in its expanded fleet of 4 Bandeirantes. Orders are placed for 12 Fairchild Metro IIIs. The year’s financial losses are \$300,000 (operating) and \$442,470 (net).

In 1988, the fleet is increased by the addition of three Metro IIIs.

Customer bookings skyrocket 151.4% to 44,000 and revenues balloon 209.1% to \$3.4 million. Expenses rise 162.3% to \$3.7 million and cause an operating loss of \$300,000. The net loss “improves” to \$267,240.

Operations continue apace in 1989. A fare war is started with neighboring **GP Express** and is all but won when its own fiscal situation and that of its code-sharing partner forces it to cease operations on September 28. On October 16, flights resume to seven destinations. **Braniff, Inc.** files for Chapter XI bankruptcy on November 24 and stops flying.

MC-5 now only has the resources to operate into early December and then, on December 7, it must also shut its doors. Statistics for the doomed airline are duly reported for the year’s first six months.

Passenger boardings of 46,691 are up 110.7% over the same period a year earlier. During the same period, a \$1.3-million operating loss is suffered.

MID HUDSON AIRLINES: United States (1951–1966). Theodore “Ted” Lafko establishes the FBO Mid-Hudson at Poughkeepsie, New York, in 1951. In addition to fueling, servicing, and other airport operations, the company, over the next decade, undertakes Part 135 Beech 18 charter operations to New York’s Idlewild Airport and other upstate destinations.

During the 1960s, Lafko’s on-demand fleet is increased by the addition of an Aero Commander 560 and six Cessna 172s. Scheduled air taxi flights replace the nonscheduled services on the Poughkeepsie to New York City run.

Founder Lafko sells his concern to General Foods Corporation executive Kingsley G. Morse on June 1, 1966 for \$40,000. A month later, Morse begins his own operations under the name **Command Airways**.

MID-OHIO AVIATION: United States (1991–1996). Ned Parks sets up MOA in 1991 as the FBO/charter operation at the Wayne County Airport, Smithville, only a few miles from the author’s home town of Wooster. By 1994, Parks oversees the work of three full-time and three part-time pilots, who fly 1 each Beech Super King Air 200 and Piper PA-31-350 Navajo Chieftain.

Flights cease in 1996.

MID-PACIFIC AIR CARGO (MPAC): United States (1988–1995). Financially distressed **Mid-Pacific Airlines**, owned by KOA Holdings, ceases operations on January 19, 1988. Although it files for bankruptcy, it continues to operate all-cargo services stateside with a fleet of Nihon YS-11As.

Later in the year, a new base is established at West Lafayette, Indiana, and permission is sought from the DOT to inaugurate passenger and charter flights throughout the Midwest and to Hawaii. The DOT counters with cargo-only authority, which is accepted. A plan to change the company’s name to Phoenix Airlines is abandoned when the first aircraft painted with the new titles is involved in an accident. The company is subsequently renamed MPAC.

This privately owned all-cargo carrier is reformed at Indianapolis in January 1989. Mark P. Leininger is named CEO with Jeffrey A. Lehman as general manager. Employing six NAMC YS-11As, the freighter begins both scheduled and charter flights to New York, Buffalo, Norfolk, Newark, Rochester, Syracuse, and Bermuda.

While on final approach to Purdue University Airport at West Lafayette from a March 15 service from Terre Haute, a YS-11A-300F with two crew suddenly pitches down in a deep descent and collides with a dirt hill 500 ft. short of the runway; there are no survivors. Ice is later found on the horizontal stabilizer leading edge.

The airline recovers from the disaster and continues services into the 1990s. Mid-Pacific Air Cargo (MPAC) YS-11A all-cargo services are operated throughout the Midwest on behalf of larger express carriers and various other concerns. In 1992, a British Aerospace (BAe) 146-300QT is acquired from **TNT Worldwide Express** and operates freight flights on behalf of that patron between New York and Bermuda.

Airline employment in 1993–1994 totals 75. The company, out of the passenger business for almost a decade, ceases operations in 1995.

MID-PACIFIC AIRLINES: United States (1979–1995). Formed at Honolulu on August 31, 1979 by former **Hawaiian Airlines** executives John Higgins, Ed Nielsen, and Nolan Kramer as the airline operating subsidiary of Mid-Pacific Air Corporation, this new low-cost competitor enters the Hawaiian interisland market on March 15, 1981 with a single Japanese-made NAMC YS-11A. Expansion is delayed as the result of landing-slot allotment problems; however, two more YS-11As are delivered in summer and fall and enter service. Arthur Lewis now becomes chairman.

An intense competition begins with **Hawaiian Airlines** and **Aloha Airlines**, who refer to their new competitor as "Mud Pack."

Still, Hawaii's latest entrant transports 383,417 passengers on the year. Expenses involved in start-up and in waging the interisland fare war bring a net loss of \$1.14 million.

Airline employment in 1982 stands at 300. At the first of the year, three additional NAMCs are purchased from the Japanese carrier **TOA Domestic Airlines Company, Ltd.** Employing a Boeing 707 Stratoliner leased from **Arrow Air**, the company inaugurates Mid-Pacific Arrow roundtrips between Honolulu and Pago Pago, American Samoa, on October 1.

The publicly owned commuter advances to the ranks of the large regionals, when its passenger traffic skyrockets 114.5% to 822,717 customers (including fully 10% of **Aloha Airlines'** market share). Indeed, MPA ranks first among U.S. large regionals in terms of passenger boardings and is becoming a serious threat not only to **Aloha Airlines**, but to the island state's senior carrier, **Hawaiian Airlines**.

A net profit of \$537,962 is achieved on revenues of \$21.4 million.

In 1983, the company is rerated as a National carrier, receiving its Type 401 certificate from the government. Three more YS-11As are added as the airline begins carrying mail under a contract with the U.S. Post Office. By the end of December, the carrier blankets three Hawaiian Islands from Honolulu with 130 flights each day.

The two-millionth (cumulative) passenger is transported as customer bookings surge by 51.7% to 1,247,900 and revenues skyrocket 67.5% to \$35.8 million, sufficient to bring in a net profit of \$2.65 million.

Airline employment is 700 in 1984. The fleet now comprises 22 Nihon YS-11As; of these, 15 are employed on scheduled services and 7 are dedicated to charter and contract service operations. Mid-Pacific Air Corporation is set up as a Delaware company on April 5 and on August 4, MPA becomes its principal subsidiary. Orders are placed for two Fokker jetliners and four YS-11As are leased in the fall to the new **Fort Worth Airlines** and two to the California start-up **Far West Airlines**. When Far West fails on December 13, the two turboprops are reclaimed.

As fare wars plague the islands, scheduled passenger traffic, despite 130 daily interisland flights, rises only 7.2% to 1,331,000 passengers flown. Revenues increase 3.3% to \$36.43 million, but expenses involved in competition jump 19.6% to \$36.4 million and cause the operating profit to plunge to \$30,000. Net gain disappears altogether and even though the company controls 20% of its market, it is replaced by a net loss of \$31,189.

To employ excess capacity, the company, in January 1985, initiates interisland Mid-Pacific Air Cargo (MPAC) all-cargo services with several spare YS-11As. Early in February, MPA, with two aircraft idle on the mainland because of **Far West Airlines'** bankruptcy, begins limited deep-discount passenger services to the U.S. West Coast with regular charter flights connecting Las Vegas with the Grand Canyon, Burbank, and Orange County, Los Angeles.

In April, Chairman Arthur Lewis resigns and is succeeded by Jack Y. H. Leong. The following month scheduled Orange County to Las Vegas flights commence. Traffic increases for a period due to the strike at **United Airlines**.

In July, MPA receives two new \$13 million per copy Fokker F.28-4000 "UltraJets" from Holland and upon the failure of **Fort Worth Airlines** in September, the four YS-11As are repossessed and assigned to the Las Vegas service.

Passenger boardings rise a slight 1.9% to 1,364,000. Financial problems are encountered as a result of the West Coast expansion and an operating loss of \$5.7 million is suffered.

As a result of the financial difficulties encountered the previous year, the 705-employee MPA is forced to seek a buyer during the first quarter of 1986. Meanwhile, the California operations of the Honolulu-based commuter cease in March after losing \$1.2 million. Oscar Tang's KOA Holdings, which also owns Kampgrounds of America, steps forward and offers a complicated stock exchange proposition designed to provide an infusion of badly needed cash into the ailing carrier. John Higgins becomes

chairman, with former **World Airways** President Donald L. Beck as president/CEO.

Customer bookings for the year decline 5.7% to 1,286,895. There is an \$8.6-million net loss—adjusted upward to \$12.6 million in a later audit—on revenues of \$64.3 million.

While undergoing tests near West Lafayette, Indiana, on January 13, 1987, a YS-11A-213 with three crew loses engine power and must make a forced belly landing in a field. Although the turboprop is badly damaged, there are no fatalities.

President Beck's 22 other Nihon YS-11As and 2 F.28-4000s maintain scheduled flights between Honolulu, Kahului, Hilo, Kona Lihue, and Hoolehua. Owner Oscar Tang loans his airline \$4 million and \$25 million of its long-term debt is restructured.

During takeoff from Honolulu on April 10, the No. 1 engine of a YS-11A with 43 passengers catches fire. The pilot aborts the takeoff and turns onto a taxiway, where an emergency evacuation is ordered. During the process, four people are injured, one seriously.

New Vice President-Marketing Franco Mancassola unveils a new "Little Guy" advertising campaign that in commercials simply says, "cheep." These changes come too late and the fiscal situation continues to deteriorate; in October, 100 employees must be laid off. In December, overtures seeking investment are made to **Northwest Airlines** and **Continental Airlines**, plus three Japanese companies; none are interested.

Enplanements fall another 18.8% to 1,045,373 and the financial loss, even following another \$2 million Tang injection, is still \$6.1 million.

The jetliners are withdrawn in mid-January 1988 just before the financially depleted large regional, unable to find additional capital or win concessions from its creditors, declares Chapter XI bankruptcy on January 19 and ceases all passenger operations following the arrival of a YS-11A at Honolulu from Maui. Although cargo flights continue until February 3, 700 of the 850 employees are immediately laid off because Mid-Pacific cannot meet its payroll. In four years, the company has rolled up \$29 million in losses.

Later in the year, a new base is established at West Lafayette, Indiana, and permission is sought from the DOT to inaugurate passenger and charter flights throughout the Midwest and to Hawaii. DOT counters with cargo-only authority, which is accepted. A plan to change the company's name to Phoenix Airlines is abandoned when the first aircraft painted with the new titles is involved in an accident. The company is subsequently renamed **Mid-Pacific Air Cargo**.

MID SOUTH AVIATION ALLIANCE CORPORATION: 2451 Democrat Road, Suite 100, Memphis, Tennessee 38118, United States; Phone (901) 396-7318 Fax (901) 396-2831; Year Founded 1995. Mid-South is established at Memphis in 1995 to provide aircraft management and charter flights, including nonscheduled executive and cargo flights. Over the next three years, operations are conducted throughout the U.S., Canada, and the Caribbean.

By 2000, Angie Duneheew coordinates the work of 6 pilots and schedules a fleet that includes 1 each Cessna 650 Citation III, Mitsubishi MU-300 Diamond IA, Beech King Air 90, Beech 58 Baron, and Beech A36 Bonanza.

MID SOUTH COMMUTER AIRLINES: United States (1980–1984). In late 1980, New Bern, North Carolina-based **Resort Commuter Airlines (1)**, the airline operating division of Resort Air Service, is renamed. The fleet includes 1 Embraer EMB-110 Bandeirantes, 3 Piper PA-31-350 Navajo Chieftains, 2 PA-31-310 Navajos, and 1 Beech B-55 Baron. Services are maintained to Washington, D.C. (DCA and IAD), Raleigh/Durham, Danville, Richmond, Charlotte, Pinehurst, Rocky Mount, and Newport News.

Enplanements for the year total 16,000.

Business surges for the North Carolina commuter in 1981. Passenger boardings skyrocket 246.8% to 39,563 and require the purchase of 2 additional EMB-110s to help handle the load. Revenues increase to \$2.4

million and expenses are held to a point where a \$267,868 operating profit can be realized.

Customer bookings jump 12.5% in 1982 to 45,000. Revenues advance to \$2.77 million and expenses are held to \$2.59 million. Consequently, profits are made: \$188,000 (operating) and \$20,000 (net).

A Shorts 330 is acquired in early 1983, but in midyear the company is sold to Lynchburg-based **Air Virginia**. The integration process continues through the remainder of the year as enplanements advance to 58,000. Early in 1984, MSCA disappears into its new parent.

MID-WEST AIR LINES: United States (1933–1952). Organized in 1933 as the **Iowa Airplane Company**, this little-known midwestern charter carrier changes its name in 1949 to better reflect its locale. Employing single-engined Cessna equipment, Mid-West launches scheduled services between Omaha and Minneapolis-St. Paul on November 29. This service, which is billed as “the world’s shortest air line,” is maintained and in November 1951 the airline is acquired by the Purdue Research Institute. Operations cease on May 16, 1952.

MIDDLE EAST AIRLINES, S.A.L. (1): Lebanon (1945–1963). Lebanese interests put up the capital to form this carrier in September 1945. Regularly scheduled de Havilland DH 89A passenger flights begin on November 20 over a Beirut–Nicosia route. DH 89A service to Baghdad is inaugurated on February 15, 1946; on June 14, the British-made biplanes are replaced by Douglas DC-3s. **Pan American Airways (PAA)** acquires a 36% interest in the operator.

The U.S.-made transports expand the company’s route network during the remainder of the year and in 1947. The war in Palestine in 1948 closes the company’s stations at Haifa and Lydda.

During 1949–1954, the Pan Am supplies pilots and three more DC-3s. This allows upgrading and increases in Middle East routes and frequencies. A marketing agreement is also signed with **Air France** during July 1949, with the French flag carrier taking a 28% minority stake. In addition to the original 1945 markets, MEA-1 now serves Damascus, Haifa, Lydda, Cairo, and Baghdad.

In January 1955, Pan Am’s association is terminated, with the American carrier’s interest being purchased by the Intra Bank of Beirut. In February, however, the airline becomes a **British Overseas Airways Corporation (BOAC)** subsidiary. On June 10, the ex-BOAC Handley Pages HP-81 *Hermes 4 Hestia*, now operated by **Skyways, Ltd.**, is leased, along with her sister the *Honor*. In September, two Vickers Viscount 732s are leased under a two-year contract from **Hunting-Clan Air Transport, Ltd.** On October 2, the first is delivered; it enters service on a Beirut–Rome route via Athens on November 1.

Under British tutelage, the airline adds additional Viscount 754Ds during 1957–1959 and service is extended to a variety of new points in North Africa, the Middle East, and southern Europe.

On October 3, 1957, a Viscount en route from Beirut to Kuwait crashes into the sea just after takeoff from Beirut (31 dead).

En route from Beirut on September 29, 1958, an Avro 685 York C.1 freighter with five crew is lost in the Mediterranean; there are no survivors.

A de Havilland DH 106 Comet 4B is leased from **British Overseas Airways Corporation (BOAC)** on October 1, 1960 and enters service on October 30. Also in October, the HP-81 *Hestia* is leased by its owner to **Bahamas Airways, Ltd.** The carrier’s first owned Comet 4C is delivered on December 19.

Comet 4C service is inaugurated to London on January 6, 1961. On August 16, BOAC’s holding is terminated. The MASCO hangars and workshops are purchased from BOAC and a computer center is opened.

Sheikh Najib Alamuddin campaigns for an amalgamation of all Lebanese airlines into a single national carrier during 1962. On February 1, 1963, near Ankara, a Viscount with 14 aboard collides with a Turkish military transport carrying 87; there are no survivors from either aircraft and 97 others are killed on the ground.

In March 1963, MEA-1 enters into a joint agreement with **Lebanese International Airlines, S.A.L.** and **Air Liban, S.A.L.**; the associates

operate under joint schedules and merge the operations of their Comets, Viscounts, and Air Liban’s two Sud SE-210 Caravelles VINs. Enplanements for the year total 303,821.

MIDDLE EAST AIRLINES, S.A.L. (2): Airport Blvd., P.O. Box 206, Beirut, Lebanon; Phone 961 (1) 629 125; Fax 961 (1) 629 260; <http://www.mea.com.lb>; Code ME; Year Founded 1963. In 1964, MEA-2’s first full year of operation, airline employment is 3,166. An SE-210 Caravelle VIN with 49 aboard, crashes while landing at Dhahran, Saudi Arabia, on April 17; there are no survivors. In November, a third replacement SE-210 is delivered and a month later, former Executive Vice President Asad Nasr becomes general manager.

Passenger boardings rise 20% to 379,776. Freight traffic grows by 23% and revenues of \$30.1 million are earned.

The workforce grows to 3,206 in 1965. **Air Liban, S.A.L.** is fully merged into the carrier, which now takes the name Middle East Airlines Airliban, S.A.L. Majority ownership (62.5%) is vested in the Lebanese private Intra Bank/Investment Company, with **Air France** having a 28.5% share. Comet 4C service is inaugurated to Zurich in September and the number of flights to Aden, Cairo, and London is increased. Three Douglas DC-8-61s are ordered and by year’s end, the fleet comprises 3 Caravelle VINs, 4 Comet 4Cs, 2 DC-3s, 1 DC-4, and 3 Viscount 754Ds.

Passenger boardings jump 12% to 427,446.

The two DC-3s and single DC-4 are discarded in 1966. The B-720-060B *Queen of Sheba* is leased from **Ethiopian Airlines, S.C.** for 22 months on January 1. Although the company’s largest shareholder, the Intra Bank/Investment Company, collapses, enplanements climb to 456,000.

The employee population in 1967 stands at 3,285. A Comet 4 is leased from **British Overseas Airways Corporation (BOAC)** and in April a Vickers Standard VC10 is leased from **Ghana Airways Corporation**. A VC10, a B-720-060B, and two Concorde are ordered, although the latter will never be delivered.

The B-720B *Queen of Sheba* is returned to **Ethiopian Airlines, S.C.** in October. On November, she is replaced on the MEA register by the B-720-060B *The Blue Nile*.

As a result of the Six-Day War and attendant political difficulties, passenger boardings decline, primarily on short-haul routes, to 403,732; however, freight is up by 19.3%. Overall revenues accelerate 15.4%.

In 1968, the workforce slips to 3,565. In addition to the aircraft chartered the year before, the company maintains a fleet of 4 Comet 4Cs, 3 SE-210 Caravelle VINs, and 3 Vickers Viscount 754Ds.

The Blue Nile is hit by lighting while landing at Beirut on January 9; although the aircraft must be written off, there are no fatalities.

In response to a Palestinian hijacking of an **El Al Israel Airline, Ltd.** plane in October, two Israeli helicopters filled with commandos under the command of Rafael Eytan, attack Beirut airport after dark on December 28. The force destroys or damages beyond repair a B-707-3B4C, three DH 106 Comet 4Cs, two SE-219 Caravelle VINs (plus five others from Arab nations and the Ghanaian VC10) in minutes. Within 24 hours, the staff returns to work and operations are restarted with six Convair CV-990As leased from **American Airlines**.

On the year, freight grows 48% and passenger bookings advance 16% to 469,415. Revenues are \$47 million, and a 10th consecutive net profit is recorded—before the tragedy of December’s raid.

In April 1969, privately owned **Lebanese International Airlines, S.A.L.** is purchased and merged while a Standard VC10 (the prototype aircraft) is leased from **Laker Airways, Ltd.**

Arrangements are completed with **American Airlines** for the lease and purchase of a fleet of nine Convair CV-990A Coronados that have become surplus to the American major. All are delivered between June and December.

The year’s systemwide enplanements soar to 545,272.

The workforce in 1970 drops 1.2% to 3,797. By spring, the Convairs, labeled “Cedar Jets,” are operating most of MEA-2’s services from

Beirut to such destinations as Amman, Ankara, Cairo, Copenhagen, Frankfurt, Geneva, Istanbul, Milan, Paris, Vienna, and Zurich.

The fleet is reorganized later in the year; under a new arrangement with **American Airlines**, the leased Convairs will be returned and replaced with nine B-720-023Bs (B-720Bs). Simultaneously, one Comet 4C and one SE-210 are sold.

Cargo accelerates 30.6% and passenger traffic grows 15.1% to 642,252.

Three additional B-720-023Bs (B-720Bs) and three B-707-323Cs, all formerly operated by **American Airlines**, enter service in 1971. Unduplicated route mileage in the Middle East, West Africa, Europe, and the Indian subcontinent now totals 40,000.

In November, joint venture flights commence with **Nigeria Airways, Ltd.** on routes from Beirut to Lagos and Kano.

Bookings this year rise to 776,000.

Capitalization is increased in 1972 with 50,000 of the new shares sold to the carrier's 4,430 employees. A fleet standardization program is begun: on hand are 3 B-707-323Cs, 12 B-720-023Bs (B-720Bs), 1 Comet 4C, and 1 SE-210 Caravelle VIN. The last of the Convairs is returned to **American Airlines** by February.

Operations to Istanbul are resumed and service to Muscat is introduced; frequencies are also increased on several European routes.

Passenger boardings rise 5% to 817,000.

The workforce in 1973 totals 4,502 and 4 additional B-720-023Bs enter service. A decision in principle is reached by company officials for operations to several East European nations; flights will be conducted in pool with the airlines of the nations concerned. On August 11, the company Caravelle, chartered by **Iraqi Airways** and en route from Beirut to Baghdad, is forced by fighter planes to land at an Israeli military airfield where it is hoped to capture members of the Palestine Liberation Organization (PLO). An official of the Tel Aviv government must admit, however, that the wrong plane has been intercepted. The gambit is condemned at the UN.

Drunk and determined to "show Israelis that not all Arabs are enemies of Israel," M. el-Toumi, a Libyan passenger who claims no affiliation with any guerrilla group, seizes a B-720-023B with 100 passengers en route from Beirut to Benghazi on August 17 and forces it to land at Lydda Airport. Israeli security police board the aircraft and arrest the pirate. Upon examination, he will be judged insane and will be sent to a mental institution.

Enplanements grow 8.1% to 883,177 and freight traffic jumps 19.3%.

In 1974, routes are extended to Tripoli and Yerevan, Soviet Armenia. Orders are placed for three B-747-2B4Bs as three ex-**Western Airlines** B-720-047Bs are added.

Passenger bookings jump 21% to pass the million-mark for the first time—1,158,841. A total of 47,671,000 FTKs are operated. On revenues of \$186 million, a net \$15.7-million profit is recorded.

The workforce in 1975 is 5,500. In January, the carrier receives the 1974 "Technology Management Award" from *Air Transport World* magazine.

The first B-747-2B4B combi is delivered on May 30, followed on June 20 by a second. Also in June, a code-sharing agreement is signed with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** covering a Beirut-Madrid route.

The new wide-bodies enter service on July 1, flying from Beirut to London and destinations along the Persian Gulf and are joined by a third Dash-2B4BC, delivered on August 20. MEA-2 is the first airline in the region to fly Jumbojets.

Cargo rises 3%, but due to the nation's strife, passenger traffic dips 1.2% to 1,075,900. A \$5.8-million loss is suffered, only the third negative income reported in the carrier's combined 30-year history.

The workforce decreases by 17% in 1976 to 4,530. On January 1, Flight 438, a B-720B with 15 crew and 66 passengers en route from Beirut to Muscat via Dubai disintegrates at 37,000 ft. and crashes into the desert 40 km. NW of Al Qaysumah, Saudi Arabia. There are no survivors of this terrorist act that will later be confirmed as having been caused by a bomb explosion in the forward baggage compartment.

When Beirut Airport comes under rocket and cannon attack on June 27, a taxiing B-720-023B, which has just deplaned its passengers, is hit and destroyed; one flight crew member is killed and two others injured.

Civil disturbances force the carrier to operate charter and contract service flights for six months, beginning in July, from temporary bases at Paris (ORY) and London in an effort to defray mounting expenses.

Beirut airport is closed for 168 days. During this period, company engineers construct a single sideband radio that provides two-way communications with crews stranded outside Lebanon. Late in the year, MEA-2 is able to return to Beirut and restart scheduled operations, but must put its Jumbojets up for charter. Aviation fuel is so scarce that company aircraft often must be sent to Athens to fill up; upon their return to Beirut, fuel is siphoned from their tanks to other jetliners.

Passenger boardings plummet by 67.5%.

On June 1, 1977, two B-747-2B4BCs are leased to **Saudia (Saudi Arabian Airlines)**. Wheelchair-bound Nasser Ali Abu Khaled hijacks a B-707-323C with 112 aboard en route from Beirut to Baghdad on June 5 and diverts it to Kuwait, where officials take him into custody. The pirate will be released, on humanitarian grounds, on August 28 and deported to Lebanon.

Enplanements this year climb back up 1,642,000 as the carrier begins to recover from the 1975-1976 civil war.

The employee population is up 9.8% in 1978 to 4,898. New seats are installed in the B-707-323Cs and service is resumed to Kano, Lagos, and Monrovia. New chairman/president Asaad Nasr's fleet now comprises 1 B-747-2B4BC in use (with 2 still with **Saudia: Saudi Arabian Airlines**), 3 B-707-323Cs, and 14 B-720Bs. A team is established to study replacements for the 17 older aircraft.

Freight falls 4.5% and passenger traffic dips 7.6% to 932,853.

En route from Beirut to Amman on January 16, 1979, a B-707-323C with 73 passengers is taken over by 6 pistol-waving skyjackers, who demand that the aircraft be diverted to Cyprus, in order that they might have a press conference at which to demand the release of a religious leader. Cyprus denies permission to land; however, once the pirates agree to return to Lebanon, they are allowed to have their media event—and then surrender.

Several routes are realigned and Chairman/President Nasr assembles a completely new management team to provide strong leadership. A new IBM 370/115 computer is turned on at the Beirut headquarters.

Passenger bookings soar 11.5% to 1,040,476 and cargo grows 7.7%.

Airline employment is increased by 6.3% in 1980 to 5,450 while the fleet includes 22 aircraft in January.

On January 18, an unidentified Lebanese teenager hijacks a B-720-023B with 80 aboard en route from Beirut to Cyprus, demanding to be taken to Iran to ask Ayatollah Ruhollah Khomeini to intercede with the Libyans to find Imam Musa Sadr, the missing Shiite leader. He is talked into returning to Beirut, where he is allowed to hold a press conference before surrendering.

On January 28, with the same goal of applying pressure on the search for Sadr, another religious fanatic with his wife and four children in tow captures a B-720B en route from Beirut to Baghdad. Upon arrival in Iraq, arrangements are made to allow the man to read a speech before he gives up to police.

En route from Lebanon to Bahrain on May 23, a B-720-023B is forced to make an emergency landing in Amman following a bomb threat; no bomb is found. Orders are placed later in the year for five Airbus Industrie A310s and Tunis is added to the route system. An automated passenger handling and reservation system is turned on at Beirut.

Freight advances 3.5% to 36.44 million FTKs and passenger boardings grow a slight 0.02%. Revenues of \$247 million are generated.

The employee population grows by 1.9% in 1981 to 5,553. Construction begins at Beirut on the carrier's Jumbojet hangars.

Having arrived at Beirut from Libya on an August 31 scheduled service, a B-720-023B, which has deplaned its passengers and crew and been towed to a static position, is extensively damaged when a bomb explodes aboard. Although the aircraft must be written off, there are no fatalities.

Two B-707-3B4Cs enter service, but the renewed civil disturbance impacts heavily upon traffic: cargo falls 7.9% to 33.55 million FTKs and passenger boardings drop 11.1% to 937,000. Still, a net 5.4-million profit is reported.

Another traumatic year is suffered in **1982** as the result of domestic strife and the Israeli invasion. At Beirut International Airport, Israeli warplanes destroy six B-707-323Cs/720Bs on the ground and damage two others. Scheduled operations from Beirut are halted for 115 days, although some service is operated from Europe to Larnaca, allowing connecting water transport to Lebanon. The carrier operates charter and contract service flights from temporary facilities at Paris as it did in 1976. Salim Salaam is now CEO.

Overall passenger bookings decline 32.3% to 634,919 and cargo falls 25.9% to 24.87 million FTKs. Revenues drop to \$198 million, expenses soar to \$228 million, and a net \$15.2-million loss is taken.

Strife continues at Beirut in **1983**, forcing further major service interruptions. The two B-747-2B4BCs leased to **Saudia (Saudi Arabian Airlines)** are returned early in the first quarter; on March 3, service is inaugurated from Lebanon to New York (JFK) via Paris. The company is able to reach a compromise with Lloyd's of London on August 19 to preserve its war-risk insurance, which is due to expire by day's end. In return for continuing coverage, the British underwriters insist that MEA's three Jumbojets not remain at Beirut.

Enplanements for the year reach 795,961.

As a result of particularly hard fighting in **1984**, Beirut International Airport is shut down for another 154 days, forcing MEA-2 to suspend all but a few charter flights between February 6 and July 9. The shut-down costs the airline an estimated \$46 million. When the airport is reopened, the first MEA-2 aircraft lands one hour after the runways are certified safe.

En route from Abu Dhabi to Beirut on July 21, a B-707-323C with 146 passengers is hijacked by a lone pirate with a Molotov cocktail, who demands to return to the point of origin. Nearly out of fuel, the captain persuades the man to allow the plane to land in Lebanon. In exchange, the skyjacker is allowed to hold a public news conference—and then he surrenders.

The Jumbojet service to the U.S. ends and the three B-747-2B4BCs are sold to the Irish leasing firm Guinness Peat and leased back. "Soft" loans are received from several local banks. In November, a commercial agreement is signed with **Deutsche Lufthansa, A.G.**

Among the passengers deplaning at Dubai on December 4 after a flight from Beirut are a group of terrorists that MEA security has failed to detect. The pirates board a **Kuwait Airways Corporation** aircraft that they take over, killing two Americans before the aircraft is reclaimed.

Passenger boardings for the year are only 387,000.

The carrier begins to rebuild in **1985**, despite a 2.6% drop in the employee population to 4,843. The fleet now includes 3 B-747-2B4BCs, 8 B-707-3B4C and B-707-323B/Cs, and 6 B-720Bs; the 3 Jumbojets are subleased to **British Airways, Ltd. (2)**. Routes suspended during the height of the 1982–1984 fighting are restarted with the B-707s and B-720Bs.

A disgruntled airport guard demanding promotion seizes Flight 203, a B-747-047B with 104 passengers, for five hours on February 22, forcing it to fly back and forth twice between Beirut and Cyprus. The incident results in the death of one passenger who is sucked out of the open door as the plane takes off on its first run and ends with the hijacker disappearing, apparently into a Beirut shantytown.

En route from Beirut to Jeddah on April 1, a B-707-323C with 76 passengers is captured by a lone assailant claiming to have a gun and a bomb. Shouting demands that the government of Lebanon provide financial assistance to the anti-Israel guerrillas operating in the southern part of the country, the pirate is eventually calmed down and persuaded to allow the Stratoliner to land at its destination. There he gives up and is taken in hand by Saudi police.

On June 12, in retaliation for the destruction of an **Alia (Royal Jordanian Airlines)** airliner by Shiite extremists earlier in the day, a Pales-

tinian hijacks a B-707-323C that has just arrived at Larnaca from Beirut with 86 aboard. All of the passengers are allowed to leave and authorities grant the gunman's request to be flown to Amman, where he is arrested. A B-747-133, formerly flown by **Air Canada, Ltd.**, is leased on June 24 for the summer season; it will be returned in September.

Members of the transport workers union at New York (JFK), meanwhile, refuse to service a B-747-2B4BC that arrives on June 26, with the union's leader announcing that his people do not work "for the convenience of terrorists." In response to the hijacking of a **Trans World Airlines (TWA)** B-727-231A, Flight 847, President Ronald Reagan orders an end to the company's two weekly Jumbojet services to the U.S. as of July 1. In August, MEA flies a TWA crew into Beirut to retrieve the Boeing.

Two B-720-047Bs are lost on the ground at Beirut on August 21.

Despite these incidents, cargo traffic for the year skyrockets 63.8% to 33.03 million FTKs and passenger boardings jump 24.2% to 510,000.

Given the previous year's unrest, the fortieth birthday is actually celebrated in February **1986**. As a result of the company's perceived role in the previous year's hijacking of **Trans World Airlines (TWA)** Flight 847 as well as Lebanon's acquiescence in the kidnapping of American citizens, MEA's services to the U.S. remain suspended by the U.S. government. Still, another former **Air Canada, Ltd.** B-747 Jumbojet, a Dash-121, is leased on May 30 for use during the summer and is returned in September.

Just after the 126 passengers have deplaned, a B-707-323C is destroyed by shelling at Beirut on January 8, **1987**.

A B-747-2B4BC is now leased to **Air France**, which subleases it to **Air Inter, S.A.** Civil strife forces Beirut International Airport to shut down for another 107 days after February 1.

Although operations are almost normal during **1988**, the Christian militia of Gen. Michel Aoun blockades Beirut International Airport for six months between February and September **1989**. When services resume in October, MEA is able to halt its daily losses of \$150,000.

During the remainder of the year and into the **1990s**, Chairman/President Abdul Hamid Pakhoury and Managing Director Yousef Lehoud are able to restart or expand services to Abidjan, Abu Dhabi, Accra, Aden, Amman, Amsterdam, Athens, Baghdad, Bahrain, Berlin, Brussels, Cairo, Copenhagen, Damascus, Dhahran, Doha, Dubai, Frankfurt, Freetown, Geneva, Istanbul, Jeddah, Kano, Khartoum, Kuwait, Lagos, Larnaca, London, Madrid, Milan, Muscat, Nice, Paris, Riyadh, Rome, Tripoli, Tunis, and Zurich.

Although plans for the acquisition of three B-757-200s are announced in May **1990**, following the end of the civil war, Iraq's invasion of Kuwait in August and the subsequent Mideast conflict forces the carrier to cancel this option. The devaluation of the Lebanese pound now turns the airline's capital, worth \$50 million before the civil war, into a mere \$100,000.

Enplanements for the year total 727,844 and a \$24.26-million loss is suffered.

The last four operational B-720-047Bs/-023Bs are officially retired in **1991**. A B-720B is sold to the Irish carrier **Omega Air, Ltd.** in January. When peace in Lebanon is restored, it is recorded that, in the years since the civil war began, 40 employees have died in the company's service. It will also be later noted that the Muslim militias have forced the company to hire a large number of their partisans, many of whom are unqualified, leading to excessive personnel costs.

In March, a commercial agreement is signed with **Ghana Airways, Ltd.** Bookings this year decline to 645,911; however, the bottom line figure is improved as only an \$8.83-million loss is taken.

In April **1992**, the **KLM (Royal Dutch Airlines, N.V.)** Airbus Industrie A310-203s *Jan Steen* and *Frans Hals* are leased for a three-year period. Flights are initiated to Singapore on June 4 and are extended to Sydney on December 15.

The new route assists overall reservations to rise to 701,805. On the negative side, the loss skyrockets to \$99.2 million.

In **1993**, airline employment stands at 4,399 and the fleet includes the chartered Airbuses plus 3 each B-747-2B4BCs, B-707-323Cs, 2

B-707-3B4Cs, and 1 each A310-304 leased from **Deutsche Lufthansa, A.G.**, and B-707-323B. MEA is now the world's largest B-707 operator.

A new recovery plan is unveiled and is approved by shareholder **Air France**. It fails to take off and the company now encounters stiffer competition from 20 foreign companies that have resumed flights to Beirut that were suspended during the civil war.

A new market is opened at Colombo in November following the October signing of a code-sharing agreement with **Air Lanka, Ltd.**

Also during the year, MEA introduces its Butterfly program, an annual internship for approximately 700 Mideast college students.

Passenger boardings swell to 791,700 and the loss totals \$20.79 million.

Operations continue apace in **1994**. In deep financial trouble, Chairman Pakhoury reports that the carrier must increase its capitalization by \$100 million over the next three years if it is to survive. Two recent management studies are completed and show the company to be overstaffed by 1,200 employees.

Two B-720-047Bs not yet sold are returned to service in June to supplement the B-707s on non-European routes; one of the impressed aircraft, its airframe time exhausted, is permanently retired in October. Plans are made to celebrate the company's fiftieth anniversary.

Bookings for the year climb to 816,148 and the airline, which has not made a profit in this decade, suffers another disappointing financial downturn, to \$53.49 million.

The workforce is cut by 1.2% in **1995** to 4,128 and the last 2 B-720Bs are phased out. All three B-747-2B4BCs are wet-leased to **Garuda Indonesia** in May for the Hadj season.

A half-century of service is celebrated, while several older routes to Freetown, Khartoum, Tunis, and Madrid are curtailed during the fourth quarter. After years of political squabbles among Lebanon's top decision-makers over a change in the airline's management, Khaled Salaam is appointed by the board in September to the posts of chairman/president.

The two B-720Bs are finally sold, in December, to Pratt & Whitney Canada and two B-747-2B4BCs are leased to **Philippine Air Lines (PAL)** on December 15. The company's first South American route is inaugurated on December 27, weekly by B-747-2B4BC to São Paulo, Brazil, via Abidjan.

Enplanements increase by 2.1% to 769,763 and cargo is ahead by a full 10% to 43 million FTKs. Despite these positive traffic reports, losses are posted: \$38.21 million (operating) and \$34.77 million (net).

The number of employees is reduced another 5% in **1996** to 3,921 and 3 A310-304s enter service; orders are outstanding, with ILFC for 2 A320-232s and 2 A321-231s.

A block-space agreement is inaugurated with **Malaysia Airways, Ltd. (MAS)** in January. The pact covers flights between Beirut and Dubai, Kuala Lumpur, and on to Sydney, Australia. Also during the month, first-class service is replaced with a new SuperClub product on short- and medium-haul routes. In February, an A310-203 is chartered from ILFC for 14 months.

The first dual-designator service to Kuala Lumpur is operated on February 4. The next day, flights commence to Bucharest. In April, a commercial arrangement is signed with **Air Afrique, S.A.** for code-sharing on frequencies from Abidjan to São Paulo, Brazil.

Also during April, Israel bombs Lebanon for 17 days, shattering the nation's, and the airline's, plans to attract tourists. A 12% increase in passengers for the year evaporates and it will later be reported that the attacks have cost MEA approximately \$12 million in lost revenues.

On July 25, Chairman Salaam announces that the carrier will receive a \$100-million capital infusion from the Lebanese central bank, which will be employed to retire the company's debts, which are mostly owed to government-controlled entities. Following the first tranche in October, another \$125 million will be made available, which will allow MEA-2 to embark on a rehabilitation plan to modernize its fleet and restructure operations.

In a ruling by the three-judge U.S. Court of Appeals for the Second Circuit, MEA-2 is found guilty, as a signatory to various interline agree-

ments, for not protecting "all air travelers from unreasonable risk of foreseeable harm caused by terrorists and/or hijackers." This suit, filed against the airline holding it liable for the death of two Americans in the terrorist hijacking at Kuwait on December 4, 1984, sets a precedent in U.S. law that airlines carrying terrorists may be held responsible for their later actions, even if they occur on another carrier.

Customer bookings this year slide 0.6% to 789,485, but 46.27 million FTKs are operated, a 7.6% increase. Operating revenues are off 5.9% to \$252.8 million, but costs are down only 1.8% to \$301.5 million. The operating loss deepens to \$48.7 million and the net loss is \$56.7 million.

The employee population is increased by 22.4% in **1997** to 4,800. Pilots, flight attendants, and ground personnel, seeking a pay raise, stage a 24-hour strike on January 21, forcing the carrier to cancel 15 flights. Activity at Beirut is also disrupted by the work stoppage as five foreign airlines, to which MEA provides ground services, are also forced to cancel their flights into the Lebanese capital. Chairman Salaam rejects the wage demands and calls the job action "illegal."

During early February, the company adopts a new color scheme that coincides with the delivery of its first A320-232. Service starts to Bombay.

In March, the government of Lebanon doubles its stake, acquiring 99% of all company shares. Aviation consultants from Germany and France are brought in to assist in reorganization.

The company now determines it a wiser policy to lease its aircraft instead of purchasing them and begins seeking buyers for 11 older Boeings. On May 1 agreement is reached, via the good offices of Fortis Aviation, for the carrier to sell its three B-747-2B4BCs to **American International Airways (3)** for \$60 million. The last A320-232 and both A321-231s arrive in May. The three Jumbojets will be delivered in September.

U.S. Secretary of State Madeline Albright visits Beirut on September 15; the occasion leads to a lifting of the U.S. government travel ban to Lebanon. The first U.S. dignitary to return is former U.S. ambassador John Kelly, who arrives the next day aboard Flight 218, the A321-232 service from Frankfurt.

In November and December, the government looks into Beirut media charges that senior company officials have taken \$5 million in kickbacks in connection with the order for the new Airbus A321s.

At the end of the year, the company is purchased by the Lebanese Central Bank (99.7%).

Enplanements for the year total 940,000 and a large \$87.43-million operating loss is suffered, blamed in part on its lease of three Airbus jetliners at a price \$7.7 million above what it had expected to pay.

With 4,800 employees, MEA-2, at the beginning of **1998**, is still Lebanon's single largest employer. In January, the new owners inject \$190 million in new capital and appoint a new board, which includes former **Air France** Chairman Christian Blanc. Mohamad A. el-Hout, who has overseen the MEA account at the Lebanese Central Bank, is named chairman/CEO and he is given a mandate to institute a new strategy that will provide recovery.

Chairman el-Hout delivers his four-point recovery plan on April 1. At the top of the list is an overhaul of the route network. Long-haul services will be abandoned and the company will concentrate on providing flights to 20 destinations in the Mideast and in Europe.

During the first week of May, the first route cut is a weekly service from Beirut to Sydney, Australia, while roundtrips are started to Bombay. Over the next several months, flights will be withdrawn from Accra, Bahrain, Berlin, Brussels, Bucharest, Copenhagen, and Kano.

To handle his new route system, el-Hout decides to operate an all-Airbus fleet and to dispose of his Boeing 747s and B-707s. In protest, company pilots stage a one-day strike on July 16.

Efforts are also begun to find a strategic marketing and code-share partner. Although the carrier maintains close working relationships with both **American Airlines** and **Virgin Atlantic Airways, Ltd.**, the first choice is **Air France**, with which flag line negotiations are undertaken.

The company also hopes to expand into various subsidiary operations, such as catering and aircraft handling. A significant example is the

creation at this point by the company (66%) and Aerospatiale's overhaul affiliate Sogerma (34%) of a joint maintenance company, known as Masco, at Beirut International Airport. The new concern takes over the maintenance activities of the airline. At the same time, a \$600-million passenger terminal is completed at Beirut International Airport.

Scheduled to begin in the new year, a major commercial agreement is signed with **Air France** on September 3. Flights to São Paulo, the last of the company's eight long-haul destinations, end in September.

An agreement is signed between Lebanon and Iran on October 22 under which MEA-2 will begin service to Tehran early in 1999. The pact also contains a provision for later discussions in which Iranian airlines might begin flying to Beirut.

During the year, costs are cut 28.2% to \$167.9 million. The year's loss is \$42.26 million, an improvement, but still far from profitability. It is reported by the airline that, since 1989, the government has invested over \$250 million into the airline.

The fleet in early 1999 is reduced to just 9 aircraft and in other cost-cutting moves, maintenance work is outsourced and many foreign offices are closed.

It is announced in Beirut on February 15 that under the dual-designator pact signed with **Air France** the previous September 3, the two companies will offer 19 weekly joint services between Paris and Lebanon beginning on June 1.

The Beirut *Daily Star* reports on March 2 that MEA has complained to the government of Lebanon that **KLM Royal Dutch Airlines, N.V.** has been allowed to fly too many services into the capital city, thereby causing MEA-2's losses to deepen.

Chairman el-Hout seeks to downsize his workforce by 50% as unions for MEA pilots, flight attendants, and ground staff continue to fight retrenchment. On March 18, the *Daily Star* reports that the airline's staff has threatened to initiate a sit-down strike if the government moves forward with a restructuring plan that causes job losses. At this point, the national transport ministry reports that it is paying \$6 million per month to keep MEA flying.

Following a 20-year suspension in service caused by the Lebanese civil war, MEA-2, on May 17, resumes twice-weekly roundtrip service to Tehran.

MEA's campaign to terminate the government's "open skies" aviation policy fails miserably as Lebanese Transport and Public Works Minister Najib Mikati increases the number of flights by foreign airlines authorized to fly into Beirut by 12% during the summer. Although local travel agencies are pleased, Chairman al-Hout indicates that he cannot compete and that all of the work by the airline's dedicated personnel to keep the airline flying "will end up in failure."

Flights continue in 2000. On June 12, arrangements are completed to sell six stored B-707 Stratofreighters to **Air Gulf Falcon**.

MEA joins in a dual-designator pact with **Malaysia Airlines, Ltd. (MAS)** on June 13. The code-sharing agreement with MAS begins on June 16, with MAS placing its designator on MEA services from Beirut to Sydney via Kuala Lumpur, while MEA puts its code on MAS flights from Kuala Lumpur to Beirut.

MIDDLE STATES AIRLINES: United States (1929). Formed at Akron, Ohio, in the spring of 1929, MSA's owners order a pair of Lockheed Model 5 Vegas and in June launch scheduled passenger flights to Detroit via Cleveland and Toledo. En route to Akron on its August 11 delivery flight, the company's second Vega, piloted by Orville Stephens with two passengers, crashes at Clovis, New Mexico (three dead).

Just after takeoff from Pittsburgh on August 12, pilot Harry Smith is killed when he crashes the other Vega into telephone wires. Without aircraft and with insufficient funds to obtain replacements, operations cease in September.

MIDFLY INTERNATIONAL AIRWAYS, A.S.: Denmark (1985–1989). Midfly is organized at Skjern in 1985 to offer air ambulance and air taxi flights, plus passenger and cargo charters. A branch office is es-

tablished at Kolind. Managing Director Bent Larsen's initial fleet comprises 1 each Cessna 421, Cessna 414, Piper Seneca, and Fairchild-Swearingen Metro II. Following 18 months of nonscheduled operations, Midfly acquires a Metro III with which to inaugurate scheduled services to Copenhagen and Aberdeen in late 1987.

Privately owned Midfly expands its regional services in the spring of 1988 with a pair of Fairchild Metro IIIs. Flights begin to Rotterdam and an order is placed for a SAAB 340A. Traffic and financial figures are not released.

Operations continue apace in 1989; however, the carrier encounters financial difficulties and in September is forced to sell out to rival Copenhagen operator **Business Flight, A.S.**

MIDLAND AIR CARGO, LTD.: United Kingdom (1970–1973). Lord Trefgarne and the Marquis of Headfort form this nonscheduled cargo carrier at Coventry Airport in the fall of 1970. During the first week of October, a Bristol 170 Mk. 32 is purchased from **British Air Ferries, Ltd.**; christened *Viceroy*, it begins revenue services on October 19. Among the destinations flown are Cologne and Dusseldorf from Birmingham on behalf of the Ford Motor Company. A second Bristol Freighter is purchased in November.

In the spring of 1971, the company's Freighter is employed to fly ad hoc produce charters to the British Midlands from Jersey and Guernsey. **British Air Ferries, Ltd.**'s last two Bristol 170 Mk. 32s are acquired in March; however, only one is placed in service. This *City of Edinburgh* joins the *Viceroy* in mounting long-distance charters to the Channel Islands, Germany, Ireland, and the Netherlands.

These services continue into 1972. During July's national dock strike, the company's two Bristols are employed to fly produce and other cargoes into Britain from the Continent. C. J. O. Trimble and R. J. Height purchase the carrier in the fall, but during the winter the company encounters financial difficulties and is forced to cease operations on March 1, 1973.

MIDLAND AIR EXPRESS: United States (1931–1932). Midland is established at Kansas City, Missouri, in the summer of 1931 to offer scheduled, multistop passenger flights across 595 miles to Cheyenne, Wyoming, in association with **Braniff Airways**. Equipped with 2 Lockheed Model 5 Vegas, the carrier inaugurates 4-hour flights on August 1 and is able to maintain service until closing a year later.

MIDLAND AND SCOTTISH AIR FERRIES, LTD.: United Kingdom (1933–1934). Bus company owner John Sword registers this subsidiary on March 10, 1933; a fleet of de Havilland DH 84 Dragons is assembled. Plans are made to offer the first air service to the islands west of Scotland and across the North Channel to Belfast in Ulster. On May 8, the company begins operations by providing an ambulance flight from Islay to Glasgow (Renfrew).

On June 1, thrice-weekly DH 84 flights are initiated from Glasgow (Renfrew)–Islay via Campbeltown; simultaneously, twice-daily Glasgow (Renfrew)–Belfast via Campbeltown flights are also started. Employing a new Avro Ten (license-made Fokker F-VIIb/3m), the company begins thrice-weekly Liverpool–Dublin summer service. The Islay and Dublin frequencies are suspended for the winter on September 30.

Between February 19 and March 2, 1934 and in association with Redditch Garages, Ltd., Liverpool–Birmingham and London (Heston)–Birmingham flights are offered to the British Industries Fair by the company's Airspeed Ferry. At Glasgow, Prime Minister Ramsay MacDonald christens the fleet's new Avro 642 *Marchioness of Londonderry* on April 6. The aircraft is then employed to fly the leader on the first of two new routes opened that day, Glasgow (Renfrew)–London via Liverpool; the second route is London–Belfast via Liverpool.

On April 9, two additional new services are added: London (Romford)–Glasgow (Renfrew) via Birmingham and Liverpool and Liverpool–Belfast via Isle of Man. The railway barons now claim in court that owner John Sword is in conflict of interest, as his former motor bus

operation, **Scottish Motor Traction, Ltd.**, was associated with the railroads. On July 14, Sword, under pressure, relinquishes his London (Stapleford)—Belfast via Liverpool and Isle of Man service, as well as the suspension of the Glasgow—Campbeltown—Islay route on September 30. The airline now permanently suspends operations.

MIDNIGHT EXPRESS: United States (1983–1988). ME is founded at Atlanta in **1983** to provide regional charter cargo and contract service flights. Operations commence with a single Piper PA-34 Seneca. During the next four years, as operations are undertaken for a variety of concerns, including **DHL Corporation** and **UPS (United Parcel Service)** and other air freight forwarders, the fleet is increased to include 4 Embraer EMB-110 Bandeirantes, 3 Beech 99s, 10 Cessna 402s, and 3 Shorts 330s. Midnight claims that it is the first all-cargo commuter to operate the Embraer and Shorts exclusively in cargo configuration.

In **1987**, ME serves 46 cities. In August, the first of three cargo-configured Dornier 228-221Cs is placed into service, the first of its type to be operated by an all-cargo commuter.

Airline employment is increased 66.7% to 130 and a total of 3.8 million FTKs are flown, a boost of 31.5% over the previous year.

Overexpanded, the company ceases operations in **1988**.

MIDSTATE AIRLINES: United States (1946–1989). Roy and Lois Shwery found the FBO Marshfield Aviation at Marshfield, Wisconsin, in **1946**, pumping gas, making repairs, and operating the usual charters for most of the next two decades. The two establish a Midstate Air Commuter division of their company on February 17, **1964**, registering it as Midstate Airways.

With 1 Beech 18, the new carrier flies to Chicago via Milwaukee on a route left void by **North Central Airlines** and transports 2,710 passengers during its first year. As traffic increases, the company purchases 4 Beech 99s and by **1975** enplanements are 54,786.

Airline employment in **1976** stands at 81, as orders are placed for three Swearingen Metro IIs. Customer bookings jump 21% to 65,221.

In **1977**, Midstate obtains its Swearingen Metro IIs. In addition, a new terminal and general office facility, under completion for two years, is opened at the Marshfield base. The corporate identity is now changed to Midstate Airlines.

Enplanements for the year total 74,958.

Midstate adds five more Metro IIs, opens service to Detroit, and enjoys steady growth in **1978**. Passenger boardings are up 11% to 83,571.

The workforce is decreased by 2.5% in **1979** to 115. Customer bookings accelerate 3.4% to 86,451, but freight is off by 27.4% to 345,000 pounds.

The employee population is increased by 25% in **1980** to 125. In June, Midstate becomes a wholly owned subsidiary of the Sentry [Insurance] Corporation. John W. Joanis is named chairman with Bryce Appleton as president. Company assets rise from \$5.8 million to \$20 million overnight.

Upheavals associated with the ownership change result in a 24% drop in enplanements to 65,410 and revenues of only \$3.4 million. Nevertheless, President Appleton orders a new color scheme, a new logo, and six more Metros as the last 99s are retired.

Shifting its headquarters to Stevens Point in **1981**, Midstate enjoys another exciting—and much more profitable—year. The employee population rises 104.9% to 250 and the fleet is doubled by the addition of 2 Metro IIAs and 4 Metro IIIs. Six new cities are added to the route network: Cedar Rapids, Indianapolis, Minneapolis, Kansas City, La Crosse, and Wausau.

Passenger boardings jump a spectacular 84.2% to 120,494 and revenues hit \$7.76 million.

During **1982**, a new \$2-million maintenance and headquarters facility is completed at the Stevens Point base.

Customer bookings jump again, this time by 66% to 200,020. A total of 191,000 pounds of freight are also transported.

The payroll grows 16.7% in **1983** to 280 and the fleet includes 8 Fairchild-Swearingen Metro IIIs and 4 Metro IIs. Flights are initiated to

Green Bay and Dayton, bringing the total number of cities served to 14 in 8 states.

Passenger traffic this year increases by 13.5% to 227,022 passengers flown and cargo is up 17.1% to 223,000 pounds. Revenues advance by 25% to \$18 million and as a result, the Wisconsin-based company moves into the CAB category of large regional.

The payroll is boosted by 48.2% in **1984** to 415 and the fleet includes 12 Metros. Orders are placed for 10 Fokker F.27s (8 firm, 2 options), the first 2 of which are delivered before the end of the summer. The company is certified as an FAR 121 carrier by the FAA, allowing further expansion.

On June 15, new services are opened from Stevens Point to Milwaukee and Rhinelander in Wisconsin and Muskegon and Traverse City in Michigan; nonstop La Crosse to Milwaukee flights commence the same day. The company relocates its flight operations in Chicago during July to the \$130-million Delta flight center at O'Hare International Airport.

Growth continues at Midstate as the number of customers flown rises another 22.1% to 277,193 and cargo accelerates 29% to 286,000 pounds. Revenues shoot upward by 32% to \$23.9 million.

Airline employment grows 3.6% in **1985** to 431 and the fleet is improved by the addition of 4 additional F.27s, bringing the fleet to 6, plus 8 Fairchild Metro IIIs and 4 Metro IIs. In July, a frequent flyer program is initiated providing 1 free ticket in exchange for proof-of-purchase of 20 one-way or 10 roundtrip fares.

Passenger boardings jump 25.3% to 347,585 and freight ascends 31% to 376,000 pounds. Revenues climb 28.2% to \$30.1 million, but costs rise quickly and cause an operating loss of \$1.39 million and a net downturn of \$701,386.

President Bryce Appleton purchases the carrier in **1986** and downsizes it by eliminating all aircraft except the eight Metro IIIs, to which he adds two more. Unprofitable services are also suspended. In May, the carrier leases five Fokker Friendships to the new small regional **Chicago Air**, which inaugurates services from Chicago (MDW) as a "Midway Connection" partner of the national carrier **Midway Airlines (1)**. The new entrant runs into financial problems early on, and in an effort to protect both the airline and his lease, Appleton accepts a **Chicago Air** invitation to assume control in October. The new subsidiary continues a heavy loss of money and stops flying at the end of December.

Meanwhile, beginning on October 26, Midstate shifts its focus from Chicago to Milwaukee, increasing its service there from 12 to 34 daily flights. As part of its reorientation, Midstate sells 43 slots at Chicago (ORD) to **Simmons Airlines**, leasing a few back until its move into Milwaukee is completed.

CEO Appleton's cutbacks and changes cause customer bookings to fall 35.9% to 222,844.

In **1987**, the fleet contains 6 Fokkers. With **Chicago Air** all but out of business in January—it will file for Chapter XI bankruptcy in February—Midstate assumes its "Midway Connection" code-sharing arrangement. Downsizing of the company continues and it now falls from large regional designation to small. Still, service is initiated to Chicago's downtown Meigs Field from Indianapolis.

Passenger boardings plunge 45.3% to 121,966. A total of 16,000 pounds of freight are also hauled.

Midstate collapses completely in **1988** as enplanements plunge to just 15,217 by November, the last month for which figures are provided. Not seeing any way out of bankruptcy, the one-time large regional, which has altered its fleet to just 2 leased Fairchild Metro IIIs, suspends operations on January 19, **1989**. The Metros are returned to lessor Sentry Insurance and the operating certificate is voluntarily surrendered to the FAA.

MIDSTATE AVIATION CORPORATION: United States (1964–1965). MAC begins scheduled Cessna lightplane local services from Chicago's Meigs Field on September 16, **1964**. The operation cannot be maintained for more than half a year.

MIDWAY AIRLINES (1): United States (1976–1991). MA-1 holds a special place in U.S. commercial airline history. Organized at Chicago in October 1976 by former **Hughes Airwest** Chief Operating Officer Irving T. Tague, with the assistance of Kenneth Carlson and William B. Owens, authority is sought from the CAB to operate scheduled passenger services from under-utilized Midway Airport on Chicago's South Side. The company, incorporated under Delaware law, will be the last certified by the CAB before deregulation. David Hinson becomes chairman and venture capitalists supply \$5.7 million in start-up capital over the next two-and-a-half years.

When it begins flying in 1979, President Gordon Linkon's airline receives recognition as the first all-jet airline ("new entrant") to be created as a direct result of the Airline Deregulation Act signed into law by President Jimmy Carter in October 1978. Low-fare service on the model introduced by **Southwest Airlines** is launched by the 243-employee company on November 1 with three leased Douglas DC-9-14s, first operated by **Trans World Airlines (TWA)**, from a base at Chicago (MDW) to Cleveland, Detroit, and Kansas City. The aircraft are painted in rainbow colors.

On November 5, as a sales promotion, the company offers one-day-only flights from Chicago to Kansas City for 37 cents, Cleveland for 33 cents, and Detroit for 27 cents; return flights are at the normal rates of \$37, \$33, and \$27 respectively. Advertisements to the people of Chicago brag: "Kiss O'Hare Good-bye!"

By year's end, the company has boarded 60,000 passengers. Initial revenues total \$2 million, expenses are \$2.5 million, and thus a not-unexpected operating loss of \$500,000 is achieved.

The employee population in 1980 is 450. The large regional adds five more DC-9-15s, all used. It flies 461,945 travelers and, as expected in a time of fierce competition, operating expenses (\$29.44 million) exceed revenues (\$24.96 million) and the carrier suffers a \$3.62-million operating loss. The net loss is \$5.1 million.

The financial picture brightens considerably for the 750-employee airline in 1981, despite the PATCO air traffic controllers' strike. Midway Airport is not immediately affected by the job action, although, in the fall, the FAA does require that it face the same ATC restrictions as those at O'Hare.

The company's growing fleet of 9 DC-9-15s and 3 DC-9-31s are able to help the low-fare passenger traffic rise to 748,000 passengers carried. The route network is stretched to a total of 14 markets. Revenues accelerate 58.6% to \$73.92 million and even though costs skyrocket 128.2%, they are held to \$65.1 million, leaving the first profits: \$8.82 million (operating) and \$7.55 million (net).

The payroll grows 25% in 1982 to 825 and the fleet is increased through the addition of four DC-9-31s. As the result of the PATCO air traffic controller's strike, service from Chicago to Omaha is suspended because of FAA flight limitations. Additionally, recession and stiff competition cause a change in management. When founder Tague departs, a new team takes over, headed by former **Federal Express** President Arthur C. Bass as chairman, along with ex-**New York Air** President Neal F. Meehan. With the large carriers, led by **American Airlines**, matching Midway's discount fares, President Bass and his associates quickly shift tactics.

Emphasizing the business-class approach, they inaugurate Midway Metrolink, which features wider seats and better food at prices 20% below the majors. Midway will call itself the first business-class airline. Plans are made to give the company a complete image overhaul, including new logo, livery, and uniforms, while Chicago (MDW) terminal will get a new look, with upgraded departure lounges, some of which will be equipped with phones and desks for transiting business passengers.

To fund the changes, a "war chest" is raised in two public offerings. One is a sale of 1.5 million shares of common stock that produces \$15.45 million, while the other, the sale of 8.5% convertible subordinated debentures, brings in \$14.6 million.

The three-year-old airline passes the million passenger mark in boardings for the first time (1,098,337) and eight more DC-9s are acquired to

feed the Midway hub. Operating income advances 28.09% to \$94.69 million and expenses are held to \$90.22 million. Consequently, profits are again generated: \$4.46 million (operating) and \$346,000 (net).

In 1983, the fleet is increased by three DC-9s. Midway Metrolink service is expanded to five additional cities, including New York. In an effort to find out what business people desire in the way of airline service, Midway begins a nationwide advertising campaign on May 6 urging readers to "create your own airline" and offer suggestions.

In June, Midway begins a promotion in Chicago, St. Louis, and Minneapolis (MSP) offering a free trip to every business passenger who brings along a coworker. Many of the upgrades reviewed for implementation are now put in place, beginning in July at New York (LGA).

Passenger boardings increase by 9% to 1,197,217 and revenues of \$103.98 million are earned, up 9.6%. Costs, however, jump 28.2% to \$115.65 million. After two years of profits, losses are suffered: \$11.67 million (operating) and \$15.01 million (net).

The 1,900-employee Midway stretches for a reversal of its slide in 1984, but in retrospect, it may have bitten off too much. First, it begins acquisition of the remnants of the bankrupt **Air Florida** for \$5 million and 200,000 shares of common stock. On October 15, after winning permission in court, the prize is restarted over many of its old routes. Seven Boeing 737-2T4As are employed in this single-class service and the name of the once-large carrier is changed to Midway Express. Operated as a separate carrier, it operates several **Air Florida** routes from Florida to the Great Lakes and from Miami to St. Croix and St. Thomas. The parent also attempts to launch a helicopter airline, **Metrolink**, at the Midway hub.

The fleet now includes 2 McDonnell Douglas DC-9-80s (MD-80s), 8 DC-8-31s, 7 ex-**Air Florida** B-737-2T4As (dedicated to the Midway Express operation), and 15 DC-9-15s. Metrolink business-class service continues to be popular.

Enplanements rise to 1,500,000, including 111,853 boardings contributed by Midway Express. Although revenues rise 43.4% to \$149.13 million, the above-cited achievements prove very costly. Expenses jump 39.5% to \$161.37 million, including the \$6.6-million start-up of Midway Express and the \$1.7-million abortive Metrolink. The operating loss worsens to \$12.24 million and a \$21.96-million net loss is incurred.

Airline employment in 1985 stands at 1,467. Nonstop Midway Metrolink business-class service is inaugurated on February 15 between White Plains, New York, and Washington, D.C. (DCA). Early in the spring, the top management of the carrier is changed again, largely because the Midway Metrolink has proven unprofitable. David Hinson, one of Midway's original investors, is invited to act as both president and board chairman, succeeding Chairman Bass and President Meehan. He returns to Midway's no-frills roots, offering both Metromiser low-fares and Metroclub/Metroclass business flights. The **Air Florida** acquisition is completed on July 24.

In an effort to curb losses, both routes and frequencies are cut in the nine-state service region. Suspensions include the routes from Chicago (MDW) to Milwaukee, White Plains, and Topeka as well as from Detroit to Washington, D.C. (DCA). Frequencies to five other markets are cut; however, that from National Airport to White Plains is increased. The fleet is further strengthened by the acquisition of three more DC-9-31s and the deletion of one ex-**Air Florida** B-737-2T4A.

Midway Aircraft Engineering Company, a new subsidiary now created to perform contract maintenance and overhaul work, is based at a Miami hangar acquired from **Air Florida**. In the fall, flights begin to Indianapolis and Fort Myers and acquisition of the last of **Air Florida's** assets is concluded on October 15.

A new red on white aircraft livery is adopted when the two services, Midway Express and Midway Metrolink, are combined. A DC-9-31 returns to Detroit (DTT) shortly after takeoff on November 6 when it is beset by violent vibrations apparently caused by a loose or stuck wing flap; no injuries are reported.

In order to promote the company with Chicago-area travel agents, the first annual "Taste of Midway" appreciation dinner and exhibit is held

in December. Passenger boardings for the year increase 48.5% to 2,233,514. Revenues at the twelfth largest national carrier ascend by 21.5% to \$181.18 million. Costs climb 12.3% to \$181.13 million and an operating profit of \$52,000 is generated. The net loss is cut to \$3.6 million.

Airline employment rises 15% in **1986** to 1,687. With emphasis on vacation and leisure travel, the company now serves 22 destinations. Plans are made during the spring to increase Chicago (MDW) feed via an affiliation with the newly founded small regional **Chicago Air**. This "Midway Connection" service begins in May. In the fall, a \$20-million public offering is made to provide the capital for a year of expansions.

During October, fiscal difficulties at **Chicago Air** force **Midstate Airlines**, from which CA is leasing its Fokker F27s, to step in and assume control. When **Chicago Air** stops flying in December, Midstate takes over the "Midway Connection" service.

Customer bookings swell by 22% to 2,719,269 and revenues increase by 35.2% to a record \$261.36 million. Expenses are up 30% to \$250.27 million and allow an operating profit of \$11.08 million. A net \$9.03-million profit is earned, the best economic performance since start-up.

The workforce increases by 45.8% in **1987** to 2,460 as the airline's recovery continues apace. Thrice-daily nonstop B-737-2T4A service is inaugurated in January from Denver to Chicago (MDW). Former "Midway Connection" affiliate **Chicago Air** goes bankrupt in February while in May, Chicago to Omaha service, suspended in 1982, is resumed. The small regional **Fischer Brothers Aviation** is purchased on May 26 for approximately \$2.5 million and reformed at Springfield, Illinois, as **Midway Commuter**, providing service with 6 Dornier 228-201s to 11 midwestern destinations. Henceforth, its traffic totals will usually be reflected within its parent's. Also in June, four-times-per-day DC-9-15 flights commence from Chicago to Des Moines.

In July, Jeffrey Erickson is appointed president/CEO. **Midway Commuter** is given four additional Dorniers during the fourth quarter and in November four-times-per-day DC-9-31 frequencies are initiated from Chicago (MDW) to Columbus. Chicago to Nassau B-737-2T4A flights begin on December 18.

Passenger boardings accelerate 26.2% to 3,432,343 and revenues jump 32.7% to \$346.93 million. Expenses are up 29.1% to \$323.16 million and the operating profit climbs to \$23.77 million. The net \$18.84-million profit is a new record.

Airline employment jumps another 21.8% in **1988** to 2,997. Orders are placed for nine McDonnell Douglas MD-87s and two MD-82s; the first of the former arrives just before year's end. A B-737-2T4A, en route from Tampa to Chicago on February 28, makes an unscheduled landing at Gainesville because of smoke in the cockpit from an electrical problem.

The national now experiences intense competition at Chicago (MDW) and begins to enter several new markets; however, competition and lower earnings will make the new routes unprofitable. The current one-stop service from Chicago (MDW) to Boston via Cleveland is replaced on April 3 with four daily nonstop flights. In May, the company initiates shuttle service to Minneapolis (MSP) from Chicago with an increase from 10 to 12 roundtrips per day.

DC-9-31 frequencies begin in September from Chicago to Sarasota, Jacksonville, and Memphis, with one, two, and three daily roundtrips, respectively, to the three markets. In November, daily B-737-2T4A service is started from Chicago to St. Petersburg.

Customer bookings advance by 25% to 4,690,581 and revenues rise 11.84 million to \$388 million. Costs climb 15.89%, but still only reach \$374.5 million. As a result, the operating profit is \$13.49 million, a \$10-million drop from the previous year. Net income falls by two-thirds to \$6.54 million.

The employee population grows by 13.4% in **1989** to 3,400 and the fleet now includes 5 B-737-2T4As, 3 B-737-2A5As, 9 DC-9-15s, and 19 DC-9-31s. Orders remain outstanding for 6 MD-87s and 2 MD-82s.

At the end of February, the carrier completes installation of GTE Seatback Airfones aboard every aircraft in its fleet. Following a two-

year policy of cautious expansion from the Chicago (MDW) hub, the airline is ready to embark on a more ambitious course. Early in the year, it orders 74 new jets from McDonnell Douglas at a cost of \$2 billion.

A marketing agreement is concluded with **Canadian Airlines International, Ltd.** in March; the arrangement gives the U.S. national access to Canada and CAI routes to 51 more American destinations via Midway's network. The first of three MD-87s to be received this year enters service on May 1 from Chicago to a new Los Angeles-Orange County market with thrice-daily roundtrips. During May, the **Midway Commuter** Dornier 228-201 service to Milwaukee is replaced with five-times-per-weekday DC-9-15 frequencies provided by the parent.

A fourth daily Chicago to Los Angeles roundtrip is started in July. In order to make the company a more attractive connector partner for CAI, Midway introduces first-class service in September. Also in September, Midway purchases a \$210-million package of assets from financially troubled **Eastern Air Lines** that includes gates and facilities at Philadelphia, routes from Philadelphia to Toronto and Montreal, and 16 DC-9-31s. To help cover the acquisition cost, the DC-9s are sold and leased back. At the same time, the carrier adopts a natural metal color scheme.

USAir, the primary operator at Philadelphia, had made a bid that was questioned by the DOT and withdrawn. At Chairman Hinson's direction, Philadelphia now becomes the national's second, eastern hub, the costs of which are all written off during the fourth quarter; the new base is officially opened on November 15, with flights scheduled to Florida. Also in November, daily service begins from Boston to Hartford to Philadelphia and from Philadelphia to Albany.

An additional daily roundtrip is added on December 15 from Philadelphia to Miami, Tampa, and West Palm Beach and thrice-daily roundtrips start from Philadelphia to Rochester. This year's "Taste of Midway," staged for travel agents at the company's Chicago maintenance hangar, is staffed by 400 company volunteers, costs \$150,000, and results in the consumption of 50,000 servings of food, 7 barrels of wine, and 35 barrels of beer.

Two MD-88s are chartered from Polaris Leasing on December 21.

The year's passenger boardings climb 11.5% to 5,230,127. Revenues advance a nice 19.34% to \$463.04 million, but costs increase 27.25% to \$475.57 million, producing an operating loss of \$13.53 million. From a \$6-million-plus net profit the previous year, the company now suffers a net loss of \$21.68 million. Still, at decade's end, Midway and **America West Airlines** stand as the only surviving airlines of any size that were started as a direct result of the Airline Deregulation Act.

Airline employment increases 67.6% in **1990** to 5,700 and the fleet includes 34 DC-9-31s, 5 B-737-2T4As, 3 B-737-2A5As, and 3 B-737-2K9As leased from **Bavaria Fluggesellschaft, GmbH**. Additionally, 9 DC-9-15s, 9 MD-80s, and 8 MD-87s are also flown while 6 MD-87s remain on order.

Six daily DC-9-31 roundtrips begin on January 15 from Philadelphia to Boston and Toronto, with thrice-daily service to Albany, Buffalo, Hartford, and Springfield. At this point, the carrier offers 39 daily Douglas departures from Philadelphia to 13 cities. Early in the year, **Air New Zealand, Ltd.** joins the company's Flyers First frequent flyer program, which now offers a unique award: one hour of flight time in its B-737 simulator.

In May and June, twice-daily roundtrips commence from Savannah, Georgia, to Chicago and Philadelphia, along with thrice-daily nonstop service from Philadelphia to Columbus. One roundtrip flight is added in July between Chicago and Cleveland, Minneapolis (MSP), and Los Angeles. Following Iraq's August 2 invasion of Kuwait and the jump in fuel prices, Midway goes into a financial tailspin. As the carrier continues to add services, the public does not see this downturn. For example, Canadian Pacific Hotels and Resorts join the Flyers First frequent flyer program.

In September, one roundtrip is launched daily from Chicago to Omaha and Phoenix. Five-times-per-day DC-9-31 roundtrips, halted in 1984, are resumed from Chicago to St. Louis on October 1. Also in October, daily roundtrip MD-87 Philadelphia-Las Vegas flights

commence, along with daily Philadelphia to New Orleans DC-9-31 non-stops.

Overexpanded and with too much capacity, Chairman/CEO Hinson's administration begins downsizing. Fourteen slots at New York (LGA) and Washington, D.C. (DCA) are sold to **American Airlines**, also in October, but are leased back for an interim period.

The \$100-million Philadelphia hub is sold to **USAir**, which has wanted it all along, for \$67.5 million as the airline retreats to Chicago. There, in December, in a cash-saving move, payments on all leases and loans are suspended even as daily nonstop roundtrips are begun from Chicago to Louisville.

Customer bookings increase 36.4% to 7,135,906 and revenues ascend 32.78% to \$614.8 million. Unhappily, costs swell 46.74% to \$699.33 million and leave an operating loss of \$84.53 million. The net loss skyrockets to \$139.21 million, a figure that exceeds the operating revenues of the two smallest nationals, **MarkAir** and **Midwest Express**.

Daily roundtrip service begins on January 8, 1991, from Chicago Midway to Hartford and Springfield, Connecticut. Also in January, one nonstop roundtrip per day is added from Chicago to Cleveland, Las Vegas, Orlando, Phoenix, Sarasota, and Tampa, while in February, nonstop flights begin from Philadelphia to Las Vegas, with continuing service to Los Angeles. The Chicago to Omaha frequencies are increased in March from three daily flights to four.

The pressures of expansion combined with the effects of recession, the Gulf War, the steep rise in oil prices, and the expensive Philadelphia hub cause losses to mount and on March 25, the deregulation-born national declares Chapter XI bankruptcy. Shortly afterwards, the carrier secures \$40 million in debtor-in-possession financing from Chicago's Continental Bank. While continuing to downsize, the airline maintains its full, 53-destination schedule.

A DC-9-31 with 100 aboard is forced to make an emergency landing at Nashville on April 22 after losing cabin pressure.

On June 1, service from Chicago to Louisville is upgraded from commuter aircraft to DC-9-31s. On August 7, the Federal District Court in Atlanta converts an antitrust lawsuit against Midway and nine other airlines into a class-action suit that could benefit many consumers and cost the carriers millions of dollars. The antitrust suit charges that this company and the others conspired to keep ticket prices high at 23 hub airports.

On August 29, seven miles from Cleveland, the flight crew of a DC-9-31 has been assigned the wrong radio frequency and is unable to communicate with controllers. Pilots on the DC-9 view a **British Airways, Ltd. (2)** DC-10-30 en route from Toronto to Chicago and out of proper voice communication with controllers, coming at them head-on. The U.S. aircraft is able to take evasive action and save the 277 passengers on both jetliners.

A DC-9-31 comes within 1,000 feet of colliding with a **Southwest Airlines B-737-2H4A** over Chicago (MDW) on October 4.

Later in the fall, merger negotiations are undertaken with **Northwest Airlines**, during which process the Minneapolis-based major acquires 18 gates at Chicago (MDW).

Unable to cover the costs of a takeover, **Northwest Airlines** withdraws from the process and its merger agreement on November 12, forcing Midway to cease operations the next day.

During the 11 months of its final year, the national's enplanements decline 33.6% to 4,322,000, but freight skyrockets 70.3% to 16.2 million FTKs. Although revenues are down 18.8% to \$250.81 million, expenses drop 17.5% to \$282.15 million and guarantee a \$31.33-million operating loss. The net failure deepens to \$37.09 million. The carrier, unable to resume operations, is now liquidated.

MIDWAY AIRLINES (2): 300 West Morgan Street, Suite 1200, Durham, North Carolina 27701, United States; Phone (919) 956-4800; Fax (919) 956-4801; <http://www.midwayair.com>; Code JL; Year Founded 1993. A second Midway Airlines is born at Chicago (MDW) in the fall of 1993 when the owners of **Jet Express** purchase the

name of the failed carrier in order to rename their own. All 150 of the first employees are former **Midway Airlines (1)** workers. Outfitted with the first two leased Fokker 100s from an order for eight, the carrier launches six-times-per-day roundtrip deep discount service over a single route to New York (LGA) on November 15 catering to business travelers.

Among the amenities offered are leather seats, hot towels, and breath mints. A frequent flyer program giving one free roundtrip for every 10,000 miles flown is announced; up to 50,000 miles credit is given for miles earned under the Flyers First program of **Midway Airlines (1)**. By the end of December, a total of 16,000 passengers are carried.

Service is expanded on January 17, 1994 with daily nonstop roundtrips added from Chicago (MDW) to Denver and Philadelphia, as well as such service from New York (LGA) to Denver and from Philadelphia to Denver. In the spring, six more Fokker 100s are chartered and the route network is expanded to Dallas (DFW). Code-sharing discussions are held with **Midway Connector**.

In August, the Chicago-based investment limited partnership Zell and Chilmark Fund spends \$25 million to acquire 90% controlling interest, at which point Jerry Jacobs becomes chairman and John Selvaggio is appointed president/CEO. Both men are former **American Airlines** executives brought up in the Robert Crandall school of management. Arrangements are made with the major for a variety of contract services, including heavy maintenance, reservations, training, and ramp and gate services at New York.

Late in the year, plans are made to open a hub at Raleigh/Durham during the following March and replace the withdrawing **American Airlines**. Arrangements are made with **Chicago Express Airlines** for its transfer as well, allowing it to provide commuter feed when the operation is in full swing during the spring. Orders are placed for two (later three) Airbus Industrie A320-231s from the Japanese leasing concerns ORIX Corporation and Kawasaki, plus additional Fokker 100s.

For the first full year, enplanements total 362,000. Revenues are \$31.51 million and expenses are \$52.92 million. As a result, there is an operating loss of \$21.4 million and a net loss of \$21.67 million.

The fleet in 1995 includes 12 leased Fokker 100s. Twice-daily roundtrips are added on January 15 from Chicago (MDW) to Orlando and Tampa. At the same time, EasyTickets, a 20-pack book of flight coupons, is made available for \$1,900. The coupons are good for a year and can be employed on flights to any of the cities served by Midway.

On March 2, agreement is reached with **American Airlines** on the provision of joint airport slot sharing, advertising, and promotions. Additionally, the two companies link their computerized reservations system and frequent flyer programs. Midway now officially subleases seven Raleigh/Durham gates from AA, which also underwrites Midway's terminal leases and provides Fokker maintenance and pilot training.

On March 2, Midway launches some 22 daily departures to Boston, New York (JFK), Washington, D.C. (DCA), Tampa, Orlando, West Palm Beach, and Chicago (MDW).

Transfer of the company hub to the nearly empty Concourse C at Raleigh/Durham is started on April 8. The first A320-231s are introduced on June 4; they will eventually be found to be too large and be replaced with smaller aircraft.

With **American Airlines** all but withdrawn from its former North Carolina base on June 15, Midway takes over five more gates and inaugurates frequencies to Hartford, MacArthur International Airport in New York, Philadelphia, and Fort Lauderdale.

Corporate headquarters are moved to North Carolina from Chicago between August 3-15. Other destinations visited grow to include Boston, Providence, Newburgh, New York, Newark, Fort Myers, Jacksonville, San Juan, Las Vegas, and Cancún, Mexico. All five A320-231s are in service by December as the carrier now offers 128 daily services from its new southern home.

The shift from Chicago appears successful as enplanements for the year skyrocket 241.4% to 1,235,000. Income slightly exceeds costs and there is a \$71,000 operating gain. There is also a \$116,000 net loss.

The employee population numbers 880 in 1996 and will reach 1,400 by summer. Between February and April, the four A320-231s chartered from ORIX Corporation are returned as an effort is made to increase Fokker 100 utilization. Two of the European-built aircraft are turned over to **America West Airlines** and are flown under contract by Midway crews. The remaining Airbus continues the services to Las Vegas and Cancún; however, flights to Fort Myers, Jacksonville, and San Juan are terminated. Departures from Raleigh/Durham reach 60 per day by July.

Customer bookings surge 37.8% to 1,702,514 and revenues of \$179.01 million are earned. Unhappily, expenses of \$182.04 million are incurred, leaving a \$3.03-million operating loss. The previous year's net loss deepens to \$7.49 million.

The workforce grows by 6.7% in 1997 to 779. North Carolina software company owner James Goodnight heads an investment team that injects \$20 million in new capital into the carrier beginning in February. The infusion allows the carrier to restructure its debt and to begin saving \$12 million per year in various costs, especially interest payments.

World Technology Systems President Kent Elsbree begins to make major decisions even as former **Continental Airlines** CEO Robert R. Ferguson III is named president. The airline continues to also be known as **Jet Express**.

To promote its new daily Fokker 100 service from Raleigh/Durham to Atlanta that begins on September 29, customers flying the route on the inaugural day pay only \$3 for their one-way ticket.

On October 1, a \$207-million order is placed with Bombardier Regional Aircraft for 10 Canadair CRJ-200ERs. Deliveries commence in November and will continue through December 1998.

An initial public offering of 4.2 million shares of common stock is made on December 4. Gross proceeds of \$65 million are raised and will be employed to help pay for the new Canadair regional jets. The value of company stock will climb 17% by April 1.

Passenger boardings for the year fall 4.8% to 1,660,140, while freight plunges 22.8% to 222,000 FTKs. Operating revenues climb 3.4% to \$186.16 million, while expenses total \$171.04 million. The previous year's operating loss is turned into a \$15.11-million operating profit, while the net loss becomes a \$24.89-million net gain.

The first CRJ-200ER, in Midway's yellow and white livery, enters service on January 7, 1998. Flights from Raleigh/Durham to Orlando simultaneously go from three to four (three Fokker 100, one CRJ-200ER), while those from the North Carolina hub to Boston are similarly increased.

Also during the month, the National Mediation Board (NMB) certifies the choice of the company's pilots for representation by ALPA. In February, company flight attendants vote not to join the Association of Flight Attendants (AFA).

With three new Canadairs now available, thrice-daily CRJ-200ER nonstop roundtrips commence on March 23 between Raleigh/Durham and Jacksonville, Florida. The company's thrice-daily roundtrips between Raleigh/Durham and Philadelphia are increased to four times a day, all flown by Canadairs.

With four CRJ-200ERs on hand by April 1, CRJ services are increased from Raleigh/Durham on April 6. The number of daily nonstops grows to four at Fort Lauderdale and Newark and five in Philadelphia.

As the result of the new competition between **USAirways'** Metrojet division and **Southwest Airlines (2)** elsewhere, Midway continues to enjoy a spectacular piece of good fortune—neither of the giant discount operators have as yet eyed a move into the carrier's Research Triangle hub at Raleigh/Durham.

With the arrival of CRJ No. 5, Midway, on June 14, inaugurates a daily roundtrip jet service between Raleigh/Durham and both Charleston and Myrtle Beach, South Carolina. The next day, thrice-daily roundtrips begin from Raleigh/Durham to Columbus, Ohio, and a sixth daily roundtrip is added from the North Carolina hub to Boston.

At the beginning of August, Midway operates 104 daily nonstop flights between 16 destinations in 9 eastern states and its hub at

Raleigh/Durham. On August 26, many of these in the southeast are cancelled or delayed in the face of Hurricane Bonnie. Except for an unusually high number of reservations, service returns to normal the next day.

Two more CRJs arrive in late summer and early fall. On October 1, one of these is employed to initiate thrice-daily nonstop return service between Raleigh/Durham and Indianapolis. The NMB rules on October 30 that the flight attendants February vote to join AFA is invalid due to interference in the process by the airline. A new election is ordered.

Two more CRJs are delivered in October and November and enter service.

A \$64-million order is placed with Bombardier Aerospace on December 8 for three more CRJ-200ERs. The contract represents the conversion of three existing options to firm orders, with deliveries scheduled for December 1999 and February and March 2000.

New jet service is announced on December 16. With the delivery of the 11th CRJ, the carrier will, on February 8, initiate daily nonstop roundtrips from Raleigh/Durham to New Orleans and Columbia, South Carolina. Additionally, it will offer one more jet service daily from the North Carolina hub to Charleston, South Carolina: Hartford, Connecticut, Newark, New Jersey, and Newburgh, New York.

A successful vote by the company's flight attendants to join AFA results in Midway's filing a complaint against the union on December 23 charging it with making false claims during the campaign. The NMB will investigate the charge in the new year.

Simultaneously, the carrier announces that it will launch its Raleigh/Durham to New Orleans roundtrips on February 4, four days earlier than announced, in order to provide lift for travelers wanting to participate in Mardi Gras.

Passenger boardings climb 31.84% to 1,995,117, while freight traffic accelerates 32.24% to 293,000 FTKs. Revenues for the year increase by 13.5% to \$211.43 million and expenses are up 8.3% to \$185.3 million. This happy balance provides a \$26.1-million operating profit, up 73% over 1997. Net gain jumps 79% to \$15.9 million.

At the beginning of 1999, plans are made to retire two Fokker 100s and the A320.

With the delivery of the 11th CRJ, the carrier, as scheduled, initiates daily nonstop roundtrips from Raleigh/Durham to New Orleans and Columbia on February 4. Additionally, it offers one more jet service daily from the North Carolina hub to Charleston, Hartford, Newark, and Newburgh.

The next day, the NMB dismisses the airline management's challenge to the company's flight attendants' election to become members of the AFA.

Late in the third quarter, two of the three Fokker 100s are placed by Cabot Aviation with **Gill Airways, Ltd.** in Newcastle, England.

A follow-on, \$65-million order is placed with Bombardier Aerospace on April 12 for three more CRJ-200ERs.

Midway joins with **UPS (United Parcel Service)** on May 15 to co-host a fund-raising event at Raleigh/Durham on behalf of the 1999 Special Olympics World Summer Games and the North Carolina Special Olympics team. Outside the UPS Cargo terminal, teams of 8 workers from each carrier test their strength in pulling a 30,000-pound CRJ-200ER in a first annual "Plane Pull."

In an event timed to coincide with the Paris Air Show, President/CEO Ferguson announces an order on June 14 for 15 Next Generation B-737-700s, with 10 options. He also notes that two additional B-737-700s will be chartered from GE Capital Aviation Services, with the first scheduled for December delivery.

Thrice-daily nonstop CRJ-200ER roundtrips are inaugurated on August 6 between Raleigh/Durham and Memphis.

Four-times-a-day CRJ200ER roundtrips are inaugurated on August 20 from Raleigh/Durham to Columbus, Jacksonville, and Indianapolis. Thrice-daily CRJ200ER return flights begin on October 15 from Raleigh/Durham to Louisville.

James Goodnight and John Sall, already owners of 47.4% of the company's stock, offer to purchase the carrier outright in November for \$8 a

share or \$36 million. The arrangement, which would see Midway merged into a company owned by Goodnight and Sall, is contingent upon the board's retaining former **Continental Airlines** CEO Robert Ferguson as CEO.

A chartered Next Generation B-737-76N is delivered by GECAS on December 14 as the first in an eventual nine-plane order. During the month, the investment banking firm of Morgan Stanley Dean Winter is appointed to evaluate the Goodnight-Sall merger proposal.

Passenger boardings this year rise 3.4% to 2,063,000. Revenues are up 3.1% to \$217.94 million, while expenses jump 8.6% to \$201.23 million. The operating profit falls to \$16.71 million, while the net gain is down to \$9.35 million.

Airline employment at the beginning of 2000 stands at 1,303, a 40.9% increase over the previous 12 months. The second Next Generation B-737-76N is turned over to the company on January 19. Having failed to come to terms with the Midway board over the value of stock not owned, stakeholders Goodnight and Sall withdraw their unsolicited takeover bid as the month ends.

The two new Next Generation B-737-76Ns enter service on February 10 from Raleigh/Durham to Fort Lauderdale and Orlando. In late February, Steven Westberg is elevated to executive vice president/general manager.

The company announces on March 10 that it is exercising an option to terminate the leases on four Fokker 100s during the first half of 2001 rather than in the winter of 2003–2004 as originally scheduled. The next day, the company and its ALPA-represented pilots reach tentative agreement on a new four-year contract, effective April 1 upon ratification. Pay raises and work rule changes are included in the new pact.

Thrice-daily nonstop Fokker 100 return service is inaugurated on May 22 from Raleigh to Buffalo.

With the decision taken to privatize the 99.37% of shares held by the Central Bank in MEA, the International Finance Corporation (IFC), the executive arm of the World Bank, is retained on July 17 to act as lead advisor in the divestment. An exact timetable is not provided at this time, as the first goal will be to locate a strategic partner.

Arrangements are completed on July 21 for the lease of three Next Generation B-737-7BXs; the first will arrive in November, with the other two coming in October and November 2001. Midway grosses \$34 million from a shareholders' rights offering that expires on July 26. The airline is to issue 6.6 million shares, raising the number of these outstanding and issued stock certificates to 15.2 million.

On August 8, new daily CRJ200ER roundtrips are initiated from Raleigh/Durham to Norfolk. These supplement four daily flights offered by partner **Corporate Airlines**. Three additional daily roundtrips, for a total of nine, are added on August 31 between Raleigh/Durham and New York (LGA).

To celebrate the success of the route, a special \$9 one-way fare is offered over it on Labor Day, September 4. The third Next Generation B-737, a Dash-7BX, is delivered on November 29.

It is confirmed on October 12 that two more Next Generation B-737-7BXs will be leased, arriving in January and June 2001. At the same time, it is noted that the Fokker 100s will be gone by 2002 and that Midway will not purchase its 14 remaining options for CRJ200ERs. Another Next Generation B-737-7BX is received on October 19.

Twice-daily Next Generation B-737-7BX return frequencies are launched on November 7 between Raleigh/Durham and San Jose, California, using the fourth new NGB-737-7BX. Two more Next Generation B-737-7BXs are now received, one each on November 21 and November 29.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights.

On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. Midway receives 15 of the new positions.

Daily roundtrip service is inaugurated on December 15 between Raleigh/Durham and Pittsburgh. It is operated by the carrier's sixth new Next Generation B-737-7BX.

Four-times-a-day CRJ200ER roundtrips are inaugurated on December 14 between Raleigh/Durham and Pittsburgh. All of the proceeds from the first flight are donated to Toys for Tots, along with a number of unwrapped new toys donated by invited passengers. Twice-weekly Next Generation B-737-7BX seasonal service, continuing through March 31, is started on December 19 from Raleigh/Durham to Steamboat Springs, Colorado.

Following two days of intensive negotiations under auspices of the National Mediation Board, a tentative agreement is reached on December 22 between the company and the International Association of Machinists and Aerospace Workers.

MIDWAY COMMUTER: United States (1987–1992). The small regional **Fischer Brothers Aviation**, based at Galion, Ohio, is purchased by the Chicago-based national carrier **Midway Airlines (1)** on May 26, 1987 for approximately \$2.5 million and is reformed at Springfield, Illinois, as Midway Commuter, outfitted with 6 Dornier 228-201s. Several weeks later, on June 15, the company begins operations and joins with **Chicago Airlines** and **Iowa Airways** to form the "Midway Connection" feeder agreement.

In July, services are launched to Chicago (MDW) from Grand Rapids, Traverse City, Green Bay, Madison, Peoria, and Springfield. Five-times-per-day Dornier frequencies commence in October from Chicago to Bloomington, Illinois.

Enplanements for the partial year of service total 85,000.

During 1988, President Richard Pfennig's carrier takes delivery of 10 more Dornier 228s and Dash-202s. "Midway Connection" flights are started to Lansing and Fort Wayne five times daily in May, while in October nonstop daily service is initiated to Lafayette, Indiana.

The ex-Buckeye airline transports 433,000 passengers on the year.

The fleet grows to 21 Dorniers in 1989 as a \$240-million order is placed with the turboprops' manufacturer for 33 Dornier 328s, plus 40 options. To meet capacity requirements until the American launch customer's aircraft can be built, Dornier agrees to provide 15 Embraer EMB-120 Brasílias under lease.

A total of 548,962 passengers are flown on the year.

The first Dornier-supplied Brasília enters service with the 501-employee regional in May 1990. In November, one roundtrip flight is added from Chicago to Green Bay, Madison, Moline, and Springfield and two from Chicago to Milwaukee.

Passenger boardings for the year rise 18.2% to 649,067.

EMB-120 service is launched in January 1991 from Chicago to Toledo's Express Airport. Five-times-per-day nonstop Brasília frequencies are initiated in February from Chicago to Louisville. During the spring, the **Midway Airlines (1)** parent files for Chapter XI bankruptcy. Still, as it works to emerge, its 128-employee subsidiary maintains a full schedule until November 13 when, together with the larger carrier, it ceases operations. Prior to shutdown, the former Buckeye commuter transports 538,554 passengers, a decline of 17.1% from the previous year.

Hopes are raised for the creation of a separate airline at the beginning of 1992, but when President Dick Pfennig has his company's assets separated from parent **Midway Airlines (1)** by a bankruptcy court, they are not realized. The company is liquidated in April under Chapter VII of the federal bankruptcy law. President Pfennig moves on to become president of **Jetstream International Airlines** and the outstanding orders to Dornier are cancelled.

MIDWAY CONNECTION: United States (1993–1994). In the fall of 1993, Will Davis's Gary, Indiana-based **Direct Air**, which is providing

MarkAir Direct feeder service on behalf of Anchorage-based **MarkAir**, is acquired by the Chicago investment consortium, Midway Connection Group, created by Northern Star Companies of Lansing, Michigan. An order is placed for 14 Fairchild Metro 23s with which to replace Direct Air's fleet of Beech 1900s and CATPASS 1300s.

Renamed and with a fleet upgraded to include 2 Beech 1900s and 5 CATPASS 1300s, MC undertakes services from Chicago (MDW) on November 1. The first Metro 23 arrives later in the month.

Under both its Direct Air and Midway monikers, the small regional transports a total of 50,000 passengers on the year.

Early in 1994, code-sharing discussions are initiated with **Midway Airlines (2)**. They lead nowhere and MC shuts down. The MC moniker will later be assumed by **Great Lakes Aviation**.

MIDWAY EXPRESS. See **AIR FLORIDA; GREAT LAKES AVIATION; MIDWAY AIRLINES (1)**

MIDWEST AIR CHARTER: Davies County Airport, RR 3, Sugarland Road, Washington, Indiana 47501, United States; Phone (812) 254-2678; Fax (812) 254-2645; Year Founded 1996. Midwest is established by Ben Markley at Washington, Indiana, in 1996 to provide nonscheduled passenger and cargo charters. Revenue flights begin and continue with a single Swearingen Metro.

MIDWEST AIRLINES, S.A.E.: Cairo International Airport, Cairo, Egypt; Year Founded 1999. MA is established by the Lakah Group at Cairo in April 1999 to offer passenger charters throughout the Mideast, Africa, and Europe.

With white fuselages, blue billboard titles, and red tails and nacelles sporting gold fleur-de-leis, two ex-**Air Afrique, S.A. (2) (Societe Aeriennne Africane Multinationale, S.A.)** Airbus Industrie A310-304s are leased from Credit Lyonnais and begin revenue services in late May.

Flights continue in 2000. On May 9, firm orders are placed for a pair of Airbus A320-200s, with options taken on two others. Deliveries are scheduled to begin in 2002.

MIDWEST AIRWAYS (1): United States (1928–1929). MA-1 is formed at Waterloo, Iowa, in the fall of 1928 to offer scheduled passenger service to Des Moines. Two Ryan B-1 Broughams are acquired and revenue flights commence on November 12. Services cease following the stock market crash in October 1929.

MIDWEST AIRWAYS (2): United States (1953–1965). MA-2 is established by Edward "Eddie" Lunken at Cincinnati in 1953 to operate scheduled air taxi flights from his Lunken Field airport at Cincinnati. Employing a Lockheed Model 10 Electra, Lunken offers daily revenue flights to Columbus, Cleveland, and Detroit, as well as Traverse City, Charlevoix, and Harbor Spring.

Operations cease 22 years later in 1965.

MIDWEST AIRWAYS (3): United States (1969–1973). The third Midwest Airways is set up at Milwaukee in 1969 to provide daily scheduled passenger and cargo roundtrips to local destinations, plus Chicago. Beech 18 and Cessna 411 services are duly inaugurated, but cannot be maintained beyond 1973.

MIDWEST AVIATION (1): United States (1966–1980). The first Midwest Aviation is established at Jamesville, Wisconsin, in the first week of January 1966 to provide scheduled passenger and air cargo flights to Chicago. Operations commence with a Beech 18 on January 19. Low-key service continues apace for the next 13 years; the principal business becomes the delivery of Federal Reserve checks.

The only event to attract media attention during these years is tragic. On October 4, 1973, pilot John Fair is killed while landing his Beech 18 at Chicago's Meigs Field.

Following passage of the Airline Deregulation Act in 1978, Midwest enters into a contract with **Airborne Freight Corporation** to deliver the freight forwarder's small packages and time sensitive shipments to midwestern and eastern destinations. The following year, the carrier begins additional service to the West Coast under its new name of **Midwest Charter Express**.

In April 1980, Midwest is purchased by Airborne, which changes the acquisition's name to **Airborne Express** and begins to purchase additional aircraft with which to upgrade its fleet.

MIDWEST AVIATION (2): Ryan Field, Marshall Municipal Airport, Marshall, Minnesota 56258, United States; Phone (507) 532-3164; Fax (507) 532-5881; Year Founded 1962. Ray Johnson founds MA-2 as the FBO at Marshall, Minnesota, in 1962. The concern also offers on-demand charter flights as well as scheduled passenger service linking the company's base with Minneapolis (MSP). Operations are undertaken with Piper PA-23 Aztecs and continue without significant change for 13 years.

In January 1976, the company is merged with New Ulm, Minnesota-based **Air New Ulm** to operate as **Lake State Airlines**. Employing Piper PA-31-310 Navajos, the joint operator provides services to all previously visited points, as well as Dubuque and Sioux Falls in Iowa.

Following the collapse of the LSA union in October 1981, Midwest is able to emerge from the wreckage and resume independent operations, which will continue throughout the remainder of the decade and into the next.

In 1993–1994, President Johnson oversees a workforce of 12. His route network from Marshall to Minneapolis, Dubuque, and Sioux Falls is maintained with 2 Piper PA-31-350 Navajo Chieftains and the Piper Aztec. Flights continue in 1995–2000, during which years an additional Chieftain and a PA-32R Saratoga SP are also placed into service.

MIDWEST CHARTER EXPRESS. See **MIDWEST AVIATION (1)**

MIDWEST COMMUTER AIRLINES: United States (1967–1974). MCA is established at Indianapolis in late spring 1967 to offer scheduled passenger and cargo services to Chicago's Meigs Field via South Bend. Employing one each Piper PA-31-310 Navajo and Beech 99, the new commuter inaugurates daily roundtrips on June 20.

Operations continue apace during the remainder of the decade and into the next. Unable to maintain viability in a time of recession and huge fuel costs, Midwest is forced to shut its doors in late 1974. Its assets will be purchased by **Skystream Airlines** the following May.

MIDWEST EXPRESS AIRLINES (MIDEX): 6744 South Howell Ave., Oak Creek, Wisconsin 53154, United States; Phone (414) 570-4000; Fax (414) 570-0199; <http://www.midwest-express.com>; Code YX; Year Founded 1984. This subsidiary of K-C Aviation, itself a subsidiary of Kimberly-Clark, Inc., is organized in 1981 at Appleton, Wisconsin, near company headquarters, to serve as a corporate carrier. Timothy Hoeksema, president of K-C since 1977, is named president/CEO of the airline as well. Employing a Hawker Siddeley HS 125, shuttle flights are inaugurated to Fulton County Airport, Atlanta.

The British-built corporate jetliner is replaced by a \$2.7 million Douglas DC-9-14 in April 1983. Four-times-per-week direct Appleton–Atlanta flights now alternate with thrice-weekly service via Memphis. An application is filed with the CAB for the inauguration of public scheduled services and the petition is granted in November. Meanwhile, a separate shuttle service is opened to Chicago (ORD) with a Convair CV-580.

A total of 14,700 shuttle passengers are flown on the year.

The nonunion workforce in 1984 totals 100 and the fleet includes 1 DC-9-14 and 2 CV-580s. The Chicago operation ends in early spring and the Convairs are withdrawn. Two more DC-9-14s are purchased for \$3.3 and 3.5 million, respectively, in March and April. A roundtrip proving flight is made on April 29 from Milwaukee to Boston.

Revenue operations are inaugurated on June 11 and scheduled service is provided on routes to Wisconsin, Illinois, Massachusetts, Texas, and New York. The parent advances the new entrant a line of credit as well as spare parts and operating funds—it even markets the schedule on the sides of its tissue boxes.

Enplanements for the year total 23,000 and start-up costs bring losses of \$2.1 million (operating) and \$1.1 million (net) on revenues of \$5 million.

During its initial climb away from Milwaukee on September 6, 1985 on a service to Atlanta, Flight 105, a DC-9-14 with 4 crew and 27 passengers, suffers an uncontained engine failure. The aircraft continues to climb to 700 ft., then rolls over to the right and plunges into a nearby woods, bursting into flame; there are no survivors. Peter Garrison reviews the accident in his "Crew Miscue," (*Flying* 104 (August 1987): 22+).

Despite the adverse publicity surrounding the tragedy, passenger boardings overall for the year skyrocket an almost unbelievable 309% to 95,000. Revenues ascend 150.8% to \$15.9 million, but despite an operating loss of \$3.5 million, there is a net gain of \$1.8 million.

The 210-employee small regional enjoys another fine year in 1986. Winter season charters are undertaken from Wisconsin to Florida. Customer bookings skyrocket another 96% to 184,515 and the fleet becomes all-jet, growing to 5 DC-9-14s.

Airline employment is increased by 44.6% in 1987 to 295 as 2 more DC-9-14s join the fleet. Seasonal scheduled service is begun in December linking Milwaukee with Tampa and Fort Lauderdale.

Passenger boardings increase 55.2% to 286,437 and freight is up by 12.5% to 584,051 FTKs. Revenues total \$44.2 million and low costs allow an operating profit of \$5.28 million and net gain of \$3.2 million.

The workforce grows another 62.7% in 1988 to 480 and the fleet now includes 6 DC-9-14s, 2 DC-9-15s, and 3 DC-9-32s. Orders are placed for 2 McDonnell Douglas MD-88s.

In June, as part of a five-year, \$120 million expansion of service, the company launches thrice-daily nonstop Milwaukee to Detroit roundtrip service and the only nonstop frequencies between Milwaukee, Philadelphia, and Newark. In addition, the number of flights from Milwaukee to Atlanta and Dallas (DFW) is increased.

Operations continue apace during the summer and fall. In December, twice-daily nonstops are initiated from Milwaukee to Denver via Grand Rapids, while frequencies from the Wisconsin hub to Newark and Philadelphia become twice daily. Seasonal service to Tampa and Fort Lauderdale is resumed.

During the year, a 60,000-sq.-ft., state-of-the-art aircraft maintenance facility is opened at Milwaukee. Largely unnoticed during the year is the appointment of Tanya Cunningham to the right seat of a DC-9-32; she is the company's first female pilot.

Customer bookings swell again, up by 40.4% to 402,084. Cargo ascends 31% to 1.72 million FTKs. Revenues zoom upward by 38.9% to \$61.36 million, expenses rise 42.9% to \$55.62 million, and the operating profit is \$5.74 million. Net profit increases to \$3.76 million.

Employment continues to rise in 1989, climbing 53.3% to 736. The carrier begins operations from Grand Rapids in January, with direct DC-9-32 flights from Milwaukee to Denver. During the first quarter, an agreement is negotiated with Farmington, New Mexico-based **Mesa Airlines** for a code-sharing relationship.

Twice-daily roundtrip DC-9-32 flights commence on April 2 from Grand Rapids to Newark. In accordance with the terms of the commuter deal, Mesa's new subsidiary, **Skyway Airlines**, paints three Beech 1900s in Midwest Express Connection colors. Services are inaugurated on behalf of the Wisconsin-based large regional on April 17 from Milwaukee to destinations in 4 states; the routes will be profitable within 90 days.

An interline marketing agreement is signed with **Flugfölag Islands, H.F. (2)/Icelandair** in July that offers discount fares to Midwest passengers connecting to the island-based airline for travel to Iceland and Luxembourg. Originally intended for **Wardair Canada, Ltd.**, two Mc-

Donnell Douglas MD-88s are leased from Polaris in November and December.

Overall passenger boardings accelerate 53.1% to 615,404 and freight climbs 22.1% to 2,110,000 pounds. Revenues shoot up 49.7% to \$91.87 million, costs move ahead by 51.7% to \$84.39 million, and operating income grows to \$7.47 million. Net profit improves to \$4.81 million.

Airline employment grows to 950 in 1990 and the two MD-88s enter service in January. Daily nonstop and roundtrip service is begun in February between Milwaukee and Los Angeles and San Francisco, along with direct service to San Diego. A third nonstop Milwaukee-Newark service is started in October, along with a third weekday nonstop from Milwaukee to Philadelphia and a second from Milwaukee to Los Angeles.

During the company's final year as a large regional, it enjoys a 23% boost in customer bookings to 754,032. Revenues advance 36.96% to \$125.82 million, expenses rise 43.07% to \$120.75 million, and operating income slips to \$5.07 million. The net profit is cut in half to \$2.96 million.

The workforce is reduced by 10.5% in 1991 to 850 and the fleet remains the same. In January, the carrier is reclassified to national status by the DOT.

Passenger boardings inch upward by 2.6% to 789,000 and freight skyrockets 64.3% to 5.83 million FTKs. Revenues dip 0.45% to \$125.26 million and expenses jump 3.27% to \$124.69 million. Operating income plunges to \$567,847 and net slides to \$102,832.

Company employment is increased by 19.1% in 1992 to 1,093 and the fleet includes 6 DC-9-14s, 2 DC-9-15s, 6 DC-9-32s, and 2 MD-88s. Frequencies are increased on routes to New York and Denver and seasonal services are added to Miami and Fort Myers. It will be reported that the publicity-shy company earns half a million dollars during the summer fare wars, and does not lower ticket prices to make the gain.

Executives from new entrant **Kiwi International Air Lines**, based at Newark, seek counsel prior to start-up.

Customer bookings bounce upward by 5.2% to 808,025 while revenues ascend 6.9% to \$133.9 million. Costs move up only 3.2% to \$129.85 million, leaving operating income to increase up to \$4.09 million. Net gain surges to \$2.01 million and Midwest is one of the year's only two profitable domestic carriers.

In 1993, President Hoeksema oversees a workforce of 1,092, a 0.6% increase, while the fleet grows by 3 DC-9-32s. Twice-daily DC-9-14 service is inaugurated between Milwaukee and Cleveland and Columbus during the spring, supplemented by daily **Skyway Airlines** turbo-prop flights.

Destinations now served from the company hub include Appleton, Atlanta, Boston, Dallas (DFW), Denver, Fort Lauderdale (seasonal), Fort Myers (seasonal), Grand Rapids, Kansas City, Los Angeles, Madison, Miami (seasonal), New York, Philadelphia, San Diego, San Francisco, Tampa (seasonal), and Washington, D.C. Later in the year, a new market is entered at Las Vegas.

The code-sharing alliance with **Mesa Airlines** is terminated by the Texas-based megaregional.

Passenger boardings shoot up by 18% to 952,490 and freight rises 3.9% to 7.22 million FTKs. Revenues accelerate 23.2% to \$165.05 million, expenses ascend only 14.9% to \$149.15 million, and the operating profit nearly quadruples to \$15.89 million. Net gain reaches \$8.67 million.

Airline employment is increased by 23.9% in 1994 to 1,334. **Skyway Airlines** assumes the routes formerly operated by **Mesa Airlines** and begins flying as the Midwest Express Connection on February 7 with a fleet of 13 Beech 1900Ds.

Three additional DC-9-31s are acquired from the German airline **Aero Lloyd Flugreisen, GmbH & Co.**; repainted as the first aircraft to introduce the company's new color scheme, they enter service during the spring.

In May, a small "focal point" operating base and hub is opened at Omaha, where 100 employees will be stationed, new planes will be maintained, and from which nonstop flights to Los Angeles, Las Vegas,

San Diego, Milwaukee, Newark, and Washington, D.C. (DCA) will be initiated.

It is announced in September that, for the second year in a row, the airline will provide full-season charter service for the Indiana Pacers of the National Basketball Association (NBA). The year's one-millionth passenger boarding occurs on December 3.

Customer bookings shoot up 22.6% to 1,317,130 while cargo jumps 19.1% to 8.61 million. Revenues swell 11.8% to \$184.49 million and expenses surge 17.8% to \$175.75 million. Pretax profit slides to \$6.73 million while the net profit dips to \$5.81 million.

The workforce stands at 1,411 in 1995, a 7% increase. The new Omaha hub is declared profitable at the end of March. The **Continental Airlines** CALite division pulls out of Milwaukee, leaving the carrier as the dominant airline in the Wisconsin market.

The company completes an initial public stock offering on September 22, with Kimberly-Clark retaining a 20% stake. The initial public offering distributes 4.5 million shares of common stock to the public. Thereafter, company shares are traded on the New York Stock Exchange under the ticker symbol MEH.

Enplanements swell 20% to 1,400,618 and operating revenues jump 27.3% to \$259.15 million. Costs accelerate only 18.4% to \$227.78 million and allow profits to triple; operating gain reaches \$31.37 million and a \$19.12-million net profit is posted.

The employee population is increased 12.8% in 1996 to 1,624 and 2DC-9s enter service during the spring. On March 26, the Hilton Hotels frequent flyer program, the only loyalty plan that allows travelers to exchange hotel points for airline miles and vice versa, adds the company to its roster of airline exchange partners.

Weekday nonstop service begins on May 1 between Las Vegas and Madison, Wisconsin; westbound flights originate in Milwaukee. That evening, nonstop moonlight flights commence between Los Angeles and Milwaukee. Passengers receive free champagne and snacks, plus amenities such as blankets and hot towels.

Former parent Kimberly-Clark divests itself of its final 20% interest (1.16 million shares) on May 8. For the second year in a row, readers of *Conde Nast Traveler* magazine rate the company the No. 1 U.S. airline.

Passenger boardings accelerate 6.3% to 1,489,057 and cargo climbs 3.9% as 7,000 FTKs are operated. Revenues for Midwest Express Holdings, which also includes **Skyway Airlines**, jump 17.6% to \$304.74 million. Expenses grow 18.7% to \$270.38 million. Both bottom line figures swell as an operating profit of \$34.35 million is reported, along with net gain of \$21.75 million.

The employee population jumps 17.4% in 1997 to 1,889. Markets served include Appleton, Atlanta, Boston, Dallas (DFW), Detroit, Fort Lauderdale, Grand Rapids, Indianapolis, Lansing, Los Angeles, Madison, Milwaukee, Minneapolis (MSP), New York, Philadelphia, Phoenix, San Francisco, Tampa, and Washington, D.C.

In January, the company receives the annual "Passenger Service Award" for 1996 from *Air Transport World* magazine. Three more aircraft join the fleet this year. Year-round frequencies are initiated between Milwaukee and Orlando during the spring.

On May 1, twice-daily nonstop roundtrips commence between Kansas City and New York (LGA). In addition to the nonstop service, the carrier will continue to offer three direct flights from Kansas City to New York (LGA) on weekdays.

Simultaneously, the company upgrades its current twice-daily connecting service from Kansas City to Toronto via Milwaukee through the addition of two nonstops from Kansas City to the Canadian metropolis.

A letter of intent is signed with **Japan Air System, Ltd.** in October via Dolphin Trade & Finance, Ltd. for the purchase of eight MD-81s. Deliveries to Midwest will begin in December and continue through 1999.

In November, the company announces plans to build a 70,000-sq.-ft. hangar in order to double its hangar space.

Electronic ticketing is introduced before the end of the year and a 32,000-sq.-ft. addition to the Midwest Express Maintenance Center at Milwaukee Airport is completed for a total of 92,320-sq.-ft.

Passenger boardings rise 10.8% to 1,649,885 while freight rises 3% to 9.25 million FTKs. Operating revenues at Midwest Express Holdings jump 14.5% to \$309.91 million, while expenses rise 13.7% to \$272.11 million. The operating profit climbs to \$37.79 million, while the net gain reaches \$24.22 million.

The workforce in 1998 is increased to 2,133. On February 5, a major code-sharing agreement is entered into with AMR Eagle, whose four operating companies will be merged into one **American Eagle Airlines** in May-July. The agreement will come into effect at midyear at Los Angeles and Dallas (DFW). Company passengers at Los Angeles will be able to connect with Eagle flights to Bakersfield, Carlsbad, Fresno, Monterey, Palm Springs, San Diego, San Luis Obispo, and Santa Barbara. From Dallas (DFW), connections will be available to 32 more communities in the south and southwest.

Robert S. Bahlman becomes senior vice president/chief financial officer/treasurer on March 5, the same day Carol Shomicka becomes senior vice president-corporate development.

Services from Milwaukee to Chicago (MDW) end on March 31.

By spring, five more MD-81s have been delivered. As a result, beginning on April 20, the carrier improves its service between Milwaukee and Los Angeles, offering twice-daily nonstop service on weekdays and Sundays and daily on Saturdays. The change eliminates stops in San Diego on the morning flight and at Las Vegas on the night flight.

To replace the current Milwaukee to Las Vegas service, which is nonstop in one direction and one-stop in the other, Midwest simultaneously drops San Diego from its schedule while launching six-times-a-week nonstops between the Wisconsin and Nevada cities.

Also on April 20, seasonal one-stop daily roundtrips are resumed between Milwaukee and San Francisco.

New six-times-a-day DC-9-32 roundtrips are inaugurated on May 4 between Milwaukee and Hartford, Connecticut; four are nonstop and two have one stop in Philadelphia. Simultaneously, the number of daily flights between Milwaukee and Philadelphia is increased from seven to eight.

Midwest Express Holdings Chairman Hoeksema announces on July 8 that it will become U.S. launch customer for the Fairchild Dornier 328JET, a new regional jet configuration of the aircraft manufacturer's 328 turboprop. Five firm orders are placed for the aircraft, with an option to purchase 10 more; the first machines will be delivered to **Skyway Airlines** beginning in March 1999.

Four-times-weekday DC-9-32 return service is introduced on August 2 between Milwaukee and Raleigh/Durham. The next day, daily frequencies between Milwaukee and Toronto are increased from 8 to 10. Sporting a new interior design, the first of eight MD-81/82/88s (an MD-82) is delivered during the month; two more will follow in the fall.

Company management and representatives of the local ALPA chapter sit down during August to negotiate their first contract; progress will be slow.

On September 13, four-times-weekday DC-9-32 roundtrips begin from Kansas City to Raleigh/Durham.

Nonstop weekend roundtrip DC-9-32 flights commence on December 5 between Omaha and Orlando. Midwest Express becomes the only airline to offer nonstop service in the Omaha-Orlando market.

The popular winter seasonal service to Phoenix becomes year-round on December 1 as Midwest initiates twice-daily roundtrips from Milwaukee employing one of the new MD-82s. The same day, two other MD-80s replace the smaller DC-9s and allow greater capacity on the existing routes to New York (LGA) and Washington, D.C. (DCA).

On December 19, seasonal service (through April 19) is launched from Milwaukee to Fort Lauderdale, Fort Myers, and Tampa.

Customer bookings accelerate 13.19% on the year to 1,871,227, but cargo traffic drops 14.64% to 7.55 million FTKs. Revenues advance 12.9% to \$388.87 million and with operating expenses up 8.9% to \$333.21 million, there is a \$55.65-million operating profit. Net gain climbs to \$35.86 million.

Airline employment is increased 12.9% to 2,133 by the beginning of 1999. While descending toward Philadelphia on a January 15 service

from Milwaukee, Flight 150, a DC-9-32 with 5 crew and 55 passengers, encounters turbulence over Lancaster, Pennsylvania; one flight attendant receives serious ankle injuries.

After six months of discussions, company pilots, disappointed with the offers made so far by management, request on February 11 that a federal mediator be assigned to facilitate additional incentive to the stalled talks.

Seasonal Milwaukee to San Francisco weekday roundtrips begin on April 19, with a new Saturday service added as of April 24. Electronic ticketing begins on April 29 for those U.S. travel agencies equipped with the Amadeus reservations system. The same day, it is announced that the company's flight attendants have voted to join AFA.

During the month, Christopher D. White becomes vice president-safety and regulatory compliance while Michael W. Mooney becomes vice president-planning and pricing.

Per a March 1 announcement, the company undertakes a major expansion of services on May 10. New DC-9-32 roundtrips are offered from Milwaukee to San Antonio via Kansas City four times a day.

The DC-9 becomes available when a larger MD-80 upgrades the current four-times-a-day nonstops between Kansas City and New York (LGA).

In addition, a third weekday roundtrip is started between Milwaukee and Toronto and two nonstops are launched from Kansas City to Milwaukee. The one-stop service between Milwaukee and Hartford is upgraded to a nonstop.

On June 1, a third weekday roundtrip is initiated between Milwaukee and Denver to help meet summer travel demand. Due to a pilot shortage, Midwest Express announces on June 30 that it will cancel 28 of its weekly 950 flights (about 3% of its schedule) in August, September, and October.

While backing his truck into position at Milwaukee on July 2, the driver of a lavatory truck accidentally depresses his accelerator instead of his brake and rams into a DC-9-32 being serviced, causing significant damage. No injuries are reported to the driver or the nine people aboard the Douglas.

It is announced on August 3 that the airline is acquiring four MD-80s from SAS (Scandinavian Airlines System) in a deal to be concluded between September 2000 and November 2001. The first aircraft should be delivered within a year.

Four-times-a-day roundtrip service is inaugurated on September 1 between Milwaukee and Washington, D.C. (DCA). Three of the frequencies will include a stop at Kansas City.

On December 11, Midwest offers to take over and expand the New York route of Iowa-based AccessAir, which has just declared bankruptcy. Seasonal return service is resumed on December 18 from Milwaukee to Fort Lauderdale, Fort Myers, and Tampa.

Customer bookings this year jump 17.2% to 2,192,000, while cargo climbs 21.2% to 9.15 million FTKs. Revenues advance 15.6% to \$406.12 million, while expenses are up 16.2% to \$347.28 million. The operating profit totals \$58.84 million.

Airline employment at the beginning of 2000 stands at 2,648, a 38.6% increase over the previous 12 months. The fleet now includes 2 DC-9-15s, 6 DC-9-14s, and 16 DC-9-32s.

Service between Kansas City and Raleigh/Durham is discontinued on January 3. Four new DC-9-32s roundtrips are started on February 7 from Kansas City to Washington, D.C. (IAD); two are operated daily except Saturdays and two on weekdays only. Just in case its pilots strike over the weekend, the company, on February 11, takes the precaution of cancelling 15 flights scheduled for late Friday and early Saturday.

The company, via Senator Tom Harkin, comes forward on February 18 and offers to start flying to New York on June 1 if AccessAir is no longer viable.

Company flyers do not engage in a job action; instead, they overwhelmingly ratify, in March, the first collective bargaining agreement between the airline and the Air Line Pilots Association.

The code-sharing agreement between the American Eagle subsidiary Business Express (BEX) and Midwest is deepened in May. Under terms

of the enhanced arrangement, the Milwaukee-based carrier will share its designator on 15 Eagle flights from Boston to cities in the Northeast, Virginia, and Canada beginning during the year's third quarter.

On June 15, Midwest begins twice-daily Des Moines–New York (LGA) via Indianapolis return flights.

Midwest is named fifth best-managed company among non-state-owned national-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

Four-times-daily Business Express (BEX) ERJ-135 roundtrips, code-shared with Midwest, begin on July 17 from Boston to Toronto. Four-times-daily ERJ-135 roundtrips, code-shared with and flown by Business Express (BEX), begin on July 17 from Boston to Toronto.

On September 8, the company announces that it will open a new hub at Kansas City. Not only will new regional services be offered by affiliated Skyway Airlines, but new nonstop main line flights will be offered as well, beginning as early as October 29.

While backing out after pushing back from the terminal at New York (LGA) on September 15, a ProAir Boeing 737-400 impacts a parked Midwest Express MD-80. The tails of both aircraft are damaged forcing both companies to cancel flights.

On October 1, twice-daily roundtrips are inaugurated from Indianapolis to Boston. The new Kansas City hub opens on October 29; Midwest and Skyway between them offer 22 daily departures from their No. 3 base to 11 destinations.

Midwest, on November 2, signs a letter of intent with Air Midwest. Under its terms, the Milwaukee-based airline will enter a code-sharing agreement with the Mesa Air Group "USAirways Express" subsidiary that will provide passengers with connecting service between Kansas City and 14 Midwest communities beginning during the first quarter of 2001.

It is announced on November 29 that the company will terminate service to Indianapolis on January 6.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights.

On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. Midwest receives eight of the new positions.

On December 15, Midwest Express announces that it will launch thrice-weekday roundtrips between Kansas City and Atlanta beginning on March 5. Daily winter seasonal return service, offered through April 22, begins on December 16 from Milwaukee to Fort Lauderdale, Fort Myers, and Tampa.

Although revenues for the year climb 7.3% to \$480 million, costs surge 22.3% to \$473.1 million. The operating gain plunges 88.7% to \$6.9 million, while only a tiny \$514,000 net profit is realized.

MIDWEST EXPRESS CONNECTION. See AIR MIDWEST; SKYWAYS AIRLINES

MILAIR (PTY.), LTD.: Australia (1991–1992). Peter Miller forms Milair at Main Beach, Gold Coast, Queensland, in 1991 to offer passenger and cargo flights employing 1 Beech 58 Baron, 2 Cessna 310s, 1 Cessna 402, and 1 Piper PA-31-350 Navajo Chieftain. Operations cease within a year.

MILLARDAIR, LTD.: Canada (1954–1998). Trans Canada Air Lines, Ltd. pilot Carl Millard establishes his own FBO, Carl Millard, Ltd., at Mississauga, Ontario, in 1954. With the help of his son, Wayne, Millard transfers his base to Toronto's large airport in 1963 and changes the name of his concern to Millardair. Carl begins the transport of

automobile parts using a single DC-3, while Wayne operates a Beech 18 on similar charters. Service continues apace during the remainder of the decade.

Three more DC-3s are acquired in **1970–1971** and are employed to operate passenger services during the period of the Canadian airline strike of 1972. Also in **1972**, the first of eight all-cargo Douglas C-54E Skymasters (military version of the DC-4) arrive. Company employment at the end of the **1970s** stands at 25 and the fleet includes 10 DC-3s, 8 C-54Es, 4 Beech 18s, 1 Cessna Citation, and 1 Piper PA-31-310 Navajo.

The fleet is altered during the **1980s**. Gone are five DC-3s, exchanged for C-117s (military version of the large Super DC-3) and a C-54E. Flights are started to locations in South America and the Caribbean.

Being unable to obtain required take-off and landing slots at Toronto during the spring of **1990**, Millardair suspends its heavy cargo operations on May 31. The decision is made to sell off the Skymasters and to operate smaller aircraft. Over the next eight years, the company sells off its remaining twin-engine Douglas and Beech equipment, and maintains only the Citation and Navajo for executive charters and flight training.

The company's hangar at Toronto International Airport is leased to **Canada 3000, Ltd.** in **1998** as Millardair stops flying.

MILLENNIUM JET: 16225 Vanowen St, Suite 200, Van Nuys, California 91406, United States; Phone (818) 786-2001; Fax (818) 786-2002; Year Founded 1997. Millennium is set up at Van Nuys, California, in **1997** to provide executive and small group passenger charters throughout the western U.S. and Mexico. Two pilots are hired and flights commence with a single Learjet 24B.

Operations continue in **1998–2000**.

MILLER AIR TRANSPORTERS: United States (1977–1983). Miller Air Transporters is established at Jackson, Mississippi, in **1977** to provide scheduled passenger and cargo flights throughout six states of the old Confederacy: Alabama, Mississippi, Georgia, Florida, Tennessee, and Louisiana. President Dennis M. Miller's company commences scheduled revenue services in June and his five Cessna 402Cs link the company's base with Columbus, Greenwood, Laurel, Hattisburg, Oxford, Tupelo, Memphis, Atlanta, New Orleans, Birmingham, and Destin, Florida. FTKs operated in **1978** total 2.67 million, a 24% increase. They climb another 4.5% in **1979** to 2.78 million, but fall back to 2.35 million in **1980**. Cargo recovers by 3% in **1981**, rising to 2.42 million FTKs.

After transporting 323,291 pounds of freight in six months, Miller suspends scheduled service in July **1982**. After a period of dormancy, the company is renamed **Flight Line** in **1983**.

MILLER AIRLINES: United States (1964–1969). The FBO Miller Airmotive, operating at Reed City, Michigan, creates this scheduled air taxi division in late fall **1964**. Employing 1 Beech 18 and 1 Cessna 402, it inaugurates daily roundtrip frequencies on December 2, linking its base with Grand Rapids and Chicago's Meigs Field.

Operations continue apace until **1969**.

MILLER AVIATION: Binghamton Regional Airport, Johnson City, New York, 13790, United States; Phone (607) 770-1093; Fax (607) 770-0632; Year Founded 1975. Miller is established in **1975** as the FBO at Binghamton Regional Airport in western New York. The company over the next 20 years also undertakes a wide variety of executive and small group passenger charters.

By **2000**, Doug Chamberlain schedules aircraft at four different airports. From Binghamton, Miller flies 1 each British Aerospace BAe (HS) 125-700 Hawker, Cessna 550 Citation II, and Learjet 35A Century III, plus 2 Cessna 441 Conquest II turboprops and a piston-engined C-730 Crusader.

Another Citation II is based at Syracuse, a third is stationed at Teterboro, New Jersey, while 1 each Hawker, Learjet 55 Longhorn, and a second Century III are flown from White Plains, New York.

MILLION AIR: United States (1983–1997). Juan B. Million establishes this all-cargo carrier at Miami in **1983** to operate contract and charter services to destinations within the U.S., the Caribbean, and South America. Once operating authority is received and a fleet of 1 Douglas DC-7CF and 2 Canadair CL-44Ds is assembled, Million inaugurates services to Colombia in July **1984**. The privately owned airline does not choose to release either traffic or financial data as its operations continue apace during **1985–1986**.

The 31-employee company files a petition with the DOT in **1987** seeking authority to inaugurate scheduled cargo flights to Central and South America. These services are duly launched with one each chartered Boeing 707-323C and B-707-355C.

Statistics are initially released showing that the company has flown a total of 158.9 million FTKs on the year. Revenues reach \$4.4 million, but expenses are high and big losses are suffered: \$207,000 (operating) and \$249,000 (net).

Although the traffic picture deteriorates in **1988**, the bottom line improves significantly. Cargo plunges 47.6% to 8.33 million FTKs and revenues drop 41.2% to \$2.58 million. Still, costs are low enough to allow an \$8,000 operating profit and net gain of \$7,000.

Given a new livery, one B-707-323C, the *Vanessa*, remains in service during **1989**, but is able to greatly increase cargo traffic as 30.97 million FTKs are flown. Income exceeds costs and profits of \$134,790 (operating) and \$104,959 (net) are generated.

The 32-employee company returns its B-707-355C to service during **1990** and leases a B-707-331C from **Florida West Airlines**.

As a result, freight increases 64.5% to 50.96 million FTKs. Revenues jump 69% to \$10.96 million, but expenses climb 77.9% to \$11.3 million. Consequently, a \$336,577 operating loss is suffered, along with a net loss of \$444,592.

The workforce is cut by 19.4% in **1991** to 25, the B-707-331C is returned, and the B-707-355C is replaced by a B-707-321C.

Still, the two-plane cargo operator is able to increase its freight traffic by 6.1% to 544.06 million FTKs. Revenues skyrocket 93.3% to \$14 million, expenses are \$13.72 million, and operating income totals \$283,187. There is a net profit of \$255,147.

Operations continue apace in **1992**. Airline employment is still 25 and the fleet includes only 1 Boeing 707-321C and 1 B-707-323C.

Cargo increases another 38.3% to 74.77 million FTKs, but revenues decrease to \$12.4 million. Profits slip to \$156,299 (operating) and \$130,524 (net).

Company employment skyrockets 120% in **1993** to 55 and the fleet is doubled to 4 aircraft, including 1 leased B-707-321C, 1 chartered B-707-369C, 1 leased B-707-323C, and 1 Douglas DC-8-54F leased from **American International Airways (3)**.

Freight jumps 8.6% to 81.17 million FTKs and revenues slide ahead by 4.6% to \$12.94 million. Expenses fall 2.1% to \$11.96 million and allow operating income to climb up to \$973,000. Net gain hits \$943,892.

The workforce is cut a drastic 54.5% in **1994** to 25 as cargo declines by 19.3% to 65.53 million FTKs. Revenues jump 24.7% to \$15.85 million as expenses increase 30% to \$15.18 million. There is a decline in operating income to \$674,000, while net profit slides to \$710,000.

The workforce is increased dramatically in **1995** to 175. After landing at Guatemala City on April 28 on a flight from Miami, a DC-8-54F with three crew skids off the end of a wet runway and collides with approach lights and the perimeter fence before plunging down a steep incline into a residential area. Although none of the crew are badly injured, six people are killed on the ground and the aircraft is destroyed by a post-crash fire.

The carrier's 7 aircraft operate 119.62 million freight FTKs, a giant 67.9% growth. Costs exceed revenues and there are losses: \$15,000 operating and \$54,000 (net).

There is no change in the employee population during **1996**. On approach to Miami on February 22, a B-707-323C freighter loses all hydraulic fluid after its main gear is down. Unable to manually lower the nose gear, the aircraft lands in this condition and is severely damaged; none of the four crewmen aboard are badly hurt.

On October 22, just after takeoff from Manta, Ecuador, some 390 miles SE of Quito, Miami-bound Flight 406, a B-707-323C with three crew and one passenger, bursts into flames, clips the top of a church tower, and crashes. The entire neighborhood surrounding the crash site is set afire and 34 people die, including all 3 of the Boeing's crewmen, with another 50 injured.

In the aftermath, the company, on October 29, voluntarily stops flying in order to make equipment and personnel available to FAA and NTSB investigators, who assist the Direccion General de Aviacion Civil with its post-crash review.

Cargo traffic rises 13% to 135.13 million FTKs, but operating income falls 9.3% to \$17.01 million. Expenses also decline, dropping 11.1% to \$16.69 million. The previous year's losses now become gain as equal \$319,000 operating and net profits are reported.

The company's operating certificate is suspended early in 1997 and the concern is dormant through July. It then shuts its doors.

MILLION AIR INTERLINK: Teterboro Airport, 485 Industrial Ave., Teterboro, New Jersey 07608, United States; Phone (201) 288-5040; Fax (201) 288-4430; <http://www.millionair.com>; Year Founded 1984. Million Air is not really an airline. Instead, during the 16 years since its 1984 founding, it has developed into the largest independent FBO chain in the world, with facilities throughout the U.S. and at Toronto, Canada. This concern is listed here because one of its many services since 1985 has been the provision of lightplane charter and flight training services from its many locations.

In 2000, Million Air franchises are located at Stratford, Connecticut, Chicago (MDW), Cincinnati, Cleveland, Columbus, Oklahoma City, Owensboro, Palm Springs, Pontiac, Provo, Dallas (Addison Airport), Evansville, Hartford, Houston (HOU), La Quinta, Long Beach, Richmond, Salt Lake City, San Antonio, St. Louis, St. Paul, Teterboro, Long Island (Republic Airport), Monterey, Nassau, New Orleans, Topeka, Toronto, and Van Nuys.

MILLIONAIR CHARTER (PTY.), LTD.: P.O. Box 6119, Rivonia, Johannesburg, 2128, South Africa; Phone 27 (11) 390 2710; Fax 27 (11) 390 2715; <http://www.millionair.co.za>; Code MACT; Year Founded 1994. Exclusive Air Charter (Pty.), Ltd., owned by its Managing Director Kenneth Geldenhuis, sells its licenses to Phoenix Airways in 1994, while Gary van der Merwe, owner of Million Air Aviation, purchases a 50% stake in the charter operation. Exclusive is transferred to the Million Air Group facility at Lanseria Airport and is renamed.

In the fall of 1995, former Managing Director Geldenhuis purchases the Million Air Group's stake and once again becomes the lone shareholder in the company he had founded as Exclusive back in 1986. In December, MAC enters into an agreement with **Zimbabwe Express Airlines, Ltd.** to lease a B-727-23.

Public passenger charters for tourist groups, incentive programs, product launches, and companies, as well as regional airline replacement flights begin in early 1996. John J. Botha is named general manager and he begins revenue services with the Boeing 727-23. Charters are operated to a variety of destinations with Cessna 404 Titans, a Beech Super King Air 200, and several helicopters. Branch offices are opened at Johannesburg and Cape Town.

In 1997-1998, the company leases 2 more B-727-100s and operates scheduled and charter flights for and on behalf of 11 different African airlines, such as **South African Airways (Pty.), Ltd., Kenya Airways, Ltd., and LAM Mozambique Airlines, S.A.**

Flights continue in 1999. In February, it is announced that the company will launch an initial public offering on the Johannesburg Stock Exchange during the second quarter; it makes its debut on April 8. Majority shareholding (65.7%) in the company continues to be held by its management. As the company had earlier issued its shares by way of a private placing to raise capital for aircraft payments, no capital is raised by the listing.

The company adopts a new corporate image and livery on August 1, 2000. The DC-9-32 is now repainted.

On October 4, a company Cessna 402C transports the body of an African man known as "El Negro" from Johannesburg International Airport to Botswana. It was stolen by 2 Frenchmen 170 years earlier and placed on display in Europe, where it remained until arrangements were completed in 1997 for its return.

MILNE BAY AIR (PTY), LTD.: Papua New Guinea (1992-1994). Originally established as a charter operator in the resource development industry, John R. Wild's concern is reformed into a scheduled airline in September 1992, with Simon D. Wild as managing director. Revenue operations are undertaken with a fleet that includes 1 Dornier 228-200, 2 de Havilland Canada DHC-6-200 Twin Otters, 1 DHC-6-300, 3 Beech King Air 100s, and 1 Cessna 550 Citation II.

During the spring of 1993, the company takes over part of the route network abandoned upon the failure of **Talair (Tourist Airlines of Niugini, Ltd.)**.

A Dornier 328-100 is ordered for 1994 delivery. From its base at Port Moresby, services are offered to Alotau, Amazon Bay, Balimo, Baimuru, Cape Vogel, Daru, Fane, Hagen, Ihu, Kerema, Kikori, Kiunga, Kuri, Lae, Louisa, Mendi Mt. Misima, Porgera, Tabubil, Tari, Tufi, Vivgani, Wanigela, and Safia. During the year President Wild's 250-employee company is renamed **MBA Airlines of Papua New Guinea (Pty.), Ltd.**

MINDANAO EXPRESS: 4th Floor, Cargohaus Building, MIA Road, NAIA Complex, Parahaque, Manila, The Philippines; Phone 63 (2) 832 1541; Fax 63 (2) 831 0059; <http://www.mindanao.com/mindanao-express>; Year Founded 1996. A subsidiary of the **Federal Express (FedEx)** feeder Corporate Air, ME is set up by CA chairman Alberto D. Lina during the summer of 1996 to offer third-level commuter flights between Manila and Cebu. Nightly express flights will also be offered. Employing a fleet of two each Beech 99s and Beech 1900Cs, the new regional launches revenue services on September 14, following a ceremony during which Philippine President Fidel V. Ramos christens one of the Airliners.

On February 17, 1997, Chairman Lina announces that the carrier is moving its base of operations to the General Santos City Airport to support an aggressive expansion program. With the beginning of the summer schedule at the end of March, return flights are started from General Santos to Cagayan de Oro, from Zamboanga to General Santos, Cagayan de Oro via Cotabato or Cotabato, and from Davao to Cagayan de Oro via General Santos. Four more Beech 1900Cs are now acquired.

A code-sharing pact is signed with **Sabah Air (Penerbangan Sabah Sdn Bhd.)** and under its terms, Mindanao Express inaugurates twice-weekly roundtrips between Zamboanga and Sandakan, Malaysia on May 1. Sabah handles ground support on the Malaysian end and is allowed to sell blocks of seats on the Philippine airliners.

Twice-weekly roundtrips commence on March 31, 1998 between Cebu and Tandag via Surigao. On October 28, weekly flights are started from Cebu to Pagadian City. On November 3, twice-weekly return frequencies from Cebu to Kalibo and Tacloban. New roundtrips are started on December 21 twice weekly from Cebu to Butuan and thrice weekly to Dipolog.

Service is continued during the next two years. Scheduled destinations visited in the spring of 2000 include not only Cebu, but also Butuan, Cagayan de Oro, Cotabato, Dipolog, Davao, General Santos, Kalibo, Pagadan, Sandakan, Tacloban, Tandag, Tawi-Tawi, and Zamboanga.

MINERAL COUNTY AIRLINES: United States (1963-1967). With subsidy from a casino, this commuter is established at Long Beach, California, during the summer of 1963 to fly scheduled passenger services to the site of the gambling hall in Hawthorne, Nevada, via Burbank. De Havilland DH 104 Dove and DH 114 Heron revenue flights commence in August, with the British-made airliners being supplemented by Douglas DC-3s in 1964.

Operations continue apace in **1965–1968**. En route from Hawthorne, Nevada, to Burbank, California, on February 18, **1969**, Flight 708, a DC-3 with 3 crew and 32 passengers crashes into the eastern slope of Mount Whitney at 11,770 ft. There are no survivors. The company, itself, is also a fatality, shutting down within weeks of the tragedy.

MINERVA AIRLINES, S.p.A.: Via Lannoni 5, Catanzaro, Calabria, I-98100, Italy; Phone 39 (961) 724 028; Fax 39 (961) 725 759; <http://www.minerva-airlines.it>; Code Q2; Year Founded 1995. Minerva is set up at Calabria, Italy, in December **1995** to offer regional and domestic charters. Orders are placed for a pair of Fairchild Dornier 328-110s.

Following delivery of the turboprops during August **1996**, holiday and tour flights are inaugurated on September 1, beginning with non-scheduled frequencies to Milan. Scheduled services are launched late in the fourth quarter to Naples, Trieste, Bari, and Palermo. Enplanements for the 4 months of the year operated total 23,425.

In **1997**, a number of replacement flights are operated on behalf of **Alitalia, S.p.A.** Two more 328-110s join the fleet and passenger boardings accelerate to 188,884.

In April **1998**, Minerva, operating its 7 Dornier 328-100s on 19 Italian domestic routes, becomes a franchise partner of **Alitalia, S.p.A.**, reporting to **Alitalia Express, S.p.A.** Simultaneously, **Azzura Air, S.p.A.** ends its code-sharing pact with **Debonair, Ltd.** and also becomes a franchise partner.

Both airlines, in the manner of "British Airways Express," paint their aircraft in Alitalia colors, with Alitalia interiors. Alitalia uniforms are provided and check-in and ticket counters receive Alitalia branding; indeed, even the supplies used in in-flight meal services come from the Italian major.

Bookings for the year surge to 320,000.

Coming in from Rome on a February 25, **1999** service due to continue on to Trieste, Flight 1553, a Dornier 328-110 with 4 crew and 27 passengers, touches down briefly on the runway at Genoa before crashing into the sea at the end of the 9,925-ft. pavement. Four people are killed and 20 others injured. Bruce Johnson will report in the March 3 issue of *The Weekly Telegraph* that many more would have died except for the bravery of Marco Sulis, 15, a member of a Sardinian swimming team, who opens one of the exits under water. It is through this door that most of the survivors escape.

Enplanements for the year decline to 213,000.

Daily roundtrip service is inaugurated on March 26, **2000** from Bari to Trieste.

MINERVE (COMPAGNIE FRANCAISE DE TRANSPORTS AERIENS, S.A.): France (1975–1992). This privately owned French charter operator is established at Paris by former **Air Cameroon** CEO Rene Fernand Meyer in June **1975** to undertake holiday and inclusive-tour flights to various destinations in France and from Paris, Brussels, and Basel to North Africa and the Mideast. President/General Manager Meyer's 50-employee company, named after the Roman goddess of learning, acquires a Sud-Est SE-210 Caravelle VIR from **Sterling Airways, Ltd.** and inaugurates charter services in November between Paris and Athens.

An SE-210 Caravelle VIR and two Caravelle VINs are added in **1976–1977**; however, late in the decade, one Caravelle VIN is replaced by a Caravelle XR. Government authority to operate either larger equipment or to more distant markets, such as the Caribbean, is twice refused.

In late **1980**, the French government agrees to allow Minerve the use of larger aircraft. A Douglas DC-8-53 is purchased from **Japan Air Lines Company, Ltd.** (2) and arrives at Paris in March **1981**. The following month it commences nonscheduled service to Dakar, Barbados, Mombasa, Lima, and Pointe-à-Pitre. Flights to the Guadeloupe market, on behalf of the tour operator Nouvelles Frontieres, must be routed through Brussels.

Enplanements for the year reach 255,000.

These flights continue in **1982** as a second DC-8-53 arrives from JAL. When the flight crews of both **Air France** and **Air Inter** go out on strike twice, Minerve is one of the French independents that responds to a government plea for assistance in maintaining schedules. At the same time, Meyer's carrier agrees to take over the operating certificate of the failed freight airline **Air Fret, S.A.**, as well as its maintenance hangar in the southern city of Nîmes.

In light of its assistance to the French government the previous year, the company receives authority in early **1983** to undertake transatlantic charters to the U.S. Arrangements are made with **Alitalia, S.p.A.** for the purchase of additional aircraft, including two DC-8-61s, a DC-8-62CF, a DC-8-73, and a DC-8-73CF. The CFs are placed on the cargo routes previously operated by Air Fret.

The DC-8-73 inaugurates a new route to Reunion in **1984** while the DC-8-61s inaugurate flights from Paris to New York, San Francisco, and Los Angeles.

Enplanements for the year total 342,720.

Operations by the 205-employee carrier continue apace in **1985**, with emphasis on flights to North and South America, as well as contract maintenance and overhaul work at the Toulouse facility. The fleet now includes 1 DC-8-73, 2 DC-8-53s, 2 DC-8-61s, 2 Caravelle XRs, 1 DC-8-73CF, and 1 DC-8-62F.

Customer bookings fall 7.1% to 320,000, but revenues climb 5.3% to \$40 million.

Employment increases 95.1% in **1986** to 400 as the number of revenue passenger kilometers (RPKs) flown accelerates 24.6% to 1.46 million. Breaking the **UTA (French Airlines, S.A.)** monopoly on Tahiti, Minerve commences charters to Papeete in August via San Francisco. In the fall, orders are placed for two (later six) McDonnell Douglas MD-83s.

The workforce is increased a further 13.3% in **1987** to 453 as RPKs advance by 25.3% to 1.84 billion. The Canadian subsidiary **Minerve Canada, Ltd.** is established and a DC-8-61 is leased to it. The subsidiary **Jet Alsace, S.A.** is formed to acquire the license of grounded Point Air of Basel and the fleet is increased, significantly, by the arrival on December 8 of a leased Boeing 747-283B, formerly flown by **SAS (Scandinavian Airlines System)**.

The fleet in **1988** includes 6 DC-8-62/73s, 2 Caravelle XRs, and 1 B-747-283B. The first two MD-83s are delivered in April and when placed into service, introduce the carrier's new stylish color scheme and the Minerve tail logo. The Jumbojet enters service on flights from Paris to Reunion and also to Pointe-à-Pitre. Two MD-11s are ordered in September after Airbus Industrie turns down a company request to participate as a launch customer for the A340.

Enplanements total 750,000.

Operations continue apace in **1989** and while awaiting delivery of the MD-11s, the first of three chartered DC-10-30s enters service in April.

Airline employment in **1990** stands at 711. The fleet comprises 1 B-747-283B, 1 DC-8-62CF, 1 DC-8-73, 1 DC-8-73CF, 5 McDonnell Douglas MD-83s, and 1 DC-10-30. The carrier begins to offer direct flights from New York (JFK) to Martinique and Guadeloupe on January 27. In the spring, as recession begins to impact the charter market, the new member of IATA sells 50% shareholding to Club Mediterranée.

Passenger boardings for the year climb to 896,600.

As part of the restructuring of France's airlines, Minerve is granted permission in **1991** to inaugurate scheduled services, beginning on May 7, from Nice to Paris (ORY) and London and from Paris (ORY) to Barcelona. Other destinations now introduced include flights from the French capital to Papeete via Los Angeles and to Bangkok and Ho Chi Minh City via California. Also during the spring, weekly roundtrip DC-10-30 frequencies are begun from Paris to Havana on behalf of **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**.

When Club Mediterranée acquires majority control of Club Aquarius and its subsidiary airline, **Air Liberte, S.A.**, plans are made to merge the two transport arms. Although the prospect is announced and two

MD-83s are even painted in joint titles, the merger does not occur, primarily because Club Med reduces its interest. At this point, minority shareholder (20%) Credit Lyonnais is able to have one of its executives named Minerve president, easing out founder Meyer. Credit Lyonnais and its Saga banking group now cause Minerve to buy out the financially troubled **Air Outre Mer, S.A.**

On January 1, 1992, the two airlines are combined to form **AOM French Airlines, S.A.**

MINERVE CANADA, LTD.: Canada (1987–1992). The French independent **Minerve (Compagnie Francaise de Transportes Aeriens, S.A.)** establishes this Canadian subsidiary at Montreal during the summer of 1987. Equipped with a single hush-kitted Douglas DC-8-61 leased from the parent, the airline begins passenger charter flights linking its base and Quebec City with destinations in the Caribbean, Mexico, and Florida during the winter.

A second DC-8-61 is acquired in the spring of 1988 and joins its predecessor in inaugurating inclusive tours to France during the summer.

The winter schedule resumes in the fall and in February 1989, bi-weekly flights are inaugurated from Toronto to the Azores. Operations continue apace in 1990–1991, but cease when **Air Outre Mere, S.A.** and Minerve merge on January 1, 1992 to form **AOM French Airlines, S.A.**

MINILINER, S.p.A.: P.O. Box 21, Orio al Serio, 24050, Italy; Phone 39 (03) 531 6865; Fax 39 (03) 531 8224; Code MSA; Year Founded 1981. This small operator is established in October 1981 to provide a system of express parcel delivery into small airports in Italy. Ad hoc passenger and cargo charters and air ambulance service will also be flown.

When revenue flights commence in the spring of 1982, MiniLiner is the first Italian carrier to offer overnight small package deliveries. Service, employing small aircraft, is continued during the remainder of the decade and through the next. In September 1988, MiniLiner signs a long-term contract to fly on behalf of the U.S. small-package pioneer **Federal Express (FedEx)**.

The fleet at the beginning of 2000 includes 1 each Fokker F.27-400F and F.27-500F.

MINISTIC AIR, LTD.: P.O. Box 42008, Winnipeg, Manitoba R3J 3X7, Canada; Phone (204) 832-8550; Fax (204) 889-4731; Code MNS; Year Founded 1996. Ministic is set up at Winnipeg in 1996 to provide scheduled and charter passenger and cargo services over the area from the U.S. border north. George Brotherston is managing director and he begins revenue flights with a fleet that includes 4 Cessna 206s, 2 Piper PA-31-350 Navajo Chieftains, 1 Aero Commander 500, 2 Dornier 228-202s, 1 Aero Turbo Commander 690, and 1 Beech King Air 100.

Two Beech 1900Ds are acquired before the end of the decade.

MINRY AIR ENTERPRISE: Mimi Aeroport, Yakutia, Sakha Yukutiya, 678170, Russia; Phone 7 (41136) 20197; Fax 7 (41136) 23192; Year Founded 1996. Late in 1996, **Diamond Russia Sakha-Mirny Aviation Enterprise (Almaz Rossiya Sakha-Mirinskoe AP)** is renamed. Nikolai N. Tereschenko remains director general and domestic operations are continued with a fleet that includes 10 Antonov An-24s, 14 An-2s, 4 An-26s, 3 Ilyushin Il-76TDs, 27 Mil Mi-8/17s, and 3 Mi-26s.

Flights continue during the remainder of the decade.

MINSK FLIGHT DETACHMENT NO. 1: Smolevichski Regional Airport, Minsk, 222210, Belarus; Phone 375 (0232) 51 45 53; Fax 375 (0232) 51 14 07; Year Founded 1994. A unit of **Belavia Belarussian Airlines**, this carrier is set up at Minsk in 1994 to provide domestic and regional passenger charter services. Vasili I. Ernakov is appointed CEO and he begins revenue flights with 12 Tupolev Tu-154B/Ms leased from the parent.

MINSKAVIA-MINSK FLIGHT DETACHMENT NO. 2: Korotkevicha Str. 9, Minsk, 222210, Belarus; Phone 375 (0172) 250674; Fax 375 (0172) 253725; Code 4M; Year Founded 1994. A unit of **Belavia Belarussian Airlines**, this carrier is established at Minsk in 1994 to provide domestic and regional charter services, with emphasis on cargo and local service passenger markets. Vasili K. Radkevich is named CEO and he begins revenue flights with 6 Antonov An-24s plus 4 each An-26s and Yakovlev Yak-40s.

Service is maintained in 1995–1999, during which years a number of long-haul charters are also operated to Zaire and Guinea. Aerial work is undertaken with a fleet of 10 Kamov Ka-26 helicopters.

A total of 380 workers are employed at the beginning of 2000.

MIROW AIR SERVICE. See ALASKA AIRLINES

MISR AIRWORK, LTD. See AIRWORK, LTD.

MISR OVERSEAS AIRWAYS, LTD.: Egypt (1985–1989). Originally established at Cairo in 1985 as **Air Lease Egypt, Ltd.**, this privately owned carrier undertakes passenger and cargo charters and contract service flights to destinations throughout the Arab world, North Africa, and southern Europe. Operations are conducted until 1989 with 3 leased Boeing 707-366Cs previously operated by **EgyptAir, S.A.E.**

MISRAIR, S.A.E. (1): Egypt (1949–1958). Although the government of Egypt had taken majority control at the beginning of World War II, the entire capital of the **Airwork, Ltd.** subsidiary Misr-Airwork, Ltd. is acquired by the Egyptian government in 1949 and is renamed.

Vickers Viking Mk. 1Bs, together with such smaller aircraft as Beech C-45s, and de Havilland DH 89 Dragon Rapides, are also acquired from the U.K. operator and maintained to continue the previous services. Jerusalem to Cairo flights commence on November 25, 1950.

In March 1951, orders are placed for three Vickers Viscount 700s. In October, five Sud-Est SE-161 Languedocs are purchased from **Air France**. These take over the Viking routes from Cairo to Geneva, Tehran, and Khartoum. While approaching Tehran Airport on December 22, a Languedoc with 22 aboard crashes; there are no survivors and among the victims is U.S. Technical Cooperation Administrator Henry G. Bennett.

The Egyptian-Italian joint venture airline **SAIDE (Services Aeriens Internationaux d'Egypte, S.A.O.)** is taken over on December 1, 1952. A number of Douglas DC-3s are received and these replace the Beechcraft and de Havillands on domestic services.

Several regional routes are now started to neighboring Arab states with Vickers 634 Viking Mk. 1Bs. One of these fails its takeoff from Cairo and crashes near Almaza Airport on December 15, 1953 (six dead).

Flights continue apace, but another accident occurs in 1954. A Vickers 634 Viking 1B and three of its four-person crew are lost in an accident at Cairo's Almaza Airport on September 15.

The first two Viscount 700s are received in December 1955 and enter service on March 16, 1956. Part of the carrier's fleet is lost during the Suez Crisis and a Vickers Viking 739 is lost in a ground accident at Almaza Airport, Cairo, on October 1.

In February 1958, following the political merger of Egypt and Syria, Misrair is renamed **United Arab Airlines**.

MISRAIR, S.A.E. (2): Egypt (1964–1968). In late 1964, **United Arab Airlines (UAA)** executives begin planning for the establishment of a second Misrair at Cairo in the summer of 1965. Misrair, S.A.E. (2) will take over and operate domestic and regional services. The General Arab Air Transport Organization, which owns UAA (as well as the Karnak Travel and Tourist Corporation and the airline's hotel division, General Aviation Services), seconds over many UAA personnel and places the new entrant under the command of Air Marshal Gamal Afifi.

Afifi and his top officials are at first uncertain as to which flight equipment Misrair-2 will employ. The four Vickers Viscount 739s

available from UAA are considered to be too large and the available Douglas DC-3s and DC-6Bs are too antiquated. A turboprop comparison is made between the Fokker F.27, Handley Page Herald, the Hawker Siddeley HS-748, and the Antonov An-24. Although the HS-748 is most desirable, it is very expensive and must be paid for in hard currency.

The Soviet Union, quite friendly with Egypt and Syria at this point, now steps forward with a good price and easy payment terms (including payment in Egyptian funds) and late in the year an order is placed for seven An-24s.

In order to familiarize crews with the Antonov, a unit is leased from **Aeroflot Soviet Airlines** during the spring of **1965**. The first owned An-24 arrives at the beginning of June, followed by three more during the next two months. During this period, Chairman Afifi is succeeded by Gen. Mohammad N. Hashad. Daily service begins on August 1 from Cairo to Luxor, continuing on to Aswan as necessary.

The Aeroflot An-24 is returned later in the year as the last three owned An-24s arrive. The Cairo to Luxor route is increased to four-times-a-day frequency, with three services continuing on to Aswan. Additionally, roundtrips are inaugurated from Cairo to Nicosia, Alexandria, Port Said, and El'Arish, as well as from Alexandria to Athens.

Misrair-2 is an expensive operation in both equipment and operating costs. Two An-24s are lost in accidents. The first is written off after a bad landing at Aswan on February 2, **1966**. On March 19, a second Russian turboprop with 30 passengers crashes near Cairo; there are no survivors.

During its entire life, this carrier does not generate sufficient income to cover its expenses. The financial drain continues throughout the remainder of **1967** and into **1968**. On January 1 of the latter year, it is announced that Misrair-2 will be shut down on June 1. Its personnel and aircraft are amalgamated into **United Arab Airlines (UAA)**.

MISSION AIRLINES: United States (1981–1982). Established at El Cajon, California, in the spring of **1981**, Mission begins regularly scheduled third-level passenger flights to San Diego and Los Angeles with a fleet of Piper PA-31-350 Navajo Chieftains, PA-31-310 Navajos, and PA-34 Senecas. ATC problems caused by the summer PATCO air traffic controllers' strike make it impossible for the new entrant to earn sufficient income to continue. As a result, operations cease in early **1982**.

MISSISSIPPI VALLEY AIRLINES (MVA): United States (1969–1985). **Gateway Aviation** of La Crosse, Wisconsin, is reformed in September **1969** to fly commuter service in the central Midwest. Revenue operations, initially under the name Mississippi Valley Airways, are inaugurated on October 30 over a Minneapolis–Chicago via Winona and La Crosse route formerly flown by **North Central Airlines**. The initial fleet is all de Havilland DHC-6-100 Twin Otter.

A DHC-6-200 with two crew and four passengers is destroyed as the result of a bad landing at La Crosse on November 9, **1970**; there are no fatalities.

Operations continue apace in **1971–1973** and by **1974** enplanements are 39,786. During the latter year, the routes of **Air Iowa** are purchased and merged and the company receives its final moniker.

Airline employment in **1975** stands at 45. During the year, the carrier trades in its Twin Otters for a fleet of 3 Beech 99s and 1 Swearingen Metro II. The higher speeds of these aircraft allow frequencies to be increased. Late in the year, CAB-approved replacement service is started to Clinton, Iowa, on behalf of **Ozark Air Lines**.

Still, passenger boardings decline 4.7%, to 37,914.

Freight traffic accelerates 34.4% in **1976** while customer bookings jump 39.5% to 52,890.

Enplanements in **1977** are level at 52,658, although growth is anticipated and an order is placed for six Shorts 330s. Chairman/CEO John J. Louis Jr.'s "Mud Valley," as pilots sometimes call the airline, begins a period of rapid growth following the signing of the Airline Deregulation Act in October **1978**. Routes are stretched to Cedar Rapids, Des Moines, Omaha, Moline, and Milwaukee. Passenger boardings jump 32.1% to 79,025.

Enplanements skyrocket during **1979** to 152,000, a 92.6% improvement; freight does even better, rising a spectacular 217.9% to 1.28 million FTKs.

The employee population grows by a whopping 62.5% in **1980** to 325 and the fleet includes 6 Shorts 330s and 7 Beech 99s. Orders are placed for four Fokker F.27-500 Friendships. At Chicago (ORD), the company is able to move into the **Eastern Air Lines** terminal.

Destinations visited now include Burlington, Ottumwa, Cedar Rapids, Clinton, Des Moines, Dubuque, Kansas City, Minneapolis (MSP), Omaha, Moline, and the Quad Cities, Illinois.

The Moline, Illinois-based carrier records a 69.1% increase in passenger boardings to 257,180 and a 7.5% improvement in freight traffic.

Arthur G. Hailand Jr. becomes board chairman/CEO in January **1981**, succeeding John J. Louis Jr., who becomes U.S. ambassador to England. Also in January, the first Fokker F.27-500 enters service and the company receives the 1980 "Regional Airline of the Year" award from *Air Transport World* magazine.

During the spring, flights begin to Madison, Wisconsin; Burl W. McLaughlin becomes president in May. A new group of investors infuses the carrier with needed equity capital. A new relationship is entered into with **United Airlines**, whereby MVA leases space at the major's Chicago terminal and cohosts its Apollo reservations system.

The fleet is upgraded as four 99s are retired in favor of three additional Shorts 330s and the first Fokker F.27-500. Orders are placed for two additional 330s and a 360 for 1983 delivery.

Despite the severe impact of the August PATCO air traffic controllers' strike and subsequent ATC restrictions upon its operations, the airline is able to achieve a 37.2% booking rise to 352,784. Freight, on the other hand, is a disaster, having plunged 60% to 297,151 pounds. The year's net financial loss is \$2.34 million.

The company base is transferred to Moline, Illinois, in **1982**. As the three remaining Dutch-built turboprops come on line, passenger boardings rise again, up by 43.9% to 507,656. Despite the recession, net profits recover and climb to \$1.16 million.

In **1983**, the company goes public, selling its stock for the first time and thus placing its financial picture out in the open. The Shorts aircraft requested in 1981 are delivered.

This year, passenger traffic accelerates by 15.9% as 588,373 passengers are carried. Cargo recovers, bounding upward by 42.8% to 775,529 pounds. Operating revenues of \$35.7 million (up 19.4%) are earned and expenses are held to a 20% gain at \$31.8 million. The operating profit is \$3.9 million and net gain is \$2.8 million, a profit that comes largely from the sale of tax benefits.

MVA, which has been flying routes into Illinois, Minnesota, Wisconsin, Iowa, Nebraska, and Missouri, enjoys a significant jump in enplanements during **1984**, up 27.7% to 751,346. Freight, on the other hand, falls 43.3% to 439,000 pounds. Revenues, meanwhile, climb 28.9% to \$45.98 million and costs accelerate 32.7% to 42.19 million. Although the operating profit declines slightly to \$3.79 million, net profit, not aided by a repeat of 1983's benefit tax, shrinks 81% to \$535,000.

After a study of the toughening competitive aspects of the industry, company officials join those from **Air Wisconsin** on January 28, **1985** to announce that the two companies will merge under the latter's banner on May 17. To accomplish the merger, each share of MVA common stock will be converted into 0.4621 share of Air Wisconsin common stock.

Prior to the marriage, MVA, the nation's eighth largest regional, transports a total of 214,677 passengers, a 7.1% boost over the same period a year earlier.

MISTRAL AIR, S.p.A.: Palazzina 131, Aeroporto Ciampino, Ciampino, Rome, I-00040, Italy; Phone 39 (6) 793 40614; Fax 39 (6) 793 40517; Code MS; Year Founded 1989. Mistral is established at Rome in **1989** to offer both executive passenger and all-cargo services, the latter on behalf of large corporations and other freight operators such

as **TNT Worldwide Express**. Revenue operations commence with 1 TNT-dedicated British Aerospace BAe 146-200QT, 2 Grumman G-159 Gulfstream Is, and 1 each Cessna 500 Citation I and 550 Citation II. Traffic and financial data for the privately owned carrier are not released.

The Gulfstreams are removed in **1990** and a BAe 146-300QT is acquired for the TNT service in **1992**.

In **1993**, Chairman/President Carlo Pedersoli and Managing Director Werner Romanello oversee a workforce of 35. The Citation I is removed and destinations served from Rome in the TNT service include Nuremberg, Cologne, and Genoa.

During **1994**, airline employment is increased to 50. A BAe 146-300 configured for passengers is leased from Asset Management Organization in the spring and is employed to inaugurate charter flights for travelers from Rome's Ciampino Airport to destinations in the Mediterranean and Central Europe.

The passenger charter operation is not a success and the BAe 146-300 is returned to AMO in **1995**. Thereafter, the company operates primarily freight services for **TNT Worldwide Express** with the two BAes acquired at the beginning of the decade. Destinations visited include Bari, Basel, Bologna, Cagliari, Cologne, Forti, Genoa, Nuremberg, and Palermo.

On March 1, **1999**, new four-times-a-week BAe 146-200QT return cargo service is inaugurated from Turin to Frankfurt, Lieges, and Hanover.

By **2000**, Managing Director Romanello has become chairman/president, with Guiseppi Napoli as managing director. The fleet has also been enhanced through the addition of 1 Fokker F.27-600F.

Beginning in late October, the carrier restructures its business around a new freight hub at Bologna. From that point, all-cargo return services are operated to Palermo via Naples and Cagliari and to Reggio Calabria via Bari and Catania.

MISTRI AIRWAYS, LTD.: India (1946–1947). Mistri is established at Bombay in the spring of **1946** to provide passenger and cargo services with a fleet of 17 Noorduyn Norsemen built in Canada. In addition to charters, the company opens a scheduled route to Calcutta via Nagpur on September 29. The company undergoes a complete corporate upgrade in January **1947**, becoming **Indian Overseas Airlines, Ltd.**

MK AIRLINES, LTD.: Landhurst, Hartfield, East Sussex, England, TN7 4DL, United Kingdom; Phone 44 (1892) 770 011; Fax 44 (1892) 770 022; <http://www.dircon.co.uk/cfalton/mk.html>; Code 7G; Year Founded 1990. This all-cargo operation is formed at London (LGW) in April **1990**, taking over Ghana-based **Cargo d'Or, Ltd.**, which is operated as a subsidiary, and Nigeria's **Flash Airlines, Ltd.** Privately owned and registered in Ghana, the company employs J. G. Davenport as chairman and Capt. Michael C. Kruger as managing director. During the next 10 months, preparations are undertaken for the beginning of scheduled services to Central and West Africa.

A DC-8-55F Jet Trader is leased in the winter of **1991** and employed to inaugurate flights in February to Kano, Lagos, Nigeria, Accra, Ghana, and Zimbabwe. European exports to Africa on behalf of the Swiss freight forwarder Panalpina and fruit exports into the U.K. are the major cargos.

A DC-8-54F is chartered in early **1992**. The new aircraft, with five crew, is destroyed in a crash near Kano on February 15; there are no fatalities. The aircraft is replaced by a DC-8-55F.

In **1993**, airline employment is 25 and the fleet comprises 2 owned and 1 leased DC-8-55Fs. Ad hoc charters to Iceland as well as European destinations are now flown and marketing alliances are put into place with **Air Malawi, Ltd.**, **Air Namibia, Ltd.**, **Flugfelag Island/Icelandair H.F.**, and **British Airways, Ltd. (2)**.

The **Cargo d'Or, Ltd.** subsidiary is renamed MK Airlines Ghana, Ltd. in **1994**. Other affiliates now formed are MK Airlines (Pty.), Ltd. in Zimbabwe and MK Flugfelagid, H.F. in Iceland. Units of the DC-8F cargo fleet will be distributed amount the flying operations, under the

administration of the central office maintained in London (LGW), which also handles technical, operational, financial, and leasing services. Despite these different ownership structures, the entities are combined in their financial reports and are operated out of the London head office in an arrangement not unlike that of **DAS Air Cargo, Ltd.** of Uganda.

A fourth DC-8-55F joins the fleet in **1995**. African destinations now visited include Congo, Egypt, Kenya, Malawi, Namibia, Nigeria, South Africa, and Zimbabwe.

Flights continue in **1996–1997**, during which years two DC-8-62Fs are dedicated for use by the Icelandic subsidiary; the main line fleet is enhanced by the addition of another DC-8-62F and a DC-8-54F. Worldwide services are now offered from hubs at Luxembourg, Ostend, Nairobi, Harare, Accra, and London (STN). The Accra hub now supports a growing number of services on behalf of Panalpina, as well as various African exporters.

While landing at Port Harcourt on December 17 of the former year after an all-cargo service from Luxembourg, a DC-8-55F with four crew touches down 250 m. short of the runway. The plane hits approach lights, climbs up onto the runway, and then runs off its left side, suffering the collapse of its nose landing gear. Although the Douglas is badly damaged, there are no fatalities.

Flights continue in **1998**. In October, an ex-**Arrow Air** DC-8-63F is chartered from International Air Leases to operate on behalf of the Philippine concern CLA Air Transport. The narrow-body, with an all-white fuselage decorated with CLA's logo and titles (the logo is repeated on the all-white tail), begins daily revenue flights around the Far East on November 1. In December, a three-year ACMI contract is signed with **Atlas Air**.

The combined companies, for the year as a whole, have assets of \$24.4 million, including \$14.3 million in current assets. On revenues of \$60,607,677, a net gain of \$1,174,221 is realized.

The fleet at the start of **1999** includes 4 DC-8-55Fs and 2 DC-8-62Fs, the latter 2 registered to MK Flugfelagid, H.F. During the spring, an application is filed with the DOT for a Foreign Air Carrier certificate to operate weekly all-cargo return service between Ghana and the U.S., with Fifth Freedom rights to load and unload cargo in Europe. The authority is opposed by several U.S. forwarders and cargo airlines. After negotiations are completed, the carrier, in June, refuses to complete the sale of its MK Flugfelagid, H.F. subsidiary to **Atlas Air**, claiming that it will not accept the restrictions on its Ghana-U.S. business that Atlas and others have proposed.

Wearing the company's new color scheme, a chartered B-747-246F, previously flown by **Southern Air Transport**, enters service at the end of July, flying between Africa and Europe.

Nine months into its three-year ACMI lease with **Atlas Air**, MK, in August, terminates the contract, formally turning the two onetime partners into adversaries. The differences between the two concerns are picked up by the media, which relays the Atlas claim that ownership of MK is murky at best and that it is, in fact, a European airline posing as an African carrier. Atlas, meanwhile, files papers with the DOT seeking to block the Ghana-U.S. authority MK has requested, pointing out that MK's claim to be an African carrier is a facade designed hide its English origins.

Despite these and other objections from several parties, a Foreign Air Carrier permit to operate all-cargo service between Ghana and the U.S. is approved for MK by the DOT, albeit with a restriction that MK must secure permission each time it desires to pick up cargo at "technical" stops between Ghana and the U.S.

A total of 105 workers are employed at the beginning of **2000**. The fleet now includes 4 DC-8-55Fs, 1 DC-8-54F, and 3 DC-8-62Fs. A leased B-747-244BF enters service at the beginning of the year; it will be regularly contracted to operate cargo service northward on behalf of **South African Airways (Pty.), Ltd.** The company continues to rent its entire capacity from Western Europe to Africa to forwarder Panalpina.

A new division of the inactive MK Flugfelagid, H. F. subsidiary is now formed at Keflavik in February. **Icelandic MD Airlines, H.F.** will

be based at Stockholm and operate passenger charters on behalf of the Swish tour operator Traffic Europa, A.B.

An emergency service begins with **Martinair Cargo, N.V.** on March 20 in a collaborative effort to get badly needed relief supplies from Europe to flood-ravaged Mozambique. Supplies arrive at Nairobi aboard one of the Dutch line's MD-11Fs, where they are put aboard MK Airlines DC-8-55F services for Beira and Maputo.

Following the signing of an "open skies" aviation agreement between the governments of the U.S. and Ghana, MK Airlines is given blanket authority to operate to the U.S. It does not, however, have Seventh Freedom authority to operate over the Atlantic without first originating in Ghana.

MK AIRLINES (PTY.), LTD. *See* **MK AIRLINES, LTD.**

MK AIRLINES GHANA, LTD. *See* **MK AIRLINES, LTD.**

MK FLUGFELAGID, H.F. *See* **MK AIRLINES, LTD.**

MMABATHO AIR SERVICES (PTY.), LTD.: South Africa (1979–1985). **Mafikeng Air Service (Pty.), Ltd.** is reorganized and renamed at Mafikeng Airport on July 20, 1979. Mmabatho Air is designated flag carrier for the South African black "homeland" of Bophuthatswana, which is located within the borders of the Republic of South Africa. Ownership is divided between the homeland government (70%) and private interests (30%).

Start-up of charter, scheduled, and government contract service is delayed until June 1981. Operations are then undertaken in cooperation with **Magnum Airlines (Pty.), Ltd.** The initial fleet comes to comprise 2 Embraer EMB-110P Bandeirantes, 1 Piper PA-31-310 Navajo Chieftain, 1 Piper Navajo, and 1 Cessna Citation executive jet. Scheduled services between Mafikeng and Johannesburg continue and in 1985 the carrier is renamed **Bop Air (Pty.), Ltd.**

MMM AERO SERVICE, S.A.: Zaire (1981–1985). MMM is set up at Kinshasa in 1981 to undertake domestic passenger and cargo turboprop services. Revenue flights commence with one each Vickers Viscount 750 and Handley Page HPR-7 Herald. Virtually unknown outside of Zaire, this small concern continues operations in 1982–1984.

On September 11 of the latter year, the Herald, with 40 passengers, is lost in a crash at its base; there are no survivors. Unable to recover, the company is out of business at the beginning of 1985.

MNG AIRLINES CARGO, A.O.: Istanbul Ataturk Airport, Yesilkoy Cad, no. 9, Istanbul, 34810, Turkey; Phone 90 (212) 663-8350; Fax 90 (212) 663-8349; <http://www.mngaircargo.com>; Code MB; Year Founded 1997. MNG is set up at Istanbul in 1997 to operate nonscheduled all-cargo services throughout Europe, the Mediterranean, and into the CIS. Revenue flights begin on November 1 and continue with a single Airbus Industrie A300B4-203F.

The only all-cargo carrier and thus the flag carrier freighter airline in Turkey, MNG operates scheduled and charter flights to Frankfurt, London (CTN), Paris, Milan, Moscow, Dubai, Baku, Tbilisi, and Almaty. MNG also offers scheduled surface connections to other points in Turkey, such as Ankara and Izmir. Interline arrangements are made with other airlines in order that shipments can be made on a single AirWay-Bill to points all over the globe.

Flights continue in 1998. A hub is set up at Liege, Belgium, and is employed to launch a weekly roundtrip all-cargo service to Moncton, New Brunswick, in Canada, during the fall. A company milestone is achieved on November 19 when, under contract to C-S Aviation Services, the Airbus freighter completes the company's first service from Liege via London (CTN) and Bangor, Maine, into New York (JFK).

NATO countries find it necessary to unite and commence a military campaign against Serbian military targets to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independ-

ent Kosovo. *Operation Allied Force*, the NATO bombing attack on targets in Serbia and Kosovo, begins on March 24, 1999.

As the aerial operation continues, Serbian forces drive ethnic Albanians from Kosovo into Albania and Macedonia, creating a humanitarian crisis. Although opposed to the campaign and a traditional foe of fellow-NATO member Turkey, on March 31, Greece grants permission for Turkey to begin a humanitarian airlift to Tirana. This is the first time Greece has ever opened its airspace to Turkish cargo planes.

Three MNG and **THY Turkish Airlines, A.O.** freighters transport 36 tons of food and medicine from the Red Crescent organization to Albania. Additional aircraft fly missions daily thereafter for the duration of the conflict.

Service is maintained in 2000. The carrier's fourth A300B4-203F is unveiled on April 28 wearing a special color scheme in honor of the Swiss air freight forwarder Danzas.

An A300B4-203F all-cargo roundtrip service on behalf of United Parcel Service (UPS) is begun between Hong Kong and Singapore in October. Also during October, another A300B4-203F, wearing a bright yellow and black color scheme, begins flying for Danzas.

On November 3, an A300F4-203 is acquired; it had previously been flown by **South African Airways (Pty.), Ltd.** An A300B4-203F begins an ACMI contract on behalf of **Mandala Airlines** on December 22.

MODERN AIR TRANSPORT (MAT): United States (1946–1975). MAT is incorporated as an irregular carrier at Hempstead, Long Island, in mid-1946 to fly domestic charter and cargo flights. Revenue operations duly commence employing Douglas DC-3s and beginning in 1953, two Curtiss C-46 Commandos. Two more Curtiss transports arrive in 1956. Several Martin 2-0-2s join the fleet later in the decade and the four C-46s have all been withdrawn by 1962.

Little more is heard from this "quiet" Douglas and Martin operator until 1964. During that year, the carrier's workforce totals 70 employees and its fleet includes 5 aircraft, all Lockheed L-049 Constellations purchased from the assets of **Capital Airlines** back in 1961. Revenues are \$1.06 million.

In 1965, Modern is one of 10 supplemental carriers receiving permanent certification from the CAB. Its domestic authorization will allow services to be operated anywhere between Canada and Mexico.

Revenues climb to \$2.16 million and expenses are \$1.8 million, leaving a net profit of \$254,811.

An attractive acquisition target, MAT is acquired by Gulf American Land Corporation in 1966 and its headquarters are transferred to Miami, Florida. GALC has plans to use the company's aircraft to transport prospective customers to its land development areas in Florida and Arizona.

On September 30, the supplemental receives CAB authority to operate to both Mexico and Canada.

Revenues for the year total \$4.4 million and a \$30,597 profit is announced.

On January 1, 1967, Modern purchases five Convair CV-990A Coronados from **American Airlines**, three of which are delivered during the year and placed into service. Various types of charter and tour long-haul flights are now undertaken as the workforce grows to 213.

On April 10, a CV-990A is leased to **Air France** for the summer. The cost of operating the new jetliners is so high that Modern attempts—unsuccessfully, as it turns out—to cancel the delivery of the last two aircraft.

A total of 362,540 passengers are carried during the year. Revenues jump to \$9,579,239, but losses are heavy: \$2,987,128 (operating) and \$3,616,796 (net).

Two more CV-990s arrive from **American Airlines** in the spring of 1968 at which time the employee population numbers 275. A complete operations and maintenance base is established at West Berlin's Tegel Airport and from that German city charter flights are inaugurated to 17 Mediterranean and European destinations.

The year's highlight is completion of the world's first commercial transpolar flight, including the first commercial landing, by the CV-990A *Polar Zyrd I*, on the ice runway at McMurdo Sound, Antarctica. The same aircraft is the first from a U.S. charter airline to visit the Soviet Union; unhappily, Moscow's airport does not have a ground power unit capable of handling a Coronado and the return flight is delayed three days while a unit is brought in from Tegel Airport.

In addition, employing two CV-990As wet-leased to the Canadian airline, transatlantic flights are started between Canada and Europe on behalf of **Nordair, Ltd.**

Despite all of this activity, customer bookings slide to 295,185. Revenues jump 20% to \$11,514,020 and the losses shrink, down to minus \$1,273,000 (operating) and \$2,405,000 (net).

In early 1969, the company passes to the holding company, General Acceptance Corporation. A CV-990A is sold to the Spanish cargo charter airline **Spantax, S.A.** while, in December, another is purchased from **Alaska Airlines**.

Enplanements are 329,168. Revenues total \$14,121,713. Losses are significant: \$983,100 (operating) and \$1,847,896 (net).

The employee population in 1970 numbers 307. The Canadian government revokes the company's Canada-Europe rights operated for two years on behalf of **Nordair, Ltd.** This apparent disaster is averted by initiation of new charters to Mexico and additional military CAM operations.

Although a second pole-to-pole charter is flown, it is overshadowed by a single Father's Day flight in June. Officially marketed as a "Get Away from Miami Flight," the Coronado departure features three West German showgirls dressed in slight costumes with transparent bodices. Although the flight quite naturally garners worldwide press attention, this *Busenvogel* (Bosombird) service will not be repeated.

A CV-990A with eight crew and chartered by Asti Mexican Tours, overshoots the runway while landing at Acapulco on August 8; there are no fatalities, but all aboard are injured to one degree or another.

A replacement aircraft is acquired from **American Airlines** and the Miami-based overhaul facility, American Airmotive, is purchased.

The year's passenger boardings increase a slight 1.37% to 338,810 and revenues, due largely to the Canadian cancellation, are down by \$323,000 to \$13,799,007. Losses are again taken, but are down somewhat: \$664,098 (operating) and \$879,544 (net).

Two CV-990As are purchased from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** in January and February 1971. In March, Modern becomes the first U.S. supplemental to operate scheduled services when it opens twice-daily frequencies from West Berlin to Saarbrücken. Indeed, a change in the General Acceptance Corporation board of directors leads to a transfer of all flight operations to Tegel Airport.

Enplanements for the year are not reported, nor are losses; however, both now head downward from black to red.

In 1972, the employee population numbers 297. U.S. markets are now abandoned almost entirely as major concentration is placed on expanding European operations from an enlarged West Berlin base.

The sixth largest U.S. supplemental boards a total of 399,000 passengers on the year. Revenues are \$15.6 million, but expenses swell to \$18.08 million. Consequently, deficits continue to be posted: \$2.42 million (operating) and \$4.14 million (net).

In 1973, markets are again realigned as Modern becomes the smallest supplemental. Five of the company's DC-8s continue to operate in Europe; however, three are soon shifted back to America as the company reinstates limited U.S. operations. At the end of the year, General Acceptance Corporation files for Chapter XI bankruptcy protection and the land development charters, long a source of guaranteed income for the airline, end.

Customer bookings incline upward by 23.1% to 491,000 and cargo is carried for the first time, a total of 13,000 FTKs are flown. Expenses remain out of hand, climbing to \$26.93 million on total revenues of \$25.06 million. The operating loss is \$1.86 million and the net loss, while improved, is still \$3.22 million.

The indecisive and bankrupt owners close down the carrier's German operations at the end of the year. Modern's enplanements drop 17.3% in 1974 to 406,000, while freight is off by 46.2% as only 7,000 FTKs are flown. Income declines again, down to \$24.61 million; expenses, however, shoot up again, to \$28.79 million. The operating loss is \$4.17 million while a net loss of \$8.98 million is the highest in the industry and will prove fatal.

Unable to maintain its viability, Modern begins to fade. In July 1975, a CV-990A is sold to the Denver travel club **Ports of Call**. The carrier's pilots strike on September 1 in a contract dispute that sees two aircraft abandoned by them, one each at New York (JFK) and Chicago (ORD).

At this point, the General Acceptance Corporation board of directors publicly announces that it can offer Modern no further support and thus the airline suspends services. The CAB grounds Modern on October 6 and it surrenders its operating authority the same day.

Seattle investor Eugene Horbach receives CAB permission to purchase the company's assets in March 1977. Later in the year, these are transferred into a new Modern Airways, which does not become operational.

MODERN AIRWAYS. See **MODERN AIR TRANSPORT (MAT)**

MODERN TRANSPORT (WOLVERHAMPTON), LTD. See **DON EVERALL (AVIATION), LTD.**

MODILUFT: India (1993-1998). Modiluft is established at New Delhi on March 18, 1993. Following an unsuccessful approach to GE Capital, a joint venture is formed between **Deutsche Lufthansa, A.G.** and S. K. Modi's Modi industrial group subsidiary **MD Express**. Satish Kumar is named chairman and the company is outfitted with 3 Boeing 737-230As chartered from the German flag carrier, which also trains all of the new entrant's personnel under terms of its technical agreement.

Revenue services are inaugurated on May 2, linking the airline's base with Bangalore, Bombay, Cochin, Hyderabad, and Jammu. In August, the two firms agree to form a joint ground-handling company. Operations continue apace during the remainder of the year.

A third B-737-230A arrives under lease from **Deutsche Lufthansa, A.G.** in 1994 and service is flown from a main base at New Delhi to 14 cities: Ahmedabad, Amritsar, Bangalore, Bombay, Calcutta, Cochin, Goa, Jaipur, Jammu, Khajurabo, Pune, Srinagar, Udaipur, and Varanasi. Revenues for the year total \$31.8 million, allowing a net \$3.3-million profit. Traffic figures are not offered.

A fourth B-737-23A is ordered from Germany in 1995 and the company's technical cooperation agreement with **Deutsche Lufthansa, A.G.** is renewed. Simulator training for company pilots continues to be carried out at the German major's Frankfurt Training Center.

Late in December, the owners of **NEPC Airlines, Ltd.** attempt a hostile takeover. An open offer is made to acquire a 48% stake through the purchase of 300 million shares. The maneuver will not, in the end, be successful, largely due to the shaky status of NEPC and its subsidiary **NEPC Skyline, Ltd.**

The joint-venture airline faces collapse in May 1996 when **Deutsche Lufthansa, A.G.** pulls out and accuses its partner, India's Modi business group, of withholding DM 33 million (\$20.62 million) in dues and fees for aircraft leases, maintenance, and the training of pilots and cabin crews. Chairman Kumar holds a press conference in New Delhi to deny the charges.

The company actually fails in September, forcing its German partner to commence a long legal battle for the recovery of the three chartered Boeings. During October, a number of pilots quit. While operating a single B-737, the company seeks \$100 million in additional financing.

In November, Modiluft countersues, claiming the German carrier owes it \$140 million in damages for loss of reputation and credibility. It also maintains that it has a valid claim on three of the chartered aircraft.

In January 1997, the company allows its operating license to lapse. In April, the Bombay High Court hands back the disputed Modiluft planes

to the German airline, but DLH fails to take the jets out of India because of another case pending in the Supreme Court. On August 20, **Deutsche Lufthansa, A.G.** and Modiluft announce a comprehensive settlement plan that resolves outstanding issues that have been the subject of litigation between the two organizations. A Modi group spokesman suggests the move will lead to an early relaunch of the joint-venture airline. Indeed, after a year of legal wrangling, DLH in mid-September will receive back the three Boeing aircraft it had leased to Modiluft, as well as a \$5-million damages award, which will be paid in six tranches beginning in the year 2000.

Meanwhile, Modiluft, which has become a possible takeover target for **NEPC Airlines, Ltd.**, makes plans to resume services in February with several B-737s leased through Fortis Aviation. To assist in the resumption of operations, a management contract is signed in November with Speedwings, a subsidiary of **British Airways, Ltd. (2)**.

Despite the best-laid plans, the company remains grounded in 1998. However, its scrip, languishing below Rs 3, continues to be traded on the Bombay Stock Exchange. Although the Delhi High Court passes a winding-up order, it is withheld when, late in the year, reports begin to circulate that the company will resume flights and thereby discharge its debts.

On March 19, 1999, founder Modi informs the press that the rumors concerning a possible relaunch are true. Modi has entered into an agreement with the Vancouver-based Verus Group, headed by nonresident Indian Ajmai Khan, to refund the airline and put it back into the air as Royal Airways, Ltd.

It is anticipated that the Verus Group will raise C\$17.5 million to pay off the old debts and another C\$17.5 in equity, hopefully by June 30, so as to allow operations to resume by the end of June. News of the possible restart helps company shares on the Bombay Stock Exchange to jump to Rs 12.50 each.

Meanwhile, during the first two quarters of the year, numerous companies have continued to petition the Delhi High Court for satisfaction of their claims. In addition, Air UK Leasing, Ltd. charges that Modiluft did not deposit 63 crore with the Indian customs department that it had collected from its passengers as inland air travel tax.

These debt cases are adjourned from time to time. The metropolitan magistrate examining the inland tax charge accepts the police report and simply acquits the accused. Air UK Leasing, Ltd. takes its charges to the High Court.

On April 23, Chairman Modi is directed to file an affidavit with the court officially explaining any plans to restart the carrier or for raising money to pay its debts. Additionally, he is directed to disclose all personal assets held by himself or in the name of his family members. When this move becomes public, analysts suggest that the Supreme Court may, as it has in a few earlier instances, actually be preparing to remove corporate protections and seek to attach the personal assets of the carrier's owner and directors.

Summoned to appear before the High Court on May 14 in the matter of the inland tax, Chairman Modi sends word, through his attorneys, that he cannot be present due to a previously planned foreign trip. On May 21, Justice D. K. Jain severely admonishes Modi's failure to appear and directs him to present his person before the judges on May 24. In addition, the court reverses the metropolitan magistrate's order regarding the criminal case of tax evasion and orders that proceedings against Modiluft continue in accordance with the Indian penal code.

Little more is heard about the defunct airline during the remainder of the year.

In August 2000, the media reports that, despite huge debts, Modiluft hopes to resume operations by October. The Indian Civil Aviation Ministry has, however, demanded that the company first pay off its unpaid fuel and landing fee bills.

It is revealed on September 4 that Modiluft has secured a \$22.5-million loan from the Allied Boston Bank via a new equity partner Royal Holdings Services. Funding will be used to pay off debt and secure a fleet of leased Boeing 737-400s. According to critics, the SK Modi-

promoted airline continues to owe \$19 million to the leasing concern Air UK, Ltd., \$12 million to **Deutsche Lufthansa, A.G.**, and \$25 million to the three energy firms—Indian Oil, Hindustan Petroleum, and Bharat Petroleum. New CEO Rex Lezard, in an interview with *The Times of India* on September 20 admits debt, but does not agree with these numbers.

Despite debate over debt servicing, the reborn enterprise, which has been renamed **Royal Airways, Ltd.**, is now operating according to a business plan proposed in August by the **British Airways, Ltd. (2)** consulting subsidiary Speedwing. Plans call for the acquisition of five Next Generation Boeing 737-700s and the resumption of business from Delhi as a passenger airline. A staff of 1,000 is planned.

On October 2, progress toward relaunch is halted when the Directorate of Civil Aviation, at the request of the Indian customs bureau, places a hold on the certification process due to unpaid taxes.

The Hindustan Times, in late November, strongly suggests that the U.S.-backed company **Royal Airways, Ltd.** may be flying in mid-January 2001.

MOHAWK AIRLINES (1): United States (1953–1972). Founded in 1948 as **Robinson Airlines**, Mohawk is the product of a January 1, 1953 change in corporate image. The workforce at this point totals 354. Lynn Smith, a youngster from the Onondaga Reservation, now becomes the company's mascot, "Li'l Moh." Smith, who will appear at promotional events and be featured in the carrier's publications in full ceremonial garb, is the only "living trademark" in the airline business.

The nine Robinson Douglas DC-3s are rechristened in honor of Indian tribes and a famous Native American leader: *Air Chief Iroquois*, *Air Chief Delaware*, *Air Chief Algonquin*, *Air Chief Tuscarora*, *Air Chief Onondaga*, *Air Chief Niagara*, *Air Chief Seneca*, *Air Chief Cayuga*, and *Air Chief Techumseh*. Unique among named airliners, the identities of the planes are not painted on their noses, but rather on their tails.

Vice President-Operations Robert E. Peach becomes president/CEO in 1954. The fleet is increased by the addition of the Douglas transport *Air Chief Mohican*. Mohawk now increases the traffic on its intrastate New York routes significantly, particularly as a result of taking over the assets and network (including Boston) of bankrupt **E. W. Wiggins Airways**. An important schedule is inaugurated on April 17 from Ithaca to Boston via Pittsfield, Springfield, and Worcester.

On June 7, Mohawk enters the record book for another reason, as it chooses to launch the first—and, as it turns out, only—scheduled helicopter operation by a U.S. local service air transport company. The Sikorsky S-55 flights between the Catskills and Newark Airport continue until September 30, when a lack of city-center heliports dictates cessation. Revenues for the year total \$3.6 million.

To accommodate an upward trend in conventional traffic, the Utica-based carrier introduces three Convair CV-240s (*Air Chief Oneida*, *Air Chief Nanticoke*, and *Air Chief Seneca*) on July 1, 1955, becoming the first American local service carrier to offer service with a pressurized airliner. All three of the Convairs had previously been operated by the Chinese carrier, **Civil Air Transport**. Two more CV-240s are leased from **Northeast Airlines** in December.

The carrier now receives permanent certification from the CAB and carries almost 250,000 passengers. Revenues exceed \$3 million and a \$160,000 profit is recorded.

In 1956, the CAB awards Mohawk routes to Erie and Detroit and Oneida County agrees to build a new hangar and office facilities for the carrier at Utica.

On June 15, 1957, operations are started from Ogdensburg, New York. Having acquired five additional CV-240s and retired several DC-3s, the number of flights from Newark is increased on June 21. In direct competition with **American Airlines**, a new service is introduced from Syracuse to New York City (Newark) on June 21. Simultaneously, company headquarters are transferred from Ithaca to Utica's Oneida County Airport.

On December 22, Ruth Carol Taylor is hired as a stewardess, the first African-American woman so employed on a U.S. scheduled airline. The

appointment is covered by both *The New York Times* and *The New York Daily Mirror*. Her employment ends on April 1, 1958 when, in accordance with then-standard industry rules, she resigns to wed a Trinidad cricket player.

As the company's commuter network north and northwest of Manhattan attracts more sophisticated travelers, the airline finds itself in need of newer aircraft to upgrade its image and to maintain its market grasp. Orders are placed for Convair 440s while the new Utica base is also opened. Painted in the company's new black-and-gold color scheme, the first CV-440, *Air Chief Blackfoot*, arrives in December.

Relabeled "Cosmopolitans," the CV-240s are joined in 1959 by four more CV-440s (*Air Chief Joseph Brant*, *Air Chief Shenandoah*, *Air Chief Red Jacket*, *Air Chief Hiawatha*), which arrive by August; the first local service carrier to operate the type, the company's CV-440s introduce Golden Cosmopolitan Service. Flights are initiated from Windsor Locks, Connecticut, to 12 eastern cities on December 1.

Three CV-240s are sold on January 28, 1960. A CV-440 with 27 aboard skids while landing at Utica, New York, on February 19, and is badly damaged; only minor injuries are reported. Between March 17 and 30, company stewardesses, supported by the pilots, strike for higher wages. The fleet is grounded during this period.

To make the DC-3 service more appealing, two units are repainted and given "Steamboat Gothic" markings that announce a males-only Gas Light Service. Inside, the passenger cabins are redone in Victorian motif, complete with red velvet curtains, carriage lamps, and Currier and Ives prints. Travelers are greeted by stewardesses dressed in Naughty Nineties costumes and plied with free beer, cheese, and pretzels and allowed to purchase 5¢ cigars. Prior to beginning the special service on October 10, the company bows to protests of sexual discrimination and defines "family parlors" in the front of the planes, in the areas previously assigned to first-class. The slightly clad flight attendants will spend most of their time in the rear, handing out cold brews and stogies. The initial Gas Light Service return route is operated by Flights 1890 and 1891 from Buffalo to Boston via Rochester and Syracuse.

Enplanements for the year total 576,000.

In response to the success of the initial Gas Light Service, Mohawk, in early 1961, expands it. Eastbound Flights 1892 and westbound Flight 1893 are added from Syracuse to Boston via Hartford, Springfield, Albany, and Utica. The increase requires that a third DC-3 be dedicated to the operation. Weekend Gas Light Service flights are added from Newark to Ogdensburg via Watertown.

Mohawk now makes several other significant moves to beat the competition. In April, three former **American Airlines** CV-240s are acquired and christened *Air Chief Seneca*, *Air Chief Chippewa*, and *Air Chief Cayuga*. The names have been appropriated from the DC-3s employed on Gas Light Service. Four more Cosmopolitans will be acquired before the end of the year.

Routes to eight communities in eastern Vermont and New York are taken over from **Eastern Air Lines** in September, along with the former **Colonial Airlines** route from New York City to Albany. Mohawk agrees to purchase Eastern's Martin 4-0-4 fleet, including nine machines to be delivered before the end of this year and six the next.

A CV-240 with 16 aboard crashes while landing at Windsor Locks, Connecticut, on October 16; the pilots have forgotten to extend the landing gear. Also during October, a Univac computerized central reservations office is organized in Manhattan to handle calls from 12 major cities. In the same month, plans to end the popular Gas Light Service are temporarily shelved. The 23,000 mostly male passengers who have frequented the special product during the year have consumed a mountain of food: 2,000 lb. of pretzels, 1,000 lbs. of cheese, and 31,700 cans of beer. In addition, 17,600 5-cent cigars are purchased.

When the Manhattan computer system is in full operation in early 1962, Mohawk is the first feeder airline to offer a systemwide Telepak communications and reservation system. Three CV-440s are purchased from **KLM (Royal Dutch Airlines, N.V.)**.

Despite earlier CAB opposition to the Convair upgrade (expressed via subsidy cuts), President Peach, realizing the need to continue fleet improvement if he is to compete, places a \$17-million order on July 24 for four (later seven) British-made BAC One-Eleven 204AF jetliners. Gas Light Service flights end just after Labor Day in early September.

The British order brings Mohawk a letter of warning in December from CAB Chairman Alan Boyd who, speaking on behalf of the board, sees "substantial financial risk" if the order is completed and suggests that the company could lose its federal subsidy if it persists.

Chairman Peach responds to Mr. Boyd in January 1963, suggesting that the new aircraft will reduce the carrier's need for subsidy and that they are being privately financed. With CAB approval, scheduled service is inaugurated to Toronto.

On July 2, a Martin 4-0-4 with 3 crew and 40 passengers crashes on takeoff from Rochester during a severe thunderstorm (7 dead). One of the survivors, Allen J. Breslau, relieves the accident in his *The Time of My Death* (New York: E.P. Dutton, 1977).

Enplanements for the year total 1,134,000 and revenues are \$26.4 million.

Airline employment in 1964 stands at 1,720 and the fleet includes 34 aircraft. A Martin 4-0-4 with 44 aboard crashes during a March 1 landing at Broome County Airport, New York, when the pilot mistakenly retracts his landing gear; no injuries are reported. A fifth BAC 1-11-204AF is ordered on March 31. A new executive office building is opened at Utica Airport.

In October, the carrier, in exchange for 6 Convairliners, trades 14 Martin 4-0-4s to St. Louis-based **Ozark Air Lines**. The transaction is a lease-purchase arrangement by both parties.

Also during the fall, President Peach accepts an invitation to address a dinner of the Newcomen Society of North America in New York City. As is the Society's custom, his remarks are published as a small pamphlet, *Four-Seaters to Fan Jets: The Story of Mohawk Airlines*.

Orders worth \$70 million are also placed for 18 Fairchild Hiller FH-227s. A new \$1.5-million executive office building is occupied at Oneida County Airport and service is initiated to Pittsburgh.

Passenger boardings jump 19% to 1.4 million. A total of 375,000 passengers are boarded in the New York City metropolitan market making Mohawk the 7th largest airline in the Big Apple. Overall revenues advance 12% to \$30 million and expenses rise only 6.7%, leaving a net profit of \$1,386,000.

The workforce in 1965 ascends to 1,941. A passenger is injured when a CV-440 with 13 aboard must take evasive action on January 18 to avoid a midair collision near Bradley, Connecticut.

On February 19, orders are placed for two more BAC 1-11-204AFs. Another midair collision is avoided in similar dramatic fashion on February 22 near New York (JFK); this time a stewardess aboard the CV-240 is the only 1 of 47 hurt.

A fire starts in the cargo hold of a CV-440 taxiing for takeoff from Albany on March 25; all 43 aboard are safely evacuated.

The first of five British-made BAC 1-11-204AF jetliners to be delivered on the year arrives on May 15; in ceremonies at Westchester County Airport, it is christened *New York* by CEO Peach. A second BAC, *Ohio*, is delivered on June 6.

Mohawk, the largest of the local service airlines, introduces its new jetliners on July 15, making it the first of its airline class to enter the jet age. It is also the first company to operate its British-made jets over an exclusively short-haul network. The initial BAC 1-11-204AF route is operated from Cleveland to White Plains via Binghamton, Elmira, Corning, Buffalo, Rochester, Syracuse, and Utica.

During the summer, company pilots familiarize themselves with Fokker operations using an F.27F leased from the Champion Spark Plug Company. Two additional BACs are ordered and on September 1, the nosegear of one of the new jets collapses as the aircraft, with 31 aboard, lands at Utica.

The first Fairchild Hiller FH-227A Vista Prop Jet is delivered on September 30; christened *City of Albany*, it is placed into service on routes

in upper New York State. The FH-227s *City of Elmira*, *City of Syracuse*, *City of Glens Falls*, and *City of Watertown* also arrive during the summer, the latter unit a "B" model. They are followed by the *City of Plattsburgh*, *City of Ithaca*, *City of Saranac Lake* and *City of Massena* between on October 29 and December 13. The *City of Ogdensburg* is the first FH-227B to be received since June, arriving on Christmas Eve. Meanwhile, by year's end, the BAC 1-11-204AFs *Pennsylvania*, *Massachusetts*, and *Michigan* have all entered service.

Passenger bookings accelerate by 20% to a record 1,622,037. The boarding figures are also the highest among the U.S. regionals. The net profit for the year skyrockets 118% to \$1,217,025.

The company suffers fiscally in January 1966 when a blizzard shuts down the Northeast for a week. During the year, the company trades all but one of its Convairs to Fairchild as partial payment for the Vista Prop Jets; the one is returned to General Dynamics. The company's BAC 1-11-204AFs are challenged on their New York City to Syracuse route in March by **American Airlines**, which introduces its own British-made One-Eleven Astrojet airliners.

Having concluded an arrangement with Fairchild to return its first five FH-227As for up-engined B models, Mohawk removes the *City of Elmira* on May 3. Mohawk introduces the BAC 1-11-204AFs *Discover America*, *Ontario*, *Connecticut*, *Vermont*, and *New Jersey* by July.

During the summer, hundreds of reservations for connecting flights on **American Airlines**, **United Air Lines**, **National Airlines**, **Eastern Air Lines**, and **Trans World Airlines (TWA)** are cancelled when those carriers are struck by their unions. Partially in response, a \$25 Weekends Unlimited fare is introduced, allowing low-cost travel systemwide all-day Saturday until 6 p.m. Indeed, customers are challenged to fly to as many company destinations as they can within 48 hours.

Unresolved pension issues cause IAM mechanics to strike the airline beginning on December 18. Management personnel attempt to keep 75% of the fleet in the air. Revenues for the year are \$41,085,855, but a net loss is suffered.

The FH-227B *City of Burlington* arrives on January 14, 1967. The continuing mechanics strike is finally settled on January 31 and has cost 133 mechanics their jobs. A newly upgraded headquarters facility is opened at Utica; it features the new Edwin A. Link Training Center, housing the first flight simulator operated by a local service airline. Detroit-Boston weeknight passenger-cargo service is initiated on February 1. Two weeks later, on February 14, flights begin to seven more upstate New York cities plus Cleveland.

The FH-227B *City of Erie* is placed into service on February 18, followed by the *City of Utica* on March 23, the *City of Worcester* on April 6, the *City of Jamestown* on April 20, the *City of Keene* on May 2, and the upgraded *City of Albany* on May 25. The original *City of Albany* is returned on May 27. BAC jetliner flights are, meanwhile, inaugurated to Montreal for the Expo 67 World's Fair.

Not long after takeoff from Elmira, New York, for a June 23 service to Washington, D.C. (DCA), Flight 40, the BAC 111-204AF *Discover America* with 4 crew and 30 passengers, suffers an in-flight fire that causes the tail to separate from the aircraft. There are no survivors from the crash 1 mi. E of Blossburg, Pennsylvania.

The original FH-227 *City of Syracuse* is returned on September 14 as is the *City of Glens Falls* on October 26. The last two FH-227Bs arrive during the fall, the *City of Syracuse* on October 26 and the *City of Watertown* on November 21. The original *City of Watertown* is withdrawn on December 4.

The employee population swells during the year to 2,175 and the fleet now includes 10 BAC 1-11-204AFs, 4 CV-440s, and 18 FH-227Bs. Orders are placed for 3 Boeing 727-200s. Enplanements total 2,038,419. Revenues advance 7.7% to \$44,259,181, but another net loss is accepted: \$274,734.

A strike disrupts operations beginning in January 1968. Supervisory personnel keep jet aircraft flying, but the last eight CV-240s cannot be manned and thus are withdrawn. The reduced schedule remains in effect until May 1 when the job action ends. The \$70-million equipment order

of 1964 is nearly completed with the delivery of seven of the last eight new BAC 1-11-204AFs: *Quebec*, *Rhode Island*, *New Hampshire*, *New Jersey* (the original is renamed *Robert E. Peach*), *District of Columbia*, *Dominion of Canada*, and *Captain Joe Donnelly*.

Mohawk now acts to increase its feed by providing certain interline services to **Northern Airways** in New England.

The employee population numbers 2,450 during the year and the fleet includes 34 aircraft. Passenger boardings jump 15.6% to 2,355,176 and freight traffic is up by 50%. Revenues accelerate 18.5% to \$52,443,728, but a huge \$3.3-million net loss is suffered.

Airline employment in 1969 is 2,490. An IBM 360/65 reservations system comes on line in January. In February, Mohawk receives FAA approval for the evaluation of an area navigation system. Top management is now reshuffled as President Peach becomes board chairman/CEO and Russell Stephenson is elected president.

The 18th and last 1-11-204AF, the final BAC Dash-200 built, is received on May 17 and christened *Illinois*.

By midyear, the Convair fleet is completely retired and three more BAC 1-11s are acquired, Dash-215AUs purchased from **Aloha Airlines** (two of which are named, *Minnesota* and *Discover America*). Service is now provided to 87 cities east of the Mississippi.

While on initial approach to Glen Falls on a November 19 service from Albany, Flight 411, the FH-227B *City of Burlington* with 3 crew and 11 passengers, strikes trees on Pilot Knob Mountain 9 nm. N out in the Adirondack Mountains near Lake George, hits a rock cliff, and slides 38 ft., becoming wedged between some trees. Fire breaks out and the inaccessibility of the crash site delays rescue operations until November 21, at which time it is confirmed that there are no survivors.

Bookings for the year total 2.6 million. As a result of equipment costs and stiff competition, the carrier suffers a \$4.7-million loss on revenues of \$64.1 million.

The employee population in 1970 is 2,465, a 2.15% increase. Chairman/CEO Peach steps down early in the year due to illness, although he remains a member of the board. The fleet comprises 23 BAC 1-11-200s and 17 FH-227Bs. Service is inaugurated to Minneapolis (MSP), five other nonstop routes are started, and five services in New England are taken over from **Northeast Airlines**. The new Horizon Hotel in Utica is opened.

Three BAC 1-11-203AEs are leased from **Braniff International Airways** in September and arrive wearing the company's new "Buckskin" color scheme. The renamed *Robert E. Peach* is also given the new livery. Most of the FH-227Bs now also receive a slight livery change; Vista Prop Jet titles are removed and all names are shortened. The *City of Glens Falls* is now just *Glens Falls*.

As the new decade begins, local service carriers begin to encounter stiffer competition from trunk lines and many cannot survive the fight. Taking a leaf from the book authored by **Allegheny Airlines**, the company now elects to begin a feeder network. "Mohawk Commuter" services to smaller communities begins under contract with **Northern Airways**, **Command Airways**, and **Executive Airlines (1)**.

This new arrangement draws the ire of the ALPA chapter at Mohawk, which has grown to become the third largest of the nation's regional airlines. Without a contract, it now seeks job protections that the carrier cannot guarantee. Consequently, a strike begins on November 12. The job action forces the carrier to halt operations and lay off its remaining 2,500 employees. Although binding arbitration is agreed to by both sides in December, the negotiation process does not immediately commence.

Customer booking figures for the year consequently drop 13.3% to 2.26 million. Freight traffic, however, does grow by 13.6%. Revenues decline to \$61.52 million and additional losses are suffered: \$4.11 million (operating) and \$9.35 million (net).

In January 1971, company executives are able to gain membership for Mohawk in the Airline Mutual Aid Pact, an arrangement under which struck carriers are able to gain some measure of profits from a fund into which all have contributed. The membership nets the company \$65,000 for the year's first month.

The pilot strike ends in a mediated agreement on March 19, by which time Mohawk has been pushed to the brink of collapse. Despite the initiation of new services to Chicago and nonstop from Washington, D.C. and Baltimore to Buffalo, huge losses are piled atop those suffered during the previous two years. So weakened that there is no hope of recovery, the airline has only two choices: fail or sell out. Merger discussions are begun with **Allegheny Airlines (1)**, the country's largest local service carrier.

A vote on an Allegheny merger is scheduled by the Mohawk board for April 5. In order to avoid participation in the decision, Director Peach leaves the room; the board, nevertheless, elects to turn the company over to Allegheny. On April 14, five days after approval is received from the CAB and the same day company pilots ratify their new contract, Peach resigns from the Mohawk board. The same day, an agreement of merger with **Allegheny Airlines (1)** is announced to the public.

Under terms of the union, Allegheny issues 704,000 common shares, 744,000 common stock purchase warrants, and 274,000 shares of convertible preferred stock to trade to holders of Mohawk shares and subordinated debt. Receipt of required government approvals for the merger and assimilation of the carrier will require up to a year. Ex-chairman Peach dies by his own hand on April 20.

Ex-con H. von George, 45, brandishing a pistol, takes stewardess Eileen McAllister hostage and hijacks Flight 452, an FH-227B with 45 other passengers en route from Albany to New York, on January 26, 1972. The turboprop is forced to land at Westchester County Airport at White Plains, where 48 passengers are allowed to deplane. After threatening to blow up the turboprop, von George next demands and receives parachutes for himself and McAllister and a \$200,000 ransom and orders the pilot to take off for Poughkeepsie. Just after the plane lands at Dutchess County Airport early on January 27, the pirate is given a getaway car. After placing McAllister in the front passenger's seat, von George climbs behind the steering wheel—and is immediately shot dead by an FBI agent's single shotgun blast. Eileen McAllister is safe and her 10 hours of terror are over.

While on final approach to Albany County Airport on March 3, Flight 405, the FH-227B *City of Keene* with 3 crew and 45 passengers strikes a house 3.5 mi. short of the runway and crashes; 16 from the aircraft are killed along with 1 person on the ground.

Flight 437 from Washington, D.C. to Utica on the evening of April 11 is the company's final service; the FH-227B completing the flight circles the field before landing. When the books are closed, it shows the airline is not losing money, but has, in fact, gained \$12 million for its new owners since the previous April. **Allegheny Airlines (1)** has not had to spend a dime on taking over this latest acquisition.

MOHAWK AIRLINES (2): United States (1989–1993). Robert Peach Jr., son of the longtime president/CEO of **Mohawk Airlines (1)**, and John Barkett, with investment from Robert's brother John, establish the holding company Horizon Air, Inc. at Syracuse in early 1989. Peach employs the new entity to acquire **Catskill Airways** in the spring. The new owner at first plans to name his prize **Mohawk Airlines (2)** after his father's company. **USAir**, the renamed **Allegheny Airlines (1)** that had purchased **Mohawk Airlines (1)** in 1971, files an objection.

At this point, the Catskill subsidiary is labeled **Manhattan Air** and is shifted to a Syracuse hub. Service is introduced to Martha's Vineyard and Nantucket from Islip, New York, and New Bedford, Massachusetts, on June 24. **USAir** now agrees to Peach's moniker request and **Manhattan Air** becomes the second Mohawk, launching service in July with a fleet of seven Beech 99s. A \$27-million order is placed for seven Beech 1900Cs. Simultaneously, Mohawk Air Express small package flights are started between Oriskany, New York, and Boston, Hartford, Newark, Syracuse, Utica, and Islip.

By year's end, the 135-employee small regional has enplaned 37,678 passengers.

The first Beech 1900C is delivered in late January 1990 and enters service on February 17, replacing **Presidential Airways** on a new serv-

ice to Washington, D.C. (IAD). By March, Mohawk is operating 110 daily departures to 16 markets in 7 states, with emphasis on Boston, New York, and Hartford. The second Beech 1900C arrives in late spring.

Following Iraq's August 2 invasion of Kuwait and the dramatic increase in the cost of aviation fuel, Mohawk Airlines (2) enters a financial tailspin. Traffic and financial figures are not released; however, it can be seen in retrospect that all is not well.

The fleet in 1991 is reduced to 1 Beech 99 and during the summer, the small regional files for Chapter XI bankruptcy. While under court protection, additional equipment is sought. Enplanements for the year total 78,325.

President Peach oversees a workforce of 125 in 1992. The fleet comprises 4 Beech 1900s and 3 Beech 99s. Inspectors from the FAA discover FAR maintenance violations and on June 5 issue an emergency order pulling the carrier's license to fly. The Federal District Court at Syracuse refuses on June 16 to block the carrier's grounding.

President Peach resigns in the spring of 1993 and is succeeded by Chief Financial Officer Kim Champney. Although Mohawk Airlines (2) is able to win recertification on June 25 to commence scheduled operations, it does not have the resources to restart and is liquidated.

MOJAVE AIRLINES: United States (1983–1984). C & M Airlines of Inyokern, California, is reformed in 1983 and renamed after new owners purchase its certificate. Employing Cessna 402s and a Cessna 414, it undertakes an Essential Air Service (EAS) contract linking its base with Palmdale and Lancaster.

Unable to turn a profit, the third-level operator declares bankruptcy in early 1984. It is subsequently reformed as **Indian Wells Airlines**.

MOLDAVIAN AIRLINES: Kishinev Airport, Kishinev, 277026, Moldavia; Phone 373 (2) 529 365; Fax 373 (2) 525 064; <http://www.mdv.md>; Code 2M; Year Founded 1994. The flag carrier of the Republic of Moldova is established at the capital city of Chisinau on July 26, 1994. It is also the first private airline in the country. Founder Nikolai Petrov is president/CEO and he recruits a workforce of 80. Two each former **Aeroflot Soviet Airlines** Yakovlev Yak-40s and Yak-42Ds are acquired and revenue twice-daily return flights commence on August 19 between the capital and Moscow.

Services continue apace during the remainder of the decade; scheduled destinations visited include Antalya, Berlin, Budapest, Milan, Moscow, Prague, and Rostov-on-Don. The subsidiary regional carrier **Carpatair** is established in March 1999 and is outfitted with one of the former Soviet Yak-40s. At the same time, the carrier enters into a marketing and code-sharing agreement with the new Bucharest-based regional carrier **Veg Air, S.A.**, which launches scheduled flights on March 15 to Budapest, Timisoara, and Venice.

In November, the company becomes a joint Swiss-Moldovan company and shareholding is now divided between SAGroup, **MALEV Hungarian Airlines, Rt.**, **Tarom Romanian Airlines, S.A.**, Moldova Agroindbank, and the energy and financial groups LUKOIL and ASCOM.

Airline employment totals 155 at the beginning of 2000 and the fleet now comprises 2 Yak-42Ds, 1 Tupolev Tu-134A, and 1 SAAB 340B turboprop.

SAAB 340B frequencies between Chisinau and Budapest become twice daily at the end of March. At the same time, a new Frequent Flyer 2000 loyalty program is introduced.

The Moscow terminus is switched to Domodedovo Airport on October 1. A month later, the company begins to offer its Moscow passengers free transport from the airport to the Domodedovskaya and Kashirskaya underground stations. Jetway service onto the Tu-134A is introduced at Domodedovo on November 3.

MOLOKAI AVIATION: United States (1969–1972). This Hawaiian carrier is established by Timmy Cooke in late spring 1969 to offer scheduled passenger and cargo flight-seeing services. Employing a

Piper PA-23 Aztec, Cooke inaugurates flights on June 12 and continues them until he goes out of business in 1971.

MOLONEY AVIATION (PTY.), LTD.: Terminal Building, Essendon Airport, Melbourne, Victoria, 3041, Australia; Phone 61 (3) 9379 2122; Fax 61 (3) 9374 2086; <http://www.anzacc.com/moloney.htm>; Year Founded 1972. Maurice G. Moloney establishes this nonscheduled airline at Essendon Airport in 1972 to serve the Australian tourism and air charter industry. Flight-seeing and air tours commence around the local countryside. In 1975, Moloney becomes the first all-weather air safari operator in the nation.

Service continues apace during the remainder of the decade and into the 1980s. The company's most famous service is introduced in 1983, the Penguin Express air package tour to Philip Island. At that point, customers may witness an attraction called the "Fairly Penguin Parade."

Time Saver Tours are launched in 1987, including 50-min. flights to Victoria's magnificent Great Ocean Road. Landing at Peterborough, at the mouth of the Curdies River, passengers on this package are taken to see such wonders as the Coast National Park and a rock formation known as the "Twelve Apostles."

During the next decade, Moloney also begins to offer tours to the west of Melbourne, including air-ground trips into the Grampians National Park via the town of Stawell. Additionally, customized tours are made available, as well as flight training in a Cessna 172 and outings covering a combination of sites.

By 2000, Managing Director Moloney oversees a workforce of 8 and operates a fleet comprising 2 each Piper PA 34 Senecas and de Havilland DH 104 Dove 1s and 1 each Aero Commander 500S, Cessna 310, and Cessna 172.

MONARCH AIR LINES: United States (1946–1950). Organized in early 1946, Monarch is the third of America's new postwar local service carriers. Certified on March 28, it begins Douglas DC-3 services on November 27. Eventually, Monarch will fly routes linking Albuquerque–Salt Lake City–Denver, with intermediate stops.

In December 1949, it acquires **Challenger Airlines** and in April 1950 merges with rival **Arizona Airways**. The enlarged company is renamed **Frontier Airlines (1)** on June 1.

MONARCH AIR SERVICE: United States (1950–1951). Miami-based MAS is formed during the summer of 1950 to perform all-cargo contract charters throughout the eastern U.S. and into the Caribbean. Revenue operations commence with a single Curtiss C-46D Commando in November.

The C-46D with 3 crew and 45 passengers must abort its takeoff from Chicago (MDW) for Newark on January 4, 1951; although the aircraft is damaged beyond repair, there are no fatalities.

After the Curtiss crash, the company is unable to resume flying.

MONARCH AIRLINES: United States (1986–1987). This small niche regional is established in early 1986 at Grand Junction, Colorado, to provide scheduled services to the ski resort communities of Aspen and Gunnison. Operations commence in the fall with a single de Havilland Canada DHC-6-300 Twin Otter.

Unable to achieve economic viability, the company ceases operations in March 1987.

MONARCH AIRLINES, LTD.: London Luton Airport, Luton, Bedfordshire, England, LU2 9NU, United Kingdom; Phone 44 (1582) 400 000; Fax 44 (1582) 411 000; <http://www.monarch-airlines.com>; Code ZB; Year Founded 1967. William H. "Bill" Hodgson and Donald Peacock, directors of **British Eagle Airways, Ltd.**, establish Airline Engineering, Ltd. in January 1967 to provide aircraft maintenance for Britain's independent airlines.

Shortly thereafter, the gentlemen are approached by Cosmos Tours, which requires additional seating capacity for the 1968 summer season.

As a result of negotiations between the engineering concern and the package tour operator, Monarch Airlines is set up on June 1 to provide charter and inclusive-tour flights into southern Europe and the Mediterranean. Peacock is chairman, with Hodgson as managing director. The engineering firm is renamed Monarch Aircraft Engineering, Ltd. and remains in business.

With ideal connections from road and rail transport, London's Luton Airport is chosen as the new airline's base of operations. Orders are placed for new aircraft and a terminal is established at Tottenham Court Road, London.

On March 15, 1968, one of the two Bristol Britannia 312s purchased from **Caledonian Airways, Ltd.** is painted in a yellow and black livery with a distinctive crown logo and undertakes a proving flight to Rome and back. The inaugural tour flight, London (CTN) to Madrid, is made on April 5. Two more Britannias are added in September in December.

Enplanements by year's end total 119,000.

Two additional Britannia 312s join the fleet in 1969 as holiday service is offered to vacation points in Spain, France, Italy, Switzerland, and Yugoslavia.

Bookings reach 263,368.

Airline employment is 450 in 1970. The fleet now consists of 7 Britannia 312s. Destinations continue to be primarily in the Mediterranean. Under contract to Clarksons Holidays, new vacation services are offered from Manchester to Rotterdam and Paris. During the year, several different types of jetliners are evaluated as Monarch looks forward to jet services.

Freight traffic rises 13% while passenger boardings accelerate 11% to 295,918.

Monarch's Britannia fleet expands the carrier's route network significantly in 1971. Trooping flights are started, under contract to the Ministry of Defence, for soldiers needing lift to Australia. Between May and July, Hadj pilgrim flights are undertaken on behalf of **Ghana Airways Corporation** from West Africa to Mecca in Saudi Arabia.

Having completed an arrangement to purchase several surplus aircraft from **Northwest Airlines**, the carrier receives its first jetliner, a Boeing 720-51B, from the American carrier on September 15 and on December 13 it enters an inclusive-tour charter service from London (CTN) to Tunis.

Enplanements this year total 428,490.

Two more B-720-51Bs are acquired from **Northwest Airlines** in February and April 1972, respectively. Four Britannia 312s are withdrawn in May.

The work force now totals 297. Freight traffic climbs 16% and passenger bookings jump 19% to 529,000.

During 1973, several replacement services are flown on behalf of **British Overseas Airways Corporation (BOAC)** and a Britannia 307 is purchased in October.

A fourth B-720-51B is leased from **Maersk Air, A.S.** in March 1974; on June 14 it is employed to launch five months of transatlantic charters from Birmingham to Vancouver by way of Toronto. Meanwhile, in May, the Britannia 307 purchased in 1973 is sold along with a Britannia 312.

In August, several B720-015B replacement flights are made to the Middle East on behalf of **Iraqi Airways**. When Clarksons Holidays fails during the same month, Monarch now places orders for BAC 1-11-500s to win that company's customers. The last Britannia 312 passenger service is flown on December 18; thereafter the aircraft is withdrawn.

Three BAC 1-11-518s are received in February, March, and December 1975. The first begins inclusive-tour flights on March 19, Teesside–Munich. Bristol service accommodating Clarkson passengers also commences in March along with flights from Birmingham started in April.

The next-to-last Britannia still in the fleet is donated to the Duxford Aviation Society for a museum, part of the Imperial War Museum network.

The B-720-51Bs also enjoy a full schedule during the year. In November, a B-720B is leased from **British Caledonian Airways, Ltd. (BCAL)** to replace the **Maersk Air, A.S.** unit now returned. At the same time, the BAC 1-11-509 *Isle of Eriskay* is also chartered from BCAL.

The last Britannia 308F remains in service until the end of the year, but is sold to **African Safari Airways, Ltd.** in January 1976. One of the BAC 1-11-518s is chartered to **Cyprus Airways, Ltd.** The year's tourist season is not unlike those of previous summers; into 1977, service for groups is expanded to additional destinations in southern Europe, the Middle East, and North Africa. Orders are placed for Boeing 707-320Cs and the *Isle of Eriskay* is purchased outright.

In 1978, the Boeing 707-320Cs are placed in service and orders are placed for two B-737-200s.

Dan-Air/Dan-Air Services, Ltd. Managing Director Alan Snudden becomes managing director in 1979 as William Hodgson and Donald Peacock step down. Monarch is the third airline, behind **Eastern Air Lines** and **British Airways, Ltd. (2)**, to place orders for the B-757-200, requesting three with the E-4 version of the Rolls Royce RB211-535 engine. Original executives Hodgson and Peacock retire at year's end.

Beginning on October 1, 1980, the B-737-2T7s join the fleet and by 1982 the jetliners have brought passenger boardings of 1,170,000. Also in 1982, James Rainbow becomes managing director of Monarch Aircraft Engineering, Ltd. The B-737-2T7s are based in West Berlin and undertake holiday flights to 17 Mediterranean destinations.

The first B-757-2T7 is delivered on March 26, 1983; Monarch is the first charter airline in the world to buy the new twinjet. The company is now flying to 75 destinations from the U.K. to points in Europe, the Mideast, North Africa, and the Caribbean.

Passenger enplanements total 1.6 million.

The last two B-757-2T7s enter service in 1984 and the earlier aircraft are put up for sale. In 1985, Monarch expands its charter and inclusive-tour business to include flights from most of the larger British airports, except London (LHR). The BAC 1-11s are sold to **British Island Airways, Ltd.** and a new \$3-million maintenance hangar is opened at the London (CTN) base.

During 1986, the fleet comprises six B-737-2T7s and four B-757-2T7s and beginning on July 5, scheduled B-737-2T7 return service is started from London (CTN) to Mahon. Monarch is the sole British carrier on the route and the inaugural marks the first scheduled jet service out of Luton Airport.

A total of 3.67-million revenue passenger kilometers (RPKs) are flown, a 20.1% increase.

The fleet in 1987 includes 8 B-757-2T7/2T7ERs, 4 B-737-33As, and 2 B-737-2T7s. Five-times-per-week roundtrip B-757-200ER long-haul flights begin to the U.S. on April 30 between London (CTN) and Orlando.

Enplanements for the 1,200-employee carrier total 2,468,000.

Following the outbreak of the Australian domestic airline pilots' strike on August 24, 1988, two B-757-200s, complete with crews, are wet-leased by **Australian Airlines (Pty.), Ltd.** for a six-month period.

Passenger boardings for the 1,400-employee British charter operator fall by 8.8% to 2,250,800.

Company employment is decreased by 3.3% in 1989 to 1,074 and the fleet now includes 2 A300B4-203s, plus 2 on order, 6 B-737-3Y0s, including 5 leased to **Euroberlin France, S.A.**, 4 B-737-33As all leased to **Euroberlin France, S.A.**, 5 B-757-2T7s, including 2 leased to **Condor Flugdienst, GmbH.**, 3 B-757-2T7ERs, and 1 leased Dash-28AER.

Orders are placed for three B-737-3T7ERs. Chairman/Managing Director Snudden is created a CBE by Queen Elizabeth in the year's Birthday Honours.

The route network is significantly expanded; new destinations include Acapulco, Bangkok, Mombassa, Nassau, Orlando, Penang, and Rio de Janeiro. During the fall, a new £6-million state-of-the-art B-757 flight simulator is opened at London (LTN). The technology will train not only Monarch pilots, but also flyers from many other companies under contract.

Customer bookings recover and increase by 10% to 2,482,600.

The fleet in 1990 includes 6 leased B-737-3Y0s, 4 chartered B-737-33As, 5 leased B-757-2T7s, 3 B-757-2T7ERs, and 1 B-757-28AER. The first of four ordered A300B4-605Rs arrives in March and is placed into service the following month over routes to the Mediterranean.

Simultaneously, a new £6-million B-757 simulator is opened at a new £1-million facility at Luton Airport. The building also contains offices, classrooms, and a £600,000 cabin training simulator.

Chairman/Managing Director Snudden dies suddenly in May at age 59. He is succeeded by Donald D. McAngus.

A second large Airbus will be received later in the year. Enplanements reach 2,272,663.

In 1991, two A300B4-605Rs are acquired. Daniel L. Bernstein is appointed joint managing director in January.

Passenger boardings descend 12.7% to 2,016,560. Freight, on the other hand, skyrockets 233.8% to 2.87 million FTKs.

Airline employment stands at 1,234 in 1992 and the fleet now includes 5 each A320-212s and B-757-2T7s, 3 each B-737-33As and B-757-2T7ERs, 4 A300-605Rs, and 1 chartered B-757-28AER.

Customer bookings skyrocket 41.3% to 3,187,280 and cargo climbs another 22.5% to 5.21 million FTKs.

In 1993, Managing Directors Bernstein and McAngus oversee a workforce of 2,000, up 62.1% over the previous year. Charter flights continue to be flown from London (CTN) to the Caribbean, Europe, East Africa, Egypt, Asia, and Florida while scheduled services are provided from the same city to Alicante, Malaga, Minorca, and Tenerife.

During the summer, substantial bookings are acquired from Airtours International. The twenty-fifth anniversary is celebrated throughout the year.

Passenger boardings accelerate 18.5% to 4.1 million.

The fleet in 1994 is expanded by the addition of two more A320-212s and a fourth B-757-2T7ER. Scheduled service is initiated to Palma in May. A contract is signed with an unnamed U.S. tour operator to fly charters from America to Africa and the Seychelles.

Customer bookings swell 17.1% to 4,803,000.

The workforce stands at 2,000 in 1995. One each B-737-3Y0QC and B-737-33AQC are leased to **Aeropostale, S.A. (2)**. To provide additional lift during the summer holiday season, a Lockheed L-1011-1 TriStar is wet-leased from **Air Atlanta Icelandic, H.F.** Following the demise of **Zambia Airways Corporation** during the summer, that carrier's DC-10-30, *Nkwazi*, is purchased, repainted, and placed into service.

For the fall vacation schedule, a B-757-2T7ER is painted in a special blue and white livery and is given titles denoting a company contract with Renaissance Cruises. The aircraft is employed to fly travelers from Newark (EWR) to London (LGW) and then on to holiday destinations at or near Athens, Nairobi, and the Seychelles Islands. Meanwhile, another B-757-2T7ER is chartered to the Argentine nonscheduled operator **Dinar Lineas Aereas, S.A.**

Despite this activity, enplanements this year dip a slight 0.1% to 4,800,300.

Two hundred new workers are hired in 1996, a 10% increase. Two A320-212s are subleased to the Canadian charter operator **Skyservice, Ltd.**, a B-737-3Y0QC remains subleased to **Aeropostale, S.A. (2)**, and a B-757-2T7 is subleased to **Air Holland Charter, B.V.**

The Icelandic TriStar is leased for the summer season once more and the last B-737-2T7 is sold during the year. Monarch Aircraft Engineering adds a new hangar at Manchester, supplementing facilities at Luton Airport.

The company's 21 aircraft transport a total of 4,889,400 passengers, a growth rate of 2.1%.

The workforce is slashed by 30.9% in 1997 to 1,521. The fleet now includes 4 A300B4-605Rs and 3 B-757-2T7ERs. Also operated under charter are 7 A320-212s, 4 B-757-2T7s, and 1 each B-737-3Y0, B-737-3Y0QC, DC-10-30 and, during the summer, L-1011-1. The previous year's subleases are continued and a scheduled route to Gibraltar opens in May.

Scheduled destinations visited from London (CTN and LGW) include Alicante, Gibraltar, Malaga, Menorca, Tenerife, and Palma. Charters continue to be flown to points in Africa, Asia and the Pacific, the Caribbean, Africa, the U.S., India, and Europe.

During July, orders are placed for two A330-200s and two A321-231s, with the start of deliveries promised for March 1999.

Customer bookings inch up 0.5% to 4,924,000 as freight traffic plunges 77.1% to 21.52 million FTKs.

On May 21, 1998, an MD-11 is wet-leased from **World Airways**. Painted in Monarch colors, the aircraft will fly five weekly roundtrips between London (CTN) and Orlando and weekly between Manchester and Las Vegas until November 1. During the year, airline employment is boosted 17.1% to 1,781.

Passenger boardings dip a slight 0.8% to 4.88 million.

During the first week of January 1999, Monarch receives the first of five AERIS FX units from the airline entertainment systems concern Transdigital Communications. Just as scheduled, the first A330-243 arrives on March 26. Monarch is the first U.K. airline to employ the long-range Airbus in revenue service. The premier A321-231 follows on March 31.

New Monarch Premium Cabin service is introduced aboard the A330 when it enters service at the beginning of April.

During the year, the company's flight simulator business is sold to Flight Safety-Boeing, which continues to provide electronic training at the Luton Airport location.

Passenger boardings this year rise 5.3% to 4,817,000, while cargo traffic falls 38.2% to 6.29 million FTKs.

Airline employment at the beginning of 2000 stands at 2,400, a 34.8% increase over the previous 12 months.

A B-757-2T7 is wet-leased to **Dinar Lineas Aereas, S.A.** on January 4. The Boeing, in Monarch colors with Dinar titles, will operate on behalf of the Argentine carrier through the end of March. The contract, upon expiration, is extended.

Upon completion of the Hadj, an L-1011 is wet-leased from **Air Atlanta Icelandic, H. F.** on April 12 for six months. A leased A320-231 is delivered on April 19.

At the beginning of June, the AEEU, Britain's largest engineering trade union, signs an agreement with Monarch covering its 1,200 cabin crew. Jonathan Crick is elevated to the newly created position of commercial director on June 19, gaining a seat on the board of directors.

On July 28, orders are placed for five additional A321-231s for delivery during the second half of 2002.

An A320-212 is subchartered to **Skyservice Airlines, Ltd.** in October for the Canadian line's winter holiday schedule. It is delivered in Monarch colors with Skyservice titles.

The July A320 order is confirmed on November 23.

MONARCH AIRLINES (AUSTRALIA) (PTY.), LTD.: Australia (1991–1994). MAL is established at Sydney in early 1991 to operate scheduled third-level passenger and cargo flights with 1 Cessna 441 and 3 Piper PA-31-350 Navajo Chieftains. Late in the year, another commuter, **Southern Airlines (Pty.), Ltd.**, is purchased. Operations have been concluded by 1994.

MONGOFLOT. See **MIAT-AIR MONGOL**

MONGOLIAN CIVIL AIR TRANSPORT. See **MIAT-AIR MONGOL**

MONGOLYN IRGENIY AGARYN TEEVER. See **MIAT-AIR MONGOL**

MONMOUTH AIRWAYS: United States (1968–1979). The Castanea Corporation sells its third-level carrier, **Piper Twinair**, to Charles Robertson in 1968. The company is reformed and renamed in honor of its Monmouth County (New Jersey) Airport base. Employing a fleet of Beech 99s and Piper PA-31-310 Navajos, Robertson's commuter maintains daily roundtrips to New York (JFK), although a feeder arrangement with **Trans World Airlines (TWA)** will soon end.

Operations continue apace during the remainder of the decade and into the 1970s and during these years services are extended to Wilkes-

Barre, Pennsylvania, and Washington, D.C. (DCA). On October 24, 1971, a Beech 99 with two crew and six passengers is involved in an accident at Allentown–Bethlehem–Easton Airport in Pennsylvania (four dead).

Taking a leaf from the operations book of John Van Arsdale's **Provincetown-Boston Airline (PBA)**, President Robertson, in 1973, establishes a Florida division, doing business as **Vero Monmouth Airlines**, at Vero Beach on the Atlantic coast. Employing aircraft transferred from New Jersey, VMA undertakes to link its base with Tampa, Miami, Melbourne, and Orlando. This Dixie gambit is not successful and **Vero Monmouth Airlines** is closed down in late 1975.

Only northern operations are conducted between 1976 and 1979. During the latter year, the company is purchased and reformed into **Ocean Airways**.

MONTAIR AVIATION, INC.: 7673 Garfield Drive, Delta, British Columbia, V4C 4E6, Canada; Phone (604) 946-6688; Fax (604) 946-6508; Year Founded 1992; <http://www.montair.com>. Montair is set up at Boundary Bay Airport at Delta, south of Vancouver, in 1992 to provide scheduled and charter services and flight training.

The company owns its own passenger terminal and training facility. Charters are offered for companies and individuals, while scenic air tours for tourists become a specialty. Daily scheduled service is provided linking the company's base with Pitt Meadows Airport and Vancouver International Airport.

The fleet in 1997–2000 includes 2 Cessna 172s, 2 Piper PA-31-350 Navajo Chieftains, and 2 PA-34 Senecas.

Scheduled daily commuter service is introduced to the central British Columbia communities of Fairmont, Creston, 108 Mile House, Grand Forks, and Invermere.

MONTANA AUSTRIA (MONTANA FLUGBETRIEB, GmbH.): Austria (1975–1981). Capt. Jorg Stockl forms MA in late 1975 to offer the first intercontinental passenger charter and inclusive-tour flights operated by a private Austrian airline from Vienna in many years. Government bureaucracy and opposition from **Austrian Airlines, A.G.** results in a start-up delay of nearly a year.

Employing a pair of Boeing 707-138Bs previously operated by **Qantas Airways, Ltd.**, Montana Austria launches revenue services in November 1976 by executing the first return charter service between the nation's capital and Bangkok, Thailand.

During the next four years, a third Stratoliner is acquired and charters are undertaken on behalf of various clients, often to out-of-the-way destinations seldom visited by other scheduled or nonscheduled operators. Subcharters and replacement flights are often operated on behalf of better-known carriers. Price wars and recession lead company executives to accept a number of contracts of a dubious nature. In May 1981, one of these starts a string of events that will cause the airline's failure.

In May, U.S. government officials catch a Montana Austria B-707 loaded with illegal weapons at Houston. The plane is impounded and the company is heavily fined. Before the airline's leadership can get together the financing necessary to retrieve their aircraft, Austrian aviation officials in Vienna begin the process of withdrawing Montana's operating certificate. In late June, the German lessors of the carrier's Boeings call in all overdue payments and court bailiffs attach Montana's business accounts early in July. Out of resources and fighting legal battles against both government and financial opponents, Montana stops flying in mid-July. Over 2,000 customers are stranded at New York and in several European cities.

MONTANA DEVELOPMENT AND AIR TRANSPORT COMPANY: United States (1930). Established at Missoula in the summer of 1930, MD & ATC is equipped with a single Lockheed Model 5 Vega, which is employed to inaugurate scheduled passenger service to Kalispell in July. Without a mail contract, the little carrier is unable to generate sufficient revenue traffic to operate beyond November.

MONTAUK CARIBBEAN AIRWAYS: United States (1963–1984). MCA is founded at Montauk, Long Island, in the spring of 1963 to offer scheduled passenger air taxi flights to New York (LGA and JFK) and to the islands of Long Island Sound. Daily roundtrip, Cessna lightplane revenue flights commence on July 14. During the next decade, summer seasonal services are introduced to Boston.

In the 1970s, the carrier establishes a Florida division, **Ocean Reef Airways**, which provides flights linking the Ocean Reef Club at Key Largo with Miami. Chairman Robert O. King's carrier operates a mixed fleet that comes to include 1 each de Havilland Canada DHC-6-100 Twin Otter, Piper PA-31-350 Navajo Chieftain, Piper PA-31-310 Navajo, Beech 58 Baron and Bell 206B JetRanger helicopter.

In 1984, the carrier is reformed and renamed **Long Island Airlines**.

MONTENEGRO AIRLINES: Beogradska 10, Podgorica 81000, Montenegro, Yugoslavia; Phone 381 (81) 622 648; Fax 381 (81) 623 762; <http://www.montenegroairlines.com>; Code MGX; Year Founded 1994. This new flag carrier is set up by the government of Montenegro in 1994; the state holds 51% shareholding with the remainder split among various private investors. Dr. Dejan Radonjic is named director general. It will take several years for the concern to launch operations and revenue flights finally commence in April 1997 with a single Fokker F.28-4000 Fellowship. Destinations visited include Bari, Milan, Skopje, Frankfurt, and Zurich.

Early in May 1998, the company agrees to establish air links into Bosnia. A second F.28-4000 is acquired and on June 1 weekly service is started from Podgorica and Tivat to Sarajevo and Banja Luka.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, Montenegro Airlines, on March 24, 1999, halts all service into Belgrade as Yugoslav airspace is closed. A spokesman, in making the announcement, indicates that the situation will be evaluated further; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade, as well as to Sarajevo, Mostar, Zagreb, Split, Skopje, Tirana, Ljubljana, Timisoara, and Sofia remains halted on March 25–31 and for much of the duration of the NATO bombing campaign.

Although the fighting requires that Montenegro Airlines be grounded, the company is able to generate some income by operating a number of refugee flights on behalf of the UN Human Rights Commissioner and International Organization for Migration. Additional relief flights north into Western Europe will also be completed in the days ahead until Operation Allied Force is concluded on June 11. At the end of the month, a former **KLM UK, Ltd.** Fokker 100 is chartered from the Transasian Air Group.

A ban against flights into the European Union is finally lifted on October 11. A second Fokker 100 arrives from the Transasian Air Group in late November. It, too, had last been flown by KLM's U.K. subsidiary.

Arrangements are completed on July 10, 2000 for the charter of yet another Fokker 100 previously operated by **KLM UK, Ltd.** Christened *Sveti Petar Cetinjski*, it replaces an F.28-4000 and flies from Podgorica to Budapest, Ljubljana, Zurich, Frankfurt, and Rome.

Hosted by **JAT Yugoslav Airlines** CEO Mihajlo Vujinovic, a "meeting of the scheduled airlines of Southeast Europe" is held at Belgrade in mid-December to consider possible joint cooperation. In attendance are representatives of **MALEV Hungarian Airlines, Rt., Croatia Airlines, Air Bosna, S.A., Air Srpska, S.A., Monenegro, Macedonian Airlines, and Adria Airways (Adria Aviopromet) (2).** Due to an unplanned management change, **TAROM Romanian Air Transport (Transporturile Aeriene Romane, S.A.)** is unable to participate, but expresses interest in joint activities.

Of the eight airlines participating in the conclave, six express interest in joint commercial operations, four in joint technical and maintenance activities, and five in joint training exercises. To study and discuss mat-

ters further, three working committees are established: commercial, chaired by a representative from **Adria Airways (Adria Aviopromet) (2)**; technical, chaired by a **MALEV** representative; and training, chaired by a representative from **JAT Yugoslav Airlines**.

MONTGOMERY AVIATION CORPORATION: United States (1969–1970). MAC, the FBO at Montgomery, Alabama, elects to introduce scheduled daily roundtrip shuttle services to Tuscaloosa, Birmingham, and Jackson in 1969. Beech 18 revenue frequencies are duly inaugurated, but cannot be maintained beyond 1970.

MONTREAL AIR LEASING, LTD. See **QUEBECAIR, LTD.**

MONTERRAT AIRWAYS, LTD. See **MAS (MONSERRAT AVIATION SERVICES, LTD.)**

MORAINE AIRWAYS: United States (1971–1973). Jimmie D'Amato sets up Moraine Airways at Waukesha, Wisconsin, in the late fall of 1971 to provide scheduled daily passenger and cargo roundtrips to Fond du Lac and Chicago (ORD). Regular de Havilland Canada DHC-6-100 Twin Otter flights are inaugurated on December 20.

Early in 1972, The Leasing Corporation of Boston, Massachusetts, purchases the carrier, keeping it in business until January 9, 1973.

MOREFLY, A.S.: Alesund Apt. Vigra, N-6040, Norway; Phone 47 7018 3500; Fax 47 7018 3771; Year Founded 1955. A. S. Morefly is established at Alesund in 1955 to offer charter services to Vigra and other coastal destinations. A decade later, in 1966, the company begins helicopter flights by placing a Bell 47 into domestic service. The nation's first Bell 206B JetRanger is acquired in 1967. Both American machines are employed in passenger air taxi operations. Operations continue apace during the remainder of the decade and through the 1970s.

The company places its first Aerospatiale AS-350 into service in 1979. The company continues to emphasize onshore domestic operations during the 1980s, including agricultural services, emergency medical services (EMS), power plant service, sight-seeing, and other similar activities. These are further supported by the addition of two Bell 205As and a Bell 214B.

In late 1985, General Manager Per Erik Dalen obtains two Cessna 441s that are employed to undertake air ambulance and air taxi flights, passenger and cargo charters, and scheduled flights to Aberdeen, Scotland. Two years later, in 1987, an AS-365N Dauphin is acquired specifically for a new EMS contract.

In 1988, a three-year plan is developed to upgrade the company in order to acquire offshore support contracts. Two Beech Super King Air 200s are also acquired. An AS-332L Super Puma is leased from **Bristow Helicopters, Ltd.** in 1989 and is placed into service on a search and rescue contract acquired from the Norwegian government.

When, late in 1990, the company's principal shareholder becomes ill, his portfolio is put up for sale. As a result, a 44.5% interest is taken in Morefly, the nation's second oldest helicopter operator, by **Helikopter Service, A.S.**, the nation's oldest. An option is also taken for the purchase of additional shareholding within the next four years and **Helikopter Service, A.S.** President Christian Brinch becomes the Morefly chairman. During the year, cost cutting measures are undertaken, including the shrinking of the fixed-wing fleet to 1 of each owned aircraft type.

Airline employment in 1991 stands at 90 (10 pilots) and the fleet is increased during the spring by 2 owned AS-332L Super Pumas. On August 1, the new aircraft begin operating a five-year offshore support contract for Statoil from Bergen. Upwards of 24 flights per day are offered to the Gulifaks, Statfjord, and Veslefrikk platforms. Revenues for the year total Nkr 90 million (\$13.9 million).

The fleet in 1992 includes not only the 3 Super Pumas, but 1 Dauphin, 4 AS-350s, 2 Bell 205As, and 1 Bell 214B. When **Helikopter Service, A.S.** receives a five-year government contract in May 1993 to provide

emergency medical services, those services are launched by helicopters flown by Morefly and **Lufttransport, A.S.** from bases at Tromsø, Bronnoysund, and Vigra.

Flights continue in **1994** and Managing Director Per Erik Dalen's fleet includes 1 Bell 214B and 2 each Eurocopter AS-350Bs, AS-350B1s, AS-332Ls, SA-365Ns, and Bell 205s.

Operations continue apace in **1995–1999**, and, by the latter year the fleet includes 3 AS-350B and SA-365Ns, plus 2 each AS-332Ls and Bell 205As.

MORGAN AIRLINES. *See* **CAH (COMPANIA AEREO HONDURENO, S.A.)**

MORLAIE AIRLINES (PTY.), LTD.: Australia (1928–1930). Following the shutdown of his **Bulolo Goldfields Aeroplane Service (Pty.), Ltd.** in late **1928**, bush pilot Raymond "Battlin'" Parer, in partnership with P. J. Macdonald, forms Morale Airlines (Pty.), Ltd. Arriving at Port Moresby in his carry-over Bristol Fighter, Parer takes delivery at Port Moresby of a DH 9C before year's end. Engaging pilot Charlie Pratt, the two aviators take the de Havilland to Lae in a route proving flight, the first over the Owen Stanley Range.

An unsubsidized, high-fare service is inaugurated from Port Moresby over the mountains to Lae in early **1929**. The Bristol Fighter is wrecked in a Wau landing accident just three months after Morale's start-up. On June 28, Parer undertakes a record number of six roundtrips from Lae to Wau. On-demand services are maintained and allow sufficient funds for the purchase of a second DH-9C.

During **1930**, Sir Hubert Murray, Papua's lieutenant governor, is offered a joyride over Port Moresby; Parer's aircraft crashes while on takeoff, however, the unhurt and not displeased official believes the wreck a publicity stunt. Flights continue with the lone DH-9C, but the company ceases late in the year following a raucous disagreement between the partners.

MORNINGSTAR AIR EXPRESS, LTD.: Edmonton City Centre Airport, Box 14, 29 Airport Road, Edmonton, Alberta, T5G 0W6, Canada; Phone (780) 453-3022; Fax (780) 453-6057; http://www.maei.ca; Code ME; Year Founded 1970. This concern is originally founded as the FBO Brooker Wheaton Aviation, Ltd. at Edmonton by its founders Dr. Bev Brooker and Don Wheaton Sr. in the summer of **1970**. During the Alberta oil boom of the 1970s, the new concern not only serves as the local Cessna dealer and maintenance center but services the aircraft of others as well. It also flies piston-engine, on-demand air taxi services to local destinations. Late in the decade, 1 each Gates Learjet 36 and Hawker Siddeley HS-125 bizjets are acquired.

During the early **1980s**, the small Cessna division is divested as the company expands further into the executive charter area. Also during these years, partner Wheaton becomes the sole owner. Courier services are added as the decade progresses and the fleet is enhanced by the addition of three Fairchild Swearingen Metro IIs, a Canadair 601 Challenger, and several Beech King Air 100s.

In July **1990**, the concern acquires a contract to operate a pair of Boeing 727-22Fs on nationwide flights for **Federal Express (FedEx)**. A Fokker F.27-100 Friendship freighter is also obtained in November **1991**, again to operate cargo services on behalf of FedEx.

The company is jointly purchased by Don Wheaton Jr. and Kim Ward in January **1992** and is renamed with its present name. Operations continue apace during the remainder of century. Morningside continues to fly primarily under contract to **Federal Express (FedEx)**, while taking on a number of independent freight charters of its own.

Airline employment at the beginning of **2000** stands at 100. The fleet now includes 2 B-727-22Fs and 1 each B-727-25F and B-727-116C. In addition, the carrier flies 3 Fairchild Swearingen Metro IIs, 1 of which is leased out, as well as 2 Cessna 208 Caravan Is and 1 each de Havilland Canada DHC-6-300 and Fokker F.27-100 Friendship.

MORRIS AIR SERVICE: United States (1989–1993). June Morris, who had established her own business and government-oriented travel agency at Salt Lake City in 1970, begins to offer vacation packages in **1989**. To accommodate these opportunities and transport purchasers to regional and international destinations, the businesswoman founds MAS with her son Richard Frendt.

During the next three years, flights, which eventually number in excess of 300 per week, are undertaken for Morris to Los Angeles, Hawaii, Las Vegas, and Mexico's vacation destinations under contract by **Ryan International Airlines**, **American Trans Air**, and **Sierra Pacific Airlines**.

Morris and Frendt begin to offer some of their own revenue services in **1992** with 1 leased Boeing 737-3Q8 and 1 B-737-3T5.

Having selected Spokane as one of five finalists for a new heavy maintenance base, **Alaska Airlines** officials express displeasure with that city on May 8 when new entrant Morris Air Service begins daily nonstop roundtrips to that point from Seattle. **Alaska Airlines** and its **Horizon Air** affiliate, which had dominated the air corridor between Washington's two largest cities and charged roundtrip fares of \$190 to \$380 per trip, are forced to match the \$78 tariff of MAS.

In nondirect competition with **Alaska Airlines**, Morris, on June 1 and under the direction of new President David Needleman, launches daily Seattle–San Jose flights, along with twice-daily Seattle to Spokane roundtrips.

Coming as a result of a complaint from **Alaska Airlines**, the company is fined \$200,000 by the DOT for marketing that holds that the Morris charter flights begun in June are scheduled, when they are actually provided under contract by **Ryan International Airlines**.

During the Thanksgiving holiday, inner city youths are hired to check baggage. Traffic and financial statistics are not made available by the privately owned carrier.

Mrs. Morris, the only female CEO in the jet airline business, increases employment at her company in **1993** to 1,891 and her fleet is upgraded by the addition of 4 B-737-3A4s, 4 B-737-3G7s, 4 B-737-3Q8s, 1 B-737-3TO, 5 B-737-3T5s, 1 B-737-3YO, and 2 B-737-317s. Twelve of the aircraft are leased from ILFC. Scheduled low-fare operations, modeled on those of **Southwest Airlines**, are now undertaken to such destinations as Orange County, California, Portland, Oregon, and Seattle and Spokane.

After the fledgling makes a strong protest of situation, the DOJ begins an investigation on October 8 to determine whether **Delta Air Lines** commission agreements with Salt Lake City area travel agents and a threat to withhold them gives the major an unfair advantage over Morris's upstart operation. On November 18, low-fare routes are started from Tucson to several California cities and Las Vegas. With 60% of its travelers booking directly through the airline, Morris is able to introduce ticketless flying, based upon a confirmation number, in December.

A total of 3,446,535 passengers are flown on the year and revenues total \$229.2 million. Profits are made: \$9.9 million (operating) and \$4.47 million (net). On December 31, in a \$130-million exchange of stock, Morris Air is acquired by **Southwest Airlines (2)**. Arrangements call for amalgamation to be completed within a year as the six owned "Baby Boeings" are transferred to the new parent.

In the spring of **1994**, Southwest begins visiting Morris' former markets.

MORRIS AIR TRANSPORT: United States (1970–1971). MAT is set up at Morristown, New Jersey, in **1970** to provide daily roundtrip shuttle service to New York (LGA). Although Britten-Norman BN-2 Islander roundtrips are duly inaugurated, they cannot be maintained beyond **1971**.

MORTON AIR SERVICES, LTD.: United Kingdom (1945–1968). London Aircraft Production chief test pilot T. W. Morton forms MASL in May **1945**, but must wait until the wartime ban on civil flying is lifted on January 1, **1946** before starting revenue operations. Two de Havilland

DH 89As are purchased and one begins the company's operations on January 18 by flying a charter from London (Croydon) to Zurich.

Another Dragon Rapide is purchased in April and the fleet is increased by the addition of four Airspeed AS.65 Consuls delivered in May, July, September, and December. All of these are busy with charters during the summer, flying between London (Croydon), the Channel Islands, and various Continental destinations.

Two more AS.65s are purchased in January 1947 and these join the other Morton Consuls in participation in the British civil aviation response to a French railroad strike in June. Numerous flights are made to Switzerland to bring back over 150 stranded tourists.

Summer charters are flown as in 1946 and in November an office is opened at Speke Airport in Liverpool.

Two more Dragon Rapides are acquired in 1948, the first in March. The same month, Morton obtains a de Havilland DH 104 Dove I, which is placed in service on the 24th, followed by a second in May. These early Doves, among the first of their type flown in the U.K., prove unsatisfactory and are quickly sold to **Skyways, Ltd.** in June. In July, four Consuls are sent to Beirut under nine-month charter to the UN Palestine Commission. Middle East flights begin on July 24.

An office is opened in Bristol on April 22, 1949, the day before the Mideast UN charter ends and the four Consuls return from Beirut. In May, a used Dove 1 is purchased from **Hunting Air Travel, Ltd.** Short- and long-range charters throughout England and the Continent continue during the summer as in previous years. In June, the ex-Hunting Dove is transferred to Yangon to fly charters on behalf of Burma Oil Company. A Percival P.34 Proctor 1 is added in December.

The company's first scheduled service is offered during the summer of 1950 over a route from Whitchurch to Jersey and Guernsey. During the year, three DH-89As are sold and two more Dove Is are added, one of which is sent to Karachi to begin flying charters on behalf of Pakistan Petroleum Company in October. An AS.65 is destroyed in a nonfatal Guernsey crash.

Several new scheduled frequencies, obtained under associate agreements with **British European Airways Corporation (BEA)**, are offered in 1951: London (Croydon)–Ostend, Le Zoute, and Innsbruck and Bristol to Jersey, Guernsey, Isle of Wight, and Isle of Man. Some 6,000 passengers are flown on these scheduled routes during the year. A Dragon Rapide is sold in May 1952 and on June 14 an AS.65 is destroyed when it crashes into the English Channel (six dead). Meanwhile, scheduled services and charters are flown as before.

Oiley Air Service, Ltd. is purchased in late February 1953, but continues operations under its own name, including summer flights from London (Croydon) to the Channel Islands in tandem with Morton. At the same time, an agreement is reached with **Cambrian Airways, Ltd.** whereby the two carriers will not compete on similar West Country routes. A new Bristol–Paris service obtained by Morton is now transferred to Cambrian, which also receives most of Oiley's aircraft.

Two more Doves are purchased during the year, one in April and one in July. Scheduled services are opened for the summer from London (Croydon) to the Channel Islands and Le Touquet by Morton aircraft while Oiley, employing Morton aircraft, also flies to Jersey and Guernsey as well as Deauville. Morton transports a total of 12,228 passengers. Two more AS.65s are acquired in October.

Between them, the two carriers fly 26,600 passengers in 1954 over the routes of 1953, of which 14,000+ are Morton's. A Consul is withdrawn during the year while three more Doves are purchased. Charter and scheduled services and the fleet continue unchanged in 1955.

On October 1, 1956, twice-daily, year-round London (Croydon)–Rotterdam scheduled service is inaugurated. Two more Consuls are sold during the year. The arrival of a new Dragon Rapide in July 1957 is overshadowed by the introduction of the carrier's first DH-114 Heron 1B the same month. The new aircraft is placed on both the Rotterdam and Channel Island services.

Weekly London (Croydon)–Brawdy flights begin in 1958, the same year in which Morton is purchased by the Airwork group, which allows

it to continue to operate under its own identity. Another Heron 1B is added in January 1959, allowing the Brawdy route to become twice weekly. In April, Swansea is added as an optional stop on this service, beginning on June 2. When Croydon Airport is closed on September 30, Morton transfers operations over to London (LGW). The last two Airspeed Consuls are sold in October.

During 1960, Airwork's Viscounts assume much of Morton's scheduled service, especially the flights to the Channel Islands. On July 1, the company becomes a part of **British United Airways, Ltd.**, but still retains its separate identity. Two Dragon Rapides are sold in September. On October 31, the Yangon-based Dove is lost in a crash at Chittagong. Another Heron 1B is added in May 1961 and enters service on May 20. Operations to the Channel Islands are strongly resumed in June as well as flights to Le Touquet in June.

During 1962, three DC-3s are transferred to Morton from BUA and are employed for cargo charters. Meanwhile, a number of ex-**Jersey Airlines, Ltd.** routes are also transferred over. Morton carries a total of 14,726 passengers on its scheduled and charter services during 1963. During 1964, Morton opens interisland services between Jersey, Guernsey, and Alderney as well as flights to the Channel Islands from London (LGW) and Southampton and Swansea from London (LGW) and Exeter. Four Heron 2s are acquired in August and a Heron 1B is sold in December.

In 1965, Southend–Billund twice-weekly livestock flights are made along with a daily frequency to Antwerp. Two Heron 1Bs are added in March and two DC-3s in November. Female pilot Yvonne Sintes joins the company to fly the Douglas transports. The new Herons fly Jersey–Plymouth services in 1966, replacing a route formerly operated by **Jersey Airlines, Ltd.** One each Dove and Heron 1B are sold. During 1967, scheduled services continue as before as two more Doves are sold. **Aurigny Air Services, Ltd.** assumes the Alderney route in early 1968. In May, Chairman Morton resigns as his carrier is absorbed into **British United (Island) Airways, Ltd.**

MOSCOW AIRLINES (AEROFLOT-MOSCOW AIRLINES): Russia (1993–1995). MA is established at Sheremetyevo-1 Airport in the summer of 1993 to offer charter passenger and cargo services in association with **Aeroflot Russian International Airlines (ARIA)**; V. Kastrin is appointed general director. A fleet of 2 Ilyushin Il-62s, 1 Il-76, 1 Tupolev Tu-154, and 2 Antonov An-32s is assembled and revenue flights begin in September. During the year's remaining months, a total of 14,270 passengers and 5 million FTKs of freight are flown.

Operations continue apace in 1994 and enplanements climb to 45,600. Flights cease in 1995.

MOSTRANSNAZ AIRLINES COMPANY: Gazpromovod Town, Moscow Area, Leninski Region, 142770, Russia; Phone 7 (095) 336-6700; Fax 7 (095) 336-6522; Code OC; Year Founded 1993. MA is set up by the Gazprom Group of investors in 1993 to offer domestic and regional all-cargo charters, VIP transport, and aerial contract work. Valeri Pfefer is named director general and he begins revenue flights with 3 Let L-410UVPs, 1 Ilyushin Il-76TD, 1 Antonov An-12, 14 Kamov Ka-26s and 1 Mil Mi-8.

Services continue apace in 1994–1999, during which years the Il-76TD is leased to other carriers.

By 2000, Director General Anatoly T. Balandin oversees a workforce of 480 employees and flights are conducted by 1 Antonov An-2, 2 Yak 40s, 2 Let L-410s, 31 Kamov Ka-26s, and 1 Mil Mi-8.

MOUNT COOK AIR SERVICES, LTD.: New Zealand (1953–1969). Returning from service in the Royal New Zealand Air Force, Henry ("Harry") Wigley joins with Straun Robertson in 1953 to form **Mount Cook Air Services, Ltd.** at Tasman to provide sight-seeing, animal control, and crop-dusting services. Wigley is the son of national tourism pioneer Rodolph Wigley, who had organized two aerial tour companies before World War II. Robertson serves as general manager and chief pilot for the company's two Auster J1s.

Services are maintained in 1954 and on September 22, 1955, Wigley and pilot Alan McWhirter make the first landing on the Tasman Glacier in a ski-equipped Auster. A retractable aircraft ski is developed that permits operations from dry and snow surfaces on the same trip and becomes a major factor in the carrier's growing success.

Plans are made in 1956 to undertake scheduled service from Christchurch to Mount Cook and Queensland and a Douglas DC-3 is purchased from the **New Zealand National Airways Corporation, Ltd. (NZNAC)** for the purpose. Unfortunately, adequate facilities do not exist at Mount Cook, Queenstown, TeAnau, and Manupouri and start-up is delayed while modernization is undertaken. In September, a second ski-equipped Auster enters service.

Two additional Austers (J5s) are purchased for the fleet in 1957. In November, three Austers provide the support necessary to film the motion picture *Cinerama South Seas Adventure*, which eventually results in U.S. tourists seeking air tours through the mountains of Mount Cook National Park.

Orders are placed in 1958 for two ski-equipped Cessna 185s, which are placed in service during March 1959, leading to the retirement of all but one Auster. Tourist flights to the glaciers in the Westland and Mount Cook area accelerate dramatically in 1960. The company begins an open-ended maintenance arrangement with NZNAC.

After three years of airport improvement, scheduled DC-3 service is inaugurated Christchurch–Mount Cook–Queensland on November 6, 1961. Another Douglas transport is acquired in 1962 and with the other company aircraft is painted in a soon-to-be familiar blue and white livery, complete with a lily emblem.

In 1964, books reveal that since 1959, the Cessna 185s have flown 8,000 passengers to the Mount Cook glacier areas. Harry Wigley publishes a book of recollections in 1965, *Skyplane Adventure* (Wellington: A.H. & A.W. Reed).

The first six-seater Cessna 185 is purchased in 1966. Grumman G-44 Widgeons and Gannet Super Widgeons are added to the fleet in 1967–1968. A competing carrier, **Tourist Air Travel, Ltd.**, is taken over in 1969 and merged. At this point, the little airline changes its name to **Mount Cook Airlines, Ltd.** and moves its headquarters to Christchurch.

MOUNT COOK AIRLINES, LTD.: 47 Riocarton Road, P.O. Box 4644, Christchurch, New Zealand; Phone 64 (3) 348-2099; Fax 64 (3) 343-8159; Code NM; Year Founded 1969. Having taken over competing carrier **New Zealand Tourist Air Travel, Ltd.**, **Mount Cook Air Services, Ltd.** changes its name to **Mount Cook Airlines, Ltd.** in 1969 and moves its headquarters to Christchurch, where **Air New Zealand, Ltd.** takes an 11% minority interest. The company fleet now includes 3 Grumman G-44A Widgeons, 3 Gannet Super Widgeons, 2 DC-3s, and several de Havilland DH 89A Dragon Rapides and Cessna 185s. Most of the Widgeon operation remains centered on the old NZTAT base at Auckland, on the North Island.

A maintenance contract entered into with **New Zealand National Airways Corporation (NZNAC)** in 1960 ends as the subsidiary Southland Aircraft Engineering is formed to perform the E & M Task. Orders are placed for 2 Hawker Siddeley HS 748s and 6 Britten-Norman BN-2 Islanders.

The two HS 748s are delivered, one each in 1970–1971, and are placed in service Christchurch–Rotorua and Mount Cook–Rotorua. On Christmas Eve of the former year, a G-44A, chartered by Television New Zealand News to shoot tape of a ship afire in Waitemata Harbour, suddenly dives into the sea during a steep turn (four dead).

During the latter year, Managing Director Capt. Fred Ladd, with Ross Annabell, publish a book of memoirs, *A Shower of Spray and We're Away!* (Wellington: A.H. & A.W. Reed), with attention to the Widgeon amphibious operations.

The first two Islanders are also received. On October 19, 1972, a Grumman G-21 Goose joins the Widgeon fleet based at Auckland, as three more BN-2s fly into Christchurch. The NZNAC license for serv-

ice on the Christchurch–Rotorua–Auckland route is acquired in 1973. A third HS 748 joins the fleet in September, together with a de Havilland Canada DHC-6.

As the result of a wheels-down landing on Half Moon Bay on Stewart Island on January 1, 1974, a Super Widgeon capsizes; after all aboard are rescued the aircraft sinks. A second purchased Goose is lost in October before it can be delivered. Passenger demand accelerates, particularly on the Queenstown–Dunedin and Queenstown–TeAnau and Milford routes. The final Islander is delivered. NZNAC acquires 15% shareholding. Enplanements for the year total 121,914.

The employee population in 1975 stands at 50. The DHC-6 is sold in April and that portion of the fleet providing scheduled service now includes 3 HS 748s and 1 DC-3. The company repurchases its original ski-equipped Auster and Managing Director Wigley lands it on the Tasman Glacier as part of the celebration of the first landing there 20 years earlier. Late in the year, the MCA board elects to discontinue amphibious services.

Freight traffic is down 4.3% and passenger boardings dip 4.2% to 117,000. The year's loss is NZ\$36,120.

In January 1976, Henry Wigley is knighted. Widgeon operations cease at the end of April and the amphibian division at Auckland is sold to **Sea Bee Air, Ltd.** The proceeds are employed to purchase a fourth HS 748, which joins the fleet in October.

Customer bookings accelerate 10% to 103,100 and freight skyrockets 43% to 135,900 FTKs.

Following extensive airport modification, HS 748 service is inaugurated to Kerikeri in 1977. Float-equipped Cessna 185s begin sight-seeing trips from Lake Te Anau.

A total of 129,744 passengers are carried systemwide.

The workforce in 1978 totals 251. Following tests, the carrier's four BN-2s are found unsuitable for glacier landings.

Freight drops 23.1%, but passenger boardings accelerate 9.9% to 144,323.

Two BN-2s are sold in 1979 as a fifth HS 748, purchased from **Air Pacific, Ltd.**, is placed in service. On October 2, the cumulative total of passengers flown on glacier ski-trips reaches the 500,000 mark.

Passenger bookings for the year advance 16.2% to 167,300 and cargo skyrockets 32.7%.

A Bell 206B JetRanger is placed on the glacier lift in 1980 as three newer BN-2s join the fleet. Freight falls 7.2% to 172,000 pounds and passenger traffic dips 2.7% with 162,700 passengers flown.

One BN-2 is replaced in 1981 by a Fokker F.27-500.

Passenger boardings at Chairman R. W. Steele's carrier dip again, down 4.8% to 154,900; freight drops 15.8% to 144,000 pounds.

The employee population in 1982 is 174. The F.27-500 and one more BN-2 are replaced by two Pilatus Turbo Porters and a Piper PA-31-350 Navajo Chieftain; one HS 748 is leased out.

The world economic recession brings a third year of traffic reversal; passenger bookings slip 6.9% to 114,200, and cargo is off 2.4% to 141,000 FTKs.

The workforce is increased 5.5% in 1983 to 152 and an HS-748 is leased from the Canadian company **Calm Air, Ltd.**

Passenger boardings soar 21.1% to 172,035 and 1.38 million FTKs are hauled, a major increase. Revenues total US\$12.9 million and allow a US\$1.8 million profit.

Deregulation of the New Zealand airline industry brings several takeover attempts in 1984. By spring, these efforts result in **Air New Zealand, Ltd.** increasing its 11% share to 30% and the acquisition of a 35% interest in the new Mount Cook Group by Dominion Breweries. Business begins to pick up in late winter, allowing the leased HS 748 to be recalled and a sixth purchased. Also joining the fleet's HS 748s, 13 Cessna 185s, 2 Turbo Porters, and 1 Navajo Chieftain is a new DHC-6.

Airline employment grows 15.8% to 176. Passenger boardings soar 23.1% to 221,092, but cargo falls 15.9% to 860,000 pounds.

The workforce is increased 2.5% in 1985 to 176. Late in the year, 77% controlling interest is taken in Mount Cook Group by **Air New**

Zealand, Ltd., which allows the carrier to continue operations under its current identity.

Passenger boardings rise again, up 6.6% to 235,665. The bottom, however, falls out of the company's freight operation, which drops 88.8% to 96,000 pounds.

Third-level carrier's customer bookings climb in **1986**, rising 0.8% to 237,558. Cargo revives, accelerating 17.1% to 112,000 FTKs.

Passenger boardings climb 26.4% in **1987** to 300,222, but cargo is down 14.9% to 96,000 FTKs. Enplanements decline to 271,560 in **1988** and the carrier suffers a NZ\$1.65 million net loss.

The workforce is increased 4% in **1989** to 289 and the fleet includes 6 BAe (HS) 748.B2s, 3 Islanders, 1 Chieftain, 1 Twin Otter, 12 Cessna 185s, and 2 Turbo Porters. In November, **Air New Zealand, Ltd.** establishes a regional and commuter feeder system, Air New Zealand Link, modeled upon that sponsored by **Delta Air Lines** in the U.S. Mount Cook becomes the flagship carrier in the new operation.

Despite a continuing decline in tourism, Mount Cook is able, via its new feeder role, to increase its passenger boardings by 27% to 372,000 and earn an after-tax profit of NZ\$227,000.

Operations continue apace in **1990**, with the company adopting a new policy of not disclosing either traffic or financial data, leaving it to the flag carrier to include those figures within its own.

In **1991**, the fleet includes 1 DHC-6-300, 1 Fokker F.27-100 leased from **Air New Zealand, Ltd.**, and 6 BAe (HS) 748-B2s. New routes are inaugurated from Christchurch to Palmerston North and from Wellington to Hamilton.

Operations are maintained with little change in **1992-1993**. Chairman N. M. T. Geary and General Manager P. J. Clark oversee a workforce of 300 and purchase 1 new Piper PA-31-350 Navajo Chieftain.

A seventh BAe (HS) 748-B2 joins the fleet in **1994** and with its sisters and the leased Fokker F.27-100, continues to fly tourists to Mount Cook and other South Island destinations. Meanwhile glacier flights continue to be provided by three Turbo Porters and eight Cessna 185s. Plans are made to replace the BAes with Avions de Transport Aerien ATR72s.

Despite New Zealand government displeasure with France concerning nuclear testing in the Pacific, the company, in July **1995**, proceeds with orders for seven ATR72-212s. Painted in Air New Zealand Link livery, the first of the large turboprops is delivered in October and enters service from Invercargill to Christchurch. The others will follow in the fourth quarter. Meanwhile, the BAes is leased to **Euroair Transport, Ltd.** in the U.K. The new aircraft are employed on tourist routes and as backup capacity on **Air New Zealand, Ltd.** trunk routes.

Mount Cook Airline's last commercial BAe (HS) 748 flight leaves Wellington for Christchurch on February 12, **1996**. The 748s, which have served on the carrier's major tourism routes since 1968, are all now retired, together with the Fokker.

Flights continue without fanfare in **1997-1998**. On April 6 of the latter year, **Air New Zealand, Ltd.** sells the light aircraft operations and coach touring businesses of this subsidiary to Tourism Holdings, Ltd. It does, however, retain ownership of both Mount Cook Airlines and Freedom Air, as well as the ski areas at Mount Hutt, Coronet Peak, and The Remarkables. The previous commercial routes are largely maintained and operated as Air New Zealand Link services.

Beginning on January 18, **1999**, the company initiates four daily Air New Zealand Link ATR72-212 roundtrips between Palmerston North and Auckland. The carrier also undertakes additional evening Palmerston North to Christchurch ATR72-212 Air New Zealand Link roundtrips.

The first of seven new ATR72-520s is delivered in October. The remainder will arrive between November and February and will replace the seven ATR72-210s currently employed on the carrier's domestic network.

Following delivery of the last of seven ATR72-520s in February **2000**, orders are placed on April 22 for an eighth.

MOUNT LAURIER AVIATION, LTD. See **NORDAIR, LTD.**

MOUNTAIN AIR. See **MOUNTAIN AIR OF NEW MEXICO**

MOUNTAIN AIR, LTD.: P.O. Box 27, Mount Ruapehu, New Zealand; Phone 64 (7) 892-2812; Fax 64 (7) 892-2703; <http://www.mountainair.co.nz>; Year Founded **1980**. James Aviation, Ltd. helicopter division chief pilot Keith McKenzie and his wife Robyn form Commercial Helicopters, Ltd. in **1980** to take over the Taumarunui operation from Auckland-based James. For the next nine years, McKenzie operates a single helicopter on air transport charters and aerial work contracts throughout the central North Island, as well as in other areas of New Zealand requiring rotary-wing lift.

Mountain Air is created in **1989** as Commercial's fixed-wing division. Scenic lightplane flights are operated over the Tongariro National Park from Chateau, Turangi, and Flat Hills in the Mangaweka area. Scheduled service is inaugurated in April **1997** from Auckland to Turangi and Mount Ruapehu, primarily to meet the needs for skiers to the Ruapehu District ski areas. Thrice-daily roundtrips are initiated in September **1998** from a newly formed Auckland base to Great Barrier Island.

In **1999-2000**, Director General McKenzie oversees the work of nine pilots, who fly two each Britten-Norman BN-2 Islanders and Piper PA-23 Aztecs on scheduled flights and one each Cessna 172 and C-206 on charters. Helicopter service is maintained with a Hughes 500D.

MOUNTAIN AIR CARGO (MAC): P.O. Box 488, Denver, North Carolina 28037, United States; Phone (704) 464-8741; Fax (704) 465-5281; <http://www.mtaircargo.com>; Code MTN; Year Founded **1975**. MAC is founded by David and Walter Clark at Denver, North Carolina, in **1975** to provide charter and contract air cargo services. Most company business comes from contract express flights undertaken by Chairman David and President Walter's concern on behalf of such giants as **Purolator Courier**, **UPS (United Parcel Service)**, and **Federal Express**. Operations continue apace during the remainder of the decade and the fleet grows to include 17 Beech 18s. Maintenance facilities are set up at Little Mountain, North Carolina, Iron Mountain, Michigan, and Parkersburg, West Virginia.

On November 17, **1980**, ownership is taken over by Roy Hagerty's Air Transportation Holding Company (Air T), which also controls the commuter carrier **Sunbird Airlines**, and placed under control of a new holding company, Atlanta Express Airline Corporation, which is incorporated in Delaware. Sunbird's eight Beech 99s will now occasionally be leased.

A total of 12.18 million FTKs of freight are operated by Chairman Clark's freight line in **1981**. The workforce in **1982** stands at 101, a decline of 22.3%. Cargo increases 6.9% to 17.64 million pounds.

In late **1983**, the company is further subdivided as a new **Mountain Air Commuter** section is established to offer regularly scheduled passenger flights between Washington, D.C. and Baltimore. Daily roundtrip revenue flights are inaugurated with a Cessna 404 Titan. Meanwhile, the fleet grows to also comprise 8 Beech 99s, 6 de Havilland DHC-6 Twin Otters, 3 Hamilton Westwind IIIs, 10 Beech 18s, and 3 Cessna 402s. Both scheduled and nonscheduled operations continue apace.

Just after landing at Franklin, Pennsylvania, at dawn on November 8, a Beech 18S veers off the runway and is substantially damaged when it goes over an embankment. The pilot is not injured.

On the year, the carrier hauls 18.41-million pounds of freight, a drop of 20.6%.

After several years of freight declines, poundage increases by 10.4% in **1984** to 22.16 million.

The fleet in **1985** includes 1 Cessna 402, 3 Westwind IIIs, 7 Beech 99s, 5 Twin Otters, and 8 Beech 18s.

In March, the first of seven Cessna 208 Caravan Is are received for operation under contract to **Federal Express**.

While en route from State College, Pennsylvania, to Pittsburgh on the night of October 11, a DHC-6-200 freighter collides with rising terrain

at a height of 1,250 ft. near Homer City. The pilot is killed and the Twin Otter is destroyed, with its wreckage scattered over 375 ft.

Cargo climbs again, by 13.2% to 25,097,000 pounds.

The workforce is increased 5.3% in **1986** to 79. The **Mountain Air Commuter** experiment is deemed a failure and is ended. On the other hand, a wholly owned subsidiary, **CSA Air**, is formed at Iron Mountain, Michigan, to undertake services in the Midwest.

Freight improves further, gaining by 20.6% to 30,274,000 pounds.

Six new employees are hired in **1987**, but cargo drops by 14.8% to 25.79 million pounds.

The fleet of the 85-employee carrier in **1988** includes 15 Twin Otters, 7 Beech 99s, 27 Cessna 208 Caravan Is, 1 Cessna 402, 3 Shorts 330-200s, and 1 Fokker F.27.

While on final approach to Charlotte after a ferry flight from Erie, Pennsylvania, on January 19, a DHC-6-200 descends below its glide path, strikes a tree, and hits the ground short of the runway; although the Twin Otter must be written off, its pilot walks away.

Traffic recovers and increases by 76.7% to 45,573,000 pounds.

The payroll is increased by 17.6% in **1989** to 100 and the fleet is reduced to 44 aircraft. Cargo dips 3.3% to 44,081,000 pounds.

The workforce increases 45% in **1990** to 145 and 2 more Friendships are acquired. All independent shareholding in the **CSA Air** subsidiary is transferred to Air Transportation Holdings Co.

Freight traffic, however, continues to decline, dropping almost a third, 32.9%, to 56,866,000 pounds.

The employee population is cut by 18.6% in **1991** as the fleet is radically altered. Retained are two Beech 99s and three Shorts 330-200s, to which is added a CASA C-212-200 Aviocar. Concentrated efforts are made to purchase additional F.27F freighters. MAC and **CSA Air** become exclusive servants of **Federal Express**.

Traffic stops falling and recovers, growing by 12.6% to 64,827,000 pounds.

Operations continue apace in **1992**; however, no statistics are reported. In **1993**, President William H. Simpson oversees a workforce of 189 and a fleet of 23 Fokker F.27s, 54 Cessna 208 Caravan Is, and 2 Shorts 330s.

A total of 85,655,488 pounds of freight are flown.

The workforce is reduced to 180 in **1994** and cargo increases slightly to 85,766,000 pounds. The company's 29 planes haul 90.2 million pounds of freight in **1995**, a 5.2% upturn.

The employee population stands at 300 in **1996**. The fleet now includes 1 CASA C-212 Aviocar, 54 Cessna 208s, 22 Friendships, and 2 Shorts 330s.

Cargo traffic slides 2.3% to 81,249,000 pounds of freight flown.

Early in **1997**, the freighter's parent, Air Transportation Holding, Inc., announces plans to merge with Piedmont Holding Co., which operates six general aviation concerns in North Carolina and Virginia.

A total of 83.6 million pounds of cargo are transported on the year, a 3% increase over 1996.

Flights continue apace in **1998**. During the 12 months, freight traffic is level at 83,685,948 pounds.

By the beginning of **1999**, airline employment has been increased by 7.1% to 300. The fleet now comprises 45 Cessna 208s, 22 Friendships, and 2 Shorts 330s. These are operated during the remainder of the year, and in **2000**, throughout the eastern half of the U.S., Canada, and the Caribbean Islands.

MOUNTAIN AIR COMMUTER. See MOUNTAIN AIR CARGO

MOUNTAIN AIR EXPRESS (1): United States (1996–1998). With its headquarters at Colorado Springs, MAX is established at Denver in early August **1996** as a regional subsidiary of **Western Pacific Airlines (Westpac)**. The new regional is owned and financed by Westpac and private investors; Western Pacific Chairman/CEO Ed Beauvais holds the same post with this carrier, with Thomas McClain as president. Orders are placed for 12 Fairchild Dornier 328-120s, 2 of which arrive by De-

cember 1. The aircraft are painted in a snow-white livery with titles and a huge, stylized "X" on their tails.

Plans call for scheduled feeder services to six Colorado ski destinations to commence three days later. Unhappily, FAA certification of the new entrant is delayed and in the interim until December 15, service is provided under contract by **United Airlines**.

When company flights do begin, they are conducted to the airports at communities close to six major ski resorts: Aspen (Snowmass), Durango-La Plata County Airport (Purgatory), Eagle (Vail), Gunnison (Crested Butte), Hayden (Steamboat Springs), and Montrose (Telluride). Within 3 days, MAX is operating 25 daily roundtrips from Colorado Springs.

Two more 328-120s arrive early in **1997** and the schedule is increased upward to 50 flights per day for the remainder of the winter season. Flights to Santa Fe are inaugurated at the end of the first quarter following the arrival of the fifth Dornier.

On June 29, this Westpac subsidiary follows its parent's move to the new Denver International Airport. The number of weekday frequencies from Colorado Springs is reduced to 19 while those at DIA total 29.

During July, the company unveils a Dornier 328-120 "logoprop" that has been given a color scheme publicizing the Frontier Days celebration of Cheyenne, Wyoming. In the style of Westpac's "logojets," an image of a cowboy riding a bucking bull adorns the aircraft's tail.

By August 1, Westpac and MAX together are offering 70 weekday departures from Denver International Airport to 26 markets. Following the failure of a planned merger between Westpac and **Frontier Airlines (2)** at the end of September, the former declares Chapter XI bankruptcy on October 5.

Westpac continues to operate while reorganizing. All jet service to Colorado Springs is eliminated, replaced by five additional daily Dornier 328 flights between the old hub and the new Denver consolidation point.

MAX itself declares bankruptcy in November. A group of investors, MAX Acquisition Group, steps forward at month's end and begins to pump \$2 million into the carrier to keep it from shutting down. It will prove fortuitous that, at year's end, **United Airlines** cancels its contract with **United Express (Mesa Air Group)** for operations out of Denver and Colorado Springs.

A total of 159,948 passengers are flown during the year.

As **1998** begins, airline employment at failing MAX stands at 300 and the company, to keep its certificate valid, flies one flight daily from Denver to four other communities, including Colorado Springs. MAX assets continue to dwindle; the city of Colorado Springs alone is owed \$104,000 for landing fees. By the end of January, the company has only \$11,000 in cash on hand and a hearing is scheduled for March 5 before U.S. Bankruptcy Court Judge Sidney Brooks on March 5 concerning liquidation.

In need of additional capacity to take over the routes United has cancelled with Mesa, "United Express" operator **Air Wisconsin** steps in on February 23 and purchases MAX. Pledging to retain the carrier's workers, **Air Wisconsin** pays MAX Acquisition Group \$1.5 million. President McClain agrees to stay on during the transition period.

With the transaction completed, Air Wisconsin begins to retrain MAX pilots and repaints the four Dorniers in "United Express" colors. New routes are added to additional cities in Colorado and Wyoming and the entire company is flying as "United Express" by April 20. Orders are placed for six additional Dorniers, four of which join the fleet June 10, when the transition to **Air Wisconsin** is completed.

MOUNTAIN AIR EXPRESS (2): 3250 Airflite Way, Long Beach, California 90807, United States; Phone (562) 869-4128; <http://www.mountainairexpress.com>; Year Founded 1998. MAX-2 is established at Long Beach in late **1998** to operate executive and small group passenger charters, including many on behalf of Mountain Air Tours. Revenue flights begin with a fleet of 1 each Merlin 11B, Cessna 401, C-402, C-421, and Piper PA-31-350 Navajo Chieftain. When flights demand

larger capacity or longer range, the company is able to acquire the use of a Fairchild Metro III and Cessna Citation bizjets. From Long Beach, Fresno, and San Jose, Mountain Air Tours organizes flights to Mammoth Lakes, Grand Canyon, Reno, Catalina, and South Lake Tahoe.

MOUNTAIN AIR OF NEW MEXICO: United States (1974–1975). Also known simply at Mountain Air, MANM is set up at Santa Fe in **1974** to provide Cessna 402 services to Albuquerque and Denver via Taos. Revenue operations do not last a year.

MOUNTAIN AIRWAYS: United States (1969–1970). MA is established at Saugerties, New York, in **1969** to provide daily air taxi shuttles from Kingston to New York (JFK) via Newburgh. Although Britten-Norman BN-2 Islander roundtrips are duly inaugurated, they cannot be maintained beyond **1970**.

MOUNTAIN AVIATION: Jeffco Airport, Lafayette, Colorado 80026, United States; Phone (303) 877-4282; Fax (303) 666-6090; Year Founded 1993. MA is set up in **1993** to provide local and regional executive and small group passenger charters. Six pilots are hired and revenue flights commence with a fleet that comprises 1 each Cessna 550 Citation II bizjet, Beech Super King Air 200, King Air 90, C-441 Conquest II, C-340, and C-T310.

MOUNTAIN BIRD. See SALMON AIR

MOUNTAIN HOME AIR SERVICE: United States (1978–1980). MHAS is established at Mountain Home, Arkansas, by Thomas L. Fleming during the summer of **1978**. Employing a Beech B-58 Baron, Fleming inaugurates scheduled air taxi service in August, linking his base with Memphis via Bartlesville. Daily roundtrips are maintained until August **1980**, when the company is reformed and named **Arkansas Traveler Airlines**.

MOUNTAIN WEST AIRLINES (1): United States (1977–1978). The first MWA is set up by Jim Perry at Aspen, Colorado, in the first week of January **1977** to provide scheduled passenger flights to Grand Junction and Vail. Revenue flights, mostly for those seeking skiing holidays, begin on January 15 with 1 each Cessna 206 and Cessna 340, plus 1 Douglas DC-3. Early in **1978**, the company name is changed to **Bonanza Airlines**.

MOUNTAIN WEST AIRLINES (2): United States (1978–1982). Letha Ellis organizes MWA-2 at Boise, Idaho, in September **1978**. After acquiring a pair of Embraer EMB-110 Bandeirantes during the fourth quarter, his company inaugurates scheduled passenger commuter flights to Pocatello, Idaho Falls, Sun Valley, and Salt Lake City.

Unable to generate sufficient traffic or revenue to overcome costs involved with start-up, to say nothing of inflation, high fuel bills, and recession, MWA-2 is forced to close in **1982**.

MOUNTAIN WEST AIRLINES (3): United States (1985). A third MWA is established at Denver in the summer of **1985** to provide scheduled and charter flights with 1 Cessna 402, 1 Piper PA-31-350 Navajo Chieftain, and 2 leased Convair CV-440s. Revenue flights begin in late September over a route to Laramie, Wyoming. A total of 3,500 passengers are transported during the fourth quarter, but unable to continue, the carrier ceases operation in December.

MOUNTAIN WEST AIRLINES (4): United States (1994–1997). In the spring of **1994**, Mesa Airlines is reorganized into Mesa Air Group, with five operating divisions, including this new unit. MWA-4 is made up from Albuquerque-based Mesa Airlines, with 8 Beech 1900s, Phoenix and Columbus-hubbed "America West Express," with 16 Beech 1900s and 3 Embraer EMB-120 Brasilias, and Los Angeles-based Westair Commuter Airlines, doing business as "United Express," with

27 Beech 1900s, 9 Brasilias, and 6 de Havilland Canada DHC-8s. MAG Vice President Michael Lewis is placed in charge of MWA-4.

Operations continue apace over previously flown routes and orders are placed for the DHC-8Q-400, for which the company is launch customer. Enplanements for the year total 3,011,729.

Airline employment stands at 1,390 in **1995**. A new code-sharing "United Express" agreement negotiated with **United Airlines** the previous October comes into effect during the first quarter, covering the next decade. Also as part of the deal, 12 MAG DHC-8-300s are traded for 25 smaller, hot-and-high DHC-8-200s better suited to the thinner Colorado air. A \$226-million order is placed for the turboprops with deliveries scheduled to start the following February.

During the year, the America West 10-year code-sharing contract is also renegotiated. The route network grows to 73 U.S. cities served from hubs at Albuquerque, Columbus, Denver, Los Angeles, and Phoenix. Traffic figures are incorporated with those from MAG.

Painted in "United Express" livery, the first DHC-8-200 arrives at the company's Denver base in February **1996**. The hot-and-high aircraft is placed into service throughout the company's Rocky Mountain network.

MWA-4's resources are significantly strained during the spring and summer by delays in delivery of additional Dash 8-200s, the resignation of 38 pilots, and the loss of Essential Air Service (EAS) funding.

During July, the carrier terminates Beech 1900C services between Denver and the Kansas communities of Lamar and Goodlands. In addition, daily flights between Denver and Fort Collins are cut from eight to five; from Denver to Pueblo from five to three; and from Denver to Alamosa from three to two.

By the end of the year, MWA-4 is the largest MAG division. Officials report, independently of the parent, that the section has transported a total of 4,134,872 passengers during the year, a 24.5% increase.

During the first week of January **1997**, MAG is again reorganized. The operating divisions Desert Sun, Florida Gulf, Liberty Express, and Mountain West are replaced by four new units: "America West Express," "Independent," "United Express," and "USAirways Express." Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**. Mountain West will continue as the "United Express" unit.

MOUNTAINWEST AVIATION. See SIERRA PACIFIC AIRLINES (3)

MOZAMBIQUE AIRLINES. See LAM LINHAS AREAS DE MOCAMBIQUE

MTM AVIATION, GmbH: P.O. Box 231855, Munich, D-85327, Germany; Phone 49 (89) 978 520; Fax 49 (89) 970 181; Year Founded 1980. MTM is established at Munich Airport in **1980** to provide domestic, regional, and worldwide executive and passenger charters, plus air ambulance flights. Operations continue apace over the next 20 years and by **2000** the company employs 20 pilots and flies from 3 bases.

Two Learjet 55 Longhorns are flown from Munich, along with one each Canadair 600 Challenger, Beech Super King Air 200, and King Air 90. Another Longhorn is stationed at Frankfurt and a fourth at Cologne.

MUK AIR, A.S.: Copenhagen Airport South, Dragoer, DK-2791, Denmark; Phone 45 3282 0000; Fax 45 3282 0078; http://www.muk-air.dk; Code ZR; Year Founded 1979. Privately operated Muk Air Taxi is established by former **Cimber Air, A.S.** pilot Knut Lindau as an air taxi service at Farum in early **1979**. Employing 1 Cessna 402 and 1 Piper PA-31-310 Navajo, Managing Director Lindau's carrier begins unscheduled flights in July, with special emphasis on the daily delivery of the *Det Fri Aktuelt* newspaper from Copenhagen to Jyllands-Posten. In later years, the newspaper service is extended to Aarhus, Aalborg, Karup, and Billund.

Late in **1981**, it is decided to undertake scheduled services and the fleet is expanded by the addition of three Piper PA-31-350 Navajo

Chieftains and a Beech 99. Beginning in spring **1982**, the Beech is used to offer scheduled weekday international flights connecting Aalborg with the southern Norwegian city of Kristianstad. Also in 1982, an agreement is concluded with the national post office for the transport of mail between Copenhagen and Ronne. The post office contract will later see the company making nightly roundtrips to Aalborg, Billund, and Aarhus, with an average of 22.7 tons of mail delivered every 24 hrs.

The workforce totals 10 in **1984**. A Partenavia P-68B is added in **1986**, but this is traded in on an Embraer EMB-110 Bandeirante in **1987**. In **1988**, the corporate image is upgraded and name is changed to reflect the airline's increased interest in scheduled operations. Another Bandeirante is added in place of the Beech 99 and a Navajo Chieftain. New markets entered include Goteborg and Copenhagen.

In **1989**, a third Bandeirante joins the fleet, along with three Fairchild-Swearingen Metro IIs and a Fokker F.27s. Scheduled flights are initiated to Ronneby and Ronne.

Just after takeoff from Ornskoldsvik, Sweden, on January 21, power is lost to the No. 1 engine of a Swearingen Metro with 2 crew and 15 passengers. The crew returns to the point of origin for an emergency landing, but touches down 30 m. left of the runway. Although the plane must be written off as a result of the ensuing wreck, there are no fatalities.

The destroyed Metroliner is replaced in **1990** with a Shorts 330. Service is launched to Oslo and Aberdeen.

A second Shorts 330 is purchased in **1991** and is used to begin flights to Stavanger and Trondheim. Airline employment declines by 2.3% to 83 while enplanements total 20,000.

The fleet in **1992** includes 1 each Embraer EMB-110P1 Bandeirante and Swearingen Metro and 2 EMB-110P2s and Shorts 330s. Flights to Bremen commence.

Service is begun to Newcastle and Leeds/Bradford in **1993**.

Airline employment stands at 85 and enplanements total 19,646.

President Lindau adds five more employees to his workforce in **1994** and replaces his Metro with a Shorts 360. Additionally, the company name is shortened to Muk Air, A.S.

New scheduled routes are inaugurated from Copenhagen to Kaunas and Palanga and, as a result, passenger boardings accelerate 23.8% to 25,781.

The fleet is significantly increased in **1995** and comes to include 4 Embraer EMB-110 Bandeirantes, 1 Shorts 330, 2 Shorts 360s, and 1 leased British Aerospace BAe Jetstream 31. Enplanements reach 33,009.

Airline employment is reduced 18.2% in **1996** to 90 and customer bookings increase 37.8% to 53,069.

Destinations visited in **1997–1998** include Aalborg, Aarhus, Bomholm, Bremen, Cologne, Kristianstad, Leipzig, Oslo, Skovde, and Trollhattan. Passenger boardings during the former year swell 12.5% to 59,705; they will increase by 29% in 1998, reaching 65,000.

Airline employment by the beginning of **1999** has been increased by 22.2% to 110. Passenger and express and mail services are continued during the remainder of the year and into the new millennium, with neither incident nor headline.

MULTITRANSORTE AEREO, C.A.: Base Francisco de Miranda-Aeroclub, Hangar 1, Fila D, Caracas, 1060, Venezuela; Phone 58 (2) 92 72 74; Fax 58 (2) 99 36 121; Year Founded 1982. Formed to offer fleet management and Western Hemisphere passenger charter flights, General Manager Carlos Llorente Maldonado's company grows rapidly after its founding in **1982**.

By **2000**, Maldonado oversees the scheduling of a large fleet that includes 6 Grumman 690B Turbo Commanders, 2 each British Aerospace BAe (HS) 125-400F Hawks and Cessna 550 Citation IIs, and 1 each Beech 400A Beechjet, Beech Super King Air 200, Super King Air 300, and Swearingen Merlin.

MUNZ NORTHERN AIRLINES: United States (1938–1983). Founded by Bill Munz at Nome on July 4, **1938** as **Northern Airways**,

the air transport division of his FBO, this charter operation undertakes its first flight to Taylor later in the month. Employing light aircraft, Munz provides a variety of nonscheduled passenger and cargo flights to Seward Peninsula, Norton Sound, Yukon Delta, and St. Lawrence Island destinations over the next quarter-century. The corporate identity is changed to MNA in **1962**.

The decision is taken to offer scheduled commuter flights in early **1965** and these third-level services commence on March 1. Aircraft types dedicated to the new service include Aero Commander 680s, Cessna 206s, Aermacchi AL60s, and Stinson SR-9CMs.

Destinations visited regularly over the next decade include the bush communities of Shishmaref, Kotzebue, Gambell, Savoonga, Brevig Mission, Port Clarence, Tin City, Teller, Stebbins, Wales, Elim, Alakunuk, Kotlik, Emmonak, Bethel, Selawik, Koyuk, Kivalina, Ambler, Shungnak, Kiana, Kobuk, Cape Lisburne, Noorvik, Point Hope, and Buckland.

During the early **1970s**, the carrier enters into a subcontract arrangement with **Wien Alaska Airlines**. The first of an order for 10 Britten-Norman BN-2 Islanders is received in **1972** and is christened *Kiana*.

By **1976**, airline employment is 24 and the fleet includes 3 Britten-Norman BN-2 Islanders, 3 Aero Commander 680s, 2 Cessna 206s, and 1 Dornier Do-28-D-1.

Enplanements total 6,000 and 32,000 FTKs are operated.

Enplanements in **1977** total 11,460, a 91% boost resulting from the company's entry into new subcontracts with **Alaska Airlines** and **Great Northern Airlines**. Operating income is \$1.7 million from which a \$140,000 net profit is realized.

The number of employees is increased by 48.5% in **1978** to 49. Following President Carter's signing of the Airline Deregulation Act in October, several new routes are started from St. Mary's.

Passenger boardings skyrocket by 103.3% to 44,041 and freight traffic is also up 29.7% to 583,000 FTKs. Revenues jump 70.6% to \$2.9 million and expenses are up by 70% to \$2.55 million. Operating profit accelerates 75% to \$350,000 and net income increases by 61.1% to \$225,000.

The workforce is cut by 28.6% in **1979** to 25. The reduction in force is a direct result of a traffic decline caused by withdrawal from a subcontract previously flown on behalf of **Wien Air Alaska**.

Customer bookings decline by 13.6% to 38,219, while freight is off by 8.3% to 7.57 million FTKs. Revenues are level with the previous year, but expenses jump 12.5% to \$2.89 million. The operating profit declines by 84.6% to \$55,000 and a \$179,000 net loss must be accepted.

The fleet in **1980** includes 6 Britten-Norman BN-2 Islanders, 2 Aero Commander 680s, and 1 Dornier Do-28. The company withdraws from its subcontracts with larger airlines and reverts to air taxi status.

Consequently, enplanements plunge 80% to 7,754 and cargo falls 69.8% to 2.3 million FTKs.

The fleet of the 25-employee carrier in **1981** comprises 10 Britten-Norman BN-2 Islanders, 2 Dornier Do-28 Sky Servants, and 4 Aero Commander 680s.

Delinquent in filing its traffic reports with the CAB after September, Munz's final records reveal that enplanements for the year are 9,300.

The recession greatly impacts the company's passenger traffic during the next two years.

Customer bookings drop 30.8% to 6,414 in **1982**. Cargo, on the other hand, is a bright spot, accelerating 37.8% to 3.1 million FTKs. On revenues of \$2.4 million and expenses of \$1.8 million, profits are earned: \$547,000 (operating) and \$168,000 (net).

Enplanements plunge 50% in **1983** to 3,000. Unable to fiscally continue in the face of such figures in a time of economic downturn, Munz agrees late in the year to its takeover by and merger into Unalakleet-based **Ryan Air**.

MURMANSK AIRLINES (MURMANSK AVIATION COMPANY): Murmansk Airport, Murmansk, 184364, Russia; Phone 7 (8152) 583405; Fax 7 (8152) 566855; Code MNK; Year Founded

1992. A 1992-reformed division of **Aeroflot Soviet Airlines**, Murmanskoe GAP, under the leadership of Director General Yuri I. Solodilov, maintains scheduled passenger and cargo services over trunk and regional routes out of the north Russia city, famous during World War II as a destination for Allied North Atlantic convoys.

Murmanskoe is the first ex-Aeroflot unit to purchase an aircraft employing bank loans rather than waiting for the government to redistribute airliners from the old Soviet airline. By **1994**, the company's fleet includes a mix of Antonov An-2s, Tupolev Tu-154Ms, and helicopters, including Mil Mi-2s and Mi-8s and Kaman Ka-32s.

Flights continue in **1995–1997**, with a fixed-wing equipment complement of 4 Tu-154Ms, 3 An-2s, and many helicopters: 12 Mi-2s, 9 Ka-32s, and 4 Mi-8s. Unable to maintain its economic viability, the company is declared bankrupt by the government late in the year. Majority (60%) shareholding is now taken by the Russian Aviation Consortium.

Director General Sikidukiv remains in charge of the renamed enterprise and service is continued. On May 12, **1998**, one of the Tu-154Ms makes a safe emergency landing at Murmansk Airport after experiencing engine troubles. Although traffic figures are not provided, it will later be noted that the company has lost \$80 million on the year.

Destinations visited on a scheduled basis at the beginning of **1999** include Anapa, Krasnodar, Moscow, and St. Petersburg. On September 16, the airline, which now flies four Tu-154Ms, is placed up for sale; it is hoped that its sale will raise \$3 million. During the fall, the fleet dwindles to 3 Tu-154Ms, 4 An-2s, 4 Mi-8s, and 7 Mi-2s.

On December 28, a 50% stake in Murmansk Airlines is sold to the RAO Norilsk Nickel subsidiary Severonikel—created especially to acquire the airline's assets—for \$5.1 million. It is understood that the energy concern has outbid a \$5-million tender from Baltinvestovskiy backed by **Pulkovo Airlines** and a \$3-million offer from **Atlant Soyuz**.

At the beginning of **2000**, Severonikel and its regional government partner establish the joint concern Murmansk Aviation Company to operate the airline as a subsidiary under the acting leadership of Alexander Tarantov. One of the Tu-154Ms is almost immediately sold, for \$2.5 million.

On March 10, the Russian media report by that the carrier's entire fleet has been grounded. It is also noted that negotiations are underway that would have **Pulkovo Airlines** step in and take over the concern from its new owners. Murmansk's new owners and Pulkovo are, however, unable to come to an arrangement and discussions end.

Over the next several months, Murmansk flounders. During the summer, negotiations are conducted between the carrier and **Sibaviatrans** concerning possible help from that airline in resolving Murmansk's dismal operating situation. The talks come to nothing because **Sibaviatrans** is not interested in purchasing the expensive Tupolevs, wanting only to lease the Antonov biplanes and a number of helicopters. The company's Web site soon shows most of the helicopter fleet up for sale, as well as both Tupolevs (one for \$2.1 million and the other for \$2.2 million).

Sibaviatrans now opens an office at Murmansk and begins to operate its own return service from that point to Moscow. Executives on the scene now also avail themselves of opportunities to further assess Murmansk Aviation's small fleet. Although inter- and intra-regional flights continue, they remain unprofitable.

A large number of flight crew, discharged at the time of the takeover, write to President Vladimir Putin and Duma Chairman Gennady Seleznev on October 11 openly complaining about and detailing the airline's poor state of affairs. Although this gambit has no effect, some movement is noticed in November when **Sibaviatrans** reenters the story.

In mid-November, Murmansk and **Sibaviatrans** conclude a strategic partnership. Under its terms, **Sibaviatrans** leases three An-2s, all of the Mi-8s (only one of which is serviceable), and two Mi-2s, agreeing to overhaul the grounded helicopters. These are employed by **Sibaviatrans** to operate Murmansk Airlines' routes.

Despite this revival of fortune, the bankrupt carrier now finds itself with a Rbs 14.5-million tax bill from the Russian federal government. In late

December, CEO Tarantov flies to Moscow where he will attempt to obtain additional financing from the carrier's creditors committee. He also opens negotiations with the federal tax authorities in an effort to reduce Murmansk's liability, the exact amount of which is disputed. If he is successful in his various rounds of talks, Norilsk Nickel and other investors and creditors, to say nothing of the taxmen, will, hopefully, be repaid.

MURMANSK CHIEF AVIATION ENTERPRISE (MURMANSKOE GAP). See **MURMANSK AIRLINES**

MURRAY AIR (MURRAY AVIATION): 835 Willow Run Airport, Ypsilanti, Michigan 48198, United States; Phone (313) 484-4800; Fax (313) 484-4875; <http://www.murray-aviation.com>; Code MU; Year Founded 1985. MU is established by brothers Preston and Mark Murray at Willow Run Airport, Ypsilanti, Michigan, in October 1985 to provide international and domestic passenger charter services to all U.S. cities, as well as communities in Mexico and Canada.

Chairman/President Mark Murray inaugurates nonscheduled supplemental services with a single Mitsubishi Mu-2 in December 1986.

Operations continue apace during the remainder of the decade. With newer technology than the Douglas DC-3 available, the brothers choose to upgrade their flight equipment in 1989. The first of several CASA C-212-200 Aviocars are added into the 1990s and the company also comes to concentrate heavily on express and all-cargo services. Much of the company's business will shift to "just-in-time" deliveries, most in support of the automobile industry.

By 1997, the Murrays oversee a workforce of 60 and a fleet that includes 1 Beech King Air 90, 6 CASA C-212-200 Aviocars, and 2 Mu-2s. One CASA freighter and a Mitsubishi Mu-2B also transport cargo from their base at Detroit City Airport.

The largest CASA operator in North America in 1998–2000, MU adds two more King Air 90s and removes an Mu-2. Two DC-8-63Fs join the fleet on March 13 of the latter year. They are operated under FAR Part 125 regulations on behalf of Pentastar.

MURRAY AIR (PTY.), LTD.: Australia (1984–1990). MAL is established at Melbourne in 1984 to provide passenger and cargo charters to regional destinations. Employing a pair of Douglas DC-3s, revenue services are duly inaugurated and are maintained until 1990.

MURRAY VALLEY AIRLINES (PTY.), LTD.: Australia (1982–1986). Upon the 1982 failure of **Countrywide Airlines (Pty.), Ltd.**, of which it had earlier been a merger partner, MVA, based at Mildura, Victoria, is reborn. Equipped with a fleet that comes to include 2 Shorts 360s, 1 Shorts 330, 1 Embraer EMB-110P1 Bandeirante, and 2 Cessna 402s, the commuter inaugurates scheduled daily or weekday passenger flights linking its base with Adelaide, Renmark, Mt. Gambier, Melbourne, and Broken Hill.

Services continue apace until October 31, 1986 when, unable to maintain its economic viability, MVA collapses.

MUSE AIR: United States (1980–1986). Former **Southwest Airlines (2)** President/CEO Marion Lamar Muse founds Muse Air Corporation on October 27, 1980. The veteran official assumes the chairmanship, leaving his son Michael to be president/CEO.

On April 30, 1981, a public stock offering raises the sum of \$35.3 million, which allows the ordering of five aircraft. Even before the first flight, the new entrant makes history by announcing on June 25 that it will introduce the industry's first "no smoking" policy. It is also noted that only first-class flights will be offered, complete with leather-covered seats.

With a pair of McDonnell Douglas DC-9-80s (MD-81s) leased from their manufacturer, Muse (which certain pundits have labeled "Revenge Air") inaugurates single-class flights between Dallas (DAL) and Houston (HOU) on July 15 in direct competition with **Southwest Airlines (2)** in a new Texas airline fare war.

Despite the PATCO air traffic controllers' strike during August and subsequent ATC restrictions, the carrier flies 177,782 passengers on its long route by year's end. The strike and start-up costs bring a net loss of \$3.96 million.

Airline employment in 1982 stands at 440. The airline acquires two more MD-80s in January and on May 16, launches service between Midland and Odessa and Tulsa, following this with an extension from Houston to Los Angeles on October 1.

Muse, which meanwhile has added another pair of MD-82s, flies 863,940 passengers during its first complete year and earns revenues of \$33 million.

Although expenses climb to \$37 million and an operating loss of \$4.7 million is taken, a net profit of \$11.5 million is posted, an unusual feat for a new air transport firm in the era of deregulation. This accomplishment is made understandable when one considers income from the sale of tax benefits on four MD-80s.

The million-mark in annual enplanements is passed by the 740-employee Muse in 1983.

Muse boards 66.5% more customers (1,438,700) than it did a year earlier. Revenues rise 120.6% to \$72.92 million and costs climb 80.8% to \$68.31 million. Although the carrier generates gross income of \$4.61 million, it suffers a net loss of \$1.96 million.

Disaster via overexpansion nearly overcomes the carrier in 1984, even though enplanements rise by 37.6% to 1,979,651. New routes are opened to New Orleans, Las Vegas, San Jose, and Ontario, California, three more MD-82s are added, and the carrier advances into the ranks of the nation's national airlines. The routes to Ontario and Lubbock are later discontinued. Lamar Muse departs in May, promoting Michael to the chairmanship; he, in turn, brings in former Southwest Airlines (1) executive Samuel Coats as chief operating officer.

On the year, Muse's expenses rise 54% and it takes an operating loss of \$3.3 million and a net loss of \$17 million on revenues of \$101.9 million. In December, bankruptcy is avoided through an arrangement with Dallas financier Hal Simmons; as a condition, the senior Muse is required to take over the company from his son, who is forced to resign his posts.

At the beginning of 1985, founder Muse orders the schedule revamped and service started to the Lower Rio Grande Valley. An order for four MD-80s is cancelled, as eight less-expensive-to-operate DC-9-51s are purchased abroad. On March 11, Muse negotiates a sale of itself to rival Southwest Airlines (2), although, by terms of the sale, it will become a wholly owned subsidiary and allowed to retain its previous identity.

The Muse Airlines acquisition is consummated on June 25; Southwest Airlines (2) pays \$40 million in cash and \$20 million in stock for its rival. Following stockholder approvals at both carriers, application is made to the government for approval. Chairman Muse orders additional innovations, including a reduction of the number of business-class seats, a shift of routes to longer segments, an end to the no-smoking policy, and a realignment of schedules and fares with those of Southwest Airlines (2). Meanwhile, the DOJ advises the DOT that the possibility for monopoly in certain Texas markets exists if the merger is completed.

Customer bookings for the year jump 19.7% to 2,743,866. Revenues jump 29.4% to \$278.1 million, costs rise 17.4% to \$123.55 million, and the operating profit grows to \$8.29 million. The net loss improves to minus \$8.73 million. In February 1986, Muse is renamed TranStar.

MUSIC CITY AIRWAYS. See GULF AIR

MUSTIQUE AIRWAYS, LTD.: Box 1232, Box 1232, E. T. Joshua Airport, Kingston, St. Vincent and the Grenadines; Phone (784) 456-4580; Fax (784) 456-4586; <http://www.caribisles.com/mustique-air>; Code Q4; Year Founded 1979. French businessman Michel Seydoux, owner of Paris-registered Groupe MSC, has the inspiration for an interisland airline while building a house on the island of Mustique in 1978. On June 21, 1979, he establishes MAL on the British island of St.

Vincent, in the Windward Islands, incorporating it under the Company's Act of St. Vincent and the Grenadines. Employing a single Britten-Norman BN-2 Islander, the small charter operation begins flying to such local destinations as Barbados, Grenada, Union Island, Canouan Island, and Bequia Island. As an increasing number of daily international flights are made into Barbados, Mustique establishes offices and a check-in counter at Grantley Adams International Airport.

Former Tropic Air (Tropical Air Services, Ltd.) executive Jonathan Palmer and his wife Marnie join the company in 1981, the former as pilot/manager. Operations under Seydoux and Palmer continue apace over the next 13 years. A subsidiary, Grenadine Tours, Ltd., is set up at Barbados to offer travelers shared charter services. A new \$1.5-million hangar complex is opened at St. Vincent's E. T. Joshua Airport in 1988 and by 1993 enplanements, mostly by tourists, reach 80,000 per year.

By 1994, Johnathan Palmer is chairman/managing director and the major shareholder. His fleet now includes 5 Islanders, 1 Cessna 402C, and 1 Beech 58 Baron. Airline employment stands at 55 in 1995 as one more Islander is acquired in early in the year.

Operations continue apace in 1996-1999, during which period the fleet is increased by one Baron and a homepage is opened on the World Wide Web.

With bookings handled by general sales agents in Canada, Germany, the U.K., and the U.S. or through Barbados-based Grenadine Tours, Mustique, in 2000, continues to link Barbados, Grenada, and St. Vincent with the Grenadines, Union Island, Mustique, Canouan Island, and Bequia Island.

MUTUAL AIRCRAFT CORPORATION: United States (1928-1929). MAC is founded at Los Angeles in the spring of 1928 to offer scheduled passenger services to Oakland. Four Ryan B-1 Broughams are acquired and flights commence in June. A total of 2,350 travelers are carried during the year.

Operations cease in 1929 following the October stock market crash.

MUTUAL AVIATION: United States (1945-1948). Mutual is one of many all-freight charter carriers established by returning servicemen in late 1945. The company employs a war-surplus Douglas C-47 to undertake services between New York and Buffalo, which cease in 1948.

MYACHKOVO AVIA ENTERPRISE (MYACHKOVSKOE AP): P.O. Box 50, Myachkovo Airport, Liubertsi, Moscow Region, 140000, Russia; Phone 7 (095) 552-3525; Fax 7 (095) 552-2216; Year Founded 1994. The aerial work division of Bykkovo, the aerial mapping service based near Moscow, Myachkovo is encouraged in 1994 to establish a charter operation, to generate currency to replace lost state funding. Under the leadership of Yuri V. Tsibin, ad hoc flights commence with a fleet that includes 20 Antonov An-2s and 35 An-30s, plus a large helicopter fleet of 25 each Mil Mi-2s and Mi-8s. Survey, energy support, air ambulance, air taxi, communications, and cargo are among the types of services provided.

Flights continue in 1995-2000, during which years the fleet is rationalized downward to include 10 An-30s, 1 An-26, 4 Mi-8/17s, and 2 Mi-2s.

MYANMAR AIRWAYS, LTD.: No. 104 Strand Road, P.O. Box 1246, Yangon, Myanmar; Phone 95 (1) 84 566; Fax 95 (1) 89 583; Code UB; Year Founded 1989. Burma Airways, Ltd. is renamed on April 1, 1989. The previous routes of Managing Director Capt. Khin Soe's carrier are maintained and include stops linking Yangon with Akyab, Bhamo, Heho, Kalemmyo, Kawthuang, Kengtung, Kyaukpyu, Kahmti, Lashio, Loikaw, Mandalay, Mergui, Mong Sat, Moulmein, Myitkyina, Nyaung U, Putao, Sandoway, and Tavoy. The fleet comprises 2 Fokker F.28-4000s, 1 F.28-1000, and 6 F.27-600s. Two Aerospatiale SA-330J Puma helicopters are also available.

En route from Mergui to Yangon on October 6, an F.28-4000 with 85 passengers is taken over by 2 teenaged boys, who divert the aircraft to an air force base in Thailand and there seek political asylum.

Enplanements for the year total 308,000.

Operations continue apace in **1990** as passenger boardings climb to 406,000. In **1991**, the fleet includes the 2 Pumas, 1 F.27-500, 5 F.27-600s, 1 F.28-1000, and 2 F.28-4000s. In **1992**, airline employment is 1,073 and Jakarta is added on services to Bangkok, Hong Kong, and Singapore.

In **1993**, the workforce stands at 1,100 and the fleet includes 4 F.27-600s, 2 each F.28-4000s and Aerospatiale Pumas, and 1 F.28-1000. In the spring, a new international subsidiary, **Myanmar International Airways, Ltd.**, is formed to handle the carrier's foreign operations in cooperation with **Royal Brunei Airlines**.

Capt. Thura U. Win Myint is appointed managing director in **1994** and oversees both the domestic and international operations. In early **1995**, the company begins to coordinate services with the Yangon-based charter operator **Air Mandalay (Pty.), Ltd.**

Flights continue in **1996-1997** and the fleet now includes 2 Eurocopter SA-330J Puma helicopters, as well as 1 Fokker F.27-400, 6 F.27-600s, 1 F.28-1000, and 2 F.28-4000s.

While landing at Mergui in a rainstorm on July 24 of the former year following a service from Yangon, an F.27-600 with 5 crew and 44 passengers undershoots the runway by 800ft., runs over an unfinished runway extension, and plunges into a 25-ft.-wide ditch (8 dead).

Also during these years, many of the country's 60 small airstrips are upgraded, a new international airport is under construction at Mandalay, and plans are put in place to extend the airfields in Tachilek, Kawthaung, Pagan, and Ngapoli. Work begins on a large new international airport at Yangon, scheduled to be completed in the year **2002**.

Destinations visited in this period and in **1998** include Bangkok, Dawe, Dhaka, Heho, Hong Kong, Kalembo, Kengtung, Kyaukpyu, Lashio, Loikaw, Mandalay, Maulmyine, Mong Hsan, Myeik, Myitkyina, Nyaung-U, Putao, Singapore, Sittwe, Tachilek, and Thandwe.

On August 25, en route from Yangon to Tachilek, 350 mi. N on the Thai border, Flight 635, an F.27-600 with 3 crew and 39 passengers, crashes into Payakha Mountain near Manibagi in monsoon conditions; there are no survivors.

MYANMAR INTERNATIONAL AIRWAYS, LTD.: No. 123 Sule Pagoda Road, Kyauktada Tsp., Yangon, Myanmar; Phone 95 (1) 84 566; Fax 95 (1) 89 583; <http://www.mai-airline.com>; Code UB; Year Founded 1993. MIA is established at Yangon in the spring of **1993** as a subsidiary of Brunei's Baiduri Group-backed, Singapore-based Hyghsonic Enterprise (60%) and **Myanmar Airways, Ltd.** (40%), which will continue to largely operate domestic services. Outfitted with a single Boeing 757-2M6ER leased from **Royal Brunei Airlines**, the company, in cooperation with the Brunei flag carrier, undertakes scheduled regional services in May to Bangkok, Singapore, and Hong Kong.

While landing at Kawthaung on October 6 after a service from Yangon, an F.27-600 with 4 crew and 41 passengers, overruns the runway and comes to rest 250 ft. further on against the banks of a stream; although the aircraft is damaged, there are no fatalities.

Capt. Thura U. Win Myint is appointed managing director of both the domestic and international operations in **1994**. During the fall, the RBA Boeing is replaced by a B-737-4H6 chartered from **Malaysian Airlines, Ltd. (MAS)**. In December, it is employed to implement a block-space agreement with MAS on services from Yangon to Kuala Lumpur.

Flights continue apace in **1995**. Routes are stretched to Dhaka, Kunming, and Jakarta. On September 25, **1996**, an interline agreement is reached with **Japan Air Lines Company, Ltd. (2)**. Under its terms, a total of 21 of 29 weekly JAL flights between Bangkok and Japan will connect with MAI services to Yangon.

Additional destinations added in **1997** include Manila, Penang, and Taipei. Yield is significantly impacted by the Asian economic crisis during the second half of the year.

Economic problems continue to plague the carrier in **1998**, even as Yangon's political isolation deepens. Service to Dhaka, Kunming, and Jakarta is discontinued, leaving Bangkok, Hong Kong, Kuala Lumpur,

and Singapore as the only routes. Hyghsonic Enterprises informs its Myanmar partner that it wants to pull out of its arrangement.

During the early fall, negotiations are begun between **Myanmar Airways, Ltd.** and Taiwan-based **EVA Airways Company, Ltd.** concerning a possible equity stake of as large as 50% plus management control. In October, a team is dispatched to Yangon from Taipei to carry out due diligence and in November, as the studies continue, EVA makes a provisional proposal to acquire the Hyghsonic Enterprises shares.

Having completed its studies and reviewed all possibilities, EVA, during the first week of January **1999**, drops its planned buy into MAI. The airline will now continue operations as before, seeking new arrangements and funding as it can.

Under terms of a new code-sharing agreement, the carrier, together with **Air Macao Company, Ltd.**, launches thrice-weekly roundtrips between Macao and Yangon on March 13.

Service with the two B-737-4H6s leased from **Malaysia Airlines, Ltd.** continues into the new millennium without headline or incident. It is reported in December **2000** that Singapore-based Regionair has won a 15-year management contract after purchasing a 49% equity stake.

MYRTLE BEACH JET EXPRESS. See GREAT AMERICAN AIRWAYS; SUN PACIFIC INTERNATIONAL.

NAB (NAVEGACAO AEREA BRASILEIRA, S.A.): Brazil (1940-1961). NAB is incorporated at Rio de Janeiro on February 28, **1940**. The remainder of the year is spent in building airports at Lapa and Petrolina and in obtaining two Beech 18s, which arrive crated on a ship on January 2, **1941**. With the twin-engine American-made transports assembled, the new entrant inaugurates service on March 28 over a route to Recife via Belo Horizonte, Bom Jesus de Lapa, and Petrolina.

An official concession is won from the government on May 5, over a month after revenue flights had begun. During the summer, a Beech 17 Staggerwing and a Fairchild F-24 are received and placed in service. An unsustainable Rio to Recife coastal route is launched on September 6. Two months later, on November 4, the Brazilian government, then phasing out **Syndicato Condor, S.A.** and in need of additional airline capacity in the face of war, provides an initial per-kilometer subsidy of 5.5 milreis.

A special government credit of 1.797-million milreis is granted to NAB on May 21, **1942**. The funds are employed by the carrier to purchase two Lockheed L-18 Lodestars and Stinson SR-9E Reliant. Another six million milreis is provided on August 11. With the new aircraft, the Recife segment is stretched during the remainder of the year and in **1943** to Belem and from Belem it is directed south to Teresino, Lapa, Belo Horizonte, and Rio de Janeiro.

On July 29, **1944**, the government provides another subsidy, eight million cruzeiros, on condition that three more Lodestars are acquired and a set mileage per year is flown. Although five L-18s come on line, maintenance and other conditions are such that only two are ever available at any given time. On March 24, **1945** an easy repayment government loan of 25 million cruzeiros is obtained.

Two Douglas DC-3s are purchased from the factory in May **1946** and a route linking Rio de Janeiro-São Paulo-Recife-Belem is opened. A third Douglas transport is acquired in early **1947**.

By March **1948**, the carrier has, however, used up all of its loans and grants, made little profit, and encountered such severe financial difficulty that it must suspend services. Unable to reorganize, NAB declares bankruptcy on August 17. The government takes over the airline, pays off the debts, and restarts the carrier, giving it one DC-3 and a little route network connecting Rio de Janeiro with Montes Claros, Governador Valadares, and Vitoria.

Services are initially maintained, but begin to decline in **1949-1950**; while landing at Rio de Janeiro on June 6, **1951**, a DC-3 is lost in a crash (two dead). The service decline continues in **1952-1953** and only two of the four original routes are flown by **1954-1956**. Two Curtiss C-46s are purchased in July **1957** and in November, the company is reorganized.

Ownership is sold to Dilvo Perez for 60 million cruzeiros in July **1958**. Perez immediately moves to boost his acquisition by purchasing 10 DC-3s from **Panair do Brazil, S.A.** and concluding an operations agreement with the larger airline. In return for its unloved and formerly poorly serviced feeder routes around Rio de Janeiro, **Panair do Brazil, S.A.** and the government allow NAB a trunk route running from the major city up to Belem via Receife.

Service over the new system begins in **1959**, the same year NAB acquires nine more C-46s.

During **1960**, the company gambles on making a profit from deep discount, low-amenities Coach Service flights with fares at less than 50% of those then offered for in-country economy tariffs.

A C-46A with five crew crashes into a hill while on initial approach to Ramsey AFB, Puerto Rico, on May 3; there are no survivors.

Coach Service is followed in early **1961** by a Coach Cargo service in cooperation with **ETR (Exmar Transportes Rápidos, S.A.)**. Losing far more money than it could reasonably expect to make, NAB is in deep financial difficulty by summer. On October 24, it is purchased by **Loide Aero Nacional**.

NACIONAL. See **TAP (TRANSPORTES AEREOS NACIONAL, S.A.)**

NAD AL-SHARQ INTERNATIONAL AIRLINES: Sharjah International Airport, Sharjah, United Arab Emirates; Year Founded **2000**. Nad al-Sharq International is set up at Sharjah in early November **2000** for the purpose of operating scheduled services from the UAE and Dubai to Iraq. A B-727-200A is acquired and thrice-weekly roundtrips from Sharjah and weekly return flights are set to begin on November 22.

NADYM STATE AIR ENTERPRISE (NADIMSKOE GOSUDARSTVENNOE AVIAPREDPRIVATIE): Nadym Airport, Tyumen, Tyumenskaya, Oblast, 626711, Russia; Phone 7 (34595) 40493; Fax 7 (34595) 44602; Code NDM2; Year Founded **1993**. This former **Aeroflot Soviet Airlines** rotary-wing unit is privatized in **1993** under the leadership of General Director Nikolai M. Rozhkov. Revenue services commence and continue with a fleet that includes an unspecified number of Mil Mi-8 and Mi-17 helicopters.

Flights continue in **1994–2000**, during which years the company is reformed to offer domestic all-cargo services in addition to aerial contract work. The fleet now includes 5 Antonov An-2s, 3 An-74s, 1 Yakovlev Yak-40, and 28 Mi-8/17s.

NAGANAGANI CARGO (NAGANAGANAI COMPAGNIE NATIONALE): Burkina Faso (**1984–1993**). This carrier is formed at Ouagadougou in **1984** to offer charter passenger and cargo services throughout Africa and on to Europe. Chairman Alain Yoda's fleet comprises 1 Boeing 707-321B, 1 B-707-329C, and 1 B-707-336C. Flights continue to various destinations during the remainder of the decade and the marketing title is changed to Naganagani Cargo.

Business continues apace in **1990–1991** and the fleet in the recession year of **1992** is reduced to only the B-707-336C.

Operations cease in **1993**.

NAGASAKI AIRWAYS COMPANY, LTD.: Japan (1960–2001). Founded at its namesake city on June 12, **1960**, this small charter operation, owned by Nagasaki Prefecture, operates nonscheduled lightplane services to local destinations on Kyushu, as well as the resort island of Fukue, for the next quarter-century. On December 1, **1967**, majority shareholding passes to **All-Nippon Airways Company, Ltd. (ANA)**

In **1985**, the company is reformed into a small commuter airline under the leadership of Managing Director Toshio Onizuka. Scheduled revenue services to local destinations commence with a 2 Australian-made Government Aircraft Factory GAF N.22A Nomads and 1 Cessna 402. Orders are placed for 5 Pilatus-Britten-Norman PBN-2 Islanders.

The first two Islanders arrive in March and July **1986**, respectively, and one Nomad is replaced. A total of 47,000 passengers are flown over the company's scheduled commuter network during the first full year.

The remaining three Islanders are placed into service during **1987–1990** and all now wear the carrier's wide blue and yellow stripes upon their white fuselages. The remaining Nomad and the Cessna 402 are removed. Operations continue apace thereafter.

Late in **1995**, a PBN-2 crash-lands in a mountain during bad weather; no injuries are reported, but the plane is a total loss.

Along with a new unit, the company acquires a replacement PBN-2 Islander during the first quarter of **1996**.

Flights continue during the remainder of the decade and into the new millennium. During these years, all five Islanders are in service.

On January 14, **2000**, a firm order is placed for a de Havilland Canada DHC 8-Q200; when it is delivered early in **2001**, the turboprop will operate on the routes from Iki to Fukuoka and Nagasaki. A request is made on November 1 for a second DHC 8-Q200, which will be delivered in late 2001 and placed into service on the route from Iki to Nagasaki and to Fukuoka.

Early in 2001, this carrier is renamed **Oriental Air Bridge Company, Ltd.**

NAKA NIHON AIR LINES COMPANY, LTD.: Japan (1953–1988). Naka Nihon Air Service Company, Ltd. is formed at Nagoya on May 4, **1953** to provide lightplane and rotary-wing charter and air taxi services throughout the local region. Employing Grumman G-21 Goose amphibians and helicopters, the company's new airline division, Naka Nihon Air Lines, Ltd. (Naka Nihon Koku, or Central Japan Airlines Company, Ltd.), inaugurates scheduled services Nagoya–Shima–Kushimoto on July 15, **1962**. Two years later, on January 25, **1965**, the company's air transport division is purchased by and merged into **All-Nippon Airways Company, Ltd. (ANA)**, which has been financially supporting this operation for some time.

After the sale, Naka Nihon Air Service Company, Ltd. expands its nonscheduled services and within 25 years is a major fixed- and rotary-wing operator. The fleet comes to comprise a large number of Cessna twins and Bell helicopters. Airline employment reaches 430 plus before services cease in early **1988**.

NAKA NIHON AIRLINE SERVICE COMPANY, LTD.: c/o Nagoya Airport, Toyoyama-Cho, Nishikasugai-Gun, Aichi Prefecture, 480-02, Japan; Phone 81 (568) 285405; Fax 81 (568) 285415; http://www.nals.co.jp; Year Founded 1988. The Nagoya Railroad and **All-Nippon Airways Company, Ltd. (ANA)** resurrect the memory of the once-independent Naka Nihon Air Service Company, Ltd. while forming this new regional charter carrier on May 12, **1988**.

Twice-daily commuter operations with a single Fokker 50 begin on April 23, **1991** over a route from Nagoya to Toyama and daily from Nagoya to Yonago. An additional route from Nagoya to Takamatsu begins in September.

Airline employment at President Kiyoshi Hayakawa's new entrant stands at 54 in **1992** and the fleet comprises 1 Fokker 50 and 1 F.27-600. A second Fokker 50 arrives in August.

Operations continue in **1993–1994**. A third Fokker 50 is delivered in December **1995**.

Service is maintained in **1996** as the workforce grows to 95. Enplanements total 165,605 and \$25 million in operating revenues are reported.

President Hayakawa's 3 Fokker 50s transport 184,008 passengers in **1997**, an increase of 10.3%. Service is maintained in **1998**, during which year passenger boardings accelerate to 380,000. At the beginning of **1999**, airline employment stands at 106. That number grows to 163 by the start of **2000**.

NALURI BHD.: No. 4 Lorong 19/1A, Off Jalan 19/1, Section 19, Petaling Jaya, Selangor Darul Ehsan, 46300, Malaysia; Phone 60 (3)

756 1177; Fax 60 (3) 755 3823; Year Founded 1998. MHS Aviation Sdn. Bhd. is renamed by new owners DIR Equities in late 1998. Off-shore support remains the company's principal business and operations are continued with a fleet that includes 8 Sikorsky S-61Ns, 2 S-76As, 6 S-76Cs, 4 Eurocopter AS-332L Super Pumas, and 2 each AS-360Js, AS-355F2s, Bell 412Ps, and Bell 412SPs.

A Super Puma remains on charter to **Lloyd Helicopters (Pty.), Ltd.**

NAMAKWALAND AIR SERVICES (PTY), LTD.: South Africa (1960–1984). Joseph Jowell forms this commuter at Springbok in 1960 as the air transport division of his Jowell's Garage & Transport (Pty.), Ltd., a unit in the Trencor Group. Initially operating as an air taxi, passenger, and cargo operator, Jowell's concern inaugurates Beech Bonanza flights from Springbok to Cape Town via Vanrhynsdorp. Enplanements for the year total 451.

During 1965–1969, Namakwaland extends flights into the area north of Bitterfontein in Namaqualand and a decade later the carrier launches scheduled flights between Cape Town, Kleinsee, and Springbok, as well as Upington, Springbok, and Kleinsee.

Passenger boardings total 1,066 in the former year, but by the end of the decade, total 2,400.

During the 1970s and early 1980s, the fleet comes to comprise 2 Piper PA-31-350 Navajo Chieftains, 3 PA-31 Navajos, 3 Piper PA-23 Aztecs, 1 Cessna 310, and 1 Beech 55 Baron. Destinations added include Aggeneya, Ai Ais, Alexander Bay, Calvinia, Karasburg, Kimberley, Koginnaas, Loeriesfontein, Prieska, and Vredendai.

In 1983, the last full year of service, Niel Jowell, son of the founder, is chairman, with Deon Bignaut as managing director. A feeder route from Cape Town to Upington is operated on behalf of **South African Airways (Pty.), Ltd.**

Unable to maintain viability in the face of world recession and economic boycott, the company ceases operations in 1984. In February 1985, its assets are acquired by **National Airlines (Pty.), Ltd.**

NAMIB AIR (PTY), LTD.: South West Africa/Namibia (1962–1991). Anton Lombard establishes NAL at Walvis Bay in December 1962. At the beginning of 1963, Lombard applies to the government of South Africa, which controls South West Africa, for authority to operate scheduled service, but this will not be granted.

Initially employing a Piper PA-28 Cherokee Six, Lombard begins nonscheduled services to Luderitz, Alexander Bay, and other local destinations. During the next three years, the fleet is increased by the addition of two PA-23 Aztecs and a PA-30 Twin Comanche.

In 1966, Lombard is bought out by **Suidwes Lugdiens (Pty.), Ltd.** and will spend the next 12 years operating as a subsidiary of the larger Windhoek-based carrier.

On December 1, 1978, **Suidwes Lugdiens (Pty.), Ltd.**, which four years earlier had become a subsidiary of the shipping concern Safmarine (Pty.), Ltd., is reorganized and renamed Namib Air (Pty.), Ltd.

Scheduled operations continue to link the Windhoek base with Halalai, Okaukuejo, Grootfontein, Tsumeb as well as Cape Town via Swakopmund, Walvis Bay, Luderitz, and Alexander Bay. Two CV-580s are employed to operate a charter route from the northern part of the country to Alexander Bay on behalf of the Consolidated Diamond Mines.

The Cape Town service is usually subcontracted to **Air Cape (Pty.), Ltd.** By decade's end, the fleet comprises 2 Convair CV-580s, 1 Douglas DC-3, 1 Cessna 402, 1 Piper PA-31-350 Navajo Chieftain, 4 Cessna 310s, and 2 Cessna 210s. In October 1980, the Walvis Bay to Cape Town route is turned over, in its entirety, to **Air Cape (Pty.), Ltd.** A CV-580 is leased to Air Cape to fly the route.

During the 1980s, the company expands both its route system and fleet. Services are opened to Harare, Keetmanshoop, Luanda, Luderitz, Lusaka, Maun, Mpacha (Katima Mulilo), Rundu, Oranjemund, Oshakati, Swakopmund, Tsumeb, and Victoria Falls.

Two Beech 1900Cs, christened *Caprivi* and *Kalahari*, are purchased in 1987. Leaving the Cessnas and Pipers to operate scheduled services,

the new turboprops join the last CV-580 and DC-3 in operating over the four principal roundtrip scheduled routes: Katimo Mulilo to Johannesburg (twice-weekly); Windhoek to Upington via Keetmanshoop (thrice-weekly); Windhoek to Katimo Mulilo via Tsumeb, Oshakati, and Rundu (four-times-a-week); and Windhoek to Luderitz via Walvis Bay and Swakopmund (six-times-a-week).

In 1988, the state corporation TransNamib (Pty.), Ltd. purchases the entire shareholding and makes the carrier the national airline of the new provisional government of Namibia. The company turns to **South African Airways (Pty.), Ltd.** and requests the lease of a B-737.

The B-737-244 arrives in early 1989 under a wet-lease from **South African Airways (Pty.), Ltd.** and is employed on August 6 to begin a new service from the nominated national capital, Windhoek, to Durban and Cape Town. A third Beech 1900C enters service in October.

In 1990, the company's last full year under this name, the fleet comprises 3 Beech 1900Cs, the leased Boeing 737-244, and 1 Convair CV-580.

Former **Air Botswana (Pty.), Ltd.** General Manager D. Keith Petch is appointed general manager in January and national independence is finally achieved on March 21. The B-737-244 is returned to Johannesburg as the company purchases its own "Baby Boeing," a Dash-2A5A, which is christened *Ondekaremba*. On April 1, the B-747SP-44 *Soutpansberg* is leased from SAA.

In late spring, a new route is opened to Harare, Zimbabwe, while local and regional flights commence from Rundu to Victoria Falls via Katimo Mulilo, from Windhoek to Lusaka, and from Windhoek to Tsumeb.

An agreement is simultaneously reached with **Deutsche Lufthansa, A.G.** for the joint operation of the Jumbojet from Windhoek to Frankfurt. Twice-weekly flights to Munich commence on April 24.

On October 28, 1991, the carrier's name is changed to **Air Namibia, Ltd.**

NAMIBIA COMMERCIAL AVIATION (PTY), LTD.: Windhoek International Airport, Windhoek, Namibia; Year Founded 1992. After six years of air taxi work with his Hire & Fly, Ltd., former **South African Airways (Pty.), Ltd.** executive Christopher Schutte changes his company's name in 1992.

While passenger flight-seeing trips and air taxi services continue to be offered, Schutte in September purchases a pair of Douglas DC-6Bs formerly operated by the Zambian Air Force, plus 40 tons of spare parts. The first is flown to Windhoek in October and reworked into a freighter. In December, it begins contract cargo flights into Angola from a base at Rundu.

The Angola airlift ends in January 1993, at which point the giant airliner is parked until a decision can be taken on its future use. In 1994, it is decided that demand for NCA passenger charters and replacement services for scheduled carriers will be sufficient to justify restoration. The second DC-6B arrives at Windhoek from Lusaka in September and it, too, drawing upon the purchased stockpile of spare parts, begins its refurbishment.

Restored and repainted in NCA's blue and white livery, the first DC-6B is christened *Fish Eagle*, after the country's national bird, and enters revenue service (marketed as Classic Air Travel) on March 20, 1995.

In addition to enhanced passenger charters, the *Fish Eagle*, during the remainder of the year and in the next two, operates a joint weekly scheduled return service from Windhoek and Victoria Falls on behalf of **Air Namibia, Ltd.** and **Air Zimbabwe Corporation.**

On October 1, 1997, the lovingly restored second DC-6B, named *Bat-uleur* after another local bird, begins service.

Flights continue into the new millennium. It is reported by *AirlinersOnline.Com* on August 7, 2000, that the DC-6B *Fish Eagle* has been sold to Red Bull Aviation of Salzburg. The aircraft is taken to Europe, wearing NCA colors with small Red Bull titles by the nose and rear passenger door. Over the winter, the pistonliner will be refurbished and then will fly the European air show circuit.

NANJING AIRLINES COMPANY, LTD.: 238 Zhuijiang Road, Nanjing, 210016, China; Phone 86 (25) 460-2629; Fax 86 (25) 339-4461; Code 3W; Year Founded 1994. NA is established by Dajiaochang Airport, Nanjing, in July 1994 as a joint venture between the city's local government and **China Northwest Airlines Company, Ltd.** Jiang Heping is appointed president and secures a fleet of 3 Xian Y-7-100s. These commence revenue flights during the fall to Nanchang and Wuhan.

The fleet is increased in 1995 through the addition of a British Aerospace BAe 146-100. The first traffic figures are reported in 1996 and show enplanements of 290,000. Destinations visited in 1997–2000 include Nanchang and Wuhan.

NANTUCKET AIRLINES: Barnstable Municipal Airport, East Ramp, Hyannis, Massachusetts 02601, United States; Phone (508) 790-3122; Fax (508) 778-1870; <http://www.nantucketairlines.com>; Year Founded 1987. Founded by Charles Harris at Barnstable Municipal Airport at Hyannis, Massachusetts, in the spring of 1987, Nantucket Airlines begins scheduled high-frequency Cessna 402 roundtrip passenger air services to Nantucket and Martha's Vineyard in June. Operations continue apace in 1988 as the fleet grows to 4 Cessna 402s and by 1989, enplanements total 96,904.

In 1990, the 27-employee small regional adds a Piper Aztec. Passenger boardings jump 6.7% to 103,426. In 1991, customer bookings swell 6.5% to 110,163. A fifth Cessna 402 is purchased in 1992 as enplanements ascend 7.7% to 118,664.

In 1993, the company employs 30 workers and operates a fleet for 4 Cessna 402s. Passenger boardings climb 5.3% to 124,924. In 1994, the company's route system and other resources are joined with those of **Cape Air**, although both airlines initially retain their independence.

During the next six years, Nantucket's identity is made parallel with that of Cape Air and its administration are moved to Cape Air's headquarters.

NAPLES AIRLINES: United States (1957–1988). In February 1957, John Van Arsdale Sr., founder and owner of **Provincetown-Boston Airline (PBA)**, travels around Florida seeking carriers with similar seasonal problems with whom he might ally. J. L. "Joe" Brown's **Naples Air Service**, based at the Gulf coast namesake community, is the solution and in November the two proprietors reach an agreement for joint service. For the winter season, beginning on December 15 and continuing through April 15, the two small companies will lease planes, trade personnel among themselves, and coordinate their activities in the manner of **Aeromarine Airlines** 40 years before.

Scheduled flights from Naples to Miami under the name Naples Airlines commence on December 15. On April 15, Brown, his planes and pilots, migrate to Massachusetts to supplement the Van Arsdale summer operation. When the city of Naples refuses to renew the Naples Airlines airport lease in 1959, **Provincetown-Boston Airline (PBA)** takes over the lease and in the process, Naples Airlines.

Provincetown-Boston Airline (PBA) becomes a dual-market airline on January 1, 1960, when it begins to operate its new acquisition as a subsidiary southern division with John E. Zate as general manager.

On December 15, 1961, the Naples–Miami roundtrip route becomes year-round and, in 1962, **Provincetown-Boston Airline (PBA)** constructs a new terminal at Naples Airport.

Equipment introduced and employed by the joint operation over the next quarter-century includes a Lockheed Model 10A Electra, Piper PA-23 Aztecs, Douglas DC-3s, Cessna 402s, Martin 4-0-4s, and Embraer EMB-110P1 Bandeirantes. These aircraft, dispatched according to load size, link the company's base with Ocean Reef, Naples, Miami, Marco Island, Marathon, Fort Myers, Tampa, Sarasota, Jacksonville, Punta Gorda, and West Palm Beach.

NA is sold to **PEOPLExpress** in May 1986, along with its parent. All three are, in turn, taken over by Texas Air Corporation in April 1987. Naples is reformed at this time, becoming the southern division of **Bar Harbor Airlines**, another once-independent TAC subsidiary. As such, it remains in business until September 6, 1988.

NASHVILLE EAGLE: United States (1987–1991). NE is established on December 30, 1987 when the new AMR Eagle Corp. purchases that division of **Air Midwest** operated from the Tennessee capital under an American Eagle code-sharing partnership. The arrangement, the first of four that will provide **American Airlines** with owned commuter subsidiaries, includes the acquisition of 11 Fairchild-Swearingen Metro IIs.

The new name and operations begin on January 1, 1988 over the former **Air Midwest** routes to 16 cities. Two weeks later, another American Eagle partner, Raleigh/Durham-based **AVAir**, declares bankruptcy and stops operating. AMR Corporation provides a cash transfusion and NE acquires \$3 million of the failed carrier's \$9.1 million in assets.

Also assumed are leases on **AVAir's** 14 Metro IIIs and 4 Metro IIs. NE is able to begin flying the **AVAir** routes to 19 markets on February 3 while flights to Louisville commence on March 6.

The "new" airline flies a total of 594,100 passengers on the year.

Operations continue apace in 1989 as the fleet grows to include 15 Metro IIs, 14 Metro IIIs, and 20 Jetstream 31s. AMR Eagle now places orders for 50 SAAB 340Bs, with 15 slated for this subsidiary, 8 to be based at Nashville and 7 at Raleigh/Durham.

On the year, passenger boardings rise 8.7% to 645,611.

NE begins flying to **American Airlines'** new Miami hub early in 1990. In March, the first SAAB 340B is placed into service.

Customer bookings skyrocket 7.09% to 1,103,897.

It is announced on April 1, 1991 that effective June 1, **Command Airlines** will be merged with NE to form **Flagship Airlines**. On April 9, an expanded facility is opened at Concourse D, Nashville, where the number of gates is increased from 4 to 16. The upgrade allows the carrier to offer 80 daily flights to 22 destinations.

NASKE AIR, GmbH: Head Office, Nachtweide 95, Magdeburg, D-39124, Germany; Phone 49 (391) 25 99 855; Fax 49 (391) 25 99 875; Code HC; Year Founded 1992. NA is established at Graunschweig in 1992 to offer passenger and cargo charters to regional destinations. Flights commence with 1 each Fairchild Metro III and Dassault Falcon 20.

Flights continue in 1993–1999, during which years scheduled service is introduced to Hanover, Uferske Hradista, and Vienna.

NATAL AVIATION (PTY.), LTD.: South Africa (1958–1963). NA is established at Durban in 1958 to provide flight training and on-demand charters. Revenue flights begin and continue with a fleet that comes to comprise 1 each Piper PA-22 Tripacer, PA-24 Comanche, 2 PA-15 Vagabonds, and 1 Aero Commander 500A. The concern is purchased by **National Airways (Pty.), Ltd.** in the fall of 1963.

NATIONAIR CANADA, LTD.: Canada (1984–1993). Montreal-based Nolisair International forms NCL as a charter and inclusive-tour operation at Mirabel Airport in the summer of 1984. Founder Robert Obadia is president/CEO. Other shareholders include Bombardier Aerospace Chairman Laurent Beaudoin, his wife, and Montreal developer Maurice Pinsonnault.

Two Douglas DC-8-61s are acquired via **Global International Airlines** from Kansas City businessman Farhad Azima and are employed to inaugurate holiday flights in December to Rio de Janeiro, Acapulco, Montego Bay, Nassau, and Barbados.

When the original shareholders in NCL withdraw early in 1985, the Montreal-based carrier's President/CEO Obadia is forced to obtain C\$1 million in financing to keep his charter operation alive. Reports in the April 1, 1993 issue of *Frank Magazine* claim that the necessary funds come from Farhad Azima.

A DC-8-62 is purchased from **Swissair, A.G.** in July 1985, the same month one of the Dash-61s is leased to **Air Jamaica, Ltd.** for operation of its Toronto–Montego Bay and Kingston weekday scheduled service. A second **Swissair, A.G.** DC-8-62 is received in August and the **Air Jamaica, Ltd.** aircraft is returned on September 9. When the fall tourist season begins, new destinations visited from Montreal, Quebec City, Toronto, and Ottawa include Recife, Venezuela, and Maragita Island.

A DC-8-55F is placed in weekly Toronto–Vancouver service in May 1986, the same month in which a third ex-**Capitol International Airlines** DC-8-61 joins the fleet. Also in May, weekly flights begin from Vancouver to Manchester and Prestwick. Toronto–New Delhi tour flights begin in the summer in addition to charters from Hamilton to London (LGW). Two **Quebecair, Ltd.** DC-8-63s are acquired in September, along with that carrier's charter operations. Just after the winter tourist season begins in November, the DC-8-55F is sold to **Aero Uruguay, S.A.**

Scheduled service is introduced on March 5, 1987, when thrice-weekly flights begin from Montreal to Brussels. The following month, a regularly scheduled Toronto to Recife frequency is inaugurated with Vancouver and Winnipeg to London (LGW) starting in May. A new scheduled service from Toronto to New Delhi is cancelled just after start-up in June due to India–Canada bilateral difficulties.

During the summer, Toronto–Montreal replacement flights are flown on behalf of **El Al Israel Airlines** and weekly charters are undertaken from Toronto to Vancouver, Calgary, and Edmonton and from Montreal to Vancouver. New points visited during the winter tour season include Cartagena, Curaçao, San Jose, Acapulco, Puerto Vallarta, and Tenerife.

Two leased DC-8-61s arrive in January 1988, one of which is returned in May. Work is begun on a C\$13.5-million maintenance center at Mirabel Airport during the summer. At the same time, scheduled Hamilton to London flights begin and Toronto–Edmonton and Vancouver charters are resumed. Hamilton largely replaces Toronto as a departure point during the winter tourist season.

The fleet in 1989 comprises 4 DC-8-61s, 2 DC-8-62s, and 2 DC-8-63s. Two Boeing 747-1D1s are delivered in January and February 1990. During the summer, charters are undertaken from Montreal to Los Angeles and resumed from that Quebec city to Vancouver. After the charter operator **Odyssey International, Ltd.** declares bankruptcy, its assets are purchased and merged by Nationair.

In 1991, a new B-747-129C is received and immediately leased, together with one of the B-747-1D1s, to **Garuda Indonesian Airways**. Another Jumbojet, a Dash-257B, is also delivered. On July 11, a DC-8-61 piloted by Capt. William Allan is leased by the Nigerian company, Holdtrade. With 261 Muslim pilgrims and a crew of 14 Canadians aboard, the plane crashes in flames while trying to make an emergency return landing shortly after takeoff from Jeddah, Saudi Arabia. There are no survivors of the 10th worst commercial aviation disaster to date. Nationair receives C\$8 million in insurance to help cover the loss.

Later in the year, a B-757-236 is acquired on lease from **Caledonian Airways, Ltd.** while two B-757-28As are also chartered. During the fall, merger negotiations are held with competing **Intair, Ltd.** When these break down in November, **Intair, Ltd.** ceases operations.

After months of labor dispute, the company, on November 19, locks out its union flight attendants and pursers. Replacement workers are hired.

In December, scheduled service is inaugurated to Caracas.

In 1992, a third B-757-28A is leased and replaces the DC-8-63 and one of the DC-8-62s, which are deleted. The labor dispute, which will become the longest in Canadian airline history, continues.

Revenues total C\$250 million; however, losses leave debts of C\$70 million.

Owner/President Robert Obadia's 1,300-employee company faces difficulty in 1993. Early in the year, the fleet is expanded by the lease of a B-747-128 from **Air France**, a B-747-212B chartered to **Garuda Indonesia**, and two leased B-757-236s. Nationair initially maintains scheduled and charter passenger and cargo services to destinations in Europe, South America, and the Caribbean. Scheduled flights, particularly to domestic points, are, however, proving too expensive to continue and so are abandoned during the first quarter.

After a number of weeks of increasing uncertainty as to the airline's continuing viability, the National Transportation Agency (NTA) in Ottawa orders the carrier grounded on March 15, leaving hundreds of passengers stranded at airports around the world as creditors seize aircraft. In the meantime, the dispute with the flight attendants is finally settled.

On March 22, Nationair, with liabilities of C\$88 million (\$70 million), files for bankruptcy protection from its 1,000 creditors. Ironically, this is the first day back at work for the flight attendants and pursers who had won back their spots after months of job action.

Also at this point, the company's liability insurance policy expires and, as a result, the NTA suspends Nationair's operating license on March 31. The charter operator is given 21 days to obtain new coverage or lose its license for good.

At the end of March, owner Obadia fails to meet the company payroll and on April 1 a number of major Canadian travel agencies announce that they will no longer sell vacation packages based on Nationair lift. A new insurance policy is not obtained and the company's authority is revoked on April 26.

Eventually, Obadia will face fraud charges in connection with the demise of his airline. Unlike the director of the Australian carrier **Compass Airlines (Pty.), Ltd. (1)**, who will go on trial over the failure of that enterprise under similar circumstances, Obadia will escape prosecution by fleeing to South America.

NATIONAL AIR (1): United States (1982–1994). NA-1 is founded at Riverside, California, in 1982 as an all-cargo carrier. Employing a pair of CASA C-212 outfitted as freighters, operations are started to a number of intrastate destinations.

In 1993, general manager Gordon Long oversees eight employees. Flights cease in 1994.

NATIONAL AIR (2): United States (1983–1984). Established at Newport, Rhode Island, in 1983, NA-2 employs 2 each CASA C-212 Aviocars and Piper PA-31-310 Navajos to operate scheduled passenger and cargo services linking the company base with Boston, Providence, New York (JFK and LGA), and Islip, Long Island.

Operations are suspended on September 30, 1984 and the company becomes a subsidiary of CASA's U.S. distributor.

NATIONAL AIR CHARTER: Jalan Suryopranoto 11G, Jakarta, Pusat, Indonesia; Phone 62 37 1117; Fax 62 380 4709; Year Founded 1968. NAC is established by its one-name founder, Bambang, at Jakarta in 1968 to fly interisland passenger and cargo charter services. The initial fleet comprises 3 Douglas DC-3s, together with Cessnas. During the 1970s and 1980s, operations continue apace and the fleet grows to include, on occasion, leased Fokker F.27s and Nihon YS-11As. A Boeing 707 chartered from the Indonesian Air Force is also employed.

The company is purchased by businessman Richard "Dicky" Turner in 1987 and following the government's 1989 pledge to relax its severe aircraft import restrictions, orders are placed for a pair of British Aerospace BAe 146-100s. The first BAe arrives at Singapore's Selat Airport in July 1990; however, at this point, the Sekretariat Negara, headed by President Suharto, refuses to issue import permits.

Operations with the one BAe and three Douglas transports continue apace in 1991–1997.

During the second half of the latter year, Indonesia suffers a severe financial crisis. This situation continues into 1998, leading to President Suharto's May 21 resignation. The fate of the airline is in doubt as the new government moves to restore the nation's stricken economy.

The company manages to avoid closing and continues to fly into the new millennium without incident or headline.

NATIONAL AIR CHARTERS, S.A.: Zambia (1974–1994). Formed in 1974 as a subsidiary of **Zambia Airways**, NAC operates passenger and cargo charters for 20 years between Africa and Europe. A highlight is the November 1985 acquisition of two Boeing 707-320C freighters. By October 1986, the company is operating two scheduled flights weekly from Lusaka to London. The first is flown via Brazzaville, Nairobi, and Jeddah; the second via Luanda, Nairobi, Jeddah, and Amsterdam.

In 1992, General Manager Stafford C. Mudiyo's 115-employee company maintains thrice-weekly flights between Europe and Lusaka, two

from Amsterdam and one from London (LHR). The fleet late this year and into 1993 comprises 2 Boeing 757-200PFs. The company shuts down with its parent at the end of 1994.

NATIONAL AIR LINES JOINT VENTURE (PTY.), LTD. See **NATIONAL AIR LINES (PTY.), LTD.**

NATIONAL AIR SERVICE, LTD.: King Abdulaziz International Airport, Jeddah, 21455, Saudi Arabia; Phone 966 (2) 652-0001; Fax 966 (2) 651-8926; Year Founded 1999. NAS is established at Jeddah in 1999 to provide executive and small group passenger charters around the country and throughout the Mideast. Revenue flights begin and continue with 1 Dassault Falcon 200 and 2 each Gulfstream G-1159C Gulfstreams Ivs and Raytheon HS-125-800XP Hawkers.

NATIONAL AIR TRANSPORT (NAT): United States (1925–1932). On May 21, 1925, former *Wall Street Journal* financial editor Clement M. Keys joins with airline investor Carl B. Fritsche and Col. Paul Henderson, the former head of the U.S. Post Office Air Mail Service, to form NAT. It is the first American company set up solely as an express airline. An effort is made to involve Henry and Edsel Ford, but to no avail. Hoping to open service from New York to Chicago, the company is incorporated under Delaware laws with initial shareholding of \$2 million. Headquarters are established at Chicago.

Hudson Motor Car Company official Howard E. Coffin is named board chairman, Keys becomes chairman of the board's executive committee with Fritsche as secretary; Col. Henderson becomes general manager. The first board action is to authorize total capitalization of \$10 million. With the government sponsored route to Chicago unavailable, a bid for Contract Air Mail (CAM) Route No. 3, Chicago–Kansas City–Dallas is won on November 7. The next step is to find equipment and pilots. Orders are placed for 10 Curtiss Carrier Pigeons and a de Havilland DH 4M; eight ex-Army pilots are hired.

Initial service over the 995-mile route begins on May 12, 1926, with intermediate stops at Moline, St. Joseph, Wichita, Ponca City, and Oklahoma City. The second Ford Tri-Motor, 4-AT-2, is received on November 2 and on November 14, a contract is signed with the American Railway Express Company committing the carrier to the transport of air express packages over CAM-3.

In March 1927, NAT is awarded CAM-17, the "Graveyard Run" from New York via the Alleghenies to Chicago. In April, another contract is signed with American Railway Express covering this new route. Ten Douglas M-3 and nine M-4 mail planes are purchased and delivered in June, having been diverted from a group originally intended for the Post Office. The same month, eight Travel Air 5000s are acquired. Nine more pilots are hired, all from the Post Office Air Mail Service. In order of experience, 3 have over 4,000 hours in the air: Lawrence H. Garrison (5000+), Warren D. Williams (4,336), and William C. Hopson (4,043).

Employed at first to fly mail, the high-wing Travel Air cabin monoplanes begin flying passengers Chicago to Dallas in the fall. Meanwhile, following the termination of U.S. Air Mail Service flights on the New York–Chicago route on August 31, NAT steps in with its mailplanes (most M-3s have since been upgraded to M-4s) on September 1. Under the eye of a rifle-armed guard and with an American Railway Express agent on hand to make certain all forms are properly filled out, the first package is loaded—a 10-gallon stetson hat for Will Rogers. The 723-mile route to Illinois is flown from New York (actually, Hadley Field in New Jersey) with a stop at Cleveland and is considered the first air express flight made in the U.S.

Passengers are rarely flown and when they are, are given parachutes, helmets, and goggles, charged \$200, and allowed a seat atop the mail sacks in the forward cockpit. For those flying west, a connection is available at Chicago with **Boeing Air Transport's** San Francisco service. The inaugural flight signifies that the transcontinental mail route is no longer a government enterprise. On his first trip from Cleveland to

Chicago, pilot Edward Axberg is killed when his M-4 is forced down in a storm at Corunna, Indiana, on November 29–30.

The company flies over a million miles on the year and transports 173,000 pounds of mail over the New York–Chicago route in the last quarter, which exceeds the 110,000 pounds carried during the whole year between Chicago and Dallas. By year's end, both routes are part of the system known as "lighted airways."

On February 1, 1928, multistop and daily Travel Air 5000 passenger flights are inaugurated from Chicago to Kansas City at \$62.50 per person one way. By this time, the New York–Chicago route is down to 9 hours flying time while the Chicago–Dallas run is less than 15 hours. On February 1–2, the carrier begins flying a 12-and-a-half hour night mail service from Chicago to Dallas. Board member Keys forms the air-rail **Transcontinental Air Transport (TAT)** on May 28; NAT General Manager Paul Henderson becomes vice president-operations of that carrier as well.

A feeder route is stretched from Cleveland to Detroit on June 4 via Toledo and from Ponca City to Tulsa. On June 22, pilot Wayne Neville is killed when his M-4 crashes at Lebo, Kansas, during a storm. On July 4, a radiator leak forces Samuel J. Samson to land his Curtiss Carrier Pigeon at Ottawa, Kansas; the pilot escapes when the plane crashes.

Operations continue apace and orders are placed for 5 Ford 5-ATs and 14 new Curtiss Falcons. Due to the heavy demand for mail service, passenger flights on CAM-3 are discontinued on October 1. Paul Collins escapes the crash landing of his Douglas M-4 in a storm a Brookeville, Pennsylvania, on November 18. Caught in the same storm over Polk, Pennsylvania, on November 18–19, the M-4 flown by William Hopson crashes; Hopson is killed but an express package containing \$500,000 worth of diamonds is recovered. On November 25, Thanksgiving Day, the company's most experienced pilot, Lawrence Garrison, is killed when, having made a crash landing in a snowstorm alongside the Pennsylvania Railroad tracks at Bristolville, Ohio, his plane catches fire with him trapped inside.

The first Ford and first Falcon are delivered in mid-December. Lost in clouds a mile over Thompsonville, Connecticut, on December 17, pilot Jack Webster parachutes to safety from his M-4. On December 20, a 50-mph gale forces pilot Leo J. McGinn to crash into a barn at Huron, Ohio; the plane, pilot, mail and barn are destroyed in the ensuing fire. The tragedy is the carrier's fourth fatal accident since January. During the year, the company flies a total of 1,256 passengers (almost all over the Chicago–Dallas route) plus 1.12 million pounds of mail and 72,830 pounds of express over 2.13 million miles.

The remainder of the Fords are received in January 1929 and all enter service on the New York to Chicago run carrying extra large mail shipments and not passengers. On January 20, a Travel Air 5000 mailplane is caught in a snowstorm near Davenport, Iowa; the pilot parachutes safely and the plane crashes. Expensive to operate over CAM-17, the Fords are all sold to **Transcontinental Air Transport (TAT)** in March and April and replaced by the remaining Curtiss Falcons, delivery of which is completed in June. Meanwhile, on March 22, pilot S. J. Sampson leaps from his M-4 in heavy fog outside Cleveland. The same day, while en route to Chicago from Kansas City, the engine of Paul Kaniut's Curtiss Falcon catches fire; the pilot jumps and 400 pounds of mail are lost.

On June 29, Earl Rockwood escapes the crash of his Pitcairn PA-5 at Skiatook, Oklahoma. In New Jersey, NAT transfers its operation from Hadley Field to Newark Airport on September 8. On November 6–7, pilot Thomas Nelson bails out when his Boeing 95 catches fire over Ringtown, Pennsylvania. Jack Webster escapes from his M-4 when it crashes onto Rattlesnake Mountain, Pennsylvania, in a storm on November 9. The year's only fatality is not quick. Due at Cleveland just after 2 a.m. on December 2, pilot Thomas Nelson is found near the wreckage of his Douglas M-3 outside Chagrin Falls, Ohio, on December 5, dead of exposure.

Late in the year, orders are placed for Curtiss Condor I passenger aircraft. For the year, no passengers are flown, but 2.02 million pounds of

mail and 75,607 pounds of air express are carried over 2.64 million miles (1.27 million night miles).

On March 15, 1930, nine aircraft are destroyed when the former government airmail service hangar at Hadley Field, New Jersey, is destroyed in a fire; among the victims is an NAT Pitcairn PA-5 employed to shuttle mail to Newark. On March 31, United Aircraft and Transport Corporation purchases a one-third interest in NAT via a stock exchange avenue. Thereafter, United and Keys' North American Aviation Corporation financing group engage in a board room battle for control of the airline.

On April 10, United acquires an additional 70,000 shares. Following additional maneuvers, including the sale of 300,000 additional shares to North American Aviation Corporation, United obtains 57% majority shareholding on April 17. The officers and directors of United and NAT meet on April 23 to work out details of the takeover.

Encountering dense fog near Clearfield, Pennsylvania, on April 26, pilot Henry Brown is forced to bail out of his Boeing 95.

The United takeover is completed on May 7, giving United the capability to offer transcontinental service, but initially, only so far as Chicago. En route to Chicago from New York on July 2, an M-4 hits telephone wires near Middleburg, Indiana, and crashes; the pilot escapes serious injury.

NAT and another United subsidiary, **Stout Air Services**, are merged on August 31, giving the former the aircraft (including Ford Tri-Motors 5-AT-26, 5-AT-51, 5-AT-52, 5-AT-53, and 5-AT-70) and personnel with which to gradually open its Chicago–New York half of the first cross-country system. Stout is paid \$175,000 for his goodwill and consultation.

The engine of a Boeing 95 fails over Warren, Ohio, on September 21, causing the plane to crash; the pilot escapes. The new Ford 5-AT-73 is acquired on September 29 and on September 30 passenger service is initiated from Chicago to Cleveland. The ex-Ford test aircraft 5-AT-81, 5-AT-80, 5-AT-86, and 5-AT-87 are purchased on October 4 and 20, and November 26 and 28 and on December 1 they introduce customers on the Cleveland–New York segment. All remaining Douglas M-3s and M-4s are phased out during the fourth quarter. Ford 5-AT-96 is acquired on December 30.

Operations continue apace in 1931. On April 1, the NAT and Boeing Air Transport divisions combine operations under the marketing name "United Air Lines" to offer the first day and night airmail and passenger service from coast to coast. The westbound multistop flights require 31 hrs. 18 mins. and the eastbound 27 hrs. 39 min. A total of 18 stewardesses are now assigned to the transport aircraft.

An ice buildup claims a Boeing 95 on May 24, forcing it to crash into Nittany Mountain at Bellefonte, Pennsylvania (one dead). En route to Cleveland from Chicago on April 29, the Ford 5-AT-81 with 10 aboard and 2 engines out, crashes at Elyria, Ohio; the flight crew is injured. On July 1, the marketing title "United Air Lines" is made official as United Aircraft's four divisions are combined into the "World's Largest Air Transport System."

NATIONAL AIR TRANSPORT, LTD.: Canada (1932–1933). Established in the spring of 1932, the Canadian NAT begins scheduled flights from Toronto to Buffalo, New York, on May 23. There connections are made with **Marta Lines** for services on to New York City. The operation ceases in September 1933.

NATIONAL AIRLINES (1): United States (1934–1980). In late March 1934, in the wake of the "Airmail Scandal" and the abortive attempt by the U.S. Army Air Corps to fly the mails, the Post Office rebids all of the mail routes cancelled by President Franklin Delano Roosevelt in February. At this time, George T. "Ted" Baker, proprietor of the largely unsuccessful, five-year old Chicago-based National Airlines Taxi System, seeks, together with short-term business partner Donald Franklin, to win Air Mail Route no. 31, a short run from St. Petersburg to Daytona Beach segment. The paper carrier **Gulf Airlines** is outbid by

4¢ per pound and the two Midwesterners now have a prize thousands of miles from their home. A second route sought, between Cleveland and Nashville, is not achieved.

During the summer, the air taxi operation is transferred to Florida and is renamed National Airlines System. Revenue services are inaugurated on October 15 over AM-31 from Daytona Beach to St. Petersburg via Orlando, Lakeland, and Tampa, with the two Ryan B-5 Broughams flown down from Illinois. A Butler Blackhawk, used during Prohibition, is left behind to close out the last of the Chicago business.

An unnamed, but reportedly attractive, woman, becomes the airline's first passenger on Saturday October 21, paying her fare with a single \$100 bill. Unable to make change, owner Baker instructs pilot David Amos, his first Florida employee, to fly her to Daytona Beach and get change there. Amos must stay the weekend and cannot return until after the banks open on Monday.

A third Brougham is acquired and employed to extend service to Jacksonville, beginning on November 19, where passengers can connect with the major north-south route operated by **Eastern Air Lines**.

Early in 1935, the small-scale new entrant is making only about \$50 per trip carrying the mail and is anxious to increase its revenues by adding passenger service. It now acquires two Stinson SM-6000Bs and a Model U Tri-Motor, purchased with borrowed money. These replace the Ryans and begin to offer passenger, mail, and express flights.

Enplanements reach 193 total by the end of March and, for the first complete year, total 400.

Flights between Fort Myers and Sarasota begin in 1936. Baker's enterprise now attracts the attention of Eddie Rickenbacker's **Eastern Air Lines**; the two companies and their leaders will develop one of commercial aviation's greatest rivalries and, between these two CEOs, one of the most bitter.

In need of additional capitalization, Baker begins to court the stockholders of Gulf Airlines early in 1937. His initial inquiries are spurned; however, the Gulf board becomes more receptive following their rival's acquisition of the airmail contract for the route between St. Petersburg and Miami.

An agreement is reached to create a Gulf National Airlines and on July 8, the two carriers are reformed, incorporated under the laws of the State of Florida, and renamed, at Baker's order, National Airlines, Inc. The Gulf word is ignored. The Jacksonville–Daytona Beach service is now suspended in favor of the start up of flights from St. Petersburg to Miami via Sarasota, Bradenton, and Fort Myers. Two months later, it places an order for its first new aircraft, Lockheed Model 10 Electras, and the first of these to arrive is employed to inaugurate passenger service over the Miami route.

On May 28, 1938, the U.S. Post Office awards the company the mail contract for AM-39 from Jacksonville to New Orleans via Tallahassee and Mobile. Two more Electras (one from **Northwest Airlines**) and another, used Stinson Tri-Motor arrive. Services along the new route commence in October and provide connections to 10 Florida cities. The last Ryan monoplane is removed during the year.

Following an unsuccessful bid by the City of Miami, Jacksonville becomes the carrier's major hub and company headquarters are moved to that city in 1939. During the year, Chairman Baker rejects a merger proposal from **Eastern Air Lines** and is, in turn, rebuffed when he offers the same arrangement to **Delta Air Lines'** C. E. Woolman. It is at this time that a new marketing slogan is born. When, in a fit of pique, EAL President Rickenbacker refers to Baker and his people as "nothing but a bunch of pirates," the National leader responds by making his company "The Route of the Buccaneers" and emblazoning "The Buccaneer Route" above the windows of all National aircraft.

There are no mishaps on the new Buccaneer Route until September 9, 1940, when an Electra makes a wheels-up landing at Jacksonville; no injuries are reported. Nonstop service is initiated from Miami to both Tampa and St. Petersburg. The company's first large new aircraft are purchased during the year, when an order is placed for 14 Lockheed Model 18 Lodestars. The first of these machines begin to enter service

on the Gulf Coast and Florida routes, but are not competitive with EAL's Douglas DC-3s. The last SM-6000 Tri-Motor is now retired.

A total of 34,846 passengers are flown in **1941**, during which year the company has the dubious honor of taking in the smallest revenues from operations in the U.S. airline industry. On December 9, two days after the Japanese attack on Pearl Harbor, President Baker agrees to an ALPA-inspired contract with his pilots. By **1942**, the fleet includes two Electras and three Model 18 Lodestars. On March 14, permission is sought from the CAB to commence service to Havana from Tampa, Miami, and Key West.

On February 19, **1944**, after eight years of Buccaneer service, the CAB awards National a route between Jacksonville and New York City. Key West joins the route network in March. On June 7, a Lodestar proving flight is made over the new pathway. A stock offering is completed the next day. The only major U.S. airline never to fly a Douglas DC-2 or DC-3, the carrier at this time still possesses a fleet of two Electras and three Lockheed Model 18s.

Miami to New York (LGA) service is opened on October 1; President Baker is greeted coming off the plane by Mayor La Guardia and now signs the first airline lease for space at Idlewild Airport, which is still under construction. Encouraged by the new authority to consider growth, Baker places orders for war surplus Douglas C-54s on October 25, to be financed through the Reconstruction Finance Corporation.

The company leases a Lockheed Lodestar to San Juan-based **Caribbean-Atlantic Airlines (Caribair)** in April **1945**, while simultaneously (and unsuccessfully) proposing to expand its own Atlantic and Gulf coast route network into the Caribbean through the company's purchase. Charleston, South Carolina, and Philadelphia are added as stops on the New York route on July 1.

When, on its third attempt to land in bad weather on September 13, a Lodestar is looped, Chairman Baker personally fires the aircraft's pilot. ALPA files a grievance. A Lockheed L-18 misses the airfield and plunges into a lake at Lakeland, Florida, on October 6 (two dead). A Lodestar, with 16 aboard, is forced to make a crash landing in the Banana River, Florida, on October 12; no serious injuries are reported. Service to Norfolk, Virginia, starts on December 1.

Converted to DC-4 civil standard, the company's first four-engine Douglas transport is delivered on February 10, **1946**. It is employed four days later to commence six-hour, nonstop, over-water Great Circle Route service from Miami to Newark (replacing La Guardia Airport as the New York terminus)—in direct competition with **Eastern Air Lines**. The flight, which reduces flying time from five to four hours, is the first postwar DC-4 service, the first commercial four-engine flight between Miami and New York, and the first scheduled nonstop commercial flight between the two communities.

Miami now becomes the headquarters for the "Route of the Buccaneer." On May 22, the CAB awards the carrier a route from Miami and Tampa to Havana, while, in mid-June, corporate headquarters are transferred to Miami (MIA), where a new maintenance base, begun the year before, is now completed. On July 15, Savannah stops are initiated. The company's premier international service from Miami and Tampa to Havana is inaugurated on December 15. The next day, Newark to Havana via Miami or Tampa flights are started.

On March 2, **1947**, the company announces plans to add 46 DC-4s to its Newark-Jacksonville-New Orleans service. As the route rivalry with **Eastern Air Lines** intensifies, National takes delivery of the first of eight DC-6 Buccaneer 400s on June 4 and introduces it on the Newark run on July 1, offering six daily frequencies. **Eastern Air Lines** counters with the Lockheed L-649 Constellation.

As a result of accidents at other airlines, in November, all of the DC-6s in service in the U.S. are temporarily grounded. Still, profits are made as both the Florida and Cuba routes begin to bring tourists attracted by superior cabin and food services.

Company members of the IAM strike the company in January **1948** over aircraft loading and salary concerns. When, after 18 months, the ALPA grievance filed on behalf of the pilot fired back in September

1945 has not been resolved, the airline's pilots strike on February 3, joining members of the IAM on picket lines.

On February 19, the company is granted authority to challenge **Eastern Air Lines** in the Washington-New York corridor, with flights beginning on February 25. At the end of the first quarter, three Curtiss C-46F Commando freighters are leased from the USAF and are placed into service on daily all-cargo flights between Idlewild Airport in New York and Havana via Miami.

National's greatest effort is now placed into attempts to resolve its first major pilot job action (supported as the flyers are by ALPA), the longest such strike in airline history to that date. The struggle is very bitter; one pilot instructor will be murdered. Although full service is restored with replacement pilots by June, company cash reserves begin to fail. Striking pilots retaliate not only with the normal ground picketing, but with air picketing over key markets, by distributing matchbooks imprinted with "Don't Fly National," and with demonstrations from sailboats in Biscayne Bay.

Simultaneously, the carrier and its larger EAL rival square off in a corporate battle for control of **Colonial Airlines**. Perhaps the most interesting noncorporate event of the year is a fistfight. On August 4, passengers D. Cordova and B. Santano battle aboard a crowded San Juan to New York DC-4 flight. Upon landing, the two are arrested under U.S. admiralty laws for federal crime on the high seas and charged with interfering with the plane's navigation and resisting the crew.

To avoid an adverse scheduled CAB certificate hearing (the only one of its kind in history that is referred to as the Docket 3500 case) based on the company's alleged poor finances and a finding of unfair labor practices, Baker settles the labor dispute on November 24. He credits the settlement decision to his conversion by Dr. Frank Buchman's "Moral Rearmament" crusade and not pressures generated by the reelection campaign of President Harry S. Truman, a friend of ALPA leader David Behncke.

On March 30, **1949**, a four-way agreement is inked between **Pan American-Grace Airways (PANAGRA)**, **Pan American Airways (PAA)**, W.R. Grace, and National. Under its terms, subject to CAB approval, National would increase its share issue, with PAA taking 30% and Grace 18%. Additionally, a one-plane American flag line route would be established from New York to Buenos Aires via Miami and Panama.

This pact not only helps Chairman Baker to fend off the CAB and a takeover bid by Juan Trippe, but also provides an interchange agreement with the leading American airlines on the Caribbean and South American scene.

New York to Havana via Miami inclusive-tour flights begin on June 18. Beginning on July 9, the company offers a Miami to Havana package flight with the return by ship. Rebounding from the fiscal downturn of the previous year, National shows the first of two straight years of profits.

In **1950**, NA-1 becomes the first East Coast operator to offer low-cost day and night coach service. On February 9, Coach Club flights are initiated from New York to Miami via Washington, D.C. At this time, the company slogan is changed from its previous pirate theme to "Airline of the Stars"; among those receiving early red carpet treatment (actually laid on passageways from terminals to planes) is Senator Joseph McCarthy.

An equipment exchange is started with **Capital Airlines** on the Miami run beginning on March 8; three days later, weekend tour flights are offered to Miami from New York with leased **Pan American World Airways (1)** Constellations. The company joins with four banks on April 15 to establish a plan for vacations on credit.

A summer vacation program, designed to make Miami a year-round tourist attraction, is started; dubbed "A Millionaire's Vacation on a Piggy Bank Budget," the plan is promoted by thousands of free piggy banks given away to prospective travelers by travel agents.

At the beginning of December, National terminates the interlocking four-party agreement with **Pan American Airways (PAA)**, **Pan**

American-Grace Airways (PANAGRA), and W. R. Grace & Co., cancelling the stock options held by PAA and Grace to purchase unissued National stock.

While landing on an icy runway at Philadelphia on January 14, 1951, Flight 83, a DC-4 with 3 crew and 25 passengers, skids and crashes (7 dead); stewardess M. F. Housley saves 10 passengers, but dies trying to save a trapped child.

Impressed with the record-breaking Toronto–Chicago–New York–Toronto flight of the Avro Canada C-102 prototype on January 21, the airline signs a letter of intent to purchase four of the \$500,000 Jetliners, with options for six others. When the Canadian government shortly thereafter mandates that the manufacturer stop its civil work, the order is cancelled.

On March 16, a one-plane interchange service links the company's service to Miami with the Washington, D.C. route west to Pittsburgh, Cleveland, and Detroit flown by **Capital Airlines**. Never prosecuted, the CAB's Docket 3500 case is formally dismissed, also in March.

A three-way interchange begins with **Delta Air Lines** and **American Airlines** on May 1; from the West Coast, an AA aircraft arrives at Dallas, where they are transferred to a Delta plane that flies them on to a meeting with National at New Orleans.

The airline now gains the responsibilities of an international airline as the CAB grants it a route to Havana. National's merger discussions with **Colonial Airlines** proceed to the point where the latter's board of directors recommends the takeover to stockholders, only to learn that competing **Eastern Air Lines** has quietly purchased 21% shareholding, sufficient to defeat the merger.

On May 4, NA-1 joins with New York's Industrial Bank of Commerce to offer loans for vacation trips. W. R. Grace & Co. sells its share in National on July 21 and on August 12, daylight coach flights are begun from New York to Miami. Package tours over the same route are extended, on September 20, to December 15. The fleet now includes 28 aircraft (8 DC-6s, 6 DC-4s, 11 L-18s, and 2 C-46Fs) and net profit improves to \$2.5 million.

National is taken off government mail subsidy on January 1, 1952, and during the year, merger talks will also fail with both **Northwest Airlines** and **Northeast Airlines**. National begins five-hour nonstop coach service between New York and Miami on February 2.

Minutes after taking off from Newark on February 11, a Miami-bound DC-6—the one that had inaugurated company DC-6 service—with 4 crew and 59 passengers, suffers a No. 3 propeller reversal and a No. 4 propeller feathering failure just after takeoff. It crashes into an apartment building at Elizabeth, New Jersey (33 dead). Four of the dead from this third crash of the new Douglas type in two months are apartment tenants.

In late March, **Colonial Airlines** President Branch T. Dykes recommends that his carrier merge with **Eastern Air Lines**; in hearings before the same government regulators in October, Baker's attorneys successfully oppose the competitor's takeover. Meanwhile, low-cost summer tours are offered between Memorial Day and Labor Day from New York to Panama, Jamaica, San Juan, and Mexico City. A DC-4 safely lands on two wheels at Norfolk, Virginia, on August 3. During the year, the first of nine DC-6Bs are acquired.

Nonstop frequencies are initiated on January 1, 1953, from New York (Idlewild Airport) to Havana. A DC-6 with 5 crew and 41 passengers disappears into the Gulf of Mexico, 35 km. SE of Mobile, Alabama, on February 14; the wreckage is found the next day and there are no survivors.

The first of 12 new Convair 340 Cosmopolitans is delivered on September 9. In October, the company vastly assists in the growth of Southern Pines, North Carolina-based **Resort Airlines** by selling it three DC-4s with which to augment its fleet of Curtiss C-46s.

With the beginning of the winter schedule, the interchange with **Capital Airlines** is extended to the Capital cities of Milwaukee and Minneapolis (MSP).

In the New York–Florida competition, National now introduces Douglas DC-7 service in an effort to overcome the success of **Eastern Air**

Lines' Lockheed Constellations. On November 20, a new Douglas travels from Santa Monica, California, to Miami in a record 5 hrs. 50 min. delivery flight. Seven days later, it makes a Miami to New York test flight in 3 hrs. 10 min.

The company initiates rotary-wing service on December 10 from Miami Beach to Tropical Park Racetrack employing a Sikorsky S-55. Regularly scheduled 3 1/2-hour Miami to New York roundtrip service is inaugurated with DC-7s on December 14 and on Christmas Eve the carrier sets a one-day company record of 1,197 passengers boarded. During the year, the fleet is also increased by the addition of eight DC-6Bs.

Beginning on February 1, 1954, National offers scheduled S-55 helicopter service from Miami (MIA) to West Palm Beach via McArthur Causeway, Bal Harbour, Hollywood, Fort Lauderdale, Boca Raton, and Delray Beach. It is the first such intercity helicopter service offered by a major U.S. airline. A 1/2-fare family plan for helicopter flights throughout south Florida is unveiled on March 15. The experiment in support of a helicopter airline does not last out the year. From the time of the inaugural landing when the helicopter is given a ticket for illegal parking through the noise complaints of residents and the lack of traffic (read also financial) support, the service is doomed.

Meanwhile, pilot Capt. Charles H. Ruby, a militant striker five years earlier, is brought into management as chief pilot and New York to Miami DC-7 tourist services commence on May 19.

Two men are hurt on July 1 when the nosewheel of a DC-6 collapses at Idlewild Airport. Newark to Orlando coach flights begin on July 17 and, after sometime earlier having switched its route from New York to Havana via Jacksonville and Miami, the C-46F all-cargo service is ended. A New York to St. Petersburg run is initiated on December 15.

By January of 1955, the National versus Eastern battle for control of **Colonial Airlines** appears to be drifting in favor of the latter due to its willingness to pay \$7.1 million more than President Baker's \$2.5-million bid.

On August 4, the airline joins with **Pan American World Airways (1)** and **Pan American-Grace Airways (Panagra)** in an equipment exchange agreement for one-plane New York–Miami–Latin America service, thus ending the CAB's "Balboa" case. The joint Latin America service with the two pioneers begins on August 15 via the South American west coast.

Still there are some defeats. In the face of growing competition from **Northwest Airlines** in late fall, the interchange service with **Capital Airlines** is withdrawn from Milwaukee, Minneapolis (MSP), Detroit, and Cleveland. The only points the two companies jointly serve north of Washington, D.C. are Buffalo and Pittsburgh.

A contract is signed with Lockheed on December 9 for the purchase of 12 (later 14) turboprop L-188 Electras, with 23 options (which will not be exercised).

Daily nonstop Miami–Havana coach service begins on December 10. Also during the year, a \$36-million order is placed for six DC-8-21s.

The Electra order is announced to the press on January 3, 1956. National thus becomes the first airline to purchase the L-188, beating the **American Airlines** request by six full days.

On June 1, **Eastern Air Lines** wins control of **Colonial Airlines**. A month later, on July 1, the first of six new Convair CV-440 Metropolitans is placed into service on National's New York–Miami run. The company is partially shut down in August by a dispute with its pilots; rival **Eastern Air Lines** is able to add eight daily New York–Miami flights to take up the slack.

The New York–Florida route battle intensifies in September when a newcomer, **Northeast Airlines**, enters the arena. Orders are placed for four Lockheed L-1049H Super Constellations and Boston and Providence to Miami flights are inaugurated on December 15. Flights are also inaugurated from Houston to New Orleans and Tampa.

In 1957, maintenance workers begin painting the motto "Airline of the Stars" on aircraft fuselages. Ticket, reservations, and operations personnel go out on strike between September 23 and October 24.

On March 20, 1958, a DC-7 with 58 aboard narrowly averts a midair collision with a company CV-440 over New York City. The four Super

Constellations are delivered in September and October and launch Imperial Club Coach service. The airline scores its greatest coup on December 10, when, with two Boeing 707-121s leased from **Pan American World Airways (1)**, it inaugurates U.S. domestic jetliner service with thrice-daily Jet Star Service flights between New York and Miami. Comedian Bob Hope is among the first group of passengers transported as Capt. Roger Whitaker pilots *Clipper America*, Jet Star Flight One, south at 9:25 a.m.

Five days later, a Boeing jets between New York and Miami in a record 2 hrs. 34 min. Juan Trippe and George Baker now also exchange 400,000 shares of stock with the former given an option to purchase another 200,000 shares. The owned fleet at year's end comprises 12 DC-6Bs, 8 DC-7s, 4 Lockheed L-1049 Constellations, 10 Lodestars, and 18 Convairs.

The interchange agreement with **Capital Airlines** is terminated on December 14.

The first of 14 new Lockheed L-188A Electras is delivered on April 1, 1959 and begins direct Jet Prop Electra return service on the New York to Miami route on April 26. It having earlier been decided not to employ jetliners during the summer, the leased PAWA-1 units are returned on May 15.

During the year, the last L-18 Lodestar is retired. For the second year in a row, National, in October, acquires Stratoliners under charter from PAWA-1; this time, six planes are employed. Eight-times-per-day New York-Miami jetliner flights begin on November 1.

On November 16, Flight 967, a DC-7B with 6 crew and 36 passengers en route from Miami via Tampa suddenly plunges into the Gulf of Mexico 107 mi. ESE of its New Orleans destination; there are no survivors. With the wreckage in waters over 200 ft. deep, it is impossible for CAB investigators to determine the cause of the disaster.

Speculation concerning sabotage and an insurance swindle will begin two months later when a naturopathic doctor, Robert Vernon Spears, arrives alive in Arizona, telling his wife that he had given his seat on Flight 967 to another gentleman. Although fingers will point to Dr. Spears until his death in 1969, no proof of wrongdoing on his part is ever produced.

Fidel Castro's successful Cuban revolution now brings an end to the company's only international route and the cost of starting jetliner service brings a \$7.2-million loss on the year.

In 1960, the company serves not only New York and Florida, but Louisiana, Texas, California, and Nevada as well.

En route from New York to Miami with 5 crew and 29 passengers on January 6, Flight 967, a DC-6B, explodes in midair 18,000 ft. over Bolivia, North Carolina, and crashes into a field 1.5 mi. from the town with no survivors. On January 15, it is learned that passenger Julian A. Frank, an attorney whose body has been located at a distance from the main crash scene, had recently insured himself for \$887,500. Two days later, investigators report metal fragments found in Frank's body indicate he had set off a dynamite bomb near his seat, a fact confirmed by the CAB on February 24.

C. Cyrus Merrill publishes a compendium of information on the case in *The Death of a DC-6B: A Textbook of Selected Legal Evidence from the Julian Frank Case* (Brooklyn, N.Y.: Central Book Co., 1968, 1972) after Brad Williams examines the event in his *Flight 967* (New York: William Morrow, 1963).

Meanwhile, the first DC-8-21 is accepted on February 7; later christened *Kathleen*, it begins Miami to New York (Idlewild Airport) service on February 18. Philadelphia-Miami DC-8-21 service begins on March 16.

On April 1, bomber Frank's wife takes a job as a model. The Pan Am Stratoliner lease ends on April 24.

Under the interchange agreement with **Pan American-Grace Airways (PANAGRA)** and **Pan American World Airways (1)**, the company, beginning on May 2, operates the Miami to New York segment of the joint service from South America to Idlewild Airport employing the new PANAGRA DC-8-31.

On June 1, Occidental Life Insurance Company holds that passenger Frank's January death is a suicide and his policy void.

In late spring, two of the L-1049H Super Constellations are converted into pure freighters and are employed to open all-cargo service from Miami to Philadelphia and New York's Idlewild Airport. On July 2, the number of Miami and Tampa to Havana flights is cut. Nonstop Philadelphia to Jacksonville DC-8-21 flights commence on August 30. All of the CV-340s are phased out during the year and by December 31 three DC-8-21s have been delivered, with the remainder of the order cancelled.

National is one of seven airlines struck by the Flight Engineers International Association (FEIA) on February 18, 1961. President Kennedy ends the job action six days later by naming a fact-finding commission under Professor Nathan Feinsinger. As the result of CAB route awards, National, having won the southern route, becomes a transcontinental carrier in March; Electra service will be inaugurated from Miami to Los Angeles and San Diego via Houston. On March 11, L-188A flights commence from Houston to San Francisco via Las Vegas. Service to Havana is, meanwhile, indefinitely suspended.

An L-188A is badly damaged at New Orleans on April 11 as the result of its inability to halt its landing roll on a slick runway and the subsequent crash.

On May 1, a passenger on a Miami to Key West flight forces the pilot to fly to Havana; the CV-440, pilot, crew, and seven other passengers are allowed to return to Miami. Fourteen years later, the pirate will be captured when he returns to Miami. Since he cannot be tried under air piracy laws because there were none on the books at the time he made the first successful U.S. skyjacking, the man will be convicted of kidnapping and sentenced to a prison term of 20 years.

Orders worth \$39.8 million are placed for seven DC-8-51s during the summer.

On November 15, Flight 429, a DC-6B with 5 crew and 25 passengers, begins takeoff without clearance and collides with a **Northeast Airlines** Viscount at Boston; 15 aboard are injured, but there are no fatalities.

Also in November, President Baker surrenders his office to his nephew, Robert Weiland; the founder's control is retained through the corporate chairmanship. Late in the year, the remaining two-passenger L-1049H Super Constellations become freighters and are employed to add Tampa, Orlando, West Palm Beach, Los Angeles, and Houston to the company's all-cargo network.

The first DC-8-51 is delivered on February 23, 1962, four months behind schedule and just about the time an unsuccessful bid is made to sell the company to **Continental Airlines**. The four L-1049H Super Constellations are retired, beginning during the first quarter. Finally, on April 26, after years of crisis survival and up-and-down fortunes, owner Baker sells NA-1 to former **Frontier Airlines (1)** owner Lewis B. "Bud" Maytag Jr., heir to the Maytag Appliance Corporation fortune, for \$6.5 million. Maytag had resigned from Frontier in March.

Maytag replaces Baker as chairman, president, and CEO, ending the era the founder had started three decades earlier. The same year, recently retired chief pilot Charles H. Ruby is elected ALPA president. Dudley Swim, of Carmel, California, is elected chairman of the executive board on September 12.

A DC-8-51, later named *Carolyn*, is delivered on October 23, and is followed into service by three L-188As purchased from **American Airlines** in November. Chairman Maytag introduces a fleet rationalization program and by mid-December all piston-engine aircraft (minus four DC-7Bs employed in South America) have been retired.

The crew of an L-188A freighter fails to extend the plane's landing gear prior to landing at Miami on May 15, 1963; none of the three men is hurt in the ensuing crash.

Late in the second quarter, four DC-8-32s are purchased from **Northwest Airlines**. The first is delivered on September 15, followed by two more, one each on October 14 and 27.

During the fall, Chairman Maytag accepts an invitation to address the Newcomen Society at a dinner in New York City; as is the Society's cus-

tom, Maytag's remarks are published as a small pamphlet, *Palmetto-Hopper: The History of National Airlines, Inc.*

While visiting Vienna on November 4, founder George T. Baker dies of a heart attack.

Enplanements for the year total 2,080,378.

Airline employment in 1964 stands at 4,669 and the fleet includes 34 aircraft. That number is cut by four during the first quarter as the L-1049Hs, retired two years earlier, are sold to Montreal-based **Nordair, Ltd.** The Airline of the Stars advertising logo on company aircraft is replaced with the new "Coast to Coast to Coast" theme; a red and blue stylized "N" replaces the star on tails, although the original red and blue fuselage colors are maintained.

The last of four DC-8-32s purchased from **Northwest Airlines** the previous year arrives on June 30, but is involved in an accident while trying to find a place to park at New York's international airport. The first of 13 B-727-35s is delivered on October 23 and when it enters service on November 1, National becomes the first exclusively jet-powered airline in the U.S.

Passenger boardings jump 20.3% to 2,610,260. Revenues accelerate 12.3% to \$111.1 million, allowing the company a record net profit of \$7.86 million, 21.6% greater than the year before.

The workforce in 1965 grows to 5,409. Ten B-727-35s are added during the year bringing the fleet total to 40; 3 more of the type are ordered. Jetliner service is launched to Sarasota, Bradenton, Norfolk, Orlando, and Fort Myers. The CAB is petitioned for authority to fly to Nassau, San Juan, Jamaica, and Panama. A \$6 million promotion and advertising program is unveiled aimed at increasing ridership to Florida, the Caribbean, and the Bahamas.

Just after takeoff from San Francisco on June 9, the No. 1 engine of a DC-8-32 with 78 aboard catches fire; the jetliner is able to make a safe emergency landing back at its starting point. A \$3-million expansion and improvement program is started at Miami (MIA) and ground is broken for a new terminal building at John F. Kennedy Airport in New York.

On October 26, Cuban exile L. Medina Perez is subdued after threatening to kill the crew of Flight 209 and blow up the L-188A en route to Key West from Miami unless he is taken to Cuba to rescue his family. Although Perez is indicted, he will later be acquitted of all charges on the grounds of mental incompetence.

On November 17, Ted Robinson, 16, tries to hijack Flight 30, a B-727-35, shortly after its takeoff from New Orleans for the continuation of a Los Angeles to Melbourne, Florida, flight. The youth tries to shoot NASA official Christopher Kraft and fires six shots through the plane's floor. After he is subdued by passenger Edward C. Haake, the pirate states that he had wanted to fly the plane to Havana "to free Cuban political refugees." He will be convicted of assault and sent to a juvenile facility.

The No. 1 engine of a B-727-35 with 60 aboard disintegrates on the plane's takeoff from Tampa on December 7; a safe emergency landing is made.

Bookings increase 29% during the 12 months to 3,398,323 and cargo tonnage is up by 24.2%. Revenues climb 26% to \$166 million and profits jump 65% to \$18.41 million.

In early 1966, orders are placed for 25 B-727-235s and 1 DC-8-61. On June 24, a federal court at Miami acquits Cuban exile Perez of his attempt to hijack a company airliner. Beginning on July 8, National is one of 5 airlines shut down for 43 days because of a job action launched by the IAM. The combined effect is to halt 60% of U.S. passenger service and 70% of airmail operations.

After several weeks of negotiations, President Lyndon B. Johnson announces a strike settlement on national television on July 29. On August 1, the IAM membership votes 2 1/2 to 1 to reject the proposed settlement. Talks resume and on August 15 tentative agreement is reached on a new three-year contract. The membership votes to ratify the contract by a 2-1 margin, thus ending the longest and costliest strike in U.S. commercial aviation history to date.

Enplanements are 3,897,600 and revenues are \$205.69 million.

The employee population in 1967 stands at 6,694. The fleet now includes 44 aircraft: 13 B-727-35s, 13 DC-8s, 1 DC-8-61, and 17 Lockheed Electras. The total does not include two B-727-172QCs leased during the day, beginning on October 23, from **Airlift International**. The first of three B-727-235s to be delivered by year's end arrives on December 13 and enters service a week later on December 20.

Passenger boardings accelerate 30.4% to 5.6 million and a total of 33.3 million freight ton-miles are flown. Revenues top the \$200-million mark for the first time at \$211 million, a jump of 25.6%.

The employee population in 1968 numbers 7,514. The first of the L-188As are withdrawn from service in January.

On March 12, San Francisco-originating Flight 28, a DC-8 with 7 crew and 51 passengers en route from Tampa to Miami, is hijacked and forced to land in Havana by two gunmen, who disembark there with a hostage. The plane is allowed to return to Miami and the "hostage" is identified as an associate of the hijackers, who apparently lost his nerve as the plane was preparing to land.

Following the completion of Flight 221 from Boston to Miami via Newark, Jacksonville, Daytona Beach, Orlando, Tampa, and Fort Myers, on April 21, the last turboprop L-188A is retired and National becomes the first all-jet major U.S. airline.

Flight 1064, a B-727-35 with 64 passengers en route from Los Angeles to Miami on July 17, is hijacked just after takeoff from Houston. The pilot is able to talk the armed Cuban hijacker, who is heard to mutter that "Fidel ordered me back," into landing at New Orleans for refueling. After arrival at Havana, the passengers are driven to Veradero, where they are allowed to fly back to the U.S. aboard an aircraft chartered by the U.S. Department of State. The crew is able to fly out the trijet from Jose Marti Airport.

Also in July, the last unit of the 25-strong B-727-235 fleet is delivered. When additional DC-8 arrivals are factored in, the fleet total rises to 53 airplanes.

Plans are now announced for further expansion of the Miami facilities and ground is broken for a \$45-million headquarters and maintenance base. Construction continues on the new \$30-million terminal at Kennedy Airport.

On November 4, a self-styled Black Nationalist freedom fighter hijacks Flight 186, a B-727-235 with 65 passengers, just after takeoff from New Orleans (an intermediate stop on a service from Houston to Miami) and forces it to fly to Cuba. In a new twist, the passenger adds robbery to his crime by requiring that a stewardess collect all of the passengers' valuables in a sack. Upon landing, the pirate is taken in hand by Cuban police and the stolen items are all returned. The crew is allowed return the Douglas to the U.S. as a special plane is sent to Havana to pick up the 57 passengers.

On December 3, Cuban exile Eduardo Canteras hijacks Flight 1439, a DC-8-21 with 21 passengers en route to Miami from New York and orders it to Havana, after a refueling stop at Key West. The passengers return to Miami on a chartered flight four days later, while the crew returns the jetliner.

Five days later, on December 6, actor Marlon Brando is removed from a B-727-235 at Los Angeles after asking a stewardess if the flight was bound for Cuba.

During the year, the red and blue colors of the livery are replaced by a new color scheme combining orange and grapefruit yellow. New stewardess uniforms are also available in either color, with lime green added later. A new logo, officially known as the "Sun God," but unofficially as the "National Sunburst," is also unveiled. These changes are part of the "Instant Florida" campaign that coincides with facility expansion at Miami and are accompanied by a "Watch Us Shine" advertising campaign featuring a give-away LP album of songs concerning National destinations.

Customer bookings jump 13% to 4,981,398 and 44.88 million freight ton-miles are flown. On record revenues of \$248,652,000, net income is \$21 million, the second highest earnings yield in company history.

The fleet in 1969 comprises 21 Boeing 727-235s, 13 B-727-35s, 3 DC-8-21s, 4 DC-8-32s, 6 DC-8-51s, 2 DC-8-54Fs leased from **Airlift**

International, and 2 DC-8-61s. Orders worth \$160 million are placed for 9 DC-10-11s.

Another strike begins on January 17 when machinists walk off their jobs. On January 24, Flight 414, a B-727-35 with 47 passengers en route from Key West to Miami is forced to fly to Havana by a young USN deserter threatening a stewardess with a knife.

Four days later, two men, claiming to be fugitives from the California Institute for Men, seize Flight 64, a DC-8-61 with 32 passengers en route from Los Angeles to Miami, just after an intermediate stop at New Orleans and divert it to Cuba.

A few hours later, Flight 121, another DC-8-61 with 113 passengers en route from Philadelphia to Miami is taken over by 3 armed men and ordered to Cuba. Like the plane earlier in the day, this one will also be allowed to return to Florida without passengers, who go back on a chartered jet. Incidentally, one of the pirates will be captured in Cleveland, Ohio, in 1975 and receive a five-year suspended prison sentence. His partners are not so lucky; when they return in 1978, they each get seven years.

Establishing something of a record for diverted flights south in a month, National suffers another skyjacking on January 31. This time, Flight 44, a DC-8-61 en route from San Francisco to Tampa with 63 passengers is taken over by an armed gunman who orders the plane to Havana. He will be extradited to California from Yugoslavia in 1976, tried, and sent to prison for 15 years.

On February 3, M. A. Peparo and his 18-year-old girlfriend Terry Fitzgerald, armed with a knife and an aerosol can of insecticide, are seized at Miami after unsuccessfully attempting to force Flight 11, a B-737-235, coming in on a flight from New York, to proceed to Havana. The sweethearts will be tried on the lesser charge of interfering with an aircrew and sent to jail for 19 months.

On February 5, a "grubby-looking" gunman, as witnesses later describe him, forces Flight 97, a B-727-235 with 26 passengers en route from New York to Miami to fly to Cuba, robbing the passengers en route. Before they return to Miami later in the day, Cuban authorities return the stolen money and items to the passengers. When the pirate returns to the U.S. in 1981, he is tried and given a five-year probation.

En route to Miami from New York on May 5, two armed Canadians force Flight 91, a B-727-235 with 75 passengers, to Cuba. Ten years later, both men will return to Canada, where one will receive a six-month prison term for a bombing committed before the piracy. Ottawa will deny U.S. requests for extradition.

The new \$30-million terminal is occupied at New York's John F. Kennedy Airport during the summer. On August 30, Flight 183, a B-727-235 with 55 passengers en route from Miami to Houston, is diverted to Havana just after takeoff from an intermediate stop at New Orleans by a Cuban, accompanied by his wife and three children.

Flight 411, a B-737-235 with 60 passengers, is commandeered by a lone gunman while on a domestic service from Charleston, South Carolina, to Miami on September 24 and ordered flown to Havana. Believing all has been forgotten, the pirate will return to the U.S. as part of the Cuban boatlift in 1980. Found out during processing, he will be tried and sentenced to a five-year prison term.

New nonstop DC-8-51 service is inaugurated on October 1 from Atlanta to San Francisco. On October 9, the final airliner of the year to be skyjacked is Flight 42, a DC-8-61 with 70 passengers en route from Los Angeles to Miami; the hijacker is a homesick Cuban exile.

Late in the year, National is granted the first Miami-London route, but cannot immediately service it. Still, enplanements are 4,573,800 and a \$15-million net profit is reported on revenues of \$260.40 million.

The employee population in 1970 is 7,830 and the fleet includes 53 aircraft: 38 B-727s and 15 DC-8s. Having worked without a contract since the previous spring, 3,500 ground workers (clerical, general office, and station workers), members of the Air Line Employees Association (ALEA), strike for higher wages on January 29; these labor difficulties force Maytag's carrier to completely shut down. The joint day and night B-727-172QC arrangement with **Airlift International** ends in April.

On May 5, the ALEA strike becomes the longest work stoppage in the history of the U.S. domestic airline industry. On May 18, 115 days after its start, the job action ends when the carrier agrees to a mediated settlement providing a 33% pay increase over the next 3 years. The agreement is ratified on May 26.

En route from San Francisco to Miami via New Orleans and Tampa on July 1, Flight 28, a DC-8-61 with 39 passengers, is captured just after takeoff from New Orleans and diverted to Havana. Four passengers, all U.S. servicemen, are allegedly beaten by Cuban authorities.

Some \$34 million worth of new facilities are occupied at Miami during the summer, including a \$15.4-million hangar. The first of two B-747-135s arrives on September 8 and the company becomes a *Jumbotjet* operator on October 2, flying its newly delivered aircraft, christened *Jacquelyn*, nonstop between New York (JFK) and Miami. The *Jacquelyn* is the first regularly scheduled B-747 to utilize Miami.

The second B-747-135, *Linda*, arrives on October 20; it, too, is painted in a yellow and orange livery with the Sun King symbol of Florida on its tail. It enters service on October 25 between Miami and Los Angeles.

On October 30, a Miami to San Francisco via Tampa and New Orleans, DC-8-61 service, Flight 43 operating with 58 passengers is taken over by an armed man, accompanied by his wife and 5 children, and diverted to Havana.

A \$17-million IBM computerized reservations system, Res-A Vision, is turned on at Miami before year's end.

As might be expected, the ALEA strike has a catastrophic impact upon the year's traffic and financial results. Customer bookings drop 38.6% to 3.3 million and freight traffic is off 36%. Revenues decline 29% to \$192 million and expenses of \$203 million bring a \$6-million net loss.

Flight 36, a DC-8-61 with 96 passengers and en route from Los Angeles to Miami on January 3, 1971, is captured by two pistol-waving couples, one of which has four children in tow; the aircraft is diverted to Cuba. Both couples leave Cuba in 1975, with one pair traveling to San Juan and the other to Chicago. Both are caught and both men will receive 20-year prison terms; charges against the mother with children will be dropped, however, the other woman will receive a sentence of five years.

T. K. Marston, a 16-year-old, brandishes a pistol and takes over Flight 745, a B-727-235 with 46 passengers, at Mobile, Alabama, on March 8 as it prepares to depart for New Orleans. After forcing the plane to Miami, the lad is taken into custody by the FBI, but is released into his father's custody. He will be sent to a juvenile correctional facility.

Daily B-747-135 summer-only, nonstop roundtrips commence on June 15 between Miami (MIA) and London (LHR); National has now become America's third transatlantic carrier.

En route from Miami to Jacksonville on July 24, Flight 183, a DC-8-61 with 83 passengers, is taken over by an air pirate who shoots a stewardess and a passenger in the process of diverting the Douglas to Havana.

On September 3, National is offered a merger by **Northwest Airlines**, itself having almost acquired **Northeast Airlines** seven months earlier.

A major \$9.5-million marketing and advertising campaign, still discussed years after its end, the purposefully double entendre "Fly Me-Fly National" theme, is begun in October under the direction of Public Relations Vice President Robin Matell. The November 15 issue of *Time* carries a story on a part of the reaction generated, including a photo of demonstrators picketing a company ticket office in New York City.

Following receipt of the first DC-10-11, christened *Barbara*, in November, National now becomes the third U.S. airline to inaugurate Douglas wide-body service, placing its initial machine into operation on the New York to Miami, Palm Beach, and Tampa run on December 15. The three DC-10-11s that will join it are christened *Dorothy*, *Frances*, and *Phyllis*.

Also in December, stockholders of both National and **Northwest Airlines** approve the merger of the two companies; the CAB hearing examiner will recommend against the amalgamation and it will not occur.

Enplanements for the year total 5,297,032 and a net loss of \$4 million is suffered.

The airline population in **1972** totals 7,608. En route from Miami to Los Angeles on January 4, a B-747-135 encounters heavy turbulence near Lake Charles, Louisiana, that injures 25 passengers; the Jumbojet is able to land safely at Los Angeles (LAX).

Chairman Swim dies at his Carmel home on January 31; he is succeeded by owner Maytag on February 11.

New York City National Organization of Women (NOW) members now begin to picket and demonstrate against the carrier's "Fly Me" advertisements. The proposed merger with **Northwest Airlines** is terminated early in the spring and shortly after this process collapses, National orders seven additional DC-10-11s.

Brandishing a pistol, 14-year-old E. M. McKee Jr., nearly 15, attempts to hijack Flight 67, a B-727-35 at Tampa on March 7 and force it to fly to Sweden. He is overpowered by a sky marshal and arrested. Criminal charges against the lad will later be dismissed.

On April 30, NOW begins an even more-determined campaign to halt the airline's "sexist attack against women," noting that the carrier's ads, which depict stewardesses encouraging male travelers to "Fly Me," could be changed to depict male pilots or copilots offering women similar invitations. The controversy continues to keep National's name in the news, a not altogether undesired result. M. S. Green and L. Tesfa commander Flight 496, a B-727-35 with 120 passengers en route from Philadelphia to New York on July 12, forcing it to return to Philadelphia, where a demand is made for a \$600,000 ransom and three parachutes. After receiving \$501,600, the two require the pilot to fly to Houston where, having chosen not to bail out, they surrender to FBI agents next morning. Both will be tried and will receive prison terms of 50 and 60 years, respectively.

An unidentified man, claiming to possess nitroglycerin, is subdued by airline ticket agents and federal sky marshals at New York (JFK) on October 31 during his unsuccessful attempt to hijack a DC-10-11 to Greece. At year's end, nine Douglas wide-bodies are in service with orders outstanding for nine others.

The DC-8-51 *Carolyn* is leased to **Air Jamaica, Ltd.** in late December.

The year's passenger boardings jump 19.4% to 6,572,000 and freight traffic climbs by 9.6%. Revenues improve to \$367,348,000 and expenses are contained at \$324,000,000, allowing a turnaround on the bottom line. Operating profit is \$43.34 million and net profit is \$9.18 million.

The workforce in **1973** is 7,997. During the year and for the next several, a number of older aircraft have the names of show business people and stars painted just aft of their flight deck windows, complete with stars. As additional DC-10-11s join the fleet, the Jumbojets and DC-8-21s are removed.

On November 3, 39,000 feet over Albuquerque, New Mexico, passenger G. F. Gardener is sucked through the window of a DC-10-11 after an engine explodes, ripping a hole in the fuselage and causing the window to blow out as a result of decompression.

The company announces on December 4 that it will cancel daily roundtrip service between Miami and London during five days late in the month in order to conserve fuel. The DC-8-51 *Carolyn* is purchased by **Air Jamaica, Ltd.** on December 15.

For the year, freight traffic is up by 12.7% and customer bookings grow 4.4% to 6,863,000. On revenues of \$413.84 million, expenses are \$363.27. The operating profit accelerates to \$50.67 and the net gain advances to \$20.62 million.

Only six new employees are hired in **1974**. Eight tires of a DC-8-51 with 107 aboard blow out during its landing at Boston on March 22; no injuries are reported.

A shotgun-armed assailant boards an unoccupied B-727-235 parked at Sarasota, Florida, on March 30, shouting his demands to be flown elsewhere. The only other person on the aircraft is a maintenance man, who adroitly disarms the would-be pirate and turns him over to police. Tried, the failed perpetrator receives a 15-year prison term.

The July 1 flight of a DC-10-11 from Miami to Los Angeles with 191 aboard is almost a tragedy; a wing engine cowling comes loose and smashes into the wing while also disabling the plane's tail engine. A safe emergency landing is made at Tampa.

Beginning on July 15, the company is subjected to another of the periodic job actions that have hurt it so often during its history. This time, mechanical and related stores workers, members of the IAM, shut the company down for three-and-a-half months. A mutual agreement between the parties is finally reached on October 12 and the new contract is ratified on November 1.

Meanwhile, on August 15, the women of NOW award National its "horrible mention" award for the carrier's latest ad: "We really move our tail for you!" Beginning on November 5, the airline offers free alcoholic beverages to passengers, regardless of ticket class, on its New York to Miami and Fort Lauderdale flights.

The strike forces enplanements to decline 29.9% to 4,815,000 and cargo is off by 35%. On revenues of \$376.91 million, expenses are \$329 million. Operating income falls to \$47.81 million, but the net profit jumps to \$21.34 million.

The workforce in **1975** is 7,100. In a case similar to that of the previous March, a lone assailant, armed with a rifle, gains access to an unoccupied B-727-235 at Pensacola on January 3 and, for whatever reason, loudly draws attention to himself. His antics are noticed by two airplane cleaners, who disarm the man and hand him over to security agents. While awaiting trial, the man commits suicide.

In the spring, National unveils No Frills Service whereby customers may purchase certain seats on wide-body aircraft in advance at greatly reduced fares. Simultaneously, the company seeks permission from the CAB to open new transatlantic markets at Paris, Amsterdam, Frankfurt, Luxembourg, Madrid, Zurich, Athens, Rome, and Tel Aviv. The two B-747-135s are sold to **Northwest Airlines** in May and two more DC-10-11s join the fleet in June.

An unidentified man, who apparently sets a fire in the washroom of Flight 1601, a DC-10-11 en route from New York to Miami on July 15, dies in the hospital the next day from burns received. The aircraft had diverted to Jacksonville to seek early assistance, but it is too late.

When the last DC-8-61 is retired, the company's fleet modernization and standardization program is completed. New flight attendant uniforms are introduced, but have no impact when flight attendants begin a job action on August 31. By year's end, multiyear agreements are held with all but one of the company's unions (the striking flight attendants) and hopes for stability mingle with Christmas spirit.

Passenger boardings decline 12% to 4,249,931 and freight is down another 22.7%. Expenses of \$335.75 million are submerged into overall revenues of \$358.17 million, leaving an operating profit of \$22.42 million. The \$10.59-million net gain is boosted to \$21 million by receipt of assistance from the industry's mutual aid program for struck carriers.

A total of 459 employees are hired in **1976**, an increase of 6.5% and Chairman/President/CEO Maytag elects to turn over the presidency to Executive Vice President E. F. Dolansky, retaining the titles of chairman/CEO. The 127-day walkout by flight attendants ends on January 6 after their union accepts a 46-month contract. New in-flight beverage and meal services are introduced, including coach-class champagne.

Customer bookings accelerate 29.9% to 5,534,958 while cargo skyrockets 65% to 92 million FTKs. Operating income races upward to \$439.11 million while expenses are held to \$435.78 million. This happy imbalance results in an operating profit of \$3.33 million and net gain of \$3.51 million.

A Galveston oilman is bound over by a federal grand jury on February 10, **1977**, on the complaint of two flight attendants, who accuse him of repeatedly slapping them on the buttocks during a London-Miami flight; he is fined \$500 on February 12 and placed on six-months probation.

On June 22, the company becomes the first airline to offer nonstop DC-10-30 flights between Miami and Paris and is the only U.S. flag carrier to serve the French capital from the South. During the year, the

carrier's DC-10-11s are also given the names of famous show business personalities. The names are carried in the form of an autograph with a cartoon outlining the celebrities' heads.

A DC-10-11 with 60 aboard slides off the runway and into the mud during its landing at New Orleans on July 10; no injuries are reported.

Enplanements total 6,142,000. On revenues of \$541.47 million, a \$6.42-million profit is generated.

Airline employment is increased 3.8% in 1978 to 8,200. Chairman/CEO Maytag and President Dolansky now operate a fleet comprising 4 DC-10-30s, 11 DC-10-11s, 25 B-727-235s, and 13 B-727-35s.

During a Miami-Newark flight on January 27 with 111 aboard, a B-727-235 experiences loss of power in all 3 of its engines simultaneously. After coasting for 150 miles, the crew is able to restart the engines and make a precautionary unscheduled landing at Jacksonville. On April 1, the company announces the forthcoming inauguration of 15 weekly services to Europe.

The first transatlantic nonstop is inaugurated on May 1 from Miami to Frankfurt, followed by new Miami to Amsterdam frequencies on May 4.

While on approach to Pensacola on May 8, Flight 193, the B-727-235 *Donna* with 6 crew and 52 passengers, suddenly crashes into Escambia Bay, 3 nm. short of the runway. The plane sinks in 12 ft. of water (3 dead).

The first nonstop flights to Europe from Tampa and New Orleans begin on July 2.

Frequencies are increased from Houston as the Texas city becomes a National minihub. The NTSB will, on November 11, blame the flight crew for the May 8 tragedy and all three men (pilot, copilot, and flight engineer) are dismissed.

Albany, New York, janitor Gerald Casey is arraigned at Charleston, South Carolina, on December 14 for attempting to hijack Flight 97, a B-727-235 with 54 other passengers en route from New York to Miami, to Cuba; Casey declares the incident a "joke." A judge will give him five years of probation during which to reconsider his sense of humor.

Also in December, nonstop flights commence from New York (JFK) to Amsterdam. As the difficulties and challenges of deregulation hit U.S. air transport firms, some carriers adapt while others falter and appear ripe for takeover. National, in financial trouble for years, is among the latter group. Throughout the year, it is embroiled in activities related to merger bids from **Eastern Air Lines**, **Texas International Airlines**, **Air Florida**, and **Pan American World Airways (1)**.

Still, the 12 months are among the best in a long time as traffic rises 12.1% to 6.98 million passengers flown and routes are opened to Frankfurt and Amsterdam, thereby doubling the route network to 40,000 unduplicated miles. Revenues increase 17.5% to \$636.4 million and net income skyrockets 185% to \$18.3 million.

Airline employment is increased by 2.4% in 1979 to 8,400 and the fleet includes 13 B-737-35s, 24 B-737-235s, 11 DC-10-11s, and 5 DC-10-30s. The celebrity aircraft livery theme is abandoned.

Two new domestic routes are begun from Houston during the spring: nonstop to Seattle (along with Seattle-Los Angeles) on April 1 and to Orlando and New Orleans on May 1. A DC-10-30, bound for Amsterdam on May 31 with 237 aboard, loses power in its port engine shortly after takeoff from New York (JFK); a safe return landing is, however, made.

With an offer of \$50 per share, **Pan American World Airways (1)** wins the contest for National on June 1, as stockholders approve the merger. At the same time, Juan Trippe's major publishes a pamphlet on the matter, *The Case for Merger: Pan Am/National, a Selection of Editorial Comments*.

Subject to presidential approval, the CAB approves the takeover on July 10, minus the Miami-London (LHR) route that **Pan American World Airways (1)** would later obtain on its own. The government also allows a settlement with **Texas International Airlines**, which would raise the airline's final price to a hefty \$350 million.

The last international route is started, also in July, with nonstop flights from Miami to Zurich. Six B-727-51s are purchased from **Northeast**

Airlines, with the first arriving at Miami on October 7. President Carter gives final approval for the **Pan American World Airways (1)** merger on December 22.

Largely as a result of the DC-10 grounding that follows in the wake of the May Chicago **American Airlines** disaster, National's passenger boardings drop 5.6% to 6,596,000; cargo is down 3.8%. Revenues rise 8.9% to \$693 million, but soaring expenses (assisted significantly by radically higher fuel costs) allow only a \$3.9-million net profit.

A 10-month integration program is begun by **Pan American World Airways (1)** on January 7, 1980. Nine passengers are hurt on July 4 as a B-727-235 encounters air turbulence on a flight from Miami to New York.

Two unidentified hijackers divert Flight 872, a DC-10-30 with 223 aboard en route from Miami to San Juan, to Havana on August 14. The pair will receive Cuban prison terms of four and five years, respectively.

Although full integration with **Pan American World Airways (1)** takes much additional time, the actual consolidation, sought by Juan Trippe's famous pioneer primarily for National's domestic route network, is accomplished by October 26.

In 1983, **Overseas National Airways (2)** purchases rights to the National Airlines name from **Pan American World Airways (1)**. There is an unofficial Web site about National Airlines at <http://www.national-sundowners.com/history>.

NATIONAL AIRLINES (2): United States (1983-1987). In December 1983, **Overseas National Airways (2)**, based at New York and Jeddah, in Saudi Arabia, dormant between 1978 and 1982 and having lost its operating certificate, is reformed and renamed, being given the corporate identity of **National Airlines (1)**, which is purchased from **Pan American World Airways (1)**.

In addition to extensive overseas charter and contract service flights undertaken from its Mideast base, National also maintains regular tour operations in 1984, flying charters from New York to destinations such as London, Paris, Rome, and Athens in Europe, plus the Caribbean, and Asia.

Not flexible enough to meet the carrier's requirements, the **Air Afrique, S.A.** B-747-2S4F Jumbojet *Lome* is withdrawn on March 1 and leased to National; the same day, the American company subleases the plane to **Saudia (Saudi Arabian Airlines)**. On August 1, the sublease ends and the *Lome* is sold to **Korean Airlines/Korean Air (KAL)**.

The fleet at the end of the year comprises 2 owned Boeing 747-273Cs acquired from **World Airways** in November, 1 former **Alitalia, S.p.A.** B-747-243B chartered on December 1 from its manufacturer, 1 Douglas DC-8-71, 6 DC-8-63CFs, 1 DC-8-61, 5 DC-8-55s, and 1 Boeing 737-200.

In addition to the operation of its own aircraft, the company, with the success of the *Lome* transaction, increasingly serves as a leasing service for other airlines that require temporary capacity. Among the jetliners available for charter are 10 B-727-200s, 3 DC-8-63s, 2 DC-9-80s (MD-80s), 1 B-747-133, and 4 B-747-123s. The MD-80s, for example, are leased to the Italian carrier **Alisarda, S.p.A.** during the winter. The B-747-133 is returned in October.

Enplanements for the year total 396,812.

Operations continue apace in 1985, with the leased B-747-243B returned in February and one of the chartered B-747-123s returned in May. Indeed, all of the remaining Jumbojets, except one, are retired between September and November, with one of the B-747-273Cs sold to **Korean Airlines/Korean Air (KAL)**. Flights are halted in December.

Passenger boardings for the year decline by 17.4% to 338,000.

Caught in recession, the carrier struggles in 1986. The last B-747-273C is sold to **Evergreen International Airlines** in March, requiring the airline to limp along with its smaller airliners. In May, it files for bankruptcy and is liquidated by December. In February 1987, the DOT revokes the inactive carrier's operating certificate.

NATIONAL AIRLINES (3). See **PRIVATE JET EXPEDITIONS**

NATIONAL AIRLINES (4): P.O. Box 19359, Las Vegas, Nevada 89132, United States; Phone (702) 944-2800; <http://www.nationalairlines.com>; Code N7; Year Founded 1995. America West Airlines cofounder Michael J. Conway establishes NA-4 as New Airline, Inc. at Las Vegas, Nevada, in April 1995. Conway, who is chairman, president, and CEO, is able to arrange \$2.8 million in financing from initial stock purchases by management and several corporations. Other officers include Senior Vice President/Chief Financial Officer Raymond T. Nakano, Senior Vice President-strategic Planning Mark Suman, and Director of economic Analysis Beverly E. Rouse.

Planning for the inauguration of services from Las Vegas moves forward over the next three years, together with the carrier's applications to the DOT and FAA for operating authority. In need of an official name, the historic moniker of National Airlines is chosen in February 1998 after the right to employ it is acquired from the assets of bankrupt **Pan American World Airlines (2)**.

On July 30, National is able to announce the completion of \$50 million in private placement equity funding. As a result, the company's principal shareholders become Rio Hotel & Casino and Harrah's Entertainment (both of which have contributed \$15 million) plus Wexford Management LLC (which has put in \$7 million). Considerations for a regional linkup with **Chautauqua Airlines**, owned by Wexford, are made. Another \$13 million is acquired from the private sector.

As the year ends, arrangements are made for facilities in the new Concourse D at McCarran International Airport. A new frequent flyer program is designed, staff, including Vice President-Operations James Carr, are hired, and marketing plans are drawn up.

A portion of the new capital is also employed to order four Boeing 757-200s. The first of the new aircraft is a Dash-236 previously operated by **Istair Istanbul Airlines, A.O.** Wearing an all-white livery with National Airlines titles and a script ribbon "N" on the navy blue tail and engine nacelles, is delivered on February 12, 1999. A B-757-256, flown earlier by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, and a onetime **Britannia Airways, Ltd.** B-757-204 are expected in late spring and summer.

Also during February, National receives its initial Certificate of Public Convenience and Necessity from the DOT. National has the distinction of being the first start-up certified under the government's new Air Transport Oversight System (ATOS), which had been developed in the wake of the **ValuJet Airlines** crash in 1996 to increase the level of safety in the certification process. Indeed, National has lost several months from its beginning by serving as a test bed for the process, one which has also cost it about \$3 million out-of-pocket.

With increased progress indicated toward the receipt of FAA operating approval, National begins taking reservations on April 19 for a service launch in late May.

In a grand Las Vegas ceremony on May 20, Chairman Conway, surrounded by company employees, FAA representatives present the airline's Air Carrier Operating Certificate. Following remarks by airline, airport, and community officials, the B-757-236 inaugurates the company's first scheduled service at 8:30 a.m. local time as Flight 601 from McCarran to Los Angeles (LAX). Chairman Conway and his three cofounders are aboard as it departs under a traditional arched water cannon salute from two airport firetrucks. An hour later, the B-757-256 launches flights to Chicago (MDW). Four daily nonstop roundtrips from Las Vegas to Los Angeles (LAX) and twice-daily nonstop roundtrips to Chicago (MDW) are now begun. Thrice-daily service to New York (JFK) begins on June 14, followed by the introduction of twice-daily flights to San Francisco on June 24.

Five more B-757-200s arrive during June and early August. Consequently, twice-daily nonstop B-757-236 roundtrips are introduced on August 25 between Las Vegas and Dallas (DFW), while a third daily nonstop roundtrip is added between Las Vegas and San Francisco and a fourth daily nonstop roundtrip between Las Vegas and New York (JFK).

Customer bookings this year total 345,000. Although revenues reach \$24.18 million, expenses of \$48.96 million leave an operating loss of \$24.78 million. There is also a net loss of \$24.31 million.

The workforce totals 856 at the beginning of 2000. The B-757 fleet now includes 8 Dash-236s, 2 each Dash-256s, Dash-28A, Dash-23As, and 1 Dash-2T7. Twice-daily B-757-236 nonstop return service is inaugurated on January 27 from Las Vegas to Miami.

Previously operated by **Air Holland, N.V.**, a chartered B-757-204 is delivered on April 10. Meanwhile, two more B-757-200s are chartered from GECAS on June 20 for delivery in January.

Virgin Atlantic Airways, Ltd. launches twice-weekly B-747-4Q8 roundtrips on June 8 between London (LGW) and Las Vegas. During the inaugural flight, which is three-fourths full, Virgin Chairman Sir Richard Branson announces that he has obtained a code-sharing, feeder agreement with National Airlines (4). The new partnership pays off more quickly than anticipated as it falls to the U.S. carrier to reposition the big Boeing for its return to England. Branson's invited guests and fare-paying passengers had drunk the Jumbojet dry before its Nevada landing.

An order is placed on June 26 for eight more B-757-200s that will be delivered by GECAS between late 2001 and 2002. B-656-204 twice-daily roundtrips are inaugurated on July 13 between Las Vegas and Newark.

Armed hijacker Aaron Amartei Commey forces his way into the cockpit of Flight 19, a B-727-200 preparing for departure to Las Vegas on July 27. While the 22-year-old pirate and the flight crew are engaged, flight attendants hustle all of the passengers safely off the plane. The hijacker surrenders in the small hours of July 28 after police negotiators persuade him to vacate the aircraft.

It is announced on August 25 that new service will be started from Las Vegas to Chicago (ORD) on January 25. At the end of September, company employees reject an organizing offer from the International Association of Machinists.

B-757-200 daily roundtrips begin on October 26 from Las Vegas to Washington, D.C. (DCA).

Blaming its poor financial situation on rising fuel costs and its own failure to hedge its fuel position, the carrier, on December 6, files for Chapter XI bankruptcy protection. It reports assets of \$103 million and liabilities of \$119 million. Services are continued without interruption as the carrier seeks new financing.

NATIONAL AIRLINES (PTY.), LTD.: P.O. Box 18016, Rand Airport, Johannesburg 1419, South Africa; Phone 27 (11) 827-9333; Fax 27 (11) 824-2678; <http://www.nac.co.za>; Code YJ; Year Founded 1983. National Airways Corporation, a subsidiary of the Lonhro Group, acquires control of **Wing Airways, Ltd.** in February 1983, and the name is changed. Graeme Conlyn remains chairman and Beech King Air 100 and Super King Air 200 services from Johannesburg continue to link cities along a route from Lanseria to Kuruman and Aggeneys and Lanseria to Ulco, Lime Acres, and Postmasburg.

Operations continue apace in 1984 and in February 1985 the carrier acquires the assets of Springbok-based **Namakwaland Air Services (Pty.), Ltd.** begun a quarter century earlier by the late Joseph Jowell. National is reorganized, with Graeme Conlyn and NAS chief Deon Blignaut becoming joint managing directors. During the remainder of the year and into 1986, aviation services are enlarged to Namagualand and to the northwestern Cape areas. Among the communities served are Aggeneys, Alexander Bay, Springbok, Cape Town, and Kleinsee.

In 1987, Blignaut and Conlyn manage a fleet comprising 1 each Beech King Air 100 and Super King Air 200. Conlyn becomes sole managing director in 1988.

In 1990, the commuter is reorganized as National Airlines Joint Venture and corporate headquarters are moved to Johannesburg. Jean H. Du Plessis is named general manager with G. Conlyn remaining as managing director. The fleet is upgraded by the replacement of the King Air 100 by 3 Super King Air 200s, 1 Piper PA-31-310 Navajo, and 2 Piper PA-31-350 Navajo Chieftains.

The Navajo and one Navajo Chieftain are withdrawn in 1991 and a fourth Super King Air 200 is acquired in 1992. Operations continue and

in 1994 the fleet includes only 2 Super King Air 200s and 2 Navajo Chieftains.

Service is continued in 1995–1999, but by the beginning of the latter year, the fleet has been reduced to one each de Havilland Canada DHC-6-300 and Learjet 45. Ripe for takeover, the company is purchased by **Safair (Pty.), Ltd.** in July. With backing from the new owners, frequencies are enhanced with a fleet of 5 Beech 1900Cs and 3 Beech 1900Ds.

NATIONAL AIRLINES, S.A.: Chile (1992–1999). National Airlines is established at Santiago in August 1992 to offer scheduled domestic passenger and cargo services between the capital and such local destinations as Arica and Antofagasta. Shareholding is divided between Uauy Holding and Musiet Holding. Operations are started on December 27 with 2 Boeing 737-204As leased from **Britannia Airways, Ltd.**

Operations continue apace in 1993 as a third B-737-204A is acquired. To compete with **LADECO Chilean Airlines, S.A.** and **LanChile Airlines, S.A.**, National's fares are kept at a level 35% below those two older carriers.

In 1994, President Fernando Uauy and Vice President-Commercial Carlos Musiet oversee a workforce of 290. A comprehensive marketing alliance is signed with **United Airlines** in September. Under its terms, which include code-sharing and frequent flyer mileage benefits, the national is able to improve its services between its Chilean destinations and to provide direct feed for United's flights from Santiago to Miami.

Through November, enplanements total 232,347 while 3.84 million FTKs are flown. Revenues total \$21.74 million, while expenses are \$20.69 million. Consequently, there is an operating profit of \$1.04 million.

The workforce is radically reduced in 1995 to just 180. Four-times-a-week service to Tacna and Arequipa begins in mid-October, with service to Lima begun at year's end.

Enplanements jump 20.2% to 311,468, but cargo dives 31.5% to 2.83 million FTKs.

On July 1, 1996, a code-sharing agreement is signed with **Aerolineas Argentinas, S.A.** Under the pact, passengers will be able to cross the two airlines' networks on one ticket and with just one check-in. The companies will also jointly promote products and services, institute tariff agreements, cooperate in aircraft maintenance, and begin common catering services.

Although freight traffic continues its plunge, dropping 4.5% to 2.7 million FTKs, customer bookings increase 41.1% to 439,535. The workforce is boosted 61.1% to 290 to help handle the increase.

Domestic destinations visited in 1997 include Antofagasta, Arica, Concepcion, Ioaque, Puerto Monti, Punta Arenas, and Temuco. A code-sharing agreement is entered into with **Aerosur, S.A.**, from which National leases a B-727-23.

On March 21, the chartered jetliner is employed to inaugurate dual-designator flights from Arica and Iquique to Santa Cruz. Seven-times-a-week roundtrips commence on April 1 between Santiago and Lima, Peru.

Avant Airlines, S.A., which will be taken over by the transportation corporation Tur Bus, becomes a competitor in June. During the summer, daily flights are begun from Santiago to Buenos Aires. On September 26, thrice-weekly roundtrip service is inaugurated from Santiago to Miami.

Passenger boardings increase 52% to 668,010 while freight skyrockets 71.5% to 4.63 million FTKs.

During the first quarter of 1998, the carrier is purchased by Santiago-based **Avant Airlines, S.A.** for an undisclosed price. Plans are announced for the two carriers to compete with **LADECO Chilean Airlines, S.A.** and **LanChile Airlines, S.A.** in an effort to capture a quarter of the nation's domestic passenger market.

By July, National enjoys a 12.1% market share and Avant 14.1%. As of July 1, the decision is taken to concentrate domestic operations with one airline and long-haul flights with another. On July 6, National turns over its local service operations to **Avant Airlines, S.A.** and begins to

concentrate on international services. Avant is now expected to maintain the combined 26.3% domestic market share of both airlines. This arrangement lasts six months until National is merged into its parent in January 1999.

NATIONAL AIRWAYS: United States (1933–1937). With initial capitalization of \$10,000, NA is formed in early 1933 at New York by ex-**The New York, Philadelphia and Washington Airway (Ludington Airline)** employees Paul Collins and Eugene Vidal. With support is from New York businessman Sam J. Solomon and famed aviatrix Amelia Earhart, two Stinson SM-6000B Tri-Motors are purchased from Ludington.

A contract is arranged with Laurence Whittemore of the then-dormant **Boston-Maine Airways** to operate his former route to Bangor, Maine, via Portland and Waterville. Revenue flight services commence on August 11. Additionally, Collins contracts with newly formed **Central Vermont Airways**, owned by the Canadian National Railroad, to fly its routes from Boston to Montpelier, beginning on October 27. Soon the two airlines are operated as one coordinated enterprise.

Two extensions are added on February 7, 1934—Manchester is added as a stop and the Montpelier destination is stretched to Burlington. The "Air Mail Scandal" and associated investigations do not interrupt operations. Service to Montreal, which makes the company an international airline, is launched on March 20. In early June, National undertakes to fly the mail from Boston to Bangor and Burlington. As of October 22, flights to Montreal must be halted for winter, but beginning in the summer of 1935, flights are offered between Bangor and Bar Harbor.

This arrangement is continued with little change over the next three years. On April 8, 1936, a Stinson 6000 crashes while taking off from Burlington (one dead). Having determined that newer flight equipment is essential, the railroad owners order two new Lockheed Model 10A Electras for National.

When Collins cannot come up with the money to pay for the Electras, the railroad interests buy out National Airlines' partners on March 1, 1937 and continue operations as **Boston-Maine/Central Vermont Airways**, the marketing title employed since 1934.

NATIONAL AIRWAYS (PTY.), LTD.: South Africa (1958–1970). NAL is founded at Johannesburg's Baragwanath Airport in 1958 by Dick Dunn and Stan Cohen to transport newspapers, passengers, and miscellaneous cargo to Cape Town and Port Elizabeth. Over the next five years, Dunn and Cohen actively seek to enlarge their concern by purchasing five other small nonscheduled operators: **OFS Air Services (Pty.), Ltd.**, **Pretoria Flying Service (Pty.), Ltd.**, **Transvaal Air Charters (Pty.), Ltd.**, **Aero Sales (Pty.), Ltd.**, and **Swazi Air, Ltd. (1)**. Some of these will be operated as subsidiaries.

Durban-based **Natal Aviation (Pty.), Ltd.** is acquired in 1963. At this point, the company, renamed **National Airways Corporation**, is large enough to become a takeover target and the automotive dealer Fisher & Simmons (Pty.), Ltd. acquires the company before the end of the year, but leaves Dick Dunn in as chairman, with Jack Andrew as general director.

Early in 1964, Chairman Dunn resumes the carrier's expansion, purchasing Southern Aviation (Pty.), Ltd., Bechuanaland Air Safaris, and half interest in Skywork (Rhodesia), Ltd. Also assumed is Skywork's interest in **Rhodesia Air Service, Ltd.** Requiring more space, the company is transferred from Baragwanath to Rand Airport at Germiston.

As a result of all this growth, the NAC fleet by mid-decade is quite large: 3 Cessna 310s, 1 C-150, 2 C-170s, 4 C-172s, 1 C-180, 1 C-182, 1 C-210A, 3 Navion Rangemasters, 4 Piper PA-11 Colts, 2 PA-23 Aztecs, 3 PA-23 Apaches, 1 PA-24 Comanche, 1 PA-30 Twin Comanche, 3 Beech Bonanzas, 1 Beech Travelair, 3 Mooneys, 5 Aero Commander 500s, and 1 Hughes 269A.

Employing a pair of Aero Commanders, the company takes over a **South African Airways (Pty.), Ltd.** service on March 20, 1965, which delivers printing mats for Sunday newspapers from Johannesburg to Cape

Town. Editions of the *Sunday Times*, *Sunday Express*, *Dagsbreek*, and *Sondagstem* are run off by the presses of the *Cape Times* and *Bie Burger*.

The carrier's new subsidiary, **Swazi Air, Ltd. (2)**, begins services from Matsapa on September 27. In October, the company also begins to fly copies of the *Evening Post* to Port Elizabeth, East London, and Grahamstown.

Newspaper, air taxi, and charter services are continued in 1966 and in May 1967 a flight school is started at Rand Airport, to which an Aero Commander is dedicated. The Port Elizabeth division is sold to Mel Templer and Theale Stewart in 1968, who operate it briefly as the independent NAC Eastern Cape (Pty.), Ltd.

By 1969, the fleet has been increased by the addition of 2 Douglas DC-3s and 1 Aero Commander 500B.

Just after takeoff from Germiston on October 6, 1970, a DC-3 with a pilot and 10 passengers suffers the loss of its No. 1 engine. The crew attempts to return to their point of origin, but the plane crashes two km. from the Rand Airport (three dead).

At the end of the year, NAC is sold to **Protea Airways (Pty.), Ltd.**

NATIONAL CAPITAL AIRWAYS. See COLGAN AIR

NATIONAL CHARTER NETWORK: Vladivostok Airport, Vladivostok, Russia; Phone 7 (4) 232-97339; Fax 7 (4) 232-228010; Year Founded 1986. Vladivostok Aviation is established as the FBO at Vladivostok Airport at Artem in 1986; Vladimir Saybel is president. Following the breakup of the Soviet Union in 1991, the company elects to establish the National Charter Network to provide executive charter passenger and air express services, air taxi, and cargo flights to various destinations in the CIS and across the Bering Sea to the United States.

By 2000, President Saybel oversees a workforce that includes 10 full-time and eight part-time pilots and a mixed fleet of Russian- and U.S.-manufactured aircraft. From the Vladivostok facility, NCN operates 11 Yakovlev Yak-40s, 2 each Antonov An-28s, Tupolev Tu-154s, Yak-40ERs, and Ilyushin Il-76s, plus 1 Beech 18. A base is established at Seattle, Washington, where 1 each Cessna 550 Citation III and Learjet 35A Century III undertake passenger-only flights.

NATIONAL COMMUTER, LTD.: United Kingdom (1988–1990). Privately owned NCL is organized by Navigations, plc, at Southend in the fall of 1988 to operate regional services to the Channel Islands with 3 Shorts 330s. Traffic and financial figures are not released. Early in 1989, the carrier acquires a Shorts 360-300 and two Embraer EMB-110P Bandeirantes and opens scheduled flights to Brussels in cooperation with **Sabena Belgian World Airlines, S.A.**

Operations continue apace until October 20, when the company's parent enters Administration, the equivalent of Chapter XI bankruptcy in the U.S. Several other carriers maintain the company's schedule on its behalf and several, including **Region Airways, Ltd.** and **British Air Ferries, Ltd.**, attempt to purchase it.

The commuter operates through July 1990, at which time its assets are finally sold to **Region Airways, Ltd.** Prior to its dissolution, a total of 5,732 passengers are flown on the year.

NATIONAL COMMUTER AIRLINES: United States (1982–1983). Established at Miami in January 1982, NCA begins scheduled intrastate passenger services in May as part of the **Air Florida** commuter network, linking its base with Sarasota and Tampa.

Employing Aerospatiale Nord 262 and Mohawk 198 turboprops, the carrier continues daily roundtrips until September 3, 1983 when, in the wake of **Air Florida's** failure, it suspends business. Plans to resume flights in January 1984 are not realized.

NATIONAL EXECUTIVE AIRLINES: United States (1983–1991). NEA is formed at Las Vegas in 1983 to offer charter services plus sight-seeing flights over the Grand Canyon with a fleet of 4 Piper PA-31-350 Navajo Chieftains.

Operations continue with little change until 1989, except that the fleet is increased to 11 aircraft, including Cessna 402s. During the summer, scheduled services are introduced from the gambling capital to the canyon and back.

The company closes its doors in the recession year of 1991.

NATIONAL EXECUTIVE FLIGHT SERVICE: United States (1959–1967). Joseph C. Whitney establishes NEFS at Boston, Massachusetts, in 1959 to provide scheduled passenger and cargo services to Martha's Vineyard, Nantucket, and Hyannis. Employing 2 Aero Commander 500s and 3 Piper PA-24 Commanches, Whitney inaugurates daily scheduled roundtrips on June 20, 1960, supplementing those offered by **Northeast Airlines**. Operations continue apace in 1961–1963.

Taking a leaf from the book of John Van Arsdale's **Provincetown-Boston Airline (PBA)**, President Whitney establishes a Florida division at Sarasota late in 1964. Employing a Piper PA-32 Cherokee Six and a Beech 99, NEFS inaugurates seasonal roundtrip services on December 15 to Tampa and other south Florida holiday destinations.

Services continue to be provided both north and south throughout 1965–1966. The first de Havilland DH 104 Dove is placed into service during the latter year, replacing **Northeast Airlines** on routes to certain of the smaller communities in Maine. On January 1, 1967, the company is reformed and renamed **Executive Airlines**.

NATIONAL FLIGHT SERVICES: Toledo Express Airport, 10971 E. Airport Service Road, Swanton, Ohio 43558, United States; Phone (419) 865-2311; Fax (419) 867-4234; Year Founded 1992. NFS is set up at Toledo Express Airport in 1992 to undertake fleet management for local corporations and to offer executive and small group passenger charters throughout the Western Hemisphere. Flights begin and continue with a pair of North American Sabreliner bizjets.

NATIONAL FLORIDA AIRLINES: United States (1982–1983). NFA is founded at Daytona Beach in the spring of 1982 to provide scheduled third-level passenger services in association with **Republic Airlines** with a fleet of de Havilland DHC-6-100 Twin Otters, Piper PA-31-310 Navajo Chieftains, and Fairchild-Swearingen Metro IIs.

Daily roundtrip revenue feeder flights are undertaken linking the company's base with Fort Lauderdale, Walton Beach, Miami, Orlando, and Tampa. Caught up in recession and unable to recover start-up costs, the new entrant ceases operations in December 1983.

NATIONAL HELICOPTER CORPORATION: Republic Airport, CS 9100, Farmingdale, New York 11735, United States; Phone (516) 756-9355; Fax (516) 756-2694; <http://www.natheli.rotor.com>; Year Founded 1968. NHC is established in 1968 to provide private and corporate charters, flight-seeing trips over New York City, courier and airport transfers, aerial photography, and aerial applications in agriculture. Revenue flights continue for the next 30 years.

By 2000, Operations Manager Andrew Ladouceur oversees the work of 20 pilots and schedules the company's 2 Bell 206L LongRangers, Bell 206B JetRanger, and Eurocopter AS-355F Twinstar.

NATIONAL JET ITALIA, S.p.A.: Via Corona Boreale 86, Rome, 00054, Italy; Phone (06) 6587 41; Fax (06) 6587 452; <http://www.british-airways.com>; Year Founded 2000. After a long gestation period begun early the previous year, arrangements are finally completed in the spring of 2000 between the Australian regional carrier **National Jet System (Pty), Ltd.** and **British Airways, Ltd. (2)** for the inauguration of a new BA franchise carrier, **National Jet Italia, S.p.A.** Shareholding in the new enterprise is divided between BA (1%), British Aerospace Systems (20%), and Magtibay, N.V., a Dutch holding company (70%); Sergio Bille is appointed CEO. Additionally, five former **UNI Airways Corporation, Ltd.** British Aerospace 146-300s acquired earlier are brought up to standard and painted in modified BA colors.

Employing the first available BAe, National Jet Italia, S.p.A. begins flying twice-daily roundtrips between Rome and Palermo on July 11. A second aircraft is delivered on July 16 and enters service on the route the next day, doubling frequencies to four per day. The 146-300s employed are configured for two classes, Club Europe (business) and Euro Traveler (economy). Service from Rome to Catania is promised for later in the year.

With the arrival of the fourth BAe 146-300 on October 19, return frequencies between Rome and Palermo are now offered eight times weekly. Four-times-daily BAe 146-300 return flights from Rome to Catania commence on October 29. In late November, a pair of Boeing 737-300s, one each Dash-3S3 and Dash-3Q8 in full BA colors are wet-leased from **British World Airlines, Ltd.**

Arrangements are announced on December 4 for the initiation of twice-daily roundtrips from Rome to Athens beginning on January 1. The flights will be made with a pair of wet-leased **British World Airlines, Ltd.** Boeing 737s, one each Dash-3S3 and Dash-3Q8. The same aircraft will launch daily return service from Rome to Verona on February 1.

NATIONAL JET SYSTEMS (PTY.), LTD.: Level 9, Southgate House, 435 King William Street, Adelaide, South Australia, 5000, Australia; Phone 61 (8) 8304 5600; Fax 61 (8) 8304 5850; http://www.nationaljet.com.au; Code NC; Year Founded 1989. Established at Adelaide Airport under Managing Director Warren Seymour, National Jet is created in 1989 to operate charter services to domestic destinations. Principle shareholders are Jet Systems and Aedion Investments.

During the spring of 1990, a scheduled airline division is created to fly Australian Airlink services for **Australian Airlines (Pty.), Ltd.** Equipped with a fleet comprising 3 British Aerospace BAe 146-100s, 1 BAe 146-200QC, 1 Boeing 727-77C, and 1 Embraer EMB-110P1, the commuter begins services on July 1 between Brisbane and Mount Isa, Proserpine, and Canberra. Several light aircraft are also available, including an Israeli Aircraft Industries 1124A Westwind II and a Piper PA-31-350 Navajo Chieftain. Services continue in 1991.

On January 9, 1992, founder Seymour sells a 50% stake in his concern to **Lloyd Helicopters (Pty.), Ltd.** The fleet is now revised; gone is the Boeing and in its place is another BAe 146-100 and a BAe 146-300QT. The latter is operated, beginning in December, for Australian Air Express on behalf of the Australian Post Office. AAE is formed by a merger of Australian Airlines Express and Australia Post Office Courier. **Australian Airlines (Pty.), Ltd.** is purchased into **Qantas Airways (Pty.), Ltd.** and National Jet now becomes its subsidiary.

In 1993, the fleet includes 4 BAe 146-100s and 1 each BAe 146-200QC, 146-300QT, 125-800B, de Havilland Canada DHC-8-103, and Westwind II. Flights continue over the same routes.

Four additional BAe 146-100s arrive in 1994, along with a second DHC-8-103. Managing Director Warren Seymour's feeder service is renamed Qantas Airlink and additional destinations now served include Alice Springs, Ayers Rock, Broome, Cairns, Darwin, Kalgoorlie, Karratha, Mackay, Perth, and Rockhampton.

A five-year lease extension for the BAe 146-200QC is signed during the first quarter of 1995. The BAe 146-300QT charter is resigned in April for three more years. Routes are opened, beginning in May, from Adelaide to Geraldton, MacArthur River, and Townsville. Two more DHC-8-103s join the fleet. In November, the decision is taken to return the BAe 146-200QC to Asset Management Organization, which will lease it to **Air Jet, S.A.** The aircraft is replaced by a BAe 146-100 pure-passenger model, chartered for six years.

In January 1996, NJS becomes Australian launch customer for the Avro RJ70. At the same time, one more DHC-8-103 enters service. The Avro is entered by year's end, and is placed on the carrier's contract service from Perth to Telfer operated on behalf of a mining concern. At the same time, a leased BAe Jetstream 41 is also acquired for contract work. By year's end, airline employment stands at 800.

When merger discussions between **Qantas Airways (Pty.), Ltd.** and the management of **Ansett New Zealand, Ltd.** break down during the summer of 1997, the Australian major gives consideration of moving Nation's BAe 146 fleet to New Zealand and entering the Kiwi domestic market directly.

Late in December 1998, NJS offers Ir£3.5 million (\$3.7 million) over a seven-week period for a 60% stake in **CityJet, Ltd.** Plans are made to revamp the financially challenged Irish airline into a holding company in which a 40% interest would be owned by CityJet shareholders.

The NJS proposal also envisions the elimination of several routes from Dublin, including those to London (CTY) and East Midlands, and the reduction of the staff from 350 to 250.

On February 24, 1999, CityJet's board of director's, at the recommendation of senior management, rejects the offer, even though NJS has already paid a part of the purchase price.

In addition to the downsizing, concern exists that the arrangement will be blocked by European Union regulations prohibiting non-EU nations from holding majority shareholding in EU airlines.

Chris Jasper and Paul Phelan report in the March 10 issue of *Flight International* ("Alleged Rule Bending Stymies BA Plans to Start Italian Airline") that the aborted package is part of a complicated secret enterprise between NJS, CityJet, and **British Airways, Ltd. (2)** to gain an existing air operator's certificate. This would allow the launching of a BA franchise airline in Italy with five former **UNI Airways Corporation, Ltd.** BAe 146-300s that NJS would lease from Global Air Australia (Pty.), Ltd.

The plans for an Italian subsidiary have not, however, fallen through and are, in fact, only slightly set back. In June, NJS executives travel to Taiwan to complete preparations for delivery of the BAes from **UNI Airways Corporation, Ltd.**, while flight and cabin crew are permitted to fly aboard **CityJet, Ltd.** aircraft in order to familiarize themselves with European service requirements.

Particularly attracted by the NJS contract held with the Australian Customs Service for maritime surveillance services, FR Aviation, Ltd. steps forward in December and purchases the carrier for A\$62 million. The UNI BAe 146-300s arrive in England at the end of the year and are stored by the manufacturer at Woodford until NJS can complete preparations for the launch of its Italian subsidiary.

Passenger boardings this year rise 5.5% to 25,000.

At the beginning of 2000, NJS operates 12 BAe 146s (5 each Dash-100s and Dash-200s and 2 Dash-300s) on Qantas Airlink services. Destinations visited include Adelaide, Alice Springs, Brisbane, Broome, Cairns, Canberra, Darwin, Gove, Kalgoorlie, Karratha, Mackay, Paraburdoo, Port Headland, Proserpine, Rockhampton, Tom Price, and Yulara. The Surveillance Australia wholly owned subsidiary continues to operate 13 aircraft, including DHC Dash-8-200 MPA and Cessna Reims F406s fitted with various kinds of sensors.

Government approval for the FR Aviation, Ltd. takeover is received in February. During the spring, arrangements are completed with **British Airways, Ltd. (2)** for the inauguration of the new Italian airline as the BA franchise carrier **National Jet Italia, S.p.A.** Additionally, the former UNI British Aerospace 146-300s are brought up to standard and painted in modified BA colors.

At the end of March, cofounder Rob Sherrard is appointed deputy CEO/chief operating officer of Virgin Australia, soon to be renamed **Virgin Blue, Ltd.**

National Jet Italia, S. p.A. begins flying four times daily between Rome and Palermo on July 11. The 146-300s employed are configured for two classes, Club Europe (business) and Euro Traveler (economy). Service from Rome to Catania is promised for later in the year.

NATIONAL JETS: 3485 SW 9th Ave., Fort Lauderdale, Florida, 33315, United States; Phone (954) 359-9900; Fax (954) 359-9500; Year Founded 1972. The executive charter operator National Jets is originally established as an FBO at Fort Lauderdale, Florida, in 1972. Employing a fleet of 4 Gates Learjet 25s and 2 Cessna 402s, the non-

scheduled carrier undertakes flights, beginning in **1980**, to both domestic and international destinations. All-cargo and air ambulance flights will be added and a base set up at Phoenix.

Operations continue and in **2000** Thomas E. Boy is CEO and 10 pilots are employed. The fleet now includes 2 Learjet 35As, 1 Learjet 25D, 1 C-402B, and 1 Beech 18T freighter. A Learjet 25D is stationed at Phoenix, Arizona.

NATIONAL PARKS AIRWAYS: United States (1928–1937). After winning the Salt Lake City–Great Falls Contract Air Mail Route No. 26 (CAM-26) from the Post Office on December 30, 1927, Alfred Frank establishes an airmail transport company at Salt Lake City on March 2, **1928**. Frank and his associates pledge \$200,000 initial capitalization (later raised to \$1.5 million), name the carrier National Parks Airways, and assign the contract to the airline on April 6. Following the completion of a new hanger, the partners purchase three new Fokker Model 8 Super Universals and two, later three, Stearman C3Bs.

After prepositioning the Fokkers at each end of the route, National Parks opens north-south and south-north mail and passenger service on August 1, flying via Ogden, Pocatello, Idaho Falls, Butte, and Helena. The Stearmans fly only mail. A newly received fourth Super Universal crashes while landing at Pocatello, Idaho, on September 4 (one dead). Another Stearman C3B joins the fleet on October 13. Two additional Stearman C3Bs are acquired in **1930** and orders are placed for two Boeing 40B-4s, which are delivered on November 4, **1931**.

Idaho Falls becomes a flag stop in **1932**. An effort to obtain a subsidized route extension from Butte to Missoula and Billings is turned down by Postmaster General Walter F. Brown, who grants a Billings extension to **Northwest Airlines**. During the summer of **1933**, extensions are made from Butte to Livingston and from Great Falls to Havre. A Super Universal crashes at Pauline, Idaho, on November 28.

On February 9, **1934**, all mail contracts are cancelled by the Post Office in wake of the perceived “Air Mail Scandal.” The U.S. Army Air Corps is ordered to fly the mail and a Senate committee holds hearings at which Frank is a star witness. During the six weeks of controversy, National Parks stops flying its Great Falls–Salt Lake City route.

With the military option a failure, the Post Office rebids the mail contracts at the end of March and opens the bids at the end of April. Meanwhile, in strict fulfillment of bidding requirements prohibiting applications from previous carriers, the company name is changed on December 1 to **Salt Lake City–Great Falls Airline (Formerly National Parks Airways, Operated by Alfred Frank)**. A new contract is awarded to Mr. Frank on May 7, which he now sublets back to NPA. This move allows him to resume service on May 15.

During the fall, both Stearman mailplanes are sold, as orders are placed for new Boeing 247Ds. The company’s first modern airliner, a Boeing 247, enters service on November 1, having been leased from **United Air Lines**.

Two Boeing 247Ds arrive from **United Air Lines** in the final week of **1935**. During the summer of **1936**, it is decided that scenic visits to Yellowstone National Park will help increase revenues. To that end, an airstrip is built at West Yellowstone and a Boeing 80A-1 is leased from **United Air Lines** with which to begin hauling customers on August 1. The service is suspended in the fall. A Boeing 40B-4 is destroyed in a crash on December 31; no injuries are reported.

On June 25, **1937**, Alfred Frank purchases Ford Tri-Motor 5-AT-70 from **Braniff Airways** and has it modified for sight-seeing flights over the park. These are barely underway before the company, deep in financial difficulty for over a year, is sold to **Western Air Lines** on August 1.

NATIONAL SKYWAY FREIGHT CORPORATION. See **THE FLYING TIGER LINE**

NATIONS AIR EXPRESS: United States (1987–2000). NAE is established in Miami in **1987** as Miami Air Charter (2), but does not begin operations. CEO Mark McDonald’s company is renamed in **1994** and a

base is established at Atlanta. Three Boeing 737-247s, painted in a patriot motif, are leasing from **Viscount Air Services**. The remainder of the year is spent in preparing a marketing strategy featuring one-way fares with no advance-booking requirements and otherwise getting set to launch services the following March to Gulfport, Mississippi, four cities in Florida, and from Philadelphia to Pittsburgh and Boston.

Ticketless scheduled service is inaugurated on March 26, **1995**, between Pittsburgh, Philadelphia, and Boston. The frequencies are offered five times daily on weekdays and four times daily on weekends. In response to the company’s \$59 Philadelphia–Pittsburgh fare, **USAir** quickly counters with a \$53 tariff and matches the upstart on four of its own 16 daily frequencies from Pittsburgh to Boston.

In early April, Nations Air introduces its “Multi-Flyer” program; passengers are able to purchase in advance up to 10 legs between any city and employ them as desired. A Myrtle Beach, South Carolina, stop is added during the spring. After failing to meet FAA guidelines on crew training, the company suspends operations on July 15. The next day, it hires contract carriers to fly its routes.

On August 14, **USAir** Group informs the SEC that the DOJ is examining charges of predatory pricing in certain cities made against it by Nations Air and **Valujet Airlines**. The charges will be dismissed.

Enplanements total 82,000 and with costs far exceeding operating income there are large losses: \$8.67 million (operating) and an equal \$8.67 million (net).

In the wake of the May 11, **1996**, **Valujet Airlines** disaster in Florida, NAE elects to suspend its scheduled services during the third week of the month and to concentrate on charter work.

Financial results are reported through June and show revenues of \$5.86 million. With expenses of \$7.71 million, the loss picture actually improves; an operating loss of \$1.84 million is posted, along with a net loss of \$1.87 million.

During the fall, a wet-lease agreement is signed with **Pan American World Airways (2)** under which NAE operates its B-727-231 on replacement flights in Pan Am livery and under the name *Clipper Goodwill*.

Passenger boardings for the year skyrocket 50.7% to 205,000.

On February 6, **1997**, two New Jersey Air National Guard F-16s from the 177th Fighter Wing based at Atlantic City are flying in a practice area some 70 miles out in the Atlantic Ocean south of New York (JFK). One of the fighters attempts to swoop in unobserved to investigate a company B-737-247 en route to New York from San Juan. This approach to within 1,000 feet below and behind sets off the jetliner’s computerized anticollision alarms and the emergency evasion action taken by the captain to avoid the fighter planes throws three passengers to the floor of the Boeing. No one is hurt aboard the civilian aircraft and the fighter pilot breaks off, rejoins his wingman, and returns to base.

During the next four days, F-16s elsewhere will also make unauthorized interceptions of aircraft from **American Airlines**, **Northwest Airlines**, and **Flagship Airlines**. The intercepts will bring a series of investigations by the USAF, FAA, and NTSB.

When Pan Am takes over **Carnival Air Lines** and gains access to its fleet, the B-727-231 is returned.

Service continues without incident for the remainder of the year. Customer bookings fall 32.3% to 109,000.

On May 26, **1998**, a contract is signed with the wholesale travel company Casino Airlink to provide scheduled roundtrip jet service for its casino vacation packages to Gulfport, Mississippi. The agreement takes effect on June 10, the day after **Reno Air** stops flying to the Gulf Coast. Nations Air now dedicates 2 B-737-200s to offer a total of 14 weekly departures: three each from Atlanta and Orlando, two from Fort Lauderdale, and six from Tampa/St. Petersburg. This gambling arrangement is insufficient to permit continued economic viability and the carrier is forced into Chapter XI bankruptcy protection in October.

Passenger boardings during the 12 months plunge another 72.5% to 42,000. Cargo traffic is down 78.8% to 10,000 FTKs.

The first quarter of **1999** is taken up with devising a reorganization plan to be presented to the bankruptcy court. The document is duly filed

on April 19 and declares that the company will be rescued by a group of investors, led by David Fink and his Guilford Transportation Industries, which had rescued **Pan American World Airways (2)** the previous year.

Ten days later, Pan American announces plans to acquire Nations Air and use its aircraft to undertake its own forthcoming scheduled services. The arrangement is never consummated. Nations Air Express stops flying on September 1. Customer bookings for the three quarters plunge 86% to 21,000. The company's certificate authority is now suspended by the DOT.

At the beginning of **2000**, President McDonald's workforce stands at 140 and his fleet has been reduced to just a single B-737-247. The DOT's Office of Aviation Analysis warns Nations Air on May 19 that the company's authority will be permanently withdrawn if it does not return to operation by September. When it does not, the AOC is revoked on September 11.

NATIONWIDE AIR CHARTER (PTY.), LTD.: Hangar No. 10, Lanseria Airport, Lanseria 1748, South Africa; Phone 27 (11) 701-3330; Fax 27 (11) 701-3243; <http://www.nationwideair.co.za>; Code CE; Year Founded 1996. Late in **1996**, Managing Director Vernon Bricknell's **Care Air (Pty.), Ltd.** is renamed. The second largest BAC operator in the world, NAC's fleet includes 3 British Aerospace (BAC) 1-11-537GFs, 4 Beech Super King Air 200Cs, and 1 each BAC 1-11-531FS, 1-11-518FG, 1-11-509EW, and 1-11-409AYF.

A code-sharing agreement is signed with **Sabena Belgian World Airlines, S.A.** on March 28, **1997**, and the carrier paints its planes in a modified version of its new partner's livery. The pact allows the airline's passengers access to the Belgian major's frequent flyer program and the marketing expertise of its **Swissair, A.G.** partner.

In September, a B-727-231A is purchased from **Trans World Airlines (TWA)** via Fortis Aviation.

Flights continue in **1998**. During the fourth quarter, a BAC 1-11-500 is painted as a logo-jet, with a depiction of "The Right Whale." Christened *Cetacea*, the aircraft emphasizes the airline's service to the community of George, off the coast of which right whales breed.

Nationwide joins with **Sun Air (Pty.), Ltd.** and **Comair (Pty.), Ltd.** during January **1999** in lodging a complaint with the South African Competition Board (SACB). The three allege that **South African Airways (Pty.), Ltd.** has so reduced prices and increased capacity on a number of domestic routes as to be engaged in predatory pricing violations. Some SAA fares on the routes between Johannesburg and Durban are less expensive than those for motor coaches. The board indicates that it will undertake an investigation over the next few months. When made aware of the Competition Board complaint, officials from SAA indicate that they will contest the claims.

A former **Deutsche Lufthansa, A.G.** B-737-230A is acquired, also in January.

South African Airways (Pty.), Ltd. (SAA) and its affiliates continue their fare war with **Comair (Pty.), Ltd.**, backed by **British Airways, Ltd. (2)**, Nationwide Air, supported by **Sabena Belgian World Airlines, S.A.**, and **Sun Air (Pty.), Ltd.** By mid-summer, the independents have still not heard from the SACB.

On August 1, **SA Airlink (Pty.), Ltd.** CEO Rodger Foster, who is also serving as chairman of the Airlines' Association of South Africa, warns that the market is hopelessly overtraded and suggests that one or more of the smaller players will soon fail. Loss-making **Sun Air (Pty.), Ltd.** is purchased by SAA on August 13 and shut down 72 hours later. In announcing the closure, SAA CEO Coleman Andrews indicates that it should not take the independents more than two weeks to absorb Sun Air's 10% market share. He also notes that its removal from the playing field should help the survivors to become more viable and to compete more robustly with each other.

A total of 700 workers are employed at the beginning of **2000**. The company continues to operate 3 Boeing 727s, 1 each Dash-95, Dash-231A, and Dash-116F, and 1 B-737-230A. A total of five BAC 1-11s will

be withdrawn this year. A second B-737-230A is delivered during July and is placed into service on the Cape Town-Johannesburg trunk route.

Wearing the red, green and white livery of the Sultanate of Oman, the B-727-231A is wet-leased to **Oman Air** between July and September to operate daily services from Muscat to Dubai, Jeddah, Pershawar, Karachi, and Madras. Occasional flights are also made to Bombay. The 6-month engagement involves supplying not only the aircraft with its flight deck crew, but also a full complement of 15 cabin crew and the establishment of an engineering support base. A total of 28 Nationwide personnel are based at Muscat to support the contract.

Also during the summer, Chairman Bricknell, via his new Web site, apologizes to the traveling public for the necessity to add fuel surcharges to ticket prices. On the plus side, the Nationwide Exclusive on-line reservations system is simultaneously introduced. The new B-737-230A is also employed to operate a special flight for Daimler Chrysler and several charters for Bafana Bafana, a trade mission to Mozambique.

The first scheduled flights to Livingstone, Zambia, are completed during the long weekend of September 22-25. A number of additional flights to that point are operated over the next several months as the airline builds up to the introduction of four-times-a-week roundtrips on April 1.

With the introduction of a new winter schedule on October 2, the company unveils its Business Class, Economy Price promotion designed to allow passengers to judge for themselves which carrier offers the "best value-for-money seat" on South African domestic service. Flights between Johannesburg and Cape Town are now offered five times a day.

On November 6, the company makes a formal complaint to government regulators concerning alleged predatory pricing policies on domestic routes by **South African Airways (Pty.), Ltd.** and **SA Express Airlines (Pty.), S.A.** They are alleged to be contravening the SA Competitions Act by failing to raise their customer tariffs, even though rising fuel costs have increased their costs.

Having been forewarned that **Sabena Belgian World Airlines, S.A.** will withdraw service to Johannesburg at the end of March, Nationwide is now forced to find a new code-sharing partner. In mid-November, a strategic marketing agreement is signed with **Virgin Atlantic Airways, Ltd. Virgin**, which operates daily service between London (LHR) and Johannesburg and twice-weekly roundtrips to Cape Town, places its code on Nationwide flights between Johannesburg, Cape Town, and Durban. Nationwide begins to repaint its aircraft in modified Virgin colors and participates in Virgin's frequent flyer program.

Nationwide is allowed to plead its case against SAA before the South African Competition Tribunal on December 13. Noting that it lost R 2.5 million in October, the airline indicates that, without relief in the form of equal ticket pricing, it will soon go bankrupt. It asks that both SAA and SA Express be required to increase their fares.

Sabena Belgian World Airlines, S.A. notes on December 15 that it will actually halt service to Johannesburg on January 29, three months earlier than previously reported. The route closure will also end the company's code-sharing arrangement with Nationwide. As if the Sabena news isn't bad enough, the Competition Tribunal rules against Nationwide on December 22.

NATIONWIDE AIR TRANSPORT SERVICE: United States (1945-1950). NATS is organized at Miami Springs, Florida, in **1945** as a nonscheduled aircraft specializing in short- and medium-haul airborne funerals. Once a casket is loaded behind a partition at the front of one of the company's war-surplus Douglas C-47s and the mourners are seated in the back, the aircraft takes off for its destination. En route, a memorial service is held aloft. On the ground at the appointed destination, additional services may occur.

A C-47 with 3 crew and 30 passengers is involved in an accident at Carmel, California, on January 5, **1947** (4 dead).

This ultimate in niche operations continues until **1950** when the company is purchased by and merged into **Resort Airlines**. During these years, there is one fatal tragedy.

NATIONWIDE AIRLINES (PTY.), LTD. See **NATIONWIDE AIR CHARTER (PTY.), LTD.**

NATIONWIDE AIRLINES SOUTHEAST. See **AIR SOUTH (1)**

NATIONWIDE AIRLINES SOUTHEAST: United States (1967–1968). NAS is established at Atlanta in 1967 to provide scheduled air taxi flights into Atlanta from surrounding communities. Employing Beech B-80 Queenaires, the company duly inaugurates frequencies linking its base with Albany, Augusta, Birmingham, Charlotte, and Greenville. These are maintained into 1968.

NATIONWIDE AVIATION (PTY.), LTD.: Australia (1973–1987). Formed at New Plymouth in 1973, Charles J. Haywood's small non-scheduled carrier provides charter and contract services throughout New Zealand for six years. In September 1979, the company inaugurates a scheduled service to Auckland. The route is maintained into the new decade and in late 1981, the fleet comprises 1 each Piper PA-23 Aztec, Piper PA-32 Cherokee Six, and Piper Aerostar 600.

Midway through the 1980s, the company acquires a Piper PA-31-350 Navajo Chieftain. Unable to maintain economic viability, the single-segment company is forced to cease operations in 1987.

NAYSA (NAVEGACION Y SERVICIOS AEREOS CANARIOS, S.A.): Spain (1988–1995). The air taxi NAYSA is organized at Las Palmas, Gran Canaria, Canary Islands in 1988. In 1989, permission is sought to offer scheduled island services plus flights to Morocco and Mauritania. After a year of charter work, the company is allowed to post its schedules in early 1991. Managing Director Miguel L. Ramon's inaugural scheduled fleet comprises 1 Piper PA-31-350 Navajo Chieftain and 2 Beech Super King Air 200s.

Operations continue until the company, unable to maintain economic viability, goes out of business in 1995.

NEALCO AIR SERVICES, LTD.: P.O. Box 544, Port of Spain, Trinidad and Tobago; Year Founded 1984. Nealco is formed at Port of Spain, Trinidad, in 1984, as the corporate air wing of the Neal & Massy Group. In addition to executive air flights, the carrier also offers public, nonscheduled charter flights within Trinidad and Tobago and to destinations in northern South America and to Florida. The fleet varies, but usually comprises Beech lightplanes (King Airs, Barons, etc.) and at least one helicopter, e.g., Bell 206B JetRanger.

Services are maintained without headline or incident during the remainder of the decade, through the 1990s, and into the new millennium.

NEAR EAST AIR TRANSPORT, LTD.: Israel (1949–1950). Alaska Airlines owner James Wooten and the Israeli Joint Distribution Committee establish this charter carrier in January 1949. In association with El Al Israel Airlines, the airline, employing Alaska Airlines DC-4s and El Al C-46s, begins airlifting Yemenite Jews to Israel in Operation Magic Carpet. When the mission is completed in September 1950, 50,000 Jews from Yemen and southern Arabia have been transported and the charter airline ceases operations.

NEBA (NORTH EAST BOLIVIA AIRWAYS, LTDA.): Bolivia (1982–1991). NEBA sets up shop at Cochabamba airfield in 1982 to operate domestic ad hoc all-cargo services. Freight is flown aboard 1 each Convair CV-440 and Curtiss C-46 Commando.

While attempting to make an emergency landing at its base field on May 11, 1990, the Convair crashes and is lost, together with its crew. The company soldiers on with its old Curtiss for another year.

NEBO AIR COMPANY (NEBO AVIAKOMPANIYA): Russia (1994–1996). NAC is established at Khabarovsk in 1994 to offer long-haul passenger charters. A. Isaev is appointed general manager and he launches flights with an unspecified number of Ilyushin Il-62s and Tupolev Tu-154B/Ms.

Although flights continue in 1995, the carrier is unable to achieve economic viability and shuts down in early 1996.

NECON AIR, LTD.: P.O. Box 10038, Kathmandu, Nepal; Phone 977 (1) 473 860; Fax 977 (1) 471 679; <http://www.neconair.com>; Code 3Z; Year Founded 1992. NAL is established as a public limited company at Kathmandu on April 24, 1992 to provide regional services, both scheduled and nonscheduled, primarily in support to tourists. Shareholding is divided between Anoop S. J. B. Rana, D. Rajbhandari, R. Shrestma, M. B. Shrestma, B. K. Shrestma, M. Joshi, and D. R. Korala. Rana is appointed chairman/CEO of the group and a workforce eventually totalling 180 is recruited.

The initial fleet comprises a pair of British Aerospace (HS) 748-1As, known locally as Avros. Scheduled domestic passenger and charter flights commence on September 14 over a route from Kathmandu to Biratnagar.

A third Avro (HS) 748, a 2B, arrives in 1993 as frequencies on the Kathmandu–Biratnagar service are increased to thrice daily. Statistics for the first 10 months of operation show that 50,000 passengers have been carried and a profit of Rs 5 million (\$90,000) is generated.

One BAe is withdrawn during 1994 in favor of a Cessna 208 Caravan I. Domestic service continues to a variety of destinations in Nepal, including a second important hub at Pakhara at the base of the Himalaya Mountains.

Customer bookings accelerate to 123,000 in 1995. Airline employment in 1996 reaches 180. Just after landing at Pokhara, Nepal, on November 6, 1997, an Avro (HS) 748-1A runs off the runway and collides with a engine-less Nepal Airways, Ltd. HS-748 parked on the grass. No injuries are reported.

On August 3, 1998, Necon becomes the first private airline in the country to launch international services. Flights are undertaken to Dhaka in Bangladesh and Bagdogra, Calcutta, Gorakhpur, Lucknow, and Patna in India. Enplanements for the year exceed 100,000.

Authorized share capital of Necon at the beginning of 1999 is Rs 600 million.

Just after takeoff from Jumla, 312 mi. NW of Kathmandu for Nepalgunj in west Nepal on January 17, the Cessna 208 with 2 pilots and 10 passengers, catches fire and crashes; 5 aboard are killed and 7 badly injured.

While en route from Pokhara to Kathmandu on September 5, Flight 128, the Avro (HS) 748-2B with 5 crew and 10 passengers collides with a Nepal Telecommunications Corporation tower 25 km. W of its destination and crashes into woods below; there are no survivors.

Airline employment exceeds 400 at the beginning of 2000. The company's acquires by lease on March 10 an Avions de Transport Aerien ATR42-320. It is employed to inaugurate new services to Varanasi, India, at the end of the month.

On August 18, arrangements are completed with the manufacturer for the lease of an ATR42-520. The company celebrates its eighth anniversary on September 14 and introduces its Necon Premier frequent flyer program on October 2.

NEFTYUGANSK AIR ENTERPRISE: Neftyugansk Airport, Tyumen Region, 626430, Russia; Phone 7 (34612) 29756; Fax 7 (34612) 29756; Year Founded 1998. The large helicopter operation Neftyugansk United Air Detachment is reformed into a joint stock company in 1998. Marat Sabitov, Vatcheslav Abramov, and Viktor Temochenke are the principal owners; Viktor Pimoshenko, CEO of the previous entity, remains in charge. The previous rotary-wing work continues, while charters to points throughout the CIS and Europe are undertaken with 1 each Tupolev Tu-134 and Tu-134A.

Service is maintained into the new millennium.

NEFTYUGANSK UNITED AIR DETACHMENT: Russia (1994–1998). State-owned NUAD is established in 1994 to provide rotary-wing support to the Russian oil and gas industry. Viktor Pimoshenko is

CEO and he begins operations with a huge helicopter fleet that includes 31 Mil Mi-8s, 20 Mi-2s, and 5 Kamov Ka-32s. In addition to energy support, the company's helicopters also engage in charter flights, forest fire patrol and fighting, air ambulance, and search and rescue.

In 1998, the company is reorganized into the joint stock company **Neftyugansk Air Enterprise**.

NELSON AIRLINES: United States (1976–1978). Nelson Aviation, Inc., the FBO at Alcoa, Tennessee, elects to establish a scheduled airline division in 1976. Employing a pair of Cessna 402s, the new commuter duly inaugurates daily roundtrips linking its base with Tri-Cities Airport, Nashville, Chattanooga, and back to Knoxville. Operations continue apace until 1978.

NEPAL AIR CHARTER, LTD. *See* **EVEREST AIR, LTD.**

NEPAL AIRWAYS, LTD.: P.O. Box 11, Hattisar, Kathmandu, Nepal; Phone 977 (1) 412 388; Fax 977 (1) 416 574; Code 7E; Year Founded 1993. NAL is founded at Kathmandu in late spring 1993 to provide regional scheduled services. Revenue flights commence in July with 4 Harbin Yu-12 Is and 1 British Aerospace (HS) 748-2B.

During the spring of 1994, the carrier leases two new Russian-made Mil Mi-8AMT helicopters for three years from the Belgian broker and operator **Skytech Helicopter Service, S.A.** The two are delivered to Kathmandu by an Antonov An-124 under lease to **Heavylift Airlines, Ltd.** and enter service on September 15. With Skytech maintenance and training support, the Mi-8s undertake not only high-altitude passenger transport, but construction work and food-transport missions as well.

Later in the year, the fixed-wing fleet is increased by the addition of a second 748, while one of the Harbins becomes a pure freighter.

Service continues apace in 1995–1998. Destinations visited during these years include Bhairawa, Biratnagar, Nepalganj, and Pokhara.

Just after landing at Pokhara, Nepal, on November 6, 1997, a **Necon Air, Ltd.** HS 748-1A runs off the runway and collides with an engine-less NAL HS-748 parked on the grass. No injuries are reported.

Helicopter operations continue in the years thereafter.

NEPAL EVEREST AIR, LTD. *See* **EVEREST AIR, LTD.**

NEPC AIRLINES, LTD.: India (1993–1999). NEPC is established at Madras by NEPC Micon, Ltd. in the spring of 1993 and is the first private Indian airline to apply for a license and earn scheduled carrier status. With a workforce of 758, Executive Director Tirupathi Kumar also acquires a fleet of 5 Fokker F.27-500s from Ansett Worldwide and 1 Beech King Air 90C.

Revenue flights commence on March 30, 1994 to destinations in the western state of Tamil Nadu. Over the next 9 months, a total of 128,877 passengers are boarded.

During the first quarter of 1995, the company opens a private airfield at Tirunelveli and begins construction on new hangar facilities there, which will open in October. Four additional used F.27-500s are also added.

By spring, the number of destinations served in the south and west of the country has grown to 45.

The former **Damania Airways, Ltd.** is taken over in May and becomes a subsidiary that operates under the name **Skyline NEPC, Ltd.** Both will fly as divisions of NEPC India, Ltd.

The new corporate arrangement, which includes both a 4.5% equity investment in Damania and an assumption of liabilities, will be investigated by the Securities and Exchange Board of India, as the stake taken is less than the mandatory 5% acquisition required.

On September 1, the company enters into an interline agreement with **Swissair, A.G.** Under terms of the arrangement, the Swiss flag carrier will maintain the NEPC fleet and train its personnel, while the Indian company becomes the Swissair agent in India. Two new Fokker 50s join the fleet during the fall.

Enplanements total 432,671.

The fleet in 1996 includes 9 Friendships and 1 King Air. A management contract is signed during the spring to operate **UP Air, Ltd.** With its sister **Skyline NEPC, Ltd.**, NEPC Airlines is the second largest domestic airline in India after **Indian Airlines, Ltd.**

Destinations visited include Agatti, Ahmedabad, Bangalore, Balgaum, Bhopal, Bhubaneswar, Bombay, Chennai, Cochin, Combatores, Delhi, Hubli, Hyderabad, Indore, Jaipur, Jamnagar, Jodhpur, Handla, Kanpur, Lakshwadeep, Madras, Madurai, Patna, Pune, Rajamundry, Salem, Tiruchi, Trivandrum, Vjayawada, Visakhapatnam, and Vizag.

Daily roundtrips are introduced on November 1 from Chennai to Tuticorin.

Passenger boardings dip 4.5% to 414,040 and revenues reach \$41.6 million.

In January 1997, the Director General of Civil Aviation orders that NEPC reduce its operations over its trunk routes. The government claims that NEPC has failed to provide sufficient services on required subsistence routes in the nation's northeast.

Additionally, it is claimed that the company, together with its **Skyline NEPC, Ltd.** subsidiary, owe some \$4 million to the government in internal passenger taxes collected but not turned over. To press the issue, customs officials seize an F.27-500.

Still, the carrier and its sister make various expansion plans. In March, permission is received from the government of India for the importation of eight more B-737-200s, four of which will be passed to **Skyline NEPC, Ltd.**

In May, it is announced that the company will sell four of its five F.27-500s for \$16 million and borrow money to purchase modern Boeing or Airbus jetliners.

Consideration is given to the acquisition of fellow-independent **Archana Airways, Ltd.** as well as struggling **Modiluft**. The Indian Securities and Exchange Commission investigates the carrier's dramatic takeover of **Damania Airways, Ltd.**

Instead, executives, faced with a severe cash crunch and unavailability of new aircraft, elect to emphasize **Skyline NEPC, Ltd.** and close the doors of this carrier, planning to merge its assets into Skyline at the end of the year. The fiscal situation is, however, worse than originally imagined. NEPC Group does not have the funds to make its aircraft lease payments, pay its pilots salaries, or undertake maintenance checks. Both airlines stop flying during the first week of July.

At the end of July, the company is able to cobble together a significant loan from several financial institutions. In early August, the decision to close NEPC is reversed. Both companies are now downsized and restructured, with the staff reduced in strength from 2,700 to 2000. Salaries are also cut.

On September 15, NEPC is reborn. Flight operations, in South India, employing the five Fokkers that have not been sold, are restarted on October 1. Meanwhile, **Skyline NEPC, Ltd.** flies the trunk routes.

Service continues in 1998. In 1999, however, NEPC Airlines is merged into **Skyline NEPC, Ltd.**

NERIYUNGRI SAKHA AIRLINE: Russia (1993–1996). NSA is founded in 1993 at Neryungri in the north central Asian Republic of Sakha Yukutiya of the new CIS, to provide worldwide all-cargo charter services. Revenue flights commence with an Ilyushin Il-76TD, plus an unspecified number of Antonov An-12s and -24s.

Operations continue until 1996.

NERIYUNGRI STATE AIR ENTERPRISE: Russia (1993–1998). NSAE is founded in 1993 at Neryungri in the Republic of Sakha Yukutiya of the new CIS, as the national flag carrier. V. A. Ganchuk is appointed general director and he begins international and regional passenger flights with a fleet of 4 Tupolev Tu-154Bs.

Although schedules are maintained over most of the next four years, the company is unable to survive the Russian currency crisis of 1998 and shuts down before the end of that year.

NETHERLINES, B.V.: The Netherlands (1984–1991). Leen P. Jansson sells his construction concern and begins this regional airline late in 1984; four BAe Jetstream 31s are acquired. Picking up routes from **Luxair, S.A.** and **NLM Cityhopper, B.V.**, revenue flight operations begin on January 8, 1985 from Amsterdam Schipol Airport to nine points in Holland, England, Austria, Luxembourg, France, and West Germany. A fifth Jetstream 31 is delivered in December.

Start-up costs bring a loss of \$1.2 million during the first full year of operations.

Another Jetstream 31 is delivered in the spring of 1986, making the carrier the largest operator of the plane outside of the U.S. In April, Eindhoven–Vienna flights begin. Destinations now visited include Amsterdam, Birmingham, Cologne, Enschede, Groningen, London (CTN), Luxembourg, Munster, and Strasbourg.

Flights to Southampton begin in 1987, with Henk Roos becomes managing director in November. When, in April 1988, management of the company is taken over by the **KLM (Royal Dutch Airline, N.V.)** subsidiary **NLM Cityhopper, B.V.**, A. J. Leyer is appointed managing director. The fleet is now altered by the replacement of two Jetstream 31s with six new SAAB 340As.

Replacement service on behalf of the major is inaugurated to Malmö, Sweden, in July 1989. In April 1991, the two subsidiaries are combined into **KLM CityHopper, B.V.**

NEVADA AIR LINES: United States (1929–1930). Set up at Reno by famed aviator Roscoe Turner in the spring of 1929, NAL is equipped with 4 Lockheed Model 5 Vegas that are employed to inaugurate scheduled, multistop passenger service to Los Angeles on May 1. Without a mail contract, the carrier is unable to generate sufficient revenue traffic to continue operations beyond February 1930.

NEVADA AIRLINES: United States (1971–1980). NA is established at Las Vegas in 1971 to offer scheduled third-level passenger and cargo flights; officers include a number of former **Scenic Airlines** officials. Revenue services are inaugurated on January 1 to Reno via Tonopah and to Hawthorne. Sight-seeing flights are also conducted to the Grand Canyon. Initial frequencies are provided with a pair of Cessna 402s and a Douglas DC-3.

Operations continue apace in 1972–1977, during which years the company adds Carson City to its route network and another Douglas transport and a Martin 4-0-4 to its fleet.

The company transports 39,064 passengers in 1978.

In 1979, two more Cessna 402s and two additional Douglas transports are acquired.

On November 16, Flight 2504, a chartered Martin 4-0-4, loses power in one of its two engines and collides with terrain 753 ft. past the end of the runway, just after takeoff from Grand Canyon, Arizona. The 3 crew and 41 passengers are safely evacuated before a post-impact fire destroys the aircraft.

Unable to overcome concerns raised during a FAA safety check following the accident, the carrier is forced to fold its wings in June 1980.

NEVIS EXPRESS, LTD.: Newcastle Airport, Charlestown, Saint Kitts and Nevis; Phone (869) 469-9755; Fax (869) 469-9751; <http://www.nevisexpress.com>; Code D4; Year Founded 1993. NE is set up at Nevis, in the Leeward Islands, late in December 1993 by former Alaskan bush pilot Allen Haddadi. A Pilatus Britten-Norman PBN-2 is acquired and christened *Express One*. It is employed to inaugurate an air bridge shuttle to nearby Saint Kitts.

In addition to President/CEO Haddadi, airline employment in 1994–1997 stands at 10, including 3 additional pilots, 2 engineers, and 6 customer service agents.

The number of daily frequencies between the 2 islands is increased to 14 with the addition of another Islander, *Express Two*. In addition, scheduled service is started to St. Martin in the Dutch Antilles and charters are flown to the Dominican Republic and Trinidad and Tobago.

To take advantage of the growing traffic at St. Martin, a de Havilland Canada DHC-6-300 is leased in October of the latter year. Shortly thereafter, the government of the Dutch Antilles withdraws the company's landing rights. Negotiations between the governments involved are now undertaken as the DHC is returned.

Service is maintained without incident or headline in 1998–1999. The effort to gain reentry into St. Martin is unsuccessful; however, day charters are subsequently initiated to that point, as well as St. Barth. Frequencies on the Nevis to St. Kitts Islander shuttle are increased to 14 per day and it becomes possible to make reservations on the company's Web site.

When **Carib Aviation, Ltd.** raises its roundtrip ticket prices to Antigua to \$170 on February 16, 2000, members of the Barbuda Council are outraged. Not inclined to listen to that concern's protest that it must adjust its rates in light of six years of losses, the Council holds an emergency meeting and moves to travel to Nevis to enter into discussions with Nevis Express concerning the possibility of its offering a service.

Following negotiations, Nevis agrees to offer a shuttle service between Antigua and Barbuda and in July makes a proposal. On August 2, Council Chairman Arthur Nibbs petitions the central government asking that it react favorably to the Nevis proposition. The response, if any, is unknown.

NEW ACS, S.A.: BP 5371, Kinshasa, 10, Congo, Democratic Republic II, Sky Air Services, London, England, United Kingdom; Phone 44 (181) 961-0932; Fax 44 (181) 961-0956; Code DF; Year Founded 1996. Late in 1996, as civil war embroils Zaire, **Air Charter Service, S.A.** is reformed, renamed, and based at Dar es Salaam, Tanzania, with an office in London. Tshimbombo Mukuna remains chairman, but his fleet, which operates regional and domestic passenger and cargo charters, is reduced to 1 Boeing 727-30 and 2 Lockheed L-188A Electras.

Flights continue from Dar es Salaam to Kinshasa, Djibouti, Kigoma, Kilimanjaro, Mwanza, and Zanzibar.

NEW CENTRAL AVIATION COMPANY, LTD. (SHIN CHUO KOKU): 3177 Handa-cho, Ryugasaki-shi, Ibaraki, 301, Japan; Phone 81 (297) 621 271; Fax 81 (297) 621 275; Code NCA; Year Founded 1980. New Central is formed at Ryugasaki-shi, Ibaraki, in 1980 to offer regional services. President Haruo Wakabayashi's initial fleet comprises 3 Pilatus-Britten-Norman BN-2 Islanders and 1 GAF Nomad N-22B. Scheduled service is offered between Chofu Airport and Niihima, Kozushima, Oshima, and Hachjojima.

A second Nomad is acquired in 1992, by which time the Islander fleet has been doubled in number to six. Operations continue apace in 1993–1998, during which years the fleet is enhanced by the addition of three Fokker 50s. The Nomads, due to flight restrictions, are withdrawn.

The large Fokker turboprops are withdrawn in 1999 and at the beginning of 2000, the fleet includes 5 Islanders and a single Dornier 228-212.

NEW ENGLAND AIR EXPRESS: United States (1950). NEAE is set up at Boston in early 1950 to operate irregular all-cargo charters throughout the U.S. and to Alaska. Two Curtiss C-46 Commandos are acquired with which to begin revenue flights; unable to achieve economic viability, the company shuts its doors before the end of the year.

NEW ENGLAND AIRLINES: 56 Airport Road, State Airport, Westerly, Rhode Island 02891, United States; Phone (401) 596-2460; Fax (401) 596-7366; <http://www.block-island.com/nea>; Code EJ; Year Founded 1970. William Bendokas and his wife Lois found "Block Island's Resident Airline" at the State Airport at Westerly, Rhode Island, on August 12, 1970. Employing 2 Britten-Norman BN-2 Islanders and 1 Piper PA-23 Aztec, the Bendokas inaugurates scheduled daily passenger and cargo services in January 1971 linking their base with Providence and Block Island. Operations, including individually tailored charter flights, continue apace during the remainder of the decade and into the 1980s.

In 1985, the three-stop carrier employs 15. There is no change in the route network during the remainder of the decade or in the 1990s. A BN-2 with eight aboard disappears into the Atlantic Ocean on November 28, 1989, during a night flight from Block Island.

By 1993–1994, President Bendokas employs 15. His fleet is expanded to include not only the 2 Islanders, but 2 PA-28 Cherokees and 2 PA-32 Cherokee Sixes as well. Operations continue apace in 1995 and in 1996 the fleet is altered to include 1 each Piper PA-23 Aztec and Cessna 206. Enplanements total 21,983.

Passenger boardings accelerate 17.5% in 1997 to 25,833.

FAR Part 135 flights continue without incident or headline through 1998 and in 1999, until September 5. On that same date, approximately 200 ft. into its takeoff from Westerly, Rhode Island, for a scheduled commuter flight to Block Island, a Piper PA-32-260 Cherokee Six with a pilot and four passengers, suffers engine failure and crashes 200 ft. beyond the end of the runway. The pilot and two passengers are killed.

Higher fuel costs and adverse publicity associated with the September accident cause passenger boardings for the year to fall 2.8% to 23,000.

NEW ENGLAND AIRWAYS (PTY.), LTD. (1): Australia (1931–1936). NEAL-1 is formed at Brisbane in early 1931 as a division of the New England Motor Company, a bus company, to offer service across the Queensland border to the New South Wales town of Lismore. Employing a Ryan monoplane and a de Havilland DH 80A Puss Moth, the company begins operations on March 1. Following the shutdown of ANA (Australian National Airways [Pty.], Ltd.) on June 31, NEAL-1 acquires the pioneer's Avro 10s and extends its own Lismore destination to Sydney on July 17.

The Queensland–New South Wales route is maintained in 1932–1933. In late 1934, the company obtains a contract to participate in providing connecting mail flights as part of the start up of a regular England–Australia mail route. The first connecting flight is made on December 21 when the Avro 10 *City of Grafton*, flown by Capt. Keith Virtue, obtains the incoming mail sacks at Narromine from a **Butler Air Transport (Pty.), Ltd.** DH 84 Dragon and flies them to Sydney. In early December, the routes, Codock aircraft, and other assets of **Northern Airways (Pty.), Ltd.** are purchased. Sydney–Newcastle flights begin over the former Northern route on December 24.

On January 28, 1935, Avro 10s initiate a Brisbane–Toowoomba and Townsville daily frequencies. Late in the year, British Pacific Trust, Ltd. forms **Airlines of Australia (Pty.), Ltd.** to acquire NEAL-1. Meanwhile, on December 11, the Sydney–Newcastle service is suspended. On July 6, 1936, **Airlines of Australia (Pty.), Ltd.** buys the aircraft, 1,200-mile coastal route, and New England's other assets; the Brisbane–Toowoomba daily service is suspended the same day.

NEW ENGLAND AIRWAYS (PTY.), LTD. (2): Australia (1947–1980). NEAL-2 is formed at Sydney early in 1947. Equipped with several de Havilland DH 89A Dragon Rapides, it inaugurates scheduled flights to small stops north of the New South Wales capital city. In 1949, the carrier is taken over by **Butler Air Transport (Pty.), Ltd.**, but continues its commuter efforts much as it will later after Butler is acquired by Ansett Transport Industries, Ltd.

In 1980, the carrier is merged with **Air Eastland (Pty.), Ltd.** to form **East Coast Commuter Airlines (Pty.), Ltd.**

NEW ENGLAND & WESTERN AIR TRANSPORTATION COMPANY: United States (1930). Organized at Springfield, Massachusetts, in the spring of 1930, this long-titled commuter opens scheduled passenger flights to Boston, New York, and Albany in May. Without a mail contract, the company is unable to generate sufficient revenue traffic to operate beyond November.

Although acceptable social practice for its time, the carrier's most notable innovation might not be seen as such today: during that summer, it hires Afro-American men to work as "airborne Pullman porters."

NEW ENGLAND COMMUTER: United States (1971). NEC is set up at Manchester, New Hampshire, early in 1971 to provide scheduled daily air taxi flights to Newark via Lawrence, Massachusetts. Although Cessna 402 roundtrips are duly inaugurated, they cannot be maintained beyond early fall.

NEW GUINEA GOLD NO LIABILITY. See **GUINEA AIRWAYS (PTY.), LTD.**

NEW HAVEN AIRWAYS. See **NEWAIR**

NEW JAPAN DOMESTIC AIRLINE, LTD. (SHIN NIHON KOKUNAI KOKU): Japan (1979–1989). NJDAL is established at Tokyo in 1979 to provide passenger and charter services, as well as various agricultural applications. Flights continue apace over the next decade and the fleet grows to include 5 Bell 206B JetRangers. Revenues in 1988 total ¥ 700 million.

In mid-October 1989, the company is acquired by the courier business Sagawa-Kyubin Group and is renamed **Sagawa Helicopter Express**. The purchase price is ¥ 4.5 billion and includes the helicopter fleet and facilities in Tokyo Heliport.

NEW JERSEY AIRWAYS: United States (1979–1980). NJA is set up at East Orange, New Jersey, in the spring of 1979 to provide scheduled passenger and cargo services between Atlantic City, Newark, and Trenton.

Daily Britten-Norman BN-2 Islander roundtrips are inaugurated on June 1 and are maintained until the company is merged into **Merrimack Airlines** in 1980.

NEW LONDON AIR SERVICES. See **PILGRIM AIRLINES**

NEW ORLEANS AIR LINE. See **THE GULF COAST AIRLINE**

NEW STAR ALLIANCE. See **CHINA HAINAN AIRLINES; SHANDONG AIRLINES; SHENZHEN AIRLINES; SICHUAN AIRLINES; WUHAN AIRLINES; ZHONGYUAN AIRLINES**

NEW YORK AIR (1): United States (1980–1987). NYA-1 is founded at New York (LGA) by officers of the holding company Texas Air Corporation (TAC); among its directors are Frank Lorenzo and Alfred Kahn, father of airline deregulation. With Neal F. Meehan as president, this nonunion subsidiary is organized in September 1980 to provide low-cost shuttle service between New York (Newark) and Washington, D.C., where gates at National Airport are leased from **American Airlines**, hopefully before **PEOPLEExpress** can get off the ground.

Six DC-9-30s are provided by TAC and are painted in a bright red livery with large apples ("Love the Big Apple") on their tail fins. Plans are made to inaugurate services on December 14 and fares are set and advertised which, depending upon departure time, were either \$29 or \$49. The media campaign is specifically aimed at the **Eastern Air Lines** Air Shuttle, which is labeled a "cattle car" operation; in contrast, NYA-1 will provide its morning passengers with fresh bagels.

ALPA files suit to block start-up and the launch date passes; however, the federal court soon waives its temporary restraining order. A new inaugural date is set for December 19 and following a disruption in ceremonies caused by noisy pro-union demonstrators, the first flight lifts off from Newark (EWR) in direct competition with the **Eastern Air Lines** flight to Washington, D.C. (DCA).

New York–Boston and Boston–Washington via New York flights are added by year's end and a total of 13,000 passengers are flown in 7 Douglas transports by December 31.

Flights from New York to Washington, D.C. (DCA) and from New York to Boston are advertised on television beginning on January 22, 1981; a total of 36,676 passengers are flown on the New York to Washington run in January, the first full month of shuttle frequencies. Daily

Washington, D.C. to Boston and New York to Boston discount flights commence on February 14 and, as of February 27, the number of New York to Washington flights must be increased to four a day to meet demand. Cleveland joins the route network on April 9.

An interline agreement with **United Airlines** is now abruptly cancelled without reason. Additionally, the Chicago-based major demands the right to approve the national's New York (LGA) schedules as a condition of continued ground support.

A new roundtrip is initiated on July 1 between La Guardia and Louisville. The first people in line at Kentucky to offer a "love poem" to the carrier are offered the opportunity to purchase one-way tickets to New York for 49¢ or roundtrips for \$9.

Newark to Washington, D.C. service begins on July 5. Here again, a special promotion is offered; the first 1,000 people who can give a written answer as to why New Jersey is a better place to live than anywhere else are offered 29¢ roundtrip fares.

In addition to the new Ohio stop, Newark to Cincinnati and Boston to Baltimore (BWI) and Orlando flights are now also inaugurated. As additional city-pair routes are launched and three more DC-9-30s (Dash-32s from **Swissair, A.G.**) are acquired, the low-fare carrier remains very much the focus of ALPA opposition.

On August 3, a DC-9-30 nearly collides with an **Air Canada, Ltd.** jetliner over New Jersey; the FAA denies that the near miss is linked to the PATCO air traffic controllers' strike.

On September 24, Richard M. Kippen, the millionth passenger (cumulative) to board, is awarded \$1 million worth of free flights. Also in September, low-fare nonstop La Guardia to Detroit flights commence. A month later, bookings on the new route begin a sudden plunge after their location is changed in the **American Airlines** SABRE reservations system.

Three pieces of luggage from a DC-9-30 fall onto the roofs of two buildings at the Sherwin-Williams Company industrial complex and nearby backyard at Newark on October 5; no injuries are reported, but two suitcases, lost for whatever reason, are not recovered. The New York to Boston service is suspended on December 1.

Still, passenger boardings for the year reach 1.56 million. Expenses outrun \$64.2 million of income and the carrier finishes its first full year with a \$11.6-million net loss.

In January 1982, the New York to Detroit route is terminated. In early spring, the carrier opens its 12th city pairing and its 13th DC-9-30 is acquired. When former **Continental Airlines** and former CAB official Michael E. Levine is installed as chairman, President Meehan transfers to **Midway Airlines**. In July, Levine, now also acting as president, complains of the **American Airlines** reservations tactics to DOJ.

Customer bookings advance 11.3% to 1,739,000. Despite an infusion of \$25.5 million in working capital from TAC during the fourth quarter, costs continue to outstrip receipts. Although revenues jump 48.45% to \$95.41 million, expenses increase to \$107.78. The operating loss climbs to \$12.38 million, while a net loss of \$23.3 million is experienced.

The workforce is increased a dramatic 79.1% in 1983 to 1,300; the fleet now includes 15 DC-9-30s and 2 DC-9-80s (MD-80s). Orders remain outstanding for three MD-80s. Three new cities are added to the route network and one of these, Raleigh/Durham, becomes the new secondary hub.

The no-frills strategy is dropped in May in an effort to attract additional travelers.

Passenger boardings rise 21% to 2,103,681. Revenues rise 35.8% to \$129.5 million and costs are kept low enough to allow NYA-1's first profit, \$4.5 million net.

The payroll grows a scant 0.3% in 1984 to 1,304 and the fleet now comprises 15 DC-9-30s and 4 new DC-9-80s (MD-80s). Services are discontinued to Knoxville, Savannah, Greenville, and Cleveland. Having encountered difficulty with Frank Lorenzo over his upscaled service strategy, Mike Levine resigns early in the year and becomes a teacher at the University of Southern California; Lawrence Twill becomes president/CEO.

On July 25, all travel restrictions are removed from the company's pricing structure and it begins to offer only two fares, peak and off-peak, depending upon the time of day traveled. Alfred Kahn now also resigns from the board of directors.

On September 3, **United Airlines** Flight 827 is maneuvering prior to takeoff from Washington, D.C. (DCA) for a service to New York (LGA). The B-727-22 with 81 passengers is struck in the trailing edge of its right wing by the left wing tip of NYA-1 Flight 306, a DC-9-32 awaiting takeoff for the same destination. The United aircraft is damaged, but no one aboard either service is injured.

Beginning on September 4, the carrier expands its route system to New Orleans, begins daily service between Newark and Boston, and adds nonstop flights from New York to Orlando and Detroit.

Traffic increases 42.6% as 2,994,600 passengers are carried, but the increase does not translate into profits because of a disastrous fourth quarter. Although revenues jump 35.9% to \$176.01 million, expenses total \$176.65 million. The operating loss is \$635,000, but a net loss of \$6.8 million is suffered.

Employment is increased by a whopping 63.9% in 1985 to 2,459. Route changes occur in early spring as the carrier drops Raleigh/Durham and adds Tampa and Rochester. When President Twill resigns in March, Executive Vice President/Chief Operating Officer Robert Gallaway assumes his duties, but not his title. Four jet flights per day are started on April 30 from Washington, D.C. to Westchester County Airport. Moving southward, the company now opens a new terminal at Washington, D.C. (IAD), which quickly becomes a larger hub than that at La Guardia; daily departures from this Virginia center reach 60-per-day.

A DC-9-30 strikes and kills two deer at Washington, D.C. (IAD) on July 22, but completes its landing safely, with no injuries reported. The first B-737-300 is placed into service during October and six more are delivered by year's end. Meanwhile, on November 15, NYA-1 affiliates with Manassas, Virginia-based **Colgan Airways**, the latter changing its livery to reflect its feeder role for the larger company at Dulles International Airport.

During the year, Sen. James Abourezk files a suit against the airline charging false imprisonment and kidnapping. A 3-hr. runway hold at Washington, D.C. eliminates the need for his trip to New York, but the airline refuses to allow him to deplane. The case will be decided in the airline's favor in July 1990—three years after the company has gone out of business. Also during the year, Linda Smith is appointed the company's first female pilot.

Customer bookings increase 54% to 3,475,000 (including a million-plus on the air shuttle) and create profits of \$8.98 million (operating) and \$1.84 million (net).

Airline employment falls dramatically in 1986, down 39% to 1,500. Flights between Washington, D.C. and West Palm Beach are inaugurated on January 15. The same day, a multimillion-dollar advertising campaign is launched, aimed directly against Eastern, in an effort to capture half of the profitable Washington to New York to Boston shuttle market. By summer, air shuttle frequencies over the northeast corridor total 15 roundtrip flights per day.

Under DOT pressure (and as part of the price it must pay to acquire **Eastern Air Lines**), TAC enters into an agreement with **Pan American World Airways (1)** in August that will allow the latter to launch an air shuttle operation in competition with that of EAL. As part of the arrangement, NYA-1 is required to cut its service into New York (LGA) to 5 round trips per day for the next 18 months. In September, the company begins offering hourly services to the north and south from Newark instead of La Guardia, with the number of daily roundtrips to Boston doubled from 15 to 30.

While continuing to expand its Dulles hub, the TAC subsidiary increases the number of its enplanements by 35.5% to 4,720,000. This achievement is made largely without the services of **Colgan Airways**, which is purchased by **Presidential Airways**. Revenues advance 24.5% to \$227.01 million and expenses rise 5.2% to \$231.84 million. The

operating loss is \$4.83 million; however, a net \$44.49-million profit is reported.

En route from Newark to Washington, D.C. (IAD) on January 10, 1987, Flight 681, a DC-9-32 with 50 passengers, is taken over by a man who threatens to set it ablaze. After the aircraft lands at its destination, the pirate meekly surrenders.

When the decision is taken in early in the year to increase the size of **Continental Airlines** by integrating newly purchased **PEOPLExpress**, it is deemed expedient to also fold in NYA-1. Both carriers thus disappear on February 1.

NEW YORK AIR (2): United States (1981–1982). Not to be confused with the nonunion carrier established by Texas Air Corporation, NYA-2 is established at Farmingdale in January 1981 from the assets of the reformed **Starflight International Airlines**. Employing a Cessna 402 and an Embraer EMB-110P1 Bandeirante, the carrier duly inaugurates daily roundtrip scheduled passenger services to New York (LGA) and from that airfield to Nantucket and Martha's Vineyard.

Operations continue apace in 1982 and the fleet is increased by the addition of a de Havilland Canada DHC-6-200 Twin Otter and a Cessna 404 Titan. In October, the company is retitled **Trans-East International Airlines**.

NEW YORK AIR CHARTER: Republic Airport, Farmingdale, New York 11783, United States; Phone (516) 783-7138; Fax (516) 783-7179; <http://www.htp.com/nyairch/welcome.html>; Year Founded 1993. NYAC is set up at Farmingdale in 1993 to provide executive and small group passenger charters throughout the Northeast. Revenue flights begin and continue with a single Piper PA-31-350 Navajo Chieftain.

NEW YORK AIR CONNECTION. *See* **COLGAN AIRWAYS; GULL AIR**

NEW YORK AIRWAYS (1): United States (1930–1931). Originally established as **Southern Air Lines** on July 8, 1927, the carrier is one of the merger partners involved in the creation of what would become **Pan American Airways (PAA)**. Dormant from 1928, the subsidiary is revived and renamed in the spring of 1930. Equipped with a Fokker F-10 and a Sikorsky S-38B, it inaugurates scheduled flights from Long Island's North Beach Airfield to Atlantic City on June 1. On July 15, the Atlantic City terminus is extended down to Washington, D.C. via Baltimore with the flying boat. The Ford Tri-Motor 4-AT-64 is placed into service in August.

On July 15, 1931, NYA-1 is sold to **Eastern Air Transport** that will use the carrier's Atlantic City gateway as an important stop on its expanding route to Florida.

NEW YORK AIRWAYS (2): United States (1949–1979). NYA-2 is organized in August 1949 and offers charter flights from New York (LGA). During early 1951, President J. O. Senior Jr.'s company applies to the CAB for certification as the nation's third scheduled helicopter carrier. On December 5, the CAB approves the carrier's application to provide scheduled rotary-wing service between La Guardia, Idlewild, and Newark Airports and promises to provide it with a five-year permit if it is financially viable for six months. It will not only survive but will eventually become the largest and one of the longest-lived U.S. helicopter airlines.

On March 13, 1952, the CAB formally certifies NYA-2 for service in the New York metropolitan area for the next five years; however, there are no immediate flights due to a lack of appropriate aircraft. When equipped with Sikorsky S-55s, the company is given a contract to operate a mail route between New York City's three major airports, an operation begun on October 15.

The first passenger-configured S-55s are delivered on January 16, 1953 and two days later the carrier signs a contract with Air Cargo, Inc.

to transfer freight between Idlewild, La Guardia, and Newark Airports. Night mail and cargo operations begin on February 16 and on March 30 it is announced that NYA will begin New York to Connecticut inter-airport return service on July 1.

A ferry demonstration is held on June 17 between Idlewild, La Guardia, and Newark Airports and on July 1 New York Airways begins the transport of passengers, becoming the first American scheduled helicopter operator to do so. After only a few weeks, the service proves so successful that potential customers must be placed on stand-by.

SAS (Scandinavian Airlines System) signs a contract with the company on August 25 for the transport of its passengers between the New York area airports. The rotary-wing operator receives a huge public relations boost on October 1 when Cardinal Francis J. Spellman uses an S-55 to taxi from the Harlem River to Idlewild Airport. An S-55 flies the Idlewild–Newark route on December 11 in a record 11 min., almost half the regular flying time. Ten days later, on December 21, **KLM (Royal Dutch Airlines, N.V.)** also signs a contract to provide shuttle services between the three regional airports for its connecting passengers.

La Guardia to Newark fares are cut to \$10 on March 3, 1954. On July 31 the CAB agrees to provide subsidies, but rules that they must be kept reasonable in their amount. New York to Trenton to New Brunswick flights start on August 4 and on August 30 night flights are launched between the three New York airports. Day and night frequencies are initiated on September 2 to Bridgeport, Connecticut, while on October 10, Stamford, Connecticut, joins the route network.

A contract is signed with Railway Express on October 26 for an expansion of helicopter services to Pearl River, New York, partly to rush polio and rabies serums from Lederle Labs to the New York airports. The same day, passenger and freight flights are opened to New Brunswick, New Jersey. On November 11, frequencies are initiated from Westchester County Airport to La Guardia and three days later, on December 5, Railway Express announces a new service to link Passaic and Patterson, New Jersey. Scheduled La Guardia to Rutherford flights commence on December 7.

Service between Westchester County Airport and all of the New York area newspapers is increased on February 15, 1955. A CAB-approved contract is signed with **Northwest Airlines** on February 18 to provide the trunk line's passengers with free service between the New York airports and Westchester County Airport. Idlewild–La Guardia–Newark shuttle service is increased on April 25 to 31 flights daily. The next day, Teterboro Airport becomes a destination. On October 2, a contract is signed with **Pan American World Airways (1)** for the provision of free or cut-rate inter-airport connecting flights for its passengers.

A record 3,720 passengers are carried in May 1956 and frequencies are increased on June 4. New S-58s are acquired and publicly demonstrated on August 4. A ticket office is opened at Stamford, Connecticut, on September 12 and S-58 flights commence on October 6. Two NYA flights are halted on October 26 because of the return to Eastern Standard Time. On December 5, an S-58 with four passengers inaugurates service from La Guardia Airport. The New York area airports are linked to downtown Manhattan via a new heliport on the banks of the Hudson River at West 30th Street.

The 100,000th passenger (cumulative) is transported and the two millionth revenue passenger mile is flown on June 27, 1957. On August 1, NYA begins using pontoon-equipped S-58s on flights to and from the West 30th Street heliport. An S-58 demonstrates the feasibility of air commuting on Long Island at the October 11 MacArthur Airport air show.

The CAB agrees on May 7, 1958 to guarantee 90% of a \$1-million loan obtained by the carrier to improve services. New York Airways introduces the 15-passenger, twin-rotor Vertol 44B, the first civilian helicopter to have an airliner-type cabin, into service on May 28. Sightseeing trips over New York City are initially offered on August 24. As has been the case every winter, bad weather disrupts the company schedule late in the year; indeed, nearly 25% of all flights must be cancelled.

On January 27, 1959, NYA-2 applies to the CAB for permanent certification while the Decca-type navigation system is adopted on

February 22 for all company helicopters. President Cummings hails the CAB's August 31 proposal to grant the company a permanent certificate. All Vertol 44Bs are grounded on September 12 for inspection after a cooling fan failure in one machine.

Enplanements for the year reach 120,000.

On January 15, 1960, as Boeing takes over Vertol, orders are placed for 10 twin-turbine powered Model 107s to replace piston-engine types. The certificate for the New York area routes is renewed on March 19 and summer sight-seeing tours begin again on June 7. On October 25, the company asks CAB approval to temporarily shift its operations from the West 30th Street heliport to the Wall Street Heliport at Pier B.

On July 23, 1961, the company contracts with Lear, Inc., for the installation of automatic flight control systems into its new Vertol 107s; the first of the improved Model 107s is delivered on September 26. Beginning this year, the U.S. Congress comes to question the value of subsidized helicopter service and votes a limitation. Consequently, on October 31, the CAB announces that it will divide equally between NYA, **Los Angeles Airways**, and **Chicago Helicopter Airways** the \$6-million FY 1963 subsidy voted by Congress. NYA protests the regulator's plan to cut its subsidy \$623,000 to give the other two lines equal shares.

As a result of the subsidy loss, New York Airways is forced to drop two routes in early 1962. The first of five new Vertol 107s commences scheduled flights services on June 28 and stewardess service begins on company helicopters as of July 1. On July 16, after its engine fails, a Boeing Vertol 107 with 22 aboard lands safely in upper New York Bay and is towed to shore. Four days later, on July 20, U.S. representative Hugh Carey begins a campaign with the FAA and CAB to ban the carrier from flying over densely populated Brooklyn, stating it is unsafe and noisy.

On August 27, another Boeing Vertol 107 with 28 aboard also suffers engine failure and safely lands on the East River; it is towed over to the Brooklyn Navy Yard for repairs. The next day, Rep. Carey asks a total ban on company flights over land. The carrier reports on October 24 that noise from the 107s will be greatly reduced when their present rotor shafts are replaced by stronger ones.

San Francisco-Oakland Airlines (SFO-1), having petitioned the CAB for a permanent, unsubsidized operating certificate, argues in its hearings before the CAB in the spring of 1963 that government support is not necessary for a helicopter line to be successful. In its arguments, company officials cite NYA-2 as a prime example of waste and inefficiency, calling it the country's most expensive helicopter carrier. True or not, the charges will lead to an eventual end of Congressional funding support for all of the rotary-wing airlines.

Pan American World Airways (1) agrees on July 11 to purchase and lease two craft to NYA, which in turn agrees to operate a service between the proposed heliport atop the Pan Am Building and the major's Idlewild Airport terminal. On October 8, Congress trims the subsidy payments to be made to the nation's three helicopter carriers. Just after takeoff for Newark from Idlewild on October 14, a Boeing Vertol 107 crashes and burns (six dead). The company suspends operations on October 17 pending the outcome of a CAB report on its first fatal accident; it is delivered six days later and blames a transmission shaft failure for the tragedy. Idlewild-Newark services resume on November 5.

Enplanements for the year reach 246,737, but a \$227,890 loss is suffered, including the loss of \$56,486 in government subsidy.

Airline employment in 1964 stands at 269 and the fleet includes 6 helicopters. The U.S. Senate, on August 6, rejects a proposal from Senator William Proxmire to cut \$4.3 million from federal subsidies to the nation's three rotary-wing airlines. A Vertol 107 is badly damaged as the result of a September 6 landing accident during a training flight at the international airport.

During heated local debate on the value of a service from the Pan Am Building, NYA-2 testifies on October 7 that it plans to operate a minimum of 90 flights a day from the heliport if it becomes available.

The company now receives backing from both **Pan American World Airways (1)** and Sikorsky, the former financing two more 107s and the

latter providing three new S-61Ns. Work is now completed on the Pan Am Building, which is provided a midtown Manhattan rooftop heliport adjacent to Grand Central Station. Commuter flights are initiated from local airports to a helipad atop the New York Port Authority Building at the World's Fair. Late in the year, the carrier becomes the first scheduled helicopter line to be granted full IFR certification by the FAA.

Passenger boardings climb 3.6% to 255,951. Revenues are up a significant 17.5% to \$2,628,601 and the loss is cut to \$189,950.

The workforce is increased in 1965 to 345. In the test of his budget message to Congress on January 25, President Lyndon B. Johnson proposes an end to all federal subsidies for the helicopter airlines effective in January 1968. On March 3, NYA-2 107s and S-61Ns inaugurate demonstration flights from New York (JFK) to a helipad on the roof of Manhattan's Pan Am Building, 800 feet over midtown. A U.S. Senate committee restores \$942,000 in federal subsidies for the lines cut by the House of Representatives on April 25.

On May 30, in response to Congress' moves to cut subsidy before the president's 1968 deadline, NYA borrows \$1.2 million from **Pan American World Airways (1)** and \$400,000 from **Trans World Airlines (TWA)**, plus private investors. Following receipt of three more Boeing Vertol 107s, regularly scheduled seven-minute commuter flights begin during the early summer. In spite of these successes, Congress ends subsidies to certified helicopter airlines in June.

Rather than see the New York operation closed down, the CAB, on June 25, allows an exemption to **Trans World Airlines (TWA)** and **Pan American World Airways (1)**. It allows the two majors to not only consummate the loan negotiated in May, but to also purchase 40% of New York Airways' stock, which provides for break-even needs plus interest on debt. In return, service is extended to the former's passenger ramps at the metropolitan airports. It is simultaneously revealed that stockholders R. G. Goslet and J. H. Whitney have already lent the carrier \$165,000. The service between Manhattan and the **Trans World Airlines (TWA)** terminals at John F. Kennedy International Airport and La Guardia Airport commences on June 29.

On November 5, the New York City Marine and Aviation Department grants NYA a one-year license to operate from atop the Pan Am Building. The carrier announces, on December 19, a schedule of 35 daily flights to the Pan Am terminal at JFK. The Pan Am Building heliport is officially opened in ceremonies on December 21; Governor Nelson Rockefeller, Mayor Robert Wagner, and Juan Trippe participate while Vice President Hubert Humphrey, in a phone message from Minneapolis, gives the signal to turn on the lights. Cardinal Spellman is among the day's first passengers as direct scheduled flights start between the midtown skyscraper and JFK.

Also during the year, permission is received from the FAA for en route and terminal scheduled operations under IFR conditions. Additionally, an application for permanent certification is pending with the CAB and former Tuskegee airman Perry Young is hired; he is one of the first African-American pilots taken on by a scheduled rotary-wing carrier. Meanwhile, passenger boardings climb 20% to 306,461, a figure that will fluctuate up and down during the remainder of the decade.

On January 3, 1966, the Transport Workers Union threatens to extend a New York City strike to 21 airlines using the regional airports if the city attempts to increase the service by NYA-2. Seven women picket on May 3 to protest the noise coming from the Pan Am heliport; they are counter-picketed by 10 NYA employees. In an effort to cut the noise, Mayor John Lindsey proposes on May 12—and NYA-2 agrees—to cut night and Sunday morning operations from the Pan Am Building. City authorities on December 1 authorize another year of service from the Pan Am Building.

During the year, NYA-2 achieves the highest load factor for any of the scheduled postwar American helicopter airlines, 65%; unhappily, it also finds itself needing to have a break-even load factor of 225%—an impossible feat.

In 1967, the employee population is 307 and the fleet includes 7 helicopters. Service is begun on March 2 from the Pan Am Building and

New York (JFK) to Teterboro. Late in the year, representatives of Sikorsky recommend the sale of the carrier's Boeing Vertols to **Columbia Helicopters**.

NYA-2 transports a total of 538,000 passengers and flies 8,000 freight ton-miles on the year, an industry record.

The workforce numbers 252 in 1968. Pan Am and NYA-2 dispute the subsidy amount contained in the new contract to be signed for operations from the Pan Am Building and the helicopter carrier halts operations from that location on February 15.

On March 5, the company reaches an accord with **Trans World Airlines (TWA)** to continue connecting service between the Wall Street heliport and the local airports. Ten days later, the New York City Planning Commission approves the plans for a heliport at East 61st Street and East River submitted by **Pan American World Airways (1)**, thus overriding opposition from Rockefeller University and New York Hospital.

Trans World Airlines (TWA) ends its subsidy to NYA-2 on April 25, citing the rotary-wing carrier's failure to obtain \$1 million in additional financing. NYA-2 pledges to continue service between the three local airports and the Wall Street heliport. A new contract is signed between the company and **Pan American World Airways (1)** and **Trans World Airlines (TWA)** on May 2 and service is resumed or expanded between the Wall Street area and JFK and La Guardia.

On August 3, the CAB authorizes NYA-2 to resume service from the Pan Am Building by approving control of the operation by **Pan American World Airways (1)** and **Trans World Airlines (TWA)**; it is announced that the service will resume in mid-September.

Plans to restore service from the skyscraper are placed in doubt on August 21 as **Pan American World Airways (1)** postpones its commitment to buy a fleet of S-61s. The Sikorsky craft had failed to meet its contract requirement of FAA certification for operation from the building. Consequently, only three of the Boeing Vertol 107s are now sold to **Columbia Helicopters**.

The year's customer bookings drop to 408,000. Revenues are \$5.25 million.

Fifty-seven employees are laid off in 1969. Despite an offer of \$200,000 per year to keep its operations at the **Trans World Airlines (TWA)** terminal, NYA-2, on February 8, agrees to shift its JFK and La Guardia operations to the **American Airlines** terminals under a new 10-year contract.

The FAA grounds two Boeing Vertol 107s on July 1 because of an engine failure to one; modifications are ordered made on the General Electric CT-58 turbine engines.

An S-61 with 13 aboard crashes at New York (JFK) on July 15 as it lifts off on a shuttle flight to Newark (three dead). Negotiations continue with **Pan American World Airways (1)** for resumption of service from the Pan Am Building. The major agrees on August 29 to increase its subsidy investment by up to \$260,000 and to advance the funds necessary to purchase three new S-61s.

On October 19, **Pan American World Airways (1)** receives a one-year permit to take over and operate the heliport at 61st Street and East River.

On November 19, NYA-2 asks CAB permission to suspend service on December 3 because its Boeing Vertol 107s are too expensive to operate; the line pledges to resume operations using a different type of craft. On December 12, the owners of the Pan Am Building report progress in negotiations to resume service from atop their skyscraper.

Enplanements are off 50% during the 12 months to 251,253 and a \$3.3-million loss is suffered.

To save the carrier, Warren A. Fucigna is appointed vice president/general manager early in 1970. In February, two Sikorsky S-61 Mk.2s are acquired and employed to start every-half-hour shuttle flights between Kennedy, La Guardia, and Newark Airports on March 3. The operation brings a turn in fortune, as a third backup Sikorsky is obtained in April. Plans to resume flights from the Pan Am Building are not pushed forward.

Passenger boardings jump 6% to 267,290 and a \$700,000 net profit is earned.

The four remaining Boeing Vertol 107s are sold to **Columbia Helicopters** in 1971. Two de Havilland Canada DHC-6-100 Twin Otters are placed into service on operations between the three New York Airports.

Enplanements for the year swell to 332,112, but skyrocketing expenses force a \$234,749 loss.

The 200-employee company enjoys its best year in 1972. With aircraft reliability now at 99%, the load factor is a healthy 48%.

Customer bookings jump 11.2% and reach a peak of 374,000. Perhaps even more pleasing to its stockholders and backers is a \$98,755 net profit—the first and only one NYA-2 will ever earn.

Operations continue apace in 1973, but enplanements decline to 367,699. The workforce is reduced to 187 in 1974 and the carrier's 4 Sikorsky S-61s fly 7% fewer passenger (343,644).

There are no changes in the workforce during 1975. The company's four helicopters continue to operate between Manhattan, Morristown, New Jersey, and New York's three major airports. Unhappily, passenger boardings decline 18.2% to 281,199. Freight is also level at 3,000 FTKs.

The employee population is increased by 11.8% in 1976 to 209. **Trans World Airlines (TWA)** sells 16% of its shareholding to John Hay Whitney.

Customer bookings accelerate 1.8% to 285,491. The same amount of cargo is hauled this year as last.

Services to the Pan Am Building rooftop heliport are resumed in January 1977. With fares of \$15, the company is able to operate 100 daily, 5-8-minute flights to Kennedy and Newark Airports. These continue with some success until May 17. Atop the Pan Am Building that day, an S-61L landing gear fails, forcing the aircraft to roll and snap off its main rotor blades; four people are killed on the roof and one on the street by falling debris. Flights are thereafter briefly suspended for lack of passengers. Enplanements for the year total 266,159.

In 1978, President Fucigna oversees a workforce of 185, which supports and operates three Sikorsky S-61Ls. Passenger boardings accelerate 5.8% to 282,546. The airport to downtown shuttle continues until April 1979, when another S-61L crash, this one at Newark Airport on the 18th, forces the company to cease operations and declare bankruptcy.

NEW YORK-ASBURY PARK AIR LINE: United States (1929).

This short-haul commuter is established at New York City in the summer of 1929 to offer scheduled passenger flights to Asbury Park. Employing Bellanca CH-300 cabin monoplanes, the carrier inaugurates flights in July. Services stop at the end of September.

NEW YORK HELICOPTER CORPORATION: Republic Airport, Hangar B, CX9100, Farmington, New York 11735, United States; Phone (613) 777-3733; Fax (613) 777-5876; <http://www.nyhelicopter.com>; Code HD; Year Founded 1980.

Organized as a wholly owned subsidiary of Island Helicopter Corporation in August 1980, New York Helicopter, "The Airline to the Airlines," inaugurates Aerospatiale SA-360C nine-passenger Dauphin helicopter flights on January 6, 1981. This marks the beginning of the first regularly scheduled helicopter service in the area since the demise of **New York Airways (2)** in April 1979.

Original points served by President Reed Phillips' 70-employee company include New York (JFK and LGA), Newark (EWR), and the East 34th Street Heliport. Company helicopters are banned from overflying Manhattan, with the exception of a single designated east-west corridor across the island's middle above Central Park.

The shuttle's seven French-built helicopters transport 41,000 passengers in 1981. Employing a combination of full fares and interline supported tariffs, over 50 daily flights are offered.

In 1982, following the introduction of 2 Sikorsky S-58ETs, traffic climbs 128.4% to 91,681. Cargo accelerates a spectacular 115.4% to 34,000 pounds.

Airline employment in 1983 stands at 110 and passenger boardings rise 38.4% to 126,848.

Twenty new hires are made in **1984** as service is extended the World Trade Center and Garden City, Long Island. A subsidiary of **Island Helicopter Corporation**, itself a part of Transleisure Corporation, which also owns National Helicopter Corporation, the East 34th St. Heliport FBO, New York Helicopter is not affected when the parent company files for Chapter XI bankruptcy in April.

Customer bookings swell to 130,000 during the year.

By early **1985**, the helicopter carrier enjoys joint fare arrangements with 54 domestic and international airlines. The fleet now includes 3 S-58ETs and 7 SA-360Cs.

Enplanements are down to 123,875, but cargo is up to 67,000 pounds.

In October **1986**, the company inaugurates hourly flights to and from the **Eastern Air Lines** Air Shuttle terminal at La Guardia Airport, linking it with the 34th St. Heliport in Manhattan.

Although service is also continued between New York's 3 major airports, traffic is down once more for the 120-employee rotary-wing operator as bookings plunge 31.6% to 84,673 and freight drops 74.4% to 17,000 pounds.

The bad news continues in **1987** as enplanements decline another 43.2% to 48,753. The bottom falls out of the company's freight haulage as poundage drops by 93.5% to just 1,000. Operations continue during the remainder of the decade and although not reported, the airline enjoys a competition with **Trump Air**, outliving the helicopter carrier of real estate tycoon Donald Trump.

As U.S. forces assemble overseas in *Operation Desert Shield*, a response to Iraq's August 2, **1990** invasion of Kuwait, passenger bookings, responding to a threat of terrorism, go into a steep decline. In October, a scheduled roundtrip service is introduced between the East 34th Street Heliport and the terminal of **Continental Airlines** at Newark. Although the year's record book shows 33,500 passengers accommodated, traffic all but disappears in January **1991**, forcing abandonment of the New Jersey airport service in March. On the year, less than 20,000 passengers are flown.

During **1992**, scheduled rotary-wing flights continue to be operated the 24 km. from the East 34th Street Heliport to New York (JFK).

Airline employment is 160 and enplanements climb to 22,760.

In the years that follow, President Michael D'Amato's fleet comprises 4 Sikorsky S-58Ts, 2 Bell 206B JetRangers, 5 Bell 206L LongRangers, 1 Eurocopter A-Star 350, and an Aerospatiale TwinStar. The only sustained scheduled helicopter airline remaining in the U.S., it offers 13 weekday flights between JFK and Manhattan and 10 on weekends.

A brief news item in the August 18, **1997** issue of *Travel Weekly* reads simply: "N.Y. Closes Island Helicopters." Parent Transleisure now attempts to keep New York Helicopter Corporation alive.

Service is maintained without headline or incident in **1998–2000**. An on-demand 7 a.m. to 8 p.m. weekday airport shuttle continues to be offered to and between Republic Airport, JFK, La Guardia, Newark International, the East 34th Street Heliport, and the Wall Street Heliport (the latter two points in New York City). Reservations for these services are required two hours in advance of flights and may be made by phone or e-mail.

Additionally, a new service is introduced between New York City's heliports and the Hamptons. Made via reservations, up to three passengers may Share-a-Ride on Thursdays and Fridays to East Hampton Airport (\$525 per person), West Hampton Airport (\$500), or Dune Road Heliport at South Hampton (\$500).

NEW YORK-NEWPORT AIR SERVICE: United States (1922–1923). NYNAS is established at New York in late spring **1922** to offer a fast and comfortable mode of transport to the Rhode Island's vacation city, Newport. Equipped with three four-passenger Loening 23L Air Yachts, the company inaugurates service during the summer, charging \$30 per head for the commuter flight. The service is well patronized by New York businessmen who enjoy reaching their summer homes in 1 1/2-hour Friday night flights.

A second season starts well in June **1923**, but ends tragically on July 20. An Air Yacht, piloted by H. H. Thorburn with two passengers,

crashes while landing in Newport Harbor and flips over. H. Carey Morgan, a member of a prominent family, is injured and dies of blood poisoning four days later. The adverse publicity and subsequent legal actions cause the carrier to shut its doors.

NEW YORK, PHILADELPHIA AND WASHINGTON AIRWAY (THE LUDINGTON LINE): United States (1930–1933). In the spring of **1930**, former **Transcontinental Air Transport (TAT)** officials Paul F. Collins and Eugene L. Vidal (father of novelist Gore Vidal), who have developed the idea of a Washington to Philadelphia to New York air shuttle, approach wealthy Philadelphia financier and airline enthusiast C. Townsend Ludington for backing. Ludington, whose name will serve as the organization's alternative title and who, with his brother Nicholas, had founded the Camden Airport in 1937 and operated **Cape Cod Airway** the previous summer, readily agrees to contribute \$250,000.

The New York, Philadelphia and Washington Airway, which will operate solely as a passenger carrier, is organized in early summer with Collins as general manager and Vidal as vice president-management. Six Stinson SM-6000 10-passenger Tri-Motors are ordered. Following delivery of the first three, they are employed to inaugurate service between New York (Newark Airport) and Washington, D.C. via Philadelphia (Camden Airport) and Baltimore on September 1. One-way fares are \$14.70—roundtrip costs \$23.75.

Through a program of rigorous cost control that companies 60 years later might envy, Collins seeks to reduce the average of airline operating costs from approximately \$1.20 per hour to just 40¢. Among his requirements: trimotor taxiing on one engine instead of three; use of expensive fuel only for takeoff, with automobile gasoline employed for cruising; and the sale of advertising wherever possible in the Stinsons' passenger cabins. Later in September, three more of the economical Stinsons are placed into service, allowing the carrier to offer 10 roundtrips per day between 8 a.m. and 7 p.m.

Meanwhile, Vice President-Management Vidal undertakes an advertising campaign designed to emphasize the advantages of these passengers-only flights. "Every Hour on the Hour, Your Watch is Your Timetable" becomes the marketing jingle. In cooperation with the Pennsylvania Railroad, the airline is allowed to sell tickets in the railway's stations up and down the line. Vidal places a series of 24 huge billboards along the railroad's New York–Washington corridor promoting the carrier. Each bears a picture of a Stinson and the phrase: "If you'd flown Ludington, you'd have been there!"

Two more trimotors are acquired in October and these are employed to offer vacation charter flights to Atlantic City. An affiliated company, **Dixie Flying Services**, begins flying from Greensboro, North Carolina, to Washington on November 6. A stop is added at Trenton on November 24 and a total of 15,000 passengers are carried by the end of the month. A profit of \$8,073 is recorded for the year, probably the first ever earned by a U.S. airline devoted exclusively to the transport of customers without mail subsidy. Indeed, several sources claim the Ludington Line is the first unsubsidized airline in history to ever make a profit.

In the spring of **1931**, Ludington and Vidal apply to the U.S. Post Office for an airmail contract (and subsidy), knowing that if their quest is fruitful, mail and express, when added to the popularity of the passenger service, will make the company an even larger success. Unfortunately for the carrier, its plans do not mesh with those of the government which, in the person of Postmaster Walter F. Brown, spurns the Ludington bid in July in favor of **Eastern Air Transport (EAT)**, even though EAT's bid is three times more. Eastern now also offers competition, employing its new Curtiss Condor Is.

Ludington counters when, on September 16, it places a 175-mph Lockheed Model 9 Orion into service, reducing its flight time between New York and Washington to 68 minutes. En route to Washington from Newark on November 5, the Orion, piloted by Floyd Cox with four passengers, crashes short of the field at Camden (five dead).

Operations are maintained, nevertheless, into **1932**. In May, the affiliate **Dixie Flying Service** ceases operations. The same month, the

carrier acquires three Consolidated Model 17A Fleetsters. Revenue flight operations stop at year's end. During the previous 24 months, Ludington transported 124,000 passengers.

On January 23, 1933, multistop flights are inaugurated to Nashville via Roanoke and Knoxville, but given the company's declining financial base, cannot be maintained. On February 15, **Eastern Air Transport (EAT)** purchases the company and merges it within two weeks. Although the company disappears, seven of its Stinson SM-6000s and SM-6000Bs are repainted and kept in service for Eastern over the western routes. Collins and Vidal move on and Ludington, in the purchase price, recovers his original investment.

The story of how Ludington lost its 1931 mail bid is covered by Hearst reporter Fulton Lewis later in the spring and as a result, becomes a significant exhibit when the U.S. Senate Special Committee on Investigation of the Air Mail and Ocean Mail Contracts (Black Committee) begins hearings on September 28. Ludington retains his interest in aviation, turning to the manufacturing side; Vidal becomes chief of the Department of Commerce's Bureau of Air Commerce and later, a director of **Northeast Airlines**; Collins remains in the airline business and in 1983 publishes his memoirs, *Tales of an Old Air-Faring Man* (Stevens Point, Wisc.: Foundation Press). EAT, soon renamed **Eastern Air Lines**, resumes the air shuttle concept 28 years after taking over this pioneer.

NEW YORK, RIO AND BUENOS AIRES LINE (NYRBA): United States (1929–1930). World War I ace and onetime Latin American salesman for Bill Boeing and Pratt & Whitney, Ralph A. O'Neill establishes NYRBA at New York City (registering it in Delaware) on March 17, 1929 to offer scheduled air services to and from Argentina via the east coast of Latin America. Back on February 27, President O'Neill received the Argentine mail contract and now receives financial backing from a variety of U.S. industrialists, including James Rand, F. C. Munson, Lewis Pierson, William B. Mayo, and John K. Montgomery. The latter had established the original **Pan American Airways (PAA)** consumed by the Aviation Corporation of the Americas the year before.

Initial capitalization totals \$8.5 million. One other noted investor is Reuben Fleet, owner of Consolidated Aircraft, who pledges to provide a fleet of 6 Model 16 Commodore flying boats (the order is later enlarged to 14). Six Ford 5-ATs are ordered in May and speeded along to delivery by Mayo, a Ford official/director.

Having persuaded another friend, U.S. Naval Aviation Chief Adm. William A. Moffett, to defer taking delivery of the first S-38, the type's prototype is purchased by O'Neill from Igor Sikorsky in early June and christened *Washington* with a bottle of (illegal) New York champagne on June 9. It is employed by O'Neill and copilot L. C. Sullivan to undertake a survey flight from the 79th St. boat dock on the Hudson River at New York City to Buenos Aires between June 11 and July 13. At each stop, the president arranges for base or landing facilities, including establishment of Aeroporito Santos Dumont at Rio de Janeiro. Among the passengers on this flight, in addition to O'Neill's secretary and future wife Jane Galbraith and his sister Priscilla, is noted explorer Richard Haliburton, who elects to remain behind following a refueling stop at the Devils Island penal colony in French Guiana.

The Ford 4-AT-11 is purchased from the **New York Safety Airways** on June 12. Christened *Rio de la Plata*, it will be followed into service by the new 5-AT-55 *Santiago* on June 26, which makes a proving and demonstration flight across the Andes Mountains on August 1.

The S-38 *Washington* inaugurates the company's first scheduled service on August 21 from the Brazilian capital across the River Plate to Montevideo, the capital of Uruguay. By now, the company's two Fords, two S-38Bs, and two Lockheed Air Expresses have reached Argentina, and the *Santiago* is employed on September 1 to open mail and passenger service from Buenos Aires to Santiago de Chile. The 7 hr. 15 min. flight—made possible by discovery of a pass that avoids the highest peaks—marks initiation the first transcontinental air route in South America and the beginning of twice-weekly, trans-Andean service. On

September 28, a second S-38, the *Montevideo*, arrives at Buenos Aires and is placed on the trans-River Plate service.

During the fall, government mail contracts are received from Uruguay, Argentina, and Chile. O'Neill receives Argentine permission to establish coastal bases on October 15 and on November 22, a concession to set up a subsidiary to operate solely in the country. Meanwhile, Mrs. Herbert Hoover christens the first Commodore flying boat, the *Buenos Aires*, at the Anacostia Navy Yard on October 2. With its fuselage painted in a cream color and its wings in coral, the new ship enters service on November 10. The same day, the second Commodore, fresh off the production line and reassembled inside of Madison Square Garden, is christened at a huge air show by Mrs. James J. "Jimmy" Walker, wife of the mayor of New York City. The name chosen is *Rio de Janeiro* and the brew employed in the ceremony is bootleg champagne. Crowds are then allowed to tour the largest aircraft at the exposition.

On November 27, Buenos Aires–Yacuiba, Bolivia, 5-AT flights begin. In Brazil on October 29, Ralph O'Neill establishes, at Brazilian insistence, a subsidiary to operate coastal and interior routes, **NYRBA do Brazil, S.A.** Four S-38Bs and the Lockheed Air Express floatplane *Maraca* are assigned to this partner. On November 29, a new route is launched from Buenos Aires to Yacuiba. The next day, S-38 service is started from Buenos Aires to the resort area of Mar del Plata. Meanwhile, a series of coastal bases are established, including one at Rio de Janeiro.

On December 4, William P. McCracken, former Assistant Secretary of Commerce for Aeronautics, becomes NYRBA's board chairman. A Buenos Aires–Rio de Janeiro S-38 frequency is initiated on December 23. The company is now organized into eight geographical divisions, each with its own personnel, shops, and assigned aircraft. In fact, only the southern division is fully operational, with a fleet comprising a Lockheed Air Express and four S-38Bs (the *Porto Alegre*, *Bahia*, *Per-nambuco*, and *Sao Luiz*), three Fords, and the single Commodore *Buenos Aires*. Cash on hand totals \$662,000 against net current obligations of \$168,000.

The **NYRBA do Brazil, S.A.** subsidiary receives its government operating permits on January 24, 1930. Flights from Rio de Janeiro to Buenos Aires commence on February 7. Having built a number of bases and readied two more S-38Bs and two additional cream and coral-liveried Commodores, NYRBA inaugurates weekly Buenos Aires to Miami scheduled service on February 19. O'Neill persuades the city fathers of Miami to allow the conversion of the Dinner Key area into a flying boat base. Until a permanent facility can be built, a houseboat, purchased by O'Neill in Cuba and towed up, is employed as temporary headquarters.

The Commodore *Rio de Janeiro*, with O'Neill and Sullivan at the controls, flies up to Porto Alegre. From there it acquires a load of mail that is flown to Santiago de Cuba by six S-38s working in relays and making stops at Florianopolis, Paranaguá, and Santos. At Santos, the S-38 *Tampa* is damaged so the mails must be quickly—and hazardously—forwarded by motor car and launch. The route is continued to Rio de Janeiro, Campos, Vitoria, Salvador, Maceio, Recife, Natal, Fortaleza, Belem, Montenegro, Paramaribo, Georgetown, Port of Spain, St. Lucia, Antigua, St. Thomas, San Juan, Santo Domingo, and Port au Prince. At Santiago de Cuba, the Commodore *Cuba*, again with O'Neill and Sullivan on the flight deck, takes over and arrives at Miami's Dinner Key via Camagay and Havana on February 25. There, the 800 pounds of Argentine mail, the first ever air-mail from South America, is seized by U.S. postal authorities, who point out that O'Neill does not have a U.S. mail contract, and place it aboard aircraft of **Eastern Air Transport** for the run up to New York.

Regularly scheduled, daylight-only, eight-day, Miami–Argentina multistop services begin the next day. The southbound aircraft leaves at the same time as the northbound and at each overnight stop, pilots turn over their passengers and mail to new crews. There are only a few mishaps.

In one such accident, a Commodore piloted by Robin McGlohn catches fire in midair when a fuel line ruptures while on a flight down

the coast of South America. McGlohn lands the flying boat, taxis the burning plane up to a river bank, and supervises the exit of its passengers through a rear hatch. The fire is, meanwhile, extinguished and the plane is salvaged. Later, Capt. Herman E. Swell lands a crippled Commodore with 18 passengers in a Cuban sugar cane field; no injuries are reported and the aircraft is disassembled, trucked to Santiago de Cuba, repaired, and put back into service.

Despite the technical success of the service, the carrier must either increase traffic or obtain a U.S. postal subsidy to survive the tremendous costs of its operation. Even in normal times, early passenger flight is expensive and only an insufficient number of travelers can be found in the face of world recession. The other alternative would appear to be U.S. government mail contract. While NYRBA lawyers argued for such a concession, covert, and occasionally overt, predatory moves are made against O'Neill's enterprise by **Pan American Airways (PAA)**, then seeking to become the dominant airline in South America.

When **Pan American Airways (PAA)** sympathizers in the Argentine government demand that NYRBA deliver the Miami mail in seven days instead of eight, O'Neill counters by employing swift Consolidated Model 17 Fleetster floatplanes along the Brazilian coast. Juan Trippe's company, holding the U.S. FAM routes as far south as Paramaribo in Dutch Guiana, now attempts, with considerable success, to block NYRBA flights across the Caribbean islands to Miami. When, acting under company nonassistance orders, NYRBA ground personnel refuse to assist the crew of a downed Pan Am survey aircraft at Lake Montenegro between Cayenne and Belem, relations between the two airline pioneers become tense. The Ford 4-AT-11 *Rio de la Plata* is destroyed in a March 2 crash at Cordoba, Argentina. The 5-AT-55 *Santiago* is badly damaged at Buenos Aires on April 8.

As the situation in the field deteriorates, Chairman McCracken begins a covert, and later overt, association with Juan Trippe of **Pan American Airways (PAA)**. The two, without much difficulty, convince Postmaster Walter Fogler Brown that PAA/NYRBA competition will be costly for the Post Office. They obtain the official's agreement not to award a foreign air mail route contract for the east coast of South America to any company other than **Pan American Airways (PAA)**. Brown, perhaps less openly than in his required "shotgun marriage" of **Western Air Express** to **Transcontinental Air Transport (TAT)**, for his part lets it be known that a merger of the two companies is all but mandatory to insure the award of the contract.

Although most flights out of Buenos Aires are booked, some with waiting lists, passenger revenues are small and the company faces lack of support from its own government. Despite the fact that it has raised some \$6 million in investments since its incorporation (\$1.4 million since January), NYRBA on May 31 has only \$16,000 cash available against current obligations of \$99,000. Unable to continue against the active opposition of **Pan American Airways (PAA)**, the carrier now has only two options—sell out or go bankrupt.

On June 1, merger discussions are started between Trippe and NYRBA's principal banker, Lewis Pierson. On July 1, President O'Neill reports that a total of 5,685 passengers have been flown since the first of the year. Rather than lose their entire investment, the board of directors, on August 19, votes to sell the operation to the Aviation Corporation of the Americas in a stock exchange worth \$2 million. On September 15, NYRBA is handed over to Juan Trippe, along with its subsidiary and its fleet of S-38s, Commodores, Fords, and Fleetsters.

At the time of its amalgamation, NYRBA has a long line of commercial aviation "firsts" to its credit. It is the first airline to connect North and South America with express, mail, and passenger services; the first to establish an 80-hour-per-month flying limit for its pilots; the first to prohibit its flight crews from drinking alcohol a day before duty; the first to establish air-ground communications; and the first to regularly fly mail and passengers across the Andes.

Most NYRBA personnel are hired by Juan Trippe's organization. An embittered O'Neill, who, after establishing an efficient organization, excellent bases, and well-negotiated Latin mail contracts, has seen his

dream quashed, refuses a **Pan American Airways (PAA)** vice presidency and quits aviation. Years later, he will pen his autobiography, *A Dream of Eagles* (Boston: Houghton, Mifflin, 1973).

NEW ZEALAND AERO TRANSPORT COMPANY, LTD.: New Zealand (1920–1922). Pioneer tourism executive Rudolph Wigley forms the **New Zealand Aero Transport Company, Ltd.** at Timaru in early 1920, equipping it with four government-surplus Avro 504Ks and three de Havilland DH 9s. On May 20, an Avro 504K, piloted by Enan Dickson, with Wigley and R. L. Banks as passengers, makes a Christchurch–Fairlie proving flight.

With the goal of catering to tourism in the lower half of the South Island with a service from Timaru to Mount Cook and the glacier region, the carrier is officially incorporated in August, with NZ£50,000 capital. Leonard Isitt and Tom Wilkes successfully fly a DH 9 over 14,200-ft. Mount Cook on September 12.

Bert Mercer, Maurice Buckley, Phil Fowler, Sidney Mallard, and Bill Parks are employed as the carrier's first paid pilots in early 1921. The initial DH 9 service is flown Invercargill–Stewart Island by Mercer and Buckley on January 12 via Foveaux Strait. In the longest flight yet made in New Zealand and with Wigley as passenger, Phil Fowler and Bert Mercer, in two stops on October 24, fly a DH 9 from Invercargill–Auckland via Timaru in 8 hrs. 53 min.

The largest company of its kind in the nation, NZATC is unable to attract sufficient traffic to offset growing overhead expenses and is forced to cease trading in 1922.

NEW ZEALAND AIR CHARTER, LTD.: New Zealand (1990–1994). M. D. Brown establishes NZAC at Ardmore Airfield, Ardmore, in 1990 to offer passenger and cargo charter flights and sight-seeing tours. Revenue operations commence and continue with a fleet that includes 6 Grumman AAICs, 2 Cessna 152s, 2 Cessna 172s, and 1 Partenavia P-68B.

Operations continue in 1991–1994.

NEW ZEALAND NATIONAL AIRWAYS CORPORATION, LTD. (NZNAC): New Zealand (1945–1978). In accordance with the 1945 New Zealand National Airways Act, the nation's three major domestic carriers, **Union Airways, Ltd.**, **Air Travel, Ltd.**, and **Cook Strait Airways, Ltd.** are purchased and merged on December 7 into the NZNAC. The first chairman is Sir Leonard Isitt and initial capitalization is NZ£1.2 million.

Auckland–Kaikōa service via Whangara and Kaikōke are started in January 1946. With seven aircraft types, flights are also begun during the year to 14 other domestic points and toward the year's end, responsibility is assumed for operations to a number of mandated territories.

Two Shorts S.25 Hythes (Sunderland IIIs) are acquired and christened *Mataatua* and *Takituma*; these take over the RNZAF Auckland–Fiji service on November 1, 1947. The same day, Douglas DC-3s begin flying from Auckland to Norfolk Island, Fiji, Tonga, Western Samoa, and the Cook Islands. The former **Union Airways of New Zealand, Ltd.** Lockheed Model 10A *Kahu* is lost in a crash into Tauranga Harbor on April 19, 1948. During the July–December quarters, DC-3s initiate service Auckland–Wellington via Rotorua and Hamilton. Lockheed L-18 flights begin in the Cook Strait area and an all-cargo DC-3 operation is launched from Auckland to Dunedin, Christchurch, and Wellington.

There are two more crashes during these months. En route from Palmerston North to Hamilton on October 24, a DC-3 with 13 aboard crashes atop Mount Ruapehu; there are no survivors. The Electra named *Kaka* crashes into Mt. Ruapehu on November 23 and, again, no one walks away.

The one-millionth passenger (cumulative) is boarded on January 16, 1949. The year's enplanements total 204,000. Employing seven DC-3 freighters, a Cook Strait air-rail service is begun in 1950, only to be suspended in May 1951. Bookings for the two years are, respectively: 1951—230,000, and 1952—298,977.

With the exception of the S.25s and DC-3s, all earlier aircraft types, e.g., Lockheed L-10s, Lockheed L-18s, and de Havilland DH 89As, are retired in **1952** in favor of DC-3s and DH 114 Herons. Bookings soar to 305,155.

Wellington to Blenheim and Nelson DH 114 services are kicked off on March 22, **1953**. Boardings advance to 360,434.

As the result of fuel exhaustion, a DC-3 with 2 crew and 26 passengers, suffers engine failure during a May 22, **1954** scheduled service and must make a forced landing, hitting a house, at Paraparaumu, New Zealand. All aboard the aircraft are safe, but three people are killed on the ground.

The year's bookings swell to 379,079.

In November **1955**, the Auckland–Norfolk Island route is transferred to **Tasman Empire Airways, Ltd. (TEAL)**; the *Mataatua* and *Takituma* are retired. Enplanements are 412,907. Orders are placed in **1956** for Vickers Viscount 807s. Boardings rise to 469,616.

The first Viscount 807 is delivered to Auckland on December 31, **1957**. Passenger traffic climbs to 496,160 travelers carried.

The new Viscount 807, christened *City of Wellington*, enters service on February 3, **1958**, inaugurating a new and direct Auckland–Christchurch service. Enplanements for the year are 529,567.

In **1959**, orders are placed for 8 Fokker F.27-100s. Bookings rise to 614,038.

The first F.27-100 is delivered to Wellington on December 12, **1960** and is christened *Kuaka*; it is employed on December 22 to inaugurate flights Christchurch–Auckland and Wellington and Auckland–Wellington direct. The year's enplanements are 697,760.

NZNAC's fleet in **1961** comprises 4 Viscount 807s, 6 Fokker F.27-100s, 2 DH 114a, and 26 DC-3s. The last 2 F.27-100s are delivered in **1962**.

While en route from Auckland to Tauranga on July 3, **1963**, a DC-3 with 3 crew and 20 passengers crashes into Mt. Ngatamahinerua; there are no survivors.

The year's enplanements are 1,162,074.

An undisclosed net loss is suffered. Airline employment in **1964** is 2,223. The carrier pays airways and airport charges exceeding 9% of its operating revenues—the highest for any domestic airline anywhere in the world.

Passenger boardings rise 6% to 1,237,100 and revenues of NZ\$15.1 million are earned.

The workforce totals 2,494 in **1965**. The fleet now includes 16 DC-3s, 9 F.27-100s, and 4 Viscount 807s. Plans are made to replace the Douglas transports.

Passenger boardings decline to 922,346.

Four DC-3s are retired in **1966** as two additional F.27-100s join the fleet along with a fifth Viscount 807. Bookings rebound to 1,042,000.

The employee population in **1967** is 2,659. Orders are placed for three Boeing 737-219s and two additional F.27-100s arrive. The DC-3s are being phased out as the Fokkers take over their routes. Enplanements swell to 1,167,906.

A total of 141 new employees are hired in **1968**. The first three B-737-219s are delivered in September and October and join the five Viscount 807s in linking the nation's four major cities. The company's 13 Fokkers are rescheduled to secondary routes and the 10 remaining DC-3s are restricted to feeder roles from small airports. Boardings accelerate to 1,202,000. Revenues of NZ\$22.6 million are earned.

Airline employment in **1969** is 2,802. Enplanements total 1,403,648. The workforce is increased by 147 people in **1970**.

Passenger boardings grow 6% to 1,493,242, and freight traffic is up 15%.

Two additional Boeing 737-219s join the fleet during **1971–1972** and 9 of the last 10 DC-3s are retired. Traffic figures are not available. In the fall of the latter year, the carrier acquires **Safe Air Freight Express, Ltd.**, together with its two Hawker Siddeley Argosy 222s and five Bristol 170s.

In an effort to help promote tourism to New Zealand, the carrier in **1973** takes a 15% interest in Mount Cook and Southern Lakes Tourist

Company, Ltd. Two F.27-500s are purchased, two more B-737-200s, including an ex-**Pacific Southwest Airlines** Dash-214, are placed in service, and the last DC-3 is sold. The employee population is now 7,997.

Freight traffic balloons by 25% and customer bookings accelerate 18.8% to 1,908,000. A net NZ\$1.1-million profit is reported.

Airline employment in **1974** is 3,156. At the first of the year, the carrier's initial F.27-100 is sold to **Gibraltar Airlines, Ltd. (2)**; it departs New Zealand almost 16 years to the day after its arrival.

Passenger boardings rise 11.6% to 2,128,000, and cargo is up 18%.

The workforce in **1975** is increased to 3,650. Two additional B-737-219s are placed in service and two F.27-500s are ordered.

Freight accelerates 11% and enplanements jump 2.8% to 2,188,000.

The employee population rises 1.8% in **1976** to 3,610. Plans are made for a computerized reservations system. Cargo climbs 16%, but passenger boardings dip 1.8% to 2,149,353.

The Carina reservations system becomes operational on April 27, **1977**. Two F.27-500s join the fleet.

Passenger bookings reach 3,207,471, and a \$NZ 3-million profit is earned.

NZNAC is taken over by and merged into **Air New Zealand, Ltd.**, on April 1, **1978**, the amalgamated carrier retaining the latter's name.

NEW ZEALAND TRANSPORT AND TRAVEL, LTD. (NZTAT):

New Zealand (1955–1967). Unhappy with the direction of his company, **Amphibious Airways, Ltd.** board member Harry English and several colleagues depart from the Invercargill-based charter carrier in January **1955** and establish a new company, NZTAT, at Auckland. Former **Fiji Airways, Ltd. (2)** chief pilot Fred Ladd is appointed general manager/chief pilot with English's new entrant.

A Grumman G-44A Widgeon is acquired and overhauled by **Tasman Empire Airways, Ltd. (TEAL)**; it is employed to inaugurate flights on June 19 to communities on Hauraki Gulf and provide scenic tour and charter services to any requested destination, including Great Barrier Island.

Although recession slows growth, business becomes successful at the beginning of the **1960s**, allowing purchase of a second Widgeon. On August 1, **1961**, **Amphibious Airways, Ltd.**, together with its two Widgeons, is purchased and merged. Ladd directs that one of the new Widgeons move to Auckland, leaving one to service charter routes to Stewart Island and destinations in the Fjordland and Southland regions of the South Island.

In the next year, NZTAT moves into the Westland region of South Island and takes over **Ritchie Air Service, Ltd.** and **Southern Scenic Air Services, Ltd.** and its subsidiary, **West Coast Airways, Ltd.** These **1962** acquisitions also include the addition of several small landplanes.

General Manager Ladd is knighted by the Queen at Wellington on February 12, **1963**. The next day, Capt. Ladd, MBE, flies Prince Philip from Nelson to Blenheim.

Also in the north, a fifth G-44A arrives in July, followed by a sixth in July **1964**. In **1965–1966**, the engines of all-company Widgeons are upgraded in rotation with Continental Lycomings, turning the planes into Super Widgeons.

On March 31, **1967**, Capt. Ladd resigns to concentrate on the development of local helicopter services and, given a vacuum in leadership, **Mount Cook Airlines, Ltd.** steps in and purchases NZTAT.

NEWAIR: United States (1978–1985). Louis Pellegrino and the brothers Frank and Donald Santacrose establish the FBO/air charter operation New Haven Airways at New Haven, Connecticut, in 1962. Over the next 16 years, the company becomes a major nonscheduled operator, flying passenger charters to New York and Boston with a fleet that comes to include 4 Piper PA-31-350 Navajo Chieftains.

After the airlines are deregulated in October **1978**, a subsidiary airline division, NewAir Flight, is formed to provide five-times-per-day scheduled commuter service within the state and on to Newark with the Pipers, which are borrowed from the charter operation. It will never earn

a profit and will eventually be acquired by its chief rival, **Pilgrim Airlines**.

When **Ransome Airlines** pulls out of New Haven in **1979**, NewAir Flight applies to the CAB for permission to fly two dormant nonstop **Eastern Air Lines** routes that will link its base with Washington, D.C. (DCA). Permission is granted. At the same time, when Ransome leaves Philadelphia, NewAir Flight launches Chieftain service to that city as well.

Enplanements are 11,738. The pattern for financial problems begins early on as the new entrant suffers a net loss of \$83,000 for its first full year.

On the bright side, however, NewAir, as President Donald Santacrose's carrier is retitled on July 18, **1980**, begins service to Baltimore (BWI) via Islip and to Sullivan County and the Catskills.

As a result, the carrier, with its fleet of 4 Navajo Chieftains, experiences a remarkable 273% increase in passenger boardings (30,849) over 1979. The net loss, however, accelerates to \$46,000.

The 69-employee carrier begins flights to New York (JFK and LGA) during **1981**. The service to La Guardia, La Guardia Express, is offered five times daily, beginning with a week of introductory 75-cent, one-way fares.

Traffic rises 65% as 47,207 passengers are transported. Unhappily, expenses of \$2.5 million overwhelm revenues of \$2.3 million, leaving a \$248,842 operating loss and a major \$344,467 net loss is experienced.

The workforce is increased by 24.4% in **1982** to 102. NewAir becomes an all-turboprop airline as two Embraer EMB-110 Bandeirantes and three de Havilland Canada DHC-6-200 Twin Otters are acquired to succeed the Chieftains. All but one of the company's aircraft are also employed on New Haven Airways charters and are painted with the FBO's titles.

A second Connecticut origination point is opened at the Groton-New London Airport. From this hub, 16 flights are operated each day to New York (La Guardia) via New Haven. As a result of the PATCO air traffic controllers' strike, service to Newark dwindles as landing restrictions increase; it will be closed down entirely by year's end.

On the financial front, a plan to reorganize and "go public" must also be delayed because of the PATCO action; \$185,000 spent in preparation for the stock offering is lost. Higher interest rates meanwhile bring an across-the-board 10% salary cut. The company is able to successfully return to Wall Street in December. It sells 715,000 shares of common stock that brings in \$3.2 million and that is employed to pay off short-term debt, join the PARS computerized reservations system of **Trans World Airlines (TWA)**, and restore the pay cut.

Enplanements increase 56.6% to 74,113 and revenues climb to \$4.1 million, a 42.2% boost. As expenses continue to rise, the net loss for the year registers \$548,000.

Forty-six new employees are hired in **1983**. An unusual public relations stunt on May 18 marks the introduction of the carrier's latest aircraft. Before an assemblage of dignitaries and guests at the Tweed-New Haven Airport, the drawstring on a huge, polka-dotted replica of a pair of shorts is pulled to reveal NewAir's new Shorts 360, painted in NewAir livery. They will be put on line for the benefit of the city and neighboring Connecticut communities.

A route is restarted to Newark on June 1. On June 28, a section of the Connecticut Turnpike Bridge over the Mianus River collapses, cutting off the primary ground route between New Haven and the New York airports. This disaster—or piece of good fortune, depending upon perspective—allows the airline to double its boardings almost overnight. Even after the bridge is repaired, speed restrictions and other delays assist the company in maintaining a high traffic level.

By year's end, the company operates 460 weekly flights from New Haven to New York's three airports, Baltimore (BWI), Washington, D.C. (DCA), Philadelphia, Groton-New London Airport, Sullivan County and the Catskills, and Long Island's MacArthur Airport.

Passenger boardings increase 68% to 124,570 while revenues rise 32.2% to \$8.7 million. Unfortunately, skyrocketing costs apparently

cannot be controlled during a time of recession and stiff competition, but the net loss taken is reduced to \$179,000.

Chairman Pellegrino's small regional has a climactic **1984**. Despite a 14.6% traffic rise to 142,696, the carrier records yet another huge loss, \$548,000. Company officials know that, after suffering losses of \$1,748,467 in six years, the end has come. The only alternatives are merger or bankruptcy.

The merger route is chosen and on February 19, **1985**, the air transport division of NewAir is taken over by rival **Pilgrim Airlines**. The yet profitable NewAir FBO remains a separate entity, retains one Bandeirante for its charter business, and acquires a 20% interest in the enlarged **Pilgrim Airlines**.

NEWAIR AIR SERVICE, A.S.: Billund Lufthavn, Billund, DK-7190, Denmark; Phone 45 7535 3377; Fax 45 7535 3277; Code WA; Year Founded 1990. NewAir is organized at Dragoer in **1990** to provide scheduled commuter flights to Esbjerg and Humberside. Managing Director Per Arpe's inaugural fleet comprises just one used Handley Page HP-137 Jetstream 1. Revenue flights to the U.K. begin in March and before the year is out, the fleet receives three more HP Jetstreams, a Cessna 402C, and a Piper PA-31-310 Navajo.

The fleet in **1991** includes 4 HP-137s and 1 leased Swearingen SA226 Metro. The Cessna and Piper are withdrawn along with two Jetstream 31s in **1992** in favor of a Fairchild Hiller FH-227B and a Fairchild-Swearingen Metroliner.

Services continue in **1993–1999**. During these years, the fleet is revised to include 2 FH-227Bs, 1 Fokker F.27-500, and 2 British Aerospace BAe Jetstream 31s. The FH-227Bs are replaced late in this period with a pair of Fokker 50s.

Four-times-a-week roundtrips from Geneva and Zurich to Pristina on behalf of the new **Air Kosova** are begun on July 3, **2000** with a Fokker 50 wet-leased from Newair. Another Newair Fokker 50 is acquired on July 21. Nonstop roundtrips from Pristina to Munich are launched on August 15.

The contract with **Air Kosova** is unhappily concluded on September 28 when Newair, which has not received its leasing fees, withdraws its aircraft.

NEWFOUNDLAND AIRWAYS, LTD.: Canada (1948–1983). NA is set up at Gander in **1948** to operate floatplane charter services to local Newfoundland destinations. The mail and freight is also flown to northern Newfoundland and Labrador. Over the next three-and-a-half decades, the company's de Havilland Canada DHC-2 Beavers are joined in service by the associate FBO, Labrador Aviation Services.

In **1983**, Roger Pike's Provincial Investments, Inc. purchased the company and it is renamed **Air Labrador, Ltd.**

NEWFOUNDLAND-LABRADOR AIR TRANSPORT, LTD.: Canada (1961–1998). Based at Corner Brook, Newfoundland, NLAT is established in **1961** to offer charter passenger and cargo and contract service flights linking the company's base with destinations in Labrador. Operations commence with a fleet of small aircraft, including de Havilland Canada DHC-2 Beavers and DHC-3 Otters.

Over the next two decades, nonscheduled operations are undertaken throughout eastern Canada. In **1985**, the fleet includes not only DHC equipment, but also a Piper PA-31-310 Navajo, several Cessna 185s, and a Grumman Widgeon. In **1987**, the amphibian is replaced by a Beech 99.

Revenues in **1990** total \$1.5 million. During **1991**, the Beech is replaced by a DHC-2, a DHC-2 Turbo Beaver, and a Cessna 402C. Income increases to \$1.6 million in **1992**. In **1993**, President Pierre Meagher oversees a workforce of 25. Company revenues jump to \$1.8 million.

Flights continue, and in **1997** the fleet includes 2 Beavers, 2 Turbo Beavers, and 1 Piper PA-31T. The Cessna 402 and a Britten-Norman BN-2 Islander flown the previous year are removed.

The company shuts its doors in **1998**.

NEWMAN'S AIR, LTD.: New Zealand (1985–1986). This regional carrier is formed in January 1985 by the Newmans Group, a leading travel agency, and Kenneth MacDonald is named chief executive. With two de Havilland Canada DHC-7s, twice-daily scheduled service from Auckland and Christchurch is begun on February 12 to the tourist centers of Rotorua on the North Island and Mount Cook and Queenstown on the South Island. Service to Wellington and Christchurch begins in February.

In June 1986, in a move protested by **Air New Zealand, Ltd.**, the Australian conglomerate Ansett Transport Industries takes control of the carrier. The Dash 7s are traded in for two DHC-8-200s, which are delivered on December 15 and enter service.

NEWPORT AIR PARK: United States (1964–1981). NAP is established at Newport, Rhode Island, in the late fall of 1964 to provide scheduled air taxi services to Providence and to New York (LGA). Daily roundtrip revenue frequencies are inaugurated with a Rockwell Aero Commander on December 12.

Operations continue apace over the next 16 years and the fleet is increased by the addition of a number of Cessna lightplanes.

NEWQUAY AIR, LTD.: United Kingdom (1993–1995). G. Hitchen and N. Gough establish NAL at the airport at Newquay in March 1993. Nonscheduled passenger flights commence in May to surrounding domestic points with a single Piper PA-31-350. Flights continue in 1994, but in the summer of 1995, the company is transferred to Plymouth City Airport and is renamed Air South West, Ltd.

NEYA A/K: Russia (1994–1996). Neya is established as a long-haul passenger charter airline at Moscow late in 1994. K. B. Galai is appointed general director and he begins revenue flights with a single Ilyushin Il-86. Flights continue until early 1996.

NFD (LUFTVERKEHRS, A.G.) See **NFD (NURNBERGER FLUGDIENST, GmbH.)**

NFD (NURNBERGER FLUGDIENST, GmbH.): Germany (1974–1993). Organized by Hans Rudolf Wohri at Nuremberg in 1974, NFD (Nurnberger Flugdienst, GmbH.) begins charter flights in 1975 to regional destinations. In 1980, it is decided to inaugurate commuter operations; employing a Fairchild-Swearingen Metro II, services are initiated to Paris. A total of 10,200 passengers are transported in 1981, 32,000 in 1982, and 50,300 in 1983.

During 1984–1985, the workforce totals 40 and the fleet comprises 7 Metro IIIs and 1 Beech Super King Air 200. Destinations served include Paris (CDG), Amsterdam, and Milan. Domestic flights are also undertaken on behalf of **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT).**

President Manfred Moeschel's carrier acquires a Dornier 228-201 in early 1986 and adds Frankfurt, Hanover, Munster, and Osnabruck to its route network. A number of other, ultimately unsatisfactory route experiments are attempted. In December, a Fairchild Merlin IV is acquired.

Passenger boardings jump 20.4% to 137,248.

An Avions de Transport Regional ATR42-200 is purchased in the spring of 1987 and is employed to inaugurate new services to Copenhagen, Lyon, Brussels, and Geneva. Closer relations are developed with **Air France** and **KLM (Royal Dutch Airlines, N.V.)**. At the same time, a new in-flight magazine, developed in cooperation with **Crossair, Ltd.**, is introduced. Enplanements for the year total 184,300.

In January 1988, the company gains full access to the computerized reservations system of **Deutsche Lufthansa, A.G.**

While near Mulheim and en route from Hanover to Dusseldorf on February 8, a Metro III with 2 crew and 19 passengers is hit by lightning, which destroys the aircraft's electrical system. In the uncontrolled descent that follows, the turboprop first loses its right wing and then disintegrates. There are no survivors.

Later in the year, a second ATR42 and two more Metroliners are acquired. Hof becomes a destination.

Three more ATR42s join the fleet in 1989 and new stops added include Dusseldorf, Munich, Stockholm, and Vienna. The nation's largest independent regional is partially acquired (40% for £4.2 million, cash) by International Leisure Group, parent of **Air Europe, Ltd.**, to operate "Air Europe Express" flights on its behalf. It now receives its first jetliner, a Boeing 757-200, and brings a new centralized reservations system on line.

In 1990, the Metroliner fleet is reduced to 5 as 4 ATR42-320s and 1 British Aerospace BAe 146-200QT, operated on behalf of **TNT (Transport Aerien Transregional, S.A.)**, are obtained.

Two Boeing 757-236s (leased from **Air Europe, Ltd.**) are returned to their lessor. Several new gateways are added, including Marseilles, Milan, Prague, Leipzig, and Munich. Additionally, daily ATR42 flights begin from Frankfurt to Erfurt in December. Enplanements total 292,490.

The Boeings are withdrawn in 1991 in favor of four ATR72-210s; the Metro III component is reduced to only three machines. Following the collapse of the International Leisure Group on March 8, Chairman Hans Rudolf Wohri buys back the 40% shareholding held in his carrier by ILG; his interest is now 61% with the Karstadt warehouse organization holding 26%. His carrier is now reorganized and the corporate image is changed to reflect a name change to **NFD (Luftverkehrs, A.G.)**.

Two additional ATR72s are acquired in 1992. Enplanements for the final year of independence total 627,629 and 3.2 million FTKs are flown. On January 1, 1993, the carrier is merged with **RFG Regionalflug, GmbH.** to form **Eurowings NFD + RFG, GmbH.**

NICA (NICARAGUENSE DE AVIATION, S.A.): P.O. Box 6018, Managua, Nicaragua; Phone 505 (2) 631 929; Fax 505 (2) 63 188; http://www.flylatinamerica.com/acc_nica.html; Code 6Y; Year Founded 1992. Nica is established in Nicaragua in the spring of 1992 to operate domestic and regional scheduled service formerly provided by the failed **AERONICA (Aerolineas Nicaraguenses, S.A.)**. Ownership is divided between the government and **TACA International Airlines, S.A.** (49%). The TACA arrangement also includes joint purchasing, fleet rationalization, and cooperation in such support services as maintenance, catering, marketing, and ground handling. NICA thus becomes a member of the growing Central American airline consortium TACA Group.

Operations commence on July 10 with a single leased Boeing 737-2T5A over a route to Miami.

A total of 25,444 passengers are carried during the next 6 months and revenues of \$4.63 million are earned.

Operations continue apace in 1993 as passenger boardings more than double to 64,327. Revenues swell to \$10.91 million.

On September 2, 1994, the U.S. FAA announces the previously unpublished results of a safety survey made on 30 nations. Only two Central American nations meet U.S. safety standards. Nicaragua is not among them and, hence, Nica is no longer allowed to fly to the U.S.

Enplanements for the year are cut in half to 33,948.

Airline employment stands at 130 in 1995. The U.S. reservations centers of the TACA Group members are consolidated in a single El Salvador facility.

Through October, passenger boardings are up 11.5% to 38,359 while cargo rises 29.3% to 7.29 million FTKs.

In 1996, a B-737-2T5A is subleased from **TACA International Airlines, S.A.** Via TACA, Nica is drawn into discussions with **American Airlines** concerning a possible future alliance. By the end of the year, TACA Group operates an impressive international route network that includes 14 destinations in Central America, 12 in South America, 3 in Mexico, and 8 in the U.S.

The code-sharing agreement between AA and TACA Group is signed during the spring of 1997. During the fall, a number of company aircraft are repainted in a new TACA Group livery that features a white fuselage and a blue tail with a red vertical slash over which appears a logo consisting of five golden macaws, which represent the group members.

In November, TACA Group begins service to Santo Domingo. Thrice-daily service to Dallas (DFW) from San Salvador, San Jose, and Guatemala City begins in December.

Domestic destinations visited in **1998** include Bluefields, Corn Island, and Puerto Cabezas, while regional markets include Panama City, San Jose, San Pedro Sula, San Salvador, Tegucigalpa and, later, Miami.

Flights continue in **1999–2000**. Airline employment at the beginning of the latter year totals 164.

NICHOLAS SKYWAYS (PTY.), LTD.: Australia (1961–1994). L. G. Nicholas forms this small regional at Moorabin Airport, at Mentone, Victoria, in **1961** to offer largely nonscheduled bush flights to surrounding destinations. Operations continue quietly for the next 30 years.

Although L. G. remains chairman in **1991**, H. J. Nicholas is president/CEO. The family's 7-employee company operates a fleet of 1 Beech 58 Baron, 2 Cessna 310s, and 1 Cessna 172. Revenues for the year total A\$277,500, growing to A\$300,000 in **1992**. Business ceases in **1994**.

NICKLE BELT AIRWAYS, LTD. See **AUSTIN AIRWAYS, LTD.**

NIEMEYER AVIATION: United States (1979–1980). Donald Niemeyer establishes this small carrier in late **1979** as the airline division of his Kentland, Indiana-based FBO. Employing a Grumman AA5B Tiger, an aircraft type little used by commuter and air taxi carriers, Niemeyer inaugurates scheduled daily passenger services linking his base with Valparaiso, Indianapolis, Chicago, and Kankakee.

Frequencies are maintained only into January **1980**.

NIGERAVIA, S.A.: BP 10454, Niamey, Niger; Year Founded 1994. Abdou M. Gorge's 40-employee **Transniger Aviation, S.A.** is reformed and renamed in **1994**. Scheduled passenger and cargo services are continued over domestic and regional routes, employing a fleet of 1 each Britten-Norman BN-2A Islander, Fokker F.27 Friendship, Pipaer PA-23 Aztec, and 2 Cessna 185s.

NIGERIA AIRWAYS, LTD.: P.O. Box 1024, Airways House, Murtata Muhammed Airport, Ileja, Lagos, Nigeria; Phone 234 (1) 900810; Fax 234 (1) 961574; Code WT; Year Founded 1958. Early in **1958**, preparations are made to split **West African Airways Corporation (WAAC)** into two parts to satisfy the needs of the colony and Ghana, the former Gold Coast that had gained its independence on March 6, 1957. In June, that part of the carrier not separated as **Ghana Airways, Ltd.** is renamed **West African Airways Corporation (Nigeria), Ltd.**

When WAAC ceases to exist in its old form on September 30, the trading name Nigeria Airways, Ltd. is applied to WAAC (Nigeria) and ownership is divided between the Nigerian government (51%), Elder-Dempster Lines, Ltd. (32 2/3%) and **British Overseas Airways Corporation (BOAC)** (16 1/3%).

A 15-year agreement is reached with the British flag carrier under which BOAC will charter aircraft to the African carrier and revenues earned on the Nigeria–U.K. route will be pooled. A fleet of Douglas DC-3s is assembled, allowing Nigeria Airways, Ltd. to begin serving, on October 1, the internal routes flown by the old WAAC. Additionally, a joint service with Ghana Airways, Ltd. is operated to Dakar.

A wet-leased Boeing 377 Stratocruiser launches return London to Lagos service, also in October.

Enplanements for WAAC/WAAC (Nigeria), Ltd. this year are 72,763.

The BOAC aircraft contract is modified slightly, on April 16, **1959**, in that a Bristol Britannia 102 replaces the Stratocruiser as the equipment used on the Lagos–London service. It should be noted that, between 1958 and 1961, the Stratocruisers and Britannias employed on the international services are various individual units instead of dedicated aircraft. Domestic schedules and frequencies are increased.

Bookings, however, are down to 57,866, due largely to the independence movement.

Nigerian independence arrives on October 1, **1960**. Passenger boardings for the year reach 82,429.

The new government of Nigeria assumes full ownership of the airline in March **1961** and establishes it as the national carrier, appointing Chief J. O. Fadahunsi as chairman. The fleet now includes 7 DC-3s and 1 wet-leased Britannia 102, with orders outstanding for 4 DH 114s and 2 Piper PA-23 Aztecs.

In August, the BOAC agreement is again modified, providing for the lease of a pair of Vickers VC10s. The following month, firm orders are placed for five Fokker F.27-200s, with two options.

The Herons and Aztecs are received in **1962** and placed into service, with the latter flying over local routes out of Kano. In collaboration with **British Overseas Airways Corporation (BOAC)**, Comet 4 services to London begins on April 1.

Chief I. O. Dafe becomes chairman at the beginning of **1963**, with T. D. Kumar as general manager. The first Fokker F.27-200 arrives in January and is christened *Dr. Nnamdi Azikiwe*. The first black crew, including Capt. R. E. Hayes and copilot R. Orimoloye, performs the inaugural Friendship service on March 19 from Lagos to Kaduna.

The last Fokker, *Chief Samuel Akintola*, arrives on May 9, by which time the other F.27-200s, including *Alhaji Sir Abubakar Tafawa Balewa*, *Dr. M.L. Okpara*, and *Alhaji Sir Ahmadu Bello*, are also visiting Abidjan, Accra, Bathurst, Dakar, Freetown, and Robertsfield. A new eight-year arrangement is entered into with BOAC, also in May.

F.27-200s begin to replace DC-3s, beginning in June, on routes to the Congo, Gambia, Ghana, the Ivory Coast, Liberia, Sierra Leone, and Senegal. The Aztecs are also withdrawn from scheduled services during the second quarter, and are assigned to operate passenger and cargo charters.

One DC-3C continues to operate an all-cargo route from Kano to Lagos, while a second flies a weekly roundtrip milk run from Kano to Accra via Cotonou and Lome. An £800,000 Lagos maintenance center is dedicated by Nigerian President Nnamdi Azikiwe on December 13.

During the early spring of **1964**, a new pool agreement is signed with **Ghana Airways, Ltd.** Under its terms, Nigeria Airways and its partner are able to launch new weekly frequencies on April 1 from Accra to Kano, to Addis Ababa via Kano and Khartoum, and to Beirut via Cairo. The arrangement also provides one other rather unique feature. Nigeria Airways F.27-200s operate cabotage flights on Ghana's internal routes, while Ghana Airways Viscount 838s fly from Accra to Lagos for the benefit of both operators.

General Manager Kumar dies in June. He is succeeded on an interim basis by Lionel "Buddy" Messenger.

The U.S. CAB approves Nigeria Airways in September for service to New York. As Nigeria possesses no aircraft capable of transatlantic service, the company enters into a block-space agreement with **Pan American World Airways (1)**. The deal allows Nigeria Airways, which has guaranteed the American pioneer that it will sell or pay for 10 seats per weekly frequency, to sign a pool agreement with **Ghana Airways, Ltd.** that will help market the service throughout West Africa.

The first westbound B-707-321B flight departs Lagos for New York (JFK) on October 18 via Accra, Robertsfield, and Dakar; the first service from the U.S. back to Lagos occurs on October 23.

Acting General Manager Messenger is succeeded by J. D. Reichel in early **1965**. Civil war and poor management appointments (often political or religious) during the next six years will create administrative chaos. During these years, operations are maintained under wartime conditions.

A VC10, leased in full Nigerian livery from **British Overseas Airways Corporation (BOAC)**, begins weekly return service between Lagos and London in January **1966**. The fleet now includes 5 F.27-200s, 6 DC-3s, and 2 Aztecs.

Having gone without pay for several weeks, the carrier's pilots strike during January **1967**, forcing the airline to suspend most of its domestic schedule.

Also at home, the government-owned airline halts service to the secessionist eastern region of Biafra on April 5; on April 23, five rebels take over an F.27-200, with 29 passengers en route from Benin City to

Lagos, and force it to land at Enugu, the eastern regional capital. At month's end, the company introduces new anti-hijacking security measures.

In May, two B-707 Stratoliners are leased from foreign airlines to inaugurate annual Hadj flights to Jeddah.

To counter a rebel airlift organized by mercenary Capt. Hank Wharton, which will operate four Lockheed L-1049Gs Super Constellations in coordination with the Rhodesian charter line **Air Trans Africa (Pty.), Ltd.**, the Nigerian government, beginning in June, takes over six Nigerian Airways DC-3s for use as bombers. Using small bombs, these fly nightly from Benin City to attack the Connies attempting to land at Uli, which had become the major secessionist airfield after the capture of the airports at Enugu and Port Harcourt. During the airlift, the Lockheeds are able to complete several supply flights each week, each bringing the mercenary pilots £10,000 in combat pay.

Upon the return in July of the captured VC10, its lease is terminated by BOAC. Nigeria Airways reports at the end of the month that the leased Stratoliners have flown a total of 8,000 Hadj pilgrims this year.

The battle at night between the rebel-supported Super Constellations and the Dakota airliners continues into 1968. The Nigerians acquire five more DC-3s from **Sabena Belgian World Airlines, S.A.**, while the rebels are reinforced by four more L-1049Gs. One of these crashes early in the year and a second is sabotaged at Bissau, Portuguese Guinea, before it can fly in with a load of Fouga Magister jet trainers for the Biafran air force. The airlift ends in mid-February and thereafter, several of the mercenaries' L-1049Gs are impounded when they make refueling stops at Malta. Another Super Constellation, chartered by the Red Cross, crashes at Uli on July 1 (four dead). On September 28, a DC-4 with 57 aboard crashes between Lagos and Port Harcourt; there are no survivors.

All three L-1049Hs owned by **Nordair, Ltd.** are leased to Canairielief, sponsored by the Presbyterian Church of Canada, and begin flying aid shipments into Uli, Biafra, early in 1969. On August 3, one of the Canadian Super Constellations crashes while landing at Uli.

One leased and one purchased **British Overseas Airways Corporation (BOAC)** Vickers VC10s, meanwhile, continue to provide long-haul service for Nigeria Airways. In addition to the London service, the VC10s also operate from Lagos and Kano to Frankfurt via Leopoldville, Madrid, and Rome.

On initial approach to Lagos on November 20 from London, Flight 925, the owned VC10 with 11 crew and 76 passengers and just 2 months into its service life, sinks below its normal path and strikes a row of trees 8 nm. from the runway; the plane crashes and catches fire from which no one aboard survives.

Nigerian fighter planes strafe and destroy a second **Nordair, Ltd.** L-1049H at Uli Airport on December 7.

Biafra, which has had its life prolonged by the outsider's airlift, finally surrenders in January 1970. Also during the month, Birger Groenlund becomes managing director and oversees a workforce of 2,200.

The B-707-379C and B-707-360C Stratoliners of **Ethiopian Airlines, S.C.** are both chartered in June. The former will return to Addis Ababa within 13 months, but the latter will be operated by the West African carrier until 1973. A B-737-248A is wet-leased from **Aer Lingus Irish Airlines, Ltd.** in October.

While taking off from Jos, Nigeria, on April 4, 1971, an F.27-200 with 3 crew and 38 passengers, swerves off the right side of the runway and into a mound of gravel; although the aircraft is badly damaged, there are no fatalities.

Nigeria Airways' second owned jetliner, a Boeing 707-3F9C, arrives on May 17 and the airline's present official title is adopted five days later. In November, joint venture flights commence with **Middle East Airlines, S.A.L.** over routes from Kano and Lagos to Beirut.

European destinations visited in 1972 include Frankfurt, Madrid, and Rome and the route network is nearly 7,000 unduplicated miles. The domestic fleet includes 7 F.27-200s, 5 DC-3s, and 2 Aztecs. Three F.28-1000s are acquired in May.

One of the new F.28-1000s runs off the runway after landing at Port Harcourt on September 19; there are no fatalities in the accident, but the aircraft is damaged beyond repair.

As a replacement, the airline, in October, introduces the world's first operational F.28-2000. A management contract is signed with **Trans World Airlines (TWA)** on October 21, but will not be implemented.

Two B-707-3F9Cs are delivered in February 1973, allowing the **Ethiopian Airlines, S.C.** B-707-360C to be returned. Flights continue apace in 1974, but a wage dispute with pilots grounds the airline's domestic operations for a time after May 12, 1975.

A third B-707-3F9C is delivered at the end of September 1976. It replaces the VC10 transatlantic schedule on October 14. Shortly thereafter, two B-727-2F9s are received, together with a DC-10-30.

During 1977, routes are opened to Paris and Zurich in Europe and to New York. In Africa, routes are maintained to Abidjan, Accra, Banjul, Conakry, Dakar, Douala, Freetown, Lome, and Monrovia, while new ones are opened to Kinshasa, Libreville, Nairobi, and Niamey, plus 19 local stops.

An F.27-200 with 4 crew and 19 passengers is destroyed as the result of a bad landing at Sokoto on April 25; there are no fatalities.

When the annual Hadj season opens in May, the new DC-10-30, configured for all-economy-class service, is able to deliver 300 pilgrims at a time on every return flight between Kano and Jeddah.

Chairman J. A. Orshi's carrier employs 4,493 workers in 1978. While on initial approach to Kano on March 1, an F.28-1000 with 5 crew and 11 passengers collides 2 km. from the end of the runway with a 2-man Nigerian Air Force MIG 21U, which is performing touch-and-goes; all aboard both aircraft are killed.

In 1979, the government entrusts the carrier's management to **KLM (Royal Dutch Airlines, N.V.)**; the Dutch carrier takes over the administration and trains personnel under contract.

Scheduled service is launched to Jeddah in 1980 as seven leased B-737-200s and four owned B-737-2F9As join the fleet, along with a second owned DC-10-30.

Enplanements reach 1,699,660.

The KLM contract ends in 1981. The fleet now comprises 3 B-707-3F9Cs, 8 F.28-1000/2000s, 7 leased B-737-200s, plus 4 B-737-2F9As, 6 B-727-2F9As, and 3 DC-10-30s, 1 of which is leased from **Philippine Airlines (PAL)**.

Freight traffic skyrockets 76% to 15.6 million FTKs and passenger boardings jump 27.4% to 2,341,129.

A B-747-283B is wet-leased from **SAS (Scandinavian Airline System)** on March 31, 1982; painted in the company's green and white livery with its flying elephant logo on the tail, the Jumbojet assumes the service from Lagos to London via Kano. The aircraft is returned on June 1 and is replaced by two more of the same type two days later. Competition from charter carriers **Intercontinental Airlines, Kabo Air, Ltd.**, and **Okada Air, Ltd.** offering lower fares on the more heavily traveled routes outside the country begin to have a serious impact.

Despite the introduction of a new Jumbojet route from Lagos to New York, passenger bookings fall to 2,138,000 as a result of the world economic situation.

Jan Smit becomes managing director at the beginning of 1983. Orders are placed with Airbus Industrie for four A310-222s, but financing is uncertain. The F.27-200s are now replaced by B-737s, including three more owned B-737-2F9As delivered by spring.

While on final approach to Enugu on November 28, an F.28-2000 with 6 crew and 66 passengers, suddenly noses down and collides with the terrain 18 nm. short of the runway (53 dead).

Still, enplanements recover, growing to 2,223,117 on 28,627 scheduled departures.

A military coup in 1984 brings a new government and a management shakeup at the state airline. Nigerian Air Force Group Captain Bernard Banfa is appointed managing director and many of the KLM-trained personnel are dismissed. After its last service on March 5, a B-747-283B is returned to **SAS (Scandinavian Airlines System)**.

Late in the year after the government agrees to provide funds, the first two A310-222s are delivered; only one receives a name, *River Ethiope*, but both are assigned to African routes. The second Scandinavian Jumbojet is returned.

Passenger bookings for the year drop to 2,070,000; of the 450,000 international bookings, most come from Nigerian citizens paying in Nigerian funds.

The largest airline in Black Africa receives its second pair of A310-222s, *Rima River* and *Lekki Peninsula*, in January 1985. The B-727-2F9As and F.28-1000/2000s are put up for sale and the number of B-737s is reduced to the seven owned Dash-2F9As, including three wet-leased to **Air Tara**.

A310-222 service is launched in April to Ehugu, Kaduna, Kano, Maiduguri, and Port Harcourt.

During the summer, a cargo terminal is completed at Lagos' Murtala Muhammed (formerly Ikeja) Airport. Passenger boardings dip as the government gives the company low priority and barely provides for its essential needs, ignoring its ability to earn foreign currency.

The situation deteriorates badly in 1986, despite the May appointment of Anthony Ehije Okpere as managing director. The government is forced to expend nearly \$96 million to keep its national carrier afloat during the year.

On July 24, a B-747-283BC is re-leased from **SAS (Scandinavian Airline System)**; christened *Spirit of Courage*, it reintroduces routes to London and New York.

While practicing touch-and-go landings at Ilorin on January 10, 1987, a DC-10-30 with nine crew overshoots the runway, crashes, and catches fire; although the wide-body must be written off, there are no fatalities.

Also during the first quarter, the carrier divides its international and domestic operations, flying the latter under the name **Air Nigeria, Ltd.** A DC-10-30 and an A310-222 are transferred to the new operation.

By April, the carrier's cumulative debt is an almost unbelievable \$116 billion. In September, the International Monetary Fund recommends the airline's privatization to the Nigerian government.

The company goes bankrupt and it lays off a third of its staff during the fourth quarter; international operations are now reduced as three A310-222s are under repair leaving only the one leased Boeing Jumbojet, an A310-222, and a DC-10-30 to carry the international and regional load. Unpaid for certain services, **Air India, Ltd.** attaches the A310-222 at Lagos, forcing payment of a bond several weeks later to secure its release. Nigeria begins legal action against the Asian major and suspends its operations to Lagos. The year's deficit is \$87 million and payments are stopped on foreign loans contracted prior to the current year.

Although plans are made to purchase seven Avions de Transport Regional ATR42s early in 1988, the company's continuing financial difficulties force the idea to be suspended. A \$350,000 deposit on the turbo-props must be forfeited.

Cost-cutting measures are put in place; the staff is cut and a number of unprofitable local and regional routes, including those to Cotonou, Dakar, Kinshasa, and Nairobi, are ended or transferred to **Okada Air, Ltd.** Okada does not want the unprofitable routes and sues to prevent their acquisition.

Meanwhile, relations with the French aircraft industry sour as the carrier is unable to meet its obligations to Airbus Industrie and Sogerma concerning the purchase and technical support of its A310 fleet. On June 30, the Scandinavian Jumbojet lease ends and the *Spirit of Courage* returns to Sweden.

A B-737-2F9A with 132 passengers makes a bad landing at Port Harcourt on October 15; although the aircraft is damaged, no serious injuries are reported.

At the end of the year, Nigerian President Gen. Ibrahim Babangida appoints a presidential task force under Air Vice Marshal Abdullah D. Bello to "straighten out Nigeria Airways."

Enplanements for the year total 994,072 (216,693 international) and freight traffic allows is up by 3.6% to 17.8 million FTKs. Accumulated losses through December 31 total the equivalent of \$250 million.

In April 1989, Nigeria begins to increase frequencies on the greatly reduced Lagos to London service and to maintain flights on to New York. Several of the unprofitable routes suspended the previous year are restarted, including those to Cotonou, Dakar, Kinshasa, and Nairobi.

In July, the airline is able to acquire, through loans from the Equator Bank, the last DC-10-30 to come off the production line; the aircraft is also the last to officially bear the famous "DC" designation first employed for the Douglas DC-1 in 1933. In order to resume flights to Lagos in November, the airline, in October, drops its legal action against **Air India, Ltd.** and waives the bond that had secured the French-made airliner's release.

By order of French courts, two A310-222s are seized in 1990 for default of payment. Also, the ATR42 order is cancelled. Following a change in the long-standing relationship with **KLM (Royal Dutch Airlines, N.V.)**, DC-10-30 technical support is now provided by **Sabena Belgian World Airlines, S.A.**

Statistics, available only for the first quarter, show enplanements up 9.2% (200,000) over the same period a year earlier. Freight, on the other hand, skyrockets 126.5% to 7 million FTKs. The Nigerian government's presidential task force introduces a new management structure with Air Vice Marshal Bello now managing director.

Airline employment stands at 6,600 in 1991 and the fleet now includes 4 A310-222s, 2 of which are out of service, 3 B-707-3F9Cs, 2 of which are out of service in France, 7 B-737-2F9As, and 1 owned and 1 leased DC-10-30. An order is outstanding for a McDonnell Douglas MD-11. The B-707-3F9C *Olumo Rock* continues to handle the carrier's all-freight contracts.

As the result of refinancing and improved relations between the airline and the Toulouse-based manufacturer of its jetliners, France releases the two A310-222s.

Traffic figures are reported for only one quarter and show bookings up 11.4% to 256,006 and cargo up 6.4% to 5.23 million FTKs.

Following dissolution of the presidential task force in April, former Information Minister Prince Tony Momoh is appointed the carrier's new chairman in May, with Capt. Mohammed Joji as managing director.

Two tires aboard Flight 2120, a DC-8-61 with 14 crew and 247 passengers leased from **Nationair Canada, Ltd.** en route on a Hadj flight from Jeddah to Sokoto on July 11, burst and catch fire. The fire spreads to the aircraft, which crashes and burns during an attempted emergency landing back at the point of origin. There are no survivors.

In August, it is reported that the airline is deep in debt to the three European airlines that provide its technical support: **Aer Lingus Irish Airlines, Ltd.** (\$7 million), **KLM (Royal Dutch Airlines, N.V.)** (\$3 million), and **Sabena (Belgian World Airlines, S.A.)** (\$11 million).

Passenger bookings for the first six months of 1992, which are all of the traffic statistics publicized this year, are up 29.5% to 350,371.

Still in deep financial trouble, 32% of the schedule is dropped, with service withdrawn to Conakry, Freetown, and Robertsfield. Nine aircraft are grounded.

Plans are announced in July for the company's privatization. Under the schedule, 80% of the company will be split between foreign and domestic investors, with the remaining 20% staying in government possession.

Financial difficulties continue for the carrier in 1993. By now the workforce has been cut to 4,516 and a number of unprofitable routes remain suspended. The fleet comprises 4 A310-222s, 2 of which are out of service in France, 7 B-737-2F9As, 1 of which is out of service, with another held in Brazil by **VARIG Brazilian Airlines (Viacao Area de Rio Grandense, S.A.)** due to nonpayment of a \$2.7-million account, and 1 owned and 1 chartered DC-10-30.

A chartered B-707F is withdrawn, even as the government advances the carrier almost \$70 million to settle maintenance invoices from European creditors. A large domestic network is maintained linking all 19 states. International flights are undertaken from Lagos to London, Rome, Amsterdam, New York, and Jeddah, from Kano to Amsterdam, London, Rome, and Jeddah, and from Port Harcourt to London.

In July, Managing Director Capt. Joji becomes chairman and is succeeded by Engineering Director Andrew Agom.

On October 25, an A310-222 with 153 aboard is hijacked by 4 pirates who demand to be flown to Frankfurt. The aircraft is forced to fly to neighboring Niger, where all but 59 hostages are released. Negotiations are undertaken with government authorities, during which the pirates demand democracy in Nigeria before they will surrender. Given that impossibility, security police storm the aircraft on October 28, capturing the lot. In the hail of gunfire, a crew member is killed.

Cost-cutting and route reduction activities continue apace in 1994. The Brazilians continue to hold the company's "Baby Boeing" while a payment dispute with **Sabena Belgian World Airlines, S.A.** in July holds up D-checks due at Brussels on a pair of A310-222s.

An A310-222 is seized at London (LHR) during the month for non-payment over the past year of £100,000 in landing fees and other costs; the British release the Airbus as soon as Nigeria pledges to pay the bill.

While en route from Jeddah on December 19, the B-707-3F9C *Olumo Rock*, with five crew, suffers smoke in its cabin. Having declared an emergency, the Stratofreighter is unable to make an emergency landing and crashes into marshland near Hadejia Town, Nigeria (three dead).

Operations at the financially strapped company limp along in 1995 as the company is banned from flying to the U.S. and U.K. Markets now visited include Abidjan, Abuja, Accra, Amsterdam, Calabar, Conakry, Cotonou, Douala, Enugu, Jeddah, Jos, Kaduna, Kano, Libreville, Lome, Makurdi, Port Harcourt, Rome, Sokoto, and Yola.

As a result of its continued poor showing, the airline is shaken up again during September, as the government replaces the entire management team. Although Capt. Joji retains his chairmanship, Group Capt. Peter N. Gana is appointed the new managing director. At the same time, Aviation Minister Air Commander Nsisak Edouk notes that the Nigeria Airports Authority and Federal Civil Aviation Authority will also merge.

Flight 357, a B-737-2F9A with 8 crew and 129 passengers departs Yola on November 13 on a service to Lagos via Jos and Kaduna. While landing at the intermediate stop at Kaduna, the little Boeing overruns the runway into dry grass, which catches fire. The aircraft is engulfed in flames and 9 passengers are killed before they can evacuate.

In 1996, the carrier reduces unprofitable services and cuts back on its workforce. In addition to its 4 A310-222s (those held in France having since been released), the fleet continues to operate B-737-2F9As on its domestic 12-point network.

One of the B-737-2F9As suffers a serious engine fire just after take-off from Kano on March 12; although no casualties are reported from the aborted flight, the Boeing is heavily damaged.

Flights are also undertaken to regional destinations, plus Jeddah, London (LHR), and Rome. Service to Amsterdam is suspended.

Services are continued in 1997 with just four aircraft. Application is made to the aviation departments of both the U.S. and U.K. for authority to mount a resumption of services. The British government lifts its ban.

In March, the government imposes a doubling of domestic airline fares in an effort to provide additional income without more state subsidy. Also in March, Air Commodore Peter Gana is succeeded as managing director by Operations Director Alhaji Jani Ibrahim.

Cooperation begins with **Cameroon Airlines, S.A.** on that carrier's service to Paris. In addition, plans are discussed with **Ghana Airways, Ltd.** concerning possible code-sharing on a Harare to Johannesburg service and for joint operations to New York once the U.S. ban is lifted.

Following the grounding of an unairworthy Nigerian-registered freighter at London (LHR) on May 15, the British Department of Transport bars Nigerian-registered aircraft from visiting the U.K. again until safety problems are resolved. The ban is imposed one day before Nigeria Airways is due to resume passenger flights to London.

In retaliation, the government of Nigeria requires that **British Airways, Ltd. (2)** halt its daily B-747-136 flights to Lagos and its thrice-weekly DC-10-30 service to Kano. The British line flies Nigeria-bound passengers to Accra in Ghana, from which they are able to make arrangement for air charter or ground transport into Nigeria.

Nigeria Airways has other problems, particularly a lack of capacity. As a result, **Bellview Airlines, Ltd.** begins twice-weekly contract replacement services on its behalf on June 20 from Lagos to Nairobi. Also on behalf of Nigeria Airways, a DC-10-30 is briefly chartered by **Bellview Airlines, Ltd.** to operate weekly roundtrip flights to Rio de Janeiro.

Nigeria Airways officials meet with their counterparts from **Virgin Atlantic Airways, Ltd.** on September 29 to explore the possibility of joint operations between Lagos and London. Britain has banned Nigerian operations into the U.K. because of safety concerns.

Simon Tumba reports in the November issue of *Airline Business* that the airline industry in Nigeria is on the verge of collapse, with only 10 aircraft from 8 carriers left to provide domestic services for 90 million people.

By October, **ADC Airlines, Ltd.** has only one operational B-727, while **Kabo Air, Ltd.** has two. **Bellview Airlines, Ltd.** can fly only one DC-9, with Nigeria Airways, Ltd. and several small operators fly the remaining six. All call upon the government to politically and financially guarantee a restructuring of the industry.

The government promises to end Nigeria Airways' international monopoly and accept applications from those wishing to fly to foreign points as a way of gaining hard currency. For example, **Bellview Airlines, Ltd.** is granted rights to Nairobi, Rio de Janeiro, and Bombay—but has no aircraft with which to visit those points. The Bellview DC-9-32 does, however, begin multistop replacement service to Bombay in November.

Having concluded a code-sharing agreement with **Bellview Airlines, Ltd.**, dual-designator service commences to Amsterdam in April 1998 employing a Nigeria Airways Airbus. It will now be reported that 172 million naira is lost on the joint, if short-lived, service.

After years of military rule and an annulled 1993 election, a free national election is held in Nigeria on February 27, 1999, with retired General Olusegun Obasanjo the victor. A return to democracy and representative government begins apace. Dr. (Mrs.) Kema Chikwe will become the new aviation minister.

Still hurting from the company's treatment by BA and U.K. regulators over service from Lagos to London, officials of Nigeria Airways on March 15, according to an article by Tony Egbulefu in *The News*, have entered into a new, and controversial, pact with **Virgin Atlantic Airways, Ltd.** Under terms of a memorandum of understanding signed between the two carriers (based on several years of discussions) and due to take effect in late April, a phased-in four-part arrangement between the companies lasting 15 years will eventually see profits—and losses—shared on a fifty-fifty basis. Virgin will use its good offices to help Nigeria in the employment of third parties to achieve resolution of its foreign debt problem. The document also calls for immediate termination of Nigeria's partnership with **British Airways, Ltd. (2)** and a replacement of BA's codes with its own on all of Nigeria's services, including the lucrative routes from Lagos to Johannesburg, Amman, and Dubai. Legal penalties for abrogation of the BA pact are significant.

Vice Admiral Okhai Akhigbe, the chief of the general staff, challenges Chris Aligbe, Nigeria Airways director of corporate information, on behalf of the National Association of Aircraft Pilots and Engineers. Aligbe informs the admiral and the press that no agreement, pact, or joint venture "has been contemplated or signed with Virgin Atlantic Airways." The denial leads to speculation that the new arrangement will be scrubbed. In fact, it is only suspended, as negotiations are reopened.

The company goes temporarily out of business on April 5 when its B-737-2F9A taxis into the airline's hangar in Ikeja, Lagos, for routine maintenance checks. The *Tempo* reviews the status of the fleet in print two days later. A B-737 marked 5N-AUB and a DC-10-30 marked 5N-ANN are both grounded in Jakarta, Indonesia, where they have been seized. The DC-10-30 4W KLM rots in Amsterdam, while the B0707s 5N ABK and 5N AND are grounded at the Irish cities of Dublin and Shannon, respectively. The A310-222 5N AUG, grounded in Brussels, has been sold by the Alhaji Jani Ibrahim-led management for \$500,000. Four other B-737s and three A310-222s remain grounded in Lagos.

Speculation is renewed during the second week of April that a strategic agreement will soon be signed with **Virgin Atlantic Airways, Ltd.** The airline's two major unions—pilots and the National Union of Air Transport Employees (NUATE)—oppose the pact. The workers see deterioration at the national airline and criticize its recent expenditure of N\$30 million to purchase properties in Marwa Gardens and a large number of new automobiles for managers. Pilots and flight attendants are upset by Clause 4.7 in the joint-venture agreement that forbids the use of Nigerian deck and cabin crew members.

Placard-carrying NUATE members picket Airways House on April 13 protesting the VAA development. The union members fear the loss of jobs should the British airline takeover management of their carrier.

Capt. Mohammed Joji, general secretary of the Airways Operators of Nigeria, sends a strongly worded five-page document to the national government on April 27 protesting the proposed commercial agreement between Nigeria Airways and **Virgin Atlantic Airways, Ltd.** The document warns the country's leaders not to allow Nigeria to be turned into a battlefield by VAA and competing **British Airways, Ltd. (2)**.

On the last day of the month, Lagos lawyer Femi Falana files suit at the Federal High Court on behalf of all of the dissatisfied parties seeking to have the agreement declared "illegal, unconstitutional, null and void" and to obtain a perpetual injunction to restrain Nigeria Airways from signing the document "in any manner whatsoever."

Reviewing the situation for the Lagos-based *The Times* on May 1, reporter Tunde Ojodun writes: "As things stand, NAL cannot unilaterally terminate the BA agreement without dire legal consequences. Neither can it sign the pact with Virgin without dire and financial results." The proposed commercial agreement has now become the media circus it was never meant to be.

The controversies surrounding the grounded fleet, salary arrears, possible inflated and fraudulent payments, and the **Virgin Atlantic Airways, Ltd.** compact will lead to a management change at the airline. Capt. Ibrahim is succeeded as managing director by Edmund Abayomi Jones.

As part of the partnership alliance with **British Airways, Ltd. (2)**, a new joint service between London (LHR) and Lagos begins on December 1. BA supplies a B-747-236B wearing a computer-generated "green wave" livery, pilots, and several of the cabin crew; a number of Nigerian flight attendants also serve. A six-year ban on flights to the U.S. due to lax security measures at Lagos Airport is listed during the month.

Enplanements on the year's 3,464 scheduled departures total 109,214. That passenger figure represents a 95% reduction from the 2 million annual boarding high point back in 1983; the departure figure is down 88% from the 28,627 of 1983.

Airline employment at the beginning of 2000 stands at 2,595. In keeping with the new government's efforts to root out corruption in state enterprises, a six-member Judicial Commission of Inquiry is established under Justice Obiora Bwazota (Ret.) in February to look into the activities of Nigeria Airways, Ltd. between 1980 and 1999.

Also during the first quarter, Nigeria Airways opens discussions with **Air France, British Airways, Ltd. (2), KLM (Royal Dutch Airlines, N.V.), Ghana Airways, Ltd., Deutsche Lufthansa, A.G., and Swissair, A.G.** in its search to find a partner willing to join it in flights to the U.S. A decision will be recommended to Aviation Minister Chikwe by a facilitation committee under the chairmanship of Engineer Zakari Haruna.

For the summer season that begins at the end of March, Nigeria makes a number of increases to its weekly domestic schedule from Lagos. Flights boosted include those to Port Harcourt (2 to 6), Abuja (10 to 16), Yola (2 to 3), Kaduna (2 to 3), Maiduguri (3 to 4), Yola (2 to 3), and Kano (2 to 3). Flights to Calabar and Sokoto will be flown weekly.

The Justice Obiora Bwazota Judicial Commission of Inquiry (JOB-JCI) begins public hearings at Abuja in April with plans to take evidence from some 60 witnesses, including onetime Minister of Transport and Aviation Lt. Gen. Jeremiah Useni (Ret.) and the airline's former managing director, Maj. Gen. Olu Bajowa (Ret.). Later plans call for another 65 witnesses to be examined in Lagos hearings.

Turning over hundreds of documents, former Director of Finance Mrs. Abosede Olutayo Oluwe testifies twice before the Commission at the end of April. Citing dates and instances during her tenure, she reports that in 17 years, the company may have lost 423 million naira due to improper bookkeeping and another 200 million naira through misappropriation. In 1997 alone she reports, approximately 180 million naira was paid out to various creditors without vouchers, with another 361 million naira paid to outstations with no receipts kept.

In testimony at the beginning of May, former Managing Director Air Commodore Peter Gana (Ret.) reveals that a number of staff had colluded with an insurance company, both in Nigeria and abroad, to swindle the airline through inflated insurance premiums. In 1996, for example, Nigeria Airways paid 22 million naira in premiums, a 20% increase over the 2% figure paid earlier.

Former Managing Director Ibrahim gives testimony before the Commission in mid-May. Among his more startling revelations is the story of the woman "Nita" employed by the carrier as a sales agent in New York during his days as operations director. It was her practice for some years to charge customers 150–200 naira above the posted airfare for every ticket sold on the New York to London route and pocket the difference. When Aviation Minister Tony Graham-Douglas canceled her contract, the woman, apparently highly connected in the Nigerian government, sued the airline. The case, according to Ibrahim, was later withdrawn and settled out of court after Nigerian Airways agreed to pay damages.

The onetime managing director confirms earlier reports that the Fidelity and Insurance Brokers concern had, indeed, clandestinely won the insurance accounts of NAL and thereafter tripled the premium price.

A two-day strike by airport workers protesting higher petroleum prices begins on June 8, forcing cancellation of all company services from Lagos Airport. The deadline for proposals for a joint venture between Lagos and New York closes on June 30.

In June, the carrier enters into discussions with the new **Albark Airlines, Ltd.** concerning the possibility of joint service to New York, once the U.S. FAA gives clearance. Clearance for a resumption of service to the U.S. is received from Washington, D. C. the following month.

AirlinersOnline.Com reports on July 12 that the airline is down to just three aircraft in operating condition and that the Nigerian government has received a consultant's recommendation that the company be liquidated. DC-10-30 twice-weekly return service to Dubai is resumed on July 16 after the wide-body's engines have been refurbished.

On July 21, Nigerian Aviation Minister Chikwe announces that the flag carrier will join with **South African Airways (Pty.), Ltd.** on the launch of flights to New York (JFK) on August 15. SAA has won the bid over **Ghana Airways, Ltd.** by also agreeing to help the Nigerians refurbish their grounded B-737-200 fleet.

On August 8, the carrier formally signs a contract with **South African Airways (Pty.), Ltd.** under which it agrees to resume New York service on behalf of the Lagos-based flag carrier. Under the pact, SAA will provide a Jumbojet with seating for 330 passengers, out of which 109 are assigned to the Nigerians.

Under contract, a SAA B-747-344 undertakes a promotional flight, code-shared with **Delta Air Lines**, on behalf of Nigeria Airways on August 15 between Lagos and New York (JFK). Aboard are SAA Chairman Behki Sibiyi and President/CEO Coleman Andrews; Engineer Zakari Haruna, representing the Nigerian Minister of Aviation; Nigeria Airways CEO Edmund Abayomi Jones; chairmen of the Nigerian House and Senate aviation committees; seven journalists; and a full complement of executives from the two airlines, plus travel agents. Five more such roundtrips will be operated by the end of October.

The JOB-JCI resumes its public hearings at Court Four of the Ikeja High Court at Lagos on August 23. Among the 65 people giving testimony are Sen. Jim Nwobodo; the chief executives of NAL Insurance, Nicon Insurance Corporation, Alliance and General Insurance, and Fidelity and Insurance Brokers; former Aviation Ministers Capt. Benoi Briggs and RAdm. Patrick Koshoni (Ret.); former Managing Director

Ibrahim; Director General of the Bureau of Public Enterprises Alhaji Mohammed El-Rufai; and the Nigeria Airways general managers at Jeddah, Maiduguri, and Jos.

Following a four-year interruption, a Nigerian Airways DC-10-30 resumes weekly Lagos to London (LHR) return service on September 5 in association with **British Airways, Ltd. (2)**. The B-747 committed to the joint venture between the two airlines is now withdrawn and replaced with a B-777-236ER.

The next day, tempers flare at the JOBJCI hearings when former Managing Director Ibrahim deflects a question as to how a huge sum of 405 million naira was paid out by NAL between April and June 1999 with vouchers raised for just 22 million naira of that amount. He also refuses to justify his failure to change acquisition procedures at the NAL engineering division, even after it was revealed that its director and his deputies were acquiring, storing, using, and losing aircraft parts without any records. The director, he suggests, was incompetent but forthright; without experience, he was simply unable to cope with the management of people possibly engaged in outright fraud.

Upon hearing these comments and deeming them inadequate, Chairman Justice Nwazota faces the former airline leader and bluntly, according to the September 7 issue of the Lagos *Vanguard Daily*, informs him: "Alhaji Jani, by now, you should know that the game is up! All these lapses we have been pointing your attention to were robust avenues for perpetration of big time fraud."

It is not Ibrahim, however, who is indicated for wrongdoing, but his predecessor, Air Commodore Gana (Ret.) On September 25, the JOBJCI accuses the former managing director of wrecking NAL to the tune of 4.5 billion naira during his 18-month tenure in 1995–1997. Found particularly unacceptable were his failed or grossly inflated contract awards to banks and aircraft repair companies, for which he had blamed deputies during his testimony. Asked to comment on this damnation of his stewardship, Gana informs the Lagos *This Day* simply: "I did my best."

British Airways, Ltd. (2) Chairman Lord Marshall visits Nigeria on October 26 to discuss future partnership activities between his carrier and NAL. On October 27, the joint-venture document with BA is renewed for another year; two days later, BA places a B-777-236 on its London to Lagos.

For the New York charter frequencies due to be turned into thrice-weekly scheduled roundtrips on October 31, SAA has painted a Jumbojet in a special joint color scheme. Before the service can be launched, however, there is a dispute over the number of seats Nigeria Airways will be allowed to sell under the August agreement. The impasse forces the start-up to be put on hold.

On November 5, arrangements are completed for the charter of a DC-10-30 from **Ghana Airways, Ltd.** for the period from late December into April. The timeframe will cover Christian and Muslim pilgrimages to the Mideast for Christmas and Hadj observances.

The process of privatization is reported on November 10. The government is prepared to sell off 90% of the carrier, including 10% to workers, 20% to interested Nigerians, 20% to institutional investors, and 40% to foreign investors, including airlines. It is further noted that **British Airways, Ltd. (2)**, **KLM (Royal Dutch Airlines, N.V.)**, **Singapore Airlines, Ltd.**, **Virgin Atlantic Airways, Ltd.**, and **South African Airways (Pty.), Ltd.** have all expressed an interest in placing bids.

Nigerian Aviation Minister Chikwe personally works to make certain that the arrangement with the South Africans does not collapse; after diplomatic intervention, the dispute with **South African Airways (Pty.), Ltd.** is settled on November 11. The same day, it is reported that the joint flights to the U.S. will takeoff in December; they will not, in fact, begin until February 21.

A B-727-2H9A is wet-leased from **JAT Yugoslav Airlines** on November 13. The dispute with **South African Airways (Pty.), Ltd.** is settled on the same day.

Reuters, Ltd. reports on November 16 that the Nigerian Civil Aviation Authority has removed more than 450 unsafe aircraft from the national

register of licensed planes. Most, including 10 previously operated by Nigeria Airways, were abandoned at various airports in different, but acute, states of disrepair. The Nigeria Airways aircraft include five B-737-2F9As and five A310-222s.

Recommendations of a World Bank-sponsored study of the airline by the International Finance Corporation are accepted in December, including the replacement of Nigeria Airways with a new national flag carrier. The government, after reviewing the report, indicates that it will move forward with its current privatization plans seeking tenders for a "clean slate" new entrant. If all goes as scheduled, the process of finding new ownership will be completed by June, at which point all licenses, aircraft, staff, and facilities will be turned over to a new national airline, probably with a new moniker.

The report will be released to the News Agency of Nigeria on February 28 and show the airline to be technically insolvent with a trade debt of \$67 million.

NIGERIAN AIR SERVICES, LTD.: Nigeria (1946–1947). NASL is set up at Lagos in 1946 under order of the West African colonial government. A contract is entered into with **British Overseas Airways Corporation (BOAC)** to provide twice-weekly Douglas DC-3 roundtrips linking the capital city with Jos, Kano, and Port Harcourt.

The newly formed **West African Airways Corporation** assumes authority for the Lagos to Kano service in October 1947. When its contract ends in December, BOAC turns over responsibility for the Jos and Port Harcourt routes as well.

NIGHT EXPRESS (LUFTVERKEHRSGESELLSCHAFT, mbH.): Building 511, Room 3056, Frankfurt Airport, Frankfurt, D-60549, Germany; Phone 49 (0) 69 690 45751; Fax 49 (0) 69 690 22101; <http://www.london-luton.com/cargo/nightexpress/nexpress.htm>; Code EXT; Year Founded 1984. Night Express, sister carrier to **Night Express, Ltd.**, is founded at Frankfurt in 1984 to provide express services to a number of domestic destinations. Revenue operations, coordinated with the British company, are started and continued by one each Beech 99 and Beech King Air 90.

The King Air is withdrawn in 1993 and in 1994 is replaced by another Beech 99. "just-in-time" charter flights are now introduced.

Revenue flights continue in 1995–1998. During these years, a Cessna 208 Caravan I is acquired and the companies also operate nightly cargo flights (except Saturdays) on their "home" route Frankfurt–London (CTN)–Frankfurt.

Airline employment at the beginning of 2000 totals 12, 10 of whom are flightcrew.

NIGHT EXPRESS, LTD.: Hangar 129, Room 14, Prince Way, London Luton Airport, Luton, England, LU2 9PD, United Kingdom; Phone 44 (0) 1582 738585; Fax 44 (0) 1582 738588; <http://www.london-luton.com/cargo/nightexpress/nexpress.htm>; Year Founded 1984. Night Express, Ltd., sister carrier to **Night Express (Luftverkehrsgesellschaft, mbH.)**, is established at London's Luton Airport in 1984 to operate scheduled and contract freight flights from England into Northwest Europe. Regular nightly express cargo flights, closely coordinated with the German partner, are made to Dublin, Brussels, and Frankfurt with a Piper PA-31-350 Navajo Chieftain and two Beech 99s.

"Just-in-time" cargo charters are introduced during the early 1990s and the fleet is increased by the addition of a Cessna 208 Caravan I. Nightly cargo flights (except Saturdays) continue on the two carrier's "home" route of London (CTN)–Frankfurt–London (CTN).

NIHON KINKYORI AIRWAYS COMPANY, LTD. (NKK) (JAPANESE SHORTHHAUL AIRWAYS COMPANY, LTD.): Japan (1974–1987). The Japanese Shorthaul Airways Company, Ltd. is founded at Tokyo in 1974 to provide scheduled commuter services to destinations in northern, central, and southwestern Japan. Shareholders include **Japan Air**

Lines Company, Ltd., All-Nippon Airways Company, Ltd. (ANA), and Toa Domestic Airlines, Ltd. The fleet grows to include 8 Nihon YS-11As, 2 de Havilland Canada DHC-6-300 Twin Otters, and by 1982, a single Boeing 737-200. Destinations, many of which are replacement flights for ANA, include Fukue, Fukuoka, Hakodate, Iki, Kagoshima, Miyake Jima, Monbetsu, Nagasaki, Nemuro, Nakashibetsu, Okushiri, Oshima, Rashiri, Rebun, Sapporo, Tokyo, and Wakkanai.

Enplanements in 1982 (fiscal year ending on March 31, 1983) total 798,000.

While on final approach to Sapporo on March 11, 1983, a YS-11A-208 with 6 crew and 47 passengers lands 100 m. short of the runway in 40-cm. deep snow, breaking up; there are no fatalities.

Passenger boardings for the year climb to 926,620.

Passenger boardings average just over a million by the middle 1980s. The fleet is upgraded by the addition of three B-727-200s and in April 1987, the carrier is renamed **Air Nippon Company, Ltd.**

NIHON KOKU KABUSHIKI KAISHA (NKKK). See **JAPAN AIR TRANSPORT COMPANY, LTD.**

NIHON KOKU YUSO KABUSHIKI KAISHA (NKYKK). See **JAPAN AIR TRANSPORT COMPANY, LTD.**

NIHON SANGYO AIRWAYS, LTD. (JAPAN INDUSTRY AERO SERVICE, LTD.): Japan (1983–1987). Founded at Osaka on December 25, 1967, Japan Industry Aero Service, Ltd. commences nonscheduled flights on April 1, 1968. From Yao Airport, the company builds up a nationwide network of passenger and cargo charter and contract service destinations.

By the end of the 1970s, the fleet comprises 13 Cessna 172s, 5 Cessna 150s, 1 Cessna 206, 1 Cessna 207, and 1 Beech Bonanza. Early in 1983, the 70-employee firm elects to begin scheduled passenger commuter service linking its base with Nanki Shirahama on the island of Honshu. Two Cessna 402s are acquired to undertake the route, which is maintained until 1987.

NIHON SANGYO KOKU COMPANY, LTD. See **NIHON SANGYO AIRWAYS, LTD. (JAPAN INDUSTRY AERO SERVICE, LTD.)**

NIHON YURAN HIKO (JAPAN SIGHTSEEING FLYING COMPANY, LTD.). See **FUJITA AIRLINES COMPANY, LTD.**

NIKOLAEVSK-NA-AMUR AIR ENTERPRISE: Russia (1992–2001). The former **Aeroflot Soviet Airlines** Nikolavsk-na-Amure division is reformed into a joint stock company in 1992. Under the direction of Comdr. Valeri Domatov, the company restarts scheduled and charter domestic passenger and cargo flights around its region with a fleet of 9 Let L-410s and 4 Yakovlev Yak-40s.

Service is silently maintained over the remainder of the decade and into the new millennium. During these years, the fleet is changed to include 6 L-410UVPs, 2 L-410-UVP-Es, and the 4 Yak-40s.

This carrier will be merged into Dalavia on April 1, 2001. On May 4, the two will be joined with Vostok Airlines, effective August 1, to form **Khabarovskavia**.

NILE DELTA AIR SERVICE, LTD.: Egypt (1976–1986). NDAS is established at Cairo in 1976 as an affiliate of the French rotary-wing operator **Heli-Union, S.A.** Two Douglas DC-3s are acquired and beginning in the spring of 1977, are employed to fly passenger and contract cargo services in support of the national energy industry.

One of the two DC-3s with seven passengers crashes into the Mediterranean on November 5, 1978; there are no survivors. It is replaced with a Fokker F.27-100.

Operations continue apace thereafter and without incident until the carrier shuts its doors in 1986.

NILE VALLEY AVIATION, LTD.: Egypt (1977–1987). The first indigenous Egyptian concern to be licensed to offer air transport during the past 20 years, NVA is set up at Cairo in 1977. For the next 10 years, the company offers charter passenger and contract service flights with 4 Partenavia P.68s.

NIPPON CARGO AIRLINES COMPANY, LTD. (NCA): 14F Shiroyama JT Mori Building, 4-3-1 Toranomon, Minato-ku, Tokyo, 105, Japan; Phone 81 (3) 5401 4500; Fax 81 (3) 5401 4807; <http://www.ananet.or.jp/nca>; Code KZ; Year Founded 1978. Once known as **Nippon Air Cargo Company, Ltd.**, NCA is formed at Tokyo on September 21, 1978. Ownership is divided between **All-Nippon Airways Company, Ltd. (ANA)** and four shipping lines: Kawasaki Kisen Kaisha (K Lines), Mitsui OSK Lines, Nippon Yusen Kabushiki Kaisha (NYK Line), and Yamashita-Shinnihon Steamship Company (YS Lines). One-time Ministry of Transport head and YS Lines Chairman Takeo Hori becomes chairman, with Hisayoshi Terai as executive vice president. An application for scheduled all-cargo certification is made to the government on November 16.

Action on the requested permits is not forthcoming until early in the 1980s, when the cargo carrier wins backing from the Keidandren, a group of important Japanese economic associations. This confederation pushes the airline's case.

Japanese government permits are finally awarded in August 1983 and in November, much to the chagrin of **Japan Air Lines Company, Ltd. (2)**, NCA is designated the nation's second cargo carrier to the U.S.

After these political successes, the all-cargo enterprise applies to the U.S. CAB in early 1984 for scheduled authority to operate freighter flights to the U.S. At this point, the company becomes the flash point for bilateral government-to-government air negotiations, later known as "open skies," which, even after initial resolution, will flare again just over a decade later. The first of two \$100 million (each) Boeing 747-281F freighters ordered for transpacific service is acquired from a leasing firm on December 13. Without U.S. permission in hand, it must be parked.

ANA supplies the second cargo-hauler on February 28, 1985; it, too, is parked at Tokyo (NRT) incurring daily maintenance costs.

After marathon talks, studies, presentations, and representations, by bureaus, airlines, organizations, and individuals, an agreement is finally signed between the U.S. and Japan on May 1. Disputes between the corporate parties are settled and both nations are, by terms of the pact, allowed to nominate up to three new carriers to fly the Pacific. In addition to **Japan Air Lines Company, Ltd. (2)**, the Japanese government appoints ANA and Nippon Cargo to join in the over-ocean competition.

Six-times-per-week scheduled services to open from Tokyo (NRT) to New York (JFK) via San Francisco on May 8. A third B-747-281F arrives on October 15.

Beginning on April 1, 1986, the company is allowed to increase its frequencies each year by a percentage equal to the percentage increase in total air cargo traffic between Japan and America in the preceding calendar year. Thus, early in the year, services over the New York route grow to eight per week.

In October 1987, company officials report that 537 million FTKs have been flown since January, up 61.8% from a year earlier. Weekly B-747-281F scheduled return services are inaugurated on October 5 between Tokyo (NRT) and Singapore. Over the next seven years, the carrier adds additional destinations to its route network, including Amsterdam, Anchorage, Bangkok, Chicago, Hong Kong, Los Angeles, Milan, Nagoya, and Seoul. Occasional charters are also flown.

The 481-employee continues to operate apace in 1988, with a fleet doubled in number to two owned and two chartered B-747-281Fs, with the arrival of the fourth Jumbojet freighter on January 27. Weekly B-747-281F flights are inaugurated in cooperation with **KLM (Royal Dutch Airlines, N.V.)** from Tokyo to Amsterdam on June 7.

The company makes history in the fall when it delivers the first ever approved-before-arrival customs releases on a U.S.-bound international

shipment to an airfreight broker and bonded warehouse 10 hours before the actual cargo arrives. Developed by the Port Authority of New York and New Jersey, the automated system is known as Air Cargo Fast Flow.

Weekly all-cargo service is inaugurated in November 1989 between Tokyo and Bangkok.

Traffic figures are released for the first 9 months of the year and show that cargo has risen 18.3% over the same period a year earlier, to 619.56 million FTKs.

Company employment is increased by 10.6% in 1990 to 532. All-cargo services from Tokyo to Bangkok are initiated in January and a new air cargo terminal is completed at Chicago in the fall. Four-times-per-week Tokyo (NRT) to Chicago (ORD) freight flights commence in October and a fifth B-747-281F joins the fleet in November. Los Angeles is added to the route network from Tokyo to New York via San Francisco in December.

For the year, freight traffic climbs to 773.57 million FTKs. Income exceeds expenses and there are profits: \$11.16 million (operating) and \$17.7 million (net).

Company employment is increased by 5.3% in 1991 to 576 and the fleet now includes 2 owned and 3 leased B-747-281Fs. Employing the newest Jumbo freighter, the company begins thrice-weekly all-cargo service in March from Tokyo to Chicago. A thrice-weekly Los Angeles to Tokyo all-cargo route is opened in May, along with one from San Francisco. When the last B-747-281F is delivered in December, it marks the end of Boeing's 21-year production run of Dash-200s, of which 393 are built.

Cargo accelerates 4.5% to 985 million FTKs. Revenues increase 16.3% to \$349.8 million; however, with costs up, operating profit declines to \$4.88 million. Net profit plunges all the way to \$180,000.

In 1992, Chairman Takeo Hori's employee population is increased by 15.1% to 665 and his fleet now includes 6 B-747-281Fs, 4 of which are leased.

Statistics are provided during the first 7 months and show freight traffic up a minor 0.1% to 604.54 million FTKs.

The payroll grows by 1.9% in 1993 to 678 and in January a twice-weekly joint freight operation with **Alitalia, S.p.A.** commences over a route from Tokyo (NRT) via Amsterdam to Milan.

Cargo increases a welcome 14.8% to 1.27 billion FTKs. A net loss of \$681.1 million comes on top of an operating gain of \$43.8 million.

The loss leads to a new cost-cutting program, introduced in February 1994, designed to save upwards of \$22.9 million per year. Under its terms, aircraft-lease-rate reductions are to be negotiated, some aircraft will be retired, and cooperation with ANA will be increased. During the year, the workforce is reduced by 5.4% to 615; however, a joint agreement is initiated with **KLM (Royal Dutch Airlines, N.V.)** that provides for joint freight operation over a route from Tokyo (NRT) to Amsterdam.

A new warehouse is opened at New York (JFK) and twice-weekly return cargo flights begin from Tokyo (NRT) and Osaka (KIX) to Kuala Lumpur in October. Both new services also visit Bangkok and Singapore. Work is begun on a new Los Angeles cargo facility.

Freight traffic rises 12.6% to 1.45 billion ton kilometers and revenues accelerate 6.9% to \$394.3 million. Although a \$60.5-million operating profit is reported, there is a net downturn of \$48.5 million.

Airline employment grows by 8.9% during 1995 to 670. The Los Angeles (LAX) facility is completed and cargo carriage increased to 1.57 billion FTKs.

Up one year and down the next, the workforce is reduced by 25.2% in 1996 to 501 and the fleet now includes 6 B-747-281Fs, 4 of which are leased, plus 1 B-747SR-81F.

In February, a basic agreement is reached with **UPS (United Parcel Service)** concerning distribution possibilities. As NCA works with cargo and UPS with parcels, their operations do not directly cross. However, NCA will, under the agreement, be able to employ the UPS U.S. domestic trucking network to provide a direct delivery service.

After several years of sometimes-bitter negotiations between Japan and the U.S., a new cargo agreement is signed between the governments

of those two nations on April 16. Under its terms, NCA is allowed 18 additional weekly frequencies to the U.S. as well as 3 new destinations.

Designed to help them both fill capacity on eastbound transpacific freighters, Nippon and **Northwest Airlines** sign an interline agreement on June 1. Under its terms, each carrier, which now operates two weekly B-747-281F flights between Osaka (KIX) and Chicago (ORD), will have access to the other's two flights on the same routes. The arrangement is similar to an earlier interline agreement that the two have between Tokyo (NRT) and the airports in Seoul, Taipei, and Singapore.

An agreement is also reached with **KLM (Royal Dutch Airlines, N.V.)** during the first week of June for a joint-cargo B-747Fs service between Osaka and Chicago. In October, six-times-a-week code-sharing flights commence from Osaka via Taipei to Los Angeles with **UPS (United Parcel Service)**. UPS had been awarded the route in April at the conclusion of bilateral talks between Japan and the U.S. Nippon is guaranteed four maindeck pallet positions on the UPS B-767-34AFER.

A total of 1.61 billion FTKs are operated, a 3.5% increase. Revenues total \$489.8 million.

Destinations visited in 1997 include Amsterdam, Anchorage, Bangkok, Chicago, Hong Kong, Los Angeles, Milan, Nagoya, New York, San Francisco, Seoul, and Singapore. Flights to Manila begin in early March.

During the spring, the carrier begins to transport large volumes of salmon from Chile to Japan, even though Nippon does not serve the South American country. The fish are brought to Los Angeles (LAX) by **Lan Chile Airlines, S.A.** and **Fast Air Chile, S.A.** and transshipped.

An eighth B-747F joins the fleet during the summer.

A third B-747-281F roundtrip is begun on September 12 between Osaka and Kuala Lumpur. A total of 1.81 billion FTKs are flown on the year and income is boosted to \$528.1 million.

At the beginning of 1998, Nippon Cargo is the 19th largest airline in the world, in terms of freight carried. The fleet now includes 1 each B-747-100SRF and B-747-200SF plus 6 B-747-200Fs. Cargo traffic accelerates by 5.7% this year, with 1.96 billion FTKs operated.

Airline employment stands at 630 at the beginning of 1999. Freight traffic for the year jumps 12.9% to 2,215,933,000 FTKs.

Among the world's top 25 airlines in 2000, Nippon Cargo ranks 17th in FTKs. The B-747 fleet now includes 1 each Dash 3D3BF and Dash-81BF and 7 Dash-281Fs.

NIPPON KOKU YUSO KENKYUJO (NKYK) (JAPAN AIR TRANSPORT RESEARCH INSTITUTE): Japan (1922-1938).

Japan's first airline of substance is founded by Choichi Inouye at Sakai City, near Osaka, on June 4, 1922. With capitalization of ¥ 500,000 provided by the Itoh Flying School and interested investors, the new concern purchases 10 ex-Imperial Navy Yokosho (Aichi) AB-4 floatplanes. On November 15, the company inaugurates the nation's first regular air service from Sakai City to the Shikoku island community of Tokushima, by way of Wakayama on Honshu. The fare is ¥ 5 one-way. The Japanese government, wishing a successful experiment, commits to an ¥ 8,000 annual subsidy.

During the spring of 1923, a weekly roundtrip route is extended via Tokushima to Imabari. Demand is such that frequencies are increased to thrice weekly. During the first full year of service, which is celebrated on June 4, it can only be shown that a total of 27 passengers have been flown and just over 1,000 kilograms of cargo transported. Most customers have been wealthy citizens seeking easy transport to holiday destinations along the northern coast of Shikoku.

Despite earthquakes and typhoons (the one on March 25, 1925 destroys the company's Sakai City hangar), services will continue and expand. Once the hangar is rebuilt, frequencies between Osaka and Imabari become daily on May 20. In early May 1926, a new route is started to Oita on the island of Kyushu with a Supermarine Southampton flying boat imported from the U.K.

Two float-equipped Junkers F-13s are imported from Germany in January 1928 and will be employed in July to inaugurate the company's

first regularly scheduled services. Flights to Matsuyama commence in 1929.

The fleet is increased through the 1930s and comes to include not only the Southampton and Junkers, but 10 Hansa Brandenburgs, a Savio Marchetti S.62, and various Aichi products. Service is inaugurated to Shirahama and Beppu in 1937.

NISHI NIHON AIRWAYS COMPANY, LTD.: Ohnishi Building 4-7-11, Tenjin, Chuo-ku, Fukuoka, 810, Japan; Phone 81 (92) 761-6257; Fax 81 (92) 711-7628; Year Founded 1954. Nishi Nihon is established at Fukuoka in 1954 to offer charter and contract service flights with a mixed fixed-wing and rotary-wing fleet. By 1985, the company operates 2 Cessna 206 Stationaires and several Kawasaki Bell 47Gs, Aerospatiale AS-350 Ecureuils, and an AS-360C Dauphin.

The nonscheduled concern continues to grow over the next 15 years. In 2000, a total of 17 full-time pilots are employed. The helicopter fleet now includes 5 AS-350B Ecureuils, 1 Dauphin, 2 Bell 204s, 4 Bell 206B JetRangers, 4 Kawasaki Bell 47Gs, 4 Aerospatiale SA-315 Lamas, and 6 Hughes HU-369HS. A Cessna 172 Skyhawk and two Cessna TU-206A Turbo Stationaires are also flown.

NITLYN AIRWAYS: United States (1979–1980). NA is set up at Shirley, New York, in 1979 to offer scheduled air taxi flights to Westhampton and New York (JFK). Although daily Piper PA-31-350 Navajo Chieftain roundtrips are duly inaugurated, they cannot be maintained beyond 1980.

NITTO AVIATION COMPANY, LTD.: Japan (1952–1964). Nitto is formed by Tadashi Fujimoto at Osaka on July 4, 1952 to provide air taxi and charter services over regional routes with small aircraft. Backing is provided by the Sankei newspaper. Two years later, on December 23, 1954, and with backing from Japan Air Lines Company, Ltd. (2), the carrier commences scheduled de Havilland Canada DHC-3 Otter services to Nagoya and various destinations on Shikoku Island. Operations continue apace in 1955–1958.

Late in 1959 and early in 1960, two Grumman G-73 Mallards are purchased from General Motors. In June, scheduled service is started to Kushimoto and Shima, connecting to Nagoya.

A third Mallard follows these into service during 1961, followed by two more in 1962. Plans are made to initiate Convair CV-240 services to Kochi from Osaka and Nagoya. Two crashes will defeat that goal, even though an airliner is acquired and painted in company livery.

An Otter goes down at Awaji-Oshima in May 1963 (nine dead). One of the Mallards is wrecked near Osaka on February 18, 1964; there are no survivors. On April 25, almost a decade after its founding, Nitto is one of three companies merged to form Japan Domestic Airlines Company, Ltd.

NIZHEGORAD AIR LINES (NIZHEGORODSKY AK). See NIZHEGORAD AIRLINES (NIZHEGORODSKIIE AVIALINII)

NIZHEGORAD AIRLINES (NIZHEGORODSKIIE AVIALINII): Nizhni Novgorod Airport, Nizhni Novgorod, Privolzhsky Zone, 603056, Russia; Phone 7 (8312) 541 141; Fax 7 (8312) 547 122; Code NGL; Year Founded 1994. With shareholding divided between the state (38%), employees (40%), and private investors (22%), Nizhegorad is established at Nizhni Novgorod Airport in 1994 to offer regional and domestic scheduled and charter services. Commander Nikolai Moshkov oversees the flights of 29 Antonov An-2s, 5 An-24Bs, 1 An-26, 6 Tupolev Tu-134s, and 8 Tu-154A/Bs. Enplanements total 262,338.

There is no change in the fleet during 1995. Passenger boardings inch up 0.2% to 262,900 but freight traffic declines by 26% to 2.42 million FTKs.

Although flights continue 1996–1998, business suffers a downturn, due largely to the Russian currency crisis that begins in August of the latter year. By the end of this period, only nine aircraft remain opera-

tional. The company declares bankruptcy on February 21, 1999. Three days later, receivers are appointed for the concern, which begins court ordered restructuring. During the spring, two An-24Bs are leased to Royal Phnom Penh Airways Company, Ltd., which is being established by Prince Norodom Chakrapong. A complement of Russian pilots and flight engineers from the carrier are seconded to the new Cambodian carrier.

NGL continues flights with three An-24Bs, while attempting to reorganize.

Airline employment stands at 870 at the beginning of 2000. Two routes are operated, one each to Moscow and St. Petersburg, and an An-24B is chartered from Saransk State Aviation Enterprise.

On March 17, the media reports that despite government support, the airline faces total collapse. Flights continue into the spring and summer, without further headline. Russian newspapers reveal on August 22 that efforts to create a debt-restructuring package between the airline and its creditors have begun, but by August 31 there has been no final action. The company is able to conclude a restructuring agreement on September 7 and narrowly escapes closing down after an eleventh hour agreement with creditors.

On December 1, the airline's trade union informs federal authorities in the Nizhni Novgorod region that they will be going on strike in 4 days unless their 100 pilots and mechanics are paid salary arrears and are given a 200% wage boost. A committee of management, union, and employees is formed to review employee demands.

Last minute talks between labor and management result in a temporary agreement between the parties on December 5, just minutes before the first flight of the day would have been cancelled by a job action. The carrier agrees to give its staff a 40% wage increase. Other differences concerning working conditions that have come to light will need to be talked through before the arrival of the new strike date, January 15.

On December 20, the company joins with BAL Bashkiri Airlines (Bashkirskie Avialinii Aviakompaniya), Samara Airlines (Samara Avialinii), and Saravia (Saranskiye Avialinii) to form a joint marketing agreement designed to keep open the air routes in the Volga Federal District. The plan is similar to one announced in Moscow earlier in the month by Domodedovo Airlines, Chelai-Chelyabinsk Airlines (Chelyabinsk Chief Aviation Enterprise), Kras Air (Krasnoyarsk Avialinii), and Avia Express Cruise. Details concerning possible joint schedules, tariff adjustments, and fleet combinations are not provided to the media.

NIZHIVARTOVSK UNITED AIR DETACHMENT (NIZHIVARTOVSKII OAO): Nizhnivartovsk Airport, Nizhnivartovsk, 626440, Russia; Phone 7 (3466) 34480; Year Founded 1994. Established at Nizhnivartovsk Airport in 1994, NUAD launches nonscheduled, often ad hoc, charter passenger and cargo flights, air taxi, air ambulance, energy and communications support, and agricultural work under the leadership of General Director Comdr. Vladimir G. Pysenok. The fleet includes an unspecified number of fixed-wing Antonov An-2 biplanes, plus a large rotary-wing fleet of Mil Mi-6s, Mil Mi-8s, and Mil Mi-26s, as well as Kaman Ka-32s.

Flights continue in 1995–2000, during which years the fleet is rationalized to include 4 An-2s, 34 Mi-8s, 4 Mi-6s, and 3 Mi-26s.

NIZHNY NOVGOROD AIRLINES. See NIZHEGORAD AIRLINES (NIZHEGORODSKIIE AVIALINII)

NLM CITYHOPPER (NEDERLANDSE LUCHTVAART MAATSCHAPPIJ, B.V.): Netherlands (1966–1988). NLM Cityhopper is organized at Amsterdam's Schiphol Airport in early 1966 as NLM Dutch Airlines, B.V., a wholly owned subsidiary of the state carrier KLM (Royal Dutch Airlines, N.V.), to take over domestic services. Employing Fokker F.27s leased from the Dutch Air Force, the carrier inaugurates scheduled operations on August 29 linking the company's base with Enschede, Groningen, Eindhoven, and Maastricht.

By 1973, the fleet includes 6 Fokkers and enplanements are 130,950. In 1974, the company inaugurates regional flights with a service between Eindhoven and Hamburg. The employee population numbers 8 and passenger boardings increase to 150,000. Service to Rotterdam is added in 1975.

In 1976, the company name is changed to NLM Cityhopper, B.V. and the first 2 Fokker F.28 jetliners are acquired, joining the fleet's 6 F.27s. International destinations visited in 1978–1979 include Bremen, Dusseldorf, Antwerp, Brussels, Birmingham, the Channel Islands, London (LHR and LGW), and Paris (CDG). President Henk S. Jonker oversees a workforce of 85 as 2 more F.28s arrive and orders are placed for 3 F.27-500s. Enplanements during the latter year total 382,000.

Flights continue without incident in 1980. En route to Eindhoven on the first leg of a flight to Hamburg from Rotterdam on October 6, 1981, Flight 431, an F.28-4000 with 4 crew and 13 passengers, is caught in a tornado. The force of the winds cause the right wing to separate and the plane crashes near Moerdijk; there are no survivors.

During 1982–1984, NLM undertakes replacement services for KLM and adds markets at Belfast, Dusseldorf, East Berlin, and Stuttgart. Passenger boardings average 400,000 per year and the fleet is increased by 2 F.28s and an F.27.

In 1985–1986, Managing Director A. J. Leyer's fleet comprises 4 F.27-200s, 3 F.27-500s, and 4 F.28-4000s. Enplanements reach 408,401 in 1987.

In April 1988, the 250-employee company is required to take over the management of financially troubled **Netherlines, B.V.** as the first stage of a merger.

Passenger boardings increase by 11.3% over the previous year to 460,429; however, freight is down by 1.8% to 369,000 FTKs.

In 1989, the 2 carriers are operated as the 250-employee NLM Cityhopper/Netherlines and Leyer acquires 8 SAAB SF340s.

Customer bookings rise 0.8% to 477,820.

In April 1991, the integration of the two airlines is completed under the name **KLM Cityhopper, B.V.**

NOBLE AIR, A.S.: Turkey (1989–1992). A Turkish-British joint venture, Noble Air is established at Istanbul in January 1989 to operate charter and inclusive-tour passenger flights on behalf of the U.K. travel agency Noble. Two Boeing 727-228s, previously operated by **Air France**, are leased from SGB Overseas Leasing; the first to arrive is christened *Vatan*. With the beginning of the summer holiday season, the trijets transport Noble's customers from the U.K. to Turkish seacoast vacation sites.

By the end of the first quarter of 1990, President Asil Nadir's fleet has been enlarged through the addition of two more B-727-230s and a B-737-231, all chartered from **Deutsche Lufthansa, A.G.** These aircraft are now employed to expand the company's market to Turkey and Cyprus from Frankfurt, Dusseldorf, and Hamburg, as well as from the U.K.

Service continues in 1991, during which one of the B-737-228s is subchartered to **Istanbul Airlines, A.S.** for the summer season. In November, scheduled Turkish domestic frequencies are initiated linking the carrier's base with Antalya and Ankara.

Airline employment totals 250 at the beginning of 1992. Intense market competition, recession, and rising costs now force the carrier toward the financial brink. Although cost-cutting measures are put into place, they do not generate the revenue needed to carry on. The company suspends operations in October rather than attempt to begin the winter holiday schedule and leases its remaining two Boeings to **Istanbul Airlines, A.S.**

Efforts are made to locate sufficient new capital with which to resume flying at the beginning of the European summer schedule at the end of March 1993. When these funds are not forthcoming, Noble Air is liquidated.

NOLINOR AVIATION, INC.: 10105 Ave. Ryan, Dorval, Quebec H9P 1A2, Canada; Phone (514) 631-0018; Fax (514) 631-0027;

<http://www.nolinor.com>; **Year Founded 1992.** Nolinor is initially established in 1992 at Montreal's Dorval to offer nonscheduled services for hunting and fishing outfitters in Schefferville. During the next 8 years, the carrier, which operates 3 Convair CV-580s, branches out into the provision of public charters for both passengers and freight.

In June 1999, Transport Canada grants permission for the company to assume the maintenance of its own aircraft, allowing the small carrier to eliminate delays related to subcontracting out the work. In the months thereafter into the new millennium, Nolinor aggressively seeks long-term passenger and cargo contracts.

NOMADS AIR TRAVEL CLUB: 10100 Middlebelt Road, Romulus, Michigan, 48174, United States; Phone (734) 941-4043; <http://www.waynecounty.com/airport>; **Year Founded 1965.** Former judge Joseph Gillis and General Motors pilot Joseph Benich establish their own self-contained air travel group at Detroit (DTT) in August 1965 and begin to sell memberships. After 200 people have signed up for what will be registered as a nonprofit travel club under FAA FAR Part 123, Gillis and Benich purchase a former **Eastern Air Lines** Douglas DC-7B for \$93,000. The plane and a volunteer crew are prepared to join President/Captain Benich in time to offer an inaugural flight to Fort Lauderdale on December 31.

With destinations established annually by a special committee and paid for by those taking the flights, the club continues to operate the Douglas until June 1971, when it is replaced by a former **Qantas Airways (Pty.), Ltd.** Lockheed L-188C Electra, the Pacific Enterprise, purchased in April for \$400,000. During this time, a special facility for the group is established at Detroit Metropolitan.

The turboprop is joined in the fall of 1975 by the company's first pure-jet, a Convair CV-990A first flown by **American Airlines**. Repainted in the club's blue and white color scheme, the Coronado undertakes its first inclusive tour on Thanksgiving weekend from Detroit to Eleuthera and back. The two-plane fleet operates until October 1979 when, in the midst of the world energy crisis, the expensive CV-990 is grounded.

In 1980, members of the NATC, booked on a commercial jetliner, become the first large American tour group to visit the Peoples' Republic of China. The Electra is joined by another jetliner in 1981, a former **Transair Sweden, A.B.** B-727-30C first flown by **Deutsche Lufthansa, A.G.** It is christened as the *Clubhouse*.

During the remainder of the decade, upwards of 70 flights are offered per year. Most are to domestic or North American destinations, although occasional overseas trips are offered and booked on regularly scheduled airlines. In 1985, the company celebrates its twentieth anniversary by chartering five special Detroit to London flights aboard a **British Airways, Ltd. (2)** Concorde. The club's Electra is now sold to an Indonesian airline and is destroyed by fire after a belly landing at Medan on November 30. Also during the decade, James Hinga becomes the Nomads second president. The former Sweidsh trijet soldiers on alone.

In 1991, Nomads upgrades their flight equipment, replacing the ex-Transair Boeing with a B-727-221A first flown by **Pan American World Airways (1)**. The first-class section is removed and the number of seats is reduced from 176 to 145 to give passengers more room. The plane's captain and three mechanics are put on the club payroll; all other personnel are volunteers.

The last independent example of numerous air travel clubs with their own aircraft that were at one time popular in the U.S., the club flourishes during the remainder of the decade. Operating from its own Nomads World Terminal office and hangar facility, the concern not only operates tours, but also during downtime lends the aircraft to the airport for emergency drills and their facilities to important functions of the FAA, the U.S. Agriculture Department, U.S. Customs, and the U.S. Weather Bureau.

A total of 12,000 members with a median age of 60 are enrolled by 1999. Most of the membership resides within 100 miles of Detroit (DTT) in southeastern Michigan, southwestern Ontario, and northern

Ohio. First-year dues of \$400 are paid by single members or \$800 for a family; thereafter, dues are \$120 a year no matter whether single or family. President James Heckman's organization flies a total of 77 trips during the year.

It is reported on March 17, 2000 that the club's B-727-221A has received quieter engines to meet FAA Stage III noise requirements. The reengined aircraft is now nicknamed *Super 27 Clubhouse*. Special activities are planned this year in celebration of the group's 35th anniversary. These include three special charters to Paris (CDG) on May 21–23 aboard an **Air France** Concorde. These SST flights into Detroit (DTT) are the first since the Nomads charters of 1985 and will be among the last nonscheduled flights by the aircraft type prior to the July 25 **Air France** disaster that grounds all Concorde. Participants return to New York aboard the ocean liner *Queen Elizabeth II* and are flown back to Detroit by the *Super 27 Clubhouse*.

NOMAN, S.p.A.: Italy (1995–1996). The former **Fortune Aviation, S.p.A.** is renamed in early January 1995 in order that it might launch nonscheduled passenger flights to regional destinations. General Manager Giulio La Starza's concern commences revenue charter service on January 2 from Trieste with a fleet comprising 2 Douglas DC-9-15RCs and 1 Dassault Falcon 10, plus 1 each leased Cessna 500 Citation I and Augusta A109A.

Having noticed the early success of **Air One, S.p.A.**, begun the previous November following Italy's deregulation of its domestic airline industry, company officials in January 1996 elect to start their own deep-discount services in competition with both Air One and the national flag carrier **Alitalia, S.p.A.** Two Douglas DC-9-15RCs are leased and launch frequencies from Rome's Ciampino Airport to Milan, where it has won 12 coveted slots at that city's congested Linate Airport. Unhappily, load factors never exceed 35% and the carrier is only able to capture 4% of the Rome market.

In the fall, an arrangement is concluded with **Air One, S.p.A.** to lease the airline operation for three years, with an option to purchase. Noman is combined with **Aliadriatica, S.p.A.** to become the airline operating unit of **Air One, S.p.A.**; frequencies begin with newly liveried aircraft during November. The Air One compact is completed in December, at which point Noman turns over its operating permit, 2 Douglas transports, the 12 Milan slots, and a maintenance company, Italian Technics, S.p.A. Only the Falcon 10 will be retained for charter work.

NOON & PEARCE AIR CHARTERS, LTD.: Kenya (1946–1955). A. M. T. Noon and S. N. Pearce established this charter operation at Nairobi in 1946; a base will also be set up at Dar es Salaam. A variety of light aircraft are employed, the largest being a de Havilland DH 89A Dragon Rapide.

Bookings total 949 in 1947 and a \$34,831 profit is reported.

Unscheduled flights between the bases and to small communities and bush destinations continue throughout the remainder of the decade and into the early 1950s. Upwards of 15 lightplanes are employed and bookings average 1,000 per year.

When **Airwork, Ltd.** departs East Africa in 1953 after failing to find profit in aerial agricultural work, it turns over its Piper J3 Super Cubs and Avro Ansons to Noon & Pearce. The Nairobi-based carrier establishes its own spraying unit, which proves so successful that in 1955, the company quits the passenger charter business to engage in aerial applications on a full-time basis.

NOORD WESTE LUGDIENS (PTY.), LTD.: South Africa (1963–1965). J. T. Nel and V. L. Steyn establish this small FBO at Calvinia in the spring of 1963; in addition to the usual "gas station" functions, the company also operates a flight school and offers charters. Having acquired 1 each Cessna 172 and Piper PA-18 Super Cub, Noord Weste inaugurates air taxi service to Johannesburg in May.

Revenue flights continue until the spring of 1965, when the company shuts its doors.

NOOSA AIRLINES (PTY.), LTD.: Australia (1970–1984). Maryborough, Queensland, truck dealer Bevan Whitaker forms a smallplane charter operation, Whitaker (Pty.), Ltd. in 1970. After building an airport at Noosa and creating a new airline division, Noosa Airlines, Ltd., Whitaker begins scheduled services to the **Ansett Airlines of Australia (Pty.), Ltd.** terminal at Brisbane in 1975. During the remainder of the decade, services are expanded and come to link Brisbane with Harvey Bay, Maryborough, Maroochydore, and Noosa.

Five years later in 1980, Whitaker forms **Sunstate Airlines (Pty.), Ltd.** at Brisbane to feed passengers to **Trans-Australian Airlines (Pty.), Ltd.** from local destinations. The fleet, meanwhile, grows to include 4 Britten-Norman BN-2 Islanders, 1 Beech B-55 Baron, 1 Piper PA-32 Cherokee Six, and 1 Cessna 172.

During the next three years, operations of the two carriers are coordinated. Late in 1983, the process of integrating the two carriers begins and Noosa is fully absorbed into **Sunstate Airlines (Pty.), Ltd.** on January 1, 1984.

NOR CAL AVIATION: United States (1968–1979). Nor Cal is set up at Redding, California, in the fall of 1968 as a subsidiary of Shasta Flight Service to fly mail services. Employing Piper PA-31-310 Navajos and Cessna 402s, the carrier inaugurates scheduled flights on October 28, linking its base with Sacramento, Chicago, and Red Bluff.

During the next decade, scheduled passenger and cargo services are added and the route network is expanded to include service not only to the previous mail-only points, but to destinations in the San Francisco Bay area, Lake Tahoe, and Reno, Nevada. Operations cease in January 1979.

NOR EAST COMMUTER AIRLINES: United States (1977–1981). Joseph C. Whitney, who had organized **Executive Airlines** in 1960 and **Air New England** in 1970, founds Nor East at New Bedford Municipal Airport, Massachusetts, in 1977 to offer daily scheduled passenger and cargo roundtrips to Boston, Hyannis, Nantucket, and Martha's Vineyard.

With 12 employees and 4 Cessna 402Bs, the infant commuter is able to generate a total of 32,032 enplanements during 1978, the first full year of business.

Rapidly rising fuel prices and competition in the wake of President Carter's signing of the Airline Deregulation Act the previous October bring a dramatic downturn in 1979. Passenger boardings decline by 23.2% to 26,000 and force the layoff of 6 employees. The company is unable to survive the PATCO air traffic controllers' strike and recession of 1981 and shuts down.

NOR FLY CHARTER, A.S.: Norway (1977–1981). Nor Fly is organized at Honefoss in 1977 to offer passenger and cargo charters to destinations in Scandinavia and northern Europe. The workforce totals 27 and the fleet includes 4 Convair CV-440 Metropolitans. Operations continue apace during 1978–1979 as two of the CV-440s are replaced by CV-580s. Enplanements in the latter year total 33,000 and a profit of \$140,000 is banked.

Airline employment is increased to 30 in 1980. Passenger boardings jump 9.4% to 35,000 while freight traffic climbs 28.6% to 1.5 million FTKs. Although revenues are up by 32% to \$3.7 million, expenses are up by 43.6% to \$3.82 million. The operating loss is \$120,000. Operations cease in 1981.

NORCANAIR, LTD.: United States (1965–1987). Norcanair, Ltd., a contraction of North Canada Air, is formed at Prince Albert, Saskatchewan, in January 1965. Two months later, in March, Prince Albert-based **Saskair, Ltd.**, the airline formed by the provincial government of Saskatchewan in 1947, is purchased, reformed and integrated. The major route, flown by a Douglas DC-3 first acquired by **Saskair, Ltd.** in 1957, lies between Prince Albert and Regina via Saskatoon. Charter and fire-suppression operations are also undertaken.

Airline employment is 86 and with the addition of 1 de Havilland Canada DHC-3 Otter and 2 Beech 18s, the fleet grows to comprise 20 aircraft.

The year's bookings total 12,669 and a total of 1,974 tons of freight is carried.

The fleet is significantly upgraded in the early 1970s. In addition to a Bristol Mk. 31 Freighter acquired in 1970, the company adds another DC-3 in 1972, two Fokker F.27s in 1973, and another in 1974. In 1975, yet another Fokker arrives, followed by a fifth in 1977. Scheduled destinations now visited include La Ronge, Stony Rapids, Uranium City, Cluff Lake, and Willaston Lake.

The Bristol Freighter and a DC-3 are sold in 1978. Airline employment is now 200. Service is started to Buffalo Narrows, Collins Bay, and the North Dakota city of Minot. President J. B. Lloyd's fleet now comprises 5 Fokker F.27s, 3 DC-3s, 4 Consolidated PB-Y-5A Cansos, 4 Piper PA-23 Aztecs, 3 de Havilland Canada DHC-3 Otters, 5 DHC-2 Beavers, and 4 Cessna 185s.

During 1979–1980, 2 DC-3s, 4 Cansos, 1 Otter, and the Aztecs are replaced by a Piper PA-31-310 Navajo while another Twin Otter is delivered during the former year. An F.27 is sold to **Swedair** in 1981 and a second goes to **Horizon Air** in 1982, while a Japanese-made Nihon YS-11 is leased to replace them. The second Twin Otter is sold in 1983.

An Embraer EMB-110P1 Bandeirante is purchased during the summer of 1984 and employed to open a new service from North Battleford to Lloydminster and Edmonton. Owned by Albert Ethier, the Saskatoon-based charter carrier **Highline Airways, Ltd.** purchases Norcanair in March. In November, the two companies are merged under the Norcanair name, with Highline contributing two ex-**Air Algerie, S.A.** Convair CV-640s to the operation. Also contributed are nonscheduled routes throughout Saskatchewan, featuring such charters as the winter 1984–1985 ski tours to Cranbrook.

On May 31, 1985, Saskatoon and Regina to Minneapolis scheduled flights are inaugurated with three leased CV-580s. The last DC-3 is sold during the summer and an F.27 is withdrawn late in the year. Two Fokker F.28-1000s are purchased from the Italian carrier **Unifly, S.A.** with the first delivered in December.

It is placed into service to Minneapolis and Edmonton in January 1986. In the spring, **Canadian Pacific Air Lines, Ltd. (CPAL)** acquires a 25% interest; the frequency of the Minneapolis jetliner service is increased to daily in July. On October 26, the premier Fokker jetliner, finally joined by the second, begins flying thrice daily from Saskatoon and Regina to Calgary as the company becomes a CPAL Canadian Partner.

During the year, flights are provided to the Vancouver Expo and regular charter services are initiated to the uranium mining sites in northern Saskatchewan.

Enplanements for the year total 100,000 and revenues reach approximately C\$10 million.

As 1987 begins, the company's F.27s maintain flights linking Saskatoon with Edmonton via Lloydminster as well as a route north from Saskatoon to La Ronge, Stony Rapids, Fond du Lac, and Uranium City. The last major route expansion occurs on February 26, when daily roundtrip flights begin from Saskatoon to Winnipeg via Regina.

On March 16, Norcanair is purchased by Lethbridge-based **Time Air, Ltd.**, itself 46% owned by the new **Canadian Airlines International, Ltd.** All company flights are completely merged by April 26, by which point the Embraer, Convairs, and Fokkers have all been turned over.

NORCANAIR, LTD. (2): Canada (1991–1993). Former **Norcanair, Ltd. (1)** chairman and Saskatchewan entrepreneur Albert Ethier, architect of the **Time Air, Ltd.** acquisition three years earlier, resurrects the Norcanair moniker during the spring of 1991. Convair CV-640 charter and scheduled passenger operations are inaugurated with a single machine on June 10 to regional destinations, including the north-south intra-Saskatchewan route abandoned by **Time Air, Ltd.** in 1990.

Between June and August, a British Aerospace BAe (HS) 748-2B2 is leased from **Air Creebec, Ltd.** It is placed into service over a weekday

route from Saskatoon to Prince Albert, La Ronge, Stony Rapids, Fond du Lac, and Uranium City.

Operations continue apace in 1992 as the airline's single Convair is joined by a Fokker Fairchild F-27J. Operations cease in 1993.

NORD AFRICA AVIAZIONE, S.p.A. See **ALA LITTORIA, S.p.A.**

NORDAIR, LTD.: Canada (1956–1987). On November 27, 1956, Roberval-based **Boreal Airways, Ltd.**, which had been established by Francois Ross in May 1947, is reformed and adopts as its new corporate identity the title Nordair, *nord* being the French word for "north."

Simultaneously, company headquarters are transferred to Montreal and although contract work continues (especially on the Canadian radar defense lines), services are opened to La Tuque, Roberval, and Chibougamau. The initial fleet comprises 2 Douglas DC-3s, 1 Curtiss C-46 Commando, 1 Noorduyn Norseman V, and an ex-military Noorduyn UC-64, plus 3 de Havilland Canada DHC-2 Beavers and 1 Cessna 180.

In January 1957, the company is authorized to begin expansion outside of Quebec Province. A Beech 18S, a Consolidated PB-Y-5A Canso, and a second Norseman V are acquired in April and are employed to inaugurate twice-weekly service from Montreal to Frobisher Bay (Baffin Island) via Roberval and Fort Chimo on May 24. The Beechcraft is also employed to undertake ice patrol flights under contract to the national government. A Republic RC-3 joins the fleet in July.

Another Canso is acquired in June 1958 and orders are now placed for DC-4s. Another DC-3 is acquired in early February 1959; with it, the Frobisher Bay route is extended via Roberval and Fort Chimo to Great Whale and Hopes Advance Bay on February 27. The first DC-4 is delivered in March along with another Canso. Quebec City to Lake St. John flights commence on April 1, followed on June 23 by a further stretch of the Frobisher run to Cape Dyer and Resolute Bay. The Noorduyn Norseman V and UC-64 are sold in October.

In April 1960, the heavy transport division and scheduled routes of St. Jovite-based **Wheeler Airlines, Ltd.** are purchased, together with its three DC-4s and four C-46s, leaving Wheeler to concentrate on charter flights under the name **Wheeler Airlines (1960), Ltd.**

The newly acquired routes, including the contract Distant Early Warning (DEW) Line resupply services, are maintained, St. Jovite–Montreal–Val d'Or–Great Whale. The same month, the Cessna 180, two DHC-2s, and a second, recently acquired Norseman V are disposed of to **Wheeler Airlines (1960), Ltd.** Later in the year, the Sarnia–Windsor and London routes of **Sarnia Airlines, Ltd.** are also taken over.

The fleet in 1961 comprises 5 Douglas DC-4s, 8 DC-3s, 5 Curtiss C-46A/Cs, and 6 Consolidated PB-Y-5A Cansos. A Seaway Service is initiated during the summer with three DC-3s received in June; the linkage connects Montreal with Windsor via Kingston, Oshawa, Hamilton, London, and Sarnia.

A Curtiss C-46C with two crew and seven passengers crash-lands at Scapa Lake on August 9; although the Commando must be written off, there are no fatalities.

Two Handley Page Herald 200s are acquired in February and March 1962; however, both are passed on to other airlines in November when the Seaway Service is ended, one to **Maritime Central Airways, Ltd. (MCA)** and one to **Eastern Provincial Airways, Ltd. (EPA)**. Meanwhile, during the summer, flights begin to Resolute Bay with a pair of DC-3s obtained in May and July respectively.

Another C-46 is purchased in March 1963, followed by two Cessna 310Cs in June. The carrier is excluded from the September arrangement whereby MCA, which owns significant stock, is purchased by EPA. Simultaneously, it sells the last UC-64 and two PB-Y-5As. The following month, the carrier receives a DC-6A that it will employ on charter services.

A DC-7C is acquired in April 1964 and the first of five Lockheed L-1049Hs join the fleet in August (on lease from **Montreal Air Services, Ltd.**), allowing the inauguration of inclusive-tour charter flights to Europe and Jamaica; four were previously operated by the

Miami-based carrier **National Airlines**. A DC-3 is sold in November and in December, following the sale of the DC-6A and DC-7C, four more Lockheeds arrive from **National Airlines**. The Cessna 310Cs are sold in September and October **1965**; however, an Aero Commander 560 is received in December.

In **1966**, orders are placed for three Boeing 737-2E1s. In March, a C-46A is sold to **Channel Airlift, Ltd.**, with a second sold to that carrier in May.

En route from Montreal on June 20, a C-46E with two crew disappears over Chutes des Passes, Lake Peribonca, Northwest Territories; wreckage is found three days later and there are no survivors.

The Curtiss is replaced by another C-46A, which is delivered in September. During the year, a Super H Constellation is leased to **Eastern Provincial Airways, Ltd. (EPA)**.

Requests are made to **Modern Air Transport** in **1967** for the wet-lease of CV-990A Coronados.

Two more C-46As arrive in May. A chartered C-46T with two crew and two passengers lands 4,500-ft. short of the runway at Cape Dyer in whiteout conditions on May 15; the plane is destroyed and all aboard are killed.

The ice patrol contract first received in 1957 is lost to **Kenting Aviation, Ltd.**

Not including Super Constellation charters, the carrier's 3 DC-4s and 4 DC-3s carry 54,729 scheduled passengers over 43.3 million revenue passenger miles.

Four CV-990As are received in February **1968**, but only two enter service, these with **Modern Air Transport** crews on the Montreal-Europe charter routes. Still, their employment gives the company the honor of becoming the first Canadian regional airline to offer jet transatlantic flights.

The same month, the company's Aero Commander 560 is sold. Orders are now placed for three Fairchild Hiller FH-227Bs (stretched American-made Fokker Fairchild F-27s). In February, April, and May, three DC-3s are withdrawn, with a DC-4 following them out of service in July and a C-46A in September.

Their charter work completed, the CV-990As are returned to their owner in October.

The first Boeing B-737-2E1 is delivered in November, joining a fleet that still comprises 4 C-46s, 3 DC-4s, 4 DC-3s, and 4 L-1049Hs. The little Boeing is equipped with the first gravel runway kit, a C\$1-million conversion designed to help prevent the kicking up of ground debris into vulnerable areas.

In December, the Boeing jetliner replaces DC-4s on the Frobisher Bay route.

The workforce stands at 380 in **1969**. In January, the Constellations are all leased to the relief agency Canairelief, sponsored by the Presbyterian Church of Canada, which will employ them to fly food and medical supplies to Biafra, the breakaway province of the African nation of Nigeria. Weekly return flights between Montreal and Resolution Bay, Cornwallis Island, are announced on March 19 and will be the world's first scheduled jet services within the Arctic circle.

In April, the subsidiary **Nordair (Arctic), Ltd.** is formed to operate feeder routes out of Frobisher with a de Havilland DHC-6-300 Twin Otter and a Short SC-7 Skyvan. The Frobisher route is extended to Resolute Bay in early spring. Pending delivery of its ordered aircraft, three B-737-222s are leased from **United Airlines**. One is received in May, but is immediately leased to EPA. The other two are delivered in June to launch the Arctic jetliner service. On August 3, a Canairelief L-1049H crashes while landing at Uli, the last airfield held by the Biafran rebels.

The Canadian government now announces a new regional airline policy and route division; Nordair is assigned responsibility for scheduled services in eastern and southern Ontario, western Quebec, and contiguous Arctic areas. During the remainder of the year, a C-46 and two DC-4s are retired as interest in the charter and tour business wanes. On December 17, strafing at Uli destroys a second Canairelief L-1049.

Enplanements total 55,224 scheduled passengers.

Airline employment is increased by five in **1970**. A C-46A is sold in February. In May, the two United Boeings are returned to that American airline and EPA returns its leased jetliner to Nordair. Simultaneously, a third aircraft, a B-737-242C, is acquired and another is ordered.

A five-year contract is signed with the Canadian Department of Supply and Services for ice reconnaissance patrols. A DC-3 is sold to **Northern Wings, Ltd.** in December. Fares are raised 7.5% for northern services and 11% for southern. Deception Bay flights commence in July.

Passenger boardings skyrocket 61.4% to 143,067 and freight traffic is up 18.5%.

Montreal-Ottawa service begins in April **1971** and another Boeing 737-242C arrives in May. A hangar fire at Hall Beach, Northwest Territories, destroys a C-46A on June 30.

The first of three FH-227Bs is delivered in August and begins to take over the DEW Line lateral supply flights. The first international scheduled route, Montreal-Pittsburgh, Pennsylvania, is opened in September. Two specially equipped Lockheed L-188C Electras are acquired and begin flying the government-contracted ice patrol from bases at Frobisher, Inuvik, Summerside, and Gander. Bookings dip to 110,400.

The employee population in **1972** stands at 621. Two more FH-227Bs and a DC-3 are delivered and are employed to reopen the Seaway Service. An L-188CF freighter is purchased from the American carrier **Northwest Airlines** on March 21. With the addition of Windsor to the southern scheduled network in May, the carrier now serves the longest north-south route in Canada—2,840 miles Windsor to Resolute Bay.

In August, flights begin from Montreal to the James Bay Development Project in northwest Quebec. The fleet now comprises 3 B-737-200s, 6 DC-3s, 1 DC-4, 3 C-46s, 1 DHC-6-300, 1 Grumman Turbo-Mallard, 3 L-188s, 3 FH-227s, and 2 PB-5A Cansos. A C-46A is lost at Lake Randall, Quebec, on December 20.

Passenger boardings accelerate 20% to 138,000 and cargo is up 3.1%. A C \$763,000 profit is reported.

A DC-3 is badly damaged on February 6, **1973**, when it is hit by a truck at Montreal.

A fourth B-737, a Dash-212, is delivered in March as one DC-3 and the last DHC-2 Beaver, the two Cansos, and final DC-4 are retired. On an application given the Canadian green light the previous year, the Danes approve the start-up of Frobisher Bay-Sondre Stromfjoid scheduled service.

Enplanements soar to 342,760 and a C\$2.2-million profit is earned.

The workforce is increased to 914 in **1974**. Leaving the main fleet all-jet, the final four C-46As and a DC-3s are retired. B-737-212 Montreal-Hall Beach, Melville Peninsula, service is launched during the summer. A DC-8-61CF, purchased from **Evergreen International Airlines**, is placed in service in early November on charter flights from Toronto-Cuba and Montreal-London.

Passenger bookings increase 24% to 451,000 and cargo is up 13%.

Forty-seven new employees are hired in **1975** as another B-737-242 joins the fleet. A DC-3 is badly damaged in a fire at La Grande on November 15. At the end of the year, the L-188CF is put into storage.

Passenger traffic accelerates a modest 2% as 463,636 passengers are flown; freight climbs 6%. A net profit of C \$1.31 million is posted.

The employee population declines 5% in **1976** to 913. All three DHC-6-300s are sold to **Nordair (Arctic), Ltd.** in January. The final two DC-3s are sold, one in February and the other in July. In an effort to boost freight traffic, development of cargo service on the southern network is undertaken. The Turbo Mallard is sold in September. Service to a number of small Arctic settlements served from Frobisher Bay are turned over to **Bradley Air Services, Ltd.**

Passenger boardings, meanwhile, advance 25% to 580,000 and cargo accelerates, overall, 5%. This year's net profit is C \$1.24 million.

President Roland G. Lefrancois becomes vice chairman and is succeeded early in **1977** by Andre F. Lejotte. On March 31, an L-188C ice patrol aircraft parked at CFB Summerside is nearly destroyed when struck during a bad landing by an RCAF CL-28 Argus; there are no fatalities in the incident.

Scheduled services are now initiated from Montreal to Fort Chimo via Quebec City. An Electra purchased from **Reeve Aleutian Airlines** back in 1972 is sold to **Northwest Territory Air, Ltd.** in November. Enplanements are up to 686,000. Late in the year, Chairman James F. Tooley places the carrier up for sale.

After almost a year of repair by Van Nuys, California-based American Jet Industries, the badly damaged ice patrol Electra is rebuilt and returned to Nordair, Ltd. in February 1978 and re-registered.

Chairman Tooley and President/CEO Lizotte oversee a workforce of 875 and the fleet now comprises 2 Electras, 6 B-737-200s, and 3 Fairchild Hiller FH-227s. **Air Canada, Ltd.** receives approval to purchase the carrier's stock late in the first quarter and the Montreal-based flag line now takes a major (86.4%) interest. At the same time, Nordair is authorized to operate **Transair, Ltd.**'s former Toronto-Winnipeg route via Sault Ste. Marie, Thunder Bay, and Dryden. Also in the spring, B-737-242 flights commence from Frobisher to Resolute Bay.

Final approval for the state carrier's acquisition of Nordair is received on July 28; for political and economic reasons, it is decided that the new subsidiary will be allowed to retain its previous identity. Still, **Air Canada, Ltd.** asks its new partner to assume more inclusive-tour and passenger charter work. The first of two DC-8-52s is acquired in November, allowing transatlantic and Florida charter and inclusive-tour flights the desired new beginning.

Bookings climb to 687,000 during 12 months, but freight is down a slight 0.01%.

Following Transair, Ltd.'s merger into **Pacific Western Airlines, Ltd.**, major expansion occurs in 1979 as the scheduled Toronto-Winnipeg route of **Transair, Ltd.** is assumed by Nordair on February 1. With this new operation, plus expanded charter opportunities and the arrival of another DC-8-52 and four additional B-737-200Cs, passenger boardings skyrocket 64.3% to 1,129,000, passing the million mark in boardings per year for the first time, while freight grows by 1.8%, due largely to the addition of two purchased DC-8-61CFs.

The fleet in 1980 comprises 6 B-737-2E1s, 6 B-727-200Cs, 2 DC-8-61CFs, 2 DC-8-52s, 2 L-188s, and 3 FH-227Bs. The two DC-8-52s are withdrawn from service in April and placed up for sale. The Quebec government purchases 11% interest in the carrier.

Passenger bookings jump 15.6% to 1.2 million and cargo climbs 5.1%. Revenues advance 5.8% to C\$125 million and expenses are up 3.8% to C\$117 million. Operating profit soars 53.6% to C\$7.6 million and the net profit rises 33.6% to C\$2.7 million.

Traffic is virtually flat in 1981 as cargo remains unchanged and passenger boardings dip 0.06% to 1,218,000. The operating profit is C \$5.5 million and the net is C \$ 2 million.

The workforce is cut 1.9% in 1982 to 1,265. Jean E. Donville is named president early in the year. The only significant accident ever to occur to a jetliner in direct Nordair service is the collapse of a nosewheel during a Sault Ste. Marie landing in January. In May, B-737-242 charters are initiated from Halifax to Bermuda, followed by similar flights from Toronto to San Juan.

A five-month strike of ground personnel represented by the International Association of Machinists and Aerospace Workers (IAM) causes suspension of scheduled services over half of the network. This work stoppage, when coupled with generally depressed economic conditions, brings a sharp traffic drop and the first financial loss in 20 years. Two FH-227Bs are purchased from **TAT (Touraine Air Transport, S.A.)** in November.

Passenger boardings fall 34.6% to 767,722 and freight is off 4.7% to 23 million FTKs. Total revenues decline 11.4% to C\$101.6 million. Losses are C\$1.3 million (operating) and C\$1.97 million (net).

The workforce at President/CEO Doubille's company is increased 1.3% in 1983 to 1,285. Cost-saving measures are adopted, including the rationalization of frequencies on some routes. Still, the airline, employing two dedicated FH-227s, continues to win and execute an annual contract for the resupply of Arctic DEW Line bases.

The two DC-8-61CFs and two B-737-200Cs are sold, bringing a C\$3.1-million gain. The Florida charter program becomes more exten-

sive as innovative marketing schemes are undertaken to attract people to the carrier's standard airline operations.

A new corporate image is unveiled, tied in with the shift of the head office to Montreal's Mount-Royale suburb, including a new logo and new aircraft livery. The DC-8-52s are sold to Onyx in October. Also in October, the carrier begins operating a B-737-209 belonging to **Sabena Belgian World Airlines, S.A.** from Montreal to Detroit as an extension of the European carrier's Brussels-Montreal route. The arrangement will be renewed during every winter season through 1987.

Passenger boardings jump 25.1% to 961,000 and freight rises 13.6% to 22.1 million FTKs. Revenues accelerate 23.6% to C\$121.2 million and expenses climb 18.8% to C\$117.6 million, leaving a C\$3.5-million operating profit and a C\$3.9-million net profit, the latter due largely to the aircraft sale.

A plan is developed in 1984 to shift ownership away from **Air Canada, Ltd.** (86.4% shareholding) to a joint consortium that includes investment from Innocan and the employee group Participation Nordair. This arrangement is tentatively completed during the summer. During the same sunny months, extensive charter work is undertaken between cities in eastern Canada and Calgary, Edmonton, and Vancouver. Toronto to Charlottetown and St. John's charters also begin.

The carrier's FH-227Bs are assigned to participate in Rapidair Service flights linking Montreal with Chibougamau and with Ottawa, Toronto, and Pittsburgh. Late in the year, Montreal-St. Petersburg scheduled services are inaugurated. In October, a B-737-214 is leased from **Dan Air/Dan Air Services, Ltd.**

Passenger boardings jump 18.6% to 1,139,000 while cargo is up 7.7%. Operating revenues increase 16.4% to C\$129.4 million while expenses rise 15.8% to C\$125.5 million. Profits are C\$4.16 million (operating) and C\$1.8 million (net).

The employee population advances 1.7% in 1985 to 1,339. Twice-weekly nonstop flights are added on April 30 from Montreal to Orlando, complementing an already existing Montreal-Fort Lauderdale service. The **Dan Air/Dan Air Services, Ltd.** Boeing is returned in April and in May is replaced by another chartered for a year from **Britannia Airways, Ltd.** The employee-Innocan buyout scheme falls through and following takeover bids by **Quebecair, Ltd.** and the Quebec government, 60% control of the carrier (the employee-Innocan interest) is purchased for C\$17 million in November by **CP Air, Ltd.**

Because the Quebec government refuses to sell its interest, **CP Air, Ltd.** elects to operate its new subsidiary, at least for awhile, as an independent entity under its previous name. Participation in the Rapidair operation ends.

One more B-737-200C is placed in service as passenger bookings jump 21.9% to 1,387,830 and cargo grows 5.7% to 25.2 million FTKs.

Beginning in January 1986, Nordair flights are arranged to coincide with those of its majority owner and further integration of the two are listed in **CP Air, Ltd.** schedules. Joining with three private investors in February, the carrier (taking 35% interest) forms the Montreal-based, third-level **Nordair Metro, Ltd.** Equipped with four Convair CV-580s, the feeder begins service on March 31 from Montreal to Ottawa and Quebec City; flights from Montreal to Bagotville commence on April 14.

A major development occurs in July when the **Nordair Metro, Ltd.** investors purchase **Quebecair, Ltd.** (and its 22% interest in Nordair) from the Quebec government for C\$21 million, operating it under its own name as a scaled-down local service carrier and replacing some B-737-200 service with CV-580 runs. Having now come to hold upwards of 80% of Nordair, **Canadian Pacific Airlines, Ltd.** (**CP Air, Ltd.** renamed) moves to finish its integration.

In the fall, the subsidiary is transferred from **Air Canada, Ltd.**'s to CPA's reservations system. Following a bomb threat, a B-737-200C flight from Montreal to Toronto is forced to make an emergency landing at Ottawa on October 15.

Customer bookings for the year dip 1.9% to 938,494 and freight falls 12.2% to 19.8 million FTKs.

On January 27, 1987, Nordair ceases to exist. Nine B-737-200s are sold in January and a 10th in April.

NORDAIR, O/Y. See **FINNAVIATION, O/Y**

NORDAIR METRO, LTD. See **NORDAIR, LTD.**

NORDAVIA FLUGGESELLSCHAFT, mbH.: Innocentiastrasse 32, Hamburg 13, D-20144, Germany; Phone (49) 40-44-00-40; Fax (49) 40-45-84-33; <http://www.nordavia.com>; Code NIA; Year Founded 1976. Helmut Heidemann forms Nordavia at Hamburg in 1976 to offer regional passenger and cargo air taxi services. Revenue flights commence and continue with a fleet of 2 Piper PA-31T Cheyennes and 1 Beech King Air 90.

Over the next two decades, the company expands its services to include not only regular charters, but VIP flights, ambulance service, and the transportation of animals as well.

The fleet in 1997 includes 1 each Beech King Air C90, Beech Super King Air 200, and Cessna Citation III.

At the beginning of 1999, Nordavia posts a homepage on the Internet's World Wide Web.

NORDESTE (NORDESTE LINHAS AEREAS REGIONAIS, S.A.): Avenida Dom Joao VI 259, 259 Britas, Salvador, Bahia, 400000, Brazil; Phone 55 (71) 244-7533; Fax 55 (71) 244-7770; <http://www.nordeste.com>; Code JH; Year Founded 1976. On November 12, 1975, the Brazilian government establishes the Sistema Integrado de Transportes Aereas Regional, a system calling for the formation of five regional airlines to provide third-level feeder service to outlying areas. A promise of subsidy is made, based on a 3% surcharge on tickets sold on trunk routes.

Nordeste is formed on June 9, 1976 as a joint venture between the government of the State of Bahia (67% interest) and **Transbrasil, S.A. (Linhas Aereas)** (33% interest) to provide scheduled services throughout the San Francisco Basin in the northeast of Brazil. Employing a fleet of 5 Brazilian-made Embraer EMB-110Cs and a Fokker F.27 based, respectively, at Salvador and Belo Horizonte, the new entrant inaugurates service on June 15 over several routes previously flown by Transbrasil—Salvador to Recife via Petrolina and Paulo Afonso and Salvador to Barreiras via Lapa.

An EMB-110C with two crew and four passengers crashes at Petrolina, on October 28 (two dead).

Another EMB-110C is lost at Bocaiuva, Brazil, on November 4, 1978; there are no other details concerning the accident.

The route network is expanded rapidly during the remainder of the decade and into the 1980s. Enplanements decline steadily during the first 4 years of the new decade, respectively totaling: 106,025; 94,353; 79,966; and 64,570.

By 1985, the carrier is providing scheduled passenger services to over 30 destinations in the following states: Bahia, Maranhao, Minas Gerais, Parai, Pernambuco, Piaui, Rio Grande do Norte, and São Paulo, as well as the Federal District of Brasilia. With the Friendship withdrawn, the Embraer fleet is increased to eight.

An EMB-110C freighter with two crew fails its takeoff from Vitoria da Conquista on October 9 and crashes two km. SE of the runway; both flyers are killed.

Passenger boardings decline to 62,444.

In March 1986, Brazil's Departamento de Aviacao Civil is forced to intervene to keep the airline from collapsing. At the time of the DAC takeover, it is discovered that, for the past several years, the airline's management has failed to file tax forms, balance company books, and has even embezzled airline funds. Additionally, it is found that maintenance records have not been kept.

Led by Marketing Manager Fernando Arajo, remaining company officials and government executives seek to restore the nation's northeastern regional. Meanwhile, Otto Lima, owner of an air taxi operation, puts

together a group of businessmen who seek to purchase the carrier and end up in court contesting ownership with the State of Bahia.

Customer bookings for the first 11 months of the year rebound by 40% to 79,551.

In 1987–1988, the route system is reduced to 26 stops and the fleet includes 8 EMB-110s. During the latter year, passenger boardings jump 16.2% to 111,932.

Airline employment in 1989 stands at 258. The fleet now includes 4 EMB-110Cs, 1 EMB-110E, 2 EMB-110Ps, 3 EMB-110P1s, and 1 each EMB-110P2 and EMB-110S1. Options are taken on 3 EMB-120 Brasilas.

Customer bookings increase 55.1% to 74,891 during the first 6 months, the time period for which statistics are publicized.

Airline employment stands at 258 in 1990 as the EMB-110E Bandeirante is withdrawn.

Data is again given for the first half and shows that passenger boardings are down 0.7% to 74,346.

The payroll grows by 16.3% in 1991 to 300. A \$23-million order is placed for three EMB-120 Brasilas as three more EMB-110P1s are acquired.

Enplanements are only reported for the first 9 months and show boardings down 9.4% to 108,448.

An EMB-110P1 with 3 crew and 12 passengers fails its initial climb away from Episepe on November 11, strikes electrical wires and the roof of a house, and crashes into a public square; all aboard the turboprop are killed, along with 2 other people on the ground.

While en route from Salvador on February 3, 1992, an EMB-110C with 2 crew and 10 passengers descends below minimum altitude in bad weather and crashes into cloud-shrouded Taquari Hill at Caitite; there are no survivors.

President Roberto Coelho's 300-employee carrier reports statistics for the first 9 months. These show customer bookings off by 55.9% to 47,821. During the year, orders are placed for 3 50-seat Fokker 50s. The first Brasilia, a leased unit, arrives in December.

By 1993, the fleet comprises 12 EMB-110s and the leased EMB-120. Destinations visited from Salvador includes 26 locations, mostly in northeastern Brazil: Aracaju, Barreiras, Belo Horizonte, Belmonte, Bom Jesus da Lapa, Brasilia, Caravelas, Fernando de Noronha, Governador Valadares, Guanambi, Itheus, Ipatinga, Maccio, Montes Claros, Natal, Porto Seguro, Recife, Rio de Janeiro, São Paulo, Teofilo Otoni, and Vitoria da Conquista.

The first owned Brasilia enters service in March and two more EMB-120s arrive later, one each in July and September.

Although two Brasilas are cut from the fleet in 1994, one more Bandeirante is added. Operations continue apace and arrangements are completed for the company's purchase, for \$7 million, by **Rio-Sul (Servicos Aereos Regionais, S.A.)**, which announces that it will absorb the commuter by the following March. It also agrees to take over the Fokker 50 order.

Traffic figures are reported for the first quarter and show passenger boardings of 24,917. Later, it is revealed that revenues for the year as a whole are \$13 million.

The decision to absorb Nordeste into Rio-Sul is not implemented and the regional continues to operate as a subsidiary after the announced March 1995 merger date. Two Fokker 50s are delivered in May and June.

Airline employment now stands at 300. Traffic figures are again reported only for the first quarter and show a 34.5% increase in customer bookings to 38,041. For the whole year, revenues skyrocket 166.7% to \$39.2 million, but a \$916,936 net loss is suffered.

There is no change in the workforce during 1996. Enplanements through June skyrocket 128.1% to 169,371.

Just after landing at Vitoria da Conquista, Brazil, on December 24, an EMB-120RT with 3 crew and 28 passengers veers off the side of the runway and collides with a light pole. There are no fatalities.

The fleet in 1997 includes 2 leased Fokker 50s, 3 chartered and 1 owned EMB-120s, and 7 Bandeirantes. The company's first jetliner, a

Boeing 737-548, arrives under lease from **Aer Lingus Irish Airlines, Ltd.**

From hubs at Belo-Horizonte and Salvador, the carrier visits the following markets in northeast Brazil: Aracaju, Barreiras, Belmonte, Born Jesus da Lapa, Brasilia, Caravelas, Fernando de Noronha, Governador Valadares, Guanambi, Ilheus, Ipatinga, Maceio, Montes Claros, Natal, Porto Seguro, Recife, Rio de Janeiro, São Paulo, Teofilo Otoni, and Virotia da Conquista.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Flights continue in **1998**. On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Service is maintained during **1999**. A B-737-5Y0, previously operated by **Air Pacific, Ltd.** is acquired on November 4 and joins the 2 B-737-53As, 6 Brasilias, and 3 Fokker 50s already in the fleet. Enplanements for the year total 359,802.

A total of 402 workers are employed at the beginning of **2000**. During June, a restructuring of **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)**, begun in the first quarter, continues. A new holding company, FRB-Par, is created for the VARIG business group, with VPTA and VPSC becoming two of its three subsidiaries, with the original holding company, VARIG Brazil, named the third. The group's first charter organization, Rotatur, is incorporated, while the subsidiary carriers Nordeste and **Rio-Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** are granted their independence from VARIG and are placed under the control of VPTA.

NORDIC AIRLINK, A.B.: Umea Flygplats, Umea, S-90422, Sweden; Phone 090 71 63 63; Fax 090 14 22 71; <http://www.nordicairline.se>; Year Founded 2000. Privately owned Nordic Airlink is established at Umea in late summer **2000** to operate scheduled return passenger services from Osterund to Lulea via Umea. Revenue flights duly commence in the fall with a single SAAB 340 leased from **Crossair, Ltd.**

At the end of the year, plans are made to replace the first Swiss SAAB with a second and to charter from Crossair a McDonnell Douglas MD-80 with which to operate long-haul charters.

NORDIC EAST AIRWAYS, A.B.: Sweden (1991–1997). Nordic is established at Stockholm (Arlanda Airport) in **1991** to provide charter and inclusive-tour flights to regional, North African, Mideast, and Mediterranean destinations. Managing Director Gunnar Ohlsson, who is also the principal shareholder, begins revenue operations with a single Douglas DC-9-41 leased from **SAS (Scandinavian Airlines System)**.

A McDonnell Douglas MD-82 is chartered from **SAS (Scandinavian Airlines System)** in **1992** followed by a Boeing 737-205 leased from **Braathens SAFE, A.S.** in **1993**.

Company aircraft are often wet-leased to other northern European airlines that are themselves in need of greater capacity during either the winter or summer holiday season. In June of the latter year, a 50% interest is taken in the new Greek charter carrier **Venus Airways, S.A.**

Nordic East begins scheduled regional flights in **1994** with a leased fleet that now comprises 1 each B-737-205, B-737-3Q8, B-737-3Y0, DC-9-41, and MD-83. A DC-8F is briefly chartered as the company unsuccessfully attempts to open all-cargo services from Stockholm to the Middle East.

During the summer, the decision is taken to become an all-Boeing operator and the DC-9 and MD-83 are withdrawn. A new B-737-4Y0 is leased and assigned during the summer to operate exclusively on behalf of **LTU International Airlines (Lufttransport Unternehmman, GmbH.)**. The company also operates replacement services on behalf of **Transwede Airways, A.B.**

Two former **Cathay Pacific Airways (Pty.), Ltd.** Lockheed L-1011-1 TriStars are leased in **1995**. These allow the company to expand the range of its charters, reaching the Spanish holiday islands of Palma de Mallorca and Tenerife.

The following year, **1996**, is a hard one for Swedish charter operators. **Air Operations of Europe, A.B.** fails and Nordic is forced to cut back, reducing its chartered fleet to 1 each TriStar, B-737-3Q8, and B-737-4Y0. Plans are made to change the corporate identity at the beginning of the new year.

NORDIC EUROPEAN AIRLINES INTERNATIONAL, A.B.: Sweden (1997–1998). Originally established at Arlanda Airport in 1991 as **Nordic East Airways, A.B.**, the company is renamed at the beginning of **1997**. President Carl-Johan Stahle employs a 300-person workforce and with the beginning of the European summer flying schedule at the end of March, scheduled and charter passenger services continued to domestic, regional, and international destinations. Flight equipment continues to consist of 1 each leased Boeing 737-3Q8, B-737-4Y0, and Lockheed L-1011 TriStar 1.

The holiday charter business is not profitable for Nordic European this year, despite its name change and a new effort to visit additional cities in Central Europe. Consequently, on February 19, **1998**, the company is forced to announce a curtailment of its operations. The schedule is significantly reduced and efforts are made to reorganize. Unhappily, company executives are unable to raise sufficient capital to keep going and on March 4, all flights end. The grounded airline is quickly liquidated.

NORDSJOFLY, A.S.: Norway (1975–1987). Organized at Avaldsnes in March **1975**, Nordsjofly is initially equipped with a fleet comprising 1 Beech King Air 100, 1 Piper PA-31-310 Navajo, 1 Navajo PA-31-350 Navajo Chieftain, and 1 Beech B-55 Baron. Scheduled services are inaugurated in June linking Haugesund with Stavanger and Farsund.

Services continue during the remainder of the decade and the fleet is enhanced by the addition of a Fairchild-Swearingen Metro II and a Beech 99.

The increase in fuel prices and the world recession combine in the early **1980s** to depress traffic to a point where, in **1983**, the company is taken over by **Norving, A.S.**, which continues its operation as a subsidiary.

By **1986**, General Manager Th Wegner Simonsen's fleet comprises 2 Beech 99s, 1 Piper Navajo Chieftain, 3 Navajos, and the Metroliner. The company is absorbed into its parent in **1987**.

NORDUFLUG H.F.: Iceland (1959–1974). Tryggvi Helgasson establishes Norduflug H.F. at Akureyri Airport on November 1, **1959**. Employing a small fleet of Piper Aztecs, the company undertakes air taxi, air ambulance, and passenger and cargo charters to various destinations around Iceland.

In the early **1960s**, a PA-31-310 Navajo is acquired and is employed to inaugurate weekly scheduled services to Grimsey and twice-weekly flights to Vopnafjordur. When the carrier is reformed on May 1, **1974**, **Flugfelag Islands, H.F. (2)/Icelandair** acquires 35% shareholding and the corporate name is changed to **Flugfelag Nordurlands, H.F.**

NORFOLK AIRWAYS, LTD.: United Kingdom (1950–1970). James G. Crampton and D. Burgess form NAL as a charter carrier at Swanton Morley Aerodrome in March **1950**. An American-made Fairchild F-24W is acquired and ad hoc services are initiated, although at year's end. Operations are conducted during the summers of the **1950s**, primarily with a fleet of Austers.

A Piper PA-23 Aztec is purchased in July **1962**, the same month in which the company is formally registered as an air carrier. Capitalized at £30,000, Crampton assumes the dual post of chairman/managing director. During the **1960s**, the company flies ad hoc contracts for a variety of concerns, including the Norwich Union Assurance group, as well as government aerial surveys.

Other light aircraft employed during the decade include 2 Cessnas, 1 Beech B-55 Baron, 1 Dove I leased for a year from **Cardinal Airways, Ltd.**, 1 Piper PA-30 Twin Comanche, and 3 additional Aztecs. A founding interest is taken in **Rig-Air, Ltd.** in November 1969 and in August 1970 Norfolk Airways, Ltd. joins that carrier and **Anglian Air Charter, Ltd.** in a merger that results in **Air Anglia, Ltd.**

NORFOLK ISLAND AIRWAYS (PTY.), LTD.: Australia (1973–1991). NIA is created at Brisbane in 1973 to fly a Beech B-55 Baron on nonscheduled charters over the 800 nm. to Norfolk Island. On August 1, 1975, the carrier is registered as a scheduled commuter airline. Employing a new Beech Super King Air 200, it inaugurates regularly scheduled flights to the island from the Queensland capital beginning on November 1.

A frequency to Lord Howe Island is started in 1976. Other destinations added during the remainder of the decade include Coolangatta, Newcastle, and Sydney. Charter opportunities are also flown.

In 1981, General Manager L. Friedman's 18-employee carrier possesses a fleet of 2 Super King Air 200s that fly a total of 6,405 passengers on the year. Boardings increase to 10,102 in 1982 but in the face of recession, fall back to 8,586 in 1983.

By 1987, M. S. Childs is general manager; the fleet this year comprises four Super King Air 200s and Cairns is added to the route network. A Gates Learjet 35 is acquired in 1988 as flights are started to Darwin.

Additional expansion occurs in 1989 as Alice Springs and Melbourne become company destinations. The fleet is upgraded by the addition of another Learjet and a de Havilland Canada DHC-8; two Super King Air 200s are withdrawn. The parent corporation, Norfolk Airlines Group, Ltd., now becomes a public company. This forward momentum collides with recession and higher fuel costs in 1990, bringing such severe financial difficulties that the carrier is forced to cease operations in March 1991.

NORFOLK JET EXPRESS (PTY.), LTD.: 97 Creek St., Brisbane, Queensland, 4000, Australia; Phone (07) 3221-6677; Code NC; Year Founded 1997. NJE is established at Brisbane during the first quarter of 1997 to operate scheduled return services from Norfolk Island to Sydney and Melbourne. Employing a single wet-leased Boeing 737-4L7, daily roundtrips are inaugurated in May between Brisbane and Sydney; weekly roundtrips to Melbourne are also started.

A code-sharing agreement is signed with **Qantas Airways (Pty.), Ltd.** in 1998 and the carrier begins to share an AVRO RJ70 with **Australian Airlink (Pty.), Ltd.**

John Carlos is general manager in 1999–2000 as the workforce grows to 15. Wet-leased aircraft, including a **Qantas Airways (Pty.), Ltd.** B-737-476, continue to be employed on the frequencies from Norfolk Island to the Australian mainland.

NORIISK AIRLINE: 7 Sevastopolskaya Str., Noriisk, Krasnoyarsk Region, 663310, Russia; Phone 7 (3832) 282 400; Code CZG; Year Founded 1992. The Aeroflot Soviet Airlines Noriisk division is reformed in 1992. Under the leadership of Comdr. Grigori Titar, the newly independent carrier continues its previous mission of providing support to the region's mining industry. Helicopter work and fixed-wing charters are launched with a fleet that will soon total 6 Antonov An-12s, 21 An-2s, 7 An-26s, 3 An-74s, 5 Mil Mi-6s, and 30 Mi-8s.

By 1999–2000, the propeller aircraft have been reduced in number to 6 An-12s, 6 An-26s, and 1 An-74.

NORIS DINAN AVIATION (PTY.), LTD.: 16 James Schofield Drive, P.O. Box 696, North Adelaide, South Australia, 5006, Australia; Phone 61 (08) 8234 4444; Fax 61 (08) 8234 4411; <http://camtech.com.au/nda>; Year Founded 1995. Noris Dinan is established at Adelaide Airport in May 1995 to provide a wide range of rotary-wing services to Adelaide and the South Australia region.

Employing a fleet of Bell 206B JetRangers, the company begins and continues to provide passenger charter flights, media helicopter services, mining surveys and sampling, geophysical surveys, transmission line and pipeline surveys and inspections, industrial lift capability (sling loads), banner- and flag-towing, and aerial surveys and photography.

NORMAN EDGAR (WESTERN AIRWAYS), LTD.: United Kingdom (1933–1938). Under contract to the chocolate makers J. S. Fry and Sons, Norman Edgar's de Havilland DH 80A Puss Moth, flown by W. N. L. Cope, launches express service from Somerdale (Somerset)-London (Heston) on September 13, 1932. On September 26, flying a DH 83 Fox Moth, pilot Cope initiates twice-daily Bristol-Cardiff trans-Bristol Channel passenger flights. After a year of ad hoc flight operations, Norman Edgar (Western Airways), Ltd., is officially registered on September 7, 1933; initial capitalization is £7,500.

Flying a new de Havilland DH 84 Dragon, pilot C. R. Cubitt begins summer service on May 17, 1934 by extending the Bristol route to Bournemouth; flights continue until September 30. New weekend on-demand DH 84 operations are begun on May 3, 1935 from Cardiff and Bristol to Paris via Le Touquet. Retaining the same board of directors, **Western Air Transport, Ltd.** is formed on December 12.

For the summer season, 14-times-per-day Cardiff to Weston-super-Mare flights are begun on May 31, 1936; frequency is reduced in October. Birmingham to Weston-super-Mare service is begun in July 1937.

A year later, on July 27, 1938, the Cardiff to Weston-super-Mare route is extended to Swansea. On October 2–3, a Cardiff to Weston-super-Mare frequency is offered at night—the first regularly scheduled British domestic night service. The Straight Corporation purchases control of the carrier on October 18, and it is renamed **Western Airways, Ltd.**

NOROESTE (AVIACION DEL NOROESTE, S.A. de C.V.): Mexico (1988–1996). Based at Hermosillo, Sonora, Noroeste is created in 1988 to provide scheduled, third-level passenger and cargo services throughout northwest Mexico. Operations commence with a single Fokker F.27 Friendship. Three Avions de Transport Regional ATR42-320s arrive in 1989–1990 to operate regional flights from the west coast to Monterrey.

Orders are placed in 1991 for two British Aerospace BAe Jetstream 31s, which, due to the recession, are not delivered. Still, the company becomes a Mexicana Inter commuter partner of **Mexicana Airlines, S.A. de C.V.** and begins to employ a Boeing 737-5Y0 leased from GPA Group.

In 1992, the company returns its Boeing and switches its affiliation to the nation's new third-largest airline, **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)**. President Rodolfo Rohde's fleet does grow by 1993 through the addition of another Fokker F.27.

TAESA purchases the company in 1994 and operates it as a subsidiary. Plans are made to provide Noroeste with two de Havilland Canada DHC-6-300 Twin Otters and two Dash-8-102s in place of the ATRs and the leased "Baby Boeing" is returned.

Operations now continue largely without change. President Rodolfo R. Ponce operates two ATRs in 1995, but the Canadian-made turboprops are not added. Markets visited include Culiacan, Mexicali, Ciudad, Durango, and Monterrey. Only one ATR42-320 is in service in 1996, the year in which the company shuts its doors.

NORONTAIR (ONTARIO NORTHLAND AIR SERVICES, LTD.): Canada (1971–1996). The government of Ontario forms this carrier early in 1971 to provide schedule services to 21 provincial communities. Contracts are let by the overseeing Ontario Northland Transportation Commission to selected independent operators for maintenance and operation of a consortium service.

A fleet of 9 de Havilland Canada DHC-6-300s is assembled at North Bay. The 4 private airlines receiving contracts—**Air Dale, Ltd.**, **Austin Airways, Ltd.**, **On Air, Ltd.**, **Bearskin Airlines, Ltd.**—begin revenue frequencies on October 18, providing connections to **Air Canada, Ltd.** and **Transair, Ltd.** flights.

During 1972–1980, daily services are flown to and between the following destinations: Atikokan, Chapleau, Cochrane, Dryden, Earlton, Elliott Lake, Fort Frances, Geraldton, Hornepayne, Kapuskasing, Kenora, Kirkland Lake, North Bay, Pickle Lake, Red Lake, Sault Ste. Marie, Sudbury, Terrace Bay, Thunder Bay, Timmins, and Wawa. A DHC-6-300 is destroyed by fire on the ground at Kenora on December 30, 1977.

With the world economic recession, traffic falls during the early 1980s; enplanements in those years are: 1981—113,570; 1982—98,321; 1983—85,987. Director D. M. Wallace and General Manager J. R. Kilgour oversee a workforce of 11.

As economic difficulties ease in 1984, the world's first production-model DHC-8-101 is delivered. Christened *Py Davoudit* is placed in service by **Air Dale, Ltd.** in October. A second DHC-8-101 follows in January 1985. Named *Jim C. Bell*, it is also turned over to **Air Dale, Ltd.** The *Py Davoud* lands short of the runway at Sault Ste. Marie on February 2, 1986; it is salvaged and repaired. The carrier is taken into the **Canadian Pacific Airlines, Ltd. (CPAL)** "Canadian Partner" commuter family in October when the major acquires a 30% interest.

Norontair is put up for sale in 1987. Returned to service in 1987, the *Py Davoud* helps the company chalk up some 100,000 enplanements on the year. It is sold with the *Jim C. Bell* to **Air Ontario, Inc.** in 1988. The same year, the Twin Otters are sold to the contractors for operation over the developed route network. A new mandate is now given Norontair to develop another system linking even smaller communities. The workforce now stands at 25 and the fleet includes 2 different DHC-8-101s, 6 other Twin Otters, and 1 Piper PA-31-350 Navajo Chieftain.

Passenger boardings accelerate 6.2% to 107,708.

Early in 1989, the route system is extended from Thunder Bay to Winnipeg. Customer bookings jump 5.6% to 102,260 and revenues climb 31.6% to C\$10 million.

Passenger boardings ascend to 110,218 in 1990 and revenues total C\$13.5 million.

The fleet in 1991 includes 5 Twin Otters, 2 DHC-8-101s, and 1 Chieftain. Customer bookings rise 2.6% to 109,000 and revenues slide to C\$11 million. Passenger boardings jump to 112,000 in 1992. Income is C\$12 million.

In 1993, President P. A. Dyment oversees 8 employees and contracts out a fleet of 6 DHC-6-300s, and 1 each DHC-8-101 and DHC-8-102, and 1 Piper PA-31-310 Navajo. Destinations served include: Kirkland Lake, Earlton, North Bay, Sudbarg, Sault Ste Marie, Chapleau, Elliot Lake, Gore Bay, Kapuskasing, Hearst, Hornepagne, Geraldton, Terrace Bay, Wawa, Thunder Bay, Winnipeg, Fort Frances, Aukikon, Dryden, Kenora, Red Lake, and Pickle Lake. The world airline depression has a significant impact on the company and no traffic or financial figures are released.

Services continue in 1994 as enplanements drop to 56,000, less than half of what they had been two years earlier. Operations continue to limp along through 1995, but, on March 29, 1996, the company shuts down and is offered for sale by the Ontario Northland Transportation Commission. Most of the aircraft are returned to Bombardier Aerospace for disposal; during the first quarter of 1997, four of the Twin Otters and both Dash 8s are sold to the Papua New Guinea airline **MBA (Pty.), Ltd.**

NORSK AIR, A.S.: Norway (1988–1992). Norsk Air, A.S. (sometimes spelled NorskAIR, A.S.) is organized at Sandefjord in early 1988 to offer scheduled services from its base at Skien with a fleet of 3 Embraer EMB-120 Brasília. Terje Rosjorde is named managing director. When the regional carrier **Norving, A.S.** ceases its scheduled services on February 1, Norsk is asked to move in and take over the routes. A fourth Brasília is received later in the year.

In 1989, a fifth EMB-120 joins the fleet and a total of 128,000 passengers are flown. In May 1990, the 110-employee carrier, now in deep financial difficulty, is purchased by **Wideroe's Flyveselskap, A.S.**, which operates it as a subsidiary under the name **Wideroe Norsk Air,**

A.S. Trygve Floeloe becomes the new managing director and the number of Brasília is reduced to three.

Enplanements slide to 121,710.

On October 28 1991, the line begins daily EMB-120 service from Kristianstad and Sanfjord to London (STN). The carrier's statistics are now consolidated with those of its parent, which, in 1992, chooses to rename it **Wideroe Norsk Air, A.S.** Asbjorn Utne becomes managing director.

NORSK HELIKOPTER, A.S.: P.O. Box 171, Sola, N-4050, Norway; Phone 47 (516) 45 600; Fax 47 (516) 46 699; Year Founded 1993. In December, the major U.K. rotary-wing operator **Bristow Helicopter, Ltd.**, with a 32% stake, joins with the shipping companies Leifhoegh and Andreas Ugland to establish a Norwegian joint-venture subsidiary, **United Helicopter, A.S.** The new entrant, under the direction of Managing Director Bjarne Sortland, will operate as Norsk Helikopter, A.S. in North Sea offshore helicopter support competition with the giant **Helikopter Service, A.S. (HS)**, Bristow's principal rival. United purchases a hangar in Stavanger at year's end, to which Bristow administrative and operational personnel, under contract, report.

During the first quarter of 1994, one each Bristow Eurocopter AS-332L Super Puma and Sikorsky S-61N are dispatched to Stavanger as the fleet of Norsk Helikopter. Unhappily, the subsidiary will be unable to win any of the major North Sea contracts awarded during much of the remainder of the year and will have to occupy itself with various heavy lift and other minor contracts.

In early fall, Norsk bids on a number of significant new oil support contracts, including a deal from Statoil worth \$113 million, one worth \$20 million from Saga Petroleum, and a third, for \$30 million, with Norsk Hydro. All are lost to rival HS and only one small Arco support contract can be had.

In December, the Bristow subsidiary is finally able to outmaneuver HS, winning the lion's share of two Phillips Petroleum contracts for shuttle services to and from the Ekofisk oil field in the Southern North Sea. Reportedly worth \$15 million per year and with a three-year option to extend, the arrangements will require Bristow to supply four more Super Pumas early in the new year.

These duly arrive and Norsk begins the transport of workers between Stavanger and Ekofisk on September 1, 1995.

By 1998, Managing Director Sortland's fleet includes 4 Super Pumas and several Sikorsky S-76Cs.

During the fall, Statoil, the state-owned oil company, awards **Helikopter Service, A.S.** a 10-year, \$230.5-million contract to fly support from Bergen with a Bell 214ST beginning in March 1999, along with 3 Eurocopter Super Puma Mk. 2s, also from Bergen, starting a year later. The Phillips Petroleum shuttle contract is lost in September.

In November, Norsk takes over 40% of the Statoil contract. The terms of the \$203.4- million, 5-year Norsk contract (with 5 years of options) will be for support flights from Stavanger.

Revenues for the year total Nkr 300 million (US\$34.4 million).

The Norsk Helikopter fleet at the beginning of 2000 includes 3 Super Pumas (1 AS-332L1 and 2 L2s) based at Stavanger, 3 L1s at Bergen, 1 L1 at Kristiansund, 2 L1s at Hammerfest, and 1 Sikorsky S-76C+ out on the Frigg Field platform of Elf Aquitaine Norge, A.S. Clients include Statoil, ExxonMobile, and Elf at Stavanger; Statoil at Bergen; Exxon-Mobile at Kristiansund; and Norsk Hydro, Agip, and Statoil at Hammerfest. Airline employment in June stands at 125, including 51 in flight operations.

NORSUR (COMPANIA ARGENTINA DE AERONAVEGACION, S.A.): Argentina (1958–1965). Norsur is formed at Buenos Aires in 1958 to offer third-level scheduled services in the northeast part of the nation. Equipped with 3 (later 8) Lockheed Model 18 Lodestars, the commuter begins operations late in the year to a variety of destinations, including Concordia, Monte Caseros, Paso de los Libres, Corrientes, Posadas, Resistencia, Parana, Rosario, and Santa Fe.

The carrier is duplicating services already provided by **Aerolineas Argentinas, S.A.** and **ALA (Aerotransportes Litoral Argentina, S.A.)** and is unable to maintain viability; it is forced to stop flying in **1965**.

NORTH ADRIA AVIATION: Aeroport Vrsar, Zagreb, Croatia; Phone 052 441 350; Fax 052 442 075; <http://www.istra.net/naa>; Year Founded 1990. This small operator is established at Zagreb in **1990**, primarily as an air taxi and general aviation concern.

Over the next ten years, the company provides a number of services, including taxi and scheduled commuter flights, all-cargo services, panorama and sight-seeing flights, and transport for skydivers. It also operates a flight school.

The fleet at the beginning of **2000** includes 2 Yak 40s, 6 Let L-410UVPs, 3 Cessna 172s, 2 Antonov An-2 biplanes, and 1 Cessna Citation II bizjet.

NORTH AFRICAN CARGO AIRLINES, S.A.: Colisee SAULA, Escaliers A, 4eme etage, El Manar II, Tunis, Tunisia; Phone 216 (1) 887 027; Fax 216 (1) 886 680; Code NAA; Year Founded 1993. NAA is set up by Adel Deghim at Tunis on April 27, **1993** to offer regional and domestic all-cargo charter services. Shareholding in the nation's first public-private partnership enterprise is divided between Chairman Deghim and various local interests (55%) and stakeholders in the U.K. (45%).

Operational start-up is delayed until October **1995** when the concern's 2 Antonov An-32Bs undertake flights to and from Monastir, Djerba, Tabarka, Tozeur, and Tunis and on to Europe and other North African nations. Services continue in **1996–2000**.

NORTH AIR (1): United States (1968–1971). The small regional North Air is established at Anchorage, Alaska, in the summer of **1968** to provide scheduled passenger and cargo flights to Kenai and Soldotna. Revenue services commence on October 24 with Beech Volpars (modified Beech 18s) and de Havilland Canada DHC-6-100 Twin Otters.

Operations continue apace until the commuter's failure in **1971**.

NORTH AIR (2): United States (1980–1981). Edward Majerie and Lloyd Gutowski set up the second North Air at Eveleth, Minnesota, in December **1980** to provide scheduled daily passenger and cargo roundtrips to Minneapolis. Although Cessna 402 flights duly begin, they cannot be maintained beyond January **1981**.

NORTH AMERICAN AIR CHARTER: Li MacArthur Airport, 90 Arrival Ave., Ronkonkoma, New York 11779, United States; Phone (516) 737-4430; Fax (516) 737-2093; <http://www.naac.com>; Year Founded 1993. This corporate carrier is established at Long Island's MacArthur Airport in **1993** to provide on-demand lift for business executives in the New York City area. Revenue operations begin and continue with 1 each Grumman G-1159C Gulfstream IV and British Aerospace BAe (HS) 125-700 Hawker.

NORTH AMERICAN AIRLINES (1): United States (1945–1957). Following the end of World War II, former servicemen found a large number of nonscheduled carriers in the U.S. with surplus transports. Among these companies is **Fireball Air Express**, started by Charles Sherman and Stanley D. Weiss in November **1945**. Employing Douglas DC-3s, this airline begins transcontinental all-cargo operations from its base at Long Beach, California, to New York, with intermediate stops.

In **1946**, the Sherman-Weiss venture is renamed **Standard Air Lines** and is granted a CAB certificate as a "Large Irregular Carrier." Passenger flights begin in **1947**, during which year Charles Sherman leaves the company. A year later, in December **1948**, the CAB rules that irregular carriers may make only eight roundtrip transcontinental flights each per month.

As the postwar travel explosion begins to fizzle in **1949**, Standard joins its Burbank-based rival **Oxnard Air Freight** (formerly **Viking Air**

Lines) in forming the North American Airlines Agency (NAA). This ticketing organization allows the two officially independent carriers to coordinate their cross-country flights, double the number of aircraft and flights available, and get around the CAB monthly restriction.

Other large irregulars, including **Twentieth Century Airlines**, **Trans-National Airlines**, **Trans-American Airways**, and **Hemisphere Air Transport**, join this consortium in January **1950**. The members pool their aggregate point-to-point route and 8-per-month roundtrip authorities granted by the CAB ruling of 1948, plus their 14 DC-3s and a DC-4, and inaugurate a coordinated transcontinental schedule at the cut-rate one-way figure of \$99, \$160 roundtrip.

Technically retaining their independence, the consortium members, with Weiss as CEO and coordinating activities via their ticketing organization, come to act as a single airline and are so perceived by both the public and other airlines and the CAB. Fares are kept low by reducing luxuries; indeed, NAA is the nation's first "no frills" airline. These combined services prove extremely popular with the public, but not the trunk lines or government regulators.

In **1951**, the combine introduces additional DC-4s. After purchasing the last DC-4 of **Delta Air Lines** on June 15, **1953**, NAA appeals to the CAB for new routes. In late **1954**, NAA agrees to purchase all of **Eastern Air Lines'** surplus DC-4s plus \$1 million worth of spare parts. It also reports passenger boardings of 194,000, a total higher than the combined total for the country's three smallest regular carriers.

Early in **1955**, the carrier acquires new DC-6Bs and on May 1 begins nonstop transcontinental flights, having already become an international operator on April 5 by starting DC-4 service from California to Tokyo via Honolulu. When **Eastern Air Lines** encounters difficulties in receiving the aircraft purchased to replace the DC-4s sold to NAA, President Weiss initiates the first sale-leaseback agreement in industry history and sells back the spare parts without profit.

Both competitors and the CAB remain extremely displeased by NAA's aggressive expansion. The former, claiming that NAA has violated the 1948 irregulars ruling, demands the grounding of the nontraditional operation. On July 1, the CAB revokes the group members' certificates and orders the combined airline to cease operations. While the matter is hotly argued by lawyers, the partners go on to fly 272,000 passengers on the year and to earn revenues of \$15 million. Meanwhile, the CAB, on November 15, creates a whole new class of "supplemental air carriers."

In January **1956**, the regulatory agency denies an NAA application requesting exemption from certification rules. During the spring, NAA, as the result of a suit by the airplane builder North American Aircraft Company, changes its name to **Trans-American Airlines** and amends a second, pending exemption request. In July, the CAB again rejects the carrier's approach. Once more, Weiss appeals.

The CAB denies Weiss' final bid in January **1957** and the matter is referred to the U.S. Supreme Court for settlement. Following a pro-CAB decision on April 23, the irregular is disbanded.

NORTH AMERICAN AIRLINES (2): United States (1970–1971). This international commuter is established at Windsor Locks, Connecticut, in **1970** to offer scheduled passenger and cargo services to Montreal. Although daily Beech 18 roundtrips are duly inaugurated, they must end in **1971** when **Pilgrim Airlines** acquires the rights to the Quebec route.

NORTH AMERICAN AIRLINES (3): United States (1981–1984). Established at Miami in 1978 as **Air Miami**, this small third-level carrier becomes known from its affiliation as **Air Florida Commuter**. Services continue apace until December **1981**, at which point the successful 105-employee carrier breaks with **Air Florida**, electing to operate as an independent.

On February 11, **1982**, the new **North American Airlines (2)**, employing its fleet of 4 CASA C-212-200s, 3 Cessna 402s, and 1 de Havilland DH 114 Heron begins daily roundtrip flights between Miami and

West Palm Beach, allowing passengers a connection with **Eastern Air Lines** flights into the Caribbean.

Other destinations now served include Fort Lauderdale, Sarasota, and Fort Myers. The carrier undergoes several ownership and management changes during the year and continues to resist publishing its statistics.

Scheduled daily roundtrips are inaugurated during **1983** between Fort Lauderdale and West Palm Beach and the Bahamian destinations of Freeport, Treasure Cay, Marsh Harbour, North Eleuthera, and Bimini. These routes are discontinued in **1984**, at which time the airline's Florida business becomes charter and contract service. Scheduled operations are refocused to the northeast for the provision of flights between Atlantic City and New York City (JFK and LGA).

This strategy to generate additional traffic fails, forcing the carrier to cease trading.

NORTH AMERICAN AIRLINES (4): Suite 250, Building 75, North Hangar Road, John F Kennedy International Airport, Jamaica, New York, 11430, United States; Phone (718) 656-2650; Fax (718) 995-3372; Code XG; Year Founded 1989. Daniel McKinnon, former chairman of the CAB, founds the fourth NAA at New York (JFK) in **1989** to act as an American feeder airline for the Israeli carrier **El Al Israel Airlines, Ltd.**

Employing a Boeing 757-23A leased from Ansett Worldwide Aviation Services, the company begins linking Dallas (DFW), Los Angeles, and Washington, D.C. with Tel Aviv-bound flights from New York in January **1990**. Charters are also operated to the Caribbean. During July, it is announced that **El Al Israel Airlines, Ltd.** will purchase 24.9% shareholding in a deal worth \$400,000.

By year's end, a total of 59,085 passengers have been flown and revenues of \$14 million generated. There is an operating profit of \$654,997, but a net loss of \$355,672.

FAA 120-min. extended range twin-engine operations (ETOPS) certification for the B-757-23A is received in January **1991** and the carrier continues its charter operations and feeder work on behalf of **El Al Israel Airlines, Ltd.** Nonscheduled flights to Mexico are now made on behalf of Club Med and unrealized plans are made to commence European charters.

In May, the company becomes the first U.S. airline to operate a B-757 under the 120-min. ETOPS rule; the historic charter flight is made to Brize Norton RAF base, near Oxford, England.

Passenger boardings decline 18.6% to 48,000, but revenues increase by 40.9% to \$16.18 million. Expenses ascend 9.1% to \$14.7 million and guarantee an operating profit of \$1.48 million. Net profit also climbs to \$1.48 million.

A leased McDonnell Douglas MD-83 is placed into service in **1992**. It allows the introduction of weekend charter operations from U.S. cities to certain of Club Med's Caribbean destinations plus the execution of military charters. The company, through its feed arrangement, also allows **El Al Israel Airlines, Ltd.** to commence Dallas (DFW) to Tel Aviv service on October 20. Passengers aboard a NAA flight at Dallas (DFW) are flown to New York (JFK) with Kosher catering and a Hebrew-speaking flight attendant en route. Upon landing, travelers transfer directly to an **El Al Israel Airlines, Ltd.** flight at an adjacent gate and continue on to Tel Aviv; the flight from Israel to Texas is conducted in reverse order.

Customer bookings ascend 18.8% to 57,000. Income exceeds costs and there are profits: \$891,000 (operating) and \$526,000 (net).

Airline employment is increased by 7.5% in **1993** to 100; however, the fleet is unchanged.

Passenger boardings slip 7% to 53,000. Revenues ascend 19.2% to \$24.9 million and expenses jump 21% to \$24.19 million. Operating income declines to \$701,052 and net profit drops to \$450,054.

The workforce is cut to 60 in **1994** and the leased fleet still includes one each leased B-757-23A and MD-83.

Traffic figures are only reported for a portion of the year and these show enplanements of 26,000. Revenues jump 5.7% to \$26.3 million and expenses rise 7.2% to \$25.93 million. The resulting operating surplus is down to \$369,000, while net gain drops to \$300,000.

Operations continue apace in **1995–1996**. A B-757-28AER is chartered and the carrier offers wet-lease services on behalf of not only **El Al Israel Airlines, Ltd.**, but other foreign carriers as well. In addition, the company bids on and wins a number of U.S. military charters.

Enplanements in the latter year total 148,890.

In October **1997**, the carrier contracts with the International Lease Finance Corporation (ILFC) for the seven-year charter of a B-737-800, beginning the following May.

Passenger boardings accelerate 11.9% to 169,000. Operating revenues climb 20.1% to \$53.3 million, and a net \$1-million profit is banked.

The B-737-8Q8 arrives in June **1998** and joins the company's other airline's in providing regularly scheduled subservice for El Al, as well as on charters under its own initiative into the Caribbean.

When its own B-757-28A is disabled on November 4, North American's B-757-28AER is wet-leased the next day to **Guyana Airways Corporation** to ensure continuity of its flights between New York and Guyana.

Late in the year, a former **Middle East Airlines, S.A.L. (2)** B-747-2B4BC is obtained for charter operations.

During the 12 months, customer bookings climb 15.4% to 195,000. Revenues rise 15.7% to \$59.36 million, while costs are up to \$57.68 million. The operating profit is \$1.68 million and there is a \$1.38-million net profit.

Early in **1999**, the Jumbojet is placed into service for the next two years on behalf of Malta-based North Atlantic Airways Cargo. The aircraft, crew, management, and insurance (ACMI) contract is similar to that employed by **Atlas Air** with **British Airways, Ltd. (2)**.

Nonstop Next Generation B-737-8Q8 Saturday roundtrips commence on June 26 from New York (JFK) to San Salvador. Twice-weekly B-757-28A return charters to Guyana from New York (JFK) commence on July 16.

Passenger boardings this year dip 4.6% to 186,000. Operating revenues climb 12.6% to \$66.87 million, while expenses rise 15.5% to \$66.21 million. Profits are down to \$257,000 (operating) and \$60,000 (net).

Airline employment at the beginning of **2000** stands at 275, a 77.4% increase over the previous 12 months.

AirlinersOnline.com reports on June 27 that arrangements have been completed by Dan McKinnon (51.1%) and **El Al Israel Airlines, Ltd.** (49.9%) for the sale of majority shareholding (75.1%) in NAA to LASV Enterprises, Inc.

The twice-weekly frequencies between New York (JFK) and Georgetown, Guyana, are increased to thrice weekly on July 3.

On September 3, Republican presidential candidate George Bush transfers to a North American B-757-28A that has been given temporary "Bush-Cheney" titles. The previously employed **Miami Air International** B-727-225A is turned over to vice presidential candidate Dick Cheney, who has been making his appearances aboard a crowded Gulfstream IV executive jet. The Dash-28A will be returned to NAA after the November election.

A B-757-28A still wearing its green tail, but with NAA titles, is leased from **JMC Airlines, Ltd.** and begins providing Caribbean charter flights in early November.

On a three-month trial basis beginning on December 22, Friday B-757-28A return charters are offered from New York (JFK) to Tobago.

NORTH ATLANTIC AIRWAYS (PTY.), LTD.: 7078 Halfway House, Johannesburg, 1685, South Africa; Phone 27 (11) 315 1267; Fax 27 (1) 315 1269; Code NAA; Year Founded 1998. NAA is established at Johannesburg in **1998** to provide both scheduled and charter all-cargo services to points around the world. Revenue flights commence employing a single Boeing 747-200F wet-leased from the American International Airways (3) division of **Kitty Hawk Air Cargo**.

The AIA unit is renamed **Kitty Hawk International Airlines** in February **1999**, only to later be sold off. The fate of the NAA Jumbojet is unknown.

NORTH CANADA AIR, LTD. See **NORCANAIR, LTD.**

NORTH CARIBOU AIR, LTD. See **NORTH CARIBOU FLYING SERVICE, LTD.**

NORTH CARIBOU FLYING SERVICES, LTD.: P.O. Box 6789, Fort St. John, British Columbia, V1J 4J2, Canada; Phone (250) 787-0311; Fax (250) 787-6086; <http://www.northcaribooair.com>; Code 5N; Year Founded 1958. Organized at Fort St. John, British Columbia, NCFS begins revenue services in 1958 flying passenger and cargo charters and contract services flights primarily to Edmonton, Alberta, but also to other western Canada destinations. The first aircraft employed are all single-engine lightplanes, including de Havilland Canada DHC-2 Beavers. During the 1960s and 1970s, the carrier comes to emphasize not only general charter operations, but support flights for oil and geological exploration concerns.

The first airliner acquired is a Convair CV-440, which is purchased in 1979 and employed to transport Edmonton's hockey and baseball teams. The fleet is considerably enlarged in 1980 with the arrival of a second Convair and two Douglas DC-3s. The Douglas transports inaugurate a scheduled network in 1981 linking Fort St. John with Hudson Hope, Chetwynd, Dawson Creek, Fort Nelson, and Grande Prairie.

A de Havilland Canada DHC-6-200 is purchased in 1982 and assigned to the scheduled services. These prove so successful that a Vickers Viscount 806 is added in 1983. The Twin Otter is replaced in 1984 by a Convair CV-640, formerly flown by Echo Bay Mines, Ltd. The Viscount, proving too expensive to operate, is sold to the U.K. carrier **Euroair Transport, Ltd.** in 1985.

Scheduled operations cease in 1986, at which time all three Convairs are sold. Charter and contract service flights continue with lightplanes and the DC-3s, one of which is painted green and used to transport British Columbia fire fighters during the summer of 1987. It is withdrawn in 1988. Operations continue apace during the remainder of the decade and into the 1990s.

In 1993, President Dan Wuthrich oversees a workforce of 20 and operates a fleet reduced in type size if not in number. Among the flight equipment now utilized are the DC-3, 2 DHC-6s, 1 Piper King Air 90, 1 Piper King Air 100, 1 Piper PA-31-350 Navajo Chieftain, 1 Pilatus-Britten-Norman PBN-2 Islander, and 1 Cessna 206.

Operations are continued in 1994-2000, primarily in support for oil and geological exploration companies. The employee population is increased by five; however, the fleet, by the latter year, is down to 2 King Airs and 2 Twin Otters.

NORTH CAY AIRWAYS: United States (1964-1976). Established at San Juan, Puerto Rico, in the early fall of 1964, North Cay is equipped with a Douglas DC-3, originally delivered to **United Air Lines** on January 3, 1937, and a Britten-Norman BN-2 Islander. These two aircraft are employed to inaugurate scheduled third-level passenger and cargo services from San Juan International and Isle Grande Airports on October 21.

Except for the addition of a Piper PA-32 Cherokee Six, operations continue with almost no change until 1973. Destinations visited during the decade include Aguadilla, St. Thomas, Mayaguez, Ponce, Culebra, Vieques, and St. Croix.

Late in the year, North Cay becomes a subsidiary of Airways Enterprises, Inc. The fleet is increased by the addition of 10 DC-3s and routes and frequencies are significantly increased. Unable to remain economically viable in the midst of this expansion, the company fails in 1976.

NORTH CENTRAL AIRLINES: United States (1952-1979). To celebrate its locale, **Wisconsin Central Airlines** changes its name to North Central Airlines on December 16, 1952. Arthur E. A. Mueller, majority owner, remains chairman with former Wisconsin State Aeronautics Commission Chairman Howard Morey as president/general manager.

Corporate headquarters are moved to Minneapolis/St. Paul's Wold-Chamberlain Field at year's end. Routes previously flown by the car-

rier's 8 Douglas DC-3s are maintained between cities in Wisconsin and to Chicago and Minneapolis. A net loss is incurred on the year's books.

A period of gradual growth is begun in 1953 and routes are opened to Detroit, Grand Rapids, and Lansing. Although passenger boardings are up, a second net loss is suffered. Acknowledging that it had been a mistake to let him resign in the fall of 1952, the board rehires Hal N. Carr as president on April 15, 1954; at age 33, Carr is the youngest airline president in America. Having received a 90-day grace period from creditors, Carr establishes his own management team and begins to turn the airline around. The interiors of the DC-3s are upgraded, the aircraft receive names, and the first female stewardesses are hired. The dispatch rate is improved, new financing is found, and the first company profit under the North Central Airlines name, \$80,222, is earned.

Acting through its Purdue Aeronautical Foundation, Purdue University of West Lafayette, Indiana, which had purchased nine DC-3s in an abortive attempt to create **Mid West Airlines** as its own carrier, now invests in NCA and begins to promote its merger with another regional local service operator, **Lake Central Airlines**.

Airline employment in 1955 stands at 900 and 2 more DC-3s are added to the fleet. New routes are opened from Chicago to Detroit via South Bend, Kalamazoo, Battle Creek, and Jackson. A "shuttle" service is introduced between Chicago and Milwaukee and in June the one millionth passenger (cumulative) is transported.

Receiving its permanent operating certificate from the CAB, the airline, which has boarded 430,445 passengers and posted a net gain of \$99,000, is labeled "America's Leading Local Airline."

The workforce totals 1,000 in 1956 and the fleet comprises 24 DC-3s. The route system covers 3,240 unduplicated miles and over 100 departures per day are offered.

Although 550,000 bookings are honored, net profit falls to just \$10,691.

Three more DC-3s are acquired in 1957; these Northliners' tails bear a logo consisting of a goose nicknamed *Howard* within a circle and stretch a route to Omaha from Grand Forks. North Central wins CAB authority to fly nonstop from Chicago to Duluth and Spencer. The two-millionth passenger (cumulative) is boarded in April as the company celebrates its tenth anniversary. Purdue's plan ends when the CAB rejects its application to combine NCA and **Lake Central Airlines**.

Enplanements for the year total 680,983.

As the result of a CAB ruling in 1958, the carrier is able to expand into such cities as Rapid City and Bismarck. The fleet of 32 DC-3s flies into 65 cities in 9 states. Employing a loan guarantee program authorized by Congress for local service carriers, North Central begins to modernize its fleet.

In 1959, five Convair CV-340s "Super Northliners," purchased from **Continental Air Lines**, are introduced, together with a new "feather" scheme livery, which is also applied to the Douglas transports. Hot meals are offered aboard the Convairliners and during the summer, a "Beer Service" is launched from Milwaukee. This route, with its complementary brews, will remain popular through 1967.

Passenger bookings jump to 957,751.

Traffic continues to grow; over a million passengers are carried for the first time in 1960, as the company inaugurates new services to 15 additional Michigan markets, as well as Cleveland. The company's first international route is opened from Duluth to Port Arthur and Fort William, Ontario. A DC-3 with 19 aboard is badly damaged in a crash landing at Madison, Wisconsin, on August 13; all 16 passengers and 3 crew are injured.

In competition with several trunk lines, North Central by 1961 holds over half of the Chicago-Milwaukee market. The government subsidy provided to the carrier, like that given all local service airlines, is now \$8 million per year. A DC-3 with 27 aboard is rammed by a truck at Chicago on April 17 and is badly damaged. In the late fall, Operation Cold Front is implemented and this winterization program allows increased dispatch reliability during cold winter months.

In route near Pierre, South Dakota, on October 24–25, **1962**, a CV-340 with 47 aboard runs into a flock of birds; the aircraft is badly damaged, but is able to land without major injury to anyone aboard.

The company receives an \$800,000 foreign aid contract from the Agency for International Development (AID) on August 28, **1963** to help modernize **LAB (Lloyd Aero Boliviano, S.A.)**.

Enplanements for the year total 1,117,707. Revenues are \$28,006,027 and yield a net profit of \$505,711.

Airline employment in **1964** stands at 2,018 and the fleet includes 42 aircraft. Applications are made to the CAB for nonstop services from Minneapolis/St. Paul to Milwaukee and Chicago and via intermediate stops from Omaha to St. Louis and Kansas City. In December, North Central becomes the first local service carrier to enplane its 10 millionth passenger.

Bookings for the year accelerate 11% to 1,255,850. Despite a 7% decline in government subsidy, overall revenues advance by 5.8% to a record \$29,730,389. A record net profit of \$617,359 is also announced.

The workforce in **1965** is increased to 2,171. This is the largest number of employees for any of the U.S. regionals. President/General Manager Carr is also named board chairman in March upon the death of his predecessor, Arthur Mueller. To settle Mueller's estate, an inside secondary stock offering is made, from which Carr emerges as the largest single shareholder. Restrictions on service between Chicago and Duluth are removed and CV-440 Northliner cargo service is inaugurated to 12 midwestern cities.

On April 26, DC-3 N21728 flown by Capt. Herbert Spletstoeser, one of the carrier's original pilots, is retired following its arrival at Chicago (ORD) on Flight 748 from Minneapolis. With 83,032 hrs. 52 min. flying time, *Northliner Winnebago* is, at this time, the highest-time aircraft in the history of aviation. Unable to part with the famous aircraft, President Carr has it refurbished as an executive transport.

Reservations and flight information services are improved when the company begins to share the Univac 490 computer system of **Eastern Air Lines**. The fleet now includes 45 aircraft, including 29 CV-440s, 6 of which are newly delivered. Orders are placed for 5 DC-9-31s at \$4 million each, with options on five others.

On September 14, a DC-3 with eight aboard strikes trees while landing at Stevens Point, Wisconsin; no one is hurt.

Passenger traffic accelerates 20% as 1,616,900 passengers are carried; freight is up by 37% and a \$1.1-million profit is reinvested.

Five additional DC-9-31s are requested in **1966**, with options on five others. The first Convairliners are taken in hand for the fitting of turbo-prop engines.

Enplanements for the year leap to 2,018,740; revenues total \$39,422,442.

The workforce in **1967** stands at 2,649 as the company's twentieth birthday is celebrated. As the demand for improved services increases, the company continues to seek a replacement for its aging fleet of DC-3s. North Central also works to upgrade its entire fleet of 28 CV-340s and CV-440s into CV-580 turboprops that are gradually introduced, beginning with the first two on April 1. The marketing campaign "The Jet-Smooth Skyways of North Central" heralds their arrival, as does their new color scheme.

During the spring and summer, three new \$4-million Douglas DC-9-31s are acquired; the first is delivered on July 28, also in new livery, and is placed into service on September 8.

Meanwhile, ground is broken in July for a new \$15-million base facilities complex at Minneapolis (MSP). During the fall, jetliner flights are offered from Chicago, Detroit, Milwaukee, and Minneapolis (MSP) to a variety of smaller communities, including Kalamazoo, Aberdeen, Rapid City, South Bend, Eau Claire, Duluth, La Crosse, Green Bay, Wausau, Marshfield, and Madison. Service is also started to Kansas City and Toronto.

As a result of \$62 million in financing for the equipment upgrade, seven more CV-580s and all three DC-9-31s are delivered by December.

A record 2,347,371 passengers are originated, a 14% increase, and as the anniversary year closes, it is reported that 16 million passengers

have been flown since 1947. Revenues jump 8% to \$42,850,480 and a net profit of \$1,520,124 is banked.

At the beginning of **1968**, North Central flies over a 7,000-mile route network that connects 90 cities in 11 midwestern states, plus Canada. Employing one of every type of aircraft flown, including a Lockheed Model 10A in **Wisconsin Central Airlines** colors, the company stages a massed "20th Anniversary Flight" over Minneapolis/St. Paul on February 24. Work on the company's new operations base at Minneapolis (MSP) nears completion.

The year is plagued by operational accidents. On June 24, a CV-580 with 19 aboard lands safely after demolishing a 2,000-foot television transmitter tower near the airport at Sioux Falls, South Dakota. Another CV-580 with 11 aboard collides with a Cessna 150 of Home Airmotive over southeast Wisconsin on August 4 and flies 20 miles to a safe landing, the little private plane and its three dead passengers imbedded in its fuselage.

While executing a go-around in bad weather and fog at Chicago (ORD) on December 27, the pilot of Flight 458, a CV-580 with 4 crew and 41 passengers, loses control. The aircraft crashes upside down into a hangar and 27 aboard the turboprop are killed in the company's first fatal accident, along with 1 person on the ground.

Passenger boardings swell 23% to 2,777,000 and cargo traffic climbs 34.4%. Revenues jump 29% to \$55,226,000, but profits decline.

In February **1969**, the new \$15-million operations base, including general offices, is occupied at Minneapolis (MSP) by 1,200 of the airlines total 3,100 employees. The final DC-3 flight is completed on February 8 from the Twin Cities to Mankato, Minnesota, and Chairman Carr appoints Bernard "Bud" Sweet president in April. Applications are filed with the CAB seeking permission to service 29 more cities in 11 new states plus Canada and the District of Columbia.

DC-9-31 flights commence to the new Central Wisconsin Airport, serving Wausau, Marshfield, Stevens Point, and Wisconsin Rapids. In addition, service authority is granted to Cincinnati, Columbus, Dayton, and four cities in the Upper Peninsula of Michigan. All of the DC-3s are now retired and replaced with 33 Convair 580s and 13 DC-9-31s, with 5 of the latter joining the fleet since spring.

The operations base is officially dedicated in October and in December new stewardess uniforms are introduced.

Enplanements total 3,150,000. Revenues are \$68.42 million and although a \$4.01-million operating profit is earned, a net loss of \$2.37 million is suffered, the first in 16 years.

The employee population in **1970** is 3,147. Two additional DC-9-31s and another CV-580 are placed into service.

On April 23, a lone assailant wielding a fake pistol commandeers a bus and demands to be driven to the airport at Pellston, Michigan. There he boards Flight 945, a DC-9-31 preparing for departure to Detroit, and attempts to take it over. The man is quickly overpowered by the crew and turned over to law enforcement officers. Upon examination, he will be judged mentally deficient and will be sent to a psychiatric facility.

Minneapolis (MSP) to Omaha nonstop service is started in June, along with a route from Milwaukee to Cincinnati via Columbus and Dayton. At the same time, authority is granted for the company's single most important extension, to New York. In September, a long-awaited long-haul DC-9-31 route is inaugurated between Milwaukee and New York (LGA).

Passenger boardings accelerate 16% to 3.75 million and freight ton-miles are up by 31% to 10.9 million. With revenues of \$91.9 million, the company posts \$2.18-million net profit—a company record. NCA is the only local service carrier besides **Allegheny Airlines (1)** to achieve positive earnings this year.

Operations continue apace in the twenty-fifth anniversary year of **1971**, as the company employs a special logo and opens the Northliner Museum at the airline's Minneapolis (MSP) headquarters.

Enplanements remain level at 3,714,340 and profits decline to a million dollars.

The workforce in 1972 is 3,200. Company officials approach the CAB for permission to fly nonstop from Detroit to Boston, Milwaukee to Denver, Detroit to Atlanta, and Cincinnati to Atlanta. During the spring and summer, three DC-9-50s are ordered, terminal facilities at several airports are improved, and the ESCORT reservations system is expanded.

On June 29, a CV-580 collides in midair over Lake Winnebago, near Appleton, Wisconsin, with an **Air Wisconsin** de Havilland Canada DHC-6 Twin Otter; there are no survivors from either aircraft.

During a 19-minute Chicago to Milwaukee flight on August 18, \$2 million worth of securities are stolen by either a passenger who gained access to them through a restroom or someone hiding in the baggage compartment. The Brinks Company immediately calls in the FBI and stops payment, but \$1 million of the loss is in negotiable bonds.

On December 20, North Central Flight 575, a DC-9-31 with 4 crew and 41 passengers is taking off in heavy fog from Runway 27L at Chicago (ORD). At the same time, **Delta Air Lines** Flight 954, a CV-880 with 7 crew and 81 passengers, is taxiing across Runway 27L. The two aircraft collide, snapping off the Delta plane's vertical stabilizer; 10 aboard the local service airliner are killed and lack of speedy medical aid immediately following the accident raises new issues about airport emergency readiness.

Passenger boardings jump 14% to 4,319,000 and a total of 7.94-million freight ton-miles are flown. Income climbs to \$118.33 million and expenses are held to \$105.97 million. Consequently, the operating profit is \$12.355 million and the net gain is \$7.53 million, the largest in the carrier's history to date.

Seventy-eight new employees are hired in 1973. Five DC-9-50s are ordered and three are delivered. In addition, automated ticketing is introduced at several terminals. An application is made to the CAB for permission to fly nonstop from Milwaukee to Philadelphia. It also asks that its present route segments be consolidated so as to allow greater scheduling flexibility.

Historically, the year's highlight occurs when NCA becomes the first U.S. local service carrier to have its stock listed on the New York Stock Exchange.

Customer bookings fall by 1.3% to 4,263,000, but cargo is up by 13.8%. Income is \$126.42 million and expenses total \$114.41 million. The operating profit is \$12 million and the net gain—the 19th in 20 years—is \$6.44 million, down largely because of the OPEC embargo and oil crisis.

Airline employment in 1974 is 3,364. This quiet carrier continues its profitable ways despite the general U.S. economic situation. In October, flights are added from Duluth and Superior to Winnipeg and the route network grows to 10,200 unduplicated miles.

Although freight is off by 0.9%, enplanements are up 6.6% to 4,546,000. Even though expenses are up 15.1% to \$133.49 million, total income climbs 18.4% to \$151.49 million. The operating profit is \$17.99 million and net income is \$8.2 million.

Profitable for 20 years, a cumulative net income of \$25.2 million over the past 5 years has made North Central the highest earning airline in the local service industry; indeed, \$7 million more valuable than second place **Frontier Airlines (1)**. If this news is not welcome enough, Chairman Carr and President/CEO Sweet proudly announce that their company is the first local service carrier to declare a dividend upon New York Stock Exchange listed shares.

Sixty-six new employees are hired in 1975. On May 28, chief pilot Louie Farrell turns over the former *Northliner Winnebago* to the Henry Ford Museum at Dearborn, Michigan. With 84,875 flight hours (9.5 years) that have covered 12 million miles with 260 million passengers, N21728 remains the second highest-time aircraft of its type in aviation history behind another ex-EAL machine, N136PB of **Provincetown-Boston Airline (PBA)**.

A new \$1.8-million DC-9 digital flight simulator is delivered in October and a CV-580 nearly collides with a lightplane over Janesville, Illinois, on December 8. Two DC-9-50s arrive, also in December, and on

December 5, Hal N. Carr turns over his CEO responsibilities to President Sweet.

At 4,581,000, passenger boardings set a new record, though technically they are off by .08%. Cargo traffic is down 9.8%. Income reaches the record level of \$163.58 million and there are \$156.36 million in hidden expenses. The operating profit is \$7.22 million and the 21st consecutive net profit is \$5.22 million.

Airline employment is increased by 4.6% in 1976 to 3,587. In January, the company receives the 1975 "Financial Management Award" from *Air Transport World* magazine.

Five DC-9-50s are delivered during the year, beginning on April 5, bringing the fleet total to 8, plus 20 DC-9-31s and 25 CV-580s.

Customer bookings accelerate 8.5% to a record 4,969,264 while freight does even better, up 13.7% to 13.4 million FTKs. Operating income is \$191.1 and expenses are held to \$177.07 million. The result of this happy imbalance is an operating profit of \$14.03 million and a record net gain of \$7.45 million.

New nonstop service is started between Detroit and Boston on January 3, 1977. During the year, three more DC-9-50s arrive.

Enplanements total 5,211,000. On revenues of \$227.62 million, a \$13.76-million net profit is banked.

Airline employment is boosted a full 25% in 1978 to 4,460. A DC-9-50 with 103 aboard narrowly misses a high-speed collision with a corporate jetliner on a New York (LGA) runway on June 23.

During takeoff from Kalamazoo on July 25, Flight 801, a CV-580 with 3 crew and 40 passengers, strikes a flock of birds, causing the propeller to autofeather and forcing the aircraft to turn left and crash into a cornfield. There are no fatalities.

Following passage of the Airline Deregulation Act, competition between the various U.S. domestic carriers greatly intensifies. Marketing shifts and equipment upgrades become commonplace throughout the U.S. air transport industry.

In the fourth quarter, North Central extends its routes to 11 new cities, including Baltimore, Syracuse, Philadelphia, Atlanta, Houston, Tucson, and five areas in Florida, thereby doubling its route network to 22,400 unduplicated miles. To meet demand, seven DC-9-50s are acquired.

The year's most dramatic incident occurs at Madison, Wisconsin, on November 23. After crashing through a perimeter fence with his automobile, a man, claiming to have a bomb hidden in a plastic trash bag, rushes aboard Flight 468, a DC-9-50 preparing for departure. The captain calls police, who show up shortly thereafter and take the man into custody. Not only does the man not have an explosive, but upon psychiatric examination, will be found to be mentally unstable and sent to an institution for treatment.

Passenger boardings increase 24.6% to 6,911,000, while freight is up by 13.3% to 16.42 million FTKs. Revenues jump upward 31% to \$299 million and expenses are held to \$263.74 million. For the 24th consecutive year, the company records a net profit, reporting a 61% boost to \$22.2 million.

Airline employment exceeds 4,000 in 1979. In an effort to increase prosperity in a cutthroat marketplace, North Central joins with **South-ern Airways** in agreeing to a merger which, with CAB approval, is consummated on July 1. The resulting airline, the 13th largest in the country, is christened **Republic Airlines**.

NORTH CENTRAL AIRWAYS: United States (1979). NCA is set up at Lincoln, Rhode Island, in spring 1979 to provide scheduled air taxi flights between Providence and Block Island. Although daily Piper PA-31-350 Navajo Chieftain roundtrips are duly inaugurated, they can only be maintained for a few months.

NORTH COAST AIR SERVICE, LTD.: Canada (1961–1987). With a base at Prince Rupert, NCAS is organized by J. N. Anderson in 1961 to provide passenger and cargo charter and contract service flights along the north coast of British Columbia and to the Queen Charlotte Islands. Lightplanes are initially employed, including Cessna and de Havilland

Canada DHC-2 Beaver floatplanes. The first twin-engine aircraft is a Douglas DC-3 acquired in 1970.

The Douglas is withdrawn in 1975 and replaced by a Beaver. Service continues apace in 1976 and into 1977. On September 29 of the latter year, engine problems cause a leased C-46C Commando with two crew to make a forced landing in trees 15 mi. SE of Thompson; both men escape injury, but the Curtiss must be written off.

In 1978, the company dramatically increases its services and capacities by introducing a Grumman G-73 Mallard amphibian and two Curtiss C-46 replacement freighters. Airline employment grows to 30. The larger aircraft are joined by a DHC-3 Otter in 1986. Recession causes the carrier to stop flying in 1987.

NORTH COAST AVIATION (PTY.), LTD.: P.O. Box 350, Lae, Papua New Guinea; Phone 675 422 525; Fax 675 422 866; Code N9; Year Founded 1994. North Coast is founded by B. S. Potts at Lae in 1994 to provide domestic charter and commuter services. Revenue flights commence with 3 Pilatus-Britten-Norman PBN-2 Islanders.

Flights continue in 1995–2000, during which years the fleet is increased by two Islanders and a pair of Cessna 402Cs.

NORTH CONTINENT AIRLINES: United States (1983–1991). NCA is established at Long Beach in 1983 as an all-cargo commuter airline. In addition to charter and contract flights, the company, employing two Hamilton Westwind IIIs (converted Beech 18s), inaugurates scheduled freight flights in southern and central California, Arizona, and New Mexico.

Operations continue apace during the remainder of the decade and into the 1990s as the fleet is enhanced by the addition of a de Havilland Canada DHC-6-100 Twin Otter (upgraded to Dash-200 standard) and a Beech 1900C. Destinations visited include Albuquerque, Burbank, Fresno, Los Angeles, San Francisco, San Jose, Phoenix, and Tucson.

Unable to survive the airline recession and higher fuel bills brought about because of the Gulf War, NCA closes its doors in early 1991.

NORTH CROSS AIRLINES, A.B.: Sweden (1990–1993). This new entrant is established at Helsingborg in late 1990 from the assets of failed **Liz-Air, A.B.** to provide scheduled commuter services to local destinations. Managing Director Andres Ericsson's inaugural fleet comprises 2 Dornier 228-200s.

Scheduled domestic operations commence in the spring of 1991 and by fall, traffic is sufficient to warrant acquisition of a third Dornier. During the spring of 1992, service is inaugurated to the Polish city of Gdansk. Unhappily, the fierce Swedish recession in the spring of 1993 forces the company, losing money, to shut down.

NORTH EAST BOLIVIAN AIRWAYS, LTDA.: Freighter Casilla 1740, Cochabamba, Bolivia; Phone (42) 29596; Fax (42) 29595; Code NBA; Year Founded 1970. NEBA is established at Cochabamba in 1970 as a nonscheduled all-cargo carrier. Thirty years later, in 2000, Edgar Rios Caoro is manager and the fleet includes 1 each Curtiss C-46C Commando and Convair CV-440-86 Metropolitan.

NORTH EASTERN AIRWAYS, LTD.: United Kingdom (1935–1947). Capitalized at £20,000 and with Lord Grimthorpe as chairman, this airline is registered at London on March 4, 1935. The initial fleet comprises Airspeed Envoys, which are employed to initiate London (Heston)–Newcastle flights on April 8 via Leeds. The Newcastle route is extended to Edinburgh on May 27.

The targeted victim of a railroad effort to eliminate the small independents by ending their participation in the railroad agent ticketing business, the company suspends operations in July. The assets are purchased by **Alp Airline, Ltd.**, which is planning a London (Croydon)–Switzerland service.

Following an 18-month hiatus, thrice-weekly Airspeed Envoy flights are opened from London (Croydon)–Perth on November 2, 1936, via

Doncaster, Yeadon, and Newcastle. Seven de Havilland DH 89As are acquired.

The Perth route is extended to Aberdeen on April 5, 1937, but will be withdrawn in the fall from lack of radio aids. Meanwhile, on July 1, two experimental proving services are started from Hull to Manchester via Doncaster and from Hull to Grimsby, with the former extended to Liverpool in September. Summer service from London (Croydon) to Knocke and Le Zoute is initiated on July 29 and ended on September 6.

The Liverpool–Doncaster route is closed in February 1938. In April, a Newcastle–Glasgow service is undertaken especially for those attending the Empire Exhibition at the Scottish capital. The frequency is changed in October for a Doncaster–Glasgow route via Edinburgh. On October 3, mail is added to a DH 89A route from Perth to London (Croydon) via Newcastle, Yeadon, and Doncaster, although it is only unloaded at Newcastle and London.

In accordance with the September 16 Air Navigation Order, the new Air Transport Licensing Board (ATLB) on October 21 grants the carrier route certification from London (Croydon)–Perth and Glasgow and from Hull–Doncaster and Grimsby.

The company joins IATA in 1939. On September 3, war is declared on Germany and all civil flying ceases. Company operations are suspended, but not resumed; the carrier is absorbed into **British European Airways Corporation (BEA)** on February 1, 1947.

NORTH EASTERN CARGO AIRLINES (SVGAL): 7 Reki Magdanski, Naberezhnaya Reki, Magadan, 685007, Russia; Phone 9 (41322) 24 336; Fax 9 (41322) 21 082; Code MGD; Year Founded 1993. NECA is founded at Magadan, near the Sea of Okhotsk in Siberia, in 1993 as a subsidiary of **Magadan Air Concern (Magadan Aviakoncern MAK)**. U. K. Braynev is named general manager and is provided with a fleet of 4 Ilyushin Il-76TDs and 4 Antonov An-12s. These are employed to initiate ad hoc all-cargo charter flights to domestic and international destinations. MAC is reformed into **Magadan Airlines (Magadanskie Avialinii)** in 1995.

Service is maintained during the remainder of the decade and into the new millennium. In this period, Vladimir Brainin becomes director general and his fleet is reduced by one each Il-76TD and An-12. An application is filed and approved for the operation of long-haul charters from Russia to the U.S. A hub is simultaneously opened at Manston, England, for short- and medium-haul flights into Western Europe and Russia, many of which are operated by An-12s under a contract with the cargo division of **British Airways, Ltd. (2)**. Several Il-76TD charters are flown from Magadan to Houston via Manston, transporting oil industry gear to Central Asian locations. Ilyushin flights between Manston and Sverdlovsk are also common.

NORTH FLYING, A.S.: Aalborg Lufthavn, Norresundby, DK-9400, Denmark; Phone 45 9817 3811; Fax 45 9817 9052; Code NFA; Year Founded 1990. Hanstholm-based North Flying A.S. names Holger Jorgensen as its premier managing director in 1990. An inaugural fleet is assembled comprising 1 Beech King Air 100, 1 Fairchild-Swearingen Metro II, and 2 Piper PA-31-310 Navajos. These are employed to inaugurate scheduled commuter flights to Aalborg, Stavanger, and Esbjerg.

Soren Ibent becomes managing director in 1992 and he alters the fleet by withdrawing the King Air and adding a second Metroliner.

The fleet in 1993–1994 grows to include the 2 Metroliners, the Navajo, and 1 each Partenavia PN-68, Cessna 340, and Cessna 337.

Flights continue in 1995–1999, during which years the company also flies a Pilatus-Britten-Norman PBN-2 Islander and an Aerospatiale Corvette SN-601. Scheduled services continue, along with such charter missions as crew transfer and express “just-in-time” flights.

NORTH JAPAN AIRLINES COMPANY, LTD. (KITA NIHON KABUSHIKI KAISHA): Japan (1953–1964). North Japan is formed by the local Hokkaido government and private investors at Sapporo on June 30, 1953 to provide air taxi and charter flights throughout

Hokkaido. With backing from **Japan Air Lines Company, Ltd. (2)** and leased Douglas DC-3s, the company begins scheduled services in July **1957** linking its base with Memanbetsu and Makashibetsu.

Among company highlights is the receipt in early **1959** of the former **Hawaiian Airlines** DC-3 *The Moanalua*, the American carrier's first Douglas transport placed into service in 1941. The new owners complain about patches on the new aircraft's fuselage, not immediately realizing that they cover bullet holes made by Japanese aircraft during their attack on Pearl Harbor.

In June, *The Moanalua* opens a new route from Sapporo to Wakkanai, the northernmost city in Japan.

A number of Convair CV-240s are purchased from the Sikiya Trading Company during late spring **1960** and enter service from Sapporo to Hakodate on August 1. During the fall, Convairliner service to Kushiro is launched.

Service from Hokkaido to Honshu begins on April 1, **1962** with a new route to Akita. The company receives a permanent certificate from the government on November 1. With inauguration of the summer **1963** schedule in March, the company offers frequencies from Sapporo to Tokyo via either Hachinohe or Hakodate and Akita.

As the result of several air accidents befalling the nation's smaller carriers, the Ministry of Transport in early **1964** elects to rationalize the regional airline industry. On April 15, North Japan is one of three small carriers merged to form **Japan Domestic Airlines Company, Ltd.**

NORTH PACIFIC AIRLINES (NPA): United States (1987–1990). In the spring of **1987**, the **United Airlines** "United Express" partner **WestAir Airlines** President Timothy Flynn announces the creation of a new feeder, North Pacific Airlines (NPA), which is based at Pasco, Washington. Outfitted with a pair of British Aerospace BAe Jetstream 31s, the new subsidiary, under the direction of President Craig Belmondo, inaugurates 12-times-a-day services to Portland, Oregon, in July.

In September **1988**, the parent company's holding firm, WestCom Holdings, is transformed into WestAir Holdings, with Flynn named chairman. In November, orders are placed by WestAir for two, later three, Embraer EMB-120 Brasilias for NPA.

Enplanements for the first full year of service total 363,206.

Airline employment in **1989** stands at 400 and the fleet now includes 17 Jetstream 31s. The first three EMB-120s join the fleet in January and February and Brasilia flights commence to Boise, Idaho, on March 1.

A total of 14 cities are served by spring, including Seattle, Wenatchee, Spokane, Portland, Eugene, Redmond, Bend, Medford, Pullman, Moscow, Lewiston, Clarkston, Kalispell, and Missoula.

A number of pilots are now hired from failing **San Juan Airlines** and on May 1, NPA takes over for the collapsed Port Angeles-based regional.

On October 22, the underbelly baggage compartment of a Jetstream 31 departing Redmond, Washington, hits a deer just as the aircraft is rotating; the aircraft returns immediately to the ramp and no injuries (except to the deer) are reported.

Icing is a major factor in the December 26 loss of "United Express" Flight 2415, a BAe Jetstream 31 with two crew and four passengers, which crashes 100-ft. short of the runway at Pasco-Tri Cities Airport after a service from Yakima. There are no survivors.

Traffic statistics for the year are not reported separately, but rather as part of the parent's report.

In March **1990**, just after daily roundtrips begin from San Francisco to Fresno, the San Francisco-based **WestAir Airlines** division is combined with the NPA unit, which flies "United Express" services out of Seattle, under the former's name, becoming the West Coast division of WestAir, itself now a national in size. **Atlantic Coast Airlines**, formed the previous year, remains the East Coast division. NPA President Belmondo transfers to Atlantic Coast as its vice president-customer services and sales.

NORTH QUEENSLAND AIRWAYS (PTY.), LTD.: Australia (1934–1938). T. H. McDonald founds his North Queensland Airways

(Pty.), Ltd. at Cairns in the early fall of **1934**. After obtaining a de Havilland DH 50 Moth and a DH 80A Puss Moth, McDonald initiates Cairns to Cooktown flights on October 22. Twice-weekly Cairns to Townsville service is started on June 30, **1935**.

A Cairns–Innisfail daily Puss Moth route is opened on June 1, **1936**. During the summer, DH 84 Dragons are obtained and these are used to inaugurate Cairns–Normanton service on September 1.

On April 7, **1937**, a weekly Cairns–Brisbane frequency is opened. Two new Dragon routes are opened in June: every two weeks to Portland Roads from Cairns on June 12 and under subsidy, the Normanton terminus is stretched to Burketown on June 15.

During the summer of **1938**, Cairns–Mount Isa and Normanton–Koolatah flights begin. The carrier is purchased by and merged into **Airlines of Australia (Pty.), Ltd.** on October 25.

NORTH SEA AERIAL AND GENERAL TRANSPORT, LTD.: United Kingdom (1919–1933). As an aeronautical branch of Blackburn Aeroplane and Motor Company, Ltd., North Sea Aerial Navigation Company is formed at Leeds on April 23, **1919**. Equipped with several of the parent's unsold and slightly converted *Kangaroo* reconnaissance-torpedo aircraft, North Sea inaugurates a commercial freight and express service from Soldiers' Field at Leeds' Roundhay Park to Gosport. Employing an Avro 504K, passenger flights are started in June over a route Scarborough–Hull–Harrogate; simultaneously, a daily express parcel operation is flown from Leeds to Scarborough.

In August, the long-nosed *Kangaroo* biplanes inaugurate service from Hull to London (Hounslow) via Leeds and also get in several charter flights from Hounslow to Amsterdam. During the September 30–October 5 British rail strike, company *Kangaroos* fly mail and passengers from Leeds to London (Hounslow). In October, Blackburn's enterprise is renamed North Sea Aerial and General Transport, Ltd.

Flying a *Kangaroo*, R. W. Kenworthy inaugurates a short-lived Leeds to Amsterdam via Lympe all-cargo service on March 6, **1920**. The service and the operator are both suspended on October 20 and remain shut down for over five years. The British colonial governments of Uganda and Kenya each subscribe £2,500 for the development of an experimental seaplane service from Khartoum–Kisumu, Lake Victoria, and Blackburn Aircraft resurrects its suspended airline subsidiary in November **1926**.

Employing Alan Cobham's famous DH 50J exploring aircraft *Pelican*, T. A. Gladstone attempts the first flight between the Nile at Khartoum and Lake Victoria on January 2, **1927**, only to crash upon takeoff. The RAF lends a Fairey IIID and Gladstone makes a successful proving flight the first week of February.

On February 15, a second flight, with mail, is made from Kisumu to Jinja; the Fairey IIID completes the run to Khartoum on February 15, where the RAF continues the mail to Cairo. The Fairey IIID crashes upon takeoff for the third test flight on March 13. The *Pelican* is repaired by October and Gladstone resumes flights from Khartoum to Kisumu.

On April 24, **1928**, the African enterprise is merged with Alan Cobham's aviation firm Alan Cobham Aviation, Ltd., to form **Cobham-Blackburn Air Lines, Ltd.**

Dormant for five years, Blackburn revives North Sea Aerial and General Transport, Ltd., in summer **1933** On July 1, in conjunction with East Yorkshire Motor Services, Ltd., a Blackburn Segrave and Fox Moth participate in a thrice-daily Humber ferry service (the air sector extends from Hedon to Waltham). Scheduled frequencies become nine per day on September 4, but are reduced to on-demand charter as of November 4. Flights end a year or so later.

NORTH SEA AIR TRANSPORT, LTD.: United Kingdom (1945–1967). Formed in November **1945** as a subsidiary of the Blackburn Aircraft Company and equipped with a Miles M.38 Messenger, NSAT is based at Hull's Brough Airport. Following resumption of civil aviation in the U.K. in January **1946**, the company soon begins flying ad hoc charters. A Percival P-28 Proctor 1 is provided in March, followed by a

de Havilland DH 89A in May. The Proctor 1 is lost in a crash at Zurich on September 17. Two more Dragon Rapides join the fleet in November.

The first of two Miles M.57 Aerovans to be delivered on the year arrives at Hull in mid-May 1947. It is placed in service immediately, but is lost on June 14 in a takeoff accident from London's Croydon Airport (one dead). Additional aircraft added to the fleet during the year include an Avro Anson I in July, an Avro 19 in October, and a second Aerovan, also in October. Ad hoc charters are flown to Continental destinations as well as several in Ireland, Scotland, and the Channel Islands.

Charter services remain approximately the same in 1948 and no aircraft are added to the fleet. The Avro 19 is lost in a crash at Port Erin on June 11. Destinations are more frequently visited but not changed significantly in 1949; however, the fleet is increased by the addition of a Percival Proctor 5, two DH 89As and a Lockheed 14 in October, and a Lockheed 12A in December.

A Dragon Rapide is sold in February 1950 and following the summer tourist season, the company elects to severely limit its charter business. By November 1951, all aircraft have been sold except for two DH 89As, one of which is sold in November 1952. The remaining Dragon Rapide, joined by a DH 104 Dove 1 in September 1958, is employed as Blackburn's communications aircraft.

NSAT remains on the books as an airline company and during the next 12 years even undertakes a few charter flights. The Dragon Rapide is sold in July 1965 and in March 1967 the Dove is withdrawn and the company is allowed to disappear.

NORTH SEA HELICOPTERS, B.V. See **KLM/ERA HELICOPTERS, B.V.**

NORTH SOUTH AIRLINES, LTD.: United Kingdom (1959–1962). **Overseas Air Transport, Ltd.** founder Lord Calthorpe forms this company at Leeds in March 1959 to provide ad hoc charters employing a leased de Havilland DH 114 Heron 1B just now returning from a lease to **Cambrian Airways, Ltd.** The company is officially registered on May 29 with capitalization of £10,000. Scheduled weekly Leeds to Bournemouth Heron 1B flights begin on June 6.

During the summer, ad hoc charters are flown to Channel Island and Continental destinations. On July 12, a scheduled route is opened from Leeds to Sandown via Leeds; it is followed on August 1 by service from Leeds–Exeter via Hurn. Scheduled services are suspended for the winter on September 26.

A Bristol 170 Mk. 21 Freighter is accepted in April 1960 (and immediately leased to **Air Condor**) along with another Heron 1B leased from OAT in May. Meanwhile, the previous year's scheduled routes are reopened in March. A significant number of ad hoc and inclusive-tour flights are made during the year, primarily by the two Herons.

In early 1961, the **Air Condor** lease is concluded and the Freighter is chartered to **BKS Air Transport, Ltd.** Scheduled services from Leeds to Bournemouth, Exeter, and Sandown are introduced in May. The **Overseas Air Transport, Ltd.** Heron 1Bs are returned to its successor company, **Mercury Airlines, Ltd.**, in June.

In July, the company leases a Heron 1B from **Gulf Aviation** and a Bristol 170 Mk. 21 Freighter from **Trans European Aviation**; the same month, a DC-3 is purchased and in August, one is briefly chartered from **British Westpoint Airlines, Ltd.** Scheduled and charter services are maintained as in 1960. The Bristol Freighter is returned in July and the Heron 1B in October at the conclusion of the summer tourist season. The company is purchased by McBean Tours at the end of the year.

In January 1962, North-South returns all of its scheduled licenses to the government, planning now to concentrate solely on the charter business. Before the summer season can be opened, however, creditors win suit for payment in Chancery Court and close the carrier down on March 12.

NORTH SOUTH AIRWAYS: 1954 Airport Road, Suite 200, Atlanta, Georgia, 30341, United States; Phone (770) 455-7575; Fax (770) 455-7550; <http://www.north-southairways.com>; Year Founded

2000. North South is established in June 2000 as follow-on to the May purchase by Atlanta-based International Airline Support Group (IASG) of a 16-year-old local concern known as Diamond Aviation. IASG, which has operated for 20 years as an aircraft leasing and spare parts concern, signs a contract with the Brazilian aircraft manufacturer Embraer under which the new cargo company becomes the launch customer for the new EMB-120CF freighter.

The first of as many as 20 of the new cargo planes is received on September 22, wearing a red stripe on an all-metal fuselage with red titles and logo. Under the leadership of IASG Vice President David Marcontell, who doubles as North South's vice president of operations, it is placed into regional service shortly thereafter. The contracts held by Diamond with **United Parcel Service (UPS)** and **Corporate Express** are maintained under the new entrant.

NORTH TAHOE AIRWAYS: United States (1963). NTA is set up at San Francisco in 1963 to provide scheduled commuter flights to Truckee. Operations last only a few months.

NORTH VANCOUVER AIR, LTD.: 5360 Airport Rd., South, Richmond, British Columbia, V7B 1B4, Canada; Phone (604) 278-1608; Fax (604) 278-2608; <http://www.northvanair.com>; Code VL; Year Founded 1994. This charter carrier is established in 1994 by Zoltan Kuun, Anthony Kuun, and Lise Villeneuve. Scheduled cargo flights on behalf of **UPS (United Parcel Service)** are started to Victoria in the spring of 1995. Scheduled service to Nelson and Creston in the Western Kootenays begins in April 1998.

At the beginning of 1999, the partners employ 32 workers and operate a fleet comprising 3 British Aerospace BAe Jetstream 31s, 4 Piper PA-31-350 Navajo Chieftains, and 2 Beech King Air 90s.

NORTH WEST AIR DEPARTMENT/ST. PETERSBURG: 39 Prospect Rimski Korsakova, St. Petersburg, 190068, Russia; Phone 7 (812) 114-1282; Fax 7 (812) 114-0924; Year Founded 1992. Following the breakup of the U.S.S.R., the longtime Leningrad detachment of **Aeroflot Soviet Airlines** is, like its base city namesake, reformed and renamed in August 1992. Although autonomous from **Aeroflot Russian International Airlines (ARIA)**, North West retains links to Aeroflot and employs V. A. Balakin as general manager. The ex-Aeroflot fleet includes 8 Antonov An-12s, 8 An-24s, 6 An-26s, 12 Ilyushin Il-86s, 26 Tupolev Tu-154B/Ms, 10 Tu-134s, 3 Tu-204s, and 3 Yakovlev Yak-40s. Orders are placed for 3 Tu-204s.

Revenue flights are inaugurated throughout Russia and to Amsterdam, Brussels, Copenhagen, Frankfurt, London (LGW), Luxembourg, Paris, Vienna, Zurich, and New York (JFK). Enplanements total 2,732,112.

The Russian economic situation brings significant traffic declines in 1993.

Passenger boardings plunge 45.2% to 1,881,620, while freight declines 28.3% to 361.4 million FTKs.

In 1994, one more Il-86 joins the fleet and General Manager Balakin sends five Tu-154s to Dimonite, Ltd., at Birmingham, England, where they become the first aircraft of an ex-Aeroflot division to have business-class interiors installed.

Upon their return, scheduled service is introduced to Paris, Amsterdam, and London (LGW). Plans are made, late in the year, to begin operations from Aeroflot's new hub at Shannon, Ireland.

On the year, customer bookings recover, rising 6.9% to 2,012,000. Cargo, however, continues to fall, dropping 12.5% to 315 million FTKs.

Flights continue in 1995–1999. During these years, the fleet grows to include 6 each Antonov An-24s and An-26s, 8 An-12s, 10 Tupolev Tu-134s, 3 Tu-204s, 13 Ilyushin Il-86s, 3 Yakovlev Yak-42s, and an unspecified number of Kamov Ka-32s and Mil Mi-8s.

NORTH WRIGHT AIR, LTD.: Canada (1994–1997). NWA is set up by Warren and Carolyn Wright at Norman Wells in 1994 to offer char-

ter passenger and cargo flights in the northern area of the country. Revenue flights commence with a fleet that includes 1 each Beech 99A, Beech King Air 90, Cessna 185, Cessna 337C, de Havilland Canada DHC-6-100 Twin Otter, Pilatus-Britten-Norman PBN-2 Islander, Piper PA-23-250 Aztec, and 2 Piper PA-31-350 Navajo Chieftains.

Operations continue apace in **1995–1996**, during which years a second Cessna 337C is acquired. Heavy emphasis is placed on the provision of transport to bush locations for hunters, hikers, and fisherman. Additionally, an Arctic Flight Training school is established.

The company is reformed in January **1997** and renamed **North Wright Airways, Ltd.** The original North Wright Air becomes the charter division and flies the Pipers, Cessnas, and Islander.

NORTH WRIGHT AIRWAYS, LTD.: Bag 2200, Norman Wells, Northwest Territories X0E 0V0, Canada; Phone (403) 587-2288; Fax (403) 587-2962; <http://www.north-wrightairways.com>; Code HW; Year Founded 1997. Warren and Carolyn Wright reform their **North Wright Air, Ltd.** in January **1997**, renaming it to emphasize its commuter airline activities. Scheduled revenue flights are initiated with 1 each Beech 99A, Cessna 208B Grand Caravan, and de Havilland Canada DHC-6-100 Twin Otter. A number of lightplanes previously employed are dispatched as part of the North Wright Air charter division. Satellite bases are set up in Deline and Fort Good Hope. Aircraft maintenance, expediting, and other services are provided at all company locations.

During the remainder of the year and in the next two, daily scheduled frequencies are undertaken to and between Yellowknife, Deline, Fort Norman, Norman Wells, Fort Good Hope, Colville Lake, and Inuvik. In addition, the company continues to operate an Arctic Flight Training School at Norman Wells.

Airline employment totals 30 at the beginning of **2000**. The combined fleet for both the scheduled and charter divisions includes 2 Beech 99s, 1 Britten-Norman BN-2 Islander, 2 Cessna 206s, 3 Cessna 207As, 1 Cessna 208B Grand Caravan, 2 Cessna 337s, 2 Twin Otters, 2 Helio Couriers, 3 Pilatus PC-6Ts, and 2 Piper PA-31-350 Navajo Chieftains.

Destinations visited include Colville Lake, Deline, Fort Good Hope, Inuvik, Fort Norman, What Ti, and Yellowknife.

NORTHCOAST EXECUTIVE AIRLINES: United States (1990–1991). Northcoast Executive is founded at Dayton, Ohio, in early **1990** by Calvin Humphrey and other former officials of **Jetstream International Airlines**. Employing a fleet of 3 Fairchild Metro IIIs, President Humphrey's small regional inaugurates scheduled services on March 7 between General Airport and Detroit City Airport and Flint. Four-times-a-weekday frequencies are opened in October from Dayton to Chicago (MDW) as the result of a new code-sharing agreement with **Midway Airlines**.

Although a fourth Metroliner is acquired in early **1991**, the company is unable to maintain its viability in the face of recession and the Gulf War and consequently shuts its doors on January 23. President Humphrey immediately signs on as vice president-aircraft sales with Fairchild Aircraft in San Antonio, Texas.

NORTHEAST AIRLINES (1): United States (1940–1972). Northeast Airlines is born on November 19, **1940** when the railroad owners of **Boston-Maine/Central-Vermont Airways**, in a preparatory move for a forthcoming public stock offering, elect to change their airline's corporate identity by adopting a new name, logo (the Happy Pilgrim), aircraft livery, and uniforms. The fleet comprises 2 Stinson SM-6000Bs and 4 Lockheed Model 10A Electras and many on the board, including Eugene Vidal, remain.

The inherited multistop route system, roughly in the shape of a "V," extends from Boston–Montreal in the west and Boston–Bangor in the east. In December, the Bangor terminus is extended to Moncton, New Brunswick.

Stock is, indeed, offered in January **1941** and helps to raise the capital necessary for new equipment. The company's first three Douglas

DC-3s are received in May while, simultaneously, both Stinsons are now withdrawn, with one sold in late June. The Douglas transports begin revenue flights on July 1. Following the Japanese attack on Pearl Harbor on December 7, the Bangor–Moncton route is suspended.

Two additional Lockheed Electras are purchased from **Braniff Airways** during the year. A total of 42,797 passengers are transported and the company, now the nation's 11th largest airline in terms of the number of passengers carried, wins the dubious honor of receiving, on a pound-mile basis, the highest mail subsidies in the U.S. airline industry.

To determine the feasibility of starting a scheduled North Atlantic ferry route to the U.K., on January 11, **1942**, Northeast's chief pilot Milton H. Anderson undertakes a survey flight. Employing an Army Air Transport Command (ATC) C-39 (a hybrid military DC-2 complete with a DC-3 tail and unofficial Northeast titles) with President Samuel J. Solomon serving as an airman, Anderson flies from Presque Isle in Maine to Gander, Newfoundland, via Gander, Moncton, Goose Bay, and Stephenville. This is the first sortie into this area since Charles Lindbergh's Jelling expedition in 1933, made on behalf of **Pan American Airways (PAA)**.

At the request of Air Transport Association of America (ATA) President Edgar Gorrell and the War Department, **American Airlines** executive M. P. "Rosie" Stallter is sent in January on a weeklong inspection tour of the U.S. Army Air Forces' Air Service Command bases in Pennsylvania, Ohio, Alabama, Utah, and California.

From this trip, Stallter and Gorrell devise and present the Army with a domestic, military-cargo service plan to be operated by the airlines under government contract. Under the plan, five geographical segments are created, each assigned to a specific carrier: **American Airlines** the East Coast, Northeast the Northeast, **Eastern Air Lines** the Southeast, **Northwest Airlines** the Pacific Northwest, and **Braniff Airways** the Southwest. On January 31, a contract is signed between the airline and the military for the operation of a scheduled route connecting these destinations.

The New England-based carrier becomes the first U.S. domestic airline to commence regularly scheduled overseas contract passenger and freight service for the ATC when flights to Labrador and Newfoundland begin on February 13, **1942**. The carrier is asked to trade its three DC-3s to **Transcontinental and Western Air Lines (TWA)** on April 16 and 22 for five DC-2s. No sooner are the DC-2s received than they are requisitioned, as C-32As, by the U.S. Army Air Forces (USAAF) and are promptly put back into service under contract to Northeast. Chief pilot Capt. Anderson is now USAAF Capt. Anderson.

On April 24, the Gander route is stretched to Narssarsuaq ("Blue West 1") on Greenland's east coast via Goose Bay by a C-53 Skytrooper (military DC-3 variant) overloaded by two tons. This move is followed by a route extension from Narssarsuaq to Sondre Stromfjord ("Blue West 8"), further north along the eastern coast of Greenland. In May, the carrier pushes its Atlantic route 750 miles further east to Reykjavik, Iceland, via Angmagssalik ("Blue West 2").

On June 2, two DC-3s are purchased from **American Airlines** for operation of the company's domestic routes. Nine days later, one of the carrier's Electras is transferred to the USAAF for operation as a UC-36A. On July 3, Northeast aircraft begin to regularly service Stornoway on the Outer Hebrides island of Lewis. The inaugural Douglas carries in a complete radio range station. The Stornoway destination is pushed to Prestwick, Scotland, shortly thereafter, giving the company a complete Boston–U.K. route network.

Beginning in mid-July, the company contributes aircraft to a 50-transport group from 6 contract carriers (also including **American Airlines**, **Braniff Airways**, **Chicago & Southern Air Lines**, **Pennsylvania Central Air Lines**, **Transcontinental and Western Air Lines**, and **United Airlines**), which are rushed to Presque Isle.

From Presque Isle, the planes, joined by 110 Air Transport Command C-47s, will transport the supplies and men required to set up and man the bases at Newfoundland, Labrador, Greenland, and Iceland that will facilitate Operation Bolero, a mass bomber ferry from the U.S. to

England. Northeast is also contracted to provide local services within Iceland, ferrying troops needed to garrison the island nation.

On July 22, via the Treasury Department, the ex-**Transcontinental and Western Air Lines (TWA)** DC-2s are taken over by the government. Designated C-32As, they are given back to Northeast to operate under contract with an olive gray livery featuring the words "Northeast Airlines" on each fuselage side above the windows in the manner of the C-39 used back in January.

In an effort to find a shorter route from midwestern North America to Greenland, Northeast pilots now undertake a series of exploratory flights. The first departs Goose Bay for Frobisher Bay ("Crystal 2") via Fort Chimo ("Crystal 1") on November 1. Twenty days later, the "Crystal 2" terminus is pushed west to Churchill via Coral Harbor on Southampton Island. By flying east from Winnipeg, ferry and transport pilots might now head east via Coral Harbor and Frobisher Bay to "Blue West 8" on Greenland and hence to Prestwick.

The Airlines War Training Institute is established on August 11 under the direction of President Solomon. With its main headquarters at Washington, D.C. and a branch in New York, the body is an unincorporated association with representatives from 19 U.S. carriers. Its purpose is to provide communication between the airlines and the military, to assure training uniformity, and to prepare or upgrade manuals and textbooks.

On March 16, 1943, a route is extended due north from "Crystal 2" to a landing field on Baffin Island christened "Crystal 3." At that point, the runway, unavailable during the summer, is only available from fall through spring and consists of a strip right onto the frozen bay.

Company directors, having considered certain of the prospects of the coming postwar future, support President Solomon's application to the CAB, made the next day, for route authority to the capitals of Europe and for a helicopter route network covering New England.

To exchange personnel and provide supplies, company aircraft, between March 28 and April 9 make four roundtrips to Fort Ross on Somerset Island from Coral Harbor via Arctic Bay on Baffin Island. The first proving flight is piloted by Capt. Al Marsh with an all-volunteer crew. In the 13-day mission, 2,300 pounds of supplies are brought in and sick or hurt personnel are taken out for medical treatment.

On July 27, Solomon asks the CAB for two routes to Chicago. Solomon is informed that before the government will act, the railroads must divest themselves of ownership. After successfully assisting in the training of over 35,000 ground personnel and 12,000 flight crew (exclusive of pilots), the Airlines War Training Institute is disbanded on October 31.

On January 15, 1944, 90% shareholding in the company is sold to Floyd Odlum's Atlas Corporation; Mr. Odlum's wife, the famed aviatrix Jacqueline Cochran, is also given a seat on the revised board of trustees. President Solomon now also asks the CAB for permission to fly to New Orleans via Atlanta.

Contract aircraft continue their operations in Atlantic Canada, Labrador, and Iceland. In March, a C-47, piloted by Capt. Ray Remick, makes a daring flight from Goose Bay to the north coast of Labrador to save an ill Air Force cook. After touching down on the ice at Hebron Fjord, Remick's crew is able to load the airman and dig a pair of 5-ft.-wide, 500-ft.-long trenches that allow the aircraft to takeoff before its wheels, which have begun to gradually sink, become completely stuck.

Although the CAB refuses the company's request for European, Chicago, New Orleans, and helicopter services, it does, however, award the company a Boston to New York route on June 12 to be operated via Worcester, New Bedford, and Waterbury. Two days later, the first of two C-53s to be delivered by the USAAF during the year arrives; both will be converted to DC-3 civil standard.

Massachusetts-based **Mayflower Airlines**, a shuttle, is purchased in August; the arrangements are finalized on January 1, 1945. DC-3 service to New York is duly inaugurated and by December frequencies have been increased to 16 daily roundtrips. The service, however, does not prove profitable, largely because it is flown in competition with the stronger **American Airlines**, even after the addition of four more DC-3 conversions obtained through the Reconstruction Finance Corporation.

Orders are placed for DC-4s and applications are made with the CAB for certification of routes to Bermuda and New Orleans, neither of which will be allowed. At year's end, a plan is announced for a merger with **Pennsylvania-Central Airlines**; government regulators, however, will not permit that consolidation either. President Solomon quits to head up **California Eastern Airlines**; he is succeeded by Paul F. Collins.

The two ex-**American Airlines** DC-3s obtained in 1942 are sold to **Colonial Airlines** early in 1946, at which point the company's route network covers 1,053 unduplicated miles. Four more Douglas transports are acquired during the year. Two DC-4s, leased from **Pennsylvania-Central Airlines**, join the fleet during the first two weeks of May and are placed into service on the 185-mile Boston-New York run on May 13. A third is delivered at month's end. It is quickly discovered that these aircraft are not profitable on such a short haul, especially against the formidable competition of **American Airlines**, and new Convair CV-240s are requested.

Despite their lack of profitability, the three four-engine airliners are purchased in June 1947, along with another DC-3 from the Reconstruction Finance Corporation. Late in the year, George Gardner succeeds President Collins.

A DC-3 is sold to **Piedmont Airlines (1)** on February 21, 1948 and between February 25 and September 2, 1949, six new Convair CV-240s are delivered. A Convair CV-240 with 3 crew and 25 passengers is damaged beyond repair during a hard landing at Portland Airport, Maine, on August 11; there are no fatalities.

The DC-4s are withdrawn and sold by mid-1950.

A DC-3 with an engine afire crash-lands at South Weymouth, Massachusetts, on September 9, 1951; again, no injuries are reported. Also during the year, merger discussions with George Baker's **National Airlines** fall through and an application is put before the CAB seeking authority to operate from Boston to Miami via New York.

On January 14, 1952, the copilot of a CV-240 with 2 other crew and 33 passengers is flying the aircraft when he mistakes the glassy surface of Flushing Bay for his intended runway at New York (LGA) and goes into the water. All aboard escape serious injury and are rescued by the tugboat *Bill Endter*. The plane's captain will be held accountable for failure to monitor his lieutenant's approach.

On December 5, IAM mechanics, inspectors, and cleaners go on strike and within 3 days Northeast can offer only 10 flights per day. After the carrier agrees to arbitrate the workers' pay demands, the strike ends on December 20.

A propeller malfunction causes a Convairliner to speed off the runway at New York (LGA) on February 6, 1953—again without passenger fatality, although three aboard are hurt. Following the demise of **E. W. Wiggins Airways**, a number of New Hampshire routes plus one to Montreal via Montpelier are taken over. Curtiss C-46s join the fleet to work a number of all-cargo runs. During the past three years, five more DC-3s have been acquired.

In 1954–1955, two DC-3s and four CV-240s join the fleet and orders are placed for 10 DC-6Bs. On April 4 of the former year, all-cargo service is initiated throughout New England. On November 30 of the former year, Flight 792, a DC-3 with four crew and three passengers, is reported missing while on approach to Berlin, New Hampshire, following a service from Boston. The wreckage is found on Mt. Success, New Hampshire, the next day (two dead) and the five survivors are evacuated by helicopter.

A CV-240 is sold to **Mohawk Airlines (1)** in October of the latter year.

On January 17, 1956, a Convairliner makes a successful dead-in, poor-weather landing at New York (LGA), having suffered complete instrument and electrical failure and severe icing. The plane touches down with 5 min. of fuel left in its tanks.

The company has now completed a decade's provision of subsidized frequencies throughout the New England region. At this point, a Curtiss C-46, modified by the L. B. Smith Corporation of Miami into a 40-seat CW-20T, is leased and enters service between Boston and Montreal.

As the result of a CAB decision, Northeast is given a major new route, New York–Miami, on a “temporary basis” as of August 10. The carrier had been chosen for this third north-south flight path over **Delta Air Lines** and **Pan American World Airways (1)**. Competition with **Eastern Air Lines** and **National Airlines** on the thrice-daily roundtrip Florida run will, however, prove anything but easy. On December 3, company officials announce that, within a year, Northeast will begin flying a fleet of five Bristol Britannia 305 turboprops; unhappily, negotiations to finance the British turboprops cannot be completed and their delivery is placed in jeopardy. At Christmastime, a DC-6A is leased from **The Flying Tiger Line**.

Converted to passenger configuration, the big Douglas is employed to inaugurate Boston–New York–Miami service on January 9, **1957**. Beginning on January 16 and continuing through October 15, the 10 DC-6Bs requested in 1955 are delivered. All will operate as Sunliners on the Boston–New York–Miami route.

Meanwhile, Flight 823, **The Flying Tigers Line’s** DC-6A, just after takeoff from La Guardia in a heavy snowstorm with 6 crew and 95 passengers on February 1, is lost in a flaming crash at Rikers Island, New York (22 dead).

As reported in the February 2 issue of *The New York Times*, Rikers Island prisoners assist in rescuing the survivors and 106 will later have their prison sentences reduced for their efforts, with 11 others freed for their heroism. The surviving pilot Capt. Al Marsh, who had led a dangerous wartime mission in 1943, is found guilty of pilot error by government investigators and is required to resign. Alvin Moscow also relives the accident in his *Tiger on a Leash* (New York: G. P. Putnam, 1961).

En route from New Bedford to New York in heavy fog on September 15, a DC-3 with 3 crew and 21 passengers, crashes under unknown circumstances into a swamp just after takeoff from the Massachusetts community (12 dead).

Revenue flights are initiated to Washington, D.C., Philadelphia, and Tampa during the year. Because of problems in the U.K. with the type’s landing gear and engines, the Britannia order is deferred in October, the same month the CW-20T is returned to its Miami owners.

During June **1958**, an earlier order for 5 Bristol Britannia 305s is cancelled, but, in July, orders are placed for 10 Vickers Viscount 798Ds.

The first two British-made turboprops are received on August 8. They arrive wearing a paint scheme which features bold “NE” initials on their tails and “Viscount” titles. A CV-240 with 3 crew and 31 passengers strikes the ground in heavy fog 1,450 ft. short of the runway while on final approach to Nantucket, Massachusetts on August 15 (24 dead).

A third Viscount 789D is delivered on August 21, the same day upon which the first enters service on the Boston–New York segment.

Between September 3 and December 11, five additional Viscounts join the fleet. Meanwhile, five of the carrier’s 95 pilots fail a special-instrument flight proficiency examination given by the CAA on October 20; when all of the line’s chief pilots are tested, none fail. The success of the chief pilots halts discussion in some circles that the company has expanded too quickly and in an unsafe manner and should be grounded. CEO George Gardner, however, resigns over the matter and is succeeded by Robert Mudge. Although the New York–Miami route has produced good traffic during the year, the company loses over \$7 million.

The final two British turboprops arrive in January and February **1959**. Five CV-240s are sold between January and May, three going to **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)**. The carrier’s first major jetliner, a Boeing 707-331, is leased from **Trans World Airlines (TWA)** on December 17 and is employed to add fast capacity on the New York–Florida route at Christmas and New Years. The jetliner’s daily roundtrip schedule is integrated with TWA’s transatlantic service. Losses for the year again exceed \$7 million.

In May **1960**, Northeast’s board, \$10 million in debt, accepts a \$9-million loan from **Trans World Airlines (TWA)**, still led by Howard Hughes, which also makes arrangement for the carrier to obtain additional jets.

In November, six Convair CV-880s are leased from General Dynamics for four years; the first is received on November 30. It achieves a speed record on its delivery flight from San Diego to Boston of 4 hrs. 17 min. The second CV-880 arrives at Boston on December 5 after a flight just two minutes longer than that of the first aircraft.

With four of the six Convairs on hand, CV-880 SuperJet service is inaugurated on December 15 from Boston to Miami via Philadelphia. The DC-6Bs continue to offer thrice-daily New York–Miami roundtrips.

A DC-3 is sold to **Lake Central Airlines** on December 30. Despite addition of the new aircraft, the company’s ledgers continue to be written in red ink.

Despite over \$11.5 million in loans from the Hughes Tool Company, long-standing financial difficulties continue, particularly in the period after April 30, **1961** when **Eastern Air Lines** begins its no-reservation Boston–Washington shuttle service. The situation reaches a point where Shell Oil begins demanding cash-on-delivery for all fuel purchases.

The left main landing gear of a Viscount 789D collapses at Baltimore on September 4. Also in September, the Atlas Corporation, parent of the airline, turns down a joint proposal for the takeover of the carrier’s routes put forward by **Eastern Air Lines**, **National Airlines**, and **Mohawk Airlines (1)**. Had the deal been accepted, Northeast as an entity would have disappeared almost immediately.

A Viscount 789D with 8 crew and 37 passengers must be written off at Boston on November 15 after **National Airlines (1)** Flight 429, a DC-6B with 30 aboard, begins a non-cleared takeoff from Logan International Airport and strikes the Northeast plane; 15 aboard are injured.

Also in November, Hughes Tool Company (Toolco) agrees to provide additional assistance and the first of four CV-880s leased from Hughes Tool Company for five years enters service in December. Northeast’s competitors quickly petition the CAB asking that it step in and prohibit the Toolco aid package.

The B-707-331 leased from **Trans World Airlines (TWA)** is returned in February **1962**. A Viscount, with 27 aboard overshoots the runway while landing at New York (LGA) on April 27; no one is injured in the wreck that follows. The board of **Trans World Airlines (TWA)** approves the \$5-million acquisition of Northeast on May 8 and the CAB, contrary to the demands of Northeast’s competitors, approves the arrangement on June 19, provided that the Hughes arrangement is something less than a complete merger. Two additional Toolco CV-880s are leased to Northeast late in the year.

Still unable to keep up its payments, Northeast, in July **1963**, negotiates the involuntary return of its remaining Viscounts to Vickers (all except two, one of which is passed on to **Hawaiian Airlines** and the other to **Aloha Airlines**). At this point, Convair and GE also demand return of the CV-880s and two of the six are immediately withdrawn. Although Toolco provides two replacements, Northeast is unable to continue its payments on the four original aircraft, which will also be returned to their lessor, beginning in September.

In August, the CAB disallows the company’s “temporary” Florida route certificate. Filing a protest with the U.S. Court of Appeals at Boston, Northeast attorneys are able to obtain a temporary restraining order against the CAB order. This fortunate ruling will allow Northeast to continue flying south from New York during the profitable winter vacation season. Meanwhile, the airline’s leadership begins an intensive Washington, D.C. lobbying campaign, talking to every important New England representative from President Kennedy on down.

A petition concerning the CAB Florida route action also circulates through New England which, when completed, will contain over 250,000 signatures and be sent to Congress. The CAB and its Chairman Alan Boyd are unimpressed.

The Hughes Corporation, which now owns over 56% of the carrier’s stock, has provided it with \$11 million in loans and \$16 million in debt guarantees, pledges to cover no further debts. Additionally, the loss of its British turboprops forces Northeast to lease five DC-6Bs in September. These will be placed into an unequal competition against **Eastern Air Lines’** big-city commuter operation. The death of President

Kennedy at the end of November blunts much of whatever high-level executive influence the airline had hoped to gain from its D.C. lobbying effort.

Enplanements for the year total 1,356,735 and a net loss of \$10 million is suffered.

Airline employment in 1964 stands at 2,099. During the spring, **Eastern Air Lines** and **National Airlines (1)** step forward with an offer of \$15 million if it will voluntarily suspend its Florida operation. President Mudge and his directors obtain an injunction from Suffolk County, Massachusetts, Superior Court Judge Robert Sullivan that will prevent stockholders from even considering this idea.

In early April, the temporary restraining order runs out and Northeast, despite the continuation of legal proceedings, finally loses its Florida authority. Consequently, the carrier's Jacksonville and Tampa stations are discontinued. Toolco, in one of its final acts of assistance, engineers an arrangement under which four of its own CV-880s are transferred to Northeast, while all six of the Northeast CV-880s, which have been returned to Convair, are provided to **Trans World Airlines (TWA)**.

A DC-3 with 20 aboard fails its takeoff from Montpelier, Vermont, on April 10 and crashes; no serious injuries are reported. A DC-6B is damaged, but no one is hurt, when its landing gear collapses during a June 5 landing at New York (LGA); the wreck blocks the main runway for eight hours. Following almost frantic negotiations, Hughes Tool Company publishes a liquidation plan for the airline in October. Control of the carrier (55% shareholding) plus a \$23-million outstanding loan is passed to a one-man trustee, H. J. Hector.

Passenger boardings for the year gain by a slight 3.5% to 1,404,487. Revenues decline 2.8% to \$42,703,975. However, as operating expenses are reduced by 17%, the year's net loss is only \$2.8 million.

During the winter and spring, the situation for Northeast appears grim. However, for the second time in the decade, the company is saved when in June 1965, 87% of its capital stock (including the Hughes investment) is purchased by the Miami-based Storer Broadcasting Company. The purchase price for the 973,266 shares is \$6.30 per share or \$6,141,575.80. Storer also agrees that the company's debt will be converted into equity and an additional \$7 million in "working capital" will be invested. Storer Chairman George B. Storer serves notice to the CAB that he will not only fight to retain the Florida route, but will attempt to obtain additional authority as well. He will also seek to save the carrier by changing its old conservative image and making it more competitive.

To that end, on August 10, he joins new President Lewis Lyle in ordering 22 new aircraft—6, later 8, Boeing 727-95s, 6 B-727-295s, and 10 Douglas DC-9-31s—with a price tag of \$100 million-plus. Meanwhile, 2 B-727-95s are delivered late in the year, bringing the fleet total to 29, including 4 CV-880s. A case for permanent East Coast route certification is prepared for presentation to the CAB and a large-scale training program for ground and flight services is undertaken. To replace the DC-3s still operating in New England, seven Fairchild Hiller FH-227Cs are ordered in November.

The workforce now totals 2,341 and annual bookings jump 16.6% to 1,637,863. Revenues rise 12.9% to \$48.2 million and despite the Storer rescue, a \$205,569 loss is suffered.

American Airlines executive Forwood C. "Bud" Wiser Jr. succeeds Lewis Lyle as CEO in early 1966.

Between July 13 and December 23, the full order for seven Fairchild Hiller FH-227Cs is filled, with the first entering service in New England on July 13. During the summer, noted industrial designer Raymond Loewy creates for the company what will become the famous "Yellowbird" (yellow and white) aircraft livery. It will become common to all new aircraft acquisitions, beginning with the first B-727-95 when it is delivered in October. The last DC-3, N16060, is retired on December 16, following its last revenue service.

The year's enplanements total 1,986,372.

Leased for 15 months from DC-6B distributor F. B. Ayer, a former **American Airlines** Convair CV-990A, christened *Flagship Rita*, joins the fleet on January 20, 1967.

While en route from Philadelphia to Boston on February 24, a DC-6B with five crew and nine passengers, suffers explosive decompression over Holmdel, New Jersey, caused by the failure of a forward section of the fuselage near the cargo door. A 12-ft. section is blown out of the fuselage, which strikes the No. 3 engine, causing the propeller to break off. A safe emergency landing is made at New York (JFK) and no injuries are reported.

A week later, the FAA temporarily bans pressurized flights in DC-6Bs and DC-7s.

Following lengthy deliberations and receipt of another huge write-in petition from New England, the CAB, on March 2, grants Northeast a permanent Florida route certificate. Over the next two years, the company, which could not steal a long-haul certificate from the regulators during its first quarter century, will be given several. The first of 14 Douglas DC-9-31s arrives at the company's Boston center in May.

On September 15, Avis Rent-a-Car begins an in-flight rental service on the company's Boston-New York commuter flights. Also in September, the last of the leased DC-6Bs are withdrawn and are either returned to Ayer or sold to the Fairchild Hiller Corporation as partial payment on the FH-227Cs. The same month, the last five retired DC-3s are sold.

The first of 13 B-727-295s is delivered in early December and when placed in service on December 14 Miami-New York, it is the first B-727-200 to begin revenue operations anywhere.

On the year, passenger boardings jump 17.2% to 2,399,000 and freight traffic is up by 11.4%. Although \$78.6 million in revenues are earned, expenses reach \$83.3 million. The losses are \$83.3 million (operating) and \$6.5 million (net).

The employee population at the start of 1968 is 3,629 and the fleet includes 34 aircraft. The last two CV-880s are withdrawn during January and February. Also in February, a DC-6B is sold to **Olympic Airways, S.A.** By late spring, all of the DC-6Bs will be gone from the fleet, with at least two more delivered to the Greek flag carrier by Capt. E. C. "Ted" Roberts.

Nine B-727-295s will join the fleet this year as orders are placed on April 8 for six (later eight, half of which are options) Lockheed L-1011 TriStars. The CV-990A *Flagship Rita* is returned to its lessor on April 30.

Boston and New York to Nassau and Freeport flights begin on May 15 while Boston to Newark flights resume on September 27 after a 22-year lapse.

On October 25, Flight 946, an FH-227C with 3 crew and 39 passengers en route from Boston to Hanover, New Hampshire, crashes at Moose Mountain, near Lebanon, New Hampshire, and burns (32 dead); the aircraft is the only one of its type lost while in Northeast Airlines service.

Construction nears completion on a new computerized reservations system at Boston.

The already famed "Yellowbirds" originate 3,109,000 passengers during the year, an increase of 30%; cargo traffic skyrockets a spectacular 99.5%. Revenues total \$111,705,000.

Several new services are launched during late winter and spring 1969: Boston-Bermuda on March 14; Portland-Chicago via Manchester and Detroit on April 28; and Bangor-Chicago via Burlington and Cleveland on May 31. Four additional B-727-295s are delivered and two aircraft are hijacked to Cuba.

The first diversion occurs on May 26 when Flight 6, a B-727-295 en route from Miami to New York, is ordered to Havana by a trio of armed men. The craft and its 20 passengers return to Miami the same day. On May 31, a new route is started from Bangor to Chicago via Burlington and Cleveland.

Another trimotor jet, operating as Flight 43 with 52 aboard, is forced to Cuba on August 14 by two men, one armed with a pistol and the other a knife.

A new \$2-million computer center is completed at Boston and here the company's IBM 360/65 Minuteman reservations system and training facilities are installed and come on-line. In direct competition with

National Airlines, Northeast, on October 1, inaugurates B-727-95 multistop service from Miami across the Southern transcontinental route to Los Angeles. This 2,335-mi service is the company's longest.

Still, the year is poor for the carrier, which had nearly expired several times earlier. Rising costs dramatically outstrip revenues. Through the first three quarters, Northeast has lost \$6.7 million. Despite the initiation of new cost-cutting measures, the company appears doomed.

Beginning on November 11, **Northwest Airlines** mounts a major effort to acquire the carrier, offering \$50 million for the airline, its aircraft, and its route certificates. A month later, following receipt of CAB authority, the company transfers a number of small, unprofitable Northeastern routes to **Mohawk Airlines (1)** and **Air New England**.

Enplanements for the year are 2,964,480. On revenues of \$122.08 million, a net loss of \$28.84 million is suffered.

The employee population in 1970 numbers 3,727, down 19.4%. The fleet includes 41 aircraft: 21 B-727s, 14 DC-9-31s, and 6 FH-227Cs. Service is ended to the Maine cities of Auburn, Augusta, and Lewiston on March 31 and half of the Fairchild is mothballed. The remainder continue to fly to Keene, Lebanon, and New Bedford.

All arrangements for a merger with **Northwest Airlines** appear so agreeable that Northeast cancels its order for L-1011s. On December 31, the CAB, in giving its approval for the **Northwest Airlines** merger, excludes Northeast's recently won Southern transcontinental route from the deal.

The year's customer bookings are off by 15.8% to 2.56 million and freight ton-miles drop 11.5%. Revenues grow slightly to \$122.8 million and the loss improves to \$10 million in red ink.

Stung by the loss of a potentially prime route, **Northwest Airlines** withdraws its merger offer on March 10, 1971, but the offer is quickly replaced by one from **Delta Air Lines**. In May, both boards approve the arrangement and the appropriate applications are filed with the CAB. At the public hearing that follows, the marriage is opposed by **Eastern Air Lines**, which fears the integration of the two carriers' complementary route networks.

A DC-9-31 is involved in an accident at Martha's Vineyard on June 22.

Following a year of negotiations with the government over certain New England routes and the attempted entrance into the proceedings by **Eastern Air Lines**, the patience of both boards of directors is rewarded when President Nixon approves the merger on May 19, 1972. On July 16, a cardboard box containing 21 bottles made into Molotov cocktails is found by an employee on a company loading dock at New York (JFK) and are turned over to security. Northeast is merged into **Delta Air Lines** on August 1 and all 3,555 Northeast employees begin to wear new uniforms.

NORTHEAST AIRLINES (2): United States (1997-1998). Wayne Hazard establishes NE-2 at Baltimore/Washington International Airport in July 1997 to offer daily nonstop return passenger service to Cumberland, Maryland, and Allentown, Pennsylvania. Revenue flights, employing a single leased Beech 1900C, commence on September 1. With the addition of a second Beech 1900C, twice-daily roundtrips are inaugurated on October 1 to Hartford.

Unable to achieve economic viability, the company shuts down within a year.

NORTHEAST AIRLINES, LTD.: United Kingdom (1970-1976). Equipped with 2 Hawker Siddeley Trident 1Es, 1 Bristol Britannia 102, and 6 Vickers Viscount 806s, **BKS Air Transport, Ltd.** changes its name on November 1, 1970.

A major charter operator, Northeast flies inclusive-tour charters out of Newcastle during the 1971 season. Destinations, flown on behalf of such tour companies as Airway Holidays, Sunway Holidays, Horizon Holidays, and Visit Norway include Italy, Yugoslavia, Holland, and Norway. The last Britannia service is flown on December 31, London-Newcastle, after which the Bristol is withdrawn and scrapped.

Enplanements for the year total 619,476.

Airline employment in 1972 stands at 688. Similar operations are undertaken as in the previous year.

Passenger boardings ascend 14.2% to 722,000 and freight traffic jumps up by 21.6%.

The company, a member of the British Air Services group since 1967, joins the **British Airways, Ltd. (2)** group in July 1973. Although call signs and titles are retained, company aircraft are painted in BA livery. Northeast is allowed to continue its inclusive-tour work for most of the next three years. The workforce is now reported as a part of BA's, but individual traffic records are kept.

On the year, passenger boardings increase 10.8% to 800,000.

Operations continue apace in 1974, but on September 15, 1975, a Trident 1E is destroyed in a crash at Bilbao. On March 31, 1976, the carrier is designated a unit of BA's Regional Division and ceases all independent identification.

NORTHEAST AIRWAYS: 7 Airport Road, Morristown Airport, Morristown, New Jersey 07960, United States; Phone (973) 267-2450; Fax (973) 984-7646; Year Founded 1976. Northeast Airways is established as an FBO/charter operation at Morristown Airport in New Jersey in 1976. Fourteen years later, Vice President Cathy Brady oversees the work of 10 pilots. These fly regional and international passenger and express charters with a fleet that includes 2 Gates Learjet 35As and one each Beech Super King Air 200, Beech 90 King Air, and Cessna 402C.

NORTHEAST EXPRESS REGIONAL AIRLINES: United States (1989-1995). A subsidiary of **Bar Harbor Airlines**, Frenchville, Maine-based **Valley Airlines** is purchased, reformed, and renamed on September 18, 1989 by Allyn Caruso, founder of **Bar Harbor Airlines**. Northeast links its base with 12 other New England communities with a fleet of 3 owned and 2 leased Beech 99s. In December, founders Walt and Suki Fawcett sell out **Precision Airlines**, the other northeastern "Northwest Airlink" partner, to Northeast's Caruso, who will operate it as a separate affiliate.

Combined enplanements for the year total 24,267.

The 102-employee Northeast succeeds **Valley Airlines** on February 5, 1990 as the "Northwest Airlink" partner of **Northwest Airlines** at Boston. The fleet is altered to include 6 Fairchild Metro IIIs and six Beech 99s.

Passenger boardings quadruple to 100,618.

Company employment skyrockets 74.5% in 1991 to 185 and the fleet is increased by 8 Metro IIIs as 1 Beech 99 is withdrawn. Just before the Paris Air Show in July, President Caruso and a crew that includes **Aeroflot Soviet Airlines** Capt. Yacov Sabodin, depart Bangor, Maine, and fly a 15,000-mile circumnavigation of the world in commemoration of the historic 1931 flight of Wiley Post and Harold Gatty. A total of 32 records are broken during the 8 day, 20 hr. odyssey by the Metro III *Spirit of Partnership*.

Customer bookings for the year zoom upward a spectacular 124.8% to 226,778.

New routes started to Canada in spring 1992 and passenger boardings ascend 35.1% during the 12 months to 306,365.

In 1993, President Caruso oversees a workforce of 225 and a fleet of 22 Fairchild Metro IIIs and 2 Beech 99s. Orders are outstanding for three de Havilland Canada DHC-8s.

Destinations visited at the beginning of the year include Baltimore, Norfolk, Newark, Atlantic City, New York (JFK), Rochester, Boston, Nantucket, Manchester, Burlington, Portland, Augusta, Bangor, and Presque Isle. The Canadian communities of Charlottetown, Moncton, Fredericton, and Saint John are also served. New service is initiated from Boston to Montreal and Halifax.

Customer bookings decline 29.9% to 206,563.

Flights begin to Sydney, Nova Scotia, in early 1994. The workforce slides to only 82 workers after the carrier's "Northwest Airlink"

affiliation is lost during the summer. The code-sharing revocation is such a major catastrophe that the company stops flying scheduled services and files for Chapter XI bankruptcy protection. **Northwest Airlines** goes before the bankruptcy court to claim \$10 million in passenger revenues accumulated by Northeast and Precision since 1989 on "Northwest Airlink" commuter routes from Boston, which president Caruso has never turned over.

Charters are continued by Northeast and, for the year, a total of 130,703 travelers are flown.

Nonscheduled flights continue to be made in 1995 as founder Caruso plans to bring his company out of Chapter XI. On July 1, the bankruptcy court rules that he must turn over to **Northwest Airlines** the \$10 million in passenger revenues the major had claimed the previous summer. Unable to do so, Caruso liquidates both Northeast and Precision.

NORTHEASTERN AVIATION CORPORATION: 65-07 Fresh Meadow Lane, Fresh Meadows, New York 11365, United States; Phone (718) 961-4600; Fax (718) 961-2820; Year Founded 1977. National is established at Republic Airport at Farmingdale, New York, in 1977 to provide domestic and regional executive and small group passenger charters. Over the next 20 years, the company grows and international flights are started.

In 2000, NAC employs 7 pilots and operates 1 each Learjet 55 Longhorn, Learjet 24F, Beech Super King Air 200, Piper PA-31-310 Navajo, and PA-34 Seneca II.

NORTHEASTERN INTERNATIONAL AIRWAYS: United States (1980-1986). Founded by Northeastern Travel executive Robert Rutkowski at Fort Lauderdale, Florida, in March 1980, this new entrant receives CAB charter authority in December. While still largely on paper, the concern is purchased by Stephen L. Quinto in June 1981, who had founded **Sagittair, Ltd.** in England in 1968. Scheduled permission is received following resolution of the PATCO air traffic controllers' strike.

Employing two Douglas DC-8-52s leased from **Evergreen International Airlines**, the airline initiates low-fare, single-class service between Islip, Long Island (MacArthur Airport) and Fort Lauderdale on February 11, 1982. As the start-up year progresses, two more DC-8-52s are leased from Evergreen along with two Boeing 727-22s; the route network is expanded to include flights to the Sunshine State from Hartford and Boston.

During its first nine-and-a-half months, NIA flies 111,613 passengers.

Airline employment in 1983 is now 1,500 and the fleet includes the 2 leased DC-8-52s, plus 3 DC-8-62s and 4 Boeing 727-100s. From the beginning, NIA has no official color scheme for its aircraft and they are all painted in different livery.

It is reported in March that, during the first year of operations, the company has lost \$2 million on operating revenues of \$60 million.

New destinations visited include Oklahoma City, Los Angeles, Las Vegas, San Diego, Miami, Chicago (MDW), Fort Lauderdale, Islip, Orlando, Philadelphia, St. Petersburg, West Palm Beach, Tulsa, Kansas City, Little Rock, and New Orleans.

Growth continues apace as traffic rises a remarkable 350% to 504,534 passengers flown.

The payroll is boosted by 34% in 1984 to 792. The company succeeds **Pan American World Airways (1)** in January as the lessee of what was formerly the pioneer's terminal at Fort Lauderdale, Florida. Pioneer discounter Sir Freddie Laker is named to the board of directors in February.

The DC-8-52s are returned at the end of the first quarter due to noise restrictions at various airports. On April 1, Quinto's firm inaugurates service to Florida from New York (JFK) employing two (later four) leased Airbus Industrie A300B2s formerly operated by **Deutsche Lufthansa, A.G.**

It is now suggested that the concern take over the failing **Air Florida**. Nothing will come of the idea, largely because the privately held company is severely underfinanced. NIA begins intense service reductions

after October. Initial cutbacks also include the removal of the A300B2-1Cs and suspension of flights to Tulsa and Oklahoma City.

In November, an arrangement is made with **Braniff, Inc.** for the lease of 10 Braniff B-727-200s, but when the deal is rejected in a December 15 legal action, the company is forced to suspend services to five cities. Unable to fortify its winter schedules, Northeastern International cuts services to New York, Miami, Las Vegas, Los Angeles, and San Diego.

By December, the company has shrunk to 4 leased B-727-100s, 500 employees, and its original route. NIA will later claim that as the result of computerized reservations system manipulation by its rivals, hundreds of no-show reservations are encountered as Christmas weekend begins and that 85 passengers are stranded at Hartford on Christmas Eve when a Boeing does not show up for them.

Still, passenger boardings increase a remarkable 260% to 1.8 million and operating revenues of \$64.95 million are earned.

Having overstretched its resources and with no large holding company behind it, the carrier declares bankruptcy on January 8, 1985 and files for Chapter XI reorganization, listing assets of \$28 million and debts of \$48 million. The workforce is reduced to 200 and flights are resumed on January 25 to Chicago, St. Petersburg, and West Palm Beach. Bankruptcy Judge Sidney Weaver grounds the carrier on March 4 by ordering it to return its four chartered Boeings to the rental agency, Guinness Peat Aviation, after the Irish concern reports NIA's failure to pay \$1.3 million.

The carrier, however, is able to put together several single-aircraft, single-operation wet-leases with **Emerald Air** that allow it to operate a number of charters. Employing a B-727-222 leased from **United Airlines**, NIA initiates its own routes from Islip to Fort Lauderdale via Philadelphia. As a result of a fall fare war in the Florida market, the company shuts down again on November 5. In this dismal year, the company flies a total of 42,000 passengers—a decline of 98.5%.

A McDonnell Douglas MD-82 is leased from the Italian carrier **Alisarda, S.p.A.** between January and March 1986 to restart service. At this point, the FAA grounds NIA and requires that any carriers it should contract with for aircraft and crews undergo a route check before service begins. Although the Italian aircraft arrives, the operator is so financially strapped that it is unable to resume flights and has no option but to return the plane.

In early May, the bankruptcy court orders all remaining assets sold, allowing creditors 10¢ on a dollar of investment.

NORTHERN AERIAL MINERALS EXPLORATION, LTD.: Canada (1928-1930). Late in 1928, Capt. Harold A. "Doc" Oaks and his **Western Canada Airways, Ltd.** associates form this specialized carrier to fly prospectors into remote areas. Bases are established at Churchill, Baker Lake, and other locations. Employing a Loening C-2H cabin amphibian, T. M. "Pat" Reid undertakes the first aerial coastal circumnavigation of Hudson Bay during August.

In January 1929, Oaks and Reid, flying a Fokker Model 4 Universal and a Fairchild FC-2W, respectively, make the first commercial northern flights in winter between Sioux Lookout and Richmond Gulf on Hudson's Bay. Flying in via Longlac, Remi Lake, Moose Factory, and on up the east coast, they rescue a party of 13 trapped missionaries.

On the last day of the month, Reid and Jimmy Vance become the first pilots to reach Coppermine on the Arctic Coast in Coronation Gulf, flying in via Baker Lake, Beechey Lake, and Bathurst Inlet. In October, Reid participates in the search for Olaf Swenson's schooner *Nanuk*, stuck in the ice off Siberia's North Cape. Famed aviator Ben Eielson, lost during the search in November, is also sought.

The search, coordinated between flyers from Canada, the U.S., and Russia, ends in February 1930 when both the ship and the aviator's body are found. This subsidiary is closed down when WCA becomes a part of **Canadian Airways, Ltd.** late in the year.

NORTHERN AIR (PTY.), LTD.: Box 27, Maun, Botswana; Phone 660385; Fax 312015; Year Founded 1990. Northern Air is established as a subsidiary of Safari South (Pty.), Ltd. at Maun in 1990 to operate

charter services throughout Southern Africa, along with aerial photography and air ambulance flights. A subsidiary, Western Air (Pty.), Ltd., is set up at Gaborone. Ralph E. Langemann is named manager of operations and he recruits a workforce of 18.

Northern begins revenue operations with a fleet that includes 2 Cessna 206s, 1 C-208 Caravan I, 1 C-404 Titan, 1 Beech 58 Baron, and 2 Britten-Norman BN-2 Islanders. Western Air is provided 1 each C-206 and C-210.

Flights continue in 1991–1999, during which years, Northern's fleet is reduced to include 3 C-206s, 1 Cessna 404 Titan, and the Caravan I. On September 1, the Titan, with 12 customers aboard, crashes into terrain in Tanzania. There are no survivors.

NORTHERN AIR CARGO: 3900 West International Airport Road, Anchorage, Alaska 99502, United States; Phone (907) 243-3931; Fax (907) 249-5190; <http://www.nacargo.com>; Code NC; Year Founded 1956. Founded in 1956 by Robert G. "Bobby" Sholton and Maurice Carlson as Alaska's first and only scheduled all-cargo carrier, NAC begins operations from Anchorage to destinations throughout the territory, employing two Fairchild C-82 Flying Boxcars.

NAC undertakes flights over the next 13 years with a fleet of war-surplus Douglas C-47s linking the company base with Aniak, Bethel, Dillingham, Galena, Gambell, Iliamna, King Salmon, McGrath, Nome, St. George Island, St. Mary's, St. Paul Island, Savoonga, and Unalakleet. The Boxcars allow the company to specialize in the delivery of out-sized cargos, many made to destinations along the Distance Early Warning (DEW) Line.

Cargo feeder flights are also operated, in cooperation with local bush operators, from Galena, Unalakleet, McGrath, King Salmon, Aniak, Iliamna, and Dillingham. The company pioneers the bush delivery of out-sized cargo, such as vehicles and generators, to miners, settlements, and the DEW Line. In 1964, it provides emergency relief flights in the aftermath of the Good Friday Earthquake.

Previously flown by **Slick Airways**, the first Douglas DC-6A is purchased in September 1969; a former USAF C-118A is acquired from the Military Aircraft Storage and Disposition Center at Davis-Monthan AFB, Arizona, at the same time. Another, built for **Riddle Airlines** and later owned by Howard Hughes, arrives in 1973 with the remarkably low total of 9 hrs. 50 min. flight time recorded in its log.

The fleet by 1982 has grown to include 6 DC-6As, one DC-3, 1 de Havilland Canada DHC-6 Twin Otter and 2 twin-boom Fairchild C-82 Flying Boxcars. One of the former has been converted into a tanker, which is able to transport 4,500 gallons of fuel, while plans are made to replace the Boxcars.

Founder Sholton dies during the year and is succeeded by his wife Rita and president W. Edward Fisher.

The tanker in 1983 is employed to fly petroleum product from Fairbanks to the Dall Creek gold mine located close to the Arctic Circle. During the year, a total of 7.76 million FTKs are flown.

The fleet in 1984 includes 2 C-82s and 9 DC-6s. Flights are now scheduled to 23 Alaskan communities and operate 24 hours per day. The Boxcars are retired during the year, leaving the company the world's largest DC-6 operator. Cargo grows a slight 0.8% to 7.82 million FTKs.

Airline employment in 1985 stands at 75, including future president/CEO Marjorie McLaren, who comes aboard as chief financial officer. Freight accelerates again, up by almost half or 49.8%, to 18.42 million FTKs.

The two retired C-82s are replaced in 1986 by a DC-6B. The aircraft is famous for its swing-tail, a conversion carried out in April–July 1968 while the plane was in service with **Karair O/Y**.

Cargo rises to 21.03 million FTKs.

A well-traveled DC-6A/C is purchased from Carnegie Holdings of Edmonton, Canada, in 1987, along with a DC-6A/C operated during the past 12 years by Detroit-based **Zantop International Airlines**. Still, freight declines by 2.1% to 20.6 million FTKs. The losses total \$266,000 (operating) and \$156,000 (net).

The workforce increases by 35.2% in 1988 to 196 and the fleet includes 11 DC-6As and 1 DC-6B.

Freight climbs a welcome 18.9% to 26.75 million FTKs and revenues jump 22.2% to \$29.8 million. With costs held in line, operating income reaches \$6.2 million and net gain is \$8.7 million.

Airline employment rises 2% in 1989 to 200 and the fleet is enlarged by the addition of 2 DC-6STs. The company's 13 DC-6s now serve 12 distribution hubs in rural Alaska, feeding about 75 villages.

Despite this expansion, cargo traffic falls an unhealthy 35.5% to 15.07 million FTKs. On the other hand, revenues ascend 11.6% to \$33.2 million and there are profits: \$4.13 million (operating) and \$4.27 million (net).

There is no change in either employment or fleet during 1990. A Boeing 727-100F is leased during May and on August 1 begins a brief weekly cargo service from Anchorage to Khabarovsk, Russia via Magadan.

Freight descends again, this time by 7.5% to 14.63 million FTKs. And again, revenues rise, by 13.6%, to \$37.72 million. Expenses jump 14.6% to \$33.33 million and as a result, operating income inches up a quarter million dollars to \$4.39 million. The net gain slides up to \$4.63 million.

The workforce is increased by 10% in 1991 to 220 and the fleet now includes 15 DC-6s. In September, the Seattle to Anchorage all-cargo frequencies are increased to five per workweek.

Cargo traffic stops falling and grows by 12.1% to 16.4 million FTKs. Revenues dip 1% to \$37.35 million, expenses increase 5.5% to \$35.17 million, and the operating profit is cut in half, to \$2.17 million. Net income is also cut in half, to \$2.29 million.

Although traffic falls in 1992, profits are made. A total of 18 points in Alaska receive scheduled visits and occasional charters are made to the "lower 48."

During the first quarter, **Wilbur's Flight Operations** encounters problems in transporting its contracted mail shipments from Anchorage to King Salmon and Dillingham. Difficulties appear imminent and pilots start to apply to Northern, which begins to complete the Wilbur's Flight Operations mail deliveries. Wilbur's is shut down on April 4.

Cargo traffic declines 20.7% to 26.3 million FTKs and revenues total \$31.2 million. The operating profit grows to \$4.06 million and net income reaches skyward to \$4.2 million.

In 1993, airline employment stands at 190 and the fleet comprises 11 DC-6As, 2 DC-6STs, and 1 DC-6B. Mary Sholton Witte, daughter of owner/CEO Rita Sholton and a former executive at **Horizon Air**, becomes president. Much of the previous Wilbur's business is acquired, including key contracts with **Federal Express**, **United Parcel Service (UPS)**, and the U.S. Postal Service.

Freight increases by 5.9% to 29.54 million FTKs and revenues jump 13.9% to \$35.54 million. Expenses are up only 5.2% to \$28.56 million and allow an operating gain of \$7 million. Net profit surges to \$7.1 million.

The workforce is increased by 15.8% in 1994 to 220 as cargo jumps 12.5% to 10.92 million FTKs. Revenues advance by 20.2% to \$42.73 million, while costs climb 17.9% to \$33.67 million. The operating surplus thus increases to \$9.06 million, while net gain reaches \$9.27 million.

Sixteen employees are laid off in 1995, a 7.3% decrease in the workforce. NAC's DC-6As fly scheduled service into 20 communities and twice that number on unscheduled flights.

The 10 planes operate 20.82 million FTKs, a 23.1% growth. Operating income exceeds costs and there are profits, down somewhat from the previous year, of \$8.72 million (operating) and \$8.9 million (net).

The employee population grows 10.3% in 1996 to 225 as the first jet freighter, a Boeing 727-23F, is placed into service. It is almost immediately employed to ferry a consignment of oil-rig equipment from Dallas (DFW) to Prudhoe Bay.

While on final approach to Russian Mission after a July 20 all-cargo service from Emmonak, a DC-6A with three crew and a passenger suffers a fire in its No. 3 engine. The aircraft flies over the airport and

attempts to make a turn to come back, at which point those on the ground witness its right wing folding upward. The Douglas noses over and hits the ground short of the runway; there are no survivors.

The company headquarters building is renovated during the fall.

Cargo traffic slides 6.5% to 19.47 million FTKs. Revenues of \$31.38 million are generated and expenses are \$27.27 million. The operating gain falls to \$5.7 million and a net \$5.61-million profit is reported.

Mary Sholton is president in **1997** and the fleet now includes 1 B-727-23F, 11 DC-6As, 1 DC-6B tanker, and 1 DC-6BST swing-tail freighter.

The employee population is increased 2.3% to 225 but freight slides 2.5% to 18.99 million FTKs. Operating revenues advance 14.9% to \$39.47 million and expenses total \$34.36 million. The operating profit ascends to \$5.11 million, while a net \$5.1-million profit is recorded.

Flights continue in **1998**. Two more B-727Fs are acquired, one each Dash-46F and Dash-23F, at a bargain price of \$10 million; a load of spare parts is thrown in as part of the deal.

A new system, NACLINK, is introduced. It allows cargo to be forwarded to it from anywhere in the contiguous U.S. and delivered to any point in Alaska.

Cargo traffic drops another 2.5% to 25.15 million FTKs. Revenues rise 6.9% to \$42.18 million, while costs are held at \$39.58 million. The operating gain slides back to \$2.59 million, while net gain drops down to \$1.5 million.

By the beginning of **1999**, the workforce has been cut 2.2% to 220. Chief Financial Officer McLaren retires during the year, while in November, Edward Fisher director and former president, returns as CEO.

During the fourth quarter, the company enters into a joint venture with Kuukpik; Kuukpik and NAC quickly win a contract with ARCO Alaska for cargo service between its Alpine oil field and Deadhorse.

Cargo traffic falls 33.7% on the year to 16.67 million FTKs.

A total of 225 workers are employed at the beginning of **2000**, a 2.3% increase over the previous 12 months. Former Chief Financial Officer Marjorie McLaren is persuaded to become the company's president/CEO on July 20, allowing Fisher to become a full-time director once more.

NORTHERN AIR LINES: United States (1928). Organized at Minneapolis/St. Paul during the summer of **1928**, Northern begins passenger service on August 16, paralleling operations also being conducted by **Northwest Airways**. Routes flown extend from Chicago to Minneapolis/St. Paul, Minneapolis/St. Paul to Fargo, and Minneapolis/St. Paul to Duluth.

Planning to expand its system from Minneapolis out into the upper Midwest, the **Universal Aviation Corporation** purchases Northern on December 31 and turns it into a subsidiary division of its **Universal Air Lines System**.

NORTHERN AIR LINES, LTD.: United Kingdom (1924–1925). On behalf of the Air Ministry and Post Office, the **De Havilland Aircraft Company's** Aeroplane Hire Service (AHS) conducts a month-long series of real and practice airmail runs over a route from Plymouth–Belfast via Birmingham and Manchester. The first flight is in a DH 50 piloted by Alan Cobham on September 15, **1923**.

When **Imperial Airways, Ltd.** is formed on March 31, **1924**, the AHS is closed down in England; however, the experimental airmail service is revived as Northern Air Lines, Ltd. with AHS DH 50s from a Belfast base.

Regularly scheduled contract mail flights, together with newspapers, from Liverpool to Belfast are begun on April 30; weather allows Cobham to complete his Belfast–Liverpool run, but the DH 50 of V. N. Dickinson, en route to Belfast from Liverpool, must divert to Southport. Continued poor weather forces a suspension of service on June 2. Late in June, experimental DH 50 Glasgow–Belfast flights are started.

Weekday Glasgow–Belfast newspaper and mail flights are inaugurated by chief pilot R. H. McIntosh on March 17, **1925**. Employing a DH

50 and two DH 9Cs, the service is continued until June 8. A DH 50 mail and newspaper service is launched from Carlisle–Belfast on September 2; the flights cease around November 3.

Meanwhile, flying an AHS DH 50, Alan Cobham makes a 3,000-mile, 28-hr. (flying time) roundtrip proving flight from London (Croydon)–Tangier on September 19–20. Unprofitable, operations are not resumed and the company's assets are sold.

NORTHERN AIRLINES (1): United States (1968–1970). Northern is set up at St. Mary's, Ohio, in the early summer of **1968** to provide scheduled passenger and cargo services to regional destinations. Employing a Beech 18 and a de Havilland Canada DHC-6-100 Twin Otter, the new commuter inaugurates daily multistop roundtrips on July 30 linking its base with Dayton, Lima, Findlay, and Cleveland.

An additional Twin Otter is purchased in **1969** and is used to start a new route south to Nashville via Louisville and Bowling Green. Overextended and unable to maintain its economic viability, the company is forced to shut down on June 16, **1970**.

NORTHERN AIRLINES (2): United States (1981). NA-2 is set up at Martha's Vineyard, Massachusetts, in the spring of **1981** to provide scheduled air taxi services to Nantucket, New Bedford, and Newark. Although daily Piper PA-23 Aztec roundtrips are duly inaugurated, they can only be maintained for a few months.

NORTHERN AIRLINES (3): United States (1981–1982). Organized at Pierre, South Dakota, in the fall of **1981**, this new intrastate commuter inaugurates scheduled passenger and cargo services in November with 1 each Aerospatiale Nord 262, GAF Nomad N-22 and Piper PA-31-310 Navajo. Destinations visited include Minneapolis, Brookings, Huron, Mitchell, Sioux Falls, Lincoln, and Sioux City.

Following the crash of the Nord at Lincoln on February 5, **1982**, the company must declare bankruptcy; unable to recover, it is liquidated.

NORTHERN AIRLINES, LTD.: United Kingdom (1991–1992). Mike Howells sets up NAL in the late fall of **1991** at Walney Island Airfield, Barrow-in-Furness, Cumbria. Revenue passenger and cargo charter operations commence and continue from Manchester to Blackpool and Barrow with one each Pilatus-Britten-Norman PBN-2 Islander and PBN-2A Trislander. Services continue for another year.

NORTHERN AIRLINES (PTY.), LTD. See **CONNELLAN AIRWAYS (PTY.), LTD.**

NORTHERN AIR SERVICES. See **NORTHERN CONSOLIDATED AIRLINES**

NORTHERN AIR SERVICES, LTD.: Canada (1925). Former Ontario Paper Company, Ltd. and **Laurentide Air Services, Ltd.** chief pilot B. W. Broatch forms this short-lived, one-plane operation in **1925** to fly men and equipment from Haileybury and Rouyn to the gold fields of Quebec and Ontario. Employing a Curtiss HS-2L flying boat purchased from the assets of defunct Laurentide, NAS begins regularly scheduled airmail flights on June 27. An engine backfire in August causes not only the loss of the Curtiss but of the company as well.

In the short period of operation, Managing Director Broatch has flown 503 passengers, 1,030 pounds of mail, and a remarkable 11 tons of freight.

NORTHERN AIR TRANSPORT. See **WIEN AIR ALASKA**

NORTHERN AIRWAYS (1). See **NORTHERN CONSOLIDATED AIRLINES**

NORTHERN AIRWAYS (2). See **MUNZ NORTHERN AIRLINES**

NORTHERN AIRWAYS (3): United States (1956–1972). Based at Burlington, Vermont, a third Northern Airways is formed in **1956** as an FBO offering flight training and charters. During the next decade, non-scheduled Cessna and Piper lightplane and Douglas DC-3 passenger and cargo services are offered throughout New England.

In the summer of **1967**, a ticketing and ground support arrangement is entered into with **Mohawk Airlines**; in exchange for the assistance of the local service carrier, Northern agrees to provide commuter feed from remote destinations between upper New York State, Vermont, New Hampshire, and down through Massachusetts to Boston. Revenue services are inaugurated with de Havilland Canada DHC-6-100 Twin Otters and Piper lightplanes on September 11, initially to Lebanon, New Hampshire.

Operations continue apace during the remainder of the decade and into the **1970s**. In **1972**, the carrier is reformed and incorporated under the name **Air North**.

NORTHERN AIRWAYS (4): Sanford Regional Airport, Presidential 413 Hangar, Sanford, Maine 04073, United States; Phone (207) 324-9300; Fax (207) 324-9341; <http://www.biddleford.com/northern>; Year Founded 1973. This Northern Airways is founded at Sanford, Maine, in **1973** to provide executive and small group passenger charters throughout the Northeast.

Flights continue apace over the next quarter century and by **2000** the company employs six pilots and schedules flights from Canada to the Caribbean for its Cessna 550 Citation II and Beech King Air 90.

NORTHERN AIRWAYS (5): United States (1983–1985). The fifth Northern Airways is set up by Dave Ramhee and Orvis Kloster at Grand Forks, North Dakota, in late **1983**. Employing a Piper PA-31-310 Navajo, the small regional inaugurates scheduled daily commuter flights to Bismarck via Fargo, maintaining them as primarily a mail service until July 1, **1985**.

NORTHERN AIRWAYS, LTD.: United Kingdom (1934). Newcastle bus fleet owner George Nicholson forms this carrier on July 1. On the same day, a new de Havilland DH 84 Dragon, christened *Brentwood* and piloted by Ted Palmer, initiates daily Newcastle to Carlisle and Isle of Man service that continues (with fewer frequencies as the season progresses) until October 31. In the first 4 months of operation, 11,000 miles are flown, but only 182 passengers are transported.

NORTHERN AIRWAYS (PTY.), LTD.: Australia (1934). Northern Airways (Pty.), Ltd. is formed at Newcastle, New South Wales, in early June **1934** to fly a single route to Sydney. Employing Codock aircraft, the company begins flight operations on June 11.

In December, **New England Airways (Pty.), Ltd.** takes over the aircraft, route, and other assets.

NORTHERN AND SCOTTISH AIRWAYS, LTD.: United Kingdom (1934–1937). Former motor bus operator George Nicholson forms this carrier on November 21, **1934** to expand upon the lessons learned with his earlier **Northern Airways, Ltd.**, flying from Glasgow (Renfrew) to take over the western Scotland routes of failed **Midland and Scottish Air Ferries, Ltd.** Initial capitalization is £7,000 and Nicholson again names himself managing director.

On December 1, the *Brentwood* and another DH 84 initiates north-south London–Glasgow via Liverpool and Belfast, service, including carriage of mail under a contract formerly held by **Railway Air Services, Ltd.**

In January **1935**, the first ambulance charter is flown. Glasgow (Renfrew)–Campbeltown weekday frequencies begin on February 1, with an extension to Islay on alternate days; on March 15, the frequency is advanced to twice daily to both destinations. Thrice-weekly Glasgow (Renfrew)–Isle of Man DH 84 flights are initiated on May 17; the frequency is reduced to once daily on June 1 and twice daily on July 1.

Meanwhile, as Whitehall Securities begins planning for a large independent carrier, it purchases control of this small airline on May 23; capitalization is increased to £12,000 and George Nicholson is replaced as board chairman by J. de C. Ballardie. Following several proving flights to the Western Isles, Capt. David Barclay, flying a DH 84 in company with another of the airline's Dragons, initiates twice-weekly Glasgow (Renfrew)–Skye service on December 5.

The Skye route is extended to Askernish in South Uist on January 21, **1936**. The former mail contract of **Blackpool and West Coast Air Service, Ltd.** for the Isle of Man–Liverpool route is awarded to the carrier in February. The South Uist route is extended to North Uist on March 18. As part of a larger arrangement, a contract is undertaken on June 30 to fly certain local Irish Sea area route sectors for **British Airways, Ltd. (1)**; the major independent provides Northern and Scottish Airways with 4 DH 89As, 3 Spartan Cruiser IIs, and 1 Spartan Cruiser III.

The next day, it is announced that the company has become a wholly owned subsidiary of Whitehall Securities, as the BA managing director is appointed to the Northern and Scottish Airways board. Simultaneously, the former **British Airways, Ltd. (1)** Irish Sea area routes are started: two from Liverpool (to Glasgow via Belfast and to Glasgow via Blackpool and Isle of Man); two from Belfast (to Glasgow and to Isle of Man); and one from Isle of Man to Carlisle, while the Western Isle routes are started in opposite directions to be flown on alternate weekdays. Campbeltown is added as an on-demand stop on the Liverpool–Glasgow route as of October 4.

On January 6, **1937**, the company radio station at Sollas, North Uist, enters operation. **Railroad Air Services, Ltd.** takes over the Northern and Scottish Airways Liverpool–Glasgow via Blackpool, Isle of Man, and Belfast route on May 21. The Glasgow–Isle of Man service is resumed on June 1.

Unable to sustain service, half interest in the carrier is now acquired by the London, Midland and Scottish Railroad and its associated motor bus company, David MacBrayne, Ltd. It is merged with Edmund Fresson's **Highland Airways, Ltd.** (also owned by Whitehall Securities) to form **Scottish Airways, Ltd.** on August 12.

NORTHERN CONSOLIDATED AIRLINES: United States (1945–1968). Alaskan FBO operator Ray Peterson proves himself an adept salesman when, on November 16, **1945**, he convinces the owners of six small pioneer bush carriers to combine their operations under his presidency. The amalgamation of **Northern Air Services, H. Gillam Airlines, Walatka Air Services, Northern Airways (1), Jim Dodson Air Services, Bristol Bay Air Services, and Ray Peterson Flying Service** into Northern Consolidated Airlines receives CAB certification on December 1, **1947**.

Maintaining a variety of local service routes in the southwestern part of the Alaskan territory for a decade, Peterson's company flies a mixed fleet that includes Douglas DC-3s, Stinsons, Noorduyt Norsemen Vs, Cessna, and Consolidated PBV Catalinas.

On October 31, **1958**, Northern Consolidated takes delivery of the world's first Fokker Fairchild F-27B, modified by Fairchild in Maryland through the addition of a larger portside cargo door.

The Dutch-designed turboprop will be sold to **Wien Air Alaska** in **1959** and is replaced, on April 30, by another unit flown up from the Free State. The carrier participates in a major CAB-ordered feeder route redistribution after October 1, **1960**, receiving a network south of the Tanana and Yukon Rivers. A pilot fails to see an obstruction while landing and crashes his Cessna T-50 at Aklak on November 28; he and his passenger are both hurt.

A Cessna T-50, with three aboard, crashes during its takeoff from Alaknuk on June 30, **1961**; both passengers are hurt. Another T-50 with two aboard crashes at Nyac on February 15, **1962**, while attempting to land in a whiteout. The company, in December, becomes the first U.S. operator of the Swiss-built Pilatus PC-6A Porter.

In **1963**, Northern Consolidated receives the Anchorage–Naknek via Iliamna route formerly flown by **Pacific Northern Airlines**. While

making an emergency single-engine landing at Bethel on January 17, a Cessna T-50 with five aboard crashes; no injuries are reported. A fuel injection problem starves the engine of a PC-6A over Qinagak on August 23 causing it to crash-land; the pilot is slightly hurt.

Enplanements for the year total 31,656.

Airline employment in 1964 stands at 163 and the fleet includes 14 aircraft. When the great Alaska Earthquake hits in March, all of the planes are at distant airfields or in flight, thus none are damaged. Although company offices are slightly damaged, no personnel are hurt and no schedules are missed. A new building is shared at King Salmon with the Post Office. Two Grumman G-73 Mallards are acquired for the Bethel and King Salmon frequencies.

Passenger boardings climb 12.5% to 36,178.

Six new employees are hired in 1965. Because of frost on the wings, a Cessna 180 with two aboard stalls after takeoff from Bethel on December 20. The same day, a Goose, with nine aboard, suffers the same sort of incident when lifting off from the same destination.

Enplanements for the year advance to 39,672.

Customer bookings advance to 42,000 in 1966. For years, the routes of Northern Consolidated—and some of its competitors—are able to generate little traffic increase due to the number of air transport firms seeking the same business. In the late 1960s, several of these begin to seek merger partners, with Peterson among them. In January, Northern Consolidated becomes a public stock company and takes on 2,000 shareholders.

On March 15, 1967, Northern Consolidated announces its intention to join forces with longtime friendly rival **Wien Air Alaska**. The amalgamation will take place in a year following shareholder and government approval and in May the CAB grants the company a major new Anchorage–Fairbanks route. At year's end, the workforce totals 190 and the fleet includes 3 F-27Bs, 2 DHC-6s, and 1 Shorts SC-7. A total of 61,969 passengers are originated during the year.

With stockholder and CAB approval received, Northern Consolidated is merged into **Wien Air Alaska** on April 1, 1968.

NORTHERN EXECUTIVE AVIATION, LTD.: Hangar 522, Manchester Airport, Wilmslow, Cheshire, England, SK9 4LP, United Kingdom; Phone 44 (161) 436-6666; Fax 44 (161) 436-3450; Year Founded 1960. Northern Executive is set up by D. L. Antrobus as an FBO at Manchester Airport in 1960. In addition to the usual "gas station" activities, NEA also begins to offer air taxi, air ambulance, aerial photography, and cargo charters throughout the country. Ground and flight operations continue apace over the next quarter-century from bases at Manchester and at London (CTN). By 1986, the fleet includes 2 Cessna 421 Golden Eagles, 3 Piper PA-23 Aztecs, and 1 each PA-31-310 Navajo, PA-31-350 Navajo Chieftain, PA-30 Twin Comanche, and Gates Learjet 35A Century 3.

There is no change in service between 1987–1993 and by 2000 Operations Manager Gerry A. O'Neill oversees a workforce that includes eight full-time and two part-time pilots. Executive charters are now offered by two Learjet 35As stationed at Manchester and a third flying from London (CTN).

NORTHERN ILLINOIS COMMUTER AIRLINES: United States (1979–1980). NICA is set up at Plainfield, Illinois, in the summer of 1979 to provide scheduled passenger and cargo services linking its base with Chicago (ORD), plus Peoria, and Springfield. Beech 99 flights commence on August 1, but cannot be maintained beyond 1980.

NORTHERN ILLINOIS FLIGHT CENTER: 8407 Pyott Road, Lake in the Hills, Illinois 60102, United States; Phone (815) 455-7707; Fax (815) 455-0392; Year Founded 1979. NIFC is established in 1979 to provide executive and small group passenger charters serving the Chicago area airports, particularly Midway and O'Hare. Flights continue over the next two decades with other U.S. and Canadian destinations added.

By 2000, Chad Seedorf oversees the work of 8 pilots and schedules the company's two Cessna 550 Citation IIs, and 1 each C-501 Citation I, Beech Super King Air 300, King Air 100, and C-425 Conquest I.

NORTHERN MOUNTAIN AIRLINES, INC. See **NORTHERN MOUNTAIN HELICOPTERS, INC.**

NORTHERN MOUNTAIN AIRLINES, LTD. See **NORTHERN THUNDERBIRD AIR, LTD.**

NORTHERN MOUNTAIN HELICOPTERS, INC.: P.O. Box 368, Prince George, British Columbia V2L 4S2, Canada; Phone (250) 963-1200; Fax (250) 963-9015; <http://www.forestindustry.com/nmh>; Year Founded 1959. This Prince George-based company is originally established in 1959 as Northern Mountain Airlines. The first helicopter, a Bell 47G, is purchased in 1966.

During the remainder of the decade and into the 1970s, NMA is engaged in passenger and cargo charters, as well as agricultural work and spraying. In 1974, the company adopts the name Northern Mountain Helicopters, Inc.

Services continue apace during the remainder of the 1970s and throughout the 1980s. During these years, the company becomes involved in heli-logging projects throughout the north central region of British Columbia.

In the early 1990s, R. E. Coleman is managing director, with Fred Nelson as general manager. The fleet now includes 9 McDonnell Douglas MD-500s, 26 Bell 206B JetRangers, 6 Bell 205As, 5 Bell 212s, 2 Sikorsky S-58Ts, 4 Eurocopter AS-350Bs, and 1 Bell 206L LongRanger.

Two Sikorsky S-61s are acquired in the fall of 1996 and are employed to augment the lift capability in heli-logging of the two S-58Ts. The company is also able to provide overhaul and repair and maintains a C\$5-million stock of spare parts for that process.

Flights continue during the remainder of the decade. In 1997, a homepage is opened on the Internet's World Wide Web.

NORTHERN PACIFIC AIRLINES: United States (1982–1985). Ball Brothers Aviation, founded by George C. Ball, is renamed in 1982. Based at Anchorage, the company continues to operate a mixed fleet of military surplus Douglas C-47s and C-118s and Fairchild C-82 and C-199 Packets. Also available is a DC-6A first flown in 1953 by **The Flying Tiger Line** and purchased from Sis-Q Flying Service in 1980. The company hauls general cargo and fish.

Scheduled passenger and cargo flights are inaugurated in 1983 to McGrath, Mikolai, Soldotna, and Tatlina in south central Alaska. These revenue flights are undertaken by Beech B-80 Queen Airs, which also fly nonscheduled charters statewide.

In 1984, NPA, which owns the last surviving example in flying condition, retires its Pilgrim 100, first flown by **American Airlines** in the early 1930s.

Early in 1985, the carrier is purchased from its owners and plans are made to operate it as an all-cargo airline.

A Beech Queen Air with 9 aboard crashes into a 200-ft. ridge about 1.5 mi. SW of the airport at Soldotna on February 4; there are no survivors.

While taking off from Egegik, Alaska, on July 7, the C-118A with three crew hits a bump on the runway that causes it to go off the pavement, collide with an embankment, and catch fire; although the aircraft will be written off, there are no fatalities.

Before the company's expansion plans can advance, these accidents cause NPA to shut down in August.

NORTHERN THUNDERBIRD AIR, LTD.: 4245 Hangar Road, Prince George, British Columbia V2N 4M6, Canada; Phone (604) 963-9611; Fax (604) 963-8422; <http://www.netbistro.com/ntair/index.html>; Code NTA; Year Founded 1973. In order to both survive and expand, the lightplane operators **Northern Mountain Airlines**,

Ltd. and **Thunderbird Airlines, Ltd.** are merged in **1973**. Ownership is divided between public (67%) and private (33%) interests. Operations are resumed over an integrated route network linking the company base at Prince George with the British Columbia communities of Prince Rupert, Quesnel, Williams Lake, Kamloops, Penticton, and Kewlowna. Initial scheduled passenger and cargo services are inaugurated with a de Havilland Canada DHC-6-200 Twin Otter purchased by Thunderbird the previous year.

In **1974**, bases are established at Fort St. James and Mackenzie. Two more DHC-6-200s are acquired in **1975**, allowing initiation of flights to Smithers and Terrace.

One of the new DHC-6-200s with two crew and five passengers en route from Prince George, strikes the side of a ridge and crashes at Klua Tan Tan on September 30; there are no survivors. A Douglas DC-3 joins the fleet in **1976**.

On initial approach to Terrace on January 14, **1977**, a DHC-6-300 with three crew and nine passengers crashes into a hill; there are no survivors. Later in the year, two more DHC-6 Dash-300s are obtained as replacements for the destroyed machines.

The Douglas is sold to **Knight Air, Ltd.** in **1978** and a Twin Otter is also deleted.

The fourth DHC-6 is withdrawn in **1982**. In **1983**, the company agrees to provide services throughout British Columbia on behalf of **Pacific Western Airlines, Ltd.** These are flown with the remaining Twin Otter. Charter and freight services are maintained with 3 Beech 18s, 2 DHC-2 Beavers, 1 DHC-3 Otter, 2 Cessna 185s, 1 Cessna 206, and 1 Piper PA-23 Aztec.

The PWA flights cease in **1985** when the final DHC-6 is removed. Thereafter, operations become strictly cargo and contract service. Service is maintained over the next 15 years with a fleet that includes, at one point or another, 1 each Beech Super King Air 200, Cessna 206, Piper PA-31-310 Navajo, and Aero Commander 500.

Kurt Gladesdahl is president/CEO in **2000** and operates a fleet that comprises 1 each Beech 1900C, Beech Super King Air 200, and Cessna 208 Caravan I.

NORTHERN WINGS, LTD. See **QUEBECAIR, LTD.**

NORTHERN WINGS HELICOPTERS, LTD. See **QUEBECAIR, LTD.**

NORTHLAND AIR MANITOBA, LTD.: Canada (1983–1987). Founded in **1953** as **Ilford Riverton Airways, Ltd.**, this Winnipeg-based carrier is reformed in **1983** and renamed. Scheduled passenger and cargo flights are maintained to destinations in northern Manitoba and the Northwest Territories, the latter from a base at Churchill.

During this time, the number of employees grows to 100 and President/CEO Ken Bittle's fleet comes to include 5 British Aerospace BAe (HS) 748-B2s, 4 Curtiss C-46 Commandos, and 5 Douglas DC-3s or unmodified C-47Bs.

A C-47B freighter with two crew suffers the failure of its left wing while on approach to Pickle Lake on May 11, **1987**, and crashes out of control into nearby woods; there are no survivors.

Later in the year, the carrier is reformed as **Air Manitoba, Ltd.** and P. M. Lazarenko becomes chairman.

NORTHWARD AVIATION, LTD.: Canada (1965–1980). Northward is organized at Edmonton in **1965**. After amalgamating a group of charter and scheduled flights previously undertaken by **Pacific Western Airlines, Ltd.** in the Northwest Territories with the private air services of Bow Valley Industries and Sproule Projects, Norward begins charter operations, primarily with Douglas DC-3s, to the Northwest Territories and the Yukon.

A final Douglas transport and three de Havilland Canada DHC-6-200 Twin Otters are acquired between **1971** and **1973**, followed by a Fairchild Hiller FH-227J in **1975** and a Beech 99 in **1977**. By the latter

year, President E. J. Miller's 65-employee company owns a fleet of 1 Fairchild Hiller FH-227J, 3 Twin Otters, and 1 Beech 99.

In late **1978**, it is decided to begin the provision of scheduled services. By year's end, regularly scheduled frequencies are inaugurated to 24 communities. Charters continue to be offered from Yellowknife, Cambridge Bay, and Whitehorse.

In **1979**, the Fokker, Beechcraft, and a Twin Otter are withdrawn and replaced by four Saunders ST-27s (de Havilland DH 104 Doves with Pratt & Whitney of Canada PT-6 turboprop engines) leased from **Air Atonabee, Ltd.**

The expense of expansion in a time of steadily escalating fuel and other costs proves too much for the carrier and it ceases operations in **1980**.

NORTHWAY AVIATION, LTD.: P.O. Box 70, Ares, Manitoba R0C 0C0, Canada; Phone (204) 642-5631; Fax (204) 642-8160; http://www.northwayav.com; Code NAL; Year Founded 1964. Geiri and Anne Johnson found Northway at Arnes, Manitoba, in **1964**, to haul fishermen and trappers to bush locations with a single de Havilland Canada DHC-2 Beaver. During the next 16 years, passenger and cargo air taxi services are continued, along with charter and contract service flights to rural areas. A number of lodges and out-camps are established to facilitate this activity, a prime example being a fly-in lodge at Sasa-ginni-gak Lake.

Late in the period, six-days-a-week scheduled flights are launched to the communities of Bloodvein, Berens River, Poplar River, Little Grand Rapids, Winnipeg via Perimeter, and seasonally to Pauingassi. Ownership of the company passes through two more generations, finally coming to rest with Jim and Veronica Johnson.

In **1990**, enplanements total 9,500. These remain level in **1991**, but climb to 10,800 in **1992**. In **1993–1994**, the Johnson's oversee a workforce of 20 and operate a fleet comprising 1 Cessna 180, 1 Cessna 185, 2 Cessna 206s, 1 Cessna 207A, 1 Cessna 208, 1 de Havilland Canada DHC-2 Beaver, and 1 DHC-3 Otter.

During the early **1990s**, plans are made to relocate the carrier's wheel- and floatplane bases to reduce mileage to the destinations visited. A bay near Pine Dock on Lake Winnipeg is determined to be the only natural harbor left on the lake with potential and consequently, construction on a new base begins at that location in **1995**. Floating docks are installed along the shoreline to shelter the carrier's floatplanes inside a breakwater and by the spring of **1996** Northway is able to relocate its scheduled flights to the new location, named Biscuit Harbour. A restaurant and lounge open in June.

The first of three luxury accommodations open for business in January **1997**, followed by two more in September. The Harbourview Rooms and a meeting room in the main lodge building are unveiled in the spring of **1999**. Service, both scheduled and charter, continues in **2000** with a fleet that includes 1 each Cessna 180, C-185, C-206, C-207A, C-208 Caravan I, Piper PA-31-350 Navajo Chieftain, and DHC-2, plus two DHC-3 Otters.

NORTHWEST AIR LINK COMMUTER NETWORK. See **BIG SKY AIRLINES; BUSINESS EXPRESS; EXPRESS AIRLINES I; FISHER BROTHERS AVIATION; HORIZON AIR; MESABA AIRLINES; NORTHEAST EXPRESS; PRECISION AIRLINES; PACIFIC SOUTHWEST AIRLINES (PSA); REPUBLIC EXPRESS; SIMMONS AIRLINES; TRANS STATES AIRLINES**

NORTHWEST AIR SERVICE. See **GORST AIR TRANSPORT; HUBBARD AIR TRANSPORT**

NORTHWEST AIRLINES: 5101 Northwest Drive, St. Paul, Minnesota 55111, United States; Phone (612) 726-2331; Fax (612) 726-6599; http://www.nwa.com; Code NW; Year Founded 1934. Following the February cancellation of government airmail subsidies in the wake of the "Air Mail Scandal" and Black Committee hearings, routes are reassigned in March **1934**. In order to qualify, **Northwest Airways**

is reorganized under Minnesota law on April 16 and is renamed Northwest Airlines, Inc. The only identifiable change in the company's roundel logo is its name change reflected in the outer rim.

Founder Lewis I. Brittin, who had in fact resigned and been imprisoned earlier in the year as a result of a contempt of Congress charge growing out of the Senate proceedings, has been succeeded as vice president-general manager by Croil Hunter. Most of the previous routes and services are maintained; however, following the reassignment process, the company loses the Chicago-Fargo route. Despite the change in corporate identity, genealogy is maintained and today, following the absorption of **Western Airlines** into **Delta Air Lines**, Northwest is the oldest U.S. airline with a continuous name identification.

The carrier receives the prototype of the Lockheed Model 10A Electra on May 24, which is placed into trial service over the Chicago to Minneapolis/St. Paul route. By month's end, the ship has completed 45 roundtrips at an average speed of 192 mph. On August 1, two production Lockheed Model 10A Electras are received. A second Electra arrives from Lockheed on August 4, but on August 7, less than a week after its arrival, it is destroyed in a nonfatal takeoff crash at Milwaukee. A third Lockheed is received two days later and the two Model 10As on hand are employed on August 11 to initiate twice-daily, regularly scheduled roundtrips over the Minneapolis/St. Paul-Chicago route.

During the month, Ford 5-AT-58 is sold to **Northern Air Transport**. A fourth Electra joins the fleet on October 12, followed by a fifth on December 1. Also in December, a new Fargo to Seattle mail route is acquired and the original S-38 is sold to H. L. Plummer. At the close of the year, the carrier purchases **Hanford Tri-Cities Airlines'** AM-16 mail route from Chicago-Winnipeg via Fargo and Pembina, thus regaining the service lost in April. When, during the year, the company pays its pilots a flat monthly rate, conflict begins with the newly formed ALPA.

Enplanements by December 31 total 12,097.

Chicago-Seattle mail, passenger, and express flights commence in January 1935. Between February 8 and April 29, five more Model 10As are placed into service. Also in April, Ford 5-AT-48 is sold to Charles Babb. Two more Electras arrive on May 15 and 25 and later in the month, C. L. Plummer buys the second Sikorsky amphibian. The Ford 5-AT-42, the last of its type in inventory and in 1932-1933 one of the most injury-plagued, is sold to **KNILM (Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V.)** in the Dutch East Indies. At the same time, the carrier also disposes of a WACO, its Stearman C3B, and the first Orion 9D, which is passed to **Oil Field Airlines**.

During the spring, frequencies on the Chicago to Seattle route are two per day each way. Two are flown each day, each way between Chicago and Minneapolis/St. Paul and one between Fargo and Winnipeg. All services are undertaken by Lockheed Model 10A Electras. A 13th Electra arrives on June 4 and Charles Babb buys a Hamilton Metalplane in July. In August, the last two Orion 9Ds are sent to **Wyoming Air Service**. Through service to Winnipeg is approved on October 10, eliminating a Canadian-required transfer at Pembina.

Duponti Aviation buys two WACOs, one each in January and April 1936; meanwhile, two Stinson SR Reliants are acquired from **Wyoming Air Service** in February and the first Electra is sold to **Hanford Air Lines** in July. En route to Spokane from Missoula early on December 18, a Lockheed Model A mailplane becomes lost and crashes near Kellogg, Idaho (two dead).

Charles Babb purchases two more H-47s, one each in January and March 1937. Early in the year, Vice President/General Manager Hunter is named corporation president, the company's first operating officer to hold the title. The last Model 10A is acquired from North American Aviation in July. A Hamilton is sold to R. V. Clute in August and on September 12 and 25, respectively, the carrier receives the first two of eight ordered Lockheed Model 14H Super Electras, which the company advertises as Sky Zephyrs.

Chicago to Twin Cities Model 14H flights commence on October 18 as two more Sky Zephyrs are delivered the next day and on October 29. In early November, the Sky Zephyrs are placed on the Chicago to Seat-

tle route via Minneapolis/St. Paul. At the same time, another Electra is sold to **Hanford Air Lines** and on November 9, the fifth Model 14H is delivered. The last two Super Electras arrive on December 2 and 28, respectively.

On January 10, 1938, tail surface flutter causes a new Lockheed 14H to crash into Bridger Canyon near Bozeman, Montana (10 dead). Bureau of Air Commerce inspector A. D. Niemeyer, a surviving passenger of the flight, orders the company's Sky Zephyr fleet grounded until balanced rudder surfaces are installed. A Model 10A Electra is sold in January to the Charr Brothers, with another passing in February to **Boston & Maine Airways**. Two Super Electras arrive on May 5 and 7, respectively, and on May 14, Portland, Oregon, to Yakima, Washington, flights commence.

En route for delivery on May 16, a new Model 14H crashes a few miles from the Lockheed plant, killing several officials of both the manufacturer and the airline. A second in-service Model 14H is lost in a failed takeoff from Billings, Montana, on July 8 (one dead).

Another Sky Zephyr arrives on July 10 and the company announces on July 27 that it has pioneered the first practical aviation oxygen mask. **National Air Lines** purchases a Lockheed Model 10A in September.

A total of 21 million revenue passenger miles are flown this year and revenues exceed \$2 million.

A new Super Electra must be written off at Bozeman, Montana, on January 10, 1939. Some 500 feet up just after takeoff from Miles City, Montana, just three days later on January 13, the cockpit of a Lockheed Model 14H bursts into flame, causing the plane to crash (four dead). At this point, President Hunter and his airline colleagues decide to sell the entire Sky Zephyr fleet out of service over the next few months, replacing it with new Douglas DC-3As, all of which will arrive wearing a newly authorized and streamlined roundel logo.

When a blizzard closes down Chicago Municipal Airport for several days in February, the carrier recommissions an old Hamilton H-47 Metalplane. Equipped with skis, it provides the city's only link with the outside world for several days, flying airmail and express to Milwaukee. Service is resumed to Madison on March 6, the same day the carrier introduces its first female flight attendants.

Ordered as a result of a loan received from the Reconstruction Finance Corporation (RFC), the first three Douglas DC-3As join the fleet between April 22-28. The first is christened *City of Bismarck*. Additionally, the first two Sky Zephyrs are sold in April, one each to **Continental Air Lines** and one to Lowell Yerex's **TACA (Transportes Aereos Centro-Americanos, S.A.)**. One Model 14H is sold back to Lockheed in May along with another to TACA. Yerex purchases two more in June and one in July, while **Continental Air Lines** purchases one in June. That same month, three more DC-3As arrive, the last of the three being the second and final Douglas transport to receive a name, *City of Rochester*. One of the three Stinson SR Reliants is sold to H. D. Smith in August and the year's last new DC-3A arrives on September 1.

Later in the year, President Hunter approaches the CAB with an ambitious proposal for a "Dream Route" from Chicago to Calcutta via Seattle, Fairbanks, Siberia, and China. He even makes a survey flight to the Orient, after which he amends the original application to seek service only as far as Tokyo via Anchorage and the Aleutian Islands.

Simultaneously, it is suggested to the regulators that the company's Seattle to Chicago route should be made truly transcontinental by their approval of an extension from the Windy City to New York via Milwaukee and Detroit. The military and diplomatic atmosphere of the time, combined with the state of domestic competition and the CAB's own birth pangs, it comes as no surprise when none of Hunter's requests are approved.

Among the most important services to the industry provided by any airline during the year is a little-known series of tests using oxygen masks aboard a DC-3A for sustained high-altitude flight. Although ugly, the rubber nosebags do allow pilots to operate as high as 35,000 feet.

Flying over sparsely settled countryside, Northwest operates in 1940 what is, essentially, half of a fourth major east-west route—1,850 miles

from Chicago to Seattle, in addition to a service from Spokane to Portland. Charles Babb purchases three Lockheed Model 10A Electras in June; that month, a new DC-3 also arrives, followed by two more, one each on September 3 and November 29. Passenger boardings for the year are 136,797.

Northwest's common stock goes public on February 14, 1941 as equity financing is gained through a public offering. The company's fares per mile are America's lowest. A DC-3A is sold to the U.S. government on July 12.

While approaching the airport at Moorhead, Minnesota, on October 30, another Douglas transport goes out of control and crashes (14 dead). Airline employment stands at 881 and the fleet now comprises 4 Lockheed Model 10A Electras and 11 DC-3As.

A total of 149,212 passengers are boarded during the last year of peace and revenues from them exceed mail income for the first time.

Because of Northwest's experience flying northern routes, the U.S. government calls on the airline shortly after Pearl Harbor to begin building airfields and other facilities in Alaska. The company is also asked to set up and operate a military cargo route to Canada, Alaska, and the Aleutians. In December, the company's last Hamilton H-47 is sold to the Alaskan operation, **Reeve Airways**.

At the request of Air Transport Association of America President Edgar Gorrell and the War Department, **American Airlines** executive M. P. "Rosie" Stallter is sent in January 1942 on a weeklong inspection tour of the U.S. Army Air Forces' Air Service Command bases in Pennsylvania, Ohio, Alabama, Utah, and California.

From this trip, Stallter and Gorrell devise and present the Army with a domestic, military- cargo service plan to be operated by the airlines under government contract. Under the plan, five geographical segments are created, each assigned to a specific carrier: **American Airlines** the East Coast, **Northeast Airlines** the Northeast, **Eastern Air Lines** the Southeast, Northwest the Pacific Northwest, and **Braniff Airways** the Southwest.

On February 26, the Army's Air Transport Command signs a contract with the company for its participation in an airlift to Alaska. The first route-proving flight is made on March 2 and on March 29, Northwest starts regularly scheduled Flying Boxcar Line service from Minneapolis to Fairbanks (with intermediate stops, including Edmonton, Alberta), thus becoming the second domestic airline (after **Northeast Airlines**) to begin overseas operations. On May 13, a DC-3A crashes at Miles City, Montana (three dead). Also in May, four Model 10A Electras are sold to the U.S. Army Air Forces.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. The mobilization foreseen and promised by ATA President Edgar Gorrell at the beginning of the year is realized, as the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities. Aircraft are now dispatched to Edmonton, Alberta, for participation in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Also in June, the military purchases three DC-3As. Two Fairchild F-24s are acquired on October 14 and 21, respectively. On December 19, the Minnesota Supreme Court rules that the company must pay back taxes to the state and to Ramsey County; the carrier appeals. As government commitments increase, service to several smaller cities is suspended. During the year, a bomber modification center is opened at St. Paul; another will follow at Vandalia, Ohio. Six thousand employees are hired for the Minnesota facility alone.

In a footnote on the year, 28-year-old Connie Walker begins flying as a stewardess on the Portland, Oregon, to Billings, Montana, route; she will retire 42 years later in 1990 as the nation's senior flight attendant.

By early 1943, three supply routes are in operation to Alaska. In addition, company personnel are involved in high-altitude experiments at the Mayo Clinic, in bomber modification and special testing work at St. Paul and Vandalia, and in research on the impact of weather on such operations as deicing and radio communications.

During the year, President Hunter again seeks an ambitious postwar Oriental route package from the CAB. From Nome he would fly to Peking via the Siberian cities of Markova and Yakutsk, plus Manchouli in Manchuria. From the Chinese capital, routes would be stretched to Calcutta via Chongqing and to Manila via Shanghai. The plan is almost immediately opposed by **Pan American Airways (PAA)**, which wants no Pacific competition. At home, the two Fairchild F-24s are sold in September and October after only a year of service. Stockholders, on December 1, approve increased capitalization.

Despite the growth in war operations in 1944, enough C-47s (military DC-3s) become available to allow some to be released to the airlines. The first of these to be available to Northwest are acquired on April 11. On May 16, the U.S. Supreme Court upholds the Minnesota tax on company property. Four more DC-3s are delivered in July and August.

With military C-46s and C-47s, the carrier's pilots fly more than 21 million miles on the Alaskan ferry, and four of them are awarded Air Medals by President Roosevelt. Meanwhile, on December 16, Northwest becomes America's fourth fully transcontinental carrier when the CAB awards it the authority from Minneapolis/St. Paul to New York City via Milwaukee and Detroit, first sought in 1939.

Between March and May 1945, five C-47s are leased from the U.S. government. After V-E Day in May, Northwest is asked to help in the re-deployment of U.S. servicemen from Europe for the final push against Japan. Employing its own, plus 14 military transports, the carrier operates a separate special air service to fly over 30,000 men from the East Coast to West Coast embarkation points. Service over the new transcontinental route begins on June 1 while three more C-47s arrive between August and November. The first two of many war-surplus Douglas C-54s are received on October 6 and 14, respectively; financed through the RFC, they will be converted to civil DC-4 standard.

A government "E" is received at war's end for the company's bomber modification projects. Over 3,000 Consolidated B-24s, Martin B-26 Marauders, and North American B-25 Mitchells have been outfitted at St. Paul alone, many with special equipment, including secret radar. Airline employment is now 10,439. On December 2, Northwest becomes the first certified carrier to link the Pacific Northwest with Hawaii; Brown & Bigelow sell the company a C-47, converted to civil DC-3 standard, on Christmas Eve. Two days later, three more former military C-54s are purchased.

The final C-47 leased from the U.S. government arrives in January 1946, while the last Stinson SR Reliant is sold to Max Conrad in February, just as three more C-54s are acquired from the RFC. One of these is christened *City of Spokane* and is the only named Northwest DC-4. Another C-54 arrives on March 9 and DC-4 flights from Minneapolis into New York (Newark) commence on March 31. Two more four-engine transports arrive in April and May. Members of the machinist union walk out between July 4 and 6.

The CAB takes the experience Northwest gained in the north during World War II into account when it seeks to open new Pacific routes following V-J Day. On August 1, the company is certified to fly a "Great Circle" route to the Orient and adopts the marketing title "Northwest Orient Airlines." Such a route is considerably shorter than the mid-ocean approach, because it is far north of the earth's equatorial bulge.

DC-4 flights begin from New York to the Pacific Northwest on August 2. Having been granted Foreign Air Mail Route 28 (FAM-28), Northwest makes its premier postwar scheduled civilian flight from Seattle to Anchorage (Elmendorf Field) on September 1. Three more C-54s are purchased on September 26, followed by three more on November 13. The first schedule bearing the new airline moniker "Northwest Orient Airlines" is also printed in November and a highly simplified new wings and roundel logo is introduced.

On January 2, **1947**, the carrier undertakes a survey flight over an "inside" route to Anchorage and Tokyo from Chicago and Minneapolis/St. Paul via Edmonton. The DC-4 *Trailblazer* arrives at Haneda Airport, Tokyo, on January 6. A second proving flight is made over the same route on February 16–17. A survey flight is completed from New York to Manila on February 25.

A Tokyo to Minneapolis route survey mission is finished on March 2. Employees and members of the press are given rides on April 10 in one of the prototype Martin 2-0-2s in Northwest colors. Jamestown and Aberdeen frequencies commence on April 27 and during the spring, President Hunter travels to Washington, D.C. to speak against the "chosen instrument" scheme being promoted before Congress by **Pan American Airways (PAA)** President Juan Trippe. Also in April, two more DC-4s are acquired.

The first Manila to New York test flight is completed on May 29.

On June 1, a C-54B with 4 crew and 37 passengers is lost while on final approach to Chicago Airport; although the aircraft must be written off, there are no fatalities.

DC-3 flights to Bozeman begin on June 21 and at month's end, a DC-4 is chartered from **Braniff Airways**. In preparation for the initiation of scheduled services to Japan, Northwest now becomes the first U.S. airline to hire Japanese workers.

Beginning on July 15, Northwest begins to extend FAM-28 to Manila. Bad weather at Elmendorf Field delays initiation of this Alaskan path to Manila, made with stops at Tokyo, Seoul, and Shanghai, for three days. This 39-hr. inaugural scheduled service is performed by the DC-4 *Manila*, which transports 24 passengers. Two records are simultaneously established, as Northwest becomes the first airline to operate regularly scheduled flights between the U.S. and Japan and the first to serve Seoul, Shanghai, and Manila from the U.S. via Japan.

The first Martin 2-0-2 is delivered on August 2 and the carrier joins with American Presidential Lines on August 19 to announce joint sea-air travel tour plans to Pacific areas. The second and third Martins arrive on September 4 and 22, respectively, and Okinawa is added to the Oriental market list on September 25. Between September 28 and November 12, six more Martin 2-0-2s arrive.

A permanent certificate for Great Falls service is issued by the CAB on November 12 and on November 15, the carrier becomes the first U.S. airline to operate a postwar twin-engine airliner when it introduces its Martin 2-0-2 six months before **American Airlines** can launch the Convair CV-240. The elation generated will be short-lived as the Martin will prove a disaster. Three more of the aircraft are now delivered, one on November 21 and two on December 23.

Northwest's aircraft livery begins to feature red-painted tails as of February **1948**. During the month, the carrier adopts a new corporate logo consisting of a circular field with an arrow pointing to the northwest heading on a compass.

On March 12, Flight 4422 with 6 crew is en route from Anchorage to New York (LGA); most of the 24 passengers are American President Line sailors returning from the delivery of a ship to Shanghai. The chartered C-54G crashes into the 8,000-ft. level of the remote 16,237-ft.-high Mount Sanford, Alaska; there are no survivors. The first to reach the wreck site will be retired USAF Majors Marc Millican and Kevin McGregor—on July 24, 1999.

An extension of the carrier's transcontinental grant is made on March 15, when a Milwaukee to Washington, D.C. via Detroit, Cleveland, and Pittsburgh service is approved. Also in March, the third DC-3 since January is sold to **Mid Continent Air Lines**. A DC-4 is acquired from **Matson Air Charter** in April.

New York to Minneapolis Martin 2-0-2 flights begin on August 20 and on August 29, M. and J. Freeburg, father and son, fly the same company aircraft as pilot and first officer. A new Martin 2-0-2, en route from Minneapolis to Chicago with 38 aboard, crashes into a bluff near Winona, Minnesota, on the Wisconsin bank of the Mississippi River, on August 30 (37 dead). When federal investigators determine that wing strut cracks have caused the accident, the entire Martin fleet is grounded pending modifications.

While on a ferry flight, a C-54A with five crew is lost 55 km. N of Edmonton, Alberta, on October 27 (two dead).

Acting on a plea from the U.S. Army, Northwest begins two emergency flights per week on November 18 to evacuate American dependents from Seoul to Seattle. Two more DC-4s arrive, also in November.

The company inaugurates the nation's first transcontinental all-coach flights on March 24, **1949**. With the communist victory in China, service to Shanghai is shut down on May 15. The first of 10 Boeing B-377 Stratocruisers join the fleet on June 22 and is christened *Minneapolis-St. Paul*. Between July 10 and November 18, eight more B-377s arrive and are named *Chicago*, *Manila*, *New York*, *Newark*, *Washington*, *Honolulu*, *Tokyo*, and *Alaska*.

New York to Hawaii B-377 flights begin on November 16 and on November 29, a Stratocruiser establishes a Seattle–New York record of 7 hrs. 8 min. On December 2, Northwest inaugurates regularly scheduled Boeing B-377 routes to Honolulu from Seattle, Tacoma and Portland, becoming the first U.S. airline certified to link Hawaii with the Pacific Northwest. The final B-377, *Orient Express*, is acquired on December 21.

Transpacific Stratocruiser operations are begun in January **1950**. These giant aircraft, extremely luxurious but expensive to operate, are introduced with a huge advertising campaign. Advertisements are taken in all the leading magazines and even airborne fashion shows are conducted by coeds from the University of Minnesota. On January 11, a B-377 flies from Minneapolis to New York City in a record 2 hrs. 38 min.

While on final approach to Minneapolis–St. Paul Airport on March 7, following a service from Winnipeg, a Martin 2-0-2 with 3 crew and 10 passengers, crashes into a house 3.8 mi. NW of the field. There are no survivors and two people are killed on the ground, including one man who dies of a heart attack.

Direct New York to Minneapolis Stratocruiser service begins on April 1 and the former fuel stop at Edmonton, Alberta, becomes a passenger destination on April 30. On June 3, the operator extends a route to the Chinese Nationalist island of Taiwan.

On June 23, en route to Minneapolis from New York, a DC-4 with 3 crew and 55 passengers crashes in a storm into Lake Michigan near South Haven, Michigan; there are no survivors in the worst U.S. air tragedy to date.

Also, beginning in June, the carrier leases short-term six DC-4s from **Trans World Airlines (TWA)**, **Delta Air Lines**, **Braniff Airways International**, and **National Airlines** for use on the upcoming Korean airlift.

Service to Seoul is suspended on July 25 as Northwest becomes the prime UN contractor in the Korean Airlift, dedicating nearly all of its DC-4 fleet to the service. Company aircraft ferry American soldiers in and out of South Korea, often from an airfield at Pusan.

On August 30, Seattle to Anchorage B-377 service is initiated and on October 11, a Stratocruiser flies from Honolulu to Seattle in a record 8 hrs. 2 min. A Martin 2-0-2 crashes at Almelund, near Minneapolis, on October 13 (five dead) while another must be written off on November 5 following an accident at Tucumcari, New Mexico. The third plane in a month is lost on November 7 when a Martin, en route from Helena to Butte with 22 aboard, crashes into a mountain peak near Butte, Montana; when the wreckage is found two days later, there are no survivors. All company Martins are now grounded for inspection. A U.S. to Seoul flight is added on November 13 and 10 days later, the Martins return to service.

A Martin 2-0-2 with three crew and seven passengers crashes in a snowstorm near Edwall, Washington, on January 16, **1951**; there are no survivors.

After two weeks of Washington discussions with Northwest officials concerning safety issues raised by the Martins, CAB Chairman Donald W. Nyrop and a team of Civil Aviation Authority (CAA) technical experts inspect the company's Minneapolis base in February. Hunter's operation is ordered to upgrade its pilot training and maintenance procedures. A DC-3 is sold to **Mid Continent Air Lines** on February 28.

In March, as an immediate investment in the government-required upgrade, the company voluntarily grounds its Martin 2-0-2s, which its pilots have indicated they no longer wish to fly. The decision is taken to sell off the beleaguered aircraft. Via a connecting service with **Hong Kong Airways, Ltd.**, Northwest inaugurates service to Hong Kong on March 19. From Tokyo, Northwest operates a DC-3, "UN-99," for UN observers taken to Allied positions in Korea and wounded soldiers returned to Japan.

In April, a DC-4 is purchased from **Los Angeles Air Service** and a second is leased from **Transocean Air Lines**. The five-millionth (cumulative) passenger is boarded on May 3 and the first DC-3 acquired since early 1946 arrives on May 22. A DC-4 is leased from **Pan American World Airways (1)** on July 1 and two are purchased from **California Central Air Lines (CCAL)**, one each on July 27 and August 16. Meanwhile, on August 15, four Martin 2-0-2s are sold, including two to **California Central Air Lines (CCAL)**. On August 26, Northwest reports that its average passenger flies 641 miles on a trip. Also during the month, the carrier agrees to acquire six DC-3s from **California Central Air Lines (CCAL)**.

During the year, President Hunter, hoping to improve Northwest's sagging finances, concludes a tentative merger agreement with James H. Carmichael, CEO of Pennsylvania-based **Capital Airlines**. When Hunter takes the plan before his board, it is rejected, due largely to the fear of a headquarters transfer to Pennsylvania. So distraught is the board that it makes Hunter its chairman and seeks a new president/CEO, settling in the fall upon Harold R. Harris, the onetime **Pan American-Grace Airways (Panagra)** manager and **American Overseas Airlines** president. Although the new man immediately orders four Super Constellations, he will, in fact, serve just over a year before resigning due to irreconcilable differences with the board.

Another DC-4 is chartered from **Transocean Air Lines** on September 6 and two of the **California Central Air Lines (CCAL)** aircraft arrive on September 8 and 27, respectively, followed by a third on October 8. On October 10, the company leases five of its Martin 2-0-2s to reborn **Japan Air Lines Company, Ltd. (2)**; as it remains illegal for Japanese pilots to fly aircraft, cabin crews are also hired from the Minnesota airline. At home the same day, Minneapolis to Washington, D.C. B-377 service is opened; Vice President and Mrs. Barkley are the first VIP passengers on the route after Mrs. Barkley christens the Stratocruiser *Washington*. Another Martin is sold to **California Central Air Lines (CCAL)** on October 23. Delivery is taken on the year's final DC-4 on November 11, a unit leased from **Transocean Air Lines**.

A B-377 with 65 aboard makes an emergency landing in Seattle on January 7, 1952; no injuries are reported. Twelve days later, on January 19, a chartered C-54E with 3 crew and 40 passengers crashes during its landing at Sandspit, British Columbia; there are no survivors.

Between April 14 and May 8, the last three Martin 2-0-2s are delivered to **Pioneer Air Lines**. Stratocruiser flights begin from the new Idlewild Airport in April and the last **California Central Air Lines (CCAL)** DC-3 is delivered on May 3.

On July 7, a B-377 flies from Tokyo to Seattle in a record 16 hrs. 11 min. A DC-4 is purchased from **Delta Air Lines** on August 5. Late in the year, even while President Harris' board relations deteriorate, certain board members approach the just-retired CAA Administrator/CAB Chairman Donald Nyrop about the company presidency, but he is not interested.

A Stratocruiser flies from Seattle to Chicago on January 29, 1953 in a record 5 hrs. 8 min. This aircraft type's Tokyo to Seattle mark improves to 15 hrs. 10 min. on February 15. While the airline awaits delivery on a new order for 24 DC-6s, four DC-6Bs are leased from **The Flying Tiger Line** on April 8 and the next day, a record Chicago-Seattle B-377 time of 6 hrs. 6 min. is recorded.

At the beginning of April, an interchange agreement begins with **Eastern Air Lines** over a route from Miami to Seattle via Chicago (MDW). An EAL Lockheed L-749A Constellation is employed on the route, with Northwest cockpit and cabin crews operating the service from Chicago to Seattle and back.

An order is placed on April 20 for six (later reduced to four) L-1049G Super Constellations.

A DC-4 is chartered for six months from **Los Angeles Air Service** in May and three more Douglas DC-6As are leased from **The Flying Tiger Line** between September 1-13. A Chicago-bound B-377 from Seattle crashes and burns at McChord AFB, Washington, on September 6; 29 aboard are hurt and 3 are safe as the copilot risks his own life to aid base police in rescuing survivors. Seattle-Portland flights begin on September 27, the same day that Northwest announces it will install emergency landing evacuation slides on all of its DC-4s and Stratocruisers.

A DC-4 is sold to **Japan Air Lines Company, Ltd. (2)** on October 24. The interchange arrangement with **Eastern Air Lines** is concluded six days later.

Flying C-54s and DC-4s since 1950, Northwest has completed 1,380 roundtrip Military Air Transport Service (MATS)-contracted transpacific crossings with no disruption of either its domestic or "Great Circle" schedule of commercial flights. In 13 million miles, the carrier flies over 40,000 troops and 6 million pounds of priority cargo. Revenues from the airlift, cargo, and passenger operations are \$66 million, while passenger boardings for the year are 1.1 million.

Another DC-6A is leased from **The Flying Tiger Line** on January 26, 1954 and a Stratocruiser turns in a Tokyo-Seattle flying record of 16 hrs. 48 min. on March 7. A DC-4 is chartered from **Braniff International Airways** on March 15; Tokyo to Seoul DC-4 flights commence on April 21. In June, three Northwest board members visit former CAB Chairman Nyrop at his Washington, D.C. office and ask him to again consider becoming president/CEO.

The first purchased DC-6A arrives on June 23, acquired from **Canadian Pacific Air Lines, Ltd.** On the last day of the month, the airline's facilities at Shemya AFB in the Aleutians are deactivated in favor of a new stop at Thombrough, Cold Bay, Alaska. For three months, August-October, a DC-4 is leased from **Eastern Air Lines**.

Following a two-month review, Donald Nyrop, the same man who had led the 1951 company review, accepts the post of president/CEO on September 27; he will be America's youngest major airline chief executive. Croil Hunter, who served as president before Harris, remains board chairman. Nyrop immediately sets to work to upgrade company finances and quickly negotiates an \$18-million line of bank credits. Cost-cutting measures are also taken, including one of Nyrop's long-term favorites, reduction in the number of vice presidents. He also sells two of the six undelivered Lockheed Constellations, replacing them with two DC-6Bs purchased from **Mexicana Airlines, S.A. de C.V.**, which will arrive on October 28 and December 3, respectively.

Meanwhile, the CAB, at President Eisenhower's direction, now awards the carrier a seven-year temporary permit for Tokyo service. Eisenhower and the regulators both believe Nyrop's service a duplication of that provided under subsidy by **Pan American World Airways (1)** and receipt of temporary, as opposed to permanent certification, brings a lawsuit from Northwest. Beginning on December 10, interchange flights to Miami are operated with **Eastern Air Lines**; the first L-1049G makes its maiden flight on December 17 and the first of 24 DC-6s join the fleet during the year. On December 22, Nationalist Chinese anti-aircraft test firing is apparently responsible for bursts near a DC-4 coming into Taipei from Tokyo. At month's end, a DC-4 is sold to **Great Lakes Air Lines**.

On January 1, 1955, the carrier becomes the first airline to operate without government subsidy on transpacific and U.S.-Alaska routes. Former President Harris's four Lockheed L-1049G Super Constellations are delivered beginning on January 22 and are placed on transpacific routes from Seattle and Tacoma to Manila via Anchorage, Tokyo, and Okinawa. First- and tourist-class flights to Honolulu from Seattle and Tacoma via Portland are also introduced.

In May, the first common stock dividend is issued since 1946. A program of fleet rationalization is begun as orders are placed for 10, later 14, DC-6Bs, the first of which arrives from the manufacturer on June 16, followed by a second on September 20. These are now placed on the

Manila run, leaving the Super Constellations to fly between Tokyo and Seoul.

While retaining the Stratocruisers, many of the smaller aircraft are withdrawn, including the infamous surviving Martins and most DC-3s. Northwest begins direct service between Chicago and New York via Detroit, on October 30.

An interchange service with **Eastern Air Lines** begins on December 15 between Minneapolis/St. Paul and Miami via Chicago. The service is initially operated by Northwest Stratocruisers during the winter and EAL Constellations during the summer season.

Another \$29.5-million line of credit is acquired and paid off and at year's end, President Nyrop declares Northwest to be "the only airline in the United States that doesn't owe a dime!" Dividend payments begin and will continue annually for many years.

By leasing Shemya from the government on January 1, 1956, Hunter's company becomes the first U.S. carrier to operate its own airport. The same day, it is announced that Northwest will centralize its maintenance operations at a new \$17.5-million base at Wold-Chamberlain Field. Maintenance facilities at Seattle and New York will be closed. Another DC-6A arrives new from its manufacturer on February 3.

Just after takeoff from Seattle for New York on April 2, Flight 100, the B-377 *Tokyo* with 6 crew and 32 passengers, develops engine cowl flap problems and ditches in Puget Sound 4.7 nm. offshore. The survivors are rescued by a U.S. Army amphibious vehicle 10 minutes after the landing. Although 5 passengers drown before they arrive, 3 soldiers will later receive medals for their work.

Two DC-4s are chartered from **Riddle Airlines** in early April and a second DC-6A arrives from **Canadian Pacific Air Lines, Ltd.** on April 19.

Originally flown by **Northwest Airways**, the reconditioned Ford AT-5-58 Tri-Motor is leased from **Johnson Flying Service** of Missoula, Montana, and undertakes a thirtieth anniversary 20-city New York to Seattle flight on October 10–18.

Capacity is increased during 1957 by the addition of eight DC-7Cs, the first of which arrives on February 28. Also in February, a DC-4 is sold to **Universal Air Lines**. DC-7Cs also join the fleet on April 8 and 27, respectively, and the three new machines are now placed into service on the Great Circle routes to the Orient. During the summer, the CAB finally grants permanent route certification to Tokyo. Four more DC-7Cs arrive between July 3 and August 30.

New York to Seattle via Chicago DC-7C flights commence on August 30; the next day, all four of the Constellations are sold to **LAV (Linea Aeropostal Venezolana, S.A.)**. Also in August, a DC-4 is sold to K. Herfurter. The year's final DC-7C is delivered on September 20 and first-class Imperial Service is introduced late in the year. The sixth and seventh new DC-6Bs delivered since January 19 arrive on October 5 and December 5, respectively, while two DC-4s are sold to the South African operator **Trek Airways (Pty.), Ltd.** on December 19.

In the first quarter of 1958, four more DC-7Cs are placed into service and in the spring, the "Regal Imperial Eagle" is adopted as the corporate logo.

Two more DC-7Cs arrive on April 1 and 18, respectively. On May 1, an order for 10 Lockheed L-188Cs is announced.

A DC-6B with 4 crew and 58 passengers is lost in a landing accident at Minneapolis (MSP) on August 28; there are no fatalities.

The company acquires its last DC-4 on October 1, leasing it from **Universal Air Lines** for two years. The same day, the last four DC-3s are sold to **Ozark Air Lines**.

The official L-188C order is signed on November 26; the \$2.4-million aircraft will be paid for, along with several DC-8s, with a newly arranged \$83-million financing package.

The fifth new DC-6B delivered since January 24 arrives on November 28. Direct service is inaugurated between Chicago and the metropolitan Florida markets of Miami and Tampa on December 6; at this point, the interchange agreement with **Eastern Air Lines** is terminated. The DC-7C order is completed between December 10 and 17 with the delivery of the final three units.

A DC-7C flies from Tokyo to Seattle on January 6, 1959 in a record 12 hrs. 43 min. and a DC-6B is leased from **Canadian Pacific Air Lines, Ltd.** for a year on May 14. First advertised on May 23, New York to Tokyo via Anchorage Polar Imperial Service is begun on June 1. The first of 10 Lockheed L-188C Electras to arrive during the year is delivered on July 19.

An unoccupied **Capital Airlines** DC-3 is wrecked on the ground at Pittsburgh on August 2 when it is hit by a Northwest B-377. The B-377 *Honolulu* is written off on August 14 following an accident at Minneapolis (MSP).

L-188C revenue flights commence on September 1 over routes from New York to Minneapolis via Milwaukee, New York to Seattle, and Chicago to Minneapolis. Northwest is the only Lockheed operator to fly the Electra on nonstop transcontinental service. Atlanta becomes a stop on the Chicago to Miami route on September 17.

Two Stratocruisers are retired on September 23 and October 26 respectively. Options are, meanwhile, requested of Lockheed on October 17 for 18 additional L-188Cs; the order will later be reduced to eight.

Late in the year, Chairman Nyrop files a brief with the CAB claiming that **Civil Air Transport (CAT)**, the CIA proprietary company operating passenger and cargo services to Hong Kong and Tokyo as a cover out of Taiwan, is competing with unfair government assistance. The regulators dismiss their former chairman's petition.

On January 1, 1960, frequencies are initiated to Fort Lauderdale, Florida and after a month-long trial, the playing of organ music is dropped from all flights on January 15.

While en route from Minneapolis to Miami via Chicago (MDW) on March 17, Flight 710, a new L-188C with 6 crew and 57 passengers explodes in midair over Tell City, Indiana, and crashes at Cannelton; there are no survivors. Among the victims is Chicago Superior Court Judge John A. Sharbaro. The disaster, similar in nature to the loss of **Braniff International Airways** Flight 542 the previous September 29, shakes confidence in the aircraft type.

The carrier's first Douglas DC-8-32 is received on May 18 and is placed into revenue service on July 8 over the route from New York's Idlewild Airport to Tokyo and Manila via Seattle and Anchorage. A second DC-8-32 arrives on July 3. Four Stratocruisers are retired between July 11–14. The company's four other new DC-8-31s will be assigned to the Asian network as received.

Having arrived at Okinawa on July 14 following a flight from New York via Seattle, Anchorage, Cold Bay, and Tokyo, a DC-7C with 7 crew and 51 passengers departs for Manila. Two hours into the service, the No. 2 engine fails, leading eventually to a forced ditching off Jimilog, Philippines, 67 nm. NE of Manila. Save one passenger, all aboard are rescued by USN aircraft 4–6 hours later.

Two days later, regularly scheduled DC-8-32 service is initiated between New York and Seattle. Also in July, the new maintenance and overhaul base at Wold-Chamberlain Field is occupied.

A third DC-8-32 is delivered on August 11 and Chicago to Tokyo via Anchorage flights commence on August 31. The last three Stratocruisers are traded to Lockheed between September 21–23 and the year's final DC-8-32 arrives on September 22.

The DC-8-32 fleet is grounded for two weeks during October as flight engineers strike for higher pay.

En route from Spokane to Missoula on October 28, a DC-4 with four crew and eight passengers crashes 32 km. W. of its destination; there are no survivors.

On the ground at Eau Claire, Wisconsin, on November 3, a USAF B-47 bomber collides with a company L-188 with 58 aboard; one Northwest passenger is badly hurt.

The fifth and final DC-8-32 is delivered on January 5, 1961 and a DC-6A is sold to the Norwegian operator **Braathens SAFE, A.S.** on January 20. New York to Seattle daily roundtrips resume on February 4.

The first of eight supplemental L-188Cs to arrive during the year is delivered on March 9. On March 16, the carrier places a \$36,772,000 order for 6 (later 17) Boeing 720-051B (B-720B) jetliners plus 6 options,

for domestic service. Six DC-4s are sold to Aircraft Holdings, Ltd. on April 15. The first of nine Boeing 720Bs to be delivered during the year arrives at Minneapolis/St. Paul on May 26. All eight additional L-188Cs are in service by the end of the second quarter.

B-720B service is inaugurated on July 1 from Chicago to Minneapolis and from Minneapolis to New York via Milwaukee. From July 1 to September 19, all of the remaining DC-6As are withdrawn and sold, including four to Lockheed and one each to **Zantop Airlines** and **World Airways**.

Meanwhile, on August 4, a B-720-051B encounters clear-air turbulence near Mason City, Iowa, that results in severe injury to one passenger. On August 21, two DC-6Bs are passed to **REAL (Redes Estaduias Areas, S.A.)**. Also during the month, four B-720-051Bs are leased to **Trans World Airlines (TWA)** for a year; TWA will employ the aircraft for interim jet lift as it awaits delivery of its B-707 Stratoliners.

On September 17, Flight 706, an L-188C with 5 crew and 32 passengers, strikes a high-tension line and crashes outside Chicago (ORD) just after takeoff for Florida; there are no survivors of this sixth fatal Electra accident in 31 months. An improperly installed aileron boost assembly will later be blamed for the tragedy.

The last of the year's new Boeing B-720-051Bs enters service on December 13 and two days later the company is able to announce that its B-720Bs are operating seven of the company's principal domestic routes.

Later in the month, the completed general office is occupied, bringing the carrier's entire main base under one roof. Employing a converted DC-7CF, New York to Tokyo all-cargo service is introduced. A total of eight DC-7Cs are returned to Douglas during the year.

Northwest originates wind shear forecasts in 1962 to ward off sudden changes in wind direction. A B-720-051B, with only nine aboard, undershoots the runway while landing at Fort Lauderdale on January 26 and crashes; no one is hurt. Service to Edmonton, Alberta is now suspended. A new corporate logo is unveiled: the outline of a 707 tail within a red circle reflects Northwest's new identity as jet operator.

On June 6, a DC-6B is sold to **Pacific Western Airlines, Ltd.**; it is followed by another unit that passes to **Air Vietnam, S.A.** on August 31. Four more B-720-051Bs are delivered during the remainder of the year, beginning on September 21. The first DC-8-32 to be sold is passed to **UTA French Airlines, S.A.** on October 3.

En route from Tacoma to Anchorage on a chartered October 22 MATS flight, a DC-7CF with 7 crew and 95 passengers develops engine trouble and is forced to ditch at sea near Biorka Island, Alaska. The aircraft remains afloat for 24 minutes, during which time all aboard are safely rescued.

With the retirement of the last piston-engine aircraft from regularly scheduled service, Northwest, in 1963, becomes the nation's first all-fan-jet operator. Indeed, the marketing and public relations departments label it "The Fan-jet Airline."

On February 12, Flight 705, a B-720-051B, with 8 crew and 35 passengers fails its climb away from Miami for a flight to Chicago (ORD) and crashes into the Everglades; there are no survivors.

Sterling Airways, A.S. purchases five DC-6Bs, the first two of which are turned over on May 22 and June 20, respectively. Meanwhile, an MATS-chartered DC-7CF with 6 crew and 95 servicemen and dependents disappears on June 3 during a flight from McChord AFB, Washington, to Elmendorf AFB, Alaska. The wreckage is found the next day 292 km. off Annette Island and there are no survivors.

The first of 41 new B-707-320s, two Dash-351Bs delivered on June 5 and 19, respectively, enter service on transpacific and long-haul domestic routes on July 1. During the remainder of the month and in August, the new Boeings initiate services from Seattle to Anchorage, from New York to Minneapolis via Detroit, and from New York to Minneapolis via Milwaukee.

Two more B-707-351Bs arrive on July 30 and September 9, respectively; they will be followed by the last unit of this type delivered on the year on October 13. Three DC-8-32s are sold to **National Airlines** between September 15 and October 14; eight days later, on October 22, a 14th B-720B is acquired from its manufacturer.

Enplanements for the year total 2,540,481. A net profit of \$10.5 million is earned on revenues of \$157.85 million.

Airline employment in 1964 stands at 6,671 and another B-720-051B arrives on January 23. A total of five DC-6Bs are phased out during the year, beginning on February 14; three more complete the **Sterling Airways, A.S.** order while one each goes to **Kar-Air O/Y** and **United Arab Air Lines**. A B-720-051B with 40 aboard is involved in a nonfatal accident at Miami on February 24 and on March 20, another B-720-051B with 41 aboard is caught in clear-air turbulence near Billings, Montana, and a stewardess and a passenger are seriously hurt.

The first three of 23 B-707-351Cs arrive on April 10 and 18 plus June 18, respectively. Meanwhile, an L-188 with 84 aboard crashes while landing at Cleveland on April 24; six passengers are badly injured. The last two B-720-051Bs are delivered in the month between June 26 and July 24. Meanwhile, **National Airlines (1)** purchases the company's last DC-8-32 on June 30.

In the year's second major B-720-051B turbulence incident, a Boeing with 92 aboard is caught near Minneapolis on September 7; once again, one stewardess and one passenger are seriously injured. The CAB grants authorization for several new routes, one of which from Cleveland to Chicago commences on October 5. The same day, company officials receive the first Flight Safety Foundation safety award for turbulence research.

As the result of increased aerial trade between America and the nations of the Pacific rim in the late 1950s to mid-1960s, Northwest receives a presidential "E" award for the development of export markets and its "Visit the U.S.A." promotion in Asia.

Between November 12 and December 23, the first 3 of an order for 30 (later 85) B-727-51s and later, B-727-251s, join the fleet.

Passenger boardings jump 27% to 3,480,110 and freight traffic climbs by 39.8%. Revenues are up a quarter, 25.4%, to \$211.6 million and net earnings are \$26.8 million.

The workforce in 1965 totals 7,580 and the first B-727-51 enters service on January 1. Beginning on January 15, the last four DC-6Bs are sold out of service; one goes to **Finnair O/Y** and three more to **United Arab Air Lines**. Several of the 49 aboard a B-720-051B are hurt when the jetliner hits turbulence near Chicago Heights, Illinois, on January 23. Three more B-727-51s arrive between February 11 and March 3. Cleveland to Philadelphia and Detroit to Philadelphia service is inaugurated on April 1.

Between April 22 and September 10, four more B-707-351Cs and three B-727-51s arrive. The CAB, in its famous Transpacific Case, now reexamines the entire route structure for American airlines operating over the Pacific. As a result of these investigations, new flight paths are awarded and much stronger competition between the carriers begins. Longtime board Chairman Hunter retires, but is named chairman emeritus and continues his company association. On September 24, a DC-7C is sold to **Transair Sweden, A.B.**

One more B-707-351C and five more B-727-51s are delivered between October 7 and December 17, with spare parts. The new B-727-51s are placed into domestic service and by year's end, the fleet includes 64 aircraft: 14 B-727-51s, 16 B-720-051Bs, 13 B-707-351B/Cs, 5 DC-7Cs, and 16 L-188Cs. Orders are outstanding for 12 B-727-51s and 7 B-707-351Cs. U.S.-Orient weekly roundtrips are increased to 16 per week in late December.

The company originates 4,731,610 passengers and its cargo-mail tonnage is up by 50%. Revenues swell to \$262 million.

One more B-707-351C arrives on January 8, 1966 and two DC-7Cs are sold to the Gulf Land Corporation on March 11 and 25. A total of two B-707-351Cs, one B-727-51, and four B-727-51Cs are delivered in the period between April 11 and June 24. Meanwhile, the first L-188C is sold on June 16, to **American Flyers Airline**.

On July 8, Northwest is one of five U.S. airlines struck by members of the International Association of Machinists and Aerospace Workers (IAM). The combined effect is to halt 60% of domestic passenger air service and 70% of airmail operations.

Through-plane service begins from Washington, D.C. and Cleveland to Asia on July 17, from Philadelphia, Detroit, and Minneapolis/St. Paul via Seattle. Following several weeks of negotiations, President Lyndon B. Johnson announces a settlement to the IAM strike on national television on July 29; however, the membership votes 2 1/2 to 1 on August 1 to reject the proposed contract.

Talks resume and on August 15 a tentative agreement is reached on a new three-year deal. The membership votes to ratify the contract by a 2-1 margin, thus ending the longest and costliest strike in U.S. commercial aviation history to date.

During the strike, two B-727-51Cs and two B-707-351Cs arrive. **American Flyers Airline** acquires a second L-188C on September 25; it will purchase a third on November 15 as Northwest begins to sell off its Electra fleet. Meanwhile, after a 17-year waiting period, Northwest is certified to serve Hong Kong as of October 1; flights commence two weeks later, on October 15.

Late in the year, a \$239-million order is placed for 10 Boeing 747s and 6 more B-707-351Cs. On December 16, the last of three B-727-51s and one more B-707-351C acquired since November 12 is delivered. Revenues for the year total \$305.51 million.

The workforce in 1967 is 10,257 and the last 2 B-727-51s are received on January 1 and 25, respectively. Meanwhile, **American Flyers Airline** acquires a fourth L-188C on January 24. A B-727-51C arrives on March 12, sandwiched between the last two B-707-351Cs delivered on March 18 and 21 and another Dash-51C that is received on March 28. Osaka becomes the latest Asian destination on April 1 and two more B-727-51Cs arrive on April 22 and May 27.

Flights to the Hawaiian community of Hilo begin on December 17 and a \$104-million order is sent to Boeing for 16 B-727-51s, 2 B-727-51Cs, and another B-707-351B.

Enplanements total 6,306,000. On record revenues of \$384,140,000, a record net profit of \$58,715,000 is posted.

In 1968, another \$106 million worth of aircraft and aircraft spare parts are received, including 10 B-707-351B/Cs, 2 B-727-51s, and 5 B-727-251s. With the initial orders, Northwest becomes launch customer for the DC-10-40. A new \$2-million hangar is opened at Cleveland and at Seattle and Anchorage, air freight facilities and flight kitchens begin operation.

Flight 714, a B-720-051B with 92 aboard en route from Chicago to Miami is hijacked by M. Velazquez-Fonseca on July 1 and is forced to land in Havana. The passengers return to Miami on a company DC-7C chartered by the U.S. Department of State. This hijacking, the latest of many undertaken to Cuba over the past decade, results in a new Cuban policy of not allowing large Western airliners to takeoff fully loaded for return flights.

The last three DC-7Cs are sold to **Aero International Airlines** on September 6.

A total of 6,929,600 passengers are originated and 180,363,672 freight ton-miles, an increase of 25%, are flown. Revenues advance 8.4% to a record \$416,289,742 and for the first time, Northwest leads the entire U.S. air transport industry in net profit.

A total of 14 DC-10-40s are ordered in January 1969 and during the year, three L-188Cs are sold.

An interchange agreement with **Pan American World Airways (1)** takes effect on June 1 and Northwest is able to begin service from Minneapolis/St. Paul to London (LGW) via Detroit (DTT). Both companies employ Boeing Stratoliner equipment and this is the first transatlantic operation for Northwest.

On July 26, the government of Burma charts a B-727-51 for a year, complete with three U.S. crews, to operate tourist flights to and within the country. San Francisco to Tokyo via Honolulu flights commence on August 1. Minneapolis (MSP) to Los Angeles and San Francisco flights begin on October 4.

A new corporate symbol featuring the stylized tail of a Northwest jet and "new look" livery are adopted the same day. A \$12-million expansion of the main base facilities is undertaken at Minneapolis (MSP) and 15 B-727-251s are delivered.

Enplanements total 2,932,800. Revenues total \$468.17 million, an all-time record to date. Profits are \$82.36 million (operating) and \$44.67 million (net).

The employee population in 1970 numbers 4,086 and the fleet includes 118 aircraft. Los Angeles to Tokyo via Honolulu flights are inaugurated on January 6 and two weeks later, on January 19, an L-188C is sold to **International Skyways**; a second will be delivered to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** on May 15. Meanwhile, on April 30, the company takes delivery of its first Boeing 747-151, placing it into service on its Chicago to Tokyo run on July 1; nine more will be delivered before Christmas, along with three additional B-727-251s.

Clerical and office workers and passenger service employees, members of the Railway and Airline Clerks Brotherhood, strike for higher wages on July 18 and Croil Hunter, longtime president and chairman of the board, dies on July 21.

Nonstop Chicago to Honolulu flights commence on September 1, the same day Northwest becomes the first to offer B-747-100 transpacific service from the four major gateways of Seattle, San Francisco, Los Angeles, and Honolulu.

The Tokyo Jumbojet route is stretched to Manila on December 1. The 160-day clerical workers strike, which has had an impact on both traffic and revenues, ends on December 14 after the union members ratify a new agreement containing pay raises.

On December 31, the CAB agrees to allow a merger with **Northeast Airlines**, but refuses to allow inclusion of Northeast's recently won Miami-New York route.

Passenger boardings decline 37.6% to 4.7 million and freight traffic is off by 47%. Revenues drop 19% to \$379.10 million, but expenses are cut 15% during the year, allowing the company to enjoy smaller profits that are, at least, profits: \$51.14 million (operating) and \$46.71 million (net).

En route from Minneapolis to Washington, D.C. via Detroit on January 22, 1971, a lone gunman, who has been talked out of his original desire to fly to Algeria, hijacks Flight 433, a B-727-251 with 60 passengers, to Cuba. The man will return to the U.S. in 1978, be caught, tried, and sentenced to prison for 15 years.

The first of the B-707-351Bs is sold to **China Airlines, Ltd.** on March 5. With the Miami-Los Angeles route deleted by the government from the arrangement, the Minneapolis-based carrier withdraws its offer to acquire **Northeast Airlines** on March 10, leaving it to find its salvation with **Delta Air Lines**. The world's first production B-747-200B, a Dash-251B, is delivered on March 26. Four more will follow it into service by Thanksgiving. A B-747-151 is involved in an accident at Honolulu on May 13.

Meanwhile, on June 20, 218 aboard a San Francisco-bound B-747-151 flight escape injury as their craft veers from the runway at Tokyo (NRT) after its tires burst. Four B-707-351Bs are sold to **Cathay Pacific Airways (Pty.), Ltd.**, with the first turned over on July 1.

Operations between Minneapolis and Milwaukee and Boston are launched on September 1 and on September 3 Northwest proposes a merger to officials of **National Airlines**. Three B-720-051B are sold to **Monarch Air Lines, Ltd.** on September 15, while the last of four L-188Cs sold during the year departs on November 4.

On Thanksgiving Eve, passenger J. R. Meade boards Washington, D.C.-Seattle Flight 305, a B-727-251, at Portland, Oregon. After its takeoff, he identifies himself as Dan B. Cooper or "D. B. Cooper" and, claiming to have a bomb, takes over the aircraft. At Seattle, 36 passengers and 2 crew members are allowed to leave the Boeing while he collects a \$200,000 ransom and 4 parachutes from airline officials.

Cooper orders the pilot to fly to Mexico at a level altitude not to exceed 10,000 feet, with the undercarriage extended, the rear stairwell open, and wing flaps canted. When the Boeing makes a refueling stop at Reno, Nevada, the pirate is not found aboard. He is assumed to have donned two chutes (one of which is, in fact, a ground-training model that will not open) and calmly jumped into the cloudy night somewhere in a

500-mile corridor of the Cascade Mountains and river valleys stretching over 4 western states.

Although his death in a New York hospital will be rumored a decade later, neither D. B. Cooper nor most of his \$200,000 are ever seen again. Having pulled off the country's most successful hijacking, the robber attains legendary status and becomes a subject for song, print, and film. With speculation as to the outcome of the case, the motion picture *The Pursuit of D. B. Cooper*, starring Robert Duvall and Treat Williams, is released in 1981. Max Gunther follows it up with his book *D. B. Cooper: What Really Happened* (Chicago: Contemporary Books, 1985) while, a year later, Ralph E. Himmelsbach and Thomas K. Worcester present *Norjak: The Investigation of D. B. Cooper* (West Linn, Ore: The Norjak Project, 1986).

Interest continues into the new decade and in 1991, Bernie Rhodes presents a thorough study in his *D. B. Cooper: The Real McCoy* (Salt Lake City, Utah: University of Utah Press). Geoff Williams reminds the public of the event in "Have You Seen This Man?," *Entertainment Weekly*, no. 302 (November 24, 1995), 120+.

Although the most celebrated and the only parachuting air pirate to make what appeared to be a successful escape, Cooper is not the first to plan an escape from a jetliner using a chute. An IRA gunman named Cini, though unsuccessful, had beaten Cooper to this distinction 10 days earlier when he had tried to escape from **Air Canada, Ltd.** Flight 812.

E. L. Holt, a 25-year-old former high school honor student, commandeers Flight 734, a B-727-251 with 35 passengers en route from Minneapolis to Miami on December 24, and orders the crew to go ahead and make the scheduled stop at Chicago (ORD). At Chicago, he requests \$300,000 in ransom and two parachutes, threatening to blow up the craft with dynamite if his request is not granted. Holt holds one passenger hostage, but surrenders after the crew and remaining passengers leave the airliner and the FBI informs him that the plane will be kept on the ground. Upon examination, the pirate will be judged mentally deficient and will be committed to a psychiatric facility.

The second **Cathay Pacific Airways (Pty.), Ltd.** B-707-351B departs for Hong Kong on December 27.

Enplanements for the year total 5,751,168 and a \$21 million net profit is earned.

The workforce in 1972 totals 10,000. Early in the spring, merger discussions with **National Airlines** collapse and conversion is started on the engines of the company's Jumbojets, which are upgraded to Pratt & Whitney JT9D-7s. The Greek carrier **Olympic Airways, S.A.** purchases seven B-720-051Bs, the first two of which are turned over on February 6-7.

The last L-188C is sold on April 5, to **Nordair, Ltd.** in Canada while another B-707-351B passes to **Cathay Pacific Airways (Pty.), Ltd.** on April 29. Meanwhile, three days earlier on April 26, a B-720B is involved in a near midair collision over Front Royal, Virginia, with a CV-240 owned by the Lockheed Aircraft Corp.

In a plot broken up by police on May 2, W. J. Lewis and D. S. Murphy of Seattle are arrested for attempting to impersonate D. B. Cooper and to extort over \$30,000 from former *Newsweek* editor C. Fleming; seven months later, the two will be sentenced to prison.

A pilots' strike backed by the Air Line Pilots Association (ALPA) grounds the airline for 95 days between June 30 and October 2. During this period, Minneapolis to Fargo regional replacement flights are operated by **Flight Development, Inc.** and those to Bismarck via Jamestown and Fargo by the short-lived Executive Air Transport, Inc. subsidiary **Pro Airlines**. The fourth **Cathay Pacific Airways (Pty.), Ltd.** B-707-351B is turned over on August 28 and on November 10, Northwest takes delivery of the first of 22 ordered extended-range DC-10-40s and plans are made to activate Asian authority held for a quarter of a century. The first B-707-351C is sold on November 18 to **Cathay Pacific Airways (Pty.), Ltd.** and the new DC-10-40 is placed into service on December 13 on a domestic route from Minneapolis to Tampa via Milwaukee.

A B-747-151 with 160 aboard returns to Miami (MIA) on December 15 after running into a flock of birds during takeoff; four passengers are

injured after the Jumbojet skids on the runway during landing. A B-707-351C is sold to the new **Biman Bangladesh Airlines** on December 30.

Due almost entirely to the pilots' strike, customer bookings drop 8.8% to 5,286,000. Freight is off by 18.3%. Total income is \$392.65 million and expenses are \$377.4 million. Remaining one of the nation's strongest majors, the carrier chalks up an operating profit of \$15.2 million and net income of \$19.9 million.

A total of 1,263 new employees are hired in 1973. The last of seven B-720-051Bs is delivered to **Olympic Airways, S.A.** on January 17; the Greek flag carrier also acquires a pair of B-707-351Cs. Also in January, the company begins the first computer-generated airline ticketing procedure and first direct computer reservations service to and from Asia.

A B-707-351C is sold to **Pacific Western Airlines, Ltd.** on March 2 and the first Greek machine is delivered on March 23. **Maersk Air, A.S.** purchases five B-720-051Bs, the first three of which are delivered by the end of the year's first quarter. Coming into Tampa from Chicago on March 25 with 220 aboard, a B-747-151 blows 14 tires during its landing; no injuries are, however, reported.

Between May 26 and December 30, 4 more B-707-351Cs are sold out of service while 13 additional DC-10-40s are delivered during the rest of the year, with 7 remaining to be accepted.

Customer bookings skyrocket 56.2% to a record 8,254,000. Cargo also does well as the number of freight ton-miles flown reaches 387.26 million, a 41.3% increase. The 1969 record for income is smashed, as revenues reach a new all-time high of \$584.74 million. Expenses are just \$533.04 million. The operating profit is \$51.7 million and the net income of \$51.85 million is the third largest in the domestic trunk line industry behind **Delta Air Lines** and **United Airlines**.

Airline employment in 1974 is 11,515 and the last two **Maersk Air, A.S.** B-720-051Bs are turned over on January 16 and February 20, respectively. Meanwhile, on February 15, a B-707-351C is sold to **BWIA (British West Indies Airways, Ltd.)**. It is followed out of service by five more of its type through May 31; of these, four more go to **Cathay Pacific Airways (Pty.), Ltd.** and one to **JAT Yugoslav Airlines**.

Meanwhile, the interchange agreement with **Pan American World Airways (1)** ends at the end of the winter season. On April 9, the carrier resigns from IATA.

On June 7, following a 12-year suspension of operations, Northwest resumes flights to Edmonton, Alberta. Through November 14, six more B-707-351Cs are sold, including two more to **Cathay Pacific Airways (Pty.), Ltd.**, one to **Zambia Airways Corporation**, one to **Transair Sweden, A.B.**, one to **JAT Yugoslav Airlines**, and one to **LanChile Airlines, S.A.** The seven remaining DC-10-40s are received throughout the year.

On December 1, Flight 6231 is on a ferry flight from New York (JFK) to Buffalo to pick up the Baltimore Colts National Football League team. Just after takeoff, having reached an altitude of 24,000 ft., the B-727-251 with three crew suddenly plunges earthward out of control, dropping to 1,090 feet in 8 seconds. Unable to recover, the Boeing plunges into a forest at Bear Lake, near Stony Point; there are no survivors.

Late in the month, the last of 22 DC-10-40s is delivered.

Despite the general U.S. economic situation, passenger traffic accelerates by 10.9% as 9,153,000 passengers are carried. Freight traffic climbs 18.3%. Although expenses accelerate to \$688.79 million, overall expenses jump 29.8% to \$766.844. The operating profit is \$78.04 million and net income grows to \$64.78 million.

The workforce is reduced in 1975 by 246 employees. During the first quarter, two more B-707-351Cs are sold to **BWIA (British West Indies Airways, Ltd.)**. On May 21, another one is also sold to the same Caribbean airline. Northwest's first three B-747-251Fs, purchased for \$90 million, are placed into service, following their staggered June, July, and August deliveries. A fourth Jumbojet freighter is ordered. New support equipment is acquired for both the Pacific and domestic cargo operations and on December 29, a B-707-351C is sold to **Royal Air Maroc**.

Customer bookings fall 1.6% to 9,011,000. Although freight business on the North Atlantic is down, the company's other regions prosper, allowing an overall boost of 26.8% to 580.67 million FTKs operated. The carrier is the U.S. air transport industry profit leader for the fourth time in eight years. On revenues of \$814.86 million, expenses are \$764.94 million. The operating profit is \$49.91 million and the net is \$43.39 million.

The workforce is reduced an additional 0.5% in 1976 to 11,208 and a second B-707-351C is passed to **Royal Air Maroc** on March 17. A DC-9 and a DC-10-40 nearly collide over Spokane on April 2 and in May, **National Airlines (1)**'s two B-747-135s are purchased. On July 1, Northwest becomes the first U.S. airline approved by the FAA to install coordinated flight crew training. On October 1, Donald W. Nyrop becomes board chairman/CEO and M. Joseph Lapensky is elected to the presidency.

The fiftieth anniversary is celebrated on October 15 and on November 25, a grand jury indicts D. B. Cooper, in absentia, for his now-celebrated 1971 hijacking.

Customer bookings accelerate 10.8% to 9,989,000 and freight does even better, up 19.1% to 691.6 million FTKs. Operating income advances to \$971.06 million and expenses are \$867.68 million. A result of this happy imbalance is an operating profit of \$103.38 million and net gain of \$53.73 million.

Airline employment in 1977 stands at 11,303. The fleet now comprises 5 B-747-251Bs, 10 B-747-151s, 3 B-747-251Fs, 5 B-707-351Bs, 3 B-707-351Cs, 22 DC-10-40s, 31 B-727-251s, 20 B-727-51s, and 12 B-727-51Cs. Five of the B-727-51s are sold to **Pacific Southwest Airlines (PSA)**.

In January, the company receives the 1976 "Cargo Development Award" from *Air Transport World* magazine.

On May 8, would-be hijacker Bruce Taylor is subdued during Flight 22, a Tokyo-Hawaii DC-10-40 service with 262 passengers. Upon examination, Taylor will be found to be mentally unstable and sent to a psychiatric hospital for two years.

The domestic network is extended nonstop from Chicago to New Orleans on June 8. Also on June 8, nonstop Chicago-Tokyo flights begin. The fourth B-747-251F arrives on June 27.

Enplanements for the year total 9,082,000. Income is \$1.05 billion and the net income is \$92.71 million.

The workforce is reduced 6.7% in 1978 to 10,680. On February 22, the U.S. Supreme Court lets stand a lower court decision that the company must pay a sex discrimination award, which may run as high as \$50 million, based on past salary distinctions between male pursers and female stewardesses. A 109-day ALPA-backed pilots strike rocks the airline between April 29 and August 15, halting Pacific and many other services. Meanwhile, in June, four more B-727-51s and a B-707-351C are sold. As is the case with many U.S. passenger airlines, once the job action is over, Northwest significantly increases its schedule and markets following President Carter's signing of the Airline Deregulation Act.

Nonstop Seattle to Fairbanks DC-10-40 flights begin on October 12 and on December 31, Chairman/CEO Nyrop retires, but remains a board member.

The job action had a devastating impact on both traffic and income. Passenger boardings drop 36.8% to 6,639,000 while freight is down by 33.9% to 440.09 million FTKs. Revenues decline by 24.38% to \$794.36 million, which are still higher than overall expenses (\$726.42 million). Although a \$67.93-million operating profit is made, the net gain is diminished by 33.3% to \$61.84 million. Despite this downturn, shareholders are proud that their airline has an extremely high net worth (\$800 million) and few debts (\$100 million).

Airline employment is increased by 20% in 1979 to 12,814. President Lapensky, on January 1, is also named CEO. On January 20, the company inaugurates nonstop service to seven domestic markets: Philadelphia-Orlando, Orlando-Fort Lauderdale, Boston-Fort Lauderdale, Boston-Orlando, Boston-Cleveland, Minneapolis (MSP)-St. Louis, and New Orleans-Tampa.

Ten more routes follow on February 1: Philadelphia-Fort Lauderdale, Boston-Tampa, Boston-Philadelphia, Boston-Detroit, Boston-Washington, D.C. (IAD), Newark-Pittsburgh, New Orleans-Miami, Chicago-St. Louis, Portland-San Francisco, and San Francisco-Las Vegas. All-cargo service is launched across the Atlantic on February 9 with flights from New York to Glasgow, Scotland, via Boston; freighters begin flying to Copenhagen on March 2.

Northwest becomes a transatlantic passenger airline on March 31 when service is started from Minneapolis (MSP) to Copenhagen and Stockholm via Detroit and New York. Passenger frequencies to Glasgow and Copenhagen are added from Seattle, Minneapolis (MSP), and Boston beginning on April 29.

The company resumes taking delivery of passenger-capable Jumbos on May 25, with the delivery of a sixth Dash-251B; four more will arrive before year's end. Nonstop Los Angeles-Seattle service begins on June 8.

On July 1, nonstop Los Angeles-Seattle and Honolulu-Osaka flights commence. The following all-cargo routes are opened on September 12: Amsterdam-Manchester, Manchester-New York, and New York-Boston-Prestwick-Amsterdam. Phoenix-Minneapolis (MSP) nonstop service begins on November 15, followed by a route from Twin Cities to Fort Myers on December 18.

Customer bookings skyrocket 76.3% to 11,704,000 while cargo accelerates 67% to 734.89 million FTKs. Operating income is boosted 63.27% to \$1,296,906,000 while expenses jump 70.81% to \$1,240,797,000. Although the operating profit falls by 17.41% to \$56.1 million, net gain jumps an equal 17.20% to \$72.47 million.

The employee population declines 0.5% in 1980 to 12,748 and another B-747-251B is delivered on January 2. The FBI reports on February 13 that part of the \$200,000 ransom paid to skyjacker D. B. Cooper in 1971 has been found partially buried in a wooded area near Vancouver, Washington. Ralph Himmelsbach, the FBI agent in charge of the Cooper case for a decade, retires on March 1. Service from Boston and New York to Shannon begins on April 27, as do flights from New York to Oslo and Stockholm. During April, two more B-747-251Bs enter service.

Minneapolis (MSP) to Hamburg via London frequencies are initiated on June 2. On June 20, the company resumes the Chicago to Minneapolis (MSP) frequencies discontinued in 1975.

Glenn Kurt Trippe, age 15, is captured on July 11 after his unsuccessful attempt to hijack Flight 608, a B-727-200 on the ground at Seattle. Although he had demanded a \$100,000 ransom and a lightplane in which to escape, the FBI easily takes him in hand. Upon examination, Trippe will be found to be mentally unstable and in exchange for a dismissal of air piracy charges, will undergo psychiatric treatment.

A B-747-251B, on a nonstop flight from Chicago to Tokyo on September 18, is forced to refuel at Hokkaido after running into strong headwinds. A 2-year, 14-aircraft fleet modernization program, employing internally generated funds as opposed to outside loans, is completed as the fiftieth B-727-251 joins the fleet.

Enplanements dip 1.2% to 11,501,000 in the face of the recession; however, freight rises 5.4% to 855.36 million FTKs. Although revenues shoot up 25.1% to \$1.63 billion, expenses (led by fuel prices) jump 32.5% to \$1.66 billion. The operating loss is \$24 million, but a \$7-million net profit is gained and even though it is down significantly from the previous year, it allows the carrier to remain in the black.

The workforce is increased by 2.7% in 1981 to 13,096 and Taipei-Manila service starts on January 7. On January 31, a DC-10-40 suffers engine failure over Leesburg, Virginia, and must put down. Nonstop Boston-London flights are inaugurated on April 26, followed four days later by the introduction of Tokyo-Guam nonstops and direct flights from Guam to Seoul.

Direct Twin Cities to Oslo service begins on June 10. Capacity is augmented, beginning on August 22, when the number of seats aboard B-727-251s is increased from 128 to 146. On September 8, nonstop frequencies are launched between Los Angeles and Tokyo. New interna-

tional B-747-251F all-cargo gateways are opened at Los Angeles and Houston on September 8, which also receive Jumbojet freighters from New York (JFK).

Minneapolis (MSP)–Orlando nonstops commence on December 1. The fleet now comprises 24 Jumbojets, 5 B-747-251Fs, 22 DC-10-40s, 52 B-727-251s, and 9 B-727-51s. Passenger boardings fall again, down 2.9% to 11,213,000, as freight rallies upward a strong 15.8% to 896.3 million FTKs. Operating income climbs 13.31% to \$1.844 billion while costs accelerate 11.56% to \$1.842 billion. The operating profit is \$2.06 million and the net gain is \$10.46 million.

The payroll remains unchanged in 1982. Because of an error by a veteran air traffic controller, a company B-727-251 nearly collides with a **Trans World Airlines (TWA)** Jumbojet over Lake Michigan on March 4. On April 25, nonstop passenger service is inaugurated from Boston to Chicago. The same day, B-747-251F freighter flights link those cities with San Francisco. Omaha, Wichita, and Dallas (DFW) join the route network on May 19.

Having walked out on May 22, mechanics and other ground service personnel, members of the IAM, approve a proposed contract on June 25, ending a 34-day strike, and return to work the next day.

Minneapolis (MSP) to Denver service is opened on July 1 with San Diego added as a destination 24 days later. Grand Rapids becomes a stop on August 1. Atlanta becomes an all-cargo gateway on October 1, the same day weekly B-747-251F flights are started from that city to Oslo.

Eun Sook Kim gives birth to a daughter aboard a Jumbojet that arrives at Chicago from Tokyo on November 3. Minneapolis (MSP) to West Palm Beach frequencies begin on December 16 and from Miami, flights begin to Copenhagen and Stockholm.

Customer bookings accelerate 2.5% during the 12 months to 11,490,000, but cargo resumes its downward march, falling 2.3% to 875.53 million FTKs. Revenue advances a slight 2.3% to \$1.88 billion, as expenses swell 2.89% to \$1.89 billion. Despite a \$7.99-million operating loss, a \$5.01-million net gain is posted; Northwest is one of only two U.S. majors to achieve profitability on the year.

The employee population swells 3.1% in 1983 to 14,187. Northwest becomes the fourth U.S. airline to order the B-757-200, placing a request for 20 Dash-251s. Additionally, four new B-747-251Bs are received.

En route from Seattle to Portland on January 20, Flight 608, a B-757-251 with 41 passengers, is taken over by a man on 20-years probation for another hijacking perpetrated 3 years earlier. The pirate demands to be flown to Afghanistan, but is, instead, shot and killed by FBI agents shortly after the little Boeing arrives on the ground in Oregon.

While landing at Shannon on March 21, a new Jumbojet with 230 people aboard from Boston is hit twice by lightning; no injuries are reported.

A man with a knife tries to hijack Flight 714, a B-727-251 with 97 passengers en route from Tampa to Miami to Cuba on July 21, but three passengers and a flight attendant overpower him and he is arrested when the plane lands in Miami. The pirate will later receive a 10-year prison term for air piracy.

A low-fare thrust into the major's Minneapolis (MSP) base by **PEOPLExpress** is turned back through a combination of lower fares and increased frequencies, while a B-747-2J9F freighter is purchased from the Iranian Air Force on September 13. The carrier's October 22 Seattle to Washington, D.C. flight makes an unscheduled stop in Fargo, North Dakota, to eject passenger W. Meserve for refusing to stop smoking his pipe; Meserve leaves town on a bus after two other airlines refuse to let him board their flights.

Tucson becomes a domestic destination on December 15 and when service to Tokyo from San Francisco begins the same day, the latter city becomes Northwest's sixth Asian gateway. Three days later on December 18, the engine of a DC-10-40 catches fire as the plane is being started at Winnipeg, forcing 280 people to evacuate; no injuries are reported.

Enplanements for the year rises 11.3% to 12,794,000 and freight rebounds, increasing 39.2% to 1.21 billion FTKs. Operating income

jumps 17.3% to \$2.21 billion, while costs advance 13.14% to \$2.14 billion. An operating profit of \$69.49 million is generated and with a \$50.07 million net gain, Northwest is again one of the country's most profitable carriers.

The payroll grows a full 7% in 1984 to 16,185. On March 15, M. Joseph Lapensky is elected board chairman, at which point board member and former chairman Donald W. Nyrop retires. A bright orange B-747-227B that financially struggling **Braniff International Airways** had been unable to accept and that has languished in storage since 1980, is acquired on April 19. Two more will be purchased from the assets of the deceased major before year's end. Also in April, another new B-747-251B is delivered. Direct Minneapolis (MSP) to Frankfurt via Boston flights commence on April 30.

Seattle–Tokyo–Shanghai service is inaugurated on May 2. Company shareholders approve creation of the holding company NWA, Inc., under terms of Delaware law, on May 21; Northwest Airlines is the principal operating subsidiary. Another B-747-251B is delivered in May and nonstop Twin Cities–Frankfurt service begins on June 8, the same day direct flights from Phoenix to San Francisco and Seattle are initiated, linking the Arizona community to Asia.

Direct Boston–Dublin frequencies started on June 9 make the carrier the only U.S. flag line to serve the Irish capital. B-747-251F service from the U.S. to Singapore begins on September 5 and on September 26, Steven G Rothmeier, formerly vice president-finance, is elected president and CEO. On September 29, chunks of debris, up to 8-ft. long, fall from a Jumbojet shortly after its takeoff on a flight from Seattle to Seoul; the plane makes a safe return to Seattle.

NWA, Inc. officially takes over the carrier on November 20, in accordance with the May plan.

On December 1, an agreement is announced with **Mesaba Airlines** for the creation of a new marketing agreement and commuter network, "Northwest Airlink." Management's largest disappointment on the year is the adverse settlement of a 17-year-old lawsuit by 3,300 flight attendants; the award costs the airline \$30.9 million. On the bright side, with the losses suffered by **Pan American World Airways (1)** and despite competition from **United Airlines**, Northwest becomes the largest U.S. airline in the transpacific market.

Customer bookings rise 3.9% to 13,216,000 and cargo blossoms 15.7% to 1.41 billion FTKs. Income jumps 11.3% to \$2.44 billion and costs rise 10.4% to \$2.34 billion. Consequently, the operating gain swells to \$96.27 million and the net profit grows 12% to \$55.96 million. NWA, Inc. remains in such a solid financial position that even its interest income is \$2.9 million greater than its interest expenses; the debt to equity ratio is 1 to 85.

The payroll grows by 9.6% in 1985 to 16,641 and on January 1 Steven G. Rothmeier takes office as president and CEO. Also in January, the carrier receives the "Financial Management Award" from *Air Transport World* magazine.

On March 2, Northwest becomes the only U.S. airline to offer direct service from Dallas (DFW) to Tokyo and Hong Kong. On takeoff in snowy weather from Minneapolis (MSP) on March 31, a B-747-251B passes 50–100 ft. above another Jumbojet crossing the same runway. Also in March, the first B-757-251 is delivered.

Service from New Orleans is discontinued on April 28, along with three weekly flights to Hamburg, West Germany. The first passenger air service between Malaysia and the U.S. begins on May 1 as a B-747-251B flight, originating in Dallas (DFW) continues to San Francisco, Tokyo, and Kuala Lumpur. On May 21, the company announces a multifaceted "Northwest Airlink" marketing alliance with **America West Airlines** that will provide a direct link from the latter's cities to the former's entire domestic and international system via connections at Phoenix and Los Angeles. A week later, the large Minnetonka, Minnesota, tour operator Mainland Travel is purchased by NWA, Inc.

Also in May, the first cattle lift to China occurs when 159 head of Holsteins are flown to Beijing. Los Angeles–Seoul nonstop flights commence on June 6. A "Northwest Airlink" marketing agreement is signed

with Montana's **Big Sky Airlines** in July and at midyear Northwest is the only large U.S. combination carrier still operating dedicated freighters.

On October 1, the MLT Vacations (formerly Mainline Travel) purchase is finalized and company officials join with those from Boeing on October 22 in announcing the launch of the B-747-400. The fourth "Northwest Airlink" partner is created on December 23 when **Fischer Brothers Aviation** agrees to service Detroit. Also in December, the largest aircraft order in company history to date is placed in December: \$2 billion for 10 B-747-400s, 10 B-757s, and 3 B-747-200s.

Enplanements ascend by 10% to 14,539,000, but freight is off by 8.2% to 1.92 billion FTKs. Revenues shoot up 8.6% to \$2.65 billion, expenses are up 8.8% to \$2.57 billion, and the operating profit is down to \$76.25 million. The year's net profit, announced on December 31, is \$72.96 million.

Airline employment skyrockets 99.8% in 1986 to 33,250, largely as a result of an amalgamation. On January 24, it is announced that Northwest will acquire financially troubled **Republic Airlines** on August 12 in an \$884-million merger that will make Northwest the nation's fifth, and later, third largest carrier in terms of route miles.

Also during the first month, Northwest receives the 1985 "Technology Management Award" from *Air Transport World* magazine.

It is announced on May 22 that Brian Ingram, an eight-year-old boy who found \$5,800 of the ransom paid to hijacker D. B. Cooper buried in sand, will get to keep \$2,760 in a settlement with the airline's insurance company; Cooper's caper remains the nation's only unsolved plane hijacking. The last three B-747-251Bs are delivered between May 6 and July 18.

The sixtieth anniversary is celebrated on July 26 and despite vehement objections from the antitrust division of the Justice Department, approval for the **Republic Airlines** merger is received from the Transportation Department on July 29, which integration occurs on October 1. The marriage on the first day of the month is a disaster, as operational preparations appear not to have been made.

The merger gives Northwest two new domestic hubs, Detroit and Memphis. Detroit presents a problem, as both **Fischer Brothers Aviation**, under a "Northwest Airlink" contract and **Simmons Airlines**, under a Republic Express arrangement, serve it. With only one feeder required, a choice will need to be made between the two. Additionally, the fleet is increased by 171 aircraft to a total of 314 and service is provided to 135 cities in 18 nations. During the first week of October, one of every four Northwest flights is late and some planes takeoff without baggage having been loaded or food placed aboard. A hotel is rented in Minneapolis to accommodate stranded passengers while, in Detroit, there is so much sabotage by ex-**Republic Airlines** baggage handlers that an entire warehouse is later found containing lost passenger bags. A longtime reputation for indifference to passengers is now born and it will become worse before it can be dispelled.

John F. Horn becomes president of Northwest and NWA, Inc., with CEO Rothmeier assuming the position of chairman of both. Reflecting its new global stature, the word "Orient" is now dropped from company advertising and aircraft liveries. A new \$17-million world headquarters facility is occupied and in November six Rolls Royce-powered B-757-2S7s acquired in the Republic merger are returned to their manufacturer.

The same month, Chairman Rothmeier travels to Munich, where orders are placed for 10 Airbus Industrie A320-211s, with 90 options.

To obtain the travel agency leverage needed to compete with its rivals, the airline purchases 50% ownership of the PARS computerized reservations system of **Trans World Airlines (TWA)** for \$140 million. The action makes Northwest the last major to begin offering computer-generated reservations and advance seat selection. Late in the year, a massive new flight training subsidiary, Northwest Aerospace Training Corporation (NATCO), is established, for which Link trainers are ordered from that division of the Singer Corporation.

During the year, **USAir** begins to participate in the company's frequent flyer program in the Pacific and to share codes with Northwest on flights to San Francisco and Los Angeles.

Traffic figures for Republic are included within Northwest's after August 12 and hence the latter's are inflated. Nevertheless, combined figures for the year show enplanements of 35,402,000 and that 1.83 billion FTKs have been flown, the latter a 14% increase. Revenues balloon 35.2% to \$3.58 billion, costs increase 32.7% to \$3.42 billion, and the operating profit jumps to \$166.64 million. Net gain climbs \$2 million to \$76.94 million.

The workforce remains level in 1987. The most serious problem of the year surfaces early with labor discontent, emanating from the merger of **Republic Airlines** the previous year. A threatened strike is avoided, but difficult union contract negotiations ensue. In March, Northwest withdraws its "Northwest Airlink" contract from **Fischer Brothers Aviation** and awards it to **Simmons Airlines**. The action causes the former to briefly shut down and file a \$150-million antitrust lawsuit against the major and its new large regional partner.

A new \$20-million facility is opened for NATCO at Eagan, Minnesota, during the spring and the remainder of the year sees the installation of 21 simulators. Agreement is reached with Airbus Industrie on April 3, for the purchase of up to 20 A340s with an option for 10 A330s. Nonstop Detroit-Tokyo service begins on April 17. On April 23, Northwest becomes the only major to operate all nonsmoking flights throughout North America, making mostly positive news.

In June, twice-daily nonstop service is opened from Minneapolis (MSP) to Pittsburgh and Kalamazoo and from Denver to Detroit; daily flights begin from Philadelphia to Boston and from Seattle and Tacoma to New York. The last two B-747-251Fs are delivered on May 1 and 3, respectively.

During the summer, ex-**Republic Airlines** workers at Memphis engage in a slowdown to pressure negotiations on work conditions; the resulting lack of engines causes traffic and financial difficulties.

A B-727-251A and a single-engine private plane come within 300 ft. of each other as the airliner approaches Detroit (DTT) on August 13.

Flight 255, an MD-82 with 6 crew and 149 passengers, experiences wing flap and slat difficulties—the slats are not extended—while taking off from Detroit (DTT) on August 16 on a service to Phoenix. Although the plane lifts off the end of the runway, it fails to gain altitude; the left wing hits a light pole. The aircraft crashes into a car rental lot, rolls across the lot, over a highway, and finally strikes a railroad embankment and bursts into flame.

This is the first fatal accident involving a sizeable U.S. airliner in almost two years; there is one survivor from the MD-82 (a 4-year-old girl), however, four people are killed on the ground. Rose Weite recalls the disaster six years later in her *After the Crash: Northwest Flight 255* (Phoenix, Ariz.: Clementine Books, 1993).

A B-727-251A bound for Boston on August 26 passes within 500 feet of a private plane 30 mi. W of the city. In October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

While refusing to admit to violations, the company, in December, agrees to pay a civil penalty of \$325,000 to the DOT for violating consumer protection rules. During the year, the European tour organizer Passage Tours is purchased.

Overall passenger boardings climb 5.4% to 37,305,000 and cargo advances by 16.5% to 1.8 billion FTKs, highest among all U.S. passenger-carrying majors. Revenues rise 9.35% to \$5.07 billion, expenses grow by 10.98% to \$4.86 billion, and the operating profit is \$105.11 million. The net profit reaches \$140.71 million.

The payroll grows by 6.9% in 1988 to 35,532. The first B-747-451 is rolled out in Northwest livery at Boeing's Everett, Washington, plant on January 25, while Milwaukee is made the fourth domestic hub on January 28. Also in January, the first class begins training at the NATCO facility at Eagan and it is announced that Avis Rent-a-Car has joined the WorldPerks frequent flyer program. In response to a new **Delta Air Lines** lure for business passengers, Northwest, in February, inaugurates

its own "mileage match" program for members of its WorldPerks program.

A new product line of holiday excursions is unveiled on March 7 called Northwest Worldvacations. New domestic routes are opened to Worcester, Massachusetts, Greenville and Spartanburg, South Carolina, Harrisburg, Pennsylvania, and Norfolk, Virginia, on March 11. At month's end, an agreement is signed with **SAS (Scandinavian Airlines System)** making the Pars system the authorized ticketing system for the multinational carrier. The premier B-747-400 makes its maiden flight on April 29.

Milwaukee becomes a major hub on May 2 when the major introduces 40 daily departures from the Wisconsin city. Northwest adopts PARS as its worldwide internal computer system on May 21, assuming half the financial interest and retiring POLARIS. By the morning of May 22, a massive overnight switch that had required the training of 15,000 people is accomplished.

Nonstop four-times-per-week roundtrips begin from Boston to Amsterdam on June 1 and daily departures from Milwaukee are increased to 43 on June 11. Toronto's only nonstop service to Milwaukee is opened on June 16 and Twin Cities to Ontario and Riverside, California, flights start on June 27. During stall and low-speed drag tests conducted on the same day, an 892,450-lb. B-747-400 takes off from Moses Lake, Washington; the event marks the greatest weight yet flown off a runway.

On July 1, Northwest inaugurates nonstop frequencies from Milwaukee to Seattle, Tacoma, and San Francisco, Detroit to Birmingham and Portland, and Memphis to New York (JFK). Boston-Orlando nonstops begin on August 5 and four days later, **Mesaba Aviation** is tapped to begin "Northwest Airlink" flights to Detroit in place of the failed **Fischer Brothers Aviation**. Later in the month, Northwest launches twice-daily roundtrips from Chicago (MDW) to Memphis. The traffic statistics for the month of August is the highest in company history—4.5 billion revenue passenger miles are flown.

At about the same time, a new \$6-million training facility is placed under construction adjacent to the Center for Aerospace Sciences at the University of North Dakota, Grand Forks; an agreement is reached with the university for the training of *ab initio* pilots to airline entry standards.

A new Traffic Alert and Collision Avoidance System (TCAS) is tested on September 21 and new daily, nonstop service is introduced from Boston to Orlando on the last day of the month.

Nonstop routes are inaugurated on October 25 from Minneapolis (MSP) to Tokyo, Detroit to Seoul, Seattle to Hong Kong, and Los Angeles to Osaka. On October 30, the carrier initiates daily roundtrip Boston to Orlando services. Also in October, thrice-daily roundtrips commence from Memphis to Greenville and Spartanburg, twice-daily flights begin from Memphis to San Antonio, and thrice-daily service is opened from Detroit to Harrisburg, Worcester, and Norfolk.

In December, four new nonstop routes are inaugurated: Minneapolis (MSP) to Fort Myers and Steamboat Springs and Boston to Tampa and Milwaukee to Orlando. A schedule-coordination plan is announced with Seattle-based **Horizon Air** on December 15 and a yearlong experiment for a seatback video system over the Detroit to Tokyo route is concluded on December 31.

The year's enplanements decline by 3.6% to 35,952,000, but freight is up by 19.8% to 2.16 billion FTKs, tops among U.S. passenger airlines. Revenues jump 10.13% to \$5.58 billion and expenses are up by 10.75% to \$5.39 billion, but operating income declines to \$195.63 million. The net profit climbs to \$162.78 million.

The employee population rises again in 1989, up by 12.6% to 40,000. The carrier and **Alaska Airlines** in January become partners in each other's frequent flyer programs. Received earlier in the month as the world's largest commercial aircraft and certified on January 12, Northwest's premier Boeing 747-451 is placed into service on January 31 between Minneapolis (MSP) and Phoenix. Ten days later on February 9, NWA, Inc. orders 10 Airbus A330s. Seattle to Singapore passenger flights commence on February 10. Los Angeles-Boston-Frankfurt serv-

ice is inaugurated on March 27; simultaneously, four-times-per-day nonstop shuttle flights begin from Detroit to Chicago (MDW).

Anticipating difficulties, NWA, Inc. adopts a shareholder rights plan on March 28 designed to protect stockholders from abusive and underfunded takeover attempts. With several groups heavily courting a marriage, the board of directors establishes March 30 as the deadline for bids. At 2 p.m. on the appointed day, **Pan American World Airways (1)** representatives make an offer of \$2 billion (\$115 per share), while billionaire Marvin Davis of Denver submits an unsolicited \$90 per share cash buyout proposal, which is rejected by the board on April 7.

Meanwhile on April 4, agreement is reached with the machinists' union, giving the carrier greater flexibility in how it uses its workers so as to provide labor cost savings. The next day, flights are initiated from Tampa to Montego Bay and Cancún. Nonstop Boston to Los Angeles roundtrip service is opened on May 1, with flights originating at Los Angeles (LAX) continuing on to Frankfurt, while **Precision Airlines** announces a five-year marketing and code-sharing agreement with Northwest on May 2 for a traffic interchange at Boston. A week later, on May 9, **Pan American World Airways (1)** informs NWA, Inc. that it, too, would like the opportunity to purchase the corporation. Nonstop Dallas (DFW) to Los Angeles frequencies are begun on May 22.

On May 23, a new corporate identity is unveiled featuring a new logo with a letter "N" in a circle with a compass pointing to the northwest. Bolder colors are employed in aircraft livery and the famous all-red tails are now adorned with the "N" within the circle. International B-747-451 service is extended on May 31 from Singapore to Tokyo, Seattle to Hong Kong, Los Angeles to Osaka, Minneapolis/St. Paul to Tokyo, and Detroit to Seoul. Northwest thus becomes the first airline to operate the Dash-400 Jumbojet to Asia.

Also in May, the WorldHorizons senior travel club is expanded and new senior discounts are introduced.

The B-747-451 enters international passenger service on June 1 with a New York to Tokyo flight. One of the new Jumbojets provides lift to Tokyo for a New York City detective, portrayed by Michael Douglas, in the action motion picture *Black Rain*.

Also on June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. Northwest, with 18 security breaches, is faced with \$99,000 in punishment.

A week later, Northwest receives its first A320-211, becoming the first North American operator to obtain this model of the European Airbus.

Wings Holdings, a corporation formed by Alfred A. Checchi and his Marriott hotel associates Gary Wilson and ex-Richard Nixon aide Frederick V. Malek, acquires NWA, Inc. on June 19 for \$3.65 billion (\$121 per share). After outmaneuvering both **Pan American World Airways (1)** and Marvin Davis, Checchi's acquisition stands as one of the last significant leveraged buyouts of the 1980s; only \$700 million of the financing is equity capital, including \$400 from **KLM (Royal Dutch Airlines, N.V.)**, while the remainder is borrowed. Later in the month, the carrier inaugurates daily service between Traverse City and Detroit (DTT) under a unique program by which the state of Michigan guarantees the airline at least break-even results.

In July, a proposal is made to Martin R. Shugrue Jr., trustee of **Eastern Air Lines**, for a takeover of the failing Miami-based major. It will not be accepted by Eastern's creditors. On August 4, Northwest is taken private. On August 10, a DC-10-40 makes a safe emergency landing at Denver after its tail engine begins breaking up. On August 17, a \$2.7-billion contract is signed for the purchase of up to 30 A340s and A330s.

Former leader Rothmeier resigns, as Alfred A. Checchi becomes board chairman and a hands-on manager on September 28, with Frederick V. Malek as president. The first announced priority of the new management team is improved relations with employees. Meanwhile, under pressure from Transportation Secretary Samuel Skinner, the equity investment of **KLM (Royal Dutch Airline, N.V.)** is scaled back to \$175 million (25% formal voting power) and the Dutch flag line surrenders its presence on Northwest's board. The largest aircraft order in company

history is placed on October 12; \$5.2 billion is committed for 10 B-747-451s and 80 B-757-251s.

Seasonal service for skiers begins in December linking Minneapolis (MSP) with Steamboat Springs, Colorado, five times per week. En route from Miami to Minneapolis via Orlando on December 4, a B-727-251A with 139 passengers loses its right rear-mounted engine at 35,000 ft. over Florida; a successful emergency landing is made at Tampa and no injuries are reported.

After receiving a bomb threat to its December 30 Flight 51 from Paris to Detroit, the company allows the 130 passengers on the endangered aircraft the opportunity to change flights without penalty. Although no bomb is found, only 22 travelers elect to go aboard the DC-10-40 to Michigan.

Customer bookings jump 8.1% during the 12 months to 38,860,000, while cargo ascends 12.7% to 2.44 billion FTKs, highest among U.S. passenger-carrying airlines. Revenues climb 17.29% to \$6.55 billion, expenses are up 16.16% to \$6.26 billion, and operating income rises \$100 million to \$290.06 million. The net profit is doubled to \$355.24 million, a company record.

The Northwest fleet in 1990 includes 332 jetliners and is the 8th largest in the world; the 40,000-employee workforce enjoys the same ranking. On January 4, a B-727-251A lands safely in Tampa after one of its three engines falls off. Experts say that the cockpit crew, which flew for nearly 25 minutes unaware that one of the power plants was missing, would really have had no way of knowing what had happened. Five days later, on January 9, thrice-weekly Honolulu to Seoul service begins.

After 42 years of employment, 70-year-old Connie Walker retires on January 30 as the carrier's—and nation's—oldest flight attendant. It is estimated that since 1942, she has spent 4.5 years in the air and finished the equivalent of 700 trips around the world.

The corporation commits \$422 million on January 31 to upgrade service and build customer preference. Also during January, Westin Hotels & Resorts becomes a Worldperks frequent flyer partner and a contract is signed with UPS (United Parcel Service) for space aboard Northwest's Jumbojet cargo services between Anchorage and Tokyo (NRT).

A February rumor, circulated by Teamster airline leader William Genoise, suggests that Northwest is close to a takeover of troubled **Pan American World Airways (I)**. During the month, the company joins with **Delta Air Lines** and **Trans World Airlines (TWA)** to announce that the three have finalized an agreement to create a new and independent reservations company that merges the Pars system of Northwest and TWA with Delta's Datas II. Under the direction of **Delta Air Lines'** former Vice President-Management Calvin L. Rader, the new entity, Worldspan, brings together 12,874 Pars and Datas II-linked travel agencies and 48,910 Pars/Datas-II terminals. Following the government requirement for nonsmoking flights on all domestic routes, Northwest extends its ban on February 25 to include U.S. mainland to Hawaii service.

Daily nonstop roundtrips commence on March 1 from Boston to Abbotsinch Airport, at Glasgow, replacing the previous flights to Prestwick. After landing with 91 passengers at Minneapolis (MSP) from Fargo on March 8, the cockpit crew of a B-727-251 is arrested by state and federal officials who charge the three with violating laws against operating a commercial airliner while under the influence of alcohol. Taken into custody as the result of a tip to FAA officials the night before, the three are dismissed by the carrier on March 16.

A pilot, called in as a substitute on an April 21 Detroit to Atlanta flight, insists upon a sobriety test after a female passenger accuses him of being drunk. He refuses to fly when the test results are not immediately available and the complaining passenger leaves the plane after verbal abuse from other passengers. The test results come back three days later showing the pilot not to have been intoxicated, at which point the lady claims to have been only "kidding." Two B-727-251As and a DC-10-40 are leased to **Sun Country Airlines**.

Early in May, a second daily roundtrip is initiated between Milwaukee and Toronto and on May 15, twice-daily roundtrips link Minneapolis (MSP) with San Jose. An aircraft satellite navigation agreement is

signed with Honeywell and the Soviet government on May 30. On June 1, thrice-weekly service is initiated from Los Angeles to Taipei and from Seoul to Bangkok, along with five-times-per-week flights from Honolulu to Seoul. The same day, a nonstop San Diego to Memphis schedule is opened and daily nonstop roundtrips begin from New York to Glasgow's Abbotsinch Airport. A new nonstop Detroit to Anchorage roundtrip route is started on the first day of the month and is promoted via one-way fares of \$199. President Malek is named vice chairman on June 19 as Frederick B. Rentschler, former CEO of Beatrice, is voted president and CEO.

In July, Chairman Checchi approaches bankrupt **Eastern Air Lines** with a plan to acquire the old Rickenbacker pioneer, save its primary assets plus 5,000 jobs, and liquidate the rest to the benefit of Northwest and Eastern's creditors. Later in the month, Jumbojets, laying over at Bangkok at the end of scheduled flights from the U.S., inaugurate monthly charter flights to Ho Chi Minh City, Vietnam, on behalf of the UN's International Organization for Migration.

On August 2, Kuwait is invaded by Iraq, aviation fuel prices skyrocket, and many travelers stay home. Simultaneously, nonstop daily roundtrips begin from Louisville to New York (LGA) and twice-daily service begins from that Kentucky city to Minneapolis (MSP). Employing a brand new B-747-451 chartered before delivery and with the Northwest name painted over, Boeing retrieves 300 company and 60 USAF dependents from Saudi Arabia on August 9–10.

As the result of a July 26–August 20 trial in Minneapolis Federal Court, the three pilots dismissed in March are found guilty of flying their Boeing under the influence of alcohol—the first drunk-flying conviction of professional pilots in civil aviation history. The men are sentenced to prison terms ranging from 1 year to 16 months.

As a result of the government's August 17 request for Civil Reserve Air Fleet (CRAF) assistance, Northwest, a partner in the enterprise, contributes five passenger aircraft and three of its eight dedicated freighters for use on the upcoming airlift to Saudi Arabia, Operation Desert Shield. On September 19, the company's arrival time is guaranteed at 18 southern airports and backed by free roundtrip tickets for late flights. Late in the month, the airline begins to offer golf and tennis packages as part of its WorldVacations program; charters are undertaken to Florida, California, Arizona, Hawaii, Jamaica, and Scotland.

With no positive response from **Eastern Air Lines'** creditors, the Checchi takeover proposal is withdrawn in October. History is made on October 19 when a B-747-451, equipped with Collins satellite communications avionics en route from Detroit to Seoul, becomes the first aircraft of any airline to use both the U.S. Global Positioning System (GPS) and the Automatic Dependent Surveillance system during a regularly scheduled flight. Daily nonstop Los Angeles to Auckland B-747-451 service starts on October 28, while thrice-weekly New York–Los Angeles–Honolulu–Osaka–Shanghai B-747-451 flights commence next day.

Marriott's Lodging Group President John H. Dasburg is named president/CEO on November 9 as President Rentschler resigns for personal and family reasons. Also in November, nonstop B-757-251 service begins from Detroit to Anchorage, while thrice-daily B-727-251A flights commence from that Michigan city to Louisville and from Louisville to Memphis and Birmingham.

While taxiing in dense fog at Detroit (DTT) on December 3, Flight 1482, a DC-9-14 piloted by Capt. William Lovelace with 3 other crew and 40 passengers, misses its assigned taxiway and enters an active runway. Before the Douglas transport can exit, its crew sees Northwest Flight 299, Capt. Robert Ouelette's B-727-251A with 255 other passengers en route to Memphis, which has just received permission to take-off, coming at them at a speed over 100 kn. When the right wingtip of the Boeing strikes the right side of the DC-9's fuselage, it shears off. However, the remainder of the wing cuts through the fuselage below the window row and takes off the plane's No. 2 engine and ignites a smoky fire that guts the Douglas (eight dead). When the stricken jetliner's inflatable emergency exit slide fails to operate, at least 22 are injured as survivors are forced to jump to the ground.

Two days later, the auxiliary power unit of Flight 582, a B-727-251A en route from Seattle with 75 aboard, catches fire at Detroit; all personnel are safely evacuated.

A \$20-million agreement is signed with **Hawaiian Airlines (HAL)** on December 10 establishing a wide range of cooperative programs, including scheduling and passenger handling at Honolulu. In exchange for 25% shareholding in Hawaii's senior carrier, Northwest will take over HAL's routes from Guam and Saipan to Nagoya and Fukuoka and from Honolulu to Sydney. Later in the month, Memphis-Huntsville-Newark continuing service begins.

During the year, Northwest, for the first time, enjoys the best on-time performance among the 7 largest airlines, based on DOT consumer reports for domestic operations by 10 reporting U.S. airlines.

Passenger boardings jump 5.6% to 41,046,000, a figure that ranks the Minneapolis giant as the 6th largest airline world; that position slips 3 spots to 9th for freight, which is off a whopping 15.2% to 2.06 billion FTKs. On a list of U.S. majors, however, Northwest remains in first place among regularly scheduled passenger airlines. The effects of Chairman Checchi's 1989 leveraged buyout, combined with a dismal fourth quarter of recession and higher fuel costs, hurt the carrier financially. Although revenues swell 10.73% to \$7.25 billion, expenses jump 18.12% to \$7.39 billion. The result is an operating loss of \$141.66 million and net downturn of \$10.41 million. Parent NWA, Inc. loses \$301.2 million.

Airline employment is cut by 15% in 1991 to 34,000 and the fleet now includes 345 aircraft. As the result of the outbreak of the Mideast war on January 17, international service is cut by 17%, primarily in transatlantic markets. Still, the company's B-747-251Fs busily haul cargo and military supplies to Frankfurt and beyond.

Northwest agrees to purchase for \$35.5 million the **Eastern Air Lines** landing and takeoff slots, gates and other passenger facilities at Washington, D.C. (DCA) on January 22; Gary L. Wilson is elected cochairman on January 31. **Federal Express** Vice President Ruthie McKee, who had gotten her start years earlier as a registered nurse before moving into the air transport business, accepts a similar post with Northwest; she will become senior vice president-customer service and line maintenance in early 1995.

Meanwhile, the company wins approval from the DOT for **KLM (Royal Dutch Airlines, N.V.)** and Elders IXL, the non-U.S. investors, to retain 49% shareholding and elects not to purchase the **Trump Shuttle**. Chairman Checchi reports his interest in a merger with some other airline. Also in January, B-727-251A flights commence from Boston to Fort Lauderdale and nonstop B-747-451 service is launched from Minneapolis (MSP) to Honolulu.

In cooperation with Honeywell and the governments of the U.S. and U.S.S.R., a B-747-251B is employed in February as a test bed to determine the compatibility of the American's GPS and Soviet's GLONASS satellite navigation systems. A cease-fire in the Gulf War is announced on February 27; since the previous August, Northwest has contributed five passenger planes and three freighters to the support of U.S. forces in the Middle East.

Following the collapse of **Eastern Air Lines**, Northwest completes acquisition of 67 slots and 5 gates from the assets of Eddie Rickenbacker's pioneer at Washington, D.C. (DCA).

A major cooperative pact is signed on March 14 between Northwest and **KLM (Royal Dutch Airlines, N.V.)**. The code-sharing and marketing agreement between the two airlines also extends to frequent flyer program linkage, joint purchasing, and cooperative ground handling, sales and promotion, catering, maintenance, information, and cargo. Hundreds of destinations throughout the world will soon be visited cooperatively.

Later in the month, it is reported that the company is negotiating a management contract for operation of the **Trump Shuttle**; the arrangement will not occur. Expanded services are started from the former **Eastern Air Lines** positions at Washington National on April 1, including twice-daily flights to Miami.

Twice-weekly dual-designator services with **KLM (Royal Dutch Airlines, N.V.)** commence between Minneapolis (MSP) and Amsterdam on April 2.

On April 3, the carrier is the first from the West since World War II to fly over the western Soviet Union, as the premier satellite navigation system proving flight is made. On April 19, Northwest becomes the first U.S. airline to operate to and from Ho Chi Minh City since 1975, when it begins charter flights to the former Saigon.

Also in April, the carrier formally assumes responsibility for the **Hawaiian Airlines** routes to the far Pacific. In addition, the company now enters into a deep discount fare war with **Delta Air Lines** and **American Airlines**, which has been triggered by the latter's new four-tier tariff schedule.

Daily nonstop Boston to San Francisco service opens on May 1; daily B-727-251A roundtrips commence from Detroit to Boston on May 15, continuing to Bermuda. Reduced fares are introduced on May 29 for designees of the "Make-a-Wish Foundation of America." On May 31, NWA, Inc., the airline's parent, commits to locate maintenance bases in northern Minnesota under an incentive package that provides nearly \$800 million in assistance from the state of Minnesota under legislation signed by Governor Arne Carlson.

Government approval is received on June 20 for the inauguration of services from New York to Sydney, Australia, via Osaka. On July 4, Los Angeles to Honolulu to Sydney B-747-451 flights begin. Three aviation consulting firms report their findings on Wings Holdings on July 31 to the State of Minnesota, which is considering an aid package for the airline. According to their figures, the airline's parent has \$129.8 million in stockholders' equity, as compared with \$3.7 billion in long-term debt and capital-lease obligations. Although only \$36 million in cash and short-term investments are readily available, the holding company has access to \$600 million in lines of credit.

Micronesia to Japan service is initiated on August 1. A week later, the carrier receives an award from the Organization of Black Airline Pilots. On August 7, the Federal District Court in Atlanta converts an antitrust lawsuit against the airline and eight others into a class-action suit that could benefit many consumers and cost the carriers millions of dollars. The antitrust suit charges that this company and the others conspired to keep ticket prices high at 23 hub airports.

In exchange for a \$20-million loan and a two-year option to purchase its Honolulu-Nagoya route for \$15 million, a new marketing agreement is reached with **America West Airlines** on August 18 giving the major exposure on the West Coast and in the Southwest. The arrangement with AWA provides for code-sharing on the Las Vegas to San Francisco and Los Angeles routes and from Phoenix to San Francisco and Los Angeles. A code-sharing agreement is also inked with **StatesWest Airlines** on August 26.

On October 22, the carrier pioneers its first satellite navigation and communication link. Also in October, an arrangement is made to provide \$20 million in cash to the financially ailing national carrier **Midway Airlines (1)** and assume \$4.7 million of its costs in exchange for 21 Chicago gates. The major also agrees to take over the national by providing another \$150 million for the remainder of its assets, thereby exceeding a \$109-million offer from **Southwest Airlines (2)**.

At the same time, the Metropolitan Airports Commission at Minneapolis reports that it is unable to issue \$120 million in revenue bonds as part of a Minnesota state effort to finance two maintenance bases. The overall site-guarantee package, including another \$350 million in aid, collapses, forcing the airline to look elsewhere.

The code-sharing and marketing alliance with **America West Airlines** comes into effect on October 31. Continuing fiscal downturn forces Northwest to pull out of the **Midway Airlines (1)** deal on November 12 and a day later, Chicago-based national ceases operations, bitterly blaming Northwest for its failure. The two companies file lawsuits against each other at month's end, which are largely erased by Midway's Chapter VII liquidation.

A B-727-51 is donated to Thief River Falls Technical College on December 12 for use as a teaching tool. The same day, the Minnesota

legislature votes 11-7 in favor of an incentive financing package for Northwest to expand its maintenance operations in Minnesota. Under its terms, the major is to receive \$320 million from the state for debt reduction and operational uses, \$350 million in financing for two maintenance bases, and will receive the proceeds from \$79 million in revenue bonds.

For the second consecutive year, Northwest has the best on-time performance among the 7 largest U.S. airlines, based on DOT consumer reports for the domestic operations of 10 reporting U.S. airlines.

Customer bookings this year inch up 0.5% to 41,240,000 while cargo does much better, growing 5.1% to 2.82 billion FTKs. Revenues swell 3.8% to \$7.53 billion, but expenses jump 3.7% to \$7.59 billion and force an operating loss of \$60.11 million. The net loss is cut to \$3.09 million. NWA, Inc. does worse due largely to lease and interest costs, losing \$316.9 million.

Company employment is cut by 4.5% in 1992 to 45,455 and daily Boston-Paris flights begin early in the year. Northwest unveils new employee uniforms on February 3, with flight attendants sporting them first; all 36,000 uniformed employees will be outfitted within a month as the carrier kicks off the "Year of the Customer." Services from Guam are increased on February 27, connecting the island with Honolulu, Seoul, and Okinawa and also in February, final DOT approval is received to acquire the \$15-million Honolulu-Nagoya route.

A new reservations center is opened at Hanover, Maryland, on March 1; the move is, in fact, a takeover of the site previously operated by **America West Airlines**, which has moved its center to Kansas City. Also in March, however, losses and low traffic force the carrier to suspend most of its (formerly **Eastern Air Lines**) routes between Atlanta and Washington, D.C. (DCA). There is good news during the month when Minnesota officials sign documents and turn over \$665-million financing to allow the carrier to construct maintenance facilities.

Seattle-Boston nonstops commence on April 5. Four days later, wide-ranging fare changes are instituted. These commence the next day and include first-class, unrestricted coach-class, seven-day advance purchase leisure, and 21-day advance purchase leisure. In response to **American Airlines'** Value Pricing Plan, Northwest institutes a grown-ups-fly-free fare sale that will place a severe drain on corporate finances.

Also, on April 10, a program to support a charitable endeavor each quarter, Northwest Air Cares, is announced. The activity will focus its fundraising and promotional energies to a given charity for three months at a time.

Nonstop daily flights are inaugurated on April 15 from Honolulu to Nagoya, Japan, over the route acquired from America West Airlines. Meanwhile, a \$450-million, three-year customer service improvement plan is initiated, work begins on the new Minnesota maintenance base, and a \$9-million play is made for the acquisition of the Detroit to London route from the estate of **Pan American World Airways (1)**.

The carrier, on April 23, records the highest-ever marks in a National Aviation Safety Inspection Program (NASIP) directed by the FAA.

On May 8, an advanced digital communications system is introduced at 26 domestic airports, permitting the automated dispatching of flights. The Honolulu to Fukuoka route previously operated by **Hawaiian Airlines** is officially acquired on May 11. Following a review, it is announced on May 19 that the number of flights out of Minneapolis (MSP) will be increased and that the Tokyo hub will be restructured. Also in May, the carrier takes five former **TranStar Airlines** DC-9-51s in trade to **Southwest Airlines (2)** for the 18 Chicago (MDW) gates obtained from **Midway Airlines (1)** the previous year. The Dallas-based carrier also agrees to assume the gate lease obligations, including \$3.8 million in unpaid lease liability, but also takes a 10-year sublease on two Northwest gates at Detroit (DTT).

Daily roundtrip service to Oakland is initiated on June 1. Deep discount fares are introduced two days later. Twice-weekly Seattle to Beijing via Tokyo (NRT) flights commence on June 8.

Four days later, the 32nd A320-211 is delivered making Northwest the world's largest operator of the type. The first of many layoffs are an-

nounced in June and Chairman Checchi asks his pilots to come up with \$500 million in labor concessions.

Later in the month, it is announced that delivery of the remaining 24 A320s on order will be stretched out and that flights to Washington, D.C. (DCA) will be cut by a third. At month's end, 250 management personnel and 250 reservations agents are let go.

The number of Honolulu to Sydney roundtrips is increased from one per week to three on July 1. Plans are announced for an increase of 26 flights per day out of Minneapolis (MSP). On July 21, a code-sharing agreement is joined with **Ansett Airlines of Australia (Pty.), Ltd.** A number of management transfers and promotions are announced during the month, including the appointment of Yale professor and major deregulation player Michael Levine as vice president-management. Twice-daily Minneapolis (MSP) to Oakland services commence on August 1 together with new services to Richmond, Virginia. A B-747-251F with 7.5 tons of supplies is sent to south Florida on August 28 for relief of victims of Hurricane Andrew.

Also during the month, it is announced that daily departures from Milwaukee will be reduced from 28 to 18. A chartered Jumbojet transports the National Football League's Dallas Cowboys and Houston Oilers to Japan for a Tokyo exhibition game. When the regular season begins at month's end, the carrier has exclusive contracts to provide lift to the Detroit Lions, Green Bay Packers, and Minnesota Vikings.

A commercial cooperation and integration agreement with **KLM (Royal Dutch Airlines, N.V.)**, a member of the Wings Holdings investment group, is filed on September 9; the document will allow the two airlines to join together in creating the first unified, global airline system. The next day, the Dutch partner takes on 48 pilots laid off by Northwest.

On a tragic note, Susan Taraskiewicz, a ground crew supervisor at Boston, is murdered at the same time federal authorities are conducting a large-scale mail theft and credit card fraud investigation of Northwest employees. Last seen alive on Sunday, September 13, her body is found in the trunk of her car in front of an auto body shop on Route 1, near Logan Airport, early the next day. Although ten baggage handlers will be indicted, convicted, and sentenced for theft and fraud in 1995, the killer(s) of Taraskiewicz are not apprehended.

The most successful employee idea campaign in company, Northwest Now, completes a 100-day run on September 14, yielding \$87.6 million in annual cost savings and revenue enhancement.

During the month, the local ALPA chapter, having conducted its own review of airline finances, offers the administration a package of \$100 million in pay and work rule concessions over the next three years.

Honolulu to Guam flights begin on October 1, the same day twice-daily roundtrip frequencies between Albuquerque and Minneapolis (MSP) are initiated. The next day, Okinawa to Guam service comes into effect. Becoming the first western carrier to operate through Russian airspace on a regular basis, Northwest begins new Detroit to Tokyo service on October 8. The route, dubbed Siberia II, is operated for 2,500 mi. through Russian territory.

In early November, it is reported that bankruptcy is near. Northwest has depleted a \$600-million line of credit that was supposed to last it through the winter and has only two months cash (\$300 million) on hand. On November 16, the DOT agrees to grant the Northwest-KLM integration plan antitrust immunity. With DOT support in hand, the Dutch carrier comes forward with a \$50-million loan and assists in locating lenders willing to provide \$250 million more, plus \$300 million in delayed principal payments on the debt. Northwest's unions pledge another \$900 million in concessions, to be worked out through negotiations.

On December 9, Northwest becomes the first CRAF carrier to fly troops to Somalia in Operation Rescue. At month's end, the airline, teetering on the brink of bankruptcy, cancels \$6 billion in aircraft orders, including firm commitments for 50 A320s, 24 A340s, and options on 50 B-757-251s and 4 B-747-451s.

For the third consecutive year, Northwest has the best on-time performance among the 7 largest U.S. airlines, based on DOT consumer reports for the domestic operations of 10 reporting U.S. airlines.

Passenger boardings for the year ascend 4.4% to 43,052,000 and freight rises 7.7% to 2.7 billion FTKs. Revenues climb 9.7% to \$7.96 billion, expenses are up 13% to \$8.27 billion, and the operating loss increases to \$308.8 million. The net loss skyrockets to \$386.2 million. NWA, Inc., attempting to restructure its finances and reach accords with the various unions, sees its revenues swell 5.2% to \$8.1 billion. Expenses skyrocket and a \$376.2-million operating loss must be absorbed. Due largely to recession and the new FAS 106 accounting write-off of \$658.6 million, the net loss balloons to \$1.18 billion.

The workforce is cut 6.6% in 1993 to 42,439, 8th largest in the world; the fleet of 456 aircraft is 6th largest. On January 11, the DOT gives its final antitrust approval for Northwest and **KLM (Royal Dutch Airlines, N.V.)** to integrate their services and to operate as a single carrier in the world's first unified global airline system.

Layoffs for 1,043 workers begin on January 18, including 780 flight attendants, as well as reservations and sales agents and personnel at 28 U.S. stations. Bankruptcy is now avoided with a financial restructuring package. Lenders agree to revise \$1.5 billion in debt and employees tentatively agree to exchange \$886 million in wage and benefit cost reductions for 3 seats on the board and 37.5% shareholding.

A Seal of Partnership is unveiled on January 20 which incorporates the logos of both pioneers and on January 30, Northwest and **KLM (Royal Dutch Airlines, N.V.)** begin the integration of their services by offering special low fares for travel to and within Europe. Joint flights commence, using Northwest DC-10-30s, to Amsterdam from Minneapolis (MSP) and Boston.

On March 16, it is announced that the two airlines will inaugurate code-sharing service to 32 current Northwest North American destinations and 33 of the Dutch airline's current markets in Europe, Africa, and the Middle East. Federal Judge Marvin H. Shoob approves a \$458-million settlement on March 22 of a class-action antitrust lawsuit charging Northwest and 5 other carriers with price-fixing. Travelers will now be able to receive discount airfare coupons to compensate for charges by the airlines on flights between January 1988 and June 1992.

On April 4, twice-daily Twin Cities to Reno flights begin along with thrice-daily Detroit to Raleigh/Durham service. Joint overseas flights with **KLM (Royal Dutch Airlines, N.V.)** begin simultaneously, creating the world's third largest airline system and linking more than 300 cities in 100 countries. It is announced on April 15 that the carrier will purchase **USAir's** soon-to-be vacated Baltimore (BWI) to London route for \$5 million and shift its U.S. terminus to Detroit by mid-June.

After **Reno Air** complains to the DOT of predatory practices, Northwest is informed by DOT Secretary Federico Pena on April 30 that any effort to start three new routes in direct competition with the fledgling will be turned over to the Department of Justice for investigation under antitrust laws. Nonstop roundtrip frequencies from Detroit to Tokyo are increased on May 1 to 10 per week.

By June 1, the American and Dutch majors have code sharing arrangements for 12 U.S. and 13 European, African, and Mideast destinations and continue to expand this approach by one to two communities per month. Meanwhile, a "fifth freedom" dispute arises with Australia. The American major is specifically charged by competing **Qantas Airways (Pty.), Ltd.** with exceeding the informal 50% cap on picking up passengers at Tokyo (NRT) during its stop on its New York-Sydney route.

On June 3, the company files suit in Australian court to block the Canberra government's restrictions on the carrier's thrice-weekly flights from Sydney to Tokyo. The next day, the U.S. government bans **Qantas Airways (Pty.), Ltd.** flights to Los Angeles. On June 23, the Australian government abandons its planned sanctions against Northwest in exchange for an agreement with the DOT to drop its retaliatory action against Qantas in a dispute concerning passenger ratios on the three weekly Northwest flights linking New York, Osaka, and Sydney. Service to Australia is now terminated.

Also in June, the company again threatens to file for Chapter XI bankruptcy unless its 3 big unions finally come up with \$886 million more in wage and benefit concessions; in exchange, the workers will gain 37.5% shareholding and 3 of the 15 seats on the board of directors. Although the pilots and flight attendants agree, the machinists' rank-and-file votes down the pact. As the summer fare wars begin, the company joins with **Continental Airlines** in a lawsuit against **American Airlines**, charging damages were incurred the previous year as a result of Bob Crandall's Value Pricing Plan; these legal proceedings are lost.

Under the terms noted above, the union reaches agreement with the company's administration in July, thereby averting a Northwest bankruptcy filing. As part of the arrangement resolving the **Qantas Airways (Pty.), Ltd.** question, Northwest agrees to limit Fifth Freedom traffic between Osaka and Sydney on its New York-Sydney route to 50% of total traffic on the route. The DOT now allows the carrier to transfer the New York terminus of the Australia route to Detroit and Northwest drops its application for Detroit to Brisbane service via Tokyo. It is announced on July 20 that Northwest and **KLM (Royal Dutch Airlines, N.V.)** will expand their joint operations to all KLM flights in the U.S. and will share revenues and costs of operating these flights.

The voluntary restructuring program approved by the unions in July is completed on August 6. The arrangement includes a three-year wage reduction agreement with employees and an employees stock ownership program (ESOP) representing approximately 30% of the corporation. At the same time, a three-year rescheduling of financial obligations to lenders and major vendors and the airline cancels delivery of two about-to-be-received Dash-451 Jumbojets.

On September 22, Northwest and KLM begin to expand their joint venture services from Minneapolis (MSP), Detroit (DTT), and Boston; 11 additional destinations will be visited, including nine by KLM and two by Northwest. Additionally, the partners combine and expand their vacation package programs, beginning with WorldVacations packages in Europe.

On October 1, negotiations are completed for the takeover of the new Fort Lauderdale-based charter operator **Sun Express Airlines** by Air-Tran Corporation, the parent of "Northwest AirlinK" partner **Mesaba Airlines**, and plans are made to turn it over to a new subsidiary, **Conquest Sun Airlines**. The company joins with **KLM (Royal Dutch Airlines, N.V.)** on October 15 to unveil identical tourist-class fares for frequencies between the Netherlands and the U.S. Six days later, the two airlines merge their Dutch cargo operations under the name KLM Cargo. As of October 31, roundtrip Detroit to San Juan service is expanded while nonstop seasonal vacation flights are reinstituted the same day from Detroit, Boston, and Minneapolis (MSP) to the winter holiday destinations in Mexico, the Rocky Mountains, and the Caribbean.

During the year's second half, the minihubs at Seoul, Milwaukee, and Washington, D.C. are eliminated. Wings Holdings, the airline's parent corporation, is renamed Northwest Airlines Corporation on December 7.

On December 17, B-757-251 roundtrips commence to Steamboat Springs' Hayden Airport from Minneapolis (MSP) while, from the same giant hub, daily B-727-251A roundtrips begin to Eagle Airport at Vail, Colorado, on Christmas Day. Also during the month, a new advertising campaign is unveiled; employing retired employees to discuss the airline "then and now," the promotion stresses long-term improvements.

At the same time, a code-sharing agreement is signed with **Alaska Airlines** for service on the Seattle-Los Angeles route. In addition to linking frequent flyer programs, the arrangement will eventually connect 34 U.S. destinations with 14 major points in Asia visited by Northwest.

For the fourth consecutive year, Northwest has the best on-time performance among the 7 largest U.S. airlines, based on DOT consumer reports for the domestic operations of 10 reporting U.S. airlines.

Customer bookings for the year inch up 1.5% to 44,201,000, the globe's 6th highest total; cargo climbs 3.4% to 2.8 billion FTKs, also 6th best. Revenues surge 6.4% to \$8.64 billion, for another global 6th place finish, and expenses dip 1.7% to \$8.35 billion. As a result, a

\$272.4-million operating profit is generated, the world's 7th highest total. Unhappily, a \$115.3-million net loss is suffered; happily, that figure is only 10% of that lost the previous year.

Airline employment inches up 1.7% in 1994 to 44,079. On January 18, Northwest files the initial public stock offering (20 million common shares) traded since the company was taken private in 1989; \$260 million in new equity will be realized by June. The carrier joins with **Delta Air Lines** and **United Airlines** the same day in agreeing to pay \$30 million in \$5-fare coupons and lawyers fees to settle a class-action suit over tax-related surcharges for jet fuel attached to passenger fares at Chicago's airports.

On February 15, Northwest and **KLM (Royal Dutch Airlines, N.V.)** introduce World Business Class, a roomier and enhanced international business-class service offered at a regular business-class price. They are the first airlines from two different countries to offer a joint international service product and identical in-flight amenities.

On February 23, Northwest Aerospace Training Corporation (NATCO) signs an agreement to train pilots for five Chinese airlines; within six years, NATCO will provide pilot training to more than 100 outside customers. Also in February, \$243 million is raised through a note offering secured by 10 jetliners.

The latest of 26 Northwest incidents at Tokyo (NRT) in a year is the most serious. During a March 1 landing, the No. 1 engine pylon partially detaches from the left wing of Flight 18, a B-747-251B, causing the engine to drag along the runway and catch fire; although no injuries are reported, the runway must be closed for half an hour.

A restructuring of the Memphis hub schedule into three omnidirectional banks is completed on March 2, improving connecting opportunities and profitability.

On March 17, the U.S. government settles an antitrust suit against Northwest and five other airlines that agree to changes in their computerized reservations system, which officials complain are used to fix airfares. Without admitting or denying the accusation, it is agreed to end the practice of communicating proposed fare increases to each other through the reservations system maintained by the Airline Tariff Publishing Company.

A major realignment of Pacific service occurs on April 3. Service is suspended from Los Angeles to Sydney and from Seattle to Seoul, while B-747-451 flights commence from Los Angeles to Seoul. The same day, the route from Minneapolis (MSP) to Spokane is extended on to Vancouver. An agreement is reached with the State of Minnesota in April for the construction of a smaller maintenance facility at Duluth and the creation of a reservations center at Hibbing. The Duluth base will be paid for by a \$40-million state loan and a \$10-million Northwest investment. New services are initiated to Boise and Jacksonville on April 20.

Northwest's "A la Carte" meal service is honored on May 4 by the In-flight Food Service Association.

The \$2.5-million purchase of **Sun Express Airlines**, now **Conquest Sun Airlines**, along with its certificate and two Boeing 737-200s, is completed by AirTran Corp. in May. The arrangement is immediately condemned by the Northwest ALPA chapter, which correctly points out that the purchase violates their scope clause in the collective bargaining portion of the major's contract with **Mesaba Airlines'** parent, AirTran Corp.

In June, Northwest threatens to withhold some \$894,000 in pro rata payments to **Mesaba Airlines** if a resolution of the **Conquest Sun Airlines** issue is not immediately forthcoming. Chisholm is selected on June 30 as the site for the carrier's new northern Minnesota reservations and service center. Northwest is also developing an A320-211 heavy maintenance facility based at Duluth.

On July 1, code-sharing flights with **America West Airlines** commence on a route from Tucson to San Francisco.

AirTran Chairman Robert D. Swenson unveils a plan in August which, as soon as certain tax and legal problems are resolved with Northwest, will result in the spin-off of **Conquest Sun Airlines** to AirTran stockholders.

A \$60-million order is placed, also in August, for hush kits for 40 DC-9-30s; ABS Partnership and Pratt & Whitney supply the financing required. Also during the month, Executive Vice President-Marketing and Sales Levine is promoted to executive vice president-marketing and international.

On August 29, a joint marketing and code-sharing agreement is signed with **Asiana Airlines, Ltd.** for service between the U.S. and South Korea.

Arrangements with AirTran Corp. are duly completed and in September the wholly owned subsidiary is reformed into **AirTran Airways**. As part of the deal, Northwest's stake in **Mesaba Airlines** grows to 29.7% and AirTran Chairman Robert Swenson and Chief Financial Officer Jack Olbrych switch their employment to the new entrant. From a base at Orlando, services are continued to destinations in the south and northeast U.S.

Also in early September, a strategic code-sharing alliance, signed the previous month, is implemented with **Asiana Airlines**. Under terms of the agreement, the company will share frequent-flier programs, terminal and lounge facilities, and cargo space in Korea and the U.S. Additionally, the two carriers will share codes on flights to Seoul from New York (JFK), Detroit, Los Angeles, San Francisco, Honolulu, and Saipan.

On September 23, the carrier begins to remove malfunctioning interactive video systems from its aircraft. At month's end, 14 DC-9-30s are purchased from the assets of the former **Eastern Air Lines**.

Dipping into its cash reserve of G 3 billion (\$2 billion), **KLM (Royal Dutch Airlines, N.V.)** takes the opportunity on October 1 to purchase an additional 5% stake. The \$180-million acquisition of the shareholding of Australia's Foster's Brewing Group, Ltd., brings the Dutch carrier's equity interest to 25%, the maximum allowed under U.S. law. Code-sharing commences in cooperation with **Asiana Airlines, Ltd.** on October 30 on flights between Detroit and Seoul (NWA) and Seoul and Saipan, Honolulu, San Francisco, Los Angeles, and New York (Asiana).

The DOT updates the company's authorization to provide third-country code-sharing services on the North Atlantic as of November 1; the revised two-year certification also includes U.S.-Germany and Holland-Germany services in partnership with **KLM (Royal Dutch Airlines, N.V.)**. The company announces, on November 2, that \$350 million in new financing has been arranged that will help the airline to cut its 1997 debt payments by almost half.

Later in the month, the company's cargo operations are spun off into a separate division, or profit center, under its own president, William D. Slattery.

On November 15, the carrier boards its one-millionth Japanese passenger of the year, the earliest date ever for this milestone. In an effort to reduce its annual painting costs by \$1.7 million, two DC-9-51s are given experimental "bowling shoe" livery.

For the fifth consecutive year, Northwest has the best on-time performance among the 7 largest U.S. airlines, based on DOT consumer reports for the domestic operations of 10 reporting U.S. airlines. Passenger boardings slide 3.1% this year to 45,495,000, but freight grows by 5.5% to 2.95 billion FTKs. Revenues grow 5.7% to \$9.14 billion and expenses decline 0.8% to \$8.31 billion. As a result, pretax profits increase to \$830.4 million, while there is a welcome \$295.5-million net gain.

The workforce grows 2.1% in 1995 to 45,000. On January 4, the air ministries of China and Russia authorize a new route from North America via Siberia to China. Two days later, nonstop DC-10-40 flights are initiated from Seattle to Osaka's new Kansai International Airport. Prior to the new airport's opening, Northwest had 18 departures to and from the city's Itami Airport to various U.S. and foreign destinations.

It is announced on January 9 that following five straight profitable quarters by the carrier, the groups taking part in Northwest's restructuring have agreed to a management request. The airline will no longer be required to raise \$235 million in new equity or subordinated debt by mid-1996, as originally pledged in the August 1993 agreement that avoided bankruptcy.

At the same time, the company's Boston to Paris route is abandoned. It is revealed that Northwest will purchase **Delta Air Lines'** Detroit (DTT) to London route authority for \$1.6 million and transfer Frankfurt route authority from Boston to Detroit.

The same day, **ValuJet Airlines** begins service from Atlanta to Detroit (DTT), setting off a price war with Northwest. Northwest also inaugurates flights to Atlanta from Flint, Lansing, Grand Rapids, Kalamazoo, Muskegon, and Saginaw.

It is reported a few days later that the carrier will spend \$23 million this year to renovate passenger facilities at Detroit (DTT). Concourse G of its Davey terminal will be torn down and replaced and Concourses C-F will be refurbished.

On February 11, the carrier joins **Delta Air Lines** in the initiation of a commission cap for travel agents. Four days later, it is among the 5 major airlines named in a suit against the practice by Travel Network, Ltd., franchiser of 350 travel agencies.

Company officials announce on February 15 that they will match the fare cuts for winter and spring travel to the U.S., Europe, and the Caribbean initiated by **American Airlines** and **America West Airlines** two days earlier. Twelve days later, a press release is issued announcing that Northwest will match the price increase, mainly involving business travelers, initiated by **United Airlines**.

Since January, the carrier has teamed with the AmeriCares relief organization to organize a national fundraising effort for relief of earthquake victims in Kobe, Japan. Additionally, company volunteers organize B-747F relief flights that deliver over 500,000 lbs. of relief supplies.

The company, on March 1, prohibits smoking on all of its transatlantic services. On March 8, Northwest and Airtran Corp., after an eight-month dispute, reach a tentative agreement stemming from **AirTran Airways** foray into passenger service. The major will increase its 2% stake in AirTran Corp. to almost 30% while AirTran's jetliner service will be spun off into a separate AirTran Airways, Inc.

Northwest, on March 30, announces a summer fare sale in some of the markets served by rival **American Airlines**; American will exceed the Minneapolis-based major's offer with one of its own the next day. Also in March, agreement is reached with **Air New Zealand, Ltd.** to provide linked frequent flyer programs, shared airport lounges and other facilities, and joint fares from the U.S. to ANZ destinations in the Pacific.

During late spring, the U.S. and Japanese governments become involved in a dispute over landing rights in Japan for **Federal Express**, which wishes to increase its cargo frequencies into that country from its new Subic Bay facility, with the Americans threatening economic sanctions.

At the same time, a code-sharing agreement is signed with **KLM (Royal Dutch Airlines, N.V.)** and **Eurowings Luftverkehrs, A.G.** covering feed over several of the Dutch line's thinner routes into Germany.

Twice-daily DC-9-51 roundtrips commence on April 18 between Minneapolis and Colorado Springs. On April 20, daily nonstops are inaugurated from Detroit (DTT) to London (LGW).

On May 1, service is inaugurated from Minneapolis (MSP) to Calgary and Regina and from Detroit to Ottawa. Flights from Detroit to Halifax and from Minneapolis (MSP) to Saskatoon commence on May 15. The new Canadian routes double the number of company destinations north of the border.

Employing a B-747-251B, Northwest at the end of May undertakes a proving flight from Seattle to Hong Kong via Anchorage, Magadan, Khabarovsk, Haiqag, Beijing, and Shanghai. Also during May, the company and Piedmont Aviation Services undertake a joint-venture marketing agreement for third-party auxiliary power unit (APU) overhaul and repair services.

On June 20, Northwest is drawn into the dispute over landing rights in Japan. Should the fight continue and discussions on revising the 1952 bilateral agreement (which the U.S. opposes) not occur, Japanese Transportation Minister Shizuka Komei threatens to prohibit certain flights to Tokyo of both **Federal Express** and Northwest that originate in the U.S.

Officials from the carrier and **Federal Express** join local VIPs in welcoming **KLM (Royal Dutch Airlines, N.V.)** to Memphis on June

27. The Dutch carrier begins four-times-a-week MD-11 roundtrips from the West Tennessee city to Amsterdam.

On July 1, Northwest wins a \$10-million claim in the U.S. Bankruptcy Court in Boston against **Precision Airlines** and **Northeast Express Regional Airlines**. Both commuters had been "Northwest Airlink" affiliates until the previous summer and had earlier filed for Chapter XI protection. Their owner had not turned over any "Northwest Airlink" passenger revenues to Northwest since the relationship began in 1989.

On July 12, Dallas-based Dalfort Aviation files suit in a local state district court to recover \$1.4 million the airline is holding because it claims the concern has returned five DC-9-51s well past the specified date. Under the contract, Northwest is given the right to withhold \$10,000 per plane per day that it is late. However, Dalfort responds that the delays are of the airline's making and accuses Northwest employees of sabotaging the work because they fear additional outsourcing of repair work on Northwest aircraft.

Two days later, Northwest will file a separate federal lawsuit in St. Paul, Minnesota, accusing Dalfort of missing deadlines for renovation of the five aircraft and asserting its right to the \$1.4 million. Dalfort attorneys make the same claims as those given in Dallas, adding allegations that a Northwest spokesman has libeled it by publicly criticizing its repair work.

The unhappy talks between representatives of the U.S. and Japan end without agreement on July 14. A mini-conference is held on July 20-21 between DOT Secretary Pena and Japanese Transport Minister Komei and reach an accord that avoids a conflict over the route requests made earlier by **Federal Express**. Northwest officials express relief that Japan had not renounced the 1952 bilateral agreement, which could have seriously threatened its beyond-rights from Tokyo.

The temporary accord reached by the ministers on the air route question also includes agreement to enter into later discussions aimed at revising the all-cargo provisions of the 1952 bilateral. Under the July 21 accord, **Federal Express** will be granted the routes it had sought from the Tokyo government earlier and will join Northwest in initiating new routes to Asian points from Japan. Meanwhile the U.S., in exchange, grants **Japan Air Lines Company, Ltd. (2)** a new cargo route from Osaka to Chicago.

By summer, the company is offering 340 daily flights from Detroit (DTT) versus 302 a year earlier. Plans are made to invest upwards of \$25 million in new Detroit improvements along with a new international \$4.3-million check-in ticket counter. The workforce in Detroit is increased from 6,837 to 7,675.

A B-757-251 with 127 passengers encounters severe turbulence at a point 25 mi. NW of Grand Rapids, Michigan, on August 4; one passenger is seriously injured.

A comprehensive marketing and code-sharing alliance is entered into with **Alaska Airlines** on August 22. Under its terms, the two will not only enjoy reciprocal frequent flyer program participation but Alaska's 34 U.S. destinations will be connected to 14 major markets served by Northwest in Asia.

Four-times-per-week B-757 return services are inaugurated by Northwest from Minneapolis (MSP) to Fairbanks.

On August 26, Northwest follows the lead of **Continental Airlines** and temporarily reduces fares on certain routes by up to 58%. Like **Delta Air Lines**, Northwest plans to operate its new weekly trans-Siberian service through the period of favorable winds between October and April.

Dual-designator flights with **Alaska Airlines** commence on September 15 as the Minneapolis-based major adds its code to Alaskan flights between Seattle and Los Angeles, San Francisco, San Jose, Sacramento, Portland, and Spokane that connect with Northwest frequencies from Los Angeles and San Francisco. At the same time, **Alaska Airlines** codes are added to Northwest flights between Seattle and Honolulu that connect with Alaska's frequencies from Seattle to Fairbanks and Anchorage.

Customers are able to depart over the new trans-Siberian route on October 1, flying to Hong Kong from Seattle by way of Anchorage, Magadan, Khabarovsk, Haiqag, Beijing, and Shanghai. The Northwest designation is added to nearly all of Alaska's flights at the beginning of October.

On October 19, the first AmeriCares Heroic Action Award is presented to Northwest for its lifesaving contributions to the relief efforts of Kobe, Japan, following the great earthquake. Also in October, when **KLM (Royal Dutch Airlines, N.V.)** ceases service to Washington, D.C. (IAD), Northwest steps in to provide daily DC-10-40 dual-designator service to Amsterdam.

Weekly nonstop service is launched on November 13 from Minneapolis (MSP) to Tokyo (NRT). The company announces on November 15 that, due to expected attrition, it will hire 840 flight attendants in 1996. In cooperation with **KLM (Royal Dutch Airlines, N.V.)**, passengers from Columbus, Georgia, may connect at Memphis, beginning on November 30, with service to Europe via Amsterdam.

A new bilateral agreement is signed between the U.S. and China in early December. Northwest is authorized to inaugurate nonstop flights from the Midwest to Beijing the following spring. On a lesser note, a new B-757-251 is delivered on December 11 bearing "Toys-for-Tots" titles on the base of its tail as a seasonal goodwill promotion for the humanitarian program.

The U.S. Immigration and Naturalization Service deports 17 British passengers on December 19 for their unruly behavior aboard a Northwest flight from London to Minneapolis. The travelers had objected to having limits placed on their drinking during the flight and in retaliation had thrown food, yelled, and swore, disrupting service to others aboard. The most difficult are restrained by members of the U.S. Olympic Wrestling Team, who happen to be aboard, and one is later held in the U.S. on charges of assaulting a flight attendant, a federal offense punishable with a prison term.

Also in December, **KLM (Royal Dutch Airlines, N.V.)** files suit against its partner seeking to eliminate a "poison pill" provision adopted by Northwest's board, over the objections of its three KLM representatives. The move is allegedly taken as a self-protection measure against any effort by the Dutch carrier to increase its 19% equity.

Enplanements jump 8.4% to 49,313,000, but cargo dips 3.7% to 2.84 billion FTKs. Operating income accelerates 9.2% to \$9.08 billion and costs rise an identical percentage to \$8.12 billion. Operating profit rises to \$913.4 million and a \$392-million net profit is posted.

A total of 47,000 workers are employed in 1996, a 4.4% increase.

On January 3, Northwest joins with **Delta Air Lines** in signing an exclusive five-year agreement with the private operators of Vail-Beaver Creek Jet Center terminal at the Vail-Eagle County Airport in Colorado.

Flight 1, a B-747-251B with 19 crew and 366 passengers suffers an uncontained failure of the No. 2 engine turbine section during the climbing phase of its flight from Los Angeles to Tokyo (NRT) on January 5; the aircraft returns to Los Angeles (LAX), where no injuries are reported.

A major winter storm cripples airline operations on the East Coast between January 7 and 11. All 500 of its daily departures from local airports are cancelled with only a few aircraft left at Washington, D.C. (DCA) to resume flights when the crisis is over.

Twenty-five-year-old Englishman Michael Purcell, one of the 17 British passengers facing deportation, is sentenced to 30 days in jail in Minneapolis on January 9 after pleading guilty to assaulting a flight attendant during the disruptive December flight.

On February 1, electronic ticketing is introduced between Minneapolis and Chicago (O'Hare); such ticketless service is expanded throughout the system over the next 11 months. The company, on February 7, is able to claim six consecutive first-place finishes for on-time performance among the seven largest airlines.

With a February 10 request for 16 aircraft, Northwest becomes the first U.S. airline to order an Airbus A330-300, now being offered as a rival to the B-767-300ER. The order will later be deferred.

In its first major aircraft purchase since going private two years earlier, Northwest, on February 26, places orders with Airbus Industrie for 20 A320s. The order represents a change to an earlier request under which the acquisition of 16 A330s will be deferred indefinitely.

Also during the last week of February, partner **KLM (Royal Dutch Airlines, N.V.)** elects to replace three of its own people on the Northwest board with people not affiliated with the Dutch flag carrier. The departure of KLM President Pieter Bouw, Managing Director Leo van Wijk, and Chief Financial Officer Rob Abrahamsen will allow the carrier to continue its anti-takeover court challenge without any suggestion of a conflict of interest.

Twice-daily B-727-251A roundtrips are inaugurated on March 1 between Detroit and Colorado Springs. It is announced during the month that the company will add 150 flight attendants to its Memphis hub to support increased services.

Northwest introduces its homepage on the World Wide Web on March 28. During a weeklong sale that begins on April 4, the carrier cuts its North American fares by up to 50% for travel during the May 1 to September 9 summer travel season.

Electronic ticketing is introduced on April 15 between Minneapolis and Atlanta, Boston, Los Angeles, Milwaukee, Newark, New York (LGA), Philadelphia, Phoenix, San Francisco, Seattle, and Washington, D.C. (DCA).

On April 26, an alliance is signed with **Air China International Corporation** under which both will steer passengers to the other's flights via their reservations systems. Discussions are held on future joint operations, including coordinated scheduling, reservations, through check-in, marketing, and code-sharing. Cargo does not, at this point, factor into the equation. This is the first alliance between a PRC airline and a major foreign airline.

At the same time, the carrier requests a grant from the Japanese and Chinese governments of temporary permission, effective July 1, for the transfer of passenger service from Shanghai to Guangzhou, the former Canton.

Chinese Consul General Huang Dongbi and **Air China International Corporation** Executive Vice President Wang Jiwei join Northwest officials on May 1 for the inauguration of the first regularly scheduled return service by a U.S. airline to Beijing from the U.S. mainland. Employing B-747-451s, the major begins thrice-weekly frequencies; the inaugural service is flown by the Jumbojet *The Spirit of Beijing*, piloted by Capt. Tom Olson, in 13 hrs. 7 min. It is the first to fly the new leg from Khabarovsk to the Chinese capital on a scheduled basis.

In addition to the direct service, Northwest also operates three weekly flights to Beijing from Los Angeles via Tokyo (NRT).

On May 13, the federal court in St. Paul throws out Dalfort's points in the renovation and penalty dispute, finding 90% of its charges to be without merit.

When the summer transatlantic season begins on June 1, the company, in partnership with **KLM (Royal Dutch Airlines, N.V.)**, increases its four-times-per-week services from San Francisco or Memphis to Amsterdam to daily flights. When KLM begins its own Amsterdam to Beijing flights this month, the partner's' around-the-world-via-China route network is completed.

A number of additional frequencies from Minneapolis begin with the summer schedule on June 1. These include a third daily roundtrip to and from Anchorage, to and from Vancouver, to and from Montreal, and to and from Calgary. An eighth daily roundtrip to and from Boston, a seventh daily roundtrip to and from Los Angeles, a ninth daily roundtrip to and from San Francisco, and a tenth daily roundtrip to and from Seattle are also added.

Designed to help them both fill capacity on eastbound transpacific freighters, Northwest and **Nippon Cargo Airlines, Ltd.** sign an interline agreement on June 1. Under its terms, each carrier, which now operates two weekly B-747F flights between Osaka (KIX) and Chicago (ORD), will have access to the other's two flights on the same routes.

The arrangement is similar to their earlier interline agreement for flights from Tokyo (NRT) to the airports in Seoul, Taipei, and Singapore.

A Minneapolis conference is held during the first week of June to focus on Northwest's three-year recovery from near bankruptcy. Airline officials admit that cultural and personality differences are largely responsible for the erosion of the KLM-Northwest alliance, rather than the contest over stockholders' rights that the Dutch airline leadership claims. KLM, the Northwest officials suggest, has confused alliance with governance.

Officials of the American airline, in light of the legal case filed by the Dutch, have adopted a strictly business approach to the alliance, which is working well financially. Meanwhile in Amsterdam, KLM President Bouw announces that, in light of the uncertain relationship between the two carriers, his airline is shelving for the moment a \$300-million plan to merge its international cargo operation with that of Northwest.

In an agreement brokered by Dallas attorney Sidney Stahl, Northwest and Dalfort Aviation partially settle their acrimonious contract dispute. The airline agrees to drop all warranty claims against Dalfort, as well as claims that the repair firm is responsible for late deliveries. Dalfort is free to pursue its appeal of the St. Paul decision in the Eighth Circuit Court of Appeals and if it wins (it does not), both sides will submit the dispute to binding arbitration by neutral parties.

On June 29, in conjunction with **USAir** and **United Airlines** and in cooperation with Microsoft, Northwest offers its customers software programs that allow do-it-yourself on-line reservations and ticketing. The Minnesota to Alaska scheduled inaugurated the previous August is now expanded to daily service.

On July 1, the carrier links with **Japan Air System, Ltd.** via its reservations system. Transpacific feed is now provided to JAS at Osaka for its routes to Sapporo, Fukuoka, Kochi, and Niigata. The same four cities feed Northwest flights to Honolulu and Los Angeles, with JAS able to issue through-tickets to U.S. cities beyond the California gateway.

In light of the proposed strategic alliance between **American Airlines** and **British Airways, Ltd. (2)**, the company attempts to convince Northwest shareholders that a continuing alliance is the best response. **KLM (Royal Dutch Airlines, N.V.)** President/CEO Bouw announces on July 1 that his company will sell 6,654 shares of Northwest preferred stock back to the American major for some \$378 million. As the result of additional negotiations, a series of new agreements will be concluded over the remainder of the summer.

At the same time, Northwest is forced to postpone until October 1 its own new service from Seattle to Jakarta when the Japanese government refuses to permit the new roundtrips via Osaka (KIX) using beyond-rights held under the 1952 U.S.-Japan bilateral air agreement. Some 6,000 passengers planning to leave Jakarta for the U.S. through Japan must be diverted to **Garuda Indonesia**.

The ongoing dispute with the U.S. over air cargo flights to and beyond Tokyo continues. On July 16, the DOT warns the Japanese Ministry of Transport that unless it relaxes restrictions on **Federal Express** and Northwest by the end of the month, as promised earlier, **Japan Air Lines Company, Ltd. (2)** will be prohibited from carrying freight to the U.S. that has originated in the Philippines, Indonesia, or China. On July 18 the Japanese Ministry of Transport refuses to allow **Federal Express** and Northwest to fly to destinations in Asia from Japan in retaliation for the U.S. threat against JAL.

Also during the summer, a marketing alliance entered into with **Hawaiian Airlines (HAL)** the previous fall takes effect. Having agreed to link their marketing and frequent flier programs, the two companies coordinate their schedules so that passengers arriving at Honolulu on Northwest flights from Los Angeles, San Francisco, Fukuoka, Osaka, Nagoya, and Tokyo are able to seamlessly transfer to HAL flights to Hilo, Kona, Lanai, Kahului, Lihue, and Molokai.

Contract negotiations between the company and the Northwest ALPA chapter commence in August. Issues of pay, pensions, job protection, and work rules will divide the two sides for years.

Following the lead of **Continental Airlines**, Northwest and three other major airlines on September 3 agree in principle to settle a suit by the American Society of Travel Agents charging the carriers illegally conspired to cap travel agent commissions on domestic airline tickets. The five will reportedly pay a total of \$87 million, but will be able to retain the controversial \$50 commission cap.

On September 27, Northwest and Sotheby's conduct the first airline auction live and open to the public using WorldPerks frequent-flier miles as currency. More than 8.3 million miles are bid on more than 30 unique, once-in-a-lifetime experience packages. Habitat for Humanity is the major beneficiary of this charity event.

During early October and continuing into the fall, negotiations begin on new contracts for the company's pilots, machinists, and flight attendants. The negotiations will drag on and eventually cause significant disruption. A new 189,000-sq.-ft. A320 maintenance facility is opened at Duluth.

Due to the unsettled aviation dispute between the U.S. and Japan, both **United Airlines** and Northwest Airlines delay services to Indonesia. *The Jakarta Post* is informed on October 15 that the service that Northwest had hoped to begin on October 1 from Seattle to Jakarta via Osaka should commence on December 1.

"Mystery Fares" are offered to celebrate Halloween on October 31. Travel agents sell \$79 one-party and \$138 two-party roundtrip day-trip vouchers ahead of time for destinations that are not announced until the passengers arrive at their airport check-in counters. Among the 15 destinations visited are Boston, Chicago, Dallas, Denver, Detroit, Milwaukee, Nashville, New York, Orlando, Philadelphia, Phoenix, St. Louis, Salt Lake City, Tampa, and Washington, D.C.

In the face of rising fuel costs, beginning on November 1 **KLM (Royal Dutch Airlines, N.V.)** adds a surcharge to its fares, including those for joint flights with Northwest.

On the same day, Northwest reaches the decision to replace its 22 DC-9-10s, which do not meet Stage 3 noise requirements, with 12 Avro RJ85s. Once in hand, the regional jets will be subleased to its "Northwest Airlink" partner **Mesaba Airlines** and employed to replace the older aircraft with enhanced JetLink services from Detroit and Minneapolis (MSP).

The operating units of the company's passenger division are now divided in early November into two components: ground services and marketing and sales. Donald Washburn, executive vice president-operations and customer relations, takes charge of the services unit while Michael Levine, executive vice president-marketing and international, is given marketing and sales.

The formerly autonomous Northwest Cargo is now amalgamated into the passenger division. Jack Smith is appointed vice president-cargo in mid-month as the freight division, separate for four years, begins to report to Mr. Washburn. William Slattery, former president of autonomous Northwest Cargo, becomes a special assistant to CEO Dasburg.

The Department of State and Northwest, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide the DOS with a passenger list within 3 hours of a crash.

In December, during a flight from Detroit (DTT) to Frankfurt, a passenger suddenly begins strangling a fellow passenger and then attempts to choke the flight attendant who attempts to restrain him. Two military policemen, aboard as passengers, subdue the disruptive man, who is turned over to German police upon landing. German authorities release the man noting that the incident in question had occurred in international airspace and that neither the man nor the two people he had attacked were German.

On December 10, Northwest teams with Microsoft and Worldspan to develop an online ticket reservations/purchasing service. A memorandum of understanding is signed with **Garuda Indonesia** on December

23; it is designed to lead to an operational and marketing alliance to enhance service between Indonesia and the U.S.

On December 24, Northwest boards its 1.5 millionth passenger in Japan during the year, marking the first year the carrier has boarded more than 1.5 million Japanese passengers.

It is noted at year's end that luggage problems have cost the company \$3 million since January.

Customer bookings move up 6.8% to 52,682,000 and 3.27 billion FTKs are operated, a 1.4% decline. Revenues climb 8.8% to \$9.88 billion and costs are a billion dollars less, \$8.82 billion, an 8% growth. Operating profit soars to \$1.05 billion and the net profit improves to \$536.1 million. Both entries on the profit line are company records.

The employee population is increased by 6.4% in 1997 to 50,000. An agreement is reached with the pilots' union in January that allow their scheduling above the contracted minimum monthly limit in exchange for time-and-a-half payments.

While taxiing for takeoff from Tokyo (NRT) on a January 26 service to Minneapolis (MSP), Flight 020, a B-747-451 with 19 crew and 344 passengers suffers the loss of an engine cover, coming, passengers report, after a loud bang shakes the Jumbojet. No injuries are reported and all aboard are evacuated. A 55-yd portion of the runway is littered with debris and the strip is closed for 40 min. while it is cleaned off.

Former U.S. Vice President Walter F. Mondale is elected to the board of directors on January 30.

On February 10, a USAF F-16 makes an unauthorized close approach to a company DC-9-31 near San Antonio, Texas. The incident, like three others earlier in the week involving **Nation's Air**, **American Airlines**, and **Flagship Airlines**, bring a series of investigations by the US Air Force, the FAA, and the NTSB.

Later in the month, the company wins one and loses one in its ongoing dispute with **KLM (Royal Dutch Airlines, N.V.)**. A New York state court rejects a separate KLM suit regarding other Northwest measures. On the other hand, the Delaware Chancery Court rejects Northwest's motion to dismiss the KLM lawsuit over Northwest's "poison pill" amendment, which may now go forward.

On March 10, Northwest launches online booking through its World Wide Web site. The next day, the Japanese Transport Ministry requests the FAA to instruct Northwest to improve its safety operations, claiming that, of 205 regular domestic and international flights disrupted by technical incidents at Tokyo (NRT) in 1996, 21 were Northwest flights, the highest frequency among international carriers. Also in March, the carrier assumes a 40% stake in Edina-based **Champion Airlines**.

To celebrate 50 years of transpacific service, the company on March 12 unveils a B-747-451 "Worldplane"; the Jumbojet's color scheme is decorated with 19 of the largest decals ever manufactured by 3M in the form of children's drawings depicting their communities and celebrating the theme "Bridging the Pacific."

Five days later, Electronic Service Centers are opened at Minneapolis (MSP) and Chicago (ORD).

In something of a surprise move, the carrier announces on March 24 that it will purchase "Northwest AirlinK" partner **Express Airlines I** when its contract expires on April 30. The \$20-million buyout also includes all of the regional airline's stock and that of its affiliate management company, Phoenix Airlines Services.

On March 25, Minnesota Gov. Arne Carlson and Northwest announce a "Fly Local" test in five greater Minnesota cities. The program is designed to reduce airfares and stimulate passenger traffic. Two days later, the airline announces the availability of secured, on-line booking via its Web site.

Also during the first quarter, discussions are undertaken with **Garuda Indonesia** concerning a strategic alliance. The arrangement would include linked frequent flyer programs, joint marketing, scheduling, and code-sharing. At the same time, three B-747-100s are repainted at Ameco-Beijing; Northwest is the first U.S. customer at the Chinese company.

Thrice-weekly nonstop B-747-451 frequencies commence on April 1 from Minneapolis (MSP) to Osaka (KIX). On April 16, **Reno Air** files

suit against Northwest for allegedly cutting airfares to force Reno out of the Minneapolis/St. Paul market four years earlier.

Northwest unveils its International Gold Elite frequent flyer program on April 21; it is designed to recognize international business travelers around the world.

On April 25, company officials announce a special program of discount fares, to run through September 30, for flood victims in the areas surrounding Grand Forks and Watertown, North Dakota. All will be able to employ an unrestricted \$49 one-way fare for flights to Minneapolis/St. Paul.

Coordinated by the company's AirCares program in conjunction with WCCO radio and Target Stores' "Operation Good Neighbor," volunteers from the IAM pack 200,000 pounds of relief supplies collected from the Minneapolis community aboard a Northwest B-747-251F on April 26. The next morning, an all-volunteer flight crew operates the freighter to Grand Forks AFB, where the goods are unloaded and distributed to flood victims throughout the Grand Forks, Watertown, and Red River Valley areas. It is the first of several relief flights that the airline will operate.

At month's end, a \$7.5-million contract is signed with Barry Controls Active Tuned Mass Absorbers for the installation, beginning in July, of 173 sets of its cabin noise suppression systems on its DC-9 fleet.

Lost in the month's other news is the initiation of electronic ticketing at terminals at Minneapolis (MSP).

The nonstop Minneapolis-Tokyo (NRT) route becomes twice daily on May 15. Leaving his 1989 leveraged buyout partner Gary Wilson as sole chairman, Al Checchi resigns as cochairman in May, although he will remain on the board of directors. Checchi will mount an expensive campaign for the Democratic nomination to run for governor of Minnesota; his bid will prove unsuccessful a year hence.

The open case of Susan Taraskiewicz, the baggage handler supervisor murdered near Logan Airport in September 1992, is the subject of a federal grand jury investigation that concludes in May. Not only is information sought as to the identity of her killer(s), but also as to whether there was any connection between her demise and a wide-scale mail theft and credit card fraud investigation federal authorities were conducting against Northwest baggage handlers at the Boston airport. Ten baggage handlers are convicted and sentenced in the case in 1995, but the murderer remains unknown.

In cooperation with **KLM (Royal Dutch Airlines, N.V.)**, a new DC-10-40 route is opened in June from Amsterdam to Bombay and Delhi. The former community is visited four times a week and the latter thrice weekly. At this point, the U.S. major operates a total of 49 weekly flights from Osaka (KIX), including daily nonstops to Manila, Honolulu, Seattle, Tacoma, Los Angeles, Detroit, and Minneapolis.

On June 20, the new weekly nonstop service from Minneapolis-Osaka is upgraded to daily. A memorandum of understanding is signed with Airbus Industrie at the Paris Air Show for the purchase of a large number of new narrow-body jetliners. On June 23, Northwest receives permission from the U.S. and Malaysian governments to commence services to Kuala Lumpur as soon as a beyond-rights agreement can be negotiated between the U.S. and Japan.

Following receipt of critical letters and allegations from a Northwest pilot, engineer, and lead mechanic, Nicholas A. Sabatini, the manager of the FAA's Eastern Region Flight Standards Division, opens a broad investigation of the carrier late in the month. Of particular concern is the airline's \$804-million DC-9 upgrade program.

George Kourpias, former international president of the International Association of Machinists and Aerospace Workers, is named to the Northwest board on July 1.

New entrant **ProAir** launches low-cost, twice-daily nonstop roundtrips from Detroit (DET) to Baltimore (BWI) and to Indianapolis on July 4, followed by the same number of frequencies to Newark on July 14. Flying from Detroit (DTT), Northwest quickly matches the startup's introductory rates, but requires 24-hr. advance booking.

Meanwhile, on July 5, Flight 1446, a DC-9-31 with 4 crew and 48 passengers en route from Milwaukee to Detroit, must declare an

emergency when smoke fills the cockpit; the aircraft is diverted to Flint, Michigan, where a safe landing is made. No injuries are reported.

On July 15, the carrier marks the fiftieth anniversary of its first scheduled service from the U.S. to Japan with a special ceremony in front of its maintenance facility at Wold-Chamberlin Field. Ambassador to Japan Walter Mondale is the featured speaker and the Berlin Airlift Historical Foundation's *Spirit of Freedom* is present. The aircraft is repainted and given period decals, produced by 3M, to help it resemble the DC-4 *Manila* that had inaugurated the original Asian route.

A commercial agreement is signed with **Japan Air System, Ltd.** on July 17 under which the two carriers, in November, will link their frequent flier programs. The two agree to study other possible joint operations, including airport handling, marketing, and even code-sharing.

Manila experiences a runway blackout on July 18 that results in delayed departures, arrivals, and diversions for several hours; two Northwest flights from Japan are diverted to Kao-hsiung, Taiwan.

Given new responsibilities to be assigned to "Northwest Airlink" partner **Mesaba Airlines**—and that regional's success with the three RJ85s already in service—parent Northwest during the last week of July places a \$620-million order for 24 more, which will begin delivery, under lease, to Mesaba beginning the following May. The order will bring to 36 the number available for lease to **Mesaba Airlines**.

The long-simmering boardroom dispute with **KLM (Royal Dutch Airlines, N.V.)**, together with the lawsuits growing out of it, is settled by the two partners on July 31. In effect, they will now become alliance partners, not equity partners. A decade-long commercial and operational partnership document is signed that allows each company to appoint a member to the other's board of directors.

Additionally, a compact is entered into by which Northwest will be able to purchase back, in four tranches over the next three years, the 19% stake held by the Dutch line. KLM will earn a profit on its investment estimated at between \$500–600 million. With the ticklish legal and financial matters concluded, the two companies announce that their working relationship will be intensified. Shared cargo and passenger services will be introduced and talks with other potential alliance partners will be undertaken.

Also during the month, former **Alaska Airlines** President Raymond J. Vecchi is hired as executive vice president-customer service. He is charged with handling a growing wave of customer dissatisfaction. Meanwhile, the carrier's ALPA-represented pilots, tiring of unfruitful negotiations with the carrier's management, file for and are granted federal mediation by the National Mediation Board (NMB).

During the summer, an antitrust lawsuit, *Midwestern Machinery et al v. Northwest Airlines* (case 97-1438) is filed in the U.S. District Court at Minneapolis seeking to reverse the Northwest and **Republic Airlines** merger of 1986. The seven consumers filing the case under a section of the Clayton Antitrust Act seek up to \$400 million for alleged fare overcharges in the years since.

Under terms of a memorandum signed three months earlier, the feeder responsibilities of **Mesaba Airlines** are expanded at Minneapolis on August 1 to cover the flights formerly performed by **Express Airlines I**. The major is provided a warrant that allows it to purchase 880,000 additional shares of its "Northwest Airlink" partner's common stock for \$20 million.

Two weeks later, the carrier announces that it will begin installing the Wordtracer luggage management and tracing system. It is anticipated that the new system will reduce the cost of missing passenger luggage by 50%.

On August 18, the carrier revises its U.S.–Asia B-747 freighter schedule, reducing the cumulative total of takeoffs and landings and keeping the cargo planes airborne longer. The new schedule adds a Wednesday B-747F service from Tokyo to New York, plus two additional flights per week from Tokyo, one each to Los Angeles and San Francisco. Service from Osaka to the U.S. is also boosted from two weekly flights to four.

While en route from Chicago to Tokyo on August 24, a B-747-451 is required to change its route following a volcanic eruption off the Russia's Kamchatka Peninsula.

During the month, Northwest joins forces with the Buick division of General Motors to promote the Regal automobile. Passengers receive a snack pack containing sourdough pretzel mix and promotional material on the car, including an invitation for a test drive. Those actually taking a drive will receive a certificate worth \$800 in discounts for Caribbean cruises.

The code-sharing agreement with **Alaska Airlines** is expanded on August 30 to include Alaska's flights to the Russian Far Eastern cities of Magadan, Khabarovsk, Vladivostok, Petropavlovsk-Kamchatskiy, and Yuzhno-Sakhalinsk.

On September 4, the company raises its domestic fares by 5% and over that weekend most other U.S. majors, except **Southwest Airlines (2)**, join in. On September 8, **American Airlines**, **Delta Air Lines**, and **Trans World Airlines (TWA)** abandon the fare boost, but when **United Airlines** does not go along, these big three reinstate the higher tariffs the next day.

Company gate agents are instructed on September 9 to more stringently enforce a two-piece carry-on luggage limit. The rule does not include passengers' laptops, diaper bags, briefcases, or purses.

At this point, the company orders five B-727-225As modified at Tramco for sports charters. Contracts are signed with the National Basketball Association's Houston Rockets, Golden State Warriors, Indiana Pacers, San Antonio Spurs, Los Angeles Lakers, and Los Angeles Clippers for charter flights that will begin with the new season.

The impact of the Pacific economic crisis impacts the airline by September, particularly in Japan where the value of the yen falls. A weak yen lowers Northwest's expenses in the nation, but not enough to offset lower revenues from yen-generated ticket sales. To keep its planes full, the major must cut fares, which lowers yield. Some routes also have to be scaled back, for example, Fukuoka–Hawaii, which is reduced from daily service to weekly.

Fare sales and promotions are also employed in Thailand, where group outbound traffic has fallen as much as 80%, despite the fact that Thailand is a less-expensive country to visit from Japan or the U.S.

On September 29, KLM President/CEO Leo van Wijk and Northwest President/CEO Dasburg sign the new KLM-Northwest 10-year joint venture agreement at a New York ceremony. According to the terms of the pact, KLM will receive \$1.2 billion over the next three years for the shares it holds in the American major, or a \$400-million profit on its original investment. Northwest will repurchase all of the common and preferred shares held by KLM in four tranches beginning this day.

The schedule calls for 6.8 million common shares and all of the remaining preferred shares to be sold back for \$324 million in 1997. In **1998**, 4.9 million common shares (\$210 million) are to be returned, 3.2 million common shares (\$147 million) in **1999**, and 10 million common shares (\$491 million) in **2000**. As a result of these transactions, KLM's common stock voting position in Northwest will decrease from 19% to 17% in 1997, to 13% in 1998, to 10% in 1999, and zero in 2000.

In addition, KLM President van Wijk will join the Northwest board while Northwest President Dasburg will sit with the leaders of the Dutch major. A process for adding new partners to the compact is worked out; almost immediately thereafter, KLM opens discussions with **Alitalia, S.p.A.** on the subject.

Plans are unveiled for a single marketing force that will be in place for the two carriers around the world the following year, as well as the establishment of a steering committee and employee joint task forces to coordinate further integration. For example, a number of joint task forces are set up to determine and implement improvement recommendations concerning airport check-in, yield management, ticketing and reservations, and other computer-based applications. Another task force devoted to joint networking determines which airline flies which alliance route; revenues are divided between the partners, regardless of which operates a given frequency. Already highly profitable, the alliance is now performing 160 weekly dual-designator transatlantic services plus code-sharing on many other routes.

Although the majors disagree over routing and other issues, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing. This payment initiative is immediately matched by Northwest, **American Airlines**, **Continental Airlines**, **Delta Air Lines**, and **USAirways**. **Southwest Airlines** and **Kiwi International Air Lines** announce that they will maintain the 10% scale. The travel agency industry, which despite ticketless travel still writes 80% of all tickets sold, protests the move.

Also on October 1, the Paris Air Show memorandum of understanding with Airbus Industrie is translated into a firm order for 50 A319s, with options for 100 more. The first aircraft is due for delivery in early 1999. The aircraft will be powered by \$500 million worth of CFM56 engines.

Simultaneously, the carrier inaugurates thrice-daily DC-9-32 roundtrips from Detroit (DTT) to New York (LGA). The service complements existing Northwest service between Detroit and Newark and New York (LGA) and White Plains. Weekly roundtrips are also inaugurated between Minneapolis (MSP) and Hong Kong.

Thrice-weekly dual-designator service with **KLM (Royal Dutch Airlines, N.V.)** begins on October 3 from Delhi and Bombay to New York via Amsterdam. The inaugural flight of the first Northwest DC-10-40, unfortunately, is scrubbed when the wide-body is hit by mechanical failure that forces its grounding. Passengers are transferred to rival company flights. The service is relaunched the next day.

Northwest and **Mesaba Airlines** sign a 10-year agreement on October 9 under which Mesaba will operate as Northwest Airlink at Detroit (DTT) and Minneapolis (MSP). Also on October 9, Northwest and **Jet Airways, Ltd.** announce a cooperative marketing agreement to provide enhanced benefits for passengers on Northwest/KLM flights to India.

Since April the company has introduced electronic ticketing at Minneapolis, Chicago, San Francisco, and Seattle; on October 15, 14 terminals at Detroit (DTT) are also plugged in.

On October 27, Northwest ranks second in the *Fortune* magazine survey of the "World's Most Admired Companies."

The three-year-old code-sharing pact with **Asiana Airlines, Ltd.** is concluded on October 30 as the Minneapolis-based carrier continues to refine its global alliances; Asiana, in anticipation of the move, has concluded a new arrangement with **American Airlines**.

A report on the work of the Northwest-KLM task forces is released in early November. It is noted that the 10-year alliance extends geographical coverage from Europe to U.S. to include Europe to Canada, Mexico, and India. The two begin sharing passenger name record data, which details the carriers' passenger relationships. Negotiations with **Alitalia, S.p.A.** continue.

The commercial agreement with **Japan Air System Company, Ltd.** takes effect on November 1. On November 6, Northwest launches a three-week Minnesota Holiday Hunger Relief campaign to benefit the Minnesota Food Bank Network and to ensure more than 2 million holiday meals for the state's hungry. Paper advance boarding passes are eliminated on November 11, although advance seating assignments remain available.

In the wake of the visit of PRC President Jiang Zemin to the U.S. in the early days of the month, the leading Chinese dissident Wei Jingsheng is released from prison on medical grounds. After conferring with U.S. officials, he is flown from Beijing to Detroit on Northwest's B-747-451 service on November 16.

In addition to KLM President/CEO van Wijk, two other notables join the board of directors on November 20: Professor Dennis F. Hightower of Harvard and author/historian Doris Kearns Goodwin.

Following the example announced by **United Airlines**, Northwest, on November 21, limits its coach-class passengers, except frequent fliers, to just one piece of carry-on baggage, plus a briefcase, laptop computer, or purse.

Additionally, as a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting the issuance of advance boarding passes.

In addition to an August pact with **KLM (Royal Dutch Airlines, N.V.)**, which is seen as a way to contest **SAS (Scandinavian Airlines System)** domination of the Norwegian domestic and European regional markets, **Braathens SAFE, A.S.** on December 1 also initials a strategic, but nonequity, alliance with Northwest. Under its terms, the Oslo-based carrier will code-share on Northwest flights between the U.S. and London (LGW) and Amsterdam, while Northwest is accorded dual-designator status on Braathens routes from London (LGW) and Amsterdam to Norway. The two will also link their frequent flier programs and coordinate customer and airport services.

The same day, Northwest and KLM announce that they will launch a joint, daily roundtrip service the following May from Amsterdam to Philadelphia; a Northwest DC-10-40 will be dedicated to the route.

To help bolster traffic to and from Hong Kong, the carrier, on December 5, puts leisure fares to the former British colony on sale; roundtrip packages, including three nights at a hotel, go for \$629.

On December 7, a flight attendant is seriously injured when the tug pushing back Flight 807 from the gate at Memphis for a flight to Nashville stops suddenly, jolting the DC-9-51 aircraft and its 40-plus passengers. The next day, Northwest "Pilots for Kids" volunteers take Children's Home Society children on a fantasy flight to the North Pole.

During the month, company officials negotiate with those from **Continental Airlines** concerning the possibility of the Minneapolis-based major's purchasing a 24% equity stake and the creation of a new global operating alliance under which each airline will continue its separate identity and maintain its own workforce. Both would, however, share many marketing functions and would offer dual-designator flights. Such an arrangement would allow the Minneapolis-based carrier to take over the shareholding of Continental Chairman David Bonderman and his Air Partners and thereby gain a 52% voting majority.

On December 10, *USA Today* reports the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; Northwest demonstrates an 81.1% achievement, good for 3rd place.

When apprised of the possible arrangement with **Continental Airlines**, the leadership of Northwest's pilot union, whose members hold an 11.5% stake in the company, refuses on December 16 to relax the scope clause in its contract. The clause prohibits the company from placing its flight code on the flights of other airlines without their exemption.

Negotiations between management and the pilots continue for two more days, during which Steve Zoller, union executive committee chairman, admits that his body does not have the authority to make such a deal. Management officials hint that talks with Continental will have to be broken off.

While parked at the gate at Tucson on December 23 undergoing deicing operations, an MD-80 is struck in its left horizontal stabilizer by the service truck. Although the aircraft sustains only minor damage, the boom operator in the basket is struck in the upper torso during the collision and falls out of the basket, sustaining fatal injuries.

Passenger boardings for the year accelerate 3.7% to 54,650,000, while freight climbs 3% to 3.33 billion FTKs. Operating revenues advance 3.5% to \$10.22 billion, while expenses are up 2.7% to \$9.06 billion. The operating profit grows to \$1.15 billion, while a \$596.5-billion net gain is recorded. The latter figure is the largest annual net income in the company's history.

At the beginning of 1998, Northwest is the 5th largest airline in the world in terms of passenger boardings and fleet size, 10th in terms of freight, 6th in employees with 51,000, 7th in operating income and net profit, and 4th in operating profit.

The fleet, 67.8% of which is Stage III-certified, includes 39 B-727-200As, 184 DC-9s, 43 B-747s, 48 B-757-251s, 50 A320s, 37 DC-10s, and 8 MD-11s.

In January, the company shares with **KLM (Royal Dutch Airlines, N.V.)** the 1997 "Airline of the Year" award from *Air Transport World* magazine.

A fourth weekly roundtrip service is inaugurated on January 1 between Detroit and Beijing. Thrice-daily DC-9-32 nonstop roundtrips commence on January 7 from Jackson, Mississippi, to Memphis. The new frequencies replace the six daily "Northwest AirlinK" departures to Memphis operated by **Express Airlines I**.

On January 13, flight attendant Julie Duncan files a class-action lawsuit against the airline in Kings County Superior Court at Seattle seeking to halt smoking on international flights.

The next day, *Midwestern Machinery et al v. Northwest Airlines*, an antitrust suit seeking to reverse the 1986 Northwest and **Republic Airlines** merger, is dismissed in U.S. Federal Court at Minneapolis.

On January 26, the company joins with **Continental Airlines** in announcing creation of a "global strategic alliance." As negotiated, the pact will allow Northwest to take the 14% of Air Partners I.P.'s Continental common stock equity. Acquisition of the shares of David Bonderman's group will provide Northwest with 51% controlling (voting) interest, but will cost \$519 million—\$311 million stock and the remainder in 4.1 million shares of Northwest common stock.

Fears concerning an end to Continental's independence are assuaged when Northwest officials pledge to place their holding into a "voting trust" for six years, which will be exercised as a block only if another airline seeks Continental's acquisition for itself. Both the DOT and Northwest pilots must grant approval, the latter for any code-sharing.

Although the new U.S.-Japan bilateral agreement announced on January 30 will provide additional competition, it also guarantees the airline's beyond-Japan rights, without flight limitation, and grants Northwest the right to fly between any U.S. and Japanese city-pair.

Twice-weekly B-747F all-cargo service is launched to Manila on February 1. The wide-body freighters, originating at New York on Wednesdays and Chicago on Sundays, fly via Anchorage, Tokyo, and Bangkok.

As South Korea's economy continues to deteriorate, Northwest, on February 2, suspends its thrice-weekly nonstops between Detroit and Seoul. On the other hand, service from Detroit to China is increased from weekly to twice weekly to Shanghai and from thrice weekly to four times a week to Beijing.

On February 11, the pilot of Flight 297, a DC-9-31 en route from Raleigh to Detroit with 94 passengers, notices a warning light indicating high temperatures in the aircraft's tail. An emergency landing is made at Tri-Cities Regional Airport in northeast Tennessee; no injuries are reported.

The annual NAACP Corporate Award is received by the carrier for the first time on February 14. Also during the month, the remaining \$135 million is paid on accounts receivable-backed notes originally due in March 1999.

DOT Secretary Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14. Two days later, the DOT authorizes 64 weekly flights to Japan for carriers that in the past have had their services severely limited. It also grants new code-sharing permission, including authority for Northwest and **Continental Airlines** to offer dual-designation on any 14 of the 28 weekly services that Northwest flies to Tokyo from Detroit, Los Angeles, and San Francisco or from Detroit to Osaka.

In the weeks that immediately follow the signing ceremony, Northwest exercises its beyond-Japan rights to provide daily service from Osaka to Manila and from Tokyo to Seoul, Beijing, Shanghai, Manila, Taipei, Hong Kong, Singapore, Bangkok, Guam, and Saipan.

During the month, Northwest board member Maggie Jacobsen joins in negotiations between management and the ALPA-represented pilots in an effort to bring negotiations to a conclusion.

As a result of the slowdown in the Japanese economy, the carrier, on April 5, cuts its daily frequencies from Honolulu to Tokyo from two to one. Employing the "beyond" clause of the new U.S.-Japan bilateral air agreement, Northwest, the same day, inaugurates DC-10-30 daily return service from Osaka (KIX) to Taipei as an extension of its Seattle to Osaka flights. In addition, a fifth daily roundtrip is inaugurated between Detroit and Beijing, while daily roundtrips commence between Las Vegas and Los Angeles.

Simultaneously, Northwest and **KLM (Royal Dutch Airlines, N.V.)** introduce daily nonstop service from Seattle to Amsterdam, the only Seattle to Amsterdam nonstops available.

Clearly dissatisfied with the pace of contract talks between the company and ALPA, unidentified members of the local chapter, in mid-month, begin to circulate leaflets urging their fellow pilots to undertake an unauthorized sick-out and work slowdown in May. Union leaders urge the company's 6,120 union fliers to ignore the widely distributed pamphlets, which are against both the law and ALPA policies.

ALPA pilots attend the annual shareholders meeting to voice complaints. IAM representatives also are on hand, many as picketers.

Protracted contract negotiations with the company's 25,000 IAM-represented mechanics and ground service personnel also become ugly. After firing several machinists for disrupting service, other machinists and ground service personnel cause a variety of disruptions at a number of hubs. A general work slowdown begins at Detroit.

On April 19, the B-747-451 Worldplane, on a normal flight to Detroit from Beijing, brings the noted Chinese dissident Wang Dan, recently freed from prison, to the West. Having waived its right to push back delivery to 2003, the company now accepts another B-747-451.

When company executives float a proposal by them concerning the launch of a low-cost division similar to Shuttle by United or **USAirways'** new MetroJet, company pilots reject the concept. Negotiations between the airline and its fliers for a new labor contract continue to head toward catastrophe. By April 23, the end of the first week of slowdowns at Detroit, more than 100 flights have been cancelled systemwide due to the growing labor problems.

At month's end, the company, without fanfare, joins **Delta Air Lines** in doubling the fee charged to escort unaccompanied children on connecting flights from \$30 to \$60 for each flight leg.

Northwest and **KLM (Royal Dutch Airlines, N.V.)** close their financial relationship on May 1. Northwest repurchases KLM's remaining 18 million shares of its stock for \$775 million in cash and senior unsecured notes. Daily return services are inaugurated to Amsterdam from Seattle and Philadelphia.

Philadelphia-Amsterdam Friendship Day is also celebrated on May 1. At a press conference at Philadelphia, a proclamation is read from the Mayor of Philadelphia recognizing the event. Mayor J. van Houwelingen of Haarlemmermeer (the Dutch city that is home to Schiphol Airport) is given a copy along with a replica of the Liberty Bell. The guest, in turn, presents his host with traditional Dutch wood shoes. Thereafter, Northwest and **KLM (Royal Dutch Airlines, N.V.)** kick off new daily nonstop return service between Philadelphia and Amsterdam.

Overshadowing the positive press coverage of these international developments is the continuing wildcat labor slowdown at Detroit. On May 1, full-scale shouting matches between irate customers and airline employees are so intense that police must be called in. One customer is so upset that he must be taken into custody. Northwest must cancel 25 flights at Detroit and 60 systemwide; hundreds of passengers on other services are inconvenienced.

The five B-727-225As assigned to the company's NBA sports charter program all revert to regularly scheduled passenger services at the beginning of May. Also during the month, Gene Peterson becomes vice president-flight operations.

On May 4, in an effort to gain customer sympathy, Executive Vice President-Customer Relations Vecchi takes the unusual action of offering a public apology to every passenger inconvenienced by the recent Detroit work actions. The same day, NMB referee Jack Bavis calls for both

sides to resume contract talks, with both the IAM and Northwest immediately agreeing.

Introduced on May 6, Northwest E-First provides fee-based upgrades on full-fare electronic tickets on 12 routes made within 6 hours of departure.

The carrier, also in May, expands its alliance with **Continental Airlines**, **America West Airlines**, and **Alaska Airlines** to include **Air China International Corporation**. All four will link their frequent flyer programs, coordinate schedules, offer joint marketing and maintenance where appropriate, share lounges, and plan for code-sharing.

A tragedy is narrowly avoided over Pontiac, Michigan, on May 18 when a small Cessna comes within 500 ft. of a company DC-9-41 that has reached the 6,000-ft. level on its climb away from Detroit (DTT).

To help overcome or avoid problems at Detroit over the Memorial Day holiday, the company, on May 22, adds 208 baggage handlers, service agents, and other personnel.

A new code-sharing agreement begins on June 1 between **Alaska Airlines** and **KLM (Royal Dutch Airlines, N.V.)**. The two will link their frequent-flier programs on selected routes, enter into schedule coordination, and share codes on certain Alaska flights connecting with KLM services to Los Angeles and San Francisco. The arrangement is also extended to KLM services operated by **Northwest Airlines** from Seattle.

Also on the first day of the month, twice-weekly B-747-251B nonstop roundtrips are inaugurated from Las Vegas via Los Angeles to Tokyo. The daily direct service from Chicago and Tokyo ends. Daily nonstop roundtrips are also introduced between Detroit and Manchester, New Hampshire. The next day, long-haul flights are launched between the automobile centers of Detroit and Nagoya, Japan.

The company, which already operates 145 weekly services between the U.S. and Japan, increases its daily Los Angeles-Tokyo service on June 5 to 10 flights per week.

Reliability, baggage, and on-time performance problems with ground workers at the Detroit hub continue. The carrier's pilots, simultaneously and overwhelmingly, authorize a strike if negotiations fail and the NMB declares an impasse.

During these troubles, new entrant **ProAir**, across town at Detroit City Airport, reaches separate five-year agreements with General Motors and Chrysler to provide contract air transport for the two auto makers from Detroit (DET) to Baltimore, Indianapolis, Newark, and Philadelphia. Prior to the arrival of the one-year-old company, that business would have gone to Northwest.

A tentative contract agreement is reached with the IAM on June 14 after a one-day negotiating session at Washington, D.C. The agreement replaces one that had expired in 1996. The next day, the ALPA-represented pilots formally ask the NMB to declare an impasse in their negotiations with company management.

On June 18, weekly Thursday-over-Friday nonstop roundtrips are inaugurated between Tokyo and Anchorage; the seasonal service for Japanese tourists wishing to visit the natural wonders of Alaska is scheduled to continue until September 24. At Anchorage, passengers are able to make seamless connections onto the flights of code-sharing partner **Alaska Airlines**. The next day, the leaders of the pilots union vote to file a grievance challenging the proposed alliance with **Continental Airlines**.

Beginning on June 23, CyberSaver fares are available through e-mail. International electronic ticketing is expanded on June 29 to include flights from the U.S. to London, Paris, and Frankfurt.

Negotiations between the company and its pilots union resume in Denver on June 30, but after just three days, are ended. Both sides plan to inform the NMB that an impasse exists, but agree to talk further after the 4th of July holiday.

Flooding causes power outages at Detroit (DTT) on July 7-8 and attendant flight cancellations. Service returns to normal there on July 9. The same day, however, 48 additional hours of negotiations between the pilots and management at Washington, D.C. end without progress; talks are broken off and no new ones are scheduled.

The company's communications department arranges for a restored World War II Consolidated B-24 bomber to fly in formation with the B-747-451 of a retiring pilot on July 12. The pilot of the Jumbojet, arriving at Minneapolis (MSP) from Osaka, had been involved in the Liberator's restoration and the Northwest executives involved authorized the flight as a tribute. Although no problems occur, the action is strictly prohibited by FAA regulations, which forbid formation flying by any aircraft carrying revenue-paying passengers, and brings about a safety investigation.

At an IAM informational meeting attended by over 2,000 Minneapolis (MSP) IAM District 143 members on July 16, rank-and-file members jeer, curse, and scuffle with General Chairman Paul Scarpari and other leaders who had negotiated a tentative contract in June. Union leaders receive a similar rough reception at an informational meeting at Detroit.

On July 29 the NMB declares an impasse in the negotiations between the ALPA-represented pilots and company management and formally proffers arbitration. The NMB action triggers a 30-day "cooling off period" after which the pilots are free to strike and the company will be allowed to impose a contract.

On July 30, the company's ALPA-represented pilots decline a NMB proffer of arbitration, thus setting up a negotiation deadline of 12:01 a.m. August 29. The flyers also ask Minnesota Governor Arne Carlson to meet with them and discuss the labor situation, but Carlson refuses to become involved. North Dakota Governor Edward Schafer, on the other hand, indicates that he is prepared to ask President Bill Clinton to issue an emergency order blocking a walkout.

Having gradually introduced the idea first on their Pacific routes and then on transatlantic flights, both Northwest and **KLM (Royal Dutch Airlines, N.V.)** become smoke-free worldwide on August 1. Given Northwest's corporate difficulties, this development is virtually overlooked by the mass media.

Results of a verification vote on the June IAM contract are announced on August 5. With more than 23,000 of the approximately 27,000 IAM ground workers casting ballots, 85% vote to reject the tentative contract agreement and authorize a strike. At this point, the NMB makes plans for both sides to return to the bargaining table.

With company employees working to rules and pilots now refusing overtime, some embarrassments occur. After a preseason loss vs. Kansas City in Norman, Oklahoma, on August 8, the pilot of the Northwest aircraft chartered by the Tampa Bay Buccaneers of the National Football League refuses to fly, citing union rules that stipulate work days not exceed 14 hours. The team is forced to spend the night in Oklahoma City.

The company's Azuma Lounge, for its first-class, World Business Class, and WorldClub passengers, is reopened at Tokyo (NRT) on August 10.

On August 11, the carrier signs a cooperative marketing agreement with **KLM Exel, B.V.** that will allow it to code-share on the Dutch regional's flights. The same day, a six-month test of reduced business fares, "Fly North Dakota," is introduced in an effort to stimulate business traffic out of Bismarck.

On August 14, Minnesota Governor Carlson calls key people at Northwest and at the pilots' union and pleads with them to settle their dispute without a strike. Meanwhile, state agencies are asked to develop contingency plans for thousands of passengers who could be stranded if the carrier is struck later in the month.

Both sides in the pilots' dispute resume contract negotiations on August 17, but continue to disagree over job security, compensation, retirement, and vacation-related work rules. Northwest gives strike assignments to its managers and considers various layoff scenarios. Although pilots remain confident that an agreement can be reached, the carrier has amassed a \$3-billion (\$2.08-billion borrowed) strike contingency fund to pay bills during any shutdown and can go dormant for almost a year if necessary.

The next day, "Northwest Airlink" partner **Mesaba Airlines** announces that, in the event of a Northwest pilots strike, the regional affiliate will have to temporarily shut down. On the same day, August 18,

Northwest, after refusing six times over four months to raise its leisure fares, goes out on a limb and increases advance-purchase and sales fares by 4%—a move quickly matched by other airlines.

On August, 18 Flight 87, a B-747-451 piloted by Captains Tim Olson and George "Sarge" Martin with a normal load of passengers plus two observers from the Federal Aviation Authority of Russia, becomes the first service from a U.S. airline to operate through Russian airspace. Cutting 45 min. off its normal time, the Jumbojet from Detroit is flown over the new Polar 2 route, entering Russian airspace approximately 60 mi. from the North Pole and continuing south over the tip of Lake Baikal before exiting Russian airspace. The aircraft now proceeds through Mongolian airspace before entering Chinese airspace to its final destination of Beijing.

As their colleagues move toward a strike at the end of the month, leaders of the Dutch ALPA (VNV) call upon members on August 19 to join the American flyers in a job action if it occurs. **KLM (Royal Dutch Airlines, N.V.)** announces that it will take the VNV to court if such a sympathy strike occurs.

Led by the governor of Michigan, several Midwestern governors send a letter to President Clinton on August 20 outlining their concerns over a possible Northwest pilots strike. The Michigan chief executive is particularly concerned over the economic impact of a strike when his state is still recovering from a bitter strike by employees of General Motors. At the same time, "Northwest Airlink" partner **Express Airlines I** informs the Essential Air Service (EAS) Division of the DOT that it may be forced into an involuntary shutdown in the event of a strike.

Also on August 20, to the amazement of the airline industry, the price hike of August 18 is suddenly rescinded without explanation.

President/CEO Dasburg is elected to the KLM Supervisory Board, an achievement announced by the carrier on August 25.

With a pilots strike pending, the nine teams of the National Football League that have charter contracts with the airline make contingency plans. Tampa Bay, Green Bay, New England, and Philadelphia contract with other airlines on August 25–26.

Also on August 26, Northwest begins the process of cancelling approximately 170 of its 1,700 daily flights scheduled to operate on August 28 and 239 flights on Saturday August 29. This action is taken, even if a strike is averted, to give certainty to the more than 25,000 passengers booked on these flights that might otherwise be adversely affected by a job action. The entire list of domestic and international flight cancellations is posted on the company's Web site.

The next day, the company, to accommodate its customers in the event of a strike, begins to make special arrangements for the acceptance of its tickets by a number of other carriers. Among these are **Alaska Airlines, American Airlines, American Eagle Airlines, American Trans Air, Delta Air Lines, Great Lakes Aviation, Horizon Air, Midwest Express, Trans World Airlines (TWA), and United Airlines**. Across the river from Detroit, at Windsor Airport, **Air Ontario, Inc.** announces plans to significantly increase capacity for travelers flying to Toronto.

After 23 months of negotiation, Northwest pilots initiate a strike against the carrier at 12:01 a.m. on August 29. All company flights cease and pilots begin strike picketing in the Northwest hubs at Minneapolis, Detroit, Memphis, Seattle, Anchorage, and Honolulu.

When the pilots strike occurs, the NFL football teams from Oakland, Minnesota, Tennessee, Buffalo, and Detroit are forced to book aboard other airlines. With upwards of 80% of their traffic connecting to Northwest flights at the major hubs, the company's two "Northwest Airlink" partners **Mesaba Airlines** and **Executive Express I** close down.

At the start of the fifth day of the pilots' strike on September 2, 177 dispatchers and meteorologists are the first company employees to be laid off as decisions are made concerning how many others must be sent home.

The next day, Northwest cancels all 1,700 of its domestic flights through Labor Day and inbound flights from Europe and Asia through September 8. The carrier's popular weekly seasonal service for Japanese tourists between Tokyo and Anchorage must be cancelled until next year.

Additionally, the company issues temporary no-work notices to 27,500 employees in its technical operations, in-flight and ground services divisions, including mechanics, flight attendants, customer service employees, and other ground employees. All will, however, retain their health benefits through the end of the month. Simultaneously, Executive Vice President/Chief Financial Officer James A. Lawrence resigns to pursue other opportunities and is succeeded by Special Projects Officer Mickey Foret.

Also on September 3, Transportation Secretary Slater orders **Express Airlines I** and its fellow "Northwest Airlink" feeder **Mesaba Airlines** to resume service to 17 small towns in 11 states in the Midwest and South. As the DOT official puts it, federal rules prohibit the carriers from suspending air service below mandated levels without first filing a 90-day notice. **Express Airlines I** President/CEO Philip Trenary responds, indicating that the law does, in fact, grant the company permission to close due to events, such as strikes, which it can not control.

Over the next week, which includes the Labor Day holiday, the company remains shut down. The White House, hoping the parties can settle the strike between themselves, refuses to order a back-to-work order. A total of 28,300 employees are laid off and the carrier is losing \$26 million per day. The other carriers with which Northwest has agreements and several with which it does not attempt to fill the service gap left as Northwest cancels 27,000 flights.

During the second week of September, **Trans World Airlines (TWA)** Chairman/CEO Gerald L. Gitner, speaking before the Wings Club in New York, comes out squarely against the proposed domestic code-sharing alliance between **Northwest Airlines** and **Continental Airlines**. He has less to say about the apparently derailed deal between **United Airlines** and **Delta Air Lines**.

Secretary Slater and Attorney General Janet Reno file a lawsuit against **Express Airlines I** and **Mesaba Airlines**, together with **Northwest Airlines**, on September 10 in an attempt to force the two Northwest Airlink affiliates to provide service to the 13 EAS communities.

Northwest itself now steps into the dispute between the DOT and the DOJ and its "Northwest Airlink" affiliates. The major, presenting the same arguments that both **Mesaba Airlines** and **Express Airlines I** have unsuccessfully employed with government officials, files an emergency petition with the U.S. Court of Appeals for the District of Columbia. The petition asks the court to stay the effects of the DOT order that requires Northwest to provide support services so that its affiliates can resume EAS services. Northwest argues that its constitutional right to a hearing has been violated because the DOT issued a final order adversely affecting the carrier's interests without providing it with notice. Furthermore, as preparations for the pilot strike were made earlier in the month, the major had specifically and legally executed an agreement with the "Northwest Airlink" partners suspending all of its obligations, including code-sharing (an important legal point now in play), should a job action occur.

None of these lawsuits will come to trial because, after marathon discussions, a tentative agreement between the pilots and management is reached.

After resisting the temptation to order the striking aviators back to work, the White House had dispatched Deputy Counsel Bruce Lindsey to Minneapolis to pressure the negotiations. With Secretary Slater on hand and Federal Mediator Maggie Jacobsen refusing to adjourn discussions, the parties have learned that President Clinton may, in fact, soon intervene.

Handshakes end the longest job action against a U.S. airline since 1989, when the machinists' strike led to the collapse of **Eastern Air Lines**. In addition to the nearly 30,000 Northwest employees laid off, this job action has cost Northwest approximately \$338 million.

Service is not, however, immediately restored; the carrier remains shut down, with the first actual step forward being a meeting of the pilot association's 17-member executive board on September 12. While this move is awaited, all realize that the airline still faces open contracts with five other unions, including the IAM, which has already asked the NMB to declare its negotiations with Northwest to be at an impasse.

With the authority to do so, leaders of the pilots' union ratify the new contract on September 12, electing not to defer that decision to a vote of the rank-and-file membership. Northwest immediately begins a recall of laid-off workers and plans to have one-fourth of its schedule in operation in four days.

Flight 901, a B-747F, becomes the first service resumed by Northwest when it departs Minneapolis (MSP) for Tokyo on September 14; it joins a second freighter service, from Anchorage to Tokyo, as the only operations by the major that day. Additional cargo services are operated on September 15.

The red-eye Flight 586 becomes the first restored domestic passenger service when it takes off at 3 a.m. CDT September 16 from San Francisco for Minneapolis (MSP). The plane is met in Minneapolis by red and white balloons and costumed Mall of America employees, who give out coupons to the strains of John Philip Sousa's *The Stars and Stripes Forever*.

A total of 430 additional passenger flights depart during the remainder of September 16, beginning with Minneapolis–Chicago service, plus 485 next day, and 954 on September 18, including the first of the commercial demonstration flights over the new Polar 2 route across Russia to China. Northwest is fully recovered by September 21, operating a full schedule of 1,700 daily departures; approximately 98% of all laid-off employees have returned to work.

As a sign of appreciation of and apology to inconvenienced passengers, the company begins to give free drink coupons to all frequent fliers.

Throughout the spring and summer, Northwest, together with **Cathay Pacific Airways (Pty.), Ltd.** and **Singapore Airlines, Ltd.** have been in discussion with the government of the Philippines concerning the acquisition of a possible equity stake in ailing **Philippine Airlines (PAL)**. In an effort to make the carrier more attractive, its executives have attempted to make it more efficient through downsizing. Following a devastating strike and continuing labor discord, Asia's oldest airline is shut down on September 23.

Flights in and out of New Orleans must be cancelled on September 27 in the face of the fury of Hurricane Georges. The next day, **KLM (Royal Dutch Airlines, N.V.)** executives tell the Associated Press that the recent Northwest strike has cost it \$26 million in lost business.

A two-year partnership is now formed with the Minnesota Orchestra. The pact begins with the airline's sponsorship of the orchestra's Japan tour this month.

Toward the end of the month, the company engages in preliminary discussions with **Continental Airlines** concerning a possible global alliance to counter "OneWorld," the pact recently signed by **American Airlines**, **British Airlines, Ltd.** (2), and several other airlines. The Continental-Northwest alliance would also include the extant alliance partners of the two carriers.

In response to falling demand, the company now suspends service in four additional Asian markets: Nagoya to Guam, Minneapolis (MSP) to Osaka (KIX), Taipei to Osaka (KIX), and Minneapolis (MSP) to Hong Kong, a route just one year old. Minneapolis (MSP) to Osaka (KIX) flights will resume June 1, 1999.

Matching a program begun in North Dakota in August, Northwest, on October 1, launches "Fly South Dakota," a six-month test program of reduced business fares to stimulate business passenger traffic from Pierre.

On October 3, the company and the Teamsters call for a federal mediator to help them settle the issues of compensation, job security, and scheduling that prevent Northwest from signing a pact with its flight attendants. The flight attendants also complain about Northwest's free drink coupons, claiming that they may worsen the air rage problem afflicting their airline and others.

Thrice-daily DC-9-31 service is inaugurated on October 7 between Memphis and Gulfport and Biloxi, Mississippi. The flights increase the company's daily seat capacity between the 2 cities from 340 to 600. Also during the day, as a result of considerable political activity by new

Philippine President Joseph Estrada, **Philippine Airlines (PAL)** is able to resume domestic operations over 14 routes.

While en route from Charlotte, North Carolina, to Minneapolis (MSP) on October 12, Flight 1795, a DC-9-41 with 95 passengers, must make an emergency landing at Indianapolis after many passengers and crew members become dizzy, nauseated, and disoriented. One flight attendant must be hospitalized. All of the passengers are booked on other flights.

Because of requests to hold off from potential investors **Cathay Pacific Airways (Pty.), Ltd.**, **Singapore Airlines, Ltd.**, and Northwest, **Philippine Airlines (PAL)** announces, also on October 12, that it will not resume international flights on October 13 as previously indicated. The potential equity investors require time to conduct feasibility studies.

Just after takeoff from Schiphol Airport at Amsterdam on an October 14 service to Detroit, a DC-10-30 with 12 crew and 254 passengers loses the tail engine left fan cowl, which drops off into a farmer's field. The passengers are not aware of the incident and the service to Michigan is completed without incident. News of the damage is released to the media the next morning by **KLM (Royal Dutch Airlines, N.V.)**, which performs maintenance for the U.S. major in The Netherlands.

Rumors concerning the future of **Philippine Airlines (PAL)** become rampant. Although three foreign carriers remain in negotiations with the government of President Estrada concerning a possible investment, they are far from finished. On October 15, two Hong Kong newspapers run reports that a deal has been struck for **Cathay Pacific Airways (Pty.), Ltd.** to take over PAL and that Northwest has withdrawn from negotiations. Both airlines deny both assertions.

The Associated Press reports on October 20 that the DOJ has held several days of talks with executives from representatives of Northwest, **Continental Airlines**, and Air Partners, LP concerning the Northwest-Continental alliance. DOJ is reportedly very concerned over the plan whereby the Minneapolis (MSP)-based major would gain a controlling stake in Continental and then merge the two carriers' routes. Sources suggest the DOJ may file suit before the end of the week in an effort to stop the plan.

Philippine Airlines (PAL) Executive Vice President Manolo Aquino announces on October 20 that, following consultation with potential investors Cathay and **Northwest Airlines**, PAL will be permitted to resume international flights on October 29. It is also confirmed that discussions are continuing with **Cathay Pacific Airways (Pty.), Ltd.**, Northwest, and **Singapore Airlines, Ltd.** All have been asked to submit their proposals by month's end, but Cathay is seen as "the most serious."

Employees are gratified to learn, on October 23, that their employer continues to work with the FBI, the U.S. Secret Service, and postal authorities in an ongoing investigation to unmask the identity of the murderer of baggage handler supervisor Susan Taraskiewicz at Boston in September 1992. The case comes to public attention again when former baggage handler Robert Brooks is sentenced to federal prison for lying to the federal grand jury investigating the homicide the previous May.

A tentative agreement is reached, also on October 23, with the Aircraft Technical Support Association on a new 6-year contract for the carrier's 260 technical support employees.

Also on October 23, the DOJ files suit in the federal district court in Detroit to block the Northwest plan to acquire majority voting control of **Continental Airlines** via a stock purchase. The government contends that the purchase by Northwest of the controlling stake in Continental would effectively merge the nation's fourth and fifth largest airlines and would, thereby, unlawfully limit competition in the U.S. airline industry.

Northwest and AmeriCares partner again in October on an Asian relief project. Together, they collect nearly 200,000 pounds of relief supplies that arrive at Beijing aboard a company B-747F on October 27 for distribution to the victims of Yangtze River floods.

On November 2, the company announces that its new Kuala Lumpur–Osaka (KIX)–U.S. service, scheduled to begin on January 16, will be postponed until February 27. The short delay will allow the carrier to use its aircraft on other Asia–U.S. service to take advantage of peak passenger traffic during the Chinese New Year in February. On the other

hand, the Kao-hsiung-Osaka (KIX)-U.S. service, which is also scheduled to start on January 16, will begin on time.

While negotiations between **Philippine Airlines (PAL)** and **Cathay Pacific Airways (Pty.), Ltd.** continue, Northwest makes an offer to the former on November 6. It involves only management support, without a capital infusion.

The same day a security breach at Detroit (DTT) delays 25 Northwest and 24 "Northwest AirlinK" flights. The suspension is caused when a person bypasses a security checkpoint and disappears into a crowd of passengers. Gates C through G are shut down and hundreds of passengers waiting for planes are forced to pass back through security gates. Airport police also bring in canine teams to search the area.

Some 40 minutes after departure from Seattle on November 8, Flight 50, a DC-10-30, suffers engine problems; an emergency is declared and the wide-body returns to its point of origin. A safe landing is made and no injuries are reported.

Electronic ticketing service to destinations in Mexico and the Caribbean is expanded on November 16.

Also in November, the carrier publicly emphasizes its alliance with **KLM (Royal Dutch Airlines, N.V.)** by painting one of its DC-10-30s in a dual color scheme. On one side, a KLM tail is sported atop a Northwest forward fuselage, with the process reversed on the other side.

The arrangement with **Continental Airlines** to start a joint frequent flier program is put on hold on November 19 when the DOT rules that the two majors cannot begin their loyalty offering before December 4.

The arrangement with **Continental Airlines** to start a joint frequent flyer program is put on hold on November 19 when the DOT rules that the two majors cannot begin their combined loyalty offering before December 4. Also on November 19, Northwest unveils a DC-10-40 Alliance Plane at Minneapolis (MSP) painted in the joint liveries of Northwest and **KLM (Royal Dutch Airlines, N.V.)** to celebrate the successful partnership between the two carriers.

The next day, Northwest, which has vowed to complete its deal with **Continental Airlines** despite the government's antitrust lawsuit, completes its acquisition of a controlling stake in the Houston-based major. The arrangement gives the nation's fourth largest airline a 14% equity stake in Continental as well as voting control of up to 51% of the fifth largest carrier. Executives from both airlines indicate that they will proceed to implement domestic code-sharing involving upwards of 850 flights.

As the result of a relief effort organized by television station WDIV TV-4, the Detroit Pistons, and Art Van Furniture, 50 tons of relief supplies are flown from Detroit (DTT) to Honduras aboard a company B-747-251F on November 23 to aid the survivors of Hurricane Mitch. Simultaneously, a tentative 5-year contract agreement is reached with the 171 Transport Workers Union-represented flight dispatchers and operations planners.

The next day, it is announced that the company will inaugurate thrice-daily nonstop DC-9-41 return flights on January 31 from both Detroit (DTT) and Minneapolis (MSP) to Houston (IAH).

A senior Philippine government official, noting on November 25 that the proposed arrangement with **Cathay Pacific Airways (Pty.), Ltd.** is in significant difficulty and probably will not go through, now openly suggests that Northwest might be better suited for a tie-up with his country's flag carrier. The source, Executive Secretary Ronaldo Zamora, in a radio interview reported by Reuters, Ltd., indicates that Cathay has put forward new and unacceptable conditions, including the removal of pilots who had returned to work following the June pilots' strike. He confirms, as does President Joseph Estrada in a separate interview, that **Philippines Airlines (PAL)** Chairman Lucio Tan is in the U.S. for talks with the Minneapolis (MSP)-based major. Northwest spokesman Douglas Killian indicates that, just because Tan is in New York for discussions, his visit should not be taken as a sign of imminent agreement.

Not long after takeoff from Seattle for Minneapolis on Thanksgiving Eve, a DC-10-30 with 14 crew and 283 passengers experiences electrical arcing in the galley; an emergency is declared and the wide-body

diverts to Spokane, where a landing is made without incident. No injuries are reported and a replacement part is flown in from Seattle a few hours later.

Coincidence and a pair of TCAS mistakes nearly cause a tragic midair collision at a point 30 mi. SW of Albany on December 1. Misreading the movements of a **USAirways** flight, the TCAS aboard an **Air Ontario, Inc.** DHC-8-311 en route from Providence to Toronto inadvertently sounds, directing it to climb so as to avoid a Northwest DC-9-41 flying from Detroit to Providence, whose TCAS has directed the aircraft to descend. An air traffic controller notices the difficulty and calls out a warning as the two planes speed toward one another on a collision course. The jetliner and the commuter plane come within less than a mile (800 meters) of each other horizontally and within 300 feet (90 meters) vertically. FAA regulators launch an immediate investigation.

On November 25, it is announced that in the period May 30-October 3, 1999, flights between Tokyo and Anchorage will be doubled to two nonstops each week. The flights are a continuation of an ongoing seasonal program designed to provide lift for Asian tourists wishing to view the natural wonders of Alaska.

Also during the fourth quarter, the carrier, in cooperation with AmeriCares, operates relief flights that transport 20 tons of supplies and life-saving medicines to families devastated by flooding along China's Yangtze River.

Having negotiated off and on for another week, both Northwest and **Cathay Pacific Airways (Pty.), Ltd.** pull out of investment discussions with **Philippine Airlines (PAL)** on December 2. Philippine President Estrada confirms that the Northwest talks have fizzled, but expresses hopes that he can convince the Hong Kong-based major to continue.

A Saturday B-747-451 departure is added on December 3 to the carrier's nonstop return service from Detroit to Nagoya. The next day, after Flight 71 arrives in Japan, it will continue on to Manila. The new beyond service will supplement Northwest's 14 weekly flights between the U.S. and Manila.

On December 9, Alaska Air Group President William S. Ayer announces that a letter of intent for the creation of a marketing partnership has been signed between its subsidiaries, **Alaska Airlines** and **Horizon Air**, and AMR Corporation and its subsidiaries, **American Airlines** and **American Eagle Airlines (2)**.

Alaska Air Group also announces that notice has been provided to Northwest of its intent to modify an existing marketing agreement. Talks are underway and it is hoped that the 10-year-old alliance might be maintained.

Also in December, the 9,500 ground service force, including mechanics, votes to withdraw from the machinists' union and be represented by the Aircraft Mechanics Fraternal Association.

On December 14, electronic ticketing service is expanded by Northwest to Asian destinations. The same day, the Northwest board of directors offers a long-term contract with president/CEO Dasburg and names Senior Vice President Richard Anderson as executive vice president/chief operating officer.

Alaska Airlines President Ayer and Northwest President/CEO Dasburg jointly announce on December 22 that their commercial cooperation agreement, which includes **Horizon Air**, will be extended. To mark and celebrate this arrangement, both carriers offer their respective frequent flyers the opportunity to earn bonus miles for flights taken on the other carrier between January 4 and February 28, 1999.

Ice storms that sweep across the south on December 23 cause the company to cancel or delay over a hundred flights.

In a radio interview on Christmas Day, Philippine Executive Secretary Zamora indicates that **Philippine Airlines (PAL)** is holding discussions with both Northwest and **Cathay Pacific Airways (Pty.), Ltd.** concerning their possible investment. Although both foreign airlines had indicated weeks earlier that talks were dead, Zamora is quoted to the contrary by the Associated Press. "The truth is their discussions are continuing," the official notes, "However, in order not to disturb the talks, they are not disclosing this to the public."

Northwest and **Continental Airlines** begin dual-designator flights on December 29 on 28 weekly international flights between the U.S. and Japan and 21 weekly flights beyond Japan. From the mainland U.S., Continental places its code on Northwest flights between New York (JFK) and San Francisco to Tokyo (NRT) and between Detroit and Osaka. Similarly, Northwest applies its code to Continental's new B-777-224 daily roundtrips between Newark and Tokyo (NRT).

A powerful winter storm severely impacts company operations in the upper Midwest during the last days of the year. One B-747-251 is, however, chartered on December 30 to fly the University of Tennessee NCAA Division I football team coaches, players, cheerleaders, marching band, real and human-costumed mascots, and various school executives and boosters to Tempe for the Tostitos Fiesta Bowl game.

While landing at Green Bay, Wisconsin, on December 30 after a service from Romulus, Michigan, Flight 529, a DC-9-51 with 6 crew and 113 passengers, strikes its tail on the runway. Although no injuries are reported, the aircraft sustains substantial damage.

During the 12 months, customer bookings, due to the strike, are off by 7.81% to 50.54 million. Cargo traffic falls 13.01% to 2.48 billion FTKs.

Revenues are also off, by 11.5%, to \$9.04 billion, while expenses, up only 1.8%, still total \$9.23 billion. The previous year's operating profit becomes a \$191.4-million operating loss. The previous year's net gain becomes a big \$285.5 million net loss. When certain exclusions are counted in, the net loss is reduced to \$49 million.

A severe winter storm hits the Midwest on January 2-3, 1999, and impacts traffic systemwide; more than 1,100 flights will be scrubbed because of the weather. Due to Detroit's controversial policy of not plowing residential streets, more than half the company's employees are unable to make it to work.

Over 4,500 travelers are stranded on January 3 for up to 8½ hours aboard 34 aircraft that are unable to take off or reach passenger gates through the 10.6-inch snowfall. Some of these passengers (and airline crews) are, in fact, trapped with no water, food, or bathroom facilities.

Numerous other incidents occur during these extreme weather conditions: one aircraft blocks off all access to Concourse C; a catering truck must be used to remove a heart attack victim from a jetliner; parked aircraft block snowplows; managers at Northwest's Strategic Operations Center in Minneapolis fail to heed appeals by Detroit (DDT) company officials to suspend or divert flights headed their way; and 7,000 pieces of luggage are lost.

The carrier is unable to operate any flights into Detroit before noon on January 4. At that point, it attempts to operate as many flights out as possible so as to allow snow removal equipment access to tarmac areas.

Having played for and won the national championship of college football against Florida State University on January 4, the victorious No. 1 Volunteers are flown back to Knoxville's McGee-Tyson Airport on January 5 via the same Northwest plane that had taken them to Arizona.

On January 7, Northwest and **Continental Airlines** begin linking a major portion of their domestic flight schedules and implementing more international dual-designator flights. The two majors, despite DOT opposition, initiate code-sharing on approximately 850 domestic and international flights to 95 destinations.

As part of the arrangement, **Continental Airlines** code-shares daily on Northwest and "Northwest Airlink" domestic flights, including cities where it does not currently fly, such as Sioux City, Boise, Knoxville, and Spokane. Likewise, Northwest code-shares daily on **Continental Airlines** and **Continental Express** flights, including cities where it has no service, such as Corpus Christi, Charleston, Scranton, and Daytona Beach.

Additionally, **Continental Airlines** starts to code-share on select Northwest flights to Canada, such as Calgary, Vancouver, Edmonton, Saskatoon, and Winnipeg. Although Continental already provides daily service to Calgary and Vancouver, it does not operate its own flights to Edmonton, Saskatoon, or Winnipeg.

Acting on behalf of two clients claiming to have been detained for eight hours aboard a company aircraft during the recent Detroit blizzard,

a lawsuit is filed against the airline in Wayne County, Michigan, Circuit Court on January 8.

Mesaba Airlines, on January 14, officially enters into a dual-designator arrangement with Continental. Under terms of the pact, the major's "CO" designator will be placed on all of Mesaba's "Northwest Airlink" flights in and out of both Detroit (DDT) and Minneapolis (MSP).

Also during the day, a preliminary internal report on the recent Detroit blizzard catastrophe is finished and sent to top management; a copy will later be obtained by *The Wall Street Journal*.

Not yet fully recovered from its strike, Northwest, on January 15, refuses to agree to an industry-wide fare increase; the major has now effectively blocked ticket-price increases 16 times in the past year. Kao-hsiung-Osaka (KIX)-U.S. service starts on January 16.

On January 21, former **Alaska Airlines** Chairman/President Vecchi is appointed executive vice president-customer service and president, Michigan operations. In the new post, Vecchi will work closely with Michigan authorities, in particularly those at Detroit where customer relations are not the best.

Executive Vice President-Marketing and International Levine resigns on January 25, effective February 1; he will continue to serve until his retirement on February 28. Simultaneously, President/CEO Dasburg announces the promotion of two vice presidents, J. Timothy Griffin and Philip C. Haan, to the ranks of executive vice president. In addition, Executive Vice President/General Counsel Douglas M. Steenland is given additional responsibility to oversee the company's alliances.

When **Delta Air Lines** on January 29 raises business ticket prices by 2% and leisure ticket costs by 4%, Northwest is one of four majors to quickly follow suit. The Northwest's participation is significant because its past reluctance to raise fares have prevented industry-wide efforts to implement increases over the last year. The move, the first tariff increase for U.S. airlines in 18 months, is seen as the opening salvo in a series of across-the-board fare hikes.

Also on January 29, a press release appears detailing the schedule and price structure for the beginning of service by the new entrant **AccessAir**, including introductory fares. Northwest Airlines indicates that it will match the new prices.

Thrice-daily nonstop DC-9-41 return flights begin on January 31 from both Detroit (DDT) and Minneapolis (MSP) to Houston (IAH).

A three-judge panel of the Eighth U.S. Circuit Court of Appeals at Minneapolis on February 3 rules that U.S. District Judge David Doty had erred in 1998. Doty had dismissed the 1997 *Midwest Machinery et al. v. Northwest Airlines* suit, ruling that since the **Republic Airlines** merger being contested by the plaintiffs had been approved by the DOT, it could not be challenged in court. With the help of friend-of-the-court briefs filed on behalf of the consumers by 11 states attorneys general, the case is reopened. Lawyers for Northwest immediately appeal.

The first **AccessAir** return service from the "Big Apple" to Moline and Des Moines occurs the next day. Also on February 4, daily roundtrip flights commence from Des Moines to Los Angeles (LAX). Introductory \$99 one-way fares will remain in place until March 4.

Leaders of the pilots' unions from Northwest and **Continental Airlines** sign a formal letter of cooperation on February 10 pledging mutual support and cooperation between the two labor groups. The same day, Northwest management and ALPA reach agreement; pilots flying the A319 will be paid at the same rate as those operating A320s.

An agreement is reached between Northwest and **American Airlines** on February 11, which allow Northwest to accept American tickets in the event of further pilot disruptions to American's flight schedule. The pact takes effect immediately.

While preparing for takeoff from Minneapolis (MSP) on February 11, a B-757-251 with 94 passengers aboard knocks over a deicing truck and damages its wing. One of the truck's two workers is injured and taken to the hospital; passengers are later put on another flight.

The *London Sunday Times* reports on February 14 that the airline is in discussions with **Delta Air Lines**, **Alitalia**, **S.p.A.**, **Air France**, and

Continental Airlines concerning the possible forging of a global alliance to rival the existing multinational airline pacts "OneWorld" and the "Star Alliance."

A huge order is placed with Bombardier Aerospace on February 18 for 54 CRJ200LR regional jets, along with 70 options. Deliveries of the aircraft on firm order are to begin in April 2000 and continue through mid-2004.

The Italian news agency Ansa reports on February 21 that **Air France** is in discussions with **KLM (Royal Dutch Airlines, N.V.)**, Northwest, and **Alitalia, S.p.A.** concerning the possibility of Air France joining their global alliance. Northwest and KLM are also alliance partners of **Continental Airlines**, which is one of two U.S. airlines seeking a partnership with the French line. None of the suggested participants will confirm the story.

Having gone missing from the home of Mrs. Marie Bennett in Campo, California, 60 mi. E of San Diego four years earlier, the chocolate Labrador retriever, Bear, is found near the small Michigan community of Evart in mid-February. Reacting to an ad placed on the Internet, Mrs. Bennett identifies her dog. A veterinarian agrees to provide free shots, a kennel donates a shipping crate, and Northwest, on February 22, waives the \$200 shipping fee and flies Bear home. Reporter John Flesher of the AP picks up the story and it appears in newspapers large and small around the world.

Breaking ranks with its partners, **Alitalia, S.p.A.**, through an unidentified spokesman on February 23, confirms that his carrier, along with Northwest and **KLM (Royal Dutch Airlines, N.V.)** are at the "very beginning" of alliance talks with **Air France**.

The CEOs of **KLM (Royal Dutch Airlines, N.V.)**, Northwest, and **Alitalia, S.p.A.** meet with **Air China International Corporation** officials in Beijing, also on February 23, to discuss bringing the Chinese carrier into their global alliance.

Highly critical of the manner in which Northwest had handled the January blizzard at Detroit Metro Airport, U.S. Rep. John Dingell (D-Mich.), whose district includes the airport, introduces legislation in the House of Representatives on February 23 calling for the creation of a "passenger's bill of rights." The bill will require airlines to have emergency snow and other disaster plans and hold them liable for long departure delays not involving safety issues.

New contracts are approved on February 24 with the ticket and reservation agents, clerks, baggage handlers and other ramp operators, and security guards; the 18,000 workers are all represented by the Machinists' union.

The final report on the Detroit blizzard fiasco is released by the airline, also on February 24, and published by the Minneapolis *Star Tribune* the next day. Specific recommendations are made for improvements in 15 identified problem areas.

Originally scheduled to commence on January 16, the startup of Northwest's new Kuala Lumpur–Osaka (KIX)–U.S. service has been postponed until February 27. The short delay has allowed the carrier to use its aircraft on other Asia–U.S. service to take advantage of peak passenger traffic during the Chinese New Year in February.

On March 1, a \$365.5-million contract is awarded by the airline to Huber & Nichols of Indianapolis for the construction of a new terminal at Detroit (DDT).

The DOT fines Northwest \$25,000 on March 3 for violations of the government's code-sharing rules, which require carriers involved in such pacts to inform their customers that their tickets will require them to switch airlines. Half of the penalty will be forgiven if the airline, which has not admitted wrongdoing, commits no further violations in the next year.

On March 15, Northwest, which has been recalcitrant in the past, joins **American Airlines**, **Delta Air Lines**, **Southwest Airlines (2)**, **United Airlines**, and **USAirways** in raising business fares by 1% and imposing another 3% hike on leisure tickets. United had begun this second round of ticket price increases on March 12.

A stay, extended twice, in the 1998 case filed in U.S. District Court in Nevada by **Reno Air** expires on March 15.

Claiming that it has removed its introductory fare, **AccessAir** complains to the DOT that Northwest has not increased prices and is maintaining them below competitive levels. Northwest is, they suggest, engaged in predatory pricing. The company responds on March 16, claiming that AccessAir has never discontinued the introductory fare and that it is still available. Northwest is, therefore, only maintaining a level playing field and has not set its fares below competitive level.

A second daily nonstop roundtrip is introduced for the summer season on April 5 between Minneapolis (MSP) and Anchorage.

Following the initiation of NATO military action against Yugoslavia on March 24, which is designed to change Belgrade's policy toward the ethnic majority in the province of Kosovo, a humanitarian refugee disaster occurs. Thousands flee Kosovo to the neighboring countries of Macedonia and Albania, necessitating the delivery of significant relief supplies.

On behalf of the Heart to Heart organization, a Northwest aircraft flies 10,000 pounds of medical supplies to Amsterdam on April 11. There the goods are off-loaded and sent to the Balkans by truck. The same day, the **Reno Air** case, first filed in 1998, is dismissed by the U.S. District Court in Nevada.

The company's annual stock meeting in New York is ended early by Chairman Wilson on April 23 after protesters, appearing to be flight attendants frustrated with drawn out negotiations between the company and their union, begin yelling and making speeches.

It is reported by Reuters, Ltd. on April 26 that the company has placed a \$3.2-billion order with Airbus Industrie for new A318s.

Although San Jose has a curfew from 11:30 p.m. to 6:30 a.m. Pacific Time, airlines are allowed to fly in during those hours if they are delayed due to mechanical, weather, or ATC problems. The *San Jose Mercury News* reports on April 27 that the city attorney's office has sent letters to six carriers threatening to sue or ban them from the airport and citing numerous violations of the curfew. In addition to Northwest, the companies committing these "blatant violations" include **Mexicana Airlines, S.A. de C.V.**, **American Airlines**, **Reno Air**, **Southwest Airlines (2)**, and **United Airlines**.

Daily nonstop B-747-451 roundtrips commence on May 1 between Minneapolis (MSP) and Oslo. Simultaneously, the carrier begins to code-share with **Braathens, A.S.** from Oslo to over 12 cities in Norway and Sweden.

After 2 1/2 years of negotiations, most recently under supervision of the NMB, the company's flight attendants, represented by the Teamsters, and management adjourn their talks on May 3. Although scheduled to return to the bargaining table on June 2, the union leadership indicates that it will call a strike vote during the week of May 17.

John Moore, southeast regional vice president at Memphis, resigns on May 4 to become executive vice president of Dobbs International Services, also in Memphis.

At a New York press conference on May 10, it is announced that **Alitalia, S.p.A.** will join the multinational airline alliance operated by **Northwest** and **KLM (Royal Dutch Airlines, N.V.)**. The representatives of the partners present indicate that their companies are asking the DOT to grant antitrust immunity to their joint venture, after which they will be able to set ticket prices together, code-share, manage seat inventories, and share services, costs, and revenues. Following approval, the first routes to be operated under the new joint venture will be from Detroit to both Rome and Milan.

This new partnership will form the core of a long-awaited fourth major global airline alliance, "Wings," which will be formally announced later in the year, probably in the fourth quarter. Before that time, it is anticipated that **Continental Airlines** will also become an alliance partner.

On May 11, Northwest is ranked the No. 1 airline on the Internet by *Business 2.0* magazine.

A code-sharing agreement is signed between Northwest and **Big Sky Airlines** on May 13. Two days later, Northwest begins to place its code on select Big Sky flights between Billings, Montana, and 11 other in-state markets, including Glasgow, Havre, Lewistown, Glendive, Miles City, Sidney, Missoula, Helena, Kalispell, Great Falls, and Wolf Point.

Dual-designator services are also offered on Big Sky flights between Billings and Spokane and between Bismarck, North Dakota, and Sidney, Montana. Passengers traveling on Big Sky with Northwest-connect itineraries also benefit from one-stop passenger and baggage check-in and WorldPerks frequent flyer mileage accrual.

On May 14, the carrier agrees to sponsor the Mosaic Youth Theater group's participation at the World Youth Theater 2000 festival in London in July 2000 and to provide free roundtrips for the U.S. members.

A ninth B-747-200F is acquired on May 24; after modifications, it will enter service on September 1.

Employing a DC-10-40, Northwest, on May 30, doubles from one to two the number of its weekly summer season roundtrips between Anchorage and Tokyo (NRT).

Thrice-daily nonstop DC-9-32 roundtrips begin on June 2 from Detroit to Portland, Maine. Simultaneously, a fourth daily nonstop roundtrip is initiated from Minneapolis (MSP) to Houston (HOU).

A tentative contract is reached between management and the Teamsters on June 10 for a new five-year contract; the pact will now be put to the rank-and-file for ratification.

En route from Los Angeles (LAX) to Tokyo (NRT) on June 16, a B-747-451 with 327 passengers makes an emergency landing at Seattle when a suspicious electronic object without an owner is discovered by the crew. After landing, a police bomb squad comes aboard and examines the item, which is found to be harmless, and the aircraft continues its flight.

Wayne County, Michigan, Circuit Judge Daphne Means Curtis rules on June 19 that the various individual cases filed against Northwest as a result of the January blizzard debacle may be combined into a class-action suit. The court estimates that over 8,000 passengers are able to join the lawsuit, based on the number of apology letters and free flight coupons sent out by Northwest after the storm.

Northwest is one of three U.S. airlines tentatively granted a total of 17 additional roundtrips per week on June 23 between the U.S. and China. On June 25, Northwest begins offering flight status and gate information to passengers via pagers or PCS phones.

On June 26, a chartered B-727-225A has the honor of returning the NBA champion San Antonio Spurs home to Texas following their dramatic victories in New York.

A third daily nonstop A320-211 roundtrip is added on July 1 from Ontario, California, to Minneapolis (MSP). After a year of investigation into alleged unsafe maintenance practices and other operations, the FAA, in mid-July, clears the company and provides its approval for Northwest's \$804-million DC-9 upgrade program.

The marketing alliance with **Japan Air System, Ltd.** is enhanced on August 7 when the two companies begin code-sharing. The "JD" code is placed on Northwest nonstop roundtrips between Osaka (KIX) and Detroit, Minneapolis (MSP), Seattle, Los Angeles, and Honolulu, while the Northwest designator appears on JAS connecting service from Osaka to Fukuoka and Okinawa.

On August 10, Northwest becomes the first airline to operate a new route through Russian airspace when its nonstop B-747-451 Flight 087 operates from Detroit (DTT) to Beijing via the "Polar 3" route; an hour of flight time is thus saved.

The additional China route authority announced earlier is confirmed on August 16; Northwest receives four new routes immediately and two in April.

The August 23 issue of Malcolm Ginsberg's *Air and Business Travel News* reports that the proposed "Wings" global alliance is in serious jeopardy. Abstracting a report from the previous day's London *Financial Times*, the newsletter notes that a significant disagreement between **Continental Airlines** and **KLM (Royal Dutch Airlines, N.V.)** concerning linkage and revenue sharing on transatlantic flights risks termination of the grouping and creation of a new alliance without Continental.

Company flight attendants on August 26 reject the tentative contract first announced on June 10.

Twice-daily nonstop DC-9-30 return service is introduced on September 8 between Minneapolis (MSP) and both Missoula and Kalispell, Montana.

Northwest's ninth B-747 freighter, a Dash-249F, enters service on September 1. The aircraft wears a bright half-world globe on its forward fuselage with "Investing in Pacific Trade" script titles along each side of the fuselage behind the wings. On September 15, Northwest announces a "Customers First" service plan.

A commercial agreement is signed with **Malaysia Airlines, Ltd. (MAS)** on September 23. Under its terms, the two majors will soon begin code-sharing transpacific flights. A fourth (Wednesday) weekly B-747-451 return service is added on December 1 between Detroit (DTT) and Nagoya, Japan.

The airline joins with Memphis-Shelby County Airport Authority officials on September 27 to announce a new \$400-million renovation and expansion plan for Memphis International Airport. The projects involved are scheduled for completion in **2004**. The next day, Northwest announces a plan to equip its entire fleet with defibrillators by the end of the year.

Also in September, Northwest unilaterally terminates an agreement with competing **Sun Country Airlines** to share or sell jetliner parts to the smaller concern; the move deepens already hard feelings between the two Minneapolis (MSP)-based carriers.

The situation with **Sun Country Airlines** worsens on October 13. Although Sun Country has already paid a \$500,000-a-year fee for the federally mandated training, Northwest now refuses to train the more than 600 Sun Country workers needing to learn the latest emergency evacuation procedures.

At the end of October, the carrier, and **KLM (Royal Dutch Airlines, N.V.)** terminate their 16-month-old joint Philadelphia to Amsterdam service. Also, Northwest drops its unprofitable Minneapolis-Oslo flights after only five months.

A second daily nonstop roundtrip is introduced on November 1 between (Minneapolis) MSP and Anchorage; this seasonal service will run through April 1. Also on November 1, Northwest and **KLM (Royal Dutch Airlines, N.V.)** introduce their Select line of cargo services; sub-labeled "3-Speed," the product is offered as Select 100 for urgent cargo, Select 300 for standard cargo, and Select 700 for economy cargo.

On November 2, the carrier's 10th B-747-200F is received.

Frequencies from Minneapolis (MSP) to Tokyo (NRT) are increased from seven to nine per week on November 5. The newly received 10th B-747-200F is, also on November 5, placed into service on the Pacific routes.

On November 15, Northwest is allowed to place its code aboard the daily **KLM (Royal Dutch Airlines, N.V.)** return service from Amsterdam to Nairobi and the Dutch line's thrice-weekly roundtrips from Amsterdam to Kilimanjaro and Dar es Salaam.

In an unusual incident on November 23, the captain of a company jetliner preparing to depart from Las Vegas to Detroit (DTT) suddenly departs without warning, hails a taxi, and is taken to a restaurant where he orders lunch. For delaying takeoff by over an hour, the flyer is discharged on December 7.

Daily DC-10-41 seasonal service, continuing until April 1, is launched on December 17 from Detroit (DTT) to Honolulu.

Made possible by a new "open skies" agreement between the U.S. and Italy, Northwest enters the Italian market for the first time on December 20 when it begins to code-share on **KLM (Royal Dutch Airlines, N.V.)** flights to Rome, Milan, Turin, Venice, and Bologna.

The last of 10 new A319-114s to be received since August 5 is delivered on December 28. During the period between March 4 and July 28, seven A320-212s were also received.

Passenger boardings for the year jump 11.1% to 56,114,000, while cargo swells 21.4% to 3.01 billion FTKs. Revenues advance 13.6% to \$10.27 billion, while expenses are up 3.5% to \$9.56 billion. The previous year's losses are turned into profits: \$714 million (operating) and \$300 million (net).

Airline employment at the beginning of 2000 stands at 51,823, a 2.5% increase over the previous 12 months. Among the world's top 25 airlines, Northwest is 5th in total passengers, 15th in FTKs, 10th in employees, 5th in fleet size, 9th in operating revenue, 7th in operating profit, and 11th in net profit.

On January 5, a state judge issues a restraining order against Teamsters Union Local 2000 to halt an alleged sick-out job action planned by its flight attendant members.

When mechanics examine a DC-10-41 at Newark on January 23 following the conclusion of its service from Bombay and Amsterdam, the body of a Turkish citizen is found in the wheel well. The circumstances surrounding the incident remain foggy. The first of 10 additional A319-114s to be received this year is delivered on January 24.

On January 26, Northwest's WorldPerks frequent flyer program is announced as the highest rated U.S.-based program by *InsideFlyer* magazine. Two days later, the company receives the 1999 "Airline Technology Management System" award from *Air Transport World* magazine.

Daily B-757-251 seasonal roundtrips are launched from Memphis to Fort Myers on January 31; they will run until March 30. Simultaneously, seasonal daily A320-211 return frequencies are offered from Detroit (DTT) to Cancún; these will also end on April 1. Also on January 31, the daily nonstop A320-211 seasonal return service between Memphis and Phoenix is made permanent while a second daily A319 roundtrip is begun from Detroit (DTT) to Mexico City.

Having captured the title six times, Northwest is announced by the DOT on February 2 as the most on-time U.S. airline among the seven largest U.S. network carriers for the period 1990-1999. The same day, pursuant to a court order obtained by Northwest, representatives from Ernst & Young begin searching the hard drives of computers belonging to Teamsters Union Local 2000 and 20 Northwest flight attendant members seeking sick-out related information. The airframe of a B-747-151 is donated to Western Michigan University on February 4.

Following a Local 2000 appeal, the U.S. District Court in St. Paul stays the lower court-permitted search of computer hard drives begun on February 2. Afterwards, the airline and the union resume negotiations on a new contract for the cabin crews.

On February 10, the company, hoping to snag some business-class traffic away from discount airlines, introduces its BizFlex product. The new fares are 40% less than coach fares and do not require the Saturday-night layover provision hated by many travelers. The new product had been market-tested in North and South Dakota for six months prior to its launch.

A seasonal A320-211 roundtrip service is initiated on February 12 from Detroit (DTT) to Bozeman, Montana; the frequencies will end on April 1. A block-seat, code-sharing agreement covering certain Caribbean services is signed with **Gulfstream International Airlines** on February 15.

A code-sharing agreement is signed with **American Eagle Airlines** on February 29; under its terms, Eagle places the "NW" code on its SAAB 340B services from Los Angeles to Bakersfield, Fresno, Monterey, Palm Springs, San Diego, Santa Barbara, and San Luis Obispo.

Also in February, **Continental Airlines** Chairman/CEO Gordon Bethune announces that Continental wishes to purchase back the majority stake held by Northwest in a 10-year voting trust. He promises that the strategic alliance between the two airlines will not be impacted.

Northwest is named recipient of the 1999 "Airline Technology Management" award by *Air Transport World* magazine, also in February.

The March 21 accidental cutting of a US West cable near Eagan, Minnesota, causes loss of communications at Minneapolis (MSP) and Detroit (DTW) and the subsequent cancellation of 130 flights systemwide.

Spirit Airlines files a suit in federal court at Detroit on March 29 charging that Northwest forced it to abandon its new flights from Detroit (DTT) to Philadelphia and Boston shortly after their initiation by matching the routes fares and adding more flights. It also alleges that the Minneapolis (MSP)-based major prevented it from acquiring gates at Detroit (DTT). Northwest denies the charges.

An unnamed man sneaks into the cargo hold of a company B-757-251 on March 31 and survives its subsequent flight from Seattle to Memphis. When ground workers open a cargo door, he hops out and scampers away across the tarmac, never to be seen again.

Daily DC-10-41 return service, code-shared with **Alitalia, S.p.A.**, is inaugurated from Detroit (DTW) on April 2 to both Rome and Milan. The dual-designator pact with **Gulfstream International Airlines** also begins on April 2 as the Minneapolis (MSP)-based major places its code on Gulfstream International services to and from Fort Lauderdale, Miami, Tampa, and the Bahamas.

Employing a pair of B-747-451s christened *The Asian Spirit* and *The Alliance Spirit*, Northwest, on April 11, inaugurates new twice-weekly Jumbojet roundtrip flights from Detroit to Shanghai that it code-shares with **Air China International Corporation**. The same day, block-seat code-sharing begins aboard **South African Airways (Pty.), Ltd.** services from Johannesburg to Windhoek, Namibia.

On April 20, one of the two daily summer season return flights between New York (JFK) and Amsterdam operated by **KLM (Royal Dutch Airlines, N.V.)** is given to partner Northwest, which has found itself with an extra available B-747-451.

Daily nonstop DC-9-51 roundtrips are inaugurated on May 1 from Minneapolis (MSP) to New York (JFK). On May 24, the commercial compact with **Hawaiian Airlines** is renewed for another five years.

A fourth bank of service, in the evening, is started in and out of Memphis on June 1. Each of the following cities consequently receives one new daily flight: Alexandria, Atlanta, Baton Rouge, Birmingham, Chattanooga, Chicago (ORD), Columbus, Detroit (DFW), Denver, Fayetteville, Fort Smith, Fort Walton Beach, Greenville/Spartanburg, Gulfport/Biloxi, Houston (IAH), Huntsville, Indianapolis, Jackson, Kansas City, Knoxville, Lafayette, Little Rock, Los Angeles (LAX), Louisville, Mobile, Monroe, Montgomery, Nashville, New Orleans, New York (LGA), Newark, Oklahoma City, Orlando, Paducah, Panama City, Pensacola, San Francisco, Shreveport, Springfield/Branson, St. Louis, Tulsa, Tupelo, and Washington, DC (DCA).

A fifth daily nonstop code-shared roundtrip with **KLM (Royal Dutch Airlines, N.V.)** is initiated between Detroit (DTT) and Amsterdam on June 1; the service will be flown through October 27 by a Northwest DC-10-41. Also on June 1, a new weekly B-747-251B service is inaugurated from San Diego to Tokyo (NRT) via Los Angeles and Osaka (KIX). The connection between San Diego and Los Angeles is made by an A319, the same aircraft type employed to simultaneously initiate a new daily roundtrip from Memphis to San Diego.

Also on June 1, the **Mesaba Airlines** SAAB 340 service from Detroit to Lansing is replaced with a Northwest DC-9-31, while a second DC-9-31 is added to the Michigan capital city from Minneapolis (MSP). The media reports on June 5 that Northwest has turned down a merger bid from **American Airlines** because the share tender was too low.

Daily DC-9-31 return flights are begun on June 15 from Memphis to Charlotte and complement the thrice-daily roundtrips started between the two cities the same day by Airlink partner **Mesaba Airlines**. Simultaneously, twice-daily DC-9-51 roundtrips are started from Minneapolis (MSP) to San Antonio.

Also on June 15, Northwest becomes the first airline to provide its customers with a new luggage service recovery packet, provided when a lost bag is returned to the passenger.

Two B-747-222s are purchased from **United Airlines** on July 5; converted, they will enter service in March and June 2001, giving Northwest Cargo 12 Jumbojet freighters.

Northwest is named 10th best-managed company among non-state-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

On July 12, Northwest becomes the first airline to deliver flight and frequent flyer account information on the Sprint PCS Wireless Web.

On July 13, the carrier increases from 15 minutes to 20 minutes the time it requires domestic U.S. passengers to be at the appropriate gate prior to departure in order that they not lose their preassigned seats.

Continental Airlines, beginning on July 16, places its "CO" code on Northwest daily return flights from Los Angeles to Osaka (KIX) and Tokyo (NRT) and from Seattle to Tokyo (NRT).

The company's 10th Jumbojet freighter, a B-747-212F, wearing a special color scheme promoting the carrier's Select cargo service, enters revenue service on August 16.

On August 22, *Flight International*, in its annual commercial airline survey, reports that Northwest is the fourth airline in the world in terms of revenue passenger kilometers, behind **United Airlines**, **American Airlines**, and **Delta Air Lines**.

Daily DC-9-31 roundtrips are launched on September 1 from Detroit to Charleston, South Carolina, and complement a pair of twice-daily Avro RJ85 frequencies simultaneously started between the city pair by **Mesaba Airlines**. It is announced on the same day that the company will increase its four-times-a-day B-747-451 roundtrips from Detroit to Nagoya and from Nagoya to Manila to daily service on April 1.

On September 16, Northwest begins to code-share on **Air Engiadina** roundtrips from Berne to Amsterdam.

When **United Airlines** on August 26 granted its pilots a huge pay increase, the measure, while buying that airline a certain amount of immediate labor peace, sets off a chain reaction among unions at the other major U.S. carriers. At the end of September, the local chapter of the Aircraft Mechanics Fraternal Association (AMFA) stuns Northwest with a demand for a 117% boost in average annual wages and benefits.

When **ProAir** at Detroit (DET) is shut down by FAA action on September 18, Northwest offers to handle the discount airline's valid ticket holders on a standby basis. The next day, ProAir declares bankruptcy and the offer is withdrawn.

Following a September 24 charter for the Green Bay Packers from their Wisconsin town to Phoenix and back, Northwest retires the B-747-151 employed the next day. The last passenger B-747-100 in service with any U.S. airline, the Jumbojet will be ferried to North Carolina, where its front part (including the cockpit) will be prepared for use by the Smithsonian Institution's National Air and Space Museum.

On October 13, Northwest pulls its inventory from LowestFare.com over bias in schedule displays. At mid-month, the company "borrows" a **Condor Flugdienst, GmbH**, B-757-330 for evaluation, giving consideration to a possible future order for the aircraft type.

Following its earlier introduction at Memphis, the carrier, on October 18, expands its Internet check-in service through its online Web site for customers departing Minneapolis (MSP).

The U.S. Department of Justice, having filed suit in Detroit federal court, continues to attempt to force Northwest to divest itself of its controlling stake in **Continental Airlines**. On October 25, a day before trial is to begin, proceedings are postponed until November 1 in order to allow the two airlines time to work out an agreement with the DOJ. Continental now argues that the stake is not critical to its continuing partnership with Northwest and asks that the Minneapolis-based major just sell back its investment.

The recently retired B-747-151 is ferried to North Carolina on October 26, where it will be disassembled and its nose/cockpit sent for display to the National Air and Space Museum.

Detroit (DTT) to Milan daily return service is suspended on October 28. The roundtrip service code-shared with **KLM (Royal Dutch Airlines, N.V.)** from Amsterdam to India is boosted with the displaced Milan route DC-10-41 on October 29—to Delhi (4 to 7) and to Bombay (3 to 7). The summer New York (JFK) to Amsterdam service operated by Northwest is reclaimed by **KLM (Royal Dutch Airlines, N.V.)**, as is service from Detroit (DTT) to Amsterdam.

The corporation, on November 1, proposes to Mesaba Holdings that it acquire, for \$13 a share, all of the shares of Mesaba Holdings that Northwest does not already own. The major currently holds approximately 28% of the outstanding shares and has warrants to acquire additional shares that would increase its stake to 40%. The offer is made in the wake of one made several weeks earlier by **Mesa Air Group**.

On November 6, Northwest complies with the DOJ antitrust demands and backs out of its plan to acquire a major share of **Continental Airlines**. All of its shares in the Texas major, save a token minority stake, will be sold back to Continental. The next day, the airlines, together with the acting assistant attorney general who is prosecuting the case, appear together before U.S. District Judge Denise Page Hood and gain a week's delay in court proceedings for preparation of the final settlement documents.

In breaking the story, *The Commercial Appeal* of Memphis notes that the two companies will close in about two months after a definitive accord is reached and approvals have been won from their boards, the DOJ, and certain unspecified third parties.

This prophecy will come true ten days later when the two majors announce a definitive agreement on the process of stock repurchase. On January 22, Continental will expend \$450 million to buy back the Northwest equity, giving \$100 checks to each of its 53,400 employees in celebration of this "Independence Day."

Just after takeoff from Minneapolis (MSP) for Portland on November 20, Flight 375, a B-757-251 with 179 passengers, returns to its point of origin and lands safely with a 1-ft.-diameter hole that had developed in its left wing. No injuries are reported.

Due a growing backlog of maintenance due on its aircraft in wake of the mechanics' alleged slowdown, the company, also on November 20, obtains a temporary restraining order from the U.S. District Court against its mechanics. The problem, however, continues. By late the next morning, the airline reports that 36 of 45 flights cancelled thus far are attributed to "maintenance operations issues." The day's total will reach 200.

Northwest and **Malaysia Airlines, Ltd. (MAS)** are granted antitrust immunity by the DOT on November 22; their new code-sharing agreement will be implemented in January on routes from Kuala Lumpur to Los Angeles, Tokyo (NRT), and Nagoya.

Also on November 22, a federal judge suggests he may hold the airline's mechanics in contempt for not agreeing to work more overtime and purposefully delaying aircraft departures. A show-cause hearing is scheduled for November 29. The Aircraft Mechanics Fraternal Association is prepared to argue that there are just too few mechanics employed at Northwest and that there is no organized slowdown. Another 36 flights are cancelled on November 28.

Internet Check-in becomes available to all Northwest customers flying domestically, beginning on December 1.

Northwest announces on December 5 that it will take a \$25-million pretax charge in the fourth quarter related to the sale of its Continental stock back to Gordon Bethune's Houston-based major.

Beginning on December 8, Northwest starts cancelling flights seven to eight days in advance. The same day, however, company pilots agree to begin early negotiations on a new collective bargaining agreement, even though the current agreement does not become amendable until September 13, 2002.

By December 9, Northwest has scrubbed approximately 20% of its 1,700 daily departures.

At this point, the carrier issues a new policy requiring its mechanics to work double (12–16-hour) shifts to help clear the backlog. The local chapter of the Aircraft Mechanics Fraternal Association immediately raises strong safety concerns. On December 11, AMFA national director O. V. Delle-Femine issues a statement indicating that the maintenance backup at Northwest has been caused by the airline's refusal to hire additional mechanics and not by a work slowdown by those already employed. He notes the irony that the carrier is negotiating with its pilots, but not with AMFA.

Also on December 11, a Midwest snowstorm shuts down Chicago (ORD) and associated freezing plays havoc with traffic to and from Detroit (DTT). At the latter point, over 500 people are stranded.

All flights to Memphis are cancelled on December 13 due to freezing rain and ice. At Detroit, where many flights are again shut down, Flight 997 for Miami causes acute embarrassment. A total of 139 passengers

are shuttled on and off their aircraft 3 times over 9 hours before the flight is finally cancelled. Fearing a reprisal of memories of the January 1999 fiasco when 6,240 Northwest travelers were stranded aboard aircraft at Detroit, the company immediately offers its apologies. It also gives each of the passengers \$200 in expense money and a free roundtrip ticket. Those missing connections with cruise ships are flown free to ports where the ships might be met. Less than a month later, on January 11, the carrier, without admitting wrongdoing, will pay a lump sum \$7.1-million settlement to compensate those stuck inside grounded planes on January 2, 1999.

On the plus side, it is also announced on December 13 that a third weekly Detroit–Shanghai nonstop passenger roundtrip and an all-cargo service will be added on April 1. The move comes just as the DOT is making an award of 10 new weekly all-cargo frequencies to China, 2 of which go to **United Airlines**, along with 6 to **United Parcel Service (UPS)** and 1 each to Northwest and **Federal Express (FedEx)**.

The company's daily seasonal nonstop Jumbojet return service from Minneapolis (MSP) to Honolulu is made permanent in mid-December. On December 18, Northwest begins to place its code on the services of **Air China International Corporation** connecting Beijing, Shanghai, and Guangzhou with Shenyang, Xian, Nanjing, Qingdao, Chengdu, and Xiamen. The last of 10 A319-114s to be delivered since January arrives at Minneapolis (MSP) on December 19.

Caught on videotape by KSTP-TV cameramen working on another pre-Christmas story, three baggage handlers are suspended on December 21. The news footage shows the three unloading packages from a Northwest plane at Minneapolis (MSP) and tossing them high into the air like basketballs into a bin. A number of parcels are also shown missing and hitting the ground. The union representing the three workers blames the incident on the airline's outdated equipment.

Following a meeting, also on December 21, during which both sides offer new proposals, the National Mediation Board approves the 1resumption on January 8 of negotiations between Northwest and the AMFA.

A number of A320-212 winter season Saturday return services are initiated on December 23, including Detroit (DTT) to Montego Bay and Punta Cana and Minneapolis (MSP) to Grand Cayman, Puerto Vallarta, and Punta Cana. The Puerto Vallarta from Minneapolis (MSP) route is operated daily beginning on December 31. All of these holiday flights will end in April.

Customer bookings rise 4.6% to 58.72 million. Revenues for the year as a whole increase 11.1% to \$11.42 billion, while expenses surge 13.4% to \$10.85 billion. Operating gain falls 20.3% to \$569 million and net gain drops 14.7% to \$256 million.

It will be reported on February 21, 2001, that Chairman/President/CEO Dasburg, the longest-serving current head of a major U.S. airline after Herbert Kelleher of **Southwest Airlines**, will become chairman/CEO of Burger King on April 1. He will be succeeded as chairman/CEO by Chief Operating Officer Richard Anderson, with Executive Vice President Douglas Steenland becoming president.

NORTHWEST AIRLINES (ISLE OF MAN), LTD.: United Kingdom (1950–1952). In late 1949, **British European Airways Corporation (BEA)**, which has flown numerous unprofitable routes from the Isle of Man for three years, announces that, henceforth, it will provide only "essential links." Associate companies will, however, receive subsidy to provide these services.

During 1950, two small Isle of Man-based charter operators, **Manx Air Charter, Ltd.** and **Mannin Airways, Ltd.** negotiate a merger so that, combined, it might be strong enough to take over the abandoned BEA routes. The discussions fail and Mannin Airways, Ltd. elects to join with **Ulster Aviation, Ltd.** to create Northwest Airlines (Isle of Man), Ltd.

Northwest successfully acquires a two-year BEA associate contract and with 2 Douglas DC-3s, formerly operated by **British Overseas Airways Corporation (BOAC)**, the new entrant launches scheduled flights

from the Isle of Man to Belfast, Blackpool, Carlisle, Glasgow, Liverpool, Manchester, and Newcastle. Unhappily, the state carrier refuses to guarantee subsidy beyond two years. Thus, in 1952, Northwest sells its aircraft and agrees to have its remaining assets purchased by **Lancashire Aircraft Corporation, Ltd.**, which is already flying its own Blackpool to Manchester route.

NORTHWEST AIRWAYS: United States (1926–1934). When the **Charles Dickinson** operation gives the required 45-day notice of route abandonment on August 1, 1926, St. Paul Chamber of Commerce official Lewis H. Britten steps in. Britten, who had backed Dickinson and overseen financing for construction of the local airport, secures sufficient backing from 29 Minneapolis and Detroit business acquaintances (including Henry Ford) to start a company he names Northwest Airways, incorporated under Michigan law, on September 1, with a base at Wold-Chamberlain Field.

As general manager, Britten makes application and wins U.S. Post Office's Contract Air Mail (CAM) Route No 9 (Chicago–Milwaukee–Minneapolis) when it is put up for rebid on September 30. Four pilots are now hired: Robert Radoll, Charles W. "Speed" Holman, Chester Jacobson, and David Behncke (later first president of ALPA) and these join five other employees. Three Stinson SB-1 Detroiters are ordered for a total of \$39,000, while one each Curtiss K-6 Oriole and Thomas Morse Scout are chartered from William A. Kidder, owner of Curtiss Northwest Airplane Company, which Kidder employed to inaugurate mailflights on October 1.

Taking off from Minneapolis, one of the aircraft is forced to crash and is replaced by a second leased Oriole. Having compensated others on Britten's behalf to yield delivery slots, Edward "Eddie" Stinson delivers his Detroiters, the nation's first closed-cabin commercial planes, allowing the Oriole and Scout to be returned to their owner. Capt. Dave Behncke arrives on November 1 and Detroit flights begin on November 2. The same day, Stinson and Charles "Speed" Holman fly the second and third all-black aircraft, nicknamed "Blackbirds," to Minneapolis.

The Blackbirds are repainted late in the second quarter of 1927 as the company prepares to host the traveling public. A new roundel, the airline's first corporate insignia, is introduced bearing gold wings centered on a blue-black, white and red background. One-way passenger flights of \$40 are begun on July 5 between the Minneapolis/St. Paul and Chicago via La Crosse, Madison, and Milwaukee; these continue for three months before severe weather forces cessation. During those months, a total of 106 travelers are boarded. It is also during those months that Holman, chief pilot and a noted stunt flyer, and Behncke clash over aircraft safety; a feud develops leading to Behncke's termination. The fired man goes to work for **Boeing Air Transport** and becomes an active labor leader; his onetime boss will be killed while stunting in an Omaha air show four years later. By late December, the Chicago–La Crosse route is lighted, allowing night flights.

In 1928, the company begins the route expansion that would eventually make it one of the world's largest airlines. Weekly Minneapolis (MSP) via Fargo to Winnipeg service starts on February 1, the company's first international routing. Scheduled air express flights are launched on April 2. Three WACO Taperwings are added to the mail routes. Permanent passenger service is launched on June 7. On September 1, the carrier, employing the second-built Ford 5-AT-2 acquired from its builder just the day before for \$65,000, begins the first coordinated U.S. air-rail service in connection with three railroads.

Under the plan, the company's trimotor, *Grey Eagle*, departs Minneapolis (MSP) with air-rail passengers boarded from Northern Pacific Railroad's morning arrival from the Pacific Coast and arrives at Chicago's Cicero Field three hours later allowing the passengers to catch east-west rail connections. Two other railways will join Northern Pacific at a later date. Minneapolis to Green Bay flights begin on September 15 via Fond Du Lac, Oshkosh, Neenah-Menasha, and Appleton, Wisconsin. Ford 5-AT-3 is delivered on October 6 and joins two

Hamilton H-47 Metal Planes, nicknamed Silver Streaks, during the month in replacing the Detroiters on the Chicago route.

The SB-1s are moved to a new feeder service which, beginning on December 15, connects Green Bay to the main trunk at Milwaukee via Appleton and Fond du Lac. At year's end, the workforce totals 30 and revenues are some \$300,000. That fall, Ford 5-AT Tri-Motors are placed on line and, on December 15, a route is established from Milwaukee to Green Bay. In the six months of the company's second passenger flying year, 6,000 passengers are transported.

Passenger service is inaugurated to Rochester, Minnesota, on May 1, 1929; later in the month, a third Hamilton Metalplane is acquired from its manufacturer. The Ford 5-AT-48 is delivered on June 14. Just after takeoff from the St. Paul airport on June 24, all three engines of Ford 5-AT-2, en route to Minneapolis with eight passengers, quit; the plane crashes near Indian Mounds Park (one dead). It is replaced in service by Ford 5-AT-48 on July 1. Night-airmail flights begin from Minneapolis–Chicago on August 1, the same day the government adopts Northwest's "U.S. Air Mail" insignia for all carriers.

On October 1, Northwest Airways is reorganized under Delaware law and via **Transcontinental Air Transport (TAT)**, the holding company North American Aviation acquires substantial stock. During the year, the airline becomes one of the first to uniform its flight crews; pilots wear navy blue uniforms with double-breasted coats sporting brass buttons and gold trim. The one-millionth mile flown is recorded on December 31 as passenger enplanements reach the 6,000 level for the year.

A fourth Stinson Detroiters is purchased from L. S. De Long in February 1930 and in March, service is added to Rockford and Elgin, Illinois, and Janesville, Wisconsin. Congress passes the McNary-Watres Act on April 29 while, also in April, the airline purchases a fourth H-47, this one from C. H. Keller. Weekly flights, Twin Cities to Sioux City and Omaha begin in May, but are later suspended. Because Manager Britten wanted to start a northern transcontinental route in opposition to certain Post Office backed ideas for expansion, Northwest and its officials are pointedly—and fortuitously—not invited to attend the so-called "Spoils Conference" hosted by Postmaster General Walter Fogler Brown in Washington, D.C. in May.

On June 25, a hangar fire at Chicago destroys a Stinson SB-1 and the Ford 5-AT-3. The carrier's first ground radio installation is purchased and the Nebraska operations base is moved to St. Paul's downtown airport. Thereafter, the carrier expands westward, city by city, through the Dakotas, Montana, the western Canadian provinces, and Washington, picking up additional passengers and mail contracts along the way. E. L. Cord sells Northwest his Stinson SM-2AB Junior in July and on September 27, a gale blows over the 5-AT-48 at Chicago; the badly damaged aircraft will be repaired at the Ford factory during the winter.

The Tri-Motor 5-AT-58, having been employed by Ford as a demonstrator, is purchased on January 31, 1931. The aircraft will be flown by several owners over the next 25 years, but in 1956, it is briefly reacquired by the successor organization, **Northwest Airlines**, under lease from **Johnson Flying Service**, to make a commemorative transcontinental flight. Daily North Dakota service is inaugurated to Winnipeg on February 2 via Fargo and Grand Forks; later in the month, two more Hamiltons are acquired, these from Boeing. After shakedown preparations, Ford 5-AT-58 is placed into service on April 18. A Sikorsky S-38 amphibian is acquired in late April and employed to initiate services to Duluth (which has no airport) on May 31. Earlier in the month, the last new Hamilton Metalplane is purchased from its builder.

On June 2, the Bismarck route is extended as stops are made at Valley City and Jamestown. Also in June, the company buys its last H-47s, one each from D. W. Norris and **American Airways**, along with three Travelair 6000As. Manager Britten now spends much of his time in Washington, lobbying for permission to extend his company's routes to the west. A frugal man, Britten keeps his files at the office of his attorney, William P. MacCracken Jr., assistant secretary of commerce. The final Ford Tri-Motor B, 5-AT-42, is purchased from Standard Oil on

August 1, while the company's last surviving SB-1 Detroiters is sold to G. Gabriel Lamiord in November.

Flights—and accidents—continue in 1932. En route to Chicago with mail on January 21, the Stinson SM-2AB Junior, piloted by Charles Rousch, crashes in poor weather at Calvin Park, Illinois; Rousch attempts to parachute but his rig is caught in the tail assembly and he is killed. While en route from St. Paul to Chicago on April 12, Ford 5-AT-42 piloted by Mal B. Freeburg, literally loses its starboard engine over the Mississippi River; despite a damaged right landing gear, the aircraft is safely landed at Wabasha, near Rochester.

Chief pilot Charles W. "Speed" Holman loses his life in an air show accident in Omaha on May 17. A former banking official and Minnesota native returned from New York City, Croil Hunter, is appointed traffic manager. The leading edge of the right wing of Ford 5-AT-42 is damaged in a June 16 ground collision with a taxiing Stinson Tri-Motor. A Travelair 6000A is acquired, also in June, but is quickly sold to **Canadian Airways, Ltd.** in July; the following month, a Stearman C3B is purchased for the mail service. A second Sikorsky S-38 is purchased in December for the Duluth service.

With Amelia Earhart along as an observer, a Ford Tri-Motor makes a proving flight from Minneapolis to Seattle in January 1933. In February, a Hamilton is lost in a fire. Later in the month, Northwest inaugurates night passenger flights between Chicago and Minneapolis (MSP). The route is stretched westward to Billings via Bismarck, Glendive, and Miles City, on March 2. One of the Travelair 6000As is sold to Mike Cafferelo in May. On June 1, the company is purchased by the North American Aviation subsidiary of General Motors.

Because NAA holds more than one major airline, which is against a policy of Postmaster General Walter F. Brown, it is required to divest itself of Northwest. Minneapolis (MSP) businessmen buy control of Northwest Airways on July 1. Britten becomes senior vice president and Croil Hunter is appointed vice president-general manager.

In August, Ford Tri-Motors replace Hamilton metal planes on the Minneapolis (MSP)–Chicago night service. Simultaneously, passenger baggage limits rise from 30 to 40 pounds per person. While taxiing at Chicago on August 30, the 5-AT-58 suffers the loss of its right wheel hub; the accident forces the aircraft to nose up and fall on its tail, breaking the Ford's back. While flying over West Salem, Wisconsin, on September 20, the ill-fated 5-AT-42, again piloted by Mal Freeburg, loses a propeller from its port engine; although the engine itself does not drop off, the landing gear below it is damaged. Still, Freeburg is able to make a safe, one-wheel landing at La Crosse.

The westward route is extended to Spokane via Helena, Butte, and Missoula on October 23. On the last day of the month, a stop is added at Dickinson, North Dakota; however, a reduction in federal mail subsidy leads to cancellation of flights to Madison, Green Bay, and Duluth. On December 3, Northwest becomes the country's northern transcontinental air carrier when flights link Spokane and Seattle. The next day, service starts to Tacoma.

These West Coast stops represent the successful culmination of a yearlong battle with **United Air Lines** over who would win government approval to, in fact, fly into the Northwest. In a December 13 White House ceremony, President Franklin D. Roosevelt awards pilot Mal Freeburg the Air Mail Flyer's Medal of Honor for his skill in landing the damaged Ford Tri-Motor at Wabasha in April 1932 and the 5-AT-42 at La Crosse in September. Between December 15 and December 30, three Lockheed Orion 9Ds are purchased from their manufacturer.

In January 1934, the U.S. Senate's Special Committee on Investigation of Air Mail and Ocean Mail Contracts, chaired by Alabama Democrat Hugo L. Black, begins to examine the airmail activities of the previous Republican administration. Among the exhibits sought are the files of attorney MacCracken and his clients, including Britten. The files of Northwest's president are most complete, almost diary-like in the amount of gossip correspondence written down.

Britten attempts to remove and destroy this evidence; however, investigators are able to literally piece much of the torn-up material back

together and it is presented before the Committee. Senator Black brings Britten up on charges of contempt of Congress and organizes a Senate trial at which the former company official (Britten had resigned at the start of the trial to spare Northwest from embarrassment) is convicted. He will serve 10 days in jail as the only airline executive to be imprisoned as a result of the airmail hearings.

Meanwhile, as a result of the "Airmail Scandal," President Roosevelt cancels the existing airmail contracts in February and turns the mail business over to the Army Air Corps which, while willing, is not up to the task. In late March, the Post Office allows companies and individuals not involved in the 1930 Spoils Conference to rebid the old routes. Prior to the contract awards on April 20, the carrier is reincorporated, under Minnesota law on April 16, changing its title to **Northwest Airlines, Inc.**

NORTHWEST COMMUTER: United States (1969). Northwest Commuter is founded at Everett, Washington, in early 1969 to provide Piper PA-23 Aztec commuter flights to Seattle. The service ends after only a few months.

NORTHWEST INTERNATIONAL JET, LTD.: Vancouver International Airport, 125-5360 Airport Road South, Richmond, British Columbia V7B 1B4, Canada; Phone (604) 273-5573; Fax (604) 273-4009; Year Founded 1993. NI is set up at Vancouver Airport in 1993 to provide executive and small group passenger charters throughout Canada and the U.S. Milton Woods oversees the work of five pilots and schedules the concern's two Cessna 550 Citation IIs.

NORTHWEST JET: 7000 Merrill Ave., Hangar 31, Chino, California, 91710, United States; Phone (909) 597-9999; Fax (909) 597-6569; Year Founded 1987. NJ is founded at Chino Airport in California in 1987 to provide domestic and worldwide executive and small group passenger charters. Within 13 years, the company employs 10 pilots and operates a fleet that comprises 1 each Learjet 25G, Learjet 36A, Grumman 980 Commander Jetprop, G-500 Aero Commander, and Swearingen Metro.

NORTHWEST ORIENT AIRLINES. See **NORTHWEST AIRLINES.**

NORTHWEST SEAPLANES: 860 W. Perimeter Road, Renton, Washington 98055, United States; Phone (425) 277-1590; Fax (425) 277-8831; <http://www.nwseaplanes.com>; Year Founded 1988. NW Seaplanes is established at South Lake Washington at the Renton Airport in 1988 to operate passenger charters to Seattle/Tacoma International Airport, the San Juan Islands, and Victoria. Additionally, the company operates a variety of charters to various bush and nonscheduled locations, including area lodges, resorts, and fishing hot spots.

In 2000, the fleet features 7 float-equipped de Havilland Canada DHC-2 Beavers and 2 Panther Converted Piper PA-31-350 Navajo Chieftains.

NORTHWEST TERRITORIAL AIRWAYS, LTD. (NWT AIR): Canada (1961–1998). Robert P. Engle forms this carrier in a warehouse in Yellowknife, capital of the Northwest Territories, late in 1961. Employing a lone Douglas DC-3, Engle launches nonscheduled charter services to bush destinations throughout the area in 1962.

In 1963–1967, the operation is gradually enlarged and the fleet is increased by the purchase of four more DC-3s and a Beech 18. All manner of items are transported from husky dogs to cancelled bank checks. A DC-3 begins the carrier's first scheduled service in 1968 from Yellowknife Airport to Coppermine.

In 1969–1975, two de Havilland Canada DHC-6-300s and two former **Canadian Pacific Airlines, Ltd.** DC-6Bs are employed to assist the DC-3s in regular flights to such additional destinations as Holman Island, Cambridge Bay, Gjoa Haven, Spence Bay, Hall Beach, Fort Simpson, Norman Wells, Pelly Bay, and Rankin Inlet. Meanwhile, charter and

contract service operations are undertaken for oil and mineral industries. A DC-3 is lost in a crash at Somerset Island, Northwest Territories, on May 13, 1971 and one is withdrawn in 1975.

When **International Jet Air, Ltd.** of Calgary declares bankruptcy in 1976, its three Lockheed L-188As are purchased for an average price of C\$300,000 and placed in service. A DC-3 is sold that year and one early the next.

Under contract to Dome Petroleum in 1977, an Electra provides contract flights from Calgary and Edmonton to Tuktoyaktuk on the Arctic coast. Although another DC-3 is sold in 1978, Douglas services continue as before; however, the one DC-6B is sold in July.

Having received a license to operate Lockheed L-382G Hercules freighters back in 1973, owner Engle acquires such an aircraft from the South African carrier **Safeair Freighters (Pty.) Ltd.** under charter in September, basing it in London to undertake gold bullion flights. The DC-6B is employed to inaugurate a new route from Yellowknife to Coppermine via Cambridge Bay in November. In December, the carrier acquires a northern transcontinental route from its base to Frobisher Bay via Rankin Inlet.

The last DC-6B is sold in January 1979 and a second Hercules, also leased from **Safeair Freighters (Pty.), Ltd.**, joins the fleet in May.

An ex-military C-47 is acquired in April 1980. In October, the carrier links its Yellowknife base with the small communities of Pelly Bay, Spence Bay, and Gjoa Haven.

The second leased Hercules is returned in May 1981 leaving the first to operate a **Purolator Courier** trans-Canada service alone until joined by an L-188AF in July. Meanwhile, in June, an ex-**Pacific Western Airlines, Ltd. (PWA)** L-382B is acquired. Having acquired the former PWA Winnipeg–Yellowknife service, also in June, Electra flights are introduced over that route in August.

Austin Airways, Ltd. now inherits the **Purolator Courier** contract that NWT Air can no longer fulfill. Significant route expansion begins in December. Two new routes are opened from Winnipeg—to Rankin Inlet and Yellowknife and to Yellowknife direct. Additionally, the DC-3 fleet, stabilized at five, opens services from its base to Fort Liard and Fort Nelson via Fort Simpson.

A former **Pacific Western Airlines, Ltd. (PWA)** L-100-20 catches fire while unloading a cargo of gasoline at a point 200 mi. E of Inuvik on April 11, 1982; although the aircraft is destroyed, its crew escapes injury.

After the failure of **Swiftair Cargo, Ltd.**, the company, beginning in October, assumes the defunct carrier's transcontinental all-cargo route. Nightly, three leased L-188s from opposite directions fly the Toronto, Winnipeg, Edmonton, and Vancouver return service. Domestic and scheduled services continue across the Northwest Territories and to points in Manitoba, British Columbia, Alberta, and Ontario. The Hercules undertakes occasional outsized cargo charters to destinations outside of Canada.

An ex-Imperial Oil Electra joins the fleet in June 1983 and in December of that year, the leased **Safeair Freighters (Pty.), Ltd.** L-382G is returned when the last available PWA L-382G is purchased.

The fourth and fifth Electras join the carrier's fleet in May 1984, allowing NWT Air to take over **Air Canada, Ltd.**'s high priority Gold Label Vancouver–Toronto night courier service flown via Calgary, Edmonton, and Winnipeg. The following month, weekly DC-3 service is initiated between Cambridge Bay and Homan Island and between Hall Beach and Pelly Bay. The direct Winnipeg–Frobisher Bay run is discontinued.

The stops on the trans-Canada night cargo run are rearranged somewhat in April 1985 and a DC-3 cargo frequency is opened between Edmonton and Calgary. A **City Express, Ltd.** Saunders ST-27 is wet-leased to link Montreal and Ottawa with the Toronto cargo terminal. The Hall Beach–Pelly Bay service ends in October, being replaced by flights from Pelly Bay to Gjoa Haven. Airline employment is now 140.

In March 1986, the carrier's cargo operation is pooled with that of **Air Canada, Ltd.** into a joint venture delivery system, allowing first-time

initiation of overnight cargo services to various destinations in the Northwest Territories. In September and October, two Electras are sold to **Falcon Cargo, A.B.** in Sweden and are replaced by an L-188A formerly flown by **Reeve Aleutian Airways**. Another L-188A is leased from Reeve for 10 months in February 1987. The following month, the company joins the "Air Canada Connector" commuter network and in April begins feeder services from Edmonton–Yellowknife and from Cambridge Bay–Coppermine and Holman Island. The state carrier purchases 90% controlling interest in November, with the original owner Robert Engle retaining 10% shareholding.

Toronto is suspended as a cargo terminus in early 1988, leaving NWT Air to fly nightly from Winnipeg–Edmonton via Regina and Saskatoon. Inuvik–Yellowknife–Edmonton L-188A flights begin in the spring and during the summer, thrice-weekly offerings are undertaken between Inuvik and Frobisher Bay via Yellowknife and Rankin Inlet.

A DC-3 is sold in October while a Boeing 737-210C is leased from **American Airlines** and placed into service in November, the same month an L-188A and the two of the last three DC-3s are sold. During the year, Air Canada assumes 100% ownership.

In early 1989, the decision is taken to concentrate solely on services to the Arctic. In February, another Boeing 737-210C is acquired from **American Airlines** and the Winnipeg–Yellowknife route is dropped in March. An understanding is reached with **First Air, Ltd.** to alternate trans-Canada flights north of the 60th parallel and the Edmonton route is extended to Calgary.

The fleet in 1990 comprises 2 leased B-737-210Cs, 3 L-188s, and 1 L-382G Hercules. Founder Engle retires.

Two of the Electras are withdrawn in 1991 and the last Electra is deleted in 1992. Late in the year, the two B-737-210Cs are purchased and a B-737-275C is chartered from **American Airlines**. In 1993, President/General Manager Dan Murphy oversees a workforce of 160. Destinations visited on a regular basis now include Calgary, Edmonton, Yellowknife, Cambridge Bay, Rankin, and Winnipeg.

The fleet of the "Air Canada Connector" partner in 1994 includes 2 owned B-737-210ACs and 1 each B-737-275C (leased), British Aerospace BAe 146-200, and L-382G (leased). Following **Air Canada Ltd.**'s January corporate makeover, the carrier spends the remainder of the year changing the color schemes of its aircraft to match.

Operations continue apace in 1995–1996.

On January 10, 1997, 900 pilots from the other four "Air Canada Connector" airlines go on strike over merged seniority lists. NWT Air is not immediately affected, as its flyers do not participate. When the job action is concluded in early March, **Air Canada, Ltd.** begins a review of its entire regional airline situation. The examination, driven not only by the strike, but by the start up of deep-discount competitors **Vistajet, Ltd.** and **Greyhound Air, Ltd.** as well, results in the major's decision to sell off NWT Air.

Flights under Northwest Territorial Airways continue until June 24, 1998, when the longtime northern pioneer is merged into **First Air, Ltd.**

NORTHWESTERN AIR LEASES, LTD.: Canada (1994–1998). Terry Harold sets up NAL at Fort Smith in 1994 to operate both scheduled and charter flights throughout the Northwest Territories. The fleet includes 1 each Cessna 337C, Cessna 401, British Aerospace BAe Jetstream 31, and 2 Beech 99s. The latter three aircraft are devoted to scheduled flights, which continue until the company shuts down in 1996.

NORTHWESTERN AIRWAYS (PTY.), LTD.: Australia (1938–1940). Northwestern Airways (Pty.), Ltd. is founded at Sydney in the early spring of 1938. After obtaining a de Havilland DH 90 Dragonfly, the company inaugurates unsubsidized service from Sydney to Moree via Tamworth on March 17.

Traffic does not materialize and as a result, flight operations cease on October 20, 1940.

NORTHWESTERN ARCTIC AIR: 6231 S. Airpark Place, Anchorage, Alaska 99502, United States; Phone 907 245-4566; Fax 907 245-4567; Year Founded 1998. NAC is established at Anchorage International Airport in 1998 to operate executive and small group passenger charters. Revenue flights begin with a single Learjet 25B.

NORTHWESTERN EXECUTIVE AIR: 7205 Perimeter Road South, Boeing Field, Seattle, Washington 98108, United States; Phone (206) 767-2539; Fax (206) 767-2549; <http://www.guides.com/acg/northwestern>; Year Founded 1995. One of the largest executive and small group charter operators in the Pacific Northwest, NEA is established at Seattle in 1995. Flights begin to domestic and worldwide destinations with a fleet that comprises 1 Dassault Falcon 50, 1 Grumman G-1159 Gulfstream II, 1 Learjet 55 Longhorn, and 2 British Aerospace BAe (HS) 125 Hawkers.

NORTHWINDS NORTHERN, LTD.: Canada (1988–1996). Lawrence Yusishen establishes Northwinds at Thompson, Manitoba, in 1988 to provide scheduled passenger and cargo flights linking the company's base with Cross Lake and Norway House. Operations commence with 3 Britten-Norman BN-2 Islanders, 2 Piper PA-31-350 Navajo Chieftains, 2 PA-31-310 Navajos, and 1 PA-34 Seneca.

Ray Bayer is appointed general manager in 1990 and flights begin to Winnipeg. The fleet is increased by the addition of a Beech Super King Air 200. In 1991, the Seneca and Super King Air are replaced by a de Havilland DHC-2 Beaver. A DHC-3 Otter is purchased in 1992.

Operations continue apace until 1996.

NORTJET, S.A.: Spain (1988–1992). Nortjet is organized as a charter airline at Madrid in late 1988 and a contract is placed with GPA, Ltd. for the lease of three Boeing 737-4Y0s. Revenue flights commence in early 1989 after delivery of the first aircraft. A total of 376,575 passengers and 51.73 million FTKs are flown by the 153-employee airline during its first full year of service. Although revenues are \$32 million, expenses are \$33.9 million and force and operating loss of \$1.9 million.

Operations continue apace in 1990 as plans are made to offer scheduled services with a British Aerospace BAe 146-200. In light of world recessionary and political developments, the idea is abandoned in 1991. Unable to maintain its viability, the carrier is forced to shut its doors on February 12, 1992.

NORVING, A.S.: Norway (1959–1990). Originally formed at A.S. **Varangfly** at Kirkenes in July 1959, this company begins de Havilland Canada DHC-2 Beaver charter operations on June 20, 1960. Nonscheduled operations, including air ambulance and general charter flights from bases at Kirkenes, Alta, Hammerfest, Tromsø, Bodo, Bronnøysund, Skien, and Bergen continue for 11 years until April 1, 1970, when the company is renamed **A.S. Varangfly-Norwings** and begins scheduled services. Flights link the Kirkenes to Vadsø and Batsfjord.

The corporate image is changed again on July 1, 1972 when the airline is renamed **A.S. Norving**. Over the next decade, the fleet grows to comprise 5 Cessna 404 Titans, 4 Britten-Norman BN-2 Islanders, 1 Cessna 441, 1 Piper PA-31-350 Navajo Chieftain, 3 PA-31-310 Navajos, 1 DHC-3 Otter, and 1 DHC-2 Beaver.

In 1981–1982, Norving becomes the first to take delivery of the new Dornier 228-100 turboprop as passenger boardings rise from 49,510 to 52,190.

In 1983, the commuter airline **A.S. Nordsjofly** is taken over as a subsidiary and the carrier's scheduled is significantly increased. Domestic points now visited include Alta, Batsfjord, Bergen, Farsund, Hammerfest, Hasvik, Haugesund, Kirkenes, Oslo, Skien, Stavanger, Tromsø, and Vadsø.

Regional markets include Kiruna, Sweden, and Rovaniemi, Finland. In addition, replacement services are undertaken by the 152-employee company for **SAS (Scandinavian Airlines System)** linking Trondheim with Sundsvall and Östersund in Sweden. Customer bookings skyrocket 106% to 107,555.

Enplanements for 1984 total 150,000 and the fleet in 1985 comprises 4 Dornier 228-100s, 2 Fairchild-Swearingen Metro IIIs, 2 Beech 99s, 1 Navajo Chieftain, 4 Islanders, 5 Cessna 441C Conquests, and 2 404 Titans.

By 1986, Managing Director Hans Hate's fleet has been upgraded further by the addition of three SAAB-Fairchild SF340s, a fifth Dornier, and four Chieftains; gone are the BN-2 Islanders. A.S. Nordsjofly is fully absorbed during 1987. Over the next two years, the company encounters rising financial difficulties. On February 1, 1988, after the company's failure to win a government air ambulance contract or approval for higher fares, scheduled services are halted and most of the routes are turned over to **Norsk Air, A.S.**

Per Lie is named managing director in 1989. Severe cost cutting measures are put in place, including retirement of the entire fleet save two Dorniers and an Islander. These transport a total of 25,000 passengers on the year. Early in 1990, the company's routes are transferred to Wideroe's and Norving ceases operations in May.

NORWAY AIRLINES, A.S.: Norway (1991-1992). A part of the **Air Europe, Ltd.** empire since 1989, Norway Airlines is reformed at Oslo in the spring of 1991 under the auspices of the Trans Nordic Airlines alliance, initially comprised of **Sterling Airways, A.S.** and **Transwede, A.B.** Two Boeing 737-33As are acquired and employed to begin 12-times-a-week revenue services to London (LGW) during the summer. Between July and December, enplanements total 198,730.

In the spring of 1992, the 123-employee carrier applies for several new routes and trades in its Boeings for 2 machines leased from Transwede: a McDonnell Douglas MD-83 and an MD-87. As the world recession deepens, the airline encounters severe financial difficulties.

The new routes are not inaugurated and during the summer, only the MD-87 is flown. The company is unable to maintain its viability and closes its doors in bankruptcy on October 14. Norwegian authorities rebuff a December 10 purchase offer from **Air Holland Charter, B.V.**, which has demanded, as part of its rescue package, that the 12 weekly roundtrips to London be maintained.

Efforts at refinancing continue throughout 1993-1994. Several of its aircraft will remain out under charter commitments for the next two years.

NORWEGIAN AIR SHUTTLE, A.S.: P.O. Box 115, Oksenoyveien 10, Oslo, N-1331, Norway; Phone 47 67 583 777; Fax 47 67 583 277; <http://www.norwegian.no>; Code BS; Year Founded 1993. Following the December 1992 bankruptcy of **Busy Bee of Norway, A.S.**, a wholly owned subsidiary of the shipping conglomerate LG Braathens, S.A., the assets are reformed by the former regional's management on January 23, 1993 and is given this new corporate identification, including livery and logo. Ownership is divided between Bjorn Kjos (45%), Svein Klev (20%), and the 5% shareholders Arne Jan Eggan, Bjorn Halvor Kise, and Oyvind Hovengen.

Having helped to raise Nkr 2 million in start-up capitalization, the former president, Einar Fjeldstad, remains as managing director. He oversees a workforce of 175, including 55 hired from the ashes of the predecessor airline, and a fleet of 5 Fokker 50s, 3 of which are wet-leased to **Braathens SAFE, A.S.**, and 10 F.27s.

In addition to ad hoc charter and contract service flights, the company also undertakes replacement frequencies for **Braathens SAFE, A.S.**, **Wideroe Norskair, A.S.**, and **KLM Cityhopper, B.V.** Minority owner Klev becomes managing director in 1994. Revenues total Nkr 51.56 million and a net Nkr 4.74-million profit is reported.

Flights continue in 1995-1997. Revenues in these years total Nkr 86.63 million, Nkr 103.29 million, and Nkr 120 million; profits are reported during the first two years noted, Nkr 1.06 million and Nkr 5.91 million, respectively. The workforce is reduced from 79 in 1995 to 77 in 1997.

The fleet in 1998 comprises 4 Fokker 50s. Destinations visited from Oslo include Stavanger, Bergen, Trondheim, Alesund, Kristiansund, and

Molde. The nation's fourth largest airline makes plans to bid on the short-field contract, presently held by **Wideroe's Flyvelskap, A.S.**, when Norway's department of transportation puts it up for bids on April 1, 2000.

During the weekend of January 15-18, 1999, company cabin crews strike for more pay. Approximately 50 departures each day are cancelled to South Norway and Trondheim, with approximately 1,500 passengers affected.

With the beginning of the summer schedule at the end of March, NAS continues to operate replacement flights for **Braathens, A.S.** in western Norway. Approximately 60 daily departures are operated to and between Kristiansand, Stavanger, Haugesund, Bergen, Molde, Kristiansund, and Trondheim.

During the summer, **Helikopter Service, A.S.** and its Tromso-based subsidiary **Lufttransport, A.S.** are taken over by **Canadian Helicopter Corporation, Ltd. (CHC)**. On November 1, daily Fokker 50 roundtrips commence between Bergen and Aberdeen, Scotland.

Enplanements for the year reach 500,000. A total of 17,670 replacement flights on behalf of **Braathens, A.S.** are completed.

The Braathens, A.S. replacement flights continue in 2000. Meanwhile, during the first half of the year, **Canadian Helicopter Corporation, Ltd.** undertakes a program of rationalization, selling off a number of noncore operations. Among these is **Lufttransport, A.S.**, which is passed to Norwegian Air Shuttle, A.S. on July 14 in consideration of a sum of Nkr 85 million (C\$14.3 million).

On August 22, a Fokker 50 is subleased from **KLM Cityhopper, B.V.** The TCAS sounds aboard an **SAS (Scandinavian Airlines System)** B-737-683 from Oslo as it approaches Alesund on August 26 because it has, at the direction of ATC, entered onto the same flight path as a NAS Fokker 50 en route from Molde to Bergen. The jetliner is able to increase its height, avoiding the turboprop.

It is announced on November 17 that the company is operating Fokker 50 replacement services from Stockholm to Newcastle on behalf of **Braathens, A.S.** To accommodate the new offering, flights between Molde, Kristiansund, and Trondheim are cancelled while the return frequencies from Bergen to Molde and Trondheim and from Bergen to Haugesund are reduced to thrice daily.

NOUVELAIR TUNISIE, S.A.: BP 66, Aeroport International, H/B Monastir, Monastir, 5000, Tunisia; Phone 216 (3) 467 100; Fax 216 (3) 467 110; <http://www.nouvelair.com>; Code BJ; Year Founded 1996. **Air Liberte Tunisie, S.A.**, a charter affiliate of the French non-scheduled carrier **Air Liberte, S.A.**, is renamed on July 1, 1996. Other data, repeated here, remains the same. Aziz Miled remains chairman, with Slaheddine Kastalli as general manager; Tunisian Travel Service is the principal shareholder. Employment stands at 375 and the fleet includes 4 McDonnell Douglas MD-83s.

The jetliners, in a new orange-and-blue livery, continue to fly from Monastir and Tunis to popular destinations in Austria, Belgium, the Czech Republic, Germany, Hungary, Ireland, Italy, The Netherlands, Poland, Russia, Scandinavia, and Spain. Neither traffic nor financial data are released.

A fifth MD-83 joins the fleet in March 1997. A total of 2,281 flights are completed during the year with 674,000 passengers visiting 90 European cities.

An order is placed with Airbus Industrie in April 1998 for three A320s.

An MD-82 is wet-leased for the summer charter season.

The MD-82 employed the previous summer is again chartered, on a long-term dry-lease, in March 1999. Also in the spring, construction is begun on a new administration center at the Monastir base. During the fall, a new marketing campaign is begun and the company changes its logo.

In ceremonies at Toulous on December 6, Nouvelair takes delivery of its first Airbus Industrie A320-214, which is christened *Dora*.

Although traffic figures are unavailable, the carrier reveals that it has, during the year, complete 3,173 flights to 90 European airports in

Germany, Belgium, Austria, Spain, France, Italy, Great Britain, Finland, Hungary, Slovakia, the Czech Republic, Denmark, Poland, Norway, and Switzerland. Operations have been conducted on behalf of 35 different tour operators.

The second A320-214 is received on March 13, 2000. The new Airbus equipment replaces MD-83s that had flown between France and Tunisian resort destinations. Chairman Miled leads the company in eleventh anniversary celebrations during November. At the ceremonies, he indicates that the next Airbus will, in fact, be delivered in 2002.

NOVA AIRLINES, A.B. (NOVAIR): Kungstengarten 35, Stockholm, I-000148, Sweden; Phone 46 (8) 674-1130; Fax 46 (8) 674-1140; <http://www.novair.net/uk>; Code 1L; Year Founded 1997. NA is set up at Stockholm on September 28, 1997 to undertake passenger charters and inclusive tour flights on behalf of its owners, the tour operator Apollo Resor, A. B. Roland Lijedahl is appointed managing director and is provided with a fleet comprising 1 each Airbus Industrie A320-230, Lockheed L-1011, and L-1011-500, the later obtained from **TAP-Air Portugal, S.A.**

The TriStars and Airbus inaugurate revenue flights in November to Phuket and the Canary Islands.

Flights continue in 1998. In February, the L-1011-500 is wet-leased to **Premiair, A.S.** of Denmark. The aircraft, beginning on March 10, operates charters from Stockholm, Oslo, and Copenhagen to Barbados, Cuba, Miami, and Mexico City.

Some 80 minutes into a flight from Stockholm's Arlanda Airport to Corfu on July 12, an engine aboard the TriStar 500 with 311 passengers begins to vibrate and is shut down. A safe emergency landing is made back at the point of origin and no injuries are reported.

On November 1, the L-1011-500 is hit by an air stair at Stockholm's Arlanda Airport; repair of the damaged forward fuselage requires a week.

Plans are announced five days later and confirmed on December 23 that the carrier will add a third L-1011-500, a leased former **Nordic European Airlines A.B.** unit.

Revenues for the year total Skr 785 million and a pretax profit of Skr 12.6 million is generated.

After completing a maintenance check in the U.S., the chartered L-1011-500 arrives at Stockholm in January 1999. It is immediately committed to the carrier's summer schedule, set to begin at the end of March.

Refused by **Garuda Indonesia** and acquired by **Air New Zealand, Ltd.**, a B-737-3U3 that has been chartered to **Air Atlanta Icelandic, H.F.** is subleased to Novair at the beginning of April. It arrives wearing a white livery and blue tail, with the titles of its Apollo parent painted on its right side.

It is learned on April 25 that Nova will place two of its three TriStar 1s up for sale in January and February 2000. The charter line is seeking to renew its long-haul fleet with newer types from either Boeing or Airbus.

Three B-737-800s are requested from GATX at the beginning of May. The company will also soon receive several leased B-767-300ERs.

Enplanements for the year total 465,000. Revenues advance to Skr 1.3 billion and a pretax gain of Skr 42.6 million is celebrated. During the year, the company has completed delivery of three Next Generation B-737-85Fs, one of which is employed during this winter's charter season to operate long-haul flights from Scandinavia to Las Vegas on behalf of Apollo Vacations.

A one-year lease is signed with **Swissair, A.G.** on January 23, 2000, for the lease of two Airbus Industrie A330-223s that will replace Novair's Lockheed TriStar. Wednesday TriStar return charters are flown from Goteborg to Munich between May 24 and September 8. The flights are specifically marketed to Nordic customers wanting to see the Oberammergau passion play.

The first A330-223 is delivered on September 29, followed by the second on October 20.

During the year, the Swiss travel group Kuoni Travel Holding, Ltd. purchases a 45% interest in Apollo Resor, A.B., with an option to buy the majority in 2001.

As the year ends, the company employs 400 workers, including 72 pilots and 284 cabin crew. The fleet now includes 3 chartered Next Generation B-737-85Fs and 2 A330-223s.

NOVAIR INTERNATIONAL AIRWAYS, LTD.: United Kingdom (1982-1990). When **Laker Airways, Ltd.** fails in February 1982, the major tour operator Rank Travel, which has significant bookings with the carrier, finds itself without required capacity to meet its obligations. **British Caledonian (Charter), Ltd.**, the charter subsidiary of **British Caledonian Airways, Ltd. (BCAL)**, now steps in and employing two ex-Laker Douglas DC-10-10s, honors Rank's commitments under temporary certification from the Civil Aeronautics Authority (CAA).

In March 1983, BCA Charter and Rank Travel move into a more permanent relationship to meet the tour operator's needs. With Capt. Victor Smith as managing director, the former **Laker Airways, Ltd.** DC-10-10s operate worldwide inclusive-tour and charter flights as before throughout the remainder of 1984 and most of 1985.

In October of the latter year, the three-year old temporary expedient is reformed into a new airline, **Cal-Air International Airways, Ltd.** A new corporate identity, livery, and logo are introduced and before the start of the 1986 season, a third DC-10-10 joins the fleet. During the summer, orders are placed for five Boeing 737-46Bs.

Operations to distant locations continue apace in 1987. In December, **British Caledonian Airways, Ltd. (BCAL)** and its BCA Charter subsidiary are purchased by **British Airways, Ltd. (2)**. With BA already owning a charter subsidiary and not needing two more, it orders the Cal-Air arrangement sold or liquidated.

During the spring of 1988, officials from BA and Rank Travel negotiate the fate of **Cal-Air International Airways, Ltd.** and on May 25, Rank takes control of Cal-Air. To avoid confusion with the flag carrier's holiday subsidiary, Rank agrees to change Cal-Air's corporate identity. On December 7, the name Novair International Airways, Ltd. is announced, along with new livery, logo, and uniforms. A large five-pointed star replaces the Caledonian eagle on the tails of the Douglas transports. Michael Lee is named managing director.

Two B-737-46Bs arrive in the spring of 1989 and together with the three wide-bodies, fly Rank Travel's summer tour program. For the first time, employing the "Baby Boeings," the company operates significant holiday services to European destinations.

Recession and a downturn in the tour industry cause Rank to end its lift experiment and Novair is closed on March 30, 1990.

NOVOKUZNETSKOE AVIA STATE ENTERPRISE. See AERO KUZNETSK NOVOKUZNETSK AIRLINE

NOVOKUZNETSKOE UNITED AIR TRAFFIC UNIT. See AERO KUZNETSK NOVOKUZNETSK AIRLINE

NOVOSIBIRSK AIRLINES: Ul Chelyuskintsev 36/1, Novosibirsk, 630132, Russia; Phone 7 38 21 24 96; Fax 7 38 32 21 64 31; <http://www.nsk.su/~ngap>; Code L8; Year Founded 1995. NA is set up at Novosibirsk in 1995 to offer passenger charters to domestic and regional destinations. Shareholding is divided between M-Service, CJSC Darus, the International Bank of Reconstruction and Development, the Siberian Branch of the International Association of Company managers, Siberian Consent, and Epitak. Vitaly M. Tchijov is director general.

Revenue flights begin on September 22 with a pair of Tupolev Tu-134As.

Ad hoc service is continued in 1996-1999, during which years the long-haul fleet is enhanced by the addition of two Ilyushin Il-62s and an Il-76M. Destinations visited include Baku, Bucharest, Kiev, Moscow, St. Petersburg, and Yerevan.

In this period, the company also launches scheduled domestic cargo and passenger frequencies to Norilsk, Novosibirsk, Omsk, and Yekaterinburg. This mission is accomplished with 12 Antonov An-24Bs, 5 An-24Rs, 12 An-30s, and 11 Let L-410UVPs.

The workforce totals 100 at the beginning of 2000.

NPA. *See* **NORTH PACIFIC AIRLINES (NPA)**

NPO PANKH. *See* **PANKH: PANKH NPO**

NURNBERGER FLUGDIENST, A.G. *See* **NFD (LUFTVERKEHR, A.G.)**

NUSANTARA AIR SERVICE. *See* **BALI AIR**

NUSANTARA AIRLINES: NUSANTARA SAKTI SDN. BHD.: Lot 10.1 Ground Floor, Fima Airtel Complex, Subang International Airport, Subang, 47200, Malaysia; Phone 60 (3) 746-3895; Fax 60 (3) 746-3891; Year Founded 1991. Nusantara Airlines is set up at Subang in 1991 to offer domestic scheduled passenger services. These begin and continue with a Cessna Citation II and a pair of SAAB 340As.

NWT AIR, LTD. *See* **NORTHWEST TERRITORIAL AIRWAYS, LTD.**

NYASALAND AIR CHARTER COMPANY, LTD.: Nyasaland (1949–1952). Several Blantyre businessmen join with a Pretoria, South Africa-based company in 1949 to form this small air taxi and charter operation. Revenue flights, primarily flight training and charters to small communities and bush destinations, commence with a Piper PA-11 Cruiser.

Two Piper J3 Cubs are acquired in 1950. The enterprise is not, however, without risks and by 1951, only one Cub remains available. NACC shuts its doors in early 1952.

NYGE TRAFIKFLYG, A.B.: P.O. Box 321, Stockholm Skavasta Airport, Nyköping, S-61127, Sweden; Phone 46 (155) 77 100; Fax 46 (155) 267 252; Code LP; Year Founded 1991. This new entrant is formed at Stockholm's Skavasta Airport in 1991 to offer scheduled commuter services to local destinations. President Lennart Danielsson's inaugural fleet comprises 3 Embraer EMB-110 Bandeirantes.

Operations continue in 1991–1994 and during the latter year, a fourth EMB-110 is acquired. Executive charter and all-cargo services are added in 1995–2000 as 10 Mitsubishi Mu-2s are acquired.

NYRBA. *See* **NEW YORK, RIO & BUENOS AIRES LINE (NYRBA)**

OAK HARBOR AIRLINES: United States (1971–1974). This commuter line is formed by former Whidbey Air Service CEO Wes Lupien at Oak Harbor, Washington, in March 1971 to provide both local charter services and scheduled flights linked to Seattle–Tacoma International Airport. Revenue flights commence with a single Britten-Norman BN-2 Islander.

A second Islander is acquired in December. It is stationed at Bellingham, Washington, and also flies to Seattle–Tacoma International Airport.

The two aircraft continue to operate these services until May 1974, when the corporate identity is changed to **Harbor Airlines**.

OAHU AND KAUAI AIRLINES. *See* **OK AIR (OAHU AND KAUAI AIRLINES)**

OASIS INTERNATIONAL AIRLINES, S.A.: Spain (1988–1996). Originally organized at Spain in early spring 1988 as **Andalusair, S.A.**, this passenger charter and inclusive-tour operator employs Guillermo

Jauregui as president, with J. Manuel Salgueiro as managing director. A fleet is assembled comprising 2 McDonnell Douglas MD-83s, with a third on order; 90 employees are hired. Nonscheduled services are inaugurated in May between its base at Malaga, in the Canary Islands, and the U.K. city of Manchester. After several months, the Oasis hotel group acquires controlling interest, changes the corporate name and image (while retaining the prior administration) and expands services from Spain to Scandinavia and central Europe.

A total of 150,316 passengers are transported by year's end.

Company employment grows by 52.2% in 1989 to 137 and the third MD-83 is delivered in May.

Passenger boardings jump 197.2% to 446,680.

A fourth MD-83 is acquired in 1990, again in May. Enplanements total 904,654.

The workforce is increased by 24.6% in 1991 to 208 as the leased fleet is reconfigured to include 1 MD-82 and 5 MD-83s. A new management team is put in place, company headquarters are transferred to Palma, and an interest is taken in the U.S. carrier **Private Jet Expeditions**.

Passenger boardings increase by 43.2% to 945,499 while freight climbs 55.7% to 138.2 million FTKs.

Recession causes two MD-83s to be withdrawn in 1992. In December, the carrier announces a plan to reduce costs by 14% and remove the Airbus during the following year. The board votes to increase share capital by 100% while allowing Oasis leadership to hire pilots on temporary contracts.

President/General Manager Antonio Mara oversees a workforce of 269 in 1993 and the fleet includes 3 MD-83s and 1 Airbus Industrie A310-324, which is withdrawn.

During the summer, additional MD-83s are leased for the European holiday routes; these are, however, subchartered to the Mexican affiliate **Aerocancun (Aeronautica de Cancun, S.A.)** come fall. Meanwhile, in early September, a 40% stake is acquired by Interlider of Spain.

Traffic figures for the privately owned company are not available.

Two additional MD-83s and an MD-87 are leased during 1994 as enplanements climb to 1,350,800. There is no change in the workforce in 1995. Flights continue from hubs at Madrid and the Canary Islands to Central Europe, Cuba, the Dominican Republic, Mexico, Scandinavia, and the U.K. Passenger boardings, unhappily, drop 21.2% to 1,064,000.

OBERSCHLESISCHE LUFTVERKEHRS, A.G.: Germany (1925–1926). OL is established at Gleiwitz, Upper Silesia, on February 3, 1925 to provide regional passenger and cargo services. Shareholding is divided between the State of Upper Silesia, the City of Gleiwitz, several local industrialists, and Junkers Flugzeugwerke, A.G.

The new company orders four Junkers F-13 and these are acquired by April and enter service. During the remainder of the year, two G.24s are also added.

When **Deutsche Luft Hansa, A.G. (DLH)** is formed in January 1926, OL transfers its operations to the new flag carrier, in exchange for stock. OL remains a paper airline until it is finally dissolved in 1937.

OCCIDENTAL AIRLINES, S.A.: P.O. Box 32, Ostend Airport, B-8400, Belgium; Phone 32 59 514340; Fax 32 59 510103; Code OCT; Year Founded 1995. Registered in Belgium and based in Nigeria, Occidental is set up in 1995 to undertake international and regional all-cargo services. Flights commence with one each leased Boeing 707-321C and B-707-328C. Flights continue in 1996–2000, during which years a B-707-347C is also acquired.

OCEAN AIR. *See* **REGENT AIR CORPORATION**

OCEAN AIR, S.A.: Portugal (1990–1994). Ocean Air is established at Lisbon in December 1990 and late in 1991 receives authority from the Portuguese government to offer domestic nonscheduled passenger and cargo services. Revenue flights commence at the beginning of 1992 employing a single leased de Havilland Canada DHC-6-300 Twin Otter.

Unable to maintain its economic viability, the carrier suspends operations in **1994**. At this point, **SATA Air Acores (Servico Acoreano de Transportes Aereos, S.A.)** purchases majority equity. Four years later, in February **1998**, SATA purchases the remainder of the company for its operating certificate. The concern is upgraded and relaunched on April 8 as **SATA International, S.A.**

OCEAN AIRWAYS: United States (1979–1982). The small New Jersey commuter **Monmouth Airways** is taken over in **1979** and reformed into this third-level operation. Scheduled passenger and cargo flights are undertaken, beginning on May 7, linking the company's base at Asbury Park with Atlantic City and Washington, D.C. (DCA). President Charles F. Simonelli's fleet grows to comprise 2 Convair CV-440s, 5 Martin 4-0-4s, 1 Beech 99, and 2 Piper PA-31-350 Navajo Chieftains. The privately owned company does not report figures for the year.

In **1980**, it is learned that Ocean flies 46,737 passengers. Unable to weather the recession and fiscal difficulties caused by air traffic problems arising from the summer **1981** PATCO air traffic controllers' strike, Ocean Airways must declare bankruptcy and stop flying in **1982**.

OCEAN REEF AIRWAYS: United States (1977). ORA is established at Key Largo, Florida, on January 1, **1977** to provide scheduled daily shuttle flights for the winter season in addition to its already existing schedule of charter services.

OCEAN REEF AIRWAYS. See also **MONTAUK CARIBBEAN AIRWAYS**

OCEANAIR (1): United States (1979–1984). Financially distressed **Trans-Commuter Airlines** is purchased in the fall of **1979** and reformed into a new third-level carrier, Oceanair (1). Employing 2 Fokker F.27s, 2 Beech B-80 Queen Aircr., and 5 Beech B-65 Queen Aircr., the company resumes its predecessor's scheduled passenger services from San Juan, Puerto Rico, to St. Thomas and St. Croix in the U.S. Virgin Islands. Operations continue apace during the remainder of the decade.

In **1980–1982**, President Jorge Del Valle acquires two CASA C-212-200 Aviocars. On February 18, **1983**, the company is able to inaugurate scheduled flights to the Dominican Republic communities of Santo Domingo and La Romana. Enplanements for the year total 190,231. Operations are halted and Oceanair files for Chapter XI bankruptcy in August **1984**.

OCEANAIR (2). See **AIR ILLINOIS**

O'CONNOR-MT. GAMBIER'S AIRLINE (PTY.), LTD.: P.O. Box 21, Mt. Gambier, South Australia, 5290, Australia; Phone 61 (8) 8723 0668; <http://www.oconnor-airlines.com.au>; Fax 61 (8) 8725 8003; Code UQ; Year Founded 1992. Previously known as O'Connor's Air Service (Pty.), Ltd., this air taxi is reformed at Mt. Gambier in **1992** to offer regional scheduled passenger flights to Adelaide and Melbourne, as well as bush charters. Operations are undertaken and continue with a pair of Cessna 441 Conquests. Operations continue apace in **1993–1995** with daily flights between the cities. Other destinations visited include Kingston, Millicent, Mildura, Mount Gambier, and Naracoorte.

The Conquests are replaced in **1996** by a pair of British Aerospace BAe Super Jetstream 32s. Enplanements reach 17,346.

In late **1997**, O'Connor becomes the Asia-Pacific launch customer for the Jetstream 32 Enhanced. These will replace the Cessna 441s when delivered in **1999**. Passenger boardings, meanwhile, ascend 4.5% to 18,194.

Flights continue in **1998** as the company enters into an affiliation with **Qantas Airways (Pty.), Ltd.** Daily Cessna 441 Conquest return service is inaugurated between Mildura and Adelaide; O'Connor is the only company flying the route. Enplanements surge 33% to 24,000, while airline employment grows to 17.

Passenger boardings for the year jump 26% to 31,000.

A third A\$2.5-million Jetstream 32EP is acquired in August **2000**. On September 1, it replaces Conquests on the Mildura to Adelaide route. Simultaneously, a new J-32 new service is introduced from Adelaide to Whyalla.

O'CONNOR'S AIR SERVICE (PTY.), LTD. See **O'CONNOR-MT. GAMBIER'S AIRLINE (PTY.), LTD.**

ODESSA AIRLINE: Odessa Central Airport, Odessa, 270054, Ukraine; Phone 380 (0482) 252 490; Fax 380 (0482) 250 052; Code 5K; Year Founded 1995. OA is set up at its namesake city by **Air Ukraine** in **1995** to offer domestic passenger charters. Valeri Sergeev is appointed CEO and he begins revenue flights with several Yakovlev Yak-42Ds leased from the parent.

Enplanements in **1996**, the first full year of service, total 108,031. Customer bookings fall 17.5% in **1997** to 91,942, while cargo traffic plunges 61.5% to 2.29 million FTKs.

The business picture does not brighten in **1998**. Passenger boardings fall another 11.4% to 77,000, while freight traffic declines 5% to 2.07 million FTKs.

The airline, which also is paid to oversee the operation of the local airport, is bitterly disappointed when that responsibility is taken away on October 26, **1999**. Enplanements for the year drop to a total of 50,000.

The fleet, at the beginning of **2000**, includes 1 Tupolev Tu-154A, 3 Tu-154Bs, 7 Tu-154Ms, and 4 Yak-40s. Scheduled destinations visited include Baku, Bucharest, Kiev, Moscow, St Petersburg, and Yerevan.

ODIN AIR H.F.: Reykjavik Airport, Reykjavik, IS-101, Iceland; Phone 354 561 0880; Fax 354 551 0858; Code 5A; Year Founded 1992. This Icelandic commuter operator is established at Reykjavik in **1992** to offer scheduled flights to domestic locations. President Helgi Jonsson's inaugural fleet comprises 3 Handley Page HP-137 Jetstream 1s, 1 Mitsubishi Mu-2, and 1 Piper PA-31-310 Navajo. One Jetstream is withdrawn in **1993** and placed into storage.

Service continues throughout the remainder of the decade.

ODYSSEY INTERNATIONAL, LTD.: Canada (1988–1992). Formed at Toronto by Brian Child, chairman of the holding company Soundair, Ltd. in January **1988**, this charter operator is specifically established to emulate the service of **Wardair Canada, Ltd.**, which has now turned to scheduled operations. In June, a management team led by Brian Walker, a former **Wardair Canada, Ltd.** vice president, is appointed and an agreement is signed with the International Lease Finance Corporation (ILFC) for future aircraft charters.

A Boeing 757-27B is acquired on lease from **Air Holland, N.V.** and is delivered on October 31. With passengers boarding, the company's operating license is received just six minutes before the Boeing's inaugural November 3 flight to Las Vegas. Painted in purple, white, and blue livery, the first purchased 757, a Dash-28A, is received on December 20 and "Snowbird" charters are offered to Tampa. On behalf of Thomson Holidays, Ltd., other seasonal destinations initially visited include the Caribbean, Florida, and Mexico. Enplanements during the year's final 2 months total 40,000.

A second owned B-757-28A is delivered in February **1989**, allowing return of the leased Boeing in March. Twice-weekly Alba Tours, Ltd.-sponsored tours are undertaken to Rome, Catania, and Palermo. During May, the new Boeings undertake a series of Toronto to U.K. tours, including visits to Leeds/Bradford on May 3, London's Stansted Airport on May 4, Newcastle on May 6, and Bristol on May 8. Meanwhile, beginning on May 7, charters are started to Athens, followed by Venice on June 16; twice-weekly roundtrip gambling charters are also flown to Las Vegas.

On June 20, an Odyssey flight sets a world record, flying from Vancouver to London (STN) in 8 hrs. 46 min. Following a rock charter to the Soviet capital, a Boeing is flown nonstop from Moscow to Toronto.

In November, two B-737-3S3s are leased from **Air Europe, Ltd.**; one will be employed only for the winter holiday season while the second, which will be given Odyssey livery, is to be retained until 1993.

The fleet in 1990 includes 2 B-757-28As, 2 leased B-737-3S3s, and 1 B-737-400. With the bankruptcy of parent Soundair, Ltd. in February, the charter operation is shut down.

In 1992, the carrier is purchased by **Nationair Canada, Ltd.**, which now becomes Canada's largest charter operator.

OFFSHORE LOGISTICS. See AIR LOGISTICS

OHIO AIR TRANSPORT: United States (1930–1931). OAT is set up as an FBO at Lansdowne Field at Youngstown by a group of local businessmen in the spring of 1930. Paul Wick is chairman with W. Edgar Leedy Jr. as CEO.

A Bellanca CH-300 Pacemaker is acquired, painted black with gold cowl, trim, and titles. An Argo biplane is also acquired. With Leedy as pilot, the Bellanca inaugurates scheduled return service to Columbus on June 10.

With breaks during the winter, flights between the two Buckeye cities are continued until the company, for lack of patronage in a deepening Depression, is forced out of business in March 1931.

OK AIR (OAHU AND KAUAI AIRLINES): United States (1975–1980). Robert Fraker establishes OK Air at Honolulu in the fall of 1975 to provide scheduled passenger and cargo flights to Lihue and Princeville. Cessna 402 services begin on October 1 and continue until January 1980, when the company is purchased by and merged into **Air Hawaii (2)**.

OKADA AIR, LTD.: 178 Sapele Road, Benin City, Bendel, Nigeria; Phone 234 (19) 241 054; Code 9H; Year Founded 1983. Organized by Chief Peter Igbinedion, the Esama of Benin City (capital of Bendel state) in 1983, the new entrant undertakes domestic and international charter passenger and cargo flights in addition to scheduled domestic intercity jet services. The initial fleet of four British Aerospace BAe (BAC) 1-11-320AZs is acquired from **British Caledonian Airways, Ltd. (BCAL)** in September and launch services before October. The company begins to service regional points in early December with an Aerospatiale (SudEst) SE-210 Caravelle VIN.

A Boeing 707-355C freighter is acquired in 1984 to handle the company's all-cargo contracts. Operations continue with charters flown to a variety of destinations, including London, Frankfurt, Zurich, Rome, and Paris and a host of cities throughout Africa and the Middle East. Sub-charters are also flown for other airlines.

In October 1985, the carrier is able to acquire three more BAC 1-11s from **Quebecair, Ltd.** Operations continue apace in 1986–1987 and four additional BAC 1-11s are delivered. Domestic points visited include Abuja, Lagos, Benin, Jos, Enugu, and Port Harcourt.

The fleet in 1988 includes 11 BAC 1-11s, 2 BAe (HS) 748-B2s, 1 B-707-355C, 1 Sud Est SE-210 Caravelle VIN, and 1 Dornier 228-212.

During the first quarter, permission is received from the government for the inauguration of scheduled domestic competition with **Nigeria Airways, Ltd.**

Hard-hit by a financial downturn, the flag carrier institutes cost-cutting measures. Its staff is cut and a number of unprofitable local and regional routes are ended or ordered transferred to Okada. Okada does not want the unprofitable routes and sues to prevent their acquisition.

By the fall of 1989, the privately owned carrier, unable to find foreign currency, is not able to buy spare parts and can keep only four of its planes in flying condition.

A BAC 1-11-320AZ with 92 passengers is badly damaged while landing at Port Harcourt on September 7 when its main landing gear jams; there are no fatalities.

Operations continue with difficulty during the remainder of the year and into the early 1990s.

In 1990–1991, Managing Director Igbinedion's fleet is significantly upgraded. The Caravelle is replaced by seven BAe 1-11-400s and two Dornier 228-212.

While en route from Benin City to Kano on June 26 of the latter year, a BAC 1-11-402AP with 3 crew and 52 passengers is required, by bad weather, to divert to Sokoto, which also turns out to be closed due to the elements. The jetliner circles for an hour until its fuel is exhausted and then makes a forced landing (3 dead).

Despite this loss, the company remains the largest BAe 1-11 operator in Africa.

In 1992, a B-747-146 is purchased and christened *Lady Cherry*; it immediately becomes the fleet flagship and is assigned Hady pilgrimage work from May–July. The BACs are assigned to the development of domestic scheduled services between Lagos, Kano, Kaduna, and Port Harcourt.

In 1993, the airline is one of the largest BAe (BAC) 1-11 operators left in the world. Among its flight equipment are numbered 3 of the original Dash-320AZs, along with 2 each Dash-217EAs, Dash-304AXs, Dash-401AKs, Dash-420ELs, Dash-432FDs, and Dash-539GLs, plus 1 each Dash-301AG, Dash-408EF, Dash-409AY, and Dash-524FF. Additionally, a leased Boeing 707-355C freighter is available, along with 4 B-727-231As and 1 each B-747-146, BAe (HS) 125-3B, and 125-600B.

During July, the company is granted authority to inaugurate weekly return services to Rio de Janeiro.

The fleet is cut back in 1994 by the deletion of two B-727-231As. It is reported that 6 of the 20 BAe (BAC) 1-11s have been cannibalized or lack spare parts. A new government places a moratorium on plans announced by its predecessor to allow Okada to commence international services. At the end of the year, the fleet is increased by the addition of a B-727-251.

Flights continue in 1995, although the B-707-355C is withdrawn. In 1996–1999, the concern is one of the largest private airlines in Africa and operates a fleet that includes 23 BAe (BAC) 1-11s, 1 B-727-251, 2 B-727-230As, 1 B-747-146, and 2 BAe (HS) 125 executive jets. Destinations visited include Abuja, Benin, Calabar, Enugu, Jos, Kaduna, Kano, Lagos, Port Harcourt, and Yola.

At the beginning of 2000, Managing Director Igbinedion's workforce totals 2,600. In November, as the government takes long overdue steps to improve the nation's air safety, aviation authorities begin to de-register aircraft regarded as wrecks or derelicts or those in need of huge repairs. Under this program, Okada loses 23 planes from the national aircraft register. Some expect that the airline will soon lose its operating certificate as well.

OKANAGAN HELICOPTERS, LTD.: Canada (1947–1987). Former farmer and ex-RCAF flight instructor Carl C. Agar, Alfred Stringer, and two others establish Okanagan in Kelowna as an air charter and fixed-wing crop-spraying operation in early 1947. Following a helicopter demonstration at Yakima, Washington, Agar and his partners establish a public company. The three men sell sufficient shares to purchase the carrier's first rotary-wing aircraft, a Bell Model 47B, and begin nonscheduled flights in October.

In 1948, the Bell logs a total of 31 hours flying time, most of which is devoted to timber cruising, crop spraying, and mosquito spraying during the disastrous Fraser Valley flood. Additional piston-engine Bell helicopters are acquired in 1950–1953.

Canadian Helicopters/Helicopteres Canadiens, Ltd. of Montreal is purchased and merged in 1954. Operated as a subsidiary, it is the example upon which later mergers will be based. The first successful experiment is carried out in the seeding of Vancouver Island forest areas by helicopter. A training school is established at Penticton; teaching mountain flying, it will become world famous and will be continued even after its parent company is merged into a larger success. Okanagan machines are also employed in the construction of an oil pipeline from Edmonton to Vancouver.

In 1955, a company Sikorsky S-55 becomes the first helicopter to operate within a few hundred miles of the North Pole during a geological survey. The first Canadian scheduled helicopter service is inaugurated on January 4, linking Terrace and Prince Rupert with Kitimat.

During 1956–1958 an extensive network of domestic and Pacific coast charter operations are handled as additional Bell and Sikorsky helicopters join the fleet. In 1959, one of the carrier's Sikorsky S-58Bs participates in the first power line construction by helicopter, installing concrete bases, transmission towers, and wooden poles in the mountains northeast of Los Angeles, California. Operations Manager Alfred Stringer departs to become president of newly organized **Vancouver Island Helicopters, Ltd.** Okanagan is hired in 1960 by a Montreal radio station to handle the first aerial traffic reporting service in Canada.

Employing new Sikorsky S-64E Skycranes, Okanagan, in 1962, becomes the first helicopter operator in Canada to lift and set large guyed aluminum towers for 500-kv. transmission lines. Also during the year, a company pilot develops the Monsoon Bucket, which is soon widely employed in forest fire control. The first step into the international market is taken in 1963 when a Bell Model 47J is shipped to East Pakistan for a land-use survey.

One of history's largest rescue operations by a single helicopter occurs at the site of the Granduc Mine slide disaster on the British Columbia coast in 1964. An Okanagan S-58B is the first rescue craft to arrive, and despite bad weather and continuous whiteout conditions, it is able to lift out 100 survivors and 28 bodies. Sikorsky S-61N crews are given the first civilian instrument flight rules (IFR) training in Canada in 1965–1966, after which a machine is flown from Stratford, Connecticut to London, England, in the first unescorted helicopter flight across the North Atlantic. Late in the year, the carrier's initial offshore oil industry support activities commence in the North Sea.

During 1967–1968, Okanagan strengthens a string of bases across Canada, including those at Banff, Calgary, Campbell River, Canmore, Cranbrook, Dawson Creek, Dryden, Fort Nelson, Fort St. John, Fort Simpson, Gander, Golden, Goose Bay, Halifax, Inuvik, Kamloops, Milltown, Nelson, Norman Wells, Ottawa, Penticton, Port McNeil, Prince George, Revelstoke, St. John's, Smithers, Terrace, Thunder Bay, Vancouver, Whistler, and Williams Lake. Domestic offshore support operations commence in December of the former year under contract to Shell Oil. The largest single order by a commercial operator to date is now made for 30 Fairchild Hiller FH-1100s. Founder Agar dies in March of the latter year at the age of 67.

In 1969, company S-61Ns are the first in Canada to fly IFR service to offshore Atlantic drilling rigs and the first flown on ice surveys in the Arctic during the dark winter months. Phaseout of the piston-engine fleet is begun in 1970. In 1971, the operator begins a decade-long process of acquiring competitors and smaller Canadian helicopter carriers with the takeover of Ottawa-based **Universal Helicopters, Ltd.**

In 1972, a two-year contract is signed with the Danish government and other parties for the sole provision of a transportation link during the construction of a lead and zinc mine on Greenland's west coast, north of the Arctic circle. **Lac St. Jean Aviation, Ltd.** of Montreal and **Haida Helicopters, Ltd.** of Ottawa are purchased in 1973.

Although the Greenland contract is completed in 1974, a new international division is established at Vancouver. A major overseas expansion program is launched as operations are extended into Thailand, Cambodia, Haiti, Peru, Morocco, Burma, The Philippines, Guyana, and Zaire.

Dominion-Pegasus Helicopters, Ltd. of Toronto and **Sept. Iles Helicopters, Ltd.** of Sept. Iles are taken over in 1975. During the year, a survival division is established and headquartered at Halifax. An Okanagan crew sets a world record for the longest helicopter flight by ferrying an S-61N over a 12,659-mile route from Sydney, Nova Scotia, to Songkhla, Thailand.

Night visual flight rules (VFR) slinging is introduced to the high Arctic in 1976 on ice movement studies. Chairman/President J. W. Pitts oversees a workforce of 550. His fleet now comprises 4 Sikorsky

S-61Ns, 1 S-61L, 1 S-62A, 6 S-58Ts, 1 S-55, 6 Bell 212s, 3 Bell 205As, 3 Bell 204Bs, 87 Bell 206B JetRangers, and 16 Aerospatiale Alouette IIs.

Associated Helicopters, Ltd. of Edmonton is purchased in 1977. An S-61N is tasked to the commuter-style transport of Edson, Alberta, coal miners, 39 miles one way to and from their job site on a daily basis. Okanagan begins participation in an experimental air ambulance service sponsored by the Ontario Ministry of Health.

A helicopter logging division is established in 1978. A joint venture company, **Okanagan Australia (Pty.), Ltd.**, is formed at Perth in association with Brambles Industries, Ltd. and from the main base at Vancouver, Chairman/President J. W. Pitts oversees a workforce of 550. His fleet now comprises 6 Sikorsky S-61Ns, 1 S-61L, 4 S-58Ts, 9 Bell 212s, 5 Bell 205As, 2 Bell 204Bs, and 110 Bell 206B JetRangers.

Bow Helicopters, Ltd. of Toronto is purchased in 1979. Okanagan's helicopters, worldwide, log one million flight hours, including 100,000 IFR hours in the service of Canadian industry. Based at Thunder Bay, a new Sikorsky S-76A "Bandage 3" air ambulance is placed in service in 1981 over 50% of the province of Ontario. The year's financial loss, due to the world economic downturn and higher fuel prices, is significant.

John M. S. Lecky, a 30% shareholder, increases his ownership to 51% control in 1982, assumed through his Resources Service Group. Okanagan becomes a subsidiary of RSG with Lecky as president. The fleet now includes 12 S-61s, 4 of which are nonamphibious S-61Ls.

In 1983, three new helicopter types are introduced in support of the Canadian offshore oil industry: the Bell 214ST and the Aerospatiale AS-32L and AS-350D. Airline employment is cut by 20% to 700 and 30 older helicopters are retired. The S-76 fleet now includes 12 machines, 3 in Canada, 4 in Australia, 3 in Thailand, 1 in India, and 1 in Venezuela.

Operations continue apace in 1984. In December, **United Helicopters, Ltd.**, a subsidiary of the U.K.'s **Bristow Helicopters, Ltd.**, purchases 49% minority shareholding. While transporting 15 workers from Shell Canada Resources, Ltd.'s Sedco 709 rig to Halifax on March 18, 1985, a company Sikorsky S-61N makes a forced landing 34 miles off the coast of Nova Scotia. All aboard are rescued by the Canadian Armed Forces and the damaged aircraft is towed to shore through light seas. The next month, one of the company's two Bell 214STs crashes into Newfoundland's Pacentia Bay, killing all six aboard. On October 23, the last Bell 214ST, on a training flight outside Edmonton, Alberta, crashes, killing both crew members aboard.

During the first quarter of 1986, a company AS-332L Super Puma completes a 2,780-mile flight from Aberdeen, Scotland, to St. John's, Newfoundland, via Reykjavik, Iceland, and Narssarsuaq, Greenland, in 17 hrs. 30 min.

Employing a medically equipped S-76A, Okanagan begins an experimental air ambulance service for the Vancouver area in March 1987. The employee population is stabilized at 650 and the worldwide network includes 50 bases in such additional nations as India, Trinidad, Singapore, Malaya, and Venezuela. The fleet grows to include 10 Bell 206L LongRangers, 44 Bell 206B JetRangers, 2 Bell 214STs, 2 Bell 214Bs, 3 Bell 205s, 1 Bell 204B, 12 Bell 212s, 1 Bell 47J, 12 Sikorsky S-76s, 12 Sikorsky S-61Ns, 5 Aerospatiale AS-350Ds, 2 Aerospatiale AS-332s, and 3 Hughes 369Ds.

During the summer, the carrier is merged with **Sealand Helicopters, Ltd.** and **Toronto Helicopters, Ltd.** to form **CHC Helicopter Corporation, Ltd.** The combined fleet of the new company is 163 helicopters. The Vancouver area air ambulance service is halted in February 1988 and the S-76A is sold to Englewood, Colorado-based **Air Methods** for use in a Minnesota EMS program.

OKAVANGO AIR SERVICES. See AIR BOTSWANA (PTY.), LTD.

OKI AIRWAYS: Lamela 4/1 (Stari Airport), P.O. Box 73, Podgorica, 81000, Montenegro; Phone 381 81 37 704; Fax 381 81 52 648; Code OKI; Year Founded 1993. Dr. Jusuf Hodzic founds OKI at Podgorica on April 28, 1993 to offer international and regional charters,

both passenger and cargo. His concern is the second airline to be formed in the new Republic of Montenegro. A workforce of 10 is recruited and revenue flights commence with a pair of Yakovlev Yak-40s.

Services continue in **1994–1998**, a number of which are flown on behalf of **Montenegro Airlines**. Destinations visited include Bari, Belgrade, and Istanbul. Plans are made to stretch links during the new year to Sofia and Naples.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, OKI Airways, on March 24, **1999**, halts all service into Belgrade as Yugoslav airspace is closed. A spokesman, in making the announcement, indicates that the situation will be evaluated further; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Flights to Belgrade, as well as to Sarajevo, Mostar, Zagreb, Split, Skopje, Tirana, Ljubijana, Timisoara, and Sofia remains halted on March 25–31 and for much of the duration of the NATO bombing campaign.

Although the fighting requires that OKI Airways be grounded, the company is able to generate some income by operating a number of refugee flights on behalf of the UN Human Rights Commissioner and International Organization for Migration. Additional relief flights north into Western Europe will also be completed in the days ahead until Operation Allied Force is concluded on June 11.

A ban against flights by Yugoslav-based airlines into the European Union is lifted on October 11.

OKLAHOMA SHORT LINE AIRWAYS: United States (1930). This short-lived southwestern carrier is established at Tulsa in the summer of **1930** to operate multistop, scheduled passenger flights up to Memphis. Travel Air 6000 revenue flights commence in July, but generate so little traffic that they must cease in October.

OKLAHOMA–TEXAS AIR LINE: United States (1931–1932). Organized at Oklahoma City in the spring of **1931**, O-TAL is equipped with a Ryan B-5 Brougham, which is employed to open scheduled passenger and air express flights to Wichita Falls via Lawson on June 15. The company becomes a member of the Independent Operators' Association; services are conducted in association with **Braniff Airways** and continue into early **1932**.

OLLEY AIR SERVICE, LTD.: United Kingdom (1934–1961). In association with **Blackpool and West Coast Air Services, Ltd.**, pioneer **Imperial Airways, Ltd.** pilot Gordon P. Olley registers this air taxi and charter company at London on January 10, **1934**. Initial backing is from Sir James Dunn and Sir Hugo Cunliffe-Owen, who provide capitalization of £6,015. Two de Havilland DH 84 Dragons are purchased in February and May and employed to begin ad hoc charter flights in the spring.

Olley will recall the start of his own airline, but mainly his Imperial flying, in his useful memoirs published during the year, *A Million Miles in the Air: Personal Experiences, Impressions, and Stories of Travel by Air* (London: Hodder & Stoughton, 1934).

An Airspeed AS.6A Envoy 1 is leased from **Cobham Air Routes, Ltd.** in January **1935**. The carrier's first two DH 89 Dragon Rapides are purchased in February and March, replacing a DH 84 sold in February. Regularly scheduled daily flights are undertaken from London (Croydon) to Deauville via Brighton between July 13 and August 31.

The fleet is upgraded in **1936** by the addition of a DH 83 Fox Moth, a DH 84 Dragon, two DH 85 Leopard Moths, and another DH 89 Dragon Rapide. Cobham's Envoy 1 is returned in August, while a DH 84 is sold. In March and July **1937**, two DH 89A Dragon Rapides are acquired. Meanwhile, following a May meeting at the Greyhound Hotel near Croydon Airport, the British ALPA is formed with Lord Chesham as president and Lord Amhurst as vice president. One pilot from Olley

Air Service joins a colleague from Surrey Flying Services and two each from **Imperial Airways, Ltd.** and **British Airways, Ltd.** (1) in forming the initial organizing committee. On September 26, the operator takes a £25,000, one-third interest in the new **Isle of Man Air Services, Ltd.**

In **1938**, **Channel Air Ferries, Ltd.** is formed. The Fox Moth and Leopard Moth are sold in September and October, respectively. Channel's services and aircraft are taken over by another new investment, **Great Western and Southern Air Lines, Ltd.** (owned jointly with the railroad's group, British and Foreign Aviation) in March **1939**. One DH 89 is sold in April, a DH 84 in August, a DH 89 in September, and a DH 89A in October. Meanwhile, all civil flying ceases on September 3 when war is declared on Germany.

A DH 89 is sold in January and a DH 89A and a DH 85 in March, **1940**. On May 5, Olley's firm is one of seven companies joining the **Associated Airways Joint Committee** for the wartime coordination of domestic air routes and services. Capt. Olley is appointed operations manager for the conglomerate and during **1940–1945**, he flies a single remaining Dragon Rapide on occasional charters from his headquarters field at Liverpool.

With two DH 89As, OAS resumes ad hoc charter work from Liverpool on January 1, **1946**, the day civil flight resumes in Britain. Two Percival Proctors are acquired in August and October, respectively. On September 17, a Percival Proctor 1, leased from North Sea Air Transport, is lost in a crash at Zurich. **Air Commerce, Ltd.**, a charter operator based at London (Croydon), and its two DH 89As are purchased in December. The new acquisition is allowed to continue operations under its own name with one retained Dragon Rapide.

Three of Capt. Olley's associate companies are taken into the new **British European Airways Corporation (BEA)** in February **1947**—**West Coast Air Services, Ltd.**, **Great Western and Southern Air Lines, Ltd.**, and **Isle of Man Air Services, Ltd.** Great Western Railway Company and London, Midland and Scottish Railway now share full ownership of the carrier. In April and June, two Airspeed AS.65 Consuls are purchased and these join the Dragon Rapides and Percival Proctors in opening charter services to the Continent during the summer.

In June, Olley participates in aviation industry's relief of stranded British tourists in France and Switzerland, their plight caused by a French railway strike; over 200 passengers are returned to the U.K. An order is now placed for three DH 104 Dove 1s, the first two of which are delivered on September 24 and November 14. Two DH 89As are sold during the year.

Three more DH 89As are added in February **1948**. The third DH 104 is ready to enter service on March 8. Charter operations are again offered, with the carrier gaining a certain reputation for offering flights to horse racetracks.

The fleet in **1949** comprises 6 DH 89As, 3 DH 104s, and 3 AS.65s. The carrier's first scheduled route is obtained under an associate agreement with **British European Airways Corporation (BEA)** and on June 3, four-times-per-week London (Croydon)–Le Touquet service begins. On July 15, a Consul is lost in a crash at Chiswick. A Dragon Rapide is sold in October.

Two more Dragon Rapides are sold during **1950** and during the year, the company's board of directors is reorganized, with Keith Grand named chairman and Capt. Olley retaining his position as managing director.

Except for the sale of the Percival Proctor 3 in November, Olley's fleet does not change in **1951**, while airline employment stands at 50. The company starts three new **British European Airways Corporation (BEA)** associate routes: London (Croydon) to Bristol, Exeter, Newquay, and Land's End, to Weston-super-Mare, and to Bristol. Ad hoc charters continue and a total of 8,750 passengers are flown on the year.

An April Dragon Rapide sale is the only fleet change of **1952**, while new scheduled London (Croydon)–Jersey and Guernsey frequencies are launched. Enplanements reach 8,840. In February **1953**, Chairman Grand resigns and the air company is purchased by **Morton Air Services, Ltd.**, which allows the pioneer to retain its previous identity.

Capt. Olley retains his previous post as managing director. As most of Oiley's fleet is a duplication of Morton's, it is sold to **Cambrian Airways, Ltd.**, then known as **Cambrian Air Services, Ltd.**

Employing **Morton Air Services, Ltd.** DH 104 Dove Is, Olley flies scheduled and nonscheduled services during the following summers; boardings in **1953** are 11,900 and in **1954** total 12,500. Capt. Olley dies on March 18, **1958**; however, Morton keeps his company alive, in timetables, through the summer of **1961**.

OLSON AIR SERVICE: P.O. Box 142, Nome, Alaska 99762, United States; Phone (907) 443-3625; Fax (907) 443-5017; Code 4B; Year Founded 1979. David K. Olson forms OAS at Nome, Alaska, in **1979** to provide scheduled Cessna passenger and cargo flights to the following communities: Diomed, Wales, Brevig, Televe, Shishmaref, Savoonga, Gambell, Golovin, White Mountain, Elim, Koyuk, Shaktoolik, and Council. Operations continue apace for the next 11 years.

The fleet in **1990** includes 3 Cessna 207As and 1 each Cessna 185, Cessna 206, Cessna 310, Cessna 402, and de Havilland Canada DHC-3 Otter. Enplanements total 4,149.

Passenger boardings inch upward in **1991** to 4,278 and a total of 714,923 pounds of mail are also flown.

In **1993–1994**, the company employs 15 workers and operates a fleet of 2 Cessna 402s, 1 Cessna 310, 3 Cessna 207As, 1 Beech 18, and 1 Cessna 185. Passenger boardings for the latter year total 7,947.

One new worker is employed in **1995** and enplanements decline 8% to 7,359.

Traffic recovers in **1996** as customer bookings increase 34.7% to 9,914.

Margaret M. Olson is president in **1997**, with Donald C. Olson as vice president, Karol Olson as secretary, and Margaret C. Olson as treasurer. J. R. Beans is general manager. The fleet now includes 3 Cessna 307s, 2 C-402s, and 1 Piper Saratoga.

Just after landing at Teller on April 3, a Cessna 207A with a pilot and six passengers veers off the left side of the runway; the aircraft's nose-wheel digs into soft snow, causing the plane to nose over. One person receives minor injuries.

While on final approach to Nome on June 27, a Cessna 207A with 2 passengers collides with a 260-ft. tall radio antenna located 3.85 nm. E of the runway. There are no survivors.

The previous year's traffic bonanza turns into a 47.6% downturn in bookings, which fall to 5,199.

Service is maintained in **1998**, but business is horrific. Passenger boardings drop to just 1,000. Still, schedules are met during the remainder of the year and into the new millennium.

OLT (OSTFRIESISCHE LUFTTRANSPORT, GmbH.) See LUFTHANSA CITYLINE, GmbH.

OLYMPIC AIRWAYS, S.A.: 96-100 Syngrou Ave., Athens, GR-11741, Greece; Phone 30 (1) 926-9111; Fax 30 (1) 926-7154; <http://www.olympic-airways.gr>; Code OA; Year Founded 1957. Late in **1956**, Greek shipping magnate Aristotle Onassis purchases the government-owned airline **Technical and Aeronautical Exploitations Company (TAE)** for £700,000 and a guaranteed concession of sole rights to operate all Greek air transport for 50 years. Onassis, the only individual in the world of that day to own a national airline, seeks further assistance.

The government of National Radical Union Prime Minister Constantine Karamanlis also agrees to cover a variety of contingencies, including losses incurred by unauthorized strikes and losses on transatlantic flights. Other concessions granted to the airline include: the right to export profits; the right to import capital goods without customs payments; exemption from corporate taxes and from the payment of landing fees anywhere in Greece; a monopoly on refueling and handling of foreign carriers flying into the country; and, if necessary, interest-free loans of \$3.5 million. As a further assistance, the government also bans all Greek carriers from offering transatlantic charters.

On January 1, **1957**, the ex-government carrier is reorganized, given its present name, and capitalized by Onassis and his three sisters; **UAT French Airlines, S.A.** official Francis ("Tom") Fabre is recruited as managing director. The 14 DC-3s and DC-4 inherited from TAE are given new livery and the Olympic symbol of five circles becomes the company logo.

With Capt. Pavlos Ioannidis at the controls, a DC-3 inaugurates Olympic's flight operations on April 6 over the route from Athens to Thessaloniki. Orders are placed for four DC-6Bs, while three are leased from the French carrier **UAT French Airlines, S.A.** The latter enter service on June 2 on a twice-weekly service from London to Beirut via Paris, Athens, and Nicosia.

The purchased DC-6Bs join the fleet in **1958**. A new service is started to Cairo, domestic routes and frequencies are increased, and the company becomes one of the few in the world to operate the Piaggio P-166 gull-wing transport. Flights are introduced to Zurich, Frankfurt, and Tel Aviv.

Managing Director Fabre resigns in June **1959**. He is succeeded by Costa Konialidis, a cousin of owner Onassis.

Flight 214, a DC-3 with 3 crew and 15 passengers and en route from Athens to Salonika, crashes into a mountain near Avlon Attiki, Greece, on October 29; there are no survivors.

A consortium agreement is signed with **British European Airways Corporation (BEA)** on April 1, **1960**, providing for joint operation and promotion of traffic on routes from London to the Eastern Mediterranean. Chartered British Comet 4B jetliners inaugurate London–Athens service on May 8. Operations continue apace in **1961–1963** and by **1964** the airline's employment population stands at 2,245, the fleet has 15 airliners, and these carry a total of 25,071 passengers on the year. In **1965**, orders are placed for Boeing 707-384s and 727-294s.

The first 707-384C is delivered on May 11, **1966** and is employed to launch an Athens–New York transatlantic service on June 1. The carrier's pilots go out on strike on August 15, but the company is able to operate two international and four domestic flights with nonstriking pilots.

Other unions back the strikers, but owner Onassis refuses to talk until the job action is ended. The strike is finally settled on August 30 with a 50% pay increase for the pilots.

Enplanements for the year total 991,713.

The first B-727-284s begin to arrive in early **1967** and are set to work on the European routes. Passenger boardings exceed the million-mark for the first time (1,133,009).

The workforce stands at 4,000 in **1968**. The fleet now includes 2 B-707-384Bs, 3 B-707-384Cs, 2 B-727-284s, 5 Comet 4Bs, 6 DC-3s, and 8 DC-6Bs. At least three of the latter type are purchased during the spring from **Northeast Airlines**. Service to Africa begins in late March with flights to Nairobi and Johannesburg.

In something of a scandal on October 17, Capt. Donald McGregor, a senior company pilot preparing to undertake the regularly scheduled B-707-384B service to Athens, receives orders for a special mission. Ninety-three passengers on his New York to Greece flight are shifted to another aircraft at John F. Kennedy International Airport in order to make way for Mrs. Kennedy and her 11-person party, who fly to the military base at Andravida, Greece. After landing, the party is transferred to an Olympic Piaggio, which proceeds to Skopios for her marriage to owner Onassis. The CAB probes the mass "bumping" case, but refuses to take action unless complaints are made—and none are.

On November 8, Italians U. Giovine and M. Panichi hijack a B-707-384B with 130 aboard, shortly after its takeoff from Paris for Athens, in protest against the Greek military regime; they force the plane to return to Paris and there surrender. The two will be tried and receive French jail sentences of six and eight months, respectively.

A new B-707-384B is delivered on December 18 and is christened *City of Pella*.

The next day, a B-707-384C with 152 aboard, including the new Mrs. Onassis, is delayed for over 4 hours on the ground at Kennedy Airport

as the result of a bomb threat; finding no explosive, police clear the plane to Athens.

Enplanements this year total 857,080. Orders are placed for two Nihon YS-11 turboprops.

In 1969, the first Nihon enters service. On January 2, ex-convict F. Paravolidakis, after firing a shot at the pilot, takes control of Flight 944, a DC-6B with 102 aboard en route from Crete to Athens, and forces it to fly to Cairo. He will be tried and sentenced to eight months in an Egyptian jail.

On May 18, officials of Britain's airline unions threaten to boycott the company on behalf of its employees if conditions under the Greek military regime make it impossible for Olympic employees to strike.

A DC-3, on an August 16 domestic flight from Athens to Agrinion with 31 aboard, is hijacked by a doctor, with his wife and two children in tow, and forced to fly to Albania. During the flight, the Greek pirate reveals that he had been jailed by the military regime and apologizes to the passengers for their inconvenience, saying he has acted to save his family.

To prevent further hijackings, the company, beginning on September 23, requires all passengers on domestic flights to present identification cards or passports.

On December 8, a DC-6B with 5 crew and 85 passengers en route from Crete to Athens with 90 passengers, crashes during a storm into Mount Paneion near the Sounion beacon, 21 nm. from its destination; there are no survivors.

Bookings for the year skyrocket to 1,544,290.

The Comet 4Bs are returned to **British European Airways Corporation (BEA)** in 1970 as four B-727-284s and four Nihon YS-11s join the fleet. On July 30, the B-727-284 Flight 225, en route from Beirut to Athens with 55 aboard, is hijacked by 6 Arab terrorists; the plane flies to Athens. The plane is held on the ground as the pirates demand the release of 7 other Arab guerrillas held in local jails.

Company President Onassis and two Greek government officials offer themselves as hostages during the negotiations, allowing the passengers to be freed. After picking up the additional passengers, the hijackers fly to Cairo, taking IRC official A. Roachat along as guarantor of the arrangement. At Cairo, freedom is eventually agreed and the plane is allowed to return to Athens on September 7.

On November 5, the nosegear of a DC-6B collapses after the plane's landing at Kerkira, Corfu, causing the Douglas to run off the left side of the runway and come to a stop 450 ft. out; there are no fatalities.

Although freight is off 3.4%, passenger bookings for the year jump 11.1% to 1,737,109. Airline employment is up 28.6% to 5,357.

The wholly owned subsidiary **Olympic Aviation, S.A.** is formed in 1971 to operate service and local flights on behalf of its parent; initial equipment consists of Cessna and Piper lightplanes.

En route from Kalamata to Athens on October 16, a YS-11A is hijacked to Beirut by a lone gunman. Ten days later, another YS-11 en route from Athens to Crete, is diverted to Rome by a single assailant who is overpowered on the ground at the Italian capital.

Olympic adds additional destinations in Europe, the Middle East, and Africa during 1972. With the introduction of service to Sydney, Australia, Olympic now flies to five continents. Between February 12 and June 28, six B-720-051Bs are received from the American carrier **Northwest Airlines**. They are named in honor of rivers: *Axious*, *Acheeloos*, *Pinios*, *Strimon*, *Evros*, and *Allakom*.

On May 28, in an effort to obtain medical treatment in London, a lone assailant hijacks a B-707-284B with 130 passengers en route from Crete to Athens. At his destination, he is surprised by police and captured. He will be tried and receive a two-year prison term.

While approaching Athens in poor visibility after an October 21 flight from Corfu, a YS-11A with 4 crew and 49 passengers crashes into the sea off the capital city (37 dead).

Orders are now placed for Boeing 747-100s. All of the Comet 4Bs having been disposed of, the fleet now includes 5 B-727-284s, 6 B-707-284B and B-707-284Cs, 5 B-720-051Bs, 6 DC-6Bs, 5 DC-3s, and 5 Nihon YS-11As.

Another B-707-051B the *Hestos River*, arrives from **Northwest Airlines** on January 17, 1973, followed by two B-707-351Cs on March 23 and May 18, respectively. Meanwhile, on January 22, a Piaggio 136, piloted by Alexander Onassis, with Capt. Donald McGregor and Donald McCusker as passengers, fails its takeoff from Athens and crashes; young Onassis is fatally injured. Believing the government behind the disaster with assistance from the U.S., Aristotle Onassis blames the U.S. CIA and McCusker (believed to be an agent) for his son's death.

The first B-747-284B is delivered on June 21; christened *Olympic Zeus*, it is used on the New York route beginning in July. A second B-747-284B, the *Olympic Eagle*, arrives on December 7. North Atlantic traffic grows 50% during the year due to a special \$320 nonaffinity roundtrip fare.

Having requested reimbursement for his medical expenses, Capt. McGregor receives a settlement from Olympic in July 1974; he is given \$15,000 (less 15% legal fees). Owner Onassis refuses to allow his lawyers to settle with Capt. McCusker, even after the injured man's lawyers threaten to impound a B-747 in the U.S.

As of September 8, the company's Greek pilots refuse to fly with their American colleagues because of the U.S. government's policy regarding Cyprus. The Greeks ask the Greek transport ministry to dismiss the 11 U.S. employees, including 7 pilots and 4 flight engineers.

In December, following heavy losses (estimated at £15,000 sterling), Chairman Onassis relinquishes his special concession and agrees to turn his airline back to the Greek government.

Enplanements for the year are 2,172,911. The company is grounded pending reorganization.

On January 1, 1975, the government, as sole shareholder, assumes control of Olympic and assigns management of its operations to the Ministry of Transport, which names George Theofanis chairman/CEO. Airline employment is cut 32% to 7,443. Domestic flights begin in the spring and international frequencies are resumed, with new services started to Libya, Saudi Arabia, and Kuwait.

Financial settlement is reached between Onassis and the Greek government in August. Negotiations for the transfer have been difficult, but eventually, the tycoon receives \$69 million, \$34 million of which is earmarked to pay the airline's outstanding debts. He is allowed to keep the company's real estate (worth \$10 million), permitted to sell two Stratoliners to Jordan for \$9 million, and given a Learjet and two helicopters valued at \$5 million.

En route from Athens to Mikonos on September 27, a Shorts SC-7 Skyvan is subjected to an attempted hijacking by a lone assailant holding a bottle of fluid he claims is nitric acid. The man is overpowered by the crew and other passengers and is turned over to police when the little aircraft lands at its destination.

Passenger boardings climb 23.3% to 2,832,646, but cargo is down by 32%.

The employee population grows to 8,486 in 1976. The fleet now includes 2 B-747-284Bs, 6 B-707-284B/Cs, 7 B-720-051Bs, 6 B-727-284s, 3 Shorts SC-7 Skyvans, and 7 YS-11As. On June 26, the *Hermes* is the first of four B-737-284s named for Greek gods to arrive during the next six months.

Service is inaugurated to Dubai and Melbourne, bringing the carrier's total international destinations to 27 and domestic stops to 30.

Diverted from Larissa to Kozani on November 23 because of poor weather, a YS-11A with 4 crew and 46 passengers, on initial approach after a flight from Athens, crashes into a mountain 15 nm. S of Kozani; there are no survivors.

Late in the year, flight and ground hostesses and ticket agents receive new uniforms created by Greek designer Roula Stathia.

Passenger bookings soar 49.2% to 4,354,589.

Enplanements drop to 3,943,589 in 1977, due partially to a strike by stewards and stewardesses that halts company operations on July 24.

Airline employment in 1978 is 9,002. A strike by cabin crews idles the carrier as of January 20. A computerized reservations system is purchased. Routes are extended weekly to Tirana, Albania, and

reintroduced to Tel Aviv, Milan, and Jeddah. The total number of destinations visited by President Nicholas Farmakidis' carrier is now 23.

During the spring, Olympic finally settles with Donald McCusker for the January 1973 crash that killed Alexander Onassis; the payout is \$800,000.

The Boeing Airplane Company discloses its foreign payoffs on August 1, including a \$1.75 million payment to Aristotle Onassis, during the early 1970s, in connection with the sale of two Jumbos to his airline. Five Airbus Industrie A300B4-203s are ordered.

Passenger boardings jump 20.7% to 4,973,316 and cargo accelerates 3.8%.

The number of workers is decreased 0.8% in 1979 to 8,932. The first two A300B4-203s are delivered and are placed in service on regional routes. On June 5, 110 of the carrier's 128 flight engineers strike. A new reservations system is turned on.

Bookings climb 8% to pass the five million mark for the first time (5,129,855); freight grows 11% to 69.4 million FTKs.

Airline employment is cut again in 1980, down by 1.6% to 8,788. The remaining two of the three Airbuses join the fleet, as orders are placed for a sixth, plus two more B-737-284s.

Effects of the fuel crisis and world recession are felt as boardings dip 3.6% to 4,943,000; cargo is, however, up 2% to 70.77 million FTKs.

Yet another A300B4-203 and two B-737-284s are placed in service in 1981. On December 31, Theodoros Lianos becomes president.

Enplanements rebound 1.2% to just over 5 million, while cargo accelerates 16.8% to 82.7 million FTKs. On total revenues of \$497.4 million, expenses are \$525.7 million, producing a loss of \$79.9 million.

The employee population is 9,586 in 1982 as retirement of the former Northwest Airlines B-720-051B is completed. A flight attendants strike grounds the carrier on June 26.

Passenger boardings accelerate 12% to 5,472,000, but freight is off by 6% to 73.81 million FTKs.

The carrier postpones its foreign and domestic schedules until mid-afternoon on January 20, 1983, as the result of a nationwide work stoppage designed to protest the government's decision to freeze wages. Plans are made to receive three B-747-212Bs purchased from Singapore Airlines, Ltd.

Employment remains level, as bookings advance 9% to 5,971,000 and cargo climbs 8% to 79.46 million FTKs. Still, a net loss of \$53.5 million is suffered.

The employee population is increased 4.8% to 10,313 in 1984. The first Jumbojet arrives from Southeast Asia on September 1 and christened *Olympic Spirit*; service is launched to Copenhagen, Toronto, Marseilles, and on a Singapore-Melbourne-Sydney routing.

Late in the year, a major development plan is unveiled. Designed to relieve the financial burden of domestic service and leave the carrier to concentrate on international operations, responsibility for domestic service is shifted to subsidiary Olympic Aviation, S.A. The subsidiary's fleet is beefed up to include 20 aircraft (Shorts 330s, Dornier 228-200s, and 3 helicopters) and 31 Greek stops are turned over.

Systemwide, passenger boardings increase 17.5% to 7,012,000 (71% domestic) and cargo grows 13.2% to 89.91 million FTKs. On revenues of \$455 million, the operating loss is \$12.2 million and the net loss deepens to \$56.7 million.

The workforce grows 17.4% to 12,102 in 1985. The last two B-747-212Bs are acquired on April 1 and December 23, respectively, and are christened *Olympic Flame* and *Olympic Peace*, respectively; the B-747-284B *Olympic Zeus* is sold to Trans World Airlines (TWA). Several new international frequencies are now started, plus service to Alexandria, Egypt.

Passenger traffic rises 7% to 7.5 million and freight soars 36% to 122.2 million FTKs. Revenues grow to \$484.7 million, expenses jump 16% to \$529.97 million, and there are record losses: \$43.3 million (operating) and \$113.6 million (net).

The fear of terrorism, particularly among potential U.S. passengers, has a dramatic impact in 1986. A bomb threat forces a B-747-212B

bound for New York from Athens on January 5 to land at a military airfield in Canada; no bomb is found.

While on a March 4 domestic flight, a lone gunman attempts to hijack a B-737-284 with 76 passengers to Libya; while on the ground at Sasntorini, Greece, for refueling, the pirate is overwhelmed and arrested.

The terrorist threat causes airline employment to decline 6.9% to 11,271 as customer bookings fall 12% to 6,576,000. Freight is also down, by 14%, to 104.77 million FTKs.

The workforce is increased by 2.1% in 1987 to 12,262 as traffic resumes its upward launch. Service is started during the second half to Melbourne and Sydney via Bangkok, to Chicago via Boston, and to Barcelona.

Passenger boardings rise 1.6% to 6,680,281 and cargo is up 0.1% to 104.87 million FTKs. Although an operating profit of \$53 million is generated, there is a net loss of \$68.5 million.

Airline employment falls 1.1% in 1988, to 12,133 and the fleet now includes 6 B-707-284B/Cs, 4 B-747-212Bs, 6 B-727-284s, 11 B-737-284s, 8 A300B4-203s, Shorts 330s, and 7 228s. Orders are outstanding for three B-767-384s and three Avions de Transport Regional ATR42-300s. In June, weekly roundtrip service is introduced linking the nation's second largest city, Thessaloniki, with Paris.

Later in the summer, twice-weekly roundtrips begin between Athens and Barcelona and, in December, a third frequency is offered from Athens to Melbourne, via Bangkok.

Customer bookings ascend 2.2% to 6,829,878, but freight declines 2.6% to 101.96 million FTKs. Revenues climb 10.5% to \$699.5 million; however, expenses are up 13.8% and drop operating income to \$39.2 million. The net loss is reduced to \$62.3 million.

Company employment grows 27.8% in 1989 to 15,500. Retirement of the B-707-284B/Cs begins. A newly-delivered Olympic Aviation, S.A. ATR42-300, with 34 aboard, crashes into a mountain on the eastern Aegean island of Samos on August 4; there are no survivors.

Although passenger boardings slip 2% to 6,681,066, freight rises 1% to 103.19 million FTKs.

The workforce is cut 2.1% in 1990 to 11,906. Long-haul flights begin twice-weekly to Tokyo in September.

Customer bookings decline another 7.5% to 6,134,574, but cargo ascends 9.3% to 112.73 million FTKs. Costs exceed income and there are losses on both side of the ledger: \$24.2 million (operating) and \$164.3 million (net).

The payroll is sliced another 4% in 1991 to 11,429 and the fleet now includes eight A300B4-203s, six B-737-284s, three B-727-230As newly acquired from Deutsche Lufthansa, A.G., 11 B-737-284As, two new B-737-484s, three B-747-212Bs, and one B-747-284B. Four more B-737-484s join the fleet during the year and orders are outstanding for four B300B4-605Rs.

New aircraft livery is introduced and service is inaugurated to Berlin, Munich, and Barcelona. In April, the company inks its first alliance with another carrier, Austrian Airlines, A.G., which provides for code-sharing on flights from Athens to Vienna.

The nation takes the first step toward airline liberalization in September when it ends the carrier's monopoly over the provision of charter services. In December, a block space agreement is launched with Saudia (Saudi Arabian Airlines) on Greek flights from Athens to Jeddah and Riyadh.

The impact of the Gulf war and recession on Greek tourism is negative and consequently, the state carrier suffers a decline in passenger traffic. Boardings fall 18.3% to 5,044,974, while freight inches up 1.4% to 114.24 million FTKs. Revenues slide 7.4% to \$737.6 million, but expenses are higher. The operating loss deepens to \$96 million, but the net loss is cut to \$141.3 million.

The number of employees drops a further 5% in 1992 to 10,861. Emmanuel Fthenakis is named managing director, the first of four requested A300B4-605Rs is placed into service, and flights are begun to Beirut, Boston, and Chicago.

Olympic Aviation, S.A. now becomes operationally independent of its parent. Also, the whollyowned subsidiary **Macedonian Airlines, S.A.** is established to operate charter flights from the Greek province of Macedonia with leased B-737s.

Customer bookings recover and ascend by 11.6% to 5,629,952. Cargo, however, now slides by 6.3% to 107.07 million FTKs.

Airline employment is cut an additional 11.7% in **1993** to 9,600 as the second A300-600R is delivered. New markets are initiated at Naples and Damascus. Failing to win a halt to unprofitable international routes or to win acceptance for a restructuring designed to lower the \$1.3 billion debt, MD Fthenakis resigns in July. He is succeeded by Theodoros Tsakiridis.

Except for the retention of six hubs, financial responsibility for all domestic routes is passed to **Olympic Aviation, S.A.** in December.

Passenger boardings slip 1% to 5,569,834, but freight jumps skyward by 18% to 126.35 million FTKs. The year's losses are severe: \$73.96 million (operating) and \$580.39 million (net). The company's cumulative debt is now \$2.1 billion.

During January **1994**, Managing Director Tsakiridis seeks a Dr 17-billion (\$68-million) loan from commercial banks to cover operating costs during the first quarter. After a rejection the previous year, the new Greek government's transport minister, Ioannis Charalabous, meanwhile, again asks the EU Commission for permission to write off the airline's Dr 325-billion (\$1.3-billion) cumulative debt over the next five years.

In May, Minister Charalabous asks the company to lay off over 1,700 employees in an effort to reduce its \$1-billion debt. Wages are frozen at the previous year's level and plans are announced to end Athens-Tokyo and Chicago services and later flights linking the Greek capital with Vienna, Amsterdam, Australia, and Canada. A Jumbojet is sold and two leased Airbus are returned.

During the final week of July and at the same time it approves a large bailout for **Air France**, the EU Commission authorizes the government of Greece to inject \$2.28 billion into Olympic Airways, S.A. over the next several years. The bailout will consist of a \$1.8-billion write-off of debt, the placement of Dr 54 billion (\$276 million) in loans, which will be converted into equity, and the infusion of Dr 54 billion (\$276 million) in new capital in annual tranches through 1997.

There are, however, stringent conditions: (1) the Greek government is no longer permitted to interfere in the airline's management; (2) no additional government subsidiaries will be permitted; (3) Olympic is to obtain a "common law enterprise" legal status; (4) wages must be frozen in 1995-1996; (5) labor must agree to work rule concessions and other cost-cutting measures; (6) fleet expansion plans must be cut back; and (7) European competitors will be permitted improved access to routes serving the Greek islands.

Services from Athens to Tokyo and Chicago end on November 2. A B-737-284A is hijacked during a flight from Germany on November 8 by 24-year-old Kostas Tsenkides; following the plane's arrival at Salonika, the pirate releases his captives and is arrested by police.

Also in November, two Eurocopter AS-355 TwinStar helicopters are placed into daily service from Athens on emergency medical service (EMS), transport, and cargo flights to 10 of the Greek islands, including Corfu and Rhodes.

The state-aid package is endorsed by the Greek Parliament in December. Late in the year, Prof. Rigas Doganis, chairman of the Department of Air Transport at Cranfield University (U.K.), is named chairman/CEO effective in February.

Customer bookings recover, growing by 6.3% to 5,923,185 and cargo marches along, up 6.8% to 135 million FTKs. Revenues shoot up 12.7% to \$936.58 million, while expenses rise only 2.6% to \$928.84 million. Consequently, there is an operating surplus of \$7.74 million and net loss "improves" to \$37.04 million.

Airline employment declines by 11.7% in **1995** to 9,140. Following a threat of sabotage with poison gas, a B-747-212B is held in a remote section of New York (JFK) following its arrival from Athens on March 20; no attack is made and the plane is released.

Once Chairman/CEO Doganis is aboard, he undertakes a massive restructuring of the company under terms of the European Commission's state-aid plan. In return for the Greek government's first \$81.4 million in funding received in July, he begins implementation of a 15% reduction in force, which will be largely completed by Christmas, along with the implementation of new work rules. A massive customer service training program is implemented for 5,500 employees.

Expenditures are cut across the board and the unprofitable route to Tokyo is terminated; frequencies across the Atlantic are also trimmed. Two A300B4-203s are returned to their lessor as the company renews efforts toward fleet planning and consolidation; no new nonreplacement aircraft will, however, become available for three years.

Just before landing at Athens after a service from Sydney on November 9, a B-747-212B is captured by a lone assailant, who holds a knife against the throat of a female flight attendant while protesting that he does not wish to return to his native Ethiopia. Once the Jumbojet is on the ground in Greece, the pirate is overwhelmed by police.

Late in the year, a new hub is established at Thessaloniki.

Enplanements for the year inch up 3.3% to 6,119,397, but freight falls 13.4% to 116.99 million FTKs. Revenues dip 0.9% to \$941.83 million, but costs fall a heavier 5.6% to \$886.64 million. As a result, there is an operating profit of \$55.18 million and a net gain of \$27.9 million. These figures are later significantly adjusted, rising to \$60.54 million and \$57.2 million, respectively.

The workforce is cut 10% in **1996** to 8,625. Two important international agreements begin during the first quarter. In January, Olympic arranges block-space on **VASP Brazilian Airlines; Viacao Aerea Sao Paulo, S.A.** return flights from Rio de Janeiro and Buenos Aires to Athens are begun. The same sort of accord begins with **Swissair, A.G.** on its flights to Thessaloniki from Zurich.

The Greek government moves during the first quarter to violate the first condition of the six laid down by the European Commission in 1994 for state aid. Parliament votes to give bonuses to workers accepting early retirement, which the EC views as indirect additional government support to the airline. Consequently, on March 12, it holds up the second tranche of financial aid.

On March 14, a Reuters journalist interviews Chairman Doganis at the airline's Athens office. During the conversation, the reporter receives a mobile telephone call from a colleague attending an impromptu press conference called by Greek Transport Minister Haris Kastanides. Turning to Doganis, the surprised Reuters man informs him that he has just been publicly terminated. After firing Doganis, Kastanides implies that the former chairman has been "leaking" unauthorized information to the EC concerning the government workers' bonuses.

In April, Prof. Doganis is replaced by onetime **Pan American World Airways (1)** strategic planner and now aviation consultant Jordan N. Karatzas, who now becomes the 27th Olympic chairman since the return of the airline by Aristotle Onassis in 1967.

In one of his first actions, CEO Karatzas in May appoints as consultants McKinsey & Co., asking that firm to conduct an operational review. The firm's report will suggest methods for improvement of the company's management, including the installation of new financial software.

As a result of the government's April meddling, the EC in July blocks the second installment of state aid (\$98.5 million) from the government to the airline.

In September, a B-747-1D1, B-737-291A, and two Lockheed L-1011 TriStar 1s are subleased from **Air Atlanta Icelandic, H.F.** This additional capacity is employed to fly home eligible voters of all parties from points throughout Europe so that they may vote in the parliamentary elections.

Passenger boardings accelerate 6.3% to 6,502,327 while 119.24 million FTKs are operated, a slight 1.9% growth. Operating income inches up 1.5% to \$991.5 million and costs climb 2.3% to \$685.3 million. Operating gain falls to \$51.3 million and net profit slides to \$46.63 million.

The fortieth anniversary year is celebrated in **1997** as employment is cut by 20% to 7,250. In April, shared code flights begin with **Balkan**

Bulgarian Airlines over a route from Athens to Sofia. Dual designator Athens to Bucharest flights commence with **Malev Hungarian Airlines** at the same time, followed by new services to Moscow and Budapest.

Under terms of a new code-sharing agreement with **Aerosvit Airlines**, a flight operated by the Ukrainian carrier from Kiev to Heraklion begins in June, while in July, twice-weekly return flights are undertaken from Kiev to Malta.

Work continues apace on implementation of the McKinsey restructuring report and fleet modernization moves are made with an August order for two Airbus Industrie A340-300s and four Next Generation B-737-800s for delivery at the end of the century. The Boeing request is valued at \$408 million. CEO Karatzas is unable to advance the carrier's restructuring plan in the face of union opposition.

Just after landing at Thessaloniki in heavy rain following an August 12 service from Athens, Flight 171, a B-727-230 with 8 crew and 26 passengers, begins to hydroplane toward the sea; the pilot steers the tri-jet off the right side of the runway at the last moment. Although the plane is damaged, there are no fatalities.

In September, the EC grants tentative approval for payment of the last two installments of state aid to the carrier in one lump \$150-million payment. In October, however, as controversy continues to swirl around the airline's management, the EC appoints Deloitte & Touche to examine Olympic's books prior to release of the funds.

Daily roundtrips to Prague commence in the fall. In November, the EC elects not to pursue an antitrust case against the airline in exchange for changes in Greek airline employment laws and an end, as of January 1, to the carrier's ground handling monopoly at Athens Airport.

Having abandoned the company's restructuring program in the face of union opposition, CEO Karatzas is terminated by Greek Transport Minister Tasos Mantelis in December. Pledging to end political interference with the airline's management, Mantelis threatens to replace the entire 15-member board of directors if that extreme measure is required.

Passenger boardings surge ahead by 9.1% to 7,091,472 while freight grows 8.3% to 128.9 million FTKs. Revenues total \$1.01 billion, with expenses of \$964.1 million. There is an operating profit of \$48.3 million, but a net loss of \$25.1 million.

Airline employment stands at 6,672 in **1998** and the fleet, 48.7% of which is Stage III-certified, includes 39 airplanes: 9 B-727-200s, 18 B-737s, 4 B-747s, and 8 A300B4s.

In January, Theodoros Tsakiridis returns as chairman/managing director while the Greek government, in its efforts to meet EC demands, declares that the wages paid to airline employees are too high. Minister Mantelis proclaims that Olympic must save at least Dr 50 million (\$160 million) for each of the next five years or face closure.

In February, Olympic begins a process of employee rationalization (i.e., termination), firing 64 seasonal flight attendants.

EISF, the flight attendants' union, protests the terminations and begins a work slowdown. As a result, by month's end, Olympic must cancel some 12 national and international flights per day because it does not have sufficient staff to safely operate them.

Disputes between the company and its workers continue into the second quarter. In April, employees strike over a proposed wage freeze designed to help the company meet its cost-cutting annual goal.

As pilot and cabin staff strikes continue, Olympic, in May, is forced to borrow Dr 4 billion (\$12 million) from two state banks to make the payroll, trusting that revenues from services in June will cover the loans. In June, the government announces that it will no longer guarantee loans to loss-making public sector entities—including Olympic.

The first of five A340-313s is delivered in September; the premier aircraft is christened *Olympia*. Two more are ordered on December 18.

Passenger boardings fall 9.3% during the year to 6.4 million, while cargo traffic drops 12% to 112.02 million FTKs.

Two more A340-313s arrive on February 8, **1999**, with two more scheduled for delivery later in the year. Like the machine received in the fall, the Airbus aircraft replace B-747-284Bs on the carrier's intercontinental routes to North America, Australia, the Far East, and South Africa.

Just prior to the government deadline of February 15 for interested outside bids on a contract to manage the airline, Chairman/Managing Director Tsakiridis resigns.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, Olympic, on March 24, halts all scheduled service into Belgrade, as well as nine other Balkan destinations. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the NATO bombing campaign on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25 and for the duration of Operation Allied Force. Flights throughout south-central and southeastern Europe experience delays of 30–60 minutes due to airspace closure.

Callers to a special information line set up by the airline to aid passengers are told, on March 30, that the airline is not flying. Olympic officials are not amused by the prank and ask OTE, the Greek state-owned telephone system, for assistance in finding the person(s) responsible for the incorrect message.

The company admits on April 26 that it has suffered some loss from the Kosovo crisis, but does not yet fully know the impact. There will certainly be a large impact, executives worry, should the matter continue into the tourist season, set to begin at month's end.

Operational Allied Force concludes on June 11. After years of debt and failed restructuring at the national carrier, Greek Transport Minister Tasos Mandelis on June 23 informs Parliament that European Union rules will not permit the state to continue bailing out the loss-making airline. Olympic, he admits, is the worst performer in the cash-starved Greek public sector; it is also realized that the airline has become a test case in the reform program of Prime Minister Costas Simitis.

Thus it is announced that, following a bidding competition, management of the airline, in a last-ditch effort to keep it from bankruptcy, will be turned over to Speedwing, Ltd., the **British Airways, Ltd. (2)** subsidiary on July 1, under a 30-month, £6.3-million contract. The team of Rod Lynch, BA senior executive, and Capt. Jack Lowe, the former managing director of **Air Europe, Ltd.** and the popular and most experienced Concorde pilot, both personally recruited by BA-2 CEO Robert Ayling, will attempt to make the Greek carrier profitable. If they succeed, BA-2 will have the option to purchase a 20% equity stake and take Olympic into the "OneWorld" alliance; if they fail, the Greek government will permit Olympic to go bankrupt.

Over the remainder of the month, much of the Greek press, plus politicians and labor leaders, castigate both the arrangement and the British, with particular abuse falling on Mr. Lynch. In Athens, the new CEO informs a parliamentary committee that he and Lowe have not come to change Olympic, but to undertake and enhance its existing activities. The Greeks are assured that BA has no hostile plans.

Upset that the fate of their airline has been placed in the hands of a competitor and not mollified by Lynch's testimony, airline workers stage a 24-hr. strike on July 1, greeting their new British bosses with what has become a common demonstration of displeasure. More than half the days flights must be grounded, bringing additional fiscal losses. Threats of additional strikes force Economic Minister Yannis Papandoniou to warn, in a July 4 interview in *Apoyevmatini*, that unless employee cooperation is forthcoming, the airline may be sold outright.

On July 7, Papandoniou again appeals to workers, promising that Speedwing will not cut jobs or shrink Olympic domestic flights, though they are authorized to alter the international schedule. Workers again walk out, forcing Olympic to cancel 50 of 79 domestic and international flights.

The initial unrest dies down as July passes into August. During these summer months, CEO Lynch orders a full review of Olympic's fleet as his management team prepares for a September meeting with EU officials. The Speedwing consultants must convince EU regulators that Olympic is proceeding in a manner required to receive state aid.

While en route from Athens to Bucharest on September 14, a Dassault Falcon 900 bizjet, operated by Olympic on behalf of the government of Greece, enters into a rapid descent. Of the 13 persons aboard, 6 are fatally injured and 3 are seriously hurt. The flight crew is uninjured and is able to land the aircraft safely at its Romanian destination.

The last two of four A340-313Xs to be received during the year arrive at Athens on October 14 and 25, respectively.

With Chairman G. Zigoyannis aboard, a company A340-313X flies from Athens to New York (JFK) for the first time on December 9. It receives an arch-of-water welcome from a pair of fire department tankers.

Customer bookings drop 1.6% this year to 6.36 million, while freight traffic falls 8.3% to 103.27 million FTKs.

Airline employment at the beginning of 2000 stands at 6,584, a 0.2% decrease over the previous 12 months. The B-737 fleet includes 1 Dash-33R, 7 Dash-484s, 5 Dash-4Q8s, and 1 Dash-4Y0.

Olympic Club business service is introduced on February 8 aboard company flights from Athens to Alexandroupoli, Chania, Corfu, Heraklion, Kavala, Koa, Mitilini, Rhodes, and Thessaloniki.

On March 17, the board of directors votes to fold the carrier's in-house tour service, Olympic Airtours, back into the parent organization, placing it under the sales and marketing department.

Thrice-weekly return service to Belgrade is resumed on March 23.

Arrangements are completed on March 24 for the long-term lease, beginning in June 2001, of 11 Next Generation B-737-700s and 4 Next Generation B-737-800s; 15 older aircraft will be subchartered or, if owned, sold.

When the summer schedule begins on March 26, weekly frequencies from Athens to Amman, Bangkok, Boston, and Sydney are increased to three; those to Montreal, Moscow, and Toronto are increased to four. Berlin is increased to five, Dubai to seven, and New York (JFK) to nine per week. Daily frequencies from Athens to Frankfurt, Munich, and Paris (CDG) are increased to two, and those to London (LHR), Milan, and Rome are increased to three. From Thessaloniki, service to Berlin becomes thrice-weekly, while new daily roundtrips are introduced to Munich and London (LGW). At the same time, service to Melbourne ceases.

An early morning B-737-484 return service is inaugurated on March 28 between Athens and London (LHR). A third A300-605ER is placed into service on April 3 on the route between Athens and Thessaloniki. Thrice-weekly B-737-284 return flights commence on April 30 from Athens to Benghazi.

On May 16, an order is placed with Boeing for 11 Next Generation B-737-784s and 4 Next Generation B-737-884s with which to modernize its fleet prior to the 2004 Athens Olympiad. At the same time, agreement is reached with GECAS under which the carrier will sell to the GE leasing arm 11 of its B-737-200s and then charter them all back until the new Boeings arrive in 2001-2002.

With Olympic still in difficulty, **British Airways, Ltd.**, (2) announces on June 2 that it will not purchase a 20% equity stake in the Greek flag carrier. In fact, it has also terminated its Speedwing, Ltd. management consultancy early, but under a timetable agreeable to the Greek government. In an interview with the BBC, former Olympic CEO Rigas Doganis criticizes the Speedwing operation, particularly its failure to bring the Greek side of the carrier's operation into its decision-making process.

At this point, the Greek Minister of National Economics and Transport Chris Verelis brings in Price Waterhouse Coopers and Credit Suisse First Boston to conduct an audit and find new management.

Four-times-a-week Fokker 100 return service from Venice to Athens, code-shared with **Alpi Eagles, S.p.A.**, begins on June 11.

Thrice-weekly A300-605ER roundtrips begin on June 18 from Athens to Boston via Manchester, England; the next day, thrice-weekly return flights are started from Athens to Tehran. Chairman Stelios Haji-Ioannou of **easyJet Airlines, Ltd.** bluntly denies media rumors on July 18 concerning his possible purchase of the Greek flag carrier: "I wouldn't take Olympic," he says, "not even as a gift!"

AirlinersOnline.com reports on August 9 that the carrier has informed the **British Airways, Ltd.** (2) subsidiary Speedwing that it will not pay the British company's consulting fee and that, if it wishes to collect anything on the debt, it can sue. By now, the government has received the results of its financial audit of Olympic and has found the airline near collapse. It owes huge sums to various state agencies for fuel, health insurance payments, landing fees, and so forth.

In an effort to keep the airline going and to keep its privatization plans alive, an appeal is now made to the EU Commission for permission to receive a third tranche of state funding earlier denied. Representatives of Olympic's trade unions travel to Brussels to lobby for the aid. Both the plan and the workers are met with a negative reaction as the European Union stays with its earlier position.

In early September, Minister Verelis puts forward a new plan to the cabinet of the Socialist Greek government to remedy the flag carrier's problems. Under his scheme, Olympic would be broken into two halves. One unit, about 65% of the whole, would retain all airline operations with a view to privatization while the other would be saddled with all of the company's debts. The funds raised from the sale of the larger part could then be used to cover the sums owed by the other unit. The scheme is met with negative comment from opposition parties, creditors, and even the EU Commission.

The carrier announces on October 10 that it will soon reopen its office in Nairobi; the company had pulled out of Kenya in December 1998. On October 31, economist Agelos Christodoulatos is appointed chief financial officer.

Despite the UN embargo, Olympic, on November 11, becomes the latest European or African airline to operate a humanitarian flight to Baghdad, Iraq.

B-737-484 return service between Athens and Manchester, England, grows from twice weekly to thrice weekly on November 13.

In an unusual admission of failure, this time in the case of Olympic's reform, the Greek government, on December 8, places an ad in the *Financial Times* seeking parties interested in purchasing a majority stake in its troubled flag carrier. The same day, the government announces that it is seeking tender proposals, by the end of January, for its 51% majority stake in Olympic.

Taking pains to stress its findings are not a reflection on Olympic, the U.S. FAA reports on December 21 that civil aviation authorities in Greece are failing to meet international safety standards set by ICAO. The finding does, however, require the FAA to give Greece a Category 2 safety rating and to mount a closer scrutiny of Olympic and other Greek carriers. No Greek carrier will be allowed to expand its services into the U.S., except through the wet-leasing of U.S.-registered aircraft, until the poor rating improves.

Two B-727-284s have been withdrawn from service in these 12 months and await scrapping at Athens.

As the year ends, Credit Suisse First Boston, which is advising the Greek government on the airline's privatization, will note that six concerns have come forward to express an interest in acquiring a stake in the national airline. The only airlines planning offers are **Cyprus Airways, Ltd.** and **Axon Airlines, S.A.** Bids are anticipated by the end of March.

OLYMPIC AVIATION, S.A.: 96-100 Syngrou Ave., Athens, GR-16604, Greece; Phone 30 (1) 936-2681; Fax 30 (1) 936-3282; <http://www.olympic-airways.gr>; Code 7U; Year Founded 1971. The wholly owned subsidiary Olympic Aviation, S.A. is formed by **Olympic Airways, S.A.** on August 1, 1971 to operate domestic service and local flights on behalf of its parent. Previously operated as the parent's light aircraft division, the company's initial equipment consists of 9 Cessna and Piper lightplanes and 2 helicopters.

In addition to replacement services, charters, and cargo flights flown in 1972-1973, Olympic Aviation also enters into the flight training business, opening what will become an internationally recognized Pilot Training School.

In 1974–1975, the carrier is shifted from the private ownership of Aristotle Onassis to the government at the same time and manner as **Olympic Airways, S.A.** The company also undertakes charter flights to offshore and holiday destinations. Services continue with little change during the remainder of the decade and into the early 1980s. Beginning with the delivery of the *Isle of Skiathos*, two Shorts SC-7 Srs. 3 Skyvans are acquired in 1981–1983.

Late in 1984, a major development plan is unveiled by parent **Olympic Airways, S.A.** Designed to relieve the financial burden of domestic service and leave itself free to concentrate on international operations, the approach shifts responsibility for domestic flights to the Olympic Aviation, S.A. subsidiary. The subsidiary's fleet is beefed up to include 2 Dornier 228-201s, 2 Shorts SC-7 Skyvans, 2 Britten-Norman BN-2 Islanders, 1 Piper PA-23 Aztec, 1 Bell 206, 2 Aerospatiale AS-350B Ecureuils, and 1 AS-318 Alouette. Beginning in 1985, 31 Greek stops are turned over.

Director General G. Gilkopoulou acquires six Shorts 330s in 1986. Destinations visited now include Karpathos, Kasos, Kastoria, Kithyra, Kos, Kozani, Larissa, Limnos, Mykonos, Mytilini, Paros, and Preveza. Late in the year and in 1987, seven additional Dorniers arrive.

A. Rigos becomes director general in 1988 as two Dornier 228-201s are withdrawn. Destinations visited at decade's end include Ioannina, Thessaloniki, Tirana, Chios, Kalamata, Karpathos, Kastoria, Keffallonia, Kithira, Kozani, Leros, Limnos, Milos, Mykonos, Naxos, Paros, Preveza, Samos, Santorini, Sitia, Skiathos, Skyros, Syros, Zakynthos, Rhodes, and Iraklio.

Three Avions de Transport Regional ATR42-320s are ordered in January 1989.

Having deviated 4 nm. from its course on a service from Thessaloniki on August 4, a Shorts 330-200 with 3 crew and 31 passengers crashes into Mt. Kerkis, 8 km. NW of Samos; there are no survivors.

Capt. Kiriakos Avgerinidis becomes director general in 1990 and bolsters the fleet with the acquisition of two ATR42-320s (the first of which arrives in January).

Two more ATR42-320s arrive in 1991 as one Shorts 330 is withdrawn. The first of three ordered ATR72-210s is delivered during the summer. On January 1, 1992, the carrier becomes operationally independent of its parent. A second ATR72-210 arrives and enplanements total one million.

Airline employment stands at 520 in 1993 as a third ATR72-210 is delivered. Two new routes are opened from Athens—to Istanbul via Salonica and to Corfu via Salonica. A new hub is established at Salonica and by year's end the company becomes financially independent of its parent, assuming fiscal responsibility for all domestic routes, except six hubs, including Corfu and Rhodes. The airline receives its own designator.

During the 12 months, scheduled departures total 39,930 and enplanements are 1,069,031.

The fleet in 1994 includes 6 ATR72-210s, 4 ATR42-320s, 1 Dassault Falcon 900, 7 Dornier 228-201s, and 5 Shorts 330s, all of which are later withdrawn and placed up for sale. Thrice-weekly ATR72-210 service is started from Athens to Tirana in Albania in April.

The year's scheduled departures slip to 39,651 as customer bookings ascend to 1,194,388.

Flights continue in 1995. During the spring of 1996, return flights commence between Thessaloniki and both Belgrade and Bucharest. Dr. Petros Stefanou becomes director general. A total of 1,346,635 passengers are flown on 41,350 scheduled departures.

While landing at Paros on May 2, 1997 after a flight from Athens, a Dornier 228-201 with 2 crew and 18 passengers, touches down 4 ft. short of the runway; the mistake causes the nosegear to collapse. Although the aircraft is badly damaged in the subsequent 170-m. slide, there are no fatalities.

The number of scheduled departures climbs to 41,552 and enplanements reach 1,428,732.

Destinations added during the year and into 1998 include Sofia, Rhodes, Cairo, Larnaca, Corfu, Brindisi, and Venice. Flights to Skopje

are discontinued on October 30. Enplanements for the year total 1,245,928.

It is announced on May 7, 1999, that Olympic Aviation has become the European launch customer for the Boeing 717-200. Having signed a lease with Bavaria International Aircraft Leasing Company for two of the aircraft, the company will place the planes, following their delivery in the fourth quarter, into service on routes from Athens and Thessaloniki to the Balkans.

Weekly ATR72-210 roundtrips commence on September 21 from Athens to Skopje; the new service becomes thrice weekly on October 31. Customer bookings this year slide to 1,190,936.

The workforce at the beginning of 2000 totals 575.

Two Boeing 717-2K9s, chartered via Bavaria International Aircraft Leasing, are delivered to company representatives at a Long Beach, California, ceremony on January 6, with the first christened *Andromeda*. The two aircraft begin the premier service by their type in Europe at the end of the month, operating from Thessaloniki to Amsterdam, Berlin, Brussels, Munich, Paris, Stuttgart, and Larnaca.

OMAHA AVIATION COMMUTER: United States (1979–1980). OAC is set up at Omaha, Nebraska, in the summer of 1979 to offer scheduled passenger and cargo flights linking Millard Airport with Kansas City, Missouri. Piper PA-31-310 Navajo and Cessna 310 daily roundtrips commence in August and continue through November 1980.

OMAN AIR, LTD.: P.O. Box 58, Postal Code 111, Seeb International Airport, Muscat, Oman; Phone 968 519 237; Fax 968 510 805; <http://www.oman-air.com>; Code WY; Year Founded 1993. Oman Air is created in March 1993 when **Oman Aviation Services** is renamed. Operations manager Max Paulin oversees a workforce of 1,700 and a fleet that includes 2 Boeing 737-33As leased from Ansett Worldwide, Ltd., 1 de Havilland Canada DHC-6 Twin Otter, 4 Fokker F.27-500s, and 2 Cessna Citation IIs. Destinations visited are the Sultanate communities of Khassab, Buraim, Fahud, North Samin, Samah, Haima, Thumrait, Rima, Saiwan, Dibaa, Khasah, Masirah, Salalah, and Sut.

In July, Oman Air inaugurates its first international route, to Dubai, followed in November with return flights to Trivandrum, India.

Early in January 1994, a new Boeing 737-33A route is opened from Muscat to Kuwait. Flights to Colobo, Sri Lanka, begin in October.

Operations continue apace in 1995 and service to Bombay is started during July.

In March 1996, the carrier enters into a block-space, code-sharing agreement with **Swissair, A.G.** for return flights from Zurich to Muscat. Alone, the company begins roundtrips frequencies to Dhaka, Bangladesh, in September. Enplanements for the year total 399,173.

Airline employment stands at 2,400 in 1997. At the end of May, the company inaugurates return service to Abu Dhabi five times a week and twice weekly to Cairo. In June, new routes are stretched to Doha, Qatar, and to Chennai, India. Passenger boardings soar 22.3% to 513,736 and 2.86 million FTKs are also operated.

Airline employment stands at 2,400 in 1998. A leased B-737-4Q8 is delivered on March 31. Code-shared flights with **Royal Jordanian Airlines** to Amman commence in June. Two Avions de Transport Regional ATR42-520s are ordered for regional routes late in the year. Customer bookings fall 24.7% to 267,000, while FTKs inch up to 2.87 million.

The new ATR42-520s enter service during January 1999 on new services to Jeddah, Saudi Arabia.

Officials from Oman Air meet with their counterparts from **Emirates Airlines, Gulf Air Company G.S.C., Kuwait Airways Corporation, Qatar Airways, and Saudi Arabian Airlines** at Kuwait City on May 15 to plan a united body to compete against the growing number of major world airline alliances. The CEOs, who also agree to meet quarterly, discuss ways to coordinate and develop additional revenues, cut expenses, and invest jointly in support services.

Two Airbus Industrie A310-322s, previously operated by **Swissair, A.G.**, are obtained under charter from ILFC on May 21. The two are

scheduled to be replaced with former **Balair/CTA, S.A.** A310-325s later in the year.

The company's third destination in the UAE, Al-Ain, is introduced in November. Enplanements for the year total 299,000, while 6.84 million FTKs are also operated.

The workforce at the beginning of 2000 totals 2,400. On March 26, the number of weekly roundtrip A310-325 frequencies to Thiruvananthapuram, India, is increased from four to five. Other routes increased include Bombay (2 to 4) and Al-Ain (3 to 8). The number of weekly return flights to other points remains the same as they have for some time: 33 to Dubai, 14 to Abu Dhabi and Salalah, 7 to Doha, 3 to Gwadar, 2 to Dhaka, Karachi, Peshawar, Kuwait, and Jeddah, and 1 to Colombo.

On April 19, DHC-6 return service to Sur is increased from thrice weekly to four times a week. A Boeing 727-86 is leased from **Iran Air** on May 22. It replaces an ATR on the routes to Abu Dhabi and Doha.

In June, the Wings of Oman Lounge is opened for business-class passengers at Oman's Seeb International Airport.

On July 1, duty-free merchandise is made available on international flights for the first time. Due to poor yields, the carrier's twice-weekly return service between Muscat and Karachi is terminated as of July 15.

Wearing the red, green and white livery of the Sultanate of Oman, the B-727-231A of **Nationwide Air Charter (Pty.), Ltd.** is wet-leased to Oman Air between July and September to operate daily services from Muscat to Dubai, Jeddah, Pershawah, Karachi, and Madras. Occasional flights are also made to Bombay. The six-month engagement involves supplying not only the aircraft with its flight deck crew, but also a full complement of 15 cabin crew and the establishment of an engineering support base. A total of 28 Nationwide personnel are based at Muscat to support the contract.

Oman Air is the official airline of the Muscat Festival 2000, staged between October 15 and November 30.

Daily roundtrip frequencies between Muscat and Dubai are boosted to seven a day with the beginning of the winter schedule on November 1. Also in November, company employees receive new uniforms.

OMAN AVIATION SERVICES COMPANY, LTD. (SAO): Oman (1981-1993). SAO is organized at Muscat's Seeb Airport on May 24, 1981 by Royal Decree through the merger of Oman International Services and the Light Aircraft Division of **Gulf Air**. Owned entirely by Omani interests—the government is a 35% shareholder—the new company performs all civil air transport requirements within the Sultanate, including engineering, catering, and airport ground services. Riadh Bin Abdulla Al Busaidi is named chairman and the carrier is capitalized at RO 5 million (\$1.7 million). General Manager R. S. Meldrum's 850-worker company possesses a fleet initially comprising 4 Fokker F.27-600s, 5 Shorts SC-7 Skyvans, 2 Britten-Norman BN-2 Islanders, and 1 Beech King Air 100.

In cooperation with Gulf Air, daily Boeing 737-200 flights link Muscat and Salalah. In 1983-1984, another F.27-600 is acquired, along with two de Havilland Canada DHC-6-300s and a Beech King Air 200. Operations continue apace to six destinations in Oman in 1985 and in 1986 Chairman Al Busaidi also assumes the responsibilities of general manager.

By 1987, the fleet includes the Gulf Air B-737, 2 Twin Otters, and 4 Fokker F.27-600s, the latter operated under charter to Petroleum Development Oman (PDO). The Boeing remains dedicated to eight-times-per-week service between the nation's largest cities, Muscat and Salalah.

The year's enplanements total 77,732.

During 1988-1992, airline employment is increased to 1,650 and the fleet is altered to comprise 5 F.27-500s, 1 Cessna Citation II, and 1 Twin Otter. The Cessna is employed on calibration work in several Gulf area countries while the Fokkers and DHC-6 remained devoted to domestic flights, primarily in support of PDO. A British Aerospace BAe-146 is briefly flown, but withdrawn. In July 1990, Riadh bin Abdulla Al-Busaidi is replaced as managing director by Self bin Hamood Al-Behlany.

In 1993, Operations Manager Max Paulin oversees a workforce of 1,700 and a fleet that includes 2 Boeing 737-33As chartered from Ansett

Worldwide, Ltd., 1 Twin Otter, 4 F.27-500s, and 2 Cessna 550 Citation IIs. Destinations visited are the Sultanate communities of Khassab, Buraim, Fahud, North Samin, Samah, Haima, Thumrait, Rima, Saiwan, Dibaa, Khasah, Masirah, Muscat, Salalah, and Sut. In March, the company is renamed **Oman Air**.

OMNI AIR EXPRESS: 3303 North Sheridan Road, Hangar 18, Tulsa, Oklahoma 74115, United States; Phone (918) 836-5393; Fax (918) 834-4850; <http://www.omniairintl.com>; Code X9; Year Founded 1993. Having flown from Tulsa for a decade as an FAR Part 135 charter carrier, OAE in 1993 is expanded and obtains Part 121 certification. It now offers all-cargo services to regional and international destinations with a two-plane fleet comprising one owned B-727-90C and a leased B-727-21F. The private concern, under the operational direction of Vice President Joe Shriram, does not release its traffic figures.

An operating surplus of \$528,000 and a net gain of \$238,000 are, however, reported.

In the spring of 1994, two B-727-222Fs and a Learjet 24D are acquired and authority is sought to enter the charter passenger business.

Revenues advance a staggering 253.9% to \$9.37 million, while expenses rise 203.8% to \$6.44 million. The operating profit is \$2.93 million and the net profit is \$3.35 million.

Certification is duly received in 1995. Operating income exceeds costs and leaves gains of \$2.48 million (operating) and \$3.92 million (net).

The fleet is increased in 1996 by the addition of a B-727-90C. Revenues plunge 14.8% to \$9.37 million while costs drop 8.1% to \$7.83 million. Operating gain slides to \$1.54 million and a net \$1.75-million profit is reported.

Sanford Burnstein is president in 1997 and the workforce stands at 60. In December, two leased Douglas DC-10-10s, previously operated by **American Airlines**, are acquired with which to inaugurate charter flights from Minneapolis and Boston to Mexico, Aruba, and several other Caribbean holiday destinations on behalf of Trans Global Tours.

The company does not report its traffic figures to the government, but does note that its revenues have shot up 30.2% to \$12.03 million. With expenses of \$11.26 million, operating gain falls to \$764,000. The net profit drops to \$1.13 million.

In February 1998, an agreement is reached with **Condor Flugdienst, GmbH** of Germany for the purchase of two DC-10-30s, which will be delivered in November and June 1999, respectively. Charter flights have not begun as of midyear.

While climbing away from Wichita on June 12, a B-727-222F nearly collides with a USAF Rockwell B-1 bomber, which is also departing. The aircraft come within two seconds of disaster; the degree of vertical separation between them is 3,647 ft., with a mere 100-ft. horizontal separation.

The B-727Fs are all sold to **Kitty Hawk Air Cargo** by month's end.

Revenues this year ascend 168.4% to \$34.69 million, while costs are up 175.7% to \$31.48 million. The operating profit surges to \$3.21 million, while net gain jumps to \$3.73 million.

Authorization is received from the DOD in February 1999 to operate military charters throughout the world with the company's two DC-10-30s and two DC-10-10s. The carrier's B-727F fleet continues to operate all-cargo charters and subcharters on behalf of **Emery Worldwide**, **United Parcel Service (UPS)**, **DHL Worldwide Express**, and **BAX Global**.

A third DC-10-30, purchased from **Condor Flugdienst, GmbH** in July, is delivered at the end of September. On behalf of MLT Vacations and GWV International, the company, with the beginning of the winter schedule on November 1, stations two DC-10-30s at Minneapolis (MSP) and one at Detroit (DTT) to operate passenger charters to Las Vegas, Honolulu, Cancún, Orlando, and Montego Bay.

Passenger boardings this year total 681,000. Revenues fall 19.1% to \$28.08 million, while expenses are down 13.7% to \$27.16 million. The operating profit declines to \$919,000, while net gain is reduced to \$1.63 million.

The workforce at the beginning of 2000 totals 338. A weekly DC-10-30 Saturday charter is operated from Detroit (DTT) to Honolulu between February 5 and April 8. In the fall, the DC-10-30 fleet again transports tourists from the upper Midwest to the sun points of Florida, Mexico, Hawaii, Nevada, and the Caribbean.

On November 3, a DOD-chartered Omni DC-10-30 returns the surviving crewmembers of the USS *Cole*, a victim of terrorism in Yemen several weeks earlier, to their home base at Norfolk, Virginia.

OMNI AIRLINES: United States (1977–1979). Omni Airlines is set up at Las Vegas, Nevada, in 1977 to provide Mooney 20-A scheduled passenger flights to the Grand Canyon and Death Valley; charter services are also available. Operations continue apace until the company goes out of business in 1979.

OMNI AVIACAO E TECNOLOGIA, LDA.: Hangar 1, Aerodromo Municipal de Cascais Tires, Sao Domingos de Rana, 2775, Portugal; Phone 351 (1) 445-8600; Fax 351 (1) 445-8686; <http://www.omni.pt>; Code OAV; Year Founded 1988. Omni is established at the Cascais Municipal Airport near Lisbon in 1988 to engage in aerial work and passenger and small group passenger charters.

Over the next decade, bases are also established at Espinho and Santa Comba Dao. Daily operations are launched from these facilities and upwards of 35 other heliports nationwide. Hydroelectric, aeromedical, construction, and fire-fighting missions are also undertaken. Overhaul and maintenance is undertaken by the carrier's sister company, Aeromec, Lda.

In 1998–1999, Jose M. da Costa is president with Rui de Almeida as operations director. The fleet now includes 2 Bell 206B JetRangers, 3 Bell 206L LongRangers, 1 Bell 205, and 2 Bell 212s. The company also operates three Bell 222s, one each committed to charter, EMS, and rescue. One each Piper PA-31 and Aero Commander 690B fixed-wing aircraft are employed on agricultural and passenger charters.

During the fall of the former year, a contract is signed with the Portuguese government for the operation to two rescue and fire-fighting helicopters from Cascais Airport. One each Bell 212 and Bell 222 are dedicated to the new business.

On March 1, 2000, the carrier is granted two-year certification by the Portuguese government to operate a scheduled service. Two Beech Super King Air 200s are acquired for the purpose and the Aero Commander 690B is retasked to the new product from its previous charter commitment. On August 28, the three aircraft launch daily return service from Lisbon to Vila Real via Braganca.

OMNIFLIGHT AIRWAYS/OMNIFLIGHT HELICOPTERS: 4650 Airport Parkway, Dallas, Texas 75248, United States; Phone (214) 233-6464; Fax (214) 490-1486; <http://www.omniflight.com>; Year Founded 1982. Omniflight Group is established by Daniel Parker, CEO of Parker Pen Company, at Baltimore (BWI) in 1982 to oversee the work of several rotary-wing subsidiaries, including Omniflight Helicopter Services' Omniflight Helicopters and Omniflight Airways. Bases are set up at the Maryland facility, as well as Teterboro, New Jersey, Chicago, Grand Junction, Colorado, Corpus Christi, and Janesville, Wisconsin, where Parker had entered the helicopter business in 1955 and where the company's technical services division is established. The company undertakes extensive charter and contract services, including EMS flights and oil industry support services.

By 1983, the carrier is providing flights with a fleet of Bell 206L LongRangers and Bell 206B JetRangers. Employing a pair of Bell 222s and a Westland 30-100, the company's Omniflight Airways contracts with several airlines, including **Pan American World Airways (1)**, to provide shuttle services between New York (JFK and LGA) and Newark (EWR).

On April 1, 1984, Omniflight Airways, under contract to **Pan American World Airways (1)** and employing two Bell 222s, expands the major's New York City rotary-wing service by adding flights from Man-

hattan to the World Trade Center–Battery Park Heliport. The fleet is expanded to include four Bell 222s and a pair of Westland 30-100s. The major's first-class and Worldpass passengers are able to ride the helicopters for free; however, all others pay a single fare of \$77 for all services.

Just after having landed at Loiza, Puerto Rico, on June 27, a Bell 206L LongRanger with a pilot and six passengers, is parking when an unauthorized person walks into the tail rotor and is seriously injured.

Operations continue apace in 1985 and in May 1986 the fleet is revised. Gone as of May 15 are the Bell 222s and one of the original Westland 30-100s, replaced by two Westland 30-100-60s painted in modified **Pan American World Airways (1)** livery; one of the Westland 30-100s is used for backup.

A Bell 206L LongRanger Medevac, with a pilot, two crew, and a three-month-old patient, crashes at Pollockville, North Carolina, on the night of January 8, 1987; there are no survivors.

The **Pan American World Airways (1)** contract is not renewed; however, Omniflight Airways takes over the shuttle operation, continuing ferry flights between NYC and JFK International and Newark Airports. Meanwhile, an EMS contract is begun in West Berlin with Messerschmitt-Boelkow-Blohm (MBB) BO-105Cs.

The service proves so unprofitable that it must be shut down on February 1, 1988, leaving **New York Helicopter Corporation** as the only NYC-area rotary-wing airline. With 28 helicopters, the company now operates a total of 23 EMS contracts. Late in the year, the company's largest EMS contract is secured, this one with the University of California at San Diego. In December, two new MBB BO-105s undertake 105 hours per month in Gulf of Mexico services on behalf of Conoco.

In January 1989, four of the company's MBB BO-105Cs are assigned to undertake the University of California contract from a newly opened base at San Diego. In October, the company's Gulf Coast operations are sold to Offshore Logistics, Inc., parent of **Air Logistics**, for \$2.6 million. Michael Aslaksen is appointed general manager in December.

Airline employment in 1990 stands at 350. After months of negotiations, Omniflight, in January, is able to buyout Dallas, Texas-based **SilverStar**. The contract adds 190 employees, a repair station, 48 helicopters, and 20 hospital contracts. The Omniflight fleet now includes over 100 rotary- and fixed-wing aircraft, as well as 43 hospital contracts administered from an air-medical division at Addison, Texas.

McDonnell Douglas Helicopter Company executive Robert Buffum is appointed chief operating officer in March. In April, an MBB 105CBS is dispatched to Tompkins County Airport at Ithaca, New York, to service a contract with the Southern Tier Air Rescue consortium of hospitals. Operations continue apace during the remainder of the year and throughout 1991.

Founder/CEO Parker dies at Charleston, South Carolina, on January 28, 1992. He is succeeded as chairman/CEO by his widow JoAnn Slack Parker, with Buffum remaining as chief operating officer. In February, the decision is taken to move corporate headquarters to Addison, Texas, which is completed during the summer and fall.

During the spring of 1993, the maintenance facility at Janesville, Wisconsin, is closed and overhaul services and other activities are consolidated at the new Texas hub. Airline employment falls to 350 and 28 aeromedical contracts are serviced with just under 70 aircraft. William "Bill" Smoot is appointed chief pilot in October.

Operations continue without incident in 1994, until November 4. On that date, a BO-105 EMS helicopter with three aboard crashes while en route to pick up a patient near Tallahassee, Florida (two dead). In December, the company, under contract, provides a Bell 222UT to support Wesley Medical Center in Wichita, Kansas; another is sent to Abilene, Texas, to support the EMS service at Hendrick Medical Center.

Flights continue in 1995. C. Jim Armstrong Jr. is now president/CEO and his rotary-wing fleet exceeds 80 units. Late in the year, \$30 million worth of orders are placed with Agusta for three A109Ks, three A109 Powers, and six A119 Koalas. Omniflight is North American launch customer for the latter two types.

During the first quarter of **1996**, the company completes a maintenance facility and training program for the new Agusta helicopters that begin to arrive in April.

The company signs its longest deal in February **1997**, a 10-year contract with Columbus-based Ohio Medical Transportation. Four Eurocopter BK-117s will be provided for medevac services. Simultaneously, the carrier contracts with the University of North Carolina at Chapel Hill for another BK-117, while yet another BK-117 is dispatched to Seton Health Corporation in Saginaw, Michigan, when that firm renews with Omniflight and replaces its BO-105.

Flights continue in **1998–1999**. While taking off on a medevac flight from Neihart, Montana, for Great Falls on November 17 of the latter year, a Bell 206L LongRanger with four aboard collides with a tower and crashes. Although the helicopter is substantially damaged, neither the pilot, medic, nurse, or patient are injured.

The fleet at the beginning of **2000** includes 3 AS350Bs, 23 BK-117s, 5 BO-105s, 1 Eurocopter EC-135, 7 Bell 206L LongRangers, 5 Bell 222s, 1 Bell 230, and 2 fixed-wing Beech Super King Air 200s.

These 47 machines support medical evacuation programs of the following health care systems: Orlando Regional Healthcare System (Air Care Team); St. Mary's (Michigan) Medical Center (FlightCare); Tallahassee Memorial HealthCare (Life Flight); Methodist Hospital (Indiana) & Clarian Health Partners (LifeLine); Life Star of (Addison) North Texas; Avera (South Dakota) McKennan Hospital (Careflight); St. Vincent Hospital (Montana) & Health Center (HELP Flight); Baptist (Jacksonville) Medical Center (Life Flight); Memorial (Savannah, Georgia) Health University Medical Center (LifeStar); Columbia Wesley (Wichita) Medical Center (LifeWATCH); Sioux City Mercy Medical Center (Mercy Air Care); Mayo (Minnesota) Medical Transportation; Medical University of South Carolina (MeduCare); Native American Air Ambulance of Mesa, Arizona; University of Virginia Medical Center (Pegasus Flight Operations); Cook (Fort Worth) Children's Medical Center (Teddy Bear Transport); Eau Claire Luther Hospital (MayoAir Medical Transport Service); Ohio Medical Transportation (MedFlight); Benefits (Great Falls) Health Care (Mercy Flight); and Sentara Norfolk General Hospital (Nightingale Regional Air Ambulance).

OMSKAVIA AIRLINES: Ulitsa Inzhenemaya 1, Omsk Airport, Omsk, 664103, Russia; Phone 7 (3812) 357 382; Fax 7 (3812) 316 417; Code OMS; Year Founded 1994. Omsk Air is founded at Omsk Airport on February 1, **1994**, to provide domestic passenger and cargo services, both scheduled and charter. The joint stock company Corporation Aircompany Omskavia is the parent organization, created when the Omsk State Air Enterprise is divided into an airline company and an airport operating authority. Shareholding is divided between company employees (51%), the state (20%), and private investors (29%).

Yuri S. Romananuk is appointed director general and he recruits a workforce of 878. Revenue flights are inaugurated with 6 Tupolev Tu-154Bs, plus an unspecified number of Antonov An-2s, An-24s, and An-26s, plus Let L-410s. Enplanements total 186,207.

The fleet numbers 51 aircraft in **1995**, all Soviet-made. Passenger boardings decline by 5.5% to 281,700, but freight traffic rises 1.4% to 8.55 million FTKs.

Flights continue during **1996–1999** with a fleet that now comprises the 6 Tu-154B/Ms, plus 4 An-24s, 2 An-26s, 9 An-2s, and 4 Mil Mi-2 helicopters.

Despite the economic crisis of the latter year's summer, Omsk Air actually lowers its prices on September 22 on its route to Moscow, cutting economy-class tickets from 720 rubles to 670.

The workforce totals 743 at the beginning of **2000**.

OMTA (ORGANIZACAO MINEIRA DE TRANSPORTES AEREOS, S.A.): Brazil (1946–1952). Formed at Belo Horizonte in January **1946**, this air taxi service offers nonscheduled local passenger and cargo flights with a fleet initially comprising four de Havilland DH 89A Dragon Rapides.

Although the operation does not change, services are increased over the next four years and the fleet is altered. The Dragon Rapides are gradually supplemented by 20 V-tail Beech Bonanzas.

In August **1950**, officials of **TAN (Transportes Aereos National, S.A.)** select OMTA as the second acquisition for their new airline consortium, which is also based at Belo Horizonte. OMTA is allowed to continue autonomous operations under its own title for two years.

ONEWORLD ALLIANCE. See **AER LINGUS IRISH AIRLINES, LTD.; AMERICAN AIRLINES; AMERICAN EAGLE AIRLINES; BRITISH AIRWAYS, LTD. (2); CANADIAN AIRLINES, LTD.; CATHAY PACIFIC AIRWAYS (PTY.), LTD.; FINNAIR, A/O; IBERIA SPANISH AIRLINES (2); LINEAS AEREAS DE ESPANSA, S.A.; LANCHILE AIRLINES, S.A.; QANTAS AIRWAYS (PTY.), LTD.**

ONEIDA COUNTY AVIATION: United States (1975–1979). This regional begins life as the FBO for Oneida County Airport, located near Utica and Rome, New York. Flight operations are started on September 22, **1975**, when two passengers are flown 37 miles from Utica to Syracuse in a company lightplane. After several months of irregular service on that route, OCA begins flights to Newark in a newly acquired Piper PA-31-310 Navajo.

The total number of passengers transported during the first year of charter flights is 381.

As the carrier's officers sense a need to supplement the declining number of flights provided by **Allegheny Airlines** out of Utica and Rome, OCA expands further in **1976**, adding routes to Boston, Buffalo, and Albany. Meanwhile, three more aircraft, including a Navajo Chief-tain, are acquired.

In **1977**, the company accepts the first of five ordered Fairchild-Swearingen Metro IIs, which places it in an excellent competitive position when the floodgates are opened by the Airline Deregulation Act of **1978**.

During the next two years, additional Metros are purchased and service is launched to Washington, D.C. and New York City. A Metroliner nearly collides with an **American Airlines** B-727-223 over New York (JFK) on April 8, **1979**. In September, the company changes its name to **Empire Airlines**, reflecting its New York base.

ONEWORLD. See **AMERICAN AIRLINES; BRITISH AIRWAYS, LTD. (2); CANADIAN AIRLINES, LTD.; CATHAY PACIFIC AIRWAYS (PTY.), LTD.; FINNAIR O/Y; IBERIA SPANISH AIRLINES (2); LINEAS AEREAS DE ESPANA, S.A.; QANTAS AIRWAYS (PTY.), LTD.**

ONG AIRLINES: United States (1967–1968). Officials of Ong Aircraft Corporation, based at Kansas City, Missouri, establish a scheduled air taxi division during the late spring of **1967** to provide frequencies to St. Louis and Chicago, with intermediate stops at smaller Illinois communities. Employing a Cessna 402, daily roundtrips are initiated in July and are maintained for a year.

ONTARIO CENTRAL AIRLINES, LTD.: Canada (1947–1987). Set up at Gimli, Manitoba, in **1947**, this carrier inaugurates charter, followed by scheduled, services to such provincial destinations as Kenora, Red Lake, and Ball Lake. Air ambulance, charter, and agricultural application services are also initiated. Only small aircraft, including de Havilland Canada DHC-2 Beavers and DHC-3 Otters, are flown until **1969**, when the company acquires its first Douglas DC-3.

A second Douglas transport is purchased in **1976**. In **1979**, Ontario Central is taken over by **Austin Airways, Ltd.** The new subsidiary is operated as a charter affiliate.

On February 15, **1983**, a chartered DC-3 with three crew and one passenger loses engine power over an undisclosed snowy location in Manitoba and makes an emergency landing; there are no fatalities.

By 1985, the fleet comprises 4 DC-3s, 2 Cessna 185s, 1 DHC-2, 1 DHC-3, 1 Beech 18, and several Cessna 180s. Operations cease in 1987 when Austin is merged into **Air Ontario, Inc.**

ONTARIO EXPRESS, LTD.: Canada (1987–1992). When **Air Canada, Ltd.** purchases **Air Ontario, Inc.** in late 1986, **Canadian Airlines International, Ltd.** loses its Ontario commuter partner. To redress that change and to provide feed from Ontario markets unable to support Boeing 737 service, the major's parent, PWA, Inc., establishes a new third-level entrant at Toronto in spring 1987. Christened **Ontario Express, Ltd.**, its shareholding is divided between the holding company (45%), company employees (10%), and the public (45%). Ronald L. Patmore is appointed president and a fleet is assembled in May and June comprising 5 British Aerospace BAe Jetstream 31s.

"Canadian Partner" revenue services are inaugurated on July 15 linking the company base with Ottawa, London, Sarnia, and Windsor. Another Jetstream is received in August and four in December, allowing the initiation of flights to Kingston, Sault Ste. Marine, Thunder Bay, and Sudbury.

Another Jetstream 31 is delivered in February 1988, followed by another pair in March. Also in February, orders are placed for six Avions de Transport Regional ATR42-300s, while flights commence from Sudbury and Windsor to Toronto. Toronto to Pittsburgh replacement service is started on behalf of the parent on April 3.

New service is offered from Thunder Bay to Dryden and Winnipeg beginning in June, the same month in which the first two ATR42-300s are delivered. After workup, the Franco-Italian turboprops are placed into service from Toronto to Pittsburgh, Sault Ste. Marine, and Windsor. A 14th Jetstream 31 is delivered in August and is dedicated to training. In late fall, the Winnipeg–Brandon route of **Calm Air, Ltd.** is acquired while another ATR42-300 is delivered in December.

Enplanements for the year total 252,350 and revenues are C\$34.63 million.

The workforce is increased by 54.6% in 1989 to 450 and the fleet now includes 3 ATR42-300s and 14 Jetstream 31s. Orders are outstanding for 2 ATR42-300s, 2 ATR72-200s, and 9 Embraer EMB-120 Brasilas. A fourth ATR42-300 arrives in February and is employed, beginning in March, to open frequencies from Hamilton to Ottawa and Montreal and from Toronto to Timmins.

Frontier Air, Ltd., based in northern Ontario, is, through the purchase of its Rog-Air, Ltd. parent, taken over in March and merged. Flights from Markham's Buttonville Airport to Ottawa and Montreal commence in September as a joint venture in cooperation with **Air Atlantic, Ltd.** A fifth ATR42-300 arrives at year's end.

Passenger boardings skyrocket 51% to 515,000 and freight is up by the very same percentage to 52.79 million FTKs. Revenues climb 64% to C\$45.5 million.

The payroll is cut 0.3% in 1990 to 545 and the fleet now includes 5 ATR42-300s, 14 Jetstream 31s, 5 Beech 1900s, and 3 Brasilas. Flights commence to Washington, D.C. (DCA) and Newark from Hamilton and from Toronto Island Airport to Ottawa and Montreal.

Customer bookings swell 16.2% to 556,546 and revenues advance 32.4% to \$C65 million.

The fleet is altered in 1991 by the deletion of the Beech 1900s and the addition of one ATR42-300 and four Brasilas. **Air Toronto, Ltd.** is taken over in April and in August, the company begins flying the former regional's services to the U.S. destinations of Allentown, Columbus, Dayton, Grand Rapids, Harrisburg, Indianapolis, Kalamazoo, and Louisville.

Despite this expansion, passenger boardings are impacted by the recession and drop 6.8% to 518,701.

In 1992, the company becomes a part of **Canadian Regional Airlines, Ltd.**

ONTARIO PROVINCIAL AIR SERVICE, LTD. See **LAURENTIDE AIR SERVICE, LTD.**

ONTARIO REGIONAL AIRLINES, LTD. See **AIR GEORGIAN, LTD.**

ONTARIO WORLDAIR, LTD.: Canada (1976–1981). Ontario Worldair is formed by a Jim Mclean-led group at Toronto in January 1976. A Boeing 707-338C is acquired in November 1978, allowing the long-dormant operator to undertake its first charter to Montego Bay on December 1. Charters and inclusive-tour flights for Sunflight Tours are flown to various points in the Caribbean, South America, and Europe during the summer of 1979. The Canadian government charters the aircraft during the fall to provide Vietnamese refugee airlift to Montreal and Toronto from Kuala Lumpur or Bangkok. In its first year, the Boeing visits 68 cities in 31 nations.

A Boeing 707-351C, purchased from the Belgian carrier **Abelag, S.A.**, is placed into service in January 1980. The company's two aircraft undertake a variety of nonscheduled flights to mostly holiday locales. Moslem Hadj pilgrims are flown from Kano to Jeddah in October; however, the contract is broken when **Nigerian Airways, Ltd.** complains about a foreign company taking business away from it.

Already in financial difficulty and short of cash with which to pay steadily increasing fuel bills, Ontario Worldair enters receivership on November 6. Although flight operations continue while a buyout is sought, the Abelag Boeing is turned over to **Air Belgium, S.A.** in December. A proposed travel agency bailout fails to materialize and the company ceases operations on January 13, 1981, after which its B-707-338C is sold to **Worldways Canada, Ltd.**

ONUR AIR, TASIMACLLIK, A.S.: Senlik Mahallesi No. 3 Gatal Sok, Florya, Istanbul, 34810, Turkey; Phone 90 (212) 663-2300; Fax 90 (212) 663-6054; <http://www.onurair.com.tr>; Code 8Q; Year Founded 1992. Onur Air is established at Istanbul in late 1992 as the air transport subsidiary of the tour operator TK Air Travel. Shareholding is divided between Cankut Bagona, Hayri Icli, and Ursai Tubentci. Plans are put in place for the initiation of revenue flights during the following spring.

Chairman Bagona employs Capt. Bial Basar as vice president-flight operations and arrangements are completed for the lease of a single Airbus Industrie A320-211. Charters are inaugurated in May 1993 from all of the major German cities and destinations in several other European nations to vacation, metropolitan, and holiday locations in Turkey. Orders are placed for three more A320-211s, two of which are delivered by year's end.

The fourth leased A320-211 is placed into service during 1994. In 1995, one each A320-212 and two A320-231s are added and orders are placed for two (later four) A321-131s and five McDonnell Douglas MD-88s, plus five options.

The first A321-131 is delivered to the carrier in June 1996 and enters service on routes from Istanbul to Paris (CDG), Lyon, and Hanover.

Operations continue apace in 1997 as the remainder of the Airbus order is filled. The first MD-88 is delivered in April. As the U.S.-made transports continue to arrive during the remainder of the year and in 1998, the company adds additional charter flights to European cities, particularly from the city of Antalya.

Flights continue in 1999. On May 19, the skin of a parked MD-88 is pierced by a baggage cart at Teesside, England. No injuries are reported. A full program of charters is continued during the summer and with the beginning of the fall schedule at the end of October, several new services to the Turkish coast begin. Among these are flights to Dalaman and Bodrum from such points as Humberside.

Airline employment stands at 200 at the beginning of 2000 and the fleet, which has been gradually changed over the last year, now includes 2 A300B4-103s, 2 A321-131s, and 5 MD-88s. To provide lift for its charter program in the fall, **Volare Airlines, S.p.A.** wet-leases both A321-131s from Onur on October 7.

An all-white A300B2 is received on December 23.

OPAL AIR (OPAL AIR SERVICES (PTY.), LTD.): Australia (1963–1985). Registered by founder Warwick Goldsworthy at Adelaide in 1963, this small charter operation is created to provide flights to the opal fields at Coober Pedy and Andamooka. Initial operations are undertaken with a Cessna 205.

Four years later in 1967, the company is reorganized; provided with an airline division, it becomes the first to hold an Australian commuter license and undertakes scheduled services to previous South Australia stops. Frequencies are improved during the remainder of the decade and through the 1970s.

By November 1981, Goldsworthy's 14-employee company is offering operations to Woomera, Olympic Dam, Coober Pedy, and Maria. The fleet comprises 5 Cessna 421s and in 1982–1984 begins flying to Ayers Rock in the Northern Territory.

Unable to maintain viability in the face of national economic hardships, the carrier is forced out of business in 1985.

ORANGE AVIATION, LTD.: Ben Shemen 35, Moshav, Tel Aviv, 73115, Israel; Phone 972 (8) 923-5751; Fax 972 (8) 923-5758; Year Founded 1997. Orange Aviation is established at Tel Aviv in 1997 to offer executive and small group passenger charters around the country and to selected regional destinations. By 2000, Zvi Ehrlich employs 4 full-time pilots and operates a fleet that includes 1 each Piper PA-23 Aztec, PA-31-310 Navajo, PA-42 Cheyenne III, Cessna 421, and Israel Aircraft Industries IAI-1124A Westwind 2.

ORBI GEORGIAN AIRLINES: Georgia (1992–1997). The Georgian directorate of **Aeroflot Soviet Airlines** is reformed at Tbilisi in 1992 as the flag carrier of the now-independent state of Georgia. Vasili S. Jamibasi is managing directorate and his fleet of ex-Aeroflot aircraft includes 12 Tupolev Tu-154s, 12 Tu-134s, and 20 Yakovlev Yak-40s. The previous routes to Moscow and the major cities of other republics are maintained while new services are flown to Cairo and Tel Aviv.

The civil war during the year and into 1993 causes traffic to plunge from a 1990 high of 2.72 million passengers flown. Several of the Yak-40s are lost to the hostilities.

Operations continue under the same adverse conditions in 1994. The fleet is steadily reduced to 6 Yak-40s and 4 each Tu-134As and Tu-154Bs, all painted in an attractive new livery with billboard "ORBI" titles on their forward fuselages.

An associated company, **Georgian Airline-Orbi** is established in 1995 and flights continue into 1996. A Boeing 737 is briefly employed during the former year, but is quickly withdrawn. Destinations visited include Batumi, Berlin, Cairo, Istanbul, Kiev, Moscow, Paris, Prague, Tel Aviv, Vienna, Volgograd, and various other CIS communities.

The company is merged with **Georgian Airline-Orbi** in March 1997, with the new company named simply **Georgian Airlines**.

ORCA AIR, S.A.E.: 40th Street, 254 Digla, Maadi, Cairo, Egypt; Phone 20 (02) 519-6664; Fax 2 (02) 519-6539; http://www.orca-air.com; Code ORK; Year Founded 1995. Orca is founded at Cairo in the fall of 1995 by its president, Diaa el-Gabbari, to offer domestic passenger services. Revenue flights to Alexandria, Cairo, Aswan, Hurghada, and Luxor commence in December with a single Beech King Air 90. Orders are placed for two Fairchild Metro 23Es.

Government approval for start-up, under the law 159 of 1981, is belatedly received on February 3, 1996.

In a March ceremony at the Fairchild Aircraft plant, President el-Gabbari takes possession of his airline's premier Metro 23E, the first of its type to be outfitted with the new Electronic Flight Information System (EFIS). Sharm al-Sheikh joins the route network during the summer.

A second Metro 23E enters service in 1997. Frequencies to and between Alexandria, Aswan, Hurghada, and Luxor are increased. New stops are also introduced to Aqaba and St. Catherine. Plans are made to lease a pair of McDonnell Douglas MD-83s by October 1998. Enplanements for the year total 36,550.

It is reported on the company Web site in April 1998 that the company, during its first 17 months, has transported a total of 24,612 passengers during 1,695 flying hours. Two de Havilland Canada DHC-8-300s are leased during the fall. The MD-83s are not delivered. Instead, a Boeing 707F is acquired to operate all-cargo services throughout the Middle East region.

Flights continue in 1999. Destinations visited include Sharm el Sheikh, Cairo, Aswan, Abu-Simble, Luxor, St. Catherine, El-Gouna, Aqaba, Cyprus, Malta, Antalya, Amman, and Rhodes. An air ambulance service, 24 hours a day, 7 days a week, is also introduced.

Airline employment at the beginning of 2000 totals 150.

ORCAS ISLAND AIR SERVICE: United States (1947–1950). Robert F. Schoen and his wife Margaret Ann found **Orcas Air Service** at Friday Harbor, San Juan Island, Washington State, in early 1947 to provide charter passenger and cargo flights in the Puget Sound and San Juan Islands area. Revenue flights commence on March 29 employing a Stinson 108 Voyager. Early in 1948, flying instructor Roy Franklin joins the company, which is now incorporated with its name changed to **Island Sky Ferries**. A Cessna is added.

In the spring of 1950, the little carrier is purchased from the Schoens by Dr. Wallace Howarth, who changes its name to **Island Air**. Franklin and the Stinson remain with the company.

ORD AIR CHARTER, (PTY.), LTD.: P.O. Box 73, Wyndham, Western Australia, 6740, Australia; Phone 61 (91) 611 335; Fax 61 (91) 611 456; Code QN; Year Founded 1989. Ord is established at Wyndham, Western Australia, in 1989 to offer charter and contract service flights to local, mostly bush, destinations. Governing Director Maxine Reid begins and continues services with a fleet that comprises 3 Beech 58 Barons, 1 Cessna 402C, and 1 Pilatus-Britten-Norman PBN-2 Islander.

Operations continue without change over the next decade. During those years, four Cessna 206s are acquired.

OREL AVIA AIRLINES: 3/5 Str 1 Maly Poluyaroslavsky, Pereulok Suite 47-49, Moscow, 107120, Russia; Phone 7 (095) 975-2506; Fax 7 (095) 975-2445; Code R6; Year Founded 1994. Orel Avia is established at Orel in late 1991 to offer executive and diplomatic services. Under the leadership of General Manager Sergei V. Isakov, revenue services are duly inaugurated with 1 each Yakovlev Yak-40 and Yak-42D.

Flights continue in 1992–2000, during which years Tatevos Surinov becomes president, with Isakov as his deputy and Alexander Romanov as managing director. The workforce grows to 63 and the fleet comes to comprise 3 Yak-42Ds. A license to begin scheduled service is sought as medium-range public passenger charters are now undertaken.

ORENBURG AIRLINES (ORENBURG AVIA): Orenburg Airport, Orenburg, Orenburgskaya Region, 460049, Russia; Phone 7 (3532) 331 105; Fax 7 (3532) 479 878; http://www.cavs.ink.ru/company/orenburg; Code R2; Year Founded 1992. Originally established in 1932 as the Orenburg division of **Aeroflot Soviet Airlines**, Orenburg Airlines, also known as Orenburg State Aviation Company (Orenburgskoe Gosudarstvennoe), is reformed and renamed in 1992 at the same time as many other units of the former national carrier. The large inherited fleet comprises 4 Tupolev Tu-154Ms, 1 Tu-154B, 30 Antonov An-2s, 5 An-24s, and 6 Tu-134As, plus 6 Mil Mi-8 helicopters.

Under the leadership of Director General Boris A. Portnikov, Orenburg initially continues its affiliation with the new **Aeroflot Russian International Airlines (ARIA)** as it provides domestic scheduled and charter passenger flights from Orenburgskaya Airport. Services continue in 1993–1997, during which years the carrier becomes the first Russian domestic airline to offer through ticketing and to introduce the hub-and-spoke connection concept.

In December 1998, Orenburg launches a Russian-language homepage on the Internet's World Wide Web. Enplanements during the year total 245,000.

Scheduled destinations visited at the beginning of **1999** include Adler/Sochi, Ekaterinburg, Irkutsk, Khabarovsk, Krasnodar, Mineralnye Vody, Moscow, Nizhni Novgorod, Novosibirsk, Omsk, Samara, and St. Petersburg.

ORENBURG STATE AVIATION COMPANY (ORENBURGSKOE GOSUDARSTVENNOE). See **ORENBURG AIRLINES (ORENBURG AVIA).**

ORIENT AIR, LTD.: United Kingdom (1991–1994). Chairman/Managing Director Stuart Andrews founds Orient at Gloucestershire Airport in late **1991**. A workforce of 15 is recruited and 2 Piper PA-31-310 Navajos are acquired. Scheduled flights begin in late **1992** linking the carrier's base with Coventry, Waterford, Jersey, and Guernsey.

An Embraer EMB-110P1 Bandeirante is acquired in **1993** and is employed to launch services to Dublin. No traffic or financial figures are available from the privately owned regional, which goes out of business early the following year.

ORIENT AIRLINES, LTD.: No. 19, R-Vithei Preah Mohasat, Tiany Kosomak, Phnom Penh, Cambodia; Phone 855 (23) 426 248; Fax 855 (23) 426 313; Code XE; Year Founded 1995. Established in Thailand in 1992, Chiang Mai-based **Cambodian International Airlines, Ltd.** is grounded in December 1994 by its owners, Siam Kampuchea and the Cambodian government, in order that the latter might launch **Royal Air Cambodge**.

Early in **1995**, the dormant carrier is divided in two. One division is renamed Orient Airlines, Ltd. and its headquarters are transferred to Phnom Penh, while the other becomes **Orient Express Air, Ltd.** Udom Tantiprasongchai remains CEO of the latter and a director on the board of the former, where Dr. Emmanuel Iwuanyawu becomes chairman, with Ray Megwa as general manager.

OA is outfitted with 1 each B-727-225 and B-727-227A and is permitted to resume international scheduled services on 20 routes from Bangkok and Chiang Mai. These schedules are maintained during the remainder of the decade and into the new millennium.

ORIENT AIRWAYS, LTD.: Pakistan (1946–1953). Quaid-i-Azam Mohammed Ali Jinnah, leader of the Muslim League and Pakistan's founder, initiates the incorporation of this enterprise during a February 1944 meeting with Habib Rahimtoola. A plan is put forward to establish a civil airline, which, like the old **Deutsche Luft Hansa, A.G.**, can also act as a reserve military pilot training organization. After VJ-Day, Merza Ahmad and Merza Abol Hassan Ispahani, members of the wealthy Calcutta-based textile mercantile Ispahani family and Muslim League sympathizers, establish and register OAL on October 23, **1946**.

Equipped with several war surplus Douglas C-47s (military DC-3s) and Beech 18s, the company, under the leadership of Managing Director Rafi Ispahani, begins flying from Calcutta and Rangoon via Chittagong and Akyab on June 30, **1947**. On August 1, company headquarters are transferred to Chittagong and on August 14, Pakistan is founded. On September 18, the carrier is ordered by the government to provide those air services necessary to link the country's two wings.

Special services are operated to East and West Bengal during the refugee exodus of September and October. Karachi–Dacca DC-3 flights begin on October 1 via Delhi and Calcutta. Dacca to Calcutta and Chittagong direct services commence the same day, while Akyab is dropped as a stop on the Rangoon route. On October 2, two more DC-3 routes are inaugurated: Karachi to Peshawar via Lahore and Rawalpindi and Karachi to Lahore via Quetta. A Karachi to Lahore direct frequency is initiated on November 5.

The operating base and company headquarters are transferred to Karachi from Chittagong on January 2, **1948**. DC-3 Karachi–Bombay services are started in the spring. By year's end, the company is operating 20 Douglas transports.

On February 12, **1949**, two DC-3s fly supplies from Peshawar to Skardu via Gilgit on behalf of the Ministry of Defence. Becoming the

first Asian Convairliner operator, OAL, on May 1, introduces three pressurized Convair CV-240s on its Karachi to Dacca via Delhi and Calcutta route. During the summer, the Quetta to Lahore segment of the Karachi to Lahore service is withdrawn.

On August 12, **1950**, Karachi to Calcutta via Lahore, Delhi, and Dacca, flights start. As a result of terrible flooding in Punjab, the company launches mercy flights, ferrying in supplies and transporting 3,216 passengers. The Karachi to Bombay service is suspended on December 8.

On August 3, **1951**, DC-3s begin flying from Karachi–Lahore via Multan, but on September 15 the company is forced to suspend two routes because of a gasoline shortage. On November 15, a new multi-stop Dacca to Jessore frequency is introduced.

The company participates in an all-up mail program between East and West Pakistan that begins on April 1, **1952**.

A DC-3 freighter with three crew en route from Karachi to Dacca, crash-lands at Jamshedpur, India, on October 22 (one dead).

While en route from Delhi to Dacca on March 14, **1953**, a CV-240 with 5 crew and 11 passengers disappears. The wreckage is found two days later on a mountain S of Kalahasahar, near Tripura, India; there are no survivors.

Dacca to Chittagong flights are suspended on May 11. A chartered DC-3 with four crew and a passenger en route to Mecca, fails its climb from Sharjah, UAE, on August 2 and makes a forced landing (one dead).

On October 1, the carrier is taken over by the government and, though allowed to continue under its previous name, is made a subsidiary of **Pakistan International Airlines Corporation**, still a paper organization.

CV-240 service is launched thrice weekly from Karachi to Bombay on December 13, **1954**. After suffering engine failure, a DC-3 with three crew and eight passengers makes a forced landing near Skardu, Pakistan, on October 13; although the Douglas must be written off, there are no fatalities.

On March 11, **1955**, **Pakistan International Airlines Corporation (PIA)** comes into being by act of Parliament and officially assumes the assets of OAL, including its two Convairliners and 11 DC-3s.

ORIENT AVIA: Russia (1994–1997). Orient Avia is set up at Moscow on July 13, **1994**, to provide scheduled nonstop roundtrip passenger flights to Vladivostok and other points in the Russian Far East. Shareholding is divided between **Aeroflot Russian International Airlines (ARIA)**, Kazanskoe, Sea Trading Port of Vladivostok, Dalvemo, Nakhodka, and the Far East Shipping Company.

Amiran G. Kurtanidze is appointed general director and he begins revenue services from Moscow and St. Petersburg to Vladivostok on September 27 with 3 Ilyushin Il-62Ms.

Plans to offer charters to Turkey and various Mideast destinations are unrealized in the face of stiff competition from foreign carriers.

Traffic figures for the first quarter of operation total 11,000 passengers carried.

New routes are inaugurated in **1995** to Pattaya, Magadan, and Petropavlovsk. In December, weekly return flights are inaugurated to U-Tapao, Thailand.

As a result, passenger boardings accelerate to 95,800 and 6.68 million FTKs are operated.

Charters to Hourgada, Egypt, along with many other worldwide points begins in **1996** and destinations visited by the end of the year include Bangkok, Brest, Ho Chi Minh City, Jujno, Kamchatskiy, Kaunas, Kiev, Kishinev, Lvov, Petrozavodsk, Sanky, Sakhalinsk, San Francisco, Singapore, St. Petersburg, and Vladivostok.

During the fourth quarter, a homepage is opened on the Internet's World Wide Web. Experiencing fiscal problems, traffic figures are no longer revealed.

In early **1997**, permission is sought and won to begin nonscheduled flights to Hawaii. Overextended, the company suspends operations on July 10.

ORIENT EXPRESS AIR, LTD.: 101/199 Kungkloonchonpritham Road, Baan Nai Fan, Chiang Mai, 50100, Thailand; Phone 66 (53) 320 1567; Fax 66 (5) 320 1565; Code OX; Year Founded 1995. Originally set up in 1992, Chiang Mai-based **Cambodian International Airlines, Ltd.** is grounded in December 1994 by its owners, Siam Kampuchea and the Cambodian government, in order that the latter might launch **Royal Air Cambodge**.

Early in 1995, the dormant carrier is divided in two. One division is renamed **Orient Airlines, Ltd.** and is transferred to a base at Phnom Penh. The other, remaining at Chiang Mai, becomes Orient Express Air, Ltd. Udom Tantiprasongchai remains CEO of the latter and a director on the board of the former.

OEA is licensed to operate Thai domestic routes that bypass the capital of Bangkok. To this end, revenue flights commence with 1 each B-727-225, B-727-227A, and B-737-2E1, all purchased.

Airline employment stands at 120 in 1996 as the company flies over a network of 20 routes leading outward from Chiang Mai and now Bangkok. A Lockheed L-1011-1 TriStar 1 is acquired to help provide lift.

It is announced on May 13, 1997 that the carrier will sell space on its planes' sides for ads in a program reminiscent of the "logo jets" of the U.S. carrier **Western Pacific Airlines (Westpac)**.

Meanwhile, across the border in Cambodia, **Kampuchea Airlines (2)** comes to life on August 1. Yin Chan is appointed CEO and a 40% stake is sold to Orient Express Air. Orient's CEO Udom Tantiprasongchai now also serves as Kampuchea's managing director as well, and arranges for the lease to KA-2 of an Orient Lockheed L-1011 TriStar 1 with which to resume service.

Financial losses due to the nation's currency problem require the company to cease scheduled flights on January 9, 1998. The company continues to operate charters. In November, the Lockheed is leased to **Merpati Nusantara** of Indonesia.

Scheduled operations to its previous charter points are offered by **Kampuchea Airlines (2)** in 1999 and a second Orient Express Air TriStar is briefly dedicated to that company's schedule. Unhappily, the impact of the Asian financial crisis continues to be felt and these new regularly offered flights are not profitable. As the year ends, the Cambodian company joins its Thai associate in offering charters only. Despite hard times, both airlines are able to survive into the new millennium, and are even able to lend a helping hand to another regional company in trouble.

Losing some 20 million baht (\$500,000) a month, Thailand-based **Angel Airlines Company, Ltd.**, on June 1, 2000, stands down for 30 days as it is reorganized.

The sublease of a Lockheed L-1011 TriStar 1 from **Kampuchea Airlines (2)** allows Angel to announce that daily flights to Hong Kong will resume on July 15. Despite the formulation of a rescue plan, Angel teeters on the brink of collapse by mid-July. The announced Hong Kong TriStar service is initially cancelled, but begins on July 22.

As the regional financial picture begins to brighten during the summer, Managing Director Udom announces at the end of July that his company has placed orders for four additional L-1011s, the first of which will be delivered by fall. It is anticipated that at least two of the aircraft will operate long haul charters to Europe. Meanwhile, negotiations are underway with the CAAC in Beijing for authority to operate charters to five cities in mainland China.

It is reported on October 8 that Angel will sign a new marketing and code-share agreement with **China Northern Airlines Company, Ltd.** Under its terms, the previous TriStar lease will end as CNA provides a pair of Airbus Industrie A300-600Rs in November with which to operate Angel's domestic and international routes from Bangkok.

ORIENTAL AIRLINES, LTD.: 3A Abimbola Awoniyi Street, P.O. Box 75543, Victoria Island, Lagos, Nigeria; Phone 234 (1) 83 1108; Fax 234 (1) 83 3037; Code OAC; Year Founded 1990. Oriental is established at Lagos in 1990 to offer regional passenger charter and inclu-

sive-tour flights. Revenue operations commence and continue with a single British Aerospace BAe (BAC) 1-11-501EX.

Flights continue over the next 7 years as the workforce grows to 85. The fleet by 1991-1994 includes 2 BAe (BAC) 1-11-509EWs and 1 each BAe (BAC)-476FM, BAe (BAC)-501EX, BAe (BAC)-515FB, and BAe (BAC)-523FJ. Destinations visited on a scheduled basis include Abuja, Enugu, Owerri, and Port Harcourt.

Operations must be suspended for several months at the beginning of the latter year. The newly delivered BAC 1-11-515FB with 39 passengers is destroyed as the result of a bad landing at Tamanrasset, Algeria, on September 18 (4 dead).

As is the case with other Nigerian private carriers, operations are a downturn in 1995-1998. By the latter year, a number of the BAC 1-11s are out of service and charters are being provided by 1 each Letov Let-410UVP and Lockheed L-1349 Jetstar.

With the coming of the new democratic government, the company's situation greatly improves in 1999-2000. During the latter year, the workforce of Managing Director Chief Emmanuel Iwuanyawu reaches 85.

ORIENTAL PEARL AIRWAYS (PTY.), LTD.: Hong Kong (1971-1977). Led by Executive Director Thomson Chiu, a group of Hong Kong businessmen form Oriental Pearl in March 1971 to operate all-cargo charters from the British crown colony to various destinations in Asia. Employing 2 Douglas DC-6Bs, the carrier undertakes services during the summer.

Unable after six years to find sufficient traffic to stay aloft, the company goes bankrupt and ceases services in 1977.

ORIGIN PACIFIC AIRWAYS, LTD.: P.O. Box 7022, Trent Drive, Nelson, New Zealand; Phone (03) 547-2020; Fax (03) 547-6760; <http://www.originpacific.co.nz>; Code OGN; Year Founded 1996. Origin Pacific is established by Robert Inglis, owner of **Iglis Aircraft Company, Ltd.**, at Nelson Airport in New Zealand during the fall of 1996. Inglis plans to offer corporate and group travel charter flights, as well as scheduled frequencies, to destinations on both the North and South Islands. A Cessna 421 Golden Eagle and a Piper PA-31-350 Navajo Chieftain are employed to inaugurate air taxi flights.

Three British Aerospace Jetstream 31s are requested from BAe Assets Management: Turboprops. Their receipt during the first quarter of 1997 allows the inauguration of scheduled services in April. Destinations visited over the next four years include Auckland, Christchurch, Hamilton, Napier Hastings, New Plymouth, Palmerston North, Tauranga, and Wellington.

Flights continue during the remainder of the year and in 1998-1999. At the beginning of 2000, the workforce of Managing Director Inglis's carrier totals 35. A Fairchild Metro 23 joins the fleet on June 19, chartered from Airwork NZ, Ltd.

ORIOLE AVIA SOVIET AUSTRIAN JV (ORIOLE AVIA SOVIET AVSTRISKOE SP): Russia (1993-1996). Oriole is established at its namesake city's airport in 1993 to provide executive and diplomatic passenger charters and ad hoc cargo and contract service flights. Managing Director Sergei V. Isakov oversees a workforce of 100 and a fleet that includes 2 Antonov An-124s, 3 Tupolev Tu-154s, 3 Tu-204s, 10 Yakovlev Yak-40s, and 4 Yak-42s. Application is made for scheduled routes; however, these are not granted, forcing the company to consider closing down at the end of 1995.

When the new owners of **Vnukovo Airlines** default after only a few months, the government reacquires Vnukovo and sells it during 1996 to the group that holds Oriole. The two companies are combined, with Oriole's management taking the senior slots in the "new" Vnukovo.

ORION AIR: United States (1980-1989). A subsidiary of Raleigh North Carolina-based Aviation Group, Orion is formed in summer 1980 to undertake all-cargo operations, including contract service flights for

major package express concerns. A flight and maintenance center is established at Smyrna, Tennessee. Employing 24 Boeing 727-100s owned by its contract freight customers, as well as 10 Grumman Gulfstream I turboprops, Orion begins regularly scheduled revenue frequencies in October. Among the express firms assisted are **Purolator Courier**, **UPS (United Parcel Service)**, **Burlington Northern**, and **Emery Worldwide**. Operations continue apace for the next three years, during which time two B-727-100s are purchased.

Having landed at Knoxville's McGee Tyson Airport after a service from Pasco on July 16, **1983**, a Grumman G-159 Gulfstream I freighter with two crew overruns the runway. Going off the end of the runway, the aircraft crashes through a fence and stops up against an embankment; although the aircraft is damaged, there are no fatalities.

In **1984**, an application is made to the CAB for authority to operate scheduled domestic passenger flights; permission is received in October. Meanwhile, between August and December, the company begins to operate six former **American Airlines** B-747-123SFs under contract to their new owner, **UPS (United Parcel Service)**.

Revenues total \$40,888,400 and give a net profit of \$6.74 million.

Although Washington, D.C. (IAD) to Miami flights are planned for **1985**, they are not inaugurated. Meanwhile, however, the carrier expands into the inclusive-tour business, employing two DC-8-73s to undertake group charters to Canada, Europe, Asia, the Caribbean, and South America.

Revenues increase 32% to \$60.13 million. The \$10.5-million expense of acquiring the Douglas transports reduces net income to \$2.1 million.

In early **1986**, Aviation Group is purchased for \$130 million by the Virginia-based holding company Primark Corporation. During the remainder of the year and into **1987**, the 1,400-employee company, while operating contract services with 6 B-747-123SFs, 8 DC-9-15Fs, and 30 B-727-100Fs, also expands its inclusive-tour business, acquiring 4 additional DC-8-73s. In February, Executive Vice President/Chief Operating Officer Robert C. Bushman is elected president, succeeding John Pirotte, who remains as chairman/CEO of the Aviation Group. During the year, the company signs a contract with **Eastern Air Lines** to fly a number of the major's passenger airliners over its passenger routes should pilot's strike the Lorenzo operation. The unions blunt the arrangement in court. Late in the year, **UPS (United Parcel Service)**, a major Orion contract, informs the carrier that it will henceforth provide its own airlift and is cancelling its agreement.

A total of 1.17 billion FTKs are flown on the year, almost all of it for UPS. Passenger enplanements reach 1,175,087. Revenues advance to \$68.67 million, expenses are \$65.58 million, and the operating profit is \$3.08 million. A net loss of \$13.8 million must be absorbed.

Loss of the **UPS (United Parcel Service)** contract has a devastating impact on the carrier in **1988**. The staff is cut by 42% to 812 and much of the fleet is withdrawn and sold.

Traffic declines by 49.5% to 593.67 million FTKs. Revenues, however, fall only 6.4% to \$64.3 million. With costs held in line, operating income rises to \$3.37 million and net gain totals \$1.77 million.

The airline's fleet in **1989** includes one each B-727F, DC-8F, and DC-9F. A B-747-121 is leased from Evergreen Aircraft Sales & Leasing for use in an effort to rejuvenate its passenger charter business. In May, a contract is won to fly cargo on behalf of **Emery Worldwide**. This includes a subcontract to operate Express Mail flights on behalf of the U.S. Postal Service from a hub at Indianapolis. Employing aircraft painted in USPS colors, this unique night-mail operation is launched on August 21. Despite these efforts, the results are not all that is desired.

Only 22,975 passengers are enplaned; however, the freight flown for Emery totals 91.95 million FTKs, a 54.9% increase over the previous year's work.

Revenues total \$54.37 million, but expenses are \$65.35 million. The operating loss is \$10.17 million and the net loss is \$15.64 million. Seeing these figures in the making, Orion's owners, the Primark Corporation, determine to exit the air freight industry. Orion ceases operations on December 31. The Jumbojet is returned to Evergreen and the re-

maining assets are sold to **Ryan International Airlines**, which also inherits the **Emery Worldwide** contracts.

ORION AIR CHARTER (PTY.), LTD.: Grand Central Airport, 588 Turbit Road, Halfway House, Midrand, 1685, South Africa; Phone 27 (11) 805-6068; Fax 27 (11) 805-6069; <http://www.orioncharter.co.za>; Year Founded 1997. Orion is established at Midrand in late **1997** to offer executive and small group passenger charters and air express flights to domestic and regional locations. Additionally, rotary-wing aerial work and flight-seeing tours are offered. The fleet includes 1 each Beech Super King Air 200s, Cessna 208B Grand Caravans, and Eurocopter AS-350 Squirrels.

A total of four pilots are employed in **2000** and nonscheduled flights are offered on a daily basis to points in South Africa, Mozambique, Zimbabwe, Swaziland, Botswana, Lesotho, Zambia, and Namibia. Helicopter flights to the Lost City are frequently flown, along with scenic flights over greater Johannesburg, and sundowners on the Magaliesberg mountain range.

Additionally, Orion is called upon to perform medical flights, aerial photography, aerial surveillance, geographical survey, and under-sling operations.

ORION AIRWAYS, LTD. (1): United Kingdom (1956-1960). Captain and Mrs. Peter Palmer form this company at Hurn Airport on January 26, **1956**. No operations are undertaken the first year. Capitalization is increased and in August **1957**, a Vickers Viking is purchased and christened *Sirius*. On August 11, the first passenger charter is inaugurated from Blackbushe Airport to Perpignan. The plane flies tourists to various Mediterranean resorts during the remainder of the year.

Although the company had planned to purchase a Douglas DC-4, it is unable to do so and the *Sirius* flies the **1958** inclusive-tour summer season. A second Viking is delivered on April 18, **1959** followed by a third in August; these aircraft are not christened. The number of inclusive-tour opportunities increases significantly.

On May 30, **1960**, the carrier completes a transfer from the closed facility at Blackbushe to London (LGW). As in previous years, Mediterranean and European resort cities are serviced for inclusive-tour operators; some flights originate from Manchester and Glasgow (Renfrew). At the end of the summer season, the company can find little work for its three aircraft; one is withdrawn on October 10 and a second on October 31. After a final charter to Amsterdam on November 7, the carrier, deep in debt, shuts down.

ORION AIRWAYS, LTD. (2): United Kingdom (1978-1988). The package tour operator Horizon Travel forms this carrier at East Midland Airport, Castle Donington, in Derbyshire on November 28, **1978**, to provide charter and inclusive-tour flights to south European and Middle East destinations. With four Boeing 737-2T5s, Chairman Robert Muckleston's new entrant opens flight operations in March **1980**; the first service is an East Midland-Pisa charter.

A total of 369,000 passengers are carried on the year.

Passenger boardings skyrocket 61.4% in **1981** to 860,000 as 2 more B-737-2T5s are acquired; a fifth B-737-2T5 is added in **1982**, the same year Orion becomes the first non-U.S. customer to order the B-737-300, with a requisition for five of the type.

Bookings increase 9% to 920,000, primarily on inclusive-tour flights to European and North African destinations, which generates a 21.2% increase in employees to 400.

The employee population is boosted 18.4% in **1983** to 450 and a B-737 simulator is ordered for the carrier's main base facility.

Passenger boardings pass the million-mark in annual bookings for the first time, as tour traffic increases 11% to 1,030,000. Airline employment reaches 450 and 3 more B-737-2T5s are delivered.

Enplanements for **1984** jump 28.2% to 1.2 million.

Despite the arrival of 4 B-737-3T5s in **1985**, bookings for the 510-employee, all-737 operator fall off slightly to 1.06 million.

Thirty new employees are hired in **1986** and the fleet includes 5 B-737-2T5s and 4 B-737-3T5s. An order remains outstanding for 1 B-737-3T5, but 2 Airbus Industrie A300B2-1Cs, purchased from **Deutsche Lufthansa, A.G.** for \$60 million, arrive in April and May, beginning operations from London (LGW) and Manchester.

With CAA authority, Orion begins its first scheduled services from London (LGW) to Almeria, Birmingham to Palma, Manchester to Alicante, and East Midlands to Malaga and Palma. Charter and inclusive-tour operations continue from various U.K. airports to destinations in southern Europe, the Mediterranean, and North Africa. A new subsidiary, Orion Flight Training, Ltd., is now established in cooperation with Singer Link-Miles.

Passenger boardings increase 26.4% to 1,340,000, with a record 87% load factor.

The workforce is increased by 14.8% in **1987** to 620. In the spring, the Bass Group of leisure and hotels makes an offer for Horizon and its subsidiaries, including Orion.

Revenue passenger kilometers (RPKs) operated accelerate 19% to 1.79 million.

The company is merged with **Britannia Airways, Ltd.** in August **1988** when Britannia's parent, Thomson Travel Group, purchases Orion's parent.

ORION AIRWAYS (ORION SERVICIOS AEREOS, S.A.): 1342 Amenbar, Buenos Aires, 1426, Argentina; Phone 54 (1) 784-3949; Fax 54 (1) 783-2457; Year Founded 1999. Orion is established by Alfredo Martinez at Buenos Aires Aeroparque Jorge Newbery in **1999** to offer local passenger charters. Revenue flights begin and continue with a single Let L-410UVP.

ORLANDO AIRWAYS. See **FLORIDA AIRWAYS**

ORVIS NELSON AIR TRANSPORT. See **TRANSOCEAN AIR LINES**

ORYX AVIATION (PTY.), LTD.: South West Africa (1956–1959). Oryx is set up at Eros Airport at Windhoek, South West Africa, in **1956** to provide smallplane charters to domestic destinations. Flights continue until March **1959**, when the company is merged with **South West Air Transport (Pty.), Ltd.** to form **Suidwes Lugdiens (Pty.), Ltd.**

OSPREY WINGS, LTD.: P.O. Box 419, La Ronge, Saskatchewan, S0J 1L0, Canada; Phone (306) 635-2112; Fax (306) 635-2134; Year Founded 1995. OW is set up at La Ronge by Garry Thompson in **1995** to offer scheduled third-level flights to local destinations. Revenue flights begin with a single de Havilland Canada DHC-6-200 Twin Otter.

Flights continue in **1996–2000**, during which years the company also operates 1 Cessna 185, 1 DHC-2 Beaver, and 3 DHC-3 Otters.

OSTERMAN AIR CHARTER, A.B. See **INTERNORD, A.B.**

OSTERMAN HELICOPTER, A.B.: PL 2005, Save Airport, Goteborg, S-42373, Sweden; Phone 46 (31) 926000; Fax 46 (31) 926621; http://www.ostermanhelicopter.se; Year Founded 1948. One of, if not the, oldest helicopter companies in the world, Osterman is established at Stockholm in **1948** to operate mail service around the archipelago. Over the next 52 years, the company provides all manner of helicopter work, including passenger and cargo charters. Although the company's major geographic area of operations is in Sweden, qualified assignments are also carried out in Norway, Finland, and Germany.

Among the services provided are air ambulance flights on behalf of the Stockholm county council and the county council in Jamtland, marine surveys and maintenance transport for the National Swedish Administration of Shipping and Navigation, topographical measurements and map production plus line inspection for power companies, including Vattenfall and Sydkraft. Photographic and film flights are made for large

media companies while aerial liming of land areas to fight acidity is also performed. Support is also contracted on behalf of construction projects of different sizes and complexities.

By **1999–2000**, General Manager Lennart Pihl oversees the work of 80 employees and the services provided by 2 each Bell 206B JetRangers, Bell 206L LongRangers, Schweizer 300Cs, Bell 212s, 1 Eurocopter SA 365N Dauphin, 1 BK-117, and 3 each Eurocopter AS 350B1 and AS 350B2. On those occasions when jobs require greater lifting and loading capacity than these helicopters can provide, the carrier leases a Mil Mi-26 from Russia.

Turnover in the former year reaches Skr 130 million. During the latter year, the Eurocopter EC-120, the world's quietest helicopter, is added to the fleet. **Helifyg, A.B.** is purchased and operated as a subsidiary.

OSTFRIESISCHE LUFTDIENST, GmbH. See **FRISIA LUFTVERKEHR NORDDEICH, GmbH.**

OSTERREICHISCHE LUFTVERKEHRS, A.G. (OLAG): Austria (1923–1939). On May 3, **1923**, local banking and railway officials meeting at Vienna in association with **Junkers Luftverkehr, A.G.** found this carrier to provide flights between the Austrian capital and Munich. The company is provided with 2 float-equipped Junkers F-13s, christened *Taube* and *Shieglitz*. Meanwhile, in response to stiffening competition with the **Lloyd Luftdienst, GmbH.** **Junkers Luftverkehr, A.G.** has begun to identify members for a countering confederation. On May 14, the **Trans-Europa Union** is formed; simultaneously, Junkers assumes interest in OLAG, bringing it into the group. The F-13s initiate flight operations the same day, stretching the initially planned route down the Danube to Budapest.

Following the formation of **Deutsche Luft Hansa, A.G. (DLH)** on January 6, **1926**, OLAG, like other foreign Junkers group components, is allowed to go its own way. The Austrian carrier, nevertheless, maintains a close affiliation with its former German parent, flying joint operations on the Berlin–Vienna via Prague route, as well as to Budapest.

In **1927–1929**, frequencies are started to Milan via Innsbruck, to Venice via Klagenfurt, and to Belgrade via Graz. Passenger boardings increase during the decade and in **1930** the carrier enjoys some 8,000 bookings. The fleet, too, is built up and by **1931** it comprises 8 F-13s, 2 G.23s, and 1 G.31.

The route system remains stable during the **1930s** and the only equipment upgrade is the introduction of the ubiquitous Junkers Ju-52/3m. On January 1, **1939**, OLAG is absorbed into DLH.

OSTERREICHISCHE LUFTVERKEHRS, A/G. See also **AUSTRIAN AIRLINES, A.G.**

OTA (ORGANIZACOES DE TRANSPORTES AEREOS). See **COMAG**

OTONABEE AIRWAYS, LTD. See **AIR ATONABEE, LTD.**

OUT ISLAND AIRWAYS, LTD. See **BAHAMASAIR, LTD.**

OVERLAND AIRWAYS: United States (1931). Organized at San Francisco in the spring of **1931**, Overland is equipped with a Travel Air 6000, which is employed to launch scheduled passenger flights to the state capital at Sacramento in May. Without a mail contract, traffic is insufficient to generate the revenues required to operate beyond July.

OVERNIGHT CARGO, LTD.: Nigeria/United Kingdom (1993–1995). Overnight Cargo is founded in the summer of **1993** by a Lagos concern and Vital Link Aviation Consultants, Ltd. of the U.K. to provide overnight cargo and express charter services, largely on behalf of other airlines, such as **Federal Express**. Revenue flights commence from a base at Ostend, Belgium, in September with a single Boeing 707-351C leased from **Buffalo Airways**. The principal route is flown back and forth from Belgium to Nigeria.

Operations continue apace in 1994 and in the spring the fleet is enhanced by the addition of a leased Douglas DC-8-55F from **Flash Airlines, Ltd.** In September, a DC-8-55F is purchased from **Kabo Air Cargo, Ltd.**

The ex-Kabo machine is sold to **MK Airlines, Ltd.** in the U.K. in April 1995. The company shuts its doors shortly thereafter.

OVERSEAS AIR TRANSPORT (JERSEY), LTD. See **MERCURY AIRLINES, LTD.**

OVERSEAS AVIATION (CHANNEL ISLANDS), LTD.: United Kingdom (1957–1961). Ex-Autair, Ltd. and Lufttransport Union, GmbH. (LTU) founder Ronald Myhill forms a new charter operation at Southend Airport in late 1957. On February 3, 1958, Myhill, with the assistance of his LTU partner and new managing director, Bernard Dromgoole, acquires a Vickers Viking from **Universal Air Charters, Ltd.** and operates it on behalf of both Overseas Aviation and its Basel-based owners. The aircraft initiates Southend–Basel charters on March 1. Two more Vikings are now obtained, in March and April respectively, joining the Swiss plane during the summer season in offering inclusive-tour flights to the Mediterranean and eastern Europe from Southend and from airports in West Germany. In November, a Canadair C-4 Argonaut is purchased from **British Overseas Airways Corporation (BOAC).**

Four more Argonauts are added during the first quarter of 1959 and these are employed to enhance the carrier's inclusive-tour network from the U.K. and West Germany. Two Vikings are sold in December and one is leased to **Martin's Air Charter, B.V.**

In January 1960, Myhill assists the owners of Copenhagen-based **Flying Enterprise, A.S.** to enter the inclusive-tour business, leasing them a pair of C-4s. Two C-4s are sold, in January and April. In June, company headquarters are transferred from Southend to Gatwick Airport and a Viking leased to **Martin's Air Charter, B.V.** of Holland in 1959 is returned. Summer inclusive-tour flights from London (LGW), Manchester, and the West German airports are again flown. A Viking is added in November. By year's end, the company is one of the major European charter companies.

Another Viking is added to the fleet in April 1961. As the tour season begins, destinations stretch from Scandinavia to North Africa and even across the Atlantic to the U.S. and Canada. One Argonaut is sold in January and another in May and three Vikings are also withdrawn.

On June 1, the surplus **Trans Canada Airlines, Ltd.** Canadair DC-4M-2 North Star fleet is purchased; 11 aircraft are delivered during the third quarter. The carrier's first scheduled service is inaugurated on July 31, a DC-4M-2 flight from Prestwick to London (LGW) via Manchester. A Viking leased from Kay Rings in April is lost in a nonfatal crash landing at Lyons, France, on August 14.

It is now revealed, during license hearings, that company finances are dreadfully weak (it owes £509,000-plus) and creditors now halt provision of its fuel supplies. Consequently, the final roundtrip revenue service is flown, London (LGW)–Lyon, on August 15. At this point, the U.K.'s second largest independent simply collapses, leaving 5,000 tourists stranded on the Continent to be rescued by other British nonscheduled carriers.

OVERSEAS NATIONAL AIRWAYS (1): United States (1950–1983). George Tompkins founds this large charter operation at New York in June 1950 to undertake overseas contracts on behalf of the USAF. The first civilian contract, for Youth Argosy and tour operator All Nations Institute, fizzles on July 4 when the CAB cancels New York–Europe student charters due to abuses by several charter carriers that carry not students, but war brides. Some 200 students are stranded in New York by the CAB's action, which the agency claims was taken because ONA and other operators do not meet its standards.

Employing Douglas DC-4s and DC-6s, the company bids itself from one military contract to another throughout the 1950s, sometimes making and often losing income through the terms of its arrangements. Members of the flying public are not always appreciative.

On August 21, 1959, 50 of 90 passengers aboard a DC-6 en route from Frankfurt to New York refuse to continue their flight after the plane makes a second emergency landing at Shannon, Ireland. After a night on the ground, all do agree to resume boarding the next morning and the flight is completed without further incident. During the year, the aircraft broker Galco purchases most of the first 25 DC-7s of **American Airlines** and several of these will find their way to ONA in the next year or so.

A DC-7 collides with an L-749A at Oakland, California, on June 20, 1961; although no injuries are reported, the Douglas is badly damaged and must be written off.

A second ex-American Airlines DC-7 with five crew on a ferry flight suffers undercarriage failure upon landing at Norfolk, Virginia, on September 26 and runs into a ditch. Although it is damaged beyond repair, none of the crew is hurt.

As the result of too much underbidding (and consequently, loss during performance) of its contracts, ONA is forced to declare bankruptcy on October 29, 1963 and cease flying.

Possessed of an excellent operational reputation, ONA does not lose its CAB supplemental certificate and is able, under the leadership of Steedman Hinckley, to acquire \$26 million in new capitalization from various banking interests. The refinancing allows orders to be placed for two new Douglas DC-8Fs and five DC-9s.

Piston-engine service is resumed on October 4, 1965 with two DC-7s. George Tompkins remains chairman/president and J. W. Bailey is named vice president/general manager. Revenues for the final quarter total \$215,639. Start-up and operating expenses are \$409,293, leaving a loss of \$233,156.

Because of a CAB ruling in 1966, a number of supplementals, including ONA, are granted permanent authority to undertake inclusive-tour charters, affinity group charters, and single entity charters to transatlantic and Caribbean markets in April and September. Meanwhile, two more DC-7s are placed into service and in April and in June the two DC-8-55CFs are delivered.

Revenues for the year are \$10,568,404. An operating profit of \$1,637,064 is earned, as is a net profit of \$906,652.

On June 28, 1967, the carrier becomes a public corporation. At year's end, the workforce is 340 and the fleet includes 2 DC-8-55CFs and 3 DC-9-30CFs. On July 9, a DC-8-55CF gives 158 New York City children a free 27-minute ride over the metropolitan area as part of that city's summer youth program.

A total of 255,902 charter passengers are carried and 5.52 million freight ton-miles are flown. Revenues total \$19,215,105. Profits are \$2,446,694 (operating) and \$1,208,889 (net).

The employee population in 1968 is 625. A third office building is now leased to house the company's new IBM 360/20 ONAmatic computerized reservations system. A wholly owned subsidiary, Automated Terminal Services (ATS), is formed to market the company's expertise in cargo systems. Specialized systems are designed for the USN and for **BWIA (British West Indian Airways, Ltd.).**

The ONA Hotel Corporation is also formed as a subsidiary to build hotels in the Caribbean; partners include the Hotel Corporation of America and Butler's Bank, Ltd. Eight Lockheed L-188A Electra freighters are purchased during the first quarter from **National Airlines** for conversion into freighters, while a DC-9-30CF and a DC-8-63CF are also delivered. A passenger-configured L-188A is leased from **Eastern Air Lines** for a year.

Bookings increase 18.6% to 279,000 and 54.2 million freight ton-miles are flown. Revenues accelerate by 58% to \$30,128,000. The operating profit is \$5,765,567 and the net is \$3,303,793.

The workforce in 1969 is increased to 862. Beginning in March, ONA is the first U.S. supplemental permitted to operate charter flights to the U.S.S.R.; in cooperation with Vacations West and Intourist, the airline launches its first all-inclusive charter on March 2. Two DC-9-33s are delivered in March and are dedicated to providing replacement service for **ALM Antillean Airlines, N.V.**, now owned by the Dutch Antillean government.

In April, a DC-8-63 is leased from **The Flying Tiger Line** for 18 months. Another DC-8-63 arrives in May followed by a third in June, plus a DC-9-33. Operations personnel evaluate acquisition of either the Lockheed L-1011 or the DC-10-30.

Freight ton-miles flown ascend to 114,042,000 and revenues advance to \$60,728,000. While there is a \$1,768,000 operating profit, the net side of the ledger shows a loss of \$677,353.

In 1970, orders are placed for two DC-10-30CFs, as a fifth DC-8-63 and two more Electra freighters join the fleet. **ALM Antillean Airlines, N.V.** On May 2, Flight 980, an ONA DC-9-33 en route from New York to St. Martin with 63 aboard, ditches off St. Croix after running low on fuel during a tropical storm (23 dead). The first company hotel, a 400-room facility at Nassau, opens at year's end.

There is a 17% increase in freight ton-miles flown (137.4 million) and revenues jump 4.38% to \$63.4 million.

Expenses rise 5.9% to create an operating loss of \$1.2 million. Non-transport income, however, turns a certain net loss into a \$3.9-million profit.

In February 1971, the company wet-leases a DC-8-61 to **Saber Air, Ltd.** For the next six months until the contract ends, the Douglas operates long-haul charter flights to London on behalf of the Singapore-based airline.

Employing a DC-8-63 wet-leased from ONA, **Air Siam, Ltd.** initiates freight and also a twice-weekly passenger service from Bangkok to Los Angeles via Tokyo and Honolulu on March 31.

A passenger-configured L-188C is leased from Lockheed during the year to undertake several specific inclusive tour charters.

Freight grows significantly as cargo ton-miles flown ascend to 147.61 million. Orders are placed for two DC-10-30CFs.

In fiscal and labor difficulty, **Air Siam, Ltd.** is shut down on January 11, 1972. The DC-8 is returned to ONA, which is left holding an Air Siam debt for \$2 million in lease fees. The debt is settled when **Air Siam, Ltd.** Chairman Prince Varanand transfers several choice parcels of his personal Bangkok property to the American supplemental carrier.

Two additional L-188AFs are acquired in midyear, but as the Vietnam conflict reaches a conclusion for the U.S., military charters fall off significantly.

Cargo traffic this year drops 1.73%. The nation's third largest supplemental carrier is, however, supported by an increase in passenger boardings from the civilian sector. Charter traffic increases 22% as 411,000 vacationers are transported. Revenues are \$64,504,000, but expenses are \$65,649,000. Consequently, losses are felt: \$1.14 (operating) and \$2.03 million (net).

The workforce in 1973 totals 1,048. The two DC-10-CFs ordered earlier enter service in May. The fleet is further realigned as the carrier purchases three DC-8-21s and a DC-8-61 from **Eastern Air Lines** and leases three of its own DC-8-61s to other airlines.

On June 20, a DC-8-63 is involved in an accident at Bangor, Maine. The last of 13 Lockheed Electras is purchased in September; it will be used for spare parts.

Customer boardings jump 23.8% on the year to 509,000, but cargo traffic is down by 18.3%. Income is \$69.18 million, but expenses zoom to \$75.62 million, due largely to the fuel crisis. The operating loss is \$6.44 million and the net loss is \$4.12 million.

A total of 216 passengers are laid off in 1974. The New York-based supplemental continues to realign its fleet during the year. All 10 active Lockheed Electra freighters are sold (mostly to **Zantop International Airlines**) and replaced by four more DC-8-61s. Enplanements increase by 10% to 562,020; however, freight is off by 18%. Total income is \$82.72 million while expenses are \$82.16 million. The operating income is \$565,000 and this year a net profit \$2.06 million is recorded.

The workforce in 1975 is 1,009. In celebration of the nation's Bicentennial, one DC-8, christened *Independence*, is painted and flown as an airborne American flag; the front half of the fuselage is painted blue and given stars and the logo "USA, 1776-1976," while the rear is decorated in red and white stripes. The aircraft proves the most fanciful ever flown

by any U.S. carrier save those operated by **Braniff International Airways**. Travel group charter flights and one-stop travel charters are now offered, in addition to worldwide military charter flights, which this year include participation in the so-called Vietnam baby lift.

While on takeoff roll from New York (JFK) on a ferry flight to Frankfurt and Jeddah on November 12, a DC-10-30CF with 10 crew and 129 passengers, mostly airline personnel, encounters a huge flock of birds, many of them striking the wide-body. The crew is forced to reject the takeoff and although no injuries are reported, the aircraft, especially its engines, is badly damaged.

Passenger boardings increase 8% to 606,606 and FTKs are down to 90 million. Income is \$95.12 million and expenses are \$94.49 million. As a result, the operating profit is \$626,000 and the net gain is \$2.76 million.

The employee population is cut 39% in 1976 to 604. Another DC-10-30CF is destroyed as the result of a heavy landing at Istanbul's Yesikoy Airport on January 2; no injuries are reported. Early in the year, the carrier is taken over by the Coca-Cola Bottling Company of New York. In anticipation of the receipt of newly ordered Douglas wide-bodies, the carrier during the year withdraws its seven DC-8-30s and three DC-8-20s.

Among these is the *Independence*, withdrawn at year's end after undertaking a special series of student charters to Washington, D.C.

Customer bookings, despite marketing with a Bicentennial emphasis, decline 5.7% to 572,000. Freight traffic does worse, falling by 25.5% to 67.06 million FTKs. Revenues drop to \$88.06 million and expenses shoot up to \$100.7 million. This unhappy imbalance results in a huge \$12.66-million operating loss and a net failure of \$3.92 million.

At the beginning of 1977, the last full year of service, Chairman E. B. Ory and President J. W. Bailey oversee a workforce of 320 and operate a fleet that includes 4 DC-8-63Fs, 4 DC-8-61Fs and 4 DC-9-30Fs.

A DC-80-63CF with 4 crew crashes 2,500 ft. short of the runway at Niamey, Niger, on March 4 (2 dead).

In April, the CAB grants ONA authority to operate its civilian charter program worldwide, excepting Australia, New Zealand, and Japan.

Two DC-10-30CFs remain on order to supplement the two that arrive in May and June and begin in midyear to operate enhanced charter flights. United Air Carriers is established on July 21 as a Part 129 contract leasing company.

Enplanements for the year total 352,013. Additional large losses are suffered.

Unfortunately for the company's future, the financial picture grows so desperate that the only option left is to declare Chapter XI bankruptcy on September 7, 1978. Prior to this event, Overseas witnesses a drop of 60.7% in boardings, down to 219,000. Unable to reorganize and resume operations under its original name, the charter carrier's name is purchased by the surviving subsidiary leasing company, United Air Carriers, early in 1979 and the reborn **Overseas National Airways (2)** is able to recertify in 1980 as a Part 121 charter operator. The leasing concern remains in business, offering aircraft to other carriers. For example, it provides the DC-8-55 that allows the new entrant **Elan Air** to begin flying in early 1981.

ONA-2 gains authority for overseas charter services on routes similar to those held earlier. The operating certificate of its now-dormant predecessor is withdrawn on May 19, 1982, even as ONA-2 is given scheduled service authority, which it will not initiate.

A B-747-243B, formerly flown by **Alitalia, S.p.A.**, is leased on June 14, 1983 and transatlantic passenger charters from New York (JFK) resume at month's end. Two more Jumbojets, a Dash-143 and a Dash-243B, are also leased from Boeing during July.

During December, the company changes its name to **National Airways**, flying under that title for a short time before purchasing rights to and adopting the name **National Airlines (2)**, held by **Pan American World Airways (1)** since its purchase of **National Airlines (1)** at the beginning of the decade.

OVERSEAS NATIONAL AIRWAYS (2). *See OVERSEAS NATIONAL AIRWAYS (1); NATIONAL AIRLINES (2)*

OWEN SOUND AIR SERVICES, LTD. (OSAS): Canada (1973–1979). The flight training, charter, and aircraft sales company OSAS is established by Brian Child at Owen Sound, Ontario (on the Georgian Bay peninsula northwest of Toronto), in October 1973. Employing two new Cessna 150 basic trainers, OSAS begins flight operations in May 1974; a Cessna 310K is acquired in July. The company is transferred in November to Wiarton, 20 mi. NW of Owen Sound.

The company successfully bids on a Canadian government contract in 1975 for the operation of three Cessna 185s in Kenya. Other East African contracts will follow, the profits from which are reinvested in the company.

OSAS grows to a point where it is able to establish bases at Montreal and Vancouver in 1976 and to increase its fleet through the addition of twin-engine Cessna 310s, 402s, and 441s. A variety of charter services are undertaken, ranging from general transport and courier services to Medevac and prisoner transfer flights. In order to concentrate more extensively on the courier business, Child transfers his company to Toronto in August 1977.

In February 1978, the first courier service is undertaken on behalf of Loomis Courier, Ltd.; the charter is flown between Toronto and Montreal employing a Cessna 310. During the fall, a major award is received from the Canadian Bank Clearing Committee. With a fleet of Howard 500s (reconfigured Lockheed Model 18 Lodestars), OSAS begins daily flights transporting cancelled checks between Toronto and the Ontario cities of London, Windsor, and Sarnia.

In early 1979, company officials seek to increase the efficiency of their bank service by introducing a Gates Learjet 23. The corporate aircraft is so successful that it is placed regularly on the Ontario run beginning in March. A second Learjet is now purchased and used to launch a new Loomis Courier route between Toronto and Regina via Winnipeg. Late in the year, the carrier is renamed **Soundair, Ltd.**

OWENAIR (PTY.), LTD.: South Africa (1946–1965). Former **South African Airways (Pty.), Ltd.** pilot Owen G. Davies, who had served with the South African Air Force during World War II, acquires 5 Piper J-3 Cubs and begins an airline named for himself at Cape Town in 1946.

For the next 20 years, Owenair will operate on-demand passenger and cargo charters and air taxi flights to destinations throughout South Africa. Before the company shuts its doors in 1965, it operates not only the Cubs, but as many as 2 Piper PA-23 Apaches, 1 PA-23 Aztec, 5 Cessna 172s, as well as 1 de Havilland DH 89A Dragon Rapide.

OXFORD AERO CHARTER, LTD.: The Farmhouse, Oxford Airport Kidlington, Oxford, England, OX5 1RA, United Kingdom; Phone 44 (1865) 374 262; Fax 44 (1865) 374 263; Year Founded 1979. OAC is set up at Oxford, England, in 1979, to provide small group passenger charters to Scandinavia and the Mediterranean. The profitable concern grows over the next two decades and by 1999 employs 4 pilots and operates 3 Cessna 500 Citation Is.

OXLEY AIRLINES (PTY.), LTD.: Australia (1979–1993). Oxley is formed at Port Macquarie, New South Wales, in 1979 and equipped with 2 Piper PA-31-310 Navajos. The company undertakes scheduled flights to Newcastle and Lord Howe Island as well as Armidale, Invereli, Moree, Narrabri, and Gunnedah, linking country centers with coastal resorts.

During the early to mid-1980s, the fleet is increased by the addition of three Piper PA-31-350 Navajo Chieftains and flights are inaugurated to Brisbane, Casino, Coffs Harbor, Coolangatta, Lismore, and Taree.

An additional Navajo Chieftain is acquired in 1987 followed by a fifth in 1988. In the latter year, General Manager Shane Mooney's carrier begins flying to Ballina. Another PA-31-350 is purchased in 1989 and another in 1990 plus a Beech Super King Air 200. Services from

Port Macquarie are maintained without fleet change in 1991. Enplanements total 13,340.

In 1992, more new equipment arrives: three additional Navajo Chieftains, a Beech 1900D, another Super King Air 200, and an Embraer EMB-110P1, the latter leased from **Shuttle Airlines (Pty.), Ltd.**

Passenger boardings jump 33.3% to 20,000.

The company is purchased by new ownership in early 1993 and Brian Peel becomes general manager. The fleet now includes 9 Navajo Chieftains, 3 Beech 1900Ds, 1 Beech 99, and 2 Beech King Airs. Orders are outstanding for 3 1900Ds, two King Airs, and 1 Beech 99.

Unhappily, the carrier is unable to regain its previous vitality and once again goes into receivership. The company's assets are now purchased by Sydney-based **Impulse Airlines (Pty.), Ltd.**, which will build a new passenger service with them.

OXNARD AIR FREIGHT. *See NORTH AMERICAN AIRLINES (NAA) (1)*

OYA HELICOPTERS, S.A.: BP100, 5 Rue Guist'hau, Ile d'Yeu, F-85350, France; Phone 33 5159 2222; Fax 33 5159 2077; Year Founded 1983. Jean-Baptiste Moreau establishes **Vendee Helicopters** at Port Joinville, on the Ile d'Yeu, 15 miles off the French Atlantic Coast in the Bay of Biscay, in 1983. With the first helicopter ever based on the island (an Aerospatiale Alouette II), Moreau inaugurates passenger and time-sensitive cargo (newspapers, medicine, mail) flights to the mainland city of Fromentine.

Operations are difficult over the next five years and the company changes ownership twice. Enplanements per month in 1988, the line's final year of independence, total 1,489.

In April 1989, Paris-based **Heli Union, S.A.** enters the picture. France's largest rotary-wing operator purchases 33% shareholding and signs a management contract that will provide administrative stability. Maintenance support is also given. By August, ridership of the carrier, now renamed Oya Helicopters, S.A., is up to a monthly average of 1,708.

In 1990, the carrier is provided with an AS-365C Dauphin and the city of Port Joinville undertakes construction of a two-ship helipad on the port's stone wharf, from which waterside location daily services continue.

Enplanements in 1991 total 21,300 and account for 75% of the company's revenues of FFfr 7.1 million (\$1.1 million). With the loss of certain local government subsidies during the year, a loss of FFfr 856,000 (\$142,000) is suffered.

Operations continue apace in 1992–1994. During these years, as before, the company, during slack periods, undertakes a variety of utility flights. These include VIP charters, census flights of local beaches on behalf of the island's tourism council, emergency medical services (EMS), and, under contract to the French Navy, search and rescue (SAR) services.

Flights continue in 1995–2000. During the latter year, President Moreau's fleet includes 2 Dauphins and 1 AS-350.

OZARK AIR LINES (1): United States (1943–1986). Ozark is organized by pilot Homer Dale "Laddie" Hamilton and his business associates Floyd D. Jones, Barak T. Mattingly, and Arthur G. Hayne on September 1, 1943 in response to the government's establishment of a category of feeder airlines. However, due to the war, it is unable to quickly receive its CAB certificate.

Still, the four "sons of the Ozarks" believe they need to demonstrate their suitability to begin scheduled service. In early January 1945, they purchase three Beech 17 Staggerwings. These are put into twice-daily service on January 10 over a triangular route from Springfield to St. Louis to Kansas City and back. The Beech products are replaced in the fall by two war-surplus Cessna UC-78 Bobcats, but in significant financial difficulty and uncertain as to the date for receipt of its license, Ozark suspends operations in November.

There is no CAB action on the company's certification for five years and during this time, Oliver L. Parks, founder/owner of the East St. Louis, Illinois-based Parks Air College is, in fact, able to win CAB certification for his own company in late spring 1950. Just when it appears that Ozark will literally never get off the ground, the better known Parks is forced to delay service inauguration due to a lack of funds. When the certificate of **Parks Air Transport** of St. Louis is cancelled for nonperformance during July, its routes are awarded to **Mid Continent Airlines** and Ozark, effective on September 26. This is the same day that the sale of Parks' assets, including its Great Lakes and Mississippi Valley route segments, to Ozark is completed.

With 40 employees and 4 ex-Parks Douglas DC-3s with hastily applied new livery, the company initiates scheduled service between its new base at St. Louis' Lambert Field and Chicago (MDW) on September 26 via Springfield, Decatur, and Champaign/Urbana. The Flight 2 inaugural transports a total of two passengers, including one picked up at Decatur.

During the fourth quarter, employment is increased to 165 and 5 new stations are added: Quincy/Hannibal, Burlington, Indianapolis, Peoria, and the Quad Cities of Davenport, Rock Island, East Moline, and Moline. In this first year, the new entrant transports a total of 4,001 passengers.

The route network grows in March 1951 to include stops at Kansas City, Tulsa, Paducah, Cape Girardeau, Rockford, Springfield, and Joplin. Four more DC-3s join the fleet and enplanements grow to 53,355. One more DC-3 is purchased in 1952, the year in which the company introduces its first trademark, a squared-off reverse italic "Ozark," with the "O" being larger than the other letters, and a DC-3 flying out of the "O" over the name.

Ozark adds three more DC-3s in 1953. Perhaps, in hindsight, the most celebrated—or disturbing—incident of the early 1950s is a charge of reckless flying against a well-known entertainer-aviation enthusiast. On September 13, the Civil Aeronautics Authority (CAA), forerunner of the FAA, begins a probe of a charge, made by the entire crew of an Ozark DC-3, that Arthur Godfrey violated air traffic rules by flying too close to the Douglas on September 7 near Chicago. The government agency demands Godfrey file a written report within 24 hours and in it, the popular personality reports that he was only saluting the airliner by dipping his wings and that he neither came too close or violated any regulations. The matter is dropped.

Three more stations are added in 1954—Columbia, Jefferson City, and Milwaukee. One more DC-3 is purchased and enplanements reach 156,000. Service to a number of the stations begun in 1951 is suspended on September 26. The route network is boosted by 11 more stops in 1955, including Waterloo, Dubuque, Mason City, Fort Dodge, Sioux City, Louisville, Nashville, Marion/Herrin, Mattoon/Charleston, and Clarksville/Hopkinsville/Fort Campbell. Two more DC-3s are acquired, bringing the fleet total to 15.

Airline employment stands at 700 in 1956 as service is begun to Des Moines and Ottumwa. The carrier is now marketed as "The Business Man's Air Line." On January 19, 1957, Mrs. Mary K. Maddox of St. Louis is celebrated as the one-millionth (cumulative) passenger and flights begin to Minneapolis/St. Paul.

In 1958, the local service carrier's fleet comprises 20 DC-3s. Joseph H. Fitzgerald is appointed executive vice president/general manager and although no new stops are acquired, in September and October the company acquires the last four DC-3s of **Northwest Airlines**. In November, it announces an order for three Dutch Fokker F.27 turboprops to be license-built in Maryland by Fairchild.

During the spring of 1959, frequencies are opened to Iowa City, Madison, and Omaha. In May, the company is ranked first among all U.S. airlines for its on-time performance. The two-millionth passenger (cumulative) is boarded on June 26 and the first of three F.27s to be delivered during the summer arrives on July 27.

Also during the summer, three stylized swallows are adopted as the corporate trademark and the Ozark name begins to appear in a modified

block style italic typeface. On August 6, Laddie Hamilton retires, being succeeded by Fitzgerald on October 16.

Airline employment in 1960 stands at 1,000, 66 of whom are technicians hired to man a new maintenance facility at Rockford, Illinois. The first F.27 scheduled service is flown on January 4 over the St. Louis–Chicago route. New stops are initiated at Galesburg, Bloomington, and Kirksville. On September 6, all 14 aboard a DC-3 are hurt when it crash-lands at Des Moines.

Passenger boardings during the 12 months surge up to 572,348.

Ozark in 1961 has CAB authority to serve a route network stretching through the central Midwest, including cities in Kentucky, Missouri, Illinois, Nebraska, and Minnesota. Four Convair CV-240s are purchased from the West German airline **Condor Flugdienst, GmbH**, and a DC-3 with 12 aboard crashes at St. Louis on June 6 when its brakes fail. The three-millionth passenger (cumulative) is welcomed aboard during the year.

An F.27 with 21 aboard veers off the slick runway at Waterloo, Iowa, after landing on February 25, 1962 and ends up in a snowbank; no one is hurt. Ozark moves from Midway to O'Hare facilities at Chicago, including the transfer up to the new airport of the maintenance facility operating previously at Rockford. The company begins to replace **American Airlines** services between St. Louis and Chicago via Springfield and Peoria and **Braniff International Airways** flights from Chicago to Sioux City. New markets are opened at Sioux Falls, Sterling, Rock Falls, and Mount Vernon and later in the year, the German Convairliners arrive and enter service. A DC-3 with 26 aboard overshoots the runway while landing at Clinton, Iowa, on December 22.

Ozark's central reservations office is transferred on March 15, 1963 to a new facility at Peoria. A DC-3 with 15 aboard is involved in a crash landing at Peoria three days later; no injuries are reported. Also in the spring, plans are announced for the construction of a new hangar and headquarters building at Lambert Field, St. Louis.

An F.27 is purchased from **AVENSA (Aerovias Venezolanas, S.A.)** on May 17 and Fort Leonard Wood and Tulsa are added to the system. On July 30, President Fitzgerald resigns; as a search is started for a new CEO, he is succeeded on an interim basis by Chairman Floyd Jones.

Enplanements for the year are 778,928 and a \$124,000 net profit is earned.

Airline employment in 1964 stands at 1,385 and the fleet includes 35 aircraft. One of these, an F.27, suffers a nosegear collapse after landing from a ferry flight at St. Louis on January 11. Former **Slick Airways** President and **Northwest Airlines** Vice President Thomas L. Grace is named president on February 18. Almost in celebration of his arrival, the St. Louis advertising firm D'Arcy unveils the company's new marketing slogan: "Go-Getters Go Ozark." The media spokesperson for the campaign using the phrase is comedian George Carlin.

In October, Ozark trades several Convairliners to **Mohawk Airlines** (1) in exchange for the lease-purchase of 14 Martin 4-0-4s as 4 more F.27s are acquired. The company moves into its new \$3.1-million general office and jet maintenance facility in mid-November, leased from the City of St. Louis. The first Martin 4-0-4 enters service on December 1.

Passenger boardings accelerate 19% to 961,639 and freight traffic is up by 45%. Revenues swell 20% to \$20.66 million and allow a record net income of \$515,540.

The workforce in 1965 is 1,686. An \$11-million order is placed on January 21 for three DC-9-15s. The central reservations office in Peoria is tied into the Univac 490 operation of **Eastern Air Lines**. One-stop F.27 service is begun between Milwaukee and St. Louis via the Quad Cities. On July 15, requests are sent for three more DC-9-15s. In November, orders are placed for 21 Fairchild Hiller FH-227Bs, followed on November 25 by an order for three DC-9-30s.

Passenger boardings jump 25.5% to 1,215,056, the first time that a million passengers are carried in a single year. Cargo traffic climbs 24.7%.

The first of three Douglas C-47s (military-configured DC-3 freighters) to be received during the year arrives in April 1966 to begin

all-cargo services. The premier DC-9-15, wearing a new green and white livery, lands at St. Louis on May 28 and undergoes crew training throughout June. The carrier commences DC-9-15 service on July 8 between St. Louis and Chicago and thereby enters the jet era. A week later, regular service is inaugurated with special ceremonies at each point along the route. The new aircraft allow the company access to another new destination: Denver.

The second and third DC-9-15s arrive in July and enter service in August, while the first two FH-227Bs are delivered on August 5 and 24, respectively. Two more are delivered on October 6 and November 30. They begin revenue flights on December 19, a day ahead of the year's fifth FH-227B arrival. Merger discussions with **Central Airlines** end and at year's end the company operates 3 DC-9-15s, 6 FH-227Bs (the final machine being delivered on December 29), 10 DC-3s, 2 C-47s, 14 Martin 4-0-4s, 6 F.27s.

Enplanements ascend to 1,419,853 during the 12 months and revenues are \$30,311,785.

Three DC-9-15s and 20 FH-227Bs join the fleet in **1967** and the Martins, F.27s, and 6 DC-3s are grounded and put up for sale.

With the beginning of the summer schedule in late March, the company now offers 17 daily jetliner services, primarily from Chicago (ORD). These are operated to St. Louis, Kansas City, Denver, and Tulsa. En route stops are made at a number of communities, including Cedar Rapids in Iowa and the Illinois towns of Moline and Peoria.

Nonstop St. Louis to Milwaukee DC-9-15 flights also begin. Indeed, on October 19, Kenneth Kammeraad, a passenger on DC-9-15 Flight 901 from Milwaukee to St. Louis, is declared the company's 10 millionth (cumulative) passenger.

Passenger traffic is up by 20% to 1,774,816 and a total of 38.74 million freight ton-miles are flown. Revenues advance 18% to \$35,899,600. The work force is now 1,922.

Company treasurer Edward J. Crane is named executive vice president in **1968**. Due to airport restrictions, only three DC-3s remain, together with three C-47 cargo planes. The first DC-9-30 arrives at St. Louis from Long Beach in February. On March 27, a DC-9-15 with 49 aboard collides with an **Interstate Airmotive** Cessna 150F while on approach to St. Louis; the jetliner is able to land safely, but the private aircraft crashes, killing its pilot and passenger.

Chairman Floyd Jones dies and is succeeded by Jean Paul Bradshaw. Dual first- and coach-class services are offered, beginning on June 1 and \$30 Weekend Unlimited fares are introduced. During the summer and early fall, an F.27 is leased to the Republican Party for use by the Nixon-Agnew "Truth Squad." In August, the last DC-3s are sold to the Griffin, Georgia-based Aviation Academy. Among the school's prizes is N133D, the oldest surviving DC-3, which had begun its service life as a Douglas Sleeper Transport when delivered as *Flagship Tennessee* to **American Airlines** on July 10, 1936.

Orders are placed in September for three more DC-9-30s. The remaining DC-3s are phased out on October 26, following flights from St. Louis to Jefferson City and from Jefferson City to Springfield. Their withdrawal leaves the fleet an all-turbine unit with 5 DC-9-15s, 5 DC-9-30s, and 21 FH-227Bs. The C-47s are also replaced by two FH-227Cs that begin night cargo flights between St. Louis and Chicago.

Flight 982, a DC-9-15 with 4 crew and 64 passengers, fails takeoff from Sioux City, Iowa, on December 27 and crashes 1,181 feet beyond the end of the runway in deep snow; although the aircraft must be written off, there are no fatalities.

Customer bookings climb 23% to 2,139,000 and cargo traffic accelerates by 30%. Revenues jump 25.4% to \$45,010,204.

Airline employment stands at 2,025 in **1969**. A direct Peoria to Washington, D.C. (IAD) route is initiated on April 27 and the airline is able to boast "Now We're 2/3 Transcontinental!" Flights are simultaneously started between Champaign/Urbana and New York (LGA). New Chairman Bradshaw dies in July and is succeeded by Thomas L. Grace, who also serves as president/CEO.

By year's end, the fleet comprises 5 DC-9-15s, 7 DC-9-30s, and 21 Fairchild Hiller FH-227Bs. A total of 49 stations are served and enplanements are 2,332,621. Revenues total \$56.36 million, but there are losses: \$1.19 million (operating) and \$3.99 million (net).

The employee population in **1970** numbers 2,348 (a 5% increase) and the fleet includes 38 aircraft, all Douglas jetliners and Fairchild Hiller turboprops.

Mechanics and related workers, members of the Aircraft Mechanics Fraternal Association, walk out on April 19; the job action is settled by mediated agreement on April 24 and ratified four days later.

Three new nonstop routes are now inaugurated from St. Louis to Des Moines, St. Louis to Minneapolis (MSP), and Des Moines to Chicago. Charter services are greatly expanded and the carrier begins on line participation in the computerized reservations system of **Continental Airlines**.

Passenger boardings jump 5.1% to 2,457,978 and cargo traffic grows by 30.2%. Revenues climb 20.9% to \$68.1 million and expenses accelerate 15.6% to \$66.6 million. Although an operating profit of \$1.5 million is posted, a net loss of \$2,271,000 is absorbed.

Like his predecessor, Chairman/CEO Grace dies in office, on July 21, **1971** and is succeeded by Vice President Edward J. Crane on August 1. In late summer, a new \$3-million general office building is occupied near Lambert Field. Founder Hamilton dies on October 27. Enplanements for the year total 2,757,538 and the profit increases to \$4.35 million.

The workforce in **1972** is 2,681. Employing three leased de Havilland Canada DHC-6-100 Twin Otters, an experimental commuter service is inaugurated between Springfield and Chicago (MDW). Lester L. Cost, board member and former corporate secretary, is named board chairman in May.

A fare quote system is incorporated into the computers of the automated reservations system. Reduced fare Night Hop Service is instituted to select markets, while in other destinations, automatic ticketing is tried. To provide additional capacity, two more DC-9-30s join the fleet, bringing the number of owned Douglas jetliners to 19. All services at Kansas City are transferred on November 11 from Municipal to International Airport.

The same day, an FH-227B sets a speed record of 52 minutes for the service between Lambert and O'Hare airports.

Passenger boardings jump 8.6% to pass the 3 million mark in annual boardings (3,017,386) for the first time. Cargo traffic accelerates by 14%. Income reaches \$90.1 million and with expenses under control, Ozark is able to realize a bottom-line net profit of \$2.56 million.

Fifty-three employees are laid off or not replaced during **1973**. Brandishing a shotgun, AWOL U.S. Army private D. V. Durkin takes a mechanic hostage before taking over a DC-9-30 at Standiford Field Airport at Louisville on January 19. Making his way to the cockpit, the pirate orders the pilot to fly him to an undisclosed location, but he is overpowered by a plain-clothes policewoman before the plane takes off.

Mechanics, members of the Aircraft Mechanics Fraternal Association, engage in an 11-week strike beginning on April 19. A settlement is mediated on June 27 and ratified on July 2.

While on final approach to St. Louis from Marian, Illinois, on July 23, Flight 809, a FH-227B with 3 crew and 42 passengers, encounters a downdraft during a thunderstorm and crashes 2 mi. from the end of the runway (38 dead).

Standard-class fare is inaugurated across the system as all of the company's airliners are converted to single-class seating. A yearlong program of airplane cabin refurbishment is also undertaken and another DC-9-30 is delivered, with orders for four outstanding.

On certain frequencies, unusual marketing innovations are attempted. These include a wine-tasting service and in an effort to provide passengers with a sample of world travel, dinners like those offered by international carriers are offered on selected flights. On October 12, the government announces that, due to the energy crisis, a mandatory jet fuel allocation plan will take effect on November 1. Daily departures are cut by 7% during December as fuel availability tightens.

Customer bookings fall 23.5% to 2,307,000 while cargo is down by 25% to 7.9 million freight ton-miles flown. On revenues of \$81.61 million, expenses are \$79.11 million. The operating profit is \$2.49 million, but a \$170,000 net loss is absorbed.

Airline employment in **1974** is 2,925. During January, some 300 employees are laid off, 12% of the workforce. Due to the continuing energy crisis, daily departures are reduced by another 23%. Also early in the year, service to Chicago (MDW) ends and the company moves its Dallas services from Love Field to the new Dallas-Fort Worth International Airport (DFW). Four more DC-9-30s arrive and the company petitions the CAB for nonstop authority from St. Louis to Nashville. It also seeks to offer service from Dallas (DFW) to Mexico City via Guadalajara, Puerto Vallarta, and Mazatlan.

Single-class DC-9 cabins are made available and the fleet now owns more pure-jets than propjets. On the enplanement side, Ozark makes a big comeback, with record boardings in March, May, June, and August. The 301,497 mark for August is a to-date company record.

Overall, bookings jump 41.3% to 3,261,000. Freight traffic is also up, by 26.5%, as 9.99 million FTKs are flown. Although expenses are \$110.52 million, they are wiped out by overall income of \$118.56 million. Chairman Lester L. Cox and President Crane are able to report an operating profit of \$8.03 million and net income of \$3.28 million.

Twelve new employees are added in **1975**. Four additional DC-9-30s arrive and are employed to begin nonstop services between St. Louis and Nashville, as well as to increase frequencies on other routes. Permission is sought from the CAB to fly to Montreal and Phoenix. With the regulator's authority, the local service carrier turns over its Clinton, Iowa, service for replacement by **Mississippi Valley Airlines**.

The 30 millionth passenger is boarded in May and the twenty-fifth anniversary is celebrated in September.

Although cargo is down 4.5%, customer bookings jump 4.3% to a record 3,401,598. Revenues advance to \$133.88 million and expenses are kept in check at \$130.86 million. The operating profit is \$3.49 million and the net is \$546,000.

The employee population is increased by 6.1% in **1976** to 3,117. The Bicentennial year—and the company's silver anniversary period—is the best in company history to date. A \$2-million program of Comfort Class interior refurbishment is begun aboard the DC-9s and orders are placed for six new DC-9-30s so outfitted. Detroit joins the route network as Ozark now operates to 60 cities in 15 states and the District of Columbia. Service to Detroit begins on December 15.

Passenger enplanements accelerate 12.3% to a record 3,819,503. Freight is a little slower, rising 8.56% to 10.35 million FTKs. Operating income is \$165.4 million and expenses are \$151.04 million. This happy imbalance results in an operating profit of \$13.36 million and record net gain of \$7.17 million.

As Congress begins to consider airline deregulation in **1977**, Ozark becomes one of the concept's most vocal opponents. Nonstop flights are inaugurated from St. Louis to Denver and a new \$2-million hangar is completed at the St. Louis base. The new advertising slogan, "We Make It Easy for You" is now introduced. During the summer, FH-227Bs are sold—two each to **Aerolineas Centrales de Colombia, S.A.** and the Belgian carrier **Delta Air Transport, S.A.**

Enplanements for the year total 4,111,000. An \$8.06-million net profit is reported on income of \$192.99 million.

Airline employment is increased by 16.2% in **1978** to 3,809. Chairman Cox and President Crane oversee a fleet comprising 24 DC-4-30s, 1 DC-9-30F, 7 DC-9-15s, and 14 Fairchild Hiller FH-227Bs. In May, 7 of the company's 400 flight attendants are released as being too overweight, causing the Association of Flight Attendants (AFA) to file an embarrassing federal lawsuit. As is the case with many local service operators, Ozark begins a dramatic expansion following President Carter's signing into law of the Airline Deregulation Act in October. The company adds Philadelphia, Atlanta, Miami, Fort Lauderdale, Orlando, and Tampa to its 51-city route network, which is increased almost overnight by 86.2% to 17,650 unduplicated miles.

In its largest equipment purchase, Ozark commits \$82.5 million, also in October, to the acquisition of two Boeing 727-2D4As and eight more DC-9-30s, six being previously owned.

Passenger boardings jump 13% to 4,725,000 while freight grows 12.1% to 12.73 million FTKs. On revenues of \$229.74 million, expenses are \$209.49 million. A \$20.24-million operating profit is gained, while net profit increases by 1.64% to \$8.2 million.

The number of employees is increased by 6.9% in **1979** to 4,071. The New Orleans market is initially entered on May 15 and operations are switched from Washington, D.C. (DCA) to Baltimore (BWI). At approximately the same time, the airline adopts its final livery, complete with a new arrangement of the tail swallows and bold green stripes. New reservations desks open in Orlando and St. Louis, a new passenger facility is opened at Chicago, and five more DC-9-30s join the fleet.

A seven-week September 14–October 21 flight attendants strike by members of AFA (over contract renewal, not weight limits) shuts down service. A new agreement is ratified on November 5.

Four DC-9-15s are grounded on November 13 due to cracks in their tail sections. In addition, a U.S. District Court finds that by firing its overweight stewardesses earlier, Ozark has violated Title VII of the 1964 Civil Rights Act.

The current strike directly lowers the year's overall passenger boardings by 11.6% to 4,175,000 and FTKs operated to 10.9 million. Although revenues increase 1.6% to \$233.4 million, expenses jump 12.9% to \$236.6 million. The result is a net loss of \$883,000, the first financial reversal in three years. Part of this downturn is temporarily reversed when, 20 minutes after their delivery, the 2 new Boeing 727-2D4As are sold to **Pan American World Airways (1)** at a \$3-million profit.

The **1980s** open badly for Ozark. The employee population is reduced by 6.8% in **1980** to 3,793 and the fleet is strengthened by the addition of 2 DC-9-30LRs. These are employed, beginning on April 19, to offer service over a 2,500-mile route from St. Louis to Kingston, Jamaica. The carrier faces its second job action within a year beginning on May 6 when its Aircraft Mechanics Fraternal Association members idle the carrier for 27 days over pay, pension, and benefit issues. A mediated agreement is ratified on June 2. Declining traffic and rising costs continue.

To overcome these difficulties, schedules are tightened and service is suspended to certain unprofitable markets, although a new frequency is begun to Washington, D.C. (DCA). A public stock offering of 1.7 million shares of common increases capitalization by \$18.5 million, which is applied to the cumulative debt.

In August, the company's ALPA representatives meet with President Crane and work out an arrangement for averting future strikes. Following its flight from St. Louis to Chicago via Peoria on October 25, the last FH-227B is retired. A number of these turboprops are now sold to **Britt Airways, Delta Air Transport, and TAT (Touraine Air Transport, S.A.)**.

A passenger boarding decline of 4.2% (3,999,000) is encountered and cargo falls a larger 17% to 13.54 million FTKs. Although total revenues advance by 27% to \$293.6 million, expenses rise 25.9% to \$294.7 million. The new net loss of \$289,000 is the second poorest showing in two years.

The workforce is reduced a miniscule 0.2% in **1981** to 3,835. On March 12, the company expands its flight system to include Indianapolis, Detroit, and Philadelphia and begins a \$10-million expansion of its Lambert Field facilities. Perhaps surprisingly, the PATCO air traffic controllers' strike of summer and the subsequent ATC restrictions do not affect Ozark badly; in fact, the carrier makes a turnaround this year. With the addition of three new markets—San Antonio, Fort Myers, and Sarasota/Bradenton—the St. Louis-based company becomes the major operator between St. Louis and Florida.

The new Florida business, harvested with the aid of 3 new McDonnell Douglas DC-9-80s (MD-80s), helps boost traffic by 6.8% to 4,273,265; cargo also increases, up 14.6% to 7.65 million FTKs. Revenues climb 29% to \$382.95 million with only a 17.2% rise in expenses

to \$348.93 million. As a result of these shifts and various economies, a record \$16.3-million net profit is posted in addition to the operating gain of \$34.01 million—much to the relief of company officials and stockholders.

The payroll is increased by 4.1% in 1982 to 3,993. The fleet is enlarged by the addition of a DC-9-32 and two DC-9-41s, the latter pair purchased from Japan's **Toa Domestic Airlines Company, Ltd.** Ozark, the nation's 16th largest airline, becomes a transcontinental carrier on October 1 when it begins flights into 6 new cities, including San Diego, Brownsville, Las Vegas, Omaha, Cleveland, and Norfolk. At the same time, many older stations are dropped, such as Rockford, Burlington, Cape Girardeau, Decatur, and Quincy.

To provide greater financial flexibility, the board authorizes a reorganization. Ozark Holdings is formed with Ozark Airlines as its major airline-operating subsidiary. The first DC-9-41 enters service on December 23.

Enplanements rise a modest 2.2% to 4,369,000, while cargo grows 1.1% to 7.74 million FTKs. Operating income jumps 5.77% to \$406.49 million, while expenses are kept at \$388.39 million. Although positive, profits dip to \$18.09 million (operating) and \$7.54 million (net).

The workforce falls 0.3% in 1983 to 3,981 as the company inaugurates service to 3 more Sunbelt cities—West Palm Beach, Charlotte, and Raleigh/Durham. A new cargo facility is opened in St. Louis and a third DC-9-41 is acquired from **TOA Domestic Airlines Company, Ltd.** An order is placed on July 28 for four McDonnell Douglas MD-82s.

A DC-9-31 strikes a snow sweeper after landing at Sioux Falls Airport on December 20, ripping the right wing off the plane, igniting a fire, and killing the sweeper's driver; all 82 people aboard the plane escape injury. The wreckage will be sold to Aviation Sales, which will rebuild the plane and sell it to **Republic Airlines**.

Partially as a result of its expansion actions, passenger traffic jumps by 12.3% to 4,907,810, while cargo increases 13.3% to 22.59 million FTKs. On the financial side, revenues move upward only 6.4% to \$433.2 million. Expenses, although up 10.7%, only reach \$430.76 million. As a result, the carrier is left with an operating profit of \$2.43 million and a net profit of \$1.9 million.

Employment is elevated 1.7% in 1984 to 4,047. Hourly shuttle flights between St. Louis and Chicago are launched in January as Executive Express. Additional routes are opened to the Florida city of Jacksonville and the North Carolina communities of Greensboro, High Point, and Winston-Salem. The expansion gives Ozark a system of service to 66 cities in 25 states coast-to-coast. Northwest Holdings purchases the Lambert Field FBO Midcoast Aviation while in November, a 15-gate expansion of the company's facilities at St. Louis are opened. The two new MD-80s join the fleet late in the year after serving a six-month lease with **American Airlines**.

The year's passenger boardings top the five million mark for the first time (5,052,000), this despite pressure on the carrier's St. Louis hub from both **Trans World Airlines (TWA)** and **Southwest Airlines (2)**. Still, cargo declines 6.7% to 21.05 million FTKs. On the year, operating revenues incline skyward 8.6% to \$465.7 million while expenses rise only 4.5% to \$445.65 million. As a result, operating income advances to \$20.06 million and a net profit of \$12.7 million is earned, the second largest in the carrier's history.

The payroll is boosted 2.4% in 1985 to 4,144 and the fleet includes 50 airliners. In March, a new 15-gate "Airplex" concourse is opened at the St. Louis hub. Ozark again reaches toward new markets, adding Lincoln, Nebraska, and Oklahoma City in April. In October, a code-sharing agreement is reached with the large regional **Air Midwest**, which will provide feed for the national in the Midwest. Carl Icahn's purchase of **Trans World Airlines (TWA)** now makes that carrier such a low-cost enterprise that it is able to further undercut Ozark at St. Louis. The competition is deadly; most of the \$8 million won during the year's first half is consumed during the second half. In November, as almost an aside, Ozark Holdings purchases the St. Louis FBO Midcoast Aviation for \$8.5 million.

As President Crane's company begins to sink into red ink, labor difficulties resurface. In December, Crane seeks concessions from his pilots, but they resist. The year's profit is only \$636,000. The outlook is grim. During the company's last year as an independent, customer bookings swell 12% to 5,541,000 and cargo is up by 51.5% to 46.57 million FTKs. Revenues ascend 3.2% to \$480.54 million, costs are up 8.2% to \$481.59 million, and the operating loss is \$1.05 million. Net profit falls to \$636,000.

Merger negotiations between the Icahn organization and Ozark are undertaken in January and February 1986. On March 6, **Trans World Airlines (TWA)** purchases Ozark's entire shareholding for \$239 million (\$19 per share of common stock). Although the antitrust division of the Department of Justice recommends against the takeover in July, it is approved by the Department of Transportation in September.

Control over the St. Louis hub will be total within a year. Also in September, **Trans World Airlines (TWA)** sells Ozark's entire fleet to a leasing concern and then leases the aircraft back; the transaction gains \$240 million for Carl Icahn's major—the entire price of the Ozark acquisition.

Passenger boardings for the three independent quarters drop 5.2% over the previous period a year earlier, to 4,548,000. During the same period, revenues fall to \$350.7 million, expenses are \$356.7 million, and a \$6-million operating loss is suffered. Still, the carrier goes out on a profitable note with a final net gain of \$4.56 million.

Integration moves ahead during the year's final quarter, aircraft are repainted in **Trans World Airlines (TWA)** livery, and surviving personnel are moved into Chairman Icahn's system. Indeed, another \$25 million is gained by the Icahn group when the Ozark pension plan is terminated. Ozark flies its last scheduled service under its own name on October 26.

In January 1987, Crane becomes vice chairman of the **Trans World Airlines (TWA)** board of directors and Lester Cox a member. Unofficial Web sites concerning Ozark are located at <http://inlink.com/~dougm/ozark.com/> or <http://members.aol.com/dealers/aircraft/airlines/ozark.htm>.

OZARK AIR LINES (2): United States (1999–2001). A 20-year dream of reuniting the flying public with the famous green swallows of **Ozark Air Lines (1)** is realized in late summer and fall 1999 when physician/aviator/businessman Dr. Wesley Stricker, who had purchased rights to the historic name from **Trans World Airlines (TWA)** the previous year, organizes this carrier at Missouri's Columbia Regional Airport. Former USN pilot and KAL-Aero owner/operator John Ellis becomes CEO and together the two complete their business plan and seek financing from a variety of banks, lending institutions, and other financial organizations. Most find the \$25-million start-up capital requested for the purchase of aircraft and other beginning costs too small an amount to be involved with; however, the Union Planters Bank of Columbia agrees to support Stricker and Ellis and give them the loan. The required paperwork is now filed with the DOT and FAA, and orders are placed with Fairchild Dornier for two copies of its new 328JET.

As Washington reviews the company's potential and the aircraft are built in Germany, the Ozark chiefs build a hangar and maintenance facility at the regional airport and recruit a staff to operate the airline. A marketing and reservations contract is signed with Worldspan.

Second operator of the Fairchild-Dornier 328JET, the company receives its operating certificate on February 9, 2000. Five days later, it completes its first operational service, a charter that takes the University of Missouri men's basketball team to and from Lubbock, Texas. Twice-daily roundtrip flights are inaugurated on February 21 from Columbia to Chicago (MDW); one service operates daily except Saturday and the other daily except Sundays.

Plans to operate into Dallas (DAL) are thwarted due to a legal impasse between the cities of Dallas and Fort Worth over the expansion of

flights into Love Field. Consequently, interline arrangements are entered into with **American Airlines** and **American Eagle Airlines**. Under terms of the pacts, Ozark will provide connecting flights into Dallas (DFW) timed to coincide with AA flights; American Eagle will provide ticketing and baggage handling services for Ozark. Twice-daily return service to Dallas (DFW) starts on March 13.

In the weeks that follow, the Chamber of Commerce of Joplin, Missouri, indicates an interest in joining the new Ozark's route network. A \$300,000 incentive package is put together that includes \$200,000 in block grants and \$100,000 from the Chamber's subsidiary Joplin Business and Industrial Development Corporation; an additional \$10,000 in marketing funds are also provided. Ozark begins flying in and out of Joplin in May and with the delivery of its second 328JET, connects that city and Columbia with both Dallas (DFW) and Chicago (MDW).

Under a one-year arrangement signed in January 2001 with the Iowa-based start-up **AccessAir**, new 328Jet one-stop return service from Columbia to Chicago (MDW) via Des Moines, will be inaugurated on February 22. The agreement allows **AccessAir** to withdraw the loss-making Boeing 737-200 it had been employing on its renewed flights. **AccessAir** will fail on February 27 and Ozark will halt operations on March 29.

OZARK AIRWAYS: United States (1932–1933). Organized at Springfield, Missouri, in late 1932, Ozark is equipped with a Stinson that is employed to open scheduled multistop passenger flights to Kansas City. Insufficient traffic does not allow operations to continue beyond March 1933.

PAB AVIATION: 3405 Airport Road, Allentown, Pennsylvania 18103, United States; Phone (610) 266-8188; Fax (610) 266-8189; Year Founded 1986. PAB is set up at Allentown in 1986 to provide domestic and worldwide executive and small group passenger charters. The company grows over the next decade and in 2000, employs five pilots. It operates a pair of Grumman G-1159 Gulfstream bizjets, one of which is normally based at West Palm Beach, Florida.

PAC AIR: United States (1989). Arthur Pearson's Pearson Aviation Corporation, based at the airport at Provincetown, Massachusetts, establishes a scheduled air taxi division in February 1989 to undertake daily roundtrips to Boston. Piper PA-31-350 Navajo Chieftain frequencies are inaugurated on March 20, but cannot be sustained beyond October 14.

PACE AIRLINES: P.O. Box 525, Winston-Salem, North Carolina 27102, United States; Phone (910) 681-5374; Fax (910) 744-1257; <http://flypiedmond.com/pace.html>; Code PDS1; Year Founded 1996. From a base at Greensboro, North Carolina, the original **Piedmont Aviation Services** continues to flourish, despite the transfer of its **Piedmont Airlines (1)** to **USAir**. In 1992, PAS is sold by **USAir** to an investor group that includes its present management. Now, once again, it conducts domestic passenger and cargo charters with a fleet of 36 lightplanes, in addition to its work as an FBO, aircraft sales facility, and maintenance and overhaul business.

By 1994–1995, the company operates a large executive and small group charter service from seven south-central U.S. bases. From Greensboro, PAS flies 1 each Beech Super King Air 200, B-58 Baron, and B-2000 Starship. A Beech 90 King Air is operated from Hickory, North Carolina, while from Morgantown, West Virginia, 1 Cessna 550 Citation II and 1 B-58 Baron are flown.

Winston-Salem is a major Piedmont hub; from this point the company operates 2 each Cessna 525 Citations and Super King Airs and 1 each B-400A Beechjet, B-90 King Air, British Aerospace BAe Jetstream 31, Gates Learjet 31, and Cessna 550 Citation II. At Raleigh, PAS flies 1 IAI-1124 Westwind, 2 B-400A Beechjets, 2 King Air 90s, 1 Gates Learjet 35A, and 1 B-55 Baron.

Piedmont Aviation Services also flies from two Virginia locations. At Norfolk, the company stations 1 each Beech Super King Air 200 and Mitsubishi Mu-300 Diamond, while a Super King Air is flown from Roanoke.

Pace is established under the direction of PAS President Robert H. Wells at Winston-Salem in the first quarter of 1996 to offer charter services. The 56-year-old privately held PAS, which had once owned **Piedmont Airlines (1)**, was itself taken over by **USAir** in the famous Piedmont merger of the previous decade.

The March 28 issue of *The Charlotte Observer* reports that Pace has had to push back its start-up date several times because of disputes over its name. PAS initially applies to the DOT to use the Piedmont name, but **USAir**, which retains the trademark name on its commuter affiliate **Piedmont Airlines (2)**, refuses to abandon it. The next moniker chosen is "Premier," but that name prompts objections from a Colorado entrepreneur planning to begin a carrier with those titles. The third attempt is golden and the DOT approves the Pace name and grants Piedmont a certificate to offer jet charter service.

President Wells negotiates a contract to become the exclusive airline of the Charlotte Hornets NBA basketball team. A single Boeing 737-200 is leased and employed to inaugurate services for the team on March 26.

A total of 4,000 passengers are flown by December 31. The \$2 million in revenues generated exceed costs and allow a \$145,000 operating profit. A net \$100,000 gain is also reported.

Customer bookings in 1997 again total 4,000. Operating revenues skyrocket 87.1% to \$3.78 million, while expenses climb 87.4% to \$3.52 million. The operating profit grows to \$264,000, while a \$158,000 net profit is banked.

Flights continue in 1998. With financial support from Washington, D.C.-based financiers The Carlyle Group, the airline's parent, Piedmont Aviation Services, merges with Hawthorne Aviation on July 27 to become Piedmont Hawthorne Aviation. American Beechcraft, a Leesburg, Virginia-based FBO and Raytheon Aircraft dealer, is merged into the new company, along with Transportech, an FBO at Raleigh that Piedmont has been managing for the past three years.

During the 12 months, passenger boardings skyrocket 300% to 16,000. Revenues advance 28.1% to \$4.85 million, while costs are held to \$4.72 million. The operating profit drops to \$263,000, while net gain falls to \$42,000.

Coming in from Winston Salem to Rogers, Arkansas, on March 20, 1999, the Learjet 35A with two crew and eight passengers undershoots the runway threshold. The left main landing gear collapses after impacting the concrete foundation of the approach lighting system; the bizjet skids 1,700 ft. before coming to rest on the E side of the asphalt strip. The flight officer and a passenger receive slight injuries.

Passenger boardings climb 12.5% this year to 18,000.

A total of 67 workers are employed at the beginning of 2000. The carrier's B-737-242A continues to fly for the Atlanta Hawks, its B-737-247 for the Charlotte Hornets, its B-737-222 for the Washington Wizards and Capitals, and its B-737-4Y0 for the New York Knicks and Rangers.

In July, two company B-737-236As are wet-leased to the new **Sun West International**, which begins operating charters on behalf of Harrah's Casinos at Laughlin, Nevada, and New Orleans.

PACIFIC AERIAL TRANSPORT (PTY.), LTD. (PAT): Australia (1931–1936). Led by Raymond "Battlin" Parer, a diverse group of bush pilots and mining company investors anxious to compete with established **Guinea Airways (Pty.), Ltd.**, form PAT at Salamaua in early 1931. A former **KLM (Royal Dutch Airlines, N.V.)** Fokker F-III, together with spare parts, is purchased for A£700 and delivered; another 1,000 pounds is invested in two reconditioned Bristol Jupiter engines. Parer test flies the Fokker before an interested Salamaua crowd on March 14.

Unfortunately, four days later, the plane, while attempting takeoff, loses engine power and crashes into a treeline; neither Parer or his two passengers are hurt, but the aircraft must be written off. Wau tavern owner Flora Stewart and other investors now step forward to underwrite the purchase of an ex-**Sabena Belgian World Airlines, S.A.** Fokker F-VIIA and a de Havilland DH 50 Moth.

During the early summer, PAT begins a charter service to various points throughout Papua and eastern New Guinea. All manner of cargos are accepted from gold, tools, whiskey, clothing, and medicine; unusual freight includes non-safety Japanese matches, detonators, a cow, and a wild boar that gets loose and catches in the Fokker's floorboards.

Operations continue apace in 1932 and in 1933 the company is taken to court by local Salamaua officials for flying unregistered aircraft, a violation of the Air Navigation Regulations. The £125 fine is paid by investors and well wishers. While undergoing repair at Wau in November, the Fokker's wing is severely damaged, causing the plane to remain out of service for several months.

On June 1, 1934, the New Guinea Centenary Flight Syndicate is formed to sponsor "Battlin'" Parer's entry into the MacRobertson England-Australia Air Race. The famed bush pilot now sells his interest in PAT and with another of the carrier's pilots as companion, departs for England, where he purchases a used Fairey Fox and enters the contest. Meanwhile, three pilots are left to operate the airline's services. The company receives a three-year subsidy from the administration of the Mandated Territory on August 1 for the carriage of passengers and cargo over its existing routes from Salamaua, Lae, and Wau.

Parer's Fox arrives at Melbourne on February 13, 1935. Shortly thereafter, PAT is sold to rival **Guinea Airways (Pty.), Ltd.**, which allows it to continue flying under its original name until October 16, 1936, when it is combined with the air transport division of **W. R. Carpenter and Company** to form **Mandated Airlines (Pty.), Ltd.**

PACIFIC AIR: United States (1994–1995). Pacific Air is established at Portland, Oregon, in 1994 to offer regional passenger and cargo flights. Revenue flights commence during the summer with a pair of Piper PA-31-350 Navajo Chieftains.

Unable to achieve economic viability, the concern shuts down within a year.

PACIFIC AIR AVIATION: 185 East Reno, Hangar B6, Las Vegas, Nevada, 89119, United States; Phone (702) 256-4320; Fax (702) 795-3790; Year Founded 1993. PAC is founded at Las Vegas in 1993 to offer executive and small group passenger charters throughout the U.S. and Canada, as well as to Mexico, Hawaii, the Caribbean, and Central America. Five pilots are employed and flights begin with a IAI 1125 Westwind Astra and a Learjet 35A Century III.

PACIFIC AIR CARGO: 6040 Avion Drive, Los Angeles, California 90045, United States; Phone (310) 645-2178; Fax (310) 645-4876; <http://www.pacificaircargo.com>; Code 8K; Year Founded 2000. PAC is established at Los Angeles in the spring of 2000 to operate scheduled all-cargo roundtrips to Honolulu on behalf of freight forwarders, integrators, and other airlines (as replacement flights). Former American International Airways (American International Cargo) managing partner Beti Ward is named CEO, with Jay Romias as chief financial officer and Jeffrey Vaughn as operations manager.

A Boeing 747F is leased and five-times-a-week return freighter flights duly commence between Los Angeles (LAX) and Honolulu. A total of 44.9 million pounds of cargo are transported during the remainder of the year.

PACIFIC AIR CHARTER. See **AIRNET EXPRESS**

PACIFIC AIR EXPRESS: United States (1982–1987). The freight line PAE is established at Honolulu in August 1982 to provide scheduled all-cargo and charter flights to destinations throughout the state. Revenue flights commence on February 17, 1983. Major destinations visited with a fleet of 4 Douglas C-54Gs (military DC-4s) include Hilo, Kahului, and Lihue.

While on final approach to Kahului on June 29, one of the C-54Gs with three crew suffers the loss of all four engines simultaneously; a belly landing is carried out in a sugar cane field six km. from the runway. There are no fatalities, but the aircraft must be written off.

Employing a fleet of 3 C-54Gs, two Aviation Traders ATL-98 Carvairs and 1 Beech 18, the company continues in operation until 1987.

PACIFIC AIR EXPRESS, LTD.: Solomon Islands (1999–2000). Pacific Air Express is established at Honiara, Guadalcanal, in 1999 to serve as the national freight carrier of the Solomon Islands. A single Boeing 727-200F is acquired and revenue flights begin over a route to Brisbane. The company's principal cargo to Australia is fresh tuna, which is transshipped to the Sashimi market in Tokyo by **Japan Air Lines Company, Ltd. (2)**. General cargo is carried back to Guadalcanal. Occasionally, freight charters are operated to other destinations in the Pacific region.

When a coup is attempted in the Solomon Islands on June 5, 2000, the carrier, not wishing any problems, temporarily suspends domestic and international operations. Domestic political unrest and military action continues, forcing the airline to stand down during the entire summer. Without income, the company shuts its doors. The Boeing freighter will pass to a new Brisbane-based cargo carrier, **Transasian Air Express (Pty.), Ltd.** that will start flying in February 2001.

PACIFIC AIR LINES: United States (1958–1968). The local service carrier **Southwest Airways**, based at San Francisco, changes its name on March 6, 1958. By year's end, the fleet comprises 20 aircraft: 11 Douglas DC-3s, 8 Martin 2-0-2s, and 1 Lockheed L-18 Lodestar. One Douglas transport is sold to Banfe Aviation late in the year.

To service its California-Nevada markets, it soon begins to order new equipment and in April 1959 places two Fokker Fairchild F-27As, license-built by Fairchild in Maryland, into operation.

After trading off its Martin 2-0-2s to **Trans World Airlines (TWA)** in early 1960, the company begins to fly new, pressurized Martin 4-0-4s on November 30. Operations continue largely without incident during the next year.

On July 31, 1961, at the airport at Chico, a DC-3, designated Flight 327, preparing for departure to San Francisco, suffers the loss of its pilot, and a ticket agent, who are shot by an assailant. The gunman will later be convicted of assault with intent to commit murder and is sentenced to a long prison term.

Later, a rag left in the nosewheel compartment causes the nose gear of an F-27A to collapse as the plane lands at Las Vegas on November 15. The left landing gear of a Martin 4-0-4 collapses at Lompoc, California, on April 17, 1962.

On July 7, 1963, an F-27A is involved in a ramp accident at San Francisco that results in serious injury to one of the 14 passengers aboard.

Still, enplanements for the year are up to 521,900 and revenues total \$11,845,600.

Airline employment in 1964 stands at 761 and the fleet includes 18 aircraft. President Harry White's company receives four more F-27As, bringing the total to nine, or one-half of the fleet. Nonstop San Jose to Los Angeles flights begin in the spring and are heavily advertised.

While on a Reno-San Francisco service on May 7, Flight 773, an F-27A with 4 crew and 40 passengers, hits a hilltop near Dublin, California, and explodes; there are no survivors.

Tape recordings and FBI work later reveals that passenger Francisco Gonzalez, who had purchased a .358 Magnum revolver a week earlier and a \$50,000 life insurance policy just before boarding, has shot and killed both Capt. Ernest Clark and First Officer Raymond Andress, causing the Friendship to crash. In a sad and ironic twist, a company rule, issued the week before but not due to take effect until August, requires that aircraft cockpit doors be locked at all times during flights.

Also in May, **West Coast Airlines** attempts to purchase controlling interest, but is forced off as the result of CAB reaction to the acquisition methods of owner Nick Bez. Consequently, WCA sells its 34% shareholding in Pacific.

Passenger boardings jump 15% to 613,999. Revenues swell to \$13.4 million, operating expenses are \$12.1 million, and the net profit is \$1.3 million.

The workforce in 1965 is increased to 802, but still remains the smallest number employed in the U.S. local service airline industry. The fleet now includes 18 aircraft: 9 Fokker F-27As and 9 Martin 4-0-4s. Orders are placed for two Boeing 727-193s and four B-737s. Plans are announced for a new general office and maintenance center at San Francisco. The company's Los Angeles to San Jose route is still the only non-stop flight up and down the north-south California corridor.

As its longtime struggle for California market maintenance continues, Pacific finds itself, beginning in May, the target of an enterprising intrastate, **Pacific Southwest Airlines (PSA)**, which all but forces the larger carrier from several significant California routes and hurts it financially. Meanwhile, as other carriers switch to jetliners, PAL, to remain competitive, does likewise, inaugurating Boeing 727-193 service on July 7. A \$15.50 Commutair fare is introduced; unhappily, **Pacific Southwest Airlines (PSA)** counters with a fare \$2 less.

On September 19, the propeller of a Martin 4-0-4 with seven aboard strikes and kills a ground crewman at San Jose, California. An F-27A with 33 aboard is hit by lightning at 6,000 ft. above Los Gatos, California, on November 24; injuries to people are minor but the turboprop is badly damaged.

Still, bookings increase to 697,055. With 233,160 freight ton-miles flown, Pacific's freight traffic is the smallest for any carrier within its classification range.

The \$1.5-million, two-building administrative and maintenance center is completed at San Francisco in 1966. The B-727-193 order is increased by one and the battle with **Pacific Southwest Airlines (PSA)** continues to be lost. Revenues for the year are \$16,772,600.

PAL attempts a counterattack during the spring of 1967, launching a so-called "safety campaign" in the media that suggests that **Pacific Southwest Airlines (PSA)** is dangerous to fly. The effort backfires. In June, discussions aimed at a possible merger between ailing Pacific and representatives of **West Coast Airlines** begin. In August, the ongoing merger talks are enlarged to include **Bonanza Air Lines** and David R. Grace now becomes board chairman.

Former Bonanza officials G. Robert Henry and Larry Decker come aboard as president and vice president-management, respectively. Following the receipt of stockholder approval of the three-way amalgamation, a petition is filed seeking government permission.

The employee population at year's end is 1,063. The fleet includes 11 F-27s and 3 B-727-193s. Orders are placed for 6 B-737s.

Passenger traffic accelerates 16.5% to 955,613. Revenues advance 8% to \$18,102,456.

Both the CAB and President Lyndon B. Johnson approve the merger on April 1, 1968, and the three independents amalgamate into a new company, **Air West**, on April 9.

PACIFIC AIR TRANSPORT (PAT): United States (1926-1928). Knowing that the Kelly Air Mail law will allow aircraft to compete with his motor coaches, Oregon bus operator Vern C. Gorst and a number of his colleagues elect to win an airmail contract route for themselves in order to control the competition. Gorst's friend, aircraft builder Claude B. Ryan, is persuaded to employ one of his new M-1 cabin monoplanes to take him on a return survey flight along the Pacific coast from Seattle to San Francisco, and over the dangerous Siskiyou Mountains. Meanwhile, Gorst and the bus owners incorporate Pacific Air Transport at North Bend on January 8, 1926 and apply for the Post Office's Contract Air Mail Route No. 8 (CAM-8) from Los Angeles to Seattle. The route is awarded to them on January 27.

A natural promoter, Gorst now hires 10 pilots and together they visit towns and communities along the 1,152-mile route selling the company—literally; a total of \$175,000 in company stock is sold during the tour. Many towns are persuaded to open community airfields. In addition, Standard Oil Company agrees to paint town names atop its buildings and a lighted airway is created by erecting automobile headlights on buildings, poles, hilltops, etc.

To supplement the Travel Air and WACO biplanes already on hand, Gorst now orders first six, then eight, Ryan M-1 mailplanes. These high-wing monoplanes arrive in August, along with two more Travel Airs and a Curtiss Swallow. Taking off at dark from different directions so as to complete the multistop flight in a day, two M-1s inaugurate CAM-8 mail service on September 15.

En route to Seattle from Los Angeles on November 12-13, an M-1 piloted by Charles Eidmer with mechanic Donald Rossiter aboard encounters rain and goes into a spin over Van Nuys; Eidmer safely bails out, but Rossiter is killed. Pilot R. B. "Pat" Patterson is killed on December 16 when his M-1 crashes into the face of Mount Ashland, south of Medford, Oregon. On the year, the company flies 33 intrepid passengers to points along its route; outfitted in goggles, helmets, and parachutes, they ride along with the mail. Sight-seeing flights handle 69 more customers.

Service continues apace in 1927. Many flights can be offered at night, as the Los Angeles-Oregon route is lighted. Still, flying is dangerous. An M-1 piloted by Edward Nehet, flying mail and company inspector Alfred Schaeffer, crashes near Merced, California, on April 3 (two dead).

Constantly in need of funding, CEO Gorst manages to attract the attention of Wells Fargo Bank official William A. "Pat" Patterson, who not only grants a loan, but monitors it to the point of acting as PAT's unofficial chief advisor and accountant as well.

Competition in the California market, especially from the big Ford Tri-Motors of **Maddux Air Lines**, intensifies. Early on October 26, an M-1 goes out of control north of Los Angeles and crashes; pilot Charles Bowman safely parachutes. Caught in a windstorm over Shafter, California, on Christmas Day, pilot James Rutledge parachutes safely from his M-1. Late in the month, Patterson suggests Gorst turn down a merger proposal from Harris "Pop" Hanshue of **Western Air Express (WAE)**.

Patterson next recommends to William "Bill" Boeing that he consider acquiring PAT and advises Gorst that, if the transaction occurs, all of the employees of his financially strapped airline will keep their jobs and the stockholders will be protected.

On the year, company aircraft transport 1,252 passengers and 76,237 pounds of mail over 693,350 miles.

To provide a connection between its aircraft factory at Seattle and the transcontinental terminus of San Francisco, **Boeing Air Transport (BAT)** purchases control of PAT on January 1, 1928, allowing it to operate as a subsidiary under its own name. Gorst receives \$94,000 for his stock and Patterson returns to Wells Fargo, but only briefly; he will soon become a Boeing official and eventually president/CEO of **United Air Lines**. Flying mail over Shasta Springs, California, on January 22, pilot Arthur Starbuck survives when his Travel Air 4000 is forced to the ground by a severe downdraft.

The Fokker Model 4 Universal of pilot James L. Rutledge runs out of gas on March 29 and crashes near Orinda, California. Caught in heavy fog over Canyon City, Oregon, on October 2, a Boeing 40C, piloted by Harry Donaldson with O. P. Donavan, crashes into a tree; Donavan is killed. On October 30, Boeing Airplane and Transport Corporation is formed as the holding company for both BAT and PAT; on December 17, Pacific is merged into BAT.

During the year, PAT carries a total of 1,484 passengers, 117,658 pounds of mail, and 20,319 pounds of express over 703,542 miles.

PAT continues to fly in 1929 and on the year transports 3,279 passengers and 254,457 pounds of mail over 830,000 miles. Operations continue in 1930. Upon takeoff on May 9, a Boeing 40B-4 hits a wagon and crashes; there are no significant injuries. By early August, the entire 1,200-mile route between Seattle and San Diego is lighted. As a result, the carrier begins to offer Boeing 40B-4 overnight service on August 15. En route to Portland from Burbank on November 18-19, a Boeing 40B-4 crashes in the Techachapi Mountains near Ridge Route, California (three dead).

Being ferried to Seattle, a Boeing 40B-4 encounters heavy fog and sleet over Crescent Lake, Oregon, on January 1, 1931 and crashes. On

March 16, the **West Coast Air Transport** subsidiary of **Western Air Express (WAE)** is purchased, along with its three Fokker F-10As and Seattle–San Francisco route. While attempting to land at Burbank on May 4, a Boeing 40C crashes in the Verdugo Mountains (two dead). On July 1, PAT is a merger partner in the creation of the new **United Air Lines**.

PACIFIC AIRLINES: United States (1975). Following its takeover of the Long Beach Douglas DC-3 operator **Pacific Coast Airlines (1)**, San Francisco-based **Pacific Northwest Airlines** is renamed during the first quarter of 1975. The fleet now includes de Havilland DH 104 Doves, Convair CV-240s, Beech 18s, and DC-3s.

Operations continue apace over a route network that includes stops at Oakland, San Jose, Fresno, Bakersfield, and Monterey. Unable to achieve economic viability, the company closes its doors before year's end.

PACIFIC AIRLINES, S.A.: 112 Hong Ha Street, Tan Binh District, Ho Chi Minh City, Vietnam; Phone 84 (8) 845-0090; Fax 84 (8) 845-0085; Code BL; Year Founded 1992. Pacific Airlines is formed at Ho Chi Minh City in 1992 and is the first new carrier formed in the People's Republic of Vietnam following changes in the law allowing foreign investment in the nation's air transport system. The airline is the only joint-stock (or public limited company) airline in Vietnam, its ownership being divided between **Vietnam Airlines, S.A.**, Ho Chi Minh City, **U-Land Airlines, Ltd.**, and Saigon Tourism.

Charter all-cargo flights are offered and employing a Boeing 737-217 leased from **Air Service Nantes, S.A.**, the company inaugurates a jointly operated route with **AOM French Airlines, S.A.** to Paris (ORY) via Bangkok and Karachi.

Daily return services are initiated in October from Vietnam to Taipei and Kao-hsiung.

Operations continue in 1993–1995. Airline employment in 1996 grows to 300. During the spring, a B-737-3Y0 is chartered from **TEA Switzerland, Ltd.** and inaugurates scheduled flights from Ho Chi Minh City to Hanoi via Da Nang. A B-737-2Y5A is subleased from **TEA Cyprus, Ltd.** and used to launch scheduled twice-weekly flights on October 22 from Da Nang and Ho Chi Minh City to Macau.

It is announced by Managing Director Duong Cao Thainguyen on May 13, 1997 that the carrier will sell space on the sides of their two leased Boeings for ads in a program reminiscent of the “logo jets” of **Western Pacific Airlines**.

On May 21, the company cancels its Macau to Ho Chi Minh City and Da Nang flights. In the fall, before any further progress on its expansion agenda can be addressed, the company is shut down, a victim of the Asian currency crisis.

With the regional economic situation improving in late 1999, the company is reopened. Daily roundtrips to Taiwan from Ho Chi Minh City, Da Nang, and Hanoi are resumed with a single McDonnell Douglas MD-82 chartered from the Taiwanese carrier **U-Land Airlines, Ltd.**

The workforce stands at 273 as 2000 begins. Wearing an all-white livery, a leased Airbus Industrie A310-324 enters service in June. Following the failure of **U-Land Airlines, Ltd.**, Pacific replaces its MD-82 with an MD-90-30 leased from another Formosa-based company, **Uni Airways Corporation, Ltd.**

PACIFIC AIRWAYS (1): United States (1922). Employing a rare seven-passenger Curtiss HS-2L, license-built by William E. Boeing and christened *Bluebird*, Ansel C. Eckmann, a former Army pilot, establishes this operation at Madrona Park, Seattle, in 1922. Promotional pamphlets are sent around the Northwest, advertising single-passenger fares of \$5 and charter rates of \$50 per hour for five or less.

Although American owned, the plane is Canadian registered and is flown back and forth to Victoria and Vancouver, British Columbia, during the summer, transporting 450 passengers and half a ton of cargo. After the enterprise closes down for the winter, it does not resume.

PACIFIC AIRWAYS (2). See **AIR L.A.**

PACIFIC AIRWAYS, LTD.: Canada (1925–1928). PA is established at Vancouver, British Columbia, in early 1925 by the noted Canadian World War I ace Donald R. MacLaren. Employing a purchased Curtiss HS-2L flying boat, MacLaren assumes the Canadian Air Board's west coast fishery patrol and also runs a general charter service to bush communities.

Operations continue apace until the little airline is purchased by **Western Canada Airways, Ltd.** in 1928.

PACIFIC AIRWAYS CORPORATION: 3110 Domestic Airport Road, Pasay City, Metro Manila, Philippines; Phone 63 (2) 832-2731; Fax 63 (2) 833-7430; http://www.pacificair.com.ph; Code GX; Year Founded 1947. PAC is formed as an FBO and general aviation company at Manila in 1947. Over the next forty years, lightplane charters are operated throughout the archipelago.

In 1988, PAC begins to provide regional commuter services. The fleet of CEO Celso L. Samaniego and Managing Director Renato S. Anel's small carrier comprises 1 each Beech 55, Beech 65, Cessna 310, Cessna 401, 2 Cessna 421s, 2 Convair 580s, and 6 Pilatus-Britten-Norman PBN-2 Islanders. In 1989, the light Beechcraft are replaced by four Beech 18s and another Islander is placed into service.

A Piper PA-31-310 Navajo is acquired in 1990 but, together with the Cessna 310 and two Islanders, is replaced by four de Havilland Canada DHC-6 Twin Otters (two each Dash-100s and Dash-200s) in 1991. Eladio Ersando becomes president in 1992.

Operations continue in 1993–1994. During these years, Nemesio Tejero takes over as CEO and the fleet comes to comprise 1 Beech 80 Queen Air, 1 Beech 50 Twin Bonanza, 6 Cessna 206s, 2 Cessna 207s, 1 each Cessna 401 and C-421, the 4 Twin Otters and the Navajo, and 2 Rockwell Commanders. Removed are the Cessna 310s, Beech 18s, 55 and 65, the Convairs, and the Islanders.

Operations continue apace in 1995–1996 with 1 owned and 1 leased DHC-6-200 plus 2 chartered DHC-6-100s. Destinations visited from Manila include Lubang, Cullion, Cuyo, Busuanga, Subic Bay, Clark, and Caticlan.

While on its takeoff roll from Manila on a service to Bacolod on April 2 of the latter year, a **Philippine Airlines (PAL)** B-737-200 with 141 passengers crashes into a Pacific Twin Otter with two crew. The nose of the jetliner is damaged, while the lightplane, apparently heading towards its hangar at the time of the incident, is carried 130 m. before it stops in a wrecked condition. Three people aboard the PAL plane are hurt, as is the crew of the de Havilland. With a fleet reduced by one Twin Otter, flights continue apace during the remainder of the year and in 1997–1998.

Early in 1999, a homepage is opened on the Internet's World Wide Web. There the company promotes its four-times-a-day roundtrips from Manila to Caticlan and daily roundtrips from Manila to Busuanga. It also notes that it is the first and only company to receive an air safety award in the country's entire aviation history.

President Felipe Nanalig's workforce totals 120 at the beginning of 2000. The company's 12 Islanders and 4 Twin Otters, plus 40 smaller aircraft, regularly fly from hubs at Metro Manila, Boracay, Cebu, Dumaguete, Cagayan de Oro, Davao, Cotabato, Zamboanga, Puerto Princesa, and Bacolod to any of the 219 airports of the archipelago. Indeed, the company's revised Web site happily points out that the carrier's aircraft regularly bring passengers and cargoes to 89 points in Luzon, 52 in Visayas, and 78 in Mindanao, some of which are not serviced by other airlines.

PACIFIC ALASKA AIRLINES: United States (1973–1985). Originally formed at Fairbanks in 1973, this carrier is initially established as a fire-fighting operator called Aero Retardant, Inc.

Later in the year, the CAB grants authority for the company to operate commercial passenger and cargo charter services in support of pipeline development projects then underway.

Two years later, in **1975**, the Bering Straits Native Corporation purchases majority shareholding, using funds from the Native Lands Claims Settlement Organization, which has been set up to compensate Alaskan natives for land acquired for the Trans-Alaska Pipeline. Early in **1977**, PAA President Don Gilbertson buys back 51% control with the understanding that operations will continue as before. His workforce totals 58 and his fleet is made up of 6 Douglas DC-6s. An operating profit of \$166,500 is realized on income of \$5.7 million.

Following President Carter's October signing of the Airline Deregulation Act in **1978**, employment is increased a dramatic 64.3% to 69. Gilbertson's carrier now elects to add scheduled intra-Alaska passenger services.

A total of 8,000 passengers are carried during the final quarter and freight traffic accelerates 39.3% to 12.8 million FTKs for the year. On revenues of \$8.3 million, a \$500,000 operating profit is reported.

In August **1979**, the company is sold to private investors who appoint Rod Thompson general manager and seek authority to serve destinations in the "lower 48." CAB permission is received in **1980**. Corporate headquarters are now transferred to Miami and a second flight base is opened at Everett, Washington.

Four DC-6s are disposed of and two Fokker F.27s are obtained; these are employed in **1981** to inaugurate scheduled freighter flights from Portland, Oregon, to Seattle and Spokane.

In **1982**, the last two DC-6s are withdrawn and replaced with a Boeing 727-100C. It is employed to initiate passenger charter flights between Seattle and Fairbanks. In September, the company ceases its cargo operation, after having flown 1.62 million FTKs since January.

Operations continue apace in **1983–1984**, but overexpansion and growing financial difficulties force the carrier to cease operations and declare bankruptcy in **1985**.

PACIFIC-ALASKA AIRWAYS. See **PAN AMERICAN AIRWAYS (PAA)**

PACIFIC AMERICAN AIRLINES: United States (1976–1982). In **1976**, **Mercer Airlines** is reformed and changes its corporate identity. Operating from the original Burbank base, the carrier maintains intrastate passenger and cargo charter services, together with contract service flights for the USN. Destinations visited include Point Mugu, San Nicholas Island, Long Beach, San Diego, and San Clemente. From Honolulu, similar contract service flights are undertaken to Christmas Island and Tarawa. President Thomas G. Vander Molen and five associates own the carrier.

In **1978**, airline employment stands at 35 and the fleet comprises 3 Douglas DC-3s, 1 DC-6A, 3 DC-6s, and 1 BAC 1-11-400. Unable to weather the recession of the early 1980s, PAA ceases operations in **1982**

PACIFIC CAL AIR: United States (1979–1983). With a base at Oakland, California, Pacific Cal is set up in **1979** to provide Essential Air Service (EAS) third-level passenger and cargo Piper PA-31-310 Navajo flights, linking its base with Sacramento and Fresno.

The company is acquired by new Oakland investors in **1981**, but continues to be the only airline based at that California city. Orders are placed for four Fairchild-Swearingen Metros.

Enplanements for the year total 6,012.

Employing three of the Metro IIs, the commuter expands its route network in **1982** to include Reno, Nevada, and Boise, Idaho.

Passenger boardings accelerate 41.1% to 10,207.

The fourth Metro II is delivered in January **1983** and the carrier continues operations until recession forces it into receivership late in the year.

PACIFIC COAST AIRLINES (1): United States (1974–1975). The first PCA is set up at Long Beach, California, in the fall of **1974** to operate scheduled local passenger and cargo services with a pair of Douglas DC-3s. The company is purchased by **Pacific Northwest Airways**

during the first quarter of **1975** and the combined carrier is renamed **Pacific Airlines**.

PACIFIC COAST AIRLINES (2): United States (1981–1986). Late in **1981**, **Apollo Airways**, which had declared bankruptcy in September, is purchased by a Houston-based holding company, Gulf Central, reformed, and emerges from Chapter XI under the name Pacific Coast Airlines (2). Employing 7 Handley Page HP-37 Jetstreams, the reborn company undertakes scheduled passenger and cargo flights, linking Bakersfield, Fresno, Lake Tahoe, Las Vegas, Los Angeles, Monterey, Sacramento, San Jose, and Santa Barbara. Overall passenger traffic figures for the commuter, under both names, are not heartwarming.

Passenger bookings are down 22.1% to 94,835. Freight, however, does show 2.9% growth, to 59,000 pounds.

Customer boardings dip 4.1% in **1982** to 91,013, while cargo falls 3.7% to 57,000 pounds. As a result of the downturn, one Jetstream is withdrawn.

Service to San Francisco begins in January **1983**. Traffic improves as enplanements grow 6.2% to 96,655. Employment grows by 17.8% in **1984** to 192. Terrance Cedar becomes president/CEO at year's end. The carrier's seven HP-37s, meanwhile, help to increase customer bookings by 32.2% to 140,063. In all, 40,000 pounds of cargo are hauled.

Still operating under Chapter XI, PCA, in **1985**, becomes a subject of contention between President Cedar, who seeks new investors, and company creditors who wish liquidation. An 11.9% drop in passenger boardings, to 123,364, does not help management's position.

President Cedar's all-out effort to locate new financing leads his company into an ill-fated negotiation with **United Imperial Airlines** in **1986**. When the merger effort fails, the onetime **Apollo Airways**, as well as its suitor, are forced to cease operations on February 7.

PACIFIC COAST AIRLINES (3): United States (1989–1993): A third PCA is established by Carl Strombitski at Newport Beach, California, in **1989** to provide scheduled passenger service in local markets with 3 Piper PA-31-350 Navajo Chieftains. Revenue flights of the privately owned company commence in January **1990**. As with other private airlines, neither traffic nor financial figures are publicized.

Employing two Piper Chieftains (including one new unit), PCA inaugurates scheduled flights to three Oklahoma destinations during **1991**. Operations continue apace in **1992** and the workforce in **1993** totals 25. In serious financial trouble, the company, now operating just one Chieftain, is forced to shut its doors at year's end.

PACIFIC COASTAL AIRLINES, LTD.: Suite 117, 2440 Cowley Crescent, Richmond, British Columbia, V7B 1B8, Canada; Phone (604) 273-8666; Fax (604) 273-6864; <http://www.pacific-coastal.com>; Code 8P; Year Founded 1986. In October **1986**, the **Trans-Provincial Airlines, Ltd.** division of **Air BC, Ltd.**, along with recently acquired **Powell Air, Ltd.**, is sold to a group headed by TPA's former chief pilot Gene Story. Included in the deal are two Twin Otters and the carrier's Prince Rupert base. **Air BC, Ltd.** owner Jim Pattison retains 1 Grumman G-21 Goose, 2 de Havilland Canada DHC-2 Beavers, and 1 DHC-6 Twin Otter and the former TPA base at Port Hardy, where Clayton Hutchings is named manager.

The dormant name of Pacific Coastal Airlines, Ltd., one of the original merger partners forming **Air BC, Ltd.** back in 1979, is reactivated and the new subsidiary is granted both Class 3 scheduled and a Class 9/4 charter licenses. Scheduled services are inaugurated between Bella Bella and Vancouver as well as between Port Hardy, Bella Bella, and Rivers Inlet. Charters are undertaken in support of the logging, commercial fishing, and sport fishing industries.

Operations continue apace into the **1990s**. From a headquarters at Vancouver Airport's South Terminal, President Daryl Smith's company by **1994** employs a staff of 90, which increases to over 120 during busy summer months.

Just after takeoff from the logging camp at Fish Egg Inlet on a service to Pruth Bay in April, the DHC-6-100 with two crew and two passengers stalls and crashes into the water 100-ft. offshore and sinks (three dead). The lost aircraft is replaced with three Beech 99s and a King Air 100.

Two Shorts 360-300s join the fleet in **1995**, along with two Gooses purchased from the Macmillan Blodel timber company. A Twin Otter is reacquired in **1996** while, the same year, a fourth G-21 is purchased from an owner in the U.S. Logging interests and local First Nation Native American communities continue to be major customers.

Flights continue in **1997**. In June, the carrier begins to provide replacement flights for **Canadian Regional Airlines, Ltd.** between Vancouver and Nanaimo. So pleased is the **Canadian Airlines International, Ltd.** parent that, on October 14, it signs a code-sharing agreement with Pacific Coastal. Employing the "CP" code, Pacific Coastal takes over the CRA route on its own as of November 1. Customers are also able to take advantage of the Canadian Plus frequent flyer program and joint fares.

Although **Canadian Airlines International, Ltd.** is renamed **Canadian Airlines, Ltd.** and sold to **Air Canada, Ltd.** in **1998-1999**, the regional initially maintains its relationship with the major, operating sub-contracts on behalf of the CA affiliate, **Canadian Regional Airlines, Ltd.**

With four Gooses in service, PCA, at the beginning of **2000**, is one of the largest operators of the type in the world. Once the sale of the Canadian franchises is completed in early January, the Pacific Coastal arrangement is cancelled. **Air Canada, Ltd.**, in order to rationalize its new acquisitions, particularly its enlarged commuter responsibility, has been required to ax commitments to several western Canada airlines. Immediately after the cancellation, all Air Canada regional code-shares in the area are transferred to **AirBC, Ltd.**, which move leaves a bitter feeling with PCA CEO Daryl Smith and other affected operators.

PACIFIC EAGLE AIRLINES, LTD.: Malaysia (1996-1997). PEA is established in the fall of **1996** to offer public scheduled charter flights to regional destinations. Malaysia's officially designated second national airline is operated by Air Asia, which is owned by Hicom Holdings and Mofaz Air Sqn. Bhd.

Two Boeing 737-300s are leased and on November 17 inaugurates services to Taipei, Taiwan.

Plans are made to initiate routes to Thailand and the Philippines. Before these can be implemented, the carrier is shut down.

PACIFIC EAST AIR: United States (1982-1984). Established by several former **Western Airlines** executives at Los Angeles in the spring of **1982**, PEA is equipped with 1 each Douglas DC-8-61 and DC-8-63 leased from **The Flying Tiger Line**. One of these is employed to inaugurate scheduled, \$99 one-way, economy-fare passenger flights on June 14, linking the company base with Honolulu.

Enplanements for the year total 46,000.

The low-fare airline is expanded early in **1983**, as the second Douglas DC-8-61 begins flying from Los Angeles to Newark. DC-8-62s and DC-8-63s are chartered to replace **The Flying Tiger Line** aircraft and frequencies are initiated to San Jose, San Francisco, Kahului, and New York (JFK).

Passenger boardings climb to 236,000.

Start-up and growth costs and recession cause the carrier significant financial difficulties in **1984**. Early in the year, the state of California sues the PEA for overbooking, combining tours to fill aircraft and failure to make timely refunds. New York and Kahului service is immediately suspended and on May 9, Pacific East stops all flying and files for Chapter XI bankruptcy. With debts of \$10 million and no chance for reorganization, the company is liquidated in August.

PACIFIC EAST ASIA CARGO AIRLINES: P.O. Box 7395, PO Blocked Box, Manila Domestic Airport, Metro Manila, Philippines;

Phone 63 (2) 833-8853; Fax 63 (2) 832-3401; Code PE; Year Founded 1991. Jointly formed in late **1991** on an 80-20 ownership basis by Philippine Aerospace Development Corporation (PADC) and **TNT Worldwide Express (Asia)**, this express cargo carrier, at first briefly known as **Air Philippines (1)**, takes over the services previously flown by PADC's flight division. Employing two British Aerospace BAe 146-300QTs, President Angelo Dwight Penson's operation begins flying freight services five-nights-per-week between the Philippines and Taipei late in the year.

A 10,000-sq.-ft. cargo terminal and offices are secured at Manila's Domestic Airport at the beginning of **1992** and Singapore joins the route network in the spring. In **1993**, Ben Solis becomes managing director and a mechanized package-sorting facility is opened. Having proven too large, the Dash-300QTs are traded in during the fall for a pair of BAe 146-200QTs.

Flights commence during the spring of **1994** from Manila to Seoul and Hong Kong, while the route from Singapore is extended down to Jakarta. To help provide additional capacity, a B-737-53C is wet-leased from the French operator **Euralair, S.A.**

Operations continue apace in **1995**. When the company begins to experience additional growth in **1996**, it finds that it must seek a larger aircraft. The French machine is replaced in August by a B-727-223F wet-leased from Dallas-based **Kitty Hawk Airways**.

In early **1997**, PEAC begins to consider the possibility of expanding to Xiamen and Shanghai and Ho Chi Minh City. Other destinations visited include Hong Kong, Jakarta, Seoul, Singapore, and Taipei.

Flights continue in **1998**. In need of additional capacity in Europe, **TNT Worldwide Express** reclaims the two BAe 146-200QTs at the beginning of April **1999**. They are shifted to London (STN), arriving on April 25 and 28, respectively. Flights continue throughout the remainder of the year with the chartered B-727-53C.

Airline employment at the beginning of **2000** stands at 68. During July, the concern, minus the freighter, is sold to Lucian Tan, CEO of **Philippine Airlines**.

PACIFIC EXPRESS: United States (1981-1984). Pacific Express is organized in April **1981** by the **WestAir Commuter Airlines** as a deep discount intrastate subsidiary airline; it is hoped that the new entrant will be able to compete with **Pacific Southwest Airlines (PSA)** on the busy Los Angeles-San Francisco corridor.

The company, which is also chaired by WestAir CEO Terry Ashton, is forced to delay the launch of its operations by the PATCO air traffic controller's strike and by nondelivery of its order for British Aerospace BAe-146-200s.

The new Chico, California-based entrant inaugurates low-fare service between Chico and Palm Springs via Oakland and San Jose, with six former **British Caledonian Airways, Ltd. (BCAL)** BAC 1-11-201s chartered from British Aerospace on January 27, **1982**.

Hubbing from both San Francisco and Los Angeles, the 540-employee PE expands rapidly, acquiring two more One-Elevens (like the others, on lease from British Aerospace) and flying from Chico to Portland, Oregon, via San Francisco; from Boise, Idaho, to Portland via Medford; and from San Francisco to Palm Springs.

Additional cities in California, Idaho, Oregon, Nevada, and Washington are entered later in the year. Although 480,465 passengers are flown on the year, the carrier, buffeted by recession and fierce competition from **United Airlines** and **Pacific Southwest Airlines (PSA)**, suffers a net loss of \$19.1 million on revenues of \$25.1 million.

Stanley Cobb becomes the large regional's chairman in early **1983** and enters into a marketing arrangement with **Pan American World Airways (1)**, which coordinates connecting flights at San Francisco and Los Angeles under the title Pan Am/Pacific Express. Another BAC 1-11-201 and two Boeing 737-297s (chartered from **Aloha Airlines**) join the fleet, as the overdue orders for six British Aerospace BAe 146-200s are cancelled. The relationship with **WestAir Commuter Airlines** is severed.

This expansion and cost-saving efforts cannot, however, raise sufficient traffic nor reduce expenses enough save the carrier from financial disaster. Despite a remarkable 87% leap in passenger boardings to 896,464, the company is overextended.

As a result, Pacific Express suspends flight operations on February 2, 1984 and files for Chapter XI bankruptcy. A limited restart of B-737-297 charter service on February 13 fails and shortly thereafter liquidation proceedings are begun. Most of the company's assets, including the BAe 146 order that it had cancelled, are acquired by **Pacific Southwest Airlines (PSA)**.

PACIFIC FLIGHT SERVICES: United States (1965–1967). PFS is organized at Honolulu in the spring of 1965 to offer sight-seeing and charter flights to various island destinations. Cessna 172 and Beech 18 revenue services commence on April 6 and are maintained until the operation is halted in 1967.

PACIFIC FLIGHTS: 5000 Cirrus Dr., Medford, Oregon 97504, United States; Phone (541) 779-5445; Fax (541) 772-2759; Year Founded 1978. Pacific Flights is established as an affiliate of the Croman Corporation at Medford in 1978 to offer both passenger charters and helicopter services. Twenty-two years later, Donald E. Wilson is director of operations and oversees a workforce of 17, which not only carries passengers, but also engages in air ambulance, construction, heli-logging, external load, aerial photography, fire fighting, and survey work. The fleet includes 1 each Rockwell Aero Commander 690B, Cessna 340, Learjet 23, and 2 Bell 206B JetRangers.

PACIFIC INTER AIR. See PACIFIC INTERSTATE AIRLINES (PIA)

PACIFIC INTERNATIONAL AIRLINE: United States (1996). President Danny S. Wright's Tucson-based **Sportsflight Airways** is renamed PIA in April 1996. The employee population numbers 100 and nonscheduled charter operations continue to be flown with three leased Boeing 737-233As. From a principal hub at Dallas (DFW), charters are undertaken throughout the U.S., Mexico, and Caribbean.

Traffic results are only reported through June and show combined enplanements of 142,000. The two Boeings continue service into the fall, during which months the company promotes the all first-class sleeperette seating of one of its jetliners normally based at Newark, New Jersey.

Unable to maintain the economic viability of his expanded carrier, CEO Wright, in November 1997, elects to close that operation and to resume operations from Newark as the reborn, if smaller, **Sportsflight Airways**.

PACIFIC INTERNATIONAL AIRLINES, S.A.: P.O. Box 1592, Zona 9-A, Calle 73, Panama City, Panama; Phone 26-3649; Fax 26-4012; Year Founded 1993. PIA is set up at Panama City in 1993 as a scheduled international air cargo carrier. Dr. Fernando Boyd Galindo is president and the concern begins revenue flights with a single owned Boeing 727-23F.

A second B-727-23F is leased in 1995 and, like the first, is employed to haul freight throughout the Americas.

Services are maintained during the remainder of the decade.

PACIFIC INTERNATIONAL AIRWAYS OF ALASKA: United States (1931–1932). After expending nearly \$250,000 and acquiring eight of the territory's Star airmail contracts, this Alaska pioneer, formed in 1931, is purchased by Pacific Alaska Airways, a wholly owned subsidiary of **Pan American Airways (PAA)** on October 15, 1932.

At the time of its acquisition by the growing major, the company owns a hanger at its Anchorage base and has eight employees, including two pilots transferred into the new organization.

PACIFIC INTERSTATE AIRLINES (PIA): United States (1984–1988). Affiliated with the Riviera Hotel, PIA is formed at Las Vegas and opens an office in Los Angeles. Originally known as **Pacific InterAir**, the company changes its name before start-up. Employing 1 each Boeing 727-51 and B-727-225A, the company inaugurates scheduled services in June 1984 linking its Nevada base to Los Angeles, San Francisco, San Diego, Phoenix, and Denver. The company's charter division undertakes group tours from a variety of U.S. cities, all destined for the Riviera. Enplanements total 23,000.

Passenger boardings skyrocket 257.1% in 1985 to 50,000. Enplanements continue to ascend in 1986, reaching a total of 62,400.

In cooperation with **Bahamasair, Ltd.** and a New Jersey tour operator, the carrier initiates Bahamas Express charters in 1987 from Newark to Freeport, in the Bahamas via Atlanta. Consequently, bookings climb another 20% to 78,000. Although revenues of \$3.8 million are generated, \$1.5 million is lost.

Operations continue until 1988 when the carrier goes out of business during the summer. Its assets are sold to **Carnival Air Lines**, which has plans to operate it as Fun Air. When that name proves to be unavailable, a new one is substituted and the reformed airline begins Fort Lauderdale to Nassau charters on November 15 as **Majestic Air**; it will later become **Carnival Air**.

PACIFIC ISLAND AIRWAYS: United States (1976–1983). John H. Brandenburg, owner of the Guam FBO Island Aviation, establishes this third-level operation at his base in 1976. Employing a Cessna 402, he undertakes new scheduled services to destinations in the Northern Marianas complementing the frequencies of **Air Micronesia**.

Operations continue apace in 1977–1978 and by 1979 enplanements are 32,343. The carrier earns an operating profit of \$193,000, but suffers a net loss of 98,000.

Richard L. Brown is appointed new company president in 1980 and services are inaugurated to Cebu, Palau, and Truk.

Passenger boardings jump 27% to 44,305. Revenues advance by 71.6% to \$1.55 million, but although an operating profit of \$540,000 is turned, another net loss, \$71,000, is suffered.

Schedules are maintained in 1981–1982, but flights cease in 1983.

PACIFIC ISLAND AVIATION: Box 318, Saipan, Mariana Islands, MP, 96950, United States; Phone (670) 234-3600; Fax (670) 234-3804; http://www.pacificislandaviation.com; Code 9J; Year Founded 1988. Pacific Island is established by owner Bob Christian on Saipan in August 1988 to provide nonscheduled helicopter flights for Japanese day tourists. Two Cessna 402Cs are added in 1989. In 1991, scheduled Cessna passenger and cargo services begin throughout the Mariana Islands. Primary destinations are Guam and Rota.

Operations continue apace in 1992 as the airline adds a single Embraer EMB-110P1 Bandeirante. The carrier achieves commuter airline status and in December becomes a code-sharing partner of **Continental Micronesia**, taking over the larger airline's Rota flights.

In 1993, President Christian oversees a workforce of 70 and a fleet that is increased to include 3 Brazilian-made turboprops, 4 Cessna 402Cs, and 1 leased Cessna 208 Caravan I.

Frequencies are maintained without change in 1994.

When **Continental Micronesia** discontinues its services to Rota, Guam, and Saipan in February 1995, these are taken over by PIA, which now becomes a code-sharing partner of **Northwest Airlines**.

The fleet in 1996 includes 4 Cessna 402Cs, 2 EMB-110P1s, 1 Shorts 360-200, 1 PA-32, and 1 Bell 206 JetRanger. Passenger boardings total 148,278.

While taking off from Tinian on May 27, 1997, the control yoke of the PA-32, with a pilot and four passengers, freezes. The pilot aborts takeoff and the aircraft porpoises the remaining 1,500 ft. down the runway, collapsing its nose landing gear. No injuries are reported.

During the fall, the company receives U.S. Flag Carrier status from the Federal Aviation Administration. It is the first and only airline based

in the Commonwealth of the Northern Mariana Islands to be so designated.

Customer bookings for the year fall 25% to 111,199. Still, there are profits: \$670,000 (operating) and \$626,000 (net).

The airline becomes a full "Northwest AirlinK" partner in February 1998. Airline employment now stands at 92 and the fleet is increased by 3 Shorts 360-200s and 1 Bandeirante.

On October 1, a new direct service is opened to Tinian from Guam and Saipan.

Passenger boardings climb 9.9% during the 12 months to 168,000, even as revenues plunge 42.5% to \$5.63 million. Costs are down 38.5% to \$5.61 million, leaving an operating profit of \$19,000. The net profit is a little better: \$52,000.

Customer bookings inch up 1.4% in 1999 to 85,000. Revenues fall 8.8% to \$5,136,000 while costs drop 10.8% to \$5,003,000. The operating profit increases to \$133,000, while net gain falls \$1,000 to \$51,000.

Airline employment at the beginning of 2000 declines 8.6% to 96. Twice-daily Shorts 360 roundtrips commence in September between Tinian and Guam. On November 10, Guam passenger arrivals and departures are moved from the old commuter terminal to the modern main terminal of Guam International Airport.

PACIFIC JET CHARTER: 14670 Cantova Way, Suite 200, Rancho Murieta, California 95683, United States; Phone (916) 354-3222; Fax (916) 354-3208; Year Founded 1988. PJC is established at Sacramento Mather Airport in California during 1988 to provide executive and small group passenger charters throughout the U.S., Canada, Mexico, the Caribbean, and Central America. Within a decade, the prospering concern employs 4 pilots and operates 1 each British Aerospace BAe (HS) 125-700 Hawker, Beech Super King Air 300, and Cessna 210 Centurion.

PACIFIC MARINE AIRWAYS: United States (1922–1928). PMA is formed at Wilmington, California, toward the end of spring 1922 to acquire the flying boat service to Santa Catalina Island previously flown by **Syd Chaplin Air Line**. Employing two, later three Curtiss HS-2Ls license-built by William E. Boeing and modified by Donald Douglas, Yosemite promoter Foster Curry's carrier inaugurates twice-daily services to the island resort town of Avalon, beginning on June 4. The one-way fare is \$12.50; \$20 roundtrip.

By the end of 1923, both flying boats are inoperable and the company is nearly out of business.

The company is incorporated by new owner Ellard A. Bacon on August 7, 1924 and the only aviator, A. C. Brown, is appointed chief pilot. Three more HS-2Ls are acquired and a total of 1,983 passengers are transported in 1925, the first full year under Bacon's management. Although figures for 1926 are unavailable, it is known that bookings have advanced to 4,200 in 1927.

Service is maintained until June 1928, when it is purchased by **Western Air Express (WAE)**. Since 1922, the company has gained the reputation of offering the longest sustained passenger service in North America. Two Loening C2H Air Yachts ordered by Pacific Marine are delivered to the new owner just after the sale.

PACIFIC MIDLAND AIRLINES, LTD.: P.O. Box 505, Auckland, New Zealand; Code 2W; Year Founded 1991. Pacific Midland is formed at Masterton on New Zealand's North Island in 1991. Revenue flights are inaugurated by Managing Director Alan Stewart's small regional to Palmerston North, Wellington, and local destinations with a fleet of 2 Piper PA-31-350 Navajo Chieftains.

Operations continue apace during the remainder of the decade.

PACIFIC MISSIONARY AVIATION: United States (1974–1994). PMA is organized at Agana, Guam, in 1974 to undertake nonprofit Christian humanitarian flights in the southern Philippines and throughout the Federated States of Micronesia. The Philippine branch operates

in the Sulu Islands area under the name **Flying Medical Samaritans**. The main emphasis, however, is in Micronesia, where both scheduled and nonscheduled services are offered.

In addition to aeromedical and search and rescue flights, PMA flies regularly scheduled third-level passenger frequencies to Kosrae, Ponape, Yap, Ulithi, and Pingelap. Within a decade, the fleet comprises 1 each Britten-Norman BN-2 Islander, Beech 18, Dornier Do-28, and Evangel 4500. Airline employment in 1985 stands at 25.

Operations continue apace during the remainder of the decade. In 1990–1993, President Edmund Kalau's fleet features 2 Islanders, the Beech 18, and 2 Beech B-80 Queen Airs. The company shuts down in 1994.

PACIFIC NATIONAL AIRWAYS: United States (1980–1981). After briefly providing charter flights to destinations in Mexico, Burbank, California-based PNA is reformed during the fall of 1980 to offer scheduled Douglas DC-3 flights to Las Vegas and the Grand Canyon.

ATC restrictions imposed during the summer 1981 PATCO air traffic controllers' strike result in a lack of traffic; the company is forced out of business in September.

PACIFIC NORTHERN AIRLINES (1): United States (1945–1967). Founded in January 1945 as **Woodley Airlines**, scheduled successor to preceding **Woodley Airways**, Arthur G. Woodley's pioneer Alaskan carrier is renamed Pacific Northern Airways on August 23. Operations continue with 2 ex-USAAF C-73s (military Boeing 247Ds) obtained on June 20. During the first quarter of 1946, four new Douglas DC-3s are acquired, followed by as fifth from the Reconstruction Finance Corporation in May.

On June 20, the company, already certified for certain routes back in 1938, receives a CAB award of a route from Anchorage to Juneau, with intermediate stops. Two ex-military Douglas A-26B Invader bombers are received in October and will be employed for route survey work.

On August 1, 1947, Pacific Northern Airways is renamed Pacific Northern Airlines. Two more DC-3s are obtained in 1948–1949; the first is resold to **All-American Aviation** on May 19 of the former year, while the latter is used for spare parts. Pacific Northern becomes a trunk line at the dawn of the 1950s and adopts the subtitle "The Alaska Flag Line."

On September 29, 1950, the CAB grants it a route between Anchorage and Seattle. On May 24, 1951, this award is supplemented by authority to fly between Portland and Seattle and Fairbanks. The latter service is launched on October 21 with a DC-4 purchased from the Mexican airline **Aerovias Guest, S.A. de C.V.** in July.

In 1953, having acquired three more DC-4s during the spring, the company also adds a Juneau–Seattle route to its system and transfers the small towns of its network around Alaska's Bristol Bay to new entrant **Bristol Bay Airlines**. A DC-3 is sold to **Western Airlines** in December.

After selling additional shares and obtaining a \$1-million loan, Pacific Northern leases three Lockheed L-749A Constellations from **Delta Air Lines** in March and April 1955. A stop at Ketchikan and Annette Island is opened in August. The leased Lockheeds are purchased from Delta on March 2, 1956 and on May 6 a fourth is acquired from **British Overseas Airways Corporation (BOAC)**.

A second British L-749A is arranged for on November 30, 1958. Direct Kodiak to Seattle Constellation flights commence on May 1, 1959 and during the year, Chairman Woodley's firm boards its one-millionth (cumulative) passenger.

An L-749A with five crew and nine passengers disappears during its June 14, 1960 Seattle–Anchorage service; the wreckage is sighted on Mount Gilbert, Alaska, the next day and there are no survivors.

A sixth L-749 is leased from **Trans World Airlines (TWA)** on August 17. In early December, the carrier reports its November bookings were 42% higher than for the same period a year earlier.

An \$11-million loan is floated by CEO Woodley in 1961—equal to a year's gross revenues—and employed to order two Boeing 720-062s (B-720As) that join the fleet in late March and early April 1962. These

allow PNA to enter the jet era on April 27 when they begin flying the Seattle–Ketchikan and Anchorage run.

In 1963, the company transfers its Anchorage–Naknek via Iliamna route to **Northern Consolidated Airlines**. Additionally, the Constellation leased from **Trans World Airlines (TWA)** in 1960 is purchased on October 1, the same day a DC-3 is withdrawn. Two old Douglas transports are sold during the year and a third goes to **Air Ivorie, S.A.** on June 15, 1964. During the latter year, airline employment stands at 627 and the fleet includes 9 aircraft. Enplanements are 184,000, 16.5% higher than the 158,000 boarded a year earlier.

The workforce in 1965 is 800 and the fleet includes 9 aircraft: 2 B-720As, 1 DC-3, and 6 L-749s. As the result of a CAB route realignment between larger carriers, Pacific Northern loses its prime Seattle–Anchorage monopoly when it begins sharing the route with **Northwest Airlines** on March 29. The coastal run from Washington to Alaska via Ketchikan, Juneau, Yakutat, and Cordova, is also maintained. The CAB does, however, withdraw the carrier's authority to serve Portland, although a monopoly on the Ketchikan–Juneau segment is allowed.

At the end of the year, the government's regulators offer a lump sum payment of the previous three years' subsidies, coupled with a total cessation of such payments in the future.

In addition, the company originates 232,913 passengers during the year and records its best financial year, with total revenues of \$30 million and a net profit of \$2 million.

An L-749A is destroyed in a bad landing at Kenai, Alaska, on June 6, 1966; there are no fatalities.

On June 20, a B-720-048, originally operated by **Aer Lingus Irish Airlines, Ltd.**, is purchased from **Braniff International Airways**; 10 days later, a seventh and final L-749A is acquired from **Trans World Airlines (TWA)**. The airline is caught up in the "merger fever" sweeping the Alaskan airline industry in the middle part of the decade. Having lost several of his best routes and destinations, Arthur Woodley agrees to a merger with **Western Airlines** on October 31.

The company's integration into the larger airline (a two-for-one stock transaction) is completed on October 1, 1967, at which time the PNA identity disappears.

PACIFIC NORTHERN AIRLINES (2): United States (1973). The second PNA is set up at Portland, Oregon, in 1973 to provide scheduled passenger and cargo services. Employing a Douglas DC-3, flights are duly inaugurated linking the company's base with Seattle's Boeing Field, Spokane, Yakima, and Medford. Unable to achieve viability, the company is soon out of business.

PACIFIC NORTHERN AIRWAYS (1). See **PACIFIC NORTHERN AIRLINES (1)**

PACIFIC NORTHERN AIRWAYS (2). See **WILBUR'S FLIGHT OPERATIONS**

PACIFIC NORTHWEST AIRWAYS: United States (1974–1975). Pacific Northwest Airways is established during the late summer of 1974 through the merger of **Ram Airways** and **Valley Airlines**. The company, employing the de Havilland DH 104 Doves, Convair CV-240s, and Beech 18s of the merger partners, inaugurates scheduled passenger and cargo services on December 1.

Destinations visited include Oakland, San Jose, Fresno, Bakersfield, and Monterey. The Long Beach Douglas DC-3 operator **Pacific Coast Airlines (1)**, also organized during the fall, is taken over during the first quarter of 1975 and is renamed **Pacific Airlines**.

PACIFIC OVERSEAS AIRLINES CORPORATION: United States (1945–1947). **Industrial Air Transport** is organized at Ontario, California, in October 1945 by former personnel of **Corsairway**, the Consolidated-Vultee Aircraft Corporation wartime air transport division. A

two-year subcontract is obtained from **United Air Lines** to fly thrice-daily transpacific, all-cargo services.

Employing a fleet of 15 Douglas C-54s still technically owned by the U.S. Army Air Forces, the renamed company inaugurates flights to Tokyo on March 18, 1946. On May 31, a C-54 arrives at Ontario, California, carrying the first freight shipment from the Orient since 1941.

The subsidiary **Pacific Overseas Airlines (Siam), Ltd. (POAS)** is established at Bangkok on May 25, 1947. Shareholding is divided between the carrier (44%), the Thai government (26%), and Thai investors (30%). Twice-weekly revenue services commence to Ontario with a pair of leased C-54s. POA itself continues flight operations until September when the United contract is concluded. POAC is then reformed into a ground support and certified repair station, although some of its personnel are involved with POAS.

PACIFIC OVERSEAS AIRLINES (SIAM), LTD.: Thailand (1947–1951). POAS is established at Bangkok on May 25, 1947, to operate twice-weekly return flights to the U.S. Shareholding is divided between the Thai government (26%), the American carrier **Pacific Overseas Airlines** (44%), and Thai shareholders (30%). Two Douglas C-54s are leased from POA and revenue services commence to Ontario, California. Regional flights are conducted by 2 chartered DC-3s and 1 Consolidated PB5Y-5A Catalina.

Although POA itself retires from flight operations in September, its offspring continues its transpacific services for another four years.

A C-54 with 4 crew and 20 passengers crashes near Mount Butler near Hong Kong on March 11, 1951; there are no survivors. On November 1, the company is sold to **Siamese Airways Company, Ltd. (SAC)**. That carrier and its prize are immediately merged to create **Thai Airways Company, Ltd.**

PACIFIC PARADISE HELICOPTERS. See **KENAI AIR OF HAWAII**

PACIFIC SEABOARD AIR LINES: United States (1933–1935). Former New York lawyer and aviation enthusiast Carleton Putnam founds his first airline, Pacific Seaboard Air Lines, on June 15, 1933. On June 23, scheduled, but unsubsidized, passenger and air express service is opened from Los Angeles' Glendale Airport to Mills Field, San Francisco, via Santa Barbara, Santa Maria, San Luis Obispo, Paso Robles, Monterey, Salinas, and San Jose. The inaugural aircraft employed is Putnam's personal Bellanca CH-300 Pacemaker *Miss San Jose*.

The route, flown by three Pacemakers acquired in June and July (including one purchased from Wayne King, "the Waltz King"), is advertised in the local media as "The Scenic Route" and "Cheaper Than Driving Your Car"—and at 3.5 cents per mile it is—but loses money. Still, in just over 4 months, 1,113 passengers are transported.

On October 15, flights are started between San Francisco and Sacramento, followed by service from Sacramento to Stockton and Modesto on November 1 and to Monterey on November 15. Late in November, the Los Angeles–San Francisco multistop route is closed for the winter.

The Los Angeles–San Francisco service is reopened briefly during the first week in February 1934. On February 9, effective February 19, the U.S. Post Office, as a result of the so-called "Air Mail Scandal," cancels all existing mail contracts. The White House now calls upon the U.S. Army Air Corps to fly the mail, a military option that is not successful.

At the end of March, the Post Office rebids the routes, opening applications in late April. Putnam wins not a California route subsidy, but a contract to fly the Chicago–New Orleans mail route, AM-8. As a result, he quickly shifts his airline from California to Memphis. A Pitcairn PA-6 is purchased on April 14 and two more CH-300s are acquired during the first week of May.

Putnam's Pacemakers inaugurate their Chicago–New Orleans via Peoria, Springfield, Memphis, Greenwood, and Jackson mail service on June 3. A Bellanca Type D Skyrocket joins the fleet 16 days later. Passengers are first flown on July 17. The company's headquarters at

Memphis are moved to Chicago in September 1935 and on December 3 the corporate identity is changed to **Chicago and Southern Air Lines**.

PACIFIC SKYWAY: 2320 Thompson Way, Santa Maria, California 93455, United States; Phone (805) 925-1160; <http://www.pacificskyway.com>; Year Founded 2000. Pacific Skyway is established at Santa Maria in January 2000 to offer daily roundtrip commuter flights to San Jose, Sacramento, and Las Vegas. Revenue flights begin and continue with a pair of British Aerospace BAe Jetstream 31s. Charters between those cities on behalf of the gambling industry are also flown.

PACIFIC SOUTHWEST AIRLINES (PSA): United States (1946–1988). Founded by Joseph Plosser Jr. and Kenneth G. Friedkin as a flight training and charter operation at Lindbergh Field in San Diego in 1946, Friedkin School of Aeronautics is born in 1947 when partner Plosser is bought out by mortgage broker Victor Lundy and the concern is renamed. Additional hangar space is rented and flight instructors J. Floyd “Andy” Andrews, Leo Leonard, Gordon Tinker, and Hugh Wood are all hired to assist Plosser and Friedkin. All provide an education for GI Bill recipients, with particular emphasis on pilot training for the students drawn from the ranks of these former military personnel. Friedkin diversifies into other aviation activities during 1948. Public relations aerial banner towing and live bait transport flights are offered, while Cessna UC-78 Crane passenger charter flights are also made from Lindbergh Field under the marketing name Friedkin Airlines Charter Service.

With the supply of potential pilots drying up, Friedkin and his 50 employees form Pacific Southwest Airlines (PSA) in the spring of 1949 in an effort to expand business. Scheduled weekly \$15.60 (one-way) intrastate flights are started to Oakland via Los Angeles (Burbank Airport), on May 6 with a single Douglas DC-3 piloted by Plosser and Andrews. Instructor Gordon Tinker will be the first pilot permanently assigned to the airline.

This first Douglas transport is leased for \$2,000 per month; however, its owner expects the airline to operate it only 12 hours per month, not the 150 experienced. Initial flights are made on weekends and at such low fares that many military personnel come to employ it as a prime transport mode. At this early point, the company earns its enduring nickname, “The Poor Sailor’s Airline.”

When a physically large repossession agent is sent to reclaim the overactive aircraft, a new lease more agreeable to the lessor is rapidly signed and flights continue until early December when the plane is sold to **Arrow Air**. The airline’s history appearing on the “Catch Our Smile” website reveals that the first PSA corporate headquarters erected at Lindbergh Field at this time is an old rehabilitated and repainted USMC latrine set up near the company hangar at a cost of \$3.80. The 6’ x 12’ structure houses a ticket counter as well as the dispatch, flight control, and reservations center.

By the close of its first year of low-fare service, the infant airline has transported 15,011 passengers and earned revenues of \$172,796. After deducting \$160,902 in expenses, a remarkable \$11,984 profit is generated.

A second DC-3 is acquired in 1950 and traffic triples to 45,000. Growth continues and, as an intrastate, PSA is regulated by Sacramento and not the CAB in Washington, which has taken a dim view of another contemporary low-cost, no-frills operator that is attempting transcontinental service in the manner of Stanley Weiss’ confederation, **North American Airlines (1)**.

This second year is not quite as successful as the first. Although operating income climbs to \$503,737, expenses jump to \$517,334, leaving a loss of \$8,597.

On July 4, 1951, frequencies are started from San Diego to San Francisco, again via Burbank. During the year, dispatcher Gary Golliher and flight attendant Beverly Ann Knowles are married aboard a company

DC-3 5,000 ft. over San Diego. Maintenance Chief Douglas Kelly plays a portable organ while Capt. Bogle both flies the aircraft and sings for the newlyweds. Passenger boardings by paying customers jump to 75,995 and a profit of \$6,093 is earned.

At the beginning of 1952, airline employment stands at 119. Three more DC-3s are acquired and customer bookings surge to 92,484. Although revenues pass the \$1 million mark for the first time (\$1,125,364), costs are higher at \$1,151,972. The loss is \$26,608.

In 1953, the workforce grows to 190. A route is stretched between Burbank, San Diego, and Long Beach. Enplanements reach 115,028 and revenues advance to \$1,454,413. Unhappily, expenses are \$1,491,990, leaving a loss of \$37,577.

A victim of financial mismanagement, the carrier’s only California-based competitor, **California Central Airlines (CCA)** goes bankrupt in 1954, leaving the Golden State’s intrastate skies to Friedkin. Still, PSA drops service to Oakland and Long Beach. Customer bookings fall to 102,124, but a net \$26,711 profit is posted.

Buoyed by success, PSA launches San Diego–Los Angeles (Burbank)–San Francisco operations in January 1955 and traffic mounts so quickly that by December, it becomes necessary to begin replacing the DC-3s with the first two of four ex-**Capital Airlines** DC-4s. Another DC-4 enters service in 1956 and helps enplanement totals to reach 191,221. On revenues of \$2,122,376, costs are \$2,063,788 and the profit is \$58,558.

Airline employment stands at 246 at the beginning of 1957. The fourth DC-4 is delivered during the spring. In June, CEO Friedkin announces that PSA intends to purchase two French-made Sud-Est SE-210 Caravelle jetliners at a cost of \$5 million; this price will prove to be too high and the order is not consummated. However, on September 16, an \$8-million order is given to Lockheed for three L-188A Electras, which will be leased backed from Baron Conrad Hilton’s Electrahit Corporation. The deal is publicly announced on September 21.

During these 12 months, passenger boardings increase to 256,454 and a profit of \$762,294 is earned.

The route network is expanded once more in 1958; in July, flights begin into Los Angeles (LAX). A total of 10 daily roundtrip frequencies are offered over the California corridor.

Enplanements for the year are 295,818, but profits fall to \$322,031.

Patronized by large segments of the commuting public and virtually ignored by larger competitors, the carrier is able to boldly handle its mounting loads by leasing the 3 Lockheed L-188C Electras from Hilton for 42 months, beginning with the delivery of the first on November 6, 1959. A new 49-minute “Electra Jet” service is inaugurated on November 20 between San Francisco, Burbank, and San Diego and between San Diego, Los Angeles, and San Francisco; the new frequencies cost \$11.81 per head.

Passenger boardings rise to 355,099 and revenues are \$4,362,921. With expenses of \$3,907,015, the profit improves to \$455,906.

The carrier employs 300 workers at the beginning of 1960. So successful are the Electras that PSA is able to retire its four DC-4s. Employing a leased Douglas DC-6B, service is resumed from Los Angeles (LAX) to Oakland in October. The year’s passenger bookings fall to 289,100 and net profit is just \$499.

Another Electra joins the fleet in 1961. The Oakland service is discontinued in March because of poor loads and the DC-6B is returned. Passenger boardings swell to 713,064 and a profit of \$310,483 is posted on revenues of \$9.7 million.

Founder Friedkin dies of a cerebral hemorrhage on March 17, 1962; the 46-year-old is succeeded by close associate Capt. J. Floyd Andrews. Yet another Electra is acquired in April and enplanements pass the one-million mark for the first time (1,032,515). The year’s profits are a record \$1,368,770 million.

Trans California Airlines begins to compete against PSA in July 1963 with Lockheed Constellations; however, it will fail within 18 months. To secure additional financing for the purchase of new flight equipment, Andrews’ company goes public. Another L-188C, left over

at Lockheed when the **Capital Airlines** order is cancelled, arrives on May 17. For the first time in this company's history (and perhaps the first appearance by the jolly elf on any airline), Santa Claus makes appearances on nearly every PSA flight between San Francisco and Los Angeles on Christmas Eve.

Passenger boardings shoot skyward to 1,305,058. Revenues total \$17,432,534 and costs are \$15,180,815. Profit doubles to \$2,251,719.

As the **1960s** progress, Pacific Southwest's frequency, reliability, and low fares on its California routes comes to threaten other, larger competitors. Even giant **United Air Lines** is forced to take notice as the decade moves along, placing DC-8 and B-720-022 jetliners on the Los Angeles-San Francisco route in competition with PSA's turboprops.

Airline employment in **1964** stands at 575 and the fleet includes 6 L-188 aircraft. On June 30, PSA makes a \$27-million order for five B-727-14s.

Enplanements for the year are 1,532,243 and revenues are \$20,897,000. Expenses are \$17,509,414, allowing a profit of \$3,387,586.

The workforce in **1965** is increased by 200 as service to Oakland is resumed in January. The initial B-727-14s are delivered on April 9 and are placed into service beginning in early May. The company is listed on the New York Stock Exchange on June 21. In October, the company inaugurates low-fare Los Angeles-San Jose flights.

At year's end, the fleet includes 11 aircraft: 5 B-727-14s and 6 L-188Cs. Orders remain outstanding for two more Boeing "three-holers" and, late in the year, requests are made for two DC-9-30s.

A total of 1,863,088 passengers are originated as the carrier begins to drive its large local service rival **Pacific Air Lines** from several of its routes and hurt its traffic levels. Profits slip to \$2,034,932.

Two more B-727-14s are acquired in **1966**. Flights to San Jose from San Diego, Los Angeles, and Burbank are initiated in May and, in midyear, seven B-727-214s are requested for 1968 delivery. During the year, comedian Ronnie Schell begins a 10-year stint as the carrier's television advertising spokesman.

Enplanements swell to 2,712,811 and revenues are \$38,138,652. With costs of \$28.6 million, the net profit is \$4,307,289.

Air California becomes a competitor in January **1967** and Los Angeles-Sacramento service is initiated in February. Petitions are introduced seeking route approval to San Francisco and Sacramento from Orange County and Ontario Airports. Having flown for the company almost from the beginning, Capt. Michael Bogle now becomes chief pilot. Meanwhile, the new governor, Ronald W. Reagan, will become one of PSA's highest profile frequent flyers, while his daughter, Maureen, will work for awhile in the company's public relations department.

In May, the company begins training pilots for **Deutsche Lufthansa, A.G.**, employing initially Piper PA-24 Comanches, followed by PA-23 Aztecs featuring B-727 instrumentation.

In August, the company applies to the CAB for permission to launch interstate flights to Portland and Seattle; the request, however, is shortly thereafter withdrawn. The fleet now includes 8 B-727-14s, 2 DC-9-30s, and 6 L-188Cs.

In early December, a reindeer head and the words "Season's Greetings" are painted on the fin of a B-727-14. The first two B-727-214s arrive later in the month, leaving orders outstanding for five B-727-214s and four B-737-214s. By now, phaseout of the L-188Cs is well underway.

Customer bookings climb to 3,346,484. Revenues jump to \$48,824,936 and net earnings accelerate to \$4,167,822.

The employee population numbers 1,800 at the beginning of **1968** and the fleet will be upgraded this year by the addition of five more B-727-214s and four B-737-214s. Having lost the intrastate local service war, the larger **Pacific Air Lines** is driven into a merger with **Bonanza Air Lines** and **West Coast Airlines**, the three becoming **Air West** on April 9. By the year of the **Air West** merger, PSA is offering 73 different operations in the Los Angeles-San Francisco corridor and has extended service to Sacramento.

Contracts are entered into or renewed with **Japan Air Lines Company, Ltd.** (2), **All-Nippon Airways Company, Ltd.**, and **Deutsche**

Lufthansa, A.G. for the training of their pilots. A local auto rental firm, Val Car, is purchased with which to begin a Fly-Drive-Sleep service and in October regularly scheduled frequencies commence to and from Ontario, California. The low-fare, high-frequency strategy leads the intrastate to the enviable position of being among the world's leaders in numbers of passenger boardings and the largest carrier in the country not regulated by the CAB.

Passenger boardings jump 19% to 3,997,524 and revenues advance by 17% to \$57,167,767. With expenses of \$52.2 million, the net gain is \$4 million.

In **1969**, the workforce totals 1,889. The carrier now begins to phase out its B-727-14s and DC-9-30s and replaces them with 9 B-727-214s and 6 B-737-214s for a fleet total of 26 aircraft. With the retirement of the last Electra during March, the company becomes a true "all-jet" carrier.

A new \$3.75-million, 187,000-sq.-ft. headquarters is opened, replacing the \$3.80 1950 "latrine." Destinations served now include San Diego, Ontario, Los Angeles, Hollywood/Burbank, San Jose, Oakland, San Francisco, and Sacramento.

Over 100 daily frequencies are offered over the California corridor and enplanements reach 4.4 million. The profit slips to \$3,747,016.

Airline employment in **1970** numbers 2,300 and the fleet includes 25 aircraft. In January, PSA offers to merge with its financially troubled rival, **Air California**; however, after five months of protracted hearings before the Public Service Commission, the bid is withdrawn. The company's high frequency, commuter-oriented intrastate operations becomes the model for other operators. The basic red and white color scheme is replaced by fuchsia, orange, and red livery, while aircraft are also given painted "smiles," becoming known as "Grinningbirds." Female flight attendants add hot pants and go-go boots to their uniforms and crew members are encouraged to employ standup comedy routines to entertain passengers during flights.

Service is resumed to Long Beach in December and the company enters the hotel business by purchasing a most unique hostelry, the ocean liner *Queen Mary*. On Christmas Eve, President Andrews announces a firm order for two Lockheed L-1011 TriStar 1s, plus three options, to be delivered beginning in 1972.

Enplanements this year swell to 5,163,000. Operating profit climbs to \$3.6 million.

Emulating the PSA operation, **Southwest Airlines** begins its own low-fare service in Texas during **1971**. At the same time, the "smile" becomes the airline's all-encompassing logo, appearing on everything from paper plates to brochures to airliners. The Val Car subsidiary is sold and other diversified interests acquired over the past several years, such as hotels and radio stations, are unprofitable. As a result of engine difficulties, Lockheed must delay TriStar deliveries and, unable to achieve desired modifications, PSA cancels its order in December.

Meanwhile, the California-based carrier's passenger boardings increase to 5,589,775. Revenues hit \$86,182,885, while operating expenses are \$81,943,550. A net profit of \$4,239,335 is earned.

A. G. Sims, armed with a shotgun, and his female accomplice, I. P. Robinson, brandishing a pistol, hijack Flight 902, a B-727-214 with 151 aboard during a January 12, **1972**, San Francisco-Los Angeles flight. The Boeing discharges its passengers in Los Angeles and later flies to Tampa, where the pirates demand a larger aircraft for a flight to Africa. When that demand is not met, the pair forces the aircraft to fly to Cuba. The man will make the mistake of returning to the U.S. 6 years later; he will be caught, tried, and sentenced to 50 years in prison.

Given the company's continued rapid growth, it is found beneficial for the air transport firm to change its corporate structure. In March, the company begins reorganization into a holding company, PSA, Inc., with the airline as principle subsidiary. Also in March, management of three hotels is given to the Hyatt Corporation.

Sh. H. Speck hijacks Flight 942, a B-727-214 with 92 aboard en route from San Diego to Oakland on April 9 and demands \$500,000 in ransom and parachutes. He is arrested by FBI agents while leaving the plane at

Oakland. Upon examination, Speck will be found mentally unbalanced and sent to a psychiatric hospital for a year.

Two days later, the FAA files charges against the carrier for failing to screen passengers in accordance with its new regulations.

En route from Sacramento to Los Angeles via San Francisco on July 5, Flight 710, a B-737-214 with 86 aboard is commandeered just after takeoff from the intermediate point by D. Alexlev and M. D. Azmanoff, who demand \$800,000 in ransom and parachutes, plus maps for a flight to Siberia. Back on the ground at San Francisco, two FBI agents board the plane (one covertly) and a gun battle erupts during which the hijackers and a passenger, 66-year-old S. Carter, are killed and three passengers are wounded. The family of Carter, the airline's first passenger fatality, will receive a \$100,000 air travel insurance payment on July 22.

The next day, AWOL U.S. Army soldier F. Goodell hijacks another B-727-214, Flight 389 with 58 aboard en route from San Diego to Sacramento, and diverts it to Oakland. There he demands and receives \$455,000 in ransom, parachutes, and handcuffs and after detaining 5 of the 57 passengers as hostages, orders the plane to takeoff. When faced down by determined FBI agents who refuse to grant clearance, the 21-year-old surrenders. He will be tried and given a prison term of 30 years.

Service to Fresno and Stockton begins in July. Also during the summer, a joint fare program is undertaken with **San Francisco-Oakland Helicopter (SFO-1)** which assists both carriers in increasing their share of the San Francisco-Los Angeles market. During the year, Westgate California Corporation, which had purchased **Air California**, announces its intention to seek a merger with PSA. The DOJ threatens an antitrust injunction and the plan is abandoned.

During the fall, a short-lived Fly-Drive-Sleep total transportation package promotion is initiated. On December 1, a new order is placed for two L-1011 TriStar 1s, with three options.

Customer bookings are boosted 7.5% to 6,356,875. Net income grows 28% to \$5,957,485 million.

The holding company's creation is completed on February 28, **1973** by a transfer of stock. When J. Floyd Andrews becomes chairman/CEO early in the year, the presidency goes to one of the company's original pilots, William R. Shimp. A new color scheme is adopted and four B-727-214s, painted in new livery and with wide-body interiors, are delivered.

Approximately 600 maintenance and operations personnel stage a bitter six-week strike over wages between mid-November and December 23. Before a pact can be signed with the Teamsters Union to end the company's first-ever job action, the airline operates 60% of its schedule with nonunion employees and a B-727-214 is vandalized at Los Angeles.

Enplanements for the year advance 5.2% to a record 6,356,875 million. Although revenues exceed \$100 million for the first time, costs associated with the strike leave a net profit of only \$627,123.

The workforce in **1974** is 2,670. One of the two YS-11A-200s employed for training purposes with four crew makes a forced landing in the desert 14 km. E of Borrego Springs, California, on March 5 while on a training flight; there are no injuries, but the aircraft is damaged beyond repair. Another B-727-214 is delivered on March 15.

The first two of four Lockheed L-1011 TriStar 1s arrives in July and is christened *Mother Grinningbird*. The new jetliner begins the company's premier wide-body Los Angeles (LAX)-San Francisco service on August 1.

The second TriStar 1 arrives in October, during which month the 50 millionth passenger (cumulative) is boarded, a highpoint for the company's twenty-fifth anniversary year.

The Arab oil embargo has a dramatic impact and the California air travel market declines by a full 10%.

Customer bookings, as a result of the economy, grow only 0.9%, to 6,381,197. Revenues climb to \$123.4 million and costs reach \$120.1 million. The profit improves to \$1,589,627.

Two hundred additional workers join the company in **1975**. The fleet now includes 23 B-727-214s and 1 B-727-14. Having decided to standardize on the less-expensive "three-hole" Boeing as a result of the na-

tional economic and energy situation, the two newly delivered TriStar 1s are placed into storage during the last week of March and the company refuses acceptance of three more ready at the manufacturer's Palmdale plant. An abortive effort is made to lease the two parked wide-bodies to **Air Siam, Ltd.**; prior to their final disposal a decade hence, the L-1011s will cost the company \$4 million per year to maintain.

New services are started between Los Angeles/Hollywood and Burbank in April. Following the demise of **Holiday Airlines**, PSA acquires that defunct carrier's southern routes into Lake Tahoe from San Diego, Los Angeles, and Burbank. As the resort community of South Lake Tahoe will not allow noisy jetliners to fly into its airport, PSA, which had planned to begin immediately operating its new prize, leases three L-188As, previously operated by **American Airlines**, and one of the L-188As it had previously owned. The first Electra is available in time to begin Lake Tahoe service in April, with the others joining in during August and October.

Enplanements this year rise only slightly, up 0.76% to 6,436,436. Although the \$152,521,000 raised in revenues are sufficient to generate a \$131-million operating profit, a \$16.67-million net loss is absorbed. The latter is due to penalties invoked upon refusal to take the L-1011s as well as losses taken upon divestiture of certain radio and hotel investments.

The employee population is increased by 1.2% in **1976** to 1,529. The last B-737-214 service is flown on January 29 and the final two machines are sold to **Frontier Airlines (1)**. President Shimp succeeds Floyd Andrews as chairman/CEO in March upon the latter's resignation; Paul Barkley becomes president. The company continues to seek a buyer for its TriStars and sells all of its remaining radio stations and two of the four hotels.

Passenger boardings accelerate 2.4% to 6,951,000 while FTKs grow much more, rising 30.6% to 3.3 million. Revenues advance to \$155,874,000 and profits total \$3,501,000.

A new computerized reservations system comes on-line in **1977**. Application is made to the CAB for authority to begin service to Reno and Las Vegas, as well as to the intrastate destination of Monterey. PSA representatives now join a few other upstarts and many consumer advocates in lobbying Congress for passage of airline deregulation legislation.

Two B-727-200s are received from their manufacturer and five B-727-100s are purchased from **Northwest Airlines**. All are given wide-body interior refurbishment and new exterior liveries. An L-188A route is opened from Lake Tahoe to San Francisco, along with another to Monterey, together with a deep discount service to Los Angeles and Burbank. The California Public Utilities Commission grants permanent authority in December for flights into South Lake Tahoe from San Francisco and points in southern California.

Enplanements total 7,194,000 and a \$2.09-million net profit is reported on income of \$191.85 million.

In both U.S. commercial aviation and PSA history, **1978** is an important year. In May, the company becomes the first to introduce automated ticket vending machines. In the year airline deregulation becomes law, the CAB allows PSA to become an interstate airline by awarding it authority to commence flights to Reno from Oakland and to Las Vegas from San Diego. Airline employment is consequently increased by 2.7% to 3,800.

Simultaneously, the carrier's early orders on September 28 for 10 units make it launch customer for the McDonnell Douglas DC-9-80 (MD-80); its two L-1011 TriStars are leased back to Lockheed, which subleases them to **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**.

On September 25, a Cessna 172 of **Gibbs Flite Center** collides with PSA Flight 182, a Boeing 727-214 en route from Sacramento via Los Angeles over San Diego during the jetliner's landing approach to Lindbergh Field; they crash into a residential area. Among the 144 killed are 37 PSA employees.

The first fatal mishap in company history results in a certain amount of adverse publicity and renewed attention to the question of lightplane flights in heavy commercial travel areas. The story is reported by Robert

P. Chapman in his *Pilot Fatigue: A Deadly Cover-Up* (Smithtown, N.Y.: Exposition Press, 1982).

The nation's twelfth largest airline commences Bright Lights Flights to its new Nevada destinations on December 15. Late in the year, low-cost, late night services are suspended.

During the year, passenger traffic increases by 7.8% as 7,802,000 customers are carried. Revenues increase 19.8% to \$229.88 million, and net income zooms upward 452% to a record \$11.6 million.

The workforce is increased by 1% in 1979 to 3,837. Three L-188As are retired from the South Lake Tahoe service in February.

The route system is increased to 14 cities in March when San Diego to Phoenix service is added. As the result of increased maintenance costs, both the final Electra and the Lake Tahoe and Monterey services are concluded at the end of April. The withdrawn turboprop aircraft are sold to **Evergreen International Airlines**.

Meanwhile, in little over a year, Harold C. Simmons's Dallas-based Valhi, Inc. has acquired 21% shareholding, worth \$12 million; Valhi now makes a takeover bid. Construction is started on a flight training center at the San Diego base, near where a \$2.8-million computer reservations complex is occupied at the Scripps Ranch Business Park.

Los Angeles to Phoenix service is inaugurated in September. Employing a fake bomb, John Everett Gray hijacks Flight 784, a B-727-214 with 108 aboard en route from Los Angeles to San Diego on October 30 and diverts it to Tijuana, Mexico, where he is arrested by police. Gray will be extradited back to the U.S. where he will be tried and given a 16-month prison term.

Also in November, new service is initiated from Los Angeles to Salt Lake City. Throughout the year, fuel prices accelerate as a national energy crisis grows.

On the year, passenger bookings rise 11% to 8,657,000, revenues accelerate 27.5% to \$335,838,000 million, and another record profit (\$23,097,000 million) is posted.

The employee population is cut by 26% in 1980 to 3,283. PSA settles with Valhi, Inc. in February, following the failure of its takeover attempt. The subsidiary JetAir Leasing and \$16 million from the settlement with raider Simmons; in effect, he is given cash plus four B-727-214s, which he will sell to **Eastern Air Lines** a year later.

PSA becomes an international airline in April with the inauguration of flights from Los Angeles to the Mexican cities of Puerto Vallarta and Mazatlan.

Steven W. Bilson seizes Flight 818, a B-727-214 at Stockton, California, on May 1 and frees all of his hostages except the flight engineer. He then demands to be flown to Salt Lake City, but, as the plane has no pilot, it cannot lift off. Frustrated, the man surrenders. Bilson will be tried and given a 15-year prison sentence.

Concerned with the two-man cockpit of the new aircraft, as well as such other issues as wages and working conditions, the pilot members of the Southwest Flight Crew Association (SFCA) go on strike, beginning on September 28. Although the job action has significant impact upon traffic and income, replacement pilots and non-striking senior personnel are initially able to maintain schedules. During the 52-day job action, replacement service is provided on the Burbank to San Francisco route by **Aspen Airways**.

The pilots strike is settled by mediated agreement on November 15. With no helpful gains made by SFCA, the membership will elect to leave that group and sign on with ALPA.

The airline acquires the first of its MD-80 order (now increased to 20 units), also in November. This "Dash-80" enters service on December 17, the same day the pilots ratify their new contract, and is the first of its type to begin operations in the U.S.

Enplanements for the year dip by 30% to 6,053,000. While revenues jump 10.2% to \$370 million, expenses increase by 21.1% to \$358 million, leaving a net profit of \$12.1 million, a 28.6% drop in 12 months. Still, the carrier's financial position allows it to move into the CAB's new airline classification schedule as a "National."

The number of workers grows by 24.5% in 1981 to 4,087. Housing the nation's first MD-80 simulator, the company's new multimillion-dollar training center opens at the Scripps Ranch Business Park in San Diego. As 12 more MD-80s come on-line and the rivalry with **AirCal** (the new name of **Air California** adopted in March) intensifies, MD-80 service is initiated to John Wayne-Orange County Airport in October and to Seattle and Tucson in December. Entry into John Wayne comes as the result of victory in a legal suit.

Largely unnoticed during the year is the appointment of Sari Schnepf to the right seat of a B-727-214; she is the company's first female pilot.

The PATCO air traffic controllers' strike and attendant FAA flight restrictions hold down traffic growth to only 1.6% for the year as 6,152,000 passengers are carried and 4.3 million FTKs (a 30% decline) are operated. Revenues, however, are elevated by 18.2% to \$438.8 million and net profits, partially generated from aircraft sales and proceeds from safe harbor leasing and viable subsidiaries, climb to \$28.6 million.

Airline employment is reduced by 11.9% in 1982 to 3,600. A B-727-214 is leased to **Air National**, which that charter operator employs to open domestic passenger flights. Otherwise, 21 of the 23 requested MD-80s are delivered during the year, making PSA the first airline in the U.S. to fly mostly Next Generation aircraft.

Midnight Flyer, deep-discount, late-night flight service is resumed in June. Frequencies are increased on services to Phoenix and Burbank.

On October 18, following the collapse of **Braniff International Airways** in May, PSA officials announce that they have agreed with the executors of the onetime major to lease 24 Braniff B-727s, repaint them in PSA colors, and begin flying them the following spring on routes from Dallas (DFW). The move is opposed in court by **American Airlines**, another Dallas (DFW) homesteader and in November is rejected by the Braniff unions, the members of which do not wish to accede to a PSA demand that they be junior to those pilots flying with PSA. Meanwhile, service to Puerto Vallarta is abandoned in September and, simultaneously, after losing a fare war with **Western Airlines**, the company pulls out of Salt Lake City.

In December, another plan is put forward to employ the assets of bankrupt **Braniff International Airways**. PSA agrees to open a Texas division at Dallas (DFW), to lease 28 B-727-227s, and to fly to 16 cities using Braniff slots. Special efforts would be made to hire ex-Braniff personnel before an agreement deadline of February 1.

On its existing routes, the company experiences a 15.7% boost in enplanements to 7,119,000; cargo increases a significant 47.5% to 6.33 million FTKs. Operating income jumps 12.26% to \$378.13 million while expenses rise 12.62% to \$395.58 million. Although a \$17.43-million operating loss is suffered, PSA is able to generate a net profit of \$18.6 million.

The payroll is increased a significant 10.1% in 1983 to 3,965. The deadline for an agreement to open a Texas operation based at Dallas (DFW) passes on February 1 and is later killed by a U.S. Court of Appeals, which rules that aircraft from the bankrupt major cannot be leased to the California-based national. Now the "Official Airline of Disneyland" under a new 12-year agreement with the entertainment giant, PSA also introduces new flight attendant uniforms, an Executive Flyer frequent flyer program, a new advertising campaign ("Our Smiles Aren't Just Painted On"), complete with slogan buttons worn by flight attendants, and to match **AirCal**, snack service and assigned seating.

When **AirCal** and **United Airlines** increase frequencies in the Los Angeles-San Francisco corridor in September, PSA finds itself engaged in a two-front fare war. In response, it introduces hourly flights for a total of 17 daily roundtrips. Seat assignments on all flights are not initiated and the last B-727 is sold at the beginning of October.

In an effort to reach smaller markets, PSA orders 20 British Aerospace BAe 146-200s with 25 options, worth \$300 million, to complement its fleet that now consists of 21 MD-80s and 4 DC-9-32s, the latter acquired from **Air Canada, Ltd.** Meanwhile, competing **AirCal** takes aim on PSA's markets and makes considerable and costly inroads.

Still, the addition of Spokane, Portland, and Albuquerque to the route system allows a 13.7% increase in passenger traffic to 8,099,000 customers carried and freight traffic to 7.33 million FTKs, a 15.7% boost. Revenues move upward 11.6% to \$530.8 million, but expenses are up 29.24% to \$453.94 million. The financial reversal brings an operating loss of \$9.3 million and a net loss of \$12.6 million, the first significant fiscal downturn suffered in years.

Employment falls 2.1% in **1984** to 3,628. Company gates are opened in January at Terminal One at Los Angeles (LAX). Automatic check-in machines are turned on at all PSA destinations and the Executive Flyer frequent flyer program is linked to the loyalty program offered by **Trans World Airlines (TWA)**.

Paul Barkley succeeds William Shimp as CEO in March, with the latter becoming board chairman. Shimp will die of a heart attack on May 11. PSA also begins to take delivery of the first six BAe 146-200As, dubbed "Smileliners." The premier British 100-seater, called a Smileliner by company publicists, arrives in May and is placed into service between Burbank and Oakland on June 20; the six-abreast seating arrangement is not popular with customers and will be reconfigured to five-abreast. The 26th MD-80 is also acquired and systemwide frequencies are boosted.

Company officials negotiate cost-saving agreements, estimated to be worth \$20 million every year, in new three-year labor contracts with employees. The arrangements include profit sharing plans equal to 15% of the airline's pretax profits.

In September, nonstop roundtrips are begun between Stockton and Los Angeles; the frequencies are the only nonstop all-jet services between the two communities.

The last B-727-214 service is flown on November 26, after which the type is now withdrawn from company service. The type has given PSA 300 million miles and carried over 92 million passengers for it during 20 years.

Although passenger bookings dip 2.7% to 7,880,327, due largely to a fare war with **AirCal** and freight is down 0.5% to 7.29 million FTKs, revenues earned are up 15.7% to \$538.1 million and expenses are kept in hand with a 7.1% increase to \$507.2 million. The year's net loss is slimmed to \$4.8 million, and comes on top of a \$30.81-million operating profit.

The payroll is increased a healthy 23.1% in **1985** to 4,800. PSA continues to compete with **AirCal** for the lucrative California market, committing \$1 billion for its new fleet of 20 BAe 146-200As, 14 more of which arrive during the year. Flights to Albuquerque are temporarily suspended in April so that the capacity employed on that route may be diverted. Much of the Golden State traffic lost by **United Airlines** during its midyear strike is retaken over by PSA and frequencies up and down the California corridor accelerate to 180 per day.

In July and August, two MD-80s are leased from **Hawaiian Airlines**; the L-1011s, long on lease to **AeroPeru, S.A.**, are sold to **Worldways Canada, Ltd.** Russell L. Ray Jr. is appointed president during the latter month. In September, **Continental West Airlines** invades PSA's California markets, setting off a fare war. During the last quarter, the carrier is restructured.

Chairman/CEO Paul Barkley and new president (as of August) Russell L. Ray realign the route system in hopes of dominating the "California Corridor," upgrade the fleet, and make arrangements for a \$100-million senior note. Flights to Bellingham, Washington, commence in October and a new terminal is opened at San Francisco in November, along with a curbside terminal at Oakland. A second reservations center comes on-line at Reno.

In the company's largest single day expansion ever, service is initiated on December 19 from California to the northwestern cities of Boise, Pasco, Eureka, Yakima, Medford, and Eugene.

Simultaneously, the carrier begins flying south of the border once more with a frequency to Cabo San Lucas. On the same day, PSA Expressway, an every-half-hour 6:30 a.m. to 10 p.m. shuttle, is launched between Los Angeles (LAX) and San Francisco, while the super quiet

BAes allow service in and out of Orange County to be tripled. Late in the month, a blanket of fog forces cancellation of many flights to various Pacific Northwest destinations. PSA is now the 13th largest airline in the U.S., serving 30 cities in the western part of the country and Mexico.

Customer bookings jump 15.6% to 9,040,000. Revenues advance 18.1% to \$635.38 million, costs grow 18.6% to \$601.44 million, and a \$33.93-million operating profit is created. Although still a loss, the net failure improves to minus \$648,000.

Airline employment rises 16.3% in **1986** to 5,000. In January, the \$100-million senior note offering is made. In addition, Intra-Mail, a same-day, small-package delivery service, is introduced. During the spring, a BAe 146 simulator arrives from England. The sales staff is increased to 18 and aircraft interiors are redone in tones of gray, with magenta, pink, and rose accents.

In late March, a Northwest Airlink marketing agreement is signed with **Northwest Airlines**, allowing the two carriers feed each other's flights at Los Angeles (LAX), Seattle, and San Francisco. A sum of 15\$ million is provided to newly retained advertising agency Travisano & Partners. At this point, the company begins to name its aircraft *Smile of* . . .

In May, service begins to Monterey and is resumed to Albuquerque. Other new destinations initiated during the spring include Concord, California, Bend, Oregon, and Steamboat Springs, Colorado; destinations dropped include Boise and Eureka.

The 31st MD-80 arrives in June and in July a strategic marketing agreement is signed with **Air Canada, Ltd.** During August, PSA boards in excess of one million passengers in a month for the first time.

Hourly frequencies are begun in September, on business days, between John Wayne Airport and San Francisco. At the same time, new service is introduced from Burbank to San Francisco and from Los Angeles to Las Vegas, while flights to Eureka and Boise are suspended.

On December 8, **USAir** announces that it is acquiring PSA for \$397 million. The move, which is designed to increase the major's West Coast presence, surprises the entire airline industry.

Passenger boardings leap upward by 18.5% to 10,721,000 and revenues ascend 20.9% to \$768 million. Expenses, led by repair bills for the Avco-Lycoming engines of the BAe 146-200As, jump 23.5% to \$742 million. The operating profit falls to \$26 million and the net loss worsens to \$3 million.

Following approval of the merger by the DOT in January **1987**, the San Diego-based company continues to operate as a **USAir** subsidiary during a period of integration. In February, hourly service, between 6:30 a.m. and 8:45 p.m., is started between San Francisco and San Diego. Later in the spring, a daily nonstop schedule is introduced between Los Angeles and Bellingham/Seattle and four daily nonstops commence between San Jose and Los Angeles.

PSA officially becomes a **USAir** division on May 29.

On December 4, the BAe-146-200A *Smile of Disneyland* is damaged in a ground collision at Los Angeles (LAX) with an **Eastern Air Lines** L-1011; although no injuries are reported, the plane must be written off.

On December 7 former **USAir** passenger agent David A. Burke takes a 44 magnum pistol aboard Flight 1771, a BAe 146-200A with 5 crew and 37 passengers. Burke, estranged from his girlfriend and angry over his November 19 dismissal for theft, seeks vengeance on his former boss and fellow passenger Raymond Thomson. Once the British-made jetliner is en route from Los Angeles to San Francisco, shooting begins and a report of gunfire on board is radioed to ATC before the flight crew is killed.

The murders/suicide is completed when the aircraft smashes into a Templeton, California, cattle ranch; there are no survivors. The tragedy leads to a number of new FAA security rules still in effect and effective December 21, all employees of airlines, including flight crews, must pass through security screening before boarding aircraft.

Customer bookings advance by 4.2% to 11,172,000 and freight climbs 24.3% to 13.91 million FTKs. According to **USAir** sources, the

onetime terror of California commuter skies earns revenues of \$420 million during the year's first half. Losses on that income total \$23.1 million (operating) and \$2.2 million (net).

In early 1988, a BAe 146 is sold to **Atlantic Airways, A.S.** of the Faeroe Islands. The integration process is completed on April 9 and the last service, Flight 1486, is completed that day between San Diego and Las Vegas.

PSA, a pioneer in low-cost, no-frills service, disappears within its new owner, its aircraft all repainted from their famous smiling livery into **USAir's** conservative hues. During its final quarter of life, PSA transports a total of 2.4 million passengers, down 10.7% over the same period during the previous year. The airline's memory will later be fostered when, in November 1995, the "USAir Express" carrier **Jetstream International Airlines** is renamed **PSA Airlines**. An unofficial PSA Web site is <http://www.CatchOurSmile.com>.

PACIFIC SPIRIT AIR, LTD.: South Terminal Building, #111, 4440 Cowley Crescent, Richmond, British Columbia V7B 4B9, Canada; Phone (800) 665-2359; <http://www.pacificspiritair.com>; Year Founded 1997. Hanna Air, Ltd. is purchased by Mark Sager, owner/operator of the Silva Bay Resort and Gabriola marina, and Chris Holmes in 1997 and renamed. Employing several de Havilland Canada DHC-2 float-equipped Beavers, the concern maintains regularly scheduled flights between Gabriola and the Gulf Islands and Vancouver International Airport. Thetis Air, Ltd. is purchased and merged in May 1999 and in September, Robert Conconci, owner/operator of The Timbers on North Pender Island, purchases Holmes's ownership.

To celebrate the company's combined 15-year history, Pacific Island introduces special seat sale prices in January 2000 designed to benefit the residents of the Gulf Islands. During the spring, the route network is reorganized into two divisions. The northern Gulf Islands system covers Silva Bay on Gabriola and Telegraph Harbour on Thetis, while the southern Gulf Islands system includes Ganges on Salt Spring, Port Washington on North Pender, Miners Bay on Mayne, and Lyall Harbour on Saturna.

PACIFIC TRANSAIR (PTY.), LTD.: Australia (1995–1997). PTL is set up by Nicholas Leach at Sydney in the winter of 1995 to offer regularly scheduled services over routes to Brisbane and Melbourne. Two Boeing 737-291s are leased early in 1996 to begin operations; however, one is chartered to **Air Philippines (2)** in June.

The company is shut down in 1997.

PACIFIC WESTERN AIRLINES, LTD. (PWA): Canada (1953–1987). Having acquired five other independent operators in the previous four years, **Central British Columbia Airways, Ltd. (CBCA)**, owned by Russell Baker and Karl Springer and based at Richmond, British Columbia, changes its name and corporate identity to Pacific Western Airlines, Ltd. on May 15, 1953.

The inaugural fleet comprises 1 Douglas DC-3, 4 de Havilland Canada DHC-2 Beavers, 2 Consolidated PB5Y-5A Cansos, 4 Noorduyn Norsemen Vs, 1 Grumman G-44 Widgeon, 2 Fairchild 71s, 1 Beech 18, and 1 Beech 17 Staggerwing. A second DC-3 is acquired in June. Competition is begun with **Queen Charlotte Airlines, Ltd. (QCA)** over certain routes out of Vancouver and along the British Columbia coast, particularly to Kitimat.

A stiff rivalry with QCA continues in 1954. Three Beavers and three Grumman G-73 Mallards are added to the fleet. The latter are placed into service on the route from Vancouver to Kitimat. Late in the year, the assets and routes of Edmonton-based **Associated Airways, Ltd.** are purchased and amalgamated. Especially important are the purchased carrier's DEW Line transport contracts.

The fleet in 1955 comprises 85 aircraft, primarily Noorduyn Norsemen, Douglas DC-3s, and DHC-2s. During February and March, three Curtiss C-46A freighters are acquired to maintain the far north defense-related services.

A former Associated Airways Avro 685 York C.1 is lost at Yellowknife after failing takeoff on April 11; there are no fatalities. A second ex-Associated Avro 685 York C.1 freighter with two crew is lost near Edmonton on May 26; there are no survivors.

Between May and August, seven Avro Anson Vs are purchased.

Meanwhile in July, the assets and routes of the competing **Queen Charlotte Airlines, Ltd. (QCA)** are purchased, vastly enlarging PWA. One of the three G-73 Mallards is lost in a crash on August 3. A Bristol 170 Mk. 31 with two crew and four passengers is lost 22 km. N of Thorhild on September 17 (two dead). Another Avro 685 York C.1 freighter with two crew is lost at Thoa River on September 29 (one dead).

A Fairchild 71 floatplane is lost in a takeoff accident at Ocean Falls, British Columbia, on November 13.

Upon the final absorption of QCA in 1956, two Avro York 685 freighters, a DC-4, and four DC-3s join the fleet. Two DHC-3 Otters are acquired, one each in January and June, along with two Barkley Growers. Two Bell Model 47Gs are purchased in February. The last PB5Y-5A Canso joins the fleet in April, along with two Bellanca 31-55Bs, a Stinson 108-2, a Cessna 120, and a Fleet 80. Another float-equipped Fairchild 71 is lost when landing at Kitimat on August 8. Three Avro Anson Vs also arrive during August.

An Avro 685 York C.1 is lost at Cape Perry on September 13; no other details are known. In October, two Beech 17s are withdrawn. Gross revenues have increased ten-fold since 1953.

A DC-3 with 18 aboard is destroyed in a crash near Port Hardy, British Columbia, on June 23, 1957 (14 dead); the disaster is caused by an employee's failure to remove the ground control block from the aircraft's rudder. A Stranraer flying boat with four aboard fails its takeoff from a lake in British Columbia on October 2 and crashes; there are no survivors. Two DC-4s purchased during the summer are placed into service in October, the same month the lone Grumman G-44 Widgeon is sold.

In November, the **Canadian Pacific Air Lines (CPAL)** Prairie Service route is taken over from Edmonton–Moose Jaw and Regina. Co-founder Russell Baker dies in 1958. His legacy will be remembered by John Condit in his *Wings over the West: Russ Baker and the Rise of Pacific Western Airlines* (Vancouver: Harbour Publishing Co., Ltd., 1984).

Baker's carrier now employs 600 people and with 22 machines, possesses the largest DHC-2 fleet in the world. One of these is lost in an August 29 crash in the Northwest Territories (four dead). Five Bell Model 47G helicopters are acquired in April and the carrier's Beech 18A is sold in September.

As part of a major upcoming route realignment, several of the airline's Vancouver Island services and its two Grumman G-73 Mallards are turned over on May 26, 1959 to **B.C. Airlines, Ltd.** In July, another DC-4 enters service. Early in the same month, CPAL's Mackenzie Service multistop route from Edmonton to Yellowknife and 18 points further north along the Mackenzie River are assumed, along with two DHC-3s and four C-46Cs that the larger carrier had dedicated to it. The transaction, which also includes CPAL's stocks of supplies and base facilities, is completed for C\$1 million.

These markets are received in exchange for limited rights to make return flights between Montreal and Vancouver. Pacific Western begins Edmonton to Uranium City, Yellowknife, Inuvik flights on July 13, with full transfer of the 3,750-mile route up to Aklavik completed on July 30. During the year, two Anson Vs, the two Bellanca 31-55Bs, the Junkers W-34F, two Norsemen Vs, the Fleet 80, the Stinson 108-2, and the Cessna 120 are sold.

Orders are placed for three DC-6Bs in 1960. Making a single-engine landing at Port Hardy on January 29, a C-46C with 3 crew and 48 passengers overshoots the runway and ends up in a swamp, damaged beyond repair; there are no fatalities. The two York 685s are withdrawn and sold in April. Helicopter operations end in the spring and all seven Bell Model 47Gs are sold in May to **Pacific Helicopters, Ltd.**

On August 15, a DHC-2 with four aboard crashes near Lorna Lake, British Columbia; there are no survivors. Two PB5Y-5A Cansos are sold,

also in August, and other aircraft withdrawn during the year include a Junkers H-34F, two Norseman Vs, three Norseman IVs, two Cessna 180s.

In 1961, two DC-7s are requested and an Anson V is withdrawn in March. In April, the number of Grumman G-21 Goose aircraft is two, and the same month, a DC-4 is sold. On May 24, a DC-3 is written off after crashing at Snowdrift, Northwest Territories. It is replaced by another DC-3, which enters service in April 1962. Meanwhile, in March, three Anson Vs are sold. The first DC-6B, purchased from the American carrier **Northwest Airlines** on June 8, arrives in August and enters operations over the longer segments. Livery and color schemes on company aircraft are now changed.

The Edmonton–Calgary route is suspended in 1963. Three more DC-6Bs arrive and two C-46s are sold. No-reservation DC-4 Chieftain Airbus (shuttle) service is then inaugurated Calgary–Edmonton. A C\$114,534 net profit is recorded for the year.

The first Canadian inclusive-tour charter service from Vancouver to Grand Cayman Island or Great Britain is begun by the DC-6Bs early in 1964, but handed over to the two DC-7s upon their arrival in February and May. Sixty-four round trips are made during the year to the U.K. alone.

Passenger boardings on the Calgary–Edmonton shuttle total 50,000 out of a systemwide enplanement total of 204,711. Revenues jump 41% to C\$8.8 million and the net profit is C\$331,324.

Airline employment in 1965 stands at 520. The mixed fleet comprises 49 aircraft of 15 types: 14 DHC-2s, 2 DC-7s, 2 Beech 18Ss, 4 Cessnas, 5 DC-3s, 2 DC-4s, 6 DC-6Bs, 2 Grumman G-21s, 6 DHC-3s, 1 Piper PA-23 Aztec, and 3 Sikorsky Model 47 helicopters. Two DC-7Cs join the fleet in February, replacing the two earlier DC-7s; they are followed by two DC-6s in March and May, respectively.

All overhaul activities are now centered in Vancouver and frequencies on the Chieftain Airbus shuttle service are increased, bringing in 49% greater revenues. Late in the year, the northern division's small aircraft operations are transferred to **Northward Aviation, Ltd.**

Passenger boardings jump 27% to 280,426, of which 230,396 are carried on scheduled (not charter) services. Revenues of C\$11.53 million are earned and the net profit nearly doubles, up to C\$601,202.

Airline employment in 1966 stands at 575. Orders are placed for a Boeing 707-138B, a B-737-265, three Lockheed L-382Bs (commercial Hercules) freighters, and four Convair CV-640s. A Beech C-18S and four DHC-3 Otters are sold in January, followed by a fifth in September.

Most of the Mackenzie River routes and charter operations in the Northwest Territories are sold to **Northward Aviation, Ltd.** The carrier now divides its operations into two divisions: a lightplane unit based at Edmonton that flies to frontier areas, and the main element based at Vancouver that conducts operations with such heavy aircraft as DC-6Bs.

With delivery in late winter 1967 of the L-382B, Pacific Western becomes the world's first operator of the commercial Hercules. Initially added to support the search for northern energy resources, the aircraft, following the spring ice breakup, join the main cargo fleet in worldwide charter operations. During their first year, the L-382Bs will fly to over 50 countries.

The four CV-640s are also received and placed in service on scheduled routes. Two C-46s are sold in May followed by a third in late fall. In September, a Grumman Goose is sold. The B-707-138B is delivered on November 13 and is employed to launch new inclusive-tour flights to Mexico and Hawaii.

The arrival of new aircraft in the previous year allows the sale, early in 1968, of three DC-3s, two DC-6Bs, and a DC-7C. Orders are placed for a B-737-275 and a B-737-275C. CPAL routes from Edmonton to Port Hardy via Prince George and Sandspit are taken over in late spring.

During the summer, the B-707-138B begins flying to additional European charter destinations. The last four Grumman G-21s are sold in August. The B-737-275 ordered in 1966 is delivered on November 26 and is the first of its type received by any Canadian carrier. It is employed to inaugurate Calgary–Vancouver Stampeder Service on December 17. Two DC-3s and the last Otter are withdrawn during the year.

Airline employment is 1,050 in 1969. Two more DC-6Bs are acquired in February and the last PBV-5A Canso is sold in March. Another DC-3 is sold in April, followed by the sale of a Beech D-18S in May. The first L-382B Hercules freighter is destroyed as the result of a bad landing at Caycaya, Peru, on July 16; there are no fatalities. It is later replaced.

Also in July, a second B-707-138B joins the fleet. Another transfer of license from **CP Air, Ltd.** (formerly CPAL) allows Pacific Western to begin flying routes throughout interior British Columbia.

While on initial approach to Campbell River airport on September 17, Flight 627, a CV-640 with 4 crew and 11 passengers, strikes a 932-ft. hill and crashes at Elk Island Park (4 dead).

A fifth DC-4 is purchased in December. The Calgary–Edmonton Chieftain Airbus shuttle service now averages some 250,000 enplanements per year; overall, passenger boardings total 560,434.

The employee population is increased a whopping 65% in 1970 to 3,010. The fleet now numbers 23 aircraft: 2 B-707-138Bs, 2 DC-3s, 3 DC-4s, 3 DC-6Bs, 3 Hercules, 4 B-737-275/275Cs, and 4 CV-640s.

Vancouver–Seattle via Victoria B-737-265 scheduled frequencies are opened in the spring.

One of the DC-6Bs purchased the previous year is withdrawn in September and in the fall, **B.C. Airlines, Ltd.**, together with its two Grumman Mallards and four Nord 262s, is purchased and merged, allowing greater expansion of British Columbia interior and coastal services.

Passenger bookings jump 37% to 889,577 and freight traffic balloons by 58%.

An order is placed in 1971 for a B-727-171C. The British Columbia coastal routes and two Mallards are sold to **West Coast Air Services, Ltd.** Charter flights are increased, with San Diego a new destination. Orderly retirement of larger elements in the piston-engine fleet continues with the sale of two DC-6s in January and a DC-6B in November, the same month the final CV-640 is received. Simultaneously, two Lockheed L-188As, first operated by **Western Airlines**, are acquired under 19-month leases, for both scheduled and charter flights.

Enplanements accelerate to 1,094,154, passing the landmark boarding mark of a million passengers in a single year for the first time.

The four Nord 262s are withdrawn and sold in 1972, along with the last three DC-4s and the final DC-6B. The fleet is enhanced by the addition of a B-707-321C, a B-727-92C, and two B-737-275s. Two Lockheed L-188As, previously flown by **National Airlines (1)**, are leased to operate charters between Calgary and the Beaufort Sea. They will be employed only until new B-737 orders can be filled. A DC-3 is sold in March.

On September 14, an L-188A makes a successful wheels-up emergency landing at CAB Namao, north of Edmonton. Three DC-4s are sold between November and December.

Passenger and cargo charters proliferate. Passenger boardings rise 13.3% to 1,262,000 and freight soars by 41%. Consolidated revenues of C\$57.5 million set a new income record.

On final approach to Edmonton Airport in heavy snow on January 2, 1973, the B-707-321C with a five-man crew lands short of the runway near Nisku and is destroyed; there are no survivors and the 75 head of cattle aboard are also killed.

A B-707-351C replacement is purchased from **Northwest Airlines** on March 2 and yet another B-737-275 joins the fleet as orders are placed for three more of the latter type. A fourth Hercules is also received and the last DC-3 sold. The carrier now becomes the first Canadian regional to fully computerize its reservations system while, at the same time, introducing a new logo and aircraft livery.

A total of 45 connections in the northwestern and western sections of the nation are served as application is made for additional routes. Meanwhile, newly formed **Northern Thunderbird Air, Ltd.** begins to feed Pacific Western with scheduled commuter services to and from the British Columbia cities of Kamloops, Kelowna, Penticton, Prince George, Quesnel, and William Lake. A L-382B Hercules freighter makes the first Canadian all-cargo flight into Communist China.

Bookings this year grow to 1,671,000.

The employee population in 1974 is 2,249. In order to assure the development of air transport in northern and western Canada and maintain the financial stability of the nation's largest regional carrier, the Conservative government of Alberta Premier Peter Loughead acquires 99.8% interest in Pacific Western in August, paying C\$36 million. Rhys Eytton is appointed president/CEO; he is the first Pacific Western president not to hold a pilot's license. Meanwhile, a B-727-171C is added to the fleet.

Passenger boardings jump 15% to 1,966,198 while cargo climbs 13%.

The workforce is reduced by 45 employees in 1975. The changeover to new livery begun in 1973 is completed. Four additional B-737-275s are placed in service, allowing the return of two L-188As and two CV-640s.

In accordance with terms of a new U.S.-Canada bilateral air treaty, direct scheduled service is inaugurated from Vancouver to Seattle on a route acquired from **Air Canada, Ltd.**

Passenger bookings rise 9.8% to 2,148,680 and cargo advances 14.6%. Despite a 22% increase in operating expenses, a C\$1.36-million profit is recorded.

The carrier begins 1976 as the nation's third largest airline after **Air Canada, Ltd.** and **CP Air, Ltd.**, a position it will hold until December 1986. The last two L-188As are returned to their lessor in April. A B-727-171C begins Vancouver-Niagara Falls charter flights while scheduled service is opened from Vancouver-Edmonton via Kamloops. The 1974 government of Alberta buyout is challenged in court.

In September, company headquarters are transferred to Calgary from Vancouver; not wishing to leave British Columbia, President Donald Watson resigns. The nation's second cargo flight into Communist China is accomplished to Shanghai by a B-707F in October.

While on an overseas deployment, an L-382B with five crew and one passenger strikes a tree and crash-lands, stopping against a giant termite mound near Kisangani, Zaire, on November 23; there are no survivors.

Passenger boardings grow only 1.9% to 2,191,000 and cargo drops 39.4%.

An L-382B is acquired in 1977 to replace the one lost in 1976. Early in the year, the Canadian Supreme Court approves the carrier's 1974 purchase by the provincial government of Alberta. The B-727-92C purchased in 1972 is sold to **Continental Airlines** in July.

Bookings advance during the 12 months to 2,526,810 and a net profit of C\$14.8 million is reported.

Airline employment stands at 3,156 in 1978.

While landing at Cranbrook, British Columbia, in a snowstorm on February 11, a B-737-275 with 5 crew and 44 passengers attempts to swerve to miss a snowplow on the runway, but crashes to the left and catches fire (42 dead).

On April 30, 72% (later 96.5%) controlling interest is taken in Winnipeg-based **Transair, Ltd.**, which is allowed to operate as a separate entity as the merger process goes forward. Meanwhile, Pacific Western begins to withdraw from long-haul charters, selling its B-707-138B and leasing an L-382B to **Alaska International Airlines**.

Orders are placed for four B-767-275s and a B-737-275 as two B-737-2A9Cs join the fleet and the last three CV-640s are withdrawn.

Passenger boardings rise 7% to 2,727,274 and cargo climbs 15.5%. Revenues advance 36% to C\$153.5 million, while expenses grow 38.3% to C\$134.8 million. The profit is up a huge 160.2% to C\$7.3 million.

In February 1979, an agreement is worked out with the Canadian Transport Commission whereby the **Transair, Ltd.** subsidiary ceases all scheduled operations east of Winnipeg and inaugurates service from Winnipeg to Calgary and Edmonton via Regina and Saskatoon. The B-707-351C is sold in May.

An ITC (Inclusive Tariff Charters) base is established at Toronto in October, the same month nonstop Vancouver-Prince George service is launched. On December 1, all **Transair, Ltd.** operating licenses and routes are transferred to Pacific Western and the subsidiary is fully integrated. All that remains is amalgamation of certain personnel and aircraft.

Passenger bookings for the Calgary-based regional jump 17.2% to 3,642,000 while freight rises 5.6%. Revenues accelerate 17.2% to

C\$241.5 million, expenses climb 17.5% to C\$255.1 million, and a record C\$15.2-million profit is recorded.

The Boeing 707-351C is sold in late winter 1980. The Transair merger is at last officially completed on March 15, at which time a new Pacific Western corporate identification program is introduced that features such revisions as redesigned aircraft exterior paint schemes, new aircraft interiors, changes in uniforms, and facilities design.

In May, a B-737-275 is sold and during the summer, nonstop service is inaugurated from Edmonton to Vancouver, Calgary to Vancouver, and Edmonton to Whitehorse.

Passenger enplanements advance 21.8% to 4 million and freight skyrockets by 62.6%. Revenues are up 19.8% to C \$202.4 million and expenses rise 18.2% to C\$186.3 million. Profits are C\$19 million (operating) and C\$10.2 million (net).

A Hercules freighter is sold to **Northwest Territorial Airways, Ltd./NWT Air** in January 1981. Victoria-Kelowna nonstop flights commence along with nonstop frequencies from Vancouver to Alberta and Toronto. In competition with **CP Air, Ltd.** and **Air Canada, Ltd.**, the carrier initiates nonstop services from Vancouver-Edmonton, Vancouver-Calgary, and Vancouver-Toronto via Calgary and Brandon.

Passenger boardings rise 3.8% to 4,173,000 and cargo moves ahead a slight 0.6%. Revenues jump 29% to C\$266 million and expenses are up 28.4% to C\$244 million. Operating profit accelerates 37.5% to C\$22.47 million while net profit soars 46.5% to C\$15.2 million.

The employee population in 1982 totals 3,791. The fleet now comprises 1 B-727-171C, 2 L-382Bs, 17 B-737-275s, and 5 B-737-275Cs.

Much of the carrier's attention for the year is focused on preparations for receipt of the B-767-275s ordered in 1978. Four B-737-275s are sold to **Pan American World Airways (1)** and one to **America West Airlines**. Flights to Uranium City in Saskatchewan are halted in November.

Passenger and freight traffic fall 16% (to 3,483,767) and 14.3%, respectively. The year's operating profit is C\$19.7 million and the net falls significantly, down to C\$4.9 million.

The workforce is reduced 1.5% in 1983 to 2,999. The first B-767-275 is delivered in February and is placed in revenue service on March 17 on weekday return flights from Vancouver-Winnipeg via Calgary and Regina. The second arrives in March and is employed to begin Vancouver-Saskatoon via Edmonton weekday return services. On weekends, the two new planes fly charters. An interline agreement is signed with **Wardair Canada, Ltd.** allowing PWA passengers to connect with Wardair charters at any PWA gateway city.

Two more B-737-275s are transferred to **America West Airlines**. In December, the Alberta government of Premier Loughead sells 85% of the company to the public through subscription. To prevent a takeover by eastern Canadian or other interests, the terms of the sale stipulate that no individual or group can own more than 4% of the stock. The carrier's administration is still controlled by CEO Eytton via the newly created Pacific Western Corporation, Ltd. Also in December, another Hercules freighter is sold to **Northwest Territorial Airways, Ltd./NWT Air**.

As the effects of the worldwide recession continue to impact on scheduled and charter traffic, passenger boardings dip 3.9% to 3,353,000 and cargo falls 19%. Overall revenues increase 2.5% to C\$255.8 million and expenses, which had gotten out of hand in 1982, are up only 2.3%. The operating profit climbs to C\$21.3 million and the net profit is up significantly, to C\$8.4 million.

Airline employment is cut another 6.8% in 1984 to 2,794. Another B-767-275 and a B-737-275 are placed in service and a 40% interest is taken in the Lethbridge, Alberta-based commuter **Time Air, Ltd.**

An uncontained engine failure is experienced by a B-737-275 with 5 crew and 113 passengers during its takeoff roll from Calgary on March 22; although the departure is aborted, debris punctures a fuel tank, causing fire. All aboard are safely evacuated onto the runway, but the Boeing is burned out.

The flight operations of Dome Petroleum, Ltd. are taken over in June, along with a B-737-2T2C and two months later, the last B-727-171C is sold to Echo Bay Mines, Ltd.

Passenger bookings fall again, down 4.5% to 2,545,000 and freight is off another 9.7%. Revenues accelerate a slight 2.5% to C\$247.4 million, but expenses are up 4.4%, leaving an operating profit of C\$18.7 million and a net profit of C\$5.39 million.

The workforce is increased 8.9% in **1985** to 2,250. In February, scheduled service is inaugurated to Thunder Bay from Brandon and nonstop flights commence from Calgary to Winnipeg and Saskatchewan to Toronto. In April, nonstop service is initiated from Winnipeg to Toronto and Calgary and from Edmonton to Vancouver. Also in April, the carrier becomes the only major airline in Canada to standardize on the B-737, another of which is received new in May together with two leased from **America West Airlines**.

Toronto-Vancouver service is inaugurated in May via Thunder Bay, Brandon, Calgary, and Kelowna and also in May the two B-767-275s are sold. The last L-382B is sold to **Northwest Territorial Air, Ltd.** in June. "Air Canada Connector" service is opened as a joint marketing program with **Air Canada, Ltd.** and **Time Air, Ltd.** in the fall. Three major unions strike on November 20, but scheduled and charter operations are maintained, despite much bitterness.

Passenger boardings climb 4.5% to 1,567,000, and freight soars 23.9%. Revenues grow 9.9% to C\$341.1 million, and expenses increase 8.3% to C\$216 million. Profits are C\$4.76 million (operating) and C\$10.3 million (net).

The strikes end on March 31, **1986** with new contracts signed and the workforce increased to 2,700. Scheduled service is inaugurated from Winnipeg to Ottawa on June 16, as the Canadian capital city finally joins the route network. With an effective opening date of September 15, the commuter airline network "Pacific Western Spirit" is established on July 14. Thompson, Manitoba-based **Cal Air International, Ltd.** and **Time Air, Ltd.** join the new "Pacific Western Spirit" commuter system on July 15-16.

A major financial arrangement is concluded on August 5. Five B-737-275s are sold to Citibank of New York for C\$70 million and another 11 to a British syndicate led by Midland Bank for C\$185 million. The aircraft are to be turned over to Shannon, Ireland-based GPA Group, Ltd. between 1990 and 1995, but until then will be flown by Pacific Western under lease. In November, two B-737-3Y0s are leased from **Monarch Airlines, Ltd.** for Toronto winter charters and another for Winnipeg tour flights.

On December 2, in something of a surprise, the nation's third-largest carrier purchases financially troubled CPAL, paying C\$217 million in cash to parent C.P., Ltd., and assuming the C\$600-million debt of the country's second largest airline while assuming its No. 2 ranking. Pacific Western's Rhys Eyton becomes chairman/CEO, with Murray Sigler as president/chief operating officer. The purchased carrier is allowed to retain its separate identity until the merger process is completed the following spring. The year's enplanements dip to 2.5 million and revenues slide marginally to C\$269.8 million. Costs are kept down and allow the operating profit to climb up to C\$19.4 million. The company goes out a shareholder's winner as net gain balloons to C\$28.4 million.

On April 26, **1987**, the two amalgamated air transport companies, together with the CPAL subsidiaries **Nordair, Ltd.** and **Eastern Provincial Airways, Ltd.**, are titled **Canadian Airline International, Ltd. (CAI)**.

PACIFIC WESTERN AIRWAYS: United States (1968-1969). The American PWA is set up as a commuter at Salt Lake City in the early summer of **1968** to provide scheduled passenger services over a route to Durango via Provo, Price, Green River, Moab, Monticelo, Blanding, and Cortez. Beech 18 revenue services, including some charters, are inaugurated on July 8, but continue for less than a year.

PACIFIC WINGS: P.O. Box 930, Paia, Hawaii 96779, United States; Phone (808) 873-0877; Fax (808) 873-7920; <http://www.pacificwings.com>; Code LW; Year Founded 1998. Myron Caplan, chairman/CEO of Las Vegas-based **Air Nevada (2)** closes down his

mainland operation in January **1998** and moves it to Hawaii, where it is renamed. Beginning in February, both scheduled and charter services to points on the Big Island as well as to other destinations throughout the island chain are offered.

Employing a fleet of 5 Cessna 402Cs and 1 C-172, scheduled roundtrip revenue flights are launched and continued. Daily flights include Kahului to Kamuela, Kalaupapa, and Hana, and Honolulu to Kamuela; twice-daily flights are offered from Molokai to Kalaupapa and Hana, and from Honolulu to Malaupapa. Thrice-daily flights include Kahului to Honolulu and Honolulu to Hana; four-times-per-day service is offered from Kahului to Molokai and Honolulu to Molokai. In addition, charters are flown to Hana, Maui and Kalaupapa, as are Big Island Volcano air tours.

On September 30, a homepage is opened on the Internet's World Wide Web.

Customer booking for the year skyrocket 149.3% to 17,000.

Flights continue in **1999**. Passenger boardings increase to 24,000.

A total of 52 workers are employed at the beginning of **2000**, a 116.7% increase over the previous 12 months. During the first quarter, a new color scheme is applied to the company's Cessna 402s.

PACIFICA AIR, LTD.: New Zealand (1992-1993). Pacifica is established at Lyttelton in **1992** to offer regional flights with 2 Piper PA-31-350 Navajo Chieftains and 1 Fairchild Metro II.

Anita Gardner is general manager and operations continue for a year.

PACIFICAIR. See **PACIFIC AIRWAYS CORPORATION**

PAFCO. See **PRIORITY AIR FREIGHT COMPANY**

PAGAS AIRLINES (PORT AUGUSTA AIR SERVICES [PTY.], LTD.): Australia (1967-1982). Registered at Adelaide in **1967** as Port Augusta Air Services (Pty.), Ltd., this carrier initially operates lightplane charter services. During the **1970s**, the company is reorganized and a new airline division is formed under the operating name PAGAS Airlines. An extensive system of scheduled stops is built up throughout South Australia and Queensland, including Adelaide, Andamooka, Broken Hill, Hawker, Innaminchka, Kingscote, Leigh Creek, Mount Gunson, Oodnadatta, Penneshaw, Port Augusta, and Port Pirie.

At the end of the decade, the fleet comprises 2 Embraer EMB-110 Bandeirantes and 3 Aero Commander 500s. In **1982**, the carrier is renamed **Trans Regional Airlines (Pty.), Ltd.**

PAI (PANAMA AIR INTERNATIONAL, S.A.): Panama (1991-1993). After purchasing the assets of **Air Panama International, S.A.** from the Panamanian government, PAI is formed at Tocumen International Airport in Panama on November 6, **1991**. Local Coca-Cola bottling plant owner J. J. Vallarino 3rd is chairman, with former **Southwest Airlines (2)** founder, board member, and President Rollin W. King as president/CEO.

The company's operating certificate is received on February 11, **1992**. Employing a Boeing 727-81C first flown by Japan's **All Nippon Airways Company, Ltd.**, **Air Panama International, S.A.** routes to Bogota, Caracas, Guayaquil, Havana, Lima, Los Angeles, Mexico City, Miami, New York, Buenos Aires, and Rio de Janeiro are maintained or added.

Unable to achieve viability, the company shuts down in **1993**.

PAISA (PANAMENA DE AVIACION INTERNACIONAL, S.A.): Panama (1967-1969). Formed at Panama City on the spring of **1967** as an affiliate of **VIASA (Venezolana Internacional de Aviacion, S.A.)**, PAISA begins scheduled service with a DC-9-51 leased from VIASA on May 3, **1967**.

Over the next year, a route network is built up including stops at Caracas, Maracaibo, and San Jose, Costa Rica. Unable to sustain its operations, the company stops flying in the fall of **1969**.

PAK-AIR, LTD.: Pakistan (1948–1949). The Haroon family forms Pak-Air, Ltd. in 1948 to operate Douglas DC-3 scheduled services between Karachi and Lahore and Delhi. Hussain Malik is named managing director and a management contract is signed with the American supplemental carrier **Trans-Ocean Air Lines (TAL)** to provide for aircraft, flight crew, training, and maintenance.

Employing its Douglas aircraft and a Curtiss C-46 Commando supplied via TAL, the company competes with government-favored **Orient Airways, Ltd.** over a route from Karachi to Lahore and Delhi. It also transports Indian and Pakistani citizens being repatriated following the subcontinent's division.

Following the spring 1949 rejection of its advice in a copilot flying-status dispute, TAL cancels its management contract. Shortly thereafter, while en route Calcutta–Karachi, a Pak-Air Douglas transport crashes into a mountaintop (25 dead); as a result of the tragedy, the company is forced to cease operations in November.

PAK WEST AIRLINES. See **SIERRA WEST AIRLINES (2)**

PAKISTAN INTERNATIONAL AIRLINES CORPORATION (PIA): PIA Building, Quaid-e-Azam International Airport, Karachi, 75200, Pakistan; Phone 92 (21) 457-2011; Fax 92 (21) 772-7727; <http://www.piac.com>; Code PK; Year Founded 1951. PIA is established as a Ministry of Defence department on May 25, 1951 and orders are placed for three Lockheed L-1049Cs. The first tentative schedules are worked out for when it begins services at an unknown future date.

On October 1, 1953, privately owned and financially strapped **Orient Airways, Ltd.** is purchased by the government and merged with the paper PIA; Orient continues to operate under its own identity.

The three L-1049Cs are delivered in the spring of 1954, with the first aircraft registered on April 24. PIA, still operating under the Defence Ministry, launches nonstop Karachi to Dacca “inter-wing” service on June 7, replacing the **Orient Airways, Ltd.** Convair CV-240 operation. CV-240 flights from Karachi to Bombay begin on December 13.

Enplanements for the three Lockheeds for the half-year through December are 9,758.

Weekly L-1049C service from Karachi to Cairo and on to London opens on February 1, 1955. On March 11, PIA is formally established as a civilian airline by act of Parliament; shareholding is divided between the government (60%) and private interests (40%). Zafarul Ahsan is appointed managing director and the assets of the Ministry of Defence and **Orient Airways, Ltd.** are merged. The fleet includes the Super Constellations, 2 Convair CV-440s, and 11 Douglas DC-3s. In the merger process, the company also takes over the de Havilland DH 89A Dragon Rapides and other limited assets of **Crescent Air Transport, Ltd.**, which had failed the previous December.

Orient Airways, Ltd.'s routes are now flown under PIA livery, as the independent ceases to exist. Nonstop Karachi to New Delhi CV-240 flights begin on March 15 with a newly delivered Convairliner. An agreement is now signed for technical assistance with **Pan American World Airways (1)**, which agrees to train crews, etc., under a \$3-million U.S. International Cooperation Administration contract similar to that which it holds with **Ariana Afghan Airlines Company, Ltd.**

The year's bookings are up to 84,508.

During 1956, DC-3s/CV-240s consolidate domestic and regional services and open a route to Chittagong and Cox's Bazaar. A fourth Convairliner is acquired and orders are placed for three Vickers Viscount 815s.

A DC-3 freighter with three crew crashes into Lash Golath Mountain in Pakistan on February 25; there are no survivors.

In October, Karachi to Dacca frequencies are increased to daily, while the routes from Dacca to Lahore and from Karachi to Bombay become twice weekly.

During the year, an engineering base takes shape and the first Super Constellation engine is overhauled at PIA's own shop. Extensive additional training programs are launched.

Enplanements are 133,071. It is reported that a small profit has been made; previously, the carrier has been running an annual loss in the area of Rs 10 million.

On July 1, 1957, a DC-3 with 4 crew and 20 passengers disappears on a Chittagong to Dacca flight; wreckage is found on Charlakhi Island in Bengal Bay on July 3 and two survivors are rescued.

Also during the month, two Lockheed L-1049H Super Constellations are ordered.

Customer bookings this year jump to 190,592.

The first L-1049H is placed in service on March 6, 1958 over the Karachi and Lahore to Dacca all-cargo and passenger route.

On May 15, in its initial climb away from Palam Airport at Delhi on a service to Karachi, Flight 205, a CV-240 with 6 crew and 32 passengers, unaccountably descends and strikes the ground; 21 aboard the aircraft are killed, as are 2 people on the ground.

Two additional V-815s are requested as bookings for the year swell to 206,918.

The Vickers Viscount 815 *City of Karachi* is placed in service on January 31, 1959 over the Karachi to New Delhi route. The same plane begins flying to Bombay on February 2 and to Lahore and Rawalpindi on February 6. A political scapegoat to the whims of new Pakistani dictator Ayub Khan, Managing Director Ahsan is forced to resign in March and is replaced by Air Commodore M. Nur Khan. When the second Viscount 815, *City of Dacca*, is received, it begins operations to Peshawar on April 15.

A Vickers Viscount 815 is wrecked in a bad landing at Rawalpindi on May 18; there are no fatalities. While on a training flight over Karachi on August 14, a Vickers Viscount 815 with three crew crashes while attempting to execute a go-around maneuver (two dead).

On October 2, an order is placed for five Fokker F.27-100s, as the fleet is left with only three turboprops. Boardings drop to 200,000.

On February 9, 1960, an agreement is signed with **Pan American World Airways (1)** for the trial lease of a Boeing 707-121, making PIA the first jet operator in Asia. The aircraft, *Clipper Viking*, begins weekly proving flights in partial PIA colors—actually, just a tail fin sticker—from Karachi to London on March 7. The first all-Pakistani crew pilots the Boeing to London on June 20 and on October 4 the trial lease becomes a regular charter and the aircraft now appears in full PIA livery for the first time.

Meanwhile, on April 17, Karachi to Lahore Viscount 815 service starts, the same day twice-daily Rawalpindi to Lahore DC-3 flights begin. The last L-1049C London service is flown on October 1.

Enplanements accelerate to 259,621.

The fleet at the beginning of 1961 comprises not only the leased B-707-121, but 3 Viscount 815s, 3 L-1049Cs, 2 L-1049Hs, 9 DC-3s, 4 F.27-100s, and 1 F.27-400. The entry of the Fokker Friendships into service in January allows the DC-3s to be placed on special “bush” operations in northern Kashmir. A special low-fare, no-frills DC-3 East Pakistan “airbus” service begins on March 25.

On May 5, the London B-707-121 route is extended to New York and transatlantic boardings total 8,000 for the year. Meanwhile, direct New York to Karachi mail flights begin on July 30. The company's first owned jetliner, a B-720-048B (B-720B), is delivered on December 29.

The B-707-121 lease is not renewed; rather, the fleet is upgraded in 1962 by the addition of three purchased Boeing jetliners and five DC-3s are retired. The new B-720-040B arrives at Karachi on January 2 after a record-breaking flight of 6 hr. 43 min. 51 sec. over 3,900 nm. from London. As the remaining units of the four-plane order are received, they join the first on flights from Karachi to London via Tehran, Geneva, and Frankfurt. Several also link east and west Pakistan.

A proving flight is made by a DC-3 from Rawalpindi to the far north-west mountain community of Chitral on February 18. Withdrawn from international schedules, the Super Constellations take over the country's major domestic routes during the year. *Clipper Viking* is returned to Pan Am on December 12.

North Atlantic boardings rise by 2,000.

Due to a lack of traffic, the New York service ends in late March 1963. The company signs a reciprocal services pact with **Aeroflot Soviet Airlines** on October 7. PIA is the first foreign airline to receive landing rights in Moscow and permission to continue flights through the U.S.S.R. to other countries. Employing Sikorsky S-61Ns, a 10-point helicopter commuter network is inaugurated in East Pakistan on November 25.

Enplanements systemwide for the year total 572,086.

Early in 1964, Viscount 815 service is inaugurated from Peshawar over the Khyber Pass to Kabul, while F.27-100s start flying from Lahore to Delhi. The first route from the West into the closed People's Republic of China is opened by PIA on April 29; a B720-040B service from Dacca to Shanghai via Canton is initiated. On May 10, the opening found to the Soviet Union the previous fall is consummated. PIA becomes the first foreign airline to operate to and beyond Moscow via a new B-720B route to London connecting through the Russian capital and Frankfurt.

The full 10-stop network of helicopter routes is finally opened in river-divided East Pakistan. A fourth B720-040B, two more F.27s, and three Hawker-Siddeley Tridents are ordered.

An F.27-200 with 4 crew and 22 passengers is destroyed as the result of a bad landing at Dacca on June 25; there are no fatalities.

The workforce is 8,524. Passenger boardings rise 25% to 762,782 and a 5th consecutive profit is shown on revenues of \$44.7 million.

The fleet in 1965 comprises 3 B720-040Bs, 3 DC-3s, five F.27s, 1 FH-227, 4 L-1049Cs, 3 Viscount 815s, and 3 S-61Ns. Air Vice Marshall Nur Khan, PIA's managing director, and Air Marshall Ashgar Khan, commander-in-chief of the Pakistan Air Force, swap positions on February 20. Nur Khan's last act before shifting offices is to order Hawker Siddeley HS Trident 1Es, overruling his technical experts who favored Boeing 727s.

On a March 26 domestic flight, a DC-3 with 4 crew and 22 passengers crashes near Lowari Pass (18 dead).

A large, modern, engine overhaul base is built at Karachi in the spring.

While on initial approach to Cairo from Dhahran on May 20, Flight 705, a B720-040B with 5 crew and 120 passengers crashes short of the runway (119 dead). This tragedy occurs just after the inauguration of service to Tehran, Cairo, and Dharain on the London route.

As the Indian and Pakistani military engage in armed conflict, the Indian government bars Pakistani flights over India and cancels PIA landing privileges on September 6. PIA halts services and sends its aircraft to temporary hubs at Tehran and Istanbul; the border struggle is brief and services from home soil are resumed before the end of December.

Meanwhile, in an unrelated incident, an F.27-200 freighter with four crew crashes near Naran, Pakistan, on October 8; there are no survivors.

Airline employment is now 8,528, cargo traffic is up 28%, and a total of 728,757 passengers are flown.

With the fighting over, PIA overflights of India for the Dacca to Lahore service are allowed to resume on February 9, 1966, while the old circular route from Karachi to Dacca via Colombo is replaced by a direct service over southern India. The first of four Hawker Siddeley HS Trident 1Es to be received during the year is delivered on March 1, followed by the second 18 days later. These enter service on routes from Karachi, Lahore, and Rawalpindi to Dacca, and later to Persian Gulf states, while two B-707-340Cs are delivered in July, followed by five more F.27s.

Following one each fatal operational and training accident, the S-61N East Pakistan helicopter service, too expensive to continue, is closed down. One Super Constellation, all three Viscount 815s, two DC-3s, and the last two S-61Ns are retired as orders are placed for three more Boeing 707-340Cs and three F.27s.

The three surviving Super Constellations launch night air coach services over domestic routes in early fall. Beginning November 1-2, flights to Paris, Istanbul, Baghdad, Kuwait, and Nairobi via Aden are offered, followed on November 10 by Bahrain, Doha, and Dubai.

During the year, an IBM 1401 computer is installed at PIA headquarters; it is the first computer in Pakistan. The PIA Air Academy is also launched.

Enplanements dip to 617,560.

The employee population stands at 11,324 in 1967. The Fokkers enter service and B-707-340C flights are inaugurated to Bangkok on April 1. Reciprocal service to Communist China is widened on April 22 and flights to India resume on October 25. In November, Dera Ismail Khan becomes an alternative stop on the Karachi to Rawalpindi route.

Passenger boardings jump 40% to pass the million-mark in annual boardings for the first time (1,029,226).

The total number of employees in 1968 is up to 12,663. Options are taken for two B-747-100s and a fourth B-707-340C is placed in service.

The DC-3s in East Pakistan are all replaced by June with Fokker Friendships. S. U. Durrani is appointed managing director; the carrier's management structure is now reorganized.

A new purchasing agency, the subsidiary Airline Agencies, Ltd., is created along with the subsidiary PIA Hotels, Ltd., which plans to build a dozen hotels in the country over the next two years.

When Capt. M. Saleghee refuses to depart Canton on September 25 with a B-707-340C he deems unsafe, it is delayed in the Chinese city for three days. On September 28, PIA dismisses the captain and a ground engineer, at which point the airline's other pilots go out on strike. The job action is resolved the next day when Saleghee is reinstated.

Cargo traffic grows 16.2% and passenger traffic rises 13.8% to 1,171,396. Total revenues earned are \$70.88 million.

Early in 1969, **Iran Air** and **THY Turkish Airlines** are joined in the study of a joint airline consortium, which is never completed. A fifth Trident 1E is placed in service. A STOL evaluation is undertaken to find an aircraft to replace or supplement the F.27s in East Pakistan. The Dacca to Bangkok route is extended to Manila and Tokyo on November 1.

An F.27-200 with 4 crew and 31 passengers crashes near Shemshernagar, Pakistan, on December 30 (7 dead).

Systemwide, the workforce totals 13,514 and enplanements are 1,291,950.

Employment grows 6.9% in 1970 to 14,738 and is 14th largest among all the world's airlines. The 5 Trident 1Es are sold to China and replaced by 3 B-707-373Cs purchased from **World Airways**, bringing the fleet total to 23 aircraft: 9 B-707s, 3 B-720Bs, 9 F.27s, and 2 DHC-6s, the latter Canadian aircraft placed in service in East Pakistan.

En route from Rawalpindi to Lahore on August 6, an F.27-200 with 4 crew and 26 passengers crashes 11 nm. SE of its point of origin in thunderstorms; there are no survivors.

The first international service to the new capital of Islamabad is flown by a PIA B-707-340C from Amsterdam.

Late in the year, Stratofreighter service is inaugurated to London.

Passenger boardings accelerate 4.3% to 1.35 million and freight is up 9.4%.

While attempting to land at Shamsheernagar in northeast Pakistan on January 1, 1971, an F.27 with 27 aboard crashes (6 dead). A closed circuit television system is installed at Karachi Airport.

The national unrest worsens throughout the next 11 months. December is a terrible month for Pakistan and the airline. On December 3, one J. Kay, brandishing a pistol, seizes a B-707-340C on the ground at Paris (ORY) with 21 aboard preparing to depart for Rome. Kay threatens to blow up the craft if it is now allowed to depart for Karachi with 20 tons of medical supplies for Bengali refugees, but is captured following a struggle with cockpit personnel. She will be placed on trial and receive a five-year prison sentence, later suspended.

The same day, war breaks out between Pakistan and India over East Pakistani political ambitions. A DHC-6-300 is destroyed during an Indian air raid on Dacca airfield on December 5.

A jetliner with 33 passengers disappears into the Himalayas five days later; the wreckage is found two days later and there are no survivors.

An F.27-200 with four crew en route from Karachi crashes near the Iranian border on December 12; there are no survivors. Three days later, a B-707-340C freighter with five crew crashes while on approach to Urumqi-Diwopu Airport in China, killing all aboard.

Anticipating better days, orders are placed for three DC-10-30s. The Indo-Pakistani conflict is over within two weeks of its start and East Pakistan is reconstituted into the independent nation of Bangladesh. Although the company stops flying into the east, it leaves its 2,500-man local workforce in place. With the two halves of Pakistan now permanently disassociated, PIA traffic demand is reduced by 50% or more.

As a result of the struggle, the carrier suffers a traffic decline to 1,035,623.

Efforts toward averting a potential catastrophe occupy the airline's management at the beginning of 1972. While every department seeks to renew itself, none is more innovative than marketing. In February, flights to Shanghai and Canton are rerouted from Karachi via Colombo. The company can point with pride to the resumption, in April, of services across the North Atlantic from London to New York.

Late in the year, Rafique Saigol becomes the first businessman to be appointed managing director. The imaginative Batik Route is inaugurated on November 3 from Karachi to Jakarta via Colombo, Kuala Lumpur, and Singapore.

Flight 631, an F.27-600 with 4 crew and 22 passengers crashes into the foothills of the Himalayas, near Jalkot, in bad weather on December 8; there are no survivors.

During the year, terminal facilities at the airports at Islamabad and Karachi are expanded.

The impact of the war with India and the creation of Bangladesh continue to cause severe traffic reversals as passenger boardings drop 21.2% to 854,475 and freight is off 6%.

The employee population in 1973 numbers 12,553. Among the tangible results of recovery from the war with India is the initiation of twice-weekly services from Karachi and Islamabad over the Himalayan Mountains to Peking on January 20; Canton service ends. An order is placed for two Douglas DC-10-30s in April. It will later be shown that the decision to take these aircraft comes as the result of illegal commissions.

An F.27-200 with 6 crew and 34 passengers strikes trees and crashes 800 m. short of the runway at Lyalpur on May 28; amazingly, there are no fatalities.

A management contract is signed with the Maltese government, a B720-040B is provided, and a 20% interest is taken in the new carrier **Air Malta Company, Ltd. (2)**. Senior PIA executive M. M. Salim is sent to the Mediterranean as head of the company team.

During the year, a long-term boom in the transport of Pakistani laborers to the Persian Gulf and Mideast region begins.

Cargo accelerates 5.3% and passenger boardings swell 23.2% to 1,052,713.

Air Marshal Nur Khan returns as chairman in early 1974 and Managing Director Saigol is succeeded by Enver Jamall. A bilateral agreement signed between Pakistan and North Korea provides rights for PIA to carry passengers to P'yongyang and beyond. Permission is also received to overfly that Communist land, making the carrier the first foreign operator to receive that right.

The first of two DC-10-30s to be received during the year is delivered on March 1. On April 4 it is placed on the North Atlantic route to New York, which is rerouted via Paris instead of London and is the subject of an operating rights dispute for some months. Meanwhile, two B720-040Bs are leased to **Air Malta Company, Ltd. (2)**. They are replaced by a B-720-047B (B-720B) purchased from **Western Airlines**.

During August, a number of Lockheed C-130 Hercules turboprops are leased from the Pakistani Air Force to operate the company's mountain services. Three more B-720-047Bs, originally flown by **Western Airlines** in the U.S., join the fleet that includes 6 B-707-340Cs, 1 B720-040B, and 6 F.27s. Five Twin Otters once used in East Pakistan and two Fokker Friendships are sold.

During the year, a new uniform for PIA flight attendants is introduced. A facility is established for testing CF6-50 jet engines and components of DC-10 aircraft.

Passenger boardings drop 24% to 918,443 and freight accelerates 8.4%. Airline employment is 12,930 and the net loss for the year is \$1 million.

The workforce is 13,022 in 1975. Five of the Stratoliners are leased out and a third DC-10-30 is delivered, allowing twice-weekly New York service, again via London. Orders are placed for two B-747-200s, an earlier order for Dash-100s having been cancelled due to the Bangladesh independence unrest.

A bomb rips apart a B-707-340C at Islamabad on July 6, a half-hour after the plane arrives from Karachi with 130 passengers; no one aboard is injured. A B-707-340C is sold to **Biman Bangladesh Airlines, Ltd.** on November 6.

Cargo soars 39% and passenger bookings jump 36% to 1,434,000.

Airline employment grows 5.3% in 1976 to 17,611. A fifth B-720-047B and a fourth DC-10-30 are added and two F.27s leased to **Libyan Arab Airlines** are returned. Two B-747-282Bs, the former *Luis de Camoes* and *Bartolomeu de Gusmao*, are leased from **TAP-Air Portugal, S.A.** on April 12 and 22, respectively, with an option to purchase. These enter service on May 5 on routes from Karachi and Rawalpindi to New York via London.

Under the leadership of Managing Director Jamall, a new air agreement is negotiated in July with **Indian Airlines Corporation** Managing Director Mehta and **Air India** Managing Director Appuswamy, acting on behalf of the Indian government. The arrangement allows service to be started from Karachi to Bombay, Delhi, and Dacca and from Lahore to Delhi.

During the year, a new corporate identity program is implemented.

Freight is up 16.5% and passenger enplanements climb 25% to 1,792,000.

Two more B-707-340Cs are acquired in 1977 and routes are opened to Amman and Djakarta. A strike by pilots and service personnel forces a suspension of services on April 20. Later, two PIA subsidiaries are established and registered in the UAE to promote and manage hotel projects.

Traffic rises to 2,115,516 passengers carried.

Dar Es Salaam and Kilimanjaro are added to the 36-stop international route network in 1978; an internal domestic network of 20 destinations is also maintained.

Armed with a grenade, Saeed Hussain takes over an F.27 with 42 passengers, including Chairman Nur Khan, at the airport at Islamabad on January 20 and demands a ransom of \$2 million. Chairman Khan attempts to overpower Khan, but the grenade goes off killing the airline boss. Hussain is beaten by his captives before he is dragged off the plane in critical condition. Hussain will be tried and given a death sentence.

Managing Director Jamall ascends to the chairmanship and \$167 million in orders are now placed for four Airbus Industrie A300B4-203s.

On March 2, a man tries to seize a B-747-282B with 357 passengers during a flight from Islamabad to Karachi. He is jumped by three passengers and a grenade goes off, tearing off the pirate's arm and wounding the three vigilantes. Tried for his crime, the perpetrator will be hanged in 1979.

On December 16, an F.27-200 with two crew crashes while engaged in stall testing at Karachi (one dead).

Passenger boardings jump 20% to 2,769,138 and freight grows 18.6%. Employment is up 11.2% to 21,604. Revenues of \$335 million are earned and expenses are \$308 million; the net profit skyrockets 75.5% to \$26 million.

An automated reservations system is placed in service in March 1979 and a \$25.7-million wide-body hanger is completed at Karachi. Domestic stations are cut over to an in-house computerized reservations system.

On July 26, the fleet is enlarged by the addition of a third B-747, a Dash-240B combi (BC), and a leased A300B2-103.

On November 25, the captain of Flight 840 en route from Jeddah to Karachi with 145 mostly Moslem passengers aboard, reports smoke in the cabin. The B-707-340C with 11 crew crashes into a rocky area 125 km. from its point of origin; there are no survivors.

Flights to Moscow largely cease following the Soviet invasion of Afghanistan. Pakistan refuses to recognize the Russian-installed government in Kabul and PIA stops flying to that country's airports.

Passenger bookings climb 7.8% to 2,886,748 and freight rises 10.6%. Revenues are \$412.7 million, expenses are \$382.2 million, and a record \$30.5-million profit is earned.

The workforce is increased by 8.9% in 1980 to 21,201. The carrier's 20% holding in **Air Malta, Ltd.** is sold to the Maltese government and M. M. Salim returns to assume the managing directorship.

On March 7, another B-747-240BC is delivered. The first three A300B4-203s arrive and are placed into service. Later, a new flight control system is opened at Karachi Airport.

After stowing away on a B-707-340C at London (LHR) on November 12, 14-year-old Mark Sherlock travels to Damascus unchallenged.

Passenger enplanements accelerate 9.4% to 3.01 million and freight moves ahead by 4.7% to 233.42 million FTKs.

The workforce in 1981 stands at 21,127, a 0.3% drop, and one DC-10-30 is leased out as the fourth A300B4-203 arrives. Two de Havilland Canada DHC-6s are purchased from the Canadian airline **Austin Airways, Ltd.**

A B-720-047B with 7 crew and 72 passengers, is damaged beyond repair as the result of a bad landing at Quetta on January 8; there are no fatalities. A Karachi Airport hangar fire on February 2 destroys a DC-10-30.

On March 2, armed political dissidents take over Flight 326, a B-720-047B with 159 persons en route from Karachi to Peshawar and force it to fly to Kabul, Afghanistan. The release of relatives jailed in recent Karachi political disturbances is demanded and the plane sits on the ground as negotiations continue.

On March 5, hostage Tariq Rahim, a Pakistani diplomat, is murdered and thrown off the plane, but on March 7, four hostages are freed, including two American women, Deborah Weisner and Charlotte Hubbell.

The Boeing flies to Damascus on March 8, where new negotiations are started with Syrian and Pakistani officials. The next day, all of the captives are freed, but the hijackers threaten "extremely drastic measures" unless all of the demands are met. Still, on March 10, the pirates trim their demands, reducing the number of prisoners to be freed and extend their deadline in response to pleas from a Syrian official.

On March 12, after the hijackers set a new deadline and promise to kill three American hostages if it is not met, the Pakistani government agrees to release 55 political prisoners. The next day, Libya promises to receive the freed Pakistani prisoners.

On March 14, the hijackers surrender to Syrian authorities, who have promised them political asylum in exchange for an end to the 13-day ordeal. Ironically, upon the release of the hostages, it is found that one, American Craig Claymore, has been wanted by U.S. authorities since February 20 as the alleged leader of a heroin-smuggling ring; another, Lawrence Gordon Lome, is identified by Canadian authorities as an escaped convict, missing for five years. Both will be extradited.

An F.27-600 with three crew on a training flight crashes at Gilgit on June 5 while practicing touch-and-go landings; there are no fatalities.

Pakistani military authorities arrest union officials and raid airport offices in an August 17 crackdown that is officially designed to save the airline from bankruptcy.

Later, a duty free shopping complex is set up at Karachi Airport. During the year, hijacker Saeed Hussain, convicted of the January 1978 piracy in which Chairman Khan died, exhausts his appeals and is hanged.

Chairman/CEO Jamall retires at the end of the year; he will publish his recollections in a limited edition 20 years later as *I Remember: A Mosaic of My Memories of Civil Aviation on the Subcontinent, 1939 to 1981* (London, Eng.: Private print, 1990).

Passenger boardings rise 5.9% to 3,143,122, but cargo dips 3.5% to 244.18 million FTKs. Still, the picture grows dark: payroll can only be met by taking high interest, short-term loans and rising fuel bills are illegally paid with money from pension funds.

The military government of President Zia intervenes at the beginning of 1982 to save the carrier from possible bankruptcy. Secretary General

of Defense M. Rahim Khan is appointed chairman and Air Marshal Wigar Azim becomes managing director.

Severe cost-cutting measures are undertaken, including reductions in personnel (down to 20,813) and a ban on union activities. Government approval is given for the purchase of a DC-10-30 and an A300B4-203, plus improved computerization of the reservations system.

Freight drops 9.1% to 266.14 million FTKs; however, passenger boardings, reacting to improved service standards, rise 8.1% to 3,256,000.

The workforce is reduced another 9.1% in 1983 to 19,420. Computer automation of the budget, finance, revenue, and other important areas is undertaken. Coach-class services between Lahore and Karachi and between Islamabad and Lahore are introduced.

Cargo grows 3.1% this year to 229.38 million FTKs and passenger bookings advance 6% to 3,462,192. On revenues of \$577.4 million, up 17.4%, a \$33-million operating profit is realized.

The employee population declines 0.3% in 1984 to 19,360. The fleet now comprises 7 B-707-340Cs, 4 B-747-240BCs, 4 DC-10-30s, 9 F.27s, 3 B-720-047Bs, and 5 A300B4-203s.

A third transatlantic flight is added in January, with service from New York (JFK) to Istanbul and Islamabad via Frankfurt. The DC-10-30/A300B4-203 option is changed in August to a \$157-million order for six B-737-340s.

Cargo soars 16.4% to 268.18 million FTKs and passenger boardings grow 5.5% to 3,659,360. A \$41.9-million operating profit is posted.

Airline employment is 19,122 in 1985. The first Asian Dash-300 customer, PIA receives the first of five ordered B-737-340s in July; the remaining four will be delivered by year's end. All but two B-707-340Cs are replaced as two A300B4-203s also join the fleet in summer, along with two DHC-6s that begin feeder operations from Islamabad-Lahore.

Four domestic destinations are added and additional Lahore-Jeddah service is provided. Copenhagen becomes a stop in Europe, Damascus is added as a new destination, Islamabad to Moscow to London service is reintroduced, all-cargo service begins to Zurich, and a fourth Karachi to New York frequency commences.

Late in the year, four B-747-217Bs are acquired from CP Air in exchange for four DC-10-30s, with the first Jumbojet arriving at Karachi on December 18.

During the year, new flight attendant uniforms are introduced, along with the first automated ticketing facility.

Passenger boardings accelerate 5.3% to 3,846,000 and freight is up 16.1% to 314.28 million FTKs. Revenues are \$601.35 million and expenses are \$550.11 million, allowing an operating profit of \$51.24 million.

The payroll grows 6.2% in 1986 to 20,300. With the arrival of the sixth B-737-340 early in the year, the last B-720-047B is retired. The government now requires a significant increase in the airline's domestic regional and feeder operations. Air Marshal M. A. Daudpota becomes managing director in April and the second Canadian Jumbojet arrives on May 8. In July, PIA Holdings, Ltd. is established for the purpose of managing the carrier's subsidiaries.

In August, a business-class service, called Sohni, is introduced on all B-747-240BC/-217B frequencies, including that started to Manila and Tokyo by the third B-747-217B, following its arrival on September 25.

While on initial approach to Peshawar on the night of October 23, an F.27-600 with 5 crew and 49 passengers, drops below minimum altitude and hits the edge of a ditch 10 km. S of its destination. The turboprop breaks up, coming to rest upside down (13 dead).

Late in the year, a 10% domestic fare increase is permitted and on November 6 the last B-747-217B is delivered from Vancouver.

Customer bookings accelerate 3.3% to 4,154,257 and cargo climbs 3.5% to 320.55 million FTKs. Revenues reach \$607.6 million and despite a loss of \$18.5 million on domestic services, an overall \$35.3-million gain is generated.

The workforce is cut 2.8% in 1987 to 18,910; however, the modernization of the jet fleet is completed. One Stratoliner is hush-kitted in the fall and begins all-cargo services to Europe and the U.S.

During the year, a flight kitchen is inaugurated at Islamabad and flights begin to Toronto.

Revenue passenger kilometers flown advance 3.9% to 7.3 billion while freight climbs 3.3% to 322.9 million FTKs. Revenues rise 6.2% to \$636 million, but fast-growing costs whittle down the operating income to \$40.8 million.

The fleet in 1988 includes 6 B-707s, 8 B-747-200s, (including 4 acquired from **CPAair** in exchange for 4 DC-10-30s), 11 F.27s, 8 A300B4-203s, 6 B-737-340s, and 2 Twin Otters.

The DHC-6s begin flying to Muzaffarabad and Rawalakot. Later, one is converted for use by the government as a VIP aircraft. Two provincial government officials traveling on Flight 320, an A300B4-203 with 156 passengers en route from Karachi to Quetta on March 12, subdue a man who has shot an airline guard during his hijacking attempt.

En route from Karachi to Quetta on March 29, a B-707 with 143 passengers is captured by a lone assailant demanding to be flown to India. The perpetrator is overpowered by crew members, restraining him until the aircraft reaches its scheduled destination.

Passenger boardings, which are once again reported, jump 9.7% to 4,881,160 while cargo accelerates by 19.4% to 393.03 million FTKs. Revenues climb 11.7% to \$652 million and grant a \$39.91-million operating profit. A net profit of \$23.8 million is also generated.

In 1989, the 19,350-employee corporation withdraws 1 B-707-340C and adds 3 more Friendships, purchased from **Rio Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** of Brazil. In April, a contract is signed with **Zambia Airways Corporation** to provide the African carrier with assistance in the areas of data processing, computerization, accounting, engineering, and flight operations.

Beginning in May, PIA introduces the first direct Hadj flights from Lahore to Jeddah. As of June 30, the company has an authorized share capital of \$236.4 million, of which \$129.7 million is issued, subscribed, and paid.

One of the new Fokkers with 5 crew and 49 passengers departs Gilgit on August 25 on a service to Islamabad, but crashes in the Himalayan Mountains near Bunji; there are no survivors.

With the improvement of Lahore Airport, Jumbojet flights to London from that destination are now inaugurated, with Toronto also joining the route network. Additionally, the carrier's terminal facilities at New York (JFK) are completely renovated, with special attention shown to first-class and business-class lounges.

During the year, two women pilots are hired.

Customer bookings bounce upward by 2.4% to 5,008,971 while cargo moves ahead by 7.7% to 418.66 million FTKs. Revenues increase 11.4% to \$657.54 million, expenses are up 10.9% to \$611.72 million, and operating income is \$45.81 million. Net gain inches up to \$25.4 million.

Company employment grows 3.1% in 1990 to 19,950, 25th highest among all the airlines of the world. Upon the retirement of Chairman Daudpota, PAF Air Marshal Farooq F. Khan is named to the vacant post, with longtime official Arif Ali Khan Abbasi as managing director. The fleet now includes 8 A300B4-203s, 1 each B-707-351B and B-707-323C, 2 B-707-340Cs, 1 B-707-373C, 6 B-737-340s, 4 B-747-217Bs, 2 each B-747-282Bs, B-747-240B/Cs, and DHC-6-300s, 13 F.27-200s, and 1 F.27-400. Orders are outstanding for 3 A310-308s.

Frequencies on the New York route become daily and additional markets are added at Hong Kong and Jakarta. Additionally, flights begin from Peshawar to Jeddah via Lahore and directly from Lahore to Bangkok.

In July, a joint marketing agreement is signed with **Air Lanka, Ltd.** which provides for revenue pooling on routes from Colombo to Karachi, Karachi to Bombay, and Male to Colombo.

Enplanements through November total 4,761,198 and 386.68 million FTKs are flown. Income exceeds expenses and there are profits: \$27.9 million (operating) and \$13.4 million (net).

No personnel changes are made in 1991, while the first A310-308 is received in June. Peshawar is added as the fourth Hadj departure point,

while agreements are signed to link PIA's reservations with SABRE, Galileo, and Amadeus.

Passenger boardings for the whole year dip 2% to 5,033,000, while freight falls 10.6% to 378.38 million FTKs. Although revenues ascend 10.3% to \$738.8 million, expenses are more and as a result, the operating loss is \$4.8 million. There is a \$13.7-million net loss.

The employee population is increased by 5% in 1992 to 20,950.

In compliance with the United Nation's air embargo of Libya, PIA, on April 15 announces the suspension of its weekly service to Tripoli.

A company employee expresses hope on April 28 that the company will soon be able to resume flights to Kabul, suspended 13 years earlier. Pakistan, a backer of the mujahedeen who have taken over the Afghanistan government, had not recognized the ousted government of President Najibullah.

PIA, in May, becomes the first airline to fly to Tashkent in the new state of Uzbekistan; the weekly roundtrip flight from Islamabad provides access to the famous historical cities of Samarkand and Bukhara. Two Ilyushin Il-86s are wet-leased from **Uzbekistan Airways** and are employed to carry Hadj pilgrims between May 7 and July 15. Direct flights between Islamabad and Singapore and between Lahore and Kuwait are introduced, as are services to Zurich and Sharjah.

On August 3, the government announces a policy of domestic regulation; although private airlines will be allowed to compete on local services, PIA retains its status as single overseas flag carrier.

While en route from Karachi to Kathmandu, Nepal, on September 28, Flight 268, an A300B4-203 with 12 crew and 155 passengers, crashes into a cloud-shrouded mountain at the 7,300-ft. level; there are no survivors.

Customer bookings increase 11.8% to 5,918,000 while cargo swells 7.3% to 406.19 million FTKs. Revenues move to \$880.4 million and expenses are \$839.5 million. As a result, the operating surplus is \$40.9 million and net gain of \$40 million is banked.

No changes are made in 1993 to the workforce of Chairman Anwar Zahid and Managing Director/Air Vice Marshal Farooq Umar. Over the past several years, the fleet has been increased by the addition of two A300B4-203s leased from **Air France** and two A310-308s. Jakarta, Johannesburg, Baku, and Alma Ata join a route network that now includes, in addition to 35 domestic stops, services to Abu Dhabi, Amman, Amsterdam, Athens, Baghdad, Bahrain, Bangkok, Beijing, Bombay, Cairo, Colombo, Copenhagen, Damascus, Delhi, Dhaka, Dharan, Doha, Dubai, Frankfurt, Istanbul, Kathmandu, Kuala Lumpur, Kuwait, London, Male, Manila, Manchester, Moscow, Muscat, Nairobi, New York, Paris, Rome, Sana'a, Sharjah, Tashkent, Tehran, Tokyo, Toronto, Tripoli, Riyadh, Singapore, and Zurich.

In May, the first Hadj flights are flown from Sukkur and Multan. The last two B-707-373Cs are withdrawn in December.

Passenger boardings slip 3.3% to 5,725,466 while freight is off slightly, 0.9%, to 409.82 million FTKs. Profits are \$22.9 million (operating) and \$25.6 million (net), the latter earned largely through the disposition of A300B4-203s.

The employee population is reduced by 0.7% in 1994 to 20,800, even though new services are added to Al-Ain, Ashkabad, Baku, Ras al-Khaimah, and Fujairah. *Air Safari* flights begin to northern Pakistan, taking tourists to visit mountain spots. Plans are made to initiate new services in the coming year to Beirut, Johannesburg, and Hong Kong.

While on final approach to Dera Ismail Khan following a July 6 service from Islamabad, Flight 684, an F.27-200 with 4 crew and 38 passengers suffers engine problems. Losing height rapidly, the crew must choose between landing in a river and landing in a rice paddy. The latter is chosen and the turboprop, after touching down, slides 300 m. into a tree. Although the aircraft is damaged beyond repair, there are no fatalities.

Service to Ras al-Khaimah in the UAE begins in September, the sixth Mideast destination. In November, the government allows the carrier to increase its fares; price rises will continue to rise on a regular basis.

Passenger boardings dip 0.2% to 5,713,054, but freight grows by 8% to 442.43 million FTKs. Revenues fall 4.6% to \$770.07 million and although the operating profit is up to \$29.9 million, net gain drops to \$4.5 million.

There is no change in the workforce during 1995. An A310-308 resumes weekly services for the carrier between Karachi and Beirut on January 26; PIA is the 26th foreign carrier to return to Lebanon since the end of its civil war.

New services to South Africa and Hong Kong also commence. The Air Safari flights prove so popular that a B-737-33A is dedicated to the service, which, due to the number of Japanese passengers, has doubled the load factor on the Islamabad-Tokyo route.

Helicopter services in support of tourism are introduced from Islamabad, Abbottabad, Lahore, and Sialkot. The company's homepage on the World Wide Web is opened.

Flight 722, a B-747-240 with 15 crew and 240 passengers suffers an uncontained engine failure after takeoff from New York (JFK) on December 7; the aircraft safely returns and no injuries are reported.

Customer bookings decline by 6.3% to 5,354,809 while cargo inches up 0.6% to 445.04 million FTKs. There are profits: \$39 million (operating) and \$10 million (net).

Airline employment is boosted 6.9% in 1996 to 21,707 and the fleet now operates 47 aircraft. M. Nawaz Tiwana is named managing director. The government of Prime Minister Benazir Bhutto is toppled during November.

On December 8, the company's A310-308s launch new twice-weekly flights via Frankfurt to New York and Washington, D.C. This routing is followed on December 12 with twice-weekly B-747-217B or B-747-282B frequencies via Amsterdam to New York and Chicago. Yangon also joins the regional route network.

Passenger boardings shoot up 6% to 5,677,398 and 423.42 million FTKs are operated, a 4.9% drop. Revenues are also off, by 3.5%, to \$788 million, but costs also fall, declining 3.3% to \$752 million. Operating gain declines \$3 million from the previous year, while the net profit is down \$4 million.

The workforce is cut 3.4% in 1997 to 5,223. B-747-240B/Cs replace the earlier passenger-configured Jumbojets on the Chicago route on January 15.

Nawaz Sharif becomes Prime Minister in February; the new national leader is reportedly in favor of the airline's independence. On March 20, a \$1.2-billion fleet enhancement plan is announced that has as its goal the replacement of 21 of the carrier's 46 aircraft over the next 3 years. A plan for capitalization and financial restructuring of the flag carrier is also unveiled.

At the beginning of the second quarter, the airline lays off 1,400 of 2,000 "unqualified" workers given positions during the regime of former Prime Minister Bhutto. Many of those laid off appeal to the courts and are reinstated. Due to a 4-hr. boarding card mix-up, Prime Minister Sharif is unable to take a flight from Islamabad to Karachi that he had booked during the month. Bumped to a later Karachi flight, the angry leader ensures that additional positions are vacated.

Parliamentary Secretary Syed Zafar Ali Shah informs the National Assembly on May 14 that previous recommendations to privatize the airline or acquire new aircraft will not be implemented. Meanwhile, Managing Director Tiwana recommends that the airline board be restructured in order to eliminate government functionaries and patronage appointments. In mid-month, Shahid Khaqan Abbasi, an experienced engineering and five-term member of the National Assembly, is named chairman. He succeeds Defense Secretary Hasan Raza Pasha.

In late spring, much of the management structure is altered. While also serving as Minister of State and the Prime Minister's aviation advisor, Chairman Abbasi holds a press conference on June 4 to announce that "the era of political pressures and bribery" is over at the carrier. He notes that the government has granted the corporation's board full autonomy to end political patronage and to operate the airline "on purely commercial lines." Abbasi also concedes that the U.S. service is unprofitable.

On July 6, Yangon becomes a twice-weekly stop on the carrier's A300B4-203 service from Karachi to Bangkok. Unprofitable services to Athens, Washington, D.C., and Chicago are withdrawn in July.

Also during the month, the financially strapped carrier, having put up its spare parts inventory and common stock as collateral, receives short-term loans of \$25 million and Rs 2.3 billion from The National Bank of Pakistan and Habib Bank, Ltd., respectively. The funds will be employed to meet the carrier's most urgent billing in both foreign and local currency.

On September 12, it is announced that the company has put off a decision on a multimillion-dollar wide-bodied aircraft to replace its aging Boeings.

A310-308 service is resumed from Washington, D.C. (IAD) to Frankfurt and Pakistan on October 26. Flights depart from Washington, D.C. (IAD) on Tuesdays and Fridays, with the former continuing to Lahore and Karachi and the latter going by way of Islamabad to Karachi.

Frequencies to Johannesburg commence in late fall.

Customer bookings ascend 3.1% to 5,830,212 while freight inches up 0.7% to 426.2 million FTKs. Revenues total \$817 million, but expenses reach \$936.7 million. Consequently, there is a \$119.7-million operating loss and an equal net loss.

Airline employment stands at 18,034 in 1998. The fleet, 93.8% of which is Stage III-certified, includes 32 airplanes: 2 B-707Fs, 10 A300s, 8 B-747-200s, and 6 each B-737s and A310s. A second weekly B-737-340 service is opened between Pasni and Sharjah Pasni at the end of March, along with new twice-weekly A300 frequencies from Quetta to Peshawar.

Following India's explosion of several test atomic bombs during the spring, there is growing public reaction throughout the subcontinent. Having arrived from Turbat and Gwadar after dark on May 25, an F-27-200 with 29 passengers, is hijacked on the ground at Hyderabad Airport by three Baluchistan students who believe they are still in India.

These members of the Baluchistan Students Federation undertake negotiations with an official they believe to be Pakistan's ambassador to India, demanding an end to Pakistan's plans to test its own A-weapons in their home region. Just before dawn on May 26, the Fokker is stormed by government commandos, who free all aboard and arrest the students.

The three skyjackers and an airport security official who had conspired to allow them to board the Fokker with weapons, are tried by a special antiterrorism court in Hyderabad. On August 20, all are sentenced to hang within a week.

On June 1, PIA withdraws its first-class facilities on international flights. From this point on, all international flights are operated with business- and economy-class seating only. Also on June 1, Rangoon flights are added on alternate Thursdays.

Passenger boardings drop 9.5% to 4.65 million, even as cargo traffic climbs 17.1% to \$327.72 million FTKs. An Rs 2.16-billion operating profit is posted for the year (\$46.83 million).

It is announced on February 4, 1999 that the company's last two Stratofreighters, the B-707-323C and B-707-340C, are being withdrawn from the fleet and will be sold by March 1. It anticipates their replacement with two new freighters.

Discussions opened earlier with Korean Airlines/Korean Air (KAL) concerning the possible acquisition by PIA of two B-747-3B5Bs ends at mid-month. KAL wishes to sell the aircraft while the Pakistan line wishes only to lease.

Chairman Abbasi informs Reuters, Ltd. on February 25 that PIA will decide within the next six to eight weeks on what type of long-haul aircraft to purchase as a replacement for its aging passenger fleet. The choice will be made from among the Airbus A340-300, A330-300, and A330-200 versus the Boeing 777-200 or B-747-400. Abbasi also goes on to say that six of the current B-747-200s will be phased out and sold and will be replaced with B-747-300s leased from either Singapore Airlines, Ltd. or Cathay Pacific Airways (Pty.), Ltd. Talks are now underway with both carriers.

A new station is opened at Shannon, Ireland, on March 1; the Irish airport will serve as a technical transit stop for company flights en route

from Karachi to the U.S. and Canada. Upwards of 72 crew will be based at Limerick; the new enterprise will pump £1.5 million in revenues into the local economy via hotel bills, with another £1 million in airport handling fees. Irish residents are almost as excited to learn that Saleem Sherwani, a double Olympian and double World Cup gold medalist who is one of Pakistan's greatest hockey players, is PIA's new Shannon station manager.

It is announced on March 5 that all six B-747-367s owned by Cathay Pacific will be chartered. *The Irish Times* reports that the first two passenger flights into Shannon arrive on March 17, St. Patrick's Day; one is routed out to Washington, D.C. (IAD) and Toronto and the other to New York (JFK).

During the first quarter, a five-year contract is signed with **Transaer International, Ltd.** Under its terms, the company will wet-lease four A300B4-203s from the Irish carrier to assist in the annual Hadj pilgrimage program.

The Cathay Pacific Jumbojets are introduced, beginning on May 1, on revenue flights to the U.K. and Saudi Arabia (frequencies to Saudi Arabia are enhanced from 21 to 23 every week). All appear in the company's new livery, which includes an all-white fuselage, larger titles in green, and an ethnic-patterned tail reminiscent of those of **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**. Indeed, so pleased are company officials with the new tail design that it will be ordered applied to existing fleet aircraft, some of which will not otherwise be repainted.

Also on May 1, direct flights begin to Dubai from Faisalabad and Multan. Simultaneously, regular shuttle flights every three hours in each direction are introduced between Karachi and Islamabad and Karachi and Lahore. Tokyo (NRT) terminator flights are made one-stop (Manila), while return frequencies to Amman, Istanbul, and Tehran become twice weekly.

Despite the Kargil border conflict, ongoing since May, air travel between India and Pakistan remains unaffected. As late as July 15, it is noted by *The Times of India* that PIA continues to operate five-times-a-week A300B4-203 service between Karachi and Bombay. Indeed, since May, traffic on the route has increased.

As related in a sensational trial the following February, the routine October 12 service from Colombo, Sri Lanka, to Karachi nearly ends in disaster. Just as pilot Capt. Syed Sarwat Hussein is lifting his A300B4 into the air on its homeward flight, Pakistani Prime Minister Nawaz Sharif, in a continuing national political feud, fires Army chief Gen. Pervez Musharraf, one of the 190 other passengers aboard. As the Airbus approaches Karachi, Sharif allegedly orders that it not be allowed to land. Running out of fuel, Hussein is forced to locate an alternate landing field and determines that he can reach the south Pakistan city of Nawabshah. While into his descend, Hussein receives word that that airport is also closed to him (although he is able to learn that it was not closed to other traffic). An ATC message is now received warning that the jetliner must fly to another country, as it does not have permission to land anywhere in Pakistan. Continuing on toward Nawabshah, the pilot radios back that, if he is not permitted to land, the aircraft will run out of fuel and crash, killing all aboard. As the aircraft flies on toward its potential fiery end, the Pakistani military takes over the Karachi Airport and the ATC and orders Hussein to return. The A300 lands with minutes of fuel remaining.

Passenger boardings this year fall 4.2% to 5,029,000, while cargo drops 11.2% to 315.61 million FTKs. The previous year's operating loss is turned into a \$9.63-million operating gain.

Airline employment at the beginning of 2000 stands at 17,836, a 1.1% decline over the previous 12 months. The B-747 fleet now includes 2 each Dash-282Bs and Dash-240Bs, 4 Dash-217Bs, and 5 Dash-367s.

The trial of Nawaz Sharif, since deposed as prime minister, opens at Karachi at the end of January. The Pakistani Army publicly charges him with giving the orders barring Gen. Musharraf's plane from landing the previous October and endangering the lives of all aboard. The charge, which Sharif denies, carries the most severe penalty if proven. Among more than 50 witnesses called to testify against the former government

leader—and by far the most damning—is PIA pilot Hussein, captain of the endangered Airbus.

To coincide with the beginning of the summer schedule at the end of March, the company changes the colors of its aircraft tail fins from "flowery" green to solid green.

Twice-weekly B-747-367 return flights begin on April 16 from Karachi to Birmingham, England, via Copenhagen. Simultaneously, five-times-a-week roundtrips are launched from Manchester, England, to New York (JFK), employing B-747-367s on two services and B-747-240Cs on the other three.

Twice-weekly A310-308 roundtrips are begun on May 23 from Karachi to Hong Kong and are flown via either Lahore or Islamabad and Bangkok.

Suspended for two years, twice-weekly B-707-320C roundtrip all-cargo service is resumed on June 25 between Karachi and London.

On June 27, the media reports that PIA will be discharging 900 employees due to "inefficiency and corruption." The news causes much consternation among the carrier's staff, leading Managing Director Sher Afgan Malik to offer a reassurance on July 1 that no jobs would be lost.

Talks designed by the Pakistan Airline Pilots Association to regain certain free travel facilities withdrawn from its members on September 6 are held with the airline's top executives on September 7. When these prove fruitless, the carrier's flyers commence a three-day "go-slow" campaign, which has an impact on PIA's domestic and international schedules.

Over the Boston region on September 13, Flight 722, a B-747-367 with 120 passengers en route from New York (JFK) to Karachi via Manchester is forced to return to its point of origin after New York police receive a telephone call stating three bombs are aboard the plane. A thorough search of the plane and passengers' luggage finds no bomb and the Jumbojet is allowed to depart after a five-hour delay. Most surmise that the reason for the hoax is that Pakistan's military ruler, Gen. Musharraf, who had come to the UN to attend the Millennium summit, is a passenger.

While on descent into Lahore on an October 8 service from Bhawalpur, the crew of Flight 604, an F.27-200, are distressed to learn that the rear wheels of the turboprop will not deploy. The aircraft circles the airport for 35 minutes attempting to lower them; failing, they execute a forced landing during which the wing is badly damaged. No injuries are reported.

Flights on the unprofitable routes to Amman, Male, Tehran, Cairo, Damascus, Baku, Zurich, and Nairobi are cut on October 29 in favor of expanded frequencies to the Gulf States and the U.K.

In one of a number of high-profile prosecutions brought under the anticorruption campaign of Gen. Musharraf, Air Marshal Waqar Azeem (Ret.), PIA's former managing director and three of his brothers are found guilty of corruption by the Accountability Court in Rawalpindi on November 12. Azeem receives a \$30,000 fine and is sentenced to seven years in prison; his brothers each receive four years. The air marshal's wife, who has also been tired, is acquitted.

When a new highway between Islamabad and Faisalabad is opened on November 18, the PIA air link between the two cities is discontinued.

When ailing former Prime Minister Nawaz Sharif is pardoned by Pakistan's military government from the life prison term imposed upon him for hijacking and terrorism, he is required to go into exile. When it is made known that a PIA aircraft will not be available for an exile flight, a **Saudi Arabian Airlines B-777-268** transports Sharif and members of his family from an air base near Islamabad to Jeddah on December 9. Sharif receives an official welcome upon his arrival, a move considered something of a slap by his former captors.

PALAIR MACEDONIAN AIR LINES, A.D.: Macedonia (1991–1996). Established at Skopje in 1991, Palair is organized to fly regional services into southern Europe over routes the grounded **JAT Yugoslav Airlines** is forced to discontinue. President Bitoljana Vanja's fleet comprises 4 Antonov An-24s and 1 Tupolev Tu-154B-2 leased from supporting **Balkan Bulgarian Airlines**.

Two Fokker 100s arrive in **1992**, along with two more Tu-154B-2s, as nonscheduled charter routes to Western Europe are maintained, particularly for migrant workers from Turkey and the former Yugoslav federation.

Operations continue in **1993** under Serbian control. Just after takeoff from Skopje in a snowstorm on March 5 on a service to Zurich, Flight 301, a Fokker 100 with 5 crew and 92 passengers loses roll controllability due to ice on its wings. The aircraft smashes into the ground 382 m. past the end of the runway, where it breaks into 3 pieces (83 dead).

The jetliner is replaced by two F.28 Fellowships, a Dash-1000 and Dash-4000, leased from **TAT European Airlines, S.A.** In July, orders are placed for five more Fokker 100s, the first two of which are delivered beginning on October 1.

Destinations visited in **1994** include Amsterdam, Berlin, Brussels, Dusseldorf, Frankfurt, Munich, Paris, Salzburg, Vienna, and Zurich. Three more Fokker 100s arrive and an order is placed for a Boeing 737-500.

Flights continue in **1995**, although the Boeing order is cancelled. Destinations visited include Geneva, Hamburg, Istanbul, Moscow, Rome, and Stuttgart. Flights are suspended in late December.

On February 15, **1996**, President Clinton lifts the sanctions placed on **JAT Yugoslav Airlines** by the U.S. five years earlier. By May, JAT is operating to all 32 of its 1990 European destinations, although with fewer frequencies.

With the major flag carrier permitted to step up its resumption of services, the political need for Palair disappears. Yugoslavia now withdraws Palair's financial base, causing it to stop flying. The bright red aircraft are returned to their owners and company headquarters are shut down. Palair remains registered with IATA until **1998**.

PALESTINE AIR TRANSPORT, LTD.: Palestine (1934–1941). On December 18, **1934**, With funds from Jewish and British sources and an affiliation with **Imperial Airways, Ltd.**, Pinchas Ruttenberg forms the first purely commercial airline in the British Mandate. Two Short S.16 Scions are acquired and on March 20, **1937**, the company is renamed Palestine Air Transport, Ltd. With an Imperial Airways crew at the controls, a Scion inaugurates thrice-weekly scheduled service from Lydda to Haifa.

When Dov Field north of Tel Aviv is opened in **1938**, company headquarters are transferred from Lydda. The following year, **1939**, PAT purchases a de Havilland DH 89A Dragon Rapide and a Short S.22 Scion Senior. A frequency is opened that year to Larnaca and charter flights are made to Egypt. All operations cease in June **1941**.

PALESTINE AIRWAYS, LTD. See **PALESTINE AIR TRANSPORT, LTD.**

PALESTINIAN AIRLINES: P.O. Box 4043, Gaza, Palestine; Phone 972 5 034 3603; Fax 972 7 821 309; <http://www.palestinianair.com>; Code PF; Year Founded 1996. Having been created by the Palestinian government in July 1994, this new carrier is physically established at Gaza in late **1996** in accordance with agreements reached in talks between Palestinian and Israeli negotiators. A pair of Boeing 727-100s and two Fokker 50s are acquired by Palestinian Civil Aviation Authority Director Fayed Zaidan, who is also the carrier's chairman, as a gift from The Netherlands and plans are made to inaugurate scheduled services from a new airport at Rafah in southern Gaza.

For security reasons, Israel refuses to allow the company to commence operations from Gaza. Consequently, the carrier launches operations from Port Said, Egypt, in January **1997**. The initial services, operated with the Fokker 50s, are chartered pilgrim flights to Jeddah.

The premier pilgrim flight, on January 25, is delayed for two days by bureaucratic wrangling over procurement of the proper Saudi landing permits. Then, on the day of takeoff, the service is held back for three hours because of fog. The first of 24 Hadj flights between Port Said and Jeddah commence on March 1.

Having been put off, the inauguration of scheduled services is finally announced for June 1, with a flight from Amman, Jordan, to El Arish, Egypt. Unhappily, this start-up is also delayed.

A month later, on July 23, twice-weekly Fokker 50 return revenue frequencies are finally initiated over a network from El Arish to Amman and the Gulf States. Delayed by technical difficulties, the inaugural flight, with 35 passengers, arrives 3 hours late.

By August 8, the company has operated 24 Hadj services to Jeddah. In total, \$386,000 is generated, leaving the company with a large deficit.

Flights continue during the remainder of the year and in **1998**. On November 24, the new Gaza facility at Dahaniyeh, Yasser Arafat International Airport, is finally opened. Commercial aircraft and airline representatives from Jordan, Egypt, Spain, Austria, Morocco, Israel, and other nations participate in ceremonies marking the occasion. The emotional highlight of the day is the arrival from Egypt of the first PA Fokker 50, which is met by President Arafat himself.

The carrier transfers its operations to the new Gaza facility on November 27. Revenue flights commence on December 1 with daily return services to Cairo, Amman, and Jeddah. Another ribbon-cutting ceremony for the new airport is attended by U.S. President Clinton on December 14.

The company completes its first Hadj pilgrim flight to Jeddah, Saudi Arabia, on February 25, **1999**. A contract is signed with Canada's Bombardier Aerospace in March for two each DHC-8-Q300s and CRJ200LR regional jets.

With Palestinian Aviation Authority Director/Chairman Zaidan as passenger, a B-727-100 flies from Gaza to Abu Dhabi on April 10. The first commercial service to a Gulf Arab state is followed on April 16 with scheduled twice-weekly return flights to Dubai.

On April 20, it is announced that Palestinian Airlines will begin flying during the summer to Istanbul, Larnaca, and Tripoli. Regularly scheduled twice-weekly frequencies to Abu Dhabi commence on May 13.

The Bombardier order is confirmed on June 27. The turboprops are expected by July **2000** and the Canadairs by the second quarter of **2001**.

With the objective of assuming a larger role in the regional air transport picture, Palestinian, during the summer, concludes commercial agreements with **Royal Air Maroc, EgyptAir, S.A.E., Royal Jordanian Airlines, Qatar Airways, TunisAir, Yemen Airways, and Tarom Romanian Airlines, S.A.**

A total of 376 workers are employed by the airline at the beginning of 2000.

A commercial arrangement is inked with **Alitalia, S.p.A.** on January 6; plans are made for joint operation of a route from Gaza to Rome. A week later, Chairman Capt. Zeidan announces that the airline is seeking a financier from the private sector to help it begin the privatization process.

During the spring, plans are announced for the acquisition of three Boeing 737-300s; orders for two each Dash-8 turboprops and Canadair CRJ200LRs also remain outstanding. In May, the carrier's chairman travels to Seattle for discussions with Boeing. The company joins IATA on May 23.

Twice-weekly B-727-230A return service from Gaza to Istanbul begins on June 1. The first of two DHC-8-Q311s is delivered on July 21 and is christened *Hebron*.

The political disturbances in the West Bank of Palestine causes the Israelis to close Gaza Airport on October 8. Consequently, the airline is grounded. The airport is reopened on October 19 and Palestinian is able to get flights away to Cairo and Amman. Flights from the facility are irregular thereafter through the end of the year. The two delivered DHC-8-Q311s are placed in storage in Austria while the unaccepted CRJ200LRs remain in Canada.

PALM AIR CHARTER: 2432 Winchester Road, Hangar 15, Memphis International Airport, Memphis, Tennessee, 38116, United States; Phone (901) 398-6900; Fax (901) 398-6860; Year Founded 1997. PAC is set up at Memphis in **1997** to offer worldwide passenger charters. With a workforce of 6 full-time and 57 part-time staff, the FAR

Part 135 operator inaugurates revenue services with a fleet of 1 each Cessna 650 Citation III, Learjet 35A, and Beech King Air 100.

PALM SPRINGS AIRLINES: United States (1936–1937). Palm Springs is organized at Los Angeles in the fall of 1936 to offer unsubsidized passenger flights to the resort community of Palm Springs. Revenue flights commence in December; however, traffic is insufficient to justify operations beyond July 1937.

PALMAIR FLIGHTLINE, LTD. See FLIGHTLINE, LTD.

PALMAS AIR CORPORATION: United States (1975–1977). Palmas Air Corporation, based at Santurce, Puerto Rico, establishes a scheduled air taxi division in 1975. Employing a Britten-Norman BN-2 Islander, daily roundtrips are duly inaugurated from San Juan to Humacao and are maintained for two years.

PAN AERO INTERNATIONAL: United States (1981–1984). Established at Tampa, Florida, in 1981 as **Aero Exchange**, this all-cargo charter operator is renamed Pan Aero International shortly thereafter. A Boeing 707-321C freighter is acquired and employed to undertake freight charter and contract service flights along the U.S. East Coast.

In 1984, the enterprise, while seeking additional authority, is renamed **Florida West Airlines**.

PAN AFRICAN AIRLINES, LTD.: PMB 21054, Ikeja, Nigeria; Phone 234 (1) 496-3607; Fax 235 (1) 496-3972; Year Founded 1961. In 1961, PAA is set up at Ikeja, with minority ownership held by Miami-based Africair (Dispatch Services, Inc.), to operate domestic and regional international charter and contract service flights, as well aircraft maintenance. B. J. Finan is managing director and he is allowed to recruit a workforce that will reach 110 within 7 years.

Much of the flight activity is undertaken in support of the nation's oil industry. Flights commence with Cessna lightplanes and Bell 47G helicopters.

The fleet is significantly increased during 1962 when two Curtiss C-46 Commandos and a Douglas DC-4 are placed into service.

Another C-46 will be operated during 1964–1966. During these years, the fleet grows to include 1 DC-6A (which replaces the DC-4) and C-46s, plus 4 Beech 18s, 3 Cessna 206s, 2 each C-185s and C-310s, 1C-150, 1 Grumman G-73 Widgeon, and 5 Bell Model 47 helicopters.

During the civil unrest of 1967, the company's aircraft are called upon to airlift refugees out of the eastern part of the country.

Arriving at Port Harcourt on the night of September 28, 1968, a C-54B with 2 crew and 55 passengers, plus a cargo of munitions, strikes a tree and crashes into a village; all aboard are killed as is 1 person on the ground.

A DC-4 is destroyed during a rocket attack on Port Harcourt on May 24, 1969. A second DC-4 is also destroyed on the ground at Port Harcourt on November 10, this one as the result of a Biafran air raid.

Service continues during the 1970s. As the company comes to more and more to rely upon helicopters for the accomplishment of its energy industry support mission, most of the heavy aircraft will be withdrawn in the early 1980s.

By 1985, the fleet includes 4 Cessna 402s, 2 C-404s, 7 Bell 206B JetRangers, 4 Bell 206L LongRangers, and 3 Bell 47Gs.

A decade later in 1995–2000, Chairman Chief Chris Ogunbanjo and Managing Director S. Ravai continue to operate domestic flights with 150 employees and a mixed fleet. Equipment now includes 6 JetRangers, 5 LongRangers, 1 Cessna 425, and 2 Cessna 208 Caravan Is.

PAN AIR LINEAS AEREAS, S.A.: Jose Silva 9, Madrid, E-28043, Spain; Phone 34 (1) 519-6342; Fax 34 (1) 416-7208; Code PV; Year Founded 1988. Pan Air is formed at Madrid in summer 1988 to offer all-cargo charter and contract service flights to destinations in Eu-

rope, the Mideast, and North Africa. Ownership is divided between Spanish private interests and **TNT International Aviation Services** (25%), with Nicholas Valero named as director general. A fleet is assembled comprising 2 British Aerospace BAe 146-200QTs and 1 Fokker F.27-600QC. Flights are undertaken on behalf of TNT beginning in December.

In 1991, the Fokker is replaced by a 146-300QT and the TNT stake is increased (to 49%). Director General Valero is named president in 1992 and is succeeded as managing director by David Robinson. Airline employment in 1993 stands at 73 and in 1994 the TNT-dedicated fleet includes 4 BAe 146-200QTs and 1 BAe 146-300QT.

During the first quarter of 1995, A. Paulkner, S.A., a Madrid-based travel industry concern (78%) joins with the Melillian Council (2%) and private investors (20%) to set up a passenger and charter operation, **PauknAir, S.A.**, based at Melilla Airport. Pan Air employs a pair of newly acquired BAe 146-100QCs to inaugurate services on behalf of PauknAir during the third quarter to the holiday destinations of Almeria, Malaga, and Milan.

Flights continue in 1996–1997. Destinations visited include Almeria, Barcelona, Madrid, Malaga, Melilla, Valencia, and Zaragoza. A total of 248,778 passengers are flown during the latter year.

While on final approach to Melilla Airport following a September 25, 1998, service from Pablo Picasso Airport at Malaga, a **PauknAir, S.A.** BAe 146-100QC with 4 crew and 34 passengers, crashes into mountainous terrain near Cap des Trois Fourches, about 5 mi. N of its destination; there are no survivors.

The company's principals decide to exit the passenger airline business and the service from Malaga to Melilla is turned over to **British World Airlines, Ltd.**

Nightly cargo and express flights throughout Europe and North Africa continue to be offered on behalf of **TNT Express Worldwide** during 1999. Another BAe 146-200 QT enters service during May.

A total of 160 workers are employed at the beginning of 2000 to operate and coordinate the BAe 146-300QT and seven BAe 146-200QTs chartered from TNT. All are repainted during the year in TNT's new color scheme. An Airbus Industrie A300B4-103F is also operated in TNT livery.

In late December, the company's aircraft begin flying a new route from Liege to Pescara via Bologna on behalf of TNT.

PAN AM (PAN AMERICAN AIRWAYS): Pease International Tradeport, 14 Aviation Avenue, Portsmouth, New Hampshire 03801, United States; Phone (603) 436-1626; Fax (603) 436-1198; <http://www.flypanam.com>; Code PN; Year Founded 1998. Unable to maintain economic viability, **Pan American World Airways (2)** declares bankruptcy on February 26, 1998. A desperate effort is made to secure additional financing and to prepare a reorganization plan acceptable to the carrier's creditors, as well as the U.S. Bankruptcy Court for the Southern District of Florida (Miami), Judge A. Jay Cristol presiding. Chairman Charles Cobb and President/CEO David A. Banmiller both resign before the end of April, leaving the carrier in the hands of new General Manager Robert Mencil, former operations director at **Carnival Air Lines**.

During the last week of April, Timothy Mellon, of the famous Pittsburgh family and himself a pilot, and David Fink, principal owners of New England-based Guilford Transport Industries, which operates 3 railroads and 1,600 miles of freight lines in the Northeast, offer \$24.5 million for PAWA-2's remaining assets. It also agrees to provide the airline with \$5 million to fund creation of a reorganization plan that will be submitted to the U.S. Bankruptcy Court, Southern District of Florida, on May 20.

With 125 employees, Pan Am continues to operate charters to Aruba and Mexico from Fort Lauderdale with two chartered B-727-200As and a B-737-200. Meanwhile, lead bankruptcy counsel John Kozyak contacts all voting classes of the airline's creditors, each of whom overwhelming votes approval of the new plan.

Having been duly submitted to Judge Cristol on May 20, the reorganization plan is taken under study for a month. On the afternoon of Monday, June 29, the judge, having heard from all the parties and wishing to keep the Pan Am name flying, confirms the plan. Under its terms, Guilford, in return for its investment, will acquire the three aircraft, a stock of spare parts, route authorities, and intellectual property associated with the Pan Am name. Optimists suggest that this will be the last time PAA-2 will return to bankruptcy court and that it will soon be flying scheduled services again.

Indeed, plans are made to launch limited scheduled flights from Orlando to the northeast and Puerto Rico but, by June 10, two days before launch date, the necessary paperwork required by the DOT had yet to be filed. Needless to say, these flights are delayed.

David Fink becomes president on July 1. Instead of becoming the third Pan American World Airways, the airline is renamed Pan Am (Pan American Airways). Having now emerged from bankruptcy, the company continues to offer charter flights, both passenger and freight, throughout the summer and into the fall. The B-737-200 is sold and replaced with another B-727-200A; ancillary maintenance inventories are also sold. Orders are placed for four more used B-727-200As.

On October 1, a fourth B-727-200 is placed into service. In November and into December, Pan Am, using its own capital (i.e., that of Guilford Transportation Industries) renovates a 200,000-sq.-ft. hangar at Pease International Tradeport, the former Pease AFB at Portsmouth, New Hampshire. On December 17, it is announced that this new facility will become headquarters for the airline, which by now has also added the four other Boeing trijets. In making this statement, President Fink notes that Guilford's railroad and real estate businesses will also be moved to the Tradeport from Nashua, New Hampshire.

Enplanements during the 12 months total 19,000. Revenues plunge 65.9% to \$46.75 million, while expenses drop 68.1%, but still total \$66.89 million. The operating loss falls to \$20.14 million and the net loss "improves" to \$20.39 million.

At the beginning of 1999, Pan Am acquires a pair of CASA C-212-Aviocars that will be employed to shuttle spare parts and other supplies back and forth between Nashua and the airline's operating base at Miami. Painted in full Pan Am colors and titles and christened as *Clipper Casablanca* and *Clipper Casanova*, the two operate under the historic secondary title of **Boston-Maine Airways (2)**.

Beginning with the B-727-225A *Clipper A. Jay Cristol*, five of the seven Boeings (two each Dash-225As, Dash-221As, and 2J0As), all retrofitted to meet Stage III noise regulations, have been christened. The other names are *Clipper Omagh*, *Clipper Deschapeller*, *Clipper Pathfinder*; and, in honor of president Fink's first flight instructor, *Clipper Walt Helmer*. Together, these ships offer 65 weekly charters to vacation destinations.

At the beginning of March, the fiscally troubled discount operator **Kiwi International Air Lines**, owned by Dr. Charles Edwards and based at Newark, undertakes discussions with Guilford Transportation owners Timothy Mellon and David Fink, PAA-2 owners, concerning a rescue arrangement. Pan Am has wet-leased replacement aircraft to Kiwi since February.

Just 58-years-old, company founder Martin R. Shugrue Jr. dies at home in Houston on March 7. Depressed over the failure of his efforts with Pan Am, he will miss seeing, by just three months, the carrier's return to the sky.

Kiwi Holdings, which has a 15% stake in the company, is reorganized on March 15. New officers and offices are selected and, as Kiwi's financial picture continues to darken, the pursuit of a bailout is intensified.

On the morning of March 23, Secretary Rodney Slater holds a press conference to announce possible DOT actions concerning Kiwi. The government, according to Slater, has taken the unusual step of trying to ground the discount carrier, filing a show-cause order that claims Kiwi lacks the financial stability—and management sufficiently competent—to operate the airline safely. Unless Kiwi can successfully respond with

a new management plan, it's operating certificate may be withdrawn within three weeks.

In a separate announcement, the FAA reports that for the last several months it has been operating stepped-up surveillance and monitoring of the airline, in light of the situation with its finances and high-ranking personnel. The agency maintains that it has determined that Kiwi may be able to operate safely despite its financial problems, but that the agency will need to continue to devote significantly more resources than it possesses in any monitoring effort.

Kiwi is not caught unaware by Slater's announcement in Washington, D.C. Later in the day, having completed fiscal arrangements, Kiwi files for Chapter XI bankruptcy protection, owing \$750,000 in airport fees. Simultaneously, Kiwi names consultant Gillespie president and receives \$3 million in debtor-in-financing from Guilford Transportation. A hearing in bankruptcy court on the Pan Am arrangement will be held on March 29.

Guilford indicates that it is seeking a stronger scheduled division to complement Pan Am's charter operations. As soon as the bankruptcy court sets a price, Guilford will purchase Kiwi's assets. Meanwhile, the airline named for the wingless bird will maintain its current six-city schedule, charter Pan Am aircraft, and continue its upgraded service to Puerto Rico.

Citing safety concerns at bankrupt Kiwi, the FAA grounds the once-innovative discount carrier on March 24. Of particular concern are aircraft in less-than-airworthy condition and failure by the company to perform adequate maintenance on its four B-737s. Kiwi is given 10 days to appeal the ruling, but if it loses, the airline is informed that it will have to reapply for FAA certification. That process, if restarted, will be lengthy, requiring at least several months.

The shutdown comes as a surprise and strands thousands of travelers who have booked tickets for spring break, Easter, and Passover. It also throws 450 of the company's 500 employees out of work.

On March 25, Kiwi and FAA officials meet for two hours at New York (JFK) with executives of the former attempting to convince the FAA to reverse its grounding order. Kiwi indicates that the expected Pan Am money and seven wet-leased aircraft will satisfy agency demands, as well as those of the DOT expressed earlier in the week.

When the regulators refuse to relent, Kiwi appeals the FAA decision to the NTSB, which must rule within 60 days of its receipt of the FAA response. The board cannot rule until the FAA counters Kiwi's appeal. A spokesman for Guilford Industries owner Mellon in Connecticut indicates that Pan Am's ownership is waiting to see what happens next and will then determine whether or not to proceed with the takeover.

Continental Airlines offers to honor some Kiwi tickets on a standby basis and to provide reduced-rate tickets to other Kiwi passengers. **American Trans Air** and **Midway Airlines (2)** come forward with similar proposals.

On March 26, Kiwi President Gillespie informs reporters that the proposed arrangement under which Kiwi is to be purchased by Pan Am will fail if the FAA revokes his airline's operating license. "Without a valid, even severely restricted Air Carrier Certificate," Gillespie reports, "Kiwi has no hope of completing the Pan Am or any other transaction."

Pan Am legal representative Jack Sherwood agrees, informing Gillespie and the press that he will withdraw the Guilford Transportation offer of support on Monday when representatives of the two companies appear before U.S. Bankruptcy Court Judge Rosemary Gambardella in Newark. Sherwood indicates that the original Pan Am offer had been made on the assumption that Kiwi could continue operations, an assumption the FAA grounding ruins. In short, there is nothing to finance unless the airline is able to get up and running again. If it can, Pan Am may reconsider the financing proposal.

Kiwi Chairman Edwards, contacted by the news media, indicates that he is not surprised by the Pan Am development. If, however, the airline is able to win reinstatement and Pan Am chooses not to participate, three other investors have been found who are each willing to invest several millions of dollars. No one, however, is interested in financing a

grounded airline. Not only do all of its employees stand to lose their jobs, Edwards notes, but he will personally be out \$21 million as well.

Late in the day, Kiwi President Gillespie again urges the FAA to reconsider, this time requesting permission to fly only one of the company's three working jetliners outfitted with safety personnel, and that only after FAA-supervised pre-and post-flight inspections. Again, the FAA rejects the petition.

Louis Lavelle, a staff writer for the Bergen County (N.J.) *Record*, reviews the situation in the March 27 issue of his newspaper. All of the analysts contacted in conjunction with the preparation of the article suggest that it is unlikely that any investors will step forward, even if the FAA revocation order is lifted.

On March 29, Judge Gambardella holds off appointing a bankruptcy trustee until April 1, giving Kiwi three days to get the grounding order lifted. Pan Am General Counsel John Naldolny indicates that, should the order be reversed, "we certainly stand ready to assist them." An FAA spokesman contacted during the day indicates that the revocation edict still stands.

In early April, Kiwi is able to convince the FAA to modify its order from revocation to suspension. Work begins on regaining certification. Meanwhile, Pan Am seeks to obtain the scheduled certificate of **Nations Air Express**, another small Eastern carrier that had declared bankruptcy the previous October and is preparing to file its reorganization papers with the U.S. courts.

The documents are duly filed on April 19 and declare that a deal is in the works under which **Nations Air Express** will be rescued by a group of investors, led by David Fink and his Guilford Transportation Industries, which had rescued **Pan American World Airways (2)** the previous year.

Ten days later, Pan American announces plans to acquire Nations Air and use its aircraft to undertake its own forthcoming scheduled services. The arrangement is never consummated.

Having by now relocated several of its jetliners to Pease International Tradeport, Pan Am, on April 28, announces its first new services since its acquisition by Guilford Transportation Industries the previous June. In addition to five new frequencies, the company plans to add two more scheduled flights from Pease by year's end, possibly to Atlanta and Philadelphia.

Beginning on June 8, Pan Am inaugurates daily charters from Pease to Sanford, Florida (serving Orlando), with continuing service to San Juan. Flights from Sanford, Philadelphia, San Juan, and Aguadilla, Puerto Rico, are simultaneously initiated. DOT approval to resume scheduled passenger services is received on August 18; authority from the FAA is expected shortly.

After spending the summer vainly seeking a buyer for Kiwi, now devoid of market value, Kiwi bankruptcy trustee Charles Stanziale gives up on September 1; the next day, papers are filed with the U.S. Bankruptcy Court seeking to convert the carrier's Chapter XI status to Chapter VII, liquidation. **Nations Air Express**, another possible partner, will stop all activities within a month as well.

On September 2, Pan Am receives FAA approval to operate scheduled service for the first time under this reincarnation. In a special media event held at Pease International Tradeport on September 28, the carrier's newest remodeled B-727-200A is christened *Clipper Portsmouth* by former Portsmouth mayor Eileen Foley.

Fully-scheduled Clipper Class flights are resumed on October 7 with the inauguration of a daily B-727-200A route from Pease International Tradeport to Sanford. Daily (except Tuesdays) B-727-200A roundtrips commence on November 19 from Portsmouth, New Hampshire (serving Boston) to Gary, Indiana (serving Chicago) and Sanford, Florida (serving Orlando).

Enplanements for the year total 104,000.

Company officials arrive at Pittsburgh on January 18, 2000 aboard the *Clipper Portsmouth*. The Boeing is made available for public viewing at a news conference where new service for Portsmouth is announced. A special nonstop roundtrip charter is operated on January 25 from Man-

chester, New Hampshire, to Des Moines for media personnel, campaign professionals, and others involved in the Iowa presidential caucus. During January and February, a company B-727-200A is chartered as the presidential campaign aircraft of U.S. Senator John McCain.

In February, Pan Am purchases seven Stage 3 Heavy Weight Systems from Raisbeck Commercial Air Group, which will be installed on the carrier's B-727-200As at the manufacturer's Portsmouth facility at the rate of one per month through August. In reporting the story on March 13, *Aviation Week and Space Technology* reveals that these hush kits will cost Pan Am between \$695,000 each plus 30 installation man-hours to \$1,295,000 each plus 215 installation man-hours.

Scheduled daily return flights begin on March 1 from Bangor to Sanford via Portsmouth on March 1. Weekend B-727-200A charters for the Boston-based package tour operator TNT Vacations are inaugurated on March 4 from Portsmouth via Florida to either St. Kitts or St. Martin. Flights from Portsmouth to Pittsburgh commence on March 20, with flights to Gary, Indiana, serving Chicago.

Not originally scheduled to start for several weeks yet, the new daily B-727-200A return service from Pittsburgh to Sanford is actually introduced on March 27 in anticipation of a strike (which does not occur) at **USAirways**.

Nonstop B-727-200A roundtrips are started on May 1 from Bangor to Pittsburgh.

While en route from Sanford to Pittsburgh on July 28, Flight 164, a B-727-200A with 4 crew and 52 passengers, encounters severe turbulence 60 mi S of Columbia, South Carolina. The series of jolts knocks one flight attendant unconscious and 12 passengers are tossed about the cabin. The aircraft, which had dropped almost 1,000 ft., makes a successful emergency landing at Yeager International Airport, Charleston, South Carolina. Sixteen injured people (including one flight attendant and a seriously hurt passenger) are taken to local hospitals.

MidAmerica St. Louis Airport, 24-mi. E of St. Louis at Belleville/Mascoutah, Illinois, becomes a company destination on August 16 when the carrier's B-727-200As launch twice-daily return services to it from Gary, Indiana (serving Chicago), and daily roundtrips from Sanford, Florida (serving Orlando).

On August 19, one daily B-727-200A roundtrip is launched from MidAmerica St. Louis to Pittsburgh, with continuation to Portsmouth. (serving Boston). In September, the carrier petitions the DOT for authority to service Washington, D.C. (DCA) from several of the under-used airports it currently serves.

Daily B-727-200A daily return flights begin on November 13 from Allentown, Bethlehem, and Easton in the Lehigh Valley (serving Philadelphia) to MidAmerica St. Louis, Portsmouth (serving Boston), and Gary, Indiana (serving Chicago).

It is announced on December 5 that daily B-727-200A roundtrips will begin from LeHigh Valley (serving Philadelphia) to Sanford, Florida (serving Orlando) on January 8. On December 12, word is published that daily nonstop B-727-200A roundtrips will begin on February 1 between Worcester, Massachusetts, and Sanford, Florida (serving Orlando).

PAN AM AIR BRIDGE: United States (1996–1999). In early 1996, a number of investors become interested in a possible feeder link with the new **Pan American World Airways (2)**. Among the investors are Craig Robbins, Chuck Slagle, and Charles Cobb, who had purchased the rights to the original Pan Am name and logo. Calling themselves the Pan Am Air Bridge Partnership Group, they acquire **Chalk's International Airlines (1)** and transform it into Pan Am Air Bridge.

From its base at Fort Lauderdale, Florida, the company's 3 Grumman G-73 Turbo Mallards, repainted in new titles and livery, are ready to continue their provision of seaplane services and the Chalk's name is not immediately painted off the carrier's terminals. The Mallards are christened *Clipper Cuba Libre*, *Clipper Bahamas*, and *Clipper Key West*.

The first service, on March 1, is a charter from Watson Island (downtown Miami) to Key West and Fort Jefferson. It follows a celebratory 9 a.m. continental breakfast and press conference.

The next day, the *Clipper Cuba Libre* flies to the site of the previous week's tragic events off the coast of Cuba. Flowers of sympathy are scattered over the site in memory of several flyers for the "Brothers to the Rescue" exile organization shot down by Cuban military aircraft on February 24. Members of the public had been invited to bring a single flower or small bouquet to the company facility this Saturday morning and to record their names and messages in a logbook, which is given to the family of the slain flyers.

Regularly scheduled frequencies resume on April 26 from Fort Lauderdale to Watson Island, Bimini, and Paradise Island.

In the wake of the **Valujet Airlines** disaster in May, the U.S. DOT slows its approval of new airlines. On September 4, the new **Pan American World Airways (2)** is officially formed and takes a 30% interest in PAAB; it is certified by DOT and the FAA on September 18 to begin operations. When PAA-2 launches scheduled Airbus A300B4-203 service on September 26, it does so having borrowed PAAB's "OP" designator.

Enplanements total 43,636.

The "OP" designator is returned to PAAB by PAWA-2 on March 27, 1997, when the latter is able to take over the "PA" symbol of its historic predecessor, **Pan American World Airways (1)**.

At the end of the year, negotiations begin for the sale of the company and Air Alaska demonstrates interest. At the same time, a Turbo Mallard is painted in the white-and-yellow corporate colors of the Mexican beer *Corona*.

Customer bookings fall 17.7% to 35,925.

On February 2, 1998, Fort Worth, Texas-based Air Alaska, an aircraft leasing company, acquires the 70% controlling interest held by Air Bridge, Inc., whose principal shareholder is Mr. Robbins, president of Dacra Development Corporation, the Miami Beach real estate developer. As part of the \$10-million price, \$350,000 is designated to retire a note to **Pan American World Airways (2)** and, later, its parent, Pan Am Corporation, which maintains its one-third stake. The five Turbo Mallards are purchased and leased back to the carrier by its new owner. Air Bridge management remains in place.

Plans are announced by PAA-2 President David A. Banmiller and Air Alaska Chairman Patricia Long to strengthen and broaden the unique South Florida seaplane service. These hopes will survive even as Banmiller's airline fails and he withdraws on April 30 in favor general manager Robert Mencil.

Pan American World Airways (2) is purchased out of bankruptcy by Guilford Transportation Industries on June 29 and although its operations continue in Florida, its headquarters are moved to the Pease Tradeport at Nashua, New Hampshire, in December.

The relationship between the large carrier and the small is maintained, with Pan Am Air Bridge continuing to offer its Turbo Mallard flights into early 1999.

On Wednesday, February 10, 1999, **Pan Am Air Bridge** files for Chapter XII bankruptcy protection with the U.S. Bankruptcy Court at Dallas, Texas, and suspends service the next day. On February 12, the court reaches an agreement with **Gulfstream International Airlines** to resume service to Bimini on a temporary basis, effective February 26, as the historic carrier attempts to reorganize under the protection of the bankruptcy laws.

The U.S. Bankruptcy Court at Dallas, on February 24, requests that Gulfstream also continue to operate **Paradise Island Airways** as it, too, reorganizes under the protection of the bankruptcy laws.

GIA's President Cooper indicates that the historic airlines will be preserved and that they will resume 12 daily Grumman amphibian roundtrips on February 26 from Miami to Bimini and Paradise Island and from Fort Lauderdale to Bimini, Paradise Island, and Walker's Cay. While a final decision on the future of **Pan Am Air Bridge** is made, its planes, like those of **Paradise Islands Airways**, are repainted in the colors of **Chalk's International Airlines (2)**.

As **Chalk's International Airlines (2)**, PIA and PAAB continue and expand daily services as of February 26. In April, PIA is merged into Gulfstream International.

In August, the seaplane operation is purchased out of bankruptcy by south Florida businessman and former **Eastern Air Lines** pilot James Confalone for \$925,000. A holding company, Flying Boat, Inc., is established under Chairperson Patricia Long to provide management and recapitalization and William "Bill" Jones is named airline president. Reclaiming for the carrier the title of world's oldest continuously operated scheduled air carrier, Confalone renames the venture **Chalk's Ocean Airways** in honor of founder Arthur B. Chalk and financier Ocean Bank.

PAN AM EXPRESS: United States (1986-1991). Philadelphia-based **Ransome Airlines**, a **Delta Airlines** "Delta Connection" partner, is purchased by **Pan American World Airways (1)** in the spring of 1986 to feed the major's international services as the subsidiary **Pan Am Ransome Express**. John F. Leonard is appointed president. Revenue flights begin on June 1, employing a fleet of 8 de Havilland Canada DHC-7-102s and 4 Mohawk 298s. Delivery of 6 SAAB SF340s begins in August.

Enplanements for the year total 555,100, a decline of 8.9% in a year.

The fleet in 1987 is increased by the addition of two more DHC-7-102s. All of the Mohawks are sold as orders are placed for 12 Avions de Transport Regional ATR42-320s. On April 10, an SF340 must make an abrupt 60-degree turn and descend 3,000 feet to avoid hitting a USAF C-130 near McGuire AFB, New York; a passenger and a flight attendant are injured.

During the fourth quarter, a new **Pan Am Express of Berlin** is established to operate turboprop services from West Berlin's Tempelhof Airport to various European destinations.

Passenger boardings jump 37.3% to 761,954.

In January 1988, the first six ATR42-320s are delivered; half this number are sent to West Berlin to inaugurate the subsidiary's services. Late in the first quarter, service is started from New York (JFK) to the Ontario city of Hamilton.

Overall customer bookings accelerate by 22.8% to 936,070, including 88,621 flown in Germany.

The 412-employee, 2-continent feeder has an outstanding 1989. From a base at Los Angeles (LAX) on June 1, the company begins West Coast services. Dash-7 flights are inaugurated linking that base with San Diego and Santa Barbara.

Flying 8 ATR42-320s (6 in Germany) and 12 DHC-7-102s in the U.S., the large regional transports a total of 1,214,762 passengers for a 29.8% increase. These figures include an almost unbelievable 188.9% increase to 258,729 in Germany.

Although the employee population remains unchanged in 1990, the fleet is upgraded by the addition of 3 ATR42-320s and 10 British Aerospace BAe Jetstream 31s. Orders are placed for three ATR72-200s. In May, Pan Am Express inaugurates service to Miami, feeding the parent's new hub with the first five Jetstreams. Daily roundtrip flights also begin linking Miami with Fort Myers, Key West, Melbourne, and Sarasota/Bradenton.

Following Iraq's August invasion of Kuwait, difficulties of travel in the fourth period leaves the large regional with no growth. At this point, the California operation is shut down. Indeed, customer bookings decline a slight 0.1% to 1,213,286.

In March 1991, the company begins twice-daily Jetstream 31 services from Miami to Rock Sound/Governors Harbour and Eleuthera Island in the Bahamas. When the parent ceases trading in December, Pan Am Express is purchased by **Trans World Airlines (TWA)** to operate its feeder services in the colors of "TWExpress."

PAN AM EXPRESS OF BERLIN: United States (1986-1991). During the summer of 1987, Pan Am officials determine that most jetliners are largely unsuitable on the West Germany corridors leading to West Berlin's Tempelhof Airport. Facing stiff competition from **British Airways, Ltd. (2)**, they approach Knut Kramer, president of **Tempelhof Airways USA**, regarding a possible takeover of the small regional turboprop operator already based at the West Berlin facility.

Although 51% majority ownership is purchased, in November it is instead decided to allow **Pan Am Ransome Express** President Leonard to establish an overseas subsidiary operation, Pan Am Express of Berlin, which will operate under the same ex-**Ransome Airlines** certificate. Thirty-year **Pan American World Airways (1)** veteran Julius Succhi is sent out as general manager to establish the Berlin branch line, which will complement the major's services out of West Berlin's Tegel Airport.

Operations to Tempelhof commence in January 1988 with 3 Avions de Transport Regional ATR42-320s delivered from among the first 6 acquired by the parent at Philadelphia. They are employed to open routes from Stockholm, Oslo, Copenhagen, Sylt, Hamburg, Bremen, Hanover, Dortmund/Strasbourg, Basel/Mulhouse, Zurich, Innsbruck, and Salzburg. Every six months, one of the aircraft is returned to the Pennsylvania base for maintenance. Enplanements for the year total 88,621.

A fourth ATR42-320 arrives in May 1989. Passenger boardings skyrocket 188.9% to 258,729. Separate traffic figures are not revealed in 1990. Upon the failure of **Pan American World Airways (1)** in December 1991, assets of this operation are purchased by **Deutsche Lufthansa, A.G.**

PAN AMERICAN AIRWAYS (PAA): United States (1927-1950). John Hambleton, Cornelius Vanderbilt "C. V." Whitney, Anthony Fokker, and other friends, led and persuaded by Juan Terry Trippe, an ex-naval officer and pilot who has made a survey flight to Florida and across to Cuba, put up \$300,000 and form the Aviation Corporation of America (ACA) on June 2, 1927. Among those subscribing capitalization are William A. Rockefeller, Seymour H. Knox, Sherman Fairchild, Grover Loening, William H. Vanderbilt, W. Averill Harriman, Edward O. McDonnell, and John Hay Whitney.

The organization becomes one of three involved in an effort to establish international air service southward from Florida. After appointing Andre Priester, a Fokker associate, as chief of operations and engineering, Trippe and Hambleton persuade Cuban President Gerardo Machado to grant ACA a monopoly on landing rights to outside (i.e., U.S.) airlines.

Meanwhile, on the day of the New York City ticker-tape parade for returning transatlantic aviator Charles A. Lindbergh, Trippe, who has watched the event from the luxurious Union Club, finds a way into a private party at the Commodore Hotel honoring "The Lone Eagle." Meeting Lindbergh, the ex-naval flyer urges the young hero to hire a lawyer to sort through the flood of employment and endorsement offers he is receiving.

With the Cuban concession in hand, Trippe and his associates enter into discussions to convince the other two potential American entrants to join with them in forming a single infant flag line in which none of the parties would hold total control and all would share the risk. Thus, Atlantic, Gulf and Caribbean Airways of Reed Chambers and Richard Hoyt, would join with Richard Bevier and John K. Montgomery's Pan American Airways and Trippe's Southern Air Lines in backing Montgomery's carrier. The latter was originally formed by Army Air Corps officers Henry "Hap" Arnold and Carl Spaatz and has won Foreign Air Mail Route (FAM) No. 4 from Key West to Havana. Negotiations continue.

Meanwhile, the emerging new airline faces an immediate problem. According to the terms of the Pan American Airways airmail grant, it must demonstrate its ability to fly a regular schedule over a designated route by October 19. The route chosen is Key West to Havana and failure to make the flight will result in forfeiture of the company's \$25,000 deposit.

Key West businessman and civic leader Malcolm Meacham, owner of much of the north end of the island, leases airport space to Trippe for \$1 per year, but the inaugural aircraft, two Fokker F-VIIa/3ms ordered on August 19, cannot be delivered to Miami before the end of September. Even then, prepositioning to Key West may not be possible, as that city's Meacham Field is incomplete.

On October 13, the board of directors appropriates \$18,000 for a hangar and \$10,000 for runway construction; Key West native Floyd Walton is hired as the company's first mechanic. The two trimotors are delivered on September 30 and christened *General Machado* (named for Cuba's president) and *General New* (named for Harry New, U.S. Postmaster General).

At Key West, Pan American Airways representative J. E. Whitbeck learns on October 18 that a float-equipped Fairchild FC-2 belonging to **West Indian Aerial Express, S.A. (WIAX)**, en route from New York to Barahona in the Dominican Republic, has stopped at Miami to fix an oil leak. Whitbeck quickly asks the careful pilot, Cy Caldwell, if he will fly 7 sacks of Key West mail (13,000 letters), plus another 15,000 just in by train, to Havana under contract to Pan Am. Caldwell, who will have to stop at Havana en route to the Republic, agrees. He reaches Key West at dusk and accepts Whitbeck's payment of \$145.50.

At 8:05 a.m. on October 19, *La Nina*, piloted by Caldwell and carrying its 251-lb. Pan Am payload, departs Key West. One hour and 10 minutes later, she arrives at Havana. FAM-4 is at least temporarily secure and the prospects for Trippe's airline brighten greatly. Conversely, Caldwell inadvertently dooms his own employer to a future takeover.

During the next 10 days, the Meacham airfield becomes sufficiently serviceable to allow Pan Am's two Fokkers to fly in from Miami. Due to inclement weather, breakfast ceremonies marking the official inauguration of FAM-4 and the company's first regularly scheduled flight are held in a Key West hotel, La Concha. From the little one-hangar field on the island at the end of the Florida Keys, the inaugural Fokker, piloted by Hugh Wells with Edwin C. Musick as navigator and John Johansen as engineer, lifts off for Havana with 772 pounds of mail at 8:25 a.m. on October 28.

An hour and 20 minutes later, the Dutch-built aircraft lands at the Cuban capital, where it is met by President Gerardo Machado, who rechristens it *General Machado*. A foot of rain falls on Havana overnight delaying the Fokker's return; Musick and Wells change seats for the flight back to Key West on the morning of October 29. Landing at noon, the aircraft picks up another load and returns to Cuba before sundown.

With an eye toward the possibility of competition with **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)**, an expanding German-controlled airline based in Colombia, the paper **Sociedad Anonima Colombo-Americano de Aviacion, S.A.** is founded on November 27. A total of 19,496 pounds of U.S. and 877 pounds of Cuban mail are transported in November.

The first Sikorsky S-36 is delivered on December 7. Mail poundage rises to 26,513 U.S. and 1,492 Cuban in December. On December 31, the ledgers show income to date of \$29,575.49 and a net loss of \$1,712.57. For the year, Pan Am is first American airline to operate a permanent international air service, the first to operate landplanes over water on regularly scheduled flights, and the first to operate multiengine aircraft permanently in scheduled transportation.

Daily mail flights continue largely without incident throughout the fall and winter. In January 1928, Charles A. Lindbergh, remembering Juan Trippe's advice the previous summer, becomes the company's "technical advisor" for a modest \$10,000 annual retainer and stock options. On January 16, passenger services are inaugurated to and from Havana; the four intrepid travelers mark the true beginning of what will become the world's premier international passenger air transport system. Unsuccessful, the S-36 is returned to Sikorsky in February.

Robert H. Fatt becomes the third PAA pilot on May 21. After an F-VIIa/3m checkout ride and two roundtrips to Havana as Musick's copilot, Fatt is promoted to captain. On May 29, the FAM-4 mail contract, at \$2 per mile, is made permanent. After a year of talk, the parties involved in merger discussions finally reach closure. Two days later, on May 31, under terms of the Foreign Air Mail Act of March 8, FAM Routes Nos. 5 and 6 are advertised.

On June 4, Juan Trippe offers his only competitor for FAM-6, Roscoe Dunten, **West Indian Aerial Express, S.A. (WIAX)** operations director who is in New York seeking fiscal backing, 7,000 shares of PAA stock,

worth \$100,000, for his operation. Orders are placed for 12 Fokker F-10A trimotors on June 20.

On June 23, the Aviation Corporation of the Americas—a slight change of working title away from that of Trippe's original company—is incorporated under Delaware state law. Ownership is divided between the groups of Trippe/Hambleton/Whitney (40%), Chambers/Hoyt (40%) and Montgomery (20%). Four days later, the new holding company, with Richard Hoyt as chairman, purchases the airline, route, and equipment assets of the merger partners, accepts capitalization of \$500,000, and formerly establishes Pan American Airways (PAA) as its operating subsidiary.

Shareholding is increased, as aviation interests purchase many \$15 shares; share value will rise to \$89 at the time of the October stock market crash. During the Great Depression, when banks do not make loans and indeed, until a Lehmann Brothers stock underwriting in 1945, all but a few fees and fares of the airline's backing will be supplied by airmail subsidy, wealthy friends, and colleagues. Trippe and Lindbergh lobby new Postmaster General Walter Fogler Brown concerning the FAM routes.

On July 14, the Post Office grants PAA another pair of \$2-per-mile mail contracts (FAM-5 and FAM-6). Meanwhile, the two Fokker F-VIIa/3ms continue their daily flights to Havana. Due to the public's fear of flying, filling the eight seats on each flight is often difficult. At Miami, a company advertising campaign runs: "Fly with Us to Havana and You Can Bathe in Bacardi Rum Four Hours From Now!" Somewhat less interested in enticing the Prohibition-tired elite, air crews simply visit Cuban bars and dare American tourists to fly with them back to Florida.

Dunten and Trippe reopen merger discussions for **West Indian Aerial Express, S.A. (WIAX)** on August 7; the PAA CEO now offers 5,008 shares of company stock (worth \$75,120) for the Dominican carrier. On August 15, the *General Machado*, piloted by Robert Fatt, turns off course and becomes lost. The *General New*, sent to find her sister, can locate nothing. Having run out of gas, the *General Machado*, meanwhile, sets down in the Gulf of Mexico near the tanker *SS American Legionnaire* and sinks (one dead).

The firm of Doremus & Co. is hired to blunt adverse publicity and to provide the company with professional public relations. The fleet now comprises two Fairchild FC-2s and one Fokker F-VIIa/3m. The first Sikorsky S-38A is delivered on August 20; it costs \$31,500. An unnamed replacement F-VIIa/3m arrives on August 31, along with a Loening C-2 Air Yacht. A hurricane destroys the **West Indian Aerial Express, S.A. (WIAX)** headquarters at Santo Domingo on September 12 and grounds *La Nina*.

An operating terminus, as well as FAM-4, is moved from Key West to Miami on September 15, where mail can be sent to and received from the north via **Pitcairn Aviation's** mail service. Incidentally, the move also doubles the mileage of the FAM-4 route—and the income from it. The same day, as negotiations with **West Indian Aerial Express, S.A. (WIAX)** continue, the flagship of the Dominican line, the *Santa Maria*, is turned over; the onetime rival for FAM-6 now has no aircraft. On September 16, half interest is purchased in **Peruvian Airways, S.A.**

On October 16, **West Indian Aerial Express, S.A. (WIAX)** shareholders vote to sell their company to PAA. A fourth mail route, FAM-7, is awarded to PAA on October 24. With work on the new airfield at 36th Street being completed, the *General New* is transferred to a base there on October 29 and it begins return Havana flights.

The sister soldiers on from Key West until December 3, when service from that inaugural facility is terminated. Meanwhile at San Juan, Puerto Rico, on October 29, the company's new Loening C-2 Air Yacht is lost in a crash. In Miami two days later, the first production Sikorsky S-38A amphibian is placed in service on the Havana run. PAA, on November 28, officially purchases WIAX, completing its first significant takeover of another air carrier. Aside from the elimination of a competitor and the gain of a few aircraft, Trippe's greatest gain is chief pilot Basil Rowe.

On November 28, all of the major Peruvian air rights earlier acquired by the U.S. agricultural support firm **Huff-Daland Dusters** are purchased. On December 21, the South American subsidiary **Chilean Airways, S.A.** is founded; although it will not operate like the **Peruvian Airways, S.A.** arrangement, it serves notice to the larger W. R. Grace Corporation that Pan Am seeks entrance to its "preserve" on the west coast of the southern continent. After taking stock of its gain, the carrier officially dissolves **West Indian Aerial Express, S.A. (WIAX)** on December 22.

Two more S-38s enter service on December 30, while half interest in **Chilean Airways, S.A.** is officially acquired on December 31, the same day upon which the first two Fokker F-10As are received. During the year, President Trippe and **Imperial Airways, Ltd.** Chairman George Woods-Humphrey begin a multiyear correspondence on a variety of issues, including the possibility of transatlantic services.

Enplanements total 1,184 and 345,725 pounds of mail are carried, resulting in a U.S. government mail subsidy of \$160,000. Total miles flown are 118,868.

This year the carrier is the first American airline to use radio communications, to carry emergency lifesaving equipment, to use multiple flight crews, to develop an airport and airways traffic control system, and the first to order and purchase aircraft built to its own specification, i.e., the S-38B. Incidentally, Andre Priester, upon seeing the operating manual of **Deutsche Luft Hansa (DLH)**, orders a copy for Pan Am—the first adopted by any U.S. airline.

The carrier's second Loening C-2 Air Yacht is lost in a crash at San Jose, Costa Rica, on January 1, 1929. Total route mileage is 261 and on January 2, the same day FAM-8 to Mexico City is advertised, flights begin over FAM-7 from Miami to Nassau. The Ford Tri-Motor 5-AT-11 is delivered on January 4; it is specially equipped with five wing gas tanks that will hold 565 gallons of fuel for flights between Havana and Santiago de Cuba. A week later, on January 9, passengers and airmail are initially delivered over FAM-6 from Miami to San Juan on the inaugural flight by the company's first Fokker F-10A, the *Christopher Columbus*.

On January 23, the entire stock, routes, aircraft, and other assets of **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** are purchased from its founder, George Rihl, for Pan Am stock (worth 300,000 pesos) and a vice presidency for Rihl. The buy allows the American company access to the Mexican capital and control of the route system to, from, and through Central America. As the only operator that can, through its new subsidiary, legally operate in Mexico, the move also assures the award of FAM-8, despite lower bids by six other competitors.

Two days later, on January 25, an accommodation is reached with W. R. Grace Corporation. The large U.S. trading interest and the expanding airline each pledge \$1 million in initial capitalization and form the joint company **Pan American-Grace Airways (PANAGRA)**. Four Fokker F-10As are received on January 31–February 1. FAM-5, the inter-Central American service, is inaugurated on February 4, Miami to the Canal Zone, while the Brownsville to Mexico City via Tampico and Tuxpan FAM-8 opens on March 10.

Both routes are inaugurated by Charles A. Lindbergh; John Hambleton is copilot for the first flight, made by the Ford Tri-Motor 5-AT-12 wearing the dual national registrations NC-9661 and M-SCAN. The public fanfare and advance publicity concerning Lindbergh results in a mile-long traffic jam on every road out of Miami Airport on February 4.

During a stop at Mexico City during the first return on February 11, Ambassador and Mrs. Dwight Morrow announce the engagement of their daughter, Anne, to pilot Lindbergh. The subsidiary **Peruvian Airways Corporation, S.A.** is sold to **Pan American-Grace Airways (PANAGRA)** on February 25. PAC CEO Harold R. Harris becomes vice president-operations of the new organization, with John C. MacGregor as vice president-general manager.

The Ford Tri-Motor 5-AT-22 is turned over to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on March 5, along with the 5-AT-27 two days later. The former is replaced in PAA service by the 5-AT-23 on March 25. A third Ford Tri-motor, 5-AT-31, is sent to Mexico on

March 28. United Aircraft and Transport Corporation, led by Frederick B. Rentschler, purchases 50,000 shares of PAA stock at \$57.50 on April 15; the total infusion is \$2,875,000.

The first production vertical windshield S-38B is delivered on April 25; three more arrive in May. Passenger service on FAM-5 begins on May 22 as that frequency is elevated to thrice weekly. With overnight stops at Belize and Managua, the 2,064-mile route requires 56 hrs. flying time. Also in May, Ford 5-AT-11, used briefly with special wing tanks in Cuba, is delivered to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**; it will be employed by the Mexican subsidiary on the Brownsville–Mexico City route until the end of 1937. The company now moves to upgrade Mexico's landing fields in order to accommodate the additional Tri-Motors that will be delivered.

En route to Wilmington, North Carolina, from New York City, co-founder John Hambleton is killed in the crash of a private plane on June 8. The first F-10A, *Christopher Columbus*, is destroyed in a Santiago de Cuba crash on June 13 (two dead). On June 23, through flights are launched from Miami to Curaçao, via the Canal Zone.

Two more F-10As are delivered on June 26. On June 30, the last vertical windshield S-38B is placed into service. It is employed by Basil Rowe to undertake a survey flight to Paramaribo on July 17, a week after the ninth and tenth F-10As are placed into service. The new Ford Tri-Motor, 5-AT-62, is turned over to **Pan American-Grace Airways (PANAGRA)** on July 31.

The first two production sloping windshield S-38Bs are handed over on August 16, the same day the last two F-10As are received, and August 28, but the first is lost in a Miami takeoff crash on September 16.

Meanwhile, beginning on September 23, FAM-6 from Puerto Rico to Dutch Guinea is ceremoniously started in a multistop three-week S-38 flight by Charles Lindbergh, Juan Trippe, and their wives. Mrs. Betty S. Trippe recalls this and many other events from 1925–1968 in her diary and letters, *Pan Am's First Lady* (McLean, Va.: Paladwr Press, 1996).

Two more S-38Bs are delivered in September, one each on the 16th and 30th. Also in September, the extension from Curaçao is terminated and FAM-6 is operated via Port of Spain and Paramaribo. An S-38 crashes after takeoff from Miami on September 19 while FAM-8 is extended to Guatemala City via Vera Cruz, San Geronimo, and Tapachula.

Two additional S-38Bs are also delivered in October, one each on the 10th and 16th. Piloting an S-38B, Basil Rowe makes the first airmail flight from Miami–Merida via Havana and Cozumel, on November 12. A Loening C-2 Air Yacht is sold out of service on November 29 and on December 2, the Ford 5-AT-27 is reclaimed from **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** for use on flights in the Panama Canal Zone. Orders are placed on December 20 for 3, 38-passenger Sikorsky S-40s, the world's largest civil aircraft. An S-38A is delivered on December 30, but is damaged beyond repair the same day.

Two years and 2 months old on December 31, the company now serves 28 countries with a fleet of 60 aircraft that operate from 60 operated or owned airports or seaplane bases. The route structure totals 12,265 miles and there are 24 ground radio stations.

Enplanements for the year total 20,728 and passenger mileage is 2,752,880. Route mileage grows from 261 to 6,093.

This year the carrier is the first American airline to employ cabin attendants and serve meals aloft, the first to develop and use instrument flying techniques, and the first to develop a complete aviation weather service.

On February 15, 1930, a "gentleman's agreement" is concluded between Juan Trippe and Peter Paul von Bauer, president of the financially troubled airline, **SCADTA (Sociedad Colombo-Alemana de Transportes Aereos, S.A.)**. Unpublicized in Colombia, Trippe promises \$1.1 million in financial assistance in exchange for the acquisition of 84.4% controlling interest over the next year, provided in bearer certificates with no names on them. The deal also includes von Bauer's pledge to cease activities outside Colombia and to vote his unowned shares as directed at his own board meetings. In essence, Trippe gains another subsidiary. Frequencies on most routes are tripled during the month and the carrier now operates 88,522 miles per week.

Charles Lindbergh and Basil Rowe, flying an S-38B, make the first airmail flight from Miami to the Canal Zone on April 26 via Havana and Puerto Cabezas. Flying an S-38B, the two famous pilots undertake a survey flight from the Canal Zone to Jamaica on May 1, while on May 14, a jointly owned **PAA-Imperial Airways, Ltd.** subsidiary enterprise is formed to plan and undertake transatlantic service. The Ford Tri-Motor 5-AT-31 is reclaimed from **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on May 19.

The long-dormant **Southern Air Lines**, now renamed **New York Airways (1)**, is now resurrected. Outfitted with Ford 5-ATs, Fokker F-10s, and Sikorsky S-38Bs, it inaugurates service on June 1 from Long Island's North Beach Airport to Atlantic City, New Jersey. The carrier's last Loening C-2 Air Yacht is transferred to **Peruvian Airways, S.A.** on July 1, the same day PAA and **Imperial Airways, Ltd.** both receive permission from the government of Bermuda to operate a New York–Bermuda service. Also in July, a day is cut off the journey from the U.S. to Panama via Mexico, airmail flights across the Caribbean are doubled, and the airmail line is extended from Rio de Janeiro 3,000 miles to Paramaribo. Route mileage is thus increased to 18,217.

The Atlantic City end of NYA-1's route from Long Island is stretched down to Washington, D.C. on August 2 via Baltimore. Following six months of intrigue, covert maneuvering, noncooperation in the field, and support from Postmaster Walter Fogler Brown, the Aviation Corporation of the Americas is able to acquire Ralph O'Neill's **New York, Rio and Buenos Aires Line (NYRBA)** for \$2 million on August 19. O'Neill, who has pioneered air transport along the eastern coast of South America, refuses a vice presidency.

On September 3, an F-10A is destroyed in a hurricane in Santo Domingo. The **New York, Rio and Buenos Aires Line (NYRBA)** board turns over the company's assets on September 15. These include a series of bases, mail contracts with Argentina, Chile, and Uruguay, a subsidiary, **NYRBA do Brazil, S.A.**, and a fleet of 6 Ford 5-ATs, 9 Consolidated Model 17 Fleetsters, 6 Sikorsky S-38Bs, and 11 Consolidated Model 16 Commodore flying boats. U.S. FAM-9 is awarded to Pan Am on September 24, followed by FAM-10 for the east coast of South America on September 30.

On October 17, O'Neill's former subsidiary is renamed **Panair do Brazil, S.A.**; its headquarters continue at Rio de Janeiro with a maintenance base set up at Belem. Its fleet, manned by American pilots, is equipped with 6 S-38Bs, including the ex-**New York, Rio and Buenos Aires Line (NYRBA)** *Porto Alegre, Bahia, Pernambuco, and Sao Luiz*, and the Commodores *Buenos Aires, Rio de Janeiro, Havana, New York/Santos, Uruguay/Sao Paulo, Argentina, and Miami*.

A significant "summit" meeting is held in New York on November 21 between **Imperial Airways, Ltd.** Chairman George Woods-Humphrey, **Aeropostale (1) (Compagnie Generale Aeropostale, S.A.)** CEO Andre Boiloux-Lafont, and Juan Trippe. The three leaders, upon advice of their attending chief pilots, sign a tripartite agreement not to fly the North Atlantic except in joint operations between New York and Lisbon via Bermuda and the Azores. The French Aeropostale, which owns exclusive rights to the Azores–Lisbon segment, is in deep financial difficulty and about to fail. On November 28, a **Panair do Brazil, S.A.** Commodore makes its first mail flight from Belem to Santos.

Beginning on December 2, employing the ex-**New York, Rio and Buenos Aires Line (NYRBA)** Commodores *Cuba* and *Trinidad*, the carrier is able to reduce flight time on the FAM-5 route to 29 hrs. 15 min.; the cutoff is flown via Cienfuegos, Cuba, and Kingston, Jamaica, to Cristobal, Panama. Basil Rowe, in an S-38B, makes the initial survey flight. The 600-mile Jamaica–Panama over-water stage is the longest then operated. In accordance with the "gentleman's agreement" between Trippe and von Bauer, **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** ends service to Guayaquil in December. At year's end, the fleet totals 111 aircraft.

Traffic grows 60% for the year as bookings reach 44,000 and passenger mileage tops 4.2 million. The route network is now 18,021 unduplicated miles. Among the firsts claimed for the carrier during the year is

the honor of being the first in the U.S. to offer international express service.

During the winter season of 1931, some 4,000 passengers per week are flown from Miami to Havana and Nassau; the Havana frequency is six flights per day. While transporting mail for **Pan American-Grace Airways (PANAGRA)**, an S-38B crashes into the jungles beyond the landing field at Guayaquil on February 7; rescuers must cut their way in to save the uninjured survivors.

The Brazilian subsidiary **Panair do Brazil, S.A.** inaugurates passenger service from Belem to Santos on March 2. The S-38s now fly to San Juan via Cuba, Haiti, and the Dominican Republic, four times per week. Pan Am begins participation in the operation of Colombia's **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** on March 3. During the March earthquake at Managua, the radio of Basil Rowe's S-38B is the only radio contact for the Nicaraguan capital with the outside world. Rowe undertakes a series of food airlifts and by April 1 has transported out a total of 98 people.

The company concludes its acquisition of 84.4% control of **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** on April 10. Richard Hoyt steps down as Pan Am board chairman on April 28, remaining a director until his death in 1935. He is succeeded by Cornelius Vanderbilt "Sonny" Whitney. The next day, Aviation Corporation of the Americas is dissolved, officially becoming Pan American Airways (PAA). In accordance with the Trippe and von Bauer agreement, **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** ceases service to Panama in June, thereby ending a U.S. Department of State concern about German inroads toward the Canal Zone.

On June 26, Juan Trippe writes to America's six leading aircraft manufacturers seeking proposals for supply of an airliner with a 2,500-mile range. The **New York Airways (1)** subsidiary is sold to **Eastern Air Transport** on July 15 and on July 16, joint PAA and **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** airmail service is inaugurated from Bogota to New York. An F-10A conducts a proving flight from Boston to Bangor, Maine, via Portland.

As the first step toward a possible Pacific route, the company's famous technical representative, Charles Lindbergh and his wife Anne depart Long Island on July 27, headed north in the Lockheed Sirius, later christened *Tingmissartog*. On July 28, an S-41 undertakes a survey from Bangor to St. John, New Brunswick; the S-41 exploration is finished at Halifax, Nova Scotia, on July 29. Under contract to **Boston-Maine Airways**, PAA begins regular service over the surveyed route on July 31; F-10As fly the Boston-Bangor segment and S-41s the Bangor-Halifax leg. Simultaneously, FAM-12, which covers the route, is awarded by the U.S. Post Office and an agreement is reached with **Colonial Air Transport** for feed from its New York-Boston service.

An S-38A is fatally damaged when it hits an obstacle while landing at Ponce Harbor in San Juan on August 12; all aboard are saved. Having obtained a concession to establish an airline in Colombia, Gonzalo Mejia incorporates **UMCA (Urba, Medellin and Central Airways, S.A.)** in Delaware on August 24. One of two S-41s being employed on the **Boston-Maine Airways** contract crashes in Massachusetts Bay off Gloucester on August 27 (one dead); it will be salvaged, repaired, and sold to a private owner.

A violent hurricane sweeps Belize, British Honduras, on September 10; S-38Bs piloted by E. S. Rodenbaugh and Basil Rowe undertake mercy flights, bringing in food, medicine, and Red Cross personnel. After flying via Canada, Alaska, Siberia, Japan, and China, the *Tingmissartog* is badly damaged in a Yangtze River accident near Nanking on September 19. Although the aircraft is too badly damaged to continue, the Lindberghs report that, given Soviet cooperation (which is not forthcoming), a Pacific rim or "Great Circle" route to Asia is possible. Mrs. Lindbergh recalls the flight of the *Tingmissartog* in her *North to the Orient* (New York: Harcourt, Brace, 1935).

The **Boston-Maine Airways** contract is concluded on September 30 and the two F-10As employed for it are sold to **Transamerican Airlines** on October 5.

The hulk of the S-38A wrecked on August 12 is scrapped on October 7 while the last three F-10As are now transferred to the Mexican subsidiary **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**. On October 10, Basil Rowe flies the first production Sikorsky S-40 from Sikorsky's Bridgeport factory to the Anacostia Navy Yard, including a low, publicity run over the U.S. capitol. On October 12, in an elaborate live radio ceremony, the First Lady, Mrs. Herbert Hoover, christens it *American Clipper*.

Later in the afternoon, Rowe makes two special flights over Washington, D.C., with others laid on for the next day. The "clipper" title is registered and every major PAA aircraft thereafter incorporates it. After returning to Bridgeport on October 14 for two days of publicity flights over New York City, the *American Clipper* proceeds to Miami and arrives on October 25, after making publicity stops at Norfolk, Savannah, Charleston, Jacksonville, and Palm Beach.

On November 2, the FAM-10 route is extended from Santos, Brazil, down to Buenos Aires, completing PAA's encirclement of South America. The U.S. is now connected to 100 different towns and cities in 31 Latin countries—and the most distant capital of the 31 is only 7 days away. The second S-40, the *Caribbean Clipper*, is delivered on November 16. On November 19, with Charles Lindbergh in the left seat and Igor Sikorsky a passenger, the *American Clipper* enters service on the Canal Zone route, flying via Cienfuegos and Kingston. In Barranquilla, Lindbergh turns command over to Rowe, who arrives at a Cristobal on November 22.

The welcome from Canal Postmaster General Bliss also gives PAA the honor of being the first American airline to develop and operate a four-engine flying boat. Four days later, on November 23, a Consolidated Model 16 Commodore arrives at Buenos Aires, completing the first through-passenger service to Argentina down the east coast of South America. During the year, masses of air are analyzed in a new tropical weather forecasting method and at year's end, the carrier posts its first profit (\$105,452) on total revenues of \$7,913,587.

On January 1, 1932, the creditors of the bankrupt French airline **Aeropostale (1) (Compagnie Generale Aeropostale, S.A.)** grant the company permission to employ its Azores landing concession, obtained earlier from the Portuguese. The Mexican subsidiary **Aerovias Centrales, S.A.** is set up on February 26 to assume the principal Mexico City-Ciudad Juarez route of defunct **CAT (Corporacion de Aeronautica de Transportes, S.A.)**. Employing an ex-New York, Rio and Buenos Aires Line (NYRBA) Consolidated Model 17 Fleetster and four transferred Fokker F-10As, this carrier will create a multistop Mexico City-Nogales route. On April 13, PAA takes 54% majority control of **UMCA (Urba, Medellin and Central Airways, S.A.)** and its Canal Zone route of Medellin to Balboa. Also in April, the Bermuda concession, as yet unrealized, is withdrawn.

On May 6, **Compania Nacional Cubana de Aviacion Curtiss, S.A.** is purchased from North American Aviation; the new Cubana subsidiary retains its previous name, minus the word Curtiss. In the first concrete step toward construction of a "Great Circle" route to Asia, Pacific Alaskan Airways is formed as a wholly owned subsidiary on June 11. After having spent half a million dollars on start-up and suffering a collective \$100,000 loss, negotiations begin for the purchase of Alaskan Airways and Pacific Alaska Airways.

Three days later, on June 14, the **New York Airways** subsidiary S-38B crashes while en route to Atlantic City and is destroyed; no one aboard is hurt. On July 12, passenger service is started from Cristobal and Balboa to Turbo and Medellin over the **UMCA (Urba, Medellin and Central Airways, S.A.)** concession, linking with **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** at the latter city. The Pan Am aircraft and personnel employed operate under UMCA colors.

The Ford Tri-Motor 5-AT-22 is reacquired from **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on July 19; it will be turned over to **Pan American-Grace Airways (PANAGRA)** a month later. After serving in the Panama Canal Zone since December 1929, the 5-AT-27 is

returned to the Mexican subsidiary the same day. Also in July, Danish authority is received to conduct a study of possible airline routes across Greenland. The services of and support for the 1932–1933 Greenland expeditions of famed Arctic scientist Dr. Vilhjalmur Stefansson are acquired and provided.

In addition, **Transamerican Airlines** is paid \$55,000 for a 75-year landing concession it holds from Iceland, but which is subject to lapse if not exercised by 1936. The last S-40, *Southern Clipper*, is delivered on August 30.

Alaskan Airways is purchased from the Aviation Corporation (AVCO) on September 1; included in the sale are several Fairchild 71s and the transfer of 40 employees. Being operated in Brazil by the subsidiary **Panair do Brazil, S.A.**, the ex-**New York, Rio and Buenos Aires Line (NYRBA)** Sikorsky S-38B *Porto Alegre* is stolen by São Paulo revolutionaries on September 25; without a qualified pilot, the flying boat crashes about 25 km. inland (four dead). Forced back by bad weather while en route to San Lorenzo, Honduras, from Managua, Nicaragua, on October 2, the Ford 5-AT-23 crash-lands in a swamp at El Accituno, Honduras; although no one is killed, the plane is destroyed. The survivors are rescued by USMC aircraft led by Capt. F. P. Mulcahy.

The Anchorage-based charter carrier **Pacific International Airways** is acquired on October 15, together with its three Fairchild 71s. During the fourth quarter, Pacific Alaska Airways is merged with Alaskan Airways, with the former name surviving. Arrangements are made at the Fairbanks, Anchorage, and Nome operating bases and the Star Mail services over 2,600 miles of routes to communities in the interior, the Kenai Peninsula, and Western Alaska are solidified.

Weathermen of the operations department set up a number of upper air meteorological stations to measure winds and suggest favorable courses and flight levels. The first ex-**New York, Rio and Buenos Aires Line (NYRBA)** Consolidated Commodore to be retired is the *Rio de Janeiro*. After three years as a factory demonstrator, the Ford Tri-Motor 5-AT-74 is purchased on November 4. On November 30, contracts for long-range flying boats are signed with the Sikorsky Aviation Corporation of Bridgeport, Connecticut, and the Glenn L. Martin Company of Baltimore. The company's profit is \$698,526.

On March 31, 1933, a 45% interest is taken in **China National Aviation Corporation (CNAC-1)**. The actual transaction is somewhat convoluted, as Trippe's carrier pays \$282,258 to the Curtiss-Wright Corporation's Intercontinent Aviation subsidiary for **China Airways Federal**, its own nonflying subsidiary that actually owns the stock. The purchase is a bargain, as CAF had paid well over half a million dollars for the shares just three years earlier.

The new Ford Tri-Motor, 5-AT-115 is delivered on May 1 while the last S-36A is damaged beyond repair in a Caribbean crash on May 26; also in May, the last F-10A is scrapped. The Ford 5-AT-116, the last of these trimotors, is acquired on June 17 and turned over to the western division for use on the Mexican service. Mail is added under contract to the **UMCA (Uraba, Medellin and Central Airways, S.A.)** Panama–Medellin route on June 20. During the month, two Sikorsky S-38 flying boats are ordered transferred to the **China National Aviation Corporation (CNAC-1)** base at Shanghai.

The Ford 5-AT-31 is returned to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on July 7; with Harold Bixby having obtained the concession, **China National Aviation Corporation (CNAC-1)** Douglas Dolphins begin service on July 7 over Chinese Route 3, Shanghai–Canton via Wenchow, Foochow, Amoy, and Swatow.

Flying the repaired Lockheed Sirius *Tingmissartog* specially outfitted with PAA navigational gear, the Lindberghs depart New York on July 9 for a survey of the east and west coasts of Greenland and the southern end and west coast of Iceland. The Lindbergh flights are supported by the research ship *SS Jilling*, with Dr. Stefansson aboard.

On August 12, a Curtiss Robin belonging to the subsidiary **Cubana (Compania Nacional Cubana de Aviacion, S.A.)** spirits overthrown dictator Gen. Gerardo Machado from Havana to Miami. The next day, Cuba's ex-secretary of state, Orestes Ferrara, points a gun at Capt. Leo

Terletsky and, without a ticket, is able to escape to Miami aboard the regularly scheduled S-38B flying boat. The plane takes off in a hail of gunfire from an angry mob—9 bullet holes are later found in the aircraft—leaving 14 paying passengers behind. Machado is replaced by Cuban Air Force Sergeant Fulgencio Batista, who had once held a typist position with Pan Am at its Havana landing field.

Two ex-**New York, Rio and Buenos Aires Line (NYRBA)** Consolidated Model 17 Fleetster floatplanes are transferred to **Pacific Alaska Airways** during the summer and begin the first airmail service from Fairbanks and the interior of Alaska to Auke Bay, Juneau, on September 3. During this operation, one is written off in a crash and replaced with 2 Fairchild 71s; the 3 aircraft deliver 11 passengers and 360 pounds of first-class mail on the inaugural flight.

In October, S-38 scheduled service is inaugurated by the Brazilian subsidiary, **Panair do Brazil, S.A.**, from Belem to Manaus, 900 miles up the Amazon River. Also during the month, representative Bixby signs an agreement with the Chinese government covering the introduction of S-38 operations on October 24 from Shanghai to Canton. To avoid arousing the interest of the expansionist Japanese, Bixby actually signs for a phantom Pacific American Airways. Although CNAC-1 will operate the services, the two amphibians will operate in Pacific American livery with American registration numbers.

On December 13, orders are placed for 12 Lockheed Model 10A Electras. Having also visited the Faroes, Shetlands, western Norway, the Baltic, Leningrad and Moscow before returning via the Scandinavian capitals and the U.K., the Lindberghs arrive at New York on December 19.

During the year, a modern hangar is constructed for Pacific Alaska Airways at Fairbanks and the maintenance base there is improved. Also, the Miami to Argentina flying boat service is highlighted in the Fred Astaire-Ginger Rogers motion picture musical *Flying Down to Rio*. Released by RKO Studios, the film is produced by Pan Am board member Merian C. Cooper. The airline's net profit this year is \$898,488.

At the end of January 1934, it is reported that the three Southern Division flying boats *American Clipper*, *Caribbean Clipper*, and *Southern Clipper* have completed 1,000 flights, with almost 100% of them posting an on-time arrival; they are now advertised as "Pullmans of the Skies." Although its reputation is somewhat tarnished as a result of the Black Committee hearings on the "Air Mail Scandal," PAA, because it flies only foreign routes, is the only airline whose contracts are not cancelled when President Roosevelt ends all domestic mail subsidies across the board on February 9.

Following its participation in the March relief of the Russian's beleaguered Chelyuskin Arctic Expedition, the surviving Pacific Alaska Airways Consolidated Fleetster is sold to the Soviet trading company AMTORG. Despite these goodwill gestures, the Soviets continue to refuse Siberian landing rights, forcing PAA to abandon plans for a "Great Circle" route to Asia and to look at the possibility of flying there via the Central Pacific. Meanwhile, in London, officials of **Imperial Airways, Ltd.** seek to prepare for a transatlantic flying boat service. They complain to the British Air Ministry that the £1,427,533 sterling given the American carrier the previous year by way of subsidy will, if continued, leave the Empire unable to compete anytime soon unless that figure is matched.

Following the loss of the first CNAC-1-operated S-38 the previous December, the second unit crashes into Hangchow Bay, off Shanghai, on April 10. Also in April, multistop Los Angeles–Mexico City Lockheed Model 10 Electra flights begin. Later in the month, the ultra modern Dinner Key air terminal is opened at Miami and, nearly ready for delivery, the first S-42 establishes a world weight-carrying record on April 26.

Reports of the Lindbergh and *SS Jilling* expedition are presented in May and suggest that an air service to Europe, via the North Atlantic, is possible with proper weather allowances. Also, on May 31, Pacific Alaska Airways begins operation of the only Ford 8-AT, equipping it with skis, floats, or wheels as necessary. The first Sikorsky S-42, which

sets another world weight-carrying record on May 17, is delivered on June 5.

The huge new S-42 flying boat is test flown by Charles Lindbergh, Edwin C. Musick, and Sikorsky's chief test pilot Capt. Boris Sergievsky under transport conditions over a predetermined measured course on August 1; it sets eight world records and generates much desired press coverage.

Lindbergh and Basil Rowe place the new S-42 into commercial service on August 16 over the three-day, multistop Miami–Rio de Janeiro route. Aboard on the historic occasion are Juan Trippe, Andre Priester, and Department of Commerce official Eugene L. Vidal. Following a day layover, the flying boat proceeds to Buenos Aires. The entire trip down the east coast of South America takes six days instead of the previous eight. When the S-42 arrives at Rio, it is christened *Brazilian Clipper* by Getulio Vargas, wife of the president of Brazil.

The first Douglas DC-2 is delivered to the Mexican subsidiary **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on September 20. Together with **Panair do Brazil, S.A.**, PAA is awarded Brazilian cabotage rights on September 28. On October 3, President Trippe informs the U.S. Navy that PAA is ready to fly the Pacific and seeks a lease on Wake Island.

Two Douglas Dolphins are sent out to China and are employed, beginning on November 1, to restart the Shanghai–Canton service suspended the previous April. Following some months of negotiations with the British, the company is able to add Hong Kong on November 5 as a stop on its Chinese Dolphin coastal route. Nick Bez's Juneau-based **Alaska Southern Airways** is purchased on November 13 to stop its expansion on a route to Seattle that might block PAA's Asian plans. Meanwhile, during the year, PAA constructs the first integrated radio network in Alaska suitable for aviation use.

The second S-42 is delivered in December; christened *West Indies Clipper*, it is placed in service in the Caribbean. By year's end, PAA and PANAGRA are operating a combined total of 69 ground radio stations throughout Latin America. Statisticians reports that, in the years since 1932, the percentage of company flights finished has declined to 99.46%. With a fleet of 85 aircraft, the company now averages more than 100,000 passengers per year on a 32,000-mile route network.

In January 1935, PAA advises the U.S. Bureau of Air Commerce of its desire to begin transatlantic service; the letter is acknowledged on February 4. The previous day the Ford 5-AT-115 is crated up and sent by ship to **China National Aviation Corporation (CNAC-1)** at Shanghai. A new Pacific division is established on March 1 with headquarters at Alameda, California. It is led by former Assistant Secretary of Commerce for Aeronautics Clarence M. Young, hired the previous November. The Ford 5-AT-74 is turned over to **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on March 5.

In preparation for its role in transpacific surveys, the S-42 *West Indies Clipper* is taken out of service, stripped of its seats and otherwise modified, and renamed *Pan American Clipper*. On March 23 it is flown from Miami to the Virgin Islands and back in a 2,500-mile, 17-hrs. 16-min. test. Personnel on the flight include chief pilot Capt. Edwin C. Musick, copilot Robert O. D. "Rod" Sullivan, navigator Fred Noonan (who will disappear with Amelia Earhart), and engineer John Leslie.

With Navy permission granted, the support ship *SS North Haven* departs San Francisco on March 27 headed toward the U.S. Pacific possessions of Midway, Wake, and Guam. Aboard are 44 company personnel, 74 construction workers, 250,000 gallons of avgas, supplies, tools, windmills, motor launches, storage dewars, and all other items required for self-sufficiency during the forthcoming base-building process. Simultaneously, the *Pan American Clipper* departs for San Francisco (Alameda) via Cuba, Veracruz, and Acapulco.

Employing the assets of **Alaska Southern Airways** purchased the previous year, Pacific Alaska Airways launches the first scheduled passenger air service between Juneau and Fairbanks via Whitehorse, Yukon Territory, during the first quarter.

On April 11, PAA acquires the Mazatlan–Hermasillo–Mexicali route abandoned by Walter Varney's Mexican carrier **LAO (Lineas Aereas**

Occidentales, S.A. de C.V.) the previous day. Lockheed Orions are quickly introduced on the route. Having performed several test flights along the California coast since arriving at Alameda, Capt. Musick's modified S-42 *Pan American Clipper* undertakes a 23-hr. 41-min. proving flight to Honolulu on April 16, returning a week later. A new S-42 *West Indies Clipper (2)* replaces the *Pan American Clipper* in early May.

On June 12, Musick begins a test of the Alameda–Honolulu–Midway segment of the proposed transpacific route. Transpacific support contracts are signed with the Matson Navigation Company and Inter-Island Steam Navigation Company on June 20.

Lockheed Model 10 Electras are provided to **Cubana (Compania Nacional Cubana de Aviacion, S.A.)** on July 29, allowing introduction of the noted Havana–Santiago Cuban Air Limited service. Meanwhile, the construction crew from the *North Haven*, at work since May, concludes, at month's end, the establishment of flying boat bases at Guam, Wake, Midway and the improvement of those at Honolulu and Manila. Also included in the \$2-million undertaking are shops, offices, radio and living quarters. Participant William S. Grooch tells much of the story in his *Skyway to Asia* (New York: Longmans, 1936).

Also in July, the first S-42A, the *Jamaica Clipper*, enters South American service.

The Ford Tri-Motor 5-AT-116 is passed to **China National Aviation Corporation (CNAC-1)** on August 12 while, on August 20, a Pacific Alaska Airways Lockheed Model 10A Electra transports home from Whitehorse the bodies of Will Rogers and Wiley Post. The S-42 *Pan American Clipper*, piloted by Rod Sullivan, tests the transpacific route's Midway–Wake leg beginning on August 9. Following a violent hurricane in the Florida Keys that leaves 700 dead on September 5, Basil Rowe pilots relief supplies to survivors. On October 5, Capt. Sullivan's S-42 examines the Wake–Guam segment of the transpacific route.

The first Martin M-130 is commissioned at Baltimore on October 9 in a ceremony carried over nationwide radio; in his remarks, President Trippe announces the ship will be named the *China Clipper*. Incidentally, it will make the company the first American airline to install facilities for heating food aboard an aircraft. A 25-year Manila landing concession is granted by the Philippine government on October 17.

PAA is awarded the transpacific mail route, FAM-14, on October 25; the subsidy is the same \$2 per mile awarded for FAM-4 out of Key West in October 1927. Having spent three months in orientation with the M-130, Capt. Musick and the *China Clipper* arrive at Alameda from Baltimore on November 11, flying via Miami, Acapulco, and San Diego. During the fall, President Trippe agrees to a proposal from William "Pat" Patterson, president of **United Air Lines**, to join in the funding to be provided by the "Big Four" airlines for creation of a four-engine experimental landplane, the Douglas DC-4E.

The second M-130, *Philippine Clipper*, is delivered on November 14. On November 22, Postmaster General James Farley, Governor Frank Merriam, Mayor Angelo Rossi, President Trippe and others attend a huge banquet in San Francisco. The festivities, plus radio broadcast ceremonies, are held prior to the *China Clipper*'s inauguration of the world's first heavier-than-air airmail flight across the Pacific from San Francisco. The *China Clipper* is crewed by Musick, Sullivan, Noonan, and the other officers of the *West Indies Clipper*.

Witnessed by over 100,000 spectators, the flying boat arrives at Manila Bay on November 29, having flown via Honolulu, Midway, Wake, and Guam, with 1,837 pounds of mail (110,865 letters) in 59 hrs. 48 min. On the same day that Musick departs California, New Zealand grants landing authority for Auckland.

Also in November, proposals for joint operations based on a transatlantic service are sent to **DDL Danish Airlines (Det Danske Luftfartsselskab, A.S.)** and **DNL Norwegian Airlines (Det Norske Luftfartsselskab, A.S.)**, the national airlines of Denmark and Norway. Capt. Musick appears on the cover of the December 2 issue of *Time* magazine. The *China Clipper* reaches San Francisco (Alameda) from Manila on December 6 with 98,000 letters after its multistop 63-hr. 28-min. flight,

having completed its first 16,420-mile roundtrip in total flying time of 123 hrs. 12 min.

The second M-130, the *Philippine Clipper*, departs Alameda for Manila on December 9. At this point, the Japanese, who have formerly broadcast their Pacific weather forecasts in plain language, encode the signals. On December 12, the DOS advises that it has received promises of foreign facilitation of any company transatlantic services. **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** takes over the **Aerovias Centrales, S.A. de C.V.** route from Mexico City to the U.S. frontier on December 18. Simultaneously, **Aerovias Centrales, S.A. de C.V.** is dissolved as the result of a dispute with the government that its pilots all be Mexican nationals; its Fleetster is scrapped.

Having finally obtained its own Portuguese concession to land in the Azores, the carrier applies to the French government on December 16 for permission to offer twice-weekly transatlantic flights to French ports of Paris' choice. The S-42 *West Indies Clipper* (2), which succeeded the test ship *Pan American Clipper* back in May, is destroyed in a Port of Spain accident on December 20. It is replaced by the second S-42A, the *Antilles Clipper*. The last M-130, the as-yet unnamed *Hawaiian Clipper*, is delivered to Alameda on December 24.

The Consolidated Model 16 Commodore *Cuba* is destroyed by fire at Dinner Key, Miami, during the year and the Commodore *Havana* is withdrawn. Terminals and airports owned by PAA jump from 166 to 202 and route mileage grows from 31,259 to 40,479. Despite an outlay of \$4 million for new aircraft and ground facilities (including a new airfield at Juneau, Alaska), the company reports revenues of \$10,127,837 and a net profit of \$1,193,732 for the 12 months.

On January 25, 1936, President Trippe and **Imperial Airways, Ltd.** Chairman Sir George Woods-Humphrey agree to divide all transatlantic service between their companies. The understanding will lead to protests from other parties and delays in the granting of operating and landing permits. A second *Brazilian Clipper*, an S-42A, enters Latin American service in February. Also in February, two Fairchild 91s (XA-942As) are provided to **Panair do Brazil, S.A.** for high-speed service on the Amazon River.

The proposals made to the Danish and Norwegian flag carriers in November are accepted in March. So pleased are the Norwegians that they immediately order their own Sikorsky S-43 for **DNL Norwegian Airlines (Det Norske Luftfartsselskap, A.S.)** and grant cooperation to PAA's plans for joint proving operations in Greenland during the upcoming two summers. Permission is also obtained to establish a radio station in Iceland; it, too, is up and operating during 1936-1937. Transpacific cargo flights are authorized in early in March and during the month, the experimental DC-4E is launched with commitments from the "Big Four" airlines, plus Pan Am. The final M-130 flying boat, the *Hawaiian Clipper*, is flown to Hawaii on March 30.

While taking off from Port of Spain, Trinidad, on April 11, the S-42 *Puerto Rican Clipper* hits a launch; the plane swings into a "water loop" and crashes (three dead). The last S-42A, the *Dominican Clipper*, is delivered in April and placed in South American service; on April 28, the first Sikorsky S-43 "Baby Clipper" arrives, after establishing two payload records in test flights three days earlier.

Simultaneously, USN meteorologist/cryptographer John Cooke is seconded to Guam to serve as Pan Am's chief local radio operator to break the code being employed by the Japanese to broadcast their regular weather reports. The codes are broken and the weather forecasts relayed to Alameda and Honolulu for company and other use. Following the completion of his mission, Cooke trains his Pan Am successors and returns to active duty.

With President and Mrs. Trippe in attendance, the *Hawaiian Clipper* is christened the *Hawaiii Clipper* at Honolulu in May 3 ceremonies; it thereafter departs for the Orient. Another S-43, the first equipped with twin tails, joins the fleet on June 11; it is followed into service by a third "Baby Clipper" on July 4. Concerned by the rising cost of the DC-4E, Pan Am, together with **Transcontinental and Western Air Lines (TWA)**, withdraws from the Douglas project in mid-month; the two

withhold their funding and elect to join with Boeing in development of the Model 307 Stratoliner. The paper airline **Chilean Airways, S.A.** is dissolved on July 30.

Another S-43 arrives on August 6. Also in August, the Warner Brothers motion picture *China Clipper* is released. Written by Frank Wead, starring Pat O'Brien, and made with close cooperation from the airline, the film explores the history of the fictional "Trans-Ocean Airways" up through its introduction of Martin flying boat service across the Pacific Ocean. The film affirms for its audiences the strength of U.S. technology and innovative adventurism in an increasingly dangerous world.

During the summer, crews from the SS *North Haven* establish hotel and other passenger facilities on Wake and Midway Islands. The first Sikorsky S-42B *Pan American Clipper II* is delivered in September, along with a fifth S-43. The colonial government of Hong Kong grants a concession on September 17. Also in September, the U.S. government grants permits for a transatlantic service and another S-43 is delivered; a sixth is acquired on October 3.

En route to Guatemala City, a DC-2 crashes north of San Salvador on October 10 (five dead). The *Hawaiii Clipper* inaugurates the world's first transocean scheduled passenger service by a heavier-than-air flying machine on October 21. Seven passengers are taken to Hawaii; there, the only traveler to pay the \$360 Alameda-Honolulu fare disembarks and is replaced by five more passengers. The other travelers, who paid \$800 for a one-way ticket, continue on to Manila Bay, arriving on October 26.

Supported by local airplane builder Glenn L. Martin, the company begins negotiation with the City of Baltimore on November 6, which result in the signing of a 25-year lease for 10 acres of land to be developed into a flying boat base. The wholly owned subsidiary **Panama Airways, S.A.** is formed on November 7; it is equipped with the Ford 5-AT-74, reclaimed from **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on November 10. The *Hawaiii Clipper* is back at Alameda by November 11. The CNAC-1 Shanghai-Canton route is extended to Hong Kong in November to provide a connection into China for passengers of the transpacific flying boats.

Two additional S-43s arrive in December, one each on the 18th and 31st. They are turned over to **China National Aviation Corporation (CNAC-1)**, with the former becoming the personal transport of Mme. Chiang Kai-shek. Also in December and employing PAA Ford 5-ATs, **Panama Airways, S.A.** begins service and an S-43 received in September begins services from a base at Port of Spain, Trinidad.

The S-42B *Pan American Clipper II* is turned over to the Pacific division at Alameda on January 7, 1937. At Shanghai on January 19, Harold Bixby signs an airmail contract on behalf of CNAC-1 for PAA's transpacific route. As the result of Boeing 314 development difficulties, the delivery agreement is revised the next day, allowing a three-month extension for each aircraft. En route from Vitorio to Rio de Janeiro on February 8, an S-43 suffers an in-flight engine fire; upon its return to Vitorio, the aircraft sinks. On February 22, the U.K.'s Civil Aeronautics Authority grants PAA authority to operate transatlantic services twice weekly to and from London. The next day, the fourth S-43 is transferred to **Panair do Brazil, S.A.**

Concessions facilitating the transatlantic service are also obtained from Canada on March 5, Bermuda on March 25, Ireland on April 13, and Portugal on April 14. On March 15, orders are placed for three Boeing 307 Stratoliners. Renamed *Samoa Clipper*, the new S-42B, piloted by Capt. Musick, departs San Francisco on March 17 and arrives at Auckland on March 29 via Honolulu, Pago Pago, American Samoa, and a rendezvous with the S.S. *North Wind* at Kingman Reef. The *Samoa Clipper* returns to Alameda on March 29. It is now renamed *Hong Kong Clipper* and is dispatched to Hong Kong to provide a weekly link with Manila, beginning on April 16. Located on the Chinese mainland, the Portuguese colony of Macao grants a landing permit on April 28. The next day, the original S-43 is sold to **Panair do Brazil, S.A.**

Having secured \$8 million in city funding after two years of discussions, the company now rapidly begins construction of a flying boat base at North Beach Airport on land acquired in 1933; a temporary

facility is quickly thrown up employing an existing hanger and ramp. Other facilities are started in Canada, Ireland, and the Azores; at the latter point in April, Chairman Trippe has acquired rights to land at Horta.

As of May 15, three more S-43s have been delivered on the year, the last "Baby Clippers" to be acquired by the company. An Atlantic division is formed at Port Washington, New York, in May and has 113 employees by June. Alternating with the **Imperial Airways, Ltd.** Shorts S23 *Cavalier*, the S-42B *Bermuda Clipper*, piloted by Capt. Harold Gray, undertakes four route proving flights to Bermuda between May 27 and mid-June.

Regularly scheduled weekly return service begins from New York and Baltimore to Bermuda on June 18. By this time, PAA has been awarded the mail contract for the FAM-17 route. The last two active Consolidated Model 16 Commodores, *Trinidad* and *Puerto Rico*, are retired; one is sold to China and the other to Mrs. Chamberlin. The S-42B *Pan American Clipper*, piloted by Capt. Harold Gray with a crew of six, now undertakes four North Atlantic proving flights: to the New Brunswick town of Shediac on June 25; to the Newfoundland city of Botwood on June 27; to Southampton via Shediac, Botwood, and the Irish city of Foynes on July 3; and to Southampton via Bermuda, the Azores, Lisbon, and Marseilles on August 16.

Meanwhile, following the disappearance of aviatrix Amelia Earhart and her navigator, former PAA employee Fred Noonan, while en route from New Guinea to Howland Island on July 1, both PAA and USN radio stations pick up mysterious signals that some will believe are distress calls from the two. The radio traffic, although triangulated, reveals no survivors.

PAA and **Imperial Airways, Ltd.** officials meet at Dublin on July 26 with those from the British and Irish governments to coordinate upcoming transatlantic flights. Areas of common interest examined include signal codes and communications, weather forecasting, and postal services. The S-42 *Brazilian Clipper* is renamed *Colombia Clipper*, while the S-42B *Pan American Clipper* is renamed *Hong Kong Clipper* and sent out to the British colony to replace the first ship by that name. *Pacific Alaska Airways* sells its Ford 8-AT to Charles Babb on August 3 for just \$1,750; six months later, the single-engine aircraft will pass to Colombian mining interests. The Ford 5-AT-31 is reclaimed from **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** on August 27 and undergoes modification. The S-42B Bermuda service becomes twice weekly on August 25.

The carrier's first two Douglas DC-3s are delivered on October 1; the number will increase to eight by November 11. With the new Baltimore base readied, the *Bermuda Clipper* inaugurates Maryland-Bermuda flights on November 17.

To inaugurate scheduled service to New Zealand, the original *Hong Kong Clipper* is returned to Alameda in early December. Rechristened *Samoan Clipper* and again flown by Capt. Musick, she departs on the inaugural return service via Honolulu, Pago Pago, and Kingman Reef, on December 23. The upgraded Ford 5-AT-31 is sold to the Nicaraguan government on December 31.

Operating losses for the Pacific division, as reported the same day, total \$474,858 for the year.

On January 11, 1938, while on a second scheduled New Zealand flight, the S-42B *Samoan Clipper*, dumping fuel because of the shutdown of its leaking No. 4 engine and returning to Pago Pago, explodes in midair; Capt. Musick and his entire six-man crew are killed. Remains of the Sikorsky are located by the U.S. seaplane tender *Avocat* the next day, 14 mi. NW of the island. Following the loss of the British flying boat *Cavalier* on January 21, the *Bermuda Clipper* maintains the U.S.-Bermuda return service alone. In February, company officials again join with those from the British and Irish governments and **Imperial Airways, Ltd.** in conference in Canada; the executives promise to standardize communications procedures and weather forecasting.

An S-43B is forced down near Kingston, Jamaica, on April 25; all aboard are rescued. FAM-15 and FAM-16 are awarded to the Pacific Alaska Airways subsidiaries on May 3. Designed by Wellwood E. Beall,

the first Boeing 314 is launched at Duwamish Waterway, Puget Sound, near Boeing Field. Just after takeoff for Miami from Rio de Janeiro on July 15, a DC-3 loses an engine and crashes into a hospital; one elderly patient on the ground is the only fatality. On July 28, the M-130 *Hawaii Clipper*, piloted by Capt. Leo Terletzky en route to Manila from Guam, disappears without a trace approximately 565 miles from Manila (15 dead). Sixteen ships and 10 airplanes, including 5 Army Air Corps B-17s, search 160,000 square miles but nothing is found except a suspected gasoline and oil stain on the water about 50 miles from the aircraft's last reported position. Pan Am now has the unwanted distinction of being the first airline in the world to lose a transoceanic passenger flight.

Three days later, on July 31, Pacific division ledgers show a \$373,523 loss since January. Large American flags are now painted on the bows and wings of clippers to prevent attack by Chinese or Japanese planes. On August 19, the company's Northwest division begins a series of 10 Sikorsky S-43 return survey flights from Seattle to Juneau.

The company is able to fly only 60% of its transpacific schedule during the remainder of the year, losing \$95,000 per month (each lost trip being worth \$10,000). Losses on the route for the year equal all but \$75,000 of the \$1.2 million earned by the South American division. In December, the S-43 stationed at Port of Spain in Trinidad is laid up and its gear is removed.

A year behind schedule, the first Boeing 314, the *Honolulu Clipper*, is delivered to PAA at Astoria, Oregon, on January 27, 1939. The M-130 *China Clipper* inaugurates service from the company's new flying boat base at Treasure Island in San Francisco Bay on February 5; the *Honolulu Clipper* begins transpacific operations from Treasure Island on February 22. The next day, the Portuguese government grants landing rights in the Azores. The first Boeing flying boat slated for the Atlantic arrives at Baltimore from Washington State on February 24; repositioned to New York, it is christened *Yankee Clipper* by Mrs. Eleanor Roosevelt in elaborate ceremonies on March 3. The christening bottle contains no champagne; rather, water collected from all of the seven seas.

At a special board meeting on March 14, Chairman Whitney is voted chief executive; Juan Trippe remains as president. Meanwhile, another Boeing 314 is delivered to Pan Am's Pacific division. Also at mid-month, a third conference, at Dublin, occurs between company leaders and those from the British and Irish governments, plus **Imperial Airways, Ltd.**; the result is formation of the Trans-Atlantic Air Service Safety Organization (TASSO).

On March 26, the *Yankee Clipper*, piloted by Capt. Harold E. Gray, begins a 6-country survey flight from Baltimore to Europe and return; in addition to the 11-man crew, 9 official visitors are aboard, including 3 manufacturers' representatives and 6 government technicians. Three-and-a-third days are spent in the air during the 11,017-mile trip and points visited before the ship returns to Baltimore on April 17 include the Azores, Lisbon, Biscarosse, Marseilles, Southampton, and Foynes.

Meanwhile, following CAB hearings in February and March, the transpacific airmail rate is elevated to \$3.35 per mile on April 1. The second Pacific Boeing is christened *California Clipper* on April 25; the name will later be changed to *Pacific Clipper*. Also in April, the third Atlantic Boeing, the *Dixie Clipper*, is delivered. The CAB grants its approval for transatlantic service on May 17, with President Roosevelt's following on May 18.

Piloted by Capt. Arthur E. LaPorte, the *Yankee Clipper* undertakes the world's first scheduled transatlantic airmail service on May 20-22, the twelfth anniversary of Lindbergh's Paris flight, flying FAM-18 via the southern route to Southampton from Port Washington via the Azores, Lisbon, and Marseilles. The giant flying boat arrives in England with 1,804 pounds of mail (200,000 letters) after a flight of 29 hrs. The first regularly scheduled commercial roundtrip flight is completed on May 27 when the Boeing arrives back at Port Washington with 2,025 pounds of mail from the U.K.

On June 24, the *Yankee Clipper*, this time flown by Capt. Harold E. Gray, opens the northern mail route to Southampton via Shediac, Bot-

wood, and Foynes with 20 nonpaying guests aboard. Meanwhile, a schedule for passenger service is distributed; fees are shown as \$375 one-way and \$675 roundtrip. The first ticket is sold to Washington, D.C. resident W. J. Eck, who had applied for it in 1929. Eck's seat had originally been reserved for the late Will Rogers.

Back from the Pacific, Capt. Robert O. D. "Rod" Sullivan inaugurates the world's first scheduled transatlantic passenger service by heavier-than-air craft on June 28; carrying 17 passengers, his *Dixie Clipper* flies the southern route to Southampton, returning 4 days later. A ninth DC-3 is delivered on July 1.

In early July, the fourth Atlantic Boeing, the *American Clipper*, is delivered; it is christened at Terminal Island, San Pedro, on July 6. It will make six demonstration flights over Los Angeles (with movie stars as passengers) before departing to New York. The *Yankee Clipper* inaugurates the northern route on July 14 and the French government, on July 15, confirms transatlantic operating authority first given on a preliminary basis on January 17.

On August 13, an S-43B with 16 aboard crashes into a harbor caisson while landing at Rio de Janeiro and breaks in half (14 dead). Beginning on August 22, the first B-314 survey flight is undertaken by the *California Clipper* to Auckland; 25 U.S. military officials are aboard as passengers.

As the result of the outbreak of war on September 3, the northern transatlantic route is terminated at Foynes and the southern at Lisbon. Rumors circulate concerning attempts by refugees at Lisbon to bribe Pan Am officials for seats on the U.S. bound clippers. An imaginary last flight over the northern route, extremely accurate from a technical viewpoint, is recreated in author Ken Follett's *Night over Water* (New York: William Morrow, 1991).

Having logged 15,000 miles and 101 hrs. 52 min. flying time, the *California Clipper* returns to San Francisco on September 6. On September 29, orders are placed for six additional Boeing 314s. The northern transatlantic route must be abandoned on October 3 as aerial conflict about the British Isles intensifies. Simultaneously, the number of "special passengers" booked on the company's regularly scheduled thrice-weekly flights increases and includes government officials, correspondents, military officers, and U.S. and foreign spies.

On October 4, the press reports Pan Am's order for six additional B-314s at \$800,000 a copy. Also in October, hearings are held before the CAB concerning the company's proposal for the new Auckland route. On November 14, orders are placed for three yet-to-be created Lockheed Model 44 Excaltors; the project will be cancelled. Capt. W. A. Cluthe, piloting the *Honolulu Clipper*, completes the last Boeing flying boat familiarization flight to Auckland on November 30.

Every Thursday during the 1939 San Francisco World's Fair, certain of the spectators are allowed to step forward at the Treasure Island base to obtain the autograph of the departing flying boat's captain; the most popular of these "stars" are Steve Bancroft and John Hamilton. Arriving back at New York on December 20, the *American Clipper* completes the carrier's 100th transatlantic crossing. On December 31, the largest net profit to date is posted: \$1,984,438.03.

As the result of board action taken on January 9, 1940, the president, rather than the chairman, is authorized as the CEO; Juan Trippe returns to power. While landing at Horta on March 21, Capt. Gray's *Dixie Clipper* is damaged when it hits heavy swells; temporarily repaired, the Boeing is returned to Baltimore where she will undergo 55 days of repair. Replacing the Baltimore facilities, a new Marine Air Terminal is dedicated at New York on March 20. Following the ceremonies, the *Yankee Clipper*, under Capt. Charles Lorber, departs for Lisbon.

During the winter flying season, only 14 of 24 westbound transatlantic flights are completed due to storms and strong winds. In all, only 40 of 87 scheduled transatlantic trips are completed. At month's end, the first Boeing 307 Stratoliner, the *Clipper Rainbow*, is delivered.

Capt. Sullivan's *Atlantic Clipper* arrives at New York from Lisbon via Horta on April 16, having completed a record crossing of 26 hrs. 2 min. On April 24, orders are placed for three DC-4s. Eight DC-3s are deliv-

ered in May. The first Boeing 307 Stratoliner *Clipper Rainbow* departs Miami on June 3 for Bogota; flying via Barranquilla, the pressurized airliner secretly brings in a variety of pilots and technicians who remain largely out of sight for the next week. The paper Colombian subsidiary **Sociedad Anonima Colombo-Americano de Aviacion, S.A.** is dissolved on June 7, the same day on which the CAB grants a Treasure Island-Auckland via Canton Island and Noumea, route certificate.

Having smuggled company employees in aboard **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** aircraft, Pan Am's secret ownership of SCADTA is now revealed to U.S. and Colombian government officials. On June 8, 80 German employees of SCADTA are terminated (still known as the "delousing") and are immediately replaced by the Americans who had come into the country aboard the *Clipper Rainbow*. Three days later, on June 11, the Pan American-Imperial Airways Company, formed in May 1930, is dissolved. The same day, an order is signed for 40 Lockheed Constellations, with deliveries beginning in 1943.

On June 14, **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** is renamed **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**. Pan Am emerges with 64% shareholding. government. At mid-month, Boeing 314 service is extended from San Francisco to Los Angeles and Honolulu and on June 18, transatlantic frequencies are increased from two to three per week. The S-42 *Bermuda Clipper*, renamed *Alaska Clipper* and assigned to Pacific Alaska Airways, inaugurates the first mail service between Seattle and Juneau on June 20.

The entrance of the transnational carrier's big flying boat on the scene is protested by the local Alaskan regional carriers, which soon respond by synchronizing their biweekly Ketchikan to Juneau flights. The *Alaska Clipper* is replaced on the Bermuda service by the *Pan American Clipper III*, which is thereafter relabeled the *Bermuda Clipper*. Four days later, the *Alaska Clipper* begins twice-weekly return passenger and mail service over the Juneau-Seattle route. The roundtrip fare is \$100.

Also in June, the three S-40As *American Clipper*, *Caribbean Clipper*, and *Southern Clipper* are retired from scheduled service and placed on a charter footing; while the *Southern Clipper* is overhauled, her two sisters undertake "special flights" in the Caribbean for the U.S. government. Two more B-307s, *Clipper Flying Cloud* and *Clipper Comet*, are received at month's end; all three of the Stratoliners will be placed into service in the Caribbean area, specifically on the routes from Brownsville and Los Angeles to Mexico City.

During the first week of July, Juan Trippe meets with President Roosevelt, who asks the airline leader to covertly build a series of bases for the U.S. government; arrangements will be made via the DOS with the British government. In the meantime, the DOS-administered Airport Development Program is launched for the improvement of landing facilities at Belem and the old **Air France** airfield at Natal in Brazil. The first Boeing 307 Stratoliner *Clipper Rainbow* is placed on scheduled service on July 4 and on July 12, the B-314 *California Clipper* introduces the first regularly scheduled airmail service from Treasure Island to Auckland via Los Angeles, Honolulu, Canton Island, and Noumea in New Caledonia.

On July 15, the CAB grants a seven-year transatlantic certificate to **American Export Airlines (Amex)**; Pan Am sues, challenging the legality of the new entrant's owners (a steamship line) to operate an air carrier. At PAA urging, Congress will deny Amex a mail subsidy. Los Angeles to Honolulu return flying boat service begins on July 23. An S-43 crashes in the Caribbean on July 28, but it will be rebuilt. Also in July, two more DC-3s join the fleet.

When the *Yankee Clipper* arrives at Lisbon on August 4, the event marks the carrier's 200th Atlantic crossing. Due for delivery to Pan Am during the second quarter of 1941, three Boeing 314s are sold to the British Purchasing Commission on August 30 for \$1,035,400 apiece; the total company profit for the three exceeds \$600,000.

On September 1, direct U.S.-Colombia flights begin and the 1933 mail contract ends. PAA begins operating B-307s over the route from

Miami to Cristobal, Panama, on September 1, reducing flight time on that segment by six hours. Passengers connecting to the **Pan American-Grace Airways (PANAGRA)** service down the west coast of South America are now able to reach Buenos Aires from New York in just three-and-a-half days.

Passenger service is introduced on the San Francisco–Auckland route of the Boeing 314 *California Clipper* on September 11.

A 40% interest is taken in **Aeronaves de Mexico, S.A. de C.V.**, then operating a Mexico City–Acapulco route, on September 12. Also in September, PAA-constructed Barreiras Airport, carved out of the Brazilian wilderness inland between Belem and Rio de Janeiro, is opened. Its completion allows the B-307 *Clipper Rainbow* to open service to Belem, at which point a DC-3 connection allows one-stop continuation service to Rio. Also in September, the B-307s *Clipper Comet* and *Clipper Flying Cloud* are placed in service to Mexico City from Los Angeles and Brownsville.

On October 1, developing transatlantic competitor **American Export Airlines** announces its purchase of Lowell Yerex's **TACA (Transportes Aereos Centro-Americanos, S.A.)**, reportedly for \$2 million. As an initial response, taken on October 10, **Aerovias de Guatemala, S.A.** is established as competition to the local TACA subsidiary; PAA takes 40% shareholding and a Guatemala City meatpacker and U.S. citizen, Alfred Denby, is named manager. Arriving at Port Washington from Lisbon after dark on October 11, Capt. Sullivan's *Yankee Clipper* becomes the first transoceanic, heavier-than-air machine to make a night landing in the U.S.

On November 2, a subsidiary, Pan American Airport Corporation, signs a government contract under the Airport Development Program to begin the covert construction of airfields on those Caribbean islands obtained by the U.S. in the famous "destroyers for bases" deal with the U.K. announced back on September 3. President Roosevelt's discretionary accounts provide the carrier with \$12 million in addition to \$3 million for support activities. Under the arrangement, 15 bases are to be built for \$4.3 million down the islands to Brazil's bulge and 10 from Tampico to Venezuela via Central America, at \$3.2 million; additionally, 9 seaplane bases are to be constructed at \$1.4 million.

Beginning on November 3, the *Yankee Clipper* becomes the first of the original Boeing 314 flying boats to be upgraded to 314A status. Having received new Pan Am-supplied Douglas DC-2s, **Aerovias de Guatemala, S.A.** initiates service on November 7. November 22 marks the fifth anniversary of transpacific service.

Returned to service, the improved Boeing 314A arrives at Lisbon on December 18 with 13,402 pounds of mail, the largest mail poundage transported across the Atlantic in a single flight by a heavier-than-air machine prior to the 1950s. Late in the year, the *Alaska Clipper's* Seattle–Juneau service, now flown via Ketchikan, is taken over by a DC-3 and a corporate navigation division is established at the University of Miami to train not only its own personnel, but navigators for the U.S. and British military.

A total of 2,122 passengers are transported to Europe during the year and 2,846 to Asia. Many flights from Lisbon depart with only a few VIP passengers—or none at all. A total of 242,223 pounds of mail are hauled eastward and 192,540 pounds westward. The Postmaster General's annual report shows that the company has received \$47 million in airmail subsidy since 1929, while all other U.S. carriers together have received only \$13 million more.

The operating certificates of **TACA de Guatemala, S.A.** are withdrawn by the government on January 1, 1941 and **American Export Airlines** withdraws its offer to purchase the remains of the Yerex airline empire. Interamerican all-cargo flying boat service is inaugurated on January 27 when, piloted by Capt. David G. Desmond, with only two other men in her crew, the *Southern Clipper*, the world's first scheduled air freighter, departs Miami. The flying freighter reaches Port au Prince, Haiti, on January 30 where her 3,366-pound payload is offloaded. Also in January, eight more DC-3s are placed in service.

On February 3, Capt. Gray's *Dixie Clipper* departs Lisbon for Bolama, Portuguese Guinea, the Atlantic division's twelfth overseas base.

Returning to New York on February 9 via Port of Spain and San Juan, the Boeing becomes the first all-metal air transport to fly the longest nonstop commercial air route then existing, the first U.S. commercial aircraft to land in and depart from Africa, and the first to carry passengers and cargo across the South Atlantic. Among the passengers are President Trippe and 1940 Republican presidential candidate, Wendell Wilkie. The Lisbon–Bolama–Trinidad–San Juan–New York route becomes regularly scheduled on February 15.

The S-42A *Dominican Clipper* is lost in an accident in San Juan Harbor on March 10. During the month, the *Dixie Clipper* completes the carrier's 300th transatlantic crossing; since 1939, excluding flights to Bermuda, a total of 3,600 passengers and 314 tons of mail have been flown to Europe. The CAB grants a route certificate for Singapore service on April 29. The wholly owned subsidiary *Panama Airways* is dissolved on April 30.

On May 2–10, the *California Clipper*, piloted by W. J. Barrows, inaugurates biweekly airmail flights from Treasure Island to Singapore via the Central Pacific and Manila. An M-130 over the Central Pacific route to Hong Kong on alternate weeks allows the company's transpacific service to be maintained on a weekly basis. Return flights covertly include the latest military intelligence reports.

Pacific Northwest Airways and the company's Northwest division are merged on May 5 into an Alaska division. On May 23, a DC-3 is passed to **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**. Also in May, five additional DC-3s are received. While on a training flight over Long Island Sound, the *Dixie Clipper* becomes the first U.S. commercial aircraft to directly assist in the rescue of a downed airman. Prior to his pickup by the USCG, the Pan Am aircraft provides a life-ring to Robert L. Hall, who has crashed his U.S. Army Air Forces XP-50.

On June 17, while visiting London to deliver the annual Wilbur Wright lecture to the Royal Aeronautical Society, British Prime Minister Winston S. Churchill meets with Pan Am President Trippe. Arrangements are now made between the U.S. War Department and Pan Am for the support of British military forces in Africa. The subsidiary **Atlantic Airways**, jointly owned with **British Overseas Airways Corporation (BOAC)**, begins ferrying aircraft from Miami to Africa on June 21 via the Caribbean, Brazil, and South Atlantic.

Most of the 18-man skeleton crew, including 10 pilots and 2 copilots, for the new operation are supplied by PAA. People of note in this group include Joseph Mackey, who performed aircraft ferrying for the RAF and who will establish the postwar carrier **Mackey Airlines**; James Bledsoe, who will serve as the postwar chief engineer of **China National Airways Corporation (CNAC-1)**; U.S. Air Mail Service and **Western Air Lines** pilot Al DeGarmo; and Capt. Hal Sweet, the famous **China National Airways Corporation (CNAC-1)** pilot of the DC-2 1/2 (a DC-3 repaired with a DC-2 wing), who had evacuated Gens. Wavell and Brett to Rangoon, Burma. Captain Bob Crawford, who will later write the official "Off We Go" Air Force song, is in charge of Pan American Air Ferries, Inc. (PAAF) training.

The first PAAF mass flight, from Miami Municipal Airport to Lagos, Nigeria, via Belem, comprises 10 Lockheed Model 10A Electras and Model 18 Lodestars purchased by U.K. representatives from U.S. airlines and private companies.

Also in June, the last Pacific Boeing 314 is delivered and christened *Anzac Clipper*. On June 29, **Pan American-Grace Airways (PANAGRA)** route from Puerto Suarez, Bolivia, is pushed to Corumba, Brazil, where a linkup is made with PAA.

Two new covert, one-year contracts are now signed by the U.S. government with company subsidiaries. The first with Pan American Airways-Africa, Ltd. (PAAA) on July 15 calls for the carrier to establish a system of bases and route facilities and system for the transfer of supplies and return of ferry pilots. The work will include the upgrade of several **Imperial Airways, Ltd.** bases and the construction of many others, mostly in the Sudan and Nigeria, along a route to Cairo and Tehran. The second contract, signed with PAAF on July 24, provides for the direct transport

of lend-lease aircraft over the Pan American Airways-Africa route network. Later, urgent cargo and spare parts will also be ferried.

With his headquarters at Miami's civilian airport, PAA Vice President Franklin Gledhill is placed in charge of these operations, with George Kraigher as operations manager in Africa; a subcontract is signed with **Panair do Brazil, S.A.** to handle PAAF affairs in Brazil. The second transatlantic ferry flight and the first under the control of PAAF is now conducted with a mix of seven Lockheed Lodestars and Douglas DC-2s from Miami to Belem to Accra on the Gold Coast. At midyear the old Consolidated Model 16 Commodore *Miami* is transferred to the Brazilian air force as the *Belem*.

On August 10, daily Treasure Island-Honolulu B-314 service is initiated by the *Anzac Clipper*. President Roosevelt publicly reveals PAAF on August 19. Also in August, the final Atlantic-based B-314 is delivered and christened *Capetown Clipper*. It is soon sold to the War Department for \$900,000; leased back, it will be flown in support of transatlantic projects undertaken to aid the British war effort.

The first mission of the big flying boat is the transport, beginning on September 27, of the 52-man nucleus of the PAA-Africa pilot and mechanics staff from North Beach, Long Island, to Bathurst and Lagos via the Caribbean and Natal, Brazil. Regularly scheduled transatlantic air express service is inaugurated by the *Dixie Clipper* on September 28. PAA provides two Boeing 247Ds to **Aeronaves de Mexico, S.A. de C.V.** on September 30. Also in September, the company begins to increase its orders for DC-4s.

President Roosevelt, on October 3, officially authorizes Pan American Air Ferries to begin large scale delivery of lend-lease military aircraft; PAA-Africa will fly C-46, C-47, and other transport planes. The same day the S-42A *Dominican Clipper* crashes while landing at San Juan, Puerto Rico (two dead).

Three days later, on October 6, PAA-Africa Operations Manager Capt. George Kraigher and a picked crew make a DC-3 survey flight over the **British Overseas Airways Corporation (BOAC)** trans-African airport network from Lagos. Destinations visited include Kano and Maiduguri in Nigeria, Chad's Fort Lamy, El Geneina, El Fasher, El Obeid, and Khartoum in Sudan, Cairo, Tehran, Basra and around the southern Arabian peninsula to Karachi via Oman.

On October 16, the CAB allows the addition of Suva, Fiji, as a stop on the transpacific route. Two S-42Bs are transferred to Manila to increase connecting frequencies with Hong Kong and Singapore. With the Pan American Airways-Africa route network completed in just 61 days construction time, Pan American Air Ferries inaugurates scheduled lend-lease deliveries on October 21 with seven DC-3s from the Gold Coast community of Takoradi to Khartoum via Dakar, Accra, Lagos, Kano, Maiduguri, El Geneina, El Fasher, and Khartoum. On October 29, with an RAF ferry crew at the controls, a PAA-Africa DC-3 makes the division's first official flight from Takoradi to Cairo. Also, the last DC-3 to be received by PAA before the attack on Pearl Harbor arrives during the month.

On November 5, Boeing B-314 passenger service is inaugurated from Treasure Island to Auckland via Los Angeles, Honolulu, Canton Island, Suva, and Noumea. At Fisherman's Lake, approximately 800 miles south of Dakar, the *Capetown Clipper*, piloted by Capt. Harold Gray, alights on November 20 where John Leslie, the Atlantic division chief, elects to establish a new African base. Gray and the *Capetown Clipper* inaugurate airmail service to Leopoldville, Belgian Congo, with a cargo of 4,369 letters.

During the month, the merchant vessels SS *Acadia* and SS *Santa Paul* are chartered to transport PAA-Africa personnel and cargo to West Africa for the base-building project. From the Fisherman's Lake Clipper-connection base, ferry pilots will be able to shuttle back and forth to Takoradi or Khartoum. At this point, on the eve of American entry into the war, PAA is the world's largest commercial air transport concern, serving 62 foreign nations and covering approximately 98,582 unduplicated miles.

On December 7, the Japanese opens World War II in the Pacific with the aerial attack on Pearl Harbor. On that morning, the *China Clipper* re-

turns to Treasure Island from Honolulu. An hour out of Honolulu, when the Rising Sun attack on Pearl Harbor begins, the Boeing 314 *Anzac Clipper*, piloted by Capt. H. Lanier Turner, diverts to Hilo. Having unloaded its passengers and mail, the ship is refueled by hand and returns to Treasure Island on December 7-8. Capt. John Hamilton's Martin M-130, en route to Guam from Wake, is recalled to that island by the prearranged signal "Case 7, Condition A."

After the *Philippine Clipper* lands, USMC officers ask Hamilton to conduct a reconnaissance flight, but before the aircraft can be readied, Japanese aircraft attack Pan Am and USMC installations and planes. Most of the installations are destroyed and strafing puts more than 60 (some say as many as 97) bullet holes in the flying boat and kills 9 of PAA's 66 station staffers.

Stripped of her mail and cargo, the *Philippine Clipper* is able to flee to Midway with 70 company employees aboard. One man is left behind and interned after the island is captured on December 23. Caught in the air between Noumea and Auckland by the "Case 7, Condition A" signal, the B-314 *Pacific Clipper*, piloted by Capt. Robert Ford, proceeds to Noumea, from which it is ordered to proceed on to New York. Before departing, an informal camouflage paint scheme is applied, partially covering the American flag logo.

The *Philippine Clipper* returns from Midway to Pearl City, Hawaii, on December 8. Eleven company employees will be captured on Guam, which comes under initial attack on this day. Meanwhile, Japanese aircraft attack **China National Aviation Corporation (CNAC-1)** aircraft and the S-42 *Hong Kong Clipper* at Hong Kong's Kai-tak Airport on Kowloon Peninsula. The flying boat, being readied for rapid departure by Capt. Fred Ralph and his crew, is destroyed by strafing. A CNAC-1 plane takes Ralph and his airmen off the island and helps them reach Calcutta.

On December 9, the *Capetown Clipper* is dispatched to Calcutta with a high priority shipment of Curtiss P-40 tires and spare parts; offloaded, the goods are shipped inland by **China National Aviation Corporation (CNAC-1)**. While on a training flight, an S-38B crashes at Miami on December 11 (two dead).

By the time Hong Kong falls on December 12, William Langhorne Bond, in charge of the company's interests (including CNAC-1) in the British colony, has managed to evacuate 275 people and 3 aircraft to Calcutta. At Washington, D.C. the same day, Navy Secretary Frank Knox, upon the recommendation of former PAA Captain Dutch Schildhauer, creates the Naval Air Transport Service.

On December 18, the Boeing 314 Clippers *Capetown*, *California*, *Anzac* are turned over to the U.S. War Department, which will designate them as C-98s.

The *California Clipper* is transferred from Honolulu to the Atlantic division, while the *Honolulu Clipper*, undergoing overhaul at San Francisco, is allowed to remain with the carrier's Pacific division. The government also purchases the Clippers *Pacific*, *Honolulu*, *Yankee*, *Atlantic*, *Dixie*, and *American*, but these will be turned over by the War Department to the Navy for use by its new Naval Air Transport Service.

Made flyable by the 10 tons of tires, ammunition, and spare parts received at Rangoon from Calcutta via **China National Aviation Corporation (CNAC-1)**, American Volunteer Group ("Flying Tiger") P-40s defend the Burmese city on Christmas Day.

By month's end, nearly all of the carrier's flying boats and three Stratoliners have been sold and turned over to the government, which will continue to operate them with Pan Am crews. Twelve Lockheed Model 18 Lodestars are acquired during the year, 10 for the **Panair do Brazil, S.A.** subsidiary and 2 for the Alaska division. In addition to its S-38s and Commodores, the company owns a fleet that comprises 3 S-40As, 6 S-42s, 4 S-43s, 2 M-130s, 9 B-314s, 4 DC-3s, 24 DC-3As, and 3 B-307s. The huge route network is about to shrink to a wartime configuration of just 82,000 miles.

Enplanements since January total 200,000 and the year's net profit is \$6.9 million.

Having flown 31,500 miles from San Francisco, the *Pacific Clipper* arrives at the Marine Terminal at New York (LGA) on January 6, 1942.

In 25 days, the Boeing 314 visits Honolulu, Canton Island, Noumea, Auckland, Gladstone, Darwin, and Surabaya, where it narrowly misses being shot down by Allied fighters initially mistaking it for a Kawanashi Emily. The flight continues on to Trincomalee, where the No. 3 engine fails and is repaired with parts manufactured on the spot, Karachi, Bahrain, Khartoum, Leopoldville, Belem, Trinidad, and Puerto Rico.

During this flight, the *Pacific Clipper* achieves the first aerial crossing from New Caledonia to Australia, the first circumnavigation of the globe by a commercial aircraft, the longest continuous trip ever made by a commercial plane, and the first around-the-world flight of a plane following an equatorial (or near equatorial) route. The West Africa–Brazil hop of 3,583 miles is the longest nonstop flight yet recorded by the company.

Just to make certain that it does not fall into Japanese hands, the company's stock of aviation fuel at Macao is destroyed on January 16. En route to Africa, a Lockheed Lodestar is damaged in a January 21 crash at Natal, Brazil. Having been turned over to the Navy, the *China Clipper*, *Philippine Clipper*, and their drafted crews are allowed to continue the daily Treasure Island–Honolulu shuttle. To help keep needed supply lines open to the Asian and African war zones, a new Africa–Orient division is established.

Also in January, the three Boeing 307s are directed to fly high-priority cargo from the U.S. to South America. Three C-47s (military DC-3s) are received through the Defense Supply Corporation. On January 31, the B-314 *Pacific Clipper* flies 56 delegates, including Under Secretary of State Sumner Welles, home from the Rio Conference; the 4,350-mile flight to Miami is made in a record 33 hours.

Cornelius V. Whitney resigns from the board on February 25. Meanwhile, CEO Trippe is offered command of the Army's Air Transport command by General Henry "Hap" Arnold, chief of the Army Air Forces; though tempted with the rank of brigadier general, the airline leader declines, claiming he is temperamentally unsuited to not having final authority.

En route to Africa on a PAAF flight segment from Natal on the evening of March 14, a B-25C, piloted by veteran Alaskan bush pilot Kenneth Neese, is lost when it crashes into a hilltop upon takeoff (four dead). The last CNAC-1 DC-2 is lost in a crash at Kunming the same day; PAA orders Pacific Alaska Airways to dispatch one of its DC-3s as a replacement. The 28th DC-4 is ordered, also in March.

En route to the Mideast on April 12, a B-25 being ferried by PAAF crashes into a mountainside at Oshogbo, Nigeria, during a thunderstorm (four dead). The carrier's 40% interest in **Aerovias de Guatemala, S.A.** is reduced to 20% on April 15.

On April 18, Army B-25s from the aircraft carrier USS *Hornet* bomb Tokyo in the famous "Doolittle Raid." Eight of the navigators aboard those medium bombers were among those trained by Pan Am at the University of Miami campus. Also in April, the headquarters of Pan American Air Ferries (PAAF) is shifted from Miami Municipal Airport to the 36th St. Airport.

Beginning in April and continuing in May, 28 PAA-Africa personnel, led by Capt. Dallas Sherman, contribute to the aerial evacuation of Allied soldiers and refugees from a main evacuation point at Myitkyina, Burma, over the Himalayan Mountains ("The Hump") to Dinjan, in the northeastern extremity of India. Flying 80% of the ferry flights, along with a few pilots from the AAF, RAF, and **China National Aviation Corporation (CNAC-1)**, these Pan Am pilots are responsible for saving 3,564 women, children and wounded soldiers from Burma. The PAA-Africa and other DC-3s have also made it possible for P-40s of The Flying Tigers to operate in Burma for as long as they do by providing ferried-in fuel and ammunition.

Also in May, the first large PAAF mass ferry flight is conducted to the Middle East with 70 North American B-25C medium bombers for the Soviet Air Force. Since April, 28 PAA-Africa personnel, led by Capt. Dallas Sherman, contribute to the aerial evacuation of Allied soldiers and refugees from Burma to Dinjan. Flying 80% of the ferry flights, along with pilots of **China National Aviation Corporation (CNAC-1)**,

the company is responsible for the evacuation of 3,000 passengers over "the Hump."

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen and promised by ATA President Edgar Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities. Aircraft are now dispatched to Edmonton, Alberta, for participation in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Also in June, the B-314 *Atlantic Clipper* transports Queen Wilhelmina of the Netherlands and her retinue from Ulster to Shediac, New Brunswick. Out of fuel, a PAAF-flown Lockheed B-34 Ventura is badly damaged when it crashes on the beach at Marshall, Liberia, on June 25.

In the first week of July, six PAA-Africa DC-3s, over a 33-hr. period, deliver badly needed shell fuses from the West Coast of Africa to Alexandria and Cairo via the central African ferry route, changing crews at Khartoum. Three more PAAF-operated aircraft, all A-28 Hudsons, are lost during ferry flights in July, including one each at Marshall, Liberia, and Natal, Brazil, and the third at Kano, Nigeria; only the Natal crash is fatal (three dead).

While training USN pilots at Miami, the old S-40A *American Clipper* is severely damaged in an accident on July 24. Also during July, an airport is opened on Ascension Island and company ferry flights are now able to refuel there. Simultaneously, a new 5,000-ft. paved landing strip is completed at Juneau, Alaska.

During the first seven months of 1942, Pan Am has overseen the delivery of 1,445 warplanes and tons of supplies and ammunition, to British forces being pushed by Rommel toward Suez.

PAAF dispatches its own representative to Belem on August 8, taking over the coordination of ferry work previously contracted to **Panair do Brazil, S.A.** On August 28, the CAB revises the method of the company's airmail payment. The same day, AAF Air Transport Command Commanding General Harold L. George reviews the PAAF training center at Miami. The next day, a B-34 Ventura, suffering engine failure, crashes as it attempts to land at Cape Palmas, Liberia (three dead).

Four more C-47s are delivered through the Defense Supply Corporation in August and during the summer PAAF delivers 100 Lockheed A-28 Hudsons to Cairo, where most will ferry gasoline on behalf of the British 8th Army.

A cost plus 4% fee contract is signed with the U.S. Naval Air Transport Command (ATC) on September 1 to reinforce the essential commercial services to Alaska being provided by **United Air Lines** and **Northwest Airlines**. Two weeks later, employing USN R4D-1s (naval DC-3s), 10-times-weekly flights are initiated from Seattle to Fairbanks via Juneau.

On September 9, another S-43 is transferred to **Panair do Brazil, S.A.**, followed by a fifth on September 28. Meanwhile, on September 19, a new Martin B-26 Marauder en route to Tel Aviv on a ferry flight is lost when it crashes into a Nigerian hillside between Vario and Kaduna during a thunderstorm; all aboard survive. On September 27, both crewmen bail out of an A-20, which catches fire in midair over Fort Liberty, Haiti.

On October 1, it is announced that, one month hence, PAAF and PAA-Africa will be dissolved and all aircraft ferrying will be assumed by Gen. George's ATC. The same day, the company's guesthouse at Piarco is completed; it will be used as an overnight stop for company crews and passengers for many years to come. Another A-20 is destroyed in a nonfatal crash at Nasiriya, Iraq, on October 6 when it hits an unmarked ditch while taxiing in a dust storm. En route to Ceylon, a

PAAF-ferried Consolidated PBY-5A Catalina crashes on a hilltop while taking off from Gura, Eritrea, on October 14; no injuries are reported.

In mid-October just prior to the Battle of El Alamein, the *Capetown Clipper* arrives in Africa with a priority cargo of great importance: dust filters for General Montgomery's tank engines. During the month, a total of 121 aircraft are ferried to the Mideast by PAAF, including 45 Douglas A-20 Havocs for the Soviets. Over 500 aircraft have been transported by PAAF in 194 mass flights during the past 18 months.

On November 1, the Army Air Forces' Air Transport Command assumes responsibility for the ferrying of aircraft, although much of the work will still be accomplished under contract. During the year, Pan American Air Ferries (PAAF) transports a total of 540 aircraft (bombers) through South America and over to Africa. Among its last actions, PAA-Africa crews bring five new Douglas C-54s to Accra on November 11; these are turned over to the Africa-Orient division, which begins to transship cargo under contract from the West African coast, up the chain of Pan Am-made bases, to the British Army near Cairo. Late in the year, the division begins moving it beyond Egypt to India and a connection with the Hump ferry operation of **China National Aviation Corporation (CNAC-1)**. The Miami-India service becomes known as the "Cannonball Express."

On January 7, 1943, Transatlantic Manager John C. Leslie orders the *Dixie Clipper* and *Atlantic Clipper* to depart New York for Miami. In Special Mission No. 70, the *Dixie Clipper*, piloted by Capt. Howard M. Cone Jr., with Passenger No. One, "Mr. Jones" (President Roosevelt) and other VIPs aboard, departs Miami on January 11. The *Atlantic Clipper*, piloted by Capt. Richard Vinal, provides security backup and transport for presidential aides and civil and military officials. After a 10-hr., 1,633-mi. flight, the two Clippers land at Port of Spain, Trinidad, where the party will spend the night.

From Port of Spain on January 12, the Pan Am flying boats proceed for 8 hours and 1,227 miles to Belem, at the mouth of Brazil's Amazon River, where a 3-hour break is taken for fuel and servicing. Taking off into the night, the planes wing their way east over their longest leg, 2,500 miles, to arrive in mid-afternoon, January 13, at Bathurst, Gambia. There, PAA's special passengers board a C-54 for Casablanca. The *Atlantic Clipper*, meanwhile, transports diving equipment to Algiers and proceeds on to Bahrain. Captain Bill Masland awaits the conclusion of the Casablanca conference with plans to fly Roosevelt and Churchill on to Australia for a meeting with Chiang Kai-shek.

On January 21, the M-130 *Philippine Clipper*, piloted by Capt. Robert Elzay and transporting from Honolulu Pacific Submarine Fleet Chief Adm. Robert H. English and his staff, crashes into a mountain near Booneville, California, some 100 miles from San Francisco (19 dead). The wreckage will not be found for almost two weeks. Their security supposedly compromised by Japanese intelligence, Roosevelt and Churchill do not proceed to Australia; however, the *Atlantic Clipper* does transport Gen. Albert C. Wedemeyer and his staff to that destination.

Having reacquired "Mr. Jones" at Bathurst on January 24, the *Dixie Clipper* takes him back across the Atlantic to Natal, Brazil, from whence he flies to Trinidad aboard the same C-54 employed in Africa. Reunited with the Boeing at Port of Spain, the Commander-in-Chief arrives back at Miami on January 30, having spent a total of 70 hrs. 20 min. aboard the flying boat and celebrated, aloft, his 61st birthday. The Casablanca flight marks a number of firsts, including the first time a president is flown outside the U.S., the first time a U.S. president is flown over an ocean, and, in fact, the first airplane voyage by a sitting chief executive.

While circling to land on the Tagus River at Lisbon at dusk on February 22, the *Yankee Clipper*, with 39 aboard, catches a wing in the river and cartwheels. Twenty-four aboard the flying boat are killed, including singer Tamara Drasin and correspondent/OSS agent Ben Robertson Jr., as the wreck sinks within 10 minutes. Upon investigation, the tragedy is blamed on pilot error and Capt. Robert O. D. "Rod" Sullivan, the first pilot to complete 100 transatlantic flights, is forced to resign.

At the time of the wreck, a total of 1,225 transatlantic Boeing flights have been safely made, during which 44,000 passengers have been taken back and forth over 6 million miles to Europe, along with 2.5 million pounds of mail. The next day, **Panair do Brazil, S.A.** receives its sixth and last transferred S-43. Also in February, the entire Atlantic division is placed under command of the Naval Air Transport Command for the duration of the war.

In March, the Boeing 314 *American Clipper* makes 20 transoceanic crossings, including 2 roundtrips between the U.S. and Brazil, covering over 55,000 miles and transporting some 106.5 tons of supplies. The USN contract route to Alaska is extended from Kodiak to Dutch Harbor and Adak in April. In May, the *Dixie Clipper* is transferred to the Pacific division and assigned to the San Francisco-Honolulu shuttle. With the Miami to Natal route now chiefly flown by C-47s, the C-98 flying boats are assigned, beginning in June, exclusively to the South Atlantic route between Natal and West Africa. The *China Clipper* is returned to Pan Am on June 13 and in one of the few flights by a company flying boat across the U.S., is transferred to Miami, where she is refurbished and repainted. The old S-40A trainer *American Clipper* is retired from USN service on June 24.

On July 14, a 30% interest is acquired in **AVENSA (Aerovias Venezolanas, S.A.)**. While in service on the South American routes, the S-42B *Pan American Clipper III* is lost on July 27 at the Brazilian town of Manaos, 1,000 miles upriver from the mouth of the Amazon. Following a midyear meeting with the USAAF chief, Gen. Henry "Hap" Arnold, and the leaders of 17 U.S. airlines to consider postwar aviation policy, President Trippe issues a proposal on September 20 for an All-American Flag Line or "Community Company." The idea will stay alive for several years and be hotly debated in the U.S. Congress.

The *China Clipper* begins shuttle flights to Leopoldville on October 13. Since its beginning in September 1941, the company's transatlantic air express service, as of October 31, has flown 4.3 million pounds between the U.S. and Europe. In September and October alone, the B-314s have flown 7,500 pounds of maps and charts to Gen. James H. "Jimmy" Doolittle, the 12th Air Force commander.

A Netherlands West Indies permit is received on November 10 for the addition of a Curaçao stop on the Miami-Caribbean run. Eight days later, the 5,000th ocean crossing since Pearl Harbor is completed. With a sufficiency of C-54s (military DC-4s) now available, the War Department in November turns the three C-98s over to the USN, which, in turn, will release them to the company's Pacific division.

Company ownership of **Panair do Brazil, S.A.** is reduced on December 7 to 58%; 42% shareholding is sold to local interests. On December 10, a 45% interest is taken in **Bahamas Airways, Ltd.** Three unnamed Consolidated Model 16 Commodores are recommissioned and assigned to the new partner. The first is lost in a crash during a test flight on December 24. The Alaska division is operating 11 R4D-1s at year's end. During the year, the company is paid \$85 million for its government contracts, most of it to Pan American Airports, Inc.; commercial routes gross another \$35,550,168.

The name of **Cubana (Compania Nacional Cubana de Aviacion, S.A.)** is changed to **Cubana (Compania Cubana de Aviacion, S.A.)** on February 1, 1944. Seven days later, the first plane from Miami lands at New York (LGA). The airline begins three-and-a-half-day express service from the U.S. to India on March 13, while service is started to Point Barrow on Alaska's north coast on March 22. Also in March, the Alaska division becomes part of a combined Pacific-Alaska division.

Miami to Nassau and Miami to Merida, Mexico, clipper flights begin on April 15. Accelerated flights begin on April 21 from Seattle to Adak via Anchorage; the Aleutian service now requires 36 hrs. flying time instead of 84. On April 26, a 40% interest is taken in **CDA (Compania Dominicana de Aviacion, S.A.)**. While the U.S. Congress debates the merits of an All-American Flag Line, the CAB on June 14 announces its willingness to receive applications for new international route certification.

The Alaska contract with the government ends on July 31. The S-42 *Hong Kong Clipper* sinks at Antilla, Cuba, on August 7 and on August 30 a 40% interest is acquired in **COPA (Compania Panamena de Avia-cion, S.A.)**. Also in August, the old S-40A trainer *Caribbean Clipper* is withdrawn from USN service. On September 17, the S-40A freighter *Southern Clipper* is retired and sold for scrap.

LACSA (Lineas Aereas Costarricenses, S.A.) is formed on October 17, with PAA taking a 40% interest. On November 16, a 40% interest is acquired in **SAHSA (Servicio Aereo de Honduras, S.A.)**; the next day, 40% of the shares of **LANICA (Lineas Aereas de Nicaragua, S.A.)** are also taken. At Mexico City, Wilbur Morrison is appointed a vice president to lead the Latin American division; he will hold the post for 22 years. Late in the year, the three conscripted Boeing 307 Stratoliners are returned and in December company shareholding in **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** rises to 56%. The old Consolidated Model 16 Commodore *Uruguay/Sao Paulo* is transferred to the Brazilian air force as the *Manaus*. Net profit for the year is only \$1.6 million.

On January 8, 1945, the *China Clipper*, piloted by Capt. Cyril Gayette and en route to Leopoldville from Miami, crashes into an unidentified object in the water at Port of Spain, Trinidad (23 dead). Orders are placed for the Republic CV-37 Rainbow on February 15. Between March 19 and May 4, the Subcommittee on Aviation of the Committee on Commerce of the U.S. Senate holds hearings on S. 326, the All-American Flag Line proposal known as the McCarran Bill after its sponsor, Senator Pat McCarran of Nevada. One of the chief witnesses opposed to the concept is **American Airlines** President Ralph S. Damon. Meanwhile in March, the company applies to the CAB for the right to fly domestic U.S. routes.

In April, in response to an overture from workers at the PAA overhaul base, the Transport Workers Union establishes an air transport division and establishes a new local in Miami. Also in April, the carrier joins with 40 others from 25 nations in forming IATA.

Having outwitted speculator Floyd Odium, Juan Trippe, supported by Kuhn Loeb, acquires \$43 million in increased capitalization on June 25. The maneuver will stand the executive and his company in good light when future financing is required at the dawn of the Jet Age. The CAB, on June 1, announces its decision to grant transatlantic operating certificates to both **American Export Airlines** and **Trans Continental and Western Airlines (TWA)**. Pan Am and TWA are authorized to fly south of the 50th parallel with the former allowed onward rights to Calcutta via Istanbul and Karachi.

On July 5, the CAB approves a large number of transatlantic routes for various U.S. carriers. The ruling ends hopes for S. 326 which, nevertheless, is voted upon on July 6; the result is a tie and the legislation does not leave its subcommittee.

While making a landing under instrument conditions at Fort de France, Martinique, on August 3, an S-43 crashes and sinks in 20 fathoms of water (4 dead). Twelve company employees captured at Wake and Guam in December 1941 are released in September after four years of internment in Japan.

Following V/J Day, company officials reflect on PAA's wartime contributions. At least 12 aircraft have been destroyed and over 200 employees killed. Some 90 million miles have been flown in government service and over 15,000 ocean crossings have been made, including 3,000 across the Pacific and 3,800 over the Atlantic. In addition to its training of thousands of military pilots and mechanics and its VIP flying boat service (which has undertaken over 700 missions), the company, together with **British Overseas Airways Corporation (BOAC)**, pioneers the microfilming of mail as a weight reduction measure (V-Mail or Airgraph). On the \$90 million expended by Pan American Airport Corporation in South America, not a single penny in profit is made.

Having organized workers in Miami, the air transport division of the Transport Workers Union signs its first airline contract in September, a historic document with PAA.

British Overseas Airways Corporation (BOAC) clerks and executives help to dock and unload two Pan Am flying boats on October 10, as airport and airline workers at Bermuda strike. On October 24, a survey team aboard a new DC-4 undertakes a 25,000-mile inspection of the company's former Pacific bases and potential new ones with an eye toward resuming commercial services from the U.S. to Asia with landplanes. The "Skymaster" survey requires a total of 27 stops, including Honolulu, Midway, Wake, Guam, Tinian, Saipan, Manila, Iwo Jima, Tokyo, Nanking, Tsingtao, Shanghai, Hong Kong, Hainan, Saigon, Batavia, Singapore, Calcutta, and Rangoon in 140 flying hours over 28 days.

The first revenue-service DC-4 is delivered on November 4 and is christened *Clipper Raven*. En route to San Francisco from Honolulu on November 4-5, the B-314 *Honolulu Clipper*, a veteran flying boat with 18,000 flying hours logged, loses two engines and puts down at sea in an emergency landing. After all 23 of the crew and passengers are removed, the aircraft is taken in tow by the USS *Manila Bay* (CVE-61) the next day; however, five days into the haul, the line parts. The USS *San Pablo* (AVP-30) also gets a line attached, but the floating aircraft now slams into the ship's side, fatally damaging itself. There is no option but to sink her by gunfire, even though it takes 1,300 rounds of 20-mm. cannon fire to do so.

Regularly scheduled, daily, 20-hr., \$278 one-way Boeing 314 Treasure Island-Honolulu passenger service resumes on November 16. A \$25-million order is placed with Boeing on November 28 for 20 B-377 Stratocruisers, with deliveries to begin a year hence. All interest in **Aerovias de Guatemala, S.A.** is sold to **Aviateca (Aerolineas de Guatemala, S.A.)** on November 30. Five more DC-4s are received during the month: *Clipper Monsoon*, *Clipper Mandarin*, *Clipper Lightfoot*, *Clipper Malay*, and *Clipper Courser*.

The **China National Aviation Corporation (CNAC-1)** is dissolved on December 20. On December 24, the final B-314 transatlantic flight is concluded by the *Bermuda Clipper*. At three days and two-and-a-half nights, the 3,650th flight is also the shortest recorded. During the month, three more DC-4s arrive: *Clipper East Indian*, *Clipper Monsoon*, and *Clipper Kit Carson*.

Operating revenues for the year total \$67,791,000 and the route network is now 93,076 unduplicated miles.

Transatlantic runs under contract to the USN end on January 2, 1946, while New York to Bermuda flights begin two days later. The first Lockheed L-049 Constellation is delivered at New York on January 5 and is christened *Clipper Mayflower*. It is the first of its type to enter commercial service when it departs New York (LGA) later in the day for a flight to Bermuda. The last transpacific flying boat service is undertaken on January 6. A second L-049, the *Clipper Challenge*, is delivered on January 12. The company's transatlantic Constellation service begins—to Lisbon—on January 14, the same day flights are started to the Belgian Congo. An L-049 Constellation with 41 aboard drops a burning engine and makes a crash landing at Windham Field near Willmantic, Connecticut, on January 19; there are no serious injuries.

On February 4, Pan Am becomes the first U.S. airline fly an L-049 to London. Departing New York (LGA), the Lockheed *Clipper Bald Eagle*, piloted by Capt. R. W. Fordyce with 29 passengers aboard, flies to Gander, on to Shannon, and hence to Hurn Airport near Bournemouth, arriving the next day in 12 hrs. 9 min., almost 5 hours better than the previous 17-hr. DC-4 mark. A total of 36 passengers are aboard for the return flight.

On March 22, the company signs a UN Relief and Recovery Agency (UNRRA) contract to fly personnel and medical supplies to Shanghai via Tokyo. Weekly U.S.-Shanghai L-049 flights commence three days later. On March 28, in accordance with a new Mexican law, company interest in **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** is reduced to 45%. The first return UNRRA charter trip from Shanghai to San Francisco is completed on March 31. Also in March, the company provides its Brazilian subsidiary, **Panair do Brazil, S.A.**, with its first three Lockheed L-049 Constellations.

The Hawaii-California return B-314 service ends on April 8, when the *American Clipper* arrives at Mills Field from Honolulu. Simultaneously, DC-4s begin service to Hawaii; the route is reduced from 20 hours flying time to 10 and the fare drops to \$195 from \$278. The surviving U.S. Boeing flying boats, *Atlantic Clipper*, *Dixie Clipper*, *American Clipper*, *Capetown Clipper*, *Pacific Clipper*, *California Clipper*, and *Ansac Clipper* are now retired to anchorage off the naval air station at San Diego, where they are offered for sale by the War Assets Department. At the time of retirement, the *Dixie Clipper* is the senior aircraft, having logged 19,000 flight hours over 1.25 million miles.

The first film to be premiered aboard an airliner is shown aboard a PAA L-049 Clipper en route to Ireland from New York on April 15. The same day, a UNRRA Constellation arrives at Seattle from China. The next day, the L-049 *Manoel de Borba Gato* of the **Panair do Brazil, S.A.** subsidiary becomes the first foreign airliner to arrive at London's new Heathrow Airport.

A C-54, from Hurn, England, makes the first all-cargo transatlantic flight on May 7. As the result of the CAB's May 17 ruling in the Latin American Route Case, the carrier receives a valuable New York to San Juan route. However, several domestic airlines are given permission to fly where PAA had previously operated alone, especially in Mexico. (Actually, there is no competitive penetration into Mexico until new bilateral agreements are signed in 1957.)

With receipt of the L-049 *Clipper Golden Fleece* on May 25, a total of 20 additional Constellations have been received since January. A total of 20 DC-4s join the fleet, beginning on May 29 with the *Clipper Flying Arrow*.

Two L-049s arrive at London from New York on June 1 opening the first direct service from New York. Three ex-military Douglas C-54s are purchased for **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** and converted to civil DC-4 standard; the first is delivered to Mexico City on June 6. The same day the *Clipper Mandarin* completes the carrier's first peacetime landplane flight to New Zealand. New York to Vienna via Brussels and Prague biweekly service begins on June 16.

Two days later, a Constellation, en route from New York to London, suffers a fire in its No. 4 engine, which falls off its mount. The incident requires the L-049 to make a forced landing at Windham Field, Williamantic, Connecticut, but no injuries are reported. The problem is traced to a defective cabin supercharger drive shaft from the outer engine. The CAB rules that these must be sealed off on all Constellations (requiring them to fly unpressurized at lower altitude) until Lockheed can remedy the problem. When the CAB grounds the industry's Constellations for inspection, the company temporarily suspends its New York to London service as well as that to Manila.

On June 20, in another strike against Pan Am's one time "chosen instrument" status, the CAB grants **Northwest Airlines** permission to become the second U.S. airline to open a transpacific route. Simultaneously, **United Air Lines** is authorized to begin serving Hawaii from California. A new express route is inaugurated on June 27 from New York to Buenos Aires via San Juan; the next day, a Constellation holds a fashion show over New York. Also in June, the CAB strengthens the company's European route award by adding three additional gateways, including Frankfurt.

The S-42 *Colombia Clipper* and the S-42As *Jamaica Clipper*, *Brazilian Clipper*, and *Antilles Clipper* are scrapped on July 15. The same day, DC-4 passenger flights are inaugurated to Buenos Aires. These end two days later as Argentina, seeking a more favorable arrangement with the carrier, orders their suspension. Overnight New York to San Juan service begins on July 31.

The **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** interest is reduced to 41% on August 5. New York to Puerto Rico \$150 roundtrip excursion fares, with a 45-day stopover, are introduced on August 8. August 13, the CAB confirms Pan Am's lease lucrative route from New York to Johannesburg via the Central Atlantic stops of the Azores, Dakar, Monrovia, Accra, and Leopoldville. On August 15, Argentina

once more permits the use of Buenos Aires as the southern terminus of the New York route.

New York-London Constellation service is resumed on September 1, followed by a renewal of biweekly New York-Vienna flights five days later. The year's last DC-4, the *Clipper Fleetwing*, is delivered on September 8. On September 16, DC-4s resume company service to Manila and interest in **COPA (Compania Panamena de Aviacion, S.A.)** falls to 33% on September 18. Brazilian ownership of **Panair do Brazil, S.A.** is increased on September 19 from 42% to 52% majority; the interest in **AVENSA (Aerovias Venezolanas, S.A.)** is increased to 37%. Simultaneously, the last two Consolidated Model 16 Commodores are retired by the **Bahamas Airways, Ltd.** partner; they will be scrapped two years later. Constellation flights to Manila are resumed on September 22.

While en route from New York to London via Gander and Shannon on September 24, the L-049 *Clipper London* with 10 crew and 26 passengers, is unable to extend her landing gear and makes a crash landing at Shannon, Ireland. Although the aircraft must be written off, there are no fatalities or serious injuries.

A stop at Santa Maria, Azores, on the Leopoldville route, replaces one at Shannon on October 20. Four days later, the company temporarily suspends its transpacific flights west of Honolulu to Manila and the Far East because of a deterioration of the communications facilities remaining from wartime. CAA intervention is sought.

On November 3, nightclub service is introduced Miami to Havana flights. The same day, the company claims a record peacetime passenger movement in taking 1,000 delegates to a women's benefit association convention on the day's Havana flights.

On November 29, fares are cut to and between 127 cities in the Caribbean and South America. CAB hearings on the company's domestic route application also begin in November. Another L-049 crashes at Shannon on December 28.

A total of 66,500 transatlantic passengers are carried on the year, over half of all carried between the U.S. and Europe.

An S-43 is destroyed in a crash at São Paulo on January 3, 1947. On January 10, the CAB's Domestic Routes Case hearings end and six days later the company resumes San Francisco to Manila service. Nonscheduled New York to Johannesburg flights are initiated on February 5 and beginning on February 15 PAA assists the Syrian Aviation Company in opening a Damascus-Jedda route. The same day, twice-daily roundtrips are introduced on the New York-Bermuda route.

Following **American Airlines'** February 20 cancellation of the Republic Rainbow, the manufacturer, despite Pan Am's exercising an option for a total of 12 aircraft, cancels the airliner. Juan Trippe's airline, which has counted on the new ship for many of its domestic services, now informs the CAB that it cannot offer this new equipment. Daily Miami-Montego Bay service begins on February 23.

The most interesting event in March is the muffed first landing at Moisant Airport at New Orleans. Unfamiliar with the area, the pilot of the company L-18 Lodestar scheduled to complete the historic arrival, accidentally lands at Shushan Airport, instead. Apprised of his error upon landing, the Lockheed's captain climbs back aboard his plane, departs, and flies an extra leg over to Moisant.

To compete with **United Air Lines'** April 1 start-up of one-day New York-Hawaii service, the company cuts its own fares on the Honolulu route. The CAA, on April 9, gives its initial approval for use of the U.S. Army's wartime Ground Control Approach radar for use by commercial airlines for traffic control. The agency authorizes Pan Am to test the device at Gander, Newfoundland.

Senate bill S. 987, a new version of the All-American Flag Line proposal, is introduced by Senator McCarran and Senate subcommittee hearings are conducted, beginning on May 17. Hearings on four similar bills are held in the House of Representatives. Votes on the concept in both legislative bodies, when eventually taken, will be negative. Daily London-Vienna flights begin on May 23 and four days later DC-4 multistop service is inaugurated to Sydney, Australia, employing the new Skymaster sleeper *Clipper Union*.

Multistop service to Shanghai is resumed with DC-4s on June 3. The *Clipper America* begins a 13-day around-the-world service on June 17; the company's first circumnavigation mission will end with a second plane on June 30.

On June 19, the No. 2 engine of the L-049 *Clipper Eclipse* with 10 crew and 26 passengers catches fire over Syria and falls out, forcing the Constellation to make a forced landing in the Euphrates desert near Mayadine (14 dead).

Between June 21 and 28, three L-749s are accepted: *Clipper Glory of the Skies*, *Clipper Sovereign of the Sky*, and *Clipper Romance of the Skies*. The last returns from the company's first around-the-world service on June 30, the 13-day multistop flight begun on June 17. The 100,000th passenger is transported to Bermuda on July 27.

During Senate hearings in August, Howard Hughes claims Sen. Owen Brewster has attempted to force a merger between Pan Am and **Transcontinental and Western Air Lines (TWA)**. San Francisco to Hong Kong flights are resumed on September 2.

A DC-4 with 5 crew and 36 passengers makes a crash landing at New York's Floyd Bennet Field on September 20; all aboard escape fire and injury as the pilot and crew are lauded for their heroism. On September 24, PAA becomes the first airline to offer scheduled around-the-world service; a DC-4 departs San Francisco for Tokyo, Hong Kong, and other destinations. That night, sleeper service is inaugurated on the nonstop New York to London run. Washington, D.C. becomes a stop on the New York to Buenos Aires service on September 29.

As the result of faulty weather information, a company DC-4 passes through a hurricane while en route from Havana to Miami on October 12. A DC-3 with 5 crew and 13 passengers is reported missing in Alaska on October 27; a search is mounted and finds the wreckage—and no survivors—on Annette Island's Tamgas Mountain on November 1. Meanwhile, on October 28, a stone memorial plaque is erected at Key West Airport by the State of Florida, marking the site as the birthplace of international daily commercial airmail and passenger service under the U.S. flag.

Complete (100%) ownership is taken in **UMCA (Uraba, Medellin and Central Airways, S.A.)** on December 2. A total of 31 DC-4s are delivered during the year and airline employment now totals 19,000. The company's annual report for 1947 shows it to be the first airline in the world to top \$100-million gross revenues.

L-049s open New York–Johannesburg service on February 26–28, 1948. On March 3, the company asks the CAB to bar an extension of the **TACA (Transportes Aereos Centro Americanos, S.A.)** permit to serve Miami and New Orleans. PAA charges that the Waterman Steamship Corporation owns the competitor and operates its as an illegal invasion of the air transport field and as a way to evade income taxes. On March 18, New York–New Delhi flights begin. Despite faulty landing gear, an L-049 lands safely at Accra on March 23.

The L-049 *Clipper Empress of the Skies*, with 31 aboard en route from Karachi to New York via Brussels, London, and Shannon, hits a 3-foot stone wall after undershooting its Shannon landing on April 15 and crashes (30 dead). An L-049 flies the New York City–Bermuda run in a record 2 hrs. 15 min. on April 27. A Connie establishes a new record for Johannesburg–New York when it arrives on May 23—37 hrs 14 min. George Bernard Shaw assists in promoting PAA summer tours to Ireland by writing copy for ads that begin to appear on June 17. On July 17, the company takes a DC-4 off its Vienna schedule to assist in the Berlin Airlift. Also in July, DC-4 service from New York to Rio de Janeiro, multistop, daily is introduced.

Between August 6 and September 15, a fleet of 10 Curtiss C-46 freighters is acquired. Beginning on October 1, L-049s offer plane-to-ground radio-telegraph services for passengers. Reversing the CAB on October 4, President Harry S Truman allows PAA to undertake Seattle and Portland–Honolulu service (if flights continue beyond Hawaii), but refuses to allow resumption of the company's earlier shuttle service from the West Coast to Hawaii. The New York to London nonstop frequency is resumed on October 18 and the company's 45% interest in **Ba-**

hamas Airways, Ltd. is sold to **British South American Airways Corporation, Ltd.** on October 23.

C-46 all-cargo flights from New York–Buenos Aires (multistop) and Boston–Bermuda begin on December 1. With the delivery of the last machine on December 17, the company has received a total of 20 Convair CV-240s since April for use on its Caribbean services. Employing DC-4s, Pan Am initiates tourist-class flights from New York to San Juan. Many Puerto Rico laborers use the popular \$75 service to immigrate to New York. An interline agreement is signed with **British European Airways Corporation (BEA)** on December 26 and on December 28 a DC-6 establishes a new speed record for the Miami–Balboa run—4 hrs. 1 min.

Also in December, CEO Trippe secretly reaches agreement with **American Airlines'** Chairman C. R. Smith to purchase the latter's **American Overseas Airlines** subsidiary. **American Airlines** President Ralph S. Damon, uninformed of the negotiations, resigns. He will now become third president of **Trans Continental and Western Air Lines (TWA)** from which position he will attempt to prevent CAB and White House approval of the sale. Only three DC-4s are delivered during the year: the *Clipper Gem of the Skies*, *Clipper Don Quixote*, and *Clipper Ocean Express*. North Atlantic enplanements total 55,000.

With two failed engines, a DC-4, en route to Barcelona from Boston, makes a successful emergency landing in the Azores on January 13, 1949. On January 30, a private Cessna 170 crashes into the L-749 *Clipper Monarch* over Port Washington, New York, just after the Clipper's takeoff from New York en route to London. Both occupants of the light-plane are killed when it rips a 15-ft. hole in the forward part of the upper fuselage. The Constellation is able to land safely at Mitchell Field, New York, with no injuries to any of the 33 aboard.

The first Boeing 377 Stratocruiser is delivered to the carrier at Portland, Oregon, on January 31 in its initial silver and blue paint scheme and is christened *Clipper America*.

During the remainder of the first quarter, five more B-377s join the fleet: *Clipper Golden Gate*, *Clipper Tradewind*, *Clipper Friendship*, *Clipper Flying Cloud*, and *Clipper Southern Cross*. DC-4 tourist-class flights to Rio and Buenos Aires begin on March 1. During March, a large promotional campaign is initiated on behalf of the "Strato Clippers"; the B-377s visit a number of domestic cities for public ground inspections and in addition, over 110,000 lucky passengers receive courtesy flights. Among these are those aboard a B-377 that flies from San Francisco to Washington, D.C. in a record 6 hrs. 22 min. on March 3. The six new Boeing airliners are placed into service on the San Francisco–Honolulu route on April 1 and the New York–Bermuda run on April 15.

The Stratocruiser *Clipper America* makes a proving flight from New York to London on April 28 in a record 9 hrs. 46 min. at an average speed of 365 mph. The next day, DC-4 Miami to Mexico or Guatemala roundtrip tours are begun.

During the first two quarters and beyond, DC-4s provide evacuation flights from Shanghai to Hong Kong. In April and also in May, the B-377s *Clipper Golden Eagle*, *Clipper Mayflower*, and *Clipper United States* are received. The big Boeings begin an all-first-class President Service from New York to London on June 2. Guam to Tokyo or Bangkok cut-rate tours are started on June 25.

On July 7, a Stratocruiser, en route from London to New York, loses a propeller 800 mi. W. of Shannon; it is able to safely return to the Irish airport.

Between July 8 and July 18, engine trouble causes four Ireland-bound B-377s to turn back to New York. On July 19, flights to Guatemala are suspended during the civil revolt. Company DC-4s become the first U.S. commercial aircraft to enter the Korean Airlift. Flying via Honolulu and Midway, a Stratocruiser makes a survey flight from San Francisco to Tokyo in September; the trip requires 25.5 hrs.

B-377 service is initiated from New York to Frankfurt on October 5 and twice weekly from San Francisco to Tokyo on October 17. Also on the latter day, the carrier cuts 20 hours off its New York to Hong Kong run by dropping the Calcutta stop. San Francisco to Singapore flights are launched on October 31.

With the delivery of the *Clipper Morning Star* on December 30, the carrier has received a total of 21 purchased and eight acquired Boeing 377s since January. Two DC-4s, the *Clipper Northern Light* and *Clipper Resolute*, are delivered throughout the year. Meanwhile, four L-749s, acquired earlier to provide extra capacity before delivery of the Stratocruisers, are now sold to **Air France**.

Bookings for the North Atlantic route total 61,000 during the 12 months.

On January 3, 1950, a B-377 flies from Tokyo to Honolulu in a record 11 hrs. 24 min. The same day, the company is renamed **Pan American World Airways (1)**.

PAN AMERICAN-GRACE AIRWAYS (PANAGRA): United States (1929–1967): Unable to successfully compete in each other's spheres of influence, the Aviation Corporation of the Americas, parent of **Pan American Airways (PAA)**, and the W. R. Grace Corporation negotiate a compromise on January 25, 1929. On February 21 in Delaware, each company pledges a million dollars capitalization and incorporates a joint airline known as Pan American-Grace Corporation, better known as Pan American-Grace Airways or PANAGRA. John D. McGregor of **Pan American Airways (PAA)** is named vice president/general manager from New York while the PANAGRA representative on the PAA board is Robert H. Patchin.

The **Pan American Airways (PAA)** subsidiary **Peruvian Airways Corporation, S.A.**, purchased for leverage the previous September, is taken over on February 25. Peruvian's CEO Harold R. Harris becomes PANAGRA's on-scene vice president-operations, working out of the new company's Lima headquarters at Las Palmas AFB. All six of the Peruvian Fairchild FC-2s and FC-2Ws are taken over and the initials of the new concern are stenciled on their fuselages.

Flights are maintained on the Lima to Guayaquil route recently established by Vice President Harris, as well as to other points served earlier.

On March 2, the U.S. Post Office awards the partnership the FAM-9 contract for service from the Panama Canal Zone over 4,598 miles to Santiago de Chile and Buenos Aires. Also in March, two more Fairchild FC-2Ws are delivered to the company. At month's end, service is opened from Lima to Arequipa, in the southern part of the country.

The first U.S.–Peru air link is established as of May 14. On that date, a PANAGRA FC-2 departs Miami for Panama via Central America. A chartered **Pan American Airways (PAA)** Sikorsky S-38B takes the mail sacks on May 17 from Cristobal in the Canal Zone on to Talara, Peru, via Panama City, Buenaventura, Tumaco, Guayaquil, and Puerto Pizarro. There the cargo is shifted to a PANAGRA FC-2, which completes the trip by reaching Mollendo on May 18 via Pimentel, Trujillo, Lima, and Ica. Other PANAGRA Fairchilds and the S-38 simultaneously begin to operate FAM-9 in reverse.

The route is stretched down to Santiago, Chile, on July 31 via Antofagasta, Copiapo, and Ovalle.

The first four Ford Tri-Motors, 5-AT-54, Dash-55, Dash-56, and Dash-59, are delivered at New York in July; christened *San Fernando*, *San Cristobal*, *Santa Mariana*, and *San Jose*, they enter service on August 11. On September 1 and 15, two additional Ford 5-ATs, Dash-61, and Dash-62 are received from the assets of **New York, Rio and Buenos Aires Line (NYRBA)** that were purchased by **Pan American Airways (PAA)** and named *San Pedro* and *San Pablo*. The *San Pedro*, formerly the NYRBA *Santiago*, undertakes the first service from Santiago, Chile, to Buenos Aires, Argentina, on September 4; the flight, routed via Rosario, Cordoba, and Mendoza, requires 10 hrs. 30 min. and features the first in-flight lunch in South American airline history.

The *San Pedro* inaugurates a through mail service in reverse from Buenos Aires to Santiago via Mendoza, Cordoba, and Rosario on October 8; piloted by PANAGRA Vice President/General Manager John C. McGregor and Raymond Williams, the trimotor flies the first mail from the U.S. across the Andean route. Meanwhile, the first three Sikorsky S-38Bs are delivered, one each on September 30, October 22, and November 22. On November 30, a frequency is introduced to Montev-

ideo from the Brazilian city. Also during the month, Colombia grants landing rights to PANAGRA.

Two of the new Fords are damaged during the first week of January 1930. The 5-AT-59 *San Jose*, with six aboard, makes a hard landing at Pacasmayo, Peru on January 1; no injuries are reported. The 5-AT-55 *San Cristobal* is damaged at Montevideo, Uruguay, on January 6.

The Miami–Uruguay service remains an all-mail operation until January 16, when passengers are allowed to fly from Cristobal to the north Chilean city of Arica aboard the new S-38B *San Juan* and several of the new Ford 5-ATs. Robert “Bob” Reeve, who will later establish **Reeve Aleutian Airways**, is the S-38Bs pilot. The grant of Colombian landing rights the previous fall and delivery of the *San Juan* allows PANAGRA to take over operation of FAM-9 all on its own.

The pace of the mail route is increased on April 26, after which the time it takes but 6 1/2 days for a letter to reach Buenos Aires from New York City. On May 21, the first airmail flight is completed to Managua in an S-38B flown by pilots Schultz and Terletzky. In October, Charles A. Lindbergh sells Harris a Curtiss Falcon, which is painted to resemble an airmail letter with oversized postage stamps.

A Loening C-2 Air Yacht is obtained to operate the Buenos Aires–Montevideo trans-River Plate segment, beginning on November 30. With a huge 550hp Wright Cyclone engine, the single-seater Falcon is employed, beginning in December, to haul mail over the Uspallata Pass between Santiago and Buenos Aires.

Further improvements in frequency are made in early 1931. An S-38B is lost in a crash just short of French Field, Canal Zone, on February 7. Three days later, Vice President-Operations Harris personally arranges for the Prince of Wales and a 10-person party to be flown from Lima to Arequipa aboard the Ford 5-AT-59 *San Jose*.

The same month an FC-2 is destroyed in a Chilean crash.

Piloted by Byron “By” Rickards, the Ford 5-AT-56 *Santa Mariana*, its crew and mail, are taken hostage on February 16 by rebel soldiers at Arequipa. The mail, being considered sacred by both sides, is released to a company Lockheed Vega that retrieves it from Rickards the next day and flies it on to Lima.

Simultaneously, Peruvian President Sanchez Cerro, having decided to make war on Colombia, demands that PANAGRA turn over to him all of the company's aircraft in Peru. CEO Harris protests, but eventually turns over a Fairchild, which is subsequently crashed.

On March 2, the coup against President Cerro fails and the *Santa Mariana* flies its leader from Arequipa across the border to Arica, Chile.

The Ford 5-AT-55 *San Cristobal*, piloted by Clifford Travis with a party of six **Pan American Airways (PAA)** officials on an inspection tour, makes a noninjurious crash at Ovalle (Chile) on April 1.

The first night passenger flight from Lima to Arica is made on May 31–June 1, largely along the coastline. On August 10, the first radio station is switched on.

Arica–Santiago de Chile passenger flights commence with radio-equipped Fords on August 15, while passengers are taken over the Andes to Buenos Aires and Montevideo in Fords as of October 5.

Meanwhile, no PANAGRA official is made known of **Pan American Airways (PAA)** President Trippe's secret accord with Peter Paul von Bauer, president of the competing, Colombian-based **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereo, S.A.)**, who has earlier attempted to form anti-PANAGRA government coalitions. Major competition will now come from Elmer Faucett's **Faucett Peruvian Airlines (Compania de Aviacion Faucett, S.A.)** in Peru, the Chilean army airline **LAN Chile Airlines, S.A.**, and the German-backed Bolivian carrier **LAB (Lloyd Aereo Boliviano, S.A.)**.

The Ford 5-AT-62 *San Pablo* is damaged in an undetailed accident at Ilo, Peru, on October 10; she will be repaired.

When Vice President McGregor visits Lima from New York in November, Harris flies him aboard a Fairchild P-4 on the first flight through the Monturaqui Pass between Antofagasta, Chile, to Salta, Argentina. The adventure is officially billed as a search for an alternate route from the Uspallata Pass.

The Loening C-2 Air Yacht is lost in a bad landing at Montevideo on April 3, 1932. The Ford 5-AT-61 *San Pedro* is damaged in an undetailed accident at Cerro Azul, Peru, on May 19. In association with **LAB (Lloyd Aero Boliviano, S.A.)**, a joint service is operated from Lima to Tacna and hence over the border to La Paz; the operation is short-lived, being abandoned by LAB on June 27.

On July 16, the Ford 5-AT-62 *San Pablo* piloted by Capt. C. J. Robinson en route from Santiago de Chile to Buenos Aires, crashes in the Argentine Andes near Mount El Plomo, close to the railway town of Puente del Inca, during a snowstorm (nine dead). The wreckage will not be found for 20 months.

On August 7, in bad weather, the 2,300-mi. service from Buenos Aires to Lima is completed in 23 hrs. A week later, when snow closes the Uspallata Pass, the company makes a record 13 flights through the Andes cut, shuttling passengers who have no other way to get through.

The replacement for the *San Pablo*, the 5-AT-22, is acquired from **Pan American Airways (PAA)** on August 22 and is christened *San Felipe*; it enters service in September after engine modifications at PANAGRA's Lima shops. A company FC-2 is sold to the Peruvian government in October. Now a W. R. Grace accountant in the South American division, America's first ace, Douglas Campbell, who had flown with the 94th Aero Squadron during World War I and joined Grace as a messenger in 1919, is assigned to PANAGRA. He will eventually succeed Vice President Harris.

Three S-38Bs are delivered in early 1933, one in February and two in April. Meanwhile, on March 11, a Fairchild FC-2W2 is washed out at Mendoza, Argentina. Two more Ford 5-ATs are delivered, one each in April and June. The second machine is the last of its type ever manufactured. Rebuilt at PANAGRA's Lima facility with spare parts from the ex-Chilean ID-407H and other aircraft, the Ford 5-AT-66 *San Rafael* enters service on May 21.

Meanwhile, on May 8, the company is able to establish a radio station at the summit of Uspallata Pass, near the famous Christ of the Andes statue; two Chilean volunteers transmit weather reports from the primitive facility.

Under charter to the Compania Explotadora Cotabamas, S.A., the Ford 5-AT-54 *Santa Rosa*, piloted by Capt. Tommy Jardine, transports 55 tons of hydroelectric power-generating equipment, transformers, generators, and so forth in two-ton shipments from an airfield at Cuzco to Huanacopampa. From there, the equipment is hauled to the CEC mining site at Cochasyhuas.

Company aircraft provide lift for delegates and others attending the Pan American Conference at Montevideo in December. One service on December 19 is laid on especially to deliver the wife of U.S. Secretary of State Cordell Hull to the gathering.

The Ford 5-AT-66 *San Rafael* is withdrawn after a takeoff accident at Lima on March 21, 1934 (three dead); among the injured are Manuel Trucco, Chilean ambassador to the U.S., and the two principal PANAGRA vice presidents, McGregor and Harris. A short-lived service is offered from Lima to Cuzco between May 13 and 27. The Ford 5-AT-55 *Santa Mariana*, with 10 aboard, crashes into Mar Chiquita, a shallow lake near Juinin, Argentina, on June 11 (five dead); the survivors wait atop the wing for rescue while the plane will later be salvaged and rebuilt.

The Ford 5-AT-17 is purchased from **Trans Continental and Western Air (TWA)** for \$5,000 on July 5. Christened *Santa Rosa*, the aircraft is especially equipped by company mechanics at Lima with a special sliding fuselage top over the cabin for use in carrying oversized freight shipments.

Readied, the *Santa Rosa*, piloted by Capt. Tommy Jardine and C. H. Pursley, resumes the transport of large cargo on behalf of the Compania Explotadora Cotabamas, S.A. on August 4. Jardine and Pursley continue flying from Cuzco to Huanacopampa until August 17, when they are relieved by Capt. Fritz Sterling and Haynesworth Lesesne.

The first Douglas DC-2 is delivered to Capt. Tommy Jardine and Bob Disher at the Santa Monica factory on August 27, where it is christened

Santa Ana; they fly it down to Brownsville, Texas, where it is painted and given a radio set.

The carrier establishes a Peruvian subsidiary, **Compania Aerovias Peruanas, S.A.**, promising to equip it with 5-AT-54, the *San Fernando*. Two additional DC-2s are delivered on September 8 and 12; christened *San Martin* and *Santa Lucia*, respectively, they are stationed at Lima.

The *Santa Ana* departs for South America on September 13, landing at Cristobal, Canal Zone, later in the day. On September 17, the *Santa Ana* completes its delivery flight from Cristobal to Lima via Talara in a record 9 hrs. 35 min. The 1,573-mi. one-stop flight is the first to link Cristobal and Lima on the same day.

Just three days later on September 20, Capt. Warren D. Smith pilots the carrier's second DC-2 from Cristobal to Lima via Talara in just 8 hrs. 45 min. A third DC-2 arrives before the end of the month. The *Santa Rosa* is joined on the Cuzco to Huanacopampa mining charter on September 25 by a second unmodified Ford 5-AT, piloted by Capt. Byron "By" Richards; the two aircraft attempt to complete their contract before the rainy season.

On October 6, the first DC-2 service is made from Santiago to Buenos Aires via the Uspallata Pass. Upon arrival, Capt. Smith flies a public relations service around the country; among his guests is the Primate of Poland, Monsignor A. Lord. A return flight to Santiago is completed without incident the next day.

The DC-2 *San Martin*, piloted by Capt. Warren D. Smith with **Pan American Airways (PAA)** officials as guests, is flown from Santiago de Chile to Buenos Aires via Mendoza on October 11 in a record 4 hrs. 28 min. All remaining **Peruvian Airways, S.A.** concessions are transferred to PANAGRA on October 23. The Compania Explotadora Cotabamas, S.A. mining contract is finally completed on October 31. Since the start of the project in August, the two Ford Tri-Motors involved have transported 815 metric tons of machinery.

In early November, Dr. Serge A. Korff of the California Institute of Technology contracts with the company for lift in connection with his conduct of high altitude studies on cosmic rays. On November 11, the Ford 5-AT-54 *San Fernando* flies Dr. Korff and his instruments to an altitude of 26,100 ft. over Lima. The experimental flight also breaks all then-extant South American altitude records.

The Ford 5-AT-17 *Santa Rosa*, in 3 trips on November 16–27, transports 5.5 tons of machinery from Cajamarca to Chachapoyas. The DC-2 *Santa Lucia* conducts a second Korff flight on December 2, climbing to 30,300 ft. over Lima. By year's end, PANAGRA and **Pan American Airways (PAA)** are operating a combined total of 69 ground radio stations throughout South America.

On January 17, 1935, the Ford 5-AT-17 *Santa Rosa* completes an all-cargo service from Lima to Huancayo. An earthquake strikes the Lima area just after the Ford's return.

The DC-2s *Santa Silvia* and *Santa Elena* are delivered in January and March, respectively. Shortly thereafter, DC-2s are introduced on the Santiago de Chile–Buenos Aires segment. A new radio station is opened at Pisco, Peru, in April.

Bolivia grants route authority to PANAGRA on May 18; roundtrip flights from Tacna, Peru, to La Paz are inaugurated by the DC-2 *Santa Ana* on May 31. Meanwhile, the first company radio station had opened in Bolivia, at Charana, the day before.

In June, the company is contracted to provide airlift for delegates and others attending or flying inspection missions in connection with a regional conference held at Buenos Aires to bring an end to the Chaco War between Bolivia and Paraguay. On June 9, a company plane transports the Peruvian foreign affairs minister, his wife and secretary, to the Argentine city via Santiago.

A group of Chilean negotiators and newsmen fly the DC-2 *Santa Ana*, christened "The Ministerial Special" for the trip, from Lima to Buenos Aires. The next day, the Ford 5-AT-55 *Santa Mariana* transports a joint U.S.-Chilean military observer team from Lima to Tarija, Bolivia, via the Chilean communities of Ovalle and Antofagasta.

A 58-day contract is undertaken with the Ford 5-AT-17 *Santa Rosa*, beginning on June 28, to transport 350 metric tons of heavy mining equipment into northern Peru on behalf of the Sindicato Minero Parcoy.

The trunk route is improved during the summer when a Consolidated Commodore, leased from **Pan American Airways (PAA)**, is placed into service on the service to Guayaquil, Ecuador, from Cristobal via Buenaventura, Colombia, on July 16. **Compania Aerovias Peruanas, S.A.** receives its operating certificates from the government on July 23. On July 27, the DC-2s *Santa Lucia* and *San Martin* take a combined party of 28 sight-seeing tourists from Santiago through the great pass to Buenos Aires. The largest number of passengers to cross the Andes in a single day to date are 42 flightseers taken from Santiago to Buenos Aires on July 30 by the DC-3s *Santa Elena*, *Santa Silvia*, and *Santa Ana*.

DC-2s commence through flights from Guayaquil to Buenos Aires via Lima and Santiago de Chile on August 24. The Ford 5-AT-54 *San Fernando* flies mining equipment between Huamachuco and Piaz daily between August 30 and September 13. Portable radio stations are set up at Huamachuco and Piaz for the duration of the contract while a permanent radio station opens at Junin, Argentina, also during September.

Employing the Ford Tri-Motors 5-AT-54, 5-AT-59, 5-AT-61 acquired under lease from PANAGRA in September and October and the 5-AT-17 *Santa Rosa*, **Compania Aerovias Peruanas, S.A.** inaugurates scheduled services on November 1, taking over the routes from Lima to Arequipa and to Chiclayo.

The same day a weekly "fast" four-day DC-2 schedule is introduced from Cristobal to Montevideo via Guayaquil, Lima, Santiago, and Buenos Aires. Company operations at Lima are transferred from Las Palmas AFB to Limatambo Airport, SE of the city, when it opens on November 3.

Capt. Harold MacMickle and three others are killed and two houses are wrecked when the Ford 5-AT-17 *Santa Rosa* crashes near Limatambo Airport at Lima on December 25, during a training flight. Also in December, a radio station is turned on at La Paz.

Every-two-weeks Ford 5-AT flights begin from Lima to Huancayo on January 17, 1936, offered by the subsidiary **Compania Aerovias Peruanas, S.A.**

On March 3, following the crash of a Peruvian air force mailplane with its two-man crew during a flight from Quito to Guayaquil, a search is mounted by PANAGRA Capts. Jack Miller, Jack Squire, and Craig Brown. The flyers are located in a search joined by the Americans, who also assist in the rescue.

A new airport is opened at Arequipa on April 25. The first of two ordered Sikorsky S-43s arrives on April 28.

The government of Ecuador awards Capts. Miller, Squire, and Brown its Abdon Calderon medal in a May 26 ceremony.

The first of two S-43s replaces the Consolidated Commodore (returned to PAA) on the Cristobal-Guayaquil route on June 4.

Between June 28 and August 26, the American trunk carrier and its Peruvian subsidiary combine to fly 350 tons of mining equipment to Piaz from Huamachuco.

It is meanwhile noted that, by July 15, the time required to fly a letter from Miami to Montevideo has been reduced to just five days. Also in August, Vice President Harris flies to Buenos Aires to escort a delegation of U.S. postal officials on a South American inspection tour to Chile and hence up the west coast to Cristobal.

Regularly scheduled service is inaugurated on October 9 from La Paz to Oruro and Uyuni. A second S-43 joins the fleet on October 12. Four days later, a radio station opens at Uyuni, Bolivia, followed by another at Oruro on October 19.

Visiting from New York, Vice President McGregor departs with Vice President Harris on another adventure on October 21. Carried in an S-38 piloted by Capt. Don Beatty from the Peruvian coastal town of Chiclayo, the three fly east into the Amazon basin pursuing a possible route over valley and river toward a connecting point with **Pan American Airways (PAA)** on the Brazilian border. The plane lands at Iquitos, where it is decided that too little traffic can be generated from any such union to make it economically viable.

From Uyuni on March 12, 1937, PANAGRA moves south to the new destination of Villazon, near the Argentine border. The technically difficult weekly DC-2 Diagonal route from La Paz to Cordoba, Argentina, is opened on April 16.

By June 1, return service over the route is operated twice weekly. Also during the month's first week, **LAN-Chile, S.A.'s** lone operational S-43 disappears while on a service from Punta Arenas to Puerto Montt. Flying his S-38 from Buenos Aires across the Uspallata Pass to Santiago, Capt. Fritz Sterling participates in the search for the lost aircraft; after several days, only one body and pieces of debris are located.

On July 18, the Sikorsky S-43s are assigned to fly the Colombia-Ecuador route, calling at Cali instead of Buenaventura. U.S. Mail is initially carried over the Diagonal route on July 23.

While landing at Cristobal on August 2, an S-43 crashes (14 dead). Eight days later, the DC-2 *Santa Elena*, piloted by Capt. Joe Pursley and copilot Frank deCesare, flies the president and war minister of Argentina from Buenos Aires to Cordoba to participate in ceremonies surrounding the opening of the Argentine air force academy. On August 23, the DC-2 *Santa Elena* crashes at San Luis, Argentina; both Pursley and deCesare are killed.

The company's first two DC-3s are received on October 1 and 19, respectively and are placed on the Panama-Ecuador-Chile trunk route on November 1. Meanwhile, the first S-43 is involved in a landing accident at Maracaibo, Venezuela, on October 28; it will be repaired. A third DC-3 arrives on November 15.

With DC-3s taking over the route, the frequencies between Santiago and Buenos Aires are cut on April 1, 1938, from thrice weekly to weekly.

On April 26, PANAGRA, in exchange for a 20% interest, transfers its Peruvian subsidiary **Compania Aerovias Peruanas, S.A.** to **Faucett Peruvian Airlines (Compania de Aviacion Faucett, S.A.)**.

When **Pan American Airways (PAA)** complains, on June 15, that the PANAGRA passenger service between Buenos Aires and Montevideo is cutting into its yield, Vice President-Operations Harris orders his service ended.

While en route from Santiago to Lima on a June 19 ferry flight, the DC-2 *Santa Lucia*, piloted by Capt. Donald Sheets with three other crew, encounters heavy cloud cover and radios that it is diverting toward Arica. The plane disappears and despite a sizeable air search, is not found. The wreckage will be found in February 1941 on 23,000-ft. Mount Mercedarid, N of Santiago.

Meanwhile, on July 10, S-38s on the northern route are replaced by DC-2s and DC-3s, with refueling stops added at Cali, Buenaventura, and Tumaco.

A thrice-weekly return shuttle service is inaugurated in October between La Paz and Arequipa. During the month, Vice President/General Manager McGregor is honored with the Chilean Orden de Merito.

Service begins to Quito, Ecuador, on November 19. The Diagonal route terminus is switched to Arica in early December.

Following the January 25, 1939 earthquake in central Peru's Bio-Bio province that kills 30,000 people, PANAGRA jumps into action providing relief. Through mid-February, the company's Fords and DC-2s fly 700 injured citizens from the inland city of Chillan and the coastal town of Concepcion to Santiago's hospitals.

On February 16, Vice President/General Manager McGregor resigns; he is succeeded on February 29 by W. R. Grace Vice President Harold J. Roig, who is also given the title of president, the first in company history. Vice President-Operations Harris is transferred to company headquarters in New York on March 1; he is succeeded by Douglas Campbell.

The Ford 5-AT-22 *San Felipe* is sold to the South American Gulf Oil Company (SAGO) on March 15, for use in Colombia. On March 18, the government of Chile decorates those PANAGRA personnel involved in the earthquake relief; included are Operations Manager Thomas J. Kirkland and pilots Charles R. Disher, Harry Collier, Warren B. Smith, and Fritz Sterling.

A second weekly roundtrip service is inaugurated between Cristobal and Quito on April 2. The fourth and fifth DC-3s are delivered between June 28 and July 1. DC-2 shuttle service is initiated between Guayaquil and Quito on July 22; after the runway at Guayaquil is lengthened, DC-3s replace the DC-2s during September.

The last Ford is sold to the Aramayo Mines in Bolivia during October, while La Paz native Gordon Barber purchases an S-43.

The company's second weekly return service to Ecuador from Cristobal is switched from Quito to Guayaquil on December 9.

The company's second weekly return service to Ecuador from Cristobal is switched back to Quito, from Guayaquil, on January 31, 1940.

Three additional DC-3s are placed in service during April; equipped with more power Pratt & Whitney engines, they are known as DC-3As. The earlier Wright-powered DC-3s will be phased out as soon as possible and replaced by these newer units.

The twice-weekly roundtrip service between Cristobal and Buenos Aires via Lima becomes thrice weekly on July 1. Repaired once, the original S-43 is again damaged; on July 19, it suffers a landing accident at Recife, Brazil.

Pan American Airways (PAA) begins operating Boeing 307 Stratoliners over the route from Miami to Cristobal, Panama, on September 1, reducing flight time on that segment by six hours. Passengers connecting to the PANAGRA service down the west coast of South America are now able to reach Buenos Aires from New York in just three-and-a-half days.

To put the German-backed **SEDTA (Sociedad Ecuatoriana de Transportes Aereos, S.A.)** out of business, the CAB authorizes PANAGRA on November 2 to open a cabotage service within Ecuador in direct competition. Guayaquil to Quito DC-2 services begin on November 8. On November 29, a DC-2 crashes at Quito; although none of the passengers are hurt, the cockpit crew is injured, including Capt. Jack Scheidel, who will never fly again.

A fourth weekly roundtrip service is added between Santiago and Buenos Aires on December 2. On December 26, the original S-43 is sold to **Panair do Brazil, S.A.** The next day, the PANAGRA board elects Thomas Kirkland a company vice president.

Having been classed as a strategic airline by the U.S. War Department, PANAGRA is able to launch a \$1-million expansion and modernization program in January 1941. The first phase concentrates on the improvement of air-ground communications and weather forecasting. At the same time, the U.S. CAB imposes its jurisdiction over the company and begins to impose severe operating restrictions designed to improve safety.

In its citation recognizing the company on March 15, the Inter-American Safety Council notes that PANAGRA had transported 14,600 passengers the previous year over 15.25 million miles without a fatality.

Flights to other Ecuadorian domestic points such as Loja, Cuenca, Manta, Salinas, Quito, and Esmeraldas, begin on March 16. As the result of the government's cancellation of the operating permit of **Deutsche Lufthansa Sucursal en Peru, S.A.** in February, PANAGRA is awarded its routes from Lima to Corumba and Guajara Mirim on April 1. A ninth DC-3 joins the fleet on April 5, followed by a 10th on April 15. A \$150,000 additional subsidy allows the American carrier to improve the nation's airway system and to build airports. Also during the month, Arequipa replaces Arica as the connecting point on both the north-south route and the Diagonal service.

Cigarette smoking aboard company aircraft is permitted on April 22 for the first time. Service is inaugurated to and from Cuenca, Ecuador, on April 25 following a ceremony in which Vice President-Operations Campbell opens the city's new airport. Arroyo del Rio, president of Ecuador, and other VIPs are aboard the first DC-3 service out.

LAB (Lloyd Aero Boliviano, S.A.) is nationalized in late May, its German employees are terminated and PANAGRA is asked to provide assistance. Vice President Harris arrives from New York to personally supervise both the takeover and LAB's rebuilding.

On June 3, the U.S.-registered company takes over the Rio de Janeiro to Lima service, flying via Corumba, La Paz, and several smaller cities.

Seven days later, the Bolivian route is extended to Puerto Suarez via La Paz, now served four times a week. A weekly roundtrip route is opened from Quito to Cristobal.

While making practice landings at Rio de Janeiro on June 26, the second S-43 crashes, breaks in two, and sinks. Three days later, the Puerto Suarez route is pushed to Corumba, Brazil, where a linkup is made with **Pan American Airways (PAA)**.

On August 6, a five-year management contract is signed between the Bolivian government and the company for the operation of **LAB (Lloyd Aero Boliviano, S.A.)**; part of the fee provides 23% shareholding. PANAGRA takes over the Cochabamba-Puerto Suarez trunk route and provides three Lockheed L-18 Lodestars. Simultaneously, a new Transcontinental service is instituted from Rio de Janeiro to Lima via Bolivia.

Two additional DC-3s are received later in the month. A new trans-Andean establishes a record on August 16-17 for the transport of 422 passengers between Santiago and Mendoza, Argentina. Also carried are tons of mail and supplies which, like the customers, had been delayed by bad weather in the Uspallata Pass.

On August 26, a new one-stop roundtrip Bullet route is opened from Cristobal to Lima via Guayaquil. The previous overnight stop at Quito is eliminated.

The government takes over the fleet of **SEDTA (Sociedad Ecuatoriana de Transportes Aereos, S.A.)**'s on September 5. Later in the month, a "milk-run" roundtrip route is opened from La Paz to Santa Cruz, where the Germans previously running LAB had built an airport designed as a mini-version of Berlin's Tempelhof Airport. The return service is then pushed to Corumba via Concepcion, San Ignacio, San Jose de Chiquitos, Robore, and Puerto Suarez.

The Quito to Guayaquil route, previously operated four times a week, is increased to six times a week on September 23, while the number of weekly return frequencies to Loja and Cuenca are each increased to three. A fifth-weekly roundtrip is started on October 8 from Santiago to Buenos Aires.

John T. Shannon is elected a company vice president on November 14; he relocates to New York City to handle sales. The number of weekly stops at Quito is reduced to one on November 15. Frequencies on the Santiago to Buenos Aires route become daily on November 25. Charles Disher becomes vice president-operations on November 28, with Floyd Nelson succeeding him as chief pilot.

On December 3, Quito is dropped from the international network, while Japan bombs Pearl Harbor on December 7, officially bringing the U.S. into World War II. To participate more fully in the U.S. war effort and for increased security, company operations in Panama are transferred on December 11 from France Field at Cristobal to Albrook Field at Balboa.

During the year, the company transports 29,600 passengers, 7.8 tons of mail, and 233 tons of express packages over 2.26 million revenue miles.

A second weekly Transcontinental return frequency is initiated on January 3, 1942, pushing on to Cordoba, Brazil.

On January 10-30, in the largest mass movement of passengers in South American history to date, PANAGRA aircraft transport 200 delegates, staff, and media personnel to and from the Pan American Conference at Rio de Janeiro.

Between February 6 and June 11, four more radio stations are opened in Ecuador, Argentina, and Chile. A fifth weekly return service is inaugurated on February 15 between Balboa, Panama, and Buenos Aires via Santiago.

The subsidiary **Aerovias del Ecuador Panagra, S.A.** is established at Guayaquil on March 1; under the direction of General Manager Wayne Ballentine, the new entrant will take over the Ecuadorian internal services from PANAGRA.

Ecuador signs a five-year mail contract with PANAGRA on March 28. A sixth weekly roundtrip route is started on April 21 between Balboa and Buenos Aires via Santiago.

The fleet on May 3 includes nine DC-3As, two DC-2s, a Stinson SR-10 Reliant and an FC-2W2 (both used as trainers), and several miscellaneous aircraft. On May 15, company aircraft transport medical personnel and others from the Ecuadorean Red Cross from Quito to remote locations struck that day by earthquakes.

While en route from Miami to Lima on May 31, Peruvian President Manuel Prado addresses his people from the cockpit of a PANAGRA DC-3; the signal is relayed from the company radio station to Radio Nacional, which broadcasts it over the air. Prado is the first chief executive anywhere to make a radio broadcast from an aircraft in flight.

Vice President Harris is seconded to the U.S. Army Transport Command on June 1 as a civilian advisor. The same day, Capt. Warren B. Smith, who has become the first pilot ever to cross the Uspallata Pass a thousand times, receives a congratulatory telegram from U.S. President Franklin D. Roosevelt and is made a "Knight of the Andes" by the Chilean government.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen and promised by ATA President Edgar Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities. Aircraft are dispatched to Edmonton, Alberta, for participation in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Meanwhile, on July 9, two company DC-2s are tasked to launch the carrier's first scheduled all-cargo service over a route from Balboa to Lima. The operation is also the first regular commercial air cargo service to be certified by the CAB.

Travel time on the Transcontinental route from Rio de Janeiro to Lima by July 17 is just two days; the return from Lima to Rio requires only a one-and-a-half days. During the summer, Vice President-Operations Campbell travels to Washington, D.C. where he not only convinces the War Department not to strip aircraft from his fleet as it had other U.S. carriers, but to provide it with three new DC-3s.

Appointed communications director on August 4, Valmore La Pierre institutes a three-week, five-city installation of new radio stations in Ecuador, Peru, and Argentina.

All-cargo DC-2 flights begin from Cristobal to Lima via Guayaquil on August 28. Shortly thereafter, the DC-2 *Santa Silvia* crashes near Lima. Vice President Harris resigns from the airline on September 15 to become a colonel on the staff of the commanding general of the AAF Air Transport Command. Although he will climb to the rank of brigadier general and serve several other airlines after the war, he will not return to PANAGRA.

Between September 30–October 6, the remaining DC-2F, assisted by DC-3s, transports 14,000 kilos of cargo south from Balboa. Meanwhile, on October 3, a shipment of 881 kilos of medicine, manufactured by the Quito firm of Laboratorios Industriales Farmaceuticos, S.A., is shipped north to the U.S.

En route from Arequipa to Lima on January 13, 1943, a DC-3 with four passengers is blown off course and crashes into the side of an 11,000-ft. mountain; the passenger, a British government courier, is the only survivor and is rescued two days later. On January 27, President Roig accepts the Inter-American Safety Council award. Also during the month, the company begins to file flight plans for the first time.

The all-cargo service is extended on February 3 from Lima to Santiago and across the Andes to Buenos Aires. Aerovias del Ecuador, S.A. inaugurates service from Quito to the Colombian city of Ipiales, a city first visited by PANAGRA on March 2. A 10% reduction in ticket prices is announced the next day.

On July 1, Capt. J. H. Miller completes his 20,000th PANAGRA flying hour. The three DC-3As granted by the War Department arrive at Limatambo Airport at Lima on August 24. Also during the month, H. E. Benham becomes director of ground training. The fifteenth anniversary is celebrated on September 13.

A third weekly Transcontinental service is inaugurated on December 8, linking up with **Panair do Brazil, S.A.** Simultaneously, a fifth weekly roundtrip is started from Lima to Santiago.

Enplanements for the year total 68,700, with 1.98 million pounds of cargo transported. Route miles are increased to 8,800.

A DC-3A is converted into a freighter on January 1, 1944, when a cargo hatch is installed in the top rear of the fuselage. The new aircraft is employed on January 21 to transport a gift from the U.S. government to Peru, a shipment of 500,000 whitefish and 40,000 lake trout eggs for the International Fish Hatcheries at Chucuito, Lake Titicaca.

Aerovias del Ecuador, S.A., on February 18, initiates a second weekly return service between Quito and Ipiales.

The Peruvian fish flight is repeated in reverse on March 15 when a company freighter transports a load of huge *Bufo Paracnemis* and *Bufo Arenarium* frogs from the Chaco region to Balboa and on to Miami. The amphibians are released into Florida's swamps in an effort to exterminate plant parasites; 50 years later, the frogs, having reproduced well, will themselves be regarded as pests.

President Roig is reelected at a general meeting at New York on April 15. Also during April and into May, PANAGRA aircraft transport 8,275 pounds of quinine, valued at \$150,000, from La Paz to Lima. There it is picked up by U.S. military aircraft and flown to Washington, from whence it will be distributed to military hospitals and medics for use in the war against malaria.

Lloyd Aero Boliviano, S.A., under PANAGRA direction, begins direct weekly return service to Tarija on April 6. A month later, LAB's Cochabamba to Yacuiba roundtrip route is stretched to Santa Cruz.

The fifteenth anniversary of the initiation of airmail service between the U.S. and the western side of South America is celebrated between May 18–26; messages of congratulations are exchanged between President Roosevelt and the president of Ecuador.

The subsidiary Compania de Aviacion Pan American Argentina, S.A. is established at the end of May, with George P. Smith as its general manager.

On June 1, Col. Harris is named chief of staff of the USAAF Air Transport Command. Peruvian President Prado and his staff are flown on a tour of the southern town of Arequipa, Cuzco, and Puerto Maldonado on June 22.

A shipment of penicillin is rushed from the U.S. to Arequipa, reaching Chachani Airport on June 29. During the month, a company medical department is opened at Lima's Limatambo Airport.

The fifteenth anniversary of the initiation of airmail service between the U.S. and the western side of South America is celebrated again on July 21 when President Roosevelt and the president of Chile exchange congratulation messages; the Chilean post office authorizes a special stamp to mark the occasion.

The company celebrates its sixteenth anniversary on September 13; at ceremonies in New York marking the occasion, President Roig announces orders for three DC-4s. Five days later, on September 18, **LAB (Lloyd Aero Boliviano, S.A.)** receives the Inter-American Safety Award for 1943.

A 1,040-kg. shipment of Fleischmann's yeast is sent from Lima to Guayaquil aboard a company aircraft during September. Also in September, mosquito-eating fish known as *gambusias* are transported to Rio Tercero, Argentina, where they are released to help end an outbreak of malaria.

In October, W. R. Grace & Co. and **Pan American Airways (PAA)** officials split over PANAGRA's desire for a direct New York–South American west coast route. Grace petitions the CAB and President Roosevelt to grant the joint airline a U.S. terminus at Miami. At PAA urging, the CAB rejects the request.

Enplanements for the year total 84,206; over 1,000 tons of cargo and 158 tons of mail are also flown.

Piloted by Capt. Ernest Hummel, the first of three additional new DC-3As is delivered to Lima on January 24, 1945. Vice President-Operations Kinkaid takes a leave of absence on March 1 to serve with the USN.

On April 10, a DC-3 freighter transports 1,316 kg. of generator parts from Balboa to Guayaquil; the shipment is the largest yet transported aboard a company aircraft. VE-Day occurs on May 8. The tenth anniversary of PANAGRA service to Bolivia is celebrated on May 13; parties and ceremonies are held, congratulatory messages exchanged, and, in honor of the occasion, a special stamp is unveiled by the Bolivian post office.

On June 5, the U.S. Court of Appeals grants W. R. Grace & Co. officials the right to appeal the CAB's rejection of its bid for a Miami terminus. Three days later, Col. Harris is promoted to the rank of brigadier general.

In August, the company provides **LAB (Lloyd Aero Boliviano, S.A.)** with the first of 20 DC-3s to be acquired over the next 20 years.

On September 1, two additional weekly roundtrips are added on the Balboa to Lima route, bringing the total to nine, together with one more weekly return service from Lima to Santiago, for a total of six. Frequencies from Guayaquil to Quito are boosted from 4 weekly return flights to 12, while a second roundtrip is instituted between Quito and Esmeraldas and another between Quito and Ipiales.

The company celebrates both its own seventeenth anniversary and V-J Day on September 13; during the war, it is announced, PANAGRA has transported 206,384 passengers, 5.26 million pounds of cargo, and 1.01 million pounds of mail. Orders are now placed for DC-6s.

USAAF Air Transport Command Commanding Officer Gen. Harold L. George sends the airline a thank-you letter on November 8; the next day, the ATC liaison office at Miami is shut down. The last of the three new DC-3As arrives in Lima on December 5.

Enplanements for the year reach 94,000.

Early in 1946, J. Peter Grace joins to board and the long-smoldering feud between W. R. Grace & Co. and **Pan American Airways (PAA)** officials over the possibilities of a Miami gateway for PANAGRA. The U.S. government has come to see the gateway as a detriment to American prestige in the company's service region.

On February 3, Vice President Campbell announces a large number of administrative changes. Back from the USN, Vice President Kinkaid is assigned to the New York office, while Vice President Shannon is assigned to oversee workup of the new four-engine flight equipment. Capt. Disher becomes director of operations, maintenance, and communications.

A coup attempt in Ecuador fails on April 1. Rather than execute the 10 captured ringleaders, the government asks that PANAGRA fly them out of the company the next day. Under guard, six are transported to Ipiales and four to Talara.

On April 5, Capt. Warren B. Smith completes his 1,500th crossing of the Andes between Santiago and Buenos Aires; he is welcomed by a large crowd and Chilean air officials upon his return, who give him another award.

Four days later on April 9, PANAGRA receives the Inter-American Safety Council award for 1944. On April 19, the company charts a pair of C-54s (military DC-4s) from the Argentine concern Doder Aviation. A month later, during ceremonies celebrating the seventeenth anniversary of airmail service to Peru, the Peruvian government renews its concession.

On May 22, as the result of the CAB's findings in its Latin American Route Case hearings, the board, with White House approval, awards PANAGRA permission to extend its route network north from Panama to Miami. Pan American Airways (PAA) agrees to allow PANAGRA to fly on its certificate over the new route.

Under the ruling in the Latin American Route Case, the CAB grants a competing South American route to **Braniff Airways** during the sum-

mer. Because of **Pan American Airways (PAA)** and Mexican government maneuvering, Braniff is, however, unable to immediately begin competition.

A ceremony is held at the Lima Country Club on July 19 as the company graduates its first class of flight hostesses; the 15 Peruvian women become the first female flight attendants to serve with any South American airline.

Before the new Balboa to Miami route is up and ready, PANAGRA launches DC-4 service from Miami to Buenos Aires via Santiago. The first leg between Florida and Panama is operated by PAA and requires a change of aircraft.

Two more DC-3 roundtrips between Lima and Santiago are introduced on September 17. When additional DC-4s become available on October 11, they enter service on the long-haul route from Balboa to Buenos Aires.

The Transcontinental route is extended to Campo Grande, Brazil, on November 1. On November 17, one-stop DC-4 flights are introduced between Lima and Santiago via Antofagasta; the southbound run is PANAGRA's first night service. The previous daily DC-3 roundtrips from Lima to Santiago are reduced to twice weekly.

Following the expiration of the **LAB (Lloyd Aero Boliviano, S.A.)** management contract on August 2, a second technical agreement is signed on November 26 giving the American carrier a reduced 19.8 shareholding. Lima-based **Peruvian International Airways, S.A. (PIA)** is now organized to give PANAGRA what will be its only serious international competition.

Daily DC-4 flights link Buenos Aires and Santiago on December 26, allowing passengers to fly four-engine aircraft all the way north along the west coast to Panama.

The Argentine cities of Cordoba, Mendoza, Salta, and Tucuman on the Diagonal route are affected when, on January 1, 1947, Argentina bans cabotage service by international airlines. By April 20, the number of seats aboard the DC-4s has been reduced from 55 to 44; there is no impact upon yield.

The first DC-6 is delivered on May 20; the delivery flight from Santa Monica to Buenos Aires is completed in just 23 hrs. 25 min. flying time. Just as the company is becoming the first in South America to have DC-6s, so too has the CAB come through with final authorization allowing PANAGRA to fly between Panama and Miami on its own certificate. The first through return flight from Buenos Aires to Miami is completed with a DC-4 on May 31.

DC-6s replace the DC-4s on the Argentine service on July 17; with President Roig, his wife and daughter aboard, the inaugural DC-6 service to Buenos Aires from the company's new Miami terminal is completed via Balboa, Lima, and Santiago de Chile.

With considerable fanfare at every stop, PANAGRA officially launches thrice-weekly DC-6 El Inter Americano sleeper service from Miami to Buenos Aires on October 11. Six days later, James W. Walker Jr. is named South American regional manager. He arrives just in time to be caught up in a wave of South American nationalism that will be costly to PANAGRA.

During the second week of November, company DC-3s participate in the earthquake relief effort at San Ramon, Peru, 125 mi. NE of Lima, transporting scientists and relief workers in and some of the injured out, flying over 16,000-ft. mountains in the process. Having assisted in the formation of CORPAC, a Peruvian quasi-governmental communications agency, company officials are surprised on November 24 when the new organization seizes all of the commercial aviation communications and operational facilities in Peru. Days later, **AVIANCA Colombia Airlines, S.A.** takes over the carrier's communication facilities in Colombia, again without compensation.

Aerovias del Ecuador, S.A. halts service to Salinas on February 7, 1948. The El Inter Americano return service is expanded on May 16 from thrice weekly to daily. Receipt of additional DC-6s (for a total of five) allow stops to be made at Guayaquil and Antofagasta on alternating days.

On June 4, competing flights are finally inaugurated by Braniff, now **Braniff International Airways**, when one of its DC-6s inaugurates El Conquistador flights from Houston to Lima. Eventually, BIA flights from Houston and Miami will extend down the length of the entire Southern Hemisphere.

The retiring Capt. J. R. McCleskey is succeeded as chief pilot by Capt. Frank Havelick on July 1. The same day **LanChile Airlines, S.A.** takes over the PANAGRA meteorological section at Lima. On July 20, a company DC-3, piloted by Capt. Lloyd Domning, makes the first night crossing of the Andes by an airline, flying from Chile to Argentina via the Monturaqui Pass.

On August 2, DC-4 all-cargo multistop services are inaugurated weekly from Buenos Aires to Balboa. Simultaneously, the Diagonal service from Lima to Buenos Aires is reduced to weekly. A DC-6, piloted by Capt. Donald McArthur, crosses the Andes between Buenos Aires and Santiago on August 16 at 30,500 ft., a new record altitude for the DC-6.

On September 13, the company's twentieth anniversary is celebrated in ceremonies at Limatambo Airport. A birthday report, issue on September 21, reveals that since start-up, the carrier has transported 24 million pounds of cargo and four million tons of mail over its South American route network.

Meanwhile, **Peruvian International Airways, S.A. (PIA)** vexes PANAGRA officials by being the first to make a scheduled flight to New York.

A new DC-6 route is inaugurated on October 8 when selected El Inter Americano flights stop at Antofagasta instead of Santiago and then proceed to Buenos Aires via the Monturaqui Pass.

While en route over the El Inter Americano route on November 4, Capt. Frank W. McGann discovers the Comet 1948-I. Credit for the discovery will, however, be given to a Prof. Paraskevopoulos in South Africa. The next day, the DC-6 on the El Inter Americano route transports the first shipment of radioactive materials in South American history. The materials, provided by the Oak Ridge National Laboratory at Knoxville, Tennessee, has been dispatched to the pathology department at Lima's Hospital Dos de Mayo.

Fares on the El Inter Americano route are reduced on February 8, 1949. Additional fare reductions are made on other key routes on March 1. On March 5, the original Fairchild FC-2 is partially disassembled and shipped aboard the DC-4 freighter to Miami, from whence it will be sent to the Smithsonian Institution.

When the **LAPA (Linea Aerea del Pacifico Sur, S.A.)** hangar at Santiago de Chile catches fire on March 7, PANAGRA personnel join the local fire brigade in an effort to contain it. Unhappily, significant LAPA equipment and aircraft are burned in a disaster at an estimated loss of 60 million Chilean pesos.

The first company DC-4 landing is made at Quito on March 18; workers unload an iron lung from the four-engine aircraft and take it to the local hospital for use by a North American patient. The service is an experiment conducted in an emergency; no one and no cargo is taken out on the return due to the short runway.

The same day, all copilots who have also been trained as flight engineers become flight crew members on DC-6 services south of Lima.

On March 25, the company receives a special citation from the Inter-American Safety Council covering the previous five years. Five days later, a four-way agreement is inked between PANAGRA, **Pan American Airways (PAA)**, W.R. Grace, and **National Airlines (1)**. Under its terms, subject to CAB approval, National would increase its share issue, with PAA taking 30% and Grace 18%. Additionally, a one-plane American flag line route would be established from New York to Buenos Aires via Miami and Panama.

In less than 24 hours after the request, the El Inter Americano DC-6 arrives at Guayaquil on April 2 with not only passengers but a consignment of whooping cough serum for the son of the president of Ecuador, Galo Plaza. The serum has been sent from the Children's Hospital in Philadelphia via Miami.

In a public relations coup, PANAGRA is first on the scene with replacement parts when *The Independence*, the DC-6 of President Harry S. Truman, breaks down at Key West on April 20. A DC-4 is ferried to Miami on May 19 for conversion into a new tourist-class service that is about to be introduced.

A second DC-4 is converted on June 12 and on June 19 the first re-modeled DC-4 is employed to inaugurate Tourist Class services, twice weekly. Food services are limited on the new flights, which, however, connect with those **Pan American Airways (PAA)** flights from New York and Buenos Aires that offer the same kind of service.

President Roig retires from his post on July 11, remaining as vice chairman of the W. R. Grace & Co. board of directors. He will soon be succeeded by Grace's senior vice president, Andrew Shea.

En route to Santiago on July 26, the El Inter Americano DC-6 suffers an engine fire that forces it to divert to Los Cerrillos; a safe emergency landing is completed and no injuries are reported. Tariffs for air cargo are reduced by 15% on August 1 and a new, single, and simplified airway bill is introduced. As no one aboard was killed or hurt in the July 26 incident, the airline is able to receive its fourth straight annual safety award from the Inter-American Safety Council on August 2.

Beginning on August 5, PANAGRA DC-3s shuttle relief supplies to victims of Ecuador's Ambato earthquake. Company employees also collect money to assist the survivors, which funds are given to President Galo Plaza.

Flights in Bolivia are grounded between September 1 and 15 due to a local revolution. In a special ceremony at the Peruvian embassy in Washington, D.C. on September 12, President Roig and Vice President Campbell are made Commanders of the Order of the Sun. The twenty-first anniversary is celebrated on September 21.

Andrew Shea becomes the carrier's second president on October 1. On October 2, hostesses are assigned to the Tourist Class service, replacing the single stewards who had previously passed out box lunches and other snacks.

On October 5, President Shea begins a 25-day South American inspection tour; he will visit 12 cities in 7 countries. The same day, Capt. Jack Miller, an 18-year company veteran, is given a special party for having completed 25,000 flying hours. An anniversary party is also held aboard the El Inter Americano DC-6 as it flies across the Andes from Santiago to Buenos Aires on October 12.

Liquor service becomes available on El Inter Americano flights on December 17.

Through an interchange agreement with **Pan American Airways (PAA)**, PANAGRA is able to send its aircraft to Houston and New Orleans beginning in the first quarter of 1950.

As of April 1, the carrier is able to cut its U.S.-Bolivia flight time by two hours through the use of Jet-Assisted Take-Off (JATO) on its DC-4s. A cargo of 200 rare chinchillas is shipped to Miami on April 14 for transfer to a breeding location in New York State.

Company DC-3s are pressed into service on May 22 to support rescue and relief efforts in the wake of an earthquake in Peru's Cuzco region. In the largest airborne medicine delivery flight in the history of South American aviation to date, seven tons of medicines are shipped from Miami to Sao Paulo on May 23, where they are turned over to Squibb & Sons.

On June 6, in 2-day company service from Houston, 17 kilos of blood plasma are delivered to Cochabamba, Bolivia. By June 20, the four-engine Douglas transports are regularly flown into Cochabamba, Santa Cruz, and La Paz.

Needed to repair the city electric power plant, an 800 pound cargo of spare parts arrives at Lima from Switzerland via Miami on July 4. A rare Spectacle Bear is shipped to New York from Lima on July 18.

A Chinese-language timetable for the El Inter Americano route is issued on July 20 for the Chinese living on the west coast of South America. Eight days later, a DC-4 JATO experiment is successfully executed at Quito. Also on July 28, the government of Peru awards the airline a gold medal honoring it as the first commercial airline in the country.

On August 13, DC-6 Miami–Buenos Aires luxury flights commence. On October 24, the company joins **National Airlines (1)**—also partially owned by W. R. Grace & Co.—in announcing plans for an equipment exchange on routes north of Miami.

While en route from Balboa to Santiago on November 6, a baby is born on the Balboa to Guayaquil segment of the El Interamericano DC-6 service. Hostess Violetta Laureys and Mrs. Dexter Farnsworth, wife of a company pilot, assist in the delivery. The parents, Mrs. and Mrs. Rafael Undurraga, name the boy Carlos Antonio Panagra Undurraga. The event is good for many press releases.

At the beginning of December, **National Airlines** terminates the interlocking four-party agreement with **Pan American Airways (PAA)**, **PANAGRA**, and W. R. Grace & Co., cancelling the stock options held by PAA and Grace to purchase unissued National stock.

A DC-4 is detached from the fleet on December 13 and delivered to the **Pan American Airways (PAA)** base at Brownsville, Texas, where it is modified and from which it is sent to San Francisco to begin service on the Korean Airlift on December 30.

A refit of the company's DC-6s begins on January 13, 1951; the planes are given the same more powerful engines employed on DC-6Bs, Pratt & Whitney R-2800CB-16s.

During the first quarter, PAA, now **Pan American World Airways (1)**, files a petition with the CAB objecting to the **PANAGRA–National Airlines (1)** equipment plan and seeking, for itself, an exchange arrangement with **Eastern Air Lines**.

Ecuador throws a special party for Capt. Warren B. Smith on April 17, celebrating his 20,000 flying hours. Company DC-3s provide assistance in Ecuador, starting on May 18, after forest fires devastate the Esmeraldas area.

Hoping to speed a decision on the earlier PAA request, Grace in July sells its shares in **National Airlines (1)**; however, the CAB defers a ruling. On July 30, a DC-6 makes the 200,000th crossing of Ecuador.

On January 14, 1952, Edward Bern is elected vice president-management. Upgraded to DC-6B standards, the DC-6s, with their new power plants, return to the fleet in greater number during the first quarter.

To assist with aid to casualties of the Bolivian revolution, company DC-3s fly medicines into La Paz on April 10. A new thrice-weekly El Pacifico tourist-class service is introduced between Miami and Lima on May 1, using the upengined DC-6Bs; two flights continue to Buenos Aires.

In cooperation with **National Airlines (1)**, DC-6Bs are employed on May 24 to inaugurate New York to Buenos Aires flights down the west coast of South America and across the Andes.

James T. Scholtz succeeds the resigned James W. Walker Jr. on July 11 as regional manager for South America. New green hostess uniforms are introduced on August 1, replacing the original gray suits. An eighth consecutive award is received from the Inter-American Safety Council on August 8.

The DC-6 reengining project is completed on September 11 at a cost of \$300,000. On December 12, the Frye Trophy is received for the fastest Miami–Buenos Aires scheduled service. The award is received by Vice President Campbell from aviation pioneer Jack Frye in a New York City ceremony.

The carrier's first instrument-landing system (ILS) is turned on at Limaambo Airport, Lima, on March 1, 1953.

A DC-6 is employed on August 24 to transport Gen. Manuel A. Odria, president of Peru, and his VIP staff from Lima to Sao Paulo for a meeting with Chilean President Getulio Vargas. The flight is hosted by **PANAGRA** President Shea.

The company's twenty-fifth anniversary is celebrated on September 13 and on September 24 an order is placed for five DC-7s.

On November 20, the CAB examiner in the equipment exchange case recommends that both **PANAGRA** and **Pan American World Airways (1)** be allowed their suggested equipment exchange plans.

In December, an annual tradition is begun, in partnership with Macy's department stores, of sending a Santa Claus to visit underprivileged children at every South American destination.

A DC-6B flies from New York to Panama on January 25, 1954 in a record 7 hrs. 42 min. President Shea is guest of honor at the annual Newcomen Society of North America dinner on February 25; libraries around the U.S. receive a small pamphlet containing a copy of his remarks as part of an information dissemination program carried out by the Society to this day.

The company celebrates its 20,000th trans-Andean crossing between Santiago and Buenos Aires on March 3. On March 20, the first regularly scheduled DC-6 service is started into La Paz. On March 26, the full CAB again defers a ruling on the equipment issue.

The company begins the gradual withdrawal of its pilots from South America on June 1; all company pilots and their families will be based in Miami by 1960. Also on June 1, El Pacifico service becomes twice weekly and stops are added at Quito and Cali.

On June 10, **Pan American World Airways (1)** makes a public offer to sell its portion of **PANAGRA** to **Braniff International Airways** for \$5 million; Braniff expresses interest. The previous year's DC-7 order is changed on June 14; 5 DC-7Bs at a cost of \$2 million each are wanted instead. A record 10th award is received from the Inter-American Safety Council on June 25.

To give U.S. businessmen a look at South America (and the airline), **PANAGRA**, on October 8, organizes and provides lift and escorts for executives to 11 cities in 9 countries. On November 1, the U.S. DOS contracts with the carrier to transport four tons of household effects of the new U.S. ambassador from the U.S. to Bolivia; when the flight is made a week later, it will be the first such cargo service ordered by the department. Macy's opts out of the Santa Claus tour when it begins on December 19, but it is, nevertheless, hugely successful.

Upengined DC-3As begin enhanced service in Peru, Bolivia, and Ecuador in February 1955; an announcement concerning the "Hi-Per" Douglas transports' improved capabilities and offerings is made by Vice President Campbell on March 8.

The first television advertisements for the company run in the U.S. on May 8. The same month, Lawrence Spivak, host of *Meet the Press*, interviews President Shea, who highlights the virtues of travel to South America with color films, color also being a relatively new development in U.S. television.

With the addition of two more DC-6B tourist flights between Miami and Lima on June 1, the total number of such return services climbs to seven each week.

On July 16, the CAB rejects the disputed equipment exchange proposals of both **PANAGRA** and **Pan American World Airways (1)**. Eleven days later, new air-conditioned DC-7Bs are received and on August 1 these are employed by the joint-airline to initiate Miami–Buenos Aires flights.

Three days later, on August 4, it joins **Pan American World Airways (1)** and **National Airlines (1)** in signing an equipment exchange document for one-plane New York–Latin America through service. A two-week goodwill tour through Peru, Ecuador, and Colombia using a **PANAGRA** DC-6 is laid on for the president of Bolivia and a VIP party, starting on August 8.

The one-plane through service from New York via Washington, D.C. and Miami to South America begins on September 15. National crews fly the aircraft from New York to Miami, Pan Am crews take it from Miami to Panama, and **PANAGRA** crews take over in Panama and continue down to Buenos Aires.

On March 22, 1956, the carrier lowers its rates by introducing a year-round excursion fare that takes effect a month later on April 23. Two DC-6s and a DC-4, each wearing the name *City of New Orleans* painted on its nose, are tasked on April 6 to transport the New Orleans Symphony Orchestra, instruments, and equipment, on a 22-city South American tour.

During the summer, **Braniff International Airways** decides to sell its South American network. Vice President Wright Rex Brack makes an appointment to covertly offer the package, including planes, routes, facilities, equipment, and any other assets, to **PANAGRA**; he is authorized

to take as little as \$5 million. No formal offer is, however, made. When Brack shows up in New York to visit President Shea, he is turned away and never sees the PANAGRA leader. Whether or not such an arrangement would have received CAB approval is still debated; in the end, positions will be reversed and it will be Braniff that ends up with the large South American system.

In 22 flights completed between July 23 and 27, company DC-4s transport 55.5 tons of prefabricated building materials to San Ignacio, Bolivia, where the Point For Program builds a public health hospital.

When equipment of the Backus & Johnson Brewery del Peru breaks down at Lima in mid-September, arrangements are made for PANAGRA to bring down 460 pounds of replacement machinery, in two big cases, on September 21. After the cargo ship SSPT *Seafarer* is beached on the coast near Los Villos, Chile, in mid-December, company aircraft, on December 20, bring in over 10 tons of ocean vessel salvage equipment to help keep the ship from breaking up.

Cy Collins is named the new vice president-sales and traffic on January 2, 1957. On January 11, the company's largest advertising campaign ever is launched in newspapers, magazines, and via electronic media in both North and South America.

The feud between the company's owners is reopened on February 18 as PANAGRA seeks CAB permission to operate routes to the U.S. East and West coasts; again **Pan American World Airways (1)**, without such routes of its own, objects.

A company DC-7B is chartered on February 28 to fly a bevy of Hollywood stars from New York to Montevideo for an international film festival. The flight is a public relations bonanza and hosts such celebrities as Yul Brynner, Craig Stevens, Lana Turner, Van Heflin, Anita Ekberg, Joanne Dru, Hedda Hopper, and Ann Miller.

Both sides in the route dispute file briefs on March 11 and, again, Juan Trippe offers to sell his interest in PANAGRA to **Braniff International Airways**. Cargo service into La Paz is doubled on April 1 as a new DC-4 service commences from Lima via Arica. A program of DC-7B JATO tests commence on April 29.

The 25,000th trans-Andean flight is accomplished on July 1. Regular service is maintained with little change through the remainder of the year.

On January 2, 1958, PANAGRA receives a diploma of honor from the Direccion Aeronautica of Chile, which honors the company for being the first foreign concern to operate an airline in Chile. Company aircraft provide assistance to earthquake survivors near Arequipa, Peru, during the first quarter. The company receives a certificate of appreciation on April 17 from the Peruvian Red Cross for its response.

On September 13, the company hosts a New York City gala celebrating its thirty years of Latin American airline service. The fleet now comprises just 20 aircraft: 4 Douglas DC-3s, 2 DC-4s, 9 DC-6/6Bs, and 5 DC-7/7Bs. Orders are placed for four DC-8-31s.

On October 28, a DC-7B, with 45 aboard en route to New York from South America, is forced into a steep dive to avoid a USAF tanker refueling two jet fighters over Wilmington, North Carolina; both PANAGRA and the USAF claim that their aircraft are in the proper airspace.

Another successful multicity Santa Claus flight is launched on December 15.

After a brief illness, chief pilot Floyd Nelson dies at Miami on January 29, 1959. First-class service is extended to the formerly all-tourist-class destinations of Cali, Quito, and La Paz on March 1. The DC-6B fleet, having been reconfigured for split-class service, is employed to these and other destinations, such as Guayaquil, Lima, Santiago, and Buenos Aires requiring two kinds of seating.

The Inter-American Safety Council certificate for 1958 is received on March 12; another award from this body will be received on June 30 for safe operations over the previous three years.

In early May, the DOJ brings suit against **Pan American World Airways (1)**, W. R. Grace & Co., and PANAGRA for monopolistic tactics in South American trade. Company lawyers will tie up the suit in court until PANAGRA is eventually sold.

As part of President Eisenhower's Special International Program for Cultural Presentation, 3 aircraft are tasked to transport 108 musicians, instruments, and equipment of the National Symphony Orchestra on their South American tour. Beginning on May 20, the ensemble will play in 19 countries in 12 weeks.

Service to the Ecuadorian cities of Manta, Cuenca, and Esmeraldas, begun in 1940-1941, is discontinued in November. Simultaneously, cabotage flights within Bolivia are withdrawn east of Santa Cruz.

Popular entertainer Sonny Fox joins Santa Claus in South America in mid-December; the 10,000th free toy is given away during this tour. On December 21, the Nice International Club of the Air in France awards PANAGRA a special service plaque, the first ever given to a South American company. The award is presented in local ceremonies by World War I French ace Roger Millo.

The final DC-4 service is completed on February 1, 1960; thereafter, the type is removed from the company fleet. A few of the earlier DC-3As are still in service in Ecuador. DC-6Bs replace the "4s" on flights to Arica, Cochabamba, La Paz, and Lima.

The first of four DC-8-32s is received on April 6. The delivery flight, piloted by veteran Capt. Frank Havelick, Ernest Hummel, and Charles Schultz, is made from Long Beach to Miami on April 17 in just 4 hrs. 40 min. Local service within Bolivia ends on May 1.

The new Douglas jetliner is employed, via the interchange with **Pan American World Airways (1)** and **National Airlines (1)**, to inaugurate scheduled twice-weekly roundtrip service on May 2 from New York's Idlewild Airport to Buenos Aires via Miami, Panama, and Lima. National flies the segment from New York to Miami and Pan Am the Miami to Panama segment.

A massive earthquake rocks Chile in late May. On May 24, the first PANAGRA DC-6 departs Miami for Chile with food, medical supplies, and clothing for the survivors. The massive disaster requires significant outside assistance and by May 27 sufficient additional company aircraft have been committed as to bring in 50 tons of supplies.

Relief operations continue into June when the entire enterprise is taken over by the USAF in "Operation Samaritan," a huge around-the-clock effort employing Douglas C-124 Globemasters and smaller military transports. Air Force pilots rely on PANAGRA weather, communications, and navigational facilities. A DC-3 is loaned to the Chilean government, which needs to get into damaged or smaller fields.

DC-8-32 service is doubled from two weekly flights to four on July 1. Simultaneously, the first DC-7F freighter is operated from the U.S. to South America, replacing a DC-6A added earlier in the year, on a weekly schedule from Miami; cities visited include Panama City, Guayaquil, Lima, La Paz, and Cochabamba. Incidentally, over the next 6 months, the plane will transport, among other cargo, 80 horses and 300 sheep.

Daily New York to Lima DC-8-32 return service starts on October 30; four flights continue on to Buenos Aires. On the other three days, DC-7Bs provide the onward service.

Children's television host Fred Scott accompanies the Santa Claus trip, beginning on December 8; like Bob Hope, Scott films his trip and shows it on his program early in the new year.

Service and internecine board bickering continues apace during the remainder of the year and into 1961; however, the carrier suffers from increased competition from both **Braniff International Airways** and other Latin American airlines.

Both partner companies continue to be the subject of a DOJ antitrust suit; Grace is found innocent but **Pan American World Airways (1)**, because of its tactics in the joint boardroom, is found guilty and is ordered to sell its interest in PANAGRA.

On May 9, a record eight tons of cargo is transported by a DC-8-32 into South America; on June 15, the first DC-8-32 service arrives at Santiago. DC-8-32 roundtrips from New York to Buenos Aires grow to six each week on August 30; on the seventh day, a Miami-Buenos Aires service is operated with a DC-7B. Simultaneously, all five DC-7B services into Santiago are replaced with jet frequencies.

Santa Claus is joined on his December southern tour by Claude Kirchner, host of *Terrytown Circus* on WOR-TV.

In just four years, flight equipment, if improved in quality, is halved in number; the fleet in 1962 comprises only 10 aircraft: 6 DC-7Bs and 4 DC-8-32s.

With 26,000 flying hours and 30 years of service, famed pilot Capt. Tommy Jardine retires on April 1. He travels to Lima where he is honored in a grand ceremony 12 days later.

A DC-7B flies a 100-lb. rush cargo of Vitron-C into Cochabamba on May 16; the medicine is needed to help treat anemia among Yucarare Indians suffering from a hookworm infestation. During June and July, 75 tons of tinned Argentine beef is transported from Buenos Aires to Santiago in the cargo holds of the jetliners.

A DC-7B with 6 crew and 36 passengers is destroyed on October 29 as the result of a bad landing at La Paz, Bolivia; there are no fatalities.

A ton of toys are distributed during the annual Santa Claus flight in December.

Shareholding within and service to **LAB (Lloyd Aero Boliviano, S.A.)** ends in 1963. On February 1, a fourth weekly DC-7B service is undertaken from Miami to both Bolivia and Ecuador via Panama. On May 7, PANAGRA is the first civilian airline to win the "Will of Flight" trophy bestowed by the Chilean Air Force. Vice president since 1948, Douglas Campbell retires on June 27.

Pan American World Airways (1) and W. R. Grace & Co. apply to the CAB for approval of an arrangement that would see the former acquire the latter's 50% interest in PANAGRA. The regulators will not approve.

On September 13, the thirty-fifth anniversary is celebrated. To mark the occasion, U.S. Senator George Smathers (D-Fla.) reads a tribute to the company into the *Congressional Record*.

DC-8-32 service into Guayaquil starts on October 28. The Santa Claus tour is run again during the week of December 11. Since its beginning a decade earlier, over 20,000 toys have been given away.

Enplanements total 145,113. Revenues total \$22.7 million, providing a net profit of \$850,000.

Airline employment in 1964 stands at 1,332 and the fleet includes 8 aircraft. The CAB grants the company permission to commence nonstop New York and Miami DC-8-32 flights to Lima.

The only daily jet service between the U.S. and Argentina is started on June 2 as company DC-8-32s fly from New York to Buenos Aires. Other routes served by the Douglas jetliners on a weekly basis include 10 flights to Lima, 5 to Santiago, 3 to Guayaquil, and 1 to Antofagasta.

The company's DC-8-32s commence flights to the high-altitude airport at Quito on July 1. On August 8, Chief Pilot Havelick makes the first experimental DC-8-32 landing at La Paz, Bolivia, at 13,358 ft., the highest airport in the world. The Douglas is the first four-engine jetliner ever to land at the city and is met by the nation's president, Paz Estenssoro. He and U.S. Agency for International Development (AID) executives, who provided the funds, take part in a ribbon-cutting ceremony to open the new airport. When scheduled service starts on October 25, PANAGRA is the only airline to fly into the Bolivian city, offering three flights in from Miami and two flights out from La Paz.

The Christmas Santa Claus tour in mid-December visits Panama City, Quito, Guayaquil, La Paz, Lima, and Santiago. At the end of the year, PANAGRA is one of the companies to receive an "E" award as a business providing extraordinary benefit to the U.S.

Passenger traffic remains level. Revenues of \$23 million are earned, allowing a net profit of \$1,020,000.

The workforce in 1965 is increased to 1,283 and the fleet is decreased by 1 aircraft. Veteran Capt. Frederick "Fritz" Sterling retires on January 15 after 31 years with the carrier; his log shows over 23,000 flying hours. Another pioneer, Capt. Warren B. Smith also retires after 34 years; he is famous for flying the trans-Andean route from Santiago to Buenos Aires via the Uspallata Pass.

After an earthquake hits Chile on April 8, a DC-8-32 is loaded with 13,000 pounds of medical supplies and rushed from Miami to Santiago

the next day in just 8 hrs. 15 min. Over the next week, the carrier will transport 13.3 tons of earthquake supplies collected by the Church World Services into Santiago aboard regularly scheduled DC-8-32 freight and passenger flights.

Capt. Warren B. Smith dies at home on May 21. In accordance with a will found three months after his burial, Capt. Smith is exhumed and cremated; his ashes are dispersed over the Uspallata Pass on August 1 by a company DC-3, accompanied by an honor squadron of Chilean Air Force jet fighters.

On June 4, nonstop DC-8-32 return service is initiated from Buenos Aires to La Paz.

When catastrophic rains and floods overwhelm Chile in mid-August, PANAGRA again leads the air transport arm of relief operations. On August 17, the company gathers together its entire stock of blankets from every plane, warehouse, office and terminal and transports them to Santiago. President Shea orders all aircraft flying into the country to take whatever relief supplies might be made available by any agency, government or private. On August 23, 6,659 pounds of fur coats and winter clothing donated by the Lutheran World Relief organization is flown into Santiago in the belly of the regularly scheduled El Inter Americano DC-8-32 service. At the same time, a DC-7F freighter brings in 18,737 pounds of supplies provided by the Catholic Relief Services.

On August 28, the carrier begins a free travel service for South American students attending U.S. colleges. A new office and shop facility is completed at the Callaco Airport in Lima.

Under special guard, a collection of pre-Colombian gold art and treasure is transported from Lima to Washington, D.C. on September 21 for display in the National Gallery of Art. Orders, valued at \$42 million, are placed on October 15 for four DC-8-62s and a DC-8-62F, which will be delivered in early 1967. The annual Santa Claus tour begins on December 13.

Enplanements reach 158,172 and passenger traffic climbs by 29.6%.

The fleet in early 1966 comprises 3 DC-7BFs and 4 DC-8-32s. The route network exceeds 20,000 miles.

Begun during the previous year, negotiations continue with **Braniff International Airways** for purchase of the airline. The **Pan American World Airways (1)** share of the arrangement would be \$22 million, while Braniff reaches a similar agreement with W.R. Grace for ownership of the other half interest. Just as the contract is being drawn up for an August transfer, the departure of Braniff's CEO Charles E. Beard and management change causes a delay and some renegotiation.

Pan American World Airways (1) and W. R. Grace & Co. finally sell their shares in PANAGRA to **Braniff International Airways** for \$30 million on January 8, 1967; the merger is completed on January 31. That day, the last flight, operated by a DC-8-32 piloted by Capt. James R. McCleskey, is flown from Lima to Miami in six hours.

Like **Pan American World Airways (1)** two decades later, this historic carrier was no more. In the end, writes William A. Krusen in his definite company history *Flying the Andes: The Story of Pan American-Grace Airways and Commercial Aviation in South America, 1926-1967* (Tampa, Fla.: University of Tampa Press, 1997), PANAGRA had two great achievements. It brought commercial aviation to a large part of South America and showed some of the best aspects of the U.S. and its people to the Latin American countries.

There is an unofficial Web site at <http://www.netten.net/~jschulta/panagra>.

PAN AMERICAN WORLD AIRWAYS (1): United States (1950-1991). After acquiring the assets of the Pan American Corporation, Juan Trippe's pioneer airline is restructured on January 3, 1950 and renamed. The same day, a B-377 flies from Tokyo to Honolulu in a record 11 hrs. 24 min. Stratocruiser revenue services from San Francisco to Honolulu commence on January 15.

En route from New York to London on February 10, a Stratocruiser's door flies open over St. James, Long Island, and steward J. Harris falls to his death; his body will not be found until March 8. The entire Pan

Am board is flown from Los Angeles to Honolulu on February 21; among the dignitaries on board the Stratocruiser are Trippe, Sherman Fairchild, Gen. George C. Marshall, and Prescott F. Bush, father and grandfather of future presidents George Bush and George W. Bush.

On March 4, company flights begin to Prague. During April and May, the B-307 Stratoliners *Clipper Rainbow*, *Clipper Flying Cloud*, and *Clipper Comet* are sold to William "Bill" Conrad's Miami-based Airline Training, Inc.; all will be resold within a year. As the result of the CAB ban on the activities of many charter operators, the carrier, between June 10 and 17, joins **Eastern Air Lines** in flying 5,000 Puerto Rican migrant workers to Michigan. In the middle of that week, on June 13, B-377 sleeper service is opened from Honolulu to Manila via Tokyo.

A C-46F with two crew must be written off following a hard landing at Merida, Mexico, on June 15; neither pilot is hurt. Puerto Rican migrant workers are flown to New York state on June 26–27 and on June 28 direct New York–Beirut flights begin.

New York–Buenos Aires Stratocruiser sleeper flights are opened on July 5. Three days later, the airline establishes a single flight kitchen in New York City to cook and freeze meals to be served over half the world via storage freezers set up in key cities. The installation of special ovens to heat food during flights is begun on company aircraft and a contract is signed with a London caterer to supply the remainder of Pan Am's food needs.

The CAB denies, on August 1, an application for domestic routes linked to the airline's international routes. The 40% interest in **LANICA (Lineas Aereas de Nicaragua, S.A.)** is reduced to 20% on September 6 and two days later, the new Prague service is suspended for lack of traffic. C. R. Smith of **American Airlines** sells **American Overseas Airways (AOA)** to Juan Trippe on September 25 for \$17,450,000.

Acquired with AOA are 1 DC-3, 4 DC-4s, 8 Boeing 377 Stratocruisers, 7 Lockheed L-049s, as well as route approvals to Paris and Rome. The aircraft all receive new livery almost immediately. The last four new DC-4s are delivered on September 25: *Clipper Rotand*, *Clipper Munich*, *Clipper Dusseldorf*, and *Clipper White Falcon*. Also in September, orders are placed for 45 DC-6Bs.

In October, tourist-class B-377 flights are undertaken from New York–Bermuda. En route from New York to London on October 14, a B-377 is forced to land at Gander, Newfoundland, with two dead engines.

Former Pacific Division CEO Clarence M. Young now returns as vice president and three CV-240s are sold to **Mid-Continent Airlines**. On November 13, a Basra–Karachi–New Delhi link is added to the route system, allowing the first worldwide, air-to-ground communications system via voice radio. Transatlantic traffic rises to 69,000 passengers carried while, systemwide, boardings exceed one million.

The Stratocruiser *Clipper Washington* is damaged in a London landing accident on January 2, 1951. Famed Pan Am Capt. Charles Blair flies the North American P-51C *Excalibur III* nonstop from New York to London on January 31 in 7 hrs. 48 min. Unfortunately, the record is not witnessed by the Federation Aeronautique Internationale (FAI), and so remains unofficial. The U.S. Supreme Court refuses, on March 6, to hear an appeal by former **American Overseas Airways (AOA)** employees to reverse their company's takeover by Pan Am. The airline joins with **Eastern Air Lines** on April 1 to cut New York to San Juan tourist-class fares.

On May 4, the CAB grants a permit for experimental tourist-class service to London from New York. A C-46F is lost at Sao Paulo on May 8; there is no information on casualties.

Following debate at the annual IATA meeting beginning on May 9, the cartel agrees to a modified version of Pan Am's North Atlantic tourist-class proposals. New York to Bolivia flights commence on June 9. Mechanics and ground crews at New York's Idlewild Airport strike on June 15 to protest the dismissal of 89 former **American Overseas Airways (AOA)** workers; the job action spreads to New York (LGA) the next day. The strike is settled after Pan Am offers the laid off workers jobs in Miami or Texas or severance pay.

En route from New York, the L-049 *Clipper Great Republic* with 9 crew and 31 passengers crashes into the jungles 4 mi. S of Sanoye, Liberia, on June 22; there are no survivors.

Because the IATA agreement contains frequency limitations, the CAB disapproves the IATA arrangement on July 31 and Pan Am's own experimental service thus briefly fails.

Coming into Kingston, Jamaica, on September 2 after a flight from Miami, a CV-240 with 4 crew and 30 passengers lands 800 feet short of Runway RWY 14 and rushes into the ocean; although the aircraft must be written off, there are no fatalities.

Another IATA meeting is held in late November where an acceptable plan for transatlantic tourist-class fares are agreed upon. Orders are placed for five DC-6A freighters. TWU ground and flight service workers strike at New York, Miami, and San Francisco between December 15 and 18, with 600 travelers stranded on the first day. The strike by 5,000 employees is settled for a 10-cent-per-hour pay raise. As the result of the **American Overseas Airways (AOA)** merger, company passenger traffic increases by 21%, including an increase in North Atlantic bookings to 92,000.

Employing a recently received DC-6A, the company inaugurates the first all-cargo service across the North Atlantic on January 4, 1952. The first DC-6B is delivered on February 27 and is christened *Clipper Liberty Bell*. Two more of the type are delivered before the end of the first quarter: *Clipper Priscilla Alden* and *Clipper Goodwill*.

Just after takeoff from San Juan for Miami on April 11, the No. 3 engine of Flight 526A, a DC-4 with 5 crew and 64 passengers, fails. The pilot declares an emergency and begins a return to San Juan. Unable to maintain altitude, he is faced with a possible landing in a congested area or a ditching at sea. The latter is chosen and the plane is put down 11 mi. NW of the airport, 4.5 mi. offshore. The plane breaks in half and sinks in 3 minutes (52 dead).

En route from Rio de Janeiro to Port of Spain on a leg of a flight from Buenos Aires to New York on April 29, the propeller of the No. 2 engine of B-377 *Clipper Good Hope* separates in flight. The buffeting that follows takes off the port wing and causes the plane to crash into a hill near Carolina, in the jungles of northern Brazil some 900 mi. NNW of Rio (50 dead). The next day, the *Clipper Golden Eagle* is also damaged in a crash landing for the same reason.

The DC-6B *Clipper Liberty Bell* is the first of its type to enter company service when she inaugurates economy all-tourist Rainbow Service flights from New York to London on May 1. The same day, several official and unofficial rescue groups begin to seek survivors of the Stratocruiser *Clipper Good Hope* and on May 15, CAA investigator S. A. Magness and a Brazilian Air Force major are taken hostage by one party, demanding their own helicopter evacuation from the harsh environment. Brazil sends in paratroopers the next day, who effect their rescue and the two detainees finally reach Belem on May 28.

Steward M. Cappellero falls 12,000 feet into the sea off Rio de Janeiro on July 27 when a Stratocruiser door flies open during a flight to Montevideo. Three days later, the line begins weekly New York to Beirut all-cargo service via stops in Europe.

The DC-6B *Clipper Pathfinder* is received on August 23. DC-6Bs open an Asia Express London–Hong Kong service on September 2. On September 29, a DC-6B flies from New York to Frankfurt in a record 11 hrs. 58 min.

Becoming the first U.S. airline to order a British transport, Pan Am requests three de Havilland DH 106 Comet 3s on October 20, the first order for a foreign jetliner made by an American air transport concern; they will not be received. Late in the year, a CV-240 is sold to **Mid-Continent Airlines** and during the 12 months a total of 18 DC-6Bs are delivered, most entering service shortly after their arrivals. Transatlantic enplanements climb to 118,000.

A DC-6B flies from Boston to London on February 9, 1953 in a record 9 hrs. 13 min. In March, it is reported that the carrier's B-377s, in four years, have flown in excess of a half million passengers over 51.27 million miles. Also during the first quarter, two former AOA

L-049s are sold to **British Overseas Airways Corporation (BOAC)**. Direct Philadelphia–Europe thrice-weekly service is opened on April 1 while a direct U.S. to Saigon service via Manila is launched on May 18. En route from Honolulu to Wake Island on June 12, a B-377 literally loses its No. 4 engine and must make an emergency landing at Johnston Island.

Three in a lightplane are killed on July 28 in a takeoff collision with a Constellation at San Salvador; the American aircraft lands safely. The 40% interest in **LACSA (Lineas Aereas Costarricenses, S.A.)** is reduced to 36% on August 7. On August 22, Pan Am joins with **Capital Airlines** in offering experimental package tours on the installment plan from Pittsburgh to Bermuda.

Also during the month, DC-6Bs begin to replace Constellations on the New York to Buenos Aires run. With the delivery of the last machine on December 12, the carrier has received three of four ordered Convair CV-340s. During the year, most of the C-46 fleet is sold back to the USAF while 13 additional DC-6Bs join the fleet.

Traffic on the Atlantic crossing to Europe rises to 123,000 passengers enplaned.

Under contract to the U.S. Air Force, Pan Am, in January 1954, takes over operation and maintenance of the Florida Missile Test Range; the changeover will be completed by March.

En route from New York to London via Shannon on February 15, a DC-6B with 36 aboard overshoots its landing at the Irish airport; although the aircraft is badly damaged, no injuries are reported. The last CV-340 is received on February 18 and on March 16, the airline begins to offer private staterooms on its New York to Paris, Rome, Frankfurt, and Beirut routes.

The first of three DC-6A freighters to be delivered on the year arrives on April 30 and is named *Clipper Gladiator*; the other two, the *Clipper Jupiter* and *Clipper Westwind*, join the fleet in May and June, respectively. A DC-6B flies from Caracas to New York on June 9 in a record 7 hrs. 17 min. and with the delivery of the *Clipper Fair Wind* on June 15, the 45-unit DC-6B order is completed.

The next day, flights are rerouted to avoid crossing Guatemala during its civil unrest; service to, from, and over that country resumes on July 4. An order is placed on July 14 for 26 DC-7Cs and on July 23 the company's interest in **Cubana (Compania Cubana de Aviacion, S.A.)** is sold to local interests. A second, weekly, New York to Europe all-cargo route is opened on August 16; 10 days later on August 26, the B-377 *Clipper America Friendship* is sold to **British Overseas Airways Corporation (BOAC)**. On September 3, a new record is claimed: 10 west-bound transatlantic flights en route simultaneously.

On November 1, DC-6B service is inaugurated from Los Angeles to Rio de Janeiro and eight days later, on November 9, a fourth weekly transpacific frequency is added. On November 15, nonstop U.S.–Europe service is initiated by Stratocruisers outfitted with extra fuel tankage.

The four CV-340s are sold to **National Airlines (1)** late in the year. Simultaneously, one CV-240 is sold to **Middle East Airlines, S.A.L. (1)**, three to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, and one to **Northeast Airlines**.

A total of 138,000 passengers are flown over the North Atlantic.

As a result of difficulties in U.S.–India bilateral air agreement negotiations, service to New Delhi must be suspended on January 17, 1955. The carrier's interest in **Middle East Airlines, S.A.L. (1)** is sold to the Beirut-based carrier's president on January 30.

En route to Honolulu and Sydney on March 26, the B-377 *Clipper United States*, with 23 aboard, loses its No. 3 engine and propeller and is forced to ditch in the Pacific Ocean 35 miles off the coast of Oregon (4 dead). The incident receives prominent media attention and is the subject of a book by *The Longest Day*-author Cornelius Ryan, *One Minute to Ditch!* (New York: Ballantine Books, 1955).

In April, the carrier is granted a route to Ankara via Istanbul. The first of seven DC-7Bs is delivered on the year arrives on April 23; christened *Clipper Evening Star*, it is assigned to the transatlantic route after shake-down. On May 10, Pan Am and the U.S. government offer a plan to ex-

pand and modernize **Pakistan International Airlines Corporation (PIA)** in order to provide a Karachi–West Pakistan link; the Americans provide \$3 million in foreign aid for this improvement. The first DC-7B is followed into transatlantic test service by the *Clipper Jupiter Rex*, which arrives on May 25.

When both new Douglas aircraft commence revenue flights on June 13, each fly the Shannon to New York legs of their services from London (LHR) in the same record time: 10 hrs. 33 min. On June 15, the *Clipper Evening Star* makes the first nonstop passenger flight from New York to Paris, by-passing the usual stop in Ireland. The same day, it is announced that Pan Am and **THY Turkish Airlines (Turk Hava Yollari, A.O.)** have signed a contract under which the Turks will be trained in modern techniques over the next year. The \$475,000 U.S. government foreign aid project will be headed by Capt. S. H. Miller. The company begins to equip its DC-6s and DC-7s on June 26 with weather-detecting radar and the next day, it completes its 50,000th transatlantic crossing.

A New York–London B-377 flight is piloted for one trip by a father and son team on July 13. Also during the month, a company flight crew, after a personal check by Atlantic division chief pilot Holland L. Redfield, transports the prime minister of Thailand around the world from New York (LGA) aboard the L-749 *Columbine II*, which President Eisenhower has personally lent for the trip. The prime minister, unwilling to use the aircraft's normal USAF crew, had requested a Pan Am service.

On August 4, the airline agrees on an equipment interchange with **National Airlines** and **Pan American-Grace Airways (PANAGRA)** for one-plane New York–Miami–South America through service, thus ending the CAB's "Balboa Case." New York to Bermuda luxury service is opened on the last day of the month. Joint service with **National Airlines** and **Pan American-Grace Airways (PANAGRA)** is opened on September 14 from New York to Buenos Aires via the South American west coast.

The DOJ now files a civil antitrust suit against Pan Am, **Pan American-Grace Airways (PANAGRA)**, and W. R. Grace & Co. claiming the three monopolize air travel between the U.S. and South America. Company lawyers stall the suit in court until 1966. Simultaneously, the Antitrust Subcommittee of the Judiciary Committee of the U.S. House of Representatives, chaired by Emanuel Celler, opens hearings on charges of the Pan Am-PANAGRA monopoly. No additional antitrust proceedings follow the Congressional investigation.

The rotary-wing operator **New York Airways (2)** signs a contract with Pan Am on October 2 to provide the pioneer with inter-airport flights for passengers making connecting flights between the three major airports in the New York City area. Nonstop New York to Ciudad Trujillo flights begin on October 12 and the next day, orders valued at \$96 million are placed for 20 Boeing 707-121s and 25 Douglas DC-8s. These are the first significant orders for American jetliners and will put the Boeing firm on the road to long-lasting domination of the world's commercial jetliner business. Three days later, the prototype of the 707, known as the 367-80, makes a roundtrip Seattle–Washington, D.C. flight in 8 hrs. 8 min.

At the annual meeting of IATA in New York, President Trippe delivers an eloquent speech on the value of tourism, the "tourist plane," and the race "between education and catastrophe." New York to Vienna via Munich service is initiated on October 27, followed by direct New York to Ankara flights on November 11. Former vice president and airline legend Andre A. Priester dies of a heart attack in Paris on November 28. On December 12, San Francisco is made the new terminus on the Los Angeles–Caracas joint service, with four flights per week made over the extended route; the same day, 80 minutes is cut from the New York to Buenos Aires service. A U.S.-bound DC-7B with 42 aboard returns safely to Rome on December 28 on two engines, after one engine falls off and a second fails over northern Italy. North Atlantic enplanements for the year jump to 187,000.

Four L-049 Constellations are sold to **Delta Air Lines** on February 1, 1956 and on March 20 Pan Am begins to replace the DC-4s flying its

Caribbean routes with DC-6Bs. A summer Alaskan tour program is announced on May 5, in cooperation with **Wien Alaskan Airlines**. The first of 26 DC-7Cs arrive during the spring; one of these demonstrates the type's range on May 26 when it flies a nonstop Miami to Paris proving flight.

On June 1, the "Seven Seas" *Clipper Black Hawk* is the first DC-7C to enter regularly scheduled service on the transatlantic route. Third-class service is inaugurated on June 20 over the New York to San Juan route. The DC-7C *Clipper Flora Temple* enters service two days later.

On August 24, an agreement is reached with **Aeroflot Soviet Airlines** for the two companies to honor each other's passenger tickets and cargo documents. Also in August, at the request of the carrier's Latin American division, engineers at the Douglas Aircraft Company propose a scaled-down DC-8; "Project 2000" is also known as the DC-9.

Pressed by the Department of State, Pan Am purchases a half-share in the new Afghan carrier, **Ariana Afghan Airlines Company, Ltd.**, on September 12 and agrees to provide it with technical assistance under a \$2.5-million contract; the arrangement is sweetened via a loan from the U.S. Export-Import Bank.

En route from Honolulu and 1,000 mi. W of San Francisco in the early hours of October 16, Flight 943, the B-377 *Clipper Sovereign of the Seas*, piloted by Capt. Richard Ogg with 12 other crew and 24 passengers, loses 2 engines, with the third "windmilling." The Stratocruiser, returning home from an around-the-world flight, is able to position herself over the USCG cutter *Ponchartrain* (WPG 70), which it circles for two hours until sunrise allows a successful ditching in a very smooth sea. Only five aboard are slightly injured and all are able to climb into life rafts and be rescued from the bobbing aircraft, which stays afloat for 21 minutes. This incident, which is captured on film (with a sequence published in the April 2001 issue of *Airways*), reveals the heroism and remarkable airmanship of the Boeing's crew and attracts media attention for weeks.

Outbound for Honolulu from Los Angeles on October 18, another Stratocruiser with 69 aboard develops engine troubles, but is able to land safely at San Francisco. Flights into the Mideast are disrupted during the first week of November by the Suez crisis. During the year, the U.S. International Cooperation Administration awards a \$2-million grant to **Thai Airways, Ltd.**; three L-1049Gs are ordered for it and Pan Am receives a contract to provide management and technical assistance.

The number of travelers flown over the North Atlantic reaches 221,000. The carrier now serves 111 cities, flying 54.5% of all U.S. overseas service, which includes 60% of all cargo and 59% of all passengers. The capital investment of the nation's largest airline in terms of assets accounts for 67% of the total amount invested by U.S. carriers in foreign flight.

Development of **Ariana Afghan Airlines Company, Ltd.** commences on January 16, 1957 and on February 10, a DC-7C flies the Tokyo to Seattle route nonstop in a record 14 hours. New York to Nassau flights begin on February 24 with 30-day excursion fares to Nassau introduced on March 16. Six days later, DC-7Bs are assigned to the New York-South America service. Company interest in **SAHSA (Servicio Aereo de Honduras, S.A.)** is reduced to 38% on April 5 and on April 27, seven flights are delayed at Idlewild Airport, New York, because of a bomb scare. Flights are initiated on May 27 from New York to Barbados via San Juan and Antigua. Ten days later, on June 6, regularly scheduled cargo service is extended to Hamburg and West Berlin.

A DC-6 flies from New York to Capetown, South Africa, on July 13 in a record 37 hrs. 55 min. Pan Am now begins weekly service from Johannesburg via the Belgian Congo to Ghana and Liberia. The 40% shareholding in **CDA (Compania Dominicana de Aviacion, S.A.)** is sold to Dominican interests on July 26. Also in July, the contract with **Thai Airways, Ltd.** begins and the three Super Constellations ordered the previous year are delivered to Bangkok. On August 22, Miami to Rome service is inaugurated via San Juan and Madrid. The Spanish capital simultaneously becomes a stop on the New York to South Africa passenger route.

In a public relations success, the carrier announces on September 9 that it is preparing to make the first commercial flight to Antarctica under a USN contract. On September 11, DC-7C service is initiated between London and San Francisco via the polar Great Circle Route across Frobisher Bay and Baffin Island. Nonstop DC-7C New York to Rome flights commence two weeks later on September 25.

A New York to Baghdad frequency is introduced on October 6. The previously announced flight to Antarctica departs San Francisco on October 12 and is completed four days later. Meanwhile, the 40% ownership of **LANICA (Lineas Aereas de Nicaragua, S.A.)** is reduced to 13% on October 14. The company's 30th anniversary is celebrated on October 27. The next day, the first production B-707 Stratoliner, the Dash-121 N708PA, is rolled out at Boeing's Renton, Washington, plant.

Seven days later, on November 4, an agreement is reached with the Matson Steamship Company for the initiation of sea-air travel between the U.S. West Coast and Fiji, New Zealand, and Australia.

En route from San Francisco to Honolulu, Flight 7, the B-377 *Clipper Romance of the Skies* with 8 crew and 36 passengers, vanishes without a trace on November 8-9 after passing the point of no return between the two destinations. A search, led by the U.S. aircraft carrier *Philippine Sea*, begins around a probable ditching scene (30 degrees and 105 miles off course) and 19 bodies are found 900 miles from Honolulu on November 13, but no other survivors. The first Boeing 707-121, N708PA, makes its maiden flight on December 20; the first of these new jetliners will be delivered within eight months. A number of CV-240s are sold to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** at year's end.

North Atlantic enplanements for the year rise to 258,000.

The fleet in 1958 comprises 131 aircraft: 23 Boeing 377 Stratocruisers, 4 DC-3s, 23 DC-4s, 48 DC-6/6Bs, 7 DC-7Bs, and 26 DC-7Cs. The B-377 *Clipper Golden Gate*, with 8 crew and 49 passengers, is so badly damaged during a wheels-up emergency landing at Manila on June 2 that it must be written off; one person is killed.

On June 5, a DC-6A, the *Clipper Ocean Express*, is delivered; it is followed by another, the *Clipper Undaunted* on August 6. The first Boeing 707-121, N709PA, is delivered on August 15 and is christened *Clipper Tradewind*. It is employed, on August 23, to make the first commercial jet flight by a U.S. aircraft, the airlift of cargo between Miami and San Juan on a proving mission.

On September 9, the company enters into an interline arrangement with **National Airlines (1)**; each carrier agrees to acquire a percentage of the other's stock and the major offers the domestic charter use of its Boeing jetliners.

With various government VIPs in attendance, First Lady Mamie Eisenhower christens the *Clipper Caroline* at Washington, D.C. (DCA) on October 16; following the ceremonies, the jetliner departs on a demonstration flight to Brussels with 39 aboard.

The B-707-121 *Clipper Mayflower* inaugurates the company's—and the nation's—first transatlantic jetliner service from New York to Paris on October 26; the 111 passengers and 16 crew enplaned aboard Flight 114 are the largest number that have yet boarded a scheduled service. The Boeing, piloted by Capt. Samuel H. Miller, returns to Idlewild Airport on October 30 completing the first American roundtrip jet service. The same day, N712PA, arrives from Boeing.

Fog at London on November 16 forces the carrier's first New York to U.K. jet flight to land at Shannon; the company is still able to mark its 75,000th transatlantic crossing since 1939. On November 17, the B-707-121, which had completed its flight from Shannon, departs London for New York and is able to arrive at Idlewild the next morning ahead of a **British Overseas Airways Corporation (BOAC)** Comet 4 dispatched simultaneously.

In accordance with its September agreement, the pioneer now leases the B-707-121 *Clipper America* to **National Airlines (1)**, allowing it, on December 10, to become the first U.S. domestic airline to offer commercial jet service, New York to Miami. Three more B-707-121s arrive by December 19 and are named *Clipper Washington*, *Clipper Constitution*, and *Clipper Maria*.

The *Clipper Constitution* crashes at Montserrat Island the same day it is delivered. Three DC-6Bs are provided to **AVENSA (Aerovías Venezolanas, S.A.)** during the year. Bookings on the North Atlantic run advance to 278,000 as Pan Am makes 170 weekly flights to Europe.

The long-range intercontinental version of the Stratoliner, the B-707-320, makes its first flight on January 11, 1959.

En route from Paris to New York on February 3, a B-707-121 with 114 aboard lands safely after surviving an almost 30,000-ft. mid-Atlantic dive to 8,000 ft. attributed to a malfunctioning of the automatic pilot. Although high-speed buffeting causes the loss of small pieces from the airframe, only one person is slightly hurt.

In 1983, famed dancer and choreographer Gene Kelly, one of the many celebrities on the flight, tells columnist William F. Buckley Jr. about the incident, which Buckley relays in the September 8, 1998 edition of his column *On the Right*. At midocean between Ireland and New York, according to Kelly, the pilot and copilot both depart the cockpit to visit with passengers. At some point, the plane goes into a steep dive from 35,000 ft. after the altitude-control seizes up. "We all screamed and yelled," Kelly recalled, "we just knew that we were going to die." And, he noted, it took such a long time to fall 27,000 feet. Struggling back to the cockpit, the pilot is able to regain control at 8,000 ft and bring the aircraft level.

A DC-7C with three crew is wrecked by a hard landing at San Francisco on February 20; there are no fatalities.

Indonesia grants the carrier landing rights on March 5 and while on an April 10 charter, the B-377 *Clipper Midnight Sun*, with five crew and five passengers, undershoots the runway at Juneau and crashes. Although no injuries are reported, large numbers of school children assemble beyond the runway to watch firemen put out the blaze.

On April 26, twice-daily B-707-121 New York to London flights begin. The two Stratoliners leased to **National Airlines** are returned on May 15.

The number of weekly New York to Paris jetliner frequencies is increased to 11 on June 1 and 5 days later on June 6, weekly B-707-121 service is inaugurated from San Francisco to Jakarta.

A DC-6A/B freighter with six crew and two passengers makes a forced landing at Shannon, Ireland, on June 22 after having failed its takeoff; there are no fatalities.

Following a belly landing at Tokyo on July 9, the B-377 *Clipper Australia* with 6 crew and 53 passengers must be written off; no injuries are reported.

During takeoff from Idlewild for Europe on July 12, a B-707-121 with 113 aboard loses two wheels; the jetliner circles the airport for four hours while the runway is coated with foam that allows it to land safely. Meanwhile, the incident becomes a major media event as over 1,000 persons crowd the runway area following radio and television reports. While Cardinal Spellman is taken to the control tower to publicly pray for a safe landing, New York Port Authority rescue personnel are forced to spray newsmen and sightseers to keep them off the runway and from interfering in emergency preparations. Later, when the plane is down, both politicians and the media berate New York Port Authority personnel for hindering fire department rescue operations and news access. However, the Boeing's pilot, Capt. Sommers, charges that the crowd near the runway would have blocked rescue crews. All but 15 of the original passengers depart on the next jetliner flight to London, with Capt. Sommers at the controls.

The first of 20 B-707-321s to be delivered is received on July 19 and is christened *Clipper Golden Eagle*. The next day, New York to Buenos Aires jetliner service begins; a Boeing from Buenos Aires arrives at Idlewild Airport on July 21. Three days later, on July 24, a B-707-321 flies from New York to Moscow in a record 8 hrs. 53 min., breaking an **Aeroflot Soviet Airlines** Tupolev Tu-114 record set 10 days earlier.

En route from New York to Buenos Aires on August 17 with 122 aboard, a B-707-121 returns to Idlewild when its hydraulic system fails; the jetliner is able to make a safe descent after its landing gear is lowered manually.

Two more speed records are turned in during proving flights made in late August: on the 21st, a B-707-321 flies from Anchorage to Tokyo in 7 hrs. 54 min., while on the 25th, another Boeing arrives in San Francisco just 4 hrs. 46 min. after departing Honolulu.

Regularly scheduled service from Los Angeles and San Francisco to London (LHR) via a polar route begins on August 27. B-707-321 flights commence on September 5 from San Francisco to Tokyo via Honolulu. A DC-4 freighter with three crew is lost near Tegucigalpa, Honduras, on September 12; there are no survivors.

The company suspends service to Nicaragua on October 1 following an embargo by the government on its property. Simultaneous east-west transpacific service begins the next day. A B-707-321 flies from San Francisco to Tokyo in 13 hrs. 20 min., while a second clipper arrives in San Francisco from Tokyo on October 3 after a flight of 15 hrs. 13 min.

Eight days later, the B-707-321B *Clipper Windward* starts around-the-world—excluding transcontinental U.S.—jetliner flights from London. The B-707-321 *Clipper Splendid* is delivered on October 19, followed by the *Clipper Viking* on October 27.

National Airlines (1) on November 1 again leases company Stratoliners for its winter flights; this year, six B-707-121s are employed. The first of six B-707-331s purchased from the Hughes Tool Company is delivered on November 5 and is named *Clipper Donald McKay*. Daily San Francisco–Tokyo B-707-321 flights commence on November 17, followed by initiation of the same schedule from New York to San Juan by B-707-121s on November 22.

A new B-707-321 begins flying to Australia on December 18, the same day that the U.K. orders the airline's Jamaica to New York service halted under terms of the 1946 Bermuda I Treaty. A compromise is quickly reached and beginning on December 22, Pan Am is allowed to fly its jetliners into Ciudad Trujillo and from there mount propeller flights to Jamaica.

The airline's Boeing jetliners establish three speed records in one day on Christmas Day: London to New York in 6 hrs. 21 min., Paris to New York in 7 hrs. 10 min., and Los Angeles to London in 11 hrs. 5 min. Company interest in **Aeronaves de Mexico, S.A. de C.V.** is finished on December 26 and sold to the Mexican government. On the last day of the month another B-707-331, originally intended for **Trans World Airlines (TWA)**, is received and christened *Clipper Dashaway*.

For the year, a total of 336,000 North Atlantic passengers are served.

Nonstop all-cargo services employing DC-7CFs are initiated on January 2, 1960, while the first of 16 DC-8-32s to be received on the year arrives on February 7 and is christened *Clipper Mandarin*. The same day, a B-707-121 with 123 aboard makes a faulty ILS landing at Los Angeles; all aboard are injured to some degree.

On February 9, the B-707-121 *Clipper Viking* is leased to **Pakistan International Airlines Corporation (PIA)** for 18 months; painted in PIA livery, the aircraft will inaugurate the Asian carrier's first jetliner service from Karachi to London. The Boeing 707-121 lease to **National Airlines** ends on February 18, when that carrier begins service with its own DC-8s.

In March, the carrier's first DC-6B, *Clipper Liberty Bell*, is leased to faltering **Capital Airlines**. *Clipper Mandarin* begins New York to Bermuda service on March 27, followed by service from New York to London on April 27.

Under the interchange agreement with **Pan American-Grace Airways (PANAGRA)** and **National Airlines (1)**, the company, beginning on May 2, operates the Panama to Miami segment of the joint service from South America to New York's Idlewild Airport employing the new PANAGRA DC-8-32.

A worldwide air-truck cargo system is established on June 4 in cooperation with Consolidated Freightways. Six days later, at the request of the U.S. State Department, the carrier accepts a \$4.6-million foreign aid contract to train personnel for **Ariana Afghan Airlines Company, Ltd.**, in which it has purchased 49% interest for \$200,000 and from which it will receive \$412,000 in fees.

San Francisco to Tokyo service is resumed on July 1, followed on July 11 by the first direct jet passenger service from Buenos Aires to Brasilia. Following the collapse of **Transocean Air Lines (TAL)**, also on July 11, the U.S. Department of Interior asks Pan Am to take over the Trust Territory Air Services previously flown by the large supplemental. Juan Trippe's airline continues to link Guam with Truk, Ponape, Majuro, Saipan, Yap, Koror, and Majuro with a combination of Douglas DC-4s and Grumman G-71 Albatross amphibians.

On July 15, the CAB orders Pan Am and **National Airlines** to divest themselves of their holdings in one another. By this time, the international holds 25% interest in the latter while National controls 6% shareholding in Pan Am—both blocks of stock make their owners the largest shareholders in their interline partner.

The opening of Hong Kong to Manila jet service scheduled for August 3 is delayed by a strike at the latter destination; operations commence two days later. Six days later, the Philippine government bans the company's jets and asks Pan Am to use piston-type aircraft pending the approval of the carrier's jet schedule. A B-707-321, later held at fault by an Italian investigation team, narrowly avoids an August 11 midair collision with a **British European Airways Corporation (BEA)** Viscount over Rome's Ciampino Airport; 23 aboard the British turboprop are hurt.

An inattentive ground crewman damages a DC-7 at Accra, Ghana, on September 7 and a DC-8-32 flies from Chicago to London on September 11 in a record 6 hrs. 55 min. A second air-truck cargo system is established on October 14, in cooperation with Terminal Transport Company. Three days later, a B-707-121 is leased to **AVIANCA Colombian Airlines, S.A.** for a year; the action allows that national carrier to begin its first pure jet services.

The twenty-fifth anniversary of the inaugural transpacific flight of the *China Clipper* is marked in San Francisco ceremonies on November 26. New economy-class fares are introduced on December 1 and after over 20 years of service, the last B-377 service is completed on December 18 when the chartered *Clipper Queen of the Pacific* arrives at San Francisco from Honolulu. The year's last DC-8-32, *Clipper Rambler*, is delivered on December 22.

Bookings for the North Atlantic swell to 368,000.

Brazil-Japan service is opened on January 16, 1961 and the last three DC-8-32s are delivered during the year, beginning with the *Clipper Cathay* on February 15. The same day, a B-707-121 encounters clear-air turbulence near Honolulu resulting in severe injury to a passenger.

A DC-7CF with three crew crashes while on final approach to Stuttgart on February 18; although the aircraft must be written off, there are no fatalities.

The DC-6Bs *Clipper Pathfinder* and *Clipper Frankfurt* are now transferred to **LACSA (Lineas Aereas Costarricenses, S.A.)**.

All-jet service is inaugurated between New York and Puerto Rico on April 30 and on May 4 Miami-Havana flights are resumed. The **UMCA (Uraba, Medellin, and Central Airways, S.A.)** subsidiary is dissolved on June 15. On June 26, the carrier introduces portable freight platforms that are carried to a plane on a forklift and move inside the craft on rollers imbedded in the fuselage floor. Also on this day, a DC-6B's landing gear collapses when the plane sets down at Miami.

The last shareholding in **Panair do Brazil, S.A.** is sold during the summer.

On August 9, Flight 501, a DC-8-32 with 81 aboard en route from Houston to Panama, is hijacked to Havana via Mexico City by French Algerian A. C. Cadon; Cuba orders an immediate release for the plane, its crew and passengers. Cadon will be deported to Mexico, where he will be convicted of robbery and illegal firearms possession and sentenced to a prison term of almost nine years.

Two Miami-Havana flights are cancelled on September 15 as the result of uncertainty over new Cuban exit rules. The next day, a DC-8-32 with 133 aboard is involved in a landing accident at Idlewild Airport.

North Atlantic enplanements balloon to 404,000, while total passenger boardings reach 3.6 million. In terms of the total number of travelers carried, Pan Am now ranks as the world's ninth largest airline; how-

ever, in terms of passenger-miles flown, the company ranks third behind **Aeroflot Soviet Airlines** and **United Air Lines**. North Atlantic passengers climb to 403,602.

The fleet in 1962 comprises 111 aircraft: 9 DC-4s, 29 DC-6s, 20 DC-7s, 18 DC-8s, 32 Boeing 707s and 720s.

The first of five Boeing 707-321Bs to be received on the year is flown to Juneau, Alaska, in February, opening jetliner service to Alaska. Just after touchdown on the recently lengthened 8,500-ft. main runway, the aircraft becomes the subject of impressive ceremonies. Flanked by U.S. Senators Ernest Gruening and Bob Bartlett, Representative Ralph Rivers, Governor William Egan, and Pan Am officials, the state's first lady, Neva Egan, christens the Boeing *Clipper Alaska* before a crowd of 5,000 people.

A DC-8-32 with 107 aboard is involved in a nonfatal landing accident at Mexico City on April 7, while the second of five B-707-321Bs to be acquired is received on April 12 and is christened *Clipper Evening Star*. A B-707-321 overshoots the runway while landing at Manila on April 27; none of the 53 people aboard report injuries. During the month, an order is placed for 14 B-707-321Cs to be delivered beginning the following spring.

A DC-8-32 encounters clear-air turbulence while approaching San Juan, Puerto Rico on June 14; one of the 37 passengers aboard is seriously hurt. The next day, a B-707-121 over the same city narrowly avoids a midair collision with another jetliner.

The B-707-321Cs enter service on July 1 over routes from New York to Frankfurt via London, San Francisco to Tokyo via Honolulu, and San Francisco to Saigon via Honolulu and Tokyo. On July 26, 10 passengers and 2 crewmen are seriously hurt as a B-707-321 with 86 aboard must dive to avoid colliding with a Dutch military aircraft near Amsterdam, Holland. Also in July, the 100,000th Atlantic crossing is made.

The DC-8-32 *Clipper Flying Cloud* is sold to **Panair do Brazil, S.A.** on September 29 and in compliance with a Cuban government order, flights to Havana are suspended on October 24. The next day, President Kennedy signs a bill authorizing a Congressional payment of \$20,000 each to three survivors of a 1943 flying boat crash. Returned by **United Air Lines**, which had purchased leasing **Capital Airlines** the year before, the company's first DC-6B, *Clipper Liberty Bell*, is chartered to **Austral (Lineas Aereas, S.A.)**; it will later be sold to the Argentine line.

Despite Havana's November 10 invitation, Juan Trippe delays a resumption of services to Cuba. The B-707-321 *Clipper Viking*, on lease to **Pakistan International Airlines Corporation (PIA)** since 1960, is returned on December 12.

After some months of negotiations, a plan is filed with the CAB on December 20 for a merger with **Trans World Airlines (TWA)**. The next day, the carrier agrees to meet Cuba's demand for a resumption of services. The Castro government has made it the price for releasing more relatives of ransomed Cuban prisoners that have since returned to the U.S. During the year, the company becomes the first to establish a global electronic reservations system with its PANAMAC and North Atlantic traffic advances to 448,837 passengers transported.

On January 28, 1963, the CAB recommends that the carrier be awarded a U.S.-Tahiti route. The first of three Boeing ex-American Airlines B-720-023Bs to be delivered arrives on February 13 and is christened *Clipper Carib*. The Pan Am Building is opened at 45th Street and Park Avenue in New York City on March 7. Designed by Walter Gropius, it is the largest commercial building in the world and constructed perpendicular to all of the other skyscrapers in midtown Manhattan. On March 27, Havana-Madrid flights are resumed.

On April 28, unrest in Haiti requires suspension of service to Port-au-Prince. The first three of 14 B-707-321Cs are delivered on May 2—*Clipper Gladiator*, *Clipper Jupiter*, and *Clipper Challenger*. These convertible aircraft can transport up to 13 pallets, each of which can accommodate 4 tons of cargo.

A Belgrade stop is added in Europe on May 3 and on May 27 the 7,000th around-the-world flight is completed. On June 3, provisional orders are placed for six Anglo-French Concorde SSTs; none will be

delivered. The new B-707-321Cs are employed to launch the first scheduled transpacific all-cargo jet service on June 17.

A B-707-121 with 117 aboard encounters clear-air turbulence near Wilmington, North Carolina, on July 8, resulting in serious injury for one passenger. Pan Am agrees on July 11 to purchase and lease two helicopters to **New York Airways (2)**, which in turn agrees to operate a service between the proposed heliport atop its Pan Am Building and the major's terminal at Idlewild Airport. A B-707-321 with 169 aboard encounters clear-air turbulence just after takeoff on a military charter from McGuire AFB, New Jersey, on August 13; a stewardess is seriously hurt.

Also in August, a business jets division is formed to market the French-made Dassault Falcon 20 in the U.S. Required for survival, the U.S.-Tahiti route's other claimant, **South Pacific Airlines**, now negotiates an arrangement with Pan Am that calls for the major to lease the special carrier's network for half of its operating profit over the next decade.

The deal, struck on September 18, comes undone when President Kennedy approves the original CAB recommendation and Pan Am is given the entire route. In a September 22 test supervised by the FAA at Idlewild Airport, a total of 189 people are evacuated from a jetliner in 2 min. 20 sec. In a significant piece of publicity, British secret agent James Bond, played by Sean Connery, is seen flying a Pan Am Boeing jetliner in the second 007 movie, *From Russia With Love*.

Piston-engine flights end on October 1 and five days later, on October 6, Pan Am inaugurates London to New York via Iceland service. On October 16, the carrier and **Trans World Airlines (TWA)** jointly announce termination of their merger proposal agreement by mutual consent. A B-707-321 flies from Tokyo to San Francisco on October 21 in a record 7 hrs. 48 min. On October 29, the U.S. Customs Service orders a B-707-321 not to land after fog and rain has closed Idlewild Airport. The aircraft, with 76 aboard and arriving from Rome with a blown tire, is able to make a safe landing at Bradley Field, Connecticut. The next day, a DC-7B is sold to Hartford, Connecticut-based Global Presentations for use as a flying showcase.

A New York to Buenos Aires nonstop service is announced on November 1 and the DC-8-32 *Clipper Rambler* is sold to **Panair do Brazil, S.A.** on November 23.

On December 8, Flight 214 is en route from Puerto Rico to Philadelphia via Washington, D.C. The B-707-121 *Clipper Tradewind* with 8 crew and 73 passengers is hit in the fuel tank by lightning during a thunderstorm and crashes into a field near the city of Elkton, Maryland; there are no survivors.

A plan put forward by Pan Am and **Pan American-Grace Airways (PANAGRA)**, which would allow the former to buy out the W. R. Grace & Company 50% shareholding in the latter, is disapproved by the CAB.

Employing a Grumman G-111 Albatross under contract to the U.S. government, PAWA-1 inaugurates mail and express flights between Mombasa, Kenya, and Port Victoria, Seychelles, in support of the construction of a satellite tracking station. The aircraft also transports mail, ill workers, and citizens from the island of Mahe to Mombasa.

Systemwide enplanements total 4,963,000 with transatlantic bookings climbing 22.3%, to 539,015.

Airline employment in 1964 totals 26,530 and the first Hawaii to Tahiti jetliner service is inaugurated on January 4. The first of 10 B-707-321CFs to be delivered arrives on February 27 and is named *Clipper Courser*.

The B-720-030B (B-720B) *Koln* is purchased on March 12 from **Deutsche Lufthansa, A.G.** and is rechristened jet clipper *Bonita*. The B-707-139 *Clipper Southern Cross*, oldest Boeing jetliner in the fleet, nearly crashes just after takeoff from Baltimore on March 15.

On April 7, Flight 212, the *Clipper Southern Cross* incoming from Puerto Rico with nine crew and 136 passengers, overruns its runway after landing at New York's new John F. Kennedy International Airport (renamed from Idlewild); 46 are injured, but there are no fatalities.

Four days later, a DC-6B with 25 aboard crashes at San Jose, Costa Rica; one crewman is seriously hurt.

The first one-plane service from the southeastern U.S. to Europe begins in May as the result of an interchange agreement signed with **Delta Air Lines**. A Pan Am DC-8-33 is able to operate over Delta's route from New Orleans to Washington, D.C. (IAD) via Atlanta and on to London and Frankfurt.

A B-707-321CF flies from San Francisco to London on June 28 in a record 9 hrs. 30 min. Also in June, the 40% interest in **LACSA (Lineas Aereas Costarricenses, S.A.)** is reduced to 33%.

In July, Juan Trippe becomes CEO/chairman of the board—an empty post since being vacated by C. V. Whitney years earlier—and Harold Gray is elected president. Unable to succeed without the route awarded to Pan Am by the CAB the previous year, **South Pacific Airlines** sells out to the larger company in November. Transatlantic flights now number 214 per week, while 152 transpacific flights are made. During the year, direct New York to West Berlin jetliner service is inaugurated. Seven more Intercontinental hotels are opened and most of the 54 Falcon jets ordered from Dissolute by the business jets division are sold.

Pan Am lobbyist Samuel Prior, who secretly serves as the airline's link with the CIA, becomes involved in plans to discredit Indonesian President Sukarno. The covert action calls for a jetliner chartered by him to be bugged with electronic listening devices while Hamburg prostitutes, acting as stewardesses, attempt to seduce the leader.

On September 15, flights are resumed to Jakarta after a one-week boycott of the line by the local Communist-dominated airport workers union. The same day, a B-707-321 flies from Chicago to Shannon in a record 6 hrs. 11 min. A management and technical assistance agreement is signed with **Iran Air** in October.

On November 8, the carrier pays a \$5,000 fine to the FAA for the near-crash of the *Clipper Southern Cross* at Baltimore; the government cites Pan Am's violation of a May 1960 overhaul directive.

In another publicity coup, the company arranges during the fall to bring The Beatles to the U.S.; CBS-News is at New York (JFK) when a B-707-321, temporarily rechristened *Jet Clipper Beatles*, delivers the British rock group for their appearance on *The Ed Sullivan Show*. Pictures of the lads deplaning under the plane's name are shown around the world in both print and electronic media.

On November 12, as the result of a brief electrical system failure, a B-707-321 with 102 aboard en route from Honolulu to Los Angeles makes a 12,000-ft. dive; the plane recovers in time to avoid tragedy and no one is hurt. Another B-707-321, en route to Honolulu from San Francisco on November 30, becomes the first to relay in-flight messages via Satellite Syncom III; the one-hour experiment is conducted in association with the National Aeronautics and Space Administration (NASA).

The Pan Am Building heliport, 808 feet up in the middle of Manhattan, is officially opened in ceremonies on December 22. Governor Nelson Rockefeller, Mayor Robert Wagner, and Juan Trippe participate while Vice President Hubert H. Humphrey, in a phone message from Minneapolis, gives the signal to turn on the lights. Cardinal Francis J. Spellman is among the day's first passengers flown by **New York Airways (2)** out to the Pan Am terminal at John F. Kennedy International Airport.

In terms of passengers carried, Pan Am now ranks as the seventh largest airline in the world; it is first in air freight and second in terms of total employment.

Total passenger enplanements reach 5,325,000 as bookings on the North Atlantic swell 22% to 675,397. Revenues total \$604.7 million. Net income totals \$37,140,000, a 10.6% increase over 1963 and an all-time high for any airline.

Airline employment in 1965 is down to 23,102. A B-707-321 with 77 aboard encounters severe turbulence near Bermuda on January 31; injuries are minor.

On February 1, orders are placed for 25 B-727-121s; the first is delivered later in the year and is christened *Clipper Sam Houston*. The first of 55 B-707-321B Advanced to be delivered arrives on February 6 and is named *Clipper Dauntless*. When the former subsidiary **Panair do Brazil, S.A.** fails on February 16, a leased Pan Am DC-8-32 and DC-7C

are returned and two other DC-8s are released to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

While landing at Saigon on March 26, a military charter B-707-321 with 170 aboard drags its No. 4 engine pod. ALPA pilots strike the carrier between April 1-18.

The day the job action is settled, Pan Am begins weekly roundtrip service from New York City to Douala, Abidjan, Cotonou, Robertsfield, and Dakar under a blocked-space agreement with **Air Afrique, S.A.** Under this arrangement, the African company is given the right to reserve 35-45 seats and a portion of the cargo and mail space on each PAWA-1 flight. Pan Am employs a B-707-321C that it has, briefly, named *Clipper Antelope of Africa*.

On April 23, a B-707-123B with 102 aboard damages its nose gear while landing at Merida, Mexico.

The new routes are inaugurated on May 1 from New York to Douala via Abidjan, Cotonou, and Dakar, as well as New York to Nairobi via Dakar, Lagos, and Entebbe plus New York to Prague via Glasgow. On May 30, the carrier loans **New York Airways (2)** \$1.2 million to counteract a congressional move to cut off its subsidy.

By summer, the number of weekly flights across the Atlantic has risen to 258. In addition, jetliner flights are up 50% over propeller flights and carry three times more passengers. Landing rights in Kenya are received on June 25 and the next day the CAB authorizes Pan Am to subsidize **New York Airways (2)**.

Three days later, on June 28, Flight 843, *Clipper Friendship*, a B-707-321B with 153 aboard, lands safely at Travis AFB after losing an engine and part of its right wing in a fire shortly after its takeoff from San Francisco for Honolulu. The detached power plant, which had exploded when a turbine wheel disintegrated, crashes through the concrete wall of a cabinet shop, missing workmen by 15 feet and coming to rest in an alley.

When federal subsidies for helicopter carriers ends on July 1, Pan Am takes over sponsorship of **New York Airways** and 44% shareholding. With three Vertol 107s, the rotary-wing operator adds the roof of Manhattan's Pan Am Building to its route network. The first U.S. air link with a U.S.S.R. satellite nation is established on July 18 when New York to Prague, Czechoslovakia, flights are started.

A CV-240 crashes into a mountain and burns on Montserrat on September 7 (30 dead). En route from Fort de France on September 17, Flight 292, a B-707-121B with 9 crew and 21 passengers, crashes into Chances Mountain; there are no survivors.

On December 22, former FAA Administrator Najeeb E. Halaby is named a vice president.

Company presence in Southeast Alaska ends during the year when the CAB, in an effort to cut its subsidy costs, gives the carrier's Juneau-Seattle route to **Pacific Northern Airlines**. Alaskan operations are now centered on Fairbanks.

A management and support contract is signed with **Air Guinee (Compagnie Nationale Air Guinee, S.A.)** under U.S. AID auspices. Pan Am operatives, expert assistants to foreign airlines, arrive in Conakry, along with a DC-4.

A total of 16 new jetliners are acquired during the year, with orders outstanding for 44 and the fleet now comprises 67 Boeing 707s, 3 B-720-023Bs, 1 B-727-121, 1 B-720-030B, 19 DC-6s, 8 DC-7s, and 18 DC-8-32s.

With the construction of 3 additional Intercontinental Hotels, the total number held rises to 32. A second B-720-030B, the *Nurnburg*, is purchased from **Deutsche Lufthansa, A.G.** on December 1 and is rechristened *Jet Clipper Panama*.

North Atlantic enplanements grow 20.3% to 733,324, while total bookings rise 9.4% to 5,458,919. Operating revenues increase 10.6% to \$669,019,000, while the net rises to \$52,075,000.

Pan Am's present transatlantic route certificate is renewed by President Johnson on February 11, 1966.

When Kwame Nkrumah is overthrown as president of Ghana in February, he receives sanctuary in Guinea. At this point, Pan Am is forced out of the picture as the government, with Nkrumah's help, turns, as it had earlier, to the Soviets for assistance with its airline.

On April 13, a \$525-million order is placed for 25 Boeing 747 Jumbos; it is the single largest contract yet for a single aircraft type.

In May, the carrier contracts with the government to fly 3,000 U.S. troops on furlough from Vietnam to Taiwan, Hong Kong, or Tokyo for \$1 per month; 23,000 are transported by the end of June employing former Internal German Service DC-6Bs. Flying from Tan Son Nhut Airport at Saigon, as well as Da Nang, Cam Ranh Bay, and Nha Trang, the onetime frontline aircraft will fly rest and recuperation shuttles for the next three years.

On July 15, Singapore bars Pan Am from serving Manila from Singapore, restricting that route to **Malaysian Airways, Ltd.** Meanwhile, upwards of 22 commercial flights per week are cancelled during the peak tourist season through August, as the capacity is employed to fly American soldiers to Saigon. The last piston-engine aircraft is retired in September. One of the 160 Dassault Falcon 20s ordered for the business jets division makes a record-setting bizjet transatlantic flight on September 26, flying 2,388 mi. from St. John's, Newfoundland, to Lisbon in 4 hrs. 38 min.

Four B-727-121QCs are placed in service throughout the year on services within Germany and the Caribbean, while four more B-720-030Bs are acquired from Lufthansa. Flight 708, a B-727-21F with three crew, descends below its assigned altitude and crashes near Dallgow, East Germany, on November 15; there are no survivors.

A B-707-321 with 107 aboard makes a safe emergency landing at Istanbul on December 13, after colliding with seagulls on takeoff. The first of five B-707-321C Advanced to be delivered arrives the next day and is named *Clipper Archer*. Pan Am's Worldport terminal at New York (JFK) receives \$126 million in improvements and a new \$98-million maintenance facility is occupied at the Queens landing field. Direct service to Cam Ranh Bay and Da Nang, South Vietnam, begins on December 30.

During the year, veteran pilot Capt. Marius ("Lodi") Lodeeson publishes his memoirs, *I, the Airline Pilot* (New York: Dodd, Mead). In 1984, the work will be supplemented by his *Captain Lodi Speaking: Ten Million Leagues around the Earth on the Installment Plan* (Suttons Bay, Mich.: Argonaut Press).

Passenger traffic climbs 25% on the year as North Atlantic traffic amounts to 898,234 passengers carried. The company now serves 118 cities and earns a net profit of \$71,953,000 million on total operating revenues of \$837 million.

Airline employment in 1967 reaches 30,085 and the fleet now comprises 5 B-707-121Bs, 26 B-707-321s, 36 B-707-321Bs, 28 B-707-321Cs, 9 B-720Bs, 20 B-727-121s, 4 B-727QCs, and 15 DC-8-32s; orders remain outstanding for 45 B-747s. It is now determined to sell off the DC-8-32 fleet as 2 B-727-121Cs are received, including the *Clipper Betsy Ross*.

On January 2, airline sources report that South Vietnam has been harassing Pan Am flights to Saigon in an effort to force the U.S. to provide **Air Vietnam, S.A.** with two new jetliners. Two days later, after it is agreed that the South Vietnamese airline would receive the desired equipment, the Saigon government pledges to end flight delays. On January 8, the carrier's 50% interest in **Pan American-Grace Airways (PANAGRA)** is sold to **Braniff International Airways**.

Under terms of an interchange agreement with Braniff, a Pan Am B-707-321B is able to fly over Braniff routes from Houston and Dallas to Chicago and then on to London and Frankfurt.

Braniff now also assumes the PANAGRA interchange agreement with **National Airlines (1)** and Pan Am. Consequently, the three companies are able to provide one-plane through service from New York to Miami over National's routes, from Miami to Panama with Pan Am, and over the old PANAGRA routes to Lima, Peru. To operate the Miami to Panama segment, Braniff leases a DC-8-62 to Pan Am, painting it in PAWA-1 livery.

President Johnson approves the renewal of the company's transatlantic route certification on February 11.

While approaching Wake Island on March 29, a B-707-321C makes the first public demonstration of a satellite data link from a civil aircraft.

Employing a special antenna, the signal is sent up to the NASA satellite ATS-1 and then down to a ground station in California, which passes it on to company headquarters at New York (JFK). The first of 16 B-707-321CF Advanced to be delivered arrives on May 1 and is named *Clipper Onward*. Pan Am's contract to operate Trust Territory Air Services ends upon the creation of **Air Micronesia**.

Beginning on July 1 and for the second straight year, the carrier hires and trains college students to serve as flight attendants during the summer. The world's first completely automatic approach and landing with passengers aboard is recorded by a B-707-321B on July 7. Nine days later, on July 16, Pan Am begins flying servicemen from Vietnam to Hawaii free of charge for reunions with their wives, whom the company agrees to transport from the West Coast at a 25% fare reduction.

On July 20, a Philippine court orders the airline to pay \$375,000 in damages to Filipino poet R. Zulueta for refusing to fly him from Wake to Manila two years earlier. The new B-727-121C *Clipper Ganges* is received on September 25.

Later in the year, Pan Am becomes the first airline to make fully automatic approach and landing a regular feature in scheduled service. A company B-707-321 is shown landing at Hamburg, rolling to the gate, and its passengers departing into the terminal in the Peter O'Toole and Omar Sharif motion picture *Night of the Generals*.

Transatlantic boardings increase 19.7% to 981,403 as overall enplanements accelerate to 7,997,000. In terms of total passengers carried, the company now ranks as the sixth largest airline in the world; it remains first in air freight. Revenues advance 13% to \$950,230,000 while expenses accelerate 17.8% to \$835,251,000; the net profit falls to \$66,247,000.

The workforce totals 38,980 in **1968**. During the year, a total of 12 B-707-321Bs and 6 B-707-321Cs are delivered; orders are outstanding for 37 B-747s. On January 2, the two B-727-121Cs obtained the previous year, including *Clipper Ganges*, are sold to **Air Vietnam, S.A.** Also, on January 15, all interest in **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** is sold to local interests.

While on the ground at Da Nang, South Vietnam, preparing for a military charter to Hong Kong on February 9, a DC-6B is seized by an armed U.S. serviceman. He will be overpowered and, in due time, court-martialed. Upon examination, however, it is determined that the man is mentally deficient and he is given a medical discharge and sent to a psychiatric institution.

On February 15, the USAF Military Airlift Command (MAC) requests the carrier to place 7 more B-707-321CFs on military airlift service; the airline already has 18 aircraft committed.

The same day, Pan Am and **New York Airways (2)** dispute the subsidy amount contained in the new contract signed between the two for operations by the latter from the Pan Am Building; consequently rotary-wing shuttle flights from that location now cease. A new contract is finally signed with the helicopter line on May 2. On May 25, Juan Trippe retires; Harold Gray becomes chairman/CEO with Najeeb Halaby as president.

On June 12, while on final approach to the airport at Calcutta, India, in bad weather, a B-707-321C with 10 crew and 53 passengers strikes a tree 1,128 m. short of the runway and crashes (5 dead).

An interchange agreement with **Northwest Airlines** takes effect on June 1 and NWA is able to begin its first transatlantic service from Minneapolis/St. Paul to London (LGW) via Detroit. Both companies employ Boeing Stratoliner equipment.

As an **Aeroflot Soviet Airlines** Il-62 is landing at New York (JFK) on July 16, two Pan Am Boeing 707-321Bs, one with VIPs and press and the other with revenue passengers, arrive at Moscow's Sheremetyevo Airport, signaling the first commercial airline service between the U.S. and U.S.S.R.

On August 3, the CAB authorizes a resumption of shuttle flights by **New York Airways (2)** from the Pan Am Building, requiring that the operation be controlled by Pan Am; the major agrees to purchase Sikorsky S-61s for the service. New York to Prague service is suspended on Au-

gust 21 following the Soviet invasion of Czechoslovakia and the last 15 DC-6Bs are all sold on September 17; Prague flights resume on September 23. The world's largest commercial airliner, the B-747-100, is ceremoniously rolled out in Pan Am colors at the new Boeing facility at Everett, Washington, on September 30.

En route from New York to San Juan on November 24, Flight 281, a B-707-321B with 103 passengers, is taken over by 3 armed men, who explain that their actions are the "easiest way" to reach Cuba; the jetliner is released after reaching Havana. One of the men will be smart enough to remain in Cuba; two others will return to their native Puerto Rico in the mid-1970s, where they will be captured, tried, and sentenced to long prison terms.

On approach to Caracas on a service from New York on December 12, Flight 217, a B-707-321B with 9 crew and 42 passengers, crashes into the sea 11.5 mi. N of the Venezuelan city; there are no survivors.

Flight 799, a B-707-321C freighter with three crew, takes off from Elmendorf AFB, Alaska, on December 24 with its flaps in a retracted position; the aircraft consequently crashes and there are no survivors.

The 33% interest in **COPA (Compania Panamena de Aviacion, S.A.)** is reduced to 26% on December 31. Pan Am becomes the first airline to transmit engine data and position information from the air to the ground in less than a second via a data link system that routes the information to a computer in the home office and then to interested departments.

Construction is begun on a \$50-million passenger terminal at New York (JFK) and the Intercontinental Hotels Corporation subsidiary builds 7 additional hotels for a total of 45. The company's trademark is now second in worldwide recognition after Coca-Cola; a spaceship in the year's most famous sci-fi movie, *2001: A Space Odyssey*, wears the Pan Am logo.

North Atlantic passenger traffic rises 20% as 1,052,760 passengers are carried. Overall passenger boardings jump 16% to 9,291,000 and freight traffic accelerates 19.2%. Revenues exceed \$1 billion (\$1,036,100,000) for the first time.

Airline employment in **1969** totals 38,000. The company's last 38% interest in **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** is sold and the last DC-8-32s are turned over to their purchasers, **Delta Air Lines** and **United Air Lines**. After an eight-month effort, Pan Am is finally able to place an ad in the Moscow papers on February 10 announcing its Moscow-New York service. The carrier now becomes the first to demonstrate satisfactorily and receive FAA approval for regular use of the Carousel IV inertial guidance system. Also, Pan Am becomes the first airline to install computers on its aircraft to analyze engine performance and display malfunctions for crews.

On April 11, company pilot Capt. Scott Flowers and the manufacturer's flyer Brian Wygle make the premier test flight of Boeing's *Jumbojet*, Model 747-121 N747PA. It is the first airframe assigned to a commercial carrier, the builder having retained the first one for itself.

On April 13, four gunmen force Flight 460, a B-727-221 with 90 passengers en route from San Juan to Miami, to divert to Cuba; the plane and passengers are allowed to fly back to Miami later in the day.

Clerical and related workers, members of the Teamsters, strike the carrier on August 8; however, their job action is settled by mediated agreement three days later.

The company agrees to increase its subsidy investment in **New York Airways** on August 29 by up to \$260,000 and to advance the funds necessary for the purchase of three new S-61s. New York to Tokyo via Fairbanks flights are initiated on September 1. On October 19, the company receives a one-year permit from the City of New York to take over and operate a heliport at 61st Street and East River.

En route from Mexico City to Merida on October 21, Flight 551, a B-720-030B with 50 passengers, is diverted to Cuba by an armed young man identified as 17-year-old Henry Shorn of Detroit.

Under contract to **New York Airways**, services from the East River heliport commence on November 5. Chairman/CEO Gray dies of cancer

later in the month and is succeeded by President Halaby. The first two B-747-121s are received on December 12 and 19, respectively; they are christened *Clipper Pride of the Sea* and *Clipper Champion of the Seas*.

Meanwhile, the as-yet-unnamed prototype N747PA, under the command of PAA-1's Capt. John R. Walker, is sent on an extensive promotional tour; between December 20 and 29, the giant plane visits Honolulu, San Francisco, Los Angeles, Miami, Bermuda, Philadelphia, and Boston. At the latter point, 8,200 visitors tour the aircraft and 344 receive a demonstration ride.

Enplanements total 10,961,400, but **Trans World Airlines (TWA)** now replaces the pioneer as the number one American carrier to Europe. A \$19.9-million loss is suffered on the year, harbinger of a series of economic reversals to come.

Employment in 1970 totals 37,762. N747PA visits Houston on January 1–2 and a record 15,317 citizens tour the Jumbojet. The first of 19 B-747-121s to be delivered on the year arrives at New York (JFK) on January 9 and is named *Clipper Spark of the Ocean*. It is employed to undertake a 6 hr. 30 min. proving flight to London (LHR) on January 13. The passenger manifest contains 361 names (mostly company staff) and represents the first time more than 300 people have crossed the Atlantic aboard a heavier-than-air flying machine.

The next day, January 14, the carrier makes a third attempt to evacuate 423 persons from a Jumbojet in 90 seconds, a condition of the aircraft's certification. The FAA is not satisfied when the exercise cannot be completed, withholding its certification until defective escape chutes are modified.

Having returned to Washington, D.C. (IAD), the Jumbojet N747PA is the subject of an elaborate christening ceremony on January 15. Surrounded by CAB officials and other dignitaries, First Lady Patricia Nixon climbs to the dedication platform to pull a lever that is supposed to release a cloud of red, white, and blue water over the leviathan. (Housing a sensitive radar system, the aircraft nose is too delicate to receive the blow of the traditional champagne bottle.) Embarrassingly, the lever fails and, consequently, the christening of *Clipper America* is dry.

Finally, on January 20, the carrier's Jumbojets are certified by the FAA, clearing the way for an inaugural revenue flight to London. The same day, preflight grooming of the *Clipper Spark of the Ocean*, scheduled to make the historic flight, is completed at New York, as the third Jumbojet, *Clipper Victor*, is delivered.

Pan Am's final shareholding in **SAHSA (Servicio Aereo de Honduras, S.A.)** is disposed of to **TAN (Transportes Aereos Nacionales, S.A.)** on January 21, the same day on which the fourth Jumbojet, *Clipper Ocean Herald*, arrives. Later in the day, the airline faces a number of problems in getting off the inaugural flight to London. As environmental activists picket in the terminal, tourists, enthusiasts, and the media crowd the gate area, causing the ticketing and boarding process to collapse into pandemonium. Once passengers and crews are aboard, mechanics have great difficulty in shutting the rear door. Finally, Capt. Robert Weeks' giant craft develops an overheated No. 4 engine during taxiing and must return to the terminal, there to deplane the passengers and unload all of the baggage loaded with such difficulty earlier.

While the backup B-747-121 *Clipper Young America* is being readied and loaded, Pan Am takes its passengers, now reduced in number from 362 to 322, out to dinner. The Jumbojet, now seven hours behind schedule, takes off at 1:52 a.m. on January 22. By now, the orchids pinned on the uniforms of the flight attendants the previous evening are wilted. The giant airliner completes its first roundtrip, arriving back at New York (JFK) on January 24 after a 7 hr. 8 min. flight from London (LHR). Three days later, on January 27, service is suspended between Washington, D.C. and Nassau and Freeport in the Bahamas.

Beginning early in February, the company takes delivery of four more B-747-121s: *Clipper Belle of the Sea*, *Clipper Maid of the Seas*, *Clipper Ocean Pearl*, and *Clipper Sparkling Wave*. Coming into Paris on the first B-747-121 flight from New York on February 5, Pan Am's Jumbojet is obligated to circle Paris (ORY) for half an hour to give smaller craft time to get clear of its turbulence. Once on the ground, the controller guiding

it toward the airport terminal is forced to run to the building's second floor because the height of the plane hides him from the pilot's view.

New York to San Juan Jumbojet flights commence on February 7 and two days later, on February 9, a B-747-121 en route from London to New York is forced to return to the U.K. when an engine overheats 1,000 miles out over the Atlantic. The *Clipper Ocean Pearl* is briefly leased to **American Airlines** on February 11 and Pan Am reports, on February 24, that B-747-121 New York–London service has shown a profit in its first four weeks, with flights averaging 61% of passenger capacity. New York–San Juan flights are also successful, averaging 86% capacity.

Daily New York–Paris Jumbojet service begins on March 1. Employing the leased *Clipper Ocean Pearl*, **American Airlines** is able to launch transcontinental Jumbojet services on March 2. The same day, employing a pair of 30-passenger S-61s purchased with Pan Am funds, **New York Airways** launches service linking the city's three major airports.

Later in the day, the *Clipper Neptune's Car* becomes the 10th Jumbojet delivered. On March 10–12, the company inaugurates the first scheduled B-747-121 service to Tokyo and Hong Kong; the flight marks the first commercial transpacific flight by the aircraft type.

The ship will be joined by the *Clipper Ocean Spray*, *Clipper Black Sea*, *Clipper Crest of the Wave*, *Clipper Dashing Wave*, *Clipper Gem of the Seas*, and *Clipper Neptune's Favorite*, all delivered between March 28 and April 26. Meanwhile, on March 29, a second Jumbojet, the *Clipper Black Sea*, is chartered to **American Airlines**. Due to civil unrest, service is, meanwhile, suspended to Haiti on April 25.

A B-747-121 is delayed in Milwaukee for nearly five hours of repairs on May 4 after its pilot reroutes his flight from Frankfurt and London to Chicago because of a drop in oil pressure. During the remainder of the month, the B-707-321 *Clipper Viking* is sold and the B-747-121s *Clipper Queen of the Seas*, *Clipper Ocean Rover*, *Clipper Fortune*, *Clipper Sovereign of the Seas*, and *Clipper Queen of the Pacific* all arrive, the last two named in a rare double delivery on May 31. That same day, the *Clipper Ocean Pearl* is returned by **American Airlines**.

On June 9, Pan Am and Sikorsky participate in a cooperative demonstration to test the theory that large helicopter airlines can cut travel time between city centers. A USMC CH-53A, carrying a group of government officials, newsmen, industry, and airline officials, flies from atop the carrier's New York headquarters building to Washington Hospital Center in 1 hr. 17 min.

En route from Beirut to Rome on June 22, Flight 119, a B-707-321B with 134 aboard is hijacked by U.S. Albanian resident H. Xaferi and forced to fly to Cairo, where the pirate seeks asylum. After forcing his way into the cockpit and threatening the plane's pilot with a pistol, Xaferi unexplainably but enthusiastically fires a shot out of a window upon landing. He will make the mistake of returning to Los Angeles in 1973, where he will be arrested, tried, and given a 15-year prison sentence.

Regularly scheduled Jumbojet service from New York to Rome begins on July 1, followed by the initiation of B-747-121 frequencies to Bermuda on July 27.

On August 2, gunman R. Rivera-Rios becomes the first to hijack a Jumbojet when he forces Flight 299, a B-747-121 en route from New York to San Juan with 379 aboard to divert to Havana's Jose Marti Airport. The first Jumbojet to visit Cuba under any circumstances, Fidel Castro wishes to see the large plane for himself and meets the plane. While the pirate is taken in hand, Castro exchanges comments with Capt. Watkins and is given a quick tour and a chance to shake hands with willing passengers. The big plane takes off for Miami 52 minutes later. The hijacker will return to the U.S. in 1978; captured by police, he is tried and given a life prison term.

The next day, the pilot of Flight 742, a B-727-121 with 125 passengers on a German internal service flight from Munich to West Berlin, foils a hijacking attempt by one J. Huber, who had demanded a trip to Budapest. When convinced that the trijet does not have the range to make it to Hungary, Huber surrenders. He will later be committed to a psychiatric facility.

The last B-747-121 arrives on August 4 and is named *Clipper Messenger*. During August, the reciprocal air link between the U.S. and U.S.S.R. is expanded to six flights per week and includes Washington, D.C. as a destination. Under its mutual aid obligation, Pan Am pays \$3.65 million to **Northwest Airlines** and **National Airlines** during their strikes.

Guerrillas from the Popular Front for the Liberation of Palestine attack four western airliners on September 6, including Pan Am Flight 93. The B-747-121 *Clipper Fortune* with 17 crew and 153 passengers is commandeered over Amsterdam and diverted first to Beirut and then to Cairo. After those aboard deplane, it is dynamited the next day; this destruction marks the first operational loss of a Boeing Jumbojet. The event is reviewed by Holland L. Redfield in his "The Hijacking of Pan Am Flight 93," *Airliners* 9 (November–December 1996): 52–57, 62.

On September 14, the carrier sells its final shareholding in **LACSA (Lineas Aereas Costarricenses, S.A.)** to Lloyd International of London.

En route from New York to London with 235 aboard on September 17, a B-747-121 makes an emergency landing at Bangor, Maine, because of a bomb threat. The passengers are taken aboard another Jumbojet because experts are not available to refold the evacuation chutes. The B-707-321 *Clipper Splendid* is withdrawn from service at month's end and placed into storage. The B-747-121 *Clipper America*, which prior to her christening had made so many goodwill publicity tours, is officially delivered on October 3, the last of the original order for 25 Jumbojets.

All 89 aboard are safe as the engine of a Jumbojet catches fire upon landing at London (LHR) on October 27. The *Clipper Black Sea* is returned by **American Airlines** on October 31. Clear-air turbulence causes a B-747-121, en route from New York to Paris on November 4 with 148 travelers aboard, to shake badly over Nantucket, injuring 20 passengers not wearing seat belts; the Jumbojet returns to New York where seven are hospitalized. Two days later, on November 6, Earl Mountbatten of Burma, in a rush to return to London from Washington, D.C., obtains FAA permission to fly in the hold of a Pan Am B-707-321CF, the first aircraft available.

A total of 20 Jumbojets are introduced into service during the year; however, difficulties with their engines cost the company \$2.5 million per month in cancelled or interrupted flights. Still, the introduction of so many giant airliners within a 257-day period (almost every two weeks) is a remarkable feat. During the year, Pan Am becomes the first airline to test Data Link automatic aircraft identification and position equipment. In the most widely seen publicity for the company this year, actor Yves Montand, with outstretched arms, offers song from the roof of the Pan Am Building in the motion picture *On a Clear Day You Can See Forever*. Still, bookings increase only 1.08% to 10.98 million as freight rises by 4.1%. Revenues total \$1,123,591 and expenses are \$1,153,457; these leave an operating loss of \$29,866,000 and a net loss of \$48,458,000.

The withdrawn B-707-321 *Clipper Splendid* is sold to **Dan Air/Dan Air Services, Ltd.** on January 1, 1971. Pan Am and Delta B-747 Jumbojets now begin to alternate on the European (London and Frankfurt) segments of the interchange agreement, which has been in force between the two carriers since 1964.

On March 15, the final 26% interest in **COPA (Compania Panamen de Aviacion, S.A.)** is sold to local partners. During the second quarter, five B-747-121s join the fleet. The second Jumbojet freighter, *Clipper Pacific Trader*, is delivered on April 25.

After five years of negotiations with the Polish government, direct New York–Warsaw service begins on April 29, the same day direct and regular flights begin from New York to Bucharest.

Flight 442, a B-707-321B with 69 passengers en route from Caracas to Miami, is hijacked and forced to fly to Havana on May 29; Cuban authorities hold the jetliner for a week before allowing it to return to south Florida.

En route from San Francisco to Saigon via Honolulu, Guam, and Manila on July 25, Flight 6005, a B-707-321C freighter with four crew, strikes Mount Komunay, 20 mi. ENE of Manila; there are no survivors.

Three days later, on July 28, company officials announce that the carrier will no longer promote or take part in Safari tours that involve killing animals classified by the World Wildlife Fund as endangered species. Although it is admitted that the policy change will cost several hundreds of thousands of dollars in lost charter revenues, Pan Am hopes to recoup the income by offering and promoting photographic safaris to the same areas.

While taking off for Tokyo on July 30, Flight 845, the B-747-121 *Clipper America*, piloted by veteran Capt. C. York "Cal" Dyer with 218 passengers, hits a runway light at San Francisco. After circling the airport for two hours dumping 180,000 pounds of jet fuel, the Jumbojet makes a safe emergency landing; 26 aboard are injured. Although Capt. Dyer will retire after this, his last flight, the plane will be repaired within three months at a cost of \$4.84 million and returned to service.

On September 30, Pan Am and **Trans World Airlines (TWA)** announce that renewed merger discussions have been discontinued. Between October 2–8, Washington University physicist Dr. Hafele and astronomer R. Keating make a global flight on a jetliner equipped with an atomic clock in an experiment designed to test crucial implications of Einstein's theory of relativity. At the end of their mission, the two conclude that they might have proved a part of the famous theory. Former **American Airlines** Vice President William Seawell becomes president on December 1. As of December 4, all international flights to India and Pakistan are suspended because of the conflict between the two countries.

Enplanements for the year are 11,307,435 and the net loss is \$46 million.

The workforce in 1972 totals 34,915. Beginning early in the year, Pan Am offers special group tours of Hawaii for the handicapped; the tours are accompanied by personnel trained to be of assistance. As the result of discussions held between the flight service department and South African officials late the previous year, the carrier announces on February 11 that it will include African-American stewardesses on its flights to South Africa.

Losses for the first quarter are the worst in company history to date and Chairman Halaby and President Seawell come to odds over operational details. A board clique favorable to the latter succeeds in engineering Halaby's resignation. William Seawell is elected chairman/CEO on March 22 and puts in a new management team. Major organizational changes are now undertaken along divisional lines: system, Atlantic, Latin America, Pacific.

Ex-chairman Halaby recalls his time at Pan Am in his reminiscences, *Crosswinds: An Airman's Memoirs* (Garden City, N.Y.: Doubleday, 1978).

Increased emphasis is now placed on passenger service and a Total Travel marketing concept is implemented. A joint marketing effort is started with **Allegheny Airlines (1)** and a new jet maintenance center is completed at New York (JFK). In April, in an effort to attract younger passengers to its transatlantic services, the carrier begins to offer flights featuring folk singers, hard rock music, and/or organic food. Vietnam War opponents firebomb the carrier's Barcelona offices on May 25.

En route from San Francisco to Saigon via Manila on July 2, Flight 841, a B-747-121 with 153 passengers, primarily U.S. military personnel, is hijacked just after departure from the Philippines by a Vietnamese wielding a knife and demanding a diversion to Hanoi. The pilot, ignoring the man's threats to blow up the Jumbojet, lands at Tan Son Nhut Airport at Saigon on schedule.

Once the aircraft is on the ground, the flight crew enters into negotiations with the pirate. At the best moment, the captain jumps the hijacker, who is holding a stewardess with a knife, and orders an armed passenger (a private security guard) to shoot. The dead hijacker is unceremoniously tossed out the cabin door, while the remaining passengers are quickly evacuated, with some being hurt in the process.

Having lost \$500,000 on the routes during the winter of 1972, the company is authorized by the CAB on October 14 to suspend service from the U.S. to Iceland and Finland. Five-times-per-week New York to Monrovia flights commence on October 29 and later in the year, the company becomes the first to use electronic surveillance and screening devices for security in boarding passengers.

The Grumman G-111 Albatross contract service between Mombasa, Kenya, and Port Victoria, Mahe, begun almost exactly a decade earlier, is terminated with the opening of the new Seychelles International Airport.

During the year, Vice President-Engineering Sanford B. Kauffman retires. He had risen from his 1929 appointment as Andre Priester's assistant and will publish his recollections as *Pan Am Pioneer: A Manager's Memoir from Seaplane Clippers to Jumbo Jets*, edited by George E. Hopkins, (Lubbock, Tex.: Texas Tech University Press, 1995).

In December, Allan H. Topping is sent to Saigon to serve as the company's director of operations for South Vietnam and Cambodia.

Passenger traffic increases by 3.7% as 11,742,000 passengers are carried and freight increases by 6.5%. North Atlantic bookings are up 18.3% to 1,742,446. Systemwide income is \$1.30 billion, but expenses are still high at \$1.305 billion. The year's operating loss is \$1.93 million and the net loss declines to \$28.9 million.

The workforce in 1973 is 32,507, down 2,500. Exercising its option to withdraw, Pan Am cancels its order for Anglo-French Concorde on January 31; the European SST has experienced significant cost overruns. As the result of reduced fuel allocations, service to 10 foreign gateways is suspended. Simultaneously, the company begins to concentrate on the group charter market, becoming the largest inclusive-tour operator in the world. The charter fleet is increased by 2 aircraft to a total of 13 B-707-321Bs. Former Pacific division CEO Clarence M. Young dies on April 10. In June, the world's largest single air terminal is opened at New York (JFK) as implementation of a joint marketing program with **Allegheny Airlines (1)** continues.

On July 22, just after takeoff from Papeete, Tahiti, on the second leg of a service from Auckland to Los Angeles via Papeete and Honolulu, Flight 816, the B-707-321B *Clipper Winged Racer* with 10 crew and 69 passengers, makes an excessive turn and crashes into the sea. There are no survivors and the aircraft sinks at a depth of 700 m., making recovery of the black boxes impossible. Among the victims is top motorcycle racer Geoffrey Perry.

During the summer, and to highlight the new marketing arrangement with **Allegheny Airlines (1)**, flight attendants from each airline fly aboard the other's flights.

On September 10, orders are jointly announced with Boeing for 10 B-747SP-21s (and 15 options). As launch customer, Pan Am will have the honor of being first to place the \$28 million aircraft into service. As a result of the energy crisis, the government announces on October 12 that a mandatory jet fuel allocation plan will take effect on November 1.

En route from New York (JFK) to Prestwick, Scotland, on November 3, Flight 160, a B-707-321CF with three crew and a cargo of nitric acid, encounters difficulties over Sherbrooke, Quebec. A request is made to land at Boston where, during the approach, smoke and fire are reported in the cockpit and cargo hold. The plane crashes and there are no survivors.

Later in the month, the B-747-121 *Clipper America* is leased to **Air Zaire, S.A.** and repainted in that flag carrier's colors, including a colorful interior that includes tiger-skin lavatory walls. It is christened *Mont Floyo*.

The B-707-331 *Clipper Dashaway* is sold to **Air Manila International** on December 12.

While on the ground at Rome on December 17, being readied for a flight to Beirut and Tehran, Flight 110, a B-707-321B with 10 crew and 69 passengers, is attacked by 5 Palestinian guerrillas firing submarine guns and throwing grenades. Thirty-one persons, including a stewardess, the wife of Capt. Andrew Erbeck, 4 Moroccan government officials, and 14 U.S. ARAMCO employees, are killed and 18 wounded.

After destroying the Boeing, the killers then seize 6 Italian hostages and murder 2 before escaping aboard a **Deutsche Lufthansa, A.G.** B-737-230.

The last B-747-121, *Clipper Romance of the Seas*, is delivered on December 20. Late in the year, the \$100-million Worldport terminal at New York (JFK) is officially dedicated and **Allegheny Airlines (1)** also begins to operate from it. Male flight attendants receive new uniforms, the first designed in 30 years.

Bookings reach 11,489,000, off 2.2% from 1972. Transatlantic flights are still popular, however, growing to ferry 1,859,146 travelers, an 18.5% boost. Freight grows by 2.5%. Revenues total \$1.49 billion. The loss is \$18 million—bad, but an improvement.

The workforce totals 31,883 in 1974. From January 8–27, company executives William T. Seawall, Thomas J. Flanagan, and Dan A. Cousy visit Peking to initiate talks on the reestablishment of commercial routes to the Chinese mainland. At the same time, a B-707-321B is chartered to **Air Vietnam, S.A.** On January 10 and as a continuing result of the energy crisis, a 25% scheduling reduction is effected by the layoff of 1,000 flight attendants—20% of the carrier's total—plus 175 management staff at the New York headquarters.

On January 30, Flight 806 is on approach to the airport at Pago Pago for an intermediate stop from Auckland to Los Angeles. The B-707-321B, piloted by Capt. Leroy Petersen with 9 other crew and 91 passengers, encounters wind shear caused by a rainstorm, about 3 km. short of the runway, forcing the plane into trees and a subsequent crash .65 nm. short of the runway. It is later revealed that almost all aboard survive the impact, but massive panic in the cabin, in which passengers crush against doors that then cannot be opened, results in 97 people being killed by smoke or fire before they can evacuate.

The tragedy is retold by John Godson, *Clipper 806: The Anatomy of an Air Disaster* (Chicago: Contemporary Books, 1978) and William Norris, *Willful Misconduct: The Story of a Crash of Pan American Flight 806 and of What Happened Afterward* (New York: W. W. Norton, 1984).

Ashley Anding, the 16-year-old daughter of Joseph Anding, a Pan Am flight inspector en route with his family to Pago Pago to investigate the January 31 tragedy, is accidentally strangled in flight near Honolulu on February 4 by the seatbelt on her B-747-121.

The B-707-121B *Clipper Maria* is leased (later sold) on March 4 to Pan Ayer, which charts it to **THY (Turk Hava Yollari, A.O.)**. On a lighter note, an unidentified nude male streaks through a B-747-121 during a March 10 New York–London flight. Also in March, the interchange agreement with **Northwest Airlines** on a joint service from Minneapolis/St. Paul to London via Detroit, ends.

On April 15, the B-747SP-21 contract with Boeing is renegotiated; for financial reasons, the firm order is now for 7 planes with 18 options. Five of the aircraft will be leased rather than purchased.

On April 22, Flight 812, a B-707-321B en route from Hong Kong to Los Angeles via Sydney with 11 crew and 96 passengers, crashes into a nearby mountainous region while making its landing approach to the Indonesian city of Denpasar. There are no survivors in this, the fourth Stratoliner loss suffered by the carrier in nine months.

The first known instance in which a major airline deals with organized crime is revealed by federal sources on May 31. It is alleged that, during the previous fall, Pan Am secretly paid intermediaries for the mob some thousands of dollars for the recovery of 2,000 ticket blanks stolen from travel agencies and other sources.

On July 19, a 12-foot wing flap from a Jumbojet falls off during its approach to Sydney, Australia, damaging homes in 2 suburbs. The Portland–Seattle–Fairbanks route and related equipment are sold to **Western Airlines** on September 28 for \$6.65 million.

An agreement is signed with **Trans World Airlines (TWA)** on October 16 providing for the exchange of selected route authorities, including TWA's transpacific route, for a temporary five-year period. The only one of its type acquired, the B-747-273C *Clipper Mercury* is received under lease from **World Airways** on October 20. The route exchange agreement with **Trans World Airlines (TWA)** is filed with the CAB on

October 22 and, during the month, renewed merger discussions are held with this partner.

Desperate for funding, the airline's leaders negotiate a 10-year loan from the Shah of Iran, in exchange for 6% shareholding. The Department of State gives its reluctant approval, but Iran elects not to go through with the arrangement.

On December 17, a new route-exchange agreement is filed with the CAB incorporating certain changes from the first agreement with **Trans World Airlines (TWA)**. The same day, the carrier announces its withdrawal from the industry's controversial "mutual aid pact," stating that, since the arrangement was instituted in 1958, it has paid out \$50.9 million to other airlines, but has received only \$5.3 million in return.

The 13% interest in **LANICA (Lineas Aereas de Nicaragua, S.A.)** is reduced to 10% on December 31. Longtime technical advisor and aviation hero Charles A. Lindbergh dies in Hawaii. Pan Am is the first airline to install fleetwide Ground Proximity Warning Systems (GPWS) and have that system certified by the FAA. In addition, an improved Panamac II computerized reservations system comes on line.

A total of 1,389,197 passengers are flown across the Atlantic, a decline of 25.3%. Overall bookings fall 13.3% to 9.96 million. Revenues climb 6.6% to \$1.5 billion; however, expenses (led by \$340 million for jet fuel) leave a \$95-million operating loss. The net loss is \$85.5 million. A \$125-million line of credit must be obtained from major lenders to keep the airline in business through the winter.

Airline employment in **1975** totals 28,445, a decrease of 2,400.

The company is named "Airline of the World" by *Air Transport World* magazine in January. A 300-pound Bengal tiger escapes from its cage during a voyage from Munich aboard a B-707-321CF on February 1; the situation is discovered by a cargo handler at New York (JFK), who receives help in luring the animal back into its cage and avoiding an incident. Also in February, the CAB approves the route exchange program with **Trans World Airlines (TWA)**. The agreement is implemented on March 2 with **Trans World Airlines (TWA)** suspending service on its transpacific route, as well as those to Bangkok, Bombay, and Frankfurt.

A case is made to the U.S. Congress for subsidy, but is turned down and only the \$125-million line of credit extended by the carrier's major lenders keep it in business until negotiations can begin on a long-term solution. Members of Betar, a militant Zionist youth organization, dumps "plagues of blood, live frogs, live locusts, and live mice" in the carrier's New York ticket office on March 25 because Pan Am is the only American carrier that conducts regularly scheduled flights to Syria.

Out on lease to **Air Zaire, S.A.** since November 1973, the B-747-121 *Mont Floyo* is returned at the beginning of April; repainted, the plane returns to company service once more as *Clipper America*.

Supported by Holt International and Friends for All Children, the USAF dispatches a Lockheed C-5A Galaxy to Saigon in early April to airlift out South Vietnamese orphans in Operation Baby Lift. Just after takeoff on April 4, the giant aircraft, with a crew, 62 adults, and 243 orphans aboard, crashes into a rice paddy and flips over, bursting into flame. Over 200 aboard are killed, including 140 children. Within 24 hours of this disaster, Pan Am sends in two chartered Boeing 747-121s, with volunteer crew, doctors and nurses, to complete the mission. Over 700 children are removed from the doomed republic.

The Saigon office is closed on April 25 and twice-weekly flights from the U.S. are terminated. Under prodding from station chief Albert Topping, previously cancelled B-707-321C Flight 842, by order of President Gerald Ford, is redesignated special MAC charter NAB-2, and departs Saigon for Manila that Thursday with an all-volunteer crew, fuel tanks two-thirds empty, and several hundred passengers, many company employees, dependents, or orphans. With Pan Am cooperation, this final evacuation mission will form the basis for the 1991 Richard Crenna-James Earl Jones NBC-TV motion picture *Last Flight Out*. A Lockheed TriStar will be employed in that film to represent the Boeing and will wear the fictional name *Clipper Unity*. When South Vietnam falls on April 30, the B-707-321B on lease to **Air Vietnam, S.A.** is in Hong Kong, from where it will return to the U.S.

Near St. John's, Newfoundland, on May 7, a pressurization system malfunction aboard a B-707-321B causes a passenger to die of a heart attack. After the carrier receives FAA permission, it allows former British Prime Minister Edward Heath to fly from London to New York on May 24 aboard a B-707-321CF in order to keep a speaking engagement at the National Press Club luncheon in Washington, D.C. The unusual flight is made because no commercial flight is available exactly when needed. Final shareholding in **LANICA (Lineas Aereas de Nicaragua, S.A.)** is sold to local interests in August. During the year, the *Clipper Messenger* is converted into the company's first Jumbojet freighter, a B-747-121F.

North Atlantic bookings drop 16.1% to 1,166,114 while systemwide enplanements fall 16.5% to 8,243,000. In terms of total passengers flown, the carrier ranks as the world's 15th largest; it is still the largest in terms of freight. Revenues are \$1,673,660 and expenses are \$1,708,778; losses total \$35,118,000 operating and 53,952,000 net.

Airline employment in **1976** is 26,813, down 5.7%. In January, the company receives the 1975 "Airline of the Year" award from *Air Transport World* magazine. The interchange agreement with **Delta Air Lines** now comes to an end.

The first of five B-747SP-21s to be delivered on the year arrives on March 5 and is christened *Clipper Freedom*. It is followed by the B-747SP-21 *Clipper Constitution* on March 29. The first scheduled B-747SP-21 nonstop Los Angeles-Tokyo service is opened by the *Clipper Freedom* on April 25. On April 26, the same day the B-747SP-21 *Clipper Mayflower* is delivered, the *Clipper Constitution* initiates non-stop flights from New York to Tokyo. The carrier's 30% interest in **AVENSA (Aerovias Venezolanas, S.A.)** is sold to local Venezuela interests on April 28.

On May 1-3, the B-747SP-21 *Clipper Freedom*, the name of which has been changed to *Clipper Liberty Bell*, commanded by Vice President Capt. Walter H. Mullikin, makes a 46-hour, around-the-world New York-New York flight with stops only at Delhi and Tokyo. The bicentennial flight, with 200 paying passengers aboard, establishes a new circumnavigation time record.

Two more B-747SP-21s are delivered on May 12 and May 28, respectively, the *Clipper Liberty Bell*, now the *Clipper Freedom*, and the *Clipper Great Republic*. The B-747-121F is delivered on July 2 and is named *Clipper Fortune*, as B-747SP-21 flights also commence from New York to Bahrain.

On December 8, the B-747SP-21s inaugurate twice weekly return service from San Francisco and New York to Auckland and Melbourne. A sixth B-747SP-21 is ordered from Boeing the next day. Completed in 13 hrs. 15 min. the longest scheduled, nonstop route in airline history is initiated on December 13, the 7,475-mi. return run from Australia to the U.S.

During the year, the *Clipper Fortune*, in storage for the past five years, becomes the second Dash-121F freighter.

Enplanements grow 1.2% to 8,339,000 while freight advances by 4.5%. A net profit of \$94.6 million is recorded atop a \$14.2-million operating profit. The latter is the result of \$1.73-billion total income that holds expenses of \$1.71 billion in check.

The workforce in **1977** sinks to 26,409. In January, the carrier shares the 1976 "Market Development Award" from *Air Transport World* magazine with **Western Airlines**.

On March 27, the world's worst aviation disaster (to date) grows out of terrorist actions. Just after noon local time, a bomb explodes in the passenger terminal at Las Palmas Airport and warnings are issued concerning a second blast. All air traffic is now diverted to Norte Los Todeos on Tenerife Island in the Canary Islands. This includes PA1736, the B-747-121 *Clipper Victor* with 16 crew and 380 passengers flying to Europe from Los Angeles via New York and **KLM (Royal Dutch Airlines, N.V.)** KL4805, the B-747-206B *Rijn* with 14 crew and 248 passengers en route to New York from Amsterdam.

Unlike the KLM passengers, those aboard the Pan Am aircraft remain aboard and are ready to leave as soon as the ban on service to Las

Palmas is lifted at 3 p.m. Unfortunately, all of the taxiways are congested with other diverted aircraft and immediate departure is not possible. PA1736 is required to backtrack on Runway (R) 12 for departure on R30, but the entrance to R12 is blocked by KL4805, which is being refueled.

Finally, at 5:59 p.m., its refueling completed and all but one of its passengers reboarded, KL4805 is cleared by ATC to backtrack on R12 and make a 180-degree turn at its end. At 6:02 p.m., PA1736 is cleared to follow the KLM Jumbojet. PA1736 is told to leave R12 at the third taxiway. Three minutes later, KL4805 reports itself ready for departure and is given instructions, which are reported back to ATC with the added words "We are now at takeoff." The *Rijn*'s brakes are released and it begins to roll.

ATC, knowing that PA1736 is still taxiing, meanwhile advises KL4805 to stand by for takeoff until the *Clipper Victor* has cleared the runway. Not having takeoff clearance but, as the result of misinterpretation, in absolute conviction that it had been given, the Dutch Jumbojet continues.

At the last moment, the flight crew of the *Rijn* sees the *Clipper Victor* still taxiing down the runway and tries to climb away, becoming airborne after a 65-ft. taildrag in an excessive rotation. The flight crew of the *Clipper Victor* immediately turns their aircraft to the right and applies full power.

Although KL4805 is airborne, it smashes through the top of PA1736's after fuselage, destroying it and taking off the tail as well. The *Rijn* flies on out of control before crashing and bursting into fire; flaming wreckage spills 1,488 ft. down the runway.

All aboard the KLM Jumbojet are killed, but 7 crew and 34 passengers aboard the Pan Am plane survive. At the time of writing, the 579 total deaths at Tenerife continue to hold the top spot on the list of accidents and death. Somewhat surprisingly, the tragedy results in only one small paperback book, written by survivor Norman Williams, with George Otis, *Terror at Tenerife* (Van Nuys, Calif.: Bible Voice, 1977). Some years later, Karl E. Weick will add perspective in his "The Vulnerable System: An Analysis of the Tenerife Air Disaster," *Journal of Management* 16 (September 1990): 571-593.

On May 6, the sixth B-747SP-21 is delivered and is named in honor of longtime company advisor and hero, *Clipper Lindbergh*. The christening ceremony, in which Mrs. Anne Morrow Lindbergh smashes the champagne bottle across the aircraft bow, is time to also celebrate the fiftieth anniversary of her late husband's 1927 flight to Paris.

A new Bermuda II U.S.-U.K. bilateral air agreement is signed on June 11 allowing the carrier to maintain its services to London. A B-747-123SF is purchased from **Trans-Mediterranean Airways, S.A.L.** on June 28, becoming the third Jumbojet freighter, *Clipper Carrier Dove*.

To celebrate the carrier's fiftieth anniversary, the B-747SP-21 *Clipper Liberty Bell* is rechristened *Clipper New Horizons*. The SP, with 172 passengers and piloted by Capt. Mullikin, makes a record-breaking, one-time 54-hour, 26,300-mile flight, New York to New York, on October 28-30. Seven world speed and distance records are set and the airplane has the distinction of being the only one ever to fly around the world both at the horizon and via the poles.

The company now becomes the first to offer a \$999 around-the-world excursion fare while the *Clipper Pacific Trader* becomes the last Dash-121F freighter. On December 15, 2 more B-747SP-21s are officially requested, bringing fleet orders to 10.

Enplanements jump to 8,651,424. In terms of total passengers carried, the company now ranks as the world's 17th largest airline; it remains the leader in air freight. Revenues total \$1,973,151,000 and the net profit is \$45,004,000.

Employment increases by 1.5% in 1978 to 26,964 and the company becomes the first international airline to introduce Clipper Class, a new service for business travelers and full-fare economy passengers. The route exchange agreement with **Trans World Airlines (TWA)** ends in March. On April 22, a company delegation in Hanoi formally applies to the Vietnamese government for permission to make daily flights over

the country to save time on trips between Hong Kong and Thailand. Also in April, the remaining 49% interest in the Pan Am Building is acquired from the Erwin S. Wolfson estate.

A B-747-132 is purchased from **Delta Air Lines** on May 9 and christened *Clipper Seamen's Bride*. Also in May, orders are placed for 12 Lockheed L-1011-585 TriStars (plus 14 options) and on June 9 and July 12, respectively, 2 more B-747SP-21s, the *Clipper Washington* and the *Clipper Plymouth Rock*, are delivered; however, scheduled service to the U.S.S.R. is suspended.

On June 16, it is announced that Pan Am will begin a month of experimental, daily, \$149 roundtrip B-707-321B stand-by flights from Boston to Amsterdam to promote the new Massachusetts to Holland route. It is necessary to "bump" 68 passengers from the inaugural flight on June 16 due to overbooking. The carrier is overwhelmed by thousands of travelers wishing to take advantage of the experimental transatlantic fare; hundreds of travelers are stranded in Amsterdam on July 16, again, as a result of overbooking on the one daily flight. The low-cost experiment ends with many complaints, but the route is secure.

To fulfill a 40-year desire for a domestic route network, the company purchases **National Airlines** for \$400 million in August, following a year of negotiating while fending off bids from **Eastern Air Lines** and **Texas International Airlines**. An application is filed with the CAB seeking approval the merger. With the Trans-Alaska Pipeline completed, Pan Am's Jumbojets are too large for the Alaska market; with no smaller aircraft available, the company elects to end its 46-year affiliation with the territory-state after a final September flight.

Beginning on October 30, as a result of the airline's April request, its jetliners are able to fly over Vietnam and Laos en route from New Delhi to Hong Kong. This marks the first time since the end of the Indochina war in 1975 that an American airliner has been allowed to use the airspace of the two nations.

The International Hotel Corporation subsidiary signs a \$500-million memorandum of understanding to build hotels in the People's Republic of China. During the year, 10 European gateways are dropped (including Moscow) while flights to Portland and Boston in the U.S. are also stopped.

Having served as a company pilot for 20 years, former Vice President Horace Brock publishes this year the definitive 3rd edition of his insightful memoirs, *Flying the Oceans: A Pilot's Story of Pan Am, 1935-1955* (New York: Jason Aronson). The work will be supplemented in 1981 by the author's brief *More about Pan Am* (Lunenburg, Vt.: Stinehour Press).

Bookings increase 9.2% to 9,528,000 while freight grows by 7.3%. Revenues are \$2,281,821 and expenses are 2,138,092. The operating profit is 143,729,000 and the net profit skyrockets by 163.98% to \$118,801,000.

The workforce is increased by 4% in 1979 to 28,055.

Sleeperette seats are installed in the upper decks of eight B-747SP-21s. Beginning in February, these seats are available on routes from New York to Tokyo, Dhahran, or Buenos Aires and from Los Angeles to either Tokyo or Auckland.

Early in the year, Pan Am drops its membership in IATA, while pledging its willingness to continue in the association's trade activities and discussions. At the same time, the company begins joint New York-Dhahran operations with **Saudia (Saudi Arabian Airlines)**. Consolidation with **National Airlines** occupies much of the year with application of Pan Am's livery to **National Airlines'** B-727-235s, the first outward sign of the merger.

A B-747-221 with 114 aboard en route from New York to Saudi Arabia on March 26, is ordered to land at Damascus for allegedly violating Syrian airspace; it is allowed to leave after three hours.

A lone gunman takes over Flight 816, a B-747SP-21 on the ground at Sydney, Australia, preparing for an April 4 service to Auckland, New Zealand. A woman and a policeman are stabbed in the process, but the pirate is shot dead by police marksmen before the Jumbojet is forced to depart.

On April 20 and May 11, two additional B-747SP-21s, the *Clipper Black Hawk* and the *Clipper White Falcon*, are delivered. Meanwhile, following the crash of a Sikorsky S-61L at Newark Airport, **New York Airways** declares bankruptcy in April.

The first B-747-221F, *Clipper Bald Eagle*, is delivered on July 25. Also in July, Pan Am finally wrests total control of **National Airlines** from Frank Lorenzo and **Texas International Airlines**; Lorenzo's sale of his shares brings TI a pretax \$46-million profit. The first Dash-221F is followed by the second, *Clipper Golden Eagle*, on August 28. Also in August, the *Clipper Express* is returned to **The Flying Tiger Line** while two B-727-204s, originally ordered by **Ozark Airlines**, are delivered. As phaseout of the B-707s continues, new performance management systems are installed in the remaining units of the fleet.

The wholly owned subsidiary, Pan Am Technical Services, is reorganized in September and renamed Pan Am World Services. New services are started to Houston, African and South American services are upgraded to B-747-221B/B-747SP-21 equipment, and frequencies to Auckland and Sydney are restructured.

Capt. Vernon H. Julifs dies of a heart attack during an October 1 Honolulu to Los Angeles flight, just minutes after asking to be excused from his aircraft's controls. On October 25, a B-747-221 en route from Houston runs so low on fuel that its pilot must request an emergency landing at Newark, where two of the plane's engines fail just after the landing is completed. The *Clipper Mercury* is returned to **World Airways** in December.

Bookings for the year advance 5.41% to 10,043,000 while cargo is up by 2.63%. In terms of revenue passenger kilometers flown, the carrier now ranks as the world's seventh largest airline; however, it loses its long-held premier freight ranking to **The Flying Tiger Line**. Revenues are \$2,573,943,000 while expenses, led by soaring fuel prices, are \$2,501,891,000. The operating profit declines 49.86% to \$72,052,000 while the net profit falls by 35.91% to \$76,128,000. Combined profit for Pan Am and National is \$76.1 million.

The workforce declines 10.8% to 32,259 in 1980. In January, the company receives the 1979 "Technology Management Award" from *Air Transport World* magazine.

The \$437.7-million purchase of **National Airlines** is approved by the CAB on January 7; company auditors know that the \$50-per-common-share acquisition costs \$228.6 million more than its appraised value. With the purchase comes a fleet comprising 24 B-727-235s, 10 B-727-135s, 11 DC-10-10s, and 5 DC-10-30s. The latter wide-bodies are wholly incompatible with the new parent's Boeing fleet.

President Daniel Colussy and Executive Vice President Bill Waltrip debate the merits of various integration plans; the Colussy's desire for rapid merger is adopted and the onetime flight engineer now vice president, Martin R. Shugrue Jr., is assigned the task. The process will require months and prove expensive, both in terms of cash and morale.

Ground crews, members of Teamsters Local 732 that service **Aeroflot Soviet Airlines** jetliners at New York (JFK), walk off their jobs for six hours on January 18 after the arrival of Ambassador Anatoly Dobrynin to protest the Russian invasion of Afghanistan; the walkout also delays several Pan Am flights. After 20 members of the Transport Workers Union local receive layoff notices, 9,000 ground service personnel strike at San Francisco on January 24. The next day, the union workers defy a court order to return to work, forcing the cancellation of over 100 flights. The strike ends on January 26.

The first of 12 Lockheed L-1011-585s is delivered in the spring; christened *Clipper Eagle*, it is placed in service on May 1 over the route to Caracas from New York via San Juan. During this period, the B-747-121 *Clipper America* is renamed *Clipper Sea Lark*. On May 24, the CAB grant's the company's request for the permanent Miami to London route previously flown by **National Airlines**.

The B-727-21 *Clipper Meteor* with 6 crew and 67 passengers under-shoots the runway while landing in heavy rain at San Jose, Costa Rica, on September 3 and shears off its undercarriage; although the aircraft is destroyed in the accident, there are no fatalities.

On September 10, Pan Am rescinds plans for a temporary suspension of its New York to Rome service. Difficulties are encountered in the integration of **National Airlines (1)** into Pan Am. However, the amalgamation is officially completed on October 26, on which date **National Airlines (1)** ceases to exist. Meanwhile, the company's first competitor, Ralph A. O'Neill, founder of the **New York, Rio and Buenos Aires Airline (NYRBA)** in 1929, dies in California on October 23; a World War I ace, he is buried with full military honors.

During the rest of the year, all remaining B-707s begin withdrawal from scheduled service and are put up for sale or transferred to charter operations.

With 20 free guests aboard, a B-747SP-21 lands at Peking on December 7, where it is met by U.S. Ambassador Leonard Woodcock and **CAAC (The General Administration of Civil Aviation of China)** Deputy Director Lin Zheng. The arrival ends a 31-year break in air service between the U.S. and China.

Based on a variety of data, including 50 interviews conducted with Juan Trippe over three years (the only instance of personal journalistic collaboration over his long career), *American Saga: Juan Trippe and His Pan Am Empire* by Robert Daley is published during the year by Random House. It will be only slightly eclipsed in size by Marilyn Bender and Selig Altschul's *The Chosen Instrument: Pan Am, Juan Trippe—The Rise and Fall of an American Entrepreneur* (New York: Simon and Schuster, 1982). Unlike Daley, about one-third of the business reporters' work extends beyond the end of the Trippe era.

Passenger boardings decline by 3.9% to 15,217,000 and freight falls by 12.1%. Revenues are up 11.39% to \$3,638,934,000 while expenses jump 17.06% to \$3,768,548,000. The oil crisis alone has forced up expensive fuel bills by 60% in a year. Consequently, a record \$129.6-million operating loss is suffered. Still, an \$46-million net profit is reported.

The workforce is reduced by 6% in 1981 to 30,331 and the white-collar staff is cut by 25%. Both management and labor will agree to accept 10% pay cuts and a salary freeze.

The need for liquidity now results in assets sales. The lease of the Pan Am Building is sold to Metropolitan Life on January 5 for \$400 million, which allows a \$294.4-million profit on the transaction. The B-707-321B *Clipper Reindeer* makes the final flight by a company Stratoliner on January 26. Following the New Orleans to Philadelphia charter, the aircraft joins the final 24, also all based at New York (JFK), in retirement.

On January 28, Pan Am becomes the first U.S. airline to inaugurate regularly scheduled service to the People's Republic of China. A B-747SP-21 undertakes the New York–Beijing flight via Tokyo. B-747SP-21 service is started from San Francisco to Tokyo, Shanghai, and Beijing on February 2. Founder Juan Trippe, who suffered a cerebral hemorrhage the previous fall, dies at the age of 82 on April 3.

Internally, the founders passing is hardly noticed as internecine warfare between company officials leads to the ouster of President Colussy and his replacement by Vice President Waltrip. When the dust of the boardroom fracas settles, tribute to the founder is paid on April 11 when the B-747-121 *Clipper Sea Lark* is renamed *Clipper Juan T. Trippe*. Frequencies on the China route reach three per week by April 26.

Florida–Mexico flights begin during the summer as service is suspended to Warsaw, Costa Rica, and Istanbul. A total of 19 B-707s, 5 DC-10-30s, and several B-747-121s are withdrawn and placed up for sale; however, the German fleet is increased by the delivery of 8 B-727-221s. On September 1, Chairman William T. Seawell is succeeded by former **Air Florida** CEO C. Edward Acker, who is named chairman/CEO, with ex-**Braniff International Airways** official John Casey as executive vice president.

Labor and management agree to 10% wage cuts and a wage freeze. Additional cost-cutting measures include the September 30 sale of the Intercontinental Hotels Corporation for \$368 million to Grand Metropolitan of London and disposal of the company's 50% interest in Falcon Jet Corporation. Changes are instituted in the domestic system, the

charter market is reentered, and a plan for the establishment of commuter associates at five hubs is announced.

The company's former chief training pilot, Holland L. Redfield, who is also the first pilot type-approved to fly the B-747, publishes his memoirs, *Thirty-Five Years at the Outer Marker: An Aeronautical Autobiography* (Setauket, N.Y.: Pilot Publishing).

During the year, Capt. Ned Wilson, who has flown for the airline since 1940, also retires; his memoirs, *For Pilot's Eyes Only* (McLean, Va.: Paladwr Press) will be published in 1993.

Enplanements for the year fall 12.6% to 13,684,000 while cargo is off by 1.3% to 1.45 billion FTKs. The freight figure remains significant, however, as still no other American passenger airline even comes close to hauling as much cargo as Pan Am. In terms of the total number of passengers flown, the carrier now ranks as the world's 11th largest; it has fallen to 6th in freight. Revenues are off 1.47% to \$3,585,584,000 while expenses rise 5.16% to \$3,963,015,000; losses are \$377,431,000 operating and \$18,875,000 net. Still, there is some hope, as all of the short-term and floating rate debt is eliminated.

Airline employment falls 11% in 1982 to 27,000. A WorldPass frequent flyer program is introduced for business passengers. Tariffs on the transatlantic routes to London and Miami are cut by 67% to attract riders and deep discount fares are put in place in Florida, especially in Miami, which further deflate Chairman Acker's old firm, **Air Florida**.

During its initial climb from New Orleans on July 9 on a service to Las Vegas, Flight 759, a B-727-235 with 7 crew and 138 passengers, reaches an altitude of 150 ft. and then begins to descend. The aircraft strikes trees 2,376 ft. from the runway and smashes into 6 houses in Kenner, a "Crescent City" suburb; there are no survivors from the aircraft and 4 people are killed on the ground. The tragedy is the second worst disaster in U.S. civil aviation history to date.

Flight 830, the B-747SP-21 *Clipper Ocean Rover* with 15 crew and 270 passengers en route from Japan to Honolulu on August 11, lands safely after a bomb, planted by Palestinian Mohammed Rashid, explodes in the cabin, while the plane is at 25,000 ft., 150 mi. W of its destination. A 16-year-old Japanese teenager is killed and 14 others are injured. Despite a hole in the cabin floor and a rapid decompression that requires use of emergency air masks, the Jumbojet is able to make a safe emergency landing.

Rashid will later be captured in Greece, convicted on terrorist charges, and given a 15-year prison sentence. Athens will, however, deport him to Tunisia (and freedom) on December 5, 1996.

On August 27, the company institutes random searches of its planes after a cleaning crew finds a bomb on a charter flight on a layover en route from Rio de Janeiro to Los Angeles.

The hemorrhage of red ink becomes a flood late in the year. Among the charges coming in the fourth quarter are personnel severance costs, sale costs for the L-1011-500s, \$99 fares, and currency exchange difficulties. The most positive highlight of the year is inauguration, on November 4, of the world's longest nonstop, scheduled revenue-earning service from Los Angeles to Sydney, Australia, across the international dateline. The weekly B-747SP-21 service departs on Thursday evening and arrives in Sydney on Saturday morning in a flying time of 14 hrs. 30 min.

The B-747-221F *Clipper Golden Eagle* is sold to **Japan Air Lines Company, Ltd.** (2) in December. At year's end it is discovered that 40% of Pan Am's group business has been lost to a marketing mistake: to save on an expenditure, commission override payments made to some travel agents surpassing certain sales levels, together with free travel bonuses for those arranging convention business, are suspended.

Bookings for the year drop 6.16% to 12,841,000 while freight inches up only 0.9% to 1.46 billion FTKs. The cargo total is still twice as large as that achieved by the second place scheduled major **American Airlines** and exceeds that for any other U.S. carrier save **The Flying Tiger Line**. Revenues decline 3.19% to \$3,471,376,000 and expenses fall 3.01% to \$3,844,112,000. The operating loss declines to \$372,736,000, but the net loss skyrockets to \$485.3 million, \$272.9 million in the fourth quarter alone.

The workforce is increased by 989 people in 1983 and in a rare triple acquisition, 3 B-747-212Bs are purchased from **Singapore Airlines, Ltd.** on February 24. The new Jumbojets will be christened *Clipper Water Witch*, *Clipper Wild Wave*, and *Clipper Gem of the Ocean*.

A **Kuwait Airways Corporation** B-747-269B grazes a Pan Am B-737-222 as they are waiting to takeoff at Frankfurt on March 12, causing extensive damage to both planes, but no injuries. Many new services from Kansas City to Europe, the Mideast, and Africa begin on April 24, but daily service to Florida from the Missouri city ends. William Cohen of Miami pleads no contest to 38 counts of theft and is sentenced on May 7 to 7 years probation for masquerading as a company flight attendant to save at least \$40,000 in airfares.

Freighter operations are now ended and the German service becomes an all-B-737 operation. An arrangement is made with **American Airlines** to trade DC-10s for B-747-123s. Later it is decided, instead, to put the B-747s up for bids, with Pan Am receiving a set cash figure for every Jumbojet it loses in the process. The People's Republic of China protests against the resumption of flights to Nationalist China on June 17 and demands that the U.S. government designate another carrier to fly to Peking. The Reagan administration does not comply and hints at retaliation if Red China moves against the pioneer.

A new air bridge service is inaugurated on July 1 linking Miami with Tampa and Orlando.

En route from Miami to Orlando on July 2, Flight 378, a B-727-235 with 61 aboard, is hijacked to Havana by Angel Martinez and Omar Merida, both of whom display alleged bombs and both of whom are arrested by Cuban police as soon as the plane sets down at Havana.

On July 31, the company announces that it will finish phasing out its all-cargo aircraft with the sale of its last B-747-221F, *Clipper Bald Eagle*, to **Japan Air Lines Company, Ltd.** (2) for \$42 million. Meanwhile, the *Clipper Carrier Dove*, *Clipper Fortune*, *Clipper Pacific Trader*, and *Clipper Messenger* are sold to **The Flying Tiger Line**.

Also in July, service to Budapest, suspended in 1978, is resumed and Raleigh/Durham becomes a destination on August 1. A B-747-121 with 16 crew and 227 passengers runs off the runway just after landing at Karachi on August 4; although the aircraft takes some damage, no injuries are reported.

Spicer Lung Sr., laid off in July as the carrier's Houston catering manager, subdues a Spanish-speaking man's August 2 attempt to hijack Flight 925, a B-727-235 with 130 passengers and en route from Miami to Houston, to Cuba. Grateful Pan Am officials offer him a new job and on August 16 he begins work as supervisor of ramp operations at San Francisco. The hijacker will receive a 12-year prison term for his actions.

Meanwhile, on August 4, the B-747-121 *Clipper Belle of the Sea* skids off the runway during its Karachi landing and is so badly damaged that it must be written off; no injuries are reported, however.

Acquired from the assets of **Braniff International Airways** and christened *Clipper America*, the final B-747SP, a Dash-SP27, is delivered on September 23. On October 26, a B-707-321B recreates the company's first jetliner service to Paris on its twenty-fifth anniversary and on December 1, a B-747-123 is purchased from **American Airlines** and christened *Clipper Beacon Light*. At month's end, New York to Geneva flights begin.

Enplanements jump 14.9% during the 12 months to 14,758,000, but cargo drops 30% to 992.8 million FTKs. Revenues improve by 1.68% to \$3.529 billion while expenses decline 8.52% to \$3.516 billion. As a result, the carrier is able to post its first operating profit since 1979, \$13,131,000. Still, a net loss of \$51,025,000 is suffered.

The workforce is reduced 5.7% in 1984 to 26,262. When air traffic controllers mistakenly direct two of the company's Jumbojets, with 496 aboard, to intersecting flight paths 200 miles east of Miami on New Year's Day, only a last minute dive by one prevents a midair disaster. Management now announces its decision to require the redemption of accumulated mileage in the WorldPass program by the end of June.

On April 1, **Omniflight Helicopter Services**, under contract to Pan Am and employing Bell 222s, expands the major's New York City

rotary-wing service by adding flights from Manhattan to the World Trade Center-Battery Park Heliport. First- or Worldpass passengers are able to ride the helicopters for free; however, the single price for all others is \$77 one way. A fourth B-747-212B is purchased from **Singapore Airlines, Ltd.** on May 1 and is named *Clipper Mandarin*, while another B-747-123 is acquired from **American Airlines** on May 30 and is christened *Clipper Empress of the Skies*. It is followed into service by two more former **Singapore Airlines, Ltd.** B-747-212Bs purchased on June 8 and June 24, respectively, the *Clipper Belle of the Sky* and *Clipper Cathay*. The ex-**National Airlines** (1) DC-10s are sold by the end of June. Preferring to concentrate on belly cargo, the last dedicated Jumbojet freighter is now passed to **Japan Air Lines Company, Ltd.** (2).

The earlier WorldPass redemption decision turns out to be an error as, during the busy second quarter, 11% of the airline's traffic is for free travel. Fare-paying passengers must be turned away and the carrier loses some \$45 million in the stampede of those seeking free miles.

A proposal is approved by company shareholders in July to form a holding company, Pan Am Corporation, in a share-for-share exchange of stock. Vice President Shugrue becomes vice chairman and chief operating officer. An order is placed on September 13 for 12 Airbus Industrie A310-300s and 16 A320-300s. The next day, September 14, Pan Am Corporation is formed as a public holding parent, with two subsidiaries: Pan American World Airways (1) and Pan Am World Services; it is incorporated under Delaware law.

Three more nonstop weekly B-747SP-21 flights are added from New York to London in October, along with another nonstop Jumbojet service from San Francisco to Tokyo and a fourth weekly nonstop frequency from Miami to Buenos Aires. With a fleet of 115 jetliners, the company now provides scheduled service to 28 cities in the U.S. and 61 overseas. Principal stations are Miami, San Francisco, Los Angeles, Tokyo, London, West Berlin, Frankfurt, and especially, New York (JFK).

Business-class seats are cut back in favor of increased coach capacity in a plan to enhance yield. The first 4 of 12 ordered Airbus A300B4-203s is received on lease in the late fall and at the end of November a B-727-214 is purchased from **Pacific Southwest Airlines (PSA)** and christened *Clipper Flying Cloud*.

On December 21, the first A300B4-203, *Clipper America*, begins New York-Barbados service via Port of Spain; it is followed into service on December 23 by the other three available units of its type. The new B-747-212B *Clipper Fairwind* enters service at year's end.

Passenger boardings dip 2.6% this year to 14,388,000 and freight drops 5.8% to 935.71 million FTKs. The year is very sour financially, due to a strong U.S. dollar, lower international fares, the end of wage concessions, and foreign currency difficulties. Operating income falls 4.2% to \$3.38 billion and expenses grow 0.1% to \$3.51 billion. The operating loss is \$135.21 million and a \$206.83-million net loss must be reported. The cash position is \$451 million.

The payroll is reduced by another 6.6% in 1985, down to 24,537. Oranette Mays shoots her way onto Flight 558, a B-727-235 on the ground at Cleveland on January 4 and holds four hostages; she says little for more than six hours until she is wounded by a team of police officers who storm the plane. Placed on trial for air piracy, she will be found not guilty by reason of insanity.

The former **Singapore Airlines, Ltd.** B-747-212B *Clipper China* *Clipper II* arrives on January 16 and two new airmail stamps honoring the famed *China Clipper* used to open transpacific services in 1935 are issued by the Post Office on February 15.

Following the breakdown of talks begun in January, 5,800 mechanics and related workers, port stewards, dispatchers, commissary workers, technicians, and building service personnel, all members of the Transport Workers Union, walk out for 28 days beginning on February 28, dooming the company to another unprofitable year. Some 2,000 management employees are able to keep the carrier in the air during the 47-day job action and approximately 50% of the schedule is completed. Restoration of full service is delayed until March 27 as

talks are undertaken with the flight attendants union, which also threatens a walkout.

The first of four A310-222s (for the German service) and three A310-324s (for the U.S.) are received in the spring as a new international hub is opened at Washington, D.C. (IAD). Under contract to the major, Puro-lator Courier begins an airport-to-door \$50-per-bag luggage-handling service for transatlantic passengers arriving in New York. Now badly in need of revenues, CEO Acker meets with **United Airlines** boss Richard Ferris for a week in New York's Plaza Hotel and the two agree, in principle, to a transfer of Pan Am's Pacific route network.

On April 22, Pan Am and **United Airlines** announce the arrangement, under which the former sells its profitable Pacific division (a quarter of its entire business), including all of that organization's routes (except California-Hawaii), stations and equipment, and 11 B-747SPs, to the latter for \$750 million. United agrees to retain 3,000 personnel. Meanwhile, agreement is reached with the flight attendants and full service resumes by month's end. Formerly with **National Airlines**, the B-747-212B *Clipper Fleetwind* is delivered.

Other routes, to a total of 23%, are sold later in the year. The first A310-324, *Clipper Miles Standish*, is placed into domestic service on May 28. En route from New York to London with over 300 people aboard on June 20, a Jumbojet is diverted to a safe landing in Scotland after one of its engines disintegrates.

During the summer and fall, international frequencies are increased and new markets are opened at Amsterdam, Bucharest, Belgrade, Tel Aviv, Athens, Bangkok, Warsaw, and Nice. By October 1, Resorts International, owner of Chalk's International Airline, has acquired 10% shareholding; the Pacific division sale wins CAB approval on November 7. Five former **United Airlines** B-747-122s are purchased with four arriving in December: *Clipper Belle of the Sea*, *Clipper Sea Lark*, *Clipper Witch of the Wave*, and *Clipper Tradewind*.

Customer bookings, hurt by the strike, decline 7% for the year to 13,183,000 and cargo plunges 13.8% to 806.65 million FTKs. Revenues fall 6.5% to \$3.09 billion, expenses dip 3.6% to \$3.28 billion, and the operating loss is up to \$197.67 million. Helped by the huge Pacific sale, a \$51.75-million net profit is generated and the cash position is \$344 million.

Airline employment is reduced by 3.4% in 1986 to 23,700 as the **United Airlines** Pacific deal is completed just after New Year's. The last of five B-747-122s arrives in February and is named *Clipper Nautilus* while the final Lockheed TriStar is sold, also in February. During the year, four ex-**Deutsche Lufthansa, A.G.** B-727-230s join the fleet. Pan Am's German fleet also comprises 16 B-737-221s.

In January, Pan Am World Services acquires all of the capital stock of Technicolor Government Services. The four B-727-230s are employed on April 27 to resume U.S.-U.S.S.R. services suspended in 1978; the "three-holers" fly weekly from Frankfurt to Moscow and weekly from Frankfurt to Moscow via Leningrad. Two days later, on April 29, long-haul flights to Moscow and Leningrad from New York are resumed; a B-747SP-21, with U.S. Ambassador Arthur Hartman and 56 passengers aboard, arrives at the Soviet capital from New York (JFK) via Frankfurt.

The Civil Reserve Air Fleet of the USAF oversees the 48-hour conversion of a B-747-121 into a military aircraft during a March 1 readiness drill; the carrier will continue to use 19 planes that can be modified for use in military airlifts if needed. At a May 13 press conference, the company's leadership announces that it has acquired, effective in September, a number of slots and gates from Texas Air Corporation (TAC) for \$65 million. With DOT approval, it will commence a northeast shuttle service in competition with **Eastern Air Lines** and **New York Air** beginning on October 1.

During the next several months, TAC sells Chairman Acker 46 slots and 2 gates at New York (LGA). When added to the 8 slots already held, this provides enough space to launch 12 daily roundtrips to Washington, D.C. (DCA), where 18 slots are acquired and to Boston, where 1 gate is acquired.

In addition, **New York Air** flights into New York (LGA) are cut back to five roundtrips per day and that TAC subsidiary shifts its emphasis to

Newark. At the same gathering, it is revealed that a new security force has been created to foil terrorism and that its services will be available under contract to other airlines. As if in reply to the latter announcement, a bomb rips through Pan Am's Karachi office on May 27, killing a security guard.

On June 1, the company acquires Philadelphia-based **Ransome Airlines**, renaming the de Havilland Canada DHC-7-102 operator **Pan Am Express**. The new subsidiary is charged with improving the company's domestic feed from the northeastern U.S. to New York (JFK). Also in June, Pan Am initials a five-year agreement, becoming a "multi-host" partner in the **American Airlines** SABRE computerized reservations system; in exchange, American obtains right of first refusal on any further sale of Pan Am assets. Both carriers merge their frequent flyer programs.

On July 1, **Pan Am Shuttle, Inc.** is formally organized as a subsidiary and former **Republic Airlines** Vice President Bruce Nobles is named president/CEO. During August, eight **PEOPLExpress** B-727-227s are leased and with them, four Pan Am A300B4-203s are assigned under charter to the new air shuttle operation. A310-324 roundtrip flights commence during the summer, under the government's 120-minute rule, from Detroit to London.

Four Palestinian gunmen dressed as security guards speed across the tarmac at Karachi International Airport at 6 a.m. local time on September 2. They exit a blue van and climb aboard Jumbojet Flight 73, the B-747-121 *Clipper Empress of the Seas*, which has put down at this intermediate stop en route from Frankfurt to New York City. The plane's two pilots and flight engineer escape through an emergency hatch over the cockpit, but the remaining 375 passengers are all taken hostage.

An hour and a half later, the hijackers locate Rajesh Kumar, an American citizen, shoot him in the head, and toss his body out of the aircraft. **Saudia (Saudi Arabian Airlines)** Ground Manager Nasim Kahan, acting as interpreter, learns that the pirates wish to fly to Cyprus and they give the government until 7 p.m. to allow the flight to take off.

At the designated hour, the terrorists are informed that a new flight crew cannot make it aboard before 11 p.m. At 9 p.m., as the on-board generator runs out of fuel and the lights dim, the hijackers, speaking soothing words of comfort, herd the passengers to the center of the plane. An hour later, the pirates explode two hand grenades and begin firing their machine pistols at the passengers, some of whom are able to break open a safety door on the right side of the Boeing and scramble down an emergency chute.

After a 15-minute delay, commandos, who have been assembling outside the aircraft, storm aboard, capture or shoot the hijackers, and climb up one of the chutes to open a safety door, freeing additional captives. A total of 19 passengers are killed and 43 wounded in the melee prior to the arrival of the special forces.

The surviving terrorists will be tried and ordered executed, although these death sentences will be commuted. Structurally sound, though damaged, the Jumbojet will be repaired and returned to service. The ordeal is recalled by Hussain S. Shaffi in his *Holocaust on Pan Am Flight 073* (New York: Rivercross Publishing, 1994).

The impact of the Chernobyl nuclear disaster in the U.S.S.R., when added to the shock of the Pakistani tragedy, also impacts summer traffic. Directly in competition with the shuttle service of **Eastern Air Lines**, the carrier opens **Pan Am Shuttle** flights on the Washington-New York-Boston route on October 1. William S. Bain, an **Eastern Air Lines** pilot, is killed when he misses the runway in fog at Tampa on November 6 and flies his Piper PA-23 Aztec into a B-727-235 with 23 aboard, injuring several. As the result of economic and fleet considerations, service to Hawaii is suspended in December.

Despite the terrorist scare, overall passenger boardings rise 6.9% to 12,448,000 and cargo jumps 34.2% to 807.96 million FTKs. Revenues plunge 16.5% to \$2.58 billion, costs decline 11.1% to \$2.92 billion, and a \$342.15-million operating deficit is recorded. The net loss spirals downward \$447.54 million to \$484.93 million and is the worst financial result for any U.S. carrier during the year. The long-term debt is \$825 million and the accumulated deficit is \$785 million; the carrier's net worth is \$8.6 million and the cash position is \$225 million.

Airline employment drops 7.2% in 1987 to 22,000. Early in the year, Citicorp agrees to lend the corporation \$75 million if an equal amount can be raised from other sources; when the secondary support does not materialize, the deal is cancelled. Later, in exchange for a mortgage on its 15 owned aircraft, General Electric Credit Corporation advances Pan Am \$125 million. In February, company unions collectively declare their desire for merger with some other airline.

Another \$94 million is lost during the first quarter and a shareholder revolt against Chairman Acker begins in late spring. A group led by Intercontinental Assets Chairman Jeffrey Epstein and holding 40% interest demands control. Acker refuses and, together with his management teams and bankers from Drexel Burnham, entertain a series of potential merger partners, including MGM owner Kirk Kerkorian, U.K. financier Sir James Goldsmith, Steven Hoffenberg's Towers Financial, and Jay Pritzker, owner of Hyatt Hotels and Braniff, Inc.

Meanwhile, shuttle service is started on June 1 between West Berlin and Hamburg, Munich, and Frankfurt. Jetliners from Pan Am and **VIASA (Venezolana Internacional de Aviacion, S.A.)**, carrying a total of 180 passengers, nearly collide over the Atlantic Ocean 800 miles south of New York on July 9. A **Trans World Airlines (TWA)** Jumbojet, arriving at New York from Milan on August 5, passes within 600 feet of a Pan Am B-727-227 shuttle jet, en route from Boston to New York (LGA), before being guided to a safe landing at New York (JFK).

Also in August, "Water Shuttle to the Shuttle" is inaugurated; a high-speed powerboat ferries passengers from downtown Manhattan to the historic Marine Air Terminal at La Guardia Airport.

Claiming that **American Airlines** has been too slow in installing its reservations system, Pan Am, on September 30, terminates its agreement to use the SABRE system in September. **American Airlines** agrees to give up the right of first refusal for the sale of any Pan Am assets and the merged frequent flyer programs of both airlines are unlinked. The New York-area helicopter shuttle service contract with **Omniflight Airways** is not renewed; however, that company assumes responsibility for ferrying passengers between JFK International and Newark Airports and the East 60th Street Heliport.

A jetliner comes within 50 feet of hitting a DC-3F shortly before they both land at St. Croix on October 27. On November 11, another aircraft encounters heavy turbulence over the Atlantic Ocean, but is able to land safely in Miami, with 26 injured people. Passengers on the New York to Washington shuttle are delayed 30-60 minutes on November 17 by USAF fighter planes flying over the Pentagon as part of the ceremonies saluting Defense Secretary Caspar W. Weinberger on his last day in office.

In November, a promotion is inaugurated with Polaroid timed for the Christmas gift-buying season. Purchase of a new camera and a standard-fare roundtrip **Pan Am Shuttle** ticket entitles the customer to a free roundtrip **Pan Am Shuttle** flight. Late during the month, the B-747-212B *China Clipper II* is renamed *Clipper Hawaii*.

Late in the year, **Pan Am Express of Berlin**, a subsidiary of the Philadelphia-based feeder, is established to provide turboprop service to West Berlin's Tempelhof Airport, as a complement to the major's jetliner service to the divided city's Tegel Airport.

In December, Jay Pritzker proposes a merger between Pan Am and **Braniff, Inc.** The merger is opposed on operational grounds by Pan Am Vice Chairman/Chief Operating Officer Shugrue, as well as the carrier's unions, which are asked for \$800 million worth of concessions. Toward month's end, Pritzker backs off. Meanwhile, Los Angeles investor Kerkorian, despite limited union support, goes ahead with a proposal to purchase the carrier from its parent.

Financier Kerkorian offers \$75 million in cash, \$400 million in junk bond financing, and the assumption of \$1 billion in debt for less than 50% shareholding; however, he requires labor concessions worth \$239 million, while offering the unions 20% interest. During the year, six A310-324s are delivered and are placed on the North Atlantic routes.

Largely unnoticed during the year is the appointment of Colleen Burgess to the right seat of a B-727-221; she is, officially, the company's

first female pilot, although Susan Hartsman, hired by **National Airlines (1)** in 1979, had come over in the 1980 merger.

The year's boardroom difficulties do not impact traffic this year, which show gains. Customer bookings ascend a welcome 20.4% to 14,986,000 while cargo closes up by 8.8% to 886.88 million FTKs. Although revenues are up by 6.55% to \$2.91 billion, expenses jump to \$30.2 billion, and the operating loss is \$113.29 million, an "improvement." The net loss is also cut, to \$274.59 million.

The payroll is reduced another 0.4% in **1988** to 21,907. The fleet now includes 6 A310-324s, 7 A310-222s, 28 B-747-100s, 7 B-747-221Bs, 12 B-737-200s, 50 B-727-200s (12 of which are leased to the shuttle operation), and 12 A300B4-203s. During the year, a number of the Jumbos will be modified with side cargo doors in order that they may fulfill the requirements of the government's Civil Reserve Air Fleet. The U.S. Air Force will designate the modified Boeings as C-19As.

In early January, financier Kerkorian's offer is rejected. Now, as a result of this and the Pritzker fiasco, board member and former DOT Secretary William T. Coleman Jr. is able to negotiate union concessions in exchange for a change in the airline's top management. Interestingly enough, at this point, the company receives the 1987 "Labor Relations Award" from *Air Transport World* magazine.

The board now requests and receives Chairman/CEO Acker's resignation on January 21; he receives a \$1 million "golden parachute." Also ousted is Vice Chairman/Chief Operating Officer Shugrue and several management officials. Shugrue moves over to become the top official at **Continental Airlines**. Acker is succeeded by ex-**Continental Airlines** President Thomas G. Plaskett.

Unable to earn a profit on its New York City helicopter shuttle, **Omniflight Airways** ceases the ferry operation on February 1. On February 3, the company agrees to pay \$17.2 million in the largest cash settlement in a case alleging age discrimination in the history of the Equal Employment Opportunity Commission. This is the result of a suit by the Commission on behalf of a group of former pilots who were not allowed to work as flight engineers after they were required to retire as pilots at age 60.

Company officials on May 11 announce that the **Pan Am Shuttle**, which has been struggling financially since October 1986, has now broken into the black. Simultaneously, it is disclosed that the **Pan Am Shuttle** has joined with Meridien Hotels to offer weekend getaway packages to New York and Boston. Direct New York to Moscow B-747SP-21 service begins on May 14 and in June, Pan Am World Services takes over the Dilks Company. Following the accidental destruction of an Iranian Air jetliner over the Persian Gulf by an antiaircraft missile from the USS *Vincennes* on July 3, the company shifts the routing of its thrice-weekly New York-Karachi service. Also in July, the six-times-per-week Miami to Ecuador route is closed.

Eight passengers on a flight en route from New York to Rio de Janeiro on September 21 are injured by turbulence over the Caribbean; one man later dies of a heart attack. During the fall, nonstop service is initiated from Washington, D.C. (IAD) to Los Angeles, timed to meet the carrier's transatlantic flights to Paris and Frankfurt.

Beginning in November, WorldPass frequent flyer members are offered a choice of nine specially catered meals on domestic flights and on international flights originating in the U.S. There is a catch: meals must be individually requested a day in advance.

During the first week of December, an anonymous telephone message is received at the American Embassy at Helsinki, Finland, warning that an attack will be made upon a Pan Am Jumbojet, en route from Frankfurt to New York, before Christmas. The tip will be made known to other U.S. embassies, but not the general public.

Flight 103, a B-727-221, arrives at London (LHR) from Frankfurt on December 21 with passengers and baggage for a connecting Jumbojet flight to New York. Inspection of luggage, supposedly having been rendered in Germany, is not repeated in England.

Not long after takeoff from London (LHR) as a continuation of Flight 103, the 18-year-old B-747-121 *Clipper Maid of the Sea*, 1 of 19 Jumbos

the USAF has paid to have modified into combi freighters, with 16 crew and 243 passengers, explodes in midair 31,000 feet over Lockerbie, Scotland. The blast immediately rips the fuselage apart causing, in engineering terms, catastrophic structural failure. The cockpit and forward fuselage separate from the main body and as it falls to earth, loses all four engines and suffers the disintegration of the rear fuselage.

There are no survivors from the disaster aloft and an additional 11 people on the ground are also killed and 5 injured when the center fuselage and wings crash into the Sherwood Crescent subdivision of Lockerbie. The wreckage erupts into a huge fireball that digs a giant crater and destroys at least 20 homes outright and damages others beyond repair.

Investigators will initially look to Iran, but will soon thereafter develop information that Libyan agents are behind the atrocity. The tragedy, immediately far more damaging to the company's image than its finances (though, in the end, a significant long-term contributor to the company's demise), becomes the subject of countless articles and books. Among the latter are:

Matthew Cox and Tom Foster, *Their Darkest Day: The Tragedy of Pan Am 103 and Its Legacy of Hope* (New York: Grove Weidenfield, 1992); Joan Deppa, et al., *The Media and Disasters: Pan Am 103* (Washington Square, N.Y.: New York University Press, 1994); Steven Emerson and Brian Duffy, *The Fall of Pan Am 103: Inside the Lockerbie Investigation* (New York: G.P. Putnam, 1990); David Johnston, *Lockerbie* (New York: St. Martin's Press, 1989); D. Leppard, *On the Trail of Terror: The Inside Story of the Lockerbie Investigation* (London: Jonathan Cape, 1991); and Ann McLaughlin, *Report of the President's Commission on Aviation Security and Terrorism* (Washington, D.C.: GPO, 1990). The tragedy is also the subject of a congressional hearing by the U.S. House of Representatives, Committee on Government Operations, Government Activities and Transportation Subcommittee, *The Bombing of Pan Am 103—A Critical Look at American Aviation Security: Hearings* 101st Cong., 1st sess. (Washington, D.C.: GPO, 1989).

Like several other air disasters, Lockerbie even spawns a made-for-television feature film, this one from Home Box Office (HBO): *The Tragedy of Flight 103: The Inside Story*.

Meanwhile, in news almost unnoticed in the aftermath of the disaster, the Transport Workers Union, representing ground personnel, agree to accept binding arbitration in new labor agreements, allowing the pioneer carrier to call off a threatened sale of its Latin American division.

Passenger boardings for the year jump 13.2% to 16,969,000 and freight rises 19.3% to 1.05 billion FTKs. Again costs exceed income. Revenues advance 23.36% to \$3.59 billion, but expenses rise 22.22% to \$3.69 billion. The operating loss is \$105.28 million and the net loss is \$118.25 million. Although negative figures, both of the losses represent upward progress. The Latin American division remains the carrier's most profitable unit, generating \$647.8 million in sales (18% of total revenues) and an \$82-million operating profit. The parent organization, Pan Am Corporation, also reports improvements, although the loss lines of \$63.5 million (operating) and \$72.7 million (net) are still written in red.

The workforce is increased by 34.2% in **1989** to 29,400 and the fleet now includes 28 B-747-100s, 7 B-747-212Bs, 89 B-727-200s, 12 A300B4-203s, 7 A310-222s, and 12 A310-324s. Nine B-727-200s are on order.

The search for a merger partner continues, but as the pioneer's ledgers continues to show red ink, asset sales resume, with the most notable transaction the \$110.5-million vending of the Pan Am World Services subsidiary, which is now transferred to Johnson Controls. In an important speech to a Shearson Lehman Hutton investment conference in New York at the end of February, Chairman/CEO Plaskett concedes that the pioneer can no longer survive on its own and would acquire a merger partner rather than be taken over.

In cooperation with **MALEV Hungarian Airlines** and using Pan Am's A310-324s, joint weekly service is inaugurated in March from New York to Budapest; flights to Warsaw are increased to four per week. On the domestic side during the month, daily B-727-221 flights are initiated

from New York to Jacksonville via Atlanta. The first quarter following the Lockerbie tragedy is a financial nightmare; of the \$151 million lost, the bombing costs a direct \$55 to \$60 million in lost income.

On April 2, daily nonstop A310-324 flights begin from Chicago to Frankfurt while, also in April, the pioneer inaugurates daily flights from New York to Kansas City via Cincinnati. En route to a White House reception, astronaut David M. Walker, commander of the space shuttle *Atlantis*, flies his jet trainer within 500 feet of a Jumbojet with 176 aboard, west of Washington, D.C. on May 16. Accused of violating flight procedures in the near-collision, Walker pledges his full cooperation in the FAA examination that follows. On May 18, daily nonstop A310-324 service is inaugurated from New York to Brussels, with continuing service to Dusseldorf.

Discussions are held with **Deutsche Lufthansa, A.G.** concerning a possible takeover of Pan Am's Internal German Service, while **America West Airlines** expresses interest in purchasing the **Pan Am Shuttle**. On May 30, the last day to place bids, Chairman/CEO Plaskett, having spent the spring securing backing, makes a \$2-billion (\$115-per-share) offer for **Northwest Airlines**—it will not be enough. Also in May, CEO Plaskett becomes the first Pan Am chairman in the last 20 years to visit South America; while in Rio de Janeiro, he announces that a new marketing program is being launched to improve Latin American service. It will include an \$8-million investment in Brazil to improve catering service and another \$4 million to educate customer service personnel.

The successful and profitable subsidiary Pan American World Services is sold to Johnson Controls in May for approximately \$130 million. At the time it is spun off, the unit has approximately 10,000 employees and is grossing about \$500,000 annually.

Pan Am now begins to celebrate the fiftieth anniversary of transatlantic service and announces a sweepstakes, the winner of which will receive 50 years of unlimited free travel for 2 by company aircraft. A daily Jacksonville–Miami route is opened in July while, in September and in cooperation with **Aeroflot Soviet Airlines**, twice-weekly all-cargo Il-76T service is inaugurated from New York to Moscow via Shannon and Amsterdam. Four ticket agents at New York (JFK) are arrested on October 15 on charges of stealing \$48,000 from the carrier.

Also in October, daily frequencies are initiated from Miami to Grand Cayman, Cayman Islands, from Miami to Raleigh/Durham and Charlotte, North Carolina, from Miami to St. Martin, and from New York to Fort Lauderdale and Hollywood. Thrice-daily frequencies are begun from Miami to Nassau, Philadelphia, Washington, D.C. (DCA), and Boston. In November and December, the pioneer increases its Florida service by 50%, from 96 to 140 departures. New destinations served from Miami include Charlotte, Raleigh/Durham, St. Martin, Antigua, and San Juan.

Customer bookings ascend a slight 2.5% to 17,383,000 and cargo does worse, rising only 0.4% to 1.06 billion FTKs. Revenues move ahead by just 0.54% to \$3.61 billion and costs jump 9.41% to \$3.93 billion. The operating loss more than doubles to \$318.81 million and net loss almost triples to \$414.73 million. Parent Pan Am Corporation likewise suffers losses: \$306.5 million (operating) and \$336.6 million (net) on \$3.56 billion in revenues, down 0.2%. During the past decade, Juan Trippe's pioneer has sold off assets worth \$1.2 billion and still lost a staggering \$3 billion.

The workforce is reduced by 16.3% in 1990 to 24,600, 17th largest among the world's airlines; with 162 jetliners, fleet size is the 12th largest. In January, stockholders are horrified to learn that shares purchased for \$1,000 in 1980 are now worth only \$439. Early in the year, Pan Am dry-leases five B-747-121s and two B-747-212Bs from the **Evergreen International Airlines'** leasing arm, Evergreen Aircraft Sales & Leasing Co. Three of the former are the major's Jumbojets sold to Evergreen and leased back in an arrangement that nets the national carrier a quick \$65 million. Payments are also deferred on new aircraft and engines coming from Airbus Industrie and United Technologies.

A new policy is announced on March 7 promising a free flight to anyone with a valid complaint about service in first class on roundtrip

flights between New York and San Francisco and between Washington, D.C. and Los Angeles. As a result of a first quarter fare war with the dying **Eastern Air Lines** over East Coast routes, the company, on March 31, has only \$90 million in cash, having lost another \$190 million since the new year. As the second quarter begins, orders are given for additional cost savings, however small, wherever they can be made; for example, soup is eliminated from short-haul luncheon menus saving \$500,000.

Syracuse University dedicates a limestone memorial wall on April 22 engraved with the names of 35 students killed in the December 1988 Lockerbie tragedy. Thrice-weekly nonstop roundtrip flights commence on May 15 between New York's John F. Kennedy Airport and Helsinki; the new service replaces the previous Finland connection made through Stockholm. Also in May, the **Pan Am Shuttle** is put up for sale and **Deutsche Lufthansa, A.G.** pays \$150 million to takeover the Berlin-based German route network.

During June and July, discussions on the possibilities of a takeover are begun with **Trans World Airlines (TWA)** owner Carl Icahn. Following Iraq's August 2 invasion of Kuwait, Pan Am shifts Flight 1066, its thrice-weekly A310-324 New York to Karachi via Frankfurt and Riyadh service to a more southerly route in order to avoid Iraqi airspace. On August 10, service to Trinidad and Tobago is resumed. Also in August, the carrier dispatches several Jumbojets to participate in the allied buildup in Saudi Arabia, Operation Desert Shield, under its Civil Reserve Air Fleet commitment.

Fuel prices now jump skyward as a result of the Mideast crisis and, with recessionary pressures at home, pushes Pan Am to the wall financially. Nonstop service begins in September from Miami to Valencia, Venezuela, from Miami to Curaçao via Aruba, and from Miami to San Pedro Sula, Honduras, via Belize City, Belize.

In October, **Deutsche Lufthansa, A.G.** completes the purchase of Pan Am's Internal German Service. Merger discussions with Icahn end on October 22 and the next day, the company's prize London (LHR) route is sold to **United Airlines** for \$290 million. Due to a diplomatic dispute between the U.S. and U.K. over the exchange of one American major for another under terms of the bilateral air agreement between the two nations, the deal is not immediately consummated. The Miami to San Salvador frequency becomes nonstop in November.

In December, daily A300B4-203 service is inaugurated from Miami to Aruba and nonstop frequencies commence from Miami to Managua, Nicaragua, and to Newark. Simultaneously, insurance rates for flights in the Mideast skyrocket; for example, \$162,500 is charged for each service into Riyadh, Saudi Arabia, and \$65,000 for every flight into Tel Aviv.

Longtime veteran pilot Capt. Kimball J. Scribner publishes his memoirs during the year, *Adventures in Aviation* (Long Beach, Calif.: Manfield Publishing, 1990).

Passenger boardings jump 3.2% during the 12 months to 17,930,000, but freight is down again, by 5.2%, to 1 billion FTKs. Once the world's largest airline in terms of both categories, it can now muster only 16th place for the former and 20th for the latter. The year's losses total \$146.35 million (operating) and \$257.39 million (net).

The increased insurance costs force a suspension of service to Tel Aviv and Riyadh on January 3, 1991. Devoid of cash and with little income as the result of the Gulf crisis, Pan Am goes to its bankers and **United Airlines** during the first week of January to arrange a bridge loan until the London route sale, still stalled in Washington, can be approved. All agree under one condition; the carrier must declare bankruptcy in order that the advanced funds might be repaid first in the likely event of corporate failure. On January 8, the historic company enters Chapter XI, but even though the DOT approves the London route sale late the same day, it has no chance of recovery. The employee population is now 24,600.

On January 20, a troop-carrying Jumbojet, commanded by Capt. Albert E. Brockob, encounters two Iraqi Scud missile alerts within an hour, once while disembarking soldiers at King Fahd Air Base near Dhahran and later in the dark at Riyadh. Beginning on January 25, the carrier

Cobb and Shugrue, now meet with Mark Hanna. As a result, the Frost Hanna Mergers Group agrees to provide a significant portion of the financing package needed to launch a new Pan Am. The breakdown reads: \$2.6 million in equity and trademark from Cobb; \$500,000 from Shugrue; discounted IGN Bank Airbus leases worth \$3 million; \$4 million in cash, offices, parts, and manuals from the **Eastern Air Lines** estate; \$10 million from Frost Hanna; and \$10 million from other investors, including Phillip Frost himself. Planning proceeds over the next three years with Mr. Cobb as chairman of the incorporated, but paper, enterprise to be known as Pan Am Corporation, whose airline operating subsidiary will be Pan American World Airways (2).

In January 1996, Mr. Cobb joins with Craig Robbins and Chuck Slagle to purchase **Chalk's International Airlines**. That pioneer, the oldest continuously operated air taxi—some say airline—in the world, is reformed into **Pan Am Air Bridge**. Its Grumman G-73 Mallards are repainted in the colors of **Pan American World Airways (1)** and resume flights to and from its South Florida and Bimini destinations on March 1.

Meanwhile, during the first quarter, officials representing PAWA-2 begin to announce potential destinations to be visited over the next year: New York, Miami, Los Angeles, San Francisco, San Juan, and Chicago. They also begin planning for a Pan Am Alliance, to be made up of a group of small- or medium-sized airlines who will offer connections to Pan Am passengers. An application is filed with the government on March 29 seeking authorization to fly to New York from Los Angeles, San Francisco, and Miami.

During the first week of April, interviews begin for 52 pilots and 120 flight attendants, who will enter training in May. The company's key management team members are named on April 17. In addition to CEO Shugrue, these include Vice President-Operations/Chief Operating Officer James W. Arpey, General Counsel/Chief Financial Officer John J. Ogilby Jr., Vice President-Personnel, Training, and In-Flight Services Karen T. Averill, Vice President-Passenger Services/Cargo William Elio, Vice President-Marketing Richard F. Blake, and Vice President-Sales Donald M. McSullivan.

In the wake of the **Valujet Airlines** disaster on May 11, the DOT slows its certification process for new airlines. The first of four classes of flight attendants completes its training at the Pan Am International Flight Academy, adjacent to Miami (MIA), on June 10. The first A300B4-203, resplendent in Pan Am colors, arrives at Miami (MIA) on June 25.

On July 4, a gala party is held during which Kristina Trippe, granddaughter of the founder of PAA-1, and Lars Lindbergh, grandson of the famed aviator and PAA-1 consultant, christen the Airbus *Clipper America*. The ceremony is attended by over 150 pilots and flight attendants, who have recently completed full comprehensive training. These crews, over a third of which have a PAA-1 heritage, have over 1,750 combined years of industry experience.

On July 17, Mr. Shugrue reaches a tentative agreement to buy **Carnival Air Lines** for a price that includes \$100 million in cash and about half of Pan Am's stock. If consummated, the arrangement would, by use of CAL's papers, give the new Pan Am the necessary certificates to immediately begin flying again. Two weeks later, on August 1, Carnival's Chairman Reuven Wertheim calls off the tentative agreement, stating that he and Shugrue have been unable to come to terms for what would essentially be Carnival's sale.

On August 21, the DOT gives its tentative approval for operations in a show-cause order; 15 days are allowed those who would object. Among those coming forward are Rosemary Wolfe, president of Justice for Pan Am 103, and George H. Williams, president of Victims of Pan Am Flight 103. Both individuals object to the "resurrection" of the Pacific pioneer as well as the involvement of Mr. Shugrue, whom they hold responsible for helping to create the conditions leading to the 1989 Lockerbie tragedy.

Frost Hanna Mergers and all other investors come together on September 4 and officially form Pan American World Airways (2), with Mr.

Cobb as board chairman and Mr. Shugrue as president/CEO. A 30% interest is now taken in **Pan Am Air Bridge**, which will continue to provide seaplane feeder and publicity services for the new entrant. By now, three A300B4-203s have been acquired and one is employed on route-proving to California and another to Florida. The carrier must also obtain FAA certification, which, along with DOT approval, is duly received on September 18. The next day, the carrier begins accepting reservations for the service that will begin on September 26.

On September 23, a company official announces that the carrier will inaugurate daily long-haul flights from New York to Los Angeles/San Francisco and Miami. Tickets are sold under a contract with the Oasis CROS and a Worldpass frequent flyer program is unveiled. Simultaneously, the Frost Hanna-Pan Am merger is completed. The next day, the airline begins trading on the American Stock Exchange under the symbol PAA.

At New York (JFK) early on September 26, Mr. Lindbergh and Miss Trippe christen a second of the company's A300B4-203s as *Clipper Fair Wind*. The two dignitaries join CEO Shugrue and 117 other passengers as the Airbus, under the command of Captains Keith Mackey (one of the former-PAWA-1 employees) and Stanley Midnight, departs New York at 8 a.m. for an uneventful inaugural flight to Miami.

When it arrives at Miami International Airport at 10:56 a.m., the former **Continental Airlines** Airbus taxis to Gate 4 under a water cannon salute from airport fire trucks. After the passengers deplane, President Shugrue, in the presence of Chairman Cobb and other investors, gives a talk, answers questions from 50 media personnel, and then reboards the plane for a return flight to New York.

The company designator is not the historic "PA" of **Pan American World Airways (1)** but is, in fact, "OP," the sign given to **Pan Am Air Bridge**, which earlier had served as **Chalk's International Airline** and was, if anything, older than Juan Trippe's creation.

The first regularly scheduled service is flown from New York to California by the *Clipper Tradewind* on September 28, with the *Clipper America* in reserve. Advertisements begin to appear in early October employing the logo and lingo of **Pan American World Airways (1)**.

During the fall, a wet-lease agreement is signed with **Nations Air Express**, under which the small airline operates its single B-727-231 on replacement flights in Pan Am livery and under the name *Clipper Goodwill*.

When introductory fares end on November 24, the company introduces a new and unusual pricing structure. Unlike many airlines that offer different fares for passengers who book a week or more before their flights, PAWA-2's ticket prices for each flight rise as the aircraft fills.

In early December, a third A300B4-203 joins the first two and launches twice-daily return services from Miami to San Juan, Puerto Rico, on December 14. A code-sharing agreement is reached with **AeroPeru, S.A.** covering flights from New York (JFK) to Lima via Miami. Arrangements are reached with AVReps International and AVMan International to provide marketing and sales support in Central and South America and Mexico.

Enplanements reach 87,000 and 3.45 million FTKs are operated. Revenues of \$10.24 million are generated, but start-up and associated costs of \$24.9 million leave large losses: \$14.65 million (operating) and \$27.5 million (net).

In late January 1997, two more A300B4-203s are purchased and merger discussions with **Carnival Air Lines** resume as Chairman Cobb and President Shugrue once again seek to accelerate their carrier's expansion plans. Daily nonstop roundtrips commence on January 5 between New York and San Juan.

The fourth A300B4-203 enters service on March 1 and the airline now serves New York, Miami, and Los Angeles. Twice-daily roundtrips commence this day from Chicago (MDW) to San Juan via Miami.

After marathon negotiations on March 19–20, Shugrue is able to announce on March 21 that the new Pan Am will acquire **Carnival Air Lines**. Carnival's majority owner, Mickey Arison, will invest \$30 million in the combined company, thus gaining 42% shareholding, while

refuses to carry any Iraqi passengers on its flights, whether they present any signs of threat or not. On a happier note, the fiftieth anniversary of the World War II subsidiary Pan American Airways-Africa is celebrated during the month with a reunion at Miami.

The ban against Iraqi passengers is modified on February 6 to allow those with permanent resident status in the U.S. to fly; in the face of civil rights charges, the ban is lifted entirely on February 22. Also in February, the pioneer begins daily nonstop B-727-221 flights from Miami to Cleveland and Detroit and weekly nonstop A310-324 frequencies from Miami to Recife, Brazil. Following the February 27 announcement of a cease-fire in the Gulf War, the next day the company records its largest single day of flight bookings since the previous August's Kuwait invasion.

The British approve **United Airlines'** entry into Heathrow Airport in the first week of March and thus allow the route sale to be completed. As part of the arrangement, a large-scale joint marketing, scheduling, frequent flyer and code-sharing scheme is put into effect and **United Airlines** begins to feed passengers to Pan Am's Miami gateway to South America. On March 8, Pan Am is able to make a payment on its Bankers Trust loan and a leasing payment to Airbus Industrie.

Pan Am officials urge **United Airlines** to takeover the company's remaining assets and the carrier now becomes the subject of a bidding war between **Delta Air Lines** (\$310 million), **Trans World Airlines (TWA)** (\$1.3 billion), and **United Airlines** (\$465 million). The U.S. Federal District Court in Atlanta converts an antitrust lawsuit against nine airlines into a class-action suit on August 7 that could benefit many consumers and cost the carriers millions of dollars. The suit charges that this company and the others conspired to keep ticket prices higher at 23 hub airports.

On August 12, the U.S. bankruptcy court, on behalf of creditors, accepts **Delta Air Lines'** refigured \$1.776-billion offer for the pioneer's New York-Washington shuttle, its transatlantic authority from John F. Kennedy International Airport to Europe, its Frankfurt hub, and 52 jetliners. Officials of the Atlanta-based major agree to prop up the faltering 64-year-old pioneer with a \$455-million investment, a \$140-million line of credit, and to direct its operations (almost as a subsidiary) exclusively toward its traditional South American services. As part of the arrangement, Pan Am Chairman/CEO Plaskett and other top management officials resign. Once president of **Pacific Southwest Airlines (PSA)** and now vice president/general manager of McDonnell Douglas Corporation, Russell L. Ray Jr. now becomes, as it turns out, Pan Am's last president/CEO.

On November 1, **Delta Air Lines** assumes Pan Am's routes to the Pacific and Far East, along with 6,000 employees, promising sufficient investment in the carrier to save the jobs of 13,000 more. It also acquires 21 Airbus A310-222/324s and 24 B-727-200s.

A three-year investigation of the Lockerbie tragedy is concluded on November 14 with the Lord Advocate, Scotland's chief law official, issuing a warrant for the arrest of two Libyans, Abdel Baset Ali Mohamed al-Megrahi and Al-Amin Khalifa Fhimah. The two are charged with conspiracy, murder, and contravention of the U.K.'s Aviation Security Act of 1982. The U.S. issues a similar indictment.

Operations at the once proud international continue in the red; of the initial **Delta Air Lines** credit, \$115 million is gone by December 1 and Pan Am is losing \$3 million per day. Alarmed at the fiscal drain, officials in Atlanta unhappily realize the point has come where **Delta Air Lines** must, for its own sake, withdraw its financial pledge and not make the final \$25-million payment into the credit line. The move forces Pan Am to go under, as all realize that the withdrawal of the healthy major's backing will close Juan Trippe's creation.

Pan American World Airways (1), with 35 minutes of available funds, ceases operations at 9 a.m. on December 4 and orders its crews aloft to continue their scheduled flights back to New York (JFK) or other appropriate bases. In late afternoon, Flight 436, the B-727-235 *Clipper Goodwill* piloted by Capt. Mark Pyle, returns to Miami from Barbados following a morning flight down from New York. Prior to completing

the last Pan Am flight ever, the trimotor makes a low slow pass over the international airport, located, as it is, not far from where the company had launched its illustrious career 64 years earlier.

Prior to its collapse, the corporation flies a total of 10,955,000 passengers on the year, a decline of 38.9%; freight is down 41.7% to 587.77 million FTKs. The final revenue picture shows revenues declining 38.9% to \$2.09 billion and expenses dropping 20% to \$2.56 billion. The operating loss is \$468.75 million and the net loss is \$492.23 million.

A seven-year dispute concerning the Lockerbie suspects begins on December 8 when Libya, concerned that the two will not receive a fair trial, refuses to hand the men over. Libya will maintain its position, despite the introduction of UN sanctions on air travel and arms sales in April 1992, which are tightened in December 1993.

Clipper Juan T. Trippe, the last operational Jumbojet in Pan Am markings, receives a water-spray salute from airport fire trucks and departs New York (JFK) on May 12, 1992 for storage at Norton AFB, California. Prior to the Boeing's departure, all PAA-1 employees at JFK have taken the opportunity to sign their names on the plane's fuselage. The last PAA-1 aircraft remaining at JFK are a pair of B-727-200s, which will be sold within weeks.

In 1993, prominent Miamian and former U.S. Ambassador to Iceland/Under Secretary of Commerce Charles Cobb purchases the Pan Am trademark for \$1.3 million and announce plans to reincarnate the pioneer. On November 3, 1995, President Bill Clinton, before hundreds of people at Arlington National Cemetery, dedicates a monument to the memory of those killed in the 1988 Lockerbie bombing. **Pan American World Airways (2)**, the "new Pan Am," is officially created on September 4, 1996.

Libyan leader Colonel Gaddafi eventually turns over suspected bombers Abdelbaset Ali Mohamed Al Megrahi and Al Amin Khalifa Fhimah, who are placed on trial on May 3, 2000, at a specially convened Scottish court sitting at Camp Zeist in the Netherlands. It is anticipated that the case will take more than a year to adjudicate. Twelve years after the destruction of PanAm 103 over Scotland and nine months after the beginning of an international \$80-million trial by a three-judge panel in The Netherlands, former Libyan intelligence agent al-Megrahi is found guilty of the crime on January 31, 2001, and is sentenced to life in prison. Former **Jamahiriyah Libyan Arab Airlines** official Fhimah, who had been charged with helping al-Megrahi plant the bomb-laden suitcase at Malta, is found innocent and is released.

There are two Web sites concerning Pan American World Airways (1). One is maintained by Information Systems Tech, Inc. at <http://www/panam.com>, and the other is a historical archive located at <http://www.library.miami.edu/archives/panam/pan.html>.

PAN AMERICAN WORLD AIRWAYS (2): United States (1996-1998). In 1993, prominent Miamian and former U.S. Ambassador to Iceland/Under Secretary of Commerce Charles Cobb purchases the trademark of **Pan American World Airways (1)** from the bankruptcy court for \$1.3 million, announcing plans to reincarnate the pioneer international carrier as a domestic airline. Meanwhile, Martin R. Shugrue Jr., former vice chairman/chief operating officer of PAA-1, **Continental Airlines** president, and recently trustee for the estate of failed **Eastern Air Lines**, learns of the availability of EAL's Airbus Industrie A300B4-203 fleet.

In early 1995, Cobb and Shugrue meet and begin planning for the birth of a new transcontinental carrier, to be named in honor of Juan Trippe's pioneer. Shugrue convinces the IGN Bank of Holland to provide financial backing for the use of several of the ex-EAL, and **Continental Airlines**, A300B4-203s, while Cobb begins the search for the necessary industrial investors. Although interest is found, cash on an acceptable basis is not, and the formation process drags on. Cobb then chances to meet and explain his project to fellow University of Miami board member Phillip Frost at a November gridiron party at the home of pro football great Nick Buonicotti.

Frost, who is chairman of Ivax Corporation and whose name is linked to a prominent investment group, expresses interest; he, together with

Shugrue is able to announce another \$30 million in funding has also been located.

The previously employed "OP" designator is returned to **Pan Am Air Bridge** on March 27 when the company is able to being employing the "PA" designation in its reservations system; "PA" had been the symbol for the company's historic predecessor, **Pan American World Airways (1)**.

B-727-200A flights from Miami to Santo Domingo, Dominican Republic, commence on April 6. The next day, the company sells \$25 million in a private placement of preferred convertible securities.

On April 30, plans are announced for the carrier to move from the international terminal at New York (JFK) to that half of the TWA domestic terminal vacated by the major back in January. Roundtrip frequencies between New York and Los Angeles are advanced to thrice-daily on May 1. The same day, flight operations at New York (JFK) are transferred from the east wing of Terminal 4 to the Pan Am Terminal 6, the former **Trans World Airlines (TWA)** domestic terminal.

On May 5, the Dade County Metro Commission approves a \$5-million loan to the airline in exchange for a pledge from PAWA-2 that it will headquarter in Miami and create at least 600 new jobs for local residents. The county will employ airport revenues to provide a bridge loan and then seek permanent financing from the DOT.

In a further effort to improve services, **Air Ukraine** on May 14 forges interline agreements with **Delta Air Lines**, **Continental Airlines**, and Pan Am. In an exclusive arrangement, Pan Am offers reduced fares to all AU passengers whose final destinations are Los Angeles, San Francisco, or Miami.

The next day, **Carnival Air Lines** also transfers its New York operations to Pan Am Terminal 6. Simultaneously, PAWA-2 replaces the B-727-200A employed on the Santo Domingo service with an A300B4-203.

By mid-May, three more A300B4-203s have been received since January, bringing the PAWA-2 Airbus fleet to eight. The latest to be received is christened *Clipper Charles A. Lindbergh* on May 21.

On May 22, the **Carnival Air Lines** FunPass becomes a partner in Pan Am's WorldPass. A300B4-203 frequencies between New York and Los Angeles are increased from one to three on June 1.

Overnight on June 10–11, wires of the ground proximity warning system located in the electronics bay underneath the cockpit of an A300B4-203 (which had arrived in early evening from Los Angeles) are cut as it sits on the ground at Terminal 6 of New York (JFK). A Pan Am maintenance supervisor discovers the vandalism and reports it to Port Authority of New York and New Jersey Police, who in turn call in the FBI. A criminal investigation is launched in an attempt to determine whether or not a disgruntled worker perpetrated the act.

Beginning on July 1 and continuing through September 1, a third daily nonstop service is added between New York and San Juan via Miami. On July 14, first-class New York (JFK)–Los Angeles (LAX) passengers are offered free New York–Miami bonus tickets.

A 3-year, \$60 million contract is signed with British Aerospace Aviation Services, Ltd. on August 1 for heavy maintenance on the carrier's A300B4-203 fleet. Senior Vice President-Operations James W. Arpey is named chief operating officer the same day.

To assist with the costs of merger, **Carnival Air Lines** establishes a pair of credit bridge facilities worth \$25 million during the month and guaranteed by PAWA-2 and Carnival's principal shareholder, Mickey Arison.

On August 24, Flight 6, an A300B4-203 with 11 crew and 254 passengers, loses power to its No. 2 engine and aborts its takeoff from Los Angeles for New York (JFK); the badly damaged engine is shut down and the flight is cancelled.

In early September, the DOT grants an exception to PAWA-2 to complete its stock acquisition of Carnival even before the government completes its review of the merger of the two airlines. The takeover of **Carnival Air Lines** is officially completed on September 26, the first anniversary of PAWA-2. The third quarter returns on September 30

show a \$51.1-million net loss (\$80.2 million since start-up) on revenues of \$90 million. Drastic action must be taken to halt the hemorrhage.

During October, the company drops its unprofitable New York to Los Angeles service and grounds 7 of its 10 A300B4-203s, which are proving too expensive to operate. All seven are to be returned to the Netherlands' IGN Bank, from which they have been leased, even as the carrier pays a \$4.9-million penalty for their early retirement. The remaining three, flown on the New York to Santo Domingo route, as well as from New York to Miami and occasionally Puerto Rico, will be returned by January.

The company now begins to concentrate on service between the northeast and Florida employing the fleet acquired with **Carnival Air Lines**. The westernmost destination is now Chicago. Although the company technically holds two operating certificates, it continues to integrate the Pan Am and Carnival infrastructures; the combined workforce is reduced from 2,200 employees to 1,800.

An alliance is signed with **SAETA (SA Ecuatoriana de Transportes Aereos)** on November 3; it will allow passengers of the U.S. carrier to connect at Miami with SAETA flights to Quito and Guayaquil, while customers coming north may smoothly exit onto Pan Am flights. In a Thanksgiving week action arranged by onetime Carnival owner Mickey Arison, who is now a 42% minority owner in Pan Am, the company's board of directors replaces President/CEO Shugrue on November 24 with Arison-ally and former **AirCal** President David A. Banmiller. A co-founder with a 5% stake, Shugrue is named the board's nonexecutive vice chairman. Banmiller immediately promises to implement a recovery plan that continues to emphasis on more frequent flights with less capacity. A search, ultimately unsuccessful, begins for \$100 million in new capitalization.

At month's end, code-sharing agreements are signed with **Royal Air Maroc** and **Balkan Bulgarian Airlines**.

On December 12, the carrier increases its borrowing capacity under its NationsBank credit facility from \$20 million to \$25 million.

Following ceremonies centered around the christening of a former Carnival B-737-4Q8 as *Clipper Boston*, five-times-per-day roundtrips begin on December 16 between Boston and New York (JFK). One-way fares will be \$49 until January 4 and \$99 thereafter.

Passenger boardings total 734,000. Huge losses are suffered: \$72.09 million (operating) and \$76.52 million (net).

At the beginning of **1998**, the company operates 42 daily flights to 14 cities with 14 leased aircraft.

The \$5-million borrowing increase with NationsBank Corporation becomes due for repayment on January 28; however, the lender, subject to certain conditions, agrees to extend the repayment date to March 30.

With the capital search failing, the company slides deeper into debt. Over \$14 million is owned to the Dutch aircraft broker ING Aviation Lease, N.V., with an excess of \$15 million more owed to other suppliers and vendors. The carrier is served with lease default notices from the aircraft lessors, but negotiates with them to defer and restructure payment.

Bad news continues in early February when Pan Am is notified by the Airline Reporting Corporation that it is required to provide additional security of approximately \$3.3 million on or before February 23 for travel agency sales and refunds. The company does not have funds for this security. The bad news is outlined in a February 23 8-K document filed with the Securities and Exchange Commission.

Although PAWA-2 had announced plans earlier to deactivate its A300 fleet by 30, it finds it necessary to advance the grounding to capitalize on anticipated cost advantages that will occur by simplifying the fleet. The last two remaining wide-bodies stop flying on February 25. With the grounding of the A300s, the carrier also suspends scheduled service between New York (JFK) and Nassau, Ponce, and Santo Domingo.

Also on February 25, Pan Am advises the Airline Reporting Corporation that it wishes to remain a member and in accordance with ARC procedures and policies, has established a ticketing and refund procedure for travel agencies in lieu of the requirement to post a \$3.3-million additional security.

Unable to make payments, the airline files for Chapter XI bankruptcy protection from its creditors at the U.S. Bankruptcy Court for the Southern District of Florida in Miami after the close of business on February 26. Assets of \$50 million are reported against liabilities of \$147 million. Judge A. Jay Cristol is told that the carrier has a tentative agreement with New York-based Rothschild Recovery Fund for \$10 million to cover the restart of operations.

The airline stops flying and lays off 1,250 employees on Friday morning. A large number of customers are stranded and other airlines are asked (although there is no obligation) to accept passengers ticketed on Pan Am.

At an emergency court hearing on February 28, CEO Banmiller must admit that the Rothschild arrangement has not been finalized. Parent Pan Am Corporation, which has not filed for bankruptcy, pledges to continue the search for funds with which to resume flying. Judge Cristol approves a budget using cash collateral to keep a skeletal Pan Am organization functioning.

Thomas Luria, a lawyer for Carl Icahn, announces that the multimillionaire businessman and former owner of **Trans World Airlines (TWA)** is interested in lending Pan Am \$15 million. Other Pan Am creditors, led by Nationsbank Corporation, express concern about any deal that will give another investor a superseding interest in the airline's assets.

PAWA-2, during the week of March 2, is able to undertake 10 charter flights on behalf of **Kiwi International Air Lines**, which needs extra charter lift capacity. The flight activity will bring in some cash, keep the carrier's operating certificate current, and keep the organization nucleus in place.

On Friday, March 13, Carl Icahn appears before U.S. Bankruptcy Court Judge Cristol, who is overseeing the PAWA-2 case. Icahn proposes that a term sheet he has executed with Pan Am Corporation be allowed to stand and that he acquire the carrier's assets and infuse cash to restart the carrier in an arrangement valued at \$43 million. The deal includes an \$8-million cash payment for such company assets as the name, operating certificate, and real estate holdings.

Executives simultaneously announce that the Pan Am Corporation holding company and all other subsidiaries not now in bankruptcy are so placed. Several of its board members, including Chairman Cobb, Dr. Phillip Frost, and Howard Frank, resign.

The Icahn bid is not warmly received by Judge Cristol and the noted entrepreneur/financier withdraws it on March 16. In a press release from the company late in the evening of March 18, the carrier announces that it is continuing intensive efforts to find investors or purchasers, although discussions with one, Milan Mandaric, have been terminated. It is also stated that the company may be downsized into a small-scale charter airline.

On March 19, the company announces that it has rejected seven leases of B-737-4Q8s chartered from ILFC; the \$60,000-per-day costs exceed income. The rejections are to take effect on March 23 following the completion of the planes' last charters over the weekend. At the same time, the Miami Heat professional basketball team is notified that it must find another carrier after March 25.

President/CEO Banmiller announces his resignation on April 22, effective April 30. He will be succeeded by a new general manager, Robert Mencil, formerly director of operations for **Carnival Air Lines**, who will take over responsibilities for day-to-day operations.

During the last week of April, Timothy Mellon and David Fink, principal owners of New England-based Guilford Transport Industries, which operates 3 railroads and 1,600 miles of freight lines in the Northeast, offer \$24.5 million for PAWA-2's remaining assets. It also agrees to provide the airline with \$5 million to fund creation of a reorganization plan that will be submitted to the U.S. Bankruptcy Court, Southern District of Florida, on May 20.

With 125 employees, Pan Am continues to operate charters to Aruba and Mexico from Fort Lauderdale with two chartered B-727-200As and a B-737-200. Meanwhile, lead bankruptcy counsel John Kozyak con-

tacts all voting classes of the airline's creditors, each of whom overwhelming votes approval of the new plan.

Having been duly submitted to Judge Cristol on May 20, the reorganization plan is taken under study for a month. On the afternoon of Monday, June 29, Judge Cristol, having heard from all the parties, confirms the plan. Under its terms, Guilford, in return for its investment, will acquire the three aircraft, a stock of spare parts, route authorities, and intellectual property associated with the Pan Am name. Optimists suggest that this will be the last time PAWA-2 will return to bankruptcy court and that it will be flying scheduled services again within a year.

PAN AMERICAN WORLD AIRWAYS (3). *See* **PAN AM (PAN AMERICAN AIRWAYS)**

PAN AVIATION: United States (1987–1994). Miami-based Pan Aviation is established in **1987** to conduct worldwide all-cargo charter and contract service flights. Revenue operations commence with a single Boeing 707-320C. By **1993**, the fleet has been increased by the addition of a second Dash-320C, a Cessna T-210L Turbo Centurian II, and a Lockheed L-1329 Jetstar 6.

Flights cease in **1994**.

PAN EUROPEENE AIR SERVICE, S.A.: France (1989–1994). PEAS is established in **1989** to offer regional scheduled and nonscheduled operations. Revenues services commence with 2 each Beech 99s and Piper PA-31T Cheyenne IIs. The first jet, a Cessna 550 Citation II, is delivered in **1990**, along with a leased Aerospatiale AS-350B Ecureuil helicopter.

The mixed fleet becomes even more diverse in **1991** as a Fairchild-Swearingen SA227 Metro III is purchased. Operations continue apace in **1992–1993** with a fleet that includes 2 Beech 99s and 1 each Beech 1900D, Metro III, Cheyenne II, Citation II, and Ecureuil.

Unable to maintain economic viability, the company shuts down in **1994**.

PAN ISLAND AIR TOURS: United States (1972–1974). Pan Island, as its title states, is set up at San Juan, Puerto Rico, in **1972** to offer scheduled air tours and air taxi flights to Vieques and St. Thomas. Although daily and on-demand Britten-Norman BN-2 Islander frequencies are duly inaugurated, they can only be maintained for two years.

PAN MALAYSIAN AIR TRANSPORT, SDN. BHD.: Hangar B, Subang International Airport, Subang, 47200, Malaysia; Phone 3-746-2367; Fax 3-746-1714; Year Founded 1979. Pan Malaysian is established at Subang in **1979** to provide local third-level, mostly charter and contract, services. Scheduled and charter operations continue with little change over the next 15 years.

In **1993**, Chairman Piaruddin Bin Fathodin oversees a workforce of 38 and a fleet of 2 Shorts SC-7 Skyvans and 1 Bell 206L LongRanger helicopter. Operations continue in **1994–1996**, although the number of Skyvans is reduced to one. The workforce in **1997–1998** stands at 76.

PANAGRA. *See* **PAN AMERICAN-GRACE AIRWAYS (PANAGRA)**

PANAGRA AIRWAYS: 750 S.W. 34th Street, Suite 201A, Fort Lauderdale, Florida 33315, United States; Phone (954) 359-9944; Fax (954) 359-3075; <http://www.panagra.com>; Code 7E; Year Founded 1997. Steeped in the tradition of the original **Pan American-Grace Airways (PANAGRA)** and noting the publicity generated in the birth of **Pan American World Airways (2)**, PANAGRA Airways is created at Fort Lauderdale, Florida, early in **1994** by former **Eastern Air Lines** Capt. James Peabody and Capts. Manuel "Buzz" Labee and Dick Llope, who had once flown for **Pan American World Airways (1)**.

Three years will be required to obtain the capital investment, operating authority, offices, staffing, and aircraft necessary to start flying. A total of \$1.5 million in cash and lines of credit are obtained from five

former pilots plus Cy Case, owner of the Fort Lauderdale Jet Center. The wife of investor Hugh Pierce, a former EAL captain, is the daughter of a former PANAGRA-1 executive.

PANAGRA-2 acquires a former **American Airlines** Boeing 727-23, painted in a simple white livery with the single word titles "PANAGRA" painted billboard size along the fuselage. With its FAA FAR Part 121 certificate in hand on March 25, the new entrant inaugurates its first charter three days later to Grand Cayman in the Caribbean.

In April, the company's Boeing is chartered to **Cayman Airways, Ltd.** for six weeks while its two B-737s undergo certification maintenance checks. The trijet is operated on all Cayman routes; the aircraft comes with a first-class section that is test-marketed as a business-class section.

Services continue apace during the remainder of the year, as scheduled charter flights are also made to destinations in the U.S., Central, and South America.

Enplanements total 31,000. Although operating revenues of \$5.22 million are generated, expenses are \$6.12 million. Consequently, there is an \$898,000 operating loss. The net loss is \$1 million.

Service is maintained in **1998** and is well received. During the 12 months, passenger boardings skyrocket 219.4% to 99,000. Revenues surge 26.3% to \$6.59 million, while costs are up 32.8% to \$8.13 million. The operating loss ascends to \$1.54 million, while net loss climbs to \$1.63 million.

The carrier's one-plane operation silently continues in **1999**. The earlier aircraft is replaced with a B-727-227A previously operated by **Greyhound Air, Ltd.** in Canada. Unhappily, passenger boardings for the year plunge 76.3% to 27,000.

PANAIRO DO BRAZIL, S.A.: Brazil (1930–1965). On September 15, **1930**, **Pan American Airways (PAA)** acquires its short-lived rival **New York, Rio and Buenos Aires Line** and its Brazilian subsidiary **NYRBA do Brazil**. The new subsidiary of the American international is renamed Panair do Brazil, S.A. on October 17 and is so recognized by a Brazilian government decree of November 21.

The aircraft assigned to Panair from Ralph O'Neill's failed enterprise include four Consolidated Commodores (*Rio de Janeiro, Santos, Sao Paulo, Argentina*) and four Sikorsky S-38 (*Porto Alegre, Bahia, Pernambuco, Sao Luiz*) flying boats. Mail flights begin from PAA's Belem terminus to Santos on November 28. Company headquarters are set up in Rio de Janeiro with a maintenance base at Belem.

Five-day Belem–Rio passenger service is inaugurated on March 2, **1931**. The fleet is augmented during the summer by the addition of two more of the Commodores *Miami* and *Buenos Aires* and an S-38. On November 23, the Rio route is extended down to Buenos Aires via Fortaleza, Salvador, Rio de Janeiro, and Porto Alegre. However, a complete flight from Belem still only includes a five-day voyage with stops at night. U.S. citizens comprise all Panair aircraft crews.

Sao Paulo revolutionaries hijack an S-38 on September 25, **1932** and the unqualified, hostile pilot crashes the aircraft 15 miles from the city. Two S-38s are added and are employed, beginning on September 15, **1933**, to open a main 900-mile route from Belem to the Amazonas provincial capital of Manaus via Cameta, Currallinho, Gurupa, Monte Alegre, Santarem, Obidos, Parintins, and Itacoatiara. The coastal route started in 1931 is duplicated in March **1934**. On September 28, **Pan American Airways (PAA)** is granted cabotage rights to also provide service from Belem to Rio de Janeiro and Buenos Aires. Brazilian crews are first allowed to take over some Panair flights in **1935**. In November, an S-38 route is initiated from Manaus to the Maderia River community of Porto Velho.

A maintenance hanger and office building are opened at Rio de Janeiro's new Santos Dumont Airport early in **1936**. The first of two Fairchild 71 (XA-942A) amphibians is delivered to Belem in February, allowing Panair, in late March, to extend frequencies on the Manaus route to Porto Velho via Borba, Manicore, and Hamaita. Later in the year, the fleet is augmented by the addition of two Lockheed Model

10Es and the first of eight Sikorsky S-43 "Baby Clippers" is delivered on October 27. The second Fairchild 71 is delivered in December.

The newly arrived Fairchild 71 enters service in January **1937**. En route from Vitorio to Rio de Janeiro on February 8, the also-new S-43 develops an in-flight engine fire; after putting back down at Vitorio, the amphibian sinks. **Pan American Airways (PAA)** transfers a second S-43 on February 23 to replace the first. On March 23, Electra service is initiated from Rio de Janeiro to Belo Horizonte, the state capital of Minas Gerais. In late spring, the Porto Velho route is extended to Rio Branco via Labrea and Roca do Acre. Another S-43 joins the fleet on April 29.

The fleet in **1938** comprises 7 Commodores, 6 S-38s, 1 Lockheed Express, 2 Fairchild 71s, 2 S-43s, and 2 L-10Es. In September, the last remaining pilots are replaced by Brazilians. Routes are opened in **1939** to Uberaba, Governador Valadares, and São Paulo, direct via Poca de Caldas. On May 8, a Fairchild 71 is lost while taking off from the Amazon River at Santarem; no injuries are reported and the aircraft is salvaged and rebuilt.

In **1940**, the Belo Horizonte frequency becomes daily while the São Paulo through-route is flown five times per week. In June, a Douglas DC-2 is delivered via Juan Trippe's carrier. In terms of passenger kilometers flown, Panair now ranks as the fourth largest carrier in Latin America.

In late winter **1941**, a second DC-2 arrives, but together with the first, it is soon transferred to Uruguay, being replaced in April by the first of 14 Lockheed L-18 Lodestars that will be delivered through January 1945.

Funded by a five-year government grant of 27 million milreis, Panair is authorized, on July 25, to begin construction of airports at Salvador, Recife, Maceio, Fortaleza, Natal, Belem, São Luis, and Amapa. The same day, it is given permission to open two new routes: Rio de Janeiro–Belo Horizonte–Patos–Goiania and Rio de Janeiro–São Paulo–Curitiba–Fozdo Iguaçu–Asuncion–Corumbá–Campo Grande–São Paulo–Rio de Janeiro. In Amazonas, the Manaus route is now stretched to Tabatinga via Cadajas, Coari, Tefe, Fonte Boa, Santa Antonio de Ica, and São Paulo de Olivença.

Contracts are also signed with **Pan American Airways (PAA)** to support the American major's ferry work at revitalized bases at Natal and Belem. On December 8, a Fairchild 71 is badly damaged in a Belem landing accident.

Late in the year as the **Syndicate Condor, S.A.** operation is taken over, the German operator's Porto Velho–Rio Branco and Corumbá routes, as well as those in the states of Maranhão and Ceará, are transferred to Panair. An S-43B is acquired from **Pan American-Grace Airways (PANAGRA)** on December 26.

Crashes claim one Fairchild and six Lodestars in **1942–1943**. Panair operations in Amazonas support the war effort of the U.S. Rubber Development Corporation. Another two S-43s are transferred from **Pan American Airways (PAA)** on September 9 and September 28, 1942, respectively, followed by one more on February 23, 1943. On August 17, 1943, a government decree authorizes the carrier to launch services to neighboring countries. The former **Pan American-Grace Airways (PANAGRA)** "Baby Clipper" is written off at Manaus, Brazil, on December 1 and on December 7, Pan Am shareholding is reduced to 58%.

On January 1, **1944**, Dr. Paulo Sampaio becomes president. A former **Pan American Airways (PAA)** S-43 is lost in an accident at Santarem, Paraguay, on May 25. The last of 14 Lodestars is delivered in January **1945**, followed by two Model 12s that are quickly replaced. The first of 21 DC-3s (converted to civil standard from ex-military C-47s) are placed in service and flights commence to Iquitos, Peru. After 7,000 hours of service, the second Fairchild 71 is withdrawn later in the year and scrapped.

The first of 14 ex-**Pan American Airways (PAA)** L-049s is received in March **1946**; christened *Manoel de Borba Gato*, it makes a proving flight with 14 passengers from Rio de Janeiro to London on April 16. The crossing marks the first aircraft of a foreign airline to land at the

new Heathrow Airport, the first Constellation to land at Heathrow, and the first Brazilian service to the U.K.

A second Constellation, the *Domingos Alfonso Sertao*, is employed to start transatlantic L-049 service to London on April 27. As additional Constellations join the fleet, routes are opened to Paris on July 1 and Rome on October 3. Meanwhile, on September 19, capitalization is increased from 80 to 100 million cruzeiros and Juan Trippe sells 400,000 shares to the Brazilians, giving that nation 52% majority control.

Direct L-049 service to Rome begins on September 24. Three days later, on September 27, a DC-3 with 3 crew and 22 passengers is hit by lightning over Belo Horizonte, takes fire, and crashes; there are no survivors.

An S-43 is withdrawn in November, leaving only two in service.

A S-43 crashes into the Amazon River near São Paulo de Olivença on January 5, 1947 (11 dead). L-749 Constellations are now received from the American owner and the first is put into service in May from Rio de Janeiro to London via Recife, Dakar, London, and Paris. L-749 flights are inaugurated to Cairo on June 5 and Istanbul on November 16.

After eight years of service, the original **Pan American Airways (PAA)** S-43 is withdrawn on January 10, 1948. The Paris L-749 route is extended to Frankfurt on March 9. Simultaneously, Constellation flights are launched to Montevideo and Buenos Aires. The Amazon fleet is reinforced by the introduction of eight Consolidated PBY-5A Catalinas that replace the remaining S-43.

The 1,000th transatlantic crossing is made on April 29, 1949. Late in the year, the Istanbul route is closed.

An L-749 with 7 crew and 43 passengers crashes near Porto Alegre on July 28, 1950; there are no survivors. Service to Istanbul is reopened on August 3 and extended to Beirut on October 5.

Lisbon and Madrid join the European network in 1951 and service is launched to Santiago de Chile and Lima. While going around from a missed landing at Uberlandia, Brazil, on February 28, 1952, a DC-3 with 32 passengers strikes a line of trees and crashes (8 dead).

Two Constellations are lost in accidents during the year and two replacements are obtained from **Aeronaves de Mexico, S.A. de C.V.**

Orders are placed on March 20, 1953 for four de Havilland DH 106 Comet 2 jetliners. Coming in on approach from London, an L-049 with 7 crew and 10 passengers crashes 6.5 km. SW of São Paulo on June 17; there are no survivors.

Hamburg is added as a European stop on August 31 and on December 30, the carrier opens the world's longest nonstop regularly scheduled air route, a 4,837-mile link between Lisbon and Rio de Janeiro. The flight requires 21 hrs. 40 min.

Flights commence to Dusseldorf on March 22, 1954. On October 1, despite crashes of the type earlier in the year, President Sampaio reconfirms the carrier's faith in the Comet. Employees strike the airline on January 24, 1955 and as a result, Dr. Argemiro Hungria de Silva Machado succeeds Dr. Sampaio as president on May 25. En route from London to Buenos Aires on June 16 with 10 crew and 14 passengers, an L-749 crashes near Villa Elisa, Paraguay; among the 16 killed is U.S. newsman J. G. Dowling. Orders are now placed for five DC-7Cs.

A Consolidated PBY-5A with three aboard crashes near Parcentins on April 18, 1957; there are no survivors. On November 22, a two-year operations agreement is signed with **LAN (Loide Aereo Nacional, S.A.)** for joint services in the north and northeast sections of Brazil, coordinating schedules, etc., so as to avoid wasteful competition.

In February 1957, **LAN (Loide Aereo Nacional, S.A.)** orders four DC-6As for lease to Panair. Simultaneously, Panair agrees not to employ its long-haul aircraft in direct competition with the smaller airline. The first DC-7C, a two-year-old machine previously operated by **Pan American World Airways (1)**, is delivered on April 16. Christened *Bandeirante Fernao Dias Pais*, it is placed on transatlantic service shortly thereafter. Company officials during the summer announce plans to reengine 11 of its L-049s with Eland turboprop engines built by the British firm of D. Napier and Son, Ltd.

LAN (Loide Aereo Nacional, S.A.) receives its first DC-6A in December 1958; christened *Garcia de Arica*, it is immediately leased to

Panair. Meanwhile, two additional DC-7Cs are received throughout the year; they are named for other Bandeirantes: *Antonio Raposo Tavares* and *Nicolau Barreto*.

The three other **Lan (Loide Aereo Nacional, S.A.)** DC-6As (*Bartolomeo Bueno da Siqueiro*, *Fernando de Camargo*, *Francisco Dias de Avila*) are placed in domestic service by Panair under charter in February 1959. In March, the four DC-7Cs and four DC-6As are flying daily service to Europe, Argentina, Chile, and Peru. Orders are now placed for four Douglas DC-8-33s. A Constellation, en route from Rio de Janeiro to Belem and hijacked by rebels on December 4, lands at Buenos Aires, where the men surrender and from which the Lockheed is returned. At this point, the decision is taken not to proceed with installation of turboprop engines aboard the Constellations, which by this time are no longer front-line equipment.

On October 30, 1960, a pooled **Pan American World Airways (1)**/Panair route is opened from Rio de Janeiro to Lisbon. In terms of passenger kilometers flown, the Brazilian carrier now ranks as the fifth largest in Latin America and the second in Brazil behind **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

The cooperative agreement with Loide ends in February 1961 and the four leased DC-6As are returned. The first DC-8-33 is received in March; christened *Manuel do Borba Gato*, it is placed on the European service on April 20. Two more are received during the summer and fall.

In October, four SE-210 Caravelle VIRs are ordered from France. A DC-7C is destroyed as the result of a bad landing at Belem on October 14; there are no fatalities.

En route to Rio de Janeiro from Lisbon via Ilha do Sal and Recife on the evening of November 1, the DC-7C *Bartolomeo Bueno da Silva*, with 7 crew and 38 passengers, strikes an 84-m.-high hill outside Recife and breaks up 2,720 m. short of the runway; there are no survivors.

Named *Bras Cubas* and *Garcia d'Avila*, the DC-8-33s begin flying to Buenos Aires and Santiago de Chile four days later. The remaining **Pan American World Airways (1)** interest is sold and Panair becomes a completely owned Brazilian airline.

Having lost its nosewheel during a flight from Rio de Janeiro to Galeao on March 3, 1962, an L-049 lands without it and is damaged beyond repair; no injuries are reported.

The DC-8-33 *Bras Cubas* with 11 crew and 94 passengers fails its takeoff from Rio de Janeiro on August 20, crashes through an airport wall into Guanabara Bay for 160 ft., and then drifts 330 ft. before submerging 25 minutes later (15 dead).

Meanwhile, the four Caravelle VIRs are received during the spring and summer; christened *Antao Leme da Silva*, *Dominigos Rodrigues de Carvalho*, *Fernando de Camargo*, and *Francisco Dias de Avila*, on September 15 they begin supplementing L-049s and L-1049s on the domestic flights to Manaus, Salvador, Fortaleza, Belem, and Recife. In October, two additional DC-3s are acquired in support of the Amazonas service. A replacement DC-8-33 is received in November and named *Bras Cubas II*.

An L-1049 with 7 crew and 43 passengers crashes into the jungles near Parana de Eva, in the vicinity of Manaus on December 14. Rescuers struggle through the undergrowth for four days to reach the wreck, but find no survivors.

Late in the year, the company withdraws nine L-049s, placing them into service, some for cannibalization of spare parts.

A DC-7C with seven crew crashes during takeoff on a training flight from Rio de Janeiro on April 8, 1963; there are no survivors.

Two final DC-7Cs, the *Bartolomeu Buena da Silva II* and *Bras Esteves Leme*, arrive from **Pan American World Airways (1)** in August for use on the pooled service to Portugal. In November, pool agreements for European services are signed with **Deutsche Lufthansa, A.G.**, **Alitalia, S.p.A.**, and **Aerolinas Argentinas, S.A.** Upon the receipt of government authority in 1964, charter services are flown from Lisbon to Luanda on behalf of **TAP-Air Portugal**.

Flights to Europe end on February 10, 1965 and the government cancels the carrier's operating authority the next day. On February 16,

Panair declares bankruptcy with a debt exceeding \$65 million. Routes and aircraft are subsequently divided between **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and **Cruzeiro do Sul, S.A.** Some of the older equipment is sold off over the next several years.

PANAIR FLUGANLAGE, GmbH.: Germany (1969). Germania Fluganlage, GmbH. is established at the beginning of January 1969 to offer life for the travel concern Paneuropa, GmbH. Unhappily for the new entrant, **Germania Fluggesellschaft, GmbH.** raises objections to the company's name, forcing an almost immediate renaming. While operating authority is sought, the company begins revenue operations on February 5, employing a wet-leased Sud-Est SE-210 Caravelle.

Just after the company's first owned aircraft, a British Aircraft Corporation BAC 1-11-515, is received on June 13, Panair receives its operating certificate. Although the company has a successful summer season, it once again faces moniker problems in the fall. This time the U.S. giant **Pan American World Airways (1)**, concerned about confusion in names so similar, demands a change. On December 31, the Dusseldorf-based operator becomes **Paninternational Airways, GmbH.**

PANAMA AERONAUTICA, S.A.: Panama (1960–1962). Founded on October 3, 1960 with the purpose of flying to Miami, this entrant receives an American CAB concession in 1961 and actually begins service in March 1962. The company is not able to maintain its business and closes before the end of the year.

PANAMA AIRWAYS: United States (1990–1991). Jon McMinis founds PA at Panama City, Florida, in 1990 to provide scheduled passenger and cargo commuter flights to regional destinations. The fleet comprises 2 Piper PA-31-310 Navajos and 1 PA-34 Seneca and these are employed to inaugurate daily roundtrips linking the company's base with Tampa, Orlando, Pensacola, and New Orleans. Operations continue only into 1991.

PANAMA AIRWAYS, S.A.: Panama (1936–1941). Panama Airways is formed on November 7, 1936 as a wholly owned subsidiary of **Pan American Airways (PAA)**. Working under authority of the Canal Zone Commission, the American major's surrogate inaugurates twice-weekly Ford 5-AT service in December, linking Cristobal with Balboa, 35 miles away.

Despite the availability of faster Douglas DC-2s from the parent, PA finds a niche in working with cruise ships. Beginning in early 1937, sight-seeing tours above the Panama Canal are offered and are coordinated with ship arrivals and departures so as to allow upwards of 36 roundtrips per day at \$14 per trip between the cities. Of the 16,000 cruise ship passengers visiting Cristobal during the year, 3,000 of them take advantage of these flights.

Operations continue apace in 1938–1940, with a few other destinations added. When the company is dissolved on April 30, 1941, it is offering daily frequency over its 47-mile-long route system, in addition to the sight-seeing flights.

PANAMA CARGO THREE, S.A.: Panama (1993–1994). PCT is established at Panama City in 1993 to offer ad hoc, regional, all-freight charters. Revenue operations are started and maintained for a year with a single Convair CV-580F.

PANAMBRA, LTDA.: Bolivia (1980–1989). Another small "meat hauler," Panambra is founded at La Paz in 1980 to offer nonscheduled all-cargo services around the country. Operations are undertaken with a single Convair CV-440.

The aircraft is lost to accident in 1985, but is replaced by another CV-440 purchased from **Frigorifico Reyes (Fri-Reyes), Ltda.** Flights continue until the end of the decade.

PANAVIA, S.A.: Apartado 6-4670, Panama City, Panama; Phone 507 (2) 384 503; Fax 507 (2) 384 509; Code PNV; Year Founded

1994. This small all-cargo concern is established at Panama City in 1994 to offer freighter flights around the country and throughout Central America. Revenue service begins with a single Boeing 727-100F.

PANDA AIR, LTD.: Monticello County International Airport, White Lake, New York 12786, United States; Phone (914) 292-5126; Fax (914) 292-1304; <http://www.guides.com/acg/panda>; Year Founded 1995. Panda is established at White Lake, New York, in 1995 to provide domestic and regional executive and small group passenger charters. Revenue flights begin and continue with a fleet of 6 Piper PA-31-350 Navajo Chieftains.

PANHANDLE AIRWAYS: United States (1977–1978). Panhandle is set up at Pensacola, Florida, in 1977 to offer scheduled daily passenger shuttles to Panama City, Tallahassee, and Tampa. Beech 18 roundtrips, operated thrice-weekly, are duly inaugurated and are maintained into 1978.

PANHAVIA FLIGHT TEST AND OPERATIONS COMPLEX. See PANKH (PANKH NPO)

PANINTERNATIONAL AIRWAYS, GmbH.: Germany (1969–1972). As the result of a moniker challenge by the U.S. flag carrier **Pan American World Airways (1)**, Panair Fluganlage, GmbH. is renamed on December 31, 1969. Several adjustments are made during the first quarter of 1970, as the one-plane house carrier of the tour operator Paneuropa, GmbH. prepares for the summer season. Principal among these are the relocation of the company base to Munich and the addition of two more British Aircraft Corporation BAC 1-11-515s. With the beginning of the summer holiday season at the end of March, the company's U.K.-made jetliners transport vacationers to resorts in North Africa, the Mediterranean, and the Canary Islands.

During the spring, the decision is made to enter the North Atlantic market in 1971. To that end, the company, in July, purchases a pair of discarded **American Airlines** Boeing 707-123 Stratoliners. These are ferried to London (LHR) in November and prepared for delivery to Germany at the beginning of the new year.

Not long before departure of the ex-AA jets for Dusseldorf in January 1971, it is discovered that someone has forgotten to obtain the necessary permits needed to fly into Germany. During the three months it takes to obtain the required paperwork, Paninternational must not only pay for the grounded Stratoliners, but wet-lease substitute jetliners to carry out a commitment for the lift of an increased number of travelers. The arrival of a fourth BAC 1-11-515 arrives on March 15, but the four BACs, taken altogether, still cannot provide the required capacity. Additional subcharters must still be arranged. Throughout the spring and summer, costs mount, even as the Stratoliners enter service.

The straw that breaks the proverbial camel's back occurs on September 6 when one of the BAC 1-11-515s is forced to make an emergency landing (safely it turns out) on a German autobahn. The event generates heavy and unwelcome media exposure, which leads a number of tour company companies to pull their business.

Having received no payments for its aircraft, **American Airlines** withdraws its Boeings on October 1. Financial and safety concerns force the company to cease flying on October 6, stranding several thousand customers at their resorts and gaining even more bad publicity. The remainder of the year is spent by company executives attempting to guarantee the safety of their aircraft, boost funding, and find new patrons.

In January 1972, Paninternational is cleared to resume operations. Before it can, however, BAC steps in and repossesses aircraft nos. 2, 3, and 4 for nonpayment. Down to one plane and only a few potential customers, the airline declares bankruptcy in March and is liquidated.

PANJNAD AVIATION (PTY.), LTD.: P.O. Box 1499, Rawalpindi, Pakistan; Phone 92 (51) 863 414; Fax 92 (51) 862 174; Year Founded 1993. Azhar Wali Mohammad, managing director of one of the nation's

largest rotary-wing operations, also establishes a fixed-wing division of his company at Islamabad in **1993** to provide scheduled passenger and cargo services linking major cities with both jet and turboprop equipment.

Employing de Havilland Canada DHC-6 Twin Otters and Fokker F.27s, commuter services are inaugurated on May 1 from hubs at Lahore and Multan to such smaller communities as Gujranwala and Bahawalpur.

Operations continue apace in **1994–2000**. The helicopter fleet now includes 3 Bell 206L LongRangers and 2 Bell 412SPs.

PANKH (PANKH NPO): 138 Kirov St., Krasnodar, 350723, Russia; Phone 7 (8612) 556 975; Fax 7 (8612) 361 559; Code PNH; Year Founded 1966. Pankh Company, A.O. is originally formed at Krasnodar in **1966** as Panhavia Flight Test and Operations Center. For a quarter of a century, the company is engaged in rotary-wing manufacturing, FBO, and support operations for a variety of U.S.S.R. activities in the region between the Caucasus Mountains and the Black Sea.

Beginning in **1990**, the company is forced to increasingly operate without fiscal support from the Soviet central government. As a result of national change from communism to democracy, the carrier sees a business decline of 350% by **1994**.

In **1995**, the operation is privatized; the Center is renamed and former Mil Mi-26 pilot Vladimir B. Kozlovsky is named chairman. Domestic ad hoc charters, including aerial survey, heavy-lift, environmental, and resupply work, are offered with a rotary-wing fleet of Mil Mi-8s, and Mil Mi-26Ts, plus Kaman Ka-26s and Kaman Ka-32s.

A variety of commercial operations begun in the early 1990s are continued and new ones begin. Typical missions include construction, logging, tower-placement, fire fighting, oil spill cleanups, crop-spraying. Flight testing and certification services continue with an employment population of 400, including 60 pilots and 30 scientists. Although business has fallen off since 1990, plans are made to enter the international market by accepting contracts in Southeast Asia and Papua New Guinea.

Flights continue in **1996–1999**, during which years the company employs 400, including 60 pilots. The rotary-wing fleet includes 12 Mi-2s, 9 Ka-32s, and a miscellaneous number of Mi-8s, Mil Mi-10s, Mil Mi-17s, and Ka-26s. The company also operates 5 Antonov An-2 biplanes for local fixed-wing utility charters.

In addition to its domestic aerial work, Pankh also operates contract heavy lift services in Southeast Asia and Papua New Guinea, with 3 Mi-8s and 1 Ka-26 under the direction of Foreign Relations Manager A. Kozlovsky.

A total of 360 workers are employed at the beginning of **2000**.

PANNON AIR SERVICE, KFT.: 2043 Budaors 3, Pf. 32., Budaors Airfield, Budapest, Hungary, H-1117; Phone 36 (1) 249-9775; http://www.pannonair.hu; Year Founded 1998. PAS is established at Budaors Airfield at Budapest in March **1998** to provide executive and small group air taxi and charter flights. In addition to charters, the 11-person workforce also offers a flight school, sight-seeing junkets, and assistance with flight planning.

Early in **2000**, **MALEV Hungarian Airlines, Rt.** withdraws the 5%-7% discount it had been offering its largest tour operator customer, HTC, Kft. (which accounts for about half of the nation's charter tourism business via Hungary's largest charter agency, Jorgos Travel, Kft.) and begins phasing out its Tu-154M fleet. After talks with Pannon's joint managing directors Attila Szabo and Viktor Hajdu and Chief Financial Officer Janos Molnar, HTC Managing Director Tamas Havas withdraws his account from MALEV and together the four reform and upgrade Pannon on April 16 into Hungary's first private charter airline. HTC takes a 20% equity stake in the airline and Jozsef Somodi becomes its lone managing director.

In April, two MALEV Tu-154Ms are leased to the upgraded operator. The first is delivered on May 15 wearing an all-blue fuselage with large orange Pannon titles. Shortly thereafter, the aircraft, under exclusive

contract to HTC and its partner Jorgos Travel, Kft., launch package tour flights to various Greek islands and other Mediterranean destinations on behalf of HTC, which now attempts to beat MALEV's prices.

HTC Managing Director Havas will tell the *Budapest Business Journal* in a May 22 interview, that while the new operation costs as much as the old, the chance to introduce competition into a closed market has made the effort worthwhile.

Unhappily, cooperation between the new partners soon breaks down in the face of intense holiday market competition from MALEV and foreign operators. By summer, HTC is losing significant money as fuel prices rise and passenger numbers slide. Blaming travel discounts by its competitors, HTC begins selling tickets so far below market prices that huge debts quickly pile up. Money to cover them is allegedly diverted from deposit funds numerous customers have paid for future trips. Pannon does not support the idea of closing down the season and bank loans are insufficient to help it cover its operational costs.

On September 1, Pannon cancels six flights to Greece and Spain, claiming that HTC has failed to pay its bills and cannot do so. Managing Director Somodi and HTC Managing Director Tibor Harci exchange conflicting accusations about payments in the media, with the latter insisting that Pannon could not launch the flights because of its own outstanding debts with airports in Greece and Hungary. The feud leaves 1,626 vacationers stranded abroad with no scheduled means of returning home.

With the facts of the case closer to Somodi's view than Harci's, HTC collapses on September 4 and files for bankruptcy and liquidation (the failure also takes down Jorgos Travel, Kft.). The move allows it to invoke a Ft 35-million insurance policy held with AXA Colonia Insurance, Rt. The claim is insufficient to cover the cost of returning HTC's vacationing clients. The Hungarian Ministry of Economics dips into the Tourism Target Fund and provides the Budapest Chamber of Commerce and Industry with Ft 75 million (\$268,000). The funds are employed to complete arrangements on September 5 for the return of all the affected tourists by bus or aboard special **MALEV Hungarian Airlines, Rt.** flights.

While police begin collecting information on HTC to determine whether or not it should be prosecuted for fraud, Pannon officials indicate that they will attempt to attract other charter contracts and may, perhaps, change the company's branding.

On September 10, the HTC situation worsens when the offices of Jorgos Travel, Kft., where all the network records are maintained, mysteriously take fire and burn down. Investigation into the collapse and fire will continue into the new year.

PANORAMA AIR TOURS: United States (1971–1994). Thomas McCroskey forms Panorama Air at Honolulu in **1971** to undertake air tour services. Beech 18 operations commence on March 5, with the fleet later updated by Beech 99s. Over the next decade, full-day eight-island tours are developed, with landings at three or four of five islands. Half-day trips to Kauai are also undertaken, along with a popular volcano tour.

In **1983**, regularly scheduled passenger commuter flights are inaugurated linking Honolulu with Kaunakakai on Molokai. The fleet is upgraded with the addition of eight Piper PA-31-350 Navajo Chieftains. These scheduled and charter operations are maintained during the next decade. Tragedy strikes on December 23, **1987**, when a Navajo Chieftain with a pilot and seven sightseers aboard, disappears into the Pacific Ocean southeast of Honolulu.

The fleet in **1991** includes 9 Navajo Chieftains. In December, the carrier halts scheduled Honolulu to Molokai flights, but continues charter operations. In **1993**, President Ralph McCroskey's workforce totals 80 and the fleet comprises 10 Navajo Chieftains. Service is suspended in **1994**.

PANORAMA FLIGHT SERVICE: Westchester County Airport, 22A Hangar Road, Hangar F, White Plains, New York 10604, United States; Phone (914) 328-9800; Fax (914) 328-9684; Year Founded 1958. Panorama is originally established as the FBO at Westchester

County Airport in **1958**. Over the next 40 years, the concern also adds a prosperous executive and small group charter business, which takes customers throughout the U.S., Canada, Mexico, Central America, and the Caribbean.

In **2000**, the company employs 11 pilots and flies 2 Learjet 55 Longhorns and 1 each Learjet 25D, Learjet 35A Century III, Cessna 550 Citation II, and C-414 Chancellor.

PANTANAL TAXI AERO (PANTANAL LINHAS AEREAS SULMATOGROSSENSES, S.A.): Av. Das Nacoes Unidas, 10.989.8 Andar Cj 81, São Paulo, SP, CEP 04578-000, Brazil; Phone 55 (11) 829-4033; Fax 55 (11) 828-0306; <http://www.pantanal-airlines.com.br>; Code P8; Year Founded **1992**. With a base at Campos Grande, Mato Grosso de Sul, Pantanal Taxi Aero commences scheduled, third-level passenger and cargo services to destinations in the State of Mato Grosso and in the northern part of the State of Parana during the fall of **1992**. The fleet of this new entrant comprises 1 each Embraer EMB-120 Brasília and EMB 810 Seneca and 2 EMB-110P Bandeirantes, with orders outstanding for 2 Brasília.

In **1993**, owner and President Marcos Sampaio Ferreira, oversees a workforce of 30, adds 2 more Brasília (1 each in January and July), and orders an Avions de Transport Regional ATR42-320, which arrives in December.

The European aircraft is the first of its type to be introduced in Brazil when it enters service in January **1994**. In addition, two Beech 1900Ds are temporarily employed. Two more ATR42-320s are requested. Service is inaugurated to the previously unserved communities of Mucuri in Bahia state and Videira, in the southeastern state of Santa Catarina.

Although traffic figures are not released, it is noted that revenues of \$14 million are earned.

Airline employment stands at 230 in **1995** and the fleet now includes 1 ATR42-320, 3 EMB-120s, and 1 EMB-110P; both 1900Ds are returned. The two new ATR42-300s arrive in February.

Enplanements total 204,408 and revenues skyrocket 114.3% to \$30 million.

Thirty workers retire or are laid off in **1996**. One Brasília is withdrawn as the two ATR42-320s arrive. Customer bookings dip 0.1% to 204,313 and 531,000 FTKs are operated, a 10% decline.

An EMB-120RT with 3 crew and 13 passengers is destroyed as the result of a bad landing at Vilhena on March 3, **1997**, following a service from Campo Grande; there are no fatalities.

During the summer, an ATR42-320 is leased from Aviation Enterprises in Florida for 55 months.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Passenger boardings decline another 8.9% to 186,052, while cargo inches up 0.2% to 532,000 FTKs.

Acting as agent for Fuselage Finance, Ltd., Fortis Prop Jet charters an ATR42-320 to the company in May **1998**.

On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Service is maintained in **1999** and a frequent flyer program, Bonus de Viagem Pantanal, is introduced.

A total of 250 workers are employed at the beginning of **2000**. Delivery of the company's seventh ATR42-320 is taken on January 4. It is followed into service by the eighth ATR42-320, an ex-Brit Air, S.A. turboprop received on September 5.

PAPILLON AIRWAYS: United States (1984-1994). A subsidiary of the Hanalei, Kauai, Hawaii-based **Papillon Helicopters**, Papillon Airways (*papillon* means "butterfly" in French) is established at Grand

Canyon, Arizona, in **1984**. Employing what will become a fleet of 14 Bell 206B JetRangers and 206L LongRangers, flight-seeing charters are flown daily over the region's natural attractions.

The carrier continues in business through the next decade until June **1994**, when it is purchased, together with its Papillon Helicopters parent, by Atlanta-based **Crescent Airways**. The operation is now relabeled as Papillon Grand Canyon Helicopters.

PAPILLON GRAND CANYON HELICOPTERS: P.O. Box 455, Grand Canyon, Arizona 86023, United States; Phone (520) 638-9330; Fax (520) 638-9349; <http://www.papillon.com>; Code HI; Year Founded 1994. Following its purchase by **Crescent Airways** in June **1994**, **Papillon Airways** is renamed to more closely reflect its principal business, flight-seeing. Located just off Highway 64, inside the North Entrance to Grand Canyon Airport, a new, 29,100-sq.-ft., state-of-the-art heliport complex designed to accommodate large groups of both domestic and international passengers is opened in November **1995**.

Despite widely publicized federal government noise-abatement initiatives, operations by the world's largest helicopter sight-seeing company continue apace in **1996-1998**. New special programming is offered to companies and associations, including many seeking adventurous recreational activities during annual meetings.

Brenda Tormo is president in **1999**, with James H. Carrick as director of operations. The fleet includes 6 Bell 206B JetRangers, 14 Bell 206L LongRangers, and 1 Sikorsky S-55T. In November, Papillon receives FAA approval to integrate two highly modified Sikorsky/Orlando S-55Ts into its Las Vegas-based air tour fleet as well as the Grand Canyon fleet. Designed to produce low noise levels, the Sikorskys will enter service by March.

The Web site of the USAir Tour Association will report during the following year that Papillon has operated more than 32,000 flights, which have transported almost 152,000 passengers.

The two Sikorsky/Orlando S-55Ts duly join the fleet in the spring of **2000**. Tourist flights continue without incident or headline until September 18. While on a sight-seeing flight from Las Vegas to the Grand Canyon, one of these helicopters, with a pilot and six passengers, loses engine power and is forced to make a hard landing at a spot 4 mi. E of Hoover Dam, Arizona. The S-55T is substantially damaged and all aboard receive minor injuries.

PAPILLON HELICOPTERS: United States (1979-1995). Papillon is formed at Hanalei, Kauai, in Hawaii in **1979** to provide scenic air tour and charter flights around the state. Bases are established at Waikoloa, Hawaii, Lahaina, Maui, and Princeville, Kauai. In **1984**, a mainland subsidiary, **Papillon Airways**, is established.

While on a flight-seeing tour at Kula, Hawaii, on September 26, **1985**, an Aerospatiale AS-350B with a pilot and four passengers, loses altitude while attempting to cross power lines and crashes; one person is killed while the others receive minor injuries.

Over the next decade, operations continue with a fleet that comes to comprise 4 Bell 206B JetRangers, 4 Bell 206L LongRangers, and 4 Eurocopter AS-350Bs.

On June 1, **1994**, as the result of a May 6 decision, Atlanta-based **Crescent Airways** pays \$35 million to takeover this Hawaiian tour operation. Included in the buyout are 21 helicopters, ground facilities, and the separate carriers and repair operations, all of which will function as wholly owned Crescent subsidiaries under their previous names.

Unable to economically integrate the Papillon acquisition, which, in turn, cannot adjust to the FAA's new operating rules in Hawaii, **Crescent Airways** in early January **1995** finds itself in significant financial difficulty. It loses a utility-line patrol contract, realizes lower margins on new Gulf of Mexico contracts, sees its insurance costs jump \$1.52 million, and is unable to cover salary increases.

On January 13, a standstill agreement between the company and its creditors expires and CEO Jack Hereth is unable to find major new investment.

Crescent files for bankruptcy in February, but continues to operate with a \$4.8-million package provided by First Union National Bank. The new arrangement provides needed working capital and replaces the company's revolving credit. When the company's quarterly report is filed at the end of March, it is revealed that Bell Helicopter Textron and **Papillon Airways** are the company's two largest unsecured creditors. Crescent is now in default on \$19.9 million in loans.

In May, the board of directors decides to liquidate Crescent's assets rather than attempt to reorganize and emerge from bankruptcy. It will, however, attempt to keep the Papillon Hawaii subsidiary alive. Chairman Hereth resigns and is replaced by CEO Erskine. Crescent operations cease on May 31.

In July, a line of credit is obtained from First Union Bank of Florida. It covers the cost of preparing a plan for the bankruptcy court that will explain how Crescent will liquidate its Part 135 operation, but keep Papillon Hawaii flying. The plan is not completed and Papillon Hawaii is closed down on September 5.

Crescent's 30-plus JetRangers and LongRangers, plus six AS-350Bs and two JetRangers from PH are disposed of by the end of September.

PAR AVION (PTY.), LTD.: Australia (1989–1990). Par Avion is established on Tasmania in late fall 1989 to offer scheduled third-level passenger flights across the sea to Melbourne. Operations commence in November with a pair of Mohawk 298s (U.S. conversions of the French-made Nord 262).

Without sufficient fiscal backing, the new entrant is unable to achieve viability and collapses in April 1990.

PARADISE AIR: United States (1979–1983). Taking advantage of deregulation, Morris Sakuda forms PA at Honolulu in the fall of 1979 to operate as a low-fare regional. Employing a Piper PA-23 Aztec and a Piper PA-31-310 Navajo, Paradise inaugurates scheduled roundtrips to Molokai on November 27.

Service continues until the company goes out of business on December 10, 1983.

PARADISE AIRLINES: United States (1962–1964). Paradise Airlines is established at Las Vegas in late 1962 to provide charter and inclusive-tour passenger flights to destinations in the western U.S. Revenue operations commence in early 1963 with a trio of leased Lockheed L-049 Constellations, the former **Trans World Airlines (TWA)** *Star of France*, *Star of Lebanon*, and *Star of Dublin*.

Operations continue apace into early 1964. On March 1, the former *Star of France*, with 4 crew and 81 passengers, crashes 9 nm. NE of Lake Tahoe in a snowstorm during its final approach; there are no survivors. The disaster brings the company's immediate shutdown and liquidation.

PARADISE AIRWAYS: United States (1995). In early 1995, the company headquarters of **Antigua and Barbuda Airways International, Ltd. (ABA)** are moved to Manassas, Virginia, where the firm is reformed as NavCom Aviation and purchases the assets of the failed **UltraAir**. Those resources are combined with those of ABA, including the chartered B-727-2B6A, to create **Paradise Airways**.

Eliza Jackson is named president/CEO, an operating base is established at Miami (MIA), and a leased fleet is assembled comprising the two **UltraAir** B-727-231s and the previously employed B-727-2B6A. The previous routes are initially flown, together with new scheduled flights to San Juan, St. Croix, and St. Thomas.

The Newark destination will later be exchanged for Washington, D.C. (IAD). One of the B-727-231s is leased to the Fort Lauderdale-based start-up Liberty Airlines. The carrier is renamed **Prestige Airways** in December. Enplanements total 115,540.

PARADISE ISLAND AIRWAYS: United States (1988–2000). Television mogul Merv Griffin purchases **Chalk's International Airlines (1)**

in 1988 as a vehicle with which to transport passengers to the new STOLport near his resort on Paradise Island in the Bahamas. Chalk's, with the oldest continuous airline-operating certificate in the U.S., is renamed Paradise Island Airlines, doing business as Chalk's International Airlines and is now the second largest nonaffiliated regional carrier in the country.

General Manager S. P. Allen's company, having lost its independence, converts into a Part 121 carrier and the fleet is revised to include 4 Grumman G-73 Turbo Mallards and the first company landplanes, 2 de Havilland Canada DHC-7-102s leased from Aviation Enterprises, Inc. The Canadian-built turboprops operate five roundtrips per day from Fort Lauderdale to Paradise Island and four per day from Miami, while the Mallards maintain their earlier routes to the U.S. Virgin Islands. Combined enplanements grow by 12% to 96,000.

In May 1989, Resorts International is forced into Chapter XI bankruptcy. Under provision of the filings, the corporate debt is restructured, with Griffin retaining only 22% of his previous shareholding. The air transport subsidiary is split into two divisions: **Chalk's International Airlines (1)** and **Paradise Island Airways**, it being a requirement of the bankruptcy court that PIA be sold with its Resorts International parent.

Retaining the original Chalk's Part 121 certificate, the landplane operation is turned over to the latter and it is announced that the former will receive a new Part 135 license and be sold. The sale does not immediately occur and the Mallards continue their amphibious shuttle flights to the Virgin Islands on a charter basis.

Meanwhile, PIA's two DHC-7-102s transport a total of 196,927 scheduled passengers to Paradise Island from Fort Lauderdale, Miami, and Palm Beach.

In cooperation with **Virgin Atlantic Airways, Ltd.**, PIA begins a series of charters during the spring of 1990 taking passengers from the British carrier to Walt Disney World in Orlando. John W. Presburg, an official with **Henson Aviation**, is hired in July as senior Resorts International vice president and chief operating officer of the airline subsidiaries, reporting to corporate CEO David Hanlon. Two more Dash 7s join the PIA fleet and negotiations are opened with the Illinois-based United Capital Corporation for purchase of the seaplane operation. In December, UCC's president purchases the Chalk's name, Part 135 certificate, and all 16 seaplanes.

The 160-employee, 4 Dash 7 PIA transports a total of 310,232 passengers, a significant increase over the previous year.

Chalk's begins operations in January 1991 as **Flying Boats, Inc.**, doing business as **Chalk's International Airlines**. With no purchasers for PIA yet on the horizon, the fleet of the 198-employee, Part 121 operation is reduced to 1 in-service DHC-7-102 as customer bookings decline 7% to 288,625.

In 1992, the carrier's 4 Dash 7s transport a total of 344,646 passengers, a 19.4% boost. Income exceeds costs and there are profits: \$5.15 million (operating) and \$99,553 (net).

The payroll grows by 12.3% in 1993 to 201 and 2 more DHC-7-102s join Chief Operating Officer Presburg's fleet.

Passenger boardings fall another 7.8% to 317,815 and revenues drop 3% to \$21.8 million. Expenses are \$20.28 million and operating income dips to \$1.51 million. There is a net loss of \$3.32 million.

The workforce is cut by 10.4% in 1994 to 180. Late in the year, Merv Griffin sells out to an unidentified owner. At this time, the company flies six daily services from Miami, four or five from Fort Lauderdale, and two from West Palm Beach.

Customer bookings drop another 13.5% to 274,958.

The workforce of the Fort Lauderdale-based carrier is reduced to 135 during 1995. The company becomes the 11th "USAir Express" carrier in September. The company's four DHC-7s are repainted in "USAir Express" livery, as **USAirways** begins to accept reservations on the carrier's behalf.

During the last week of November, an FAA inspection uncovers deficiencies in aircraft maintenance and record keeping, which results in the carrier's brief grounding. The first de Havilland is cleared to resume

services on November 30, followed by a second on December 1. The remainder are back in the air by month's end.

The 6 de Havillands fly a total of 246,260 passengers on the year, a 10.4% decline.

In January 1996, former U.S. Commerce Department Undersecretary Charles Cobb and Chuck Slagle purchase Chalk's. That pioneer, the oldest continuously operated air taxi—some say airline—in the world, is reformed into **Pan Am Air Bridge**. Under the new name, the company resumes flights to and from its South Florida and Bimini destinations on March 1.

On September 15, Paradise and **Carnival Air Lines** enter into a five-year code-sharing agreement, under which the latter cancels its participation in the "USAir Express" program, while adding more flights in cooperation with the potential **Pan American World Airways (2)** merger partner.

Under the block-seat, dual-designator pact of September 15, Carnival and Paradise Island on November 15 increase the number of flights between Florida and Paradise Island, the Bahamian resort island. Paradise also adds connecting service from Fort Lauderdale to Key West, from Miami to Fort Myers, and from Orlando to Key West. Late in the year, Paradise notifies **USAir** that it does not, after all, wish to withdraw from its franchise arrangement.

The traffic picture for Paradise Island, meanwhile, finally improves; passenger boardings jump 9.7% to 270,196.

On February 27, 1997, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional paints its aircraft in a modified version of the major's new grey and dark blue livery. Also, new services to Branson, Missouri, are promised.

Customer bookings fall 17.8% to 244,644.

In April 1998, **Air Alaska** signs a letter of intent to purchase all of the company's outstanding stock from PIA Holdings. The April acquisition arrangement with Air Alaska having fallen through, the "USAirways Express" company **Paradise Island Airways** again becomes available.

On July 31, **Gulfstream International Airlines** is acquired by G-Air Holdings Corporation, a public corporation, through a reverse merger transaction. On August 1, Paradise Island Airways is sold to G-Air Holdings, the new parent of Gulfstream, which will now operate both airlines as its subsidiaries. Chief Operating Officer Roger Larreur indicates that PIA will continue to operate its daily service between airports in South Florida and Paradise Island in the Bahamas under its historic marketing name **Chalk's International Airlines (2)**. However, the PIA arrangement with **USAirways** will now be terminated and the carrier will join GIA in operating under "Continental Connection" flight codes and branding.

Like GIA, Paradise Island suspends service on September 24–25 in the face of Hurricane Georges. All flights are resumed from Miami, Fort Lauderdale, and West Palm Beach on September 26.

Although Paradise returns to service, it is also bankrupt.

Customer bookings for the 12 months drop 15.7% to 206,000.

By the beginning of 1999, Paradise Island has cut its airline employment by 16.7% to 150.

On Wednesday, February 10, **Pan Am Air Bridge** files for Chapter XII bankruptcy protection with the U.S. Bankruptcy Court at Dallas, Texas, and suspends service the next day. On February 12, the court reaches an agreement with Gulfstream International to resume service to Bimini on a temporary basis, effective February 26, as the historic carrier attempts to reorganize under the protection of the bankruptcy laws.

The U.S. Bankruptcy Court at Dallas, on February 24 requests that **Gulfstream International Airlines** also continue to operate PIA as it, too, reorganizes under the protection of the bankruptcy laws.

GIA's President Cooper indicates that the historic airline will be preserved and that it will resume its 12 daily Grumman amphibian roundtrips on February 26 from Miami to Bimini and Paradise Island and from Fort Lauderdale to Bimini, Paradise Island, and Walker's Cay. While a final decision on the future of **Pan Am Air Bridge** is made, its

planes, like those of **Paradise Islands Airways**, are repainted in the colors of **Chalk's International Airlines (2)**. As **Chalk's International Airlines (2)**, PIA and PAAB continue and expand daily services as of February 26.

PIA ceases operations on May 11. Afterwards, **Gulfstream International Airlines** continues to operate its aircraft from Florida to Paradise Island. For the first-five-and-a-half months of the year, the division's passenger boardings drop 13.1% to 179,000.

On August 18, 2000, USAirways Group begins negotiations with **Gulfstream International Airways** concerning a takeover the stock of Paradise Island Airways. The same day, a new **USAirways** subsidiary, **Potomac Air**, is established to operate in the Northeast and Mid-Atlantic regions as part of the larger merger proposal between its parent and **United Airlines**. A deal between the major and Gulfstream is struck on August 24 wherein **USAirways** acquires 100% shareholding in PIA. On October 2, Merv Griffin's old commuter is merged into **Potomac Air**, giving it an automatic Part 121 operating certificate.

PARADISE ISLAND HELICOPTERS, LTD.: P.O. Box N-3725, Nassau, The Bahamas; Phone (242) 363-4016; Fax (242) 363-4016; <http://bahamasnet.com/helicopter.html>; Year Founded 1998. PIH is set up at Paradise Island Heliport, 1/4 mi. E of Nassau Harbour in 1998. Employing a Bell 206B JetRanger, the company begins sight-seeing tours of the Harbour, over cruise ships and the downtown area of Nassau, to Paradise, Gilligan's, Rose and Blue Lagoon Island, including views of Dolphin Encounters and the Stingray Club, and Cable Beach.

PARAENSE TRANSPORTS AEREOS, S.A.: Brazil (1952–1970). Antonio Alvs Ramos Jr. forms **Paraense Commercial, Ltda.** at Belem on February 22, 1952. Planning to operate a beef haulage and general charter service, Ramos purchases a former **Aero Geral, S.A.** Consolidated PBY-5 Catalina and begins flying to the Goias community of Pedro Afonso on March 30. Two more Geral Catalinas are acquired in 1953–1954. In 1955, the company is renamed PAT.

Two Curtiss C-46 freighters are obtained on September 4, 1957 and in March 1958 are employed to begin scheduled frequencies to Rio de Janeiro via Pedro Afonso, Cristallandia, Brasilia, and Goiania. Service is also started from Rio to São Paulo. Over the next two years, six additional C-46s are acquired, several in passenger configuration. During the same time, three Commandos are lost.

A C-46D with four crew fails its takeoff from Rio de Janeiro on May 31 and crashes; there are no survivors.

A C-46A with five crew is lost at Rio de Janeiro on January 6, 1959; there are no fatalities. Another C-46A with five crew is lost near Babaculandia, Brazil, on July 15; again, there are no fatalities.

A new route, actually awarded two years earlier, is started in August 1960 São Paulo–Cuiaba–Porto Velho–Rio Branco. Other destinations added include Campo Grande, Manaus, Jacareaconga, Itaituba, Sanarem, Altamira, Braganca, Pinheiro, Parnaiba, and Fortaleza.

A C-46A fails its initial climb away from Belem on September 22; no one is hurt in the subsequent forced landing.

Over the next decade, Ramos expands his network, but in the process, gains a terrible reputation for poor safety. A C-46A with two crew is destroyed in a takeoff accident at Pedro Alfonso, Brazil, on June 27, 1962; neither flyer is hurt.

A Douglas DC-3 is purchased on February 7, 1963, but is soon lost in a forced landing near Porto Velho. Of three DC-4s purchased in two-year period, one is lost under unknown circumstances at São Paulo on May 5 and another crashes upon takeoff from Belem on April 4, 1964 and is destroyed; no fatalities are reported in either incident.

Of the six C-46s acquired in 1957–1959, all are lost by 1965, including one lost in a nonfatal landing accident at Rio Branco on March 24. A C-46A with 3 crew and 10 passengers is destroyed in a midair explosion near Buraco on August 12; there are no survivors. Another C-46A with 2 crew is lost 25 mi. from Vilhena on October 23; there are no fatalities.

The fleet at the beginning of 1966 includes just 7 Commandos, 4 DC-4s, and 1 DC-3. Six more C-46s are purchased from Sweden late in the year.

Five Fairchild Hiller FH-227Bs are ordered in November 1967 and delivered to the company's Belem base in January 1968. Christened *Rio Rapajos*, the first enters service in February. Operations continue without incident in 1969.

While on final approach to Baia de Guajara Airport on March 14, 1970, an FH-227B with 5 crew and 35 passengers, crashes 1 mi. short of the runway and into Guajara Bay (38 dead). Another FH-227B is later wrecked by a vehicle on the ground at Belem Airport.

Already in financial difficulty from previous losses and unable to compete with all but one modern airliner not grounded for repair or overhaul, the carrier is now subjected to an audit-inspection by the federal government. On May 29, Paraense's operating permit is pulled and on July 15 the government takes over the last four surviving aircraft and gives them to **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)** for use on the Ponte Aerea Air Bridge shuttle service.

PARAGON AIR: P.O. Box 575, Commuter Airline Terminal, Kahului Airport, Kahului, Maui, Hawaii 96732, United States; Phone (808) 244-3356; Fax (808) 873-7895; <http://www.maui.net/~wings>; Year Founded 1980. Paragon is established at Kahului in 1980 to provide fixed-wing passenger and cargo charters, 24 hours a day, to Maui, Molokai, Lanai, Oahu, Hawaii, and the Kalaupapa Peninsula on the island of Molokai.

Family-owned and operated, the state's oldest FAR Part 135 fixed-wing charter company has a perfect safety record by 2000, operating a fleet of Piper PA-31-350 Navajo Chieftains and Britten-Norman BN-2 Islanders.

Among the celebrities transported by the concern over the years are: Steve Jones, Michael Douglas, Kenny Loggins, Mike Love, Richard Pryor, Bill Gates, the John Paul Getty family, Kevin Costner, Dennis Hopper, and Jackson Browne.

PARAGUAY AIR SERVICES (SERVICIOS AEREOS DEL PARAGUAY, S.A.): Paraguay (1957–1958). PAS is started in 1957 as a joint venture between private investors in Paraguay and Brazil. Two Curtiss C-46s and a Douglas DC-4 are acquired and employed to inaugurate revenue flights between the company's main Asuncion base and Rio de Janeiro, Buenos Aires, and Montevideo.

The company becomes embroiled in political difficulties in early 1958 after operational irregularities are charged. The controversy leads to cancellation of the carrier's certification.

PARAMOUNT AIRWAYS, LTD.: United Kingdom (1987–1989). Paramount is established as a charter carrier at Bristol in January 1987. Christopher Parker is chairman with Roy Steptoe as managing director. The first two of four leased McDonnell Douglas MD-83s (the first airline to place that aircraft on the U.K. civil register) are delivered in April, the same month in which the company receives a government license to operate charter services. The new carrier, by fall, has sold 90% of its capacity to major British tour operators for the following summer.

Chairman Parker's nonscheduled passenger carrier inaugurates 32 roundtrip weekly charter and inclusive-tour flights in the spring of 1988 to various European destinations. During the fall, the company enters into takeover discussions with the bankrupt U.S. charter operator **Sun-world International Airways**; when these fail, the American concern ceases operations in November. At the end of the year, **Amber Airways, Ltd.** is purchased and merged. Two Boeing 737-277s, leased from Ansett Worldwide, are acquired as part of the deal.

When the British holiday and vacation travel market suffers a big downturn in 1989, Paramount encounters significant financial difficulty. Despite an attempt to rescue the carrier and infuse it with the additional capital required to allow its participation in the winter holiday tour season, Paramount's viability cannot be maintained—the British charter market is, in the face of recession, just too weak.

Operations cease on November 2 and 130 employees are immediately laid off. The remaining 40 staffers are released on December 1 when the wet lease on its last B-737-277 expires. The company is liquidated near Christmas.

PARIZ AIR: 435 Safarkhan Ave., Tehran, 14547, Iran; Phone 98 (21) 822-1771; Fax 98 (21) 821-1969; Code IRE; Year Founded 1997. Pariz is established at Tehran in 1997 to offer international passenger charters between Bandare Abbas and Ras al-Khaimah. Revenue operations begin with a pair of Yakovlev Yak-40s.

PARKS AIR TRANSPORT: United States (1947–1950). Parks Air Transport is established at East St. Louis in December 1947. Despite the fact that it is unable to obtain Douglas DC-3s, Parks announces on June 8, 1950 that it will open lightplane services over 3,000 miles of government-approved routes in Missouri and Illinois.

The CAB steps in on July 28 and cancels the airline's permit, primarily because it had not inaugurated services when announced and because it did not have larger transports. Parks routes are transferred to two other start-up regionals: **Ozark Air Lines** and **Mid Continent Airlines**.

Parks goes to court on August 2 and on August 9 receives an injunction against the CAB, barring it from transferring the carrier's routes and asking it to reconsider its position. Parks, meanwhile, prepares to begin service.

Meanwhile, **Ozark Air Lines** also prepares to initiate eight former Parks routes on August 26. To avoid a nasty court fight, **Ozark Air Lines** purchases Parks on September 20, preventing it from ever actually beginning flight operations.

PARS AIR COMPANY: Iran (1969–1980). Established in 1969 as a private operator and as a maintenance company for general aviation, Pars Air begins scheduled services in March 1977 employing 2 leased Fokker F.28-4000s. New routes and replacement flights for **Iran Air** are undertaken linking the Tehran base with Ramsar, Nowshahr, Dasht-e-naz, Masshad, Birjand, Zahedan, Kerman, Hamadan, Sanandaj, Tabriz, Shiraz, Lavan Island, Ahwaz, and Khorramabad. Substantial traffic greets the new services.

During 1978, Managing Director Dr. Mansour Rafat's fleet comprises 3 chartered F.28-4000s plus 1 Shrike Commander, 3 Britten-Norman BN-2 Islanders, 1 Piper Aztec, and 1 Cessna 206. The carrier ceases operations during the traumatic revolutionary year of 1979.

In 1980, the new Islamic government takes the company in hand and merges it with **Air Taxi Company** to form **Iran Asseman Airlines**.

PARSA, S.A.: Apartado 9-001, Panama City 5, Panama; Phone (507) 226-3803; Fax (507) 226-3422; Year Founded 1990. Based at Panama City, Parsa begins scheduled, third-level passenger and cargo flights throughout Panama in 1990. By 1994, General Manager Jose I. de Roux's fleet has grown to comprise 1 Piper PA-34 Seneca, 3 Pilatus Britten-Norman BN-2 Islanders, and 1 Cessna 208 Caravan I.

Six years later in 2000, the fleet includes 2 Islanders and the Seneca.

PARTNER AIR COMPANY (PARTNER AVIAKOMPANIYA): Pushkin Mayakovskogo Str 15, Pushkin, 189620, Russia; Phone 7 (812) 476 9744; Fax 7 (812) 465 4304; Code PRR; Year Founded 1993. Partner is established at Pushkin, in the St. Petersburg Region, in 1993 to offer executive passenger flights and cargo charters in Russia and northern Europe. Vassili I. Bessarabov is general director and he inaugurates flights with 1 Antonov An-26 and 2 Yakovlev Yak-40s. A second An-26 is acquired in 1994.

Flights continued during the remainder of the decade. During these years, one each An-26 and Yak-40 are withdrawn.

PASSAREDO TRANSPORTES AEREOS, S.A.: Ave. Nove de Julho, 549 Centro, Ribeirao Preto, SP, 14025-000, Brazil; Phone 55 (16) 625-3737; Fax 55 (16) 625-1070; <http://www.passaredo.com.br>;

Code Y8; Year Founded 1995. With a quarter of a century of experience in the motor bus arena, Victor Passaredo establishes this airline subsidiary at Riberao Preto, centered in São Paulo State, during the first quarter of 1995. Jose Luiz Felicio is appointed managing director and is provided with 2 "QC" models Embraer EMB-120 Brasília. These inaugurate scheduled revenue services on July 1, linking the company's base with Aragua, Belo Horizonte, Curitiba, Golanta, Palmas, and São Jose dos Camps. A third Brasília arrives in late September.

Enplanements for the first half of 1996 total 17,496. The company becomes the first to operate nonstop from São Paulo to Vitoria de Conquista, an agricultural community in the northeastern state of Bahia.

Service continues in 1997. Late in the year, the company leases an Airbus Industrie A310-322 previously operated by **Sabena Belgian World Airlines, S.A.** The largest aircraft in company history is employed to undertake passenger charters to Natal, Recife, and Fortaleza, plus points in the Caribbean.

Service is maintained during the remainder of the decade and the fleet is enhanced by the addition of a third Brasília.

A total of 150 workers are employed at the beginning of 2000.

PATRICIA AIRWAYS, LTD.: Canada (1928–1929). After a successful two-year run as the moving force behind Patricia Airways and Exploration, Ltd., Capt. Harold A. "Doc" Oaks departs **Patricia Airways and Exploration, Ltd.** in early 1928 to begin **Western Canada Airways, Ltd.** Following his departure, Oaks' former partners reorganize PA&E and in October transfer its headquarters to Sioux Lookout, Ontario. Also in the fall, the Curtiss HS-2L previously operated by the recently defunct **Central Canada Airways, Ltd.** is purchased.

Operations continue apace into 1929, during which year the carrier, aircraft, and personnel, are purchased by and absorbed into **Canadian Airways, Ltd.**

PATRICIA AIRWAYS AND EXPLORATION, LTD.: Canada (1925–1928). Just after the January 1925 collapse of the pioneer **Laurentide Air Service, Ltd.**, a pioneer in gold mine air service, a huge new gold strike is made in Ontario's Red Lake area. A gold rush follows which, had Laurentide been able to hold on, might have provided sufficient revenues for it to continue.

Three investors step in to take up the slack and establish a new air service, **Patricia Airways and Exploration, Ltd.**, named in honor of the northwestern Ontario district where the Red Lakes gold mine is located. Chief among these investors is Capt. Harold A. "Doc" Oaks, a veteran of the Royal Flying Corps who had visited the Red Lake field on a dogsled and staked a claim. Oaks sells his claim and employs the funds received to acquire a float-equipped Curtiss Lark biplane; his colleagues pitch in and lease a Curtiss HS-2L flying boat.

Beginning in April 1926 and continuing through 1927, Oaks and company fly summer (float) and winter (skis) Lark plus HS-2L frequencies, transporting passengers, mail, and general freight, including mining equipment—the Lark can carry 400 pounds in its second cockpit. During the 2-year period in more than 10 flights per day, PA&E flies 260 passengers, 1.5 tons of mail, and 7 tons of mining and prospecting equipment into the Red Lake gold mines.

In January 1928, Oaks departs to begin **Western Canada Airways, Ltd.** and this carrier is reorganized into **Patricia Airways, Ltd.**

PATRIOT AIRLINES: United States (1992–1994). Patriot is established at Los Angeles in 1992 to offer all-cargo services with 2 leased Boeing 727-23Fs. The jetliners' livery features a white fuselage with 2 red horizontal stripes from nose to tailcone, one above and one below where the windowline would have been in a passenger plane, and a blue tail with a small American flag and 13 stars.

A total of 1.52 million FTKs are flown and revenues are \$1.3 million. Expenses associated with start-up cause initial-year losses of \$898,943 (operating) and \$939,762 (net), fold to 11.5 million FTKs. Revenues total \$3.9 million and, again, expenses are higher. As a result, a second

year of losses, albeit far less, is suffered: \$41,190 (operating) and \$70,260 (net).

Freight declines 29.5% in 1994 to 9.01 million FTKs, but operating revenue rises 34.6% to \$5.29 million. Expenses jump 61% to \$6.39 million, leaving an operating loss of \$1.1 million and a net downturn of \$1.09 million. The fiscal downturn is too severe and the company shuts its doors at year's end.

PAUKNAIR, S.A. See PAN AIR LINEAS AEREAS, S.A.

PAVCO: 1110 26th Ave., NW, Gig Harbor, Washington 98335, United States; Phone (253) 851-5577; Fax (253) 851-8709; Year Founded 1983. Pavco is established at Gig Harbor, near Tacoma, in 1983 to offer passenger and cargo charters to small, nearby communities. By 2000, Charter Manager Mike Pickett oversees the work of 3 full-time pilots and the operations of 3 Cessna 172 Skyhawks, 1 C-206T Stationaire, 1 C-337 Super Skymaster, and 2 Piper PA-23-250 AztecFs.

PAWAN HANS HELICOPTERS, LTD.: Safdarjung Airport, New Delhi, 110003, India; Phone 91 (1) 461-5711; Fax 91 (1) 461-1801; http://www.pawanhans.com; Year Founded 1985. Originally incorporated in New Delhi on October 15, 1985 as the Helicopter Company of India, Ltd., the carrier is reformed in 1988 and renamed Pawan Hans Helicopters (*pawan hans* is Hindi for "swan of the skies"). Shareholding continues to be held by the Indian government, 78%, and the Oil & Natural Gas Corporation, Ltd. (ONGC), 22%. The company still offers both offshore oil industry support and passenger flight-seeing tours in the mountains to the north of the country.

The company initially selects the Aerospatiale AS-365C Dauphin as its helicopter, but an offer from the U.K. government of Prime Minister Margaret Thatcher to the Indian government of Rajiv Gandhi leads to a split order and results in the company and the government acquiring 21 Westland 30s as well. The British-made helicopters are paid for out of a £65-million foreign aid line.

Upon their arrival, the Westlands are put into service in support of a contract from ONGC. One is lost in a fatal crash before the end of the year.

Flights continue in 1989. On December 11, a Westland 30 transporting 11 ONGC personnel is involved in an accident; 5 people are seriously hurt and the aircraft must be written off. This is the second serious accident this year.

At the end of December, it is reported that the company may purchase 12 Bell 214STs or Aerospatiale AS-332L Super Pumas for use in its long-range offshore support operations, railway support, and high-altitude missions.

On January 2, 1990, the carrier grounds its Westland 30s. Indian Air Force Mil Mi-8s and Mi-17s are pressed into service to visit the offshore oil platforms until the suspect helicopters can be inspected and placed back into service.

On May 21, Dr. Hussainy, Director of Technical Development & Production (Air) of the Indian Ministry of Defence submits a report on the Pawan Hans operation to the Indian Directorate General of Civil Aviation. In it, he finds the company "unprofessional in many areas," especially maintenance. He is also critical of Westland and of the Westland 30's engine manufacturer, Rolls Royce.

As a result, the ONGC contract is terminated and half the Pawan Hans fleet is grounded. The Indian Air Force is once again called upon to employ its helicopters to visit the ONGC rigs and Air Commander C. M. Singla, a 27-year Indian Air Force helicopter veteran, is named managing director.

At the end of the year, only the Dauphins and six Westland 30s are in service, primarily being employed on tourism and railway support within India and on communications flights in the Himalayas.

The concern's 19 Westland 30s are grounded on February 10, 1991. Following a review by the Civil Aviation Ministry, the company is informed in June that it will no longer be able to employ the type. West-

land studies the crashes, furnishes on-site expertise to Pawan Hans, and offers operational suggestions. The grounding, nevertheless, continues. At this point, the company is again reformed and the ONGC acquires a 49% minority stake.

With the 19 Dauphins and 3 new Bell 206L LongRangers, Pawan Hans is able to resume its upward climb later in the year and into 1992. A new contract is received from the National Thermal Power Corporation to undertake power line inspections, while the ONGC again finds favor with the company and allows Pawan to conduct pipeline surveys. Law enforcement support work is found in the Punjab, a medevac service is flown in the coalfields in Nagpur, and Aerospatiale Lamas and Ecureuils are flown on behalf of the Ministry of the Environment and the Gas Authority of India, respectively.

Having recovered from the damning 1991 report, Pawan Hans establishes a helicopter training academy and its maintenance activity becomes a profit center. By the end of the year, the carrier, in a nation where there are less than 50 civil helicopters in operation, the company is the major rotary-wing operator on the Indian subcontinent. Total revenues reach Rs 955.3 million (\$23 million).

In 1992–1996, PHL enjoys its greatest success in the offshore oil sector. The Dauphin 2s remain in the air an average of 15,000 hours per year for the ONGC, serving the 150 rigs operated in the main tract 200 km. from Bombay, plus other installations off Madras and Vijayawada in the southern part of the country. Use becomes so intense that, at one point, 86 landings are made within a week.

The company also continues to grow in the area of passenger transport, particularly in those regions with an inadequate surface transport infrastructure. Six Bell 206L-4 LongRangers are acquired to meet this need as the Westland 30s remain grounded for lack of a buyer. Until they are sold or returned to service, the company sustains a Rs 16-million (\$461,000) annual write-off.

Revenues during the latter year reach Rs 1851 million, while profit hits Rs 461 million.

The inaugural customer service is flown in June 1993 and links the Himalayan shrines of Badrinath and Kedarnath (at the 11,000-ft. level) with the tourist resort of Dehra Dun. Thereafter, a scheduled network is established in the state of Sikkim and flights are conducted between its capital, Gangtok, and outlying helipads in local communities. Short-haul charters are also operated from Bombay and Delhi to other major Indian cities.

In addition to these services, three Mi-8s are acquired to offer new flights in the Lakshadweep Islands and throughout the northeastern state of Nagaland. The operations are modeled on that offered in Sikkim. Eventually, the Westland 30s are returned to service and no further problems are encountered with them.

Operation of these services is sometimes spotty and government subsidy is not always very generous. Consequently, revenues drop to Rs 1517 million. Still, Rs 619 million in profits are reported.

During the spring of 1997, the company enters into negotiations with the Indian government to take over emergency air services from the Indian Air Force in the northeastern state of Arunachal Pradesh. A further plan is put forward to passenger network linking the other northeastern states of Mizoram, Meghalaya, and Nagaland.

By 1998, the fleet of Managing Director Singla includes 19 SA-365N Dauphin IIs, 19 Westland 30s, and 3 each Bell 206L-4 LongRangers and Mil Mi-8s. Plans are made to acquire four heavy helicopters and two lighter machines with which to undertake the expansion noted above. Among the candidates are the Mil Mi-17, Bell 407, and Eurocopter AS-350B-2 Ecureuil. Two Bell 407s and three Mi-17s are eventually selected.

During the closing ceremonies of August 13–14 marking the fiftieth anniversary of India's independence from the U.K., Pawan Hans provides free joyrides for 200 underprivileged and handicapped school children at New Delhi and Bombay. Civil Aviation Secretary P. V. Jayakrishnan presides over the function at New Delhi. Shri Kulwant Singh Kohli, Sheriff of Bombay, inaugurates the flights from his city.

It is reported on November that, since its start-up, the company has achieved 2.25 million flight hours.

Airline employment stands at 780 at the beginning of 1999; Pawan Hans, the largest rotary-wing operator in India, has a net worth of Rs 2732 million and equity capital of Rs 1137 million. Services provided include offshore support, interisland transportation, customs and pipeline surveillance, search and rescue, passenger charter and flight-seeing, policing, VIP transport, aerial photography and filming, flower dropping, and customized services.

Major customers include the ONGC, the governments of Punjab and Arunachal Pradesh, Oil India, Ltd., the Gas Authority of India, Hardy Exploration, Indian Customs, BSF, and the Lakshadweep Administration.

Flights continue in 2000.

PB AIR, LTD.: 101 Sunset Road, Bangkok, 10300, Thailand; Phone 66 (2) 669-2066; Fax 66 (2) 669-2092; <http://www.pbair.com>; Code PBA; Year Founded 1990. Tycoon Piya Bhirombhakdi establishes this carrier at Bangkok in 1990 to provide regional flight services for executives of his Singha Brewery. Passenger flights begin and continue with a Socata TBM700.

In October 1996, PB Air takes delivery of a Dornier 328-110; the first of its type to feature a quick-change interior, it is initially configured for use as a 20-seat corporate aircraft.

In November 1997, chief pilot Capt. Anusorn Singhagajen indicates to the media that his employer will begin scheduled flights in early 1998. He notes that the company may only fly to destinations not served by Bangkok Airways, Ltd. or Thai Airways International, Ltd.

With the completion of the new airport at Bangkok, Dornier 328-110 scheduled service to Chumporn, 170 nm. S of the capital, is inaugurated in March 1998. At the end of May, arrangements are completed that will allow the airline to provide feeder service on behalf of Angel Air, Ltd. On behalf of Angel, flights are inaugurated in June from Bangkok to Chiang Mai via Udon Thani.

The company's air operator's certificate is upgraded at the beginning of 1999 as Jothin Pamon-Montri becomes president. Scheduled jetliner flights from Bangkok to Roi Et begin in early March with a fleet of three Fokker F.28-4000s first flown by SAS (Scandinavian Airlines System). Later in the spring, new frequencies are offered from Khon Kaen to Chiang Mai. The Dornier returns to its earlier corporate role following completion of its last revenue flight on October 31.

Service is maintained during the remainder of the year and into 2000. Scheduled destinations visited from Bangkok include Chiang Mai, Chumphon, Khon Kaen, Krabi, Roi Et, and Udon Thani.

In May, Angel Air, Ltd., teetering on the brink of collapse, cancels its long-term agreement with PB Air. PB Air, for its part, turns around and initiates its first scheduled international route, operating its F.28-4000s daily from Bangkok to Singapore via Krabi. This new schedule is reduced to four times a week in mid-August.

On August 21, PB Air files a breach-of-contract suit against Angel Air, Ltd. and additional charges for passing nearly 20 million baht in bad checks to it for lease payments. PB Air is the first creditor to take action against troubled Angel. The matter is kept quiet until revealed by the *Bangkok Post* on October 17.

The Fokker route from Bangkok to Singapore via Krabi becomes a daily service once again on October 28.

PBA. See PROVINCETOWN-BOSTON AIRWAY (PBA)

PDG HELICOPTERS, LTD.: The Heliport, Dalcross, Inverness, Scotland, IV1 2JB, United Kingdom; Phone 44 (1667) 462740; Fax 44 (1667) 462376; <http://www.pdg-helicopters.com>; Year Founded 1995. Black Isle Helicopters, Ltd. and Dollar Helicopters, Ltd., both subsidiaries of the Morristown, New Jersey-based Lynton Group, are merged with Inverness-based PLM Helicopters, Ltd. in July 1995 to form the PLM Dollar Group. The enlarged concern, which will fly as

PDG Helicopters, is now the largest onshore helicopter charter operator in the U.K. and boasts a combined 40 years of operational experience.

Under the direction of CEO John Poland, the company engages in a variety of helicopter work, including construction support, filming, corporate and passenger charter, fire fighting, live fish transfers, and forestry and arboricultural support. During the remainder of the decade, bases are opened throughout the U.K. and the fleet comes to include a mix of 15 Eurocopter AS-315s, AS-350s, and AS-355s, plus Bell 206B JetRangers.

PEACE AIR, LTD.: P.O. Box 6036, Peace River, Alberta, T8S 1S1, Canada; Phone (403) 624-3060; Fax (403) 624-3063; <http://www.peaceair.com>; Year Founded 1962. W. Gayton organizes Peace Air at Peace River, Alberta, in 1962 to offer scheduled passenger air taxi flights throughout the prairie and northern areas of the country. In addition, charter and contract service flights are also undertaken.

Three decades later, in the early 1990s, the company employs 12 workers and a fleet of 1 Piper PA-31-350 Navajo Chieftain, 1 PA-31-310 Navajo, 1 PA-23 Aztec, 1 Cessna 210, 2 Cessna 206s, 2 Cessna 185s, and 1 Cessna 172.

By 1997, Albert Cooper is president and oversees a workforce of 17. The fleet includes 3 each Cessna 172s, C-206s, C-210s and 2 each Navajos and PA-34 Senecas. Revenues total C\$2 million.

During these years, regular scheduled and charter flights are offered to Edmonton City Center Airport, Calgary, Grande Prairie, Fort St. John, Fort Nelson, and Prince George.

A new Pilatus PC-12 joins the fleet in 2000 as scheduled service begins to Jasper/Hinton on September 5.

When new Calgary startup **Capital City Air, Ltd.** begins flying deep-discount services in August, it bills itself as a deep-discount alternative to **WestJet Airlines, Ltd.** and **Air Canada, Ltd.** By November, Capital City's British Aerospace Jetstreams are having so many maintenance problems that flights must be cancelled and many customers are lost.

As the year ends, Capital City is in both operational and fiscal distress and its board of directors is forced to take drastic action. An arrangement is worked out with Peace Air under which it will take over operation of the carrier at the end of January, replacing the Jetstreams with a PC-12. On January 25, all 47 of Capital City's employees will be sacked and negotiations with Peace will begin in earnest on a joint venture or merger.

PEACH AIR, LTD.: United Kingdom (1997–1999). Peach Air is established at London (LGW) in the spring of 1997 to offer charter and inclusive-tour flights to holiday destinations in Europe and the Mediterranean. A subsidiary of **Caledonian Airways, Ltd.** and Goldcrest Holidays, the new company is equipped with 2 used Boeing 737-204s and 2 Lockheed L-1011-385 TriStar 1s wet-leased from **Air Atlanta Icelandic, H.F.** Operations commence on May 1 and continue during the remainder of the year.

While on approach to London (LGW) from Dubrovnik on August 13, 1998, a B-737-204 with 6 crew and 115 suffers a sudden loss of cabin pressure after a crack occurs in a cargo door. The captain and a flight attendant lose consciousness, but quick action by the first officer allows the little Boeing to make a safe emergency landing. The captain and four passengers are taken to hospital with minor injuries.

By November 1, the U.K. charter airline business is rapidly approaching consolidation. In late October, Thomas Cook Group, which has recently purchased and begun to merge both Sunworld and its house carrier **Airworld Aviation, Ltd.**, as well as **Flying Colours Airlines, Ltd.**, acquires Carlson LeisureGroup and its airlines **Caledonian Airways, Ltd.** (2) and Peach Air.

Through the move, Thomas Cook gains Caledonian's slots at London (LGW) and Manchester and with 32 aircraft, now owns the second largest fleet among the nation's charter carriers. Plans are announced for an increase of service from London (STN), Bristol, Cardiff, Birmingham, and Glasgow. The fleet will also be rationalized, with only the TriStars seen as certain for retention.

As the year ends, Thomas Cook Group, which has assigned its own name to the enlarged travel group, is conducting marketing surveys to determine which airline brand name has the best public image and should be retained for the larger carrier. Early betting is that the names Caledonian (with its memory of delays and incidents) and Peach Air will disappear in addition to that of Airworld, with the romantic Flying Colours winning the label. A final decision is promised before the start of the 1999 summer holiday season.

Flying Colours is indeed the surviving airline and its enlarged fleet of 34 aircraft begins the new summer holiday season at the end of March 1999. The amalgamation comes as the European Commission grants permission for Thomas Cook to merge with the Carlson Leisure Group's U.K. travel interests.

PEARL AVIATION (PTY.), LTD.: 7 Slade Crt., Darwin Airport, Darwin, Northern Territory, 0821, Australia; Phone 61 8-89-206666; Fax 61 8-89 453668; Year Founded 1970. Pearl Aviation is established at Darwin in 1970 to provide airport services and to operate executive and small group charters and bush flights throughout the Northern Territory and later, across the nation. By 2000, the company employs 22 full-time workers and operates 2 Beech King Air 200s and 1 each Dassault Falcon 50 and Cessna 550 Citation II.

PEARL AVIATION AUSTRALIA (PTY.), LTD.: Fountelroy Ave., Perth Airport, Perth, Western Australia, 6104, Australia; Phone 61 (8) 9479 2555; Fax 61 (8) 9479 2525; Year Founded 1964. Begun at Wittenoom, Western Australia, in 1964 as the FBO Skywest Aviation (Pty.), Ltd., the company sets up a charter operation in 1967 initially known as **Pilbarra Air Services (Pty.), Ltd.** In 1972, the concern is relocated to Perth Airport at Redcliffe and renamed **Skywest Airlines (Pty.), Ltd.** Skywest wins a government contract in 1978 to provide Coastwatch services on behalf of the Customs Service. As the decade ends, the carrier is operating not only this duty, but some scheduled services and charter flights on behalf of area oil and mining companies.

Stillwell Airlines, Ltd., the largest commuter operator in the region, is purchased in 1980 and merged. **Transwest Airlines (Pty.), Ltd.** is taken over in January 1982 and two more companies are swallowed in 1983: **H. C. Sleight Airlines (Pty.), Ltd.** in July and Tamworth-based **East-West Airlines (Pty.), Ltd.** in December. East-West, which has grown to become the nation's largest regional airline, is allowed to retain its previous moniker.

After East-West is sold to **Ansett Australia (Pty.), Ltd.** in 1987, Skywest Airlines maintains its regional routes independently until 1994, when it, too, becomes an Ansett feeder. Two years later, in 1996, Skywest Aviation is sold to Paspalye Pearl Group and renamed. The Customs Service contract ends in 1997, but a new arrangement is made under which the company flies two Fairchild Metro 23s on behalf of the New South Wales Aerial Ambulance service.

As the decade ends, Pearl, the largest provider of specialist aviation services in Australia, concentrates on the provision of maintenance planning and aircraft acquisition services, performance analysis, and design and training.

A total of 191 workers are employed at the beginning of 2000.

A Cessna 550 Citation II is now based at Perth for charters, with two Beech Super King Air 200s housed at Darwin.

PEARSON AIRCRAFT: United States (1969–1995). Earl Pearson establishes his flying school and charter operation at Fairchild International Airport, Port Angeles, Washington, in October 1969. Employing 1 each Cessna 207 and Cessna 182, he inaugurates scheduled air taxi flights on November 1, 1972. Over the next six years, Pearson maintains operations linking his base with Seattle, Tacoma, and Olympia; his fleet grows to include 4 Cessna 402Cs.

By 1978, enplanements total 18,446. Boardings jump 59.9% in 1979 to 46,000. Freight accelerates by 48.8% to 138,000 pounds.

Scheduled operations are suspended in October **1981** when James Sherrell and **San Juan Airlines** purchase Pearson's scheduled division. Charter and air taxi flights are resumed and continue; meanwhile, following the demise of **San Juan Airlines** in **1986**, a limited number of scheduled services are once more offered. In **1993–1994**, Phil M. Pearson is CEO. Flights cease in **1995**.

PEE DEE AIR EXPRESS: United States (1980–1982). Robert T. Fulmer forms Pee Dee as an all-cargo commuter at Florence, South Carolina, in early **1980**. Equipped with a pair of Piper PA-31-350 Navajo Chieftains, Fulmer's tiny operation flies 1.68 million FTKs of freight by year's end. Small package delivery operations on behalf of air freight forwarders and others continue in **1981**, but the overall number of FTKs operated declines 23.4% to 1.36 million. Operations cease in the recessionary year of **1982**.

PEGASUS AIR: United States (1984). Pegasus Air is established at Washington, D.C. (IAD) in **1984** as the airline division of an FBO/charter operation to provide scheduled passenger services to Philadelphia and to Fayetteville, North Carolina. Although Piper PA-31-350 Navajo Chieftain daily roundtrips are duly inaugurated, they can only be sustained for a few months.

PEGASUS AIRLINES, LTD.: United Kingdom (1958–1961). Located at Blackbushe Airport, Claydon Aviation, Ltd. doing business as Pegasus Airlines, is established in January **1958** to operate charter flights from that location, as well as London (LTN). A **Hunting Clan Air Transport, Ltd.** Vickers Viking is acquired in February and employed to initiate inclusive-tour flights to Mediterranean destinations, beginning at the end of March. Ostend and Jersey are visited during the summer season and into the fall.

In early **1959**, two more Vikings are purchased and these are employed to launch the year's charter season from the new pick-up point of Glasgow. When the airport at Blackbushe is closed in **1960**, Pegasus transfers its base to London (LGW). From the new facility, the carrier also inaugurates a scheduled domestic route to Blackpool.

The company consolidates all of its inclusive-tour activities at Gatwick Airport in the spring of **1961**. In October, Pegasus, in significant fiscal difficulty, announces that it must shut down. The last flights are operated in December.

PEGASUS AIRLINES (PEGASUS HAVA TASIMACILIGI A.S.): 34800 Istayon Caddesi, Yesilyurt, Istanbul, 34800, Turkey; Phone 90 (212) 663-2931; Fax 90 (212) 663-5458; Code PG; Year Founded 1989. Pegasus is established at Istanbul on December 1, **1989** to offer charter and inclusive-tour services to destinations in Europe, the Mideast, and the Mediterranean. Majority shareholding is held by **Aer Lingus Irish Airlines, Ltd.** Revenue operations commence on April 15, **1990**, with a pair of Boeing 737-4Y0s chartered from GPA. One of the jetliners is withdrawn in **1991**, but is replaced in **1992** with a B-737-4Q8, also chartered, from the International Lease Finance Corporation (ILFC).

Operations continue apace in **1993**; however, in **1994**, the carrier is sold to Yapi Kredi Bank and M. Karamehmet. O. Berkman is chairman and his chartered fleet includes 2 B-737-4Q8s and 1 B-737-4Y0.

Destinations visited from Ankara, Antalya, Aoana, Dalaman, Ismir, and Istanbul include: Berlin, Cologne, Dusseldorf, Frankfurt, Hamburg, Hanover, Nuremberg, Helsinki, Joensuu, Jyväskylä, Kuopio, Oulu, Rovaniemi, Oslo, Stavanger, Tromsø, Trondheim, Cork, Dublin, Isle of Man, London (LGW), Manchester, Newcastle, Prestwick, Lyons, Nantes, Mulhouse, Paris (ORY), Amsterdam, Rotterdam, and Tel Aviv.

Another leased B-737-4Y0 is received at the beginning of **1995**. When the winter vacation schedule begins in the U.S. in October, both B-737-4Q8s are subleased to **Carnival Air Lines** and are sent to Miami wearing a hybrid color scheme.

A third chartered B-737-4Y0 is acquired in **1996** as the two B-737-4Q8s remain with **Carnival Air Lines**. Destinations visited in **1997** include Amsterdam, Berlin, Cologne, Cork, Dublin, Dusseldorf, Frank-

furt, Hamburg, Hanover, Helsinki, Isle of Man, Joensuu, Jyväskylä, Kuopio, London (LGW), Lyons, Manchester, Mulhouse, Nantes, Newcastle, Nuremberg, Oslo, Oulu, Paris (ORY), Prestwick, Rotterdam, Rovaniemi, Stavanger, Tel Aviv, Tromsø, and Trondheim.

In late September, when **Carnival Air Lines** is taken over by **Pan American World Airways (2)**, the leased B-737-4Q8s are returned. At the same time, orders are placed for one each B-737-4Q8 and B-737-8Q8 for delivery in spring 1998 and spring 1999, respectively.

The B-737-4Q8, leased from ILFC, arrives under a five-year charter in March **1998**. Flights continue and in November a B-737-4Y0 is leased to **Ryan International Airlines**; Ryan will operate the aircraft for Trans Global Tours on winter season package tour vacation flights from Minneapolis (MSP) to Florida and Las Vegas.

Simultaneously, the B-737-4Q8 is subchartered to **Winair**. The U.S. carrier will employ the jetliner, beginning in March **1999**, to operate replacement service from Newark and Islip, New York, to Florida on behalf of **Sun Jet International Airlines**.

The B-737-8Q8 is delivered on March 25. Configured in an all-economy cabin arrangement, the new aircraft is employed to routes that connect several Turkish cities with destinations in Europe. Upon the failure of **Winair**, the aircraft is returned.

During the fall, an alliance is entered into with **K2000, Ltd.** A B-737-4Y0 is subleased to the Auckland, New Zealand-based start-up, allowing it to begin revenue flights on December 1.

The Pegasus workforce totals 237 at the beginning of **2000**. Citing lack of demand, **K2000, Ltd.** shuts down on January 11. The "Baby Boeing" is returned to Turkey. The B-737 fleet now includes 2 Dash-86Ns, 4 each Dash-4Q8s and Dash-4Y0s, and 1 Dash-42R.

A B-737-4Q8 is subleased to **Air Algerie, S.A.** in February to operate European and regional services.

The second two of a seven-plane request for Next Generation B-737-86Ns are delivered on April 30 and June 2, respectively.

Another B-737-4Q8 is forced to make an emergency landing at Dusseldorf on September 5 after smoke is reported in its cabin. A newly received Next Generation B-737-86N is subleased to **Khalifa Airways, S.A.** on December 29.

PELAIR AVIATION (PTY.), LTD.: P.O. Box 208, Mascot, New South Wales, Australia; Phone 2-9669-3555; Fax 2-9317-5505; http://www.pelair.com.au; Code QH; Year Founded 1996. L. Lewis establishes Pel-Air at Botany, New South Wales, in **1966**, to offer charter and contract service flights. Operations commence and focus largely on the provision of services to the oil exploration industry in Thailand, Malaysia, Burma, Singapore, and New Guinea under contract to Total, Exxon, and British Petroleum.

Later, in the **1980s**, the company begins subcontract service for the larger freight airlines and courier flights for the nation's mining industry. By **1994**, the fleet includes 1 Shorts 330, 1 Dassault Falcon 20, and 7 Israeli Aircraft Industries IAI-1124 Westwinds.

In **1995**, the company wins a contract from the Australian Department of Defence for the provision of six IAI-1124s for use in such diverse activities as target towing, personnel training, and defense system calibration and testing.

Thirty years after start-up, the company, in **1996**, also acquires a fleet of Fairchild Metro IIs and Metro IIIs with which to supplement the company's specialized freight activities.

In **1997–1999**, Pelair flies not only IAI Westwinds and Metros, but several other executive types, including Learjet 35As and 36s and Beech Super King Air 200s. During these years, the company places enhanced emphasis on its time-sensitive "Must Travel Fast Courier" service as well as its "Fly-In/Fly-Out" air service for the mining industry, both products initially begun earlier in the decade. Pel Air also becomes an audited and approved carrier for the UN and even transports the Sydney 2000 Olympic bid committee around Africa.

In **2000**, a Metro III is leased to **McKinley Air Charter (Pty.), Ltd. (Macair)**.

PELANGI AIR SDN. BHD.: 18th Floor, Menara Tr, 161-B Jalan Ampang, Kuala Lumpur, 50450, Malaysia; Phone 60 (3) 262-4453; Fax 60 (3) 262-4515; <http://www.pelangiair.com>; Code 9P; Year Founded 1987. The regional Pelangi (which in the Bahasa Malaysian language translates as "rainbow") is formed at Subang International Airport, Kuala Lumpur, on September 1, 1987. Its purpose is to take over the operations of **Malaysia Air Charter, Ltd.** (nicknamed MACair) and provide scheduled services in addition to the charter flights of **Pan-Malaysian Air Transport, Ltd.**

Malaysian Airline System, Ltd. (MAS) holds 11% shareholding in the semi-state carrier and Dato Abdul Aziz is named chairman/CEO. Other owners of the company, capitalized at \$1.25 million U.S., include the state government of Terengganu (44%), Wira Keris Engineering, which is controlled by the state government of Perak (33%), and Malaysian Helicopter Services (11%). Led by Capt. Ismail A. Bakar as general manager, five MAS executives are seconded over to establish the new company on a firm footing.

Equipped with a pair of brightly liveried de Havilland Canada DHC-6 Twin Otters and manned by a staff of 25, General Manager Bakar's company inaugurates third-level flights to Ipoh, Malacca, and Penang on January 1, 1988. Additional destinations added during the year include Johor Baharu, Kuantan, Kerish, Kuala Terengganu, Kota Baharu, and the island resort of Tioman. Pretax profits total M\$500,000.

Two Dornier 228-208Ks are acquired in 1989-1990 and services are inaugurated to Padang and Pekanbaru, Indonesia, and Singapore. One of the two turboprops acquired is the *Petromas*, which had previously operated on behalf of MACair.

Enplanements total 45,000 in the former year and 60,000 in the latter, while profits in 1989 are M\$685,000, reaching M\$1 million a year later.

A Dornier 228-208K is acquired in early 1991. During the first quarter, orders are placed for two Fokker 50s, with options taken on two more. When **Malaysian Airlines, Ltd. (MAS)** initiates services to Phnom Penh, Cambodia, in the spring, the third-level carrier is forced to abandon its plan to do so. Still, a new route is started to Batam Island, Indonesia, in April. The first Fokker 50 arrives during October and enters service on November 1.

Another Fokker 50 arrives in February 1992 plus a fourth Dornier 228-208K. Zahari Mohammed Noor now becomes general manager. The new Fokkers open services from Kuala Lumpur to Btama and Padang in Indonesia and replace a Dornier 228-208K on an earlier service from Kuala Lumpur to Btama.

On February 3, 1993, Pelangi opens joint return service with **SilkAir, Ltd.** (employing the former's Dorniers) between Malaysia's Tioman Island and Seletar, Singapore.

The fleet in 1994 includes 3 Dornier 228-208Ks, 1 228-212K, and 2 Fokker 50s, 1 of which is leased from **Malaysian Airlines, Ltd. (MAS)**. Tan Sri Saw Hwat Lye becomes chairman, with Abdul Rahman Dat Samsu as general manager/CEO. Orders are placed in 1995 for two each de Havilland Canada DHC-8-200s and DHC-8-300s with which to replace the Fokker 50s. The company begins to suffer from labor problems. When the Malaysian Department of Civil Aviation declares the runway on Pangkor Island to be unsafe, Pelangi is forced to suspend its twice-daily return flights from Kuala Lumpur.

Airline employment stands at 339 in 1996 and three more Fokker 50s arrive, including another MAS machine. Markets served include Banda Aceh, Ipoh, Johore Baharu, Kerteh, Kuantan, Malacca, Medan, Padang, Palembang, Pekan Baru, Penang, Seletar, and Tioman Island.

Due to a mass exodus of pilots, the company is forced to cancel over 175 flights in the month after October 16.

It is announced on November 27 that Pelangi will be purchased by **Malaysian Airlines, Ltd. (MAS)** early in the new year. The flag carrier already holds an 18% stake in Pelangi via its parent **Malaysian Helicopter Services Sdn. Bhd.**

On January 2, 1997, the company is purchased by MAS (18%) and three institutions associated with the Terengganu state government

(82%). Chairman Lye and General Manager Samsu are allowed to remain.

The summer Asian economic crisis that ravages Indonesia also impacts Pelangi. On September 15, the thrice-weekly return services from Banda Aceh to Kuala Lumpur via Penang are suspended. Weekly frequencies are reduced from seven to three to Pekanbaru in Riau, from seven to five to Padang in West Sumatra, from seven to four to Medan in North Sumatra, and from seven to three from Palembang in South Sumatra. It also does not replace the Fokker 50s as originally planned.

Unlike several other Indonesian air transport firms, the company does not fold during the Asian currency crisis and, indeed, will recover from the fiscal difficulties that situation creates. In 1998, twice-daily return service is resumed between Kuala Lumpur to Pangkor Island. The number of flights to cities in Sumatra is now increased.

Pelangi's schedule is sometimes erratic, particularly in the matter of scheduled charters. In mid-August 1999, the Perak government complains that the apparent uncertainties surrounding Pelangi service to Pangkor Island are beginning to affect tourism. State government leaders demand that the airline improve its performance.

At the end of October, the thrice-weekly route from Banda Aceh to Kuala Lumpur via Penang is reopened.

The number of weekly return frequencies from Padang, capital of West Sumatra, to Kuala Lumpur is doubled from three to six during the fall of 2000.

PELICAN EXPRESS: 7501 Pembroke Road, West Hollywood, Florida 33023, United States; Phone (305) 966-9750; Fax (305) 885-8271; Code PEX; Year Founded 1992. Pelican is set up at West Hollywood in 1992 to operate regional FAR Part 135 charter flights to regional destinations. Services commence and continue with a fleet that includes two IAI Jet Commanders and three HFB Hansa Jets.

PELIKAN BLUE LINE: Podgorica, 81000, Montenegro, Year Founded 1997. Privately owned Pekikan is established at Podgorica in 1997 by its CEO/owner Dragan Ivancevic, to offer passenger air taxi flights as well as to provide pilot training. Revenue operations commence with 1 each Aerospatiale Gazelle helicopter, Cessna 172, and Piper Warrior. The company also operates the government's Cessna 421 Golden Eagle under contract. These operations are continued in 1998-1999.

Early in 2000, the company receives an air operator certificate from the Montenegro government for the initiation of scheduled passenger service. Two Let L-410UVPs are acquired and at the end of March, weekly return flights are inaugurated from Podgorica and Tivat to Bari in Italy and Banjaluka, Bosnia-Herzegovina. During the summer, a second flight is introduced between Podgorica and Bari and new weekly roundtrips begin between Podgorica and Skopje.

CEO Ivancevic tells *Flight International* on September 26 that he is planning to grow his workforce to 60 early in the new year and acquire larger aircraft in order to expand his scheduled network throughout Europe.

PELITA AIR SERVICE: Jalan Abdul Muls 52-56A, Jakarta, 10160, Indonesia; Phone 62 (21) 231-2030; Fax 62 (21) 231-2216; Code EP; Year Founded 1963. PAS is the commercial flight subsidiary of Pertamina, the national oil corporation of Indonesia. Formed in early 1963, the company's principal mission is to support its parent as Dinas Penerbangan Pertamina, a department within the company. The unit provides logistical services and support for resource exploration with an initial fleet of 1 Aero Commander and 2 Douglas DC-3s.

On January 24, 1970, the company is reformed and tasked to provide contract, charter, and leasing operations in support of the national oil and gas industry.

Operations are undertaken with Fokker F.27s, de Havilland Canada DHC-6-300 Twin Otters, and Shorts SC-7 Skyvans. Between April and May 15, a BAC 1-11-416 is leased from its manufacturer; it will be char-

tered again in **1974–1975**. On both occasions, the aircraft is subleased to **Merpati Nusantara Airlines** to fly Australian passengers from Darwin to Denpasar on the island of Bali.

Flights continue in **1976–1977**. The company now has the opportunity to perform a useful public service. When Lockheed in the summer of **1978** dispatches an L-100-30 civil Hercules demonstrator to Indonesia for examination by the oil industry, it provides a series of twice-daily preview flights from Jakarta to Padang and Jambi, Sumatra. Rather than fly empty, the aircraft transports 1,300 families from the capital region to their new homes in the government's resettlement territories.

Flights continue without incident in **1979**; however, there are two accidents in **1980**. A chartered CASA C-212 Aviocar 100 with 3 crew and 10 passengers crashes into Cemonyet Mountain on January 23 in bad weather; there are no survivors. Having run out of fuel, an F.27-400 freighter with four crew crashes onto Misool Island on October 13; this time, there are no fatalities.

In **1981**, PAS becomes a "profit center," with a separate headquarters located at Jalan Abdul Muis No. 52-56A Jakarta; its fleet is based at Pondok Cabe, known as Pondok Cabe Airfield.

For a period in the **1980s**, Pelita continues to be engaged in the government-sponsored transmigration effort to relocate thousands of citizens from heavily populated Java to other islands in the archipelago. A private operation, PAS releases neither traffic nor financial data. Beyond the 1,300 families transported in the Lockheed demonstration, no one knows how many people the company relocates.

While descending from 3,000 ft. on January 24, **1984**, an IPTN (CASA) NC-212-200 Aviocar with two crew and seven passengers crashes into a mountain near Manado (six dead).

Toward the end of the decade, the fleet comprises 8 Fokker F.28-1000/4000s, 2 Fokker F.27s, 6 Lockheed L-382G Hercules freighters, 5 de Havilland Canada DHC-7-103s, 3 Transall C-160Ps, 3 British Aerospace BAe (HS) 125-600Bs, 8 Shorts SC-7 Skyvans, 4 IPTN (CASA) Indonesian-made CN-212-100 Aviocars, 8 IPTN (CASA) NC-212-200s, 2 Piper PA-31 Navajos, and 40 helicopters.

An IPTN (CASA) NC-212-200 Aviocar with 3 crew and 13 passengers reports mechanical problems and ditches into the Java Sea on January 2, **1990** (9 dead).

The equipment of Director Oedyono Adwisastro's 2,199-employee company is upgraded in the early **1990s**. In **1991**, the fleet includes 1 leased BAe (BAC) 1-11-401AK, 2 F.28-1000s, 5 F.28-4000s, the 5 DHC-7-103s and 3 C-160Ps, now upgraded by the addition of 3 C-160NGs and 1 BAe 146-200. The Fokker Friendships and one Hercules are removed. Orders are outstanding for a Fokker 100, a Grumman G-111 Albatross, and one each Grumman Gulfstream II and Gulfstream III.

The fleet in **1992** features the delivered Fokker 100, the Grumman G-111 Albatross, 2 Grumman Gulfstreams, the remainder of the 1991 fleet, and 54 helicopters, including 34 German-made MMB BO-105Cs. In **1993**, airline employment stands at 2,153.

Services continue apace in **1994** as orders are placed for five Fokker 70s with which to replace the F.28s. To assist **Sempati Air** with capacity requirements on its new route from Jakarta to Christmas Island, the company leases to it the F.28-4000 *Kurau*.

The first new Fokker 70 is delivered at the end of September **1995**. Two more Fokker 70s arrive in **1996** and in July the company signs a memorandum of understanding with Lafayette, Louisiana-based **Petroleum Helicopters, Inc.** to cooperate on the upcoming \$2-billion NATUNA offshore project, which is being jointly developed by Esso and Indonesia's government oil company. Both companies will provide full-time offshore flight service within two years.

Two additional Fokker 70s enter service during **1997** as the company is entrusted by the UN to perform light operations in Africa and South-east Asia for humanitarian missions. Drawing on its income from the energy industry during the time of Indonesia's economic upheaval, Pelita continues flying in **1998**. It does, however, remove the British Aerospace BAe 146-200 Statesman executive aircraft acquired back in 1986.

The Fokker F.28-4000 *Matak* is leased to **Air Ivoire (Societe Ivoirienne de Transport Aerien, S.A.)** in September **1999**. A new Avro RJ85 is received before Christmas.

A total of 977 workers are employed at the beginning of **2000**. The fixed-wing fleet now includes Fokker 100s, Fokker 70s, Fokker F.28-1000s/-4000s, Gulfstream G-IIIs, DASH-7s, CASA 212-200s, and an Avro RJ85. The rotary-wing component includes Sikorsky S-76, Bolkow NBO-105, Eurocopter SA-330J Puma, and SA-332C Super Puma helicopters.

While on final approach to a bush field in Aceh Province on a December 19 Exxon charter from Medan, a DASH-7 is forced to abort and pull up when gunmen open fire on it from the ground. The de Havilland is hit by at least three bullets, but is able to safely return to its point of origin.

PEM AIR, LTD.: Pembroke 8, Area Municipal Airport, RR 6, Pembroke, Ontario K8A 6W7, Canada; Phone (613) 687-8139; Fax (613) 687-5166; <http://www.pemair.on.ca>; Code PD; Year Founded 1970. A group of Pembroke and area businessmen set up Pem Air, Ltd. in the spring of **1970** to undertake scheduled air taxi flights to Toronto. Employing a Beech 18, the company inaugurates revenue services from Pembroke and Area Municipal Airport in late May.

An ex-**Great Lakes Airlines, Ltd.** Douglas DC-3 is acquired in **1971**, followed by a second in **1972**. These are employed to stretch routes to North Bay and Montreal. A third DC-3 is acquired in **1976**. Two years later, in **1978**, one of the Douglas transports is replaced by a new Beech 99. In **1979**, the last two DC-3s are withdrawn and in **1980**, two Piper PA-31-350 Navajo Chieftains are placed into service.

President Delbert A. O'Brien oversees a workforce of 20 in **1981**. The following year, the Beech 99 is sold to **Bearskin Lake Air Service, Ltd.** In **1983–1984**, a third Navajo Chieftain is purchased. By **1987**, a total of six PA-31-350s are in service and a new market has been opened at Cornwall.

Two Navajo Chieftains are withdrawn in **1989**. In **1990**, another Navajo Chieftain is withdrawn and replaced by a Beech King Air 100. In **1992**, the fleet is further downgraded; the remaining Pipers are replaced by two more King Air 100s. Operations continue largely without change in **1993–1996**.

To replace air service lost with the closure of **NorOntair, Ltd.** in 1995, the Ontario Northland Transportation Commission on June 1, **1997** provides C\$150,000 per year for two years to nine northeastern communities in the province. The funds will be employed by the cities to fund replacement flights. Pem Air receives C\$900,000 to link six of these towns and cities.

Under the direction of General Manager Jason O'Brien, the Pembroke-based carrier starts daily Navajo Chieftain service under the program from Elliot Lake to Toronto via Gore Bay. During the remainder of the month, Pem Air makes arrangements to station a PA-31-350 and ground crew at both Elliot Lake and Wawa.

Using Elliot Lake as a hub, Pem Air launches daily service on July 1 to Chapleau, Hornepayne, and Wawa. It also serves Kirkland Lake and the Tri-Towns (through Earlton) with improved scheduling to Sudbury and Elliot Lake. From those points, flights are offered to Toronto. It is expected that the increased feed from northern Ontario will make the entire new network profitable and worth sustaining after subsidy ends.

These flights, together with other services, are maintained throughout the remainder of the year and in **1998**.

Early in **1999**, a new subsidiary, Trillium Air, Ltd. is established and outfitted with a British Aerospace BAe Jetstream 31. The new enterprise launches a daily schedule in June linking Kitchener–Waterloo Regional Airport with Ottawa.

The new enterprise launches a daily schedule on June 21 linking Kitchener–Waterloo Regional Airport with Ottawa.

Pem Air frequencies are maintained in **2000**. Airline employment stands at 43 and the fleet now includes 2 each Jetstream 31s, Piper Navajo Chieftains, and Cessna 172s and 1 each Beech King Air 100, King Air 90, and Cessna 150.

A new subsidiary, Trillium Air, Ltd., is established in June and initiates daily Jetstream 31 roundtrips connecting Kitchener–Waterloo International Airport with Ottawa.

PENA TRANSPORTES AEREOS, S.A. (PENTA): Placa Eduardo Gomes s/n, Santarem, Paras, 68025-710, Brazil; Phone 91-522-6719; Fax 91-522-6025; Year Founded 1994. Pena Taxi Aereo, Ltd. is established in 1994 to offer nonscheduled passenger and cargo services throughout the country. Operations commence with 2 Embraer EMB-110 Bandeirantes, 1 of which is leased from **Brazil Central (Linha Aerea Regional, S.A.)**, and 2 Cessna 208s, both chartered from the same airline.

Operations continue apace in 1995–1996. The fleet is increased with another Brazil Central Caravan I, a McDonnell-Douglas MD-500N helicopter, and a Neiva (PA-31T) NE-821.

The company is reorganized and renamed in 1997. Founder Cesar Pena Fernandes remains president. In December, two de Havilland Canada DHC-8-314s are chartered from **SA Express (Pty.), Ltd.**

Flights continue in 1998–2000.

PENAIR. See PENINSULA AIRWAYS (1)

PENINSULA AIR (PTY.), LTD.: Australia (1993–1995). This regional carrier is established at Melbourne in January 1993 and Managing Director Joanne Jenner begins scheduled passenger and cargo flights almost immediately. The inaugural fleet includes 1 each Cessna 421 Conquest, Cessna 402, Cessna 310, Beech 58 Baron, Piper PA-31-310 Navajo, and Piper PA-34 Seneca.

Flights continue apace in 1994 as Canberra joins the route network and orders are placed for two Piper PA-31-350 Navajo Chieftains, one of which enters service by year's end. Unable to continue, the company shuts down in February 1995.

PENINSULA AIRWAYS (1): 6100 Boeing Avenue, Anchorage, Alaska 99502, United States; Phone (907) 243-2485; Fax (907) 243-6848; <http://www.penair.com>; Code KS; Year Founded 1955. Orin D. Seybert, 17, arrives at Pilot Point, Alaska, with his schoolteacher parents and a two-seat Taylorcraft, in 1954. The following year, the youth also acquires a four-seat Piper Tri-Pacer.

In the spring of 1956, Seybert organizes Peninsula Airways at King Salmon, Alaska, to provide charter passenger and cargo flights to local and bush destinations, with the special attention to the needs of the seafood industry. Flights commence with a four-seat Piper Tri-Pacer.

Peninsula is incorporated on March 1, 1965. Alaska Aeromarine, the fixed base operator at King Salmon, is purchased. The arrangement gives Seybert the local Standard Oil dealership, two more airplanes, and an airport with connecting airline services to Anchorage provided by **Northern Consolidated Airlines** and **Pacific Northern Airlines**.

In 1966, Peninsula determines to offer its own service to Seattle. The long-haul flight is to be executed with a Douglas DC-4 that unhappily fails its November 17 takeoff from Seattle with 28 aboard and crashes; there are no survivors.

A contract is signed with **Reeve Aleutian Airways** in 1967 to provide contract flights linking King Salmon with Egegik, Ugashik, Pilot Point, South Naknek, and Levelock. Piper and Cessna lightplanes are employed. Over the next decade, Convair CV-580s and de Havilland Canada DHC-6 Twin Otters are occasionally leased from the partner.

Founder Seybert, who by this time is married, on May 1, 1969, purchases Tibbetts-Herre Airmotive, the 19-year incumbent FBO at Naknek. With Orin as president and his wife Jennie as secretary, George R. Tibbetts now becomes the new vice president.

In the period from 1970–1976, Peninsula launches regular service between King Salmon and the Pribilof Island communities of St. Paul and St. George. The routes are subsidized by the National Marine Fisheries Service and the U.S. Postal Service. These flights and other charters are undertaken with a Grumman G-73 Super Widgeon wet-leased from **Reeve Aleutian Airways** to Dutch Harbor, Atka, and Adak.

Two Grumman G-21 Goose amphibians are purchased from Reeve Aleutian Airways on February 1, 1977. These are employed to expand the subcontract to all bush points certificated to Reeve throughout the Alaskan Peninsula and Aleutian Islands. To assist in the performance of this task, Peninsula sets up an operating base at Cold Bay complete with offices, hangars, and employee housing.

Contract and charter services are maintained throughout 1978–1979.

Following receipt of its own Part 401 certificate from the CAB, together with FAA Part 135 operating authority in 1980, Peninsula begins scheduled commuter flights to points in the southwestern part of the state, while charter and contract service flights are continued. Destinations visited in the Pribilof Islands, Alaskan Peninsula, and Bristol Bay areas include Cold Bay, Egegik, Igiugig, King Salmon, Levelock, Naknek, Nelson Lagoon, Pilot Point, Port Island, South Naknek, and Ugashik.

In 1983, the company acquires its first turbine aircraft, a Cessna 441 Conquest, which is employed on operations out of Cold Bay. The fleet of 1 Piper Conquest, 2 Grumman G-21 Geese, 1 Grumman G-73 Super Widgeon, 1 Piper PA-23 Aztec, and several smaller floatplanes maintain services during the remainder of the year and throughout 1984. Peninsula is the first Alaskan air carrier to qualify for the CAB's Essential Air Service (EAS) subsidy and provides such service to various points in the Aleutians and Kodiak Island.

All of the assets of Kodiak-based Air Transport Services are purchased in 1985. The acquisition brings a hangar, offices, two Piper PA-31-310 Navajos, a Cessna 207, and a Britten-Norman BN-2 Islander. The new aircraft allow year-round scheduled service to be provided to all points on the island.

Late in the year, the Seybert family and the company move to Anchorage, where a new hub is started at Lake Hood. Two Conquests are stationed at the new base, first to provide charters and then scheduled service to the Pribilof Islands.

Two 50-passenger Convair CV-580s are acquired in early 1986 and scheduled service is launched from Anchorage to King Salmon and Dillingham. The first of six Fairchild Metro IIIs is placed into service in June 1987.

Early in 1988, amphibious operations cease as the company is transferred to Anchorage. All of the previous fleet is sold except for 1 Navajo, the Islander, and the Conquest. To handle cargo operations, a Cessna 208 Caravan I is now purchased.

When the bush operators at Dillingham lose their certificates after failing FAA inspections, Peninsula establishes a base in that community, with a hangar and the Piper Aztec and Cessna 207, before their disposal. New scheduled routes are initiated to the surrounding region.

On October 27, President Seybert visits **MarkAir's** offices to confer with Vice President Larry Anderson. Discussion ensues on possible collaboration on route distribution. It will later be alleged that **MarkAir's** suggestions constitute an attempted limitation of competition on routes between Anchorage and southwest Alaska regional hubs.

The fleet is supplemented in 1989 by three Fairchild Metro IIIs.

In April, Peninsula is one of five Alaskan air carriers subpoenaed by the Department of Justice to provide information in an investigation of possible antitrust violations in the airline industry. Together with **Reeve Aleutian Airways**, **Frontier Flying Service**, **Ryan Air Service**, and **Alaska Airlines**, Peninsula is required to supply documents dating back to January 1, 1984, to a May 9 grand jury session, or forward them directly to Washington. Although the airline subpoenas do not name a target, the May 6 issue of the *Anchorage Daily News* reports the subject is **MarkAir**. President Seybert confirms to the newspaper that he has been contacted by DOJ lawyers within the past year concerning possible antitrust violations by Neil Bergt's carrier.

Peninsula is now contracted by Exxon Corporation to provide support flights to the area of the *Exxon Valdez* oil spill cleanup. At the same time, a contract is received from Alaska Regional Hospital to provide 24-hour fixed-wing medevac services.

The fleet is increased in 1990 by three more PA-31-310s and six PA-32 Cherokee Sixes. Authority and a contract is obtained to provide

Essential Air Service (EAS) flights to three more Alaskan communities and, as a result, traffic figures are now reported. These show that the 132-employee carrier flies a total of 72,150 customers on the year.

Another Metro and three additional Cherokee Sixes are purchased in 1991. The company is reformed and adopts the marketing title Peninsula Airways, doing business as **PenAir**. Jennie Seybert becomes the majority shareholder (51%) and is elected board chairman. Orin holds a 15% stake and remains as president. During the spring and summer, the carrier is successfully inspected by Exxon, the U.S. Office of Aircraft Services, the DOD, and survives two FAA "white glove" safety reviews.

A PA-32 must be written off following an August 22 crash at Togiak, Alaska. By September, the company holds 28% of the market on the route between King Salmon and Anchorage.

Another Conquest and three Grumman Geese are acquired as the carrier in November becomes a part of the **Alaska Airlines** commuter network. The major's "4200-4299" codes are assigned to the PenAir Metroliner flights out of Anchorage and all passengers on those routes are eligible to receive Alaskan frequent flyer club miles.

Enplanements for the year surge 27% to 103,428.

Peninsula Airways is able to avoid direct involvement in the debilitating fare war between **MarkAir** and **Alaska Airlines** in early 1992. The carrier, together with Alaska and **Reeve Aleutian Airways**, now begins to coordinate schedules and exchange passengers with Alaska's jetliners serving Anchorage. During the summer, thousands of fishermen and processing workers are flown out to harvest Bristol Bay salmon.

Traffic declines at the Seyberts' small regional in 1993, as passenger boardings are off 5.6% to 97,641. The growth pattern is reentered in 1994, however, as customer bookings accelerate 17.7% to 114,800. These permit small profits: \$1.25 million (operating) and \$179,000 (net).

Airline employment stands at 250 in 1995 and several new routes are inaugurated, including Aniak, St. Mary's, and McGrath. Orders are placed for a pair of SAAB 340Bs. A new headquarters is opened in Anchorage.

While taking off from a gravel airstrip at Toksook on May 8, the right main tire of a PA-31-350, with one pilot and five passengers, strikes a snow berm, causing the tire and gear strut to separate from the landing gear. The aircraft continues to Dillingham, where a gear-up landing is made. Although no injuries are reported, the aircraft is badly damaged.

A Grumman G-44 with two passengers ground loops while taking off from Kodiak on July 31; although no injuries are reported, the left wheel rim is broken near its hub.

En route from Dutch Harbor on August 11, a G-21A, with two passengers, disappears; search and rescue efforts are suspended four days later.

By November, the company has become the largest commuter or regional airline in Alaska, a title later turned over to **ERA Aviation**.

Enplanements accelerate another 30.8% to 150,311 and 5.06 million FTKs are also operated. Operating income grows by 15.5% to \$25.5 million and costs rise only 11.3% to \$23.2. Profits grow substantially, with operating gain up to \$2.3 million and a net \$800,000 profit reported.

Following a service from Saint Paul Island, a Swearingen Metro III with 2 crew and 11 passengers makes a hard landing at Saint George Island on May 3, 1996, during which the right main landing gear and the nose landing gear both collapse. There are no fatalities.

A month before **Reeve Aleutian Airways** halts its contract service, Peninsula, on June 4, begins thrice-weekly Metroliner service from Anchorage to Adak. The premier SAAB 340B joins the fleet late in the year, becoming the first of the Swedish type to see service in Alaska.

Overall passenger boardings for the year jump 7.7% to 161,826.

The fleet in 1997 includes 2 newly acquired SAAB 340Bs, plus 11 Piper Saratogas, 6 Metros, 6 Navajos, 4 Cessna 208 Caravans, 2 Cessna Conquests, 2 Gooses, 2 Turbo-Gooses, 2 Widgeons, 2 Cherokee Sixes, and 1 each Cessna 206, C-185, C-180, and Piper T-1040.

Flight 354, a Cessna 208 with one pilot and two passengers, impacts trees just after takeoff from Naknek on July 21; although no injuries are reported, the aircraft sustains substantial damage.

Customer bookings climb 8.9% to 176,170.

Just after takeoff from Port Heiden on a January 30, 1998, all-cargo service to Chignik, an iced-up Cessna 208A impacts open, frozen tundra 1 mi. SW of its point of origin; the pilot is not injured.

A PA-32 with one pilot and three passengers lands short of the runway at Kongiganak on February 24 and is substantially damaged; no injuries are, however, reported.

Flight 323, a Grumman G-21A with a pilot and eight passengers, on a return flight from Akutan to Dutch Harbor on April 15, is held up from landing for 15 minutes due to weather. The pilot elects to set the amphibian down on the water 6 mi. W of Unalaska Airport to await improvement. The Goose porpoises on a swell and its left horizontal stabilizer strikes the water and is damaged. Consequently, a rescue boat is sent out to take off the passengers and the plane is water-taxed to the harbor.

Flights continue apace during the remainder of the year. Passenger boardings inch up 1.9% to 201,000, while cargo traffic rises 11.3% to 7.46 million FTKs. Revenues also grow a slow 1.9% to \$35.22 million.

By the beginning of 1999, the workforce has been increased by 8.6% to 380.

While landing at Chefornak after a March 27 service from Bethel, Flight 421, a PA-32 with one pilot and one passenger, loses its nose landing gear after hitting hard. Although the aircraft is badly damaged, neither person aboard is hurt.

Customer bookings rise 6.6% during the year to 192,000.

A total of 350 workers are employed at the beginning of 2000.

When **Reeve Aleutian Airways** suspends its scheduled services on December 6, Peninsula agrees to accept Reeve tickets until December 8.

PENINSULA AIRWAYS (2): United States (1973). PA-2 is set up as a tiny passenger and commuter carrier at San Carlos, California, in 1973. Cessna 402 revenue flights commence on local routes, but cannot be maintained to year's end.

PENN-AIRE: United States (1980). W. C. McQuaide establishes Penn-Aire at Altoona, Pennsylvania, in the spring of 1980 to offer scheduled passenger services to New York (LGA). Employing a Piper PA-31-310 Navajo, McQuaide inaugurates daily roundtrips in June. Expected traffic does not materialize and the company shuts down in July.

PENNSYLVANIA AIR LINES AND TRANSPORT COMPANY (PAL): United States (1930–1936). Early in November 1930, **Clifford Ball Air Line** is purchased by the Pittsburgh Aviation Industries Corporation (PAIC) and renamed **Pennsylvania Air Lines (PAL)**. Both the holding company and airline have the same principal stockholder, board chairman, and president: George R. Hann. The previous passenger services between Cleveland, Pittsburgh, and Washington, D.C. and airmail flights between Cleveland and Pittsburgh are maintained.

The company's inherited, two-year-old Contract Air Mail Route No. 11 from Pittsburgh to Cleveland is extended to Washington on June 1, 1931 and a week later, PAL aircraft begin flying mail to the nation's capital. While flying over Pittsburgh en route to Cleveland on November 28, the engine of Melvin Garlow's New Standard D-27 quits; Garlow bails out safely, but the mailplane slams into the front of the city's Exposition Building tearing away its front to a height of 100 feet.

Services continue without significant change in 1932. On October 21–22, while flying over the Allegheny Mountains near Somerset, Pennsylvania, Murl Estes' mailplane catches fire, forcing him to bail out. The Ford 5-AT-53 is purchased from **National Air Transport (NAT)** on June 27, 1933. **National Air Transport (NAT)** will sell PAL four more Tri-Motors during the remainder of the year: 5-AT-52 on June 29, 5-AT-26 on July 10, 5-AT-15 on October 17, and 5-AT-73 on November 29.

On February 9, 1934, the U.S. Post Office, as a result of charges in the so-called "Air Mail Scandal," cancels all existing airmail contracts. The White House now calls upon the U.S. Army Air Corps to fly the mail, a military option that is not successful. PAL continues passenger

and air express, sporadically, as it awaits the outcome of the government's experiments. As a result of the Air Corps failure, the Post Office rebids the contracts at the end of March.

Prohibited from applying are any companies that had participated in the so-called "Airline Spoils Conference" hosted by Postmaster General W. F. Brown in 1930. As a result, PAL, like numerous other carriers, slightly changes its corporate identity, becoming Pennsylvania Air Lines and Transport Company. While retaining considerable influence due to his shareholding, Board Chairman George R. Hann resigns. The Post Office opens applications at the close of April.

A new Pittsburgh competitor, **Central Airlines**, underbids PAL for its old route and begins mail and passenger flights from Washington to Cleveland in May. The Washington–Cleveland passenger service is reopened by PAL in June, during which month the assets of the **Kohler Aviation Corporation**, which had ceased operations in March, are acquired by purchase. Late in June, the company wins a Detroit–Milwaukee mail contract, which it begins on July 5 with three Keystone-Loening C-2C amphibians obtained in the Kohler takeover. On December 26, the company announces the purchase of a fleet of Boeing 247Ds from **United Air Lines (UAL)**. Former Kohler Chief Pilot Joseph Doerflinger, who had come over in the merger, is released at year's end.

Late in **1935**, competition with **Central Airlines** intensifies when the new entrant acquires Ford Tri-Motors. PAL loses heavily. The Fords 5-AT-15, 5-AT-26, 5-AT-53, and 5-AT-73 are sold to Lowell Yerex, founder of **TACA (Transportes Aereos Centros-Americanos, S.A.)**, on January 21, **1936**, while the 5-AT-52 passes to the same carrier five days later; they will all be ferried to Honduras six months later.

In April, PAL acquires three Boeing 247Ds from **United Air Lines (UAL)**. These are given a modified United logo, consisting of a circle and bar inset with a keystone and symmetrical wings. Chief Pilot R. L. "Bud" Baker, who flew Clifford Ball's inaugural service, places the first into service on the Washington–Detroit route at month's end. **Central Airlines** counters with five new Stinson Model As. A fare war begins between the two carriers which, after heated negotiations, is resolved and leads to a merger on November 1.

PENNSYLVANIA AIRLINES: United States (1970–1992). Harrisburg Commuter, a subsidiary of the L. B. Smith Aircraft Corporation, operating regularly scheduled passenger and cargo revenue flights from Harrisburg to State College and from Harrisburg and Lancaster to Washington, D.C. (DCA), is purchased on January 29, **1970** by L. W. "Roy" Clark. The company is reformed, reregistered as **Pennsylvania Commuter Airlines**, and outfitted with a fleet of Beech 99s. Later in the year, the company begins flying daily roundtrip replacement service for **Eastern Air Lines** over the major's route from Lancaster to Washington, D.C. (DCA).

Daily scheduled Cessna 402C service is inaugurated in **1971** linking State College with Pittsburgh, while a Beech 18 route is stretched from the home of Pennsylvania State University down to Washington, D.C. Although the Smith company had agreed two years earlier to provide financing for the next decade, Clark is able to repay the loan by the end of **1972**.

On October 1, **1973**, the Lancaster–Washington feeder affiliation with **Eastern Air Lines** is dropped in favor of membership in **Allegheny Airlines (1)'s** "Allegheny Commuter" network. With its aircraft repainted in the distinctive red and white livery of the nation's premier regional affiliation, PCA not only maintains its previous frequencies (including Lancaster), but adds a new route from Philipsburg, Pennsylvania, over to Pittsburgh.

In **1974–1975**, additional destinations are added as a significant local route network is assembled; Harrisburg, Philadelphia, Pittsburgh, and Newark all become key destinations. When Johnstown-based Allegheny partner **Air East** has a bad accident and is forced to close late in the year, PCA steps in to take over its assets and route network.

Enplanements in the latter year are 149,899.

Airline employment in **1976** stands at 120. The carrier's six Beech 99s, Cessna 402, and Cessna 310 inaugurate new services from Pitts-

burgh to State College. During the first quarter, company aircraft also begin to fly over the former **Air East** route from Altoona to Pittsburgh via Johnstown.

Passenger boardings jump 17.5% to 180,167 and freight is up by 11.6% to 2.61 million FTKs.

Company headquarters are transferred to Harrisburg International Airport at Middletown in **1977** and the fleet is upgraded to include three de Havilland Canada DHC-6-200 Twin Otters.

Enplanements total 205,264.

The workforce is increased by 27.7% in **1978** to 120. Following President Carter's October signing of the passenger airline deregulation law, Pennsylvania initiates a number of new routes, increasing its route network by 23.6% to 1,931 unduplicated miles.

Commuter traffic rises by 11.7% as 229,352 passengers are carried.

Airline employment grows by 40% in **1979** to 210. Three leased Mohawk 298s are acquired from **Allegheny Airlines (1)** in early spring and orders are placed for three Shorts 330s. The former Nord 262s, once operated by **Lake Central Airlines** prior to its takeover by **Allegheny Airlines (1)**, enter service over a new route from Pittsburgh to Williamsport.

Passenger boardings balloon upward 56.5% to 358,890.

Airline employment in **1980** stands at 228, an 8.1% boost, as the first Ulster-made Shorts turboprop joins the fleet together with a fourth chartered Mohawk. Orders are placed for six DHC-8s and two Embraer EMB-120 Brasilas.

"Commuter" is dropped from the airline title and the year's bookings advance by 12% to 401,711, a new record.

An employee appreciation program is started in **1981**, as is a new in-flight magazine. Service is initiated to New York (JFK and LGA) as two more Shorts 330s are added. The PATCO air traffic controllers' strike and subsequent ATC restrictions significantly impact traffic. As a result, airline employment is reduced to 167 during the fourth quarter.

Enplanements fall all year (only April and May show increases), down 7.8% to 370,374. Cargo does even worse, plunging 37% to 565,480 pounds.

Although slot restrictions again hamper growth, expansion brings a workforce increase of 21.6% in **1982** to 203. The fleet now includes 5 Shorts 330s, 4 Mohawk 298s, 3 DHC-6s, and 6 Beech 99s. After introducing flights between Philadelphia and New York (JFK) in June, the company steadily increases to reach first position in the market.

Still, overall passenger boardings dip 3.1% to 358,754.

In **1983**, new general offices and a maintenance center are occupied at Harrisburg International Airport and the last Mohawk is retired in May.

Having resigned from his job at the airline just hours earlier, passenger Wilmer W. Stillman jumps out of the emergency door of a Shorts 330 during the October 29 Harrisburg–Washington, D.C. flight; his body is found near Newberrytown, Pennsylvania, on November 5.

Customer bookings rebound, jumping 12.9% to 403,561. Cargo advances 6% to 402,000 pounds.

Airline employment in **1984** is 220 and the fleet comprises 4 Shorts 360s, 7 Shorts 330s, and 3 de Havilland Canada DHC-6 Twin Otters. With the arrival of two Shorts 360s during the year, the last Beech 99s are sold. Founder Roy Clark retires during the year, turning the business over to his son, William C. "Bill" Clark.

Passenger boardings jump 15.1% to 464,462 and freight dips 0.1% to 401,000 pounds.

In April **1985**, 100% shareholding is acquired by USAir Group, which now restructures its Allegheny feeder system into "USAir Express."

Customer bookings ascend 4.6% to 485,942, but cargo falls 12.5% to 351,000 pounds.

The 200-employee large regional enjoys a 9.9% increase in enplanements in **1986** to 534,287. Freight dips a further 0.4% to 350,000 pounds.

Airline employment is increased by 32% in **1987** to 230 as the carrier enjoys a record passenger year. Founder Roy Clark dies on March 18 at the age of 76.

Enplanements jump 29.3% to 690,618. Freight, however, is down by 15.9% to 294,000 pounds.

The workforce doubles in **1988**, up 52.2% to 350 and the fleet now includes 4 Shorts 360s, 2 Shorts 330s, 9 leased Beech 1900s, and 1 chartered Shorts 360.

The record previous year's traffic flow turns into a mere trickle as passenger boardings rise only 0.6% to 694,817. Cargo grows by 6.3% to 313,000 pounds.

Employment, fleet, and traffic all remain level in **1989**. Customer bookings total 694,607.

The fleet in **1990** includes 13 Beech 1900s, 5 de Havilland Canada DHC-8-201s, and 5 Shorts 360s.

Passenger boardings renew their upward glide path, climbing 8.4% to 752,926.

The fleet of the 361-employee regional grows by 3 DHC-8-201s in **1991** as 1 Shorts 360 is retired.

Customer bookings accelerate 18.1% to 889,237.

In August **1992**, the United Automobile Workers (UAW) is only able to obtain 89 of 210 eligible votes in a representation election held by company mechanics. Later in the month, the subsidiary is merged with **Allegheny Commuter**, formerly **Suburban Airlines**, to form **Allegheny Airlines (2)**. President Bill Clark of Pennsylvania becomes CEO of the enlarged operation.

PENNSYLVANIA AVIATION. See WINGS AIRWAYS

PENNSYLVANIA CENTRAL AIRLINES (PCA): United States (1936–1948). Following an intense competition in the skies over the northeast U.S., the rivals **Central Airlines** and **Pennsylvania Air Lines and Transport Company (PAL)** merge into the new Pennsylvania Central Airlines (PCA) on November 1, **1936**. Financier George R. Hann is chairman, with PAL's C. Bedell Monro as president and Central's James H. Carmichael as chief pilot. Central's Stinson Model A Tri-Motors and PAL's Boeing 247Ds are initially employed.

Flooding during the extreme winter of early **1937** isolates Pittsburgh. Outfitted with special tires, the carrier's Boeings are, for awhile at least, the only aircraft able to fly into or out of the city. Later in the first quarter, 4 of the PAL B-247s are sold after the crisis, as an arrangement is made with **United Air Lines** for the purchase of 10, later 13, B-247Ds. As the result of new U.S. Post Office bids let on June 11, the company in August receives the Contract Air Mail route 34, Washington to Buffalo via Harrisburg. Service over the 330-mile new route is inaugurated in October.

The Stinsons are replaced in **1938**. Prior to the Japanese attack on Pearl Harbor, this small trunk consolidates a route system west and south of the District of Columbia with slots in cities from Baltimore and Buffalo to Chicago and Birmingham.

Orders are placed for Douglas DC-3s in **1939** and Operations Manager James H. Carmichael delivers the first DC-3 to Pittsburgh from Burbank in December. Meanwhile, a "Tobacco Route" is stretched south from Norfolk, Virginia, via North Carolina to Knoxville, Tennessee, and on to Alabama. With additional Douglas transports on hand, frequencies on the Washington to Detroit via Pittsburgh and Cleveland route are increased to seven per day on January 2, **1940**. Also, The Capital Lines marketing term is also applied to three daily roundtrips from Washington to Norfolk and from Detroit to Chicago. In April, Operations Manager Carmichael is promoted to vice president-operations. While en route from Washington to Pittsburgh on August 31, a DC-3 encounters a thunderstorm that forces it into the ground near Lovettsville, Virginia (25 dead). Five more DC-3s join the fleet during the year.

A B-247D, piloted by Capt. Russell Wright, loses an engine and fails its takeoff from Charleston, West Virginia, on April 16, **1941** and lands in a grove of trees near the Kanawha River. Sliding along the mountain-side, the plane suffers the loss of its wings, but its fuselage remains intact; only stewardess Irene Coates is injured. During the summer, company headquarters are shifted from Pittsburgh to Washington, D.C.

The fleet now totals 18 Douglas DC-3s and 5 Boeing 247Ds. These transport a total of 342,872 passengers over a scheduled network of 19,564 unduplicated miles.

In late December, the U.S. Army takes over two-thirds of the carrier's fleet, allowing the seven planes remaining to be employed after March **1942** in the first domestic scheduled military cargo service. This Air Transport Command contract sees Penn-Central's planes delivering men and goods between Chicago and Washington and later between Harrisburg and San Francisco.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen and promised by ATA President Edgar Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities. The aircraft are dispatched to Edmonton, Alberta, to participate in a massive contract airlift that is quickly organized for the defense of Alaska. Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Beginning in mid-July, the company contributes aircraft to a 50-transport group from 6 contract carriers, including **American Airlines**, **Braniff Airways**, **Chicago & Southern Air Lines**, **Northeast Airlines**, **Transcontinental and Western Air Lines**, and **United Airlines**, which are rushed to Presque Isle. From here, the planes, joined by 110 Air Transport Command C-47s, will transport the supplies and men required to set up and man the bases at Newfoundland, Labrador, Greenland, and Iceland that will facilitate "Operation Bolero," a mass bomber ferry from the U.S. to England.

During the remainder of the year and in **1943**, the carrier undertakes special flights to Greenland and Alaska and operates navigation and radio schools for the Army at Washington and Roanoke, Virginia.

During **1944**, the company is marketed as PCA-The Capital Line. Its route network now covers 3,925 unduplicated miles. On December 16, the CAB awards the company civilian access to New York from Chicago via Detroit. Passenger boardings for the year reach 433,000.

CAB certification for operations out of New York (LGA) is received on January 6, **1945**. The Easter season is marred when a DC-3, with 20 aboard, crashes near Morgantown, West Virginia, on April 16; there are no survivors. Pittsburgh to New York City service is inaugurated on July 2. The first flight carries 19 local mayors and civic representatives, who are welcomed by the airport's namesake Mayor La Guardia.

Following V-J Day, the carrier gradually rebuilds its fleet and resumes its prewar routes and services. Income is good and with orders placed for DC-4s, Skymaster flights from Chicago to New York via Detroit and Pittsburgh commence in mid-July. Twelve war-surplus C-47s converted to civil DC-3 standard by the Martin Company are received on October 5 and on November 17, the carrier is able to purchase the same C-54 flown to Casablanca by President Roosevelt. Late in the year, it is announced that pending CAB approval, the company will merge with Boston-based **Northeast Airlines**; the government regulators will not permit the consolidation.

On January 6, **1946**, a DC-3 with four crew and seven passengers overshoots the runway and crashes into a creek at Birmingham, Alabama (three dead).

On January 15, the company enjoys the distinction of being the first to place the DC-4 into commercial service, when the former *Sacred Cow*, converted to civil standards, begins flying its routes. Fifteen more reconfigured C-54s will join the fleet during the year. Pittsburgh to Chicago flights begin on March 11. The CAB now allows additional nonstop authorities and route extensions, but the company is still unprofitable.

Engaged in a training mission with only its four flight crew aboard, a C-54A crashes while on final approach to Washington, D.C. on September 12; although the aircraft must be written off, there are no fatalities.

With each passenger now flying an average of 208 miles instead of the average of 500 for the air transport industry as a whole, PCA loses \$3.5 million on the year.

Less than a year after the big Douglas transports begin revenue operations, the carrier loses one in a June 13, **1947** disaster. Flying low in a rainstorm, Flight 410, the C-54D *Capitaliner Baltimore*, piloted by Capt. Horace Stark, with 2 other crew and 47 passengers en route from Chicago to Washington, D.C., crashes into a mountain near the Appalachian Trail community of Shannondale, West Virginia, near Charles Town. When the wreckage is found the next day, there are no survivors of this second worst airline tragedy to date. It is recalled by Richard Faris in his "The Last Ridge Before Washington," *Airliners* 9 (July–August 1996): 50–57, 60–61.

In late summer, the Baltimore Colts professional football team becomes the first athletic organization to fly with the airline. Two DC-3s are chartered to fly 60 players, club officials, newspapermen, trainers, and equipment people to Akron, Ohio, for an exhibition game with the Cleveland Browns.

President Monro becomes board chairman on October 1, with Vice President Carmichael becoming president. To halt the fiscal hemorrhage, the new leader institutes cost-cutting procedures, lays off 1,500 workers, and increases reliance on air freight income.

In February **1948**, the airline is authorized to omit the Detroit stop from its Chicago to New York service. To give the firm a positive new image and help it shed its regional identity, the board agrees to a corporate reformation. On April 21, PCA is renamed **Capital Airlines**.

PENNSYLVANIA COMMUTER AIRLINES. See **PENNSYLVANIA AIRLINES**

PENZA UNITED AIR DETACHMENT (PENZENSII OBEDNENNY AVIAOTRIAD): **Russia (1992–2000).** The Penza division of **Aeroflot Soviet Airlines** is reformed into PUAD during **1992**. Under the leadership of Director General Gennadi Eremin, scheduled and charter regional passenger and cargo services are undertaken with a fleet that includes 3 Antonov An-24Bs, 6 An-24RVs, 1 An-26, 2 An-12s, and 29 An-2 biplanes.

Service is maintained throughout the remainder of the decade. Severely impacted by the Russian financial crisis of the late 1990s, the carrier is liquidated on February 21, **2000**.

PEOPLEXPRESS: United States (1980–1987). PEOPLEExpress is the first independent national airline to be designed from scratch, founded, certified, and placed into service following passage of the Airline Deregulation Act of 1978. In terms of pricing, scheduling, and customer service, it will prove, at least for awhile, that the days of the pioneering air carriers are not over.

Three former **Texas International Airlines** officials (President Donald C. Burr, Vice President-Management Gerald Gitner, and Burr's executive assistant, Melrose Dawsey) pool savings of \$545,000 and incorporate People Express, Inc. (with the marketing name PEOPLEExpress) at Houston on April 7, **1980**. On July 22, an application for certification is filed with the CAB, which grants the petition on October 24.

On November 6, the company, initially classified as a large regional, with the assistance of the San Francisco venture capital firm of Hambrecht & Quist, goes public, selling 3 million common shares of stock at \$8.50 each. After expenses, \$23.5 million is left for start-up, including the acquisition of 17 \$4.5-million Boeing 737-130s from **Deutsche Lufthansa, A.G.** A large workforce is recruited from unemployed airline workers; each new recruit is required to invest in the corporation and, in turn, become "managers" in an organization designed to have no hierarchy or seniority differences. Everyone is considered a manager of something, e.g., pilots are flight managers, flight attendants are customer service managers.

PEOPLEExpress, led by founder Burr, moves to company headquarters at the seldom employed North Terminal of Newark (EWR) in early

1981. Having received major overhauls as part of their acquisition, the first three Boeing 737-130s arrive from Germany in March. These are employed to begin low-fare, no-frill, high-frequency flights to Columbus, Buffalo, and Norfolk on April 30.

Indeed, the operation is so low key that in exchange for fares of \$23–\$79, the carrier maintains no airport ticket counters and hence suffers no cancellations and does not have a toll-free phone number. It serves no in-flight meals, passengers are charged \$3 for checked baggage, and fares are collected by flight attendants on board during flights. There are, in fact, only two kinds of fares, based on time of day: peak (7 a.m. to 7:59 p.m.) and off-peak (8 p.m. to 6:59 a.m. weekdays and all day on weekends); there are no restrictions or minimum stays.

As additional Boeings become available, routes are stretched to Baltimore, Boston, Syracuse, Jacksonville, and Indianapolis. Airline employment is now 250. In an effort to compete, **United Airlines** introduces low-fare Friendship Express service over a sixth of its route network on June 12; high operating costs doom the effort.

While making its descent into Newark (EWR) on August 17, a B-737-130 with 118 aboard has a near miss with a private lightplane over Morristown, New Jersey; no injuries are reported. As an aftermath of the August PATCO air traffic controllers' strike and President Ronald Reagan's mass firing of strikers, the FAA announces a reduction in frequencies at a number of major airports, including Newark. At dawn on October 25, before the FAA restrictions take effect later in the day, all PEOPLEExpress B-737-130s are dispatched from the New Jersey airport to the unrestricted gateways of Buffalo, Syracuse, Columbus, and Baltimore.

From those sites, flights begin to Sarasota. The same \$59 one-way flights are initiated to West Palm Beach on November 21.

Largely unnoticed during the year is the appointment of Beverly Burns to the right seat of a B-737-130; she is the company's first female pilot.

Although the need for additional ground support increases the carrier's costs, it is able to remain aloft and to fly 952,000 travelers during its first 8 months. Revenues total \$38.38 million. Still, start-up costs and the strike combine to create expenses of \$45.58 million. Initial losses are significant: \$5.74 million (operating) and \$7.93 million (net).

In **1982**, under terms of the CAB's airline category scheme, PEOPLEExpress is reclassified as a national carrier. In February, president and cofounder Gerald Gitner moves to **Pan American World Airways (1)**; he is succeeded by Harold "Hap" Paret, another ex-**Texas International Airlines** veteran. Service is initiated to Pittsburgh in March and Melbourne, Florida in April. An arrangement is made with McDonnell Douglas for the acquisition of eight used B-727-200s; options are also taken for the purchase of nine new B-727-200s and eight DC-9-80s (MD-80s). When the last B-737-130 arrives from Germany, observers note that someone has added a tear trickling down tail fin's face logo.

Rights into Washington, D.C. (DCA) are obtained in June and low-cost flights into the nation's capital begin on August 3.

Joined by Morgan Stanley, Hambrecht & Quist orchestrate another public stock offering on August 19; 2.47 million shares bring in slightly more than \$28 million.

Two Boeing 737-217s are purchased from **CPAir, Ltd.** in November, with the first arriving on November 9. It is employed to inaugurate services six days later to Burlington, Vermont, and Hartford, Connecticut. A third Canadian Dash-217 arrives in December, allowing Burr's company to begin serving Washington, D.C. (IAD). Late in the year, London route authority is requested from the CAB.

During its first full year of operations, passenger boardings skyrocket 200.2% to 2,859,000 and revenues of \$138.68 million are earned, a 261.08 boost. Expenses climb to \$128.23 million and consequently, profits are generated: \$10.45 million (operating) and \$1 million (net).

Early in **1983**, an agreement is reached with the creditors of failed **Branniff International Airways** for the purchase of 20 B-727-227s plus the lease of the former South American pioneer's B-747-227B, once known, because of its livery, as "Big Orange." London permission is received from the CAB in March.

To finance the Braniff aircraft deal, another million shares are sold on April 26 at \$32 each. President Pareti, in London on May 20 to negotiate landing rights with the British Civil Aeronautics Authority, announces that starting on May 23, PEOPLExpress will begin taking reservations for \$149 one-way transatlantic economy-class service. It will also offer a discounted premium-class service, with more leg-room and quality cold meals.

The one-time "Big Orange" inaugurates Newark to London (LGW) return flights on May 26. President Burr is the first off the aircraft when it reaches England and holds a press conference to report the launch. Thereafter, the Jumbojet will enjoy a 100% load factor on nearly every service, with hundreds of would-be passengers turned away. Also in May, a fourth B-737-217 arrives from **CPAir, Ltd.**

On June 1, another major, **Trans World Airlines (TWA)**, counterattacks on the North Atlantic, cutting its fares from six U.S. gateways to London by 25%.

The deregulation darling continues to enjoy excellent domestic traffic growth, though not without problems. As thousands of first-time-flyers attempt to book passage, reservation phones are unable to handle the volume. Additionally, air traffic control in the New York area is unable to handle the increase during the first days of summer. At times, delays reach six hours.

The bulk of the B-727-227s arrive during the summer and during those months, an attempt to enter the Minneapolis (MSP) hub of **Northwest Airlines** is beaten off when the major counterattacks with low fares and many more frequencies out of its base.

On October 1, \$69 one-way Newark to Houston flights begin five times per day service. It is suggested in some quarters that this challenge to Donald Burr's onetime associate Frank Lorenzo causes the latter to take **Continental Airlines** into Chapter XI bankruptcy. Simultaneously, **British Airways, Ltd. (2)** enters the price war between People and TWA on the North Atlantic, reducing its roundtrip London-New York fare to just £249.

While en route from Buffalo to Newark on October 15, Flight 104, a B-737-227 with 107 passengers, is taken over by a lone assailant, Gamiel Robert Ambrose, who falsely claims to be armed and demands that the aircraft be flown to Atlantic City. At the gambling mecca, the perpetrator is arrested by police as he hails a taxicab. Upon examination, the pirate will be certified as mentally unstable and sent to a psychiatric institution.

As of December 31, the company is larger than all but four national carriers, **Southwest Airlines**, **Piedmont Airlines (1)**, **Frontier Airlines (1)**, and **PSA (Pacific Southwest Airlines)**, and with 150 daily Newark departures, is the largest carrier on the U.S. East Coast.

On the year, passenger traffic increases 100% to 5,697,000 passengers carried. Revenues skyrocket 110.3% to \$292.06 million and expenses, up 111.6%, are held to \$271.62 million. As a result, operating income accelerates to \$20.44 million and the net profit jumps to \$10.4 million.

In January 1984, the company receives the 1983 "Market Development Award" from *Air Transport World* magazine.

Massive expansion continues as the 4,000-employee carrier moves into significant new markets, some against major competition and competitors such as **Northwest Airlines**, **United Airlines**, and **American Airlines**. The onslaught begins against the former carrier on June 1 when PEOPLExpress, having regrouped from its previous failure, inaugurates flights to Minneapolis (MSP). Two weeks later on June 15, the carrier's first transcontinental route is started to Los Angeles; three newly added former **Alitalia, S.p.A.** B-747-243Bs are employed to offer \$119 one-way fares.

Flights into the **United Airlines** and **American Airlines** bastion at Chicago commence on August 22, the same day orders are placed for 25 additional Boeing jetliners. Within two weeks, the three impacted majors engage Burr in a fare war. Meanwhile, expansion continues apace; flights begin to Detroit and Miami on September 5, San Francisco on September 28, Cleveland on October 18, Denver on November 19, and Orlando on December 19. The former Braniff "Big Orange" is sold to **Northwest Airlines** in December.

Traffic increases 59.7% as 9,098,109 passengers are flown. A total of 3.64 million FTKs are also hauled. On the year, revenues zoom upward by 104.8% to \$586.8 million, expenses increase 112.3% to \$566.6 million which, when added to the costs of growth and the fare war, force People's operating profit to drop to \$20.16 million and net gain to \$1.65 million.

In what will prove a successful marketing strategy for use against Chairman Burr's carrier, Robert Crandall, chairman/CEO of **American Airlines**, with great fanfare and publicity that promises both PEOPLExpress prices and amenities, introduces the ultra-low ticket prices of AA's Ultimate Super Saver fare on January 18, 1985. Indeed, by using American's innovative SABRE reservations system and the yield management concept—the ability to accurately predict the proper mix of fares to sell on a given flight—Crandall begins a competitive process that will take away People's *raison d'être*, i.e., cheap seats. With help from other carriers employing similar tactics, American will ultimately put the surging entrant out of business.

Later in the month, President Pareti resigns.

Seven additional Boeings now arrive and the fleet comprises 22 Boeing 737s, 45 B-727s, and 3 B-747-243Bs. In February, a B-747-133 is leased from Guinness Peat for four months and is the only aircraft employed that is not painted in People's livery.

In line with other airlines emerging from recession, ticket prices are increased an average 10% in March and Wall Street now contributes a further \$33 million in capitalization. With the addition of Charlotte and Dayton to its market system in late winter, 4,000-employee PEOPLExpress, which has flown 23 million plus passengers since 1981, offers 394 nonstop daily flights to 36 cities in 20 states and England.

In March, under an agreement with the Port Authority of New York and New Jersey, \$175 million in construction is begun for completion of the unfinished Terminal C (to be named PEOPLExpress Terminal) at Newark (EWR). Daily nonstop flights commence between Cincinnati and Newark on April 1.

The last of four B-747-243Bs once flown by **Alitalia, S.p.A.** is delivered on June 10. On June 24, more than 400 people are evacuated from one of these 747s after a bomb threat forces it to make a nonscheduled landing at Chicago (ORD). Daily nonstop service between Newark and Nashville begins on June 26, followed by first-time flights to St. Louis, New Orleans, and San Diego. At the end of the second quarter, the carrier is returned to profitability and is now the ninth largest U.S. airline and the largest operating into the New York area.

Marylander Waleed Muaket is charged on July 6 with making terrorist threats when he tells a flight attendant aboard a B-727-227 that he wishes to hijack it. Four B-747-238Bs, formerly operated by Australia's **Qantas Airways (Pty.), Ltd.** are now purchased, with the first delivered on July 10. A B-727-217, taxiing at Newark on July 18, nearly collides with a **World Airways** DC-10-10; more than 200 passengers are jostled, but none are injured. In July and August, the carrier expands to five more cities, including Montreal, Atlanta, Dallas (DFW), Albany, and Providence.

At a shareholders meeting in August, the company's first dividend is voted: five-cents-a-share quarterly. In addition, anti-takeover rules are instituted. Employing a B-747-243B, daily nonstop service is launched from Newark to Brussels on September 8; the fare is \$99 one way, rising to \$149. Later in the month, frequencies begin to Birmingham, Charlotte, Columbus, Raleigh/Durham, and Nashville. On September 20, **Continental Airlines** Chairman Lorenzo makes a bid for financially distressed **Frontier Airlines (1)**. To avoid being ensnared by Lorenzo, who is perceived to be a union buster, Frontier and its unions involve Donald Burr in a bidding war for the 40-year-old carrier and its Denver slots. The second former **Qantas Airways (Pty.), Ltd.** Jumbojet arrives on September 27.

When company officials receive a bomb threat on October 1, a Jumbojet is forced to make an emergency landing at the Dugway Proving Ground airfield in Utah; 146 people are safely evacuated and no bomb is located. Meanwhile, the unionized **Frontier Airlines (1)** is captured

by nonunionized PEOPLExpress on November 22 at a cost of \$24-a-share; the former will be operated as a subsidiary.

Passenger boardings jump 30.8% to 11,907,000. Revenues mushroom by 55.7% to \$927.87 million, costs advance 55.3% to \$894.49 million, and the operating profit bounds upward to \$33.37 million. Unhappily, there is a net loss of \$20.13 million due to the costs of gaining **Frontier Airlines (1)**.

During January 1986, a section of the PEOPLExpress Terminal (formerly Terminal C) at Newark (EWR) is opened to B-747 operations only, thereby offering some relief to the congestion at North Terminal. On January 31, the nation's oldest commuter airline, **Provincetown-Boston Airline (PBA)** is purchased, instantly increasing the number of People stations in Florida to 14.

An interline agreement is established with **Britt Airways** on February 5; however, by February 26, that Terre Haute-based regional is also a fully owned subsidiary. **Frontier Airlines (1)** is now losing \$10 million per month and at the end of the first quarter, Burr must report an unprecedented combined loss for People and Frontier of \$58 million.

On May 1, a frequent-flyer program is introduced for business travelers; a number of planes introduce first-class sections this same day and a third Australian Jumbojet is delivered. At the same time, a Jumbojet \$99 Air Bridge service is inaugurated between Denver and Newark.

Fiscal bleeding is now so intense that the only way to avoid bankruptcy is to find a buyer and, late in the month, Burr enters discussions with Frank Lorenzo. When news of the discussions leak, other airlines enter the bidding, including **United Airlines**, **Delta Air Lines**, and **Western Airlines**.

On July 6, Texas Air Corporation (TAC) bids \$9 per share; the next morning, **United Airlines** offers \$146 million for the **Frontier Airlines (1)** subsidiary alone. On July 10, the latter bid is accepted; however, the arrangement is dead within weeks, killed by the **United Airlines** and **Frontier Airlines (1)** unions over pilot seniority. Frontier ceases operations on August 24, filing for Chapter XI bankruptcy four days later in a Denver court.

On September 15, with no other viable options available, PEOPLExpress and its subsidiaries are sold to TAC. The low-fare pioneer's employees and the public are informed by Lorenzo and Burr during an afternoon news conference at the reservations center in Newark.

Allowed to continue its separate identity during the integration process, the low-fare carrier inaugurates frequencies in December from Newark to Honolulu via Los Angeles. At the same time, a B-747-238B, which has a Bob Hope profile painted on its tail, is employed to fly the comedian and his troop of entertainers to the South Pacific. It is hoped that the fee and public exposure from a television program at Christmas will be helpful. TAC shareholders approve the takeover on December 31.

During three quarters of independence, the largest deregulation-born airline transports a total of 10,756,171 passengers (off 9.7% over the same period a year earlier) and hauls 146.49 million FTKs. Revenues fall 5.5% to \$668.44 million, expenses rise 7.8% to \$739.7 million, and the operating loss is \$71.26 million. An enormous \$120.25-million net loss is taken.

Newly reconfigured B-727-227s allow first-class service to be introduced in January 1987 on every flight between Newark and Chicago. The Jumbojet service to Brussels is suspended after the last flight arrives back at Newark on January 16; 10 days later, the last **Qantas Airways (Pty), Ltd.** B-747-238B is accepted. The final company services are completed on January 31 and on February 1 PEOPLExpress, together with **New York Air**, is merged into the TAC flagship, **Continental Airlines**. Continental will complete Newark's PEOPLExpress Terminal, once again named Terminal C, and by the early 1990s, had finally completed the repainting of all the aircraft acquired in the merger. There is an unofficial Web site for PEOPLExpress at <http://www.flash.net/airline/pehist.html>.

PEREGRINE AIR SERVICES, LTD.: United Kingdom (1969–1986). Peregrine is established at Aberdeen, Scotland, in 1969, to offer

charter, air taxi, and contract service flights, particularly in support of the North Sea energy industry. Services by the 90-employee firm continue throughout the 1970s, employing 2 Beech Super King Air 200s, 3 Cessna 404 Titans, and 4 Piper PA-23 Aztecs.

Peregrine's most significant claim-to-fame occurs on December 30, 1982, when it becomes the first U.K. operator of the new British Aerospace BAe Jetstream 31. A second of these turboprops is placed into service in 1983 and a total of 70,000 passengers are transported during the year.

Managing Director Mike Hornblower's company maintains services until 1986.

PERIMETER AIRLINES, LTD.: 626 Ferry Road, Winnipeg, Manitoba R3H 0T7, Canada; Phone (204) 786-7031; Fax (204) 783-7911; Code UW; Year Founded 1976. Perimeter Airlines is formed by William J. Wehrle in the summer of 1976 as the scheduled air transport division of Winnipeg-based Perimeter Aviation, Ltd., an FBO, charter, and flight training center at Manitoba's principal airport. Employing a fleet of Beech B-65/B-80 Queen Airls, the new entrant inaugurates flights in September.

During the remainder of the decade, regular passenger services are undertaken to St. Theresa Point, Brandon, Dauphin, Garden Hill, Red Sucker Lake, God Narrows, Gods River, Cross Lake, Norway House, Berens River, and Watson Lake. Other points served from Winnipeg include Poplar River, Yorktown, and Saskatoon.

The first of many Fairchild-Swearingen Metros is delivered in 1978 and by 1981 the fleet comprises 3 Beech B-80 Queen Airls, 1 B-65 Queen Air, 6 Beech B-55 Barons, 1 King Air 100, 1 Gates Learjet 35A, and 2 Fairchild-Swearingen Metro IIs.

Enplanements total 26,215 in 1982. In 1983–1985, the fleet is increased by the addition of three Douglas DC-3s and a Piper PA-31-310 Navajo. Services and frequencies are maintained throughout the remainder of the decade.

In 1990, three Barons are replaced by the addition of three more Metroliners and a Fokker Fairchild F-27J. Two additional Metro IIs are purchased in 1991, but two Queen Airls, the Fokker, and a Baron are withdrawn in recessionary 1992. In 1993, President Wehrle oversees a workforce of 105 and adds 2 more Metro IIs. His fleet in 1994 thus includes 13 Metros, 1 Learjet 35A, and several Beech twins. A 14th Metro is acquired in 1995 and operations continue apace in 1996–2000.

PERKIOMEN AIRWAYS: United States (1976–1980). Perkiomen Airways, Eugene Plum's FBO/charter operations based at Reading Airport in Pennsylvania, elects to establish a scheduled service under its own name in 1976 to provide passenger air taxi services to New York (LGA) via Allentown. Daily Piper PA-31-310 Navajo roundtrips are duly inaugurated and are sustained until late 1979.

In January 1980, an airline division is established and begins service under the name **Air Pennsylvania**.

PERM STATE AIR ENTERPRISE (PERMSKOE GOSUDARTSVENNOE A/P): Russia (1993–2000). Based at the airport of its city namesake, Perm State is established in late 1993 to offer passenger and cargo flights throughout the former Soviet Union. Igor D. Grachev is managing director and operations are undertaken with a mixed fleet that includes Antonov An-24s and An-26s and Tupolev Tu-154Bs and -134s.

Operations continue apace in 1994–1995. In 1996, with financial assistance from the regional administration and Tupolev, the carrier acquires a Tu-204 assembled at the Aviastar aviation enterprise in Ulyanovsk. The first company to put the new jetliner into service, the airliner will provide important information on in-service performance and operational costs.

The fleet in 1997–1999 includes 4 Tu-154Bs, 5 Tu-134s, 1 Tu-204, and 3 each An-24s and An-26s.

Scheduled destinations visited during these years include Adler/Sochi, Anapa, Antalya, Baku, Bourgas, Chisinau, Ekaterinburg, Frankfurt, Krasnodar, Larnaca, Mineralnye Vody, Moscow, Samara, St. Petersburg, Tashkent, Varna, Yerevan. During these years, the Tu-204 is occasionally leased to **Avia Express Cruise**, which successfully operates on the routes from Moscow to Chita and to Barnaul.

It is reported that on January 19 of the latter year, a Mil Mi-8, on visual approach to a landing site 38 km. from Chaikovsky, loses contact with the ground and crashes. On November 16, that the airline has joined with **Siberian Airlines (Sibir)** in a concentrated effort to acquire part of the 25% market share held by **Vnukovo Airlines** in the Ural and Siberian markets.

The workforce stands at 1,000 at the beginning of 2000. A strategic marketing and cooperation agreement is signed with **Aeroflot Russian International Airlines (ARIA)** in early spring. Under its terms, the state carrier launches daily roundtrips from Perm to Moscow on June 7. On October 1, executives of ARIA announce the creation of a new airline, **Aeroflot-Perm**, which incorporates the previous Perm State Air Enterprise.

PERMIAN AIRWAYS: United States (1979–1982). John Andrews and David Glover set up Permian at Midland, Texas, early in the second quarter of 1979 to provide scheduled passenger and cargo services to Texas and Oklahoma destinations. Employing a pair of Piper PA-31-350 Navajo Chieftains, the commuter inaugurates daily roundtrips in May linking the company's base with San Angelo, San Antonio, Lubbock, Amarillo, and Carlsbad.

Operations continue apace in 1980–1981, but economic difficulties force it to close its doors on September 10, 1982.

PERSIAN AIR SERVICES, LTD.: Iran (1957–1961). Founded with the assistance of the British independent **Skyways, Ltd.**, PAS is formed in February 1955. Equipped with Avro Yorks, the company begins freight service to Europe, flying a route from Tehran to Basel via Abadan, Beirut, and Brindisi.

An Avro 685 York C.1 with 4 crew and 9 passengers is lost 40 mi. SW of Basra on September 14; although the aircraft must be written off, there are no fatalities.

An Avro 685 York C.1 is destroyed in a ground accident at London Stansted Airport on September 17, 1956, while another is lost 4 mi. S of Kuwait City on July 15, 1959.

In the spring of 1960, an ex-transatlantic DC-7C is acquired from **Sabena Belgian World Airlines, S.A.** and on June 20 it is used to launch weekly passenger flights from Tehran to London via Geneva, Paris, and Brussels. In August 1961, leased Boeing 707-138s are employed to inaugurate jetliner flights over the DC-7C route. On November 2, the government of Iran merges PAS with **Iranian Airways (Iranair)** to form **United Iranian Airways**, predecessor of the present **Iran Air**.

PERSONAL JET CHARTER: 5401 NW 15th Ave., Fort Lauderdale, Florida 33309, United States; Phone (954) 776-4515; Fax (954) 491-5771; Year Founded 1980. PJC is set up at Fort Lauderdale Executive Airport to operate executive and small group passenger charters throughout the Western Hemisphere, with emphasis on Central and South America. By 1998–2000, the company employs 12 pilots and flies 2 Learjet 55 Longhorns and 2 Learjet 35A Century IIIs.

PERUVIAN AIRWAYS CORPORATION, S.A.: Peru (1928–1929). At the beginning of 1926, Peruvian cotton farms are under siege by plant-eating armyworms. Acting on behalf of the planter community, Pedro Beltran, himself an owner of a large cotton farm, travels to Washington, D.C. to consult with the U.S. Department of Agriculture, which recommends crop dusting. The DOA sends him down to Monroe, Louisiana, to the headquarters of **Huff-Daland Dusters**, the world's only aerial crop-spraying company. Beltran is able to convince Huff-Da-

land to send its chief entomologist, Collett Everett (C. E.) Woolman down to check out the problem and, once on the scene, the scientist finds such promise that a contract for dusting is signed.

In December, Huff-Daland CEO Harold R. Harris and Woolman, along with five crated Petrel 31 dusters, arrive by ship at Lima, Peru. After reassembling their aircraft, the two begin what will prove to be a valuable seasonal service to local cotton growers.

Back in the U.S. on March 8, 1927, Huff-Daland Airplanes, Inc., the dusters' parent organization, is purchased by the Hayden Stone brokerage house based in New York City and is reorganized, becoming the **Keystone Aircraft Corporation**. Later in the year, Harris presents a report on the Huff-Daland operation in Peru, which is complete with maps and notebooks containing proposed passenger and airmail routes down the west coast of South America.

Hayden Stone senior partner Richard Hoyt brings in Juan T. Trippe and Andre Priester of newly formed **Pan American Airways (PAA)** to review the Harris documents. Trippe and Priester, who are quickly expanding into the Caribbean from south Florida, are excited

Stone and Trippe move to form a new airline for Peru on September 4, Peruvian Airways Corporation, S.A. (PAC). Trippe will be president of the new carrier, with Harris as vice president/general manager. An arrangement for joint services is quickly struck with Harris and Woolman, in their capacity as officers of the Huff-Daland Dusters Air Navigation Company, and orders are placed for Fairchild cabin monoplanes.

After two successful seasons in both the U.S. and Peru, Harris and Woolman, still in charge of Keystone's Huff-Daland Dusters subsidiary in South America, seek additional opportunities for that organization and also for the new PAC. On May 28, 1928 they are awarded Peruvian government permission to initiate services both within the nation and to the U.S.

Supplying a Fairchild FC-2 and operating under terms of Huff-Daland's government certificate, Peruvian Airways, S.A. inaugurates regularly scheduled weekly flights from Lima's Santa Beatriz racetrack to Talara on September 13. A large crowd is present for the event, including the president of Peru, Augusto Leguia, the army chief of staff, Col. C. J. Bazo, and U.S. and British ambassadors. The president and the American representative join Peruvian Postmaster General H. G. Hanrott and Benjamin Romero, editor of the Lima newspaper *El Comercio*, in handing mail into the Fairchild to pilot Daniel Tobin. Once hands are shook, Hanrott and Romero join Tobin aboard the Fairchild, which takes off on the first U.S.-operated scheduled flight south of the equator.

Three days after Peruvian Airways' first revenue flight, the Aviation Corporation of the Americas, holding company of Juan Trippe's **Pan American Airways (PAA)**, purchases 50% shareholding in the Peruvian Airways Corporation, S.A. operation. Just over two months later, on November 28, all of the Huff-Daland operating permits are turned over to Peruvian Airways Corporation, S.A.

On November 30, the many-stop Lima–Talara route is extended over water north to Guayaquil, Ecuador. During the month, Harris and Woolman briefly return to Louisiana to review the U.S. operation of **Huff-Daland Dusters** and where Woolman remains when Harris returns to Peru.

In December, PAC General Manager Harris begins executing a number of roundtrip experimental Lima to Guayaquil services with a newly delivered Fairchild FC2-W2.

By year's end, a total of 135 passengers have been carried over 24,800 miles.

On January 24, 1929, the company extends its service south of Lima to Mollendo via Ica.

Despite the success of Peruvian in establishing a long-segment route network from Ecuador almost to the Chilean border, **Pan American Airways (PAA)** is unable to easily employ its partner to move directly into western South America. This difficulty forces Juan Trippe to strike a deal with the giant American shipping W. R. Grace Corporation and discussions between the two concerning formation of a cooperative venture begin on January 25.

On February 16, PAC's Harris transports the president of Ecuador, together with his wife and son, on a flight-seeing trip over Guayaquil. When they land, Harris, personally, has the nation's mail concession, together with the right to turn it over to another corporation.

Just five days later on February 21, such a corporation is formed when the equal-share carrier **Pan American-Grace Airways (PANAGRA)** is incorporated in Delaware by Pan Am and Grace. Peruvian Airways Corporation, S.A. is merged into the new entrant the same day, with CEO Harris becoming the new concern's vice president-operations.

PETERSEN AVIATION: 7155 Valjean Ave., Van Nuys, California 91406, United States; Phone (818) 989-2300; Fax (818) 902-9386; <http://www.petersenaviation.com>; Year Founded 1982. Originally established in 1982 as an FBO at Van Nuys Airport, Petersen, over the next 15 years, also becomes a significant charter operator.

By 2000, nonscheduled executive and small group flights are undertaken on a worldwide basis, with emphasis on North and South America. The aircraft fleet includes 3 Grumman G-1159 Gulfstreams, 2 British Aerospace BAe (HS) 125 Hawkers, 1 Cessna 500 Citation I, and 1 Beech 400A Beechjet.

PETROLADA: Russia (1994–1996). The small ad hoc freight-charter concern Petrolada is established at Petrozavodsk's Peski Airport in 1994. K. K. Fedorov is named general director and he begins revenue flights with a single Antonov An-12. Flights continue until 1996.

PETROLAIR SYSTEM: Ave. Louis Casai 71, Cointrin, CH-1216, Switzerland; Phone 41 2292 92730; Fax 41 2292 92757; Year Founded 1977. PS is established in 1977 as an international executive charter service and international aircraft lessor. I. McGrath is managing director.

This largely unknown operation continues apace for the next two decades. By 2000, Petrolair employs 40 workers and owns a fleet that comprises 1 each Boeing 757-200, B-737-200, Bell 214ST helicopter, and 2 Grumman Gulfstream IV executive jets.

PETROLEUM AIR SERVICES, LTD.: P.O. Box 2711, 5 Dr. El Battraway St., Nasr City, Cairo, Egypt; Phone 20 (2) 262-5046; Fax 20 (2) 260-2184; Code PAS; Year Founded 1982. PAS is organized at Cairo in 1982 to provide passenger and cargo charter and contract service flights in support of the nation's oil industry. Ownership is divided between Egyptian General Petroleum (75%) and Air Logistics International (25%). The initial fleet comprises 5 de Havilland Canada DHC-7s, 4 Bell 212s, 2 Bell 206B JetRangers, and 2 Bell 206L LongRangers. Internal flights are made both to the Gulf of Suez and the Western Desert.

A decade later, in 1992, Chairman/Managing Director Amir Riad's fleet comprises the same number of Dash 7s, but the rotary-wing component is increased by the addition of 7 additional Bell 212s, 4 additional 206Ls, and 5 412s.

Airline employment stands at 491 in 1993–1994. Tameem Fahmy is now managing director and his fleet includes 5 DHC-7s, 2 Bell 206Bs, 6 Bell 206Ls, 3 Bell 412s, and 10 Bell 412s.

In 1997–2000, Amir A. Riad is again chairman/managing director.

PETROLEUM AVIATION CHARTER SERVICES, LTD. See PYRAMID AIRLINES, LTD.

PETROLEUM HELICOPTERS, INC. (PHI): P.O. Box 90808, Lafayette, Louisiana 70509, United States; Phone (318) 235-2452; Fax (318) 235-7312; <http://www.phihelico.com>; Year Founded 1949. Lafayette-based Petroleum Helicopters, Inc. (PHI) begins charter operations in February 1949 with 4 Bell Model 47s owned by Igor Sikorsky associate E. "Tug" Gustafson, \$100,000 in capitalization, and 8 employees. Operated in response to the Louisiana trans-swamp transportation needs of founders Jack Lee, Robert L. Suggs, and Maurice M.

"Dooky" Bayon, PHI is the largest commercial rotary-wing operator in the world. If the first helicopter invented by Leonardo da Vinci in 1480 had been flying nonstop from that time to the present, it would not have recorded as many flight hours as PHI has logged since its founding in 1949.

Gustafson returns to Sikorsky in 1951, but returns briefly in 1955 to sell PHI its first S-55. Following the death of Jack Lee in 1957, Robert Suggs becomes chairman; Frank Lee, young son of the founder, will become president years later. During the 1950s and 1960s, PHI pioneers offshore oil rig support operations, primarily along the Louisiana and Texas coasts of the Gulf of Mexico, but also at other sites around the globe. It also undertakes contract service operations overseas. The first Bell 206L LongRanger enters service in 1966. The company flies a total of 8,000 hours per month. In October of 1967, a Russian-manufactured Mil Mi-10 is purchased to support road-building operations in South American jungle areas. Now 18 years old, the firm is transporting 30,000 offshore workers monthly to and from rigs in the Gulf of Mexico.

Three years later, on September 30, 1970, the company completes its millionth flight hour.

When the company celebrates its twenty-fifth anniversary on February 21, 1974, it employs 370 pilots, 364 maintenance personnel, and 197 helicopters. In August 1975, PHI becomes the first commercial helicopter operator authorized by the FAA to make all-weather flights in the Gulf of Mexico.

Operations continue apace in 1976–1977 and by 1978 President R. L. Suggs oversees a workforce of 1,400. His fleet comprises 2 Aerospatiale SA-330J Pumas, 25 Bell 212s, 6 Bell 205As, 22 Bolkow Bo-105s, 145 Bell 206B JetRangers, 30 Bell 206L LongRangers, and 14 Bell Model 47Gs. In 1979, a Bell 222 is acquired and provided to New Orleans-based West Jefferson Medical Center, which establishes an Air Care Flight Service to offer an offshore hospital-based program to serve the petroleum industry in the Gulf of Mexico.

Multifaceted operations continue into the 1980s. An aeromedical services division is established in 1981 and begins offering specialized flights with a single medically equipped helicopter. A quarter century later in 1998, 36 helicopters will be devoted to this unit.

In May 1982, the company accepts the first Aerospatiale AS-332L Super Puma sold in North America, as well as Bell's first production 214ST. The approximate number of offshore support flight hours per month reach a peak of 35,166.

While landing on an oil drilling rig platform E of Cameron, Gulf of Mexico, on March 1, 1983, an AS-350D with a pilot and four passengers suddenly loses power. As the machine autorotates, the pilot attempts, unsuccessfully, to deploy the emergency floats; one does not inflate. The helicopter touches down in the water and rolls over, but all aboard escape before it sinks.

Having departed an offshore platform in the Gulf of Mexico for Venice, Louisiana, on January 24, 1984, a Bell 206L LongRanger with a pilot and five passengers encounters a fog bank. The pilot elects to turn back but descends and strikes the water. Although the occupants following the ditching will report only minor injuries, rescue is delayed five hours due to deteriorating weather.

While preparing to depart from a drilling rig at W Cameron Blk. 624 in the Gulf of Mexico on March 12, a Bell 206L LongRanger with a pilot and four passengers is caught by a strong gust of wind and blown off the platform into the water. Four are killed and one passenger survives with serious injuries.

While taking off from an unmanned rig at W Cameron Blk. 540 in the Gulf of Mexico on April 4, the tail section of an AS-355F carrying a pilot and three passengers hits a rotating beacon support bracket on top of a crane structure. The helicopter crashes into the sea and there are no survivors.

During a flight over the Gulf of Mexico on June 8, a Bell 206B JetRanger with a pilot and three passengers suffers total loss of power and is required to ditch, landing hard. The aircraft's float devices having

been deployed, the aircraft remains atop 5-ft. waves until a rescue can be effected.

In January 1985, a Bell 214ST has the honor of logging the company's five millionth flight hour. During the same month, a new Bell 222UT is delivered. Overseas contracts are now held in Ecuador, Saudi Arabia, Surinam, Zaire, and Trinidad and Tobago.

The fleet includes some 350 helicopters, including 200 JetRangers and LongRangers, 18 Sikorsky S-76s, 4 Bell 214STs, 35 Bell 212s, 4 Bell 222s, 10 Bell 412s, 10 Aerospatiale SA-332L Super Pumas, 20 Aerospatiale AS-355 Twin Stars, plus a number of Bell Model 47Gs and Bolkow Bo-105s.

After departing an offshore oil rig south of Dauphin Island, Alabama, on the night of March 9, a Bell 206L LongRanger with a pilot and three passengers encounters heavy fog and low ceiling; while attempting to return to its point of origin, the helicopter crashes and there are no survivors.

When Baton Rouge-based **Commercial Helicopters** goes out of business in May, it (unsuccessfully) sues the largest offshore operator, claiming predatory pricing.

On August 5, 1986, the company signs a contract with Cleveland, Ohio-based Metropolitan General Hospital for three Sikorsky S-76s for the health service provider's Metro Life Flight emergency medical service (EMS). These are the heaviest helicopters in the U.S. EMS market to date and when they enter service on September 1, are the first to be flown by two pilots both day and night. The S-76s succeed two Aerospatiale AS-350Bs previously operated by Oklahoma City-based **Cimarron Helicopters**.

While taking off from a barge at Lompoc, California, on October 16, a Bell 206B JetRanger with a pilot and four passengers is caught by a loosely secured rope net, which snaps. The aircraft's nose pitches up and the helicopter banks left into a crane and davit, before falling overboard and sinking (two dead).

At year's end, the company operates 381 helicopters in offshore support roles.

After hearing a loud "boom," witnesses observe an Aerospatiale AS-355F come apart in flight at Venice, Louisiana, on July 4, 1987, and crash into the water, killing its pilot.

In November, the company raises its rates for offshore-support helicopter services in the Gulf of Mexico.

On December 21, an Aerospatiale SA-330 Puma with 2 crew and 13 passengers explodes in midair as it is about to land on a Penrod Drilling Corporation rig in the Gulf of Mexico in bad weather; there are no survivors. Operating revenue is \$163.2 million; however, the continuing slump in the offshore business earlier in the year causes a net loss of \$1.5 million.

On January 5, 1988, an S-76, being operated under contract to the Skymed Hospital Helicopter Consortium of Columbus, Ohio, is damaged when its main rotor-blade-tip caps strike the hospital helipad.

An AS-330J Puma with 2 crew and 14 passengers develops a directional-control problem while lifting off from an oil rig in the Gulf of Mexico on July 14. The aircraft is unable to quickly inflate its floats following its emergency water landing and sinks. One person is killed and one seriously injured; the other escape unhurt.

With the Gulf support market improving slightly, the carrier is able to announce a 7% rate increase on August 1. Revenues advance to \$175.4 million and allow net income of \$4 million.

The company's fortieth anniversary is celebrated on February 21, 1989 at a special luncheon at Lafayette, Louisiana. While flying in clear weather approximately two miles offshore from Galveston, Texas, on July 11, a company Aerospatiale AS-350D midairs an **Air Logistics** Bell 206L Long Ranger; both pilots are killed in the resulting crash. Flying a company S-76 on August 4 on a run from an offshore platform south of Morgan City, Louisiana, to Houston and back to Baton Rouge, pilot Jack Schweibold sets a new world helicopter speed record, averaging 184 mph over the 556-nm. flight.

Longtime chairman and founding partner, 77-year-old Robert Suggs, dies of a heart attack at his Metairie, Louisiana, home on September 4.

Cofounder Maurice Bayon becomes company chairman and President Frank Lee succeeds Suggs as CEO. In December, the fleet is expanded by the addition of seven BO-105CBSs, three used BO-105Cs, and three Bell 412s.

Orders are placed for 15 Bell 206L-1 LongRangers for the fleet of the world's largest private helicopter operator. Revenues for the year are \$184 million and the net profit is up to \$9.9 million.

The company employs 750 pilots and 1,000 mechanics in 1990 and 300 helicopters (including 133 twins) are active in offshore support roles. All but 16% of the company's business is from oil and gas operations in the Gulf of Mexico.

Following the retirement of Maurice M. Bayon, Carroll W. Suggs, widow of founder Robert L. Suggs, is named board chairman on March 1. Almost immediately, the new chairman must deflect a larger managerial voice for Sir Ronald Brierley's Hong Kong/New Zealand based investment firm Industrial Equity (Pacific), Ltd., which had purchased the 12% stake held by Bayon.

On October 1, the board of directors rejects a \$195.2-million merger offer from the New Orleans-based marine and gas compression equipment firm Tidewater, Inc. Two weeks later, PHI's second largest shareholder, Industrial Equity (Pacific), Ltd. agrees to sell the helicopter carrier 473,638 shares of PHI and 213,516 shares of Offshore Navigation, Inc. common stock that it holds for \$17.8 million.

In October, the three children from Robert Sugg's first marriage sue their stepmother, seeking to overturn her majority control of the carrier. As a result, the estate is not fully distributed. An MBB B-105 is lost during a November training flight (one dead).

Revenues for the year total \$201.8 million and low expenses allow a net gain of \$9.1 million.

The 15 Bell 206L-1 LongRangers ordered in late 1989 are delivered in 1991. On January 19, a Bell 206B JetRanger crashes into the Gulf of Mexico in fog (two dead). In late January, the company places the largest single order yet received by Bell Helicopter Textron. The \$136-million request will buy 66 Bell 206B-3 JetRangers and 88 Bell 206L-3 LongRangers, to be delivered over the next 6 years.

Operations continue without incident until August 26, when a Bell 412 with 13 aboard and on final approach to an offshore rig 60 miles south of Cameron, Louisiana, experiences a tail rotor malfunction and is forced to ditch (one dead).

In October, the company records its seven millionth flight hour, a record for a commercial helicopter operator. Of these, over six million have been completed in the 814 Bell helicopters the carrier has operated since 1949.

Still, a decline in gas and oil exploration in the Gulf of Mexico requires the company to lay off 125 employees during the remainder of the fourth quarter. A medically configured MBB BK-117 is acquired in December and delivered to New Orleans-based West Jefferson Medical Center, the Air Care Emergency Flight Service of which continues to be the only hospital-based program flying offshore to service the petroleum industry in the Gulf of Mexico.

A continuing lack of energy exploration demand forces PHI to reduce its workforce by another 124 employees in February 1992. The initial delivery of Bell 206L-3 LongRangers is also delayed. On March 1, President/CEO Frank Lee becomes vice chairman and is succeeded in the executive posts by New Orleans attorney D. Andrew Lang.

On May 1, the company inaugurates a fixed-wing corporate charter and aeromedical service from Houston (HOU) employing a Beech Super King Air 200. On July 16, CEO Lang is dismissed, while A. Byron Elliott becomes board vice chairman and acting administrator with Chairman Carroll Suggs. Meanwhile, former Bell Helicopter Textron Chairman Leonard "Jack" Horner is voted to a board seat and John M. Unterecker becomes company vice president/chief financial officer.

On August 23, 104 company helicopters, in the face of Hurricane Andrew, are evacuated inland from Gulf of Mexico bases to facilities at Lafayette and Baton Rouge, Louisiana, McComb and Hattisburg, Mississippi, and Houston, Texas. The coastal facilities suffer relatively light

damage, although power is lost and a door is blown off a hangar at Morgan City, Louisiana.

During the year, a new top-down safety program is implemented at a cost of \$1 million per year.

Airline employment in January 1993 stands at 1,746 and Gary Golden is appointed vice president-operations in April. The fleet comprises 265 helicopters and 4 fixed-wing aircraft, plus 25 EMS-configured helicopters. Contracts are held with all of the major oil companies with operations in the Gulf of Mexico or along the Atlantic Coast, with the U.S. Department of the Interior, pipeline construction companies, and others. Foreign operations are conducted in Ecuador, Trinidad, the Philippines, Zaire, and Angola.

On August 1, a contract is signed with the world's largest helicopter air medical transport program, Arizona-based Samaritan AirEvac. Under terms of the agreement, PHI supplies three Eurocopter BK-117B-2s and a BO-105LS. Reacting to competitive market conditions, the company discharges 83 pilots and technicians during the fourth quarter in its fourth layoff in 2 years.

Airline employment at the beginning of 1994 stands at 1,764.

In February, the company orders five McDonnell Douglas Helicopter Systems (MDHS) MD Explorers for use on its air medical contracts; the first will be delivered following the type's certification by the FAA. On March 1, a contract begins with Carolina AirCare under which the helicopter line will provide a Eurocopter BK-117, pilots, and maintenance for the provider's eight-year-old statewide service.

After Kazakhstan is opened to foreign business in September, PHI enters into a contract with that nation's National Oil Company. A Bell 212, pilots, and maintenance crew are dispatched to provide support, under a contract that begins in November. In December, Vice President/General Manager Benjamin Schrick is appointed chief operating officer. At the same time, two Kazakh pilots and a representative from the country's aviation regulatory body are sent to Louisiana to receive helicopter training.

During its history, PHI has been a pioneer in basing helicopter operations at offshore locations, as well as in the development of airborne support techniques in the offshore oil and gas operational environment, and corporate training programs for flight crews and technicians. The company was the first to design and construct offshore refueling facilities for helicopter operations, to use electronic data processing in support of commercial helicopter operations, and to use the Sikorsky S-76 as an air medical transport. PHI is also the first commercial operator to fly helicopters under IFR conditions without the aid of autopilot systems, to log a million flight hours, and the first to log two million, three million, etc. through seven million flight hours. The operator of the world's largest commercial heliport at Morgan City, Louisiana, the company also achieved a developmental first in designing the "sling load" method of heavy equipment transport by helicopter.

In January 1995, the company signs a joint-venture agreement with New York-based **Clintondale Aviation**, which specializes in the provision of air transport in the CIS. The two begin to jointly operate a Bell 212 on an oil industry support contract in Kazakhstan.

On April 3, the carrier receives the National Ocean Industries Association "Safety in Seas" award.

Training of the three Kazakh pilots is completed and they return home in April to operate the Bell 212 contracted on behalf of Kazakhstan National Oil Company. The annual report released on April 30 reveals revenues of \$175.4 million and a net gain of \$5.2 million.

On July 28, **Bristow Helicopters, Ltd.** of the U.K. takes a 51% stake in Dublin-based **Irish Helicopters, Ltd.** while PHI purchases the remaining 49% interest, the maximum allowed for foreign ownership under European Commission rules. The combined price is \$8 million. The company will be allowed to retain its current identity and management team.

After evaluation of a system developed by a Massachusetts concern, PHI, in October, determines that it will not, at this time, introduce a satellite-based tracking system in the Gulf of Mexico. In November, the

carrier provides five Eurocopter BO-105s to Arizona's AirEvac EMS operation; AirEvac thus becomes the first U.S. air medical program to operate this helicopter type.

The fleet in 1996 includes 250 helicopters and is one of the world's largest. On March 19, the FAA presents PHI with its "High Flyer Award" for 82,000 flight hours of accident- and violation-free flight time in the aeromedical industry. On April 25, the company receives the Flight Safety Foundation's "President's Citation for Safety."

For its fiscal year ending April 30, the company reports a net profit of \$6.5 million on revenues of \$187.3 million.

On June 5, PHI acquires 50% of the outstanding stock of **Clintondale Aviation**. Under the direction of Chairman Suggs and International Vice President Gary Weber, plans are made to enlarge the PHI presence in the CIS.

Employing BO-105s, PHI operates small package express services during the Atlantic Olympic Games, beginning on July 1. Also in July, the company signs a memorandum of understanding with Jakarta-based **Pelita Air Services** to cooperate on the upcoming \$2-billion NATUNA offshore project, which is being jointly developed by Esso and Indonesia's government oil company. Both companies will provide full-time offshore flight service within two years.

Formed late the previous year, the joint-venture helicopter maintenance company Siam Aerospace Company, Ltd., created in partnership with Aviation Electronic Support (Pty.), Ltd. of Singapore, begins operations in September.

PHI becomes the first civilian operator to be awarded the National Science Foundation Antarctic support contract; the USN has supported NSF activities on the frozen continent since 1959. The 140-day contract takes effect on October 6 when 12 staff, a Bell 212, and 3 Eurocopter AS-350Bs begin flying the first of an anticipated 1,850 hours.

During takeoff from Venice on October 16, a Bell 206L LongRanger with a pilot and three passengers reaches an altitude of 50 ft. when a loud popping sound is heard. The main rotor blade flexes down and severs the tailboom during the forced landing that follows. No injuries are reported and a later inspection reveals that frogs have been ingested into the engine.

On November 28, an AS-350B with a pilot and two passengers en route from High Island 446 platform in the Gulf of Mexico to High Island 105 platform, crashes while making an emergency landing at High Island A20 platform; there are no survivors.

While en route from the oil platform High Island 446 in the Gulf of Mexico for High Island 105 on November 28, Flight 71, an AS-350B with a pilot and two passengers, reports severe vibration before diverting for an emergency landing at Galveston. The helicopter disappears and there are no survivors.

An SA-315B, which has been sent to Peru, crashes during takeoff from a landing pad at Sapahwa on December 29; the aircraft is badly damaged, but the pilot is not hurt.

As part of a continuing expansion into helicopter repair and overhaul, PHI, in February 1997, purchases the helicopter composite repair capability of Nordam Group. The actual work will be performed by a new subsidiary, Acadian Composites. Also during the month, the NSF contract is completed.

In March, the company's minority stake in **Irish Helicopters, Ltd.** is sold to **Bristow Helicopters, Ltd.** for an undisclosed sum.

After a period of campaigning, the Office and Professional Employees International Union (OPEIU) files an application for representation of the carrier's pilots with the National Mediation Board (NMB). An NMB-supervised election results in rejection of the union; however, the OPEIU resumes its efforts to organize PHI.

While en route from Ewing Banks 826 platform in the Gulf of Mexico on a September 18 flight to Venice, Louisiana, a Bell 407 with a pilot and four passengers experiences engine failure and is forced to ditch at point 70 mi. SW of Fourchon, Louisiana. Although the pilot receives minor injuries, all are quickly rescued.

PHI returns to Antarctica in October for the second year. The same three AStars and Bell 212 involved the previous year are sent down

again. A spokesman for the National Science Foundation notes that the switch from Navy lift to a civilian helicopter contractor is saving the U.S. Navy \$2.5 million per year.

Airline employment at year's end stands at 1,825; these personnel work at 45 domestic and 11 foreign bases. Revenues total \$212.4 million.

Flights continue in 1998. A total of 76% of the concern's business comes from oil and gas operations in the Gulf of Mexico, with EMS service (15%) and international activities (9%) making up the remainder.

Another application for representation of the company's pilots is filed by the OPEIU with the NMB and the second employee election within a year is held on March 31. Once again, the pilots vote to reject the OPEIU bid. The NMB certifies the OPEIU election results on October 28.

Company employment at the end of the year totals 2,178. The fleet includes 300 aircraft flown from 41 domestic and 10 foreign bases.

Revenues reach \$238.8 million.

While departing Eugene Island 193, an oil platform located in the Gulf of Mexico, on March 17, 1999, the pilot of an AS-350B with three passengers loses control. The helicopter rolls inverted and drops into the ocean on the north side of the platform (two dead).

The largest U.S. helicopter concern working in the Gulf of Mexico, PHI, at the beginning of 2000, operates an eclectic fleet of 300 helicopters. It serves drilling rigs located as far as 200 mi. offshore in 3,000 ft. or more of water. The mix of activity is approximately 35% deepwater and 55% shallow (inshore).

Minutes after the January 24 FAA certification ceremony at the Heli-Expo 2000 convention, the first two production Bell 427s are delivered to PHI.

Having successfully defeated the attempt of its pilots to organize in two attempts since 1996, PHI finally loses in March. Under the leadership of Line Pilot Stephen Ragin, 293 of 540 eligible employees vote, in a National Mediation Board-conducted election, in favor of representation by the Office of Professional Employees International Union (OPEIU).

A \$7-million S-76C+ is acquired in June and enters service in August.

PETRONORDAVIA AIRLINE: Stretenski Blvd. 9/2, Moscow, 129010, Russia; Phone 7 (095) 925-1287; Fax 7 (095) 923-0353; Year Founded 1992. This small carrier is established in 1992 as a division of the German energy concern Petronord, A.G. General Director Sergey A. Mitchkin employs a workforce of 16 and undertakes flights to the north of the country with a single Yak 40.

Services continue in 1993-2000, during which years a second Yak-40 is acquired and charters are operated throughout Russia and the CIS.

PETROZAVODSKOE AVIAPREDPR: Peski Airport, Solomensk Shusse, Petrozavodsk, 185006, Russia; Phone 7 (81400) 44574; Fax 7 (81400) 43891; Year Founded 1994. PA is set up at Peski Airport at Petrozavodsk in 1994 to provide ad hoc passenger and cargo charters and also rotary-wing aerial contract work. General Director Vladimir A. Nikolaev launches services with a mixed fleet of Antonov An-2 biplanes and Mil Mi-8 helicopters.

Flights continue in 1995-2000 with 10 An-2s, 10 Mi-8s, and 9 Kamov Ka-26s.

PGA-PORTUGALIA AIRLINES (COMPANHIA PORTUGUESA DE TRANSPORTES AEREOS, S.A.): Aeroporto de Lisboa, Rua C-Edif. 70, Lisbon, P-1700, Portugal; Phone 351 (1) 842-5520; Fax 351 (1) 842-5500; <http://www.pga.pt>; Code NI; Year Founded 1997. In order to increase public recognition, Portugalia Airlines, S.A. is renamed in January 1997. Chairman/President/CEO Joao Ribeeiro da Fonseca oversees a 720-person workforce and a fleet of 6 leased Fokker 100s, all in new livery. Shareholding continues to be divided between Gestres-Gestao Estrategica Espirito Santo (51.575%), Banco ESSI (10.49%), and private investors.

From bases at Porto, Madrid, Faro, and Lisbon, the carrier performs scheduled or inclusive-tour passengers to Basel, Bilbao, Brussels, Cologne, Faro, Gran Canaria, Hanover, Lisbon, Madrid, Manchester, Palma de Mallorca, Porto, Strasbourg, Stuttgart, Tenerife, Turin, and Valencia.

In January, the carrier, having decided to add new capacity, completes a comprehensive assessment of both the Canadair RJ and the Embraer ERJ-145 Amazon. Orders, valued at \$90 million, are placed on February 1 for six of the latter. Plans are now initiated for the company to truly become the regional carrier of the Iberian Peninsula. Service between Lisbon, Porto, and Faro in March.

On April 1, the carrier "invades" Spain, launching frequencies from Lisbon and Oporto to Barcelona, Bilbao, Las Palmas, Palma de Majorca, Tenerife, and Valencia. At the same time, service starts from Barcelona to Bilbao and from Valencia to Palma de Majorca. When **TAP-Air Portugal, S.A.** deletes its service from Lisbon to Manchester, England, that route is taken over by the regional on May 1.

The first two ERJ-145s are delivered on May 14 and June 15 and begin service on June 1 and July 1. Meanwhile, in June, the company introduces Private Club-First Business business-class service on its Fokker 100s. New convertible leather seats are also installed on the Dutch-made jetliners.

By July, the company has increased its total number of flight cycles to 1,725, an increase of 40% over the previous year. In the U.K., the airline forges connections with **Business Air, Ltd.**, **British Regional Airlines, Ltd.**, **Manx Airlines, Ltd. (2)**, and **Aer Lingus Irish Airlines, Ltd.** The company continues its search for a new partner as the second pair of Amazons is delivered in October and November; merger talks begin with **TAP-Air Portugal, S.A.**

The fourth new Amazon initiates return flights to Milan at the end of November. In December, a \$30-million request is placed for two more EMB-145s. During the year, capitalization is increased by two-thirds to cover the costs of expansion and equipment.

Passenger boardings jump 20.8% to 757,410 (on 18,702 scheduled departures) while freight increases 40.5% to 1.41 million FTKs. Revenues advance 6.9% to \$99.35 million, while expenses rise 6.8% to \$95.54 million. The operating profit grows to \$3.8 million and there is a net gain of \$2.3 million.

The last two ERJs are delivered in January and March 1998. At the beginning of the year, Private Club lounges are opened at Madrid and Porto. Thrice-daily nonstop roundtrips are initiated at the end of March between Lisbon and Barcelona while, on April 1, daily return service begins from Porto and Lisbon to Nice and Lyon.

Joint flights start on May 1 in cooperation with **Crossair, Ltd.** between Lisbon and EuroAirport Basel Mulhouse Freiburg.

With the success of Lisbon's Expo '98 and the buoyant national stock market, Grupo Espirito Santo decides at the end of July to end merger talks with **TAP-Air Portugal, S.A.** Instead, in something of a risk, it decides to list the airline on the stock market in November.

Daily roundtrips commence at the end of October between Porto and Munich via Lyon and from Porto to Barcelona. Daily return flights from Lisbon to Marseilles begin at year's end.

Customer bookings surge 20.2% this year to 911,000, while cargo traffic rises 1.5% to 1.43 million FTKs. For the first time, the number of travelers carried on international flights represents more than half (56%) of PGAs scheduled passenger traffic.

By the beginning of 1999, airline employment has been increased by 19.8% to 944. A code-sharing agreement is signed with **RLA (Regional Lineas Aereas, S.A.)** in January; under its terms, the two are able to sell tickets on each other's new direct twice-daily roundtrips between Lisbon and Casablanca. The service is operated with a Beech 1900D, newly acquired by RLA.

In July, principal shareholder Grup Espirito Santo sells 42% of its shareholding to SAirGroup, parent of **Swissair, A.G.** An additional 43% is sold to SAirGroup's Portuguese allies, the state-owned Caixa Geral de Depositos, the nation's largest bank, the government holding company Partest, and Banco Cif, which is controlled by Banco Comercial

Portugues, S.A. Daily ERJ-145 return service is launched on October 31 from Lisbon to both Bordeaux and Toulouse.

New daily roundtrips are introduced from Lisbon and Porto at the end of October to Toulouse and Bordeaux.

Customer bookings this year drop 8.2% to 836,000, while freight traffic falls 17.1% to 1.19 million FTKs.

The workforce at the beginning of 2000 totals 1,017. The ERJ-145 fleet is increased to eight on March 21 by the delivery of the latest two Brazilian-made regional jets.

New daily ERJ-145 roundtrips are launched on March 26 from Lisbon to Bologna. Daily Fokker 100 return flights are simultaneously initiated from Lisbon and Porto to Hamburg, along with six-times-a-week Fokker 100 return frequencies to Schoenefeld Airport, Berlin.

Having identified serious doubts, the EU Commission, in mid-June, opens a four-month antitrust investigation of the takeover bid by SAirGroup and its allied Portuguese banks. Principal concern has arisen over the anti-competition potential of a concentration of airline ownership, given that the groups involved also hold sway over **TAP-Air Portugal, S.A.**

The EU Commission reports on August 18 that SAirGroup, parent of **Swissair, A.G.**, and a group of Portuguese investors have withdrawn their plans to take a 42% controlling stake in Portugalia.

Frequencies between Porto and Barcelona are boosted to thrice daily on October 29, even as the number of weekly flights for Porto and Lisbon to Stuttgart reaches six per week. A third daily roundtrip service between Casablanca and Lisbon is introduced in partnership with **RLA (Regional Lineas Aereas, S.A.)**.

PHARAOH AIRLINES, S.A.E.: 5 Dr. Batrawy St., Box 2711, Naser City, Cairo, Egypt; Phone 20 (2) 262-5046; Fax 20 (2) 262-2184; Code PHA; Year Founded 1998. This new Egyptian charter operation is established at Cairo in the spring of 1998 to fly tourists to Turkey and the Greek holiday islands. Two Boeing 737-222s, first operated by **United Airlines** years earlier, are leased and delivered to Aviation Cosmetics of Eindhoven, Holland, for painting.

When the first Boeing 737-222 emerges from the workshops, it wears an attractive sand-colored fuselage with the head of Pharaoh Akhnaton painted on the black tail. The first revenue service is flown on July 16 from Cairo to Istanbul.

The second B-737, a Dash-4Q8, arrives later in the year, wearing the same paint scheme, but with the face of Pharaoh Tutankhamun on the tail.

Both "Baby Boeings" operate charters in 1999–2000 from Egypt to Turkey, Italy, and the Greek islands.

The B-737-4Q8 is returned to ILFC on August 15 of the latter year and is passed on to **Virgin Blue (Pty.), Ltd.** in Australia.

PHILADELPHIA JET SERVICE: 401 City Ave., Suite 800, Bala Cynwyd, Pennsylvania 19004, United States; Phone (610) 667-6700; Fax (610) 667-1459; Year Founded 1991. PJS is set up at Philadelphia in 1991 to offer executive and small group passenger charters throughout the eastern U.S. and to Caribbean destinations. Three pilots are hired and revenue flights begin with a single Grumman G-1159A Gulfstream III.

PHILADELPHIA RAPID TRANSIT AIR SERVICE: United States (1926). The Philadelphia Rapid Transit Air Service is formed by street railway official Thomas E. Mitten in the spring of 1926 to offer an experimental flight service in connection with the city's Sesquicentennial Exposition for the signing of the Declaration of Independence. Fokker official Andre Priester is appointed operations manager and two Fokker F-VIIa/3ms are purchased and christened *Kendrick* and *Wilbur*.

The two trimotors are employed to inaugurate thrice-daily scheduled passenger service (at \$15 per person one way or \$25 for a 15-day roundtrip ticket) to Hoover Field in Washington, D.C. on July 6. Simultaneously, the carrier, having obtained U.S. Post Office Contract Air

Mail Route No. 13 (CAM-13), also begins mail flights. Chief Pilot Edwin C. Musick, who would, before his loss in 1938, become the most famous commercial pilot in America, flies one of the Fokkers. The CAM-13 contract expires on October 6 and is replaced by CAM-15, Philadelphia to Norfolk, Virginia, which is initiated four days later.

The great Philadelphia celebration ends on November 30, at which point the pioneer shuts down. During its short career, it flies 3,695 passengers exactly on schedule without a single accident. Within a year, both Priester and Musick will be employed by another tightly scheduled airline—**Pan American Airways (PAA)**.

PHILIPPINE AERIAL TAXI COMPANY: Philippines (1930–1939). Privately owned PATCO is established at Manila on December 30, 1930, initially to transport supplies, equipment, and personnel of its organizers. Shareholding is divided between a group of individual investors led by former U.S. Army Aviation Service Maj. Joseph Suvent, who had attempted to start the **Philippine Airways Service** a decade earlier, and Spanish citizen Andres Soriano, president of the Miguel brewery.

The concern orders one each WACO and Stinson biplanes and these are employed, beginning on March 31, 1931, to inaugurate both private and public charter operations to Baguio, Paracale, and Legaspi. One of the routes flown rather regularly, that north from Manila to Baguio, becomes fully scheduled on Christmas Eve.

The Philippine Bureau of Posts awards the company a mail contract on January 25, 1932 for its Manila–Baguio route. The company continues its largely unheralded services without change over the next two years. In April 1934, the two original aircraft are joined by three Bellanca cabin aircraft and on November 14 the Commonwealth grants the carrier a permanent license. Although not immediately of concern, a new constitution is adopted by the Philippines during the year, one that permits a president and full political administration.

There are no additional significant occurrences with PATCO until February 28, 1938, when one of its Bellancas disappears into the sea near Manila. After the establishment of the Bureau of Aeronautics, its officers arrive at company headquarters on November 1 to inform PATCO executives that, after a grace period, they will no longer be permitted to operate single-engine aircraft, the only type in their fleet.

Paul L. Gunn brings his wife and four children to Manila in early 1939 to serve as President Soriano's personal pilot; his name will become very familiar in local aviation circles during and after World War II.

Unable to acquire larger aircraft, PATCO declares bankruptcy in September. During its nine years of operation, the pioneering operator has flown over 25,000 passengers. Less than two years later, Gunn will recommend that Soriano form another carrier. The new **Philippine Airways**, established in February 1941, purchases PATCO's assets on July 22 for 500 pesos.

PHILIPPINE AERO TRANSPORT, INC. (PATI). See PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION (PADC)

PHILIPPINE AEROSPACE DEVELOPMENT CORPORATION (PADC): Philippines (1974–1991). Established by the government at Manila in May 1974 to provide flight as well as ancillary aviation services, PADC begins nonscheduled passenger and cargo charters throughout the archipelago on September 10. An airline division, Philippine Aero Transport, Inc. (PATI) is established on May 24, 1975. A fleet of 10 Britten-Norman BN-2 Islanders and several Bolkow BO-105 helicopters is assembled and revenue services commence from Cebu in December to 18 destinations in the Visayas Islands.

Operations continue in 1976, during which year the company adds five additional points. After an uneventful 1977, the company is ordered merged into **Philippine Air Lines (PAL)** in December 1978. The service continues under its own name, but is gradually reduced. On September 15, 1979, 10 markets are abandoned, although 7 are transferred to PAL. Revenue operations over the PATI routes are suspended by PAL on February 1, 1980, and the remaining Islanders are turned back to PADC.

In 1991, PADC, which has offered charters for a decade, abandons direct flight operations, electing to join with TNT Worldwide Express (Asia) to form **Pacific Far East Cargo Airlines**.

PHILIPPINE AIR EXPRESS: Philippines (1947). The story of PAE is the story of the Philippines most enterprising pre-World War II local pilot, Jose Tinsay. A native of Iloilo on Panay, Tinsay learns to fly in the U.S. during 1919. There, he purchases a Curtiss Oriole that he ships home by steamer.

Once it has been reassembled, the Oriole is employed, during the summer of 1920, to begin a passenger charter service from Iloilo to Bacolod, 27 miles away across the Guimaras Strait on the island of Negros. Tinsay's unnamed operation is the first in Philippine airline history to transport fare-paying customers.

Services continue and in 1925 a Curtiss Junior joins the Oriole. Regularly scheduled service, again the first in national air history, is inaugurated with a one-way \$25 fare (50 pesos). Charters are also undertaken to destinations on both Panay and Negros.

There are no changes in operations until the winter of 1932–1933, when Tinsay's concern is acquired by the **Iloilo-Negros Air Express Company**.

Tinsay returns to the Philippine air transport scene in early 1947 when he begins Philippine Air Express. Revenue all-cargo flights are inaugurated between Iloilo and Manila with a single war-surplus Douglas C-47. En route between the two cities on November 22, the Douglas catches fire and explodes; Tinsay and two others are killed, as is their company.

PHILIPPINE AIR LINES (PAL): PAL Building, 1 Legaspi Street, Legaspi Village, Makati, Metro Manila, 1059, Philippines; Phone 63 (2) 818-0111; Fax 63 (2) 810-9214; <http://www.philippineair.com>; Code PR; Year Founded 1941. At the recommendation of his personal pilot, Paul L. Gunn, Andreas Soriano, president of the San Miguel brewery, plus Juan Elizalde and a small group of Manila businessmen, form Philippine Airways on February 26, 1941 as successor to **Philippine Aerial Taxi Company (PATCO)**. On March 10, the carrier enters into a management contract with Soriano & Company and three days later, the corporate identity is changed to Philippine Air Lines.

Soriano is president, with Gunn as director of operations and Elizalde a director; Soriano contributes his own Beech 18 to the enterprise, while Elizalde provides a Beech 17 Staggerwing.

Flying the Twin Beech, Gunn and another American copilot personally begins revenue flights on March 15, with a service that flies five passengers from Manila's Nielson Airport to the hillside resort at Baguio. The Staggerwing initiates a route to Legaspi on March 17. Another Beech 18 is added on April 9, allowing the route network to be expanded to Naga, Dact, Tacloban, Masbate, and Cebu.

On July 22, the remaining assets (one WACO biplane and a Bellanca cabin monoplane) of **Philippine Aerial Taxi Company (PATCO)** are purchased for PP 500. Full-scale competition is contemplated with Iloilo-Negros Air Express Company (INAEC) and at this point, the Commonwealth's government, through its National Development Corporation, steps in and purchases a 34% stake, which increases the carrier's capitalization to PP 1 million.

Upon the outbreak of the Pacific war on December 8, Gunn's three Beeches, the WACO, and the Bellanca become an important logistical component of Gen. Douglas MacArthur's attempt to defend the Bataan Peninsula and other parts of the archipelago, flying secretly from Grace Park Cemetery as the "Bamboo Fleet." The tiny transports' missions include medical evacuation flights to Australia and return with medical supplies, the provision of guidance for flights by fighters and bombers, and local transport. The Japanese shoot down two PAL aircraft over southern Mindanao Island and destroy the other on the ground during a strafing attack.

When his aircraft are destroyed, Gunn assists in evacuation flights with other aircraft types. Indeed, on one occasion, while piloting a Boe-

ing B-17 Flying Fortress, Gunn is forced to crash-land after being attacked by a Japanese Mitsubishi Zero fighter; he is able to repair the bomber and fly it out to Australia.

Both Soriano and Gunn reach Australia. During the war years, the company president serves on Gen. MacArthur's staff, even finding the opportunity to enter into discussions with **Transcontinental and Western Airlines (TWA)** chief Jack Frye concerning postwar expansion. The airline's chief pilot becomes a valued member of Gen. George Kenney's U.S. Fifth Air Force; Maj. "Pappy" Gunn, one of the older officers among thousands of young personnel, makes a further contribution by designing staggering forward-firing armament systems for light- and medium-bombers.

With the war all but over following the atomic bombing of Japan, President Soriano, Maj. Gunn, and PAL's board of directors meet at the Soriano facilities in damaged downtown Manila on August 11, 1945. Plans are made to revive the airline, with possible help from TWA. With assistance from **Pan American Airways (PAA)**, the prewar carrier **Iloilo-Negros Air Express Co.**, renamed **Far Eastern Air Transport (FEAT)**, resumes operations on November 15. Meanwhile, Howard Hughes is persuaded to give TWA assistance to Soriano's effort to reestablish PAL.

PAL's governing body meets again on January 10, 1946. The company is officially reborn during this conference. Shareholding is increased to PP 2 million, including a 28% stake assigned to **Transcontinental and Western Airlines (TWA)**. Five ex-military Douglas C-47s are acquired and converted to DC-3 civil standard; these permit PAL to resume its services from Nielson Field on February 14, with services to Cebu and Legaspi. The payroll now has 108 names. PAL and FEAT plan to commence China flights while another small carrier owned by a group of former USAAF pilots, **Commercial Air Lines, Inc. (CALI)**, begins operations to the islands south of Manila.

In early July, PAL charters the DC-4 *Talao-Manila Bay* from Orvis Nelson's new **Transocean Air Lines (TAL)** to fly nonscheduled charters to California transporting U.S. servicemen stateside. The first flight, from Manila to Oakland (across the Bay from San Francisco) via Guam, Kwajalein, and Honolulu, flown by Nelson and a TAL crew on July 31, gives PAL the honor of becoming the first Asian airline to fly across the Pacific to the U.S. Meanwhile, following Philippine independence on July 4, PAL is designated the new country's national airline.

With **Pan American Airways (PAA)** Pacific operations suspended and a maritime strike in progress, the PAL-TAL route is, during the summer and fall, the only commercial communications channel to the Orient from the U.S. On September 13, yet another small carrier, **Trans-Asiatic Airlines (TAALI)**—again owned by ex-U.S. military servicemen—receives a permit to operate across the South China Sea. The PAL-TAL *Talao-Manila Bay* inaugurates service to Hong Kong and Shanghai on September 5 and to Bangkok in November. Meanwhile, a DC-3 with 3 crew and 2 passengers is lost in an accident 50 mi. E of Cotoabato on October 1; there are no fatalities.

Late in the year, PAL purchases two DC-4s from TAL, which begin scheduled service to the U.S. West Coast on December 3. The fleet at year's end comprises 16 DC-3s, 5 DC-4s, and 3 Beech 18s.

Pan American Airways (PAA) finally resumes transpacific services on January 20, 1947. On January 25, a C-47 freighter with four crew crashes into Mount Parker at Hong Kong while on initial approach; there are no survivors.

In March, **Transocean Air Lines (TAL)**, in exchange for the two DC-4s, acquires a minority interest in PAL, cancelling its **Transcontinental and Western Airlines (TWA)** contract and giving it, instead, to Nelson's carrier, which will now act to operate the Philippine's international services. Shareholding is increased to PP 5 million; Chairman Soriano, with 22.5% of the shares, is the largest minority owner.

Unable to continue, competitor **Far Eastern Air Transport, Inc. (FEAT)** sells out to PAL on May 3 for PP 3.4 million. A wet-leased TAL DC-4 opens a Manila to Madrid service on May 3 via Calcutta, Karachi, and Cairo, allowing PAL to become the first Asian airline to fly to Europe.

On May 6, the American CAB grants the airline a transpacific route to the U.S. A month later, President Harry S Truman approves transfer of the international mail contract previously operated by **Pan American Airways (PAA)** to the carrier. **Commercial Air Lines (CALI)** on July 22 receives a scheduled service permit and places its 12 DC-3s on routes to Amoy, Shanghai, and Hong Kong. PAL takes over the PAA mail contract in August; both PAA and **Northwest Airlines** receive Fifth Freedom rights beyond Manila.

Officially scheduled PAL DC-4 flights to San Francisco commence on October 27. During the remainder of the year and early into the next, the company transfers operations across Manila from Nielson Field to Nichols Field.

The first of two new DC-6s to be received on the year arrives at Manila on May 23, **1948**. Christened *Bataan* and nicknamed *Pacific Pacemaker*, the new aircraft replaces the over-ocean TAL DC-4s on May 29, flying via Wake Island instead of Kwajalein. The second DC-6, *Leyte*, meanwhile, begins service to Shanghai on May 26. Rome and London become the latest European markets on July 24.

On September 1, **Commercial Air Lines (CALI)** and its DC-3s are purchased and absorbed. PAL shareholding is redivided between the Philippine government (34%), Soriano (17%), **Transcontinental and Western Air Lines** (7%), **Transocean Air Lines** (8%), and private interests the remainder. The government's equity is obtained by the expedient of converting state loans to the airline.

The 12 newly received ex-C-47s are placed on domestic routes, while the DC-4s are sold and the proceeds employed to order additional DC-6s.

Service to Shanghai is suspended on the first day of the month; however, the new airliners now link Manila with London via Bangkok, Calcutta, Karachi, Cairo, Rome, and Madrid.

A DC-6 is involved in a nonfatal landing accident on Wake Island on November 15 and must be written off.

The company's third DC-6, the *Manila*, initiates new service to Tokyo on January 26, **1949**. In February, two DC-4s open Asia's first coach-class service on routes to Hong Kong and Tokyo.

While on a Daet to Manila run on May 7, a DC-3 with 3 crew and 10 passengers explodes in midair over Alabat Island, killing all aboard. Weeks later, some wreckage is recovered that indicates that a sudden blast had occurred in the plane's tail section. On June 2, police apprehend two ex-convicts who are alleged to have placed a bomb aboard the DC-3 to kill a single passenger, the husband of a woman involved with another. A third man will be apprehended later. The woman had given the three PP 185 (\$100) to carry out the mass murder.

Also in June, company capitalization jumps to PP 12 million; President Soriano acquires much of TAL's stake, becoming the dominant minority owner. The fourth DC-6, the *Mindoro*, arrives on October 25 and enters service on the European network on November 1.

Meanwhile, a C-54A must be written off following a hard landing at Tokyo on October 28; no serious injuries or fatalities are reported.

On January 24, **1950**, a DC-3 with three crew and a passenger disappears between Iloilo and Manila; there are no survivors.

PAL begins to experience significant financial reversals that result in a redistribution of shareholding. The Philippine government acquires a 54% stake, while Soriano's share declines to 22%. On May 27, the board of directors authorizes disposal of the four DC-6s in favor of two DC-6Bs, which are ordered from Douglas on December 21. Meanwhile, with its major source of trade dried up by the Communist revolution in China, **Trans-Asiatic Airlines (TAALI)** sells out to PAL late in the year. Also during the year, Maj. "Pappy" Gunn resigns after differences with President Soriano.

On May 31, **1951**, the three men convicted of bombing a DC-3 in 1949 are given death sentences. Maj. Gunn establishes a nonscheduled charter operation, **Philippine Aviation Development**, which operates Beech 18s. In July, a company delegation is dispatched to Tokyo to assist workers from TAL in training technicians for the new **Japan Air Lines Company, Ltd. (2)**. Flights to Taipei commence on November

16. Orders are placed for Convair CV-340s with which to improve domestic services.

While climbing away from the airport at Lahung, Cebu, on March 10, **1952**, a DC-3 freighter with three crew strikes the top of a house and crashes; there are no survivors. Another DC-3 with 3 crew and 26 passengers fails its takeoff from Baguio on March 30 and crashes (10 dead).

The first new DC-6B arrives in Manila on July 4 and is christened *Magellan's Cross*. It begins flying to Frankfurt and Zurich from Manila on July 30, the same day frequencies are initiated to Okinawa. On October 24, a marketing agreement is signed with **Aeronaves de Mexico, S.A. de C.V.**

During an attempt to divert the aircraft to Communist China, Chinese gunmen kill two crewmen of a DC-3 en route from Laoag to Aparri on December 30. Chinese Nationalist warplanes force the craft to land on Quemoy Island, where it is found that all seven aboard the Douglas, including two Americans, are safe.

Back in the Philippines, the first CV-340 arrives on April 4, **1953**. Local airports are in such bad repair that, despite company appeals for help in their upgrade, it will prove unprofitable to operate the new airliners at home. Service to Hamburg begins on April 1.

On June 8, President Truman and the CAB authorizes an extension of the company's Oakland service down to Mexico City, in association with **Aeronaves de Mexico, S.A. de C.V.** The plan falls apart when, just before services commence, the CAB refuses permission to include a stop at Tokyo and a technical objection by **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)** is upheld by Mexican courts, thereby preventing launch of the Mexican service. Unable to successfully operate in the Philippines, the company's new Convairs enter service on regional routes: Hong Kong on June 16, Taipei on June 23, and Bangkok on October 27.

A fully loaded DC-3 makes an emergency landing in a rice paddy field near Tuguegarao on October 15; although the aircraft must be written off, there are no fatalities.

Beirut becomes a stop on the European route as of November and De Luxe flights commence on December 1 from Manila to Cagayan de Oro. Also in December, the company attempts to establish a helicopter commuter airline with the introduction into local service of three Hiller H-12s.

On January 5, **1954**, El Economico service is launched by DC-3s in the north of Luzon; the deep discount flights will later spread throughout the nation. The Philippine government assumes majority control in 1954; Eduardo Z. Romualdez is appointed chairman with Soriano remaining as president.

A DC-6 with nine crew and seven passengers crashes while on approach to Rome's Ciampino Airport on January 14; there are no survivors.

With the San Francisco route proving uneconomical and other financial concerns causing losses, Soriano is unable to win the Philippine government's approval on March 30 for a plan to increase capitalization to PP 10 million and purchase four DC-7s. Government officials put forward a demand for increased and improved domestic services. The next day, all U.S. and European services are terminated and the DC-6Bs are removed from regional routes, being replaced on flights to Bangkok, Hong Kong, and Taipei with CV-340s.

All four-engine airliners are offered for sale in April. During the same month, service to Bangkok is suspended and the DC-3s replace Convairs on the route to Taiwan. An H-12 crashes on June 5. The end of the Huk Rebellion in May permits El Economico service to be safely pushed on June 15 to 15 points in the Central Philippine's Visayas Islands, with a similar route stretched to Taipei. The first Filipino nationals accept senior management posts on December 31—Operations Director Roberto Lim and Traffic and Sales Director Renato Barretto.

The regional route to Hong Kong is built up in **1955**, as is an elaborate domestic network, complete with four classes of service. A Rural Air Service (RAS) is inaugurated on June 15 in which five de Havilland Canada DHC-3 Otters assist the DC-3s in providing bush flights con-

necting small communities with major airports in the Visayas and Mindanao.

During the first quarter of 1956, the government commits to a program of local airport improvement. On March 27, orders are placed for two Vickers Viscount 770D turboprops. By summer, RAS is flying El Economico service to 52 domestic markets. Nonstop DC-3 trunk line flights are initiated on October 24 between Manila and Davao, the most southern of provincial capitals.

Enplanements this year total 252,760.

The British-built Viscounts arrive at the beginning of spring in 1957; as no domestic airport can accommodate them, they are placed on the Hong Kong route beginning on May 10. Two Fokker F.27 Friendships are ordered from The Netherlands in July. Paul L. "Pappy" Gunn, who had helped Andres Soriano create PAL, is killed when his **Philippine Aviation Development** Beech 18 crashes at Tanauan, Batangas, on October 11. On December 11, a de Havilland Canada DHC-3 Otter fails its takeoff from Ozamiz and crashes (two dead).

American pilot James Fleming's **Fleming Airways Systems Transport (FAST)** begins nonscheduled operations on March 5, 1958. His services will eventually become a concern for PAL. Viscount 770D service from Manila to Cebu commences five days later. Meanwhile, it is announced in September that the DC-8-50 has been chosen as the carrier's first jet equipment; orders are placed for two. Turboprop flights from Manila to Zamboanga on Mindanao begin on December 12, but because of airport inadequacy, they must be withdrawn shortly thereafter.

The U.S.-Filipino bilateral air agreement is abrogated (effective a year hence) by the Philippine government on February 29, 1959; a new air traffic agreement between the country and its former colonial master is sought. Executives Barretto and Lim are promoted vice presidents in March and on April 9, deep discount DC-3 *Star* red-eye night frequencies are inaugurated. On August 15, services on two of these routes are enhanced: the *Bicol Star* (to Legaspi) and the *Southern Star* (to Davao).

Passenger boardings this year accelerate to 655,748, including 27,759 on the Hong Kong service.

While on a January 12, 1960 training flight, a Scottish Aviation Twin Pioneer 2 with three crew makes an extremely bad landing at Plaridel; although the plane must be written off, there are no fatalities.

The first Fokker Friendship arrives on March 9, while the first of several Scottish Aviation Twin Pioneers begin taking over Rural Air Service routes from the DHC-3 Otters on March 15. After the arrival of a second F.27-100 ten days later, Fokker trunk line service begins between the principal cities and Viscount 770D flights to Cebu are increased to three roundtrips each day. Domestic destinations served now total 72.

In April, minority shareholder **Transocean Air Lines (TAL)** ceases trading. Despite the introduction of Fokker F.27-100s in March, the DC-3 remains the fleet's principal aircraft type. One of these, with 30 aboard, is forced to ditch at Bias on July 13 while on an interisland flight between Negros and Mindanao; all aboard are saved.

A DC-3 is destroyed on the ground at Manila during a typhoon on November 19. On November 23, a DC-3 with 4 crew and 29 passengers disappears while on an Iloilo-Manila flight; the wreckage of the aircraft is found on Mount Baco, Mindoro Island, the next day and there are no survivors.

En route to Mindanao with 3 crew and 34 passengers on the evening of December 22, a DC-3 crashes on takeoff from Cebu and makes a forced landing (28 dead).

President Carlos P. Garcia's government now orders a suspension of all night flying.

The Committee on Transportation and Public Service of the Philippine Senate commences public hearings into PAL safety, beginning on January 3, 1961. Heated testimony at the inquest and inflammatory reporting in the national press follow for over a month. Meanwhile, on January 9, F.27-100 service is launched to Baguio.

On February 11, founder and longtime President Soriano informs Chairman Romualdez that he intends to quit, a position made known to the newspapers the next day. No one can persuade the gentleman to

change his decision; his final annual report is presented to the board of directors on March 23 and his departure takes effect on March 31. The pioneer's duties are assumed in a concurrent capacity by Chairman Romualdez.

Night Mercury Viscount 770D service begins to Bacolod on June 28, the first PAL night flights in over six months. On July 1, the Twin Pioneers begin retirement from the RAS. The first portion of the new Manila International Airport opens on September 22 and, employing Boeing 707-321s leased from **Pan American World Airways (1)**, jetliner service is inaugurated between Manila and Hong Kong.

Although the first of two ordered Douglas DC-8-53s becomes available in November, the financing package is not in place, so delivery is postponed.

Passenger traffic for the year reaches 790,000, including 37,000 passengers flown on international service.

A change of government on January 19, 1962 requires that Chairman Romualdez retire. He is succeeded as president by Renato Barretto. The fleet he inherits comprises 19 DC-3s, 4 Viscounts, 3 F.27-100s, 3 DHC-3 Otters, and 3 Twin Pioneers.

With financing finally in place, the first DC-8-53 is acquired in February. The airline is unable to operate the new jetliner, so it is leased to **KLM (Royal Dutch Airlines, N.V.)**. The order for the second DC-8-53 is cancelled.

Filipino businessman Benigno ("Benny") Toda Jr. is elected board chairman on March 29, with his colleague, Manuel Marquez, as vice chairman. Following its use by Douglas to set several transpacific speed and distance records, the DC-8-53 order cancelled by PAL is picked up by **KLM (Royal Dutch Airlines, N.V.)** in April.

Arrangements are completed for its use by the Filipino airline and thus the Dutch flag carrier supplies the DC-8-53 *Sampaguita* under a wet-lease-purchase contract on June 15; it wears its tricolored PAL paint scheme on one side only. Three days later, it replaces the chartered Pan Am Boeing on the Hong Kong service.

After two days of trials, the *Sampaguita*, piloted by a KLM cockpit crew, is employed to resume international services across the Pacific on June 20 from Manila to San Francisco via Honolulu. When the new jetliner first flies from Manila to Bangkok via Hong Kong on June 24, the British, concerned over too many foreign jet services into their crown colony, prohibits more of these services; Viscount 770Ds return to the route.

On July 1, the Douglas jetliner flies San Francisco to Manila in a record 14 hrs. 55 min.

While climbing out of Paranaquerizal on an October 12 training flight, an F.27-100 with three crew crashes; there are no survivors. On October 23, a DC-3 freighter with three crew is destroyed as the result of a bad landing at Cagayan de Oro; there are no fatalities.

By year's end, a second transpacific DC-8-53 service is inaugurated and Capt. Oscar Ramos becomes the carrier's first Filipino jetliner commander.

Five F.27-100s are received in 1963. While on a March 3 domestic flight, a DC-3 with 3 crew and 24 passengers crashes into Mount Boca, south of the city of Malalag on Mindanao Island; there are no survivors.

The carrier suffers a job action by certain of its employees during April, during which month **Fleming Airways System Transport (FAST)** is able to take up some of the flag line's load with services to Davao, Cebu, and Bacolod.

Being incompatible with Chairman Toda, President Barretto resigns on August 5 and is succeeded by Ralph Igoa. On September 6, ground personnel strike, forcing service cutbacks.

Enplanements for the year total 1,115,895; revenues of \$1,179,375 are earned.

The workforce stands at 1,632 in 1964. A DC-3 with 3 crew and 29 passengers crashes near Marawi on February 21 (31 dead).

To compete with the deep-discount services of **Fleming Airways System Transport (FAST)**, PAL purchases a DC-4 from **Japan Air Lines Company, Ltd. (2)** and employs it to begin nonscheduled,

low-cost domestic Maya services. A DHC-3 Otter with 11 aboard, crashes near Zamboanga on May 20; there are no survivors. President Igoa resigns on March 19. Ground crews are able to save several DC-3s from destruction during Typhoon Dading on June 29.

On July 1, the Philippine Supreme Court confirms the government as principal owner of the airline. On August 24, the Government Service Insurance System, which holds the government's stake, announces that it will sell its shares to Chairman Toda. Maya charter services are doubled with a second DC-4 during the month.

Meanwhile, the undemocratic ownership decision brings a howl of press criticism and a public auction on the Manila Stock Exchange is held on September 2. The government stake is cut to 49% when Toda ally Anselmo Trinidad acquires 5% shareholding. Two BAC 1-11-402s are ordered for domestic service on November 3, with a third taken on option. Without government support, the Rural Air Service now ends.

Passenger boardings jump 24% to 1,468,282, while net earnings rise 75% to \$1.275 million. For the first time, both international and domestic operations make money; the latter remain unsubsidized and offer the lowest per-mile fares in the world outside of the Soviet Union.

The payroll is expanded in **1965** to 3,916. On January 18, the government reduces its holding to 24% while Rubicon, Inc., a Filipino corporation headed by Chairman Toda, purchases 51% majority control. The remaining 24% interest is taken by Pan Am. Airline pioneer Andreas Soriano Jr. returns to the board of directors while Chairman Benigno P. Toda Jr. takes on the additional job of president. Former President Barretto and a group of friends establishes **Fairways**; it inaugurates services on March 8.

Transpacific services are increased to thrice weekly during the first quarter and in-flight movies are introduced on these services. While en route to San Francisco on March 27, the DC-8-53 *Sampaguita* becomes the first regularly scheduled transpacific airliner to show an in-flight motion picture. On March 30, a management contract is signed with Rubicon, Inc. The fleet is strengthened by the addition of six DC-3s, four DC-4s, three F.27-100s, and three Hawker Siddley HS 748s. The same day, another new entrant, **Air Manila**, starts operations.

Fleming Airways System Transport (FAST) ceases operations on July 6. Eight days later, Viscount 770D service is restarted to Taipei. A PAL DC-3 crashes at Panay Island on July 30 (36 dead). The BAC 1-11 order is increased to three, and requisitions are made for a third DC-8 (a Dash-55F) and three F.27-100s.

The second DC-8-53 arrives at Manila on September 20; christened *Mabuhay*, it enters service to Sydney on October 6. All but one of the 37 aboard are rescued after a DC-3 crashes shortly after takeoff from Manila on October 19. Ferdinand Marcos is elected the nation's president on November 9.

The DC-8-55F arrives at year's end and begins all-cargo services throughout the region. Passenger boardings rise 13.8% to 1,670,337 and revenues rise 12%.

The unscheduled discount Maya service is terminated on February 25, **1966**. Airline capitalization is increased during March from PP 25 million to PP 100 million; Chairman Toda and Rubicon, Inc. increase their stake to 51.5%. The first BAC 1-11-402 is delivered to Manila on April 19. To begin replacing the Viscounts, it enters service to Hong Kong on May 1. The British-manufactured jetliners are known as PALjets. BAC 1-11-402 local service commences on May 4 from Manila to Cebu, Bacolod, and Davao.

En route from Mamburao to San Jose on June 29, Flight 785, a DC-3 with 4 crew and 24 passengers, crashes at the 2,300-ft. level of Mount Rabangan (26 dead). Another DC-3, also with 28 aboard, crashes near Sablayan, on Mindoro Island, on July 2 (26 dead).

The second PAL jet arrives on September 24 and the BAC 1-11-402 option is taken up in December.

Enplanements dip to 1,477,000.

Airline employment in **1967** is 4,500. The fleet now includes 3 BAC 1-11-402s, 23 DC-3s, 3 DC-4s, 2 DC-8-54s, 1 DC-8-55F, 14 F.27-100s, and 5 HS 748s. The last Viscount is retired as two more DC-8-63s are ordered.

The company's third BAC 1-11-402 is leased to **Bavaria Fluggesellschaft, mbH.** on February 23 for eight months of charter flying. The carrier suffers three fatal accidents within five months.

Flight 345, an F.27-100 with 4 crew and 15 passengers, crashes on final approach to Mactan on February 28 following a service from Manila (12 dead).

The last Viscount 770D service is completed on April 10, from Bacolod to Manila. It will be replaced by a BAC 1-11-402. Night Mercury flights cease on April 21. Nineteen additional people are killed aboard the new Fokker F.27-200 demonstrator at Malaybalay on Mindanao on April 27. Iloilo is added to the domestic BAC network on May 6.

Night Jet BAC 1-11-402 services commence on June 26 between Manila and Cebu.

Flight 385, an F.27-100 with 4 crew and 17 passengers, crashes into a Negros Island mountain peak, near Bacolod, while on July 6 domestic flight; there are no survivors.

In light of the Fokker crashes, Chairman Toda elects not to seek newer Dutch turboprops but, rather, to place an order on July 8 for six Hawker Siddley HS-748s. The first of the new British-made aircraft arrives at the beginning of November and enters service between Manila and Puerto Princesa on November 15. The third BAC 1-11-402, off lease to **Bavaria Fluggesellschaft, mbH.**, arrives by month's end.

Passenger bookings accelerate to 1,615,000 and net earnings rise a dramatic 87.4% to PP 11 million.

The workforce in **1968** is increased to 5,328. Six new aircraft are delivered: a DC-8-53 (christened *Champaca*), a BAC 1-11-527, and four HS 748s. Orders are placed on February 28 for two more 748s, a BAC 1-11-527, and two DC-8-63s. At PP 52 million, the latter two will prove too expensive and will not actually be acquired.

BAC 1-11-527 frequencies to Bali begin on March 19 and the last DC-3 is retired on March 28 after completing a service from Virac and Naga to Manila. DC-8-53 flights are undertaken to Tokyo, beginning on April 4. Also in April, the 15 millionth passenger is boarded.

The new HS-748s are unable to service several smaller communities; however, at the personal request of President Marcos, service to Hilonog, Calapan, Mamburao, and Jolo is resumed by the Douglas transports on May 27. The DC-8-55F is now sold to **KLM (Royal Dutch Airlines, N.V.)**.

Rubicon, Inc., headed by PAL Chairman/President Toda, acquires the 20% shareholding of **Pan American World Airways (1)** and 5% stake of **Trans World Airlines (TWA)**, increasing to 74% its holdings in the carrier.

Transporting 48 passengers, a BAC 1-11-402 crashes not far from Manila International Airport on September 12 (45 dead). BAC 1-11-527 roundtrips from Manila to Saigon commence on November 1.

En route from Mactan to Manila on November 5, an F.17-100 with 30 passengers is hijacked by 4 armed men. A gun battle breaks out between the pirates and a security guard, during which one passenger is killed, while the guard, a pirate, and two passengers are wounded. The three unhurt skyjackers flee as soon as the plane lands and are not apprehended.

Bookings advance to 1,663,258 and revenues grow to \$47.7 million.

The employee population is decreased to 5,067 in **1969** as two DC-8-63s, a HS 748 and a BAC 1-11-527, are delivered. Former President Igoa returns to the airline; being elected executive vice president on March 29, he is given a significant portfolio of stock and Chairman Toda places him in charge of day-to-day operations.

DC-8-63 service to Amsterdam is inaugurated on April 3 via Bangkok, Karachi, and Rome.

While flying at 2,000 ft. on a scheduled domestic service between Mactan and Zamboanga City via Dipolog City on September 6, an HS 748-2A with 31 passengers is rocked by an explosion in the rear lavatory. The Fokker is able to make a safe emergency landing at its destination and five people are reported injured. It will be determined that the blast has been caused by a bomb, set off in the lavatory by the saboteur, who falls—or jumps—to his death through the hole his act creates.

When a power failure cuts off signals from an automatic direction finder while it is on initial approach to Manila Airport on September 12, a BAC 1-11-402AP with 5 crew and 42 passengers strikes a 760-ft.-high hill near the capital city and crashes (45 dead).

The Bali route is terminated on November 29 because of traffic problems with Indonesian authorities. Enplanements are 1,852,000.

Daily flights are inaugurated to San Francisco on April 1, 1970 plus a third weekly frequency to Tokyo and a second to Europe. DC-8-63s are introduced on domestic routes.

En route to Manila via Romblon-Roxas on April 21, Flight 215, an HS 748-2A with 4 crew and 29 passengers, crashes 75 mi. N of the city. There are no survivors.

The next day, the blast is linked to a lavatory explosion and upon discovery of the bodies of 3 children not included on the passenger manifest, the death toll is raised to 36. It will be suggested that the act was either a suicide or, more likely, the cold-blooded assassination of Col. Filemon Lagman, who is in charge of halting illegal mining and logging operations in Isabela Province.

The pilot of an F.27-100 with 4 crew and 29 passengers loses control during takeoff from Iligan on May 9. His aircraft crosses the shoulder of the runway, where its wingtip strikes a pile of rocks, causing the turbo-prop to flip over (1 dead).

While flying from Manila to Bacolod on June 2, Flight 537, an F.27-100 with 4 crew and 40 passengers, is rocked by the detonation of a fragmentation grenade that kills the suspected saboteur outright, wounds 13 others, and blows a 3-ft. hole in the fuselage. The pilot is able to successfully land at Roxas Mins.

An F.27-200 with 3 crew and 26 passengers is badly damaged in a hard landing at Dumaguete on July 1; there are no fatalities. Also in July, orders are placed for four BAC 1-11-527s.

A passenger sets off a bomb aboard a Manila-bound HS 748-2A on September 5, blowing a hole in the roof. The man then climbs out through the hole and falls to his death; the aircraft is successfully landed.

Melbourne becomes the second Australian market on September 9. With Chairman Toda often away, the unpopular administration of Executive Vice President Igoa suffers a 22-day strike by company unions in October. In November, the maintenance facilities suffer \$400,000 damage from Typhoon Yoling, which also destroys three DC-3s. Nearly two-thirds of the carrier's pilots resign in protest against Igoa on December 12. International schedules are reduced, flights to 23 domestic destinations are cancelled, and the company continues flights with nonunion and management staff.

As a result of the airline's fourth quarter difficulties, passenger boardings dip 9.8% to 1.67 million, forcing a 30% reduction in the staff. For the first time in some years, an operating loss of PP 29 million is suffered.

In March 1971, following receipt of government permission, service is withdrawn to 2 regional and 17 additional domestic points and all but 2 of the DC-3s saved by presidential order in 1968 are now retired. In addition, 530 company employees are laid off. **Air Manila** and **Filipinas Orient Airways** step in to restart 13 of the suspended services.

While on a March 30 domestic flight from Manila to Davao, a BAC 1-11-402 with 45 passengers is hijacked by 5 persons armed with pistols. The pilot is forced to fly to Canton, China, via Hong Kong, where half the passengers are released. The next day, the aircraft, its remaining passengers, and its crew are allowed to return to Hong Kong. Two of the skyjackers will make the mistake of returning to the Philippines in 1977; they will be captured, tried, and executed.

Another 19% cut is made in the workforce. One of the European flights is extended to Frankfurt. The first BAC 1-11-527 is delivered on October 26.

Bookings decline still further, to 1,328,220, and the employee population is cut another 19%.

PAL in 1972 has 4,259 staff on its payroll and its fleet includes 3 DC-8-54s, 2 DC-8-53s, 12 HS 748s, 12 F.27-100s, 3 BAC 1-11-402s, and 3 BAC 1-11-527s. To help cover the cost of the new BAC units, the three Dash-402s are returned to their manufacturer during the first quarter.

A DC-8-63 is leased from **KLM (Royal Dutch Airlines, N.V.)** on May 4. Typhoon Gloring on July 18 causes moderate damage to ground facilities by flooding. Having declared martial law the previous day, President Marcos, on September 24, orders a military takeover of the airline; it is maintained that the move is necessary to guard against a Communist conspiracy to overthrow the government. The Air Force is given responsibility for overseeing the nation's three airlines.

An HS-748-B2 with 4 crew and 24 passengers is destroyed as the result of a bad landing at Bisling on November 28; there are no fatalities.

Enplanements grow 6% to 1,413,000, and freight is also up, by 19%.

The fleet is increased in 1973 by the addition of two DC-8-33s and an HS 748. The employee population grows to 4,733. As a result of the fuel and political crises, President Marcos decrees a one-airline policy for his nation. By government directive of March 31, it is required that the country's three principal airlines merge at year's end.

Having received backing from the government and loans from **KLM (Royal Dutch Airlines, N.V.)** and a bank in The Netherlands, Chairman Toda places a \$49.28-million order on June 14 for two DC-10-30s and service is inaugurated to Frankfurt and restarted to Singapore. En route from Davao to Bacolod, three young Filipinos hijack a BAC 1-11-527 to Hong Kong on October 11, holding President Toda as hostage; they agree to surrender their arms and return to Manila in return for amnesty.

Late in the year, orders are placed for two more BAC 1-11-527s. Passenger traffic grows 9% to 1,529,000 and freight traffic accelerates by 27%.

On January 1, 1974, a directive from the defense secretary directs the Philippine National Bank to take over the assets of the two small carriers founded in 1965, **Air Manila** and **Filipinas Orient Airways**, and merge them into PAL, with the former to be operated as an international feeder. On February 28, the carrier celebrates its twenty-eighth anniversary. The same day, PAL acquires three Nihon YS-11As and two F.27-100s from the small, now-defunct competitors.

A bomb explodes in the rear restroom aboard a BAC 1-11-527 (RP-C1184) near Manila on June 6; fortunately, the plane, with 63 passengers, is safely landed. The BAC 1-11-527s ordered the year before are delivered on June 8 and July 5, respectively. In a public ceremony, First Lady Imelda Marcos christens the first *Imelda* by; it will be employed as a government VIP transport.

A DC-10-30 leased from **Pan American World Airways (1)** replaces the DC-8-53s on the San Francisco run on July 11. The first of two owned Douglas wide-bodies enters service six days later, allowing transpacific frequencies to increase to five per week. The leased unit is seized by the U.S. government at San Francisco on July 25 on the grounds that the carrier is unauthorized to fly the craft into the U.S. on the schedule offered. The matter is quickly resolved when Manila authorizes increased frequencies to the Philippines for U.S. airlines and posts a \$200,000 security bond.

The domestic route network is expanded to 50 Philippine towns and an expanded computerized reservations system is installed. In cooperation with **Merpati Nusantara Airlines**, charter services to Bali are inaugurated in November. Still, as the result of a 355% increase in local fuel costs, domestic service actually loses PP 3.7 million. Four Nihon YS-11As join the fleet, replacing three HS 748s; three additional BAC 1-11-527s are also delivered, along with two BAC 1-11-524s previously operated by **Germanair Bedarfsfluffahrt, GmbH**.

Passenger boardings soar 64% to 2,529,000 and the highest profit ever of PP 35.7 million (\$4.7 million) is reported.

Airline employment in 1975 is 6,640. Just after takeoff from Manila on February 2, an HS 748-A2 with 4 crew and 29 passengers suffers a fire in its No. 2 engine; the plane crashes into a rice field 2.6 nm. SSW of the airport and there are no survivors.

While en route from Pagadian to Zamboanga on February 25, a DC-3 with 32 passengers is captured by two gunmen, one of whom demands a pardon for a previous offense. At their destination, the pirates negotiate with government officials for 10 hours before surrendering. Both will be tried and sentenced to death by firing squad.

Arrival of the second owned DC-10-30 allows replacement of the leased wide-body, which is returned to **Pan American World Airways (1)**; the owned aircraft are placed on the Pacific routes as well as some flights to Europe and Australia. Two more BAC 1-11-527s and six YS-11As join the fleet as the last two DC-3s are at long last sold.

A tire bursts aboard an HS 748-A2 with 4 crew and 39 passengers, as it takes off from Manila on May 10; there are no fatalities reported.

On May 24, a number of local routes are transferred to the new Philippine Aero Transport, Inc. subsidiary of **Philippine Aerospace Development Corporation (PADC)**.

A passenger is killed by a bomb blast from Flight 126, a BAC 1-11-527 with 5 crew and 68 passengers, during a June 5 domestic flight from Legaspi to Manila. Another 45 passengers are injured, while the alleged saboteur is also killed. Descending to a lower altitude, the plane makes a safe emergency landing at its destination.

Previously operated by **LIAT (Leeward Island Air Transport, Ltd.)**, two BAC 1-11-517s are acquired on September 27 and November 1, respectively.

Passenger bookings increase 10.3% to 2,790,973, but rising expenses, particularly fuel, send the net profit down to \$1 million.

Three armed hijackers commandeer a BAC 1-11-527 with 79 aboard during a flight over the southern Philippines to Cagayan de Oro on April 6, 1976. The aircraft is diverted to Manila, where they demand the release of six political prisoners, \$300,000 in ransom, water for the passengers and fuel for takeoff. The next day, the hijackers release 70 passengers in exchange for airline official Rafael Loga. On April 8, the aircraft arrives in Bangkok with 2 hostages and 10 airline staffers, where they are delayed as a search is made for a country willing to give the pirates sanctuary. On April 10, the hijackers and their prisoners transfer to a DC-8-63 and fly to Libya via Karachi, where the perpetrators surrender their hostages and give up on April 15. They are not granted political asylum.

On May 21, Muslim dissidents seize Flight 116, a BAC 1-11-527FK with 6 crew and 103 passengers en route from Davao to Manila, and order it diverted to Zamboanga Airport, Mindanao. There they demand a \$375,000 ransom and a DC-8-63 with crew for a flight to Libya. The next day, government officials reject demands for food and water unless hostages are released and 14 are set free. On May 23, Philippine troops storm the airliner after the hijackers kill two hostages. In the exchange of gunfire that follows, 3 hijackers and 10 hostages are killed and the aircraft is destroyed. Twenty-two other hostages and three other pirates are wounded. The three surviving terrorists will be tried and executed.

On June 1, the Philippine labor department rules that the company's policy of hiring only unmarried women as stewardesses is illegal and unconstitutional. Three days later on June 4, an Air Manila division Lockheed L-188A and its occupants are lost in a crash at Guam.

During July, the government orders the carrier to reduce costs and increase capitalization. A third DC-10-30 is delivered in late October and placed on the European service on November 1, freeing the DC-8-53s for other routes. At the same time, the **British Caledonian Airways, Ltd. (BCAL)** BAC 1-11-501 *Isle of Mingulay* is also acquired.

Cargo for the year grows 29.2% and passenger traffic is up 2% to 2,815,680. The workforce increases 6.2% to 7,050. The highest revenues to date—\$173.3 million—are earned. International operations produce a \$3-million profit, which is insufficient to offset the \$4.25-million loss in domestic services, primarily due to the inadequacy of the fare structure in which tickets are too inexpensive; the overall loss is thus \$1.25 million.

DC-8-53s begin flying to Jakarta and Kuala Lumpur on April 7, 1977. A DC-8-53 with 13 crew and 127 passengers lifts off prematurely during its April 18 takeoff from Tokyo (HAD) for Manila. The aircraft comes back down, skids off the runway, and slides 800 m. before stopping in a muddy field with all four engines and the undercarriage torn off. There are no fatalities.

As if this aircraft damage is not sufficient to cause concern, a series of damaging government and press reports reach a crescendo the next

day. On April 19, the press reports that PAL has billed President Marcos PP 2.4 million for junkets by the First Lady. In addition, it is revealed that, in 1975 alone, companies controlled by Chairman Toda, including the unknown Alfa Manufacturing Company, had received PP 55 million from the airline, with another PP 50 million having been spent on mysterious and undocumented expenses or write-offs.

While on final approach to Mactan Island on July 17, a YS-11A with 3 crew and 22 passengers suffers trouble with its No. 1 engine and is forced to ditch. Although the plane sinks in 17 ft. of water, there are no fatalities.

A DC-10-30 aborts its takeoff from Honolulu on August 20 after an engine stalls; 80 passengers are reported injured during evacuation from the wide-body. On September 1, DC-8-53 services are initiated to Port Moresby.

On October 16, due largely to the previous year's loss, the press revelations, and continuing deterioration in performance and service, a publicly embarrassed Chairman Toda offers the Rubicon share of PAL to the government.

The offer is accepted on November 17; the carrier is thus nationalized and placed under the control of the Government Services Insurance System. Simultaneously, Roman A. Cruz Jr., GSIS chairman/president, becomes the airline's chairman and president, and his first act is to cancel all contracts with Toda's concerns and to increase capitalization from PP 25 million to PP 250 million.

Enplanements for the year total 2,971,852 and two Boeing 727-2F6As are placed on domestic routes.

Chairman Cruz establishes new performance standards in 1978 and places orders for another DC-10-30. DC-10-30 transpacific services are extended over to Singapore on April 1. On August 12, orders are placed for three B-747-2F6Bs.

Flight 148, a BAC 1-11-527 with 84 passengers en route from Cebu to Manila on August 18, suffers a bomb explosion in the left rear lavatory, killing the bomber, who falls through the hole created into the sea. The aircraft is the same one (RP-C1184) attacked in June 1975 and the new explosive has been placed in the same location as that in the previous incident. After descending to 12,000 ft. to equalize pressure, the aircraft makes a safe emergency landing at its destination.

So far as is known, this is the only civil jetliner to suffer two separate in-flight bombings and survive. With a 2' x 3' hole in the portside of its fuselage, the BAC will be returned to Hurn, England, for repairs, flying the entire trip at or below 12,000 feet.

An \$89-million order is placed on November 15 for two Airbus Industrie A300B4-103s. The front landing gear of another BAC 1-11-527 carrying 96 people collapses during the plane's landing at Manila on November 25; 13 are injured. In December, PAL is ordered to take over the local services operated by the **Philippine Aerospace Development Corporation (PADC)** subsidiary Philippine Aero Transport, Inc. (PATI).

During the year, the workforce is boosted 14.5% to 8,610. Passenger boardings jump 12.9% to 3,412,000, but cargo drops a startling 71.7%. To help reverse the latter trend, an Armstrong-Whitworth Argosy freighter is acquired at year's end.

Former Executive Vice President Igoa sells his 100,000 shares of PAL stock on January 31, 1979 for PP 5.74 million. Construction is started on a new wide-body hangar and in-flight service center at Manila. Repaired and upgraded, the BAC 1-11-527 bombed the previous year is returned to PAL service on March 27.

As a result of the Chicago **American Airlines** DC-10 disaster, the company's entire DC-10-30 fleet is grounded between May 25 and June 23 as PAL mechanics, like their cousins worldwide, search for problems with the trijet. While the DC-8s attempt to take up the transpacific slack, two **Hughes Airwest** B-727-2M7s are leased for local and regional services. On July 14, PAL becomes the first airline ever elected to the gourmet society Les Chaines de Rotisseurs.

Service is initiated to Bahrain and Athens on July 25, while the first owned B-727-2F6A arrives in late July and enters service on August 1

to Peking and Canton. The second purchased trijet is delivered at the beginning of September and starts flying on September 10 between Manila, Cebu, and Davao.

On September 15, seven routes operated by the **Philippine Aerospace Development Corporation (PADC)** subsidiary Philippine Aero Transport, Inc. (PATI) are taken over.

The premier A300B4-103 begins flying to Singapore on December 4 and on December 29 the first B-747-2F6B is delivered, followed by the second A300B4-103 on New Year's Eve.

Passenger enplanements grow 1.6% to 3,467,419. An operating loss of \$668,679 is suffered, but a net \$1.7-million profit is banked.

Airline employment is increased by 2.7% in 1980 to 9,596. As the last transpacific DC-8-53 is withdrawn, the first B-747-2F6B enters service on January 4 over a new Manila-Honolulu-Los Angeles route. The second B-747-2F6B arrives on February 22, followed by a third on March 21. These assume a multistop frequency to Amsterdam and in April begin a new service to London. Additionally, the Manila technical center is expanded and an improved reservations system is installed.

Special low-cost *Night Jet* red-eye fares, known as *Bululit*, are instituted, dawn-to-dusk, on May 12 for flights between Manila, Cebu, Davao, and Zamboanga. Iloilo becomes a Bululit destination on June 6.

Previously operated by **Arkia Israel Airlines, Ltd.**, a BAC 1-11-523 is acquired on July 7.

On July 12, Manila police seize an unarmed Filipino, who has attempted to hijack a B-727-2F6A en route from Manila to Cebu by claiming to have a bomb. When confronted by the pirate, the cockpit crew simply closes and locks the door between themselves and the passenger cabin and returns the aircraft to its point of origin.

The *Quetzal*, the lone BAC 1-11-516 operated by **AVIATECA (Empresa Guatemalteca de Aviacion, S.A.)** is acquired at month's end. Super Mabuhay business-class service is introduced on August 28.

It is reported on November 15 that the carrier, after stripping the paint from the units of its BAC 1-11 fleet, has saved \$120,000 in fuel and maintenance during the year. A fourth B-747-2F6B is delivered on December 14.

Cargo traffic soars 35.8% to 146.91 million FTKs, but passenger boardings dip 1.6% to 3.4 million. Revenues jump 50% to \$438 million, but expenses grow faster, up 56% to \$457 million. Operating and net losses are, respectively, \$18.98 million and \$52.6 million.

The employee population is reduced by 2.6% in 1981 to 9,343. Three A300B4-203s join the fleet, as renewed emphasis is placed upon passenger service and frequencies are increased on a number of routes. Martial law is lifted on March 17 and the last DC-8-53 is retired on March 26. In mid-April, the former **Hughes Airwest** B-727-2M7 *Hooray for Hollywood* transports Pope John Paul II during his Philippine visit.

In November, a joint service agreement is signed with **Kuwait Airways Corporation** providing for joint services on a route from Manila to Kuwait City that employs aircraft and crews of the Middle Eastern carrier.

Enplanements climb 8.2% to 1,099,000, while freight advances 36.9% to 179.26 million FTKs.

The employee population in 1982 is increased 12.6% to 9,837. Services are initiated to Dhahran, Dubai, Paris, Zurich, and Brisbane. After 11 years as U.S. ambassador, Eduardo Z. Romualdez, also on May 7, again becomes PAL chairman; Roman Cruz remains president/CEO and Ralph Igoa as executive vice president.

Armed with a hand grenade, disgruntled army veteran Juan Cieano holds 109 passengers hostage aboard an A300B4-203 on the ground at the airport on Cebu on May 21, while demanding government reforms and a PP 6 million ransom; sleepy, the man is seized by undercover police the next day.

An HS 748-2A with 5 crew and 25 passengers, aborts its takeoff from Joho on July 11. The turboprop overruns the runway and crashes into a wall and several motor vehicles; there is one fatality and the aircraft is destroyed.

With this crash, the number of HS 748s is reduced to six; the YS-11A fleet is cut to seven by a sale. The carrier is one of six now participating

in an ICAO grant to train personnel from **Biman Bangladesh Airlines**. Service is extended to Brisbane on June 5, to Dubai on August 7, and to Paris and Zurich on November 4.

Although cargo dips 7.1% to 181.13 million FTKs, passenger bookings jump 10.3% to 3,894,673, of which 2,737,864 are domestic.

Regularly scheduled flights to Seoul and Bandar Seri in Brunei commence on March 2, 1983. An important new bilateral agreement is signed between Manila and Tokyo on April 21. The weekly DC-10-30 route to South Korea is suspended on May 6 due to a dispute between the two nations concerning the transport of guest workers to the Mideast. On the plus side, B-727-2F6A service is simultaneously inaugurated to Kota Kinabalu in East Malaysia.

Exercising its newly won Fifth Freedom from the Japanese, PAL launches Jumbojet services to San Francisco via Tokyo on August 2. A BAC 1-11 with 81 aboard skids off a wet runway at Cagayan de Oro on August 8; no injuries are reported. Having suspended the landing privileges of **China Airlines, Ltd. (CAL)** on September 3 for returning the former Filipino Senator Benigno S. Aquino Jr. to Manila, where he is assassinated on August 21 while stepping off the plane, PAL loses its landing rights in Taipei. Executive Vice President Igoa retires on December 23.

Political crises and economic difficulties, such as the peso devaluation on June 23, of the last quarter cause a fiscal setback and the company stops printing its annual report.

Enplanements are up to 4,286,062 and freight jumps 23% to 220.5 million FTKs. Although a small \$5.3-million operating profit is generated, a \$126.5-million net loss is taken.

The workforce stands at 9,625 in 1984 as the Los Angeles frequency becomes daily.

The last of the B-727-2F6As and B-727-2M7s are withdrawn on May 31.

After landing at Tacloban on August 4, a BAC 1-11-527FK with 5 crew and 70 passengers, overruns the runway and stops in the sea; there are no fatalities.

The fourth A300B4-203 arrives on August 31 and begins thrice-weekly service between Manila and Cebu.

Another major peso devaluation occurs in the fall, causing further financial difficulty. *Mabuhay* business-class service is introduced on domestic routes on October 16 and, on November 20, the final YS-11A is retired.

In December, joint services begin with **Air Niugini, Ltd.** over a route from Manila to Port Moresby; Papua New Guinea aircraft are employed exclusively.

Passenger bookings rise 2.1% to 4,378,000. Revenues jump 42.5% to \$445.5 million, and expenses are \$418 million, leaving operating and net profits of, respectively, \$27.5 million and \$11.5 million.

Airline employment is increased in 1985 by 2.6% to 9,876. Two DC-10-30s are sold and one more A300B4-203 joins the fleet. Amoy replaces Guangzhou as a stop on the Beijing route as of April 1. The U.S. route is extended to Chicago on November 17 and a BAC 1-11-527 proving flight is made from Manila to Ho Chi Minh City on November 25. A300B4-203 service to Cairo starts on December 3 and Ho Chi Minh City becomes a regularly scheduled destination.

Passenger boardings increase 3.4% to 4,363,000, but freight is off 7.6% to 203.6 million FTKs.

In January 1986, twice weekly B-747-2F6B Manila-Chicago service is inaugurated. With the coming of civil unrest in February, immediate plans to inaugurate weekly scheduled service to Vietnam are shelved. As the result of Corazon Aquino's "Fiesta Revolution," begun on February 22, a group of 105 Philippine soldiers commandeer a company BAC 1-11-527 at Cotabato. To come to the aid of their beleaguered president, they order the plane to be flown to Manila, where they are arrested when they step off the plane.

Romualdez and Cruz resign on February 24, leaving the airline in the hands of Aquino supporter Martin P. Bonoan, senior vice president/chief operating officer, who becomes acting president on February 24. Under

his direction, PAL flights are shut down for a day to inhibit the transport of Marcos supporters and the company facilitates the takeover of Manila International Airport by security forces of the new government. Still, key old guard airline executives arrange for fuel to be secretly supplied to rebel helicopters and make a BAC 1-11-527 available to the insurgents.

The revolution ends on February 26 when President Ferdinand Marcos flies to Hawaiian exile—owing PAL PP 35.8 million.

On April 6, a new PAL board of directors is elected by GSIS and the new Tourism Minister Jose Antonio Gonzalez becomes its chairman. Manila businessman Dante Santos, founder of the nation's largest home appliance company, is named president/CEO with revolutionary hero Bonoan remaining senior executive president/chief operating officer.

A new paint scheme is introduced on company aircraft on July 1, symbolic of the new sun rising over the Philippines, while the government establishes a special audit commission to examine PAL's losses under the Marcos regime; ironically, former President Cruz is defended by his successor.

When Corazon Aquino flies to the U.S. in October aboard the company's Jumbojet, she becomes the first Philippine president to pay for a ticket.

Employment remains the same and despite the national turmoil, customer bookings swell 3.2% to a record 1,406,000. Cargo is, however, again down, by 3% to 197.47 million FTKs. Losses must be handled: \$26.7 million (operating) and \$91.5 million (net).

The payroll is increased by 4.3% in **1987** to 10,300. A300B4-203s take over all frequencies between Manila and Cebu on May 6. As the result of a new arrangement with British Aerospace, the company, also in May, receives four Shorts 360-300s in trade-in for three HS 748s, to be turned in over the next year. Based at Cebu, the leased aircraft will provide service in the southern part of the nation.

On initial approach to Baguio on a June 26 service from Manila, an HS 748-2A with 4 crew and 46 passengers crashes into 2,100-m.-high Mount Pugo, 9 miles away, during a monsoon rainstorm and explodes; there are no survivors.

In July, President/CEO Santos also takes over the roles of senior executive president and chief operating officer, the positions held by the late Martin Bonoan, who had died of a heart attack in May.

The first of two B-747-283B combis (BC) formerly flown by **SAS (Scandinavian Airline System)** is leased from Guinness Peat and delivered on November 4.

En route from Cebu on December 13, one of the new Shorts 360-300s with 4 crew and 11 passengers, crashes into Mount Munay, 16 km. SW of Iligan on Mindanao; there are no survivors. Among the dead is the wife of former Operations Director Roberto Lim.

Passenger boardings ascend 4.4% to 1,469,000 and freight is up by 4.8% to 207.01 million FTKs. Revenues rise 23.2% to \$475.8 million and costs fall 3.2% to \$403.8 million. Operating profit swells to \$72 million and a net gain—the first in six years—of \$15.1 million is reported.

A300B4-203 roundtrips commence on February 7, **1988** between Cebu and Tokyo. The second chartered B-747-283BC arrives on February 20 and, like the rest of the fleet, receives a new livery. Despite requests by President Aquino, 10,300-employee PAL resists planning for privatization. After disagreements with company President Santos, Chairman Gonzalez resigns in early May; Leslie Espino now becomes executive vice president/chief operating officer. Former executive Lim files a \$2-million suit against the company on May 21 claiming the airline is unsafe and seeking establishment of an organization to monitor national civil air operations.

The government, meanwhile, begins to plan the deregulation of the nation's airline industry. President Aquino revokes her predecessor's forced nationalization of PAL in August, setting the stage for the creation of several independent air carriers. In September, the company undertakes a \$350,000 study of its proposed privatization. Beginning on September 25, the company's Fokker F.27s are replaced by Fokker 50s.

Late in the year, a fuel tax is imposed on the airline, but it, too, is contested. On December 16, even as the PAL privatization study continues, the government determines that its shareholding in the flag carrier should be reduced dramatically.

Customer bookings leap upward by 16.3% to 1,682,000 and cargo climbs 27% to 274.09 million FTKs. Revenues adjust skyward by 10.6% to \$532 million, but expenses zoom upward more quickly and leave the carrier with a \$3.29-million operating loss.

The workforce grows by 3.9% in **1989** to 10,706 and orders are placed for 10 B-737-300s. As the result of the successful suit filed by former executive Lim the previous year, the Philippine Air Safety Foundation is founded on February 28; Lim will be named its first director on June 27. The privatization study initiated the previous September is completed in March.

In addition to its two regular weekly flights from March International Airport on Mactan Island, serving Cebu, the company on March 20 undertakes the first of 10 special charters for the year designed to bring in an increasing number of tourists from the Japanese city of Nagoya.

The controversy over the type and quality of PAL service now heats up, with particular reference to local operations. On the evening of May 4, officials at Mactan International Airport have their runway lights turned off just as an A300B4-203 with 225 passengers prepares to land; the wide-body must return to Manila. The last HS-748 service is completed on May 31 from General Santos on Mindanao to Cebu.

On July 21, a BAC 1-11-516FP with 5 crew and 93 passengers overshoots the runway while landing at Manila in rain and fog and bounces onto a highway, strikes four trucks, and blocks railway tracks. Although there are no fatalities aboard the jetliner, which is damaged beyond repair, several vehicles are destroyed on the road and eight people are killed.

Also in July, a joint marketing agreement is signed with **Trans World Airlines (TWA)** that provides for code-sharing on routes from Manila to San Francisco and Los Angeles operated by PAL and on TWA services from San Francisco or Los Angeles (LAX) to New York (JFK). The first two B-737-3Y0s arrive under lease from GPA Group and enter service on August 28; the American-built aircraft will begin to replace the BACs. There is a general fare increase in October and in December joint freighter services begin from Manila to Seoul under a pact with **Korean Airlines/Korean Air (KAL)** that specifies use of KAL aircraft and crews on the route.

The nation's political strife allows passenger boardings to inch upward only 0.6% to 1,772,000. Freight does much better, ascending by 8.2% to 291.83 million FTKs. Revenues, nevertheless, march along by 20.7% to \$635.7 million, expenses are held in check, and a net \$14.3-million profit is celebrated.

Company employment is increased by 4.5% in **1990** to 11,188 and the fleet now includes 43 aircraft, even though retirement of the BAC 1-11s is started. In cooperation with **Korean Airlines/Korean Air (KAL)** and employing a KAL A300F4-203, weekly Seoul-Manila all-cargo flights begin in January.

As a B-737-3Y0 with 6 crew and 113 passengers Boeing is being pushed back at Manila on May 11 preparatory for departure on a service to Iloilo, a massive explosion in the center fuel tank pushes the cabin floor skyward (8 dead). The center fuel tank is empty, save for some vapors, and it will later be determined that damaged or improperly insulated electrical wires caused the detonation.

As the result of a new four-year agreement with the government of France, the company, at month's end, inaugurates Manila to Paris service via Bangkok, Dubai, Karachi, and Rome. Employing Egyptian jetliners, joint services are launched with **EgyptAir, S.A.E.** in June linking Manila with Cairo.

Following Iraq's August 2 invasion of Kuwait, the carrier's transport of Philippine workers to the Middle East dries up.

One of the few big Asian airlines to suffer a traffic downturn during the year, PAL watches its customer bookings slide 7% to 1,672,000 and cargo fall 10% to 273.51 million FTKs. Still, the year is good finan-

cially. Revenues ascend 11% to \$564 million and expenses allow profits: \$74.3 million (operating) and \$25.8 million (net).

The payroll is decreased a slight 0.3% in 1991 to 12,830. The fleet now includes 4 owned and 2 leased Airbus Industrie A300B4-203s, 1 of the latter coming over from **South African Airways (Pty.), Ltd.**, 1 chartered A300F4-203, 1 each British Aerospace BAe (BAC) 1-11-501EX, 1-11-518FG, 1-11-523FJ, 2 each 1-11-517Fes, 524FFs; 3 1-11-527FKs, 1 leased B-737-3S3, 9 chartered B-737-3Y0s, 4 leased B-747-2F6Bs, 2 leased B-747-211Bs, 1 each chartered B-747-211B and B-747-283B, 2 leased B-747-283B/Cs, 2 chartered DC-10-30s, 10 Fokker 50s, and 7 Shorts 360s.

In January, Manila to Sydney DC-10-30 service is increased to five frequencies per week. On March 1, the pioneer receives new leadership. Government official Catalino Macaraig Jr. is named chairman, with Feliciano R. Belmonte Jr. as president/CEO. The carrier's fiftieth birthday is celebrated on March 15; it now enjoys the distinction of being the longest serving airline in Asia. Given the nation's economic problems, more elaborate, yearlong celebrations are cancelled later in the month.

Determined to privatize the airline, the government, in September, agrees to assume PAL's \$520 million in foreign debt in return for 80% shareholding, which will be sold to private investors. The explosion of Mount Pinatubo has a significant impact on tourism. During December, three groups step forward to bid on the airline: PR Holdings, advised by **Korean Airlines/Korean Air (KAL)**, **American Airlines**-backed PCIBank, and **British Airways, Ltd.** (2) supported UBP Capital Group.

Passenger boardings increase by 9.3% to 1,833,030, but freight is down by 2.8% to 267.37 million FTKs. Revenues advance 14.7% to \$1.03 billion and expenses are held down, allowing operating gain to reach \$97.3 million. The net loss is cut to \$743,000.

The employee population is increased by 5.6% in 1992 to 13,545. The carrier is largely privatized in February as PR Holdings, backed by two of the country's largest banks, AB Capital Group and the Bank of Commerce, bid \$369 million in cash and government debt instruments and assume 67% shareholding. Philippine Long Distance Telephone Co. Chairman Antonio O. "Tony-Boy" Cojuangco, a nephew of Corazon Aquino, succeeds the resigned President/CEO Belmonte, Philippine Vice President Fidel Ramos is named president, and **Korean Airlines/Korean Air (KAL)** is retained for technical assistance. Orders are placed for six A340s and four B-747-4F6s.

A number of new routes are inaugurated, including daily flights to Abu Dhabi and twice-weekly roundtrips to Fukuoka and Saipan. The latter service is the first to the U.S. Micronesian trust territory by a non-U.S. airline. Service is also reintroduced to the Chinese city of Xiamen.

On May 11, Filipino Vice President Ramos is elected President.

The seven uneconomical Shorts 360s are removed from domestic service in September and by year's end, the last six BAC 1-11s have been retired.

The new frequencies lead to a 12.9% boost in customer bookings to 6,201,039. Cargo is up 1.7% to 311.94 million FTKs. Revenues swell 15% to \$1.19 billion and expenses total \$1.1 billion. The resulting operating surplus is \$86.72 million while a net profit of \$44.52 million is posted.

The workforce grows by 4.3% in 1993 to 14,125 and the fleet is increased by one A300B4-203 and two B-747-4F6s. Orders for a half dozen A340-211s are postponed for a year; the manufacturer will arrange with **Cathay Pacific Airways (Pty.), Ltd.** to dry-lease the aircraft. In addition to providing passenger and cargo flights to 43 domestic stops, the airline also provides international services to Abu Dhabi, Bandar Seri Begawan, Bangkok, Brisbane, Cairo, Dhahran, Dubai, Frankfurt, Fukuoka, Ho Chi Minh City, Hong Kong, Honolulu, Jakarta, Jeddah, Kao-hsiung, Kota Kinabalu, Kuala Lumpur, Kuwait, Labuan, Los Angeles, London, Manado, Melbourne, New York, Paris, Riyadh, Rome, San Francisco, Seoul, Singapore, Sydney, Taipei, Tokyo, and Xiamen.

President Ramos directs the Philippine National Bank in February to sell at auction the last 19.8% stake held by the government in PR Holdings; it will continue to hold a 33% interest via the Government Service

Insurance System. A boardroom fight at PR Holdings headquarters in March between the Chinese-born brewing and tobacco baron Lucio Tan and Chairman Cojuangco results not only in the \$192-million sale but in an ownership change.

Tan, who becomes known as "El Kapitan," assumes controlling interest and replaces Cojuangco with his ally, the former agricultural minister Carlos ("Sonny") Dominguez, although Cojuangco retains his board seat. Former San Miguel beer executive Jose Antonio Garcia becomes president/chief operating officer.

Under a joint service agreement signed with **Egyptair, S.A.E.**, flights recommence in June from Manila to Cairo again employing aircraft and crews of the North African airline. A similar agreement for use of partner aircraft is inked with **Air Niugini (Pty.), Ltd.** in July for passenger flights from Manila to Dominica and with **Saudia (Saudi Arabian Airlines)** in August for ad hoc joint cargo services from Manila to Riyadh. Another pact is inked with **Bouraq Indonesian Airlines** in October for passenger services from Manado to Davao.

Passenger boardings for the first eight months increase a modest 6% to 4,401,879 and freight does better, gaining by 11% to 221.94 million FTKs.

A revenue crisis occurs between April and December as net income falls from \$60 million to \$2 million. In September, new Executive Vice President Romeo S. David informs a Manila business forum that the company is actively seeking a marketing and code-sharing alliance with a foreign airline. Meanwhile, the government begins searching for a buyer for its remaining shares. The arrival of the first two B-747-4F6s in November and December allows their introduction on the nonstop transpacific routes to Los Angeles and San Francisco and the retirement of the last two DC-10-30s.

The number of employees is reduced by 0.9% in 1994 to 14,000.

Domestic destinations visited include Legaspi, Naga, Puerto Princesa, Bacolod, Butuan, Cebu, Iloilo, Kalibo, Roxas, Tacloban, Tagbilaran, Cagayan de Oro, Davao, Dipolog, General Santos, and Zamboanga.

Five-times-a-week roundtrips between Manila and Osaka commence on November 1.

Cruising at 30,000 ft. some 185 mi. E of Okinawa, Flight 434, a B-747-4F6 with 293 passengers en route from Manila to Tokyo on December 11, is rocked by a bomb blast that kills 1 Japanese passenger and injures 10 others. The Jumbojet makes an emergency landing on Okinawa; a Muslim extremist group claims responsibility.

Overall customer bookings for the whole year increase to 6,857,743 and 381.23 million FTKs are flown. Revenues are \$741 million and a loss of \$39 million is incurred.

The workforce is reduced another 0.2% in 1995, down to 13,869. On January 3, President Ramos signs an order deregulating the Filipino airline industry. Lucio Tan is elected board chairman on January 30.

Ramzi Ahmed Yousef, a Mideast terrorist suspected of the December bombing, is captured in Pakistan during the first week of February and taken to New York to stand trial. Yousef is also suspected of taking part in other plots, including an attempted assassination of Pope John Paul II, the attack on the World Trade Center, and planned bombings of U.S. and foreign airlines. On March 30, Philippine authorities charge Yousef with murder for the December 11 bombing.

During midyear, a new bilateral air agreement is signed between the U.S. and the Philippines. Shortly thereafter, the Philippines is slapped with Category 2 safety-oriented restrictions. The controversial U.S. rules require that nations whose airlines do not meet the minimum safety codes as published by ICAO will have their frequencies to the U.S. frozen and are barred from opening any new routes.

In the wake of the huge annual loss, Chairman Tan creates a potential transport crisis when, in the summer, he announces plans to suspend flights to 42 unprofitable domestic destinations. The Tan recommendation is bitterly opposed by Philippine President Ramos. Undoubtedly as a result of the proposed service cutback, a recapitalization plan put forward by Tan is blocked by the airline's other major shareholders, backed by the government, which has filed suit.

A seat exchange agreement is inaugurated with **Vietnam Airlines** in October on a frequency from Manila to Ho Chi Minh City. On December 15, two of the three B-747-2B4BCs owned by **Middle East Airlines, S.A.L.** are leased for six months.

In something of a surprise given the carrier's continuing bleak finances, a \$4-billion order is placed at year's end for 24 Airbus Industrie A340-311s, 8 A330-311s, 12 A320-214s, and 8 B-747-400s for delivery in the middle of 1997 through the end of 1998.

Passenger boardings accelerate by 4.9% to 7,190,073, but cargo dips 1.7% to 373.61 million FTKs. Revenues are just over a billion dollars, but losses continue; the operating loss is \$32 million while the net downturn is \$66 million. Over the past 12 years, the company has lost \$428 million.

Airline employment in **1996** stands at 14,125, a 1.8% increase. On January 5, a \$700-million order is placed for General Electric and CFM International engines.

While taxiing to the hangar after passenger disembarkation at the terminal on April 2, a **Pacific Airways** DHC-6-200 with two crew aboard crosses Runway 13 at the same time a PAL B-737-200 with 141 passengers is taking off. The little Boeing collides with the Twin Otter and carries it for 130 m. before stopping. Both aircraft are damaged; three people aboard the PAL plane are hurt, as is the crew of the de Havilland.

In the spring, PAL concludes a wet-lease arrangement with **World Airways** for the charter of several MD-11s in order to get around the FAA's Category 2 restrictions in the only manner allowed.

A three-and-a-half-year battle for control of the carrier between owner Tan and the Filipino government is concluded in June; Tan's PR Holdings is allowed to assume 67% control. Manolo Aquino now becomes executive vice president.

Owner Tan now commits an additional \$156 million; in exchange, three government financial institutions with investments in the carrier are insured against loss with a buy-back guarantee: if PAL is not profitable within six years, they can purchase it back and Tan will quit the airline business. Meanwhile, the U.S. Export-Import Bank backs the funding needed for two more B-747-400s and a German bank loans the airline \$100 million. Other European financial institutions also provide funding that will cover the Airbus/Boeing purchase.

In an effort to upgrade service and support, the company, also in June, opens the \$60-million PAL Learning Center at Manila; it will train flight crew and maintenance personnel. It will also ensure computer literacy. To help cover capacity needs after return of the **Middle East Airlines, S.A.L.** Jumbojets until its own aircraft are available, two A340-312s are wet-leased from **Gulf Air Company, G.S.C.**; one enters service in July and the second in September.

The second A340-312 is employed on September 19 to commence four weekly nonstop dual-designator flights with **Canadian Airlines International, Ltd.** between Manila and Vancouver, with continuing service to Newark.

CAI initiates its portion of the code-sharing pact on October 28 with three weekly flights from Vancouver to Manila via Hong Kong. Also in September, the four MD-11s wet-leased from **World Airways** enter service on routes from Manila to Los Angeles via Seoul and from Manila to New York through Vancouver.

On October 30, airline ground workers, members of the PAL Employees' Association (PALEA), go on strike, forcing the suspension of a number of scheduled services. On November 1, additional flights must be cancelled, particularly those to international points. The job action ends on November 2 after the laborers and management conclude conciliatory talks and sign an agreement under the watchful eye of Philippine Labor Secretary Leonardo Quisumbing. The work stoppage has cost the company PP 100 million (\$3.8 million), largely because of the cancellation of 30 international and 100 domestic services.

The airline is now embroiled in a dispute with its pilots' union regarding pay and staffing levels on the company's long-haul services.

While maneuvering at Manila preparatory to its takeoff for London on December 4, the left wing tip of an A340-211 with 280 passengers

brushes the tail of a B-737-200 with 160 aboard about to depart for Butuan. The Airbus is later cleared for departure, but the passengers of the little Boeing, whose rudder is damaged, must transfer to another aircraft before they can leave.

At the beginning of December, the government's labor department had ruled that PAL must give its pilots a 15% pay increase annually over the next five years. On December 10, Chairman Tan calls this ruling "unreasonable" and claims that his airline will have to cut an ambitious \$3.2-billion expansion plan in half because of it.

On December 17, the carrier and its pilots union successfully negotiate certain terms for a new collective bargaining agreement, with points covering long-term compensation, work rules and productivity based on increased compensation for increased work, and the staffing of long-haul flights with second officers. The pilots continue to demand an immediate 10% pay increase, as well as such perks as an executive car for each flyer.

Frequencies are opened from Manila to Shanghai at year's end.

Enplanements soar 14% to 2,817,321 and 328.81 million FTKs are operated, a 3% increase. A PP 2.50-billion loss is suffered.

The workforce is cut a drastic 18% in **1997** to 11,587. In January, a B-747-283BC is withdrawn and passed to **Atlas Air**, which takes over its lease and sends it to the Boeing plant at Wichita for conversion into a freighter. A contract agreement is now reached between PAL and its pilots. Chairman Tan, who had threatened to cancel an order for B-747-400s and A340-313s, now allows the orders to stand.

International markets visited include Amsterdam, Bangkok, Brisbane, Dharhan, Dubai, Frankfurt, Ho Chi Minh City, Hong Kong, Karachi, Kuala Lumpur, Los Angeles, New York, Paris, Rome, Seoul, Singapore, Sydney, Taipei, Tokyo, and Vancouver. The domestic network comprises 36 communities beyond Manila served by 160 daily departures by a fleet of 4 A300B4-203s, 12 B-737-300s, and 50 Fokker 50s.

The company's stockholders, in February, approve a doubling of capitalization, up to PP 20 billion (\$770 million). The funding is needed to help cover the cost of the \$3.2-billion expansion plan Chairman Tan had threatened to cancel in December.

En route from Manila to San Francisco on March 6, a B-747-4F6 is diverted to Yokota Air Base in Japan after an 80-year-old Filipino male passenger suffers respiratory difficulties. Passengers remain on board as the man is treated at the base and returned to the Jumbojet, which departs for California four hours after touching down in Japan.

A company general manager, held prisoner by Moslem guerrillas for 50 days, is released unharmed on June 16.

On July 11, Moslem gunmen abduct Flaviano Fucoy, the airline's southern provincial branch manager, near the town of Labangan; President Fidel Ramos dispatches military units to curb the kidnappings.

After having received a substantial payment from PAL the same day, **World Airways** and PAL resolve a contractual dispute that allows two MD-11s leased to the Asian airline to be placed elsewhere during the third quarter. PAL agrees to operate two other MD-11s currently in its fleet until February **1998**.

Manila experiences a runway blackout on July 18 that results in delayed departures, arrivals, and diversions for several hours; PAL flights from Hong Kong and Taipei are diverted to nearby Mactan.

The two A340-211s previously dry-leased by **Cathay Pacific Airways (Pty.), Ltd.** are placed into service in late July. The previous route to London (LGW) via Bangkok, Abu Dhabi, and Frankfurt is revised into a direct service from Manila to London (LHR).

At the same time, the PAL Learning Center, which controls the carrier's four principal training units, is tasked with improving corporate culture. A new advertising slogan, "Philippine Airlines: Asia's Sunniest" is consequently unveiled, along with new staff uniforms. Aircraft are emblazoned with the logo of a rising sun to herald the carrier's rebirth. However, as a result of the growing Asian currency crisis, few can anticipate that within a year the airline will actually die and be reborn again.

The first A320-214 is delivered on August 6. The carrier announces on August 21 that, as a result of "staggering" losses caused by the

Category 2 restrictions imposed by the U.S. government, it will cease service to New York on September 2.

With the removal of two **World Airways** MD-11s in September, PAL abandons its wet-leased service to Los Angeles via Seoul. Claiming that the U.S. government has been unreasonable in the application of its Category 2 restrictions, PAL now requests that the Philippine CAB suspend operations into Manila by U.S. airlines, particularly the cargo flights of **Polar Air Cargo** and **Northwest Airlines**, which are seeking new frequencies. The CAB does not honor the flag carrier's request.

Figures through September are subsequently released and show a net loss for nine months of \$122.6 million.

On October 15, acting on behalf of the full CAB, Executive Director Silvestre Pascual orders PAL to roll back a 35% fare increase. The nation's airfares, states Pascual, have not been liberalized as PAL, quoting a 1995 decree from President Ramos, has contended.

In late summer and early fall, the company begins to receive its new A330-301s. These replace the two B-747-211Bs on routes to Abu Dhabi, Dhahran, Dubai, Riyadh, and Jeddah. On October 1, the company launches an all-A330 service to Singapore.

En route to a record PP 8-billion (\$202-million) loss, the company towards year's end institutes a number of cost-cutting measures to survive the Asian currency crisis that has severely impacted PAL since midyear. Among the measures adopted is a new policy that requires the forced retirement of pilots who have either served the company for 20 years or have flown 20,000 hours, regardless of age.

In November, after the two carriers negotiate their early return, **Atlas Air** obtains the two B-747-211Bs operated under lease by PAL. Once in hand, Atlas causes them to be dispatched to Wichita for conversion into freighters.

A320-214s replace older A300B4-203s on the carrier's five-times-a-week service from Manila to Kuala Lumpur, beginning on December 1.

When in December the company orders the early retirement of Senior Pilot Capt. Albino Collantes, aged 45, under its new termination policy, it sets off a major confrontation with the pilots' union, whose president, Capt. Sotico Lloren, points out that the jobs of 225 flyers are immediately at stake.

Also during the month, negotiations are undertaken with Boeing concerning the airline's plans to cancel six B-747-400s. At the end of December, company management approves the cancellation of four of the Jumbojets scheduled for delivery from **1999 to 2001**; Boeing does not accept the cancellation.

Enplanements for the year total 2.7 million, while freight jumps 24.9% to 436.2 million FTKs. When figures are released in March, it will be shown that the company has lost PP 8.08 billion (\$192 million) and is \$2.1 billion in debt.

While the confrontation between the airline and its pilots' union continues, the regional currency crisis severely affects the company.

Starting on January 1, 1998, A320-214s replace B-737-3Y0s on the carrier's daily flights from Manila to Bandar Seri Begawan via Kota Kinabalu. At the same time, the older, all-economy class service is replaced with the new business product, *Mabuhay Class*.

The all-Stage III-certified fleet now includes 4 each B-747-4F6s, A340-313s, A340-242s, 3 each B-747-2F6Bs and A320-211s, 9 each B-737-3Y0s and A300B4-203s, 8 A330-301s, and 10 Fokker 50s.

In February, the company announces that it will not take six B-747-4F6s it has ordered, deferring them "indefinitely" and becoming the first airline to default in Asia since the previous year. Additionally, the arrival of five of eight A320-214-203s is deferred by a year or two. The two remaining MD-11s are returned to **World Airways**.

The largest annual loss ever, PP 8.08 million, is officially reported in March. The company is so strapped for funds that President Garcia now appeals to his employees to invest their life savings in the airline, promising them "competitive" interest rates.

In a March letter to workers, President Garcia paints a bleak picture of PAL's survival chances. Noting that the company is, due to the currency crisis, "in serious financial trouble," he indicates that the carrier

will not survive "unless we take drastic steps." Comparing PAL to a "sick man" surviving on a day-to-day basis, Garcia indicates that severe medicine is required, including drastic fleet and staff reductions.

On March 22, an A320-214 piloted by Capt. Teodoro Facun makes an extremely short landing at Bacolod in the central Philippines following a flight from Manila. Flight 137, with 5 additional crew and 129 passengers, is unable to stop and continues 650 ft. beyond the end of the 6,888-ft. runway. In the process, the jetliner crashes through a perimeter fence, bounces across a small river, strikes 30-plus squatter homes, and comes to rest in the Brilliant City Pub House on the edge of a highway. Three people are killed on the ground and 44 injured; all but 21 of the passengers the Airbus are also hurt and the plane itself must be written off.

PAL and **Canadian Airlines International, Ltd.** expand code-sharing on services between the two countries beginning on May 1. On that day, PAL reschedules its three nonstop weekly flights to Vancouver in order to offer better connections through the CAI hub. All Manila-Vancouver frequencies become nonsmoking on May 16.

The arrangement with CAI is enhanced on June 1 as PAL begins to place its code on the Canadian carrier's flights between Vancouver and Toronto. Customers may now seamlessly travel between Manila and Toronto, with only a brief stopover at Vancouver. Plans are announced for the June 28 launch of a fourth daily Manila-Vancouver nonstop.

On June 5, all 625 of the carrier's line pilots strike the company over its retirement plan; only 25 management pilots are available and they are unable to handle the schedule. Most international and domestic flights must be cancelled, affecting thousands of passengers.

Chairman Tan and President Garcia fire all of the striking pilots on Sunday, June 7, calling their action illegal. At the same time, company management reports that the strike has "irreparably damaged the company's cash flow" and has scared off potential investors, including negotiations with **Northwest Airlines**.

The Department of Labor intervenes on June 8, agreeing to take the pilots back if they will return to work the next day. The DOL orders the pilots to return to work by June 9 or face the possibility that they will be replaced. The pilots' union refuses the labor office's attempts to formally deliver the back-to-work order and none of the striking flyers come back on deadline day.

The bitterness engendered is now so great that Chairman Tan indicates that he will not accept back the striking pilots after settlement and will, instead, scale back PAL's operations to a point where it primarily concentrates on domestic services.

On June 15, the day before the job action ends, the Philippine Department of Labor informs both PAL and the pilots' union that the airline has the legal right to require early retirements, the chief point of contention between the two sides. The strike ends on June 16, at which point all of the pilots are fired. The 11-day job action has cost PP 150 million (\$3.8 million) in lost revenues.

In an effort to assist in the replacement of capacity on routes from Manila to Australia, **Qantas Airways (Pty.), Ltd.** now upgrades its capacity, changing from the B-767-338ERs previously employed to B-747SP-38s; the number of frequencies between the two nations is also boosted.

Three days later, PAL announces that, in a last-ditch effort to survive the effects of the strike, it must lay off 5,000 workers (40% of its workforce) and immediately downsize to "forestall further losses and certain closure." The retrenchment, the largest in the Philippines in years, causes the airline's flight attendants and ground personnel to threaten strikes as well.

Also on June 18, it is announced that the carrier is closing down its Australian offices and will shortly terminate all operations "down under."

On June 19, PAL files a rehabilitation plan with the Philippine Securities and Exchange Commission (SEC). Noting that it is unable to meet payments on its loans, the carrier also indicates that it will cut its workforce by 40%, dispose of 40 of its 54 planes, suspend two-thirds of its

routes, and sell off subsidiaries. The strike thus far has cost over PP 2 billion (\$50 million) in lost revenues.

Plans are announced on June 21 for the disposal of all 8 of the carrier's A340-313s, 4 A330-342s, 5 B-747-2F6Bs, 10 Fokker 50s, 5 A300B4-203s, and 8 B-737-3Y0s. Accomplished through a combination of early lease terminations and sales, the move will leave PAL with just 14 airplanes, but will generate \$1.5 billion.

At this point, PAL owes \$400 million to local banks, chiefly the Philippine National Bank, along with \$1.6 billion to U.S. and European creditors.

The U.S. Bankruptcy Court of the Northern District of California issues orders on June 22 that prevent PAL's U.S. creditors from foreclosing on the carrier's loans until July 2. The next day, the Philippine SEC allows PAL to temporarily suspend payments to creditors for 30 days while an interim rehabilitation committee works out a revised rehabilitation plan for the airline that will be presented on July 24.

In separate statements issued on June 22, President Fidel Ramos indicates that he will not intervene in the labor dispute. President-elect Joseph "Erap" Ejercito Estrada, who will succeed Ramos at the end of the month, indicates that he cannot back a government bailout.

While the company, on June 24, enters negotiations with its sole engine supplier, General Electric Co., for the settlement of its financial obligations, PAL reports that it has a total of 96 pilots of various positions on active duty, including 34 from management.

On June 25, the carrier indicates that it will hire back some of the dismissed pilots if they agree to a 20% pay cut. Meanwhile, Chairman Tan lets it be known that he is considering the appointment of a number of laid-off flyers from **Garuda Indonesia** at \$1,000 per month, a third of the salary paid to PAL's dismissed pilots.

The same day, Airbus Industrie agrees to take back eight aircraft. It will assist PAL to sell four purchased units and will make four leased machines available to other airlines. Despite this good news, the company must also note that it is having great difficulty finding buyers for 13 planes it is trying to sell.

The pilot strike ends on June 26 after 22 days.

At month's end, as creditors give the carrier a reprieve on payments on its \$2.1-billion debt, negotiations continue for a delivery delay on 12 A320-214s. At the same time, **Air Philippines** continues its efforts to expand and take market share from the major.

Joseph Estrada is inaugurated as president of the Philippines on July 1 and soon finds himself embroiled in the PAL situation. During the next week, PAL continues efforts to restructure its \$2 billion in debts. By now, the company has fired all of the striking pilots and laid off 5,000 more of its cabin and ground crews. All but 5,000 of the staff will be gone by September and the remaining 8,500 ground crew workers now issue a warning that they will strike.

On the evening of July 9, President Estrada calls in Chairman Tan for consultation and to receive a report on the PAL plan to reduce the airline fleet to only 14 aircraft. Estrada, who is Tan's political patron, indicates that he will join the effort to find a solution to the PAL labor disputes because they are damaging the country. Meanwhile, he asks Tan to increase the fleet to 21 aircraft and retain at least 9,000 workers.

The next morning, Labor Secretary Bienvenido Laguesma issues an order halting the ground workers' strike. President Estrada, meanwhile, speaks to the leaders of the company's three unions, stressing the need for both sides to continue negotiations and to find a settlement. He reports on his conversation with Chairman Tan and, as Laguesma had earlier, warns against a strike.

Executive Vice President Aquino announces at a press conference a spin-off plan for the carrier's major services on July 15, one that it hopes to complete within six months. Among the assets and functions that will be turned into joint ventures that partners will purchase in exchange for equity in the airline are maintenance and engineering, catering, ground handling, cargo services, and flight information services. Aquino announces frankly that, except for maintenance and engineering, little interest has so far been shown by any concerns in the other company services.

Perhaps most disturbing to listeners in and out of the airline is Aquino's denial of reports that the airline might revise its restructuring plan and elect to retain 21 aircraft as President Estrada had requested. "It's not an option," the executive notes, "we are working on the Plan 14. There's no Plan 21." On July 22, the Philippine SEC grants a 50-day extension of the July 24 deadline for the airline to submit its rehabilitation plan.

The Aquino statement, a failure of discussions concerning the reinstatement of retrenched workers, and the airline's continued downsizing brings about a full-scale strike on July 22 by the remaining 8,000 PAL-employed members of the Philippine Airlines Employees Association (PALEA). The immediate effect is the cancellation of 16 domestic flights.

President Estrada calls PALEA strike leaders and PAL officials, led by Executive Vice President Aquino, to his home on July 25 and personally becomes involved in a marathon 15-hr. bargaining session. Having brokered a deal, Estrada calls a press conference on the morning of July 26 to announce that the ground crew strike is over. Under terms of the arrangement between the airline and workers, PAL will be allowed to reduce the PALEA workforce by 1,800 by August 16; each ruffed worker will receive a \$712 settlement. The airline will be able to push ahead with its plans for a 14-aircraft fleet, while further negotiations ensue.

PAL President Garcia resigns on July 29 and it is announced that, because of the airline's impending receivership, he will not immediately be replaced. The workforce at this point now totals 8,617: 224 pilots, 653 cabin crew, and 7,740 ground personnel.

Negotiations between the carrier and PALEA continue. Although a debt moratorium is in hand as a survival plan is discussed, PAL officials note that creditors have refused to agree to any restructuring plan unless new capital is infused into the 57-year-old airline, but that prospective investors have been driven away by the recurring labor disputes.

On September 11, PALEA and PAL agree to halt public acrimony and to accept management's proposals in order to create and project an atmosphere conducive to investor and creditor confidence. Under terms of the arrangement accepted from CEO Tan, PALEA workers will receive three board seats and PAL stock in exchange for a 10-year suspension of their collective bargaining agreement. In addition, workers will receive 20% ownership of the company, with each employee receiving 60,000 shares of stock valued at \$6,900. PAL pledges to stop cutting salaries.

The board of PALEA reverses its decision on September 16 and publicly rejects the September 11 deal, claiming that the decade-long suspension of labor bargaining would be unconstitutional, as they would be abandoning their right to organize. Adding fuel, it is noted that Chairman Tan and his other companies have earned at least PP 25 billion from doing business with PAL over the past five years.

On September 17, an unaudited financial statement is submitted to the SEC showing a PP 2.2 billion (\$50.2 million) net loss for the second quarter, which is the first quarter of the airline's fiscal year—an amount that is three times more than that incurred for the same period in 1997.

Taking this bad news together with the PALEA action into account, the Interim Receivership Committee recommends closure of the airline. During an emergency closed-door session in the afternoon, the directors approve the action, effective at midnight on September 23.

Facing the press with the news the next morning, Vice President Rolando Estabillo indicates that efforts to rebuild the ailing carrier are no longer feasible. "We're going to close. It's final," he states. Chairman Tan is called to meet with President Estrada that evening.

Tan is talked into lowering the collective bargaining agreement suspension to five years and into agreeing to invest additional funds if PAL workers will vote to accept his revised plan.

After meeting with representatives from both sides over the weekend, President Estrada appears on the radio talk show of private station DZMM on September 20 to explain the situation. He comments on Chairman Tan's agreement offer, indicates his willingness to surrender a government board seat to PALEA (for a total of four), and appeals to both sides "on bended knee" to end their dispute.

President Estrada meets with both union and airline representatives on Monday, September 21. Meanwhile, approximately 9,000 PAL employees begin to vote in several polling places in Metro Manila on a ballot with but one question: "Do you accept the following offer (terms specified above) of Mr. Lucio Tan?" The results will be known the next day.

As the voting continues, PAL executives seek a further two-month moratorium on servicing \$2.1 billion in debts to foreign and domestic creditors. Finance Secretary Edgardo Espiritu and other officials indicate that the government may lend PAL PP 1.5 billion (\$34 million) to ensure domestic routes are served until PAL can be resurrected; the amount suggested is raised during the day to PP 2.5 billion.

Elsewhere, there is additional speculation on the nation's transport future.

Tourism Department Secretary Gemma Cruz Aranets indicates that members of the tourist industry should brace themselves, projecting calamitous effects if the carrier shuts down. The regional news media reports the labor-management crisis; some outlets suggest that the Philippine government is prepared to step in and take over Asia's oldest airline. Others suggest that is not quite true; however, Defense Secretary Orlando Mercado suggests that President Estrada may order the Philippine Air Force to fly the mail.

When the employee votes are counted on September 22, it is learned that Chairman Tan's terms have been rejected. Finance Secretary Espiritu indicates that, in the light of the negative election results, any suggestion of government loans in any amount is no longer valid.

PALEA officials, realizing the end of the airline is near, send a last minute proposal to Labor Secretary Laguesma suggesting a way to break the impasse. All that would be required would be for PAL to recognize PALEA's status as a union, security of tenure, retention of existing benefits and inclusion of inflation in any consideration of salary increases.

CEO Tan, who has given directors audiotapes of the song *Auld Lang Syne* to be played in company offices, agrees to let his executives meet with PALEA and government representatives, but indicates that any agreement must be reached by midnight. As these talks continue, the last flight out of Manila departs for Los Angeles at 9:30 p.m. (1330 GMT), while the last incoming flight arrives 10 minutes later.

Aklan Congressman Allen S. Quimpo hurriedly attempts to cobble together a consortium of businessmen willing to buy Chairman Tan's stake in PAL should the airline close. He has the support of tourism officials, particularly those on Boracay Island.

Following two hours of talks with officials of local airlines in Malacanang, President Estrada tells the press late in the evening that three foreign airlines are interested in buying PAL's assets should it fail: **Cathay Pacific Airways (Pty.), Ltd.**, **EVA Air, Ltd.**, and **Northwest Airlines**. Meanwhile, **Cebu Pacific Air**, **Air Philippines**, **Asian Spirit**, **Grand International Airways**, and several smaller operators are left to fill any void.

After six hours of negotiations between management and PALEA, Asia's oldest airline is closed at 12:01 a.m. local time on September 23. National transport chaos results as thousands of passengers and tons of cargo are stranded in provincial airports as well as Manila.

The next day, the U.S. Export-Import Bank is able to get a U.S. court warrant to seize the B-747-4F6s it requires back from PAL; one is taken over by authorities at Hong Kong and the other in Los Angeles.

On Friday, September 25, President Estrada orders representatives from PALEA and PAL to resume negotiations under the direct supervision of Labor Secretary Laguesma. His press secretary also announces that the Philippine chief executive anticipates that, by Monday, he will have made some arrangements to fill the gap left by the PAL shutdown.

A government-appointed management committee of the SEC had earlier begun negotiating with several foreign carriers concerning equity shareholding in PAL. Having been charged with supervising its liquidation, it now agrees when President Estrada's administration, via its partially owned PNB Holdings, contracts with **Cathay Pacific Airways**

(Pty.), Ltd. on September 26 for the operation of short-term cabotage charter flights.

Estrada defends his action to the media in his weekly radio address as having been taken on a temporary and emergency basis and so as not to disrupt tourism and commerce. He frankly admits that the government cannot take over the airline because there is insufficient money in public coffers to underwrite the carrier's \$1-million-a-day losses.

Under the direction of Cathay Managing Director Chen, the Hong Kong-based major begins flying Philippine domestic routes at dawn on September 28, initially operating six roundtrip flights each day from Manila to Cebu City, Davao, Cagayan de Oro, Bacolod, Tacloban, and Puerto Princesa. The Hong Kong-based airline contributes five A330-342s to the endeavor, while also employing three PAL aircraft staffed by PAL pilots and flight attendants. PAL ground crews service the aircraft. Cathay continues to maintain its 38 weekly roundtrips between Hong Kong and Manila.

President Estrada is a passenger on the first flight between Manila and Cebu City, where he meets with local officials and again stresses that these cabotage flights will only be maintained until Filipino carriers can take over.

The sight of the Cathay aircraft in Philippine skies has a significant impact on businessmen, government officials, members of the public, and, perhaps most importantly, upon those from PALEA and PAL continuing in the negotiations. "We were saddened," union president Alexander Barrientos will tell reporters.

The two sides are now able to resolve their bitter feud because the introduction of the foreign airliners has shown that President Estrada, whose administration has been a media target on other issues, is serious about resolving the transport crisis. PALEA now backs down and accepts management's offer of a 20% equity stake in return for a 10-year moratorium on strikes and wage haggling. Although the restructuring plan will be resubmitted for a vote by employees in two days, Estrada is confident enough to announce to the public that PAL is expected to be flying domestic routes again within a week to ten days, hopefully as early as the first week of October.

Meanwhile, Chairman Tan is invited to meet with the unionists at a reconciliation meeting at the presidential palace where Estrada informs both sides that he has asked the SEC management group to stop its liquidation activities and, instead, seek new loan restructuring from PAL's creditors. Additionally, it is noted that **Cathay Pacific Airways (Pty.), Ltd.** will continue its cabotage service only until PAL flights resume. Tan informs the gathering that, if the vote goes PAL's way, domestic flights can be restarted on October 7, with international service two weeks later.

Not everyone employed by PALEA is pleased with the turn of events. Over 1,000 workers from a more radical wing of the union march to the presidential palace on September 29 to protest PALEA's approval of the PAL management plan to reopen the airline, especially the agreed-upon suspension for 10 years of collective bargaining. Also during the day, PNB Holdings contracts with **Dragonair (Pty.), Ltd.** of Hong Kong to operate thrice-daily domestic services beginning on September 30.

Even before workers begin to cast their ballots, Chairman Tan flies abroad seeking to make arrangements with the airline's creditors that will prevent confiscation of PAL's aircraft. Before leaving, he discusses the prospects for investment by foreign airlines and asks all of his senior officers to tender their resignations in order to give prospective investors a free hand in reviving the company.

The **Dragonair (Pty.), Ltd.** A320-231 begins to operate essential domestic routes on September 30 from Manila to Bacolod and Cagayan three times a day.

Ballots from the worker referendum are duly counted by the Department of Labor on October 2 and give the airline a new chance at life through an affirmative 3,254 to 1,794 margin. Acceptance by the employees of the equity-sharing offer is also seen as a political victory for President Estrada, who has been strongly involved in the PAL story since early September. Still, a number of radical workers oppose the settlement and vow to file lawsuits and perhaps take disruptive actions.

Also during the day, Vice President-Sales Avelino I. Zapanta signals agents that they are free to begin selling domestic tickets again the next morning.

Over the next five days, plans are put together to get the airline back in the air. As the date for return approaches, some 300 radical workers, in a protest action, refuse to return to work. Executive Vice President Aquino lets them know that those failing to show up on Monday will be fired. Leaders of PALEA begin the process of electing three representatives to the PAL board.

The company's 7,577 workers return to their posts on Monday October 5. In Hong Kong, **Cathay Pacific Airways (Pty.), Ltd.** Managing Director Chen announces that he has received word that PAL will return to service within two days. Given this development, it is further noted that Cathay and Dragon will cease their temporary cabotage operations for the island nation late on October 7, having provided a total of 60 chartered flights.

The last Cathay cabotage service operated in the Philippines is the 6:45 p.m. Wednesday night flight from Cebu City to Manila. Upon its arrival at Manila, the Cathay service continues on to Hong Kong. Dragonair concludes its activities the same day.

Also on October 7, PAL is able to restart 14 of its domestic routes employing 9 aircraft. It is announced that international service will resume on October 15 to Los Angeles, San Francisco, Hong Kong, Taipei, Xiamen, Fukuoka, Tokyo (NRT), and Singapore. Load factors for the first day are bad, just more than 33%; the next day, they rise to 40%, reaching 60% on October 9.

During a question-and-answer period during his regular weekly radio show on October 10, President Estrada is asked which airline he will be flying during his upcoming Singapore visit. He quickly identifies the resurrected flag carrier as the airline of choice.

President Estrada and an entourage of government officials and businessmen fly on the PAL A320-211 *Kalayaan I* to Singapore on October 11 for the four-day 7th East Asia Economic Summit. The flight is the first international service by PAL since before the shutdown and the first foreign trip by Estrada since his June election.

Also on Sunday, Executive Vice President Aquino confirms that PAL will resume international services on October 13 with twice-daily roundtrips to Hong Kong and between three and four weekly services to seven other destinations. It will be necessary to obtain three A330s and an A340-313 parked in Sharjah, UAE, after the shutdown.

Although PAL is still negotiating, the U.S. Export-Import Bank has indicated its desire to terminate leases on the two Jumbojets it has been financing for PAL. To avoid possible confiscation of the Export-Import Bank-financed Jumbojet still in its hands should it be flown to Los Angeles or San Francisco, Aquino indicates that an A340-300 leased from another source will serve the U.S. routes.

Because of requests to hold off from potential investors **Cathay Pacific Airways (Pty.), Ltd.**, **Singapore Airlines, Ltd.**, and **Northwest Airlines**, PAL announces on October 12 that it will not resume international flights on October 13 as previously indicated. The potential equity investors require time to conduct feasibility studies.

In an October 7 statement revealed on October 12, Alexander Shum, the Cathay country manager, indicates that his airline is prepared to operate charter flights to Cebu from Japan if the Manila government requests them.

Rumors concerning the future of PAL become rampant. Although these carriers remain in negotiations with the government of President Estrada concerning a possible investment, they are far from finished. On October 15, two Hong Kong newspapers run reports that a deal has been struck for Cathay to take over PAL and that **Northwest Airlines**, another suitor for PAL's hand, has withdrawn from negotiations. Both airlines deny both assertions.

By October 19, PAL is operating thrice-daily roundtrips between Manila and Cebu, as well as 11 flights to other destinations. Up to this point, load-factors aboard the Airbus aircraft employed on the routes average 30%–40%. Meanwhile, the Hong Kong media reports that **Cathay**

Pacific Airways (Pty.), Ltd. is in "active discussions" with the government of the Philippines concerning an equity stake, but that the company has made no decision on whether or not to take an interest.

Executive Vice President Aquino announces on October 20 that, following consultation with potential investors Cathay and **Northwest Airlines**, PAL will be permitted to resume international flights on October 29. The initial service will consist of thrice-weekly roundtrips between Manila and Los Angeles and San Francisco.

Discussions are resumed with the U.S. Export-Import Bank concerning the lease of the two seized B-747-4F6s, a need for which is anticipated by December. The SEC asks the Export-Import Bank to return the aircraft and a federal court in San Francisco will, within days, so order a return.

It is also confirmed that discussions are continuing with **Cathay Pacific Airways (Pty.), Ltd.**, **Northwest Airlines**, and **Singapore Airlines, Ltd.** All have been asked to submit their proposals by month's end, but Cathay is seen as "the most serious."

Domestic service is significantly increased on October 23. Two more daily roundtrips are offered between Manila and Cebu. In addition, the first A330-342 arrives at Manila from Sharjah during the day.

Roundtrips are laid on the next day from Cebu to Davao, Bacolod, Zamboanga, and Iloilo. Eighteen destinations are now served and income reaches PP 25 million each day.

A **Cathay Pacific Airways (Pty.), Ltd.** spokesperson on October 26 insists that no decision on acquisition of a stake in Philippine Airlines (PAL) has yet been made. The next day, a PAL executive expresses assurance that Cathay will acquire a 40% interest and that its proposal will be submitted before the close of business.

Due to public demand and the action of the federal court in San Francisco, PAL elects to chance the use of a B-747-4F6 when it restarts North American service. Orchestrated by Maria Lourdes Afzelius, PAL manager of special services, colorful bunting, local cuisine, and a live native band are on hand as 200 passengers arrive at Manila on October 29. Following ceremonies, the group boards Flight 102 for a flight to Los Angeles and San Francisco.

By the beginning of November, domestic load factors have reached 80%, 100% on certain flights. At the same time, the SEC approves the airline's request to return 14 leased aircraft and to pay off PP 84.6 million in debts.

Executive Vice President Aquino informs the press on November 5 that **Cathay Pacific Airways (Pty.), Ltd.** had made a conditional equity offer for PAL two days earlier. President Estrada indicates that Cathay has his blessing to take over management control.

At Cebu for a meeting, Philippine Finance Secretary Espiritu also confirms the existence of a proposal, while adding further detail. He, however, raises a number of management issues yet to be ironed out. Among these is a Philippine law that requires that certain of the airline positions be held by citizens, including 60% of the board seats, and that no more than 40% of a utility may be owned by foreign interests.

Espiritu indicates that the process for the transaction will be for PAL to implement a capital hike that will dilute the holdings of Chairman Lucio Tan's group from the present 56.63% and allow the new partner to join. Tan will be stripped of his management roles, but will retain a board seat. Stockholders, old and new, will need to infuse PP 6 billion (\$150 million). At least two or three weeks will be required to complete final arrangements in order to allow Cathay time to study PAL's technical systems.

When contacted for his reaction to the optimistic Filipino comments, Cathay Chairman Sutch indicates that the airline will insist on having management control. "That will need quite a lot of negotiations," he tells Reuters, Ltd., "I expect them to continue for a long time yet."

While negotiations between PAL and Cathay continue, **Northwest Airlines** makes an offer on November 6. It involves only management support, without a capital infusion.

A "source involved in the talks" refuses on November 9 to confirm Asian media reports of the past few days that **Cathay Pacific Airways**

(Pty.), Ltd. is willing to inject \$75 million-plus into PAL, but does note that the figure will be less than the carrier had sought. Additionally, the unnamed reporter indicates that PAL will not only accept the figure, but also turn over management control to Cathay in any manner the Hong Kong-based major desires. The Filipino laws will be followed and methods will be found to bend them to meet necessity.

Cathay Pacific Airways (Pty.), Ltd. and the Interim Rehabilitation Receiver of PAL jointly announce on November 10 that the PAL receiver has accepted Cathay's conditional proposal for a possible investment in PAL. Their statement indicates that the two sides will now work together to draw up a comprehensive rehabilitation plan for the financially troubled Filipino flag carrier, which will be submitted to the Philippine SEC and creditors for final approval. Although the exact amount of equity infusion by Cathay and the Tan Group and local investors is not yet determined, it is expected to be in the \$75 million-plus range the media has been reporting. (It will be reported by a Hong Kong source the next day as PP 2-3 billion.) It is anticipated that as much as a month may be required to complete the rehabilitation plan.

The next day, Benjamin Palma-Gil, president/CEO of the Philippine National Bank indicates that its remittance subsidiary, rather than the bank proper, may consider investments in the flag carrier. The only way the bank will consider increasing its \$17.9-million equity stake is if it can be linked to the remittance operation. A global remittance company, separate from the bank, will be established within a month.

Cathay Pacific Airways (Pty.), Ltd. CEO David Turnbull simultaneously indicates that his carrier has, indeed, made a provisional offer of PP 3-4 billion, but that he expects the offer will include a group of foreign investors that together will hold the 40% stake allowed under Filipino law. It is also reported that Cathay wishes the Philippine government to divest its shareholding in PAL, although PAL Executive Vice President Aquino stresses that such a divestment is not an absolute condition of Cathay's investment.

The Filipino company's chief financial officer, Jaime Bautista, informs reporters that it would be perfectly acceptable for Cathay to link up with the Philippine National Bank or a local affiliate of the American International Group to obtain 50% control of the airline. This would skirt the national law limiting foreign ownership to a 40% maximum.

A330-342 service to Hong Kong and Tokyo resumes, also on November 11. On November 13, PAL requests that the SEC grant it another extension on its deadline to finalize its rehabilitation program.

A340-313 service is restarted to Taipei on November 18. As the result of support received from the airline's major foreign creditors during the day, the SEC, on November 19, grants PAL an extension for receipt of its rehabilitation plan. The new due date will be December 7, the same day Cathay is set to complete its 25-day final due diligence leading to the injection of fresh capital. The airline simultaneously resumes flights to Fukuoka.

Having become restless over fears of retrenchments should a deal with Cathay actually be struck, an independent group of PAL workers calls for a rally outside company headquarters in Manila's Makati business district on November 20. Few workers turn up.

Of greater concern are mounting losses, which must also be reported this Friday. The net loss for the period from March through the end of September has accelerated to PP 6.099 billion (\$154 million), up from PP 2.11 billion a year earlier. Revenues for those six months, meanwhile, have plunged to PP 11.74 billion from PP 17.58 billion the previous year. PAL officials from Executive Vice President Aquino on down realize that the loss will have an impact on Cathay's valuation of the company and may eventually undermine talks between the two carriers. There is no immediate comment from Hong Kong.

A senior Philippine government official, noting on November 25 that the proposed arrangement with Cathay is in significant difficulty and probably will not go through, now openly suggests that **Northwest Airlines** might be better suited for a tie-up with his country's flag carrier. The source, Executive Secretary Ronaldo Zamora, in a radio interview reported by Reuters, Ltd., indicates that Cathay has put forward new and

unacceptable conditions, including the removal of pilots who had returned to work following the June pilots' strike. He confirms, as does President Estrada in a separate interview and Northwest spokesman Douglas Killian, that Chairman Tan is in the U.S. for talks with the Minneapolis (MSP)-based major.

Having negotiated for another week, **Cathay Pacific Airways (Pty.), Ltd.** and **Northwest Airlines** both pull out of investment discussions with PAL on December 2.

Philippine President Estrada confirms that the Northwest talks have fizzled, but expresses hopes that he can convince Cathay to continue. In a statement from Manila, a Cathay spokesman indicates that the parties involved could not resolve "certain critical issues" and, consequently, the airline chooses not to pursue this investment opportunity.

Insiders let it be known to the media that neither PAL's unions or Estrada himself have been flexible in the matter of management control issues, particularly requested staff cuts, while Cathay has also been troubled by valuation of the airline and the lack of profit margins on domestic routes. These are now mostly loss-making as a result of the depreciation of the Philippine peso. Some involved in the talks speculate that a takeover of PAL management by Cathay may violate the 1987 Filipino Constitution's foreign ownership provisions.

Executive Vice President Aquino indicates that the required SEC rehabilitation plan, stand-alone if necessary, will be filed on December 7, but fails to indicate who any of the desired airline partners in the process could be. It is, however, revealed that a local group has committed to infuse \$90 million of the \$150 million required and that the airline has resumed talks with an unnamed potential foreign investor.

On December 3, President Estrada, who notes that his government has no money to bail out PAL, announces that **Cathay Pacific Airways (Pty.), Ltd.** has indicated a willingness in a letter to return to the negotiating table with the Filipino airline. There is disagreement on that point from Cathay.

In Manila, Peter Foster, Cathay's local station manager, bluntly indicates, "We are not having talks with them, the talks are over." In Hong Kong, Cathay CEO Chen more gently but just as firmly confirms withdrawal from talks with PAL and thanks the Philippine government for allowing the carrier an opportunity to pursue the opportunity. "We wish Philippine Airlines well," he adds, "and we will remain open to future cooperation in other areas of mutual benefit."

On December 4, it is revealed that Taipei-based **EVA Airways, Ltd.**, which the media had reported as being in talks with PAL following Executive Vice President Aquino's December 2 statement concerning a potential foreign investor, has not been contacted and has no plans to enter into equity negotiations with PAL. Presidential Executive Secretary Zamora tells reporters that government financial institutions may be tapped to extend loans to the airline, provided there is sufficient collateral.

President Estrada is unsuccessful in his weekend efforts to rekindle discussions between PAL and **Cathay Pacific Airways (Pty.), Ltd.** Filipino newspapers on December 6 suggest that the carrier is negotiating with **Singapore Airlines, Ltd.**, but both airlines downplay reports. Agence France-Presse reports that a team from SIA will arrive in Manila during the week for talks.

On December 7, the company takes its first shaky steps towards recovery as it submits a proposed rehabilitation plan to the SEC. The plan outlines a new business program for the next five years with the goal of generating revenues of \$855 million by 2005. Under the scheme, PAL hopes to reach its target turnover with a fleet of 22 jetliners and 7,500 employees. Provision is also made for the enhancement of both international and domestic routes. Also, the plan calls for debt restructuring, a capital injection of \$150 million (lowered from the \$200 million originally sought), a reduction in the par value of existing common stock shares from PP 5 to 1 centavo, fleet reduction, and a spin-off program for such noncore services as catering and ground handling.

In an interview with Reuters, Ltd., Executive Vice President Aquino adds that the airline will also seek debt forgiveness from some of its

thousands of creditors. He notes that, under the rehabilitation plan, the airline's fully secured creditors are to be asked for a one-year grace period on principal payments and an extension of the maturity of credit facilities by three years. Partially secured creditors will be asked to extend the maturity of their loans by four or five years. All creditors will also be expected to forgive all default interest on debt.

Finance Secretary Espiritu informs reporters that the government has readied a bridge financing plan from unexcited government financial institutions in case PAL requires additional funding. In a worst case scenario, the financial institutions can provide a loan through April. It will definitely not be considered as a capital infusion.

Espiritu and his government colleagues continue to hope a foreign airline partner can be found within six months of the plan's implementation, one that will provide \$60 million in vital equity. At the same time, President Estrada indicates that he has once again invited Cathay to a meeting the next day where the parties may resume talks.

On December 8, Espiritu sweetens the deal for Cathay, indicating that the Filipino government will provide bridge financing through April if **Cathay Pacific Airways (Pty.), Ltd.** will come in; no capital infusion would be expected from Cathay before that time. The company rehabilitation plan presented to the SEC the previous day envisages an injection of fresh capital of \$150 million. The first tranche of \$90 million, to be paid as soon as the plan is approved, would be put up by PAL Chairman Tan and other investors.

Despite the new offer, Cathay does not send a representative to meet with Chairman Tan or other PAL officials during the day. A disappointed President Estrada indicates a meeting has been rescheduled for sometime within the next week.

Also during the day, the SEC sends a copy of the rehabilitation plan to the European Export Credit Agencies, those creditors that control leases on 12 Airbus jetliners or more than half of the 22 planes PAL would continue to fly, asking for their comments on the package by December 22. Similar copies are sent to and requests made of other creditors as well.

Cathay Pacific Airways (Pty.), Ltd. CEO Chen, on December 9, notes for reporters on December 9 that the airline has had no formal approach by the Philippine government for a resurrection of equity discussions, despite all of the information coming out of the Philippines to the contrary. Indicating that his airline has put in a lot of financial and manpower resources on the due diligence, Chen reiterates that talks to acquire a stake in PAL are over.

Simultaneously, **Singapore Airlines, Ltd.** indicates that it, too, has "no interest" in investing in PAL. Although it had earlier expressed an interest, it now puts out a statement in order to end speculation over its making a possible bid.

The PAL situation remains in flux through the rest of the week. On December 12, President Estrada, during his weekly radio program, reveals that the airline is losing PP 21 million each day. He still hopes to find a foreign airline partner for the flag carrier and notes that, even in the face of CEO Chen's remarks, he still has not lost hope in arranging a deal with **Cathay Pacific Airways (Pty.), Ltd.**

While great attention has been paid to PAL's restructuring and its negotiations with foreign airlines, an aid package of potentially greater impact is being put together outside the country. In Tokyo, a \$30-billion financial support scheme for Asia is being organized by Japanese Foreign Minister Kiichi Miyazawa.

Finance Secretary Espiritu on December 14 tells reporters that, considering the importance of PAL as a flag carrier, the Filipino government is looking at the possibility of making the restructuring of the airline a part of the Miyazawa initiative, which also provides support for corporate restructuring. Although President Estrada still prefers that PAL take on a strategic partner to which it could turn over management, Espiritu notes that the Philippines—which hopes to receive about \$3 billion in short-term loans and another \$3 billion in long-term loans from Tokyo's largess—could obtain the needed \$150 million capital infusion by tapping into Miyazawa income. Any request to use Miyazawa Funds must,

according to Espiritu, come from the government task force for the rehabilitation of PAL, the SEC, and PAL management.

The European Export Credit Agencies rejects the PAL rehabilitation plan on December 22. The consortium is made up of Britain's Export Credits Guarantee Department, the German insurance group Hermes, the French credit insurer Coface, and the French bank Credit Agricole Indosuez, which latter institution acts as the security trustee and assignee of lessors' rights to the 12 PAL Airbus planes in question.

Officials of the Credit Agricole Indosuez deliver the group's comments to the SEC in Manila. A review of the documents indicates that the plan as drafted fails to address two key points—presence of a strategic partner airline and infusion of the original \$200 million.

Hundreds of other creditors also reject the terms of the rehabilitation plan. Financial institutions in particular express concern over PAL payments of loans. Executives from the Philippine Commercial International Bank, in its SEC filing, suggests that, if the airline reduces its capacity, some of PAL's stock of spare parts should be sold to pay domestic loans. It also asks that the company limit the maturity of both its secured and partially secured outstanding payments to 15 years instead of 10. The state-controlled Philippine National Bank objects to the proposed lowering of the par value of existing common stocks.

Airline Chief Financial Officer Bautista confirms to reporters that most creditors are rejecting the plan. "We will be talking to them," he indicates, "we are confident that we will be able to agree on terms that will make this rehabilitation plan successful." At the same time, the Bautista and PAL lawyers detail the fine points of the survival plan to an SEC technical panel set up to evaluate its viability. This panel will issue a set of recommendations during the week of January 3.

In a radio interview on Christmas Day, Philippine Executive Secretary Zamora indicates that PAL is holding discussions with **Northwest Airlines and Cathay Pacific Airways (Pty.), Ltd.** concerning their possible investment. Although both foreign airlines had indicated weeks earlier that talks were dead, Zamora is quoted to the contrary by the Associated Press. "The truth is their discussions are continuing," the official notes, "However, in order not to disturb the talks, they are not disclosing this to the public." He also reiterates the Estrada administration's position that the government will not take over PAL and assume its huge debts.

The search for capital continues. On December 27, Carlos Arellano, the Social Security System administrator tells reporters at a news conference that the Filipino state pension fund he runs would be willing to invest up to PP 1 billion (\$42 million) in the national airline, but only after it demonstrates that it will be profitable. The remarks follow upon those made a few days earlier by the International Finance Corporation, the investment banking arm of the World Bank, which also indicates a willingness to invest, but only after a foreign carrier makes its own equity investment.

President Estrada holds a news conference at Ninoy Aquino International Airport at Manila on December 28, where he and other top government officials have come to welcome overseas Filipino workers home for the holidays. The chief executive confirms the talks revealed by Executive Secretary Zamora and expresses his confidence that there will be a settlement, probably with **Cathay Pacific Airways (Pty.), Ltd.**, in January.

Two additional direct Cebu to Tokyo (NRT) roundtrips commence on December 29, raising total frequencies on the busy route to five times a week.

Passenger boardings for the year are 1.37 million, while 176.53 million FTKs are also operated. The operating loss grows to \$260 million.

It is announced on January 8, 1999, that PAL has hired a team of former **Cathay Pacific Airways (Pty.), Ltd.** officials to help it restructure. Regent Star Services (Pty.), Ltd., a consultant firm established and led by former Cathay Taiwan/Philippines General Manager Foster and Swire Pacific (Pty.), Ltd. Financial Director Michael Scantlebury, receives a five-year technical services contract. The new management team is given extensive powers to turn around the debt-ridden carrier

and Foster is personally guaranteed by President Estrada that the investment required to restructure the airline will be provided.

Once the team is in place on January 13, Foster quickly moves to revisit a number of creditors who have so far refused to endorse the airline's rehabilitation plan that calls for grace periods on repayments and debt forgiveness on default interest. He also rejects the idea of renewed negotiations with Cathay, his former employer.

A group of creditors, holding notes through Deutsche Bank valued at \$95.9 million of the total \$178.5-million face value of PAL's outstanding floating rate notes (FRNs), inform the airline on January 11 that it has rejected the airline's reform proposals because they do not offer reasonable terms of settlement. The next day, the U.S. Export-Import Bank, which is the trustee for four of PAL's B-747-4F6s, and Japan's Dai-Ichi Kangyo Bank join Deutsche Bank in voicing their opposition to the proposed rehabilitation plan for the money-poor airline.

Foster, the new chief adviser, indicates that he will visit with the Deutsche Bank note holders and the other creditors as soon as possible.

A meeting is arranged in Hong Kong on January 15 between representatives from Deutsche Bank, the U.S. Export-Import Bank, and Dai-Ichi Kangyo Bank, which together account for 75% of PAL's obligations and own 90% of its fleet. Advisor Foster, accompanied by Philippine SEC Chairman Perfecto Yasay Jr. and commission member Manolito Soller, are able to reach some accommodation.

Officials of the airline and its creditors agree that PAL will have a grace period until the end of February before it must submit a new rehabilitation plan. A fresh capital infusion of \$200 million must be made a part of the revised document, instead of the \$150 PAL had proposed back in December.

Additionally, unless a "minimum amount" is paid by January 29, the creditors threaten to begin seizing company aircraft. The payment envisioned is between \$50 and \$100 million and its receipt will help to provide proof that PAL is acting on its revival in good faith. Payment is, in fact, made the basic condition for a continuation of negotiations between PAL and its creditors over a new rehabilitation plan.

Yasay assures the representatives that a technical committee of his group is already at work on a new plan and should have a draft ready shortly. Cash will also be sought.

Returning to Manila, Foster urges PAL employees in the carrier's finance department to help find ways to cut costs, while those in sales and cargo are asked to generate revenues. It is necessary, he points out, to raise cash before the end of the month to avoid the danger of fleet repossession.

President Estrada admits at Manila on January 16 that PAL is not among the projects to be funded by the first tranche of the Miyazawa Fund initiative from Japan.

Major personnel changes occurring during the third week of January. On January 19, the SEC approves changes in a committee composed of senior airline managers forging the rehabilitation plan. Chairman Tan steps aside as convener of the group in favor of a director-ally, Luis Juan Virata, chairman of the investment bank Jardine Fleming Exchange Capital. Retained are Chief Financial Officer Bautista and an SEC representative. Added are three Regent Star Services executives, chief adviser Foster, financial advisor Scantlebury, and Richard Nuttall.

In an effort to improve relations between labor and management and to employ the "professional" management sought by many of the airline's creditors, Chairman Tan steps down as president/CEO on January 21 and turns over control of PAL to Director Virata and the Regent Star executives. Chief Financial Officer Bautista now becomes executive vice president/chief operating officer.

Having raised \$37.9 million from operational revenues, Chief Operating Officer Bautista offers the funds to the creditors on the deadline date of January 29. Although it is less than had been demanded, airline officials indicate that it is made "in good faith," and trust the creditors will accept this first debt service since the previous June 19 in the same way. Acceptance will allow PAL's senior managers and advisers to return to the negotiating table and jointly draw up a new rehabilitation plan for submission to the SEC on or about March 15.

Under a recently signed code-sharing agreement, PAL is able to purchase a "block-seat" allocation on each of 11 weekly flights operated by **Malaysia Airlines Sqn. Bhd. (MAS)** from Manila and Cebu to Kuala Lumpur, Kota Kinabalu, and Kuching beginning on February 1. This is the first such dual-designator pact PAL has entered into since reopening its business on October 7.

The Boeing Company weighs into the airline's situation on February 2; documents obtained by Reuters, Ltd. show that the manufacturer has found PAL's rehabilitation effort defective for sidestepping its own claim as an unsecured creditor for damages arising out of PAL's breach of contract in purchasing B-747-400s.

The same day, management and labor representatives vow to make a fresh start in their relations.

On February 10, the nation's SEC hands down several rulings concerning the airline. It is authorized to pay some debt from before June 1998 and to terminate the lease early of a B-747-200. In addition, the company is allowed to hire Chase Manhattan Asia, Ltd. and LEK/ALCAR Consulting Group to provide additional advice concerning its rehabilitation plan. The \$480,000 contract will be paid in two installments. It denies a PAL request to stop several lessors from terminating leases on four B-737-300s.

The SEC, on February 12, orders PAL to pay an additional PP 423.471 million (\$10.9 million) to service some of its maturing obligations. By its order, the regulators allow the airline to sell PP 441.925 (\$11.4 million) worth of assets to raise cash needed for its operations.

Beginning on February 16, Executive Vice President Bautista and chief adviser Foster go on the road for a series of what are described as "crucial" meetings with creditors designed to garner support for a revised rehabilitation plan.

The first conference with U.S. and European creditors occurs in Washington, D.C. on February 18. There a compromise is arranged with Airplanes Finance, Ltd., GPA Group, and GE Capital Corporation (all of which have leased B-737-300s to PAL) under which the motion filed to repossess the aircraft will be withdrawn in return for payments and new guarantees. Under the accord, PAL will pay arrears of \$8.94 million by September 1 and will also begin paying \$220,000 per month to each lessor.

Also on February 18, the carrier joins the ASEAN Air Pass scheme.

Without revealing details, chief adviser Foster reports that the February 19 presentation before U.S. Export-Import Bank representatives and representatives of European creditors was well received and expresses hopes for similar success in Manila on February 25 and in Hong Kong on March 1. He cautions, however, that debt restructuring and equity investment issues remain to be resolved before the entire plan can be completed and turned over to the Philippine SEC by March 15.

Except for three paragraphs detailing lessors rights and consequences that might arise from defaults, the SEC approves the February 18 compromise with the aircraft lessors.

The last Fokker 50 service, a roundtrip from Manila to Naga, is completed on February 28. With the end of turboprop service to its far-flung provincial airports, the carrier will operate an all-jet fleet for the first time in its history.

Thrice-weekly B-737-3Y0 roundtrips to Naga and Tuguegarao, Cagayan, are started or resumed on March 1. The jetliner replaces a Fokker 50 used on the Tuguegarao service prior its suspension the previous June. In support of tourism, additional roundtrips are simultaneously laid on from the capital city to Legazpi City.

Plans are simultaneously announced for the transfer of international and domestic operations from two separate terminals into Terminal 2 at Ninoy Aquino International Airport by mid-April. The move is being made to consolidate services and cut costs.

Having digested the SEC's February 26 order, Airplanes Finance, Ltd., GPA Group, and GE Capital Corporation, together with PAL, visit the agency's Manila offices on March 5. There they ask the SEC to approve the February 18 compromise document as signed, with the lessors indicating that they cannot honor the agreement if all of its terms are not adopted.

On March 9, Chief Operating Officer Bautista, in a letter to employees, reports on the March 1 Hong Kong meeting with representatives of the U.S. Export-Import Bank and the European credit agencies. The creditors conditionally agreed to the proposed rehabilitation plan that will be submitted to the SEC on March 15. The most important stipulation in their acceptance remains a capital infusion into the carrier of approximately \$200 million.

The on-line news service Asia Pulse (Pty.), Ltd. reports the results on March 10 of a two-week snapshot of domestic market share compiled for February 1–15. Between them, **Air Philippines**, **Cebu Pacific**, and **PAL** offered 31,714 seats during the period (not all were occupied). Of the total number of passengers boarding planes of the three airlines, PAL got 15,250 or 63%, followed by Cebu Pacific with 7,715, and Air Philippines with 1,350.

Flight 103, the carrier's B-747-46F service from Los Angeles to Manila, must be recalled to Los Angeles (LAX) on March 13 after an anonymous telephone caller informs the airline of a bomb threat. Once the 345 passengers on board are taken off, the plane is searched, but no explosive is found.

On March 15, after months of work and negotiations, a delegation of top PAL executives led by President/CEO Virata present the long-awaited rehabilitation plan, formally known as *The Amended and Restated Rehabilitation Plan*, to the Philippine SEC. Chief Operating Officer Bautista, chief adviser Foster, and Interim Rehabilitation Receiver Chairman Renato Z. Francisco join the airline chief in turning over the document to SEC Chairman Yasay.

The new plan takes into account the major creditors' proposal that \$200 million in new equity be injected into financially distressed PAL by June 4. It also calls for the sale of noncore assets, including the company's maintenance and engineering division, and a reduction of the fleet to 22 planes to service just 12 international and 17 domestic routes.

The delivery of the rehabilitation plan coincides with the carrier's fifty-eighth birthday, another point not lost by all of those involved. During the day, the Catholic mass is celebrated in all PAL facilities.

Frequencies are boosted on a number of domestic routes on March 15 as the carrier prepares for its peak summer season. Flights from Cebu to Bacolod, Davao, and Iloilo become daily roundtrips while frequencies to Naga are upgraded to B-737-3Y0 and those to Puerto Princesa are now flown with A330-342s. The number of weekly flights from Manila to 12 points is also increased, including thrice-daily to Cagayan de Oro, twice-daily to Tacloban, 51 per week to Cebu, 17 per week to Davao, 16 per week to Kalibo, 11 per week to Legaspi, and 12 per week to Zamboanga.

Finance Secretary Espiritu reports on March 17 that at least three (unidentified) foreign investors have come forward, each expressing an interest in infusing the entire required \$200 million into the carrier. Such a capital injection and the other key requirements of the plan should be completed by a June 15 deadline, at which point PAL would once again become, in Espiritu's words, "a viable institution."

On March 19, the European Export Credit Agencies (EECA), one of the airline's major creditors, signals its conditional approval of the rehabilitation plan. Another creditor, Credit Agricole Indosuez, announces on March 25 that the 17 French, German, and British banks it represents under the EECA have fully accepted PAL's rehabilitation plan.

In the latest addition to PAL's domestic network and the first route restarted since the submission of the revised rehabilitation plan on March 15, a B-737-3Y0 inaugurates five-times-a-week roundtrips between Manila and Awang Airport in Maguindanao, Cotabato, on March 29.

In a move adjacent to the PAL saga, the courts give Chairman Tan a boost during the month when a judge in Manila dismisses a PP 25-billion tax evasion suit filed against the billionaire's Fortune Tobacco Company by the previous Ramos government.

On April 5, the SEC releases numerous documents that give the press a chance to report on the progress of the airline's restructuring program. It is noted that, subject to the February 18 agreement, GPA Group, GE Capital Corporation, and Airplanes Finance, Ltd., have agreed to sup-

port the airline's plan. One short-term creditor, Chase Manhattan Bank, rejects the survival scheme entirely.

Principal shareholder Lucio Tan, on April 8, agrees to obtain the \$200-million cash injection required for the SEC plan on April 15 if PAL is unable to secure the funds anywhere else.

Two days later, on April 10, PAL, on behalf of CMC Express Travel & Tours, begins a series of charter flights between Japan and Clark International Airport in central Luzon.

With the press speculating upon a rift between beer and tobacco mogul Tan, still one of the wealthiest men in the country, and the management team led by chief adviser Foster, Tan steps forward on April 19 to announce that he is resuming his old post as the airline's CEO, as well as providing the \$200-million cash infusion required by creditors and the SEC under the airline's recent rehabilitation plan. Tan indicates that current CEO Virata will remain on the board of directors, while Vice President-Sales Zapanta will be the new president/chief operating officer. Foster and his ex-Cathay colleagues will continue to run the airline from behind the scenes.

A spokesman for the carrier indicates that 50% of the fresh equity is being immediately placed under escrow while the other half of the sum, being raised by Tan together with a group of unidentified investors, will be put up no later than June 4. Neither Tan or Foster offer comment.

In a letter to the SEC the next day, the Marubeni Corporation of Japan provides conditional approval of the revised rehabilitation plan, provided the \$200 million in fresh capital has come in. At the same time, the U.S. Export-Import Bank and a group of European creditors, collectively known as the Export Credit Agencies, write to the SEC protesting the Tan management coup and indicating that they wish it nullified.

Also on April 20, the SEC appoints an interim rehabilitation receiver to the airline who will meet with the principal shareholder to discuss his recent move to recapture the position of CEO. The receiver must approve the entire rehabilitation plan in order to win full SEC approval. The regulatory body also indicates that a reduction in force from 8,000 to 3,000 employees would be acceptable both to itself and to creditors. Prior to the SEC's final decision on June 4, cuts may be made from the divestment of noncore businesses, such as ground handling and catering.

The SEC receiver meets with Chairman/CEO Tan on April 21, the same day on which SEC Chairman Yasay announces his reduction in force recommendations in a radio interview. New President Zapanta also holds his first news conference, during which he indicates that Chairman/CEO Tan is still seeking half of the needed \$200 million and reiterates Tan's pledge to provide the additional funds himself if need arises. Zapanta indicates that he will meet with major creditors within a week to address their concerns; he will be joined by SEC Chairman Yasay.

On April 22, the airline issues a major statement aimed at its creditors and employees, assuring them that fears about the rehabilitation plan and the return of PAL's majority owner as CEO are unfounded. Several demand a meeting with the Philippine SEC.

After conferring with the airline's major creditors on April 30, SEC Chairman Yasay informs reporters that the U.S. Export-Import Bank has withdrawn its support for the carrier's rehabilitation plan. The U.S. creditor, which is owed 16% of the airline's \$2.2-billion debt and holds the leases on four B-747-46Fs, is not pleased with the airline's recent management change; bluntly Yasay notes, "they expressed that they were not confident with Mr. Tan."

Other creditors at the meeting, including Credit Agricole Indosuez which, as security trustee of 12 PAL planes, represents the European Export Credit Agencies of the French, British, and German governments, do not go quite as far as the Americans, indicating that they are concerned over the Tan matter and are studying developments. Like the U.S. delegation, these creditors point out that Tan's resumption of leadership violates conditions of the rehabilitation plan that no management changes take place at PAL without their prior approval.

The aircraft creditors had originally set June 4 as the deadline for PAL to raise the additional \$200-million equity required by the rehabilitation

plan. SEC Chairman Yasay will now ask all of these creditors to vote on the rehabilitation plan on May 15 before deciding on its future.

Philippine President Estrada, in his weekly radio address to the nation on May 1, indicates that Chairman Tan had visited him the previous evening. Noting that he is losing PP 20 million (\$527,700) daily in Asia's oldest airline, PAL's chairman informs the president that he may resign his newly resumed post.

Following a May 3 meeting with Tan and government economic managers to discuss the carrier's prospects, President Estrada informs reporters that he has given the chairman until the end of May to come up with the \$200 million he has promised to inject or step aside, at which point the government will look for other investors. Under no circumstances will the Filipino government invest its own scarce resources in the airline.

On May 4, PAL submits additional details of its rehabilitation plan, meeting an SEC deadline for a more detailed document. Other than Chairman Tan, it does not identify any other investors and does not divulge the basis for its projected future income, a key formula sought by the SEC. SEC Chairman Yasay indicates that his body will review this filing and decide if it is sufficient.

If the plan is found worthy, the cash-strapped airline will be placed into an independent receivership. They will ensure that the new management strictly complies with all provisions of the rehabilitation plan. At the same time, the chairman again warns that, should the \$200-million equity requirement not be met and other key components of the plan are not in place by June 4, PAL's liquidation will be ordered.

Elsewhere, President Estrada and Finance Secretary Espiritu both indicate that PAL must continue flying. If necessary, and as a last resort, Espiritu indicates that the Philippine government will take over the airline's management and head the search for additional capitalization. Both men, however, indicate that no state funds will be infused.

As they leaders talk, Chairman Tan departs for Frankfurt in an effort to talk **Deutsche Lufthansa, A.G.** into recapitalizing PAL.

SEC Chairman Yasay reports on May 5 that Tan is, indeed, conducting negotiations with **Deutsche Lufthansa, A.G.** concerning a purchase of the ailing Manila-line's maintenance and engineering division. On May 6, Tan's office and SEC Chairman Yasay receive official notice that the U.S. Export-Import Bank will no longer oppose any aircraft repossession plan or plan that opposes PAL's rehabilitation program. Indeed, it will petition the U.S. bankruptcy court to withdraw an earlier injunction restraining American firms from taking action against PAL's assets.

This latest U.S. document sends Executive Secretary Zamora and Finance Secretary Espiritu into a hurried meeting with President Estrada. The two emerge concerned that alternative financing be quickly found to keep the U.S. Bankruptcy Court, which now has full discretion to decide, from seizing PAL's American aircraft. All seems to hinge on gaining approval for the company's rehabilitation document on or before June 4.

For his part, SEC Chairman Yasay angrily—and undiplomatically—scolds the U.S. Export-Import Bank for behaving like a bully. He demands the U.S. agency take its case to Philippine courts, which might, just as he would, find them in contempt of Filipino law and procedures.

On May 7, the Philippine cabinet and President Estrada again discuss the PAL situation, with the chief executive indicating that PAL will not be allowed to close. On a brighter note, it is revealed that the government is negotiating with two foreign groups (including one from the Mideast) concerning their possible investment. In something of a teaser, it is noted that one of them, unnamed, will make a \$20-million down payment on a stake by May 10.

May 10 comes and goes without delivery of the promised \$20-million payment having been received. In a letter to employees from President Zapanta, it is revealed that Chairman Tan has approved the distribution of 60,000 shares of stock to each PAL employee, beginning this week. The distribution is in accordance with the promise made to the airline in 1998 for shares and board seats in exchange for the suspension of strikes and collective bargaining for a decade.

A spokesman for President Estrada informs the press on May 11 that, should Chairman Tan, who is currently talking to **Deutsche Lufthansa, A.G.**, be able to find other investors, the government will investigate ways for its financial institutions to invest in PAL "on a purely commercial basis." The government plans to keep the airline flying, without an actual state fiscal bailout. Government firms that might be able to provide equity include the Land Bank of the Philippines, Development Bank of the Philippines, Government Service Insurance System, and the Retirement Services and Benefits System of the Philippine armed forces.

Early on May 12, Chairman Tan sends word ahead of his return from Frankfurt that **Deutsche Lufthansa, A.G.** has informally agreed to take over management of the airline under contract, without putting in any investment. At Manila, meanwhile, an unnamed Singapore-based global fund is also identified as a possible investor. There is also speculation that a Mideast group, possibly from Kuwait, is also interested, but has insisted that Tan step aside and waive his preemptive rights before it will take a stake.

Having returned from Germany, Chairman Tan meets with PAL's board of directors on May 14 to review his trip. After the meeting, the tycoon meets with reporters and informs them, in general, concerning his discussions with possible foreign investors. Several remain very interested, but desire a guarantee that airline workers will not strike for 10 years. President Zapanta, also at the news conference, indicates that he and senior company officials will meet with the airline's two major unions to obtain the necessary pledges under the stock distribution noted on May 10.

Former Chief Operating Officer Bautista, a member of the airline's receivership team, reveals on May 17 that most of the carrier's creditors, including the export credit agencies from Britain, France, and Germany, have voted to back PAL's rehabilitation plan.

Later in the day, SEC Chairman Yasay tells reporters that his agency has taken the decision in principle to approve the restructuring plan and that a formal order may be issued as early as Tuesday. Reacting to an additional U.S. Export-Import Bank communication received on May 14 that again objects to the plan, Yasay indicates that the SEC is disappointed. On the other hand, he stresses, the U.S. creditor has no choice but to approve the scheme as the majority of other creditors have and because the bank, having subjected itself to Philippine jurisdiction, cannot seize its aircraft. If it continues to try to do so, the SEC will cite it for contempt.

The SEC, as anticipated, formally approves the PAL rehabilitation plan on May 18, contingent upon a \$200-million capital infusion being made on or before June 4. In a statement, Chairman Yasay's institution indicates that creditors holding 55% of the total \$2.2-billion debt have accepted the plan and thus all are formally bound by it, including the U.S. Export-Import Bank, which had withdrawn its support.

Across town, PAL Chairman Tan appeals to the airline's largest union to make good on its promise of no strikes and no collective bargaining for the next decade. He makes it crystal clear that foreign interests will not make a commitment without the pledge and that the SEC will not extend its June 4 date. Should the \$200-million infusion not be forthcoming, creditors will immediately begin to pull out their aircraft.

Acting under terms of the PAL rehabilitation plan, the government of the Philippines on May 21 begins to withdraw operating permits from certain other airlines on routes from Manila to destinations at Hong Kong, Manila, Taipei, and the Far East. **Emirates Airlines, Ltd.** of Dubai is the first given notice that, effective June 1, its authority to operate roundtrips from Manila to Hong Kong has been withdrawn.

Also on May 21, the powerful Cebu Travel and Tours Association and Cebu Association of Tour Operators throw their collective weight behind the PAL bid to rehabilitate and pledge full support to the flag carrier.

On a less positive note, the U.S. Export-Import Bank requests that the SEC fully disclose all details surrounding the vote of approval reported to have been taken by other PAL creditors in favor of the rehabilitation

plan. Specifically, the U.S. agency wishes to know the identity of creditors whose vote was solicited and a description of the manner in which such solicitation was made.

In complete contradiction of statements made just days earlier, Chairman Tan, on May 24, indicates that he will probably need to ask the SEC for a one-month extension on its June 4 deadline to raise the \$200 million needed to keep the airline flying. A dejected Tan frankly admits that he has no confidence that he can locate investors during the next two weeks who are willing to cover half the capital infusion. In addition, Tan reveals that **Deutsche Lufthansa, A.G.** still has not formally agreed to become the airline's management consultants.

This gloom-and-doom gives way to a dogged final push during the last week of May and first week of June to raise the required equity. On June 4, two hours before expiration of its deadline, Chairman Tan is able to deposit \$200 million of fresh capital into PAL's bank account.

The new 31.15% shareholders, saviors of Asia's oldest airline, include five Tan-controlled Filipino companies (\$100 million); Top Wealth Enterprises (Pty.), Ltd., a Hong Kong-based investment firm (\$70 million); and the Filipino financial concerns Maxell Holdings Corporation and Richmark Holdings Corporation (\$30 million). Chairman Tan's stake is now 53.7%, while PAL employees hold 2.70% of the carrier and various other minority shareholders have the 4.19% remainder.

While taxiing at Los Angeles (LAX) on June 6 just after landing on a service from France, **Corsair, S.A.** Flight 942, a B-747SP-44 with 17 crew and 257 passengers, stops short of its assigned gate with its left wing partially extended onto the taxiway. Simultaneously, PAL Flight 103, a B-747-4F6 with 20 crew and 405 passengers, is taxiing west and collides with the stationary Corsair aircraft. Although the wings of both aircraft are damaged, no injuries are reported.

On June 7, a Permanent Rehabilitation Receiver is appointed by the SEC to replace the Interim Rehabilitation Receiver; seven members of the interim panel are retained to monitor and supervise the implementation of the rehabilitation plan.

President Zapanta reveals to the press on June 14 his hope that the Regent Star Services management team might be changed. It is also noted that discussions are underway with the consulting division of **Deutsche Lufthansa, A.G.** concerning a management contract and until one can be negotiated, the Regent arrangement remains. The SEC, on June 15, indicates that a new team would be acceptable, but warns against a drawn-out changeover period.

The petitions on June 17 that the SEC withdraw its approval of the carrier's rehabilitation plan, claiming that the process of approval had been undertaken in error of the country's insolvency law. Lufthansa Consulting, GmbH, signs an agreement with PAL on June 19 under which it will advise on the Philippine line's ongoing restructuring process.

Deutsche Lufthansa, A.G., via its Lufthansa Technik, A.G. unit, agrees on June 22 to consider purchase of the PAL maintenance and engineering (M&E) divisions. Three days later on June 25, Boeing files a petition with the SEC in which it, like the U.S. Export-Import Bank, requests a review of the PAL rehabilitation plan, stating that the document does not address the builder's claims for \$128.8 million lost when PAL cancelled an order for eight B-747-4F6s.

The two-year, monthly flat-fee contract with Lufthansa Consulting, GmbH, takes effect on July 1. Under its terms, the German major will not undertake a full management role, but will act as consultant-advisor on fleet, routes, and yield management. It now begins a two-month assessment of PAL's operations. Discussions commence with Regent Star concerning termination of its five-year contract.

Beginning on July 5, PAL management and officials from the U.S. Export-Import Bank, joined by executives from the Central Bank of the Philippines, attempt to resolve outstanding issues surrounding the impasse over the Jumbojet payments. The American agency is offered an observer seat on PAL's rehabilitation committee. The matter drags on, resulting in a threat from Chairman Tan on July 21 to withdraw the \$200 million if the U.S. Export-Import Bank does not back off.

Following assurances from both PAL management and the Philippine government that the airline will be viable, the U.S. Export-Import Bank, on July 23, withdraws its opposition to the flag carrier's rehabilitation plan.

Despite the authority issue of May, PAL and **Emirates Airlines, Ltd.** are able to reach an accommodation through talks in July and August. A block-seat, code-sharing agreement is signed by PAL with Emirates on August 20. Fifteen months after being forced to suspend service, the Manila-based concern will return to Dubai on September 1 when it re-sells seats on each of Emirates three weekly nonstops between Manila and Dubai. This is the first dual-designator pact entered into by PAL since implementation of the company's rehabilitation plan in June.

Lufthansa Technik, A.G. and PAL announce that the former's due diligence of the Philippine M&E operation will be completed in September, at which point formal takeover negotiations will begin.

In addition to the resumption of Dubai flights on September 1, PAL now begins to receive suggestions based on the work of Lufthansa Consulting, GmbH. It also enters into negotiations with Lufthansa Technik, A.G. for the sale of its maintenance arm.

During October, the company consolidates its domestic and international operations into one Manila hub, the new NAIA Centennial Terminal 2.

Claiming that Taiwan's airlines are snatching passengers at Manila and flying them on to third countries without sixth freedom rights, President Estrada's government unilaterally ends the existing air agreement with the Republic of China, thereby severing air links between the two nations. The dispute will have an impact on the many Filipino workers who need passage to and from their jobs in Taiwan. Roundtrips between Manila and Taipei are cancelled, effective October 1.

Overall customer bookings this year ascend 46.7% to 3,944,000 while freight traffic accelerates to 184.9 million FTKs. Revenues move up 2.6% to \$320.85 million, while expenses decline 19.2% to \$251.81 million. The previous year's heavy losses are turned into profits: \$69.03 million (operating) and \$812,000 (net). The latter figure will later be amended upwards to \$1 million and represents the first major gain in seven years.

Airline employment at the beginning of 2000 stands at 8,086, an 8.5% decline over the previous 12 months. The B-737 fleet now includes 1 each Dash-332, Dash-33A, and Dash-36N, 6 Dash-3Y0s, 2 Dash-4Y0s, and 1 Dash-4S3.

Return service between Manila and Hong Kong is increased from 14 to 24 frequencies per week for the Chinese New Year, which begins on February 5. Four days later, the A330-301 employed on the route is replaced with a B-747-4F6.

In a further effort to boost the economic recovery of Philippine Airlines, the Securities and Exchange Commission, on March 16, approves an agreement between **Air Philippines (2)** and the flag carrier under which the domestic airline will wet-lease three B-737-222s for local service flights. In exchange, PAL will provide, for a reasonable fee, catering, ground handling, light maintenance and personnel in and out of Manila.

Regularly scheduled four-times-a-week return service is resumed on March 26 from Cebu to Hong Kong. It had been suspended during the bleak financial days of June 1998. Also during March, the company celebrates its fifty-ninth anniversary.

A bomb threat is called in on April 14 just before departure of the scheduled B-737 service from Manila to Zamboanga. All aboard are evacuated, but a search finds no explosive. On April 16, the company reaches an agreement with **Lufthansa Cargo Airlines, A.G.** under which PAL will sell space aboard the German line's Manila to Frankfurt cargo flights.

The aviation press reports late in the month that Chairman Tan wishes to sell off his 70% stake; with his carrier still deeply in debt, the \$800 million asking price is viewed by analysts as overly optimistic.

While en route from Davao City to Manila on May 25, Flight 812, an A330-301 with 13 crew and 278 passengers, is taken over by masked

skydiving enthusiast Reginald Trance Chua, aka Augusto Lakandula. He complains that his wife has run off with a policeman and demands that the pilot return to his point of origin. When Captain Emmanuel Generoso explains to the crying pirate that there is insufficient fuel, the hijacker, who has smuggled a gun and grenade aboard, calmly and in the style of an Old West train robber steals the passengers' valuables. He orders the flight crew to descend to 6,000 ft. and circle over the town of Real in Quezon Province, 40 mi. E of Manila. After the plane is depressurized, Chua, wearing a homemade parachute and a pair of swim goggles, orders a flight attendant to pop the seal of the rear safety door and help him to jump out by giving him a push.

Unlike the disappeared robber D.B. Cooper, witnesses on the ground actually see Chua separate from his parachute in midair and plunge to his death onto a hill. Shortly thereafter, soldiers recover the 26-year-old's body, buried in mud with only its hands and knees protruding, from a heavily forested area where residents had indicated a parachutist had landed. The bag of valuables is not recovered. The Airbus, meanwhile, lands at Manila with its door open and all aboard exit safely.

The weekly services to Sydney abandoned two years earlier are resumed on June 2 with thrice-weekly roundtrips operated by both B-747-4F6s and A330-301s. During the second week of the month, Chairman Tan reduces the asking price for his 70% stake to \$200 million, but stipulates that a purchaser must assume the carrier's \$2-billion-plus debt. No takers step forward.

A dual-designator pact is signed with **Kuwait Airways Corporation** on June 28 covering services between Manila and Bangkok. On July 1, the company begins to code-share with **Malaysia Airlines, Ltd. (MAS)** on flights between Manila and Kuala Lumpur and from Manila to Kota Kinabalu and Cebu. It also starts to code-share with **Egyptair, S.A.E.** on services between Manila and Cairo.

Direct four-times-a-week A320-200 return service is resumed on July 15 between Manila and Pusan, South Korea.

During the month, Chairman Tan purchases the air freight company Pacific East Asia Cargo and begins seeking B-727Fs for it, reportedly in an effort to enter the Philippine all-cargo arena.

Following months of negotiation, a certain number of protests by affected workers, and the creation of a German-led joint venture company Lufthansa Technik Philippines, an arrangement is finally made for the sale of the M&E unit to **Deutsche Lufthansa, A.G.** Viewed by workers and executives alike, a symbolic turnover ceremony is held at the PAL Technical Center in Paranaque City on August 31. Chairman Tan turns over the organization to LTP president/CEO Thomas Gockett. The next day, LTP opens for business employing most of the roughly 1,500 workers formerly employed by M&E.

After a year of heated words between Taiwanese and Filipino aviation and other officials, the governments of the two nations are able to sign a new air service agreement on September 28. In essence, the Manila government grants the carriers of Taiwan in fact the sixth freedom rights they had earlier exercised on an unauthorized basis. Debt-ridden PAL indicates that it will lose upwards of \$800 million under the new arrangement, but that it will, when it resumes flights to Taipei at the end of October, be able to provide Filipino workers transport home for Christmas.

Twice-weekly A330-301 roundtrip service is inaugurated on October 1 from Cebu to Seoul, S. Korea.

On October 13, it is revealed that **China Airlines, Ltd. (CAL)** is one of four international airlines with which Chairman Lucio Tan is negotiating a possible sale of his carrier. The others mentioned include **EVA Airways, Ltd.**, **Deutsche Lufthansa, A.G.**, and **Royal Brunei Airlines**.

New weekly B-737-3Y0 roundtrips commence on November 5 between Subic Bay and Hong Kong.

After a two-and-a-half year suspension, four-times-a-week A330-301 roundtrips are resumed on December 2 from Manila to Jakarta via Singapore.

PHILIPPINE AIR SERVICE: Philippines (1920). Following the graduation of 20 Filipino pilots from the flying school maintained by

Glenn H. Curtiss, the Commonwealth's Council of State on July 7, **1920** authorizes creation of a national air service. Five seaplanes are ordered for the new company, but insufficient funding stifles the enterprise before it can get off the ground.

PHILIPPINE AIRWAYS SERVICE: Philippines (1919). After the 1918 armistice ending World War I, two former U.S. Army Air Service pilots, Maj. Joseph Stevenot and Capt. Alfred Croft, migrate to the Philippines in early **1919**, hoping to open a commercial air service. Supported by Filipino Director of Posts Jose Topacio and employing a Curtiss Jn-4 Jenny, the two make a November 29 demonstration flight from Manila to Cebu and Iloilo carrying a load of mail. The impressed Topacio attempts to find government funding to initiate the mail service, but is unsuccessful. After a few additional charters, Stevenot and Croft abandon their plans.

PHILIPPINE AVIATION DEVELOPMENT: Philippines (1951–1957). Having disagreed over policy matters with his superior, Chairman Andres Soriano, the legendary aviator and mechanic Paul L. "Pappy" Gunn (who had helped Soriano establish his dream) resigns from **Philippine Air Lines (PAL)** in **1950**. The following year, he establishes the nonscheduled PAD to operate lightplane passenger and cargo charters.

Gunn is permitted by the Philippine government in **1954** to expand his service and operate twin-engine Beech 18s, which he had first flown for PAL in 1941. He is killed when one of these Twin Beeches is involved in an accident at Tanauan, Batangas, on October 11, **1957**; his sons quickly sell out.

PHILLIPS AIRLINES: United States (1959–1985). Joseph H. Phillips establishes **Phillips Michigan City Flying Service** as the FBO and charter operation for the airfield at Michigan City, Indiana, in **1959**.

In the early spring of **1966**, Phillips Airlines is formed as the company's scheduled air transport division. Daily roundtrip scheduled Piper PA-23 Apache and Aztec air taxi flights are started to Chicago (ORD) on April 16. Charter flights are also undertaken.

Over the next 15 years, Phillips' service grows. Frequencies are also undertaken to La Porte and Valparaiso. In **1981**, the fleet comprises 1 Piper PA-31-310 Navajo, 4 Aztecs, 1 PA-34 Seneca, and several smaller aircraft employed for flight training. Operations cease in May **1985**.

PHILLIPS FLYING SERVICE: United States (1943–1983). Alfred Phillips establishes an FBO at Conway in **1943** to provide services in support of aviation in northern Michigan. Charters for passengers and cargos are arranged and then undertaken over the next 20 years to local and bush destinations.

During the summer of **1964**, the decision is taken to offer a scheduled air taxi service linking Pellston with Mackinac Island and St. Ignace. A connection is established with **North Central Airlines** at the former point and revenue flights, employing a Piper PA-32 Cherokee Six, commence on September 29.

Operations continue apace during the next two decades, even though the carrier is twice sold, first to John Guisinger and then to Welch Aviation. The company closes its doors in **1983**.

PHOENIX AIR, GmbH.: Airport Munich II, Munich, D-85327, Germany; Phone 49 (89) 97597550; Fax 49 (89) 97597552; <http://ourworld.compuserve.com/homepages/Phoenix-Air>; Year Founded 1979. Bernard and Margreth Schautuss establish the air taxi Phoenix Air at Munich in **1979** to offer executive and small group passenger charter services. Revenue flights commence and continue with a single Learjet 35A. The workforce totals five in **2000**.

PHOENIX AIRLINES: United States (1980). Phoenix is set up at Atlanta's Peach Tree Airport in **1980** to provide daily passenger and cargo services to Savannah, St. Simons Island, and Jacksonville. Employing a

de Havilland DH 114 Heron, the company duly inaugurates roundtrip revenue frequencies, but these can only be maintained for a few months.

PHOENIX AIRWAYS, LTD.: Switzerland (1970–1981). PA is established at Basel in October 1970 to operate public passenger charters and inclusive-tour flights to destinations throughout the world. Operations commence on April 1, 1971, following delivery of a British Aircraft Corporation BAC 1-11-529.

Ad hoc services continue through the 1970s, during which decade a Boeing 707-138B is also operated. While on final approach to Buenos Aires Aeroparque in a severe storm on May 7, 1981, the BAC with 30 passengers crashes into the River Plate; there are no survivors. The tragedy and resulting bad publicity and legal claims puts the company out of business by the end of the year.

PHOENIX AIRWAYS (PTY.), LTD.: South Africa (1994–1995). Richard Gain establishes Phoenix at Johannesburg during the fourth quarter of 1994. Employing three Boeing 727-23s, first flown by American Airlines years earlier, the company inaugurates daily deep-discount services in December linking its base with Cape Town and Durban.

Early in 1995, a Lockheed L-1011 TriStar 1 is leased and employed to operate a weekly roundtrip service from Johannesburg to the Maldives Islands. Additionally, scheduled roundtrips are launched between George and Port Elizabeth.

Large numbers of consumer complaints concerning service quality and overbooking are filed with the South African government. When authorities approach the airline seeking to examine its books, Phoenix refuses. Undoubtedly in response, the government now denies Phoenix applications to undertake services from Johannesburg to Antananarivo, the Comoros, Freetown, Khartoum, Mauritius, Mombasa, the Seychelles, Victoria, and Windhoek.

Phoenix is sold to another concern in July, at which point John Crouse is appointed chairman. This changeover does not seem to help, as information on the carrier dries up shortly thereafter.

PHOENIX AVIATION, LTD.: United Kingdom (1991–1994). PA is established at Coventry, England, by S. Barrett-Jolley in 1991 to provide all-cargo services. The company does not immediately begin operations under its own name. Rather, its Boeing 707-379C is leased to **Race Cargo Airlines, Ltd.** of Ghana.

The 35-employee Phoenix begins its own long-haul revenue flights in 1992 using 2 chartered 707s, 1 Dash-336C originally operated by **British Overseas Airways Corporation (BOAC)** and 1 Dash-351C first delivered to **British Airways, Ltd.** (2). Recession has a serious impact during the start-up year and in 1993 only the Dash-336C is flown.

Operations cease early in 1994.

PHOENIX EXPRESS. See **REPUBLIC EXPRESS AIRLINES**

PIA (PACIFIC INTERNATIONAL AIRLINES, S.A.): P.O. Box 1592, Zone 9-A, Calle 73, San Francisco Edificio Palma Real PB, Panama City, Panama; Phone 26 3649; Fax 26 4012; Year Founded 1993. Pacific International is established at Panama City in the fall of 1993 to offer ad hoc cargo charters throughout the Americas. A Boeing 727-23F is purchased from **Federal Express** and begins the company's service in early 1994.

Flights continue in 1995–1999, during which years Dr. Fernando Boyd Galindo is president and a second B-727-23F enters service.

PIA (PERUVIAN INTERNATIONAL AIRWAYS, S.A.): Peru (1946–1949). Capitalized at \$4 million by Clement M. Keys and other U.S., Peruvian, and Canadian investors, PIA is formed at Lima on January 14, 1946. The remainder of the year is spent in obtaining traffic rights and assembling a fleet of ex-military Douglas C-54s, modified to DC-4 civil standard. During aircraft trials at Morrison Field, Florida,

one of the airline's DC-4s is equipped with radar, thus making this little-known carrier the first to operate such instrument-assisted airliners.

Lima–Havana via Panama DC-4 service begins on May 14, 1947 followed by the inauguration of flights to Autofagasta on August 18 and Washington, D.C. and New York on September 26. The frequencies of the North American services are increased on November 25.

Capital is doubled and the airline is marketed in 1948 as "The Airway of the Americas." On July 9, four-year-old Donna Moore arrives by DC-4 at New York's Idlewild Airport, becoming the first arrival at the city's new airport. Mail unloaded from the aircraft is also the first to be received there. The overnight stopover at Lima is eliminated from the New York City to Santiago run on August 17.

The newcomer's efforts bring such strong reaction from competitors, especially **Pan American-Grace Airways (PANAGRA)**.

A C-54A with two crew and four passengers is damaged beyond repair while landing at Cerro Morimo, Peru, on December 12; there are no fatalities.

The New York to Santiago service is suspended on February 10, 1949, due to financial difficulties. As the fiscal picture blackens, the regular New York to Lima route must be closed on February 25. Three days later, operations are halted as PIA is forced out of business.

PIASA COMMUTER AIRLINES: United States (1981). PCA is set up at St. Louis, Missouri, early in 1981 to provide scheduled passenger and cargo services in both Illinois and Missouri. Equipped with a Piper PA-31-310 Navajo and a Beech 99, the new commuter inaugurates daily roundtrips on March 11 to Kansas City and Johnson County, as well as to Springfield via Mount Vernon.

Operations are hardly underway before the ATC effects of the summer's PATCO air traffic controllers' strike forces the company out of business.

PICKWICK AIRWAYS: United States (1929–1930). Charles F. Wren forms this feeder carrier at Los Angeles in early 1929, equipping it with 3 Bach 3-CT-6 Air Yachts. These trimotors are employed on March 29 to inaugurate thrice-daily passenger and air express flights to San Diego; in July, the Los Angeles terminus is stretched up to San Francisco. Just after takeoff from Glendale on August 7, the fuel lines of two engines of a Bach 3-CT-6 clog, forcing the aircraft to crash-land; no injuries are reported. During the summer, Wren decides to extend his route network to the south and acquires a Ryan B-5 Brougham for the purpose.

In September, under the subtitle Pickwick Latin American Airways, the Ryan inaugurates new 15-stop, 2-way service from Los Angeles to Mexico City. En route to Nogales from Tijuana on September 17, a Fairchild 71 makes an emergency crash landing on a highway at Jacumba, California; the pilot, Russell Hall, is fatally injured.

With dreams of an international network, Wren extends his route network down the Mexican peninsula to San Salvador in January 1930. Passenger and air express traffic at this time cannot alone support an airline's activities; a mail contract is required. Pickwick is unable to intrude upon the monopoly on Latin American mail contracts held by **Pan American Airways (PAA)** and without the subsidy is forced to cease operations in June.

PIEDMONT AIRLINES (1): United States (1940–1990). Thomas H. Davis founds **Piedmont Aviation Services** at Wilmington, North Carolina, on July 2, 1940. The general aviation sales, service, and charter FBO is reformed from the **Camel Flying Service** that Davis purchased from L. S. McGinnis. One of three stockholders, Davis is elected vice president, treasurer, and director; there are also five employees.

A major aircraft wholesaler within a year, Piedmont accepts an Army pilot training contract after Pearl Harbor and opens a primary and advance flying school approved by the Civil Aeronautics Administration (CAA).

Also in 1941, Piedmont becomes the first CAA-approved overhaul facility located between Washington, D.C. and Atlanta. During the war

years, Davis's firm also trains flight instructors from Central and South America. Vice President Davis is elected Piedmont's president in 1943. Also during the year, an AAF air crew indoctrination program is started at Greensboro-High Point Airport.

On D-Day, June 6, 1944, Davis applies to the CAB for local route authority under a new classification, Feeder Airline, which the government regulators will unveil on July 11. Employing lightplanes, PAS, after V-J Day in 1945, operates passenger and cargo charters throughout the southeast.

In 1946, a DC-3 is leased from **Southern Airways**; the company's first machine will not be named. The FBO, acting as a holding company, receives its CAB certificate (no.208) for its airline division on April 4, 1947 and receives permission to offer scheduled services between coastal North Carolina and the Ohion Valley beginning on September 7. Before the inauguration of services can take place, the CAB must order its postponement because of a petition filed by another airline. The case goes quickly through the legal system to the U.S. Supreme Court.

President Davis now publishes his thoughts on forming his new carrier: "How to Start an Airline," *Air Transport* 5 (October 1947): 47-50. The Piedmont case before the Supreme Court is settled in favor of Piedmont on December 12 and the CAB now clears the carrier to begin flying.

Piedmont Airlines, Inc. is officially organized as a holding company on January 1, 1948. **Piedmont Aviation Services** and Piedmont Airlines are its subsidiaries. A public stock offering is organized to provide capitalization and a total of 273 employees are recruited or available. Three Douglas DC-3s are acquired; the three transports begin a christening tradition when each is labeled a *Pacemaker* (names will occasionally be worn by different aircraft simultaneously: *Great Smokies Pacemaker*, *Blue Ridge Pacemaker*, and *Appalachian Pacemaker*. With President Davis and his wife aboard on February 20, Flight 41, the DC-3 *Great Smokies Pacemaker*, departs Wilmington, North Carolina, for Cincinnati. The premier service is operated via Pinehurst, Charlotte, Asheville, TriCities, and Lexington, with the return flight in reverse order.

On March 1, Piedmont opens a second return route from New Bern, North Carolina, to Louisville, again with six intermediate stops, including four in North Carolina: Goldsboro, Raleigh/Durham, Greensboro/High Point, Winston-Salem. Roundtrips are started on April 16 to Danville and Roanoke, Virginia.

Frequencies to the Virginia communities of Lynchburg, Richmond, and Norfolk, as well as to Charleston, West Virginia, commence on May 14 as do flights from Norfolk to Cincinnati, Ohio. Seasonal frequencies are also introduced between New Bern and Morehead City, South Carolina.

On the year, a total of 39,370 passengers are carried over 9.3 million passenger miles. A profit of \$12,171 is reported.

On September 25, 1949, Piedmont inaugurates flights to Fayetteville, North Carolina, while service to Newport News commences on November 14. Summer service to Myrtle Beach, South Carolina, begins on May 14, 1950. As of July 1, a total of 21 destinations are visited and unduplicated route mileage reaches 1,480 miles.

Operations continue apace in 1951 and in May 1952 the company's certificate is renewed by the CAB for an additional seven years, the longest renewal given to a local service carrier at that time. Frequencies are now initiated to Beckley, West Virginia, on July 15, Hickory, North Carolina, and Knoxville on August 25 and to Huntington, West Virginia, on November 3.

Having become a leading local service carrier in the southeastern U.S., Piedmont adds flights to London-Corbin, Kentucky, on October 1, 1953 and to Bluefield-Princeton, West Virginia, on May 15, 1954.

Airline employment stands at almost 800 in 1955 and the fleet includes 13 DC-3s in addition to the original 3 named units: *Kanawha River Pacemaker*, *Commonwealth Pacemaker*, *Tidewater Pacemaker*, *Ohio Valley Pacemaker*, *Blue Grass Pacemaker*, *Piedmont Pacemaker*, *Tennessee Valley Pacemaker*, *Chesapeake Pacemaker*, *Yadkin Valley Pacemaker*, *Shenandoah Valley Pacemaker*, *Hampton Roads Pacemaker*, *San Hills Pacemaker*, and *Buckeye Pacemaker*.

Service is inaugurated from Charleston, West Virginia, to Columbus, Ohio, on March 18 via Parkersburg, West Virginia. Access to the District of Colombia market is obtained; thrice-daily roundtrip flights from Charlottesville, Virginia, to the nation's capital commence on August 17, continuing on to Knoxville. The Washington, D.C. to Tennessee schedule is increased to five daily flights by year's end, when the company receives a permanent CAB certificate and is one of 13 airlines designated a local service carrier.

During these 12 months, the one-millionth (cumulative) passenger boarded is among the 361,000 passengers flown.

On June 6, 1956, a \$6-million order is placed for eight Fokker F.27s. The *Tidewater Pacemaker* is severely damaged in a landing accident at Shelbyville, Tennessee on June 13. The same day, the door of an unnamed Douglas transport opens at a point over North Carolina and a passenger falls out. Duncan Renaldo, star of television's *The Cisco Kid*, flies a Piedmont DC-3 into Bluefield, West Virginia, in 1957 during a promotional tour. As earlier, the original **Piedmont Aviation Services** continues to fly passenger and cargo charters to points throughout the southeast.

The fleet at the beginning of 1958 comprises 21 DC-3s. Those added during the past three years include *Potomac Pacemaker* (which will end up preserved at Durham's Museum of Life and Science), *Tarheel Pacemaker*, *Peninsula Pacemaker*, *James River Pacemaker*, and *Catawba Pacemaker*. On November 14, Piedmont becomes the second local service carrier to commence Fokker F.27 Friendship service when the *Peninsula Pacemaker*, the first of the eight turboprops to be delivered from Holland, begins flying to Washington, D.C.

During the spring of 1959, the CAB allows Piedmont to launch flights to Washington, D.C. (DCA) from Roanoke via Harrisonburg. The remaining seven F.27s arrive during the year and are christened *Old Dominion Pacemaker*, *Cape Fear Pacemaker*, *Catawba Pacemaker*, *Palmetto Pacemaker*, *Kitty Hawk Pacemaker*, *Cumberland Pacemaker*, and *James River Pacemaker*.

The brand new *Palmetto Pacemaker* is damaged while landing at Greensboro, North Carolina, on April 28 when its landing gear collapses. As the new turboprops enter service, they come to serve 24 of the carrier's 32 destinations. On October 30, en route from Washington, D.C. to Charlottesville, the DC-3 *Buckeye Pacemaker* with 27 aboard crashes into Mount Afton in the Blue Ridge Mountains of Virginia, near Waynesboro (36 dead).

New service is inaugurated on February 1, 1960 from North Carolina to Harrisonburg, Staunton, and Waynesboro, Virginia. On April 20, 1960, a Cessna 310 collides with the F.27 *Palmetto Pacemaker* over Hickory, North Carolina; although the liner, with 40 aboard, lands safely, the 4 aboard the lightplane are killed. Frequencies to Frankfort, Kentucky, begin on December 1.

After takeoff on February 17, 1961, the starboard landing gear of the F.27 *James River Pacemaker* locks up, forcing the pilot to make an emergency landing at Goldsboro AFB; injuries are slight. On March 31, new service starts to the North Carolina communities of Elizabeth City and Rocky Mount. In April, the company unveils its Xcursion Plan, the first weekend discount fare to be offered by a local service carrier.

In July, 17 Martin 4-0-4 Skyliners are purchased at the bargain price of \$6.5 million from **Trans World Airlines (TWA)**, while, at the same time, 14 DC-3s are put up for sale. The number of pressurized Martin's in the fleet will eventually hit 35 with the addition of several from **Eastern Air Lines**.

The first 4-0-4 arrives in October and is christened *Tidewater Pacemaker*. It will be followed by *Great Smokies Pacemaker*, *Savannah River Pacemaker*, *Mount Mitchell Pacemaker*, *Ohio Valley Pacemaker*, *Appomattox Pacemaker*, *Blue Grass Pacemaker*, *Rappahannock Pacemaker*, *Shenandoah Valley Pacemaker*, *Tennessee Valley Pacemaker*, *Sand Hills Pacemaker*, *Commonwealth Pacemaker*, *Yadkin Valley Pacemaker*, *Piedmont Pacemaker*, *Hampton Roads Pacemaker*, *Kanawha River Pacemaker*, *Tar Heel Pacemaker*, *Appalachian Pacemaker*, *Pamlico Pacemaker*, *Pee Dee Pacemaker*, *Manasas Pacemaker*, *Chesapeake Pacemaker*, *Peachtree*

Pacemaker, Santee Pacemaker, Blue Ridge Pacemaker, Tidewater Pacemaker, New River Pacemaker, Potomac Pacemaker, Buckeye Pacemaker, Albemarle Pacemaker, York River Pacemaker, Long Island Pacemaker, Cherokee Pacemaker, Neuse River Pacemaker, and Roanoke Valley Pacemaker.

A DC-3 crashes into a hillside near Bristol, Tennessee, on November 19; all nine aboard are hurt.

An electrical failure causes the collapse of an F.27s landing gear during the aircraft's landing at Charlotte, North Carolina, on January 1, **1962**; none of the 36 persons aboard is hurt. The CAB, in March, authorizes Piedmont service to the South's major market, Atlanta, as the company's annual federal subsidy is increased from \$4 million to \$6 million, the last time the payments will rise.

Flights commence on June 25 to the Georgia capital from Charleston, West Virginia, Washington, D.C., and Baltimore. The routes out of Maryland and D.C. allow additional frequencies into communities in the Blue Ridge Mountains, Shenandoah Valley, and Piedmont region from Norfolk and Richmond. Other communities visited for the first time at the same time include Jacksonville and Camp Lejeune, North Carolina, Florence and Columbia, South Carolina, Augusta, Georgia, Pulaski, Radford, and Blacksburg, Virginia, and Myrtle Beach, South Carolina (year round).

A Martin 4-0-4 with 24 aboard overshoots the runway while landing at Rocky Mount, North Carolina, on August 6; no injuries are reported.

The premier Martin 4-0-4 *Tidewater Pacemaker* with three crew is destroyed as the result of a bad landing at Wilmington during an August 22 training flight; there are no fatalities.

A Martin 4-0-4 is slightly damaged while taxiing at Pittsburgh on October 3. At an unknown point during these 12 months, the carrier's first class of female flight attendants join their male purser colleagues in the air.

The new destinations, coupled with an advertising campaign emphasizing flights "Across the Top of the South," push enplanements to 664,000.

Together with **Allegheny Airlines (1)**, Piedmont offers 30-day, \$99 Visit America fares for foreign tourists, beginning in January **1963**. Having flown the company's first service back in 1948, the *Great Smokies Pacemaker* also makes the company's last DC-3 flight on February 20. With the DC-3s retired, Piedmont is the first local service carrier to be completely outfitted with pressurized airliners.

Airline employment in **1964** stands at 1,632 and the fleet includes 33 aircraft. On April 16, service is inaugurated to Hot Springs, Virginia. Applications are filed with the CAB for extensions into South Carolina, Georgia, and Tennessee.

The board of directors declares a 10¢ cash dividend to stockholders, the first such dividend in the company's history and the first cash dividend ever declared by a publicly owned U.S. local service airline.

Passenger boardings pass the million mark in annual bookings (1,078,023) for the first time. Airline revenues climb 12% to \$24,535,379. Including about 10% earned from the light-aircraft sales and service divisions of **Piedmont Aviation Service** at Winston-Salem, net profit skyrockets by 92.7% over 1963 to a record \$1,243,450, making the year the most successful in company history to date.

The workforce in **1965** is increased to 1,744 and 2 more aircraft join the fleet. On January 21, a Martin 4-0-4 with 28 aboard suffers a landing gear failure during its touchdown at Staunton, Virginia; no injuries are reported. The decision is now taken to upgrade the Fokker fleet and an agreement is signed with Fairchild to turn in the Dutch-made turbo-props as partial payment for 10 FH-227Bs. At the end of the year, Piedmont is the first local service carrier with all cities above the CAB's minimum traffic requirements. An application is filed with the regulatory body for route extensions to New York City.

Customer bookings jump 20% to 1,182,631 and cargo is up by 37.6%. Revenues climb 17.3% to \$28,779,999.

Orders are placed in January **1966** for six Boeing 737-101s (the order is later changed to Dash-201s). Following the collapse of its landing gear at Roanoke on July 7, the Martin 4-0-4 *Buckeye Pacemaker* is writ-

ten off. Another Martinliner, the *Appomattox Pacemaker* with three crew, crashes at New Bern, North Carolina, on November 20; there are no survivors and the wreckage must be scrapped.

The first three FH-227s (which will be upgraded to FH-227B standard) are delivered in November: *Appomattox Pacemaker, Buckeye Pacemaker, and Peninsula Pacemaker*. A route award for New York City is also received during the month and on November 15, F.27 flights commence from Washington, D.C. (DCA) to New York (LGA). Despite a third consecutive year of reduced federal subsidy payments, financial arrangements are completed for the financing of the new equipment. The year's net earnings are \$1,859,016.

On March 15, **1967**, the company enters the jet era by launching Boeing 727-100QC services over its major routes, initially with the first B-727-22, *Manhattan Pacemaker*, delivered under lease from its manufacturer in February. After several weeks of familiarization training, the new aircraft enters service on the New York route on March 15. New service to Greenville and Spartanburg, South Carolina, begins on April 1.

A chartered DC-3 with nine aboard crashes near Lexington, Kentucky, on April 3; there are no survivors. A second chartered B-727, a Dash-51C, *Empire State Pacemaker*, now also begins operations in Piedmont livery.

On July 19, confusion over instrument approach landing instructions given by air traffic controllers to a **Lanseair, Inc.** Cessna 310 with three passengers causes that plane to midair Piedmont Flight 22 at 6,132 feet outside of Hendersonville, North Carolina. En route from Asheville to New York (LGA), the company's first jetliner, the *Manhattan Pacemaker*, is carrying 5 crew and 79 passengers. There are no survivors from either plane and among the victims are Navy Secretary-designate J. T. McNaughton, his wife, and son.

Construction is started on a major headquarters and maintenance base at Winston-Salem. Operation of the general aviation division continues and a new subsidiary, Piedmont Aerospace Institute, is opened to train mechanics. All three crewmen aboard a prepositioning flight are killed when a Martin 4-0-4, the *Appomattox Pacemaker*, crashes during its landing at New Bern, North Carolina, on November 20.

At year's end, the employee population numbers 2,408 and the fleet includes 43 aircraft: 1 B-727-51C, 10 Fairchild Hiller FH-227Bs, and 32 Martin 4-0-4s. Orders are placed or outstanding for 6 B-737-201s and 10 YAMC YS-11A-205s, which will later be upgraded to Dash-505 standard. A total of 1,699,558 passengers are originated. Revenues advance 21% to a record \$52,304,642 and the net profit increases slightly, to \$1,890,857.

The employee population in **1968** numbers 2,768. In need of additional capacity, orders are placed for 60 (later reduced to 11) Nihon NAMC YS-11A-505s. Nashville and Memphis join the route network on February 1.

The first of 12 Boeing 737-201s to be delivered arrives at Winston-Salem on May 30 after a 4-hr. 47-min. flight from Seattle; it will be christened *Piedmont Pacemaker* and enter service on July 1. Piedmont will eventually operate the largest B-737 fleet in the world.

At Kanawha County Airport, Charleston, West Virginia, on August 10, an inoperable glide slope—part of the airport's instrument landing system out since June 16—causes the FH-227B *James River Pacemaker* to crash. The aircraft, with 3 crew and 35 passengers arriving from Cincinnati in dense fog, strikes a line of trees 360 ft. from the end of the runway (35 dead).

The new \$8-million headquarters is dedicated at Winston-Salem in late October. Six additional B-737-201s are purchased in December. Passenger boardings jump 17.2% to 1,993,045 and freight traffic accelerates by 41%. Revenues for the airline division grow 10% to \$46,956,030.

In the spring of **1969**, the company becomes the leading American operator of the Japanese-made Nihon YS-11A. The premier "Cherry Blossom Pacemaker," YS-11A-205, is delivered in early May; christened the *Blue Ridge Pacemaker*, it inaugurates service on May 19 over a route

from Washington, D.C. to Tri-Cities, Tennessee, via Roanoke and Bluefield. It will be followed over the next 4 months by 20 more: *Tidewater Pacemaker*, *York River Pacemaker*, *New River Pacemaker*, *Potomac Pacemaker*, *Albemarle Pacemaker*, *Long Island Pacemaker*, *Cherokee Pacemaker*, *Neuse River Pacemaker*, *Roanoke Valley Pacemaker*, *Garden State* (later *Pamlico*) *Pacemaker*, *Grand Strand Pacemaker*, *Manassas* (later *Croatan*) *Pacemaker*, *Old Hickory Pacemaker*, *Pee Dee Pacemaker*, *Santee Pacemaker*, *Shenandoah Valley Pacemaker*, *Great Smokies Pacemaker*, *Ohio Valley Pacemaker*, *Peachtree Pacemaker*, *Tennessee Valley Pacemaker*, and *Yajima Pacemaker*.

As more B-737-201s join the fleet, controversy explodes over their third cockpit crew member. A 21-day pilot strike begins on July 21 that shuts the airline down; before the job action is settled on August 18, it will help rob Piedmont of this year's profits.

Meanwhile, the decision is taken to retire the Martinliner fleet. On December 1, daily roundtrips are inaugurated into Chicago (MDW); Mayor Richard D. Daley presides over ceremonies marking start-up.

Enplanements for the year are 2,133,630. Revenues total \$54.41 million, but losses are taken: \$162,000 (operating) and \$1.85 million (net).

The workforce in 1970 is 2,994 and the fleet includes 42 aircraft. At the new decade's start, the fleet includes 12 Boeing 737-201s, 9 FH-227Bs, and 21 YS-11As. The last Martin is retired on February 15, following the completion of Flight 823 from Washington, D.C. (DCA) to Wilmington. Service is started to Charleston, South Carolina, on April 26 and a new route is opened from Norfolk to New York.

Additionally, Bartlett M. Shaw is named vice president-administration.

Passenger boardings jump 21.5% to 2,718,000 and cargo traffic does better, up by 27%. Income swells to \$70.66 million and an operating profit of \$1.68 million is earned. A net loss of \$3.71 million is, however, absorbed.

A new central reservations office is occupied at the Winston-Salem headquarters in April 1971. On June 18, a federal sky marshal, disguised as a pilot, subdues B. R. White aboard Flight 25, a B-737-201 on the ground at Smith-Reynolds Airport, serving Winston-Salem, after White attempts to hijack the aircraft, about to depart for New York, to Havana. He will receive a five-year prison term.

On September 15, Piedmont becomes the first carrier to fly into the small airfield servicing the Greenbrier resort at White Sulphur Springs, West Virginia.

The original **Piedmont Aviation Services** continues to operate charters to points throughout the southeast. Enplanements for the year total 2,818,819.

The employee population in 1972 numbers 3,254 and the fleet is upgraded by the addition of three more B-737-201s. The twenty-fifth anniversary year is celebrated as employees present CEO Davis with a restored Taylor E-2.

Passenger boardings accelerate 11.33% to pass the three-million mark in annual boardings for the first time (3,179,000). Cargo traffic is also up, by 13%. On total revenues of \$93 million, expenses are \$83.82 million, leaving an operating profit of \$9.26 million. The net profit for this twenty-fifth anniversary year is \$3,323,317.

Twenty-eight new employees join the company in 1973. On January 2, C. A. Wenige, attempts to hijack Flight 928, a YS-11A just arrived at Friendship International Airport in Baltimore, to Canada. He is talked out of the deed by Lawrence Cardinal Sheehan, the Archbishop of Baltimore and arrested by FBI agents. Wenige will be tried and given a prison term of 20 years.

As the result of a petition filed the year before, the CAB allows Piedmont to realign its route network. In addition, a new route from Washington, D.C. (DCA) to Louisville, received by transfer from **Eastern Air Lines**, is inaugurated.

The fleet grows to 46 aircraft with the addition of a 16th B-737-201. One of these is involved in an accident at Greensboro, North Carolina, on October 28. Statistics for the year generally confirm the carrier's description of the past 12 months as "the most successful" in its history to date.

Customer bookings accelerate 11.3% to 3,537,000 and cargo traffic grows 14.4%. Income is \$107.48 million and expenses are \$98.14 million. Although the operating profit is up to \$9.33 million, net income is down slightly to \$3.31 million.

Airline employment in 1974 is 3,666. During the spring, the carrier inaugurates service from its base at Winston-Salem to Chicago (ORD). Three additional B-737-201s are delivered and the corporate image is changed by the introduction of a new design, logo, and uniforms for staff and flight personnel.

A new red, white, and blue livery is unveiled by the newly acquired B-737-201 *Yadkin Valley Pacemaker*. Largely unnoticed during the year is the appointment of Cheryl Faye Peters to the right seat of a YS-11A; she is the company's first female pilot.

Enplanements shoot up 8.4% to 3,831,000 and freight is up by 1.4% as 9.84 million FTKs are flown. Revenues grow by 22.7% to \$133.95 million while expenses are kept under control at \$118.44 million. The operating profit is \$15.5 million and the net remains almost level at \$3.48 million.

The workforce is reduced in 1975 to 3,307. The last FH-227Bs are retired and pilots and flight attendants now sport new uniforms. Permission is sought from the CAB for nonstop authority from New York and Washington, D.C. to Greenville and Spartanburg, South Carolina, and for routes between Memphis and Denver via Wichita and between Denver and Atlanta. In addition, it agrees to receive, upon approval of the regulators, nonstop Chicago-Louisville authority from **Eastern Air Lines**.

Passenger boardings decline 5.71% to 3,602,990 while, at 8.80 million FTKs, freight traffic is off by 11.5%. Revenues advance to \$135.66 million and expenses are \$133.16 million, leaving an operating profit of \$2.5 million. The net is a loss, \$1.35 million.

The employee population is reduced in 1976 to 3,146, a 3.1% cut. The 20th B-737-201 joins the fleet. Three more retired FH-227Bs are sold and in December, requests are made for six more B-727-100s.

Customer bookings jump 7.13% to 3,859,819 while cargo traffic grows by 4.7% to 9.2 million FTKs. On revenues of \$154.68 million, expenses are \$145.06 million and the operating income is \$9.61 million. The \$4.39-million net profit is the second highest in company history, save only that of 1974.

The first B-727-100 arrives in January 1977 and is christened *Kitty Hawk Pacemaker*. Service continues apace while hearings are held in the U.S. Congress on airline deregulation. Former **Eastern Air Lines** official William R. "Bill" Howard is appointed senior vice president and is dispatched to Washington to lobby against deregulation.

Enplanements for the year are 4,148,000. A \$7.49-million net profit is earned on revenues of \$181.58 million.

Airline employment is increased by 16.2% in 1978 to 4,300 and the fleet comprises 4 B-727-100s, 21 B-737-201s, and 20 YS-11As. Steward Stephen John Addona, with help from other passengers and crew members, captures hijacker Sam Dawkins Jr., who tries to commandeer Flight 964, a YS-11A, while the turboprop is on the ground at an intermediate stop at Kinston, North Carolina, during a Washington, D.C.-Wilmington flight on January 28. Dawkins will be sentenced to prison for 15 years.

Fifteen-year-old Richard C. Bland fails in his attempt to hijack Flight 66, a B-737-201 with 66 passengers, while it is en route from Richmond to Newark on April 1. He surrenders at Richmond after the passengers are safely evacuated and the crew escapes through the cockpit windows. Upon examination, Bland will be found mentally unstable and will be sent to a psychiatric institution.

Service is inaugurated to Miami on June 15, followed by Tampa on July 1. The last of 11 B-727-100s acquired as additional capacity enters service at month's end. Among these is the *Mount Mitchell Pacemaker*, which had previously served with **Northwest Airlines** and gained some notoriety when skyjacker D.B. Cooper parachuted from it over Oregon in 1971. In September, company shares begin trading on the New York Stock Exchange.

After planning through the mid-**1970s**, an explosion of progress comes to Piedmont after President Carter signs the Airline Deregulation Act in October. Indeed, Piedmont will prosper more than any other airline in the country—at least for awhile. In the fourth quarter, new routes are opened to Boston, Philadelphia, Denver, and Pittsburgh. The 10-million-mile route system now affords services to 80 cities in Georgia, North and South Carolina, Tennessee, Virginia, West Virginia, Kentucky, Ohio, Maryland, New York, New Jersey, Illinois, and the District of Columbia.

In anticipation of exciting times ahead, the carrier agrees to sell its YS-11As to **Pinehurst Airlines** and acquires additional Boeing capacity (B-727/B-737s).

Passenger boardings increase by 10.1% to 4,614,000 while cargo advances by half that rate, 5.7%, to 10.08 million FTKs. Operating income grows by 13.23% to \$205.6 million while expenses are held to \$199.77 million. Although the operating profit is \$5.83 million, a net loss of \$5.59 million must be absorbed.

The number of employees is increased by 16.3% in **1979** to 5,000. As the year's results demonstrate, the company posts the highest growth rate in the local service airline industry for passenger and cargo traffic and revenues. Service is begun to the key Florida markets of Tampa, St. Petersburg, and Clearwater and to the Texas hub city of Dallas (DFW). **Air Florida** makes a brief and unsuccessful takeover effort.

Passenger traffic increases by 19.5% to 5,497,000 passengers carried while freight jumps 17.5% to 11.85 million FTKs. Operating revenues rise 44.4% to \$296.8 million and the net profit skyrockets a remarkable 99.7% to \$11.6 million.

The employee population grows by 9.3% in **1980** to 5,702. By altering many of its routes to avoid congested hubs, Piedmont is able to maintain its pace while starting flights to Houston and placing greater emphasis on hubs at Baltimore and Dayton. On August 29, a private plane is involved in a near miss with a B-737-201 carrying 69 passengers, including Virginia's former governor Mills E. Godwin Jr., near Richmond.

A **Delta Air Lines** B-727-232 nearly collides with a Piedmont B-737-201 west of New York (LGA) on December 10 after an apparent error in traffic controller communications. This year, President Davis receives the prestigious Tony Jannus Award.

As its routes lengthen, Piedmont's passenger boardings continue to multiply, up 22% to 6,706,340; FTKs operated multiply by 12.4% to 21.7 million. Revenues accelerate 35% to \$480 million and expenses, while up by 35.2%, are held to \$446 million. As a result, the net profit bounces upward by 43.9% to \$16 million.

The number of workers is increased by 16.1% in **1981** to 6,618. Frequencies are started to Philadelphia and Orlando during first quarter. Forty B-737-201 or Dash-201As are in service by midyear and delivery is momentarily expected for the first of 35 B-727-200As to arrive over the next 7 years. Founder Davis becomes board chairman/CEO on July 1 and is succeeded as president by Senior Vice President William B. Howard. A new \$2.5-million training center is opened and named in honor of the chairman.

Despite the PATCO air traffic controllers' strike, Piedmont's deregulation strategies continue to demonstrate their wisdom, as the job action proves little more than a bother. The first B-727-214A, acquired from **Pacific Southwest Airlines (PSA)**, is placed into service on September 2 and the premier hub is opened at Charlotte, North Carolina.

On December 11, a stock purchase agreement is signed with the Norfolk and Western Railway Company. The railroad agrees that, until January 26, 1987, it will not purchase more than 20.5% of the airline's stock; two railway executives will join the Piedmont board while a Piedmont official is to be placed on the railway's board.

Company officials are pleased when the books are closed on the year. Where other airlines have faltered, Piedmont is deeply in the black. Passenger traffic increases 27.1% to 8,523,758 riders and freight rises 6.1% to 12.03 million FTKs. Revenues advance 37.8% to \$562.3 million, expenses are kept in line with a 32.9% rise, and the bottom line net gain reaches \$32.6 million—up 102% and a new company record.

To show his appreciation, Chairman/CEO Davis surprises each of the company's 6,600 workers with a new \$100 bill.

In January **1982**, the company receives the 1981 "Market Development Award" from *Air Transport World* magazine. Following the record year just past, Piedmont Airlines now expands aggressively. In addition to an enlargement of its Charlotte hub (to 172 daily departures by December 31), a new one is opened at Dayton to link Ohio and the Midwest with North Carolina. The only subsidized airports now served are Winston-Salem and White Sulphur Springs, West Virginia. The last YS-11A-500 flight (also the last company turboprop and propeller service) is completed at Winston-Salem by the *Shenandoah Pacemaker* on March 14; Piedmont is now an all-jet operator.

The first all-female crew to operate a jetliner in revenue service flies a B-737-201A service on May 10: Capt. Cheryl Faye Peters, Flight Officer Rebecca Rose Schroeder, and Flight Attendants Paula Lanier, Dolly Wenat, and Cindy Perry.

A new computer reservation center is occupied at Reston, Virginia, and on July 1 a new hub is opened at Dayton with 16 daily flights to 9 destinations. Construction is started or continued on a general aviation facility at Norfolk and a maintenance facility at Greensboro. All remaining YS-11A-500s and B-727-100s are retired and 22 new aircraft are acquired for what has become the world's largest fleet of B-737s. A systemwide Take the Family fare is introduced for the winter travel season.

In the fall, President Davis accepts an invitation to address a meeting of the Newcomen Society in New York City; as is the Society's custom, his remarks are published as a small pamphlet, *The History of Piedmont: Setting a Special Pace*.

During the year, the payroll is increased by 17.6% to 8,000, enplanements reach 8,539,767, up 17.1%, while cargo climbs an equal 17.4% to 14.1 million FTKs. Operating income jumps 16.54% to \$655.34 million and expenses are kept to \$633.38 million. Although down slightly, profits continue to be generated: \$10.45 million (operating) and \$30.46 million (net).

The payroll is boosted by 21.5% in **1983** to 9,803. Company founder Thomas H. Davis retires on January 1 (effective May 4) and is succeeded as chairman/CEO by President William R. Howard, who keeps up the explosive growth trend begun by his predecessor in 1978. Nine additional B-737-201As and six B-727-214As are delivered.

A B-737-201 makes an emergency landing at Kanawha Airport, Charleston, West Virginia, on May 1 when an engine fails shortly after takeoff for Washington, D.C. (DCA); no injuries are reported.

Upon his retirement on May 4, employees present Chairman/CEO Davis, who will stay on as a member of the board and chairman of its executive committee, with a Rolls Royce convertible. They have also contributed for the establishment of the Thomas H. Davis Business Scholarship at Wake Forest University. Mechanics present the founder with a personalized "PIEDMONT" license plate.

The company boards a million passengers in a month for the first time during June.

Meanwhile, expansion of the hubs at Dayton and Charlotte continues and on July 15, a third hub is established at Baltimore (BWI). The number of daily departures from the Maryland facility is increased from 6 to 29 to 14 destinations.

The large, Maryland-based regional and former "Allegheny Commuter" inaugural partner **Henson Aviation** is acquired on November 1 through a five-year stock exchange program, together with its aircraft and routes; the new subsidiary is renamed **Henson, the Piedmont Regional Airline** and begins providing feed to Norfolk. The arrangement marks the first time in commercial aviation history that a U.S.-certified airline has owned its own regional partner.

Six new departures are added from the Baltimore (BWI) hub on December 15, including nonstop service to Orlando and Newark and additional nonstops to Boston, Tampa, New York (LGA), Greensboro, High Point, and Winston-Salem. En route from Tampa to Jacksonville on December 29, a B-737-201A is pounded by a violent thunderstorm that re-

quires the pilot to abort the flight and return to his starting point; three aboard are injured.

Passenger boardings increase by 31.9% to 14,220,000 and freight is up by an almost equal percentage, 32.6%, to 41.31 million FTKs. Revenues swell 31.67% to \$862.88 million while expenses are held to \$804.37 million, a 27% increase. As a result, a \$58.49-million operating profit is generated; the net profit, however, drops \$5 million to \$25.5 million.

Employee rolls increase 22.5% to some 12,000 in 1984 and the first of 12 former **Garuda Indonesian Airways** Fokker F.28-1000s are acquired from the Dutch manufacturer in a splendid deal: \$3 million a copy, completely refurbished.

While landing at Erlanger, Kentucky, on March 8, a B-737-201A with 30 passengers nearly collides with 8 unreported snow removal vehicles plowing the runway. The plane's captain makes an immediate go around and the aircraft misses the snow removal vehicles by just 10 feet.

While en route from Charleston, South Carolina, to Miami on March 27 with 59 aboard, Flight 451, a B-737-201A, is hijacked by a man claiming to be a member of the Black Liberation Army and diverted to Cuba. The pirate is arrested at Havana (he will receive a 15-year prison term) and the little Boeing returns to Miami the same day.

The first of the unnamed F.28-1000s enters service on the route from Lexington, Kentucky, to Chicago (ORD) on April 1. Others will be introduced on some of the company's other short-haul routes, including new markets at Kalamazoo, Battle Creek, Albany, Savannah, Rochester, and Evansville. Employing six newly acquired, former **All Nippon Airways Company, Ltd. (ANA)** B-727-281As, Piedmont, also on April 1, becomes a transcontinental airline when frequencies are initiated from Charlotte and Dayton to Los Angeles. First-class service is introduced on these flights.

Founder/director Davis receives an honorary doctorate from Wake Forest University at this year's commencement exercises; he will also receive the coveted Guggenheim Medal presented to aeronautical pioneers.

While deplaning passengers at Washington, D.C. (DCA) on September 3, a B-737-201A is struck by lightning that jolts six workers standing near the airliner; all are taken to the hospital for treatment of electrical shock. Transcontinental service begins on November 1 from Dayton and Charlotte to San Francisco; prevailing winds occasionally force the B-727-214As to land at Denver for refueling on the westward leg.

Passenger traffic is stimulated to increase 22% to 14.7 million passengers carried and cargo jumps 30.3% to 25.28 million FTKs. With \$1.28 billion in total revenue, 1984 is a landmark year in the history of Piedmont Airlines, as it exceeds the mythical admission fee and joins the ranks of the country's major air carriers. Expenses are held to \$1 billion and a huge \$125.75 million operating profit is generated. Almost as important and certainly as impressive is yet another record net profit, \$58.49 million—more than that of **Continental Airlines**, **Pan American World Airways (1)**, **Republic Airlines**, **Trans World Airlines (TWA)**, or **Western Airlines**.

The payroll shoots up by 18.4% in 1985 to 14,500, as Piedmont becomes the eighth largest passenger airline in America in terms of passenger boardings. In January, the carrier receives the 1984 "Airline of the Year" award from *Air Transport World* magazine.

Early in the year, it starts service to Knoxville and St. Louis, thus maintaining an average of opening service to one new city every other month since the implementation of the deregulation law of 1978. Its 64 Boeing 737s, 34 B-727-200s, and 5 F.28-1000s are flying to 100 cities in 24 states and the District of Columbia, boarding 1.2 million travelers per month. The 737s include 10 newly received Dash-301s from the 35; 6 more F.28-4000s are on order.

In May, **Sunbird Airlines**, later **CCAair**, becomes the "Piedmont Commuter" serving Charlotte. On May 23, the B-737-301 *Nancy Davis Pacemaker* arrives in North Carolina from Seattle; it is named in honor of the founder's terminally ill wife.

The first B-737-301 *City of Dallas Pacemaker* enters service in June. While maneuvering around a thunderstorm near Vero Beach, Florida, on June 16, a B-737-201 with 45 passengers encounters heavy turbulence; the two flight attendants conducting beverage service at the time are both injured, one seriously.

Mrs. Nancy Davis dies on July 18.

On October 1, following the arrival of additional Fokker jetliners, nine are employed to launch "Project Omaha"—56 new intrastate Florida frequencies—under the name Piedmont Shuttle, including new F.28-1000 flights to Tallahassee, Naples, Gainesville, Key West, and Fort Lauderdale. On October 2, the New York-based large regional **Empire Airlines (2)** is purchased for about \$41 million (\$15 per share). It will be allowed to function as a subsidiary as approval of the merger is awaited from Washington.

While climbing away from Washington, D.C. (DCA) on November 3 on a service to Charleston, West Virginia, a B-737-201 with 60 passengers encounters heavy turbulence; two flight attendants are injured, one seriously.

In November, Piedmont becomes the first airline in the world to be certified for use of a wind shear detection and alerting system in its aircraft. Later in the month, **Jetstream International Airlines** becomes the "Piedmont Commuter" providing feed into Dayton and **Henson Aviation** launches a service called the Piedmont Shuttle Link.

Bookings for the year bounce up by 26.5% to a record 18,053,000 as cargo ascends by 4.5% to 59.75 million FTKs. Revenues jump over \$1 billion and the net profit is \$66.7 million. Revenues swell 20.4% to \$1.36 billion, expenses jump 24.7% to \$1.25 billion, and the operating profit is \$107.47 million. Net gain climbs to a record \$66.71 million.

Airline employment improves by 25.3% in 1986 to 20,000. During January, a Piedmont Shuttle Link operation is inaugurated in Florida; 103 daily F.28-1000 flights link 12 cities and connect with the major's intrastate operations. Two small commuter carriers, **Southern Express** and **Trans Air**, are contracted to provide local feed, but both are soon terminated (the first in January and the second on April 1) for noncompliance.

The **Empire Airlines (2)** merger is completed on February 1. Immediately, the Piedmont workforce is increased by 1,000, the F.28 fleet grows dramatically with the addition of 15 Dash-4000s, and 10 new cities join the route network.

On March 15, **Brockway Air** becomes the "Piedmont Commuter" partner for Boston, Newark, and New York (LGA).

In April, two F.28-4000s arrive and are transferred to the **Empire Airlines (2)** subsidiary. Following receipt of DOT approval, Empire is fully absorbed on May 1; ex-**Empire Airlines (2)** F.28-4000s repainted in Piedmont livery inaugurate the company's first international service, flying from Baltimore (BWI) over the former New York regional's routes to Ottawa and Toronto.

The 40% interest in **Henson Aviation** not already owned is purchased, along with the outright acquisition of **Jetstream International Airways**. A DC-3 is acquired from Basler Flight Services in Wisconsin; repainted as the *Piedmont Pacemaker*, it is based at Charlotte and employed for promotional flights.

During this period, Chairman Howard holds closed-door meetings with **USAir** officials concerning a possible merger. On April 30, company stock trades at a high of \$44 1/4a share, closing at \$43 3/4.

At the company's annual meeting on May 28, a resolution is voted requiring any purchaser to pay for the airline in cash. If such an arrangement cannot be made, stockholders will have to agree by a 75% voting margin. Also in May, Piedmont becomes the sixth U.S. airline (after **American Airlines**, **Delta Air Lines**, **Eastern Air Lines**, **Trans World Airlines**, and **United Airlines**) to board two million passengers in a month.

On June 1, **CCAair** becomes a "Piedmont Commuter" partner and begins flying to the north Florida destination of Jacksonville from Greenville and Spartanburg. During the day, service is launched to New York (JFK) and a new code-sharing agreement begins with **Trans**

World Airlines (TWA) allowing Piedmont to place its code on 20 TWA services from New York to Europe.

With McLean Stevenson of the television series *M*A*S*H* as spokesman, the company, on June 18, begins its largest-ever marketing campaign, aimed squarely at New York City.

Also in June, the company becomes launch customer for the B-737-401, with an order for 25 with 30 options.

Arriving from Newark on October 25, Flight 467, the B-737-201A *Kanawha River Pacemaker* with 5 crew and 114 passengers, overruns the runway at Charlotte. The plane hits a localizer antenna array and a concrete culvert, pushes on through a chain-link fence, and stops at the edge of a railroad embankment, 440 ft. past the end of the runway. Although the aircraft is damaged beyond repair and 34 people aboard are slightly injured, there are no fatalities.

Permission to begin transatlantic flights from Charlotte is sought as orders are placed with Boeing for six B-767-201ERs.

Former **USAir** Vice President-Maintenance Thomas Schick joins Piedmont in the same role on August 21. On August 25, Piedmont stock soars to a record high of \$47. Also during August, the one millionth "Piedmont Shuttle" passenger is boarded in Florida.

Piedmont, the City of Charlotte, and the City of Tampa request that the DOT transfer the dormant Tampa transatlantic London authority to Charlotte and that Piedmont be selected to fly the new route. Merger discussions are held with **Trans World Airlines (TWA)** during the month; the North Carolina carrier will not take over the Howard Hughes pioneer.

In December, Vice President-Management William G. McGee is elected executive vice president.

A disabled passenger is seriously injured on December 30 when the left handrail of the airstair collapses while he is boarding a Fokker F.28-4000 at West Palm Beach. The rail had been discovered as defective at Tallahassee and temporarily repaired with metal glue.

Enplanements for the year accelerate 26% during the 12 months to 22,800,000, while cargo rises 12.5% to 33.65 million FTKs. Revenues swell 21.24% to \$1.65 billion, costs are up 19.69% to \$1.5 billion, and the operating profit is up to \$149.91 million. Net gain ascends to \$72.36 million.

A total of 1,500 employees are hired in **1987** and the fleet is increased by the addition of 17 B-737-301s and 6 B-767-201ERs.

In January, Piedmont receives the 1986 "Financial Management Award" from *Air Transport World* magazine.

On January 30, company stock closes at \$58 3/8.

At an extraordinary board meeting held on February 4, a Special Committee is established to evaluate and participate in any merger activities.

Piedmont's availability brings two bids from **USAir** Group's Chairman Edwin Colodny in February. The first, on February 5, offers Piedmont shareholders \$63 a share, payable in cash and stock. The second, on February 13, is worth \$71 per share, payable in equal \$34 tranches of cash and stock. On February 16, the Norfolk Southern Railway begins to explore the possibility of purchasing the airline and makes a bid of \$1.5 billion (\$65 per share). Both the **USAir** and Norfolk Southern offers are disclosed next day.

The Special Committee recommends acceptance of the Norfolk Southern tender on February 19. Later the same day, the former **Allegheny Airlines (1)** improves its offer to \$1.6 billion. For the record, the mechanics of the two-step offer include: first, a cash offer for 50.1% of the fully diluted outstanding Piedmont shares at \$71 each; second, a merger of the two airlines in which each remaining Piedmont share will be converted into **USAir** common stock valued at \$73 each. This third bid is contingent on Piedmont granting **USAir** the option to purchase up to 18.5% of the remaining shares outstanding at \$71 each. After a speedy review of the latest **USAir** offer, the Special Committee, also on February 19, recommends rejection of the Norfolk Southern offer.

Corporate raider Carl Icahn, who will eventually acquire **Trans World Airlines (TWA)**, makes a similar pledge on March 4, indicating

that should his advance be spurned, he might attempt to take over **USAir**. On March 5, **USAir** refines its proposal into a final offer to acquire Piedmont in a two-step (offer and merger as before) all-cash transaction under which Piedmont shareholders would receive \$69 for each share of stock owned. Icahn's approach is rejected by Piedmont's Special Committee and the airline's board of directors on March 6 when they agree to support the **USAir** cash bid.

On March 9, Chairman Howard and his northern **USAir** counterpart, Edwin Colodny, announce that Piedmont has been purchased by **USAir** Group for \$1.6 billion in the largest—and most expensive—airline merger to date. Creation of the nation's seventh largest carrier is referred for assessment to an independent law judge. Meanwhile, the new **USAir** subsidiary continues to retain its identity during what will prove a two-year integration process.

On March 17, Carl Icahn announces a temporary suspension of his takeover activities. The next day, Flight 74 is the first to operate a TCAS system on a regularly scheduled commercial service. When **USAir** Group, on March 23, seeks to purchase 100% of Piedmont's stock through a voting trust, the DOT steps in and limits the purchase to 51% on a fully diluted basis. The remaining shares are returned to the stockholders. On March 30, Piedmont stock closes at a record high of \$70 1/8.

On April 3, the tender offer by **USAir** for the available 92% of Piedmont stock expires. **USAir** obtains about 9.3 million shares at \$69 each which, combined with what it already owns, gives it 51% of Piedmont's stock on a fully diluted basis. The London application is approved by the DOT on April 23.

In May, flights begin from Charlotte to Seattle and first-class service becomes available on all flights; six-days-per-week flights are also inaugurated from Syracuse to Niagara Falls. Growth also continues in the bustling new Florida market. The first B-767-201ER, christened *The Pride of Piedmont*, arrives at Charlotte on May 21. A second long-range aircraft arrives at the end of the month.

On June 15, the new B-767-201ERs launch daily roundtrip flights from Charlotte to London (LGW), flying under the FAA's 75-minute rule. It is announced on July 1 that Piedmont has had the best on-time performance of any U.S. major during the previous six months. Piedmont shareholders approve the **USAir merger** at an extraordinary shareholders meeting on July 23.

Chairman/President/CEO Howard resigns in August; he will be succeeded, in October, by Executive Vice President McGee. At the same time, Senior Vice President-Operations Gordon Bethune, who will one day lead **Continental Airlines**, resigns and is succeeded by Vice President-Management Schick. Also during August, B-767-201ER roundtrips begin from Charlotte to Los Angeles.

The independent law judge recommends against the **USAir** merger on September 21. During the same month, flights begin to Birmingham, Alabama, and to Columbus, Ohio, (suspended earlier). Following renewed arguments, the independent law judge is overruled by the DOT on October 30 as company stock closes at \$63.

When Chairman/President/CEO Howard resigns in September, he is succeeded in October by Executive Vice President McGee.

The independent law judge recommends against the **USAir** merger in October, but following renewed arguments, is overruled by the DOT on October 29.

Also in October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

America West Airlines protests the **USAir**/Piedmont merger to the U.S. Circuit Court for the District of Columbia on November 2, but the next day that body rejects the appeal. Piedmont becomes a fully owned **USAir** subsidiary on November 5.

The London route is followed on November 15 by the introduction of service to Nassau from Baltimore (BWI) and Charlotte. On December 8,

flights begin to Phoenix and San Diego. A carry-on baggage program developed by Piedmont and approved by the FAA takes effect industry-wide during December.

During the year, a new reservations center at Dayton joins those already at work in Reston, Orlando, and Nashville.

Passenger boardings jump 11.3% to 25,368,067 while freight increases 82.3% to 63.36 million FTKs. Revenues ascend by 18.52% to \$1.96 billion, the greatest percentage increase of the year among passenger-carrying U.S. majors. Expenses grow by 19.67% to \$1.8 billion and the operating profit is \$160.23 million. Net profit reaches \$98.55 million.

The workforce is cut by 0.3% in 1988 to 21,430. Although everyone associated with the **USAir** subsidiary expects this to be the carrier's final independent year, Piedmont still adds 11 more B-737-301s, 2 more B-767-201ERs, and 9 B-737-401s, for which the company is launch customer.

In January, weekend first-class service at discounts of 40%–50% are offered. In addition, members of the frequent flyer program are now given mileage points for visits to Marriott hotels or resorts. Ordered earlier, the first B-747-400 makes its maiden flight at Renton, Washington, on February 19.

Employing a restored DC-3, founder Davis, along with the pilots from the original service, other old-time employees, and North Carolina dignitaries, restage the company's first scheduled flight on February 20, flying from Wilmington to Charlotte in a grand fortieth anniversary event.

Daily roundtrip, nonstop flights are inaugurated from Fort Myers to Charlotte and Baltimore in March, along with twice-daily nonstop roundtrips from Charleston, South Carolina, to Washington, D.C. (DCA). F.28-4000s are employed to begin new daily flights from Washington, D.C. (DCA) to Jacksonville.

En route from Charlotte to Columbus, an F.28-4000 is forced to make an emergency landing in Charleston, West Virginia, on April 14 after an engine explodes into jagged pieces, slicing through both sides of the plane and slightly injuring two flight attendants.

Chairman/president/CEO McGee resigns on June 24 and is succeeded as president/chief operating officer by Tom Schick; **USAir** Chairman/CEO Colodny becomes Piedmont's chairman/CEO.

Daily nonstop frequencies commence in August between Oneida County Airport in New York State and Baltimore (BWI). The first B-737-401 is delivered in September and in October, Piedmont joins its parent in a sustained marketing move against **Braniff, Inc.** at Kansas City by introducing thrice-daily roundtrips from that Missouri City to Charlotte.

Daily nonstop roundtrips commence in November from Syracuse to Tampa. Service is continued to Fort Lauderdale as part of an extension of the company's Ottawa to Syracuse B-737-201A service. In December, daily nonstops are launched from Kansas City to Baltimore (BWI), San Francisco, and Chicago.

Customer bookings jump 7% on the year to 27,123,000 and cargo skyrockets 94.8% to 109.72 million FTKs. Revenues advance 20.34% to \$2.36 billion, expenses rise 15.66% to \$2.08 billion, and the operating profit of \$277.36 million is a new record. Net gain almost doubles to \$159.44 million.

Piedmont continues to be operated as a subsidiary during the amalgamation process. The right engine of a B-737-301 falls off at a height of 800 ft. during takeoff from Chicago (ORD) on January 20, 1989; the plane is able to land safely with the one remaining engine. Daily nonstop service is inaugurated on March 15 from Tampa to Los Angeles. In March and April, 22 flights are added to its Charlotte service, including new frequencies to West Palm Beach and Gainesville. The airline's frequent flyer program members are automatically enrolled in **USAir's** own program on April 3.

Daily roundtrips are offered, beginning on June 1, from Baltimore (BWI) to Bermuda. Also on June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. Piedmont, with seven security breaches, is faced with \$52,000 in punishment.

When mechanics leave rubber wheel blocks in a B-737-401, it is forced to make an emergency landing in Greensboro on August 3 with its left landing gear undeployed; none of the 100 people aboard are hurt.

The final service is operated between Dayton and South Bend on August 4. Complete integration is delayed by pilot negotiations beyond the target date of August 5, but is finally achieved on February 1, 1990. There is an unofficial Web site for Piedmont Airlines at <http://www.jetpiedmont.com>.

PIEDMONT AIRLINES (2): 5443 Airport Terminal Road, Salisbury, Maryland, 21804, Washington; Phone (410) 742-2996; Fax (410) 742-4069; <http://www.piedmont-airlines.com>; Code EN; Year Founded 1993. In honor of its onetime owner and code-sharing partner, **Henson Aviation** is renamed in 1993. The transformation also serves the purpose of registering the trademark Piedmont name. The fleet of the largest "USAir Express" carrier now includes 2 owned and 3 leased de Havilland Canada DHC-7-102s plus 18 owned and 21 leased DHC-8-102s. Four of the latter machines are chartered from the Canadian regional **Time Air, Ltd.**

All previous routes and services continue, as do contract negotiations begun between the company and the Air Line Pilots Association (ALPA), begun in September 1992.

Passenger boardings increase 10.5% over the last Henson year to 2,481,176.

Airline employment stands at 1,100 in 1994. At the end of February, the NMB declares Piedmont and its pilots to be at an impasse in their contract negotiations and orders a 30-day cooling off period ending March 25. At the last minute, the leaders for the 390 pilots reach a tentative new four-year agreement that provides for wage and benefit increases.

Customer bookings accelerate 8.1% during the 12 months to 2,682,560.

The workforce is increased by 30% in 1995 to 1,430. The company's 46 aircraft transport a total of 2,658,481 passengers, a 1% decline.

The employee population in 1996 is increased by 213 and the fleet now includes 3 DHC-7-102s and 46 DHC-8-102s.

During the first quarter, Robert H. Wells, president of Piedmont Aviation Services, approaches **USAir** seeking permission to employ the Piedmont name for a new charter operation that PAS will soon begin. **USAir** refuses and Wells's concern is eventually certified as **Pace Airlines**.

Passenger boardings accelerate 3.2% to 2,744,451 on 146,096 scheduled departures.

While on final approach to Pittsburgh on February 21, 1997, a DHC-8-102 suffers an uncommanded disconnect of its roll control system. The captain is able to stabilize the aircraft and land safely with no injuries to the plane or its passengers.

On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional will repaint its aircraft in a modified version of the major's new grey and dark blue livery.

DHC-8-102 service between Washington, D.C. and New Haven, Connecticut, is advanced from twice daily to thrice daily on June 15.

On the year, customer bookings climb 6.1% to 2,912,309 on 149,177 scheduled departures.

At the beginning of 1998, the fleet of President John F. Leonard includes 54 DHC-8s. Flights continue apace during the remainder of the year. Passenger boardings jump 6% to 3.08 million.

The workforce at the beginning of 1999 totals 1,776. On March 26, an order is placed with Bombardier Aerospace for nine DHC-8Q-200 37-seat turboprops.

Passenger boardings this year rise 4.2% to 3,162,000.

Airline employment at the beginning of 2000 stands at 2,079, a 17.1% increase over the previous 12 months.

Twice-daily DHC-8-100 USAirways Express roundtrips commence on June 1 between Philadelphia and Bangor, Maine.

Following the creation of **Potomac Air** on August 18 and its subsequent takeover of the Part 121 certificate of **Paradise Island Airways** on October 2, two DHC-8-200s are leased to the new "USAirways Express" carrier.

At the end of the year, following unsuccessful negotiations, the airline's flight attendants vote to strike over wages and working conditions if, early in the new year, the National Mediation Board declares an impasse in their contract negotiations and no progress is made during the mandatory 30-day cooling off period.

It will be reported by *The Charlotte Observer* on March 3, 2001, that PA-2, with its sister "USAirways Express" carriers **Allegheny Airlines (2)** and **PSA Airlines** are, tentatively, to be sold to **Atlantic Coast Airlines** if and when government regulators approve the pending takeover of USAirways by **United Airlines**.

PIEDMONT AVIATION SERVICES. See **PACE AIRLINES; PIEDMONT AIRLINES (1)**

PIEDMONT COMMUTER NETWORK. See **CCAIR; HENSON AVIATION; JETSTREAM INTERNATIONAL AIRLINES; SOUTHERN EXPRESS; SUNBIRD AIRLINES (2); TRANS AIR**

PILBARRA AIR SERVICES (PTY.), LTD. See **SKYWEST AIRLINES (PTY.), LTD.**

PILGRIM AIRLINES: United States (1962–1986). Acquired by Joseph M. Fugere two years earlier, the FBO/charter operation **New London Air Services** is reformed on April 1, 1962 and the flight portion is renamed Pilgrim Airlines. Regularly scheduled passenger and cargo third-level Piper PA-23 Apache revenue operations between New London and New York City (La Guardia and Idlewild Airports) begin on August 16, the same day the carrier receives its certification from the FAA.

In September, a twin-engine Beech C-45H converted to Beech 18 civil standard is acquired, allowing twin-engine flights.

A total of 1,500 passengers are transported in the commuter's first four-and-a-half months.

Traffic triples in 1963 and doubles in 1964. By 1965, passenger boardings have increased 10-fold and a plane larger than the currently employed Beech 18 and Pipers is required. That year, Fugere approaches de Havilland Canada and helps to convince that manufacturer that small commuter airlines like his will employ the STOL (Short Take-off and Landing) aircraft it is developing.

The opportunity to acquire sufficient funding to launch the Canadian turboprop arrives in June–August 1966. As a result of a 66-day strike by the International Association of Machinists and Aerospace Workers (IAM), much of the nation's air transport system is shut down. During this time, a New York-based air freight forwarder contracts with founder Fugere to take over the carriage of its high priority shipments, mainly pharmaceuticals. Consequently, Pilgrim employs one Beech 18 on a route from John F. Kennedy International Airport to Chicago via Pittsburgh and a Piper PA-32 Cherokee Six to Baltimore and Boston.

The \$150,000 profit earned during the two months is sent to Canada to buy a plane and in September the first Pilgrim Twin Otter is delivered. Following training and promotional use, it allows Pilgrim to become the first (by only one hour over **Air Wisconsin**) regional in the world to operate the DHC-6-100.

The Twin Otter sets a standard of excellence for the nation's growing commuter airline industry and establishes Joe Fugere's carrier as a viable transportation system for southwestern Connecticut. For three years following the first DHC-6-100 flight, Pilgrim's enplanements increase by 20,000 per year. This success leads to expansion and in June 1967 operations are inaugurated between New Haven and New York City. A year later, flights begin to New York City from Hartford.

Operations continue apace in 1969–1970. On February 11 of the latter year, a Twin Otter with two crew and three passengers disappears

into Long Island Sound; wreckage is found off Groton, Connecticut, four days later, but there are no survivors.

Rights to the Hartford–Montreal route operated by **North American Airlines (2)** since the previous year are acquired in 1971; the takeover forces the Windsor Locks-based international commuter to cease operations. Pilgrim purchases several Volpar Turboliners from the assets of the former carrier.

During 1972, Pilgrim begins landing in Boston and Bridgeport is added to the system network in 1973. Enplanements during the latter year are 98,863.

Pilgrim continues to expand throughout the remainder of the decade. International services commence on July 1, 1974 with the inauguration of thrice-daily Volpar Turboliner (modified Beech 18) service Groton and New London via Hartford to Montreal flights. Additional markets entered include Bridgeport, Providence, Islip, Boston, Washington, D.C. (DCA), and Manchester, New Hampshire.

Passenger boardings jump 9.3% to 108,809.

The workforce in 1975 is 85. In January, Pilgrim receives the 1974 "Regional Airline of the Year" award from *Air Transport World* magazine.

The company's five Twin Otters accommodate 91,712 passengers, a 15.7% decline. Freight traffic is also down by 23.8%.

Five employees are laid off in 1976 or not replaced. Service is inaugurated from New London to New York (LGA) via New Haven.

Customer bookings accelerate 22.5% to 112,349 and cargo is up by 19.7% to 105,605 pounds flown.

In 1977 the Volpar Turboliner is removed from the New York–Montreal route and replaced with a pair of Beech 99s.

Boardings for the year total 139,955 travelers.

As is the case for other regionals, profits increase greatly from passage of the Airline Deregulation Act of 1978. Following the law's October signing, airline employment is boosted by 27.8% to 115. Services are inaugurated from Islip to New Haven, Boston, and New London. During the year, a sixth Twin Otter and two additional Beech 99s are acquired.

Customer bookings increase by 22.8%, up to 171,916.

There is further growth in 1979 as the workforce is increased by 29.5% to 136. New routes are started from the Rhode Island capital of Providence to New York (JFK and LGA), and Islip airports.

Bookings advance by 13% to 193,587, while cargo is down 9% to 146,000 pounds.

The following year, 1980, is an impressive year for the New London-based large regional. The employee population grows by 23.2% to 175 and John Sterne is voted executive vice president. Routes are thrown out to Manchester, New Hampshire and Washington, D.C. and the carrier replaces **Delta Air Lines** on the major's route from Manchester to New York (LGA).

Pilgrim acquires its first new modern airliner since 1966, the former **Aer Lingus Irish Airlines, Ltd.** Fokker F.27-100 *St. Flannan*. The previous year, the turboprop had become the only one of her type fitted with a large cargo door (LCD), thereby, technically, becoming an F.27-700.

Following a lengthy delay because of the FAA-mandated certification process, the new plane commences flights from New York (LGA) on December 19. The aircraft is the first Fokker-built Friendship to enter service in the U.S. (as opposed to the F-27s built under contract by Fairchild in Maryland).

At year's end, the fleet comprises 2 Beech 99s, 5 DHC-6-100s, and 2 F.27-100s, the second purchased from **Flugfelag Islands, H.F. (2)/Ice-landair, H.F.**

Passenger boardings increase 5% to a record 202,821, even as cargo declines by 14.2% to 11,000 pounds.

The number of workers is up again in 1981 by 15.8% to 169. In April, the twentieth anniversary is celebrated with public ceremonies. Two more Fokkers are acquired, from **Aviacion y Comercio, S.A. (AVI-ACO)**, and service is inaugurated to Keene, New Hampshire, and Otawa, Canada. The route from New York to the Canadian capital, inau-

gured on December 15, is the first direct service between the two cities offered by an American commuter airline.

Despite the PATCO air traffic controllers' strike during the summer and fall and subsequent ATC restrictions, customer bookings for the year rise 8.2% to 219,372. Freight falls a hefty 23.5% to 9,000 pounds.

The payroll grows yet again in **1982**, up 12.4% to 190. Pilgrim launches F.27-100 service from New Haven to Washington, between Hartford and Montreal, and from New London to Washington. Two more Fokkers, first flown by **Trans-Australian Airlines (Pty.), Ltd.**, are added to the 3 Friendships, 5 Twin Otters, and 1 Beech 99 already in the fleet.

A Beech 99 with two crew and five passengers undershoots the runway at Groton, Connecticut by 850 ft. while landing on February 1; although the aircraft is damaged beyond repair, there are no fatalities.

A DHC-6-300 with 2 crew and 10 passengers makes a forced landing into Scituate Reservoir, near Providence, Rhode Island, on February 21 (one dead).

Enplanements this year rise 7.7% to 236,210 while cargo increases 52.7% to 21,000 pounds.

Forty new employees are hired in **1983** as another AVIACO F.27-100, plus a DHC-6-300, are acquired, giving the fleet six of each type. Additional routes are opened to Washington, D.C. (DCA) from the Connecticut cities of Bridgeport, Fairfield, New London, and New Haven. A new Bradley Field maintenance hangar is occupied and a Fokker F.28-3000 jetliner is purchased on December 31.

Passenger boardings jump 20.4% to 283,325 and freight accelerates 21% to 25,410 pounds.

While taking off from New York (JFK) on January 13, **1984**, Flight 35, an F.27-100 with 3 crew and 21 passengers, loses power in both engines and comes down hard on the runway, skidding for 1,200 ft.; although the aircraft is badly damaged, there are no fatalities.

While FAA and NTSB inspectors review the circumstances surrounding the accident, the F.28-3000 arrives from Holland at month's end. At \$2,300 a day in interest charges, it remains grounded until the investigation is completed. The F.27-100s must operate under restrictions during the period.

Boston-Ottawa flights begin in the summer, as does the carrier's participation in the frequent flyer program of **American Airlines**.

Pilgrim finally enters the jet era in September when it places its Fokker F.28-3000 into service between New York and Ottawa.

Passenger traffic on the year accelerates 6% to 301,406 passengers flown.

The employee population grows by 20% in **1985** to 360. The fleet now includes the F.28-3000, 5 DHC-6-100s, and 6 F.27-100s. In February, Pilgrim becomes the third largest regional airline in the Northeast when it acquires 100% of financially troubled Connecticut rival **NewAir** in exchange for a 20% equity stake by the acquisition's former owners.

Four of the merger-partner's six aircraft (Twin Otters) are placed into service under new livery when the two integrate their schedules and operations in April. **NewAir**, which remains an FBO at Tweed-New Haven Airport, is allowed to retain an Embraer EMB-110P1 Bandeirante as an air taxi, while a Shorts 360 is subleased to **Suburban Airlines**.

Pilgrim Airlines' frequencies from Connecticut to New York (LGA) and Washington, D.C. (DCA) are now increased, while the **NewAir** service to and from both Newark and Philadelphia is incorporated. The route network increases to 17 cities.

Customer bookings accelerate 23.8% to 372,983 and cargo rises 17.7% to 153,000 pounds. The marriage with **NewAir** is an expensive one for founder Fugere's Pilgrim, which suffers considerable loss on its revenues of \$25 million.

Early in **1986**, financially distressed Pilgrim Airlines becomes a takeover target for another Connecticut-based commuter, **Business Express**. Under terms of the February 28 merger arrangement, Pilgrim, which is taken over by the BEX parent Marketing Corporation of America (MCA) for just \$1 million, operates briefly as **Pilgrim Business**

Express. Its fleet is changed as the eight Twin Otters are replaced by five Beech 99s transferred from President James McManus' parent. Integration is completed by year's end, at which point the Pilgrim Airlines name disappears.

PILOT, LTD. (PILOT TOO): No. 101, 43 Chekhova St., Yuzhno-Sakhalinsk, 693004, Russia; Phone 4242 (23) 3839; Fax 4242 (23) 4080; Code CZA; Year Founded 1993. Pilot is founded at Aeroport Khomutovo at Yuzhno-Sakhalinsk in **1993** to fly cargo charters to East Asia and North America. Oleg G. Beloglazov is director general and he initiates services with 2 Antonov An-12s and 3 An-26s.

PILOT AIR COMPANY (PILOT AVIAKOMPANIYA): Russia (1994-1996). Pilot Air is set up at Vladimiri in **1994** to provide ad hoc air taxi, aerial survey, energy and communication support work, agricultural applications, and air ambulance services. General Director S. P. Zicheep begins revenue services with 3 Mil Mi-8 helicopters. These continue until **1996**.

PILOT PRIVATE ENTERPRISE (PILOT CHASTNOE PREDPRIATIE): Russia (1994-1996). Pilot Private is set up as an air taxi operation at Krasnovarski Krai in **1994**. General Director V. V. Budrin undertakes his ad hoc services with an unspecified number of Antonov An-2 biplanes.

Flights continue until **1996**.

PINE STATE AIRLINES: P.O. Box 88, 74 Airport Avenue, Frenchville, Maine, 14745, United States; Phone (207) 543-6334; Fax (207) 543-6038; http://www.siv.com/psa/psa.htm; Code PW; Year Founded 1996. Roland Martin sets up Pine State at Frenchville in **1996** to offer FAR Part 135 services to domestic locations. Revenue flights commence and continue with a single Cessna 402C.

PINEHURST AIRLINES: United States (1973-1982). Pinehurst Air Transport is established by Lewis Carter Burwell Jr. at Pinehurst, North Carolina, in **1973** to provide Douglas DC-3 passenger and cargo services to various local resorts. The company is transferred to Greenville, South Carolina, in **1979** and reformed into the all-cargo commuter Pinehurst Airlines. Equipped with a fleet of 5 NAMC YS-11A freighters, President Carter Burwell III's carrier begins service to regional destinations.

In **1980**, the first full year of operation, freight traffic is up 310% to 50.97 million FTKs.

Six more of the Japanese-made turboprops are acquired in **1981**. In July, the company launches limited scheduled passenger services—just in time to be severely limited in these new operations by the PATCO air traffic controllers' strike and subsequent ATC restrictions.

Indeed, the cash flow problem becomes so acute that the carrier must stop flying in September. To this point, it was en route to another successful year, having flown 32.7 million FTKs of freight, 60% more than in the previous year's first nine months.

Unable to resume operations, Pinehurst goes bankrupt in early **1982** and is liquidated.

PINEHURST AIR TRANSPORT. See **PINEHURST AIRLINES**

PINK AVIATION, GmbH: Austria (1993-1994). Pink Aviation is established at Vienna in late **1993** to offer third-level all-cargo flights about the nation. Revenue services begin with a pair of Shorts SC-7 Skyvans. Flights cease in **1994**.

PIONEER AIR LINES: United States (1946-1955). Originally founded as **Essair**, the nation's premier feeder airline, Pioneer is the result of that carrier's May 15, **1946** decision to change its corporate identity. Former **Braniff Airways** Executive Vice President Robert T. Smith joins famed barnstormer William Long in ownership; the former is president with the latter board chairman. The 96-employee company's 3

Lockheed Model 10A Electras, sporting the company's new aircraft livery and buffalo logo, maintain passenger, cargo, and mail service over Contract Air Mail Route No. 64 from Houston to Amarillo via Austin, San Angelo, Abilene, and Lubbock.

Following his spring purchase of five government surplus Douglas C-47s from the War Assets Administration depot at Walnut Ridge, Arkansas, for \$20,000 each, General Manager L. H. Luckey returns to Arkansas during August and acquires four more for \$15,000 each. Eight of these are converted under contract to civil DC-3 standard; indeed, Pioneer is the first local service carrier to be equipped with the Douglas transport.

The company is also the first in its classification to receive CAB approval to operate at night and on instruments. As modification work on the new aircraft continues, the CAB on November 27 grants the company a number of new routes as the result of its findings in the Texas-Oklahoma Route Case.

Enplanements for the year exceed 5,000.

Airline employment stands at 219 on January 1, 1947. In March, the first DC-3 conversion is completed in the company's Houston shop. When available, the nine Douglasses will be christened *Rangers* after famous Texan heroes: *The Kit Carson*, *The David Crockett*, *The Ben Milam*, *The Mirabeau B. Lamar*, *The James Fannin*, *The Stephen F. Austin*, *The Sam Houston*, *The Coronado*, and *The William B. Travis*. As the Douglas fleet reaches full strength, the original Essair Lockheed Model 10A fleet is sold. Gerald "Jerry" Warren is hired to become manager of the new Abilene station and is assigned 18 employees to operate the new Texas mini-station (an early hub) at the city's eastside Municipal Airport.

In February, scheduled service is launched from Houston over the new routes granted by the CAB the previous year to Abilene via College Station/Bryan, Waco, Dallas, Fort Worth, Mineral Wells, and Cisco/Eastland/Ranger. Also included are routes from Abilene to Midland via Big Spring and Sweetwater, a spur connecting Midland to San Angelo, and the 1945 route.

During April, Pioneer's DC-3s fly medical supplies and personnel into Texas City to assist victims of the disastrous explosion and fire. Later in the year, new IFR beacons are constructed at Bryan, Sweetwater, Plainview, and Temple and employment by year's end reaches 360.

A devastating winter blizzard rocks Texas during January 1948, severely limiting Pioneer's operations. On February 17, the airline is granted enough new routes to raise its route mileage by one-third, to 2,183 unduplicated miles. Markets are added in the New Mexico cities of Clovis, Santa Fe, Tucumcari, Las Vegas, Roswell, Las Cruces, and Albuquerque. *The Pioneer Plainsman* and *The James Bowie*, two new DC-3s, are acquired for the addition.

A number of services developed by Vice President-Traffic and Sales Harding Lawrence are offered as "commuter specials." Meanwhile, goodwill and publicity flights are made throughout New Mexico in April and May, with scheduled service beginning on May 1.

Profits in 1949 and 1950 exceed \$225,000 per year; however, the final profit from operations is earned during the latter year. The DC-3 fleet grows to 12 in 1950 through the addition of an unidentified unit; these are all refurbished. Inside, window drapes and wall murals are hung. The external livery is red and blue, with a bison displayed on the blue tail. When the two-year certificate expires, the Roswell-Las Cruces-El Paso route is ended.

Over Amarillo on March 2, 1951, copilot John Dowd falls out of a DC-3 while trying to close its door that had come open. A total of 404 flights with more than 20 passengers are operated in August. Seeking to upgrade its fleet, becoming in the process the first feeder to do so, the airline, during the remainder of the year, test operates a Super DC-3 and a SAAB 90A-2 Scania over its route network.

Following the profitable \$1.1-million sale of its DC-3s to the USAF, which immediately places all 12 into service as C-117Cs, Pioneer attempts to escape subsidy and upgrade its competitive image through its June 1952 purchase of nine Martin 2-0-2As from **Northwest Airlines**,

at \$300,000 each. The First National Bank at Dallas and the Chase Manhattan Bank at New York lend Pioneer \$4.18 million for the Martin project.

In addition to \$544,000 per copy overhaul and modification, including a new livery that retains the buffalo on the tail, these are given new *Pioneer Pacemaster* names. Many of these names were used earlier as *Rangers*: *Pacemaster David Crockett*, *Pacemaster Stephen F. Austin*, *Pacemaster Sam Houston*, *Pacemaster Ben Milam*, *Pacemaster William B. Travis*, *Pacemaster Kit Carson*, *Pacemaster James Bowie*, *Pacemaster Mirabeau B. Lamar*, and *Pacemaster James Fannin*.

Martin 2-0-2A service is inaugurated in July, the same month that a \$4-million order is announced for the purchase of five Convair CV-340s. Meanwhile, the company asks the government to increase Pioneer's mail subsidy to cover the cost of operating the new equipment.

Convinced that the move would not be healthy and violates government aid rules (when the \$841,000 DC-3 profit is used to offset losses in mail subsidies), the CAB, in March 1953, pressures Pioneer into relinquishing its Martins and returning to DC-3s. The regulators also refuse the carrier's emergency plea for an \$886,000 grant to cover the cost of the reconversion. Constantly in financial difficulty thereafter and losing \$3,000 per day by August, Pioneer grounds its Martins and begins to seek DC-3s.

Three Douglas transports are briefly chartered from **Eastern Air Lines**, while nine more are leased from **United Air Lines**. All of these aircraft are chartered through Leeward Aero Services, but only nine will actually be operated. The CAB allows the airline to create a special subsidiary, Pioneer Aeronautical Services, to sell the Martins and their ownership is transferred to the new concern.

Chairman Long and President Smith meet with **Continental Air Lines** President Robert F. Six during the fall and begin to negotiate a merger. Six agrees to keep all of the former *Essair's* employees, combine the routes of the two carriers, put Long and Smith on his board, and hold on to Harding Lawrence, who will one day become chairman/CEO of **Braniff International Airways**. Pioneer agrees to the marriage on December 10. The nation's oldest local service carrier will be acquired for \$768,815 cash and \$390,000 in Continental stock. It will continue to operate as an independent subsidiary while the CAB studies the takeover.

The airline's final year is one of its best. New service is started to Mineral Wells, Snyder, and Breckenridge and even the financial picture is brighter. On June 14, the company leases a number of its formerly owned Martin 2-0-2As and places them into service on two routes: Houston to Midland via Austin and San Angelo and Dallas/Fort Worth to Lubbock.

Following much publicity generated by Vice President Lawrence's public relations department, Amarillo businessman Lester R. Dollison is designated the one-millionth passenger (cumulative) to be boarded on August 9, the company's ninth birthday. Government approval of the **Continental Air Lines** takeover is given on December 7.

After a decade of service, Pioneer disappears completely on April 1, 1955 when its integration into **Continental Air Lines** is completed. On merger day, 11 of the company's 23 destinations are exclusively served.

PIONEER AIRLINES (1): United States (1966–1968). The first Pioneer Airlines is formed at Springfield, Missouri, in late spring 1966 to offer scheduled third-level passenger and cargo flights to various destinations in Missouri, including Columbia and St. Louis.

Employing Cessna 205s and 402s, revenue services commence on June 20 and are maintained until 1968.

PIONEER AIRLINES (2): United States (1976–1986). Founded as Pioneer Airways at Denver on March 16, 1976, this small regional employs three Beech 99s to launch scheduled revenue service on January 10, 1977 over a route linking its Stapleton International Airport base with Ogallala, North Platte, and McCook. Enplanements for the year total 1,008.

Operations and traffic totals remains level in **1978** as David Forward is appointed president.

Chairman Howard "Bo" Callaway's carrier begins to replace the **Frontier Airlines (1)** on new Essential Air Service (EAS) flights at various points in March **1979** and inaugurates a period of expansion in keeping with the new free market philosophy of the Airline Deregulation Act of 1978.

Destinations visited now include Ogallala, North Platte, Lexington, Lincoln, Omaha, Sidney, Alliance, Chadron, Gillette, Sheridan, and Williston. The 594-mile nonstop Denver to Williston route is the longest segment flown by a U.S. commuter airline.

Passenger boardings skyrocket by 95.2% to 21,000.

With a fleet of 5 Beech 99s and 5 Fairchild Hiller FH-227s, Pioneer flies 25,017 passengers and 92,000 pounds of freight in **1980** to 11 cities in Nebraska, Colorado, New Mexico, North Dakota, and Wyoming.

During the year, Pioneer Airways is reformed and renamed and the fleet is enhanced by the addition of Swearingen Metros.

Chairman Callaway resigns in **1981** and is succeeded by David R. Forward, who also serves as president/CEO. Five more cities are added to the route network, including an EAS route from Denver to Santa Fe inaugurated in March.

Bookings skyrocket 123% to 55,872. Freight traffic is also up, by 22.8% to 113,004 pounds. To help handle the increase, the fleet is now expanded to 7 Beech 99s.

Upward progress continues, albeit with loss, in **1982**.

A Swearingen Metro freighter with two crew flies into the ground at Pueblo on December 7; both men die.

Enplanements increase 59.1% to 88,893 and cargo jumps a spectacular 176.5% to 312,500 pounds.

The fleet is altered in **1983**; gone are the FH-227s and 3 Beech 99s, replaced by 7 Fairchild-Swearingen Metro IIIs.

Passenger boardings dip 4.2% to 84,172, but cargo jumps 14.3% to 225,144 pounds.

In **1984**, Pioneer becomes associated with **Continental Airlines** and as a "Continental Express" commuter network partner begins coordinated services in January, feeding passengers to that recovering major at Denver.

Enplanements for the year total 156,387.

As **1985** begins, the company's 9 Fairchild Metro IIIs and 2 Beech 99s are operating to 14 markets in Colorado, Idaho, New Mexico, North Dakota, South Dakota, and Wyoming. One more Metro III joins the fleet as orders are placed for five Avions de Transport Regional ATR42s. In April, twice-daily flights are inaugurated from Denver to Sheridan, Wyoming, with one service continuing on to Billings, Montana.

A total of 159,905 passengers are flown on the year, a 2.2% boost.

Citing extreme price competition, with resulting low yields and traffic losses, the carrier, in the words of one official, simply "runs out of money" and suspends operations on May 19, **1986**. It is, thereafter, liquidated and its EAS routes are recontracted to **GP Express**.

PIONEER AIRLINES, LTD.: Kenya (1978–1985). Privately owned PAL is formed at Nairobi in the summer of **1978** to provide scheduled passenger services into the eastern part of Kenya along with ad hoc safari and aerial tour flights. Revenue service flights commence on October 13 with a fleet of 4 each Piper PA-31-310 Navajos and Cessna 402s.

Rising expenses and worldwide recession during the early **1980s** conspire to cause a loss of economic viability, forcing the commuter to shut down in **1985**.

PIONEER AIRWAYS. See **PIONEER AIRLINES (2)**

PIPER TWINAIR: United States (1966–1968). William "Bill" Piper's son-in-law Thomas Hartford, chairman of the Castanea Corporation, purchases Monmouth, New Jersey-based **Air Taxi Associates (Eastern Air Taxi)** in **1966**, renaming it in honor of the famous lightplane designer. Daily roundtrip commuter services, flown by Piper PA-23

Aztecs, PA-32 Cherokee Sixes, and PA-31-310 Navajos, are maintained between Monmouth County Airport and New York (JFK).

In **1967**, a feeder arrangement is signed with **Trans World Airlines (TWA)** and in **1968** the company is sold to Charles Robertson, who re-names it **Monmouth Airlines**.

PITCAIRN AVIATION: United States (1925–1930). Pitcairn Aviation is started, initially as a flying school and aircraft manufacturing concern, at Bryn Athyn, Pennsylvania, in **1925**. It is a subsidiary of the Pitcairn Company, holding company for Pittsburgh Plate Glass Company, and is operated by Harold F. Pitcairn, son of the holding company's owner. During the next two years, Pitcairn specializes in the manufacture of mailplanes, winning praise for his PA-1 through PA-4 Fleetwing mailplane series.

Early in **1927**, Pitcairn seeks the U.S. Post Office contract to fly mail over 792-mile Contract Air Mail Route (CAM) No. 19 from New Brunswick, New York, to Atlanta. The government award is made on February 28. To fly his \$3-per-pound contract, the aircraft builder now designs the PA-5 Mailwing and begins to construct 12 of them.

While the U.S. Commerce Department attempts to overcome a delay in lighting the airway between New York and Atlanta—a requirement if the company is to fly at night—Pitcairn spends the remainder of the year preparing for route inauguration. Between May and December, FBO and flight service bases are established at Richmond, Greensboro, Spartanburg, and Atlanta.

In October, the decision, based on the continuing delay in airway lighting, is made to sell 9 of the 12 Mailwings, beginning with 4 to **Texas Air Transport**. In late October, the company also bids on a 641-mile Atlanta–Miami via Jacksonville segment (CAM-25) pioneered by the inactive **Florida Airways Corporation**. That award is won on November 23, giving the new entrant the longest north-to-south route in the industry. During the year, the company hauls 16,051 sight-seeing and charter passengers and trains 118 pilots.

Early in **1928**, six Southern pilots and a Californian are hired, World War I veterans and barnstormers among them, and the initial workforce reaches 44. On April 30, the government's lighted airway, consisting of 2 million candlepower beacons located every 12 miles, is nearly completed and thus a 1,411-mile "eastern airline" is born.

At daylight on the May 1 launch date, Pitcairn finds so much mail on hand that it has to operate double schedules, both northbound and southbound. Two Mailwings take off from Atlanta's Candler Field that night heading north, while another pair leaves Hadley Field at New Brunswick for the Dixie flight. Crowds numbering in the hundreds turn out at the scheduled stops along the way—Washington, D.C., Richmond, Greensboro, and Spartanburg. On May 7, a PA-5 crashes into Stone Mountain, Georgia; pilot John Kytte escapes serious injury.

The first company fatality occurs on May 22 when pilot Ed Morrissey, en route to Washington from Richmond in a PA-5, becomes lost in heavy fog and crashes. Four days later, James R. Reid is killed when his Mailwing crashes at Richmond while attempting to make an emergency night landing. During the first month of service, a total of two tons of mail is transported. The first of four PA-6 Super Mailwings is placed on the route in July. Blown off course, pilot John Kytte survives his second "unscheduled" landing of the year on August 15 when his PA-5 hits a mountain near Old Fort North Carolina.

On December 1, CAM-25 is opened from Atlanta to Miami via Jacksonville, again in the daytime, pending completion of the lighted airway. Once the company's four new PA-6 Super Mailwings are in operation, the time required to get mail from Miami to New York shrinks to 16 hours from the railroad's 48 hours. Furman A. Stone is badly hurt when his PA-5 goes out of control over Waycross, Georgia, on December 16 and crashes.

For the eight months of flying time, the company's books show that 85,153 pounds of mail (no passengers) have been carried over 369,417 miles. The carrier has met 93% of its schedules and Pitcairn is the largest line operated by one company east of the Mississippi River.

Airline employment in 1929 totals 91 and the monthly payroll now averages \$16,000. During the spring, the company adds stops in Daytona Beach, Orlando, Tampa, St. Petersburg, and Macon. On March 1, a PA-5 suffers engine failure while taking off from Daytona Beach, Florida; pilot C. J. Faulkner is not hurt. When his PA-6 suffers engine failure over Blue Plains on April 25, pilot Verne Treat parachutes safely; the plane wreckage is repaired.

In early June, Pitcairn decides to concentrate on manufacturing planes, being intrigued by a new autogiro being developed in Spain. Determined to escape a hostile takeover by other operators, Pitcairn sells his company to the airline and aircraft manufacturing magnate, Clement M. Keys, for \$2.5 million on June 12.

Operations continue without inspiration, but with serious human loss. On July 8, pilot Thomas Gurley is killed when his PA-5 crashes at Berlin, New Jersey, when a spark from the aircraft's experimental 10-ft. aerial mast ignites the aircraft. Keys sells Pitcairn Aviation to his North American Aviation group on July 10.

After only a week with the company, pilot Vivien M. Jones, while test flying a PA-5 in aerobatics over Tampa, Florida, experiences wing failure; he is killed in the crash of the aircraft. Arriving from New York on September 13, pilot Syd Molloy is killed when his PA-6 crashes into the radio tower at Fort McPherson, Georgia. A total of 111,428 pounds of mail are carried during the year.

On January 17, 1930, Pitcairn's air transport concern is renamed **Eastern Air Transport**.

PITT AIRLINES: United States (1967–1969). Connellsville-based **Pitt Airways** is reformed and renamed on August 3, 1967. Employing a Beech 18, the company continues to provide passenger shuttles between Pittsburgh's two major airports. A Piper PA-31-310 Navajo is added in 1968, as are flights to local destinations ringing the western Pennsylvania metropolis. Planning to offer services to regional destinations, the company is renamed **Keystone Commuter** in 1969.

PITT AIRWAYS: United States (1965–1967). Pitt Airways is established at Connellsville, Pennsylvania, in early 1965 as the flight service division of the FBO Miller Aviation Center. Employing a Beech 18, Pitt inaugurates scheduled shuttle flights on March 1 linking Pittsburgh's two airports.

Operations continue apace until August 3, 1967, when the company is reformed and renamed **Pitt Airlines**.

PITTSBURGH AIRWAYS: United States (1929–1931). PA is formed at its namesake city in the fall of 1929 to offer multistop, scheduled passenger service to New York City via York and Philadelphia. Equipped with a pair of Travel Air 6000s, the carrier inaugurates flights on November 1.

The Ford Tri-Motor 4-AT-54 is purchased from **Pennsylvania Airlines** on May 27, 1930, but the company's newest and largest aircraft is lost in a crash at Jennerstown, Pennsylvania, on December 20. Travel Air frequencies are continued in 1931 and on October 13 Pittsburgh joins with **USAirways** to form **United Aviation**.

PLANEMASTER SERVICES. See **PLANEMASTERS, LTD.**

PLANEMASTERS, LTD.: Dupage Airport, West Chicago, Illinois, 60185, United States; Phone (630) 513-2100; Fax (630) 377-3283; Year Founded 1970. Planemasters, Ltd. is established as a fleet management concern in 1970. During the late 1980s, the decision is taken to not only provide equipment to others, but to provide FAR Part 135 charters of its own under the name Planemaster Services. Revenue services duly begin and in 1989 the company operates 1 owned Beech King Air 90, along with 2 leased Cessna 208 Caravan Is and 3 C-208Bs. One leased C-208 is removed in 1990.

Another chartered C-208B is acquired in 1992 followed by a fifth in 1996. John McHugh is president in 1997–1999 and all-cargo charter services continue to be operated by 6 Caravan Is.

Meanwhile, in addition to the original King Air 90, the remainder of the fleet has grown to include 2 each IAI-1125 Westwind Astras, Cessna 500 Citation Is, C-525 Citation Jets, and Beech King Air 100s, as well as 1 each C-501 Citation I/SP, C-550 Citation II, and Beech King Air 90A.

While taking off from Warsaw, Indiana, on a Part 135 cargo flight to Jeffersonville, on January 19, 2000, a Cessna 208B notices a snow plow coming toward him on the runway. Unable to either abort or keep flying, the pilot immediately puts the plane back down and impacts the airport perimeter fence, coming to rest on a railroad track embankment. Although the aircraft is badly damaged, the flyer is able to walk away.

PLANET AIRWAYS: 1050 Lee Wagener Blvd. Fort Lauderdale, Florida 33315, United States; Phone (954) 359-8600; Year Founded 1997. Planet Airways is founded by Peter Garrambone and Orlando entertainment mogul Louis Peariman in the summer of 1997. On September 25, an application for an operating certificate as a public interstate charter airline is filed with the DOT.

The actual start-up process develops slowly, with expensive hearings and petitions between company lawyers and the government consuming most of the next two years. Certification is finally received on December 15, 1999.

In February 2000, arrangements are completed for the acquisition of a hush-kitted Boeing 727-23, as two more trijets are sought and Tony De Camillis becomes president. Chairman Garrambone informs the press that the company will go public later in the year to acquire the capital needed to acquire a travel agency and to expand the jetliner fleet.

During the summer, the carrier still has only one Boeing, without titles, which it flies on a subservice for **Air D'Ayiti, S.A.** between Miami and Port-au-Prince. Arrangements are, however, completed for the purchase of two B-727-224As.

It is reported in early October that the airline has painted its B-727-23 in full colors and applied titles.

When Planet is unable to receive its second B-727, a Dash-224A, as scheduled on December 1, it leases the former "Bush-Cheney" B-727-225A campaign plane from **Miami Air International**.

PLAS (PRIMERA LINEA AEREA SANTAFECINA, S.A.): Argentina (1958–1965). PLAS is formed at Santa Fe in 1958 to fly roundtrip third-level service to Buenos Aires via Rosario with 2 used Lockheed Model 10E Electras and 2 Model 18 Lodestars leased from **Norsur (Compania Argentina de Aeronavegacion, S.A.)**. Before the end of the year, the carrier enters into a cooperative agreement with **ALA (Aerotransportes Litoral Argentina, S.A.)**, which promises to provide support and access to several of its routes into the northeastern part of the country. The carrier is liquidated in 1965 after ALA elects to join forces with **Austral Airlines (Compania Argentina de Transportes Aereos, S.A.)**.

PLATINUM AIR CHARTER EXECUTIVE JET, LTD.: Operations Building, RAF Northolt, West End Road, Ruislip, Middlesex, England, HA4 6NG, United Kingdom; Phone (020) 8842 4400; Fax (020) 8845 5667; http://www.platinumair.com; Year Founded 2000. Platinum Air is established in July 2000 and is the first air taxi and air charter concern to operate from the Royal Air Force Base Northolt, located N of London (LHR) on the A40 motorway. A mixed fleet of 4 British Aerospace BAe Jetstream 31s, 1 Cessna Citation II biz jet, and 1 each Beech King Air C90 and Beech Super King Air 200.

Premium Service charters commence on August 21 to a number of European destinations, including Amsterdam, Geneva, Nice, Paris (CDG), Frankfurt, Milan, Malaga. Cargo and express service is also available.

PLUNA (PRIMERA URUGUAYAS DE NAVEGACION AEREA, S.A.): Colonia 1013-1021, Casilla de Correo 1360, Montevideo, Uruguay; Phone 598 (2) 930 273; Fax 598 (2) 921 747; http://www.

pluna.com.uy; Code PU; Year Founded 1935. Local Montevideo investors, led by Alberto Jorge Marquez and his brother, create this carrier in September 1935. Orders are placed for British-made aircraft and the first two aircraft received are de Havilland DH 90 Dragonflies. Christened *Churrinche* and *San Alberto*, they inaugurate service from Montevideo to Artigas and Rivera on November 20, 1936.

The first government subsidy, £6,000, is received in November 1937 and is employed as a down payment on two ex-British Airways, Ltd. (1) DH 86s, which are received in 1938. They are named *Santa Rosa de Lima* and *San Felipe y Santiago* and are placed on the domestic frequencies.

Service is maintained during 1939–1940 and in 1941 the fleet is strengthened through the addition of an ex-Air France Poetz 621. The government passes legislation in January 1943 requiring a reorganization of the airline that gives the state 49% interest. In February, the January law is set aside, but the carrier's subsidy is ended. On March 15, PLUNA ceases operations.

PLUNA is reborn on September 15, 1945. Capitalized at one million Uruguayan pesos (UP) or \$500,000, its major shareholder is the government (83.5%). Two former Pan American Airways (PAA) Douglas DC-2s and four ex-USAAF C-47s (military DC-3) are acquired and placed in service. Additional C-47s are received in 1946 and converted to DC-3 civil standard.

Capitalization is increased to UP9 million on December 9, 1947 and the government's shareholding is increased to 94.4%. A DC-3 begins the carrier's first international service on May 4, 1948, flying to Porto Alegre, Brazil. Frequencies are maintained in 1949–1950. The remaining private shares are acquired by the government in 1951 and orders are placed for four de Havilland DH 114 Herons. Service is launched to Asuncion via Salto.

The Herons enter service in 1953. Orders are placed for three Vickers Viscount 769Ds in 1955. In 1956, thrice-daily DC-3 services are started to Buenos Aires and weekend flights are offered to the resort of Puente del Este. The Viscounts begin service in 1958, gradually replacing the Herons, which are sold in England over the remainder of the decade.

The Viscounts are placed on the Buenos Aires shuttle in 1961. PLUNA's only fatal accident occurs on October 9, 1962. While taking off from Carrasco Airport for a test flight, a DC-3 with 10 crew crashes; there are no survivors.

Two (later three) ex-Alitalia, S.p.A. Viscount 745s join the fleet in 1967 and late in the year, the company takes over CAUSA, its aircraft, and route network. In 1968–1969, the fleet is altered to include four Viscounts, two Fokker F-27s, and two leased Fairchild Hiller FH-227s (modified American-made F-27s). In December of the latter year, a new Boeing 737-A3 is acquired from its manufacturer. It is painted in a bright orange livery.

Currency and other economic difficulties cause severe problems in 1970–1972, not the least of which is suspension of the Rio de Janeiro and São Paulo routes.

The three Viscount 769Ds are sold and enplanements in 1973 are only 119,200. Airline employment in 1974 is 427. In order to concentrate greater effort on the Buenos Aires route, PLUNA is now made responsible only for international services. Domestic flights are turned over to the Air Force's transport squadron **Transporte Aereo Militar Uruguayano (TAMU)**, along with the Fokkers and Fokker-Fairchild. The fleet flagship B-737-A3 is sold to the Honduran airline **TAN (Transportes Aereas Nacionales, S.A.)**, which promptly repaints it.

Passenger boardings soar 60% to 298,000 and freight traffic skyrockets by 100%.

A Vickers Viscount 769D with 5 crew and 52 passengers, goes off the runway upon landing at Buenos Aires on May 11, 1975; there are no serious injuries reported.

Although three former **VASP Brazilian Airlines, S.A.** Viscount 827s are added, loss of the domestic network causes bookings to adjust downward, dropping to 290,000.

The workforce in 1976 is 544. The fleet now includes 2 Viscount 745Ds and 3 Viscount 827s. Passenger boardings remain level at 290,000, but cargo increases 72.4%.

Two additional Viscount 745Ds join the fleet in 1977. While on final approach to Salto-Nueva Hesperid on June 20, an EMB-110C with 2 crew and 13 passengers flies too low, strikes trees in an orange grove, and crashes (5 dead).

In November 1978, two Boeing 727-30QCs are purchased from **Deutsche Lufthansa, A.G.** Bookings remain level.

The three Viscount 827s are retired in 1979. Passenger boardings jump 82.6% to 356,672 and cargo skyrockets 185%.

The workforce in 1980 totals 487. Bookings dip 1.8% to 350,200, and freight drops 4.2% to 704.8 million FTKs. The fleet is increased in 1981 through the addition of three B-727-2A3As and the retirement of all remaining Viscounts.

Enplanements still decline, however, to 332,097, due largely, as in the previous year, to increased fuel bills and the world economic recession.

The employee population in 1982 is 836, a 0.7% boost. A B-707-387B is chartered from **Aerolineas Argentinas, S.A.** to open a single, weekly international service from Montevideo to Madrid.

As the result of the opening of 2 river bridges between Uruguay and Argentina, passenger boardings fall 12.5% to 256,000 and freight is off 1% to 1.04 million FTKs.

Airline employment in 1983 falls to 823. One B-727-30QC is retired. Bookings drop another 7.1% to 231,317, but cargo is up by a very healthy 45.2% to 1.52 million FTKs.

Only five new employees are hired in 1984 and the second B-727-30QC is sold. It is replaced with three new B-737-2A3As. Passenger boardings jump 5% to 252,000 and freight rises 27% to 1.94 million FTKs.

The workforce is increased 2.9% in 1985 to 851 and a second B-707-387B is leased from **Aerolineas Argentinas, S.A.** An agreement is reached with **Transavia Holland, N.V.** to lease one B-737-2A3A every summer.

Freight drops 5.4% to 1.83 million FTKs, but enplanements rise 2.3% to 255,000.

Four employees are laid off early in 1986 as the carrier encounters significant financial and administrative difficulty. Still, a ground handling joint venture begins with **Aerolineas Argentina, S.A.** on the Montevideo–Buenos Aires shuttle.

Traffic figures are released through June showing a 12.1% increase in passenger boardings to 151,720 and a 13.3% increase in freight 1.1 million FTKs. In October, PLUNA negotiates a management contract with **Ansett Airlines of Australia (Pty.), Ltd.**

Operations continue apace in 1987. In March 1988, an agreement to integrate routes is signed with **LAB (Lloyd Aero Boliviano, S.A.)** and **LAP Paraguayan Airlines, S.A.** Discussions commence with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** in September aimed at the possible acquisition of shareholding by the Spanish flag carrier. The company's B-707-387B is banned from the Montevideo–Madrid route on December 31 for lack of a hush kit.

In 1989, the fleet includes 1 leased B-707-387B, 1 owned B-707-387B, and 3 owned B-737-2A3As.

In 1991, a B-737-2A3A is chartered to **Transavia Airlines, N.V.** of Holland and a Douglas DC-8-61 is leased. The company plans privatization and discourages the formation of new domestic carriers. In March, a joint venture agreement is signed with **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**; employing two leased DC-10-30s, the Brazilian carrier undertakes international flights for the Uruguayan line from Montevideo to Miami and Madrid.

The DC-8-61 is returned in 1992, the B-707-387B is retired, and the year-old joint service with the Brazilian airline ends. Still, the DC-10-30s are retained on lease and operates to the previous destinations plus Rio de Janeiro.

Enplanements this year total 448,840 and revenues are \$68.2 million. Expenses are higher and there are losses: \$43,133 (operating) and \$8.6 million (net).

The Dutch return the carrier's "Baby Boeing" in **1993**. Chairman Gustavo Cola Cancela's 904-employee company provides scheduled passenger and cargo services from Montevideo to Asuncion, Buenos Aires, Porto Alegre, Punta del Este, São Paulo, Rio de Janeiro, and Santiago de Chile. With the removal of the Stratoliners, PLUNA now enters into a contract with **Spanair, S.A.** for flights to Madrid from Montevideo, employing the latter's B-767-3Y0ERs.

During the year, the government seeks to privatize the carrier. In October, it announces that, of its four prequalified bidders, only a consortium led by **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** has not dropped out. VASP's bid to acquire 51% majority ownership is rejected by the government, which pledges to attempt to privatize the airline again in the new year.

Passenger boardings for the year jump 15% to 528,047 and freight climbs 1.9% to 5.52 million FTKs.

During the spring of **1994**, the government again welcomes bids for the privatization of the airline. Only an international consortium created by the Argentine corporation Tevicom Fapeco and the local Uruguayan investors Cipreses and Roberto Cobelli makes an offer: \$2 million in cash and an assumption of \$20 million in liabilities in exchange for 51% share capital.

Once the offer is accepted in July, the new partners retain **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** as a management partner, without investment; the Brazilian major agrees to transfer over a pair of DC-10-30s, in a new color scheme, with which PLUNA can resume its long-haul international frequencies.

Enplanements fall to 499,079. Although there is a \$5.45-million operating profit, a huge \$16.39-million net loss is taken.

The workforce is reduced by a dramatic 52.5% in **1995** to 485. Customer bookings fall 4.7% to 476,676 and 3.6 million freight FTKs are operated. Revenues swell 7.5% to \$65.6 million and costs fall a slight 0.4% to \$55.34 million. Operating gain doubles to \$10.26 million and the net loss is cut to \$12.04 million.

Markets visited from Montevideo in **1997** include Asuncion, Buenos Aires, Madrid, Melo, Paysandu, Porto Alegre, Rio de Janeiro, Santiago de Chile, São Paulo, and Tel Aviv.

In February, the company and **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** agree to operate joint offices. VARIG will provide local management and sales for PLUNA in Brazil, Chile, and Paraguay while PLUNA reciprocates in Uruguay.

A B-737-2A3A in May is the first owned plane painted in the airline's new white, navy blue, and gold livery.

In early in **1998**, under the new arrangement with the Brazilian major, PLUNA subleases a VARIG B-737-2Q8A. The aircraft enters service wearing a colorful livery designed by Carlos Pez Vilaro. Flights continue during the remainder of the year.

At the beginning of **1999**, Managing Director Nery A. Trois oversees a workforce of 635.

Although traffic figures are not reported, a \$3-million net gain is posted.

Service is maintained in **2000**. Weekly B-737-200 roundtrips are resumed on October 26 between Montevideo and Florianopolis, Brazil.

POCONO AIRLINES: United States (1965–1990). Pocono Airlines is founded by Walter Hoffman in late spring **1965** and inaugurates Beech 18 daily roundtrip scheduled flights on June 15 over a Mount Pocono, Pennsylvania, to Philadelphia route. Within two years, service is also extended to New York City.

Under an associate contract, Pocono becomes an "Allegheny Commuter" on July 15, **1968** and transfers to Wilkes-Barre–Scranton International Airport at Avoca, Pennsylvania. The company will hold its own for the remainder of the decade and begin to grow in the early **1970s**. By **1974**, enplanements are 33,301.

Airline employment in **1975** stands at 37.

The carrier's 3 Beech 99's board 42,694 passengers, a 22% increase. Freight is also up, by 44% to 337,000 FTKs.

The employee population is increased by 8.1% in **1976** to 40. The company's 3 Beech 99s are able to boost passenger boardings by 7% to 45,499. Cargo does just as well, also rising 7%.

Operations continue apace in **1977** and Pocono begins to expand following passage of the Airline Deregulation Act in **1978**. Destinations now served include Williamsport, Philadelphia, Newark, and New York (JFK). The fleet comprises 2 Fairchild-Swearingen Metro IIs, 2 Beech 99s, and 1 Piper PA-31-310 Navajo.

Enplanements total 42,240.

The number of employees is increased 25% in **1979** to 65.

Passenger boardings accelerate 47.2% to 80,000 and freight traffic is up by 16.4% to 39,000 pounds. On revenues of \$2.55 million, expenses are held to \$2.17 million. As a result, a \$385,000 operating profit and \$291,000 net profit are earned.

Having enjoyed success the previous year, Pocono Airlines Chairman W. E. Hoffman increases his workforce by 10.8% in **1980** to 72 and adds 2 Swearingen Metro IIIs. Seeing a need for additional capacity, Hoffman places an order for three SAAB-Fairchild SF340s. Passenger boardings increase by 9.3% to 87,166 and cargo skyrockets an unbelievable 218.4% to 92,000 pounds. The year's revenues are up 37% to \$3.5 million, but a 53% jump in expenses (led by higher fuel bills) to \$3.47 million leaves an operating profit of only \$37,000.

Although traffic falls off sharply during the last third of **1981** due to the PATCO air traffic controllers' strike and subsequent ATC restrictions, the small regional is able to record a 6.6% rise in enplanements to 92,875. Freight carriage is also successful, rising 76.6% to 221,697 pounds. Orders are placed for another Metroliner plus three SAAB-Fairchild SF340s.

Airline employment in **1982** stands at 65 and the fleet still comprises 2 Fairchild-Swearingen Metro IIs and 2 Beech 99s. One of the latter slams into the runway and skids to a stop during its takeoff from New York (JFK) on January 15; one passenger is injured.

Bookings increase only 1% to 93,763, but cargo grows 20.2% to 266,389 pounds.

Traffic rebounds strongly in **1983**. The SF340 order is cancelled when Nord 262s become available.

Passenger boardings in this year rise 28% to 120,419, allowing the carrier to add its ordered Metroliner. Freight plunges 58.1% to 112,000 pounds.

Employment grows by 6.5% in **1984** to 115 and the fleet includes 3 Metro IIs and 5 Nord 262s, one of which is received during the year. A new headquarters and training center is opened at Wilkes-Barre–Scranton International Airport and commuter service is inaugurated between the company's base and Washington, D.C. Passenger traffic surges 69% to 191,938 passengers flown. Cargo climbs 32.8% to 148,000 pounds.

The payroll is increased another 7.8% in **1985** to 124 and the fleet is expanded by the addition of 2 more Nord 262s. At year's end, service is halted between Wilkes-Barre and Newark.

Customer bookings ascend 9.6% to 210,311, but freight declines 16.5% to 123,000 pounds.

At the beginning of **1986**, flights begin to Washington, D.C. (DCA) and Philadelphia from Newport News. When the bankrupt **Air Florida** emerges from Chapter XI in August under the name **Jet Florida**, it acquires Pocono in a hostile takeover.

Passenger boardings drop 7% on the year to 195,000. The fleet in **1987** includes 7 Nord 262s and 1 Dornier 228-212. Customer bookings swell to 218,966.

Unable to maintain equilibrium in a period of managerial and financial upheaval, the 24-year-old "Allegheny Commuter" partner declares Chapter XI bankruptcy on May 25, **1988**. Two months later, when its contract with **USAir** expires and is not renewed, the small regional ceases operations. Its fleet of 7 leased Nord 262s is repossessed.

Pocono, like other contemporaries in a similar situation, does not disappear. Rather, it is reformed in early **1989** and negotiates a contract from **Trans World Airlines (TWA)** to provide feeder service for that major at Boston, New York (JFK), and Washington, D.C. (DCA). A fleet

of five (later nine) leased Fairchild Metro IIIs is obtained and "TWExpress" revenue flights commence on March 8. Thrice-daily weekday service is initiated in October from Philadelphia to Washington, D.C. (DCA); weekend frequencies are added on the route in November.

A total of 100,828 passengers are carried during the remainder of the year to 11 cities in 5 states. Unhappily, costs again exceed expenses and a \$3.5-million loss is suffered.

On January 5, 1990, Pocono returns to Chapter XI and shuts down, returning all of its Fairchild Metro IIIs to the airline's lessors. With an unpayable \$4.5-million bank loan barring the way, the airline is unable to restart operations.

POHJANMAAN LENTO, O/Y: Finland (1991-1992). This new regional carrier is formed at Vantaa in 1991 to provide scheduled flights to Helsinki and other domestic locations. The initial fleet comprises 2 Beech 99s, 1 Cessna 404, and 1 Catpass King Air 200. The Cessna is withdrawn in early 1992 but, unable to maintain viability during a recession, the entire company folds before year's end.

POINT AIR, S.A.: France (1980-1987). Le Point-Air, S.A. is established at Aeroporte de Lyon-Satolas, France, in late fall 1980 to provide passenger charter flights from Lyon and Basel to destinations in Europe, Africa, and Asia. Employing a Boeing 707-321B, inclusive-tour revenue services are started in December to what will become the carrier's two main destinations: Burkina Faso and Reunion Island.

Operations, supplemented by the addition of a Douglas DC-8-61, continue until Point Air stops flying in 1987.

POINTS OF CALL AIRLINES, LTD.: Canada (1985-1990). Established at Edmonton, Alberta, in 1985 with Jan Backe as president, Points of Call floats its initial stock offering on the Alberta Stock Exchange in June 1987, raising sufficient share capital with which to acquire a former **Air New Zealand, Ltd.** Douglas DC-8-52 in September. Delivered to Edmonton on April 9, 1988, the hush-kitted Douglas is later transferred to a new operating base at Vancouver.

The carrier's operating certificate is received in May and on behalf of Fiesta Holidays, Ltd., charter service is inaugurated from Vancouver, Edmonton, and Calgary to Amsterdam on June 28. During the winter holiday season, the carrier undertakes charters to Costa Rica, Cuba, the Dominican Republic, and Mexico, all via Miami.

Vancouver to Honolulu flights begin in March 1989. During the summer, Manchester joins Amsterdam as a European "point of call." Unable to weather the recession, the carrier ceases operations in January 1990.

POLAR AIR CARGO: 100 Oceangate, 15th Floor, Long Beach, California 90802, United States; Phone (562) 436-7471; Fax (562) 436-9333; <http://www.polaraircargo.com>; Code PO; Year Founded 1993. Created to provide lift for a few freight forwarders serving the Pacific Rim, PAC is organized at Seattle in January 1993. It is a partnership between NedMark Transportation Services (originally established by Edwin H. "Ned" Wallace and Mark West to advise **Air Hong Kong, Ltd.**) and minority shareholders **Southern Air Transport (SAT)** and **Polaris Aircraft Leasing**, owned by General Electric.

Management is composed of several former executives of **The Flying Tiger Line**, led by Chairman/CEO Wallace and President/Chief Financial Officer West, who now begin to rebuild the old Tigers freighter operation. The company is equipped with 4 leased Boeing 747-122Fs and initially elects to limit its market to freight forwarders and international agents, excluding shippers.

The initial Jumbojet flight is made on April 25, a charter from New York (JFK) to Vienna via Prestwick, Scotland. Under a marketing agreement signed with **Aeroflot Russian International Airlines (ARIA)**, an all-cargo test flight is made on May 13 from New York to Moscow via Shannon, Ireland. Practice freight services to such Oriental destinations as Hong Kong and Singapore commence simultaneously, also flown under SAT's operating certificate.

In July, cooperative flights are undertaken weekly with **Aeroflot Russian International Airlines (ARIA)** over a route from New York (JFK) via Shannon to Moscow and Khabarovsk, continuing on to Hong Kong. At the same time, weekly all-cargo service is inaugurated from JFK to Sydney, Australia, via Los Angeles.

Two additional frequencies begin in September, one each to Prestwick, Scotland, and to Singapore and in November the decision is made to advance out from under the SAT certificate and operate the company under its own authority. Although traffic data are incorporated into that of SAT, it is reported that the first year's revenues are \$66 million.

Airline employment stands at 258 in 1994 and in March the corporate name of NedMark is changed to Polar Air Cargo, Inc. An application is made for an all-cargo carrier operating certificate, which is duly received from the DOT on July 4. Also during the month, the FAA certifies the carrier as a supplemental air carrier.

In September, **Southern Air Transport** withdraws from the Polar arrangement, leaving the new cargo carrier to charter its 5 B-747-122Fs, 3 B-747-121Fs, and 1 each B-747-124F and B-747-132F from **Polaris** and to operate them with its own crews. Shareholding is now divided between Wallace and West (51%) and General Electric (49%).

Plans are made to inaugurate services to South Korea, the U.K., Taiwan, Hong Kong, and Australia and to acquire two more Jumbojets, which will make the airline the largest all-747 freighter operator in the world.

A total of 196.6 million FTKs are operated and revenues exceed \$170 million.

The workforce grows to 475 in 1995. The company's 12 freighters operate 1.1 billion FTKs. Revenues well exceed costs and there are nice profits: \$21.94 million (operating) and \$8.29 million (net).

There is no change in the employee population during 1996. Early in the year, the DOT advances the carrier into the National ranking. Two B-747-123Fs are leased from **Arkia Israeli Airlines, Ltd.** The three-year-old weekly frequency from New York to Prestwick, Scotland, is transferred down to London (LHR) and increased to thrice weekly.

Cargo increases 16.1% to \$1.27 billion FTKs and operating income accelerates 10.8% to \$260.18 million. Expenses are almost double that, up 19.2% to \$253.65 million. Operating gain slides to \$6.52 million and the net profit is down to \$3.37 million.

With a fleet of 19 Jumbojet freighters, in early 1997 Polar operates to 19 destinations on 5 continents. During the first quarter, routes are stretched to Bangkok, New Delhi, Manila, and Dubai.

Founded by refugees from the now defunct **The Flying Tiger Line**, the company, on April 15, becomes the third U.S. all-cargo carrier to undertake transpacific flights to Japan. The company joins **Federal Express** and **UPS (United Parcel Service)** by offering weekly roundtrips from the U.S. West Coast to Osaka. Several of its managers in Japan have had long experience in that nation with **The Flying Tiger Line**.

On April 17, Polar, which already serves London (LHR) thrice weekly, introduces twice-weekly B-747-100F frequencies to Manchester.

Beginning in early May, 2 B-747Fs transport 18 Indy race teams, their vehicles, and associated equipment, to Rio de Janeiro, Brazil, in a move valued at \$45 million. After the May 11 race, the teams are returned to their point of origin, Rickenbacker International Airport at Columbus, Ohio.

Flights from New York to New Delhi via Amsterdam are increased on July 31 from one per week to three. On August 7, direct service is resumed from New York to Prestwick, Scotland, thrice-weekly.

Scheduled authority to South Africa is received from the DOT on December 10.

A total of 1.92 billion FTKs are operated, a 40% increase over 1996. Operating revenues increase 32% to \$343.54 million, while expenses jump 33% to \$337.27 million. The operating profit dips slightly to \$6.26 million, but a \$2.48-million net loss is suffered.

At the beginning of 1998, PAC is the 17th largest airline in the world in terms of freight carried. On February 17, the Asian marketing team is significantly boosted by the addition of two company vice presidents tasked to oversee operations in that region.

In April, under authority received the previous December, Polar launches weekly B-747F service from the U.S. to Johannesburg via Amsterdam, Cairo, Nairobi, and Harare. This service represents the only scheduled flights to the African continent by an American all-cargo airline.

Despite moves into new markets, the Asian economic downturn has an impact; during the second quarter, \$10.4 million is lost on revenues of \$70.4 million.

The fourth largest all-cargo carrier in the world, Polar, on August 22, inaugurates twice-weekly B-747F return service from Miami to Lima, Peru.

Continuing its work in providing the only scheduled freighter service between the U.S. and the African continent, Polar, in mid-October, boosts its frequencies to Johannesburg from weekly to twice weekly.

DOT Secretary Rodney E. Slater praises the company's African activities at his November 16 news conference on "Safe Skies for Africa."

The year closes with a flourish as, on December 2, twice-weekly B-747F all-cargo service is launched from Manila to New York (JFK) via Tokyo (NRT), Anchorage, and Chicago (ORD). The new service places the airline in a position to respond to shifting patterns of international air freight demand on a global basis.

In a press release put out on December 18, the company announces that Ned Wallace and Mark West, the company's cofounders and its chairman and president, respectively, will both retire at the end of the year.

During the 12 months, cargo traffic falls 23.64% to 1.44 billion FTKs. Revenues drop 10% to \$309.38 million; although costs are off 0.5%, they still total \$335.91 million. The previous year's operating profit becomes a \$26.52-million loss, while the net loss grows to \$38.35 million.

Recently the chief financial officer of Caliber Systems (now a part of **Federal Express**) and now a Polar board member, Louis Valerio succeeds Wallace and West on January 7, 1999 and given their titles.

While continuing its effort to reverse its fiscal losses, PAC is able to benefit from a decision made at its founding. With more freighters available than any other carrier in the Civil Reserve Air Fleet, Polar is well situated to support the U.S. military when its participation in NATO's Operation Allied Force begins on March 24.

As the air campaign against targets in Yugoslavia designed to force Belgrade to change its policies in Kosovo province intensifies in May and June, PAC is able to operate 100 missions from U.S. bases to Europe. This number, representing a substantial increase over PAC's normal traffic, has a significant positive impact on company ledgers.

Robert E. Martens is appointed president/chief operating officer in July.

With the assistance of the National Mediation Board, the carrier and its ALPA-represented pilots are able to agree on a new contract, which is announced on October 2.

It is announced on October 7 that the company has withdrawn one of its B-747-122Fs and replaced it with a pair of chartered B-747-2U3BFs, once flown as passenger planes by **Garuda Indonesia**.

Late in the fourth quarter, Polar enters into partnership air cargo venture with **Air New Zealand, Ltd.** on flights from the U.S. to the South Pacific.

Cargo traffic this year falls 4.3% to 1.4 billion FTKs. Revenues are up 2.1% to \$315.99 million, while expenses drop 8% to \$308.96 million. The previous year's operating loss becomes a \$7.02-million gain, while the net loss "improves" to \$8.27 million.

The workforce totals 444 at the beginning of 2000, a 14.1% decline over the previous 12 months. The B-747 fleet now includes 1 each Dash-124F, Dash-132F, Dash-283BF, Dash-245F, Dash-259F, and 2R7F, 2 each Dash-123Fs, Dash-2U3BFs, and Dash-249Fs, 3 Dash-121Fs, and 5 Dash-122Fs.

The B-747-132F is withdrawn on March 30 and sold for scrap.

When CEO Louis J. Valeiro departs on May 26 to pursue other interests, he is succeeded on an interim basis by Chairman Eric M. Dull. During the summer, a PAC Charter Services division is set up to market charter and aircraft lease opportunities.

One of the B-747-200Fs also operates under an ACMI contract for **Finnair O/Y**, flying one weekly roundtrip between New York (JFK) to Helsinki via Goteborg and a second from New York (JFK) to Helsinki via Prestick and Goteborg.

In an effort to formalize its nonscheduled operations, a separate business unit, PAC Charter Services, is established on September 7. Under the direction of Vice President Lynn Stauffer, the new organization begins to provide aircraft leases and full planeload charters to the air freight forwarding industry. Previously operated by **Tower Air**, a sixth B-747-200F, wearing Polar's new color scheme, is added on September 15. Also in September, **Evergreen International Airlines** Vice Chairman Ronald Lane is lured away to become Polar's chief marketing officer while **America West Airlines** Vice President-Flight Operations Lee Steele becomes vice president and director of flight operations.

The first of five ordered B-747-46NFs is delivered in a new color scheme in Seattle ceremonies on October 16 and is immediately flown to the company's Long Beach base. Leased on a long-term basis from GECAS, the new *Spirit of Long Beach* is placed into service on routes from New York (JFK) and Chicago (ORD) to Hong Kong, Taiwan, and Tokyo (NRT).

The Jumbojet fleet is further expanded in November. Two more B-747-200Fs enter service, one each on November 3 and November 21, while two additional B-747-46NFs are also received, one on November 12 and one on November 16. The Dash-46NFs fly primarily to Tokyo (NRT), Taipei, and Hong Kong. Meanwhile, all of the Dash-200Fs are placed on services to the South Pacific and Europe, while the Dash-100Fs fly to South American and on nonscheduled charters.

As December ends, arrangements are completed for the initiation, on January 11, of twice-weekly return flights between the U.S. and Kuala Lumpur, Malaysia.

POLAR AIRLINES: United States (1974–1980). Polar Airlines is established by Timothy Ewell at Anchorage, Alaska, in 1974 to offer scheduled third-level service, on an exemption basis, to Kenai. Charter operations are also undertaken. Permanent authority for the route is sought from the Civil CAB. Regional flights begin to Valdez, Gulkana, Big Delta, Fairbanks, Tok Junction, Tanacross, and Northway in 1975–1977 and the fleet comes to include a mix of Aero Commander 680s, Fairchild PC-6s, Piper PA-31-310 Navajos, a Beech 18, and several Cessna lightplanes.

Although statistics are not available for 1978, those reported in 1979 show that the company's 4 Piper PA-31-350 Navajo Chieftains, Cessna 310, and Cessna 206 hauled 26,000 passengers and 440,400 pounds of freight.

In financial difficulty as the result of the fuel oil crisis at decade's end, Polar Airlines also encounters regulatory obstacles. When the FAA revokes the carrier's certificate on August 25, 1980, the airline is shut down.

POLAR ALASKA ENTERPRISES. See **POLAR INTERNATIONAL AIRLINES**

POLAR INTERNATIONAL AIRLINES: United States (1986–1989). George E. Matz sets up Polar Alaska Enterprises at Fairbanks, Alaska, in early 1986 to undertake scheduled passenger and cargo services to local and regional communities, including those in support of the energy industry. Equipped with Cessna and Beech lightplanes and a Fokker Fairchild F-27B, Matz inaugurates services in March linking the company's base with Anaktuvuk Pass, Nuisqsut, Prudhoe Bay, and Prudhoe Bay-Barter Island. The company name is changed to Polar International Airlines in December.

Operations continue apace until the carrier goes out of business in 1989.

POLARFLY, A.S. *See* WIDERØE'S FLYVESELSKAP, A.S.

POLARIS AIR TRANSPORT, A.S.: Norway (1966–1969). PAT is established at Oslo in 1966 to provide both passenger and cargo services. Revenue operations begin with a fleet of 3 Convair CV-240s and 2 Douglas DC-3s and continue until 1969.

POLARIS CHARTER COMPANY, LTD. *See* WARDAIR CANADA, LTD.

POLARWING, O/Y: Finland (1990–1995). Polarwing is established at Helsinki in 1990 to offer all-cargo flights to both domestic and regional destinations, primarily in Scandinavia. Revenue operations commence with 3 leased Cessna 406 Caravan IIs. The fleet is enhanced in 1991 by the addition of a Beech 1900C.

The new unit is unsatisfactory and is withdrawn in 1992. Operations continue in 1993, but in 1994, only a single Caravan II is dispatched. Flights cease in 1995.

POLET AIRLINE. *See* POLYET AIRLINE.

POLIOT CHERNOBYL: Russia (1994–1996). Following a suspension of government funding, an air transport arm of GosNII-GA, the State Scientific and Research Institute for Civil Aviation, is set up at Moscow's Sheremetyevo Airport in 1994 to earn income to continue the development and testing of various projects. V. A. Goriatchev is put in charge and he inaugurates international passenger and cargo charter services with a fleet that includes 1 each Tupolev Tu-154M and Tu-134, 1 Ilyushin Il-62, 2 Il-76s, and 4 Il-18s, plus 4 Antonov An-12s and 1 An-30. Flights continue until 1996.

POLISE AIR: Russia (1993–1996). Polise Air is founded at Talagi Airport in Arkhangelsk in 1993 to fly scheduled services to Moscow. R. A. Danin is general director and he inaugurates flights with a single Tupolev Tu-134. Operations continue until 1996.

POLISH AIRLINES. *See* LOT POLISH AIRLINES, S.A.

POLLOCK AIRLINES. *See* ALASKA AIRLINES

POLNIPPON CARGO, S.A. *See* POLONIA AIRLINES, S.A.

POLO AVIATION, LTD.: Urchinwood Manor, Congresbury, Bristol, England, BS19 5AP, United Kingdom; Phone 44 (0) 1934 877000; Fax 44 (0) 1934 834683; <http://www.personal.unet.com/~bengrove/polo.htm>; Year Founded 1996. Ben Grove founds Polo at Bristol, England, in 1996 to offer a variety of commercial and contract work, private and corporate charter, training, sales, maintenance, and helicopter management throughout the U.K. and into northern Europe. Revenue flights commence and continue with a mixed fleet of Robinson 22s, Bell 206B JetRangers, and Eurocopter AS-350 Squirrels.

The carrier is particularly proud of its core of corporate charter customers and also offers flight training with its Robinsons.

POLONIA AIRLINES, S.A.: Brukselska 17E, Warsaw, P-03996, Poland; Phone 48 (90) 215 827; Fax 48 (90) 671 936; <http://www.tlpolonia.com>; Year Founded 1990. The Polish–Japanese joint-venture carrier Polnippon Cargo is established at Warsaw's Okęcie Airport in 1990 to provide all-cargo charter services exclusively to Japan. Revenue flights commence with a pair of Ilyushin Il-18Ds.

Operations continue in 1991–2000. During these years, the carrier is reformed, expanded, and renamed. Daniel Flisinski is president and it is determined that Africa will become an important new market.

Permanent representatives and a group of Polish ground and flight employees are sent out to gain service contracts in Yemen, Uganda, and Zaire. The Il-18Ds continue to undertake all-cargo services throughout

Africa, the Mideast, and to Japan while Polonia also begins to wet-lease a wide variety of Russian-made equipment, including Antonovs, Yaks, and Mil helicopters.

POLSKIE LINIE LOTNITZE. *See* LOT POLISH AIRLINES, S.A.

POLYARNY AIRLINES: 13 Kirov Street, Office 454, Yakutsk, Russia; Phone 7 (4112) 241873; Fax 7 (4112) 423085; Year Founded 1994. One of several small airlines in Russia's Sakha region, Polyarny operates scheduled and charter flights throughout the area employing a fleet of 1 Tupolev Tu-154 and 2 Antonov An-26s, plus several An-24s and An-2 biplanes. Like **Pulkovo Airlines**, the company is part of an airport component that includes the airports at Chersky, Ust-Nera, Sangar, and Mama. Many of the carrier's flights are made on behalf of the Sakha and Russian ministries of health, defense, state, and internal affairs. A significant number of the services are air ambulance missions.

The Russian currency crisis that begins in August 1998 and the escalating rise in the price of aviation fuel have a devastating impact on the airline. Fuel shortages are so great that, during the winter of 1999, the airline is only able to survive because of some judicious product reserving, as availability becomes both short and expensive. By the new year, it is reported that the airline's finances have also reached a point of near collapse. With no funds to pay utility bills, the airline's facilities are reportedly unheated.

The airline is not as lucky in 2000 as it had been earlier. The Sakha government continues to build up a tremendous debt with the airline, as do agencies of the Russian government in Moscow.

An effort is made in April to redress the situation. The regional government decrees that the airline be restructured and that the nine airports for which it has also been responsible be stripped off, leaving the carrier as a freestanding entity. The airports will, in fact, be far worse off as they are saddled with the debt of the previous combined enterprise and will, as the year moves on, suffer significant declines in traffic.

The situation for Polyarny, on the other hand, is not greatly improved. It will suffer a continued downturn in income while being ordered to pay fuel debts of 3.4 million rubles to its supplier, AirportGSMservice. At this point, the airline is owed 174 million rubles by various government departments.

The situation is further exacerbated when the airline's leaders agree to accept two An-74s from the Sakha Aviation Training Centre. It will cost the airline 900,000 rubles a month to operate the aircraft at a time when its revenues total only 300,000 rubles a month. Two An-26s are sold to help increase income.

In June, staff of Polyarny Airlines, concerned over the allocation of funds to the pilots' pension fund and the An-26 disposal, appeal to the Sakha Aviation Department seeking an independent audit of the company.

During the summer and into the fall, the situation worsens and the Tu-154 must be parked. It is possible to continue flying one each An-2 and An-24, the latter employed on a scheduled route from Yakutsk to Batagai.

Lack of fuel, due to shortages and debts, forces Polyarny to cease operations on October 16. The shutdown results in delays of up to 40 days for flights into such remote locations as Nizhneyamsk. In November, Deputy Director General A. Gabyshev enlists the support of the deputy chairman of Il Tumen, the Sakha parliament, V. Filatov in an effort to obtain relief from the government. Hoped for are either repayment of the debts owed the carrier or permission to establish its own fares independently.

At the beginning of December, Filatov and Aviation Staff Trade Union of Sakha director Mikhail Vasilyev are able to convince the regional government to make available 11.8 million rubles (of 14 million rubles requested) to the local ministry of health for payments (in two 6-million ruble tranches) to four regional carriers, including Polyarny. The infusion allows Polyarny to resume limited services during the Christmas holiday.

As the year ends, the Sakha Regional Aviation Department appoints Semen Terkhov to take over as Polyarny's new director general. At the same time, it notes that the airline does not have sufficient income to purchase fuel, to keep its aircraft airworthy, or to maintain required safety levels. It is suggested that it may be necessary to shut the company down by refusing to renew its operating license when it expires on February 18.

In late January 2001, the company's license to operate scheduled services will be suspended, forcing it to become a charter operator. Analysts will suggest that the government will not, in fact, shut down the airline, but will first give new Director General Terkhov an opportunity to win new funding from Moscow. Terkhov, since the announcement of his appointment, has been busily lobbying the Federal Civil Aviation Service (GSGA) for help.

POLYET AIRLINE: Sophia Perovskaya Str. 37A, Voronezh, 394035, Russia; Phone 7 (0732) 556 710; Fax 7 (0732) 550 661; <http://www.polet.ru>; Code POT; Year Founded 1995. Polyet is set up at Voronezh in 1995 to offer worldwide all-cargo charters, as well as domestic and regional passenger charters. Anatoly S. Karpov is director general and he begins revenue flights with 2 each Antonov An-26s and Yakovlev Yak-42Ds, plus 1 Yak-40.

The An-26s are replaced in 1996 by a pair of An-124-100 Ruslans. The workforce reaches 100 employees.

In 1997, the Kompomash concern develops the idea for air-launched missiles that will take satellites into space. The proposal is similar to a 1970s USAF scheme for dropping cruise missiles from Lockheed C-5s and will rival the current U.S. Orbital Sciences program, which deploys the Pegasus launcher from below the fuselage of a Lockheed L-1011 TriStar. A letter of intent is signed with Polyet for the joint development of this launch system.

In 1998, Kompomash and Polyet reform their joint enterprise into the Air Launch Aerospace Corporation (ALAC), taking on as additional partners the Khimavtomatika Design Bureau and the BoRo Corporation. The Makeev and Myasishchev design bureaus will be brought in later. During the year, the company receives an *Award of Excellence* from the U.K.-based Institute of Transport Management.

Polyet, which has operated throughout the CIS, Eastern Europe, and the Far East without incident since its beginning becomes embroiled in a political controversy during the first quarter of 1999.

While making a refueling stop at Baku, Azerbaijan, on March 18, an An-124-100 is detained by security police from the Azeri National Security Ministry, who question its documentation. Upon examination it is found to be transporting 6 MiG-21 fighter planes and 30 "suspicious passengers," believed to be Russian military personnel and engineers. The personnel aboard the aircraft, which has landed from Kazakhstan, initially indicate to the independent Azeri news agency Turan that their destination is Yugoslavia, but they then change it to North Korea.

Inspectors are at a loss to explain why the plane is at Baku, which is far to the west of either Kazakhstan or North Korea. Paperwork is discovered indicating that the plane is actually en route to Liberec in the Czech Republic.

Reports begin to circulate in the Western media on March 23 that the seized Russian cargo plane had been bound for Yugoslavia in breach of an international arms embargo against Belgrade in place for some years. The matter is now particularly sensitive in that NATO will, with 24 hours, be attacking Yugoslav targets in an effort to force Yugoslav leaders to sign a peace accord for its unruly Kosovo province. Before returning to Russia from an unfinished mission to Washington, D.C., Russian Prime Minister Yevgeny Primakov denies his nation is attempting to break the international arms embargo.

The Russian foreign ministry sends a note to its Baku counterpart on March 24 indicating that the cargo aboard the detained Ruslan is not Moscow's property. The following day, the Azeri foreign ministry requests that Russian Ambassador Alexander Blokhin provide assistance in inspecting the aircraft and settling the incident. Help is not forthcoming

and, with several versions of events and destinations, a criminal probe of the cargo is launched.

Over the next five days, both Russia and Kazakhstan continue to deny reports that the Ruslan had been bound for Yugoslavia, claiming instead that the giant transport had been chartered to deliver Kazakh planes to Slovakia.

Following a meeting with Moscow Mayor Yuri Luzhkov on March 29, President Haydar Aliyev of Azerbaijan orders the release of the Russian cargo plane and its four crew. The 6 MiG fighter jets and 30 passengers will, however, be required to remain behind under investigation in the ex-Soviet republic.

On March 31, the An-124-100 and its four-man crew is allowed to fly to Russia; its cargo of fighter planes and its 30 passengers remain behind under investigation.

Services are maintained without further incident or headline during the remainder of the year. The carrier quietly acquires licenses for flights to the U.S. and upgrades its two An-124-100s to the latest international standards by equipping them with hush kits, GPS, TACAS, and modern communications gear. The company's outsize charters generate revenues of \$300 million for the year.

During the first quarter of 2000, the government turns over the first two of four former Russian Air Force An-124s the carrier is to receive in order for it to support the ALAC program. The aircraft are delivered without engines and essential on-board equipment and will require from 6 to 12 months to be converted to civil standard.

Director General Karpov, on behalf of Polyet, receives the *Global Cargo Airline 2000 Award* from the Institute of Transport Management in Moscow ceremonies on April 14.

In its December issue, *Flight International* reveals that the ALAC, formed two years earlier, has won Russian government approval to proceed with its satellite air-launch program. Permission is received to have the Avistar factory at Ulyanovsk modify four RusAF An-124s, the last of which is taken over on September 28, to Dash-100 standard.

When the Ruslans, which Polet will operate, are delivered in 2003, they will take two-stage missiles to an altitude of 36,000 ft. for deployment. At that altitude, the tail ramp of the modified aircraft will be lowered and the parachute-equipped launch vehicle will roll out. Six seconds after exit, the missile's first stage will fire, boosting the satellite on its way into orbit.

POLYNESIAN AIRLINES, LTD.: P.O. Box 599, Beach Road, Apia, Western Samoa; Phone 685 21261; Fax 685 20023; <http://www.polynesianairlines.co.nz>; Code PH; Year Founded 1959. Formed at Apia on May 7, 1959, major share holders in Polynesian include the government of Western Samoa, **Tasman Empire Airways, Ltd., Fiji Airways, Ltd.**, and private local interests. Revenue flight operations commence with a Percival Prince in March 1960, just after the collapse of **Samoa Airlines, Ltd.**

Following national independence in 1962, the company acquires a Douglas DC-3 and begins additional routes, to the Cook Islands, in 1963. The route network grows during the remainder of the decade to include links between Apia, Nadi, Funamotu, Tafuna, and Niue Island.

The DC-3 with three crew crashes into the Apolima Strait on May 11, 1966 while on a training flight from Faleolo Airport; there are no survivors. A replacement DC-3 arrives in 1968.

Almost immediately after takeoff from Falulua, Western Samoa, on January 13, 1970, Flight 208B, the DC-3D with 3 crew and 29 passengers, encounters turbulence sufficient to cause a stall, leading to a crash into the sea and subsequent explosion; there are no survivors.

The Douglas had been the only aircraft owned by the carrier at the beginning of the year. Two Hawker Siddley HS 748s replacements and a Britten-Norman BN-2 Islander allow services to resume some weeks later.

Operations continue apace in 1971 and 1972 with enplanements in the latter year reaching 51,090.

Although the fleet size remains the same in 1973, the workforce is now 183.

Passenger boardings jump 21.4% to 65,000 and freight traffic swells 43% to 67,000 FTKs flown.

Twelve employees are laid off in 1974 or not replaced. The carrier's 2 HS 748s transport a total of 79,459 passengers for a 7% increase. Cargo skyrockets 54% to 100,000 FTKs.

Flights continue apace in 1975-1976. The carrier is restructured in 1977 and the ownership pattern changes; the majority shareholder becomes the government of Western Samoa (70%).

In November, employing a Boeing 737-219 leased from **Air New Zealand, Ltd.** (successor to **Tasman Empire Airways, Ltd.**), scheduled services are started to Auckland and Rarotonga. Simultaneously, the internal service linking the islands of Upolo and Savaii are also taken over.

Airline employment at General Manager J. T. Betham's carrier totals 170 in 1978. Beginning on February 25, the leased Boeing is employed to inaugurate flights from Apia to Auckland via Nuku Alofa, Tonga.

Operations continue apace in 1979-1981, during which years an Australian-made Government Aircraft Factories GAF N-22B Nomad christened *Apaula* is acquired.

In 1982, a management contract is signed with **Ansett Airlines of Australia (Pty.), Ltd.** that also provides a B-727-277 under contract, the ANZ Boeing being returned.

By the middle 1980s, Niue, Noumea, Pago Pago, Papeete, Sydney, Tongatapu, Vava, and Vila are added into the route network.

In 1985, the fleet comprises the leased Ansett jetliner, painted one side in Polynesian colors and the other side in the colors of **Cook Islands International, Ltd.**, which leases the craft part-time. Also leased are two GAF Nomad N-22Bs and two Islanders; gone are the HS 748s.

Operations continue apace in 1986 and the management contract with **Ansett Airlines of Australia (Pty.), Ltd.** is renewed in July 1987 for another 10 years.

Declining traffic and revenues toward decade's end bring significant changes. The leased Boeing is returned and in 1988, General Manager J. Buchanan's airline is flying only between the islands of Savaii and Upolo, employing only one BN-2. Still, a Polypass program is initiated, giving travelers unlimited travel for 30 days anywhere on the company's route network.

A Boeing 727 is acquired in late 1989 and employed to restart flights to American Samoa in 1990. Acting General Manager J. Moynihan is appointed to replace Buchanan for a year and a new de Havilland Canada DHC-6-300 Twin Otter is purchased to link the domestic islands. Flights to and between Sydney and Auckland begin in November.

A B-737-3Q8 and a B-737-3S3QC arrive under charter in 1991-1992 and routes to Nadi and Tongatapu are reopened. Ansett withdraws from its support contract during the latter year and five years of legal wrangling and claims will follow. A B-767-209ER is wet-leased from **Air New Zealand, Ltd.**

In 1993, the 319-employee fleet of the new general manager, Papalii Grant Percival, comprises the 2 B-737-300s, 1 DHC-6-300, and 1 BN-2 Islander. Schedules are maintained as the Kiwi jetliner is replaced by a B-767-333ER chartered from **Air Canada, Ltd.**

The wet-leased B-767-333ER is returned to Canada on April 15, 1994. Although an operational success, at \$2 million a month, the wide-body is too expensive for the small carrier to operate. Arrangements are made to replace the wide-body with a used **Kuwait Airways Corporation** being marketed by Fortis Aviation for \$40 million. As financial difficulties continue, an interline agreement with **Hawaiian Airlines (HAL)** is suspended.

In February 1995, a commercial arrangement is entered into with **Air New Zealand, Ltd.**, which will provide for code-sharing, joint sales and marketing, and other coordinated activities. While the **Air New Zealand, Ltd.** B-737-200 is grounded for engine repairs in March and April, the company leases its B-737-3S3QC to the New Zealand flag carrier. It also charters the former B-767-269 from Fortis Aviation, Ltd. Part of the cost and a shared route are born by **Royal Tongan Airlines, Ltd.** and, as a result, the aircraft also wears that company's markings as well.

In February 1996, the company begins code-sharing flights with **Air New Zealand, Ltd.** to Apia, Samoa, from Wellington and Auckland. Although traffic figures are not provided, it is announced that the net profit has been doubled to \$869,000.

Destinations visited in 1997 include the New Zealand cities, as well as Melbourne, Nadi, Pago Pago, Rarotonga, Sydney, and Tongatapu.

Operating as Flight 211, the DHC-6-300 with two crew and three passengers, is forced by bad weather to divert from its intended destination of Pago Pago. The turboprop crashes into Mount Baea, near Faleolo Airport at Moamoa, its new destination, on January 7 (three dead).

On July 10, *The Samoa Observer* leaves a blank space in its front page where it was to have printed 19 charges concerning the management of the state-owned carrier. The nation's Supreme Court had ordered it not to publish its allegations and turns down a petition against its restraining injunction. CEO Richard Gates and Flight Operations Manager Ian Gemmell, meanwhile, continue a defamation lawsuit against the newspaper for its earlier reporting of the DHC-6 accident.

On September 3, the carrier reaches a settlement with **Ansett Australia (Pty.), Ltd.** over claims arising from their severed 1992 support contract; exact terms are not made public. A code-sharing agreement signed a month earlier begins with **Royal Tongan Airlines, Ltd.** on October 28. Under its terms, Polynesian's current weekly service from Apia to Melbourne via Wellington will be extended by way of Tonga.

Profits are reported for the year, although the exact figure is not released.

Flights continue in 1998. The company now operates nine daily flights between the two Samoas, employing Twin Otters.

The agreement with **Hawaiian Airlines, (HAL)**, suspended some four years earlier, is reinstated on December 7. The interline agreement covers both passengers and bags transferred between the Samoan-government owned carrier and HAL. Simultaneously, the American Samoa attorney general has waived an entry permit requirement for HAL transit passengers passing through Pago Pago on their way to Samoa.

Storms batter the two Samoas during mid-December, disrupting flight schedules. One of the company's DHC-6s is badly damaged in a ground accident at Faleolo Airport on December 20, leaving only one Twin Otter to ferry passengers and cargo.

The continuing feud with *The Samoa Observer* heats up again in February 1999. The airline is able to win a restraining order barring the newspaper from using leaked airline documents that reveal details of advances and allowances paid to senior company staff. The details of the documents are, nevertheless, published abroad.

In early March, the airline goes to court seeking to have the publisher of the country's only daily newspaper arrested and sentenced for contempt of court. On March 10, Radio Australia reports that *The Samoa News*, located on neighboring American Samoa, has requested that the U.S. government file a protest and the local leaders retaliate for the company's action by banning the Samoan ferry boat from entering the harbor at Pago Pago.

Under terms of a new code-sharing agreement with **Qantas Airways (Pty.), Ltd.** that takes effect on November 1, Polynesian is able to expand its Trans Tasman services from three of its own B-737-3Q8 flights made with the owned jetliner *Tooa*, to a total of eight, including five flights operated by Qantas. In addition, Qantas is able to have its own seats available on six Polynesian flights per week, including through-flights from Melbourne to Wellington and on to Apia and from Sydney to Auckland and Apia. Qantas also shares two flights per week from Sydney to Auckland.

Service is maintained in 2000. On November 14, the company takes delivery of the first of two B-737-8Q8s it has chartered long-term from ILFC. The new aircraft, wearing a revised "rainbow" color scheme, is placed into service on November 25, offering direct twice-weekly return flights from Apia to Australia and Honolulu.

POLYNESIAN AIRWAYS: 471 Aowena Place, Honolulu, Hawaii 96819, United States; Phone (808) 836-3838; Year Founded 1966.

Polynesian is founded at Honolulu in **1966** to provide charter cargo and air tour flights linking the company's base with Kaunakakai on Molokai. Although operations cease in **1971**, they are resumed on a scheduled basis by Robert S. Wittinghill in May **1987**.

Services are maintained with a fleet of 2 Beech 18s and 1 Beech Bonanza. Low-key services are maintained without fleet change over the next decade.

Flight 222, a Beech 18 with two crew and a load of U.S. mail, crashes while landing at Honolulu on February 22, **1997**. Those aboard escape, but the freighter is destroyed by fire.

Services are maintained without further incident during the remainder of the decade.

POLYOT AIRLINES. *See* **POLET AIRLINE**

POMPANO AIRWAYS: United States (1981–1985). Third-level operator Pompano is created at Fort Lauderdale, Florida, in **1981** to provide scheduled passenger flights between its base, Miami, and the Bahamian cities of Governors Harbour, Marsh Harbour, North Bleuthera, Rock Sound, and Treasure Cay. A number of these operations are taken on behalf of **Air Florida** under the marketing name "Air Florida Commuter." Flights continue apace in **1982** and in tune with the marketing campaign "Love at First Flight."

Enplanements reach 92,000 in **1983**. Following the demise of **Air Florida** in early **1984**, this operator becomes an independent in May. The fleet now comprises 5 Nord 262s and 3 Cessna 404 Titans.

Enplanements reach 27,343.

As the result of a dispute between the airline and a group of creditors, Pompano files for Chapter XI bankruptcy in January **1985**. It maintains a full schedule and transports 7,500 passengers for five months until the courts decide that ownership of the aircraft lies with the creditors. Unable to continue financially, the carrier closes up its shop in June.

PONCE AIR. *See* **PRINAIR (PUERTO RICO INTERNATIONAL AIRLINES)**

PONDEROSA AIRLINES: P.O. Box 269, Taylor, Arizona 85939, United States; Year Founded 1974. Jay Leon Perry founds Ponderosa at Taylor, Arizona, in January **1974** to operate charter and contract service flights in connection with his FBO, Ponderosa Aviation.

In the spring of **1980**, permission is received to initiate a seasonal scheduled service to Whiteriver and Phoenix. These are inaugurated in May with 3 Rockwell Shrike Commander 500s and 2 Rockwell Grand Commander 680s.

Flights to Show Low begin in **1981**. The scheduled portion of the service is abandoned in mid-**1983**, allowing the carrier to maintain an emphasis on its charter business. Perry remains CEO during the **1990s**.

POPLAR BLUFF AIRWAYS: United States (1964–1967). Poplar Bluff Airways is set up at Poplar Bluff, Missouri, during the late fall of **1964** as the scheduled airline division of Radford Air Service. Employing 1 each Beech 18 and Piper PA-32 Cherokee Six, the commuter inaugurates daily passenger and cargo roundtrips in December, linking its base with St. Louis.

Operations continue apace until December **1967**.

PORT AUGUSTA AIR SERVICE (PTY.), LTD. *See* **PAGAS AIRLINES (PTY.), LTD.**

PORTLAND AIRWAYS: United States (1932–1933). Established at Portland, Oregon, in the fall of **1932**, the company is equipped with 2 Stinson Junior Ss that are employed to inaugurate scheduled passenger and air express services up to Walla Walla, Washington, beginning in October.

Without a mail subsidy, the carrier is unable to generate sufficient revenue traffic to survive beyond January **1933**.

PORTS OF CALL: Stapleton Plaza Office Center, 3333 Quebec Street, Suite 9100, Denver, Colorado 80207, United States; Phone (303) 322-5600; Fax (303) 329-6129; <http://www.pocdenver.com>; Year Founded 1966. Ports of Call, also known as Denver Ports of Call, is established, under Federal Air Regulation (FAR) 123, as a Denver-based travel club in **1966**. Domestic and international travel experiences are provided for its membership, beginning with a single Douglas DC-7. Three years later, a DC-7C is acquired, followed by a Lockheed L-188A Electra turboprop in **1972**.

A Convair CV-990A Coronado, previously operated by **APSA (Aerolineas Peruanas, S.A.)** before its 1971 collapse, is purchased on October 24, **1973**, and allows the club to enter the Jet Age. Five more Coronados are acquired from **Modern Air Transport** in **1975–1976** and these allow flights to many world destinations, with flights to Honolulu the most popular.

Escaping charges of vehicular homicide and grand larceny at Grand Isle, Nebraska, on April 20, **1976**, Robert Lyle Lentz captures a Piper PA-31-310 Navajo at the local airport, together with its pilot and a mechanic, and orders it to Denver. The lightplane takes off and circles the airport for half an hour while Lentz's demands are made known, including a request for a flight to Mexico.

FBI agents offer Lentz the use of one of the travel club's CV-990As. While the pirate and his hostages land and make their way to the aircraft, agents secret themselves within the jetliner's cabin. Just after midnight, FBI agent Ted Rosack, dressed as an airline pilot, emerges from the cockpit and fatally shoots Lentz, who is caught off guard in the passenger cabin.

Within 15 years of its beginning, the club's membership exceeds 69,000. In **1981**, the original FAR 123 certificate is upgraded to FAR 125 status and allows the club to undertake passenger charters and affinity group flights on behalf of other organizations, although not for commercial enterprises. The new certification allows the company to upgrade and it begins to add a number of Boeing jetliners, retiring two of its Coronados.

Although the remaining Coronados are withdrawn because they cannot meet federal Stage I noise regulations, in early **1984** the fleet still comprises 5 Boeing 707-320Bs, 3 B-707-123s, and 1 B-727-100. Late in the year, the company, which is the largest air travel club in the country but does not have a Part 121 charter certificate, is charged with operating illegal passenger charters, including those flown on behalf of Democratic presidential candidate Gary Hart.

The matter is referred to court where it is ruled that Ports of Call may continue to fly charters for sports teams and operate its club-oriented business. If it wishes to expand beyond that, it must gain proper authority.

The carrier applies for and receives charter certification in July **1985**. It also announces plans to change its name to **SkyWorld Airlines**. During the one month that it chooses to release traffic figures, the company reports enplanements of 28,000. The name change is allowed; however, the reborn airline continues to be known as Ports of Call until the change becomes official on August 1, **1986**. Ports of Call remains the parent organization and will later be sold to **American Trans Air**.

Although claiming no association with the former Ports of Call Travel Club, which had been sold to **American Trans Air** parent Amtran in 1990, this organization is reborn and reformed in February **1995**. Owned and funded by former Ports of Call Flight Operations Director Robert Resling and private investors, renewed emphasis on club travel on specially chartered flights begins via a Denver travel agency bearing the predecessor's purchased trade name. Former Ports of Call General Manager Nancy Waite is director of club operations, while Karen Henderson is manager of club operations.

Club memberships are sold for \$75 (later \$125), with an annual fee of \$50 (later \$75) and reduced costs on club charter flights anywhere in the world. Initial membership rolls show 4,000 names. The club specializes in trips for senior citizens and at least one "mystery tour" is offered annually. For these trips, members are told the cost, average temperatures,

and a few other details but do not receive word on the destination until they are in the air. The first "mystery trip" is operated with 56 members on July 10.

Operations continue without headline or incident in **1996–1999**. Early in **2000**, the decision is taken for the club to once again operate its own aircraft. The former Sky King British Aerospace (BAC) 1-11-400 employed to transport the Sacramento Kings is acquired during the summer and given a new color scheme and titles.

An open house to celebrate the club's return to the sky is held at the plane's base at Denver Jeffco Airport in Jefferson County NW of Denver, on October 14. Tours are given of the interior of the BAC, which is outfitted with comfortable leather seats and passenger electronics.

The jetliner's first charter is operated to Laughlin the next day. Witnesses report that the hush-kitted BAC requires 8,500 ft. of the 9,000-ft. runway for its takeoff.

PORTSMOUTH, SOUTHSEA AND ISLE OF WIGHT AVIATION, LTD. (PS&IOW): United Kingdom (1932–1940). Founded as **Inland Flying Services, Ltd.** on April 16, 1929, that company is renamed **Wight Aviation, Ltd.** in March 1930 and Portsmouth Southsea and Isle of Wight Aviation, Ltd. (PS&IOW), in May **1932**. Equipment consists of 1 each Westland Wessex, Spartan, DH 80A Puss Moth, and Monospar ST.4. On June 27, Portsmouth–Ryde Wessex ferry flights across Spithead begin, reaching a peak summer frequency of 18 per day. A connection is offered by Solent Coaches, Ltd. four days later and a service is initiated to Shanklin. Monospar and Puss Moth Ryde to Shoreham flights begin on September 5.

On May 1, **1934**, thrice-daily Heston–Ryde and Shanklin flights begin employing the Wessex and a new de Havilland DH 84 Dragon. With the Wessex, Dragon, and two DH 80A Puss Moths, two new routes are opened on May 17: Shoreham to Bournemouth via Portsmouth and Ryde to Bournemouth via Shanklin.

During the summer of **1935**, an experimental service is offered from Southampton via Portsmouth to Paris. Summer frequencies are maintained in **1936–1937** and a Portsmouth–Sandown service is flown between July and September **1938**. In accordance with the Air Navigation Order of September 16, on October 21 the new Air Transport Licensing Authority grants the carrier route certification from Ryde to Portsmouth, Bournemouth, and Southampton and from Portsmouth to Lea.

When war is declared on Germany on September 3, **1939** the company ceases flying. It joins neither National Air Communications nor the **Associated Airways Joint Committee** for allocation of wartime domestic routes and services and the firm is liquidated in early **1940**.

PORTUGALIA AIRLINES (COMPANHIA PORTUGUESA DE TRANSPORTES AEREOS, S.A.): Portugal (1987–1996). The initial project for the creation of this carrier is started in Lisbon in **1987** by a group of pilots from the former colonies of Angola and Mozambique. Joined by COOPAV, the Airline Pilot's Association, and TRANSCONSULT, a consultant company, the group establishes Portugalia Airlines as a joint-stock company on July 25, **1988**.

The new enterprise names Dr. Joao Ribeiro Fonseca chairman/president and approximately \$36 million in financial backing is provided by Grupo Espirito Santo and Grupo Melio. Because **TAP-Air Portugal, S.A.** owns the right to provide all Portuguese international services, the government refuses a company application to fly to foreign destinations. Following a delay, a new air transport liberalization law is enacted that allows Portugalia to operate.

Three Fokker 100 jetliners are leased from GPA, Inc. in late spring **1990**, aircraft originally ordered by **Braniff, Inc.** Two Fokkers are on hand as domestic charter operations are inaugurated by the 321-worker concern on July 7 from Lisbon to Faro and to Oporto. The third leased Fokker 100 arrives in November and launches charter frequencies to Funchal, Madeira. Enplanements for the first 6 months total 146,318.

In **1991**, authority is again unsuccessfully sought from the government for the initiation of international scheduled service. The year is not

profitable as a \$10-million loss is suffered. The company seeks additional capitalization in the form of loans and grants from additional private investors and banks and at the end of December, names banking executive Joao Ribeiro da Fonseca as chairman/president. Customer bookings for the first full year are 270,952.

Early in **1992**, Chairman Fonseca, with board support, publishes a new five-year plan that addresses such issues as cost-control, efficient management, and route expansion. The 321-member staff agree to a three-year wage freeze.

Scheduled authority and a fourth Fokker 100 are received in the spring and services are begun in June from Lisbon to the European cities of Cologne, Turin, Birmingham, and Strasbourg. Daily charter flights are also inaugurated from Porto and Faro to Madrid. An application is made to fly new routes to France, Germany, Italy, Spain, and the U.K.

Enplanements for the year total 294,000 and the loss is cut to \$2 million.

Airline employment in **1993** stands at 245. Another Fokker 100 is delivered in April and is employed, beginning in May, to inaugurate scheduled flights to Madrid. During its period of recovery, the company enjoys excellent support from Mobil, its fuel supplier, and from foreign regional airports, which do not press the carrier too closely for landing and departure fees. Unhappily, Portuguese regional airports not only pressure the company for payment, but add interest to the carrier's account when it cannot immediately handle its invoices.

Although customer bookings nearly double to 447,240 and a \$2.58-million operating profit is generated, the net loss grows to \$3.62 million.

The workforce is increased by 13.5% in **1994** to 425 and the fleet grows to include 6 chartered Fokker 100s. Service is inaugurated to Hanover and Brussels. Passenger boardings accelerate 15.3% to 515,843; in addition, 526,000 FTKs are also flown. Revenues increase 27.4% to \$66.61 million while expenses rise only 24.1% to \$61.68 million. There is, thus, an operating profit of \$4.93 million and the net loss is cut to \$242,814.

Airline employment stands at 503 in **1995** and a block-seat, code-sharing agreement is signed with **TAP-Air Portugal, S.A.** With the beginning of the summer schedule at the end of March, scheduled service is initiated from Lisbon and Porto to Stuttgart and to Mulhouse, Basel, Freiburg via Madrid. The number of weekly roundtrips from Lisbon to Cologne is increased to five, while return flights from Lisbon to Madrid become thrice daily. A second daily roundtrip is introduced in September between Porto and Madrid.

Enplanements this year accelerate 12.2% to 578,734 and cargo increases 62.8% to 856.41 million FTKs. Operating revenues are \$84.39 million, a 26.7% increase; costs are up an almost identical 26.6% to \$82.3 million. As a result, operating gain is \$2.09 million while a net profit of \$423,000 is recorded.

The workforce stands at 565 in **1996**, up 12.3% over 1995. A sixth Fokker 100 is delivered in January and introduces the company's new color scheme. At the end of March, roundtrip frequencies to Cologne and Stuttgart are boosted to six per week, to Turin, five per week, and to Mulhouse, Basel, Freiburg to four per week.

By July, the carrier is completing 1,267 flight cycles per month. Company executives, however, are disappointed by the traffic generated as a result of its alliance with the national flag carrier. Consideration begins concerning possible linkage with a new partner.

Enplanements are up 8.3% to 626,985 (on 13,900 scheduled departures), but cargo is down, falling to 841,000 freight FTKs operated. Revenues jump 10.1% to \$92.91 million while costs are up 2.1% to \$84.03 million. The operating profit quadruples to \$8.88 million and net gain doubles to \$820,000.

The company is renamed **PGA-Portugalia Airlines, S.A.** in January **1997** and all of its aircraft receive the new livery.

POTOMAC AIR: USAirways; 23245 Crystal Drive, Arlington, Virginia 22227, United States; Phone (703) 418-7000; <http://www.usairways.com>; Code US; Year Founded 2000. On August 18, **2000**, US Airways Group begins negotiations with **Gulfstream International**

Airways concerning a takeover the stock of moribund **Paradise Island Airways**. The same day, a new **USAirways** subsidiary, Potomac Air, is established to operate in the Northeast and Mid-Atlantic regions as part of the larger merger proposal between its parent and **United Airlines**. If government regulators approve the amalgamation, Potomac Air will become DC Air. It will be a separate company established by the partners to resolve antitrust concerns occasioned by the position of **USAirways** as the leading carrier at Washington's Reagan National Airport and of **United Airlines**, a major operator in and out of Dulles International Airport. Robert Johnson, **USAirways** director and Black Entertainment Television founder, will own the new regional, which, it is hoped, will immediately begin serving 43 cities out of Washington, D.C. (DCA). If the arrangement is struck down, Potomac will continue as a new "US-Airways Express" carrier.

A deal between the major and Gulfstream is struck on August 24 under which **USAirways** acquires 100% shareholding in PIA. On October 2, Merv Griffin's old commuter is merged into Potomac Air, giving it an automatic Part 121 operating certificate. In the interim between the two dates, a headquarters and operational base is established at the Roanoke International Airport maintenance base closed by **USAirways** Chairman Stephen M. Wolf when he took over the company in 1996.

A workforce of 120 is now built up under the direction of executives seconded over from **Allegheny Airlines (2)** and **PSA Airlines**. Two de Havilland Canada DHC-8-200s currently operated by **Piedmont Airlines (2)** are wet-leased, with plans to obtain others. Initially, a start-up date of November 12 is forecast. Left unresolved is the mechanics of a potential merger with DCAir, the company being set up to take over the majors' routes from Washington, D.C. DCAir owner Johnson now indicates that he is negotiating to sell up to 49% of his carrier to another airline, probably **American Airlines**, which would then lease to DCAir the planes and crews necessary for operations.

Initial planned destinations from the Washington, D.C. (DCA) base include Baltimore/Washington, Charleston, West Virginia, Greensboro/High Point, White Plains, and Roanoke. As up to six more turboprops are acquired from **Piedmont Airlines (2)**, routes will be extended to Allentown, Charlotte, Greenville/Spartanburg, Knoxville, Philadelphia, Norfolk, Pittsburgh, Richmond, and the West Virginia communities of Greenbrier/Lewisburg, Clarksburg, and Morgantown.

As the year ends, the deadline for federal antitrust regulators to rule on the United-USAirways merger is moved from January 16 to April 2, 2001. Nevertheless, company employees look forward to Potomac Air's inaugural DHC-8-200 "USAirways Express" service to be made from Washington, D.C. (DCA) on shared **Piedmont Airlines (2)** routes to Charleston, West Virginia Greensboro/High Point, and White Plains on January 5.

POWELL AIR, LTD.: Canada (1960–1985). Powell Air is founded at Powell River, British Columbia, by Daryl L. Smith in 1960 to provide extensive seaplane charter operations with a fleet of de Havilland Canada DHC-2 Beavers and DHC-3 Otters. In addition, charter and contract service flights are also undertaken to local and provincial destinations. In 1980, two decades after start-up, Powell is also offering scheduled services to Vancouver Island and Sechart. Thirty-three employees are responsible for a fleet that comprises 3 Piper PA-31-310 Navajos, 1 PA-23 Aztec, 3 Beavers, and 4 Cessna 180s. In 1981, the Convair CV-440, formerly operated by **Kelowna Flightcraft, Ltd.**, is purchased for use on the Vancouver service. That route is maintained until late 1984, when it is purchased by **Air BC, Ltd.** The Convair is sold and in 1985, the carrier itself is sold to **Pacific Coastal Airlines, Ltd.**

POWELSON AIR SERVICE: United States (1938–1939). Established at San Juan in October 1938, Powelson is the first airline established on the American dependency of Puerto Rico and the first to fly in the Greater Antilles east of Cuba.

Partially scheduled flights are inaugurated to Ponce and are maintained until June 1, 1939. At this point, the operation is purchased by newly formed **Caribbean-Atlantic Airlines (Caribair)**.

PRAIRIE AIRWAYS, LTD. See CANADIAN PACIFIC AIR LINES, LTD. (CPAL)

PRAVCO (PUERTO RICO AVIATION COMPANY): United States (1987–1994). President Jose R. Vargas sets up PRAVCO at Luis Munoz Marin International Airport at San Juan in 1987 to provide air taxi, executive passenger, air express, cargo, and air ambulance flights around the Commonwealth and into the Caribbean.

By 1993, the workforce includes 5 full time and three part-time pilots and the fleet comprises 1 Gates Learjet 24, 1 Piper PA-60-600 Aerostar, and 2 Cessna 402B/Cs. Business ends in 1994.

PRECISION AIRLINES: United States (1972–1995). Founded at Springfield, Vermont, in January 1972 as Precision Valley Aviation, Suki and Walter L. Fawcett Jr.'s new carrier initially operates as an all-cargo commuter service. By 1976, the fleet totals 6 Beech 18s and 1 Piper PA-31-350 Navajo Chieftain.

A total of 3.9 million pounds of freight are hauled during the year.

Regularly scheduled third-level passenger service begins in June 1977. Destinations inaugurated include Boston, Manchester, Nashua, Concord, Keene, Rutland, and Springfield. With 2 Chieftains and 1 Twin Beech in service, enplanements reach 15,000 by December 31. Weathering the storms of deregulation, it begins to grow.

Enplanements in 1978 total 91,698 and a profit of \$74,000 is earned.

The workforce is increased by 34.7% in 1979 to 136. The fleet now includes 3 Beech 99s and 1 Navajo Chieftain. Orders are placed for a pair of Swearingen Metro IIs.

Passenger boardings shoot up by 101.2% to 102,000, while cargo falls by 10.9% to 2.94 million pounds. Revenues jump 88.6% to \$3.76 million while net profit skyrockets 325.7% to \$315,000.

A 15.5% traffic increase is experienced in 1980, particularly after the purchase and merger of rival **Winnispesauke Airlines** in January. A total of 112,563 passengers are carried, but FTKs operated falls by 40.2% to 1.75 million.

Employees watch in horror as recession and the PATCO air traffic controllers' strike of summer 1981 and the subsequent ATC restrictions force enplanements to fall 13.9% to 98,827 and cargo to dip 10% to 1.57 million pounds.

The Fawcett's fleet in 1982 comprises 5 Piper PA-31-350 Navajo Chieftains, 1 PA-31-310 Navajo, 4 de Havilland Canada DHC-6 Twin Otters, 1 Cessna 310, and 6 Beech 18s.

The decline in fortunes is somewhat reversed as the number of passenger boardings rises 26.4% to 124,920. Cargo fails miserably, however, dropping 43.1% to 899,000 pounds.

Despite the carrier's initial launch of the Dornier 228-202 into the ranks of American commuter liners with orders in 1983, the German-made turboprop is not certified in the U.S. and five Beech 99s are acquired until approval is received.

The privately held carrier sees a 4% dip in passenger bookings to 129,916. Freight plunges again, down 48.5% to 463,000 pounds. Boardings curve upward again in 1984 as a 17.3% boarding rise allows a record 140,657 travelers to fly. Cargo, however, plunges by 45.1% to 254,527 pounds.

Airline employment increases 20% in 1985 to 240 as Precision's 4 Dornier 228-202s, 5 Beech 99s, 3 Piper PA-31-310 Navajos, and 1 de Havilland DHC-6 Twin Otter are providing scheduled services to cities in Vermont, New Hampshire, Massachusetts, New York, New Jersey, and Pennsylvania.

In March, the last of six Dornier 228-202s ordered earlier is received, as plans are made to convert six options into deliveries.

Customer bookings for the year ascend 24.9% to 175,647.

On May 1, 1986, the carrier becomes a member of the **Eastern Air Lines'** "Eastern Express" commuter network and grows into a large regional. Airline employment is reduced 1.9% to 260 and the fleet includes 6 Dornier 228-202s, 5 Beech 99s, and 3 Navajos.

The number of passenger boardings rises a further 16.3% to 212,238. The workforce is reduced by 3.8% in 1987 to 250. Still the carrier enjoys a good year as its customer bookings swell 22.3% to 260,717. There are no changes in the workforce or fleet during 1988. Passenger boardings rise again, up by 11.1% to 289,774.

When its major partner is shut down by job actions in March 1989, this 600-employee "Eastern Express" affiliate is thrown into a tailspin. With nothing to feed, it cancels its schedule and seeks to resume business as either an independent or a code-sharing associate of another airline. In May, a contract is signed with **Northwest Airlines** and Precision becomes that carrier's second "Northwest AirlinK" feeder in the Northeast.

In December, founders Walt and Suki Fawcett sell out to Allyn Caruso, owner of the other northeastern "Northwest AirlinK" partner, **Northeast Express Regional Airlines**, who will operate Precision as a separate affiliate.

On the year, the company's 13 Dornier 228-202s transport a total of 197,032 passengers.

The workforce is increased by 16.7% in 1990 to 350 and the fleet now includes 14 Dornier 228-202s, with 4 Fairchild Metro IIIs on order.

Continuing to operate from Manchester, the large regional transports 281,268 passengers, a boost of 29.7%.

Company employment grows by 15.8% in 1991 to 446 and the fleet is altered to include 13 Dorniers and 4 Metro IIIs. Following a similar test at **Mesaba Aviation**, Rick Douglas, director of the President's Committee on the Employment of People with Disabilities, is refused permission to board a Dornier 228-202 on October 5 under federal regulations that require those boarding to be ambulatory.

Customer bookings jump another 13.8% to 296,800.

Enplanements slip 0.8% in 1992 to 294,472. In 1993, President Caruso oversees a workforce of 310, a 13.9% decline. His fleet comprises 13 leased Dornier 228-202s and 1 Fairchild Metro III.

Passenger boardings leap upward by 16.5% to 368,581.

The carrier's "Northwest AirlinK" affiliation and that of **Northeast Express Regional Airlines** is lost during the summer of 1994. The code-sharing revocation is such a major catastrophe that the company stops flying scheduled services and files for Chapter XI bankruptcy protection. **Northwest Airlines** goes before the bankruptcy court to claim \$10 million in passenger revenues accumulated by Northeast and Precision since 1989 on "Northwest AirlinK" commuter routes from Boston that President Caruso never turned over.

Nonscheduled flights continue to be made in 1995 as founder Caruso plans to bring his company out of Chapter XI. On July 1, the bankruptcy court rules that he must turn over to **Northwest Airlines** the \$10 million in passenger revenues the major had claimed the previous summer. Unable to do so, Caruso liquidates both Northeast and Precision.

PRECISION HELICOPTERS: 17770 NE Aviation Way, Newberg, Oregon 97132, United States; Phone (503) 537-0108; Fax (503) 538-2414; <http://www.flyprecision.com>; Year Founded 1983. Precision is formed at Newberg in 1983 to offer a variety of helicopter work throughout the Northwest, most of it associated with timber resources. By 1993, President Dennis Sturdevant's fleet includes 10 Hiller 12ET Schweizer 300Cs and 1 each Eurocopter AS-350B A-Star and Bell 206B JetRanger.

The company's service in the 1990s remains much as it was in the 1980s. In addition to FAR Part 135 charters, the company also offers sight-seeing and VIP taxi flights; aerial support for movies, commercials, and other photographic activities; aerial crane and lifting; animal and timber census; and fire fighting, under contract to both state governments and the U.S. Forest Service.

The number of Schweizer 300Cs is reduced to four by 2000 as the fleet is augmented with additional Schweizer 330s, McDonnell Douglas MD-500s, and Hiller UH-12ETs.

PRECISIONAIR SERVICES, LTD.: P.O. Box 1636, Arusha, Tanzania; Phone 255 (5) 77319; Fax 255 (5) 78204; <http://www.precisionairtzm.com>; Code PW; Year Founded 1994. The air taxi Precisionair is established at Arusha in 1994 to fly lightplane passenger and cargo charters to bush destinations around the country.

An agreement is entered into with **Air Tanzania Corporation** in the fall of 1999 under which the carrier will be allowed to provide domestic scheduled services on behalf of Air Tanzania. Chairman Basil Mramba and Managing Director Michael Shirima arrange the acquisition of one Avions de Transport Regional ATR42-320, christened *City of Arusha*, and two Let L-410UVPs.

Scheduled flights commence in November. Daily roundtrips are operated from Arusha to Zanzibar for tourists. Additionally, frequencies are inaugurated to 12 local destinations, including Bukoba, Dar es Salaam, Kilimanjaro, Mwanza, Seronera, and Shinyanga.

A total of 119 workers are employed at the beginning of 2000. The fleet is now increased by the addition of a second ATR42-320 and two Cessna 208 Grand Caravans. A homepage is opened on the World Wide Web.

PREMIAIR, A.S.: Copenhagen Airport South, Hangar 276, Dragor, DK-2791, Denmark; Phone 45 32 47 72 00; Fax 45 32 45 12 20; <http://www.premiari.dk>; Code DK; Year Founded 1993. Transnational PremiAir is established at Copenhagen Airport South at Dragor in September 1993 by the combination of the SAS Leisure subsidiary **Scanair, A.B.** and **Conair, A.S.**, owned by Denmark's Simon Spies Holdings. P. Langkjaer is appointed chairman, with Thomas Rosenqvist as managing director; employment at the merged carrier is offered to most of the employees of the two partners.

The new charter operator is provided with a fleet that includes 3 Airbus Industrie A300B4-120s, 6 A320-212s, 1 leased McDonnell Douglas MD-83, and 4 chartered Douglas DC-10-10s, including that first flown by the U.S. carrier **Western Airlines**. All are painted in a simple all-white scheme, with the aircraft tails sporting orange and blue circles representing the sun and the sea. Three of the latter type are subleased to the American operator **Sun Country Air Lines**. Scheduled revenue flights are inaugurated to major European cities from Stockholm, Billund, Copenhagen, Malmo, Bergen, Stavenger, Oslo, and Goteborg.

Enplanements total 2,844,600.

The workforce totals 900 in 1994 and the merger of the partners becomes official on January 1. The MD-83 lease is not renewed and one of the DC-10-10s comes back off lease.

During the year, traffic for the new enterprise falls precipitously, with customer bookings down 61.2% to 1,102,500.

Fifty-three new employees are hired in 1995, a 5.9% increase. Passenger boardings rebound, growing by 5.5% to 1,162,800.

In February 1996, the carrier's parent, Simon Spies Holdings, is acquired by **Airtours International Airways, Ltd.**, whose parent is Airtours, plc. Thus, the British charter line gains control of PremiAir. On September 6, Airtours, plc. is reorganized to reflect recent acquisitions and changes. **Airtours International Airways, Ltd.** and PremiAir are assigned to a new Aviation Division under Managing Director Michael Lee. The combined fleet now totals 32 aircraft.

Airtours does not release PremiAir traffic figures for the year. It does however repaint the fleet in the same colors as those of **Airtours International Airways, Ltd.**

Plans are made to inaugurate flights to Miami and Newark (EWR) in the spring of 1997. Other destinations visited include Athens, Chania, Heraklion, Kos, Las Palmas, London (STN), Malaga, Palma, Paris, Rhodes, Rome, Sklathos, and Tenerife.

On September 29, PremiAir purchases the four DC-10-10s that it has been operating under charter since 1993. The first is almost immediately taken over.

One of the newly purchased DC-10-30s experiences a number of technical problems that cause the company long delays. Fearful that the delays might damage its reputation with customers, plans are announced on December 30 for the possible replacement of the offending aircraft.

Enplanements for the year total 1,474,700.

The fleet in 1998 includes 3 A300B4-120s, 6 A320-212s, and 4 DC-10-10s.

On February 18, Premiair officially serves notice that it will be riding itself of the DC-10-30 that has forced it to suffer several long delays due to mechanical problems. Arrangements are made to wet-lease a Lockheed L-1011-500 TriStar 1 from **Nova Airlines (Novair), A.B.** of Sweden.

It is announced on March 8 that **Airtours International Airways, Ltd.** will lease the ex-Condor DC-10-30 that Premiair has decided to replace. The aircraft will be flown during the period of a capacity crunch, which is expected to be over by the end of May.

Novair begins TriStar operations on behalf of Premiair on March 10, taking over the charters previously operated by the Danish line's withdrawn DC-10-30 from Stockholm, Oslo, and Copenhagen, to Barbados, Cuba, Miami, and Mexico City.

Flights continue during the remainder of the year. During the spring of 1999, Airtours places orders for six A330-243s. It is reported in the October issue of *Airways* (published in August), that the second pair will, upon their delivery in the fall, be transferred to Premiair. At this point, it is also expected that Airtours International will then adopt the Premiair moniker.

Two new A330-243s are delivered, one each on November 11 and December 10. Both are leased from **Airtours International Airlines, Ltd.** for the winter holiday season and will be returned next spring when the carrier receives its own A330s.

Customer bookings this year plunge 9% to 1,428,000. Revenues drop 8.2% to \$425.42 million, while expenses, though down 9.5%, still total \$437.56 million. The previous year's operating loss "improves" to minus \$12.13 million and the net gain of 1998 becomes a \$10.51-million loss.

Airline employment at the beginning of 2000 totals 1,061, a 2.8% decline over the previous 12 months.

A total of 85 cabin personnel demonstrate at Gardermoen International Airport in Norway on May 9, expressing displeasure with the carrier's use of nonunion employees to carry out a service to Cyprus.

While conducting the first inspection in several days of the compartment above the rear wheels of a company A330-243 that had arrived at Stockholm from Crete on June 4, workers, on June 5, discover two dead bodies. Identification suggests the men had stowed away in the Dominican Republic on June 2 during the plane's stopover.

Three new A330-343Xs are received via **Airtours International Airlines, Ltd.** this year, one each on July 24, August 10, and September 14. These replace four DC-10-10s, which are turned over to Airtours for use on its winter tours.

PREMIER AIRLINES (PTY.), LTD.: 456 St. Kilda Road, Suite 22, Melbourne, Victoria, 3004, Australia; Phone 61 (3) 9820 3133; Fax 61 (3) 9820 3165; Year Founded 1994. Premier is set up at Melbourne in 1994 to operate contract trans-Tasman freight flights on behalf of **DHL Worldwide Express** from Sydney to Auckland. The carrier is outfitted with a single Boeing 727-2J4AF and commences revenue services that continue, without change, over the next three years.

PREMIER AVIATION: Hangar 1, Sikorsky Airport, Stratford, Connecticut 06497, United States; Phone (203) 375-5677; Fax (203) 380-0838; Year Founded 1984. Premier is set up at Sikorsky Airport in 1984 to offer worldwide executive and small group passenger charters. By 1998-1999, the successful small concern employs three pilots and flies a single Dassault Falcon 50.

PRESIDENT AIR, LTD.: 36-38 Mao Tse Tung Blvd., Phnom Penh, Cambodia; Code TO; Year Founded 1997. Following the national political upheaval of July 1997, President is established at Phnom Penh by private investors to operate scheduled domestic services, as well as charters to Bangkok. Employing a mixed fleet comprising 1 each Fokker F.28-1000, F.27-100, Antonov An-26B, and 2 An12s, the new company begins revenue services in the spring of 1998.

Flights are maintained during the remainder of the decade. Local destinations visited at the beginning of 2000 include Battambang, Ratanakiry, Siem Reap, and Stung Treng.

PRESIDENTIAL AIR: United States (1995-1996). After a year of preparation, country music promoter Raymond G. Novelli and Clayton Barnett, a Long Beach air taxi operator and principal in the President's Travel Club, establish their airline at Los Angeles in the fall of 1995. An Airbus Industrie A300B4-203, first flown by **Continental Airlines**, is leased and employed to inaugurate both first-class and discount service to Atlanta, beginning in October.

Plans are announced to begin frequencies to Chicago, Houston, Detroit, Orlando, and Mexico City and a Boeing 727-112 is chartered. The Boeing is quickly leased to the campaign organization of Republican presidential candidate Bob Dole.

Citing a problem with its leasing partner, ING Aviation Lease, the company suspends its charter operations and returns its certificate to the DOT at the end of February 1996. Although Presidential plans to resume service, it does not. Bob Dole's charter is transferred to **AV Atlantic**.

PRESIDENTIAL AIRWAYS: United States (1985-1989). Former **PEOPLExpress** President/Chief Operating Officer Harold J. Pareti and other ex-officials of the Newark-based low-fare carrier organize Presidential Airways at Washington, D.C. (IAD) just after the new year in 1985 and incorporate it in Delaware on March 5. Between August and September, \$28 million in equity is gathered, including a successful \$17.25 million from a stock offering (3.45 million shares), and orders are placed for 7 used B-737-200s.

The 401-employee new entrant receives its operating certificate from the FAA on October 4. Employing four used Boeing 737-230Cs (first flown by **Deutsche Lufthansa, A.G.**), which it has leased from the Clarendon Group, a major stockholder's affiliate, begins deep discount flights on October 10 to Hartford, Boston, Cincinnati, Indianapolis, and Miami.

A total of 129,000 passengers are transported during the remainder of the fourth quarter, including 47,700 in November alone. Revenues total \$6.8 million, but expenses of the company launch are \$16.8 million. As a result, the operating loss is \$9.8 million and net loss is \$9.5 million.

The new subsidiary Washington Air Corporation is established in 1986 as the 1,027-employee large regional flies into significant competition from **United Airlines** and **New York Air**, both of which create hubs at Washington, D.C. (IAD) in the spring. Even though the airline takes a fiscal pounding, its fleet grows to include 11 leased B-737-230Cs as Pareti fights back. The company doubles and then triples its route network and, by July, is serving 19 cities.

Orders are placed on June 30 for five British Aerospace BAe 146-200s and, on July 1, the company begins to code-share with **Pan American World Airways (1)** on flights from Dulles to Miami. The first BAe 146-200 is delivered on August 8 and in an effort to boost its size, the carrier purchases the Las Vegas-based charter operator **Key Airlines** in early August for \$18 million, \$15 million of which is borrowed money. During reduced-schedule weekends thereafter, Key wet-leases a number of the "Baby Boeings" for charters to the Caribbean. The company, which had backed construction of a new mid-field Dulles terminal, is the first tenant; when its VIP lounge is opened, it is known as "The Oval Office."

A total of 1,080,705 passengers are hauled during the 12 months and although exact financial data is not released, the reversal is strong enough to force the company to reevaluate its plans to become a national airline centered on Dulles.

Airline employment falls 11.9% in 1987 to 793. On March 23, Presidential accepts the opportunity offered by Texas Air Corporation (TAC) to become a **Continental Airlines** affiliated "Continental Express" carrier. Presidential's midfield Dulles terminal position, as well as "The Oval Office," is now sold to **Continental Airlines** for \$6.3 million as the major assumes its new partner's outstanding \$5.2-million loan. The

terminal will form the hub center to which Presidential will provide feed from medium-size outlying markets.

BAe now refuses to continue financing the carrier's 146-200s unless the **Key Airlines** subsidiary is sold. Former Presidential board member T. Coleman Andrews III, the new chairman of **World Airways**, agrees to purchase **Key Airlines** for \$18 million and the transaction is completed in May. Days later, the **New York Air** code-sharing partner **Colgan Airways** is acquired by Presidential for \$1.1 million. Going back to British Aerospace, Presidential trades in Colgan's fleet of Beech and Shorts turboprops, leasing 10 Jetstream 31s, 3 of which are placed into service during the summer.

Meanwhile, Presidential Airways, in its role as a **Continental Airlines** feeder, pulls out of its larger markets like Boston, Atlanta, Cleveland, Detroit, Orlando, and Miami and substitutes smaller communities such as Columbus, Albany, Birmingham, and Huntsville. The B-737-230C leases are gradually terminated as the company, before year's end, acquires its five BAe 146-200s. When Continental withdraws from Dulles in favor of Newark (EWR), Presidential load factors plummet.

Downsizing impacts both traffic and revenues. Customer bookings decline 33.7% to 846,237 and revenues drop 20.7% to \$58.4 million. The year's losses are \$32.2 million (operating) and \$28.5 million (net).

The workforce is cut by 5.8% in 1988 to 747 and the fleet includes 1 leased B-737-230C, 7 Jetstream 31s, and 8 BAe 146-200s. Two additional Jetstreams and 3 Beech 1900s will be delivered before the end of the year, and orders are placed for 16 de Havilland Canada DHC-8s. In January 1989, 10 additional BAe 146-200s are ordered.

As the result of low traffic yields, the code-sharing arrangement with **Continental Airlines** is terminated in mid-January. On January 19, Presidential is offered, and accepts, the opportunity to assume much of **Air Wisconsin's** role as the "United Express" feeder operation at Dulles.

On February 5, the company officially shifts its allegiance, becoming **United Airlines** partner and coordinating its D.C. schedules with the major to enable passengers to connect conveniently. The same passengers also receive credits in United's Mileage Plus frequent flyer program. As its aircraft receive yet another new livery, the company on March 1 begins serving 20 cities from Dulles on behalf of its new code-sharing affiliate, offering a total of 75 daily departures. During the summer and fall, the last B-737-320C is leased to the Democratic National Committee and serves as Michael Dukakis's campaign plane.

"United Express" BAe 146-200 flights commence in September to Birmingham, Mobile, Cleveland, and Worcester, Massachusetts. In October, the company initiates thrice-daily BAe 146 flights from Birmingham to Mobile and Washington, D.C. and four-times-per-day Jetstream 31 frequencies from Lynchburg to Washington, D.C. Senior Vice President/Chief Operating Officer William Stockbridge resigns in October and is succeeded by Robert Tucker; at the same time, John Utter becomes senior vice president-finance.

Passenger boardings jump 13.9% to 731,292.

Airline employment climbs 13.8% in 1989 to 850 and the fleet now includes 12 Jetstream 31s and 8 BAe 146-200s, 2 of which are wet-leased to **British Airways, Ltd. (2)**. Overexpansion and heavy debt force the carrier to file for Chapter XI bankruptcy on October 26, reporting assets of \$38 million and \$74 million in liabilities. **United Airlines** advances its feeder partner \$1 million at month's end.

The fleet shrinks by four Jetstreams and six 146s following a November 15 short-term agreement between the airline and the British manufacturer. This is put in the form of a court order that calls for the immediate grounding of these planes should Presidential fail to make its lease payments. Efforts to restructure and obtain recapitalization now fail and when it is unable to make prescribed lease payments on its remaining BAes, Presidential is forced to return them and ceases operations on December 4.

Despite the leasing of two de Havilland Canada DHC-8-300s, President Hap Paretto is unable to maintain even a portion of a weak new schedule of 27 flights per day to 7 cities. During the final year, a total of

478,341 passengers are flown, a 34.6% decline over the same period a year earlier.

PRESIDENTIAL AVIATION: 2665 NW 56th St., Hangar 54, Fort Lauderdale, Florida 33309, United States; Phone (954) 772-8622; Fax (954) 771-2622; Year Founded 1974. Presidential is established at Fort Lauderdale Executive Airport in 1974 to provide executive and small group passenger charters throughout the U.S. and into South America and the Caribbean. By 1998-1999, the company employs four pilots and flies a single Learjet 55 Longhorn.

PRESTIGE AIRWAYS: United States (1995-1997). **Antigua Paradise Airways, Ltd.,** the new national flag carrier of Antigua and Barbuda, also known as **Antigua and Barbuda Airways International, Ltd. (ABA)**, is set up in the spring of 1994. Employing a leased Boeing 727-2B6A, nonscheduled services are inaugurated to Newark (EWR) and New York (JFK) during the summer.

In early 1995, the company headquarters of **Antigua and Barbuda Airways International, Ltd. (ABA)** are moved to Manassas, Virginia, where the firm is reformed as NavCom Aviation and purchases the assets of the failed **UltraAir**. Those resources are combined with those of ABA, including the chartered B-727-2B6A, to create **Paradise Airways**.

Eliza Jackson is named president/CEO, an operating base is established at Miami (MIA), and a leased fleet is assembled comprising **UltraAir's** pair of B-727-231s and the previously employed B-727-2B6A. The previous routes are initially flown, together with new scheduled flights to San Juan, St. Croix, and St. Thomas.

The Newark destination will later be exchanged for Washington, D.C. (IAD). One of the B-727-231s is leased to the Fort Lauderdale-based start-up Liberty Airlines. The carrier is renamed **Prestige Airways** in December. On December 21, one of its B-727-231s is dedicated to the provision of charter flights from Cincinnati to Orlando, Tampa, and Fort Lauderdale on behalf of Sunair.

Enplanements total 115,540.

In 1996, services are inaugurated to Flint and Orlando and the company's three trimotors transport a total of 109,000 passengers, a 6% decline. Early in 1997, the company halts scheduled flights to Orlando and Flint and announces that it will henceforth concentrate on nonscheduled operations. At this point, 30,000 passengers have been transported.

The charter operation never really gets off the ground and the company is liquidated. At the time of its failure, Prestige has had operating revenues of \$1.7 million, but registered a \$922,000 net loss.

PRIDE AIR: United States (1985-1988). Pride Air is organized in early 1985 by former **Continental Airlines** employees and of its \$15.5 million in initial capitalization, \$14.8 million comes from a group of 364 pilots. As a group, company employees own 65% of the carrier, with a key part of the organizational structure being the employee stock ownership plan. Having led the effort to create this new entrant, one-time **Continental Airlines** employee association head Paul Eckel becomes chairman, with former CA Vice President-Management Barrie Duggan as president.

Revenue flights are inaugurated from the New Orleans hub on August 1 to West Palm Beach, Tampa, Jacksonville, Fort Lauderdale, Miami, Orlando, Sarasota, San Jose, Los Angeles, San Diego, Sacramento, and Las Vegas.

Having leased six used Boeing 727-191s and three B-727-291s from **Frontier Airlines (1)**, the company completes its initial 16-market route system during the week of August 19 through the addition of 9 more towns. On November 15, operations are suspended while the company declares Chapter XI bankruptcy on December 2 and negotiates for funding from three potential sources.

The hoped-for recapitalization does not occur and a two-year search for new funding begins. Unable to either refinance or reorganize, a bankruptcy judge orders the company to be liquidated in early 1988.

PRIESTER AVIATION SERVICES: PAL—Waukegan Airport, Wheeling, Illinois 60090, United States; Phone (847) 537-1200; Fax (847) 459-0778; Year Founded 1945. PAS is set up as an FBO in 1945. Over the next 40 years, the concern also comes to offer passenger and cargo charters and to establish a facility at Lake Tahoe, California.

By 1998–1999, Priestler is a major worldwide executive charter concern that operates with flight attendants and full galleys on most flights. The main fleet, flying out of Wheeling, Illinois, consists of 3 each Learjet 35As and Dassault Falcon 20s, 2 each Canadair CL-600 Challengers and Grumman G-1159 Gulfstream IIs, and 1 each Beech King Air 90 and Cessna 414 Chancellor. A Learjet 35A is based in California.

PRIMAC AIR: 333 Sylvan Avenue, Englewood Cliffs, New Jersey 07632, United States; Phone (201) 871-1800; Fax (201) 871-2324; <http://www.primac.com>; Year Founded 1997. Under the direction of President Mary J. McLaughlin and Chief Pilot John De Benedictis, Primac Air is established with two divisions in 1997 to operate both cargo and passenger charter services. The International Courier Division, based at Teterboro, offers nightly, on-demand, Cessna 310 flights to and from New York, Montreal, and Canada. The aircraft, available 24 hours a day, 7 days a week, also allows its customers to connect with frequencies to Europe by major airlines. The Charter Division, based at Teterboro, also operates on-demand flights employing a Cessna 402.

A Cessna 208B Grand Caravan is acquired by the courier union in March 2000 and is employed to fly pharmaceutical shipments between New York City and Canada.

PRIME AIR: United States (1984–1989). Prime Air is established by William R. Langley at Clarksville, Tennessee, in 1984 to operate regional charter and contract service flights in the Nashville area. Operations continue apace in 1985 and 1986 and EAS scheduled flights are offered linking the company's base with Mount Vernon, Illinois, and St. Louis.

In 1987, company headquarters of the 15-employee small regional are transferred to Carbondale, Illinois. The three available Piper PA-31-310 Navajos begin providing services to four cities at the tip of that Midwestern state and transport a total of 2,500 passengers on the year.

Operations continue apace in 1988; however, in early 1989, the company runs afoul of the U.S. government's safety codes, reporting requirements, and other laws and regulations. It is grounded by the FAA on June 9.

As a result of an investigation by the Office of Aviation Analysis as well as the DOT's Office of the Inspector General, Chairman Langley is convicted in federal court in November 1993 of filing false claims for hundreds of EAS flights never made and collecting \$298,000 for them. He is fined \$250,000 and sentenced to prison in December.

PRIME AIRBORNE: Elmira–Corning Regional Airport, Horseheads, New York 14845, United States; Phone (607) 739-7148; Fax (607) 795-0371; Year Founded 1994. Prime Airborne is set up at Elmira–Corning Regional Airport in New York during 1994 to provide executive and small group passenger charters and fleet management. Seven pilots are hired and the company begins revenue services from three bases.

One each Grumman G-1159 Gulfstream II and a Dassault Falcon 20 are flown from the headquarters airport, while a Gulfstream IIB is stationed at Baltimore (BWI), and a Grumman IV is based at Burbank, California.

PRIMEAIR EXECUTIVE CHARTER (LUFTHAFTGES, mbH.): Airport Munich, Munich, D-85356, Germany; Phone 49 (89) 9702004; Fax 49 (89) 9702006; Year Founded 1993. Primeair is set up at Munich Airport in 1993 to provide executive and small group passenger charters. Ten pilots are hired and revenue flights begin with 2 Learjet 55 Longhorns and 1 Beech Super King Air 200.

PRIMERA LINEA AEREA SANTAPECINA, S.A. See PLAS (PRIMERA LINEA AEREA SANTAPECINA, S.A.)

PRIMERA URUGUAYAS DE NAVEGACION AEREA, S.A. See PLUNA (PRIMERA URUGUAYAS DE NAVEGACION AEREA, S.A.)

PRINAIR (PUERTO RICO INTERNATIONAL AIRLINES): United States (1964–1985). Formed by Jaime Carrion at Ponce on July 4, 1964 as the air taxi **Ponce Air**, the company identification is changed in 1966 at the same time operations are shifted to San Juan and scheduled San Juan–Ponce flights are inaugurated. Flying de Havilland DH 114 Herons, the little carrier begins competing with larger **Caribair (Caribbean-Atlantic Airlines)** over routes on the big island, as well as routes to St. Croix and St. Thomas in the U.S. Virgin Islands.

Operations continue apace for the remainder of the decade with only one major incident.

On initial approach to San Juan on a March 5, 1969 service from St. Thomas, a DH 114 Heron 2 with 2 crew and 17 passengers, crashes into the Sierra de Luquillo mountains 24 km. S of the runway. The wreckage is found the next day, but there are no survivors.

Company pilots, members of the ALPA, go out on strike on October 19, 1970; a mediated agreement ending the job action is reached on October 31.

En route from San Juan to Ponce on December 21, Flight 157, a DH 114 with 21 passengers, is taken over by a lone assailant, who demands a flight to Cuba. The crew overwhelms the pirate before the diversion can be affected. Upon examination, the hijacker will be ruled mentally unstable and sent to a psychiatric facility for two years.

The company grows and prospers during the 1970s, especially after **Caribair (Caribbean-Atlantic Airlines)** is taken over by **Eastern Air Lines** in May 1971. Ownership is acquired from founder Carrion by the Pittsburgh-based conglomerate Union Corporation. Destinations visited include Ponce, Mayaguez, Virgin Islands, Santo Domingo, and the Netherlands Antilles.

On April 8, 1972, J. L. Lugo, a former church administrator, hijacks a Heron at San Juan. After collecting \$290,000 in ransom and taking J. L. Carrion, a Banco Popular de Puerto Rico official, hostage, Lugo forces the DH 114 to fly to Cuba.

Eight days later, a lone assailant, armed with a fake gun and a fake bomb, attempts to take over Flight 179, a Heron preparing to depart from Ponce to San Juan. He is overpowered by another passenger and a mechanic and handed over to airport security. The man will be tried and given a two-year prison term.

While executing a go around from Ponce–Mercedita Airport, Puerto Rico on June 24, Flight 191, a DH-114 Heron 2B with 2 crew and 33 passengers, loses control and crashes (20 dead).

The company's 24 de Havilland DH 114 Herons transport a total of 868,036 passengers in 1973 with similar enplanements in 1974.

In 1975, Chairman Robert Sabel oversees 421 employees of the world's largest commuter airline. New scheduled services are inaugurated between San Juan and the Guadeloupe city of Pointe-à-Pitre. A DH 114 is lost in an accident at San Juan on July 11.

Passenger boardings decline 4.1% to 42,694.

The number of employees is boosted by 5% in 1976 to 544 and another Heron is acquired for the fleet. In December, service is initiated from San Juan to Antigua via St. Thomas and St. Martin. The return from Antigua to San Juan includes stops at St. Martin and St. Croix.

Customer bookings decline by 1% to 823,073. Flights are maintained as before during 1977. The highlight of the year is a pilots strike, which starts on September 18. The flyers return to their cockpits on November 1 and a mediated agreement between their chapter of ALPA and management is concluded on December 29.

The workforce in 1978 totals 600. Cesar Toledo is appointed president and the fleet comprises 26 Herons, the largest working collection of the type in the world. The company briefly suspends all flights on

April 18 pending an investigation of suspected sabotage against one of its aircraft.

In the year of U.S. airline deregulation, bookings reach 704,978. PRINAIR now ranks first among all U.S. commuters in terms of passenger traffic.

Grossly overweight and out of balance, Flight 610, a DH 114 Heron with 2 crew and 19 passengers, crashes just after takeoff from St. Croix for St. Kitts on July 24, 1979 (8 dead).

The carrier is grounded by the FAA on October 26 for a series of operating deficiencies discovered in a special inspection of the airline ordered after the St. Croix tragedy.

Still, the year's passenger boardings jump 13.5% to 848,000.

In 1980, the company experiences its first upward pause in years, suffering a traffic decline of 15.6% to 715,714. The downturn not only causes the carrier to withdraw two Herons from service, but costs the company its rating as the nation's largest commuter airline, a title now acquired by Philadelphia-based **Ransome Airlines**.

Although two Convair CV-580s join the Heron fleet in 1981 and inaugurate service to Puerto Plata and Santiago de los Caballeros in the Dominican Republic, boardings fall again, off 8% to 658,475. The one-time largest commuter now falls to third behind **Ransome Airlines** and **Air Wisconsin**.

The year's highlight in 1982 is the boarding of the 10-millionth passenger (cumulative) in February. Orders are placed for 10 CASA C-212 Aviocars. During the year, the company becomes the only carrier in U.S. civil aviation history to negotiate its own officially written bilateral agreement with a foreign nation. A modification is arranged to the 1948 bilateral between the U.S. and the Dominican Republic that allows for direct air service from San Juan to the new Aeropuerto Del Este, built by Club Med on the eastern tip of the island nation.

Rising expenses, led by fuel costs, together with continuing recession, cause traffic to dip yet again, down 4.7% as 630,938 travelers are flown.

In January 1983, the Caribbean Basin & Latin American Investment Corporation assumes majority control, purchasing 98% shareholding from Varona, Pennsylvania-based Union Corporation. The new holding company had been established by Chairman Toledo, hotelier Nicholas Noguera, and three other Puerto Rican businessmen.

Computerization is now undertaken with the SystemOne Direct Access reservations system of **Eastern Air Lines**.

Bookings are down again, off 8.6% to 576,378 and these downturns contribute to continuing financial difficulties.

The fleet is enlarged in 1984 by the last of 10 CASA C-212-200s ordered in 1982. Still, the fleet retains 3 CV-580s and 16 Herons, although only 6 of the latter are still operational. Services are halted to Puerto Plata, Tortola, and Virgin Gorda and destinations now visited include Mayaguez, Ponce, San Juan, St. Croix, St. Thomas, St. Martin, St. Kitts, La Romana, Santo Domingo, and Santiago. The latter route is flown in coordination with **Dominair (Aerolineas Dominicanas, S.A.)**.

Passenger boardings decline once more, down 1.3% to 568,832.

In the spring of 1985, New York-based **Air Niagara** Chairman John Burns attempts a rescue merger of the one-time biggest commuter carrier, by purchasing 81% majority shareholding. With a questionable airline past, Burns, who comes under DOT investigation, seeks to merge his Empire State operation with the now-small regional, outfit it with a pair of DC-9-10s, and inaugurate services from Orlando and San Juan to other Caribbean points.

When these arrangements cannot be completed, Burns pulls out. As a result, the fiscally stricken PRINAIR is forced to shut down in June after having flown 173,667 passengers since January. Officials led by President Cesar Toledo attempt to restart in July, but must close the doors for good before month's end.

PRINCE EDWARD AIR, LTD.: 250 Brackley Pt. Rd., P.O. Box 2349, Charlottetown, Prince Edward Island, 8C1 PE1, Canada; Phone (902) 566-4488; Fax (902) 368-3573; <http://www.peair.com>; Year Founded 1990. T. W. Collingwood and Gus Ollerhead set up PE

at Charlottetown in January 1990 to provide both scheduled third-level and charter service in Atlantic Canada. Revenue frequencies commence with a fleet that includes 4 Beech Super King Air 200s, 2 de Havilland Canada DHC-6-300 Twin Otters, and 3 each Fairchild Metro IIs and Metro IIIs.

Flights continue in 1990-1999, during which years a Beech 99 and two Cessna 208 Caravan Is enter service. Airline employment grows to 40 and, during the latter year, a third Cessna Caravan is acquired.

PRINCESS AIR, LTD.: United Kingdom (1990-1991). Established at Essex in early 1990, Princess inaugurates daytime inclusive-tour passenger services from Southend to Venice at the end of April with a British Aerospace BAe 146-200 leased from **Air Nova, Ltd.** and christened *Princess Alison*. During July, the company acquires a purchased BAe 146-200QC, for which it is the European launch customer, and on August 1 begins to fly cargo at night over a route from Southend Airport to Cologne.

Other passenger charter destinations visited include Alicante, Malaga, Palma de Mallorca, Faro, and Jersey.

Unable to achieve financial viability in a recessionary period, the company ceases operations on February 27, 1991. Touche Ross is appointed administrated receivers as the company is liquidated in an effort to recover over £750,000 (\$1.42 million) in debts.

PRINCESS AIRLINES, S.A.: Iasonidou 2, Helikon, Athens, GR-16777, Greece; Phone 30 1960 1168; Fax 30 1064 2307; Code PER; Year Founded 1998. Princess established at Athens in the spring of 1998 to offer passenger charters and inclusive tour flights to France, Germany, and other northern European destinations. Revenue flights commence and continue with a single leased Boeing 737-300.

The company experiences bad press in Germany in the spring of 1999 due to numerous flight delays. A B-737-2P5 is delivered, wearing titles in support of Siokas Reisen.

PRINCETON AIR LINK: United States (1986-1988). This small New Jersey regional is formed by its president, John S. Hoyt, in the summer of 1986. Equipped with 3 Britten-Norman BN-2 Islanders, it begins 12-times-per-weekday scheduled roundtrip services to **Delta Air Lines'** Gate 67 at Newark's Terminal B on September 2 and transports 924 passengers by year's end.

Early in the fall of 1987, the company ceases operations in order to refinance and reorganize. Four-times-per-day Islander flights linking Princeton with New York (JFK) commence in the spring of 1988. Unable to achieve viability, PAL again stands down, in September. This time it goes completely out of business, liquidating its assets.

PRINCETON AIRWAYS: United States (1978-1982). James T. Lewald establishes the airline division of his Princeton-based FBO Princeton Aviation Corporation in January 1978 to offer scheduled passenger and cargo services to Newark and Boston. Daily roundtrip revenue services commence on February 13.

Employing a pair of Britten-Norman BN-2 Islanders, the carrier transports 23,000 passengers in 1979, the first full year of operations.

In 1980, President David E. Van Dyke's fleet grows to include 1 Piper PA-31-350 Navajo Chieftain and 3 Islanders. Scheduled service is launched on June 3 between Newark and New York (JFK). Passenger boardings ascend 36.1% to 31,359.

The route system is altered in 1981 and an Australian-made GAF Nomad N-24A is placed into service. Passenger bookings rise 3% to 32,297.

Unable to weather the airline wars, Princeton ceases scheduled operations in July 1982. Prior to quitting, the company flies 17,423 passengers, a 6.2% boost over the same period a year earlier.

PRINCEVILLE AIRWAYS: United States (1980-1989). Having developed the Princeville resort at Lihue, on the island of Kauai,

Colorado-based Consolidated Oil & Gas, acting through the Princeville Development Corporation subsidiary, establishes this third-level airline at Honolulu in July **1980**. Employing two de Havilland DHC-6-200 Twin Otters, President Lawrence S. Pricher's company begins regularly scheduled passenger flights on September 9, replacing **Air Hawaii (2)** service from the state capital to Princeville.

Over the next six years, P.A. adds flights to Kamuela and Waikoloa on the island of Hawaii. The fleet in **1986** includes 1 Cessna 402B and 4 de Havilland Canada DHC-6-300 Twin Otters.

A total of 8,200 passengers are flown on the year. Although revenues of \$2.8 million are earned, there is a \$218,000 loss.

When the parent Princeville Development Corporation is purchased by the Australian firm Quintex, it becomes necessary, under the law, to sell the commuter because foreign concerns are prohibited from owning more than a 25% stake. In December, the small regional is acquired for \$3.2 million by **Aloha Airlines**, which it will feed, beginning on April 1, **1987**, as a code-sharing subsidiary based at Honolulu and at a secondary base at the new airport at West Maui. Henceforth, its traffic figures will be included with those of its parent.

While on an evening service from Kahului to Kaunakakai on October 28, **1989**, Flight 1712, a DHC-6-300 with 2 crew and 18 passengers collides with a rocky slope of one of the coastal mountains on Molokai and crashes; there are no survivors.

At month's end, the company is renamed **Aloha Islandair**.

PRIORITY AIR FREIGHT COMPANY (PAFCO): United States (1979–1981). A division of Kirksville, Missouri-based **Horizon Airways, Inc.**, with which it shares its airline code, PAFCO is initially set up by its founder, Gilbert Chcone, at Chicago's Meigs Field in early **1979** to provide scheduled cargo services to Milwaukee. Cessna 402C passenger roundtrips are added in March, linking the company's base not only with Milwaukee, but with Minneapolis, South Bend, Fort Wayne, and Indianapolis as well.

Although the company loses its certification from the FAA in December, it is regained during the following spring. Scheduled Piper PA-31-310 Navajo operations resume on July 1, **1980**, and are maintained until May 15, **1981**, when PAFCO is purchased by Joseph Valee and renamed **Skytrain Airlines**.

PRIORITY AIR TRANSPORT: United States (1967–1970). PAT is set up at San Francisco, California, in the summer of **1967** to offer scheduled passenger, cargo, and mail service to Sacramento via Salinas and Redding.

Beech 18 and Cessna 402 revenue flights commence on September 2 and continue until the company goes out of business in **1970**.

PRIVATAIR, S.A.: Geneva Airport, Geneva, CH-1215, Switzerland; Phone 41 (22) 929-6730; Fax 41 (22) 929-6731; <http://www.privatair.com>; Code PTI; Year Founded 1977. This corporate carrier is established at Geneva Airport in **1977** to provide executive passenger flights for businessmen and VIPs from the western side of Switzerland using a fleet of bizjets previously owned by the Greek tycoon John Latsis. Distinguished passengers are expected to include heads of state and royalty, as well as celebrities, entertainment financiers, and CEOs of multinational corporations. The company will pride itself on its discretion. All aircraft wear a distinctive red-and-white Swiss-oriented livery.

On October 2, **1989**, PrivatAir takes delivery of a Boeing 757-23A, capable of providing large group worldwide services. It will remain the only aircraft of its type available for private hire in the world. Capacity is further enhanced on October 14, **1995** when a B-737-3L9 arrives.

By the middle **1990s**, Operations Director Capt. Christopher Randle flies two of the largest aircraft held by VIP and business airlines anywhere. European flights are provided not only by the 737, but also by one each Grumman G-1159C Gulfstream IV and British Aerospace BAe (HS) 125-800 Hawker.

Three Next Generation B-737-7AK advanced passenger jetliners, configured as BBJs, are delivered in **1999**, one each on April 7, November 2, and December 22.

A total of 85 workers are employed at the beginning of **2000**. Hosted by Peter Alliss, the B-757-23A operates an around-the-world golfing tour from London between November 18 and December 10, while the B-737-3L9 flies an around-Europe golfing tour. Stops on the itinerary of the former include Bermuda, Orlando, Las Vegas, Pebble Beach, Hawaii, Sydney Ayers Rock, Bali, Katmandu, Agra, and Dubai. The all-inclusive cost per person is £31,850. The European tour includes stops in eight countries, six in Europe, and two in North Africa. Such famous golf courses as Valderrama, Druid's Glen, The Carnegie Championship Links, and Royal Dornoch are open for play and the all-inclusive fare for this tour runs £18,650.

No longer needed after the European tour, the B-737-3L9 is put up for sale at the end of the year.

PRIVATE JET EXPEDITIONS: United States (1989–1995). Private Jet is established as a travel club at Atlanta in December **1989** to operate exotic package tour flights with a single Boeing 727-31 first flown by **Trans World Airlines (TWA)**, but now christened *Explorer I*. Shareholding is divided between Jack DeBoer, owner of Residence Inns, and Society Expeditions founder Theodore Swartz.

A total of 632 passengers are flown during the inaugural month and revenues total \$435,388. Expenses involved in setting up the 12-employee airline reach \$4.2 million and like many new entrants, it begins life with a negative balance sheet. Losses total \$3.7 million (operating) and \$4.4 million (net).

The workforce is doubled to 25 in **1990** as the lone Boeing flies a total of 3,000 passengers during the first full year. Revenues total \$3 million, but expenses are higher and losses are again suffered: \$2.69 million (operating) and \$4.34 million (net).

In early **1991**, the company is sold to the Club America Vacations consortium, led by Apple Vacations and affiliated with the Spanish-based The Oasis Group, owner of the carrier **Oasis International Airlines, S.A.** The company is upgraded from a "club" into a full-fledged charter airline and the fleet is increased by the addition of four Oasis McDonnell Douglas MD-83s.

With the addition of new charters, customer bookings increase to 24,000 and revenues skyrocket 95.3% to \$5.93 million. Expenses surge 30.6% to \$7.48 million and cut operating loss to \$1.54 million. A net profit of \$1.63 million is generated.

Authority is received early in **1992** to offer scheduled service from Atlanta to St. Louis. As additional McDonnell Douglas transports (seven MD-83s, an MD-82, and an MD-87) are obtained, the B-727-31 is withdrawn.

Having hit 220 kmh on its takeoff from Boston on August 30, an MD-83 suffers the explosion of two of its main landing gear tires, which are ingested into the left engine. The departure is safely aborted.

Passenger boardings skyrocket to 473,000 and revenues total \$53.4 million. Operating income surges to \$293,828, but net profit plunges to \$39,177.

Airline employment stands at 480 in **1993** and the all-chartered fleet now includes 11 MD-83s and 1 each MD-82 and MD-87. Limited scheduled service is initiated from Atlanta to St. Louis, Chicago, Miami, and Newark.

Customer bookings accelerate to 1,041,000. Although revenues rise 79.2% to \$95.71 million, expenses surge 90.3% to \$101.07 million. The operating loss is \$4.97 million and net loss totals \$7.39 million.

Daily roundtrip flights begin on January 14, **1994** from Miami to the Virgin Island destinations of St. Thomas and St. Croix.

On May 26, Private Jet begins flying its now deeply discounted scheduled services between Atlanta and Miami as National Airlines (3), hoping that the famous moniker of the carrier taken over by **Pan American World Airways (1)** in 1980, will give it more visibility.

The aircraft employed on the scheduled routes are a pair of leased DC-9-51s painted in the new National colors; the first arrives on May 25 followed by the second in June.

The company abruptly cancels most of its National Airlines (3) scheduled flights after October 3 due to financial problems. Of the 5,000 displaced passengers, those booked on flights through November 15 are assigned to other carriers while everyone else receives a refund. Agents are able to easily rebook a number of travelers as the carrier returns to charter work. A total of 219 employees are also laid off.

At year's end, the company is elevated by the DOT to National status.

Passenger boardings inch up 0.5% to 1,046,000 and 41,000 FTKs are flown. Revenues decline 8.6% to \$88.01 million and, although the percentage of rise is down, expenses increase by 7.8% to \$93.36. The operating loss grows to \$5.35 million, while net loss "improves" to \$6.05 million.

The workforce stands at 301 in 1995. Fiscal difficulties continue, forcing Club America to sell out to NAL Holdings in early March. On March 13, Oasis withdraws its aircraft and charter contracts and Private Jet shuts down. Effective March 28, the DOT suspends the carrier's operating authority for economic reasons, while the FAA lifts its license because of safety concerns. Charters are, however, flown for Club America Vacations through a wet-lease arrangement with **Kiwi International Airlines** until March 30. At this point, the tour operator abruptly shuts down, leaving 2,000 clients stranded at destinations in the Caribbean and Mexico.

PRIVATE WINGS FLUGCHARTER, GmbH: Flughafen Tempelhof-GAT, Berlin, D-12101, Germany; Phone 49 (30) 6951-2591; Fax 49 (30) 6951-2260; Year Founded 1991. Private Wings is founded at Berlin's Tempelhof Airport in 1991 to provide executive and small group passenger charters to worldwide destinations. Eight pilots are hired and revenue flights begin with 1 each Learjet 35A Century III, Beech Super King Air 300 and Super King Air 200. The latter two machines operate primarily between German destinations.

PRO AIR SERVICES: United States (1981-1988). PAS is set up at Miami in 1981 as a subsidiary of the International Transfer Company. The regional inaugurates daily scheduled roundtrips linking its base with Fort Lauderdale, Key West, and Marathon, as well as the Bahamian destinations of Marsh Harbour and Treasure Cay. The fleet will eventually come to include 1 each Cessna 404 Titan, Douglas DC-3, Martin 4-0-4, Aero Commander 500B, and 2 Beech 18s.

Operations continue apace until 1988 with frequencies meanwhile having been added to Rock Sound, Governors Harbour, and North Eleuthers.

PRO AIRLINES: United States (1972). Minneapolis-based Executive Air Transport, Inc. forms this scheduled airline subsidiary during the summer of 1972 to maintain passenger and cargo flights during the **Northwest Airlines** strike begun on June 30. Lightplane roundtrip services to Bismarck via Jamestown and Fargo are inaugurated on August 7 and are maintained 29 days beyond the end of the Northwest job action on October 2.

PROAIR: 101 Elliott Ave. West, Suite 500, Seattle, Washington 98119, United States; Phone (800) 939-9551; <http://www.proair.com>; Code P9; Year Founded 1996. Trusting that a simplified fare structure, increased passenger leg room, better meals, and an easier hub will attract customers, ProAir (which had originally been conceived of as a sports charter carrier) is established by Kevin Stamper at Detroit (DET) in the spring of 1996. Work is 75%-80% finished for the company's government certification at the time of the May **Valujet Airlines** disaster. That crash slows the entire FAA regulatory process for new entrants by six to eight months. Still, of the nearly 30 start-ups applying to the government for certification since 1995, ProAir will be the only one granted approval.

The certification process is completed in early 1997, at which time the company hires an initial nonunionized workforce of 170. In February, Chairman/CEO Stamper names former **WestAir Airlines** Chief Operating Officer Craig Belmondo as president/chief operating officer. Two Boeing 737-49Rs, originally built for **China Hainan Airlines**, are chartered in June, one each from GE Capital Aviation Services and the other from the Kanematsu Corporation. The distinguishing characteristic of their color schemes is shown on their tails, which are designed to resemble close-up of a feather. One is painted in "Fenway Sign" green and the other in orange. Orders are placed for two more "Baby Boeings" that will wear yellow and purple tails.

Ticketless travel will be employed and there are just two classes: business and coach. Low-cost introductory fares, up to 50% less than that of the competition, and ease of access from Detroit, just 10 minutes from the airport, are trumpeted in initial advertisements. It goes unsaid that the major potential competitor, **Northwest Airlines**, hubs at Detroit Metropolitan Airport.

Twice-daily nonstop roundtrips from Detroit to Baltimore (BWI) and to Indianapolis commence on July 4, followed on July 14 by the same number of frequencies to Newark, which serves New York City as well. Flying from Detroit (DTT), **Northwest Airlines** quickly matches the company's introductory rates, but requires 24-hr. advance booking. Twice-daily roundtrip nonstops are launched from Detroit to Milwaukee on August 1.

On August 24, Chairman Stamper sends an open letter to area business executives seeking their support in his contest to keep fares low and offering a limited number of free flights in a promotion good through November 20. As the resident airline, company officials make a significant contribution to the sixtieth anniversary open house of Detroit (DET) on September 6.

Responding to the carrier's efforts to combat Northwest's Detroit market lock, Chrysler Corporation during the fall pledges its support, and a certain amount of business, to the new entrant.

On October 6, the company increases its service between Detroit (DET) and Baltimore and Newark from two daily roundtrips to three. Flights between Detroit City and Milwaukee and Indianapolis remain on a daily frequency.

Scheduled Saturday seasonal service from Detroit to Orlando commences on December 27; simultaneously, Saturday and Sunday flights begin from the Michigan airport to Southwest Florida International Airport at Fort Meyers.

Passenger boardings of 65,000 are reported.

On May 1, 1998, a second daily nonstop roundtrip is started from Detroit (DET) to Indianapolis. The Orlando Saturday service is concluded on May 3. Although service to Milwaukee ends, twice-daily roundtrips are inaugurated on May 18, between Detroit City and Philadelphia.

On June 11, while competing **Northwest Airlines** suffers productivity problems at Detroit Metropolitan, ProAir reaches separate five-year agreements with General Motors and Chrysler to provide contract air transport for the two automakers from Detroit to Baltimore, Indianapolis, Newark, and Philadelphia.

The company celebrates its first anniversary on July 4 by lowering its one-way coach fares for the day to each of its four destinations. A partnership is announced with The Hertz Corporation on July 6; one-call reservations will result in the availability of rental cars for business passengers flying into Detroit (DET).

Another B-737-49R is received on October 15, when plans are announced to employ the new aircraft, beginning on November 21, in seasonal weekend services.

The company operates out of the International Terminal at Detroit (DTT) on October 24-25 while the runway at Detroit (DET) is resurfaced. Customers are notified of the change a week in advance.

The DOT, on October 29, awards ProAir two slot exemptions at New York (LGA). Chairman/CEO Stamper excitedly announces that his carrier will commence service to that city on January 10.

On November 10, the carrier announces several strategic business decisions, including the introduction of new service to Atlanta and Seattle. The latter will commence on January 10. Also during the day, former **Reno Air** Customer Services Director James Walsh is named vice president-customer service, while **Northwest Airlines** Director of Marketing and Communications Eric Steinwinder becomes vice president-management.

Seasonal B-737-49R weekend roundtrips commence on November 21 from Detroit (DET) to Orlando and Fort Myers. Two days later, the company takes delivery of a brand new B-737-39R.

At the beginning of December, the Detroit Investment Fund, a \$52-million private equity concern, gives Chairman/CEO Stamper a \$3-million investment check.

Employing the newly received B-737-39R, roundtrip service is added between Detroit (DET) and Atlanta on December 14, 12 times a week.

On December 19, weekend flights begin to Tampa and St. Petersburg. The weekend Florida frequencies will end on May 2.

Twice-weekly B-737-49R roundtrip Moonlight Service is initiated on December 20 between Detroit City (DET) and Las Vegas.

During the 12 months, customer bookings skyrocket 318.5% to 272,000. Although revenues total \$20.83 million, expenses are \$34.24 million. There is an operating loss of \$13.41 million, while a net loss of \$15.76 million is suffered as well.

On January 17, 1999, daily B-737-47R roundtrips commence between Detroit (DET) and New York (LGA). This new service is followed on January 28 by the introduction of four-times-weekday B-737-47R roundtrips from Detroit (DET) to Chicago (MDW). ProAir now offers 108 weekly departures, more than twice the number provided during the fall.

A corporate travel agreement is signed with Masco Corporation on June 24, allowing the Detroit-based concern and its affiliated companies to lock in their annual travel costs.

On August 25, the company announces that it will soon launch "ProAir Express" service, flying SAAB 2000s to nearby airports. Four-nights-a-week B-737-400 roundtrips are introduced on December 23 between Detroit (DET) and Seattle.

Passenger boardings increase 52.6% to 415,000.

The workforce stands at 440 at the beginning of 2000. In January, a \$7-million loan is received from Daimler Chrysler and General Motors. Early in February, the United Auto Workers (UAW) invests \$14 million in the company in return for discounted airfares for its members.

In order to accommodate the spring schedule, service to Philadelphia is temporarily suspended on March 26. The next day, a new daily roundtrip is inaugurated from Indianapolis to Orlando and one additional flight is added from Detroit (DET) to New York (LGA) and Orlando. Connections to Seattle are now offered at Atlanta, Orlando, and Indianapolis.

On May 11, it is announced that the carrier will soon be discontinuing its services from Detroit (DET) to Indianapolis, Philadelphia, Newark, and Seattle. The cuts amount to almost half the schedule. Struggling with its finances, the company stops flying from Detroit to Indianapolis and Seattle (site of its home office) on May 20.

By May 22, the carrier has stopped flying to Philadelphia and Newark. The same day, Blue Cross-Blue Shield drops its health insurance coverage of ProAir employees for premium nonpayment and **Delta Air Lines** sues the company for nonpayment of aircraft repair invoices.

The carrier undergoes a focused inspection on June 12–23 by the FAA's Seattle Safety District Office; ProAir will later charge that the FSDO failed to communicate with it following the review and refused to respond to inquiries concerning its findings.

ProAir returns its two B-737-300s on July 11 and its executives meet with FAA officials in Washington, D.C. on August 2, where they learn the negative results of the June inspection. No earlier concerns are discussed.

While backing out after pushing back from the terminal at New York (LGA) on September 15, the ProAir Boeing 737-43Q impacts a parked

Midwest Express Airlines MD-80. The tails of both aircraft are damaged, forcing both companies to cancel flights.

FAA Administrator Jane F. Garvey issues an emergency order at midnight on September 18 ordering the company to halt all flights and revokes its Part 121 operating certificate. The order cites continuing maintenance, oversight, quality control, and record-keeping problems resulting in widespread failures to comply with applicable federal aviation regulations and serious aircraft safety concerns (including the alleged falsification of records by Maintenance Director Oscar Arriaga). ProAir believes the regulator's action is based on erroneous and outdated information from the June FAA focused review and that the grounding will be reversed upon appeal. Nevertheless, it is announced that, until the FAA issue is resolved, current ProAir ticket holders will be able to receive refunds or will have their tokens honored, on a standby basis, by **Northwest Airlines** or **Spirit Airlines**.

To preserve its existing resources (now just \$440,000 in cash) and aircraft, President Belmondo takes the company into Chapter XI bankruptcy the next day, hoping to give it a chance to reorganize and resume operations. **Northwest Airlines** withdraws its offer to honor the ProAir tickets, but **Spirit Airlines** agrees to continue its support through September 30 for ProAir passengers holding confirmed tickets for flights between Detroit (DET) and New York (LGA) or Orlando.

The *Detroit Free Press* reports that, in addition to \$14 million from the UAW, the carrier also owes \$31.9 million to its top 20 creditors.

President Belmondo, on September 20, appeals the FAA ruling to the NTSB, under the law that allows him to do so within the first 48 hrs. after such an action. The NTSB is required to respond within 60 days.

On September 27, while the appeal goes forward, 275 of the carrier's 300 employees are laid off.

On September 28, William E. Fowler Jr., the NTSB administrative law judge, declines to hear the company's appeal, indicating its belief that the FAA ruling is correct. Lease payments are maintained on the remaining B-737-49R and B-737-43Q.

On November 13, the company agrees to an FAA proposal for a process that may see the carrier return to Michigan skies around January 21. Under terms of the document signed by ProAir Chairman/CEO Kevin C. Stamper and FAA Counsel George L. Thompson, the airline will drop its appeal of the revocation order. Meanwhile, the government will withdraw that order and agree to work with ProAir on a fast-track process to determine if it can fly again. Before it can do so, ProAir will first have to move its headquarters from Seattle to Detroit and prove to the FAA, as well as the DOT, that it can overcome both its financial and maintenance and safety problems.

Although the FAA will have seen sufficient progress to reissue an AOC on January 23, a spokesman for the DOT will indicate to *The Detroit News* on January 25 that none of the necessary documents of financial proof have, as yet, been filed with it.

PROFIT AIRLINES (PROFIT EXPRESS): United States (1980–1985). Profit Airlines is established by the freight forwarder Profit Freight Systems (also known as PBA-Profit by Air) at Atlanta in 1980 to provide scheduled jet all-cargo services between the U.S. and Puerto Rico. Revenue flights commence with a Convair CV-880M wet-leased from the short-lived **Central American Airways (CAA)**.

A second CAA Convair enters service in 1981; however, it is soon determined that cargo containers are not interchangeable between the two narrow-bodies and other aircraft and so the CAA flights are discontinued. In 1982, the carrier contracts to employ wet-leased **Arrow Air** Douglas DC-8Fs. These aircraft maintain company services until operations are suspended in 1985.

PROMAIR AUSTRALIA (PTY.), LTD.: Australia (1977–1995). Promair is established in 1977 at a private airfield at Pt. Welshpool, near Wilson's Promontory near Melbourne, to fly charters out to the Bass Strait destination of Flinders Island. The main link between the Island

and Victoria, the company transports milk, fruits and vegetables outward and returns with lobsters.

Brian and Michael Tucker take charge of the company in 1986 and begin to fly scheduled services to Flinders Island and Launceston, Tasmania, with four Piper PA-31-310 Navajos painted in a livery of orange, brown, yellow, and white. During 1987–1989, regularly scheduled flights are also begun to Melbourne.

During 1990, a contract is awarded to the company to fly to Tasmania all of the items required by Revco automotive parts outlets. At the same time, a joint sea-air operation is begun with the service operated by the *Bass Strait Seacat*; passengers reaching Tasmania by the catamaran are returned to Victoria by air.

Late in the year and into 1991, service is introduced Geelong–Grovedale, with thrice-weekly flights to Launceston and to Bairnsdale and Sale, connecting through the Latrobe Valley to Launceston.

In October 1993, the company base is shifted to Georgetown. Managing Director Brian Tucker undertakes to continue revenue services with a fleet of 3 Navajos. Financial problems are encountered in 1994, causing the carrier to shut down in early 1995.

PROMECH: 1515 Tongass Avenue, Ketchikan, Alaska 99901, United States; Phone (907) 225-3845; Fax (907) 247-3875; <http://www.promechair.com>; Code Z3; Year Founded 1993. Promech is established by Kevin Hack at Ketchikan, Alaska, in 1993 to offer scheduled, charter, and contract service flights, including mail and cargo, to surrounding and bush communities. The all-float-equipped fleet includes 3 Cessna 185s, 3 de Havilland Canada DHC-2 Beavers, and 1 each DHC-3 Otter and DHC-6-300 Twin Otter. Orders are outstanding for another floatplane Twin Otter.

A total of 2,791 scheduled passengers are flown on the year.

Airline employment stands at 15 in 1994 and customer bookings triple to 8,312. Enplanements skyrocket an almost unbelievable 386% in 1995 to 40,370.

There are no changes in the workforce during 1996 as passenger boardings plunge to 11,171. In 1997, President Hack's fleet includes 5 Beavers, 3 Twin Otters, and 2 Cessna 185s.

Customer bookings increase 55.6% to 17,377.

Successful service is maintained in 1998 as passenger boardings rise 5.6% to 18,000.

Customer bookings for 1999 rise 13% to 21,000.

PROMPT AIR: 5300 West 63rd Street, Chicago, Illinois 60638, United States; Phone (773) 581-9010; Fax (773) 581-9197; Year Founded 1993. Alan R. Kaufman sets up Prompt Air in 1993 to provide all-cargo services throughout the Chicago area, plus markets in Illinois, Indiana, and Wisconsin. Revenue operations commence with a fleet of 9 Cessna 210s and 5 Piper Aztecs. Each year, the company will be plagued with accidents.

Just after takeoff from Indianapolis on December 20, 1995, a Cessna 210 suffers loss of engine power; the aircraft is able to execute a safe emergency landing back at its point of origin and its pilot is not injured.

While on final approach to Springfield, Missouri, on a service from Cahokia, Illinois, on November 15, 1996, a Cessna 210 collides with terrain one mi. from the runway; the pilot is killed and the aircraft is destroyed.

Just after takeoff from Milwaukee on an all-cargo service to Louisville, on February 20, 1997, another Cessna 210 with two crew crashes; there are no survivors.

Flights continue without incident in 1998–2000.

PROPAIR, INC.: Box 220, RR #1, Rouyn Airport, Rouyn-Noranda, Quebec J9X 5B7, Canada; Phone (819) 762-0811; Fax (819) 762-1852; Code P6; Year Founded 1987. Following its June 1987 sale to Nordic Helicopters, Ltd., the former **Quebecair Inter, Ltd.** is reformed and renamed. Over the next decade, the company operates domestic and

international passenger and cargo charters, aircraft maintenance, and air ambulance services without fanfare.

A Swearingen Metro II with 2 crew and 11 passengers lands nose-gear-first at Puvimutuq on October 23, 1996, causing the turboprop to veer left off the runway and stop 200 ft. beyond the runway on a gravel airstrip; although the aircraft is badly damaged, there are no fatalities.

In 1997, President/General Manager Jean Pronovost oversees a 90-person workforce. The fleet includes 1 Beech King Air 90, 4 King Air 100s, 1 Super King Air 200, 1 Cessna 185, 1 C-310, 6 de Havilland Canada DHC-2 Beavers, 3 DHC-3 Otters, and 1 Fairchild SA-226 Metroliner. Revenues total C\$5.5 million.

Just after takeoff from Montreal (YUL) on June 18, 1998 for a flight to Peterborough, Ontario, the pilot of the Metroliner, with 10 other passengers (largely comprising an engineering team from General Electric Canada) and operating as Flight 420, reports fire in his left No. 1 engine. ATC instructs the aircraft to land at Mirabel Airport. Upon touching down, the plane explodes and its left wing and engine separate from the fuselage. The burning aircraft flips over, lands upside down, and cartwheels 2,000 ft., coming to rest 65 meters off the runway. There are no survivors from the worst crash in Canada since the May 1989 **Air Ontario, Inc.** disaster at Dryden, Ontario.

The company continues to offer both scheduled and charter services, without incident, during the remainder of the decade.

After several months of study, executives from **Air Alma, Ltd.**, **PropAir**, and **Air Satellite, Inc.** approach Quebec Finance Minister Bernard Landry on October 25, 2000 and request \$84 million to help them merge into a larger regional. If the arrangement can be concluded, the new airline, to be named **Air Quebec, Inc.**, will form a credible alternative to **Air Nova**, which enjoys the majority of local market share.

PROPAIR, LTD.: Canada (1981–1986). **Air La Sarra, Ltd.** and the subsidiary **Air Fecteau, Ltd.** are combined by **Quebecair, Ltd.** in 1981 to form the larger subsidiary, **Propair, Ltd.**, basing it at Rouyn. The fleet is comprised of the merger partner's aircraft, including 13 de Havilland Canada DHC-2 Beavers, 13 DHC-3 Otters, 2 DHC-4 Caribou, and several Cessna 207s. A contract is reached with the parent for the operation of commuter services over **Quebecair, Ltd.**'s low-density routes, such as **Quebecair Inter, Ltd.**

In December 1985, **Quebec Aviation, Ltd.** is purchased and merged. The two Caribou are now sold and beginning in early 1986, the company links its base to new destinations, including Montreal, Chibougamau, Bagotville, Ottawa, Nordanda, Val d'Or, Sherbrook, and Quebec City. An inherited route from Quebec City to Murray Bay is subcontracted to **Les Ailes de Charlevoix, Ltd.**

Operations continue with little change until June 1987 when the carrier is sold to Nordic Helicopters, Ltd. and is reborn as **Propair, Inc.**

PROPHETER AVIATION: United States (1986–1990). Robert Prophet establishes this small regional as the scheduled airline division of his Sterling, Illinois-based FBO. Employing a Piper PA-31-310 Navajo and a Cessna 402, the company inaugurates scheduled daily roundtrips in October 1986, linking the commuter's base with La Salle, Peru, and Chicago.

Unable to withstand recession, the company goes out of business on April 27, 1990.

PROSPAIR AIRCHARTER, LTD.: United Kingdom (1994–1996). Prospair is established at Birmingham Airport in 1994 to offer all-cargo regional services. Managing Director Michael G. Dowding begins revenue flights with a pair of Piper PA-31-310 Navajos that continue for two years.

PROTEA AIRWAYS (PTY.), LTD.: South Africa (1959–1980). Protea is established by Louis Malan, Peter Wilheli, and Willem Jordan at Rand Airport at Germiston, near Johannesburg, in July 1959 to operate air taxi and charter services throughout the country.

Initial services are provided with light aircraft and by the late 1960s the fleet includes 2 Piper PA-23 Apaches and 1 each Cessna 205, C-210, C-320, C-441, PA-31-310 Navajo, and Aero Commander 500B.

During the fourth quarter of 1970, Protea acquires **National Airways (Pty.), Ltd.**, then under the chairmanship of Richard Dunn. Destinations now regularly visited include Port Elizabeth, East London, Cape Town, Durban, Grahamstown, Port Alfred, and Virginia.

During the 1970s, Chairman/Managing Director J. T. Morrison acquires a single Vickers Viscount 700. Rising expenses led by fuel costs, force the company out of business in 1980.

PROTEUS AIR SYSTEM, S.A.: France (1990–2001). This commuter is set up at Vougeot in 1990 as the outgrowth of an air taxi operation started four years earlier by Bernard Stouff and Franklin Devaux. Stouff is appointed general manager and he assembles a fleet comprising 2 Beech King Air 90s and 1 Super King Air 200. Scheduled services are initiated to Dijon, Lille, and Nice. A Beech 1900C-1 is delivered to its French launch customer in December. The newly acquired Beechcraft is employed to inaugurate flights to London (STN) in the spring of 1991.

Three additional King Air 90s join the fleet in 1992. Operations continue in 1993 and in 1994 the company operates 1 each Beech King Air 90, Beech Super King Air 200, and Beech 1900C-1. The small regional operates a total of three routes, including frequencies from Dijon to Lille and Lille to the U.K.

Enplanements total 15,000.

The company becomes a unit of the **Air France** express regional network in 1995. The company takes over **Air Transport Pyrenees, S.A.** and its routes from Pau to Nantes, Saint-Etienne to Toulouse, and Castres to Rodez and Lyon. Orders are placed for a pair of Fairchild Dornier 328-100s and a Beech 1900D is delivered at year's end.

The new turboprops are delivered during the first quarter of 1996 and enter service in April on behalf of Europair, an **Air France/Air Inter** regional project. One Dornier is based at Marseilles–Provence Airport and flies to Bordeaux, Frankfurt, and Milan; the other, operating from Lyon's Satolas Airport, visits Frankfurt, Zurich, and Munich. Daily roundtrip Lorient to Lyon service begins in November. Intense competition from the high-speed TGV and Eurostar trains, forces the company to suspend its Dijon to Lille and Lille to London (STN) services.

Passenger bookings significantly advance, climbing to 24,000. A FFr 180 million turnover is generated.

The carrier's second Beech 1900D is delivered in February 1997. When during the first quarter, **TAT European Airlines, S.A.** withdraws from its daily Paris (ORY) to Chambéry route, Proteus takes it over in March. A third Dornier 328-100 arrives and in April, frequency on the former TAT route becomes twice daily. A code-sharing agreement is signed with **Regional Airlines, S.A.** in mid-month and on April 30 the company begins dual-designator flights from Rouen and Clermont.

During the Paris Air Show in June, the company replaces its options for 328-100s with a \$70-million request for six Fairchild Dornier 328JET regional jetliners, for which it becomes European launch customer. In mid-month, the carrier establishes a hub at Bouthéon Airport at Saint-Etienne and launches twice-daily Beech 1900 services to Lille, Bordeaux, Nantes, Reims, Annecy, Avignon, and Chambéry.

Early success in the new June markets leads Proteus in early July to begin flying from Dijon to Saint Etienne and Nice. At the same time, a Dornier 328-110 is leased for three months and is employed to inaugurate another former **TAT European Airlines, S.A.** route, from Paris (ORY) to Castres.

On July 31, the company agrees to become the third "Air France Express" franchise partner. In exchange for subsidy and other assistance, the company's aircraft will be painted in modified **Air France** livery and will undertake to fly certain medium- and low-density routes on behalf of Air France Groupe.

The initial dual designator Dornier 328-100 flights commence on September 1, thrice daily between Paris (ORY) and Chambéry, Savoie. Also in September, the company's seventh Beech 1900C and fourth

Dornier 328-100 are delivered. Fitted with pods, several Beech 1900Cs are employed during the month to launch a new evening air express service.

Enplanements for the year total 140,000 and operating income of FFr 220 million is generated.

The fleet at the beginning of 1998 includes 9 Beech 1900C/Ds and 5 Dornier 328-100s. Orders are outstanding for 6 Dornier 328JETs, 3 328-100s, and 10 Beech 1900Ds.

While on approach to Lann–Bihoué Airport at Lorient after a July 30 service from Lyons, a Beech 1900D, piloted by Capt. Jean-Christophe Barbe, is given ATC permission to descend for a better view of the 980-ft-long SS *Norway*, formerly the *France*, anchored near Lorient harbor. At an altitude of 2,000 ft., the airliner, with 13 other crew and passengers, collides with a Cessna 177 Cardinal piloted by retired **Air Inter, S.A.** A300 pilot Capt. Francis Gilibert. All aboard both aircraft are killed and the airframes sink to a depth of 50 feet.

During the fall, a French-language homepage is posted on the World Wide Web.

The fleet in 1999 includes 7 Dornier 328-100s, 4 Beech 1900Cs, and 10 Beech 1900Ds. Scheduled destinations visited include Annecy, Avignon, Bordeaux, Castres, Dijon, Lille, Lorient, Lyon, Nantes, Nice, Pau, Perpignan, Reims, Rodez, St. Etienne, Strasbourg, Toulon, and Toulouse.

Airline equity is increased from FFr 36 million to FFr 44 million during June, while a \$350-million order is placed for 18 Embraer ERJ-145s and 5 options. On July 9, Managing Director Mark Dugain announces that capitalization will be increased to FFr 135 million by the end of September.

In October, **Flandre Air, S.A.** is acquired. At the end of November, it is announced that **Air France** will merge Flandre, Proteus, and **Regional Airlines, S.A.** on April 1, 2001 into a unified large regional airline. **Region, S.A.** will operate 80 aircraft to approximately 400 domestic and European destinations and may earn as much as \$325 million in annual revenues.

PROVIDENCE AIRLINE CORPORATION: United States (1971–1983). James Dole creates this air taxi at North Kingstown, Rhode Island, in 1971 to undertake charter and contract Beech 18 service flights to Providence and other New England destinations. In mid-1980, the company obtains certification from the CAB to offer scheduled all-freight services, including overnight flights on behalf of air freight forwarders and express package firms. These operations begin with a Convair CV-240.

Flights continue apace during 1981, during which year the carrier obtains another Convairliner, plus five more Beech 18s. These are also employed in 1982 to operate 12.11 million FTKs. Unable to weather the recession, the aircraft and freight operation are sold to **Combs Freightair** in July 1983.

PROVINCETOWN-BOSTON AIRLINE (PBA): United States (1946–1988). One of the nation's oldest regionals at the time of its demise, PBA is founded as an FBO by John Van Arsdale Sr. at Marston Mills, Massachusetts, in February 1946. Employing a Cessna T-50A Bobcat, Van Arsdale begins several years of charter and air taxi flights under the original label of Cape Cod Flying Service. Van Arsdale acquires a Piper dealership and on October 1, 1948, moves his charter and sales operation to the newly built airfield at Provincetown.

The popularity of the company's charter service grows immensely during the next year. On November 30, 1949, President Van Arsdale creates Provincetown-Boston Airline as the airline operating subsidiary of CCFS, electing that title as he later recalls, "so I wouldn't have to tell people where I flew." Twice-daily T-50A shuttles are now regularly flown.

PBA's fleet is slowly enlarged but, throughout the 1950s the company's emphasis on seasonal resort trade continues; upwards of 70% of a year's traffic is accommodated between July 4 and Labor Day. Still,

this demand is sufficient to warrant introduction of additional capacity, first with a refurbished Lockheed Model 10A Electra.

During three fall congressional campaigns of this decade, the Democratic Party charters owner Van Arsdale's aircraft to fly a young John F. Kennedy around Cape Cod; JFK wins every contest.

The company is officially incorporated on February 13, 1953. While on final approach to Provincetown on July 8, a Stinson Voyager crashes into the sea 2 mi. offshore (two dead). In 1954–1956, the fleet is increased by the purchase of four Lockheed Model 10A Electras.

In the winter of 1957, Van Arsdale travels around Florida seeking carriers with similar seasonal problems with whom he might ally. J. L. "Joe" Brown's **Naples Airlines**, based at the Gulf Coast namesake, is the solution, and for three years, beginning on December 15, the two small companies lease planes and trade personnel among themselves.

In the manner of **Aeromarine Airlines** 40 years before, Brown, his planes and pilots, first migrate to Massachusetts to serve with PBA in the summer of 1958. Van Arsdale and Brown are able to launch a return afternoon shuttle service between Boston and Provincetown on Friday afternoons, in addition to the four-times-per-weekday roundtrips.

When the city of Naples refuses to renew the **Naples Airlines** airport lease, that transport company sells out to its Yankee associate in late 1959.

PBA becomes a dual-market airline on January 1, 1960, when it begins to operate its new acquisition as a subsidiary southern division. Cities in the Florida market include Ocean Reef, Naples, Miami, Marathon, Fort Myers, Sarasota, Jacksonville, and West Palm Beach. On December 15, 1961, the Naples–Miami route becomes a year-round service. The following year, the company begins construction of a new terminal building at Naples.

PBA will fly its resort-oriented routes apace for 15 years, adding a few aircraft (including Beech 18s) here and there and remaining profitable. New markets entered in Florida include Tampa, Punta Gorda, and Marco Island. On August 27, 1967, a Beech 18 with 14 aboard ditches off Humarock Beach, New York; the passengers and crew are all rescued.

Two Douglas C-53 Dakotas (military aircraft converted to DC-3 civil standard) are purchased in February 1968 to replace the Electras. With Vice President John E. Zate as pilot and President Van Arsdale as flight attendant, PBA inaugurates Naples to Miami revenue flights on March 22. During the winter season, a Naples to Tampa service is introduced. A third DC-3 is added in March 1970 and thereafter, one more Douglas transport is purchased, on average, every year until the fleet reaches a total of 12.

First delivered to **Eastern Air Lines** in October 1937, a DC-3 is purchased from that major on January 14, 1974; reregistered as N136PB, it will become the most-flown example of its type. By 1975, enplanements are 128,000.

Airline employment is increased by 20% in 1976 to an even 100 workers. James A. Vach is named vice president-operations.

In January, the company receives the 1975 "Regional Airline of the Year" award from *Air Transport World* magazine. Four former **Piedmont Airlines** Martin 4-0-4s are added to a fleet that now also includes 9 DC-3s, 1 Cessna 402, and 4 Piper PA-23s. Passenger boardings accelerate 20% to 160,000 while freight is up by an equal 20% to 15,000 FTKs.

The fleet is increased in 1977 by the addition of two more Martin 4-0-4s and two Cessna 402s. At the beginning of the winter season, a new service is introduced between Punta Gorda and Tampa. Enplanements during the 12 months total 193,065.

Bookings rise 25% to 241,049 in 1978 and 27% to 306,873 in 1979. Major expansion is avoided until two years after passage of the Airline Deregulation Act.

The employee population grows by 24% in 1980 to 217 and the company is reorganized on January 1; Chairman/CEO John Van Arsdale retires and is succeeded by his sons, led by President Peter H. The fleet now comprises 6 Martin 404s and 11 DC-3s. The 12th and last DC-3 is

purchased on March 12; all of the company's Douglas transports, which comprise the largest fleet held by any carrier in the world, were once operated by **Trans Texas Airways**.

Several months later, the corporation redeems its founder's stock at \$22 per share (\$660,000). In February, PBA inaugurates service to Key West and Marathon, Florida, and receives a subsidized EAS route connecting New Bedford and Nantucket with New York City.

After 20 years of operating **Naples Airlines** as a subsidiary, the carrier folds its southern division into itself and operates as PBA in both northern and southern markets. Four Embraer EMB-110s are now purchased, including the world's first SPAR-41 Bandeirante.

Passenger boardings increase 2.5% to 314,619.

When **Air New England** collapses in 1981, Provincetown-Boston steps in to pick up many of its routes and expands operations to the Massachusetts cities of Nantucket, New Bedford, and Martha's Vineyard, plus New York (LGA), as well as Sarasota and Fort Myers in Florida.

John C. Van Arsdale now reveals the secret to his success in a magazine article "Innovative, Flexible Management Key to Commuter Success in the '80s," *Commuter Air* 3 (April 1981): 20–28.

On August 27, the carrier's DC-3 N136P sets a record of 84,876 hours flown, surpassing the mark previously held by N21728, a Douglas owned by **North Central Airlines**.

Partially as a consequence, the number of travelers enplaned on the company's 6 Martin 4-0-4s, 6 EMB-110s, 12 Douglas DC-3s, and 20 Cessna 402s jumps 52.5% to 479,802. To help handle the new load, airline employment is boosted 94.9% to 423. Officials report a revenue increase of 58.6% (\$18.7 million) to the CAB.

Additional summer service is initiated in Massachusetts during 1982, including hourly shuttles that connect New Bedford and Hyannis with Nantucket and Martha's Vineyard. Three more major Florida routes are opened: Fort Myers to Tampa, Tampa to Tallahassee, and Miami to Ocean Reef. The DC-3 N136PB has now logged 85,544 flight hours.

Now classified under the CAB's classification scheme as a "large regional," and the fourth largest at that, PBA adds three NAMC YS-11As to its fleet.

Passenger bookings soar 51.7% to 727,716. Freight traffic skyrockets 695.6% to 771,862 pounds. Profits are \$4.74 million (operating) and \$2.12 million (net).

Employment jumps 40.6% in 1983 to 763. In January, the carrier receives the 1982 "Market Development Award" from *Air Transport World* magazine.

On September 19, a public stock offering is made that nets \$16 million. The year's most unique event is the October 8 marriage, aboard a static DC-3, of Mrs. and Mrs. Kenneth Hodges. Following the festive ceremonies, reported in a letter in the September–October 1999 issue of *Airliners*, the newlyweds and part of their party receive a champagne flight aboard the Douglas around Cape Cod.

The number of customers transported in these 12 months climbs 28% to 931,751 and cargo rises an equal percentage, 28.8%, to 994,000 pounds. The company now ranks second among all large regionals in terms of boardings. Meanwhile, revenues are also up 28% (to \$41.4 million), leaving a record \$2.3-million net profit atop slightly decreased operating gain of \$3.89 million.

The workforce is increased again in 1984, a large 70.4% to 1,300, some of it coming in January, when PBA acquires the assets of bankrupt **Dolphin Airways** and, shortly thereafter, inaugurates operations between New Orleans and Jacksonville and Pensacola. Later when two other Florida commuters fail, PBA picks up their authority between Melbourne and Daytona Beach.

Provincetown-Boston Airline's spectacular five-year rise now turns into a disastrous fall, and this for a company which, at the beginning of the year, has finally become the nation's largest regional. The first nine months; however, feature another spectacular rise. By Labor Day, 1.1 million passengers have been carried and a net profit of \$3.4 million banked.

A Cessna 402C loses power and crashes on September 7 while trying to return to the airport at Naples, Florida; six aboard are injured, one of whom later dies. It is later learned that the aircraft had been filled with jet-a-fuel rather than avgas.

This follows a nonfatal C-402 accident earlier in the summer. During October, a 10th nonstop YS-11A frequency is added from Jacksonville to Miami. The Florida operation is further enhanced in October through the purchase of **Marco Island Airways**. The purchase adds another five Martin 4-0-4s to the fleet.

On November 10, the FAA lifts the carrier's operating certificates for safety violations found as the result of a four-month investigation. The airline is thus grounded, but quickly files an appeal. At this same time, John Van Arsdale Jr. forces a company pilot to captain a YS-11 charter from Jacksonville to Naples, with himself as first officer. As neither man is qualified to hold those seats, the FAA pulls Van Arsdale's pilot's license.

Within two weeks, on November 25, the government allows the resumption of flights with its smaller aircraft under FAR Part 135 regulations. These under-30-seat aircraft are primarily Cessna 402s, which account for 20% of company capacity.

Just after departure from Jacksonville for a December 6 service to Tampa, the horizontal stabilizer separates from bulkhead No. 36 of Flight 1039, an EMB-110P1 with 2 crew and 11 passengers; the aircraft crashes 7,800 ft. beyond the end of the runway and there are no survivors. The accident causes further adverse public opinion of the airline and, within two days, load factors are cut in half.

The flight crew of a DC-3 fails to remove the lock from the elevator controls of their transport before takeoff on December 27; the oversight results in an emergency landing at Fort Myers 15 minutes later.

Perhaps the only bright spot by year's end is the recording of a noteworthy traffic increase of 52.9% (mostly before November); the million mark in annual boardings (1,331,491) is passed for the first time. Net profit of \$2 million is generated.

Airline employment is now 1,400. As 1985 dawns, PBA's ranking among large regionals is slipping fast and a severe cash flow problem is mounting, stemming largely from the shutdown when massive expenses were incurred against virtually no income. Peter Van Arsdale mortgages his house at the first of the year just to meet payroll. Meanwhile, throughout January, federal authorities investigate charges of drug use by PBA pilots; nothing is found.

On February 1, ownership control of the carrier passes from the Van Arsdale family to Tampa Bay Buccaneers owner Hugh F. Culverhouse Sr., who elevates former **Eastern Air Lines** executive and PBA board member C. Bill Gregg to CEO and board chairman. Culverhouse keeps Peter Van Arsdale on as president and asks John Van Arsdale Sr. to serve as "cheerleader without compensation." The world-renowned lawyer also guarantees \$1.1 million in bank loans, which significantly assist the carrier's cash flow position. On February 15, layoffs for 150 more employees are announced, leaving the workforce at 586. The number of flights is cut by 17% and Florida service is suspended at Daytona Beach, Fort Lauderdale, Gainesville, Melbourne, Orlando, Panama City, and Pensacola. The New Orleans market is also closed and services to the Bahamian destinations of Freeport, Marsh Harbour, North Eleuthera, Rock Sound, and Treasure Cay are also halted.

The reduced level of operations and income results in a Chapter XI bankruptcy filing on March 13, as service to a number of additional cities in the southern division is cut. The world's largest operator of Martin 4-0-4s reduces its fleet size to the 1983 level and institutes new controls on operational and financial affairs. Two YS-11As are sold for \$2.5 million and the remaining 7, plus 10 Martin 4-0-4s, are offered for sale.

After months of monitoring, the FAA reinstates the company's FAR 121 certificate on May 17, permitting flights with the larger (over 30 seats) airliners, primarily YS-11As, the Martins, and DC-3s, which have been grounded since the previous November. The government's move is, indeed, welcome as it allows the Nihon YS-11As to board 1,813 pas-

sengers at Nantucket on Memorial Day, bettering a one-day 1,598-person record set in 1984 before the FAA action.

On June 1, PBA's DC-3 N136PB *Old 36* records its 87,687th operational hour, making it commercial aviation's highest total-time aircraft ever. During the year, it will be filmed for inclusion in the Public Broadcasting System tribute to *The Plane That Changed the World*. With PBA still shaky despite his cash and loan guarantees, Culverhouse pulls out his support, returning the carrier to Van Arsdale control. An attempt is made to sell off the six YS-11As, but no buyers come forward and the surplus capacity is parked. Late in the year, **PEOPLExpress** files a reorganization and takeover plan with the U.S. Bankruptcy Court in Tampa.

Passenger boardings plunge 41.1% to 784,054.

The 680-employee carrier is so strapped that it nearly closes its doors in January 1986 before it receives a rejuvenating \$700,000 cash infusion from **PEOPLExpress** as the first step in its takeover. Once the PEOPLExpress arrangement is completed, PBA, as a subsidiary of the national, readies its YS-11As for a return to Part 121 operations.

Services resume in April with the company's first new routes in two years: PEOPLExpress feeder services from Newark to Philadelphia and Newark to Allentown. Four of the Japanese-made turboprops are transferred to New England to support the "Northern System," while two remain a part of the "Southern System" in Florida. In the spring, schedules are coordinated to maximize intrastate and feeder services.

Customer bookings rebound, rising 16.3% to 911,935.

PBA becomes a part of the Texas Air Corporation (TAC) empire on February 1, 1987 when **PEOPLExpress** is integrated into **Continental Airlines**. Management responsibility for the new acquisition is assigned by TAC to the "Eastern Express" carrier **Bar Harbor Airlines**. Bar Harbor officials, led by President Allyn J. Caruso, change the route network during the spring; the Florida division is shut down and flights to Cape Cod and the Massachusetts islands are either limited or assumed by Bar Harbor.

With its fleet of 10 DC-3s, 30 Cessna 402s, 7 Bandeirantes, and 6 YS-11As, the 630-employee PBA is made the "Continental Express" carrier feeding Boston and Newark. As a result of the makeover of the route structure, passenger boardings decline by 27.3% to 662,982.

Even though its operations were merged last year, PBA is legally merged into **Bar Harbor Airlines** in 1988. The company continues to serve 13 "Continental Express" markets in the Northeast and two in Florida. In the fall, parent **Bar Harbor Airlines** cancels the PBA service to the Massachusetts coastal islands. Unable to continue, the pioneer commuter parks its fleet and shuts its doors.

Upon the company's demise, its most famous aircraft, N136P, is sold to aviation enthusiasts Bob Irvine and Neil Rose, who transfer it to their hometown of Vancouver, Washington, and repaint it in **Eastern Air Lines** colors. Work to restore the aircraft to flying condition will continue into 2001.

There is an unofficial Web site for Provincetown-Boston Airline at <http://www.AIR-online.com/PBA>.

PROVINCIAL AIRLINES, LTD.: P.O. Box 29030, Hangar 4, St. John's International Airport, St. John's, Newfoundland A1A 5B5, Canada; Phone (709) 576-1800; Fax (709) 576-1802; <http://www.provair.com>; Code PB; Year Founded 1972. Provincial Airlines is established at St. John's, Newfoundland, in 1972, initially as an FBO, flight training, and air taxi operation. A significant number of non-scheduled operations are undertaken throughout eastern Canada. In 1974, a scheduled airline division, **Atlantic Airways, Ltd.** is established; it flies third-level frequencies throughout Atlantic Canada. In 1987, the parent purchases Halifax-based **Eastern Flying Service, Ltd.**, which is merged with **Atlantic Airways, Ltd.** under the PA banner.

In 1988-1990, the company continues scheduled passenger and cargo services that link its base with Halifax, Moncton, Gander, and a host of smaller markets. A large fleet is dedicated to these regular flights, although many of the aircraft employed also perform charters. Flight

equipment now includes 3 Fairchild Metro IIIs, 4 Beech Super King Air 200s, 1 Pilatus Britten-Norman PBN-2 Islander, 3 Piper PA-31-310 Navajos, and 6 Piper PA-31-350 Navajo Chieftains.

In 1991, a five-year, C\$50-million contract is signed with the Canadian Department of Fisheries; under its provision, a pair of Beech Super King Air 200s, outfitted with Litton maritime surveillance radar, inaugurate fisheries patrols from a base at St. John's, Newfoundland. Both scheduled and charter operations continue apace in 1992.

President Thomas Collingwood oversees a workforce of 190 in 1993. The company's 4 Metroliners, 4 Super King Airs 200s, 8 Navajos/Navajo Chieftains, and 1 Islander operate from hubs at both Halifax and St. John's. Destinations now visited include those two cities plus Deer Lake, Saint Anthony, Sydney, Blanc Sablon, Moncton, Saint John, Charlottetown, and the French island of Saint-Pierre.

The fleet is expanded in 1994 by the addition of two Merlin IVs; gone are two Navajos and the Islander. A hub is established at Vancouver and scheduled services are inaugurated to destinations in British Columbia.

While attempting to land at Sydney, Nova Scotia, after a flight from Moncton, New Brunswick, on April 14, Flight 703, a Metroliner, having failed to properly line up, descends to just 200 ft. above sea level and nearly impacts the Lingan power generating plant 1 mi. E of the runway. The plane goes around and successfully lands.

While landing at Fox Harbour, Newfoundland, on June 27 after a flight from Mary's Harbour, a Navajo Chieftain with five passengers suffers brake failure and ground loops, descending a 75-ft. embankment. The flight crew and three passengers, all uninjured, evacuate the wrecked aircraft and walk to the airport terminal.

The number of King Air fisheries patrols off Newfoundland is increased late in the year as the government, which has closed its Atlantic fishing areas due to over-harvesting, battles Spanish trawlers in the area of the 200-mile boundary.

The fleet is increased in 1995 through the addition of two de Havilland Canada DHC-6-300 Twin Otters. The company is now reformed into a holding company and a new airline division, Interprovincial Airlines, Ltd., is created to continue the carrier's scheduled services. President Collingwood becomes chairman/CEO, with Gus Oilerhead as president/chief operating officer. A commercial agreement is also entered into with Air Nova, Ltd.

Provincial Aviation Maintenance Services, Inc. is established in 1996 with emphasis on the modification of commercial aircraft into maritime surveillance platforms. Meanwhile, the Provincial fleet now includes 1 Convair CV-580, 2 Twin Otters, 3 Metro IIs, 3 Metro IIIs, 1 Merlin IV, 1 Islander, and 7 Navajos. Four Super King Air 200s continue to provide maritime reconnaissance services.

Operations continue apace in 1997-1998. While en route from Goose Bay to Davis Inlet on March 19, 1999, a DHC-6 Twin Otter freighter, with two crew, crashes near its destination. The aircraft is quickly located and both men are taken to the hospital, where the first officer dies.

Employment at the beginning of 2000 totals 300. An executive jet charter division is established at St. John's International Airport on July 5. Premier Brian Tobin presides over special ceremonies that officially launch the new unit. A newly purchased Cessna Citation II is employed on-demand to transport business passengers to points within its 2,000-mi. range, including Ottawa, Montreal, Toronto, Winnipeg, London, Ontario, Boston, Washington, Chicago, and New York.

On October 12, twice-daily roundtrips are initiated from St John's to both Gander and Deer Lake. These frequencies represent a return to markets from which the carrier had withdrawn five years earlier.

PROVINCIAL AIRWAYS, LTD.: United Kingdom (1933-1935). Provincial Airways, Ltd. is formed on October 12, 1933 to take over the assets (including 2 Monospar ST.4s) of bankrupt **International Air Lines, Ltd.**; the new entrant has initial capitalization of £10,000. Offering a West Country Air Service, the company initiates Monospar flights from London-Plymouth via Southampton on November 25.

Employing new de Havilland Fox Moths, weekday service is started on March 19, 1934 from London (Croydon)-Plymouth via Southampton and Haldon. A DH 84 Dragon is employed beginning in May. In order to connect with the Plymouth service, a new daily Hull-Southampton route is opened by the company's three Dragons on March 4, 1935, via Hull, Grimsby (on request), Nottingham, and Leicester.

In July, the Southampton terminus is switched to the Croydon facility, allowing the start-up of daily London-Paris flights; simultaneously, service is initiated from Nottingham to Paris via Leicester and Le Touquet. The company ceases operations in September and is liquidated on December 10.

PROVINCIAL HELICOPTERS, LTD.: Box 579, Lac de Bonnet, Manitoba R0E 1A0, Canada; Phone (204) 345-8332; Fax (204) 345-8679; Year Founded 1993. Provincial Helicopters, Ltd. is established at Lac de Bonnet, Manitoba, in 1993 to provide on-demand passenger and cargo charters throughout the province. Operations Manager John Gibson begins and continues services with a pair of Bell 206B JetRangers. Seven years later in 1998, the fleet also includes an Enstrom F28F.

PSA. See PACIFIC SOUTHWEST AIRLINES (PSA)

PSA AIRLINES: 3400 Terminal Drive, Vandalia, Ohio 45377, United States; Phone (513) 454-1116; Fax (513) 454-5828; http://www.psaairlines.com; Code TF; Year Founded 1995. To keep alive the name of the USAir merger partner **Pacific Southwest Airlines (PSA)**, the "USAir Express" carrier **Jetstream International Airlines** is renamed PSA Airlines in November 1995.

Headquarters are maintained at Vandalia, Ohio, and Richard Pfennig continues as president.

The PSA fleet includes 20 Dornier 328-110s, 5 Jetstream 31s, and 9 Embraer EMB-120 Brasilias. On December 16, thrice-daily flights commence between Columbia, South Carolina, and Pittsburgh.

Enplanements for the year under both titles decrease 8% to 876,748 due largely to route realignments implemented during the year.

The employee population stands at 945 in 1996 and fleet is increased by the addition of 5 Dorniers, which replace the Brasilias. Five of the German turboprops, now jointly manufactured with Texas-based Fairchild, remain on order. The last Jetstream 31 service is flown on February 14.

Ground is broken on a 45,000-sq.-ft. hangar and maintenance facility. A 4 1/2-year accord is reached with the company's ALPA-represented pilots, a 5-year accord is achieved with the unionized flight attendants, and a 4-year accord is signed with the mechanics. Negotiations are begun with the Teamsters, who speak for the carrier's customer service and stores agents.

Traffic recovers and passenger boardings leap upward 12.3% to 984,939 on 56,946 scheduled departures.

Airline employment stands at 850 at the beginning of 1997 and the company serves 33 cities in 15 states and D.C. On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express."

During the remainder of the year, this regional repaints its aircraft in a modified version of the major's new grey and dark blue livery.

Dornier 328-110 nonstop "USAirways Express" service between Washington, D.C. (DCA) and Martha's Vineyard becomes daily on June 15. At the same time, a third daily "USAirways Express" flight is begun between the nation's capital and Portland, Maine, and Knoxville, Tennessee. The carrier now operates a total of 13 weekly services from Martha's Vineyard, 11 from Knoxville, and 25 from Portland.

Customer bookings ascend 19.2% to 1,174,525 on 61,297 scheduled departures.

The fleet in 1998 comprises 25 Dornier 328-110s.

On October 4, daily nonstop "USAirways Express" Dornier 328-110 roundtrips are inaugurated between Asheville, North Carolina, and Pittsburgh and between Knoxville and Philadelphia. A second daily nonstop

"USAirways Express" roundtrip is also launched between Birmingham, Alabama, and Pittsburgh and additional nonstops are also laid on to Washington, D.C. (DCA) and Charlotte.

Passenger boardings during the 12 months climb 8.5% to 1.27 million.

By the beginning of 1999, the workforce has been increased by 25.2% to 963.

A second daily nonstop "USAirways Express" roundtrip is added on February 3, between Knoxville and Philadelphia. Simultaneously, new twice-daily "USAirways Express" Dornier 328-110 roundtrips commence between Washington, D.C. (DCA) and Greenville and Spartanburg, South Carolina.

Passenger boardings for the year dip 5.6% to 1,203,000.

Airline employment stands at 1,039 at the beginning of 2000, a 7.9% increase over the previous 12 months. In May, the "USAirways Express" operation at Pittsburgh is expanded to include nine gates at the end of Concourse A.

During the fall, personnel are seconded to North Carolina to participate in the operation of the new **Potomac Air**.

It will be reported by *The Charlotte Observer* on March 3, 2001, that PSA, with its sister "USAirways Express" carriers **Allegheny Airlines (2)** and **Piedmont Airlines (2)** are, tentatively, to be sold to **Atlantic Coast Airlines** if and when government regulators approve the pending takeover of **USAirways** by **United Airlines**.

PSKOV AVIA: Germana Str 34, Pskov, North West Zone, 180005, Russia; Phone 7 (81122) 34653; Fax 7 (81122) 25224; Code PSW; Year Founded 1993. Founded in its namesake city in 1993, Pskov recruits a workforce of 600 under the leadership of General Director Anatoly Sulimov. Regional passenger and cargo services are begun with an all-Antonov fleet of 1 each An-2, An-24, and An-26.

Business continues in 1995–2000, during which years the number of Antonovs flown grows to 15 An-2s, 10 An-24s, and 5 An-26s.

PTARMIGAN AIRWAYS, LTD.: Canada (1961–1995). Founded at Yellowknife in the Northwest Territories in 1961, Ptarmigan begins flying charter and contract service flights to destinations in the Great Slave Lake area. When **Wardair Canada, Ltd.** drops its scheduled services from Yellowknife to Snowdrift, Fort Resolution, and Hay River in the middle 1970s, these are taken over.

The first of five de Havilland Canada DHC-6-200 Twin Otters is obtained in 1976 to operate the scheduled services. Painted bright yellow with black titles, the turboprops supplement the earlier fleet of Piper PA-23 Aztecs and DHC-2 Beavers.

By 1986, President Clement F. Bekar's fleet has been upgraded to include not only the Twin Otters, but also 1 Piper PA-31-350 Navajo Chieftain, 1 PA-31-310 Navajo, and 2 Turbo Beavers. Destinations served include Fort Resolution, Hay River, Lac La Matre, Pine Point, Rae Lakes, Snowdrift, and Yellowknife.

One Twin Otter is withdrawn in 1987 as General Manager Cam Jordheim acquires a Cessna T-1040 and a Piper PA-31T Cheyenne. A Cessna Citation 550 executive jetliner is acquired in 1989.

George Simon becomes vice president operations in 1990.

A DHC-6-300 freighter with two crew fails its takeoff from Thistle Lake on June 6, banks right and smashes into a parked Bell 206B JetRanger helicopter; both flyers aboard the turboprop are killed and both aircraft are destroyed.

The T-1040 is withdrawn during 1991 in favor of a Grumman Gulfstream I. Two Beech Super King Air 200s join the fleet in 1992 and by 1993–1996, President Bekar oversees a workforce of 45.

Early in 1997, the Yellowknife-based carrier is sold to First Air, Ltd.

PUBLI-AIR, S.A.: Belgium (1980–1987). Based at Grimbergen Airfield, near Brussels, this charter and executive carrier has an initial fleet comprising 1 each Swearingen Metro, Beech 99, and Bell 206B JetRanger. Nonscheduled services continue for five years until 1986

when General Manager Georges Bertrand's company elects to open scheduled frequencies. These are inaugurated to Liege, London, and Ostend. Unable to generate sufficient traffic to cover expenses, the operation is closed down in 1987.

PUEBLAS AEROLINEAS, S.A. de C.V.: Mexico (1994–1996). Pueblas Aerolineas is established in 1994 as a feeder subsidiary of the nation's third largest airline, **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)**. Two Boeing 737-3Y0s are transferred from the parent and are employed to inaugurate scheduled flights from Puebla. Flights cease in 1996.

PUERTO RICO INTERNATIONAL AIRLINES. See **PRINAIR (PUERTO RICO INTERNATIONAL AIRLINES)**

PUGET SOUND AIRLINES: United States (1967–1970). In an effort reminiscent of **B.C. Airlines, Ltd.** to the north, the owners of a number of small charter and scheduled airlines in the Puget Sound area of Washington State agree during the spring and summer of 1967 to combine their companies into a single large regional airline. On August 28, **Island Sky Ferries**, **Angeles Flying Service**, **Skyline Air Service**, **Bellingham-Seattle Airways**, and **Whidbey Flying Service** are merged.

Wes Lupien, who had founded **Whidbey Flying Service** in 1964, becomes president/CEO and the new airline's headquarters are set up at his old Oak Harbor base. The contract with **Island Mail, Inc.** remains in force.

Employing the Beech 18s, Cessnas, and Piper lightplanes of the merger partners, PSA offers passenger and cargo commuter flights over the inherited and now combined route network. Services continue until the carrier goes out of business on October 1, 1970. Lupien will join with Jerry Patterson the following year to form **Oak Harbor Airlines**.

PULKOVO AIRLINES (AVIATION ENTERPRISE PULKOVO): 18/4 Pidotov Str., St. Petersburg, 196210, Russia; Phone 7 (812) 104-3302; Fax 7 (812) 104-3702; <http://www.pulkovo.ru>; Code Z8; Year Founded 1932. Originally organized as the operating arm of the Leningrad air transport department on June 24, 1932, this government airline provides executive flights for officials over the next 60 years.

After the collapse of the Soviet Union, AEP is reformed in 1992–1993 into the international, regional, and domestic charter and scheduled carrier Enterprise Pulkovo. It becomes a part of the Pulkovo Aviation Enterprise, which also operates the city's domestic and international airports.

Boris Demchenko is appointed general director and his fleet comprises 8 Antonov An-12s, 9 Ilyushin Il-86s, 22 Tupolev Tu-154Bs, 5 Tu-154Ms, and 11 Tu-134s. These are employed to launch revenue flights from St. Petersburg's Pulkovo Airport to Amsterdam, Athens, Barcelona, Berlin, Brussels, Budapest, Burgos, Copenhagen, Dusseldorf, Frankfurt, Goteborg, Hamburg, Helsinki, Larnaka, London, Luxembourg, Madrid, Milan, Munich, Oslo, Paris, Prague, Rome, Shannon, Sofia, Stockholm, Tel Aviv, Vienna, Warsaw, and Zurich. In addition to flight operations, Demchenko also oversees the Pulkovo Aviation Maintenance Complex.

Airline employment stands at 7,086 in 1994–1996 as operations continue. During these years, the fleet is altered to comprise 7 An-12s, 9 Il-86s, 19 Tu-154Bs, 6 Tu-154Ms, and 14 Tu-134s. In 1995, twice-weekly roundtrips commence from St. Petersburg to Kiev via Moscow.

The company becomes a member of an Interline group, an organization that units 14 foreign airlines operating into Pulkovo Airport, as well as **Aeroflot Russian International Airlines (ARIA)**. *The St. Petersburg Times* reports on April 7, 1997, that Pulkovo, Aeroflot, and the other members of their Interline group have met with city tax authorities in an effort to unravel a vast web of regulations that violate international civil

aviation agreements. As the year wears on, Pulkovo and **Transaero Airlines** intensify competition on the route between St. Petersburg and Moscow, while the Ukrainian carrier **Aerosweet Airlines** places a single Boeing 737 on the route from Kiev to St. Petersburg.

During the year, the government puts forward a plan for the privatization of the Pulkovo group, which also includes St. Petersburg's airports. Director General Boris Demchenko immediately opposes the concept on grounds of efficiency and the number of jobs to be lost as the result of such a process.

Passenger boardings during the 12 months total 1,428,212 while 18.7 million FTKs are operated.

Early in **1998**, Pulkovo wins a contract from the UN to transport personnel and goods. The arrangement is one of many held by the world body with carriers around the globe. The first commission is undertaken on March 23 with the delivery of 400 Polish soldiers from the city of Katowice to Tel Aviv.

In late April, the carrier wins a \$465,550 technical assistance grant from Frankfurt Airport via the European Union's TACIS (Technical Assistance to the Commonwealth of Independent States) program. The funds will be available for a year and are to be employed to help Pulkovo overcome problems and challenges related to the privatization the government desires.

Customer bookings slide 3.9% to 1.37 million while cargo traffic falls to just 9 million FTKs.

Company employment stands at 7,000 at the beginning of **1999** and the fleet now includes 2 An-12s, 9 Il-86s, 10 Tu-134s, 15 Tu-154Bs, and 7 Tu-154Ms. Deputy Director Valery Gorbatenko admits on July 30 that the Russian economic crisis has had a significant impact upon the airline and that its operations had suffered accordingly. Because the airline is part of a municipal trust (and functions with the company that operates Pulkovo Airport), it cannot solve its financial problems by increasing airfares.

On December 28, a 50% stake in **Murmansk Airlines** is sold to RAO Norisk Nickel for \$5.1 million. It is understood that the energy concern has outbid a \$5 million tender from Baltinvestovsky, backed by Pulkovo Airlines.

Passenger boardings accelerate 8.2% on the year to 1,486,000. Revenues total \$15 million.

At the beginning of **2000**, Pulkovo operates scheduled services to over 130 cities with a fleet of 40 aircraft. The company is now universally recognized as Russia's second largest domestic carrier.

On March 10, it is reported by the Russian media that the entire fleet of **Murmansk Airlines** has been grounded. It is also noted that negotiations are underway which would have Pulkovo Airlines step in and take over the concern from its new owners. Murmansk's new owners and Pulkovo are, however, unable to come to an arrangement and discussions end.

At the end of March, Pulkovo enters into a direct, twice-weekly Tu-134A roundtrip competition with **MALEV Hungarian Airlines, Rt.** over the route between Budapest and St. Petersburg. Pulkovo will push its Hungarian opponent out of the market by October 29. In June, Pulkovo joins the International Air Transport Association (IATA).

During the summer, **MATK RusAvia** contracts with a capital tour operator to fly travelers to Thailand, Indonesia, and other Southeast Asian points in nine return flights late in the fourth quarter. Unhappily, the company does not have sufficient aircraft or funds to complete its obligation, leaving hundreds of people stranded. The civil aviation department of the Russian Ministry of Transport (GSGA) arranges for the repatriation of the defunct line's customers. Special return flights are operated under contract by **Aeroflot Russian International Airlines (ARIA)**, **Domodedovo Airlinesb**, **Rossiya Air Company (GTK Rossiya)**, and Pulkovo, with the latter operating the majority of roundtrips. GSGA then suspends the operating certificate of **MATK RusAvia**.

Following the conclusion of an aviation conference at St. Petersburg on November 24, the Russian media conjectures that a merger will soon

occur between Pulkovo and **Aeroflot Russian International Airlines (ARIA)**. The basis of the rumor are remarks by ARIA CEO Valery Okulov concerning the role of alliances in the air transport industry and reports that he had met with officials from Pulkovo and other domestic Russian airlines to discuss possibilities. Three days later, Okulov takes the air out of the growing story by indicating that the two carriers have only been discussing general cooperation.

On November 30, Pulkovo and **DHL Worldwide Express** introduce same-day delivery service of priority-express packages from Moscow to St. Petersburg. The urgent cargo is transported aboard Pulkovo's regular passenger flights. The arrangement allows the partners to assist companies which, in the past, have had to dispatch members of their staff to act as couriers for urgent items.

Pulkovo's position as the second largest airline in Russia will end on January 3, **2001**, when it is announced that Moscow-based **Vnukovo Airlines** is being taken over by **Siberia Airlines (Sibir)**.

In February 2001, the Moscow government reports that the total number of Russian air carriers has fallen from 328 in January 2000 to a current 294. It also reveals that **Kras Air (Krasnoyarsk Avialinii)**, **Siberia Airlines (Sibir)**, Pulkovo Airlines, and **Aeroflot Russian International Airlines (ARIA)** have, between them, carried half of all Russian passenger traffic in 2000.

In March, it will be announced that Pulkovo Airlines will join in an alliance with Moscow-based **Rossiya Air Company (GTK Rossiya)**, Kazan-based Aviation Production Association (KAPo), and the St. Petersburg International Bank. The new pact will reportedly sponsor an intensified timetable for production of the new Tu-214 at the Kazan plant, while Rossiya will coordinate its fleet with Pulkovo for commercial purposes. Sales and ticketing for the two airlines will be handled by Pulkovo.

PUNTA VIA AIRLINE DE DJIBOUTI, S.A.: Djibouti (1992–1997). PADD is established at Djibouti in late **1992** to provide scheduled and charter passenger services to regional destinations. Mousa R. Waberi is appointed managing director and is provided with a pair of leased Boeing 727-228s.

Revenue flights commence in **1993**. Destinations visited include Addis Ababa, Jeddah, Mogadishu, Sharjah, and Berbera. In **1994**, an Ilyushin Il-18D is chartered from **Aeroflot Russian International Airlines (ARIA)**.

In **1995**, a Boeing 727-214 is leased from **Air Charter Services, S.A.** of Zaire, but it is returned in **1996** and replaced by three Let L-410UVPs. Reports of the carrier's demise are greatly exaggerated.

Airline employment stands at 50 as a fourth Let arrives in early **1997**. At this point, the company is renamed **Djibouti Airlines, S.A.**

PURDUE AERONAUTICS CORPORATION: United States (1942–1971). PAC is formed at West Lafayette, Indiana on May 5, **1942** as an affiliate of the School of Aviation Technology, Purdue University. In **1949**, the operator receives a temporary CAB certificate to undertake scheduled passenger and cargo services linking West Lafayette with Chicago. Service is maintained until Indianapolis-based **Turner Airlines** is able to take it over on January 30, **1950**, at which time the temporary certificate expires.

Operations continue apace for the next 15 years with de Havilland DH 104 Doves in support of Purdue's aeronautics programs. To help defray expenses, several of the newly received Douglas DC-3s are leased out to other operators or undertake charter operations.

All three crew aboard a DC-3 are killed when it fails takeoff from Dallas, Texas, on April 18, **1962**. Incoming from Indiana on November 29, **1963**, a DC-3, leased by the West Virginia University basketball team and crashes near Morgantown, just before the team is scheduled to board, killing the three-man crew.

PAC, acting as a supplemental carrier, becomes one of 10 irregulars to win CAB certification in April **1966**. The achievement is followed by receipt of overseas operating authority to Canada on September 30.

Revenues for the year total \$1,400,407. Expenses are \$887,657 and the difference allows a net profit of \$143,599.

Purdue operates 3 DC-6Bs and 4 DC-3s during 1967 and its employee population rises to 106. An order is placed for three DC-9-30CFs.

Unable to obtain assistance from its university sponsor and losing money, the rapidly expanding carrier must be sold.

A total of 38,177 passengers are originated and 5,000 freight ton-miles are operated. Revenues drop to \$1,341,832. Losses are \$49,654 (operating) and \$36,448 (net).

On February 23, 1968, majority shareholding is purchased by Stephens, Inc. The fleet now comprises 4 Douglas DC-3s, 3 DC-6Bs, and 2 newly arrived jetliners, a DC-9-31 and a DC-9-32. When a door accidentally opens on a DC-3 flying near Vichy, Missouri, on June 28, an unsuspecting passenger falls to his death. The year's income ascends to \$1,837,283. Despite a change in ownership, losses continue to grow: \$124,479 (operating) and \$118,577 (net).

A new \$5-million DC-9-32, painted in an all-black livery with a white logo on its tail, is delivered to Playboy Enterprises as *Black Bunny* on February 24, 1969. Hugh Heffner's latest prize will be operated and maintained by PAC.

Revenues are \$3,732,534, but the carrier continues to offer negative income; this year's losses are \$1,397,548 (operating) and \$1,963,146 (net).

Despite a continuing flood of red ink, the flow is slowed somewhat in 1970. On increased revenues of \$5,510,440, the operating deficit is \$1,057,005 and the net is \$1,556,983.

Although the airline has successfully transported university teams and served as a laboratory for the school's noted aeronautical program, it has also lost a net total of \$3,675,154 since 1967. Unable to continue to absorb these losses, Purdue's administration orders the carrier closed down on May 1, 1971.

PUROLATOR COURIER: United States (1923–1987). Motor Improvements, Inc., is incorporated in Delaware on May 2, 1923, to provide ground transport of checks and bank documents. In September 1940, the company changes its name to Purolator Courier and, in April 1968, to Purolator, Inc.

Former Treasury Secretary Nicholas Brady becomes CEO and an oil filter division is acquired. In 1980, the company launches a small package delivery service, Purolator Sky Courier, which transports 16.21 million FTKs. A number of small all-cargo commuter airlines, such as **Mountain Air Cargo**, make the actual flights under contract. In 1981, the company signs a contract with **Air National** to operate cargo charters on its behalf. These commence with a DC-9-10 AN has leased from **Air Florida**.

Business improves by 10%; a total of 17.84 million FTKs are operated.

During the first 11 months of 1982, the courier's business increases 3.7% to 15.4 million FTKs.

Served by over 100 contract aircraft, Purolator acquires its first owned aircraft in the fall of 1983 when three B-727-100Cs arrive after September. A total of 75,466,000 shipments are accommodated and a net profit of \$31.8 million is earned.

In early 1984, the decision is taken to directly enter the small-package express delivery business. Purolator Courier is incorporated in New York on July 1 and merges Purolator, Inc.; William H. Waltrip is appointed president/CEO. The forwarder and small-package firm now acquires a fleet of 8 Douglas DC-9-15Fs to support the 3 Boeings received the previous fall. These will be flown under contract by **Orion Air**.

Thereafter, Purolator Courier directs the aerial portion of its vast resources toward breaking into the small-package express delivery busi-

ness dominated by **Federal Express**. An interim hub is established at Indianapolis International Airport.

The carrier transports a total of 87 million shipments (11.6 million by air), a 13.3% boost. Revenues earned by the corporation as a whole are \$790 million, but costs associated with the changeover to air express cut net earnings to \$15.5 million.

The workforce is increased by 10.7% in 1985 to 18,461. To save on immediate cash outlay, nine DC-9-15Fs and four B-727-100Cs are sold and then immediately leased back. Upwards of 90 other aircraft are operated nightly on behalf of the company by contract carriers. Work on the company's permanent hub continues at Indianapolis.

The number of packages flown increases 13.9% to 13.31 million; when ground transport is factored in, these account for only 14.8% of overall Purolator business. Revenues generated by the total corporation advance 3.6% to \$610.47 million, costs climb 13.7% to \$653.57 million, and an operating loss of \$43.1 million is taken by the combine's courier portion. A company-wide net loss of \$29.35 million must be suffered.

The fleet is unchanged in 1986 and so are the company's fortunes. Thereafter, traffic statistics are included as part of the company's overall annual report, and not broken out separately. Although traffic figures are not released, revenues do advance by 5.2% to \$841.4 million. Expenses skyrocket to \$888.48 million and force an operating loss of \$47.08 million. The net loss climbs to \$57.6 million.

A two-story facility and 50-ft. ramp are opened at the Indianapolis hub in January 1987, the last positive company action taken on behalf of the airline. Continuing to lose money monthly, the carrier is now put up for sale. The initial bid of \$35 per share is made by a group of eight Purolator officials calling themselves PC Acquisition and E. F. Hutton LBO.

Competing freighter **Emery Worldwide** steps into the picture with a \$40 per share bid, which equals \$310 million in cash and debt assumption. The acquisition gives Emery the chance to secure 10%–12% of the small package market. The leased aircraft are returned to their owners and the Purolator Courier ground distribution system is upgraded to handle an increased number of deliveries.

PUSHPAKA AIRLINES, LTD.: India (1978–1983). Pushpaka Aviation, Ltd. is founded at Bombay to undertake charter and contract helicopter operations. Employing two Sud-Est Caravelle VIRs, the company's air transport division, operating under the marketing name Pushpaka Airlines, Ltd., undertakes the transport of laborers to Sharjah in the Middle East five times per week.

Late in 1983, the Indian government refuses to renew the company's route license, thereby effectively putting it out of the flying business. Pushpaka withdraws its jetliners from service and downsizes into a local helicopter service.

PYRAMID AIRLINES, LTD.: Egypt (1977–1984). Owned by the Egyptian firm of Omar A. Falmy & Co. (51%) and U.S. interests (49%), Pyramid is established at Cairo in early 1977 (originally under the name Petroleum Aviation Charter Service, Ltd.) to provide passenger and cargo charters throughout Egypt in support of the oil industry. Revenue flight operations commence in June with a fleet of 7 Douglas DC-3s, 2 NAMC YS-11As, and 1 Aero Commander 560A.

At the end of the decade, the fleet is altered as two Douglas transports are withdrawn along with the Aero Commander and are replaced by two more YS-11As, a Fokker F.27, and a Piper PA-31-350 Navajo Chieftain. Rising expenses and lack of traffic cause the company to cease operations in 1984.

QANTAS (QUEENSLAND AND NORTHERN TERRITORIES AERIAL SERVICE [PTY.], LTD.): Australia (1934–1947). Unable to raise money required to participate in an England–Australia Air Race, ex-Flying Corps Lieutenants Wilmot Hudson Fysh and Paul J. McGuinness are commissioned by the government in spring 1920 to survey a last-leg route for the contest and prepare landing fields between Darwin and Queensland. In a Ford Model T touring car, the pilots bounce 1,354 miles through the trackless wilderness in the continent's northern half of Queensland and Northern Territory, taking days to cover the distances between such towns as Longreach, Winton, Cloncurry, Burketoun, and Darwin.

At one point, the men, by now convinced of the need for an aerial service to develop the region, pull the stuck car of grazeir Fergus McMaster free of Queensland's Cloncurry River. Arriving at Darwin in early November, Fysh and McGuinness are among those meeting Capt. Ross Smith and the crew of his Vickers Vimy, which had arrived on November 12 completing the first successful England–Australia flight.

During the summer of 1921, Fysh and McGuinness meet McMaster in Brisbane and easily persuade him to seek funding from his business acquaintances for a Western Queensland Auto Aerial Service, Ltd. As McMaster seeks subscriptions, an order is placed in Sydney with the Australian Aircraft and Engineering Co., Ltd., for two Avro 504Ks (only one of which will be delivered, as a war-surplus BE-2E is located and substituted). Having acquired A£6,037 capitalization, McMaster becomes first chairman as the Queensland and Northern Territories Aerial Service, Ltd., is formed at the base town of Winton.

Almost immediately known by its "QANTAS" initials, the carrier is registered for air taxi and regularly scheduled services at Brisbane on November 16. About this time, the head office is moved to a wooden building on Duck Street, Longreach. A hitching post at the edge of the wooden sidewalk outside of the front door accommodates drive-up customers.

Having taken delivery of their Avro 504K on January 6, 1922, pilot McGuinness (with Fergus McMaster and new engineer Arthur Baird as passengers) flies it Sydney–Winton via Barcaldine and Longreach, arriving on February 7. On March 7, a de Havilland DH 4 is purchased from Raymond "Battlin" Parer. On March 28, the Air Navigation Act takes effect and the new controller of civil aviation, H. C. Brinsmead, applies a series of assorted regulations while simultaneously inviting tenders for the operation of subsidized airmail routes.

Meanwhile in late winter and spring, QANTAS launches a period of charter, air taxi, and joy-riding demonstration flights designed to show the value of the new air service. Before these preliminary operations are completed, a total of 871 people will have flown charter over 34,000 miles without mishap. Also, 79 DH 4 taxi flights will have been made, one being the first maternity case in Australia to be flown to a hospital and another the first aerial turkey-shooting expedition.

In between these flights, Fysh foreshadows a later important company service by flying Dr. F. Hope Mielod on patient and emergency calls within a 200-mile radius of Winton. Simultaneously, Fysh, McGuinness, and McMaster seek the capital necessary to win and operate a government mail contract.

Having obtained the not inconsiderable sum of A£13,000 in additional subscribed capitalization by late spring, QANTAS bids on the 577-mile Charleville–Cloncurry mail route, winning it and the A£12,000 annual subsidy against heavy competition.

Initiation of the route is delayed as ordered aircraft are not delivered and plans for replacement planes fall through until, at last, an Armstrong-Whitworth FK.8 is obtained.

Finally, at 5:35 a.m. on November 2 and with much of the town's population present, McGuinness takes off from Charleville on the first leg of the Cloncurry-bound (via Tambo, Blackall, Longreach, Winton, and McKinley) aerial mail service. Aboard the FK.8 with him are engineer Baird (holder of ticket no. 1) and 108 letters. An overnight stop is made at Longreach, to avoid the worst of the diurnal heat. Early the next morning, 85-year-old supporter Alexander Kennedy, a West Australia

pioneer 51 years earlier, becomes the airline's first official fare-paying passenger on a regular company commercial service. He joins Baird and replacement pilot Hudson Fysh in concluding the 70-mph second stage, reaching Cloncurry at 11:20 a.m. The total time for this first through service, including all stops, is 29 hrs. 45 min. The only unhappy incident is the engine failure of the second FK.8, prepositioned at Longreach, which requires the entire trip be made with the original plane.

On November 9, the FK.8 has the honor of flying the company's first infant passenger and her mother from Cloncurry to Winton. The mother is outfitted in a full leather flying suit, with boots and helmet; the plane's pilot wears a suit and tie, helmet and goggles. His concession to the wind is a woolen sweater-vest.

The Charleville–Cloncurry route is maintained in 1923. During the year, the first two of three DH 9Cs join the fleet, together with a converted Bristol F2B Fighter, which is given Red Cross markings and a stretcher for use as an aerial ambulance.

The first DH 50A arrives at Longreach by rail on September 26, 1924; christened *Hermes*, it is placed on the Longreach–Charlesville segment of the mail route on November 17. The government subsidy is again renewed (as in 1923) and the carrier's first profit is posted—A£1,224. During the year, the last two FK.8s are withdrawn and S. M. Bruce becomes the first Australian prime minister to use a company aircraft for official business.

The first ground-air radio experiments are made in 1925. The Cloncurry route is extended to Camonweal via Mount Isa on February 7, entitling the carrier to an additional A£5,000 in subsidy. The first flight over the new segment is made that day by Lester Brain's DH 4. Rights are negotiated for the construction of DH 50As under license, with a A£100 royalty paid for each built.

In 1926, the Department of Civil Aviation nominates QANTAS to operate flying schools at Longreach and Brisbane. Following site preparation, the Longreach school is opened during the summer with students paying A£34.13 for 8 hours of dual control instruction and 3 hours of solo time. The first commercial aircraft to be built in Australia is the de Havilland DH 50A *Iris*, completed on August 15 at the carrier's Longreach workshop; five more are completed by year's end: *Perseus*, *Pegasus*, *Atalanta*, *Hermes II*, and *Hippomenes*. The airline will ever after enjoy the distinction of being only a handful in commercial aviation history to build its own airliners. The original Avro 504K is retired on November 6 and the first of several DH 60 Moths is received on December 22.

The third DH 9C is received on February 5, 1927 and enters service under the name *Ion*. In the company's first fatal accident, the first DH 9C, received three years earlier and piloted by A. D. Davidson, crashes on approach to Tambo on March 24 (three dead). The second and larger flying school is opened at Archer Field, Brisbane, also in March, with Lester J. Brain as chief flight instructor.

Flying the DH 50A *Perseus*, Hudson Fysh extends the Cloncurry route to Normanton, on the Gulf of Carpentaria, on July 1. The Bristol Fighter is retired on December 4 and, after expenses, depreciation, and taxes, the carrier's profit for the year is A£4,019.

The first DH 60 to be withdrawn is out of service as of April 1928. Flying a DH 50A, pilot E. J. Stephens opens the Commonwealth's first daily service, Brisbane–Toowoomba, on May 9. On May 15, Presbyterian Minister Dr. John Flynn and the Australian Inland Mission officially establish the Australian Flying Doctor Service at Cloncurry. The AIM supplies the first physician, K. H. Vincent-Welsh, and QANTAS the first aircraft, the original DH 50A *Hermes*, modified to carry two stretchers and renamed *Victory*, and the pilot, A. Affleck. Among the year's most significant evacuation flights is that of a man injured in a hunting accident, who is rushed 1,250 miles from Camonweal to a Brisbane hospital. The DH 9C *Ion* is withdrawn on August 21 and a DH 50J crashes just after takeoff from Adelaide on September 4 (one dead).

The first of four improved DH 60Gs is received on February 13, 1929, and the first of two DH 61 Giant Moths is delivered in March. Christened *Apollo* and flown by P. H. Moody, it is employed to inaugurate weekly Brisbane–Charleville and Normanton service via Toowoomba

and Roma, on April 17, thereby linking Brisbane with Queensland's northwest corner. The second DH 61 *Diana* enters service at approximately this same time.

The first of three improved DH 60Ms is acquired on December 22 and the carrier's millionth flying mile is logged on December 31. During the year, three DH 60s and two DH 60Gs are withdrawn.

The head office is moved to Brisbane in 1930. Two DH 60Gs are retired in April, followed by a third on September 16. Meanwhile, the DH 50As *Pegasus* and *Perseus* are retired on July 27 and December 4, respectively, along with an unnamed unit in the former month. Two DH 80A Puss Moths arrive during the fourth quarter.

In April 1931, led by Hudson Fysh, QANTAS personnel participate in the first U.K.–Australia and Australia–U.K. airmail experiment. The DH 61 *Apollo*, piloted by R. B. Tapp, carries the outgoing Royal Mail sacks Brisbane–Darwin on April 25–26, where they are turned over to Charles Kingsford-Smith of ANA (Australian National Airways [Pty.], Ltd.), who had just arrived with the incoming postal bags. The incoming mail is then flown Darwin–Brisbane on April 27–28. Flying the DH 50A *Atalanta*, Lester J. Brain opens an unsubsidized coastal Brisbane–Townsville route on May 7, flying via Maryborough, Bundaberg, Bladstone, Rockhampton, Mackay, Bowen, and Ayr.

During the second U.K.–Australia and Australia–U.K. experimental airmail flight, Tapp and Fysh fly postal sacks in the DH 50A *Hippomenes*, repeating the *Apollo*'s earlier Brisbane–Darwin–Brisbane operations on May 12–13 and May 17–18, respectively. Lack of traffic forces suspension of the Brisbane–Townsville route on September 25 after 81 flights. Daly Waters–Birdum Creek service begins on December 31.

A second DH 61 is obtained in 1932 and christened *Diana*. Internal routes and frequencies are improved and preparations are made for possible international services. Two DH 60s are withdrawn, on April 14 and November 16, respectively. Late in 1933, the Department of Civil Aviation recommends the establishment of an Australian concern to link-up with the forthcoming Imperial Airways, Ltd. U.K.–Australia regular service, agreeing that this company might take the form of a jointly owned company. Given the carrier's experience, QANTAS is nominated. One of the DH 80A Puss Moths is retired on December 7.

On January 18, 1934, QANTAS and Imperial Airways, Ltd. register Qantas Empire Airways (Pty.), Ltd. (QEA). With Sir Fergus McMaster as chairman, the new carrier is jointly established and capitalized, the first word of the new company name officially comprising the initialed letters of the Australian airline's name for the first time. While QEA undertakes foreign service, QANTAS will continue to provide domestic flights. The first of five DH 83 Fox Moths is received on February 15 and the last DH 60M is withdrawn on March 9. The DH 50A *Victory* is retired on April 20 and the DH 50J *Atalanta* on October 3.

On November 1, W. H. Crowther, flying the DH 50A *Hippomenes*, begins service on a Comooweal–Daly Waters route recently acquired from Australian Aerial Services (Pty.), Ltd. On December 10 in ceremonies at Brisbane's Archer Field, the Duke of Gloucester kicks off the start of regular Australia–England airmail service by handing the Royal Mail bags to Capt. Lester J. Brain of QEA. Accompanied by the QANTAS DH 50A *Hippomenes*, Brain's DH 61 *Diana* flies the post to Darwin where, due to the lack of a DH 86, Imperial Airways, Ltd. completes the flight to Singapore.

On December 18, the British arrive at Darwin with the incoming U.K. mail. They are met by the *Diana* and *Hippomenes*, which fly it as far as Comooweal. There the DH 61 is damaged, forcing the QANTAS machine to carry it to Mount Isa, where it is taken over by another DH 50A and flown to Brisbane, arriving on December 21.

The DH 61 Giant Moth *Apollo* is retired on February 2, 1935; she is followed out of service by the DH 50J *Hippomenes* on July 14 and the second DH 61, *Diana*, on July 22. Meanwhile, a second DH 83 Moth arrives on June 29.

The last two DH 50As, including the *Iris*, are retired on March 11 and October 6, 1936, respectively; however, a new DH 90 Dragonfly arrives on October 23. Two DH 83 Fox Moths join the fleet on February 2, 1937

and QANTAS now introduces two new unsubsidized DH 90 Dragonfly frequencies: Charleville–Longreach twice-weekly on February 11 and Longreach–Rockhampton weekly on March 5, the second being withdrawn on July 13 for lack of traffic. The last DH 60 is retired on April 5 and the final DH 80A Puss Moth on June 9; a Saro A17 Cutty Sark is acquired on October 15.

The first DH 83 Fox Moth to be retired is withdrawn on January 1, 1938 and the Saro A17 Cutty Sark is withdrawn on April 5. During the summer, Brisbane–Daly Waters via Mount Isa DH 90 flights are started. Operations continue apace in 1939 and a second DH 90 Dragonfly is delivered on October 3. The first de Havilland DH 84 Dragon is acquired in April 1940.

The first Lockheed Model 10A Electra is delivered on June 8, 1941; christened *Inlander*, it is employed on July 3 to reopen the Longreach–Rockhampton weekly service abandoned in 1938. One of the DH 90s has a propeller failure during a June 19 flight and is forced to make an emergency landing at Alexandra; no injuries are reported. When the *Inlander* develops engine trouble at Cloncurry on July 4 during this inaugural operation, the QEA DH 86 *Sydney* is pressed in as relief, completing the service the next day.

During the remainder of the war years, QANTAS maintains its domestic routes, albeit in a reduced fashion, and its scheduled and non-scheduled operations are increasingly coordinated with those of the overseas airline QEA. Piloted by D. H. Elphinstone, a DH 83 is badly damaged when it strikes a tree during take off from Helen Springs on June 30, 1942.

A DH 90 is damaged in a landing accident at Breddon on May 6, 1943, while another is also put out of service when a generator failure in flight forces it to make a forced landing at Daly Waters two days later. The DH 84 *John Flynn* is acquired on June 14 and although quickly repaired after the previous incident, the DH 90 damaged on May 8 is seriously injured on July 13 during a takeoff accident at Archerfield. The RAAF takes over a pair of DH 83 Fox Moths on July 27.

The *John Flynn* is badly damaged on October 4 as the result of a landing accident at Cloncurry. Another DH 90 crashes at Breddon on October 21 during landing, damaging its undercarriage and propellers. Interestingly enough, the carrier does not suffer any accidents in 1944. It is able to keep its safety record intact until a rash of accidents occur in October 1945, during which one DH 90 and two DH 83 are seriously damaged in nonfatal crashes at Cloncurry, Creswell Downs, and Wandoola, respectively.

Another DH 90 is seriously damaged in a landing accident at Cloncurry on January 28, 1946. The first of two DH 84s to be received on the year arrives in July while one of the two remaining DH 90 Dragonflies is retired on October 18.

Following a nonfatal takeoff accident at Cloncurry on January 16, 1947, the last DH 90 Dragonfly is withdrawn on February 25 and between March 26 and May 28, three more DH 84s arrive. One of these is seriously damaged in a landing accident at Kainantu on April 10. Having purchased British QEA interest in March, the Australian government, on June 30, buys out QANTAS and its interest, creating one state-owned flag carrier for overseas operations.

QANTAS AIRWAYS (PTY.), LTD.: Qantas Centre, 203 Coward St., Sydney, New South Wales, 2020, Australia; Phone 61 (2) 9691 3636; Fax 61 (2) 9691 3277; <http://www.qantas.com.au>; Code QF; Year Founded 1967. On August 1, 1967, Qantas Empire Airways (Pty.), Ltd., the world's second-oldest international airline, is given a new kangaroo logo and livery and renamed Qantas Airways (Pty.), Ltd. Airline employment is 10,297. Service is inaugurated to Amsterdam, Bahrain, and Port Moresby.

At year's end, the fleet includes 12 Boeing 707-338Cs, 9 B-707-138Bs, 2 DC-4s, 1 L-188, 2 DC-3s, and 2 new Hawker Siddley HS 748s. Orders are outstanding for 9 more B-707-338Cs, 4 B-747-100s, and options (never filled) are taken on 4 Anglo-French Concorde. Four B-707-138Bs are sold during the year, one to Pacific Western Airlines, one to British Eagle Airways, Ltd., and two to Standard Airways.

Enplanements this year climb to 461,009.

A newly remodeled air cargo terminal is opened at Sydney in 1968. Nine B-707-338Cs are added (one per month January–September) and four B-707-138Bs are sold, two to **Standard Airways**, one to **British West Indies Airways, Ltd. (BWIA)**, and one to **British Eagle Airways, Ltd.** As an extension of the Sydney to San Francisco service begun earlier in the year, Sydney to New York City cargo flights begin on July 11. The last B-707-138B service is completed on September 29.

The workforce stands at 11,064 in 1969. The last L-188 is retired, along with the surviving DC-3s and the final four B-707-138Bs, which are sold to **Braniff International Airways**.

En route from London (LHR) to the Bahamas via Bermuda on November 22, a Fiesta Route B-707-338C is forced to return to Bermuda after a bomb threat is received. No bomb is found and the perpetrator is discovered to be a citizen living next to the airport who had become displeased with jetliner noises.

A total of 633,312 travelers are transported this year.

The employee population is increased 11.4% in 1970 to 12,487. In management, a six-region organization is adopted. Aircraft are leased from **Irish International Airlines, Ltd.**, **Caledonian Airways, Ltd.**, and **Braniff International Airlines** to fill a gap until the Jumbojets arrive.

The fiftieth anniversary is celebrated on November 21 and following the opening of a new international airport, service is started to Melbourne. The company offers a declaration of intent to maintain its present 47% of traffic in and out of the county in the face of competition from 18 foreign airlines.

Cargo grows 8.4% and passenger boardings jump 18.5% to 777,069. In terms of freight carried, Qantas is now the 23rd largest airline in the world; its workforce ranks 19th.

A B-707-327C freighter arrives on February 28, 1971, on a 10-month charter from **Braniff International Airways**. The following month a B-707-349C is leased from **Aer Lingus Irish Airlines, Ltd.**; it will serve as the *City of Swan Hill* until its return to Ireland at the end of September. On May 26, the company pays A\$560,000 to a hoaxer, Mr. Brown, who convinces airline officials that there is a bomb aboard the B-707-338C *City of Broken Hill*, en route from Sydney to Hong Kong. The aircraft is called back, but no bomb is found. The first of four B-747-238Bs to be delivered on the year arrives at Sydney on July 30 where it is christened *Canberra*. It displays a new corporate color scheme, highlighted by a winged kangaroo on its red tail.

On August 4, police arrest two suspects, P. P. Macari and R. J. Pynting and recover A\$224,000 from May's bomb hoax. The two will plead guilty in court in December and receive prison sentences. The second B-747-238B is delivered on August 14 and is named *Melbourne*; while it is undergoing training flights, the *Canberra* is placed in service on the route from Sydney to Singapore via Melbourne.

Plans to inaugurate Jumbojet service to San Francisco are delayed by a FAA ban on new Australian services until a dispute, centering on increased U.S. flights "down under" by **Pan American World Airways (1)**, **World Airways**, and **American Airlines**. The *Sydney*, third of the new Jumbojets, arrives on October 21 while the *Melbourne* initiates Kangaroo Route service to London in November. The year's final B-747-238B, the *Perth*, is delivered on December 8. Meanwhile, the last two DC-3s are withdrawn on November 15 and December 15, respectively.

Unduplicated route mileage is now in excess of 150,000 miles and bookings accelerate to 779,328. Unhappily, strong competition from foreign carriers force the carrier to absorb an A\$4-million loss, only the second such downturn since 1924.

The employee population in 1972 is 11,831 and, with the American dispute settled, thrice-weekly San Francisco flights commence at the end of January. Two B-707-338Cs and a HS 748 are sold as another B-747-238B, the *Brisbane*, joins the fleet in August. To compete with charter carriers, an inclusive-tour charter (ITC) program is inaugurated to Singapore, Bangkok, and Malaysia. Sales break all Australian travel industry records. Low fare rates of A\$420 Sydney–London are initiated

and draw a large number of passengers. Due to heavy losses, transatlantic service San Francisco–London is suspended.

Service is retained to San Francisco from Sydney via Honolulu and round-the-world flights are continued through Mexico instead of the U.S. In November, a new computerized reservations system, QANTAM II, is introduced. The last Australian troops are returned home to Sydney from Saigon; since 1966, the company has flown over 200 return trips on behalf of the government's commitment.

Freight dips 2.3%, but passenger bookings increase 9.8% to 864,000.

Qantas passengers in 1973 now fly the longest average trip lengths in the world—4,217 miles. A Sydney–Tahiti–Vancouver route is opened in April. The QANTAM II reservations system is linked to U.S. and European areas during the year. The B-747-238B *Adelaide* is delivered on August 1, while two B-707-338Cs are sold.

The employee population numbers 12,760. Passenger boardings leap 28% upward to 1,113,131, passing the elusive million mark in annual boardings for the first time.

Airline employment in 1974 stands at 12,338. The fleet's large jets now include 9 B-747-238Bs and 15 B-707-338Cs. Three B-747-238Bs are delivered between March 19 and October 10 and are christened *Fremantle* (originally *Hobart*), *Parramatta* (originally *Newcastle*) and *Dubbo* (originally *Darwin*), respectively. The subsidiary, **Jetabout, Ltd.** is formed to operate package tours to nine countries. Service beyond San Francisco to New York and London is discontinued altogether, along with Fiesta Route service to London via Mexico.

The flight crew of a B-747-238B at Sydney on November 3 denies boarding to two Soviet diplomat couriers who refuse to undergo routine security checks prior to a London flight. The two had earlier in the day faced a similar standoff when attempting to board a **British Airways, Ltd. (2)** Boeing.

A B-747-238B evacuates 674 persons from hurricane-torn Darwin on one December 29 flight; the service is a record for the most persons flown on a single airplane at one time and a mark that will stand until broken by **El Al Israel Airlines** in May 1991.

Passenger traffic soars 32.4% as 1,219,544 passengers are flown; freight is up 25.1%.

The workforce is increased in 1975 to 13,222. Chairman Sir Donald Anderson dies and is succeeded by Sir Lenox Hewitt. Two more B-747-238Bs are added, the *Newcastle* (originally *Geelong*) on May 30 and the *Wollongong* on November 7, while four B-707-338Cs are retired. Service is introduced to Paris and Belgrade while computers are introduced at the Sydney cargo terminal.

Passenger bookings grow 3% to 1,434,000, and cargo climbs 8.2%.

The employee population in 1976 is 13,179. Capt. R. J. Ritchie retires as general manager and is succeeded by Keith R. Hamilton. On April 1, the last B-707-338C is removed from the transpacific route from Sydney to San Francisco. The L-188C *Pacific Electra* is sold to **Air California** in April.

On June 29, the twelfth B-747-238B, *Ballaarat* (originally *Townsville*) is delivered. In August, **Air California** also purchases the L-188C *Pacific Explorer*.

Beginning on December 12, businessman Dick Smith sells tickets for a sight-seeing tours of the South Pole to be made with a chartered Qantas B-707-338C.

Passenger boardings increase 5.4% to 1,492,514, and freight jumps 10.8%. An after-tax loss of \$A7.2 million is recorded.

Businessman Dick Smith's chartered B-707-338C makes an 11 1/2-hour flight from Sydney to the South Pole on February 13, 1977, and after making several low altitude passes over the region, returns to Australia. The B-747-238B *Gosford* (originally *Parramatta*) enters service on August 15 and later in the year, a new A\$7-million flight training center is opened, featuring a B-747 simulator. For the Christmas season, the B-707-338C *City of Winton* carries the message "Have a Qantastic Christmas" to world destinations; the plane is dubbed the "Flying Christmas Card." The year's second B-747-238B, the *Albury*, reaches Australia on December 20.

Enplanements advance to 1,587,210.

The workforce grows by 371 employees in 1978. The B-747-238B *Elizabeth* arrives on September 18, followed by the *Adelaide* (originally *Fremantle*) on October 16. The last B-707-338C sold to a commercial customer is the *City of Longreach*, disposed of to the Intel Corporation on October 30. With its huge fleet of B-747-238Bs, Chairman Sir Lenox Hewitt and General Manager K. R. Hamilton's carrier becomes the world's first all-Jumbojet operator. The first B-747-247B combi is acquired on November 1, but is quickly put up for sale and never receives a name.

Freight soars 28% and enplanements move upward 4.5% to 1,662,444.

A DC-8-54, chartered from **Air New Zealand, Ltd.**, begins service to Wellington and Auckland on March 26, 1979, following completion of the last B-707-338C transit, by the *City of Alice Springs*, from Auckland to Sydney the previous day. The last two B-707-338Cs, *City of Alice Springs* and *City of Ballarat*, are sold to the RAAF on March 30, at which point Qantas becomes the only all-Jumbojet airline in the world.

A proposal is made to the government for the operation of a Hobart-Christchurch route with B-727-200s leased from **Ansett Airlines of Australia (Pty.), Ltd.** and **Trans-Australian Airways (Pty.), Ltd. (TAA)**. Business-class is introduced on several long-haul routes. The company's authority to carry all international passengers on trips inside Australia is rescinded by the government; Qantas can now only carry foreigners to Australian points of entry, or on the same flight to other Australian points with no stopovers.

The B-747-238BC *Swan Hill* arrives on November 14 and the first Rolls Royce-powered B-747-238M, *Bunbury*, is delivered on December 11, bringing the fleet total of Jumbojets to 21, all of which are now configured with sleeper seats in first class. Fuel availability and cost become major concerns.

Passenger boardings climb 14.7% to 1,907,560, and freight is up 17.8%.

The oldest continuously operated airline in the English-speaking world celebrates its sixtieth birthday in 1980. James Leslie succeeds Sir Lenox Hewitt as chairman and General Manager Keith R. Hamilton becomes managing director/CEO. Airline employment is reduced by 0.9% to 13,702. Business-class service is extended to all routes and the Hobart-Christchurch route is inaugurated. There are now a total of 18 weekly Kangaroo Route flights to Europe and 10 services per week via Honolulu to the U.S.

A second B-747-238M, the *Hobart* (originally *Dubbo*) arrives on September 30 and is followed by the B-747-238BC *Shepparton* on October 15. The year's fuel bill triples while competition between the 20 international carriers serving the nation is intensified as overall traffic starts to shrink.

Passenger traffic rises a slight 3.3% to 1.97 million passengers carried, but cargo declines 1.6% to 410 million FTKs.

The employee population is reduced by 5.5% in 1981 to 12,942. The first of two B-747SP-38s to be delivered during the year arrives on January 19 and is christened *City of Gold Coast-Tweed*. Ground personnel and stewards strike for 10 days during February and in March, the new B-747SP-38 is placed on public exhibit for a day at its namesake city where visitors wait up to two hours for a tour.

Following delivery of the second Special Purpose Boeing, the *Winton*, on August 31, the leased Air New Zealand DC-8-54 is returned. Like the *City of Gold Coast-Tweed*, the new Jumbojet is employed on nonstop flights from Sydney to Los Angeles.

The airline's final Rolls Royce-powered Dash-238M Jumbojet, the *Longreach*, is delivered on November 30.

Effects of the world economic situation begin to be felt as passenger boardings dip 3% to 1,911,000; freight, however, rebounds upward by 8.2% to 443.51 million FTKs. Expenses advance and losses are suffered: A\$31.6 million (operating) and A\$16.9 million (net).

The workforce is reduced 4% in 1982 to 12,420. Services are inaugurated from Perth to Bangkok and Hong Kong, from Adelaide to Auckland and Singapore, and from Sydney to Perth and Harare, Zimbabwe. Joint services are launched with **Garuda Indonesian Airlines** between Port Hedland and Bali. The fleet now includes 22 B-747-238s and 2 B-

747SP-38s. The administrative offices are moved into a new corporate headquarters in Sydney.

The carrier is now one of six participating in an ICAO grant for personnel training for **Biman Bangladesh Airlines, Ltd.**

Passenger bookings jump 14% to 2,178,439 and cargo moves ahead by 2.2% to 453.25 million FTKs. On revenues of A\$978 million, expenses are A\$986 million, leaving an operating loss of A\$8.4 million, but a net profit of A\$57.7 million.

The employee population is cut another 8.2% in 1983 to 11,407. In April, the carrier's new cargo terminal (built at a cost of \$A21 million) becomes fully operational at Sydney. The Melbourne cargo terminal is also redeveloped in the fall. Service is extended to Manchester, England, and Noumea. In September, an A\$860-million order is placed for three B-747-338s and six B-767-238ERs.

During the year, a marketing agreement is signed with **SAS (Scandinavian Airline System)** that provides for joint fares and promotions around the world and between Australia and Scandinavia via Japan and Asia. Frequent flyer program cooperation between the two flag carriers will be a major feature of their arrangement.

Although freight is up 11.8% to 506.88 million FTKs, passenger boardings dip 3.8% to 2,094,961. Even though revenues advance 14.9% to A\$1.22 billion, expenses soar 20.1% to A\$1.29 billion, leaving a A\$67-million operating loss and only A\$32.3 million in net gain.

In 1984, the employee roll has 11,580 names, a 0.8% boost. In January, the carrier receives the 1983 "Technology Management Award" from *Air Transport World* magazine.

Boasting the new livery of an all-white fuselage and larger, wingless tail kangaroo designed by Tony Lunn of the Lunn Design Group in Sydney, three B-747-338s are placed in service in June. Routes are now opened from Cairns to Honolulu (the new mid-Pacific hub), Vancouver, San Francisco, and Los Angeles, from Sydney to Los Angeles, and from Sydney and Melbourne to Beijing.

The first women are added to the company's pilot ranks and six older B-747-238s, the *Canberra*, *Melbourne*, *Sydney*, *Perth*, *Brisbane*, and *Adelaide*, are sold in July-September, including four that pass through Boeing Equipment Holding Company refurbishment to **PEOPLEXpress**. The company's initial B-747-338, and the 600th Jumbojet built, arrives on November 13 and is christened *Canberra*. Managing Director Hamilton dies suddenly in December and is succeeded by Deputy Managing Director Ronald J. Yates.

Passenger boardings jump 12.2% to 2,350,488 and cargo leaps 17.9% to 597.7 million FTKs. On revenues of A\$929 million, expenses drop to A\$890 million, leaving profits of A\$51.8 million (operating) and A\$52.1 million (net).

The employee population in 1985 stands at 12,673, a 5.3% rise. The second B-747-338, *Sydney*, arrives on January 24 and the fiftieth anniversary of continuous international service is celebrated in public ceremonies on February 25, at which time a new corporate livery designed by Lunn Dyer and Associates is unveiled, although the world-recognized stylized kangaroo is retained.

A third B-747-338, the *Melbourne*, is delivered on April 15 and in the spring, a total of US\$70 million is dedicated to promotion, advertising, and commissions relating to pleasure travel service to Australia. The national parliament begins to consider the question of deregulation in a formal investigation known as the May Inquiry.

The first of six B-767-238ERs is received on June 30 and enters service Melbourne-Wellington on July 30. As others join the fleet, they are used extensively on flights to the smaller 10 Australian gateways and to and from the Singapore hub for the Kangaroo Route's European operations. The third B-747-338 has been placed into service by mid-August.

Passenger boardings for the year are up 8.5% to 2,549,000 (visitors to Australia exceed one million for the first time) and freight balloons 13.1% to 675.97 million FTKs. On revenues of A\$1.334 billion, expenses are A\$1.281 billion, producing an operating profit of A\$52.8 million and a record net profit of A\$125.2 million. Among all world airlines in 1985, Qantas now ranks 20th in terms of passenger kilometers flown

(17,311,999), 18th in freight carried, 21st in revenues earned, and 20th in operating profit.

The payroll is boosted 11.3% in 1986 to 14,107. The B-747-338 *Brisbane* arrives on March 31 and the sixth B-767-238ER enters service in April, flying, in cooperation with **Japan Air Lines Company, Ltd. (2)**, joint weekly services Tokyo-Perth and Tokyo-Cairns and Brisbane. On April 16, in the largest single office building sale in Australian history, the Sydney company headquarters property is sold to a bank for \$A200 million—and then immediately leased back. A fifth Rolls Royce-powered B-747-338 is also ordered in April.

By May, there are 16 flights per week over the Kangaroo Route to Europe, including 10 continuing to London; meanwhile, a ninth weekly flight is added from Australia to the U.S. A new B-747SP-38 service is initiated from Sydney and Melbourne to London via Bombay. Managing Director Yates retires on June 30 and is succeeded by Australian Department of Trade Director John L. Menadue.

On September 1, an **Air Lanka, Ltd.** B-747-238B, once the Qantas ship *Canberra*, is leased for 18 months to allow the Australian flag line to begin a two-year refurbishment of its 18 Jumbojets. The same month, the carrier signs an agreement to help maintain the Boeing fleet of **CAAC (General Administration of Civil Aviation of China)**. In the fall, direct service is resumed to Kuala Lumpur and a frequent flyer program is introduced. The airline assumes 75% shareholding in the Japanese tour operator Jetabout Japan, Ltd. on October 17.

A 49% interest is taken in Thomas Cook (Pty.), Ltd. on November 5 while the fifth B-747-338 is delivered on November 12 and is christened *Perth*. During the year, an agreement is signed with **American Airlines** that provides for frequent flyer program cooperation and code-sharing on AA routes from Los Angeles to Chicago, Washington, D.C., New York, and Boston. The American major obtains dual designator status on Qantas flights from Los Angeles to Sydney, Melbourne, and across the Tasman Sea to Auckland, New Zealand.

Customer bookings jump 14.9% to 2,905,000 and cargo increases by 7.9% to 729.21 million FTKs. Revenues decline a slight 0.5% to A\$1.32 billion as costs climb 1.2% to A\$1.29 billion. Profits for the year are down—operating to A\$30.55 million and net to A\$2.67 million.

Airline employment grows 3.7% in 1987 to 14,629. In January, the carrier halts its weekly Melbourne-Beijing via Sydney service, which is taken over by **CAAC (General Administration of Civil Aviation of China)**. The B-747-338 *Darwin* is delivered on May 1 and as the Australian tourist upswing continues, orders are placed for four B-747-438s. On July 17, a second **Air Lanka, Ltd.** Jumbojet is chartered, this one the former Qantas machine *Melbourne*.

A 20% interest (later cut by half) is taken in **Air Pacific, Ltd.**, the Fiji national carrier. Capacity is increased through leases in November as one each B-747-131 and B-747-130 are chartered from **Tower Air** and **Aer Lingus Irish Airlines, Ltd.** Roundtrip code-sharing flights with **Air Pacific, Ltd.** commence from Australia to Fiji in November using Australian aircraft and from Fiji to Los Angeles employing the *Darwin*.

Passenger boardings ascend 14.1% to 3,314,039 while freight jumps 17.8% to 858.7 million FTKs. Revenues accelerate 22.5% to A\$1.6 billion and with costs low, an operating profit of A\$68.7 million is generated, together with net gain of A\$42.1 million.

The workforce is increased by another 4.1% in 1988 to 15,226 and the fleet now includes 1 B-747-100, 14 B-747-200s, 2 leased B-747-238s, 2 B-747-238B/Cs, 2 B-747SP-38s, 6 B-747-338s, 7 B-767-238ERs, and 4 B-767-338ERs. Orders are outstanding for 10 B-747-438s and 1 B-767-338ER.

The unnamed B-747-238BC purchased in November 1977 is sold to **Air Canada, Ltd.** in January. The **Tower Air** and **Aer Lingus Irish Airlines, Ltd.** Jumbojets are returned in February and replaced with a B-747-123 chartered from Citicorp. A 19.9% share is acquired in **Air New Zealand, Ltd.** and services start to Buenos Aires. The flag carrier regains interline domestic rights from the Australian government in July, but is restricted to point-to-point domestic passenger transport for foreign-originating passengers only.

During the fall, a 60% interest is acquired in Creative Tours (Pty.), Ltd. and its American affiliate, Creative Vacations, while 66% shareholding is taken in Sun Tours (Pty.), Ltd.

Seeking a place in the *Guinness Book of World Records*, 59 employees pull a 226-ton B-747-238B a distance of 328 ft. across the tarmac at the company's Perth hub on October 22 in just 62.1 seconds.

In November, to avoid Mideast airspace, the carrier inaugurates daily London-Australia flights via the southern Soviet Union and Bangkok.

Customer bookings jump 18.9% to a record 3,941,729 passengers and cargo climbs 3.1% to 885.06 million FTKs. Revenues ascend 25.9% to A\$2.04 billion, which allows operating income to reach A\$106.8 million. Net gain is a record A\$92.5 million.

Despite unhappiness caused by the nationwide pilot strike, the payroll swells by 14.6% in 1989 to 17,481. Employing a Douglas DC-10-30CF leased from **World Airways**, the carrier in February inaugurates weekly all-cargo flights from Sydney to New York via Honolulu and Los Angeles. Marriott In-flight Services enters the airline catering market in Australia when it signs a contract on March 13 to provide meals for Qantas flights.

Thrice-weekly Jumbojet services are initiated from Los Angeles to Auckland in April, with continuing flights to Melbourne. Also in April, the carrier awards a A\$3.2-million, 7-week contract to **Aer Lingus Irish Airlines** for the overhaul of a Jumbojet. The first 3 of 13 ordered B-747-438s join the fleet as the cooperative agreement is established with **American Airlines** for joint services to Washington, D.C., New York, and Boston from Los Angeles is implemented.

In May, the company, part of a consortium with **American Airlines** and **Japan Air Lines Company, Ltd. (2)**, purchases **Air New Zealand, Ltd.** for NZ\$660 million (US\$403.7 million). It provides assurances to **Ansett NZ (Pty.), Ltd.** that it will continue to transport its passengers to New Zealand despite the takeover of its rival. Forced by the government to hold down wage levels, Qantas is required to delay certain of its expansion plans as the company's maintenance union fights the use of off-shore facilities and staff shortages increase.

In June, with guarantees from the national government, Qantas issues A\$200.1 million in Eurobonds (due in 1996) and A\$78.5 million in 5.2% bonds (due in 1999). In addition, flights begin to the Japanese city of Fukuoka and it is announced during July that the airline will expend A\$20 million to construct an aircraft servicing base at Melbourne's Tullamarine Airport. As of July, the average passenger trip covers 4,004 miles and is one of the longest in the world.

The first B-747-438, christened *Longreach* and with only 23 passengers aboard, arrives at Sydney's Kingsford Smith Airport on August 17 following a nonstop 20 hr. 9 min. flight of 11,156 miles from London (LHR). The record breaking operation—only 3 hrs. 6 min. more than a record time set by the Concorde—is the all-time longest subsonic commercial transport flight. Buffs note that the nonstop is made 54 years after the first London-Sydney flight. Nitpickers, however, point out that in order to conserve fuel, the aircraft had been towed to the end of the Heathrow Airport runway for its London takeoff. After a month of workup and demonstration flights around the nation, the *Longreach* is placed on the Kangaroo route to London on September 21.

Meanwhile, although the flag carrier is not initially shut down by the mass strike and resignation of pilots on August 24 from **Australian Airlines (Pty.), Ltd.** and **Ansett Airlines of Australia (Pty.), Ltd.**, the country, about to enter its annual tourist season, loses credibility as a holiday destination. The chaos that will be caused to the tourist industry will impact Qantas traffic.

Despite the government's need for domestic capacity, Qantas declines to take maximum advantage of the walkout, preferring only to continue exercising its newly regained domestic interline rights, largely for fear of offending its own pilots.

Twenty percent shareholding is acquired in **Australia-Asia Airlines (Pty.), Ltd.**, which is established in September to begin operations to Taiwan. Contesting the government's decision to grant only a 6% wage raise instead of their request for a 30% increase, the flyers of Qantas,

and their union brothers from **Australian Airlines (Pty.), Ltd.** and **Ansett Airlines of Australia (Pty.), Ltd.**, are suspended during the month, after which they resign en masse. Without pilots, Qantas is forced to shut down. In an effort to maintain essential air service, the government turns to the RAAF (with unhappy early results) and also invites those international airlines making more than one stop in Australia to begin carrying domestic traffic.

Under this cabotage invitation, **Cathay Pacific Airways (Pty.), Ltd.**, **Thai Airways International, Ltd. (THAI)**, **Garuda Indonesian Airlines, Malaysian Airlines, Ltd. (MAS)**, **Continental Airlines, Singapore Airlines, Ltd.**, **British Airways, Ltd. (2)**, **Martinair Holland, N.V.**, and **Olympic Airways, S.A.** are able to provide only 22,000 of the 250,000 seats required weekly.

Former Ford Motor Company official William Dix now becomes chairman, with John Ward as acting president following the resignation of John Menadue.

Passenger boardings move upward by 2.9% to 4,057,629 while freight does much better, zooming along by 16.8% to 1.03 billion FTKs. Revenues climb to A\$2.47 billion, expenses total A\$2.33 billion, and the operating profit is A\$141 million. The net profit jumps to A\$142.37 million.

Company employment is cut 0.7% in 1990 to 17,469 and in January, acting CEO Ward officially assumes the presidency, just in time to open the seventieth anniversary year. Rising fuel costs force the carrier to withdrawn the B-747SP-38s *Gold City* and *Winton* in March; both aircraft are put up for sale. Also during the first quarter, a A\$16.5-million contract is signed with the Hawker/de Havilland-owned Australian Aviation College for the training of 300 students, each of whom will complete a 16-month course of study. A number of routes are restructured during the second quarter and on May 3 it is announced that by fall, flights to several destinations will end. A **Martinair Holland, N.V.** Jumbojet in mixed-livery is withdrawn at the end of the summer tourist season, but will return annually thereafter.

The capacity saved when the B-747-328s complete takeover of the Kangaroo route in June is shifted to the Pacific, where several new markets are opened, including one to Seoul. The world economic situation, especially after Iraq's August 6 invasion of Kuwait, causes the flag carrier significant financial difficulty. Two days later, however, a B-747-438 is flown nonstop in the first commercial service from Vancouver to Sydney, covering 7,825 miles in a record 14 hrs. 27 min.

After 43 years of service, operations to India are suspended following the last roundtrip from Sydney to Bombay on October 21. During the final quarter, route rationalization continues with the cessation of services to other points. Conversely, and as the result of a code-sharing agreement signed with **Air New Zealand, Ltd.**, code-shared flights on the trans-Tasman routes begin employing both Qantas and ANZ aircraft and on the Sydney to Los Angeles service with Qantas Jumbojets.

During the year, Dick and Joyce Price publish the former's recollections of flying for both **Imperial Airways, Ltd.** and QEA in *Everybody's Different* (Lesmurdie, W.A.: Rodenhurts Press, 1990).

Although passenger boardings are up 3.9% to 4,217,082, freight does better, climbing by 8.6% to 1.12 billion FTKs. Only 15 other airlines in the world haul more cargo than Qantas. Revenues climb 3% to A\$2.55 billion, a figure bettered, again, by only 15 other carriers. Expenses, however, force the previous year's operating profit to turn into an A\$93-million loss. Net profit tumbles all the way down to A\$9.5 million.

The payroll is cut by 6.1% in 1991 to 16,400 and the fleet now includes 2 leased and 3 owned B-747-238Bs, 2 B-747-238B/Cs, 6 B-747-338s, 14 B-747-438s, 2 B-747SP-38s, 7 B-767-238ERs, and 12 B-767-338ERs. Orders are outstanding for 4 B-747-438s and 1 B-767-338ERs.

Flights are offered to 45 cities in 22 countries. At the beginning of the second quarter, the national government moves to prevent the pioneer from taking shareholding in soon-to-be-privatized **Australian Airlines (Pty.), Ltd.** At the same time, discussions are held with **Japan Air Lines Company, Ltd. (2)** concerning the possibility of seconding excess Qantas crews to the Japanese flag carrier, which is badly in need of experi-

enced B-767 and Jumbojet personnel. Plans continue for privatization. In April the airline is embarrassed when it is revealed that at the time of **Air New Zealand, Ltd.**'s privatization, the Australian carrier had negotiated standby purchase agreements with its **American Airlines** and **Japan Air Lines Company, Ltd. (2)** partners under which it would buy out their shares upon request. The revelation causes the resignation of ANZ's CEO as **American Airlines** elects to sell its 7.5% interest to Qantas, at a price of US\$23.3 million.

A code-sharing arrangement is worked out with **Canadian Airlines International, Ltd.** for flights from Sydney to Honolulu aboard Australian jetliners and from Honolulu to Vancouver and Toronto aboard those from CAI.

A 15th B-747-438 arrives on September 17 and is christened *City of Gosford*. To allow the carrier to return to full profitability before its sale, the government, in October, delays the formal privatization of Qantas "for at least six months."

Customer bookings fall 0.3% to 4,202,444 and cargo declines 0.8% to 1.11 billion FTKs. Revenues rise 6.7% to A\$3.04 billion, but expenses are more and the operating loss grows to A\$114.9 million. There is an A\$32.1-billion net profit.

The employee population is increased by 9.7% in 1992 to 17,997. In hopes of reducing in-flight deaths from heart failure, the carrier begins installing defibrillators on its aircraft on February 17. Two B-747-338s are leased to **Japan Air Lines Company, Ltd. (2)** as four more B-747-438s and a B-767-338ER join the fleet. The Jumbojets are sent to Japan in JAL livery (along with a third later in the year) as part of a multiyear contract with the Japanese airline, which is strapped for flight deck crews. The deal also calls for Australian crews to operate the aircraft on JAL's Tokyo to Cairns and Brisbane and Tokyo to Auckland routes.

The carrier also joins the frequent flyer program of **Alaska Airlines**. The government offers 49% minority shareholding privatization in June; however, the sale is hampered by political disagreements over Australian aviation policy.

In a surprise decision, the government reverses its ban on cross-shareholding between the country's airlines in July and as a result of Canberra's new "One Nation" commercial aviation policy, **Australian Airlines (Pty.), Ltd.** is purchased by Qantas from the government on September 14 for A\$400 million (US\$320 million). Plans are simultaneously unveiled to sell the combined airline in two stages.

During a flight from Los Angeles to Sydney in mid-August, a B-747-438, with 326 aboard is mistakenly targeted (and, unlike the Iranian Airbus downed earlier by sistership USS *Vincennes*, warned) by the U.S. missile cruiser USS *Cowpens* during Exercise Rimpac '92. The Jumbojet quickly changes course and heads away from danger. Another B-747-438 is delivered on October 16, the 100th Boeing airliner purchased by Qantas.

The merger with **Australian Airlines (Pty.), Ltd.** is completed in November; the arrangement instantly makes the combined company, which will be integrated under the pioneer's name, the 15th largest airline in the world in terms of ticket sales. One day a purely international flag carrier, Qantas now commands almost 50% of the nation's domestic market. Although an expected offer from **Air New Zealand, Ltd.** is not made, both **British Airways, Ltd. (2)** and **Singapore Airlines, Ltd.** make bids for 25% shareholding.

The Australian government in December selects the British tender, worth A\$466 million (US\$450 million), also granting BA three seats on the Qantas 12-person board of directors. The Australian government agrees to recapitalize Qantas prior to the closing to the extent of A\$1.35 billion.

Also during the year, the carrier disposes of its wholly owned subsidiary Fantasia Information Network, Ltd., formerly Qantas Distribution Services, Ltd. It also unloads Vanate (Pty.), Ltd., once known as Direct Reservations (Pty.), Ltd., as well as Creative Tours (Pty.), Ltd.

Passenger boardings recover and ascend 14.8% to 4,824,926 while freight shoots up 11.5% to 1.21 billion FTKs. Revenues jump 6.5% to A\$2.92 billion and expenses are A\$2.84 billion. As a result, there is an operating surplus of A\$98.4 million and net gain of A\$91.7 million.

In 1993, CEO John Ward oversee a workforce of 25,159, a 39.8% increase. Plans to implement the new agreement with the U.K. flag carrier are initiated in January. The two begin to work closely on route network planning, seeking the creation of services that will allow interlining. Additionally, joint product development is sought, including frequent flyer linkage (BA drops its arrangement with **Ansett Australia (Pty.), Ltd.**) and work starts on the joining of such other operations as ground handling, cargo, financing, engineering, equipment purchasing, and code-sharing or the joint usage of aircraft, particularly B-747-400s.

The government prepares to offer the remaining 75% of its shareholding to the public, but in February it injects \$A1.35 billion (US\$950 million) recapitalization into the airline. The arrangement is a debt-for-equity swap under the terms of which the government takes over all debt on the company's books. At the same time, it is decided, in light of the upcoming March 13 elections, to postpone the 75% market flotation to the final quarter.

The election does not affect the airline's sale, as all of the major political parties support the company's privatization. **British Airways, Ltd. (2)** finalizes its purchase of a 25% stake in March, following regulatory clearance from the U.K. Secretary of State for Trade and Industry, and receives three seats on the 12-member Qantas board. Gary Pemberton succeeds William Dix as Qantas chairman in April.

The fleet now includes 4 A300B4-203s, 16 B-737-376s, 16 B-737-476s, 1 of which is leased to **Air Vanuatu**, 3 B-747-238Bs, 2 B-747-238BCs, 6 B-747-338s, including 3 leased to **Japan Air Lines Company, Ltd. (2)**, 18 B-747-438s, 2 B-747SP-48s, 7 B-767-238ERs, and 13 B-767-338ERs, 1 of which is chartered to **Australia-Asia Airlines (Pty.), Ltd.**

International services are continued to 87 markets in 24 countries. At home, absorption of **Australian Airlines (Pty.), Ltd.** continues apace and is visibly witnessed on May 6 when a former Australian B-737-376, resplendent in Qantas' red and white livery, is rolled out in a public ceremony at the former Australian maintenance base at Melbourne. The combined carrier's assets make Qantas the second largest air transport concern in Asia.

In early June, the Australian government announces imposition of sanctions against **Northwest Airlines** as the result of a dispute concerning passenger ratios on the American major's thrice-weekly flights linking New York, Tokyo, and Sydney. Northwest is specifically charged with exceeding the normal 50% fifth freedom cap by picking up an excess number of passengers at the Tokyo (NRT) stop on its New York-Sydney route.

Northwest appeals to the Australian courts on June 5 and on June 6, the U.S. DOT bans Qantas from its three weekly services to Los Angeles. On June 13, Qantas attempts to circumvent the U.S. ban on its Los Angeles route by switching those flights to San Francisco. The government, on June 23, abandons its sanctions against Northwest in exchange for an agreement by the U.S. to drop its retaliatory action against Qantas. Also during the month, Qantas begins to integrate its frequent flyer plan with that of **British Airways, Ltd. (2)** on those routes where the U.K. airline does not fly in competition.

A total of US\$375 million in unsecured debt is sold in the U.S. public bond market during July. At the same time, the government postpones its flotation of the remaining 75% shareholding until late fall 1994. Airline officials are surprised when the Australian International Air Services Commission awards the majority of the new slots at Osaka's new Kansai Airport to **Ansett Australia (Pty.), Ltd.**

Managing Director Ward surprisingly resigns on July 30. In early August, the board of directors appoints former **Australian Airlines (Pty.), Ltd.** CEO James Strong his successor effective at the end of October; Chairman Pemberton acts as managing director during the interim.

The integration of **Australian Airlines (Pty.), Ltd.** is officially completed in October, at which time Qantas adopts a new corporate name: "Qantas: The Australian Airline." The carrier begins to coordinate its Kangaroo Route schedule with **British Airways, Ltd. (2)** on October 29.

Following the announcement in early November by Australian Finance Minister Ralph Willis that privatization must await until the air-

line is more profitable, probably in 1995, Chief Financial Officer Graham Jones, unwilling to wait further for the public float, resigns. In December, a new, three-year bilateral agreement is signed between Australia and the U.S. and both **Northwest Airlines** and **Continental Airlines** begin a retreat from Qantas' Pacific operations zones.

Overall passenger boardings (as compared to the previous year's returns by both carriers) swell 12.1% to 13,561,455 and freight rises 12.3% to 1.41 billion FTKs. Revenues increase 44.5% to A\$3.87 billion, but even after a 12.1% decline, expenses are still A\$4.14 billion. As a result, there is an A\$278.83-million operating loss. A net gain of A\$24.34 million is banked.

The workforce is cut 2.6% in 1994 to 24,500. With **United Airlines** now its only significant American competitor, Qantas, at the beginning of the year, is the only carrier serving the Honolulu-to-Sydney route. In February, code-sharing is inaugurated between Australia and Port Vila with **Air Vanuatu** employing Air Vanuatu jetliners chartered from Qantas.

Seeking an entry in the *Guinness Book of World Records*, David Huxley single-handedly pulls a 115-ton B-767-238ER a distance of 203 ft., 10 in. across the tarmac at the company's Sydney hub.

Now unprofitable, the historic, 40-year-old San Francisco service is terminated on March 27 in favor of increased frequencies from Los Angeles to Sydney and between Los Angeles and San Francisco flown under a code-sharing agreement with **USAir**.

At the same time, a new Darwin-Tokyo route is inaugurated and the two unsold B-747SP-38s, *City of Gold City-Tweed* and *Winton*, now rechristened *City of Traralgon*, are transferred to **Australia Asia Airlines (Pty.), Ltd.** In addition to black name titles on the forward portion of their white fuselages, the pair wears red tails with a ribbon rather than a kangaroo emblem.

During the month, former **Australian Airlines (Pty.), Ltd.** managing director, later the new parent's general manager-Australia, John Schaap, resigns.

Facing continued heavy losses, the Solomon Islands government on April 1 asks Qantas to take over a number of **Solomon Airlines, Ltd.**'s services, using a Qantas B-737-376, plus the lease of a B-737-4Q8 chartered from ILFC.

Qantas agrees to operate the services, but does not immediately agree to transfer the lease. That view changes, however, as the Australian major assumes the lease of the B-737-4Q8 and wet-leases back to Solair one of its own B-737-376s for use during 41 flying hours per week.

Charter flights over Antarctica, suspended after the **Air New Zealand, Ltd.** tragedy in 1979, are now resumed. Melbourne-based Croyden Travel will arrange 10 charter trips each year to be flown from Perth, Adelaide, Sydney, and Melbourne during the November-February summer tourist season. The flights over the eastern seaboard of the ice continent, from Davis to Mirny and Casey, provide passengers with the best views of Antarctica short of specialized air services that actually land at the Australian and Russian research stations seen below.

In July, Australian Finance Minister Kim Beazley announces that privatization has again been delayed in order that the company might demonstrate improved fiscal returns from its restructuring; the 75% stake will be sold through a public float during the spring of 1995. An order for nine A320s ordered by **Australian Airlines (Pty.), Ltd.** five years earlier is now cancelled.

In August, an A\$1-billion (US\$732-million) revenue-pooling agreement is signed with **British Airways, Ltd. (2)** under which Qantas and its U.K. equity partner will price fares and coordinate schedules jointly, beginning next April, on routes between Australia and Europe. Knowing of the Japanese love of colorfully liveried aircraft, a B-747-438A is rolled out at Sydney on September 3 in a bright red and green Aboriginal art scheme designed by the Balarinji studio at Adelaide and is christened *Wunala* (Kangaroo Dreaming). It is employed the next day to inaugurate the first company service to Osaka (KIX).

A code-sharing agreement is signed with **American Airlines** and under its terms, nonstop Los Angeles-Sydney roundtrips begin on November 15. AA places its designator on 12 of the nonstop Qantas flights

per week each way, while the Qantas designator is applied to a number of AA services between Los Angeles, Chicago, New York, Boston, and Washington, D.C.

Suggesting that it is not convinced that the BA plan will benefit consumers, the Trade Practices Commission in Canberra tentatively vetoes the agreement in December, requiring that the two continue price competition on the Kangaroo Route from Australia to Britain. Meanwhile, company employees prepare for the company's seventy-fifth anniversary, which will be celebrated throughout the following year. Special emphasis will be placed on the April 17th sixtieth anniversary of the first overseas passenger flight from Brisbane to Singapore, completion of privatization in July, and a series of dinners in various markets during November.

Overall, customer bookings leap ahead by 11.4% to 13,791,429, while cargo improves 12% to 1.58 billion FTKs. Revenues increase 4.4% to \$A4.84 billion while expenses climb 8.6% to \$A4.66 billion. As a result, there are profits of A\$223.33 million (operating) and A\$115.51 million (net).

Airline employment climbs 4.5% in 1995 to 29,350. The carrier celebrates its seventy-fifth anniversary throughout the year and is also named Airline of the Year by *Air Transport World* magazine. As part of the anniversary, Ken Cato designs a special logo that brings together the flying kangaroo symbol and the words "75 Years" to mark the airline's long contribution to civil aviation.

Early in the year, officials at **Cathay Pacific Airways (Pty.), Ltd.** publicly condemn **Qantas Airways (Pty.), Ltd.** for turning Hong Kong's Kai Tak Airport into an unofficial hub, where it picks up passengers to fly onward to Singapore and Bangkok. It is stated that the Australian carrier exceeds the normal 50% fifth freedom norm; there is also concern over Qantas' deep-discount fares.

Service to Paris is suspended at the beginning of March. On March 26, a new code-sharing connection service is inaugurated with **British Airways, Ltd. (2)**. Passengers on any of the thrice-weekly London (LHR) to Los Angeles services are able to transfer to a Qantas Jumbojet for nonstop service on to Auckland; the new route takes three hours off the twice-weekly frequencies to New Zealand offered by BA over a route east from London.

Negotiations between the Hong Kong and Australian government aviation ministries to resolve Cathay's fifth freedom charges are broken off in mid-April. On April 17, the sixtieth anniversary of the first overseas passenger flight from Brisbane to Singapore is celebrated.

During the first week of May, the Hong Kong Economic Service Branch decrees that, after July 1, no more than 50% of Qantas' passengers flying to Singapore and Thailand may originate at Kai Tak. The Australian transport minister now shortens Cathay's operating permit to Australia to June 30, at which point Hong Kong threatens to cut off all Australian flights to Hong Kong the same day.

The Australian Trade Practices Commission reverses its December decision during the third week of May and gives the carrier and its new part owner **British Airways, Ltd. (2)** permission to cease price competition on the Kangaroo Route from Australia to London.

During the second week of June, Qantas threatens to sue the Hong Kong Civil Aviation Department and Economic Service Branch for the July 1 proposal. The following week, the Australian Transport Minister Christopher Pratt weighs into the conflict between its national company and the foreign line. Offering to extend **Cathay Pacific Airways (Pty.), Ltd.**'s Australian operating permit through October 28, he also proposes that the number of seats allowed to the Hong Kong flag carrier in Australia be reduced by 60%.

Negotiators from the two countries resume talks on June 26. While neither gives into the assertions and demands of the other, a six-month "cooling off" period is imposed—during which time both sides will seek a solution to their differences.

Under the May TPC ruling, the Australian and British majors are able to launch code-sharing and joint operations in October at the beginning of the tourist season for the southern continent.

Discussions are held with **Emirates Airlines, Ltd.** in December concerning possible cooperation on services between Australia and the Persian Gulf.

A compromise arrangement in December ends the dispute with **Cathay Pacific Airways (Pty.), Ltd.** Under its terms, Hong Kong gains the principle of imposing a cap on uplift out of the Crown Colony. Qantas will only have difficulties if it increases Hong Kong-originating boardings beyond 50% of capacity or 200 passengers per day. At present, daily Qantas flights from Hong Kong to Bangkok and Singapore board between 150–180 local originations.

Passenger boardings accelerate by 12.6% to 16,054,000 while freight traffic rises to 1.66 billion FTKs. Revenues during the first 12 months as a public company advance 10.2% to A\$5.6 billion while costs rise an almost equal 10.5% to A\$5.36 billion. Operating profits move ahead to A\$246.7 million and net gain reaches A\$138.67 million. The profit figures are later adjusted upward to A\$253 million (operating) and A\$143 million (net).

The workforce is increased another 3.6% in 1996 to 29,627. As part of the seventy-fifth anniversary, the company commissions the painting of a second Jumbojet in an Aboriginal art-inspired livery. The B-747-338 *Nalanji* (Our Place) *Dreaming* joins the fleet in January.

Also during the first month, the company receives the 1995 "Airline of the Year" award from *Air Transport World* magazine.

It is announced that the company will invest A\$70 million (US\$56 million) to upgrade domestic terminal facilities at Melbourne's Tullamarine Airport over the next 18 months.

A new cargo terminal is opened at Brisbane during the spring and a new route is started to Bombay.

As a result of the company's privatization, the political implications of maintaining separate services to Taipei are lessened. The B-747SP-38s *City of Gold Coast-Tweed* and *City of Traralgon*, leased to **Australia Asia Airlines (Pty.), Ltd.**, are returned to the parent on June 27 and repainted in Qantas colors. Meanwhile, **Australia Asia Airlines (Pty.), Ltd.** is folded back into its parent, which now undertakes service to Taiwan under its own colors.

In August, Qantas launches its first direct flights between Shanghai and Sydney, twice per week. An agreement is reached with the Transport Workers Union of Australia on August 23 for an 8% wage increase over the next 2 years for 5,500 of the airline's employees.

A TCAS alert sounds aboard a B-747-438 en route over Miyake Island south of Tokyo during the month, when two USMC F/A-18s from Iwakuni come too close; the Jumbojet is forced to take evasive action. Japanese and Australian officials protest the near miss to U.S. authorities.

In early September, the carrier reaches a new agreement with **Japan Air Lines Company, Ltd. (2)** and begins to code-share 14 weekly nonstop flights from Brisbane and Cairns to Tokyo.

Qantas teams with **Burlington Air Express (BAX)** on October 5 to introduce "BAX Downunder Direct," a weekly roundtrip B-747F service from the American company's Toledo hub to Sydney and Melbourne, with connections to major cities throughout Australia and New Zealand.

An ambitious new summer schedule (winter in the Northern Hemisphere) begins in October. New thrice-weekly nonstop services commence from Sydney to Singapore, new twice-weeklies begin from Brisbane to Kuala Lumpur and Jakarta and from Melbourne to Jakarta, and a new weekly roundtrip is launched from Melbourne to Shanghai via Sydney. In addition, a third weekly roundtrip is added from Sydney to Ho Chi Minh City and a third weekly roundtrip is begun from Perth to Bombay via Singapore.

Also during the month, **Air New Zealand, Ltd.** is able to acquire a 50% stake in rival **Ansett Australia (Pty.), Ltd.** for A\$475 million.

To replenish its coffers after the Ansett purchase and to increase the number of shares held by foreign investors from 35% to 49%, **Air New Zealand, Ltd.** now offers a pro rata issue of 121 million shares for sale. The offering brings in NZ\$242 million, including NZ\$47 million (US\$32.9 million) from rival Qantas, which now holds a 19.4% stake.

In November, agreement is reached with **Asiana Airlines, Ltd.** for cooperative ground handling in Korea and Australia and for code-sharing on flights from Sydney and Cairns to Seoul; four weekly flights are offered.

As the result of soft market conditions during the first half, combined with a strong Australian dollar and soaring fuel costs, the company in mid-December determines to increase its cost-cutting target from A\$100 million (\$79 million) to A\$430 million.

As of December 21, travelers booking flights to Australia via the company may obtain permission to enter the country through a new program that issues electronic travel authority.

Enplanements slip slightly to 16,024,000. Revenues grow 7.7% to A\$6.03 billion while expenses rise just 6.8% to A\$5.71 billion. Operating gain reaches up to A\$319 million while a net A\$161.83-million profit is posted.

The workforce grows a slight 1.5% in 1997, up to 30,080.

Early in January, the company opens a new air cargo terminal at Los Angeles (LAX). Located in the former **Pan American World Airways (1)** cargo terminal, the US\$8.5 million facility includes 65,000-sq.-ft. of warehouse and office space.

Sydney Organizing Committee CEO Mal Hemerling announces on January 28 that seven carriers have been designated official carriers for the Sydney 2000 Olympic Games. In something of a surprise, Qantas is passed over in favor of **Ansett Australia (Pty.), Ltd.**

On February 25, the company and **Air New Zealand, Ltd.** cancel their six-year old "airshare" arrangement, involving shared seats on each other's services between certain cities, mainly Wellington and Christchurch, and promise to lay on extra flights between Wellington and Australia with the aim of improving trans-Tasman flight frequency.

The carrier sells its 19.4% stake in **Air New Zealand, Ltd.** to ANZ Securities, Ltd. on March 19 for A\$295 million. Daily code-sharing flights begin in April with **Japan Air Lines Co., Ltd. (2)** from Cairns and Brisbane to Tokyo (NRT). A new freight terminal is opened at Los Angeles and two-class service is offered over domestic routes.

With a first quarter loss anticipated, **Ansett Australia (Pty.), Ltd.** abandons its attempts to win away the rights to serve Bangkok presently held by Qantas. Qantas now undertakes negotiations aimed at the purchase of the country's largest travel concern, **Jeset (Pty.), Ltd.**, which has recently given the Australian major a contract for \$800 million worth of domestic and international tour and charter business.

Dual-designator flights with **Asiana Airlines** are increased in April from four to five per week. Also during the month, ticketless electronic travel is introduced. On May 3, a new weekly Brisbane-to-Wellington return service is initiated.

Also during the month, a cost-cutting layoff of 132 engineering and maintenance department personnel is announced.

At the same time, CEO Strong inaugurates a new A\$560 million (US\$500 million), three-year "Flying Toward 2000" service enhancement plan. Under this program, the company will add full sleeper seats to its first-class international cabins; equip the domestic fleet with new economy-class and business-class seats; recruit 350 new flight attendants to provide more "personalized" service; retain Sydney hotel executive Ted Wright to upgrade service standards throughout the company; appoint noted Australian chef Neil Perry to redesign all Qantas menus; and launch a new advertising campaign keyed to the national sporting image and based on the theme of the Peter Allen song "I Still Call Australia Home."

Following public opposition to all in-flight gambling by Australian Prime Minister John Howard, Qantas encounters great difficulty in winning approval for the introduction of gambling on international flights.

When the Australian travel industry threatens to take all of its business to Qantas, **Ansett Australia (Pty.), Ltd.** backs off a plan to cut commission rates by 20% for charter and domestic flights booked by travel agents; Qantas has not lowered rates. Unable to settle on a price for the **Air New Zealand, Ltd.** 50% stake, Qantas, itself, abandons plans to buy into the **Jeset Travel** and technology group. **Air New Zealand, Ltd.** will end up purchasing full ownership itself.

Throughout the first half of the year, merger discussions are held between the new leadership of **Ansett New Zealand, Ltd.** and the management of Qantas concerning a possible takeover of the New Zealand regional by the Australian major. Given the tight-money constraints presently at work within the major, a number of executives raise concerns.

At the beginning of June, Director of Operations Ian Oldmeadow and Regional Airline/Resorts Director Norman Fricker both resign. Their departure allows Managing Director Strong to reduce the number of group executives and to reallocate responsibilities for various activities.

The "airshare" agreement with the New Zealand major technically ends on June 17, at which time **Air New Zealand, Ltd.** puts on two extra weekly return flights per week between Wellington and Australia. For its part, Qantas introduces an extra weekly Melbourne-Auckland-Los Angeles return flight the same day, following it within days with an additional weekly roundtrip between Melbourne and Christchurch.

When merger discussions with **Ansett New Zealand, Ltd.** break down during the summer, Qantas gives consideration to moving the BAe 146 fleet of its **Nation's Jet System (Pty.), Ltd.** subsidiary to New Zealand and entering the Kiwi domestic market directly. It may also elect to compete only on the more profitable of **Ansett New Zealand, Ltd.**'s local routes.

On July 1-2, talks are held to stop a threatened wildcat strike by storemen and packers, who are displeased by the firing of an Aboriginal employee who is accused of working under the influence of drugs and alcohol.

Signaling a return to its core airline operation, Qantas, early in the month, sells three of its Great Barrier Reef resorts inherited from **Australian Airlines, Ltd.**, retaining only a leasehold interest in the Lizard Island resort.

The code-sharing Millennium agreement with **British Airways, Ltd. (2)** is expanded during July as both carriers now begin to sell seats on the other's services. Qantas begins dual-designator service with BA on the latter's flights from London (LHR) to Aberdeen, Amsterdam, Belfast, Edinburgh, Glasgow, Manchester, Paris, and Vienna. BA, in turn, is allowed to share its code on Qantas services from Sydney to Adelaide, Canberra, and the Gold Coast, from Melbourne to Adelaide and Hobart, and from Perth to Adelaide.

According to an article by Dave English, Qantas now operates one of the longest routes in the world, Los Angeles to Sydney—shared with **Air New Zealand, Ltd.** and **United Airlines**—the 7,489-st.-mi. distance is flown in 24 hrs. 35 min. out and 13 hrs. 25 min. back (*Airways* [July-August 1997]: p. 21). In the following issue, it is noted that the carrier's longest flying time route of 13 hrs. 45 min is Melbourne to Johannesburg.

In a further effort to cut costs, the carrier, in early August, invites external bids for the takeover of its ground-handling operations at the airports at Brisbane, Cairns, Coolangatta, Melbourne, Perth, Sydney, and Townsville. In-house tenders are made, along with presentations from the U.K.-based Serco and U.S.-based Airport Group International.

While preparing to land at Uluru on August 5, the pilot of Flight 92, a B-737-376 with 49 passengers, is alerted to landing gear problems. A safe emergency landing is made at Alice Springs Airport, with the inconvenienced customers later flown to Uluru on another service.

Qantas, on August 22, adds two weekly flights to Sydney from Shanghai, bringing the number of trips to four every seven days.

During August and September, company officials visit Toulouse to consult with Airbus Industrie officials concerning the acquisition possibilities of the A340-300E.

While en route from Cairns to Sydney on September 20, the crew of a B-737-476 is alerted to tire problems on the aircraft; a safe emergency landing is made at Brisbane and no injuries are reported.

Also during September, alliance partner **British Airways, Ltd. (2)** approaches the CAA seeking permission to lease B-747-476s from Qantas for daytime use. The idle Jumbojets arrive at London (LHR) in early morning and do not return until evening.

Counterprogramming for the new Ansett-ANZ-SIA alliance begins, with Qantas and BA seeking regulatory clearance to extend their code-sharing program to services on the Kangaroo Route from seven Australian cities to London via Singapore.

Plans to upgrade domestic aircraft seating announced in May are placed on hold in early October. At the same time, doubts are expressed concerning the possible development of an A\$325-million interactive IFE system.

On October 13, a code-sharing agreement is signed with **Reno Air**. When it takes effect on January 6, it will result in dual-designator service on routes from 23 Reno markets to Los Angeles and on to Sydney. Toward the end of October, \$475 million in orders are placed with Boeing for three more B-747-438s. During the last quarter, three additional weekly Sydney-Wellington roundtrips are introduced.

During November, the nation's International Air Services Commission (IASC), in a draft ruling, determines that the carrier's plans to code-share with BA over routes to London via Singapore will not prove beneficial and therefore rejects the request. It defers a similar application to fly to London via Bangkok. Not only will the airline further petition the government board, but the Australian Tourism Council and the state of Queensland will as well.

At the same time, the carrier enters into a code-sharing agreement with **Emirates Airlines, Ltd.** on a thrice-weekly service from Melbourne to Dubai that employs the Middle East line's B-777-21Hs.

The IASC, in December, reverses its November decision and grants authority for Qantas to code-share with **British Airways, Ltd. (2)** over routes from Australia to London via Singapore. The Asian currency and economic crisis causes company and tourism planners to downgrade by half their projections for flights into Australia the following year. Chairman Pemberton warns shareholders that the next period will be significantly difficult and that earnings may actually halt. Both Qantas and **Ansett Australia (Pty.), Ltd.** are, during the month, absolved of any legal responsibility to give up slots in favor of new entrants at any of Australia's airports.

Customer bookings accelerate 6.4% to 18,606,000 as operating revenues climb 3.1% to A\$5.13 billion. With costs held to A\$4.8 billion, there is an operating profit of A\$339.28 million (later revised down to A\$291.26 million) and a net gain of A\$174.86 million.

At the beginning of 1998, Qantas is the 11th largest airline in the world in terms of employee number (30,080), 14th in operating profit, 15th in operating income, 16th in passenger boardings, and 19th in net profit.

The fleet, all of which is Stage III certified, includes 97 airplanes: 37 B-737s, 30 B-747s, 26 B-767s, and 4 A300s.

Dual-designator flights with **Reno Air** commence on January 6. Noting that traffic is down by over 65%, the company, also in January, joins with **Air New Zealand, Ltd.** and **Ansett Australia (Pty.), Ltd.** in suspending service to Seoul and other Korean cities.

A block-seat code-sharing agreement is signed with **Vietnam Airlines** on January 16.

Also during the month, the carrier sells its Bedarra, Dunk Island, and Brampton resorts on Queensland Island to P&O Australia for A\$25 million.

In early February, the company, noting traffic dips similar to those in Korea, announces that it is cutting back on services from Brisbane, Melbourne, and Perth to Bangkok, Jakarta, and Kuala Lumpur. Still, over 50 weekly return services are maintained between Australia and Thailand, Indonesia, and Malaysia.

In March, the carrier announces that it will defer for at least a year the installation of a new interactive IFE system in its long-haul fleet.

Under terms of the January pact, Qantas and **Vietnam Airlines** launch twice-weekly code-sharing services on March 28 from Sydney and Melbourne to Ho Chi Minh City. The Australian line is able to secure and resell 100 seats on each flight by the Vietnam carrier's B-767-34AER, while **Vietnam Airlines** receives resale rights to 100 seats on the Qantas B-767-338ERs.

A cooperative agreement with **Ansett New Zealand, Ltd.** is signed during the first quarter. Under its terms, the two companies agree to link their frequent flyer programs. Although discussions concerning a possible takeover continue, no firm decisions are made.

In April, the company negotiates a wide-ranging strategic alliance with **Aerolineas Argentinas, S.A.** The pact will include dual-designator flights from Australia to South America.

Given the uncertainty of the Asian economic condition, the company's board of directors in a mid-month decision elects to defer a decision on whether the airline should purchase either the B-777-200 IGW or the Airbus A340-300E. Instead, negotiations are begun for the purchase of used B-747-400s from either **Asiana Airlines, Ltd.** or **Malaysia Airlines, Ltd. (MAS)**.

In May, the company acquires another 28.5% stake in **Air Pacific, Ltd. (2)**, bringing the Australian major's shareholding to 46%. Qantas also leases the Fijian national carrier a second B-747-238B.

At the same time, yet another new B-767-300 is ordered and negotiations are conducted with other carriers for the acquisition of at least three more B-747-400s.

On June 1, trans-Tasman services begin a three-month period of increase. In June, an additional weekly roundtrip service is offered from Brisbane to Christchurch and twice-weekly roundtrips are added from Brisbane to Auckland.

As the result of the temporary (it is hoped) discontinuation of operations to Australia by **Philippine Airlines (PAL)** on June 16, Qantas, on June 20-21, increases capacity on its Saturday and Sunday roundtrips to Manila by substituting B-747-338s for the B-767-338ERs normally employed.

On June 22, the Australian major increases its five weekly B-767-338ER Manila roundtrips to daily B-747SP-38 flights, effectively doubling the number of seats it offers to the Philippines.

Employing Jumbojets that normally layover in London during the scheduled twice-daily flights between Australia and the U.K., the first of nine B-747-476 charters flown on behalf of the P & O subsidiary Princess Cruises is operated on June 20 between London and Barcelona. There passengers connect with the 12-day Mediterranean cruises between that Spanish city and Istanbul on the new holiday ship *Grand Princess*. Through September, three more roundtrip charters to Barcelona and four to Istanbul will be flown.

When the government of Thailand announces in June that it will reduce its holding in **Thai Airways International, Ltd. (THAI)** from 80% to 72% via privatization, Qantas indicates its interest in acquiring a stake. Also during the month, it agrees to take over delivery of three B-747-400s from two other Asian carriers unable to take them, **Asiana Airlines, Ltd.** and **Malaysian Airlines, Ltd. (MAS)**.

A total of 29 domestic services are added to the schedule on June 27. Among these are two new weekend B-737-376 roundtrips between Sydney and Maroochydore, which bring to nine the number of flights between Sydney and the Sunshine Coast, and a new daily B-737-376 roundtrip between Brisbane and Townsville.

In support of the tourism industry, B-747-238Bs are placed on the roundtrip Sydney route to Cairns twice weekly and on the route from Sydney to Perth weekly. Additionally, one more B-737-376 daily service is laid on from Brisbane to Melbourne, four-times-a-week roundtrips begin from Sydney to Adelaide, one more weekly roundtrip between Perth and Melbourne is offered, as well as one more Saturday roundtrip between Melbourne and Perth.

Enhancement of the trans-Tasman routes continues at the start of July. One more weekly roundtrip is added from Brisbane to Wellington, one is launched from Melbourne to Wellington, one more from Melbourne to Christchurch, and yet another from Cairns to Auckland. On July 4, top level dignitaries and tourism officials from New Zealand are guests aboard a company B-737-376 when it inaugurates daily roundtrip service from Sydney to Queenstown.

A strategic marketing agreement is signed with **LanChile Airlines, S.A.** on July 22. The new alliance will allow customers of one airline to

participate in the frequent flyer program of the other. Qantas is able to place its codes on LanChile return flights from Santiago to Easter Island and Papeete, while the Chilean major affixes its code to Qantas services from Papeete to Auckland and Sydney.

A number of international Asian services are cut back on August 1. One of the two weekly roundtrips from Sydney to Tokyo is eliminated, along with the twice-weeklies to Vietnam. The twice-weekly Jakarta-Bangkok segments of the thrice-weekly Perth-Jakarta-Bangkok service is suspended and the Perth to Jakarta thrice-weeklies are flown twice weekly.

Route revision continues through the month. Two additional roundtrips are launched from Sydney to Wellington and two from Sydney to Christchurch. By this point, the number of weekly Qantas flights operated between Australia and New Zealand has climbed to 158. Kuala Lumpur is downgraded into a stop on the London route. A seventh weekly service is introduced from Sydney to Bombay via Singapore, while a fifth weekly roundtrip is launched between Adelaide and Singapore. Saturday and Sunday Brisbane to Bali B-767-338ER roundtrips begin on August 22.

While on descent to London (LHR) on September 4, a B-747-438 suffers an autopilot malfunction. The incident, reported in the September 23 issue of *The Australian*, is believed to have been caused by passengers employing a combination of electronic games, laptop computers, and CD players after having been asked not to.

A strategic alliance is signed with **Swissair, A.G.** on September 18. Dual-designator services and the linkage of frequent flyer programs are the main ingredients.

It is announced at a London news conference on September 21 that **Cathay Pacific Airways (Pty.), Ltd.** has joined its first airline alliance, the new "OneWorld" grouping established to compete with the "Star Alliance" headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by **American Airlines** and **British Airways, Ltd. (2)**, which continue their battle to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. **Canadian Airlines International, Ltd.** and Qantas, both of which already have marketing partnerships with AA and BA, are also charter members.

Leaders of the five companies indicate that they will coordinate ticketing and flight schedules, while cooperating on frequent flyer programs. Other carriers will be invited to join and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces its membership before the day is over.

One airline that will not be invited to join, **Virgin Atlantic Airways, Ltd.**, hires a truck with a sign painted on its side proclaiming "no way" and has it parked, illegally, outside the building where the "OneWorld" news conference is held. A spokesman for Virgin indicates that his airline will gladly pay the parking ticket to get its point over.

The final Airbus service is operated on October 24 between Sydney and Melbourne; thereafter, the last four A300B4-203s are withdrawn and sold to Pinnacle Air Cargo Enterprises (PACE) for conversion into freighters.

The five weekly frequencies to Fukuoka from Sydney and Cairns are suspended on October 25. New weekly trans-Tasman return services are introduced, also on October 25, from Melbourne to both Christchurch and Wellington and from Brisbane to Auckland. The same day, the northbound Melbourne to Hong Kong flights offered five times a week are switched from daylight to overnight services.

The Swissair-Qantas code-sharing pact takes effect on October 26, as the two begin to offer thrice-weekly connections from Zurich to Sydney via Singapore. The Zurich-Singapore leg is operated nonstop by **Swissair, A.G.** while the Singapore-Sydney portion is a Qantas operation.

Thrice-weekly B-747-438 roundtrips begin on October 26 from Sydney to Paris via Singapore; only one flight is operated separately by Qantas as the other two are code-shares with **British Airways, Ltd. (2)**. Simultaneously, new direct thrice-weekly roundtrips are inaugurated from Brisbane to Rome via Bangkok.

Two additional weekly services are added to Los Angeles from Sydney on October 28. On October 29, concerned over the apparent lack of success over new flight information and communication rules, Qantas suspends regional services to a number of eastern New South Wales communities.

A day later, additional Saturday services are added, one each from Sydney to Bali and from Bali to Singapore.

The three remaining weekly services to Osaka are suspended on November 1 and are replaced by a daily code-share over the route with **Japan Air Lines Company, Ltd. (2)**.

On November 20, the company launches twice-weekly B-747-438 roundtrips to Buenos Aires via Auckland.

Twice-weekly seasonal service to Vietnam begins in early December; it will continue through February.

As the result of a new air service agreement between Australia and Malaysia, Qantas is able to code-share, starting on December 10, aboard **British Airways, Ltd. (2)** thrice-weekly B-747-436 return flights from Sydney to London (LHR) via Kuala Lumpur.

Also on December 10, the *NSW Daily Telegraph* reports that the Civil Aviation Safety Authority is investigating charges that veteran Qantas Captain Lindsay J. Lobwein had, in mid-1990 and in September 1996, allowed passengers to take control of his aircraft for periods up to 20 minutes during scheduled flights. The newspaper prints photographic evidence of these serious violations of civil air regulations that will result in the pilot's demotion to first officer for a year and the loss of A\$100,000 in salary.

A fourth weekly service to Tahiti, timed to connect with a fourth weekly **LanChile, S.A.** code-share flight to Santiago via Easter Island, is added on December 15.

It is reported on Christmas Eve that the airline will issue further security directives to prevent a repeat of a recent incident in which three unaccompanied pieces of luggage were flown from Australia to Los Angeles on the same plane as George and Barbara Bush.

Passenger boardings inch up 1.8% to 18.86 million while revenues ascend 3.8% to A\$5.36 billion. Costs are up 3.2% to A\$5.05 billion, leaving an operating profit of A\$315.48 million. A net A\$201.3-million profit is reported.

On January 19, 1999, Qantas formally introduces to the U.S. its "new look" three-class configuration, together with restaurant-style in-flight cuisine, at a gala event at the Los Angeles Imperial Terminal. Invited guests are taken aboard the B-747-438 *Wunala Dreaming*, painted in a vibrant, predominantly red Aboriginal design, which is showcase for the changes.

Qantas on January 24, introduces its first television advertising campaign in the U.S. in over a decade. Featuring the Australian Girls and National Boys Choirs filmed at various locations, the ads will air during the Super Bowl on January 31 and over the next 2 months over 17 cable and broadcast networks.

It is announced during the month that the airline is expending A\$147 million to make certain that its computer systems are Y2K compliant.

The "OneWorld" global alliance is formally implemented on February 1 with **American Airlines, British Airways, Ltd. (2), Canadian Airlines, Ltd.,** and **Cathay Pacific Airways (Pty.), Ltd.**

The U.S. trade magazine *Aviation Week & Space Technology* announces its annual aerospace laureates awards on February 8; among those honored, in the category of commercial air transport, is CEO Strong. The winners will receive their prizes at a dinner given at the Smithsonian Air and Space Museum at the end of April.

On February 10, Qantas joins with **Ansett Australia (Pty.), Ltd.** in voicing opposition to the "open skies" aviation policy currently being studied by the government's Productivity Commission.

Discussions concerning the formation of a strategic alliance with **China Eastern Airlines Company, Ltd.** are announced, also on February 10. Under its terms, the two will begin code-sharing flights at the end of March. The Australian line will operate thrice-weekly B-767-338ER return flights from Sydney to Shanghai, while CEA will fly the

same number of flights using an A340-313 between Beijing, Shanghai, and Sydney. The CEA Beijing-Shanghai segment will replace the same segment that will be dropped by Qantas.

In a February 15 interview with *The Australian Financial Review*, Chairman Pemberton asserts that the federal government's proposed "open skies" pact could force Qantas to scrap its regional air services. Such an agreement, he claims, would allow foreign airlines to "cherry pick" lucrative air routes, requiring Qantas to cut back on its less profitable operations.

Most of the CEOs of the "OneWorld" alliance meet in Sydney, also on February 15. There, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** is formally welcomed into the group.

In mid-month, it is announced that Qantas will operate a special Millennium Flight sight-seeing tour over Antarctica that will depart on the evening of December 31, 1999 and return on January 1, 2000. The special flight will be sold out within days. It is also noted that, since the resumption of Antarctic tourist flights 5 years earlier, some 13,900 passengers have flown over the east coast of the ice continent during 50 flights.

On March 1, **American Airlines** begins to place its "AA" code on Qantas flights from Auckland to Sydney and Brisbane. The next day, Qantas presents a A\$350,000 check to the Starlight Children's Foundation. The funds have all been generated from the company's special holiday CD *Australia's Christmas Spirit*.

Having been retired from Qantas advertising in 1990, "Sydney," the cuddly koala "spokesperson" advertising icon of the '70s and '80s, is returned in three new commercials, beginning on March 22.

American Airlines also begins dual-designator service aboard Qantas flights from Sydney to Adelaide, Brisbane, Cairns, Melbourne, and Perth, beginning on March 28.

The new Northern Summer schedule takes effect on March 28 and will feature a number of additional flights. Another weekly B-767-338ER roundtrip is inaugurated from Sydney to Singapore via Jakarta (increasing the number from five to six) as is another from Melbourne to Singapore via Denpasar (three to four). Two more B-767-338ER roundtrips are started from Melbourne to Hong Kong (five times a week to daily) while the number of B-767-338ER roundtrips from Melbourne to Auckland is increased to thrice weekly.

The number of roundtrip flights from Melbourne to Bangkok is doubled to six; three days each week the service will continue on to Rome while on the other three it goes on to Frankfurt. The number of dual-designator services with **British Airways, Ltd. (2)** from Melbourne to London via Bangkok and Singapore will be advanced from 10 to 13.

Also on this day, B-747-438s replace B-767-338ERs on the carrier's four-times-a-week roundtrips between Sydney and Bali. Simultaneously, the three weekly roundtrip frequencies between Brisbane and Bangkok are discontinued. Three of the weekly B-747-438 roundtrips between Sydney and Nagoya are converted to nonstop, while the remaining three continue to operate via Cairns. The Beijing extension of the thrice-weekly Sydney to Shanghai service is now discontinued.

To provide additional Business Class seating, a B-767-228ER is assigned to the Sydney to Port Moresby roundtrip flown four times a week.

Having had increasing difficulties competing with the faster one-stop flights now offered by other carriers, **British Airways, Ltd. (2)** ends its daily two-stop flights to Melbourne, Australia, on April 1. BA customers are, however, able to travel on three new weekly flights to Melbourne, operated by Qantas, but flown by the two airlines carrying the BA code. The new flights connect at Bangkok.

A B-747-338 is forced to return to Sydney on April 20 after a warning light is activated in the cockpit. Once safely on the ground, the passengers are transferred to another aircraft and engineers investigate the incident.

The next day at the *Aviation Week & Space Technology* Laureate dinner at the Smithsonian Air and Space Museum at Washington, D.C., Al-istair J. Nicholas, consular trade commissioner from the Australian embassy, presents a Commercial Air Transport Laureate award to CEO Strong. Accepting on behalf of Mr. Strong, who cannot be present, is company official Catherine Sych.

Staff at the company's freight terminal at Perth must be evacuated on April 23 when a package containing radioactive Cobalt 60 is found to be leaking. No one is injured and the facility is reopened before the close of the business day.

The Flight Attendants Association of Australia criticizes the airline on April 26 for its decision, announced on April 19, to hire some 100 Thai flight attendants as part of its recruitment drive for 500 extra cabin crew. In the *Sydney Morning Herald* of April 22, the airline had defended its decision to recruit these personnel in Bangkok and Auckland on a strictly cost-cutting basis.

As the month draws to an end, Qantas and its rival, **Ansett Australia (Pty), Ltd.**, continue to find themselves on the same side in their continued opposition to the government's proposed "open skies" policy for domestic routes. Both companies hint broadly that they will reduce regional services if foreign airlines are allowed to operate internally.

The companies meet with the Australian federal transport minister, employing various commercial arguments to support their opposition. Their efforts are apparently made to no avail; indeed, on April 30, both airlines are publicly rebuked by the minister, whose spokesman informs the Australian Associated Press that the civil leader objects to their using services to regional Australians as a bargaining chip.

In response to an urgent request from the UN High Commissioner for Refugees, the Australian government, on May 1, quickly obtains enabling legislation permitting it to airlift in up to 4,000 Kosovo Albanian refugees and provide them with temporary housing for 3 to 6 months. The airlift will be the country's largest-ever humanitarian operation.

The same sorts of appeals have been made to the U.S., Britain, and Canada. Immigration officials are already working in Macedonia identifying potential transfers, who would be flown first to reception facilities at Sydney and on Tasmania.

On May 3, both carriers deny allegations that they are considering a blackout on discounts for domestic airfares before and during the 2000 Sydney Olympic games.

The commercial arrangement with **China Eastern Airlines Company, Ltd.** is formally signed on May 6. Having been transferred to Rome, the first group of 414 Kosovo refugees boards Flight 6301, a 15-year-old Qantas B-747-338, which departs in the evening and arrives at Sydney on the afternoon of May 7. The service is met by Prime Minister Howard and a large welcoming crowd.

En route from Sydney to Tasmania on May 11, a B-737-376 with approximately 200 Kosovo refugees aboard suffers a mechanical fault in one of its engines; a safe return to the point of origin is made, after which the passengers are transferred to another small Boeing.

On May 12, Qantas announces that it will invest A\$30 million (US\$33.9 million) in the construction of an aircraft maintenance and engineering facility at Avalon, west of Melbourne. Two days later and in celebration of the enrollment of the 2 millionth member of its frequent flyer program, Qantas awards 2 million frequent flyer miles to a woman in Melbourne who has won a competition.

Beginning on May 25, Qantas is able to place its code on **Alaskan Airlines** flights from Los Angeles to Portland and Seattle. Qantas begins code-sharing on **British Airways, Ltd. (2)** flights from London to Copenhagen, Stockholm, and Oslo starting on July 1.

Beginning on October 31, Qantas code-shares aboard **British Airways, Ltd. (2)** services from London (LHR) to both Hamburg and Berlin. The first service on a new schedule of thrice-weekly roundtrips from Sydney to New York arrives at JFK International Airport on October 31.

Under terms of a new code-sharing agreement with Qantas, which takes effect on November 1, **Polynesian Airlines, Ltd.** is able to expand its trans-Tasman services from three of its own flights to a total of eight, including five flights operated by Qantas. In addition, Qantas is able to have its own seats available on six Polynesian flights per week, including through-flights from Melbourne to Wellington and on to Apia and from Sydney to Auckland and Apia. Qantas also shares two flights per week from Sydney to Auckland.

Also during the fourth quarter, Qantas wet-leases two weekly B-747-212BF flights from **Evergreen International Airlines** in response to a new U.S.-South Pacific cargo partnership between **Air New Zealand, Ltd.** and **Polar Air Cargo**. The Evergreen arrangement replaces a wet-lease the U.S. cargo carrier has had with **Air New Zealand, Ltd.** and is anticipated to make money on the outbound leg to Hong Kong, which can now be routed via Australia and New Zealand. The new Qantas return services, with blocked-space sold to **BAX Global** from Ohio west, depart New York (JFK) twice weekly and fly to Hong Kong via Toledo, Chicago (ORD), Los Angeles (LAX), and the South Pacific. The new activity brings to five the number of weekly Jumbojet cargo services Qantas flies from the U.S., together with one operated with a DC-10-30 wet-leased from **Gemini Air Cargo**.

Passenger boardings rise 2% to 16,692,000 as revenues advance 3.9% to \$5,584,591,000. Although costs rise 2.6% to \$5.12 billion, profits climb to \$463.89 million (operating) and \$278.67 million (net).

Airline employment at the beginning of 2000 stands at 23,411, a 1.4% decline over the previous 12 months. Among the world's top 25 airlines, Qantas is 20th in passengers, 18th in employees, 15th in operating revenue, 10th in operating profit, and 13th in net profit. The "classic" B-737 fleet continues to include 16 Dash-376s, 20 Dash-476s, and 1 Dash-4L7, all owned, plus 1 Dash-4Q8 chartered from ILFC. The huge B-747 contingent includes 2 each SP-38s and Dash-4H6s, 5 Dash-238Bs, 6 Dash-338Bs, 20 Dash-438s, and 1 each Dash-436 and Dash-48E.

Having become lost, Japanese visitor Makoto Takahashi drives his car out onto the runway at Auckland International Airport on January 18; catastrophe is barely avoided when the captain of a Qantas B-767-338ER spots the automobile just 50 seconds before landing and is able to abort. Police quickly arrest the man, who is later released.

To promote the first Formula One automobile race of the new century to be held in Australia beginning on March 12, the B-747-438 *City of Melbourne* unveils a special livery at its namesake city on January 19. The dramatic color scheme, created by Cato Partners and requiring 16 days for the application of paint and decals, features a checkered flag and a Formula One race car on the fuselage and an "F1" logo by the nose. After reaching London (LHR) on its first service, the carrier participates in another media promotion, attended by Chairman Strong, Formula One superstar Bernie Ecclestone, Sir Frank Williams, and Guinness Peat Chairman Ronald Walker.

To accommodate travel on the Chinese New Year that begins February 7, Qantas adds 16 more B-747-338 roundtrips between Australia and Hong Kong for a week, along with 3 extra flights from Sydney to Taipei. It is revealed on February 23 that Qantas has begun negotiations with **British Airways, Ltd. (2)** for the lease of 7 B-767-336ERs. The aircraft will allow frequencies on the Qantas-BA code-shared *Kangaroo Route* to be increased.

Also during February, Qantas is involved in a case that will spark condemnation from and legal proceedings by the Royal Society for the Prevention of Cruelty to Animals. The airline is charged with animal cruelty after 68 rusa deer, being transported in containers on a flight from Bangkok to Sydney, all die aboard their freighter. Almost a year later, on January 29, 2001, the airline will plead guilty in a Sydney court to employing containers that were too small and at its sentencing within a month, it will be penalized up to the maximum allowed under the Australian Prevention of Cruelty to Animals Act—A\$4,400.

On March 1, the airline begins screening a 10–12 min. news bulletin on its afternoon domestic flights; the reports, supplied by 9 Network, cover both national and international events.

An A\$400-million (\$244) investment in product and service upgrades is unveiled at the end of the third quarter, including new food choices in economy class and new upgrades to the airport lounges at Sydney, Melbourne, and Singapore.

On March 30, the code-share with **Air Pacific, Ltd. (2)** is deepened on the Melbourne–Nadi route; the weekly Qantas B-767 service is replaced by a dual-designator flight by the Air Pacific B-747-219B.

Just into its takeoff roll for Bangkok from Rome on April 22, a strut of the main landing gear of Flight 016, a B-747-338, gives way, forcing one of the four engines into the runway as the Jumbojet comes to a stop. With fuel leaking, all 19 crew and 303 passengers aboard are quickly evacuated.

Signed on March 10, a new code-sharing agreement is begun with **EVA Airways, Ltd.** on May 1; the arrangement allows EVA to place its designator on the Australian line's thrice-weekly return flights from Sydney to Taipei and Qantas to place its code on EVA's thrice-weekly roundtrips from Taipei to Brisbane.

On May 21, the company enters into a code-sharing alliance with **Air Tahiti Nui, S.A.** under which the two will operate joint flights between Papeete and Auckland.

AMADEUS is chosen in May as the company's preferred information technology distribution and customer services systems provider. Also during the month, a new service is launched from Darwin to Dili, East Timor; it will be withdrawn in late January.

On June 1, a new code-sharing agreement begins with **Finnair O/Y**. Under its terms, the Australian line places its designator on Finnair return flights from Helsinki to both Bangkok and Singapore, while Finnair is allowed to assign its code to Qantas' roundtrips from Bangkok to Melbourne and from Singapore to Sydney.

On June 3, two additional frequencies are added between Sydney and Darwin and Saturday nonstops are resumed between Melbourne and Alice Springs. On the same day, a B-767-238ER replaces the B-737-476 employed on the Darwin to Singapore service.

June 3 also sees the start of a weekly, three-day, all-cargo service operated under contract by **Evergreen International Airlines** from New York (JFK) to Sydney. The Evergreen B-747-212F departs the Big Apple on Monday and reaches Australia on Monday, having operated via Chicago (ORD), San Francisco, Honolulu, and Nadi. The San Francisco stop is made possible when the American operator agrees to reroute one of its own five weekly South Pacific freighter flights.

Three Qantas aircraft are nearly involved in midair collisions on the same day, June 9. An **Ansett Australia (Pty.), Ltd.** A320-211 departing from Alice Springs is vectored by ATC onto the same path as a Qantas B-747-438 from Sydney; when their TCAS systems sound, both aircraft take emergency actions. Just south of Brisbane, two Qantas B-737-436s also escape a disaster path set for them by ATC. Following an investigation, two air traffic controllers are fired over the incidents.

During its takeoff from London (LHR) on a June 12 service to Bangkok, a B-747-438 operating as Flight 002 suffers the cracking of an outer cockpit window. A large bang panics both passengers and flight attendants and the crack grows larger as the Jumbojet climbs. After dumping 72 tons of fuel, the aircraft makes a safe emergency landing back at its point of origin.

Per the late winter announcement, the necessary paperwork and financial arrangements are completed by mid-June for the lease of seven **British Airways, Ltd. (2)** B-767-336ERs. These will be employed to boost services between Australia, England, and Singapore.

The new dual designator arrangement with **Air Tahiti Nui, S.A.** begins on June 21 with the Tahitian Airbus operating down from Papeete to Auckland and back weekly on Wednesdays and Thursdays with a Qantas return service between Auckland and Papeete offered on Sundays and Mondays.

Tasman Pacific Airlines of New Zealand, Ltd., the former **Ansett New Zealand, Ltd.** that had been purchased by new owners in March and renamed at the beginning of June, is awarded the first ever Qantas franchise and is rechristened **Qantas New Zealand, Ltd.** on June 26.

Having served as chairman for seven years, Gary Pemberton steps down on July 1 and is succeeded by Margaret Anne Jackson, who had been chairman of the board's audit committee. New board members include Qantas Deputy Chairman Geoffrey Dixon and **British Airways, Ltd. (2)** Chairman Sir Colin Marshall, who will be succeeded by the new BA CEO Rod Eddington in the fall.

The code-shared service to Canada must be replaced when **Canadian Airlines, Ltd.**, which has been taken over by **Air Canada, Ltd.**, departs

the "OneWorld" alliance. On July 3, Qantas initiates its own B-767-338ER thrice-weekly Southern Cross roundtrips from Sydney to Vancouver via Honolulu and from Sydney to Toronto via Honolulu four times a week.

Qantas is named 11th best-managed company among nonstate-owned, major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

During a service to London during the month, the carrier makes the first flight over the China West Route, employing FANS-1/A equipment. The new route, which largely overflies the ancient Silk Route between China and the Middle East, cuts approximately 30 minutes off the service time.

In response to deep-discount fares by low-cost start-up **Impulse Airlines (Pty.), Ltd.**, Qantas, in early August, joins with **Ansett Australia (Pty.), Ltd.** in offering cut-rate tickets over the routes from Sydney to Brisbane, Melbourne, and Newcastle. Protesting that the major is engaged in predatory pricing, Impulse objects to this obvious expansion into its potential core markets and protests to the Australian Competition and Consumer Commission. After reviewing the situation, the ACCC, in the person of its Chairman Allan Fels, informs Impulse, Qantas, and the media that there is no basis for legal proceedings because Impulse has not been harmed economically and Qantas has not breached accepted trade practices.

Also in mid-August, daily frequencies between Melbourne and Sydney are boosted to 12 southbound and 10 northbound. The fare wars occur at a time when Australians, who have been expected to travel to Sydney to view the XXVII Olympiad, opt to remain home and watch the games on television. During this time, it is learned that Qantas has been chosen to provide two Boeing BBJs and three Bombardier Challenger 604s to No. 34 Squadron of the Royal Australian Air Force (RAAF) by 2002, thereby permitting the military to replace the two aging B-707s in its VIP fleet.

In anticipation of intensified nationwide competition once **Virgin Blue (Pty.), Ltd.** joins the fray in September, the two majors, in late August, ratchet up the fare war by offering an 85% discount on 250,000 tickets to Australian destinations. The fares are all sold on a single day. At the same time, CEO Strong notes that Qantas presently has no plans to create a low-cost subsidiary to compete with Virgin.

Also in August, Qantas forms a separate company, Qantas Ventures (Pty.), Ltd., to pursue Internet growth opportunities in cooperation with the communications group Telstra. The flight kitchens in Sydney, Brisbane, and Cairns previously run under a joint venture with LSG Sky Chefs, are also taken over during the month.

In early September, Malaysian Transport Minister Ling Liong Sik confirms that **Malaysia Airlines, Ltd. (MAS)** is, indeed, negotiating the sale of an equity interest to Qantas. Following the announcement by **Virgin Blue (Pty.), Ltd.** in September that it will begin flying thrice-daily between Brisbane and Adelaide on February 1, Qantas increases its capacity on the route by 50%, diverting an aircraft from another route to operate the extra service. The major's move will be challenged by Virgin Blue when it files a "predatory pricing" complaint with the Australian Competition and Consumer Commission in January.

Qantas deputy CEO/Chief Financial Officer Gary Toomey is named CEO of **Air New Zealand, Ltd.** on September 28, effective in December. At the same time, new Qantas Deputy CEO-Commercial Geoffrey Dixon is named by the board to succeed Managing Director James Strong when that leader steps down on March 5, 2001.

On October 6, the Hazelton family sells a 20% stake in **Hazelton Airlines (Pty.), Ltd.** to the **Air New Zealand Ltd.**-owned Ansett Holdings, Ltd., cutting its stake in the carrier from 33.11% to 13.11%. Six days later, Ansett launches an A\$15.3-million (90¢ per share) takeover bid for the remaining shares of its regional affiliate. Although Deputy Chairman Charles Hazelton announces that the sale will be good for Australia, several minority shareholders do not believe that. Both Truegrip Aviation (10% stake), led by Peter Truegrip, and Hazelton Chairman Stan Quinlivan, who is also chairman of Skippers Aviation (Pty.), Ltd. (25%) be-

lieve the Ansett offer to be inadequate. Consequently, a bidding war will soon follow.

With both the carrier and **South African Airways (Pty.), Ltd.** losing money on their roundtrip routes from Johannesburg to Australia, the two agree to a new code-sharing agreement for the services on October 18. When the pact takes effect in mid-January, the two will divide the three-stop route between them, with each controlling 40% of the seats in all three classes on each other's aircraft. SAA will continue to operate from Johannesburg to Perth while Qantas will operate return flights from Sydney to Johannesburg via Perth. Due to the political problems in Zimbabwe, the twice-weekly Qantas service to Harare via Johannesburg ends on October 26.

On October 29, Qantas begins to code-share on **Alaska Airlines'** 19 weekly roundtrips between Los Angeles and Vancouver. Simultaneously, weekly roundtrip frequencies on routes from Australia to New Zealand are significantly boosted, including 12 to Brisbane to Auckland, 6 to Christchurch and 5 to Wellington, as well as 6 from Melbourne to Wellington. Flights from Sydney to both Christchurch and Wellington are increased to 14. In addition, Brisbane to Melbourne service is increased to 5 weekly return flights.

The dual-designator pact with **American Airlines** is enhanced on November 1 with AA allowed to place its code on Qantas frequencies from Sydney to Vancouver via Honolulu and from Sydney to Christchurch. Simultaneously, the carrier's Canadian routing is also changed. The thrice-weekly direct service from Sydney to Toronto is changed into a daily code-shared effort with **American Airlines**; the Australian line's designator is placed on AA frequencies from Toronto to Los Angeles, where they are reversed for the Qantas service to Australia. On the other hand, the direct B-767-338ER return service from Vancouver to Sydney is boosted in number from four to five every week.

Also on this date, Qantas begins to code-share on **American Airlines** flights from Honolulu to San Jose, San Francisco, Dallas (DFW), Chicago (ORD), and Los Angeles and from Los Angeles to San Jose and Phoenix.

The weekly return frequencies from the U.S. to Australia are also significantly increased, including Los Angeles to Sydney from 19 to 21, to Melbourne from 5 to 7, and to Brisbane via Auckland from 5 to 7. The number of flights from New York (JFK) to Sydney via Los Angeles also increases from 5 to 7 every week.

On November 10, a code-sharing agreement is signed with **South African Airways (Pty.), Ltd.** covering the Perth-Harare route from which the Australian line had withdrawn two weeks earlier. Wearing the "Denmark Wings" world theme color scheme and Qantas titles, a B-747-436 is leased from **British Airways, Ltd. (2)** on November 13; it will enter service on the route from Sydney to Hong Kong.

In mid-month, arrangements are completed and Qantas launches a three-year, A\$200-million, fixed-rate domestic, medium-term note issue. The float's lead manager is the Commonwealth Bank of Australia, while joint managers include UBS Warburg Australia, Westpac Banking Corporation, and Australia and New Zealand Banking Group. The company's eightieth birthday is officially celebrated on November 16.

On November 28, Qantas, through its wholly owned subsidiary Qantas Longreach (Pty.), Ltd., makes an off-market takeover bid for all of the shares in **Hazelton Airlines (Pty.), Ltd.** via a cash offer of A\$1.20 a share. According to Qantas CEO James Strong, this tender is a 33% increase over the Ansett price; the Hazelton board, led by Chairman Quinlivan, quickly endorses the Qantas bid as representing far better value for the company's shares.

Not to be outbid, Ansett soon returns with an offer of A\$1.35 a share. A massive equipment order is announced on December 1. Included are 7 A330-200s and 6 A330-300s for delivery between 2002 and 2005, 6 B-747-438LRs for delivery between 2002 and 2006, and 12 A3XXs for delivery between 2006 and 2011. As these Next Generation aircraft arrive, all of the classic B-747s and 767s will be retired.

The media in Australia and the U.K. speculates during the weekend of December 10-11 that **British Airways, Ltd. (2)** is seeking to acquire a larger stake in Qantas and suggests that BA lobbyists have approached

the Australian government seeking a repeal of the 25% foreign equity stake rule. On December 12, these rumors are denied by both BA CEO Rod Eddington and Qantas Deputy CEO-Commercial Geoffrey Dixon, who is CEO designate.

At the same news conference at which he handles the BA speculation, Deputy CEO Dixon also reveals that the carrier it is suspending long-running negotiations to acquire a stake in **Malaysia Airlines, Ltd. (MAS)** until the government of Malaysia indicates just exactly what equity percentage of the carrier is available.

Deputy CEO Dixon now also informs the press that his carrier will be revising its **Hazelton Airlines (Pty.), Ltd.** bid and urges the regional's shareholders not to accept the Ansett offer. Rivalry for the Hazelton slots intensifies in light of the government's decision not to proceed with plans to build a second international airport at Sydney, indicating that it will instead direct overflow traffic to an upgraded smaller airport at Bankstown.

On December 13, both **Impulse Airlines (Pty.), Ltd.** and **Virgin Blue (Pty.), Ltd.** come under renewed competitive pricing from Qantas and **Ansett Australia (Pty.), Ltd.** The majors both slash their summer domestic fares by 75% for the normally quiet booking period between Christmas and April.

The company's position as launch customer of the Boeing Longer-Range 747-400 is confirmed on December 18, based on the Qantas order for six of the aircraft, formerly known as the B-747-400X.

On December 20, the Australian Competition and Consumer Commission notifies Qantas that it will be coming out against the proposed ownership of **Hazelton Airlines (Pty.), Ltd.** by either **Ansett Australia (Pty.), Ltd.** or Qantas. It notes that a takeover by either major would stifle competition in New South Wales' regional market and by controlling Hazelton's 450 takeoff and landing slots, have an unfair advantage at Sydney Airport.

After informing the ACCC that it wishes to proceed anyway, Qantas, on December 27 informs the Hazelton shareholders that it wishes to purchase 20.1% of the shares, instead of the 20% originally sought. It will leave its offer open until January 24 in order to give it time to consult with the ACCC.

Overall Qantas passenger boardings for the year accelerate 7.8% to 21,32 million.

As the year ends, the Hazelton family prepares to accept the Ansett bid on January 2, boosting the stake of Australia's No. 2 carrier from 23% to 35.4% and bidding up Hazelton's value to A\$23 million (US\$22 million). The bidding war will intensify in early January 2001, with both sides topping each other "subject to ACCC approval." The ACCC will eventually disapprove the Qantas effort and the pioneer will bow out of the Hazelton bidding on January 22.

QANTAS EMPIRE AIRWAYS (PTY.), LTD. (QEA): Australia (1934–1967). Late in 1933, the Department of Civil Aviation recommends the establishment of an Australian concern to link-up with the forthcoming **Imperial Airways, Ltd.** U.K.–Australia regular service, agreeing that this company might take the form of a jointly owned company. This suggestion is carried to London by **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)** Managing Director Hudson Fysh, who enters into discussions with the British state carrier's Managing Director G. E. Woods-Humphrey. The Imperial Airways and QANTAS officials take it upon themselves to visit Sir Geoffrey de Havilland, and obtain his agreement to build, if asked, DH 86s for the enterprise.

Given the company's experience and initiation, QANTAS is not surprisingly nominated by the Australian government to be its agent in the matter of the England–Australia airmails. On January 18, 1934, the new carrier is jointly established and capitalized. Its assets include the paper airline Australian Empire Airways, Ltd., established the previous year, with a board made up of Imperial Chairman Sir Eric Geddes, Managing Director Woods Humphrey, and three Australians. The first word of the new company comprises the non-initialed letters of the Australian air-

line's name for the first time. While QEA undertakes foreign service, **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)** will continue to provide domestic flights. A DH 60M is retired on March 9.

In April, the joint enterprise is officially awarded the Singapore–Darwin and Brisbane and Cloncurry to Normanton portions of the Australian government's U.K.–Australia and Australia–U.K. airmail contract. Thereafter, six specifically designed DH 86 Commonwealths are ordered; their arrival will allow implementation of the Tasman Sea sector, the so-called Kangaroo Route.

The DH 60J *Atalanta* is withdrawn on October 3 and the first DH 86 is delivered on October 13; it will be christened *Canberra*. En route for delivery on October 19, the first DH 86, *Miss Hobart*, crashes in Bass Strait (12 dead). An unnamed DH 50J Moth, piloted by N. H. Chapman and with two passengers aboard, flies into the ground at Vindex on October 30; there are no survivors. Being delivered for participation in the Australia–England service, an unnamed DH 86 crashes at Bardale on November 15, killing the entire four-man crew.

On December 10 in ceremonies at Brisbane's Archer Field, the Duke of Gloucester kicks off the start of regular Australia–England airmail service by handing the Royal Mail bags to Capt. Lester J. Brain of QEA. Accompanied by the **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)** DH 50A *Hippomenes*, piloted by W. H. Crowther, Brain's DH 61 *Diana* flies the post to Darwin, where, due to the lack of a DH 86, the **Imperial Airways, Ltd.** Armstrong-Whitworth XV *Arethusa*, under contract to QEA, completes the Timor Sea flight to Singapore. On December 18, the same *Atalanta* arrives at Darwin with the incoming U.K. mail. It is met there by the *Diana* and *Hippomenes*, which fly it as far as Camonweal, where the DH 61 is damaged. The **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)** machine must now carry it to Mount Isa, where it is taken over by another DH 50A and flown to Brisbane, arriving on December 21.

Three DH 86s are delivered to Australia on January 7 and 22, 1935 and are christened *Melbourne*, *Sydney*, and *Adelaide*, respectively; the DH 61 Giant Moth *Apollo* is retired on February 2. On February 25, QEA's Western Operations Division is able to assume responsibility for the Darwin–Singapore segment; that day, the DH 86 *Canberra* departs Darwin for Singapore and the DH 86 *Melbourne* takes off from Singapore for Darwin—both planes arrive at their destinations on February 28.

A weekly service allowing the first transport of passengers on to England departs Brisbane on April 17 over the Kangaroo Route. The DH 86 *Brisbane* arrives on June 22 and a DH 83 Fox Moth is acquired on June 29. The last DH 50J, *Hippomenes*, is taken out of service on July 14, followed by the second and final DH 61, *Diana*, on July 22. The DH 86 *Loina* crashes at Flinders Island, Tasmania, on October 2 (five dead).

A total of 2,074 passengers and 24 tons of subsidized mail are carried by QEA during the year.

Beginning on May 6, 1936, the Australia–England service is increased to two flights per week (i.e., the route is "duplicated"). Total time for the 12,000-mile Brisbane–London journey is 12–14 days. In September, the Australian government approves, with reservations over implementation, the Empire Air Mail Scheme.

Bookings for the year are 2,749. Probably the most famous passengers counted in that number are the thespians Charles Chaplin and his wife Paulette Goddard, who, with her mother, make the trip down to Australia from England as newlyweds and are transported aboard a company DH 86.

To cope with increased Australia–U.K. traffic expected under the Empire Air Mail Scheme—50 tons of mail and 2,913 passengers will be carried by QEA in 1937—**Imperial Airways, Ltd.** recommends the introduction of larger capacity flying boats. In February, the British government accepts the Australian reservations. Surveys are begun in September by QANTAS for the identification of nine possible flying boat bases along the Australian coast. On December 24, the British flag line's Shorts S23 *Centaurus* arrives at Rose Bay in Sydney Harbor from Brisbane after having surveyed a route from Southampton.

Early in 1938, the corporate head office is transferred to Sydney; DH 86 QEA service to Singapore continues through late spring. During April, the government of New South Wales turns over to the federal government the land at Rose Bay required for construction of a flying boat base. The first S23 *Coolangatta* is delivered to QEA, also in April, followed by the *Coose* and *Carpentaria* in May and June. Meanwhile, the three British S23s *Challenger*, *Camilla*, and *Capella* have been sent out from Great Britain to assist in the inauguration of the England–Australia service.

Flown by Capt. G. U. Allen under contract to QEA, the **Imperial Airways, Ltd.** S23 *Challenger* departs Singapore with the first eastbound service on July 2, arriving at Sydney four days later.

The first flight of the regular Australia–U.K. QEA flying boat service departs Rose Bay on July 5; Capt. P. Lynch Blossie's *Coose* flies to Singapore via Townsville and Groote Kyland, where its passengers and mail are turned over to **Imperial Airways, Ltd.** Also at this time, the *Camilla* and *Capella* arrive at the second QEA base at Darwin, where seven British journalists traveling as passengers on the 2 flying boats are appalled by the underwhelming reception received by those aboard. The DH 86 *Canberra* is withdrawn on July 18.

Piloted by Capt. O. D. Denny, the *Carpentaria* departs Rose Bay (Sydney) on August 2 with the first all-up mail to be carried westward under the Empire Air Mail Scheme; the leased *Camilla*, piloted by Capt. Lester J. Brain, makes the first official Sydney departure on August 4. The weekly Australia–U.K. flying boat service's frequency is increased to thrice weekly on August 9, the same day that the DH 86 *Brisbane* is withdrawn; it will be followed out of service by the DH 86 *Adelaide* on September 14.

During the remainder of the year, three additional S23s (*Coriolanus*, *Corio*, and *Coorang*) are received. The *Coorang* is driven ashore by a gale at Darwin on December 12; the engines and mail are quickly salvaged. To help make up the loss and insure delivery of the Christmas mail from the U.K., three new Armstrong-Whitworth AW-27 Ensigns are briefly chartered by QEA as relief planes.

A total of 247 tons of subsidized mail plus 5,854 passengers are transported by the overseas airline during the year.

A year after its receipt of the land from NSW, the federal government, by April 1939, has yet to construct promised hangars at the Rose Bay flying boat base. The outbreak of war in Europe in September does not immediately impact upon the operations of either QEA or **QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.)**

The flying boats transport a total of 8,454 passengers on the year.

Following the entry of Italy into the war on June 10, 1940, the **British Overseas Airways Corporation (BOAC)**, successor to **Imperial Airways, Ltd.**, on June 19 establishes a weekly U.K.–Australia and New Zealand Empire (“Horseshoe”) Route via Cairo and Durban. The first westward departure over this emergency course departs Sydney the same day. On July 27, the S23 *Coriolanus* begins a series of survey flights to Deli, Portuguese Timor. The DH 96 *Melbourne* is impressed into the RAAF on September 28. QEA bookings for the year drop to 7,333.

Timor becomes a stop on the Singapore route on January 19, 1941. With two S23s, the *Caledonia* and *Corio*, supplied by **British Overseas Airways Corporation (BOAC)**, QEA crews extend the Singapore route to Karachi on October 16; return flights to Singapore and Darwin commence on October 24. In the late fall, Qantas Empire personnel gain their first transpacific flight experience by transferring 19 Consolidated PB-Y Catalinas from California to Australia. QEA carries a total of 7,640 passengers as, after the December 7 Pearl Harbor attack, it finds itself—suddenly—a frontline airline at war.

As the Japanese advance on Malaya and the Dutch East Indies in early 1942, QEA aircraft mount a series of perilous supply and rescue missions. During a dawn evacuation flight of women and children from Surabaya to Darwin on January 30, the S23 *Corio*, piloted by Capt. A. A. Koch with 4 other crew and 13 passengers, is shot down by Japanese Zeros near Koepang (12 dead).

Piloted by Capt. W. H. Crowther, the last S23, the *Corinna*, lands at Singapore late on the evening of February 3. Taking aboard 40 passengers, Crowther departs the harbor early on February 4 by bright moonlight rather than the usual flares, making the last flight to or from the Malayan bastion by civil flying boat during the war.

The Horseshoe Route, closed east of Calcutta on February 13, is severed completely by the February 15 fall of Singapore.

Beginning the next day and continuing through the end of the month, QEA-crewed **British Overseas Airways Corporation (BOAC)** S23s fly a supply and evacuation shuttle from Broome to Tjilatjap, Java. On February 20, the DH 86 *Sydney* crashes shortly after takeoff from Brisbane (nine dead).

While en route from Tjilatjap to Broome on February 28, the S23 *Circe*, piloted by Capt. W. B. Purton with 3 other crew and 16 passengers, disappears approximately 250 km. from Java; no trace of plane or personnel is found and it is presumed that all are lost to enemy action.

Tied to her moorings, the S23 *Corinna* is one of several Allied aircraft caught and destroyed during a March 1 sweep of Broome harbor by Japanese Zeros of the Tainan Fighter Wing. Piloted by Capt. L. R. Ambrose, the S23 *Coogee* with 14 aboard, is destroyed as the result of a hard landing at Darwin on March 22 (2 dead).

The remaining S23s are withdrawn from the forward area to fly vital communications Brisbane–Darwin as the DH 86s, on May 10–24, are employed to rescue 78 people (in 15 flights) from Mount Hagen, New Guinea. QEA's DH 86s join airliners from the other Australian carriers during the same period in war support by supplying Australian troops at Port Moresby and Milne Bay. In October, the Brisbane–Darwin S23 route is reopened.

Flying the Consolidated PB-Y-5A *Guba*, the first Catalina received by **British Overseas Airways Corporation (BOAC)**, Capt. Gordon Taylor departs RAF Koggala Lake at Ceylon on November 3 for a proving flight across the Indian Ocean to Swan River, Perth, Australia. On November 22, QEA provides two DH 86s and two L-18s and in cooperation with **ANA (Australian National Airlines [Pty.], Ltd.)** and **Guinea Airways (Pty.), Ltd.** begins supply missions from Port Moresby to Allied troops beginning the Guna and Gona campaign. The *Coriolanus* and *Camilla* inaugurate daily Townsville and Cairns to Port Moresby flights on December 20.

Including evacuees, troops, secret agents, etc., QEA's enplanements for this year skyrocket to 18,231.

While on a New Guinea flight on April 22, 1943, the S23 *Camilla* is lost in bad weather off Port Moresby (13 dead); the QEA flying boat fleet is now reduced to one—the *Coriolanus*.

After months of lobbying for a route across the Indian Ocean (a British survey is carried out in May), five Consolidated PB-Y-5A Catalinas supplied by the British Air Ministry are converted to civil standard for such a purpose. Taking their names from stars in the sky, they are christened *Rigel Star*, *Spica Star*, *Altair Star*, *Vega Star*, and *Antares Star*.

A DH 84 Dragon is received on June 14 and is christened *John Flynn*. An apprentice engineer is killed on June 23 when he steps into a propeller of the DH 86 *Canberra* at Longreach.

On July 10–11, one of the PB-Y-5As, the *Altair Star* piloted by Capt. Russell B. Tapp and W. H. Crowther, inaugurates the world's longest (for its time) scheduled nonstop passenger airline route, a weekly service from Lake Koggala in southern Ceylon (now Sri Lanka) to Swan River at Perth. With a crew of 6, a maximum 1,200-lb. payload (3 passengers and mail) and a 3 1/2-ton fuel overload, the 3,513-mile “Double Sunrise” flights, made mostly in radio silence and without radio navigational aids or weather information, will require 27–31 hours. The Short S33 *Clifton* is acquired, also in July.

Meanwhile, QEA aircraft in the New Guinea area, now known as “Baby Beef Bombers,” continue to ferry troops and drop supplies. By September, 564 flights have been made covering 358,493 miles with 12,744 passengers and 200-plus tons of mail and freight transported. On September 21, the DH 86 *Melbourne* is seriously damaged in a takeoff crash from Roma; no injuries are, however, reported. The Ceylon–Perth

return frequency is advanced to thrice weekly in late September. The DH 86 *Canberra* is struck by an eagle during a Dalby and Roma flight on October 1, but is able to continue.

Twelve days later, the same aircraft is seriously damaged when its under carriage collapses following a Brisbane landing. On October 30, the Ceylon terminus is extended to Karachi and on November 26, a Lockheed Model 18 Lodestar, piloted by W. G. Campbell with 13 others aboard, crashes into a hill following takeoff from Port Moresby; there are no survivors.

QEA's boardings are down this year to 11,117.

Piloted by F. A. Reeve, the S23 *Coolangatta* enters a storm near Newcastle on January 10, 1944 and without warning drops hundreds of feet, causing a number of passengers to strike their heads in the turbulence on the roof of the cabin; three are badly hurt. The S33 *Clifton*, piloted by H. B. Hussey, is destroyed as the result of a bad landing at Rose Bay on January 18; the planing surface of the hull collapses, but only one crew member is hurt. A Lockheed Model 18 Lodestar is seriously damaged on January 28 when it hits a tree stump while taxiing at Brisbane.

Sporting red kangaroos beneath their cockpit windows and the words "Qantas Empire Airways Kangaroo Service" as part of the livery, three Consolidated Liberator C.III's (C-87 Liberator Express or LB-30s) are acquired from BOAC during the spring to supplement the PBY-5As on the Ceylon service. The premier aircraft, under the command of **British Overseas Airways Corporation (BOAC)** Capt. O. P. Jones, arrives at Perth on June 3.

The civil Liberator flies on to the RAAF base at Tocumwal, New South Wales, where a Qantas crew receives flight familiarization. With Jones as command pilot, the first 16-hr. 30-min. return Liberator flight, Perth and Learmouth to Ratmalana, departs Australia in secret on June 17. Flight 4Q-1 proceeds over a 3,077-mile route that cuts the Catalina time by 10 hours. For the time being, Liberator roundtrips from Australia's northwest coast to Ceylon will take off every 10 days and every passenger will receive a colorful certificate awarding membership in "The Elevated Order of the Longest Hop." Late in the month, the 100th Indian Ocean Catalina flight is completed.

The DH 86 *Melbourne* is damaged during a takeoff run from Blackall on July 9, while, a second LB-30 Liberator arrives at Perth on August 14, allowing the Ceylon service to be increased to one flight weekly. Three weeks later, the new airliner is damaged in a landing at Perth's Guildford Airport, when its nosewheel assembly collapses and the aircraft slides nose-down for 195 yards. The company is first allowed to advertise its Indian Ocean services in September, all previous flights having been made in secret.

On October 9, the DH 86 *Canberra* runs off the Darwin runway in a strong wind after landing and strikes a ditch; although no one aboard is injured, the plane must be written off. Piloted by L. J. Brain, the S23 *Coolangatta* with seven aboard fails takeoff from Rose Bay on October 11; the flying boat stalls 10–12 ft. off the water, hits hard, and its hull fails (one dead).

Also in October, the assets, routes, and three DH 86s of **W. R. Carpenter and Co. (Pty.), Ltd.** are acquired; a Lockheed L-14H2 is also received, but is badly damaged in a landing accident at Mascot on November 13. Seven days later on November 20, the LB-30 damaged earlier is returned to service wearing a new nosewheel assembly courtesy of the U.S. 90th Bomb Group (H). Capt. Gordon Taylor flies the Catalina *Frigate Bird* from Mexico to Perth. Enplanements for the year soar to 23,511.

A Lockheed L-14 is seriously damaged in a landing accident at Mascot on January 18, 1945. On February 27, the S23 *Coriolanus* is badly damaged during Rose Bay shipping operations when the flying boat collides with a tractor. On April 2–3, DH 86s reopen the old "Bird of Paradise" W. R. Carpenter and Co. routes suspended in 1943, Sydney–Port Moresby and Lae via Brisbane, Rockhampton, Townsville, and Cairns. The joint **British Overseas Airways Corporation (BOAC)/QEA** England–Australia Aerial Express Service is now established. The **British Overseas Airways Corporation (BOAC)** Avro 691 Lancasterian 1,

which departs Hurn on May 31, is taken over by a QEA crew at Karachi and flown on to Sydney, arriving on June 2, the same day return flights commence. Frequency on the Lancastrian route becomes twice weekly on July 15 and Australia–U.K. flight time is cut to 63 hrs. The 271st and last Ceylon–Perth PBY-5A flight is completed on July 18. Each of the 648 passengers who have flown this route on any of the 271 flights since July 1943 have received certificates of membership in the "Rare and Secret Order of the Double Sunrise," signifying more than 24 hours of continuous flight.

Liberators now replace Catalinas on the Ceylon run because, as a condition of the Lend-Lease Agreement with the U.S., the five Catalinas, once withdrawn, must be scuttled at sea.

The war with Japan ends on August 15 and on August 20 the 200th civil Liberator return flight is made from northwest Australia to Ceylon. The S23 *Coriolanus* makes the first postwar Australian civil flight Sydney–Singapore on October 4–8, returning on October 12–17 with 34 released Australian POWs.

Due to a lack of ocean shipping at Fiji, the *Coriolanus*, at government request, commences Sydney–Suva via Noumea and Brisbane passenger flights on November 19. A new LB-30 Liberator is received on November 29 and on November 30, commercial passenger service begins on the Australia–U.K. Lancastrian route. The same day, Sydney replaces Perth as terminus for the Ceylon Liberator run. The first three Douglas DC-3s are received in December and on December 12, a third LB-30, leased from **British Overseas Airways Corporation (BOAC)**, enters service.

The year's overseas boardings fall to 18,657.

With Cocos Island as a refueling stop, Learmouth, on January 18, 1946, is replaced by Perth as a stop for both the Liberator and Lancastrian services. The flight time of the England–Australia Aerial Express Service is now reduced to 54 hrs. 15 min. (elapsed time, 67 hrs. 15 min.). Another LB-30 Liberator is received on March 14 from the British flag carrier and service on the Lancastrian Kangaroo Route is suspended on March 24 following the loss of a **British Overseas Airways Corporation (BOAC)** machine in the Indian Ocean the previous day.

The final Indian Ocean Liberator service is flown on April 5. The next day, the Kangaroo Route is altered to operate via Singapore; on April 7, QEA launches twice-weekly Liberator Sydney–Singapore flights designed to connect with the **British Overseas Airways Corporation (BOAC)** flying boat service to the U.K. On April 8, the wartime "Double Sunrise" Australia–Ceylon route is officially closed.

On May 12, **British Overseas Airways Corporation (BOAC)** and QEA begin full partnership over the Australia–England Lancastrian route that had previously been divided between the two carriers at Karachi. The same day, the first postwar joint BOAC/QEA U.K.–Australia flying boat service is opened Sydney–Poole; overlapping the Liberator flights, the five-and-half-day multistop operation is flown by **British Overseas Airways Corporation (BOAC)**'s S25 Hythes.

The last QEA Liberator departs Sydney for Singapore on August 28 on the final flight by the type on the England–Australia Aerial Express Service. Since their introduction in 1944, the LB-30s have made 327 Indian Ocean crossings, including 254 from Perth. Weekly Brisbane–Manila C-47 courier flights commence in September on behalf of the RAAF, employing military aircraft with civilian crews.

In October, a A£5.5-million order is placed for four Lockheed L-749 Constellations. Experimental DH 84 New Guinea domestic charter flights begin from Lae in November. In December, the Australian parliament passes a bill authorizing the buyout of **British Overseas Airways Corporation (BOAC)** interest in QEA. Simultaneously, three more DC-3s are received.

The overseas airline's enplanements for the year are 26,764.

The Sydney–Lae DC-3 route is extended to Rabaul on January 16, 1947 and on January 22, the L-14H2 is destroyed in a nonfatal takeoff accident at Schofields; another DC-3 is also acquired in January. At the beginning of February, Sydney designer Gert Sellheim creates a winged kangaroo logo to coincide with the introduction of long-haul L-749 Constellation services.

During March, two CAC CA-6 Wackett Trainers are acquired. On March 31, the Commonwealth government purchases the **British Overseas Airways Corporation (BOAC)** interest in QEA, following on June 30 with the buyout of **QANTAS (Queensland and Northern Territories Aerial Services [Pty.], Ltd.)** and its shares; Qantas Empire Airways, Ltd. is now the nation's fully state-owned flag carrier.

Also during June, regularly scheduled services are inaugurated to various Papua and New Guinea internal destinations, replacing the charter flights maintained since the previous November.

A DH 84 is destroyed after crashing into trees along the Wampit River on July 14; three injuries reported. An Avro 691 is also acquired in July and on August 9 a Grumman Widgeon is damaged during a poor landing at Kariava. A Consolidated Vultee PB2B-2 Catalina is acquired on August 17.

In September, an Avro 683 Lancastrian is received along with a second Catalina and a third on October 7. Christened *Ross Smith*, *Lawrence Hargrave*, *Harry Harber*, and *Charles Kingsford-Smith*, the first four L-749As, meanwhile, arrive at Sydney on October 4, 8, and 11, respectively, the latter two on the latter day. Every-two-weeks Lancastrian return Sydney–Norfolk Island flights commence on October 14; later in the month, orders are placed for DC-4s.

A Consolidated PB2B-2 Sydney–Lord Howe Island proving flight is made on November 20 with the first of seven such modified PBY-5A flying boats to enter service. Also in November, another Catalina and another Lancastrian join the fleet.

The L-749A *Charles Kingsford-Smith* inaugurates Sydney–London via Karachi through service over the Kangaroo Route on December 1; the next day, the Lancastrians operating the route are relegated to cargo and mail flights. The *Charles Kingsford-Smith*, incidentally, is the first Qantas aircraft to carry the Winged Kangaroo logo; the giant marsupial will eventually be placed into a circle.

On December 9, irregular Sydney–Lord Howe Island Catalina services start and seven days later, Lancastrians, under contract to the RAAF, take over the Sydney–Bofu, Japan, weekly courier service. On December 18–20, the S23 *Coriolanus* completes its last service, Noumea–Sydney, and is then retired in a special ceremony.

Since beginning the Fiji service in 1945, the last QEA flying boat has put in 8,500 flight hours over 2,523,641 revenue miles.

Bookings through March 31, 1948 (the last year for such record keeping) are 31,048.

On January 2, 1948, the frequency of the Japan courier service is increased to twice weekly and the S33 *Coriolanus* is disposed of on January 8. Two days later, a DH 83 strikes a fence at Burketown after abandoning takeoff in high winds; although no injuries are reported, the aircraft is badly damaged. A third Lancastrian is placed into service in late January and on February 12, the Lockheed Model 10A *Inlander*, having lost its starboard engine, is forced to crash-land just south of Charleville; two people are injured and the plane must be written off.

On April 6, Iwakuni replaces Bofu as the Japan terminus, followed by Tokyo on October 15. Meanwhile, three more DC-3s arrive in April followed by three others in May; in June, a Lancastrian sets a commercial flight record when it skips the Manila stop and flies the 3,500-mile Darwin–Iwakuni route direct in 17 hrs. 11 min.

Also during June, a Lancastrian is able to conduct a 42-hr. proving flight from Sydney to Johannesburg via Mauritius. During the summer, the Sydney–Lae “Bird of Paradise” route is extended to Madang and on October 14, every-two-weeks Sydney–Espiritu Santo via Noumea and Vila, PB2B-2 Catalina service is inaugurated.

Between November 14–20, an 8,644-mile Lancastrian proving flight is flown Sydney–Johannesburg via Perth, Cocos Island, and Mauritius in 41 hrs. 52 min.; the November 12–December 1 return flight marks the first direct link to Australia from Africa. Meanwhile, a DH 84 is seriously damaged at Cloncurry on November 21 and another is destroyed by fire at Canobie on November 24. A third Catalina is received on December 13 and the fourth Catalina is received on December 31. The first to be named, it receives the moniker *Island Chieftain*.

April to December bookings are 26,049.

An Avro Anson 652A joins the fleet on February 4, 1949 and between February 1 and 18, the first three Douglas DC-4s are received and christened *Pacific Trader*, *Hong Kong Trader*, and *Malayana Trader*. One of these makes a charter proving flight to Hong Kong on March 15. On April 2, the carrier turns over its responsibility to **Trans-Australian Airlines (Pty.), Ltd. (TAA)** for scheduled and flying doctor services in the Northern Territory and West Queensland. Piloted by J. G. Morton and J. A. Furze on a training mission, a Lancastrian fails to stop after landing at Dubbo on April 7 and crashes; although is destroyed when fire breaks out, both men escape.

The DC-4 *Philippine Trader* arrives on May 6 and the newly received Avro Anson is destroyed during a nonfatal takeoff crash at Kerowagi on May 10. Three PB2B-2 Catalinas are stationed at Port Moresby in May for operations along the New Guinea coast. On June 23–24, one of these, unattended at Lord Howe Island, breaks away from its mooring buoy and runs aground; it is so badly damaged that it must be written off. Regularly scheduled DC-4 Sydney–Hong Kong via Darwin and Labuan flights commence on June 26.

The DC-4 *New Guinea Trader* arrives on July 9, followed by the Catalina *Island Patrol* on July 29. Another Catalina is lost at Rose Bay on August 27; it will be determined that a purposefully planted bomb has caused the explosion that destroys the ship. A Lancastrian is seriously damaged in a landing accident at Mascot on September 15; the next day, the DC-4 *Philippine Trader* is damaged while undergoing maintenance at Hong Kong. A DH 83 Fox Moth is retired on October 3 following a crash landing at Tarpin and the sixth and final PB2B-2 Catalina, the *Island Warrior*, is delivered on November 25. The fifth L-749A Constellation, christened *Bert Hinkler*, is delivered to Sydney on December 30.

The year's bookings accelerate to 57,382.

The *Bert Hinkler* enters service on January 17, 1950 and the Tokyo service becomes a civil operation on March 3, as commercial passengers are allowed to embark. Ten days later, DC-4s begin to supplement DC-3s on the Sydney–Port Moresby and Lae “Bird of Paradise” service. The first two Short S25 Sandringham flying boats, *Pacific Chieftain* and *Pacific Warrior*, are received on April 13 and 28, respectively. On April 25, DC-4s launch a direct route to Manila and on May 2, the two new Shorts S25 Sandringhams replace PB2B-2 Catalinas on the Noumea and Suva run.

Beginning in June, sleeper berths and berth windows are removed from the company's L-749s in favor of luggage racks. The first Australian-built, production-model DHA-3 Drover is delivered on September 13 and is placed on the internal New Guinea routes. Two more L-749s are purchased from **Air India, Ltd.**

Enplanements for the year soar to 74,616 as Fergus McMaster, the company's first chairman, dies.

On March 15, 1951, Capt. Gordon Taylor's PBY *Frigate Bird II* departs Sydney on the first leg of a survey flight to Valparaiso, Chile, via Easter Island. The Sandringham *Pacific Warrior* is seriously damaged during its landing run at Rose Bay on April 4. Another Drover is received on April 9 and on April 13 a Lancastrian is destroyed in a nonfatal landing accident at Singapore. The sixth and last L-749A Constellation *Horace Brimsmead* is delivered on April 27. During the summer, orders are placed for three Lockheed L-1049Cs.

While taxiing prior to takeoff from Vila, New Hebrides, on June 10, the S25 *Pacific Warrior*, newly back in service, strikes a coral reef and is holed below the waterline; although no one is injured, the craft is lost. The S25 *Pacific Explorer* arrives on July 15 and on July 16 a DH 3A, carrying seven persons and a shipment of gold, crashes at sea south of the mouth of the Markham River, near Lae, New Guinea; there are no survivors. The Sandringham *Pacific Chieftain* is seriously damaged in a bad landing at Rose Bay on September 3 while a DH 84 is destroyed in a crash just short of New Guinea's Karanka airfield on September 21 (one dead).

A third Drover is received on September 28 and the S25 Sandringham *Pacific Voyager* also enters service during September. A fourth Drover

arrives on November 1 and DC-3 Lae–Naur–Tarawa services begin on November 8 via Embi and Honiara. The same day, the DC-4 *Philippine Trader* is damaged in a landing accident at Mascot. A DH 84 with three aboard overflies its landing field at Yarmanda on December 13 and crashes into the hills beyond; there are no survivors. Another DH 84 is must be written off following a nonfatal landing accident at Menyamyia on December 24.

Bookings for the year jump to 94,543.

Although no one aboard is injured, the Sandringham *Pacific Voyager* is badly damaged during a takeoff accident from Rose Bay on January 31, 1952. The last of five DH 83 Fox Moths, originally introduced by QANTAS (Queensland and Northern Territories Aerial Service [Pty.], Ltd.) in 1934, is retired on April 30 and the fifth and last DH A3 Drover is received on July 30.

In cooperation with South African Airways (Pty.), Ltd. (SAA), the Charles Kingsford-Smith departs Sydney on September 1, on the first leg of the new once-every-two-weeks South African Wallaby Route; flying via Melbourne, Perth, Cocos Island, and Mauritius, the L-749 arrives at Johannesburg 39 hrs. later on September 2. Later in the day, First Officer T. E. Poole, while assisting in aircraft dispatch procedures, walks into the No. 3 propeller of the DC-4 *Malayan Trader* at Anderson Field on Guam and is killed. Also on September 2, the DC-4 *New Guinea Trader* launches a Singapore–Cocos Island via Djakarta connecting service, flying on via Perth to arrive at Sydney on September 6. A Drover is damaged during a nonfatal takeoff accident at Mackay on September 11.

Beirut and Frankfurt are added on October 16 as stops on the L-749 London service. Divers, on November 21, recover the gold shipment lost off New Guinea the previous July.

The year's enplanements remain level at 94,431.

On arrival at Darwin on February 8, 1953, it is found that the outer port wing panel of the DC-4 *Pacific Trader* has been extensively damaged as the result of a low pressure area within the No. 1 main gas tank.

The last three DH 84 Dragons are withdrawn between March 9 and May 14, while orders are placed in April for six more L-1049Cs. DC-3 Lae–Hollandia service begins on September 7. On November 14, the L-749 *Harry Hawker* initiates a Bangkok stop on the Kangaroo Route to London. A DC-3 is seriously damaged in a nonfatal landing accident at Yandina on December 8.

Bookings for the year soar to 106,585.

In February–March 1954, Queen Elizabeth II and Prince Philip tour Australia; Qantas operates four Royal Flights covering some 3,900 miles. An L-749 crashes at Singapore on March 13 (33 dead). The assets of British Commonwealth Pacific Air Lines, Ltd. (BCPAL) are acquired on March 17 and late in the month the PB2B-2 Catalina *Island Warrior* is withdrawn.

Tourist-class service begins on the Australia–U.K. Kangaroo Route on April 3. The first L-1049C is delivered to Sydney on April 15 and is christened *Southern Constellation*. It is followed by the *Southern Sky*, which is delivered on April 28.

The new Super Connies begin twice-weekly Sydney–San Francisco and Vancouver via Fiji, Canton, and Honolulu service on May 15 over the old British Commonwealth Pacific Air Lines, Ltd. (BCPAL) route, which is now relabeled *The Southern Cross* route. The third L-1049C arrives on May 24 and is named *Southern Sun*; another Super Connie, the *Southern Star*, comes to Sydney from America on July 5.

The last L-749A delivered is the first sold when the *Horace Brinsmead* passes to British Overseas Airways Corporation (BOAC) on July 23. Also in July, the carrier assumes a 50% interest in Fiji Airways, Ltd. and sells to it a pair of DHA-3s. The second L-1049C, *Southern Sky*, begins service on the Kangaroo Route to London on August 2 and is joined shortly thereafter by a third L-1049C, *Southern Sun*.

Super Constellations replace L-749As on the Indian Ocean route to Johannesburg on November 5 and on November 30, L-749s replace DC-4s on the Tokyo run. Four de Havilland DHC-2 Beavers are acquired on December 7 and the S25 Sandringham *Pacific Chieftain* is withdrawn on

December 10. Late in the year, W. Hudson Fysh is knighted, effective New Year's Day. During the year, the last three DH A3 Drovers are withdrawn.

Boardings for the 12 months accelerate to 118,495.

The L-1049C *Southern Mist* and the L-1049E *Southern Breeze* arrive on January 18 and 31, 1955, respectively, while the L-749As, the *Ross Smith* and *Lawrence Hargrave*, are sold to British Overseas Airways Corporation (BOAC) on February 15 and 26. The DC-4 *Australian Trader* enters service on March 3 and the two L-1049Cs are delivered to Sydney on March 4 and 8 respectively. Christened *Southern Mist* and *Southern Horizon*, the two L-1049Cs replace L-749As on the Tokyo via Manila service on May 3. On June 1, the S25 Sandringham *Pacific Warrior* begins the last roundtrip by her type in Qantas livery to Espiritu Santo and Suva; returning to Sydney three days later, she is retired.

DC-4 Sydney–Noumea and Fiji flights commence on June 17; the Sandringhams *Pacific Explorer* and *Pacific Voyager* are withdrawn on June 23 and July 5, respectively. On August 10, Perth is added as a stop on the Kangaroo Route. The L-749A *Harry Harber* is sold to Aerovias Guest, S.A. on October 8 while the *Southern Wind*, the first of two L-1049Gs acquired when their delivery positions were surrendered by Northwest Airlines, is delivered on October 20.

The third L-1049C, *Southern Wave*, arrives on October 25; the L-749A Charles Kingsford-Smith also goes to Aerovias Guest, on November 2. L-1049Cs replace L-749s on the Johannesburg Wallaby run on November 5 as Darwin replaces Perth as a stop on that route. The last L-1049C of the year, *Southern Dawn*, is delivered on November 26. Cocos Island–Perth DC-3 mail operations are begun on November 23.

Enplanements are up to 134,904.

On March 2, 1956, newly delivered L-1049Cs are placed on the Kangaroo Route to London; journey time is cut by 29 hrs. 30 min. by eliminating stops at Bangkok and Djakarta. In April, DC-4 flights to Japan cease operations beyond Hong Kong and the DC-4 *Pacific Trader* is retired on May 31.

In preparation for the upcoming Olympic Games, Qantas flies the Olympic flame 8,600 miles from Athens–Darwin, the longest flight ever made with it and the first time it had crossed the equator into the southern hemisphere. The XVIth Olympiad, held at Melbourne, results in record traffic for the carrier; over 70 special flights are scheduled and on more than 12 occasions, the entire Super Constellation fleet is in the air at the same time (incidentally demonstrating the airline's excellent E & M).

On September 6, an A\$18.8-million order is placed for seven Boeing B-707-138s, a special version of the Dash-120 shortened by 10 ft.; Qantas is the first non-U.S. airline to order the Boeing jetliner. The Australian flag carrier is also launch customer for the L-1049H, the first of which, *Southern Spray*, makes its maiden flight on September 20. It arrives on October 18, followed by the *Southern Tide* on November 20. The year's bookings balloon to 161,243.

The *Southern Sky* inaugurates weekly Sydney–Hong Kong L-1049C service on January 6, 1957. A pilots' strike grounds the airline from April 11 to April 20. On June 10, Athens is added as a stop on the London Kangaroo Route. During the summer, float-equipped de Havilland Canada DHC-3 Otters are placed in service along the coast of Papua. On July 20, the company opens a New York office in preparation for new services to Europe via the U.S. An L-1049C completes the first nonstop Honolulu to Sydney flight on October 28, the same day the L-1049G *Southern Aurora* is delivered. The final Constellation delivery is made on November 21 when the L-1049G *Southern Zephyr* arrives at Sydney from California.

Enplanements grow to 167,350.

On January 14, 1958, two L-1049Gs take off from Melbourne to inaugurate the world's first commercial round-the-world service through North America. A similar Pan American World Airways (1) service begun the year before is barred by the CAB from crossing the U.S. and Canada. Separating at Sydney, the *Southern Zephyr* flies west along the Sydney–London Kangaroo Route through the Middle East, the *Southern Aurora* flying east across the Pacific to San Francisco, New York, and

London. Soon, eight round-the-world services are being run weekly, four all-Qantas and four flown in cooperation with **British Overseas Airways Corporation (BOAC)**. The company's first B-707-138, the *City of Canberra*, is rolled out at Boeing's Renton, Washington, plant on February 16.

Following the death of its founder, Harold Gatty, 100% ownership of **Fiji Airways, Ltd.** is purchased on March 24. Four Lockheed L-188C Electra turboprops are ordered from the U.S. on April 1 for regional services.

On September 10, the DC-4 *New Guinea Trader* is leased to **Malaya Airlines, Ltd.** On November 11, the last two Consolidated PB2B-2 Catalinas, *Island Chieftain* and *Island Patrol*, are retired at Port Moresby. The *Southern Zephyr* incurs structural wing damage as the result of a nonfatal heavy landing just short of the runway at Nadi, Fiji, on November 14. By December, the route network measures 72,725 unduplicated miles.

The four DHC-2 Beavers are withdrawn during the year and boardings for the 12 months are 175,838, including 5,000 taken over the prestigious North Atlantic sector.

L-1049Cs replace DC-4s on the Sydney–Port Moresby “Bird of Paradise” route on January 23, 1959; however, DC-4s are left to handle the Port Moresby–Lae traffic. The first B-707-138 is held up by technical modification and the second is, in fact, delivered to Sydney via Honolulu on July 2. Christened *City of Sydney*, the Boeing, the first commercial jetliner to delivered to an Australian airline and the first Stratoliner ordered by a non-U.S. carrier, arrives in a record 16 hrs. 10 min. Company officials and the media welcome the aircraft at the new A\$12-million Qantas jetliner base.

Released from Renton, the initial *City of Canberra*, renamed *City of Melbourne* for its transpacific flight, is delivered in mid-month and then renamed *City of Canberra*. It is followed in by the real *City of Melbourne*. The *City of Canberra* is placed in service on July 29 on the San Francisco route. The fourth through seventh B-707-138s, *City of Brisbane*, *City of Perth*, *City of Adelaide*, and *City of Hobart*, are delivered in August and September, respectively. The *City of Canberra* makes the Honolulu to San Francisco run on August 30 in a record 4 hrs. 9 min. The next day, the frequency of the L-1049C Tokyo service is increased to twice weekly and the Hong Kong service to thrice weekly.

On September 5, the *City of Melbourne* departs Sydney for London via the Southern Cross route to San Francisco and hence via New York. Also in September, a 29% interest is taken in **Malayan Airlines, Ltd.**, with the DC-4 *New Guinea Trader* remaining on charter to it. Three more B-707-138s are delivered in October. At this point, Qantas begins to sell of its Super Constellation fleet; first to go are the last received, the L-1049Gs *Southern Aurora* and *Southern Zephyr*, on October 14 and 25, respectively.

Meanwhile, just after departure from San Francisco for New York on October 15, the *Southern Aurora* suffers the loss of engine No. 4; an emergency landing is made at Lovelock Field, Nevada, and although the propeller spins off upon touchdown, no injuries are reported. The plane is subsequently sold back to Lockheed. The next day, the DC-4 *Philippine Trader* is withdrawn.

On October 27, the *City of Perth* departs Sydney for London over the Kangaroo Route; two days later, the aircraft leaves the British Capital for Sydney via Frankfurt, Rome, Cairo, Karachi, Calcutta, Bangkok, Singapore, Darwin, and Brisbane, completing the carrier's first round-the-world jetliner service on October 31. Meanwhile, two days earlier, the DC-4 *Australian Trader* is retired.

In November, a second weekly Sydney–Singapore and Singapore–London return frequency, employing an L-1049G over the first leg and a leased **British Overseas Airways Corporation (BOAC)** Comet 4 for the longer London run. Also that month, a Sydney–London L-1049H all-cargo service is started and two more Super Constellations, the *Southern Breeze* and the *Southern Sky*, are withdrawn. Sydney–Noumea DC-4 service is suspended on December 1 and three days later, a tripartite pact is signed with **British Overseas Airways Corporation (BOAC)** and **Air India, Ltd.** for integrated service over the Europe–Australia route.

Also on the first day of the month, the Super Constellation *Southern Sun* is retired. Within days, the first two L-188Cs are delivered and christened *Pacific Electra* and *Pacific Explorer*; they are placed into service on the Sydney to Hong Kong via Port Moresby and Manila route on December 18 and is also employed to stretch that service on to Tokyo, beginning on December 21.

As the year closes, orders are placed for four B-707-138Bs; equipped with new Pratt & Whitney engines, they will be known as “V-jets,” from the Latin *vannus* (fan).

Boardings leap to 201,051, including 6,000 carried over the North Atlantic.

Coequal ownership is taken on January 1, 1960 with **British Overseas Airways Corporation (BOAC)** and **Tasman Empire Airways, Ltd.** in a reconstituted **Fiji Airways, Ltd.**; Qantas assumes management responsibility. The next day, the Super Constellation *Southern Star* is sold; it is followed out of service by the *Southern Moon* on March 2 and the *Southern Dawn* on March 15.

Also during the first quarter, the Electras briefly operate a weekly 10-stop route from Sydney to London and return. L-1049Es reopen the every-two-week Sydney to Noumea route on March 18 and at month's end orders are placed for six more B-707-138Bs.

The air pool with **British Overseas Airways Corporation (BOAC)** and **Air India, Ltd.** comes into effect on April 1. The last two L-188Cs, the *Pacific Endeavor* and *Pacific Enterprise*, are readied for service during the month.

The new L-188Cs replace L-1049Cs on the Noumea run on May 13 and in June an L-1049E is leased to **Malayan Airlines, Ltd.** for use on its service from Singapore to Hong Kong. Following award of the Australia to New Guinea routes to TAA and **Ansett-A.N.A. (Pty.), Ltd.**, Qantas retires from those services on July 7 and they are restarted by the domestic carriers two days later.

When an engine fails during her takeoff roll from Plaisance Airport on Mauritius on August 24, the L-1049G *Southern Wind* with 12 crew and 38 passengers, is unable to stop and crashes into a gully at the end of the runway. Although there are no fatalities, 22 are injured before rescue and the plane is consumed in flames.

Sold to Lockheed after an accident the year before, the L-1049G *Southern Aurora* is leased back as a replacement and is christened *Southern Prodigal*. On September 1, **Trans-Australian Airlines (Pty.), Ltd. (TAA)** takes over the flag line's interior Papua and New Guinea operations.

Overall enplanements for the year dip to 193,876; however, North Atlantic bookings advance to 12,000.

The Qantas fleet in 1961 comprises 7 B-707-138s, 4 L-188s, 3 L-1049Gs, 2 L-1049Es, 1 L-1049C, 2 L-1049Hs, 2 DC-4s, and 1 DC-3. The DC-4 *Hong Kong Trader* is retired on January 13 and is followed out of service by the DC-4 *Pacific Trader* during July. The first of four B-707-138Bs, the *City of Darwin*, is received on August 6. It is the first aircraft to fly nonstop from Honolulu to Charles Kingsford-Smith Airport; the elapsed time for the 5,185 mile voyage is 9 hrs. 45 min. The entire group is in service or ready for service by year's end. Frequencies are inaugurated to Christchurch, Auckland, and Wellington, New Zealand. In terms of passenger miles flown, Qantas is now the world's 26th largest airline.

The DC-3 and L-1049C fleets are retired in 1962. B-707-138Bs are placed on the Hong Kong and Tokyo runs and the L-188s, which they succeed, are employed on the New Zealand operations and replace L-1049Cs on the Sydney–Johannesburg Wallaby route. Elsewhere, North Atlantic bookings jump to 13,000. On July 24, the Super Constellations *Southern Spray* and *Southern Tide* are withdrawn and sold to **Air New Mexico**.

The last Super Constellations, *Southern Mist*, *Southern Horizon*, *Southern Wind*, *Southern Constellation*, and *Southern Sea*, are retired in 1963 and a recruiting drive is undertaken for 400 additional pilots. In December, orders are placed for three (later six) B-707-338Cs.

A total of 203,466 passengers are carried on the year.

The last DC-3 to be acquired joins the fleet in January 1964, while a February 12–16 pilots' strike ends in the company's favor. A Fiesta

Route is opened in November, Sydney–Mexico City–London; new stops added along this way include Tahiti, Acapulco, Mexico City, Nassau, and Bermuda. Direct London–Mexico City (the world's only such direct frequency) and Australia–Mexico City links are pioneered. Passengers en route to Australia and the Far East from London are now offered a stop at Hong Kong. Two more B-707-138Bs are delivered and four B-707-338Cs are ordered.

Passenger boardings soar 39% to 333,550.

The employee population stands at 9,085 in 1965. The first of four B-707-338Cs, *City of Parramatta*, is delivered at Sydney on February 9. A month later, on March 9, the *City of Townsville* arrives at Sydney from San Francisco after history's first nonstop transpacific flight of 14 hrs. 32 min.

The L-188C *Pacific Endeavor* is sold to **Air New Zealand, Ltd.** in April. At year's end, the fleet includes 15 Boeings, 2 DC-3s, 2 DC-4s, and 3 L-188Cs.

During the year, Chairman Fysh sees published the first of three volumes of memoirs, which also tell his company's history, *QANTAS Rising: The Autobiography of the Flying Fish* (Sydney: Angus & Robertson). Covering the period through 1934, the book will be followed by two more. The second, covering 1934–1945, is *Qantas at War* (Sydney: Angus & Robertson, 1968), while the third is entitled *Wings to the World: The Story of Qantas, 1945–1966* (Sydney: Angus & Robertson, 1970).

Passenger boardings this year jump 24% to 382,217 and freight traffic rises 32%.

With the government having borrowed aircraft to ferry troops on behalf of RAAF Transport Command to Saigon, South Vietnam, the company is forced to cancel 16 London flights beginning on March 24, 1966.

Frequencies on the Fiesta Route via Mexico City to London are increased in summer, new service is offered to Vienna and Frankfurt and the improvement of airports allows B-707-138B or B-707-338C service to Kuala Lumpur, Colombo, Auckland, and Christchurch. Two additional B-707-338Cs join the fleet and two L-188s are sold.

Pilots strike the carrier between November 20 and December 29. Almost unnoticed outside of Australia, company cofounder Sir Hudson Fysh retires from the chairmanship. Also in December, the deluxe 450-room Wentworth Hotel is opened next to company headquarters in Sydney.

A total of 368,000 passengers are carried as the strike causes a traffic dip.

Airline employment in 1967 is 10,297. The fleet now totals 28 aircraft: 12 B-707-338Cs, 9 B-707-138Bs, 1 Lockheed L-188, 2 DC-4s, 2 DC-3s, and 2 HS 125s. Orders are outstanding for 9 B-707-338Cs. On August 1, the carrier's name is changed to **Qantas Airways (Pty.), Ltd.** and the company and its aircraft receive a new logo and livery.

QANTAS NEW ZEALAND, LTD.: New Zealand (2000–2001). **Ansett New Zealand, Ltd.** is sold by News, Ltd. in March 2000 to a New Zealand investors group, ZaZu, Ltd., headed by the airline's CEO Kevin Doddrell and Clavell Capital executive David Belcher. Doddrell remains CEO of the reborn enterprise, which retains all of the assets and aircraft of its predecessor entity. In early June, the carrier is renamed Tasman Pacific Airlines of New Zealand, Ltd.

Shortly thereafter, the renamed entity is awarded the first ever Qantas franchise and is rechristened **Qantas New Zealand, Ltd.** on June 26. The transformation of the airline is accompanied with new signage, featuring the red and white livery in terminals, offices, and travel outlet. The reservations system is hosted in the Qantas Universal Business Environment (QUBE), while airport, reservations, and customer service staff join pilots and cabin crews in wearing the Qantas uniform.

Two of the carrier's fleet of eight British Aerospace Bae 146-300s are repainted in Qantas franchise colors during the summer as preparations continue to be made for the initiation of scheduled services. Launch day for the new look must be pushed back several times due to a shortage of pilots.

With New Zealand Prime Minister Helen Clark on hand to meet the arrival, the first flight is completed from Wellington to Auckland on the morning of September 4. By now, 6 of 14 aircraft in the fleet have been repainted. Commuter flights to and from Wellington, previously flown

by **Rex Aviation, Ltd.**, are operated by that carrier under the marketing name Tasman Pacific Connection.

On December 10, the union representing the carrier's flight attendants protest the airline's corporate uniform policy and its strict guidelines for dress and grooming for both men and women. Make-up rules, in particular, demonstrate an "old-fashioned, stereotypical view of women."

The remaining six 146-300s have all been received their new livery by Christmas.

Unhappily, after months of battling difficult trading conditions, including rising fuel prices and a drop in the valuation of the New Zealand dollar, the company's parent will be unable to make an immediate April 2001 payment on two month's of landing fees at Wellington Airport. The airline will be forced out of business on April 20; **Qantas Airways (Pty.), Ltd.** will quickly withdraw the use of its name as thousands of passengers are stranded, thereby forcing **Air New Zealand, Ltd.** to lay on extra flights to accommodate them.

QATAR AIRWAYS: Almana Tower, Airport Road, P.O. Box 22550, Doha, Qatar; Phone 974 430 707; Fax 974 352 433; <http://www.qatarairways.com/qar>; Code QR; Year Founded 1994. Qatar Airways is established at Doha on October 20, 1993 to offer scheduled passenger services to regional and European destinations, targeting the large community of British and Indian expatriates. Ownership is 75% private, although the government of Qatar, which holds the remaining 25%, reserves the right to designate its own flag carrier. Initial capitalization is \$6.8 million.

Organizer Sheikh Hamad Ali Jabour Al-Thani, a member of the royal family and a former pilot and board member of **Gulf Air Company, G.S.C.** and **Emirates Airlines, Ltd.**, is appointed managing director. He is provided with a fleet of 2 leased Airbus Industrie A310-222s and a Boeing 737-291A, the latter subleased from **Air Atlanta Icelandic, H.F.** Arrangements for maintenance of the fleet are completed with **Kuwait Airways Corporation.**

Revenue services are inaugurated on January 20, 1994, to three cities in the Persian Gulf area: Amman, Cairo, and Khartoum.

In June, weekly services are inaugurated to London (LGW), as well as to Colombo and Bombay. Plans are made to obtain 4 wide-body and 3 narrow-body aircraft over the next 18 months. Late in the fall, flights commence to Munich, Vienna, and Athens and plans are made to purchase both B-727s and B-747 Jumbos.

On December 15, Qatar Airways becomes the 25th foreign company to resume flights to Beirut since the end of 1975–1990 Lebanese civil war. Announcing the change, Managing Director Al-Thani informs reporters that his company will operate weekly flights between Doha and Beirut with hopes that the frequency will increase soon.

Enplanements for the year are 124,000.

Airline employment stands at 400 in 1995. The fleet is altered to include 1 each B-727-2M7A, B-727-264A, and B-727-294A. In addition, 2 B-747SR-81s, first flown by **ANA (All Nippon Airways Company, Ltd.)**, are purchased in August. The company's 6 aircraft transport a total of 212,000 passengers, a huge 71% increase.

Bangkok and Hong Kong join the route network in 1996. Other destinations visited also include Abu Dhabi, Cairo, Dubai, Khartoum, Kuwait, London, Madras, Manila, Muscat, Osaka, Sharjah, Taipei, Tokyo, and Trivandrum. Many of these points are served only once a week and there are several undesirable multipoint frequencies.

A new management team, headed by former Civil Aviation Department official Akbar Al-Baker, is put in place during October. Plans are made for a restructuring program. Daniel Naoumovitch, an **American Airlines** marketing executive, is appointed general manager of sales and marketing, with former **CityFlyer Express, Ltd.** executive Keith Luxton as general manager-technical.

Enplanements for the year total 448,000.

Service to Calcutta and Dhaka ends in January 1997. New Chairman Al Baker initiates a massive \$15-million makeover in April. In the months that follow, the airline is transformed from a low-fare, no-frills

airline catering to migrant workers into a full-fare service that can appeal to upscale travelers.

The first step in the revamp program results in a rationalization of the route network, with service suspended to Madras, Athens, Tunis, and Istanbul; plans for the inauguration of flights to Frankfurt, Moscow, and Tehran are shelved for now. Thrice-weekly roundtrips to Jeddah and Dhahran commence in May. Flights are also begun to Karachi four times a week.

Replacement of the ex-Japanese B-747SR-81s with a pair of Airbus A300B4-622Rs leased from Ansett Worldwide allows greater scheduling flexibility and cost-savings. For example, following arrival of the first aircraft, the previous twice-weekly Jumbojet service from Doha to London (LGW) via Cairo becomes in May a daily nonstop return flight from Doha to London (LHR).

Unhappily, the carrier cannot find a buyer for the Boeing giants. They will be initially leased out for the Muslim Hadj pilgrimage and then wet-leased, one each to **Tunis Air** and **Saudi Arabian Airlines**.

The second A300B4-622R, to which new interiors, corporate image, and logo are fitted, supplements the B-727s on regional routes. Alcohol is now served on the London (LHR) route, which doubles patronage in the five months after May, and on other services, except those in the Gulf region. In August, an agreement is signed for a new automated, networked system for reservations and check-in and for revenue accounting services.

For lack of patronage, the route to Muscat is closed in September. When the B-727s go out-of-country for their "C" checks during October, a B-757-2M6ER is leased from **Royal Brunei Airlines** for two months. It is employed to reenter the Dhaka market with nonstop roundtrips.

At the beginning of November, a code-sharing agreement is signed with **British Midland Airways, Ltd.** Under the August agreement, the carrier now moves to the Babs reservations system of **British Airways, Ltd. (2)** as well as its Bombay-based Jade revenue-accounting system. Also in November, the carrier becomes the official airline of the Mena Economic Conference.

A third A300B4-622R is delivered in December and is employed to offer a third weekly frequency to Manila and twice-weekly services from Doha to Jakarta via Bangkok. During the month, a cargo agreement is signed with Aramex.

Enplanements for the year increase 46% to 630,000.

Flights continue apace in **1998**. A strategic alliance and code-sharing agreement is signed with **Deutsche Lufthansa, A.G.** on May 23. Dual-designator A300B4-622R flights are offered over a twice-weekly route to Munich starting on June 15. With the introduction of the summer schedule during the month, one additional weekly flight is offered to Amman, Beirut, Karachi, and Kuwait.

Twice-weekly A300B4-622R roundtrips from Doha to Peshawar begin on July 2. To replace its three-ship B-727 fleet, Qatar, on July 9, signs a letter of intent with Airbus Industrie for the purchase of 11 A320s to be delivered beginning in 2001. In addition, four (later five) A320-232s will be leased from Singapore Aircraft Leasing starting in the first quarter of 1999.

Qatar, which operates thrice-weekly services to Kathmandu, agrees to provide free lift for an 86-kg. shipment of donated gym equipment from the U.K. to Nepal. At the same time, A300B4-622Rs replace B-727s on the route.

The takeoff from Dhaka of Flight 345, an A300B4-622R with 10 crew and 224 passengers is aborted on August 19 due to a fire in the undercarriage caused by a large bird that has flown into the wheels of the Airbus. All of the passengers are evacuated without serious injury and the blaze is extinguished. Still, international flight operations from the airport are suspended for 12 hours.

Also during August, the airline accommodates the six-man Himalayan expedition team of Sir Christian Bonington on a route from London to Kathmandu via Doha. One of the world's most famous climbers, Bonington will assault 6,950-m.-high Sepu Kangri in late September.

During September, the thrice-weekly A300B4-622R roundtrips from Doha to Kathmandu are increased to four-per-week. Qatar returns the Himalayan team of mountaineer Bonington to London at the end of October.

Passenger boardings jump 35.5% to 850,000, while 2.87 million FTKs are also operated.

By the beginning of **1999**, airline employment has been cut by 11.8% to 693. Thrice-weekly A300B4-622R roundtrips are inaugurated on January 2 from Doha to Lahore, Pakistan.

On March 1, the airline receives the first of five A320-232s that it has leased from Singapore Aircraft Leasing Enterprises. The remaining three will be delivered before the end of April. The new aircraft is immediately assigned to the Pakistan services.

Officials from Qatar Airways meet with their counterparts from **Emirates Airlines**, **Gulf Air Company G.S.C.**, **Kuwait Airways Corporation**, **Oman Airways**, and **Saudi Arabian Airlines** at Kuwait City on May 15 to plan a united body to compete against the growing number of major world airline alliances. The CEOs, who also agree to meet quarterly, discuss ways to coordinate and develop additional revenues, cut expenses, and invest jointly in support services.

The last of five new A320-232s to be delivered on the year is accepted on October 28. The code-sharing agreement with **Deutsche Lufthansa, A.G.** is enhanced on November 1 to include Vienna, Zurich, and Manchester, England.

Thrice-weekly A300B4-622R roundtrip frequencies to Bangkok are initiated on April 18, **2000**, the same day twice-weekly A300B4-622R return flights (discontinued in 1998) are resumed to Manila. Twice-daily Airbus return flights commence on April 24 between Doha to Bahrain.

On September 14, an Iraqi man hijacks an A320-232 with 144 passengers and orders it flown to Saudi Arabia. On the ground at Hael, the pirate surrenders to Saudi police and his captives are all released unharmed.

The thrice-weekly roundtrips offered to Karachi, Lahore, and Peshawar from Doha are increased by two in mid-July. A lone A319-133CJ (Airbus bizjet) is delivered on November 12.

Thrice-weekly A300B4-622R return flights commence on December 14 between Doha and Muscat.

On December 22, arrangements are completed for the purchase an A300-600R previously operated by **Korean Air (Korean Airlines-KAL)** and the lease of an A320-231 recently flown by defunct Irish carrier **Transaer International Airlines, Ltd.**

THE QUALIFLYER GROUP. See **AIR EUROPE, S.p.A.**; **AIR LIBERTE, S.A.**; **AIR LITTORAL, S.A.**; **AOM FRENCH AIRLINES, S.A.**; **CROSSAIR, LTD**; **LOT POLISH AIRLINES, S.A.**; **SABENA BELGIAN WORLD AIRLINES, S.A.**; **SWISSAIR, A.G.**; **TAP-AIR PORTUGAL, S.A.**; **THY TURKISH AIRLINES, A.O.**; **TURK HAVA YOLLARI, A.O.**; **VOLARE AIRLINES, S.p.A.**

QUASSAR (QUASSAR DE MEXICO, S.A. de C.V.): Mexico (1992–1995). Quassar is organized in the fall of **1992** to offer both passenger and cargo charter operations. A Boeing 727-27C is acquired, along with two B-727-76s. The three commence flights in early **1993**, with the latter two specializing in service from Mexico City to the national resort communities.

In fiscal difficulty, the company shuts down briefly in January **1994** and sells its freighter to the Puebla-based new entrant **Azteca**. Passenger-only nonscheduled frequencies resume in March and are operated for a year.

QUEBEC AIRWAYS, LTD.: Canada (1941–1949). Quebec Airways, Ltd. is formed at Quebec City in the fall of **1941** to offer weekday Beech 18 shuttle service to Montreal via Trois Rivières. Revenue flights begin on December 22. The operation is short-lived as on January 30, **1942**, the carrier is one of 10 merged to form **Canadian Pacific Air Lines, Ltd.**

The company is allowed to continue operations as a CPAL subsidiary during the remainder of the decade and is even outfitted with several

Douglas DC-3s. In 1948, the major begins to transfer a number of its scheduled flights, operated on both sides of the St. Lawrence River, to the Gaspé Peninsula-based Rimouski Airlines, Ltd. Among the destinations given over are Matane, Mont-Joli, Forestville, Baie Comeau, and Sept-Îles.

Heralding the real beginning of a wave of civil crime that will be associated with the world airline industry in the years ahead, the carrier is subjected, in its last months, to the one event for which it is remembered: a love-triangle, murder-for-hire.

En route from Montreal to Baie Comeau on September 9, 1949, a DC-3 with 4 crew and 19 passengers explodes in midair over the town of St. Joachim, Quebec. The plane crashes onto a hilltop near the community of Sault-Au-Cochon, on the N side of the St. Lawrence River some 40 mi. NE of Quebec City, killing all aboard, including 3 Kennecott Copper executives. Investigators quickly establish that a blast occurred in the forward baggage compartment.

Having obtained proof from the destroyed aircraft of a dynamite bomb in a package placed on the aircraft, police arrest J. Albert Guay, husband of a woman passenger, on September 23 and he is arraigned the next day.

A murder trial for Guay is ordered on October 6. The son of one of the Kennecott Copper executives on board the plane, R. J. Parker, stages a hold-up on November 20, but is captured by police. In prison, the boy admits he needed the stolen funds to finance his trip to Quebec in an effort to kill Guay and avenge his father's death. Meanwhile, Mrs. A. Marie Pitre (Guay's paramour) and her brother Genereux Ruest are arrested as accomplices in the bomb planting.

Quebec Airways, Ltd. is submerged into its parent before the end of the year.

In January 1950, Guay, Pitre, and Ruest go on trial. For the intended murder of the former's wife and the additional deaths of 22 others, Guay and Pitre are condemned to death on March 14. For making the bomb Guay placed aboard the doomed airliner, Ruest is also sentenced to the gallows, on December 13.

Guay is hanged on January 11, 1951, but the execution of his accomplices is delayed through the remainder of the year and into 1952. On April 10 of the latter year, Ruest and Pitre appeal separately to the Supreme Court. Ruest's appeal of his sentence is dismissed on May 12 and allowed to stand and the court, by a 3-2 June 28 decision, also allows Pitre's conviction to stand. Ruest is executed on July 25 and Pitre on January 8, 1953.

QUEBEC AVIATION, LTD.: Canada (1970-1985). Established at Quebec City Airport, this third-level commuter is initially known as **Air Brazeau, Ltd.** On November 1, 1978, Corporation de Gestion La Verendrye, a transportation conglomerate, purchases the operation, together with **Le Tapis Rouge Aero Services, Ltd.** and the original Quebec Aviation Company, Ltd. and merges them together under the name Quebec Aviation, Ltd.

Graduating from 4 Piper PA-31-310 Navajos, 3 Cessna 310s, 2 Piper PA-34 Senecas, and 2 Cessna 337s, Quebec Aviation obtains 2 Beech 99s in 1980. From bases at Montreal and Quebec City, these provide scheduled passenger and cargo services to Chibougamau, Gatineau/Hull, Saguenay, Fredericton, and St. Leonard. Contract service and charter flights are also arranged.

Another Beech joins the fleet in 1981. President Leo Vanasse now oversees a workforce of 75. Enplanements reach 10,028 and double in 1982 to 21,784. International flights begin in 1983 with Quebec City to Boston daily service. A Fairchild-Swearingen Metro II is acquired in 1984. In December 1985, the operation is purchased by **Propair, Ltd.** and merged.

QUEBECAIR, LTD.: Canada (1953-1987): In 1953, Gaspé Peninsula-based **Rimouski Airlines, Ltd.** and competing **Gulf Aviation, Ltd.** merge to form Quebecair, Ltd. The initial fleet comprises 2 de Havilland Canada DHC-2 Beavers and 5 Douglas DC-3s, which are introduced

when the route systems are integrated. One DC-3 is withdrawn; however, a Beech 18 joins the fleet in 1954. Charters are also maintained, especially in connection with construction activity on the Mid-Canada and DEW Lines.

DEW Line flights continue in 1955 and scheduled service is launched to Quebec City and to the iron-mining center Schefferville, Labrador. The fleet is expanded by the addition of 2 DC-4s, 3 DC-3s, and 2 Consolidated PBY-5A Cansos. A new DC-3 is badly damaged in a landing accident on December 9; it will be rebuilt.

In 1956, the carrier is authorized to service additional points throughout Quebec province. On January 17, a DC-3 with 3 crew and 15 passengers is destroyed at Oreway Lake, Labrador (4 dead). Four more DC-3s are purchased (1 is sold) and the fleet now comprises 1 Beech 18, 6 DC-3s, 2 Cansos, and 3 DHC-2s.

The network is extended westward in 1957 to Montreal, Rouyn, and Noranda. Two of the three Beavers are sold in May. Also that month, the DC-4s are sold to **Maritime Central Airways, Ltd.**, which in turn sells the carrier a Curtiss C-46A in November. Orders are placed for three Fairchild F-27A Friendships.

On July 13, 1958 a Rimouski Airport hangar fire destroys five of the carrier's DC-3s. Quebecair becomes the first Canadian regional carrier equipped with turboprop aircraft when its initial Fairchild is received in August and enters revenue service on October 27, just after receipt of the second. Meanwhile, the final Beaver is sold in September.

Orders are placed in 1959 for two Convair CV-540s. Routes are opened to Gagnon and Riviera-du-Loup. A Curtiss C-46A is sold in January 1960. The Convairs are delivered by Canadair, Ltd. in the early summer and on August 24 commence five-times-per-week Montreal-Quebec City-Sept. Îles-Wabush-Knob Lake services.

Frequencies are initiated from Rouyn to Noranda and Schefferville and to Manicouagan and Saguenay in 1961. In June, a DC-3 is sold to **Eastern Provincial Airways, Ltd. (EPA)**. Having elected to operate only one turboprop type, the company returns its Convairs to Canadair in October. Murray Bay flights begin in early 1962 and in February 1963 the last PBY-5A is sold to EPA.

Enplanements in 1964 total 54,329. The employee population stands at 385 in 1965. In April, Matane-based **Matane Air Services, Ltd.** is purchased; the next month, **Northern Wings, Ltd.**, plus its Northern Wings Helicopters, Ltd. subsidiary, is acquired. All three purchases continue to operate, for the time being, under their previous identities.

Following these takeovers, Quebecair's fleet features 28 aircraft of 9 types: 4 DHC-2s, 1 Beech 18, 1 C-46, 9 DC-3s, 3 F-27As, 3 Lockheed Model 10As, 2 DHC-3s, and 3 Bell Model 47 helicopters. Orders are outstanding for two additional Bells and an F-27A. Integrated scheduling and operations commence on November 1, with Quebecair assuming responsibility for operating larger aircraft.

The year's passenger boardings, systemwide, increase to 160,759.

The three subsidiaries are fully merged in March 1966 and by early spring the two Bells and one F-27A are received. The route network now includes 23 points: Montreal, Quebec City, Murray Bay/Charlevoix, Rivière-du-Loup, Rimouski, Mont-Joli, Matane, Saguenay, Forestville, Baie Comeau/Hauterive, Manicouagan, Sept-Îles, Gagnon, Wabush/Labrador City, Schefferville, Rivière-au-Tonnerre, Mingan, Havie St. Pierre, Port Menier, Gaspé, Natashquan, Harington Harbor, and Blanc Sablon. Orders are placed for three DHC-6s.

Bookings climb to 180,000.

Airline employment reaches 410 in 1967. With the acquisition of the pioneer carrier **Air Fecteau Transport Aérien, Ltd.**, which is allowed to operate as the separate entity **Air Fecteau, Ltd.**, the fleet grows to 53 aircraft. New additions since 1966 include one F-27A, 10 DHC-2s, two Cessna 185s, and five Cessna 180s. Orders are placed for a BAC 1-11-402 and a BAC 1-11-304. Passenger traffic balloons significantly with 223,697 passengers carried.

The small operators **Air Gaspé, Ltd.** and **Montreal Air Leasing, Ltd.** are purchased in 1968. The former, based at Sept-Îles, is allowed to continue operations under its previous identity. Three DHC-6-100s are

purchased to operate the short-haul routes recently acquired through mergers and a Boeing 707 order is cancelled.

Along with its DC-3 and Lockheed Model 18 Lodestar, the bankrupt **Royal Air, Ltd.**, based at Montreal, is acquired in January 1969. The former **British Eagle International Airways, Ltd.** BAC 1-11-304s *Salute* and *Supreme* are both delivered on April 15 and begin service at month's end between the network's larger cities. On April 25, the company is granted an emergency license to link Montreal, Toronto, and Ottawa on the routes of **Air Canada, Ltd.**, which is grounded by a strike.

Two DC-3s are withdrawn during the year, one each in May and September and in December an F-27A is withdrawn.

The route network in 1970 contains 50 stops. A DC-3 and two Twin Otters are sold during the year. A total of 79 million revenue passenger miles are flown on the year. Another BAC 1-11 is ordered in 1971 and new charter flights are introduced. Both the last Twin Otter and the final DC-3 are now withdrawn.

Enplanements reach 263,940.

The workforce in 1972 is 473.

L. M. Stanford, a 21-year-old Canadian youth, seizes a stewardess at gunpoint and commandeers the BAC 1-11-402 with 62 passengers during a flight between Wabush, Newfoundland, and Montreal, on December 14. After forcing the jetliner to land at Ottawa and Montreal, he allows all but four crewmen to deplane at the latter point before ordering the aircraft back to Ottawa. At the Canadian capital, the young pirate yields to a plea from his father to free his hostages and surrender to police. Stanford will be tried and sentenced to 20 years in prison.

Passenger boardings for the year accelerate by 17% to 318,000.

The third BAC 1-11, a Dash-402 formerly operated by **Philippines Air Lines (PAL)**, enters service in April 1973 as a new Quebec City–Val d'Or route is opened. Orders are placed for one Boeing 727-25 and two B-707-123Bs. The operation of a Lockheed L-382B Hercules is undertaken on behalf of the James Bay Energy Corporation, Ltd.

Passenger boardings rise 30% to 327,540.

The employee population in 1974 is 722. The B-727-25, formerly operated by **Eastern Air Lines** in the U.S., arrives in July and enters service in August. A new aircraft livery is now unveiled. The two onetime **American Airlines** B-707-123Bs arrive in late December and join the BACs in providing charter flights from Toronto, Montreal, and Quebec City.

Passenger bookings swell 11.8% to 461,000.

Airline employment is 854 in 1975. The two larger Boeing jetliners commence charter flights to Europe, the Caribbean, Hawaii, Mexico, and North Africa. The last C-46A is sold in June.

Cargo traffic grows 34.4% and passenger boardings leap 21.1% to 559,217.

In 1976 the workforce is increased 2% to 871. New routes are opened to Fort Chimo and Chibougamau. A contract is received to operate five CV-580s on behalf of the James Bay Development Project. The aircraft, all purchased from **North Central Airlines**, arrive and are placed into service between April and November.

The **Air Gaspé, Ltd.** HS 748 is sold, as that subsidiary becomes a part of **Regionair, Ltd.**, a commuter partnership established to operate the various subsidiary companies purchased earlier.

Passenger bookings advance 2.4% to 572,501, but freight declines by 3%.

Quebec City–Hull flights begin in 1977. An Air Plus Service is introduced, linking **Regionair, Ltd.** services to scheduled Quebecair flights.

Enplanements total 823,966.

The employee population is 1,039 in 1978. Early in the year, Lionel Chevrier becomes chairman and Alfred Hemmet, CEO of the trucking conglomerate **Expeditex, Ltd.** becomes president. Orders are placed for two B-737-200s.

Traffic climbs 5.4% as 871,420 passengers are flown.

The forward landing gear of chartered B-707-123B with 9 crew and 162 passengers is smashed as the result of a heavy landing and subsequent 2,000-ft. skid at Vieux Fort, St. Lucia, on February 19, 1979; there are no fatalities.

Expeditex, Ltd. President Hemmet now acquires majority interest. After taking off from Quebec City on March 29, the left engine of Flight 255, an F-27A with 4 crew and 21 passengers, catches fire; unable to complete a return to base, the Fokker crashes into a hill less than a mile from the runway (17 dead).

Much equipment alteration occurs in November. The B-727-25 is withdrawn along with the last B-707-123B; the former will be sold to **Westburn Aviation, Ltd.** in January and the latter is now sold to **United African Airlines**. A B-737-2Q9 and a B-737-2Q8 are leased (one for this season and the next two winter seasons, and one for six months) from **Trans-European Airways, S.A. (TEA)** to take up the slack on scheduled routes and provide additional charter capacity.

Passenger bookings decline to 617,045, but freight is up 4.3% to 2.7 million FTKs.

Following the January 1980 sale of the B-727-25, two purchased B-737-296s arrive in May and June. The TEA B-737 is returned in June. Between September–November, frequencies from Montreal and Quebec City to Miami and Fort Lauderdale are increased from one per week to as many as six.

Enplanements thus rise to 664,880. However, expenses, led by fuel cost increases, skyrocket.

A new Montreal–Toronto route concession is received in January 1981 with the first of two B-737-2L9s to be delivered during the year arriving in April. The last three F-27As are withdrawn during the year, one each in May, June, and October. All will be sold to **Horizon Air (Horizon Air Industries)**. Also beginning in May, two Beech 99s and six HS 748s are acquired and in June, direct Toronto–Montreal services start.

The subsidiary **Vacances-Quebecair, Ltd.** is created to operate advance-booking charters to Florida, Puerto Rico, and Barbados. A new paint scheme is introduced. **Air La Sarra, Ltd.** and the former subsidiary **Air Fecteau, Ltd.** combine to form Senneterre, Quebec-based **PropAir, Ltd.**, which, together with Ste. Foy-based **Quebec Aviation, Ltd.** (now all renamed **Regionair, Ltd.**), enter into agreements with Quebecair, Ltd. to provide commuter service over the regional's low-density routes.

All of these changes in the midst of recession cause significant fiscal reversal. In midyear, the Quebec government purchases 22% shareholding (for C\$15 million) in order to block a takeover bid by **Nordair, Ltd.** Both of the BAC 1-11-304s and the Dash-402s are withdrawn on October 31 and placed in storage to await sale. The second B-737-2L9 joins the fleet in December.

Passenger boardings overall climb 4.4% to 695,397, but cargo is off by 19.5% to 2.5 million FTKs.

A new livery is introduced for the aircraft of the **Regionair, Ltd.** fleet in January 1982. Quebec City to Boston flights begin in May. As a result of continuing financial loss, the **Trans-European Airways, S.A.** leased B-737s are returned while two owned aircraft are chartered to **Britannia Airways, Ltd.** for a year. The decision is taken not to sell the retired BAC 1-11s but to refurbish them for renewed service. Repainted and upgraded, all three are rejoin the fleet on April 25. In addition, a BAC-11-204 is chartered from **USAir** in May.

In August, a BAC 1-11-204AF is leased for three months from **US-Air**. In September, a B-737-2L9 is sold to **Air Nauru**. Two ex- **Austral Airlines (Austral Lineas Aereas, S.A.)** BAC 1-11-420ELs are purchased in October and December. Also in October, a former **Maersk Air, A.S.** B-737-2L9 is purchased and delivered, but does not enter immediate service.

Rather than accept the federal government's plan to purchase and employ Quebecair, Ltd. as the basis of a new regional airline, the provincial government in December arranges for two loans (C\$12 million total) that will be used to keep the carrier afloat.

Anticipated in light of the world economic situation, passenger boardings decline 25.2% during the year to 520,119, and freight is down by 22% to 1.8 million FTKs. The year's loss totals C\$22 million.

Airline employment is cut 38.2% in 1983 to 1,140. In April, two B-737-296s and a B-737-2L9 are leased, long-term, to **Pan American**

World Airways (1). The repainted and refurbished ex-**Maersk Air, A.S.** B-737-29L is placed into service in May. After only three months of service, it is withdrawn and sold to **Air Nauru**. To replace it, a B-737-2M8 is leased from **Trans-European Airways, S.A.** in August.

Meanwhile, in May and July, two CV-580s used on the James Bay contract are withdrawn. Also in July and after several years of subsidy, the Parti Quebecois provincial government, through its Societe Quebecois des Transports department, assumes control.

Freight transport for the year drops by 5.6% and passenger boardings fall another 3.4% to 405,774. The loss of C \$16 million is significant.

The workforce is reduced in **1984** to only 905. During the first quarter, the two BAC 1-11-304s are sold to the new Welsh charter carrier **Airways International (Cymru), Ltd.**

To complement and enhance its short- and medium-haul charter business, Quebecair, Ltd., in April, elects to enter into the long-haul inclusive-tour field in association with Fiesta Travel, Ltd. and leases a DC-8-63 with which to operate the flights. The **Regionair, Ltd.** subsidiary and its Beech 99s are fully merged, being eventually reorganized into the commuter airline **Quebecair Inter, Ltd.** and equipped with Fairchild Metro IIs.

New regional routes are opened (including four-times-per-day Montreal-Toronto service) and a second DC-8-63 is chartered in December. Two BAC 1-11-304s are sold during the year, one each in March and November, and a former **Wien Air Alaska** B-737-2L9 joins the fleet in November.

Still, enplanements fall by half, down to 245,000, and the financial picture grows even darker as another C \$5 million is lost.

The employment population for Canada's last remaining regional other than **Pacific Western Airlines, Ltd.** grows by 75% in **1985** and the three B-737s leased to **Pan American World Airways (1)** rejoin the fleet as expansion continues. In March, two dormant **Air Canada, Ltd.** routes to the U.S. (Montreal-Boston and Quebec City-Newark) are assumed on a twice-daily basis. The last three BAC 1-11s are withdrawn in May and sold to **Okada Air, Ltd.** in Nigeria.

The Gagnon route is closed in June; however, a service is initiated from Montreal to Rouyn via Val d'Or. Also in June, the company elects to try the all-cargo marketplace and leases a DC-8-54F from **Arrow Air**. When the travel agency Jetlink Holidays folds in mid-September, many charters booked aboard the carrier's DC-8s are lost. As the result of heavy and costly competition on the Montreal-Toronto route, frequency between the two cities is cut back late in the year to twice daily. By year's end, the provincial government's investment in the carrier is approaching C\$100 million.

To stem the flow of red ink, the provincial government now attempts to purchase fiscally sound **Nordair, Ltd.**, into which it would merge Quebecair to form a giant regional. In December, **CP Air, Ltd.** obtains 60% control of the former, but cannot complete a merger upon the Quebec government's refusal to sell its 35% interest.

On the bright side, passenger boardings now skyrocket to 597,582 and freight is up by 8.6%. Financial loss, however, continues to be heavy.

Heavy and successful charter operations continue during the winter. In March **1986**, a C\$100-million, 5-year arrangement is signed with Toronto's Conquest Tours for the operation of transatlantic charters to Europe. In May, President Jacques Leger steps down, to be replaced by Andre Lizotte. The new Liberal government of Premier Robert Bourassa seeks, via privatization, to lessen the financial drain on the province being caused by the carrier. Following negotiations, the Societe Quebecoise des Transports agrees to cover Quebecair, Ltd.'s 1985-1986 expenses, including severance pay, through September. It also agrees to sell its 35% interest in **Nordair, Ltd.** for C\$35 million. On July 31, the Nordair subsidiary **Nordair Metro** purchases Quebecair for C\$20 million.

Nordair is backed by **Canadian Pacific Airlines, Ltd. (CPA)** and the acquisition will allow the latter to complete its acquisition of the former, a move previously stalled by Quebecair, Ltd.'s refusal to sell its 35% shareholding. **Nordair Metro** President Michael Leblanc now becomes

Quebecair CEO as well. Although the **Quebecair Inter, Ltd.** commuter is allowed to continue operations, the charter division is closed down and the two DC-8-63s are sold to **Nationair, Ltd.** with the charter carrier agreeing to hire portions of their crews and other Quebecair, Ltd. personnel. Following the sale, about 300 Quebecair, Ltd. employees are laid off and four B-737-200s are immediately sold to **CPA, Ltd.** by **Nordair, Ltd.**, which provides its subsidiary's new partner with two of its older B-737s, one each Dash-296 and Dash-2L9.

The two BAe 748s are also withdrawn and put up for sale and a new Quebecair, Ltd. management team is assembled (including several "old hands") as the carrier assumes a new posture as a local-service carrier. In addition to two CV-580s purchased in late spring, three more join the fleet in October and November. Several B-737-200 services are replaced in December by CV-580 runs, as schedule, reservation, equipment, and personnel integration is begun and continued apace.

The fleet in January **1987** comprises 2 B-737s and 2 CV-580s. A B-737-296 is sold to **Braathens SAFE, A.S.** in March and is replaced by two ex-Braathens Fokker F.28-1000s. In September, the carrier is reformed and renamed **Inter-Canadian Airlines, Ltd.** The B-737-2L9 is sold to **Express One International** in November.

Quebecair Inter, Ltd. is sold to Nordic Helicopters, Ltd. and is reformed as **Propair, Inc.**

QUEBECAIR INTER, LTD.: Canada (1984-1987). **Air La Sarra, Ltd.** and the subsidiary **Air Fecteau, Ltd.** are combined by **Quebecair, Ltd.** in **1981** to form the larger subsidiary, **Propair, Ltd.**, basing it at Rouyn. The fleet is comprised of the merger partner's aircraft, including 13 de Havilland Canada DHC-2 Beavers, 13 DHC-3 Otters, 2 DHC-4 Caribou, and several Cessna 207s. A contract is reached with the parent for the operation of commuter services over **Quebecair, Ltd.**'s low-density routes, such as **Quebecair Inter, Ltd.**

In December **1985**, **Quebec Aviation, Ltd.** is purchased and merged. The two Caribou are now sold and, beginning in early **1986**, the company links its base to new destinations, including Montreal, Chibougamau, Bagotville, Ottawa, Nordanda, Val d'Or, Sherbrook, and Quebec City. An inherited route from Quebec City to Murray Bay is subcontracted to **Les Ailes de Charlevoix, Ltd.**

Operations continue with little change until June **1987** when the carrier is sold to Nordic Helicopters, Ltd. and is reborn as **Propair, Inc.**

QUEEN CHARLOTTE AIRLINES, LTD. (QCA): Canada (1946-1955). This small feeder is formed on May 28, **1946** when the aviation division of Vancouver-based Spilsbury and Hepburn, Ltd., is split off and incorporated. Founder James Spilsbury is president. In his autobiography, penned with the assistance of Howard White, Spilsbury will tell the story of his company, *The Accidental Airline: Spilsbury's QCA* (Madeira Park, B.C.: Harbour Press, 1988).

Having assembled a fleet of Supermarine Stranraer and Consolidated PBV-5A flying boats and Avro Ansons, scheduled flight activities commence in May **1947** over a coastal route north of Vancouver.

Operations continue apace in **1948-1950** as several Douglas DC-3s are added. En route from Muchalat Arm to Tofino on August 4, **1951**, an Anson is lost (seven dead) and on October 17 a PBV-5A crashes into Mount Benson, near Nanaimo, British Columbia (17 dead).

During the spring of **1953**, service is extended from Prince Rupert to Ketchikan, Alaska. A rivalry for service is begun with smaller **Pacific Western Airlines, Ltd.** and the company undertakes contracts during early **1955** in support of the construction of the Canadian DEW Line. A subcontract is let with the U.S. all-cargo carrier **The Flying Tiger Line**, which will complete the service with its larger transports.

Led by Tiger official M. E. "Doc" Powell, 11 Curtiss C-46As and Douglas C-54s arrive in late spring.

A DC-3 with 3 crew and 15 passengers is lost at Port Hardy on June 23 (14 dead).

Pacific Western Airlines, Ltd., in a move foreshadowing its December 1986 take over of **Canadian Pacific Airlines, Ltd. (CPA)**, acquires

the larger QCA in July. **The Flying Tiger Line** contract is honored until the DEW Line is completed in July 1957.

QUEENSLAND AIR NAVIGATION COMPANY (PTY.), LTD.: Australia (1930–1931). Queensland Air is formed at Brisbane in March 1930 and equipped with an Avro 10. On April 2, a twice-weekly contract mail and passenger service is inaugurated from Brisbane to Townsville via Maryborough, Rockhampton, and Mackay. A second Avro 10 is acquired and on August 12 thrice-weekly flights begin from Brisbane to Grafton.

Financial reversals cause the company to cease flying in January 1931.

QUEENSLAND FLYING SERVICES (PTY.), LTD.: Australia (1947–1950). This air charter operator is formed at Brisbane in the summer of 1947. Employing an Avro Anson, it begins a single route to Toowoomba on August 6. Unable to succeed financially, the operator shuts down on February 25, 1950.

QUEENSLAND-MOUNT COOK AIRWAYS, LTD.: New Zealand (1936–1939). Rudolph Wigley, still active in New Zealand with his Mount Cook Motor Company 14 years after the collapse of his **New Zealand Aerial Transport Co., Ltd.**, together with his son Harry forms **Queensland-Mount Cook Airways, Ltd.** in early 1936 to fly tourist traffic over the South Island. The Wigeleys' venture flourishes during 1937–1938 with only one WACO biplane.

When Harry enters the RNZAF in September 1939, the carrier is forced to sell its WACO and cease operations. Harry will return to the aerial tourist business in 1953.

QUEENSLAND PACIFIC AIRLINES (PTY.), LTD.: Australia (1989–1990). QPA is established at Brisbane Airport in 1989 to offer scheduled regional passenger and cargo services. General Manager M. Jervis acquires 4 Mohawk 298s and these are employed to inaugurate revenue services to Bundaberg and Gladstone.

Operations continue apace until early 1990 when the carrier, unable to achieve viability, is forced out of business. It is succeeded by **South-ern Pacific Regional Airlines (Pty.), Ltd.**

QUEST AIRLINES: United States (1988). This small regional is established at Long Beach, California, in the spring of 1988 to offer commuter flights with a fleet of 3 Dornier 228-212s. It only takes a short period of operation for the company's owners to realize they will not achieve viability.

Consequently, Quest Airlines halts service, returns the Dorniers to their manufacturer, and liquidates. The company assets are purchased and reformed during midyear into **California Air Shuttle**.

QUEST CARGO INTERNATIONAL P.O. Box 660880, 5000 N.W. 36th Street, Suite 307, Miami, Florida 33266, United States; Phone (305) 870-1800; Fax (305) 871-4222; <http://www.questcargo.com>; Year Founded 2000. On July 14, **Miami Air International** sells an 82% controlling interest to a group of Houston investors, including the freight forwarder Eagle Global Logistics (23%), for \$20 million. In announcing the arrangement, Miami President Ross Fischer, who retains a 10% stake while other managers hold 8%, indicates that his B-727s will be converted into cargo planes, while Next Generation B-737-800s are to be leased to handle passenger services. It is anticipated that the 450-person workforce will be increased.

Arrangements are completed the same day for the lease of three Next Generation B-737-81Qs from **Sabre Airways, Ltd.** of the U.K. The first two will enter service with Miami Air in November and December, with a third arriving the following summer. The subsidiary Quest Cargo International is simultaneously established by the carrier and Eagle Global Logistics to operate the B-727s, which are now being converted into freighters.

Loisita, the first B-727-225A to be converted into a freighter, rolls out of the shop on September 8. By this time, Quest has opened a homepage

on the Internet and is ready to begin all-cargo services. A second hush-kitted B-727, a Dash-231AF, now arrives.

At the end of October, Eagle Global Logistics enters into a new strategic all-cargo alliance with **LANChile Airlines, S.A.**, as well as the freight lines it controls, **Fast Air Chile, S.A.**, **MasAir (Aerotransportes Mas de Cargo, S.A. de C.V.)**, and **Florida West International Airways**.

QUESTAIR (PTY.), LTD.: Perth Airport, Fauntleroy Rd., Perth, Western Australia, 6105, Australia; Phone 61 (9) 479 1744; Fax 61 (9) 479 1745; Year Founded 1992. Questair is established at Perth in 1992 to offer roundtrip flights to Telfer. Thirteen-per-week frequencies are inaugurated with an Israel Aircraft Company 1124A Westwind II and a Cessna 310.

Operations continue apace in 1993–1994, with frequencies added to Port Hedland with a second Westwind II.

A total of 16 weekly roundtrips is mounted between destinations during the remainder of the decade.

QUICK AIRWAYS, B.V.: Machlaan 10d, Eelde Airport, Groningen, NL-9761, The Netherlands; Phone 31 (0) 50 309 43 41; Fax 31 (0) 50 309 17 94; <http://www.quickairways.nl>; Year Founded 1984. Privately owned **Fast Airways Holland, B.V.** is reformed in January 1984 and renamed. In addition to European executive charter flights, the six-employee carrier, based at Eelde Airport at Groningen, undertakes scheduled weekday flights to Rotterdam with its single Piper PA-31-350 Navajo Chieftain.

Traffic justifies fleet expansion and in 1986, Managing Director G. Huizinga adds a second Navajo Chieftain, followed by a third in 1987. There are neither fleet nor route changes during the next six years. In 1994, one Navajo Chieftain is replaced by a Mitsubishi Mu-28.

In 1995–2000, a close association is formed with **Rijnmond Air Services, B.V.**, based at Rotterdam. Quick continues to fly its single scheduled route and to operate ad hoc passenger and cargo flights to 10 European airports.

QUISQUEYAMA (AEROVIAS NACIONALES QUISQUEYAMA, S.A.): Dominican Republic (1962–1980). This carrier is formed in 1962 to offer services throughout the Caribbean with a fleet of 2 Lockheed L-1049Cs and an L-049. The word "Nacionales" is dropped from the title in 1963. Services continue as a Boeing 707-320 is purchased from Yugoslavia around 1968.

Financial difficulties caused by high fuel and labor expenses and significant traffic declines force the airline to shut its doors in 1980 after selling its last aircraft, a Super Constellation, to **Aerotours Dominicano, S.A.**

QUISQUIYA, LTD.: Haiti (1948–1951). James O. Plinton, an African-American, former employee of **Transcontinental and Western Air Lines (TWA)**, and World War II flight instructor, forms this company at Port-au-Prince in March 1948. Acquiring a Boeing 247D and a Lockheed L-18 Lodestar, Plinton begins nonscheduled all-cargo charters to Miami and to the country's island neighbors, gaining fame as the first to serve the Turks and Caicos Islands.

Operations continue until fiscal difficulties force the company out of business in the fall of 1951.

RACE CARGO AIRLINES, LTD.: Ghana (1986–1995). Formed in Accra in 1986 as successor to short-lived Rainbow Cargo Airlines, Ltd., Race employs leased Boeing 707F Stratofreighters and Douglas DC-8-55s to fly all-cargo charters from Africa to Europe and back.

In late 1991, the company receives the first freight aircraft to wear a Race logo, a B-707-379C chartered from Coventry, England-based **Phoenix Aviation, Ltd.** It flies from Accra to London (STN) via Ostend. A second, owned aircraft, a B-707-347C, is acquired from **Air Tchad, S.A.** in 1992.

Both Stratofreighters are in full service in 1993; however, after 1994, the airline leases its aircraft to other concerns. Airline employment stands at 28 in 1997–1999 and Christopher Anderson is managing director.

Managing Director Christopher Anderson oversees a workforce of 28 in 1993 and both Stratofreighters are in full service. Unable to maintain economic viability, the company leases its aircraft to other concerns in 1994 and then shuts down in early 1995.

RADIOPRIBOR-TATARSKOE: Russia (1994–1996). This ad hoc passenger and charter operation is set up at Kazan, Tatarstan in 1994. R. Khalimov is named general director and he begins revenue flights with an unspecified number of Antonov An-26s and Yakovlev Yak-40s. Flights cease two years later.

RAF-AVIA AIRLINES, A.S.: 34 Dumes St., Riga, LV-1005, Latvia; Phone 2-391779; Fax 7-339045; Code MTL; Year Founded 1991. Kouri Khmelevski establishes RAF-Avia Airlines at Riga in February 1991 to transport spare parts for the RAF minibus manufacturing concern. Employing an Antonov An-26B, the nation's first private airline begins flying in May.

With a decline in demand for spare parts, the company in 1994 switches to the provision of public international and regional cargo charters. Many flights are made on behalf of **DHL Worldwide Express**, as the company also diversifies into such aviation activities as leasing, technical support for smaller aeronautical concerns, and management consulting services.

The carrier becomes a joint-stock company in 1996 with Juris Hmelevskij as president. Two more An-26Bs are procured and the company begins an emphasis on humanitarian and medical relief flights, as well as small group charters and the transport of livestock. Revenues reach \$1.2 million.

Flights continue during the remainder of the decade, during which years the fleet is increased by the addition of another An-26B and an An-72. A total of 80 workers are employed at the beginning of 2000.

RAI COMMUTER AIRLINE: United States (1981–1983). Herbert D. Roederer's Roederer Aviation is reformed and renamed in 1981. Employing his fleet of 1 each Cessna 414, Cessna 402, Cessna 210, and Cessna 177, the third-level operator maintains scheduled intrastate passenger and cargo services linking his St. Louis base with Springfield, Kansas City, Jefferson City, Columbia, and Lake of the Ozarks.

Unable to withstand the recession, Roederer is forced to shut his doors in 1983.

RAILWAY AIR SERVICES, LTD.: United Kingdom (1934–1947). Looking for a way in which to initiate domestic air operations, **Imperial Airways, Ltd.** officials convince those of Great Western Railway in early 1933 to take an interest in providing, and to some extent controlling, competing domestic flying service. On April 11, a chartered **Imperial Airways, Ltd.** Westland Wessex, in GWR livery and piloted by Capt. Gordon P. Olley, makes a demonstration flight from Cardiff to Plymouth. The following day, the service is offered to the public twice daily.

The Plymouth–Cardiff route is extended to Birmingham on May 22 and the frequency of the service is reduced to once daily. Operations are suspended on October 1 for the winter; in the almost six months of flying, 714 passengers are transported and the trial Imperial service convinces the nation's rail leaders to invest in air service.

The U.K.'s four principal railroads join fifty-fifty with **Imperial Airways, Ltd.** to form and register RAS at London on March 21, 1934. Initial capitalization is £50,000 and one director each is appointed from the state airline plus Great Western Railway (GWR), London, Midland and Scottish Railway (LMSR), London and North Eastern Railway (LNER), and Southern Railway (SR). Sir Harold Hartley of LMSR is named chairman. On May 1, **Spartan Air Lines, Ltd.**, working in ticketing association with Southern Railway, officially launches RAS operations when it begins its seasonal service from London (Croydon)–Isle of Wight.

The first RAS aircraft, a de Havilland DH 84 Dragon 2 painted in the company's distinctive silver, red and green livery, is delivered at London (Croydon) in late April. It is employed to initiate the first company service with an owned aircraft daily over the old Great Western Railway Cardiff–Plymouth route, with an extension to Liverpool, on May 3.

On July 30, summer Dragon flights are launched from Birmingham–Isle of Man via Bristol and Southampton. Another Dragon 2 is purchased in early August and in preparation for the start-up of new mail routes, two De Havilland DH 86s are now simultaneously acquired and christened *Mercury* and *Delphinus*. August 20 is the announced day for opening the Royal Mail Route from Glasgow–Belfast–Manchester–Birmingham–London, as well as a Post Office- requested mail and parcel shuttle from Belfast–Manchester via the Isle of Man.

Bad weather limits operations by the company's Wessex, two DH 86s, and three DH 84s on kick-off day; however, a full schedule is undertaken on August 21, including the addition of mail to the Liverpool–Plymouth and Birmingham–Isle of Man frequencies. On November 1, Liverpool is substituted for Birmingham and Manchester on the London–Glasgow service.

Passenger boardings for the first eight months total 2,237.

Two DH 89 Dragon Rapides are purchased in March 1935 and christened *City of Bristol* and *City of Birmingham*. A Manx Airway section is formed on April 15 and in agreement with The Isle of Man Steam Packet Co., Ltd., begins flying from Manchester to the Isle of Man via Blackpool. On May 18, the first two DH 89 Dragon Rapides enter service. On May 27, these are employed to start twice-daily summer service from Liverpool to Shoreham via Birmingham, Bristol, Southampton, and Portsmouth; the same day, the DH 84s *City of Cardiff* and *City of Plymouth* initiate twice-daily summer flights from Nottingham–Plymouth via Birmingham, Cardiff, and Denbury.

Two new Manx Airway routes out of Liverpool are launched on May 31: to Isle of Man via Blackpool and directly to Manchester. These routes complement a new Manchester–Isle of Man frequency begun the same day via Liverpool and Blackpool. Also during May and early June, two more Dragon 2s join the fleet. An unnamed DH 84 is lost in a crash at Ronaldsway on July 1 and a few days later the very first Dragon 2 is sold. Sunday Dragon Rapide excursion flights are offered between Brighton and Le Touquet on July 28 and August 4; however, only 11 passengers are carried and the service is suspended.

The first and only DH 84 Dragon 1 is acquired in late August. The winter schedule is begun on September 14 over the London–Glasgow route, with Birmingham becoming an on-demand stop, with contract mail added as of December 2. Meanwhile, an unnamed DH 84 is lost in a crash at Fairsnape Fell on October 26 and a Dragon 2 is sold in December.

The year's bookings reach 13,293.

Between March and May 1936, six DH 89s join the fleet and are christened *Star of Lancashire*, *Star of Mona*, *Star of Yorkshire*, *Star of Ulster*, *Star of Renfrew*, and *Star of Scotia*. On May 25, South and West of England routes are reopened; some alterations are made. Simultaneously, the Manx Airway section opens three new routes from Yeadon: to Manchester, Isle of Man via Manchester and Liverpool, and Isle of Man via Manchester and Blackpool, as well as a frequency from Isle of Man to Glasgow.

On July 5, the same division begins two summer frequencies from the Isle of Man to Belfast and to Carlisle. Simultaneously, RAS launches Sundays only flights from Cardiff–Shoreham via Weston-super-Mare, Bristol, Southampton, and Ryde. Cardiff to Weston-super-Mare hourly shuttles are initiated on August 21. On September 10, an experimental Glasgow–Perth DH 86 proving flight is undertaken; two days later, the Cardiff to Weston-super-Mare shuttle ends.

On September 21, the Manx Airway section withdraws services to and from Yeadon. The mail contract for the London–Liverpool–Belfast–Glasgow route is secured for a second time on December 2.

Enplanements for the year are 22,076.

The Dragon 2 *City of Plymouth* is sold in March 1937. The Manx Airway section restarts Isle of Man flights from Glasgow, Carlisle, and

Belfast on May 10. The Liverpool–Glasgow via Blackpool, Isle of Man, and Belfast service flown by **Northern and Scottish Airways, Ltd.** is taken over on May 21. Exeter is added as an on demand destination on the Bristol–Plymouth route as of June 1.

The Dragon 2 *Star of Cheshire* is sold in early September. On September 26, the Manx Airways services to and from the Isle of Man are transferred to the new **Isle of Man Air Services, Ltd.**, along with five R.A.S. DH 89s: *Star of Lancashire*, *Star of Mona*, *Star of Yorkshire*, *Star of Ulster*, and *Star of Renfrew*. The new entrant is partially controlled by RAS owner London, Midland and Scottish Railway.

A total of 25,523 passengers are carried during the year.

On March 6, 1938, a DH 84 is rechristened *Island Maid* and the next day is employed to launch local Shoreham–Southampton via Ryde service. Direct Liverpool–Glasgow flights start on May 2 and on May 23 routes are stretched Manchester–Liverpool and Shoreham–Bournemouth via Ryde, the latter in place of an earlier Shoreham–Southampton service. The DH 89 *Star of Scotia* is withdrawn on July 3, but is replaced by another, christened *Juno*.

Alternating on different days with **Channel Air Ferries, Ltd.**, company Dragon Rapides initiate Bristol–Cardiff–Plymouth flights on August 8. West and South of England operations cease on September 11. In accordance with the Air Navigation Order of September 16, the new Air Transport Licensing Board (ATLB) on October 21 grants the carrier route certification to fly from Glasgow to Belfast via London (Croydon). The only Dragon 1 is sold in December.

Enplanements fall to 7,082.

In January 1939, the Dragon 2 *City of Cardiff* is sold. The DH 89s *City of Birmingham* and *City of Bristol* are sold in February and March, respectively. Four-times-per-day Liverpool–London via Manchester services begin on May 22. The U.K. declares war on Germany on September 3 and all civil flying ceases. Simultaneously, all company aircraft are dispatched to Exeter to begin participation in the government's National Air Communications. Bookings for the year are down to 5,313.

On May 5, 1940, RAS is one of seven companies to sign an agreement with the SSA forming the **Associated Airways Joint Committee** (AAJC) for the wartime operation of domestic air services. The next day, the prewar Liverpool–Glasgow via Belfast route is reopened. Between May 22 and June 2, the airline, as an AAJC member, suspends operations and sends its aircraft to participate in the evacuation of British Expeditionary Force troops from France.

Services are suspended again between June 15 and 24 as additional rescue flights to France are made; two DH 86s, the *Neptune* and *Venus*, and two DH 89s are abandoned at Bordeaux on June 18. The Liverpool–Belfast–Glasgow service is restarted on June 27. Two new DH 86s are bought in August.

Bookings on the route for the year equal 4,271.

Service is maintained in 1941–1943 and boardings for the three years are, respectively: 11,843 (1941), 16,043 (1942), and 20,094 (1943).

Two DH 89As are acquired in October 1944, followed by a third in December. Meanwhile, a company DH 86B, piloted outbound by Capt. C. W. S. Clark and inbound by Capt. D. C. Harrison, initiates London (Croydon)–Belfast via Liverpool flights on November 13. This is the first aerial service flown from and to the British capital by a domestic airline since the beginning of World War II.

The year's bookings fall to 17,117.

In order to connect with the transatlantic service of **Trans-Canada Air Lines, Ltd.**, the company, in cooperation with **Scottish Airways, Ltd.**, begins Glasgow (Renfrew) to London (Croydon) service on April 9, 1945, via Prestwick—the Canadian terminus—and Liverpool. V-E Day is celebrated on May 8.

Two DH 89As are purchased in October and an Avro 19 is leased for a month from A. V. Roe and Company; in November, another DH 89A and four Avro 19s join the fleet. On December 3, nonstop London (Croydon) to Belfast services are started with Avro 19s, the first new airplane type introduced on any postwar British internal route.

Passenger boardings for the year are 29,716.

Three new Douglas DC-3s are delivered in March 1946 followed by six Avro 19s during the second quarter. Avro 19s inaugurate nonstop London (Croydon)–Glasgow (Renfrew) flights on April 15, the first direct, scheduled service between the two cities. The new DC-3s are introduced on May 20 on two new routes from Glasgow (Renfrew): to Belfast and to London (Croydon). In early July, four additional Avro 19s join the fleet and Avro 19 London (Croydon)–Belfast via Manchester services are launched on July 29.

British European Airways Corporation (BEA) is formed on August 1. Later in the month, an all-cargo Junkers Ju-52/3m is purchased, while three Avro 19s are sold. Employing DC-3s/DH 89As in cooperation with **Scottish Airways, Ltd.** and under contract to BEA, flights begin north and south from London (Northolt)–Aberdeen via Glasgow (Renfrew) and Prestwick, on November 18.

Meanwhile on the same day, the first 3 of 11 ex-Luftwaffe Ju-52/3ms are converted into Jupiters by Short & Harland, Ltd. at Belfast and leased from the state carrier. These start BEA civil operations under RAS management. The two unnamed DH 86s purchased in 1940 are sold in October and one of the new DC-3s is destroyed in a landing crash at South Ruislip on December 19.

Enplanements for the final year are 45,163.

Operations continue apace as 1947 begins. On January 26, a Junkers Ju-52/3m Jupiter is badly damaged in an accident at Renfrew, Scotland, and is written off. On February 1, the carrier is one of the wartime **Associated Airways Joint Committee** members merged into **British European Airways Corporation (BEA)**.

RAINBOW CARGO AIRLINES, LTD. See **RAINBOW EXPRESS, LTD.**

RAINBOW EXPRESS, LTD.: Ghana (1989–1994). REL, successor to Accra-based Rainbow Cargo Airlines, Ltd. (1981–1986), is formed at Accra in early 1989 to offer all-cargo services with a single Boeing 707-351C. A total of 7.17 million FTKs is operated.

Recession and world economic and political problems following Iraq's August 2, 1990 invasion of Kuwait lead to a 68.9% cargo drop on the year to 4.25 million FTKs.

Following the carrier's recovery from the Gulf war in 1991, single-plane operations continue and in 1992 a B-707-347C is leased. In 1993, the B-707-351C is withdrawn. Operations cease in 1994.

RAINBOWAIR: United States (1973–1974). Rainbowair, previously operated as a charter carrier from Bridgeport, Connecticut, to Cape Cod and the Islands, is transferred to Keene, New Hampshire, in 1973 and reformed into a scheduled commuter airline. Employing Cessna 402s, Rainbowair inaugurates daily roundtrips linking its new base with Hartford and Boston. It also provides frequencies between Nashua and Boston.

Unable to withstand the high cost of fuel, the company goes out of business in 1974.

RAJ AIRWAYS, LTD. See **RAJAIR, LTD.**

RAJAIR, LTD.: 27B Panchratna, Ground Floor, Opera House, Mama Parmanand Marg, Bombay, 400004, India; Phone 91 (22) 363-4413; Fax 91 (22) 363-4577; Year Founded 1993. Privately owned RAL is established by Lalit Sheth, its chairman, on December 5, 1993 to operate scheduled services to religious centers with a pair of Fokker 50s leased from Ansett Worldwide Aviation Services. Capitalized at \$2.7 million, the company is unable to achieve viability and ceases operations on June 25, 1994 in order to reorganize and refinance.

P. Rajarathinam purchases majority shareholding and plans are made to acquire a fleet of 3 Dornier 328-110s in addition to the 2 Fokker 50s and to resume operations as a feeder on 17 commuter routes.

Under the marketing name Rajair, flights begin again in September 1995, although the number of destinations visited is less than half those

expected. From its Bombay hub, the company, offers services to Ahmedabad, Chandigarh, Pune, Kulu, Hyderabad, Tirupati, and Jaipur.

Orders are placed for two additional Dornier 328-110s in **1996**, one of which is delivered this year and the other in **1997**. Service continues.

RAM AIR, LTD.: Canada (1971–1985). Established at Inuvik in the Northwest Territories in **1971**, Ram Air initially operates only charter flights. In the summer of **1981**, it is decided by company officials to offer scheduled passenger and cargo frequencies and these are duly begun on November 16 over a route to Aklavik.

In **1982**, flights are inaugurated over an expanded route to Fort McPherson, Tuktoyaktuk, and the Yukon town of Old Crow.

A total of 11,575 passengers board the carrier's Piper PA-34 Seneca, Aero Commander 680FL, Cessna 185, and two Cessna 207s.

Enplanements begin to drop in **1983**, down to 11,554, and by **1985** the company is out of business.

RAM AIR FREIGHT: P.O. Box 80123, Raleigh, North Carolina 27623, United States; Phone (919) 840-0448; Fax (919) 840-9218; Year Founded 1993. Jon Heuman sets up RAF at Raleigh/Durham in **1993** to provide local all-cargo and courier services. Revenue flights commence and continue with a fleet of 5 Beech 58 Barons.

RAM AIRWAYS: United States (1973–1974). Ram Airways is set up at Carson City, Nevada, in July **1973** to offer scheduled passenger and cargo commuter flights to San Francisco via Reno and Lake Tahoe. Revenue flights commence with de Havilland DH 104 Doves and Piper PA-31-310 Navajos and continue for a year.

In mid-**1974**, the company is merged with **Valley Airlines** to form **Pacific Northwest Airways**.

RAMP 66: United States (1991–1994). Ramp 66 is set up at Grand Strand Airport at Myrtle Beach, South Carolina, in **1991** to provide local and regional all-cargo services and courier flights. Revenue operations commence and continue for 3 years with a fleet that includes 7 Cessna 402Cs, 3 Beech Barons, 3 Cessna 172s, and 2 Beech Bonanzas.

RAMSA (RED AEREA MEXICANA, S.A. de C.V.): Mexico (1943–1947). Following his departure from **LAMSA (Lineas Aereas Mexicanas, S.A. de C.V.)** in October **1943**, Gordon Barry elects to set up Mexico's first all-cargo airline at Mexico City. As an all-freight operator, RAMSA is not a threat to any of the passenger carriers, and hence is allowed to build a route network from Mexico City northward to Zihuantenejo via Arcelia and southward to Tapachula via Oaxaca and Gutierrez.

Employing a Curtiss Condor II and a Lockheed Vega, the company survives primarily on war-related contracts and ceases operations in **1947**.

RAMSEY AIRWAYS, LTD.: Canada (1992–1994). Robert Merrilees sets up his Ramsey Airways at Sudbury, Ontario, in **1992** to provide scheduled and nonscheduled services linking his base with communities in the local area. Employing 10 workers, his fleet features 1 de Havilland Canada DHC-3 Otter and 2 Cessna 180s. Services continue until **1994**.

RANSA (RUTAS AEREAS NACIONALES, S.A.): Venezuela (1948–1964). Carlos Chavez of Venezuela and U.S. citizen Everett Jones put up capitalization of B 500,000 and found RANSA at Caracas in September **1948**. With 3 Douglas C-47s (ex-military DC-3s) and 3 Curtiss C-46s, the all-cargo carrier begins nonscheduled charter flights to Miami, both direct and via the Netherlands Antilles. Although officially based at Caracas, the company conducts all of its operations from Miami.

Frequencies increase to such a point of regularity in **1949–1951** that the American CAB launches an investigation of them in **1952**. The review is heightened by three operational accidents during these years.

A Curtiss C-46D with three crew is lost at Miami Airport on June 3, **1949**; although the plane must be written off, there are no fatalities.

A C-47 crash-lands at El Lorza, Venezuela, on June 30, **1950**; although the aircraft must be written off, there are again no fatalities.

A C-46D crashes into the sea off Miami on December 21, **1952**; there is no information on casualties.

In March **1953**, capitalization is increased to B 2.5 million, with Carlos Chavez holding 85% of the shares. In December, the concern is one of three from Venezuela to receive a U.S. foreign air carrier permit for all-cargo flights; as a result, the 1952 frequency investigation is terminated.

Operations to Florida are now enhanced and the fleet is increased during **1954–1959** to comprise 2 DC-3s and 19 C-46s. Charging RANSA with running guns into the country, government authorities order the company to cease operations in June **1960**.

Owner Chavez is accused of participation in a plot to assassinate Venezuelan President Betencourt; by the time the charge is proven false, the Ministry of Communications has taken control of RANSA. Under government direction, the daily services to Miami, Jamaica, and the Antilles are resumed in August and thereafter maintained. The fleet is upgraded by the addition of 2 DC-6As and 13 C-46s.

During **1961–1962**, three old Boeing 307 Stratocruisers are purchased. The passenger interiors are stripped out and the interiors are converted into cavernous freighters. The trio is christened *Andreina Maria*, *Carlos*, and *Princess Everetta Maria II* and become regular visitors to Mexico City, the carrier's existing Caribbean destinations, and Miami.

A fourth Stratocruiser is acquired in August **1963** for conversion into a freighter. That work is not finished, however, before the company suddenly collapses in early **1964**.

RANSOME AIRLINES: United States (1964–1986). In October **1964**, Mr. and Mrs. J. Dawson Ransome form Ransome Aircraft Leasing at North Philadelphia Airport to supply one small, single-engine aircraft to the Giles & Ransome Company, a construction equipment distribution concern. In July **1966**, Ransome Air is formed as a division of the latter.

Employing a nine-passenger Volpar Turboliner (a Beech 18 equipped with Garrett-AiResearch TPE331-1 turboprop engines) named *Flagship Trenton*, the new commuter inaugurates eight-times-per-day scheduled roundtrip service between North Philadelphia and Washington, D.C. (DCA) on March 2, **1967**. A second Turboliner joins the fleet shortly thereafter and services are inaugurated to Richmond, Norfolk, and Raleigh/Durham.

Beginning in April **1968**, a pair of 15-passenger stretched Turboliners is acquired.

A total of 6,318 passengers are hauled during the first full year. Overexpanded south of the nation's capital, the company is losing money.

After two years as an independent, financially troubled Ransome Airlines becomes associated with **Allegheny Airlines (1)** in June **1969**, providing a Part 135 Turboliner replacement service from North Philadelphia to Trenton, New Jersey. In November, the turboprop Beech 18s replace **Allegheny Airlines (1)** on the important route to Washington, D.C. from Philadelphia.

Some 15 months later in August **1970**, the carrier begins operations as a full-fledged partner in the "Allegheny Commuter" network and soon earns an initial profit.

Allegheny service continues apace in **1971** and in need of larger equipment, Ransome requests permission from the CAB to operate larger equipment. The number of annual passenger boardings reaches 200,000.

In January **1972**, the government grants the requested equipment permission (in fact, an exemption) to operate French turboprops that weigh more than Part 135 permits. A fleet of eight Aerospatiale (Nord) 262s and a stock of spares are purchased from **Allegheny Airlines (1)** in May for \$3.2 million.

The New London (Connecticut) market is entered in October **1973** and in **1974** enplanements reach 205,058.

Airline employment in **1975** stands at 153. New scheduled service is inaugurated between Newark and Trenton and Princeton. In September,

the carrier celebrates the boarding of its one-millionth (cumulative) passenger.

The company's seven French-built Nord 262s and lone Twin Otter, in a freshly applied new livery, transport a total of 288,814 passengers, a firm 29% increase. Freight, on the other hand, declines 21.9% to 2.5 million FTKs.

The number of employees is increased by 15% in 1976 to 182. An eighth Nord is acquired in January. The one-millionth passenger (cumulative) is boarded in early October.

Customer bookings accelerate 17% to 337,875.

The tenth anniversary is celebrated in March 1977. With routes to five northeastern airports already, Ransome begins a Philadelphia–New York (JFK) route in October.

For the year, a total of 374,461 passengers are boarded.

Trenton to JFK service begins on April 30, 1978 and when President Carter signs the Airline Deregulation Act in October, Ransome, in terms of boardings, is the country's largest commuter airline.

Bookings climb again, up 16.3% to 447,186.

The workforce is increased by 57.8% in 1979 to 355 and Ransome orders 2 new de Havilland Canada DHC-7-102s for his line. The carrier further extends its routes and now serves all three of New York's principal airports, Sullivan County Airport in the Catskill Mountains, MacArthur Field on Long Island, Trenton, Princeton, Hartford, Providence, Boston, Washington, D.C., and Philadelphia. Late in the year, the first DASH-7 is placed on the Philadelphia–Washington, D.C. route.

The company enjoys a 38.8% boost in boardings to 616,205 and revenues accelerate 58.1% to \$20.61 million.

The employee population grows again in 1980, rising 20.9% to 428. Under the CAB's new classification scheme, Ransome Airlines officially becomes the "large regional" all by now know it to be. The fleet now comprises 7 Nord 262s, 4 Mohawk 298s, 4 DASH-7s, and 1 Cessna Citation 500. Orders are placed for 6 Avions de Transport Regional ATR42s.

In January, the company receives the 1979 "Regional Airline of the Year" award from *Air Transport World* magazine.

On November 20 and in cooperation with the FAA, Ransome begins employing a DASH-7 equipped with the world's first commercial microwave landing system (MLS). A **British Airways, Ltd. (2)** Concorde reports a near miss with a Nord 262 25 miles east of New York (JFK) on December 1.

Passenger boardings rise 30.7% for the privately held airline to 805,363, which now snatches the title of "largest commuter" away from **PRINAIR (Puerto Rico International Airlines)**.

Service is started to Washington, D.C. (IAD) in the spring of 1981 and to Trenton and Princeton on December 1. Destinations now visited also include Boston, Hartford, Providence, New London, Long Island, New York, Newark, Philadelphia, and Washington, D.C. (DCA). At midnight on November 30–December 1, a DASH-7 makes the first approach to New York (JFK) employing three-dimensional area navigation (R-NAV) equipment.

The addition of three more DASH-7s can not overcome the problems of general recession and the summer PATCO air traffic controllers' strike. As a result, the company experiences a 9.2% drop in bookings to 731,270, but freight traffic receives a 17.5% boost to 823,705 pounds.

The country's largest commuter airline, Ransome celebrates its fifteenth anniversary in 1982 by departing from its 12-year membership in the "Allegheny Commuter" network on June 1. It now contracts with **Delta Air Lines** for operation of its ground-reservation services and strikes out into the deregulated skies under its own colors.

Still the country's largest regional, the airline introduces direct service between JFK and Dulles Airports and adds another DHC-7 to expand its routes to Baltimore, Boston, and Hartford. Service is expanded from MacArthur Airport at Bohemia, Long Island, on August 12 to include Trenton, Hartford, Washington, D.C. (DCA), Baltimore, and Providence. Unsuccessful, the Dulles–JFK route is suspended on December 3.

In the midst of these changes, passenger boardings fall again, dropping by 8.6% to 544,437.

The ninth Canadian DASH-7 turboprop is acquired in 1983 and while retaining four Aerospatiale 298 Mohawks acquired earlier, Ransome disposes of its remaining Nord 262s. Service is extended by the 360-employee large regional to Worcester, Massachusetts.

The number of travelers enplaned continues to fall, down another 6.8% to 540,759. Once the leader, Ransome is now the 10th largest regional airline.

The time comes to once again affiliate with a major and in May 1984 Ransome becomes part of the new "Delta Connection" commuter network. In the code-sharing arrangement with the major, the feeder is able to employ Delta's "DL" reservations code, is assigned special Delta flight numbers, and obtains many other considerations it had during the "Allegheny Commuter" period. Meanwhile, flights are initiated to the New York capital at Albany and to Burlington, Vermont.

As a result of these developments, a 4.8% rise in passenger traffic occurs on the year, to 566,754 passengers flown.

In February 1985, Ransome inaugurates operations to Boston and Hyannis, Massachusetts, and on May 30 a portion of the failing operation of financially beleaguered **Susquehanna Airlines** is acquired.

The new arrangement gives the Philadelphia-based carrier operating rights between New York City and Binghamton, which it begins to exercise on June 24, employing a Beech 99 also obtained from Susquehanna. In July, the carrier purchases four additional Aerospatiale 298 Mohawks from **USAir**. Orders are placed for six SAAB SF340s.

Passenger boardings increase 7.5% to 609,022.

On June 1, 1986, the company, to the surprise of the airline industry, is purchased by **Pan American World Airlines (1)** to feed the major's international flights. Shedding its "Delta Connection" affiliation, the carrier undertakes revenue services on June 1 as **Pan Am Ransome Express**. The Ransome name will be dropped once integration of personnel and services is completed.

RAPID AIR: 5500 44th St., Kent County International Airport, Grand Rapids, Michigan 49588, United States; Phone (616) 957-5050; Fax (616) 957-2151; Year Founded 1946. Rapid is established as the FBO at Kent County Airport in 1946. Over the next 50 years the company, in addition to the usual maintenance, flight school, and avionics support activities associated with a fixed base operation, also undertakes a wide variety of domestic executive and passenger and cargo charters.

In 2000, Loretta Vantine-Norton is president. She employs 4 pilots who operate a piston-engine fleet of 4 Cessna 310s, 3 C-172 Skyhawks, and 1 each C-402A and C-414 Chancellor.

RAPID AIR LINES: United States (1928). Established at Rapid City in the spring of 1928, Rapid is equipped on May 28 with a single Ford Tri-Motor, the 4-AT-20, christened *Wamblee Ohanko* (Swift Eagle). Pilot Clyde W. Ice inaugurates passenger flights to Watertown and offers sight-seeing trips over the Black Hills.

Although plans are made to create an international airline with routes from Canada to Panama, the entire operation lasts only one month, July–August, before fiscal reality sets in and the carrier fails.

Rhonda Coy Sedgwick remembers the aviator and his dreams in her *Sky Trails: The Life of Clyde W. Ice* (Newcastle, Wyo.: Quarter Circle A Enterprises, 1990).

RAPID AIR TRANSPORT: United States (1930–1933). Rapid is established at Omaha by Walter F. Halley in the spring of 1930 to offer scheduled, multistop passenger service to Kansas City via St. Joseph. Employing a Ryan B-1 Brougham and a Bellanca CH-300 Pacemaker, the company inaugurates flights on March 31.

Operations continue in 1931–1932 in association with **Braniff Airways**. In February of the latter year, a Lockheed Model 5C Vegas is acquired from W. A. Hansley of Detroit and is christened *Aksarben Comet*.

In December 1933, the company is purchased and operated as a division of another independent, **Hanford Tri-State Airlines**, where the story continues.

RAPSA (RUTAS AEREAS PANAMENAS, S.A.): Panama (1944–1972). Although incorporated on December 23, 1944, RAPSA, one of the last operators of the Boeing 247D, does not begin to enjoy great success until the period after September 1958 when a Douglas DC-4 joins its large fleet of DC-3s.

Early in the 1960s, a Lockheed L-1049H Super Constellation is leased from Compania Interamericana Export-Import, S.A. and is flown on its behalf. Operations continue apace and in October 1964 a Martin 2-0-2, first flown by **California Central Airlines**, is acquired.

Just after takeoff from Panama City for Miami on March 30, 1968, the Connie crashes, killing its three-man crew. Cia Interamericana Export-Import, S.A. leases another used Super Constellation from Miami-based International Aerodyne.

Operations continue apace in 1969–1972.

En route from David to Bocas del Toro on January 9, 1970, a C-47A with three crew and five passengers is taken over by one of the customers, who orders the aircraft flown to Cuba. Returning to its point of origin, the plane is held on the ground by military police. A guardsman climbs aboard through a cockpit window and shoots the hijacker dead.

Rising costs, which first forces removal of the Martinliner, in the end causes the company to shut its doors during the latter year.

RARITAN VALLEY AIR: United States (1966–1968). RVA is organized at Manville, New Jersey, in the early spring of 1966 to provide scheduled air taxi shuttles to New York (LGA). Employing a Piper PA-23 Aztec, daily roundtrips commence on June 8 and are maintained until the company ceases operations in 1968.

RAS (RUTAS AEREAS DE COLOMBIA, S.A.): Colombia (1955–1962). Wishing to establish both a South American network and fifth freedom entrance into Colombia, **KLM (Royal Dutch Airlines, N.V.)** joins with the Colombian all-cargo airline **SAM (Sociedad Aeronautica de Medellin, S.A.)** in January 1955 to form a new international carrier, RAS. Within a year, SAM is authorized to inaugurate domestic passenger services to a variety of destinations, including Providencia and San Andres, thereby providing an internal link for the joint enterprise.

Following Brazil and Colombia agreement on a new bilateral air transport agreement, RAS begins scheduled Bogota to Rio de Janeiro frequencies in July 1958. DC-4s are brought in by the Dutch partner and on December 28, El Transamericano service is inaugurated over the route.

The partnership continues to thrive during 1959 and in early 1960 it takes over SAM's domestic passenger network. São Paulo is added as a Brazilian terminus on December 5.

The **KLM (Royal Dutch Airlines, N.V.)** network plan appears to be achieved in October 1961 when flights are started from Bogota to Curaçao. At this point, however, major competition is started by **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)**, which places extreme service and financial pressure on SAM's domestic system.

The stress of competing proves a financial drain on the joint carrier's income, distressing both the Colombian and Dutch partners. Additionally, traffic on the Brazilian routes proves weak. As a result of these reversals, RAS is terminated in August 1962.

RAS FLUGGESELLSCHAFT, mBH.: Parsevaistrasse 7a, Dusseldorf, D-40468, Germany; Phone 49 (211) 941-8610; Fax 49 (211) 941-8606; <http://www.ras-flug.de>; Code RW; Year Founded 1996. Rheinland Air Service, GmbH. is reformed at Dusseldorf on December 19, 1996 as the commuter subsidiary of **LTU International Airways, GmbH.** Johannes Turzer is appointed managing director and is allowed to retain a workforce of 19. Two Shorts 360-300s are put into scheduled service the same day and continue to link the company base with Efurt, Westerland/Sylt, Saarbrücken, and Berlin (Tempelhof Airport).

On June 18, 1997, new fares are offered on the carrier's daily services to Westerland/Sylt and weekday-only flights to Efurt.

Flights continue in 1998–1999. During the first quarter of the latter year, two more Shorts 360-300s are chartered for a two-year period from Fortis Jet Prop.

After SAirGroup transfers control and part of the equity in parent **LTU International Airways, GmbH.** to Rewe Touristik, GmbH. in September 2000, LTU is forced to review its core business activities with a view to returning to profitability. In mid-October, RAS is sold to Wings Factor of Moenchengladbach, which destination is now added to the carrier's Shorts network.

RASMARK JET CHARTER: El Paso International Airport, El Paso, Texas 79925, United States; Phone (915) 772-4616; Fax (915) 779-5387; Year Founded 1984. Rasmak is set up at El Paso in 1984 to offer passenger and cargo charters to destinations throughout North and South America, plus Central America. Revenue operations duly begin and by 1998–2000 the fleet includes 2 Learjet 25Bs and 1 each Learjet 25C, Learjet 24B, Learjet 24D, and Dassault Falcon 20.

RATIOFLUG, GmbH.: Germany (1982–1998). This German regional all-freight charter operation, which also undertakes contract service flights, is established at Cologne in 1982. Werner Netck is named managing director and frequencies are inaugurated to Basel, Bergamo, and Paris (Orly). Services continue apace for the remainder of the decade.

In 1990, the fleet comprises 1 Dornier 228-201, 1 Dash-202, 3 Fokker F.27-600s, 1 Learjet 35A, and 1 Learjet 55. One of the Fokker's is leased from Denmark's **Alkair Flight Operation, A.S.** The company now becomes a wholly owned subsidiary of Ratioflug Holdings. A second Dornier 228-202 is added in 1991 as well as a fourth Fokker F.27-600, leased from **Jersey European Airways, Ltd.** and which is operated on behalf of **Federal Express (FedEx).**

The second Dornier and fourth Fokker are withdrawn in 1992; however, a second Gates Learjet 55 is obtained. Airline employment is 57 in 1993. Two Cessna 404 Titans and a Beech Super King Air 200 are purchased, but withdrawn at year's end.

The total fleet in 1994 includes 2 each Learjet 55s and F.27-600s, and 1 each Learjet 35A and Dornier 228-201.

Flights continue in 1995–1997, during which years Mrs. Sonja Netek becomes joint managing director. In an unsuccessful effort to enhance income, the carrier leases an Airbus Industrie A300B2-1C, previously operated by **Air Inter, S.A.**, with which to operate inclusive tours to the Mediterranean during the winter charter season. The company shuts its doors in January 1998.

RAVEN AIR: United States (1987–1989). Raven Air is set up at Anchorage, Alaska, in the fall of 1987 to offer scheduled passenger and cargo flights to Seldovia and Port Graham. Employing Cessna light-planes, Raven inaugurates revenue services in November. Operations continue until the end of the decade.

RAY PETERSON FLYING SERVICE. See **NORTHERN CONSOLIDATED AIRLINES**

RAYTHEON AIRCRAFT SERVICES: 7240 Hayvenhurst Ave., Van Nuys, California 91406, United States; Phone (818) 756-2100; Fax (818) 786-3917; Year Founded 1991. Raytheon is set up as an FBO at Van Nuys Airport in 1991. Additionally, other full service support facilities are opened at Birmingham, Alabama, and at Atlanta, Indianapolis, Wichita, and Farmingdale. These locations also engage in significant charter business and rapid growth is experienced through 2000.

At Van Nuys, the company employs 24 pilots and undertakes executive and small group passenger charters to destinations from Canada to Central America. Charter Director Ladd Caine oversees the scheduling from California of 2 Beech Super King Air 200s and 4 King Air 90s, plus 1 Super King Air 300 and 1 Beech 2000 Starship.

Charter Director Kimberlu Stein in Alabama is in charge of sending 40 pilots to Western Hemisphere points and a few other destinations

worldwide; they fly 2 each Beech 400A Beechjets and 2 Super King Air 300s, plus 1 each King Air 90 and Beech 58 Baron.

Ed Watson at Fulton County Airport in Atlanta oversees the work of 13 pilots and their flights with 2 Starships, 1 Super King Air 200, and 1 King Air 90. Bill Dolan is Flight Department Manager at Republic Airport in Farmingdale, New York, and he schedules 4 Beech 1900Cs. Dean Meyer fills the same position at Wichita and his 3 pilots operate 1 Beech 1900 and 3 Beech 1300s. At Indianapolis, Manager Gene White provides services with 1 Starship, 2 Beech 400A Beechjets, and 1 Super King Air 300.

RDS AVIA: Ulitsa Akademicheskaya 26, Volgograd, 4000001, Russia; Phone 7 (8442) 448842; Year Founded 1994. An investment opportunity, RDS Avia is established by the RDS Investment and Pension Company at Volgograd in 1994. A. G. Tur is appointed general director and he begins all-cargo revenue flights with 2 each Antonov An-26s and An-74s.

Services continue in 1995–2000, during which years another An-74 is acquired and a second hub is opened at Stavropol.

READING AIRLINES: United States (1947–1968). In the spring of 1947, Reading, Pennsylvania, FBO operator Alfred Bertolet forms an air transport division of his year-old Reading Aviation Service to begin flights to Allentown, Philadelphia, and Newark, the latter serving New York City. Initially operated as a charter service, RAS forms an airline division and begins to offer regularly scheduled Part 298 Beech 18 roundtrip flights on August 1, 1957, linking Reading with Newark.

Reading Airlines, one of the nation's first third-level or commuter carriers, replaces its Beech 18s with three de Havilland DH 104 Doves in August 1960. These are employed to inaugurate daily scheduled frequencies to Allentown, Wilkes-Barre, Buffalo, and Lancaster.

Service to New York (JFK) begins in 1965, followed by Philadelphia in the spring of 1967. During these years, the fleet is upgraded by the addition of Beech 99s and DH 114 Heron 2s. Orders are placed for a trio of de Havilland Canada DHC-6-100 Twin Otters.

The first two Twin Otters arrive during the first quarter of 1968 and in May Reading Airlines merges with **Suburban Air Taxi** of Red Bank, New Jersey, to form **Suburban Airlines**.

REAL, S.A. (TRANSPORTES AEREOS REDES ESTADUAIS AEREAS, S.A.): Brazil (1945–1961). In November 1945, former **TACA (Transportes Aereos Centros Americanos, S.A.)** pilot Linneu Gomez purchases three military surplus Douglas C-47s and on the 30th of the month receives government authority to organize and operate an airline. In association with Mammana Neto, who had tried—and failed—to launch a carrier in 1943, Gomez sets up REAL at São Paulo in December; initial capitalization is three million cruzeiros.

São Paulo–Rio de Janeiro service is inaugurated on February 7, 1946, with extensions in April to Curitiba. The frequency is increased to daily on June 26. Three Bristol 170s are ordered and the two eventually arrive by October 1, entering service 16 days later.

A route is opened to Londrina on May 15, 1947 and on November 10 the Curitiba service is stretched to Porto Alegre. A Bristol 170 is damaged later in the year (spar failure) and both aircraft are withdrawn, leaving a fleet comprising 13 DC-3s.

In late winter 1948, a route is opened to Rio Preto. On March 17, the small competitor **LAW (Linhas Aereas Wright, S.A.)** is purchased and together with its Rio–Santos route, is merged.

Negotiations are begun in early 1949 for the acquisition of **LAN (Linhas Aereas Natal, S.A.)**, then flying a ten-point network inland of São Paulo–Rio de Janeiro, including services to Belo Horizonte and Corumbá. Two fatal crashes are suffered in December. On December 1, a DC-3 with 22 aboard crashes during a rainstorm at Ribeirão (20 dead) while another Douglas transport disappears on a Rio–Victoria flight on December 26.

LAN (Linhas Aereas Natal, S.A.) is acquired by REAL in May 1950. The competitor's routes and 4 DC-3s are absorbed, with the latter

bringing the carrier's fleet of Douglas transports to 20. Service is started to Iguassu.

Twenty-eight die on July 12, 1951 when a C-46 crashes near Aracaju. At a cost of 34 million cruzeiros, **LATB (Linha Aerea Transcontinental Brasileira, S.A.)** is purchased in August. The acquisition provides routes to most of northeast Brazil, including Portaleza, Recife, Macio, Aracaju, Salvador, Paulo Alfonso, Victoria de Conquista, Araxá, Varginha, and Paragussu, as well as additional DC-3s and C-47s. REAL's capitalization is now increased to 70 million cruzeiros.

A DC-3 with 10 passengers is lost at Ubatuba, Brazil, on August 17; there are no survivors. Paraguayan government permission is received on December 10 for a new route into that nation.

Following the arrival of the first Douglas DC-4, formerly the **Chicago and Southern Air Lines City of New Orleans**, the company begins international service in January 1952, São Paulo–Asunción via Curitiba and Iguassu Falls.

A DC-3, with 18 passengers strikes high ground at San Francisco do Paula, Brazil, on October 14 (14 dead).

In 1953, orders are placed for four Convair CV-340s.

After suffering an engine failure on April 10, a DC-3 with 4 crew and 26 passengers attempts to make an emergency landing, but stalls out and crashes at Anchieta Island, Brazil (26 dead).

On February 4, 1954, a stop is added at Encarnación, Paraguay. With board approval given on May 24, Linneu Gomez, on September 10, purchases 80% control of **Empresa de Transportes Aerovias Brazil, S.A.**, a TACA subsidiary and major operator of independent and domestic routes.

The Aerovias Brazil subsidiary **AERONORTE (Empresa de Transportes Aereos Norte do Brazil, S.A.)** is also taken over, but is allowed to continue operations under its own name. The REAL fleet now includes 58 DC-3s, 3 DC-4s, 4 C-47s, and 6 CV-340s. The first 2 of the CV-340s are delivered on July 8. Cabotage rights within Paraguay are authorized on November 15.

Gomez in February 1955 amalgamates his carriers into the Consorcio **REAL-Aerovias Brazil, S.A.** The enlarged airline now launches flights from Corumbá–Asunción via Concepción, Iguassu Falls, and Encarnación, while continuing to operate the Miami service inherited from Aerovias Brazil.

While executing a missed approach procedure, the pilot of a DC-3 with 2 other crew and 18 passengers, strikes a pole and crashes at Vitoria da Conquista, Brazil, on March 6; 5 people are killed.

A large domestic operator built up through the successive purchase and merger of seven smaller carriers, **TAN (Transportes Aereos Nacional, S.A.)** is now ripe for acquisition. On August 2, 1956, REAL acquires 85% of its shares, although it, too, is allowed to continue operations as an autonomous part of the Gomez consortium. The fleet, through this takeover, grows to comprise 86 DC-3s and 6 CV-340s. Routes are now extended to every Brazilian state and daily frequencies are increased on the more important segments: Rio–São Paulo (16), Rio–Belo Horizonte (12), São Paulo–Curitiba (7), São Paulo–Londrina and Belo Horizonte (3). On September 15, a multistop São Paulo–Chicago route is opened.

A DC-3 with 26 aboard smashes into a mountain near Anchieta Island on April 10, 1957; there are no survivors. Ordered by TAN earlier, six CV-440s are delivered between March and September.

REAL opens the first route between Rio de Janeiro and the new federal capital at Brasília on May 3. Meanwhile, at the end of May, four Lockheed L-1049H Super Constellations are ordered.

While on final approach to Montevideo following a September 18 flight from Porto Alegre, a CV-440 with 5 crew and 30 passengers undershoots the runway and collides with an earthen bank, causing the Convair to skid (1 dead); the aircraft is subsequently written off.

The former **Chicago and Southern Air Lines** Douglas DC-4 *City of New Orleans*, with 4 crew and 30 passengers, is lost in an accident off Praia de Balaia, Brazil, on November 4; there are no fatalities.

Also in November, Gomez acquires 50% interest in **SADIA**. At year's end, the fleet includes 89 DC-3s, 10 DC-4s, and 10 C-46s.

The Super Connies are received beginning in February 1958. In circumstances unknown, a DC-3 with four crew is lost at Maringa, Brazil, on August 27.

Aerovias Brazil, the consortium's designated international division, will employ the new aircraft to open additional U.S. routes, beginning with Rio de Janeiro–Los Angeles service on November 19, 1959 via Manaus, Bogota, and Mexico City. The fleet is increased that year by two Aero Commanders and orders (never filled) are placed for four CV-990s, three Lockheed L-188 Electras, and five DC-6Bs.

On February 25, 1960, a DC-3 with 4 crew and 22 passengers crashes into a USN R-6D-1 (military DC-6) with 38 passengers over Guanabara Bay, Rio de Janeiro, Brazil; there are 3 survivors from the military aircraft.

On May 2, Brasilia is added as a stop on the Los Angeles route, which is itself extended on July 9 to Tokyo via Honolulu and Wake Island. This is the first direct air service to become available between Brazil and Japan.

Meanwhile, on June 24, a CV-340 with 5 crew and 49 passengers en route from Brasilia to Rio de Janeiro, suddenly crashes into Guanabara Bay; there are no survivors.

A chartered C-46A with 2 crew and 13 passengers crashes in the jungle at Cachimbo, Brazil, on December 7; there are no survivors.

In terms of passenger kilometers flown, REAL now ranks as the ninth largest airline in Latin America.

The withdrawn **SAS (Scandinavian Airlines System)** DC-6B *Hjalmar Viking* is purchased in February 1961. A DC-3 freighter with three crew crashes while on initial approach to Ponta Crossa, Brazil, on March 15; there are no survivors.

In deep financial trouble due to over extension, Gomez is forced to cease Chicago service in the early spring. Aerovias Brazil, and the company's four Super Constellations, are sold to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** on May 2 in a desperate but unsuccessful effort to halt the cash-flow hemorrhage.

A C-46A is destroyed as the result of a bad landing at Brasilia on June 21; there are no injuries.

On August 16, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** acquires 90% of the shares in REAL, S.A. and on August 22 a pair of Douglas DC-6Bs arrives from the American carrier **Northwest Airlines**. REAL is subsequently absorbed into its new parent, passing from the scene after a meteoric rise and fall.

REALWEST AIRLINES: United States (1979–1980). Set up by Wayne Turner as **Turner Aviation Service** at Fargo, North Dakota, in early 1979, this small regional is quickly renamed. Employing Cessna 404s, it inaugurates scheduled daily passenger and cargo flights linking its base with Devil's Lake, Minot, Williston, Bismarck, Dickinson, Bowman, and Rapid City. Operations cease on June 11, 1980.

REBEL AIR (PTY.), LTD.: Australia (1978–1988). RAL is formed at Sydney Airport in 1978 to offer passenger and cargo charters and air tour services with an initial fleet of three Douglas DC-3s. Among the more popular air tour services is an eight-day visit to the "Outback," featuring stops at Ayers Rock and Alice Springs in the Northern Territory, Birdsville in Queensland, Coober Pdy in South Australia, and Broken Hill in New South Wales.

In 1985, flights are begun to Queensland's Great Barrier Reef and to the Northern Territory capital of Darwin.

The fleet is upgraded by the addition of de Havilland Canada DHC-6 Twin Otters in 1986–1987, but operations cease in 1988.

RED BANK AIR TAXI. See **AIR TAXI COMPANY**

RED BARON AIRLINES (1): United States (1969–1970). The first RBA is set up at St. Paul, Minnesota, in 1969 to provide scheduled daily passenger and cargo roundtrips linking the company's base with Detroit Lakes, Roseau, Park Rapids, and Owatonna. Beech 18 and Cessna 402 services are duly inaugurated and late in the year, **Command Air** is purchased and integrated.

Early in 1970, flights are initiated to Duluth and Hibbing, but the enlarged company cannot maintain its viability beyond June.

RED BARON AIRLINES (2): United States (1981–1982). The former **Roberson Air** is purchased by Rudolph P. Scheerer in June 1981 and renamed. President Scheerer maintains scheduled passenger and cargo services linking his base at West Palm Beach, Florida, with Jacksonville, Tallahassee, and Gainesville employing a fleet of 4 Piper PA-31-350 Navajo Chieftains.

Unable to weather the recession, the carrier closes its doors in 1982.

RED BARON EXPRESS: 4023 W. Waters Ave., No. 14, Tampa, Florida 33614, United States; Phone (813) 888-7339; Fax (813) 888-7338; <http://www.redbaronexpress.com>; Year Founded 1982. RBE is established at Tampa in 1982 to provide air freight delivery service to large and small communities around the state of Florida. Revenue flights begin and continue with a fleet of small, single-engine Cessnas. Later in the decade, the company adds its own ground messenger capabilities that allows it to not only fly goods, but to pick up and deliver them to homes and businesses.

In 1996, Red Baron acquires Pilot County Airport, making it the only Florida-based delivery company with its own fully operational fixed base operation (FBO) facilities. By the end of the decade, Next Flight Out (same day service), Express Air Shuttle (same day service), and Night Owl Express (overnight service) is offered from Tampa to Pensacola, Tallahassee, Jacksonville, Gainesville, Orlando, Fort Myers, Boca Raton, Fort Lauderdale, Naples, Marathon, Key West, and Miami.

RED CARPET FLYING SERVICE (RED CARPET AIRLINE): United States (1978–1981). Red Carpet Flying Service, doing business as Red Carpet Airline, is established at Clearwater, Florida, in 1978 to offer nonscheduled daily roundtrip passenger and cargo services to Key West and Grand Cayman and Cayman Brac in the Cayman Islands.

Employing 1 Douglas DC-3 and 2 Convair CV-440 Metropolitans, the company inaugurates revenue flights, maintaining them until November 15, 1981, at which point it is reformed and renamed **Aerosun International Airlines**.

RED DODGE AVIATION: United States (1969–1973). A subsidiary of **Flying W Airways**, Red Dodge is formed at Anchorage in 1969 to operate Lockheed L-100 Hercules freighters in support of the Alaskan oil industry. Although the parent shuts down in 1970, its child continues operations through 1973.

REDCOAT AIR CARGO, LTD.: United Kingdom (1976–1980). Michael S. Owen, Kevin McPhillips, Harry Green, and Lynn C. Wilson form this all-cargo carrier at London (CTN) in May 1976 to offer split cargo charters to points in West Africa. In addition, the founder/owners establish the aircraft engineering subsidiary Redcoat Aviation Services, Ltd.

The partners now win a contract to operate the commercial activities of **Gemini Air Transport, Ltd.**, established at Accra, Ghana, in 1974, but since dormant. Under terms of the agreement, Gemini will provide the aircraft and London-based Redcoat the crews and expertise.

Scheduled revenue flight operations commence in June with a single Gemini Bristol Britannia 253C that operates a weekly roundtrip all-cargo flight from Accra to London (LTN) via a refueling stop at Valencia, Spain. Ad hoc charters are undertaken throughout Europe, Africa, and the Mideast. Even after Redcoat, in spring 1977, acquires an operating certificate for flights under their own name, it will continue to manage Gemini's Britannia (and will do so right up until the time of its own failure in 1982).

A Bristol 175 Britannia 312F is acquired by Redcoat and is named *Christian* after the Owens's son. It begins revenue operations in May. Shortly thereafter, a Britannia 253C is purchased; it is named *Amy* after Kevin McPhillips's daughter. Together, the two turboprops undertake a variety of scheduled flights from London (LTN) to Accra and around the West African coast to Liberia, Sierra Leone, and Gambia. A trooping

contract is won from the U.K. Ministry of Defence and pays the airline to make weekly roundtrips between RAF Lynham and the Central American country of Belize.

As the decade approaches its end, the *Christian* is retired and replaced with another Britannia 253C. The new addition is christened *Amy* and the previous unit is renamed *Christian*. With a great energy crisis at hand, Redcoat joins with Airship Industries, Ltd. in a project designed to determine whether a riding cargo airship might be more cost effective than a fixed-wing aircraft. Sketches are made for a large airship to be known as the R-40 *Skyship*.

Flight 103, the *Christian*, with five crew and three passengers, takes off from Boston for London on February 16, 1980 in snow, fog, and moderate to severe icing in precipitation. The freighter, hoping to complete the final leg of a flight from Belize, reaches an altitude of 1,700 ft. and then rapidly descends into a wooded area near Billerica, Massachusetts, where it crashes (six dead).

During the summer, a swing-tail Canadair CL-44D, previously operated by IAS Cargo Airlines, Ltd., is obtained and in ceremonies at Lasham Airfield, is christened *James*, in honor of the son of Lynn Wilson. The *James* and the *Amy* soldier on for another two years. Unable to maintain economic viability, Redcoat shuts its doors in 1982.

REDTAIL AVIATION: Moab Airport, Moab, Utah, United States; Phone 435 259-7421; Fax 435 259-4032; <http://www.so-utah.com/archcany/redtail>; Year Founded 1990. Redtail is established as an FBO by Bonnie Lindgren and her husband at Moab in 1990. Over the next 10 years, a second FBO is started at Green River and daily cargo flights to local destinations are undertaken with a fleet of small Cessnas.

Bonnie and pilot Lavar Wells become better known, however, for their tour and sight-seeing flights over and to points throughout southern Utah. Among the better known natural attractions often visited are Canyonlands National Park, Arches National Park, Capitol Reef National Park, Glen Canyon National Park, and Monument Valley Tribal Park. Hoping to begin scheduled flights, a Beech Super King Air 200 is ordered late in 1997.

At the beginning of 1998, the company is awarded an Essential Air Service contract by the Department of Transportation for the operation of daily scheduled roundtrip passenger service between Moab and Salt Lake City. On September 24, Redtail is sold to Phoenix-based Express Air. The FBO/cargo operation continues under the Redtail banner, while all future scheduled flights are offered as **Sunrise Airlines**.

The takeover, according to a September 24 *Tribune Business News* feature, is to be completed by November 1.

By the end of the decade, the company is offering over 1,500 flights per year that transport in excess of 5,300 passengers.

The Redtail fleet at the beginning of 2000 includes 10 aircraft, a mix of Cessna 182s, 206s, and 207As, plus a single C-172. The bankruptcy of **Sunrise Airlines** on November 3 has no impact on the Redtail operation.

REDWING AIRWAYS: Route #6, Kirksville, Missouri 63501, United States; Phone (816) 665-6607; Fax (816) 665-6061; Code RX; Year Founded 1980. James R. Kelsey establishes Redwing Airways at Kirksville Regional Airport in Missouri in 1980. Both charter and scheduled services are offered; the former are undertaken throughout the region and the latter to Kansas City, which becomes the carrier's hub. Operations are maintained throughout the decade.

In 1990, Kelsey's company transports 1,200 charter passengers and 3,600 travelers on scheduled flights. The total rises to 1,300 nonscheduled and 4,200 regularly scheduled in 1991.

Charter numbers are not released in 1992; however, enplanements to Kansas City rise to 4,500. In 1993–1994, there are 12 employees and a fleet of two Beech B80 Queen Airs and a Cessna 401. Operations continue apace in 1995.

The fleet in 1996 includes 1 each Cessna 320 and 401 and the 2 Queen Airs. A total of 2,687 scheduled passengers are flown.

Customer bookings fall 16.9% in 1997 to 2,233.

Business improves significantly during 1998 as passenger boardings jump 19.5% to 3,000.

Just as quickly, the good times turn slightly around the wrong way in 1999, as customer bookings fall 3.2% to 2,900.

REED AIRLINE: United States (1931–1934). Former World War I mechanic and FBO operator Joe Reed establishes his airline at Lawton, Oklahoma, in the summer of 1931 to offer scheduled, multistop passenger service to Wichita Falls. A Travel Air 6000B is employed to inaugurate daily roundtrip service on September 1.

Unlike many small operators in the Depression, Reed, now associated with **Braniff Airways**, does not have a mail subsidy, but manages to enjoy sufficient success to purchase a second Travel Air and a Buhl CA-6 Airedan. Operations continue in 1932–1933 and finally cease on April 30, 1934.

REEF WORLD AIRLINES AIR WHITSUNDAY (PTY.), LTD. See AIR WHITSUNDAY (PTY), LTD.

REEVE AIRWAYS: United States (1932–1947). Following an airmail piloting career for **Pan American–Grace Airways (PANAGRA)** in South America, Robert C. “Bob” Reeve relocates to Alaska where he launches Reeve Airways at Valdez, on August 25, 1932. The enterprise initially employs an Eaglerock biplane leased from local businessman Owen Meals, to fly contract supply services to the mining town of Chisana.

With the proceeds earned, Reeves travels to Fairbanks in the spring of 1933 where he purchases (partially on credit) a Fairchild 51 cabin monoplane. Returning to Valdez, he agrees to undertake the supply of the Big Four Mine, owned by Clarence Poy, which is located 30 miles from Valdez and some 6,000 ft. up on the Brevier Glacier. Over 30 tons are transported during the first month at 5¢ per pound.

In 1936, Reeve obtains a larger aircraft, a Fairchild 71. The 2-plane charter carrier flies a variety of ad hoc passenger and cargo flights around Valdez during the next 3 years (including over 2,000 landings on glaciers). During this time, he transports in excess of 500 tons of supplies.

Disaster strikes in 1939. The Fairchild 71 is wrecked in a spring windstorm, forcing Reeve to invest much time in its repair. During the summer, the hangar in which he houses the monoplane, together with the aircraft itself, burn up in a fire. Finally, the new Civil Aeronautics Authority (CAA) informs him that, because he has been largely inactive since spring, he has not staked a sufficient claim to “grandfather rights” on air routes earlier flown. Going broke, Reeve and his family relocate to Fairbanks in 1940 where he resumes nonscheduled work on behalf of Noel Wien.

In April 1941, the pioneer airman accepts a contract from the CAA to explore Alaska's interior for a series of airfields. During the summer, Reeve hauls supplies on behalf of the Morrison-Knudsen Company for the construction of a new airfield at Northway, 100 mi. N of Fairbanks. His own airplane is at first employed; later, a Boeing 80A is acquired by M-K from **United Air Lines**. Painted bright yellow, it is christened *The Yellow Peril*. The two aircraft haul 300 workers and 1,100 tons of supplies and materials to the construction site by mid-November.

During World War II, Reeve flies charter flights, without instruments or navigational aids, to the Aleutian Islands with a red Fairchild 71 and the Boeing 80A, now painted black. In November 1942, a contract is signed with the Alaska Communications System for personnel transport on surveys about the territory. On a trip to Cold Bay with radar equipment and technicians in 1943, the Fairchild 71 crash-lands in fog and must be written off. During these years, Reeve conceives the idea of an airline for those far-flung Bering Sea islands.

After purchasing a war-surplus Douglas C-47 (military DC-3) in February 1946, he begins irregular service in April between Fairbanks and Seattle. In 53 days, Reeve and 2 other pilots complete 26 roundtrips and earn \$96,000, sufficient to pay for their Douglas transport and acquire 3 more. Under pressure from the CAB, the route is given up later in the year.

Reeve now files an application with the CAB seeking route authority for a scheduled service from Anchorage to Attu. Meanwhile, M-K gives Reeve *The Yellow Peril* in lieu of a debt payment. C-47 charter flights are inaugurated over the 1,783-mile route to Attu, as well as to other Territory of Alaska destinations. On March 24, 1947, the pilot-owner incorporates his assets as **Reeve Aleutian Airways**.

REEVE ALEUTIAN AIRWAYS: United States (1947–2001). On March 24, 1947, pilot-owner Robert C. “Bob” Reeve incorporates his assets and changes the name of his firm from **Reeve Airways** to **Reeve Aleutian Airways** in celebration of his market area. Employing 4 war-surplus Douglas C-47s (military DC-3s), the carrier begins flying an island-hopping 1,783-mile route from Anchorage to Attu that is certified by the CAB on April 8, 1948. Meanwhile, back in January, a Grumman G-21 Goose is acquired. During the year, a Beech T-50 and a Lockheed Model 10B Electra are also found, but are traded for a pair of Sikorsky S-43 amphibians (one purchased from **Hawaiian Air Lines**). These aircraft can be used to land at coastal communities and Cold Bay that do not have an airport.

A number of former military bases are given over to company maintenance beginning in 1949. The aircraft FBO/maintenance firm Pacific Airmotive is purchased in 1950, together with that company’s facilities at Merrill Field, Anchorage. Reeve acquires additional Douglas transports and a Post Office airmail contract. Surplus bomb releases from junked military bombers are installed aboard company DC-3s and employed to release mail bundles in the Pribilof Islands. On July 12, two Sikorsky S-43s are purchased from bankrupt **Los Angeles Air Service**.

During 1951, Reeve suffers two heart attacks, forcing him to take the next year off for recuperation. The old terminal once shared by **Pacific Northern Airlines** and **Alaska Airlines** at Merrill Field is, meanwhile, taken over for the same purpose in 1952. In 1956, Reeve becomes the last airline to leave Merrill Field for the new Anchorage International Airport.

In early 1957, the twenty-fifth anniversary year, the company acquires a DC-4 from defunct **20th Century Airlines**; painted red, white, and blue, it is placed in service from Anchorage to Attu on March 12 via Kodiak, Cold Bay, Adak, Amchitka, and Shemya. The carrier now leaves government subsidy and two surplus Curtiss C-46 Commandos are acquired from **Cordova Airlines**, which provide transport to workers building the DEW Line.

The last Sikorsky S-43 is traded in for a Grumman G-21 Goose on March 3, 1958; it will pass to **Avalon Air Transport**. A C-46F crashlands at Driftwood Bay on May 31; the plane is a total wreck, but both crewmen are safe.

Another DC-4 is acquired in July, but it crashes on Great Sirkin Island in September. A replacement C-46, purchased from Boreas Corporation, also arrives in July.

A third DC-4 arrives in 1959, along with another C-46. Unhappily, the newest Douglas transport, with 5 crew and 11 passengers, crashes on an Aleutian peak at Great Sitkin Island on September 25 while en route from Anchorage to Adak; there are no survivors.

In 1960, the old Boeing 80A *The Yellow Peril*, in storage for 14 years, is withdrawn; it will be reclaimed, restored, and transferred to the Museum of Flight in Seattle.

A DC-6, once the queen of the **Olympic Airways, S.A.** fleet and the personal property of Aristotle Onassis, is purchased from **Alaska Airlines** in January 1962. It is placed into service on February 10. A DC-4 is sold to **Alaska Airlines** in December. Two more follow, one each in 1963 and 1964. Following the great earthquake in March of the latter year, the company’s downtown Anchorage ticket office burns down in November. Still, enplanements for the year are 20,765 and revenues total \$4.3 million.

Airline employment in 1965 stands at 145 and the fleet includes 12 aircraft: 3 C-46s, 1 DC-3A, 2 DC-6Bs, 1 DC-6A, 3 C-54s, and 2 Grumman G-21A Geese. In May, a DC-3 with five aboard is lost in a ground loop takeoff crash at Nikolski.

The C-54s are also sold as passenger boardings jump to 22,889.

A C-46 is purchased in January 1966 and it enters service in June. Meanwhile, another Commando is damaged in a February accident at Homer. Piloted by Hank Orth, a DC-6 flies Annabelle, an elephant and the first acquisition of the Alaska Zoo, from Nome to her Anchorage home.

Enplanements for the year are 23,000.

A new Anchorage office building is occupied in 1967. As the year ends, the workforce totals 162 and the fleet includes 12 aircraft: 3 DC-3s, 4 C-46s, 3 DC-6s, and 2 Grumman G-21As. Orders are outstanding for a Lockheed L-188 Electra and a pair of Beech 99s.

Peninsula Airways (1) contracts with Reeve to provide contract flights linking King Salmon with Egegik, Ugashik, Pilot Point, South Naknek, and Levelock. Piper and Cessna lightplanes are employed. Over the next decade, Convair CV-580s and de Havilland Canada DHC-6 Twin Otters are occasionally leased from the partner.

Customer bookings ascend to 27,320 and a total of 3.43 million freight ton-miles are flown.

Following a credit check, Bob Reeve is able to purchase, via California Airmotive, a Lockheed L-188C Electra from **Air New Zealand, Ltd.** in January 1968. The big turboprop enters service on May 2 and is initially employed to fulfill a government contract for the transport of nuclear test personnel from Anchorage to Amchitka Island. Later, it will also operate along the route from Anchorage to Adak via Cold Bay.

At decade’s end, the fleet comprises the L-188, 3 DC-6s, 2 DC-3s, 3 C-47s, and 2 G-21s. The workforce is now down to 131.

Enplanements for 1969 total 33,000 and 2.67 million freight ton-miles are flown. Operating income is \$5.67 million.

Beginning in the spring of 1970, **Peninsula Airways (1)** launches regular service between King Salmon and the Pribilof Island communities of St. Paul and St. George. Charters are undertaken with Grumman Super Widgeons wet-leased from Reeve to Dutch Harbor, Atka, and Adak.

In September, a second Electra, an L-188PF, is purchased by Reeve from **Western Airlines**.

Customer bookings for the year are 34,000 and a total of 2.17 million freight-ton miles are flown. The workforce is 153.

Coming in on a service from Anchorage to Nondalton on February 10, 1971, Flight 012, a C-46D with two crew, noses up upon touchdown, at which point the entire nose section breaks off; although the Curtiss must be written off, there are no fatalities.

This year’s enplanements are 36,034.

Another ex-Western L-188PF arrives in June 1972. A Grumman G-21 Goose is acquired from **Alaska Coastal Airlines**. It replaces a Goose written off at False Pass earlier in the month. Reeve Aleutian now begins to phase its DC-6s out of passenger service. The company’s first brand new airliners are purchased in June: two Nihon YS-11As with spares for \$4.2 million. The first enters service on November 28.

At the end of this significant growth year, airline employment is 154. Passenger boardings accelerate 16.2% to 43,000 and cargo is up by 12.4%.

Twelve new employees are hired in 1973. The second YS-11A enters service shortly after its receipt in January. Customer bookings jump 14% to 49,000, but freight traffic is off by 12.8%.

Airline employment in 1974 is 230. The C-46 purchased in 1966 is sold to **Fairbanks Air Service** in early spring. Another one is lost with an L-188PF in a November 6 fire that destroys Reeve’s Anchorage hangar.

Enplanements accelerate 4.1% to 51,000 and the number of FTKs flown jumps 10.2% to 3.21 million.

The workforce shrinks to 189 in 1975. The burned-out Curtiss is replaced in the spring with a unit purchased from the Japanese carrier **Toa Domestic Airlines Company, Ltd.** Later in the year, a DC-3 is sold to **Northern Air Cargo**.

Passenger boardings decline 7.8% to 47,000 while cargo is down by 21.9%.

The number of employees is increased by 14.8% in 1976 to 217. A new \$2-million administration facility and maintenance hangar is occupied at Anchorage in May, replacing the one destroyed by fire in November 1974.

Customer bookings jump 14.9% to 54,000 while cargo declines by 10.2% to 2.25 million FTKs.

Two Grumman Goose amphibians are sold to **Peninsula Airways** on February 1, 1977. These are employed to expand the subcontract to all of Reeve's bush points throughout the Alaskan Peninsula and Aleutian Islands. To assist in the performance of this task, Peninsula sets up an operating base at Cold Bay, complete with offices, hangars, and employee housing. These contract and charter services will be maintained through 1979.

A former **Eastern Air Lines** L-188A Electra, obtained by lease-purchase, is placed into service on July 27. Four months later, at the end of October, the new L-188A is sold to American Jet Industries as partial trade for another.

The L-188PF, once flown by **Air New Zealand, Ltd.**, arrives from AJI in March 1978. Following passage of the Airline Deregulation Act in October, President Richard D. Reeve approaches the CAB for authority to fly down to Seattle and Tacoma, a market abandoned under pressure from that agency 32 years earlier. The three DC-6s and another DC-3 are sold to **Northern Air Cargo** owner Bobby Sholton.

Enplanements for the year total 55,209, revenues are \$12.1 million, and the net profit is \$534,400.

The workforce in 1979 stands at 204. Approval is duly received for a Seattle run and an Electra legally departs Cold Bay for Washington State on April 2.

The first 9 months of this new route help boost the carrier's overall passenger traffic 28.3% to 77,000. Many are pleased to see financial growth as well. Revenues are up 28% to \$16.9 million and, in a far cry from 1940, a net profit of \$835,000, up 36%, is banked.

The employee population climbs by 3% in 1980 to 210. A fourth YS-11A is purchased from Gabon and arrives at Anchorage in May after making the company's longest flight, 6,012 nautical miles. Under terms of the CAB's new airline classification scheme, the company is rated as a "large regional." All of this good news cannot, however, erase the sadness when the first and only chief pilot, W. R. "Bill" Borland, dies of a heart attack on February 11 and founder/chairman Bob Reeve passes away in his sleep on August 25 at the age of 78.

Reeve Aleutian flies 82,000 passengers (up 6.5%) on the year and posts a net profit of \$1.58 million on total revenues of \$21.7 million.

The roundtrip Cold Bay-Seattle frequencies reach three per week early in 1981. During the year, Beth Day publishes a biography of the founder, *Glacier Pilot: The Story of Bob Reeve and the Flyers Who Pioneered Alaska's Skies in Single-Engine Planes* (Sausalito, Calif.: Comstock Editions).

Although passenger traffic dips 7.3% to 77,240, the Anchorage-based pioneer still records revenues of \$23.6 million, an operating gain of \$2.1 million, and a net profit of \$1.3 million.

A YS-11A is involved in an accident at King Salmon, Alaska, on February 16, 1982, and for lack of traffic, nonstop Cold Bay to Seattle and Tacoma flights are suspended in the spring. Nevertheless, the company happily celebrates and promotes its Golden Anniversary.

Passenger boardings and freight traffic both fall. The former declines 14.5% to 66,041 while the latter dips 2.9% to 4.4 million pounds. On revenues of \$23.4 million, profits are earned: \$406,000 (operating) and \$607,000 (net). Both figures are down from the previous year.

Nonstop Cold Bay to Seattle and Tacoma flights are resumed with Electras on May 16, 1983.

Headed for Seattle from Cold Bay with 15 passengers aboard on June 8, an Electra suffers a propeller failure on its No. 2 engine. It also has a jammed throttle and landing gear, but makes a safe emergency landing at Anchorage after circling the airport to burn off fuel; no injuries are reported, but the aircraft is badly damaged.

While the Electra is repaired, an L-188C is purchased from **Zantop International Airlines** in September. During the fall, the company com-

pletes two years of airlift from Anchorage to St. Paul Island in support of oil exploration in the Bering Sea's Navarin Basin.

Traffic also declines this year, down 17% to 53,250, but with the acquisition from **Wien Air Alaska** in December of two Boeing 727-22QCs (christened *RCR* and *Tilly* after Mr. and Mrs. Bob Reeve), the company enters the jet era.

Employment grows by 1.7% in 1984 to 305. The Zantop acquisition is withdrawn as soon as the Electra damaged in June is returned to duty; the retired plane will be used for spare parts during the remainder of the decade. The *RCR* enters service on April 2 and helps to reverse three years of downward traffic drift.

The number of enplanements rises 7.1% during these 12 months to 55,600. Cargo, meanwhile, accelerates back up to 3.3 million pounds. Expenses outrun revenues and as a result there are losses: \$1.5 million (operating) and \$213,000 (net).

B-727-22QCs replace Electras on the nonstop Cold Bay to Tacoma and Seattle service on May 12, 1985. Converted to freighter status, the *Tilly* flies contract mail service in December during the U.S. Post Office's backlogged Christmas season.

Passenger boardings climb 8.9% to 61,000 and freight races upward by 16.2% to 8.4 million pounds. Revenues total \$25 million, an 18.8% boost, while low costs allow an operating profit of \$712,000 and net gain of \$455,000.

The fleet in 1986 includes the *RCR* and *Tilly*, 3 YS-11As, and 2 L-188A Electras. In February, one of the latter is flown nonstop from Cold Bay to Honolulu, where it undertakes a three-month interisland freight contract on behalf of **Aloha Airlines**. Following its return from Hawaii, the Electra is leased to **Northwest Territorial Airways, Ltd.** in September. For lack of traffic, the nonstop Cold Bay to Tacoma and Seattle flights are ended.

Customer bookings decline 16% to 51,000 and revenues fall an equal 16% to \$21 million.

The 300-employee small regional suffers another bad traffic year in 1987.

Passenger boardings fall 11.3% to 47,000, while freight declines 17.4% to 6.06 million pounds. Revenues reach \$21 million and costs are held low, allowing profits of \$590,000 (operating) and \$976,000 (net).

The workforce is cut by 14% to 228 in 1988. At the end of January, a Lockheed Electra is leased to **Aloha Airlines** for interisland air freight operations.

Customer bookings decline again, dropping 6.4% to 44,000. Cargo, on the other hand, balloons 72.2% to 3.23 FTKs. Revenues are off a slight 0.4% to \$21.8 million, but expenses are up by 4.4%. As a result, there is a \$441,000 operating loss. The net profit falls to \$760,000.

Airline employment grows by 31.6% in 1989 to 300 and the fleet now includes the *RCR* and *Tilly*, 3 Electras, and 3 YS-11As.

In April, Reeve is one of five Alaskan air carriers subpoenaed by the DOJ to provide information in an investigation of possible antitrust violations in the airline industry. Together with **Peninsula Airways (1)**, **Frontier Flying Service**, **Ryan Air Service**, and **Alaska Airlines**, Reeve is required to supply documents dating back to January 1, 1984 to a May 9 grand jury session or forward them directly to Washington. Although the airline subpoenas do not name a target, the May 6 issue of the *Anchorage Daily News* reports the subject is **MarkAir**.

Passenger boardings bottom out and, in fact, increase by 40% to 61,610. Freight continues to move along, climbing to 4.5 million FTKs. Revenues increase by 30% to \$28.43 million, expenses jump 12.8% to \$25.17 million, and operating income is \$3.26 million. Net gain swells to \$3.25 million.

There are no changes in 1990 in either employment or fleet. In July, the company becomes the 15th member of the **Alaska Airlines** Mileage Plan frequent flyer program.

After Iraq invades Kuwait at the beginning of August, the USAF notifies Reeve on August 7 that under the Civil Reserve Air Fleet (CRAF) program, two of its L-188Fs may be asked to aid in Operation Desert

Shield, the U.S. troop buildup in Saudi Arabia. Reeve and **Northern Air Cargo** are the only two Alaskan airlines involved in the program.

Customer bookings fall by 7%, to 56,715 and cargo plunges 50.4% to 5.03 million FTKs. Revenues, however, advance by 4.1% to \$29.6 million and costs allow an operating profit of \$1 million and net gain of \$2.76 million.

Company employment grows by 6.7% in 1991 to 320. On May 21, President Reeve joins state officials at an Anchorage travel fair for Japanese tour agents and press to announce the inauguration of thrice-weekly scheduled Anchorage to Chitose service for the following year. A test charter, arranged by Pacific Tours and Reeve, will be operated in late July.

The first-of-a-kind charter flight between Chitose and Anchorage, set for July 22, must be cancelled on July 21 because Reeve has been unable to arrange for a refueling stop at the sensitive USAF base in Shemya. Passengers for North America are rebooked roundtrip on a **Japan Air Lines Company, Ltd. (2)** service to Anchorage and on a **Continental Airlines** service to Seattle.

Passengers booked from Seattle to Anchorage are flown north by a Reeve B-727-22C. JAL and Continental return the tourists to Japan upon the completion of their visits. The embarrassing incident leads President Reeve to cancel any second trial flights.

Recession now comes to the Alaskan regional. After October, Reeve is able to remain out of the fare war that breaks out between **Alaska Airlines** and **MarkAir**. It does, however, affiliate itself with Alaska's computer network.

Passenger boardings fall 6.6% to 53,252 and the decline in freight is not reported. Revenues drop 10.1% to \$26.61 million while expenses climb 7.5% to \$30.74 million. The operating loss is \$4.12 million and the net loss is \$1.45 million.

The payroll is cut 25% in 1992 to 240. In January, the carrier, together with **Peninsula Airways** and **ERA Aviation**, begin to coordinate their schedules and to exchange passengers with **Alaska Airlines** jetliners serving Anchorage. Reeve now ferries **Alaska Airlines** passengers to Dutch Harbor and other Aleutian chain towns.

Customer bookings rebound, climbing 13% to 61,000. Cargo, on the other hand, plunges 47.6% to 3.25 million FTKs and revenues slide to \$24.8 million. The operating loss increases by \$5.6 million while the net loss deepens by \$2.7 million.

In 1993, Chairman Janice Reeve and President Richard Reeve oversee a workforce of 303 and operate the same fleet as in 1989. Plans are announced for the sale of the YS-11A-600 fleet.

Destinations served include Cold Bay, Port Heiden, San Point, Adak, Attu, Pribilof Islands, Shemya, and Unalaska/Dutch Harbor.

On August 30, the \$7.6-million contract to fly servicemen and cargo from Elmendorf AFB at Anchorage to installations at Adak, Shemya, Galena, and King Salmon is won by **Alaska Airlines**. Loss of the arrangement will have a significant impact on Reeve's annual traffic figures.

Frequencies to Sand Point are increased to six per day on October 30.

Another tough year is suffered as this time passenger enplanements join freight in decline. Boardings fall 9% to 55,515 passengers flown while cargo drops 3.3% to 3.14 million FTKs. Revenues are off by 1.7% to \$24.42 million, but expenses hit \$27.73 million. The operating loss is cut to \$1.96 million and the net loss improves to \$2.2 million.

Airline employment is increased by 5.6% in 1994 to 320 and the fleet now includes the 2 B-727-22Cs, 3 YS-11A-600s, and 1 each L-188AF, L-188C, and L-188CF. Five-times-a-week service to St. Paul is inaugurated on January 1.

In late May, an effort to pioneer a new international air route connecting cities near the Arctic Circle is launched. A B-727-22C carrying an FAA inspector, a Russian navigator, and a multinational group of politicians and entrepreneurs headed by Alaskan Governor Walter J. Hickel, undertakes a 27 1/2-hr. circumpolar expedition. Flying east, the Boeing visits a total of 15 airports above the 58th parallel in Russia, Finland, Sweden, Norway, Iceland, Greenland, and Canada.

The U.S. military withdrawal from Adak during the year brings concerns for the future.

Customer bookings for the year as a whole decline another 16.4% to 46,000, while cargo slips 0.8% to 3.11 million FTKs. Revenues drop 13.4% to \$21.15 million and although the percentage of rise is down 11.4%, expenses are \$24.56 million. The operating loss moves to \$3.41 million, while the net loss is down to \$521,000.

The workforce grows 31.3% in 1995 to 240. Concerns over the continuing withdrawal of the U.S. military from Alaska are forgotten in April when **MarkAir** leaves the state for Denver.

Reeve, on May 30, adds scheduled twice-daily (except Sunday) B-727-22C return services of its own to Bethel and King Salmon, replacing those previously offered by **MarkAir**. Electras are also employed on the route.

On June 7, an L-188 with 5 crew and 17 passengers develops flap problems while on approach to its landing at Anchorage. Although assistance is requested, a safe emergency landing is completed and no injuries are reported.

By September, the carrier's passenger volume has soared by 43%.

When Electras stop flying in Indonesia toward year's end, Reeve becomes the last major commercial operator of the L-188.

Enplanements increase 47.8% to 68,000; however, freight declines 18.1% to 2.55 million FTKs. Once more there are losses: \$2.86 million (operating) and \$1.51 million (net).

There is no change in the workforce during 1996 and the fleet now includes 3 Electras and 2 B-727-22Cs.

Some 25 minutes out on an April 24 flight from Anchorage, an Electra with 5 crew and 17 passengers loses its main hydraulic system. The aircraft returns to Anchorage and makes a safe emergency landing; no injuries are reported.

As the result of downsizing at Adak Naval Air Station, B-727 service to Adak is reduced to weekly on June 1; on July 1, it is halted altogether.

A new code-sharing agreement between Reeve and **Alaska Airlines** begins on September 22. The marketing agreement is designed to coordinate flights and schedules to and from Cold Bay, Dutch Harbor, Port Heiden, St. Paul, and Sand Point.

Passenger boardings this year soar another 25% to 85,000 but cargo drops again, by 8.6%, to 2.33 million FTKs.

Although operating income is up 6.7% to \$27.25 million, costs rise 6.8% to \$30.34 million. The operating loss deepens to \$3.08 million and a \$1.93-million net loss is suffered.

The employee population is increased by 31.3% in 1997 to 315.

A company B-727-22C transports Alaskan governor Tony Knowles and a trade mission to Sakhalin in April to assist Alaska companies prepare for the development of Sakhalin's oil and gas resources.

In cooperation with Circumpolar Expeditions, weekly return charter flights are initiated on May 10 from Anchorage to Petropavlovsk-Kamchatsky and Yuzhno-Sakhalinsk. The flights represent the first scheduled charter air service for passengers and cargo between Alaska and Yuzhno-Sakhalinsk.

Alaskan state legislators undertake a joint business and government trade mission to Siberia aboard a Reeve charter on September 27. The weekly flights into the Russian Far East are suspended on December 1.

Customer bookings this year decline by 11.8% to 75,000, but freight skyrocketed 80.9% to 4.21 million FTKs.

Operating revenues increase 8.7% to \$29.63 million, but expenses grow 5.9% to \$32.14 million. The operating loss declines to \$2.51 million, while the net loss increases to \$2.71 million, later adjusted to \$1.66 million.

Destinations visited from Anchorage in 1998 include Adak, Bethel, Cold Bay, Dillingham, Dutch Harbor, King Salmon, Port Heiden, Sand Point, and St. Paul Island. Charters to Seattle and Siberia continue to be flown, as are flights for hunters and fishermen. Weekly charters to the Russian Far East resume in early May.

In September, the carrier announces that because of high maintenance costs, it will withdraw its three Lockheed Electras by the end of the upcoming first quarter.

It is announced on December 11 that the company will launch scheduled twice-weekly roundtrips from Anchorage to Petropavlovsk-Kamchatsky and Yuzhno-Sakhalinsk. When introduced, the new service will replace the current charter flights.

During the 12 months, passenger boardings increase by 6.7% to 80,000, while cargo traffic increases 67.1% to 3.95 million FTKs. Revenues climb 5.5% to \$31.27 million, but costs total \$32.99 million. The operating loss improves to \$1.71 million, while the net loss does the same, dropping to \$1.31 million.

Although a grand retirement ceremony has been planned for the last L-188 operation on March 31, 1999, the decision is taken not to withdraw the turboprops after all. The new scheduled service to the Russian Far East begins in the spring.

President Dick Reeve warns the FAA on December 7 of possible retaliatory actions from Russia on January 1 when new U.S. noise abatement rules will force **Aeroflot Russian International Airlines (ARIA)** to stop flying its smoky Ilyushin Il-62Ms beyond Alaska to Seattle. An obvious response would be to curtail Reeve and **Alaskan Airlines** services into the Russian Far East.

Customer bookings dip 3.8% during the year to 77,000, while cargo is down 4.8% to 7,337,000 FTKs. Revenues are off by 26% to \$23,135,000, while expenses fall 27.1% to \$24,048,000. The company's losses improve to \$913,000 (operating) and \$325,000 (net).

Airline employment at the beginning of 2000 stands at 350, an 11.1% increase over the previous 12 months. The company declares Chapter XI bankruptcy on December 6 and halts all scheduled operations. Both **Alaska Airlines** and **Peninsula Airways** agree to accept tickets from Reeve passengers booked through December 8.

Charter and contract service flights are continued as the pioneer reorganizes. At this point, having sold an L-188C to a Canadian source, it retains one Electra and two B-727-22Cs. Both are reported parked at Anchorage at the end of the year, one missing many pieces. For the year as a whole, passenger boardings fall another 13% to 67,000.

Unable to continue, the Aleutian pioneer will close its doors on March 31, 2001.

REEVES AIR: United States (1980–1988). The charter and contract service operator Reeves Aviation is established by the brothers Douglas and William "Bill" Reeves at Honolulu in 1980. Nonscheduled Cessna 402 flight-seeing tours are offered. Two years later, in 1982, a scheduled division, Reeves Air, is set up and employing a fleet of 4 Cessna 402Cs, begins passenger and cargo flights linking the company base with Kahului and Kaunakakai. Frequencies to Lanai are introduced in 1983.

Operations cease in May 1987 when the FAA grounds the carrier, claiming FAR maintenance violations involving its three Cessnas. The company does not resume operations in 1988 and the FAA lifts its operating certificate.

REGAL AIR: 4506 Lakeshore Dr., Anchorage, Alaska 99502, United States; Phone 907 243-8535; Fax 907 345-8036; Year Founded 1978. Regal is established at a Lake Hood base in 1978 to offer charter and flight-seeing services. In 2000, President Craig Elg operates a fleet that includes 2 de Havilland Canada DHC-2 Beavers and 1 each Cessna 185F Skywagon and C-206 Stationaire.

REGENT AIR: 10356 Airport Road, Hangar 1, Truckee, California 96161, United States; Phone (530) 582-1102; Fax (530) 582-0103; <http://www.guides.com/acg/regent>; Year Founded 1984. Jerry Canavan establishes this FBO at Truckee-Tahoe Airport in northern California in 1984. Over the next 12 years, he also undertakes executive and small group passenger charters to various points in the Pacific Northwest, as well as to Las Vegas and Reno.

Three pilots are employed in 1998–2000 and the company operates 2 Beech King Air 90s and 1 Beech A36TC Turbo Bonanza.

REGENT AIR CORPORATION: United States (1983–1986). Regent is formed at Los Angeles in 1982 by Clifford and Stuart Perlman, owners of Caesars World casino, as **FirstAir Corporation**; the new Regent Air name is adopted early in 1983 to avoid confusion with the Canadian scheduled operations of **Bradley Air Services, Ltd.** The corporate mission, however, remains the same: to provide luxury scheduled service to New York. It is built upon the assets and certificate of **Ocean Airways** and an operating contract with IASCO.

Employing three Boeing 727-100s, the airline charges a minimum of \$810 one way and provides daily service in either direction, with extra flights on peak days. With Chairman Clifford Perlman aboard, revenue flights are inaugurated on October 14 from Los Angeles to Newark (serving New York via **PEOPLExpress**).

A carton of several hundred small jars of jam and marmalade falls from a transcontinental B-727-100 on April 23, 1984 and shatters the windshield of an automobile on the New Jersey Turnpike; the driver suffers minor cuts. FAA inspectors later determine that the company's catering service had left the carton on the doors of the aircraft's landing gear.

In midyear, Clifford and Stuart Perlman acquire the company outright. The DOT now launches an investigation of their backgrounds. Meanwhile, Regent is forced to charter its operation to International Air Service Company and loses \$21.5 million on revenues of \$12 million.

The IASCO charter ends on March 3, 1985 and the company suspends services until the DOT grants it a temporary three-month exemption on March 15 to continue flights while its inquiry continues. The carrier devises a plan to put distance between itself and its founders, the Perlmans.

The financially troubled luxury airline appoints J. Roger Faherty chairman/CEO and, on June 10, consequently receives DOT approval to operate as a scheduled carrier. Approved coast-to-coast luxury service resumes in late June and plans are made to initiate the same type of operations from eastern U.S. cities to Europe. Late in the year, the carrier is sold to Regent Tours International.

Orders are placed, via Citicorp, for a B-747-200 with which to inaugurate two-class flights from Los Angeles to Honolulu. Unfortunately, the financial base for this expansion is not present and the luxury-service experiment is ended on March 2, 1986.

REGENT AVIATION: St. Paul Downtown Airport, St. Paul, Minnesota 55107, United States; Phone (612) 227-7801; Fax (612) 224-1982; Year Founded 1985. Regent is founded as an FBO at St. Paul's Holman Field in 1985. It also undertakes nonscheduled flight operations and is the closest charter operator to the downtown area of Minneapolis/St. Paul. A wide variety of executive and small group passenger charters are flown throughout the U.S. and Canada.

In 1998–2000, Operations Director Tod Veitenheimer employs 8 pilots, who fly 2 each Cessna 550 Citation IIs and Beech Super King Air 200s, 1 King Air 100, and 1 Cessna 340.

REGIE AERIENNE INTERINSULAIRE, S.A. (RAI): French Polynesia (1953–1958). The French colonial government of Oceania purchases struggling **Air Tahiti, S.A. (1)** in 1950 in order to maintain the private company's airmail route from Papette to Aitutaki in the Cook Islands. In addition to the former carrier's Grumman G-73 Mallard, RAI acquires a Consolidated PB5-5A Catalina.

This small carrier is merged in 1951 with **Societe Francaise de Transports Aeriens du Pacific Sud, S.A.**

Operations continue apace between the takeover and 1957 and the route network grows to 160 miles and includes scheduled stops at Bora Bora, Huahine, and Raiatea (Utuora). Charter services are also flown from the Society Islands to Tuamatus, the Gambier Islands, and the Australis. During these years, the company briefly operates a Shorts Sandringham flying boat on the route from Bora Bora to Tahiti, while the Mallard is sold to a company in the U.S.

Early in 1958, the company is reformed as **Reseau Aerien Interinsulaire, S.A.**, a subsidiary of **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)** and the shipping concern **Messageries Maritimes**.

REGIE AIR AFRIQUE, S.A.: France (1925–1937). When the **Societe Air Afrique, S.A. (SAF)** is formed in 1925, its major ambition is establishment of air service from metropolitan France through to Madagascar. To this end, Commandant Dagnaux, who had participated as a lieutenant in the French Air Service Sahara flight of 1920, is given the mission of proving a route to and from the island possession.

Flying a Breguet XIX, Dagnaux and his mechanic depart Paris (LBG) on November 28, 1926 and after several adventures reach Luebo on December 21; after an 18-day weather delay, the pair proceed without incident, arriving at Tananarive on February 10, 1927. The 24-stage, 7,753-mile flight—smooth on the way out—ends in disaster. At Chicoua on July 20, the Breguet is destroyed in a crash and the mechanic is killed.

The proving flight, nevertheless, convinces officials in France and Belgium that a cooperative venture can bring them both commercial aerial penetration into Africa, Brussels, and Paris–Lake Chad. SAF now takes up the challenge of providing that access in a commercially viable undertaking.

Prior to the initiation of regular service, other proving flight are undertaken. An Air Afrique Farman 190 departs Paris on January 29, 1929 and makes it to and from Lake Chad without incident. The next three Farman 190 trial missions are designed to push the mail route through to Madagascar. The first departs Paris (LBG) on October 17 but terrible navigation problems leave the enterprise unfinished when the plane crashes near Reggane on April 22, 1930. The second undertaking begins on October 28; the F-190 reaches Madagascar in eight days and returns in eight and the program is a complete success.

The third Farman leaves on December 13 and is lost in a storm 200 miles from Brazzaville on March 14, 1930, almost two weeks before the loss of the first survey plane.

During the next three years, numerous French pilots make proving flights to Madagascar and in early 1934 two pilots of **Compagnie Transafricaine d'Aviation, S.A.**, as SAF is now known, are ordered to plot a safe Sahara route from Algiers to Brazzaville. The mission, begun on March 18, is accomplished without difficulty. On May 11, the government founds **Regie Air Afrique** and equips it with new Bloch 120s. On September 7 these initiate regularly scheduled mail flights to the French Congo from Algiers via Niamey, on the Niger, and Chad's Fort Lamy. The first Bloch 120, christened *Scorpion*, now enters service.

Passenger service is inaugurated on the Algiers to Brazzaville service on April 27, 1935. In May, two new Potez 56s are placed into service on **Regie Air Afrique** services from Oran to Algiers, from Algiers to Tunis via Bone, and from Constantine to Bone.

In November, in cooperation with **Sabena Belgian World Airlines, S.A.**, the enterprise is extended every two weeks to the city of Elisabethville in the Belgian Congo. Here a connection is made with **Service de la Navigation Aerienne de Madagascar, S.A.** that takes the mail on to Tananarive with two new Bloch 120s, the *Ville de Paris* and *Ville de Tananarive*, recently supplied by the French government.

Five Caudron C-440 *Goelands* (Seagulls) acquired late the previous year are placed into service early in 1936 over domestic Algerian routes and on feeder frequencies between Gao and Bamako. Four of the aircraft are named: *Tourbillon*, *Sirocco*, *Cyclone*, and *Harmattan*.

On May 27, direct mail service from metropolitan France to Madagascar is inaugurated by **Regie Air Afrique, S.A.** and **Regie Malagache, S.A.** in cooperation with **Air France**; passengers are accommodated after November 1.

On September 1, 1937, the company is combined with the services **Regie Malagache, S.A.** and **Lignes Aeriennes Nord Africaines, S.A.** to form **Air Afrique, S.A. (1)**.

REGIE MALAGACHE, S.A.: France/Madagascar (1936–1937). In response to a petition from colonial governor Gen. Cayla to the French Air Ministry in Paris, this small carrier is formed in the spring of 1934 as **Service de la Navigation Aerienne de Madagascar, S.A.** to offer service from Madagascar to France.

Two SPCAs are sent out to Madagascar from France, along with pilots Rene Lefebvre and Jean Assoland. The initial mission will be to fly airmail from Tananarive, Madagascar, to the **Imperial Airways, Ltd.** stop at Broken Hill, Rhodesia. Flying via Mozambique, the company begins weekly roundtrip service on July 29.

Two Bloch 120s replace the SPCAs at the beginning of 1935. They are employed to stretch the company's route from Broken Hill to Elisabethville, where a connection is made with **Sabena Belgian World Airlines, S.A.**

On Madagascar, roundtrip domestic passenger and cargo service is launched by the SPCAs over routes from Tananarive to Maroantsetra via Majunga and Diego Suarez, and from Tananarive to Ihosy via Morondava, Tulear, and Fort Dauphin.

The company name is changed to **Regie Malagache, S.A.** late in the year.

Enplanements during the 12 months total just 35; however, 1,692 pounds of cargo and 14,920 pounds of mail are also transported.

On May 27, 1936, regularly scheduled Elisabethville airmail flights, in cooperation with **Sabena Belgian World Airlines, S.A.**, begin across the Belgian Congo to Algiers and Marseilles.

Traffic statistics are reported through the year's first half and show passenger bookings of 182; additionally, 9,320 pounds of cargo and 7,700 pounds of mail are flown.

In cooperation with **Air France** and **Regie Air Afrique, S.A.**, weekly passenger service is inaugurated on November 1 from Tananarive to Marseilles. The flights require 6 1/2 days each way.

On September 1, 1937, the international route from Tananarive is handed over to the new **Air Afrique, S.A. (1)** and the carrier is again reformed, becoming the island feeder airline **Service de l'Aeronautique Civile, S.A. (SAC)**.

REGINA CARGO AIRLINES: United States (1949–1960). RGA is established at Miami Springs, Florida, in the spring of 1949 to operate all-cargo contract flights throughout the U.S. A Curtiss C-46 Commando is leased from the USAF and together with several Douglas C-47s, allows the company to launch revenue flights in June. Services are maintained without incident until July 27, 1950, when the Commando, with two crew, suffers engine failure and crashes while attempting to land at Teterboro, New Jersey (one dead). An investigation will find that the plane was 5,000 pounds overweight at takeoff.

A chartered DC-3 with 2 crew and 19 passengers is lost at Vail, Washington, on September 1, 1953, while making a CFR flight in IMC conditions; there are no survivors.

Regina continues flying only the Douglas transports until February 1955, when it acquires another Commando. It is joined by another Curtiss in April 1956. Flights continue without additional change until January 1960, when Regina becomes **Imperial Airlines (1)**.

REGION, S.A. See FLANDRE AIR, S.A.; PROTEUS AIR SYSTEM, S.A.; REGIONAL AIRLINES, S.A.

REGION AIR (PTY.), LTD. (1): Singapore (1988–1991). The first Region Air is established at Singapore on April 5, 1988 to offer regional flights to Asian and Australian destinations. Gerard de Vaz is named managing director. The following year is spent firming up organization and arrangements and in leasing an Airbus Industrie A300-322.

Revenue flights commence in 1990. Although traffic figures are not provided, the 11-employee company indicates that revenues of \$414,417 are earned. With expenses of \$262,849, the operating profit is \$151,568. The recession causes operations to cease in 1991.

REGION AIR (PTY.), LTD. (2): 06-01 Hpl House, 50 Cuscaden Road, 1024, Singapore; Phone 65 235 6277; Fax 65 736 1662; Code 7S; Year Founded 1994. A second Region Air is established at Singapore in the summer and fall of 1994. Equipped with a single de Havilland Canada DHC-8-300, Managing Director Gerard de Vaz, who had overseen the predecessor company, is placed in charge. The 45-employee company inaugurates scheduled services to destinations in Thailand and Vietnam in December.

In 1995, Region Air begins to provide ad hoc charters for larger carriers. Five Airbus Industrie A320-231s are acquired and are wet-leased to **Vietnam Airlines, Oman Air, and China Air Lines, Ltd.** The Vietnam contract ends and one Airbus is withdrawn in 1996–2000. The Oman and CAL business is retained and new agreements are signed with a number of regional and Mideast carriers.

REGIONAIR, LTD. (1): United Kingdom (1988–1991). Regionair, Ltd. is established at London (Southend) in early 1988 to provide scheduled passenger flights to Rotterdam. Employing a single Embraer EMB-110 Bandeirante, the new entrant launches flights in March and by year's end has flown almost 8,000 passengers.

Operations continue apace in 1989. When Navigations, plc, the parent of Southend-based **National Commuter Airways, Ltd.** enters administrative receivership on October 20, Regionair, Ltd. is one of several carriers that help to maintain its schedule and also make a bid to take it over.

The workforce is increased in 1990 to 140 and the fleet is increased by the addition of 1 each Fokker F27 and Dornier 228-212. Enplanements for the first 5 months, for which statistics are reported, total 3,863. In May, the administrators Touche Ross are brought in to operate the carrier.

NCA is acquired by the David Martin Group for £570,000 in July; however, the arrangement and costs place a very heavy burden on the company's coffers. Unable to maintain its viability in a recessionary economy, Regionair, Ltd. ceases operations in January 1991 after its owners elect to withdraw funding and begin a different carrier that will operate from Teesside.

REGIONAIR, LTD. (2). See **QUEBECAIR, LTD.**

REGIONAL AIR, LTD.: Nairobi Cargo Centre, Jomo Kenyatta International Airport, P.O. Box 30357, Nairobi, Kenya; Phone (254-2) 824741; Fax (254-2) 824735; http://www.regionalair.net; Year Founded 2000. Regional Air is established at Nairobi in January 2000 as a subsidiary of **Air Kenya Aviation, Ltd.** Arrangements are completed for the acquisition of two leased Boeing 737-33As, first operated by **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** in 1989. Offices are opened at Kampala, Djibouti, Harare, Asmara, Johannesburg, and Bujumbura.

The first chartered Boeing emerges from the paint shop at Bournemouth, England, on June 12, wearing an all-white fuselage color scheme with a blue stripe; a red and blue "swirl"-type logo adorns the tail. Revenue operations commence in July, with **Kenya Airways, Ltd.** the main competitor.

REGIONAL AIR LINES, S.A.: BP 12618, Aeroport Mohamed V, Casablanca, Morocco; Phone 212 (2) 538 020; Fax 212 (2) 538 411; Code FN; Year Founded 1996. Morocco's first private commuter operator, RAL is established at Casablanca's Mohamed V Airport in January 1996 as a joint venture of the Moroccan firms of Group Benjelloun and Group Holmarcom. Mehdi Alaoui is appointed president and orders are placed in March and April for four Beech 1900Ds.

During the second quarter of 1997, the company hires 20 Moroccan pilots under the instruction of an American flight manager and two American maintenance technicians. Morocco's nascent airline takes delivery of its first two of four Beech 1900Ds on July 3. Once the aircraft have completed certification requirements and route proving, they inaugurate scheduled services to Marrakech, Agadir, Fes, Rabat, and Tangier.

Traffic and financial figures are not available even as the outstanding airliners arrive and operations continue into 1998–1999.

In January 2000, approval is sought for the inauguration of a new route to Seville, Spain.

A letter of intent is signed with Embraer on October 5 for five ERJ-135s, plus five options. The first of the small regional jets will be delivered early in 2001.

REGIONAL AIR SERVICES, LTD. See **AIR KENYA AVIATION, LTD.**

REGIONAL AIRLINES (PTY.), LTD.: South Africa (1992–1993). Under the leadership of Lee R. Thompson, RA is established at Livingstone in 1992 to offer scheduled and charter domestic passenger and cargo services. Revenue flights commence employing a Douglas DC-3 and two Convair CV-580s. Destinations visited include Bulawayo, Kariba, Phalaborwa, Pietersburg, and Umtata.

Unable to achieve economic viability, the company shuts its doors in 1993.

REGIONAL AIRLINES, S.A.: France (1992–2001). On January 1, 1992, the French regionals **Air Exel France, S.A., Air Vendee, S.A., and Airlec, S.A.** are merged at Nantes to create this larger carrier. **Air Vendee, S.A.** holds 79% control with Airlec 21%. Jean-Paul Dubreuil, president of **Air Vendee, S.A.**, becomes president and general manager of the new entrant. The inaugural fleet comprises 1 British Aerospace BAe Jetstream 31s, 5 Fairchild Metro IIIs, 3 Metro IIs, and 5 SAAB 340Bs. Orders are placed for 5 (later s6) more BAe Jetstream 31s.

The original inherited route network includes markets at Le Havre, Nantes, Rouen, Brussels, Bordeaux, Nantes, Barcelona, London (LGW), Lyon, Nantes, Clermont, Ferrand, Geneva, and Amsterdam. During the year, services are started to Rennes, Caen, Frankfurt, Milan, Malpensa, Toulouse, Dijon, Angoulême, Limoges, and Paris (ORY).

A total of 120,000 passengers are flown and revenues are FFr 111.13 million. Expenses total FFr 117.84 million and the operating loss is FFr 6.7 million.

Airline employment in 1993 is 150. Delivery of the additional Jetstream 31s begins in March and the new turboprops are placed into service on a new route from Nantes to Geneva via Clermont Ferrand. Code-sharing begins with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** during the spring when Regional begins flying to Madrid nonstop from Bordeaux, Lyon, Marseilles, Nantes, Nice, and Rennes. Other flights are to Barcelona from Bordeaux, Lyon, Nantes, Pau, Rennes, and Toulouse, to the Portuguese city of Porto nonstop from Bordeaux, and one stop via Madrid.

A leased Avions de Transport Regional ATR42-320 begins flying over the company's longest route, Lyon–Madrid, and the last of the new BAe Jetstream 31s arrives on June 30.

While assisting in the repatriation of the survivors of a motorbus accident, a Metro III with 3 crew and 16 passengers is forced to abort its takeoff from Troyes Airport for England's Biggin Hill Airport on September 19; although the aircraft is damaged, there are no fatalities.

Passenger boardings accelerate 25% to 145,000 and there is a net profit of \$600,000.

Several new routes are opened in 1994 as the company receives three more SAAB 340Bs and an eighth Jetstream 31, plus two more leased ATRs. As **Air France, TAT European Airlines, S.A., Air Littoral, S.A., and Brit Air, S.A.** shed thinner scheduled routes, these are continuously picked up by RA. The new aircraft, as with those earlier owned, also perform charter flights.

Daily roundtrip Jetstream 31 service is inaugurated on April 1 from Nantes and Le Havre via Bordeaux to Manchester, England.

Also in April, the carrier joins with the Spanish air taxi Gestair, S.A. (51% majority shareholder) to establish a Spanish subsidiary **RLA (Regional Lineas Aereas, S.A.)**. Although \$205,000 capitalization is provided, the new subsidiary is prevented from launching service by the

faster acquisition by **Air Nostrum, S.A.** of a coveted route from Vitoria to Bilbao. The firm will remain a paper enterprise for some time. Instead, a code-sharing agreement is reached with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for French-Spanish services.

On December 1, a \$70-million order is placed for three SAAB 2000s and three Embraer EMB-145s. By year's end, a total of 110 flights per day are offered to 30 cities in 8 nations. Enplanements reach 235,000, but the net gain drops to \$128,000.

The workforce is increased by 25.5% to 340 in 1995. During the first quarter, twice-daily roundtrips are inaugurated from Toulouse to Madrid. When **Air France** abandons its Bordeaux-to-Geneva route in March, the carrier takes it over; it is operated with French aircraft under a block-space, code-sharing agreement with **Crossair, Ltd.** The under-traveled Manchester-Lille and Nantes-Manchester services are withdrawn.

The first SAAB 2000 is delivered in May and is employed to launch a new dual-designator services with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** from Lyon to Madrid and Barcelona on June 1.

On July 6, one of the company's new SAAB 2000s with 35 passengers flies the 520-nm. route from Lyon to Madrid in a record 1 hr. 15 min. The second SAAB 2000 arrives in August and begins flying from Nice and Marseilles to Barcelona. The three ATRs are withdrawn.

When the Air France-Air Inter Express program is established during the year, RA becomes a code-sharing partner, agreeing in exchange for subsidy to repaint some of its aircraft and to fly medium- and low-density domestic or regional routes for the Air France Groupe.

Passenger boardings jump 43.2% to 335,000.

Airline employment grows another 22.1% in 1996 to 415 and the leased fleet includes 9 J-31s, 8 SAAB 340Bs, 2 SAAB 2000s, and 1 ATR42-320 chartered from **TAT European Airlines, S.A.**

A mini-hub is established at Le Havre. SAABs and J-31s from Nantes and Rouen pass through it en route to Brussels and Amsterdam.

During the spring, the Spanish line **RLA (Regional Lineas Aereas, S.A.)** is given a SAAB 340B and is able to inaugurate a single route from Porto to Toulouse via Madrid. Customer bookings through July are up 19% to 196,000.

On October 7, a memorandum of understanding is signed with **Deutsche BA Luftfahrtgesellschaft, GmbH.** for the sale of its turbo-prop international and domestic operations originating from Bremen, Stuttgart, and Friedrichshafen to the French company. Regional Airlines makes plans to establish a separate German subsidiary, **Deutsche Regional Airlines, S.A.**, which is to be activated when the arrangement is consummated in November. Unhappily, German aviation authorities will balk at the creation of this subsidiary and the entire scheme is scrapped.

On October 17, the carrier is introduced on the secondary market of the Paris Stock Exchange and is thus the first French regional airline to offer a public share flotation. An 11% stake in the company valued at FFr 300 million is placed, bringing in FFr 56.16 million in new capitalization.

Enplanements total 280,476 and there is a \$3.61-million net profit on operating income of \$113 million.

The employee population is increased by 90 workers in 1997 and the first Embraer EMB-145 Amazon is delivered in February. It will be followed by five more plus nine SAAB 2000s; meanwhile, two J-31s and a SAAB 340B are withdrawn, while another SAAB 340B remains out with **RLA (Regional Lineas Aereas, S.A.)**. Plans are made to retire additional SAAB 340Bs, all of the Jetstreams, and three SAAB 2000s over the next two years as five more EMB-145s are delivered.

During and beyond the first quarter the company enters into a number of marketing alliances: a code-share and block-seat arrangement with **SAS (Scandinavian Airlines System)** on a route from Lyon to Copenhagen; a dual-designator pact with **Swissair, A.G.** from Toulouse to Zurich; a code-share with **KLM (Royal Dutch Airlines, N.V.)** from Marseilles to Amsterdam and from Clermont-Ferrand to Amsterdam; a block-seat arrangement with **Air France** from Lyon and Nice to Stuttgart; and a block-seat arrangement with **Sabena Belgian World Airlines, S.A.** from Nantes to Brussels.

Europe-wide deregulation occurs on April 1 and Regional begins to fly its new German network. In mid-April, a domestic code-sharing agreement is signed with **Proteus Air System, S.A.** and on April 30 the company begins dual-designator flights from Rouen and Clermont-Ferrand. Another is signed with **Air Normandie, S.A.**

During the summer, new services are inaugurated to Poitiers, Rouen, Strasbourg, and Toulon. On September 1, three newly leased EMB-120 Brasilias, formerly operated by **Air Littoral, S.A.**, are employed to inaugurate a new service from Poitiers to Nice via Clermont-Ferrand.

On September 25, the company signs a feeder contract with **Air Liberte, S.A.** The two will share codes on seven domestic routes: Saint-Brieuc to Paris (ORY), Brest to Bordeaux, Lille to Bourdeaux, Marseilles to Lyon, Metz to Bourdeaux, and Toulouse to Lyon.

The German routes are significantly altered with the coming of the fall schedule. Service from Friedrichshafen to Dusseldorf is stopped, but is immediately assumed by competing **Lufthansa CityLine, GmbH.** Flights from Zurich to Bremen and from Geneva to Stuttgart are transferred to its **Crossair, Ltd.** partner and only the routes from Stuttgart to Lyon, Nice, Munster, and Venice are retained. On October 26, twice-daily SAAB 2000 service is launched from Toulouse to Dusseldorf via Clermont-Ferrand.

On November 17, the carrier begins thrice-daily SAAB 340B dual-designator flights on behalf of **KLM (Royal Dutch Airlines, N.V.)** from Strasbourg-Amsterdam.

By year's end, the carrier, which has enjoyed a 170% growth rate since its founding, is the only carrier in the world to operate both the SAAB 2000 (11) and EMB-145 (3). Plans are made to begin work in January on a new FFr 20-million terminal at its base, the first ever privately built by a French regional carrier, to inaugurate services to Montpellier in the spring and to broaden business-class services.

Customer bookings shoot up 55.9% to 636,000. Revenues increase 50% to \$144.83 million. Still, the net gain slips to \$3.56 million.

Service continues apace in 1998. On September 25, a \$150-million order is placed with Embraer for five ERJ-135s and five more ERJ-145s, the first of which will be delivered in October 1999.

Enplanements for the year jump 25.8% to reach 800,000 and revenues of 168 million euros (\$193 million) are generated.

The fleet at the beginning of 1999 includes 8 SAAB 2000s and 6 ERJ-145s. A code-sharing and marketing agreement is signed with **Deutsche Lufthansa, A.G.** on February 25. When it takes effect on March 28, Regional becomes the latest "Team Lufthansa" carrier.

Plans are also announced for the enhancement of the Paris (CDG) hub, with additional frequencies to German cities, as well as daily return flights to Frankfurt. Regional's customers are able to participate in the German major's Miles & More frequent flyer program and to take advantage of its ground handling network, quality assistance services, and connections to partners in the "Star Alliance."

On April 26, Regional agrees to purchase a 34% stake in the commuter line **Flandre Air, S.A.** Both companies have complementary route networks and nearly identical fleets. Regional also works out a joint-venture agreement with the maintenance, repair, and overhaul (MRO) provider LAB for the creation of an Embraer spare parts pool.

Also in April, a SAAB 2000 is given a colorful livery designed to draw attention to *L'Alsace, Terre d'Election* (Alsace, Land of Choice).

Passenger boardings accelerate 17.1% to 937,000. Revenues of \$166.46 million are generated.

Airline employment at the beginning of 2000 stands at 684, a 1.6% increase over the previous 12 months.

It is announced on January 20 that 70% majority shareholding in the carrier will be taken by **Air France**.

An ATR42-520, previously operated by **SATA (Societe Antillaise de Transportes Aeriens, S.A.-Air Guadeloupe)** is received in an all-white color scheme on April 3.

An ATR42-320 is leased by **Danish Air Transport, A.S.** from **Cimber Air, A.S.** on July 1 and employed to operate replacement flights to Geneva on behalf of Regional.

"Air France Express" SAAB 2000 return service begins on September 11 from Bordeaux to London (LCY) via Clermont-Ferrand. Flights operate twice daily during the week and daily on weekends. An ERJ-145 is rolled out on October 2 wearing **Air France** colors with "Air France by Regional Airlines" titles.

Dual-designator service with **KLM (Royal Dutch Airlines, N.V.)** ends on October 29.

At the end of November, it is announced that **Air France** will merge **Flandre Air, S.A., Proteus Air System, S.A.,** and Regional Airlines by mid-2001 into a unified large regional airline. The as-yet-unnamed carrier will operate 80 aircraft to approximately 400 domestic and European destinations and may earn as much as \$325 million in annual revenues.

On March 19, 2001, *Aviation Week and Space Technology* will reveal that the name of the new entity, into which all three will be combined on April 1, is Region, S.A.

REGIONAL LINEAS AEREAS, S.A. See **RLA (REGIONAL LINEAS AEREAS, S.A.)**

REGIONALFLUG, GmbH. See **RFG (REGIONAL FLUG, GmbH.)**

REGIONNAIR, LTD.: CP 29, Chevery, Quebec G0G 1G0, Canada; Phone 418 787 2001; Fax 418 787 2004; Code RH; Year Founded 1992. Regionnaire is established by President/CEO Guy Marcoux at Chevery in 1992 to offer scheduled passenger flights around Quebec Province, with emphasis on communities along the lower North Shore of the St. Lawrence River. Revenue flights begin and continue with a fleet that grows to include 2 Beech 1900Cs and 1 each Beech 1900D and de Havilland Canada DHC-6-200 Twin Otter.

Destinations visited in 2000 include Blanc Sablon, Gethsemani, Havre St. Pierre, Kegaska, La Tabathere, Montreal, Nastashquan, Pakuashipi, Quebec City, Schefferville, Sept-Iles, Tete-a-La Baleine, and Wabush.

REGULJAIR I SKELLEFTEA, A.B.: Sweden (1997–2000). Reguljair i Skelleftea, A.B. is established at Skelleftea, Sweden, on July 12, 1997 to provide service to Umea, Vaasa, and Sundsvall. Employing a single Embraer EMB-110P-1 Bandeirante, revenue flights are launched by Managing Director Ut Gronlund's new concern on September 24 and continued into the new millennium.

On March 30, 2000, the route between Vaasa, Finland, and Umea, Sweden, is discontinued. In serious economic trouble, the company declares bankruptcy on July 19 and ceases operations.

REINDEER AIR SERVICE, LTD. See **KENN BOREK AIR, LTD.**

RELIANT AIRLINES: Box 827, Willow Run Airport, Ypsilanti, Michigan 49198; United States; Phone (313) 483-3266; Fax (313) 483-5544; <http://www.reliantairlines.com>; Code RLT; Year Founded 1983. In 1983, two years after Zantop International Airlines becomes a wholly owned subsidiary of The Aviation Group, Reese C. Zantop learns that **Federal Express (FedEx)** has parked its fleet of Dassault Falcon 20s and put it up for sale. Taking advantage of this opportunity, he establishes Reliant at Willow Run Airport to offer all-cargo charter and courier services to destinations in Europe and the Americas. The new entrant is incorporated in April 1984. The first former FedEx Falcon 20 arrives on May 10 and is employed to launch revenue flights one month later. With a workforce of just three people, Reliant becomes the only charter cargo operator employing the cargo-door Falcon.

Additional Falcon 20s are acquired over the next three years. Many are given names in honor of Zantop family members (wife *Lindsay*), employees or colleagues, including *Art Parker*, *John Roper*, and *Althea Hollis*. With six aircraft, by 1987 Reliant is the largest operator of the modified Falcon freighter. During the next 10 years, Reliant becomes so successful that another hub is established at Memphis. By the middle 1990s, it has become a specialist in the transport of hazardous materials and explosives.

Reliant becomes an employee-owned company in 1996 through the purchase of founder Zantop's majority stake. Although overshadowed by the Employee Stock Ownership Plan of giant **United Airlines**, Reliant's plan proves more stable in the long run.

While landing in heavy rain at Blue Grass Airport, Lexington, Kentucky, on August 13, 1997, after a service from Oklahoma City, a Dassault Falcon 20A with two crew is hit by a downdraft that forces it to touch down 13 ft. short of the runway. The freighter is substantially damaged, but no injuries are reported.

In 1998, President Zantop flies 8 cargo Falcon 20s and 1 passenger Falcon 10 from Michigan and 5 Falcon 20s from Tennessee. The Falcon fleet is supplemented in October when a Douglas DC-9-15F, first flown by **Continental Airlines**, is delivered in the carrier's basic blue and white color scheme. Cargo traffic skyrockets 456.9% in 1999 to 8,342,000 FTKs.

The workforce at the beginning of 2000 stands at 140. It is announced on July 24 that two more DC-9-15Fs will soon be acquired. A DC-9-15F is purchased from **Kitty Hawk Air Cargo** on November 28. It arrives at Willow Run wearing Kitty Hawk colors and Reliant titles.

REMEX AIRLINES: Russia (1997–1999). Skytrump Aviation Services, Ltd. is renamed on February 1, 1997. Its mission to provide international and domestic passenger and cargo charter service remains unchanged. Konstantin G. Vartanov remains director general and by now he oversees a staff of 80. The Skytrump fleet of 4 Ilyushin Il-76Ts and 3 Yakovlev Yak-42Ds is fully engaged on the summer schedule by April 1.

Passenger and freight charters are operated from Moscow to various national and CIS points, including Tbilisi, Baku, Ashkhabat, Almaty, Bishkek, Novosibirsk, Irkutsk, Senake, Kogalym, Usinsk, Khabarovsk, and Yazhno-Sakhalinsk. Ad hoc long-haul flights are also made to over 50 destinations in Africa, China, and Europe.

Working with the travel company Klassik Line, executive and public passenger charters are also flown to those destinations, as well as holiday points in Greece, Spain, and Turkey. Flights continue in 1998. Under the chairmanship of Vladimir Moseenkoiv, REMEX is renamed **ATC RUSS** in early 1999.

RENAN AIRWAYS, S.A.: Old Airport Building, Floor 2, Chisinau, Moldova; Phone 52-61-28; Fax 52-29-84; <http://www.renan.mold-pac.md>; Year Founded 1994. Privately owned Renan Airways is registered in the State Registration House of the Republic of Moldova's Ministry of Justice on September 14, 1994. Andre Grosul is director general and plans are put into place to operate worldwide all-cargo charters. The company is registered with ICAO on November 7.

Revenue flights begin in early 1995 and continue with a mixed fleet of Antonov An-12s, An-32s, An-72s, and An-74s. A major UN contract is received in 1996 for the operation of humanitarian airlifts to Sierra Leone under the "World Food Program." It also begins a close association with the Paris-Dakar endurance race, providing lift for various teams.

The fleet increases to 10 ships in 1997 with the addition of 1 each Ilyushin Il-18 and Yakovlev Yak-40. The new ships are employed to inaugurate passenger charters to points in Europe, Africa, and the Mideast.

Flights continue in 1998–2000.

RENNIES EXPRESS AIR SERVICES (PTY.), LTD.: P.O. Box 39, Cape Town International Airport, 7525, South Africa; Phone 27 (21) 934-0810; Fax 27 (21) 934-7434; Code FLN; Year Founded 1993. Under the direction of E. Kingwill, Rennies Group (Pty.), Ltd., a parcel delivery company, sets up an air cargo division in 1993 after it takes advantage of the opportunity to purchase a fleet of 9 Piaggio P-166 Albattrosses from the South African Air Force.

Operations Manager P. Meyer acquires a workforce of 41 and revenue flights commence linking the company's Cape Town base with Durban, East London, George, Harare, Johannesburg, and Port Elizabeth.

Services continue apace in 1994–2000, during which years the company also acquires a Boeing 727-200F freighter.

RENO AIR: United States (1992–1999). Joseph Lorenzo establishes Reno Air at that Nevada city's Reno–Cannon International Airport in April 1992 to provide scheduled services to six destinations in Nevada, California, Oregon, and Washington State. A total of \$6 million is raised through an initial public offering of stock and options; the Nasdaq stock symbol employed is RENO. A workforce of 500 is assembled, together with a leased fleet of 2 McDonnell Douglas MD-82s and 3 MD-83s. The aircraft are painted in green and white livery with snow-capped mountain peaks painted on their tails.

Early in June, Chairman/CEO Lorenzo resigns (though retaining his board/ownership positions) and is succeeded as chairman by Lee M. Hydemann and by new president/CEO, former **Midway Airlines (1)** official Jeffrey Erickson. Former **Midway Airlines (1)** Vice President-Operations Robert W. Reding, a onetime Douglas DC-9 pilot, assumes the same post with Reno.

Thrice-daily MD-82 revenue flights commence on July 1 from Reno to Los Angeles and Seattle. During the fall, the in-house tour department QQuick Escapes is formed to seek leisure passengers.

Traffic figures are not revealed, but a \$1.7 million operating loss is reported on total revenues of \$27.1 million.

Airline employment increases 120% in 1993 to 1,100 and the all-chartered fleet now includes 9 MD-83s and 8 MD-82s, with 6 of the latter leased from **SAS (Scandinavian Airlines System)**. Destinations served by the publicly owned company include Portland, Seattle, Los Angeles, San Diego, San Francisco, and Ontario, California. Thrice-daily nonstops begin on April 1 from Reno and Tahoe to Minneapolis (MSP), while twice-daily nonstops commence on April 29 between Reno/Tahoe, and Kansas City.

Northwest Airlines' plans for three new routes into Reno's territory are thwarted by smart marketing and political pressure. After Reno complains to the DOT of the major's predatory practices, Secretary Federico Pena on April 30 directly warns Northwest that any direct competition on the West Coast with the fledgling company will be examined by the DOJ under antitrust laws. Northwest cancels its expansion plans.

A third daily flight between Kansas City and Reno/Tahoe is kicked off on May 13. Other markets also added are San Jose, Tucson, Las Vegas, Phoenix, and Burbank.

Tentative agreement is reached with **American Airlines** on May 12 under which Reno will sublease at least two gates at the major's San Jose, California, hub and be taken into AA's frequent flyer program. When the pact is implemented, Reno will also benefit from finance and capital arrangements and coordinated advertising and promotions.

For lack of traffic, service from Reno to Kansas City and to Minneapolis (MSP) is dropped on June 3. However, seven days later, twice-daily roundtrip nonstops are inaugurated from San Francisco to both Portland and Seattle.

On July 15, Reno begins flying from San Jose to San Diego, Los Angeles, Portland, Seattle, and Reno/Tahoe while, on August 1, nonstop roundtrips are begun from San Jose to Ontario, California. Due to repeated bad weather and traffic delays, operations in San Francisco are discontinued on December 1. The same day, the company discontinues flights between San Jose and Reno/Tahoe to better utilize aircraft on new frequencies from Burbank to Reno/Tahoe.

Also on December 1, three new destinations from Reno/Tahoe and San Jose: Las Vegas, Tucson, and Phoenix. Additionally, new flights are offered from Tucson to Las Vegas and Reno/Tahoe.

Enplanements for the first full year total 1,866,067 and revenues increase to \$124.64 million. Costs, unfortunately, jump to \$131.97 million and cause the operating loss to deepen to \$7.33 million. Net loss is \$7.34 million.

The workforce grows 9% in 1994 to 1,200 and in early spring President Erickson becomes president/CEO of **Trans World Airlines (TWA)**. Chairman Hydemann becomes CEO on April 1, with Vice President-Operations Reding moving up to become president/chief operating officer. Operations continue apace and at year's end the DOT elevates the carrier to "national" status.

For the second full year, the company transports 3,369,446, a huge 80.6% increase. Revenues surge 56.8% to \$196 million, but expenses climb 58.3% to \$210 million. As a result, losses of \$13.85 million pre-tax and \$13.99 million net are suffered.

Airline employment stands at 1,632 in 1995, a 10% increase. The route system is shaken up. Dropped are Redmond, South Lake Tahoe, Ontario, and Phoenix while Vancouver, Palm Springs, and Albuquerque are added.

Following the withdrawal of **MarkAir** from Alaska in April, an experimental daily red-eye return flight is initiated on May 18 from Seattle to Anchorage. The service proves so popular that a second flight is added on July 1, with both offered year-round.

Ticketless travel, under the brand name EZ Trip, is introduced in August.

Also in August, the company sells \$25 million worth of 9% convertible notes with a due date of September 30, 2002. The transaction brings in cash proceeds of \$23.75 million. President Reding adds the CEO title in September.

Enplanements surge ahead by 17.4% to 3,954,578 and operating income jumps 31.2% to \$256.5 million. Costs are up only 20.8% to \$252.89 million and profits, the first since scheduled service began in July 1992, are realized. Operating gain is \$3.6 million and a \$1.95-million net profit is widely reported.

The workforce is increased by 6.4% in 1996 to 1,736. Two MD-90-30s with orange-colored Orange County Flyer titles are acquired in late March and employed to start service on April 4 to San Jose and John Wayne County Airport, both in California.

Also on April 4, with CEO Reding in the left seat, an MD-82 with 139 passengers aboard inaugurates scheduled services to Fairbanks, Alaska. Two additional flights are added between Seattle and Anchorage and nonstop Portland to Seattle service is reinstated.

An agreement is now reached allowing company tickets to be obtained via Ticketmaster. On June 6, daily nonstop roundtrips are started between Denver and Reno/Tahoe, with continuing service to Los Angeles.

A marketing agreement is signed with Fresno-based **Air 21** in July; the pact will be short-lived due to the failure of the California carrier. When Reno native Patty Sheehan wins the LPGA Nabisco Dinah Shore golf tournament at Mission Hills Country Club at Palm Springs, California, Reno Air, a sponsor of the event, names an MD-82 in her honor.

During the summer, the company continues its long-term sponsorship and assistance to a number of semi-professional athletic teams: Reno Rattlers and Everett Bigfoot (soccer); Reno Chukars, Las Vegas Stars, Tucson Toros, and Colorado Springs Skysox (baseball); and San Jose Rhinos, Anaheim Bullfrogs, and San Diego Barracudas (Roller Hockey International).

Due to passenger demand, a second daily nonstop frequency is added on August 1 from Denver to Reno/Tahoe, with continuing service to San Jose. A new daily nonstop roundtrip is initiated the same day between Colorado Springs and Albuquerque; simultaneously, an 11th daily roundtrip begins from Los Angeles to San Jose and a 4th daily roundtrip from San Jose to Reno/Tahoe. The third MD-90-30 arrives the same day; christened *Silicon Valley Flyer*, it also displays its World Wide Web address as part of its markings.

Also in August, ground is broken on a new maintenance hangar and parts facility at Reno–Tahoe International Airport; the new facility will be opened in December.

Service to San Francisco is resumed on October 1. Two weeks later to the day, code-sharing flights commence with the American Eagle affiliate Wings West Airlines. Services under the arrangement are flown from Los Angeles to nine California cities and to Las Vegas. Fare wars during the fourth quarter cause a \$6.3-million loss in that period.

Late in the year, a code-sharing alliance is signed with **Hawaiian Airlines (HAL)**. Under its terms, HAL passengers may connect at Los Angeles with Reno Air flights to Tucson, Albuquerque, Reno/Tahoe, and San Jose. The pact also allows frequent flyers to choose their miles from the AAdvantage program of **American Airlines** or HAL's Gold Plus.

In November, charters are launched to Gulfport, Mississippi. Bad winter weather and a price war with **Southwest Airlines (2)** leaves the company with a \$6.3-million loss for the fourth quarter.

Customer bookings jump 30.5% to 5,161,009 and 2.34 million FTKs are operated, an astounding 78.7% increase. Overall, operating income still accelerates 36% to \$348.66 million, while expenses are up 37.1% to \$236.65. The operating profit is \$2.01 million and the net gain is up to \$2.03 million.

The employee population is reduced 2.1% in 1997 to 2,285. Significant difficulties are encountered with the company's change over to the SABRE computerized reservations system.

Less than 100 m. into its climb away from Detroit on a March 14 service to Reno, an MD-87 with 106 passengers suffers compressor stalls in both engines due to ice ingestion. Fortunately, the cockpit crew is able to level the jetliner out, ascend to 900 m., and make a safe emergency landing.

Under a three-year revenue guarantee agreement with the Harrison County Jet Service Task Force and leaders of the Gulfport/Biloxi community, daily roundtrip MD-82 flights are inaugurated on April 2 from Gulfport to Tampa, St. Petersburg and Orlando.

Two days later, twice-daily MD-82 roundtrips commence from Gulfport to Atlanta. Having taken off from a parallel San Jose runway, a Cessna 172 nearly midairs an MD-83 that has just lifted off with 111 passengers for an April 4 service to Las Vegas. The distance between the 2 aircraft is reported as 50 m., but both planes escape disaster and no injuries are reported.

On April 16, Reno files suit against **Northwest Airlines** for allegedly cutting airfares to force Reno out of the Minneapolis/St. Paul market four years earlier. By summer, the carrier has received all six of its new MD-90-30s.

Just after takeoff from Las Vegas on a June 17 service to Colorado Springs, an MD-83 with 140 passengers suffers the failure of its left engine; a safe emergency is made back at the point of origin and there are no injuries.

A new QQuick Miles frequent flyer program is unveiled on July 15. The company begins serving Java Coast coffee on all flights as of August 11.

Daily nonstop service is inaugurated on September 16 between Oklahoma City and Las Vegas; the introductory fare is \$89 one-way. An additional roundtrip between Reno and Las Vegas is simultaneously added. The Oklahoma City-Las Vegas route is doubled on September 19.

An MD-83 is purchased on October 1. An election is held for pilot union representation; of the 293 flyers eligible to vote, 178 choose ALPA.

In November, the Oklahoma City to Las Vegas route is extended on to Los Angeles.

Twelve days later, a code-sharing agreement is signed with **Qantas Airways (Pty.), Ltd.**

Passenger boardings jump 7.2% to 5,530,454 while cargo climbs 16.3% to 2.72 million FTKs. Operating revenues swell 9.7% to 383.94 million, while expenses rise 13.6% to \$394.57. Consequently, the previous year's operating gain becomes a \$10.05-million operating loss. The positive net gain of the year before is turned into an \$11.52-million net loss.

When it takes effect on January 6, 1998, the **Qantas Airways (Pty.), Ltd.** pact provides dual-designator service on routes from 23 Reno markets to Los Angeles and on to Sydney.

Daily return service is inaugurated on February 26 between Reno/Tahoe and Atlanta. Fares begin at \$149 one way.

As a direct result of poor fourth quarter results, it is announced on March 11 that the fleet will be reduced by two aircraft and that the spring schedule will be aimed at rationalizing the route schedule.

Beginning on March 15, members of the carrier's QQuick Miles frequent flyer club are able to earn miles at Budget Rent-a-Car.

Also as a result of the bad fiscal showing, the board of directors on March 18 determines that a change in leadership is required. Chairman

Hydeman steps down to become chairman of the board's executive committee. Retired **United Airlines** Senior Vice President Joseph R. O'Gorman succeeds Robert Reding as chairman/CEO/president, effective April 1; Reding moves to Calgary to become president/CEO of **Canadian Regional Airlines, Ltd.**

The same day, Bev Gear is named senior vice president-operations, while Vicki Bretthauer becomes vice president-administration. O'Gorman immediately announces cost-cutting measures and a restructuring program that includes the retirement of 2 older jetliners, the layoff of 150-200 workers, and suspension of service to 3 cities.

The route rationalization begins the same day chairman/CEO/president O'Gorman officially takes office, with the suspension of services to Albuquerque, New Mexico, and Ontario, California. Flights to Detroit end on May 4.

O'Gorman's retrenchment continues in May as it is announced that a total of 330 workers, 15% of the employee population, will be terminated. The company's revenue accounting process will be outsourced. On the plus side, emphasis is placed on enhancing the hub at San Jose, California.

On June 1, service from Gulfport/Biloxi, Mississippi, to Atlanta and to Tampa/St. Petersburg is discontinued. Ten days later, thrice-weekday flights are started from San Jose to Portland and Seattle.

With the inauguration of the summer schedule on June 11, a number of routes are enhanced. The summer daily nonstop return flights are resumed between Reno and Anchorage. Frequencies from Reno to Chicago (ORD), San Diego, and Orange County increase from three to four daily roundtrips, while the number of daily return flights between Los Angeles and Las Vegas grows from three to five.

At the same time, services from the company's built-up San Jose hub are increased. Flights from that point to San Diego and Los Angeles are increased from six roundtrips to seven and from seven to eight roundtrips, respectively. Simultaneously, thrice-weekday services are introduced to Portland and Seattle.

Twice-daily nonstops are inaugurated between Orange County and Seattle on September 15. Additionally, a daily nonstop is added between Los Angeles and Colorado Springs, complementing the carrier's four one-stop services.

Four daily roundtrips commence on October 1 between San Jose and Burbank. San Jose is now the company's largest hub and to demonstrate its involvement in the community, the airline implements an essay contest in the middle schools. The 20 winners fly Reno's first flight to Burbank and are hosted by Universal Studios Hollywood for the day.

It is announced on October 10 that as of December 10, the Reno reservations facility will be incorporated into the Las Vegas reservations operation.

A strategic marketing agreement is signed with **Canadian Airlines International, Ltd.** on October 23. Beginning on November 22, Reno will place its "QQ" designator on CAI flights from Vancouver to San Jose and San Diego.

A definitive merger agreement is signed with **American Airlines** on November 19; the Texas-based major will acquire Reno for a total cash consideration of \$124 million. The Reno board of directors recommends that stockholders agree to accept American's offer of \$7.75 per common share and \$27.50 per share of 9% Series A Cumulative Convertible Exchangeable Preferred Stock. Reno will not be operated as a separate subsidiary, but will be integrated into American's operations as soon as all necessary authorities are received and employee and fleet integration issues are decided.

Given that there is virtually no overlap on the routes served by the two carriers, American believes that the acquisition will give customers the benefits of a more comprehensive travel network, particularly on the U.S. West Coast, and will enhance the network of "OneWorld" partners. Arrangements with those partners, particularly **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.** will stand.

The required waiting period required by law expires at 12:01 a.m. on December 9 and the federal antitrust review having been cleared, the

acquisition by **American Airlines** is approved. Certain integration decisions remain and the entire process is expected to take between 12 and 18 months.

During the 12 months, customer bookings drop 4.02% to 5.36 million, while freight traffic accelerates 20.67% to 3.28 million FTKs. Revenues slid 0.9% to \$384.81 million, while costs are down 3.8% to \$383.05 million. The operating profit is \$1.76 million, while the net loss is improved to \$1.45 million.

Airline employment has been cut by 12.7% by the beginning of 1999.

Discussions between **American Airlines** and its pilots over the issue of integrating Reno's pilots turn bitter. A major work slowdown begins at American on February 6 and will, over the next week, ground over 6,000 flights before it is finally ended by order of a federal judge.

Meanwhile, recently retired **American Airlines** Senior Vice President-Field Services Donald O'Hare succeeds Joseph O'Gorman as Reno's president on February 9. The same day, Reno pilots, who have not been permitted to participate in the discussion between American and its pilots, voice their concern over plans by their new colleagues to place them at the bottom of all seniority lists.

Roundtrip service between Los Angeles and San Francisco is enhanced on March 1. Five flights are added in each direction, while the three current flights are re-timed in order to offer service every two hours throughout the business day.

Service between San Francisco and Los Angeles is increased again on April 19, with one daily roundtrip added between the two cities, bringing the total of daily flights to nine. One daily roundtrip is added between Los Angeles and San Jose, bringing the total to eight.

Although San Jose has a curfew from 11:30 p.m. to 6:30 a.m. Pacific Time, airlines are allowed to fly in during those hours if they are delayed due to mechanical, weather, or ATC problems. The *San Jose Mercury News* reports on April 27 that the city attorney's office has sent letters to six carriers threatening to sue or ban them from the airport and citing numerous violations of the curfew. The company's committing these "blatant violations" include, in addition to Reno, **Mexicana Airlines, S.A. de C.V., Northwest Airlines, American Airlines, Southwest Airlines (2), and United Airlines.**

Daily MD-87 return service is discontinued on May 1 between Reno and Vancouver and between Las Vegas and Tucson. Acting in cooperation with **American Airlines**, the company simultaneously steps up its California services.

Employing both MD-80s and MD-90-30s, an additional daily return service is started between Los Angeles and San Jose, bringing the total number of weekday flights to nine roundtrips. In addition, five new roundtrips are instituted between Orange County and San Francisco. Simultaneously, service between Seattle and Anchorage is doubled from one daily roundtrip to two.

As a result of the ongoing evaluation of aircraft in the Reno fleet, **American Airlines**, on May 6, orders three more B-737-823s that will replace three of Reno's leased MD-80s.

A third daily roundtrip is added on May 21 from Seattle to Anchorage. On June 22, it is announced that the QQuick Miles frequent flyer program will end on December 31, after which points will be redeemable through the AAdvantage program.

The 18-year American veteran Rex Toltschin is appointed Reno's general manager on June 24; he will oversee the final integration of the company into American.

The operations of Reno Air are folded into American on August 31, adding more than 150 nonstop daily flights to the major's West Coast route network. On this day, Reno employees begin wearing American uniforms, the carrier's jetliners belong to American's fleet, all Reno flights become American flights, and all airport signage is changed from Reno to American. Repainting of the Reno fleet will begin in January.

Passenger boardings during these 8 months of operation plunge 39.1% to 3,266,000, while freight falls 53.5% to 1.52 million FTKs. Revenues are off 35.6% to \$247.69 million, while expenses are down an

almost equal 35.5% to \$247 million. The operating profit falls to just \$690,000, while the net loss improves to \$103,000.

RENOWN AVIATION: 3940 Mitchell Road, Santa Maria, California, 93455, United States; Phone (805) 934-2484; Fax (805) 934-2007; Code RA; Year Founded 1980. Larry Sullivan establishes Renown as an FBO at Santa Maria, California, in August 1980. Two years later, the decision is taken to begin scheduled freight services to domestic and regional markets. Revenue flights commence in October 1982 with 1 CV-240, 3 CV-340s, 2 CV-440s, and 3 CV-580s.

Operations quietly continue over the next decade. With the end of recession in 1994-1995, the company, now a subsidiary of James B. Quayley's JBQ Enterprises, increases its fleet through the addition for a year of a chartered Lockheed L-188C Electra, first flown by **Ansett Australia (Pty.), Ltd.** An L-188AF first operated by **National Airlines** and an L-188CF flown by **Northwest Airlines** are also leased.

Capt. Terry Cedar is president in 1996-1997 and in addition to the Convairs, he continues to fly one of the largest Convair fleets still in commercial service: 4 each CV-240s and CV-580s and 2 each CV-340s and CV-440s. The ex-Ansett Electra, which has been employed to fly for the USN between North Island NAS and the California Channel Islands, is returned and replaced by a former **Eastern Air Lines** L-188A, which is operated on the same duty.

Traffic figures are reported for the first time during the latter year and show enplanements of 84,000. Financial figures are also released and show losses: \$1.47 million (operating) and \$1.23 million (net).

Employment in 1998 stands at 102. The two L-188 freighters are wet-leased to **Channel Express Air Service, Ltd.** in the U.K.

During the 12 months, passenger boardings slide 20.2% to 67,000, while freight traffic plunges 45% to 3.05 million FTKs.

Revenues advance 10.6% to \$8.92 million, but expenses, though down 1.3%, still total \$9.41 million. The operating profit is \$490,000, while a net loss of \$141,000 is also suffered.

Passenger boardings plunge 79.2% in 1999 to 15,000.

RENT-A-CHARTER, S.A.: Torre La Noria-Ph, Ofic 3, San Roman Paseo E, Eraso, Las Mercedes, Caracas, 1060, Venezuela; Phone 58 (2) 92-9532; Fax 58 (2) 91-0352; Year Founded 1985. Carmelo Trimarchi establishes this concern at Caracas in 1985 to provide executive and small group passenger charters, many in support of the energy industry. By 1998-2000, the founder employs 12 pilots who fly 1 each British Aerospace BAe (HS) 125-400 Hawker, Beech 400 Beechjet, Cessna 500 Citation I, Grumman 690 Turbo Commander, and Swearingen Metro.

RENTAVION, C.A.: Venezuela (1993-1995). With a base at Aeropuerto de Higuerote, Rentavion is formed in 1992. Scheduled, third-level passenger and freight services begin to Caracas in early 1993 with a pair of Douglas DC-3s and a Martin 4-0-4, the latter employed exclusively for cargo operations. Services continue until 1995.

REPUBLIC AIRLINES: United States (1979-1986). Republic is born as a national-sized carrier on July 1, 1979 when the two independents, Minneapolis-based **North Central Airlines** and Atlanta-based **Southern Airways**, merge. Combined corporate headquarters are established at Minneapolis where management is comprised mostly of former NCA executives. The combined workforce totals 9,000 and the fleet includes 103 aircraft, the majority being Douglas DC-9-31s. To help publicize new name, a number of airliners are given a quick relettering and the new corporate logo, although the famous "Herman" goose emblem remains on aircraft tails.

Orders are placed for 14 McDonnell Douglas DC-9-80s (MD-80s). A DC-9-31 swerves off the runway on December 1 after landing at Flint, Michigan, to avoid colliding with a taxiing lightplane.

During the remainder of the first year, the publicly owned new entrant, operating over old routes and new, transports 12,156,000 customers and

records an operating profit of \$28 million; the net profit is \$13.1 million. Its future appears bright, even though a heavy debt-load is acquired with market-pegged interest rates.

During 1980, the employee population increases by 63.6% to 14,693. In January, the carrier receives the 1979 "Airline of the Year" award from *Air Transport World* magazine.

Republic Airlines adds 31 new nonstop services to its U.S. and Canadian route network as well as new markets in the California communities of Ontario, Burbank, San Jose, Oakland, and Orange County.

Five unhappy, recently arrived Cuban refugees take over a Miami to Orlando DC-9-10 Flight 228, a DC-9-31 with 116 passengers, on August 16 and order it to Havana. The Castro government will imprison the pirates.

On October 1, the routes, assets, and debts of **Hughes Airwest** are acquired for \$38 million. The former local service airline is, pending its integration, relabeled **Republic West**.

The airline experiences an 8.8% traffic boost to 13.2 million passengers carried and FTKs flown rises a minor 0.6% to 20.42 million. These figures are exclusive of the 5.5 million passengers and 12 million FTK flown by Hughes and Republic West during the year.

The costs of the new merger, recession, and corporate restructuring leads to a \$38.3-million loss on revenues of \$917 million. The loss figure is only \$300,000 higher than the purchase price of **Hughes Airwest**. Increased in both size and revenues, Republic joins the ranks of the "majors," under the CAB's new classification scheme.

Although 1981 begins well enough, is not a good year. In early spring, services from Las Vegas and Phoenix to Edmonton and from Phoenix to Milwaukee and San Francisco are added. The PATCO air traffic controllers' strike in the summer forces suspension of service to 27 stops, and causes a severe cash flow problem.

Consequently, the carrier is only able to accept 3 of the 14 MD-80s and must negotiate a delivery delay with the manufacturer. Other aircraft received during the year include a DC-9-51, five B-727-2S7As from Boeing and three others coming in from leases. One B-727-2S7A, a DC-9-10, and four Convair CV-580s are sold and one B-727-2S7A is traded to McDonnell Douglas with some cash for two DC-9-31s.

On September 9, a DC-9-10 with 84 aboard comes within 15 feet of colliding with a small plane over Fort Lauderdale; no injuries are reported.

During the year, the workforce is increased a scant 0.8% to 14,595. All employees are given stock in lieu of a month's pay, compensation is cut by 10%, and raises are postponed. Passenger boardings drop 3.3% to 16,841,000, but freight traffic accelerates a welcome 15.1% to 42.59 million ton-kilometers. Revenues are \$1.45 billion and expenses are \$1.43 billion; they give an operating profit of \$16.5 million. Interest expenses, however, conspire to bring a net loss of \$46.3 million. Debt remains high: \$756 million; of that total, \$404.5 million is cast in a revolving credit plan at a 16.25% interest rate.

The payroll grows a slight 1.4% in 1982 to 14,400. During the year, arrangements are made to lengthen the delivery period for 11 ordered MD-80s. On the financial front, long-term debt payments also gain extension as \$75 million in debentures are sold. Three MD-82s arrive in December and are employed to start a pattern of nonstop service over somewhat longer segments between mini-hubs.

Enplanements climb 7.3% during the 12 months to 18.1 million, while cargo growth improves even more, jumping 31.6% to 56.04 million FTKs. Operating income accelerates 5.67% to \$1.53 billion as expenses are held to \$1.49 billion, leaving an operating profit of \$37.25 million. Continuing gigantic interest payments on a huge debt bring another net loss, \$39.9 million.

The employee population is reduced 2.8% in 1983 to 14,100. In an effort to obtain relief, management is able to arrange, early in the year, for a nine-month pay freeze and a 15% reduction in wages.

After touchdown in a snowstorm at Brainerd, Minnesota, on January 9, a CV-580 with 31 passengers veers to the right on the runway and its right propeller strikes a 3-ft.-high snowbank between the edge of the runway and the runway edge lights. The No. 1 blade separates from the

propeller and enters the cabin, fatally wounding a woman passenger and injuring another.

In a first quarter effort to attract additional traffic, the hubs at Memphis, Phoenix, Detroit, and Minneapolis (MSP) are strengthened. Executives of the Pillsbury Company complete a neighborly barter deal with Republic on March 1 wherein a surplus Pillsbury plant in Chicago is exchanged for more than \$1 million in Republic tickets, usable at will.

The next day, in a move to prevent these tickets from falling into the hands of black marketers, the carrier begins requiring holders of such vouchers to present positive identification matching the name on the ticket before they are honored. On March 7, Republic reports overwhelming bookings between Valdosta and Dotan, Alabama, because of an oversight that allows travelers to claim more than \$600 worth of free tickets by taking the \$54 Valdosta-Dothan flight.

As the result of the flight crew's failure to switch fuel tank pumps as required by their checklist, the wing tanks of a DC-9-31 with 145 aboard run dry during an April 3 flight from Minneapolis (MSP) to San Diego. Consequently, the jetliner drops some 4 miles (20,000-plus feet) before the engines are restarted, allowing the Douglas to be safely landed at Las Vegas without injuries to anyone aboard. The officers involved are suspended.

En route from Fresno to Phoenix on May 28 with 81 aboard, a DC-9-10, which had not taken on fuel at its previous stop, makes a safe emergency landing at Luke AFB, near Phoenix, after reporting itself out of fuel; a check shows only four gallons available. The flight crew's error in judgement in believing sufficient fuel was aboard costs the men their jobs.

Four DC-9-10s are now sold as a seventh MD-80 joins the fleet. As the result of negotiations with McDonnell Douglas, orders for six additional MD-80s are cancelled as an eighth MD-82 is accepted—and immediately leased back to the builder for 18 months. An MD-82 lands safely in San Diego on July 29 after a power lag in an engine forces the pilot to return to the airport.

As a DC-9-31 takes off in a flight from Las Vegas to Memphis on August 7, the tires blow out, knocking a six-inch hole in the wing. After first circling for an hour to dump fuel, the plane lands safely; no injuries are reported to any of the 102 people aboard.

While landing at Sioux Falls, South Dakota, on the evening of November 6, a CV-580 with 3 crew and 32 passengers collides with a 2-lb. bird, which smashes through the windshield. Hit in the face by the bird and flying glass, the captain is incapacitated; the copilot takes over and completes touchdown without further incident.

Rasul Alie Shakir is arrested after commandeering Flight 277, an MD-82 with 41 passengers, and diverting it to Chicago from a November 21 service from Detroit to Kalamazoo, threatening to set off a bomb. He will be tried and sentenced to eight years in prison.

As the result of fare wars and higher labor costs, fiscal difficulties continue. In December, a Partnership Plan is unveiled that allows employees stock ownership and profit-sharing benefits in exchange for a continuation of the wage cuts and wage freeze for three more years.

Passenger boardings dip 1.3% to 17,787,000, but freight jumps 22.5% to 116.33 million FTKs. Overall income declines 1.25% to \$1.51 billion as expenses jump 3.28% to \$1.54 billion. Republic Airlines posts its fourth straight net loss, a record \$111.03 million (for a total of \$222 million since 1980), but the \$30.88-million operating loss is the first suffered during this timeframe. As the cumulative debt climbs to \$797 million, investors and others wonder if the carrier might soon go under.

Employment falls 5.6% in 1984 to 13,400, all of whom will commit to the Partnership Plan. Daniel F. May becomes chairman/CEO in April and Stephen M. Wolf, former president of **Continental Airlines**, arrives as the carrier's new president. Aggressive measures are taken thereafter to prevent the company from crashing into a sea of red ink. New union contracts are negotiated with employees and in the largest route realignment since the company was formed, service to 23 markets is suspended, although eight new destinations are added.

Emphasis is placed on more effective scheduling, and flights are increased at the three major hubs—Detroit, Minneapolis (MSP), and Memphis. Aircraft color schemes are altered and the long-famous "Her-

man" goose logo is retired from aircraft tails. Innovative marketing programs are undertaken, and the airline's frequent flyer plan is expanded in a partnership with **Pan American World Airways (1)**.

Malfunctioning air conditioning units force two jetliners to make emergency landings on the same day, May 19: a DC-9-31, shortly after takeoff from Memphis and a B-727-2S7A, en route from Memphis to Denver, which diverts to Cincinnati. Once the B-727-2S7A, with its 138 passengers, is on the ground, its captain receives what turns out to be a false warning of an engine fire and orders the aircraft evacuated via chutes. Thirteen people are injured in the process, one seriously.

Only three of six company unions reach agreement with management on June 1 for an extension of their 15% wage concessions. Negotiations continue for a month, but on July 2 it is announced that agreement has been reached on wage, productivity, and an employee stock ownership plan. In an effort to improve its feed, Republic purchases 9% interest in the Michigan-based regional **Simmons Airlines**.

Although passenger boardings drop another 14.2% on the year to 15,257,000, freight rises 18.9% to 138.36 million FTKs. These various measures not only prevent a Chapter XI bankruptcy filing, but actually bring a financial about-face. Revenues increase 2.4% to \$1.56 billion, and expenses drop 6.2% to \$1.45 billion. A record \$100-million operating revenue is realized; in the best performance in company history, after-tax earnings of \$29.5 million are posted. Even the debt is reduced, somewhat.

The payroll grows 13.4% in 1985 to 15,200. Republic, as the nation's 7th largest airline, is serving 110 cities in 34 states and its 100,000-mile transcontinental route system extends southward from Canada to the Cayman Islands in the Caribbean. Over 1,040 departures are made daily. To help service its connections, the carrier leases three B-737-202As from bankrupt **Wien Air Alaska**. Simultaneously, **Simmons Airlines**, the carrier's RepubLink commuter partner, begins feeding the major at its Detroit hub.

Flights to Pittsburgh commence on April 1, followed on April 28 by the addition of flights to 8 new markets with over 100 new daily flights are added to the schedule. The first-time destinations include Erie, Syracuse, Albany, New York (JFK), Louisville, Shreveport, Little Rock, and Appleton, Wisconsin, the latter served with CV-580s from Detroit. Nonstop service is introduced on May 3 from Detroit to White Plains, New York.

The fleet, during the summer, stands at 160 airliners, primarily Douglas DC-9s, Boeing 727s, and Convair CV-580s. Orders are placed for six B-757-2S7s, three of which arrive by year's end. Also during the summer, President Wolf begins a series of merger discussions with Steven Rothmeier, CEO of **Northwest Airlines**. These stall as Northwest briefly courts a marriage with **Delta Air Lines**, but resume when the attempt to join a larger carrier fails. By fall, a route realignment is completed, based on hubs at Memphis, Detroit, and Minneapolis (MSP). Plans are laid for another commuter affiliate, **Phoenix Express**, to operate at Memphis as **Republic Express**.

Customer bookings increase 14.5% to 17,465,000 and cargo grows by 23.4% to 170.73 million FTKs. Revenues ascend 12.1% to \$1.73 billion, costs climb 8.3% to \$1.56 billion, and operating profit jumps to \$166.33 million. A six-fold turnaround that impresses even critics is shown by the record \$177-million net profit.

On January 24, 1986, President Wolf, soon to resign, announces that Republic, still financially troubled, will be acquired by **Northwest Airlines**. The \$884-million dollar merger will make the company the nation's fifth, later third, largest carrier. Applications are presented to the DOT for approval; however, the move is opposed by the antitrust division of the DOJ, which fears restraint of trade. DOT authorizes the integration on July 31. The carrier's six Rolls Royce-powered B-757-2S7s, incompatible with Northwest's all Pratt & Whitney fleet, are returned to Boeing, which later sells them to **America West Airlines**.

Traffic and financial figures are available for the first three quarters, after which they are submerged into those of the new owners. From January to October 1 when the merger is completed, passenger boardings accelerate 14.1% to 14,716,000 and freight is up 9.7% to 47.55 million

FTKs. During the same nine-month period, revenues are up 6.6% to \$478.24 million, costs are up only 3.9% to \$413.62 million, and the operating profit is \$64.62 million. Net profit slides \$7 million to \$31.21 million, but still allows the enterprise to be closed out on a high note.

REPUBLIC EXPRESS AIRLINES: United States (1985-1986). The Atlanta-based holding company Phoenix Airline Services, acquired by ex-**Eastern Metro Express** Chief Operating Officer Michael J. Brady, signs a 10-year contract with **Republic Airlines** in March 1985 to provide feeder service through the latter's Memphis hub. Employing three leased British Aerospace BAe Jetstream 31s, the new Republic Express Airlines launches service on May 31 from west Tennessee to the Mississippi communities of Muscle Shoals and Tuscaloosa. Flights begin in June to Columbus, Greenville, and Meridian.

The company's first SAAB-Fairchild SF340 is received and initiates Memphis-Jackson flights on July 15. Frequencies are opened to Monroe, in Louisiana, during August and the fleet continues to grow during the summer and fall to a total of 19 British-made turboprops plus 6 SAAB SF340s.

Memphis-Minneapolis (MSP) flights begin during the holidays while enplanements for the year total 137,345.

The fleet is increased in 1986 by the addition of two more SF340s and five Jetstream 31s. When Republic Chairman Wolf announces in January that the major is being purchased by **Northwest Airlines**, the arrangement also includes Republic Express. During the next six months, as takeover permission is sought from the DOT, REA transports in excess of 370,000 passengers.

On July 31, the regional carrier is renamed **Express Airlines One** and as a Northwest Airlink partner, continues its mission to provide feed to the Memphis and Minneapolis (MSP) hubs.

REPUBLIC HELICOPTERS. See **COURT HELICOPTERS, LTD.**

RESEAU AERIEN FRANCAISE. See **AIR FRANCE**

RESEAU AERIEN INTERINSULAIRE, S.A. (RAI): French Polynesia (1958-1970). In January 1958, this carrier is acquired and reformed by the large French independent airline **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)**, working with its partner, the shipping concern Messageries Maritimes. Operations are continued from Papeete with **Regie Aerienne Interinsulaire, S.A.'s** Grumman G-73 Mallard and Consolidated PBV-5A Catalina over a 160-mile route, with stops at Bora Bora, Huahine, and Raiatea. One of the latter, with 15 aboard, crashes near Raiatea on February 19; there are no survivors.

The first important development is the spring purchase of Sir Gordon Taylor's Short Sandringham 7 flying boat *Frigate Bird III*. It is delivered to Tahiti on June 30 and enters service on the route from Bora Bora to Papeete. TAI extends its Paris to Noumea service to the Society Islands, with the huge four-engine aircraft, beginning on October 22, providing the final connection for what is the world's longest air route—12,000 miles.

The present Papeete-Faa'a Airport opens on October 16, 1960 as the only commercial airfield in all of French Polynesia. At this point, RAI switches its service away from Bora Bora and the flying boat is placed on lesser routes. The subsidiary passes to **UTA French Airlines** upon its formation from TAI and **Union Aeromarine de Transports (UAT)** in 1963.

In the fall of 1964, **Air Polynesie, S.A.**, a private company, begins flying from Tahiti to Moorea with a Grumman Goose; however, this new concern and its service is acquired by RAI during the summer of 1965. Operations continue apace, largely without change. Airports are, however, constructed at Rangiroa, Raiatea, and Moorea and the fleet is increased by the lease of two Douglas DC-4s from UTA and the purchase of a de Havilland Canada DHC-6 Twin Otter and a Britten-Norman BN-2 Islander.

On January 1, 1970, RAI is renamed **Air Polynesie, S.A.**

RESEAU AERIEN MILITAIRE FRANCAISE. *See* **AIR FRANCE**

RESEAU POSTALE. *See* **AIR BLEU, S.A.**

RESORT AIR: United States (1982–1989). Resort Air is founded by B. F. West at St. Louis on November 5, 1982 to provide scheduled third-level passenger and cargo services. An air carrier operating certificate is received from the FAA on April 11, 1983. Employing a fleet of 4 Fairchild-Swearingen Metro IIs, the carrier inaugurates feeder flights, largely in the tour market, to the Missouri communities of Columbia, Joplin, Lake of the Ozarks, and Springfield, plus Carbondale in Illinois.

On April 25, 1985, the company signs a code-sharing agreement with **Trans World Airlines (TWA)** and agrees to become a “TWExpress” commuter partner.

Three additional Metro IIs arrive at the company’s St. Louis hub during the summer wearing the modified red and white livery of the major. On August 5, Resort Air begins to feed St. Louis from seven cities in Missouri and Illinois. While working for a Chicago bank owed much money by the carrier, Hulas Kanodia begins to invest, becoming a silent partner.

Traffic figures are released for the first time and show enplanements of 85,214.

Airline employment rises 60% in 1986 to 200 and the first of 12 ordered Metro IIIs arrive in the spring. After purchasing the carrier from Koppler Enterprises on September 22, majority shareholders Jim Slemons and William Bell ask fellow investor Hulas Kanodia to serve as president. The **Trans World Airlines (TWA)** affiliate operator is now reorganized into two divisions: *TWExpress* and *Resort Commuter*. Reclassified as a large regional, the company enjoys significant success as its enplanements skyrocket 147.1% to 210,000.

The payroll is increased another 15.2% in 1987 to 228. By spring, the fleet has been enlarged by the addition of all 12 Metro IIIs. Orders are placed for three (later five) Avions de Transport Regional ATR42-300s. Four more new Metroliners will be received later in the year to replace the last four Metro IIs. Also during the spring, scheduled service is inaugurated to Chicago (ORD) from Terre Haute and Springfield.

Passenger boardings increase again, rising 53.9% to 316,882.

By early 1988 the Metro fleet has been increased to 16 machines. In June, the carrier receives a DOT 401 operating certificate and in September is awarded Part 121 certification by the FAA, authority that is needed to operate ATRs.

The “TWExpress” division flies a total of 332,940 passengers on the year, a 5.2% increase.

The first two of five ordered ATR42-300s are received in spring 1989 and one Metro is replaced. To better reflect its growth and to support the long-term goals of TWA, the company is renamed **Trans-States Airlines** in June. At this point, the Resort Commuter division is folded into the newly renamed carrier.

RESORT AIRLINES (1): United States (1945–1961). Clinton Davidson incorporates Resort Airlines (1) in September 1945 to promote the idea of inclusive air tours to New York’s Adirondack vacation areas. This concept becomes the forerunner of today’s package tours. Initially, air transport, connecting ground carriage and hotel accommodations are included for places such as Lake Placid and Saranac Lake.

Service is opened between Westchester County Airport and Saranac Lake on June 29, 1946. The first U.S. package tour is offered on June 17, with a 15-day national tour from Westchester County Airport. Additional Adirondack services are opened on June 22, 1947 and special tours are offered from New York City to the Great Lakes and Rocky Mountains beginning on June 13, 1948.

The carrier also seeks permission to operate to the Caribbean and applies to the CAB for a permit. That body initially rejects the company’s petition, but is forced, by decision of President Truman, to grant certification in June 1949. Resort will be allowed to operate its tours from a New York City base to Miami, Chicago, Washington, D.C. and points in

Canada and the Caribbean. In 1950, as Resort’s war-surplus, passenger-appointed Curtiss C-46s fly their new routes, the irregular carrier **Nationwide Air Transport Service** is purchased.

During a May 22, 1953 ferry flight, a C-46F with two crew is lost at Des Moines; there are no survivors.

A C-46F with 3 crew and 38 passengers en route from Camp Kilmer to Fort Knox under charter to the USAF, crash-lands at Standiford Field, Kentucky, on September 28 (24 dead). The fleet is upgraded in October when three Douglas DC-4s are acquired. The carrier withdraws from its other routes on November 12 to concentrate on Caribbean cruises.

A C-46F is lost in an accident at Chattanooga on January 22, 1954; although the plane must be written off, there are no fatalities. Resort Airlines (1) is ahead of its time and its tour packages, while somewhat popular, are not overwhelmingly so. As a result of financial reversals, Davidson’s company ceases operations in September 1955.

Nonscheduled charter flights are resumed, primarily for the U.S. military, in 1956 with two Lockheed L-1049H Constellations purchased under a DOD contract and in February 1957, the CAB renews the supplemental’s certificate. On March 15, it is named a codefendant in a \$19-million lawsuit on behalf of the 1953 Standiford Field victims; Resort accepts its share of the liability and settles out of court.

Tours are flown to the Caribbean once again between June and September 1959, but are unsuccessful. On November 24, an L-1049H is lost in a nonfatal accident. It is now decided to cease operations and the carrier is gradually closed down during the first half of 1960.

Through carefully planned and managed equipment sales and leases, including that of the last L-1049H to **World Airways**, investors do not go bankrupt; indeed, they are able to depart the scene on July 1, 1961 with some \$3 million when the books are finally closed.

RESORT AIRLINES (2): United States (1982–1986). The second Resort Airlines is established at Martin State Airport at Baltimore, Maryland, in 1982 to provide weekday passenger services to Dover in Delaware, Atlantic City, Ocean City, and Washington, D.C. (DCA). Daily roundtrips are duly inaugurated with a pair of Piper PA-31-310 Navajos and are sustained until 1986.

RESORT AIRLINES (PTY.), LTD. *See* **AUSTRALIAN REGIONAL AIRLINES QUEENSLAND (PTY.), LTD.**

RESORT AIRWAYS: United States (1965–1967). Resort is formed at Honolulu in the spring of 1965 to offer Aero Commander 680 flights to Kannapali. Revenue services begin on May 5 and are maintained until the little carrier is purchased by **Hawaiian Air Tour Service** in 1967.

RESORT COMMUTER AIRLINES (1): United States (1975–1980). **Resort Air Service** is established at Southern Pines Airport at New Bern, North Carolina, in early 1975, with an airline operating division known as **Resort Commuter Airlines (1)**. President George Parker’s carrier, “Carolina’s Wings to the Future,” inaugurates scheduled third-level passenger and cargo flights on March 16, linking the company’s base with Washington, D.C. (DCA), Raleigh/Durham, and the Virginia cities of Danville and Richmond.

Employing a fleet that comes to include Piper PA-23 Aztecs, PA-31-350 Navajo Chieftains, PA-32 Cherokee Sixes, Beech Bonanzas and King Air 100s, daily roundtrip services are maintained during the remainder of the decade and new markets are opened at Charlotte, Pinehurst, Rocky Mount, Newport News, and Washington, D.C. (IAD).

Late in 1980, the carrier, in order to better reflect its geographical service pattern, is renamed **Mid-South Commuter Airlines**.

RESORT COMMUTER AIRLINES (2): United States (1985–1990). Resort Commuter Airlines (2) is established at Los Angeles (LAX) in late 1985, beginning scheduled services with a pair of Cessna 402s on

December 2 over an Orange County routing to Palm Springs, Los Angeles (LAX), and Mexican destinations. Jack Furry is chairman with Mark Morro as vice chairman/president.

Operations continue apace in 1986 and in December the carrier becomes a code-sharing partner of **Trans World Airlines (TWA)**. "TWExpress" flights commence in January 1987 with three de Havilland DHC-6-300 Twin Otters feeding Los Angeles (LAX) from Oxnard, Orange County, Santa Barbara, Palomar/Carlsbad, Bakersfield, Inyokern, and Palmdale.

In January 1988, stockholder Jim Slemens acquires 70% interest in the cash-starved regional, becoming chairman; former **AirCal** Vice President William Bell is named president. The company becomes a "Pan Am Express" partner of **Pan American World Airways (1)** on November 1. Operations continue apace in 1989 and the regional encounters additional financial difficulties and must file for Chapter XI bankruptcy on November 22, the day of the last flight.

With assets of only \$525,000 and liabilities of \$17.1 million, RCA cannot recover and in February 1990 converts to Chapter VII liquidation.

RESORT COMMUTER AIRLINES (3): United States (1988–1994). Following their purchase of the St. Louis-based "TWExpress" code-sharing partner **Resort Air** in early 1988, majority shareholders Jim Slemens and William Bell oversee the reorganization of the carrier into two divisions: "TWExpress" and Resort Commuter Airlines (3). Employing five Convair CV-580s wet-leased from **Air Resorts**, the new RCA-3 subsidiary commences services to Phoenix and Baja California via Los Angeles and San Diego. Traffic figures are not released.

Operations continue apace during the remainder of the decade and into the 1990s. In 1993, the fleet includes 3 leased CV-580s and 1 Super CV-580. Unable to maintain viability in a time of general airline recession, the company disappears in 1994.

RESORTS INTERNATIONAL AIRLINES: United States (1984–1988). A subsidiary of casino, hotel, and real estate conglomerate Resorts International, Inc., RIA is created during the summer of 1984 to provide helicopter flights from New York City's West 30th St. Heliport (NYC) and Atlantic City, New Jersey. Back in 1982, Resorts International had briefly operated a DC-9-10 to Atlantic City from New York (LGA), but the service was too lightly employed to be sustained.

Columbus O'Donnell, special assistant to Resorts Chairman James Crosby, is given the job of setting up this convenient transport mode for casino gamblers. Initially, a contract is signed with West Chester, Pennsylvania-based **Keystone Helicopters** to operate a pair of Sikorsky S-76s purchased by Resorts in 1983. Late in that year, Crosby elects to establish his own airline and O'Donnell employs Matthew Zuccaro as general manager.

Following negotiations, three of **Greenlandair/Gronlandsfly, A.S.**'s eight Sikorsky S-61Ns are purchased for \$1.5 million each. These are repainted in a rainbow color scheme consisting of colored bands of indigo blue, fire engine red, sky blue, and psychedelic lime green. With interiors designed by Valerian Rybas, the S-61Ns begin a scheduled New York City to Atlantic City shuttle on September 1. One Sikorsky is employed to fly the shuttle, one for backup, and one for charters.

During the first six months of 1985, a service is offered from NYC to Brainard Field at Hartford, Connecticut, but lack of traffic leads the company to abandon the service. A second new offering, from NYC's Battery Park heliport, must also be abandoned for the same reason. Twice-daily and sustained flights are inaugurated from Teterboro Airport on September 6.

Charter flights are undertaken for football fans, "flight-seeing" tours over NYC for wealthy customers celebrating birthdays and, on behalf of the U.S. Department of the Interior, for foreign dignitaries and UN officials needing NYC-area lift.

Operations continue apace in 1986–1987 and during these years, the airports at Morristown, New Jersey, and Westchester County, New York,

join the route network. New York real estate tycoon Donald Trump now enters the picture, becoming chairman of Resorts International in 1988. The carrier is at first renamed **Trump's Resort Air**; however, that title is quickly changed to the simple **Trump Air**.

REUNION AIR SERVICES, S.A.: Reunion (1975–1989). This subsidiary of **Air France** is established at St. Denis on Reunion Island in the Indian Ocean on January 1, 1975. Actual start-up operations are delayed until August 8, 1977. With Gerard Etheve as general manager and a workforce of 20, the airline inaugurates scheduled passenger flights linking Aerodrome de Gillot with the Comoro Islands destination of Mayotte.

Charter flights are also undertaken to the Comoros, as well as to Madagascar and Mauritius. Within 3 years, the fleet grows to include 1 Hawker Siddeley HS 748, 1 Piper PA-31-350 Navajo Chieftain, 1 Piper PA-31-310 Navajo, and 1 Aerospatiale SA.315B Lama helicopter. Operations continue apace and by 1981 enplanements total 30,400.

The employee population is increased by 10.5% in 1982 to 42 as another Chieftain joins the fleet. Passenger boardings jump 35.4% to 13,000. During the 1980s, the French rotary-wing operator **Heli-Union** obtains shareholding and outfits the company with four helicopters: two Aerospatiale Lamas and two Aerospatiale Alouettes.

In 1989, the company is reformed as **Air Reunion, S.A.**

REX AVIATION (NZ), LTD.: P.O. Box 14107, Kilbirnie, Wellington, 36030, New Zealand; Phone 64 (4) 387-2907; Fax 64 (4) 387-2414; Code N2; Year Founded 1989. Rex Aviation, Ltd. is established in 1989 as a Tranzair commuter affiliate of **Ansett New Zealand, Ltd.**, offering connecting services across Cook Strait. General Manager John Lanham also oversees the inauguration of local flights with a fleet of Piper PA-31-250 Navajo Chieftains.

Rex Aviation begins Tranzair roundtrips in October 1991 between Wellington and Blenheim.

In the late fall of 1995, the carrier takes over the **Northern Air, Ltd.** Tranzair link between Whangarei and Auckland.

The Tranzair commuter brand is replaced on February 29, 1996, by a new Ansett New Zealand Regional service. Rex Aviation takes over the Whakatane to Auckland route previously flown by Bell Air, Ltd. Indeed, it now provides all Ansett New Zealand Regional flights with a fleet of 5 Embraer EMB-110P-1 Bandeirantes.

In October 1997, General Manager Lanham's concern, operating as Ansett New Zealand Regional, ceases services to Whakatane. The Bandeirantes are relocated to the Auckland-Whangarei sector, replacing the Piper PA-31-350 Navajo Chieftains that had operated the route previously.

Service is maintained in 1998–1999. In June of the latter year, Rex becomes a wholly owned subsidiary of **Ansett New Zealand, Ltd.** and all aircraft are repainted in modified ANZ colors.

Parent **Ansett New Zealand, Ltd.** is sold by News, Ltd. in March 2000 to a New Zealand investors group headed by the airline's CEO Kevin Doddrell and Clavell Capital executive David Belcher. In early June, the carrier is renamed Tasman Pacific Airlines of New Zealand, Ltd.; shortly thereafter, the renamed entity is awarded the first ever **Qantas Airways (Pty.), Ltd.** franchise and is rechristened **Qantas New Zealand, Ltd.** on June 26. At this point, Rex, which has been wearing ANZ colors and an ANZ banner on its Jetstream 32s, begins to use the marketing name Tasman Pacific Connection.

RFG REGIONALFLUG, GmbH. (GERMAN REGIONAL AIRLINE): Germany (1975–1993). Dr. Albrecht Knauf and Reinhard Santner form RFG-Reise und Industrieflug, GmbH. (Private and Business Flying, Ltd.) at Dortmund in 1975 to provide Cessna 404 Titan charter flights for specialists of the German computer firm Nixdorf. Initial capitalization is DM 5 million and ownership is split between the two men on an 85 to 15 basis, respectively, with Santner assuming the post of general manager.

The initial scheduled service, flown by the Titan, is inaugurated thrice-weekly over a route Dortmund–Munich in April 1979. In 1980–1981, seasonal services are introduced from Dortmund to five German North Sea resorts.

With a new airport completed and a de Havilland Canada DHC-6 Twin Otter newly delivered, twice-daily scheduled operations are inaugurated Paderborn–Munich and Frankfurt in the spring of 1982. Summer holiday flights are also started to five German North Sea resort islands.

The route network is extended in 1984 by twice-daily flights Dortmund–Stuttgart in May and Paderborn–Stuttgart in September. Fairchild Metros begin to join the fleet and a three-month test (eventually unsuccessful) of the Dornier 228-100 begins in November.

Daily Paderborn–London (LGW) services begin on April 1, 1985 as do weekend Dortmund–Innsbruck operations. The services to Britain, RFG's first foreign destination, are made as part of the **British Caledonian Airways, Ltd. (BCAL)** commuter network. Also in April, the company name is changed to RFG Regionalflug, GmbH. (Regional Flight, Ltd.), with the English-language subtitle German Regional Airline. An order is placed for two Avions de Transport Regional ATR42-300s and the company joins the START computerized reservations system of **Deutsche Lufthansa, A.G.**

On January 7, 1986, the Dortmund–Munich route is extended on a daily basis to Klagenfurt, Austria. During the summer, Dortmund–Frankfurt feeder flights begin on behalf of Deutsche Lufthansa. Managing Director Reinhard Santner's fleet now includes 1 Beech Super King Air 200, 1 Cessna 441 Conquest, 1 Dornier 228-200, and 1 Fairchild Metro III. The first ATR42-300 is delivered in August 1987, along with a Cessna 404 Titan and five Metro IIIs.

Enplanements for the year total 80,000.

The second ATR42-300 arrives in April 1988 and is placed in service to the major markets of Dortmund, Frankfurt, Munich, and Stuttgart. During the summer, Stuttgart to Lyon service is initiated and in the fall, ATR42-300 roundtrip flights begin to Malta. As a result, enplanements in 1989 climb to 137,800. A \$150,000 operating profit is generated.

Company employment swells 25.7% in 1990 to 330 and the fleet is altered; gone are the Cessnas, replaced by two additional ATR42-300s. Twice-weekly service is inaugurated in September from Dortmund to Dresden.

Passenger boardings leap upward by 33.1% to 193,000 and revenues ascend 33.3% to \$32 million. Operating profit grows to \$1.7 million.

Two more ATR42s join the fleet in 1991. In 1992, the Fairchild is replaced by two more ATR42-300s and an ATR72. The carrier is merged with **NFD (Nurnberger Flugdienst, GmbH.)** on January 1, 1993 to form **Eurowings NFD + RFG, GmbH.**

RHEINLAND AIR SERVICE, GmbH.: Germany (1971–1996). RAS is organized at Krefeld in 1971 to provide local, nonscheduled, third-level, all-cargo services. Operations continue with little change over the next decade and in 1985 the company begins flying to both domestic and regional destinations. Through the end of the decade, flight equipment consists of a Cessna 404, 421, and 425.

In 1991, two Shorts 360-300Fs are acquired. Operations continue with success in 1992 and in 1993 President Jurgen Ossman's fleet is increased by the addition of a third Shorts freighter and a Cessna 425 Conquest I. Airline employment stands at 80 as operations continue into 1994–1996. On December 19 of the latter year, the company is purchased by **LTU International Airways, GmbH.** and reformed into its commuter subsidiary **RAS Fluggesellschaft, mbH.**

RHEINTALFLUG-ROLF SEEWALD GESELLSCHAFT, mbH.: Bahnhofstrasse 10A, Seegalerie, Bregenz, A-6900, Austria; Phone 43 (5574) 48800; Fax 43 (5574) 488008; <http://www2.vol.at/Rheintalflug>; Code WE; Year Founded 1973. Rheintalflug is established at Hohenems in Vorarlberg province during 1973 to provide single-engine air taxi services. Shareholding is divided between founder Rolf Seewald and members of his family, who form Seewald,

GmbH. In 1978, the fleet is enhanced by the addition of a Cessna 414A Chancellor.

In early 1984, founder Seewald, with himself as president and his wife, Renate Moser, as vice president, reforms his company into an airline and makes ready to operate it with a small fleet of twin-engine planes: 2 Cessna 414A Chancellors, 2 Piper PA-28 Cherokees, and 1 Piper PA-32 Cherokee Six. Scheduled services are undertaken, beginning in May, linking the carrier's base with Vienna.

In 1985–1987, two Gulfstream Aero Commander 900s are acquired and flights begin to Parcels Viennen and Brussels. Friedrichshafen is added to the growing route network in the summer of 1988. Enplanements for the year total 10,000.

An order is placed early in 1989 for a de Havilland Canada DHC-8-100. It arrives in early fall and beginning in October is placed on the Vienna to Friedrichshafen route.

Operations continue apace in 1990 as the carrier negotiates shareholding and replacement services with **Austrian Airlines, A.G.** The flag carrier acquires 49% shareholding in December as the regional agrees to begin flying a route under its "OS" designator during the early part of the following year.

The Aero Commanders are replaced in April 1991 with a second de Havilland Canada DHC-8-300. In the spring, twice-daily, weekday scheduled Graz to Zurich replacement service is introduced on behalf of **Austrian Airlines, A.G.**

Two more of the Canadian turboprops are obtained in 1992. President Seewald's 75-employee company airline now flies replacement services on behalf of the flag carrier to Frankfurt, Graz, Linz, and Zurich as well as its own Altenrhein to Vienna route. Throughout the year, discussions are held with Austrian concerning its possible purchase of 51% majority shareholding.

Operations continue apace in the tenth anniversary year of 1993. In February, **Austrian Airlines, A.G.** announces that it has decided to pass on a possible acquisition of majority interest in Rheintalflug, suggesting that it is, in fact, in its interest to keep the efficient regional independent and operating replacement services on its behalf.

During the decade of service, over 210,000 passengers have been transported. Revenues during 1994, however, decline 7% to \$14.92 million.

Flights continue largely without change in 1995–1996. Passenger boardings during 1996 surge 56.3% to 75,000.

The workforce is increased by 5.6% in 1997 to 95. Early in the spring, a DHC-8-400 is ordered (with an option on a second) for the Altenrhein route; delivery is scheduled for the year 2000. A number of replacement flights are undertaken under contract to **Deutsche Lufthansa, A.G.** On behalf of the German national airline, thrice-weekday roundtrips are initiated between Friedrichshafen and Berlin, with twice-daily return service on Saturdays and daily on Sundays. Enplanements reach 101,000.

Company employment totals 120 in 1998. The arrangement with the German major is formalized on April 1 as Rheintalflug signs the papers to become a member of the "Team Lufthansa" regional network. All three of the carrier's DASH-8s are repainted in the partnership color scheme and operate for **Deutsche Lufthansa, A.G.** from Friedrichshafen to Cologne, Berlin, and Hamburg and from Munster/Osnabruck to Stuttgart. Enplanements for the year surge to 143,000 and revenues total \$21.7 million.

In 1999, orders are placed for an Embraer ERJ-145 Amazon as "Team Lufthansa" flights continue. Dual designator service with **Austrian Airlines, A.G.** continues to also be operated five times daily from St. Gallen/Altenrhein to Vienna. The carrier's new Embraer ERJ-145 arrives at Altenrhein on the evening of December 19.

Enplanements for the year total 200,000. Revenues of \$27 million are generated and expenses are \$26.1 million. There is an operating profit of \$900,000 and net gain of \$2.9 million.

Airline employment at the beginning of 2000 stands at 140, a 16.7% increase over the previous 12 months.

The ERJ-145 is christened *Vorarlberg unter Land* (after the carrier's home province in western Austria) by Ilga Sausgruber, wife of the gov-

error, in a special January 10 ceremony. The next day, founder Seewald personally pilots the inaugural flight to Vienna. Following workup, the new jetliner enters service in late March between Vienna and Altenrhein. It is announced on March 29 that the last DHC-8-100 will be retired by the end of April.

Orders for another two ERJ-145s are placed on July 27 and August 4, respectively. When these join the fleet, they wear "Team Lufthansa" colors. At the same time, the DHC-8Q-400 order is deferred.

The second ERJ-145 arrives at the end of October; christened *Stadt Vienna*, it operates the Vienna–Altenrhein route, freeing up the *Vorarlberg under Land* to offer a second roundtrip from Friedrichshafen to Berlin and two new return flights from Friedrichshafen to Hamburg. Bürgermeister Markus Linhart christens the third ERJ-145 *Stadt Bregenz* during special ceremonies on November 24. It quickly replaces the DHC-8-300 flown between Friedrichshafen and Frankfurt.

Enplanements for the year total 250,000 and revenues of \$28.3 million are generated. In February of the new year, it will be announced that the regional is to be purchased by Austrian Airlines Group for an undisclosed sum.

RHINE-AIR, A.G.: Switzerland (1979–1982). Basel-based **Air-Sea Service, A.G.** is reformed on April 1, 1979 and renamed. Ernst Ballmer becomes chairman/managing director with Fred Hofer as director of operations. The 20-employee, third-level company possesses an inaugural fleet of 2 Nord 262s, 1 Britten-Norman BN-2 Islander, and 1 Piper PA-31 Navajo. Destinations served include Munich and Geneva.

Enplanements skyrocket 138.8% to 5,524.

Operations continue apace in 1980 and in 1981 an Australian-made GAF Nomad N.24A, a Cessna 340, and a Mooney M20J join the fleet. Despite the changeover, the carrier is soon in financial difficulty due to over expansion, higher fuel costs, and especially the world recession. It is unable to fly beyond 1982.

RHOADES AVIATION: 4770 Ray Boll Blvd., Columbus, Indiana 47203, United States; Phone (812) 372-1819; Fax (812) 378-2708; <http://www.rhoades-aviation.com>; Year Founded 1976. Rhoades is established at Columbus, Indiana, in 1976 to provide FBO, flight training, and charter activities. Over the next 24 years, the concern becomes a well-known all-cargo carrier, employing a mixed fleet of Convair CV-240s and Douglas DC-3s.

Freight flights are made to and in Mexico on behalf of the automobile, retail, and computer industries. Rhoades aircraft are also found throughout the Caribbean, operating ad hoc charters to St. Thomas, St. Croix, the Dominican Republic, and Haiti. Cargo services are also provided on behalf of various shippers in the U.S. and Canada. Express and passenger charters are offered employing Cessna 310s, 402Cs, and 421s.

Humanitarian service in Africa has long been a hallmark of Rhoades activity. Upwards of 200 hours a week are flown weekly under contract to the UN, International Red Cross, and Christian relief organizations.

Company employment at the beginning of 2000 stands at 50 and estimated sales of between \$5 million and \$9.9 million are now generated. On June 22, two each Convair CV-600F and CV-640Fs, previously operated by **Kitty Hawk Air Cargo**, are obtained.

RHODESIA AIR SERVICE, LTD.: Southern Rhodesia (1961–1966). RAS is established at Salisbury in late 1961 to operate passenger charters to Central African destinations. Revenue flights commence in early 1962 with a pair of Douglas DC-3s. One of the Douglas transports crashes at Salisbury and the second is lost over Katanga. Late in the year, a DC-4 is acquired.

During the spring of 1963 the company receives authority to operate every-two-weeks charters to Mauritius. The DC-4 begins these, but soon breaks down in need of expensive engine repairs.

During the fall, RAS is authorized to provide scheduled services from Salisbury to Mauritius via Santa Carolina, Hippo Valley, and Fort Victoria. The DC-3 lost in Katanga the previous year is returned in December.

£100,000 pounds in debt, the company declares bankruptcy in January 1964. Just when it appears that RAS will be liquidated, **Autair International Airways, Ltd.** from the U.K. and Salisbury-based **Skyways, Ltd.** come forward to offer a rescue plan and subsequently, working capital.

The Salisbury to Mauritius license is passed to **Central African Airways Corporation** in 1965. Unwilling to sustain the money-losing carrier further, its British investors pull the fiscal plug in 1966 and shut it down. Its routes and two DC-3s are sold, for the most part, to CAAC.

RHODESIA UNITED AIR CARRIERS, LTD.: Southern Rhodesia (1960–1968). A number of small Southern Rhodesia air operators are merged at Salisbury in December 1960 to form this larger enterprise. Concerns taken over include **Air Carriers, Ltd.**, **Commercial Air Services (Rhodesia), Ltd.**, Victoria Falls Airways, Ltd., Fishair, Ltd., Flights, Ltd., and the assets of **Hunting-Clan African Airways, Ltd.**

Capitalization of £100,000 is provided by **Central African Airways Corporation**, **British United Airways, Ltd.**, and United Transport Overseas, Ltd. Sir Thomas Chegidden is named chairman and bases are established at Salisbury, Bulawayo, and Victoria Falls.

Charter and flight-seeing services are provided by the combined fleet of the merger partners, the largest units of which are a pair of Piper PA-23 Apaches and a Cessna 310.

While on a positioning flight, a chartered Douglas DC-3 with three crew crashes while on final approach to Salisbury Airport on November 22, 1961 (two dead).

Slightly two years after start-up, United Transport Overseas, Ltd. takes over all shareholding in February 1963. C. Boyd-White becomes chairman and the fleet is improved by the addition of three Beech 55 Barons, a PA-23 Aztec, and a de Havilland DH 104 Dove.

Airline employment stands at 30 in 1964 as a second C-310 is acquired. En route from Luabo to Salisbury on April 1, 1965, a Baron carrying six passengers crashes near Vila de Sena, 200 mi. N of Beira; there are no survivors.

Flights, largely providing tourists with sight-seeing junkets to see big game, continue in 1966. The two C-310s are sold early in 1967 and the company shuts its doors at the beginning of the following year.

RHODESIAN AERIAL TOURS, LTD.: Southern Rhodesia (1922). Maj. A. M. Miller establishes this pioneering concern in Bulawayo in early 1922 to provide nonscheduled air transport of people and goods. Rhodesia's first commercial air concern, RAT begins services in May with an Avro 504K, christened *Matabele*, and flown by Miller.

The *Matabele* rejects takeoff from Rusape on August 13 and is badly damaged. Miller elects not to repair the aircraft, liquidating the company instead. The pilot now migrates to South Africa, where he will play a role in the formation of **Union Airways (Pty.), Ltd.**

RHODESIAN AND NYASALAND AIRWAYS, LTD. (RANA): Rhodesia/Nyasaland (1933–1940). RANA is formed at Bulawayo on October 12, 1933 by the merger of the small competitors **Rhodesian Aviation Company, Ltd. (RAC)** and **Christowitz Air Services, Ltd.** Rhodesia Railways General Manager H. Chapman, former chairman of RAC, is named RANA chairman. Other board members include Col. T. Ellis Robins (later Lord Robins), general manager of the British South Africa Company, and Garth Trace, Southern Africa regional manager for **Imperial Airways, Ltd.** Capitalization of £25,000 is provided by the trustees of the Beit Railway and also by **Imperial Airways, Ltd.**

Shareholding is divided between Beit (13,000), Imperial (8,000), and Rhodesian Aviation Company's former executives (2,477).

The former RAC Salisbury to Johannesburg route via Gatooma, Que Que, Gwelo, and Bulawayo, continues to be flown with four de Havilland DH 80A Puss Moths.

The weekly Blantyre to Salisbury route flown by Christowitz is assumed on March 8, 1934, and operated with two former Christowitz Puss Moths. Seconded over from **Imperial Airways, Ltd.**, Capt. M. H.

Phillips completes the first RANA roundtrip on March 9. A total of 3,639 letters are carried on the flight from Blantyre to Salisbury (including 626 from South Africa or South West Africa); at Salisbury, they are loaded aboard an Imperial plane that reaches Cape Town on March 10. The first return flight to Blantyre carries 500 letters from South Africa and 131 from London.

In April, a Westland Wessex is leased from **Imperial Airways, Ltd.** Weekly Blantyre to Ndola Fox Moth, later Wessex, service is initiated on May 5 via Salisbury, Bulawayo, Livingstone, Lusaka, and Broken Hill. Bulawayo is dropped as a stop on the Johannesburg route on May 19.

Company headquarters are transferred to Salisbury during the summer. A DH 85 Leopard Moth is placed in service during October.

A total of 1,925 passengers have been transported by year's end.

In July 1935, the carrier signs an agreement with the Menica Trading Company of Beira, under which that community will be linked to the **Imperial Airways, Ltd.** African route. RANA, on August 1, launches two thrice-weekly services to Beira from Salisbury and the other from Blantyre, this latter actually starting on August 5. The inaugural return flights over the new routes are undertaken on August 3 and August 6, respectively.

The Wessex is replaced by a DH 89 in November. Enplanements this year, despite the new routes, decline to 2,319.

The first DH 90 Dragonfly is received in August 1936, but customer bookings for the year decline again, falling to 2,103.

Roundtrip frequencies on the Salisbury to Johannesburg are increased to six times a week on February 1, 1937.

When the Empire Air Mail Programme is introduced in June, RANA is given feeder responsibilities over these routes: Beira–Blantyre, Beira–Bulawayo via Salisbury, and Beira–Blantyre via Salisbury. Twice-weekly Beira–Lusaka flights via Salisbury and Blantyre commence on June 30 followed by weekly Beira–Johannesburg service on July 1 via Salisbury, Bulawayo, and Petersburg; both routes are designed to connect with **Imperial Airways, Ltd.** flights stopping at Beira.

Capitalization is increased to £70,000 in October and enplanements for the year climb back up to 2,570.

Capitalization grows again in January 1938, rising by £30,000; 48,295 £1 shares are outstanding.

Dragon Rapide service from Salisbury to Johannesburg is introduced on February 1, 1938 via Gatooma, Que Que, Gwelo, Bulawayo, Petersburg. Twice-weekly Dragonfly flights from Blantyre–Fort Jameson via Lilongwe commence on May 23.

Lusaka–Fort Jameson direct weekly roundtrip service is begun on August 10 and in September, twice-weekly Salisbury–Beira via Umtali return frequencies are undertaken.

In terms of passenger boardings, the year is the kindest yet as 3,448 passengers are carried.

The first DH 84 Dragon is received in January 1939. The fleet now also includes 4 Dragon Rapides, 3 Leopard Moths, and 2 Dragonflies. World War II begins for Rhodesia on September 3.

Passenger bookings reach their zenith this year, rising to 3,579.

On February 1, 1940, the company is purchased by the government of Southern Rhodesia and transformed into an air force communications squadron under the title **Southern Rhodesian Air Services**. The company is officially liquidated on July 8, 1946.

RHODESIAN AVIATION COMPANY, LTD.: Rhodesia (1929–1933). Capitalized at £7,500, RAC is formed at Bulawayo, Southern Rhodesia, on April 17, 1929 under subsidy from the government of Southern Rhodesia and the trustees of Sir Alfred Beit's Beit Railway and led by Capt. Benjamin Roxburgh-Smith. A six-member board of directors is established with Francois Issels as chairman and Roxburgh-Smith as managing director/chief pilot.

The de Havilland aircraft distributorship is taken over from **Rhodesian Aviation Syndicate, Ltd. (RAS)**. Technical advice is provided by **Cobham-Blackburn Air Lines, Ltd.**, which had earlier concluded arrangements with the RAS and now also agrees to provide aircraft.

When the expected Blackburn Bluebird biplane is late in delivery, RAC acquires an Avro Avian in June. A second Avian arrives at Bulawayo in November as D. S. "Pat" Judson becomes the assistant chief pilot. Regularly scheduled weekly roundtrips are started to Salisbury. Investors are able to cover the year's £395 loss.

Alan Cobham travels to company headquarters in January 1930 to discuss future plans with the board. Roxburgh-Smith is notified in early February of the arrival of the crated Bluebird at Cape Town; traveling down to that South African seaport, he supervises its assembly and flies it up to Bulawayo, arriving on February 15.

The year's most important charter customer is C. J. Christowitz, who is flown from Salisbury to Limbe in Nyasaland. Not only is he the first passenger flown to that point, but he will later start his own pioneering service there.

Imperial Airways, Ltd. assumes all **Cobham-Blackburn Air Lines, Ltd.** interests in Africa in early 1931. The British state carrier immediately withdraws subsidy, leaving the small airline to flounder. Fortunately, both the Beit Railway and the Rhodesian government continue to provide aid.

Upon his permanent return to England in May, Roxburgh-Smith is succeeded as managing director by Pat Judson. The sale of an unspecified number of shares brings in sufficient funds to purchase two de Havilland DHA 80 Puss Moths that are assigned to the weekly Bulawayo–Salisbury route. While on a training flight with a student pilot, the Puss Moth transporting Managing Director Judson crashes on November 20; both men are killed.

The fleet is grounded for two weeks for safety checks, while Michael Hawkings-Pearce is brought on as the new managing director. A total of 400 passengers are flown on the year.

Sir Alfred Beit establishes the Beit Trust on February 10, 1932, for the improvement of air transport on the Imperial route; he capitalizes it at £50,000. **Airwork, Ltd.** executive H. Nigel Norman is asked to come and conduct a survey after which he might advise the Trust on the development of an air network.

A total of 1,229 passengers are flown on the year.

Stockholders of RAC meet in a special called session in January 1933 to consider a buyout proposal from **Imperial Airways, Ltd.** received late the previous year. The decision is taken not to sell.

A DH 83 Fox Moth is acquired in the late spring of 1933 and is used by Managing Director Hawkings-Pearce to personally start weekly passenger and cargo roundtrips on July 27 from Salisbury to Johannesburg, via Gatooma, Que Que, Gwelo, and Bulawayo.

By summer, **Airwork, Ltd.** executive Norman has completed his aerial survey and prepared a set of recommendations. Chief among the latter is the establishment of a single state-supported feeder to replace the independents now operating in the region.

As a result of the Norman Report, the board votes on August 4 to turn over assets to a new concern about to be formed with Beit and government backing. On October 12, RAC is merged with rival **Christowitz Air Services, Ltd.** to form **Rhodesian and Nyasaland Airways, Ltd.** Prior to its dissolution, RAC has flown 1,250 passengers on the year.

RHODESIAN AVIATION SYNDICATE, LTD.: Southern Rhodesia (1927–1929). One day in the summer of 1927, Capt. J. Douglas "Dug-gie" Mail shows up at Bulawayo from Natal with a crated, war-surplus de Havilland DH 6B. He has come to join with B. M. Cairns, owner of the Motor and Cycle and Supply company, to set up a flying service.

Mail and Cairns meet with prominent local citizens. Receiving local support, as well as the financial backing of Filabusi mine owner Harry L. Stewart, the two men to set up RAS. Other members of the syndicate include A. G. Hay, A. S. Redrup, and barrister John Coghlan.

Having meanwhile assembled his de Havilland, which is christened *Baby Tank*, Mail begins the company's operations with a flight from the local racetrack on August 14. The new concern will be contracted to fly a number of charters.

On September 20, the Duc de Nemours hires Mail to transport him to Plumtree, 60 mi. SW of Bulawayo. Insufficiently powered, the plane

makes a forced landing while en route, forcing the pilot and his passenger to walk most of the way back to town. The *Baby Tank* is carted back to Bulawayo, but not repaired.

Director Hay, meanwhile, is in London on business. He is notified of the de Havilland's demise and asked to acquire another aircraft. Meeting with Sir Geoffrey de Havilland, Hay arranges for RAS to be his first distributor in Southern Africa. A DH Moth is shipped down to Durban, where Capt. Mail uncrates and assembles it, flying it back to Bulawayo on December 30. On the last day of the year, the plane is christened *Bulawayo*.

The first charter operated by the *Bulawayo* occurs on January 11, 1928, when a gentleman buys passage to his brother's ranch in the Wankie District. A month later, Mail flies down to Salisbury to give aerial demonstrations and provide flight-seeing opportunities for local citizens.

Capt. Mail leaves RAS at the end of February to accept another post and is replaced by a Capt. Wright. En route to Salisbury with a Maj. Newman on March 4, Wright flies the *Bulawayo* into a tree; although the aircraft must be written off, neither Wright nor Newman are hurt, though Wright decamps. RAS is left without either a plane or a pilot.

Pioneering British airman Alan Cobham, fortunately, happens to be in the area in late March and hears of the RAS predicament. He meets with the company's principals and later, through the efforts of Francois Issels in England, is persuaded to take over the concern in February 1929 as part of a larger undertaking.

RIAIR, A.S.: 1 Melluzu St., Riga, LV-1067, Latvia; Phone 371 (2) 424 283; Fax 371 (2) 860 189; <http://www.riga-airlines.com>; Code GV; Year Founded 1994. Riga Airlines (Rigas Aeronavijas, A.S.) goes bankrupt during the summer of 1994. President M. Karklins's company is immediately reborn as RiAir, complete with new a new corporate identity and aircraft livery. In September, code-sharing flights begin with **Transaero Airlines** on its routes from Moscow to Riga to London (LGW) and Paris. A B-737-2C9A is chartered from Transaero in December.

Airline employment stands at 46 in 1995 as the new Russian Boeing enters service in January wearing dual Transaero/RIAIR markings. The Riga-Moscow route is flown as a monopoly and competing **Air Baltic, A.S.** is prevented from serving Moscow.

Enplanements total 67,751 and revenues reach \$3.61 million. Still, there is a \$73,000 operating loss.

The US-made jetliner is able to help the company increase its customer bookings in 1996 to 86,654.

Flights continue in 1997. In December, **Transaero Airlines** purchases a 30% stake. Passenger boardings this year slide to 68,949.

Service is maintained in 1998. Late in the year, a homepage is opened on the Internet's World Wide Web. Customer bookings fall 32.8% to 40,000.

Airline employment in 1999 stands at 46. By year's end, the company is flying 3 **Transaero Airlines** "Baby Boeings."

RICH INTERNATIONAL AIRWAYS: United States (1970-1997). Jean Rich establishes a carrier named for himself in late 1970 beginning all-cargo operations from his Miami base with a Beech 18 in January 1971. Three Curtiss C-46A freighters are acquired during the next four years as tramp freighter flights continue to destinations throughout the southeast, especially Atlanta.

En route from St. Petersburg, Florida, with a cargo of 9,000 pounds of dynamite on August 8, 1975, the crew of a C-46F discovers, when both engines stop, that the plane has not been refilled. A successful ditching is carried out in the sea .5 mi. NW of Aguadilla; both men are rescued.

In July 1976, Rich receives CAB certification as a supplemental and is renamed Rich International. All-cargo flights are authorized and some started in 1977-1978 between Miami and Atlanta and destinations in Canada, Mexico, Central America, and the Caribbean.

By 1979, the fleet has been increased to include not only the 2 surviving Curtiss Commandos, but also 4 Douglas DC-6As and 1 DC-8-

33F. An engine failure causes the crew of a C-46A to ditch their aircraft off the Bahamas on September 12; there are no fatalities.

For the year, 9.53 million FTKs are hauled, a figure that plunges by 26.5% in recessionary 1980 to 7.53 million. Still, profits are earned: \$380,000 (operating) and \$40,000 (net).

Three former USAF C-118As are purchased in 1981 and converted to civil DC-6A standard.

Cargo hauled increases to 11 million FTKs while the workforce is increased to 50. Revenues advance 8.4% to \$6.38 million while costs, although up by 8.8%, are kept in check at \$5.99 million. The operating profit is \$393,000 and net gain is less than that of the year before, \$15,000.

In early 1982, Rich is authorized to inaugurate passenger group charter flights. Two DC-8-55CFs are acquired and these are employed to launch passenger flights in July from both Florida and New York to Europe, the Caribbean, and Hawaii.

A total of 26,000 passengers and 3.6 million FTKs are operated during the remainder of the year.

Overextended with debts near \$4 million and fighting the effects of the recession, Rich enters Chapter XI bankruptcy in June 1983, while continuing operations. Bookings climb 180.8% to 76,000.

On April 16, 1984, the FAA, after a safety audit, briefly suspends the 100-employee carrier's operating permits, claiming "hundreds of safety violations" as a result of poor maintenance and bookkeeping. When these difficulties are resolved, the certificates are reinstated in mid-May and flights are resumed.

In the fall, the federal bankruptcy court approves a refinancing plan, whereby George Batchelor's Batchelor Enterprises, parent of **Arrow Air**, contributes \$1 million in loan capitalization. The arrangement grants Batchelor the right to acquire up to 50% shareholding at a time of his choosing.

Passenger enplanements fall 24.9% to 135,000 and the year's losses are \$608,643 (operating) and \$1.1 million (net).

The payroll is increased by 21.2% in 1985 to 63 and the fleet now includes 3 DC-8-62s and 1 DC-6AF.

Still attempting to resurface from bankruptcy, the carrier's passenger boardings fall 52.6% to 64,054. On the other hand, freight is down only 8.4% to 155.5 million FTKs. Revenues decline 17.4% to \$12 million, but costs are down 29.1%. This happy inequality leads to an operating profit of \$1.28 million and net gain of \$1.06 million.

The employee population swells to 127 in 1986 as the Miami-based charter operator resumes its upward progress. A government fine, levied because company pilots have either not received appropriate training or have exceeded their flight time limitations, does not delay progress.

Customer bookings increase 58.1% to 101,577.

Passenger boardings zoom upward in 1987 by 34.9% to 143,856. Still, the year is not profitable as losses of \$466,000 (operating) and \$1.28 million (net) are suffered. Among the costs is another government fine—\$30,000—once again due to excessive pilot flight times.

The workforce is cut by 9.4% in 1988 to 116.

Passenger boardings rise 2% to 105,452, but revenues fall 20% to \$18.2 million. Although the operating loss jumps to \$759,000, there is a net gain of \$1.8 million.

Airline employment grows 29.3% in 1989 to 150, but passenger boardings fall 14.5% to 90,260. Revenues dip 6.3% to \$17.08 million, expenses decline 19.5% to \$15.28 million, and operating income of \$1.8 million is realized. Net profit dips to \$1.32 million.

Neither fleet nor employee count is changed in 1990. One of the DC-8-62s is employed during the fall to begin a new transatlantic package service on behalf of the Swiss tour operator Ferien-Service.

The federal government again fines the airline after inspectors learn that pilots have not received required training, check pilots have not maintained appropriate records, and pertinent information has been omitted from required reports.

The traffic free fall continues. Customer bookings plunge 60.5% to 30,000 and revenues drop 41.3% to \$10.03 million. Fortunately, expenses

are down 36.4% to \$9.72 million and allow an operating profit of \$311,042. A net loss of \$510,836 is, however, suffered.

Company employment is cut by 33.3% in **1991** to 100 and the fleet now includes 2 DC-8-62s.

Passenger boardings skyrocket 150% to 75,304 and revenues zoom upward a spectacular 153.8% to \$25.47 million. Expenses rise by an even greater percentage, 159.3%, to \$25.21 and allow an operating profit of \$258,093. Net gain reaches \$810,375.

Fifty new employees are hired in **1992** and the fleet is more than doubled by the addition of a DC-8-63 and three Lockheed L-1011 TriStar 1s, the latter from the assets of **Eastern Air Lines**.

As a consequence, customer bookings surge 128% to 171,000. Revenues hit \$40.2 million, but expenses are more and an operating loss of \$126,396 is taken. There is a net profit of \$741,823.

In **1993**, Rich President William Meenan oversees a workforce of 253. The fleet comprises the 3 ex-EAL Lockheed L-1011 TriStar 1s, 2 DC-8-62s, and 1 each DC-8-63 and L-1011-500. The latter is newly acquired, but previously operated by the German charter operator **LTU (Lufttransport Unternehmen, KG.)**. In addition to a scheduled route between New York and Georgetown, Guyana, the carrier continues to operate worldwide civilian and military charters from Miami to Brazil, Argentina, and Lisbon and from Orlando to Glasgow, Belfast, and London (LGW).

Passenger boardings increase another 112.7% to 363,678 and revenues swell 19.4% to \$47.97 million. Expenses are up 21.1% to \$48.8 million and the operating loss climbs to \$830,488. There is an \$874,000 net loss.

In early **1994**, Rich receives government authority to inaugurate combination passenger and cargo scheduled services and these are duly launched between Miami and New York. All of the aircraft involved wear a new, more up-to-date livery.

For the year, customer bookings increase 58.2% to 576,000. Operating revenue jumps 67% to \$98.83 million while expenses surge 61% to \$95.26 million. The operating surplus is \$3.57 million and there is a \$1.11-million net gain.

The workforce stands at 250 in **1995**, a 25% increase. When **Hawaiian Airlines (HAL)** replaces its L-1011-50 with a former **American Airlines** DC-10-10, the displaced TriStar is sold to Rich.

A major contract is entered into with Fort Lauderdale-based Adventure Tours to fly skiers to Colorado.

Enplanements skyrocket 77.7% to 1.01 million. Still, costs exceed income and there are losses: \$17.78 million (operating) and \$995,000 (net).

There is no change in the employee population during **1996** and early in the year, Rich is elevated to the rank of "national" carrier by the DOT. Dissatisfied, Adventure Tours refuses to renew its contract for the upcoming ski season.

In the wake of the May **Valujet Airlines** disaster, Rich, like **Mesa Air Group**, runs afoul of FAA inspectors. Following a spot check, the FAA in June attempts to fine Rich \$2.6 million for maintenance problems relating to bogus aircraft parts. The company contests the fine and the issue is left hanging.

During a two-day safety audit in August a large number of errors and safety violations are cited, including violations in pilot training, handling of hazardous materials, unqualified individuals performing inspections, failure to submit required reports and maintain required records. Additionally, a number of maintenance deficiencies are noted, including a startling revelation that all engine installations since January have been made in violation of federal regulations.

For these and an L-1011 engine incident earlier, the FAA issues an emergency order suspending the charter operator's license on September 2 and issues the carrier two fines, one for \$95,000 and the other for \$2.6 million—a repeat of the June order.

Hundreds of charter passengers are left stranded, including a large number flown in and out of Ontario to Hawaii on behalf of the San Jose-based tour company Sun Trips International. Rich is forced to file for Chapter XI bankruptcy protection in November.

Customer bookings decline 4.1% to 970,000, but operating revenues inch up 1.9% to \$154.88 million. Expenses increase 9.7% to \$186.23 million and the operating loss quadruples to \$17.78 million. The net loss is \$4.29 million.

Rich is once again sanctioned by FAA inspectors in January **1997**, just as it is preparing to resume operations and is shut down once more. Although an accommodation with the safety inspectors is reached in February, another DOT office refuses to provide the necessary economic authority to resume flying, requiring Rich to meet further conditions. Unable and unwilling to proceed, officials and creditors convert Chapter XII bankruptcy to Chapter VII liquidation. All remaining company inventory and aircraft are auctioned off in July.

RICHARDS AVIATION: United States (1980–1994). Richards is established to provide scheduled weekday all-cargo flights linking the company's base at Memphis with Corinth, Mississippi. Revenue flights, together with charter and contract service operations, are inaugurated in **1980** with a Piper PA-34 Seneca and a Gates Learjet 35.

Services continue and, in **1993** and T. Michie Hill is president.

The company shuts its doors in **1994**.

RICHMOR AVIATION: United States (1991–1995). Richmor is established at Hudson, New York, in late summer **1991** to offer scheduled regional flights to 10 cities with a fleet of 3 Convair CV-580s and 2 Mohawk 298s. A contract is signed with **Trans World Airlines (TWA)** and "TWExpress" service is inaugurated in October.

The fleet in **1993** includes 5 CV-580s and 3 Nords. The fourth Mohawk 298 arrives in **1994**. Unable to maintain economic viability, the company shuts down in **1995**.

RICO TAXI AEREO, S.A.: Manaus, Brazil; Year Founded 1971. Rico is set up at Manaus in **1971** to provide nonscheduled passenger and charter flights and contract services throughout the nation's Amazon basin. Services are started and maintained with a fleet initially comprising 12 Douglas DC-3s, 8 Piper Navajos, 2 Britten-Norman BN-2 Islanders, 3 Beech 18s, 2 Piper Aztecs, and 2 Cessna 310s.

Flights continue apace and in **1997–1998** the fleet includes 4 Embraer EMB-110 Bandeirantes.

RIDDLE AIRLINES: United States (1945–1963). John P. Riddle flies contract flights between Brazil and Florida during World War II. In May **1945**, he incorporates at Coral Gables under Florida laws with the purpose of expanding his wartime activity into a permanent airline operation. In late summer, passenger and freight services are inaugurated between New York City and Puerto Rico, but the passenger portion of the carrier's U.S.–San Juan activity is, by CAB ruling, abandoned in August **1947**.

Riddle is awarded temporary authority on January 26, **1951** to fly freight to Puerto Rico and in **1955** the CAB grants a domestic certificate allowing scheduled cargo service on routes to Florida from New York, Boston, Detroit, and Chicago.

On December 17, a C-46A flying mail from New York to Miami crashes at Hollywood, South Carolina, near Charleston, killing its two-man crew.

Curtiss C-46 freight flights are started on the new network on January 20, **1956**. New York to San Juan all-cargo frequencies begin on February 10. On June 29, it drops its service to Norfolk, Virginia, which is assumed the next day by **Transocean Air Lines (TAL)**. Employing a newly received Douglas DC-4F, scheduled roundtrip freight services from New York to Atlanta begin on November 15.

As is the situation for most of the U.S. all-cargo carriers, Riddle flies from one financial crisis to another during the **1950s**, accepting both civilian and military contracts and strengthening its fleet whenever possible. By **1958**, the company's equipment includes not only 34 Comandos, but 2 Douglas DC-4s as well.

In **1959**, Riddle's authority to San Juan is reissued and the carrier is launch customer for the British-made Armstrong-Whitworth AW650 Ar-

gosity 100. A C-46A with two crew is lost at Alma, Georgia, on March 30; there are no survivors.

The company begins to receive the first of seven Argosy freighters in December 1960, placing it on its Logair contract with the USAF Military Air Transport Service (MATS).

On March 15, 1961, a DC-7CF completes a record 6,307-mile non-stop commercial flight from Tokyo to Chicago in 20 hrs. 30 min. On July 8, the company receives a \$7.5-million MATS contract for outsize-cargo services, which flights are handled by the new British aircraft. Five days later, a C-46 crashes at Albany, Georgia, and one of the two crewmen is seriously injured.

Despite the reliability of the new Argosy transports and renewal of its domestic certificate in January 1962, Riddle Airlines is in deep financial trouble. On January 16, a C-46F is involved in an accident at Limestone, Maine. Another is lost in a bad landing at Panama City, Florida, on May 24 and a third is damaged in a nonfatal accident at San Juan, Puerto Rico, on June 5.

In mid-June, all services are suspended and in July the Argosies are sold back to their manufacturer. Indeed, they will not leave the U.S., as five will be picked up by **Overseas National Airways** and two by **Zan-top Air Transport**.

The company is now reorganized under an entirely new management team and returns to work in July. On August 17, the year's hard luck flying record resumes as a C-46, on a Miami training mission, crashes after a bounced landing. New York-Puerto Rico service is resumed with DC-7CFs in October and daily New York-Miami C-46 flights are restarted in December. For the second time in six months, a C-46 is lost in a training mission, this time at Macon, Georgia, on December 4.

Riddle's future looks brighter in 1963 when, in March, it secures a \$3.7-million loan enabling it to lease two DC-8Fs from Douglas, which also agrees to relax the payment schedule for the carrier's DC-7CFs. The right tire blows while a C-46 is taking off from Orlando on September 25, causing the aircraft to crash; neither crewman is hurt and the plane is later repaired. On November 29, Riddle is renamed **Airlift International**.

RIGA AIRLINES EXPRESS (RIGAS AERONAVIJAS, A.S.): Latvia (1993-1994). RAE is founded at the Latvian capital in the summer of 1993. The privately owned company is outfitted with a fleet that includes 1 Antonov An-26 and 1 SAAB 340A. In October, revenue flights are inaugurated to Amsterdam and Oslo, as Riga becomes the first Baltic airline to operate one of the Swedish turboprops.

Service to Berlin begins in the spring of 1994 and during the year, three An-24s join the fleet. Plans are made to acquire a Boeing 737-200 in the new year. Before these can be realized, the carrier goes bankrupt.

RIG-AIR, LTD.: United Kingdom (1969-1970). **Norfolk Airways, Ltd.** and **Anglian Air Charter, Ltd.** jointly form this small airline at Norwich Airport in summer 1969 to provide on-demand support for the increasing offshore oil exploration business. Initially, ad hoc flights are made with small planes chartered from the two founders. The first owned aircraft, a Douglas DC-3, is delivered in November.

In March 1970, the company fleet is enhanced by the addition of a BN-2A Islander and a Cessna 172. Charter work continues. In July, during the national dock strike, the two lightplanes fly a number of charters to France and Holland taking over stranded goods. Rig-Air joins Norfolk and Anglian in a July 22 merger that becomes **Air Anglia, Ltd.** in August.

RIJNMOND AIR SERVICES, B.V.: P.O. Box 12051, Rotterdam Airport, Rotterdam, NL-3004, The Netherlands; Phone 31 (10) 437-8122; Fax 31 (10) 437-1777; <http://www.quickairways.nl>; Code RAZ; Year Founded 1988. F. Stevens forms Rijnmond at Rotterdam in late 1988 to provide ad hoc charter services to various European and North African destinations. His initial fleet comprises 7 Piper PA-31-350 Navajo Chieftains. Three Chieftains are retired in 1989-1990 and replaced by two Mitsubishi MU-2B Marquises.

Operations continue in 1991-1994, during which years one more Chieftain is retired and Wiebe Bosma becomes CEO. Flights continue in 1995-1999. The fleet now includes 3 Chieftains, 1 Mu-2B, and 1 Swearingen SA-226. A close association, including a shared Web site on the Internet, is now formed with Eelde-based **Quick Airways, B.V.**

RIKOR AVIAKOMPANIA. See **KARAT JOINT STOCK COMPANY**

RIMOUSKI AIRLINES, LTD.: Canada (1946-1953). Le Syndicat d'Aviation de Rimouski is formed in 1946 to offer charter and contract service flights in the Gaspé Peninsula area of the St. Lawrence River near its Rimouski base. Operations begin with two Norduyn Norsemen Vs. The enterprise is renamed **Rimouski Airlines, Ltd.** in 1947 and a Beech 18 is acquired.

Several of the scheduled flights operated on both sides of the St. Lawrence by the **Canadian Pacific Air Lines, Ltd. (CPAL)** subsidiary **Quebec Airways, Ltd.** are assumed in 1948-1949. Among the small communities now served are Matane, Mont-Joli, Forestville, Baie Comeau, and Sept-Iles. On July 26 of the former year, a chartered Douglas DC-3, with 29 aboard crashes into a mountain on the Gaspé Peninsula; there are no survivors.

Scheduled services to additional points on the Gaspé Peninsula and throughout the St. Lawrence area are undertaken in 1950-1952. In 1953, Rimouski and competing **Gulf Aviation, Ltd.** merge to form **Quebecair, Ltd.**

RIO AIRWAYS: United States (1963-1987). Rio Airways is begun as a charter operator in 1963 to provide on-demand passenger and cargo services to destinations throughout the Rio Grande Valley of Texas. In August 1966, the company begins to operate a single Austin-Houston scheduled air taxi route with a Piper PA-31-350 Navajo Chieftain. In 1970, Killeen-based **Hood Airlines** purchases Rio.

The fleet of owner/operator Mark C. Connell in 1971 includes the Rio Piper plus a Douglas DC-3 and a Cessna 402.

A Beech 99A with 2 crew and 13 passengers is destroyed as the result of a bad landing at Killeen, Texas, on January 12; there are no fatalities.

With assistance from **Air South** president/CEO F. E. "Pete" Howe, then in the process of transferring to a similar post with **Hood Airlines**, Chairman Connell is able to acquire a new intrastate route from Dallas to Wichita Falls on November 15.

Howe's presidency begins on January 1, 1972 and on May 1, the merger of **Hood Airlines** into Rio is completed. The Hood name disappears and reborn operations of a strengthened Rio Airways begin.

On March 7, 1973, Rio inaugurates service from Dallas to Temple and this route is followed by the launch, on February 3, 1974, of frequencies to Waco. The fleet is altered as eight Beech 99s are placed into service.

Enplanements for the year total 122,318.

A strike at **Texas International Airlines** helps the commuter to boost its passenger enplanements by 28.87% to 172,047 during 1975.

The workforce is increased by 15% in 1976 to 182. Two de Havilland Canada DHC-6-300s are purchased as customer bookings jump 9.1% to 187,677.

A third Twin Otter joins the fleet early in 1977. After acquiring **Davis Airlines** in late November, the growing intrastate begins flying between Bryan and College Station and between Houston and Dallas on December 1.

The Texarkana market is entered on July 15, 1978. Passage of the Airline Deregulation Act now brings intense competition into the Texas airline industry. Rio is initially safe, feeding much of its traffic to **American Airlines**.

New frequencies are initiated to San Angelo on May 15, 1979. Other destinations launched include Lawton, Hot Springs, and Little Rock.

With much of its traffic being fed to **American Airlines**, Rio has made steady post-deregulation progress with enplanements now reaching an all-time high of 476,101.

The company fleet in **1980** numbers 10 Swearingen Metro IIs and 10 de Havilland Canada DHC-6-300 Twin Otters. Orders are placed for 6 DHC-8s. This year these airliners fly the first of 4 years' worth of declining traffic as the number of passengers carried drops to 443,218, down 6.9%.

Increased costs led by fuel prices, coupled with recession and the PATCO air traffic controllers' strike of summer **1981**, now spell significant problems for Rio. Service is started to Jonesboro, Arkansas, as an 11th Metroliner joins the fleet. ATC restrictions imposed by the strike cost Rio 60% of its Dallas slots and contribute to a decline in bookings for the year to 438,727.

The fleet begins **1982** comprising 11 Metro IIs and 10 Twin Otters. Four new DHC-7-102s are acquired and replace seven deleted Metroliners and four Twin Otters.

Enplanements continue to drop, declining to 408,447.

Flight equipment available in **1983** includes the 4 DASH-7s, 6 Twin Otters, and 3 Metro IIs. Upset with U.S. policy toward Iran, Iranian immigrant Hussein Shey Khlya hijacks Flight 252, a DHC-7 with 20 other passengers en route from Killen to Dallas (DFW) and diverts it to Nuevo Laredo, Mexico, on February 15. Following several hours of negotiations, Khlya frees his hostages and surrenders to police. He will receive a prison term of eight years.

Passenger boardings dip 1% to 404,469.

Rio, by spring **1984**, has shrunk back to its 1975 route system and is no longer profitable. On June 1, Rio joins the "Delta Connection" commuter network of **Delta Air Lines** and begins giving the bulk of its connecting traffic to that major at Dallas (DFW).

In the fall, the company disposes of its remaining Twin Otters and receives the first of five ordered Beech 1900s.

Affiliation with the Atlanta-based major gives the large commuter a 1% boost in passenger enplanements over the next 6 months, leading to a total of 408,798 for the year.

The remaining four Beech 1900s are received by March **1985** and in the spring, Rio takes on new markets (including its first interstate station, Lawton, Oklahoma) in direct competition with **American Airlines'** American Eagle partner **Metro Airlines (Metro Express II)**. The carrier is badly battered in the duel and undertakes merger discussions with **Atlantic Southeast Airlines (ASA)**, also a "Delta Connection" carrier.

The talks fail and Rio retrenches, cutting back services and selling off its four DASH-7s, which are replaced by three more Beech 1900s. The carrier fails to release its traffic figures, a certain indication of difficulty.

President Howe's company in **1986** maintains routes through Texas, Arkansas, and Oklahoma with 7 Beech 1900s. The downward plunge continues until owner Ted Connel sells the airline in October to a group of New York and Houston investors led by Hugh Seaborn, brother of Metro Airlines' CEO Jay Seaborn. On December 5, the Delta affiliation is lost, being transferred to **Atlantic Southeast Airlines (ASA)**, which begins flying out of Dallas (DFW) on December 15.

In January **1987**, a new code-sharing agreement is signed, this time with **Braniff, Inc.** At the same time, it is announced that a feeder arrangement has been worked out with **TranStar**, the subsidiary of **Southwest Airlines**. The Seaborn buyout is consummated at mid-month and on February 20, Allison of Pasco purchases 52% of the carrier for \$300,000, covering operating expenses, leases, and salaries.

The move comes too late. Despite, and perhaps because of, these many changes, Rio declares Chapter XI bankruptcy on February 27. Chairman Seaborn attempts to locate additional capital and resume operations, but he becomes embroiled in a dispute with Allison. This disputes his authority to take the bankruptcy action and his attempt at resumption of service is unsuccessful.

RIO GRANDE AIR: P.O. Box 1617, El Prado, New Mexico 87529, United States; Phone (505) 737-9790; <http://www.iflyrga.com>; Year Founded 2000. Rio Grande Air is established at the beginning of **2000** to offer scheduled passenger flights from Albuquerque Sunport. Employing a Cessna Grand Caravan, twice-daily return revenue flights

commence on February 1 to Taos and Durango. On February 12, twice-daily roundtrips from Albuquerque to Farmington.

The only commuter airline based in New Mexico continues operations without incident or headline during the remainder of the year.

RIO-SUL (EMPRESA RIO-SUL SERVICOS AEREOS REGION-ALS, S.A.): Av Rio Branco 85, 10th Floor, Rio de Janeiro, CEP 20 040-004, Brazil; Phone 55 (21) 263-4282; Fax 55 (21) 253-2044; <http://www.rio-sul.com>; Code SL; Year Founded 1976. On November 12, 1975, the federal government establishes the Sistema Integrado de Transportes Aereos Regional, a system calling for the formation of five regional airlines to provide third-level feeder service to outlying areas. A promise of subsidy is made, based on 3% surcharge on tickets sold on trunk routes.

Rio-Sul is formed at Rio de Janeiro on August 26, **1976** with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** holding 51.67% majority interest; large blocks of shares are also held by the insurance companies Sul America Terrestres Maritimos e Acidentes and Atlantica Boa Vista.

Equipped with 4 Piper PA-31-310 Navajos and 1 Embraer EMB-110C, flight services Porto Alegre to Pelotas begin on September 8.

A significant expansion begins on January 1, **1977**. Rio launches flights from Rio de Janeiro to Campos, an oil-drilling center, and from Rio to Porto Alegre via São Jose dos Campos, home of automobile, defense, and Embraer plants.

Services are expanded over the next 3 years and a total of 27 cities are in the route network by the end of **1980**. The fleet is increased to include 11 more EMB-110s and 2 business jets for charters (a Gates Learjet and a Rockwell Sabreliner 60).

In **1981**, the company is flying to a variety of southeastern Brazilian destinations in the states of Santa Catarina, Rio Grande do Sul, and Parana, plus Rio de Janeiro and São Paulo.

Sul America Terrestres Maritimos e Acidentes sells its shareholding to Fundacao Rubem Berta and to Cruzeiro; thus the VARIG group gains 66% shareholding, with control over 95% of the voting shares.

Enplanements for the year total 113,659.

Dr. Humberto J. de Almeida Costa becomes president in **1982** as the fleet is increased by the addition in late April of the first of three Fokker F.27-200 Friendships to be received during the year. The new Dutch-built turboprop enters revenue service on May 17.

While on final approach to Florianopolis on May 22, an EMB-110P-1 with two crew and two passengers undershoots the runway by about a mile and crashes into a swamp; there are no fatalities.

Passenger boardings climb to 123,134.

In **1983-1985**, the number of stops climbs to an excess of 30 as airports and airfields in the states of Minas Gerais and Espirito Santo are added. The fleet now comprises 4 Friendships and 7 Bandeirantes; airline employment stands at 440.

After landing at Rio de Janeiro from an August 6, 1984 training flight, an F.27-200, with seven crew overruns the runway into Guanabara Bay; there are no fatalities.

Customer bookings grow steadily during these years, coming to total, respectively: 146,696; 150,887; and 163,302.

A total of 32 points are regularly visited in January **1986**. Flights between the nation's second and third largest cities, Rio de Janeiro and Belo Horizonte, commence on August 2. Simultaneously, the *Voo Direto ao Centro* (Flight to the Center) route is inaugurated from Rio de Janeiro to Curitiba via Belo Horizonte and São Paulo.

In October, the carrier receives the first Alberto Santos-Dumont Safety Award in recognition of its decade of accident-free service. The year's profit margin is \$170,000. Operations continue without report in **1987**.

In **1988**, President Costa's employee population grows to 468 as frequencies are increased and the fleet is upgraded in May of the latter year with the addition of an Embraer EMB-120 Brasilia, the first placed into service by a Brazilian airline.

Customer bookings accelerate 11.2% to 335,566.

By 1989, airline employment stands at 468 and the fleet also includes 2 additional F.27s, 1 less EMB-110, and 2 more EMB-120 Brasílias. In December, Rio-Sul becomes the second Brazilian regional after **TAM (Transportes Aereos Regionais, S.A.)** to begin an alternative Rio de Janeiro-São Paulo shuttle service. This is in competition with the air bridge operated by the nation's majors, **Transbrasil**, **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**, **VARIG Brazilian Airlines (Viacao Area Rio-Grandense, S.A.)**, and **Cruzeiro do Sul, S.A.** An investment of \$10 million allows the large commuter to offer six roundtrip flights per day.

Passenger boardings rise 12.5% to 179,238 and freight moves upward by 9.8% to 202,000 FTKs.

Company employment skyrockets 92.3% in 1990 to 900 as 4 Friendships are sold and replaced by 3 more EMB-120s. These are employed on the São Paulo-Rio de Janeiro air shuttle flights.

Enplanements for the year increase to 478,101.

Two Bandeirantes are sold in 1991 as another Brasília is acquired. Orders are placed for two Fokker 50s and arrangements are made to obtain jetliners.

The fleet is down to only 3 EMB-110s in 1992 as the number of Brasílias is increased to 11; the Fokker count remains the same.

When the Fokker 50s arrive in midyear, they replace F.27s. During October, President de Almeida Costa's carrier receives its first jet equipment, two leased Boeing 737-5Y0s.

The new jetliners enter service in early January 1993. Rio-Sul thus becomes the first South American operator of the Dash 500 version of the "Baby Boeing."

The undercarriage of an EMB-120RT with 1 pilot and 17 passengers fails upon landing at Rio de Janeiro on May 12; there are no fatalities.

During the first 11 months of the year, the 870-employee airline sees its enplanements skyrocket 76.9% to 599,000 and freight traffic climb 13.8% to 3.56 million FTKs. During November, the company inaugurates daily B-737-5Y0 roundtrips between Rio de Janeiro and São Paulo, competing with other airlines in the shuttle market.

Airline employment is increased by 26.4% in 1994 to 1,100 and 2 more chartered B-737-5Y0s are acquired. Late in the year, plans are completed for the \$7-million purchase of competing regional **Nordeste (Linhas Aereas Regionais, S.A.)**, which will be merged by the following March, and for the initiation of revenue flights from São Paulo to Salvador. The company also agrees to take over Nordeste's order for three Fokker 50s.

For the full year, passenger boardings increase by 44.7% to 957,550 while cargo advances 51% to 6.06 million FTKs. Revenues reach \$168.63 million.

There is no change in the workforce during 1995. Early in the first quarter, a B-737-5Y0 inaugurates daily return service from São Paulo to Salvador. The Nordeste merger is completed in March; the combined carrier's complement of 450 pilots will come to fly more than 200 daily departures.

Traffic figures are reported through the same period and show enplanements up a dramatic 70.9% to 243,952. Cargo increases during the same period by 106.6% to 1.15 million FTKs. Operating income jumps 26.9% for the year to \$231 million.

Fifty additional employees are hired in 1996 as the Fokker 50s enter service.

Customer bookings accelerate for the whole year to 1,745,496 and 106.5 million FTKs are operated. Revenues increase to \$289.55 million and allow a net gain of \$42.1 million.

The employee population increases 52.7% in 1997 to 1,757. Destinations visited from hubs at Rio de Janeiro, São Paulo, and Porto Alegre include Araguaína, Belo Horizonte, Brasília, Campinas, Campos, Cas-cavel, Caxias Do Sul, Chapeco, Crisciuma, Curitiba, Florianópolis, Goiania, Iguassu Falls, Imperatriz, Joinville, Lages, Livramento, Londrina, Maringa, Navegantes, Passo Fundo, Pelotas, Ponta Grossa, Recife, Ribeirao Preto, Rio Grande, Santa Maria, Santo Angelo, São Jose Dos Campos, São Jose Do Rio Preto, Uberlândia, Uruguaiiana, and Vitoria.

In May, the VARIG subsidiary orders 10 EMB RJ-145 Amazons and 10 EMB-120 Brasílias. The first Amazon, known as Jet Class by Rio, is delivered in August, making Rio-Sul the first—and only—national company to acquire the first jetliner designed and built in Brazil. As the Amazons enter service, they fly over numerous main routes from Rio de Janeiro, including those to Belo Horizonte, Vitoria, Campinas, Brasília, Porto Alegre, and Joinville.

Traffic figures are reported through November and show enplanements up 16.6% to 2,035,000. Cargo is also up, by 10.3%, to 8.2 million FTKs.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Prior to internal air force opposition that slows the process, DAC deregulation continues in January 1998. As part of the liberalization, the government decrees that the monopoly the company shares with its parent, plus **Transbrasil, S.A. (Linhas Aereas)** and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** on the Rio de Janeiro to São Paulo air bridge, must end.

Simultaneously, trunk lines are granted permission to compete with regional carriers on services between the downtown city-pairs of São Paulo and Brasília or Belo Horizonte and Rio de Janeiro and Belo Horizonte or Brasília. Further, airlines will be allowed to offer discounts of up to 65% on internal flights and any carrier will be allowed to fly charters on any route, with certain conditions. The move will have the desired end of increasing new business, but it will also set off a devastating fare war.

In February, a B-737-5Q8 arrives under charter from ILFC. A second follows in April.

In June, **VARIG Brazilian Airlines (Viacao Area Rio-Grandense, S.A.)** announces that it will drop out of the joint Rio de Janeiro-São Paulo air bridge shuttle and will, in cooperation with Rio-Sul, offer its own competition against its former partners, **Transbrasil, S.A. (Linhas Aereas)** and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**.

The new linked air bridge flights commence in July. The World Cup now leads to a significant reduction in the number of Brazilians traveling, as they prefer to remain home and watch the month of matches from France on television.

During late summer, a major shakeup at the parent airline is begun. The change is due largely to a report that a \$168-million loss has been incurred during the year's first half. In September, the livery of Rio-Sul aircraft is changed; the planes become identical to those operated by the parent company in all but titles.

On September 1, twice-daily EJ145 roundtrips are initiated between Rio de Janeiro and São Paulo.

The Brazilian DAC scraps its last regulations over passenger airline fares on December 30, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Passenger boardings increase 54.1% to 3.13 million, while cargo jumps up 37% to 11.29 million FTKs.

Between November 1 and 3, the company takes delivery of 3 more ERJ-145s; it now operates a total of 14.

Passenger boardings surge 13.8% to 3,570,000, while freight traffic rises 12.9% to 12.74 million FTKs. Revenues fall 15.9% to \$349.12 million while costs drop 14.7% to \$349.8 million. The \$682,000 operating loss is exceeded by a net loss of \$18.99 million.

Airline employment at the beginning of 2000 stands at 2,250, a 28.1% increase over the previous 12 months. The "classic" B-737 fleet still includes 1 each Dash-3Y0 and Dash-33A, plus 4 Dash-5Y0s, 4 Dash-53As, 5 Dash-5Q8s, and 1 Dash-58A. A total of 402 workers are employed at the beginning of the year.

During June, a restructuring of **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, begun in the first quarter, continues. A new holding company, FRB-Par, is created for the VARIG business

group, with VPTA and VPSC becoming two of its three subsidiaries, with the original holding company, VARIG Brazil, named the third. The group's first charter organization, Rotatur, is incorporated, while the subsidiary carriers Rio-Sul and Nordeste (**Nordeste Linhas Aereas Regionais, S.A.**) are granted their independence from VARIG and are placed under the control of VPTA.

During the first nine months of the year, customer bookings advance by 10.7% to 2.9 million, while net profit, over the same period a year earlier, grows 4.7% to 27.4 million reals.

A B-737-53A is subchartered to **Air Nippon Company, Ltd.** on March 27. A total of 16 additional ERJ-145s are ordered on October 5.

Previously operated by **Virgin Express, Ltd.**, a B-737-341 is leased from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** on November 13. On November 24, a B-737-59D previously operated by **British Midland Airways, Ltd.** is received under lease.

Delivery of the 16th ERJ-145 Amazon is accepted on December 4. As the year ends, the company is faced with a new competitor, Gol Transportes Aereos, S.A., which will launch B-737-700 service in January linking Congonhas Airport at Sao Paulo with Porto Alegre, Brasilia, Rio de Janeiro, Salvador, Belo Horizonte, and Florianopolis.

RIPSA (RUTAS INTERNACIONALES PERUANAS, S.A.): Peru (1961–1968). RIPSA is formed at Lima in March 1961 as an international all-cargo operation. During the next year, a fleet is assembled comprising two Curtiss C-46 Commandos and a Douglas DC-4.

Revenue flight operations commence in March 1962 over a route from Lima to Miami via Panama City. Operations continue apace in 1963–1964.

On August 4, 1965, a C-54D freighter with three crew and four passengers fails its takeoff from Panama City for a flight to Miami and crashes; there are no survivors.

In September 1966, a Lockheed L-749 freighter is purchased from **Paramount Airways, Ltd.** of the U.K.

Flights continue apace in 1967–1968. After the Constellation is caught smuggling illegal goods during a flight to Lima in the latter year, the Peruvian government lifts RIPSA's operating certificate.

RITCHIE AIR SERVICES, LTD. See **NEW ZEALAND TRANSPORT AND TRAVEL, LTD.**

RIVAIR FLYING SERVICE: 4400 Glen Curtis Drive, Suite 202, Dallas, Texas 75248, United States; Phone (918) 299-1234; Fax (918) 299-1235; Year Founded 1991. Walter Kostich sets up Rivair at Dallas (DAL) in 1991 to operate passenger cargo services to domestic and regional destinations. Revenue flights commence to destinations in the U.S., Canada, and Mexico.

In 1998–1999, the workforce includes 15 full-time and 5 part-time staff. The fleet, several of which units are now also based at Tulsa, Oklahoma, includes Learjet 24s and Cessna 421 Golden Eagles.

THE RIVER PLATE AVIATION COMPANY, LTD. See **CRPA (COMPANIA RIO PLATENSE DE AVIACION, S.A.)**

RIVERSIDE AIR SERVICE: 6741 Germende Drive, Riverside, California 92504, United States; Phone (909) 689-1160; Fax (909) 689-1380; <http://www.riversideairservice.com>; Year Founded 1959. Riverside Air Service is established at Riverside Airport in 1959 to provide FBO, aircraft repair, and flight instruction services. Over the next 41 years, the company also enters the air charter business, providing Cessna 172 and Grumman Gulfstream G1 passenger services to points initially throughout the West and then, nationwide.

By 1998–1999, the company operates from three facilities.

Yvette Bowman schedules the work of 10 pilots at Riverside Municipal Airport. They fly 2 Beech C24R Sierras, and 1 each Grumman G-1159 Gulfstream I, Piper PA-34 Seneca, Beech A36 Bonanza, and Eurocopter AS-355F Twinstar helicopter. The concern in 2000 generates estimated annual sales of between \$1 million and \$2.5 million.

Owner Joe Pagan personally heads the company's 11-person charter department at Houston (HOU). He oversees the schedule of 6 pilots who fly from the Texas base with 1 each Citation I and a Beech 18 freighter. Pagan also stations a single Citation I at Merida Airport in Mexico. These two branches generate almost as much in annual revenues as does the parent organization.

RLA (REGIONAL LINEAS AEREAS, S.A.): Calle Agueboi 7, Madrid, E-28042, Spain; Phone 34 (1) 329-0500; Fax 34 (1) 329-3323; <http://www.irinfo.es/aviacion/regional.html>; Code XG; Year Founded 1995. In April 1995, the French regional carrier **Regional Airlines, S.A.** joins with the Spanish air taxi **Gestair Executive Jet, S.A.** (51% majority shareholder) to establish this Spanish subsidiary at Madrid. Although \$205,000 capitalization is provided, the new subsidiary, led by President Jesus Macarron, is prevented from launching service by the faster acquisition by **Air Nostrum, S.A.** of a coveted route from Vitoria to Bilbao. The firm will remain a paper enterprise for some time. Instead, a code-sharing agreement is by reached by **Regional Airlines, S.A.** with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for French-Spanish services.

During the spring of 1996, RLA is given a **Regional Airlines, S.A.** SAAB 340B and is able to inaugurate a single route from Porto to Toulouse via Madrid. It continues without change, remaining an embryonic operation into 1998.

A code-sharing agreement is signed with **PGA-Portugalia Airlines (Companhia Portuguesa de Transportes Aereos, S.A.)** in January 1999. Under its terms, the two are able to sell tickets on each other's new direct, twice-daily roundtrips between Lisbon and Casablanca. The service is operated with a Beech 1900D, newly acquired by RLA. The new partnership service will be flown thrice weekly beginning on October 29, 2000.

ROADWAY GLOBAL AIR: United States (1993–1995). A subsidiary of the giant trucking concern Roadway Services, Roadway Global Air is formed in summer 1993 to offer all-cargo services to 21 cities from a hub at Terre Haute, Indiana. Revenue services commence on September 21 with 2 former **Continental Airlines** Douglas DC-9-15RCs that have been converted into freighters.

Contracts are signed with **Kitty Hawk Air Cargo** and **Express One** and the new entrant begins to fly, on their behalf, 1 each Boeing 727-23F, B-727-25F, B-727-35F, B-727-81F, and B-727-82F. Traffic and financial figures are not separately released.

In February 1994, the fleet is expanded by the addition of a third DC-9-15RC; two leased Convair 600Fs and three CV-640Fs are also received.

Operations continue apace in 1995. During the third week of November, Roadway Services announces its intention to exit the air freight business and sell off RGA's assets.

ROAN AIR, LTD.: Zambia (1948–1999). Originally established as Northern Rhodesia Aviation Services, Ltd. in 1948, this operator exists only to operate charter services on behalf of the area's Copperbelt mining industry. In 1965, the company, a subsidiary of the Zambia Consolidated Copper Mines, Ltd., is reformed and renamed Mines Air Services, doing business as Roan Air, Ltd. In addition to its corporate business, the carrier now offers public charters from Lusaka to Ndola, Kitwe, Mfuwe, Livingstone/Victoria Falls, Kasaba Bay, and Chipata.

In April 1998, Mines Air Services is privatized through a management buyout. The reformed company is now known exclusively as Roan Air, Ltd. Scheduled services are introduced between Lusaka, Ndola, and Kitwe. Under the leadership of Gregory Havermahl, the company is purchased by Zambian ownership on September 2, 1999 and is renamed **Zambia Airways, Ltd.**

ROBERTSON AIR. See **RED BARON AIRLINES (2)**

ROBERTSON AIR LINES. See **ROBERTSON AIRPLANE SERVICE COMPANY**

ROBERTSON AIRCRAFT CORPORATION: United States (1921–1929). Brothers Frank and William Robertson, ex-military pilots, establish Robertson Aircraft Corporation at St. Louis, Missouri, in 1921. With financial investment from local businessmen, the two bid on Contract Air Mail (CAM) Route No. 2, St. Louis to Chicago, during the summer of 1925. After the U.S. Post Office makes the award on October 7, a total of \$30,000 is invested in establishing the carrier. Four de Havilland DH 4Bs are purchased and converted into DH 4M mailplanes; painted aluminum and red, the quartet receives numbers 109 to 112. Three Curtiss Orioles are also obtained.

Once the spring 1926 services of three pilots are obtained, plane no. 109 inaugurates scheduled mail service to Chicago via Springfield and Peoria on April 15. The pilot is Charles A. Lindbergh and this is the first of many routes he will open over the next decade. Flights continue throughout the remainder of the year.

Lindbergh encounters heavy fog while attempting to land DH 4M no. 112 at Chicago on September 16. When the plane runs out of gas, the pilot bails out over Ottawa, Illinois. Caught in snow and darkness in DH 4M no. 109 near Covell, Illinois, on November 3, Lindbergh is again forced to bail out. Subsidy payments received during the year are \$71,644.

DH 4M no. 110 is wrecked during January 1927. In February, Lindbergh details his survival experiences in a brief *U.S. Air Services* article, "Going Over the Side in a Parachute," (pp. 42–43).

RAC alumni Lindbergh wins world fame in May when he becomes the first to fly across the Atlantic alone. Caught in a storm over Ellsmore, Missouri, on June 28, pilot Leslie Smith crashes DH 4M no. 111 into a hill; his is the only death suffered by the company. Having lost all of its single-engine mailplanes, Robertson now acquires two new Ford 4-ATs, several Douglas M-4s, and a Travel Air 5000. By year's end, the St. Louis–Chicago route is fully lighted.

Famous after his transatlantic flight, Lindbergh returns to a hero's welcome at Robertson's facilities in late February 1928. He agrees to participate in a special February 20–21 St. Louis–Chicago mail flight using the Douglas mailplanes and the Travel Air. All of the company's pilots participate in the operation and "Lindy" flies with each a part of the distance: Philip R. Love, Thomas P. Nelson, Harlan E. "Bud" Gurney, E. L. Sloniger, and Leslie Smith. A total of 4,278 pounds are transported comprising 250,000 pieces, the letters among them being stamped "Lindbergh Again Flies the Air Mail."

On June 28, Leslie H. Smith is killed when his DH 4B is caught in a storm at Ellsmore, Missouri, and crashes. Also in June, plane no. 111, a DH 4B, is lost in a nonfatal crash. During the spring, negotiations are concluded with the Illinois Central Railroad for a ticket interchange. In addition to mail, the Fords (flown by Gurney and Sloniger) and Travel Air are employed to open passenger service on August 20; the \$40 one-way flight requires three hours flying time. On November 15, a new two-and-a-half hour nonstop passenger service is inaugurated across Missouri to Kansas City.

On December 31, 1929, the company is one of the first acquired by the new **Universal Aviation Corporation** (for \$300,000), which converts it into an operating subsidiary and where the remainder of its story is told. The Robertson Aircraft Corporation continues in a nonflying capacity and joins with Clement M. Keys to form the Curtiss-Robertson Company for the manufacturer of Curtiss Robins. Later, Robertson obtains CAM-28 St. Louis–Kansas City–Omaha and sells access to the first segment to U.A.C.

ROBERTSON AIRPLANE SERVICE COMPANY: United States (1930–1934). Following the sale of the air transport division of their Robertson Aircraft Corporation to **Universal Aviation Corporation**, Frank and William Robertson establish this subsidiary in the spring of 1930 to offer scheduled, multistop passenger service from St. Louis to New Orleans. The pair had previously operated the St. Louis-based Curtiss-Robertson Company for the manufacture of Curtiss Robin aircraft,

Equipping their carrier with a Ryan B-1 Brougham and three B-5s, the brothers inaugurate scheduled passenger services from St. Louis to New

Orleans on April 27 via Memphis, Tennessee, and Clarksdale, Greenwood, and Jackson, Mississippi.

Operations continue into 1931 as application is made for an airmail route and merger discussions are held with the New Orleans-based **Wedell-Williams Air Service Corporation**. Noting that the Robertsons did not qualify for airmail subsidy under terms of the McNary-Waters Act, Postmaster General Walter Fogler Brown awards all available routes in their area to **American Airways** on June 15.

Following this setback, passenger service and the on-again, off-again discussions with **Wedell-Williams Air Service Corporation** continue in 1932. Operations effectively end in December 1933, as the company has only carried 884 passengers and 12 pounds of air express in the previous 6 months.

When the government relets bids for the nation's airmail routes following the Air Mail Scandal and the Army's unsuccessful attempt to carry the mail in February and March 1934, the Robertsons make application for subsidy for CAM-8 Chicago–New Orleans and CAM-20 New Orleans–Houston.

Although CAM-20 is won, the Robertsons lose the Mississippi Valley CAM 8 to **Pacific Seaboard Airlines**, which underbids them by one cent per mile. The former **American Airlines** CAM-20 is inaugurated on July 25. **Wedell-Williams Air Service Corporation** acquires CAM-20 at the end of December when Frank Robertson becomes ill, forcing the brothers to leave the airline business.

ROBIN AIR LINES: United States (1951–1952). "One of history's unluckiest airlines" is the epitaph that might be applied to Robin Air Lines. Originally established as North Continent Air Lines in the summer of 1951, the company, based at New York, acquires a Curtiss C-46 Commando with which to operate passenger charters.

Hardly do flights begin when the aircraft makes a belly landing at Cobourg, Ontario, on December 20. Although no injuries are reported, the aircraft is badly damaged; unknown at the time, it will take longer to repair it than the company has left to fly.

A replacement Commando is leased on March 28, 1952. While on ILS approach to the airport at Burbank, the aircraft, piloted by Capt. Lewis R. Powell and operating as Flight 416W from Chicago via Phoenix with 4 other crew and 25 passengers, descends below minimum altitude and crashes at Whittier, California, on April 18 (29 dead). There will be no third aircraft sought as the company immediately goes bankrupt.

ROBINSON AIRLINES: United States (1945–1953). Beginning in early 1945, local Ithaca, New York, businessman C. S. Robinson employs a Fairchild F-24W to fly to Teterboro, New Jersey near New York City, site of his business. So many acquaintances seek transport that the entrepreneur elects to acquire a small Cessna and establish a charter operation, Robinson Aviation, Inc.

On April 6, an airline division is organized. A second Fairchild F-24W is purchased and two more pilots are hired, including Robert E. Peach, future executive vice president. Two Cessna T-50s join the fleet in the fall and a total of 900 passengers are carried on the year.

In 1946, capacity requirements force Robinson to sell his Fairchilds and Cessnas and replace them with four larger Beech 18s. In 1947, company officials plan to enlarge their carrier from a small intrastate shuttle to a regional airline and argue for this plan before the CAB.

To help convince the regulatory body of its viability, Robinson demonstrates support from various community segments, including a large investment from the Ithaca-based farm co-op Grange League Federation. Service is inaugurated between Westchester County Airport and upstate New York on November 4.

On February 28, 1948, the division is upgraded into an air transport company and is renamed Robinson Airlines. Edwin A. Link, inventor of the trainer named for him and a member of the board of directors, lends Robinson \$75,000 to help finance the acquisition of three Douglas DC-3s.

With its local service authority achieved from the government in February, the company is able to seek additional private investments (convertible debentures) totaling \$456,000 from prominent businessmen along the proposed route network to New York City. Much of this activity is led by Robert Peach, now general manager and executive vice president. Scheduled Douglas flights commence on September 18. Service from Albany to the southern tier is undertaken as of November 6.

During 1949, the fleet is increased to a total of 5 DC-3s and enplanements for the first full year of service are 43,000. Five more Douglas transports join the fleet in early 1950. Peach expands the route network, adding an east-west service connecting Buffalo and Albany and a north-south link to New York City from Watertown.

Service is inaugurated on August 29 from Newark to Utica and Rome, New York. En route from Utica to Newark on September 4, a DC-3 with 3 crew and 20 passengers, after losing engine parts 50 feet up after takeoff, crashes into trees near Oneida County Airport. No one survives and an entire family of five is among the victims.

Despite the tragedy, bookings continue to accelerate in 1951–1952 and on July 11 of the latter year, daily Albany to Buffalo service is begun. On January 1, 1953, Robinson is renamed **Mohawk Airlines (1)**.

ROCKFORD AIR CHARTER: United States (1964–1968). Organized at Rockford, Illinois, in the fall of 1964, RAC begins Cessna light-plane all-freight flights to Chicago on November 20. These nonscheduled all-cargo operations continue until the spring of 1968.

ROCKHAMPTON AERIAL SERVICES (PTY.), LTD.: Australia (1931–1936). RASL is formed at Rockhampton, Queensland, in the fall of 1931. Equipped with de Havilland DH 50As, the carrier begins twice-weekly Brisbane–Rockhampton services on October 2. This route is maintained through 1932–1933.

On February 18, 1934, a weekly, subsidized frequency is started from Rockhampton to Mount Coolon. Traffic declines in the face of depression in 1935 and on September 14, 1936, the company is purchased by **Airlines of Australia (Pty.), Ltd.**

ROCKY MOUNTAIN AIRWAYS: United States (1966–1991). Among the largest regional airlines to operate from Denver, Rocky Mountain is formed there by Gordon F. Autry on May 13, 1966 as **Vail Airways**. Major stockholder Autry becomes president and scheduled service is begun with an Aero Commander 680 over a Denver–Eagle–Aspen route.

In late 1968, the company is reorganized and renamed in honor of the most prominent feature of local geography. During the remainder of the decade and into the middle 1970s, services are undertaken to these additional destinations: Colorado Springs, Steamboat Springs, Winterpark–Granby, Craig, and Leadville. At 9,927 feet above sea level, the latter is the highest airport in the U.S.

Only one crash is suffered, but it is fatal. On January 22, 1970, the Aero Commander 680 with eight aboard crashes during its approach to Aspen, killing all of the passengers and crew. The fleet comes to comprise five de Havilland Canada DHC-6-300 Twin Otters. Orders are placed for three DHC-7s.

By 1974, enplanements are 107,015. Airline employment in 1975 stands at 146. Passenger boardings climb a hopeful 6.6% to 114,454.

The fleet in 1976 includes 2 DHC-6-300s, 2 Beech King Air 90s, and 2 Aero Commander 680s.

Freight traffic grows by 48% and customer bookings increase 7.3% to 124,742. Enplanements in 1977 climb to 130,515.

On February 3, 1978, President Autry's carrier fulfills its role as launch customer by placing the world's first production de Havilland Canada DHC-7-102 ("DASH-7") into service. In October, Denver-based **Intermountain Airways** is purchased and merged. During the fall, after passage of the Airline Deregulation Act, service is launched to Farmington and Albuquerque in New Mexico.

Just after takeoff from Steamboat Springs on December 4, Flight 217, a DHC-6-300 with 2 crew and 20 passengers, encounters severe icing conditions. The turboprop attempts to turn back, but crashes into the 10,000-ft. level of a mountain 8 mi. ENE of the point of origin (2 dead). The 20 survivors, including an 8-month-old boy and his mother, are saved by rescuers the next day during a blizzard.

Passenger boardings skyrocket 45.6% during the 12 months to 239,917. Freight traffic also advances, by 23.3%, to 675,244 pounds.

The two outstanding DASH-7s join the fleet in 1979. In January, the company receives the 1978 "Regional Airline of the Year" award from *Air Transport World* magazine.

Frequencies are undertaken to Alamosa, Cheyenne, and the company's private Vail Stolport, seven miles west of that community. A Twin Otter with 16 aboard makes a forced landing at Cheyenne, Wyoming, on February 28; a number of injuries are reported.

As the result of economic and snow conditions at ski markets, enplanements decline 0.6% to 238,000. Freight, on the other hand, skyrockets 156% to 1.72 million pounds.

By 1980, this intrastate commuter has been reclassified as a "large regional" under the CAB's new classification scheme and is flying its unexpanded, resort-oriented route system with 3 DHC-7-102s and 2 DHC-6-300 Twin Otters.

Despite a particularly bad Colorado winter, the carrier's traffic accelerates 24.8%; 297,788 passengers are carried on the year, along with 1.7 million ton-kilometers of freight. The employee population is, accordingly, increased by 2.7% to 232.

Recession and the PATCO air traffic controllers' strike in summer 1981 and its subsequent ATC restrictions, combined with a lack of snow at some key ski resorts, lead to a severe decline (45.2%) in bookings to 143,999. This translates into a net loss of \$498,794 on revenues of \$12 million.

Rocky Mountain rebounds strongly in 1982. The payroll is increased 10% to 242, as service is initiated to Pueblo. A fourth DASH-7 is acquired.

Passenger traffic jumps 25.3% to 349,000 passengers transported; cargo jumps 26.5% to 43,000 pounds. Operating revenues incline upward by 28% to \$15.4 million, leaving a net profit of \$498,794.

The workforce grows another 40.9% in 1983 to 341 and the fleet is enhanced by the addition of two additional DASH-7s. Flights into Rock Spring and Grand Junction begin. Routes are also inaugurated to Casper, Wyoming, and Scottsbluff, Nebraska, as the carrier becomes an interstate airline.

A joint marketing agreement is signed with **United Airlines** early in the year providing feed to the major at Denver.

Enplanements are up by 14.3% to 398,624, while freight grows 22.6% to 702,000 pounds. Revenues increase 7% to \$16.5 million, but the costs of expansion and fleet improvement bring a net loss of \$755,000.

Operating revenues increase 48% to \$24.4 million in 1984, primarily as a result of a 33% boost in the number of enplaned travelers to 481,619, coupled with an 11% increase in the average fare collected. Cargo climbs 11.9% to 785,262 pounds. Unhappily, Rocky Mountain's attempt to grow out of its dependence upon seasonal resort traffic is proving very expensive.

Indeed, costs leap 45% to \$23.9 million and a \$913,000 net loss is recorded. In an effort to cut expenses, services to Grand Junction and Scott Springs are discontinued in October and the released capacity is redeployed to the ski markets of Aspen, Avon, Vail, and Steamboat Springs.

After the failure of **Frontier Commuter** in early 1985, Rocky Mountain moves to assume several of its abandoned Essential Air Services (EAS) routes. In addition to a frequency from Denver to Scotts Bluff, two DASH-7s are detailed in February to begin two eastbound and two westbound daily frequencies from Omaha and Denver via Grand Island, North Platte, and Lincoln, Nebraska.

This move is not immediately rewarding as the year's passenger traffic suffers a downturn of 10.8% to 429,720 passengers flown. Revenues

advance to \$25.5 million, but costs are up again, and the net loss is \$956,000.

Airline employment is cut 0.6% in **1986** to 329 and the fleet includes 5 DASH-7s and 3 Twin Otters. In the spring, the FAA conducts a "special emphasis evaluation" and this development hurts company income. Almost as soon as the carrier becomes a "Continental Express" partner of **Continental Airlines** in May, it encounters difficulties.

Trusting that Texas Air Corporation (TAC) will take it over for \$3 million, President Autry must first resolve an earlier arrangement with **Aspen Airways**, which had advanced the airline \$1.2 million for three DASH-7s and certain profitable routes.

Now operating as an affiliate of **PEOPLExpress** following that national's takeover of **Frontier Airlines (1)**, Rocky Mountain feeds the no-frill pioneer at Denver. In October, Aspen withdraws its objection to the RMA sale. Longtime **Eastern Air Lines** official Donald Martin becomes president in December; only Vice President-Sales and Service Dennis Heap is retained from the previous management team.

Customer bookings fall again, down 12.3% to 376,711. The fiscal loss is again significant, although exact figures are not made available.

In February **1987**, the large regional is among the prizes won by TAC when it merges **PEOPLExpress**. President Martin is retained as president of the "Continental Express" affiliate for Denver. In order to bolster the feed arrangement, a fleet improvement program is undertaken and orders are placed for 6 DHC-8s and 10 Beech 1900s.

In July, the routes of "Continental Express" carrier **Trans-Colorado Airlines** are shifted to Rocky Mountain, along with six wet-leased Fairchild Metro IIIs and, later in the fall, a chartered Convair CV-580. The first Beech 1900 is delivered in mid-December.

Passenger boardings for the year increase by 33.3% to 501,975.

One of the Trans-Colorado wet-leased Metro IIIs is lost in a January **1988** accident near Durango. By spring, the company is making over 700 weekly departures from Denver to Aspen, Vail, Steamboat Springs, Gunnison, Durango, Telluride, and Jackson Hole. Additional Colorado destinations include Pueblo, Alamosa, Montrose, Colorado Springs, and Cortez while flights are made to the Wyoming communities of Riverton, Casper, Cheyenne, and Rock Springs. Rapid City and Pierre, South Dakota, and Scotts Bluff and North Platte, Nebraska are also served.

Former **Henson Aviation** President Donald C. Smith is named president in July and the DHC-7-102s and Metro IIIs are replaced in August by the last Beech 1900s to join the fleet. The carrier introduces one-stop shopping for winter ski programs by initiating all-inclusive packages to some 20 ski resorts in Colorado, Montana, Idaho, Wyoming, New Mexico, Utah, Colorado, California, and Canada.

Enplanements for the year total 697,238.

In May **1989**, the 590-employee carrier is merged with **Britt Airways** under the operating title of **Jet Link**. "Continental Express" service continues to be offered to 23 cities from the Denver hub with a fleet that now includes 8 Avions de Transport Regional ATR42-200s, 5 Dash-7s, and 13 Beech 1900s.

Traffic figures are now made public again and show that bookings have increased by 12.2% to 794,120.

Once a large independent regional, Rocky Mountain in **1990** has become the smallest of the "Continental Express" carriers, operating a fleet of 3 DHC-7-102s, 2 ATR42-300s, 10 Beech 1900s, and 3 Twin Otters.

In the process of feeding its parent's Denver hub, the carrier transports a total of 981,822 passengers, a 23.6% boost over the previous year.

In **1991**, Rocky Mountain and **Britt Airways** are absorbed into Continental, officially becoming **Continental Express**. Rocky Mountain becomes the new regional's western division.

RODAIR (PTY.), LTD.: South Africa (1962–1968). Rodair is established at Bloemfontein in **1962** as the air transport division of John Roderick & Co. (Pty.), Ltd. The company is a Piper distributor and initiates domestic charters with a fleet from that manufacturer that includes 1 each J-3 Cub, PA-11 Colt, PA-18 Super Cub, PA-28 Cherokee, and PA-310 Twin Commanche.

In **1964**, John Roderick & Co. acquires East London-based **Collondale Air Service (Pty.), Ltd.**, operating it as a subsidiary and allowing it to keep its previous name. CAS brings a PA-32 Cherokee Six, a Cessna 175, and a C-206 with which to operate its own charters.

Boet Choetsee is named managing director in **1966** and in **1967** he transfers Rodair's PA-11 to Collondale. Flights by both carriers continue for about another year.

ROEDERER AVIATION. See **RAI COMMUTER AIRLINE**

ROGERS HEAVY LIFT HELICOPTERS: P.O. Box 4, Clovis, California 93613, United States; Phone (209) 299-5248; Year Founded 1994. RHLH is established by Robin M. Rogers at Clovis on July 1, **1994** as a subsidiary of Fresno-based **Rogers Helicopters**. Outfitted with four (later five) ex-military Sikorsky CH-54A Flying Cranes, the company is employed in heli-logging, construction, and most importantly, aerial fire fighting. The 41-employee company will, over the next 4 years, receive contracts for work throughout the Western U.S. and Canada, Alaska, and Mexico.

In the spring of **1998**, upwards of 277 large fires break out in the Chiapas area of Mexico, which is the scene of a continuing armed revolt. High winds help to spread the blazes and, as in Brunei, immense clouds of smoke from this "Rio Blanco Fire" spread northward, even being reported on several U.S. evening television news programs. Upon a request from the Mexican government and members of the Texas congressional delegation, the U.S. Agency for International Development (AID) provides a \$5-million grant to cover the cost of sending American aerial fire-fighting aircraft to southern Mexico.

In mid-May, SEMARNAP, the Mexican Federal Natural Resources Department, joins AID in contracting with **Erickson Air Crane** for the deployment of an S-64 to assist with the fire's suppression.

The agencies also sign agreements with Rogers Heavy Lift Helicopters for the use of one of its five Sikorsky CH-54As. The Rogers Sikorsky is on the scene by the end of the month and will continue to operate from bases near Cintalapa and Zanatepec for the next month.

ROGERS HELICOPTERS: 5484 E. Perimeter Road, Fresno, California 93727, United States; Phone (209) 292-5248; Fax (209) 292-5240; <http://www.rogershelicopters.com>; Year Founded 1962. A veteran flyer for other helicopter companies and pilot of a Consolidated PBX Catalina waterbomber for a year, Harry Rogers borrows \$40,000 with which to incorporate his own company at Clovis, California, in **1962**.

Over the next 36 years, the family-owned rotary-wing concern undertakes a large number of miscellaneous activities all over the Western U.S. Among these are crop dusting and aerial seeding along the California coast and in the San Joaquin Valley; the transport of guano from caves in the Grand Canyon; a 10-year support commitment to the Helms Creek-Wishon Hydroelectric project; aerial photography; power line survey and pole lift; fire fighting; and search and rescue flights. The subsidiary **Rogers Heavy Lift Helicopters** is established under the direction of Robin Rogers in **1994**. It is equipped with four (later five) ex-military Sikorsky CH-54As that will be employed largely in heli-logging and fire-fighting activities.

Wanda L. Rogers is Rogers Helicopters president in **1998** and oversees a fleet that includes 2 each Bell 212s, Bell 222s, Eurocopter AS355F1 Twin Stars, 3 each A350D A-Stars and Bell 206L LongRangers; and 1 each Eurocopter BO-105, Sikorsky UH-1B Huey, and Bell 206B JetRanger. Two fixed-wing aircraft are also flown, a Cessna 210T and a Beech King Air 100.

In the spring, upwards of 277 large fires break out in the Chiapas area of Mexico, which is the scene of a continuing armed revolt. High winds help to spread the blazes and, as in Brunei, immense clouds of smoke from this "Rio Blanco Fire" spread northward, even being reported on several U.S. evening television news programs. Under contract to a local air charter operator, Rogers dispatches one each Bell 206B JetRanger and a Bell 212 to assist with fire fighting.

Upon a request from the Mexican government and members of the Texas congressional delegation, the U.S. AID provides a \$5-million grant to cover the cost of sending American aerial fire-fighting aircraft to southern Mexico.

The Rogers aircraft, together with those of its **Rogers Heavy Lift Helicopters** subsidiary, will be based near Cintalapa and Zanatepec through June. During this time, Rogers will also send down its second Bell 212.

ROLAND AIR, GmbH. (ROA): Germany (1980–1991). Roland is established at Bremen to offer seasonal scheduled services linking Neuenland Airport with Langeoog and Heligoland in the Frisian Islands. A fleet comprising 1 Britten-Norman BN-2 Islander, 2 Cessna 207s, and 1 Cessna 172 inaugurate flights during the summer of 1980.

During the next four years, frequencies are initiated to Borkum, Juist, Norderney, and Wangerooge. A Piper PA-34 Seneca is added in 1984. Managing Director Franz J. Lennefer acquires another Seneca and a second Islander in 1986. In 1987, a Cessna 202C is acquired. Although the Frisian Islands route network does not change in 1988, the fleet is upgraded by the addition of a BN-2A Trislander. Flights to Dusseldorf begin in 1990. The carrier, caught in financial difficulty caused by recession, stops flying in 1991.

ROMAVIA ROMANIAN AIRLINES, S.A.: 1 Blvd. Cantemir B1-B2, P.O. Box 53/76, Bucharest, R-75121, Romania; Phone 40 (1) 330-1086; Fax 40 (1) 330-1049; Code WQ; Year Founded 1991. Romavia, the second state-authorized airline, is established at Bucharest by the Ministry of National Defence on April 3, 1991 to provide state VIP flights, as well as scheduled and charter passenger and cargo services, to domestic and regional destinations. Adrian Golenu is appointed director general, with Aurel Stanciu as managing director.

Revenue flights commence in early June from both the capital and Constanta with 3 locally manufactured British Aerospace (Rombac) 111-561RCs and a mixture of Soviet and U.S. equipment: 1 Boeing 707-3K1C, 2 Ilyushin Il-18Ds, 3 former **TAROM Romanian Airlines, S.A.** Antonov An-26s, and 3 An-24Vs.

Returning from a test flight from Bucharest on January 10, 1992, the B-707-3K1C with 13 crew, lands hard in a left wing low attitude. The No. 1 and 2 engines hit the runway, with the wing beyond the No. 1 engine breaking off. Although the aircraft is damaged beyond repair, there are no fatalities.

Two more ex-TAROM An-26s are placed into service during 1993 as options are taken on two McDonnell Douglas MD-83s and an MD-11.

Operations continue apace in 1994, with a fleet that includes 2 each An-24Bs and Il-18Ds, 2 Mil Mi-8 helicopters, 5 An-26s, and 3 Rombac 111-561RCs, 2 of which are leased to **Aero Asia**. Destinations visited include Billund, Copenhagen, Karachi, London, St. Petersburg, and Sofia.

An An-24B with 4 crew and 41 passengers fails its takeoff from Verona, Italy, on December 13, 1995, and crashes in flames just outside the airport perimeter; there are no survivors.

Flights continue during the remainder of the decade and services are started to such Mideast destinations as Qatar and the UAE. The company acquires a pair of U.S.-built helicopters: a Bell 222SP, which is flown for Columna Bank, and a Bell 407 operated on behalf of AMA Industries.

A total of 280 workers are employed at the beginning of 2000.

RONSON AVIATION: Trenton-Mercer Airport, Trenton, New Jersey 08628, United States; Phone (609) 771-9500; Fax (609) 771-4366; Year Founded 1995. Ronson is set up at Trenton-Mercer Airport by L. V. Aronson II in 1995 to operate scheduled commuter flights to Newark and other New Jersey communities. Revenue flights begin with a pair of Beech 99s. A Beech Super King Air 200 is also employed in 1996–2000.

ROOTS AIR LTD. See **SKYSERVICE AIRLINES, LTD.**

RORAIMA AIRWAYS, LTD.: Georgetown Ogle Airport, Georgetown, Guyana; Phone 592 (2) 59648; Fax 592 (2) 59646; http://www.

roraimaairways.com; Code ROR; Year Founded 1992. Roraima is established by Capt. Gerald Gouveia and his wife, Capt. Debra Gouveia, at Georgetown in August 1992 to offer domestic flights to points within Guyana. Employing a fleet of 2 Britten-Norman BN-2 Islanders and 1 Cessna 402B, revenue flights are started in support of the operations of the Omai Gold Mines, Ltd. and the Golden Star Resources, Ltd. Contract geotechnical survey support, aerial surveys, aerial photography, and medical evacuation services follow in 1993.

Managing Director Gerald Gouveia, a former Army Air Corps chief pilot, is joined by another former Army Air Corp chief pilot, Capt. Owen Sandiford, in 1994, becoming Roraima's chief pilot and director of helicopter operations. He also flies the newly acquired Bell 206L LongRanger helicopter. In 1995, a ground handling and general sales agency division is set up at Cheddi Jagan International Airport, Timehri.

Various kinds of services continue to be flown in 1996–1999. During these years, flights are also begun to Eterinbang, Lethem, Mabaruma, and Skeldon. In addition to contract services on behalf of the Omai Gold Mines and Gold Star Resources, Roraima also supports the activities of the Roraima Mining Co., Ltd., Texaco (West Indies), GT&T, Demerara Timbers, Ltd., the Guyana Defence Force, the Guyana Police Force, the U.S. Embassy, and the Guyana Ministry of Health.

A joint-venture agreement is signed by Managing Director Gouveia and Vice President Capt. Eugenio Molina Anaya of **RUTACA (Rutas Aereas, C.A.)** on July 19, 2000 providing for twice-weekly, dual-designator roundtrips between Cheddi Jagan International Airport to Puerto Ordaz, Caracas, Venezuela. The government of Guyana approves the route application in early September, clearing the way for the initiation of the new services. Employing a single Embraer EMB-120 Bandeirante, RUTACA opens the route on September 28. Roraima, for its part, provides ground handling and sales.

ROSCOE TURNER AERONAUTICAL CORPORATION. See **TURNER AIRLINES**

ROSE AVIATION: United States (1968–1969). Based at Hawthorne, California, Rose begins scheduled Piper PA-23 Apache and Aero Commander 500B passenger and commuter flights over local routes on October 6, 1968. The service is maintained for less than a year.

ROSENBAUM AVIATION: United States (1978–1990). Rosenbaum is established at Ypsilanti, Michigan, in 1978 to provide jet freighter contract and leasing services. Employing 1 Douglas DC-8-61CF, 1 DC-8-20F, 5 DC-8-30Fs, plus 1 DC-6BF, the company undertakes flights from bases at Medford, Oregon, and Detroit, many on behalf of **Emery Worldwide**.

The DC-6BF is destroyed in a hangar explosion at Willow Run Airport on July 17.

A total of 2.1 million FTKs are flown in 1980. That figure plunges 88.4% in 1981, down to 244,000 FTKs. Operations are suspended at year's end.

Services are resumed in 1982 exclusively on behalf of **Emery Worldwide**. As the flights are all provided under contract, separate traffic figures are not reported, but are included with those of **Emery Worldwide**. Sources report, independently, that the DC-8s are flown, with full loads, for approximately 6,000 hours.

Operations, still without firm data, continue apace in 1983–1984 as the fleet is upgraded to include five hush-kitted DC-8-73Fs.

The 150-employee company operates a total of 159 million FTKs in 1985.

Rosenbaum returns in 1986 to its earlier practice of not reporting traffic figures. The fleet, however, is increased and now features 5 DC-8-73Fs and 10 DC-8-63s.

FTKs operated total 662.71 million.

The figure for the 235-employee carrier climbs 14.1% in 1987 to 771.48 million FTKs. Revenues reach \$37 million and costs allow a \$13.6-million operating profit. Net gain is \$8.2 million.

Airline employment increases by a huge 106.6% in **1988** to 486 and the fleet now includes 7 DC-8-73Fs, 14 DC-8-63Fs, and 5 DC-8-62Fs.

Cargo advances by another 37.3% to 1.04 billion FTKs and revenues ascend 24.8% to \$46.3 million. With costs held down, operating income moves to \$13.81 million and the net profit is \$8.23 million.

Traffic remains virtually level in **1989**, growing only 0.9% to 1.06 billion FTKs. As a result of this performance, the number of workers is reduced by 5.3% to 460.

On the other hand, revenues zoom upward by 21.6% to \$56.26 million. Costs rise 17.9% to \$38.26 million and allow an operating profit of \$18 million. Net profit climbs to \$12.76 million.

The payroll is cut another 34.8% in **1990** to 300 and the DC-8-62Fs are withdrawn.

Cargo declines again, dropping 7.3% to 1.04 billion FTKs. Revenues again ascend, by 45.1%, to \$81.66 million, expenses rise 91.3% to \$73.21 million, and operating income drops to \$8.44 million. The net profit of a year earlier is turned into a \$1.92-million loss. Purchased by new ownership, the company is renamed **Flagship Express**.

ROSS AVIATION: P.O. Box 9124, Albuquerque, New Mexico 87119, United States; Phone (505) 845-4091; Fax (505) 845-6715; Code ZD; Year Founded 1953. Established at Albuquerque, New Mexico in **1953**, Ross is now a specialized carrier, the prime function of which is to offer services for the U.S. government's nuclear scientists. Initially, the company conducts pilot training for the U.S. Army at Fort Rucker, Alabama.

The fleet is upgraded over the years from Douglas DC-3s and Beech 18s in the **1950s** and **1960s** to turboprops in the **1970s** and later. In **1970**, Ross wins the U.S. Department of Energy contract to operate its airplanes away from **Carco**. Scheduled services are introduced in **1975** linking the company's base with Los Alamos, site of the Los Alamos Scientific Laboratory.

Undertaking its operations under appropriate government regulations, all nonscheduled flights over other than its single announced scheduled route will remain secret. During the first 20 years, only one fatal crash is recorded. On May 19, **1972**, a Beech B-80 Queen Air crashes at Albuquerque, killing all nine aboard. The first jetliners, two DC-9-15s, are purchased from **Emerald Air** and **Air Florida** in **1979**.

By **1981**, the carrier, which also undertakes charters for the U.S. Department of the Interior, owns a fleet that comprises 2 Douglas DC-9-15s, 1 Fokker F.27F, 2 Fairchild Hiller FH-227Bs, 3 de Havilland Canada DHC-6-200 Twin Otters, and 2 Piper PA-23 Aztecs. In **1982-1983**, the Fokker is replaced by a Beech Super King Air 200.

A DHC-7-102 is acquired in **1986** as the Fairchild is withdrawn. President Lewis Pierce acquires a Piper PA-31-350 Navajo Chieftain in **1987**. Traffic over the scheduled route to Los Alamos still fluctuates with the conferences, programs, and other activities at the national laboratory.

Continuing to operate charters for the Departments of Energy and Interior, Ross in **1988** operates a fleet of 13 aircraft: 2 DC-9-15s, 2 FH-227Bs, 4 DHC-7-102s, 1 Beech King Air 200, 2 Twin Otters, and 2 DC-6s. The aircraft sport a variety of paint schemes, carry no aircraft name, and the larger units operate under the public-aircraft regulations that apply to government-owned airplanes.

A total of 32,608 passengers are flown on the Los Alamos route, a decline of 12.3%.

Customer bookings on the Los Alamos run fall another 8.7% in **1989** to 29,759. Consequently, the fleet servicing that route is reduced to 3 DASH-7s and 1 Twin Otter. The DOE contract, periodically won for almost two decades, is secured again during the year, along with a \$175-million payout.

Passenger traffic declines for the Part 121 carrier by 9.3% in **1990** to 27,005 passengers flown.

Passenger boardings on the Los Alamos service drop again in **1991**, down by 35.3% to 17,594.

Company employment is reduced by 5.4% in **1992** to 156. Two DASH-7s are replaced by another Twin Otter, a Learjet 35, and a Beech Super King Air 200.

Customer bookings fall another 5.1% to 18,777 and cargo declines 18.6% to 143,000 FTKs.

The payroll is cut another 5.8% in **1993** and the fleet includes 3 leased DC-9-15RCs, 2 chartered DHC-6-300s, and 1 DHC-7-102.

Enplanements halt their free fall and climb 13.4% to 21,290. Freight also rises, by 28.3%, to 543,000 FTKs. Revenues skyrocket 120.8% to \$1.66 million.

There is no change in equipment during **1994** as the twenty-fifth anniversary year is celebrated. A total of 22,110 passengers are flown over the Albuquerque to Los Alamos DOE contract route, a 3% increase.

The DOE's contract airline stops flying to Los Alamos National Laboratory on September 30, **1995**. A total of 10,500 passengers are carried prior to the suspension of the company's unique scheduled service.

Ross now returns to the operation of charter services on behalf of private enterprise. The fleet of President Pierce is not changed during the remainder of the decade.

ROSS-THOMPSON AIRCRAFT COMPANY (PTY.), LTD.: South Africa (1921-1944). Formed at the end of the previous year by two former military flyers, C. G. Ross and C. R. Thompson, Ross-Thompson attempts to pick up in **1921** where the pioneering **South African Aerial Transport (Pty.), Ltd.** left off. Employing a pair of Avro 504Ks purchased from the assets of that failed concern, the two operate air charter services throughout Natal and the Transvaal. Flight-seeing and barnstorming demonstrations are also provided at community celebrations, fairs, and holidays.

Flights end in **1924**, at which point Maj. Ross joins the South African Air Force, Thompson finds employment with a Johannesburg concern, and the two Avros are sold.

ROSSAIR (PTY.), LTD.: Australia (1975-1994). Rossair (Pty.), Ltd. is started as a general aviation company at Adelaide's Parafield Airport in South Australia in May **1975**. Small planes provide flight training and passenger and cargo air taxi flights. Employing a Cessna 402 and a Cessna 310, scheduled commuter services are inaugurated in **1979** between Adelaide and Mount Gambier in association with **Airlines of South Australia (Pty.), Ltd.**, the Ansett subsidiary.

By the middle **1980s**, the route network has been increased through the addition of stops at Ceduna, Port Lincoln, Streaky Bay, and Whyalla. The fleet, too, is increased as three more Cessna 402s are purchased. Unable to maintain its viability, the regional ceases scheduled flying in **1986**.

Charter and contract service flights, however, continue and in **1993**, General Manager Jim Hunt's 85-employee company operates a fleet of 2 Cessna 402s, 3 Cessna 414s, and 1 Cessna 441.

Operations cease in **1994**.

ROSSAIR EXECUTIVE AIR CHARTER (PTY.), LTD.: Lanseria Airport, Lanseria, 1748, South Africa; Phone 27 (11) 659-2980; Fax 27 (11) 659-1389; <http://africa.cis.co.za:81/buy/ad/iam/rossair1.html>; Year Founded 1956. Rossair is established at Lanseria Airport in **1956** to provide executive and small group passenger flights throughout the nation, including flight-seeing to big game preserves.

By **1998**, Rachel Muir is operations director and schedules the work of 11 pilots. The fleet includes 1 Canadair 600 Challenger and 2 Cessna 560 Citation Vs. In addition to the bizjets, the company also operates 4 Beech Super King Air 200s, 2 Beech 1900Cs, 1 King Air 90, and 1 Cessna 208 Caravan I.

Having suffered crushing financial losses, the Air Lesotho subsidiary is shut down in February **1999**.

Flying under contract to **DHL Worldwide Express**, the Cessna 208 Caravan I with a pilot and three passengers fails its takeoff from Jomo Kenyatta International Airport on a November 26 service to Dar es Salaam. The plane crashes back onto the runway and catches fire; there are no survivors.

The first of their kind to be converted from passenger to freighter configuration, two Avions de Transport Regional ATR42-320Fs are

delivered, one each in September and December 2000. The two are operated by affiliate Rossair Contracts (Pty.), Ltd. across Africa on behalf of their owner, **DHL Worldwide Express**. The new cargo planes and their service are profiled in "Conversion Factors," *Regional Airline World* (December 2000).

ROSSIYA AIR COMPANY: 2 Pervaya Reisovaya, Vnukovo Airport, Moscow, 103027, Russia; Phone 7 (095) 436-8135; Fax 7 (095) 436-2328; Code R4; Year Founded 1992. To earn the funding needed to cover its costs, Rossiya (Russia) Air Company, the government executive unit of **Aeroflot Russian International Airlines (ARIA)**, set up as a separate division at Moscow's Vnukovo Airport in 1992. It is to provide charter passenger and cargo services throughout the Russian Federation, other nations in the CIS, Europe, and Asia. Alexander A. Larin is general director and he begins flights with a fleet that includes 10 Ilyushin Il-62Ms, 20 each Tupolev Tu-154M, Tu-134s, and Yakovlev Yak-40s, 3 Il-18s, and 7 Mil Mi-8 helicopters. Orders are placed for 2 Antonov An-124-100s and enplanements total 318,354.

Despite the national economic downturn, Rossiya, unlike many of its fellow start-up Russian carriers, is able to increase its traffic during 1993. Passenger boardings grow 3% to 328,200 while freight rises 12.7% to 107.7 million FTKs.

During 1994, in a joint venture with **HeavyLift Cargo Airlines, Ltd.** of the U.K., the company places a pair of Antonov An-124s into service on executive support flights. In addition, two of the new Tu-204s join the fleet, which now also includes 11 Il-62s, 2 Il-18s, 8 Yak-40s, 11 Tu-154s, and 14 Tu-134s.

Customer bookings swell 4.6% to 342,500, but cargo drops 13% to 94 million FTKs.

Holiday charter operations begin late in 1995. For the year, enplanements fall 12.8% to 816,600, but freight skyrockets 109.2% to 27.4 million FTKs.

Flights continue without fanfare in 1996-1998. Enplanements during the latter year total just 239,000.

Rossiia is much in the news early in 1999.

Just after landing at Moscow on February 10, the tail of the ARIA Rossiya Il-96 returning President Yeltsin from the funeral of King Hussein at Amman, Jordan, strikes the wing of the **Alitalia, S.p.A.** MD-82, which has just brought Italian Prime Minister Massimo D'Alema to the Russian capital for talks. No injuries are reported aboard either aircraft, although the Italian plane sustains a cracked fuselage and is thus damaged to a point where an aircraft will be sent to replace it.

After an investigation determines that Rossiya's ground services had improperly directed Italian Prime Minister D'Alema's transport on February 8, Prime Minister Primakov on February 18 personally fires that division's manager, Vladimir Kachnov.

As the European diplomatic situation with regard to the Yugoslav question darkens, Prime Minister Primakov is en route to the U.S. on March 23 for discussions with President Clinton on other matters. Just after refueling in Iceland, the Primakov learns from Vice President Al Gore that NATO will begin a military campaign, Operation Allied Force, the next day; the Russian leader orders his Rossiya Il-96M to return to Moscow.

At the direction of President Yeltsin and accompanied by Foreign Minister Igor Ivano, Defense Minister Igor Sergeyev, and other top-level delegates, Prime Minister Primakov, aboard a Rossiya Il-96, flies to Belgrade on March 30 for discussions with Yugoslav President Slobodan Milosevic. There is some hope that Russia, a traditional Serbian ally, might be able to bring a resolution of the Kosovo crisis. Six hours later, the Russians return home, their peace mission a failure.

Rossiia will remain occupied over the next ten weeks transporting Russian officials throughout Europe in a search for a diplomatic conclusion to the Kosovo crisis. Combat ends on June 11.

Flights in support of the Russian government continue apace during the remainder of the year. Two specialized Antonov An-124-100s acquired in 1995 to provide cargo support for state trips by President Boris Yeltsin, are sold to the **Antonov Design Bureau** subsidiary Antonov

Airlines, the Russian partner of **Air Foyle, Ltd.**

Nickolai Shipil replaces Yuri Lengaro as director general of the VIP carrier on May 17, 2000. Shipil, who is close to Russian President Vladimir Putin, had previously been employed at **Pulkovo Airlines**.

During the summer, **MATK RusAvia** contracts with a capital tour operator to fly travelers to Thailand, Indonesia, and other Southeast Asian points in nine flights late in the fourth quarter. Unhappily, the company does not have sufficient aircraft or funds to complete its obligation, leaving hundreds of people stranded. The civil aviation department of the Russian Ministry of Transport (GSGA) arranges for the return of the defunct line's customers. Special flights are operated under contract by **Aeroflot Russian International Airlines (ARIA)**, **Domodedovo Airlines**, **Pulkovo Airlines**, and Rossiya Air Company. GSGA then suspends the operating certificate of **MATK RusAvia**.

Biweekly return charters are inaugurated on October 28 between Moscow and Tel Aviv.

A Rossiya Tu-154M, en route from Moscow to Ankara, also on October 28, carrying Prime Minister Mikhail Kasyanov, is forced to make an emergency landing at the Turkish capital after an onboard fire alarm is activated.

In March 2001, it will be announced that Rossiya Air Company had joined in an alliance on December 29 with St. Petersburg-based **Pulkovo Airlines**, Kazan-based Aviation Production Association (KAPo), and the St. Petersburg International Bank. The new pact will reportedly sponsor an intensified timetable for production of the new Tu-214 at the Kazan plant, while Rossiya will coordinate its fleet with Pulkovo for commercial purposes. Sales and ticketing for the two airlines will be handled by Pulkovo.

ROSVERTOL A/O: Russia (1993-1996). Established at Rostov-on-Don in the spring of 1993, Rosvertol, the operating arm of the Rostov helicopter plant that builds Mil helicopters, names H. V. Nagibin as its new general director. He assembles a fleet of Antonov An-12s and Mil Mi-26s with which to launch ad hoc freight and aerial support charters.

While on approach to Tyumen's Roshino Airport on a charter from Khabarovsk on September 25, an An-12 crashes short of the runway. With insufficient fuel reserves, the aircraft's crew had decided to push on rather than pay the landing costs of diverting to another airfield.

Operations continue apace in 1994-1995.

ROSWELL AIRLINES: United States (1976-1981). Callens Flying Service owner Dick Callens establishes a scheduled airline division of his charter company at Roswell, New Mexico, in 1976. Employing a Piper PA-34 Seneca, regularly scheduled commuter flights are inaugurated to Ruidoso via Albuquerque and Artesia. Operations continue apace until June 1981.

ROTA AIR, A.O.: Ataturk Airport, Konakli Sokak Villa Ocak, No. 3/2, Florya, Istanbul, 34810, Turkey. Established as an FBO at Istanbul in 1995, Rota also operates executive and small group passenger charters. Under the direction of General Manager Capt. Bulent Karasoy, the company's 3 pilots fly 1 each Cessna 560 Citation V and a C-650 Citation VII.

ROTTERDAM AIRLINES, B.V. (RAL): The Netherlands (1977-1984). Organized in early 1977 at Zestienhoven Airport, Rotterdam, this charter operation is owned by the city's travel agents, Christoffel. Employing leased Fokker F.28s, the company initiates nonscheduled flights to various European destinations, including London (LGW).

Late in 1983, the carrier leases a B-737-200, christening it the *Delfshaven*, and uses it to inaugurate scheduled services to London (LGW), following this early in 1984 with a frequency from Rotterdam to Innsbruck. Having chosen a time of recession in which to expand, the carrier is unable to generate sufficient traffic to cover costs and suspends services. Although company officials announce plans to reorganize and restart operations with leased DC-8s, these are not realized.

ROTTNEST AIRBUS (PTY.), LTD.: Fauntleroy Airport, Perth, Western Australia, 6105, Australia; Phone 61 (9) 478-1322; Fax 61 (9) 277-4198; Code DW; Year Founded 1985. Rottnest Airlines (Pty.), Ltd. is formed by Allied Aviation, Ltd. at Perth Airport in January 1985 to offer low-cost scheduled services to Rottnest Island in competition with those already provided by **Skywest Airlines (Pty.), Ltd.** Equipped with a Britten-Norman BN-2 Islander, five-to-nine-times-per-day services commence at the end of February. The fleet in 1986 grows to include 2 Islanders and 1 Beech B-58 Baron. On September 1, a Sikorsky S-61 is acquired and is employed to begin Island Hopper Chopper Service on September 20.

On April 2, 1987, the carrier is purchased by Havsin (Pty.), Ltd.; Bernie Baldwin is general manager with Francis Anthony appointed managing director. The S-61 scheduled helicopter service ends on April 30 and two Bell 206B JetRangers replace the Sikorsky, offering over-water charter services. A new Pilatus-Britten-Norman PBN-2 is placed in service in August.

In 1988–1992, the route is maintained and the fleet is upgraded to include 2 new PBN-2s, 2 Beech B-55 Barons, and 1 Piper PA-31-350 Navajo Chieftain.

Operations continue in 1993, at which time the fleet includes 2 Beech 55s, 1 Islander, and 1 Navajo Chieftain. A new corporate identity, **Rottnest Airbus (Pty.), Ltd.**, is chosen along with appropriate new aircraft livery.

A total of 35 weekly frequencies between Rottnest Island and Perth are flown during the remainder of the decade.

ROUSSEAU AVIATION, S.A.: France (1963–1973). Rousseau Aviation is set up in 1963 to offer scheduled passenger and cargo services from Paris (ORY) with a small fleet of DC-3s. Flights continue during the remainder of the decade, many as replacement operations on behalf of **Air Inter (Lignes Aeriennes Interieures, S.A.)**.

By 1970, the fleet has been increased to include a number of Hawker Siddeley HS-748s and 8 Nord 262 Fregates. The latter type are employed to offer return service to London (LGW) and other points. In 1973, Rousseau becomes a part of **TAT (Touraine Air Transport, S.A.)**.

ROYAL AIR: United States (1978–1980). Less than a month after President Carter signs the Airline Deregulation Act in October 1978, Royal Air is established at Kansas City, Missouri, to undertake Essential Air Service (EAS) flights to Columbia, Manhattan, Topeka, and Emporia. Employing several small Cessnas and an Embraer EMB-110 Bandeirante, Royal inaugurates daily roundtrips on November 15, maintaining them until January 1980.

ROYAL AIR, LTD. See QUEBECAIR, LTD.

ROYAL AIR BURUNDI, S.A.: Burundi (1963), RAB is established at the capital city of Usumbura in the spring of 1963 to serve as flag carrier for the new state, once part of the Belgian protectorate of Rwanda-Urundi. A Lockheed L-049 is leased from **Trans World Airlines (TWA)** and is employed to begin services to Rome, Paris, and Brussels. The new carrier is unable to achieve viability and folds during the summer; its single plane is returned to the U.S.

ROYAL AIR CAMBODGE, S.A. (RAC) (1): Cambodia (1956–1970). The first Royal Air Cambodge, S.A. (RAC) is formed at Phnom Penh on June 14, 1956. Shareholding is divided between the royal government of Prince Sihanouk (38%), **Air France** (34%), and private investors (28%). Several Douglas DC-3s are donated by the French flag carrier; the transports are given a livery that includes a logo depicting the *apsara*, a celestial nymph shown on the walls of Angkor Wat. Scheduled DC-3 services are inaugurated by the new concern on October 20 to Siem Reap, serving Angkor Wat, plus Saigon and Bangkok. Flights to Hong Kong commence on July 2, 1957, but become irregular the following year before ceasing.

An arrangement is entered into with **Air France** in January 1959; under its terms, a wet-leased Lockheed L-1049G Super Constellation re-

sumes services on February 11 from Phnom Penh to Hong Kong. Flights continue largely without change in 1960.

A block-space agreement is signed with **Air France** in January 1961; French B-707-338s replace the wet leased Super Connie on the Hong Kong run. Political difficulties between Cambodia and Thailand lead to a suspension of Bangkok service on October 12. Following the political upheavals of this and the previous year, traffic falls, before leveling.

After purchasing a DC-4, RAC-1 begins service to Vientiane, Laos, in August 1962. A year later, on August 24, 1963, the four-engine Douglas transport begins flying to Singapore. Several scheduled frequencies are now increased and Siemreap tourists now begin flying to Hong Kong and Singapore more often. Further plans to expand are made, but must progress slowly as Southeast Asia explodes into the Second Indochina War.

Bookings in 1964 total 24,572 and revenues are \$1.92 million.

Airline employment in 1965 stands at 258 and the fleet comprises 1 each DC-3, DC-4, and wet-leased **Air France** Boeing 707-138B. A DC-6 is purchased in January and is employed to begin a new service from Phnom Penh to Canton via Hanoi. As conflict spreads, the company is forced to suspend its new North Vietnamese route in June, along with flights to Vientiane. The politically neutral RAC is, however, able to continue flying to China even as fighting in neighboring South Vietnam becomes more intense during the remainder of the year and into 1966.

A DC-6B and a Fokker F.27 Friendship are acquired in 1967, along with a Britten-Norman BN-2 Islander. The following year, Chairman Mao presents Prince Sihanouk with a Soviet-made Ilyushin Il-14.

The highlight of the carrier's last years is the acquisition from **Air France** in January 1969 of a Sud Est SE-210 Caravelle III. It is employed to offer *Apsara* Service from Phnom Penh to Singapore and Hong Kong.

In March 1970, Prince Sihanouk is deposed and the name of the carrier is shortened to **Air Cambodge, S.A.**

ROYAL AIR CAMBODGE, S.A. (RAC) (2): 24 Karamuon Sar Ave., 206A Norodom Blvd., Phnom Penh, Cambodia; Phone 855 (23) 428 830; Fax 855 (23) 428 803; <http://www.royal-air-cambodge.net>; <http://www.iac.co.jp/kpnarin/royalair.htm>; Code VJ; Year Founded 1994. Following peaceful UN-supervised elections in December 1993, the new government of the Kingdom of Cambodia enters into discussions with **Singapore Airlines, Ltd.** concerning the possibility of reestablishing a national airline. Government officials want to promote tourism into Cambodia, home of one of the world's architectural wonders, Angkor Wat. SIA initially agrees to take a 40% stake and provide management and technical support.

As the result of a coup attempt during the first week of July 1994, SIA Managing Director Cheong Choong Kong withdraws from the arrangement on July 11. **Malaysia Helicopter Services, Ltd.**, parent of **Malaysia Airlines, Ltd. (MAS)**, now enters the picture to take over the SIA stake and support agreements.

Royal Air Cambodge is officially established on December 7 as successor to **Kampuchea Airlines (1)**. Executives of Thai-owned **Cambodia International Airlines** are ordered, on December 22, to shut down within two days.

A \$10-million management contract is signed, with operational control and training passing to the airline experts at MAS, on December 24 ceremonies presided over by Cambodian Prime Minister Prince Norodom Ranarddh. The three Avions de Transport Aerien ATR72-202s that KA has had under lease are returned to **TAT European Airlines, S.A.**

Vichit Ith is named chairman/CEO and begins to recruit a workforce of 497 (300 actually come on staff). One each Boeing 737-4H6 and B-737-4Y0 are leased from **Malaysia Airlines, Ltd.** Both are painted with the company logo of the *nagaraja* or royal serpent, which represents both fertility and protection in Cambodian mythology.

The aircraft are employed, beginning on January 2, 1995, to inaugurate scheduled and charter regional and domestic passenger and cargo services; the first service is operated to Kuala Lumpur by the B-747-4H6, which has been christened *Angkor Wat*

From its Phnom Penh base, the carrier now also visits the domestic cities of Battambang, Koh Kong, Mondulhiri, Rattanakiri, Siem Reap, Sihanoukville, and Stung Treng as well as the international points of Guangzhou, Ho Chi Minh City, Hong Kong, Kuala Lumpur, and Singapore.

On March 3, Thai aviation officials briefly detain the inaugural flight from Phnom Penh after it arrives at Bangkok. It is claimed that the aircraft, leased from **Malaysia Airlines, Ltd.**, does not have proper clearance. After an hour, the aircraft is released. Cambodia's ambassador to Thailand, Roland Eng, who has been called to the scene, states that the problem is not related to his country's recent cancellation of landing rights for **Cambodia International Airlines** and **Siam Kampuchea**.

Services thereafter are conducted normally to all points and enplanements for the year total 320,000.

The government of Cambodia, in the persons of its two prime ministers, express their displeasure with RAC during the first quarter of **1996**. Both gentlemen are extremely displeased with the number of flights offered and the quality of the airline's service. Unless RAC is able to add additional flights, tourism will, they believe, be severely hampered, making it necessary to adopt an "open-skies" aviation policy. Executives at the airline and at MAS get the message and scurry to make improvements.

Three new Aero International (Regional) ATR72-202s are now acquired, including the final unit, delivered in October, which is equipped with a protection kit designed to enhance operations from unpaved runways. Frequencies to Siem Reap, home of Angkor Wat, are increased to seven per day while the turboprops begin to handle some flights from Phnom Penh to Bangkok.

For its part, the government begins to redevelop Phnom Penh International Airport, breaking ground for a new terminal with capacity to handle 1.2 million passengers each year.

Twice-weekly roundtrip service to Guangzhou begins on November 2.

Airline employment in **1997** stands at 530. It is reported that in April, a Cambodian "businessman" Teng Bunma, shows extreme displeasure with an ATR72-202 flight to Phnom Penh. Having learned that RAC had misplaced his luggage and that it was not aboard the aircraft, he borrows a pistol from a bodyguard and shoots out the offending aircraft's tires. His stature as a VIP prevents his arrest.

In early July, Hun Sen, Cambodia's second prime minister, overthrows the coalition government of the first prime minister, Prince Norodom Ranariddh, and his Funcinpec Party. Heavy fighting ensues, much of it along the road to and within the perimeter of Phnom Penh's Pochentong Airport. The airport itself will be badly damaged—its VOR beacon is put out of service and looters steal or destroy equipment from or at the ATC tower and passenger terminal.

Despite the chaos that causes all of the international carriers, except **Thai Airways International, Ltd. (THAI)** to halt services, RAC continues to operate its scheduled jet flights for a period from the airport to Hong Kong, Bangkok, Singapore, Kuala Lumpur, Guangzhou, and Ho Chi Minh City. Many passengers, including all seconded MAS staff and Chairman Ith, fly out of the country aboard RAC's Boeings to Ho Chi Minh City, where they book flights elsewhere aboard other airlines. Chief Operating Officer David Chew is left in charge.

The company's ATR72-200s maintain limited domestic services to Siem Reap and Battambang. By July 23, the Boeings are grounded at Kuala Lumpur and the new government of Hun Sen's Cambodian People's Party announces plans to end the airline and form a new one.

That new operation bears a familiar name, **Kampuchea Airlines (2)**. It comes to life at the end of the month and makes its inaugural flights on August 15–16 with a leased Lockheed L-1011 TriStar 1. When its new CEO Yin Chan is asked about RAC in an interview with Malaysia's *The Business Times* on August 16, admission comes that the matter of the former airline "is a very sensitive issue." Leaving it to the government to determine RAC's fate, Chan indicates that, as far as he knows, "RAC is free to maintain operations."

RAC does not end, but it is no longer regarded as a monopoly, "The National Airline of Cambodia." Instead, the government's new policy is

interpreted as an "open skies" manifesto, which allows not only the existence of the new KA-2, but RAC as well. It is at this point that the Asian economic crisis begins. The company returns to MAS the B-737-4Y0 it has had for several years and also withdraws from its Phnom Penh-to-Hong Kong route.

Now marketed as "The Cambodian Airline," RAC makes some attempts at expansion in **1998**. Following the downturn in business for **Lao Aviation**, the Cambodian line opens a new service between Phnom Penh and Vientiane. A new regional route is also started from Siem Reap to Bangkok four times a week.

Although Sihanoukville disappears from the scheduled domestic network (it remains a charter stop), ATR72-202 local-service frequencies are maintained to Battambang, Krong Koh Kong, Mondulhiri, Ratanakiri, Sisophon, and Stung Treng. Plans are made to begin flights into Pailin, as soon as the government completes work on a new airfield at Touk Thlar, site of a former French landing strip.

The Asian economic crisis has a significant impact on traffic into the country during the second half of the year. In addition, the national election and uncertainties surrounding it cause some visitors to stay away. RAC participates in the election process by hauling printed materials required by the National Election Committee to Phnom Penh on special ATR72-202 charters from India.

Service is maintained during the remainder of the year and into **1999**. Airline employment at the beginning of **2000** stands at 485. The major Western airliners are a B-737-284C and B-737-4H6.

On May 19, weekly roundtrip service, code-shared with **Shanghai Airlines Company, Ltd.**, is inaugurated between Phnom Penh and Shanghai.

In August, Prime Minister Hun Sen fires the airline's managers and places Senior Minister Sok An in charge. The company will now be reorganized, ostensibly to improve safety.

The airline will be sued by ATR on February 17, **2001** for failing to maintain its aircraft or to make required lease payments.

ROYAL AIR FREIGHT: 2141 Airport Road, Waterford, Michigan 48327, United States; Phone (248) 666-3070; Fax (248) 666-4719; Year Founded 1961. RAF is set up at Oakland–Pontiac Airport in **1961** as an FBO. Over the next 30-plus years, Royal operates on a low-key basis, introducing both passenger and cargo charter services as Royal Air Charter. Destinations throughout the U.S. are visited, along with markets in Canada and Mexico.

By **2000**, President William Kostich operates a large and varied fleet. Employed for passenger services are 1 Learjet 24B, 5 Cessna 310Rs, and 1 C-402C. Freight and couriers are flown by 5 Embraer EMB-110B Bandeirantes, 3 Mitsubishi Mu-2Bs, and 1 each Learjet 23, Learjet 24, Learjet 24A, Learjet 25, Beech 18, and Piper PA-31-350 Navajo Chieftain.

ROYAL AIR INTER (LIGNES INTERIEURES MAROCAINES): Morocco (1970–1985). RAI is organized at Casablanca's Aeroport Casablanca-Anfa early in **1970** to take over the nation's domestic air transport from **Royal Air Maroc**, the new entrant's majority owner. Scheduled operations commence on April 2 with two Fokker F.27-600s and link Casablanca with Agadir, Marrakesh, Rabat, Fez, Tangier, Tetouan, Oujda, Al Hoceima, and Ouarzazale. International flights are made from Tangier to Gibraltar and Malaga and from Oujda to Oran.

Services are maintained throughout the remainder of the decade, and by the early **1980s** frequencies are also offered to Dakhla, El Aaiun, and Smara in the Western Sahara as well as Al Hoceima and Tan Tan in Morocco.

Although the fleet is not altered during these years, greater reliance is now placed upon the Boeings of RAM. As a result, it is decided to fold the local service carrier into **Royal Air Maroc** during **1985**.

ROYAL AIR LAOS, S.A.: Laos (1961–1975). Following the creation of Prince Souvanna Phouma's new coalition government at Vientiane in May **1961**, the previous Laotian carrier, Air Laos, S.A. is replaced by a new company, Royal Air Laos, S.A.

Domestic service is resumed with Douglas DC-3s acquired from the assets of the previous operation. A DC-4 is purchased in 1962 and is employed to restart routes to Bangkok and Saigon; a DC-6 arrives in 1963.

An attempt to extend the Bangkok route to Hong Kong is stalled in 1964 when **Cathay Pacific Airways (Pty.), Ltd.** offers objections. Finally, an arrangement is worked out whereby RAL, at the beginning of 1965, is able to fly the route on behalf of the crown colony's major. Flights continue in 1966–1967 to the foreign destinations named, plus nine domestic destinations.

En route from Vientiane on February 24, 1968, a DC-3 with 3 crew and 34 passengers crashes into the Mkong River; there are no survivors.

Tragedies occur in each of the following two years. On December 23, 1969, a DC-3 goes down near Luang Prabang (six dead) while a Beaver hits a mountain, near Vientiane, on January 2, 1970 (two dead).

Although no crashes occur in 1971, tragedy strikes twice within a week in early 1972. On February 4, a wet-leased DC-6 crashes near Tegal, Java (six dead). While en route from Saigon to Vientiane via Savannakhet on February 11, a C-54A with 6 crew and 17 passengers simply disappears into the Laotian mountains. No wreckage is found, no survivors ever turn up, and reports suggest the plane has been shot down.

As the conflict winds toward conclusion and **Societe Aigle Azur, S.A.** is no longer able to provide international services, the Laotian flag carrier's operations become very intermittent.

In May, a Lockheed L-188A is leased from **Trans Australia Airlines (Pty.), Ltd.** for a year; it is christened *Tiao Anou* and enters service over the carrier's long-haul routes.

An order is placed in 1973 for a Sud Est Caravelle and a second TAA Electra is chartered to provide service until the French jetliner can arrive. Enplanements for the year total 138,860.

RAL is revitalized in 1974. The workforce rises to 420 and the 2 remaining DC-3s are supplemented by 3 DC-4s and the carrier's first jetliner, a Sud-Est SE-210 Caravelle III, leased from **Air France**. Service is maintained, renewed, or upgraded to Bangkok, Saigon, Chiangmai, Phnom Penh, and Hong Kong. The two chartered Electras are returned to Australia.

Hanoi now also becomes a destination as a new marketing and publicity campaign is launched in the U.S.

A Curtiss C-46D is lost 75 mi. NNE of Vientiane on October 15.

Despite the increase in owned capacity during the year, passenger boardings, in light of the war, decline 6% to 131,000, while freight is down by 16% to 1.01 million FTKs.

In February 1975, service is inaugurated to Kuala Lumpur and Canton. A non-pilot takes off in a Vickers Viscount 806, with three other passengers, from Phnom Penh on March 15 and crashes; there are no survivors. Two DC-3s and four DC-4s are damaged beyond repair by a storm that strikes Vientiane on March 24.

A Communist rocket attack destroys a C-54A on the ground at Phnom Penh on April 10. Flights between Vientiane and Saigon are suspended the same day due to the escalation of the conflict. Finally, with the Communist victory, the carrier ceases operations at the end of April.

On December 3, the Pathet Lao forms the Lao People's Democratic Republic and RAL is closed down.

ROYAL AIR MAROC (MOROCCAN INTERNATIONAL AIRLINES): **Aeroport de Casablanca-Anfa, Casablanca, Morocco; Phone 212 (2) 912000; Fax 212 (2) 912087; <http://www.royalair-maroc.com>; Code AT; Year Founded 1953.** On June 28, 1953, **Societe Air Atlas, S.A.** and **Air Maroc (Societe Avia Maroc Ligne Aerienne, S.A.)** are merged by the French Line steamship company to form the **Compagnie Cherifienne de Transports Aeriens, S.A. (CCTA)**, familiarly known as **Air Maroc (Compagnie Cherifienne de Transport Aeriens, S.A.)**. Employing Douglas DC-3s and DC-4s and operating over the routes of its merger constituent during the remainder of the year and over the next two years, CCTA offers domestic services, as well as flights to Paris, Geneva, and Frankfurt.

France grants Morocco its independence on March 2, 1956, with the northern territories of Spanish Morocco gaining freedom in April.

Following independence, the Air Maroc (**Compagnie Cherifienne de Transport Aeriens, S.A.**) is reformed on June 28, 1957. Royal Air Maroc is owned 55% by the government of the Kingdom of Morocco, 30% by **Air France**, and 5% by **Aviacion & Comercio, S.A. (AVI-ACO)**.

Almost immediately, the new company, employing the propeller equipment of the merger partners, begins flying Muslim Hadj pilgrims to Mecca. This dedicated charter program will occur every year hence.

RAM places its first Lockheed L-749A Constellation into service by year's end.

In June 1958, Sud-Est SE-210 Caravelle Is are ordered. Orderly retirement of the DC-4s is begun, following the July 2 inauguration of long-haul European services by four Lockheed L-749As leased from **Air France**. Flights from Oran to Oujda, suspended on May 14, are reopened on July 5 and a route is started to Gibraltar late in the year.

Planning is begun during 1959 for the introduction of jet service. Meanwhile, **Air France**, under contract, begins to fly a service from Oujda to Toulouse employing an L-1049G Super Constellation.

A second Caravelle is ordered in February 1960. The first Sud-Est SE-210 Caravelle IA is delivered on July 19 and is placed on the route to Europe and Paris at month's end.

Enplanements for the year are 164,706.

SE-210 service is launched southward from Rabat to Bamako in July 1961. The second Caravelle IA is delivered and a third is ordered. In 1962, the fleet comprises 2 DC-3s, 4 L-749s, and 2 Caravelle IAs.

More European destinations are added in 1963–1965 as Amsterdam, Athens, Barcelona, Bastia, Bordeaux, Brussels, Dusseldorf, Frankfurt, London, Geneva, Lisbon, Lyon, Marseilles, Madrid, Nice, Strasbourg, Toulouse, Vienna, and Zurich join the route network.

The three-unit Caravelle fleet is upgraded from Series IA to Series III specification. It is also increased by the addition of three more L-749As, two of which are converted into freighters.

Orders are placed for four more Caravelles in 1966. During 1968, the company shareholding is redistributed. The Kingdom of Morocco increases its majority stake (64%), with others holding lesser shares: Air France (21%), Compagnie General Transatlantique (7.6%), AVIACO (5%), and private interests (2.4%). Orders are placed for Boeing 727s in 1969.

On initial approach to Agadir on April 1, 1970, an SE-210 Caravelle III with 6 crew and 76 passengers en route to Paris crashes near Berrechid from a height of 500 ft. The fuselage breaks apart, leaving 61 dead.

The subsidiary **Royal Air Inter** is created to take over a number of domestic routes with Fokker F.27-600s beginning on April 2. The first B-727-2D6 is placed in service on May 15 over regional services.

During 1971–1973, the fleet grows to include 5 Caravelle IIIs and the Boeing 727-2D6; the route system now includes over 15,000 unduplicated miles.

Leased from **Sobelair, S.A.**, an SE-210 VIN with 7 crew and 99 passengers en route from Paris to Casablanca via Tangier on December 22 of the latter year, strikes Mount Mellaline while on approach to Tangier in darkness; there are no survivors.

The workforce totals 1,954 in 1974. Orders are placed for three B-737-100s as three B-727-2B6s join the fleet and a request is made of **Air France** for a leased B-707-328B Stratoliner.

Enplanements reach 538,077.

B-707-328B service to New York begins on April 1, 1975, the same month the last DC-3 is retired. Late in the second quarter, weekly Stratoliner services are launched to the Canary Islands.

A B-707-321C chartered from **Alia (Royal Jordanian Airlines)** to transport Moroccan workers from France for summer vacations, crashes into a mountainside near Imzizen, 30 mi. NE of Agadir, during its landing approach to the latter city on August 3; there are no survivors. A replacement aircraft, a B-707-351C, is purchased from the U.S. carrier **Northwest Airlines** on December 29.

Operations continue apace in **1976** as a second **Northwest Airlines** B-707-351C is acquired on March 17. At the request of the Moroccan government, traffic rights to South American nations are sought; however, Brazil is the only nation on that continent to accede. A weekly service to Rio de Janeiro is opened.

Reacting to an anonymous tip concerning the imminent hijacking of a company aircraft, FBI agents arrest Mohammed Fadel Musaid and Ali Elmawri after uncovering six automatic handguns and ammunition in their baggage as they are about to board an aircraft at New York (JFK) on August 10, **1977**. Although the two men are indicted, the charges of attempted air piracy are dismissed in court on October 29 on the grounds of insufficient evidence.

Also during the year, the B-707-328 *Chateau de Pan* is purchased from **Air France**. Four Caravelle IIIs are retired.

A B-747-2B6B combi (BC) is acquired on September 29, **1978** and is initially employed to make Hadj flights from Rabat to Jeddah in October. It is placed into scheduled service in December over the company's routes from Casablanca to Paris, Montreal, and New York.

Additional services and frequencies are started during **1979-1983**, including extra routes throughout North Africa and the Middle East, West Africa and the Canary Islands. The weekly nonstop flight to Rio de Janeiro, having been found unprofitable, is suspended. The fleet is altered and enhanced as the Caravelles and B-737-2B6s are retired and replaced by four additional B-727-2B6As and six B-737-3B6s. A B-747-133 is annually chartered from **Air Canada, Ltd.** to transport Hadj pilgrims to Saudi Arabia.

A B-727-2B6A with 100 aboard is commandeered during a May 27, 1982 flight from Athens to Casablanca, the second leg of a service originating at Damascus. Demanding that Morocco improve its morality by observing strict Islamic tenants, the pirate forces the crew to fly to Tunis where he surrenders.

Enplanements during the latter year total 1.25 million and despite an operating profit of \$3 million, a \$3-million net loss is suffered, reflecting the weakening of the Moroccan currency.

Chief of the Ministry of Transport's Air Directorate, Mohamed Mekouar, becomes president/CEO in February **1984**. In November, service is reintroduced to Rio de Janeiro.

Enplanements for the year reach 1,278,438 and an operating profit of \$10.6 million is reported on revenues of \$186 million.

The workforce is increased 4.9% in **1985** to 4,103. President Mekouar is elected president of IATA for the succeeding year.

The B-747SP-44 *Majuba* is leased from **South African Airways (Pty.), Ltd.** on March 15. In addition to the North American service, the Special Performance Jumbojet is operated on a weekly service from Casablanca to Rio de Janeiro. Domestic fares are increased by 30% in September, but local service continues to lose money. **Royal Air Inter** now serves 10 domestic cities with a fleet of 2 F.27-600s, supplemented by RAM's B-727-2B6As and B-737-2B6s. To avoid further losses by the subsidiary, it is now folded back into the main line.

Passenger boardings climb 14.6% during the year to 1,497,000 (including 44,540 flown on roundtrips from Morocco to New York and Montreal) and cargo traffic accelerates 9.3% to 42.16 million FTKs. On revenues of \$226.7 million, expenses are \$206.9 million and the operating profit is \$20.1 million. Over \$30 million in trading debts are owed to the carrier by the Moroccan government, along with \$7 million in subsidies for the years 1976 and 1979-1981.

In February **1986**, two sophisticated B-757-2B6s are ordered to replace the two aging B-707-351Cs. The carrier is the first in Africa or the Middle East to order the 757, which will be acquired under a \$95-million, 15-year lease arranged by Chemical Financing Services, a subsidiary of the Chemical Bank. The first sets a record for its type by traveling the 5,653 delivery miles from Seattle to Morocco nonstop in July. It is almost immediately placed on pilgrimage flights between Morocco and Jeddah, Saudi Arabia. Following Israeli Prime Minister Peres' visit, RAM loses its traffic rights into Damascus.

When the second B-757-2B6 arrives in August, a B-707-351C is switched to all-cargo service. After its lease is completed, the SAA B-747SP-44 *Majuba* is purchased on September 4.

Customer bookings ascend 1.6% to a record 1,520,735.

The workforce is increased 3.2% in **1987** to 4,764 as the carrier's thirtieth anniversary is celebrated. At this point, the B-747-2B6BC is placed largely on charter operations, including a weekly flight to Helsinki, while the B-747SP-44 takes over the scheduled Jumbojet service.

Passenger boardings leap upward by 11.8% to 1,699,774 and freight climbs 13.9% to 53.98 million FTKs.

A marketing alliance is entered into with **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** in March **1988**. Under its terms, the carriers agree to offer joint services on routes from Marrakech to Madrid and from Casablanca to Malaga and Barcelona. Tangier will later be added to the mix.

Early in the spring, service is initiated to Copenhagen, Basel/Mulhouse, Nouakchott in Mauritania, and Bamako in Mali. Four B-737s are ordered in October, but traffic figures for the year are not provided.

The first of three leased Avions de Transport Regional ATR42-320s is delivered on March 24, **1989** and are placed on domestic routes; two more are received in April and May, respectively. In August, the previous year's B-737 order is modified, requiring that the last two aircraft be B-737-5B6s. Again, traffic data is not available.

During a scheduled domestic service on September 19, an ATR42-320 with 10 passengers is taken over by a lone assailant, who forces its to divert to Gran Canaria in the Spanish Canary Islands. There the air pirate surrenders, seeking political asylum.

Royal Air Maroc becomes a partner in the Amadeus reservations system in March **1990** and establishes the subsidiary Amadeus Maroc to market the computerized system to Moroccan travel agencies.

Figures are made available for the year's first half and show enplanements of 715,617, along with freight traffic of 32.3 million FTKs.

In July, the carrier is ordered by the government to reduce its freight tariffs for various commodities as a way of increasing exports; the company, in return, receives a fuel tax reduction and a Ministry of Agriculture subsidy.

Operations continue apace in **1991** and when the initial B-737-5B6 arrives in January, RAM becomes the first airline in Africa to operate the subtype. Two more are delivered at year's end.

The fleet in **1992** includes 3 leased ATR42-320s, 2 B-707-351Cs, 2 B-727-2B6s, 6 B-727-2B6As, 4 B-737-2B6As, 2 B-737-2B6CAs, 3 B-737-4B6s, 3 B-737-5B6s, 1 B-737-53A, 1 B-747-2B6B/C, 1 B-747SP-44, and 2 leased B-757-2B6s.

During the fall, service is inaugurated from Casablanca to Chicago and Los Angeles, as continuations of the transatlantic route to New York.

In **1993**, Chairman/Director General Mohammed Mekouar over-sees a workforce of 5,361. One B-727-2B6 and six B-727-2B6As are withdrawn and replaced by four B-737-2B6CAs. Orders are placed on January 18 for 12 B-737s worth \$525 million. A major restructuring program is put into place designed to save \$50 million over three years.

Markets now served from Casablanca are located in Morocco, North and West Africa, the Mideast, Europe, and, in the Western Hemisphere, New York, Montreal, and Rio de Janeiro; the annual advertising budget approaches \$6 million. The carrier's maintenance base at Casablanca's Mohammed V Airport receives a \$36-million upgrade. In November, pooled flights commence with **Gulf Air** over routes from Casablanca to the Gulf States.

Enplanements for the year are 2,070,000. A net \$1.33-million profit is reported.

The employee population is reduced by 61 in **1994**. RAM is the first airline in Africa to operate the B-737-400 after its first Dash-4B6, received in March, enters service on April 1. Two more B-737-4B6s arrive in May, at which point the B-747SP-44 is sold.

France remains the company's largest market; service from Tangier, Fez, Marrakech, and Agadir is maintained to Paris, Bordeaux, Toulouse, Marseilles, Nice, Lyons, Strasbourg, and Bastia. Point-to-point charter flights bring tourists from Nantes, Lille, and Mulhouse.

B-737-2B6CA weekly roundtrips begin from Tangier to Maastricht on June 30.

On August 21, ATR42-320 pilot Younee Khayati, who cannot be halted in a cockpit struggle with copilot Sofia Figuigu (RAM's first female Moroccan airline pilot), commits suicide/murder. He pilots Flight 630, with its 2 other crew and 40 passengers, into the ground near Tzuonine, some 35 km. N of its point of origin at Agadir, 10 minutes into a flight to Casablanca. There are no survivors and among the dead is the defense minister's brother, Sheikh Ali al-Mahmoud al-Jabir al-Sabah.

The company's pilot union will challenge the findings of murder/suicide, claiming that the pilot had been totally in control of himself prior to departure. A strike by company employees forces the company to suspend a number of flights, leading to costly losses.

The former **South African Airways (Pty.), Ltd.** B-747SP-44 *Majuba* is sold to **Corsair, S.A.** on October 13.

Passenger boardings increase by a slight 1% to 2.3 million and revenues total \$446 million; there is a net loss of \$5 million.

The owned fleet in **1995** includes 4 each Boeing 737-2B6As and B-727-2B6As, 2 each B-737-2B6CAs, B-737-4B6, and B-737-5B6s, and 1 B-747-2B6BC. In addition, 2 leased B-737-4B6s, B-757-2B6s, and 2 ATR42-300s, 3 B-737-5B6s, and 1 B-747-428 are operated. The relationship with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** is terminated.

Mohammed Hassad becomes chairman/CEO and a major cost-cutting and restructuring program is begun. Traffic figures are not released.

Airline employment stands at 5,223 in **1996** and a joint purchasing agreement is signed with **Air Algerie, S.A.** A B-737-2B6A is sold in March.

Designed by SABRE Decision Technologies, a frequent flyer program, Safar Flyer, is introduced.

Discussions are held concerning the possibility of code-sharing on various routes, including one to Algiers. A joint insurance agreement is worked out with **Air Mauritanie, S.A.**, **Tunisair, S.A.**, and **Jamahiriya Libyan Arab Airlines**. In October, orders are placed for nine Next Generation B-737-800s.

A total of 1,928,533 passengers are transported.

The workforce is reduced in **1997** to 4,967. At the beginning of the year, the company receives a corporate makeover. Fifteen administrative units are reduced to five major departments: commercial and marketing, finances, quality control, fleet scheduling, and strategy.

A major alliance is entered into with **Air France** in April. In addition to coordinated frequent flyer and maintenance programs, joint purchasing, and cooperative airport handling, code-sharing flights are planned for the routes from Casablanca to Lyon and Strasbourg. Plans are made to begin coordinated frequencies to Paris in 1998.

Customer bookings leap upward by 12.4% to 2,654,394 while freight grows 4.7% to 493.83 million FTKs. A net \$25.5-million profit is reported.

Airline employment stands at 5,361 in **1998** and the fleet, 68% of which is Stage III certified, includes 25 airplanes: 2 each B-727-2D6As and B-757-2D6s, 19 B-737s, and 2 B-747s.

Before the French dual-designator service can get off the ground, another code-share partnership is entered into with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** in February. Both share their codes on roundtrips from Casablanca to Barcelona and Malaga.

On March 6, another memorandum of understanding is initialed with **Air France**. The pact provides for schedule coordination, harmonization of route networks, and mutual overhaul and maintenance assistance.

A strategic alliance is signed with **Trans World Airlines (TWA)** on July 8. Under its terms, the two companies will to share codes on their services between Morocco and the U.S. beginning on October 25.

The first of nine Next Generation B-737-8B6s is delivered on July 14, making RAM the first non-U.S. airline with regularly scheduled pas-

senger service to receive the new model. The delivery flight departs for Casablanca the next day with a cargo of 5,000 pounds of medical supplies from Northwest Medical Teams of Portland, Oregon. The shipment will be distributed to three different hospitals in Morocco.

A little late, the first phase of the new marketing agreement with **Trans World Airlines (TWA)** starts on November 5. Customers of the American carrier may now book segments from the entire TWA system and connect to Casablanca on a code-shared return flight, operated thrice weekly by RAM, between New York (JFK) and Morocco.

On November 16, the company announces that it will inaugurate twice-weekly service to Gaza's new airport just as soon as the Israeli government allows the airport in the Palestinian self-ruled area to open. A company aircraft is on hand to join the celebration when that even occurs on November 24.

A contract is signed with **Saudi Arabian Airlines** on December 21 under which it will transport, on behalf of RAM, up to 15,000 pilgrims to the Holy Land on direct flights between Casablanca and Jeddah during the next Hadj season in the spring of 1999.

Customer bookings climb 17.1% to 3.1 million, while cargo traffic surges 43.2% to 607.03 million FTKs. Revenues total \$475.48 million and costs are \$411.31 million, leaving an operating profit of \$64.16 million and a net gain of \$21.52 million.

Just after landing at London (LHR) on a January 31, **1999** RAM service from Casablanca, two passengers are arrested by airport police, who come aboard their flight in response to a report, radioed ahead, that a female flight attendant has been groped. The men are later released after receiving a formal warning for common assault.

An order is placed with Boeing on February 15 for seven B-737-7D6s to be delivered through 2001. The first two Next Generation aircraft are to arrive by this July.

After the UN lifts its air restrictions against Libya on April 5, RAM makes plans to resume services.

With the timetable advanced, RAM receives its premier B-737-7D6 on April 23. In ceremonies at Seattle prior to the delivery flight, Chairman Hassad notes that his company is the first airline in the Mediterranean region to order and receive the advanced-technology jetliner. The new aircraft will carry 120 passengers—12 in Zenith (business) class and 108 economy class.

Employing a B-737-4B6, twice-weekly flights to Tripoli and Benghazi resume on April 26.

A homepage is opened on the World Wide Web on June 24.

In November, the government of Morocco invites bids from local and foreign investment firms and banks for the valuation of RAM. This latest step toward privatization could lead to the sale of a 40% stake.

Although traffic figures are not revealed, it is announced that a \$14.27-million net gain has been achieved.

An agreement is signed with **Air Senegal (Societe National de Transports Aerien, S.A.)** on February 15, **2000**, under which the Moroccan airline takes a 51% (\$10 million) stake in the company's newly created long-haul division, Air Senegal International. The minority stake is held by the Senegalese government. The new subsidiary's managing director, Mohamed Zouhair El Aoufir, indicates that RAM will provide a Boeing 737-200 with which to begin operations.

As a result of the Boeing strike, delivery of two Next Generation B-737-7B6s and a Next Generation B-737-8B6 is delayed until April 11. The carrier's 6 B-737-2B6As, 7 Dash-4B6s, 6 Dash-5B6s, plus 2 previously received Next Generation B-737-7B6s and 4 Dash-8B6s meanwhile soldier on alongside 1 each B-747-2B6B and B-747-428 and 2 B-757-2B6s.

A marketing and code-sharing agreement is signed with **Delta Air Lines** on June 28. Under its terms, RAM places its code on Delta services from New York (JFK) to Atlanta, Boston, Chicago (ORD), Los Angeles (LAX), Miami, San Francisco, Tampa, and Washington, D.C. (DCA). Delta places its code on RAM frequencies from Casablanca to New York (JFK), Agadir, Marrakech, and Tangiers.

On July 3, after a suspension of flights for nearly eight years, the com-

pany resumes return service from Casablanca to Tripoli, flying twice weekly with a B-737-4B6.

A code-sharing agreement is signed with **TunisAir, S.A.** on August 7. Under its terms, RAM flies TunisAir passengers from Casablanca to New York (JFK) and points in Europe, while TunisAir is permitted to transport RAM customers throughout the Mideast and Eastern Europe. The two companies also link their frequent flyer programs.

On October 3, CEO Mohamed Hassad informs the *North Africa Journal* that because the airline no longer has as high a priority for sale as other state-owned enterprises, RAM's privatization has been postponed for between 12 and 18 months.

The thrice-weekly return flight schedule to Barcelona is increased to four times a week on October 29. Simultaneously, twice-weekly roundtrips are started from Marrakech to Milan.

Inauguration of services by Air Senegal International is delayed until February. On December 4, a de Havilland Canada DHC-8-Q300 is ordered for the new regional, which will employ it on domestic routes within Senegal as well as on regional flights to Gambia, Mauritania, Capo Verde, and Mali.

ROYAL AIRLINES, LTD.: Canada (1979–2001). Royal Airlines is founded by Michael Le Blanc at Quebec (YUL) on August 3, 1979 as the inclusive-tour carrier of its parent, Groupe Royal Aviation, owner of Royal Vacations. As a result of the energy crisis and resulting world airline depression, plans to operate the carrier are put on hold. Meanwhile, Conifair, Ltd., a small-scale charter operation, is formed to provide non-scheduled tree-spraying services, as well as transporting hunters. It will become well known for its forest fire-fighting activities and structural maintenance business. By the start of the new millennium, will be viewed by Royal as an important profit center.

Finally, plans are made in late 1991 to initiate revenue services the following spring. On January 6, 1992, the Royal Airlines division is activated. Chairman/President/CEO Michael Le Blanc recruits a workforce of 450 and purchases 1 Boeing 727-212A and 2 B-727-217As previously operated by **Dan Air, Ltd./Dan Air Services**. After receipt of the first trijet, flights commence on April 29 between Toronto and Vancouver. The second jetliner enters service from Montreal on November 5, while the third Boeing starts flying from Toronto on December 15.

Over the next five years, the company builds up its main hubs at Montreal (Dorval and Mirabel Airports), Toronto, and Vancouver and undertakes charter and nonscheduled flights to Calgary, Edmonton, Ottawa, Regina, and Saskatoon. It also begins flying to the U.S. cities of Las Vegas, Newark, and Phoenix and in the winter, to Florida, the Caribbean, Mexico, and South America.

During this period, the fleet continues to grow. In early 1993, arrangements are completed for the acquisition of a former **Air Canada, Ltd.** Lockheed L-1011-100 TriStar. It is delivered on April 30 and is employed to fly summer inclusive tours from Montreal to Europe. The first two leased aircraft arrive at the Toronto base on September 17, one each B-727-264A and B-727-277A. Together with Sunquest Vacations, Royal shares ownership of a second ex-**Air Canada, Ltd.** TriStar, which is delivered to Montreal on September 27. The TriStars and two Boeing trijets are booked by Sunquest Vacations.

In November, the company files a preliminary prospectus for an initial public offering. Canada's largest tour operator, Canadian Holidays, which is also a subsidiary of **Canadian Airlines International, Ltd.**, simultaneously becomes a client.

Another B-727-217A is purchased in 1994. It flies "sunbird" tourists out of Quebec City to warmer locales to the south. With the beginning of the summer schedule at the end of March, the Lockheeds are heavily engaged on charter flights from Montreal to London (LGW), Glasgow, and Manchester. In June, experimental winglets are added to the company's B-727-212A. A seventh B-727-200 is purchased on June 21 and is employed for backup until it begins regular service from Ottawa in December.

Two B-727-217As are sold in 1995 and in an effort to cut costs and

gain entrance to the European holiday scene, two Airbus Industrie A320-212s are leased.

The remaining B-727-217A is involved in an incident on May 11. Operating as Flight 4529, it lands short at St. John's, Newfoundland, and overruns the end of Runway 11 by 300 feet. No evacuation is initiated and no injuries are reported.

Although traffic figures are never released, the carrier does announce in September that it has made profits so far on the year: C\$13.8 million (operating) and C\$612,000 (net).

The A320s are returned to their lessor at the beginning of 1996 and replaced by two A310-304s, also leased. Through September, operating income declines by 3.7% to C\$104.2 million and the previous year's gains now turn downward. Operating gain is C\$12.6 million and only a net C\$172,000 profit can be recorded.

The Royal fleet in 1997 includes 7 B-727s, 2 L-1011s, and 2 A310-304s.

Flight attendants aboard Flight 861, an A310-212 charter from Puerta Vallarta to Vancouver, are harassed throughout the 4 1/2-hr. flight on March 9 by 11 drunken men. The pilot radios ahead and all of the offenders, described as "bikers," are taken in hand by RCMP. All will be required to face indictment in Richmond provincial court.

A major C\$19-million charter agreement is signed on March 19 with Nouvelles Frontieres, the most important tour operator in France. Under its terms, Royal will operate the tour company's flights from May to October between Montreal and Nantes, Bordeaux, Toulouse, Marseilles, Nice, and Strasbourg.

One of the "Flights for Life" charity services that planners have scheduled for May 6 is cancelled on April 29. Instead, Royal works with the Salvation Army to gather a load of clothing, sleeping bags, and blankets to send to Winnipeg flood victims.

On April 30, pop singer Celine Dion is at the departure gate at Toronto for the kickoff of the first of five "Flights for Life," which the airline is helping to sponsor. The charity flights to 10 cities during the first 2 weeks of May are designed to raise money for the fight against cystic fibrosis.

On May 1, A310-304 summer service is inaugurated from Vancouver and Toronto to Glasgow, Manchester, and London (LGW) four times per week. The same frequency is also introduced from Glasgow to Toronto and thrice-weekly service is inaugurated from Manchester and London (LGW) to Toronto.

A third A310-212 is purchased from Airbus Industrie Financial Services on May 6; upon its delivery a week later, it will be the aircraft tapped to launch the Nouvelles Frontieres summer services to France.

Weekly roundtrips commence on June 23 from Vancouver via Winnipeg to London (LGW). Two days later, another weekly frequency commences from Toronto to Birmingham via Manchester.

On August 19, the assets of **CanAir Cargo, Ltd.** related to its transcontinental air cargo network, is acquired, including two B-737-2E1Fs and one each B-737-2A9C and B-737-242C. Nine Convair CV-580s are also acquired; one is out of service, the two leased units are returned, and the six remaining are sold. CanAir president Daniel Goliger joins Royal as senior vice president-cargo.

Once the little Boeings are quickly repainted, they provide nightly Royal Cargo courier and cargo service from coast to coast, landing in St. John's, Moncton, Halifax, Montreal, Toronto, Hamilton, Winnipeg, Regina, Saskatoon, Edmonton, Calgary, and Vancouver. One of the convertible aircraft will be configured every weekend to a passenger aircraft with a capacity of 120 charter customers for use by Royal Airlines on short-haul flights.

All of the owned B-727-200s are sold to newly formed, Miami-based CLA Canada on September 2 for C\$31.5 million, which represents a gain of C\$11 million. The aircraft are leased back and will be briefly employed as freighters. Thereafter the planes will be turned over to CLA (two in late September, two more in May 1998, and two in November 1998) for disposal.

Plans are announced in September for the retirement of the TriStars

by late fall. They will be replaced with a fourth A310-300 during the summer of 1998.

On October 17, formation of a new Royal Express subsidiary is announced; plans call for it to inaugurate scheduled flights from Montreal (YUL), Toronto, Calgary, and Vancouver to Orlando and Fort Lauderdale on March 30.

Traffic figures are again not released. However, the company indicates that operating revenues of C\$131 million are generated and there are profits: C\$16.5 million (operating) and C\$5.7 million (net).

Flights continue in 1998. It is reported on January 4 that the company has joined with a local Chilean investor to establish the new charter operator **Chileinter, S.A.** The new company leases one of Royal's L-1011-100s, with a second scheduled to join the new entrant at Santiago within three months.

On February 20, Royal announces an expansion of its summer tour program to Europe, including additional nonstops and new service into London (STN). A total of 43 weekly flights (33 nonstop) will be offered from Halifax, Montreal, Toronto, Winnipeg, Calgary, Edmonton, and Vancouver to Berlin, Frankfurt, Munich, London (STN), Manchester, Glasgow, Birmingham, Belfast, Paris, Porto, Lisbon, Lyon, and Toulouse. Four A310-304s will help provide necessary capacity.

The process undertaken to obtain the necessary authorizations proves more time-consuming than expected and thus it is not possible for the new Royal Express subsidiary to begin service on March 30.

During its takeoff roll from Fort Lauderdale on a March 30 service to Toronto, Flight 311, a B-727-212 with 7 crew and 175 passengers, suffers an uncontained engine failure of its No. 2 engine. Takeoff is rejected and the plane is stopped on the runway; all aboard are evacuated, during which 11 people are injured, 2 seriously.

During April, **Chileinter, S.A.** begins to operate TriStar passenger charters to Caribbean destinations on behalf of the Argentine all-cargo carrier **STAF Airlines (Servicios de Transportes Aereos Fueguinos, S.A.)**.

Contract negotiations begin on May 1 between management and the carrier's 160 pilots, which are represented by their own in-house bargaining unit.

On May 11, Royal enters into a 10-year preferred business relationship with Canada's only national tour operator, Signature Vacations, previously the client of **Canada 3000, Ltd.** Signature, in turn, purchases the Royal subsidiary Royal Vacations. As Signature's carrier, Royal Airlines becomes the primary transport for Canadian vacationers visiting the continental U.S. (principally Florida), Mexico, Latin America, and the Caribbean. It is anticipated that this new arrangement will triple Royal's business with Signature to C\$200 million annually.

Royal Express finally obtains its operator's certificate from Transport Canada on August 14. B-727-200A roundtrip charters are initiated by the new subsidiary on August 24 from Montreal, Toronto, Calgary, and Vancouver to Orlando and Fort Lauderdale.

In an effort to rescue people stranded by the September 2 pilots' strike, **Air Canada, Ltd.** wet-leases aircraft from Royal Aviation and three other domestic carriers to move people over the next week stuck in the midst of journeys.

While en route from Toronto to Glasgow on September 4, an engine oil warning light flashes aboard a leased B-757-236 piloted by Capt. David Muralt with 200 passengers aboard. Muralt immediately receives authority to divert his aircraft to the Canadian Forces Base at Goose Bay, Labrador.

Chileinter, S.A. is purchased outright by **STAF Airlines (Servicios de Transportes Fueguinos, S.A.)** on September 20.

The last two B-727-200s sold to CLA Canada in September 1997 are turned over during November. The carrier's pilots, on November 30, unanimously vote to accept the company's offer contained in a new two-year labor contract. Accomplishment of this arrangement is announced to the public on December 4.

This year's revenues reach C\$150.08 million, but net gain slides to C\$2.01 million.

Flights continue in 1999. In an effort to boost the performance of

Royal Air Cargo, that division now undergoes a comprehensive restructuring. Other cost-saving measures that are also implemented include the cancellation of unprofitable flights to Germany and the discontinuance of Royal LeClub, a subsidiary specializing in hotel site management.

In response to an urgent request from the UN High Commissioner for Refugees, the Canadian government, on May 1, quickly obtains enabling legislation permitting it to airlift in up to 5,000 Kosovo Albanian refugees and provide them with temporary housing for 3 to 6 months. The same sorts of appeals have been made to Britain, Australia, and the U.S.

Immigration officials are already working in Macedonia identifying potential transfers, while a contract is signed with Royal Airlines to undertake flights on a daily basis between Skopje and facilities established at CFB Trenton, Ontario, and CFB Greenwood, Nova Scotia.

A company A310-304 is the first plane assigned to the multinational airlift of refugees to countries outside of Europe, transporting 248 ethnic Albanians (mostly women, children, and elderly) to CFB Trenton on May 4.

With the arrival of 261 additional passengers on May 9, the carrier has now brought in 1,556 Kosovars, almost a third of Canada's quota. As quoted in the *Toronto Star* on May 10, Lt. Gen. Ray Henault, deputy chief of defense staff, indicates that Canadian officials and refugees alike are very satisfied with the ongoing smoothness of the airlift and settlement process.

In October, a struggle begins for control of **Canadian Airlines, Ltd.** The battle is won by **Air Canada, Ltd.** in early December and will have immense impact on the future of Royal Airlines, which will change its local status from dedicated charter airline to scheduled domestic carrier.

The fleet at the beginning of 2000 includes not only 4 A310-304s and 3 B-757-236s, but also 2 each B-737-242Cs, B-737-2E1As, and 1 B-7537-2A9C. The workforce totals 1,500.

For the quarter ending January 31, the company reports that its operating loss has improved to C\$3.8 million, a 27% gain over the same period a year earlier. The turnaround is directly attributed to the company's decision not to lease three B-757s for the winter charter season.

In February, **Winnport Logistics, Ltd.**, having received its Canadian operators certificate, inaugurates scheduled overnight B-727-25F all cargo service on behalf of the Royal Air Cargo division between Calgary, Edmonton, Hamilton, and Vancouver.

On March 1, Royal opens its homepage on the Internet's World Wide Web. To help provide a measure of competition in the wake of **Air Canada, Ltd.**'s acquisition of **Canadian Airlines, Ltd.**, Canadian Transport Minister David Collenette, on March 27, authorizes Royal to begin flying seasonal scheduled service to the United Kingdom and France. Almost immediately, Royal launches spring and summer B-757-236 scheduled flights from Winnipeg, Calgary, Edmonton, Toronto, and Montreal to the U.K. cities of London (LGW), Bristol, Glasgow, Birmingham, and Manchester. It also begins flying from Toronto and Montreal to Paris (CDG).

On April 15, the company begins to compete head-on with **Air Canada, Ltd.** on scheduled national routes. Fares, discounted 50%–75% below those of the national airline are debuted on 15 daily roundtrips. Destinations regularly visited include Toronto, Montreal, Ottawa, Winnipeg, Halifax, and Vancouver. A B-757-236 is leased to **Transavia Holland, N.V.** for three months, beginning on April 26.

On August 21, management and company flight attendants enter into collective bargaining for the first time.

On September 11, the number of daily domestic return services from Toronto is significantly enhanced, including those to Halifax from 2 to 4, to Montreal from 4 to 7, to Ottawa from 2 to 5, and to Winnipeg from 2 to 3. New roundtrips are launched to Vancouver from Ottawa and Toronto and to Halifax from Montreal. The number of daily roundtrips now totals 31.

A massive discount sale is held on 100,000 seats booked between September 16 and 24. Fares on domestic scheduled flights and international flights to Florida, Europe, and Hawaii are all included, with an average savings of 41% on domestic travel. Passengers may use their savings on domestic flights offered between September 16 and

April 30 and on international services operated between September 16 and October 31.

The early success of the new domestic scheduled services and a dramatic improvement in the performance of Royal Cargo allows the carrier to stage a strong fiscal turnaround in its first-quarter earnings reported on September 20.

Painted in the "old" colors of the U.S. major, a B-737-201A is leased from **USAirways** on October 12; it arrives wearing Royal titles and tail logo. Two more of the type will also be chartered from **US Airways** and will be delivered between October 27 and 31. The small aircraft, with significantly lower trip costs, provide tour operators with enhanced flexibility in scheduling charter flights to smaller southern destinations.

At a luncheon meeting with Halifax business leaders on October 19, Chairman/CEO Le Blanc announces on October 19 that 60 new jobs will soon be created to support the establishment of a new Halifax pilot base for the 24 new pilots, plus 36 flight attendants and support staff, to be hired before year's end. He also announces the November initiation of two new daily nonstops from Halifax to Toronto, with connections to Winnipeg and Vancouver. Further, it is revealed that the company's domestic infrastructure will be leveraged in order to help it expand its summer schedule of flights to Europe.

A former **Southwest Airlines** B-737-2H4 is purchased on November 3.

With the newly arrived aircraft, daily roundtrip frequencies between Toronto to Halifax are boosted from four to six on November 6. Simultaneously, the number of daily return flights from Toronto to Montreal is increased to eight.

Royal Plus service is started on December 1. The business-class product offers executives enhanced service and more legroom, for an added fee of between C\$40 and C\$120. For the year as a whole, approximately 2 million passengers are transported.

On January 29, 2001, **Canada 3000, Ltd.** will make a takeover offer of C\$84 million; both its board and Royal's have already approved the arrangement, which will require government approval. Royal stockholders are to be offered 1 share of Canada 3000 common stock for every 2.5 shares of Royal common tenders and the expected acquisition of two-thirds of the equity will result in the creation of the nation's second largest passenger airline. It will be reported at the end of March that the arrangement has met full approval all around and that the merger of Royal, along with **CanJet Airlines, Ltd.**, into Canada 3000 will be completed by May 1.

ROYAL AIRWAYS: United States (1928–1929). Established at Chicago in the summer of 1928, Royal begins scheduled passenger flights to Madison, Wisconsin, on July 19. Without a mail contract, the carrier is unable to generate sufficient revenue traffic to remain in business beyond February 1929.

ROYAL AIRWAYS, LTD. See **MODILUFT**

ROYAL AMERICAN AIRWAYS: United States (1980–1994). Royal American is created as a division of Tucson-based **Go Air** in 1980 to operate charter and contract service flights with a former Continental Airlines Vickers Ciscount 812, linking Las Vegas with Grand Canyon, Arizona. Between May 19 and June 15, 1981, a Viscount 765D is operated from Fayetteville, Arkansas, to Dallas (DFW), plus Joplin and Kansas City.

During 1982, the company also operates a scheduled service between Tucson, San Diego, and Las Vegas; it ends just before the new year. With the addition of two more Viscounts, the carrier provides wet-leased scheduled passenger service from Miami to St. Petersburg on behalf of **Atlantic Gulf Airlines** during the fourth quarter of 1983. Thereafter, Royal American also provides contract passenger charters in Florida and to the Bahamas.

During the late 1980s the carrier is reformed and transferred to Reno, Nevada, where it becomes a partnership shared between Silver Wings Holidays of Vancouver, Canada, and Idaho-based **Empire Airlines**. Empire provides flight crews and support and employs RAA's two British

Aerospace BAe 146-200s, beginning with the delivery of the first former **WestAir** plane in September 1992 to undertake charter and inclusive-tour flights. Destinations visited include Canadian cities, Las Vegas, Los Angeles, Palm Springs, Phoenix, and Reno. The second BAe 146-200 arrives in December.

Operations continue through the remainder of the year and 1993. Royal American is forced to close down in early 1994 due to the national recession.

ROYAL AVIATION, LTD. See **ROYAL AIRLINES, LTD.**

ROYAL BHUTAN AIRLINES. See **DRUK AIR**

ROYAL BRUNEI AIRLINES: P.O. Box 737, Bandar Seri Begawan, Negara Brunei Darussalam, 1907, Brunei; Phone 673 (2) 240 500; Fax 673 (2) 244 737; <http://www.brunecair.com>; Code BI; Year Founded 1974. With technical assistance and personnel provided by the **British Airways, Ltd.** (2) subsidiary British Airways Associated Companies, Ltd., this new government-controlled national airline is formed at Brunei City on November 18, 1974. Revenue flights begin with the carrier's single wet-leased Boeing 737-2M6 on May 14, 1975 over a lone Brunei City to Singapore route via Jesselton on British North Borneo. Flights to Kuching and Hong Kong begin next day.

A second B-737-2M6 is acquired in 1976 to consolidate the network begun the previous year and with which to open new routes. Weekly or twice-weekly service is started to Manila on April 3 and to Bangkok on December 9.

In May and June 1978, routes are opened to Kota Kinabalu and Kuching, Malaysia.

Enplanements during the 12 months total 90,754. Revenues for Chairman Yang Teramat Berhormat Pehin Orang Kaya Laila Setia Bakti Diraja Dato Laila Utama Awang Isa bin Pehin Datu Perdana Menteri Dato Laila Utama Awang Taji Ibrahim's carrier reach \$7,420,000 and airline employment totals 218.

The workforce is increased 29.1% in 1979 to 368.

Passenger boardings jump 12.4% to 103,600 while freight traffic soars 34.9%. Despite the fuel crisis, revenues climb 30% to \$10.6 million. A B-737-2M6C is ordered.

Airline employment grows by 25% in 1980 to 400 as the Boeing combi joins the fleet.

Cargo increases 36.7% to 3.32 million FTKs and passenger traffic rises 3.4% to 107,100.

The employee population grows by 22.5% in 1981 to 490.

Passenger bookings swell 18% to 126,400, while freight climbs 21% to 4.01 million FTKs. Revenues total \$27.5 million.

The employee population in 1982 is 520, a 0.1% increase. One Hawker Siddeley HS 748 is placed in service on local routes.

Cargo is up 21.1% to 468,000 FTKs and enplanements advance 22.1% to 154,118.

The payroll is increased 15.4% to 600 in 1983. Service is inaugurated to Kuala Lumpur in May and in cooperation with **Malaysian Airlines System, Ltd. (MAS)**, joint service is simultaneously inaugurated from Kuala Lumpur to Bahrain and Cairo. Flights to Darwin commence in June and to Jakarta in December.

Passenger boardings advance 5.5% to 173,499, while freight climbs 6% to 5.14 million FTKs. Orders are placed in 1984 for two B-757-200s. Enplanements total 197,408, but cargo falls 10.1% to 4.62 million FTKs.

The workforce grows to 629 in 1985 as Pengiran Tengah Metassim becomes CEO/managing director. In cooperation with **Singapore Airlines, Ltd.**, thrice-weekly joint service is initiated in April from Brunei to Bangkok, employing Royal Brunei's B-737-2M6. Passenger traffic figures are boosted 8% to 199,000 passengers flown, but cargo declines 5% to 4.41 million FTKs.

In January 1986, joint services are started with **Cathay Pacific Airways (Pty.), Ltd.** to Hong Kong. The fleet is enlarged by the addition of

two B-757-2M6ERs delivered this year, the first arriving on May 6; both are employed on charter flights to Sydney.

In July, new livery of dark yellow under white is adopted. Late in the year, \$110 million is invested in the carrier by the government to help cover the costs of the new aircraft.

Customer bookings increase 4% to 206,600 while freight recovers and moves ahead by 1% to 4.48 million FTKs.

The payroll grows by 8.5% in 1987 to 893. In January, the new Boeings initiate twice-weekly roundtrips from Bandar Seri Begawan to Taipei. Complete with a \$300,000 B-757 cabin mock-up, a new engineering workshop and training center is opened in Brunei in July.

Passenger boardings ascend 9% to 247,000 while cargo is up 6% to 4.85 million FTKs.

Airline employment is increased another 5.3% in 1988 to 1,000 and the fleet now includes 2 B-757-2M6ERs, 1 B-737-2M6, and 1 B-737-2M6C. Twice-weekly scheduled service is inaugurated in late fall to Dubai, U.A.E.

Passenger boardings leap up 14.1% to 248,325 and cargo 23.5% to 5.97 million FTKs.

The workforce inches up by 1.5% in 1989 to an even 1,000 as the fleet is increased by addition of a third B-757-2M6ER that is placed on the new service to Dubai. The two B-737-2M6s purchased in the early 1970s are withdrawn and the one remaining is reconfigured to a single-class, seating 112.

Supported by SRI International, a complete management study is completed during late winter as the airline's portion of the ABACUS reservations system comes on-line. In the fall, a B-757-2M6ER is chartered, crew and all, by **Australian Airlines (Pty.), Ltd.** to help provide domestic capacity during eight weeks of the national industry-wide pilots' strike.

Customer bookings surge another 6.9% to 268,164 and cargo does better, moving ahead by 27.5% to 8.38 million FTKs.

Company employment is increased by 20% in 1990 to 1,200 and the carrier's paid-up capital now totals about \$40.5 million (U.S.). The carrier inaugurates flights to Frankfurt via Bangkok and Dubai in May, followed by service to London (LGW) via Singapore and Dubai. The carrier also serves 10 points in Southeast Asia, Dubai, and Darwin in Australia with a fleet of Dornier 228-220s.

In addition, a U.S. general sales agent is appointed. The first of three chartered B-767-33AERs arrives on June 9 after having completed the longest delivery flight by a twin-engine commercial airliner—9,252 mi. from Seattle in 18 hrs. 29 min. In November, twice-weekly B-757-2M6ER is inaugurated to London (LGW).

Passenger boardings climb 11.8% to 304,169 and freight ascends 17.4% to 9.85 million FTKs.

Managing Director Pengiran Haji Tengah Metassim's fleet in 1991 includes 1 B-727-2U5A, 3 each B-757-2M6ERs, and 3 each B-767-33AERs. With the beginning of the new schedule at the end of March, service is initiated to Perth, Jeddah, and Bali. Twice-weekly B-767-33AER roundtrips are inaugurated to London (LHR) via Singapore and Dubai, on May 7.

Airline employment stands at 1,400 in 1992. Applications are made to provide scheduled services to Zurich, Cairo, Bali, and Bahrain. Meanwhile, charter flights are made to Nigata and Nagoya in Japan and Santa Barbara, California. A relief mission is flown to the former Yugoslavia, 13 charters are undertaken to Mecca, and Brunei-based Gurkha soldiers are taken to and from their homes in Nepal.

Enplanements total 461,000 and freight is up 74.3% to 34.66 million FTKs.

In 1993, Chairman HRH Prince Haji Jefri Bolkish and Managing Director Metassim oversee a workforce of 1,449, down 15% from the previous year. The B-727-2U5A is withdrawn and one B-757-2M6ER is leased to **Myanmar International Airways, Ltd.** in Burma. Scheduled flights begin to Beijing, Zurich, Cairo, and Bahrain during the summer and charters are undertaken to Mecca.

Frankfurt frequencies become thrice weekly during the same period. An A340-212 arrives for use by the Sultan as his personal aircraft when

required. Although it is given a VIP interior, it nevertheless wears the colors of the national airline.

All of this expansion has a significant impact upon traffic figures. Passenger boardings balloon 30.7% to 604,129 while cargo rises a huge 87.3% to 64.81 million FTKs.

Airline employment is increased by 11% in 1994 to 1,608. Orders are placed in January for two Fokker 50s, the first of which is delivered in May. In May and June, regional services are expanded to Miri, Labuan, Kota Kinabalu, and Kuching. B-767-33AER service to Brisbane is introduced, while weekly return frequencies to London (LHR) are doubled to four.

Cost and revenue sharing with **Dragonair, Ltd.** begins in September over a route from Bandar Seri Begawan to Hong Kong. Also during the month, RBI takes a 10% equity stake in Singapore Airlines, Ltd.'s Pan Asia Pacific Aviation Services maintenance joint venture concern, which is being established at Hong Kong's Chek Lap Kok Airport.

The second Fokker 50 is delivered in November and plans are made to introduce scheduled services to Amsterdam and Ho Chi Minh City during the new year. In December, weekly roundtrips begin to Balikpapan, Kalimantan, while twice-weekly return service also begins to Osaka.

Chief among the cost-cutting measures put in place in 1995 is a 19.2% staff reduction, which lowers the employee count to 1,300. A weekly return service to Calcutta is launched in November.

Passenger boardings rise 19% to 916,199 while cargo moves ahead by 16% to 109.82 million FTKs.

The reduction in force is reversed in 1996 as the workforce grows by 7.4% to 1,880. The fleet now includes 2 B-757-2M6ERs, 7 B-767-33AERs, 3 Dornier 228-220s, and 2 Fokker 50s. An eighth B-737-33AER is subleased to **Vietnam Airlines**.

In April, a code-sharing agreement is signed with **British Midland Airways, Ltd.** Under its terms, RBA passengers arriving at London (LHR) from Bandar Seri Begawan, Singapore, and Dubai are able to seamlessly pass on to BMA flights to its U.K. hubs at Belfast, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. Twice-weekly roundtrips are started to Bintulu, Sarawak, on July 3.

Flights to Dubai are suspended on September 10; however, twice-weekly B-767-33AER roundtrips commence on September 12 between London and Brunei via Abu Dhabi and Yangon in Myanmar. The Yangon stop marks the first time in 20 years that a company aircraft has visited the city. To upgrade its regional services, the carrier, in November, replaces its Fokker 50s with a pair of Fokker 100s.

Daily services from Bandar Seri Begawan to London (LHR) commence on December 1 with the introduction of a direct flight via Abu Dhabi. Other Heathrow Airport services are routed twice weekly each through either Singapore and Dubai or Abu Dhabi or via Dubai. Connecting service from Yangon to Brisbane begins in late December.

Enplanements for the year soar 14.2% to 1,046,093, but freight dips 1.9% to 108.07 million FTKs.

Airline employment grows another 3% in 1997 to 1,936. New uniforms are introduced by customer service personnel during the first quarter.

Discussions begin with **Garuda Indonesia** early in the spring concerning a possible code-sharing agreement. The Asian currency crisis of the fall and Garuda's figurative nosedive will force the talks to be adjourned. Still, twice-weekly roundtrips to Surabaya are introduced.

In midyear, a B-767-300ER simulator from Thomson Training & Simulation, Ltd. is placed into a newly opened training complex.

On initial approach to the oil town of Miri after a September 6 service from Labuan and Bandar Seri Begawan, Flight 238, a Dornier 228-212 leased from Malaysia's Merpati Intan with 2 crew and 8 passengers, collides with 500-m.-high Lambir Hill. The wreckage is not found until the next day and there are no survivors.

During the fall, service begins to Surabaya. When the B-727s of **Qatar Airways** go out of the country for their certification checks during October, the Gulf-based airline leases a B-757-2M6ER from Royal

Brunei Airlines for two months. It is employed to allow Qatar to reenter the Dhaka market with nonstop roundtrips.

The same fiscal crisis that hits Indonesia causes a traffic decline for Royal Brunei. The board of directors is now restructured and a new chairman is named.

Passenger boardings dip 0.9% to 1,036,500; however, freight climbs 8.7% to 117.44 million FTKs.

Flights continue without fanfare in **1998**. Customer bookings inch up to 1.04 million, but cargo traffic does much better, growing 17.1% to 327.72 million FTKs.

Little is heard of the airline in the West until it becomes involved in a meat controversy in early **1999**.

In late January, various Australian agencies inform the airline that, due to an outbreak of the blue tongue virus, sheep cannot be exported from Darwin over the wet seasons. In February, the airline sponsors the Baiduri World Badminton Finals, the sport's annual championship series.

In March, the Australian Quarantine Inspection Service reports that sheep exports to Brunei may be resumed between June 1 and October 31.

The controversy, which is fully covered in the May 26 issue of the *Borneo Bulletin*, grows in late April when reports on what has become known as the "meat controversy" begin to appear in the press. The Australian High Commission denies a claim that its government has placed a temporary ban on sheep exports due to blue tongue disease.

The matter takes on an entirely different flavor when, in mid-May, reports mention that RBA Executive Director Sheikh Jamaluddin has not only acknowledged a shortage of halal lamb chops, but has blamed it on the strict religious regulation on imports imposed by the country's Halal Committee.

On May 21, the board of directors of Royal Brunei officially disassociates the carrier from what are termed the director's personal views. It sincerely pledges to the Sultan and public the national airline's continued support for the exercise and enforcement of the relevant regulations according to the Syariah.

At the beginning of April **2000**, a B-767-33AER is subchartered to **Air Algerie, S.A.** for its long-haul international services. The last two Fokker 100s are retired in mid-May. A B-767-33AER is chartered to **Vietnam Airlines** on September 30. It wears full Royal Brunei livery with **Vietnam Airlines** titles.

The airline introduces a fourth weekly B-767-333AER return service between Brisbane and Brunei on October 31. A ceremony is held at the new Brisbane office, attended by Executive Director Pg Ali bin Pg Haji Ahmad and Australian Deputy Prime Minister James Elder.

On November 1, Chairman Dato Mohd Alimin Abd Wahab informs *The Borneo Bulletin* that his carrier will be adding Airbus Industrie A319s to the fleet in **2003**. A third weekly B-767-33AER roundtrip from Perth to Brunei begins on November 3.

In a ceremony presided over by Chairman Dato Mohd Alimin Abd Wahab, the company, on November 9, opens a new office at Brisbane. At the 26th Anniversary Gala Night held at the International Convention Center on November 18, the chairman reviews the airline's progress, noting its importance to the domestic economy. As reported in the November 20 issue of *The Borneo Bulletin*, 55 staff members receive special awards for 25 years of service.

ROYAL CARIBBEAN INTERNATIONAL: United States (1989–1991). Like its larger competitor Carnival Cruise Lines, the holiday steamship concern Royal Caribbean also begins to offer scheduled air service in **1989**, albeit on a much smaller scale. Employing two Australian-built GAF Nomad N-24As, the company flies passengers between the islands of the Caribbean on a service calculated to link customers with cruise ship departures. Discussions are held with **Trans World Airlines (TWA)** concerning the possibility of a "TWExpress" partnership.

Hopes to become a TWA affiliate evaporate in **1990** and the operator shuts its doors in early **1991**.

ROYAL DUTCH INDIES AIRLINE COMPANY. See **KONIN-**

KLIJKE NEDERLANDSCH-INDISCHELUCHTVAART MAATSCHAPPIJ, N.V. (KNILM)

ROYAL EXPRESS. See **ROYAL AIRLINES, LTD.**

ROYAL HAWAIIAN AIR SERVICE: United States (1965–1986). Royal Hawaiian is founded by Woodson Woods and Johnny Peacock as an FBO, flying school, and charter operation at Kona on April 13, **1965**; Robert Haws is named CEO. Nonscheduled local air taxi service flights are also provided around the "Big Island" and on to Honolulu with a fleet of Cessna 310s and 402s.

Scheduled operations are begun in **1966**, and will allow the company to later claim for itself the title of Hawaii's oldest commuter airline. Three years later, in **1969**, **Royal Hawaiian Airways**, a subsidiary of the Delaware-based Lumber Industries, purchases the carrier from its original owners, the Peacock-Woods Corporation, and give it the new name.

ROYAL HAWAIIAN AIRWAYS: United States (1965–1986). **Royal Hawaiian Air Service** is originally established in April **1965** as a subsidiary of the Peacock-Woods Corporation to provide air taxi flights from a base at Kona. Scheduled flights commence in **1966**. The operation is purchased in **1969** by a subsidiary of the Delaware-based Lumber Industries and renamed. Cessna 310 and 402 and de Havilland Canada DHC-6-100 Twin Otter flight-seeing services continue.

During the early **1970s**, the number of daily flight schedules is increased as over 40 flight numbers are added, including service to and from Honolulu, Molokai, Kalaupapa, Lanai, Kahului, Kaanapali, Upolu, Hana, Kona, Kamuela, and Hilo. The company's sight-seeing vacations attract worldwide recognition and by **1974** bookings reach 128,546. The two Twin Otters have by now been retired.

Airline employment in **1975** stands at 97. The company's 11 Cessna 402s board a total of 139,723 passengers, an 8% increase.

The number of employees is increased by 17% in **1976** to 112 and another Cessna 402 is purchased. Customer bookings balloon 18% to 164,962. Enplanements in **1977** are 185,727.

Another Cessna 402 is delivered in early **1978**. Customer bookings increase again, by 12.8% to 209,555. The workforce in **1979** stands at 135 and enplanements climb by 2.2% to 214,080.

Airline employment in **1980** is 143 and President Robert D. Haws's fleet is expanded to 14 Cessna 402s.

Traffic for the year increases 4.1% as 223,000 passengers are carried. The company is reclassified as a "large regional" under terms of the CAB's new airline classification scheme.

The entrance of **Mid-Pacific Airlines** into the interisland market in **1981** sends Royal Hawaiian into a headlong dive.

Passenger boardings are off 18.5%, down to 181,771 and the carrier reels back into the ranks of the "small regionals." The only highlights of the year are the boarding of the 1.5-millionth passenger and the addition of a 15th Cessna 402.

A 3% traffic increase is recorded in **1982** with 187,252 passengers carried. Orders are placed for two de Havilland Canada DHC-6-300s. Royal Hawaiian is able to climb back into the "large regional" category in **1983** and remain there in **1984**. During the former year, boardings accelerate 13.3% to 212,173 and in the latter year the privately held carrier's 15 402s and 2 new DHC-6-300s carry 202,451 customers, a dip of 4.6%.

The fleet in **1985** includes 14 Cessna 402s and 2 DHC-6-300s. In November, commuter flights are inaugurated linking Guam, Rota, Tinian, and Saipan.

Customer bookings rise a very slight 0.7% to 203,801.

In January **1986**, the Kaanapali-Mahi hub airport is sold to land developers. The move is fatal for RHAS as the field has long produced most of the large regional's business and another site is not available. Operations continue until May 22, when the facility is closed; a total of

57,628 passengers are flown during the last five months.

At this point, owner Robert Haws, without the necessity of declaring bankruptcy, liquidates the airline.

ROYAL JORDANIAN AIRLINES: P.O. Box 302, Amman, Jordan; Phone 962 (6) 679 178; Fax 962 (6) 672 527; <http://www.rja.com.jo>; Code RJ; Year Founded 1986. In an effort to change direction, broaden appeal, and reduce its traffic downturn, **Alia (Royal Jordanian Airlines)** is renamed at the end of 1986. As 1987 dawns, the 4,582-employee carrier is into a massive change in corporate identity that includes adoption of a new gold crown insignia, new gray and white aircraft liveries, additional on-board amenities, and first-class sleeperette seats. Sharjah joins the route network and two A310-304s are added to the fleet, beginning in April.

Daily services to Amman from the U.S. are accelerated during the summer, with daily service being added from New York (JFK) and thrice-weekly flights from Chicago and Los Angeles. Additionally, plans are underway for privatization. In August, the management team assisting **Sierra Leone Airlines** is withdrawn and in September the Boeing 747-2D3B *Prince Hamzad* is sold for onward lease to **British Caledonian Airways, Ltd.**

Passenger boardings climb 4.1% to 1,199,100 and freight is up by 18% to 206,000 FTKs. Revenues advance 12.2% to \$305.8 million and the operating loss is improved to \$11.4 million. There is, however, a net gain of \$3.67 million.

Airline employment climbs 5.3% in 1988 to 5,126 as the carrier's twenty-fifth birthday, albeit under two names, is celebrated. Unable to pay for assistance, **Sudan Airways, Ltd.** is forced, in February, to cancel its cooperative agreement with the Jordanian airline. Twice-weekly L-1011-500 Amman to Miami service commences on May 3. In June and July, service is initiated to New Delhi and Calcutta and the Miami schedule is revised to allow for twice-weekly flights to the Florida stop from Amman via Vienna.

On July 1, the carrier becomes the first Mideast airline to ban smoking on all of its short-haul flights, notably those between Amman and Aqaba and Damascus. In November, the company enters into a block-space agreement with **Air Canada, Ltd.** under which the Mideast carrier allocates seats to the Canadians on its new route from Amman to Montreal and later, to Toronto.

A third A310-304 is delivered and the company starts the process of privatization.

Customer bookings swell 4.1% to 1,225,934 and cargo jumps 8.2% to 201.53 million FTKs. Revenues ascend 7.6% to \$216.8 million and the operating loss is cut to \$3.1 million. Net income dips to \$3.39 million.

The payroll is cut by 4.9% in 1989 to 4,876 and the last B-747-2D3BC, *Prince Ali*, is sold. During the spring, the technical base at Amman begins doing certification checks on four **Air France** A310s. Twice-weekly nonstop flights begin in August from Amman to Kuala Lumpur via Singapore. Service is also inaugurated to Ankara, Jakarta, and Colombo. In November, President/CEO Ali Ghandour is removed and replaced by his deputy, Husam Abu Ghazaleh.

Still, passenger boardings slide 1.8% to 1,203,776. Freight, however, inches its way up by 2.4% to 206.45 million FTKs.

Company employment remains unchanged in 1990. The first A320-211 is delivered in April and is christened *Cairo*. Also during the fourth month, joint services begin with **Tarom (Transporturile Aeriene Romane)** on a route between Amman and Bucharest.

During the spring, a cooperative agreement is signed with **Saudia (Saudi Arabian Airlines)** and under it, 12 pilots and 4 flight engineers are seconded to the Saudi carrier in May. Also in May, a contract is signed with the Caribbean carrier **Seagreen Air Transport** for B-707 maintenance.

In June, **Garuda Indonesia** leases an L-1011 for three months to operate flights from Jakarta, Bali, and Hong Kong. During July, plans are made by President/CEO Ghazaleh's carrier to convert several TriStars into freighters. At the same time, construction is begun on a new main-

tenance hangar at Amman.

The crisis in the Gulf that erupts following Iraq's August invasion of Kuwait has a strong impact upon the airline. With Jordan providing support to its aggressive neighbor at the same time as Allied forces are gathering in Saudi Arabia in Operation Desert Shield, the company sees a steady downturn, operating from its homeland only through November.

Prohibitively high insurance premiums now force the airline to move most of its fleet to a temporary hub at Vienna. The service to Amman from Austria is operated by B-727-2B6As, which are not allowed to stay overnight at Amman, but must work out of Larnaca, Cyprus; the cost is, in insurance alone, \$30,000 per plane per day. To help offset costs, the airline undertakes charter flights for the International Organization for Migration, taking refugees to the Philippines and Bangladesh. Services to Chicago are suspended.

During the year's first 11 months, Royal Jordanian transports a total of 910,367 passengers, a decline of 19.1% from the previous year. Freight traffic, however, grows by 8.6% to 205.95 million FTKs.

The payroll is increased to 5,000 in 1991. Twelve charter flights are made between Amman and Hanoi January 2-8, transporting 2,860 passengers. Early in the year, paying travelers are assessed insurance surcharges of up to \$400 per ticket. Routes to Chicago, Los Angeles, and Miami must be closed, in addition to the previously ended Kuwait and Baghdad runs. Jordan's support for Iraq during the UN's Operation Desert Storm in February brings a traffic decline of 85.3% over the same period a year earlier.

At the end of the war, King Hussein recommends that Royal Jordanian be privatized as quickly as possible; the airline, meanwhile, begins a cost-cutting program designed to end financial difficulties. Staff reductions and aircraft delivery deferrals occur, coupled with the lease of an L-1011 to **Sudan Airways, Ltd.** A second weekly flight to New York is initiated on March 19 and by midyear the company is able to resume service to all points of its pre-Gulf crisis route network. It even increases frequencies to New York to six a week, while also restarting the flights to Beirut that were suspended years earlier.

Still, as might be expected, a significant downturn occurs in overall traffic statistics. Customer bookings decline another 25.4% to 646,890 and cargo plunges 31.8% to 126.89 million FTKs. Income exceeds expenses and there is an operating profit of \$30.2 million. Unhappily, there is also a net loss of \$56.7 million.

The employee population falls 1.3% in 1992 to 4,717. The company recovers from the Gulf crisis and resumes services to Athens. In May, Amman-New York B-707F frequencies are doubled from one to two per week. New frequencies are initiated to Aden, Jakarta, and Berlin.

Passenger boardings increase 38% to 1,129,315 while freight advances 6.9% to 193.06 million FTKs. Revenues swell 19.7% to \$378.1 million and allow an operating surplus of \$48.4 million. There is a net loss of \$16.5 million.

In 1993, President/CEO Mahmoud Jamal Balqez oversees a workforce of 5,000, up 6% from the previous year. The leased fleet now includes 4 A310-304s, 2 A320-211s, 5 L-1011-500 TriStars, 2 B-727-2D3As, and 1 each B-707-324C, B-707-365C, and B-707-384C. Service is resumed to Chicago in June and in July a contract is signed with **Alyemda Yemen Airlines** to maintain that carrier's two A310-204s.

Customer bookings jump 7.2% to 1,188,799 while cargo swells 23.7% to 217.8 million FTKs. Revenues total \$407.48 million and expenses are sufficiently low to allow an operating profit of \$52.13 million and a net profit of \$1.32 million.

While there are no changes in the employee base during 1994, initial steps toward privatization now begin. During a Washington summit between King Hussein and Israel's Prime Minister Yitzhak Rabin in late July, Jordan and Israel agree in principle to give each other over-flight rights. In the first test of the new policy, the monarch personally pilots a company L-1011-500, escorted by Israeli fighter planes, over Tel Aviv on August 3.

Meanwhile, since its creation in 1963, the carrier has lost, by July, a total of 134 million dinars and its debt stands at JD 579 million against

assets of JD 534 million. The company's capital will be increased from JD 22 million (\$32 million) to JD 57 million when the government settles part of the foreign debt, for an equivalent amount of U.S. dollars, defining the expenditure as a capital investment in the airline. About JD 100 million owed to local banks and the Jordanian Petrol Refinery Corp. are rescheduled.

Traffic figures are released through June and show passenger boardings up by 5.8% to 686,000, but freight down by 0.6% to 119.54 million FTKs. With the rest of the year also down, revenues decline 4.4% to \$310.31 million, while expenses swell 3.9% to \$369.92 million. The operating gain drops to \$20.38 million and there is a huge \$44.12-million net loss.

Again in 1995, no changes are made in the employee base. Late in the year, arrangements are made to lease a pair of Airbus A310-302s from **Air Algerie (Societe Nationale de Transport et Travail Aeriens, S.A.)**.

Traffic figures once more are given only for the first 6 months and show enplanements up 2.4% to 588,000. Cargo is down 9.4% during the same period to 93.83 million FTKs.

The workforce grows 8.8% in 1996 to 5,438. The feeder subsidiary **Royal Wings** is established on January 1 and begins revenue services on February 10 with a single de Havilland Canada DHC-8-300. Destinations visited on behalf of the parent include Aqaba, Haifa, Sharm el Sheikh, and Tel Aviv.

Tel Aviv's Rehov Shalom Aleichem takes on a festive air on April 8, as a Jordanian folklore group entertains local residents and visiting tourists with a selection of music and dancing to mark the opening of the first Royal Jordanian office there. Nader Dehabi, president and chief executive officer of the Jordanian airline, whose subsidiary **Royal Wings** made its maiden commercial flight to Israel a few days earlier, stresses that Royal Jordanian is interested in cooperation, rather than competition with **El Al Israel Airlines, Ltd.** Employing the leased Algerian Airbus, the company inaugurates daily commercial air service between Jordan and Israel on May 25 in association with **El Al Israel Airlines, Ltd.**

Customer bookings rise 2.5% on the year to 1,302,375. Although a small \$3.51-million operating profit is enjoyed, a large \$48.75-million net loss must also be absorbed.

The employee population is cut 8.3% in 1997 to 5,128. A government committee, chaired by the prime minister, is established in early spring to look into the possibilities of restructuring and privatizing the airline. At the end of the year, five L-1011-500s are sold to **American Trans-Air (ATA)**.

Weekly Saturday roundtrips from Chicago to Amman via Detroit and Amsterdam commence on May 31; the Detroit stop will continue through September 6. Meanwhile, the five-times-a-week departures from New York for Amman are advanced in frequency to daily.

After a seven-year lapse, service from Amman to Kuwait City is resumed on July 9 with twice-weekly roundtrip flights.

According to the August 8 issue of Jordan's *Al-Aswag* newspaper, the number of passengers carried by Royal Jordanian from Amman to Tel Aviv during the first 6 months of the current year totals 9,066, with an aircraft occupancy rate of 52%.

A code-sharing agreement is begun with **Trans World Airlines (TWA)** in November. Under its terms, the American major is able to place its two-letter designator on Royal Jordanian flights from New York to Amsterdam and Amman. With this agreement, TWA has become the only U.S. airline offering direct service between New York, Holland and Jordan.

On the year as a whole, passenger boardings accelerate 4.2% to 1,353,427, while freight, on the other hand, falls 8.6% to 271.02 million FTKs. Operating revenues advance 1.9% to \$396.37 million, while expenses are \$384.49 million. The operating profit improves to \$11.88 million (later reduced to \$8.85 million), while the net gain is \$ 67.07 million.

On January 26, 1998, **Trans World Airlines (TWA)** seeks to expand its dual-designator service with Royal Jordanian. The proposed growth will allow TWA to add codes on Royal Jordanian flights from Amman to Manama in Bahrain, Karachi, Calcutta, and New Delhi. Royal Jor-

danian will be able to add its codes to TWA flights from New York to Cleveland, New Orleans, St. Louis, and San Francisco.

Employing A310-302s, the company, on June 16, resumes direct return service to Tehran, twice weekly.

Also in June, a letter of intent is signed with **American Trans-Air** for the sale of five L-1011-500s, plus a stock of spare parts. The jetliners will be integrated into the fleet of the U.S. charter carrier over the next 18 months.

A block-seat, code-sharing pact with **Air Canada, Ltd.** takes effect on July 2. The Canadian company purchases space on the Jordanian company's four weekly roundtrips between London (LHR) and Amman, while Royal Jordanian sells seats on Air Canada flights from London (LHR) to Montreal and Toronto.

A formal purchase agreement with **American Trans Air** is signed on August 4 for the five TriStars; the first is now scheduled to be placed into service by the American operator in early December.

It is announced on October 27 that the carrier will begin twice-weekly nonstop return flights on January 17 from Amman to Chicago (ORD) via Shannon, Ireland. The company's current stop at Amsterdam will be eliminated.

The conclusion of the year and the beginning of the next is, for employees of the airline around the world, just as emotional for them as for the citizens of Jordan as a whole. King Hussein, who had been taken to the Mayo Clinic in Rochester, Minnesota, aboard a company aircraft, has spent the year battling lymphatic cancer. As the year ends, it appears the monarch, who has often piloted Royal Jordanian jetliners, may be sufficiently recovered to return home.

Customer bookings during the 12 months decline by 12.3% to 1.18 million, while cargo traffic drops 19.1% to 216.21 million FTKs. Revenues are off 21.5% to \$348.49 million, while costs also drop, by 25.7%, to \$323.26 million. Although a \$25.23-million operating profit is gained, the net profit plummets to just \$7.01 million.

On January 19, 1999, an L-1011 flies King Hussein and his royal party back to Queen Alia International Airport at the edge of Amman, from which he and they ride through the city in triumph.

After naming his eldest son, Abdullah, as his successor on January 22, King Hussein and Queen Noor suddenly fly back to Minnesota aboard the same Lockheed that had brought them to Amman days earlier. The ruler must undergo an emergency bone marrow transplant operation in hopes of reversing his suddenly rampant disease. The procedure, performed on February 2, is not successful and Hussein orders himself flown back to Jordan on February 4 so that he might die at home. King Hussein passes away on February 7.

Despite the death of King Hussein, company offices in Tel Aviv remain open for business. A book of condolences is, however, placed out where visitors can register their comments daily through February 12.

On March 15, the carrier and **Air Canada, Ltd.** announce plans to extend their successful dual designator service between Canada and Amman from March 28 until October 30.

The new service with **Air Canada, Ltd.** begins as advertised on March 28 and features five flights a week from Toronto and Montreal to Amman via London (LHR). Under the agreement, Air Canada offers customers originating from Canada economy-class seats on Royal Jordanian flights from London (LHR) to Amman. Conversely, Royal Jordanian customers have access to Hospitality Class seats on Air Canada flights from London (LHR) to Montreal and Toronto. Coordinated schedules ensure fast, convenient, same-terminal connections at Heathrow Airport.

Following the lifting of the UN embargo on air travel to Libya at the end of March, Royal Jordanian resumes flights to Tripoli and Benghazi on April 20.

Passenger boardings jump 5.5% to 1,252,000. Revenues of just under \$360 million are generated and a net gain of \$34 million is reported.

Airline employment stands at 3,500 at the beginning of 2000, down from 5,500 at the start of 1994.

A weekly dedicated roundtrip B-707F freight service is inaugurated on January 7 from Amman to Montreal (YMQ).

During the first quarter, significant progress is made toward cutting costs. Unprofitable routes to Canada and Iran are dropped and offices at Paris and Geneva are combined, as are those in Abu Dhabi and Dubai and those in Calcutta, New Delhi, and Bombay.

The March 30 issue of the *Al-Itihad* newspaper reports that the Israeli government has begun subsidizing up to 50% of the cost of tour packages for those Israeli citizens wishing to visit various approved Arab countries, particularly Qatar and Oman, in cooperation with selected foreign tourist agencies. Royal Jordanian and **El Al Israel Airlines, Ltd.** immediately begin to compete for this new Jewish business, with the latter cutting its tariffs by up to a third.

It is reported that, as of April 30, the carrier's debt has dropped from over \$1 billion in 1995–1999 to just \$150 million. Managing Director Nader A-Dhahabi also discloses that, following 10 consecutive years of loss, his airline earned a net profit of \$36 million for the first quarter. A-Dhahabi's figures are contained in a May 1 interview that will finally be printed by *Al-Quds* on November 13. In the same interview, the managing director reveals that the decision to privatize the company taken the previous year has yet to receive parliamentary approval. The carrier has, however, accepted a study on recommended structural reorganization prior to privatization commissioned from Andersen Consulting.

In accordance with the Andersen study, plans have been laid for the sale or conversion into independent government corporations of five noncore airline divisions, including training, catering, engine overhaul, engineering maintenance, and the duty-free shops at Amman's Queen Alia International Airport.

Desperate to reach Germany, Syrian Mahmoud Rizq Deeb yanks a grenade and a pistol from the carry-on bags of his 2 young children on board Flight 435, an A320-212 with 12 crew and 84 passengers en route from Amman to Damascus on July 5. Some 20 minutes into the service, on which Deeb's brother is also a passenger, the man walks out of economy class into first class, screams at a flight attendant, and sprays the ceiling with gunfire. Deeb moves toward the cockpit and rolls a grenade down the aisle, which explodes, wounding 15 people; the man is unable to reach the flight crew before he is shot and killed by security guards. Although the grenade explosion blows a hole in the floor of the aircraft, it does not prevent a safe emergency landing back at the point of origin.

The duty-free shops at Amman's Queen Alia International Airport are sold to a Spanish operator in August. Also in August, the Jordanian Parliament approves an annulment of the 1963 law forming Royal Jordanian as a public corporation. The new act allows the carrier to be transformed into a private concern wholly owned by the government, the first stage required for eventual privatization.

Two A310-203s are wet-leased to **Jamahiriya Libyan Arab Airlines** in early October.

A company aircraft transports Jordanian Prime Minister Ali Abu Ragheb to Baghdad on November 1, the first trip into Iraq by any Arab official of his rank since 1990. The trip is condemned in certain Western circles, but applauded throughout the Arab world.

Flight 604, an A320-200 en route from Amman to Abu Dhabi, is forced to make an emergency landing in Kasim, at Buraida Airport, Saudi Arabia, on November 6 due to a bomb threat. At the same time, another threat causes Flight 606, a A320-212 flying from Amman to Doha, to return to its point of origin. Former Royal Jordanian pilot Fakhri Ahmad Mahoud Humaiti is arrested by police and charged in the incidents.

Charter flights that have not operated for over a decade are restarted on November 30 between Amman and Baghdad. Airline officials are careful to point out that these flights do not represent a resumption of "scheduled" services, but are for humanitarian purposes. The A310-304, which had departed the Jordanian capital with UN approval and 19 passengers, returns from Iraq on December 1 bringing 20 riders. The adventure is reported for the BBC by reporter Barbara Plett, who is on the flight, and is archived on the news organization's Web site.

ROYAL NEPAL AIRLINES CORPORATION: P.O. Box 401, RNAC Building, Katipath, Kathmandu, 711000, Nepal; Phone 977 (1) 220757; Fax 977 (1) 225348; <http://www.royalnepal.com>; Code RA; Year Founded 1958. When an **Indian Airlines Corporation** contract expires in 1958, the Kingdom of Nepal and several private investors form this small national carrier on July 1 to take over domestic service. The act establishing the company gives it three major goals: (1) manage air transport services within and outside the Kingdom of Nepal in a safe, efficient, economical, and proper manner; (2) ensure maximum profitability as well as provide air services at economical fares as far as possible; (3) diversify air services. A single Douglas DC-3 is made available and the initial workforce totals 97. Flights commence on July 3 from Katmandu's Tribhuvan Airport to four domestic destinations.

Under terms of a new **Indian Airlines Corporation** regional contract, routes are extended from Kathmandu to New Delhi, Calcutta, and Patna in 1959. The government of Nepal assumes full ownership on October 12. In 1960, sufficient Nepalese personnel are available to assume most flight and ground positions. In January, the company assumes the international route to Patna.

A DC-3 with four crew fails takeoff from Bairihawa, Nepal, on November 5 and crashes; there are no survivors.

During 1961–1963, the fleet grows to include 12 aircraft and the work force rises to 434. Services to Delhi and Calcutta begin during the former year. A DC-3 with four crew and six passengers disappears on a flight to New Delhi on August 1, 1962; the wreckage is found near Tulachan Dhuri the next day and there are no survivors. A new hangar is built at Katmandu during the latter year.

Enplanements in 1964 total 100,000 and revenues are \$1.46 million.

In 1965–1967, the employee population rises to 720 and the fleet is strengthened through the addition of a Fokker F.27-100 Friendship and a STOL-capable de Havilland Canada DHC-6-100. The carrier begins to receive aid from the UN Development Fund (UNDP), administered by ICAO, for the training of personnel and the buildup of infrastructure.

Domestic services increase 36% in 1968 and international 17% for a systemwide total of 167,599 boardings. Helicopter service is inaugurated into remote areas. Revenues total \$1.46 million.

A new headquarters is opened at Kathmandu in 1969. While flying over a cloud-covered 7,300-ft. ridge on July 12, a DC-3 with 4 crew and 31 passengers collides with a tree at Hitauda, Nepal; the wreckage is found the next day and there are no survivors.

Reflecting the conflict of differing political influences on the country, the fleet during 1970 comes to feature several Russian aircraft, as well as 2 Hawker Siddeley HS 748s (known as Avro 748s), 6 DC-3s, and 1 Fokker F.27-100.

While on final approach to Delhi from Kathmandu on January 25, an F.27-200 with 5 crew and 18 passengers encounter bad weather and turbulence that result in a crash short of the runway (1 dead).

A technical and management contract is signed with **Air France** on July 13; the arrangement will eventually allow the carrier to inaugurate international services.

With the two Avro 748s operating the major domestic services, the company acquires several more DHC-6 Twin Otters and two Pilatus PC-6 Porters with which to inaugurate flights to such mountainous destinations as Lukla and Syangboche. DHC-6 flights commence in August, followed by the Porters in November.

Operations continue apace in 1971–1972, with management provided by **Air France** under a three-year contract. The first jetliner, a B-727-1F8, arrives via the French major in June of the latter year and in a September 10 ceremony, Nepalese religious leaders slaughter goats and sprinkle their blood in the cockpit for good luck. The Boeing, christened *Yeti*, pioneers a route to New Delhi five days later. A DC-3 with 31 aboard crashes in the Katmandu Valley on September 13 of the latter year; there are no survivors.

On June 10, 1973, three armed men hijack a Twin Otter en route from Biratnagar to Katmandu and after forcing the aircraft to land at

Forbesganj, India, escape with \$400,000 in Nepalese bank funds that were being shipped.

The **Air France** contract is completed on October 31.

During **1974-1976**, airline employment grows to 922. Chairman/Managing Director B. B. Pradhan's fleet is expanded and improved as the DC-3s and F.27 are retired in favor of a Boeing 727-1F8 purchased new, a B-727-116C acquired from **LanChile Airlines, S.A.**, two more Avro 748-B2s, nine additional DHC-6-300s, and two Pilatus Porters. The latter begin a special new domestic service on October 31, 1975 to 10 communities above the 6,000-ft. level.

Employing an Aerospatiale AS.332 Puma, the company inaugurates rotary-wing flights on January 31, **1977**, to Tiger Tops National Park south of Kathmandu. Direct trijet service from Kathmandu to Colombo, Sri Lanka, begins on March 16; the route is the company's first significant international aerial highway. A technical, management, and marketing agreement is now signed with **Deutsche Lufthansa, A.G.** As part of the deal, RNAC, in the fall, is able to begin pooled service, aboard German aircraft, to Frankfurt.

The domestic network is increased during **1978-1982** to 37 points in 11 districts and pooled international routes are opened to Bangkok, Colombo, Dhaka, Hong Kong, Karachi, and Rangoon. The Hong Kong route allows transport for the large number of Gurkha soldiers based there with the British army. Management and technical assistance continues to be provided by **Deutsche Lufthansa, A.G.**, now joined by **Aer Lingus Irish Airlines, Ltd.**

Enplanements total 163,473 in **1983**. The workforce grows 1.8% in **1984** to 1,858. Service is extended to Singapore and Dubai.

Badly off course in foul weather on December 22, a DHC-6-300 with 3 crew and 20 passengers crashes near Bhojpur, Nepal (15 dead).

Customer bookings for the year dip 6.3% to 153,784. Service during the latter year is extended to Singapore and Dubai and the workforce grows 1.8% to 1,858.

The fleet in **1985** includes 3 B-727-100s, 3 Avro 748-B2s, 9 DHC-6-300s, and 2 Pilatus Porters. In March, B. R. Singh succeeds B. B. Pradhan as managing director.

Another DHC-6-300 is added in **1986** and orders are placed for two B-757-200s; the \$110-million request is Nepal's biggest ever trade contract. One will be purchased with a commercial loan and the other through a lease-purchase deal; both arrangements are handled by France's Credit Lyonnais.

While landing at Safebagar on May 3, a DHC-6-300 turboprop with 3 crew and 15 passengers is destroyed when it encounters windshear 100 ft. over the runway; there are no fatalities.

Flights continue apace in **1987**, with the first B-757-2F8 delivered in October. With fuel costs in land-locked Nepal averaging \$10 per gallon due Indian-imposed border restrictions, jetliners on shorter foreign routes load maximum fuel before leaving regional destinations for Kathmandu. Upon reaching the Nepalese capital, surplus fuel is unloaded for use by the fleet's turboprops on domestic flights and the jetliners are left with only sufficient fuel to reach the first foreign airport on their next scheduled route. Under an arrangement with **Deutsche Lufthansa, A.G.**, a two-year, pooled route is launched between Nepal and Frankfurt.

The first traffic figures in three years are released this year and show overall bookings of 330,551.

UNDP funding for the **1988** totals \$1.5 million. The fleet now includes 1 B-757-2F8, 2 B-727s, 3 Avro 748-B2s, 8 Twin Otters, and 3 Pilatus Porters. B-727-100 charter service is extended, with a large number of flights to Nagoya, Japan; a series of "mountain flights" are introduced, with frequencies of up to three per day depending upon the season, over the Himalayas. The sight-seeing aircraft make left and right circuits over such famous peaks as Everest and Annapurna, allowing good views for passengers and shots for photographers.

Employing a B-707 leased from **CAAC (General Administration of Civil Aviation of China)**, the company flies 44 passengers on its inaugural shared charter service from Kathmandu to Lhasa, Tibet, on April 4. The Nepalese flag carrier undertakes the 50-min. return route every

Wednesday and the Chinese carrier each Saturday. These flights will continue to be provided annually from April to October, although Royal Nepal will substitute its B-727-1F8.

On June 11, customs officials at Kathmandu confiscate an illegal shipment of gold worth more than Rs 100 million from a chartered company aircraft. The British Gurkhas cargo flight had arrived with the undeclared booty in boxes weighing 194 kilos and 570 grams, respectively.

The second Boeing 757-2F8C arrives in September; it is the first B-757 combi built and is christened *Gandaki*.

The 1,879-employee airline enjoys enplanements of 597,745, a 16% increase.

The workforce is increased to 2,500 in **1989** and the fleet now includes the 2 newly delivered B-757-2F8s plus 10 Twin Otters, 3 Avro 748-2Bs (1 in service), and 2 Pilatus Porters. The year's big event is the inauguration of Boeing service to London in September, as an extension of the Frankfurt route. Also, an agreement is signed with **Royal Brunei Airlines** for the technical support of the carrier's B-757s.

During the year, the company is reorganized into separate international and domestic divisions, with the latter headed by Deputy Managing Director G. R. Rajbahak. Pooled B-707-3J6C flights operated with **Air China International Corporation** between Kathmandu and Lhasa are suspended in November.

Enplanements for the year total 610,000, a 2.1% increase, and revenues are \$54.3 million. Profits are generated: \$17 million (operating) and \$2.06 million (net).

In **1990**, airline employment at Managing Director Singh's carrier totals 2,500 and the route network includes 38 domestic destinations and 10 foreign destinations in Europe, Asia, and the Middle East. Joint services with **Air China International Corporation** between Nepal and Lhasa are resumed in March. Flights begin to Paris.

The fleet in **1991** includes 1 each B-727-1F8, B-727-116C, B-757-2F8, and B-757-2F8C, 8 DHC-6-300s, 2 Harbin Yu-12Hs, 2 Avro 748-2As, and 2 748-2AFs.

Following an unstabilized approach to Lukla from a June 9 Kathmandu service, a DHC-6-300 with 3 crew and 14 passengers crashes on the runway; although the aircraft is damaged beyond repair, there are no fatalities.

A total of 644,509 passengers are carried on the year and revenues reach \$110 million.

In **1992**, the Harbins and Avro 748-2Bs are placed out of service, the latter temporarily. Charter flights to Japan now average 12 to 15-per-year while service to Europe is weekly, a single route from Nepal to London via Dubai, Frankfurt, and Paris.

During its takeoff run from Jumla on July 5, a DHC-6-300 with three crew veers right and runs off the runway and into the perimeter fence; although the aircraft is damaged beyond repair, there are no fatalities.

A DC-8-72 is leased during October while the B-757-2F8C is away at Brunei for its 16,000-hr. maintenance check. Late in the year, a new Twin Otter hangar is opened at Nepalgunj, in the western part of the country. The government now announces a policy of domestic liberalization that will allow the formation of new airlines.

Managing director Pradeep Raj Pandey oversees a workforce of 2,200 in **1993** and increases his fleet by the addition of a B-757-2F8C and a leased Airbus Industrie A310-304, the latter arriving at Kathmandu in December. Destinations visited from Kathmandu now include, in addition to 37 domestic stops: Bangkok, Hong Kong, Singapore, Calcutta, Delhi, Bombay, London, Paris, and Frankfurt.

Operations continue apace in **1994** and following the opening of Osaka's new international airport (KIX) in September, twice-weekly flights are inaugurated to Japan.

Flight 133, a DHC-6-300 with 3 crew and 21 passengers, fails its takeoff from Kathmandu on January 17, **1995**, for a service, hits the perimeter fence, and plunges into a field (2 dead).

Many of the domestic stops are lost to competing **Necon Air, Ltd.** and **Nepal Airways, Ltd.** and two of the Avro 748s are withdrawn. Smoking is banned on the airline's Kathmandu-Bangkok-Singapore flights. Addition-

ally, it is forbidden on all domestic services and to flights into India.

Flights continue in **1996** with the company increasingly emphasizing its international services. New routes are inaugurated to Shanghai and Osaka. At the request of the World Health Organization, the carrier prohibits smoking on its Frankfurt to London and Frankfurt to Paris European segments.

Just after landing on the rain-soaked grass airstrip at Meghauli following an April 25 service from Kathmandu, an HS 748-2B with 4 crew and 27 passengers, runs off the runway into drainage ditches, losing its nose landing gear. There are no fatalities.

Destinations visited in **1997–1998** include Bangkok, Bombay, Calcutta, Delhi, Dubai, Frankfurt, Hong Kong, London, Osaka, Shanghai, Singapore, and 30 local points.

A one-year ACMI wet-lease contract is signed with **China Southwest Airlines Company, Ltd.** on March 8, **1999**. Under its terms, China Southwest will fly a B-757-2Z0 on behalf of the Nepalese on routes from Kathmandu to Singapore, Hong Kong, New Delhi, and London.

Protesting the Chinese contract, company pilots go out on strike on March 14, grounding the airline. The flyers demand that the carrier cancel its foreign deal and purchase an aircraft to be flown by local crews.

The Home Ministry, indicating that air transport is an "essential service" that comes under the regulations of the nation's essential services law, orders the pilot strike halted eight days later. Royal Nepal Managing Director Singh requires his pilots to return to their cockpits or forfeit their jobs.

Service continues in **2000**.

During its descent into Dhangarhi in rain and poor visibility on July 27 service from Bajang, a Twin Otter with 3 crew and 22 passengers hits a row of pine trees on high ground 4,300 ft. up in the Dharampani Hills, 450 mi. W of Katmandu near the remote village of Jogbudha, catches fire and crashes. There are no survivors.

A problem often reported during the years at Katmandu's Tribhuvan Airport continues into the fall—huge vultures attracted to the garbage dumps around the field. After two accidents involving the giant birds occur within 24 hours during the second week of October, authorities on October 20 order the airport closed indefinitely while hunters are recruited to shoot as many vultures as possible. Although many birds are destroyed, the refuse piles remain.

Twice-weekly B-757-2F8 roundtrip service is inaugurated on October 29 between Kathmandu and Bangalore, India. The airline is authorized by the Indian government to transport 6,000 people a week between the 2 cities. Speaking in Bangalore on November 3, RNA Chairman Hari Bhakta Shrestha indicates that he will seek an upgrade to 10,000 a week.

As the year ends, Royal Nepal operates not only within Nepal but offers 12 weekly roundtrips from Kathmandu to Delhi, 3 to Bombay, and 2 each to Calcutta and Bangalore. Plans are in place for the initiation of new direct return service from Kathmandu to Ahmedabad early in **2001**.

ROYAL PHNOM PENH AIRWAYS COMPANY, LTD.: No. 209, 19th Street, Phnom Penh, 12206, Cambodia; Phone (855) 23 216 487 Fax (855) 23 217 420; <http://www.babysosoft.com/kohkong/phnom-mair.html>; Year Founded 1999. Royal Phnom Penh Airways Company, Ltd. is established as a tourist airline on October 29, **1999** by Prince Norodom Chakrapong, son of King Norodom Sihanouk. The owner is also chairman/CEO. He had previously served as deputy prime minister, civil aviation minister, and CEO of **Kampuchea Airlines (1)**.

During the spring of **2000**, two Antonov An-24Bs are leased from **Nizhegorad Airlines (Nizhegorodskie Avialinii)**. A complement of Russian pilots and flight engineers redundant to the bankrupt Russian carrier are seconded out as well.

The first of the new aircraft is employed to inaugurate daily return service for the airline's namesake city to Siem Reap and Battambang. When the second An-24 becomes available, thrice-weekly flights are offered to Stung Treng, Koh Kong, and Sihanoukville, with special flights to Mondulakiri on Mondays and Rattanakiri on Sundays. The company employs three flight crews, two Cambodian and one Russian.

In July, plans are announced for the initiation of a new international

return service from Bangkok to Siem Reap via Phnom Penh on October 15. It is also hoped that weekly flights from Phnom Penh to Ho Chi Minh City can be started by the end of January.

During the fall, work begins on a company-owned airport at Poi Pet District in Banteay Meanchey Province on the border between Cambodia and Thailand.

The inauguration of the roundtrip route to Thailand is delayed until December 28; employing a Yakovlev Yak-42D, the airline begins the service thrice weekly. It is anticipated that weekly roundtrips to Ho Chi Minh City will commence in mid-January.

ROYAL SWAZI AIRWAYS CORPORATION, LTD.: Swaziland (1990–1999). Royal Swazi National Airways Corporation, Ltd. is reformed in **1990** and renamed. Ownership is divided between King Mswati III's trust, Tibiye Taka Ngwane, and the Swaziland government.

Operations continue from Matsapa Airport at Manzini with a single Fokker F.28-3000 to Johannesburg, Lusaka, Harare, Maputo, and Nairobi. Enplanements total 742,560.

Airline employment in **1991** stands at 150. Passenger boardings decline 2% to 728,000 and freight falls 10% to 10.3 million FTKs.

Operations continue apace during **1992–1994** as a Fokker 100 enters service in November 1993. Chairman Prince Ghabeni Dlamini and CEO Prince Matatazela initiate new markets at Dar es Salaam, Gaborone, Maputo, and Maseru. Frequencies operated to Johannesburg end within a year.

A lone assailant, attempting to take over the F.28-3000 at Johannesburg on July 4, 1993, is shot dead by security police.

Flights continue in **1995–1998** and airline employment grows to total 155. The F-100 is leased to **LAM Mozambique Airlines, S.A.** in October 1996.

On January 25, **1999**, **SA Air Link (Pty.), Ltd.** purchases 43% of Royal Swazi and reportedly passes word to **LAM Mozambique Airlines, S.A.** that it wishes the Swazi Fokker 100 returned by March. Now LAM will be down to just one Boeing 737-2D1A with which to operate its domestic and regional flights.

As late as March 22, LAM denies continuing reports that Royal Swazi has recalled the Fokker.

On April 12, this carrier is renamed **Swaziland Airline, Ltd.**

ROYAL SWAZI NATIONAL AIRWAYS CORPORATION, LTD.: Swaziland (1978–1990). This government-controlled carrier is formed in January **1978** as successor to **Swazi Air, Ltd. (2)**, which has ceased trading. Chairman/Managing Director J. T. Morrison's 31-employee company possesses a fleet of 2 Vickers Viscount 800s and 1 Viscount 700. Revenue flights commence on August 1 over a route from Manzini to Johannesburg and Durban.

During **1979–1986**, the international route network is built up to include additional stops at Antananarivo, Dar Es Salaam, Gaborone, Harare, Lusaka, Mahe, Manzini, and Nairobi. Airline employment averages 150 and the fleet grows to include 1 each Boeing 737-200, Fokker F.28-3000, and Fairchild Metro.

Enplanements average 25,000–30,000 per year.

Operations continue apace in **1987–1989**; however, by the latter year General Manager G. J. Paris operates only the Fokker Fellowship on routes from Manzini to Johannesburg, Lusaka, Maputo, Nairobi, and Harare. The company is reformed in **1990** and renamed **Royal Swazi Airways Corporation, Ltd.**

ROYAL TONGAN AIRLINES, LTD.: Private Bag 9, Fatafehi Road, Royco Building, Nuku'alofa, Tonga; Phone 676 23 414; Fax 676 24 056; <http://www.kalianet.to/rta>; Code WR; Year Founded 1991. In May **1991**, 70-employee **Friendly Islands Airways, Ltd.** becomes Royal Tongan Airlines, Ltd. C. Kaltenborg V. Stachau is named general manager and the fleet comprises Friendly's 2 de Havilland Canada DHC-6-300 Twin Otters. The predecessor's interisland services are maintained linking Tongatapu, Vava'u, Ha'apia, and 'Eua. International

services to Auckland are started in July employing a Boeing 737-419 wet-leased from **Air New Zealand, Ltd.** Neil Cox is appointed general manager in **1992**.

Operations continue as do fiscal losses, which in **1993** total \$453,000, both operating and net. Geoffrey W. Bowmaker becomes managing director in **1994** and orders are placed for two British Aerospace BAe (HS) 748-B2s.

Revenues ascend 56.8% to \$7.26 million, while operating expenses climb 47.6% to \$7.5 million. Consequently, there is an operating loss of \$240,000 and a net loss of the same amount.

In January **1995**, Royal Tongan joins with **Air Pacific, Ltd.** in the joint lease of a B-737-33A, which is employed to inaugurate a dual-designator service between Tonga and Fiji. In May, the Royal Tongan Boeing brings a new service from Tonga via Auckland to Sydney.

During the spring, **Polynesian Airlines, Ltd.** replaces a leased **Air Canada, Ltd.** Boeing with a B-767-269 chartered from **Kuwait Airways Corporation, Ltd.** Part of the cost and a shared route are born by Royal Tongan, and as a result, the aircraft wears that company's markings as well.

Two new partnerships begin with larger carriers in April **1996**. The first, with **Air New Zealand, Ltd.**, provides for code-sharing services between Tongatapu and Auckland. At the same time, the company begins to share its code with **Ansett Australia (Pty.), Ltd.** on its trans-Tasman routes.

A code-sharing agreement signed a month earlier begins with **Polynesian Airlines, Ltd.** on October 28, **1997**. Under its terms, Polynesian's current weekly service from Apia to Melbourne via Wellington is extended by way of Tonga.

Flights continue in **1998-1999**.

James Bradford is general manager at the beginning of **2000** and his workforce totals 122. In mid-May, an ex-**Bahamasair, Ltd.** Shorts 360-200 is brought in to replace the HS 748 previously employed on Tongan Island services.

This airline will be grounded (temporarily, as it will turn out) on March 12, **2001** when the Tongan transport secretary finds unqualified management in charge.

ROYAL WEST AIRLINES: United States (1986-1988). Originally planned four years earlier as a low-cost Colorado Springs-based regional, RWA is actually established at Los Angeles in the spring of **1986** to provide scheduled passenger flights to Las Vegas and Reno in Nevada. Revenue services commence on June 26 with three British Aerospace BAe 146-200s; however, the initial route operated is from Los Angeles and Burbank to Ontario and Las Vegas. Weekend flights from the California communities to the Colorado ski resorts begins in the fall and continues into the winter. Still, a cash flow problem emerges quickly and with nothing to point to, the privately held carrier exercises its right not to release any traffic or financial reporting.

Scheduled flights cease on February 27, **1987** and merger negotiations are begun with Phoenix-based **StatesWest Airlines**. As these proceed, RWA offers charter and replacement services. When the discussions fail, the company is forced into Chapter XI bankruptcy. While plans for reorganization are undertaken, charter flights are operated with two of the British-made jetliners on behalf of an Elko, Nevada, casino.

In late December, a BAe is wet-leased to **Sunworld International Airways**, which employs it to operate a daily roundtrip from its new Reno hub to San Diego via Las Vegas and Ontario, California.

Unable to resume airline operations, the company enters Chapter VII liquidation in early **1988**.

ROYAL WEST AIRWAYS: United States (1981-1982). RWA is set up at Las Vegas, Nevada, during the spring of **1981** to provide scheduled Douglas DC-3 flights to the Grand Canyon and Burbank, California. Lack of traffic brought on because of ATC restrictions resulting from the summer PATCO air traffic controllers' strike conspires with recessionary influences to force the company out of business in early **1982**.

ROYAL WINGS AIRLINES, LTD.: P.O. Box 341018, Amman, 1134, Jordan; Phone 962 (2) 875 206; Fax 962 (2) 875 658; <http://www.royalwings.com.jo>; Code RJ; Year Founded 1996. RW is set up at Amman on January 1, **1996** as a subsidiary of **Royal Jordanian Airlines** to provide both scheduled and charter passenger services to domestic and regional destinations. Company formation profits from the close interest and strong support of HRH Prince Faisal Bin Al-Hussein. Basel Jardaneth is chairman with Ahid Quntar as president and general manager; the workforce totals 29 and a single de Havilland Canada DHC-8-300 is acquired.

Revenue feeder flights commence twice daily on February 10 linking the concern's base with Aqaba, Sharm el Sheikh, and Haifa. Charters are also undertaken not only to the scheduled points, but to Alexandria, Antalya, Aswan, Heraklion, Hurdaga, Luxor, Ras El Nakab, Rhodes, and St. Catherine as well.

Flights continue in **1997** and a second DHC-8-300 is acquired at the end of January. This de Havilland is employed to launch six-times-per-week flights to Tel Aviv, beginning on April 7. Plans are made to add Larnaca, Cairo, and Al Arish to the expanding network.

In order that the carrier might have a business division, Arab Winds, Ltd. is taken over in January **1998** and merged. Its activities are continued under Royal Wings management. Taking advantage of the growing Middle East peace, the company now expands its regional scheduled services. Hurghada and Sharm el-Sheikh become its most popular charter destinations. On December 11, a company DHC-8-300 launches twice-weekly roundtrips from Amman into the newly opened airport at Gaza. This after the company participates in celebrations opening the new Palestinian airport a few weeks earlier.

Both charter and scheduled flights continue in **1999**. The Red Sea resorts at Larnaca, Antalya, and Rhodes are regularly visited with tourists. Employing a pair of Mil Mi-8s, a new helicopter service is introduced in October. The Russian-built helicopters transport visitors to Petra and Wadi Rum, as well as various desert historic sites. Replacement flights to Tel Aviv, Gaza, Aqaba, and Haifa are often made on behalf of **Royal Jordanian Airlines**. On December 30, General Manager Ahed Quntar reports that passenger boardings for the first 10 months of the year are just 97,000, down 60,000 from the equivalent 1998 figure. Revenues of \$1.4 million are generated for the year as a whole, up \$400,000 over the previous year.

At the beginning of **2000**, scheduled service is maintained to Aqaba, Tel Aviv, and Gaza, while charters are operated to a growing number of destinations, including Cyprus, Sharm al-Sheikh, and Damascus. The carrier's helicopters are also available for use in emergency situations. The Palestinian unrest in the fall of has an impact on the scheduling of services to Israel and Gaza.

ROYALAIR: 1575 W. Commercial Blvd., Hangar 3B, Fort Lauderdale, Florida, 33309, United States; Phone (954) 771-8805; Fax (954) 771-8006; Year Founded 1996. Royalair is established at Fort Lauderdale Executive Airport in **1996** to operate executive and small group passenger charters throughout the Eastern U.S. Revenue operations begin and continue with a single British Aerospace BAe (HS) 125-700 Hawker; another Hawker is stationed at Mount Holly, New Jersey.

ROYALE AIRLINES: United States (1969-1989). Royale Airways is founded by D. Y. Smith Jr. at Shreveport Regional Airport in Louisiana on July 18, **1969** to offer services to destinations in Louisiana, Texas, and Mississippi. Scheduled passenger flights begin on April 27, **1970**, linking the company's base with New Orleans via Fort Polk and Lafayette. During the next five years, President Smith's 6 Beech 99s also begin flying to Lake Charles and Houston.

In **1975**, enplanements total 76,806. The workforce is increased by 20% in **1976** to 60. Three more Beech 99s are acquired and stations are opened at Monroe and Baton Rouge.

Passenger boardings drop 16% to 54,862.

Passenger enplanements in **1977** total 81,000.

Passenger traffic climbs by 19% in **1978** to 96,049; additionally,

340,122 pounds of freight are also carried. During these years, flights are initiated to New Orleans, Gulfport, and Dallas.

Bookings increase by 25% in **1979** to 120,000 and the fleet now comprises 1 Shorts 330 and 4 Beech 99s. Orders are placed for nine Embraer EMB-110P1 Bandeirantes.

The employee population grows by 8.3% in **1980** to 170. Founder Smith is elected board chairman, with Ralph U. Whitten now becoming president. Four of the requested Brazilian-made turboprops enter service through the year.

Passenger boardings increase by 23.6% to 148,852 and 243,000 pounds of freight, a 48.5% increase. Revenues skyrocket 80% to \$6.4 million, but even with costs booming upward 84.2%, they are kept in check at \$5.7 million. As a result, the operating profit climbs 51.3% to \$698,897.

Norman K. McInnis becomes company president in **1981**. He oversees a fleet of 4 Beech 99s and 6 Bandeirantes. A seventh EMB-110P1 is added late in the year.

Customer bookings climb 10.9% to 165,055 while cargo jumps 22.6% to 297,919 pounds. The net profit is \$1.26 million.

Airline employment rises 22.1% in **1982** to 271 and the fleet now comprises 2 Shorts 330s, 6 Embraer EMB-110P1s, and 7 Beech 99s. Service to Memphis, Tennessee, begins during the first quarter. A new maintenance base is occupied at New Orleans, where a corporate Grumman Gulfstream 1 is converted to 24-seat G1-C commuter configuration.

Enplanements climb 27.9% to 211,167, as freight increases 45.8% to 184,000 pounds. Due to the recession, profits fall to \$3.89 million (operating) and \$1.033 million (net).

Airline employment in **1983** is 385, a boost of 54%. A second reconfigured Gulfstream G-1C joins the fleet during the spring, followed by two others by Christmas. Meanwhile, flights begin to five Texas locations and in September, Royale becomes a Continental Commuter partner, coordinating flights as "Continental Express" so as to feed **Continental Airlines** at Houston.

Passenger boardings accelerate to 223,496 and cargo jumps 18% to 649,000 pounds. Revenues advance 20.1% to \$15.5 million and expenses, although up by 25%, are \$13.45 million. As a result, the operating profit is \$2.05 million and net gain is \$1.02 million.

The payroll is boosted 54.7% in **1984** to 464 as Robert E. Phillips is promoted to president/CEO. The carrier now enters the jet age by acquiring a Douglas DC-9-15 for nonstop "Continental Express" service between Brownsville and Houston. Five more Gulfstream G-1Cs also join the fleet, allowing retirement of one of its 11 Bandeirantes and the 4 remaining Beech 99s.

Flights begin to Jackson, Mississippi, and Pensacola. The DC-9 is retired in December and its Texas route is returned to the turboprops.

Enplanements ascend 79.6% to 400,302 and freight balloons 105% to 1.33 million pounds. Revenues jump 50.8% to \$23.4 million and costs, although up by 56.2%, are held at \$21 million. Profits climb slightly, up to \$2.35 million (operating) and \$1.31 million (net).

Airline employment grows another 30.8% in **1985** to 607 as the carrier acquires the Clear Lake City, Texas, assets of **Metro Airlines**, including six de Havilland DHC-6-300 Twin Otters. John A. Fasolino is named the enlarged regional's new president and oversees a reduction in unprofitable routes.

Passenger boardings climb 3.5% to 414,261, but cargo is down 3% to 880,000 pounds. Revenues ascend 36.1% to \$33.6 million and with costs held down, profits move upward to \$3.66 million (operating) and \$1.77 million (net).

The workforce is reduced by 26% in **1986** to 449 and the fleet includes 10 G-1Cs, 12 Bandeirantes, and 6 DHC-6s. As the economy of the company's energy-rich service area continues to deteriorate, Royale is forced to shut down its newly acquired Clear Lake City facilities and sell the six Twin Otters. Several marginal routes are also suspended.

As a result, passenger boardings fall 7% to 385,446. Revenues plunge 11.4% to \$29.2 million, expenses decline 8.9% to \$27.94 million, and

the operating profit slides to \$1.25 million. The previous year's net gain turns south into a \$961,801 net loss.

In early September **1987**, Royale loses its "Continental Express" code-sharing affiliation. As a result, the company, already shaky financially, is forced to file for Chapter XI bankruptcy on September 9. Once under protection of the court, eight EMB-110P1s are allowed to fly a limited Louisiana route network. In addition, a previous plan to inaugurate jetliner service is allowed to begin, as a Douglas DC-9-14 wet-leased from **Emerald Air** starts flying roundtrips between Shreveport and New Orleans on November 19.

Customer bookings plunge another 37.6% on the year to 240,549.

Although no figures are released, Royale continues to operate under court protection through **1988**, continuing to reduce its fleet. Throughout the year, negotiations, begun the previous year, are continued for a possible takeover by an **Emerald Air** subsidiary. By September 30, the regional flies just 1 EMB-110P1 and 2 G-1Cs. Jet service continues.

On January 31, **1989**, Royale grounds its turboprops, but continues to operate thrice-daily Shreveport to New Orleans flights with the Douglas DC-9-14 wet-leased from fellow bankrupt carrier **Emerald Air**.

The rental fee charged by **Emerald Air** allows it to gain control of Royale in early February; however, the federal bankruptcy court now steps in and orders the 19-year-old Royale liquidated. Emerald regains its Douglas jetliner and continues the New Orleans service under its own name.

RRC AIR SERVICE, S.C.: Ethiopia (1991–1994). RRC is established at Addis Ababa in **1987** to offer third-level passenger and cargo services to local and regional destinations. Revenue operations commence with 1 each Beech Super King Air 200 and de Havilland Canada DHC-6-300 Twin Otter.

The Twin Otter is destroyed in a crash 32 km. E of Fugnido on August 7, **1989**, under unknown circumstances. Flights continue with just the Beechcraft.

The Super King Air 200 is replaced by a second Twin Otter in **1992**. Operations continue apace in **1993**, but cease in **1994**.

RT AVIATION: Bogoslovski Perlulok 12/14, Moscow, 103104, Russia; Phone 7 (095) 209-2676; Fax 7 (095) 455-8282; Year Founded 1994. Y. Evgeni Zakharov, who also serves as general director, establishes RT (Russian Transport) Aviation at Moscow in **1994**. Ad hoc passenger charters are inaugurated with a single Yakovlev Yak-40.

In **1995**, the company mission is changed to that of a domestic and regional all-cargo carrier. The Yak is withdrawn and replaced with 1 each Antonov An-12, An-26, An-32, Ilyushin Il-18, and Il-76D.

Plans are made in **1997** to inaugurate international air charters. These flights have still not started as of the beginning of **2000**.

RUMPLER LUFTVERKEHR, GmbH. (1): Germany (1919–1922). The aircraft manufacturer Rumpler Flugzeugwerke begins a pioneering service between Augsburg and Berlin in March **1919**. This independent effort is brought to a close on March 8, **1920**, when Norddeutscher Lloyd purchases the operation and merges into its own new airline, **Lloyd Luftdienst, GmbH**.

RUMPLER LUFTVERKEHR, GmbH. (2): Germany (1922–1923). Rumpler Luftverkehr is reformed by Rumpler Flugzeugwerke at Munich in early **1922** to resume the pioneering work of 1919. When the manufacturing side of Rumpler's business is lost, Junkers Luftverkehr steps in on September 30 to provide technical assistance and a pair of F-13s, christened *Truthahn* and *Zeisig*. These are employed to inaugurate service from the carrier's base to Berlin and Augsburg via Nuremberg and Leipzig. At Munich, a connection is also possible with the Junkers Swiss affiliate **Ad Astra Aero, A.G.** As competition stiffens with the **Lloyd Luftdienst, GmbH**, **Junkers Luftverkehr, A.G.** reaches out to locate members for a countering confederation.

On May 14, **1923**, the **Trans-Europa Union** is formed; simultaneously, Junkers assumes 50% interest in RL-2, bringing it into the group.

RUSAVIA. *See* **MATK RUSAVIA**

RUSLAN AVIATION: Russia (1994–1998). Ruslan is established at Moscow in 1994 to operate ad hoc passenger charters to worldwide destinations. Doubling as general manager, owner V. P. Kutakov begins flying with a single Antonov An-24.

Flights continue without incident or headline. Unhappily, the company does not survive the Russian currency crisis.

RUSS AIR TRANSPORT COMPANY: 88/8 Volokolamskoe Highway, Moscow, Russia; Phone 7 (095) 491-9922; Fax 7 (095) 491-8638; <http://www.russair.net>; Code RUR; Year Founded 1999. The joint stock company Russ Air Transport is established at Moscow's Vnukovo Airport on August 24, 1999 to offer international and domestic all-cargo services. Victor N. Rybiakov is director general and he is equipped with a fleet of 4 Ilyushin Il-76TD freighters. The Russian government provides an air operator's certificate on November 1 and the ICAO three-letter code is received five days later.

Revenue flights commence on November 17 over a route from Moscow to Luxembourg to Tallin and back to Moscow. The first service to China is operated on December 2.

A host of new destinations are initially visited during the first quarter of 2000: UAE on January 19, Cairo and Yemen on January 25, Rwanda on January 27, India on February 28, Iran on April 3, and Belgium and Armenia on April 14.

Flights continue apace during the remainder of the year.

RUSSIAN INDEPENDENT AIRLINES (ROSSISKYAYA NEZAVISIMAYA AVIAKOMPANIYA RNA): Ostravtynayova 34, Building 2, Moscow, 117647, Russia; Phone 7 (095) 420-0300; Year Founded 1994. This rotary-wing operation is established at Moscow in 1994 to provide ad hoc air taxi, air ambulance, energy and communication support, and agricultural work. N. F. Sadovnikov is appointed general director and he begins revenue flights with an unspecified number of Mil Mi-8s and Mi-26s.

Low profile rotary-wing services are continued throughout the remainder of the decade.

RUSSKIY VITAYA AIR COMPANY (RUSSKIY VITAYA AVIAKOMPANIYA): Sheremetyevo Airport, Moscow, 103340, Russia; Phone 7 (095) 478-0551; Fax 7 (095) 578-1737; Year Founded 1993. Russkiy is founded at Moscow's Sheremetyevo Airport in 1993 to provide ad hoc international all-cargo services. Flights begin with a single Ilyushin Il-76. Gennadi Alexandrov is general director at the beginning of 1998.

By the end of the decade, Russkiy Vitaya is one of many small Russian cargo carriers operating infrequently, but reportedly remaining in business.

RUST'S FLYING SERVICE: 4525 Enstrom Circle, P.O. Box 190325, Anchorage, Alaska 99502, United States; Phone 907 243-1595; Fax 907 248-0552; <http://www.flyrusts.com>; Year Founded 1963. Rust's is set up at Anchorage in 1963 to offer charter and flight-seeing services to local and bush destinations. A base is also established at Talkeetna and highlights of the itinerary come to include tours to Mount McKinley and glacier landings, support of hunting and fishing trips, and bear and other wildlife viewing from the air.

By the end of the 1990s, Rust's is providing over 4,000 flights to more than 12,000 passengers annually.

In 2000, Operations Director Todd Rust oversees 11 full-time pilots who fly 4 Cessna 206 Stationaires, 3 de Havilland Canada DHC-2 Beavers, and 1 DHC-3 Otter. Many can be equipped with floats, wheels, or skis.

RUTACA (RUTAS AEREAS, C.A.): Edificio Taller Mares, Aeropuerto de Ciudad Bolívar, Ciudad Bolívar, Venezuela; Phone 58 (85) 24010; Fax 58 (85) 25955; Year Founded 1977. RUTACA is founded at

Ciudad Bolívar in 1977 to operate domestic cargo charters to various Venezuelan destinations, especially on behalf of local mining companies. The initial fleet comprises 2 Convair CV-340s and 7 Douglas DC-3s. During the remainder of the decade, passenger charters are also undertaken.

In 1981, destinations served include Canaima Falls, Puerto Ordaz, and Margarita. Aircraft employed include 2 Cessna 340s, 1 Cessna 185, 1 Cessna 206, 4 DC-3s, 1 Britten-Norman BN-2 Islander, and 1 Hiller UH-12C helicopter. One CV-340 is restored in 1985 and is supplemented by a CV-440.

Contract services are maintained for the remainder of the decade and into the 1990s. By 1992–1996, the previous fleet has been largely replaced. During a scheduled local service on June 15, 1992, an EMB-110P1 with 14 passengers is hijacked.

By 1992–1996, the previous fleet has been largely replaced. During a scheduled local service on June 15, 1992, an EMB-110P1, with 14 passengers, is hijacked.

On September 8, 1997, RUTACA becomes an international airline when it initiates daily EMB-110P1 roundtrips from Porlamar, Barcelona, and Maturín to Port of Spain, Trinidad. It also increasingly visits local tourist destinations within its home country. DC-3 flights are often made from Porlamar to Canaima via Ciudad Bolívar.

Flights continue during 1998–1999 and in the latter year the fleet of Managing Director Rose Marie de Mares comprises 13 Cessna 206/T206s, 6 Embraer EMB-110 Bandeirantes, 4 Douglas DC-3s, 1 de Havilland Canada DHC-2 Beaver, 1 Cessna 207A, and 2 Antonov An-2s. Orders remain outstanding for several Cessna 208 Caravans.

In addition to its domestic schedules, the carrier now operates six flights weekly to Trinidad and Tobago, four flights to Grenada, and regular charter to Aruba, Martinique, and Curaçao.

A joint-venture agreement is signed by Vice President Capt. Eugenio Molina Anaya of RUTACA and Managing Director Capt. Gerry Gouveia of **Roraima Airways, Ltd.** on July 19, 2000 providing for twice-weekly dual-designator roundtrips between Cheddi Jagan International Airport to Puerto Ordaz, Caracas, Venezuela. The government of Guyana approves the route application in early September, clearing the way for the initiation of the new services. Employing a single Embraer EMB-120 Bandeirante, RUTACA opens the route on September 28. Roraima, for its part, provides ground handling and sales.

Just after takeoff from Ciudad Bolívar on the final leg of a flight from Canaima to Porlamar, Flight 225, a DC-3 with 4 crew and 20 passengers, will crash into a residential area in the El Peru area on January 25, 2001, hit a large tree, and burst into flames. There will be no survivors.

RUTAS AEREAS, S.A. *See* **RUTACA (RUTAS AEREAS, S.A.)**

RUTAS AEREAS UNICA, S.A.: Bolivia (1964–1969). RAU is set up at Cochabamba in 1964 to operate nonscheduled all-cargo services. Revenue flights to La Paz and other points begin with a single Curtiss C-46 Commando. Two more Curtiss freighters are acquired in 1965–1966.

A C-46F is lost at San Ramon, Bolivia, on June 3, 1967; there are no fatalities. Flights continue in 1968, but the company goes out of business in 1969, passing the two surviving Commandos to **Servicios Aereos Curtiss, S.A.**

RUTAS INTERNACIONALES PERUANAS, S.A. *See* **RIPSA (RUTAS INTERNACIONALES PERUANAS, S.A.)**

RUTLAND AIRWAYS: United States (1975–1977). In late 1975, Albert Greenwood sells his Rutland, Vermont-based FBO and its charter subsidiary to Lawrence Healy, who is determined to begin a scheduled commuter service. Employing Cessna 402s, Healy inaugurates daily roundtrips to Boston via Keene on May 25, 1976.

Financial difficulties are soon encountered and on January 17, 1977, Rutland Airways is forced to shut its doors.

RWANDA AIRLINES, S.A.: P.O. Box 3246, Kigali, Rwanda; Phone 250 (77) 564; Fax 250 (77) 669; Code 9R; Year Founded 1998. **Rwandair Cargo (Societe Nationale des Transportes Aeriens du Rwanda, S.A)** is slated to be liquidated in January 1998 and replaced with a new Rwanda Airlines. Before this changeover can be completed, the civil war in the Democratic Republic of the Congo reignites on August 2. Rwanda and Uganda back rebels who are fighting to overthrow DRC President Laurent Kabila. Rwanda, through this and other carriers, actively provides supplies to the insurgents.

Rwanda Airlines, S.A., outfitted with 1 each BAC 1-11-200 and Let L-410UVP, begins scheduled services during the third week of November from Kigali to Goma, as well as between several towns in the rebel-held eastern Congo.

Service is enhanced over the new two years and frequencies are initiated to Bumjumbura, Gisenyi, Kamemba, and Nairobi.

RWANDAIR CARGO (SOCIETE NATIONALE DES TRANSPORTS AERIENS DU RWANDA, S.A.): Rwanda (1994-1998). The state carrier **Air Rwanda (Societe Nationale des Transportes Aeriens du Rwanda, S.A.)** is reformed in 1994 and renamed, although it is still familiarly known as Air Rwanda. Juvenal Uwilingiyimana is both chairman and general manager and oversees a workforce of 250. The fleet holds but 2 aircraft: a Boeing 707-320C and a de Havilland Canada DHC-6-300 Twin Otter.

Both domestic and regional passenger and cargo services are provided linking the company's Kigali base with Bujumbura in Burundi as well as Ostende, Dar es Salaam, Entebbe, and Kinshasa.

As the nation recovers from the bloody events of the last few years, the airline, in 1995, withdraws its Boeing from service and operates only the Twin Otter, flying it between Kigali, Entebbe, and Nairobi.

While the Canadian turboprop continues service in 1996 and into 1997, executives from the new multinational **Alliance Air (African Joint Air Service)** recommend a new approach. During the summer of the latter year, they enter into negotiations with the governments of Rwanda, Uganda, and Tanzania, as well as **South African Airways (Pty.), Ltd.**, for the establishment of a new carrier to replace Rwandair Cargo.

Agreement on establishment of the new concern is arranged with Rwandan Minister of Transport and Communication Charles Ntakirutika on August 7. Under its terms, shareholding in the new carrier, which will hopefully begin flying in October, is divided between the Rwandan government (51%) and Alliance Air (49%). Mrs. F. Nkera is named general manager and plans are made to reintroduce jet equipment from Kigali and to fly to a number of destinations.

The initial date for start-up comes and goes, with the inauguration of services delayed for a variety of reasons.

In early January 1998, six Rwandese are selected and dispatched to Johannesburg for flight crew training. Rwandair Cargo, S.A. is simultaneously slated to be liquidated and replaced with a new **Rwanda Airlines, S.A.**

Finally, after months of delay, **Alliance Air Express, S.A.** inaugurates services to Entebbe, Nairobi, and Johannesburg on March 1, employing one each Douglas DC-9-32 and Boeing 737-200 leased from **Alliance Air (African Joint Air Service)**.

Before the Rwandair Cargo changeover can be completed, the civil war in the Democratic Republic of the Congo reignites on August 2. Rwanda and Uganda back rebels who are fighting to overthrow DRC President Laurent Kabila. Rwanda, through this and other carriers, actively provides supplies to the insurgents.

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RYAN AIR. See **RYANAIR, LTD.**

RYAN AIR SERVICE: United States (1979-1996). Longtime non-scheduled operator Wilfred Ryan changes the name of his **Unalakleet Air**

Taxi to Ryan Air Service in late 1979 just prior to his launch of scheduled passenger and cargo services to destinations in western and southern Alaska. Revenue flights begin in December linking the company's base with Anchorage, Iliamna, McGrath, Galena and other regional destinations. In 1980, a feeder agreement is signed with **Wien Air Alaska**.

In 1983, Ryan purchases and absorbs pioneer **Munz Northern Airlines** and begins a period of expansion. Employing a fleet of 2 Beech 99s, 2 Cessna 402s, 5 Cessna 207s, 4 Britten-Norman BN-2 Islanders, and 1 Piper PA-23 Aztec, the company establishes its major bases at Nome, Kotzebue, Unalakleet, Iliamna, and Anchorage.

From these locations, flights are undertaken to Ambler, Anchorage, Brevig Mission, Buckland, Deering, Elim, Galena, Gambell, Golovina, Iliamna, Kakhonak, Kiana, Kivalina, Kobuk, Kotzebue, Koyuk, McGrath, Noatak, Nome, Nondalton, Noorvik, Pedro Bay, Point Hope, Pope Vancy, Port Alsworth, Port Clarence, St. Michael, Savoonga, Selawik, Shaktoolik, Shismaref, Shungnak, Stebbins, Teller, Tin City, Unalakleet, Wales, and White Mountain. In October, a feeder agreement is signed with **Alaska Airlines**.

A Beech 1900 is acquired in 1984 as the feeder relationship ends with failed **Wien Air Alaska**. At this point, the company has 30 aircraft, 100 employees, and revenues of \$8.2 million.

While landing at Koyuk on February 7, 1985, a Cessna 207A freighter and its pilot strikes a snowmobile on the runway, killing the driver.

During the summer, the founder is profiled by Paul Laird in his "Nice Guy Finishes First," *Alaska Business Monthly* (July 1985): 28-32.

Caught in ice, rain, and snow while on approach to Napaskiak on December 15, a Cessna 207A with a pilot and three passengers, attempts to divert elsewhere; after applying power, the aircraft stalls and crashes. All aboard are seriously injured.

Operational difficulties continue to plague the carrier in 1986.

While en route from Nome on February 11 to transport a dentist and his assistant to area villages on behalf of the U.S. Health Service, a Cessna 207A crashes into a mountain at the 650-ft. level, scattering wreckage a distance of 493 ft. Both medical personnel and the pilot are killed.

Turning to avoid high voltage power lines at Saint Mary's on June 16, a Cessna 207A loses control and crashes, killing its pilot.

By 1987, President Robert Dodd has increased his fleet by the addition of one Beech 1900, three Cessna 208s, and a de Havilland Canada DHC-6-300 Twin Otter. One Beech 99 is withdrawn.

While on final approach to Homer on a November 23 service from Kodiak, Flight 103, a Beech 1900C with 2 crew and 19 passengers, suffers a sudden shift in its center of gravity, causing a loss of control. The turboprop descends steeply, strikes the airport perimeter fence, and slides to a stop on its belly. The aircraft is destroyed and 18 aboard die. The disaster causes the airline to become the subject of a FAA safety investigation.

As a result of the FAA check, Ryan voluntarily suspends operations on January 30, 1988 and files for Chapter XI bankruptcy, pointing to difficulties encountered as the result of overexpansion. This move causes code-sharing partner **Alaska Airlines** to drop its affiliation.

The FAA review clears Ryan to resume operations and another Beech 1900 is added, along with 10 Cessna 402s, just before it begins flying again in April. Founder Wilfred Ryan retires as the company is again briefly grounded until October 1.

In 1989, the Twin Otter and 1900s are withdrawn by new Chairman Ralph Stemp, along with seven Cessna 402s.

In April, RAS is one of five Alaskan air carriers subpoenaed by the DOJ to provide information in an investigation of possible antitrust violations in the airline industry.

Together with **Peninsula Airways, Frontier Flying Service, Reeve Aleutian Airways**, and **Alaska Airlines**, Ryan is required to supply documents dating back to January 1, 1984 to a May 9 grand jury session or forward them directly to Washington. Although the airline subpoenas do not name a target, the May 6 issue of the *Anchorage Daily News* reports the subject is **MarkAir**.

While on approach to Nome on August 7, Flight 2401, a Cessna 401

with just its pilot aboard, disappears. Four days later, wreckage is found 18 mi. W of the airport and the flyer is dead.

Operations in **1990** are conducted with 3 Cessna 402s and 9 Cessna 207Cs.

A total of 20,659 passengers are flown.

Two more Cessna 402s and two Cessna 207Cs arrive in **1991**.

Customer bookings decline to 16,045. On the other hand, a total of 7,943,000 pounds of mail is flown.

Airline employment in **1992** stands at 65 and passenger boardings jump 16% to 18,562. In **1993**, Chairman Stemp and President Michael McKinnon oversee a workforce of 65 and operate a fleet of 5 Cessna 402s and 11 Cessna 207Cs.

Customer bookings accelerate 9% to 20,183.

Operations continue apace in **1994** as passenger boardings increase 34% to 26,955. A total of 444,000 FTKs are operated.

Flights continue in **1995** and in **1996** the company is reformed into **Arctic Transportation Service**.

RYAN AIRLINES. See **LOS ANGELES-SAN DIEGO AIR LINE**

RYAN EUROPEAN AIRWAYS, LTD.: United Kingdom (1986–1990). Established at London (CTN) in February **1985**, **London European Airways, Ltd.**, under the leadership of Managing Director N. R. Harford, purchases **Euroflite, Ltd.** from McAlpine Aviation in June. Late in the year, flights begin to Brussels. Unable to swallow the **Euroflite, Ltd.** merger and taking big financial losses on its new service, LEA in April **1986** is forced to lay off its 50 employees and cease trading.

Late in the year, the company's assets are acquired by the independent Irish carrier **Ryanair, Ltd.** Reformed by Chairman Cathal Ryan as a sister airline, Harford's former airline will operate flights to the north of London and charters to Amsterdam and Brussels as **Ryan European Airways, Ltd.** for the next four years. The carrier flies a BAe (ROM-BAC) 1-11-561RC chartered from **Tarom (Transporturile Aeriene Romane)**.

In November **1990**, Ryan European receives back its previous London European Airways, Ltd. moniker. Operations continue with a British Aerospace BAe 111-518FG and a 111-476FM, the latter leased from **Ryanair, Ltd.**

RYAN INTERNATIONAL AIRLINES: 6810 West Kellogg, Wichita, Kansas, 67209-2218, United States; Phone (316) 942-0141; Fax (316) 942-7949; <http://www.ryanintl.com>; Code 11; Year Founded 1973. Ryan Aviation is established by Ronald D. Ryan at Wichita, Kansas, in **1973** as an FBO engaged in aviation maintenance, sales and service. In addition, an FAA Part 135 air transport division, established in 1968 as **DeBoer Aviation**, named for real estate developer Jack DeBoer, is also acquired. Beginning on March 3, Chief Pilot Ryan undertakes Learjet passenger and small group charter flights. Soon thereafter, partner DeBoer is bought out.

In **1978**, the company begins a 20-year association with **Emery Express** by flying seven Cessna Citation Is in Emery's experimental overnight express operation.

In **1981**, Emery seeks Ryan's assistance in choosing a larger aircraft and settles upon the B-727, purchasing a fleet of eight Dash-100Fs. Simultaneously, it signs a 3-year contract with Ryan to operate the trijets; the deal is dependant upon Ryan's upgrading to an FAA Part 121 certificate within just 90 days. The paperwork is quickly completed.

In **1982**, the company, having first sold **Emery Express** on the concept, approaches the CAB for authority to launch B-727-100 passenger charter flights to Las Vegas from eight domestic locations. After a year's wait, the carrier is certified in **1983** to offer domestic and regional international flights, especially inclusive-tour services.

As Ryan Aviation doing business as Ryan International Airlines, President Ryan acquires two B-727-151C passenger airliners and begins

flights, on behalf of Tom Wainwright's Flying Vacations, to the Caribbean from Philadelphia and other cities in the Northeast.

While the effort to provide passenger charters is getting under way, Ryan is approached by **UPS (United Parcel Service)**, which seeks a carrier to transport cargo on its behalf. A contract similar to that with **Emery Express** is signed.

A total of 92,000 passengers are flown on the year.

The recession causes Ryan to have a very bad **1984** as enplanements fall to 32,536.

Following the crash of an Arrow Air DC-8 in Newfoundland in **1985**, the U.S. government contracts with Ryan International to fly NTSB investigators, the press, and family members to the disaster scene. The passenger traffic situation is reversed as customer bookings increase a very welcome 80.4% to 166,000.

When **UPS (United Parcel Service)** elects to acquire the first purpose-built B-757Fs in early **1986**, Ryan is chosen to operate them. Shortly thereafter, UPS decides to fill its aviation requirements in-house and begins its own airline. Ryan assists with the transition.

In August, Ryan Aviation the FBO and Ryan International Airlines are sold to the Maryland-based PHH group for \$16.8 million. Ryan is required to "retire" from the aviation business for a period of three years. The cargo contracts with **Emery Worldwide** and **UPS (United Parcel Service)** are maintained; however, customer bookings fall again, down to 124,347. Profits move ahead to \$1.06 million (operating) and \$604,560 (net).

Airline employment grows by 28.3% in **1987** to 340 as the carrier begins to exit the passenger charter business to fly cargo exclusively for **UPS (United Parcel Service)**. The fleet now includes 8 B-727-100s and 8 B-727-100Fs. Company pilots begin to fly five UPS-owned B-757-24APFs in September.

Late in the year, **UPS (United Parcel Service)** informs its contract partners that it will provide its own airlift, beginning during the next year.

Freight traffic jumps 51.5% to 94.01 million FTKs while revenues swell 51.5% to \$16.9 million. Expenses climb an equal 51.5% to \$15.29 million and allow an operating profit of \$1.6 million. Net gain grows to \$916,000.

Following an accident early in **1988**, Ryan briefly suspends services. At this point, PHH elects to retire from the airline business and Ryan is contacted concerning the possibility of reacquiring the carrier.

Bookings in the final year of passenger flying total only 10,700.

In February **1989**, Ronald Ryan buys back the FBO and airline (including the FAA Part 121 certificate) and enjoys renewed success that brings a demand for additional capacity. **Emery Express**, which has meanwhile won a contract to fly express mail for the U.S. Postal Service, offers Ryan the opportunity to provide its lift. Again, there is an Emery-instigated hitch: eight DC-9Fs and nine B-727Fs must be transferred to Ryan's certificate within two weeks of contract signing. Again, the paperwork is successfully expedited.

At the end of December, financially troubled **Orion Air**, which is also under contract to Emery, is shut down by its owners, The Primark Corporation.

Emery in January **1990** purchases assets from Orion Air, leasing the aircraft acquired to Ryan. The Ryan fleet now includes 34 B-727s and 8 DC-9-10Fs, including one of each type from **Orion Air**. All are painted in the colors of the clients served. Traffic figures are maintained in confidence.

The **Orion Air** package had included assumption of that carrier's 10-year postal subcontract with **Emery Worldwide**, begun the previous April. Employing dedicated DC-9-10Fs and B-727-100Fs painted in U.S. Postal Service colors, Ryan flies overnight Express Mail from the semi-public agency's hub at Indianapolis.

Not having been deiced, Flight 590, a DC-9-15RC with two crew, stalls during its February 17, **1990** takeoff from Cleveland, rolls 90 degrees, and cartwheels down the runway; the freighter is destroyed and both of its flyers are killed.

Following Iraq's invasion of Kuwait and the deployment of Allied

forces to Saudi Arabia in Operation Desert Shield, Ryan takes over the Post Office's D-net operations, a daytime sort operation that it will operate for the duration of the Persian Gulf War. This year, statistics are again held in confidence.

Operations continue apace in **1991** as passenger charter flights resume. The fleet is upgraded by the addition of five former **United Airlines** B-727-22Fs, including one named *Judy Carmine* and another named *William F. Bolger*.

After its No. 3 engine suffers an uncontained failure, the takeoff of a B-727-22QC with three crew is aborted from Hartford-Bradley International Airport on May 3. Debris penetrates fuel, oil, and hydraulic lines, starting a fire that destroys the aircraft; there are no casualties.

The owned and provided fleet includes 33 aircraft in **1992** and a new South Pacific operation is inaugurated when a B-727-51C is based at Saipan to fly fish to Japan for the Ting Hong Oceanic Enterprise.

The airline now agrees to assist **Morris Air Services** (under contract) in the inauguration of its own airline operation. In March, an application is filed by Ryan with the DOT seeking authorization to resume charter and scheduled services with four DC-9-15RCs, including twice-daily roundtrips from Charlottesville, Virginia, to Newark.

In June, Ryan begins to operate **Morris Air Services** B-737s, which have been transferred to Ryan's certificate, but which are painted in MAS livery. It also provides Morris with pilot training, personnel recruitment, acquisition of a Part 121 certificate of its own, and transition from Ryan's certificate to its own.

A total of 449,000 charter passengers are flown, revenues are \$26.2 million, and a \$26.2-million operating profit is realized.

The workforce is cut 21.4% in **1993** to 473 and the fleet includes 6 B-727-51Cs, 5 B-727-22Cs, 4 DC-9-15RCs, 2 B-727-151Cs, and 1 each B-727-76F, B-727-77C, B-727-82C, B-727-172C, and 1 DC-9-15MC.

The entire 22-unit is flown on behalf of **Emery Worldwide**. In addition, two B-737-3A4s are subleased from **American Airlines** and one each B-737-3Q8 and B-737-3T5 are chartered from **Aer Lingus Irish Airlines, Ltd.** The **Morris Air Services** contract is concluded in January.

During the spring, a five-year contract is signed with the tour contractor Apple Vacations in hopes of boosting passenger charter operations. The new B-737s are, meanwhile, operated on passenger services over the new Virginia-New Jersey route.

On July 1, **Emery Worldwide** arranges with Ryan to operate its new U.S. mail award under a subcontract. Ryan, which has carried mail for Emery for nearly four years under an earlier subcontract, will, as a result of this new deal, be able to create 30 more jobs in Wichita by year's end.

The U.S. Postal Service's new logo is introduced in October, painted on the tail of an Emery B-727-51C. When the winter season begins on November 1, tour and charter flights on behalf of Apple Vacation are inaugurated from the northern U.S. to the Caribbean, Florida, and Mexico.

On the year, the overall number of customers boarded declines 81.3% to 83,140. Cargo swells 20.6% to 41.15 million FTKs. Revenues almost double to \$49 million and expenses are \$3 million less. As a result, a \$3-million operating profit is generated as is a \$3-million net gain.

Airline employment is increased by 4.6% in **1994** to 505 and in January, Ryan Aviation Corporation, the expanded but original FBO operation, is sold. Ryan's enterprise becomes simply Ryan International Airlines. The Apple Vacation charters cease on May 1.

When the attempt at scheduled service does not succeed, the chartered B-737-300s are all replaced with a single B-737-448 leased from **Aer Lingus Irish Airlines, Ltd.** The dry-lease use of foreign aircraft during their off seasons for passenger charters will become company policy as first a three-year and then a five-year contract is signed with the Irish line. Meanwhile, plans are made to grow freight traffic by purchasing for conversion a fleet of eight former **United Airlines** B-727-22Cs.

Employing Irish aircraft, the company renews its Apple Vacation services with the start of the new fall schedule on November 1.

Passenger bookings fall another 9.8% on the year to 73,053, but freight jumps 40.2% to 57.71 million FTKs. Revenues swell 4.6% to

\$53.03 million and expenses climb 8.9% to \$50.8 million. Consequently, pretax profit totals \$2.95 million.

The workforce is increased by 28.7% in **1995** to 650. On behalf of the National Fisheries Corporation, a company trijet, beginning on August 1, hauls freshly caught tuna to Guam from the islands of Palau, Pohnpei, Truk, and Yap. From there, it is forwarded to Japan.

On October 1, the company begins flying passenger charters for Gold Transportation, operating a leased **Aer Lingus Irish Airlines, Ltd.** B-737-448 from Atlantic City, New Jersey, to some 55 cities in the eastern U.S.

Passenger traffic suffers a drop of 20.5% to 58,000 enplanements. Cargo, on the other hand, increases 60.4% to 94.38 million FTKs. Revenues far exceed costs and there are profits: \$3.81 million (operating) and \$3.82 million (net).

There is no change in the employee population during **1996**. The Irish Boeing is retained.

In the wake of the May **Valujet Airlines** disaster, Ryan International, like many similar U.S. carriers, becomes the subject of intense safety scrutiny by the FAA. Some irregularities are found and the company is grounded for a time during the third quarter.

A contract is entered into with Star Tours to fly sports and celebrity tours. Among the teams and performers initially transported are the Chicago Bulls NBA basketball teams and the rock groups U-2 and the Rolling Stones. Lift is provided with two B-727-200s and two B-727-100s provided by the tour operator.

Still, customer bookings skyrocket 201.7% to 175,000 and 126.1 million FTKs are operated, a 33.6% increase. Difficulties do, however, have a financial impact as operating income dips 0.2% to \$55.54 million. Expenses total \$51.98 million and profits decline slightly; an operating gain of \$4.16 million is generated, along with a net profit of \$4.36 million.

The workforce is cut by 7.7% to 600 during **1997**.

During takeoff from Aruba for Cincinnati on January 18, the **Aer Lingus Irish Airlines, Ltd.** B-737-448 with 8 crew and 148 passengers, blows the No. 1 tire; the aircraft circles the airport for three hours dumping fuel before making a safe emergency landing. One passenger is seriously injured during the subsequent chute evacuation.

During the spring, the decision is taken to operate a significant number of passenger charters the following winter. Contracts are signed with the tour operators Apple Vacations and Trans Global Tours and four Airbus Industrie A320-214s are leased, painted in the colors of the travel concerns.

Flights commence from Minneapolis (MSP) and Chicago on October 1 to destinations in the southern U.S., Mexico, and the Caribbean.

Flight 607, a B-727-51C with two crew, collides with an airport shuttle bus while taxiing for takeoff from Denver on October 1; neither flyer is hurt nor are two passengers on the bus, although the driver receives minor injuries. The nose section of the airplane is destroyed while the left front portion of the bus is damaged and the windshield is knocked out. It is later reported that the bus driver did not see either an intersection stop sign or the approaching Boeing.

Although passenger boardings are up 29.7% to 227,000, freight dips 1.8% to 123.81 million FTKs. Operating revenues increase 8.7% to \$74.96 million, while expenses are up 9.1% to \$70.67 million. The operating gain improves to \$4.28 million, while the net profit rises to \$4.56 million.

During the first quarter of **1998**, the Apple Vacations contract is renewed. RIA is also awarded a charter contract from SunTrips to operate roundtrip flights from Los Angeles to various points in Mexico. The service had previously been operated by **Allergo Air, S.A. de C.V.** employing a wet-leased **Skyservice Airlines, Ltd.** A320-231. Until Ryan takes up the new arrangement, the Canadian Airbus wears "Skyservice USA" titles on its forward fuselage.

Employing a pair of DC-10-10s leased from **Airtours International Airlines, Ltd.**, Ryan, in May, begins to operate Hawaiian charters. One contract, from Los Angeles, is flown on behalf of Sunquest, while the second, from San Francisco, is operated for SunTrips.

In an election supervised by the NMB on August 20, 72% of the car-

rier's 306 pilots voted for union representation by ALPA, thereby becoming the 50th pilot group represented by that union.

At the beginning of the winter charter season in November, an A320-214 is leased from **Flying Colours Airlines, Ltd.** Wearing a pure white color scheme with a large apple painted on its tail, the Airbus is operated on behalf of Apple Vacations from cities in the northern U.S. to the Caribbean, Costa Rica, and Mexico.

Also in November and continuing into the spring of 1999, Ryan operates an extensive program of package tours on behalf of Trans Global Tours doing business as Trans Global Vacations. Ryan provides lift from Minneapolis (MSP) and the upper Midwest to Florida, Mexico, the Caribbean, and Las Vegas employing a pair of A320-231s leased from **Britannia Airways, Ltd.** and one each B-747-448 and B-747-4Y0 chartered from **Aer Lingus Irish Airlines, Ltd.** and **Pegasus Airlines, A.O.**, respectively. All of the planes wear gray upper and navy blue lower fuselages separated below the window lines with a yellow cheatline. Each forward fuselage wears Trans Global titles and the navy blue tails host the lessors' logos.

For all of 1998, customer bookings skyrocket 550.7% to 1,477,000.

Cargo traffic also is dramatically up, having ballooned 140.1% to 259.17 million FTKs. Revenues surge 126.7% to \$169.92 million, while expenses are held to \$162.72 million. Operating profit climbs to \$7.2 million, while the net gain reaches \$7.8 million.

Airline employment has been increased by 8.3% by the beginning of 1999 to 650. Jeffrey C. Crippen is promoted to the company's presidency in September.

At the beginning of the winter holiday schedule at the end of October, the company charters the B-737-448 *St. Caimin* from **Aer Lingus Irish Airlines, Ltd.** and operated on behalf of Apple Vacations. The "Baby Boeing" wears the Irish line's colors, with Apple Vacation titles (Ryan is not visibly mentioned). At the same time, three Airbus A320-231s are chartered from the new **JMC Airlines, Ltd.** to fly winter holiday flights from the upper Midwest to the Caribbean on behalf of Trans Global Vacations. A B-737-4Y0 subleased from **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)** is also employed for the TGV program.

Just before Christmas, a former **Southwest Airlines** B-737-2H4 is acquired to fly gambling charters to Atlantic City; the aircraft is painted bright orange with a blue fleur-de-lis on its tail.

Customer bookings plunge 25.1% to 1,106,000, while freight drops 19.3% to 88.77 million FTKs. Revenues rise 4.5% to \$177.64 million, while expenses are up 5.6% to \$171.84 million. The operating profit falls to \$5.8 million, while the net gain is down to \$6.41 million.

Airline employment at the beginning of 2000 stands at 1,132, a 9.9% increase over the previous 12 months. The majority of the **Emery Worldwide** Boeing 727F fleet is now leased to Ryan. On its behalf, Ryan now operates a major U.S. Postal Service contract employing 5 Dash-51Cs, 1 Dash-51C, 5 Dash-22Cs, 1 each Dash 134C, Dash-76C, Dash-77C, Dash-82C, and 3 Dash-223F, all in USPS livery. In Emery Worldwide livery, Ryan flies 4 Dash-21Cs, 8 Dash-222Fs, and 3 Dash-225Fs. The company also operates 2 B-737-2H4As in its own colors, plus 1 chartered B-727-243A flown on behalf of the **Skyservice Airlines, Ltd.** subsidiary Sport Hawk International Airlines, Ltd.

The JMC aircraft are returned at the end of March, while the *St. Caimin* returns to **Aer Lingus Irish Airlines, Ltd.** in May. In late July, the two DC-10-10s operated on behalf of Skyservice USA are re-registered. One loses its Skyservice USA identity on October 5 when new SunTrips titles are applied at Manchester.

With the beginning of the winter schedule on October 29, one B-757-28A, one B-757-2Y0, three A320-214s, and one A320-231 are leased to Apple Vacations in the U.S. by **JMC Airlines, Ltd.**; they will be operated from Chicago (ORD) by Ryan International for the tour operator until March. A chartered **Futura International Airways, S.A.** B-737-4Y0 is also based at Philadelphia to operate twice-weekly charters via Baltimore (BWI) to Nassau. It is joined by an **Aer Lingus Irish Airlines, Ltd.** B-747-448.

Apple Vacations also obtains the services of a second Aer Lingus B-737-448 that flies from Baltimore (BWI) to the Caribbean beginning on December 17. At this time, the company also operates a DC-10-10, chartered from **Airtours International Airlines, Ltd.** on behalf of the tour operator Sun Trips.

Passenger boardings during these 12 months ascend 3.62% to 1,146,000. Cargo traffic plunges 41.64% to 51.8 million FTKs.

RYANAIR, LTD.: Dublin Airport, Dublin, Ireland; Phone 353 (1) 844-4489; Fax 353 (1) 844-4402; <http://www.ryanair.com>; Code FR; Year Founded 1985. With Ir£1 capitalization, privately owned Ryanair, Ltd. is formed at Dublin in May 1985 by Cathal, Declan, and Shane Ryan, the three sons of Dr. Anthony Ryan, chairman/CEO of Guinness Peat Aviation, Ltd., to offer scheduled commuter flights to the U.K.

Employing a single Embraer EMB-110P1 Bandeirante, weekday return service between Waterford Airport in southeast Ireland and London (LGW) is inaugurated on July 8 under the direction of Christy Ryan (no relation), who has the post of director of operations. During the remainder of the year, the company's 57 employees are able to provide for the transport of 5,000 passengers over its single route.

Although load factors are said to be satisfactory, income is insufficient to cover the tiny commuter's costs. Rather than close their doors in the traditional manner, the Ryans elect to upgrade their concern with new routes and equipment. They also believe they will be successful if they are able to lower fares, then averaging Ir£209 one-way from Dublin to London. To bring about the change and to create the first European airline to offer low fares on short-haul intra-European routes, GPA executive Eugene O'Neill is named CEO with Declan Ryan as chief operating officer.

Two British Aerospace BAe (HS) 748-B2s are purchased and inaugurate Ir£94.99 roundtrip frequencies from Dublin, Cork, and Shannon to London (CTN) on May 23, 1986. Traffic is so promising that a BAe 111-525FT is leased from **TAROM (Transporturile Aeriene Romane, S.A.)**; christened *The Spirit of Ireland*, it is placed on the service in October.

The British regional commuter **London European Airways, Ltd.** is acquired late in the year allowing service extensions to Knock, Amsterdam, and Brussels under the name **Ryan European Airways, Ltd.** Three more BAe 111-525FTs are acquired from **TAROM (Transporturile Aeriene Romane, S.A.)**, along with two BAe (ROMBAC) 1-11-561RCs. Orders are placed for two Avions de Transport Regional ATR42-300s. Charters are also offered to various European holiday destinations. Enplanements for the year total 82,000.

Airline employment at the beginning of 1987 stands at 120. The Irish independent, while still refusing to release statistics, takes delivery of its first ATR42-320 and expands its route network to 10 cities. Orders are placed for two Airbus A320-200s. Passenger boardings increase 83.2% to 681,904 and freight skyrockets 163.5% to 557,000 FTKs.

The workforce is increased by 14.5% in 1988 to 435 and the fleet now includes 6 BAC 1-11-500s, 2 BAe (HS) 748-B2s, 1 ATR42-320, and 1 Bandeirante.

Services continue without change, although another ATR42-320 is acquired and three BAC 1-11-500s are progressively retired. During the year, the **Aer Lingus Irish Airlines, Ltd.** routes from Dublin to Liverpool and Munich are taken over. In October, former **HeavyLift Cargo Airlines, Ltd.** President Patrick "P. J." McGoldrick is appointed CEO, with a mandate to turn around the financially troubled company.

Enplanements total 678,034, but Ryanair and Ryanair European together lose Ir£8 million.

Airline employment is increased by 22.3% in 1989 to 400 and orders are placed for two Airbus Industrie A320-211s. One of the BAe (HS) 748-B2s is retired and the fleet is expanded by the addition of a third ATR42-320.

McGoldrick reorganizes Ryanair, Ltd. into five individual companies: Dublin-based Ryanair, Ltd., **Ryanair European Airlines, Ltd.**, the former **London European Airlines, Ltd.** based at London (CTN), Ryanair Engineering, Ltd., Ryanair Fleet Management, Ltd., and Ryanair Tours

and Leisure, Ltd. The latter two endeavors are placed under the leadership of Decian and Cathal Ryan, respectively.

Munich joins the route system and several new services are initiated to the U.K., as well as to the new airport at Knock, developed by a Roman Catholic priest.

The year's passenger boardings climb 7.1% to 729,853 and freight is up a nearly equal 7% to 37.58 million FTKs. Still, Ryanair has lost Ir£20 million during its first four years.

Company employment is cut 18.2% in 1990 to 400 and all aircraft except the ATRs and BACs are retired; an ATR72-310 is ordered. The first A320-211 is delivered in February. Twice-daily flights are inaugurated in August from Dublin to London (STN). As the company continues to emphasize regional flights, its passenger traffic increases.

Through the first nine reported months, customer bookings ascend 7.4% to 625,859.

In November, the subsidiary **Ryan European Airways, Ltd.** resumes operations as **London European Airways, Ltd.** The fourth quarter is disastrous, largely because of the dramatic increase in fuel prices following Iraq's August 2 invasion of Kuwait and the subsequent recession in the U.K. The workforce must be cut by 9% (46 employees) and services are dropped on October 15 between Dublin and Coventry and from Knock to Manchester. Frequencies are reduced on routes from London to Shannon, Sligo, and Donegal and one ATR42-320 is leased out for the winter. With the Irish economy stagnant and no growth in passenger traffic, the Ryan family investment is in the red.

During January 1991, negotiations are completed with **British Northern Airways, Ltd.** to take over that fledgling's April delivery position for two ATR72-310s. The fleet in spring comprises three chartered ATR42-320s (with orders outstanding for four more), one of which is leased out to **Hamburg Airlines, GmbH.**, and six BAC 1-11-500s, two of which are chartered from the Romanian state carrier **TAROM (Transporturile Aeriene Romane, S.A.)**.

GPA magnate Dr. Ryan now dispatches his personal assistant, Michael O'Leary, to work with Managing Director Goldrick to create a restructuring and recovery plan. The two closely monitor the activities of the U.S. carrier **Southwest Airlines (2)** and decide to adapt its low-fare, no-frills philosophy to Europe, while meanwhile rationalizing the fleet and cutting costs.

The Irish government also agrees to assist the independent, ending all competition on Irish routes for the next three years. The company is now reorganized; Ryanair Holding, Ltd. becomes the corporate entity, with the airline Ryanair, Ltd. as its subsidiary.

When the recovery program begins implementation, Ryanair cuts out meal service, complementary newspapers, bans smoking, reduces cleaning, maintenance, and even in-flight magazine costs. The workforce is reduced to 350.

Despite the effect of the Gulf War on European transport early in the year, enplanments during these 12 months total 540,000 and a \$431,000 profit is generated, roughly 30 pence a passenger. After continuous downturn, this first-ever gain is a welcome relief.

Declan Ryan becomes managing director in 1992. The three ATR42-320s are returned to their lessor as the Irish line becomes an all-111 operator. The BACs are now painted in a new color scheme. Low-fare, no-frills services are now provided to Dublin, Liverpool, London (CTN and STN), Cork, Galway, Kerry, Knock, Waterford, and Shannon. A number of unprofitable routes are closed.

In March, the carrier signs a sales and marketing agreement with AMR Services Corporation, the marketing division of **American Airlines**. Under terms of the arrangement, the American major will promote the Irish carrier's London to Dublin service in the U.S.

Ryan also agrees to purchase SABRE reservations services from another American subsidiary.

On June 16, the carrier becomes the **American Airlines** feeder at London (STN) when the U.S. major begins daily service to that airport from Chicago (ORD).

Passenger boardings this year increase 46% to one million and profit reaches \$1.25 million.

Airline employment in 1993 stands at 440. The fleet, which now includes one each B-737-2E7A and B-737-212A, is increased by the addition of four B-737-204As leased from **Britannia Airways, Ltd.** In addition to charter and domestic and U.K. flights, scheduled services are introduced to Munich.

Traffic information is no longer provided; however, it is noted that the company enjoys identical \$3-million operating and net profits. When the European Commission approves an Irish government financial aid package for **Aer Lingus Irish Airlines, Ltd.** during the fourth quarter, Ryanair files suit to block it.

A multiyear contract is signed with FLS Aerospace, Ltd. in January 1994 for the heavy maintenance work required to be performed on its aircraft fleet. During the spring, a new aircraft livery is introduced and two more Britannia B-737-204As are chartered. Arrival of the small Boeings permits an orderly retirement of the BAC 1-11s. In May, frequencies are initiated to Manchester and Prestwick in competition with **Aer Lingus Irish Airlines, Ltd.**

Two B-737-2K2As, a B-737-2T5A, and a B-737-212A are leased from **Transavia Airlines, N.V.** in September.

On October 1, citing cost, the airline terminates its agreement with the SABRE reservations system.

The company's staff now exceeds 500 and they assist 1.5 million travelers to make their connections this year. Revenues advance by 8.2% to \$53.03 million while expenses shoot up 8.9% to \$50.08 million. There is an operating surplus of \$2.95 million and a net gain of the same figure.

In early 1995, company leaders attempt to persuade **British Airways, Ltd. (2)** to take a stake; the British flag carrier considers the plan, which would have it turn over a number of B-737-236s rather than cash. The arrangement falls through late in the year. Former **Continental Airlines** David Bonderman purchases 20% shareholding and the Ryan family reduces its stake to 62%, with the remaining 18% held by Mr. O'Leary.

At Dublin, seat selection is abandoned; free-seating speeds up boarding and only 12 check-in desks are required. In its tenth anniversary year, Ryanair becomes the largest passenger carrier (in terms of numbers) on the Dublin-London route and indeed the largest Irish carrier on every route it operates.

Although it continues to employ travel agents and to issue tickets, like the new London (CTN)-based **easyJet, Ltd.**, Ryanair also begins to emulate **Southwest Airlines (2)** and to sell certain amenities and souvenirs. Unlike easyJet, it does, not, however, sell peanuts (food is seen as messy, requiring too much time to clean aircraft). Rather, emphasis is placed on the selling of drinks. Ryanair will reap a pretax profit of Ir£1 per passenger on its flights, all of it coming from onboard sales.

In December, the company begins flying from London (STN) to Prestwick Airport in Scotland. As part of the advertising surrounding this service launch, two of the Boeings receive new color schemes that include a Scottish tartan scarf and a wide-toothed smile.

Passenger boardings this year total 2.3 million. As a result of accounting procedures, net profit will be restated from Ir£5 million to Ir£12 million.

Airline employment stands at 680 in 1996 and the all-"Baby Boeing" fleet includes 1 each B-737-2E7A, B-737-2T5A, B-737-212A, and 2 B-737-2K2As.

Having failed to gain access to BA equipment, Bonderman turns to **Deutsche Lufthansa, A.G.**, which readily agrees to the lease of 6, later 12, B-737-230As. As part of the arrangement, DLH receives a number of maintenance contracts for its Lufthansa Technik subsidiary.

During the fall, the company introduces the "logojet" concept of **Western Pacific Airlines (Westpac)** to Europe. A B-737-204A is given a special Jaguar promotional color scheme, finished in classic British racing green and silver with the outline of the automaker's big cat on the gray forward fuselage.

During the year and with an Ir£2.8 million (\$3.3 million) grant from the Irish government, Ryanair Direct is established as a telemarketing

company. The new concern quickly begins to redirect passengers to the call center from traditional travel agents.

Enplanements these 12 months rise to 3.3 million. Revenues advance 24% to Ir£136.4 million, while costs ascend by 25% to Ir£112.7 million. The operating gain jumps 23% to Ir£23.7 million, while net profit climbs 24% to Ir£26 million (\$38.9 million).

Full European Union air transport deregulation in 1997 will open the door for Ryanair to freely expand its services to the Continent, becoming the first low-fare airline to offer scheduled return services from Ireland and the U.K. Plans to increase the number of German Boeings in the fleet by five proceed; to promote St. Valentine's Day, a B-737-2T5 is painted with hearts, kissing lips, and cupids and is given titles as "The Love Plane." At the beginning of the second quarter, another "logojet" is unveiled; painted in a bold blue-and-orange livery not unlike that of the new British low-fare carrier **easyJet, Ltd.**, the color scheme promotes the U.K. tabloid newspaper *The Sun*, noted in the titles as "SuperSonic."

In the spring, a computerized planning and support package is purchased from **Crossair, Ltd.** On May 1, the company's "Baby Boeings" inaugurate thrice-daily service from Dublin to Beauvais Airport, north of Paris, and thrice-daily roundtrips from Dublin to Brussels South at Charleroi. A new twice-daily route is opened the same day between Kerry and Bristol.

Also in May, Ryanair is floated on the New York (Nasdaq) stock exchange, with an initial valuation of \$500 million. The public flotation brings in excess of Ir£64 million. With overall market valuation capitalization of Ir£300 million, Ryanair is converted into a public limited company. (As with **Aer Lingus Irish Airlines, Ltd.** and **British Airways, Ltd. (2)**, the company in this profile and elsewhere will be referred to as Ryanair, Ltd., rather than dividing it into pre- and post-public sections.)

At this point, a modest profit-sharing plan is introduced for the carrier's 700 employees, who are also permitted to become shareholders.

On June 12, daily Kerry to London (STN) service is launched, along with a twice-daily roundtrip route from London (STN) to Skavsta Airport, just south of Stockholm, and on to Oslo.

It is announced on July 25 that it will undercut, beginning at the end of October, the popular winter fares of **Aer Lingus Irish Airlines, Ltd.** from Dublin to Britain and the Continent. For example, roundtrip fares for two people from Ireland to Paris or Brussels is pegged at Ir£99, while a similar service from Dublin to London (STN) will cost customers just £79.

While taking off from London (STN) on a scheduled September 30 service to Dublin, a company B-737-200 comes within 200 ft. vertically and 0.91 nm. horizontal distance from an **Air U.K., Ltd.** jetliner that is descending into London (CTY) after a service from Edinburgh.

On November 15-16, the carrier puts on 32 extra flights from Dublin to Brussels to ferry soccer fans to and from Ireland's World Cup playoff match against Belgium. Over 5,000 fans are transported on the weekend.

Later, a B-737-230A joins the fleet from Germany, painted in the bright red and white corporate livery of sponsor Kilkenny, "the Cream of Irish Beer." The "logojet" enters service on November 29.

In December, **British Airways, Ltd. (2)** announces the creation of a new low-cost division it will operate from London (STN) beginning the following spring. Many expect Ryanair to be a principal competitor.

At the same time, up to 50 of the 63 ground handling staff join the Services, Industrial, Professional, and Technical Union (SIPTU) in hopes of forcing Ryanair to begin collective bargaining. On December 19, the members, who earn some Ir£2,400 per annum less than their counterparts at **Aer Lingus Irish Airlines, Ltd.**, vote for an industrial action, but agree to accommodate a company request for seven days in which to respond.

A "logojet" appears for the Christmas season wearing a Santa Claus smile and painted hat on and over the cockpit, with teddy bears, presents, and candy spilling down both sides of the fuselage.

As the year ends, Ryanair responds to SIPTU, rejecting talks with the union as representative of its workers. Ryanair, which has beaten off pre-

vious attempts by the Amalgamated Engineering and Electrical Union (AEEU) and Amalgamated Transport and General Workers Union (ATGWU) to represent workers, sees no benefit in negotiating with the nation's largest labor group.

A total of 4 million passengers are flown on the year and generates a net profit of Ir£30.2 million.

Having sought and been rebuffed in their efforts to obtain collective bargaining, 29 of the SIPTU-represented company baggage handlers inform the company on January 2, 1998, that they are halting work for three hours on every shift, beginning one week hence.

The company's first strike begins on January 9, with an average of 14-17 ground handlers stopping work for three hours each shift as promised seven days earlier. Senior company executives, led by CEO O'Leary himself, load baggage for passengers at Dublin Airport to ensure there is no disruption of services. O'Leary had met the first shift at 6 a.m. and attempted for an hour to persuade it to abandon the strike.

According to *The Irish Times*, the two sides differ regarding the effect of the strike on January 11 operations. Apparently, at least one flight from Dublin to London (STN) is cancelled while several others are delayed. CEO O'Leary had again met with baggage handlers on the line and appealed to them to abandon their actions. The three-hour work stoppages have no effect on flights on January 12.

The industrial action continues apace over the next two weeks; the union claims to have forced the cancellation of 98 flights, while Ryanair indicates that no services have been scrubbed because of the dispute. During these days, a number of informal approaches are made to Ryanair by the prime minister and the minister for enterprise, trade, and employment plus other sources, to agree to third-party intervention by the Labour Relations Commission or some other mutually acceptable group. Ryanair, which sees any such move as de facto recognition of the union, refuses. Meanwhile, on January 20, SIPTU is careful not to take any action that disrupts scheduled flights to Liverpool for the Liverpool versus Newcastle football match.

The issue of union recognition at Ryanair is discussed by executives of the Irish Congress of Trade Unions (ICTU) on January 21. As of January 23, both sides are continuing to present differing pictures of the strike. SIPTU indicates that 134 flights have been cancelled, while Ryanair repeats its assertion that all of its schedules and 95% of its staff are operating normally.

The Irish Labour Court begins an investigation into the union recognition dispute at Ryanair on January 30. CEO O'Leary sends a letter to the body outlining reasons for not appearing, while the SIPTU warns that a serious confrontation with the trade union movement is being risked by the airline. The ICTU advises Minister of State for Labour Affairs Tom Kitt that an urgent need exists for legislation that will allow the Labour Court to intervene and arbitrate the issues in exceptional cases like that at Ryanair.

The industrial action continues into February. On February 10, CEO O'Leary, breaking his silence on the strike, is a guest on the RTE Radio 1 radio show of Pat Kenny and gives separate interviews to newspaper reporters. After presenting his views on numbers involved, job action causes, and a belief that his carrier's baggage handlers are better off than those at **Servisair**, the baggage-handling company at Dublin Airport that provides services to third parties, O'Leary is challenged concerning the company's statements that all service is operating normally. Host Kenny notes the comments of customers calling-in to the contrary, while SIPTU, in reviewing the air leader's comments, indicates that there is clear evidence that over 220 scheduled flights have not operated since the strike's beginning.

Ryanair attempts to counterattack in the area of public relations on February 12 when it sends SIPTU leadership a copy of a letter alleging that baggage handlers working regular shifts at Ryanair have received telephoned threats of violence. These alleged threats are also reported to the police and media. The union denies that anyone involved in the dispute has made any physical threats.

By February 14, analysts are suggesting that the increasingly bitter

Ryanair strike is becoming a test case of the growing "Americanization" of Irish industry. More and more Irish companies now emulate business practices in the U.S., choosing to bypass labor unions and negotiate directly with their workers on pay and working conditions. Private sector union representation has fallen from 85% to 40% during the past 20 years.

The labor dispute continues during the remainder of the month, with members of parliament and the government drawn into the debate on whether or not the baggage handlers and their union should be recognized by the airline. Speeches are made in various forums, including the European Union in Brussels, and demonstrations are held.

As the job action deepens, CEO O'Leary threatens to move the whole airline to the U.K. The Irish parliament begins to debate a trade union recognition bill, which the government opposes on the grounds that it may lead to a deterioration in industrial relations in the state.

Upwards of 1,000 workers from across the country join 39 Ryanair baggage handlers in a Dublin march in support of demands on February 27.

On February 28, in freezing rain, 2,000 baggage handlers, trade union supporters, and politicians attend a Dublin Airport rally in support of union rights at the airline. There are also representatives from U.S. and U.K. unions, as well as the workers at **Air France**. Speakers call upon the government to act immediately to force Ryanair to accept union representation and negotiation. ICTU general secretary Peter Cassells pledges the support of 650,000 trade unionists, while criticizing a reported Ir£17 million in bonuses paid to CEO O'Leary.

Ryanair announces on March 1 that it has recruited its 1,000th employee and will create an additional 100 jobs over the coming months. Ryanair withdraws security clearance from the striking baggage handlers on March 6, claiming that the strikers are intimidating other airport workers. On March 7, strikers and their union representatives inform the media that Ryanair has been using private detectives to spy on their activities, taking names and photographs. Police sources confirm that such surveillance is occurring, while the company's public relations advisers, Murray Consultants, indicate that all such allegations are "totally untrue."

The now-personalized and bitter industrial action reaches its zenith. SIPTU members at **Aer Lingus Irish Airlines, Ltd.** and CityJet, Ltd., thousands of workers in total, vote not to cross the picket lines of Ryanair baggage handlers. The action forces the cancellation of almost all flights by Irish carriers and closes down Dublin Airport. Ironically, by March 8, many Ryanair services are operating smoothly, while the state carrier, from whence most of the supporting demonstrators originate, is all-but shut down. Thousands of passengers are inconvenienced and the troubles are extensively covered by the electronic media. In some presentations, Ryanair appears the villain of the piece; *This Week*, an RTE Radio 1 program interviews numerous inconvenienced passengers, the majority placing the strike blame on Ryanair, or even CEO O'Leary personally, rather than the pickets. Television news programs show images of Ryanair workers drinking cans of beer and taunting baggage handlers from their windows, while chanting SIPTU members scream "scabs" at replacement workers.

After five hours of tense emergency talks led by the prime minister and other top government officials, as well as opposition politicians and trade union leaders, both CEO O'Leary and the SIPTU agree to a five-point formula. This formula will ensure an orderly resumption of work by the baggage handlers, who are not to be fired, and structured talks to address their concerns.

In addition, both sides agree to cooperate with a special Government Inquiry Team established by the Minister for Enterprise and Employment Mary Harney to review the dispute. The panel will be led by former employers' leader Dan McAuley and former trade union leader Philip Flynn and will report its findings to the prime minister within a month or so. The inquiry team begins interviewing participants on March 9.

Also on March 9, an Ir£1.4-billion (\$2-billion) order is placed with Boeing for 25 Next Generation B-737-800s, plus 20 options. Financing is handled through a combination of internal cash resources and commercial borrowing, including a letter of commitment from the Dutch Bank ABN Amro that will cover 85% of the net purchase price.

This purchase represents the largest financial transaction ever made by an Irish public company. It is anticipated that the new aircraft will allow the company to compete on an even basis with the new **British Airways, Ltd. (2)** discount subsidiary GO, which is set to begin flying in May.

Continuing to maintain that the March 7-8 disruption at Dublin Airport is due to unlawful activity, Ryanair repeatedly refuses to refund out-of-pocket expenses as allegedly promised to its inconvenienced passengers those two days. The story of one of these claims, that of Belgian customer Ms. Annabelle Francois, is reported by *The Irish Times* on April 17. **Aer Lingus Irish Airlines, Ltd.** has, since the disruption, received over 1,000 claims and expects to pay in excess of Ir£1 million to settle them.

Service is inaugurated on May 7 from London (STN) to Venice, St. Etienne to Lyon, and Kristianstad to Malmo. With all of the pieces in place, GO launches services from London (STN) to Milan and Rome on May 22 with three B-737-200s. During the month, the company is included on the New York Nasdaq index.

While **easyJet, Ltd.** and **Debonair, Ltd.** attempt to limit GO via legal and regulatory means, an even stronger competitor threatens to take it on head-to-head in the marketplace. In a speech before the Aviation Club at London on June 1, CEO O'Leary pledges that Ryanair "will compete with lower fares rather than wait for the bureaucrats in Brussels to rescue us."

Flights to the Italian cities of Pisa and Rimini, plus Carcassonne to Toulouse in France, commence on June 4. At this point, the route network covers 28 destinations in 7 countries.

The company now introduces its latest "logojet," a B-737-204A that wears billboard-sized "Tipperary Crystal" titles along the side of its white-painted fuselage. A circular blue decal under the cockpit window proclaims the product to be "Ireland's Premier Crystal."

An initial public offering is made on the Irish Stock Exchange on July 10. The 21 million ordinary shares are oversubscribed 5 times and bring in Ir£48.4 million (\$65.82 million). The carrier is listed on the London Stock Exchange on July 13 for the first time and begins trading the next day. Market capitalization climbs to over Ir£1 billion. All of the funds generated will be employed, reports Chairman O'Leary, for the purchase of 25 Next Generation B-737-800s.

The report of the Government Inquiry Team, delivered to the minister for enterprise and employment a week earlier, is published in the July 16 issue of *The Irish Times*. In addition to reviewing events leading up to the early March disruptions at Dublin Airport, the document advocates that the government revisit and revise its policies for workers in essential industries and services.

The Government Inquiry Team specially criticizes Ryanair's refusal to cooperate with the inquiry and notes that, during the course of the hearings, the company has gone so far as to dismiss the employment of probationary baggage handlers involved in the job action. SIPTU is cited for instigating and encouraging the difficulties leading up to the Dublin Airport debacle. Airport and airline employees are accused of gross misconduct in employing their security clearance passes to demonstrate on the apron and obstruct flights, while airport fire crews are criticized for actually joining in the demonstrations. The panel goes on to recommend new procedures be put into place scrapping the current volunteer guidelines and legally requiring employers and trade unions to refer disputes to the Labour Court.

It is reported on July 20 that the Irish government has instructed both the airline and the SIPTU to "consider" the results of its inquiry into their first quarter dispute and asks the two sides to adopt a "constructive and positive approach" to future discussions.

On July 25, Ryanair, embarrassed again, is further involved in controversy as it contests the findings of the prime minister's inquiry. The Irish Productivity Center, which had carried out a comparative study of baggage handlers' pay at Dublin Airport for the Government Inquiry Team, reveals that the airline's claims that its pay scale is better than much of the competition is incorrect. The airline writes the IPC demanding that it "correct errors" or face a lawsuit in the High Court.

Ryanair, on July 28, proceeds to make its case in the High Court, indicating that the findings of both the Government Inquiry Team and the IPC are incorrect, but that it has been given no post-publication opportunity to offer correction. The revision is deemed necessary because the SIPTU has asked the airline to implement the inquiry's findings and boost pay. The High Court grants the carrier leave to challenge the findings.

Also during the month, the company announces a 60.9% pretax profit increase during the second quarter and officially becomes Europe's largest low-fare airline. In mid-August, **British Airways, Ltd. (2)** operates a seat sale designed to take passengers away from the discount carriers, including Ryanair. The Irish line's CEO O'Leary terms the BA effort "fairly limp."

Prompted by the BA challenge, O'Leary and several of his executives raise a huge promotional banner outside a BA flight shop in central London on September 3 to proclaim its own seat sale. "We want to show BA how a seat sale should be run," O'Leary tells Reuters, Ltd. For tickets purchased over the next 12 days for travel between late September and mid-December, 1 million seats across Ryanair's 26 European routes will cost from just Ir£16.99 (\$28.54) one way.

The suit by Ryanair concerning the 1993 state aid package for **Aer Lingus Irish Airlines, Ltd.** is lost in mid-September when the European Court of First Instance rules that Aer Lingus has, in fact, adhered to all of the conditions laid down by the European Commission for receipt of the \$259 million in assistance.

On September 30, company executives announce that the airline will cut back on flights out of Dublin and focus on its England and Scotland markets if additional terminal space in Ireland is not made available by December.

The aviation division of Stagecoach, Ltd., a concern that had built its reputation operating buses in Kenya, but which had purchased in May the company that controls Prestwick International Airport in Ayrshire, signs an agreement with Ryanair on October 1. The arrangement is part of a plan by the Irish carrier to diversify to U.K. regional airports from London (STN). Daily return service is inaugurated on October 2 from Dublin to Bristol and Teesside.

A strategic agreement is entered into with Hertz Rent-a-Car on October 10. The airline and rental firm create a preferential fly-drive program in 26 cities in 7 European nations.

During the remainder of the month and into November, discussions are held with more than 10 airports in Germany with an eye toward the launch of deep-discount service in that nation during 1999. Airport authorities in Spain, Finland, Denmark, and Austria are also approached.

During the fall, two more "logojets" are commissioned, one honoring the U.K. newspaper *News of the World* and the other the Irish mobile telephone company EirCell.

An Ir£200,000 publicity campaign is begun on November 10 designed to gain public support for the lowering of landing charges at Dublin Airport. The effort is in response to Aer Rianta's plan to phase out the Traffic Incentive Scheme (which had offered landing fee rebates) over the next five years. Once more Chairman O'Leary threatens to move his company to London (STN).

One-way service is inaugurated on November 19 from Glasgow to Paris (Beauvais Airport).

Speaking in Dublin a month later on December 18, Chief Financial Officer Michael Cawley indicates that Ryanair has plans to expand by a constant 25% every year into the future.

Passenger boardings during the 12 months grow by 5% to 5 million. Pretax profits for the year surge 20% to a record Ir£45.3 million (\$44.2 million).

On the afternoon of January 22, 1999, a tug towing a B-737 runs over baggage handler David Thomas, crushing his feet and breaking his left leg. Two days later, 22 baggage handlers call in sick to protest their working conditions.

It is announced on February 11 that in May, the carrier will add six new return destinations to its midweek schedule from London (STN). Hahn, which is located between Cologne/Bonn and Frankfurt (thrice-

weekly), the French communities of Dinard and Biarritz, plus Ancona, Italy (weekly), and Genoa and Turin in Italy (twice-weekly). The push is aimed against the **British Airways, Ltd. (2)** division GO, as well as **easyJet, Ltd.** and **Debonair Airways, Ltd.**

Ryanair rates well in the results of a new airline survey that is released by the U.K. Consumers' Association's *Holiday Which?* on March 9. The standing is based on responses from 20,000 airline travelers who were asked which airline they would recommend to a friend.

While working to complete a maintenance check on the engine of a B-737 on March 11, three aircraft maintenance technicians, meeting environmental noise regulations, test the power plant on a taxiway near 11 p.m. One of the men, Keith Chapman, loses his arm below the elbow after it is sucked into the engine.

Ralph Riegel of the *Irish Independent* surveys the on-going fare war between **Aer Lingus Irish Airlines, Ltd.** and Ryanair, Ltd. on March 15. With existing fares already as low as Ir£9.99 one way from Dublin to London (STN) or Ir£129 for a return for two to Paris, both airlines are preparing to step up their campaigns by fall. The airlines also undertake a fleet upgrade worth a combined Ir£715 million (\$1 billion). The two carriers are preparing to complete contracts with rival manufacturers Boeing and Airbus, which are, themselves, engaged in a price war covering the 38 new jetliners the 2 Irish airlines will be receiving.

Ryanair receives its first Next Generation B-737-8AS in ceremonies at The Boeing Company facility at Seattle, Washington, on March 19. The delivery flight is completed next day via Keflavik, Iceland.

At the end of the month, the latest "logojet" is introduced, a bright yellow B-737-204 that wears the titles of "Hertz Rent-a-Car."

Correspondent Padraig Yeates reports in the April 2 issue of *The Irish Times* that both the Health and Safety Authority and the Irish Aviation Authority have launched inquiries into the safety standards of the airline's maintenance and ground-handling operations. The very same day, the wingtip of an inbound B-737 slightly strikes a fuel tanker at Dublin Airport. Two fire trucks are called to the scene as a precaution, but no damage or injuries are reported. On April 8, the reporter reveals that this ground accident is also being checked.

Twice-daily roundtrips are inaugurated on May 4 between London (STN) and Derry in Northern Ireland. The weekday fare over the company's first route north of the border is £49.99 one way.

The *Irish Independent* reports the company's 1998 pretax gain on May 29. Simultaneously, it notes that Dr. Tony Ryan is reducing the family's shareholding to 17.1% by selling another 10.1% stake for Ir£118 million. Chairman O'Leary is likewise selling 1.5% of his equity (for Ir£10.8 million), but will still retain 10.8% shareholding.

On May 31, the U.S. aviation journal *Aviation Week & Space Technology* honors the Dublin-based line with its 1998 "Best Managed National Airline" award. After reviewing the company's achievements, AWST notes that Ryanair has become "the best-positioned low-fare carrier in deregulated Europe." Two new Next Generation B-737-8ASs are received in June, one each on the 16th and the 28th.

The 130 passengers aboard the company's 9:35 p.m. June 30 service from Dublin to London (STN) make history as the last passengers en route from an Irish airport to an airport in another EU nation who are able to buy duty-free goods.

The company aggressively expands its schedule on July 1, adding daily return service to Frankfurt/Hahn, Biarritz, Dinard, Ancona, Genoa, and Turin. The fourth Next Generation B-737-8AS is accepted on August 9.

On August 11, Ryanair announces that it will join **Virgin Atlantic Airways, Ltd.** and **LOT Polish Airlines, S.A.** in grounding aircraft at 4 p.m. on December 31. The year's final Next Generation B-737-8AS is delivered on September 24.

The feisty Irish carrier continues to battle airports over what it considers to be outrageous landing and other fees. Rows with the authorities at Kerry in Ireland and at Manchester and Liverpool, England, will cost it the loss of 400,000 passengers. The 250,000-300,000 loss at Manchester alone is keenly felt.

With the beginning of the winter season at the end of October flights between Dublin and London (LTN) are reduced to twice daily.

The eighth low-fare route of the year is inaugurated on November 4 when flights are started from London (STN) to Aarhus, Denmark. On December 2, a 10-year agreement is signed with Lufthansa Airmotive Ireland, Ltd. for the maintenance of the CFM56 engines that power its fleet of Next Generation B-737-8ASs.

At the end of the year, 60% of Ryanair's business originates in the U.K., 22% in Europe, and just 18% in Ireland. The company's on-time percentage improves from 74% this year to 80%, while complaints fall from 2.5 to 2.3 per 1,000 passengers.

Overall, customer boardings are up 13% to 5.6 million. The airline will boast that its customers have enjoyed over Ir£300 million worth of savings over the high fares being charged by its European flag carrier competitors.

Revenues for the year advance by 25% to E370.1, permitting an after-tax profit of E72.5 million (\$77.6 million). Citing the company's expansion and noting that it is a "capital intensive business," Ryanair fails to pay a dividend to its shareholders.

Airline employment at the beginning of 2000 stands at 1,300. The "classic" B-737 fleet includes 6 Dash-204As, 1 Dash-2E7A, 3 Dash-2K2As, 2 Dash-2T5As, and 9 Dash-230As. Also operated are 5 Next Generation B-737-8ASs. Europe's oldest low-fare airline, Ryanair is the only new entrant since European deregulation to grow to the size of its country's national airline, in this case **Aer Lingus Irish Airlines, Ltd.**

Ticketless travel is introduced in January as the carrier switches from the Galileo back to the SABRE reservations system it had employed years earlier, saving E6.3 million in the process. Also, during the second week of the month, the Internet homepage is established, with the goal of selling 20% of the carrier's fares online. Ryanair is named recipient of the 1999 "Market Development" award by *Air Transport World* magazine in February. These laurels follow upon the naming of the carrier as "Company of the Year" by the Irish business magazine *Business and Finance*.

At the beginning of February, the 300 cabin crew assigned to the company's Next Generation B-737-8ASs welcome passengers aboard in their chic new blue and yellow "French-style" uniforms.

While on a February 6 domestic service from Kabul to Mazar-e-Sharif, an **Ariana Afghan Airlines Company, Ltd.** B-727-228A with 128 passengers is taken over by armed gunmen, who order the jetliner flown on to landings in Uzbekistan, Kazakhstan, and Moscow. Passengers are released at each point, including 10 both at Kazakhstan and Moscow. On February 8, the aircraft is flown to London (STN) where negotiations open. The resulting confusion at the U.K.'s designated hijacking airport causes Ryanair to lose 42 flights.

During February, Ryanair's Web site generates 24 million "hits."

At the beginning of March, CEO O'Leary sells 5 million of his 36 million shares in the company, realizing £25 million. At the same time, another share placement generates an additional £77 million for fleet expansion. On March 3, a new five-year heavy maintenance contract is signed with FLS Aerospace, Ltd. Frequencies from Dublin to London (STN) are increased on March 24 from 4 daily roundtrips to 10. Daily return service is inaugurated on March 26 from Glasgow to Frankfurt/Hahn.

Total traffic to Dublin from the U.K. (by far the company's largest market) declines during the first quarter for the first time since the 1991 Gulf War. The downturn is blamed on the Irish government's continuing high cost monopoly over airports. To try and counteract this situation, Ryanair continues to build up its capacity out of London (STN).

On April 4, Ryanair files a protest with the EU Commission's Competition Authority over Aer Rianta's Ir£7.20 departure fee. The company complains that the state airport authority and Irish Minister of Public Enterprise have failed to honor a pledge to drop the charge if it began flying out of the "half empty" airport. Ryanair points out that its passengers are paying more to land or depart Shannon than it costs them in airfare (Ir£7) to fly to London.

New twice-daily roundtrips are introduced on April 13 from Shannon

to London (STN). By the end of April, Ryanair's Web site is accounting for 30% of the carrier's ticket sales, selling over 50,000 bookings every week. Several special Internet fares are offered, including Ir£1 return service from Glasgow to London (STN) and Ir£9 roundtrip from Dublin to London (STN).

Beginning on May 4, anyone with the surname Ryan is allowed to fly free (along with a friend) between Shannon and London (STN); the promotion, taken to counter a perceived slap from **Virgin Express, S.A.** that has a similar offer running until May 14 on its Shannon to London (LGW) service, will last until May 24. Twice-daily return frequencies from Shannon to Frankfurt/Hahn are initiated on May 18, the same day the number of roundtrips from Shannon to London (STN) is boosted from two to three. Two more Next Generation B-737-8ASs are now delivered, one each on May 24 and May 31.

New twice-daily roundtrips from London (STN) are introduced on June 6-7 to Brescia, Lubeck, Malmo, and Nimes, and daily to Lamezia, Perpignan, and Sardinia.

On June 13, the carrier files a complaint with the EU Commission charging **Deutsche Lufthansa, A.G.** with predatory pricing on the trunk route between Frankfurt and London (STN) over which both companies fly. The German major, it is noted, has not reduced its fares for similar, but unchallenged, flights from Frankfurt to either Heathrow or Gatwick Airports. A review is promised. Three more Next Generation B-737-8ASs are delivered in June, one each on the 9th, 13th, and 20th.

Ryanair is named best-managed company among nonstate-owned, national-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10. The airline is now the largest European low-fare airline in every way, with a network of 45 routes across 11 countries.

Also in July, the First Choice tour concern's in-house carrier **Air 2000, Ltd.** becomes the first charter airline to mount a serious challenge to the low-cost carriers Ryanair, **easyJet, Ltd.**, and **GO**, the discount brand of **British Airways, Ltd. (2)**. **Air 2000, Ltd.**, which has flown scheduled service to Cyprus since 1994, now launches scheduled leisure flights from eight U.K. airports to Alicante, Faro, Lanzarote, Malaga, Palma, and Tenerife. Unlike the no-frills airlines, passengers are offered free drinks and in-flight entertainment.

On August 11, the airline attacks the government-owned airport authority, Aer Rianta, with which it has had previous difficulties, blaming it for a lack of growth in the number of tourists visiting Ireland from the U.K. At the end of the month, the Dublin High Court agrees to hear a case, later in the year, filed by the discount airline challenging the Ir£5-per-passenger departure tax now levied by Farrangore Airport in Kerry. With Ryanair having won an injunction suspending the charge until the trial, the airport will lose Ir£900,000 income.

On September 22, Ryanair rejects claims by IMPACT, the union claiming to represent its 240 pilots, that it is unfairly overworking air crews by raising the weekly limit on flight duty time from 50 hours a week to 55. The flyers, in serious negotiation with the airline over a new contract, are also unhappy over the company's demand that no-strike and staffing level clauses be inserted into any new document. The airline indicates a willingness to increase pilot pay by 16% over 5 years and to offer share options and allowances worth another 15%. IMPACT recommends that the carrier's flyers vote to strike and promises that, if a job action is taken, Ryanair will receive seven days' notice. The carrier's leadership ignores IMPACT, preferring to talk with cooler heads.

The next day, CEO O'Leary reveals that his company is in talks with 25 airports across Europe hoping to develop new routes next year. Among the new destinations that will be visited for the first time are Malmo, Perpignan, Nimes, and Hamburg. It is also noted that more than four in five tickets are now sold directly via either Ryanair's Web site or the telephone.

Orders are placed on September 26 for three additional Next Generation B-737-8ASs, with delivery scheduled between May and July 2002. By that time, Ryanair will be flying 44 Boeing 737s.

During the third week of October, the scrappy Irish line loses a cou-

ple of disputes placed against it with the U.K. Advertising Standards Authority (ASA). The ASA finds against Ryanair for misleading ads in a northwest England newspaper concerning a seat sale to 17 destinations when, in fact, the only flight available is to Dublin. In a second matter, a consumer had complained to the ASA that Ryanair was misleading its Internet customers by encouraging them to believe that they could obtain flights to Europe for just £5 plus tax when that was just not the case. ASA agrees with the petitioner.

On September 30, Ryanair wins a temporary court injunction blocking renovation work at Dublin Airport that would have disrupted its business. Had it not prevailed, the low-cost operator would have been forced by Aer Rianta to trim its check-in desks by one-third and move them to a severely congested area while work progressed.

Freak winds and flooding in the south of England and in northern France on October 30 force **Aer Lingus Irish Airlines, Ltd., British Midland Airways, Ltd., Air France**, and Ryanair to cancel a number of flights, stranding a number of passengers. The Irish independent finds it necessary to scrub 6 services affecting 600 passengers.

By the end of October, the situation between the carrier and its pilots' union has grown increasingly tense as the flyers begin strike balloting.

A sufficient number of Ryanair passengers remain stranded at Paris' Beauvais Airport on November 1 from the October 30 storms to justify the carrier sending a B-737-204 to fly them home to Dublin. On November 6, the carrier reports that its profits have grown by 49% after taxes in the 6 months since the end of March. The news causes company pilots, the next day, to vote 76-1 in favor of taking an industrial action over their pay and working conditions claim.

As part of **British Airways, Ltd. (2)**'s continuing rationalization of its short-haul operations, CEO Eddington announces at the beginning of the second week of November that the low-cost subsidiary GO will be sold. Although London (STN)-based rival, Ryanair, immediately indicates that it is not interested in purchasing the operation, GO's most bitter rival, **easyJet Airlines, Ltd.**, indicates that it would "at the right price."

The British major, during the first week of November, takes Ryanair before the London High Court on charges that it is waging an overly aggressive advertising campaign. **British Airways, Ltd. (2)** contends that the Irish line's notices spread malicious gossip, infringe its trademark, and unfairly compare Ryanair's cheapest tickets on any given route to BA's standard fares.

Reacting to a company attempt to unilaterally imposed increased working hours on its members, as well as no-strike and staffing level clauses, pilots from the Irish Air Line Pilots Association announce on November 17 that a 24-hour strike will occur on November 24. The job action is expected to ground most services flown by Irish airlines from Dublin and Shannon.

Displeased with the local airports "unreasonable conditions," the carrier suspends its daily return service from London (STN) to Lamezia, southern Italy, on November 21. Over 30,000 passengers have flown the route since its opening in July.

On November 23, the pilots' job action is called off as the result of new discussions between the airline and the Dublin Pilots Committee. The talks, in which IMPACT has not participated, have resulted in a new five-year contract proposal with guaranteed annual pay increases and other incentives for the Ryanair flyers. Trade unionists within the carrier indicate their pleasure with the new deal and the 240 pilots are encouraged to vote for ratification.

In an effort to tempt Christmas shoppers to travel from Manchester to Dublin, the carrier offers £1 one-way flights for the period between November 29 and December 14. A Ryanair spokesman indicates that the offer has been launched to mark the airline's transport of its two-millionth passenger over the route.

Former **Virgin Express, S.A.** Managing Director John Osborne is named group operations director at the end of November, effective January 1. Also on November 30, the BBC reports that most of the domestic carriers in the U.K. and Ireland are benefiting from a growing number of customers who have chosen to switch from rail to air travel. The changeover comes in the wake of widespread flooding early in the month, as well as a disastrous railroad crash at Hatfield. For Ryanair,

passenger numbers on its service from Stansted Airport to Prestwick, outside Glasgow, has accelerated 30% over October. To handle this growth, the airline has put on extra flights and employed larger aircraft and actually accommodates twice as many passengers on the route than in November 1999. Marketing Director Tim Jeans anticipates a retention of this traffic for some time to come.

On December 5, the London High Court dismisses a suit brought by **British Airways, Ltd. (2)**, finding that, while certain Ryanair phrasing is "vulgar abuse," the substance of the claims made by the discount airline in ads concerning BA fares on competing routes are true and not malicious falsehood. Ryanair, for its part, withdraws the advertisement because others have complained of its vulgarity to the ASA, where the airline had recently been stung by a finding against it in another case.

At home in Ireland, Ryanair is simultaneously faced with a legal defeat. The Irish High Court rules in favor of Aer Rianta in an I£459,885 (plus interest) suit brought by the state airport operator after Ryanair had refused to pay what it considered unreasonable 1997 and 1998 landing charges and passenger fees on the routes from Dublin to Paris and Brussels. Rather than settle right away, Ryanair promises to appeal.

Also, on December 7 and 11, respectively, the last two of the current 12-unit order for B-737-8ASs are delivered.

As the year ends, plans are unveiled for the establishment of a new \$100-million European hub at Charleroi Airport, S of Brussels, effective April 26, and for the inauguration of new routes on April 5 from London (STN) to Brussels, Charleroi, Goteborg, Stockholm, Salzburg, Esbjerg, and the Italian cities of Trieste and Pescara. Additionally, frequencies from Stansted Airport to Dublin, Shannon, and Glasgow will be increased.

Enplanements for the year approach 7 million.

In the throes of this rapid expansion, the company must also deal with personnel enhancement. After pilots vote on January 3, 2001 to accept a new five-year contract (with a 15% pay increase), Ryanair begins to undertake a major pilot recruiting campaign designed to man its new aircraft by increasing its crew to aircraft ratio of 5 to 7 to 6 to 2. It will soon advertise for experienced captains offering the potential within "the next few years" of £100,000 annual salaries on the basis of "productivity awards."

RYAZANAVIATRANS: Turlatovo Airport, Ryazan, Central Region, 391011, Russia; Phone 7 (0912) 349 155; Fax 7 (0912) 973 009 5; <http://www.aviatrans.ryazan.ru:8101>; Code RYZ; Year Founded 1995. Formerly the **Aeroflot Soviet Airlines** Ryazan division and then a part of **Central Districts Airlines**, Ryazanaviatrans is reformed into an independent joint-stock company on January 12, 1995. Domestic feeder and regional charter services will continue to be offered, both passenger and cargo, plus aerial work for the public, as well as construction and oil industry concerns.

Vladimir Cherkasov is director general and he undertakes revenue flights with a large mixed fleet that initially includes 12 Let L-401UVP, 3 Antonov An-24RVs, 50 An-2 biplanes, and 6 PZL-Swidnik Mi-2 helicopters. The company maintains bases at Turlatovo and Diagilevo and within a year has an operating balance of 3.2 million rubles (\$600,000).

Service is maintained during the remainder of the decade; however, the currency crisis of 1998-1999 has a severe impact upon the company.

By the start of 2000, only 4 Lets and 3 An-24s are flown. A new homepage is opened on the Internet. It is employed by new director general Vladimir Vorobiov to solicit investments from foreign businessmen and airlines.

Thrice-weekly An-24RV roundtrips are inaugurated on August 2 from Moscow's Domodedovo Airport to the Black Sea resort community of Gelendzhik.

RYNES AIRLINES: United States (1974-1975). Rynes is set up at Chicago's Meigs Field in 1974 to provide scheduled commuter roundtrips to Gary, Indiana. Operations continue into 1975.

RYUKYU AIR COMMUTER COMPANY, LTD.: 306-1 Kagamizu, Naha, Okinawa, 901 01, Japan; Phone 81 (98) 858-9646; Fax 81 (98) 858-6560; Code R66; Year Founded 1990.

A wholly owned subsidiary of **Japan TransOcean Air, Ltd.**, RAC is established at Naha Air Terminal at Okinawa's Naha City in 1990 to provide scheduled flights to Kerama and the Aguni Islands. President Masayoshi Asato and Managing Director Tetsuji Tamanaha's initial fleet comprises 2 Pilatus-Britten-Norman BN-2 Islanders.

In 1991, four more Twin Otters are chartered from **Japan TransOcean Air, Ltd.** These help to ensure a regular feed for the larger carrier at Naha. Operations continue apace in 1992-1995.

In February 1996, three de Havilland Canada DHC-8-100s are ordered. Ryukyu is the first Japanese customer for the aircraft type.

The first Dash-8s arrive in early 1997 and begin to replace the South-west Twin Otters. Scheduled and charter flights to resort destinations in the Ryukyu Islands continue.

Service is maintained in 1998. During the first quarter of 1999, a \$12.5-million order is placed with Bombardier Aerospace for a DHC-8Q-100.

A total of 32 workers are employed at the beginning of 2000.

RZHEVKA AIR ENTERPRISE: Azhevka Airport, Kuvalevu, Leningrad, Region, 188679, Russia; Phone 7 (812) 527-3600; Fax 7 (812) 527-3982; Code RZV; Year Founded 1992. The Rzhnevka division of the now-defunct **Aeroflot Soviet Airlines** is reformed into a joint stock company in 1992 to continue the delivery of regional and domestic passenger and cargo charters. Valeri Tiukin is director general and he begins revenue flights with an all-Antonov fleet of 2 each An-24s and An-26s, 5 An-30s, and 7 An-2 biplanes. Rotary-wing work is also performed with a small fleet of Mil helicopters.

Service is maintained during the remainder of the decade. At the beginning of 2000, the fleet includes 2 An-26s and the original 5 An-30s.

SA AIRLINK (PTY.), LTD.: P.O. Box 7529, Bonaero Park, 1622, South Africa; Phone 27 (11) 973-2941 Fax 27 (11) 973-2501; <http://www.sairlink>; Code 4Z; Year Founded 1995. Three-year-old **Airlink Airline (Pty.), Ltd.** receives a corporate makeover in 1995 when it enters into a marketing and feeder arrangement with **South African Airways (Pty.), Ltd.** Shareholding remains divided between the joint managing directors, Barrie J. Webb and Roger A. Foster, plus Osprey Aviation Holdings. Richard Charter is chairman and the workforce totals 352.

Ten British Aerospace BAe Jetstream 41s are delivered between February and September, replacing four Avions de Transport Regional ATR42-320s. Two Dornier 228-212s are operated through the end of the year, while a Swearingen Metro II soldiers on. During July, Johannesburg Jan Smuts Airport is renamed Johannesburg International Airport.

While on a February 10, 1996 training flight from Johannesburg, a Swearingen Metro II, with two crew touches down before the landing gear is fully extended; although the aircraft is nearly destroyed, there are no fatalities.

Following a June announcement, the regional begins dedicated Jetstream 41 on behalf of the KwaZulu Natal government.

On February 17, 1997, the company joins with **SA Express Airways (Pty.), Ltd.** and **South African Airways (Pty.), Ltd.** in a three-way alliance. According to the accompanying press release, the pact is designed to provide an integrated national aviation system that can service all routes, ranging from entry level to the national hubs, and will offer national over-border air transportation. Although the three airlines will continue to operate independently, there will be uniformity in their activities in terms of corporate appearance, ticketing, and check-in procedures.

In December, the company purchases 100% control of **Metavia Airlines (Pty.), Ltd.**, but allows its new subsidiary to continue operations under its current name.

By 1998, the fleet includes 10 British Aerospace BAe Jetstream 41s and 2 Fairchild Dornier 328-110s. Destinations visited include Bloemfontein, Durban, Johannesburg, Margate, Mmabatho, Nelspruit, Phalaborwa, Pietersburg, Pietermaritzburg, Plettenberg Bay, Sun City, and Umtata.

During the fall, managers from the Namibian new entrant **Kalahari Express Airline (Pty.), Ltd.** and those from the established **Air Namibia**

(Pty.), Ltd. reach an understanding and agree to work in tandem much as **South African Airways (Pty.), Ltd.** does with **SA Express Airways (Pty.), Ltd.** Start-up arrangements between the two, plus SA Airlink, are sorted out during the remainder of the year, with the South African airline purchasing 49% equity in October. Andre Compion is appointed the new Kalahari managing director.

On January 7, 1999, in a further effort to transform itself into a viable carrier, **Air Namibia (Pty.), Ltd.** signs an agreement in Johannesburg with **South African Airways (Pty.), Ltd.** Under terms of the document, the two carriers pledge to explore such joint business opportunities as combined customer services, linked frequent flyer programs, and code-sharing. The arrangement is extended to Kalahari Express Airline (Pty.), Ltd., **SA Express Airways (Pty.), Ltd.**, and SA Airlink.

On January 25, SA Air Link purchases 43% of **Royal Swazi Airways Corporation, Ltd.** and passes word to **LAM Mozambique Airlines, S.A.** that it wishes the Swazi Fokker 100, chartered in October 1996, returned by March.

It is announced on March 15 that **Kalahari Express Airline (Pty.), Ltd.** will initiate daily flights between Windhoek, Johannesburg, and Cape Town by midyear. The services will complement rather than compete with the frequencies offered on those routes by **Air Namibia (Pty.), Ltd.** or SA Airlink.

Royal Swazi Airways Corporation, Ltd. is renamed **Swaziland Airline, Ltd.** on April 12. After allegedly insulting a ground worker with the racial slur "kaffir" on April 23, a female pilot is fired. The *South Africa Sunday Times* reports two days later that the captain has appealed her termination. The new schedule of **Swaziland Airlink, Ltd.** services between Manzini and Johannesburg begins on July 11.

South African Airways (Pty.), Ltd. (SAA) and its affiliates now engage in a fare war with **Comair (Pty.), Ltd.**, backed by **British Airways, Ltd. (2)**, **Nationwide Air Charter (Pty.), Ltd.**, supported by **Sabena Belgian World Airlines, S.A.**, and **Sun Air (Pty.), Ltd.** On August 1, SA Airlink CEO Rodger Foster, who is also serving as chairman of the Airlines Association of South Africa, warns that the market is hopelessly over-traded and suggests that one or more of the smaller players will soon fail. Loss-making **Sun Air (Pty.), Ltd.** is purchased by SAA on August 13 and shut down 72 hours later.

Kalahari Express Airline (Pty.), Ltd. F28-3000 revenue flights are finally inaugurated on October 31, linking the company's base at Windhoek with Johannesburg and Cape Town.

At the beginning of 2000, SA Airlink operates a fleet of 16 Jetstream 41s and operates over 3,000 flights (80% business, 20% leisure) per month to destinations in Southern Africa. The BAe fleet is the third largest of its type in the world.

In order to launch a massive tourism drive, the company takes over the airport at Phalaborwa from Foskor in April for an undisclosed amount. The facility, previously known as Van Eck Airport, is renamed Kruger Gateway Airport and is operated by a new SA Airlink subsidiary, The Regional Airports Company (Pty.), Ltd. It is anticipated that the number of J-41 roundtrips currently offered to Phalaborwa from Johannesburg will shortly be increased from the current thrice-daily offering.

The schedule of four return flights between Johannesburg and Pietersburg and three on Sundays is enhanced on July 1 with the introduction of once-on-Saturdays roundtrips.

New daily roundtrips between Phalaborwa and Malelane commence at the end of October.

The return route between Cape Town and Kimberley, previously operated by **SA Express Airways (Pty.), Ltd.** with de Havilland Canada DHC-8-314s seven times a week is turned over SA Airlink on November 1. The smaller airline now increases the service to twice weekdays and once on Saturdays and Sundays.

On November 20, orders valued at R2.5 billion are placed for 30 Embraer ERJ-145s, with options on 30 others, some of which may later be converted to ERJ-170s. The first four are due for delivery in 2001 and will be placed into service on routes from Johannesburg to Bulawayo, Ndola, Blantyre, Lilongwa, and Livingstone.

To avoid a cessation of service into Kruger National Park from the south while the government repairs the airport at Melspruit between November 20 and December 16, SA Airlink itself expends R0.5 million to upgrade the airport at Malelane, 75 km. S of Nelspruit. The facility is then employed as an alternative landing site.

The scheduled route between Johannesburg and Mafikeng is closed on December 15.

SA ALLIANCE AIR (PTY.), LTD. See **ALLIANCE AIR (AFRICAN JOINT AIR SERVICE)**

SA EXPRESS AIRWAYS (PTY.) LTD. (SAX): P.O. Box 101, Johannesburg International Airport, Johannesburg 1627, South Africa; Phone 27 (11) 978-5577; Fax 27 (11) 978-5578; <http://www.saexpress.co.za>; Code YB; Year Founded 1993. After two years of exploratory and investment work, SA Express is formed at Johannesburg in the fall of 1993 as a feeder for the flights of **South African Airways (Pty.), Ltd.** Capitalization for an airline holding company, SA Airline Holdings, is provided by the Thebe Investment Group (51%) and a Canadian concern, Lardel Holdings, led by CEO William S. Dulce (49%).

A marketing agreement with SAA will allow the new regional access to the major's computerized reservations system. Although competitors will argue during licensing hearings that any arrangement between SAX and SAA will monopolize domestic services, the pact is allowed to stand.

Orders worth US\$150 million are placed in December for 12 Bombardier Regional Aircraft Division (de Havilland Canada) DHC-8-314s, plus 6 options.

The first two DHC-8-314s are delivered in February 1994. The collapse of **Flitestar (Pty.), Ltd.** provides an unexpected fillip. The first DHC service is announced for March 15 from Johannesburg to Kimberley, but is delayed until April 19. It is soon followed by a route from Johannesburg to Upington. The aircraft are also employed, beginning on April 24, to inaugurate thrice-daily scheduled services to Durban and Cape Town. Four additional turboprops arrive in April and two more in June. These expand the route network to such additional destinations as Bloemfontein, East Long, George, Port Elizabeth, and Maputo, the latter station in Mozambique. Traffic and financial results are not made public.

All 12 DHC-8-314s are in service in 1995 and in January a \$63-million order is placed for 9 British Aerospace (BAe) Jetstream 41s. The new aircraft are delivered between February and September and are placed into service to Bisho/East London, Bloemfontein, Kimberley, Mmabatho, Nelspruit, Pietersburg, Pietermaritzburg, and Umtata.

During July, Johannesburg Jan Smuts Airport is renamed Johannesburg International Airport.

In 1996, a \$130-million order is placed for six Canadair RJ Regional Jets that the company labels ExpressJets. Flights are inaugurated or increased to Walvis Bay and Richards Bay. New liveries are introduced for the DASH 8 fleet.

A new "WOW" customer service campaign is launched on October 21.

Destinations visited in 1997 include Bloemfontein, Cape Town, Durban, East London, George, Kimberley, Port Elizabeth, Richards Bay, Upington, and Walvis Bay in Namibia. One of the company's 12 DHC-8-314s is leased to **Air Namibia, Ltd.**

On February 17, the company joins with **SA Airlink (Pty.), Ltd.** and **South African Airways (Pty.), Ltd.** in a three-way alliance. According to the accompanying press release, the pact is designed to provide an integrated national aviation system that can service all routes, ranging from entry level to the national hubs, and will offer national over-border air transportation.

Although the three airlines will continue to operate independently, there will be uniformity in their activities in terms of corporate appearance, ticketing, and check-in procedures.

On April 1, the number of daily DHC-8-314 return flights from Johannesburg to Richards Bay is increased from three to four, while the to-

tal of daily return flights from Johannesburg to Kimberley is boosted from three to five.

After local Plettenberg Bay resident Ilse Adler finds 24 oil-soaked penguins in May, she takes them to a holding station, where they are kept until arrangements are completed for SA Express to fly the lot to Cape Town. There they are treated by the South African National Foundation for the Conservation of Coastal Birds.

The first Canadair CRJ is delivered in September, followed by a second in October. These are immediately assigned to the longer segments of Johannesburg to Walvis Bay and Cape Town to Walvis Bay.

The **Comair (Pty.), Ltd.** routes from Johannesburg to Skukuza, Hoedspruit, Gaborone, and Manzani are taken over on November 1 as Comair repositions itself as an all-jet operator on the major trunk routes and makes plans to go one-on-one with **South African Airways (Pty.), Ltd.** SAX Managing Director Israel Skosana refuses to disclose the purchase price. Comair will continue to market the routes and retain a share in any profits gained from them.

In December, two DHC-8-314s are chartered to the Brazilian regional **Pena Transportes Aereos, S.A.** A homepage is opened on the Internet's World Wide Web on December 11, by which date the company is serving 45,000 passengers every month.

In May 1998, the sixth Canadair CRJ is delivered and the company is entertaining 50,000 customer boardings per month.

The company sparks a fare war on October 5 when it reduces its domestic ticket prices by up to 15%. Competing **Comair (Pty.), Ltd.** indicates that it will immediately match the lower tariffs, but **Sun Air (Pty.), Ltd.** refuses to join the conflict.

On January 7, 1999, in a further effort to transform itself into a viable carrier, **Air Namibia (Pty.), Ltd.** signs an agreement in Johannesburg with **South African Airways (Pty.), Ltd.** Under terms of the document, the two carriers pledge to explore such joint business opportunities as combined customer services, linked frequent flyer programs, and code-sharing. The arrangement is extended to **Kalahari Express Airline (Pty.), Ltd.**, **SA Express Airways**, and **SA Airlink (Pty.), Ltd.**

Flights continue in 2000. With a fleet of 6 CRJs and 7 DHC-8-300s, SA Express operates to 12 domestic destinations, plus Gaborone and Walvis Bay.

With the CRJ transitional training of **Kendell Airlines (Pty.), Ltd.'s** designated SAAB 340 pilots taking longer than expected, a number are seconded to SA Express during the spring to gain practical experience.

Twice-daily CRJ roundtrips are inaugurated on September 1 from Johannesburg to Eros. An additional two return services between Johannesburg and Eros are laid on beginning on November 17, with a third on November 21. The company now offers 12 weekly roundtrips between the two communities.

SAAK (STAVROPOL JOINT STOCK AIRLINE): Stavropol Airport, Stavropol, 355010, Russia; Phone 7 (86552) 22565; Fax 7 (86552) 31036; Code SVL; Year Founded 1998. The **SAAK-GEM Air Company** or **SAAK-GEM Aviakompaniya** is reformed in late 1998 and renamed. The mission of providing charter passenger and cargo flights to domestic and regional destinations is enhanced by Director General Gennadi Russkikh to also include scheduled service. Rotary-wing work, including agricultural and energy industry support, is also offered.

The fleet at the beginning of 2000 includes 4 each Antonov An-24Bs and An-24RVs, 1 An-26B, 2 Tupolev Tu-134As, and 3 Yak-40s. Six Mil Mi-8/17 and 27 Kamov helicopters are also operated.

SAAK-GEM AIR COMPANY (SAAK-GEM AVIAKOMPANIYA): Russia (1992-1998). Successor to the Stavropol division of Aeroflot Soviet Airlines, SAAK-GEM or the Stavropol Stock Airline is set up at Stavropol Airport in 1992 to offer all-cargo flights to regional destinations. Director General Y. I. Gerasimov begins revenue services with an unspecified number of Antonov An-24s.

Flights continue in 1993-1998, during which years Gennadi Russkikh becomes director general and the corporate mission changes to include

both passenger and cargo charters under the marketing name SAAK. Service is provided by a large fleet of 3 each Tupolev Tu-134As and Yakovlev Yak-40s, 11 Antonov An-24s, 1 An-26, 33 An-2 biplanes, 27 Kamov Ka-26, and 6 Mil Mi-8/17 helicopters.

During the fall of the latter year, SAAK-GEM is officially renamed **SAAK: Stavropol Joint Stock Airline**.

SAARLAND AIRLINES, GmbH: Germany (1989–1993). Saarland is established in early 1989 to offer passenger charter and inclusive-tour flights to destinations in Europe, the Mideast, North Africa, and the Mediterranean. Revenue operations commence with a single Boeing 737-3M8.

Enplanements by year's end total 51,500. Revenues total \$8.3 million and expenses are \$9.5 million; the resulting operating loss is \$1.2 million.

Operations continue apace in 1990–1992. In December of the latter year, financially troubled **Hamburg Airlines, GmbH**, is purchased by Chairman Hans Rudolph Wohri and its owner, Jorgen Block, is given a seat on the Saarland board and allowed to retain 20% shareholding.

Early in 1993, orders are placed for five Airbus Industrie A320-231s with which to replace the Boeing. Unable to maintain viability in a recessionary industry, Saarland and Hamburg close down in the fall.

SAB (SERVICIOS AEREOS DE BEIRA). See COMAG

SABAH AIR (PENERBANGAN SABAH SDN. BDH.): Sabah Air Building, Old Airport Road, Locked Bag 113, Kota Kinabalu, Sabah, 88999, Malaysia; Phone 86 51326; Fax 86 80073; <http://www.borneo-online.com.my/sabahair>; Code SAX; Year Founded 1975. Formed by the Malaysian state of Sabah on September 22, 1975, Sabah Air begins revenue services from its base at Kota Kinabalu late in the year. Regional passenger and cargo charters are undertaken with a fleet of lightplanes and helicopters. Contract services, oil industry support, aerial survey work, and sight-seeing flights are also flown. Airline employment grows to approximately 75 and the fleet eventually comes to comprise 1 GAF Nomad N.22B, 1 Beech Super King Air 200, and 9 Bell helicopters plus an Aerospatiale SA-315B Lama. Enplanements average some 25,000 per year.

The GAF Nomad N.22B with 11 passengers stalls while on approach to Kota Kinabalu on June 6, 1976 and crashes; there are no survivors.

Operations continue apace during the next 14 years and by 1990, General Manager Tony Liew's fleet includes the King Air and Nomad plus 7 Bell 206Bs and a 412.

Operations continue in 1991–1998. In addition to fixed-wing operations, the company has flown rotary-wing missions in the Philippines, Papua New Guinea, Nepal, Taiwan, and Singapore.

While on a 40-min. offshore support flight on November 26, 1996, for the state oil company Petronas Carigali, the Bell 412 crashes at sea, killing all 10 passengers.

By 2000, the company has its main headquarters at Kota Kinabalu, with offices in Labuan, Sandakan, and Tawau. Early in the year, a homepage is opened on the Internet's W3.

SABAH AIRWAYS, LTD. See BORNEO AIRWAYS, LTD.

SABAIR AIRLINES (PTY.), LTD.: Australia (1987–1997). Sabair is established at Toowoomba in 1987 by Lionel Freedman to offer scheduled flights to Brisbane. Revenue operations begin with a Cessna 402C and a Grumman GA-7 Cougar.

Traffic and financial figures become available in 1991 and show that, in 1990, a total of 4,500 passengers are carried. Revenues total A\$340,000 and a net A\$40,000 profit is earned.

Bookings climb to 5,100 in 1991 and a net A\$100,000 profit is generated on revenues of A\$430,000.

Enplanements in 1992 reach 5,400 and revenues are A\$480,000. Net gain moves to A\$130,000.

A Partenavia P-68B is delivered in 1993 and operations continue apace in 1994. With the schedule increased to 15 weekly flights, plans are made to add a second Cessna 402C early in the new year.

The new Cessna is duly delivered in February 1995. A marketing agreement is signed with **Ansett Australia (Pty.), Ltd.** in 1996 and a third Cessna 402C is acquired. Unable to maintain economic viability, the company is forced to shut its doors in December 1997. Its routes and services pass to competing Toowoomba-based **Eastland Air (Pty.), Ltd.**

SABANG MERAUKE RAYA AIR CHARTER (SMAC): Jalan Imam Bonjol No. 59, Medan, North Sumatra, 20157, Indonesia; Phone 62 (61) 537 760; Fax 62 (61) 538 643; Code SMC; Year Founded 1969. SMAC is formed at Medan in 1969 to offer charter service in North Sumatra as a joint venture between the new concern and **Malaysian Air Charter, Ltd. (MAC)**. In 1972, SMAC is split off from MAC and becomes a freestanding Indonesian entity. Nonscheduled lightplane services continue.

SMAC begins scheduled replacement service on several routes conceded to it by **Merpati Nusantara Airlines** early in 1979. Regional passenger and cargo charter and contract service flights also continue to be undertaken.

The fleet by 1985 comprises 3 IPTN (CASA) NC-212-100 Aviocars, 3 Piper PA-31-310 Navajos, 3 Britten-Norman BN-2 Islanders, and 1 Piper PA-23 Aztec; except for removal of the Pipers, no significant equipment changes are made at Managing Director Toto Iman Dewanto's carrier during the next five years.

Points linked to Medan throughout the 1980s and into the 1990s include Aekgodang, Banda Aceh, Dumai, Gunungaitoli, Lhokseumawe, Meulaboh, Pekanbaru, Prapat, Sabang, Sibolga, Sinabang, and Tapaktuan.

In 1991, Dewanto's fleet includes 5 IPTN (CASA) C-212-100 Aviocars. That number remains steady as operations continue in 1992–1996; however, as traffic demands increase, two Fokker F.27-200s are also placed into service. By 1997–1999, the fleet includes the 2 Fokkers, 4 Aviocars, 1 Navajo and 1 PA-31-350 Navajo Chieftain, and 2 Islanders.

SABENA BELGIAN WORLD AIRLINES (SOCIETE ANONYME [S.A.] BELGE D'EXPLOITATION DE LA NAVIGATION AERIENNE): 2 Ave. E. Mounierlaan, Brussels, B-1200, Belgium; Phone 32 (2) 723-3111; Fax 32 (2) 723-8399; <http://www.sabena.com>; Code SN; Year Founded 1923. Business interests in Belgium and the nation's prize colony, the Congo, combine capital on May 23, 1923, to form Sabena as successor to the nation's first carrier, **Syndicat National pour l'Etude des Transports Aériens, S.A. (SNETA)**, founded in 1919. Initial equipment comprises only 14 aircraft: 1 Farman F-50P Goliath, 4 Bleriot-Spad 33s, 1 Ansaldo A300C, 1 de Havilland DH 4, 4 DH 9s, and 3 Rumpler C.IVs. Brussels to Lympe via Ostend services open immediately with a DH 9C mail flight piloted by Capt. Albert Van Cotthem. Plans are undertaken for route expansion and fleet upgrade.

In May 1924, the new state carrier takes delivery of its first Handley Page W.8e trimotor; it is followed by four more license-built by Societe Anonyme Belge de Constructions Aéronautiques, S.A. (SABCA) and known as "Hamiltons." Employing these, together with the older planes, the company on July 14 launches Rotterdam to Basel service via Brussels. Another frequency is extended from Brussels to Amsterdam and Basel via Strasbourg.

On February 12, 1925, the W.8e *Princess Marie-Jose* piloted by Belgian World War I ace Edmond Thieffry, with two crew, departs Brussels on a proving flight to the Belgian Congo. In April, Sabena takes delivery of the first of 13 SABCA-modified W.8es, the W.8f, which is a standard aircraft with a third engine added forward of the cockpit. Following a 75 hr. 51 min. (air time) voyage over 51 days, 5,077 miles, and 20 stops, the intrepid Thieffry arrives at Leopoldville on April 3.

Meanwhile, on March 9, a Breguet 19A2 departs Brussels for a flight to Leopoldville via Cairo; the mission is accomplished on March 30 in seven stages. Having been reconfigured to W.8f standard upon its return from Africa in April, the *Princess Marie-Jose*, piloted by Leopold Roger

and with nine other passengers, makes a second Leopoldville flight during late summer and early fall.

Brussels to London Handley-Page W.8b service begins on May 1, **1926**. The only commercial transport ever designed and built in Belgium is the SABCA S-2, a four-passenger, high-wing monoplane delivered to Sabena in December.

During **1927**, two Fokker F-IIIs are acquired from **KLM (Royal Dutch Airlines, N.V.)**. They enter service between Brussels and Antwerp. In the Congo on December 14, a route is started between Luebo and Tchikapa. Flights begin from Luebo to Lusembo on April 17, **1928**.

During the remainder of the year and in **1929**, a series of airfields are built across the Congo to support Sabena flights. DH-50 and HP W.8bs open several additional Congolese routes, including the major internal Boma-Leopoldville-Elisabethville line.

The first 30 ordered Fokker F-VII/3ms join the fleet and the initial Belgium-Congo airmail service is inaugurated in April **1930**. On the 14th of the same month, 5-nights-per-week Fokker F-VIIb/3m Brussels-London airmail is started.

Systemwide, approximately 8,000 people are carried on the year.

Seven Fokker trimotors are ferried to the Congo in early **1931**. In Europe on May 1, daily Fokker F-VIIb/3m service is opened Brussels-Copenhagen and Malmo and London-Malmo via Antwerp; a frequency to Berlin is started in **1932**.

Flights continue apace in **1933-1934**. On June 4 of the latter year, the 18 passenger Italian Savoia-Marchetti SM-73 trimotor makes its maiden flight and is ordered by the Belgian carrier.

On February 23, **1935**, chief pilot Prosper Cocquyt pilots a Fokker F-VII/3m Brussels-Leopoldville on the first regularly scheduled service from Belgium to the African colony. The multistop journey requires 56 flying hours over 5.5 days. On March 20, an F-VII/3m crashes near Bolongo in the Congo; Governor General Renard, his wife, and five others are killed. By summer, four Savoia-Marchetti S-73s are received.

These are employed to inaugurate Baltic Air Express service from London and Paris to Malmo via Brussels, Hamburg, and Copenhagen. They are also introduced on flights from Brussels to Ostend via Lille and from London to Ostend, Knocke, and Le Zoute. In November, in pool with **Regie Air Afrique, S.A.**, Sabena offers, by flying the Congo stretch, an every-two-weeks mail service from Europe to Elisabethville via Tripoli and Kano. In December, an SM-73 crashes at Tatsfield in Kent, England.

Flying the line in only four days, the carrier's Savoia-Marchetti S-73/3ms enter service on the trans-Africa Brussels to Leopoldville route in October **1936**.

Four Westland Wessex join the fleet in **1937**. On January 27, an SM-73 crashes near Oran, Algeria (12 dead). During the year, SABCA builds seven more SM-73s under license. These are employed to replace Fokker F-VIIb/3ms on the Brussels to Elisabethville service. An SM-73 crashes near Ostend on November 17; 11 are killed, including 5 from the Grand Ducal family of Heise bei Rhein.

Six Junkers Ju-52/3ms and three trimotor SM-83s join the fleet in **1938**. On November 6, the SM-83s assume the Brussels to Congo service, reducing the time between Belgium and Leopoldville to 3 1/2 days or 24-hrs. flying time.

Sabena's fleet at the outbreak of World War II in **1939** comprises 5 Ju-52/3ms and 11 SM-73s/83s, plus 2 Douglas DC-3s registered in April.

The year's enplanements total 34,100.

As the German spring invasion of Western Europe begins on May 10, **1940**, service on Sabena's European routes is suspended. Four SM-73s find their way into RAF No. 271 Squadron while three others and both DC-3s find their way to No. 24 Squadron. During the fighting on May 11, two SM-83s and a DC-3 are shot down over Merville, France; the fleet remainder is sent back to England.

In June, the last DC-3 and six SM-73s/83s are authorized to depart the U.K. for the Belgian Congo via Algeria. By the time of their arrival, Vichy is in control of the French colony. On August 27, four SM-73s are

taken over at Oran and two SM-83s and the DC-3 are captured at Algiers; all seven aircraft are passed to the Italians, with the Douglas eventually assigned to the Regia Aeronautica.

In the Congo, the seven local F-VIIb/3ms, four Westland Wessex, and six Ju-52/3ms are employed in support of **British Overseas Airways Corporation (BOAC)**. Operating as an independent Sabena division, they launch a weekly Takoradi-Cairo link via Lagos, Douala, Libeng, Stanleyville, Juba, and Khartoum in October.

The **British Overseas Airways Corporation (BOAC)**-supported Takoradi-Cairo route is halted at Juba in May **1941** and increased in frequency to twice weekly, the Juba-Cairo sector is flown by the British carrier's flying boats.

Sabena service is opened from the Gold Coast-Cairo in **1942** via Lagos, Bangui, Stanleyville, Khartoum and, after November 26 when that is terminated, from Lagos-Leopoldville. Meanwhile on November 3, the Takoradi-Juba service adds Entebbe as a stop. The African fleet is increased in **1943** with the delivery of Lockheed L-14s and L-18s from the U.S. On July 20, the Takoradi-Juba service, flown under **British Overseas Airways Corporation (BOAC)** contract, is again extended to Cairo. During the summer, an L-18 is captured by German forces; handed over to **Deutsche Lufthansa, A.G. (DLH)**, it enters German airline service on August 6.

In October **1944**, L-18s inaugurate Lisbon-Johannesburg flights via Leopoldville. On V-E Day, the carrier is flying a 20,000-mile African route network. Services from Brussels to Leopoldville are restored in July **1945** and flights from Brussels to London (Croydon) begin again on October 23. By year's end, routes are restarted to Paris, Stockholm, and various other European capitals.

The first DC-4s join the fleet in late spring **1946** and one of the four-engine Douglas transports arrives at New York (LGA) via Shannon and Gander on July 7, marking the first Brussels to U.S. commercial flight by the Belgian company.

A C-47 with three crew and four passengers fails its initial climb away from Haren Airport at Brussels on September 17 and crashes (one dead). The next day, a DC-4 with 7 crew and 37 passengers crashes at Dead Wolf Brook, 35 km. SW of Gander, Newfoundland, while on initial approach in bad weather (27 dead). The latter tragedy is recalled in Frank Tibbo's *Charlie Baker George* (Jespersen Press, 1993).

The last of 10,665 DC-3s built by the Douglas Aircraft Company in California is delivered to the carrier on March 21, **1947**. Regularly scheduled Brussels-New York DC-4 flights start on June 4. During the summer, Sabena becomes the first European airline to receive and place into service the DC-6, which thereafter flies a 15-hr. service to the Congo and 24-hr. service to Johannesburg, both from Brussels. On July 23, DC-6s open a new Brussels-London frequency via Copenhagen, following it up with DC-6 flights to New York, beginning in August.

Europe's first Convair CV-240s are ordered in **1948**. The first Brussels to New York all-cargo service begins on February 20. M. Gilbert Perier becomes president and his first year is tragic.

Coming in from Brussels in thick fog on March 3, a DC-3, the last one built that had been delivered to the airline just the year before and with 3 crew and 19 passengers, crashes at London's Heathrow Airport (20 dead).

A DC-4 with 7 crew and 25 passengers is destroyed in a fiery landing at Magazini, in the Congo, on May 12 (31 dead).

Another 20 die when an L-18, en route from Costermanville to Elisabethville in the Congo, disappears on September 1; its wreckage is found 3 days later and there are no survivors. During the summer and fall, a cooperative roundtrip route into the Belgian Congo from Kenya is operated with **East African Airways Corporation (EAAC)**, employing the Belgian line's L-18s.

The first CV-240s are placed on the carrier's European frequencies in **1949**. On April 6, Sabena is given exclusive rights over all regularly scheduled services to and within the Congo, acquiring two local independents, **Aeromas, S.A.** and **Air Congo (1)**, as a result.

Following closure of the Congo joint venture at the end of the second quarter due to low ridership, the three L-18s employed on that service are sold to **East African Airways Corporation (EAAC)**.

En route to Brussels on December 18, a DC-3 crashes just after take-off from Paris (eight dead).

On August 21, **1950**, in cooperation with the Belgian Post Office, the company establishes the world's first helicopter mail service, employing Bell 47Ds; the experimental operation is flown from Brussels to Turnhout via Antwerp and Liege. Flights begin from New York City to Germany on November 3 via Brussels.

North Atlantic enplanements, meanwhile, are 4,000 for the year.

The first DC-6Bs are ordered on May 12, **1951**. The pilot of a DC-3, with two other cockpit crew aboard, loses control after an engine takes fire and crashes near Gao, Mali, on July 24; there are no survivors.

Flights to Stuttgart commence in October. North Atlantic boardings double to 8,000.

On February 4, **1952**, the propeller of a C-47A with 4 crew and 12 passengers fails in flight, cuts cables, and causes a loss of control that subsequently forces the aircraft to smash into the ground at Kikwit, in the Congo; there are no survivors.

With the addition of a Sikorsky S-55, Maastricht is added to the helicopter mail route. Transatlantic bookings rise to 13,000.

On April 9, **1953**, it is announced that the company will open scheduled passenger helicopter service at the end of the summer linking Brussels and Liege with Cologne and Brussels with Saarbrücken via Luxembourg. The first of two DC-6Bs to join the fleet during these 12 months arrives on April 7. Sabena begins its summer fixed-wing schedule on May 5 by offering first-class services at standard fares.

On June 16, the carrier promises to open international service on September 1. On July 7, the first international helicopter flight from the continent to the U.K. is made when an S-55 arrives at London from Brussels via Lympne, and returns. Strasbourg is added to the transatlantic network the same day.

Europe's first scheduled intercity service begins, as promised, on September 1; four S-55s link Brussels with Rotterdam. Brussels to Bonn service begins on October 5, followed by Brussels to Lille flights five days later.

On October 14, a CV-240 with 4 crew and 40 passengers loses engine power, fails its initial climb out of Frankfurt on a flight to Brussels, and crashes at Kelsterbach, Germany; there are no survivors. It will later be determined that a heavy deposit of lead on the engine spark plugs caused them to short circuit.

On October 28, the first direct Brussels–Manchester–New York connection is made by one of the carrier's DC-6Bs.

While on final approach to Zurich on December 19 in bad weather, a CV-240 with 3 crew and 40 passengers descends below the glide path and crashes at Kloten, 2.5 km. short of the runway (1 dead).

A DC-6 steward falls to his death on December 30 when his plane's door unexpectedly opens over France. The year's North Atlantic bookings rise to 19,000.

Two DC-6Cs are delivered in **1954**. While airlifting pigs between London and Belgrade on June 3, a DC-3 with a crew of three Belgian nationals and a Briton, having strayed into Hungarian airspace near the Austrian border, is strafed by an unidentified MIG-15. All three Belgians are hit (the radio operator is killed), leaving copilot Douglas Wilson to land the aircraft at Graz, in the British Zone in Austria.

Railroads cut their running times from Brussels to Rotterdam, Cologne, and Lille on August 28 to compete with the Sabena helicopter service and on August 31, at the conclusion of the first year of rotary-wing service, the airline reports the transport of 13,000 passengers aboard the S-55s. Transatlantic boardings dip to 18,000.

A DC-6 with 8 crew and 21 passengers, disappears near Rome on February 13, **1955**, minutes after radioing that it is preparing for a routine landing; the wreck is found atop Mount Terminilla on February 21 (29 dead). On April 9, rotary-wing flights are inaugurated from Brussels to Eindhoven in the Netherlands and Duisburg and Dortmund in West

Germany. Sabena's helicopter service boards 20,000 passengers during the year, while North Atlantic bookings soar to 23,000.

On January 28, **1956**, the company announces plans for an extension of its helicopter network to Paris. Later in the year, orders are placed for Douglas DC-7Cs and North Atlantic passenger boardings ascend to 24,000.

When the DC-7Cs are placed in service in **1957**, they help boost transatlantic traffic to 40,000 out of total enplanements of 686,090. Brussels to Paris helicopter frequencies are initiated on March 3 and on June 4 pooled Bristol 170 Mk. 32 vehicle-ferry service is inaugurated with **Air Charter, Ltd./Channel Air Service, Ltd.** between Southend, England, and Ostend. The 100,000th passenger (cumulative) is boarded aboard the helicopter service on June 15. The carrier experiences a net loss on the year, beginning a series of annual reversals that will last until 1983.

Early in **1958**, three L-1049Hs are leased from **Seaboard World Airlines** for use during the Brussels Exhibition. Pooled flights with **Malev Hungarian Airlines** commence on March 17 over a route from Brussels to Budapest, via Prague.

While en route from Brussels to Leopoldville, a DC-7C with 9 crew and 56 passengers fails its climb away from an intermediate stop at Casablanca on May 18 and crashes (61 dead).

In pool with **Aeroflot Soviet Airlines**, Brussels–Moscow DC-7C service is launched on June 2, the first postwar flights between a non-Scandinavian European capital and the seat of the Soviet government.

North Atlantic traffic reaches 59,000.

Operations in the Congo as the decade ends and the **1960s** begin can only be maintained sporadically as that colony disintegrates into the civil war leading to the birth of the new nation of Zaire. At one point, the carrier's major task is the evacuation of Belgian nationals. The airline's first jetliner, a Boeing 707-329, is received on December 4, **1959**.

The first European airline to operate the Stratoliner, Sabena places its new B-707-329 into service on January 19, **1960**, with a return flight from Brussels to Leopoldville.

Just four days later, the new jetliner, back from the Congo, inaugurates the airline's first nonstop transatlantic route from Brussels to New York. As the Congo situation continues to deteriorate through the year, the Boeing makes several evacuation flights. On one of these, it transports a single Stratoliner record of 301 people nonstop from Leopoldville to Brussels.

Brussels to Montreal service is inaugurated weekly on April 1 and a new flight reservations system is unveiled at New York on May 4.

In the African colony, where elite paratroopers and other forces are now actively evacuating all Europeans from the northern and eastern Congo, the Democratic Republic of the Congo is born on June 30. Belgian troops are now reconcentrated in the southern part of the new country, around the Anglo-Belgian Union Minière du Haut Katanga mines at Kolwezi, at the Kamina air base, and along the rail lines linking the mines to Portuguese Angola and Northern Rhodesia. On July 11, Moïse Tshombe declares Katana an independent nation.

In December, weekly roundtrip frequencies are initiated to Mexico City. North Atlantic boardings fall to 49,000. These rebound to 79,000 in 1960, when systemwide bookings are 1,264,094.

The first of 10 Sud SE-210 Caravelle VINs is delivered on January 20, **1961**, as a CV-440 replacement.

While on long approach to Brussels' Zaventem Airport from a February 15 flight from Idlewild Airport, a B-707-329 with 11 crew and 61 passengers mysteriously crashes in the Belgian countryside near the destination point; there are no survivors from the crash and subsequent fire. Among the dead are 18 members of the U.S. figure skating team and 1 person killed on the ground. Although various hypotheses will be advanced, no exact cause for the carrier's second fatal transatlantic disaster in 14 years is determined.

A large mercenary army and air force is now assembled in Katanga, while the Congo Republic's leader, Patrice Lumumba, appeals to the UN for assistance in reintegrating the break-away province. UN peacekeepers

are sent in to supervise the withdrawal of Belgian forces, which retire from all of Zaire's provinces except south Katanga.

During the spring, two DC-4s are leased from **Starways, Ltd.** for use in the Congo under charter to the UN.

With 30% ownership by Sabena, the airline **Air Congo** is reconstituted on June 28, allowing the Belgian flag line to halt internal services in the now-independent nation. Sabena and its subsidiary, **Sobelair, S.A.**, hold a 30% stake and under a six-year contract, the Belgian line begins to train personnel for the new Congo carrier.

On September 17, one of the **Starways, Ltd.** DC-4s is destroyed on the ground at Kamina Airport, Congo, by Katangan fighter aircraft. The other is now turned over to **Air Congo**.

Having appealed for assistance in its reintegration of Katanga first to the UN, Congo President Lumumba now turns to the Soviet Union. Moscow dispatches 10-15 Ilyushin Il-14s, with their **Aeroflot Soviet Airlines** titles painted over in favor of hastily applied Congolese markings. These join five DC-3s requisitioned from **Air Congo** in transporting 1,000 Congolese National Army troops on December 31 to Luluabourg, capital of Kasai province, from where they are trucked toward Katanga where their drive is halted by rebel forces.

The Congolese civil war will intensify during the remainder of the year and into the next two, particularly after the death of Patrice Lumumba.

Transatlantic bookings top 65,000, as systemwide enplanements rise to 1,178,025.

On January 8, 1962, a Caravelle with 27 aboard and en route from Tehran to Istanbul is forced by U.S.S.R. fighter planes to land in Armenia after straying across the Soviet border because of mechanical trouble. The plane's passengers are flown to Brussels by **Aeroflot Soviet Airlines**, while four crewmen are left to ferry the repaired jetliner home four days later.

SE-210 service is now extended to the Middle East, supplementing European routes begun the previous year. North Atlantic boardings jump to 85,000 as additional B-707-329s become available, but systemwide, enplanements drop to 1,384,359.

The carrier moves to bolster its international network in 1963 to help make up the revenues lost with the Congo. The fleet grows to include 51 aircraft with star billing given the 9 SE-210s and 6 B-707-329s.

One of the latter is employed, beginning in March to inaugurate weekly roundtrip services on behalf of **Air Congo** from Leopoldville to Brussels. On April 3, a DC-6B is sold to **Transair Sweden, A.B.** Passenger traffic still declines, however, to 1,345,991.

The workforce stands at 9,431 in 1964. The Congolese civil war ends when President for Life Mobutu Sese Seko declares the Democratic Republic of the Congo to be Zaire.

A total of 52 Sabena aircraft fly only 811,294 passengers systemwide as efforts continue to compensate for the loss of the Congo network. Revenues are \$81.39 million.

Routes are extended to Tunis, Lagos, Abidjan, and Dubrovnik in 1965 as one additional SE-210 and a B-707-329 join the fleet. Direct Brussels to Kigali flights commence and several piston services are replaced by the French-made jetliners. On May 20, a DC-6B is sold to the German Luftwaffe.

Passenger boardings top the million-mark, climbing to 1,014,751. The workforce is now 9,804.

One B-707-329 is replaced in 1966 and four B-727-129s are placed in service. As a result of the previous year's Congo coup, most of Sabena's property in the former colony is seized, along with its in-country funds; traffic rights to Elisabethville, since renamed Lubumbashi, are cancelled.

When Sabena aircrews strike on May 20, 30 employees are stranded in New York City, lacking funds and quarters. Charging they had not participated in the job action and that their employer has locked them out, they are forced to take odd jobs to support themselves, meanwhile granting embarrassing newspaper interviews. On June 5, the Belgian flag line agrees to fly the men home.

Enplanements for the year total 1,175,661.

The fleet in 1967 comprises 9 Boeing 707-329s, 10 SE-210s, 1 DC-7C, 3 DC-6Bs, 8 DC-3s, and 4 CV-440s. A B-727-29C is received and enters service on July 22.

Passenger boardings for the year rise 6% to 1,243,146.

Airline employment is 10,228 in 1968. A message communication service is installed at Brussels National Airport. Two B-707-329Cs are delivered, allowing the carrier to operate an all-jet fleet on its regular services during the summer.

Coming in from Brussels on July 13, a B-707-329C with five crew and two passengers mysteriously descends below its minimum safe altitude, hits a line of trees, and crashes 8 km. N of the airport at Lagos, Nigeria; there are no survivors.

Later in the fall, two of the company's DC-6Bs are converted into swing-tail freighters.

Freight traffic gains 23% over 1967 and passenger boardings climb to 1,257,519. Revenues are now \$104.97 million.

Three additional B-707-329Cs and a Fokker F.27 are added in 1969; orders are placed for B-747-100s. Beginning on April 1, Sabena and **Austrian Airlines, A.G.** begin Vienna-New York service via Brussels on a fifty-fifty shared basis. The company joins the ATLAS maintenance consortium with **Air France, Alitalia, S.p.A., Deutsche Lufthansa, A.G.,** and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.).**

The workforce is 10,519 and enplanements reach 1,368,030. A total of 106 new employees are hired in 1970.

A DC-3C freighter is damaged in a bad landing at Amsterdam on May 8; there are no fatalities. The aircraft is sufficiently repaired to be ferried to Antwerp on June 1, where it is withdrawn from service and broken up.

The first two B-747-129s, scheduled to be delivered before Christmas, arrive on November 19 and December 4. Throughout the fall quarter, Sabena undergoes a complete organizational study.

Passenger boardings rise 7% to 1,470,000 and cargo is up 6%. The string of net losses continues. In terms of freight carried, the company now ranks as the world's 19th largest airline; with 10,625 workers, it is 21st in employment.

Although majority control is maintained, Belgian government ownership is reduced to 54.72% in 1971, with the remaining 45.28% of holdings being acquired by both public and private interests. This change brings about a complete organizational change and a new and aggressive marketing campaign.

The fleet totals 2 B-747-129s, 12 B-707-329s, 5 B-727-29/29Cs, and 7 SE-210s, 2 of which are sold. Orders are placed for three DC-10-30CFs. The new Jumbojets enter service on the Brussels-New York route in February.

Traffic for the year dips below the 1.46-million level.

The last of five SE-210s to be sold begin disposal in 1972. On May 8, four armed members of the Black September movement, two men and two women, hijack Flight 517, a B-707-329 with 11 crew and 91 passengers en route from Brussels to Tel Aviv, following its takeoff from an intermediate stop at Vienna. Upon landing at Lydda International Airport, Tel Aviv, the pirates threaten to blow up the plane and its passengers unless Israel releases 300 Palestinian guerrilla prisoners and flies them to Egypt.

The next day, on order of the government, Israeli commandos disguised as mechanics storm the plane, ordering all of the hostages to fall to the deck. They open fire, killing two terrorists and an Israeli woman passenger who stands up during the gun battle. The two women are captured, one of whom, along with two passengers, has been wounded. The lady pirates will be tried and given life prison sentences.

Enplanements for the year grow to 1,466,850.

Seven passengers are injured when a Caravelle on a Brussels-Barcelona flight must make an emergency landing at Campostela, Spain, on March 12, 1973, following the pilot's violent maneuver to avoid colliding with another aircraft.

The fiftieth anniversary of the airline is celebrated in May; company statisticians estimate the carriage of 22.5 million passengers since May 1923. The first of three ordered DC-10-30CFs is placed in service.

A newer computerized reservations system, SAPHIR, is installed, a new modernized logo is introduced, and 10 B-737-229s are ordered. En route from Paris to Casablanca on December 23 with 106 aboard, a Caravelle crashes into the Rif Mountains of Morocco; there are no survivors.

Passenger boardings jump 11.1% to 1.68 million while the number of freight ton-kilometers flown rises 2.5% to 240.2 million.

The employee population numbers 9,965 in 1974. Sabena is the first airline to recognize the possibilities of the Jumbojet combi and has its two B-747-129s converted to Dash-129C standard in February and March. In conjunction with **Sobelair, N.V.**, a "Holiday Abroad" marketing program is begun. Seven B-737-229s are delivered and placed into service on European routes.

Boardings accelerate 3% to 1,693,000.

A total of 175 employees are laid off in 1975 or not replaced. Four B-737-229QCs are delivered in June and two DC-10-30CFs in October. These find ready use as the carrier begins to emphasize air cargo, along with "Holidays Abroad" charters to Africa, the Middle East, and Europe.

Enplanements remain level at 1,681,000 and it is too soon to see an increase in cargo.

The workforce in 1976 is 43 fewer still. In January, the B-727-29Cs are sold to the Belgian Air Force.

Freight traffic accelerates by 28% during the year to 366.7 million FTKs and passenger boardings move upward 5% to 1,764,000.

Orderly retirement of the B-707-329s begins in 1977. Chairman Gaston Coppee and Managing Director Marcel Goossens oversee a workforce of 9,848 and a fleet that comprises 2 B-747-129s, 1 B-707-329B, 5 B-707-329Cs, 3 DC-10-30CFs, 10 B-737-229s, 4 B-737-229Cs, and 6 Cessna 310s.

A total of 1,945,920 passengers are carried.

Ministry of Finance official Carlos van Rafelghem is appointed chairman in 1978 and launches a severe austerity program designed to cut losses that have been accumulating since 1957. New service is inaugurated to Atlanta and Doha.

Freight jumps 20.6% and passenger boardings pass the two million mark for the first time, up 3.4% to 2,027,128.

Airline employment in 1979 is decreased 0.9% to 10,021. A new in-flight magazine is launched as is a route to Dublin. Three Airbus Industrie A310s are ordered.

Cargo grows 12.6% to 504.18 million FTKs as passenger bookings ascent a slight 0.8% to 2,043,101.

The workforce is cut another 0.3% in 1980, to 10,064. A second weekly polar service to Tokyo is opened and new routes are extended to Chicago, Detroit, and Brazzaville. On July 8, direct Brussels-Chicago flights begin. A new Brussels-National freight terminal is occupied in September; it is capable of processing 300,000 tons of cargo annually. Two DC-10-30CFs are delivered during the fourth quarter.

As world economic difficulties increase, enplanements dip 3.4% to 1,974,000 and freight falls 9.2% to 467.97 million ton-kilometers.

The last B-707-329 is retired in 1981 and DC-10-30CFs are placed on all-African services south of the Sahara. Several new subsidiaries (fueling, catering, etc.) are formed.

Boardings climb 4% to 2,052,971, but cargo is off 1.3%. A huge \$76.5-million loss is suffered.

The employee population is reduced by 8.4% in 1982 to 8,798, and the salaries of remaining personnel are reduced. In January, Chairman Van Rafelghem joins with other airline CEOs in designing a strategy to force the closure of the British low-fare independent **Laker Airways, Ltd.** The effort succeeds in February.

On March 15, the carrier's management, led by Van Rafelghem, asks its workers to accept wage cuts of 17% to help save \$21 million and also asks the Belgian government to increase the airline's capitalization and give it permission cut or end services to some unprofitable European

destinations. Faced with possible bankruptcy, the employees, on April 1, accept the request wage package.

Later in the year, DC-10-30CF service is started to Dar Es Salaam, Bujumbura, and a new point at Kilimanjaro, while routes to Hamburg, Moscow, and Warsaw are closed.

Passenger boardings dip 2.5% to 2,002,625, but freight rises 5.5% to 487.5 million FTKs. The net loss is cut to \$44.3 million, but expenses are still \$27 million higher than the total earnings of \$731.8 million.

The workforce is cut another 6.1% in 1983 to 8,260.

Boardings decline 2.3% to 1,956,886 while cargo grows a more healthy 1.2% to 493.55 million FTKs. Revenues total \$679.6 million and produce an operating profit of \$23.8 million and the first net profit (\$398,771) since 1957.

The payroll swells 4% in 1984 to 8,592. Two A310-222s are delivered early in the spring and are placed on European routes and a few African services. New services are started to Bamako and Luxembourg as the carrier adopts its second new logo and corporate identity within a decade.

Passenger boardings climb 3.8% to 2,032,000 while freight grows 8.2% to 533.85 million FTKs. Net profits are up 2.8% to \$460,070 on earnings of \$708.6 million.

Employment is up in 1985, by 3.9% to 8,260. The fleet's two B-747-129Cs are introduced on services to central and southern Africa. Frequencies to the U.S. are increased and a new service to Boston begins on April 1. The Scandinavian cities of Oslo and Goteborg are added to the network.

Passenger bookings rise 7.7% to 2.19 million, while freight accelerates 8.8% to 580.96 million FTKs. The operating profit is \$162.7 million and net income of \$4.5 million is recorded, allowing the largest return to shareholders in decades. As the year closes, the pioneer ranks 23rd among all world airlines in terms of the amount of freight carried.

The third A310, a Dash-322 is received in the spring of 1986. On June 10, the first B-747-329C is received and orders are placed for five B-737-329s. Together with **KLM (Royal Dutch Airlines, N.V.)**, the 8,260-employee carrier takes shares in the regional **Delta Air Transport, S.A.**

Bound from Detroit to Boston with 78 aboard on April 8, an A310-222 drops suddenly when it hits turbulence, slamming passengers and food trays into the cabin ceiling and injuring at least 11 customers and 1 flight attendant.

In November, a joint service is launched with **British Caledonian Airways, Ltd. (BCAL)**; Belgian B-747-129Cs with Sabena crews begin daily service Brussels-London-Atlanta. The fear of terrorism on the North Atlantic, particularly among American travelers, helps to prevent a traffic surge as anticipated.

Customer boardings do rise 2.1% to 2,233,746 and cargo is up a slight 0.4% to 583.25 million FTKs. These advances allow profits of \$31 million (operating) and \$3.24 million (net).

Airline employment is increased by 3.7% in 1987 to 9,466. In May, A310-222 flights are begun to Niamey, Lome, Cotonou, and Luanda. Thrice-weekly DC-10-30CF service is launched from Brussels to Toronto. The carrier suffers a difficult year as strikes by company employees, job actions by ATC personnel, work stoppages in other European nations, plus a freight price war, combine to insure cargo and financial downturns.

As of November, all five ordered B-737-329s are received, one of which is leased to the charter subsidiary **Sobelair, N.V.** The subsidiaries Sabena Building, S.A., Sabena Skyshops, S.A., Sabena Technics, S.A., and Sabena Leasing, S.A. are established on December 3.

Enplanements total 2,336,307. Freight ton-kilometers operated decline 5.2% to 553 million while expenses threaten the fruits of \$1.09 billion in revenues, an 18.4% boost. The operating profit drops \$10 million to \$21.2 million while net gain declines to \$1.86 million. The year's bright note is a 5.7% increase in passenger boardings to 2,362,152.

The fleet in 1988 includes 2 B-747-129Cs, 1 B-747-329C, 5 DC-10-30CFs, 2 A310-222s, 1 A310-322, 12 B-737-239s, and 4 B-737-329s.

Orders are outstanding for 5 A340-300s, 1 B-747-329, 4 B-747-329s, and 12 B-737-529s. Weekly frequencies are increased in January to a number of destinations: Barcelona to 9, Lisbon to 7, Munich to 18, Rome to 10, Boston to 4, Montreal to 3, and Toronto to 3. With the acquisition of BCAL by **British Airways, Ltd. (2)**, the joint Atlanta service is concluded.

Passenger boardings jump 10.3% to 2,604,578 while cargo swells 21.5% to 650.53 million FTKs. The operating profit is \$33.52 million.

Company employment is cut by 29.9% in 1989 to 6,632. Plans are made and announced in late June for the creation of a new **Sabena World Airlines, S.A.**, which would be owned by the current Sabena Belgian World Airlines, S.A. (60%), **British Airways, Ltd. (2)** and **KLM (Royal Dutch Airlines, N.V.) (20% each)**. The new entrant, which will be operated independently of its Belgian parent, will concentrate on the operation of a large European hub-and-spoke system centered on Brussels.

Meanwhile, the company must cancel 15 flights because of labor problems on September 8 and endures a 24-hour pilots' strike on September 9-10.

Customer bookings shoot up 8% to 2,811,792 and cargo inches in the same direction by 0.8% to 660.35 million FTKs. Costs conspire to cause a \$36.6-million operating loss.

The payroll is increased by 18.9% in 1990 to 7,884. Political and economic considerations conspire to prevent the establishment of a new three-party-owned Belgian airline, as the European Commission, in July, sends a statement of objections to each of the partners. The same month, an A310-222 becomes the first civil aircraft in scheduled service to use satellite communications as part of its ATC.

Effective September 9, Sabena travelers are able to claim awards as part of the **USAir** Frequent Traveler frequent flyer program. Joint venture frequencies commence with **Maersk Air, A.S.** in October between Brussels and the Danish city of Billund, home of Legos toys.

A cooperative agreement for joint operations is signed with **All Nippon Airways Company, Ltd. (ANA)** at year's end.

Although the year's passenger boardings ascend 12.6% to 3,165,833 and freight rises a slight 0.3% to 662.63 million FTKs, expenses bring a \$200-million loss.

The number of employees inches up another 0.2% in 1991 to 7,900. The fleet now includes 2 leased A310-222s and 1 A310-322, 9 B-737-229As, 4 B-737-229ACs, 6 B-737-329s, 4 B-737-429s, 1 leased B-737-529, 1 chartered B-747-129Cs, 2 B-747-329Cs, 2 de Havilland Canada DHC-8-311s, and 4 owned and 1 chartered DC-10-30CFs. The turboprops are operated under feeder contract by **Schreiner Airways, B.V.** and orders are outstanding for five A340-211s and seven B-737-529s.

In January, operations of the subsidiary **Delta Air Transport, S.A.** are cut in two as a new regional, **DAT Wallonie, S.A.**, is established to serve the French-speaking southern part of the country. Shareholding is divided between Sabena (49%), Meusinvest (25%), **Delta Air Transport, S.A.** (16%), and SMAP (10%). Pierre Godfroid, former head of European operations for the U.S.-based Campbell Soup Co., becomes chairman/CEO early in the year as the Belgian government grants a monetary infusion. During the first quarter, **DAT Wallonie, S.A.** commences operations and joint services with ANA are inaugurated, employing Sabena's B-747-329C, between Tokyo-Moscow-Brussels westbound and Brussels-Tokyo eastbound.

The Danish Supreme Court on June 26, fines six foreign airlines a total of Dkr 452,000 (US\$64,570) for bringing illegal refugees to Denmark without visas or identity documents. The decision in the case against European operators Sabena, **SAS (Scandinavian Airlines System)**, **KLM (Royal Dutch Airlines, N.V.)**, and the defunct **Interflug**, plus **Iraqi Airways** and **Singapore Airlines, Ltd.** has been eagerly awaited by the some 50 airlines flying into Denmark.

The companies have argued that it is not their responsibility to do the work of the police when checking in Denmark-bound passengers. Nor could they be expected to tell the difference between genuine and false visas and passports, or prevent passengers from tearing up their pass-

ports once on board the plane, as has often happened. The Supreme Court is unconvinced by their arguments, and orders the airlines to pay a fine of Dkr 8,000 per passenger illegally brought to Denmark.

A code-sharing agreement is signed with **Air Canada, Ltd.** in September under which the Canadian carrier agrees to purchase blocks of seats on Sabena's thrice-weekly nonstop roundtrips between Brussels and Montreal; additional Air Canada, Ltd. passengers are able to win frequent flyer credits on the Belgian flights.

During the fall, it is announced that the financially troubled state carrier will be rescued by its neighbor, **Air France**, and through recapitalization of Bfr 6 billion (\$179.6 million) provided by the Belgian banking consortium Groupe Bruxelles Lambert. Because of a domestic political crisis, negotiations are suspended in October.

Recession and world political difficulties force traffic down. Customer bookings fall 4.7% to 3,018,209 while cargo slides 26.7% to 485.93 million FTKs. Income exceeds expenses and allows profits: \$72 million (operating) and \$1.5 million (net).

The workforce is reduced by 8.3% in 1992 to 9,784 and the fleet is increased through the lease of an A310-304 from **Deutsche Lufthansa, A.G.** and the delivery of five B-737-529s. On January 16, 50,833 shares are acquired in Internationale Aerospace Management Company. Another order for B-737-529s is cancelled on March 24, but is quickly taken up by **CSA Czechoslovak Airlines**. On April 5, the Belgian government's transport minister, Guy Coeme, announces approval of the long-delayed code-sharing arrangement between its national carrier and **Air France**.

The latter, together with its Belgian financial partners, acquire a \$179.6-million, 37.5% shareholding in Sabena, placing the shares under the control of a new holding company two-thirds owned by Air France. Under the accord, the two will initiate a Paris-Brussels shuttle service. Additionally, work on a three-year plan is begun designed to reconfigure the company's European route network into an extensive hub-and-spoke operation based on Brussels' Zaventem Airport. Plans designed to combine the carrier's African expertise with that of **Air France** subsidiary **UTA (French Airlines)** are discussed.

An obstacle to the partnership is raised in August when Sir Leon Brittan, head of the EC's Competition Commission, recommends that the arrangement be reviewed by the Commission in light of its stringent merger regulations. During the fall, a block-space agreement begins with **Aer Lingus Irish Airlines, Ltd.** on flights between Brussels and Dublin. On December 31, interest in Compagnie des Grands Hotels Africains, S.A. is fully depreciated.

Passenger boardings resume their upward path, climbing 4.1% to 3,142,294, but freight declines by 20.5% to 386.43 million FTKs. Revenues are up 4.3% to \$1.6 billion and expenses rise 1.2% to \$1.57 billion. The return to profitability is marked by an operating surplus of \$28.38 million and net gain of \$184,000. The Sabena Group profit is \$25 million.

In 1993, Chairman/CEO Pierre Godfroid oversees an employee population of 9,500, down 2.9% from the previous year.

En route from Tel Aviv to Brussels with 147 aboard on March 7, a B-747-329C makes an unscheduled landing in Belgrade after the airline receives a telephone warning that 4 terrorists would hijack the Jumbo jet; after a thorough and fruitless search, the plane proceeds.

A de Havilland Canada DHC-8-311s is leased from **Schreiner Airways, B.V.** and is employed on March 28 to inaugurate four-times-per-day scheduled flights from Brussels to London (LCY), replacing those previously operated by **Brymon Airways, Ltd.**

New international services are launched from Brussels to Atlanta, Kano, and Freetown and from Venice to Barcelona. On the other hand, the company, having flown the route since 1957, suspends its service to Montreal (YUL).

On June 1, the carrier enters into a block-space agreement with **Delta Air Lines** on a route from Atlanta to Brussels. Also during the month, the subsidiary **Transair, S.A.** is merged with the **Air France** subsidiary **Jet Tours Belgique, S.A.** and **Jet Tours** to form **Transair Interna-**

tional, S.A. Sabena takes a 42% stake, Jet Tours has 39%, and the remainder is acquired by various travel agencies. Two A340-211s arrive in June, but quickly depart Brussels under charter to *Air France*.

To stave off collapse, the airline's board approves and Chairman Godfroid announces wage cuts of 15% on July 12. The cuts are part of a severe cost-cutting plan designed to save BFr 2 billion (\$56 million) in three years. When more than 50% of the workforce rejects the plan, Chairman Godfroid tenders his resignation on August 4. Once three of the major employee unions agree to accept his austerity package in September, Godfroid withdraws his threat to resign and agrees to continue on. The pilots, facing a wage reduction of 17%, are not a party to the pact. In December, the Belgian government begins negotiations with **Swissair, A.G.** over ways to reduce Sabena's labor costs and raise its capital.

Restructuring of the route network continues apace and helps customer bookings swell 16.2% to 3,650,701. Cargo rises 3.7% to 400.7 million FTKs and revenues for the Sabena Group climb to \$1.49 billion (the airline's share is \$1.38 billion). The group loses a total of \$125.5 million. The airline's losses are \$35.94 million (operating) and \$158.96 million (net).

Airline employment is reduced by 3.8% in 1994 to 9,200 and the fleet is expanded by the addition of two A340-311s, which are also leased to **Air France**. Two DC-10-30s are leased from **Deutsche Lufthansa, A.G.** and a new alliance is signed on January 16 with the American major **Delta Air Lines**, covering block-space and code-sharing on the Brussels-New York routes.

A310-222 joint flights commence daily between Brussels and New York (JFK) and Atlanta. During the last week of July, the EU Commission allows French government aid to **Air France** on the condition that the flag carrier make no effort to acquire or increase its stake in other airlines, including the 37.5% shareholding in Sabena taken in 1992.

Following receipt of a detailed report from the investment bank Lazard Freres analyzing the deteriorating relations between the two national airlines, Sabena Chairman Godfroid meets with **Air France** CEO Christian Blanc during the third week of October to request that the French airline sell its stake.

The code-sharing agreement with **Delta Air Lines** is expanded during the fall and takes effect on November 1. Under its provisions, the two serve Brussels-Boston with five weekly return frequencies and Brussels-Chicago with six roundtrips. Additionally, the pact allows the Belgian and American carriers to jointly operate flights from Brussels over Sabena's routes to the German cities of Berlin, Dusseldorf, Frankfurt, Hamburg, Munich, and Stuttgart. Brussels-Manchester flights are increased to four per day and thrice-daily fifth freedom services are inaugurated in November from Manchester to Rome via Brussels.

Passenger boardings for the year leap ahead by 16.7% to 4,261,562 while freight swells 5.3% to 422.07 million FTKs. Revenues jump 7.8% to \$1.98 billion, while expenses are up only 4.2% to \$1.95 billion. There is a \$28.1-million profit and the net loss "improves" to \$35.94 million. The company's \$678-million long-term debt still continues to create a significant financial burden.

There is no change in the workforce during 1995. After years of resistance on the part of French officials, the EU forces them to open Paris (ORY) to other European airlines; Sabena begins flying into the airport on January 2. No negotiations with unions can be initiated for two months after March. Although the government will appoint mediators, no discussions can be implemented.

Discussions between the Belgian government and **Swissair, A.G.** concerning Sabena's financial plight, which have been on-going since December 1993, appear to bear fruit in early spring. Brussels officials and the Swiss airline let it be known that the latter carrier may purchase up to 49.5% shareholding in the Belgian airline. On April 20, the European Commission enters the picture with a statement that it will only approve this plan when it receives guarantees that any agreement will not distort competition within the European Union.

The Belgian government on April 28 announces that it has decided to approve the terms under which it will sell a 49.5% stake in Sabena to the

Swiss major and expects finalization of a compact within the next two weeks. Sabena executives announce the acquisition on May 2 and two days later, **Swissair, A.G.** officials announce the financial arrangements. In exchange for almost a half interest in the Belgian airline, the Swiss carrier will invest \$228.1 million in Sabena. The arrangement represents acquisition by **Swissair, A.G.** of a \$210.6-million voting-rights equity holding and a \$17.5-million investment in non-voting Belgian law participation certificates.

In addition, **Swissair, A.G.** agrees to lend the publicly held Societe Federale d'Investissement, S.A. (SFI) \$140.4 million with which Brussels can pay back **Air France** for its 37.5% minority stake. The Belgian government, via SFI, will also inject \$52.6 million while a consortium of Belgian investors will provide an extra \$70.2 million capitalization. State ownership of Sabena will drop from 61.8% to 50.5%; options also exist that would allow **Swissair, A.G.** to increase its stake or for the Belgian government to buy back the Swiss stocks if national security requires nationalization.

Although both carriers continue for legal purposes to exist as independent entities, the deal will create the fourth largest airline group in Europe. **Swissair, A.G.** is permitted to appoint five members to the Sabena 12-person board of directors, with a sixth coming from the Belgian shareholders; the twelfth person on the board, its chairman, must be a Belgian or European Union national with approval of both the Belgian shareholders and **Swissair, A.G.**

During the third week of July, the European Commission formally, but with provisions to preserve competition, approves the \$228.1-million **Swissair, A.G.** 49.5% stake in Sabena. To satisfy EC antimonopoly concerns, the two carriers pledge that, over the next five years, they will: (1) make slots available at Brussels, Zurich, and Geneva for any new entrants unable to obtain their own; (2) not increase frequencies on the four principal routes between Belgium and Switzerland more than 25% without EC permission; and (3) will conclude interline agreements with any new entrants wishing to fly the routes and permit them entrance into the frequent flyer programs of the two majors. In essence, the approval represents the application of EC air transport rules upon Switzerland, a non-European Union nation; the Swiss, looking for a way into the EU air market, offer no objections.

A major operational and marketing alliance is now formally signed between the two carriers. Under its terms, they will henceforth cooperate on ground services, information services, sales and reservations, cargo shipments, link their frequent flyer programs, and code-share on routes from Brussels to Geneva and Zurich.

Following intense competition between the Fokker 70 and Avro RJ85, Sabena, during the first week of September, places an order for 23 of the latter type. The jetliners will be operated by Sabena's regional affiliate, **Delta Air Transport, S.A.**, following delivery of the first unit in November.

The **Swissair, A.G.** partner **Austrian Airlines, A.G.** steps forward in October to sign a joint venture and dual-designator agreement with Sabena. The pact will provide for code-sharing between Brussels and Vienna and the sharing of codes on flights from Brussels via Vienna to Ankara, Salonica, and Tirana and from Vienna via Brussels to Strasbourg, Bristol, Newcastle, and Manchester.

After holding a total of 26 meetings since May 22 in an effort to gain "social dialogue" with the company's unions, Chairman/CEO Godfroid mails a letter to all 9,500 employees on November 22. The letter unilaterally suspends all salary agreements and calls for a three-year wage freeze, the end of all cost-of-living increases, an increase by 5% in the number of work orders, and institution of other more flexible work rules. This rigid cost-cutting plan is required, the chairman writes, to effect recovery.

Calling the proposals "pure provocation," union delegates, speaking for cockpit crews, flight attendants, and ground workers, immediately vote a one-day walkout for November 29 and promise further strikes if the measures Godfroid has set forth are actually implemented. The November work stoppage will be followed by additional walkouts and wildcat strikes into the new year.

Although enplanements swell 17.4% to 5,000,951, cargo dips 1.6% to 415.13 million FTKs. Income and loss figures are not provided; however, it is reported that the net loss is down to \$56.57 million, atop an operating gain of just \$77,000.

Airline employment grows 3% in 1996 to 9,766. The year opens poorly in the midst of political controversy, walkouts, and wildcat strikes over the desperate attempts at restructuring and labor neutralization implemented the previous November by Chairman/CEO Godfroid.

After a divisive first two months, the need for new leadership becomes apparent to all involved. During the first week of March, Chairman/CEO Godfroid, Chief Operating Officer Gery Daenick, and Vice President-Operations Raymond Alvoet all resign. The former is immediately replaced as president/CEO by Paul Reutlinger, a longtime **Swissair, A.G.** vice president and management board member. At the same time, Almanij, N.V. Chairman/CEO Jan Huyghebaert is appointed as Sabena's board chairman while former board member Philippe Suinen rejoins the group as vice chairman. To help calm labor difficulties, Belacom Manager of Union Relations Robert Wauters is appointed the carrier's "labor relations mediator" for the next two months.

Three British Aerospace (BAC) 1-11-510EDs are subleased from **European Aviation Air Charter, Ltd.** while the two A340-311s out on lease are returned by **Air France**. In April, the carrier begins to code-share with **TAP-Air Portugal, S.A.** on flights to Macau.

Block-seat code-sharing flights with **Delta Air Lines** are expanded in June when a second daily L-1011 nonstop is instituted by the American major between New York and Brussels.

A code-sharing, blocked-seat agreement begins with **Virgin Express-EuroBelgium Airlines, Ltd.** during the last week of October covering nine daily return services from Brussels to London (LHR). VAX employs new B-737-46Ms wet-leased to Sabena on the route.

The restructuring plan, delayed by labor difficulties in the first two quarters, is finally implemented in November. The same month, a block-seat, dual-designator service is inaugurated with **Finnair O/Y** between Brussels and Stockholm and Brussels and Vienna.

At the same time, the existing dual-designator pact with **Delta Air Lines** is expanded. Ten new U.S. cities will be added: Fort Lauderdale, New Orleans, Cincinnati, Washington, D.C. (IAD), Dallas/Ft. Worth, Houston, Denver, Salt Lake City, Los Angeles, and San Francisco.

The last DC-10-30 and all three A310s are sold in December. Also at this time, the company, acting in an independent role, agrees to market and sell cargo space for **Swissair, A.G.**

Customer bookings move up 3.5% to 5,173,568 but freight falls, declining by 22% to 323.85 million FTKs. Revenues for Sabena Group inch up 2.1% to \$1.72 billion, but expenses jump 9% to \$1.84 billion. The previous year's operating gain turns into a \$131.47-million loss and, due largely to the tardiness in restructuring, the net loss plunges to \$270.13 million, the largest loss in 10 years.

Airline employment is cut 1.5% in 1997 to 9,669. The December cargo agreement with **Swissair, A.G.** takes effect on January 1. Also during the first week, two DC-10-30s are briefly chartered from **Deutsche Lufthansa, A.G.**; they will fly for three to four months until the A340-211s are returned from **Air France** and refurbished.

On January 8, officials in Geneva announce that **Swissair, A.G.**, together with its European partners Sabena and **Austrian Airlines, A.G.**, will be deepening their relationship with **Delta Air Lines** in the U.S. on February 1. The intention is to increase for all the share they enjoy in the North Atlantic air travel market.

On behalf of Sabena, **Virgin Express-EuroBelgium Airlines, S.A.** now doubles its Brussels-Barcelona services by taking over all five of Sabena's daily roundtrips.

Also during the month, **Swissair, A.G.** and Sabena cargo operations in the U.S. are merged. Sabena now signs a memorandum of understanding for four A330-200s.

Transatlantic, code-shared, revenue, dual-designator flights commence on February from all U.S. gateways to Brussels, Zurich, and Vienna. The American press reports on February 22 that Sabena will be-

come the first foreign airline to serve Greater Cincinnati-Northern Airport, now celebrating its fiftieth anniversary year.

When the summer schedule is implemented at the end of March, the company offers flights to a number of new or upgraded destinations. Services begun include four times a week to Beirut, daily to Moscow, thrice weekly to Palma de Mallorca. A code-sharing agreement, signed with the South African regional carrier **Nationwide Air Charter (Pty.), Ltd.** now takes effect, as the Belgian major places its codes on Nationwide services from Johannesburg to Cape Town, Durban, George, and Port Elizabeth.

Virgin Express-EuroBelgium Airlines, S.A. five-times-a-day replacement flights to Rome's Fiumicino Airport commence on March 30, along with new twice-daily flights to London (LGW) flown by Virgin Express with Sabena Avro RJ85s and B-737-229As.

A chartered DC-10-30, painted in a special 101 *Dalmatians* color scheme and wearing "Flying Together With **Swissair**" titles, completes the company's last service with this type on April 27, a flight to Brussels from Chicago (ORD).

The February U.S. press story becomes fact on May 15 when, in cooperation with its new code-sharing partners, the Belgian line launches A340-311 flights from Brussels to the Queen City.

From there, passengers may obtain connections on Delta flights to New Orleans, Memphis, Austin, Denver, Detroit, Dallas, Los Angeles, Phoenix, San Diego, and San Francisco. A special guest on the inaugural flight is 85-year-old James Prettyjohn of Bainbridge, Georgia, who had been a passenger on a 1928 Sabena flight in Belgium.

Also in May, the U.S. DOT approves the carrier's plans to expand its blocked-space, code-share agreements with **Swissair, A.G.**, **Delta Air Lines**, and **Austrian Airlines, A.G.** to 30 U.S. cities beyond Atlanta, New York, and Cincinnati. In return, Delta will purchase seats on the alliance partners' flights to eight cities beyond Brussels, Zurich, and Vienna.

To mark its fiftieth anniversary of service to the U.S., Sabena, on June 30, announces that fares for two, roundtrip from Cincinnati to Brussels, will be just \$50 and will be awarded on a first-come, first-serve basis. The response is overwhelming for the two flights that will leave on September 25 and October 8.

During the summer, flights, previously scheduled for April, are started to Toulouse and Cairo.

On August 27 **Virgin Express-EuroBelgium Airlines, S.A.** is operating a replacement service into London (LHR) from Brussels. Flying as Sabena Flight 603, the B-737-229A with 29 passengers and on ILS approach, comes within 200 ft. horizontally and 600 ft. vertically at 2,400 ft. with **British Airways, Ltd. (2)** Flight 818, a departing B-757-236 with 29 aboard. Both aircraft, in cloud, respond to ATC instructions and avoid disaster, although the near miss is caused by initially faulty ATC.

Two leased DC-10-30s are returned to **Lufthansa German Airlines, A.G.**

During the fall, an innovative plan is put forward by management to acquire a new fleet of narrow-bodied Airbus aircraft over the next several years to replace the company's aging B-737s. After a special purpose financing consortium, 50% owned by Sabena and **Swissair, A.G.**, is set up to provide funding, \$1.4 billion in orders would be placed with Airbus Industrie for 26 A319s, 5 A320s, and 3 A321s, which would begin delivery in 1999.

The scheme immediately brings protest from the union representing Sabena Technics, the company's maintenance and overhaul division. The mechanics fear that the unit will lose upwards of 1,000 jobs when the carrier stops repairing Boeings, many of which are outsourced from such other airlines as **Federal Express, Air France, British Airways, Ltd. (2)**, and **KLM (Royal Dutch Airlines, N.V.)**, in addition to Sabena and **Swissair, A.G.**

Airbus Industrie steps in and promises to direct repair contracts to the division and guarantees 600,000 hours of overhaul work. The Sabena Technic union is appeased and the carrier's board of directors approves the acquisition plan on November 18.

During October, a block-seat agreement begins with **Regional Airlines, S.A.** aboard a Belgian aircraft flying between Brussels and Nantes.

It is reported in the aviation press during the fall that possible merger discussions are held with the Belgian long-haul budget airline **City Bird, S.A.**

In November, Sabena's President/CEO Reutlinger and **City Bird, S.A.** Chairman Victor Hasson hold a joint news conference. Sabena will, indeed, take a 15% equity stake in City Bird Holdings, parent of the airline. In return, **City Bird, S.A.** will operate routes on the major's behalf from Brussels to Montreal, São Paulo, and Newark.

The two also announce that they will share two jetliners, each with its own cabin crews, in-flight catering, and cabin decor. On the outside, both will wear Sabena livery.

In the company's largest aircraft order ever, Sabena, in early December, harmonizes its fleet with those of **Swissair, A.G.** and **Austrian Airlines, A.G.** by requesting \$1.4 billion worth of Airbus Industrie product. Delivery of 26 A319s, 5 A320s, and 3 A321s will begin in January 1999.

At the same time, a strategic alliance is entered into with **TAP-Air Portugal, S.A.**

On December 20, **Delta Air Lines** begins to code-share on company A340-311 flights from Brussels to Kampala. The service, the first for the American carrier into sub-Saharan Africa, will allow passengers through service from Uganda via Brussels to Atlanta, New York (JFK), Cincinnati, Chicago (ORD), and Boston.

For the year, passenger boardings ascend 32.8% to 6,872,146 while cargo advances a moderate 6% to 343.41 million FTKs. Revenues dip 0.2% to \$1.77 billion, while expenses fall 7.5% to \$1.76 billion. There is, happily, an \$8.732-million operating profit while the net loss is cut to \$54.86 million.

Airline employment stands at 9,669 in 1998 and the fleet, 66.7% of which is Stage III certified, includes 36 aircraft at the beginning of the year: 27 B-737s, 2 B-747s, 3 A330-301s, 2 A340-211s, and 2 A340-311s.

Sabena, on January 12, exercises an option to acquire 16% in **City Bird** parent City Bird Holdings for BFr 68 million (US\$1.9 million); it also has an option for a further 8.4% by November 1999.

The **TAP-Air Portugal, S.A.** pact takes effect in March. Dual-designator services commence at this time between Brussels and Lisbon.

At the same time, the company implements a strategic partnership with **AOM French Airlines, S.A.** The two begin to coordinate their schedules at Paris (ORY) to allow seamless connections for passengers originating in Belgium and wishing to travel on to Toulon, Nice, and Marseilles, as well as to such overseas destinations as French Guiana.

Delta Air Lines on March 13 begins to code-share on the daily B-737-329 roundtrips operated by Sabena between Brussels and Oslo.

A second MD-11 ordered by **City Bird, S.A.** is delivered to Sabena at the end of March and is dispatched to the Swissair modification center at Zurich for cabin modifications.

On March 29, the carrier joins with **Swissair, A.G.**, **Austrian Airlines, A.G.**, **TAP-Air Portugal, S.A.**, **THY Turkish Airlines, A.O.**, and **AOM French Airlines, S.A.** to form the "Qualiflyer" alliance. Although members will retain their own identities, they will engage in a long list of joint activities, including ground handling, lounges and ticket offices, and frequent flyer benefits. Collaborative activities that will be added as soon as details can be worked out include maintenance and overhaul, cargo, in-flight catering, information technology, and duty-free concessions.

On April 5, a major code-sharing agreement, originally announced on February 19, begins with **Comair**. Under its terms, the carrier will share codes on the American regional's flights from Cincinnati to Akron/Canton, Dayton, Detroit, Des Moines, Kalamazoo, Lexington, and Louisville. Europe-bound passengers from those points may connect at Cincinnati for Brussels and links to Sabena's European and African networks.

Due to enter service in just three days, the City Bird, S.A. MD-11 being modified at Zurich is damaged by a scissors lift. Repairs are quickly made as both companies await the delivery of a third MD-11 by the end of the month.

One each **City Bird, S.A.** MD-11 and B-767-333A are painted in Sabena colors and reconfigured to include business and economy cabins for Sabena passengers and a separate City Bird cabin. On April 15, in conjunction with **Delta Air Lines**, the two airlines begin to code-share with two these aircraft on **City Bird's** daily roundtrip route from Newark to Brussels, where passengers are able to connect with Sabena flights elsewhere.

Following the threat of **Virgin Express Airlines, S.A.** to move to the U.K. to skirt Belgium's high taxes and costly personnel benefits, President/CEO Reutlinger now seeks government approval to shift the contracts of his pilots to Switzerland and to hire Swiss flight attendants. Reutlinger also points out that, as soon as Switzerland is able to join the European Union, **Swissair, A.G.** will increase its Sabena stake from 49.5% to 67%, thereby reducing the Belgian government's stake to 33% minority holding.

During the month, the company inaugurates a Quick Transfer Center at Zaventem Airport to facilitate connections. The turnaround time of the short-haul aircraft servicing 70 European points from the Brussels facility is cut to just 30 minutes.

The Sabena/City Bird MD-11, on May 6, launches twice-weekly roundtrips from Brussels to Montreal (YUL). The new service marks a return to the Canadian community, flights to which were suspended in 1993.

The code-share arrangement with **Delta Air Lines** is expanded on May 15 at three of its five U.S. gateways. A second daily A340-311 dual-designator service begins from Atlanta to Brussels. At the same time, A340-311s increase their flights from Cincinnati to Brussels from five times a week to daily.

Five weekly A340-311 roundtrips are simultaneously started from Boston to Brussels. Capacity on the route from Chicago to Brussels is boosted from an A340-311 to a B-747-329C, with service provided daily, except Saturdays.

The code-sharing agreement with **Virgin Express Airlines, S.A.** is deepened on May 17 when the two begin several-times-a-day return service from Brussels to London (STN). The company celebrates its seventy-fifth anniversary on May 23.

Delta Air Lines, on June 1, places its code aboard Sabena flights from Brussels to Conakry, Guinea. It also begins dual-designator flights with Sabena on June 6 from Brussels to Banjul, Gambia, again, as two days earlier, employing Sabena equipment.

The code-sharing arrangement with **Comair** is expanded on July 15 to include service to Brussels from Toledo, Indianapolis, St. Louis, Charlotte, and Birmingham. The new dual-designator flights allow Comair passengers from the five cities to travel to and from Brussels via Cincinnati under Sabena's "SN" code.

Just after landing at Brussels upon the completion of an August 29 service from New York, Flight 542, an A340-311 with 10 crew and 255 passengers, suffers the collapse of a landing gear and slides off the runway. Once the plane is stopped, all aboard are evacuated down emergency slides and four people are slightly injured.

On September 3, in the second Brussels airport incident within a week, an A330-311 is being taxied to a gate where it will load 229 passengers for a flight to New York. The aircraft accidentally rams a **Sobellair (Societe Belge de Transports par Air, S.A.)** B-737-329 just outside of its hangar. The departure of the Airbus passengers is delayed. It is anticipated that the damaged nose of the A340 can be repaired within days, but the serious damage to the little Boeing will keep it out of service for weeks.

The code-sharing pact with **Delta Air Lines** grows again on September 6 as the American major places its designator aboard Sabena's twice-weekly A340-311 roundtrips between Brussels and Lome, Togo.

The Belgian government announces new rules on October 5 covering the expulsion of illegal immigrants. The new orders are implemented following the death of a Nigerian woman being sent back to Africa aboard a Sabena aircraft and include the abolition of the use of pillows to stifle the cries of the deportees.

During the fourth quarter, new services are inaugurated in nine additional city-pairs, as well as to Newark, Montreal, and São Paulo.

In December, a new "corrective" color scheme is introduced, first aboard an A340-211. With the theme "Flying from the Heart of Europe," the new livery features blue engine nacelles, bolder titles (replacing the previous shadow titles), and solid blue tails, with the familiar "S" in blue and white lined circle.

Customer bookings this year surge 27.3% to 8,749,582. On \$2.24 billion in revenues, a \$335.78-million net profit is posted. This is the largest gain in the company's history and its first of significance in over 40 years.

Leaders of East Africa end their 2 1/2-year embargo of Burundi on January 26, 1999; Sabena, which has honored the sanctions since their imposition in July 1996, indicates that it will resume flights to Bujumbura in early April.

Two months behind schedule, the first A321-211 from the November 1997 order is delivered on March 2. It enters service on March 8.

Also during March, a five-year code-sharing agreement is signed between **City Bird, S.A.** and **Lignes Aeriennes Congolaises, S.A.** Under its terms, the new Belgian entrant begins to fly passengers and cargo between Europe and Kinshasa on a weekly basis, using LAC flight codes. The arrangement allows LAC to resume international air links abandoned in 1992.

Flight delays and cancellation of services into southern and southeast Europe occur following the beginning of NATO's Operation Allied Force bombing campaign against Yugoslavia on March 24. The united military alliance is attempting to force the government at Belgrade to revise its policy towards its province of Kosovo.

The new schedule is introduced on March 28 and features a number of additions, upgrades, and changes. Flights from Brussels to Boston become daily, while those from Brussels to Atlanta are now flown nonstop six times a week. All Sabena services to the U.S. are operated in code-share with **Delta Air Lines**.

Brussels to Johannesburg roundtrips become daily, while additional frequencies are laid on to Abidjan, Lome, Bamako, Conakry, and Kinshasa. The total number of European cities grows to 75 with the addition of 10 new destinations: Belfast, Birmingham, London (STN), Eindhoven, Faro, Nuremberg, Palma de Majorca, Valencia, Ajaccio, and Catania.

In addition, thrice-weekly RJ85 roundtrips are launched between Brussels and the Channel Island of Jersey by **Virgin Express-EuroBelgium Airlines, S.A.**

Additional upgrades are announced on March 31. Beginning on April 19, the company will introduce a luxury bus return shuttle between Brussels Airport and Valenciennes, France, seven times a day. Thrice-daily RJ100 roundtrips are announced for Verona, Italy, beginning on September 5 with daily RJ100 roundtrips simultaneously beginning from Brussels to Seville, Spain.

A public row between **City Bird, S.A.** and Sabena erupts in Brussels on April 27 over the former's month-old dual-designator pact with **Lignes Aeriennes Congolaises, S.A.** Claiming that the new arrangement is a surprise action that will damage the pioneer line that operates between Brussels and Kinshasa four times a week, Sabena demands \$9.22 million in damages. The company also indicates that it is seeking an arbitration ruling that City Bird's actions constitute a unilateral termination on its part of the commercial arrangement with Sabena.

City Bird President/CEO Victor Hasson calls a news conference to rebut the Sabena action. Hasson complains that Sabena had not wanted the LAC link in the first place and should have known about it given that its 11.2% stake in City Bird includes a seat on the City Bird board. Both companies, which do not suspend their existing pact, indicate that there are no plans to terminate their cooperative agreement and acknowledge that arbitration may take six months to a year.

Chairman Reutlinger informs the airline's shareholders, assembled for their annual meeting at Brussels on April 30, that passenger traffic has slowed considerably in April due to the Kosovo crisis. No exact figures are available.

After both **British Airways, Ltd. (2)** and Sabena pull out of the tender process, **South African Airways (Pty.), Ltd.** and its protege, **Alliance Air (African Joint Air Service)**, are the only prequalified bidders to make an offer for the available 49% stake in Uganda Airlines Corporation, now to be known as **Uganda Airlines, Ltd.** On April 30, the Ugandan government, via the cabinet subcommittee for privatization, cancels the tender process and invites SAA to negotiate the purchase during the week of May 3.

Due to the unfavorable economic situation in Brazil, Sabena cuts the number of its weekly roundtrips from Brussels to São Paulo from five to three on June 1. Simultaneously, the number of weekly MD-11 roundtrips from Brussels to Montreal is boosted from four to six.

The company enters into a European marketing alliance with **American Airlines** and **Swissair, A.G.** on June 22. As soon as government clearances are received, American and Sabena will code-share on each other's flights between Chicago and Brussels and on Sabena services between Boston and Brussels. American and Swissair will code-share on flights between Chicago and Zurich and on Swissair flights between Zurich and both Miami and Boston.

While en route from Copenhagen to Brussels on July 8, Flight 774, an Avro RJ85 with 4 crew and 82 passengers, suddenly receives a TCAS alert concerning an impending possible collision with another plane. The pilots, flying 5 miles above the sea near Amsterdam, plunges 1,000 ft. There is no other plane; the terrifying dive had come as a result of a warning-system malfunction.

The carrier takes delivery of its first A320-214 on August 27; the new Airbus operates its inaugural revenue service on August 30 when it flies from Brussels to Oporto. Sabena is now the first airline to operate all of the European airliner manufacturer's fly-by-wire types.

At the beginning of October, Sabena sells public tickets for the final flight of its last B-747-329C, an October 29-30 overnight service from Cincinnati to Brussels. It also agrees to allow employees to purchase at-cost tickets (\$60) for a final flight over Belgium; fearful that an insufficient number of these fares will be snapped up to fill a Jumbojet, the airline also invites journalists. The press office puts out a release noting the final service.

It is announced by the participants on October 13 that the "Atlantic Excellence" alliance is being dissolved in order that its members might join other world airline groupings. Sabena, **Delta Air Lines**, **Austrian Airlines, A.G.**, and **Swissair, A.G.** will honor existing travel agency and corporate sales agreements through December 31 and end their code-sharing arrangements on or before August 5, 2000. The second of two A320-214s to be delivered since late August is accepted on October 14.

With the end of the summer season in late October, the carrier and **Virgin Express, S.A.** halt their dual-designator service between Brussels and London (LGW), freeing the Sabena B-737-329 employed for the routes the two code share from Brussels to Barcelona and Rome. The two partners continue to offer code-shared flights from Brussels to London (LHR) nine times weekdays, with a reduced number of flights on weekends.

With pomp and ceremony, those holding tickets board the last B-747-329C at 3 p.m. on Saturday, October 30, for an hour-and-a-half aerial tour of Belgium. It turns out, however, that so many "final flights" have been booked that Sabena must operate four 100% load factor trips. Upon the giant plane's return to Brussels from the last of these the next day, it is officially retired.

In partnership with **American Airlines**, five-times-a-week A330-301 roundtrip nonstops commence, also on October 31, between Brussels and Washington, D.C. (IAD). Thrice-weekly A340-211 return service is launched on November 2 from Brussels to Madras. The year's third A320-214 is delivered on November 19.

A memorandum of understanding is signed with Airbus on December 10 for the delivery, in 2001 and 2002, of two A340-313Xs; the deal will later be cancelled.

When partner **Swissair, A.G.** increases the number of its weekly frequencies from Zurich to Bombay and New Delhi on December 7 from

9 to 11, the two carriers, counting Sabena's three flights to and from Chennai, share 14 weekly Indian frequencies.

The last of six A319-112s delivered during the year is accepted on December 22. Also, by the end of the year, the management, marketing, and sales functions of the carrier and **Swissair, A.G.** in the U.K and Ireland have been combined into a single umbrella organization known as the Airline Management Company, Ltd. Swissair's General Manager-UK & Ireland Kirk Albrow is AMC general manager, with his Sabena counterpart, Marc Nellis, as deputy.

Passenger boardings accelerate 13.9% to 9,965,000. Although revenues total \$2.07 billion, there is a \$14.1-million net loss.

Airline employment at the beginning of 2000 stands at 10,638, an 11% increase over the previous 12 months. The first of seven A319-112s to be delivered during the year is accepted on January 26.

The only B-737-229A that the carrier had repainted in its new livery completes its final revenue service on February 6 from Bilbao to Brussels; the next day, it is ferried down to Paris (LBG) for disposal.

A code-sharing agreement is signed with **Air Littoral, S.A.** on February 18. Under its terms, the Belgian major places its designator on all of the French regional's services, except those from Nice to Geneva and Marseilles to Zurich.

A tripartite signing ceremony is held in New Delhi in March for a pair of new cargo agreements. In one, **Emery Worldwide Express** acquires 80% of the daily cargo capacity of **Indian Airlines, Ltd.** between Madras and Singapore. The other, between **Swissair** and **Emery** permits Emery to book belly space aboard Sabena passenger flights and **Swissair, A.G.'s** dedicated thrice-weekly DC-10-30F freighter service to Africa and beyond from Basel.

The dual-designator flights previously operated with **Delta Air Lines** between Brussels and New York (JFK) end on March 25. With the beginning of the summer schedule the next day, a large number of frequencies from Brussels are increased, including to Newark from 14 to 21, Chicago O'Hare, Barcelona, and Rome from 6 to 7, Washington, D.C.'s Dulles International Airport from 5 to 7, Montreal from 5 to 6, Entebbe and Nairobi from 4 to 5, Marseilles and Vienna from 3 to 5, and Edinburgh from 3 to 4.

An A340-211, wearing Sabena colors and host stickers, is leased to **Khalifa Airways, S.A.** on April 5.

Service to Kinshasa in the Democratic Republic of the Congo, suspended since April 14 due to the explosion of an ammunition cache at the airport, are resumed on April 18. Three aircraft had been destroyed and 109 people killed in the disaster, with another 258 wounded.

The final documents are signed on April 26 for SAirGroup to become Sabena's new majority owner by taking over the Belgian government's stake and increasing its own equity holding from 49.5% to 85%. The deal is subject to ratification by a referendum of Swiss voters on May 21 (which turns out to be positive) of a new air transport agreement between Switzerland and the EU, as well as approval of the Belgian parliament.

The sixth and last A330-223 is delivered on May 26.

Employing its 10th long-range A340-311 received on May 29, the company doubles its daily return frequencies from Brussels to New York (JFK) from one to two on June 1.

Also in June, the carrier joins **Swissair, A.G.** and **American Airlines** in placing a new dual-designator arrangement before the U.S. Department of Transportation for approval. Under its terms, the three would code-share on flights from Zurich to Bombay and New Delhi and from Brussels to Chennai, India. The idea will be rejected by the regulators in early August.

Arrangements are completed with **Schreiner Airways, B.V.** under which Schreiner will operate a DHC-8-102 on Sabena's service from Brussels to Sheffield. The wet-leased turboprop, painted in full Sabena colors, is delivered on July 5.

At the end of July, SAirGroup President/CEO Philippe Bruggisser announces creation of a "Conseil de Surveillance," a revised management structure for the about-to-be-merged French carriers **Air Liberte, S.A.**,

Air Littoral, S.A., and **AOM French Airlines, S.A.** Chaired by Mr. Couvelaire, the body's executive management will be headed by Paul Reutlinger, current Sabena president/CEO, who will move to Paris to guide the fusion of the three into one, but will also become vice chair of the Belgian airline's board of directors. Christopher Mueller becomes the new Sabena president/CEO.

Dual-designator service previously operated with **Delta Air Lines** from Brussels to Atlanta ends on August 5 as Sabena moves its terminus from Hartsfield International Airport to Dallas (DFW), flying seven weekly A340-311 roundtrips, code-shared with **American Airlines**, into the Texas airport beginning the next day.

The normal landing expected at Brussels for Flight 3604, an Avro RJ85 incoming from Marseilles on September 19, is turned into an emergency after the cockpit window cracks.

Late in the third quarter, President/CEO Muller institute a cost-cutting program designed to save E357 million (\$300 million).

Already operating twice daily into New York (JFK), the company announces on October 20 that it will halt its flights into Newark in April. In addition, because the route is unprofitable, the company will, at the same time, also suspend service from Brussels to Johannesburg. Additionally, the company's building in New York City and Bujumbura will also be sold. These moves are part of Plan Blue Sky, a cost-cutting measure designed to improve the airline's performance by \$318 million. Part of the savings will also be generated, it is hoped, from "social measures," i.e., labor.

A second daily A319-112 service is added on October 29 from Brussels to Malaga. The number of daily return frequencies from Brussels to Athens is increased from 2 to 3, Venice and Glasgow from 3 to 4, Marseilles from 3 to 5, Belfast from 1 to 3, and Frankfurt from 4 to 5. New thrice-weekly routes are introduced between Brussels and Sofia, while four-times-a-week roundtrips commence from Brussels to Budapest. This enhanced schedule is operated with a mix of A319s, B-737s, RJ100s, and RJ85s.

The next day, following a break in service since 1996 caused by the imposition of sanctions on Burundi, weekly roundtrip service is resumed between Brussels and Bujumbura. Also on October 30, the carrier becomes the first European airline to return to Liberia following its civil war; Sabena, which had stopped flying to the country on October 30, 1990 because of security concerns, inaugurates weekly MD-11 roundtrips from Brussels to Monrovia.

October 30 also sees an increase in the number of weekly A330-223 return frequencies from Brussels to Nairobi from 5 to 6 and from Brussels to Kinshasa from 3 to 5.

Sabena's economic health is not good as it continues to suffer sharp financial reversals. At the beginning of November, SAirGroup executives approach the Belgian government seeking assistance, pointing out that the carrier is still majority-owned by the state, which has a duty to help solve its fiscal distress. Under EU rules, state aid is not permitted; however, a capital injection by shareholders may be qualified as an investment and thus be legal.

On November 2, Sabena baggage handlers at Brussels stage a brief morning strike to protest a lack of safety at the national airport following an armed robbery of men working for **Deutsche Lufthansa, A.G.** two days earlier. The stoppage forces Sabena to cancel 32 local flights. Emergency baggage handling by Sabena executives and others allow the company's international flights to depart on schedule.

All services between Belgium and Switzerland and Boston, Chicago (ORD), Miami, and Washington, D.C. (IAD) are operated as code-shares by November 21.

After 16 1/2 years of service with the fleet, the B-737-229A type is retired from the fleet on November 30 after completion of the last revenue flight. Aircraft OO-SDN wears a special sticker commemorating the event. The "classic" 737 fleet continues to number 6 Dash-329s, 3 Dash-429s, and 6 Dash-529s.

Thrice-weekly B-737-329 roundtrips are inaugurated on December 1 from Brussels to both Sofia and Bucharest. Also on December 1, Sabena

and **LTU International Airways, K.G.** begin to operate joint services from Brussels to Dusseldorf, Frankfurt, Munich, and Stuttgart; Sabena provides the flight equipment.

While on final approach to Bujumbura on its December 5 service from Brussels, Flight 877, an A330-223 with 150 passengers is hit by 11 bullets sprayed from the ground, one of which penetrates an engine. Although the aircraft lands safely, two passengers are reported slightly injured. The Airbus will remain on the ground at the Burundian capital for several days undergoing inspection before it is allowed to return to Europe. After spending a night in a local hotel (at company expense), 82 Nairobi-bound passengers are transferred to another service. Needless to say, Sabena again immediately suspends service to the African nation while the incident is investigated. The principal suspects are Hutu rebels, opposed to the Tutsi-dominated government of President Pierre Buyoya.

It is reported on December 8 that the carrier has begun discussions with **KLM (Royal Dutch Airlines, N.V.)** concerning possible commercial cooperation. KLM, it seems, is interested in taking over the Sabena route from Brussels to Johannesburg that is being suspended in March.

The company notes on December 15 that it will actually halt service to Johannesburg on January 29, three months earlier than previously reported. The route closure will also end the company's code-sharing arrangement with **Nationwide Air Charter (Pty.), Ltd.**

The A330-223 shot at in Burundi arrives under ferry at Bordeaux via Nairobi on December 19. Repairs should be completed shortly. The same day, another A319-112, the last of seven acquired this year, is received. Faced with a glut of capacity at year's end, two A340-311s are grounded. Cash reserves fall to less than 25% of the company's capitalization and huge losses are expected for the year.

Passenger boardings during the 12 months accelerate 9.7% to 10.9 million. Although revenues climb 9.3% to E2.44 billion, there is a gigantic E325-million (\$288.1-million) net loss.

A profit crisis in January will see SAirGroup CEO Bruggisser step down. The board will announce an end to the corporation's aggressive airline acquisition policy and name **Crossair, Ltd.** CEO Moritz Suter to manage its airline group (Crossair, **Swissair, A.G.**, and Sabena). Later in the month, the Belgian government will promise to inject \$90 million into the ailing carrier; SAirGroup will provide another \$142.5 million. An extraordinary shareholders meeting on February 8 will determine whether to proceed with a new business plan or simply shut the historic carrier down. With union support, the SAirGroup's board in mid-February will approve a financial rescue package to keep Sabena from imminent collapse. SAirGroup will assume responsibility for SFr150 million of the SFr250-million (\$230-million) bailout agreement reached earlier with the government of Belgium.

SABER AIR, LTD.: Singapore (1969–1972). In 1969, the government of Singapore acquires an 80% stake in the privately held air taxi **Singapore Air Service, Ltd.** and changes its name. Nonscheduled passenger and cargo services continue as before, employing the company's Douglas DC-3, de Havilland DHC-6-100 Twin Otter, and Cessna lightplanes.

The U.S. supplemental carrier **Overseas National Airlines (ONA)** takes minority shareholding in February 1971. Seeking a foreign carrier to operate long-haul charters on its behalf, ONA outfits the company with a wet-leased Douglas DC-8-61, which flies charters between Singapore and London.

The new association, and indeed the company itself, does not last very long. Six months later, the ONA contract is ended and Saber Air affiliates with **British Caledonian Airways, Ltd.**, which provides it with a wet-leased Boeing 707-399C Stratoliner. Long-haul charters and inclusive tour flights continue until 1972 when the Singapore government closes the company down, contending that it needs but one company to operate foreign flights.

SABER CARGO AIRLINES: 4825 Express Drive, Charlotte, North Carolina 28219, United States; Phone (704) 359-8456; Fax (704) 359-

8275; <http://www.webcom.com/saber>; Code SBR; Year Founded 1977. Saber is founded at Charlotte, North Carolina, in late 1977. Regularly scheduled services commence in April 1978 with a fleet comprising 2 Beech 18s, 1 Aerostar 600, 2 Cessna 207s, 1 Cherokee Lance, and 2 Cherokee Sixes.

FTKs operated in 1979, the first full year of operations, are up to 883,146 and in 1980, the all-cargo carrier provides services to 12 cities with 26 daily departures.

Freight climbs to 1.581 million FTKs on the year as 760 tons of cargo are moved.

Several new Southern routes are opened during 1981 from a new hub developed at Atlanta. The PATCO air traffic controllers' strike and attendant ATC restrictions cause a slight 3.8% decline in cargo traffic, down to 1.521 million FTKs.

Airline employment accelerates 55% in 1982 to 31 and the fleet now includes the Beech 18s, Cessna 207s, and the Aerostar; the other aircraft have been replaced by a Cessna 402C and four Piper PA-31-310 Navajos.

Freight increases 47.5% to 2.24 million FTKs.

The workforce is again dramatically boosted in 1983, up 37.8% to 51, and the fleet is increased by the addition of 2 Swearingen Metro IIs, 1 Hamilton Turboliner, and 1 Bell 206 JetRanger. Destinations served include Lakeland, Tallahassee, Montgomery, Atlanta, Charleston, Columbia, Asheville, Charlotte, Fayetteville, Greenville, Raleigh, and Wilmington. Contract service flights are also undertaken.

Cargo skyrockets 161.3% to 5.86 million pounds.

The payroll is cut 20% in 1984 to 20 and the fleet now comprises 12 Douglas DC-3s, 1 Convair CV-580, 2 Fairchild-Swearingen Metroliners, 2 Beech 18s, 1 Hamilton HA1 Turboliner, 2 Cessna 402s, 2 Cessna 207s, 3 Piper Aerostars, and 1 Bell 206 JetRanger. A new hangar and office facility is built at Charlotte.

Freight traffic continues to grow, climbing 41.2% to 8.27 million pounds.

Another Metroliner and a third Cessna 402 join the fleet in 1985. They cannot help to reverse a traffic downturn as cargo plunges 27.7% to 5,981,000 pounds.

Traffic resumes its forward march for the 51-employee carrier in 1986, growing 14% to 6,821,000 pounds.

Unfortunately, it turns around and marches downward in 1987, off by 13.7% to 5.88 million pounds.

The 51-employee carrier employs a fleet of 27 aircraft in 1988: 2 DC-3s, 12 Beech 18s, 3 Cessna 402Bs, 2 Cessna 207As, 4 Piper PA-31-310 Navajos, 3 Hamilton Turboliners, and 1 Bell 206B.

Cargo carriage plunges another 23% to 4,531,000 pounds.

Both fleet and personnel are unchanged in 1989 and freight continues to free fall.

Poundage transported falls again, by 57.1% to 1,943,000.

Operations continue apace in 1990–1994 with CEO Michael W. Dockery and Operations Director Stanley Anthony employing 2 Douglas freighters and 2 Beech 18s.

In 1995–1999, the workforce includes 16 full-time and six part-time pilots. One Beechcraft is removed and replaced by three additional DC-3s, a Cessna 402A, and a Bell 206B JetRanger helicopter.

The year 2000 is a costly for President Michael Dockery's concern.

En route from Denton, Texas, on the final leg of a July 8 service to El Paso that had originated at Charlotte–Douglas International Airport, a Cessna 402A with a pilot and a passenger loses power and makes a forced landing near Del City, Texas. Although the aircraft is substantially damaged, neither person aboard is hurt.

While landing at Charlotte–Douglas International Airport on September 26, the right main landing gear of a DC-3 collapses. The Douglas is seriously damaged, but its two-person crew is uninjured.

SABOURIN LAKE AIRWAYS, LTD.: Canada (1961–1998). SLA is established at Cochenour, Ontario, in 1961 to provide regional charter, contract service, and air taxi flights to destinations in the surrounding area. Operations continue during the next three decades.

Scheduled third-level services are inaugurated in the Red Lake area beginning in **1990**. Passengers are transported with 1 Beech 99, 1 Cessna 206, 2 de Havilland Canada DHC-2 Beavers, 1 DHC-6 Twin Otter, and 3 Piper PA-31-310 Navajos. Two additional Twin Otters are acquired in **1991**.

Two Douglas DC-3s are added for freight operations in **1992** and in **1993–1994** President Ross Mamakeesic oversees 40 employees and increases his fleet with 2 DHC-3 Otters.

Flights continue in **1995–1998** and during these years, Richard McDole takes charge. His fleet comes to comprise 2 each Beech 99s, DC-3s, and DHC-3 Otters, plus 1 Twin Otter and 1 Cessna 185.

SABRE AIRWAYS, LTD.: 12 The Merlin Centre, County Oak Way, Crawley, West Sussex, England, RH11 7XA, United Kingdom; Phone 44 (1293) 410 727; Fax 44 (1293) 410 737; Code SBE; Year Founded 1994. Upon the November 29, **1994** collapse of **Ambassador Airways, Ltd.**, this carrier is formed by **Air Foyle, Ltd.** to take over the deceased airline's charter contracts. Links are maintained with Inspirations-owned Goldcrest, a seat broker. Revenue operations, on the Air Foyle license, commence on December 17 employing a pair of leased Boeing 737-204As first flown by **Britannia Airways, Ltd.**

Two B-727s, a Dash-203A and a Dash-276A are chartered in **1994** and flying from Birmingham, London (CTN and LGW), Manchester, and Newcastle, the company visits all of the usual European charter destinations, including Turkey, Portugal, Spain, Greece, Italy, France, Bulgaria, and the Canary Islands.

In addition to the two B-737-204s that it has based at London (LGW) at the beginning of **1995**, Sabre bases its B-727-2D3A and B-727-276A at Manchester over the summer. From these locations, the carrier will again offer holiday flights on behalf of the broker Goldcrest. Sabre receives its own certificates and license on December 13, at which time the company is reformed into a freestanding concern. Keith Newnham is appointed managing director and flights continue as before.

Enplanements in **1996** total 516,000. Although the relationship with Goldcrest is continued, the company establishes its own commercial department as well. Orders are placed for two B-737-800s.

Airline employment grows by a huge 74.8% in **1997** to 236. After suffering verbal intimidation towards the crew due to delays and after route alterations are announced, a company pilot refuses to risk takeoff with 187 rowdy passengers from London (LGW) for a flight to Sicily on August 11.

The passengers, a mix of Italian and British, who are later provided with a replacement flight, complain that the airline has treated them unfairly and that accusations of their unruly behavior are unfounded.

A total of 277,000 customers are flown on the year.

Early in **1998**, Sabre undertakes code-sharing flights with **Sabena Belgian World Airlines, S.A.** over the route from London (STN) to Brussels. Merger discussions begin with **Virgin Express, S.A.** On May 18, Virgin Group Chairman Richard Branson announces that **Virgin Express-EuroBelgium Airlines, S.A.** is close to establishing a new holiday subsidiary, based in the U.K., to be known as **Virgin Sun Air, Ltd.** Lift for the new package tour airline, to be formed in partnership with Virgin Holidays, Ltd., will be provided by Sabre Airways under contract starting in 1999.

Between May and July, an A320-211 is subchartered from the new Egyptian carrier **Lotus Air, S.A.E.** A second will also be acquired later. The first of two B-737-8Q8s to be chartered from ILFC on the year arrives on July 27. When the ship enters revenue service a week later, it is the first of its type to be operated by a U.K. carrier.

Recruitment is begun in November for 250 reservations agents for the new Virgin Sun package tour business to be launched in the spring.

Customer bookings accelerate 27.8% to 354,000; 117,000 FTKs are also operated.

Airline employment is increased 1.7% to 240 at the beginning **1999**.

On May 1, the new **Virgin Sun Air, Ltd.** takes wing; lift is provided employing a pair of subleased Sabre A320-214s. Revenue charters are operated from London (GTW) and Manchester to Mediterranean and European holiday destinations.

On May 7, the British charter carrier files a \$1-million suit against **Kiwi International Air Lines** for damages sustained to a jet engine it had leased to the bankrupt U.S. scheduled operator.

Customer bookings increase 23.5% to 445,000, but cargo traffic drops 19.1% to 114,000 FTKs. The workforce at the beginning of **2000** totals 240. At the beginning of the year, a B-727-225A is leased to MSP-based **Sun Country Airlines**; it will be returned in May.

Barnet-based Libra Holidays Group, which had ended its relationship with **Caledonian Airways, Ltd.** at the end of the year, establishes its own Libre Aviation division under the direction of ex-**Cyprus Airways, Ltd.** CEO Demetris Pandazis. Plans are announced for the establishment of a Cypriot charter airline named Sky Airlines, Ltd., that will launch service in spring 2002. Meanwhile, LHG Managing Director Andreas Drakou purchases a 33% stake in Sabre during February, receiving the option to purchase another 30% by March 31 and an extra 30% by year's end. The deal secures immediate seat capacity for Libre with Sabre, but is subject to CAA approval, which Managing Director Newnham now seeks.

As part of the arrangement with Libra Holidays Group, Sabre had pledged to withdraw its B-727s, replacing them with newer aircraft. On June 9, Sabre Managing Director Newnham notes that the carrier will withdraw its B-727s by October, including several reengined units to be returned to service shortly.

The first reengined B-727, a Dash-276A, arrives at London (LGW) on July 8. It wears an all-white livery with red titles.

Arrangements are completed in July for the lease of two Next Generation B-737-81Qs and a B-737-8Q8 to **Miami Air International**. The first two will enter service in November and December, with a third arriving the following summer.

The company's B-727-225A is chartered to **Sun Country Airlines** at Minneapolis (MSP) in late October for use on the charter line's winter schedule.

Libra Holidays Group joins with London (LGW)-based Excel Aviation, a seat-brokering company, to complete the paperwork on November 20 for acquisition of a 78% majority stake in Sabre. The two quickly receive government approval for the takeover. Former **Caledonian Airways, Ltd.** Managing Director Eamon Mullaney now becomes chairman/CEO. Current Sabre Managing Director Newnham will retain his post until January when his deputy, Johathan Bousfield, and former **Caledonian Airways, Ltd.** executive Steven Tomlinson, become joint managing directors. At that point, the small Stansted Airport operation will be closed down and the staff transferred to Gatwick Airport.

The same day, *Travel Trade Gazette UK and Ireland (TTG)* reveals that a new look will be emphasized. It also covers the announcement that Sabre will be renamed **Excel Airways, Ltd.** on May 1. The company has had some public relations problems with its current moniker being confused for that of the SABRE computerized reservation system. The company will continue to operate its fleet of Next Generation B-767-81Qs and Dash-8Q8s, as well as three B-767-204ERs leased this day from **Air Atlanta Icelandic, H.F.** Most will wear "www.excellairways.com" on their sides.

Chairman Mullaney informs *TTG* on November 27 that with the beginning of the summer holiday season at the end of March, Excel will operate from bases at London (LGW), Manchester, and Newcastle to holiday destinations in Greece, Cyprus, Turkey, Portugal, Spain, and the Canary Islands. Two-thirds (700,000) of all the seats will be booked by Libra Holidays; however, 300,000 more will be available for third-party operators.

In fact, Sabre officially changes its name to Excel Airways on December 29, even though it will continue to operate as Sabre until April 30. At year's end, a new Web page is opened on the Internet.

SACHSISCHE LUFTVERKEHRS, A.G.: Germany (1923–1926). Sachsische Luftverkehrs is established at Saxony in late **1923** to offer charter and flight-seeing services. On March 12, **1924**, the company is reformed into a holding company. Shareholding is divided between

Elektra, A.G., the Bank of Saxony, and Junkers Flugzeugwerke, A.G. The latter's stake is approximately 26% and includes contracts for both management and the provision of two F-13s.

Revenue services commence on April 7 on a route from Saxony to Berlin. On April 26, the carrier is drawn into the Junkers-backed Trans Europa Union. Two more F.13s join the fleet during the summer and on August 8, daily roundtrips commence from Dresden to Nuremberg.

Flights continue apace in 1925 as the fleet grows by the addition of another F.13 and four G.24s. When **Deutsche Luft Hansa, A.G. (DLH)** is established in January 1926, **Sachsische Luftverkehrs** is one of the companies merged into it.

SACO (SERVICIO AEREO COLOMBIANO, S.A.): Colombia (1933–1940). Ernesto Samper Mendoza founds SACO at Bogota on June 15, 1933 and prepares to compete with the larger carrier **SCADTA (Sociedad Colombo-Alemana de Transportes Aereos, S.A.)**. Certificates for two direct routes linking Cali and Medellin with Bogota are received from the government and two Ford 5-ATs are purchased from **Transcontinental and Western Air Lines (TWA)** to fly them.

Three ex-**Eastern Air Lines** Curtiss D-2 Kingbirds are purchased in 1934. The former **Transcontinental and Western Air Lines (TWA)** Ford Tri-Motors 5-AT-6 and 5-AT-16 are received on April 5, 1935; the former will not survive long. The most remarkable event in company history and indeed, one of the two or three most spectacular prewar aviation accidents occurs on June 24. While taking off from Medellin, pilot/CEO Mendoza loses power and crashes the 5-AT-6 into the waiting **SCADTA (Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** Ford 5-AT-112 *Manizales*, piloted by Hans Thomas. Mendoza, the noted Argentine singer Carlos Gardel, and 15 others aboard the 2 planes are killed.

Without its dynamic leader, SACO limps along over its route network for another five years, taking delivery of two Curtiss T-32C Condors from **Eastern Air Lines** in 1937 and a pair of new Lockheed Model 10E Electras in 1938.

The Ford Tri-Motor 5-AT-16 is sold to **TACA (Transportes Aereos Centro Americanos, S.A.)** in March 1939. On October 27, officials of SACO and **SCADTA (Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** agree to merge under the latter's banner. The arrangement becomes official on October 3, 1940, by which time all of SACO's routes and assets have been absorbed.

SACSA (SERVICIOS AEREOS DE CHIAPAS, S.A. de C.V.): Mexico (1948–1955). SACSA is formed at Merida in 1948 to fly coffee cargos on behalf of local plantation owners. Yajalon-based **TAYSA (Transportes Aereos Yajalon, S.A. de C.V.)** is purchased and merged in 1949. The fleet comprises a number of older transports including Northrop trimotors, one of which crashes at Tuxtla Gutierrez.

Having begun life with **National Air Transport** in the U.S. in 1931, the Ford 5-AT-103 is purchased from **Lagosa (Lineas Aereas Guerrero-Oaxaca, S.A. de C.V.)** in June 1951; however, its expensive flight hours are much reduced after 1952. In the 1950s, the owners find other ways to get their crops to market and the airline is often reduced to the use of an old Douglas B-18 bomber.

The 5-AT-103 is brought out of storage and refurbished at Mexico City in early 1955, being given a new noncorrugated skin and three overhauled Wasp engines. The costly rebuild does not pay off because the plane is lost in a July 3 accident in the Sierra de San Andreas Mountains. Out of cash and aircraft, the company ceases operation.

SADELCA (SOCIEDAD AEREA DEL CAQUETA, S.A.): Colombia (1977–1986). German Cuellar S. founds this all-cargo airline at Neiva, in southwestern Colombia, to fly all-cargo charters to Bogota and other points within the nation. The fleet is comprised of 3 unmodified ex-military Douglas C-47s, 1 C-54, and 1 Curtiss C-46A.

Within a decade of its 1977 founding, the carrier ceases operations.

SADIA, S.A. (TRANSPORTES AEREOS): Brazil (1954–1972). While working for his father's Concordia meat packing firm S.A. Industria e Comercio Concordia, Omar Fontana forms a private airline on February 25, 1954, its title taken from the first two and last three letters of the family operation. A lone Douglas DC-3 is acquired from **Panair do Brazil, S.A.** and on August 3 the required government certificate allowing the launch of meat haulage to São Paulo is obtained. Sadia, S.A. (Transportes Aereos) is officially registered as a cargo airline on January 5, 1955.

As the DC-3 fleet continues to expand (12 will eventually be received) through the lease of two more Dakotas from **TAN (Transportes Aereos Nacional, S.A.)**, the required technical scheduled passenger certificate is granted to the carrier by the Departamento de Aviacao Civil (DAC) on January 20, 1956. Scheduled passenger services are inaugurated on March 16, São Paulo–Florianopolis via Joacaba and Videira. A second DC-3 is purchased in August and the first of four ordered Curtiss C-46s (only two are delivered) is purchased from **Loide Aereo Nacional, S.A.** in October. It is placed in service and the Joacaba route is stretched to Londrina, Bauru, Ribeirao, and Preto.

A maintenance agreement is signed with **REAL, S.A.** in August 1957, a second C-46 is purchased in October, and service is launched to Brasilia in November. Also in November, **REAL, S.A.** acquires 50% interest and Fontana becomes part of the larger carrier's consortium management team under President Linneu Gomes, who now also becomes president of Sadia. Fontana's creation is allowed to continue operating under its own name, expanding flights to Rio de Janeiro and Porto Alegre while supporting its partner with its Santa Catarina services. The fleet at year's end comprises 5 DC-3s and 2 C-46s.

The carrier's base is transferred to São Paulo in 1958, allowing the integration of services with **REAL, S.A.'s**. Additional DC-3s are received in 1959–1960, although Vice President Fontana is careful to maintain the independence of his charge. **REAL, S.A.** collapses in August 1961 and is taken over by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. Omar Fontana is allowed to repurchase Sadia, S.A. from the wreckage of his former partner and resumes complete control.

The released carrier begins to grow in April 1962 with the purchase of three more DC-3s. Simultaneously, **TAS (Transportes Aereos Salvador, S.A.)** is acquired and upon completion of the arrangement on October 26, the company becomes known as **SADIA-TAS, S.A.** The fleet grows to include 12 DC-3s and 3 C-46s. In December, flights begin to link the Bahia city of Salvador with Brasilia, Rio de Janeiro, São Paulo, and Fortaleza. Thus the route network is increased to 53 destinations.

In January 1963, the Brazilian government introduces a new subsidy scheme for feeder routes now labeled Rede de Integracao Nacional (RIN). Plans are undertaken for the acquisition of British-made Handley Page Herald; however, this initial purchase, despite favorable terms by the builder, is halted by the DAC, which will only authorize the four-month lease of two of the Rolls Royce Dart-powered aircraft. The first Herald 203, leased from its manufacturer, is delivered on December 6 and enters service on December 18.

A second Herald, a Dash-100 chartered from the failing Philippine carrier **Cruz Airways**, joins the fleet in February 1964 and enters service in March. Later in the year, **SADIA-TAS, S.A.** is reorganized; Sadia, S.A. emerges as a single-name airline with some stock held by its employees.

On January 6, 1965, a \$4.2-million order is placed for 5 Herald 214s. During the year, the route network is reduced from 53 stops to 28 and service started from Rio de Janeiro to São Paulo.

In February 1966, government approval for Herald operations is officially awarded. DAC officials, convinced of the type's ability through demonstration, allows Fontana to go ahead and acquire additional British aircraft, while remaining within the RIN fare structure. Retirement of the DC-3s/C-46s begins in April as the first of six new Heralds enters service. During the year, the carrier's capitalization is increased from 750,000 to 1 million cruzeiros.

The last DC-3 flight is completed in March 1967 and Chairman Fontana seeks government permission in May to purchase BAC 1-11 jetliners.

A Handley Page HPR-7 Herald 214 with 5 crew and 20 passengers crashes into a 4,635-ft. hill near Curitiba, Brazil, on November 3 (21 dead).

The Shorts SC-7 Skyvan *Patinho Feio* is leased from its manufacturer in late 1968.

Approval is received and orders for BAC 1-11-500s are let in 1969. Between March and May, two Shorts SC-7 Skyvans are test flown on certain routes.

A BAC 1-11-400, leased from its manufacturer, is placed in service on September 17, 1970, pending delivery of the first Dash-500 on October 17. Sadia, S.A. begins flying its owned jetliner, nicknamed *Jatao* (Big Jet) over revenue routes just before the end of the month.

Additional BAC 1-11-500s (seven will eventually be received) are placed on the longer route segments throughout 1971. Headquarters are moved to Brazilia in the spring of 1972 and in June, the carrier is renamed **Transbrasil S.A. (Linhas Aereas)**.

SADIA-TAS, S.A. See **SADIA, S.A.**

SAE SWE AVIATION EUROPE, A.B.: P.O. Box 47, Malmo-Sturup, SE-23032, Sweden; Phone 46 (0) 40 408550; Fax 46 (0) 40 408559; <http://www.sae.se>; Year Founded 1996; This small charter operation is founded by Managing Director Jan Fahlen in July 1996 as a division of Varnamo-based Swetrail Group. The concern is comprised of three divisions: flight operations, technical department (JAR 145 maintenance), and sales. Passenger and cargo charters are operated with a single Fokker F.27 Friendship.

During the spring of 2000, a scheduled daily roundtrip route is opened between Goteborg and Hanover. This new service is temporarily suspended on November 1.

SAEAGA AIRLINES, LTD.: Malaysia (1995–1998). Based at Kota Kinabalu, Malaysia, Saeaga is established in December 1995 by Airtrade Aviation Consultants, Ltd. of Singapore and EEA Malaysia, Ltd. The owners represented by Airtrade include the hotel concern Ekran Sdn. Bhd., which also operates **Sabah Air (Penerbangan Sabah Sdn. Bhd.)** and Ekran Air Sdn. Bhd. as well as the Malaysian states of Sarawak and Sabah.

A de Havilland DHC-8-202 is acquired and on February 15, 1996 makes a route-proving flight from Kuala Lumpur International Airport in Subang to Kuching via Langkawi. The aircraft is flown by Canadian pilots Capt. Eric Dumond and Gaetan Viens and in addition to government and airline officials, has all five of the company's first-hire flight attendants aboard, all retired from **Saudia (Saudi Arabian Airlines)**.

The carrier now receives its charter license from the Department of Civil Aviation and begins, at month's end, nonscheduled flights to Manado in north Sulawesi, Indonesia, and to the southern Philippine communities of Davao and General Santos.

Another Dash 8, a Mark 315, is also purchased during the first quarter, along with a Canadair CRJ-100 Regional Jet. Saeaga, the first airline operator outside of Canada to fly both the Dash 8 and CRJ, begins scheduled services in April.

Services continue apace during the remainder of the year and in 1997, with visits paid to Balikpapan, Bangkok, Davao City, Labuan, Macau, Menado, and Sabah, Sarawak, Subic Bay plus smaller communities in the Indonesian provinces of Sulawesi and Kalimantan and in the southern Philippines.

As a result of the regional economic downturn, the company suspends operations in March 1998. Plans are made to restart, but cannot be implemented.

SAEP (SERVICIOS AEREOS ESPECIALIZADOS EN TRANSPORTES PETROLEROS, S.A.): Ave. El Dorado Entrada, No. 13. Bogota, Colombia; Phone (019) 413-5408; Fax (019) 413-5434; Year

Founded 1980). SAEP is established in 1980 to provide passenger charters for the oil companies operating in Colombia. A fleet of 5 Douglas DC-3s is purchased from the Ecuadorian Air Force and employed to begin revenue services.

Flights continue without incident until February 8, 1986. While en route from Bogota to Rondon on that day, a DC-3 with two crew and three passengers loses power. While attempting to turn back for an emergency landing at its point of origin, the plane crashes and bursts into flame. All aboard are safely evacuated.

Service resumes and is maintained over the next 14 years with a mix of DC-3s and a pair of Antonov An-32Bs imported from the Soviet Union before its demise.

SAESA (SERVICIOS AEREOS ESPECIALES, S.A. de C.V.): Mexico (1960–1977). SAESA is organized on March 28, 1960 with the single purpose of serving as the contract carrier for the return of Mexican citizens deported from the United States. One Douglas DC-3 and 2 Curtiss C-46 Commandos are acquired. Under contract to the U.S. DOJ, initial flights are undertaken between Reynosa and Leon; in 1962–1963, Matamoros and Ciudad Juarez also become deportee destinations.

Scheduled commercial service begins on March 1, 1964, Mexico City to Reynosa via Poza Rica. At this point, the carrier purchases and merges **LAUMSA (Lineas Aereas Mexicanas Unidas, S.A. de C.V.)**. Deportation flights continue into 1965–1966; in December of the latter year, four DC-6s are acquired from **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)**.

The workforce in 1967 totals 64. The fleet now includes 4 DC-6s, 1 DC-3, 2 Curtiss C-46As, and 1 Piper PA-23 Aztec. Enplanements for the year total 110,000.

In 1968, the government threatens to suspend the airline, but instead, takes it over and makes it an **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)** associate, taking away its private S.A. status, along with its independence.

En route from Tampico to Reynosa on October 30, a C-46A with 32 passengers is hijacked to Brownsville, Texas, where the lone gunman surrenders to U.S. Immigration Service personnel. The aircraft is allowed to return and the assailant is extradited back to Mexico, where he is tried and sent to prison.

A DC-3 with 4 crew and 22 passengers crashes into the mountains near Ciudad Victoria, Mexico, on December 31; there are no survivors.

On May 22, 1969, the route network of **Aeromaya, S.A. de C.V.** is acquired and with two Hawker Siddeley HS 748s, the company begins flying to Yucatan destinations on behalf of its parent. The C-46s are now withdrawn.

Several new Hawker Siddeley HS 748-2As are acquired as operations continue apace in 1970–1971. The DC-6s are returned to **Aeromexico (1) (Aeronaves de Mexico, S.A. de C.V.)** during the former year; when the major cannot sell them, they are passed to the Fuerza Aerea Mexicana (Mexican Air Force) for use as transports.

En route from Chetumal to Mexico City with 5 crew and 18 passengers, one of the new British-made turboprops crashes into the jungles of the Yucatan, near Chetumal, 40 km. from its point of origin on January 6, 1972; there are no survivors.

Another HS 748-2A with three crew is damaged beyond repair as the result of a bad landing at Acapulco on July 28, 1973; there are no fatalities.

Service is maintained until 1977 when SAESA ceases operations and is liquidated.

SAETA (COMPANIA ANONIMA ESPANOLA DE TRANSPORTE AEREO, S.A.). See **IBERIA SPANISH AIRLINES (2) (LINEAS AEREAS DE ESPANA, S.A.)**

SAETA (SOCIEDAD AEREA DE TOLIMA, S.A.): Colombia (1947–1952). Capitalized at 570,000 persons, a group of investors from the Tolima province capital of Ibague form SAETA as an independent passenger airline in early 1947. Shareholding is held by local interests

(70%) and **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** (30%). Three ex-military Douglas C-47s (converted to DC-3 civil standard) are purchased, with two more arriving in **1948**.

Services are launched to various destinations within the province and to the cities of Bogota and Medellin. Caribbean coastal destinations are added to the route network in **1949–1951**, along with a stop at Girardot.

A C-47 with 3 crew and 29 passengers is lost at Bogota on August 13 of the former year; there are no survivors.

Unable to compete economically, the carrier is forced to sell out to **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** in **1952**.

SAETA (SOCIEDAD AEREA ECUATORIANA DE TRANSPORTES AEREOS, S.A.): Ecuador (1966–2000). Former army colonels Eduardo Sandoval and Carlos Najera put together a group of investors in late **1966** and found SAETA at Quito, registering it in January **1967**. After obtaining a Piper PA-23 Aztec, the operators inaugurate charter services to Cuenca in March.

Nonscheduled domestic operations continue in **1968**; however, scheduled flights begin in **1969** and the route network is expanded to also include stops at Sucua, Macas, and Pastaza.

In April **1970**, two Vickers Viscount 785Ds are purchased from **Alitalia, S.p.A.** and join the company's Piper and two Douglas DC-3s in expanding frequencies, opening new routes to Guayaquil, Esmeraldas, and Tulcan, and increasing traffic.

A Vickers Viscount 785D is damaged beyond repair when it overruns the runway while landing at Cuenca, Ecuador, on June 3; there are no fatalities.

En route from Quito to Cuenca on October 20, **1971**, a Viscount 785D with 35 passengers is taken over by four men and two women, who order it flown to Cuba.

Passenger boardings for the year total 58,000.

Service continues apace in **1972–1974**.

Alitalia, S.p.A. sells the carrier three of its Sud-Est Caravelle VINs in **1975**. These are employed, beginning in July, to operate a shuttle service that is not unlike the famed **Eastern Air Lines** shuttle operation in the U.S. Every 35 minutes, flights are launched between Simon Bolivar Airport at Quito and Mariscal Sucre Airport at Quito.

A Viscount 785D with 4 crew and 55 passengers disappears on an August 15, **1976** flight from Quito to Cuenca; no wreckage or bodies is ever found. A Viscount 764D with 4 crew and 29 passengers crashes into a mountain near Cuenca on September 4, **1977**; there are no survivors.

On January 18, **1978**, a Viscount 785D en route from Quito to Guayaquil with 60 passengers is taken over by a man and a woman, who order the turboprop diverted to Havana.

En route from Quito to Cuenca on April 23, **1979**, a Viscount 785D with 5 crew and 52 passengers disappears over Pastaza Province. The wreckage will be found in 1984 on high ground, 25 nm. off course.

Services, including contract charter work, are maintained during **1980** and airline employment grows to 105. A Boeing 727-31 first operated by **Trans World Airlines (TWA)** is added, replacing the propeller equipment.

Passenger boardings in **1981** total 189,000 and in **1982**, 195,400. In the latter year, a \$713,575 operating profit is generated.

The number of employees is increased by 4.8% in **1983** to 110 and the fleet now includes 2 SE-210s and 1 B-727-31.

Customer bookings climb 4.2% to 197,395 and revenues advance 8.1% to \$4 million. With expenses under \$3 million, the carrier is able to post an operating profit of \$1.1 million.

Eight new employees are hired in **1984**. Enplanements swell 22.4% to 241,655 and revenues climb 3.7% to \$4.2 million. Expenses jump 22.3% to \$3.6 million, but still allow an operating profit of \$605,128. Net profit improves by 27% to \$70,530 and comes atop an operating gain of \$605,128.

The workforce grows 13.6% in **1985** to 134 and the fleet still includes 1 B-727-31 and 2 Caravelles. Cargo charters are undertaken to Panama, Curaçao, and Colombia with a leased Boeing 707-373C.

Passenger boardings jump 19.7% to 289,296 and revenues rise 23.5% to \$5.2 million. Costs are held to a point where an operating profit of \$1.4 million is generated and net gain of \$607,180 is banked.

Operations continue apace in **1986–1989**. The Caravelles are withdrawn and during the latter year the fleet includes 1 each B-707-373C, B-727-31, and B-727-95. Biweekly international B-727-31 service is begun from Quito and Guayaquil to Miami in May **1988**. A B-727-282A is purchased in **1991**. A leased Airbus Industrie A310-304 is acquired in **1992** and flights are inaugurated to New York via Miami. Two B-737s are also received, one each Dash-2Q8A and Dash-219A.

In **1993**, President Roberto Dunn Barreiro's airline employs 450 workers and places orders for another Airbus. Routes served include Quito to Guayaquil, Quito to Miami via Guayaquil, and Quito to New York via Guayaquil. The latter two services are taken over from **Ecuadoriana Airlines, S.A.** Permission is sought to provide flights from Quito to Los Angeles, again via Guayaquil. Cargo charters are flown to Colombia, Curaçao, and Panama.

After signing a marketing alliance with **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** in July, a joint code-sharing roundtrip service is inaugurated in September and October from Bogota to Cuzco via Guayaquil. When **Ecuadoriana (Compania Ecuatoriana de Aviacion, S.A.)** suspends operations, its Ecuador–U.S. route is assigned to SAETA.

The company joins with private Paraguayan investors calling themselves the Skies of America group during September **1994** to offer a bid for the remnants of **LAP Paraguayan Airlines, S.A.**, now being privatized. In October, the group suggests \$22.1 million as compensation for an 80% stake, a figure that is accepted by the Paraguayan government. The first of three former **Mexicana Airlines, S.A. de C.V.** A320-232s is leased from ILFC in December; it begins flying to Miami with LAPSA titles painted on one side and SAETA on the other.

Passenger boardings during the 12 months total 945,348 and revenues are \$92.52 million. There is a \$26.24-million operating profit and a net gain of just \$22,000.

Airline employment is decreased by 6.6% in **1995** to 960. Three Airbus Industrie A320-232s are received, two of which are leased to the reborn **LAP Air Paraguay, S.A.**; two B-737s are also leased to the new Paraguayan carrier. SAETA inaugurates new service to San Jose and Panama City. A route-specific code-sharing agreement is inked with **Carnival Air Lines** in November.

Enplanements dip 0.6% to 891,838, but revenues advance 8.4% to \$101.23 million. Costs climb 18% to \$79.24 million and allow an operating gain of \$21.99 million and a much larger net profit of \$2.75 million.

The workforce is cut another 37.5% in **1996** to 600. Flights begin to Santiago de Chile and La Paz, Bolivia.

Nevertheless, customer bookings still slide to 834,000. The operating profit jumps to \$37.98 million and a tiny \$14,000 net profit is noted.

The employee population slides another 1.6% in **1997** to 992.

A B-727-251 with three crew is badly damaged when it lands 200 m. short of the runway on the Galapagos Islands on August 22; there are no injuries reported.

An alliance is signed with **Pan American World Airways (2)** on November 3; it will allow passengers of the U.S. carrier to connect at Miami with SAETA flights to Quito and Guayaquil, while customers coming north may smoothly exit onto Pan Am flights.

Passenger boardings accelerate 11.5% to 876,997. Operating revenues plunge 19.2% to \$77.5 million. Expenses fall 10.7% to \$51.81 million. The operating profit falls to \$25.69 million and there is a \$1.51-million net loss.

Destinations visited in **1998** include Bogota, Buenos Aires, Caracas, Curaçao, Guayaquil, Esmeraldas, Lima, Los Angeles, Mexico City, Miami, New York, Panama, Quito, and Santiago de Chile.

The dual-designator alliance with **Pan American World Airways (2)** is put on hold when that company declares bankruptcy during the spring.

A homepage is opened on the Internet's World Wide Web at the end of the year.

Customer bookings slide to 695,000.

By the beginning of **1999**, airline employment has been cut 34.4% to 651.

As it has for several years, the operational and economic situation continues to deteriorate and the chances of survival now appear grim. In October, the carrier attempts to switch to cheaper aircraft on its Miami route. Because Ecuador is rated Category II (safety) by the FAA, the U.S. government refuses to grant the necessary permission.

Customer bookings for the year plunge 47% to 400,000.

A total of 453 workers are employed at the beginning of **2000**, a 30.4% decline over the previous 12 months. In February, the company's partner stops accepting SAETA tickets for lack of payment, forcing the airline to stop flying over its domestic mainstay route from Quito to Guayaquil. Unable to face rising fuel bills and continue under a mountain of debt, SAETA now closes its doors.

SAFAIR (PTY.), LTD.: P.O. Box 938, Kempton Park, 1620, South Africa; Phone 27 (11) 928-0000; Fax 27 (11) 395-1314; <http://www.safair.co.za>; Code FA; Year Founded 1988. When **Air Cape (Pty.), Ltd.** is purchased in August **1988** and merged, the "Freighters" portion of the **Safair Freighters (Pty.), Ltd.** name is now inappropriate. Consequently, the carrier is renamed Safair (Pty.), Ltd. in September. Braam Loots is appointed managing director.

Employing the Air Cape British Aerospace (HS) 748-B2s and Swearingen Merlin IVAs, the defunct airline's passenger services are maintained during the remainder of the year and into **1989** and beyond. Flights are offered from Cape Town to Port Elizabeth via Oudtshoorn, George, and Plettenberg Bay and from Cape Town to Walvis Bay via Alexander Bay and Luderitz.

Another Boeing 707-344C joins the fleet in **1990** followed by a British Aerospace BAe-146-100QT freighter in **1991**.

A BAe 146-200QC arrives on September 22, **1992**. The QT and QC operate overnight freight and parcel services around the nation. Under an October agreement with **Transkei Airways (Pty.), Ltd.**, they fly passengers during daylight hours between Johannesburg and the Transkei capital of Umtata.

Also during the year, the number of Hercules freighters is reduced to 10 and of these, 5 are leased: 1 to the French operator **Jet Fret, S.A.**, 1 to **TAAG Angolan Airlines, S.A.**, and 3 to **Transafrik, S.A.** of São Tome.

In an arrangement between the company and Russia's Ecotrends, Safair is contracted on September 4 to market and manage a wide range of Russian and Ukrainian aircraft in southern Africa. The agreement will not last long, but does allow the company to give consideration to operation of the Antonov An-124. One such machine is employed to operate a test charter from Jan Smuts Airport, Johannesburg, to Moscow, transporting products on behalf of the Hanover, Germany-based concern Marvol.

In **1993-1994**, Chairman Ralph Boettler and Managing Director Piet J. van Arwgen oversees a workforce of 525 and a fleet that now includes 1 BAe 146-100QT, 1 BAe 146-200QC, and the 10 Hercules freighters, leases on 5 of which are continued as earlier. Domestic markets now regularly visited by freighter and passenger turboprops include Cape Town, Durban, East London, George, Walvis Bay, Port Elizabeth, and Johannesburg.

The fleet is altered in **1995-1997**. Gone are the BAe 146s, replaced by one B-727-23F and three B-727-230As. Of the latter, one is leased out to **Transafrik, S.A.** and another to **Sun Air (Pty.), Ltd.** The third is sold, along with a Hercules, to **NWT Air, Ltd.**

In order to concentrate on its oil and defense business, Hunting, plc, in late June **1998** sells its subsidiary airline **Hunting Cargo Airlines, Ltd.** to a consortium consisting of Safair and Compagnie Maritime Belge, S.A. for \$14.7 million. The new owners, led by Chairman Ludvig Criel and CEO Hugh Flynn, transfer the airline to Ireland and register it as **Air Contractors (Ireland), Ltd.** Hunting, meanwhile, negotiates the separate sale of its five remaining L-188CFs.

With a fleet of 6 hush-kitted Boeing 727-200s and 5 Airbus Industrie A300B4Fs, **Air Contractors (Ireland), Ltd.** resumes flying shortly be-

fore Christmas. Over the next three years, it will undertake regular and ad hoc charters throughout Europe and the Mideast, with emphasis on the transport of overnight parcels under contract to **United Parcel Service (UPS)** and **Federal Express**.

Also in December, Safair, itself, is sold to Imperial Holdings for \$40 million.

The company retains its position in **1999** as a leading southern Africa aircraft charter and leasing company. That status is further enhanced in July when **National Airlines (Pty.), Ltd.** is taken over. It is allowed to continue operations under its name as before. The B-727 fleet at year's end includes 1 Dash-23F, 6 Dash-230As or AFs, and 1 each Dash-294A and Dash-232AF. Three B-727-230As remain on lease to **Comair (Commercial Airways [Pty.], Ltd.)** as they have since 1996. In addition, the "classic" B-737 fleet includes 1 Dash-2L9A, 2 Dash-230As, and 3 Dash-236As. Two MD-81s and 5 MD-82s are also on hand. None of these is seldom off lease to one African carrier or another.

A total of 306 workers are employed at the beginning of **2000**. On January 6, a McDonnell Douglas MD-82 is leased to **Dinar Lineas Aereas, S.A.** and departs for service with the airline in Argentina. Two days later, a Lockheed L-100 Hercules, returning to Darwin, Australia, after a UN-sponsored charter to East Timor, is forced to make a belly landing after its main landing gear fails to deploy.

On February 22, the first of two MD-82s is sent to **Air Liberte, S.A.** on a four-year lease. Two more Hercules freighters are wet-leased to the East Timor operation on February 29. The second **Air Liberte, S.A.** is delivered on March 14.

On May 6, an L-100-30 is wet-leased to the UN and departs for Kinshasa on a long-term contract in the Democratic Republic of the Congo. Also during May, a number of B-737s are purchased from and leased back to **Comair (Commercial Airways [Pty.], Ltd.)**.

An R500-million deal is concluded with **South African Airways (Pty.), Ltd.** on May 31. Under terms of the arrangement, which is revealed on June 7, SAA sells its entire fleet of 13 B-737s (11 Dash-244As and 2 Dash-244AFs) and then leases them back. SAA will not only operate the aircraft, but maintain them as well. With over 40 planes, Managing Director Ralph Bottger is pleased to inform the press that Safair is now the largest aircraft leasing and charter firm in Africa.

On July 12, two ex-**Austrian Airlines, A.G.** McDonnell Douglas MD-82s are acquired; arrangements are completed to lease them to **Air Liberte, S.A.** and all will be in French service by the end of the year.

On August 16, a deal is struck to charter a pair of former **Sun Air (Pty.), Ltd.** MD-81s to Florida-based **Spirit Airlines** for delivery before Christmas. At the same time, it completes the wet-lease of an L-100 Hercules to **Federal Express (FedEx)**, which will operate the turboprop freighter in Europe.

At the Africa Aerospace Defense Show on September 6, the airline announces its intention to acquire 10 Next Generation B-737-700s.

A B-737-230A, previously out on lease to **Croatia Airlines**, is chartered to **South African Airways (Pty.), Ltd.** on November 17. On December 11, the company places firm orders for two Next Generation B-737-700s as part of the plan announced in September. Under terms of the agreement, Boeing and engine-maker CFM International will help Safair expand its existing training and maintenance service facilities.

SAFAIR FREIGHTERS (PTY.), LTD.: South Africa (1969-1988). The brainchild of South African Marine Corporation (Pty.), Ltd. (Safmarine) Chairman Dr. G. S. Kushke, this freight line is formed in March **1969** as a subsidiary of that concern to provide international and domestic charter and contract air cargo service. Following delivery of the first of a fleet of Lockheed L-100-20 Hercules freighters, christened **Boland**, revenue services are started in September **1970** from a base at Johannesburg's Jan Smuts Airport.

When the terms of the company's operating license are found to be prohibitively restrictive, consideration is given at the end of **1971** to closing down. This is avoided in March **1972** when a contract is received to initiate a daily Johannesburg to Port Elizabeth via Durban

freight run on behalf of **South African Airways (Pty.), Ltd. (SAA)**. The company will become the world's largest commercial operator of the "Herk."

Revenue services are maintained throughout the **1970s** and **1980s** and the fleet comes to comprise 16 L-382G Hercules turboprops and 2 Boeing 707-344Cs, the latter purchased from SAA in October **1985**. Domestic destinations include Port Elizabeth, Johannesburg, and East London; an international route is maintained to Lilongwe in Malawi. The Hercules are occasionally leased out and some mount long-haul, over-ocean contract flights as far as Canada. Enplanements total 250,000 passengers in **1987**. **Air Cape (Pty.), Ltd.** is purchased in August **1988** and incorporated; with the "cargo" name now inappropriate, the carrier is re-named **Safair (Pty.), Ltd.** in September.

SAFAIR LINES (PTY.), LTD.: South Africa (1989–1991). With G. A. Nortie as general manager, Safair Lines (Pty.), Ltd. is organized at Malan Airport, Cape Town in **1989** as a rebirth of **Air Cape (Pty.), Ltd.** and the noted onetime charter operator **Trek Airways, Ltd.** Outfitted with a fleet comprising 2 Convair CV-580s and 1 Partenavia P.68B, the reborn pioneer now initiates scheduled passenger and cargo services to Oudtshoorn, George, Port Elizabeth, Alexander Bay, Luderitz, and Bloemfontein. A stop at Walvis Bay is added in **1990**.

In October **1991**, Nortie's airline is reorganized and resumes services under the name **Flitestar (Pty.), Ltd.**

SAFARI AIR SERVICES, LTD.: P.O. Box 4151, Nairobi, Kenya; Phone 254 (2) 334046; Fax 254 (2) 503024; Year Founded 1963. Kenya's largest nonscheduled operator, **Campling Bros. & Vanderwal, Ltd.**, is sold to the U.S. concern Blackwell Enterprises of New York City in June **1963** for £120,000. James R. Kelly is named managing director and the company provides FBO services (maintenance, flight training, overhaul) at Wilson Airport.

A scheduled service to local tourist destinations begins in **1966**. These small-scale flight operations are maintained for the next 32 years.

By **1991**, Managing Director L. O. G. Svensson's small 40-employee commuter flies to various resorts and national animal reserves on a scheduled basis. The fleet comprises 3 Cessna 402s and 4 Cessna 404 Titans.

Operations continue in **1992–2000**, during which years a Piper PA-34 Seneca also enters service.

SAFARI AIRWAYS, LTD.: India (1971–1980). A division of JK Chemicals, Ltd., itself a subsidiary of the JK Organization, SAL is formed at Bombay in the summer of **1971** to offer passenger and cargo charter flights. With an initial fleet comprising 2 Douglas DC-3s, 1 Beech 18, and 1 Cessna 310, revenue flights are undertaken beginning in November.

Low-key operations are continued throughout the remainder of the decade. Rising expenses (led by radical fuel price increases) and declining traffic cause JK Chemicals, Ltd. to withdraw its flight services in **1980**.

SAFE AIR, LTD. (STRAITS AIR FERRY EXPRESS, LTD.): New Zealand (1951–1990). **Straits Air Ferry Express, Ltd.** is formed at Blenheim in **1951** to provide passenger and cargo charters, with emphasis on the latter, between the nation's North and South Islands. The fleet is expanded in **1952** to include 15 Bristol 170 Mk. 31 freighters. On March 1, **1954**, two Bristol 170s set a one-day freight record of 163.5 tons hauled between the major islands.

After an uneventful **1955–1956**, a Bristol 170 fails its takeoff from Christchurch on November 21, **1957** and crashes (two dead). Business is conducted on a low-key basis for the next 7 years with freight ton mileage rising to 2.78 million by **1964**.

The workforce in **1965** stands at 115 while the fleet comprises 7 Bristol 170 Mk. 31s, with 4 more on order. These transport 3.89 million ton-miles of cargo. Two Hawker Siddeley Argosy 222 freighters are acquired in **1966**.

In **1967**, the carrier is given the new marketing name **SAFE Air, Ltd.** Airline employment is **1968** is 140. A route is added to Hapupu in the Chatham Islands.

Freight ton-mileage climbs to 4.34 million. Some 2,800 passengers are also flown. Operations continue apace for the remainder of the decade and into the next.

The workforce by **1972** is 184 and the fleet includes 11 Bristol 170s. In December, **SAFE** is taken over by the **New Zealand National Airways Corporation, Ltd.**, becoming a wholly owned subsidiary that is allowed to operate under its previous identity.

During the year, freight ton-miles flown increase by 5.2% to 5.39 million.

Operations continue apace in **1973–1974**. The workforce in **1975** is 193. A total of 11,76 million FTKs are operated.

Employment is increased by three people in **1976**. Cargo, on the other hand, balloons up 13.8% to 13.64 million FTKs.

In **1977**, the fleet includes 11 Bristol 170 Mk. 31Es and 2 Argosies.

When NANAC is merged into **Air New Zealand, Ltd.** on April 1, **1978**, this subsidiary is passed along as well. Under the new owner, it is still allowed to maintain its separate identity, flying as a division. Nonscheduled cargo services continue to be operated throughout the nation on behalf of the owner as well as the New Zealand Post Office and New Zealand Railways. President J. Sawers' fleet now includes 13 Bristol Freighters and 2 Argosies.

Between **1979** and **1986**, Air New Zealand's DC-8-54F is transferred to the **SAFE Air** fleet and 8 Bristol 170s are retired.

A ninth Bristol 170 Mk. 31E with two crew and two passengers is destroyed as the result of a bad landing at Woodborne, New Zealand, on January 14, **1981**; there are no fatalities.

Weeknight cargo services are flown under charter from Auckland to Christchurch by an **Air New Zealand, Ltd.** Boeing 737-200QC.

Operations continue apace in **1987**, with the last Bristols withdrawn.

In **1988**, General Manager W. R. Tanno's two Argosies busily ply their cargos between Christchurch, Wellington, and Chatham Island.

Operations continue apace in **1989**; however, the same cannot be claimed for **1990**. Following Iraq's August 2 invasion of Kuwait, costs, led by fuel prices, spiral upward. Unable to maintain its viability, **Air New Zealand, Ltd.** closes down the **SAFE Air** division in the fourth quarter.

SAFEWAY. See **SOUTHERN AIR FAST EXPRESS**

SAFEWAY AIRLINES: United States (1964–1968). Safeway Airlines is established at Anchorage, Alaska, in the early fall of **1964** to provide scheduled air taxi and contract service flights to local destinations. Revenue flights commence on November 9 with Piper lightplanes and continue until the company fails in **1968**.

SAFIRAN AIRLINES: 2nd Floor, 130 G M Farahani Ave., 44 Esfandiar Blvd., Vali-e-Asr Ave., Tehran City, 15869, Iran; Phone 98 (21) 883-0215; Fax 98 (21) 885-9550; Code SFN; Year Founded 1988. Safiran is set up at Tehran in **1988** to offer international and regional cargo charters. Shareholding is divided between Mohammad Ali Habibian, Mohammad B. Nahvi, T. Hasselian, M. J. Nahvi, Mrs. S. Arabi, and Alirez Azereza Alarpajooh. The first named Nahvi is chairman, with Habibian as managing director and Alarpajooh as senior vice president. Nonscheduled flights commence with three Airbus Industrie A300B4-203s.

A decade later in **1998–2000**, the company, although remaining in the freight business, has changed its emphasis somewhat. Safiran now specializes in international cargo services, especially in outsized loads. The fleet now includes 2 giant Antonov An-124-100 Ruslans, leased out of Russia, as well as 1 Boeing 707F.

SAGAWA HELICOPTER EXPRESS, LTD.: Shinkiba, 4-chome, Koto-ku, Tokyo, Japan; Phone 81 (3) 5569 2023; Fax 81 (3) 4469

2025; Year Founded 1989. When the Sagawa-Kyubin Group begins a same-day express delivery service in 1988 that employs helicopters, it rapidly finds that the cost of using chartered helicopters is extremely high. For example, contractors charge some ¥ 3,000 per kilogram on the carrier's major route between Tokyo and Osaka.

After a year of unprofitable flights, the company in the spring of **1989** determines that it will be far less expensive to operate its own helicopters. To handle them and to build a network throughout the nation, it will construct heliports at its truck terminals. It will also purchase an already existing rotary-wing operator, rather than start a flight service from scratch.

On October 25, Tokyo-based New Japan Domestic Airline, Ltd. (Shin Nihon Kokunai Koku) is purchased for ¥ 4.5 billion. The deal includes a fleet of 22 helicopters and facilities in Tokyo Heliport. New Japan is renamed Sagawa Helicopter Express and New Japan's pilots and mechanics, who have been invited to transfer over, are its workforce.

Operations continue apace over the next decade. By **1997–2000**, President Hirofumi Maeda oversees a fleet that includes 2 Aerospatiale SA-315B Lamas, 5 Bell 206B JetRangers, 13 AS-350B Squirrels, 2 Bolkow B-117s, and 2 Sikorsky S-76Cs.

SAGITTAIR, LTD.: United Kingdom (1969–1972). Late in **1969**, Stephen Quento founds Saggitair, Ltd. at London as a charter operation. Two Beech 18s are purchased in February **1970**, followed by a third in April. Revenue services commence on May 27 with a newspaper delivery flight from the company's London (LHR) base to Geneva. Contract cargo and air freight services to various Continental destinations occupy the carrier for the remainder of the year.

An Armstrong-Whitworthy AW.650 Argosy freighter is purchased in January **1971**, followed by two more in April and August, respectively. While they undergo overhaul, Sagittair's Beechcrafts participate in the delivery of mail from the U.K. to the Continent during the British postal strike. Twice-weekly scheduled all-cargo Argosy service is inaugurated to Lille on November 9, in addition to various ad hoc charters both by the Beech 18s and the heavier aircraft. Scheduled Argosy freight service to Guernsey begins in December.

Operations continue in **1972**; however, the carrier begins to encounter financial difficulties early in the year. Failure to pay debts owed **Midland Air Cargo, Ltd.** results in the seizure of an Argosy in May. In early July, a British dock strike allows a slight upturn in business, but reprieve is insufficient to deflate cash-flow problems.

Sagittair ceases operations on July 28; however, additional capitalization is found, allowing a resumption of service on August 4 with Argosy produce flights from Guernsey to Hurn. Operations cease a second time on September 8, this time for good.

SAGITTAIR, S.p.A.: Italy (1990–1991). The Italian air taxi **Aerotaxi Sud, S.p.A.**, based at Naples, changes its name in **1990** in order to begin offering package tour flights from its base, as well as Rome and Milan. Revenue service is inaugurated with a pair of British Aerospace BAe 146-300s.

Operations continue apace until September **1991**. Having lost its economic viability in a time of recession, the nonscheduled operation is forced to shut down.

SAHA AIRLINES: P.O. Box 13445-965, Tehran, Iran; Phone 98 (21) 669-6200; Fax 98 (21) 669-8016; Code IRZ; Year Founded 1990. SAHA is set up at Tehran in **1990** to offer domestic charter services, both passenger and cargo. General H. Pakbonyan is placed in charge and is provided with a large fleet of Boeings and Fokkers, including 4 B-707-3J9Cs, 2 B-747-2J9Fs, and 2 B-747-131Fs, plus 2 Fokker F.27-400Ms and 2 F.27-600s. The Jumbojets and Stratoliners had previously been operated by **Iran Air**.

Flights continue during the remainder of the decade. Domestic passenger service is operated, along with worldwide cargo charters to all points except Israel and the U.S. As Iran gradually wins greater Western acceptance, it begins to provide traffic figures.

Despite a jammed landing gear, a B-707-3J9C with 160 passengers is able to make a safe landing at Kish on February 11, **1998**, following a service from Tehran. Enplanements for the year total 179,000. Customer bookings dip 0.5% in **1999** to 171,000.

SAHAKOL AIR (SAHAKOL AIR COMPANY, LTD.): Thailand (1968–1986). This charter operator is formed at Bangkok as the air taxi division of Bangkok United Mechanical Company on December 23, **1968**. Revenue passenger and cargo flights in addition to contract service work begins early in **1969** with a Piper PA-31-310 Navajo christened *Trade Wind*.

Over the next 15 years, the company provides service to OICC, an American construction company, USOM, and a number of other organizations engaged in oil and natural gas exploration in the Gulf of Thailand.

Although authority is obtained in **1985** to begin scheduled services linking the capital with points on the Malay Peninsula, Samui Island, and Surin, the right is not exercised. The company is reformed into **Bangkok Airways, Ltd.** during the first week of January **1986**, with Dr. Prasert Prasarttong-Osoth becoming president/CEO.

SAHARA AIRLINES, LTD. See AIR SAHARA, LTD.; SAHARA INDIA AIRLINES, LTD.

SAHARA AIRLINES, S.A.: Cite Ezzahara, Touggourt, Quargla, Algeria; Code 6S; Year Founded 1999. Sahara is established by private Algerian investors in late 1999 to offer domestic services around the huge North African nation. Revenue flights begin with a pair of Fairchild-Hiller FH-227s.

SAHARA INDIA AIRLINES, LTD.: India (1993–2000). This new entrant is established by its president, S. Roy Sahara, at Bombay on September 20, **1991**, to begin new scheduled services to India's regional markets. The company is a subsidiary of Sahara India Pariwar, a corporation with interests not only in aviation, but also in banking, housing, mass communications, consumer products, and export. Uttam Kumar Bose is named CEO, with Capt. S. P. S. Sandhu as operations manager. A permit is sought to begin scheduled airline flights.

Employing a pair of leased jetliners, one each Boeing 737-2U4 and B-737-2R4CA, the company inaugurates frequencies on December 3, **1993**, linking its base with Delhi, Calcutta, and Bangalore.

While practicing touch-and-go landings at New Delhi on March 8, **1994**, a B-737-2R4C with four crew crashes and slides into a parked **Aeroflot Russian International Airlines (ARIA)** Il-86 that is being serviced. All aboard the Sahara aircraft are killed, along with four ground crew.

The company now operates to 10 domestic destinations. The government in November grants a special exemption from its ban on aircraft imports and allows Sahara to import a pair of leased B-737-4Q8s.

The number of destinations served reaches nine during **1995**.

Operations continue apace in **1996** and two more B-737-4Q8s are leased in November. The workforce climbs to 1,450.

During the spring of **1997**, the company places a \$25-million order with Eurocopter for four helicopters, three AS-355Fs and an AS-365N Dauphin. Arrangements are also made to lease three more B-737-4Q8s.

At the same time and with a 10-year lease finance deal from Indian banks, orders, valued at \$65 million, are sent to Aero International (Regional) for five ATR42-500s, with options for two others.

Traffic figures are released through July. These show customer bookings up 42.5% over the same period a year earlier, to 197,866. Freight skyrocketed 71.1% to 3.25 million FTKs.

During the summer, the four Boeing jetliners receive a \$2-million makeover that includes a new exterior paint job and an interior facelift. Twelve economy-class seats are removed in order to expand the business-class cabins, increasing seat pitch and leg space. New carpets, seat-covers, and curtains are also provided. At the same time, Club Crown, a frequent flyer program for corporate travelers, is introduced.

Beginning in October, the new rotary-wing fleet is employed to fly on tourist and feeder routes between Patna, Bodh Gaya, Jaipur, Jodhpur, Jaisalmer, Bombay, and Pune.

It is announced by *The Hindustan Times* on November 26 that the carrier has won the 1997 "World Travel Market" award for the quality of its service within the Indian airline market.

The ATR42-500s arrive during November and December. Two are based at Delhi, two in Bombay, and one in Calcutta. They are deployed from those cities to connect feeder communities with the carrier's main trunk routes. Enplanements total 436,050.

Flights continue in 1998. Airline employment stands at 1,700 and 1,280 offices are operated around the country.

CEO Bose over sees the introduction of a new premium-class service as well as a drive to boost its frequent flyer program and various new public relations campaigns. Customers in business-class seating are now given a choice of Italian, Chinese, Mexican, or Thai food.

Plans are finalized for a major fleet expansion over the next year. It is announced on December 3 that, with government approval, the carrier will add 10, 70-seat turboprops, 2 Next Generation B-737-700s, and 2 helicopters before the end of 1999. The single largest capacity hike by an Indian domestic private airline will enable Sahara to increase its route network significantly.

On December 15, Chief General Manager Kapil Kaul reports that Sahara has installed airborne collision avoidance systems (ACAS) on three of its aircraft. It will be installed on the remaining aircraft before the December 31 government deadline.

Passenger boardings accelerate 14.5% to 510,000, but cargo traffic falls 11.7% to 7.41 million FTKs. Revenues climb 10.5% to \$87 million.

While en route to Bangalore on January 8, 1999, a B-737-4Q8 suffers a complete electrical failure. Using its reserve system, the little Boeing is able to make a safe emergency landing at Bhopal. Such incidents are, reportedly, rare.

Parvez Damania, former CEO of the defunct **Damania Airlines, Ltd.**, becomes the new commercial director on March 15. He announces that Sahara will soon wear a "human face" and offer additional price breaks and improved service in an effort to gain market share.

A fare war is started by Sahara on April 1 over the lucrative Delhi to Bombay route. Sahara offers thrice-daily service compared to **Indian Airline, Ltd.**'s 10 flights, but all are deep-discount, no frills. Fares are cut by 15%-20% in hopes that greater passenger loads will bring profits. **Jet Airways, Ltd.**, which operates eight flights either way between the two cities, is forced to join in.

The problems of the nation's airlines take a back seat when, on April 16, the Hindu-nationalist government of Prime Minister Vajpayee loses a vote of confidence in parliament and collapses. Still, *The Times of India* reports in this day's issue that, to compete with **Jet Airways, Ltd.** and Sahara in the fare war, the contest may be spread as **Indian Airlines, Ltd.** pumps additional capacity onto the routes from Bombay to both Chennai and Bangalore.

Operations Manager Capt. Sandhu and his team travel to Seattle where, in a brief April 28 ceremony, they take delivery of the airline's first Next Generation B-737-B-737-73A, which is leased from Ansett Worldwide Aviation Services. The return to India will be completed by May 3. After workup, the brand new jetliner will be placed on routes connecting New Delhi to Bombay, Lucknow, and Chennai.

Having fallen ill, Ramji Singh, Sahara's security supervisor, is taken to the Danapur military hospital on May 13 and dies in the course of treatment. A former Army subedar, Singh is cremated at the army facility the next day in the presence of his family and Sahara staff.

Later in the day, the press begins to receive phone calls from security personnel at an unnamed competitor. The anonymous informers allege that Singh had taken poison to commit suicide over management high-handedness. Airline and police officers deny any suicide and note that the military hospital had not performed a post mortem of the body because no suspicions had existed. Still, company public relations are not

helped when the newspapers print stories suggesting that a mystery surrounds the staff member's death.

Indian Airways, Ltd. refuses to engage in the upgrades of its rivals and continues to push its new shuttle service and to stress "on-time" performance. The May 18 issue of *The Times of India* reports that Sahara is now offering a five-star bed-and-breakfast add-on with tickets purchased for Bombay and Chennai, while **Jet Airways, Ltd.**, having linked up with ITC hotels, offers domestic passengers a 20% discount on overnight accommodations.

Two days later, on May 20, the Ministry of Civil Aviation again warns domestic airlines that they will have to depart busy trunk routes unless they maintain a minimum five-aircraft fleet. If a fleet falls below that level and is not restored within six months, the ministry will change the status of the offender from scheduled to nonscheduled operator. With only four planes in operation, Sahara appears to be in some danger; however, company officials quickly assure the media that the required fifth plane will soon be flying.

Director Damania grants a lengthy interview to *The Times of India* on May 26 in which he reviews his strategy, the competition Sahara faces in the market, and prospects for the future.

Having changed the name of **Sahara India Airlines, Ltd.** to Sahara Airlines, Ltd. early in 2000, President S. Roy Sahara finds that a smaller company had already been established in Algeria under the name **Sahara Airlines, S.A.** Consequently, the company is again renamed in October.

SAHEL AVIATION SERVICE, S.A.: Bamako, BP 3272, Mali; Phone 223 229826; Fax 223 223345; Year Founded 1989. Sahel is established at Bamako in 1989 to offer executive and small group passenger charters and air taxi flights.

By 2000, the workforce includes two part-time and full-time pilots. Services are offered with a fleet that includes 1 each Beech Super King Air 200 and Cessna 208 Caravan I, plus 2 Cessna 402s.

SAHSA (SERVICIO AEREO DE HONDURAS, S.A.): Honduras (1944-1994). Taking 40% shareholding, **Pan American Airways (PAA)** forms SAHSA on November 16, 1944 in order to offer competition to the Lowell Yerex subsidiary **Compania Nacional TACA de Honduras, S.A.** After acquiring a DC-3 during the summer of 1945, the company begins service on October 22 over domestic routes. Routes are stretched to Puerto Barrios and Guatemala City, but must be withdrawn when it is discovered that the appropriate permits have not been obtained.

Flights are begun with Douglas transports to San Salvador and Belize City in March 1949.

TACA de Honduras, S.A. is purchased in 1953, but is initially allowed to operate under its previous identity until integration is completed the following year. In 1954-1955, both via the TACA integration and on its own, SAHSA places two Curtiss C-46 Commando freighters into service. Business continues apace during the remainder of the year and through 1956.

On April 5, 1957, **Pan American World Airways (1)** reduces its shareholding to 38%. Controlling interest (75%) is now taken in the liquor-flying air transport company **ANHSA (Aerovias Nacionales de Honduras, S.A.)**. The affiliate assumes no new duties, while the larger airline concentrates on the provision of flights to capital cities throughout Central America.

A DC-3 with three crew and nine passengers is lost near Juticalpa, Honduras, on August 29; there are no survivors.

Service continues without incident in 1958, but on January 6, 1959, a chartered DC-3 with three crew and two passengers crashes into Pena Blanca Mountain in Guatemala; there are no survivors.

Two more C-46s are acquired in June 1960.

While landing at Tegucigalpa, Honduras, on June 7, 1962, the undercarriage of a C-46A with two crew collapses; the aircraft is damaged beyond repair, but neither flyer is hurt.

The U.S. CAB grants its permission for a route to New Orleans, beginning in **1964**. Start-up will be delayed. The fleet in **1965** comprises 2 Curtiss C-46s, 4 C-47s, and 1 DC-6B as service finally begins to New Orleans. Airline employment is 240 and enplanements total 168,516.

Unable to halt after landing at Tegucigalpa on February 20, **1967**, following the completion of a service from San Pedro Sula, Flight 203, a DC-6 with 5 crew and 50 passengers, continues off the runway and into a ditch (4 dead).

During the late **1960s**, the carrier comes under intense competitive pressure from its Honduran rival **TAN (Transportes Aereos Nacionales, S.A.)**. At the end of **1968**, two Lockheed L-188Cs are acquired from **Eastern Air Lines**.

The most exciting incident of the period is a September 13, **1969** hijacking, during which a DC-3, on a domestic flight from La Ceiba to Tegucigalpa with 35 aboard, is taken over by a passenger, who forces it to divert to El Salvador. There the skyjacker is arrested.

A DC-3 with 3 crew and 15 passengers is destroyed as the result of a bad landing at Tegucigalpa on November 25; there are no fatalities.

Pan Am sells its last 38% interest in SAHSA to **TAN (Transportes Aereos Nacionales, S.A.)** on January 21, **1970**; the shareholding leads to a close relationship between the nation's two major airlines.

The two Lockheed L-188Cs continue to supplant the DC-3s and are flagships of the fleet until the introduction of the carrier's first jetliner, a Boeing 737-2K6, in October **1974**.

During the late **1970s** and early **1980s**, the fleet comes to comprise the passenger B-737-2K6, a Boeing 727-100, and a pair of DC-3s. The two Electras are converted into L-188CF freighters. Houston is added to the international route network.

Shareholding in ANHSA is upgraded to 95% in **1980**; provided with a de Havilland Canada DHC-7 and SAHSA's two DC-3s, the subsidiary is given most of SAHSA's scheduled domestic and cargo network.

Having arrived at La Aurora from Guatemala City on a January 8, **1981** scheduled flight with one engine out, the six-man crew of an L-188CF departs to ferry the aircraft to Honduras for repairs. Just after departure, the turboprop experiences a complete loss of power and crashes into houses 1 mi. W of the runway. Although there are no survivors from the aircraft, there are no injuries to anyone on the ground in the impact area.

Flight 414, the B-727-81 with 87 aboard and en route from Tegucigalpa to San Pedro Sula, is commandeered over Central America on March 27 by 5 Salvadoran leftist hijackers. The Boeing is forced to land at Managua, Nicaragua, where 38 persons are released and negotiations are opened. The next day, an accord is reached whereby Honduras will release 15 political prisoners to Panama, which agrees to retrieve them to Panama City. When the prisoners arrive on March 29, the SAHSA jetliner is flown there as well; the pirates free their remaining captives and surrender.

A bomb explodes in baggage being unloaded from a B-737-2K6 less than a quarter hour after its arrival at Managua from Tegucigalpa on February 13, **1982**. The blast, which occurs on a conveyer belt, kills three baggage handlers and wounds four other people.

Five leftists hijack the B-737-2K6 on a domestic flight on April 28 and threaten to kill American Gregory Bascom unless \$1-million ransom is paid and Honduras frees 52 political prisoners. The demands are lowered the next day and on May 1 the pirates free their 11 remaining captives and are allowed to take SAHSA's Boeing 727-81 to Cuba.

Operations continue apace in **1983–1984**. The DHC-7 is sold in **1985** and in **1986** ANHSA is absorbed and the jetliners are grounded. Only domestic and a few close regional routes are flown, with the two DC-3s and the Electra, in **1987**.

In **1988**, Capt. Roberto Figueroa is succeeded as general manager by Prof. V. C. Chinchilla and the two Boeing jetliners are reinstated. The company, which had stopped reporting statistics, now resumes, albeit for only the first six months of the year. These show a decline of 15.2% in

passenger boardings over the same period a year earlier to 155,780, but freight traffic is up by 13.5% to 541,000 FTKs.

In **1989**, control is purchased by TAN; however, the two airlines integrate under the single title **TAN-SAHSA Airlines, S.A.** Leonel Lopez is named general manager and the B-727-81 is sold.

The fleet in **1990** includes 1 owned Boeing 737-2A3 and 1 L-188CF Electra plus 1 leased B-737-212A and three chartered B-737-4YOs.

A DC-3 with 3 crew and 29 passengers overruns the runway while landing at Roatan Island, Honduras, on March 18 and ends up in the ocean; there are no fatalities.

The leased B-737-4YOs are returned in **1991** and the B-737-2A3 is taken out of service. TAN and SAHSA officially merge on November 1, with the SAHSA moniker retained. The new airline now sells 41% interest to **TACA International Airlines, S.A.**

Airline employment in **1992** stands at 600 and the fleet of President Gen. Oswaldo Lopez Arellano and General Manager Leonel Lopez is greatly expanded. The B-737-2A3 is returned as the Lockheed freighter is withdrawn. Charters are arranged for one each B-737-214, B-737-217, and B-737-2K6A, plus two B-737-2H6As. Completely refurbished, the carrier's last operational DC-3 is returned to service in October, being employed on ad hoc passenger charters.

The B-737-214 and B-737-2K6A are retired in **1993**. Destinations visited from Tegucigalpa include San Pedro Sula, La Ceiba, Roatan Island, Belize City, Miami, Houston, New Orleans. Service is started to Grand Cayman Island.

Just after landing at Managua from a July 18 Tegucigalpa service, Flight 415, a B-737-2H6 with 6 crew and 88 passengers, skids off the right side of the runway in a rain storm, losing its nose gear and both engines and coming to a stop 200 ft. off the pavement. Although the aircraft is damaged beyond repair, there are no fatalities.

As the result of insurance problems, the company grounds its entire fleet on January 15, **1994**. Although a leased **TACA International Airlines, S.A.** B-737-2H6A is briefly employed, the carrier never again operates its own aircraft, choosing instead to be submerged into TACA Group.

SAIDE (SERVICES AERIENS INTERNATIONAUX D'EGYPTE, S.A.E.): Egypt (1947–1952). This joint-venture Egyptian-Italian concern is based at Cairo in **1947** to provide nonscheduled services to Italy and Lebanon, Libya, and Tunisia. The Egyptian partners hold the majority of the shares (55%), with the Italians, including Fiat, the remainder. Misr Bank provides £E250,000 start-up capital, later increased to £E400,000.

H. E. Ilhamy is named chairman/managing director. Fiat provides 3 of its Fiat G-212s, plus 3 Savoia Marchetti SM-95s. These are employed to begin passenger and cargo routes from Cairo to Alexandria, Athens, and Rome.

A large number of Curtiss C-46 Commando freighters (eventually upwards of 10) become available from war-surplus stocks in Italy. They replace the older Italian equipment beginning in **1948**.

A summer return route is started to Paris in **1949**, followed by a year-round roundtrip service from Cairo to Tripoli via Benghazi.

During the summer of **1950**, Milan joins Paris on the seasonal route network. Alexandria is replaced on the North African run, which is instead irregularly extended from Tripoli to Tunis. During the fall, after the European route again ends, the route from Cairo to Tunis via Benghazi and Tripoli becomes weekly.

The company continues to expand in **1951**, competing with the national airline, **Misrair, S.A.E. (1)**. On April 15, SAIDE resumes flights to Europe, pushing its Rome route on to Munich via Milan, once a week. The services from Cairo to Rome via Alexandria and Athens, become twice-weekly roundtrips, as do those from Cairo to Tunis.

Thrice-weekly roundtrips are inaugurated on May 1, **1952**, between Cairo and Beirut. The company is acquired by the Egyptian flag carrier **Misrair, S.A.E. (1)** on December 1.

SAIDE (SERVIZI AEREI INTERNAZIONALI I EGITTO, S.p.A.)
 See SAIDE (SERVICES AERIENS INTERNATIONAUX D'EGYPTE, S.A.)

ST. FELICIEN AIR SERVICES, LTD.: Canada (1957–1980). Paul, Luc, and Gilles Dumas join Marc-Aurele Tremblay to found St. Felicien in 1957 at the Quebec city of the same name. Passenger and cargo services are undertaken with Douglas DC-3s in the Ungava Bay region, linking the company's base with such destinations as Roberval, Fort Chimo, Shcefferville, and Quebec City.

Two decades later, a DC-3 is damaged beyond repair as the result of a bad landing at Asbestos Hill on May 20, 1976.

In 1978, Chairman Paul Dumas oversees a workforce of 65 and a fleet comprising 3 DC-3s, 3 Beech 18s, and 1 de Havilland Canada DHC-2 Beaver. Unable to weather higher fuel prices at decade's end, the carrier folds in 1980.

ST. LUCIA AIRWAYS, LTD.: St. Lucia (1975–1987). St. Lucia is established on the Caribbean island of that name in 1975 to provide general charter services on the island and to neighboring Barbados and Martinique. Employing 3 Britten-Norman BN-2 Islanders and 1 de Havilland Canada DHC-6-100 Twin Otter, the airline initiates revenue services between Hewanorra Airport (near Vieux Fort in the South) and Vigie Airport (near Castries in the northwest).

In 1982, the company acquires a Boeing 707-323C Stratofreighter with which to operate all-cargo services to Miami. A Lockheed L-100-20 Hercules freighter is acquired in 1984, followed by a second B-707-323C in 1985.

Flights continue apace in 1986, during which year a new, light blue color scheme is unveiled. Suggestions now surface in the media that the company has been operating covert contract service flights to Iran on behalf of the U.S. CIA. It is also demonstrated that a Stratofreighter has made four flights, between January and April, transporting arms from an American military base to a known CIA supply base in Zaire, where they are turned over to UNITA forces from civil war-torn Angola.

Unable to maintain economic viability or escape the media spotlight, the airline shuts its doors in 1987.

ST. PETERSBURG-TAMPA AIRBOAT LINE: United States (1913–1914). Organized on December 4, 1913 by electrical engineer Paul E. Fansler with backing from his business manager brother Percival and local business leaders, the St. Petersburg-Tampa Airboat Line signs a subsidy contract with the city of St. Petersburg, Florida, on December 13. The St. Petersburg Board of Trade is not only anxious to promote its region but to speed passage across the bay, which now can only be transversed by a \$1, 3-hr. steamboat voyage or a grueling 64-mi., 12-hr. train ride. Four days later, on the tenth anniversary of the Wright Brothers' first powered flight, the city also signs a contract with St. Louis aircraft manufacturer Thomas W. Benoist for the operation of the airline. Fansler and Benoist select the former's \$4,150 flying boat Type XIV for the service.

Two units, together with a Type XIII with which to open a flying school, are provided. All arrive by train, together with Benoist's well-known chief pilot Tony Jannus and his chief mechanic J. D. Smith. A Type XIV, No. 43, is assembled and test flown on December 30 and 31.

With the natty Jannus (outfitted in slacks, a blazer, and a bow tie) at the controls, Benoist's biplane inaugurates the world's first for-profit, roundtrip airline schedule. With ex-St. Petersburg Mayor Abe C. Pheil as passenger (he paid \$400 at auction for the privilege), the plane flies an 18-mi. route from the St. Petersburg Yacht Basin to the mouth of Tampa's Hillsboro River at 10 a.m. on Friday, January 1, 1914. The departure is made before a crowd of 3,000 people, who had participated in a parade to the waterfront, enjoyed a performance by a band from the Johnny Jones Show, and for a few, bid in the lottery won by Pheil.

The inaugural trip down to the city made famous by its cigars takes 23 min. (including a nonscheduled stop caused by engine trouble). Jan-

nus and Pheil are greeted by 2,000 well-wishers and newspaper reporters seeking quotes and taking photos. The former mayor calls his hometown to let the citizens know of their arrival, before departing north with pilot Jannus. The return flight to St. Petersburg is completed at 11:30 a.m., having been operated in 20 min. In reporting the inaugural flight, *The New York Times* coins the word "airliner" to describe the Benoist flying boat.

Another auction is held (the New Years' crowd has not dispersed) and Noel A. Mitchell successfully pledges \$175 for the afternoon roundtrip. On January 2, Mrs. L. A. Whitney, wife of the Chamber of Commerce secretary, makes the trip to Tampa and back, becoming in the process the first woman passenger to fly with a fixed-wing scheduled airline. The *Tampa Tribune* in the day's edition correctly identifies the Fansler operation as "the first commercial air ship line," allowing of course that it was understood that the aircraft employed was fixed-wing and not a dirigible.

Flying a regular timetable twice a day thereafter, this premier scheduled carrier transports one-way resort traffic and cargo at \$5 per head or 100 pounds of freight. The response by the public to the new service is warm and of the \$50-per-day January subsidy (\$1,550), \$360 can be paid back at month's end. A need for additional capacity results in the addition of a second, slightly larger, Benoist seaplane flown by Roger Jannus, Tony's brother.

Although St. Petersburg is impressed with the operation, the City of Tampa at one point attempts to close it down. Employing family ties to the Secretary of Commerce, the Jannus brothers are not only able to quash the effort, but to obtain the first pilot license issued in the U.S. Tony's February 17 certificate is somewhat irregular being, in fact, a ship-pilot's license with the word "steamship" crossed out and written over with the word "aeroplane."

Despite a \$25-per-day subsidy for February and March, the company is able to cover expenses in those months. By the time Fansler's contract expires on March 31, 1,204 passengers have been safely transported and only 3 days have been lost to weather and 4 to mechanical failure, with aircraft repair bills totaling a mere \$100. When the Mexican crisis and the end of the winter tourist season coincide in April, demand for this air transportation falls off and the inaugural air carrier closes its doors when the city's contract with Benoist is concluded.

Of the four major personalities involved in this enterprise, the Jannus brothers are subsequently killed in flying accidents and designer Benoist dies in Ohio in 1917 when he leans out of a streetcar and is hit by telephone pole. The Tony Jannus Award is established in 1963 to recognize outstanding achievement in scheduled commercial aviation while, in 1984, the Florida Aviation Historical Society constructs a flying replica of the Benoist XIV. The Society's aviation museum is opened at St. Petersburg in January 1993.

ST. TAMMANY-GULF COAST AIRWAYS: United States (1927–1929). During the summer of 1927, St. Tammany-Gulf Coast is organized at New Orleans to haul passengers over a 483-mi., multistop flight to Atlanta, via Mobile and Birmingham. With initial capitalization of \$85,000 and a single Fokker Model 4 Universal, service is inaugurated on August 20. Late in the year, company officials make a bid for the new U.S. Post Office Contract Air Mail Route No. 23 (CAM-23) which parallels their network.

The contract is awarded and airmail flights to Atlanta from New Orleans commence on May 1, 1928. In October, New Orleans interests form Gulf Air Lines as a holding company for St. Tammany, which now becomes the airline operating subsidiary minus the St. Tammany prefix. Capitalization is increased to \$225,000, which allows **Gulf Coast Airways** to purchase a Fokker Model 8 Super Universal.

When Tennessee financier A. P. Barrett forms his **Southern Air Transport System** on March 31, 1929, GCA is purchased and merged, becoming an operating division.

ST. THOMAS TAXI AIR: United States (1970–1976). This air taxi operator is set up at San Juan, Puerto Rico, in 1970 to provide scheduled

Beech 18 services to St. Thomas in the U.S. Virgin Islands. Daily roundtrips are duly inaugurated and are sustained through 1976.

ST. VINCENT AND GRENADINES AIR SERVICE, LTD.: St. Vincent and the Grenadines (1976–1982). The national airline of St. Vincent and the Grenadines is set up at Kingtown in March 1976 to provide services to the neighboring Windward Islands. The initial fleet comprises a Britten-Norman BN-2A Trislander and a Piper Apache; however, the latter aircraft is not retained.

The carrier is unable to survive the high costs occasioned by rising fuel prices and the world economic downturn and disappears in 1982.

ST. VINCENT GOVERNMENT AIR SERVICES. See LIAT, LTD. (LEEWARD ISLANDS AIR TRANSPORT)

SAIR AVIATION: United States (1979–1980). Sair Aviation, the FBO at Syracuse, New York, establishes a scheduled airline division in 1979 to provide international passenger and cargo flights to Toronto and Ottawa. Although daily Piper PA-31-350 Navajo Chieftain roundtrips are duly inaugurated, they cannot be maintained beyond 1980.

SAKHA AVIA NATIONAL AIR COMPANY: Gagarina 8, Yakutsk, Yakutsk Zone, 677014, Russia; Phone 7 (41122) 27 085; Fax 7 (41122) 25 489; <http://www.yakutia.ru/win/SakhaAvia/sod/html>; Code K7; Year Founded 1995. In 1995, financially troubled Yakutaviatrans Air Company receives a corporate makeover. Yuri A. Oblan is CEO and he continues to provide service to the Yakutsk region of Siberia with the large fleet that once made up an entire division of Aeroflot Soviet Airlines.

An An-12BP with 7 crew and 3 passengers departs Moscow's Domodedovo Airport on February 24, 1996, on a service to Yakutsk via Omsk and Bratsk. At a point 22 km. NW of Omsk, the aircraft suffers fuel exhaustion and makes a forced landing onto a snow-covered field, during which a wingtip hits an automobile. The aircraft is badly damaged, the car is totally destroyed, but there are no fatalities.

Services are continued during the remainder of the year and in 1997. By 1998, CEO Oblan's all-Russian fleet comprises 5 Tupolev Tu-154Ms, 6 Tu-154Bs, 21 Antonov An-24s, 15 An-12s, 6 An-26s, 1 each An-74, An-2, and Let L-410, 4 Ilyushin Il-76TDS, and 1 each Mil Mi-8 and Mi-2 helicopter.

Just after takeoff from Krasnoyarsk on a service to the Siberian town of Mirny on June 1, an An-12 with seven crew, six passengers and 13 tons of foodstuffs, crashes 25 km. from its point of origin and explodes; there are no survivors.

Under a national plan of consolidation, **Diamond Sakha Airlines** is merged into Sakha Avia later in the year.

The Russian currency crisis that begins in August and the escalating rise in the price of aviation fuel have a devastating impact on the airline.

The carrier, now overextended, is forced to declare bankruptcy early in 1999. Leaders of the local airport authority step forward and offer a plan to create a new airline built around the Sakha Avia fleet. The new company with the old name is duly formed and equipped with the combined fleets of its predecessors: 2 Airbus Industrie A310-324s, 15 Tu-154B-1s, 13 Yak 40s, 17 An-12s, 22 An-24B/RVs, 6 An-26s, 1 An-74, 4 Il-76TDS, and 1 each Mil Mi-8 and Mi-2 helicopters. A regional aircraft wing, equipped with Let L-410s and 8 Mi-8s, is based at Magan Airport. One of the Tu-154Bs is leased to Iran and five Mi-8s are overhauled.

Late in the year, it is reported that all existing An-24s will soon be outdated. Plans are made to reequip with up to 10 of the new An-140s to be built at the Aviakor manufacturing plant in Samara.

As the year ends, the company is forced to abandon its flights to Moscow and Khabarovsk. Scheduled services are, however, maintained from Irkutsk, Novosibirsk, and St. Petersburg.

For the principal airline of Sakha, which is located between Turkistan and North Asia, services must continue on a reduced basis at the beginning of 2000. In January, the carrier returns to state control.

Many of the aircraft in the fleet are now parked, including the entire Tu-154B fleet, while the A310-324s are returned to their lessor. A number of the company's activities in the northern part of the region are now assumed by the new **Yakutiya Airlines**.

New direct An-24 flights to Ust-Mai are introduced on June 28. Scheduled service is resumed to Moscow.

The Sakha government continues to build up a tremendous debt with the airline, as do agencies of the Russian government in Moscow. Sakha Avia continues to operate in late summer and fall despite the necessity of defaulting on its fuel debt payments to the region's primary avgas supplier, AeroportGSMservice. Weekly An24B charters are initiated on October 29 from the Russian island of Kunashir to Nemuro, on the Japanese island of Hokkaido. The Magan-based L-410 fleet, having been found almost too expensive to maintain, is now grounded. The five weekly roundtrips they had operated to Zhigansk are replaced with a single An-24 service.

At the end of November, the company reports a mixed bag of results for the first 10 months. Profits are realized on the routes from Yakutsk to Ust-Mai, Ust-Nera, Zhigansk and Tiksi by reducing the number of flights offered. During the same period, 3.8 million rubles are lost on the Yak-40 service from Yakutsk to Neryungri. Losses are also reported by aircraft type: An-2, 10.25 million rubles; L-410, 900,000 rubles; Yak-40, 5.18 million rubles; and An-24, 350,000 rubles.

At the beginning of December, V. Filatov, deputy chairman of the Sakha Parliament, and Mikhail Vasilyev, director of the Aviation Staff Trade Union of Sakha, convince the regional government to make available 11.8 million rubles (of 14 million rubles requested) to the local ministry of health. These funds will be distributed in 2 tranches of 6 million rubles each as payment to 4 regional carriers, including Sakha Avia. In addition, a new contract is awarded to the Magan-based wing for the operation of a Ministry of Emergency Situations Mi-8 search and rescue (SAR) service in the spring. Implementation of SAR flights depends, however, upon receipt of promised payments from the health ministry, which are slow in arriving. Without these funds, completion of the Mi-8 overhaul program started earlier is hampered because the helicopters, most of which are finished, are being held for nonpayment by the repair stations.

The company now begins renewed preparations for an enhanced summer schedule, which is to be implemented at the end of March. The Tu-154B leased to Iran is reacquired and joins five others remaining in the fleet in a program of additional inspection and maintenance, paid for through the lease of two An-24s. When available, the aircraft recently in Iran will be employed to add two additional weekly flights to Sochi and Yekaterinburg, thereby doubling the number of services provided to those destinations. Other aircraft will start flying from Yakutsk to Vilyuysk, Verkhnevilyuysk, Suntar, Nyurba, and Tiksi, as well as on routes to Blagoveshchensk and Khabarovsk.

As the year ends, the Sakha Regional Aviation Department appoints Oleg Rogalev as the new director general of Sakha Avia. This official will reveal that, during the year, overall revenues have improved by 70% over the previous year, reaching 550 million rubles. Losses are below the 13 million rubles projected. He will also suggest that an An-24 may be employed to launch charter flights from Moscow to destinations in Southeast Asia.

SAKHALINSKIYE AVIA TRASSY-SAT (SAKHALIN AIR ROUTES): Aeroport, Gorkogo Str., Building 50A, Yuzhno Sakhalinsk, 693015, Russia; Phone 7 (42400) 95503; Fax 7 (50441) 62123; <http://www.airport.sakhalin.ru/sat>; Code HZ; Year Founded 1992. Established at Yuzhno-Sakhalinsk Airport at Sakha, northeastern Siberia, on April 20, 1992, this new Russian airline appoints Konstantin P. Sukhorebrik as general director. A mixed fleet is assembled comprising Ilyushin Il-76s, Antonov An-24s, An-26s, and An-12s; these aircraft initiate domestic cargo flights along the Pacific coast in the fall. The company, a sister to **Sakhavia Trans Air Company**, continues operations in 1993–1994.

In 1995, the two carriers are merged under this carrier's name. The fleet consists of 2 Antonov An-12s, 3 Ilyushin Il-76s, 11 Tupolev Tu-154B/Ms, plus 1 chartered Boeing 737-246 and 2 leased Airbus A310-324s.

Being unable to maintain the pair of chartered A310-324s, the carrier transfers them to **Aeroflot Russian International Airlines (ARIA)** toward the end of the month; as part of the transfer, ARIA agrees to employ the aircraft on flights to Yakutsk, a capital of the Sakha Republic.

Enplanements total 846,000 passengers, a slight decline from the previous year. Freight traffic, on the other hand, accelerates by 3.6% to 125.5 million FTKs.

Three more jetliners enter service in 1996, but capacity alone cannot deliver traffic. Customer bookings plunge 25.9% to 626,886.

Destinations visited in 1997–1998 include Blagoveshchensk, Hakodate, Khabarovsk, the Kurile Islands, Oha, Pusan, Seoul, and Vladivostok.

While preparing to land at Vladivostok on May 20 of the latter year following a flight from Skahalín, the crew of the B-737-246 with 103 passengers finds that the landing gear will not lower on command. While the airport is prepared for an emergency crash landing, the cockpit crew is able to lower the wheels manually and land the plane normally. No injuries are reported.

Flights continue without incident in 1999. As the result of the fiscal impact of the Russian currency crisis that began the previous August, the leased A310-324s are returned to their lessor.

A total of 538 workers are employed at the beginning of 2000. The fleet now includes 1 B-737-246, 7 An-24s, 1 An-26, and 1 Il-62. Destinations visited include Korea, Japan, Moscow, Novosibirsk, Irkutsk, Khabarovsk, and several intraregional points on Sakhalín Island.

In an effort to drive down the alleged high fares of **Domodedovo Airlines** on the route from Yuzhno-Sakhalinsk to Moscow and, indeed, provide service when that carrier is briefly shut down, SAT is provided with a second Il-62 in February. The \$1.5-million aircraft is presented to SAT (under charter) from the Sakhalín regional government as part of a plan to assist with the costs the carrier will assume in taking on the new service.

During the spring, the Japanese government grants permission for the inauguration of charter flights from Japan to the Kurile Islands. The new service will be offered as an alternative to the sea crossing, which is only possible between April and October. The first An-24 charter is operated on October 29.

Weekly An-24 roundtrips are inaugurated on December 21 from Sakhalín Island to Harbin, China. By year's end, the carrier is suffering significant financial loss on its Moscow service; by the time it has been operated for a year, the company will have lost almost 37 million rubles (\$1.27 million) flying a total of 14,000 passengers.

On March 15, 2001, the airline will announce the initiation of weekly An-24 return service, beginning in early May, between Yuzhno-Sakhalinsk and Sapporo, Japan, for Russian passengers seeking transit to other Southeast Asian destinations. Return frequencies to Sapporo, as well as Hakodate, will be increased to twice weekly during the summer. Flights from Yuzhno-Sakhalinsk to Moscow will cease on May 20 and the leased Il-62 will be used on the charter routes to Seoul and Pusan.

SAKHAVIA TRANS AIR COMPANY (SAKHA AVIA TRANS AVIAKOMPANIYA): Russia (1993–1995). A sister to **Sakhalinskiye Aviatrassy**, STAC is also established at Yuzhno-Sakhalinsk Airport in 1993 and Vladimir F. Rykunov is appointed general manager. His new concern inaugurates regional and international cargo services with 2 Antonov An-12s and 1 Ilyushin Il-76T.

In 1994, the company mission is enhanced to include passenger operations and the fleet is increased by the addition of 1 more Il-76T, 11 Tupolev Tu-154B/Ms, and the first Western-made aircraft, a leased Boeing 737-247 originally delivered to **Western Airlines** in the U.S., which arrives in August. The first of two chartered Airbus Industrie A310-304s arrive from Toulouse, France, in November. Enplanements reach 850,230.

In 1995, this company is merged into **Sakhalinskiye Avia Trassy-Sat (Sakhalín Air Routes)**, with the latter name surviving.

SAKONNET AIR CHARTER: United States (1986–1987). Sakonnet is established at Middletown, Rhode Island, in 1986 to provide scheduled passenger and cargo services to Newport. Although daily Piper PA-31-310 Navajo roundtrips are duly inaugurated, they cannot be sustained beyond 1987. Charter flights are, however, undertaken and maintained.

SALAIR, A.B.: Sweden (1987–1991). Landvetter-based **AMA Air Express (AMA-Flyg i Goteborg, A.B.)** is acquired by the shipping and offshore energy concern Salenia, A.B., a family enterprise, in late 1986. The name of the international commuter, which had connected Sweden with the Danish city of Aalborg, is changed to Salair, A.B.

From Landvetter in February 1987, the reformed Salair provides scheduled flights to such local destinations as Goteborg, Kalmar, Linköping, Norrköping, Ronneby, and Stockholm. Managing Director Anders Lindman's 50-employee maintains operations with a fleet of 3 Fairchild Metro IIIs and 1 SAAB 340A, the 100th machine delivered by the Swedish manufacturer.

By year's end, a total of 49,000 passengers have been transported.

Four additional Metroliners join the fleet in the spring in 1988 and two more 340As arrive in October. During the year, the commuter **Skyways of Scandinavia, A.B.** is purchased. Urmas Kruusval becomes managing director in 1989 and the fleet is increased by the addition of four Fairchild Metro IIIs. The corporate headquarters is shifted to Linköping and new routes are planned to Stockholm and from Stockholm to Mora and Gävle.

New destinations visited in 1990 include Mora, Gävle, Stockholm, Malmö, and Linköping. This expansion proves more costly than expected, as anticipated passenger traffic of 135,000 passengers is not generated. Plans are now made to merge with the larger regional **Swedair, A.B.**

Early in 1991, Gävle, Malmö, and Stockholm services are suspended and two Metroliners are withdrawn. After the **Swedair, A.B.** merger negotiation fails in April, Per Toom becomes the third managing director since start-up, but he is unable to reverse the downward slide, despite the August inauguration of twice-daily frequencies from Malmö to London (LGW).

Merger negotiations begun between Salenia, A.B. and Gotlandsbolaget, A.B., parent to **Avia Airlines, A.B.** are successfully completed in early 1992. On July 15, Salair, A.B. and **Avia Airlines, A.B.** are joined in a merger, with the latter's name surviving. Salenia, A.B. purchases the enlarged carrier in early 1993 and it is now renamed **Skyways Avia, A.B.**

SALAIR AIR CARGO AIRLINE: United States (1980–1998). Joseph and Bruce Salerno, with later assistance from their father Paul, establish Salair at Seattle, Washington, in 1980, originally to fly fresh fish to market from Alaska. Within four years, the company's fleet is increased from 1 to 4 Douglas DC-3s and, in addition to charter and contract service flights, regularly scheduled all-cargo services are undertaken to Portland and Spokane.

The carrier receives its all-cargo certificate from the DOT on June 27, 1984.

During the remainder of the decade, general charters are expanded to destinations throughout the western regions of the U.S. and Canada. The fleet is increased by the addition of 3 more DC-3s and 3 Convair CV-440s. In 1985, the company is prominently featured in the PBS television special devoted to the DC-3 *The Plane That Changed the World*. Four years later, in 1989, a DC-3C that first entered service with the U.S. 8th Air Force on January 7, 1944, is acquired from a Canadian firm and returned to the U.S. for restoration.

As the company enters the 1990s, it establishes a **Classic Airlines** subsidiary, which employs two DC-3s to fly all first-class scenic, special demonstration, and nostalgia services. A total of 10,708 tons of freight

are hauled in **1991**. Revenues are \$3.06 million and expenses are \$3 million, leaving a \$64,344 net profit.

In **1992**, due largely to the recession, tonnage carried falls off to 3,160. Revenues drop to \$1.73 million and expenses jump to \$1.85 million, producing a loss of \$124,845. The DC-3C acquired in 1989 is sold to **ERA Aviation**.

Airline employment in **1993** totals 47 and the fleet now includes 3 Convair CV-440s and 1 DC-3. On June 28, Salair receives DOT certification to offer scheduled passenger, cargo, and mail transportation anywhere in the U.S. The authority will not, in the end, be used.

Just after takeoff from Spokane on March 18, **1994**, for a service to Portland, a DC-3C with two crew suffers the loss of power to its No. 2 engine, which is shut down. The aircraft descends into the ground 3,450 ft. from the end of the runway and there are no survivors.

While en route from Santo Domingo, Dominican Republic, to Aguadilla, Puerto Rico, on a June 27, **1995**, all-cargo service, a CV-440 with two crew develops engine problems and starts to return to its point of origin, but explodes and crashes near La Ramona; there are no survivors.

While on final approach to Spokane on January 5, **1996**, after a ferry service from Deer Valley, a CV-440F with two crew loses power to both engines at 500 ft. A forced landing is made in a nearby field and there are no fatalities.

The fleet at the beginning of **1997** includes 2 CV-440s and 2 DC-3Cs. On May 5, Salair ceases operations. It is advised by the DOT that its certificates have been temporarily suspended. They can be reinstated within a year if fitness to fly is determined; if no action is taken by the airline to reclaim its operational status, they will be declared dormant and revoked.

In December, Salair informs the DOT that it has been acquired by Air Alaska Cargo and that it is preparing to file a notice of intent to resume operations. On December 19, the carrier registers with the DOT as an air taxi operator and is given a PART 298 certificate.

On May 4, **1998**, the DOT receives word from Salair that it has officially changed its name to Air Alaska Cargo, but that it does not intend to seek a waiver of the revocation-for-dormancy provisions applicable to its previous certificates. Instead, it promises to file a new application for interstate scheduled passenger authority within the next three months. Accordingly, its two earlier certificates are revoked on May 12.

SALMON AIR: 29 Hamner Drive, Salmon, Idaho 83467, United States; Phone (208) 756-6211; Fax (208) 756-6219; <http://www.salmonair.com>; Year Founded 1981. Located in an area between the Bitterroot and Salmon Mountain ranges and the Continental Divide, Salmon Air is incorporated at Boise in **1981** as Mountain Bird. Bush services for fishermen, hunters, and local residents begin with a fleet of 4 small Cessnas. Within a few months, the company is purchased by a husband and wife team and is renamed.

Flights continue over the next 19 years, highlighted by the addition of weekday return scheduled flights to Boise and McCall and charter services to Salt Lake City, Hailey in Sun Valley, and other points in Idaho and surrounding states, including Challis and Idaho Falls. The fleet in **2000** includes 5 each twin-engine and single-engine aircraft and the queen of the fleet, a newly received Pilatus PC-12.

SALPANAVI, S.p.A.: Italy (1947–1948). With financial backing from the Salpanavi shipping concern, this carrier is formed at Milan on July 19, **1947**. Employing ex-military Douglas C-47s converted to DC-3 civil standard, it begins service from Milan to Bari and Rome.

Early in **1948**, the company purchases and merges competing **Aerea Teseo, S.p.A.** and assumes its aircraft, personnel, and routes. As is the case with several other postwar independent carriers, Salpanavi is not a successful operation and ceases operations in April.

SALSA (SERVICIOS AEREOS LITORAL, S.A.). See AEROLITORAL, S.A.

SALTA (SOCIEDAD ARGENTINA DE LINEAS DE TRANSPORTS AEREO, S.A.): Argentina (1957–1959). SALTA is formed as a scheduled third-level carrier at Salta in the northwest section of the country in **1957**. Equipped with 1 Avro Anson and 3 Cessna T-50s, it flies what will prove an unprofitable route from its base town to San Pedro, Oran, and Embarcacion. The company shuts its doors in **1959**.

SALZBURG AIRLINES, GmbH.: Austria (1992–1993). Salzburg is established at its namesake city in the spring of **1992** and begins charter cargo flights during the summer with a single Fairchild Metro IIC. Scheduled passenger services are introduced during the fall with a second Fairchild, a Metro III.

Operations continue for a year.

SAM (SERVICIOS AEROLINEAS MEXICANAS, S.A. de C.V.): Apartado Postal 134, Monterrey Nuevo Leon 64000, Mexico; Phone 52 (8) 386-2929; Fax 52 (8) 386-2422; Code SAM; Year Founded 1992. SAM is established at Monterrey in January **1992**. Employing a Douglas DC-9-32 leased from McDonnell Douglas, it inaugurates scheduled services to Cancún in February. Another DC-9-32, also once flown by **Delta Air Lines**, arrives later in the year. Operations, both charter and scheduled, continue apace in **1993–1994**. The fleet is increased by the addition of 1 each chartered DC-9-14 and Boeing 737-204A.

All of the Douglas transports are withdrawn in **1995** and in **1996–1999** flights are operated with the Boeing.

SAM (SERVICIOS AEREOS DE MICHOACAN, S.A. de C.V.): Mexico (1949–1969). Employing a single Stinson Reliant, Jose Lucino Loperana begins a Michoacan state service in **1949**; joined from his Uruapan base are various destinations including Colima, Apatzingan, Manzanillo, Playa Azul, and Petatlan.

In **1951**, the Boeing 247Ds, DC-3, routes and assets of **Aeronaves de Michoacan, S.A. de C.V.** are acquired and the enlarged operation is named **LAP (Lineas Aereas Picho, S.A. de C.V.)**. Upon the failure of **Lineas Aereas del Balsas, S.A. de C.V.** in **1955**, Loperana acquires that carrier's concessions and begins to service its routes from Uruapan to Morelia and Mexico City and to Colima and Manzanillo. Once again he changes his company's name, to **Servicios Aereos de Michoacan**.

The carrier is purchased by **Aerolineas Sud Pacifico, S.A. de C.V.** in **1960**, which elects to employ the Michoacan name and livery. In **1966**, the carrier passes to Manuel Cardenas, who improves the fleet by the addition of four Piper PA-32 Cherokee Sixes; however, two of these light planes crash, the one in **1969** killing both Cardenas and the airline.

SAM (SOCIEDAD AEREA MEDITERRANEA, S.p.A.): Italy (1960–1968). This **Alitalia, S.p.A.** subsidiary is formed at Rome in **1960** to operate passenger charter and inclusive tour services with 3 Douglas DC-6Bs transferred over by the parent. Local replacement flights for the flag carrier are undertaken with DC-3s, beginning in December **1961**. Two Curtiss C-46 Commandos are acquired in **1962** and operate all-cargo flights on behalf of Alitalia.

A DC-6B freighter with five crew crashes into Italy's Mount Velino on March 8; there are no survivors.

Passenger flights continue until, following the formation of **ATI (Aero Trasporti Italiani, S.p.A.)**, they are transferred to the new Naples-based company. The Commando freighter service is maintained until **1968**.

SAM (SOCIEDAD AERONAUTICA DE MEDELLIN, S.A.): Colombia (1945–1962). Former USAAF pilot Dennis C. Powelson joins Arthur Taylor in forming SAM at Medellin in the summer of **1945**. With initial capitalization of a million pesos (\$600,000), the carrier is registered as an all-cargo airline in October. Several ex-military Douglas C-47s are purchased and operational plans are laid during the next year.

With permissions in hand, Douglas contract air freight service is inaugurated to Miami on September 1, 1946. In 1947–1948, routes are opened to several domestic destinations, including the Sucre province capital of Monteria. The first of an eventual fleet of seven Curtiss C-46 Commando freighters are received in 1949–1950 and these launch cargo flights to Barranquilla, Bogota, Bucaramanga, Cali, and Cartagena.

While completing an all-cargo flight, a C-47D with two crew is damaged beyond repair while landing at Medellin on March 1 of the latter year; neither pilot is hurt.

Initial success gradually fades in 1951–1954 as AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.) and other Colombian carriers diversify and begin to haul more freight.

A C-47A with three crew is lost at Medellin on June 15 of the former year; there are no survivors.

In order to further its own destiny and to assist KLM (Royal Dutch Airlines, N.V.) in forming a South American network, SAM joins with the Dutch flag line in January 1955 to found a joint international airline, RAS (Rutas Aereas de Colombia, S.A.). Six DC-3s are transferred over from the Dutch flag carrier's Caribbean division.

In 1956, SAM is granted permission to inaugurate domestic DC-4 passenger services under the marketing name "Rutas Aereas SAM"; among its destinations are the islands of Providencia and San Andres. The U.S. CAB grants the carrier a permanent foreign air carrier permit in 1957, authorizing multistop all-cargo flights not only to Miami, but to New Orleans and New York. Under unknown circumstances, a C-46D is lost at Planeta Rico, Colombia, on July 25.

The U.S. flights begin in 1958. A C-46A is lost under unknown circumstances near Medellin on September 16.

En route from San Andres to Medellin on December 8, 1959, a Curtiss C-46A with 3 crew and 42 passengers is lost near Moron Island; there are no survivors.

RAS (Rutas Aereas de Colombia, S.A.) takes over SAM's domestic routes in 1960, leaving the parent to concentrate on freighter flights. En route from St. Andrews Island on March 19, a C-46 with 45 aboard crashes while landing at Monteria, Colombia (25 dead).

Faced with stiff competition from AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.), the joint passenger service within Colombia becomes increasingly costly to both SAM and KLM (Royal Dutch Airlines, N.V.), draining the income achieved from the international operations of RAS (Rutas Aereas de Colombia, S.A.).

The fleet in 1961 comprises 4 DC-4s and 3 C-46s. In August 1962, the two carriers terminate their offspring. The Colombian carrier is now reorganized and is renamed SAM Colombia Airlines (Sociedad Aeronautica de Medellin Consolidada, S.A.).

SAM AVIATION, LTD.: Suite 15, Hotel Janpath, Jampath, Connaught Place, New Delhi, 110001, India; Phone 3366626; Fax 3367882; <http://www.alphasoftwares.com/sam>; Year Founded 1994. Sam Aviation is established at New Delhi in the summer of 1994 to offer all-cargo charters exclusively between India and the newly emerged countries of the Commonwealth of Independent States. Employing leased Ilyushin Il-76Ts, revenue flights commence in October. In 1995, the company also secures a license for ground handling at its Indira Gandhi International Airport base at New Delhi, as well as at Sahar Airport at Bombay.

Service is maintained over the remainder of the decade employing not only its aircraft, but, on occasion, wet-leased Il-62s, Antonov An-12s, Tupolev Tu-154s, Boeing 707s, and even an An-124s from Volga-Dnepr Airlines. Destinations visited include Moscow, Tashkent, Alma Ata, Bishkek, Bangladesh, Sri Lanka, and Bangkok. After the financial crisis of 1998–1999 in the CIS, service is expanded to Dubai and other Mideast points. By the end of 2000, the company has operated more than 1,000 cargo flights, uplifting over 50,000 tons of freight. It has also offered over 350 commercial passenger flights.

SAM COLOMBIA AIRLINES (SOCIEDAD AERONAUTICA DE MEDELLIN CONSOLIDADA, S.A.): Apartado Aereo 1085, Calle

53 #45-211, Piso 21, Medellin, Colombia; Phone 57 (4) 251-5544; Fax 57 (4) 251-0711; <http://www.sinfo.net/aviasam>; Code MM; Year Founded 1962. In August 1962, SAM (Sociedad Aeronautica de Medellin, S.A.) is reorganized at Medellin and given its present name. Financially distressed after the recent failure of RAS (Rutas Aereas de Colombia, S.A.), it recent joint venture with KLM (Royal Dutch Airlines, N.V.), SAM is only able to fly another year before it, too, must cease operations in September 1963.

Operating through its Aerotaxi subsidiary, AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.) purchases 94% of SAM's stock, aircraft, and other assets from Dennis Powelson's widow and begins to operate the carrier as a subsidiary and associate.

Despite claims of unfair practice from competing Aerocondor (Aerovias Condor de Colombia, S.A.), which revolve around SAM's status as a second level nonmember of the IATA, neither the Colombian or U.S. governments elect to refuse licensure. Indeed, the U.S. CAB grants the airline a new three-year traffic permit in April 1964.

Airline employment is now 480 and enplanements total 175,000.

SAM enters into a period of intensive domestic competition with Aerocondor in 1965–1966.

By 1967, airline employment is 519 and the company's fleet of 6 Douglas DC-4s transport 267,218 passengers on the year.

The workforce stands at 572 in 1968. Two DC-4s are retired late in the year.

Passenger boardings ascend slightly to 268,072.

A lone gunman diverts a DC-4, en route from Barranquilla to Medellin to Cuba on February 5, 1969. The pirate will later be imprisoned in Sweden.

On March 11, a DC-4 with 40 passengers and en route from Medellin to Cartagena is taken over by a lone assailant holding a stick of dynamite who demands a trip to Cuba. Almost out of fuel, the Douglas must land at Cartagena. On the ground, passengers and crew rush the pirate and in the struggle that follows, the hijacker, a passenger, and a mechanic all fall out of a door on to tarmac. Police open firing killing the mechanic and wounding the customer; they capture the pirate who is unharmed. This is the first airline hijacking to end in death.

Another DC-4 with 29 passengers is hijacked to Havana on April 14 while on a domestic service from Medellin to Barranquilla. The last sky-jacking of a DC-4 is attempted on July 10 during a service from Cali to Bogota; the lone gunman is overpowered and put under arrest.

In October, the carrier sells its four Douglas DC-4s and takes delivery of four Lockheed L-188A Electras—labeled "Astrojets" by the company's public relations department—from Eastern Air Lines. These are now christened *Jupiter*, *Mercurio*, *Neptuno*, and *Marie* and are employed to compete with the four recently purchased by Aerocondor (Aerovias Condor de Colombia, S.A.).

Bookings during the 12 months exceed 400,000.

The workforce in 1970 totals 759. Two more L-188As arrive and are christened *Apollo*, and *Saturno*.

Passenger boardings total 413,459 and freight is up by 15.8%.

The last two L-188As are acquired in 1971 and christened *Venus* and *Pluton*. Offering different fares and services, SAM and Aerocondor (Aerovias Condor de Colombia, S.A.) continue to battle one another from city to city across the Colombian skies until 1972. In that year, they conclude an agreement to avoid cutthroat competition through coordinated schedules.

Enplanements total 664,884.

The employee population in 1973 numbers 925. After eight years as general manager, Oscar Posada resigns. He is succeeded by Ricardo H. Campuzano, the former director of the Colombian Airport Authority. Twice-weekly service is initiated to Panama.

En route from Pereira to Medellin on May 30, an L-188A is taken over by 2 hijackers who demand a huge ransom, plus the release of 140 prisoners held in Colombian jails. Over the next four days, the aircraft criss-crosses the country, landing several times to release prisoners or take on fuel. The government does turn over about 25% of the ransom,

but releases no inmates. Stepping off the Electra one time too many, the pirates are captured by police on June 3.

Passenger boardings decline 1.2% to 657,000; however, freight traffic improves by 35.3%.

Flights to Iquitos, Guatemala, and Manaus begin in 1974. During the spring and with the aim of making a jet equipment choice, SAM officials test the Boeing 727 and 737, DC-9, F.28, and BAC 1-11.

During the next six years, scheduled passenger and cargo services are flown over a domestic and regional network that grows to include these destinations: Barranquilla, Bogota, Cali, Cartagena, Cucuta, Guatemala City, Managua, Medellin, Panama City, San Jose, San Andres Island, and San Salvador. The old all-cargo route to Miami is also maintained.

Operations continue apace in 1975. A lone gunman takes over a Beech B-80 Queen Aire on December 22 during a scheduled service between Barrancabermeja to Medellin. The pirate demands a 3-million peso ransom and free passage out of the country. When the twin-engine aircraft arrives at its destination, the pirate is shot by plainclothes police and arrested.

Events are not as exciting in 1976. The Electra fleet is repossessed by Eastern Air Lines in February and March 1977.

Enplanements this year are 630,411.

In 1978, the employee population totals 530 and General Manager Guillermo Rey's fleet is upgraded; gone are the Electras, replaced by 3 leased Boeing B-720-030Bs (B-720Bs) one of which is christened *Ciudad de Medellin*. Passenger boardings accelerate 10.1% to 789,000.

Enplanements in 1979 plunge to 479,320. The workforce in 1980 totals 500. Passenger boardings climb 8% to 521,000.

They are up again in 1981 to 850,000 and skyrocket to 1.5 million in 1982. Operations continue apace in 1983-1984, during which years the B-720Bs are replaced with four B-727-46s, plus one each Dash-21 and Dash-59.

Customer bookings dip as enplanements in the latter year total 1,042,875. A \$3.9-million operating profit is generated, along with net gain of \$642,000.

Airline employment stands at 475 in 1985 and the fleet includes 6 Boeings.

Passenger boardings rise 7.3% to 1,125,000 and freight climbs 23.7% to 1.8 million FTKs. Revenues advance 27.6% to \$33.4 million and costs are held down, allowing profits: \$4.4 million (operating) and \$838,000 (net). Enplanements in 1986 total 896,817.

The only aircraft to be acquired during the next 7 years, a B-727-24C is delivered to the 521-employee company in 1987. Meanwhile, customer bookings rise 5.8% to 952,035.

The fleet in 1988 comprises the 6 B-727-100s. Passenger boardings dip 6.6% to 594,297, but freight is elevated a huge 43.9% to 7.2 million FTKs.

Enplanements remain level in 1989, but in 1990 they decline by 9.1% to 449,987. Cargo drops 2.8% to 328.3 million FTKs. During these years, Camilo Villegas is executive vice president and is, effectively, the carrier's general manager.

Operations continue apace in 1991 as deregulation comes to the Colombian air transport industry.

During the year, Colombian President Cesar Gaviria, a champion of free markets, fosters domestic airline liberalization. The national civil aviation department, AeroCivil, approves new airlines and awards new routes, while dropping its policing of ticket prices. Consequently, SAM begins to face competition from several new entrants.

New President/CEO Avila Velandia's carrier joins with parent AVIANCA to restructure schedules and eliminate overlapping services.

An on-time record of 90% is established and enplanements total 1,238,668. Profits climb 138%.

One B-727-2Q9A is added to the fleet in 1992. A number of new routes are introduced, including services to Managua and San Salvador.

Passenger boardings increase by 9.6% to 1,370,207. Freight does even better, jumping 25.1% to 81.52 million FTKs.

In 1993, President Jaime Humberto Lopez oversees a workforce of 575, up 21.3% over the previous year. Additional destinations served include Apartado, Arauca, and Pereira.

While descending toward Medellin on a May 19 service from Panama City, a B-727-46 with 7 crew and 125 passengers disappears from traffic control radar screens and collides with 12,300-ft. Mount Paramo Frontino, 40 km. SE of the runway. Wreckage is found the next day, but there are no survivors.

The No. 3 engine of a B-727-46 catches fire during maintenance at Bogota on August 4; the aircraft is lost.

Although customer bookings slide 4.7% to 1,035,417, cargo increases 43.9% to 16.45 million FTKs. Revenues total \$71.4 million and with expenses down, profits are made: \$3.2 million (operating) and \$5 million (net).

In addition to 1 owned B-727-21 freighter, SAM, in 1994, flies 2 leased trimotors, 1 B-727-2K5A, and 1 B-727-260A. Traffic figures are only released for the first quarter and show passenger boardings down 8.5% to 239,115 and freight off 1.3% to 3.51 million FTKs. Also during the first quarter, a \$230-million order is placed for 8 Avro RJ100s, upgraded successor to the Bae 146.

Although the government of new president Ernesto Samper is more conservative, it cannot put the liberalization genie back in the bottle. Domestic airlines, including SAM, continue to add capacity, start new routes, and cut fares or engage in fare wars.

During the first week of June, SAM becomes the initial customer in South America to receive an Avro RJ100. During the year, eight chartered RJ100s are placed into service (the last two in December). They replace B-727s operating from the company's main hubs at Medellin, Bogota, and San Andres on 400-700-mi. sectors to domestic stations as well as to such Central American and Caribbean destinations as Cuba, Jamaica, and Guatemala.

During the year, management control is assigned to AVIANCA Colombia Airlines (Aerovias Nacionales de Colombia, S.A.).

Operations continue apace during 1995-1996. During the latter year, a crisis occurs with the RJ100 fleet when engine problems cause a plunge in dispatch reliability.

Airline employment stands at 430 in 1997 and the fleet comprises 9 leased Avro RJ100s. AlliedSignal and Aero International (Regional) or AI(R) are brought in to provide engine improvements and increased support, helping the Avros to increase their reliability to approximately 97%. Delivery positions are purchased for four B-737-500s.

In October, the decision is taken by AVIANCA Colombia Airlines (Aerovias Nacionales de Colombia, S.A.) to restructure its domestic network. All flights of under 90 minutes are assigned to SAM, leaving the major to concentrate on domestic trunk routes and international services.

In November, services and marketing of both AVIANCA and SAM are placed under the single direction of Vice President Juan Manuel Beltran.

Enplanements for the year total 794,486.

Airline employment remains the same in 1998. In late November, two de Havilland Canada DHC-6-300 Twin Otters are leased from Aero-Century Corporation and are placed into service on the company's thinnest routes.

Passenger boardings accelerate 26.3% to 1.07 million, while cargo traffic plunges 31.3% to 7.81 million FTKs.

In 1999, the Colombian national economy continues to deteriorate, while problems from antigovernment guerrillas increase. By late spring, the peso has been devalued twice within a year and the demand for air travel further evaporates, particularly after rebels seize an AVIANCA Colombia Airlines, S.A. Fokker 50 in April, taking its passengers hostage.

In the face of this continuing downturn, the carrier elects, during the summer, to return to British Aerospace the fleet of nine Avro RJ100s it has been operating to outlying Colombian cities from Bogota since 1994. The first two planes arrive in the U.K. during September, with the remainder due in February.

Under inspection in England in November, corrosion is found in the wings of the four RJ100s returned thus far. Bae immediately notifies

SAM, which grounds the remaining three. The withdrawal of the regional jets significantly disrupts the carrier's local services.

Enplanements for this troubled year total 910,000 and 3.89 million FTKs are also operated.

A total of 491 workers are employed at the beginning of 2000, a 14.2% increase over the previous 12 months. Two MD-83s continue to be operated. At the end of the year, SAM and **AVIANCA Colombian Airlines, S.A.** begin to discuss the possibility of a merger, via a holding company, with **ACES Colombia (Aerolineas Centrales de Colombia, S.A.)**. An arrangement will be struck on March 7, subject to government approval after April 19. After approval, the new holding company will invest \$250 million over the next five years to modernize the carriers, which will continue to operate under their current names.

SAMARA AIRLINES (SAMARA AVIALINII): Samara Airport, Samar, Samara Region, 443901, Russia; Phone 7 (8462) 700-909; Fax 7 (8462) 700-960; <http://www.samara-airlines.ru>; Code E5; Year Founded 1993. Another new Russian carrier founded in 1993, this company is created at the airport of its namesake city to offer regional and international passenger and cargo flights. Shareholding is divided between the State Property Committee (51%) and private investors.

Samara Avialinii has had a more interesting organizational history than most Russian airlines. Originally established as the Kuybyshev Aviation Enterprise in 1961, it was later transformed into No. 65 Squadron and then into the Kuybyshev Joint Aviation Squadron (KuAO). Its privatization now creates the Joint Stock Company Samara Airlines, or Samara Avialinii.

Mikhail F. Evstropov is named managing director and he initiates flights with a mixed fleet of 5 Antonov An-12s, 13 Tupolov Tu-154B/Ms, 7 Tu-134s, and 3 Ilyushin Il-76s.

Operations continue apace in 1994 as passenger boardings reach 1,052,306.

The company's 32 aircraft transport a total of 910,300 passengers in 1995, a 15.5% decline. Cargo traffic, on the other hand, accelerates 89% to 24.4 million FTKs.

Flights continue in 1996, as stops are made in 62 Russian and CIS communities, as well as New Delhi, Fujairah, Istanbul, Tel Aviv, and Vienna. In the spring, former **Aero Volga Concern** Director General Alexander Kozlov is appointed to the same post with Samara.

Enplanements during the 12 months plunge all the way down to 462,160.

Concerned with a growing and unhealthy competition between the nation's regional airlines and those larger carriers based in Moscow, General Manager Kozlov, in October 1997, hosts a summit of 20 colleagues. The regional leaders draw up an alliance document under which they pledge to work together to develop an alternative hub. Capacity will be shared and Samara will be developed as an alternative gateway into Russia for international airlines visiting the country.

The airline's customer bookings increase by 12.8% to 530,000.

During the summer of 1998, the alliance of airlines led by Samara start to coordinate their schedules and engage in joint marketing. Plans are made to develop pricing in a cooperative manner and to improve Samara airport.

Passenger boardings fall 29.5% to 461,000.

Airline employment stands at 1,629 at the beginning of 1999.

Under the leadership of new Director General Victor Tchegov, cross-town competitor **Aero Volga Concern** enters into merger discussions with Samara during 1999. Although government objections are raised, they are overcome by October 21.

Passenger boardings inch up 0.4% to 462,000, while 14 million FTKs are also operated. Revenues total \$1.13 million.

At the beginning of 2000, the airline's ownership is divided between the Samara Region Property Management Department (51%), employees (21.2%), Gazinvest (14%), and Samara International Airport CEO Vyacheslav Chernavin (13.8%).

The final union with **Aero Volga Concern** under the Samara brand occurs on February 14. Samara gains two Tu-154Ms from a once-huge fleet and all AVC employees retain their jobs. Four Samara Tu-154s remain wet-leased to the Iranian carrier **Kish Air**, along with two Il-76Ts. The long-term arrangement, which provides Samara with hard currency, will be extended later in the year.

The carrier avoids repossession of certain of its aircraft on March 17 when it is found that the Inkombank does not have legal title to the pledged planes.

During the spring, a license is received permitting the company to launch flights from Samara to Tianjin, China, via Abakan. With little demand in Samara, the route is believed to be unprofitable and is not started.

Svyatoslav Lychagin, head of a department in the State Property Ministry, informs *The Moscow Times* on August 30 that the government is sending a budget to the Duma this week that includes a list of 20 state-owned companies to be sold next year. **Aeroflot Russian International Airlines (ARIA)**, Samara and **Siberia Airlines (Sibir)** are originally on this privatization document; however, the exact sizes of the stakes to be sold have disappeared from the list after it has gone through final review by the offices of President Putin.

Also on August 30, the carrier wins an exclusive contract to transport personnel to the Baikonur cosmodrome. A Tu-154M is wet-leased to the Hungarian company Atlant Hungary on September 9, effective October 1.

Weekly roundtrips commence on September 12 from Samara to Baku via Surgut and Kazan. On September 21, the board of directors meets to devise a plan to rehabilitate the company's weak financial situation. Although a profit of 30 million rubles was generated during the first seven months of the year, a large debt remains.

Frankfurt replaces Vienna as the company's terminus in the German-speaking world on October 29, as new Yak-40 flights to that city commence.

During the fall, development continues on the carrier's interregional network of 17 destinations, which includes stops at Ekaterinburg, Tyumen, Nizhnevartovsk, Chelyabinsk, Makhachkala, Nizhni Novgorod, Astrakhan, Kazan, Balakovo (Saratov region), Minsk, and Kiev. To increase load factors, fewer direct flights are offered. Due to the demand for travel, it is hoped that the addition of a stop at Nizhni Novgorod on the Yak-40 service from Samara to Minsk will increase load factors by 60%.

Also, the idea of flights to China is resurrected in light of the decision by **Siberia Airlines (Sibir)** to reduce frequencies on its route to Tianjin in favor of Beijing. The decision is taken to inaugurate Tu-134A roundtrips to Tianjin at the end of March as an extension of Samara's existing route via Novosibirsk to Irkutsk. Contracts are negotiated with several travel agencies in Novosibirsk and Irkutsk to ensure route profitability. Ground handling in China will be provided by a subsidiary of the Chinese government.

Weekly return service from Samara to Frankfurt is resumed on December 1 employing Tu-154Ms.

On December 20, the company joins with **BAL Bashkiri Airlines (Bashkirskie Avialinii Aviakompaniya)**, **Nizhegorod Airlines (Nizhegorodskie Avialinii)**, and **Saravia (Saranskiye Avialinii)** to form a joint marketing agreement designed to keep open the air routes in the Volga Federal District. The plan is similar to one announced in Moscow earlier in the month by **Domodedovo Airlines, Chelai-Chelyabinsk Airlines (Chelyabinsk Chief Aviation Enterprise)**, **Kras Air (Krasnoyarsk Avialinii-KrasAir)**, and **Avia Express Cruise**. Details concerning possible joint schedules, tariff adjustments, and fleet combinations are not provided to the media.

The fleet now includes 3 Il-76Ts, 8 Tu-134s, 5 Tu-154Bs, 9 Tu-154Ms, 3 Yak-40s, and 2 Yak-42Ds. As the year ends, code-sharing agreements are signed with **Finnair O/Y** and **MALEV Hungarian Airlines, Rt.** By purchasing blocks of seats with the foreign airlines, Samara is able to provide direct connections for its passengers wishing to fly via Helsinki or Budapest to points in Europe, to New York, and even to Tokyo. Arrangements are also completed for the wet-lease for

four Tu-154Ms to the Hungarian charter concern Atlant-Hungary Airlines, Kft.

All will be surprised early in **2001** when Director General Kozlov suddenly resigns and is succeeded by Chief Financial Officer Rodion Kovalev.

SAMARKAND UNITED AIR DETACHMENT: Samarkand Airport, 703009, Uzbekistan; Phone 7 (3662) 352 272; Year Founded 1995. A subsidiary of **Uzbekistan Havo Yullari National Airline**, SUAD is formed at Samarkand in **1995** to provide domestic and regional passenger charters. Rinat A. Gainullin is CEO and he begins revenue flights with 2 Tupolev Tu-154Ms, 1 Yakovlev Yak-40, 12 Antonov An-24s, 1 An-26, and 20 An-2 biplanes.

SAMOA AIR: P.O. Box 280, Pago Pago, American Samoa, 96799, United States; Phone (684) 699-9106; Fax (684) 699-9991; Code SE; Year Founded 1996. SA is set up at Pago Pago in January **1996** to offer scheduled passenger services from U.S. Samoa to Apia, Western Samoa, just as its earlier predecessor, **Samoa Airlines**, had provided them three decades earlier. The company's Beech King Air 90 and 2 de Havilland Canada DHC-6-200s transport a total of 72,323 passengers.

The 60-employee company boards 71,937 passengers in **1997**, a 0.5% dip.

Flights continue in **1998**. Storms batter the two Samoas during mid-September, forcing the cancellation of all interisland passenger flights on December 20.

While landing at Fitiuta, American Samoa, from a Pago Pago service on April 23, **1999**, Flight 906, a DHC-6-200 with 2 crew and 12 passengers, runs off the right side of the runway into a ditch, losing its nose. Although the aircraft must be written off, no injuries are reported.

SAMOAN AIRLINES: United States (1959–1960). Samoan is formed at Pago Pago in the summer of **1959** to offer scheduled lightplane air taxi services from U.S. Samoa to Apia, Western Samoa. Revenue flights commence on July 14 and are maintained until October **1960** when **Polynesian Airlines** takes over the service.

SAMSA, S.A. See SAM COLOMBIA AIRLINES: SOCIEDAD AERONAUTICA DE MEDELLIN CONSOLIDADA, S.A.

SAN (SERVICIO AEREO DO NORTE). See COMAG

SAN (SERVICIOS AEREOS NACIONALES, S.A.): P.O. Box 7138, Km 2 1/2, Av. Carlos Julio Arrosemena, Guayaquil, Ecuador; Phone 593 (4) 202 832; Fax 593 (4) 201 152; Code WB; Year Founded 1964. Privately owned SAN is formed as an air taxi at Cuenca's Mariscal Lamar Airport on January 20, **1964**. Nonscheduled Douglas DC-3 flight operations commence on May 1 linking Cuenca with Macas via Sucua. Regularly scheduled services commence in October **1967** when a route is opened to Guayaquil; a year later, the company is moved to the nation's second city. In **1969**, Tulcan is added to the route network.

In the summer of **1970**, two Vickers Viscount 828s are purchased from **All Nippon Airways Company, Ltd.** and are employed to launch direct Cuenca to Quito flights in December. Loja and Machala now join the route network and several Viscount 764Ds are acquired.

In November **1975**, three Sud-Est SE-210 Caravelle VIRs are acquired from **TAP Air Portugal, S.A.**

In direct competition with the shuttle flown by the three Caravelles of **SAETA (Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.)**, SAN, in January **1976**, places its French-made jetliners on the Guayaquil–Quito trunk line.

En route from Guayaquil to Cuenca in poor weather on December 29, **1977**, a Vickers Viscount 764D with 4 crew and 20 passengers crashes into a hill; there are no survivors.

Traffic increases while employment at President Salvador Pacheco Mora's company grows to 75 by **1978**. Two more Caravelles are purchased during the year from **Luxair, S.A.**

Increasing fuel prices and the competition with **SAETA (Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.)** in **1979–1981** lead to a company decision to operate only scheduled jetliner service and only between the country's three largest cities, Cuenca, Guayaquil, and Quito.

In early **1981**, a Boeing 727-17 is obtained in exchange for a Viscount 828, a DC-3, and two of the last three Caravelles. The American-made trijet enters service in July, at which time company employment stands at 140.

Operations continue apace without incident in **1982**.

While on final approach to Guayaquil on April 29, **1983**, the fleet's last SE-210 Caravelle VIR, with 6 crew and 94 passengers, suffers loss of engine power, requiring a forced landing; as the aircraft hits, it breaks into 3 parts. Eight people are killed and dozens of people are injured.

The company's route and service arrangements change hardly at all over the next decade, although a frequency is opened to the Galapagos Islands and a second B-727-17 is leased for a brief period. In **1993**, President Patricio Suarez Albuja's 180-employee airline still flies just 1 airplane, linking Guayaquil with Quito and Cuenca, plus the Galapagos.

Services are maintained without change during the remainder of the decade. A total of 150 workers are employed at the beginning of **2000**.

SAN (SERVICIOS AEREOS NACIONALES, S.A.). See also LAUMSA (LINEAS AEREAS MEXICANAS UNIDAS, S.A.)

SAN AIR COMPANY: 3 Nurken Abdirov St., Karaganda, 470000, Kazakhstan; Phone 7 (3212) 581 584; Fax 7 (3212) 578 498; Code S3; Year Founded 1995. SAC is set up at Karaganda in **1995** to offer regional and international passenger charters. Yevgeni Varkentin is general director and he begins revenue services with 3 leased Tupolev Tu-154Ms.

By **1999–2000**, the fleet also includes 2 Tu-134As.

SAN DIEGO PADRES AIR TRAVEL. See T-BIRD AIR TRAVEL

SAN FRANCISCO-OAKLAND HELICOPTER AIRLINES (SFO-1): United States (1961–1977). Founded on January 6, **1961** by five former **Los Angeles Airways (LAA)** executives, SFO, certified by the CAB as an air taxi operator, launches scheduled service in the San Francisco Bay area on June 1 with two leased Sikorsky S-62s.

Successful without subsidy, the helicopter carrier is offering nearly a 100 flights per day by December **1962** between the business districts of San Francisco (Marin County Heliport), Oakland, and Berkeley and the two major airports in the first two cities. It is also providing mail service on an interim basis.

Enplanements for the year total 104,000 and the new entrant is now the second largest helicopter airline, preceded only by **New York Airways (2)**.

In February **1963**, the rotary-wing carrier spends \$1 million for the purchase of three more S-62s. In hearings before the CAB, SFO argues that its fellow rotary-wing operators, particularly LAA and NYA, are expensive and wasteful of the subsidy they are receiving from the government. SFO suggests that it can make a profit without a grant and thereby wets the appetite of subsidy-cutters in Congress, who will eventually take away federal support from all four of the nation's helicopter carriers.

The CAB in November awards SFO the first permanent certificate ever granted a helicopter airline. The airline is also receives permanent authority to fly the U.S. Mail at straight mail pay and with no airmail subsidy.

An S-62A with 11 aboard crashes at Oakland on December 2, but only minor injuries are reported.

Enplanements for the year total 125,080, but the loss is nearly \$375,000.

Airline employment in **1964** stands at 280 and the fleet includes 4 S-62s. Early in the year, the downtown San Francisco heliport is closed, leading to a traffic downturn. New frequencies are launched to Marin County Heliport in an effort to make up the difference.

In March, the company is able to begin using the rooftop of a 120-ft.-high municipal parking garage in Oakland as its downtown landing site in that city. When flights begin, they are the first scheduled passenger rooftop services in the world. Air express service is now added.

In order to take advantage of what has become a profitable business of helicopter repair, a new maintenance base is established at Oakland; simultaneously, corporate headquarters are transferred across the Bay from San Francisco. Late in the year, the company purchases two Sikorsky S-61Ns.

Passenger boardings decline by 6% to 118,000 and revenues are \$1.01 million. The loss is cut to \$187,000.

The workforce in **1965** is 325 and the fleet now includes 6 helicopters. The first Sikorsky S-61N is delivered in the spring and following its introduction, new routes and facilities are added. Service is provided to San Francisco Peninsula and the entire East Bay area. New heliports are opened at Palo Alto, Lafayette, and San Jose.

An S-62 with two aboard is forced to ditch in the Bay four mi. NE of Oakland on April 15 after an engine malfunction. The next day, another S-62 suffers an engine malfunction that causes it to crash-land at San Francisco. The tail rotor of an S-62 strikes a truck while the helicopter is taxiing at San Francisco on May 5. No one is seriously hurt in the three accidents noted.

On May 25, a contract is signed with **Trans World Airlines (TWA)** for the establishment of scheduled service between San Jose and Palo Alto and to the TWA terminal at San Francisco. The major guarantees the service's break-even costs to an extent not covered by operating revenues and promises a \$9,000 monthly profit if costs are held to a specified level.

In June, as the result of a CAB exemption received on June 6, SFO proposes hovercraft service. Although financially stable, it begins a shuttle and subsidy arrangement with **American Airlines** at San Francisco on July 14. The shuttle is implemented with the second new S-61N now received.

Employing British-made Westland (Saunders-Roe) SR.N5 Jet Skimmer hovercraft, the carrier begins an experimental trans-San Francisco Bay air-cushioned vehicle service on August 10. The third S-61N arrives during the fall, but, to keep capacity in line with traffic, the number of daily services must be reduced to 88.

Passenger bookings increase to 139,725, but the year's losses total \$342,739.

The fleet in early **1966** comprises 3 S-61Ns, one S-62A, and 2 Westland SR.N5 Jet Skimmers. The carrier reports on June first that **Trans World Airlines (TWA)** and **American Airlines** will underwrite, for 2 years, the costs of 74 daily flights between San Francisco and Oakland and will guarantee an additional \$9,000 income per month. The majors also promise to help raise \$2 million for promotion and expansion.

The employee population in **1967** numbers 399 and the fleet still includes 4 helicopters. The flight completion rate reaches a peak of 97.6%, load factor reaches 39%, and a 49% break-even point is reached.

A total of 289,000 passengers are originated and 760,000 freight ton-miles are flown. Maintenance work is received from the U.S. military under contract and although a figure is not cited, it is noted that the company enjoys a profitable year.

The workforce declines in **1968** to 328. Freight ton-miles total 526 and customer bookings advance 13.5% to 327,879. Revenues are \$3.28 million.

The company's fortunes now begin to slide, as the Vietnam War starts to wind down. Maintenance business is lost and several routes are cut. Passenger boardings in **1969** drop to below 300,000.

The most stringent retrenchment measures are taken in February **1970**. These prove insufficient and on August 1 company officials declare Chapter XI bankruptcy. Under court guidance, management

and scheduling are improved, even as the number of routes is cut to just two.

SFO-1 succeeds in remaining alive and offering limited services, although enplanements for the year decline to 230,000. The company disposes of several helicopters and continues its Chapter XI operations in **1971**. Enplanements for the year are 190,000.

The workforce in **1972** is 122. Depressed conditions continue through the first three quarters; however, traffic loads begin to improve significantly in the third. Improvements are attributed to schedule refinement and a major effort to capture more of the Los Angeles and San Francisco markets through a joint fare arrangement with **Pacific Southwest Airlines (PSA)**. Increased bookings in the final quarter help the year's enplanement total to remain level with 1971's.

Freight ton-miles increase, however, by 5.99% to 312,000.

After almost three years of operation under bankruptcy, the carrier completes a reorganization program during the summer of **1973**. The workforce is increased by 31 employees.

Customer bookings jump 17.1% to 226,000 and cargo traffic is up by 15.1% as 2,000 freight ton-miles are flown.

Airline employment in **1974** is 150. Enplanements rise again, up 5.3% to 238,000.

Twenty-seven employees are laid off in **1975** or not replaced. A unique new marketing campaign is undertaken when the three Sikorsky S-61s are painted in a black and yellow "bumblebee" pattern; labeled "Bumblecopters," they emphasize "beeline" service in the San Francisco Bay region.

The gambit does not appear to work as passenger boardings decline 7.3% to 225,000. Cargo is also down, an even larger 27.3%.

Bumblebee flights continue until August **1976** when a job action by company mechanics forces the operator to shut its doors. Having lost \$4.7 million since the 1970 turnaround, the carrier cannot be reorganized and it is liquidated in August **1977**.

SAN FRANCISCO-OAKLAND HELICOPTER AIRLINES (SFO-2): United States (1981–1987). In the fall of **1981**, AirTrans Holdings, Inc. owner Dean Hanson purchases the name of the first SFO. Employing 3 Bell 206L LongRangers, the new rotary-wing carrier inaugurates scheduled passenger flights on November 12 linking Oakland International Airport with San Francisco and the downtown Oakland Convention Center heliport.

Early in **1982**, flights are initiated to Concord, San Jose, and to Lawrence Livermore Laboratories.

A total of 21,084 passengers are carried in the first full year.

As the result of a traffic downturn early in **1983**, SFO-2 is forced to curtail operations. The LongRangers are grounded and a single Bell 206B JetRanger is employed to operate across San Francisco Bay between SFO and Oakland. Still, President Hanson makes plans to open a heliport at San Rafael, in Marin County.

Bookings remain level at 21,616.

Airline employment in **1984** is 34 as 2 Sikorsky S-58Ts are acquired. Enplanement totals are not released, but despite the introduction of the new aircraft and the opening of the San Rafael heliport, they are still down.

Passenger boardings in **1985**, however, total 19,047. The 42-employee helicopter airline experiences a big traffic downturn in **1986** as customer bookings plunge 45.1% to 10,477. Unable to maintain its economic viability, the helicopter operator shuts its doors in **1987**.

In the fall of **1990**, the company's dormant certificate is revoked. The company petitions for its restoration, citing plans to resume twice-daily Concord-Bakersfield flights with two Piper PA-31T Cheyennes and a PA-31-310 Navajo. Authority is restored in early **1991**.

SAN JUAN AIR: United States (1965–1971). San Juan Air is set up at San Juan, Puerto Rico, in the first quarter of **1965** to provide scheduled air taxi services to destinations throughout the Commonwealth and to the U.S. Virgin Islands. Employing a fleet that comes to comprise 1 each Piper PA-32 Cherokee Six, PA-31-310 Navajo, Cessna 310, and Britten-

Norman BN-2 Islander, San Juan inaugurates daily roundtrips on March 27, maintaining them into 1971.

SAN JUAN AIRLINES: United States (1970–1989). Upon the October 1, 1970 collapse of **Puget Sound Airlines**, Roy Franklin, an owner and former CEO of the merger partner **Island Sky Ferries**, establishes a portion of the consolidated company that he reforms into San Juan Airlines, a scheduled commuter. Employing lightplanes acquired from the assets of Puget Sound, scheduled frequencies are initiated under the name San Juan Airlines over the previous charter routes, as well as to Vancouver and Victoria in British Columbia.

Flights are maintained throughout the 1970s and the fleet is increased by various types. In 1971–1972, two Piper PA-23 Aztecs are purchased, followed by two Britten-Norman BN-2 Islanders in 1973–1974, and two Cessna 207s in 1975–1976. By 1977–1978, roundtrip frequencies between the islands and Seattle total 9 per day and annual revenues average \$700,000.

On May 1, 1979, the company is sold to James Sherrell for \$600,000; the new owner transfers the airline's base to Port Angeles, Washington. The Island Mail subsidiary, operated since 1966, is merged, and founder Franklin retires on September 5. A third Islander is purchased in 1980.

By 1981, the fleet comprises 3 Britten-Norman BN-2 Islanders, 1 Piper PA-23 Aztec, 2 Cessna 207s, and 1 Cessna 206. A new freight service is launched and in competition with Harbor Airlines, scheduled frequencies are inaugurated between Bellingham and Seattle.

Destinations served regularly in 1982 include Hoquim and Port Angeles in Washington State and Vancouver and Victoria in British Columbia. A total of 97,180 passengers are boarded in 1983.

Airline employment in 1984 stands at 120 and the fleet includes 2 Islanders, 3 Cessna 207Cs, and 7 Cessna 402s.

Customer bookings jump 24.9% to 121,406.

The fleet in 1985 is enhanced by the delivery of three additional Cessna 402s and two Embraer EMB-110 Bandeirantes.

Passenger boardings swell 11.2% to 135,000. Still, a \$36,645 operating loss and a net loss of \$1.4 million are taken and lead the company to seek financial relief.

Early in 1986, Alaska Air Group, parent of **Alaska Airlines**, announces plans to acquire 50% shareholding in the Port Angeles, Washington-based small regional. This acquisition process is eventually ended as the carrier suffers a passenger traffic downturn. Instead, the company becomes a code-sharing partner of **United Airlines**.

Customer bookings fall 7.4% to 125,000 and revenues plunge 19.7% to \$6.46 million. Losses of \$64,368 (operating) and \$2 million (net) are suffered.

The workforce is increased by 30.8% in 1987 to 170 and the fleet includes 9 Cessna 402s, 3 Cessna 207s, and 2 Islanders.

Orders are placed for 12 Beech 99s. In May, thrice-daily Cessna 402 nonstop service is initiated between Portland and Bellingham.

Passenger boardings decline again, down to 120,000.

The employee population rises to 228 in 1988 as the carrier undertakes big changes. Nonstop five-times-per-day Beech 99 commercial service is inaugurated during March from Paine Field in Everett, Washington to Portland, Oregon. In April when the United contract ends, San Juan affiliates with **Alaska Airlines**. Meanwhile, the company's Canadian routes are sold to Alaskan partner **Horizon Air**. Dramatic fleet equipment alterations also occur as the Cessna 207s and a Cessna 402 are withdrawn and replaced by summer's end with 11 of 12 ordered Beech 99s.

Customer bookings swell 23% to 212,000.

All remaining routes are sold to Horizon in May 1989. The carrier, which had earlier flown under the names **Orcas Island Air Service**, **Island Sky Ferries**, and **Puget Sound Airlines**, is now occasionally referred to as the nation's oldest commuter airline. In August, after 40 years in the air transport business, the company voluntarily turns in its operating certificate to the FAA, shuts down operations, and is liquidated.

SAN JUAN JET CHARTERS: Luis Munoz Marin International Airport, San Juan, Puerto Rico 00937, United States; Phone (787) 253-0980; Fax (787) 253-0981; Year Founded 1996. SJJC is set up at San Juan in 1996 to provide executive and small group passenger charters throughout the U.S., Canada, Central America, Mexico, and the Caribbean. General Manager Rosa Montalvo oversees the work of 4 full-time pilots and schedules 1 each Beech King Air 90, Cessna 414 Chancellor, Learjet 24, and Learjet 35A Century III.

SANA (SOCIEDAD ARGENTINA DE NAVEGACION AEREA, S.A.): Argentina (1940–1943). Dr. Mario Pastega, one of the co-founders of the Italian-backed **Corporacion Sudamericana de Servicios Aereos**, creates this well-capitalized and wholly owned Argentine carrier at Buenos Aires in early 1940. During the spring, negotiations are completed and 3 flying boats are purchased from **Pan American Airways (PAA)**, 2 Consolidated Model 16 Commodores and 1 Sikorsky S-38 amphibian. On June 5, regularly scheduled flights are inaugurated across the Rio de la Plata to Colonia, Uruguay.

In order to obtain an advantage over its two rivals, The Corporacion and **CAUSA (Compania Aeronautica Uruguaya, S.A.)**, SANA offers deep-discount fares. Plans are made to extend routes to other localities, but the nation's entry into World War II and the loss of the Sikorsky in an accident lead the carrier to cease operations on August 16, 1943.

SANDON AIRLINES (PTY.), LTD. See COUNTRYWIDE AIRLINES (PTY.), LTD.

SANSA (SERVICIOS AEREOS NACIONALES, S.A.): Centro Colon, Apartado 999, San Jose, Costa Rica; Phone (506) 223-4179; Fax (506) 255-2176; <http://www.grupotaca.com>; Code TZ; Year Founded 1979. With **LACSA (Lineas Aereas Costarricenses, S.A.)** as majority 51% shareholder, SANSA is formed at San Jose on October 2, 1979. Service is initiated in early 1980 with 2 CASA C-212-200s and 1 Douglas DC-3 linking the capital with Guapiles, Golfito, Limon, Quepos, Chiles, Tamarindo, Liberia, Palmar, and Coto. In early 1980, a DC-8-55F freighter operation is begun.

In early 1983, the airline is completely reorganized in an effort to reverse declining profits caused by traffic downturns and fuel price increases. The two CASAs are withdrawn and the cargo operation is turned over to **LACSA (Lineas Aereas Costarricenses, S.A.)**. The staff is cut to 45. These emergency cost-cutting measures have a positive effect and enable the carrier to survive the remainder of the decade.

In 1990, General Manager Carlos M. Delgado's company resumes operation of its routes with a single CASA C-212-200 leased from **LACSA (Lineas Aereas Costarricenses, S.A.)**.

While en route from San Jose Juan Santamarita to Palmar Sur y Coto on January 15, Flight 3223, the C-212-200 Aviocar with 3 crew and 20 passengers, crashes into 2,200-m. Pico Blanco in Costa Rica; there are no survivors.

A second chartered Aviocar is placed into service as a replacement during 1993–1994, along with a Douglas DC-3.

Operations continue apace in 1995–1996. Enplanements during the latter year total 24,275.

The TACA Group of Central American airlines in 1997 determines that SANSA should be upgraded in order that it might provide not only improved Costa Rica domestic services, but internal flights in other nations as well. To this end, a new fleet of Cessna 208B Grand Caravans is provided.

Passenger boardings skyrocket 73.7% during the year to 92,300.

On April 6, 1998, TACA Group unveils a new "Inter Cuba" division in cooperation with ENSA, a company owned by the Institute of Civil Aeronautics of Cuba. Although under the operational management of SANSA, the new unit's employees, including its general manager, are all Cubans. Under this arrangement, Cessna 208Bs with Costa Rican pilots provide internal frequencies between La Habana, Varadero, Cayo Coco, Trinidad, Cayo Largo, and Gerona, all growing tourist areas.

As Guatemala has no scheduled, permanent, or efficient domestic air transport for passengers, cargo, or documents, TACA Group at the end of April decides to remedy that situation. The subsidiary **Transportes Aereos Inter, S.A.** is established at Guatemala City to provide frequencies. Equipped with a fleet of Cessna 208B Grand Caravans operated by Costa Rican pilots of SANSA under contract, the new entity begins regular flights to Puerto Barrios, Coatepeque, Retalhuleu, Quetzaltenango, Huehuetenango, and El Quiche.

Enplanements during the 12 months fall back to 57,000.

The company enjoys a resurgence in passenger traffic in **1999** as boardings surge to 102,000.

To the left of its normal route and flying in poor visibility, a Cessna 208B Caravan with two crew and eight passengers, all foreign tourists en route from La Fortuna to Tamarindo, flies into high ground at Volcano Arenal, near Lagunas, on August 26, **2000**; there are no survivors.

SANTA BARBARA AIRLINES, S.A.: Ave. 3H #78-51, Res. Republica-Local 01, Maracaibo, Estabo Zuilia, Venezuela; Phone 1 (58) 14-628929; Fax 1 (58) 14-930250; Code BJ; Year Founded 1995. The plan by 300 private investors in western Venezuela to establish this international and regional scheduled passenger and cargo carrier based at Maracaibo, Venezuela's oil and energy capital, is announced on April 1, **1995**. Heli Saul Fernandez is chairman and president, with former Airbus Industrie official Frans Kramer as general manager/CEO. The official launch occurs on November 1.

The pre-operative phase begins and the company's plans are approved by the Transportation Ministry in April **1996**. Although it is expected that revenue services will begin before year's end, a number of circumstances will interfere with this optimism. First and foremost among these is a delay in aircraft selection and arrival.

After reviewing the aircraft possibilities offered by Aeropostal (Regional), de Havilland Canada, and Fokker, fleet composition is settled in September and a \$22-million lease agreement is signed with AI(R) on December 13. Also, at year's end, a workforce of 80 is recruited, including 24 pilots and 10 engineers.

The first of two previously employed ATR42-320s is delivered on February 14, **1997**. It is employed to inaugurate scheduled services a month later from Maracaibo to Aruba, El Vigia, Merida, and Santa Barbara. Following receipt of the second plane in May, routes are stretched to Barranquilla, Banquisimeto, Curaçao, Cartagena, and San Antonio.

Flights continue apace in **1998–1999** without change or incident. During these years, four more ATR42-320s are acquired and enplanements approach 500,000.

During **2000**, Santa Barbara becomes the third Venezuelan carrier designated to serve the U.S. The company, during the first quarter, also paints its ATRs in a new color scheme.

In December, new CEO Mario Goldberg announces that the carrier will wet-lease an aircraft from a U.S. Part 121 operator and begin flights into Fort Lauderdale during the spring.

SANTA FE SKYWAYS: United States (1946–1948). With the backing of the Atchison, Topeka and Santa Fe Railroad, Santa Fe Skyways is established at Wichita, Kansas, on May 4, **1946** to operate nonscheduled all-cargo services over the parent's rail routes as far west as Arizona and California. Homer R. Lake is named president with George W. Lupton Jr., as vice president/general manager. Initial capitalization of \$100,000 is provided and two war-surplus Douglas C-47 Skytrain transports are purchased.

The inaugural flight, Los Angeles to Salinas, California, is made by Chief Pilot Steve Doss on July 31, with 2,600 pounds of strawberries in 200 crates. A third C-47 arrives and an order is placed for four DC-4s. In November, the company applies to the CAB for certification. The first DC-4 is delivered on December 28; christened *Sky Chief Navajo*, it is placed into service on the Los Angeles to Chicago route.

The second DC-4, *Sky Chief Apache*, arrives on January 15, **1947**, followed by the *Sky Chief Pueblo* on February 21 and *Sky Chief Taos* on

March 18. The second anniversary of contract air service is celebrated in July, at which time employment stands at 110.

Santa Fe is sued in federal court by **California Eastern Airways** and **The Flying Tiger Line**; these two California-based freighters are concerned that the company might be the harbinger of additional railroad-controlled air freight lines to follow. By Thanksgiving, the Skyway workforce has been increased to 145 and the fleet now includes 3 C-47s and 4 DC-4s. Certification still has not been granted and on December 5, the CAB turns down the carrier's application.

Rather than risk an adverse court decision, Skyways elects disbandment, announcing its intention on January 12, **1948**. Having flown 2.01 million miles without accident, the cargo carrier ceases operations on January 15.

SAO (SERVICIOS AEREOS PETROLEROS, S.A.). See SERVICIOS AEREOS PETROLEROS, S.A. (SAO)

SAPSA (SERVICIOS AEREOS PETROLEROS, S.A.). See SERVICIOS AEREOS PETROLEROS, S.A. (SAO)

SARANSK STATE AVIATION ENTERPRISE: Saransk Airport, Saransk, Russia; Year Founded 1999. SSAFE is established at Saransk in the spring of **1999** to offer passenger charters throughout the Volga region. The company is part of the state-owned group that also operates Saransk Airport. Orders are placed by Director General Anatoly Zakharov for six Antonov An-24Bs that enter service during the spring, along with a pair of Tupolev Tu-134As, and permit the carrier to offer flights during the summer holiday season to Sochi, Mineralny Vody, and St. Petersburg. In the fall, a long-term contract is signed under which the airline will provide lift for the Saratov-based hockey team Sokol. In addition, aviation services are also provided to the automobile manufacturer AutoVAZ at Togliatti.

At the beginning of **2000**, an An-24B is leased to financially troubled **Nizhegorad Airlines (Nizhegorodskii Avialinii)**. The Tu-134As are chartered to unnamed airlines in Moscow and Tartarstan, both of which agree to overhaul them at their expense in return for the cost of their leases. The three remaining Antonovs return to summer charter work in April and also introduce a scheduled route to Baku. By October, the carrier has visited 258 different airports.

Following the crash of its last serviceable An-24 in early November, **Cheboksary Air Enterprise (Cheboksarskoe A/P)** calls upon SSAFE for assistance. Upon its delivery on November 20, the fifth SSAFE An-24B begins replacement service for Cheboksary on its route from Surgut to Moscow via Cheboksary. It is anticipated that the service may continue for some time as Cheboksary Air Enterprise does not have the 2.6 million rubles required to pay the Irkutsk Aircraft Repair Plant for overhauling its damaged aircraft.

SARATOV AVIATION DIVISION (SARATOVSKI OAO): Russia (1992–1994). This local unit of **Aeroflot Russian International Airlines (ARIA)** is established at Saratov Airport in **1992** to provide regional domestic scheduled service and international charters. U. K. Davidov is named general director and his operations are conducted with 5 Let 410s and 3 Yakovlev Yak-42s.

Operations continue apace in **1993** and the fleet is expanded by the addition of 8 L-410s, 9 Yak-42s, 5 Antonov An-24s, and 17 Mil Mi-2s.

The general downturn in the economy brings change in **1994**, as the carrier is reformed into **Saravia**.

SARATOV AVIATION FACTORY (SARATOVSKI AVIATIONNY ZAVOD): Russia (1994–1995). The local aircraft manufacturing concern at Saratov is granted permission in early **1994** to establish an air transport arm with which to earn funding to replace that cut by the state. V. A. Yermishin is placed in charge of the ad hoc passenger and cargo charter operation and is given 5 Yakovlev Yak-40s with which to launch revenue services. These can only be maintained for a year.

SARAVIA: Ulitsa Zhukovskogo St 25, Saratov Airport, Saratov, 410010, Russia; Phone 7 (8452) 642 969; Fax 7 (8452) 646 515; <http://www.saravia.ru>; Code 6SV; Year Founded 1994. Saratov Aviation Division (Saratovskii OAO) is reformed at Saratov in 1994. Yuri Davidov becomes general manager and the fleet includes 13 Let 410s, 9 Yakovlev Yak-42s, 5 Antonov An-24s, plus 15 helicopters. Enplanements total 199,946.

CEO Davidov's 42 aircraft transport a total of 167,600 passengers in 1995, a decline of 19.3%. Cargo traffic, on the other hand, increases by 9% to 5.58 million FTKs.

Flights continue without incident during the remainder of the decade.

On December 20, 2000, the company joins with **BAL Bashkiri Airlines** (Bashkirskie Avialinii Aviakompaniya), **Nizhegorod Airlines** (Nizhegorodskii Avialinii), and **Samara Airlines** (Samara Avialinii) to form a joint marketing agreement designed to keep open the air routes in the Volga Federal District. The plan is similar to one announced in Moscow earlier in the month by **Domodedovo Airlines**, **Chelai-Chelyabinsk Airlines** (Chelyabinsk Chief Aviation Enterprise), **Kras Air** (Krasnoyarsk Avialinii-KrasAir), and **Avia Express Cruise**. Details concerning possible joint schedules, tariff adjustments, and fleet combinations are not provided to the media.

At the end of the year, a homepage is opened on the Internet's World Wide Web.

SARO (SERVICIOS AEREAS RUTAS ORIENTE, S.A. de C.V.): Hidalgo #2724, Col Jardin Obisrado, Monterrey, 64000, Nuevo Leon, Mexico; Phone 52 (83) 301 190; Fax 52 (83) 330 779; Code UF; Year Founded 1991. SARO is established at Monterrey in 1991, its owners hoping to become competitors to the majors, **Mexicana Airlines, S.A. de C.V.** and **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**. Revenue services commence to major domestic communities with a fleet that over the next year grows to include 2 leased Boeing 737-2L9As, 2 chartered B-737-264As, 1 leased B-727-77, and 3 chartered B-737-130s. A British Aerospace (BAC) 1-11-201AC is acquired as a backup, but is never flown.

The fleet is altered in 1993; although the B-737-2L9As and B-737-130s are retained, the other planes flown earlier are replaced by 2 leased B-727-2Q4As and 1 Douglas DC-9-31. Charter services are briefly operated to Las Vegas.

When DOT officials discover in September that the airline has failed to receive the appropriate route authority, the carrier's rights to fly into the U.S. are revoked and it is fined \$43,000.

Unable to achieve its dream of becoming a full-service scheduled airline, SARO continues charter flights in 1994. The chartered B-737-2L9As are returned to their lessor.

Enplanements total 330,119.

Flights continue in 1995–2000. During these years, the DC-9-31 is returned and the all-chartered fleet comprises 3 B-737-130s and 1 B-737-217.

SAS (SCANDINAVIAN AIRLINES SYSTEM): Frosundaviks Alle 1, Stockholm, S-16187, Sweden; Phone 46 (8) 797-0000; Fax 46 (8) 797-1515; <http://www.sas.se>; Code SK; Year Founded 1946. In 1938, representatives from the governments of Sweden, Norway, and Denmark and their national airlines—**Aktibolaget Aerotransport/ABA Swedish Airlines, A.B.**, **Det Norske Luftfartselskap/DNL Norwegian Air Lines, A.S.**, and **Det Danske Luftfartselskab/DDL Danish Air Lines, A.S.**—agree to pursue the idea of a joint Bergen–New York flying boat service in cooperation with **Pan American Airways (PAA)**.

The German invasion of Norway and Denmark in the spring of 1940 and the Swedish government's refusal to grant **ABA Swedish Airlines, A.B.** a subsidy to support any deal with **Pan American Airways (PAA)**, conspires to force delay in proposals for cooperative operations.

In neutral Sweden on June 9, 1943, Marcus Wallenberg founds **Svensk Interkontinental Lufttrafik, A.B.** (SILA), which becomes his nation's international carrier. **ABA Swedish Air Lines, A.B.** assumes

responsibility for regional and domestic services. Representing the as-yet unformed SAS, Per Norlin, with SILA backing, orders 7, later 10 Douglas DC-4s on November 27.

Norlin and his associates negotiate a North Atlantic concession under the 1944 U.S.–Swedish bilateral air treaty. Nine interned Boeing B-17 bombers are taken in hand and converted to civil status by SAAB; it is tacitly agreed that the planes will be given to and paid for equally by the three state airlines. Although occupied, the Danes promptly smuggle out funds to pay for their share.

On March 23, 1945, SILA formally receives the North Atlantic route authority negotiated the year before. In SILA livery, a converted Flying Fortress makes a token Stockholm–New York flight on June 27. Negotiations between the three national carriers for the actual establishment of a joint consortium begin anew.

An order for four Boeing 377 Stratocruisers is placed on February 28, 1946. In the colors of **ABA Swedish Airlines, A.B.**, the first DC-4, christened *Nordan*, is delivered on May 1. On July 31, the Scandinavian Airlines System (SAS) is formally established. The consortium agreement is the first of its kind in commercial aviation history and a model for later collaborative efforts, such as **Air Afrique, S.A.** The agreement is formalized in a constitution signed by Prince Axel of Denmark, DDL's Per Kampmann, DNL's Thomas S. Falck Jr. and Thomas Olsen, ABA's Carl Florman, and SILA's Marcus Wallenberg. These six individuals become the carrier's first board of directors; Per A. Norlin becomes first president/CEO.

Capital shareholding in the new organization is divided between the companies, with three-sevenths to SILA/ABA and two-sevenths each to DDL and DNL. The agreement establishes Overseas SAS for operation of international flights; however, to overcome international law concerns, the parent companies continue to fly their own separate domestic and European regional services.

Following delivery of the 10 DC-4s ordered in 1943, the first SAS transatlantic New York service (in the Douglas *Nordan*, wearing the national flags of Denmark, Norway, and Sweden) is inaugurated from Stockholm and Copenhagen on September 17 via Prestwick and Gander. An agreement is signed with the U.S.S.R., allowing **Aeroflot Soviet Airlines** to participate, at least indirectly, in the New York service.

On October 21, SILA sells delivery positions for two of its Stratocruisers to **DDL (Danish Air Lines, A.S.)** and **DNL (Norwegian Air Lines, A.S.)**. The two have indicated a willingness to pool B-377 flights with SILA on a twice-weekly service from Stockholm to New York via Oslo, Copenhagen, and Prestwick. The three-nation flag carrier inaugurates New York to Helsinki flights via Stockholm on November 20, with the Russian carrier taking continuing passengers from Helsinki to Moscow. Charter operations to Montevideo begin November 30 and scheduled through service to Buenos Aires on December 29.

While seeking a lost DC-3 on May 16, 1947, a Swedish Consolidated PBY Catalina is attacked by Soviet fighter planes and forced down at sea, injuring two crewmen. The Swedish public is incensed and a crowd stones the Soviet embassy at Stockholm. Daily SAS New York service is launched on June 17. On July 6, three Swedish youths, held aboard a DC-4 as the first stowaways to cross the Atlantic aboard a commercial airliner, arrive at New York and are turned over to police. A DC-4 with 45 aboard crashes into Mount Hymettos, near Athens, on October 28; there are no survivors. Route agreements for Swedish regional services are reached between SILA and **ABA Swedish Air Lines, A.B.** in November. A DC-4 crashes near Ravello, Italy, on November 20 (20 dead) and in December orders are placed for 17 DC-6s.

On April 18, 1948, the regional operations of **DDL Danish Air Lines, A.S.**, **DNL Norwegian Air Lines, A.S.**, and **ABA Swedish Air Lines, A.B.** are combined into an SAS European Division while ABA and SILA are fully amalgamated on July 1 under the former's name. Although four DC-6 building slots are given over to **British Commonwealth Pacific Air Lines, Ltd.**, the first of the new Douglas transports begin to join the fleet in April and May and are integrated onto the New York service.

One of the new DC-6s with 7 crew and 25 passengers is involved in the company's first major accident. Near London's Northolt Airport on July 5, an RAF Avro 685 York collides with one of the new Douglas transports (39 dead) in the worst air disaster in British civil aviation history to date. Both aircraft had been circling in a rainstorm, waiting to land.

South Atlantic DC-6 roundtrips commence on October 30.

En route from Madrid to Copenhagen on February 8, **1949**, a British-built Viking crashes off the coast of Sweden (28 dead). With the four Scandinavian Stratocruisers due for delivery in October and December, SILA announces on April 11 that it has chosen to standardize its fleet on products from Douglas Aircraft. The delivery positions are sold to **British Overseas Airways Corporation (BOAC)**. The first SAS Far Eastern route is opened on October 26, when DC-6 service to Bangkok is inaugurated.

The carrier initiates a "stop over" plan on June 17, **1950**, allowing passengers to visit cities en route at no extra cost. The first of 10 SAAB 90A-2 Scandias begins service with the European Division in December.

Made retroactive to October 1, 1950, the overseas and European divisions of SAS are merged in a final consortium agreement signed on February 8, **1951**. SAS becomes the flag carrier of Denmark, Norway, and Sweden with ABA, DDL, and DNL the nonflying national holding companies. Some £8 million in capital is subscribed to the enterprise in the three-sevenths and two-sevenths proportions of the original 1946 pact; half of the funds are paid by the national governments and half by private investors. The whole agreement is given a renewable 25-year life span.

A DC-3 with 4 crew and 18 passengers crashes while landing at Bromma Airport, Stockholm, on April 1; although the aircraft is destroyed, there are no fatalities.

DC-6 service is launched to Tokyo via Bangkok on April 18 and to Nairobi on November 15. In December, the last of 10 ordered SAAB 90A-2 Scandias enter European service.

A consortium crew led by Capt. Jensen performs the first transpolar flight by a commercial airliner with the delivery on November 19, **1952** of a Douglas DC-6B from Los Angeles to Copenhagen via Edmonton, Canada and Thule, Greenland. This proving flight by the *Arild Viking* is made in 28 hrs. 7 min. (actual flying time is 23 hrs. 38 min.), cutting 1,000 miles off the regular route. A second DC-6B delivery and proving flight is made over the route on December 6.

DC-6B service to Johannesburg is started on January 7, **1953**. Direct DC-6B is initiated from Goteborg, Sweden to New York City on May 18 and a DC-6B departs Oslo on May 23 on the first Europe-Tokyo pre-service flight over the Great Circle Route. After the U.S.S.R. denies the airliner permission to fly across Siberia, the airliner arrives at Shemya, in the Aleutians, the next day. From the Aleutians, the DC-6B goes on to Tokyo on May 25, completing the 6,683-mile trip in 37 hrs. flying time, 3,000 miles less than that required for the conventional route. Tourist-class fares are introduced on the North Atlantic route on October 4.

A DC-6B completes a successful Scandinavia to Los Angeles test flight over the Great Circle Route on January 25, **1954**. The company petitions the U.S. CAB on March 9 for permission to fly regularly scheduled services to San Francisco and Los Angeles. A Dehmel flight trainer is purchased 10 days later and on March 29, mechanics strike at Oslo and Stavenger.

A DC-6B flies from Prestwick, Scotland, to New York City in a record 11 hrs., 7 min. on May 1. Two weeks later, on May 14, the carrier begins to offer a credit plan that will enable travelers to finance their trip costs. A DC-6B completes a Norway to Japan flight on May 19 via the North Pole and Fairbanks, transporting Red Cross personnel bound for South Korea.

On August 18, the CAB grants SAS a Los Angeles route in exchange for Scandinavian permission for **United Air Lines** to operate the same route in reverse. The airline signs an agreement with **Aeroflot Soviet Airlines** on September 5 for the inauguration of Stockholm-Moscow

service. A significant number of Swedish pilots resign on October 15 over alleged preference given to Danish pilots and during the month, the CAB grants the company layover permission for Blueie W 8 airfield at Sondre Stromjord in Greenland.

On November 15, the world's first commercial service is pioneered over the polar shortcut between Europe and California. The DC-6B *Royal Viking* departs Los Angeles, lands at Winnipeg and Blueie W 8 for refueling, and reaches Copenhagen on November 16, completing the inaugural flight in 23 hrs. 58 min. The second phase of the Great Circle Route service is initiated by the DC-6B *Helge Viking* from Copenhagen on November 16, which brings the premiers of the three Scandinavian countries and other VIPs to Los Angeles 35 minutes ahead of schedule, via Sondre Stromjord. En route, the two Douglas transports pass one another.

Convair CV-440s and Douglas DC-7Cs are ordered in **1955**. On May 13, a DC-6B flies from Stockholm to Tokyo via the North Pole in a pre-service record 33 hrs. 20 min. Henning Thorne Holst succeeds Per A. Norlin as president during the fourth quarter.

The first of 16 Convair CV-440s is delivered for service on the European routes in **1956**; as DC-7Cs are acquired, DC-6Bs are transferred to the regional frequencies.

Scheduled service from Oslo to Moscow begins on May 1; three days later, direct Buenos Aires to Moscow flights begin. The premier DC-7C is delivered on August 16 and is christened *Brage Viking*; it is followed by the *Guttorm Viking* on September 25.

On February 24, **1957**, the North Pole route between Copenhagen and Tokyo is inaugurated via Anchorage as the carrier's two DC-7Cs fly simultaneously from both destinations. Japanese Prince Takahito and other VIPs are on the Copenhagen-bound airliner while Danish Premier Hans C. Hansen and Prince Axel are on the Tokyo-bound plane. As the latter transport flies over the top of the world, Premier Hansen broadcasts a message promising goodwill and cooperation between nations on a shrinking globe.

A half-share in the newly organized Swedish domestic carrier **Linje-flyg, A.B.** is subscribed on April 2. On April 5, service is inaugurated from Stockholm to Warsaw and on to Prague. On June 28, SAS becomes the first non-French airline to order a Sud Est Caravelle jetliner.

As of October 10, service is initiated to Cairo via Budapest. Nonstop Lisbon to Brazil flights are initiated on October 20.

A DC-6B with five crew is lost in a training accident at Norrkiping, Sweden on November 28; there are no fatalities.

Late in the year, all eight of the carrier's SAAB 90A-2 Scandias are sold to the Brazilian airline **VASP (Viacao Aerea Sao Paulo, S.A.)** and replaced by Convair CV-440s. Orders are placed for a medium-ranged French jetliner, the Sud SE-210 Caravelle.

Passenger enplanements for the year total 1,396,000.

Following a dispute with IATA over the quality of its food service (the so-called "sandwich war"), SAS, in February **1958**, is authorized to offer passengers its smorgasbord, thus beginning a worldwide catering reputation for superior in-flight meals. An alliance is entered into with **Swissair, A.G.** on October 8.

The consortium agreement is renewed, with slight modifications, on December 16. During the fourth quarter, Ake Rusck succeeds Henning Thorne Holst as president.

On February 20, **1959**, half-interest in the Mexican airline **Aerovias Guest, S.A. de C.V.** is purchased. On April 26, the consortium airline becomes the first non-French carrier to place the Sud SE-210 Caravelle I into regularly scheduled service, flying it on a multistop Copenhagen-Cairo route. Leased from its manufacturer, the aircraft is employed is the first prototype. Also in April, Montreal to Copenhagen service is launched. In a fifty-fifty arrangement, **Thai Airways, Ltd.** and SAS form **Thai Airways International, Ltd. (THAI)** at Bangkok on August 24.

In December, a fleet of six DC-6s is sold to **Aeronaves de Mexico, S.A. de C.V.** As part of the package, SAS agrees to provide Mexican pilots with a three-week transitional training course.

Following a service from Stockholm, Flight 871, an SE-210 Caravelle I with 7 crew and 35 passengers, crashes short of the runway near Ankara on January 19, 1960; there are no survivors.

The first DC-8-32 is received on March 31, and is christened *Dan Viking*. DC-8-32s are introduced on intercontinental service from Copenhagen to New York's Idlewild Airport on May 1, Los Angeles on June 3, and Tokyo on October 11.

On May 7, the new Sud SE-210 Caravelle *Einor Viking* is placed on the Stockholm-London via Copenhagen route. With Princess Astrid of Norway, Princess Margaretha of Sweden, and Princess Margarethe of Denmark aboard, the company makes a Copenhagen to Los Angeles DC-8-32 inaugural flight on June 4 via the Great Circle Route.

A new DC-8-32 narrowly averts disaster during a night takeoff from Copenhagen during August when it flies into a large flock of seagulls. Although three engines and the leading edge of the wing are damaged, the Douglas is able to make an emergency landing back at its point of origin and no injuries are reported. Two days later, the aircraft is back in service.

During the fall, the multinational flag line provides 25% of the start-up capital for newly formed **Gronlandefly, A.S./Greenlandair**.

Regularly scheduled nonstop trans-polar DC-8-32 service is initiated on October 11 between Copenhagen and Seattle. As part of a maintenance pool with **Swissair, A.G.**, the company, late in the year, is able to modify the wing leading edges of its DC-8-32s to accommodate an additional 950 gallons of fuel.

Passenger boardings for the year total 1,880,000.

Following financial reversals in 1960, the 50% share of **Aerovias Guest, S.A. de C.V.** is divested in 1961. In February, the DC-6B *Hjalmar Viking* is sold to **REAL Brazil, S.A.** and Oslo to New York jetliner flights begin on April 20.

On August 20, the carrier announces new cost-cutting measures, including the layoff of 1,250 ground personnel. Meanwhile, the subsidiary **Scanair, A.B.** is formed to provide charter and inclusive-tour service to points in southern Europe, North America, Africa, and the Canary Islands.

The subsidiary SAS Catering, A.B. is set up on October 1. During the fourth quarter, Curt Nicolin succeeds Ake Rusck as president.

A total of 1.97 million passengers are carried during these 12 months.

A Convair CV-990 Coronado is leased from its manufacturer on February 23, 1962 for sublease to **Thai Airways International, Ltd. (THAI)**. Originally christened *Adils Viking*, the new ship initially enters service between Copenhagen and Tokyo via intermediate points. All 14 Caravelles are grounded on March 17 for landing gear modifications; the consortium agreement is further amended on March 26. A second CV-990, *Ring Viking*, is acquired on April 10 and is also sent out to Bangkok.

The *Ring Viking* is rechristened *Srisuriyothai* and enters service on behalf of the SAS partner on May 18.

For its work in pioneering North Pole routes, the carrier, on October 12, receives the Christopher Columbus Prize, which is sometimes known as "The Nobel Prize of Communications."

A DC-8-32 flies from New York to Oslo on October 26 in a record 5 hrs. 55 min. Karl Nilsson succeeds Curt Nicolin as president during the fourth quarter.

As passenger traffic accelerates through the year to 2,157,193, additional capacity is required.

The two Convair CV-990A Coronados are returned from their Asian sublease in 1963 and are assigned to service on the company's South Atlantic routes; the *Srisuriyothai*, incidentally, takes back its original name.

On May 4, a "Top of the World" domestic route is opened with a new northern Norway service from Tromsø to the Kirkenes via Alta and Lakselv. On October 20, Econofare New York to Copenhagen propeller service is begun.

Bookings this year accelerate to 2,376,982.

DC-8-32 flights from Copenhagen to Chicago begin on April 2, 1964.

Airline employment reaches 12,126 during the year, enplanements are up to 2,676,000, and revenues total \$195.15 million.

On February 1, 1965, the first European electronic reservations and ticketing system, SASCO, is introduced by the airline.

A DC-7C with 7 crew and 84 passengers crashes upon takeoff from Tenerife on February 8; although the aircraft must be written off, there are no fatalities.

Bergen is added to the route network on April 5 while Governors Rolvaag and Reynolds and Mayor Daley are among 65 VIPs feted at Copenhagen following the inauguration of direct SAS service from Chicago. An order is placed for eight DC-8-62s and new computer reservations procedures are introduced at the Copenhagen base, where a new air cargo terminal is also under construction.

Passenger boardings rise 14.6% to 3,090,642.

Withdrawn during January, the CV-990As *Adils Viking* and *Ring Viking* are passed to Swissair, A.G. on February 1, 1966. As the result of Norway's discontent with SAS, that nation's new conservative government ends the conglomerate's privileged status over private companies by awarding domestic routes to **Braathens SAFE, A.S.** on May 15.

The Norwegian, Danish, and Swedish pilots associations initiate a unified job action on June 6 and the governments of the respective countries agree to try to settle the strike by voluntary arbitration. The pilots accept an arbitrated settlement, ending their walkout on June 22.

Seattle becomes a new polar route destination on September 2 and on December 19, the carrier becomes launch customer by placing the first orders for the DC-9-21 and DC-9-41 for medium- and short-haul frequencies.

Enplanements this year total 3,283,550.

The airline receives Soviet permission on January 27, 1967 to fly over Siberia on flights to Japan in return for the receipt, by Aeroflot, of permission to fly over Scandinavia. In March, the **British Eagle International Airways, Ltd.** BAC 1-11-301 Stalwart is leased for the summer charter season; given the name *Arnold Viking*, it retains its British registration and markings.

Copenhagen to Leningrad reciprocal service begins on April 4. On May 22, SAS becomes the first airline to introduce the DC-8-62 on long-haul routes.

Meanwhile, permission from Moscow is received on August 8 for operations over the U.S.S.R. on a Copenhagen-Bangkok service. This new Trans-Asian Express DC-8-62 route between Copenhagen, Bangkok, and Singapore via a Tashkent service stop is inaugurated on November 4. The new air cargo terminal is occupied at year's end.

Passenger boardings jump 15% to 3,863,000 and freight traffic climbs 23%.

Airline employment in 1968 totals 13,081. Deliveries of the first of 49 specially ordered DC-9-41s begins in February with the first of the Douglas twin-jets entering service in late March. Dar Es Salaam is added to the African network on March 31 and two DC-8-63s are delivered in July.

On August 17, the carrier announces, that it has accepted a 30-year-old Norwegian woman, Turi Wilderoe, as a pilot trainee, becoming the first major Western line to accept a female for such a post. On September 18, the DC-9-21 specifically designed for SAS begins test operations. The carrier subscribes 22% of the capital required to refinance **Widerøes Flyveselskap A.S.** The first of 10 DC-9-21s is delivered on December 11 and is placed on domestic routes at the end of the year.

Scheduled booking increase 12.8% to 4,155,000 and revenues are now \$286.37 million.

The employee population stands at 14,466 in 1969. The fleet now includes 16 DC-8-62s, 30 DC-9s, 15 SE-210s, and 10 CV-440s, including the first of 10 specially ordered DC-9-21s. Orders are placed for Boeing 747 Jumbojets.

On final approach to Los Angeles on January 13 on a flight from Seattle and Tacoma, the inattentive flight crew of a DC-8-62 with 9 crew and 36 passengers allows their aircraft to land in Santa Monica Bay during an ILS approach (15 dead).

Also on January 13, the KSSU Group for technical and operational cooperation is founded in association with **Swissair, A.G.** and **KLM (Royal**

Dutch Airlines, N.V.; a multi-airline pact is signed for a 10-year period. Under its terms, SAS will specialize in engine overhaul and cockpit standardization.

The first DC-9-21 revenue service is offered on January 27.

A new domestic terminal is opened at Copenhagen's Kastrup Airport and the company becomes the first in Europe to install the Telemax computerized reservations system. The last of the 10 DC-9-21s arrives on April 12 and is christened *Rane Viking*.

On May 2, Turi Wideroe becomes the first woman pilot hired by SAS and the first woman to pilot a passenger craft for a major Western airline. Later in the year, Knut Hagrup succeeds Karl Nilsson as president.

The total number of travelers for the year is 5,007,420; the profit is \$16.1 million.

In 1970, airline employment rises to 14,560. **UTA French Airlines** joins the multi-airline KSSU Group pact in February.

The No. 1 engine of a DC-8-62 with 11 crew and 54 passengers suffers an uncontained failure and fire during the plane's April 19 takeoff roll from Rome; the liftoff is aborted and all aboard are evacuated. No injuries are reported.

A Fokker F.27 goes down near Vagar, in the Faeroes, on September 26 (eight dead).

Freight traffic for the year remains level, passenger boardings increase 10% to 5.05 million, and a record profits of \$17.2 million is recorded—the 8th profit in a row. In terms of passenger boardings, SAS now ranks as the world's 21st largest airline; it is 17th in air freight and 15th in number of employees. With 71 jetliners, it possesses the 17th largest fleet.

The first Boeing 747-283B *Bjarne Viking* is delivered on February 22, 1971 and placed in service on the Copenhagen to New York route on April 1. In February, SAS joins with **Maersk Air A.S.** and **Cimber Air, A.S.** to create **Danair, A.S.** for Danish domestic services. Trans-Siberian Express service is launched on April 3 over a route from Copenhagen to Tokyo via Moscow.

Quick-witted security personnel prevent the hijacking by a lone assailant of a DC-9-41 preparing for a scheduled domestic service from Malmo to Stockholm on May 17.

Vingresor/Club 33, a major tour-producing company, is acquired on June 2.

A new seven-year pact is signed with **Thai Airways, Ltd.** for the operation of **Thai Airways International, Ltd. (THAI)**. Company-owned hotels open in Norway, Denmark, and Sweden. Beginning in September and continuing for 10 months, the carrier offers \$208 roundtrip excursion fare service between New York and the Scandinavian capitals; the fare is the lowest jet tariff offered on the route by a scheduled airline.

The first DC-8-32, *Dan Viking*, is withdrawn at the beginning of October and the second B-747-283B *Ivar Viking* arrives on November 12.

Enplanements for the year dip to 4,580,520.

In 1972, airline employment is up only three people over 1970. East Berlin, Abidjan, Zagreb, Belgrade, and Geneva are added to the route system and orders are placed for DC-10-30s. On May 12, the company takes delivery of a DC-8-63, the last DC-8 manufactured.

Three gunmen, advocating Croatian independence, hijack a DC-9-41 with 79 aboard en route from Goteborg to Stockholm on September 15. They force it to land at Malmo, where they demand the release of six Croats imprisoned for their role in the murder of the Yugoslav ambassador to Sweden, V. Rolic, the previous year.

After obtaining the prisoners, \$200,000 in ransom, and fuel, the passengers are released and the plane is ordered to fly to Madrid, where the pirates surrender to Spanish authorities the next day. The three ringleaders will be tried and given 12-year terms in Spanish prisons.

Freight traffic this year soars by 16.7% and boardings are up to 5,798,000.

Unable to stop after aborting its takeoff from Oslo's Fornebu Airport on January 30, 1973, the DC-9-21 *Reidar Viking* with 4 crew and 29 passengers crashes through a fence onto ice-covered water. Although the landing gear breaks through the surface, the wings support the plane

long enough for all aboard to escape. The short-bodied Douglas subsequently sinks and although retrieved, must be written off.

Also in January, the multinational airline places the largest single equipment order in its history to date: \$105 million for 17 more DC-9-41s. New all-cargo routes are opened to Chicago, Bangkok, and Singapore. An agreement is reached with the People's Republic of China permitting SAS to service Peking at a future date and a new hotel is opened at Copenhagen.

Airliners are designated "department stores" as of July 8 when the carrier begins placing 24-page sales catalogs in the reading material provided in seat pockets. The public relations department maintains that the catalogs will service as in-flight shops for travelers, enabling them to purchase quality products in Scandinavian countries at a 20% discount. Beginning on the night of December 13, the carrier introduces stewardesses in its jetliner cabins costumed as Lucia, Swedish queen of light, as part of the ancient Swedish celebration of what was once considered the year's longest night.

Enplanements for the year are 6,224,130, including the 50 millionth passenger. Cargo traffic is up by 5% and the workforce now totals 14,909. At year's end, the last surviving founder, Dr. Marcus Wallenberg of Sweden, retires from the board of directors.

An SE-210 Caravelle III is damaged beyond repair at Stockholm's Arlanda Airport on January 25, 1974.

The 17 DC-9-41s are received throughout the remainder of the year as the last of 12 Caravelles are retired, including the final unit withdrawn on September 25. The first two DC-10-30s are delivered on October 6 and are put on the Scandinavia-Seattle and Los Angeles polar route on November 5. New Delhi becomes a passenger destination.

Passenger boardings rise 1% to 6,287,000 and cargo traffic is up by 13%.

Airline employment in 1975 stands at 14,863 and the SAS consortium agreement first initialed in 1951 is extended to 1995. DC-8-62/63s replace DC-9-21s on all Mideast routes and, on September 2, DC-9-41 flights are started Oslo-Haugesund and Tromsø-Longyearbyen, the latter city becoming the most northerly point on the world's commercial air map.

Orders are placed for the 53rd and 54th DC-9-41s, allowing the carrier to continue its ranking as the largest employer of the Douglas twin-jet outside of the U.S. A new hotel, the Scandinavian, is opened at Oslo while another, the Lofoten, is occupied at Stansund. Citing consumer preference, the carrier discontinues the traditional chicken dinner on its transatlantic flights as of December 28.

Passenger boardings are up 6% to 6,668,000, freight traffic falls 2%, and the 13th consecutive profit is recorded.

As the result of the Swedish government's reorganization of its domestic services, two of the SAS daily roundtrips between Stockholm and Lulea are transferred to **Linjeflyg, A.B.** on January 1, 1976. Initial B-747-283B service is now inaugurated from New York to Copenhagen; Jumbojets also link Stockholm with New York. As three more DC-10-30s come on line, Douglas wide-body operations are launched to Bangkok, Singapore, Montreal, Chicago, Nairobi, Dar Es Salaam, and Johannesburg.

On October 30, the fleet becomes all-jet as the last two CV-440s are retired. A 13th flight kitchen is opened in London, while the 11th Scandinavian hotel is occupied.

Passenger boardings climb 7% to 7,161,000, freight traffic jumps 15%, and a \$9.8 million net profit is posted.

Service is extended to Kuwait and Barcelona in 1977. A strike by cabin attendants on May 10 forces some flights to be cancelled.

A Goteborg-New York route is opened on November 2. Meanwhile, the B-747-283C delivered on October 27 is christened *Magnus Viking* and is placed on the North Atlantic run on December 14.

Enplanements for the year total 7,381,410.

Carl-Olov Munkburg succeeds Knut Hagrup as president on January 1, 1978. Mini-fares are introduced on the North Atlantic on October 1. Meanwhile, B-747-283B operations to Jeddah commence on September

18 and nonstop Oslo–New York flights start on November 4. An order is placed with Airbus Industrie for two A300B4-120s.

Passenger boardings rise 7% to 7,937,000 and freight traffic climbs 10%. The 16th consecutive net profit, \$21.3 million, is banked.

A second B-747-283C, the *Knut Viking*, is received on March 2, 1979 and is placed in service to Seattle and Los Angeles on November 15, the 25th anniversary of the polar route's beginning. Also in March, additional hotel concerns are acquired, the Park Avenue Hotel in Goteborg and A/S Hord Norsk Hotell drift.

Aarhus–London flights begin in April and business class is introduced on the North Atlantic on November 1. Also in November, DC-10-30s replace DC-8-62/63s on all South American routes.

Early in the year, the carrier boards its 100th million passenger. Enplanements for the year rise 9.9% to 8,669,000. Although freight traffic falls 3.2%, yet another net profit (\$35.6 million) is taken in.

A. B. Olson and Wright, a major Swedish forwarding agency, becomes a wholly owned subsidiary on January 1, 1980. Airline employment is cut by 0.9% during the year to 16,887. The first three A300B4-120s are received early in the year and two more are ordered. In addition, the fleet now comprises 4 B-747-283Bs and Cs, 5 DC-10-30s, 7 DC-8-62/63s, and 61 DC-9-21/41s. The A300B4-120s are placed in service over European regional routes to London, Stockholm, Paris, and Madrid.

On September 20, one of the new aircraft and a **British Airways, Ltd.** (2) jetliner brush each other on a London (LHR) airport runway; no injuries are reported.

Business-class service is extended to Asian and polar routes on October 1. It is announced in November that Jan Carizon, 39-year-old former head of **Linjeflyg, A.B.**, will become CEO in the new year.

Passenger boardings dip 3% to 8,393,000 and freight is down 3.1% to 412 million FTKs. The deepening world recession causes the carrier to suffer its first financial loss in 18 years. Despite a 15% gain in income to \$2.24 billion, expenses are up 17.2% to \$2.23. An operating profit of \$456,000 is earned, but a net loss of \$14.9 million must be recorded in the books.

Jan Carizon becomes president/CEO on January 1, 1981. A total of \$25 million is spent to totally restructure the airline from a production-oriented to a market-oriented company. Six new operating divisions—commercial, traffic, administrative, operations, technical, and associated companies—are set up as profit centers. The B-747-283C *Dan Viking* (the 500th Jumbojet built by Boeing) is received on February 18 and a fourth A300B4-120 joins the fleet in March.

A new route is opened linking the North Sea oil centers of Stavanger and Aberdeen and during the summer a punctuality campaign is launched aimed at producing the best on-time performance in Europe. The *Huge Viking*, a B-747-283C, is acquired on October 22 and an upgraded economy-class, EuroClass, is unveiled over European routes on November 1.

Passenger boardings remain level at 8,413,000, freight traffic declines 1.1%, and a second consecutive net loss (\$18.5 million) is recorded.

The transition from a production-oriented to a market-oriented airline is completed in 1982. The *Ivar Viking* is sold out of service in January, but will be leased back the following month. Following a move to Copenhagen Airport, Improved Business Class is introduced to intercontinental services on February 1 and new Intra-Nordic low fares are initiated on June 1. An unnamed B-747-143, once flown by **Alitalia, S.p.A.**, is leased from Boeing for six months on July 26.

First-class business service begins on intercontinental routes on September 26, the same day a nonstop B-747-283C Copenhagen–Bangkok route is opened. The new low fares are extended from the Nordic market to all European services on November 15. As a result of the campaign begun in 1981, the carrier becomes the most punctual in Europe according to AEA statistics. This achievement will be maintained through 1993.

The number of workers is increased a gradual 1.9% during the year to 16,553. Enplanements rise 5% to 8.9 million, but freight traffic is down 4% to 403.12 million FTKs. The year's best news comes on November 26 when a net profit of \$53.5 million is reported—the largest turnaround

from net loss to net profit in SAS history—on operating revenues of \$1.59 billion.

The number of employees is increased by 2.3% in 1983 to 16,937 and DC-10-30 flights are introduced on the Trans-Siberian Express on April 1. During the first quarter, Chairman Carlzon and **Air France** head Pierre Giraudet clash over the latter's efforts to place a surtax on Euro-class flights to Paris; the foreign ministers of Sweden and France agree that no such tax will be levied.

On April 12, a completely new corporate image, designed by Landor Associates, is unveiled; aircraft exteriors and interiors, uniforms, ground vehicles, and ticket offices are all to be redone by the time the fall schedule begins on September 25. The uniforms alone will require an investment in 252,000 m. of wool and cotton cloth, 298,000 buttons, and 16 km. of gold braid.

Nonstop Stockholm–New York service begins on May 28. Also during the second quarter, the four A300B4-120s are grounded as being too large to generate profits on the European network. Three will soon be leased to **Scanair, A.B.**

The Fokkers the French carrier **TAT (French Regional Airlines, S.A.)** is currently operating are not quite large enough to satisfy its requirements, but are excellent short field aircraft suitable to the majority of airports visited. A search for an F.28 replacement continues. In late summer, arrangements are made to lease for a year's trial a pair of Douglas DC-9-21s from SAS, which owns 14 of the type and is interested in selling them.

The two Douglas transports, *Ubbe Viking* and *Orvar Viking*, are delivered to Paris (ORY) in September and October via Denmark, then the only Scandinavian EEC country (thus making the planes non-import taxable). Revenue flights are undertaken from Paris (ORY) to Chambery, Beziers, and Carcassonne.

An alliance is inked with **Qantas Airways (Pty), Ltd.** late in the year that provides for joint fares and promotions around the world and connections in southeast Asia for onward travel to points in Australia. The Jumbojet *Bjarne Viking* is sold out of service on October 1, but is leased back 10 days later. During the year, the B-747-283C *Knut Viking* is leased to **Nigerian Airways, Ltd.** for a year.

Boardings move upward 6% to 9,343,000, but freight traffic dips again by 4% to 386.76 million FTKs. Revenues are \$1.4 billion. The operating profit, however, more than doubles, up to \$58.9 million, while net gain climbs 35% to \$76.8 million.

The payroll is expanded a hefty 9.6% in 1984 to 17,100 and orders are placed for 3 more DC-10-30s and 6 DC-9-80s. In January, SAS receives the 1983 "Airline of the Year" award from *Air Transport World* magazine.

Continued concentration is placed on the full-fare Business Class market. Flight 901, a DC-10-30 with 177 aboard, skids off the end of a rain-slicked runway while landing at New York (JFK) on February 28; coming to a halt with its nose in a marsh channel off Jamaica Bay. All of the passengers and crew are evacuated, with 12 injured, one seriously.

Although **TAT (French Regional Airlines, S.A.)** wishes to proceed with the sale, SAS, upon reconsideration, elects to retrieve the DC-9-21s for additional service and reclaims them when their lease expires.

The wholly owned commuter subsidiary **EuroLink** is formed in December and eight Fokker F.27s are ordered for it.

Passenger boardings incline upward by 9% to 10.3 million and freight traffic finally rises, climbing 4% to 402.5 million FTKs. An operating profit of \$83.4 million is recorded on revenues of \$1.6 billion.

Employment grows 3.6% in 1985 to 17,710. **EuroLink** services are launched connecting Copenhagen, Hamburg, Oslo, Kristiansand, Goteborg, Haugensund, Vasjo, and Jonkoping. Four newly received Friendships are assigned to the commuter operation while three additional DC-10-30s are delivered to the main fleet. Norway, Sweden, and Denmark agree on June 27 to end all company flights to Johannesburg to protest South Africa's apartheid policies.

During the fourth quarter the European cargo hub is moved from Copenhagen to Cologne as the cargo computer system CAROLINE is introduced.

Passenger traffic rises 6% this year to 10.9 million, but cargo remains level. A fourth consecutive operating profit (\$102 million) is posted on revenues of \$1.9 billion; the net gain is \$100 million. SAS now ranks 24th among all world airlines in terms of passengers carried and 21st in fleet size.

The payroll grows again in **1986**, up 4.9% to 19,773. In January, three A300B4-120s are sold to **Conair of Scandinavia, A.S.** The same month, the first direct Asia-Stockholm service is opened to Stockholm from Bangkok and Singapore. Orders are placed in March for four more DC-9-80s and in June for four additional F.27s. Lars Bergvall is, meanwhile, appointed airline executive vice president/chief operating officer on April 1 and Jan Carizon becomes consortium chairman.

SAS Cargo moves its overnight freight hub in May from Copenhagen to Cologne and in August orders are placed for 10 McDonnell Douglas MD-87s and 4 MD-82s. At year's end, options are taken on 12 MD-11s and the Diners Club International operation in Scandinavia is purchased.

Customer bookings accelerate 9.4% to 11,700,000 and freight is up 3.3% to 409 million FTKs. Revenues swell to \$2.39 billion and with costs low, the operating profit jumps to \$299 million and net profit rises to \$205 million.

Airline employment is increased in **1987** to 20,479. In January, the company receives the 1986 "Passenger Service Award" from *Air Transport World* magazine. The Copenhagen Airport Shopping Centre is opened on April 29.

The DC-9-41 *Gissur Viking*, with 4 crew and 103 passengers is destroyed as the result of a bad landing at Trondheim on February 25; there are no fatalities.

During the year, most of the B-747-283Cs and DC-8-62s/63s are retired; the final Jumbojet transatlantic passenger flight occurs in August. On August 8, SAS Leisure forms **Spanair, S.A.** with Spanish partners.

The carrier's 22-unit hotel chain is expanded into additional cities and the first nonstop service is inaugurated on September 1 from Copenhagen to Tokyo. An arrangement is made with **Thai Airways International, Ltd. (THAI)** on October 3 for connections from Bangkok to other cities in Southeast Asia.

Chairman Carizon's thoughts and recollections, *Moments of Truth* (Boston: Ballinger) are published during the year.

Passenger boardings swell 7.7% to 12,662,000; however, cargo is down 8.1% to 376.77 million FTKs, largely as a result of the European freight rate war. Revenues ascend 18.4% to \$3.45 billion and costs are kept down, producing a \$230 million operating profit and net gain of \$191 million.

Although airline employment is cut 5.3% in **1988** to 19,834, the year is otherwise very busy and productive for the Scandinavian aerial consortium. The fleet now includes 106 aircraft: 48 DC-9-41s, 11 DC-10-30s, 10 MD-81s, 10 MD-82s, 9 DC-9-21s, 9 F.27s, 4 MD-87s, 3 DC-9-41s, and 2 MD-83s. Ninety-eight additional MD-80s, B-767-283ERs/383ERs, and Fokker 50s are requested in January, March, and June orders worth \$3 billion.

An April start-up of flights into China is missed because of problems in finalizing arrangements for overflights over the U.S.S.R.

A \$100-million Eurobond is launched in late spring and a \$350-million revolving line of credit is established with several large international banks, including J. P. Morgan Securities. In June, the consortium agrees with Volvo to form a jointly owned company to combine engine overhaul activities.

On August 22, the carrier finally inaugurates weekly service between Copenhagen and Beijing. In other activities during the year, the three-nation partnership airline initiates flights to Malaga, Cairo, Warsaw, and Reykjavik. With the purchase of three new hostels, its hotel total reaches 22. The subsidiary SAS Service Partner acquires two German companies to become Europe's largest flight-kitchen service.

In pursuit of deeper involvement in an industry facing rapid deregulation and privatization, SAS reaches out to take shares in other carriers. As a complement to its arrangement with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, an equity stake is discussed with

Aerolineas Argentinas, S.A., but is put off due to political considerations.

On October 4, 9.9% shareholding is taken in Texas Air Corporation (TAC) and a marketing alliance is signed with its flagship company **Continental Airlines**. The consortium's New York operations are moved from New York (JFK) to the new Continental hub at Newark (EWR), where it might connect with its new partner's flights.

SAS EuroClass (club) passengers now receive first-class accommodations on the **Continental Airlines** portion of U.S. domestic flights. In December, a cooperative agreement is signed with **All-Nippon Airways Company, Ltd. (ANA)** of Japan. A new hub is opened at London (LHR) and on December 15 a 24.9% interest is acquired for \$46 million in the Airlines of Britain, Ltd. holding company, parent of **London City Airways, Ltd., Loganair, Ltd., Manx Airways, Ltd. (2)**, and **British Midland Airways, Ltd.**

Customer bookings rise 5.4% on the year to 13,341,200 and freight climbs 4.2% to 398.67 million FTKs. Revenues ascend 14.5% to \$3.03 billion, expenses rise 9.9% to \$2.66 billion, and operating income reaches \$387 million. Net gain doubles to \$383 million.

Company employment climbs 3.4% in **1989** to 20,471. In January, the company enters into a joint venture leasing business, Aircraft Lease Finance, planning to acquire a \$40-million, 20% share; however, when CIS, the U.S.-based company chosen to manage the enterprise, fails the following month, the airline suspends its participation in the endeavor. Also during these months, plans are made with **All Nippon Airways Company, Ltd. (ANA)** for the operation of two new jointly operated roundtrip polar services from Tokyo to Stockholm.

In March, CEO Jan Carizon is elected to the board of Texas Air Corporation (TAC) as B-767-283ERs/383ERs from the massive airliner order of the previous year begin to arrive. Dubbed "Adams," three self-ticketing machines come on line in April, one each at the airports in Copenhagen, Fomebu, and Arlanda. During the month, \$500 million is paid out to the Japanese Saison Overseas Holdings Group for 40% ownership of the Inter-Continental hotel chain formerly owned by **Pan American World Airways (1)**.

Also in April, the airline acquires Scot Catering, Offshore Services (Aberdeen), Ltd., and Sodexo Scotland, Ltd. It also joins with Diners Club International to offer the first international co-branded airline charge card, the SAS EuroClass Card.

Operations at the new Newark (EWR) hub, including cooperation with **Continental Airlines**, begins on May 1. SAS is the first major European carrier to move all of its operations to Newark from New York (JFK). Also in May, daily nonstop service is introduced between Stockholm and Rome; however, flights to Buenos Aires, Montevideo, and Santiago de Chile end.

In June, the subsidiary SAS Trading purchases the mail order firm Ostermann Petersen, Inc., which specializes in duty-free sales to diplomats around the world. Simultaneously, SAS Service Partner joins with **British Island Airways, Ltd. (2)** to create a joint venture, In-flight Services International, Ltd., a 6,000-sq.-ft. flight kitchen located at London (LGW). Service is inaugurated to Birmingham, England, and Leningrad from Newark, plus 12 other markets.

New stations are opened at Birmingham, Newark, and Toronto. Daily Oslo to Newark flights begin in August. Equity-sharing agreements are initiated with **Finnair O/Y** and **Swissair, A.G.** and marketing arrangements are made with **Canadian International Airlines, Ltd.** Also, majority 70% shareholding is taken in UCAK Service, A.S., a Turkish catering and restaurant concern that operates at 6 Turkish airports.

In September, as the result of a recommendation by the Nordic Council of Ministers, the airline, in cooperation with a **Finnair O/Y**, begins a total ban on smoking on all of its flights to and within Scandinavia. A strategic alliance is entered into with **Swissair, A.G.** on September 28; this is the first phase of the European Quality Alliance.

In October, a joint pool agreement is made with **Martinair Holland, N.V.** for maintenance, flight, technical training, and assistance for their B-767-31AERs. At the same time, the company suffers a \$6.4-million

loss when **British Airways, Ltd. (2)** cancels its ground handling agreement with the carrier at Copenhagen and Stockholm airports.

A comprehensive marketing agreement is signed with **Finnair O/Y** in November designed to develop a "competitive global travel service to, from, within and via the Nordic countries."

A Danish court later in the month orders the major to pay the \$775 air taxi bill of a passenger who, having been bumped from an SAS domestic flight and refused the standard \$45 compensation, had completed his flight by charter and then billed SAS for it. Twice-weekly nonstop roundtrips begin on November 28 between Stockholm and Tallinn and are the first Western international air services to the Estonian city.

Other diversified activities of this 12-month period include the acquisition of Glele & Sohne, GmbH, at Hamburg, the Danish mail order catalog firm Petrsen Bros., Ltd., and the establishment of SAS Holdings, B.V. and SAS Leisure, A.B. Shareholding in **Spanair, S.A.** grows from 25% to 49%. By December 31, the company, with 61 planes in service, is the largest non-U.S. operator of the MD-81/82/83/87 series.

Passenger boardings swell 4.9% to 13,997,300 and freight climbs 6.8% to 425.06 million FTKs. Revenues move ahead by 3.8% to \$3.19 billion, expenses are up 5.6% to \$2.83 billion, and operating income slips to \$353 million. Net profit falls to \$196 million.

The payroll grows another 5% in 1990 to 22,179 and now represents the 20th largest airline workforce in the world. The fleet of 128 aircraft is 16th largest.

On January 8, 30% shareholding is acquired in **LanChile, S.A.**; this figure will later rise to 35% and give the Scandinavians three seats on **LanChile, S.A.'s** board of directors.

As a result of the marketing agreement signed with **Finnair O/Y**, 16 hourly shuttle flights daily begin in the first quarter between Stockholm and Helsinki; at the Finnish capital, the flights connect with Finnair's services to Moscow and Leningrad. European Quality Alliance traffic cooperation with **Swissair, A.G.** begins on March 25.

Later, in April, a maintenance agreement is signed with **LOT Polish Airlines, S.A.** and provides for technical support of that carrier's three new B-767-350ERs.

A joint traffic system with **Swissair, A.G.** is introduced in April. Flights begin to Riga, Visby, and Tampere from Copenhagen on April 21.

Under terms of the marketing agreement signed with **Canadian Airlines International, Ltd.** the previous year, thrice-weekly joint roundtrips are launched in May between Toronto and Copenhagen.

B-767-283ER nonstops are inaugurated on June 6 between Copenhagen and Singapore. Also in June, an agreement is signed with **Air New Zealand, Ltd.** for hub coordination in Southeast Asia for onward travel to points in New Zealand.

In early July, the **Scanair, A.B.** charter subsidiary is allowed to takeover responsibility for its own flight operations, training, and maintenance; the independence movement is called "Own Wings." Late in the month, a mutual-cooperation agreement is signed with **Thai Airways International, Ltd. (THAI)**, under which an SAS/Thai supervisory board will be created with two representatives from each airline to implement, coordinate, and administer strategies and activities.

At the beginning of August, the carrier buys Frank Lorenzo out of Continental Airlines Holdings by acquiring his personal holding company, Jet Capital Corp. and 2.3 million shares of the American major; the SAS stake in **Continental Airlines** rises from 9.9% to 16.8%, with its voting control elevated to 18.4%.

At the same time, flights end to Rio de Janeiro. The Lorenzo purchase is approved by the U.S. DOT in September, the same month in which SAS sells its 50% interest in **Linjeflyg, A.B.** to the Swedish shipping company Bilspedition, A.B. for \$82.6 million. At the same time, when the Anchorage stop is eliminated in favor of direct service between Stockholm and Tokyo, 6.5 hours are cut off the route operated with **All Nippon Airways Company, Ltd. (ANA)**.

In October, 13-hour B-767-283ER flights begin nonstop from Copenhagen to São Paulo, at the same time as direct service to Rio de Janeiro is closed down. The route structure is otherwise extensively remodeled,

including the introduction of service on October 28 from Copenhagen to Prague and Berlin. The arrangement with one of the carrier's Chilean partners collapses in November, requiring the appointment of a Swedish manager for **LanChile, S.A.**

In November and December, extensive cuts are made in the airline's North American operations. Of the 462 employees in the U.S., 126 are given early retirement as company headquarters are transferred from Manhattan to Lyndhurst, New Jersey, and property in Queens is sold.

During the year, the company joins with **Swissair, A.G.** to bring in **Austrian Airlines, A.G.** and expand the European Quality Alliance. SAS Leisure is also active, acquiring shareholding in Turin S.R.L., Club de Vacaciones, S.A. in Spain, the Swedish tour operator Plusresor, A.B., and Finland's Tolvalomat.

Customer bookings for the year climb 6.8% to 14,955,000, making SAS the 21st biggest airline in the world. Cargo gains by a slight 1.2% to 431.38 million FTKs. Revenues jump 13.3% to \$3.89 billion, the 12th best gain in the world. Expenses, however, shoot up 18.1% and cut the operating gain to \$264 million, which is still 6th best. The net profit is \$38.3 million.

The employee population is reduced by 5.1% in 1991 to 38,940 and the fleet now includes 2 B-767-283ERs, 13 B-767-383ERs, 9 DC-9-21s, 34 DC-9-41s, 21 owned and 8 leased McDonnell Douglas MD-81s, 14 MD-82s, 2 MD-83s leased to **Scanair, A.B.**, 9 owned and 3 leased MD-87s, and 22 Fokker 50s.

Recession causes a decline in traffic and income and in January, a major restructuring occurs. The traffic services division is eliminated as six new divisions are created and President Carizon is given greater day-to-day control of operations.

In February, an Action Program is announced designed to reduce operating costs by \$537 million. The plan includes a cut of up to 3,500 positions—16% of the workforce—and creation of a joint data services company with **Swissair, A.G.** It is learned in March that the joint traffic system agreement with **Swissair, A.G.** has so far benefited SAS much more than the partner.

On April 6, flights are initiated from Copenhagen to Alicante, Spain. Also during the month, the company initiates MD-80 services from Stockholm and Oslo to Aarhus Airport, Denmark's new No. 2 aerodrome 40 miles from Copenhagen, and from there to London (LGW).

The company's nonstop service to Tokyo becomes daily on May 1.

Also in May, an agreement is signed with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)** under which the Scandinavian carrier will purchase 40 seats and 12 tons of cargo space on each of the South American major's 3 weekly flights to Copenhagen.

During the same month, the airline's technical division is retained by **Ethiopian Airlines, S.C.** to provide advice on the construction and operation of a new hangar and maintenance facility project at Addis Ababa Airport, which is partially funded by a grant from the African Development Bank.

The Danish Supreme Court on June 26 fines six foreign airlines a total of Dkr 452,000 (US\$64,570) for bringing illegal refugees to Denmark without visas or identity documents. The decision in the case against European operators SAS, **Sabena (Belgian World Airlines, S.A.)**, **KLM (Royal Dutch Airlines, N.V.)**, and the defunct **Interflug**, plus **Iraqi Airways** and **Singapore Airlines, Ltd.**, has been eagerly awaited by the some 50 airlines flying into Denmark.

The companies have argued that it is not their responsibility to do the police's work when checking in Denmark-bound passengers. Nor can they be expected to tell the difference between genuine and false visas and passports, or prevent passengers from tearing up their passports once on board the plane, as has often happened. The Supreme Court is unconvinced by their arguments, and orders the airlines to pay a fine of Dkr 8,000 per passenger illegally brought to Denmark.

To compensate **Swissair, A.G.** for the previous year's negative financial generation under the joint traffic system, during the summer the Nordic consortium gives its partner its profitable Copenhagen-Geneva daily service. In its place, SAS introduces an evening Oslo to Geneva frequency via Copenhagen.

In July, the company warns its unions that unless agreement can be reached on the Action Program, "more sweeping structural changes" will be necessary. At the same time SAS Trading agrees to provide training and support as part of a new joint venture with **LanChile, S.A.** under which duty-free sales will be offered on the Chilean carrier's international services to North America, Europe, the South Pacific, and throughout Latin America.

The following month, the two companies sign another accord under which **LanChile, S.A.** becomes general sales agency for SAS in Chile. The carrier receives its 50th MD-80 on August 9 and now owns the largest fleet of this type outside of the U.S. On August 19, roundtrips commence between Copenhagen and Kiev.

Having lost money on the thin route from Oslo to Aarhus, the company now signs a strategic agreement with the Danish regional **Sun Air of Scandinavia, A.S.**, which takes over the route with a British Aerospace BAe Jetstream 31.

A new product development program is introduced on September 1 calling for innovation in in-flight and ground services. Later in the month, plans are announced to combine the subsidiary **Scanair, A.B.** with **Conair of Scandinavia, A.S.**, owned by Denmark's Simon Spies Holdings, to form the new charter operator **Premiair, A.S.**

Service is suspended on October 27 over the routes from Copenhagen to São Paulo and to Toronto, as well as from Stockholm to Tampere, Finland. In November, the carrier announces the sale of its 40% interest in the Inter-Continental Hotel chain back to the Saison Group. Although SAS is allowed to retain three hotels for its own chain under the arrangement, the overall pact causes the airline a Skr 2-billion (\$333-million) loss.

The No. 1 engine of Flight 751, an MD-81 with 7 crew and 122 passengers, catches fire during a scheduled service from Stockholm to Copenhagen on December 27. Once the blaze is extinguished and the power plant is shut down, the No. 2 engine fails. The jetliner makes a forced landing into a snowy field near Gottrara after hitting trees that take off a major portion of the right wing. Although the fuselage breaks into three parts, there is neither a fire nor any fatalities; 43 injuries are reported. It will later be reported that the "controlled emergency landing" was due to ice on the wings at takeoff from Arlanda Airport which, upon breaking off, was ingested by the power plants.

Passenger boardings slide 6.8% on the year to 13,949,000, while freight is off 5.4% to 406.4 million FTKs. Revenues ascend to \$3.91 billion and grant a net surplus of \$72.8 million. Parent SAS Group earns \$5.8 billion, but costs force a net loss of \$184.39 million atop an operating surplus of \$381.13 million.

The workforce is reduced to 20,000 during 1992, but the fleet still operates over 100 aircraft. The carrier suspends operations to its last South American destination, São Paulo, on January 1. Copenhagen to Vilnius service begins on January 21, completing SAS service to all three Baltic capitals.

A wide range of new services are introduced during the remainder of the month and in February. These include new aircraft seats, Sony Walkman video, telephone, limousine, or gate check-in, additional movie choices, and a third main menu meal selection. On February 11, it is announced that the carrier will purchase back the 50% shareholding in **Linjeflyg, A.B.** sold to Bilspedition, A.B. in 1990, along with another 1% for majority ownership.

In March, SAS International Hotels sells its option to buy the SAS Palace Hotel in Vienna. Meanwhile, construction of a new hotel is started in Beijing and management responsibility is assumed for hotels in London, Cologne, and Düsseldorf.

The carrier now owns or jointly operates 30 hotels and serves 80 cities in 33 countries. On March 30, the company begins a cooperative service with **Austrian Airlines, A.G.**, employing the latter's A310 four times per week between Copenhagen and Chicago. On March 31, shareholding in Airlines of Britain Holdings is increased to 40%.

On May 20, in cooperation with **VARIG Brazilian Airlines**, thrice-weekly, dual-designator flights commence between Copenhagen and Rio de Janeiro and São Paulo.

Twice-weekly nonstop roundtrips commence on June 1 between Copenhagen and Hong Kong and from Copenhagen to St. Petersburg. Also during the summer, scheduled flights are initiated from Copenhagen to Beijing and Venice. Stockholm to Riga flights are also started and routes from Stavanger to Glasgow and Amsterdam are resumed. A frequent flyer program is started as interest in the domestic airline **Linjeflyg, A.B.** is, as announced, increased to 51% and it begins absorption. Protesting the carrier's plans to lay off 1,500 employees in the wake of its **Linjeflyg, A.B.** acquisition, some 500 cabin and ground crew personnel subject SAS to two days of wildcat strikes at Stockholm at the end of August. The job action forces cancellation of 130 flights and costs the airline \$9.4 million in lost revenues.

In early September, the company takes the strikers to court, suing to recover some of the losses caused by the wildcatters.

The Hong Kong service becomes thrice weekly in the fall. Devaluation of the Swedish krona in the fourth quarter has a major economic impact, causing a \$163-million charge against earnings.

Customer bookings recover and rise 4% to 14,514,000, but cargo slips downward another 1% to 404.68 million FTKs. SAS Group revenues advance 7.7% to \$4.87 billion and expenses are \$4.46 billion. The operating surplus is \$372.11 million; however, a \$96.52-million net loss is taken.

On January 1, 1993, integration of **Linjeflyg, A.B.** is completed. The same day, cabotage rights are employed to initiate a service linking Copenhagen with Leipzig via Hamburg and the SAS Plaza Hotel in Hamburg is sold. Later in the month, the carrier's Berlin operations are transferred from Tegel Airport to Tempelhof as a third daily flight with Fokker 50s is added between Copenhagen and Berlin.

On March 29, Brussels-Lyon and Stuttgart-Thessaloniki frequencies are started. Other new destinations simultaneously added from Copenhagen include Gdansk and Lyon. The new SAS Royal Hotel opens in Beijing on April 3 and on May 3 flights begin from Copenhagen to Luxembourg.

With **Flugfélag Islands, H.F. (2)/Icelandair**, a European hub is established at Copenhagen on June 1 that allows the island carrier's passengers to interline on SAS intra-European and long-haul routes. The two will also link their frequent flyer programs and code-share on a specific route to Hamburg via Copenhagen. Meanwhile, **Sun Air of Scandinavia, A.S.** takes over the route from Aarhus Airport outside Copenhagen, to Stockholm's Bromma Airport.

On June 18, two business areas of SAS Service Partner are sold. Interest in **Aerolineas Argentina, S.A.** is dropped and shareholding in **LanChile, S.A.** is sold. Jan Reinas is appointed interim president on September 27.

After 12 years in charge, Chairman/President Jan Carizon resigns on October 1 to pursue negotiations, the Alcazar plan, for the eventual merging of SAS with **KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, and **Austrian Airlines, A.G.**; Deputy President Steffen Harpoeth also departs.

Flights commence on October 18 linking Copenhagen with Thule, Greenland, via Søndre Stromfjord. The company inaugurates its eighth Baltic destination on October 25 when it becomes the first Western airline to start scheduled roundtrip service to Kaliningrad, Russia.

A route is inaugurated from Stockholm to Pori on October 31. At the same time, Avis Rent a Car joins the EuroBonus frequent flyer program.

In November, 51% shareholding is acquired in Air Cater, S.A. in Spain. A massive cost-cutting plan is also announced in November. To save between \$243 and 305 million, the carrier will end service on 17 unprofitable routes and retire 17 aircraft made redundant. In addition, noncore activities will be divested.

At the same time and under an ECC ruling, the company begins domestic services in Spain, flying daily between Barcelona and Madrid with the frequencies beginning and ending in Copenhagen.

While on the ground at Copenhagen being cleaned, an MD-87 catches fire; a 30-cm. hole is punched in the fuselage, requiring the aircraft to be withdrawn from service for significant repair.

The troubled charter subsidiary **Swedair, A.B.** is shutdown late in the year and the regional **Scanair, A.B.** is, as announced earlier, merged with **Conair of Scandinavia, A.S.** on December 31 to form **Premiair, A.S.**

Also in December, Chairman Tage Andersen and Acting President/CEO Jan Reinas are succeeded by Bo Berggren and Jan Sternberg, respectively.

Passenger boardings shoot up 28% to 18.6 million and freight rises 4% to 421.8 million FTKs. Revenues for SAS Group increase by 13.6% to \$4.96 billion, but expenses climb 17.7% to \$4.71 billion. The resulting operating loss is down to \$258.06 million while net loss is cut to \$62.48 million.

The workforce stands at 20,000 in 1994 and during the year, SAS sells five DC-9-21s, a DC-9-41, and one SAAB 340. The former, purchased by Credit Lyonnais, will be chartered to U.S. start-up carrier **Valujet Airlines**.

SAS Leisure and Denmark's Spies Travel Group merge their charter carriers on January 1 to form **Premiair, A.S.**

In January, the decision is taken to sell the SAS Royal Hotel in Cologne to a German investor group as well as to sell for Skr 3 billion (\$359 million)—and immediately lease back—six B-767-383s. During the month, the company begins operation of the Grand Olav Hotel in Trondheim, Norway, and sells the SAS Royal Hotel in Brussels.

The airline's cost-cutting activities are intensified in February. It is announced that 2,900 additional positions will be eliminated, several aircraft will be retired, sales and marketing activities are to be centralized, and the management structure is to be consolidated.

Also during the month, the company's 42.1% stake in **LanChile, S.A.** is sold to **Fast Air Chile, Ltda.** parent Cueto Group and Boris Hirmas. On February 28, the Copenhagen-Glasgow route is transferred to **British Midland Airways, Ltd.** BMA also takes over the service from Bergen to London (LHR) on March 28 under a code-sharing arrangement with the Scandinavian major. The marketing arrangement also provides for dual-designator flights from London (LHR) to the BMA hubs at Belfast, Dublin, Leeds/Bradford, and Teesside.

Also in the first quarter, orders are placed for 35 B-737-600s, for which the carrier is European launch customer. Jan Sternberg becomes the new SAS Group president/CEO on April 1. The same day, the Diners Club Nordic A.S. franchise is sold to Sweden's Skandinaviska Enskilda Banken, A.B.

Concentrating on its root airline business, SAS, in May, sells its SAS Leisure, A.B. subsidiary, including a cruise ship, to the British concern Airtours, Ltd. for Skr 870 million (\$110 million).

The Spanish airline **Spanair, S.A.** becomes an associate on June 1. Also during the month, the carrier receives an MD-83 and sells the Nord-Norsk Hoteldrift.

The SAS Service Partner is sold to the **Swissair, A.G.** subsidiary Gate Gourmet in July. Shareholding in the Airlines of Britain Group is increased during August. SAS International Hotels and Radisson Hotels International sign a cooperative agreement during the month; hereafter, the two will be known as Radisson SAS Hotels Worldwide.

Objecting to a new work schedule, Danish flight mechanics strike on September 12, forcing the company to ground nearly 10% of its flights. Also in September, thrice-weekly flights are initiated from Copenhagen to Osaka.

On October 15, company check-in personnel at Copenhagen end a three-day wildcat strike that has grounded much of the carrier's European operations.

En route from Bardufoss to Oslo on November 3, Flight 347, an MD-82 with 128 passengers, is hijacked by a lone assailant, who allows the aircraft to land at its scheduled destination. There, after an 8-hour siege, the pirate surrenders, freeing all of his hostages unharmed.

The company begins a cooperative agreement with Radisson Hotel International on November 15 and the carrier's hotels begin operations as Radisson SAS Hotels Worldwide. During December, a joint venture agreement is signed between the SAS Flight Academy and SENASA, a

Spanish aviation school; under its terms, the operation, 51% owned by the latter-named partner, will launch an ab initio pilot training program.

On the year, customer bookings inch up 1% to 18,823,000 while cargo does better, growing by 6% to 446.12 million FTKs. Revenues move ahead by 8.9% to \$4.434 billion, while expenses are \$4.3 billion. As a result, SAS Group is able to show a \$128.8-million operating gain and a net profit of \$206.18 million. SAS Group revenues total \$5 billion.

Airline employment in 1995 stands at 20,499, a 2.5% increase. Flights to Turin, the carrier's third new destination in Northern Italy, begin on January 2.

The company on March 15 becomes launch customer for the B-737-600, placing a \$1.2-billion order for 35 with options for another 35. Service to Chicago resumes on March 26 and on March 27, company officials announce that they are holding discussions with **Deutsche Lufthansa, A.G.** on points of mutual cooperation; they report that talks are also underway with other European carriers.

A new alliance is formally signed with the German carrier on May 11 that is designed to combine their routes, sales, and airport services into the largest air transport system in Europe. They will link their frequent flyer programs, share ground handling and cargo services, and enjoy over 2,500 code-sharing frequencies on the Continent and beyond.

Although both airlines will maintain their independence, the Scandinavians agree to reshuffle the alliances with other companies currently maintained. SAS will drop its strategic relationships with **Swissair, A.G.**, **Austrian Airlines, A.G.**, and **Continental Airlines** and will move into a new arrangement with the **Deutsche Lufthansa, A.G.** partner, **United Airlines**.

While waiting to takeoff from Newark (EWR) on May 19, the company's lone B-767-283ER leased from **Transbrasil, S.A.** brushes its left wing against the tail of a **Continental Airlines B-737-3T0**; no casualties are reported aboard either aircraft. All international and intra-European flights from Scandinavia are cancelled on June 2 as the result of a one-day pilots strike brought on by failure of the flyers and management to reach salary accord.

On June 5, a new code-sharing and strategic arrangement package is signed with **Thai Airways International, Ltd. (THAI)**, which also has an alliance with SAS's new partner **Deutsche Lufthansa, A.G.**

To forestall a second 24-hr. strike, SAS locks out its pilots at midnight on June 8. Flights resume again on June 10, but are suspended once more on June 12.

Service is paralyzed again on June 14 as pilots strike to protest the failure of management to meet their wage requirements. More than 800 flights have been cancelled over the two-week period of industrial action. This interruption finally brings agreement between the two disputing sides in July and a 3.95% wage boost for the pilots.

On August 1, the European Commission, worried about the anticompetitive aspects, expresses serious concern over the SAS-DLH alliance. A week later, officials of the continental union formally states its requirement that the two airlines must guarantee fair competition on routes between Scandinavia and Germany if it is to win the Commission's backing. During the month, the airline takes a 16.53% stake in the new **Air Latvia Corporation**. It also increases its order for MD-90-30s from six to eight.

As a complement to the pact each has with **Deutsche Lufthansa, A.G.**, SAS on September 11 joins with **United Airlines** in a comprehensive pact that links the ticketing, schedules, and airport services of all three companies. Passengers will, beginning in April, be able to fly to any of these carriers' destinations in the U.S. and Europe with one ticket and collect frequent flyer mileage points for use in any of the companies' reward programs. The new pact ends the carrier's seven-year alliance with **Continental Airlines**.

Almost unnoticed as the intercontinental alliance gels is the beginning, also in September, of a block-seat agreement with **Air India, Ltd.** on the thrice-weekly Indian flights from Delhi to Chicago via Copenhagen.

Flights to Poznan, Poland, begin in December.

During the year, additional structural changes are made within the route network and the SAS consortium agreement, first signed in 1951 and last renewed in 1975, is extended into the next century.

Enplanements are level, totaling 18,838,000, while freight inches up 2% to 453.28 million FTKs. Operating income climbs 4.5% to \$4.99 billion and expenses total \$4.57 billion. There is a \$423-million operating gain and a net profit of \$370 million is recorded. Both figures are later adjusted downward, to \$587 million and \$337 million, respectively.

The workforce grows by 4.1% in 1996 to 21,348. Implementation of the code-sharing pact with **United Airlines** begins, on a gradual basis, on January 1. Also on January 1, **Deutsche Lufthansa, A.G.** takes over handling of SAS passengers and aircraft at all German stations; two days later, SAS takes over the handling of DLH passengers and aircraft at Scandinavian stations.

A severe winter storm cripples airline operations throughout the entire Northeast region of the U.S. between January 7 and 11. Early in the crisis, 12 flights from Copenhagen, Oslo, and Stockholm to Newark (EWR) must be cancelled; frequencies between these affected cities will not resume before the end of the month's second week.

On January 16, the European Commission agrees to the company's alliance with **Deutsche Lufthansa, A.G.** on condition that the two airlines act to insure their union does not turn into a monopoly and that they agree to give up certain slots, flights, and accords held with other airlines. Both carriers have been moving for some time in the directions required by the EC. On February 1, when the alliance officially takes effect, the flag carriers begin a total of 373 weekly dual-designator connections to 5 destinations in Scandinavia and 7 in Germany.

It is announced, on February 16, that the company will simplify its ownership structure. The streamlining will not affect the current ownership structure, but will force the three national holding companies to separate their non-SAS activities, align their capital to the size of their SAS shareholding, and harmonize their accounting procedures.

Bologna becomes the company's fifth Italian destination on March 11, while twice-daily return flights to Newcastle, England, from Stockholm commence on March 31. Other new services launched from Stockholm on the last day of the month include twice-weekly nonstops to Dublin and six-times-a-week frequencies to Manchester.

A new cargo hub is inaugurated at Goteborg at the beginning of April. From that station, a contract signed with **Atlas Air** during the last week of December comes into effect, as the American freight specialist begins hauling contract cargo weekly to and from New York (JFK) aboard a B-747-200F. Also in April, dual-designator cargo operations commence with **Japan Air Lines Co., Ltd. (2)** on a semiweekly route from Goteborg to Osaka (KIX), Macao, and Delhi.

The flying portion of the code-sharing compact with **United Airlines** also takes effect on April 15, although the link with **Continental Airline's** OnePass frequent flyer program will continue through August. Among the services now provided are dual-designator SAS B-767-383ER flights from Stockholm, Oslo, and Copenhagen to Newark. The airline's first environmental report is presented on April 18.

During the spring, new efforts are made to improve in-flight service and on-time performance as competitors move in on the company's "Golden Triangle" of services between Stockholm, Copenhagen, and Oslo. Still, due to a shortage of pilots, the company must slice 30 daily European flights from its schedule.

In June, code-sharing flights also commence with **Thai Airways International, Ltd. (THAI)** on routes from Bangkok to Stockholm and Copenhagen. Also during the month, the pilots' union is able to negotiate a 3% pay increase and a new weekend schedule.

Also, the names of the carrier's parent companies are changed to SAS Danmark, A.S., SAS Norge, A.S., and SAS Sverige, A.B.

A marketing alliance is signed with Euro Disney on July 17 to offer package tours to Disneyland Paris from the Baltic States, Sweden, Finland, Norway, and Denmark. The company's fiftieth anniversary is officially celebrated on August 1. Thrice-weekly roundtrips from Copenhagen to Minsk, Belarus, commence on August 26.

On September 1, thrice-weekly MD-87 nonstop roundtrips commence between Stockholm and Arkhangelsk. Eight days later, thrice-weekly nonstop flights begin roundtrip from Stockholm to Archangelsk.

Building upon the arrangements both companies already have with **Deutsche Lufthansa, A.G.** and **United Airlines**, the company signs a strategic partnership agreement with **Air Canada, Ltd.** on October 1. Under terms of the pact, which will take effect next April, the two agree to code-share flights, coordinate schedules, passenger, and ground services, and link their frequent flyer programs.

The first of eight new MD-90-30s is accepted at Long Beach on October 8; following the delivery ceremony where the plane is christened *Hiedek Viking*, the new aircraft is flown to Oslo for service on the company's intra-Scandinavian services.

Some 110 Danish employees of the airline stage a wildcat strike in Copenhagen on October 21 in a dispute over the reprimand of their union leader. With the beginning of the winter schedule, six-times-per-week direct Fokker F.28-4000 roundtrips are inaugurated from Stockholm to Warsaw. The Hiedek Viking enters commercial scheduled service on November 11.

On December 16, SAS and its alliance partner **Deutsche Lufthansa, A.G.** simultaneously deny a Danish newspaper report that their partnership will lead to a merger or exchange of holdings.

Customer bookings accelerate 5.7% to 19,828,000 and 620.3 million freight FTKs are operated, a huge 37% increase. Operating income dips 1% to \$4.35 billion and costs rise 2.6% to \$3.9 billion. Operating gain slides to \$237.9 million and the net profit drops to \$227.1 million.

The employee population is increased by 5.5% in 1997 to 22,524.

At the start of the year, the Swedish government begins to tax loyalty points generated in the airline's frequent flyer program. An appeal to the Swedish Ministry of Finance will be unsuccessful.

SAS Commuter begins SweLink services from Stockholm's Arlanda Airport in February, replacing its parent on thin, less-profitable regional routes.

At this time, an accord is signed with **Deutsche Lufthansa, A.G.** under which Lufthansa Cargo and SAS Cargo begin to market and transport each other's freight, both with aircraft and trucks.

While landing at Kiruna in a snowstorm after a March 9 service from Stockholm, an MD-81 with 151 passengers aboard skids off the runway and comes to rest in a snowbank; one customer is injured during the emergency evacuation that follows.

With the beginning of the new spring schedule at the end of March, those routes deemed "not sufficiently profitable" are dropped. Destinations cut include flights from Copenhagen to Borlange, Lyon, Minsk, and Newcastle and from Copenhagen and Stockholm to Osaka. Frequencies between Copenhagen and Hong Kong are increased from four each week to five.

SAS cuts Scandinavian travel agents' commissions in April, reducing levels of compensation from 9% and 8% on domestic and inter-Scandinavian services, respectively. During the month, new twice-daily roundtrips are inaugurated from Stockholm to Oulu, Finland, while frequencies are increased to Dublin, Karlstad, Tampere, Turku, and Vaasa. Also during the month, five-times-a-week service is inaugurated to a fourth Polish destination, Szczecin, from Copenhagen.

With considerable fanfare on May 14, SAS joins with its marketing partners **Deutsche Lufthansa, A.G.**, **Air Canada, Ltd.**, **Thai Airways International, Ltd. (THAI)**, and **United Airlines** in an enhanced joint venture marketing venture to be called "Star Alliance." The new alliance, seen in some quarters as a counter to the proposed **British Airways, Ltd. (2)-American Airlines** arrangement, will stitch together the operational and marketing efforts of all five airlines. Employees of the five will be able to share ticket offices and airport services, purchase supplies jointly, and contribute to joint promotional and advertising campaigns. Advertising will be handled by the New York firm of Young & Rubicam Advertising, which is given a \$25-million budget to publicize unified efforts. Travelers on any of the carriers will be able to accumulate and cash in frequent flyer mileage from any of the five.

On May 30, SAS begins to offer the latest service from the New York area to Europe; daily except Mondays and Wednesdays, a frequency departs Newark (EWR) at 11:50 p.m. for Copenhagen.

A block-space code-sharing agreement with **South African Airways (Pty.), Ltd.** begins on July 1 aboard SAA B-747-344s that operate twice-weekly roundtrips from Johannesburg and Cape Town to Copenhagen via Frankfurt. During the month, a half-year review of the company's hotel business is begun.

Also during the summer, a code-share and block-space agreement begins with **Regional Airlines, S.A.** over a route from Copenhagen to Lyon. In August, the "Star Alliance" code-share with **Air Canada, Ltd.** is expanded; eight Canadian cities are linked to two each in Denmark, Norway, and Sweden.

All flights become nonsmoking on September 1. In September, the SAS Flight Academy begins operation of its next generation B-737 full-flight simulator. On September 19, the number of weekly frequencies from Copenhagen to Beijing is increased from four to five.

VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.) joins the "Star Alliance" on October 22 and negotiations are underway to bring in such other airlines as **South African Airways (Pty.), Ltd.** and **British Midland Airways, Ltd.**

On October 26, SAS and **Deutsche Lufthansa, A.G.** inaugurate dual-designator service to and from Finland: a total of 65 daily roundtrips are initiated from Finland to Scandinavia and to Germany.

When, during the month, SAS reduces certain rates between Copenhagen and Brussels, deep-discount operator **Virgin Express-Eurobelgian Airlines, Ltd.** files a predatory pricing complaint with the European Commission. In response, SAS just goes ahead and lowers all of its fares on the route.

The number of weekly frequencies between Copenhagen and Delhi is increased from three to four on November 8. In what might be considered a wake-up call to a growing Baltic competition, Helsinki-based **Finnair O/Y** in November is designated the official airline of the 1998 European Cultural Capital—Stockholm.

In early December, the company takes a 29% stake in **Wideroe Flyveselskap, A.S.** with an option to take another 34.2% by December 1998; total value of the investment would be \$42.1 million.

At this point, the competition with **Virgin Express-Eurobelgian Airlines, Ltd.** over the route from Copenhagen to Brussels intensifies with the Virgin Group carrier lowering prices 37% below those of SAS in a promotion scheduled to last until March.

En route from Tromsø to Oslo, Norway, on December 17, a company MD-82 with 123 passengers is mistakenly vectored by ATC to the same 35,000-ft. flight level near Trondheim as an **Air Europa, S.A.** B-737-4Y0 en route to Bodo; the near miss that occurs is safely resolved.

Passenger boardings climb 5% to 20,783,000, while cargo traffic rises 15% to 690.4 million freight FTKs. Operating revenues of SAS Group advance 10.6% to \$4.86 billion, while costs move up 9.8% to \$4.56 billion. The operating profit accelerates to \$297.9 million, while a \$278.9-million net profit is celebrated.

At the beginning of 1998, SAS is the 15th largest airline in the world in terms of passenger boardings, number of employees (22,524), and net profit; it is 16th in fleet size, operating income, and operating profit.

The fleet, 68.4% of which is Stage III certified, includes 136 airplanes: 27 DC-9s, 16 Fokker 28s, 14 B-767s, 71 MD-80s, and 8 MD-90-30s.

The carrier's new \$35-million, 292,000-sq.-ft. International Air Cargo Center is opened on January 10 at Newark (EWR); the airline leases out all but 84,000-sq.-ft. of office and cargo space. In order to gain a larger share in the fast-growing leisure-travel market, the new product SAS Pleasure is now launched.

Air Botnia, O/Y, the domestic of rival **Finnair O/Y**, is purchased outright during the month. The first Next Generation B-737-683, for which the carrier is launch customer, makes its maiden flight on January 22. At month's end, the decision is taken to retain the company's 100-unit hotel subsidiary, SAS International Hotels.

A strategic marketing agreement is entered into with **Estonian Air, A.S.** on February 12 (effective March 28, 1999).

While on approach to Kiruna, Sweden, on a March 22 service from Stockholm, an MD-81 with 100 passengers suffers a smoldering electrical system and smoke is smelled in the forward cabin; the jetliner lands with some systems inoperable and blows three tires on roll-out. Slides are deployed when the plane stops and all aboard are evacuated without injury.

Weekly MD-82 roundtrips commence on March 29 between Stockholm and Rome. Simultaneously, twice-daily DC-9-41 roundtrips commence between Stockholm and London (STN). With the launch of this service, flights to London are increased from five flights a day to seven. Twice-daily dual-designator MD-83 roundtrips with **Spanair, S.A.** begin between Copenhagen and Madrid.

Deep-discount "SAS Express" service is inaugurated on April 1 between Stockholm and Copenhagen. The new product offers ticketless travel and replaces in-flight meals with an airside buffet.

With a DC-8F leased from **DHL Worldwide Express**, SAS launches weekend all-cargo roundtrips to New York in April. The service will be maintained through July. On April 29, a 25% stake is taken in the Swedish regional **Skyways, A.B.**

A general strike in Denmark during April and May causes the company Skr 250 million in losses. On May 8, a strategic alliance, effective September 1, is entered into with **Lithuanian Airlines**. The two will try to blunt aggressive Baltic marketing by **Finnair O/Y**.

On May 14, CEO Stenberg joins the supervisory board of the "Star Alliance," while simultaneously, a B-767-383ER is introduced wearing the colors of the partnership. The same day it is announced that, early in the following year, **Air New Zealand, Ltd.** and **Ansett Australia (Pty.), Ltd.** will join the consortium.

Meanwhile, SAS reduces fares between Oslo and seven German cities, as well as between Stockholm and five Finnish communities, including Helsinki.

In May, SAS Cargo takes 50% of the capacity of an Antonov An-26 leased by **DHL Worldwide Express**; the two carriers will offer joint services from Copenhagen to destinations along the Baltic coast.

Cimber Air Holdings, A.S., parent of **Cimber Air, A.S.**, sells a 26% equity stake to SAS in June to strengthen the regional's domestic code-share partnership with the consortium major.

The joint An-26 service with **DHL Worldwide Express** begins on July 1; it links Copenhagen with Riga, Latvia and Vilnius, Lithuania, five times a week. Having added 500 pilots and cabin staff in recent months, the company announces on July 8 that it will recruit 1,000 additional flyers and flight attendants over the next 2 years.

Just after takeoff from Stockholm on a September 13 service to London (GTW), the cockpit crew of Flight 2525, a DC-9-41 with 75 passengers, discovers an engine fuel leak; as a precaution, the Douglas returns to its point of origin. The passengers are transferred to a second aircraft that arrives in the U.K. two hours behind schedule.

As the result of negotiations successfully completed during the summer for a joint weekly all-cargo service in cooperation with SAS and **Japan Air Lines Company, Ltd. (2)**, a **Lufthansa Cargo Airlines, A.G.** B-747-230F begins flying on behalf of the three between Frankfurt, Göteborg, and Osaka on September 21. Frequencies will be increased to three-per-week during the following April.

In an effort to polish its image with customers, SAS, on September 24, unveils a new corporate identity program and plans for the operation of its new B-737-683s, which will be painted in red, blue, and grey colors—the airline's first new livery in 15 years. The new program will cost Skr 700 million.

All staff will also, at the end of March, be outfitted with new uniforms created by Scandinavian designers under the team leadership of Hanne Karlsen. The new uniforms are the eighth since 1946, but the first designed in Scandinavia by Scandinavians and will be worn by more than 15,000 cabin and station personnel by the end of March.

The Financial Times of Singapore reports in its September 25 edition that SAS and **Singapore Airlines, Ltd.** will sign a code-sharing

agreement. It is suggested that the arrangement would ease SIA's entry into the "Star Alliance."

The first B-737-683 is received at the end of the month wearing the airline's new color scheme and corporate logo. It is christened *Bernt Viking* and will enter revenue service on October 23 over the route from Stockholm to Paris.

Beginning in October, new daily B-767-383ER return service links both Stockholm and Copenhagen with Chicago. The new route offers connections for passengers traveling to or from Finland via Stockholm.

Sold out for months, Flight 333, the fully-loaded MD-82 *Hake Viking*, makes the historic and official last flight from Oslo's Fornebu Airport on October 8; crewed by an all-Norwegian cockpit and cabin team, the aircraft continues to Bergen. Two other MD-82s, the *Vidar Viking* and *Sigyn Viking*, unofficially depart later in the evening.

Winning a bet placed three years earlier, **Color Air, A.S.** Chief Pilot Capt. Tord Tangvik is able to depart with his Flight 361 from the new Gardermoen Airport at Oslo ahead of the planned premier departure by SAS Flight 303, also headed for Bergen.

A memorandum of understanding is signed with **Singapore Airlines, Ltd.** on October 10 for the creation of a strategic alliance. Although arrangements will not be completed before the end of the year, it is anticipated that the pact will cover code-share services, frequent flyer programs, network and schedule development, through check-in, reciprocal use of airport lounges, and joint promotions and marketing. When the agreement takes effect on April 1, SAS will code-share on SIA's three weekly direct flights from Singapore to Copenhagen, while SIA will place its code on SAS's Copenhagen-Bangkok-Singapore flights four times a week.

Former Executive Vice President/Chief Operating Officer Kjell Fredheim, now managing director of **Britannia Airways, A.B.**, becomes the new president/CEO of the wholly owned subsidiary **Air Botnia O/Y** on October 15.

At about the same time, a comprehensive commercial accord is inked with **Maersk Air, A.S.** of Denmark. When the pact takes effect on March 28, it will provide for joint ground handling, marketing, frequent flyer program linkage, and dual-designator flights.

At month's end, privately held AirCorp enters into a joint venture with Atlanta-based International Airline Support Group to purchase and lease back to SAS its fleet of 20 DC-9-41s. The Douglas transports will earn the partners some \$14 million in fees over the average 39-month lease periods.

Beginning in October and continuing through November into December, new airways are introduced over Scandinavia as the first step in Airspace 98. SAS adapts its traffic program in this initial phase and encounters significant cancellation problems. The situation is made worse by start-up problems at Oslo's new Gardermoen Airport.

Weekly MD-81 roundtrips are started on November 27 from Copenhagen to Fagernes, Norway.

A long-term cooperative agreement is signed with **Estonian Air, A.S.** during the first week of December. When the pact takes effect on March 28, Estonian will join the SAS frequent flyer program. The two will offer dual-designator service on their flights from Oslo to Tallin and Stockholm.

On December 3, the carrier announces a strategic accord with **All Nippon Airways Company, Ltd. (ANA)** as that carrier's first step into similar arrangements with the other members of the "Star Alliance." The pact will initially involve check-in services, frequent flyer programs, and the use of airport lounges. Code-share operations, joint marketing, and sales activities will also be considered as ANA moves into full partnership with the other carriers.

Daily MD-81 return service is introduced on December 7 from Copenhagen to Alesund, Norway, via Bergen.

In a joint announcement on December 16, SAS and **Air Canada, Ltd.** reveal that they will commence nonstop dual-designator air service five times a week between Toronto and Copenhagen. Flights on the new route, the only scheduled nonstop frequencies linking Canada and Scandinavia, will be operated by Air Canada B-767-233ERs.

Financial crises in Russia and Asia are blamed for causing a significant drop in traffic on routes to Archangel and Hong Kong, while load factors do not justify continuation of service to Venice and Amsterdam. Flights to the four points will, it is announced on December 18, be dropped in March. The released capacity will be used in an effort to bolster traffic to Amsterdam, Helsinki, Milan, and between the three Scandinavian capitals.

Passenger boardings accelerate 4.3% to 21.68 million, while cargo traffic is level at 691 million FTKs. Revenues jump 5.2% to \$4.86 billion. On expenses of \$4.37 million, an operating profit of \$488.18 million is reported. The net gain is up to \$335.78 million.

On arrival at Oslo after a January 17, 1999 service from Bodo, an MD-82 with 110 passengers skids off an icy taxiway while making a sharp turn and gets stuck in a snowbank. No injuries are reported.

Baltic International USA sells its 8.02% stake in **Air Baltic Corporation S.A.** to SAS on January 18, for \$2,144,333.

A report picked up by Reuters, Ltd. and placed on the Internet on February 10 from the Danish newspaper *Politiken* indicates that SAS has suffered a fiscal loss for the previous year. As a result, management must institute new cost-cutting measures that may include cutbacks in the acquisition of new aircraft and the dismissal of employees.

In a brief press announcement on February 23, the carrier announces that, due to a restructuring of flight control systems in France, SAS will be temporarily cancelling 20 European roundtrips per day. Also, almost as an aside, it is noted that the company will be carrying out a \$3-billion restructuring program over the next two years, one that is designed to cut costs and increase profitability.

Speaking before an aviation industry lunch in Brussels, also on February 23, **United Airlines** Vice President Michael Whitaker indicates his belief that the EU will impose no restrictions on the alliance between DLH, UAL, and SAS until it has reviewed a number of other transatlantic pacts.

On February 25, weather, combined with the French flight control system problem, forces SAS to scrub 167 European services, or nearly one flight out of every five. Safety checks being made on the airline's DC-9 fleet also contribute to the cancellations. As a result of falling load factors, on March 7 the company terminates the thrice-weekly roundtrips it has been offering since September 1996 between Stockholm and Arkhangelsk.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, SAS, on March 24, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25-31 and for the duration of the NATO bombing campaign Operation Allied Force. Flights to south-central and southeastern Europe experience delays of 30-60 min. due to airspace closure.

The pact with **Estonian Air, A.S.** takes effect on March 28. Estonian now joins the SAS EuroBonus frequent flyer program. The two also offer dual-designator service on their flights from Oslo to Tallinn and Stockholm. Thrice-daily dual-designator roundtrips are started between Tallinn and Copenhagen; weekend flights are also offered.

On March 29, the carrier's five-times-a-day nonstop MD-81 return service from Copenhagen to Karup, Denmark, is discontinued and replaced by ATRs of **Cimber Air, A.S.**, which operate an equal number of turboprop flights.

Simultaneously, new code-sharing flights with **Spanair, S.A.** are inaugurated between Copenhagen and Barcelona and from Stockholm to Madrid.

The newspaper *Berlingske Tidende* reports on April 1 that the company has elected to postpone a decision on renewing its long-haul fleet to October—at the earliest.

While landing at Gardermoen Airport early on April 13, smoke begins to seep into the cabin of an MD-81. The touchdown is completed without incident and passengers disembark in an orderly fashion after the incident.

On May 1, SAS celebrates the tenth anniversary of service from Newark. During the decade, it has flown nearly 4 million passengers and operated 225,000 tons of cargo from the New Jersey airport.

Simultaneously, the partnership with **Singapore Airlines, Ltd.** is inaugurated through the linkage of the frequent flyer programs of the two carriers.

In cooperation with "Star Alliance" partner **Air Canada, Ltd.**, five-times-a-week dual-designator service is inaugurated, also on May 1, between Toronto and Copenhagen. The flights are operated by the Canadian line's B-767-233ERs.

On May 5, the business daily *Dagens Naeringsliv* reports that, by coincidence, SAS has learned that foreign-registered planes flying domestic Norwegian routes are exempt from paying value-added taxes. Consequently the airline petitions the municipality of Akershus to return somewhere between Nkr 100 million and Nkr 150 million that it has paid on fuel when not obligated to do so. It also seeks back VAT paid on catering services. Two fuel suppliers also file cases against the Norwegian government, as they were the agencies collecting the tax.

Dual-designator service is inaugurated with **Air Canada, Ltd.** on June 10, five times a week from Canada to Helsinki via Copenhagen.

Company baggage handlers, check-in staff, and administrative personnel at Copenhagen stage a four-hour wildcat strike on July 7 to protest rumored SAS cost-cutting measures. Over 70 of the airline's flights must be cancelled. Later in the month, SAS Denmark Chairman Hugo Schroeder expresses his dissatisfaction with the slow pace of cost-cutting in a letter that is leaked. The content further exacerbates the worker situation.

The Copenhagen ground staff meets with CEO Stenberg on August 9 to discuss their concerns.

It is announced, also on August 9, that the airline will sell four MD-82s to **Midwest Express Airlines** in a deal to be completed by October. The first aircraft would be delivered within a year.

A code-sharing agreement is signed with **Flugfelag Islands, H.F. (2)/Icelandair** on October 8. Under its terms, SAS is allowed to assign its designator to Icelandair flights from the three Scandinavian capitals to Boston, Minneapolis/St. Paul, and Baltimore (BWI) and from Reykjavik via Copenhagen, Stockholm, and Oslo to Hamburg, Goteborg, Munich, Dusseldorf, Brussels, and Zurich. Icelandair, for its part, places its code on SAS flights from Scandinavia to all of its new partner's destinations in Europe.

After 31 years of type service, the last two DC-9-21s, *Skate Viking* and *Rane Viking*, are phased out of scheduled service on October 15; they will be retained through November to provide fleet backup.

In a vivid demonstration of the ability of the "Star Alliance" to make a difference in local communities, **Air Canada, Ltd.** and SAS sign a 14-month agreement later in November under which AC will perform C\$10 million worth of cabin reconfiguration work in its Canadian shops in on SAS's B-767-300 fleet.

On December 14, with the captain's permission, the co-pilot aboard Flight 564 en route from Copenhagen to Oslo proposes marriage to his fiancée, an off-duty SAS flight attendant flying coach. To the cheers of her 50 fellow passengers, the lady goes to the cockpit to accept.

On December 15, orders are placed for four A330-300s and six A340-300s for delivery between 2001 and 2004.

Passenger boardings jump 2.4% to 22,225,000 while cargo traffic dips 1.9% to 741.4 million FTKs. SAS Group revenues rise 1.4% to \$4,868,888,000, while costs increase 5.2% to \$4,544,554,000. The operating profit falls to \$324.33 million, while net gain drops to \$216.53 million.

Airline employment at the beginning of 2000 stands at 25,754, a 7.3% increase over the previous 12 months. Among the world's top 25 airlines, SAS is 16th in passengers, 16th in employee number, and 17th in fleet size, while SAS Group is 16th in operating revenues, 17th in operating profit, and 16th in net gain.

The code-sharing pact with **Flugfelag Islands, H. F. (2)/Icelandair** takes effect on January 1. An order is placed for 12 Airbus Industrie A321-100s on February 17, with an option taken on 10 more. Also during February, the airline joins with GE Capital Aviation Services to form a joint venture leasing firm, Commercial Aviation Leasing, A.B. The first transaction is a sale/lease-back of 30 SAS MD-80s.

Two MD-82s at Oslo are nearly involved in a midair collision on March 8. The one is just beyond the point of cancellation on its takeoff for Bergen when its flight crew spies the second plane on the same runway, just arrived from Bodo. The departing jetliner leaps into the air a scant 300 m. in front of the second and only later is it revealed that a third plane, an MD-81 from Copenhagen, was simultaneously on descent before being radioed off, to land on the same runway.

On March 24, the Swedish news agency TT reveals that small cracks have been found on the turbine blades in four of the engines on the company's 32 new Next Generation B-737-683s. The faults had had no impact on the ability of aircraft to complete their flights. On March 29, the five-times-a-day nonstop MD-81 return service from Copenhagen to Karup, Denmark, is discontinued and replaced by ATR42-520s of **Cimber Air, A.S.**, which operate an equal number of turboprop flights.

On March 31, SAS takes delivery of the 500th Next Generation B-737 constructed, a Dash-783.

A large contract is signed with Airbus Industrie on April 11 for the purchase of 6 A330-300s and 4 A340-300s, plus 12 A321s.

It is announced on April 27 that the carrier is joining with **Lufthansa Cargo Airlines, A.G.** and **Singapore Airlines, Ltd.** to create an air freight joint venture to be known as New Global Cargo. The new entity will integrate the cargo networks of the three founders; based at Frankfurt, it will eventually have 60 long-range freighters and operate to 500 destinations in 35 nations.

SAS, **British Midland Airways, Ltd.**, and **Deutsche Lufthansa, A.G.** intensify their partnership on May 2 by introducing coordinated sales and marketing, reciprocal frequent flyer programs, joint lounge use and code-sharing on all services offered by any of the three from either London (LHR) or Manchester.

Hedrun Viking, the first of five B-737-883s to be accepted, is delivered in ceremonies at Seattle on May 3.

While making a stop at Tromso on a May 11 service from Alto to Oslo, Flight 379, an MD-80 with 124 passengers aboard, is unable to come to a halt and slides off the runway and down onto a tunnel over one of the busiest local highways. Fortunately, everyone aboard is safely evacuated without injury—though they must wait for a replacement aircraft.

In mid-June EU Commission officials suddenly descend upon the offices of SAS, as well as those of **Maersk Air, A.S.** and its owner A. P. Moeller Group, as part of an investigation into the competitive results of the code-sharing pact between the two airlines. The dual-designator review, confirmed to the press by EU headquarters in Brussels, is to determine if the SAS-Maersk pact violates Commission rules.

On July 3, a new dual-designator pact begins with **Spanair, S.A.** Under its terms, Spanair is able to place its code on SAS flights from Madrid to Copenhagen, Helsinki, Goteborg, and Oslo, while SAS shares flights with Spanair from Copenhagen to Alicante, via Paris (CDG).

On August 22, a Fokker 50 is subleased from **KLM Cityhopper, B.V.** The TCAS sounds aboard an SAS Next Generation B-737-683 from Oslo as it approaches Alesund on August 26 because it has, at the direction of ATC, entered onto the same flight path as a **Norwegian Air Shuttle** Fokker 50 en route from Molde to Bergen. The jetliner is able to increase its height, avoiding the turboprop.

The last MD-81 is officially retired on September 17.

The EU Commission informs SAS on October 13 that it has serious concerns about its cooperation with **Deutsche Lufthansa, A.G.** and **Austrian Airlines, A.G.** within the "Star Alliance" concerning competition over the large number of routes from Austria to Germany and the Nordic countries.

As part of **Air Baltic Corporation's** integration into the SAS network, SAS, at the beginning of the winter schedule on October 29, cancels its

own Stockholm to Riga service and turns the route over to Air Baltic, which now becomes the only carrier flying directly between the two cities. To meet demand, frequencies are increased from 78 to 94 every week. Thrice-daily return service from Copenhagen to Birmingham, England, and four-times-a-week roundtrips from Oslo to Dublin also begin on October 29. The first day of the winter schedule also sees frequencies increased on the routes from Copenhagen to Budapest, Hamburg, St. Petersburg, and New York (JFK), from Goteborg to Paris, from Oslo to Paris and Stockholm, and from Stockholm to Budapest, Geneva, Hamburg, New York (JFK), and St. Petersburg. A new weekend route is also flown from Copenhagen to Palma de Mallorca.

While en route from Amsterdam to Stockholm on November 8, a passenger aboard a company MD-82 discovers a note warning of a bomb. An emergency landing is made at Copenhagen, but no explosive is found.

On November 20, thrice-weekday MD-81 return flights commence between Copenhagen and Birmingham, England; two roundtrips are offered on weekends. This is the only direct service between the two cities.

By November 23, the last two DC-9-21s have been released from regularly scheduled flights. They remain in service, however, as backup and are often employed on the routes from Copenhagen to Amsterdam and Amsterdam to Oslo.

Following the collapse of intense scheduling discussions with SAS, the 1,286 company members of the Norwegian Cabin Attendants Union stage a 24-hour strike on November 27. The job action forces the carrier to cancel all of its 161 domestic flights in Norway, 35 in Sweden, and 9 in Denmark, as well as 40 other inter-Scandinavia flights. The same day, SAS announces that 52-year-old Joergen Lindegaard, CEO of GN Store Nord, A.S., will succeed Jan Stenberg as CEO on January 1; he will be the first Dane to head the world's most successful multinational airline. SAS settles with its Norwegian flight attendants on November 30, averting another strike.

Also during the month, the company begins discussions with **Delta Air Lines** concerning the possibility of a trade: Delta's 16 MD-90-30s in exchange for a number of older SAS MD-80s.

The carrier's dispute with its Norwegian cabin crews is settled on December 6. The final DC-9-21 service is operated on December 15, after which the type is retired from the SAS fleet. The company continues to operate 19 DC-9-41s.

Even as SAS and its partners **Deutsche Lufthansa, A.G.** and **British Midland Airways, Ltd.** await the outcome of a European Commission review of a joint venture with Austrian Airlines Group, the three carriers, on December 12, note that they are also awaiting word from the EU on their joint-venture proposal put forward in early May. This move, which they have since been operating on the assumption of approval, would allow them to harmonize pricing and share revenues on European routes and to share routes from London (LHR), including BM's new destinations of Milan, Rome, and Madrid.

Options to purchase another three Next Generation B-737-683s are turned into firm orders on December 22 for delivery in **2002**. The next day, the SKr 3-billion sale to **Deutsche Lufthansa, A.G.** of a 20% stake in **British Midland Airways, Ltd.** is formally completed.

Customer bookings for the year accelerate 7% to 23,780,750, while freight traffic inches up 0.2% to 683.53 million FTKs. Group operating revenues climb 8.7% to SKr 47.5 billion, while operating gain jumps 35% to SKr 3.72 billion. Pretax profit soars 50% to SKr 2.77 billion (\$286.7 million).

SAS COMMUTER (SCANDINAVIAN AIRLINES SYSTEM COMMUTER): P.O. Box 150, 2770 Kastrup, Copenhagen, Denmark; Phone 45 32 32 4848; Fax 45 32 32 28 78; Code SK; Year Founded 1988. Planning for this regional airline is begun by the airlines owning **SAS (Scandinavian Airlines System)** in 1984 to assume, as the new Commuter Operations Department (COD) flight division of the larger airline, various intercity routes within and between Denmark, Sweden, and Norway. Also known as **Scandinavian Business Commuter (SBC)**, the concern will be given a fleet of four Fokker F.27s.

The company does not actually come into existence until August **1988**, at which point it is reformed into SAS Commuter. Hans Erik Stuhr is appointed chairman, with Jorgen Graagengaard as CEO/managing director, and orders are placed for 15 Fokker 50s, with options on 15 more.

The inaugural fleet comprises 9 Fokker F.27s and these are employed to inaugurate scheduled Norlink flights over a hub-and-spoke system in northern Norway and Eurolink services to destinations within Scandinavia and northern Europe from a Copenhagen hub. The company also operates hovercraft between Copenhagen and Malmo.

The COD and its F.27s are absorbed into the parent on April 1, **1989**, as planning proceeds for the initiation of scheduled Fokker 50 regional services as a sister of Norlink. Shareholding is divided into a structure similar to the main SAS consortium; three companies are formed, one each in Denmark, Norway, and Sweden, which are half-owned by private interests and half by the respective governments.

The first unit of the previous year's massive Fokker 50 order arrives in early September and with several others on hand, the company begins operations on September 25, feeding the major at Copenhagen from such destinations as Hanover and Hamburg. A number of leased F.27s are made available. Some will work Swedish routes and the remainder will provide flights in Denmark.

In **1990**, 19 additional Fokker 50s are delivered, allowing retirement of all the F.27s. Seven of the new Fokker 50s begin hub-and-spoke operations over the Norlink routes in northern Norway. From a main base at Tromso, traffic is fed into that destination, as well as Bodo, Evenes, and Alta, from which points 16 daily nonstop roundtrip connections are made to Oslo.

Enplanements total 628,890.

Airline employment is increased by 15.6% in **1991** to 371 and the fleet includes 22 Fokker 50s. A number of new destinations in Sweden and Denmark are initiated.

Passenger boardings double, 49.9%, to 1,255,268. Freight swells 61.4% to 35.05 million FTKs.

Two more Fokker 50s are acquired in **1992** as deregulation begins in Sweden. On October 1, SAS Commuter's Euroclass-configured Fokker 50s begin four-times-per-day roundtrip services from Bromma Airport in downtown Stockholm to Copenhagen, Helsinki, and Oslo.

Airline employment in **1993** stands at 400. European and Norlink services continue to be offered by CEO Hans Erik Stuhr's 22 Fokker 50s.

Flights apace in **1994-1995**. During the latter year, the company begins to examine the possibility of establishing an operation at Stockholm's Arlanda Airport that will parallel its Copenhagen Fokker 50 operation to offer new services. It would also free up the jetliners of **SAS (Scandinavian Airlines System)** now operating on thin routes from the Swedish capital. The new service will be known as SweLink.

The fleet in **1996** that fleet includes 22 Fokker 50s and 4 SAAB SF340As. With the beginning of the summer schedule on March 31, twice-weekly Fokker 50 roundtrips are inaugurated from Copenhagen to Newcastle, England.

Orders are placed in July for four SAAB 2000s and two options. Kjell Sundstrom is named director of SweLink at Stockholm and he sets about establishing the new Arlanda Airport SweLink hub. Following completion of successful negotiations with the SAS Commuter and **SAS (Scandinavian Airlines System)** unions, 50 pilots are recruited.

From a base at Copenhagen, 16 Fokker 50s offer Eurolink services to Aalborg, Billund, and Karup in Denmark as well as over longer routes to Prague, Berlin (Tempelhof Airport), Cologne, Hamburg, Hanover, Luxembourg, Oslo, Stavanger, Gdansk, Poznan, Szczecin, Kalingrad, and the Swedish communities of Goteborg, Jonkoping, Kalmar, Karlstad, Norrkooping, Orebro, Vasteras, and Vaxjo.

At the same time, six Fokker 50s based at Tromso in Norway fly to six communities inside the Arctic Circle: Alta, Bardufoss, Bodo, Evenes, Kirkenes, and Lakselv.

Enplanements for the year total 1.7 million.

The first two SAAB 2000s are delivered during the last week of January **1997** and enter service in February over new Swelink routes 48

times per week from Stockholm (Arlanda Airport) to Kalmar, Angelholm, Karlstad, Kristianstad, Ornskoldsvik, Ronneby, Skelleftea, Sundsvall, Vasteras, and Vaxjo. At month's end, it is reported that the new turboprops have a dispatch reliability of 99.2%, higher than that for the first month of any other new aircraft ever introduced into the fleets of SAS Commuter or **SAS (Scandinavian Airlines System)**.

In March, the company becomes the latest member of the European Regional Airline Association. Having proven unprofitable, the twice-weekly Fokker 50 service from Copenhagen to Newcastle is withdrawn on March 27. The route is turned over to **Cimber Air, A.S.**, which resumes scheduled service on April 1.

Two more SAAB 2000s are delivered in April and like the earlier units, replace F28s and MD-80s on routes handed over by the parent company.

On September 1, a \$350-million order is placed with Bombardier, Inc. for 15 de Havilland Canada DHC-8Q-400s with 18 options for delivery beginning in July 1999. They will replace Fokker 50s on Swedish domestic routes and regional routes in northern Europe.

At the same time, the SAAB 2000 options are converted into firm orders. During September, new SAAB 2000 service is inaugurated from Stockholm to Budapest and Arkhangelsk.

Customer bookings climb to 1.9 million.

The two new SAAB 2000 turboprops arrive at Stockholm's Arlanda Airport in March and April 1998. They are immediately placed on non-stop regional flights from the hub airports at Stockholm, Copenhagen, and Oslo. The number of DHC-8Q-400 firm orders is increased to 17 during July.

At the beginning of 1999, President Ole Pedersen oversees a workforce of 750 and a fleet that includes 22 Fokker 50s and 6 SAAB 2000s.

A \$47-million follow-on request is made to Bombardier, Inc. on June 15 for 2 more DHC-8Q-400s, for a total of 19.

Enplanements for the year total 1,647,000.

At the beginning of 2000, SAS Commuter employs 800 people and operates to 54 city pairs throughout Scandinavia and Western Europe. For example, it continues to operate Swedlink flights from Stockholm to Berlin and communities in western Finland; from Copenhagen, it flies Eurolink frequencies to points in the Czech Republic; in Poland, it flies to Vilnius and Riga on the Baltic and to the German cities of Colobne, Hanover, and Hamburg; and from Tromso it operates Norlink services to points in northern Norway.

The carrier's first Bombardier Dash 8-Q402 enters revenue service on February 4 on the route from Copenhagen to Poznan, Poland. Delays in production and certification problems have put the introduction by the launch customer some 16 months behind schedule. Another 21 aircraft remain on order.

A heavy wind causes Flight 215, a new Dash 8-Q402, to complete its May 27 service from Copenhagen with a very heavy landing, tail first, at Aalborg. The plane, with a 1.5-m. slash in its tale, is out of service for a month.

On July 24, 6 of 15 options for additional DHC-8-Q402s are converted into firm orders, bringing the company's total number of requests for the advanced turboprop to 28.

All nine of the new Dash 8-Q402s in the company's fleet are grounded on October 12 after a series of electronic problems set off faulty cockpit indicator lights. Just barely cleared to return to service, one of the new aircraft suffers a tailstrike while landing at Kastrup Airport, Copenhagen, on October 22. The rash of problems with the new commuter planes will continue through the end of the year and into 2001.

SASA (SERVICIOS AEREOS, S.A.): Peru (1981-1995). Formed at San Ramon in 1981, SASA is equipped with 1 CASA C-212, 1 Cessna 402, 1 Britten-Norman BN-2 Islander, 5 Cessna 206s, and 3 Cessna 210s.

Thirteen years later, it continues to maintain local passenger and cargo charters to such central Peruvian destinations as Atalaya, Buena Pe, Huancayo, Lima, Pozuzo, Pucallpa, Puerto Bermudez, Puerto Inca, Puerto Victoria, Satipo, Sepa, and Tournavista. Flights cease by 1995.

SASCO AIR CHARTER. See **SASCO AIR LINES, LTD.**

SASCO AIR LINES, LTD.: P.O. Box 8260, El Amarat, Khartoum, Sudan; Phone 249 (11) 443 362; Fax 249 (11) 443 336; Code SAC; Year Founded 1983. Nur Aviation Services is set up as an FBO at Khartoum in 1983 by M. M. Nur; a charter division, **Sasco Air Charter**, undertakes air taxi flights with a pair of Cessna 404 Titans.

A decade later, in 1996, the division is renamed, although its charter mission is retained. President Nur operates a fleet comprising 1 each Cessna T210N Turbo Centurian, Douglas DC-3, and Piper PA-23 Aztec. The queen of the new airline division is a Tupolev Tu-134A jetliner, wet-leased long-term.

The Russian-made jetliner operates scheduled domestic passenger services during the remainder of the decade. A total of 40 workers are employed at the beginning of 2000.

SASKAIR (SASKATCHEWAN GOVERNMENT AIRWAYS, LTD.): Canada (1947-1965). The St. Albert-based charter carrier **Mayron and Campbell Aviation, Ltd.** is acquired by the Saskatchewan provincial government in August 1947 and is combined with the air arm of the Provincial Department of Natural Resources to form SGA or Saskair.

During 1948-1964, Saskair continues and expands the charter operations of M & C, including forest fire patrol and fighting, air ambulance, and prospector transport. Also assumed and developed is a scheduled network of 22 destinations in the northern part of the province that are served with small, float-equipped aircraft types, e.g., de Havilland Canada DHC-2 Beavers. A Douglas DC-3 is purchased in 1957.

The regional carrier **Norcanair, Ltd.** is formed in January 1965. Two months later, it purchases Saskair and integrates it into what would become an ongoing operation.

SAT (FLUGGESELLSCHAFT, GmbH): Germany (1976-1986). Privately owned SAT (Special Air Transport) is formed at Flughafen Koln/Bonn in summer 1976 to offer offer regional charters with a fleet of turboprop Fokker F.27-100 Friendships.

Two years later, in 1978, three Sud-Est SE-210 Caravelle XRs previously operated by **LTU International Airlines (Lufttransport Unternehmman, GmbH)** are acquired. Painted in a green and white livery with white "SAT" titles on the fins, these French-made jetliners are employed, beginning in September, to offer international holiday tour and general passenger group charter flights to destinations in Europe, the Mediterranean, the Caribbean, North Africa, and the Canary Islands.

In the early 1980s, two Boeing 727-200s are acquired. They join the fleet wearing the company's final livery, a green two-tone color scheme. Flights continue until June 1986 when SAT is reformed and renamed **Germania Fluggesellschaft, GmbH**.

SATA (SOCIETE ANTILLAISE DE TRANSPORTS AERIENS, S.A.-AIR GUADELOUPE): French West Indies (1970-2000). SATA is formed at Pointe-à-Pitre le Raizot Airport, Guadeloupe, in March 1970; local government and private interests hold 55% of the shares. In addition to its 45% shareholding, **Air France** also provides managerial and other support under contract.

Employing a fleet comprising 2 Fairchild Hiller FH-227Bs, 2 DC-3s, 4 de Havilland Canada DHC-6-300s, and 2 Britten-Norman BN-2s, the company provides general charter flights within the Caribbean archipelago. Additionally, scheduled services are inaugurated from Point-à-Pitre and Basse-Terre to Marie Galante, Les Saintes, Saint Barthelemy, Saint Martin, La Destrade, Saint Francois, Dominica, and from Marie Galante to Basse-Terre.

By 1981, the employee population is 134 and enplanements total 263,989; bookings rise in 1982 to 271,024. The Islanders and a Douglas transport are sold in 1983-1985 and an order is placed for an Avions de Transport Regional ATR42. Service is started from Pointe-à-Pitre to Antigua and replacement daily FH-227 shuttle flights are made on behalf of **Air France** from Pointe-à-Pitre to Fort de France, Martinique.

The first ATR42 is received in **1986**. It helps enplanements climb to 196,300. Airline employment grows 3.9% in **1987**, but customer bookings now fall 7.6% to 182,435. The second ATR42 arrives in **1988**. At the end of the decade, Raymond Du Pont is named general manager; the last DC-3 is retired and is replaced by two Dornier 228-202s. An ATR72 is optioned in **1990** as the company's twentieth anniversary is celebrated.

The fleet in **1991** includes the 2 ATR42s, 3 Dornier 228-202s, and 2 DHC-6-300 Twin Otters. The decision is taken not to exercise the option on the ATR72, due for delivery in May. On June 8, joint Pointe-à-Pitre to Paris roundtrips commence in cooperation with **Air Martinique, S.A.** employing a Douglas DC-10-30 leased from **Minerve, S.A.**

The carrier's first jetliner, a leased Boeing 737-33A, is delivered in December and is used, in cooperation with **Air Martinique, S.A.** and **Air Guyane, S.A.**, to inaugurate a replacement regional network on behalf of **Air France**. The network links Pointe-à-Pitre with Fort de France, Cayenne, Port au Prince, San Juan, St. Martin Juliana, Belem, and Miami.

General Manager Du Pont is succeeded by Daniel Guadart in **1992**; airline employment stands at 246 and the 2 DHC-6s are now withdrawn as a third Dornier 228-202 is leased. Early in the year, capitalization is increased from FFr 8 million to FFr 48 million. Ownership is divided between the local Department (46%), **Air France** (45%), the state (5%), the local Chamber of Commerce and Industry (2%), and local communities (2%). Losses for the year total \$5.5 million.

As a result of its losses, the operator files for bankruptcy in February **1993**. Operations continue apace even though the company begins liquidation in late December. The airline is not, however, allowed to disappear, being held together in **1994** by new General Manager Francois Pameole and his management team from France. The fleet is downsized and the Boeing is withdrawn.

Operations continue apace in **1995–1996**. During the first quarter of **1997**, another Dornier 228-202 is acquired. Flights continue in **1998**.

On January 6, **1999**, **Air France** enters into a new partnership agreement with **SATA**, **Air Saint Martin, S.A.**, and **Air Martinique, S.A.** designed to increase the major's market share in North America and to maintain French-flag air presence in the Caribbean region.

During the first quarter, the B-737-2M8A is wet-leased from **Islandsflug, H.F.** to Caraibenne des Transportes Aeriens, the joint venture established to replace the French major on its Caribbean routes from Fort de France and Pointe-à-Pitre to Cayenne, Miami, and Port au Prince. The Icelandic Boeing will be returned as soon as the combine is able to secure a pair of B-737-300s.

In order to create a larger carrier in fact as well as alliance, the small airlines of the French Caribbean, which had been flying the Antilles as part of the umbrella Caraibenne des Transportes Aeriens joint venture, are actually merged into **SATA** during July **2000**.

The **SATA** fleet is thus enhanced by the addition of the former **Air Saint Martin, S.A.** Dornier 228-202 and Beech 1900D, the **Air Martinique, S.A.** ATR42-320s and Dornier 228-202s, and the **Air Saint Barthelemy, S.A.** 228-201 and de Havilland Canada DHC-6-300. The enlarged airline maintains the local service routes of the three previous independents. It also retains the **Islandsflug, H.F.** B-737-2M8A, previously chartered for Caraibenne des Transportes Aeriens, and employs it to operate daily roundtrips from Fort-de-France and Pointe-à-Pitre to Miami via Port-au-Prince, Haiti.

The surviving partner, controlled by 70% majority owner Groupe Dubreuil (which had previously owned the French carrier **Regional Airlines, S.A.**), is soon thereafter renamed **Air Caraibes, S.A. (2)**.

SATA AIR ACORES (SERVICO ACOREANO DE TRANSPORTES AEREOS, S.A.): Av Infante d'Henrique 55, Ponta Delgada, Azores, 9500, Portugal; Phone 351 (96) 25 067; Fax 351 (96) 24 695; <http://www.sata.pt>; Code SP; Year Founded 1947. Formed as a study group six years earlier and upgraded on June 1, **1947**, this carrier is first known as **Sociedade Acoreana de Transportes Aereos SARL (SATA)** and is equipped with a single war-surplus Beech C-45/AT-11. Revenue

services are inaugurated on June 15 over a route from Sao Miguel to Santa Maria. The first of two de Havilland DH-104 Doves is acquired in **1948**, followed by a second a year later.

Following the loss of the Beechcraft, services are suspended in the early **1950s** until the Doves are allowed to restart the original route and also expand to include Tercoera and Flores Islands.

Services are maintained for a quarter of a century with little change except in equipment. The fleet is enhanced in **1964** with the addition of a Douglas DC-3. A Hawker Siddely HS-748-B2, the first of three received, is delivered in **1970**.

Beginning in **1971**, the Doves are withdrawn as the British turboprops join the fleet. An airport is opened at Horta during the year, allowing the carrier to start flying to Faial Island.

Flights continue in **1972–1975**. Several small de Havilland Canada DHC-6 Twin Otters are acquired during these years. In **1976–1977**, two DC-6s replace the DC-3s.

In late **1978**, President Zinckle dos Reis oversees 435 employees and a fleet comprising 2 Douglas DC-6s and 2 Hawker Siddeley HS 748s.

Caught in a violent squall near Marie Galante Island on November 18, a DHC-6-300 with 1 pilot and 19 passengers crashes into the sea and sinks in 13 m. of water 2 mi. offshore (15 dead).

Flights continue without incident in **1979** and the government acquires 100% shareholding in **1980**. The DC-6s are withdrawn during the year.

During the early **1980s**, the company is reformed and adopts its present name. Ownership is divided between the government (48%), public (48%) and private (4%) interests and Jose Pacheco de Almeida is named president.

Enplanements in **1983** total 190,366.

The workforce is increased 1.6% in **1984** to 573 and the fleet is altered to comprise 3 British Aerospace BAe (HS) 748-B2s. Daily turbo-prop flights link the carrier's four principal destinations.

Passenger boardings dip 1.8% to 187,000 and freight falls 9.1% to 365,000 FTKs.

Enplanements in **1985** ascend once more to total 211,147. In **1986**, passenger boardings grow only 0.4% to 211,995. Freight, however, declines by 16% to 326,000 FTKs.

Three additional 748s are added in **1987–1988**. At this point, eight of the nine islands of the Azores are served. During the latter year, three BAe ATPs are requested, along with authority to fly to mainland Portugal and Madeira.

Enplanements in the latter year total 220,000.

The company's first jetliner, a BAe 146-200, is acquired in 1989, while in December, the first of three requested BAe ATPs begin to replace the BAe 748s.

Passenger boardings inch up by 1.3% to 232,377.

The BAe 146-200 does not prove satisfactory and beginning in February **1990** it is replaced by two more BAe ATPs. At the same time, the last of four BAe 748-B2s are retired. In an effort to increase its presence, the company joins three industry associations: IATA, the Regional Airlines Association, and the European Regional Airlines Association.

Enplanements this year total 247,283.

Company employment is slashed 11.7% in **1991** to 557 and the fleet now includes just 3 Jetstream 61s. An effort is made to increase automation.

Unlike many of its European contemporaries, this carrier enjoys passenger traffic growth of 2.7% during the year with 254,145 passengers flown. Freight, on the other hand, drops 12.6% to 341,000 FTKs.

Recession impacts the company in **1992**. As the winter schedule brings a reduction in services, one ATP is chartered out to **Air Malta, Ltd. (2)**.

Enplanements total 273,968.

In **1993** President Carlos Costa Neves oversees a workforce of 549, down 2.1% from the previous year, and a fleet of 3 ATPs. Destinations visited from Sao Miguel include Santa Maria, Terceira, Graciosa, Sao Jorge, Pico, Faial, Corvo, and Flores.

In November, an ATP is again leased to **Air Malta, Ltd. (2)** for six months. A Dornier 228-202 is chartered from its manufacturer in December to operate from the limited facilities available on Corvo Island.

Passenger bookings slide 3.1% to 265,483 and cargo is down 6.8% to 261,150 FTKs.

Airline employment is increased by 1% in **1994** to 550 and the government announces plans to privatize the carrier. The ATP returns from **Air Malta, Ltd. (2)** and is placed back into service on the company's summer schedule. During the year, ICAO celebrates its fiftieth anniversary by awarding a commemorative medal to an organization or person in each member state that has made a significant contribution to the development of civil aviation. In Portugal, the medal is awarded to SATA.

Customer bookings recover, growing by 2.4% to 271,879; freight declines again, falling 12.5% to 251,000 FTKs.

There is no change in the workforce during **1995** as an order is placed for a B-757-200. Enplanements through September swell 3% to 228,445, but cargo slips 1% to 196,000 FTKs. The fleet is increased in October by addition of a leased Boeing 737-3Q8, which is christened *Corvo*.

With the beginning of the winter schedule, the "Baby Boeing" inaugurates inclusive tour flights to Porto and Madeira.

Airline employment is cut 24.2% in **1996** to 417 and the B-757 order remains outstanding. The airport at Horta is expanded to handle the new aircraft when it is delivered. At the same time, the B-737-3Q8 undertakes vacation flights to Austria, Germany, Belgium, and Italy.

Passenger boardings for the full year accelerate 4.7% to 292,185.

Seven new employees are hired in **1997** and domestic scheduled destinations visited include Corvo Island, Flores Island, Graciosa, Horta, Pico Island, Ponta Delgada, Santa Maria, Sao Jorge Island, and Terceira.

A total of 9,993 flights are completed and enplanements increase by 4.6% to 300,386.

In February **1998**, SATA purchases the outstanding shares of **Ocean Air, S. A.** for the moribund carrier's operating certificate. In March, a B-737-3Q8 is delivered in the company's new color scheme. Christened *San Jorge*, it is assigned to the upgraded Ocean Air, which is relaunched on April 8 as **SATA International, S.A.** The parent company's passenger boardings accelerate 5.7% on the year to 315,000.

By the beginning of **1999**, airline employment has been increased by 1.3% to 471.

The B-737-3Q8 *Corvo* is now transferred to **SATA International, S.A.** and is complemented with one each B-737-3Y0 and B-737-36N; these leased machines are supplemented by a longer-range Airbus A310-304. SATA itself elects to run the Twin Otters and ATPs, while operating maintenance and support activities, as well as four airports in the archipelago.

While en route from Ponta Delgada, South Miguel Islands, to Horta on Faial Island on December 11, Flight 530, an ATP with 4 crew and 31 passengers crashes into 1,067-m.-high Pico da Esperanca Mountain on Sao Jorge Island; there are no survivors.

Passenger boardings for the year jump 11% to 349,000.

Airline employment at the beginning of **2000** stands at 503, a 6.8% increase over the previous 12 months.

Two British Aerospace ATPs are leased from their manufacturer in June; one is a direct replacement for the aircraft lost in 1999. The aircraft are employed to meet a demand for increased interisland service, as well as to provide feed to **SATA International, S.A.**

SATA INTERNATIONAL, S.A.: Avenida Infante D Henrique 55-4, Ponta Delgado, 9500, Portugal; Phone 351 (296) 209 727; Fax 351 (296) 209 722; Code S4; Year Founded 1998. In February **1998**, **SATA Air Acores (Servico Acoreano de Transportes Aereos, S.A.)** purchases the outstanding shares of **Ocean Air, S. A.** for the moribund carrier's operating certificate. In March, a leased Boeing 737-3Q8 is delivered to the parent in the company's new color scheme. Christened *San Jorge*, it is assigned to the upgraded Ocean Air. The new concern, which has received a bid by public tender, is awarded scheduled routes that will link

its base with Lisbon, Funchai, and Oportu. Under the leadership of Managing Director Antonio Sousa, the former Ocean Air is relaunched on April 8 as **SATA International, S.A.**

The B-737-3Q8 *Corvo* is transferred to **SATA International** in **1999** and is complemented with one each B-737-3Y0 and B-737-36N. These leased machines are supplemented at the end of October by a longer-range Airbus A310-304, the *Terceira*, employed to inaugurate twice-daily roundtrips between Lisbon and Ponta Delgado and nightly Lisbon to Frankfurt return service. Charter flights are also completed to various other northwest European destinations, including airports in the United Kingdom, and from those places, during the post-October period, to the Spanish Atlantic islands.

A total of 213 workers are employed at the beginning of **2000**. When **TAP-Air Portugal, S.A.** discontinues its service from Lisbon to Boston on October 29, it begins to code-share on the SATA service begun several months earlier.

SATAIR-AIR MARTINIQUE, S.A.: French West Indies (1974–1981). This airline begins as a charter operation at Fort de France in June **1974**. Nonscheduled passenger and cargo flights are offered throughout the eastern Caribbean.

Employing the marketing title Air Martinique, the company begins scheduled services in **1978** from Fort de France to Dominica, Grenada, St. Lucia, and St. Vincent. The fleet used includes a Britten-Norman BN-2 Islander and a Fokker F.27 Friendship.

Unable to survive financial difficulties caused by significantly higher fuel costs, the commuter stops flying in **1981**.

SATCO (SERVICIO AEREO DE TRANSPORTES COMERCIALES, S.A.): Peru (1963–1973). The Peruvian Air Force air transport division Grupo de Transportes Numero 8, which has been providing Curtiss C-46 and Douglas DC-3 passenger and cargo services between the nation's major cities as a supplement to **Faucett Peruvian Airlines, S.A.**, is redesignated SATCO in **1963**. The fleet is increased by the addition of more Curtiss and Douglas transports, frequencies are increased, and improved emphasis on commercial-type services is initiated.

The first Douglas DC-4 is added in **1966**. Later in the decade as the carrier participates in earthquake relief, it comes to add significant cargo-hauling capacity with four DC-6s and three Lockheed L-100-20 civil Hercules freighters originally delivered to the Air Force.

Operations around the country are continued without incident during the remainder of the decade and into the early **1970s**.

A C-46F, with four crew and six passengers and en route from Chichayo to Tarapota via Moyobamba disappears near Moyobamba on April 20, **1972**; when the wreckage is found later in the day, there are no survivors.

In March **1973**, following extensive evaluation and flight demonstrations (competitions), the Fokker F.28-1000 Fellowship is chosen as the airline's first jetliner.

When **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** is formed in May as the new government national flag carrier, the SATCO organization is absorbed as the domestic line.

SATENA COLOMBIA (SERVICIO DE AERONAVAGACION A TERRITORIOS NACIONALES): Avenida El Dorado, Entrada 1, Interior 11, Bogota 11163, Colombia; Phone 57 (1) 413-8438; Fax 57 (1) 413-8178; Code ZT; Year Founded 1962. To provide air service to the underdeveloped and slightly populated areas of eastern and southern Amazon and Orinoco regions of Colombia, SATENA is established in September **1962** as a semi-official government agency to be operated as a special air transport division of the Fuerza Aerea (Air Force). Employing unconverted military C-47s, operations commence on June 1.

In **1963–1964**, services to bush communities are flown with Douglas transports and light planes from bases at Cali, Neiva, and Villavicencio. The fleet in **1965** comprises 2 de Havilland Canada DHC-2 Beavers, 5 DC-3s, 2 DC-4s, and 2 Consolidated PBY-5A Catalinas.

Enplanements total 57,448.

A DC-3 with 13 aboard crashes into the Caqueta River on February 20, **1966** (11 dead).

Law 80 of December 30, **1968** reorganizes the carrier as an autonomous government branch administered by the secretary of defense. Col. Alfredo Ortega is named general manager on January 1, **1969**. On September 8, a DC-3 with 32 aboard crashes near Aspiary AFB in Meta Province; there are no survivors.

Service continues as before in **1970–1971** as the fleet is augmented by a few Fuerza Aerea C-54s.

En route from Medellin to Buenaventura on January 21, **1972**, a chartered DC-3 with 3 crew and 36 passengers strikes high ground in the Andes near San Nicolas, crashes, and burns; there are no survivors.

The first civilian-type airliners acquired are four Hawker Siddeley HS 748-2As purchased late in **1973**.

While climbing away from Bogota on January 9, **1974**, an HS-748-2A with 3 crew and 28 passengers crashes into a hill near Florencia; there are no survivors. Flights continue without incident during the remainder of the year.

Domestic outback service is maintained in **1975–1983** to 63 destinations, branching off a main network built to link the cities of Bogota, Villavicencio, Cali, Florencia, Neiva, Aruca, and Tame. By 1978, airline employment stands at 109 and the fleet comprises 2 DC-4s, 5 DC-3s, and 3 HS 748-2As.

There are seven fatal accidents during these years.

All 20 persons aboard a DC-3 are killed when it crashes near Neiva, Colombia, on January 8, 1975. En route from Ocana to Cucuta, a DC-3 with three crew and three passengers crashes into hilly country near Sardinata on May 3 (three dead).

On final approach to Puerto Asis from Florencia on April 2, 1976, a DC-3 with 2 crew and 14 passengers crashes into a lake (5 dead). A DC-4 with more than 50 aboard vanishes into the Ecuadorian mountains during an August 15 domestic flight.

Having aborted its takeoff from Camanaos, Colombia, on February 17, 1978, a DC-3, with 2 crew and 26 passengers swerves off the runway and crashes into a tree, suffering the separation of both engines and the landing gear; although the aircraft must be written off, there are no fatalities.

The second DC-4 with 66 aboard disappears into the Ecuadorian mountains during an April 23, 1979, domestic flight. On August 22, a mechanic and a buddy steal an HS 748-2A for a joyride from Bogota; the turboprop crashes into a residential area of the city, killing not only the pirates, but three people on the ground as well.

En route to Bogota on December 18, a C-54D with 4 crew and 15 passengers strikes a mountain at Cerro Toledo; there are no survivors.

A C-47B is destroyed at Cali on May 3, 1983; there are no other details concerning the accident.

An HS 748-2A with 5 crew and 16 passengers is destroyed as the result of a bad landing at Pasto on August 7; there are no fatalities.

Two Fokker F.28-3000C Fellowship jetliners are introduced in **1984**.

While on a charter, one of the new F.28-3000Cs with 6 crew and 46 passengers crashes into a fog-shrouded mountain near Florencia during a storm on March 28, **1985**; there are no survivors.

Operations continue apace in **1986–1989** and the carrier offers both scheduled and charter flights to 112 destinations in the hinterland. The fleet in the latter year includes 1 each BAe (HS) 748-2A and 748-2BF, plus 6 CASA C-212-200 Aviocars, 2 C-212-300s, and 1 F.28-3000C.

A C-212-200 Aviocar with 4 crew and 11 passengers collides with a mountain near Medellin on November 18, **1990** and crashes; there are no survivors. It is replaced with a C-212-300. Services are maintained without change in **1991–1992**.

In **1993**, CEO/General Manager Brig. Gen. Alfredo Garcia Rojas oversees a workforce of 300 and a fleet increased by the addition of 1 Cessna 208 Caravan I and 3 Pilatus Turbo-Porters. Flights continue to be made from Bogota and Medellin to Arauca, Ararauca, Bahia Solano, Bucaramanga, Cali, Corozal, Cucuta, El Yopal, Florencia, Guacamayas,

Jurado, La Pedrera, Leticia, Mitu, Neiva, Puerto Carreno, Puerto Inirida, Puerto Asis, Quibdo, San Vicente, Saravena, Tame, Taraira, and Villavicencio.

Operations continue apace in **1994** with a fleet that includes 4 CASA C-212-200s, 3 C-212-300s, 1 each BAe (HS) 748-2A and 748-2BF, and 1 F.28-3000C.

While en route from Villavicencio on March 19, a C-212-200 with 4 crew and 25 passengers suffers an engine failure and must make a forced landing near the town of La Macarena. Although the aircraft is damaged beyond repair, there are no fatalities.

Having abandoned two previous bad weather approaches into La Macarena on September 9, **1995**, a CASA C-212-200 Aviocar with 4 crew and 18 passengers attempts a third. This time the Spanish-made turboprop crashes into a hill short of the runway, killing all aboard save one.

Operations continue apace without incident in **1996**.

During the first quarter of **1997**, orders are placed for three Fairchild Dornier 328-120s. After examiners from the U.S. FAA inspect the country's civil aviation establishment with regards to its safety in the fall, the agency is viewed in local quarters as having criticized its Colombian counterpart AeroCivil by pointing out that it does not control SAETA (the Air Force does).

The Colombian Airline Association ATAC further suggests that the U.S. is overstepping its boundaries by requiring that all of its members be Category 1 recertified before any will be allowed to fly to America.

All of the Dornier 328-110s have arrived by February **1998**. At this point, three more 328-100s are requested.

Flights continue without incident in **1999**. A total of 32 workers are employed at the beginning of **2000**. The company continues to fly a B-727-2B.

SATGA (SOCIETE AERIENNE DE TRANSPORTS GUAYANE-ANTILLES). See GAT (GUYANE AIR TRANSPORT, S.A.)

SATURN AIRWAYS: United States (1948–1976). This supplemental is formed as **All-American Airways** at Miami in **1948** as a "Large Irregular" carrier to offer charter and tour flights to various North American destinations. Cargo and tour passenger flights become a specialty, especially on behalf of the U.S. military.

On February 24, **1964**, the company, now flying eight Douglas DC-6A/Bs and DC-7Cs, receives CAB authority to operate a transatlantic route for the next five years. On May 1, the DOD announces that its fiscal year 1966 Logair trooping awards will only be made to carriers deriving 30% or more of their income from commercial services.

Unable to qualify under these provisions, Howard Korth's **AAXICO Airlines**, an exclusive military contractor with CAB approval, purchases Saturn and submerges itself, effective November 1, **1965**.

The move is made in order to take advantage of the certified commercial status soon expected. AAXICO Chairman Korth and his management team assume control as the emerging airline retains the Saturn name and thus obtains the government contract.

Meanwhile, in April **1966**, Saturn becomes one of 10 irregulars certified as supplemental carriers by the CAB. A C-46, leased to **Zantop International Airlines**, is lost in a Columbia City, Indiana, midair collision with a lightplane on June 16 (three dead). Caribbean route authority is obtained on September 30. The company begins to sell off its huge stock of 23 C-46s during the fall.

Revenues for the year total \$26.63 million and with expenses 2 million less, a net profit of \$2.50 million is earned.

Two propeller airliners are lost within a week during the first month of **1967**.

A DC-6 with four crew is destroyed as the result of a bad landing at Oakland during a training flight on January 24; there are no fatalities. While on final approach to San Antonio on January 31, a DC-6A with three crew comes in too low, flies through a line of trees, and impacts a cliff; there are no survivors.

Early in the year, the carrier becomes a public corporation. The funds obtained from reformation allow purchase of two DC-8-61CFs, the first of which is introduced late in the year. In addition to the Jet Traders, the fleet also includes 10 DC-7CFs and 3 DC-6As. The employee population numbers 483.

Saturn carries 175,808 charter passengers during the year and flies 104,471,174 freight ton-miles. Revenues fall to \$21,990,031. Profits are also down: \$1,585,031 (operating) and \$2,163,395 (net).

The second DC-8-61CF enters service in January 1968. It joins the first in intercontinental charters and upon MAC contracts. The number of DC-6As available is increased by seven and a DC-8-50F is purchased in November.

Saturn enjoys a very successful commercial charter season during this first year of jet operations; bookings exceed 250,000. Revenues bounce upward by 49.2% to \$32,808,586. Profits are also up significantly, both operating (\$4,940,062) and net (\$3,671,752).

Greatly expanding its commercial charter work, Saturn, on April 1, 1969, leases a DC-8-63CF from **The Flying Tiger Line** for 18 months. The number of transatlantic flights during the summer grows to 400. A second DC-8-50F freighter joins the fleet, which now also includes 22 DC-7Cs. When the company's aircraft fails to appear in Amsterdam, 250 U.S. tourists are stranded for 2 days and are finally able to return to New York on September 5.

Revenues are \$27,049,225. Expenses jump to a point where an operating loss of \$539,101 is suffered. Still, a net profit of \$43,764 can be reported.

Heavy fog causes a DC-7C freighter with three crew to crash while on final approach to McGuire AFB on October 11, 1970; there are no survivors.

Revenues for the year decline to \$23,727,539, but costs are brought under control and an \$845,892 operating profit is earned. The net profit jumps to \$556,066.

In 1971, the country's fifth largest supplemental carrier operates 679 million revenue passenger miles and 89.56 million freight ton-miles.

Significant traffic and fiscal growth occurs in 1972 as the carrier begins to shake off the effects of recession, inflation, and the end of the Southeast Asian airlift. While seeking broader operating authority from the CAB, Saturn now introduces the first units in a fleet of 12 Lockheed L-100-30 Hercules as the workhorse of its cargo operations in Europe and throughout the Caribbean, still often on behalf of the military.

In addition, the company acquires several Boeing 707-320Cs for use on its transatlantic charters to such European cities as Frankfurt.

When **Universal Airlines** goes bankrupt in May, the USAF MAC taps Saturn to take over the cargo services that Universal had been providing on its behalf. Saturn is able to lease the nine Lockheed L-188Fs operated by Universal and within a month has resumed the MAC flights.

On May 20, company pilots stage a brief two-day strike that is settled by an agreement between their ALPA local chapter leadership and company management.

By the end of the year, the fleet totals 24 aircraft and the workforce stands at 811.

A total of 297,000 charter passengers are flown and freight ton-miles flown grow by a huge 70.5% to 152.71 million. Revenues advance to \$47.511 million and expenses are held down to \$43.09 million. The operating profit is up 56% to a company record \$4.41 million while net income skyrockets an unbelievable 237% to \$1.79 million.

Eighty-two new employees are hired in 1973. Thirteen additional aircraft are acquired, including the nine Lockheed L-188Fs that are purchased, together with two B-707-320Cs and two L-100-30s. The added capacity helps Howard Korth's 28-year-old supplemental as it continues to expand its passenger and cargo charter business, the latter undertaken primarily for the military.

Customer bookings climb 9.1% to 324,000 while freight traffic grows 26.5%. The total of \$60.25 million in revenues is a record and expenses are \$54.33 million. The operating profit is \$5.92 million and the \$2.54-million net gain is the highest net profit in company history to date.

Airline employment in 1974 is 783.

Fatigue cracks cause the in-flight separation of the outboard section of the left wing, including the No. 1 engine, from Flight 14, an L-100-30 with four crew, over Springfield, Illinois, on May 23; there are no survivors from the crash that follows.

Merger negotiations are undertaken with **Trans-International Airlines**, owned by Transamerica Corporation.

On August 26, flight engineers, attendants, and navigators, all members of the Teamsters, go out on strike; two days later, Saturn goes to court and wins an order that forces all of the workers to return to their duties.

At year's end, officials of the two companies file an agreement with the CAB seeking the government's permission to amalgamate.

Meanwhile, enplanements for the year drop 37.8% to 201,422, only 16% of which are military personnel. A total of 327.38 million freight-ton miles are flown, an increase of 16.1%; 75% of this cargo flown on behalf of MAC. On revenues of \$71.91 million, the net profit doubles, up to \$4.9 million.

The workforce is reduced to 611 in 1975. The Oakland-based supplemental celebrates its thirtieth anniversary. Progress continues toward a merger with TIA. Meanwhile, the addition of a 12th L-100-30 allows the carrier to claim the distinction of being the world's largest operator of the commercial Hercules freighter.

Cargo is up as FTKs rise 5.5% to 343 million. Although expenses reach \$52.55 million, they are submerged by the company's total income of \$61.71 million. The operating profit is \$9.16 million while the net gain is up 9% to \$5.31 million.

The CAB approves the TIA amalgamation in the spring of 1976. On November 30, the purchase is officially completed and the company is merged into **Trans-International Airlines (TIA)**. Prior to the amalgamation, Saturn transports 304.27 million FTKs of freight in 11 months, a decline of 11.7%.

SAUDI ARABIAN AIRLINES: P.O. Box 620, Jeddah, 21231, Saudi Arabia; Phone 966 (2) 686-0000; Fax 966 (2) 686-4552; <http://ee.wpi.edu/~zakharia/saudi-communications.html>; <http://www.saudi-arabian-airlines.com>; Code SV; Year Founded 1996. On July 16, 1996, a new corporate identity is unveiled when this carrier replaces its Saudia trade name, returning to its original Saudi Arabian Airlines moniker. HRH Prince Sultan Bin Abdul Azis remains chairman with HE Dr. Khaled A. Ben-Bakr as director general.

During late summer, Shehnaz Sani (Mudbhatkal), a onetime secretary in the carrier's New Delhi station, wins, after 11 years, the first sexual harassment case against her employer and the first case of its kind in India. The airline appeals the verdict against its station manager to the Indian Supreme Court.

The new name will be applied to all aircraft, signs, ticket counters, uniforms, ticket jackets, publications, and ground equipment. The previous white and green markings are replaced by the new colors of royal blue and turquoise, symbolizing the coral reefs and waters of the Red Sea, beige for sand dunes, and gold. It will take several years to repaint everything; all aircraft in the fleet will, however, eventually have royal blue tails with a gold crescents on either side enclosing the national emblem.

During the month, the company records its highest monthly total of boardings ever, 1.3 million. Flights are resumed flights to Beirut. Scheduled return flights begin on October 28 between Jeddah and Johannesburg.

In the third-deadliest air disaster and the worst midair collision in aviation history, Flight 1907, a **Kazair (Kazakhstan National Airways)** Ilyushin Il-76TD with 10 crew and 27 passengers, is descending to New Delhi toward sunset on November 12 after a charter from Chimgent. The Il-76TD is below its assigned altitude of 14,000 ft. when Flight 763, a Saudi B-747-168B with 23 crew and 289 passengers that has just taken off for Dhahran and Jeddah, is determined to be 8 mi. away, also at 14,000 ft. The Ilyushin descends another 310 ft., but by this time it is too late. Both aircraft collide and burst into flames, falling onto an arid farming area 3 mi. from the village of Charkhi Dadri in Haryana State,

west of New Delhi; wreckage is spread over a six-mile-wide area around. Controversy will surround the cause of the disaster.

The company introduces its homepage on the Internet on December 4, while Dhahran to Cairo service begins on December 14. In need of additional capacity, the company leases two TriStar Is and a B-747-1D1 in December from **Air Atlanta Icelandic, H.F.**

Customer bookings total 11,706,000 this year and 225,465 freight FTKs are operated.

Airline employment stands at 28,843 in **1997** and the entirely owned fleet now includes 11 Airbus Industrie A300B4s-621s, 17 B-737-268As, 9 B-747-368s, 2 B-737-268ACs, 7 B-747-168Bs, 1 B-747-268F, 1 B-747SP-68, 17 Lockheed L-1011-200 TriStars, 10 Grumman G-1159A/C Gulfstreams, 2 Cessna 550 Citation IIs, 2 Dassault Falcon 900s, and 1 de Havilland Canada DHC-6-300.

Orders are outstanding for 5 B-747-468s, 23 B-777-268IGWs, 29 Boeing McDonnell Douglas MD-90-30s, and 4 BMD-11Fs. The requests, valued at \$7.5 billion, are held up by difficulties in the arrangement of financing.

In January, a major contract is signed with **Air Atlanta Icelandic, H.F.** Under its terms, the Icelandic operator wet-leases four B-747s painted in Saudi colors to the Jeddah-based international operator and stations 300 personnel at the Saudi carrier's base to provide support.

Twice-weekly roundtrip flights commence on January 10 between Jeddah and Johannesburg.

A block-space and code-sharing agreement is signed with **United Airlines** on January 23 covering flights between Jeddah and Los Angeles. Under its terms, both carriers commit to a set number of seats on each other's flights, agree to link their frequent flyer programs, offer a single check-in process, and cooperate on reservations, ground handling, and technical issues.

Flights to Lebanon suspended 15 years earlier are resumed on February 1 with 2 weekly roundtrips between Riyadh and Beirut and 2 to Beirut from Jeddah.

The pact with **United Airlines** takes effect on February 18. Saudi Arabian now offers two flights a week between Jeddah and New York. These will now connect with UAL's transcontinental flights to and from Los Angeles.

Two B-747-100s are subleased from **Tower Air** to help handle this year's Hadj flights to Mecca.

On May 4, investigators examining the cause of the previous November's crash are able to state that the Kazair freighter had descended 1,000 ft. below the 15,000-ft. altitude assigned to it by Indian air traffic controllers; the deviation put the aircraft directly into the path of the ascending Jumbojet.

On June 2, a B-747-368 with 327 passengers en route to Chennai, capital of Tamil Nadu, from Riyadh, for reasons not immediately known, mistakenly lands at a nearby air force station airfield instead of the international airport. An airport official later reports that the pilot apparently mistook the air force airfield for the runway at the international terminal. Customs and immigration authorities are sent to the air force airfield to escort the passengers to the airport for customs clearance.

Two TriStar Is are subleased from **Air Atlanta Icelandic, H.F.** at month's end and are employed to inaugurate scheduled return service from Jeddah to India and Pakistan.

The airline becomes official carrier for the Tourism Festival, held in Masher Village in Hail. The festival will become an annual event. In addition, tourists begin to visit the Raghdan Forest in Baha and the Al-Qamas Forest at Baljurshi, both of which have installed cable cars.

It is announced on August 24 that Iran and Saudi Arabia will reestablish airline links, severed in 1979. The B-747 wet-lease agreement with **Air Atlanta Icelandic, H.F.** is concluded at month's end. Most of the contract support workers return to Iceland.

It will be reported on the company's Web site the following spring that for the month of August a record 1,322,249 passengers are flown.

A B-737-268 with 75 passengers runs off the runway following an aborted takeoff from Najran on September 7.

Plans are made in the fall to phase out the TriStar fleet during the next year. It requires 5 months to arrange the \$7.5 billion in financing; the airline is forced to turn to an international banking syndicate for \$4.3 billion of these funds, a loan guaranteed by the Saudi government.

After several months delay due to financing difficulties, the first MD-11F arrives on December 22. Two days later, on December 24, the company receives its first new B-747-468 as part of a one-ceremony delivery of four aircraft. The other three include a B-777-268IGW, an MD-11F, and an MD-90-30.

Enplanements for the year total 11,733,288. It is also noted that, for the 1,417th Hadj season, over 1.2 million pilgrims have been carried on the airline's domestic and international flights. Financial data is unavailable.

Airline employment stands at 24,842 in **1998** and the fleet, 76.7% of which is Stage III certified, includes 86 airplanes at the beginning of the year: 19 B-737s, 2 DC-8s, 28 B-747s, 4 B-777s, 11 A300s, 17 L-1011s, and 5 MD-11s.

En route from Jeddah to London on January 2, a B-747-368 with 14 crew and 348 passengers suffers an electrical malfunction in its cargo hold that starts a fire. The Jumbojet's emergency systems extinguish the fire; however, the flight is diverted to Cairo, where a safe emergency landing is made. No injuries are reported. A number of passengers transfer to an **EgyptAir, S.A.E.** service to the U.K., while others prefer to remain behind for a replacement aircraft dispatched from Saudi Arabia.

Direct twice-weekly B-777-268IGW roundtrips commence on June 18 between Dahran and London (LHR).

Saudi Arabian continues to lose large sums of money; at midyear it flies to 25 domestic airports and 50 international destinations. As the result of weak oil prices, the government slashes funding in its new budget, setting aside 9.2 billion riyals for the airline.

In an effort to regain some lost income, the company heavily promotes domestic tourism, particularly in the nation's Asir region.

On August 18, a steep rise in first- and business-class airfares is announced for domestic routes. First-class ticket prices jump 50%, while business-class fares grow by 35%; economy class prices are not changed.

MD-90-30 flights from Riyadh to London (LHR) on behalf of the Saudi Royal Flight begin on September 1.

As in the past, Saudi Arabian is the official airline for the Madinah Festival during the month of *Rajab* (October 21–November 19).

The Times of India reports in its November 29 issue that the verdict of a lower case in the sexual harassment case of an ex-Saudi secretary Shehnaz Sani (Mudbhatkal) has been upheld. On top of that, the high court orders the airline to reinstate her to her position and pay her 13 years' back wages.

Just after landing at Nairobi on the evening of December 7, a B-747-368 swerves off the runway and becomes stuck in soft ground with its tail blocking the runway. The airport must be closed to all air traffic for the next 12 hours, with flights rerouted to Mombasa or to airports in Tanzania and Uganda.

A contract is signed with **Royal Air Maroc** on December 21 under which Saudi Arabian will transport, on behalf of RAM, up to 15,000 pilgrims to the Holy Land on direct flights between Casablanca and Jeddah during the next Hadj season in the spring of 1999.

Passenger boardings for the year inch up 0.7% to 11,816,000, while cargo traffic rises 0.8% to 933.99 million FTKs.

Pursuant to an agreement between the Finance Ministry and the airline signed several weeks earlier, the Riyadh Bank, on February 7, **1999**, clears payments linked to a 3.5-billion riyals (\$933-million) loan to Saudi Arabian. The payment resolves all debts owed by the airline to the bank.

Beginning in mid-month and continuing through April, two MD-11s are wet-leased from **World Airways** and are employed to operate Hadj flights between Kuala Lumpur, Malaysia, and Medina, Saudi Arabia.

Twenty years after flights were curtailed, Saudi Arabian announces on February 24 that it will resume service to the Iranian cities of Tehran,

Shiraz, Isfahan, and Mashad. No scheduling information is provided, pending the signing of a new bilateral air agreement.

The carrier, on March 14, places 17 L-1011-200s and 8 B-737-268As up for sale. Two of the three TriStars already removed from sale will be based in the U.S. for inspection by possible purchasers. On March 17, three DC-10-15s are chartered from a Belgian lessor for Hadj flights through May.

For some unknown reason, the two MD-11s employed by **World Airways** on Hadj services for Saudi Arabian have been given the colors and titles of the old Saudia, almost three years after that carrier changed its corporate identity.

A bilateral commercial aviation agreement is signed by the government with Iran on May 2. The new pact permits an increase in the number of flights between the two countries and specifically grants Saudi Arabian the right to transport Iranian pilgrims during the Hadj season.

Officials from Saudi Arabian meet with their counterparts from **Emirates Airlines**, **Gulf Air Company G.S.C.**, **Kuwait Airways Corporation**, **Oman Airways**, and **Qatar Airways** at Kuwait City on May 15 to plan a united body to compete against the growing number of major world airline alliances. The CEOs, who also agree to meet quarterly, discuss ways to coordinate and develop additional revenues, cut expenses, and invest jointly in support services.

On June 1, year-round service is launched to Alexandria, Athens, and Milan; seasonal flights to Malaga and Nice also begin.

During October and November, 16 L-1011s and 8 B-737-268As are sold to Custom Air Support at Miami, Florida; Custom will convert the TriStars into freighters, while the "Baby Boeings" will be removed from service sometime in the future. For now, they, together with seven others in the fleet, will soldier on.

A large-scale education program is launched by the company's training division for personnel working in reservations, cargo, passenger services, and refuse disposal services. This initiative is in addition to the unit's normal training function. The training centers at Riyadh, Jeddah, Dhahran, Karachi, Cairo, and London establish 425 courses for 3,412 employees, amounting to 81,900 hours of tutoring.

The *Jakarta Post* reports on December 10 that the Indonesian Ministry of Religious Affairs has signed an agreement with Saudi Arabian to transport 63,861 Hadj pilgrims from Jakarta and Surabaya to Saudi Arabia, beginning in February, at a price of \$1,200 per person.

Scheduled passenger boardings for the year move up 4.3% to 12,328,471 while another 421,171 are customers are flown on charters, bringing the total to 12,749,642 in 115,347 departures. Freight traffic rises 8.2% to 999.98 million FTKs.

At the beginning of 2000, the B-747 fleet now includes at least one of nearly every stretch currently available, including 7 Dash-168Bs, 1 Dash-268F, 10 Dash-368s, and 4 Dash-468s, plus 1 B-474SP-68. Two B-747SP-68s, 1 B-747-3G1, and 2 MD-11s are used as Saudi VIP aircraft. Also operated are 19 B-777-268ERs and 4 MD-11Fs.

B-777-268ERs are introduced onto the Jeddah to Nairobi twice-weekly route on February 22, but due to poor load factors, one of the two return flights is suspended on February 24. Meanwhile, on February 23, the *Al-Sharq Al-Awsat* newspaper reports that an anticipated 9,000 pilgrims will fly from London (LHR) alone this year.

On February 28, an A300B4-620 is leased to **TunisAir, S. A.**, which will employ the aircraft until its A320-211 is received on March 30. Also during February, Saudi Arabian accepts delivery of the last 3 of 116 MD-90-30s constructed.

On approach to Cairo on its July 9 service from Jeddah, Flight 303, a B-777-268ER, is forced to make an emergency landing after a flight attendant finds a note indicating that there is a bomb aboard. Everyone is quickly evacuated once the plane is on the ground, but no explosives are found. The 20th B-777-268ER is delivered on September 30.

While en route from Jeddah to London (LHR) on October 14, Flight 115, a B-777-268ER with 17 crew and 90 passengers, including members of the Saudi royal family, is taken over in Egyptian airspace by two male Saudis (airport security guards), Ayeish Ali al-Khalidi and Faisal

Naji al-Bluey, who claim to have TNT. After aborting a landing at Damascus at the last minute, the aircraft is forced to fly on to Baghdad. Following its landing, the hostages are released and the hijackers, protesting human rights abuses in their nation, are taken in hand by Iraqi police.

Following a dinner for the passengers and crew provided courtesy of the Iraqis, the Boeing is allowed to continue on to the U.K., arriving at Heathrow Airport Terminal 3, where many worried relatives have gathered. Four of the passengers have chosen to fly from Baghdad to Damascus instead of England.

The last of 29 MD-90-30s is delivered on October 23; Saudi Arabian is now the world's largest operator of the type. On October 31, the company's technical services division is awarded ISO 9002 accreditation. The honor is received during a two-day seminar hosted by this unit at Jeddah, in cooperation with the U.S. Federal Aviation Administration.

Suspended sometime earlier, twice-weekly return flights between Jeddah and Kano, Nigeria, are resumed on November 1. In a November 2 ceremony at the Dorchester Hotel in London, the airline receives the 2000 Award for Advertising Excellence in the airline category presented by *Newsweek International* magazine. The 21st B-777-268ER is delivered on November 18; 2 more of this type are to be accepted in 2001.

SH&E is chosen as the lead airline adviser for the privatization of the airline and also in November, the French bank BNP-Paribas is chosen to advise the Saudi government on financial aspects of the process. Other participants at this stage include the Saudi investment banking group GIC-GIB and accounting firm KPMG.

When Nawaz Sharif, the ailing, former prime minister, is pardoned by Pakistan's military government from the life prison term imposed upon him for hijacking and terrorism, he is required to go into exile. A Saudi B-777-268ER transports Sharif and members of his family from an air base near Islamabad to Jeddah on December 9. Sharif receives an official welcome upon his arrival, a move considered something of a slap at his former captors.

Customer bookings during these 12 months inch up 1.9% to 12.56 million, while cargo traffic dips 0.4% to 999.54 million FTKs.

SAUDIA (SAUDI ARABIAN AIRLINES): Saudi Arabia (1946–1996). Owned by King Ibn Saud, **Saudi Arabian Airlines** is formed in May 1946 as an operating agency of the Ministry of Defence. The airline's first airport and operating base is established at Kandara, near what is today the downtown area of Jeddah. The Douglas DC-3 promised to the ruler by President Franklin D. Roosevelt in February 1945 is flown to Jeddah by a **Transcontinental and Western Air Lines (TWA)** crew in June. It is later joined by two others which, together with crews and technical support, are provided by a U.S. Army Air Forces mission and by TWA.

The Douglas transports undertake Hadj charters from Lydda and Dubai to Jeddah and permission is sought from the British government for the inauguration of charter flights to London.

Domestic DC-3 operations are inaugurated on March 14, 1947; passengers and cargo are transported between Riyadh, Jeddah, and Dhahran. At the beginning of 1948, regional routes are opened to Cairo, Damascus, and Beirut. Only domestic and regional flights will be made between now and the end of the 1960s.

Fleet changes and route additions are implemented as the decade ends and the 1950s begin. The first of five British-built Bristol Mk. 21E Wayfarers arrive in 1949, allowing the start of dedicated cargo flights. Five four-engine DC-4s are purchased in 1952. Their arrival at the start of 1953 allows the inauguration of scheduled services to Karachi, Asmara, Amman, Istanbul, and Kuwait City.

Ten Convair CV-340s, the first pressurized aircraft to join the fleet, are purchased in 1954 and are delivered in 1955, the year service is launched to Port Sudan.

By the start of the 10th anniversary year in 1956, the airline has brought all outlying communities of the Kingdom within a few hours of each other, both to and from Riyadh and Jeddah. The first maintenance shops are opened in Jeddah during the year.

There are a number of accidents during the late **1950s**.

A DC-3 is lost at Najran, SA, on February 16, 1956; there are no fatalities. A Bristol 170 Mk. 21E is lost at Taraif, Saudi Arabia, on October 8, 1957; there are no fatalities.

Under circumstances unknown (most likely a bad landing), a Bristol 170 Mk. 21E is destroyed in an accident at Guriat Airstrip, Saudi Arabia, on March 25, 1958.

With 10 CV-340s in service, Saudia is able to inaugurate a daily air shuttle service between Jeddah and Riyadh in April **1959**. About this time, an order is placed for a pair of Boeing 720-068Bs (B-720Bs). Upon their delivery, Saudia will become the first Mideast airline to operate commercial jet airliners. A chartered C-54A with 5 crew and 67 passengers fails its takeoff from Jeddah on September 25 and makes a forced landing. Although the aircraft must be written off, there are no fatalities.

A chartered C-54A with 5 crew and 67 passengers fails its takeoff from Jeddah on September 25, **1959**, and makes a forced landing; although the aircraft must be written off, there are no fatalities.

Two, later three, DC-6s join the fleet in **1960**. On June 26, Mufti rule that Saudi stewardesses must be chaperoned on flights by their fathers, sons, or brothers; the airline hires no native women, preferring to continue using Lebanese or UAR hostesses who do not require looking after.

The carrier's first jetliners, two Boeing 720Bs, are delivered on December 20, **1961**. Originally built for **Ethiopian Airlines, S.C.**, but not taken up, the jets are held in the U.S. while **Trans World Airlines (TWA)** provides pilot training at Kansas City under contract. Revenue B-720B international services to neighboring Middle Eastern cities are initiated on March 15, **1962**. Destinations visited by the new aircraft include Amman, Beirut, and Cairo.

The airline is incorporated on February 19, **1963** and under a decree from King Faisal, it becomes an autonomous government entity chaired by the Minister of Defense and Aviation and run by a board of directors. B-720B flights are started to Sharjah and Tehran.

An in-house pilot training program is launched in **1964**; among its first graduates is Capt. Ahmed Matter, the future director general.

While on a training flight, a DC-3 with two crew crashes 60 mi. S of Jeddah on June 13; both flyers are killed.

The fleet by **1965** comprises 2 Boeing B-720Bs, 10 CV-340s, 11 DC-3s, and 2 DC-6Bs. Orders are placed for three Douglas DC-9-15s. B-720B service is inaugurated to Bombay and Istanbul as rapid expansion of domestic and international operations continue.

On June 24, a DC-3 with 16 aboard crashes near Khalif Nsier; there are no survivors. On August 25, the company becomes a founding member of the Arab Air Carriers Organization (AACO).

On the year, a total of 317,184 passengers are flown.

Routes are extended to London, Frankfurt, and Geneva in July **1966** as the three DC-9-15s enter service. One more DC-6B freighter is also acquired. Orders are placed for two B-707-368Cs.

The workforce in **1967** totals 5,010. New services are inaugurated in February from Jeddah via Beirut to the Mideast cities of Tunis, Rabat, and Tripoli and, Again, via Beirut, to the European trade centers of Frankfurt, London, and Geneva. The carrier joins the International Air Transport Association (IATA) on April 17.

A DC-3 is lost at Jeddah on June 11 under unknown circumstances. En route from Nejran to Jeddah on June 24, a C-47 with 3 crew and 14 passengers crashes near Khalif Nsier, Saudi Arabia (16 dead).

The Jeddah-based carrier now operates 2 B-720Bs, 3 DC-9-15s, 3 DC-6A/Bs, 9 Convair CV-340s, and 8 DC-3s. Enplanements for the year reach 412,987.

The two B-707-368Cs ordered in 1966 are delivered in January **1968**. The London route becomes a twice-weekly nonstop service as the fleet is further enlarged by the addition of two B-727-68s. Four CV-340s and three DC-3s are withdrawn.

After aborting its July 8 landing at Dhahran Airport for a third time in a dust storm and going around, the final company-operated CV-340 with 3 crew and 8 passengers crashes 5 km. S of the runway; there are no survivors.

Flights from Jeddah to Algiers begin in **1969**. En route from Riyadh to Beirut on July 12, **1970**, a B-707-368C with 140 aboard is hijacked to Damascus; the plane is later allowed to return to Jeddah.

The name Saudia is first employed in **1971** and a new livery is introduced. Passenger service to Rome is launched, along with the first non-stop, all-cargo frequencies from Jeddah to Frankfurt. A data processing center is opened at Jeddah and plans are made to install and turn on new IBM machines.

En route home to Riyadh from Jordan on November 10, a DC-3 is hijacked by a man with a gun and forced to Damascus; again the plane is released quickly. Enplanements reach 667,000.

In **1972**, the employee population stands at 4,265.

Having developed engine trouble just after takeoff from Jeddah on January 7, a CV-340 with 3 crew and 12 passengers returns to its point of origin and runs off the runway after a safe emergency landing; there are no fatalities.

The first of five B-727-268s to be received in the year is delivered on March 14. Three DC-3s are retired. Another DC-3 crashes at Tabouk, Saudi Arabia, on July 10; no other details on the accident are available.

Two Piper Apaches are purchased as the nucleus for a domestic air taxi and Royal Family Special Flight division.

The company's route network now includes 49 destinations on 3 continents. Domestic service is now flown between 20 communities.

Passenger boardings for the year jump 24.2% to 880,000.

Additional domestic and regional services are begun in **1973** as the B-727-268s replace the three DC-9-15s that are sold along with the last remaining CV-340s.

Special flights for teachers are operated and customer bookings accelerate to 924,000. A net profit of \$3.3 million is earned.

Burgeoning oil revenues in **1974** lead to plans for rapid expansion. Orders are placed for two wide-bodied Lockheed L-1011-200 TriStars. Flights begin to Paris and Muscat, along with direct flights from Medina to Karachi.

Passenger boardings increase 27.9% to pass the million mark for the first time (1,281,000). The net profit is doubled to \$6.6 million.

The carrier's first two L-1011-200s arrive in June and July **1975**, respectively, as do two B-707-368Cs, two B-737-268s, two Cessna 421Bs, and two Beech King Airs, the last four for local charter work. Long-haul TriStar flights commence on August 15.

An IBM 370-135 computerized reservations system is installed, and service is launched to Abu Dhabi. A management contract is signed with **Hughes Airwest**.

The work force grows to 6,710. Freight service soars 32.3% and passenger traffic swells 46.08% to 1,682,929.

The employee population is increased in **1976** to 9,396.

A DC-10-30CF with 12 crew and 361 passengers makes a heavy landing at Ankara on January 2 in fog and veers off the runway; the aircraft is damaged beyond repair, but no serious injuries are reported.

Additional routes and frequencies are allowed by the acquisition of 13 additional aircraft: 3 more L-1011-200s, 1 B-707-368C, 7 B-737-268s, and 2 Grumman Gulfstream IIs. Under terms of the management contract signed with **Hughes Airwest**, 33 employees of the American carrier arrive during the spring, along with 3 leased Fokker Fairchild F.27Js. Beginning of June 1, the aircraft are employed to launch the Arabian Express, a nonreservation roundtrip shuttle service between Jeddah and Riyadh. This service is extended to Dhahran on August 1. During the fall, a Special Flight Services (SFS) division is established to provide VIP and other government services.

Passenger boardings skyrocket 94.2% to 3,267,991.

To help handle the traffic demand, the carrier accepts three more L-1011-200s in **1977**, plus a B-707-368B, a B-737-268, a DC-8-62CF, and two more Gulfstreams. Still in need of capacity, two B-747-2B4Bs are leased from **Middle East Airlines, S.A.L. (2)** on June 1 and are placed into service over the Riyadh-London route. In addition, the carrier offers a contract for the transport of Hadj pilgrims to **Transavia Holland, N.V.** DC-8-62CF cargo services are undertaken to six European nations.

Enplanements are up to 4,420,000.

One more owned B-737-268 is added to the fleet in **1978**, along with another chartered MEA B-747-2B4BC and routes are opened to Athens, Stockholm, and Kano. A new automated reservations system is unveiled; the Collins Automated Call Distribution System (ACD) turned on at Jeddah allows the carrier to handle incoming telephone reservations calls in a highly organized fashion.

The carrier now takes a 49% interest in **Yemenia (Yemen Airways Company)**. Freight traffic rises 16.3% and passenger bookings accelerate 32.4% to 6,538,909.

In association with **Pan American World Airways (1)**, B-747SP-21 service is inaugurated to New York and Houston in **1979**, the former a nonstop route begun in February.

Two more L-1011-200s and two B-737-268s are accepted and a B-747-230B is leased for a year from **Korean Airlines/Korean Air (KAL)** on June 22. A flight training center is opened and both B720Bs are withdrawn.

A B-797-373C is destroyed as the result of a heavy landing at Jeddah on November 30; there are no injuries or fatalities.

Sheikh Capt. Almed Mattar succeeds Sheik Kamil Sindi as director general. On December 19, a B-747SP-68 is ordered from Boeing.

Cargo surges upward 26.5% and passenger boardings jump 21.8% to 7,964,347.

Airline employment is increased by 17.3% in **1980** to 18,775. New service is introduced to Nairobi, Dhaka, Bangkok, and Mogadishu. Two B-747-168Bs are received (the first on April 28), allowing the graduated return of the two leased from **Middle East Airlines, S.A.L. (2)**. Two Fokker F.28-3000s enter service, replacing the Fokker Fairchild F-27Js.

Flight 163, an L-1011 TriStar 200 with 14 crew and 287 passengers en route from Karachi, catches fire in an aft cargo bin shortly after take-off from Riyadh Airport for Jeddah on August 19. After a safe emergency landing back at the point of origin and move from the main runway to an adjacent taxiway, all those aboard perish because the crew and panicking passengers, overcome by smoke, are unable to open the Lockheed's doors. Crash, fire and rescue personnel arriving on the scene are, almost an half hour after the plane's touchdown, able to pry open door 2R, but by now the interior is engulfed in flames and there are no survivors. Of the seven TriStars lost to fatal accidents over the years, this incident incurs the highest loss of life.

Orders are placed for 4 additional Jumbojets and 11 Airbus Industrie A300B4-620s; an MEA B-747-2B4B is returned in December.

Cargo is up 10.85% to 212.83 million FTKs and enplanements surge 18.8% to 9,459,000.

The employee population swells again in **1981**, up by 19.6% to 22,446. While being refurbished at Luxembourg's Findel Airport on January 15, the DC-8-62CF catches fire and is destroyed. A second B-747SP-68 is requested in March.

Service is started or frequencies increased with the spring schedule to Madrid, New Delhi, and New York. The carrier becomes sole occupant of the South Terminal of the new King Abdul Aziz International Airport at Jeddah and automated ticketing and reservations are introduced. A new Saudia maintenance complex is also opened at the airport.

The first two of five new B-747-168Bs to be delivered in the year arrive during April, followed by two in May, in addition to a B-747-2B5F freighter chartered from **Korean Airlines/Korean Air (KAL)** and an L-1011-200.

The first B-747SP-68 arrives on June 23 and enters service on July 2 over a nonstop weekly return route from Jeddah to New York. The last new Jumbojet of the year arrives on July 31. In cooperation with **The Flying Tiger Line**, Saudia begins a direct all-cargo service to America on October 13.

Passenger boardings dip 0.8% to 9,383,000, but freight grows 46.5% to 311.8 million FTKs.

During the first six months of **1982**, four more B-747-168Bs are placed into service. The second B-747SP-68 arrives on May 25, permitting service to New York to be increased to four times a week. New

routes are begun with other aircraft to Sharjah, Nice, Manila, and Rawalpindi and a Rolls Royce RB-211 engine overhaul shop is opened at Jeddah.

Enplanements for the year total 10,172,000.

The fleet by **1983** comprises 8 B-747-168Bs, 2 each B-747SP-68s and B-747-2B4Bs, 17 L-1011-200s, 4 DC-8-63CFs, 2 DC-9-30s, 5 B-707-320Cs, 19 B-737-268A/ACs, and 1 Piper Apache.

A B-747-2B5F freighter is leased from **Korean Airlines/Korean Air (KAL)** on February 17 and two B-747-2B4BCs leased from **Middle East Airlines, S.A.L. (2)** are returned. Flight operations commence from the new King Khaled International Airport at Riyadh.

Passenger bookings increase 11% to 11,428,659 and total revenues top \$1.96 billion, allowing an operating profit of \$21.4 million.

The employee population in **1984** is 24,732 and the fleet is enlarged by the acquisition of 4 B-707-368Cs, 1 B-737-268, 3 DC-8-63CFs, and 2 Fokker F.28-3000s. Two Cessna Citation IIs are acquired for a Special Flight Services charter program that will become operational in the new year.

Not flexible enough to meet the carrier's requirements, the **Air Afrique, S.A. B-747-2S4F Jumbojet Lome** is withdrawn on March 1 and leased to **National Airlines (2)**; the same day, the American company subleases the plane to Saudia.

En route to Damascus from Jeddah on April 5, Flight 287, an L-1011, is taken over by a Syrian national being returned for trial, who diverts the Lockheed to Istanbul. While on the ground in Turkey being refueled for a flight to an unknown destination, the pirate is overwhelmed by the flight crew and turned over to police.

On August 1, the *Lome* is sold to **Korean Airlines/Korean Air (KAL)**.

Also during the month -621s as launch customer, Saudia receives the first of 11 ordered A300B4-620s to be delivered during the year. Flights to Colombo begin in September.

Two assailants take over an L-1011-200 with 14 crew and 113 passengers en route from London to Riyadh on November 5, and order it flown to Tehran. En route, they demand better treatment of North Yemenis working in Saudi Arabia and foreign aid from the Kingdom to North Yemen. When the plane arrives at the Iranian capital next day, hostages tackle their two captors, allowing Iranian troops to storm the airplane and take control of the situation. Both will be tried in Iran, with one being freed and the other given a 12-year prison term.

Cargo grows 8.1% this year to 458.81 million FTKs and passenger boardings rise a slight 1.8% to 11,365,844.

The workforce is increased 3% in **1985** to 25,732. Early in the year, Special Flight Services, an on-demand executive and small group charter division is established; revenue flights commence with a pair of Cessna Citation IIs. Basic flight training services within the Kingdom commences at the new Flight Training Academy.

En route from Jeddah to Kuwait on March 17 with 97 aboard, an L-1011-200 is seized over Riyadh by a hijacker, who releases all of his hostages except the captain and first officer after the wide-body lands for fuel at Dhahran. Security police enter the aircraft and after the man tosses a hand grenade at them, is killed. Although the blast causes slight physical damage to the Lockheed, there are no other personnel casualties.

A B-747-271C is leased from **Transamerica Airlines** on April 14 while, also in April, a B-747-2B4BC, again leased from **Middle East Airlines, S.A.L. (2)**, is returned.

A B-747-273C arrives under charter from **Korean Airlines/Korean Air (KAL)** on May 8 and together with the TA machine, replaces all but three of the DC-8-63CFs. The first 2 of an order for 10 B-747-368s are delivered in August. In October, a third B-747-368 arrives and twice-weekly nonstop Jumbojet service is begun from Jeddah to Jakarta via Riyadh and Singapore.

The year's last new B-747-368 is delivered in mid-December. A lone assailant attempts to take over a B-747-368 with 213 passengers en route from Karachi to Riyadh on December 27, but is thwarted by

a security guard. Upon examination, it will be determined that the man is "mentally unbalanced," and he will be sent to a psychiatric facility.

During the year, a secretary at the company's New Delhi station is forced to quit in the face of sexual advances by the station manager. The lady, against the advice of her husband (who will later divorce her), files suit in an Indian court.

Freight traffic falls 3.1% to 482.55 million FTKs and passenger boardings dip 4.9% to 11,035,000. Losses for the year are \$59.8 million (operating) and \$63.7 million (net). As the year closes, Saudia stands 23rd among the world's airlines in terms of passengers carried and 10th in the total number of employees.

The payroll is reduced by 4.4% in 1986 to 24,408 as 2 more B-747-368s join the fleet in the first quarter. Jakarta and Lahore join the route system and the **Transamerican Airlines** Jumbojet freighter is returned in March, followed by the **Korean Airlines/Korean Air (KAL)** machine in May; the latter is succeeded by a B-747-2B5F chartered from the same company. Bombs rip through three company offices in Karachi on May 27. In July and August, two more B-747-368s enter service. Five-times-per-week B-747F/DC-8-63CF cargo service is started to Brussels in September and the 10th B-747-368 is delivered on November 10.

Customer bookings fall again, off by 5.9% to 10,350,000. Cargo gains by a slight 1.6% to 476.84 million FTKs. Revenues ascend 5.8% to \$1.98 billion, costs grow by 4.5% to \$2.13 billion, and the operating loss "improves" to \$39.7 million. The net loss is also an improvement, lessened to \$46.5 million.

Airline employment falls again in 1987, down 5.3% to 23,106. Horizon Class business seating is inaugurated on routes to Cairo, London, and New York.

In an effort to establish closer cooperation between the aviation services of Saudi Arabia, Kuwait, Bahrain, Qatar, Oman, and the UAE, the Gulf Cooperation Council Aviation Services Company, Ltd. is established at Jeddah. At this time, SARS (Saudia Automated Reservations System) is successfully cut over from London to Jeddah and the airline subscribes to the Bahamas System of Baggage Handling and Management.

In November, weekly B-747-368 service is inaugurated from Jeddah and Dahrn to Kuala Lumpur, Malaysia.

Passenger boardings resume their upward swing, climbing 1.7% to 10,530,000. Freight is up 6.8% to 490 million FTKs. An operating loss of \$106.7 million is suffered.

The workforce grows 2.9% in 1988 to 23,773, the largest by far of any Arab airline.

A bomb explodes in the Karachi office on April 10, injuring seven people. On June 15, twice-weekly B-747-368 services are initiated from Washington, D.C. (IAD) to Saudi Arabia via New York; Saudia is the first Mideast carrier to serve the U.S. capital directly.

Customer bookings for the year slip 3.7% to 10,147,159, but cargo stages an 8.2% upturn to 489.9 million FTKs. Revenues drop 2% to \$1.9 billion and the operating loss worsens to \$114.3 million.

Company employment inches up another 1.2% in 1989 to 24,064. New services are inaugurated to Addis Ababa and Larnaca.

En route from Islamabad to Riyadh on November 23, Flight 367, a B-747-368 with 339 aboard is forced to land at Karachi when a telephone extortionist calls, claiming a bomb is aboard. Police do find a bomb and take 10 passengers off for questioning. A loose wire has prevented detonation of the explosive in what will be determined is a suicide pact.

Passenger boardings resume their upward slant, slipping skyward a slight 1.1% to 9,988,110. Freight continues to move happily along, growing 23.4% to 604.73 million FTKs.

The workforce is cut 1.2% in 1990 to 23,787. During the spring, a cooperative agreement is signed with **Royal Jordanian Airlines**; in May and under the terms of the pact, Saudia borrows 12 pilots and four flight engineers from its new partner. Weekly service is initiated in June from New York (JFK) to Brussels, continuing on to Saudi Arabia.

Despite the Gulf crisis, which erupts following Iraq's August invasion of Kuwait and brings a cancellation of the new route to New York via Belgium, the Saudi state carrier is able to increase its customer bookings

by 3.2% on the year to 10,311,467. Cargo slides ahead by 0.8% to 609.61 million FTKs. Expenses exceed income and losses are taken: \$53.6 million (operating) and \$163.5 million (net).

The payroll is cut a slight 0.2% in 1991 to 23,785. Flights to Madras begin on April 1.

In November, the suspended Brussels and New York service is resumed. The UN's Operation Desert Shield and Operation Desert Storm early in the year, together with support of the Allied effort, lead to a traffic downturn. In December, a block-space agreement is signed with the Greek carrier **Olympic Airways, S.A.** Greek aircraft will operate the return service exclusively from Athens to Jeddah and Riyadh.

Passenger boardings slide 7.5% to 9.8 million, while freight declines 6.7% to 530.2 million FTKs. Revenues ascend 2.2% to \$2.09 billion and the operating loss is cut to \$35.6 million. Net loss, however, rises to \$139.8 million.

Another 0.1% nick is taken out of the worker population in 1992 as 46 employees do not return or retire. On a more positive note, new hostess uniforms, designed by Saudi couturier Adrian Akbar, are introduced at the end of March.

A pool agreement begins with **Garuda Indonesia** in April for flights between Jakarta and Riyadh, Jeddah, and Dhahran. A purpose-designed head office building is opened next to Jeddah's King Abdul Aziz International Airport during the spring.

On July 1, **EgyptAir, S.A.E.** inaugurates direct charter flights from Johannesburg to Jeddah on behalf of Saudia and **South African Airways (Pty.), Ltd.**

There is a strong recovery from the Gulf conflict during the year as customer bookings zoom up 18.5% to 11,575,163 and cargo rises 34.3% to 712.21 million FTKs. Revenues advance by 11.9% to \$2.3 billion, but losses, even if smaller, continue: \$23.2 million (operating) and \$39.5 million (net).

The payroll at Chairman Prince Sultan Bin Abdul Aziz and Director General Mattar's airline is increased a slight 0.8% in 1993 to 23,924 and the fleet now includes 3 B-737-33AQC's leased from **Falcon Aviation, A.B.**, 3 B-737-5Q8s, 1 B-737-53A leased to **British Midland Airways, Ltd.**, 4 owned and 3 chartered B-737-59Ds, 2 B-767-283ERs chartered to **Transbrasil, S.A. (Linhas Aereas Transbrasil)**, 14 B-767-383ERs, 9 DC-9-21s, 26 DC-9-41s, 31 MD-81s with 6 leased to **Reno Air**, 16 MD-82s, 2 MD-83s, 16 MD-87s, 22 Fokker 50s, 3 F.28-1000s, and 16 F.28-4000s.

To help the carrier provide airlift for Hadj pilgrims, the company subleases three B-747-1D1s from **Air Atlanta Icelandic, H.F.** in April.

Both passenger and cargo flights continue to 25 domestic destinations and 52 international markets, including a new service to Asmara. Ad hoc joint freighter service begins with **Philippine Airlines (PAL)** in August; Saudi Arabian jetliners are employed exclusively on a route from Riyadh to Manila.

Passenger boardings ascend 6.7% to 12,350,822 while freight rises 3.4% to 736.55 million FTKs. Revenues swell 5.9% to \$2.49 billion, but expenses are up 8.2% to \$2.56 billion. As a result, the operating loss deepens to \$78.8 million while the net loss improves to \$36.3 million.

The employee population dips 0.1% in 1994 to 23,917. After considerable negotiation, President Bill Clinton announces in February that the Saudi Arabian state carrier will make a huge investment in U.S.-made jetliners.

A man with a toy gun hijacks a B-767-283ER with 139 aboard en route from Jeddah to Addis Ababa on March 8 and diverts it to Nairobi, Kenya. Once the passengers are freed, police storm the plane to free the cockpit crew and wound and capture the pirate.

Diplomatic relations with the government of South Africa are renewed in May after the government of President Nelson Mandela comes to power.

Flights to Orlando begin on July 1, while 10 Beech B-58 Barons are acquired in midyear for the company's Jeddah-based Basic Flight Training Academy. The year is finished by planning for the forthcoming fiftieth anniversary celebration.

Customer bookings inch up 0.8% to 12,453,406 while cargo moves ahead by 13.3% to 834.75 million FTKs. Revenue dips 0.5% to \$2.46 billion while expenses slide 4.8%, but still total \$2.5 billion. Consequently, the operating loss is \$45.3 million and the net down turn is up to \$67.7 million.

The workforce is increased a slight 0.3% in 1995 to 24,000.

In January, the carrier raises ticket prices: first class by 20%; business class by 15%; and economy class by 10%.

Speaking on television on June 18, Saudia Chairman Prince Sultan Aziz confirms the February 1994 aircraft order announced by President Clinton. Some \$5.2 billion of the request will be placed with Boeing for 23 777-TBDs and 5 747-468s. Another \$2.5 billion will purchase 4 MD-11Fs and 29 MD-90s.

Economy Class is now upgraded to Guest Class and children's meals are introduced.

Traffic figures are provided for the first six months of the year and show enplanements off by 4.8% to 5,676,000. Freight, on the other hand, rises 17.7% during the same period to 457.87 million FTKs.

Airline employment grows 3.5% in 1996 to 24,843. Scheduled return services are inaugurated on April 2 from Riyadh to Asmara and Addis Ababa. On July 16, a new corporate identity is unveiled and the carrier replaces its Saudia trade name, returning to its original **Saudi Arabian Airlines** moniker.

SAVA (SERVICIOS DE AEROTAXIS E ABASTECIMENTO DE VALE AMAZONICA, LTDA.): **Alvares Soares 95, Campo Belo, São Paulo, CEP 04093-002, Brazil; Phone 58 (192) 455 772; Fax 58 (192) 455 745; Code TD; Year Founded 1968.** Sava is established at Manaus in the spring of 1968 to operate domestic all-cargo charters. Three Curtiss C-46 Commandos are acquired and revenue flights commence in June. Two more C-46s are added in the middle 1970s.

Flights continue over the next quarter century; by 2000, the Commandos have all been replaced with a single Boeing 707-320C.

SAVAG, S.A. (VIACAO AEREA GAUCHA): **Brazil (1946–1966).** SAVAG is formed by Capt. Gustavo Cramer and Dr. Augusto L. Otero at Porto Alegre on November 25, 1946; initial capitalization is 3 million cruzeiros, much of it provided by the canning corporation Industrias Leal Santos.

In January 1947, the new carrier purchases 3 Lockheed Model 18 Lodestars from **Panair do Brazil, S.A.** Services are inaugurated to several destinations in the State of Rio Grande do Sul at the end of the year, including Bage, Pelotas, and Rio Grande.

Additional destinations within the state are added in 1948 and a Douglas DC-3 is acquired from **Cruzeiro do Sul, S.A.** in 1949. In 1950–1951, **Cruzeiro do Sul, S.A.** purchases majority control and encourages SAVAG to expand northward, where it encounters stiff resistance from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. Following considerable controversy over territorial rights and capacities, toward the end of 1952 the federal government requires SAVAG to suspend most of its newer routes in favor of those carriers already established upon them.

SAVAG continues to operate Porto Alegre–Curitiba over the next 14 years, primarily as a low key, shadow supplement to Cruzeiro. All airline services are contracted from the parent, including aircraft provision, route planning, reservations, baggage handling, maintenance, etc.

In 1953–1955, the carrier gradually loses its identity and by January 1, 1966 has been totally integrated within **Cruzeiro do Sul, S.A.**

SAVCO (SERVICIOS AEREAS VIRGEN DE COPACABANA, S.A.): **Bolivia (1970–1981).** SAVCO is established at Santa Cruz in 1970 to operate domestic passenger charters with a single Douglas DC-6.

En route from Santa Cruz to Arica with four crew and two passengers on a June 17, 1971 charter, the company's lone DC-6 crashes into Putre Mountain at the 18,000-ft. level; the aircraft is destroyed and there are no survivors.

All-cargo flights commence in November after the addition of the first of six Curtiss C-46A Commandos. These flights continue without incident in 1972–1973.

On February 23, 1974, a chartered C-46A with three crew and four passengers is caught in a severe thunderstorm that causes a failure of the ropes holding its cargo. When the center of gravity aboard the aircraft changes, it plunges into a crash at San Francisco de Moxos, from which there are no survivors.

Service continues throughout the remainder of the decade, but the company fails in 1981.

SAVE (SERVICIO AEREO VARGAS ESPANA, S.A.). *See* **SERVICIO AEREO VARGAS ESPANA, S.A. (SAVE)**

SAVIA AIR COMPANY (SAVIA AVIAKOMPANIYA TOO): **6 Ulitsa Nikolskaya, Moscow, 103012, Russia; Phone 7 (95) 924 0300; Fax 7 (95) 209 3737; Year Founded 1993.** Savia is established at Moscow in 1993 to undertake passenger charters to domestic locations. Evgeni V. Sivertsev is general director and he inaugurates flights with 1 each Antonov An-24 and Yakovlev Yak-40. Flights reportedly continue during the remainder of the decade.

SAYAKHAT AIR COMPANY: **124 Bogenbay Batyra St., Almaty, 480091, Kazakhstan; Phone 7 (3272) 622 628; Fax 7 (3272) 622 870; http://www.sayakhat.com; Code W7; Year Founded 1989.** Sayakhat Air Company is a private concern established at Alma-Ata in 1989. Shareholding in the first private air company established in the country is divided between Vladimir V. Kouropatenko, Nadezdha Stolyarova, and N. Ruznetsov, with the former named president/CEO. In 1991, Sayakhat steps up to take over and provide domestic and regional cargo charters previously provided by the **Aeroflot Soviet Airlines** Kazakhstan directorate

A fleet of 4 Ilyushin Il-76TDs, painted in a new livery with the blue flag, golden sun and eagle, is acquired during the summer of 1993 and revenue services begin, linking the company's base with Istanbul, Frankfurt, and London (STN).

By 1997–1998, the airline employs 204 workers and 6 Il-76TDs on dedicated, long-range cargo charters. During these years, it also acquires an Il-62M that is employed to fly Sunday flights from Almaty to Warsaw and back and Friday services from Almaty to Paphos (Cyprus) and back.

The Il-62M is supplemented with three Tupolev Tu-154Ms at the beginning of 1999. Scheduled passenger destinations now include Almaty, Astana, Istanbul, and Xian.

In the 10 years since its founding, Sayakhat has transported over 100,000 tons of cargo.

A total of 200 workers are employed at the beginning of 2000. The Il-62M is now withdrawn and the fleet of the largest private air freighter in the Republic of Kazakhstan now consists of 4 IL-76TDs and 3 Tu-154Ms.

SAYANY AIRLINES: Russia (1996–2000). This small carrier is established in 1996 to offer scheduled regional passenger services. Little is heard about it during the remainder of the decade, although like many other Russian companies, it is badly affected by the Russian currency crisis that begins in August 1998.

In June 2000, a comprehensive agreement is signed with **Siberia Airlines (Sibir)**. Officially, the larger company becomes general sales agent for Sayany and is empowered to provide aircraft and manage and develop its operations. In fact, the alliance becomes a merger in everything but name. On September 4, Sibir begins to fully submerge the operations of its affiliate, using Sibir aircraft on its licensed routes and collecting all revenues. All tickets on Sayany flights are sold under the Sibir name.

En route in from Moscow on October 4, a Tu-154 suffers the failure of a hydraulic flight control system. The aircraft circles above Irkutsk

for an hour burning off excess fuel before it make a successful emergency landing.

In early November, Sibir reports on Sayany's progress during the first 10 months of the year. In that time, the "partner" has operated 308 flights (1,760 flight hours), which have carried 27,688 passengers. Arrangements are completed by month's end for the complete absorption of Sayany into Sibir before the end of the year.

SBZ CARGO, S.A. See SCIBE AIRLIFT, S.A.

SCADTA (LA SOCIEDAD COLOMBO-ALEMANA DE TRANSPORTS AEREOS, S.A. [COLOMBIAN-GERMAN AIR TRANSPORT COMPANY]). Colombia (1919–1940). Capitalized at 100,000 pesos (\$100,000), with heaviest investment from Giesecking and Company, SCADTA is registered before Notary Public No. 2 at the northwest Colombian capital of Barranquilla on December 5, 1919. Alberto Tietjen is named first chairman, with Ernesto Cortissoz as president. Despite the public relations success of the U.S.-made aircraft demonstrated by American salesman William Knox Martin, orders are placed for Junkers F-13s, at just under \$20,000 each.

Late in July 1920, two F-13s arrive at Puerto Colombia on a Dutch ship from Germany, accompanied by Junkers technician Fritz Hammer and aircraft engineer Wilhelm Schnurbusch; they are joined by the carrier's new chief pilot Hellmuth von Krohn, shortly thereafter. The first survey flight is made by the *Colombia* on September 12–13 from Barranquilla to Puerto Berrio via Zambrano, El Banco, and El Ciego. Accompanying Hammer and Schnurbusch as the first official passenger is company director Stuart Hoise, who just happens to have business at the flight's destination.

Meanwhile, SCADTA, which has established a local office, is now allowed to organize its own airmail operation, complete with post offices and stamps (the first of the latter apparently being issued on October 4). A second and larger survey flight is made on October 19–20, Barranquilla to Girardot, a river port in Colombia's capital city.

The event is of such national importance that President Marco Fidel Suarez charts an entire train, invites his cabinet, plus military and religious VIPs and the press, to travel with him to witness the plane's arrival. Unhappily, upon landing at Girardot, the F-13 *Colombia*, a floatplane, founders (one dead). The second F-13, *Bogota*, now arrives at Girardot, flying on up the Magdalena River to Bogota on November 14.

Early in 1921, Austrian industrialist Dr. Peter Paul von Bauer invests in SCADTA, orders additional F-13s, and establishes agencies for the airline in New York, Paris, Hamburg, and Berlin. As a result of von Bauer's efforts, the fleet is increased to six F-13s, allowing scheduled Barranquilla to Girardot service to commence on September 19, with an irregular extension to Neiva. At year's end, flights are also inaugurated Barranquilla to Cartagena and Santa Maria. Trips that had previously required 10 days now take only 10 hours.

Von Bauer arrives at Colombia in early 1922, together with engineer Hermann Knehl, who will soon be asked to lead the airline's new aerial photography and survey division, Seccion Cientifica (Scientific Section). On July 28, von Bauer purchases the Giesecking shares, becoming majority owner.

In August, an F-13 helps to establish the delineation of a portion of the Colombia and Venezuela frontier near Cucuta. In September, Pedro Nel Ospina, the new president of Colombia, makes a roundtrip flight from Girardot to Puerto Berrio in a company Junkers, probably the first head of state to fly with a commercial airline. On December 5, the impressed Colombian Council of Ministers authorizes a mail contract, which is confirmed by the president on December 16. Simultaneously, SCADTA issues its first official timetable and schedule.

To assist the Colombian government in avoiding a run on the State Bank and other national banks in several cities, F-13s, on July 19–20, 1923, fly an emergency 3.1-million pesos (\$3.1 million weighing a ton and a half) from Medellin to Bogota. Although one more F-13 is deliv-

ered during the year, the original *Colombia*, repaired after its previous tragedy, is destroyed in a crash (one dead).

On June 8, 1924, the F-13 *Tolima* is lost during a Barranquilla air show; six are killed, including Chief Pilot Hellmuth von Krohn and the company's first president, Ernesto Cortissoz. On May 4, a German consortium led by Fritz Hammer and **Deutscher Aero Lloyd, A.G.** forms the Condor Syndikat at Berlin to study the viability of further South American operations, including the establishment of an "interamericana" network between Colombia, Central America, and the U.S. Given the opportunity, SCADTA chief von Bauer subscribes 10% of Condor's initial \$200,000 capitalization.

The first international survey flight is flown from Barranquilla to Curaçao and La Guaya on April 8, 1925, followed by a flight from Barranquilla to Maricao on July 27. Two F-13s are delivered during the summer and are christened *Cucuta* and *Bucaramanga*.

Meanwhile, two CMAA-built Dornier Wals, *Atlantico* and *Pacifico*, are leased from the Condor Syndikat and depart Barranquilla on August 18 on a route proving and goodwill flight, via Central America and Cuba to the U.S. After calls at Cartagena, Cristobal, Puerto Limon, San Jose del Norte, Managua, Amapala, La Libertad, San Jose, Lake Amatitlan, Puerto Barrios, Belize City, and Cozumel, the flying boats arrive at Havana on September 19.

U.S. expedition leader von Bauer spends the first months of 1926 negotiating with Americans interested in financing intra-American service and with the U.S. government over traffic rights. The *Pacifico* is allowed to make a trial flight from Havana to Palm Beach via Miami. The negotiations fail, due largely to American fears of "Germans flying over the Panama Canal," and the *Pacifico* returns to Cuba.

The *Atlantico* is crated up and returned to Germany while the *Pacifico* is shipped to Curaçao. Still in hopes of beginning his intercontinental airline, von Bauer orders eight Sikorsky S-38 flying boats. Later in the year, it crashes en route from Curaçao to Barranquilla, thus defeating von Bauer's plan to open a Curaçao to Panama service. On September 3, the F-13 *Caldas* crashes in fog at La Victoria (one dead).

Two more F-13s are delivered during 1927 along with two Dornier Merkurs. While on a trial flight at Barranquilla on June 5, the F-13 *Cauca* is destroyed in a crash; the F-13 *Bogota* is also lost in a summer accident. On October 23, Herbert Bay, flying the F-13 *Boyaca*, makes a survey flight from Barranquilla to Buenaventura. Von Bauer again seeks U.S. permission for a Canal Zone route and is once more refused.

Barranquilla to Guayaquil, Ecuador, F-13 mail flights begin on June 10, 1928; a month later on July 12, Herbert Bay is the first to pilot a commercial revenue flight across the equator. The F-13 *Boyaca* launches the carrier's first international passenger service on the route beginning on July 30. On October 22, Herbert Bay flies the F-13 *Atlantico* on a proving mission to Paita, Peru. During the year, the fleet is strengthened through the addition of five F-13s, the Junkers W.33 *Cundimarca*, and the Dornier Wal *Colombia No. 2*.

The F-13 *Boyaca* makes a second survey flight to Paita on January 22, 1929. On April 1, the Guayaquil and Buenaventura route is extended to Panama City and Cristobal by the recently received Junkers W.33 *Cundimarca*, U.S. permission for the service having finally been achieved.

The fleet is enhanced through the addition of four Junkers W.34s, four F-13s, five de Havilland DH 60 Gipsy Moths, and the first of six Sikorsky S-38Bs, the latter outfitted in the company's new silver and blue livery with a large South American Condor tail logo. The F-13s *Chuco* and *Valle*, placed in service the previous year, are lost in crashes.

Following the October 29 U.S. stock market crash, SCADTA encounters severe financial difficulties. At this point, Paul von Bauer and **Pan American Airways (PAA)** President Juan Trippe conclude a confidential "gentleman's agreement" leading to a buyout by the rapidly expanding American carrier.

In exchange for a covert 80% of the airline's stock, Trippe promises von Bauer new airmail contracts, full access to U.S. markets, and additional aircraft. Von Bauer promises to make certain that Colombia drops

its long-standing objection to **Pan American-Grace Airways (Panagra)** service through Colombia.

On February 15, 1930, by a formal secret contract that is taken to New York and locked in Juan Trippe's safe, **Pan American Airways (PAA)** begins the takeover of SCADTA, which now withdraws from international service to concentrate solely on Colombian domestic operations. Von Bauer resigns as president and is replaced by a Colombian appointee; Colombians, on the surface, remain in charge of the airline. The same day, the new DH-60 *Garza* crashes at Cali.

The DH-60 *Gaviota* is lost during the summer and the F-13 *Santrander* is destroyed by fire while refueling at El Banco on September 2. Service to Guayaquil, which for the past two years has been operated as "Servicio Bolivariano de Transportes Aereos," is withdrawn on December 17; however, F-13 landplane service is simultaneously launched Flandes to Bogota and Ibague.

The **Pan American Airways (PAA)** acquisition is completed on April 10, 1931, at which point the U.S. carrier owns 84.4% controlling interest. Service to Panama City and Cristobal is withdrawn in June and during the year, the DH-60 *Halieto* is lost in a crash. A joint Bogota to New York airmail service is begun with Juan Trippe's line on July 16; SCADTA flies the Colombian sector of this historic premier of the first permanent North America to South America return airmail and cargo route. Two Fokker Model 8 Super Universals are added to the fleet late in the year.

Uraba, Medellin and Central Airways, S.A. is acquired by **Pan American Airways (PAA)** in April 1932 for its Medellin connection to Panama, thereby keeping the "German" SCADTA away from the Canal Zone. SCADTA's Barranquilla-Medellin service via Barrancabermeja, Puerto Berrio, begins on June 27.

A link is made a few weeks later from Medellin to Buenaventura via Cali. On September 2, with an F-13 and a W.34 piloted by Herbert Bay, SCADTA begins nine months of logistics assistance to the government, which is attempting to assert its sovereignty in Caqueta and Putumaya provinces against Peruvian encroachments.

During the year, the Colombian government takes over the Dornier *Wal Colombia No. 2*. The S-38B *Ernesto Cortissoz* crashes during the summer and the Super Universal *Medellin* is lost at La Mesa on December 15. The fleet is, however, strengthened by the arrival of five Ford 5-ATs, which President von Bauer believes will be necessary to change company focus to the remainder of the country from the Magdalena River Valley. They are the first of their type imported into South America.

The government emergency requiring pilot Bay's assistance ends in July 1933. SCADTA's aircraft thus become the first to serve in any kind of wartime combat capacity in the Western Hemisphere. The effort is so successful that Colombian officers involved return to Bogota and convince the government to form an air force.

The company now begins building a network of private airports at the larger cities of Cali, Medellin, and Bogota and establishing weather and radio services. The F-13 *Garcia Rovira* is lost in a summer crash.

On March 10, 1934, the S-38B *von Krohn* crashes in Chuco Province; one man, Newton Marshall, survives and eventually escapes the jungle in an adventure worthy of Hollywood's Indiana Jones. Although the second Fokker Super Universal, *Bogota*, is also lost in an accident, the fleet is strengthened through the addition of the Sikorsky S-41 *Alfonso Lopez* and the Clark GA-43J *Bolivar*. The latter, the only one of its type known to have been operated with floats, is placed in service on the Barranquilla to Santa Maria route. The first of the upgraded 5-AT series Ford Tri-Motors, 5-AT-1, after six years in private U.S. service, is acquired on May 4. The Ford Tri-Motor 5-AT-111 is delivered on August 4, followed by the brand new 5-AT-112 outfitted with a Club interior, in October.

The former **United Air Lines** Ford Tri-Motor 5-AT-106 is delivered on April 19, 1935, followed by the ex-UAL 5-AT-104 on April 26 and 5-AT-114 on June 5; the last is christened *Barranquilla*. The most remarkable event of the year is a crash that occurs on June 24; indeed, the incident is one of the two or three most spectacular prewar aviation

accidents. The Ford 5-AT piloted by **SACO (Servicio Aereo Colombiano, S.A.)** CEO Ernesto Mendoza crashes into the SCADTA 5-AT-112 *Manizales* piloted by Hans Thomas in a takeoff ground collision at Medellin. Mendoza, the noted Argentine singer Carlos Gardel, and 15 others aboard the 2 planes are killed. The 5-AT-108 arrives at Barranquilla on August 16, having been ferried down by a **Pan American Airways (PAA)** crew.

The S-41 *Alfonso Lopez* crashes at Barranquilla on February 14, 1936. The situation is more cheery in March as the former **Transcontinental and Western Air Lines (TWA)** Ford Tri-Motor 5-AT-69, operated in New York Harbor with floats the previous year, is delivered from Kansas City. August 6 is, however, particularly tragic as two planes are lost: the F-13 *Cordoba* at Chuco and the S-38B *Guillermo Valencia* at an unknown jungle point. On December 6, **Pan American Airways (PAA)** finances the purchase of the first 3 of 15 former **United Air Lines** or **Western Air Lines** Boeing 247Ds that will be forwarded to the SCADTA fleet.

Late in January 1937, the premier Boeing, *Belalcazar*, opens a Bogota to Arauca route via Villavicencio. During the summer, a nonstop Barranquilla to Bogota service is first offered and flights also begin from Cucuta to Barranquilla. The U.S. State Department, meanwhile having learned of the secret accord, requests that Trippe take measures to disassociate from the "German" carrier. The PAA chief will stall, instead.

Following discussions with Juan Trippe in early 1938, Peter Paul von Bauer is reinstated as SCADTA president, with Hermann Kuehl as general manager. On May 26, the government decrees that the airline's workforce must be at least 25% Colombian. Meanwhile, on May 13, the F-13 *Darien* is lost in a crash, followed by the loss of the float-equipped Ford 5-AT *Barranquilla*. By year's end, the fleet includes 10 of the 15 B-247Ds; these show a more realistic Condor logo, with the bird emerging from a circle colored like the country's flag. They serve as fleet flagships and pioneer new routes throughout the nation.

As the result of President Franklin D. Roosevelt's direct intervention, **Pan American Airways (PAA)** President Trippe is at last forced to confront the issues raised in Washington circles by his secret "German" airline. On June 14, 1939, he withdraws the accord and SCADTA stock from his safe and together with a supply of cash and company associates, flies to Bogota, and, with a bit of "dollar diplomacy," lines up Colombian government personnel behind his forthcoming purge.

A SCADTA stock meeting is held, a stock vote is taken, and von Bauer and the entire SCADTA directorship is removed. The Ford 5-AT *Leticia* is destroyed in an accident during the summer. On October 11, a Junkers W-34 crashes near Calamar (five dead); 16 days later, on October 27, an agreement is reached to merge the carrier with competing **SACO (Servicio Aereo Colombiano, S.A.)**.

The SACO merger is ratified by the stockholders on February 23, 1940. Officials of the new prize, Colombians all, are given management training that will later prove useful. Five days later on February 28, the B-247D *Quesada* is lost in a crash near Bucaramanga (11 dead).

Under continuing U.S. government pressure and with full knowledge of the Colombian government "fixed" by Trippe the previous year, all German employees, about 80 in all, are summarily fired on June 8. They are replaced by **Pan American Airways (PAA)** employees secretly brought into the country, together with the first of the SACO trainees. On June 14, the carrier's name is changed to **AVIANCA (Aerovias Nacionales de Colombia, S.A.)**.

SCANAIR, A.B.: Sweden (1961–1993). Scanair is established on June 30, 1961 as a privately owned Danish charter operation. After four years of independent operation, the carrier is sold to the consortium of airlines forming **SAS (Scandinavian Airlines System)**. The company is reorganized on October 1, 1965 and capital shareholding in the new organization is divided between the companies: three-sevenths to **ABA Swedish Airlines, A.B.** and two-sevenths each to **DDL Danish Air Lines, A.S.** and **DNL Norwegian Air Lines, A.S.** Offices are opened in Sweden, Norway, and Denmark.

Employing steadily more sophisticated aircraft from Douglas DC-7Cs to Sud-Est SE-210 Caravelles and beyond, Scanair undertakes inclusive-tour and general passenger group flights and charters in Europe and to the Canary Islands, North Africa, and to North America. Over 30 travel agencies book tours with the carrier.

By 1972, the fleet includes 3 Boeing 727s and 2 DC-8s. Enplanements are 726,915.

Despite the oil crisis, bookings climb 1.1% in 1973 to 735,000.

Airline employment in 1974 is 390. Inflation and oil prices do catch up with the carrier this year as passenger boardings decline a significant 17% to 304,439.

Operations continue apace in 1975–1976 and in 1977 enplanements reach 918,577.

Airline employment grows by 14% in 1978 to 505. A new management team is placed in control, headed by George Olsson, managing director, and Henry Engstrom, deputy managing director.

Passenger boardings jump 26.1% to 1,243,000 and a \$1.8-million net profit is earned on operating income of \$108.2 million.

In 1979–1980, the fleet grows to comprise 3 DC-8-63s and 1 DC-8-62 leased as needed from SAS (Scandinavian Airlines System). Destinations visited at the close of the decade from the gateways of Copenhagen, Goteborg, Malmo, Oslo, and Stockholm include Africa, Europe, Thailand, and the U.S.

Enplanements in 1981 total 597,718.

The employee population grows by a significant 30.9% in 1982 to 284. Leases are sought of the parent for two Airbus Industrie A300B4-120s and a B-747-200C.

Passenger boardings increase 46% to 1,111,000. The year's profits are \$585,000 (operating) and \$3.2 million (net).

The number of workers is dramatically increased in 1983, up 11.3% to 316. The fleet of three DC-8-63s leased from SAS (Scandinavian Airlines System) is increased by the chartering of the two requested Airbus Industrie A300B4-120s.

Customer bookings decline 4% to 1,066,000. Revenues jump 13.4% to 111.5 million while expenses climb only 12.6%. The operating profit of \$1.5 million is posted and net gain of \$4.3 million is celebrated.

A third A300B4-120 is chartered from SAS in 1984. A Soviet fighter plane intercepts an airliner in Swedish airspace on August 9, leading to a protest to Moscow from the Stockholm government.

Although enplanements plunge to 574,410, profits of \$647,000 (operating) and \$3.5 million (net) are recorded.

Employment grows a full 10% in 1985 to 351 and orders are placed for 3 additional DC-8-63s.

Passenger boardings climb 6.6% to 615,000. Revenues jump 25.1% to \$138 million and expenses are \$135.6 million. As a result, the operating profit accelerates to \$2.4 million and net gain rises to \$5.7 million.

The fleet is enhanced in 1986 by the addition of a DC-8-63. In January, two of the three A300B4-120s are withdrawn by parent SAS (Scandinavian Airlines System) and sold to Conair of Scandinavia, S.A.

Cargo ascends 13% to 18.3 million FTKs and passenger miles enplanements total 1,346,558. Revenues rise by 9.6% to \$195.9 million, expenses are up 7.6% to \$114.6 million, and the operating profit is \$81.3 million.

In 1987, the 450-employee Swedish pleasure carrier obtains 2 additional DC-8-63s as the final A300B4-120 is withdrawn.

Passenger boardings rise 22% to 1,726,356.

Frequencies are maintained without change or statistics in 1988–1989. During the former year, Always, A.B., a company engaged in the group travel business, is organized as a subsidiary at Stockholm.

CEO Henrik Meldahl's fleet in 1990 includes 5 DC-10-10s, all of which are leased from other airlines. In early July, the company assumes responsibility for its own flight operations, training, and maintenance under an independence program called "Own Wings."

Another DC-10-10 is acquired in 1991 along with three McDonnell Douglas MD-83s, two of which are leased from the parent. An MD-82 is leased from SAS (Scandinavian Airlines System) in 1992. Airline

employment now stands at 1,000 even and enplanements total 1,713,600.

In 1993, Chairman Christer Sandahl and Managing Director Thomas Rosenqvist oversee a workforce of 900. Losing money for some time, the troubled carrier's parent, SAS Leisure, agrees in September to merge it with Conair of Scandinavia, A.S., owned by Denmark's Simon Spies Holdings, to form the new airline Premiir A.S.

The merger becomes official on January 1, 1994.

SCANBEE (SCANDINAVIAN BEELINE CHARTER, A.B.): Sweden (1976–1985). This privately owned Swedish charter operator is registered at Stockholm in 1976. A Convair CV-340 is acquired and employed to inaugurate domestic and regional international turboprop flights beginning in March 1977.

By the early 1980s, the workforce has grown to a total of 12. The CV-340 is replaced with a CV-580 turboprop during 1981.

Unable to generate sufficient traffic to cover growing expenses or acquire more up-to-date equipment, the carrier stops flying in 1985.

SCANDINAVIAN AIRLINES SYSTEM. See SAS (SCANDINAVIAN AIRLINES SYSTEM)

SCANDINAVIAN BUSINESS COMMUTER (SBC). See SAS COMMUTER (SCANDINAVIAN AIRLINES SYSTEM COMMUTER)

SCENIC AIRLINES: 2705 Airport Drive, North Las Vegas, Nevada 89030, United States; Phone (702) 638-3200; Fax (702) 638-3295; <http://www.scenic.com>; Code YR; Year Founded 1967. Organized as an air taxi by John R. Seibold in at Las Vegas North Town Airport in June 1967, Scenic initiates operations with a five-seat aircraft and two employees. During the next three years, Scenic becomes a fully established commuter airline offering scheduled service and sight-seeing flights in Nevada and Arizona. In 1969, the year it turns full-time to flight-seeing, Scenic developed the first automated air tour narration system.

In 1970, Scenic joins with the FAA, the National Park Service, and other tour operators to establish air traffic procedures for safe and environmentally sound flights over the Grand Canyon. It also places its first Cessna 402 into service.

On October 18, 1971, all 10 aboard a Cessna 402 are killed when the plane encounters bad weather during a flight from Las Vegas to the Grand Canyon and crashes at Peach Springs, Arizona, while attempting to return to its point of origin.

The company signs its first international marketing agreement in 1972 to promote tourism to Las Vegas as "The Gateway to the Grand Canyon." The 100,000th passenger is boarded in 1973. By 1974, annual enplanements total 68,750.

Airline employment in 1975 stands at 105. The carrier enjoys a busy year, first switching from North Las Vegas Air Terminal to McCarran International Airport. Simultaneously, a new flight complex, including an 80,000-sq.-ft. hangar, is acquired to handle increasing traffic.

Scenic joins the Deltamatic computerized reservations system of Delta Air Lines. Services are provided with a fleet made up of Cessna 402s and 404s, while orders are placed for three Swearingen Metroliners. On November 30, a Cessna 402 crashes at Elko, Nevada (two dead).

Passenger boardings jump 30% to 97,500. As a result of its outstanding tourism promotions, Seibold's enterprise receives a Presidential E award at year's end.

The number of employees is increased by 21.9% in 1976 to 128. Scenic is now best known for its passenger charters, the major emphasis of which is a 200-mi.-long flight over the Grand Canyon.

To offer nostalgic and unusual sight-seeing tours, the Ford Tri-Motor 5-AT-11 is acquired from Wings and Wheels Museum in Santee, South Carolina, on January 23. Three Swearingen Metro IIs arrive and the company begins flying to Lake Tahoe and other destinations in Southern California.

Customer bookings swell 24.5% to 121,000.

On February 2, **1977**, Ford 5-AT-11 crashes into a ditch while taking off from Las Vegas; one passenger is hurt and the plane is slightly damaged. The ancient airliner is repaired in time for the summer tourist season. Meanwhile, two more Metroliners join the fleet.

Increased marketing built around the Ford helps traffic to reach a total of 139,897 passengers carried.

Although two more Cessna 404 Titans are acquired in **1978**, the company elects to concentrate primarily upon its Las Vegas–Grand Canyon market, suspending several other routes.

As a result of this change, customer bookings fall by 12.6% to 122,291.

The workforce is increased by 5.5% in **1979** to 135 and the fleet, in addition to the Ford, includes 15 Titans. A branch office is opened in Tokyo during the year to manage all sales and marketing activities for business generated in Japan. During the summer, the one-millionth passenger is boarded.

Cargo climbs 76.3% to 40,000 pounds and enplanements jump 36.4% to 166,753.

Passenger boardings at the 48-employee carrier are up by 26% in **1980** to 210,474. A Cessna 404 Titan and its occupants are lost in a crash near Grand Canyon National Park Airport at Tusayan, Arizona, on July 21. On August 10, a windstorm rips the carrier's Ford Tri-Motor from its tie downs and flips it onto its back and into a ditch; it is a total wreck.

Flights to the Grand Canyon from Phoenix and Las Vegas continue apace in **1981** with a fleet that includes 13 Cessna 404 Titans, 15 Cessna 402s, and the inoperable Ford 5-AT-11. Due to a drop in the value of the dollar, a traffic downturn begins in May. Also during the year, Scenic pioneers the use of aircraft simulators in regional airline service for the training of its flight crews.

By year's end, passenger bookings are off by 22% to 164,305.

Continued impact of the recession causes the carrier to lay off 53.3% of its workforce in **1982**, leaving only 70 employees. The fleet is downsized; withdrawn are four Cessna 402s, two Cessna 404s and one Cessna 414. More than 200 flights are operated daily between Las Vegas and Phoenix and the Grand Canyon.

In August, the remains of the smashed trimotor are donated to the San Diego Aerospace Museum. The first two of six ordered de Havilland Canada DHC-6-300 Twin Otters, called "Vistaliners" after their oversized windows, are acquired.

Passenger boardings drop still further, down 25.8% to 121,837.

Enplanements fall yet again in **1983**, dropping 26.4% to 89,708.

Employment grows 25% in **1984** to 125 as the last of 8 "Vistaliners" enters services, replacing all of the smaller Cessnas. For promotional purposes, the carrier orders Ford Tri-Motor 5-AT-74 from its owner, LeMaster, Inc. of Ottawa, Kansas.

Operations are transferred from Scottsdale Airport to Phoenix's new Sky Harbor Airport, from which six flights a day are scheduled to the Grand Canyon; a dozen are still sent to that site from Las Vegas. Longtime President Karl A. Fahr retires and is succeeded by John Siebold, with Richard A. Thomas as senior vice president.

Passenger traffic resumes its upward course, climbing 7% as 95,958 passengers are transported.

The workforce is cut 12% in **1985** to 60.

After a yearlong \$200,000 refurbishment, the Ford completes a week-long cross-country flight designed to evoke the romance of the transcontinental runs made by that aircraft type during the 1930s. Undertaken between September 5 and 12, roughly along the route of **Transcontinental Air Transport (TAT)**, the flight is filmed from an accompanying Twin Otter by Saarlandischer Rundfunk of Frankfurt as part of a travelogue for West German television designed to boost tourism to the U.S. The aircraft is piloted by Scenic Capt. Fred Weir, **United Airlines** father and son pilots Bernard and Bryan Godlove, and **Trans World Airlines (TWA)** Vice President Ronald Reynolds. When it reaches New York, President Siebold officially purchases the trimotor, allowing it to spend October in East Hartford, Connecticut, helping to celebrate the sixtieth anniversary of the Pratt & Whitney engine concern.

Customer bookings for Grand Canyon flights dip 2.5% to 93,570.

The payroll is increased by 22.7% in **1986** to 135 and the fleet includes Ford 5-AT-74, 9 DHC-6-300 Vistaliners, and 2 Metroliners. During the year, Scenic begins converting its Vistaliners with Raisbeck quiet propeller technology, which reduces ground noise impact by two-thirds, thus making the modified Twin Otter the quietest sight-seeing aircraft flying over the Grand Canyon.

Passenger boardings increase 38.8% to 129,939.

The workforce grows again in **1987**, up by 40.7% to 190. In February, four more Twin Otters are acquired; they, too, are outfitted with Vistaliner window modifications. Former Regional Airline Association Executive Vice President Alan R. Stephen is named president in May.

Customer bookings accelerate 34.4% to 174,634.

Airline employment grows by 10% in **1988** to 220 as the number of Twin Otters "Vistaliners" increases by 12 to 25. In May, the carrier introduces \$39 one-way and \$78 roundtrip fares between Las Vegas and the Grand Canyon. Simultaneously, the carrier contracts with Travel Sales International to act as its agent in Italy and Jim Readings, Inc. to represent it in London. The two millionth sight-seeing passenger (cumulative) is boarded during the summer. The trimotor resumes flying.

Enplanements on "trans-Canyon" tour flights increases by 35.5% to 327,761.

The workforce is reduced by 20.5% in **1989** to 175. The Metros are withdrawn as six additional DHC-6s Vistaliners are delivered.

Customer bookings accelerate by 48% to 368,053.

The employee population is elevated by 7.6% in **1990** to 283 and there are 25 Twin Otters in the fleet. The Ford Tri-Motor continues promotional operations.

Passenger boardings move ahead by 5% to 386,572.

Company employment is cut by 2.5% in **1991** to 278 and the number of Twin Otters is reduced to 16. Scheduled service is inaugurated linking the company base with Bullhead City and Laughlin and a new flight-seeing route is opened to Monument Valley, the site employed as background in many Westerns. Throughout the year, owner John Siebold, preparatory to his December retirement, seeks a buyer, but he is unsuccessful.

Customer bookings decline 24.6% to 291,572.

The payroll is cut by 15.5% in **1992** to 235 as 2 more DHC-6s arrive. Scenic celebrates its 25th anniversary this year and implements a new SHARES reservations system.

Bookings for the year drop 3% to 283,592.

The full complement of 25 Twin Otters are back on the line at the beginning **1993**. In the spring, the carrier agrees to sell the aerial tour portion of its business to **Aviation West**, the **Skywest Airlines** subsidiary. The Skywest acquisition allows Scenic to offer an increased number of spectacular sights in the Southwest Grand Circle Region from multiple gateways: Las Vegas, Phoenix, Scottsdale, Sedona, Show Low, Grand Canyon, and Page. Operational facilities are also located at St. George, Kanab, and Cedar City, Utah.

The company now expands its special services department at Las Vegas to offer customized tours and chartered flights throughout the Southwest. It also revises its advertising slogan from "Grand Canyon Experience" to "Gateway to the National Parks."

Passenger boardings this year plunge 57.1% to 123,900.

In **1994**, Scenic opens overseas offices in Denmark, Finland, Norway, Sweden, the Netherlands, Greece, Israel, and Mexico, expanding its worldwide coverage to 19 countries. Customer bookings, largely as a result, recover, increasing to 314,252.

The carrier's fleet in **1995** includes 19 de Havilland Canada Vistaliners, 31 Cessnas, 9 multiengine aircraft, and 4 Cessna 208B Caravans. Early in the year, the company opens offices in Argentina, Brazil, Chile, Colombia, and Venezuela. Scenic is appointed the "Delta Connection" carrier to the Grand Canyon in December. The code-sharing arrangement with the major is a subsection in the arrangement held with **Delta Air Lines** by Scenic's parent, **Skywest Airlines**.

Passenger boardings increase by 7% to 336,419. The good fortune allows profits: \$850,000 (operating) and \$692,000 (net).

Airline employment is cut by 6.7% in 1996 to 280. During the first quarter, four-times-a-day scheduled "Delta Connection" flights to Grand Canyon Airport from McCarran International Airport at Las Vegas.

In an effort to work more closely with travel agents, retailers may now book some 40 different Scenic tours through the SABRE, Apollo, or WorldSpan reservations systems.

A \$5-million terminal is opened at North Las Vegas Airport in early April, which substitutes for the previously operated Scenic Tour Center at McCarran International Airport. The "Delta Connection" contract is now enlarged to cover flights from Las Vegas to Page, Arizona. Scenic also places 14 new motor coaches, equipped with video narration systems, into service; these are designed to enhance passenger enjoyment during their various transfers.

Despite these improvements, enplanements plunge 12.2% to 269,370 and revenues fall 2.3% to \$38.39 million. Expenses are \$38.54 million and the previous year's profits become losses as both a \$143,000 operating loss and a \$299,000 net loss are reported.

In 1997, Scenic celebrates its thirtieth anniversary. The product line is expanded to include Yellowstone tour packages and a new Caesars Magical Nights Tour.

While flying westbound along the San Juan River gorge on June 4, a Cessna 177B with a pilot and three passengers, suffers engine exhaustion. Unable to find a landing site, the pilot ditches into Lake Powell. One person receives minor injuries during evacuation; however, the plane sinks.

En route from Montrose Regional Airport in Colorado to Page, Arizona, on October 8, a Cessna 208B Caravan piloted by Capt. Robert Armstrong with eight passengers aboard disappears. The wreckage is found by searchers on Uncompahgre Plateau at the 10,000-ft. level two days later and there are no survivors.

The tragedy does not take away from a good traffic year, in which customer bookings accelerate 10.1% to 294,403.

Flag tours is purchased in 1998 and a vacation and motor coach tour division is started. The carrier expands its code-sharing agreement with Delta to include daily services from Phoenix to Page.

Just after takeoff from a private airport near Monument Valley, Utah, on March 24, a Cessna 207A with a pilot and five passengers suffers total loss of engine power. A forced landing is made in rough sandy terrain, the nose wheel landing gear separates from the fuselage, and the airplane comes to rest in an inverted position. Four aboard receive minor injuries.

While on its landing roll at the same Monument Valley airstrip on May 17, a Cessna 172P with a pilot and two passengers is caught by a strong gust of wind that forces it to bounce and break its nose gear. The plane comes to rest on its nose and all aboard receive minor injuries.

In order to concentrate on its core business of providing regional airline service, Skywest Airlines, on August 27, sells most of the assets of its Scenic subsidiary to Eagle Canyon Airlines. In making the announcement, Skywest Executive Vice President Bradford R. Rich notes that the Page, Arizona-based tour division will be retained. The sale includes all 18 of Scenic's Twin Otter Vistaliners and other assets that Eagle hopes to eventually integrate. Scenic initially continues separate operations as passenger boardings slide to 262,000.

Amalgamation of Scenic and a planned name change in 1999 by the new owners to Eagle Scenic Airlines does not, after all, occur. Instead, recognizing the importance of the historic FAA Part 121 carrier's branding, Eagle Canyon elects to retain the original name.

David Young becomes CEO and he continues to operate the Twin Otters, often supplementing them with Eagle's larger Fokker Friendships. The U.S. Air Tour Association Web site will report that Scenic has offered 27,648 flights that have transported more than 460,000 passengers, 80% of whom originate from outside the country.

A total of 349 workers are employed at the beginning of 2000. Flight 304, a DHC-6-300 with 2 crew and 15 Japanese passengers fails its take-off from Monument Valley Airport on a May 5 service to Grand Canyon Airport when a gust of wind catches the aircraft, forcing it off the left

side of the runway. Although the nose gear is torn off and the nose section is crushed aft to the windshield, no injuries are reported.

SCENIC AIRWAYS: United States (1927-1930). In mid-July 1927, pilot Lawrence G. Fritz and his copilot, Ford Motor Company chief pilot J. Parker Van Sandt, who is also serving as operations director of Stout Air Services, depart Detroit to deliver the Ford 4-AT-7 to Los Angeles Lincoln automobile dealer Jack L. Maddux, who has agreed to serve as West Coast distributor for the TriMotor and to establish an airline. Among the passengers are Ford Chief Engineer William B. Mayo, Eddie Hamilton, and six others.

According to Van Sandt's account of the delivery flight, which was later written down as "Origin & History of Scenic Airways, 1926-1929," and which has recently been posted on the homepage of Grand Canyon Airlines, it was he who persuaded the group to detour, while en route from Salt Lake City, over the Grand Canyon to Williams, Arizona, taking in the view. This half-hour flight is credited with having inspired an entire new business, the Grand Canyon air tour industry. The 4-AT-7 arrives in Los Angeles on July 27, where Fritz becomes "Commandore" of the Maddux fleet, and is joined as copilot by Edward A. Belandine when Van Sandt returns to Stout.

Captured by the idea of offering sightseers the opportunity to fly over the Grand Canyon, Van Sandt mulls over his emerging concept and after conversations with engineer Mayo, Lawrence Scudder in Chicago, and others (who see a new way to sell airplanes), the chief pilot organizes Scenic Airways in the fall. A site for company headquarters and an airfield is selected on 700 acres of U.S. Forest Service land 12 mi. S of El Tovar, near the Canyon rim. Van Sandt duly leases the location from the government and arrives in a Stinson Detroiter to build a hangar and lay out a primitive airstrip.

Van Sandt, who is still on the Ford payroll, organizes the delivery of two TriMotors over the winter of 1927-1928. In the spring of 1928, the founder returns to his north rim airport and having hired an administration, a mechanic, and an additional pilot, employs the Stinson to initiate the first flight-seeing services in May. An advertising slogan "You Haven't Seen the Canyon Until You've Seen It From the Air" appears in newspapers and magazines promoting the new aerial tours. The new competition is resented by the proprietors of the El Tovar Hotel (run for the Santa Fe Railroad by the noted Fred Harvey restaurant chain), who also control local ground tourism at the Canyon's south rim. Still, at the end of the month, Van Sandt goes back to Detroit to get his larger aircraft.

The first TriMotor, the \$45,000 Ford 4-AT-22, is personally delivered by Van Sandt on June 5, followed by the \$55,475 Ford 5-AT-49 on June 18 and Ford 4-AT-24 on June 23. The latter is equipped with a special 78-foot wing and costs \$3,000 more than the former. Flights from the Canyon's north rim to south rim begin in August.

In his memoir, Van Sandt reveals two additional sources of concern. The first is the U.S. Forest Service itself, local officials of which are not pleased by the intrusion of noisy aircraft in the airspace over the agesilent Canyon. Scenic wins their "begrudging acceptance" by giving free flights to as many USFS personnel as possible. The most hazardous obstacle are the local prairie dog population. Collapsed burrows dug by the little rodents under the landing area cause several broken landing gear for departing or landing aircraft.

The sight-seeing business continues throughout the remainder of the summer until winter weather shuts it down. With assistance from Lawrence Scudder, land is purchased in Phoenix for the construction of an airport (christened "Sky Harbor") and establishment of a flying school. A second airport is opened at Albuquerque and a branch of the Phoenix flying school is also opened.

The two Ford TriMotors resume Grand Canyon sight-seeing flights in May 1929. Business is brisk throughout the spring and summer. Ford 4-AT-24 is sold to Continental Air Express of Los Angeles on September 14.

The October stock market crash puts an end to the availability of tourists able to pay for Grand Canyon flights and thus Ford 4-AT-22 is sold to Col. Reg I. Robbins of Fort Worth, Texas, on November 8. Ford

5-AT-49 is sold to **United Aviation Corporation** at Chicago in March 1930, at which time Scenic Airways shuts its doors and its founder becomes Ford's aircraft sales representative in Europe.

SCHEDULED AIR SERVICES, RYUKYUS (SASR): Japan (1964–1967). SASR is established in 1964 to provide scheduled passenger and cargo services around the Ryukyus Islands in place of a charter operation maintained for some years by **Civil Air Transport (CAT)**, a proprietary subsidiary of the Pacific Corporation, a front organization for the U.S. Central Intelligence Agency. Employing 2 each Curtiss C-46s and Beech 18s, later in the markings of **Air America**, SASR undertakes flights inking Minami Daito with Yonaguni via Haha, Kumejima, Miyako, and Ishigaki.

Operations continue apace in 1965–1966 and the service is taken over by **All Nippon Airways Company, Ltd. (ANA)** in July 1967.

SCHEDULED SKYWAYS: United States (1953–1972). After his previous enterprise, **South Central Air Transport (SCAT-1)**, is closed down in the fall of 1947, Raymond J. "Ray" Ellis, owner of the FBO Fayetteville Flying Service, based at Fayetteville, Arkansas, returns to on-demand charters, flown with Cessna 170s and 195s.

In the fall of 1949, the University of Arkansas at Fayetteville begins an evening program at Little Rock, employing professors from the Fayetteville campus. To get the teachers there and back, Ray Ellis is contracted by the university to fly them in "regular charters" during the school year. These flights, along with on-demand services, continue through the remainder of the decade and into the early years of the next.

When word of the commuter operation spreads, Ellis agrees to provide frequencies for passengers other than those connected with UA. A new FFS subsidiary, **Scheduled Skyways**, equipped with a single Cessna 195, is organized by the FBO owner at Fayetteville on September 1, 1953.

Within days, what will become known as the nation's third oldest commuter, after **San Juan Airlines** and **PBA (Provincetown-Boston Airlines)**, launches thrice-daily roundtrip shuttle service to Little Rock. A total of 838 passengers are carried during the remainder of the year, a number that grows to 2,536 in 1954, the first full year of scheduled frequencies.

Central Airlines begins service to Fayetteville in 1955 and its arrival helps to boost enplanements to 2,891. The first Piper PA-23 Apache is placed into service in 1958. Few changes in fleet or operations are made during the next decade.

During these years, the company grows modestly, increasing its fleet to include, beginning in 1968, several Piper PA-31-310 Navajos. Fort Smith, Harrison, Hot Springs, Jonesboro, and Texarkana join the route network. A route from Fayetteville to Tulsa is not profitable and it is suspended. Passenger bookings are 9,000 in 1969.

Operations continue apace in 1970–1971; however, when owner Ellis retires on October 1, 1972, the carrier is purchased by a group of Arkansas investors, reformed, and renamed **Skyways**.

SCHLESISCHE LUFTVERKEHRS, A.G.: Germany (1925–1926). Schlesische Luftverkehrs is established at Breslau on January 30, 1925, primarily to assist Junkers Luftverkehrs, A.G. in establishing an east-west connection to Essen. The State of Silesia, the City of Breslau, and the Junkers company provide capitalization, with the latter's 12.5% interest represented in the form of two F-13 cabin monoplanes.

Revenue flights commence on May 1 from Gleiwitz to Berlin via Breslau. On May 10, service is launched from Breslau to Dresden, with a connection to Leipzig started on June 1.

The company transfers its operations to the new **Deutsche Luft Hansa, A.G.** in January 1926; however, it will remain a shareholder in the new state carrier until 1930.

SCHREINER AIRWAYS, B.V.: Verbeekstraat 10-12, Leiden, 2332CA, The Netherlands; Phone 31 (71) 531-9319; Fax 31 (71) 531-9311; <http://www.schreiner.nl>; Code AW; Year Founded 1945. Robert

Schreiner forms **Schreiner & Co., B.V.** in 1945 to represent aircraft manufacturers in the marketing of their equipment; later, lightplane charter flights are undertaken for the Ministry of Defense. In 1957, **Schreiner Aero Contractors** is established to provide organized domestic charter operations and overseas helicopter services. The first major overseas contract begins in Iran in 1958 with the Iranian Oil Exploration and Producing Company. In 1959, Schriener begins contract flights in Libya on behalf of Shell and Esso, employing Piper Apaches and Dornier 27s.

Schreiner Aero Contractors opens a base in Nigeria during 1960, again flying Piper Apaches and Dornier 27s as **Aero Contractors of Nigeria** on behalf of the energy industry. Back at Rotterdam in 1961, the company undertakes air taxi flights and charters to various local destinations.

In 1962, the Dutch shipping concern Phs. Van Oumeren, N.V. acquires a 50% stake in Schreiner Aero Contractors, which is incorporated as **Schreiner Airways, B.V.** The company, in 1963, opens a scheduled commuter route from Groningen-Amsterdam-Rotterdam employing one each de Havilland DH 103 Dove and Douglas DC-3, the latter purchased from **KLM (Royal Dutch Airlines, N.V.)**.

With Phs. Van Oumeren backing, Schreiner Airways, in 1964, enters the charter market in competition with **Martin Air Charters, N.V.** Regional flights are undertaken with a leased Fokker F.27 and a DC-7. Over the next two years the fleet will be increased by the addition of two more Friendships and another DC-7.

Following tough struggles in the nonscheduled market, Schreiner Airways, B.V. briefly expires in 1967, but is revived as part of a Schreiner Aviation Group, with **KLM (Royal Dutch Airlines, N.V.)** holding minority ownership. With the DC-7s and Friendships removed, Schreiner begins to concentrate on the provision of contract services with small fixed-wing planes and helicopters. Company assistance is provided to the joint-venture company **Indonesia Air Transport** later in the year and in 1968 a National Flight School is begun. In 1969, Schreiner enters into a joint venture with **British European Airways Helicopters, Ltd.** for the operation of Sikorsky S-61Ns in the North Sea area. The 25th anniversary is celebrated in 1970. Out in Indonesia, **Indonesia Air Transport** begins to provide contract flights for the U.S. oil company **Petrolane**.

Flights continue apace during the next 15 years as Schreiner concentrates on the development of domestic and international charter and contract services, with particular emphasis on helicopters in overseas work, with and without joint ventures or other affiliations. Operations are conducted by two major departments: flight (fixed-wing aircraft) and flight (rotary-wing or helicopters). A subsidiary, **Schreiner Aircraft Maintenance**, is also formed.

Highlights of service in these years include the initiation in 1974 of de Havilland Canada DHC-6 Twin Otter flights in Malaysia in partnership with a local subsidiary, **Wira Kris Schreiner**. In 1976, the **Qatar Flying Center** is begun and three years later, two **Aerospatiale SA-365N Dauphins** are operated in Chile on behalf of **Servio Aero Litoral, S.A.** The subsidiary **Schreiner Airtaxi Argentina, S.A.** initiates service offshore from the Straits of Magellan in 1981, employing a pair of SA-365Ns.

In 1983, two **Aerospatiale AS-350s** begin flying for **City Services, Inc.**, a joint venture with **KLM (Royal Dutch Airlines, N.V.)** in Manila. An AS-355 is sent to Spain during the year to begin flying offshore on behalf of **Helicsa, S.A.**, in which Schreiner takes a minority equity stake.

Three de Havilland Canada DHC-7s are leased for three years to **THY Turkish Airlines (Turk Hava Yollari, A.O.)**. Also during this year, an SA-330J Puma helicopter is sent to Bombay Airport to fly energy support missions for India's Oil and Natural Gas Commission.

In 1984, Twin Otter flights are begun along the Chinese coast in support of energy exploration work. The services are flown under contract to **CAAC (The General Administration of Civil Aviation of China)**. At Rotterdam the following year, Schreiner Airways and **KLM Helicopters, B.V.** establish a joint venture operation named **Airspeed Helicopters Rotterdam, B.V.** Schreiner and **KLM (Royal Dutch Airlines, N.V.)** simultaneously open the fifty-fifty joint venture pilot training concern **Friendship Simulation Company, B.V.** One SA-365N Dauphin is leased to **KLM Helicopters, B.V.** in 1986.

By 1987, the fleet has grown to comprise fixed-wing aircraft like de Havilland Canada DHC-6 Twin Otters, Beech King Airs, Piper Navajo Chieftains, Piper Aztecs, and BN-2 Islanders as well as such rotary-winged units as Sikorsky S-61Ns, S-58Ts, Aerospatiale SA-330J Pumas, Alouettes, SA-365N Dauphins, and AS-350B Ecureuils.

Schreiner Airways Group reports a \$780,000 loss in 1988. In 1989, Schreiner joins with Zimex, Ltd. of Switzerland to form a joint venture concern branded Air Cargo Europe, B.V. ACE undertakes contract flights on behalf of KLM Cargo employing a single Lockheed L-382 Hercules freighter. The previous year's loss becomes a \$780,000 profit.

In 1990, Director B. Biemans's oversees 1 AS-355F Ecureuil II, 4 SA-365C/N Dauphin 2s (3 of which are leased to Aero Contractors of Nigeria), 1 Beech Super King Air 200, 1 Bell 206B JetRanger, 1 DHC-6-300 (which is leased to Aero Contractors of Nigeria), 1 DHC-8-102, 2 DHC-8-301s (1 of which undertakes replacement flights for Sabena Belgian World Airlines, S.A.), 4 Fokker F27s (1 each, Dash-300, Dash-400, Dash-500, and Dash-600), and 1 Lockheed L-382G Hercules freighter.

Another DHC-8-301 is acquired in 1991 to fly services on behalf of the Belgian flag carrier. The fleet in 1992 includes the 4 Friendships, 3 DHC-8-311s, 1 DHC-8-102, 1 Twin Otter, the King Air, and 13 Dauphin 2 helicopters. In November, the Dauphins complete their 100,000th flight hour and revenues for the year are \$100 million.

Evert van Schalk is president in 1993 and oversees a workforce of 450. The company continues to operate a large fleet on behalf of leading airlines and in support of international oil exploration. The number of DHC-8-311s is increased to five. The new aircraft is immediately leased to Sabena Belgian World Airlines, S.A., which employs it to inaugurate four-times-per-day scheduled flights from Brussels to London (LCY), replacing those previously operated by Brymon Airways, Ltd.

A 33.3% interest is purchased by Malaysian Helicopter Services Sdn. Bhd. in April for M\$13 million (\$5 million). Of the total shares purchased, 28.3% of the are acquired from founder Robert Schreiner (who keeps a token 5%), and the remainder from other shareholders, including KLM (Royal Dutch Airlines, N.V.).

Operations continue apace in 1994 as two more DHC-8-311s are placed into service. The company's fiftieth anniversary is celebrated in 1995. During the year, the company acquires a 49% equity stake in the regional airline Air Excel Commuter, B.V. In 1996, President van Schalk's mixed fleet of fixed- and rotary-wing aircraft continues to operate on behalf of leading international oil companies and other air carriers. The other units of Schreiner Aviation Group include Aerocontractors of Nigeria and Schreiner Aircraft Maintenance.

Airline employment in 1997 stands at 214 and the fleet includes 11 Aerospatiale SA-365C/N Dauphin IIs, 1 each Aerospatiale AS-355F Ecureuil II and Bell 206B JetRanger, 4 Twin Otters, 3 DHC-8-102s, 7 DHC-8-311s, and 1 BAe (HS) 125 bizjet.

Having decided to concentrate on its core business of offshore support, on September 1 Schreiner purchases the 51% controlling interest in KLM ERA Helikopters, B.V. held by KLM Royal Dutch Airlines, N.V. The remaining shares are held by the Rowan Co. via its subsidiary ERA Aviation. The purchase includes six Sikorsky S-61Ns and five S-76Bs. The acquisition will be reformed into Schreiner North Sea Helicopters, B.V. and operate within the Netherlands and British offshore market.

On November 26, Mrs. A. Jorritsma, Minister of Transport of the Netherlands, presides over ceremonies opening the new head offices of Schreiner Aviation Group at Hoofddorp. On December 10, it is announced that the board has authorized merger discussions with Air Holland, N.V.

Airline employment stands at 403 in 1998 and the fleet includes 3 DHC-8-102s, 6 DHC-8-311s, 1 Fokker 50, and 1 Lockheed L-100-30 Hercules freighter.

During the first quarter of 1999, the decision is taken to enhance the company's all-cargo replacement services flown on behalf of other European airlines. Three converted A300B4-203s are requested from C-S

Aviation Services, which promises to deliver them upon their conversion into freighters at BAe Aviation Services, Filton, England. The subsidiary Schreiner Airways Cargo may also operate one of the new freighters on its own account.

The first A300B4-203F is received at the end of May and enters service on intra-European routes on June 1, flying on behalf of KLM (Royal Dutch Airlines, N.V.). As the others arrive, they too begin to fly on behalf of KLM, Sabena Belgian World Airlines, S.A., etc. All of these services will be operated on an ACMI (aircraft, crew, maintenance, and insurance) contract basis.

On January 28, 2000, Canadian Helicopter Corporation (CHC) sells its 33% stake in Helicsa, S.A. to its other major partners, Heli-coptereros, S.A. and Schriener Airways, B.V., for C\$6.8 million.

Arrangements are completed with Sabena Belgian World Airlines, N.V. under which Schriener will operate a DHC-8-102 on Sabena's service from Brussels to Sheffield. The wet-leased turboprop, painted in full Sabena colors, is delivered on January 25. The turboprop begins its Sabena flights, thrice-weekdays and once on Sunday, at the end of the month.

When the third A300B4-203F arrives at the beginning of May, it is sent to Liege Airport to an ACMI contract on behalf of TNT Airways, B.V. The subsidiary Schreiner Airways Cargo retains for itself a single A200B4-203F, which begins twice-weekly (weekend) freight roundtrips on July 1 on a route from London (STN) to Istanbul via Amsterdam.

SCHRIENER NORTH SEA HELICOPTERS, B.V. See **SCHRIENER AIRWAYS, B.V.**

SCHUBACH AVIATION: Palomar Airport, 200 Palomar Airport Road, Carlsbad, California 92008, United States; Phone (760) 929-0307; Fax (760) 929-0365; Year Founded 1995. Schubach is established at McClellan-Palomar Airport in 1995 to provide executive and small group passenger charters throughout the U.S.; 3 full-time and 11 part-time pilots are employed. Revenue flights commence with 2 each British Aerospace BAe (HS) 125 Hawkers and Beech King Air 90s, plus 1 each Cessna 501 Citation I, Learjet 35A Century III, Beech King Air 100, Super King Air 200, and Super King Air 300. A Hawker bizjet is also stationed at Lakefront Airport at New Orleans, Louisiana.

SCIBE AIRLIFT, S.A.: P.O. Box 614, Kinshasa 1, Democratic Republic of the Congo; Phone 243 (12) 26 237; Fax 243 (12) 24386; Code ZM; Year Founded 1979. Originally known as SBZ Cargo, S.A., Scibe is formed at Kinshasa in 1979 to provide regular cargo flights within Zaire and charter and contract service operations to various destinations worldwide. Regular passenger services are undertaken with 4 Vickers Viscount 808Cs leased from the Sultan of Oman, linking the capital's N'Jili Airport with Goma.

During the early 1980s, services are maintained with the 4 Viscounts, 1 Lockheed L-100-30 Hercules freighter, and 1 Boeing 727-44C purchased from South African Airways (Pty.), Ltd. in 1982. A pair of B-727-100s (one each -30 and -89), a Lockheed L-100-30 Hercules freighter, and a de Havilland Canada DHC-6 Twin Otter arrive in 1983.

A B-707-329C is delivered in December 1984. In the first quarter of 1985, the privately owned airline, led by Saolena Bemba, initiates scheduled B-727-100 services from Kinshasa to 12 domestic points. In October, the fleet is increased by the addition of a B-707-321B Stratoliner.

In 1986, two Fokker F.27-400Ms and three F.27-500s join the fleet. In February, three Vickers Viscount 808Cs are sold to Air Charter Service, S.A. The company's Twin Otter flies from Goma to Burundi and Rwanda.

Operations continue apace in 1987-1988, as two more Fokkers are purchased. Three Beech King Air 200s are acquired in 1989 and operations continue to link the carrier's base with Goma, Kisangani, and Lubumbashi. The Hercules freighter is removed early in the year.

Operations continue apace in 1990-1992. These years are particularly costly. On September 10, 1991, one of the two F.27-400Ms is lost in a nonfatal landing accident.

The second F.27-400M with 6 crew and 31 passengers strikes high ground 10 km. out from the runway while on initial approach to Goma on December 14, 1992; there are no survivors.

By 1993–1995, Managing Director Saolona's company employs 978 workers and is the largest airline in Zaire. The fleet now comprises 1 Boeing 707-329C, 1 B-707-321B, the original B-727-100s, 2 Twin Otters, 2 Fokker F.27-400Ms, 3 F.27-500s, and the Hercules. An Antonov An-32 is wet-leased from Moscow Airways late in the year.

Flown by a Russian crew, the An-32 fails its takeoff from Kinsasha on January 8, 1996 and crashes into a crowded market; a crewman is killed, along with 300 citizens on the ground. The survivors must be protected by security personnel from angry crowds.

The turboprops and other smaller aircraft are now sold and schedules are maintained with the two Boeing trijets and the B-707-329C. **Shabair, S.A.** now becomes the country's largest private airline.

Despite the civil war which, in early 1997, sees the nation renamed Democratic Republic of the Congo, Scibe Airlift continues to provide lift to Gbadolite, Goma, Isiro, Kindu, Kisangani, Lubumbashi, Mbandaka, and international destinations. Continued political upheaval does not prevent flights in 1998–1999.

A total of 980 workers are employed at the beginning of 2000. The company's B-727-89 remains in operation. Unhappily, a B-727-30 is not.

SCILLONIA AIRWAYS, LTD.: United Kingdom (1965–1968). Remembered as the last major U.K. operator of the de Havilland DH-89A Dragon Rapide, Scillonia is founded at St. Just's Airfield in Cornwall in the summer of 1965. The first DH-89A is purchased in July; christened *Bishop*, it is employed to fly ad hoc charters until winter.

Three more Dragon Rapides, *Tresco*, *Bryher*, and *Samson*, are delivered in May and June, 1966, respectively. These begin flying a scheduled passenger schedule from Newquay and Land's End to the Scilly Isles. Scheduled operations are suspended in October.

The Scilly Isles scheduled route is resumed in May 1967. Charter flights to northern France, particularly those airlifting crayfish, provide welcome additional income. These operations continue into 1968. In debt and unable to take delivery of two Scottish Aviation Twin Pioneers, Scillonia now suspends operations and is liquidated; the entire company sells for a mere £1,299.

SCOLTA (SOCIEDAD COLOMBIANA DE TRANSPORTES AEREOS, S.A.): Colombia (1947–1948). Following the bankruptcy of **Lineas Aereas TACA de Colombia, S.A.** in May 1947, its three Douglas DC-3s are purchased to form the new entrant SCOLTA, which begins flying from Bogota and Medellin to Cartagena and Barranquilla. Having begun life with **National Air Transport** in the U.S. in 1930, the Ford Tri-Motor 5-AT-86 is acquired from SAGO, the South American Gulf Oil Company, late in the year.

As is the situation with several newly formed Colombian carriers at this time, financial difficulties lead to shut down, in this case, in early 1948.

SCORPIO AVIATION, S.A.E.: 17 Aswan Square, El Mohandesin, Giza, 12411, Egypt; Phone 202 346 3709; Fax 202 346 1287; Code SCP; Year Founded 1990. Mohamed Souka establishes this private operation at Giza in 1990 as a general aviation concern emphasizing agricultural support activities such as crop spraying. In mid-decade, the company is enlarged to provide lightplane air taxi flights, as well as cargo charters.

Scorpio is upgraded in 2000 into a scheduled regional airline with 135 employees. Revenue operations are launched with a pair of leased Aeriens de Transport Regional ATR42-320s. Two more ATR42-320s previously flown by **Ethiopian Airlines, S.C.** are chartered from Fortis Prop Jet and are delivered in mid-June.

SCOTAIRWAYS, LTD.: Cambridge Airport, Cambridge, England, CB5 8RT, United Kingdom; Phone 44 (1223) 292 525; Fax 44 (1223) 292 160; <http://www.scotairways.co.uk>; Code CB; Year Founded

1999. Following a significant cash infusion from a pair of Scottish investors, Brian Souter and his sister, Ann Gloag, founders of Perth, Scotland-based Stagecoach, plc, **Suckling Airways, Ltd.** is renamed on October 13. Capt. Roy Suckling remains managing director, with Merlyn Suckling as marketing director. Ownership is divided between the Sucklings (60%) and Stagecoach, plc (40%).

Employing a fleet of 6 Dornier 328-110s and 2 228-212s, which now begin to wear red tartan tail fins, the 20 daily return flights from Cambridge are maintained to London (LCY/LTN), Manchester, Paris (CDG), Southampton, Amsterdam, Dundee, and Glasgow and from Norwich to Edinburgh. To handle an increase in reservations, a new call center is set up at Dundee.

Enplanements for the year total 110,000.

A total of 150 workers are employed at the beginning of 2000.

Discussions between the airline and Fairchild Dornier are held in early January concerning the possibility of ScotAirways acquiring up to 10 328JETS. An actual order will depend upon the outcome of discussions between the manufacturer and the British CAA concerning the aircraft's certification for use at London (LCY). Four-times-a-day roundtrip Dornier 328-110 service is inaugurated on January 24 from Cambridge to Amsterdam.

Noontime return service is inaugurated on February 1 from Edinburgh to London (LCY). At the end of May, the number of return frequencies to Amsterdam is increased to five per weekday with the introduction of lunchtime flights from Southampton.

Daily frequencies between Edinburgh and London (LCY) are increased from three to four on June 9 and to five on June 12. An extra daily roundtrip is simultaneously added between Southampton and Amsterdam. Also in June, the Edinburgh–Norwich service is relinquished to Humberstone-based **Eastern Airways, Ltd.**

During the summer racing season, the *ScotAirways Porsche*, driven by Stuart Scott, pursues the Pirelli Porsche Cup at various European racetracks. Viewers are able to follow the car on television via Eurosport or Sky Sports 2.

Operated with British Aerospace BAe 146s, more roundtrips are added to the London (LCY) to Edinburgh route on September 18. Additionally, another Sunday return flight begins between the two points. Several of the frequencies are operated with Dornier 328-110s.

Politically, ScotAirways finds itself in hot water at the end of October. Claiming that the narrow stairs of its Dornier 328-110 did not offer sufficient space to load a wheelchair, the airline had refused to board Bert Massie, chairman of the U.K. Disabled Rights Commission, at London (LCY). Massie, it turns out, had been on his way to an Edinburgh social services conference to deliver a speech on the treatment of the disabled, a speech he arrived too late to give.

SCOTT AIR CHARTER: 5480 South Howell Ave., Milwaukee, Wisconsin 53207, United States; Phone (414) 744-1300; Fax (414) 744-0547; Year Founded 1983. SAC is set up at Milwaukee in 1983 to provide executive and small group passenger charters throughout the U.S. Over the next 13 years, the company also introduces revenue flights on a worldwide basis.

By 2000, the company employs 15 pilots and operates a large fleet of business aircraft that includes 1 Canadair 601 Challenger, 2 Cessna 650 Citation IIIs, 1 Learjet 24, 2 Learjet 35A Century IIIs, 3 Beech King Air 100s, 1 Super King Air 200, and 1 King Air 90.

SCOTT AVIATION: 32 West 751 Tower Road, West Chicago, Illinois 60185, United States; Phone (630) 513-2222; Fax (630) 513-2227; Year Founded 1989. SA is set up as an FBO at Dupage Airport in 1989. At the same time, the concern establishes a passenger charter division to operate on-demand flights to destinations in the U.S., Canada, Mexico, and the Bahamas. During the early 1990s, the company also rents facilities at Chicago (MDW).

The workforce in 1998–2000 includes 10 full-time and eight part-time staff. The Dupage fleet features 1 each Cessna 500 Citation I,

C-560 Citation V, Learjet 24, Learjet 25, and Piper PA-31-350 Navajo Chieftain. One each Learjet 35A and British Aerospace BAe (HS) 125-3A Hawker are flown from Chicago (MDW).

SCOTTISH AIRLINES, LTD.: United Kingdom (1946–1961). In January 1946, SAL is formed as the air transport division of Scottish Aviation, Ltd., being simultaneously outfitted with a fleet of 2 Douglas C-47s and 2 Consolidated Liberator IIs fitted to civil standard. The first revenue service is undertaken on January 28, Prestwick–Belfast. Pleasure flying from Prestwick is also launched as an economic pursuit, employing an Airspeed AS.40 Oxford and two Percival Proctors.

Other aircraft added during the year include a Liberator III in February, two more Liberator IIs in July, and three additional DC-3s in September. On May 27, scheduled Liberator Reykjavik–Copenhagen via Prestwick services are initiated on behalf of **Flugfélag Islands, H.F. (2)/Icelandair**.

A six-month contract is signed with **KLM (Royal Dutch Airlines, N.V.)** in August for replacement service Prestwick–Amsterdam. SA takes a prewar Fokker F-XXII out of storage in October and briefly employs it to fly from Prestwick to Belfast.

Enplanements for the first year total 28,738.

In January 1947, the carrier begins every-two-weeks nonscheduled DC-3 flights from Prestwick to Lisbon. Under contract to **British European Airways Corporation (BEA)**, Scottish Airlines, Ltd. in February takes over the routes of the state carrier's merger partners **Railway Air Services, Ltd.** and **Scottish Airways, Ltd.** The KLM contract expires on March 31; however, company aircraft now undertake Prestwick to Paris (LBG) services on behalf of **Air France**.

In late spring, charter services are initiated from Prestwick to Brussels via Manchester on behalf of the Belgian independent **Compagnie Belge de Transports Aériens, S.A. (COBETA)**. The replacement contract with **British European Airways Corporation (BEA)** expires at the end of July.

On November 21 in Athens, company officials join with the Greek armed forces and pension fund in founding **Hellenic Airlines, S.A. (Hellas)**; SAL pledges 40% capitalization, plus technical, management, and training assistance. Late in the year, these same officials join Luxembourg government and private interests in forming **Luxembourg Airlines, S.A.**; Scottish Airlines Capt. R. M. Lacy is named managing director. Meanwhile, a number of DC-3s, dispatched to Karachi, participate in Operation India, the airlift of Hindu refugees from newly formed Pakistan into India. During the year, three more DC-3s are acquired.

Passenger bookings accelerate to 43,702.

In February and March 1948, a Liberator II and three DC-3s are sold to **Hellenic Airlines, S.A.** and are employed, beginning in February, to initiate that carrier's scheduled services from Athens to Salonika, Rhodes, Crete, Larissa, and London. At the same time, **Luxembourg Airlines, S.A.**, employing two DC-3s leased and one purchased from Scottish Airlines, Ltd., begins flying to Paris, Zurich, and Frankfurt.

During the summer tourist season, DC-3 charters are regularly flown from Prestwick to the Isle of Man and from London (Northolt) to Zurich. Three de Havilland DH 89As are purchased in August.

During the first three weeks of August, two DC-3s and a Liberator II participate in the Berlin Airlift, flying 116 sorties from Fassberg.

On August 27, the three aircraft are withdrawn and together with another Liberator, are assigned to participate in the August–October milk airlift from Belfast to Blackpool and Liverpool.

During this operation, a Liberator II is destroyed in a crash at Speke on October 13. On November 15, company Liberators inaugurate Lille to London fabric charters on behalf of LEP Air Services.

Two Liberators converted to tanker standard are sent to Schleswigland in mid-February 1949 to resume Scottish Airlines, Ltd. representation in the Berlin Airlift. On April 1, a six-month agreement is signed with **British Overseas Airways Corporation (BOAC)** whereby the independent supplies the crews needed to continue the state carrier's Prestwick to Montreal Liberator service.

An associate agreement is signed with **British European Airways Corporation (BEA)** under terms of which company DC-3s fly a scheduled service from Prestwick to Isle of Man. Contract charter and ad hoc passenger flights are undertaken to southern Europe and the Middle East during the summer.

The two ex-military B-24s, now tankers, conclude their German service on July 12, having flown 381 sorties since February. Meanwhile, on July 23, a DH-89A is lost in a crash at Prestwick.

Following their return to Prestwick, one of the B-24s is sold to **Hellenic Airlines, S.A.** in November. A C-47A with four crew and a passenger fails its initial climb from Northolt Airfield on December 19; although the aircraft must be written off following this accident, there are no fatalities.

Various charters are undertaken, primarily by three DC-3s, during 1950, including a number to the Middle East on behalf of the British Air Ministry. In October, the carrier's Liberator III, leased to **Hellenic Airlines, S.A.** the previous year, is withdrawn. Other fleet changes during the year include the purchase of a DC-3 in January and the removal of a Liberator II in April.

During the first quarter of 1951, Air Ministry charters are flown in Britain, Europe, and the Middle East and all-cargo flights from London (Northolt) to Continental destinations are subchartered from **British European Airways Corporation (BEA)**. On June 9, scheduled DC-3 service is inaugurated from Prestwick to London (Northolt) via Burtonwood. During the summer, nonscheduled all-cargo and passenger DC-3 flights are made London (Northolt)–Dukhan on behalf of Iraq Petroleum Company.

On September 28, the carrier, which until now has actually been a division of Scottish Aviation operating under a marketing title, is reformed and registered as an airline company under the title **Scottish Airlines (Prestwick), Ltd.**, with share capital of £100. Cargo and mail flights are made in November and December on behalf of BEA from London (Northolt) to Milan, Hanover, and Brussels. The Prestwick–Isle of Man service, normally suspended upon the onset of bad weather, is continued during the winter season.

Enplanements for the year total 21,084.

Basra and Bahrain join Dukhan in 1952 as destinations flown by company DC-3s on behalf of Iraq Petroleum Company. To support a new Air Ministry contract, SAL, in October, purchases three Avro York Is, sending them for modifications. The scheduled routes flown in 1951 are maintained while various personnel charters to the Continent are also made. The Fokker F-XXII and three DC-3s are sold during the year.

Passenger boardings grow during the 12 months to 30,198.

The first York I enters service on January 30, 1953 from a base at London (STN), followed by the second two in February and May, respectively. The three carry young Cadets to and from Montreal during the year while also undertaking all-cargo transatlantic charters. Meanwhile, in February, the unprofitable Prestwick to London (Northolt) scheduled is suspended.

The summer's normal ad hoc charters are again flown while the Isle of Man scheduled route is continued. Airline employment at year's end totals 59. With three DC-3s and the last DH-89A sold, the fleet comprises two DC-3s and three York Is.

A total of 30,739 passengers are flown on the year, 10,788 on scheduled services.

New Air Ministry "trooping" contracts are received in early 1954 for flights to Cyprus, Malta, and the Suez Canal.

An Avro 685 York C.1 with three crew is lost while landing at Luqa Airport, Malta, on April 13; there are no fatalities, but the aircraft must be written off.

A second Avro, purchased to replace the one lost in April, is destroyed in a takeoff failure at London (STN) on September 22. Two more York Is are purchased in July and November, respectively. With capacity severely cut, the airline can only transport 24,021 passengers during the year.

A DC-3 is sold in January 1955 and replaced by another York I. Charter and scheduled operations, the former primarily on behalf of the Air Ministry, continue throughout the year and in the next. Two more York

Is are lost in **1956** crashes. Under charter to return troops to the U.K., a chartered York I with a crew of 5 and carrying 45 soldiers from Egypt to Essex on February 18, develops engine trouble and crashes at Zurrieq, Malta, just after takeoff; there are no survivors.

Having failed its takeoff from London (STN) on an April 30 charter, a second Avro 685 York C.1 with 5 crew and 49 passengers is destroyed in the subsequent forced landing (2 dead).

The surviving York Is complete the Air Ministry trooping contract in **1957**. An Avro 685 York C.1 freighter with four crew is lost on approach to London (STN) on December 23; there are no survivors.

A Scottish Aviation Twin Pioneer is purchased in February **1958**, but is immediately leased overseas. Although they fly several charters during the spring and summer, the last two York Is are sold in August. The final remaining aircraft, a DC-3, is employed on the decade-old Prestwick–Isle of Man scheduled service.

During the year, a total of 14,800 passengers are flown.

The Prestwick–Isle of Man route is the much-reduced company's primary business during **1959** and **1960**.

While on a demonstration at Jorhat, India, on March 10 of the latter year, a Scottish Aviation Twin Pioneer 3 with three crew makes a forced landing after failing its initial takeoff climb (two dead).

In February **1961**, Scottish Aviation sells its airline subsidiary to **Dan-Air Services, Ltd.** and the DC-3 is turned over on March 4.

SCOTTISH AIRWAYS, LTD.: United Kingdom (1937–1947). Unable to sustain service, half interest in **Northern and Scottish Airways, Ltd.** is acquired by the London, Midland and Scottish Railroad and its associated motor bus company, David MacBrayne, Ltd. It is merged with Ernest Edmund Fresson's **Highland Airways, Ltd.** (also owned by Whitehall Securities) to form Scottish Airways, Ltd., on August 12, **1937**.

With £100,000 capitalization, LMS, **British Airways, Ltd. (1)**, and David MacBrayne, Ltd. are the principal shareholders. Capt. Fresson, himself, remains on to often pilot revenue flights, as director of the paper Highland, which is the new carrier's northern division.

Enplanements from August–December are 3,629.

A Spartan Cruiser III obtained in the merger is destroyed in a crash at Largs, Ayrshire, on January 14, **1938**. Two de Havilland DH 84 Dragon 2s are sold in February and March, respectively; a new DH 89A Dragon Rapide joins the fleet in April. On May 2, the DH 89A inaugurates Glasgow (Renfrew)–Lerwick (Sumburgh) service via Perth, Inverness, Wick, and Kirkwall. A new Spartan Cruiser II is acquired in June. **Highland Airways, Ltd.** is completed submerged in August and stops flying.

On October 21, in accordance with the Air Navigation Order of September 16, the new ATLB grants the carrier route certification from Inverness to Shetland, from Kirkwall to Longhope, Westray, North Ronaldsay, Sanday, Stronsay, and Wick.

Passenger bookings for the year accelerate to 7,250.

Kirkwall–Glasgow flights begin on May 15, **1939**. Flying a company DH-84 Dragon, Capt. Fresson inaugurates a thrice-weekly airmail route from Inverness to North Ronaldsay via Wick and Kirkwall, on July 31. Two DH 89As are added in July and August, followed by a third in November. Meanwhile, the four-engine Fokker F-XXII *Papegaai* (Parrot) is acquired from **KLM (Royal Dutch Airlines, N.V.)** on September 1; it is rechristened *Sylvia* and will be employed as a navigation trainer operating from Prestwick. At the same time, the one and only Fokker F-XXXVI, the first four-engine airliner built by the Dutch plane maker, is also acquired.

On September 3, war is declared on Germany and all civil flying ceases. Glasgow (Renfrew)–Campbeltown and Islay services are resumed on September 11 and the next day, DH 89A flights are restarted between the Orkney Islands and between Inverness and Kirkwall via Wick. On October 2, a regular mail route is established between Glasgow and Campbeltown. Capt. Fresson begins a charter service to Shetland from Inverness and Kirkwall on November 1.

A total of 8,881 passengers are carried on the year.

Two DH 84s are lost in crashes in early **1940**; one at Inverness on February 14 and the other at Kirkwall on April 19. Meanwhile, a Dragon Rapide is destroyed in a crash in the Orkneys on March 18 and the Spartan Cruiser II is sold in April. On May 5, the company becomes one of seven joining with the Secretary of State for Air to form the **Associated Airways Joint Committee** to govern the wartime operation of domestic air services. The company's Liverpool–Glasgow via Belfast route is reopened the next day. On May 14, flights from Glasgow (Renfrew) to North Uist via Tiree, Barra, and Benbecula, are resumed.

Between May 22 and June 2, company aircraft participate in the evacuation of British Expeditionary Force troops from Dunkirk under auspices of the AAJC. Company aircraft are recalled to the French rescue operation on June 14, except for one DH 84 that is allowed to continue a restricted Inverness–Kirkwall service. Ten days later, AAJC duty completed, two routes are reopened from Glasgow: to Islay via Campbeltown and to the Hebrides. Full Inverness–Kirkwall DH 89A service is resumed on June 26. Capt. Fresson, flying a DH 89A, reopens the Shetland extension of the carrier's Inverness–Kirkwall service. The F-XXXVI is scrapped later in the year.

Enplanements climb to 9,832.

These flights to outlying destinations are maintained in **1941–1943**. Two Dragon Rapides are destroyed in crashes: one at Stornoway on November 25, 1941, and the second at Glasgow (Renfrew) on February 2, 1943. Passenger boardings climb to the 11,000 mark and remain level for those 3 years.

The Fokker F-XXII navigational trainer *Sylvia* is impressed into national service in October 1941. On May 24, **1944**, thrice-weekly flights are started from Inverness–Stornoway, but are suspended on December 18 due to poor weather. Enplanements advance to 12,395.

In order to connect with the transatlantic service of **Trans-Canada Air Lines, Ltd.** the company, in cooperation with **Railroad Air Services, Ltd.**, begins Glasgow (Renfrew)–London (Croydon) service on April 9, **1945**, via Prestwick (the Canadian terminus) and Liverpool and Inverness to Stornoway flights also recommence on April 9. Air letter operations from Stornoway to Glasgow (Renfrew) begin on July 2. A poor airstrip forces cancellation of North Uist service on October 8.

Bookings for the year reach 14,443. During the war years, the carrier has been able to upgrade its fleet by the addition of 9 Dragon Rapides.

All wartime restrictions on civil flying are lifted on January 1, **1946**. On January 28, the company begins a Prestwick–Belfast service with the Fokker F-XXII *Sylvia*, returned from national service and refitted as a transport. Minus the Perth stop, the prewar Glasgow (Renfrew)–Shetland frequency via Inverness and Orkney is resumed on April 15. **British European Airways Corporation (BEA)** is formed on August 1. On September 2, Douglas DC-3 service is inaugurated from London (Northolt)–Prestwick under BEA charter.

A DH 89A flies into a hill north of Glasgow (Renfrew) on September 27 (seven dead). Employing DC-3s/DH-89As in cooperation with **Railway Air Services, Ltd.** and under BEA charter, flights begin north and south from London (Northolt)–Aberdeen via Glasgow (Renfrew) and Prestwick on November 18. On December 20, a DH 89A crashes into a row of houses in Middlesex (two dead).

The highest annual passenger traffic total for the airline's decade-long history is recorded: 65,916.

On February 1, **1947**, the carrier is one of the wartime **Associated Airways Joint Committee** members merged into the new **British European Airways Corporation (BEA)**.

SCOTTISH EUROPEAN AIRWAYS, LTD.: United Kingdom (1984–1991). Originally known as **Scottish Executive Airways, Ltd.**, SEA is organized and incorporated at Edinburgh in the spring of **1984**. Orders are placed for SAAB-Fairchild SF340s and certificates are received from the CAA. Although it is hoped to begin flying in **1985**, operations do not actually commence.

The operating authority of failed **Chieftain Airways, Ltd.** is acquired in early **1988**. Managing Director David Short obtains two British Aerospace

BAe (HS) 748-B2s and inaugurates services from Glasgow Airport to Frankfurt and Brussels in **1989**. In May, Short announces that equity in the airline has been doubled through an investment by a group of local businessmen.

A total of 20,000 passengers are carried on the year.

In February **1990**, a major infusion of capital is received from several companies, including Air UK Group and FFV Aerotech. The funds provided are employed to acquire two BAC 1-11 jetliners, once owned by **Braniff International Airways**, and the route network is expanded from European cities to Edinburgh and Newcastle. Unable to attract sufficient boardings to cover expenses, the carrier sees its BAes grounded for nonpayment of debts and fees. The carrier enters liquidation in April.

Prior to its failure, a total of 1,813 passengers are transported on the year.

Touche Ross administrator Robin Wilson attempts to revive the carrier in **1991**. Approval is obtained from the creditors for a plan under which an Ali Ghandour-led consortium will purchase and restart the airline; the scheme is submitted to the government, which gives its approval in January on condition that the regional be fully funded by April. When capitalization is not forthcoming, all route licenses are revoked and all further rescue efforts cease in July. The liquidation process, on hold over a year, is completed.

SCOTTISH EXECUTIVE AIRWAYS, LTD. *See* **SCOTTISH EUROPEAN AIRWAYS, LTD.**

SCOTTISH MOTOR TRACTION COMPANY, LTD.: United Kingdom (1932). Employing a de Havilland DH 83 Fox Moth, this bus operator's subsidiary is formed in late spring **1932** and begins air taxi service between Scottish destinations on July 18. Business being insufficient following the summer season, the company ceases its aerial operations on October 31.

SCOTSDALE CHARTER. *See* **SUN WEST AIRLINES**

SCRUSE AIR (PTY.), LTD.: Australia (1975–1982). To perform such duties as shark spotting, fire-fighting control, beach rescue, and general charter, Scrusse Air (Pty.), Ltd. is established by Joe Scrusse at West Gosford, New South Wales, on August 6, **1975**. Like **Aeromech Airlines** in the U.S., Scrusse Air is a family business. In addition to Mr. Scrusse as managing director, Mrs. Phyllis Scrusse is secretary and Joe Scrusse Jr. is chief pilot.

Three years later, on September 25, **1978**, scheduled commuter operations are launched to Mascot Airport in Sydney. By November **1981**, the fleet comprises a Partenavia P-68 and two Bell 206B JetRangers. Significant increases in expenses (led by radically higher fuel costs) and less traffic caused by recession force the company to go under in **1982**.

SEA AIR SHUTTLE: United States (1990–1992). Grounded since Hurricane Hugo in **1989**, **Virgin Islands Seaplane Shuttle** regroups during **1990** and is renamed. Employing 3 Grumman G-73 Mallards, it resumes scheduled services in March **1991**. A total of 8,000 passengers are flown on the year and revenues of \$700,000 are generated.

Early in **1992**, SAS files for Chapter XI bankruptcy and ceases operations.

SEA AIRMOTIVE. *See* **SEAIR ALASKAN AIRLINES**

SEA AND SUN AIRLINES: United States (1984–1985). Controlled by the Netherlands Antilles company Seagrove Holdings, S&S is established at New York in the summer of **1984** to operate international passenger charters, primarily to St. Martin. Four Douglas DC-8-62s are acquired and employed to begin revenue services in October.

The initial season does not go well and the decision is taken to lease half the fleet to the Los Angeles-based company **Pacific East Air**. With insufficient funding to undertake another winter holiday schedule, the company shuts down before its first birthday.

SEA BEE AIR, LTD.: New Zealand (1955–1991). Sea Bee Air, Ltd. is established at Auckland in **1955** to provide passenger and cargo air charter flights to various destinations on the upper half of the nation's North Island. Nonscheduled services are maintained for a decade with a Piper Aztec.

When the amphibian division of **Mount Cook Airlines, Ltd.** is closed down at the end of April **1976**, its employees purchase Sea Bee, along with MCA's Grumman G-21A Goose and three Grumman G-44A Widgeons. One Widgeon is leased to **Stewart Island Airways, Ltd.** The proceeds of the sale allow Mount Cook to purchase a Hawker Siddeley HS 748 while the transaction provides the basis under which Sea Bee's 13 employees are able to launch scheduled commuter services in November, at which the Stewart Island lease is ended.

Destinations regularly linked to Mechanics Bay in downtown Auckland include Port Fitzroy, Tryphena, and Whangaparapara on Great Barrier Island, Pakatos Island, and Paihia and Waltangi on the Bay of Islands. In October **1977**, a second G-21A joins the fleet.

Two years later, in July **1979**, charter flights are inaugurated on behalf of **Fiji Air, Ltd.** to destinations within the Fiji group. From a base at Funafuti, the company, in March **1980**, undertakes three years of non-scheduled services on behalf of the Tuvaluan government to its nine atolls. Charters are also flown to destinations in the Tokelau, Kiribati, Samoa, Nauru, and Cook Island groups.

The Fiji operation ends in July **1981** when the assigned Widgeon returns to Auckland for a refit. In August, a G-21G Turbo Goose replaces the Widgeon employed on the charter service to the Cook and other groups.

Beginning in October **1982**, a G-21A based at Fiji begins a two year charter operation to holiday destinations on behalf of Nadi-based Sun Tours. The company's Turbo Goose becomes the first aircraft to ever land at Rakahanga, Cook Islands, when that destination's new airport is opened in December. The Fiji flights on behalf of Sun Tours ends on October 27, **1984**.

Operations continue apace in **1985–1986**; however, the company's demise appears on the horizon in May **1987** when fast boat services from Auckland to Waiheke Island and Great Barrier Island, slower but 50% as expensive, steal large numbers of the 45,000 annual passenger average. By the end of August, Sea Bee must discontinue its flights to Waiheke Island.

In **1989**, Sea Bee is transformed into a holding company for a new subsidiary, **Great Barrier Airlines, Ltd.**, which operates a Grumman G-21A from Auckland to the namesake island. In August **1991**, this service is ended as Sea Bee and Great Barrier, during a time of high recession, close down and sell their Goose to a new American owner.

SEABOARD AIRLINES (PTY.), LTD.: Australia (1987–1990). Founded at Sydney in **1987**, Seaboard undertakes scheduled commuter flights linking the New South Wales capital with Brisbane, Ballina, Canberra, Hobart, and Sale. Managing Director Michael Bartlett's initial fleet comprises 2 de Havilland Canada DHC-6-300 Twin Otters, an Embraer EMB-110P1 Bandeirantes, and 3 Piper PA-31-350 Navajo Chieftains.

Unable to obtain economic viability in a difficult market, the new entrant is forced out of business in **1990**.

SEABOARD & WESTERN AIRLINES: United States (1946–1961). The only U.S. carrier initially established as an all-cargo airline on a transoceanic route, Seaboard & Western Airlines is organized in New York City by former Army Air Transport Command pilots Arthur and Raymond Norden, Carl D. Brell, Warren H. Renninger, and Wallace P. Neth on September 16, **1946**.

Unlike most of the domestic cargo operations established just after World War II, this one sets out to provide scheduled cargo service over the highly competitive North Atlantic. The company's lone war-surplus Douglas C-54 (military DC-4) inaugurates roundtrips on May 10, **1947**, with a flight to the emerging trading center that is Luxembourg. This is the first commercial all-cargo run across the Atlantic.

On July 8, Seaboard is certified as a "Large Irregular" by the CAB and begins to offer semi-regular, on-demand transatlantic charters. During the remainder of the decade, company business grows rapidly, largely as a result of contracts with the International Relief Organization (IRO).

A highlight occurs on July 9, 1948 when a C-54 makes the first freight flight into New York (IDL); arriving from Paris, the cargo is a French racehorse Whirling Ruston. When the aircraft departs later in the day, it represents the first flight to Europe, freight or otherwise, from Idlewild. A Curtiss C-46 Commando freighter is leased from the USAF in August and on October 3, a C-54 transports a record 15,530 pounds of freight from Idlewild to Europe.

On June 18, 1949, the company shares a contract with **Transocean Air Lines (TAL)** from the IRO and Youth Argosy for the transport of U.S. students to Europe and the carriage of displaced persons from Europe to America. Two more C-46s are chartered from the USAF in August.

On May 20, 1950, the CAB grants the carrier permission to fly educational and religious group charters, including summer student charters, to Europe on behalf of Youth Argosy.

On June 6, as the result of infringements of privilege by other carriers of the permission granted on May 20, the CAB orders changes. Among these is a demand that Seaboard stop flying what appears to be regularly scheduled passenger and cargo flights instead of charters. On July 5, a flight scheduled to depart with 65 passengers is postponed when the DOD requisitions the two C-54s involved for Korean service.

A C-54B with six crew crashes while on final approach to the airport at Reykjavik, Iceland, on March 30, 1951; although the aircraft is destroyed, there are no fatalities.

One of the leased C-46s is lost in an accident early in the year and the other two are returned to the military. The fleet of C-54/DC-4s is increased in December from 5 to 12 and \$10 million worth of orders are placed with Lockheed for 4 L-1049D Constellation freighters, plus a stock of spare parts.

A C-54A with four crew must be written off after a hard landing at Pisa, Italy, on January 27, 1952; there are no fatalities.

On March 15, one of the big Douglas transports lands at Belgrade as the first U.S. commercial airliner to enter Yugoslavia since World War II. The next day, another C-54A transports a record 16,014 pounds of cargo from Germany to New York.

On June 18, Seaboard is granted unlimited landing rights in Luxembourg for the next 21 years and on October 8, Hamburg is added as a stop on the West German freight service. In November, the company contracts with **Aer Lingus Irish Airlines, Ltd.**'s international division, **Aerlinite Eireanne, Ltd.**, to provide flight equipment that will allow the Irish carrier to begin transatlantic flights during the new year.

The CAB in 1953 declines to give Aer Lingus Irish Airlines certification into the U.S. for more than two years and the plan by Seaboard to offer it flight equipment now falls through. On March 12, a new contract is signed for weekly cargo flights to Hamburg. A 16,000-pound section of an oil tanker is flown from New York to Italy on July 21, the largest single unit of anything thus far flown across the Atlantic. In November, a record 2.99 million ton-miles of freight are flown.

On May 19, 1954, a five-year certificate is awarded by the CAB for a transatlantic freight route from New York to Germany and Switzerland; there will be a delay in obtaining final approval. The first L-1049D is delivered on August 19 and is christened *American Air Trader*; the *Zurich Air Trader* and the *Paris Air Trader* will follow during the next month. On September 1, the company wins a \$3-million, half-year military charter (later renewed) to fly freight, personnel, and dependents between the U.S. and Europe. This DOD pact gives Seaboard the resources and stature necessary to receive permanent scheduled certification.

With White House approval from President Eisenhower (necessary in cases involving foreign destinations) finally received, the CAB, on August 16, grants Seaboard route authority to Europe from U.S. cities in the Northeast. This scheduled service, company officials know, might be risky, as the carrier will have to compete with a variety of international passenger airlines that also carry freight across the Atlantic.

The DC-4s and Connies, flying from not only New York, but Philadelphia and Baltimore as well, launch charter flights on September 14 to Frankfurt, Hamburg, and Zurich via London and Paris.

During the summer of 1955, three L-1049Ds are leased for two years to **British Overseas Airways Corporation (BOAC)**, which will operate them from New York to Bermuda. On October 2, a contract is signed with **United Air Lines** permitting a single airway bill for freight shipments to and from Europe and to and from any point in the U.S. served by United. Cancellation of the unprofitable London to New York route after 10 months by the U.K. independent **Airwork, Ltd.** is seen as a boon by Seaboard, which immediately prepares to assume it, ordering five L-1049Hs.

Scheduled roundtrip C-54 cargo service to Europe is inaugurated on April 10, 1956. Late in the month, the three Constellation freighters leased to the British flag carrier are returned. During the summer, the *American Air Trader* and *Zurich Air Trader* are modified to L-1049H standard. A 20-ton Univac computer is flown to Germany on August 6-7; the cargo is the heaviest shipped by air across the Atlantic to date.

Late in the year, the first of five ordered Lockheed L-1049H freighters are placed on the line and the *Paris Air Trader*, fitted with wing tanks, is leased to **Eastern Air Lines** to fly the winter's holiday route from New York to Miami.

Interline cargo-handling agreements are signed with **Allegheny Airlines (1)**, **Central Airlines**, and **Trans-Texas Airlines** on August 17, 1957. Daily Constellation cargo flights are launched on September 1. A C-46 is leased in Germany and stationed at Frankfurt to feed incoming cargo to other European destinations.

The fleet at the beginning of 1958 comprises 3 C-54s and 10 L-1049Hs, plus 1 L-1049E now purchased from **Cubana (Compania Cubana de Aviacion, S.A.)** and an L-1049G leased from **Deutsche Lufthansa, A.G.** Several of the Constellations are placed under charter to **British Overseas Airways Corporation (BOAC)** to operate roundtrip New York-London cargo services and during the first quarter, **Sabena Belgian World Airlines, S.A.** charters three L-1049Hs for the duration of the Brussels Exhibition.

The 1952 agreement with **Aerlinite Eireann, Ltd.** to provide flight equipment for transatlantic services is renewed. As a result, thrice-weekly L-1049H roundtrips commence on April 28 between Dublin and New York via Shannon. The frequency becomes daily during the summer, at the same time an L-1049H is chartered to **TAP-Air Portugal, S.A.**

Boston becomes a stop on the Irish contract route in October. On November 10, an L-1049D with five crew goes out of control while landing at New York's Idlewild Airport and crashes into a **Trans-Canada Airways, Ltd.** Vickers Viscount 757; both aircraft are burned out without loss of life.

Buoyed by additional military contracts received during and since the previous year, the company seeks to increase its fleet late in 1959 by ordering five Canadair CL-44Ds.

Despite this growth, working the North Atlantic is proving to be as tough a proposition as company officials originally feared. Additionally, the MATS comes to rely upon its own airlift assets to a greater degree, reducing the number of its contract flights. In the three-year period from 1959 to 1961, the carrier suffers a cumulative net loss of \$4 million.

A new management team is brought in on November 1, 1960, headed by President Richard M. Jackson and is asked to make dramatic efforts to save the transocean pioneer from bankruptcy. On December 14, **Aer Lingus Irish Airlines** is able to introduce B-720Bs on its transatlantic service and terminates the contract with Seaboard for L-1049Hs.

Following a complete company reorganization and refinancing, Jackson's operation assumes a whole new corporate image as **Seaboard World Airlines** in April 1961.

SEABOARD WORLD AIRLINES: United States (1961-1980). Following a complete corporate shakeup, **Seaboard & Western Airlines** is renamed in April 1961. Five new Canadair CL-44Ds purchased under the previous identity are placed into service during the remainder of the year.

In 1962, the carrier records its first profit in six years, some of it based on the lease of a Lockheed L-1049E, formerly flown by **Cubana (Compania Cubana de Aviacion, S.A.)**, to **Intercontinental Airways** and the charter of three L-1049Ds and four L-1049Hs to **Capitol Airways**.

Widespread use of the fixed-cost block space takes off in 1963 as the airline requires shippers to pay for leased blocks of space used or not. One of the most profitable arrangements will be concluded in the spring when **British Overseas Airways Corporation (BOAC)** and Seaboard enter into a joint venture contract. Under terms of their pact, Seaboard operates transatlantic services four times a week and BOAC three. BOAC pays for two pallets on every Seaboard flight and Seaboard does likewise. Although both partners expect to make money, late departure penalty clauses will, on occasion, be invoked. BOAC replaces its DC-7Cs with new Canadair CL-44Ds on September 30.

Revenues for the year total \$27,248,174.

By 1964, the worst of its previous financial difficulties appear to be behind the airline. The workforce totals 1,015 and the fleet comprises 17 aircraft. As the year progresses, most of the Lockheed L-1049Hs are retired in favor of seven Canadairs, which provide the bulk of the company's all-cargo service. Interline agreements are in hand with the European airlines **Deutsche Lufthansa, A.G.**, **Swissair, A.G.**, and **British Overseas Airways Corporation (BOAC)** whereby they now begin to book a set proportion of Seaboard's daily capacity (block-space).

In June, President Richard M. Jackson is able to lease a Douglas DC-8-63F from its manufacturer, thereby joining the ranks of the larger all-freight airlines—and entering the jet age. Incidentally, that airliner, employed on a Monday to Friday transatlantic schedule, is thereafter leased to **Trans-Caribbean Airways** on weekends.

A total of 83,572 passengers are flown on military contracts. Revenue freight ton-miles flown are 83,109. Revenues advance 12.8% to \$31,247,905 and profits jump 53% to a record \$2,759,195.

Although the future appears bright by late December, the Christmas to New Year holidays actually conclude the what turns out to be the company's best year. Thereafter, the battle to survive is a losing one. Undiversified, Seaboard is forced to compete over its routes with the freight capacity of the passenger airlines, which annually become more competent in the cargo field.

Although there are bright spots and despite military charter assistance, the air freight industry as a whole will fail to achieve the traffic potential its prophets have foretold. As a result, few companies are able to reach the fortieth anniversary of the 1945 cargo spurt.

The workforce in 1965 is 1,164 and the fleet comprises 6 aircraft: 3 CL-44Ds and 3 DC-8Fs. Orders remain outstanding for one more DC-8F and two DC-8-63Fs. A second DC-8-63F is leased in the fall. Construction begins on a \$4-million cargo terminal and operations center at New York (JFK).

Freight ton-miles increase to 135,649,019 and 74,518 charter passengers are flown. Profits climb to \$4.7 million.

Early in 1966, two additional DC-8Fs are received. Employing its mixed fleet, Seaboard continues its worldwide, undiversified services, receiving permanent certification on February 12. Confirmed on its transatlantic routes by the CAB, the freighter extends its authority to Italy, Sweden, Denmark, and Norway. In March, a retired L-1049 is sold to **LAPA (Lineas Aereas Patagonicas Argentinas, S.A.)** and two are provided to **Capitol Airways**.

Boston is added as a U.S. co-terminal. The improvements at New York's Kennedy Airport are completed late in the year.

A total of 233,055,000 freight ton-miles are flown during the year.

In March 1967, Seaboard World's New York (JFK) cargo terminal and operations center, now valued at \$5 million, goes into operation. Construction is started on a similar facility at London (LHR). The employee population numbers 1,501 and the fleet consists of 6 DC-8Fs, including 1 received this year. Orders remain outstanding for 2 Boeing 707-320CFs and 12 DC-8-63CFs.

A total of 32,000 charter passengers are flown and the number of freight ton-miles flown increases to 264,771,850.

The employee population numbers 2,000 in 1968. The two Boeing freighters are received during the first quarter. Later, three DC-8-63Fs also arrive. New terminals at Frankfurt and London are occupied and during the last quarter, the airline becomes the leading transatlantic air freight operator.

Charter passenger boardings skyrocket an unbelievable 522% to 199,000 as Seaboard also puts in 281.28 million freight ton-miles. Revenues advance 19.3% to \$65,494,000.

The workforce in 1969 is 1,615. Nine additional DC-8-63Fs are delivered throughout the year and on June 28, service to Europe is launched from the Midwest and Pacific coast.

While on a training flight from Oakland on October 17, a DC-8-63CF with five crew aboard is destroyed as the result of a bad landing back at its point of origin; there are no fatalities.

On the year, a total of 289.97 million freight-ton miles are flown.

Airline employment is reduced 13% in 1970 to 1,856. A pilots strike begins on October 24, but ends by agreement two days later.

A total of 173,835 military contract passengers are flown this year and the company's 14 DC-8 Jet Traders fly 274.6 million freight-ton miles, a 5.6% decline. Revenues are \$83.8 million, expenses \$76 million, and an operating profit of \$7,762,000. A net \$1.49-million loss must, however, be absorbed.

Despite a decline in military demand as Vietnam requirements decrease, Seaboard still flies 363.99 million freight ton-miles in 1971. MAC-generated personnel enplanements total 99,820.

The workforce in 1972 numbers 1,850. Military traffic ferried by the nation's second largest all-cargo carrier continues to decline, but is replaced by civilian services.

Some 70,000 military personnel are boarded during the year, a decline of 42.6%. On the other hand, freight traffic is up by 24.4%. The company remains the leading all-cargo operator on the North Atlantic, hauling 15.5% of the total tonnage transported there. On record revenues of \$99.2 million, a \$5.24-million net profit is reported.

In 1973, 160 employees are laid off. In February, Seaboard wins the approval of the U.S. and West German governments for a high-volume, 30,000-kg. rate, a tariff later approved by 4 other European governments. In addition, three B-747-245Fs are ordered for delivery the following summer as daily transcontinental all-cargo service across the U.S. is started in late spring. Additional marketing efforts are aimed at securing freight and mail business to replace declining Southeast Asian military business.

Company officials join with their counterparts from **Eastern Air Lines** in petitioning the CAB for an interchange service that will provide the first all-cargo through service between Europe and the U.S. Southwest.

Despite a downturn in FTKs flown to 580 million-plus, Seaboard is still able to report the highest commercial freight tonnage in its history to date. Income declines to \$74.8 million and expenses, due to fuel costs and business decline, rise to \$72.46 million. Still, profits are generated: \$2.34 million (operating) and \$2.39 million (net).

Airline employment in 1974 is 1,780. The first of three ordered B-747-245Fs "Containerships" is delivered on July 31; in August, it is placed into service, flying contract services for the U.S. military between New York and Frankfurt via Paris. Simultaneously, an intermodal air-truck container program (which uses 8' x 8' x 20' containers) is inaugurated.

Freight traffic accelerates 11.8% reaching 619.56 million FTKs flown. Revenues rebound, climbing to \$98.19 million; high operating expenses are exactly the same amount. This "draw" results in zero operating profit. A net profit of \$2.5 million is secured, only a slight gain over the previous year.

Sixty-nine new employees are hired in 1975. Both the massive "Containerships of the Air" and the intermodal program are aggressively marketed.

FTKs operated dip 5% to 591.73 million. Expenses are \$116.82 million and outpace total income of \$110.16 million. As a result, a \$6.66-

million operating loss must be absorbed. A net gain of \$970,000 is, however, realized.

The employee population is increased by 11.6% in 1976 to 1,635. The second B-747-245F Containership joins the fleet on April 30; it is the first aircraft in the world to be powered by Pratt & Whitney's up-engined JT9D-70A engines. The second Jumbojet allows the carrier to transport its huge containers on every transatlantic flight and to provide direct New York-Frankfurt services.

Shortly after the arrival of the new freighter, Chairman Richard Jackson is interviewed by Arthur Wallis. The article, "It's Tough at the Top But That's the Way Seaboard's Richard Jackson Likes It," appears in *Interavia* 31 (June 1976): 529-530.

Still, freight traffic declines by 4% on the year to 626.3 million FTKs. On operating revenues of \$110.73 million, expenses are \$109.63 million and the operating profit is \$1.1 million. After accounting changes leave a net loss of \$2.29 million.

FTKs operated decline again in 1977, down to 544.08 million. Fiscal losses continue to mount.

In February 1978, Tiger International purchases 9.9% shareholding of President Jackson's carrier. Effective May 1, the company begins guaranteed next-day transatlantic parcel express service to London, Paris, and Frankfurt. Destinations visited in Europe now include Shannon, Glasgow, Brussels, London, Hamburg, Frankfurt, London, Munich, Stuttgart, Paris, Nuremberg, Basel, Geneva, Rome, Milan, Zurich, Stockholm and Copenhagen.

The fleet includes 2 B-747-245Fs, 7 DC-8-63CFs, 3 DC-8-16CFs, 1 DC-8-50F. Another B-747-245F remains on order and beginning in October, the two on hand are so configured as to allow the transport of cargo containers on the main deck and passengers in the upper-deck compartment.

During the same month, a B-747-273C is chartered from **World Airways**.

The workforce is increased 2.1% during the year to 1,652. Cargo grows by 5.1% to 573.32 million FTKs and 9,625 charter passengers are flown.

The number of employees grows 5.6% in 1979 to 1,767.

Beginning on August 31, company ALPA members stage a brief, two-day strike; a mediated agreement takes effect on September 1.

The last two B-747-245Fs are delivered on September 6 and 29, respectively.

Passenger charters all but vanish during the year, dropping 92.5% to 5,000. Freight, on the other hand, continues to advance, climbing by 16.9% to 670.01 million FTKs.

Tiger International finds its competitor sufficiently attractive to purchase; on October 1, 1980, at a cost of \$450 million, Seaboard is merged into the only real all-cargo success to this point, **The Flying Tiger Line**, and the leased **World Airways** B-747-273C is returned.

SEABORNE AIRLINES: 34 Strand Street, Christiansted, St. Croix, U.S. Virgin Islands 00820, United States; Phone (340) 773-6442; Fax (340) 713-9077; <http://www.seaborneairlines.com>; Code BB; Year Founded 1990. Chuck Slagle and Kenneth Dole established Seaborne Aviation at Ketchikan, Alaska, in 1990 to offer summer cruise ship passengers sight-seeing flights over the glaciers. The seasonal flights are made with a single float-equipped de Havilland Canada DHC-6-300 VistaLiner (a specially modified Twin Otter with huge passenger windows) chartered from Nevada-based Twin Otter International. When on the water, maneuverability is provided by reversible pitch propellers.

Wishing for off-season income, Slagle establishes Seaborne Seaplane Adventures at Charlotte Amalie in the winter of 1992 to provide interisland passenger charters. Aerial sight-seeing shore excursions for cruise ships are undertaken from the former Antilles Air Boat base at St. Thomas with the float-equipped VistaLiner that has been ferried down from Alaska. Seaborne's north and south operations continue with success in 1993.

The service proves so popular that in 1994 Seaborne is able to obtain a Part 135 air taxi certificate and begin seasonal twice-daily return

flights between St. Croix and St. Thomas on December 6. Flights from the former point are operated off a floating dock at the Kings Alley in downtown Christiansted.

Scheduled twice-daily roundtrips from St. Croix to St. Thomas begin in 1995, along with sight-seeing tours to the British Virgin Islands. A second VistaLiner is acquired to handle the cruise ship traffic. The VistaLiner fleet is expanded by one more turboprop in 1996 and enplanements for the first full year of service total 62,534.

Seaborne receives Part 121 regional air carrier authority in 1997 and enhances its schedule, boosting its St. Croix-St. Thomas shuttle to seven daily roundtrips. The fleet now includes 4 VistaLiners and Seaborne is the only regional airline operating exclusively on floats in the Virgin Islands. Passenger boardings rise 2.3% to 64,006.

Enplanements slip 0.4% in 1998 to 64,000. Customer bookings accelerate 19.5% in 1999 to 76,000.

Airline employment stands at 75 at the beginning of 2000. On April 30, the company's floating dock is moved to the former seaplane ramp; although the area has no permanent structures, plans are announced for the creation of an entire seaplane base.

At mid-year, the Virgin Island and Alaska operations are split. Local entrepreneur and 4,000-hr. airline captain Maurice Kurg takes over operation of the former and reorganizes it, changing its name to Seaborne Airlines. On August 15, Seaborne is sold to a Chicago-based investment group led by principals David E. Ziemer, Omar ErSelcuk, and Richard A. Jensen. Capt. Kurg, who has become an equity partner, remains president/CEO.

The new group will provide the capital needed to strengthen Seaborne's fundamental base of operations, while supporting a well-balanced growth strategy. The arrangement shows immediately in the construction of a new seaplane maintenance and passenger facility at the carrier's Christiansted base.

SEABORNE AVIATION. See SEABORNE AIRLINES

SEACO AIRLINES: United States (1976-1980). Seaco is established at Detroit during the early fall of 1976 to provide scheduled intrastate passenger and cargo (including mail) services. Employing a Piper PA-23 Aztec and Cessna 402, the company inaugurates daily roundtrips in October, linking its base with Lansing, Traverse City, Oscoda, and Alpena.

Operations continue throughout the remainder of the year and in 1977-1980. Services cease in June of the latter year.

SEAGLE AIR, LTD.: Airport, Trencin, 91104, Slovak Republic; Phone 421 (831) 6587 334; Fax 421 (831) 6587 333; <http://www.seagleair.sk>; Year Founded 1995. Seagle Air, Ltd. is established in 1995 to provide lightplane sport and parachute flights at air shows in Slovakia. A flight school is operated and a variety of special contracts are filled, including aerial photography, thermometry and thermography flying, and the towing of advertising banners.

Within three years, the company has grown to a point where a larger aircraft is necessary. To that end, a Let L-410UVP is acquired. In 1998-2000, the new Let is flown on executive and small group passenger charters. It also drops parachutists and in the evenings operates express flights on behalf of **DHL Worldwide Express**.

SEAGREEN AIR TRANSPORT, LTD.: P.O. Box 392, V C Bird International Airport, St. John's, Antigua; Phone 32 (59) 805 325; Fax 32 (59) 804 835; Code ES; Year Founded 1964. Seagreen is established at St. John's on Antigua in 1964 to offer all-cargo charter flights to various Caribbean destinations. During the next two decades, the company undertakes regular, if nonscheduled, flights connecting its base with Miami, San Juan, Dominica, Montserrat, St. Kitts, St. Lucia, St. Martin, and St. Vincent. The fleet in 1982-1986 comprises 1 Convair CV-880CF, 1 Douglas DC-7F, 1 DC-6A, and 2 DC-3s, although the CV-880CF is sold to Haiti Air Freight in 1985.

The company is reorganized in **1987** in order to begin flying world-wide passenger and cargo charters, in addition to maintaining those already underway in the Caribbean. W. Lim is named chairman, R. Koh becomes president, and David Tokoph is named managing director. Additionally, Gary Tokoph is appointed area manager to open a new European base at Ostend, Belgium. Three Boeing 707-336Cs are leased and employed to begin new services from Europe to Caracas, Barbados, Martinique, Guadeloupe, and Mexico.

Only one Boeing transport is operated in **1989**, but it is traded in during **1990** for three new chartered units, one each B-707-323C, B-707-336C, and B-707-351C. To service the new freighters, a maintenance contract is signed with **Royal Jordanian Airlines** in May.

A Convair CV-990A Coronado is leased in **1991** and the B-707-323C is placed into storage in **1992**. Holiday charters are inaugurated by Chairman W. Lim's airline in **1993**, at which point airline employment is increased from 55 to 63.

David Tokoph is president in **1994**, with Gary Tokoph as vice president. Operations continue apace with a fleet that includes 1 each B-707-330B, B-707-336C, and Convair CV-990A.

The B-707-330C is leased to **African International Airways, Ltd.** in **1995** and the Convair is replaced by one each B-727-30 and B-737-202C. The latter two do not work out and are withdrawn in **1996–2000**.

SEAGULL AIR: United States (1988–1989). Seagull Air is founded at Bethel, Alaska, by J. Timothy Cracie in early **1988** to offer scheduled passenger and cargo commuter services to local and regional destinations and bush villages. Revenue Piper and Cessna lightplane flights commence in March, linking the company's base with Kwigillingok, Kongiganak, Tuntatuliak, and smaller points.

Operations continue apace in **1989**; however, several accidents lead the FAA to pull the carrier's operating certificate and ground it on August 9.

SEAGULL AIR LINES: United States (1929–1930). Seagull is established at Salt Lake City, Utah, in the summer of **1929** to offer scheduled passenger flights to Ely. Employing Curtiss Robins, the new entrant inaugurates service in September and maintains it until November **1930** when economic downturn forces it to shut its doors.

SEAIR (PALWAN'S AIRLINE): Clark Hangar 7224, Clark International Airport, Angeles City, Philippines; Phone 63 (45) 599 2384; Fax 63 (45) 599 2383; <http://www.flyseair.com>; Year Founded 1994. Iren Dornier and Nikos Gitsis conceptualize Seair in **1994** as a private airline that will service Club Noah Resort in NE Palawan. Plans are to turn the new concern into an air charter company that can service resorts and other tourist destinations such as Boracay and Busuanga.

Three Dornier 28 nine-passenger aircraft are delivered in February **1995** and in March the company is officially organized as Seair, an air taxi. It applies for and receives its documentation and certificates from the SEC and Philippine Civil Aeronautical Board. On-demand flights to rural tourist destinations begin.

In August, Seair receives its Air Operating Certificate (AOC) from the Philippine Air Transportation Office and registers as an enterprise of the Clark Development Corporation. It receives certification as a scheduled operator in the Clark Air Base, Special Economic Zone. Thrice-daily Dornier 28 roundtrips are now inaugurated from the former USAF base at Clark Field to Manila.

In **1996**, Seair introduces the Let L-410UVP to the Philippines, winning certification for the aircraft that it now places onto its Clark–Manila route. Seair is certified as an ATO authorized repair station in **1997** and begins to service class 2 and 3 aircraft and aircraft engines from other Philippine air transport companies.

In **1998**, the carrier fights and defeats a takeover attempt from an unnamed source and once it is safe, expands its services to rural tourist destinations.

The Dornier 28s are phased out in **1999** and replaced with a second Let. Like the first, it has been acquired via the Ayres Company in the U.S.

Plans are made for route expansion the following year. Regularly scheduled roundtrip flights are inaugurated in **2000** from Clark to Caticlan and to the Palawan communities of Busuanga, El Nido, Sandoval, and Puerto Princesa.

SEAIR ALASKA AIRLINES (SEA AIRMOTIVE): United States (1939–1986). Sea Airmotive is established as an FBO at Anchorage in **1939**. Charter passenger and freight flights are undertaken to local Alaskan communities beginning in **1944**. The company is formally incorporated in **1951**. Operations continue apace for the next 30 years to destinations in the southwestern part of Alaska.

While on initial climb away from Bullen Point on May 25, **1979**, a de Havilland Canada DHC-4 Caribou with three crew is caught in a crosswind and crashes in an extreme nose-down altitude; there are no survivors.

In November **1980**, President A. E. Gay's carrier inaugurates scheduled passenger services linking Seair's base with Bethel, Dillingham, Kenai, and King Salmon. From these markets, flights are made to numerous nearby bush communities.

The fleet in **1981** includes 3 Convair CV-580s, 11 de Havilland Canada DHC-6-300 Twin Otters, 1 Beech Super King Air 200, 4 DHC-2 Turbo Beavers, and 8 Bell 206B JetRanger helicopters.

Although flights are temporarily suspended during February, a total of 58,929 passengers are transported through the remainder of the year, along with 182,617 pounds of freight. On revenues of \$16.3 million, the profits are \$1.7 million (operating) and \$395,773 (net).

Seair is merged into **Tyee Airlines** in July **1982** and is henceforth operated as a subsidiary. Traffic and financial data is initially merged with that of its new parent. However, reports resume in **1983**, during which year a feeder arrangement is signed with **Western Airlines** and a total of 102,000 passengers are flown.

In **1984**, services are extended to Iliamna, Prudhoe Bay, and Deadhorse. The fleet is enlarged through the addition of two CV-580s, one DHC-6-300, and one Beech Super King Air 200.

The number of passengers transported rises 43.1% to 146,000.

Two more CV-580s are delivered in early **1985**, along with another Turbo Beaver. Following the January failure of parent **Tyee Airlines**, Seair is forced to soldier on alone.

While on its initial climb away from Prudhoe Bay on a service to Deadhorse on March 12, a DHC-6-300 with two crew and two passengers suffers severe wing icing that causes the Twin Otter to crash-land 900 m. past the end of the runway; there are no fatalities.

The company performs its final revenue flight on January 18, **1986**.

SEAIR PACIFIC (PTY.), LTD. See AIR WHITSUNDAY (PTY.), LTD.

SEAJET: United States (1984–1985). Dissatisfied with management at **Virgin Island Seaplane Shuttle**, one of the three founders, Daniel H. Lewis, sells his interest at the end of September **1984**, electing to begin a competing schedule. Employing a single float-equipped de Havilland Canada DHC-6-300 that had been received on Columbus Day, SeaJet inaugurates a scheduled roundtrip service between St. Croix and St. Thomas on November 1.

The new service is very popular and in early **1985** a second Twin Otter, a Dash-200, is obtained. Before it can be placed into service, however, the Federal Aviation Administration moves in and shuts the company down over safety concerns involving maintenance.

SEALAND HELICOPTERS, LTD.: Canada (1975–1987). Newfoundland entrepreneur Craig Dobbin establishes Sealand Helicopters, Ltd., at St. John's in **1975** and wins the provincial bid award to provide ferry and air ambulance service for a five-year period. Following discovery of the Hibernia oil field off the east coast of Newfoundland in **1979**, the fleet of 29 helicopters is expanded by the purchase of 9 Aerospatiale AS-332 Super Pumas at C\$6 million each for use in support of the offshore development.

Following non-renewal of the provincial ferry and air ambulance contract in **1980**, Sealand swiftly increases its involvement in the offshore oil business in **1981–1984**, capturing 70% of the air transport-related service in Newfoundland and Nova Scotia. Contracts for service are also fulfilled in Trinidad, Colombia, and Brazil.

The fleet in early **1985** includes 7 Aerospatiale AS 332L Pumas, 8 Bell 206B JetRangers, 6 Bell 206L LongRangers. Seven Super Pumas are on order and are received by year's end, raising the company total of this type to 14.

En route from St. John's to the semisubmersible *SEDCO 709* 234 nm. offshore on April 24, **1986**, a Super Puma with 10 aboard is forced to ditch in the ocean close to its destination. No one aboard is injured and the platform's support vessel *Claymore Sea* is able to tow the drifting aircraft to the *SEDCO 709*, which hoists it aboard the ship for transport back to St. John's.

In July, 16-year veteran Ruthanne Page becomes Canada's first female offshore IFR helicopter pilot while in August the company becomes the first helicopter operator to receive Esso Resources Canada, Ltd.'s Three-Star International Safety Award.

Operations continue apace in **1987**. During the summer, the carrier is merged with **Toronto Helicopters, Ltd.** and **Okanagan Helicopters, Ltd.** to form **CHC Helicopter Corporation, Ltd.**

SEAPLANE SHUTTLE TRANSPORT: United States (1976–1977). Seaplane Shuttle Transport is set up at New York City in early **1976** to follow in the wake of **Downtown Airlines**, which had failed the previous July 27. Employing a float-equipped de Havilland Canada DHC-6-200 Twin Otter, Seaplane duly inaugurates daily roundtrips linking its riverfront base with the floatplane base at Philadelphia.

Just like its predecessor, this tiny commuter also encounters unsolvable financial difficulties; it becomes history before the fall of **1977**.

SEATTLE FLYING SERVICE. See **HUBBARD AIR TRANSPORT**

SEATTLE-VICTORIA AIR MAIL LINE. See **HUBBARD AIR TRANSPORT**

SEATTLE-WENATCHEE-YAKIMA AIRWAYS. See **ALASKA-WASHINGTON AIRWAYS**

SECURITY AVIATION: 3600 W. International Airport Road, Anchorage, Alaska 99502, United States; Phone 907 248-2677; Fax 907 248-6911; Year Founded 1962. Security is established at Anchorage in **1962** to operate charter and sight-seeing flights to local and bush destinations. During the 38 years that follow, executive charters are also undertaken. In **2000**, the company employs 14 full-time and 2 part-time pilots who fly a fleet that includes 2 Cessna 441 Conquest IIs, 1 C-T310R Turbo 310, 1 Piper PA-31-350 Navajo Chieftain, and 1 Cessna 550 Citation II bizjet.

SEDALIA-MARSHALL-BOONEVILLE (SMB) STAGE LINES. See **SMB STAGE LINES**

SEDONA SKY TREKS: P.O. Box 10752, Sedona, Arizona 86339, United States; Phone (520) 284-2998; <http://www.skytreks.com>; Year Founded 1994. Tom and Tina Newman establish this tiny charter carrier at Sedona, Arizona, in **1994** to provide air taxi service to communities in its colorful Arizona region, as well as air tours and flight-seeing to the deserts and canyons of the scenic Southwest. Revenue flights begin with 1 each Piper PA-32 Cherokee Six and Cessna 177 Cardinal.

SEDTA (SOCIEDAD ECUATORIANA DE TRANSPORTES AEREOS, S.A.): Ecuador (1937–1941). Pioneer Condor Syndikat promoter Fritz Hammer founds SEDTA at Guayaquil on July 24, **1937**. Majority shareholding is owned by **Deutsche Lufthansa, A.G. (DLH)**, it-

self desirous of additional entrance into the Pacific air transport arena. The German flag line, which must provide total support (except for revenues earned) in the absence of Ecuadorian subsidies, transfers two Junkers W-34s and two Ju-52/3ms, christened *Ecuador* and *Guayas*, to its subsidiary in the spring of **1938**.

On March 4, a W-34 crashes in the mountains, killing all aboard, including founder Hammer. Route development is pushed and service is initiated linking Guayaquil and Quito. Other destinations served by the German cabotage airline include Loja, Cuenca, Salinas, Manta, and Esmeraldas. The Ju-52/3m *Ecuador* is lost in a December 10 accident.

On January 13, **1939**, the *Guayas* is transferred to Sindicato Condor in Brazil, leaving the W-34 *Pinchincha* to maintain the German system until it crashes on September 11. While the *Pinchincha* is under repair, the Ju-52/3m *Azuay* is chartered from Sindicato Condor on November 20.

In May **1940**, SEDTA announces that it will begin flying to the Galapagos Islands. Alarmed by any expansion of German service in South America, the U.S. CAB on November 2, on behalf of the American government, authorizes the giant **Pan American-Grace Airways (PANAGRA)**, with Ecuadorian acquiescence, to begin its own cabotage service within Ecuador, employing the technically superior Douglas DC-2 over routes parallel to SEDTA's. **Pan American-Grace Airways (PANAGRA)** inaugurates DC-2 flights Guayaquil–Quito six days later.

The repaired *Pinchincha* is turned over to the **Sindicato Condor, S.A.** on January 14, **1941**. In February, SEDTA leases another Junkers from Brazil; it joins the *Azuay* in an unequal systemwide contest against **Pan American-Grace Airways (PANAGRA)**'s two speedy DC-2s, beginning on March 16. The Junkers trimotor leased in February is returned at month's end and on April 25 is replaced by another chartered unit, the much-traveled *Aconcagua*.

American pressure on the Ecuadorian government increases in late spring; not only is PANANGRA granted an annual \$180,000 subsidy for airport development, but, starting in summer, SEDTA's aviation fuel supply is stopped. On September 5, the *Azuay* and *Aconcagua* are seized by the government. Without aircraft and fuel, **Deutsche Lufthansa, A.G.**'s SEDTA subsidiary halts operations and its German personnel are withdrawn. The last of the airline's wholly owned prewar South American subsidiaries is finished.

On May 9, **1942**, the Ecuadorian air force hands the *Aconcagua* over to the USAAF. America's only active-duty Ju-52/3m, designated a C-79, is assigned to the U.S. Roads Administration then working in Costa Rica in **1943**, following a tour of duty with the 6th Air Force's 20th Troop Carrier Squadron. After the war, the aircraft passes to **TACA de Nicaragua, S.A.** and is lost in a crash at Monte Carmelo in **1948**.

SEEMAFAER, S.A./SAFAIR (COMPAGNIE DE TRANSPORTS AERIENS): France (1976–1986). Privately owned Seemafer, S.A. is established at Aerodrome Nice-Cote d'Azur in March **1976** to operate cargo charters to various destinations in southern Europe, the Mideast, and the Mediterranean. President Francis Lemonnier and General Manager Pierre Bodin recruit a workforce of 30 and purchase a fleet comprising 4 Douglas DC-6As, 1 DC-4, and 1 Aviation Traders ATL-98 Carvair.

The company is reorganized in February **1980** as a public stock company; the principal base is moved to Nantes. Services continue, although by **1984–1985**, the fleet has been upgraded to include a Douglas DC-8-55F and two Lockheed L-100-30 Hercules freighters. The company stops flying in **1986**.

SEMO AIRWAYS: United States (1969–1984). Semo is established in **1969** as the scheduled airline division of Semo Aviation, an FBO at Malden, Missouri, to offer scheduled air taxi flights linking the company's base with Poplar Bluff, St. Louis, and Sikeston. Operations duly commence and are continued apace for the remainder of the decade and into the **1970s** with a fleet of 1 Piper PA-23 Aztec, 1 PA-31-310 Navajo, 5 Beech 18s, and 1 de Havilland DH 114 Heron. These also undertake contract mail flights throughout the state and to Memphis and Little Rock.

Enplanements reach 9,689 by 1980. The fleet is reconstituted in 1981 as passenger boardings plunge 54.9% to 6,079. Gone are the earlier aircraft, replaced by two Beech 99s.

The traffic disaster continues in recessionary 1982 as customer bookings plunge 45.7% to just 3,302. Cargo figures are worse, down 87.5% to 9,000 pounds.

Enplanements decline again in 1983, dipping 8.3% to 3,028. Freight rallies, however, up 77% to 16,000 pounds.

After 3 years of bad business, Semo closes its doors in the fall of 1984, having transported 2,220 people on the year for an ironic 25.3% traffic increase.

SEMPATI AIR: Indonesia (1986–1998). Formed at Jakarta in December 1968 as a wholly owned subsidiary of the Truba Group (Tri Usaha Bhakti), the Indonesian Army foundation, to offer nonscheduled passenger and cargo services, Sempati Air Transport begins revenue operations in March 1969 with a single Douglas DC-3. With a staff of 40, the airline's plane is employed flying workers and equipment to energy (oil) sites in Sumatra, Kalimantan, Sulawesi, and Java.

During the early 1970s, three Fokker F.27 turboprops, given a black, white, and red livery, are acquired, beginning with the *Kurnia*. Destinations visited include points in Indonesia as well as Bangkok, Phnom Penh, and Saigon. By 1973–1974, the Friendships are also flying to Manila, Singapore, and Kuala Lumpur.

Chairman/President Dolf Latumahina's 40-employee firm leases a Boeing 707-320C and begins regularly scheduled flights linking Jakarta with Denpasar (Bali) and Tokyo in 1975. The line's Tokyo license is suspended by the government when **Garuda Indonesian Airlines** begins serving the Japanese capital.

Operations continue apace in 1976–1977 and enplanements in the latter year reach 75,379. Revenues are \$490,000 and a net loss of \$476,556 is suffered.

Airline employment stands at 150 in 1978. Late in the year, Sempati abandons scheduled long-haul operations to Tokyo and Manila, returns its Boeing, and resumes its role as a regional carrier with its three Fokkers.

Passenger boardings since January are up 25.1% to 100,640 and freight traffic has grown by 5.8%. Operating income climbs to \$3.8 million and the net loss is down to \$72,263.

Operations continue apace through the remainder of the decade.

By the middle of the 1980s, the fleet of the quiet charter operator comprises 6 F.27s supported by 170 workers. After the government relaxes the laws regulating private jet operators in 1984, Sempati Air Transport begins planning for the introduction of scheduled flights, hopefully beginning in 1985. Although this goal is not realized, in 1986–1988, services are provided to Pontianak, Pengkai, Tumbang, Singkap, Tanjung, and Pekanbaru.

In 1989, the fleet includes 7 F.27s and Sempati employs 185 workers. The army foundation Tri Usaha Bakti sells 35% shareholding to timber tycoon Bob Hasan and 25% to the Humpuss Group, a private concern controlled by President Suharto's youngest son, Hutmo Mandala Putra. The equity sale raises in excess of Rp 20 billion (\$10.7 million) in new capitalization.

The longtime charter carrier elects to provide scheduled services in 1990. The revamped Indonesian carrier, now known simply as Sempati Air, becomes the first private airline in the nation's history to receive licenses to import new jetliners. Orders are placed with GPA Group in June for the lease of six Fokker 100s, the first of which arrives in August.

A total of 57,468 passengers are flown, along with 211,000 FTKs.

The workforce is increased by 2.2% in 1991 and two F.27s are retired. Traffic figures are reported only for the first five months. These show enplanements of 237,645 and a total of 1.95 million FTKs are operated.

While on a training flight near Banyuwangi on June 5, both engines of an F.27-600 with two crew lose power, causing the aircraft to crash and break up; both flyers are killed.

In July, the second Fokker 100 is acquired by lease and is followed by the other four during the next six months. Permission is also received to launch international service in competition with **Garuda Indonesia** and also in July, flights begin from Jakarta to Singapore twice daily, along with frequencies from Sumatra to the Malaysian communities at Malacca, Kuala Lumpur, and Penang. Permission is sought to acquire seven previously used B-737-200s.

The payroll is sliced 2.1% in 1992 to 185 as Hasan Soedjono becomes president. The fleet is further enhanced by the delivery of six Boeing 737-281s and flights are inaugurated to Perth, Australia, and Taipei and Kao-hsiung, Taiwan.

Statistics are reported through July and show an increase in passenger boardings to 690,277. Freight also climbs, by 21.8%, to 3.42 million FTKs.

The fleet is increased in August 1993 via the addition of three leased Airbus Industrie A300B4-203s, formerly operated by **Pan American World Airways (1)**. Singapore joins the international route network.

Again, figures are available for only the first half-year. Customer bookings are up a whopping 54% to 891,196, but cargo is down 11.4% to 2.85 million FTKs.

Plans are made throughout 1994 for the introduction of the first Fokker 70 into service during the spring of 1995. Fokker Friendship service is inaugurated from Jakarta to Christmas Island. To assist in capacity requirements to the new destination, the Fokker F28.4000 *Kurau* is leased from **Pelita Air Services**.

Through November, customer bookings accelerate 42% to 2,719,890 while cargo skyrockets 132.3% to 13.87 million FTKs.

Airline employment increases 69.5% in 1995 to 3,186. Just after landing at Jakarta after a January 16 service from Denpasar, Flight 416, a B-737-281 with 6 crew and 51 passengers, overruns the runway by 100 m. and its landing gear collapses. There are no injuries reported.

The first two Fokker 70s are delivered in early March and enter service a month later. Two important commercial pacts with foreign carriers begin in the spring.

Joint weekly flights commence four times per week in April with **SilkAir (Pty.), Ltd.**; the route between Lombok and Singapore will be performed exclusively by the **Singapore Airlines, Ltd.** subsidiary employing a Fokker 100. In May, **British Airways, Ltd. (2)** concludes special arrangements that will help its passengers make connecting flights in Indonesia.

Enplanements for the year total 4,889,000. Profits of \$10.3 million are posted.

The workforce is increased another 6.7% in 1996 to 3,400. The F.27-600 *Jayapura*, leased from **Trigana Air Services**, is involved in an accident at Jakarta on May 14 when it strikes the wing of a parked F.28. A fourth A300B4-203 is acquired during the summer. The previous year's good traffic fortune is not repeated. Santun Nainggolan becomes president in December.

Passenger boardings drop 4.8% to 2,623,739 and 23.67 million FTKs are operated, a 5.4% decline.

Catastrophic forest fires and the Asian economic crisis have a significant impact during 1997. Although the pact with SIA remains intact, the carrier is forced to halt services on 10 domestic and 4 international routes, including those to Taiwan and Malaysia.

During the spring, Sempati halts its competition with **Garuda Indonesia** and enters into a strategic agreement with its former rival instead; the arrangement includes code-sharing, joint pricing and purchasing, and schedule coordination.

Just after takeoff from Bandung on July 17 on a flight to Jakarta, Flight 304, the F.27-600 *Jayapura* with 5 crew and 45 passengers and leased from **Trigana Air Services**, develops engine problems. The pilot attempts to make an emergency landing at Sulaiman AB, but the turbo-prop crashes through roofs and walls of a housing project before coming to rest in a muddy field, breaking up and catching fire (29 dead).

The last F.27, *Anugerah*, remains in service, flying from Bali Island to Lombok Island. It is reported in August that the company is over \$300

million in debt. Negotiations concerning a possible equity investment begin with **Singapore Airlines, Ltd.**

President Nainggolan is ousted in September as former **Mandalay Airlines** CEO Gen. Subagio is elected to replace him. President Suharto's son Putra continues to hold 15% equity through the Humpuss Group, but now gains a further 40% via the Malaysian concern Asean Aviation, which takes a significant stake.

Indonesian aviation policy wavers during the national currency and economic crisis in the opening months of **1998**. In an effort to avoid bankruptcy, the carrier, during the first quarter, lays off 60% of its workforce. Unhappily, following nonpayment of maintenance and lease fees, two of its four A300B4-203s are impounded in Malaysia.

The company now operates only three B-737s to increasingly fewer destinations. Despite the slashing of fares by 40%, load factors of 30% or less become normal.

In late spring, Jakarta is rocked by political demonstrations and on May 21, President Suharto resigns. With the entire family in disrepute, including his younger son and Sempati's principal shareholder, the airline faces disaster. Even with emergency fiscal assistance, Sempati, which had once featured a 25-plane fleet with 25 international destinations, is forced to close on May 31.

SEMPATI AIR TRANSPORT. *See* SEMPATI AIR

SENATOR AVIATION CHARTER, GmbH.: Cologne Airport, Hangar 3, Cologne, D-51147, Germany; Phone 49 (2203) 955 830; Fax 49 (2203) 955 839; <http://garnet.acns.fsu.edu/~rpp3657>; Year Founded 1985. Senator is established at Cologne in 1985 to provide executive and small group passenger charters throughout Germany and Northwest Europe. Air taxi, cargo, and air ambulance flights are also performed.

In 1992, a base is also established at Berlin's Tempelhof Airport. By 2000, General Manager Michael Hitgen operates 3 Learjet 35A Century IIIs from Cologne and 1 Beech Super King Air 200 from Berlin.

SENECA FLIGHT OPERATIONS: 2521 Bath Road, Penn Yan, New York, 14527, United States; Phone (315) 536-4471; Fax (315) 536-4558; Year Founded 1956. The corporate carrier Seneca Flight is established at Penn Yan in 1956 to operate aircraft on behalf of various businesses and corporations in New York State.

Tom Cook is director of flight services 44 years later and he schedules a mixed fleet of turbojet and propeller aircraft to destinations within the U.S. and worldwide. The aircraft available include 1 each Cessna 500 Citation I, C-550 Citation II, C-650 Citation III, Dassault 50, Beech 58 Baron, and Beech King Air 90.

SEOUL AIR INTERNATIONAL, LTD.: P.O. Box 10352, Seoul, 100699, South Korea; Phone 82 (2) 699 0991; Fax 82 (2) 699 0954; Code SHI; Year Founded 1972. SAI is established at Seoul in 1972 to offer third-level commuter services to domestic locations. This mission remains unchanged and by 2000 President S.Y. Roh's small carrier is flying to national and regional locations with a pair of British Aerospace BAe Jetstream 31s.

SEPIK AIR CHARTERS (PTY.), LTD. *See* TERRITORY AIRLINES (PTY.), LTD.

SERCA (SERVICIO DE CARGA AEREA, S.A.): Costa Rica (1981–1994). SERCA is founded as a private, all-cargo airline at San Jose in 1981 to offer regular charter and contract services flights to Miami. Initial services are started with a Convair CV-880 freighter, christened *The Bullet*, and a Douglas DC-8-55F. A decade later, President Capt. Vicente Perez Alvarado's 20-employee carrier maintains the same services with a pair of Convair CV-880Fs.

A third Convair freighter arrives in 1992. Financial losses mount throughout 1993, forcing the company to shut its doors in 1994.

SERCA (SERVICIO ESPECIALIZADO DE CARGA AEREA, S.A.): Colombia (1992–1993). SERCA is established at Bogota in 1992 to offer ad hoc all-cargo services to worldwide destinations. President Capt. Vincente Perez Alvarado, whose company is a subsidiary of his San Jose-based operation, recruits a workforce of 20 and obtains a pair of Convair CV-880Fs and a Sud Est SE-210 Caravelle XB3, previously operated by **Sterling Airways, A.S.**, with which to initiate services.

While landing at Cayenne on May 6, 1993 on a positioning flight, the undercarriage of the Caravelle XB3 with four crew collapses and the fuselage fails fore and aft of the wing; there are no fatalities.

Unhappily, the accident and recession fatally impacts the new entrant, which is unable to gain viability and is forced to shut down.

SERENDIP AIRWAYS, LTD.: Sri Lanka (1980–1986). Serendip is formed in 1980 as a joint enterprise by the Maharaja business organization and **Malaysia Air Charter, Ltd.** Employing a Shorts SC-7 Skyvan and later a Shorts 360, the domestic carrier, employing Malaysian flight personnel, undertakes to link Colombo with Jaffna, Batticaloa, Minneriya, and Trincomalee. The failure of MAC in 1986 brings ruin to Serendip.

SERIB WINGS, S.p.A.: Italy (1991–1995). Serib Wings is established in 1991 to offer scheduled third-level passenger services to domestic and regional destinations. Operations commence with 1 each Fairchild-Swearingen Metro and Metro II, the former leased from **Air Vendee, S.A.**

The Metro is withdrawn in 1993 as a consequence of Air Vendee's merger into **Regional Airlines, S.A.** It is replaced during 1994 with a pair of leased British Aerospace BAe Jetstream 31. The two new turboprops are equipped to handle both passengers and cargo. During the summer, the BAes inaugurate night newspaper deliveries.

New roundtrip service is inaugurated in the spring of 1995 between Rome and Vicenza. The carrier is unable to maintain its viability and closes down before the end of the year.

SERVICE DE L'AERONAUTIQUE CIVILE, S.A. (SAC): France/Madagascar (1937–1941). On September 1, 1937, the newly formed **Air Afrique, S.A. (1)** acquires the international route of Madagascar-based **Regie Malagache, S.A.** Domestic services, however, are turned over to this new operator, which is equipped with the SPCAs and two Bloch 120s previously flown by RM.

The scheduled network consists of two major roundtrip routes: Tananarive to Ihosy via Morondava, Tulear, and Fort Dauphin, and Tananarive to Maroantsetra via Majunga and Deigo Suarez.

Flights continue until February 1941 when Vichy France creates the new state carrier **Reseau Aerienne Francaise, S.A.**

SERVICE DE LA NAVIGATION AERIENNE DE MADAGASCAR, S.A. *See* REGIE MALAGACHE, S.A.

SERVICE DE TRANSPORTES AEREOS, S.A.: Sao Tome and Principe (1949–1974). STA launches roundtrip service between Sao Tome and Principe in 1949 employing a single de Havilland DH 82 Tiger Moth. During the first years of the 1950s, frequencies are undertaken to Porto Alegre and from Principe to Santa Isabel. By 1956, the fleet includes the Tiger Moth, plus 3 DH 89A Dragon Rapides and 1 Auster Autocar.

Its aircraft all but worn out and in need of repair, the company suspends services in 1957 and places an order for a DH 114 Heron 2. With the arrival of the Heron 2, flights resume in early 1959.

Financial and technical difficulties will cause STA to stand down between November and December 1960 and again in September 1961.

During the years that remain in the decade, service to Santa Isabel is suspended. Altino A. Gromicho becomes general manager and is able to insure that the company operates without further technical problems.

In 1970, Gromicho purchases a Piper PA-31-350 Navajo and retires the Dragon Rapides. Navajo and Heron 2 flights continue until 1974.

SERVICE DE TRANSPORTS AERIENS REGIONAUX, S.A. (STAR): Belgium (1947–1949). STAR is set up at Leopoldville in 1947 to provide scheduled services throughout the Belgian Congo. The Israeli owners are able to obtain a license from the colonial government and to inaugurate services with a fleet comprising one each WACO biplane and de Havilland DH 82 Tiger Moth, plus four Anson 652As.

The owners have visions of competing with the other small companies active in the Congo at this time, to say nothing of **Sabena Belgian World Airlines, S.A.** Unhappily, financial problems are such that passenger and cargo services are severely limited. Mail is the only commodity flown regularly, from Costermansville to Goma. Customers are flown only on demand and then only to Kigoma and Dar es Salaam.

When Sabena receives authority over all Congo domestic services in April 1949, STAR quickly closes its doors.

SERVICIO ACOREANO DE TRANSPORTES, S.A. See SATA (SERVICIO ACOREANO DE TRANSPORTES, S.A.)

SERVICIO AEREO A TERRITORIOS NACIONALES, S.A. See SATENA (SERVICIO AEREO A TERRITORIOS NACIONALES, S.A.)

SERVICIO AEREO BAJA, S.A. de C.V.: Mexico (1958–1971). This third-level operation is set up at Tijuana in 1958 under the name Francisco Munoz Cebellos. Using single-engine Cessnas, a Baja California route network is established and other points are served. Frequencies flown include Tijuana to Bahia de los Angeles, Guerrero Negro, Mulege, and Puerto Vallarta, Tijuana to Los Mochis via Navojoa, and direct Tijuana to Mexicali.

During the 1960s, the company name is changed. Unable to compete effectively against the commuter confederation established by **Aeronaves de Mexico, S.A. de C.V.**, the carrier halts revenue operations in 1971.

SERVICIO AEREO COLOMBIANO, S.A. See SACO (SERVICIO AEREO COLOMBIANO, S.A.)

SERVICIO AEREO DE HONDURAS, S.A. See SAHSA (SERVICIO AEREO DE HONDURAS, S.A.)

SERVICIO AEREO DE TRANSPORTES COMMERCIALES, S.A. See SATCO (SERVICIO AEREO DE TRANSPORTES COMMERCIALES, S.A.)

SERVICIO AEREO GOMEZ MENDEZ, S.A. de C.V.: Mexico (1953–1966). Manuel Gomez Mendez forms this short-haul operation at Chilpancingo in March 1953 and employing a single Cessna 170, begins flying to various local destinations in Guerrero state. In the 1950s, the route network is increased somewhat, with a significant stop being established at Puebla; the fleet is upgraded through the addition of a Beech C-45, a military version of the Model 18.

On March 6, 1962, Gomez Mendez is granted rights to fly from Mexico City to Apatzingan in Michoacan state; although retaining the Beech, he consequently now sells his Guerrero air taxi permits to Elias Naime. Later in the year, he is awarded concessions that allow him to add Uruapan, Colima, and Manzanillo on his route map. These new services require additional capacity and thus a Douglas DC-3 is purchased from **Mexicana Airlines, S.A. de C.V.**

In March 1963, Gomez Mendez completes a transcontinental route by extending his flights to Guadalajara and Tuxpan. Another DC-3s is acquired, allowing one to be placed on each end of the route. Puerto Vallarta joins the network in August 1964 and another DC-3 is obtained from failed **Aerovias Rojas, S.A. de C.V.**

The operation is formally incorporated late in 1965 and in September 1966 the government grants Gomez Mendez permission to exchange equipment and services with Fernando Barbachano's Cozumel-based

Aero Safari, S.A. de C.V. Finding themselves compatible, the two owners fly to London, conduct negotiations, and on November 1, combine their companies into a new airline, **Aeromaya, S.A. de C.V.**

SERVICIO AEREO LEO LOPEZ, S.A. de C.V.: Apartado Postal 586, Chihuahua, 31000, Mexico; Phone 52 (14) 154454; Fax 52 (14) 159293; Code SA; Year Founded 1943. Pilot Leo Lopez Talamantes establishes an air taxi operation at Chihuahua in 1943 to provide non-scheduled charter flights to mining camps and small cities in the region. Employing a variety of single engine aircraft which, in the beginning, land at small airstrips built by Sr. Lopez, the tiny company continues without change for the next 45 years.

In 1988, the decision is taken to launch scheduled passenger and cargo service to surrounding communities. A Fairchild-Swearingen Metro III is acquired and in January 1989 flights commence linking the carrier's base with Los Mochis and the Texas city of El Paso, where a new U.S. hub has been established.

By 1993, the fleet of President Geopoldo Lopez Grayeb's third-level operation comprises 2 Swearingen Metro IIIs, 2 Cessna 208 Caravan Is, and 2 Cessna 402s. Flights continue in 1994, although 1 Metroliner is withdrawn.

Flights continue in 1995–2000, during which years one Cessna 402 is removed.

SERVICIO AEREO NA AMERICA DO SUL E PARA A EUROPE. See SYNDICATO CONDOR, S.A.

SERVICIO AEREO TERRITORIAL DE SANTA CRUZ, S.A.: Argentina (1934–1945). The government of the Territory of Santa Cruz establishes a base of support in 1933 and early 1934 for regular air services in southern Patagonia. In the spring of the latter year, Servicio Aereo Territorial de Santa Cruz is formed at Rio Gallegos and equipped with a Lockheed Model 5 Vega 1. Services are inaugurated to a variety of small communities on May 31.

The carrier's single aircraft is lost in a crash at Condor on July 11, 1935. Not wishing to see the operation abandoned, the Argentine Navy now provides a Huff Daland Pelican biplane that resumes the service in the spring of 1936.

Two years later in 1938, **Aeroposta Argentina, S.A.** contributes one of its older French-made Latecoere 25s. The carrier's two aircraft maintain links between Rio Gallegos and the smaller Santa Cruz towns until 1945, when the operation is taken over by **Aeroposta Argentina, S.A.**

SERVICIO AEREO VARGAS ESPANA, S.A. (SAVE): Avenida La Barranca, Hangar 90, Aeropuerto El Trompillo, Santa Cruz de la Sierra 1605, Bolivia; Phone (3) 533834; Fax (3) 521247; <http://www.save-bolivia.com>; Year Founded 1972. Privately owned SAVE is formed by retired Bolivian Air Force Maj. Hugo Vargas Espana in 1972 as an air taxi service that operates primarily in support of the petroleum industry. Initially employing Piper PA-34 Seneca Is and Cessna 310s, SAVE flies workers and executives from Texaco, Chevron, Occidental Petroleum, AMOCO, and AGIP Italian and over 15 other firms to destinations around the country.

On February 28, 1975, President Espana is granted a government license to offer nonscheduled services and begins utilizing a Beech 55 Baron. A Beech Kng Air 90 is also acquired.

In 1985, the company enters into a 12-year relationship with Treasure Petroleum Company-Bolivia. The substantial new contract allows the fleet to be upgraded and Beech 99s are brought in to meet the needs of the new employer. The company also sets up an emergency aeromedical division to fly medevac flights in both Bolivia and Brazil.

Authority to offer scheduled third-level domestic passenger services is received on December 27, 1996. Initially employing Beech 99s, later supplemented with Beech 1900Cs, the carrier begins flights that will take it to La Paz, Riberalta, Guayaramerin, San Borja, Trinidad, Magdalena, Cochabamba, Camiri, Villamontes, and Tarija.

SERVICIO AEREOS PANINI, S.A. de C.V.: Mexico (1934–1948). Clay mining executive and amateur pilot Carlos Panini, an Italian immigrant, forms Servicio Aereos Panini at Hidalgo in 1934. A government permit is obtained in 1935 for service from Mexico City to Morelia via the Rio Balsas valley. Two Buhl CA-6 trimotors are purchased in the spring of 1936 and one flown by Felipe Garcia initiates flights in September over the carrier's circuitous Ruta del Balsas. Four Travel Air 6000Bs are acquired in 1937.

The carrier's first route expansion comes in 1939 when Colima and Guadalajara are first served. Two Douglas DC-2s are received in 1940. A major base is constructed in Mexico City during 1941, with a secondary one at Morelia; the fleet is increased by the addition of three more Buhls.

Manzanillo, on the Pacific coast, becomes a stop in July 1942; in October, service is started from Mexico City to Durango. Ometepe joins the route network in 1943. During 1944, the Buhls are replaced by two Boeing 247s and a B-24D and flights are launched from Guadalajara to Monterrey via Zacatecas. Reynosa on the U.S. border receives Panini's attention in 1945, as flights begin arriving from Guadalajara.

Four more B-247Ds join the fleet in 1946 and in July 1947 a permanent concession is granted for the Mexico City–Durango route; lack of traffic and difficulties in the U.S.-Mexico bilateral discussion lead to a suspension of the Guadalajara–Reynosa services. In the fall, flights begin Durango–Sinaloa. A Boeing crashes and the tragedy allegedly causes Panini to decide to quit the airline business.

In 1948, Carlos Oriani, purchases the carrier for a reported 1.5 million pesos and merges it into his **Aerovias Reforma, S.A. de C.V.**

SERVICIO AEREOS RIO NEGRO, S.A.B.: Argentina (1968–1975). This one-plane carrier is set up at Bariloche in 1968 to offer a variety of nonscheduled freight and passenger services with a single Douglas DC-3. Ad hoc flights continue sporadically until 1975 when the owner shuts his doors. The plane is parked in the grass just off the runway of San Justo Airport, outside Buenos Aires.

SERVICIO DE AERONAVAGACION A TERRITORIOS NACIONALES. See SATENA COLOMBIA AIRLINES

SERVICIO DE CARGA AEREA, S.A. See SERCA (SERVICIO DE CARGA AEREA, S.A.)

SERVICIO ESPECIALIZADO DE CARGA AEREA, S.A. See SERCA (SERVICIO ESPECIALIZADO DE CARGA AEREA, S.A.)

SERVICIOS AEREOS, S.A. See SASA (SERVICIO AEREOS, S.A.)

SERVICIOS AEREOS AVILES, S.A. de C.V.: 5 de Mayo #2605, Colonia Centro, Mazatlan, 82000, Mexico; Phone 52 69 81 60 50; Fax 52 69 15 65 98; Year Founded 1968. Capt. Roberto Aviles establishes this small air taxi at Mazatlan in 1968 to offer passenger and freight flights into the surrounding area. By 2000, the company employs 2 each full-time and part-time pilots and operates 1 each Cessna 172 Skyhawk, C-337 Super Skymaster, and C-401.

SERVICIOS AEREOS BOLIVIANO, S.A.: Bolivia (1970–1987). SAB is established at La Paz in 1970 to operate all-cargo services, including chilled-beef flights. Revenue flights commence with a single Curtiss C-46 Commando. A second Curtiss and an ex-military Boeing B-17 converted into a freighter are acquired in March 1971.

Flights will continue for another 17 years and the C-46 fleet will eventually total 5 machines, although fewer than 3 are ever simultaneously operated.

SERVICIOS AEREOS CONDOR, S.A. See SYNDICATO CONDOR, S.A.

SERVICIOS AEREOS CURTISS, S.A.: Bolivia (1969–1973). Following the demise of **Rutas Aereas Unica, S.A.** in 1969, this new Cochabamba-based company takes over its Curtiss C-46 Commando freighters, after which it is named. The all-cargo airline will eventually have a fleet of 5 such aircraft, although fewer than 3 will ever be operated simultaneously. Flights cease in 1973.

SERVICIOS AEREOS DE CHIAPAS, S.A. de C.V. See SACSA (SERVICIOS AEREOS DE CHIAPAS, S.A. de C.V.)

SERVICIOS AEREOS DE MICHOACAN, S.A. de C.V. See SAM (SERVICIOS AEREOS DE MICHOACAN, S.A. de C.V.)

SERVICIOS AEREOS DEL ORIENTE, LTDA. (SAO): Lado Aeropuerto Internacional, El Alto, La Paz, Bolivia; Phone (2) 810081; Year Founded 1977. SAO is set up as the nonscheduled all-cargo operation Universal (Transportes Aereos Universal, Ltda.) at La Paz in 1977. Flights begin without incident or headline and at an unknown point during the following years, the company is renamed. In 2000, Estefan Acha is manager and he oversees the flights of 2 Curtiss C-46 Commandos.

SERVICIOS AEREOS ESPECIALES, S.A. See SAESA (SERVICIOS AEREOS ESPECIALES, S.A.)

SERVICIOS AEREOS LITORAL, S.A. de C.V. See AEROLITORAL, S.A. de C.V.

SERVICIOS AEREOS MADERO, S.A. de C.V.: Mexico (1961–1969). Established at Chihuahua in 1962, this commuter offers single-engine flights from that city to Nogales via Nuevo Casas Grandes and Cananea. On-demand stops are also made at other points in Chihuahua state.

The government's Aeronaves Alimentadoras compact brings a level of competition against which the carrier cannot compete and thus it ceases flying in 1969.

SERVICIOS AEREOS NACIONALES, S.A. See SANSa (SERVICIOS AEREOS NACIONALES, S.A.)

SERVICIOS AEREOS PATAGONIAS, S.A.: Sand Martin 57, Viedma, Rio Negro, 8500, Argentina; Phone 54 (920) 21330; Fax 54 (920) 23990; Year Founded 1991. Established to serve the Patagonian region of southern Argentina, SAPSA begins charter passenger and express flights in 1991, employing two leased Fairchild Metro IIIs. A Rockwell 690A is placed into service during 1992, followed by one more Metro III and a Metro II in 1993. Operations continue in 1994 and enplanements total 1,034.

Airline employment stands at 50 in 1995. The company's 5 aircraft transport a total of 15,281 passengers, a huge 67.7% increase.

Flights continue in 1996–2000, during which years President Rail Berola acquires a Cessna 402C.

SERVICIOS AEREOS PETROLEROS, S.A. (SAPSA): Hangar 40, Casilla 960, Aeropuerto El Trompillo, Santa Cruz de la Sierra, Bolivia; Phone (3) 538317; Fax (3) 555800; Year Founded 1953. First known as YPFB Transportes Aereos, S.A., SAPSA is established at Santa Cruz de la Sierra in 1953 to provide charter lift for energy and mining industry workers. Flights continue without headline or incident for almost a half-century.

Rene Artez Hurtado is manager in 2000 and he oversees the work of 20 people. The fleet now includes 1 each Aero Commander 890A, de Havilland Canada DHC-6-300 Twin Otter, and Dornier 228-202.

SERVICIOS AEREOS PINTO, S.A.: Bolivia (1989–1990). SAP is established at La Paz in 1989 to offer scheduled passenger and cargo

flights to local and regional destinations. Revenue services commence with a single Beech 99.

Unable to achieve economic viability, the company folds in **1990**.

SERVICIOS AEREOS PROFESIONALES, S.A.: Aeropuerto de Herrera, Ave. Luperon, Santo Domingo, Dominican Republic; Phone (809) 565-2448; Fax (809) 540-4667; <http://www.sapair.com>; Year Founded 1981. The Dominican SAP is established by Jose Miguel Patin Hernandez at Santo Domingo in **1981** to offer local charters and executive passenger services with a single de Havilland Canada DHC-6-100 Twin Otter. Over the next decade, several small Cessnas and a Britten-Norman BN-2 Islander also enter service.

A DHC-6-300 is acquired in **1992**. Over the next seven years, SAP becomes the only carrier in the Dominican Republic certified by the U.S. FAA to offer regular Part 135 services into the U.S. Meanwhile, the fleet is increased by the addition of seven Let 310s and an Embraer EMB-120P1 Bandeirante.

Executive and small group passenger charters are also offered to destinations throughout the Caribbean, Central, and South America.

By **1999**, President Hernandez employs 30 pilots, many expatriate Americans, Canadians, Norwegians, Swedes, Italians, and native Dominicans. His fleet now includes 2 Twin Otters as well as 7 Let L-410s, 2 Shorts 360-200s, 3 Beech 1900Ds, 1 Grumman G-1159 Gulfstream I bizjet, 2 Islanders, 3 Cessna 172K Skyhawks, 2 C-206 Stationaires, 1 Bandeirante, and 1 C-210.

During the first quarter, a homepage is opened on the Internet's World Wide Web.

International destinations visited in **2000** include Curaçao, Bahamas, Aruba, Caracas, Isla Margarita, St. Lucia, Barbados, Martinique, Guadeloupe, Antigua, St. Martin, Puerto Rico, Haiti, Montego Bay, Providenciales, Miami, Orlando, and Cancún. In the Dominican Republic, service is offered to Punta Cana, La Romana, Portillo, Puerto Plata, and Santo Domingo, while Holguin, Varadero, Camaguey, Havana, and Santiago in Cuba are also visited.

SERVICIOS AEREOS REGIONMONTANOS, S.A. de C.V.: Av. General Anaya 601 Pte., Colonia Bella Vista, Monterrey, 64410, Mexico; Phone 52 83 28 62 80; Fax 52 83 28 62 40; Year Founded 1969. SAR is established at Monterrey in **1969** to offer executive and small group passenger charters and air taxi flights. By **2000**, the company has also opened a base at Toluca. It now employs 10 full-time and 8 part-time pilots and operates 2 British Aerospace (HS) 125-800 Hawker bizjets, 1 Piper PA-23-250 Aztec, and 1 Dassault Falcon 10.

SERVICIOS AEREOS SOLIS, S.A. de C.V.: Mexico (1959-1969). Another victim of the government's 1968 Aeronaves Alimentadoras compact that closes it in **1969**, Servicios Aereos Solis is formed at Oaxaca in **1959** to offer smallplane flights from that city to Playa Vicente and other on demand stops in the state of Oaxaca.

SERVICIOS AEREOS ZARATE, S.A. de C.V.: Mexico (1938-1942). Enrique Zarate forms Servicios Aereos Zarate in **1938** to compete with Capt. Louis Melgosa's **Taxi Aereo de Oaxaca, S.A. de C.V.**, providing cargo and passenger charters in the same general area as Melgosa. The fleet flagship is a former **United Air Lines** Boeing 247D.

Following the death of Zarate in the crash of a Travel Air, the assets of his company are acquired in **1942** by **Aeronaves de Mexico, S.A. de C.V.** then backed by **Pan American Airways (PAA)**.

SERVICIOS AMERICANOS: United States (1965-1968). Operationally established by Robert Becker at Miami on an officially legitimate basis in late **1965**, this company inaugurates nonscheduled services to destinations in South America with a single Curtiss C-46 Commando. The aircraft crashes near Asuncion, Paraguay, on March 21, **1966** (three dead); investigators find the wreckage loaded with contraband cargo.

Becker acquires a second Commando and continues operations until

1968 when U.S. Customs seize the aircraft and put the smuggling operator out of business.

SERVICIOS DE AEROTAXIS E ABASTECIMIENTO DE VALE AMAZONICA, LTDA. See **SAVA (SERVICIOS DE AEROTAXIS E ABASTECIMIENTO DE VALE AMAZONICA, LTDA.)**

SERVICIOS DE TRANSPORTES AEREOS FUENGINOS, S.A. See **STAF (SERVICIOS DE TRANSPORTES AEREOS FUENGINOS, S.A.)**

SERVISAIR, S.A.: Belgium (1989-1990). Servisair is founded at Brussels in **1989** to provide passenger and cargo charter services with a fleet of 3 Embraer EMB-110P Bandeirantes and 4 Fokker F.27Fs. Operations continue until the spring of **1990** when the carrier is purchased by and merged into **British Air Ferries, Ltd.**

SERVIVENSA, S.A.: AP 943 Avenida Universidad, Edif 29, Esquina El Chorro, Torre El Chorro, Caracas 101, Venezuela; Phone 58 (2) 561-3366; Fax 58 (2) 563-9696; <http://www.avensa.com.ve>; Code VC; Year Founded 1991. Founded at Caracas in **1991** as a subsidiary of **AVENSA (Aerovias Venezulanass, S.A.)**, Servivensa inaugurates charter passenger and inclusive-tour flights to regional and international destinations. Revenue operations commence with a fleet of 15 aircraft, mostly acquired under lease from the parent company: 8 Douglas DC-9-31s, 3 DC-9-32s, 2 DC-9-51s, and 1 each Boeing 727-227 and B-727-2D3A.

Operations continue apace in **1992** and statistics are reported for the Boulton Group-owned enterprise for the first half of the year. These show enplanements of 415,794 while 502,000 FTKs are operated. Several DC-3s are also obtained for operations into bush locations.

The fleet in **1993** is substantially increased in order to allow for domestic flights, in addition to those already operated. Now available are 4 Beech King Air 90s, 1 Douglas C-47A (military DC-3), and 1 Super King Air 200. As 2 DC-9-31s are retired, the jet fleet is increased by 4 B-727-22s and 1 each B-727-27, B-727-35, B-727-114, B-727-2M7A, and B-727-281A. These are employed to inaugurate low-cost, low-fare services.

Just after landing at Ciudad Bolivar on July 19, a DC-9-32 with 5 crew and 60 passengers hydroplanes off the runway by 150 m., losing its nosegear. There are no injuries reported.

During the first 9 months of the year, a total of 1,192,875 travelers are flown.

During the spring of **1994**, Servivensa successfully replaces **AVENSA (Aerovias Venezulanass, S.A.)** on the Venezuela to Miami shuttle, with market share increasing from 7% to 45%. Plans are made to have the carrier take over all of AVENSA's international operations.

Through September, passenger boardings are down 8.6% to 1,098,412, but freight is up 3.4% to 6.17 million FTKs.

While just 2 km. short of landing on the runway at Cerro Hiaiche, Venezuela, on December 17, the C-47A with 3 crew and 6 passengers hits trees on the side of a hill with its wing, veers right, and crashes (7 dead).

In October **1995**, a passenger and cargo joint service begins with **Mexican Airlines, S.A. de C.V.** over a route from Caracas to Mexico City via Panama City. The fleet is increased in **1996-1997** by the addition of 1 each B-727-227, B-727-2D3A, and DC-9-51. Additional AVENSA replacement services are undertaken.

While returning to Canaima National Park Airfield on October 2, **1998**, after a flight over the Angel Falls, the nation's top tourist attraction, a chartered DC-3C with 3 crew and 22 passengers loses an engine. The aircraft crashes 1 km short of the runway at its destination; the copilot is killed and three customers are injured.

Late in the year, the company enters into a code-sharing agreement with **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)** for joint operations over the route from Caracas to Lima. The Venezuelan airline provides its B-737-2D3A painted in a dark blue, white, and aqua

livery with titles for both companies. The Alianza Andinas (Andes Alliance) is one of the shortest dual-designator pacts in history. Following its conclusion in December, the Boeing is returned to Servivensa in January 1999.

A DC-9-51, en route from New York to Caracas on April 24, is forced to divert to Hamilton, Bermuda, after an 84-year-old passenger suffers a suspected heart attack. Once the senior is off to the local hospital, the aircraft departs for Venezuela.

The B-727 fleet at the beginning of 2000 continues to include 1 each Dash-27, Dash-227, Dash-2D3A, Dash-2M7A, and Dash-281A. Two B-737-229As previously operated by **Sabena Belgian World Airlines, S.A.** are also operated, along with 1 DC-9-32 and 4 DC-9-31s.

Two flight attendants are arrested in Miami on November 4 and charged with attempting to smuggle heroin into the U.S. in their undergarments. They are allegedly part of a 17-person ring smuggling dope in from Caracas to Miami and New York.

The B-727-2D3A is reported parked at Caracas at the end of the year, without engines. The Dash-2M7A has also been withdrawn.

SEULAWAH AIR SERVICES: Indonesia (1968–1981). To provide flights to Western Indonesia, Seulawan is formed at Jakarta in June 1968 by General Sofjar. Revenue flights begin in the fall with a single Douglas DC-3. In 1970, General Sofjar starts a sister carrier, **Mandala Airlines**. Scheduled services are offered by Seulawah beginning 1971 and are operated with three Convair CV-600s. Flights are pooled with those of **Mandala Airlines** during the next four years and the joint operation is known as **Seulawan-Mandala Airlines**.

By 1978, President H. Soejono's 28-employee carrier has a fleet made up of Vickers Viscount 800, 1 Nihon YS-11A, 1 Fokker F.27, and the original Douglas transport. Unable to maintain economic viability following the dramatic increases in oil costs during 1979–1980, the carrier is forced to stop flying in 1981. Remaining assets are acquired by its sister.

SEULAWAN-MANDALA AIRLINES. See **MANDALA AIRLINES; SEULAWAH AIR SERVICES**

SEVEN AIR, S.A.: Spain (2000). Seven Air is established at Gran Canaria at the beginning of 2000 to operate passenger charters to European holiday destinations. Two chartered B-737-3K9s are acquired from Bavaria Leasing in late May, one of which is based at Paris (CDG) to fly on behalf of a French tour operator. The one remaining in Spain has large "Andalucia Directo" and small "Seven Air" titles. A number of vacation flights are undertaken beginning in June, but by the end of October the short-lived carrier has returned its planes and gone out of business.

SEVEN SEAS AIRLINES, S.A.: Luxembourg (1959–1961). SSA is formed at Amsterdam, the Netherlands, in 1959 to operate passenger charters. Two Douglas DC-4s are acquired and are employed to inaugurate such revenue services as immigrant flights to Australia and the repositioning of ships' crews to Hong Kong and other points in the Far East.

Company headquarters are transferred to Luxembourg in 1960 and the fleet is increased by the addition of two more DC-4s and two Curtiss C-46 Commandos. It is at this point that the company accepts a contract to operate supply flights to supporters of Katanga province during the civil war in the Congo. Indeed, one of the company's Curtiss transports becomes the personal aircraft of the Katangan president.

Services continue until Seven Seas shuts its doors in October 1961.

SEVERSON AIR ACTIVITIES: United States (1964–1965). The FBO Severson Air sets up a scheduled air taxi division late in 1964 to provide flights linking its Great Falls, Montana, base with Conrad, Cut Bank, and Shelby. Cessna lightplane revenue services commence on December 8, but only continue into the following year.

SEYCHELLES AIRLINES, LTD. See **AIR SEYCHELLES, LTD.**

SEYCHELLES INTERNATIONAL AIRWAYS, LTD.: Seychelles (1982–1986). SIA is established at Victoria in late 1982 to offer passenger tour group jet flights from the Seychelles to Europe. Beginning on November 2, the company provides lift for the African Safari Club, which also contracts with Kenya-based African Safari Airways, Ltd.

Flights continue with a pair of Douglas DC-8-63s until the company shuts its doors in July 1986. African Safari purchases one of the Douglas narrow-bodies from among the defunct line's few remaining assets.

SEYCHELLES-KILIMANJARO AIR TRANSPORT, LTD.: Kenya (1952–1968). **East African Airways Corporation (EAAC)** establishes this subsidiary in 1952 to offer scheduled services to the Seychelles. Managing Director Chalmers H. Goodlin's concern is not immediately successful and is shut down.

In 1960, EAAC begins to remove its heavily employed de Havilland DH 89A Dragon Rapides, leasing all but one to the airline, which has purchased an owned unit of its own. These little biplanes are employed to operate a scheduled return service from Dar es Salaam to Tanga via Zanzibar and Pemba Island.

Flights continue without incident until September 13, 1966, when a Dragon Rapide is destroyed in a ground fire at Dar es Salaam. EAAC de Havilland Canada DHC-6 Twin Otters soon begin to displace the Dragon Rapides.

Seychelles-Kilimanjaro ends scheduled services on January 1, 1968, turning its routes over to its parent. Charters will be flown thereafter.

SFAIR (COMPAGNIE DE TRANSPORTS AERIENS, S.A.): France (1980–1987). SFAir is established at Nantes in February 1980 to offer outsize cargo and livestock services in Europe, the Mideast, and North Africa. Revenue operations begin and continue with a pair of Lockheed L-100-30 Hercules freighters and a Douglas DC-8-55F.

By 1983, the company employs 45 workers and transports 5,408 tons of cargo.

SFAir is taken over by **Minerve, S.A.** in 1987 and renamed **Jet Fret, S.A.**

SFO HELICOPTER AIRLINES. See **SAN FRANCISCO-OAKLAND HELICOPTER AIRLINES (SFO-2)**

SGA AIRLINES, LTD.: India (1998). This airline is originally established as **UP Airways, Ltd.** by NCM (Singapore) and the state government of Uttar Pradesh in late 1994 for the express purpose of helping the latter develop the tourist potential of the Lucknow area, particularly in relation to Buddhist traffic. CEO Capt. V. P. S. Sindu's airline is renamed in 1998 and shareholding is now divided between Delhi-based Roopali Industries and the Uttar Pradesh government.

Employing 2 Fokker F.27-500s first acquired in 1995, pilgrim flights are continued to the cities of Agra, Bhopal, Delhi, Jamnagar, Kanpur, Khajuraho, Lucknow, Patna, and the Bihar Buddhist centers. Additionally, daily scheduled roundtrips are offered between Delhi and Jaipur.

Faced with mounting debts and unpaid bills, the carrier, even with a new name, does not complete the year.

SHABAIR, S.A.: Aeroport de la Luano, BP 1060, Lubumbashi, Democratic Republic of the Congo; Phone 243 (22) 5686; Fax 243 (22) 4597; Code SS; Year Founded 1989. Organized at Lubumbashi, Zaire, in 1989, Shabair undertakes regularly scheduled and charter passenger and cargo flights to domestic and international destinations. The inaugural fleet includes 1 leased British Aerospace BAe (BAC) 1-11-401AK and 2 owned BAe (HS) 748-B2s.

Operations continue apace in 1990–1991; however, the fleet is dramatically increased in 1992. Added are one leased BAe (BAC) 1-11-201AC, one B-707-323C, and one B-727-23F.

In 1993, Managing Director Capt. Stavros Papaioannou's 400-employee company possesses a fleet comprising 1 each Boeing 707-323C, B-727-100, B-727-23F, British Aerospace BAe 1-11-201AC, BAe 1-11-401AK, and Pilatus-Britten-Norman PBN-2 Islander. In August, a Douglas DC-10-10, once operated by **Western Airlines**, joins the fleet.

DC-10-10 cargo flights to Western Europe commence in the spring of 1994. Destinations served include Ostend, Belgium.

The leased fleet in 1995-1998 includes 1 BAC 1-11-401AK and 1 Lockheed C-130A Hercules. Owned units include 2 BAe (HS) 748-B2s and 1 each B-707-323C, B-727-22, and B-727-23F. The latter is chartered to **Angola Air Charter**.

Service continues during 1998 and into 1999, despite the civil war that will see Zaire renamed the Democratic Republic of the Congo.

SHACAF AVIATION SERVICES, LTD.: P.O. Box 333, Herzlia Beth, 46103, Israel; Phone 9-501193; Fax 3-501193; Year Founded 1968. Organized at Herzlia Beth, SAS initially undertakes revenue flights as an air taxi and flight training component of an FBO. Later, road patrol flights are undertaken on behalf of the Israeli Police Department, and toward the end of the 1970s scheduled commuter services are initiated linking Tel Aviv with Elat.

These operations are continued over the next quarter century with a fleet that, at its height, comprises 3 Britten-Norman BN-2 Islanders, 1 Piper PA-31-350 Navajo Chieftain, 1 Cessna 172, and 5 Cessna 152s.

Yossef Hadari is managing director in 1998-2000. Although scheduled services are no longer provided, the company continues to offer charter and air taxi travel, as well as flight training. The fleet now includes 2 C-152s, 1 C-172, 1 C-310, and the 3 BN-2s.

SHAHEEN AIR INTERNATIONAL, LTD. See SHAHEEN AIRLINES, LTD.

SHAHEEN AIRLINES, LTD.: 157-8 Clifton Road, Clifton, Karachi, Pakistan; Phone 92 (21) 587-2191; Fax 92 (21) 458-3337; Code NL; Year Founded 1991. With backing from a military pension fund, the Shaheen Foundation, and the general sales agents Akbar Aviation Group, Ltd., Shaheen is formed at Karachi in the first quarter of 1991 and is Pakistan's first independent, privately owned air cargo carrier. M. I. Akbar is appointed president/CEO under Chairman/Air Chief Marshal Abbas Khattak and he recruits a workforce of 140 and acquires a Boeing 707-320C. Stratoliner charter cargo operations to five European destinations begin in the fall.

On October 10, 1993, the Shaheen Foundation/Akbar Aviation Group joint venture is reconfigured into a holding company for the operation not only of the freight-oriented Shaheen Airlines, but of a new passenger-carrying service, Shaheen Air International, Ltd. The Stratofreighter is joined by a pair of B-737-2P5As dry-leased from **Thai Airways International, Ltd. (THAI)**; the Bangkok-based flag carrier also signs a technical contract with the new entrant. With hired Brazilian crews, the "Baby Boeings" are employed to inaugurate scheduled passenger services on December 1, linking the company's base with Islamabad. Frequencies to Lahore and Peshawar commence on December 22.

During 1994, the workforce is increased to 300 and a contract is signed with **Continental Airlines** for the training of pilots at Houston. Ex-Pakistani Air Force pilots now become cockpit crews. Akbar Aviation Group sells its interest to the Shaheen Foundation and by government decree, a money-losing weekly roundtrip is now introduced by SAI from Karachi to the Arabian Sea community of Pasni. On October 23, the government also confirms Shaheen as Pakistan's second flag carrier and plans are also made by it at year's end to lease an Airbus Industrie A300B4.

The new Airbus arrives on February 5, 1995 and it is flown by U.S. contract pilots on domestic services as well as on a new thrice-weekly international route from Peshawar to Dubai. As a result of prolonged fractional violence at Karachi during the first two quarters, the U.S. pilots finally refuse to fly to that city. They are terminated on August 1, as is the Airbus lease.

A second A300B4 is leased in the fall and with a fresh compliment of pilots training at Houston, it relaunches service during the first week of November. Added is a government-required weekly roundtrip from Karachi to Pasni on the coast.

By the end of December, the company is operating 129 weekly domestic sectors. While seeking additional international destinations, the company also signs interline agreements with **Singapore Airlines, Ltd.** and **Deutsche Lufthansa, A.G.**

Although traffic figures are not released, company officials note at year's end that the company has had revenues of \$24.6 million and made a \$2.9-million net profit.

Airline employment at the beginning of 1996 stands at 650. On May 2, domestic flights are suspended in order to allow Shaheen to be reformed. The Airbus service from Peshawar to Dubai continues uninterrupted.

Reformed, Shaheen Airlines prepares to resume domestic and freight services at the end of December 1997. Airline leadership is now provided by CEO M. Arshad Jalil and Managing Director Air Vice Marshal A. Masood Khan, PAF (Ret.).

An A320-200, wet leased by Shaheen Air International, Ltd. from **Constellation International Airlines, S.A.**, enters service on December 19 over the thrice-weekly Dubai route. A Boeing 737-400 is employed on December 21 to relaunch flights from Karachi to Islamabad, Lahore, and Peshawar.

The chartered Shaheen Air International, Ltd. A320-200 is returned on April 24, 1998. It is replaced with a leased Tupolev Tu-154M.

National problems arising from nuclear testing and border fighting with India during 1999 do not impact upon services. Shaheen Air International Ltd., employing the leased Tu-154M, inaugurates a second flight between Karachi and Dubai on September 2.

On September 1, 2000, the AI-Sumbal Group invests \$10 million, while an unnamed London-based UAE firm puts in another \$3.5 million. The infusion will be employed to purchase new equipment, beginning with an Airbus Industrie A321 ordered on October 11.

An attempt to gain international route authorization for Shaheen Air International, Ltd. fails on November 3 when the Pakistani government denies a petition seeking permission to begin regularly scheduled flights to Jeddah and Manchester. Frequencies to Abu Dhabi are, however, approved.

SHAMROCK AIRLINES (1): United States (1973-1974). Shamrock Airlines is set up at Easton, Maryland, in 1973 to provide scheduled air taxi services across the Chesapeake Bay to Baltimore. Daily Piper PA-23 Aztec roundtrips are duly inaugurated, but are maintained only into 1974.

SHAMROCK AIRLINES (2): United States (1969-1980). The second Shamrock is actually the first established, being founded in 1969 as a division of the Atlanta-based Douglas and Lomason Company. Employing a large fleet of 3 Douglas DC-6As and 7 Curtiss C-46 Commandos, the company inaugurates nonscheduled all-cargo services to South America from a base at San Juan, Puerto Rico.

Flights continue apace, but business declines steadily during the late 1970s. By 1978, the company operates just four Commandos. The operation is liquidated in 1980.

SHANDONG AIRLINES COMPANY, LTD.: Yaoqiang Airport, Jinan (Shandong), 250011, China; Phone 86 (531) 554081; Fax 86 (531) 554082; http://www.shandongair.com; Code SC; Year Founded 1994. Shandong Airlines is established by the local government at Jinan, the capital of Shandong Province on China's northeast coast, in March 1994 to provide scheduled passenger and cargo services to domestic destinations. Sun Dehan is appointed president and he is outfitted with a fleet of Xian Y-7-100 turboprops (license-built Antonov An-24s) that are employed to inaugurate revenue flights in December.

Eight-times-per-week flights are made from Jinan to Qingdao, Yantai, Jining, and Shenzhen. At year's end, orders are placed for three B-737-300s (later four) that will allow the company to begin national service.

Operations continue apace in **1995** as plans are made for receipt of the first B-737-35H late in the year. Its delivery is, however, delayed.

The first of a trio of 141-seat B-737-35Hs to join the fleet in **1996** is delivered at the end of April. The route network is increased to 10 destinations with the addition of Beijing, Shenzhen, Shanghai, and Guangzhou, while the number of flights per week reaches 60. Replacing Xian Y-7-100s, the second two "Baby Boeings" enter service in the fall.

Enplanements, reported for the first time, reach 310,000. In addition, 2.83 million FTKs are operated.

In September **1997**, Shandong, in line with Chinese government policy designed to reduce the number of regional airlines so as to increase the efficiency of competition, is one of six carriers to form the New Star Alliance. When activated on the following January 1, the informal compact will, hopefully, begin to boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes.

The company's fourth B-737-35H is received at Qingdao Liuting International Airport on August 3, **1998**. Enplanements for the year increase by 11.3% to 693,000, while cargo traffic surges ahead by 47.3% to 7.53 million FTKs.

Orders are placed on November 9, **1999** for five Canadair CRJ200ERs; the sale represents the first for the Bombardier type to any scheduled Chinese regional airline. Upon their arrival, they will join a B-737 fleet that includes 2 Dash-3Y0s and 5 Dash-35Ns. A Chinese-language homepage is opened on the Internet at year's end.

Customer bookings during these 12 months total 756,000 and 1.26 million FTKs are operated.

In August **2000**, Shandong applies to China's securities moderator for permission to go ahead and stage an initial public offering. Such a move would see the issue of 140 million hard-currency B shares that would bring outstanding shares to 400 million, of which 35% are B shares. Income from the offering would be applied to aircraft purchases.

Five additional Bombardier CRJ200ERs are ordered during the first week of September. As reported by the carrier on October 16, a takeover agreement has been signed in September with **Shanxi Airlines Company, Ltd.** Under its terms, Shandong will purchase a controlling stake in the Tiayuan-based carrier using cash and the sale planes. Concrete provisions and details remain under negotiation and will be announced only after final arrangements have been completed.

The first CRJ from the earlier order is delivered in Canadian ceremonies on October 23.

Reacting to rising fuel costs, the **CAAC (The General Administration of Civil Aviation of China)** on November 1 grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Shandong, increase fares on November 5.

On November 10, the premier CRJ, as well as its first DHC 8-Q400, arrive at the company base. Both aircraft have flown to China from Canada via Dubai.

Thrice-weekly CRJ200ER roundtrips commence on November 27 from Qingdao, in Shandong Province to Golmud in Qinghai Province via Zhengzhou in Henan Province and Xining in Qinghai Province. The Bombardier requires four hours to fly the one-way leg of what may be the world's most remote jet route. Golmud is the country's largest salt and chemical industrial base and is known locally as "Salt Lake City."

At year's end, the company offers 94 weekly flights to 41 Chinese cities, most of which are located in coastal areas.

SHANGHAI AIRLINES COMPANY, LTD.: North Gate, Shanghai Hongqiao International Airport, Shanghai, 200335, China; Phone 86 (21) 268-8558; Fax 86 (21) 255-8107; <http://www.shanghai-air.com>; Code FM; Year Founded 1985. Shanghai is one of several regional carriers established in early 1985 under the auspices of **CAAC (General Administration of Civil Aviation of China)**. Based at Shanghai's Hongqiao International Airport, this company, presently the largest independent airline in China, is founded by the Shanghai municipal

government and private investors. The carrier initially purchases 5 used Boeing 707s in April. Partly because it had no authority for this action from Beijing, the company, despite backing from the Bank of China and Shanghai's Jinjiang Group, is not allowed to begin operations.

In August **1986**, **Singapore Airlines, Ltd.** sends six B-707 engineers to Shanghai for a six-month period to help the carrier get its aircraft into shape and these are employed to launch charter flights to Guangzhou and Beijing in December.

Enplanements total 1.09 million.

A fleet of four Xian Y-7 (Chinese license-built Antonov An-24s) is acquired in **1987** to fly local routes from hubs at Nanchang, Jinan, and Hefei.

Charter and scheduled bookings for the year total 1,887,300.

The larger state-owned **China Eastern Airlines Company, Ltd.** is established at Shanghai in June **1988** and from this point, much of the press turns its attention to coverage of that enterprise. Shanghai, owned 75% by the local government and 25% by private investors, places orders for 5 Boeing B-757s.

En route from Ningbo to Xiamen on April 24, **1989**, a Y-7 with 50 passengers is captured by a lone assailant who demands to be flown to Taiwan and stabs a stewardess during the takeover. When the man learns that the aircraft has arrived not at Taipei, but at Fuzhou, he pulls the lanyard on a bomb he is carrying, which explodes, killing himself and wounding two others.

The first two B-757-26Ds arrive in **1990** followed by one more in **1991**. He Peng Nian is chairman, president, and CEO in **1992** and his workforce totals 800. Orders are placed for additional B-757s.

Services continue apace in **1993-1994**, with two more B-757-26Ds entering service during the latter year. Orders are placed for five B-767-36Ds.

One more B-757-26D and the first B-767-36D are delivered in **1995**. Toward the middle of the second quarter, an agreement is concluded with **Japan Air Lines Company, Ltd. (2)** under which the Chinese airline will send approximately 90 flight attendant candidates to Tokyo for a 4-month training course.

Enplanements total 1,588,140.

Sun Zhong Li is president and general manager in **1996** and he oversees an employee population of 1,300. The fleet now includes 7 B-757-26Ds and 1 B-767-36D; orders are outstanding for 4 of the latter type. Destinations visited in China now include Beijing, Chengdu, Fuzhou, Guangzhou, Guilin, Harbin, Kunming, Lanzhou, Nanning, Shantzu, Shenzhen, Wenzhou, Xiamen, Xian, and Zhuhai.

Passenger boardings jump 8.2% to 1.73 million while cargo rises 18.1% to 34.84 million FTKs.

The last B-757 and two more B-767s enter service in **1997**. Orders are placed for three B-767-36Ds to be delivered in the year 2000. In April, an agreement is concluded with ILFC for the charter of three Next Generation B-737-7Q8s beginning in the spring of 1998. On August 28, government approval is received for the inauguration of regional services to Bangkok, Hong Kong, Singapore, and Macao.

Enplanements for the year decline to 1,684,000 and 46.3 million FTKs are operated.

The premier Next Generation B-737-7Q8, resplendent in the carrier's red and white livery, enters service during the second quarter of **1998**. On June 25, thrice-weekly roundtrips commence between Shanghai and Zhousan Island, a tourist destination in Zhejiang Province.

Weekly B-737-7Q8 nonstop roundtrips are inaugurated on December 24 between Xian and Xining.

Enplanements for the year total 2.13 million, while 83.15 million FTKs are operated. A net profit of \$3 million is reported.

On September 16, **1999**, the company is given the honor of making the first landing at Shanghai's new Pudong International Airport.

Service between Shanghai and Macao is doubled on October 6 to four return flights every week. When Portugal hands over Macau to China in December, Shanghai loses its only "international" flight. Connections are still made at that point with **EVA Airways, Ltd.** flights to Taiwan; the two companies enjoy a special relationship that includes through-ticketing.

Customer bookings inch up 0.7% during these 12 months to 2,145,000, while freight jumps 17.4% to 105.9 million FTKs. Longer segments continue to be operated with a fleet of 7 B-757-26Ds and 3 B-767-36Ds.

Airline employment at the beginning of 2000 stands at 2,300, a 1% increase over the previous 12 months.

Weekly B-737 charters are initiated on February 18 to Pochentong, Cambodia; the flights become scheduled in April. Meanwhile, in mid-March, orders, valued at C\$98 million, are placed with Bombardier for three CRJ200ERs.

The company's fourth Next Generation B-737, a Dash-76D, is received at Hongqiao International Airport on May 30.

On May 21, weekly roundtrip service, code-shared with **Royal Air Cambodge, S.A.**, is inaugurated between Shanghai and Phnom Penh. Shanghai thus becomes the first Chinese local service operator to fly abroad. The flights become twice weekly on June 4. The last of five Next Generation B-737s delivered since April 1998 is delivered on July 10; the Dash-76D will arrive at Shanghai three days later and enter service on the routes from Shanghai to Thailand.

In response to a fatal June 22 **Xian Airlines** Y-7-100C crash, **CAAC (The General Administration of Civil Aviation of China)**, in fact, delivers a major reorganization plan to the China State Council in mid-July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, and **China Southern Airlines Company, Ltd.** Shanghai begins negotiations to become a partner in the group centered around **China Eastern Airlines Company, Ltd.**

The orders for three Bombardier CRJ200ERs are confirmed during the first week of September.

Reacting to rising fuel costs, on November 1 the **CAAC (The General Administration of Civil Aviation of China)** grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Shanghai, increase fares on November 5.

On December 1, the company joins in the frequent flyer program of **Air China International Corporation, Ltd.** Passengers flying with either airline will receive a free ticket when they have flown a collective 10,000 km. (6,215 mi.).

The first CRJ200ER is accepted in ceremonies at Montreal on December 3. The new regional jet arrives at Shanghai two days later, having completed its delivery flight via Munich, Dubai, and Kunming. It enters commercial service on December 25 from Shanghai to Jinan, Nanchang, and Weihai.

As the year ends, new Chairman/General Manager Zhou Chi indicates that his airline will be reformed into a joint-stock company. The first of four Next Generation B-737-8Q8s is expected in January.

SHANGHAI-CHENG TU AIR MAIL LINE: China (1929-1930). In April 1929, Wang Po-chun, the minister of communications in the cabinet of Nationalist Chinese leader Chiang Kai-shek, allies himself with War Minister Feng Yu Liang and Chinese National Aeronautics Association Chairman Gen. Chang Ching-yu in opposing the creation of **China National Aviation Corporation (CNAC-1)**. In addition to their oratory, the three combine their resources to create an airline.

The Ministry of Communications in May signs a contract with the Stinson Company in the U.S. for four Stinson SM-1F Detroit monoplanes. These duly arrive at Shanghai by ship at the end of June and are reassembled by two American pilots and a mechanic employed by the manufacturer.

Once ready for operations, the four aircraft form the heart of Minister Wang's Shanghai-Chengtu Air Mail Line. Revenue flights commence as far as Nanking on July 8 and are the first sustained passenger and air-mail frequencies performed by any carrier in China. In the jumbled pol-

itics of prewar China, the president of the still-paper CNAC-1 resigns on November 15 and is succeeded by none other than Wang Po-chun.

On January 31, 1930, President Wang is able to secure the contract cancellation of another new entrant, **China Airways Federal (CAF)**. He then settles into a protracted negotiation with Curtiss-Wright Company representative Max S Polin. These are successfully concluded on July 8, at which time CNAC-1 is reformed into a new company with the same name. The assets of CAF and the Shanghai-Chengtu Air Mail Line are taken over and merged, with the latter now ceasing flights. During its year of operation, Wang's airline has flown a total of 354 passengers.

SHANK-MCMULLEN AIRCRAFT COMPANY: United States (1923). Two gentlemen named Shank and McMullen establish a large air taxi and charter concern at Huntington, West Virginia, in the spring of 1923. With a fleet of 15 Curtiss JN-4D Jennies, 5 Standard J-1s, 2 Thomas Morse S-4Cs, 3 Curtiss HS-2Ls, 1 Curtiss MF, and 1 Curtiss Oriole, the company undertakes nonscheduled, multistop passenger and cargo flights to Charleston, Cincinnati, and Roanoke.

Unable to achieve financial viability, the company closes down before year's end.

SHANNON AIR, LTD.: Ireland (1964-1966). With American financial backing and Theodore Roosevelt's son Kermit as director general, this nonscheduled operation is formed in early 1964 to fly international charters from Shannon Airport. The first aircraft, a Douglas DC-4, is delivered in early May and on May 30 it begins revenue services with a charter flight, Shannon-Manchester. Weekly charters are flown to this British city and beginning in July, to Birmingham. Also in July, a DC-7CF is purchased and during the fall flies long-range charters to the Western Hemisphere.

Another DC-7CF is acquired in March 1965 and with the previous machine, undertakes a full schedule of passenger and cargo charters as far as Singapore from Newcastle, Southend, Manchester, and London (LGW). One DC-7CF is almost permanently based at the latter airport, flying ad hoc and other passenger and cargo services both on its own behalf and under subcontract to **British United Airways, Ltd.**

During the year, the company's DC-4 is totally engaged flying all of **Alitalia, S.p.A.**'s scheduled cargo runs between the U.K. and Italy. Employing Douglas DC-4s, long-haul flights are dispatched as far as Singapore. The company is not, however, successful financially.

Following the February 1966 impoundment by British Airports Authority officials of its DC-4 for nonpayment of London (LHR) landing fees, Shannon loses its contract with **Alitalia, S.p.A.** This blow is sufficient to cause its owners to declare bankruptcy and cease operations.

SHANNON EXECUTIVE AVIATION, LTD. (SEA): Ireland (1980-1990). SEA is established at Shannon in 1980 to operate passenger and cargo charters and air taxi services around the Emerald Isle, as well as to the U.K. Revenue flights begin and continue with a fleet that includes 1 Shorts SC-7 Skyvan, 1 Aerospatiale Corvette bizjet, 1 Swearingen Metro II, several Piper and Cessna lightplanes, and 1 Bell 206B JetRanger.

Service is maintained until the company suspends activities in 1990.

SHANS AVIA: Russia (1994-1995). Shans Avia is established at Tbilisi in 1994 by Nana Shavgulidze, a Georgian art dealer who thus becomes the only female airline president in the former Soviet Union. Employing a single Tupolev Tu-154 leased from a subsidiary of **Aeroflot Russian International Airlines (ARIA)**, Shans initiates thrice-weekly luxury flights (60 seats as opposed to 160 earlier) to Moscow. Operations continue for just under a year.

SHANXI AIRLINES COMPANY, LTD.: No. 36, Yingze Daija, Tiayuan, Shanxi, 030001, China; Phone 86 (351) 447178; Fax 86 (351) 447178; Code 8C; Year Founded 1981. Shanxi Airlines, a division of Shanxi Aviation, is established at Taiyuan in 1981 to offer regional serv-

ices that had been set up to engage in forestry protection and aerial photography. Initially a charter operation, the company is widely regarded as the first (perhaps a trial) independent airline to be allowed in China.

President Zhang Ti Yuan recruits a workforce of 33 and a fleet comprising 2 each Ilyushin Il-14Ps and Xian Yun-7-100s. Twelve routes are opened connecting the company base at Wusu Airport with Shanghai, Beijing, Guangzhou, and Shenzhen.

While on initial climb away from Linfen on October 7, 1988, a chartered Il-14P with 4 crew and 42 passengers loses power and crashes into a local hotel (42 dead).

The under-explained accident leads to the company's shutdown.

Operations are later resumed and in 1992–1995; Qin Jianming becomes CEO and the surviving Il-14P is withdrawn and replaced by a third Yun-7-100. The workforce grows to 23 and enplanements during the latter year total 918,320.

Passenger boardings accelerate 11.7% in 1996 to 1,040,000, while cargo traffic jumps 22.7% to 21.58 million FTKs.

By 1997–1999, President Jianming's concern employs 33 workers and still operates 3 Xian Yun-7-100s.

As reported by the carrier on October 16, 2000, a takeover agreement has been signed in September with **Shandong Airlines Company, Ltd.** Under its terms, Shandong will purchase a controlling stake in the Tiayuan-based carrier using cash and the sale planes. Concrete provisions and details remain under negotiation and will be announced only after final arrangements have been completed.

Reacting to rising fuel costs, on November 1 the **CAAC (The General Administration of Civil Aviation of China)** grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Shanxi, increase fares on November 5.

SHASTA AIR: United States (1979–1982). This tiny air taxi operator is founded at Redding, California, in 1979 as an FBO that also offers charter services and flight lessons. A scheduled route is flown between the company's base and Siskiyou County with a single Cessna 210.

A Piper PA-31-350 Navajo Chieftain is acquired in 1981 and is employed to inaugurate twice-daily roundtrips to Oakland and to Klamath Falls, Oregon. Plans (unfulfilled) are made to acquire a British Aerospace BAe Jetstream 31.

Unable to weather the recession, the company ceases in 1982.

SHAVANO AIR: United States (1978–1981). Frederick Griffith founds Shavano at Denver in 1978 to provide charter services to Colorado's ski resorts. In addition, scheduled air taxi flights are inaugurated to the intrastate destinations of Salada and Trinidad. The fleet comprises 1 Piper PA-34 Seneca, 1 Cessna 337, and 2 Cessna 207s.

Unable to afford increased fuel costs, the carrier goes out of business in 1981.

SHAWANO FLYING SERVICE: United States (1976–1986). **Isle Royal Seaplane Service** is set up at Houghton, Michigan, in 1973 to provide daily scheduled Beech 18 passenger and cargo roundtrips to Isle Royale in Lake Michigan.

Late in the decade, the company is reformed into **Grognet Flying Service**; however, the commuter is transferred to Shawano, Wisconsin, in 1981 and renamed again. Operations continue apace until 1986.

SHAWNEE AIR COMMUTER: United States (1969–1972). The airline division of Shawnee Air, Inc., SAC is established at Topeka, Kansas, in 1969 to provide scheduled passenger and cargo services. Employing Cessna lightplanes, daily roundtrips are inaugurated linking the company's base with Kansas City and with Manhattan via Junction City. These are maintained until 1972.

SHAWNEE AIRLINES: United States (1968–1979). Established by David D. Latham at Orlando, Florida, in the early spring of 1968,

Shawnee is a subsidiary of the Root Company of Daytona Beach. Outfitted with a Beech 18, the commuter begins scheduled daily roundtrip intrastate services on April 1.

An extensive Florida route network is established over the next decade, with principal destinations visited coming to include Miami, Orlando, Gainesville, Tampa, Fort Lauderdale, and Freeport in the Bahamas. The fleet is upgraded by the addition of Beech 99s, Douglas DC-3s, de Havilland DH 114 Herons, Fairchild Hiller FH-227Bs, and de Havilland Canada DHC-6 Twin Otters. Several of the latter are employed in 1971 to inaugurate STOL services to newly opened Walt Disney World.

In 1975, the company joins with **Florida Airlines** in a marketing association known as The Connection. The arrangement lasts only two years, until 1977. Toward the end of the 1970s, Shawnee encounters significant competition not only from its Sarasota-based former partner, but from **Mackey International Airlines** on the Bahamas frequencies.

A total of 22,931 passengers are transported in 1978, down from higher totals earlier. Weakened from its competition with **Florida Airlines** and **Mackey International Airlines** and unable to survive the oil crisis, the carrier folds in 1979.

SHAWNEE AIRWAYS: United States (1958–1966). Ernest Stadvec sets up the FBO Stadvec Aviation at Akron, Ohio, in 1958. Beech 18 charter freight and nonscheduled passenger air taxi services are provided to local Buckeye destinations. A 1961 aircraft collision results in Stadvec changing the name of his firm to Shawnee Airways. Flights continue.

In late fall 1965, the decision is taken to offer a scheduled shuttle service to Detroit. Employing a Lockheed Model 12A, daily roundtrips are inaugurated on November 15, but are only maintained into 1966.

SHEENA AIR TRANSPORT, LTD. See **PACIFIC WESTERN AIR LINES, LTD.**

SHELBY SKY HAVEN, INC. See **FISCHER BROTHERS AVIATION.**

SHENANDOAH AIRLINES: United States (1968–1969). "Your Personal Airline," Shenandoah Airlines is set up at Charlottesville, Virginia, in the heart of the Shenandoah Valley, in late summer 1968 to provide scheduled passenger and cargo services to regional destinations. Employing 1 each Beech 18 and B-80 Queenaire, daily roundtrips are inaugurated by the new commuter on September 16 linking the it's base with Lynchburg, Washington, D.C. (IAD), Roanoke, and Baltimore.

Unable to achieve economic viability, the company is forced to shut down in 1969.

SHENZHEN AIRLINES COMPANY, LTD.: Lingtian Tian, Lingxiao Garden, Shenzhen Airport, Shenzhen, 518128, China; Phone 86 (755) 777-7243; Fax 86 (755) 777-7242; <http://www.shenzhenair.com>; Code 4G; Year Founded 1994. Shenzhen Airlines is established at Shenzhen in Guangdong Province in early 1994 to offer scheduled regional passenger services, particularly to the local special economic zone. Ownership is divided between China Travel Services, CNAC-2, the Bank of China, and the Southern Tongfu Industrial Company. Operational oversight is vested with **China Southern Airlines Company, Ltd.**

Duan Dayang is appointed president and general manager and is provided with a pair of Boeing 737-3L1s. Revenue services commence on October 15 linking the company's base with Beijing, Chengdu, Haikou, Hangzhou, Meixian, Nanjing, Shanghai, Wenzhou, Xiamen, Yantai, and Zengzhou.

Airline employment stands at 363 in 1995 as two leased B-737-37Ks are acquired. Enplanements total 580,700.

Forty new employees are hired in 1996 and two B-737-3K9s are chartered from **Bavaria Fluggesellschaft mbH. & Co.** Passenger boardings surge 26.5% to 790,000.

On May 8, 1997, Flight CZ3456, a company B-737-31B with 74 passengers and coming in from Chongqing in the central province of Sichuan, crashes during its landing at Shenzhen-Huangtian Airport on the border between Macau and Hong Kong. The plane veers off the runway, breaks into 3 pieces, and catches fire (35 dead). The disaster is the first major Chinese airline crash in three years.

For the third straight time, the airline is cited by air passengers as the best among large Chinese airlines that carry less than 2 million passengers annually. The survey, whose results are announced on July 17, had sent out a total of 1.33 million questionnaires concerning passengers' opinions on the service quality of 25 airports and 16 major Chinese airlines. Other winners are **China Eastern Airlines Company, Ltd.** and **Xiamen Airlines Company, Ltd.**, which each win first place in separate contests for the annual passenger volume exceeding 6 million and less than 3 million.

In September, Shenzhen, in line with Chinese government policy designed to reduce the number of regional airlines so as to increase the efficiency of competition, is one of six carriers to form the New Star Alliance. It is hoped that when activated on the following January 1, the informal pact will boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes.

Enplanements during the 12 months total 851,304.

Service is maintained without fanfare during 1998. Passenger boardings climb 5.2% to 898,000, while cargo traffic accelerates 4.7% to 12.26 million FTKs.

A Chinese-language homepage is opened on the Internet at the end of 1999.

Overall enplanements during these 12 months fall to 659,000 while 1.84 million FTKs are operated.

The "classic" B-737 fleet at the beginning of 2000 includes 2 each Dash-3K9s and Dash-31Ls, plus 1 each Dash-3Q8 and Dash-33A. Two Next Generation B-737-79Ks are also flown and will be joined by two Next Generation B-737-78Ss on August 25 and September 15, respectively.

Reacting to rising fuel costs, on November 1 the **CAAC (The General Administration of Civil Aviation of China)** grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Shenzhen increase fares on November 5.

A third Next Generation B-737-78S is delivered on December 20.

SHEPPARTON AIRLINES (PTY.), LTD.: Australia (1997-1999). With a Piper PA-31-350 Navajo Chieftain, pilots John Holmes and Grayson Pogue establish Shepparton in October 1997 to provide corporate and small group passenger flights to Sydney and Canberra on a scheduled and charter basis.

Daily roundtrip service is maintained in 1998 and the little company takes particular pride in its level of personal service to its customers. Unhappily, the company is forced to halt scheduled services in 1999.

SHIKOKU AIRWAYS COMPANY, LTD.: 1-1-5 Bancho, Takamatsu-shi, Kagawa-ken, 760, Japan; Phone 81 878-51-7500; Fax 81 878-51-7547; Year Founded 1956. Shikoku is established at Takamatsu in 1956 to operate passenger and light cargo charters, and later, to provide medevac and other rotary-wing work. By 2000, the company employs 15 full-time pilots and operates 4 Eurocopter AS-350B Ecureuils, 1 AS-360C Dauphin, 1 Hughes HU-369, and 2 Eurocopter SA-315B Lamas. It also flies 3 Cessna 172 Skyhawks.

SHILLELAGH AIR TRAVEL CLUB (SHILLELAGHS, THE TRAVEL CLUB): 8027 Leesburg Pike, Suite 413, Vienna, Virginia, 22180, United States; Phone (703) 556-8646; Fax (703) 556-8648; <http://www.fairfaxcountyva.com/travel/club.htm>; Year Founded 1964. In early 1964, three lawyer/private pilots, Roy Swayze, Frank Cowles, and Gordon Kincheloe join with **American Airlines** Captain Tom Latta to form an aircraft dealership at Washington, D.C. (IAD) known as Dulles International Aircraft Corporation. The operation be-

gins with a single Beech 18, which is often employed for charters and small group excursions.

In the spring, word is received that **National Airlines (1)** is selling four Douglas DC-7Bs as they are withdrawn from scheduled service. Swayze and Kincheloe fly to Miami, where they join partner Cowles in making a down payment on the \$110,000 as-is purchase price of the four piston-engine planes. The first aircraft is delivered to Dulles without difficulty and by midsummer is sold, generating sufficient funds to cover the cost of the plane plus the second for which DIAC had contracted.

In September, National calls the DIAC office and informs them that the second DC-7B is now off-service and strongly suggests that it be retrieved before a hurricane, reportedly closing in on Miami airport, arrives. With partners Swayze and Cowles along, Capt. Latta retrieves the aircraft, which must undergo some repair and for which no buyer is available.

After several efforts to sell the aircraft fail, the four reason that, if four people could own a Beechcraft and operate it on charters, a thousand people could join together and own a larger aircraft, say a DC-7B, for the same purpose. A club could be established that would permit its members unique travel experiences to distant locations in their commonly owned aircraft.

Patterned after the general administration and dues structure of a suburban country club, the new organization, which takes its name from the Irish word for "walking stick," is established on October 1 as the Emerald Shillelagh Chowder and Marching Society. The second DC-7B becomes the ESCAMS aircraft, making the group the first U.S. travel club to own its own aircraft. With a name, some members, and an airplane, the club now chooses officers, writes a constitution and by-laws, and completes the paperwork necessary for incorporation in the State of Virginia. It also makes certain that its aircraft and organization are prepared to pass FAA review and to operate under its Part 91 General Aviation rules.

At this point, a membership drive is conducted, promising trips at fares significantly lower than those charged by any of the other U.S. airlines, scheduled or charter. Annual membership dues will be \$100 per person and the first destination will be Montego Bay, Jamaica. The share cost for any member making the trip is to be \$57. Meanwhile, Alice Foy, the soprano soloist at the Bunratty Castle in Ireland, is recruited to come to America and work as the ESCAMS hostess.

With the majority of the plane's 88 seats sold to new members or otherwise occupied by club friends, Capt. Latta, who has also hired a copilot, flight engineer, and two flight attendants (then called "stewardesses"), departs for Jamaica on a Saturday late in the month. The inaugural flight, which passes near Cuba, is intercepted but not troubled by Cuban Air Force MIG 21 fighters. The new travel experience is completed with a return flight to Washington, D.C. (IAD) the next day.

The second flight is made to Las Vegas, followed by Andros Island in the Bahamas, and Mexico City. On the return home from Mexico, one of the DC-7B's four engines loses power, causing Capt. Latta to put down at Houston rather than risking flying back to Washington, D.C. through a series of storms. Unhappily, no one aboard has any money. Fortunately, club President Kincheloe has his American Express credit card. Arrangements are made with **Braniff International Airways** to fly everyone aboard to Dallas and then on to Dulles.

DIAC is, meanwhile, able to dispose of the last two ex-**National Airlines (1)** DC-7Bs, both to travel clubs begun after ESCAMS. In the next two years, the company employs its own part-time mechanics, led as crew chief by former **United Air Lines** mechanic Donald Hoskins, and brings on former naval aviator Comdr. Robert M. Hurt.

In July 1968, the original DC-7B is joined by another DC-7B from **Delta Air Lines**. The first aircraft is withdrawn in September. In March 1969, the group falls under the new FAA Part 123 regulations specifically designed to cover air travel clubs. Flights continue without headline or incident until May 1971, when the DC-7C is sold and the club is, temporarily, without an aircraft.

A Lockheed L-188C Electra is purchased from Northwest Airlines in March 1972 and will provide lift for the club members for the remainder of the decade to points all over North and South America, the Caribbean, Canada, and a few other points as well. In February 1981, the FAA revises its rules for travel clubs, allowing them to fall under the same part of its rule book (Part 125) as corporate organizations. The principal advantage here is that club pilots are able to fly beyond the age 60 retirement required of commercial pilots.

ESCAMS enters the jet age in May 1983 when it acquires a former American Trans Air Boeing 720. The aircraft will be operated until January 1985. By now, deregulation of the American domestic airline industry has significantly lowered airfares and ended the principal reason why air travel clubs were invented. Additionally, fuel and maintenance costs have also significantly risen. With membership numbers declining and prices rising, this pioneer group cannot afford to maintain its own aircraft any longer. As a result, Capt. Hurt, who is now director of operations, makes the last ESCAMS flight with an owned aircraft from Washington, D.C. (IAD) to Miami on February 23, 1986. At Miami, the Electra is sold to a local cargo operation.

Without its own capacity, ESCAMS is now reformed into a specialized inclusive tour travel agency for its members, Shillelaghs, The Travel Club. Under its executive director of operations Carolyn Dodek, exotic excursions continue to be booked for members to a variety of locations using commercial travel on planes, trains, ships, and motor coaches. These range from moderately priced trips to high-end luxury adventures.

By 2000, Shillelaghs has 1,900 members and runs an average of 71 trips a year for them. Particularly successful are its trips to northern Canada for the observation of beluga whales in Hudson Bay and polar bears at Churchill. The Galapagos Islands are another popular destination. Additionally, trips for senior citizens are a specialty and trips to Ireland, home of the shillelagh, are offered three or four times a year.

SHIN CHUO KOKU, K.K.: Ohshima Airport, Ohshima, Tokyo, Japan; Phone 81 4992-2-1651; Year Founded 1979. This little carrier is set up on Oshima Island in 1979 to provide passenger charters to the mainland. By 2000, founder Shigemitsu Takei oversees the flights of 6 Cessna 172 Skyhawks.

SHIN CHUO KOKU/SHIN CHUO AIRLINES. See NEW CENTRAL AVIATION.

SHORELINE AVIATION: P.O. Box 120187, East Haven, Connecticut 06512, United States; Phone (203) 468-8639; Fax (203) 468-1864; <http://www.shorelineaviation.com>; Year Founded 1980. John D. Kelly establishes Shoreline Aviation at Griswold Airport, adjacent to Hammonasset Beach at Madison, Connecticut, in 1980 to offer charter flights to the islands off southern New England. In 1986, the company is relocated to New Haven, where it changes its focus. Henceforth, it specializes in the management of aircraft for corporations and individuals, flying small group and executive charters with a fleet of 25 executive jets.

By the end of the 1990s, offices have been opened in Hartford, New Haven, Bridgeport, Manhattan, and East Hampton and destinations are visited in Western and Eastern Europe, Africa, the Caribbean, Central and South America.

SHOROUK AIRLINES, LTD.: 2 El Shahid Ismail Fahmy St., El Sabaa Emarat Square, Heliopolis, P.O. Box 2684, Horreia, Cairo, Egypt; Phone 20 (2) 417-2313; Fax 20 (2) 417-2311; Code 7Q; Year Founded 1992. Headquartered at Cairo, Shorouk is founded in late 1992 as a joint venture between Egyptair, S.A.E. and Kuwait Airways Corporation. Ismail Sherif is named chairman and he is provided with 2 Airbus Industrie A320-231s with which to launch services. Orders are placed for 2 A320-231s, 3 Boeing 757-29JPFs, and 1 B-757-291.

Thrice-weekly return revenue passenger and cargo charter flights to Beirut, Kuwait, and Luxor commence on March 1, 1993.

Operations continue apace in 1994, including replacement services for Egyptair, S.A.E. and Air Sinai, Ltd. The company also begins to operate charter flights from Italy, France, and Germany to tourist areas in Egypt, including Hurghada and Luxor. A total of 80,000 passengers are flown in 1995.

Approximately \$500,000 in profits are earned during the first quarter of 1996. On August 8, the joint airline increases its capital from \$40 to \$50 million dollars, with plans to achieve an authorized capital of \$100 million within the next 5 years. The two Airbuses enter service later in the year, followed by the Boeings.

Plans are made to operate all-cargo services for Kuwait, but due to poor business results, these ideas are shelved, along with delivery of the three B-757-29JPFs. The company temporarily shuts its doors at the beginning of 1997.

The company is back in the air in 1998; it will operate as before into the new millennium.

Airline employment at the beginning of 2000 totals 240. On January 10, it is announced that the carrier may be renamed Egyptian-Kuwait Flight, Ltd.

The company aircraft color scheme is revised on June 12 through the removal of the cheatline from the four A320-231s.

SHORTER AIRLINES: United States (1972-1974). Shorter is established at Pellston, Michigan, in 1972 to provide scheduled daily intrastate passenger services. Employing 1 each Beech 18, Beech 99, and Douglas DC-3, the company inaugurates roundtrip frequencies linking its base with Detroit and also with Mackinac Island and Sault Ste. Marie. During the winter, the company operates seasonal services in Florida.

Unable to maintain viability, the carrier goes out of business in 1974.

SHORTSTOP JET CHARTER (PTY.), LTD.: Hangar 5, Wirraway Rd., Essendon Airport, Melbourne, 3041, Australia; Phone 61 3-93799299; Fax 61 3-93793643; Year Founded 1982. Shortstop is established at Essendon Airport in 1982 to provide passenger, small group, and cargo charters throughout Victoria. By 2000, Managing Director Mike Falls Jr. oversees the work of 4 full-time pilots and 1 each Douglas DC-3 and Learjet 35A Century III.

SHUANGYANG GENERAL AVIATION COMPANY: P.O. Box 8-145, Anshun, Guizhou Province, 561018, China; Phone 86 853 22923; Fax 86 853 25275; Year Founded 1991. The first local carrier in southwest China, SGAC is established at Anshun in 1991 to provide passenger and cargo charters, as well as agricultural, forestry protection, and aerial photography services. Nine years later, in 2000, President Fan Yuemin oversees a workforce of 37 and a fleet comprising 3 NAMC Y-11s and 4 NAMC Y-12s.

SHUSWAP AIR (SHUSWAP FLIGHT CENTER, LTD.): Box 1887, Salmon Arm, British Columbia V1E 4P9, Canada; Phone (250) 832-8830; Fax 250) 832-2825; <http://www.shuswapair.com>; Code 3S; Year Founded 1989. Stephen W. Raffel and Lori Anthony found this air taxi at Salmon Arm of the huge Shuswap Lake in the interior of British Columbia in 1989. "Shuswap" is a Native American term for "shimmering waters." Flight training, aircraft rental, charters, and scheduled passenger and cargo flights to Vancouver are offered. The initial fleet consists of 1 Piper PA-31-310 Navajo and 2 Cessna 182s. In 1993-1994, airline employment totals 6.

Flights continue in 1995-2000, during which years the Piper is replaced with a Beech King Air 100. Twice-weekday frequencies to and from Vancouver are maintained with one return service on Sundays. C-182 charters are also offered, as are aerial tours, including excursion flights to visit the Seymour Arm Hotel's tearoom, the ski area at Silver Star Mountain, the glacier fields of the Monashee Mountain Range, and the Adams River Salmon Run.

SHUTTLE, INC. See **USAIR SHUTTLE**

SHUTTLE AMERICA: P.O. Box 3246, Windsor Locks, Connecticut 06096, United States; Phone (877) 247-7488; <http://www.airshuttle.com>; Code S5; Year Founded 1998. Shuttle America is established by David F. Hackett (a former strategic planner for **Continental Airlines**) and Gregory D. Aretakis at Windsor Locks in the fall of 1998 to offer deep-discount, ticketless travel to four points in the Northeast. Hackett becomes president, with Aretakis as vice president-management. Initial private capitalization is \$8 million, supplemented by a \$2-million grant from the state of Connecticut. A workforce of 300 is assembled, including 200 in the home state.

Employing a fleet of six de Havilland Canada DHC-8-300s, the new regional begins revenue flights on November 12 linking Hartford with Buffalo thrice daily and Wilmington five times a day. Service is started from Hartford to Norfolk four times a day on December 18.

Between Christmas and New Year's Day, the carrier lifts restrictions on its lowest fares. Tickets are priced at \$19 and \$69 each way during the week.

Thrice-daily roundtrips commence between Trenton-Mercer County Airport in New Jersey and Buffalo, New York, on February 10, 1999. The same number of frequencies are started between Buffalo and Albany on April 6.

The carrier's activities are significantly expanded on July 13. New thrice-daily DHC-8-300 return service is introduced from Long Island/Isip to Albany, with continuation to Buffalo. Additionally, twice-daily roundtrips begin from Long Island/Isip to Norfolk, Virginia Beach, and Williamsburg. Expanded service at Norfolk includes a new nonstop daily roundtrip to Hartford and also to Trenton, as well as one-stop service to Buffalo via Albany.

Enplanements for the year total 237,000.

The workforce totals 275 at the beginning of 2000.

Citing environmental concerns raised by the prospect of noise pollution to such historic areas as Minuteman Historical Park, lawyers representing the surrounding towns of Bedford, Lincoln, Lexington, and Concord petition the FAA to stop the company's introduction of new service from Hanscom Field, north of Boston, to New York (LGA). The regulators agree and on September 11 order Shuttle America to postpone the launch for 30 days. The carrier, which had leased an extra aircraft to handle the route and had begun selling tickets, promises refunds to affected customers.

Four-times-a-day return service from Hanscom Field to La Guardia is introduced on October 11 and by October 13 five of the first eight flights have been sold out. On November 8, 10 additional daily roundtrips are introduced from Hanscom Field, including five to Buffalo via Hartford, four to Trenton and Wilmington, and one Buffalo nonstop.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights.

On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. Shuttle America receives 14 of the new positions. On December 22, it is announced that the route from Hanscom Field into New York (LGA) will be expanded from five daily roundtrips on January 31 to seven.

Passenger boardings during these 12 months jump 4.9% to 245,312.

SHUTTLE BY UNITED. See **UNITED AIRLINES**

SI AIR AOZT: Kemerovo Airport 41, West Siberian Zone, 650041, Russia; Phone 7 (3912) 227 729; Fax 7 (3912) 661 158; Code KVM1;

Year Founded 1994. SAA is established at Kemerovo Airport in 1994 to provide long-haul passenger and cargo charters. M. I. Slavin is appointed general director and he launches revenue flights with 3 Tupolev Tu-154Ms and an unspecified number of Ilyushin Il-76s.

Flights continue in 1995-1998 during which years Ivan Valov becomes CEO. The fleet is altered to include 2 Tu-154Ms, 8 Antonov An-26s, and 5 An-24s.

The fleet at the beginning of 1999-2000 includes 2 An-26s and 1 An-26B.

SIAMESE AIRWAYS COMPANY, LTD.: Thailand (1947-1951).

The government of Thailand constitutes its new national air carrier at Bangkok on March 1, 1947. The company is equipped with one of the former **Aerial Transport Company of Siam, Ltd. (ATCS)** Fairchild Model 24Js that had survived World War II, together with 4 Douglas DC-3s, 2 Beech 18s, and 6 Consolidated L-5s. Revenue services commence on March 3 from the capital to Chiangmai and Chiang Rai. The remainder of the old ATCS routes are restarted during the remainder of the month and into April and May.

SAC inaugurates regional services on December 22 with a route from Songkhla to the Malayan city of Penang. International expansion continues early in the new year. On January 16, 1948, a DC-3 service is launched to Phnom Penh and Saigon, followed by Hong Kong three days later.

To handle this service increase, the fleet grows on January 23 through the addition of five Beech C-35 Bonanzas. This first quarter burst of development sustains the company through the remainder of the year.

Two final markets are added in 1949 as SAC starts flying to Calcutta via Rangoon. The last aircraft to join the fleet are six Noorduyt Norseman in 1950.

The new decade begins with a number of accidents.

A DC-3 with 5 crew and 11 passengers strikes high ground at Cape d'Arguilar, east of Hong Kong, on April 9, 1951; there are no survivors.

A C-54B must be written off after a bad landing at Bangkok on July 13; there are no fatalities.

A DC-3 with three crew aboard overshoots the runway at Bah Fai, Thailand, on August 20 and crashes; although the aircraft must be written off, there are no fatalities.

Despite these losses, further significant company development is anticipated. To that end, the airline purchases Pacific Overseas Airlines (Siam), Ltd. on November 1, 1951 and the same day, the two concerns are merged to create **Thai Airways Company, Ltd.**

SIBAVIA SIBERIAN AIRLINES (SIBAVIA SIBIRSKIR AVIALINII KONTSEK) See SIBERIA AIRLINES

SIBAVIATRANS: SA Vzlelnaya Street, Krasnoyarsk, 660077, Russia; Phone 7 (3912) 227 729; Fax 7 (3912) 553 824; <http://www.siat.ru/siat/n1.html>; Code 5M; Year Founded 1995. Sibaviatrans is established on February 23, 1995, as the transport section of a Krasnoyarsk metal factory. In addition to executive travel, the unit is authorized to undertake passenger and cargo charters and to undertake aerial work.

Boris Abramovich is named director general and he recruits a workforce of 200. A fleet is acquired that comprises 2 Antonov An-2s, 1 British Aerospace BAe 125-700B bizjet, 2 Yakovlev Yak-40s, and 9 Mil Mi-8 helicopters. Revenue services begin before the end of the month and are continued over the next four years without headline or incident. During these years, 1 each Tupolev Tu-154B and Tu-154M and 2 Antonov An-32s are added, along with 22 smaller fixed-wing and rotary-wing aircraft. Revenues of 300 million rubles are reported for 1999.

The Russian media reports that during the summer of 2000, negotiations are conducted between the carrier and **Murmansk Airlines** concerning the possible provision of help in resolving the latter's dismal operating situation. The talks come to nothing because Sibaviatrans is not interested in purchasing additional expensive Tupolevs, wanting only to lease the Antonov biplanes and a number of helicopters. The Murmansk

Web site soon shows most of the helicopter fleet up for sale, as well as both Tupolevs (one for \$2.1 million and the other for \$2.2 million).

Sibaviatrans now opens an office at Murmansk and begins to operate its own return service from that point to Moscow. Executives on the scene now also avail themselves of opportunities to further assess **Murmansk Airlines'** small fleet.

The increasing cost of fuel forces the company to default on its avgas payments on September 4. A payment schedule is soon instituted.

In mid-November, Sibaviatrans and **Murmansk Airlines** conclude a strategic partnership. Under its terms, Sibaviatrans leases three An-2s, all of the Mi-8s (only one of which is serviceable), and two Mi-2s, agreeing to overhaul the grounded helicopters. These are employed by Sibaviatrans to operate the **Murmansk Airlines** routes.

SIBERIA AIRLINES (SIBIR): 4 Fruenze Street, Novosibirsk, 630091, Russia; Phone 7 (3832) 221931; Fax 7 (3832) 226830; <http://www.sibir.ru>; Code S7; Year Founded 1992. When **Aeroflot Soviet Airlines** is reformed in 1992, its Novosibirsk directorate, Sibavia, is initially reformed into the **Toimachevo State Aviation Enterprise**, headquartered at the nearby city of Ob. In May, the concern, physically removed to Tolmachevo Airport, is reborn as Sibavia Sibirskir Avialinii Kompanii, an affiliate of **Aeroflot Russian International Airlines (ARIA)**. The name will be shortened to more familiar Sibir or Siberia Airlines. Shareholding is divided between Sibir employees (51%), the state (25%), and private investors (24%).

V. N. Tasum is general director and in addition to previous regional passenger and cargo flights, now including other CIS republics, he begins to offer charter flights to Europe and Asia. A large fleet is employed that includes 6 Ilyushin Il-86s, 10 Il-76s, 25 Tupolev Tu-154s, 10 Tu-134s, 30 Antonov An-24s, 10 An-26s, 7 An-26Cs, and an unspecified number of Yakovlev Yak-40s.

Enplanements total 4,205,186.

The downturn in the Russian economy during 1993 severely impacts the airline's traffic.

Passenger boardings plunge 41.3% to 2,976,070 while freight is down 39% to 628.5 million FTKs.

Gennady V. Kulichev is president in 1994 and he recruits a workforce of 1,040. The fleet is expanded by the addition of one Il-86, one Tu-154M and seven Tu-154Bs, while the Tu-134s and An-24s are withdrawn. Scheduled service to Moscow is started from Tomsk, Kemerovo, and Barnaul.

Customer bookings fall again, dropping 26.4% to 2, 1,563,574 and cargo is off 12.9% to 548,000 FTKs.

The company's 29 aircraft haul a total of 1,510,700 passengers in 1995, a 3.5% decline. Cargo traffic, on the other hand, inches up 1.1% to 47.2 million FTKs. Much of the freight growth occurs as a result of company flights to Sharjah, UAE, from whence aircraft return filled with all manner of cheap (by Russian standards) clothing and electronic gear.

Airline employment stands at 2,040 in 1996. Incomplete traffic figures reported to ICAO show another bad year. The Sharjah flights continue, often with brightly painted Tu-154Ms.

Customer bookings plunge to 571,625 while only 34.51 million FTKs are operated. There is a \$600,000 net loss.

In 1997, one of Russia's 7 largest carriers, the workforce of Sibavia, is cut 4.7% to 1,950. Scheduled and charter services to 19 destinations continue to be offered with a mixed fleet of 30 aircraft. Holiday flights are initiated to Bulgaria, Turkey, and Israel. An office is opened at Barnaul in October.

In December, BoguchanGESTroi Deputy Director General Vladislav Filev is elected to the board of directors.

Enplanements for the year reach back up 6.6% to 609,226, while 206 million FTKs are also operated. Operating revenues advance 1.1% to \$91.6 million, but costs are still high and there is a \$2.03-million net loss.

The fleet at the start of 1998 includes 5 An-24s, 4 An-26s, 18 Tu-154Ms, and 7 Il-86s. Four other Tu-154Ms are leased out to Iran.

Faced with increased competition, Sibavia moves to modernize. During the second week of April, former board member Vladislav Filev is named director general, with his wife, Nayalya, as deputy director general-commercial and Sergei Borisov as deputy director general-flight operations. At the same time, Atlas Project Management, an aerospace consulting firm, is hired to assist the airline in revitalizing its business methods. Filev and Atlas begin to reorganize the company, department by department, and reduce the number of aircraft in the fleet.

In May, an office is opened in Kemerovo. At this point, the company is able to claim victory in its competition with **Deutsche Lufthansa, A.G.**, which retires from the Frankfurt to Novosibirsk route. Siberian immediately doubles its frequencies between the two cities.

A code-sharing agreement is signed with **Lufthansa Cargo Airlines, A.G.** on the Novosibirsk to Frankfurt route; under its terms, Sibavia will fly all freight for both carriers between the two cities. During July, the company's financial and commercial departments are merged. Flights to Tianzhang commence in August.

Also in August, as economic problems persist, the Russian government devalues the ruble. The official exchange rate is initially pegged at six rubles to the dollar, but soon plunges. By mid-September, currency trades at 16 to 1.

This carrier, like many others across the nation, is forced to sharply increase some economy-class fares on its busy domestic routes. Even so, the new fares are still cheaper, in terms of dollars, than they were before the crisis. Sibavia, for example, increases its one-way fare to Moscow from 600 rubles to 800.

Still, airline continues to grow, opening a new nonscheduled route from Novosibirsk to Beijing in early October. Sibavia operates approximately 20 monthly Il-86 charters to the Chinese capital, taking 50–60 passengers to major shopping areas. They return with 35–36 tons of "hand baggage" on each trip, containing goods that will be sold at a profit. As the Russian economic situation continues to decline during the fall, the number of suitcase flights likewise tapers off.

Scheduled flights, on the other hand, are inaugurated between Novosibirsk and Beijing on December 23. Also during the month, a new office is opened at Tomsk.

Enplanements during the 12 months climbs 2.3% to 623,000 and the company transports 5,850 tons of freight. The carrier transports 52% of all passengers and 65% of the cargo collectively moved by all of the airlines in West Siberia. Siberian enjoys a 65.7% load factor, which is over 10% higher than the average for Russian airlines. Although exact figures are not provided, it is reported that revenues are up 10% over the previous year.

Reporter Vovick Karnozov reveals in "Siberian Merger," an article in the March 22, 1999 on-line edition of *AeroWorldNet*, that the carrier's fleet, on New Year's Day comprises 7 owned and 1 leased Il-86s, 6 leased and 4 owned Tu-154Bs, and 7 Tu-154Ms, 2 of which are leased to Iran. It also operates 1 Tu-134A, an An-32, and 3 An-26 freighters. Orders are outstanding for 1 Il-86 and 3 Yakovlev Yak-42Ds.

The new Novosibirsk to Beijing service, for whatever reason, is not announced in China until January 28.

By the end of March, two Tu-154Ms have been modernized and given business-class seating. All of the others plus the Il-86s will soon be re-configured in the same manner.

Scheduled destinations now visited include Adler/Sochi, Baku, Beijing, Bishkek, Dubai, Dushanbe, Frankfurt, Hanover, Istanbul, Kemerovo, Khabarovsk, Krasnodar, Mineralnye Vody, Moscow, Petropavlovsk-Kamchatsk, Raduzhnyi, Samara, St. Petersburg, Tashkent, Tel Aviv, Tanjin, Tomsk, Urumqi, Vladivostok, Yakutsk, and Yerevan.

Plans proceed for a merger of Sibavia with fiscally troubled **Vnukovo Airlines**.

On July 1, Managing Director Filev is named director general of Vnukovo and begins an attempt to run both carriers prior to their merger. After six weeks with Vnukovo, the man who has done so much for Sibavia realizes that Vnukovo's financial and fleet problems are too significant to allow for an early amalgamation. After putting in place a number of small reforms and instituting joint services over several common

routes, Filev resigns from Vnukovo in early August. Returning to Sibavia, he indicates that, if Vnukovo is able to overcome its problems on its own, a merger may be possible in the second quarter or later of 2000.

Beginning in October, the carrier issues smart cards to their Sibir Plus corporate program members.

It is reported on November 16 that the airline has joined with **Perm State Air Enterprise (Permskoe Gosudartsvennoe A/P)** in a concentrated effort to acquire part of the 25% market share held by **Vnukovo Airlines** in the Ural and Siberian markets.

Late in December, the company accepts delivery of a Tupolev Tu-204-100 under lease from **Perm State Air Enterprise (Permskoe Gosudartsvennoe A/P)**; it enters service on the company's route from Moscow to Novosibirsk.

Passenger boardings jump 19.6% to 744,700, while 28.8 million FTKs are also operated. Revenues rise 1.9% to \$106 million and there is a \$2-million net profit. (A year later, it will be noted that the carrier has actually suffered a 32.8-million ruble—\$1.3 million—loss.) An on-time percentage of 90% is reported.

Airline employment at the beginning of 2000 stands at 2,385, a 19.3% increase over the previous 12 months. Ownership is divided between the Russian Ministry of State Property (25.5%), Novosibirsk Regional Administration (23.44%), Moscow-based Eurofinance Investment Company (5%), Limited Partnership Portfolio Investments (12.71%), SEPT-A (18.8%), and OJSC Rusinprom-invest (19.5%). The fleet now includes 7 Il-86s, 12 Tu-154Bs, 8 Tu-154Ms, 1 Tu-134A, and the chartered Tu-204-100.

At the beginning of the year, Sibir inherits the routes to Kemerovo and Novokuznetsk that had been abandoned in mid-September by bankrupt **Aero Kuznetsk Novokuznetsk Airline**. The insolvent airline is, incidentally, renamed Aerokuzbass, and with a fleet of five Tu-154s, attempts to climb out of bankruptcy and stage a comeback.

On March 7, *Flight International* reports that Sibir is planning to establish a new hub at Moscow's Vnukovo Airport, home of its once and future partner **Vnukovo Airlines**. It also hopes to boost its operations from Perm in the Urals.

Il-86 and Tu-154M passenger and cargo charters to Seoul are resumed on March 20. Sibir's Chinese Il-86 flights are oriented away from the cargo-accompanied shuttle route to Tianjin toward the higher business mix that is available at Beijing. Passenger traffic during the first quarter climbs 5% on the Moscow-to-Novosibirsk route due to the departure from it of **Transaero Airlines** and the temporary grounding of **Vnukovo Airlines**.

On March 23, Flight Directors, Ltd., based at London (LGW) is appointed the carrier's U.K. sales agent. Additional representative offices are also opened at Frankfurt, Moscow, Sochi, and Novokuznetsk. The company begins to employ many of its own agents for a newly unveiled sales program.

At the end of the month, new services are started to Anapa and Barnaul. Eight-times-a-week Tu-154M roundtrips are introduced from Omsk and Novosibirsk to Hanover, Munich, and Frankfurt. Improved schedules are introduced for the major long-haul regional routes, Moscow–Novosibirsk with Novosibirsk–Yakutsk and Vladivostok–Irkutsk with the Irkutsk–Moscow route. Il-86 charters are flown from Novosibirsk to Larnaca, Antalya, Burgas, and Varna and from Moscow to Larnaca, Antalya, and Palma de Mallorca.

In April, arrangements are completed with Avialeasing for the purchase of the Tupolev Tu-204-100 it has chartered from **Perm State Air Enterprise (Permskoe Gosudartsvennoe A/P)**. Funding will follow shortly. Sibir also adds a Tu-154B, retiring two aircraft of the same type.

In June, a comprehensive agreement is signed with **Sayany Airlines**. Officially, the larger company becomes general sales agent for Sayany and is empowered to provide aircraft, manage, and develop its operations. In fact, the alliance will soon become a merger in everything but name.

On July 3, daily Tu-154M roundtrips are inaugurated from Omsk to Moscow's Vnukovo Airport. Seven days later, a license is received that will permit the initiation of new services to Omsk. The company

launches weekly Tu-154M return service from Omsk to Frankfurt via Moscow on July 13. The next day, an interline agreement is signed with **Deutsch Lufthansa, A.G.** that permits the two carriers to sell seats on each other's flights. For the first time, Sibir seats are sold outside of Russia, indeed, anywhere in the world.

A \$15.8-million, 4 1/2-year loan is obtained from the Siberbank on July 19. The new funds allow purchase of the Tu-204-100 it has been leasing and guarantees the airline the money required to purchase upwards of five more Tu-204-100s from Aviastar in the next year, along with several other aircraft needed for its planned fleet upgrade. To meet an April 1 deadline by the EC for TCAS equipment aboard all airliners flown over Western Europe, five Tu-154Ms and two Il-86s begin reequipping with AlliedSignal Version 2 suites.

Svyatoslav Lychagin, head of a department in the State Property Ministry, informs *The Moscow Times* on August 30 that the government is sending a budget to the Duma this week that includes a list of 20 state-owned companies to be sold next year. **Aeroflot Russian International Airlines (ARIA)**, Sibir, and **Samara Airlines** are originally on this privatization document. However, the exact sizes of the stakes to be sold have disappeared from the list after it has gone through final review by the offices of President Putin.

On September 4, Sibir begins to fully submerge the operations of its affiliate, **Sayany Airlines**, using Sibir aircraft on its licensed routes and collecting all revenues. All tickets on Sayany flights are sold under the Sibir name.

With airfare debts by its deputies continuing to grow, the airline, on September 25, takes action against the state for nonpayment. In October, the carrier's information technology division launches "Bilet Plus," an Internet ticket sales agency. The new service will permit its customers to book flights not only with Sibir, but also with other CIS airlines and **Deutsche Lufthansa, A.G.**

With permission from the UN sanctions committee, on October 31 the carrier flies a Tu-154M from Barnaul to Baghdad, flying over Kazakhstan, Turkmenistan, Uzbekistan, and Iran. This route must be employed because Turkey has refused overflight authority. The onetime charter, which Sibir has no plans to repeat, had been organized by the Altai Region as a charity for children suffering from leukemia. In addition to 1,180 kg. of humanitarian aid, the plane also transports 49 passengers. The Tu-154M returns to Barnaul over the same route on November 3.

In November, special pricing is introduced for transit passengers, e.g., for those traveling on the route from Blagoveshensk to Moscow via Blagoveshensk. Arrangements are completed by month's end for the complete absorption of **Sayany Airlines** into Sibir before the end of the year.

New twice-weekly Tu-154M roundtrips commence on December 6 from Moscow's Vnukovo Airport to Irkutsk, historically a transit point on the carrier's route from Novosibirsk to Vladivostok. Later in the month, the carrier introduces its first purchased Tupolev Tu-204-100.

At the end of the year, it is learned that the Russian Ministry of State Property, which owns 25.5% of Sibir, intends to put a percentage of its stake in the airline up for sale in the new year as part of a package of 30 state holdings that are to be privatized. It will first be necessary for the Duma to amend the current law prohibiting the sale of state holdings exceeding \$17 million in valuation.

On December 23, an agreement is reached under which Sibir will take over **Vnukovo Airlines**, the country's third largest airline in terms of passenger boardings, in the biggest landmark in Russian civil aviation history since the breakup of **Aeroflot Soviet Airlines**. The State Service of Civil Aviation (GSA) must approve the deal and there is no precedent in Russian law for the takeover of one major independent airline by another.

If the arrangement is approved, Vnukovo will lose its identity. Undecided is whether or not Vnukovo will operate as a subsidiary with a different name or be folded into its new parent.

Sibir CEO Vladislav Filiov agrees to assume responsibility for Vnukovo's debts and pay the workers of both carriers for the 2.5 months

required for integration. The deal will provide Sibir with a strategic Moscow hub at Vnukovo Airport, 7 more Tu-204-100s (among other types), and boost its route network to almost 200 cities. As anticipated, there is opposition from **East Line Airlines** and **Aeroflot Russian International Airlines (ARIA)**, as well as from within the GSGA itself.

Arrangements are immediately completed for the \$16.9-million purchase and delivery to Sibir of the first ex-Vnukovo Tu-204-100 in February. Upon receipt, the aircraft will be ferried to the Tupolev Aviation Technical Complex at Zhukovsky for further modernization and alteration prior to their joining the fleet in the summer. In addition, \$7.18 million will be expended to purchase one Il-86 and eight Tu-154Ms; Vnukovo will apply the proceeds to its large debt.

Customer bookings accelerate 11.8% during these 12 months to 832,728. In terms of passengers carried, Sibir is now the fourth largest airline in Russia. Cargo traffic jumps 22.5% to 296.6 million FTKs. Revenues jump 16% to \$120 million. On-time percentage dips to 84.6%, while overall flying hours increase by 14.2%, although the cancellation of loss-making CIS routes is reflected in a 24% decline in the number of hours flown by the fleet's Tu-134As. The fleet now includes 11 Tu-154Bs, 9 Tu-154Ms, 7 Il-86s, and 1 Tu-204-100.

The merger with Vnukovo will be officially reported on January 3, 2001. Twelve days later, Sibir will take over the Vnukovo routes to Yerevan, Sochi Novy Urengoi, Nadym, Makhachkala, Mineral Waters and Ulan-Ude. The GSGA, having heard all opponents, will quickly approve this creation of the nation's second-largest airline with Sibir, as promised, assuming responsibility for Vnukovo's 500-million ruble (\$20-million) debt. With the January 23 announcement, Sibir will begin paying Vnukovo's debts, allowing creditors holding the carrier's nine aircraft to begin releasing them. Following approval by Sibir stockholders on April 27, Vnukovo, once Russia's fourth largest airline and the first to disappear in the new year, will operate with its new owner as one entity under the Sibir name. Amalgamation time for the actual legal merger may require another year.

In February 2001, the GSGA reports that the total number of Russian air carriers has fallen from 328 in January 2000 to a current 294. It also reveals that **Kras Air (Krasnoyarsk Avialinii-Krasair)**, **Siberia Airlines (Sibir)**, **Pulkovo Airlines (Pulkovo Aviation Enterprise)**, and **Aeroflot Russian International Airlines (ARIA)** have, between them, carried half of all Russian passenger traffic in 2000.

Those numbers can be expected to grow under the new Aeroplan Alyans (Alliance) that will be signed by Sibir and **Kras Air (Krasnoyarsk Avialinii-Krasair)** at the beginning of March.

SIBERIAN AIRLINES. See **SIBERIA AIRLINES (SIBIR)**

SIBIR. See **SIBERIA AIRLINES (SIBIR)**

SI-CHANG FLYING SERVICE COMPANY, LTD.: 14th Floor, Pacific Place, 140 Sukhumvit Road, Bangkok, 10500, Thailand; Phone 66 (2) 254-3765; Fax 66 (2) 254-3480; Year Founded 1991. Established in early 1991 by Siam Chemicals, Ltd. Chairman Chira Ratanarat, himself a helicopter pilot, Si-Chang provides corporate airlift with a pair of MBB BK-117s. The operation is the only helicopter operation in the country entirely owned by Thai nationals.

In an effort to assist the public in avoiding Bangkok's congested ground transportation situation, Ratanarat, in January 1992, elects to employ his BK-117s in a new scheduled service. Eight-times-per-day revenue flights commence linking the Oriental and Shangri-La Hotels with Don Muang International Airport.

Operations continue apace without fanfare during the remainder of the decade.

SICHUAN AIRLINES COMPANY, LTD.: 9 Nan Sanduan Yihuan Road, Chengdu, Sichuan, 610041, China; Phone 86 (28) 555-1161; Fax 86 (28) 558-2641; <http://www.hps.com/sichuan/sichuan.htm>; Code 3U; Year Founded 1986. Sichuan Airlines is established at

Chengdu in Sichuan Province by the provincial government in September 1986 to provide scheduled domestic passenger and cargo services to domestic and regional destinations. Du Dinghuan is president and oversees a workforce that will grow to 800. Revenue flights commence in July 1988 and continue over the next decade with a fleet of 5 Tupolev Tu-154Ms and 5 Xian Y-7-100s.

Operations continue apace during 1989-1993. During these years, services are undertaken to the following Chinese cities: Beihai, Beijing, Changsha, Chongqing, Daedan, Guangzhou, Guilin, Guiyang, Haikou, Harbin, Jinan, Luzhou, Nanchong, Nanning, Shanghai, Shantou, Shenzhen, Urumqi, Wanxian, Wuhan, Xian, Xiamen, Sichang, and Yibin.

En route from Jinan to Guangzhou on September 30 of the latter year, a Tu-154M with 69 passengers is hijacked by taxi driver Yang Mingde and his wife Han Fengying, who have brought along their 6-year-old son. The Tupolev is diverted to Taiwan, where the family is taken in hand and from which the plane is allowed to return. Yang and Han are tried and receive prison terms of nine years and six years, respectively; their son is sent to a foster home.

The first of 2 Yakovlev Yak-42D 120-seat airliners is delivered to the airline from the Saratov Aircraft Plant in Russia on November 4, 1994. A halt in the use of clearing payments within intergovernmental trade has deprived the manufacturers of orders from five other Chinese companies during the year.

The second Yak-42D is delivered in early 1995. During the third quarter, Sichuan places orders for three leased Airbus Industrie A320-232s that will replace Tu-154Ms.

Enplanements this year total 918,320.

Airline employment stands at 1,400 in 1996. The ILFC delivers the first A320-232 during the third week of January. When it enters service in February, it is the first of its type to be operated by a PRC airline. Two more are received by December.

Passenger boardings surge 11.7% to 1.04 million.

In May 1997, orders are placed for two more A320s. In September, Sichuan, in line with Chinese government policy designed to reduce the number of regional airlines so as to increase the efficiency of competition, is one of six carriers to form the New Star Alliance.

Enplanements for the year total 1,078,785.

The New Star Alliance is activated on January 1, 1998; the informal compact soon begins to boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes.

The first of two new A321-232s is delivered in October, complementing the three A320-232s already in service.

Passenger boardings jump 8.5% to 1.17 million, while cargo traffic climbs 20.5% to 29.94 million FTKs.

The last of five new Airbus A320-232s to be delivered since December 22, 1995, is accepted on July 9, 1999. Director General Du Dinghuan is arrested by police during the summer after customs seizes a pair of Russian-made Tupolev Tu-154Ms that he had been attempting to smuggle into the country. In November, the Tupolevs are put up for auction, but attract no bids from the three potential buyers present due to the high asking price.

On December 26, the Sichuan Provincial Commodities Auction Center again places the aircraft up for sale. One is sold for 900,000 yuan and the other for 400,000 yuan.

Customer boardings fall to 1.05 million this year while 4.47 million FTKs are operated.

Airline employment at the beginning of 2000 totals 1,580, a huge 55.7% increase over the previous 12 months. One "classic" B-737, a Dash-37K, remains in the fleet, which also includes 6 Tu-154Ms and 5 Y-7s.

Company officials announce on April 28 that they are preparing to establish a new feeder subsidiary for Sichuan Province that will be equipped with five Embraer ERJ-145LRs and five de Havilland Canada DHC-8s. Foreign investors are invited to seek minority equity stakes.

On May 1, new A320-232 services are started from Chengdu to Dalian via Jinan, to Zhuhai via Zhangjijie, and to Shenyang via Shijiazhuang.

An order for the five ERJ-145LRs is announced on May 31; it will be confirmed on July 27 during the Farnborough Air Show in England.

In early August, Sichuan becomes the first Chinese regional to place the Xi'an Aircraft Industry Corporation's new MA60 into commercial service. Sichuan and several other carriers have requested the lease of a total of 10 of the new Y-7-200A derivatives.

A Boeing B737-37K is leased from **Zhongyuan Airlines Company, Ltd.** on September 2. Arrangements push forward for the introduction into service of the ERJ-145LRs.

SICOTRA AVIATION, S.A. (SOCIETE INTERNATIONALE DU COMMERCE ET TRANSPORT): Zaire (1986–1991). Founded at Kinshasa in 1986, Sicotra undertakes and continues regional and international all-cargo charter and contract service flights with a single Douglas DC-8-54F first flown by **Zaire Cargo, S.A.** It enters service in January 1987. A Boeing 707-373C, first operated by **World Airways**, is acquired in December.

The Douglas Jet Trader is sold to **Liberia World Airlines** during the summer of 1988, leaving the Stratofreighter to operate flights from the former Belgian colony to Ostend.

Flights continue until the company shuts down in the fall of 1991 following a violent crisis.

SIEM REAP AIRWAYS, LTD.: 571 Rd., No. 6, Phum Salakanseng, Khum Svay Dankum, Srok Khet, Siem Reap, Cambodia; Phone (855 63) 380 191-2; Fax (855 63) 380-191; Code PG; Year Founded 2000. On October 11, 2000, **Bangkok Airways, Ltd.** announces the formation of a Cambodian subsidiary, Siem Reap Airways, which comes into existence on October 29. Employing 3 ATR72-201s leased from the parent, the new regional flies from Siem Reap to Bangkok, Phuket, and Sukhotai and from Phnom Penh to Bangkok and Pattaya.

Bangkok Airways receives its premier B-717-23S on November 15. This first of its type to fly in Asia enters service from Bangkok to Siem Reap and Phnom Penh, Cambodia, in December on lease to Siem Reap Airways.

SIERRA EXPRESSWAY: United States (1995–1996). Sierra Expressway is set up at Oakland, California, in the summer of 1995 to provide feed at that city for **Southwest Airlines (2)** and the **United Airlines** division Shuttle by United. The first of five British Aerospace BAe Jetstream 31s is delivered in August and is employed with its later-arriving sisters to inaugurate a combined 22 daily nonstop services to Eureka and Redding, California, plus Medford, Oregon.

On November 16, daily service is started from Sacramento to Monterey via Oakland. South Lake Tahoe joins the roundtrip route network on December 15.

The last Jetstream 31 is delivered in early January 1996 and begins daily flights from Oakland to Monterey. The aircraft has a sea otter painted on its fuselage along with Monterey Bay Expressway titles. Nonstop roundtrips are inaugurated on January 15 between Monterey and Sacramento along with one-way, nonstops from Monterey to South Lake Tahoe.

Unable to achieve viability, President Michael Forster's commuter is unable to make the lease payments on its Jetstream 31s. When JSX Capital Corporation files suit for recovery of the money owed, a California Superior Court judge orders the commuter to shut down at the end of March.

SIERRA FLITE SERVICE: United States (1979). Sierra Flite Service is set up at Bakersfield, California, during early 1979 to provide scheduled passenger and cargo flights to Las Vegas. Beech King Air 90 revenue flights commence on March 1, but due to lack of traffic, cannot be maintained beyond August 3.

SIERRA LEONE AIRLINES, LTD (SLA): Sierra Leone (1982–1987). In 1982, **Sierra Leone Airways, Ltd.** is reorganized and **British Caledonian Airlines, Ltd. (BCAL)** withdraws its interest. National cit-

izens with Mideast backgrounds help to convince the government to seek new leadership for its national carrier.

Renamed Sierra Leone Airlines, Ltd., ownership is now split between the government (60%), **Alia (Royal Jordanian Airlines)** (20%), and private interests (20%). A new nine-man board of directors takes office; Ali Ghandour, chairman and managing director of Alia, is chairman of the new group as well.

Alia is also given a three-year management and technical support contract and in turn, wet-leases to its new partner one Boeing 707-3D3B Stratoliner painted in SLA livery. It joins an owned fleet of just two Britten-Norman BN-2 Islanders. Under the direction of Jordanian Managing Director Capt. Khaja Yousufuddin and three associates, revenue services over the previous BCAL routes commence in November.

International services in 1983 consist of one weekly roundtrip from Freetown to London via Las Palmas, a second to the British capital via Paris, plus two weekly roundtrips from Freetown to Lagos, one routed via Monrovia and the other via Abidjan. The wet-leased Stratoliner continues to be flown by Alia crews seconded to SLA for two-week periods.

Enplanements are 28,913,

In the spring of 1984, King Hussein of Jordan presents a B-720-030B (B-720B) to Sierra Leone's President Siaka Stevens. Transferred to the Sierra Leone aircraft registry, the aircraft, christened *Spirit of Friendship*, serves as backup to the Stratoliner. Meanwhile, a number of Sierra Leone Trislander pilots are sent to Amman for conversion training on B-707s/B-720Bs.

Passenger boardings climb to 37,500. That traffic figure drops 25% to 30,000 in 1985. In July 1986, flights begin to Banjul and Conakry.

With a history of foreign exchange problems, Sierra Leone cannot afford to make additional necessary improvements and operations of its flag carrier are suspended in August 1987 following the withdrawal of the **Royal Jordanian Airlines** management team. Government efforts to locate another foreign carrier willing to provide management assistance are unsuccessful and it contracts with **Aer Lingus Irish Airlines, Ltd.** in September to operate international flights from Freetown with one each McDonnell Douglas MD-83 and A310-324, both leased from **Air Liberte, S.A.** The nation is left without an air service it can truly call its own.

SIERRA LEONE AIRWAYS, LTD. (SLA): Sierra Leone (1958–1982). With a fleet of de Havilland DH 89A Dragon Rapides, this carrier is formed at Freetown in 1958 as a subsidiary of **West African Airways Corporation (WAAC)** to operate feeder services with 3 de Havilland DH 89A Dragon Rapides across the Sierra Leone River to Lungi International Airport. When WAAC ceases trading on September 30, the operator receives assistance as Sierra Leone Airways, Ltd. from **Nigeria Airways, Ltd.** and the British state carrier **British Overseas Airways Corporation (BOAC)**.

During 1959–1960, Scottish Aviation Twin Pioneers are acquired for bush country operations. Financial problems cause the airline to shut down at the beginning of 1961.

Following independence on April 27, the company becomes a new national flag carrier. A management contract is signed with **British United Airways, Ltd.**, which assumes 70% majority equity as well. The government holds a 20% stake and Mining and General Services holds 10%. BUA and the government select two each of the five members of the board of directors, with M & GS nominating the fifth. Thomas C. Luke is chairman, with Ken Sheparson as general manager.

BUA personnel arrive at Freetown and assume control; flight personnel begin flying the Twin Pioneers to domestic points during June.

A Bristol Britannia 317 is also provided by British carrier, allowing the inauguration of Freetown to London return service in November.

During 1962–1965, routes and frequencies are increased. Daily or twice-daily domestic flights link Freetown with Bo, Bonthe, Gbanatok, Kabala, Kenema, and Yengema. The Britannia 317 leased from BUA for use on the London service is replaced in 1964 by a Vickers VC10. Derek Graham becomes general manager in 1965, with E. H. Chamber taking

up the office in April 1967. The Twin Pioneers are finally replaced late in the decade with two DH 114 Heron 1Bs.

British Caledonian Airways, Ltd. (BCAL) takes over both BUA and the Sierra Leone contract upon its formation in 1970. In March 1973, the African airline is reorganized. The government becomes the majority owner (51%) with BUA's new owner, **British Caledonian Airways, Ltd.**, assuming the 43% and Mining and General Services, 6%. Chairman A. B. Kamara's fleet comprises a pair of Britten-Norman BN-2 III Trislanders. Under charter, BCAL operates services to London and Monrovia on behalf of the carrier.

Regional service is opened to neighboring African states, plus London, Paris, Rome, and the Canary Islands during 1979–1981. The fleet is altered and enhanced to include a Boeing 707-399B, a B-720B, (both jetliners are BCAL charters) and two BN-2 Islanders, the latter for domestic operations. One of the Islanders is involved in a Freetown accident on August 25, 1980.

SIERRA LEONE NATIONAL AIRWAYS, LTD.: Leone House, P.O. Box 285, 25 Pultney Street, Freetown, Sierra Leone; Phone 232 (22) 22 2075; Fax 232 (22) 22 6297; Code LJ; Year Founded 1990. Reorganized at Freetown in 1990 to replace the former **Sierre Leone Airlines, Ltd.**, which had stopped flying in 1987. SNA begins Freetown to London return flights on May 1 using a leased Boeing 707-320B. In August 1991, a management contract is signed with **Air Liberte, S.A.** Under terms of the agreement, the French carrier will pay off \$20 million in debt incurred under the previous management of **Royal Jordanian Airlines** executives in order to allow the company to operate to London and a number of European capitals.

Employing an Airbus A310-324 chartered from **Air Liberte**, weekly service is inaugurated to Paris on October 26; the frequency becomes twice weekly on December 20.

The previous route network is resumed in 1992 and includes stops at Accra, Abidjan, Conakry, and Lagos. During the latter year, the government turns to **Europe Aero Service, S.A.** to take over the management of the airline's operations. EAS brings in its own A310-304 and begins roundtrip service to Paris in December.

President Stanley Palmer acquires a B-727-294A for the airline in 1994. EAS now also undertakes long-haul flights to Las Palmas and extends the Paris service on to London (LGW).

Flight services end in January 1995, at which point, J. S. Kamandah becomes managing director. The 193-employee company turns its attention to the provision of ground-handling services for international carriers visiting Freetown. Surveys are run and plans are made to resume flying. Unhappily, this dream is thwarted by political unrest at the end of the decade.

On November 14, 2000, after suspension for nearly a decade, the carrier resumes weekly multistop return service from Freetown to London (LGW) employing a leased B-727-294A. British troops have been stationed at Freetown for some months providing the security necessary for this and other essential public activities.

SIERRA MOUNTAIN AIRWAYS: United States (1987–1989). Oakland, California-based SMA begins scheduled Dornier 228-200 passenger services during the summer of 1987 linking its base with Mammoth Lakes, Fresno, Long Beach, Battle Mountain, and Reno. Operations continue for only two years.

SIERRA NEVADA AIRLINES: P.O. Box 19398, Las Vegas, Nevada 89132, United States; Code II; Year Founded 1992. Sierra Nevada is established at Las Vegas in 1992 to offer scheduled passenger and cargo services. Revenue flights commence with 4 Cessna 402s and 1 Beech 58 Baron. A total of 15,677 passengers are flown on the year and revenues reach \$1.6 million. Expenses are kept down and profits are made: \$285,062 (operating) and \$11,520 (net). Scheduled operations cease in 1994; however, the carrier continues to offer charter flights.

SIERRA PACIFIC AIRLINES (1): United States (1965–1966). The first SPA is set up at Oakland, California, in the fall of 1965 to provide scheduled passenger and cargo services to Reno via Lake Tahoe. Employing a de Havilland DH 104 Dove, the commuter begins revenue services on November 11, but, despite an interline agreement with **Western Airlines**, it cannot last a year.

SIERRA PACIFIC AIRLINES (2): United States (1972–1978). Early in 1972, **Trans Sierra Airlines**, based at Burbank, California, is reformed and renamed. Employing Piper PA-31-310 Navajos, Cessna 402s, and a Convair CV-340, revenue flights are maintained, linking the company's base with Los Angeles, Fresno, Bishop, and Mammoth Lakes. Service is operated without incident in 1973.

Chartered by Wolper Productions to fly a movie production crew from Bishop to Burbank on March 13, 1974, Flight 802, a CV-340 with 4 crew and 32 passengers crashes at the 6,100-ft. level of White Mountain, 5.2 mi. SE of Bishop; there are no survivors. The aircraft is replaced on October 15 by purchase of a CV-580 from **Frontier Airlines (1)**.

Operations continue apace in 1975–1978; however, fiscal difficulties steadily mount. In July of the latter year, the company is purchased by Mountainwest Aviation of Tucson, Arizona, and will be regenerated into the third SPA.

SIERRA PACIFIC AIRLINES (3): 7700 North Business Park Drive, Tucson, Arizona 85743, United States; Phone (520) 744-1144; Fax (520) 744-0138; Code SI; Year Founded 1978. Mountainwest Aviation is formed at Tucson, Arizona, in February 1976. Two years later in July 1978, the company purchases the assets of failing Los Angeles-based **Sierra Pacific Airlines (2)**, transferring them across state lines where they are operated under the purchased carrier's name as the main subsidiary of a new holding company, Sierra Pacific Corporation.

Passenger boardings jump 30% to 54,622.

Employing 6 Convair CV-580s and 2 de Havilland Canada DHC-6 Twin Otters, the revamped airline undertakes charter and commercial contract flights, both civilian and military, in addition to scheduled flights. Turboprop operations, primarily to the Mammoth ski region, continues apace.

In 1979, the first full year of change, passenger bookings fall 40.6% to 27,000 and freight is off by 34.7% to 27,000 pounds. Rising costs coupled with the energy crisis nearly force the carrier out of business in 1980.

Flights continue without incident in 1981–1982. While on final approach to Hailey, Idaho, on February 15, 1983, Flight 868, a DHC-6-300 with two crew and six passengers suddenly loses power and crash-lands on a highway, veering off and hitting a 4-ft. snowbank. There are no fatalities.

Despite the loss, Sierra Pacific rallies and is able to continue operations through the remainder of the new decade. To help boost income, two CV-580s are wet-leased to **Horizon Air** during the summer season in 1984.

In 1989, the carrier operates seven Convairs, one of which is leased out to **Aspen Airways**. The Aspen lease ends in 1990, at which time four Convairs are chartered to **Express Airlines I** for a year. In 1991, one Convair is leased to **ERA-Jet Alaska** and two leased Boeing 737-112s (one formerly flown by **America West Airlines**) enter service.

The jetliner fleet is significantly increased in 1992; in addition to the CV-580s and two leased B-737-112s, one more B-737-112, two B-737-247s, one B-737-281, one B-737-2T4, and two B-737-3Q8s are also chartered. All of this capacity allows the company to transport a total of 498,000 charter passengers.

Airline employment in 1993 at President Gar Thorsrud's company is 165 and the fleet remains unchanged. Enplanements decline 29.4% to 351,790 and revenues reach \$10.94 million. Expenses hit \$11.99 million and cause a \$1.05-million loss. There is also a \$742,583 net loss.

The workforce is cut to 100 in 1994 as passenger bookings plunge 80.1% to 70,000. Revenues decline 21.8% to \$8.55 million, while

expenses drop 29.1% to \$8.51 million. There is a tiny \$46,000 operating surplus and a net loss of \$69,000.

The eight aircraft of the Tucson-based regional transport a total of 46,000 passengers in 1995, a 34.3% drop. As might be expected, costs outrun revenues and the previous year's operating profit becomes a \$142,000 loss. A \$198,000 net loss is also suffered.

The fleet in 1996 includes 1 chartered B-737-2T4A and 7 CV-580s, 2 of which are out of service. Traffic recovers as customer bookings skyrocket 92.3% to 100,000 and 1.3 million FTKs are operated, a 69.7% jump.

Operating income accelerates 51.6% to \$9.85 million while expenses grow 35.9% to \$9.02 million. An operating profit of \$829,000 is reported, along with a net \$834,000 profit.

Operations continue in 1997, during which year passenger boardings fall 34% to 66,000 and cargo traffic plunges 40.2% to 797,000 FTKs.

Operating revenues decline 43% to \$5.61 million, as expenses drop 27% to \$6.58 million. The operating gain of the previous year is turned into a loss of \$970,000, while the net profit becomes a net loss of \$781,000.

The company continues its charter services in 1998 and, as before, accepts subcharters from other organizations. Among these are the U.S. Forest Service and the U.S. Marshals Service. A second B-737-2T4A is acquired.

For the 12 months, customer bookings accelerate by 25.8% to 83,000.

Revenues jump 15.3% to \$6.47 million, while expenses plunge 14.2% to \$5.63 million. The operating profit is \$819,000 and a net gain of \$313,000 is celebrated.

Customer bookings fall 18.1% in 1999 to 68,000.

On the ground at Grand Isle, Nebraska, on April 15, 2000, a B-737-2T4A en route to Las Vegas on a gambling junket is stranded for four hours when its stairway jams. Unable to free the portal, the airline authorizes airport workers to drive a front-end loader up to the plane and to evacuate those aboard via its snow bucket. Once repairs are made, the delayed visitors reboard and the jetliner departs. The airport, which does not have its own portable stairway, gives consideration to such a purchase.

Passenger boardings increase 20.6% to 82,000.

SIERRA VISTA AVIATION: United States (1982–1988). SVA is founded at Sierra Vista, Arizona, during the summer of 1982 to provide scheduled passenger and cargo flights to Fort Huachuca, Phoenix, and Tucson.

Employing a Douglas DC-3 and Piper lightplanes, the company begins revenue flights in August, continuing them until it is forced out of business in late fall 1988.

SIERRA WEST AIRLINES (1): United States (1987–1991). Sierra West is set up at Albuquerque, New Mexico, early in the first quarter of 1987 to provide scheduled passenger and cargo flights to Taos. Employing a Piper PA-32 Seneca and a Cessna 402, daily roundtrip revenue services commence on March 1 and are continued until the company goes out of business during the recessionary year of 1991.

SIERRA WEST AIRLINES (2): 4511 Cheyenne Ave., Suite 401, Las Vegas, Nevada 89030; Phone (702) 638-0144; Fax (702) 638-0156; Year Founded 1996. Sierra West is established at Las Vegas in 1996 as the airline division of Pak West Airlines, Inc. Deborah Robinson is president with Marino Johansson as vice president-operations. FAR Part 135 charter operations, primarily cargo, commence and continue with five Fairchild Metros, four Learjets, a Fairchild Merlin, and a Dassault Falcon 20.

SI-FLY (COMPAGNIA AEREA, S.p.A.): Piazzale Ungheria 58, Palermo, Sicily, 90141, Italy; Phone 091-6117801; Fax 091-6117580; http://www.sifly.it; Year Founded 1994. Si-Fly is established at Palermo on October 29, 1994 to operate passenger charters. Following a long start-up period, capitalization of L4.33 billion is acquired and orders are placed for a pair of Avions de Transport Aerien ATR42-320s.

Arrival of the first ATR allows the company to begin holiday flights to Tunisia.

On October 1, 1999, scheduled service is inaugurated between Rome and Albenga, with regular flights to Perugia and Ancona added on October 18.

Having been chartered by the UN's World Food Program for a humanitarian service, the ATR42, with 3 crew and 21 passengers departs Rome for Pristina, Kosovo, on November 12. En route, the turboprop crashes into a mountain N of Pristina, killing all aboard.

By early 2000, two more ATR42-320s are on hand and revenue flights over the October routes have been resumed. At the end of March, new services are inaugurated to Olbia, Sardinia, Pantelleria, and Parma. On July 15, twice-daily return service is launched from Rome to Lamezia Terme.

Following receipt of a third ATR in September, a new route is started between Milan and Crotone.

SILICON VALLEY EXPRESS: 1250 Aviation Ave., Suite 140, San Jose, California 95110, United States; Phone (408) 292-0677; Fax (408) 279-8487; http://www.mindspring.com/~siliconvalleyexp; Year Founded 1983. Leslie Bensing establishes SVE at San Jose in 1983 to provide executive jet charters to destinations throughout the U.S. and Canada, Mexico, the Caribbean, and South America. Operations commence and continue with a fleet, which by 2000 includes 2 Learjet 35As.

SILKAIR (PTY.), LTD.: Core L, 5th Storey, SIA Superhub, 30 Airline Road, 1781, Singapore; Phone 65 540 6403; Fax 65 542 6286; http://www.singaporeair.com/silkair/default.htm; Code MI; Year Founded 1992. In an effort to change its image from that of a holiday-resort carrier to Singapore's second scheduled airline with a business-class orientation, Tradewinds (Pty.), Ltd., a wholly owned subsidiary of Singapore Airlines, Ltd., is renamed on April 1, 1992. With a workforce of 310 and a fleet that includes 2 leased Boeing 737-3Y0s and 1 B-737-3L9, General Manager Michael Chen's company is renamed, receives a new logo and color scheme, and continues both scheduled and charter operations.

Tradewinds Tours & Travel (Pty.), Ltd. is restructured and becomes a subsidiary of the airline. Following the delivery of a chartered B-737-3M8 in July, new twice-weekly scheduled routes are opened to Cebu, Phnom Penh, and Medan and business-class service is introduced. In November, business-class passengers are introduced to the Sony video Walkman as an in-flight amenity.

Passenger boardings skyrocket 77.2% to 453,809 and a net income of \$990,000 is earned.

Early in 1993, Syn Chung Wah remains as chairman with Mr. Chan as general manager. The fleet of the 305-employee company comprises 4 Boeing 737-300s, 2 of which are leased from GPA International, and orders are placed with the parent for 2 Airbus A310s.

On February 3, scheduled services are undertaken or expanded from Changi International Airport linking Singapore twice weekly with Kunming, Phnom Penh, Cebu, Hat Yai, Phuket, Yangon, Jakarta, and Medan. In July, the company begins to participate with its parent in the new Passageway frequent flyer program.

A daily service is also jointly opened with Pelangi Air, Ltd. employing Pelangi's two Dornier 228-200s from Seletar to Tioman Island, Malaysia.

Customer bookings swell 28.6% to 583,426.

The employee population grows to 380 in 1994 and the fleet is increased by the addition of 2 Airbus Industrie A310-222s leased from SIA. On February 24, the company celebrates its fifth anniversary; both air and ground staff are given new uniforms to mark the event. Prior to the beginning of the summer schedule at the end of March, three new stations are opened, at Hangzhou, China, Manado, Indonesia, and Chiangmai, Thailand.

During the spring, new service is inaugurated from Singapore to Manado on the Indonesian island of Sulawesi. Thrice-weekly B-737-

3Y0 flights are also initiated to Kao-hsiung, Taiwan; however, this service becomes a daily A310-222 run on July 1.

Late in the year, a lease-purchase order is placed for two Fokker 70s with which to operate the company's shorter routes out of Singapore.

Passenger boardings for the year advance 13.2% to 660,428. Revenues are \$111 million and an operating loss of \$20 million is suffered.

In February 1995, the carrier, in cooperation with **Sempati Air**, begins four weekly joint frequencies from Singapore to Lombok employing a Fokker 100. The first Fokker 70 arrives in March and after training and route proving, enters service on April 1 on routes from Singapore to Solo City, Mataram, Padang, and Pekanbaru.

Too expensive to operate, the A310-222s are meanwhile turned back to the carrier's parent in March. Some of their capacity is taken up by the Fokker 70s, the second of which is delivered in October. Departure of the large Airbus wide-bodies causes a suspension of flights to Kao-hsiung and Hangzhou.

Customer bookings dip 2.6% to 642,172.

Airline employment stands at 483 in 1996 and the fleet includes 2 B-737-3Y0s, 2 Fokker 100s, 2 Fokker 70s, and 1 each B-737-3L9, B-737-3M8, and B-737-33A, the last unit leased.

The progress interrupted the previous year is resumed; enplanements surge 17.4% to 754,134.

The workforce is cut 21.3% in 1997 to 380. Destinations visited include Cebu, Chiang Mai, Hat Yai, Jakarta, Kuantan, Kunming, Langkawi, Lombok, Manado, Medan, Padang, Penkanbaru, Phnom Penh, Phuket, Solo City, Tioman, Ujung Pandang, Xiamen, Vientiane, and Yangon.

Twice-weekly roundtrips commence on March 23 between Singapore and Davao City in the southern Mindanao region of the Philippines. In April, the older twice-weekly route to Cebu becomes a daily service.

Under a dual-designator agreement with SilkAir, **Garuda Indonesia** is able to place its code aboard the Singapore company's twice-weekly Fokker 70 roundtrips, beginning on June 2, between Singapore and Balikpapan, East Kalimantan (Borneo).

Orders are placed in June for 3 Airbus Industrie A319s and 5 A320s to begin delivery in September 1998, plus options on a mix of 10 more. A \$250-million request is also made for IAE V2500 engines with which to power them.

En route from Jakarta's Soekarno Hatta Airport to Singapore, Flight 1185, a B-737-33A piloted by Capt. Tsu Way Ming with 6 other crew and 97 passengers, crashes nose-down into the Musi River, 56 km. N of Palembang, Sumatra, on December 19; there are no survivors.

Passenger boardings continue to march upward, climbing 4.8% to 750,000.

The airline is particularly hard hit in 1998 by the Asian airline recession. The Indonesian market, which accounts for a third of the company's traffic, virtually dries up by the time Sukharno is overthrown in late May. Although aircraft are redeployed to Malaysia and load factors of 60% are maintained, yields lost cannot be regained.

The first of five A320-232s is delivered in mid-September and begins revenue service on September 25 from Singapore to Phuket, Thailand. Although it had been planned to acquire the remaining four by 2000, deliveries of the last two, in the face of the recent Asian economic crisis, are pushed back to 2002.

On November 28, Oetarjo Diran, chairman of Indonesia's Aircraft Accident Investigation Commission, reports that accident investigators are still no nearer to providing any specific answers concerning the cause of the crash of Flight 185. Experts have, however, ruled out weather and terrorism. Delays in publication of an official report will become embarrassing.

Flights continue in 1999. On June 2, twice-weekly nonstop A320-232 roundtrips are inaugurated between Singapore and Trivandrum, in the southwestern Indian state of Kerala.

In August, officials in Indonesia release a report on the 1997 crash of Flight 1185 that focuses heavy attention on pilot Capt. Tsu Way Ming's financial and discipline problems. The report is turned over to police in

both Indonesia and Singapore. On September 2, the Criminal Investigation Division of the Singapore Police Force indicates that a review of the accident is underway and that the case has been, for that purpose, classified as a murder-suicide.

The first of four A319-132s is delivered on September 3. In mid-October, as the second A319-132 is received, the last chartered B-737-3Y0 is withdrawn.

Passenger bookings total 252,000, while 3.51 million FTKs are operated. A total of 505 are employed by the company at the beginning of 2000.

A tragedy 110 nm. E of Chek Lap Kok Airport is barely averted on January 22 when **Dragonair, Ltd.** Flight 437, an A330-342 preparing to land at the Hong Kong airport after a service from Kao-hsiung, narrowly avoids a collision with Silk Air Flight 928, an A320-232 taking off for the continuation of a service from Singapore to Xiamen, in SE China. At their closest before TCAS alarms allow evasive action, the aircraft are apart by approximately 1.3 nm. laterally and 900 ft. vertically.

After completing their final revenue flights, the two Fokker 70s are withdrawn in late March. The third A319-132 is accepted on May 29.

Carrying 100 passengers, an A320-232 completes the first night flight into Thiruvananthapuram International Airport on September 15. The company's thrice-weekly roundtrips into the Indian airport from Singapore are now all switched to evening hours.

Twice-weekly A320-232 return service is inaugurated on November 3 from Singapore to Siem Reap, Cambodia.

In its final report on the 1997 crash of Flight 185, the Indonesian National Transportation Safety Committee report of December 15 indicates that its investigation has been unable to "explain how and why the accident happened." Breaking sharply with the Indonesians, the U.S. NTSB releases a 49-page review of its own input into the crash review on December 18. The American document indicates that there is clearly enough evidence to issue a ruling of pilot suicide by Capt. Tsu Way Ming and is somewhat incredulous that the final Indonesian finding had not been the same, particularly since the NTSC interim report had also concluded suicide was the probable cause.

As the month ends, the **Singapore Airlines, Ltd.** parent names Alphonsus Chia Chung Mun CEO, succeeding Make Swee Wah, who becomes senior vice president-Southwest Pacific.

SILVER AIR, LTD.: Pernerova 16, Prague 8, CZ-18600, Czech Republic; Phone 42 (2) 232-1405; Fax 42 (2) 232-1405; Code SLO; Year Founded 1996. Silver Air is established by General Aviation at Prague in 1996 to offer passenger charters. Zdenek Skoda is president and he begins revenue operations with a single leased Boeing 727-230A and a Let L-410UVP. Flights continue in 1997, including a brief wet-lease of the Boeing to Vietnam's **Pacific Airlines**.

Let service is maintained in 1998-2000, as the American-made jet-liner is returned to its lessor.

SILVER CITY AIRWAYS, LTD.: United Kingdom (1946-1962). A small private charter operation is registered as a U.K. airline on November 25, 1946 for the express purpose of providing a specialized British air link to Australia and South Africa in support of the mining industries of those countries. A total of £500,000 capitalization is provided by the industry, including Imperial Smelting Corporation and the Zinc Corporation, and administrative and management support is given by British Aviation Services (Britavia), under supervision of Managing Director Griffith J. Powell.

The carrier's name is taken from the Zinc Corporation's mining town of Broken Hill ("The Silver City"), Australia. Three Avro Lancastrian 3s, purchased from their manufacturer in October and christened *City of New York*, *City of Canberra*, and *City of London*, are now placed in service between Britain's Langley Aerodrome and South Africa and Australia. Two Douglas DC-3s are added in November and December.

Early in 1947, the Langley base is closed and company operations in the U.K. are shifted over to Blackbushe Airport, site of Britavia's

headquarters. A Lockheed Model 18 Lodestar is purchased in February and employed for fast passenger charters. Three more DC-3s are acquired in June and July, with a de Havilland DH 104 Dove I purchased in the former month and a Lancastrian sold in the latter.

In October, another Dove I is bought and a Bristol 170 Mk. IIA Freighter is leased from its builder. In November, the Freighter and a DC-3 are transferred to Karachi to participate in the airlift of Hindu refugees to India from the newly created Pakistan. The Freighter transports more people than any other single aircraft involved in this Operation India.

Silver City Airways undertakes a variety of ad hoc charters during 1948. A holiday route Blackbushe–Jersey, charter flights within Rhodesia, and the transport of racehorses to and from Continental destinations serve as examples. During the year, another Dove I is accepted and five more Bristol Freighters arrive to replace the first, now returned; three DC-3s are sold. With a Bristol 170 Freighter, the world's first vehicle ferry service is flown under a **British European Airways Corporation (BEA)** associate agreement, Lympne–Le Touquet on July 14; two cars are transported. Following the lift of 174 autos and their occupants, the service is suspended for the winter on October 7. In mid-October, four Bristols are committed to the Berlin Airlift.

Permission to resume the cross-Channel vehicle ferry service is received in January 1949. The Bristols are withdrawn from the Berlin Airlift on February 5, having made the delivery of 896.4 tons of supplies in 213 sorties since October. Produce and livestock charters to and from France and Ireland are now undertaken and on April 15, the Le Touquet vehicle ferry service is resumed.

Return flights to Lympne carry both cars and cargo. Over 10,000 passengers and 2,482 vehicles are flown on the year. The subsidiary, **Air Malta, Ltd.**, is formed to operate two de Havilland DH-104 Doves on charters from the Mediterranean island to Cairo, Tunis, and Catania. The fleet is increased by the addition of a DC-3, a Percival Proctor 3, and three Bristol Freighters, the latter allowing the leased units to return to the manufacturer.

Vehicle ferry and ad hoc charter work occupies the carrier throughout 1950. On March 21, a Bristol 170 Mk. 21 is destroyed in a crash at Cowbridge; a new Mk. 21 joins the fleet at month's end. The DC-3 *City of Hollywood* is sold in June.

Between the spring and October, when services are suspended, a total of 3,950 cars and 900 motorcycles are carried Lympne–Le Touquet. Berlin, Alexandria, Antwerp, Malta, Goteborg, and other cities are visited by chartered Silver City aircraft. **Air Malta, Ltd.** is purchased by **Malta Airways, Ltd.** on December 15 and on December 17, a DC-4 flies Winston Churchill to Marrakesh, remaining on call to the VIP.

Two more Bristol 170 Mk. 21s are purchased in March and April 1951 and are added to the cross-Channel service when it resumes during the latter month. The most successful season yet sees the Freighters transporting 30,000 passengers and 13,000 vehicles between Lympne and Le Touquet.

Many ad hoc charters are again flown, ranging from pest control helicopter flights in Khartoum to a November contract for the transport of 1,800 cows over the air ferry route. The Percival Proctor 3, all three Dove Is, and a DC-4 are sold. During December alone, the Bristols bring over 18 tons of French cheese into Britain every week.

Airline employment in 1952 is 167. On January 10, a new Southampton (Eastleigh) to Cherbourg (Maurpertus) scheduled vehicle ferry service is inaugurated; while awaiting the spring rush, additional funds are raised by flying in French cheese. On April 7, the carrier begins a two-week charter flying office furniture from England to Paris for headquarters of the new North Atlantic Treaty Organization. On April 14, a third vehicle route is inaugurated from Southend to Ostend and in June the company hauls 10 British racing cars to Le Mans for the 24-hour endurance race.

The 10,000th cross-Channel vehicle flight is completed on July 1 and the equestrian teams of Canada, France, and Egypt are transferred to Helsinki for the Olympic Games. Ad hoc charters are also flown to Al-

geria, Germany, Turkey, Holland, Austria, Finland, Italy, Belgium, and other European and North African destinations. At the end of the season, the Ostend route is dropped from the trans-Channel route network; during the summer, 11,000 vehicles and 17,000 travelers have been carried.

Tripoli travel agency owner Sayyed Mohammed Senussi Giaber joins with Silver City to form **Libyan Airways**. The U.K. operator provides two wet-leased Bristol 170 Freighters that are employed to operate non-scheduled all-cargo services to Benghazi and Kufra.

For the winter, five of the six Bristol Freighters are dispatched to Berlin for contract flights out of the former German capital. Fleet changes during the year include the deletion of an Airspeed AS.65 Consul and the addition of three Bristol 171 Mk. 21s.

En route to Hamburg from Berlin on January 19, 1953, a Bristol 170 Mk. 21 with two crew makes a forced landing in fog on the railway lines outside Tempelhof Airport; although the aircraft must be written off, there are no fatalities.

Also in January, weekly scheduled roundtrip Bristol services are initiated by **Libyan Airways** between Tripoli and Benghazi.

On March 31, the company receives the first two of 14 specially ordered Bristol 170 Mk 32 Freighters; the aircraft are employed to inaugurate London (LGW)–Le Touquet ferry flights on April 15. In late June, a Breguet 761 Provence is leased for three months from its French manufacturer; it is sent to Berlin to fly cargo flights to Hamburg.

On September 22, ground is broken for a new airport to replace that at Lympne, which has outgrown its usefulness. When the summer season finishes at the end of October, Silver City finds that it has quadrupled its cross-Channel carriage over 1952: 175,000 vehicles and 93,000 passengers have been flown. With an improvement in relations between the East and the West, Berlin to Hamburg flights cease in December. Six Bristol 170 Mk.32s and two DC-3s join the fleet during the year and no aircraft are removed.

Weekly skiing vehicle flights are inaugurated between Blackbushe and Zurich on January 2, 1954. In June and early July, three more Bristol 170 Mk. 32s are delivered. Construction of the carrier's own airport is completed at Lydd; christened Ferryflight, it is opened on July 13. Within a month, almost all company operations are transferred to this site.

Lympne–Calais ferry service is flown prior to the closure of Lympne Airport on October 31 and a Blackbushe–Zurich frequency is offered during the summer. During the national dock strike of October, company Bristols fly 500 tons of goods over their cross-Channel route in 70 roundtrips.

At month's end, it is reported that the scheduled vehicle services into France and Belgium have accommodated 110,687 passengers and 42,507 vehicles from both Lympne and Ferryflight.

Following a March 24, 1955 proving flight, regularly scheduled Stranraer–Belfast Bristol 170 car ferry flights start on April 6; the same day, a Southampton–Deauville summer service is launched. Late in the month, two DC-3s are added. Liverpool–Belfast flights commence on June 17. Daily Ferryfield–Calais Roadair service is inaugurated on November 1.

A total of 166,000 passengers, 5,000 tons of freight, and 57,000 vehicles are transported during the year.

Daily Southampton–Guernsey vehicle, cargo, and passenger services begin on February 27, 1956. In an effort to rationalize the air transport situation in northern England, plans are laid by the British Aviation Services (Britavia) Group early in the year for the creation of a regional airline division. The first step is the purchase of **Manx Airlines, Ltd. (1)** in March, allowing the new partner to retain its own name.

On May 11, low fare Silver Arrow coach-air service is begun over routes London and Lydd to Le Touquet, Paris, Ostend and Brussels; only the Lydd to Le Touquet and Ostend segments are flown, the remaining portions of the journey being traversed by bus. During June and July, five more Bristol 170 Mk. 32s arrive. Daily Southampton–Jersey vehicle service starts July 1. Twice-daily Newcastle–Belfast–Isle of Man vehicle flights are inaugurated on August 3. A chartered HP.81 Hermes 4A with 7 crew and 65 passengers is destroyed by a bad landing at Karachi on August 5; there are no fatalities.

In early November, a Handley Pages HP-81 Hermes 4 is leased from **Air Safaris, Ltd.** With 6 crew and 74 passengers, it is lost while on final approach to Blackbushe Airport on November 5 (seven dead).

Two DC-3s arrive in Austria on November 16 to begin participation in the airlift of Hungarian refugees to England, becoming the first to arrive from any British independent. Britavia purchases the **Lancaster Aircraft Corporation, Ltd.** on December 12, allowing it to briefly retain its own name and obtaining a de Havilland DH 86, two DC-3s, and two DH-89As in the bargain. The Hungarian airlift ends on December 14, with Silver City having transported 800 refugees to the U.K. in 26 roundtrips.

During the year, almost 200,000 passengers are transported along with over 60,000 vehicles.

In February 1957, two DH-114s, later christened *City of Bradford* and *City of Belfast*, are bought from **Braathens SAFE, A.S. Dragon Airways, Ltd.** is purchased from **Hunting-Clan Air Transport, Ltd.** on March 22.

It is announced that effective in October, Dragon will be merged with **Manx Airlines, Ltd. (1)** and **Lancashire Aircraft Corporation, Ltd.** to form Blackpool-based **Silver City Airways (Northern Division), Ltd.** A small charter operator, **Air Kruise, Ltd.**, is also acquired and is combined with the Ferryfield operation to create **Silver City Airways (Southern Division), Ltd.**

Following delivery of the second Heron in April, the last Dragon Rapide is sold in May.

As a result of continuing demand, fares for the vehicle ferry service are lowered. The company logs its 100,000th cross-Channel vehicle flight in July. At season's end, the Belfast–Stranraer and Southampton–Jersey and Guernsey routes are suspended.

A Bristol 170 Mk. 21 crashes at Winter Hill, Bolton, on February 27, 1958 (35 dead), it is replaced by 3 DC-3s, 2 of which are leased for 6 months from **Cyprus Airways, Ltd.** The DH-86 acquired with Lancaster Aircraft Corporation in 1956 is sold in April. Another Douglas transport is added in April followed by three more in July and August. Meanwhile on May 23 a new seasonal route is opened from Blackpool to Ostend followed, by month's end, by the addition of DC-3 frequencies from Newcastle to Hamburg and Brussels via Leeds, Dusseldorf, Amsterdam, Blackpool, and Isle of Man.

Twice-weekly Heron and Wayfarer flights are initiated on June 1 from Edinburgh to Isle of Man. On September 23, twice-weekly DC-3/DH-114 charters are inaugurated Manchester–Wick on behalf of the Nuclear Power Group.

Passenger and vehicles now average 200,000 and 70,000 enplanements per year, respectively.

The company's only Dove IB is transferred to **Morton Air Services, Ltd.** in February 1959, the same month a Bristol 170 Mk. 21 is destroyed in a crash at Le Touquet. Bournemouth–Cherbourg vehicle ferry flights commence on March 11. Blackpool–Dublin scheduled service is inaugurated, in association with **Aer Lingus Irish Airlines, Ltd.**, on May 15, followed by flights to Jersey, Ostend, Belfast, and the Isle of Man. May 29 marks transport of the 250,000th car across the English Channel.

On June 2, weekly DC-3 inclusive tours are launched from Manchester to Stavanger, followed by the introduction of similar offerings to Glasgow, Luxembourg, and Rotterdam. Later in the month and through December, four ex-**British Overseas Airways Corporation (BOAC)** HP-81 Hermes 4s are obtained and based at Manston Airport, Kent; their names become: *City of Chester*, *City of Coventry*, *City of Truro*, and *City of Gloucester*.

On June 15, the flight stage of the Le Touquet Silver Arrow service begins to originate with HP-81s flying from Manston. During the third quarter, the company briefly entertains the possibility of purchasing 15 Rolls Royce Merlin 527 Dart-powered freighters from the French manufacturer Hurel-Dubois; too expensive to build for limited markets, the proposed aircraft never makes it off the drawing board. The DH-114s *City of Bradford* and *City of Belfast* are sold in November and December and replaced by two more DC-3s.

By 1960 the fleet includes 4 HP-81 Hermes 4s, 1 DH-104, 6 Bristol 170 Mk. 31s, 14 Bristol 170 Mk. 32s, and 11 DC-3s. During the year, the Hermes 4 leased from **Air Safaris, Ltd.** in 1946 is returned and no other fleet changes are made. Given the heavy demands upon Ferryfield, the Ferryfield end of the Ostend route is transferred to the airport at Manston, along with a variety of ad hoc and inclusive-tour charters.

During the summer, HP-81 Glasgow–Reykjavik scheduled, but replacement, services are flown for **Lofleidir H.F./Icelandic Airlines**. Permission is now received to open vehicle ferry services to Corneilles, Auxerre, and Cologne.

In August, night freight charters are offered Manchester–Belfast. As the result of a government contract, HP-81s commence the flying of British soldiers from the U.K. to Germany on October 3. This one-year experimental trooping service will see the roundtrip transport of 3,500 men per month.

Vehicle ferry, inclusive-tour, and ad hoc charter flights continue in 1961 on schedules little changed from the previous year. The experimental German trooping contract is successful, but, when put out to bid, the business is won by **British United Airways, Ltd.**

In October, a Bristol 170 Mk. 21 is withdrawn. The Bristol 170 Mk. 31M *City of Worcester* with three crew and seven passengers crashes while on final approach to Les Provosts, Guernsey, on November 1 (two dead). This is the first vehicle ferry fatal crash in 250,397 Channel crossings since 1948.

British United Airways, Ltd. joins the Britavia Group on November 3; the latter is now transformed into the holding company Air Holdings, Ltd. In December, Silver City officials make plans to open a scheduled route network from Newcastle and Leeds the next year and to fly it, three Vickers Viscount 708s are leased from **Maitland Drewery Aviation, Ltd.**

Air Holdings' two most important subsidiaries, Silver City Airways, Ltd. and **British United Airways, Ltd.**, are merged on January 23, 1962, although the former is allowed to retain its name for the summer marketing season. The Bristol 170 Mk. 21 *City of Sheffield* is destroyed in a crash at Ronaldsway, Isle of Man, on June 30.

During the summer, Silver City transports a total of 105,000 passengers over its routes to the Isle of Man, including 3,243 on July 28, a one-day company record. On November 1, **British United (Channel Islands) Airways, Ltd.** is formed as a single large car ferry operator, becoming **British United Air Ferries, Ltd.** on January 1, 1963.

SILVER KRIS SERVICES: United States (1982–1984). William "Bill" Kingson establishes Silver Kris at Bradley Field, Hartford, Connecticut, in 1982 to undertake both scheduled all-cargo commuter flights, as well as charter and contract services. Employing a fleet of 4 Britten-Norman BN-2 Islanders, 1 Piper PA-31-350 Navajo Chieftain, and 1 Cessna 404 Titan, Kingson's company weekday scheduled routes extend to Philadelphia and to Republic Airport on Long Island.

Operations continue apace in 1983, but cease in 1984.

SILVER STATE AIRLINES: United States (1972–1982). Silver State is formed at Las Vegas in December 1972 to operate Beech 18 charter flights to the Grand Canyon. These on-demand services continue apace for the remainder of the decade.

In March 1980, Robert A. Jones and Perry W. Russell acquire the carrier and begin to provide thrice-daily scheduled flights to the Grand Canyon. Employing a fleet of 2 Embraer EMB-110 Bandeirantes, 4 Beech 18s, and 1 Piper PA-31-350 Navajo Chieftain, the carrier boards 24,800 passengers.

Sales offices emphasizing air tours are established in Tokyo, Frankfurt, and Zurich and late in 1981, two Beech 18s are dedicated to the opening of a southern division and a second route between San Juan and St. Thomas. Bookings for the year rise to 37,314. Unable to weather the recession, the company shuts down in 1982.

SILVER WINGS INTERNATIONAL: United States (1979–1984). SWI is established at Las Vegas to undertake contract passenger charter

flights on behalf of casino operators employing a single Boeing B-720-059B (B-720B). In late **1984**, the FAA orders the company temporarily grounded for conducting unauthorized services earlier in the year. Flights do not resume.

SILVERSTAR. See OMNIFLIGHT AIRWAYS/OMNIFLIGHT HELICOPTERS.

SILVERTIP AVIATION, LTD.: Site 13, Revelstoke, British Columbia, V0E 2S0, Canada; Phone (250) 837-4414; Fax (250) 837-6793; <http://www1.islandnet.com/mountns/silvertp.htm>; Year Founded **1994**. Silvertip is established at Revelstoke in **1994** to provide air charter and flight-seeing services. Revenue flights begin with 2 Cessna 337 Skymasters. Services provided include airline connections from Kelowna, Kamloops, Calgary, and Vancouver and air tours over Mount Revelstoke and Glacier National Parks.

SILVERTIP LODGES & BUSH PILOTS AIR SERVICE: United States (1974–1996). Silvertip is established by Gary and Michael Archer at Anchorage in **1974** to provide contract charter passenger and cargo flights in the city's region. Twenty years later in **1994**, their fleet comprises 3 de Havilland Canada DHC-2 Beavers and 1 DHC-3 Otter. During each of the 3 preceding years, passenger enplanements have averaged 3,000 and revenues \$1.15 million.

Flights cease in **1996**.

SIMBA AIR CARGO, LTD.: P.O. Box 59224, Nairobi, Kenya; Phone 2 (542) 533 529; Code SMB; Year Founded **1995**. SAC is set up at Nairobi by Capt. D. J. Leonard in March **1995** to operate a weekly scheduled charter flight from Kigali, Rwanda, to Brussels via Mombasa, Amsterdam, and Ostend. A Boeing 707-336C is acquired and the thrice-weekly roundtrips, made under a cooperative agreement with **Rwanda Cargo (Societe Nationale des Transportes Aeriens du Rwanda, S.A.)**, commence on April 1. Many of the services carry Rwandan refugees.

Flights continue in **1996–1999**, with emphasis on the transport of fresh vegetables and fruit to Europe.

SIMBAIR, LTD.: Tanzania/Uganda (1971–1977). Simbair, Ltd. is organized at Nairobi in **1971** as the charter subsidiary of **East African Airways Corporation**. Employing a Boeing 707-320B, the company undertakes charters to various destinations in Africa and Europe until the end of January **1977** when it ceases operations following the collapse of the parent company.

SIMBIRSK AERO AIR COMPANY: Ulyanovsk Airport, 8/8 Ulitsa Mozhaiskogo, Ulyanovsk Privotaski Zone, 432030, Russia; Phone 7 (8422) 362 756; Fax 7 (8422) 341 590; Code SBK; Year Founded **1995**. Ulyanovsk Civil Aviation Flight Training School (Ulyanovsk Vau-Ga) is reformed at Ulyanovsk in **1995** into a full-scale airline to offer regional passenger and cargo services. Vitali Rzhovski continues on as director general and he undertakes revenue operations with a fleet that includes 6 Yakovlev Yak-40s, 3 Yak-42s, and 26 Antonov An-26s. Enplanements total 88,648.

The carrier's 35 Russian-made aircraft transport a total of 70,300 in **1996**, a large 26.1% decline. Cargo traffic also falls off, dropping by 3.8% to 2.08 million FTKs.

Although operations are understood to have continued during the remainder of the decade, exact information is not available.

SIMMONS AIRLINES: United States (1974–1998). This company is incorporated by Lawrence J. Simmons on March 15, **1974**, under Michigan law, as L. J. Simmons Enterprises and engages in various businesses related to the air transport industry until October 15, **1978** when, with a single lightplane, it commences flight operations.

Intrastate service is provided from a base at Marquette County Airport at Negaunee in the Upper Peninsula under the old name until July 7,

1980 when the corporate identity is changed to Simmons Airlines. Four Embraer EMB-110 Bandeirantes are ordered to supplement the carrier's two Piper PA-31-350 Navajo Chieftains. Destinations now visited include Chicago, Detroit, Milwaukee, Marquette, Escanaba, Traverse City, Lansing, and Grand Rapids.

Enplanements for the year total 9,913.

Following passage of the Airline Deregulation Act in 1978, L. J. Simmons officials develop an operating strategy designed to provide scheduled air service primarily from small- and medium-sized cities in the Great Lakes area (especially Michigan) to the large metropolitan hubs of Chicago, Detroit, and Milwaukee.

Expansion actually begins in **1981** as many of the newly planned routes are inaugurated. Armed with an Essential Air Service (EAS) contract from the government, Simmons begins flights to and from the Michigan towns of Alpena, Jackson, Manistee, and Menominee and the Wisconsin cities of Marinette and Manitowoc.

This results in a spectacular 293.8% increase in passenger boardings, up to 38,984. Orders are placed for two more Bandeirantes and four Shorts 360s.

Simmons' growth continues in **1982**. Aided by the delivery of 2 additional EMB-110Ps, traffic doubles, up 140.7% to 93,306. A total of 65,000 pounds of cargo is also carried. Revenues rise to \$6.7 million with a net operating income of \$694,384. This financial showing allows the company to be classified as a "large regional," under the provisions of the CAB airline identification scheme.

To handle the increasing demand, the fleet is bolstered in **1983** by the addition of the four Shorts 360s ordered in 1981 and another EMB-110P. Orders are placed for Avions de Transport Regional ATR42s.

Enplanements double yet again during the 12 months, climbing 128.8% to 213,493. Freight also does well, rising 160.3% to 182,000 pounds. Revenues skyrocket 70% to \$11.39 million, but the increase in expenses associated with the new services and airliners leaves a net operating income of only \$401,053.

Airline employment is 600 in **1984** and once more, Simmons' fleet is augmented, this time by the acquisition of four more Shorts 360s, two EMB-110Ps, and three Nihon YS-11As. Late in the year, the company agrees to become a commuter affiliate of **Republic Airlines**. Outstanding traffic growth is experienced again as the number of travelers soars 76.2% to 376,065. Cargo climbs 46.8% to 266,000 pounds. Revenues also jump, by 113% to \$24.2 million, and an almost unbelievable 536% boost is posted in net operating income, \$2.5 million.

By **1985**, Simmons is providing service to 26 cities in Michigan, Illinois, Wisconsin, Ohio, and Minnesota. The scheduling of 1,552 weekly flight segments covers a route system of approximately 193,000 miles. A coordinated service agreement is implemented between the company and **Republic Airlines** on April 28. The latter purchases a 9.2% interest in the former and all of the regional's flights serving Detroit and Minneapolis (MSP), as well as the major's abandoned routes to four Michigan cities, are operated as RepubLink flights under the name **Republic Express**.

On October 25, the carrier joins the **American Airlines** American Eagle commuter system to provide feed to that major's Chicago terminal.

All of this activity leads to a huge 98.6% increase in enplanements to 748,229. Revenues skyrocket 100.6% to \$48.67 million, expenses rise 99.8% to \$43.38 million, and the operating profit doubles to \$5.29 million. Net profit swells to \$1.95 million.

In **1986**, Chairman Joel Murray and President Marvin Murray operate from hubs at Cleveland, Chicago, Detroit, and Milwaukee with a fleet of 2 Avions de Transport Regional ATR42-300s, 8 Embraer EMB-110P-1s, 6 Nihon YS-11As, and 23 Shorts 360s.

Coming into Alpena from Detroit (DTT) on March 13, Flight 1746, an EMB-110P1 with two crew and seven passengers, is forced to execute a missed approach. Coming around, the Bandeirante descends too far and crashes into a wooded area, 1.5 mi. short of the runway (three dead).

On August 12, **Republic Airlines** is purchased by **Northwest Airlines** and is completely merged into the latter on October 1. The new

owners are faced with the question of whether or not to maintain a relationship with Simmons at Detroit, where it requires only one feeder.

In September, the carrier purchases all 26 slots owned by **Comair** at Chicago (ORD); the \$7-million transfer occurs on December 15. Simultaneously, 43 slots are acquired from **Midstate Airlines**, which abandons the Chicago market in favor of Milwaukee.

Passenger boardings increase 46% to 1,092,528 and revenues leap upward by 64.9% to \$70.79 million. Expenses rise 71.5% to \$66.94 million and allow an operating profit of \$3.84 million. Net gain falls to \$1.37 million.

The Japanese turboprops are withdrawn in **1987** and replaced during the summer with two additional ATR42s and seven more Shorts 360s. **Northwest Airlines** in March elects to cancel its Northwest Airlink arrangement with the Ohio-based small regional **Fischer Brothers Aviation** at Detroit and assign it to Simmons. The action forces Fischer to briefly shut down and simultaneously to file a \$150-million antitrust suit against both **Northwest Airlines** and Simmons.

The Cleveland and Milwaukee hubs are downgraded with Minneapolis (MSP) joining the Motor City as the prime Northwest Airlink hubs.

Customer bookings accelerate 22.7% to a record 1,340,455 and revenues climb another 30.8% to \$92.6 million. Costs ascend only 23.5% to \$82.7 million, leaving an operating profit of \$9.88 million. Operating income is a record and so is the \$5.36-million net gain.

On August 8, **1988**, the company is purchased by the new **American Airlines** subsidiary AMR Eagle, Inc. Joel and Marvin Murray are replaced by Executive Vice President Jim Gunn and Vice President-Operations Timothy Harristhal, as the carrier is reborn as "American Eagle." Its aircraft are given new livery as the Northwest Airlink services at Detroit and Minneapolis (MSP) are transferred to **Mesaba Airlines**.

When an ATR42-300 plunges 600-plus feet over Wisconsin before the crew can regain control, the NTSB recommends that the FAA conduct an icing review.

Under both commuter banners, the large regional transports a total of 938,400 passengers on the year.

Vance McDonald becomes vice president-operations in **1989**. The fleet is increased by the addition of seven ATR42-300s and three Shorts 360s as orders are placed for six ATR72-212s.

During January and February, nearly 70 daily commuter flights are added on spokes from the Chicago (ORD) hub to cities in Indiana and Illinois.

Now operating to 16 communities, the large regional enplanes a total of 1,689,909 passengers for a magnificent 80.1% boost over the previous year.

Airline employment skyrockets by 300% in **1990** to 1,800 and the fleet now includes 14 ATR42-300s and 33 Shorts 360s.

Passenger boardings advance by 18.6% to 2,004,529.

Peter Piper becomes president in **1991**. One ATR42-300 is withdrawn as customer bookings climb 3.9% to 2,082,085. Revenues total \$184.82 million and expenses are \$172.14, guaranteeing an operating profit of \$12.68 million. Net gain reaches \$8.14 million.

The employee population explodes upward again in **1992**, by 283.9% to 1,874 and the fleet is significantly increased. Seventeen Shorts 360s are withdrawn and replaced by eight ATR72-212s and seven ATR42-300s. Orders are placed for a large number of SAAB 340Bs.

The carrier's 380 ALPA-represented pilots ratify a new 4-year contract in September. In December, the Chicago-based Eagle stretches its wings all the way to Texas, purchasing the pioneering Dallas (DFW)-based regional **Metro Airlines (Metroflight)** for a reported \$44 million. Simmons now begins to serve 21 cities from its parent's headquarters airport.

Overall passenger boardings move ahead by 12.4% to 2,341,278 and 314,000 FTKs are also operated. Revenues are level at \$184.7 million, but expenses, including the Metro buyout, are higher. As a result, operating income declines to \$2.08 million and the net profit is just \$963,896.

The workforce increases a further 51.6% in **1993** to 2,841 as the carrier is internally relabeled American Eagle Central. The fleet is altered

to comprise a total of 25 ATR42-300s, 14 ATR72-212s, 16 former **Metroflight** SAAB 340As, and 25 SAAB 340Bs.

Operations are consolidated in Texas as the purchase and integration of **Metroflight** is completed and that carrier's Jetstream 31/Shorts 360 fleet is replaced on November 1 with a number of the SAABs counted above. The first of 20 ATR72-212s taken on option and converted to firm orders in July are delivered in December.

Destinations now served from Dallas (DFW) include Abilene, Alexandria, Beaumont/Port Arthur, Bryan/College Station, Fayetteville, Fort Smith, Killeen/Fort Hood, Lafayette, Lake Charles, Laredo, Lawton/Fort Sill, Little Rock, Longview, Midland/Odessa, Monroe, San Angelo, Shreveport, Springfield, Texarkana, Tyler, Waco, and Wichita Falls. From Chicago, flights are undertaken to Akron/Canton, Bloomington, Burlington, Cedar Rapids/Iowa City, Champaign, Decatur, Dubuque, Flint, Fort Wayne, Green Bay, Kalamazoo, La Crosse, Lafayette, Lansing, Madison, Marquette, Milwaukee, Moline, Muskegon, Peoria, Rockford, South Bend, Springfield, Terre Haute, Toledo, Traverse City, Wasau/Steven's Point, and Waterloo.

The largest "American Eagle" carrier and the third largest national airline behind **Alaska Airlines** and **Aloha Airlines**, Simmons enplanes a total of 4,147,135 passengers, a 3.9% boost. Revenues skyrocket 92.1% to \$354.8 million, expenses are up "only" 80.8% to \$330.14 million, and operating gain surges to \$24.65 million. Net profit jumps to \$12.7 million.

A new, 54-month labor contract is ratified in February **1994** by the company's 400 Transport Workers Union mechanics. Designated the ED-50 Simmons Handicapped Passenger Lift, a new wheelchair lift is developed by company engineers and sells for a price of \$2,600, some \$8,000 less than similar devices on the market for regional aircraft. AMR Eagle elects to equip all of its aircraft with the new device.

When in the spring **American Airlines** elects to discontinue B-727 service from Dallas (DFW) to a number of markets, including Dayton, Wichita, Grand Rapids, Lubbock, and Indianapolis, Simmons is called upon to replace the services with its growing fleet of ATR72-212s. Daily departures from Dallas (DFW) and Chicago increase to 150 and 180, respectively, but are not universally appreciated. An increase in from five jet departures to nine turboprop departures each day at Wichita is protested, while the Amarillo, Texas, city government pays **American Airlines** not to withdraw its MD-80s.

En route from Indianapolis to Chicago (ORD) during a rainstorm, Flight 4184 is descending from 10,000 to 8,000 feet in a holding pattern. The ATR72-212 with 68 aboard crashes into a soybean field near Roselawn, Indiana, on October 31, and disintegrates; there are no survivors from an accident believed caused by wing icing.

The tragedy will be reported in Stephen A. Frederick's *Unheeded Warning: The Inside Story of American Eagle Flight 4184* (Blue Ridge Summit, Pa.: TAB, 1996). Just 30 minutes after the crash, a second ATR42-212, with icy wings and an engine out, safely lands at Chicago O'Hare.

On December 2, AMR authorizes reassignments for those Simmons pilots who do not wish to fly the ATRs in wet or cold weather. The FAA on December 9 grounds all ATR42s and ATR72s from flying in those U.S. geographical areas where ice might form, forcing several airlines to substitute smaller turboprops and cancel flights.

Although ATR turboprops comprise much of the "American Eagle" fleet, "American Eagle" President Robert Martens is, fortunately, meeting at AMR headquarters in Dallas with the presidents of the four confederated regionals, including Simmons' Ralph Richard. The group is quickly able to come up with a plan to reconfigure the combined Eagle fleet around the country.

Just after a limited schedule is resumed by **Flagship Airlines** from the O'Hare hub with two SAAB 340Bs, media attention on airline safety causes the operation to be shut down for a week; it is closed again on December 15. Twenty-two of the Simmons ATRs are sent to the company base at Dallas (DFW), 6 to **Wings West Airlines** at Los Angeles, 16 to **Executive Airlines** at Miami, and 1 to San Juan.

Meanwhile, customer bookings accelerate 8.9% to 4,517,000 and cargo increases 63% to 566,000 FTKs.

The workforce stands at 4,180 in 1995. The O'Hare hub is reopened on January 2 and five days later, Simmons resumes flights from that point, employing a fleet of SAAB 340s, proven cold-weather aircraft. Thirty of the Swedish-made turboprops have been transferred in from the Simmons fleet at Dallas (DFW) along with two **Flagship Airlines** SAABs. Three ATR42s and an ATR72 remain grounded at Chicago.

The FAA lifts its ban on ATR flights in icy weather, but demands that airlines employing them must follow new procedures intended to limit the time this aircraft-type spends in potentially dangerous weather. The scattered fleet is gradually returned to its previous hubs between January and the start of the April 2 summer schedule.

A freak hailstorm with 3"-6" balls strikes Dallas (DFW) on April 29. **American Airlines** has 54 jetliners damaged, while Simmons has 24 ATR72s and SAAB 340s put out of service, some for up to a month. A new "American Eagle" terminal is opened at Chicago (ORD) during the spring.

Minutes after takeoff from Chicago (ORD) on July 10, an ATR72-212 with 64 aboard, loses a door; a flight attendant, who is nearly sucked out, suffers minor injuries.

A computer failure at the Chicago Air Route Traffic Control Center forces delays on September 12. Early in the day and partially as a result of the ATC difficulty, a climbing ATR72-212 over Moline comes within 700 ft. of a private Beechcraft operating at 20,000 ft. before it is alerted off; the controller involved is decertified and required to obtain additional training.

Enplanements swell 10.2% to 4,979,461, although cargo dips 2.3% to 1.26 million FTKs. Costs far exceed revenues and bring sizeable losses: \$35.38 million (operating) and \$23.14 million (net).

The employee population is reduced by 17.4% in 1996 to 3,451.

While landing at Traverse City, Michigan, on April 3 following a flight from Chicago (ORD), an ATR42 with 3 crew and 33 passengers suffers the collapse of its left main landing gear during rollout. The pilot shuts the airplane down on the runway and deplanes the passengers; no injuries are reported.

Twenty units of Jetbridge adapter equipment are installed at Chicago (ORD). Flight 4036, an ATR72-212 for Champagne, Illinois, inaugurates this "Chicago Bridge" at Concourse G on November 25. Ten more of the structures, which when not in use, can be folded under the jetway, are situated at other Simmons cities. These allow customers to board and exit ATR72s via terminal jet bridges. When Flight 4036 arrives, Simmons is able to announce that it is the first airline to offer turboprop passengers boarding bridges at both their origin and destination cities.

Passenger boardings soar 20.7% to 6,010,052 and cargo climbs 2.8% to 489,000 FTKs. Operating income accelerates 27% to \$465.4 million while expenses rise 9.4% to \$439.31 million. The previous year's losses are turned into profits: \$26.08 million (operating) and \$22.65 million (net).

In April 1997, "American Eagle" places a \$200 million for 12 ATRs. Under terms of the May agreement between the Allied Pilots Association and **American Airlines**, "American Eagle" pilots will be offered one of every two new-hire positions, but places limits on the stage length Eagle regional jet pilots may fly (550 nm.). Meanwhile, negotiations between representatives of ALPA and AMR's "American Eagle" subsidiary are completed and sent to the 1,900 pilots of Simmons, **Wings West Airlines**, **Executive Airlines**, and **Flagship Airlines** for ratification.

The new ALPA contract is ratified during the third week of August by a vote of 773 to 473. The 16-year compact provides for guaranteed annual pay increases of 7%, improved crew scheduling and reserve conditions, replacement of the four individual company contracts with one master "American Eagle" document, and a no strike-no lockout agreement.

President Richard travels to Toulouse, France, where, on September 5, he accepts a new ATR72-212 from Aero International (Regional) CEO Patrick Gavin in special ceremonies marking the delivery of the

500th ATR. The aircraft is the third delivered of 12 requested in the spring.

Iowa State University professor Janet Sharp, on November 5, becomes the 100 millionth "American Eagle" passenger when she steps aboard Simmons Flight 4070 from Chicago (ORD) to Des Moines. She receives a variety of awards from "American Eagle" President Daniel P. Garton.

Passenger boardings inch up 0.6% to 6,044,580, while freight plunges 29.9% to 347,000 FTKs. Operating revenues advance 8.8% to \$506.48 million, while expenses rise 4.4% to \$458.23 million. The operating profit surges to \$48.05 million as net gain dips to \$22.47 million.

On January 15, 1998, AMR Eagle officials, led by President Garton, announce that the availability of regional jets, the previous August's single Eagle pilot contract, and changes in the economics of the regional airline business dictate consolidation. Consequently, AMR will integrate all four of its airlines into a single carrier by year's end.

At the same time, it is noted that AMR Eagle and Embraer, the aircraft manufacturer, have signed a \$1.1-billion export-finance contract with the National Development Bank of Brazil. The arrangement provides a line of credit that will cover the cost, over three years, of the airline's acquisition of the 42 ERJ-145 Amazons ordered at the June 1997 Paris Air Show, 22 of which are expected before year's end.

Just after landing at Lawton, Oklahoma, following a February 22 service from Dallas (DFW), a SAAB 340B with three crew and three passengers suffers the collapse of its landing gear; although the aircraft is badly damaged, no injuries are reported.

The first two Embraer ERJ-145ER (Extended Range) jetliners are delivered on February 28.

During the second quarter, the new carrier's field services organization begins to take shape. A number of appointments are made at the end of April (effective July 1), including David Kennedy, who becomes senior vice president-operations, while **Flagship Airlines** vice president-flight operations is named AEA's vice president-flight operations under Kennedy.

Reporting to Senior Vice President-Field Services Ralph Criner will be six new hub vice presidents: Mike Costello at Dallas/Fort Worth, Dave Brown at Los Angeles, Jacques Vachon at Miami, Robert Hamilton at New York (JFK), and former **Executive Airlines** President George Hazy at San Juan.

Two RJ-145LRs join the fleet at the beginning of May and one of the RJ-145ERs has an engine change, becoming an RJ-145MR. All of the Amazons will eventually be long-range (LR) models.

Also in May, AMR Eagle's four semiautonomous carriers (Simmons, **Flagship Airlines**, **Executive Airlines**, and **Wings West Airlines**) begin a seven-month period of amalgamation into the single mammoth **American Eagle Airlines**, now viewed by AMR as a sister of **American Airlines**. The presidents of Simmons, **Flagship Airlines**, and **Wings West** are provided with appointments elsewhere within AMR Eagle and are replaced with vice presidents at each of the new airline's hubs. Simmons is the core airline; it will be followed into the merger this month by **Flagship Airlines** and in June by **Wings West**.

On May 15, AEA introduces Embraer RJ-145 Amazon services using the new Brazilian jetliners painted in AEA colors. The initial flights, operated by Simmons pilots, include five daily roundtrips from Chicago (ORD) to Cincinnati, six per day from Chicago to Cleveland, and a daily roundtrip from the Chicago to Milwaukee.

Simultaneously, agreement is reached with the Transport Workers Union of America for a new single-carrier contract. The agreement covers flight dispatchers, mechanics, and ramp-service personnel.

Daily RJ-145LR service to Indianapolis and Columbus begins on June 5, followed by Des Moines on June 26.

In June, the decision is taken to separately maintain the certificate of Puerto Rico-based **Executive Airlines**, moving the operating certificate to Dallas/Fort Worth on July 1. The physical merger of the company into American Eagle Airlines is put off.

Chicago to Cedar Rapids flights commence on July 7.

SIMO AIR, LTD.: Canada (1989–1998). Simo Air is established in spring 1989 to operate third-level commuter flights from Toronto Island Airport. The remainder of the year is spent fighting opposition to expansion of services from that in-town airport and in assembling a diverse fleet of 1 each Britten-Norman BN-2 Islander, Beech King Air 100, and Piper PA-31T Cheyenne.

Revenue operations between Toronto and Windsor commence in early 1990 and continue. By 1995, the fleet has been significantly altered. Gone are the inaugural aircraft, replaced by 1 each Super King Air 200, Cessna 208 Caravan I, and C-208A, plus 4 C-408Bs.

The King Air and C-200 are withdrawn in 1996 and replaced with a single Beech 1900C. Unhappily, services are suspended two years later.

SIMPSON AIR. See COAST AIR (1)

SIMPSON AIR, LTD.: P.O. Box 260, Fort Simpson, Northwest Territories, X0E 0N0, Canada; Phone (403) 695-2505; Fax (403) 695-2925; Year Founded 1979. This small carrier is formed in 1979 to offer passenger and cargo charters and contract services from bases at Cambridge Bay and Fort Simpson as well as scheduled frequencies linking Wrigley with Fort Simpson, Fort Nelson, and Fort Lizard and Nahanni with Butte, Montana. The initial fleet comprises 4 Britten-Norman BN-2 Islanders. In 1981, President W. T. Tweed's company employs 28 personnel.

By 1986, airline employment stands at 12 and the fleet is upgraded to comprise 1 de Havilland Canada DHC-6-100 Twin Otter, 1 Islander, 3 Cessna 185s, 1 Piper PA-23 Aztec, and 1 Piper PA-32 Cherokee Six.

Although operations continue apace in 1987–1988, the latter year is tragic. On October 16, a newly acquired Beech King Air 90 with three aboard, crashes 1.5 mi. short of the runway on approach to Fort Simpson, Northwest Territories; there are no survivors. Already in financial difficulty, the accident forces the company to cease scheduled flying in 1989.

The fleet in March 1990 includes 1 leased Beech 99 and 1 each DHC-6-100 and DHC-6-200. By 1994, the company is performing its charters with only 1 DHC-6-100 Twin Otter. The single aircraft continues to provide total company lift during the next three years.

Flights continue in 1995–1999, during which years the Twin Otter is replaced with a pair of Cessna 206s.

SINGAPORE AIR SERVICES, LTD.: Singapore (1968–1969). The three-year-old nonscheduled air taxi Air Taxi, Ltd. is reformed in 1968 and its fleet of Cessnas and a Douglas DC-3 is increased by the addition of a de Havilland Canada DHC-6-100 Twin Otter. Local passenger and cargo flights continue for another year until the national government acquires 80% shareholding and renames the company **Saber Air, Ltd.**

SINGAPORE AIRLINES, LTD. (SIA): P.O. Box 501, Airmail Transit Center, 918101, Singapore; Phone 65 542-3333; Fax 65 545-5034; <http://www.singaporeair.com>; Code SQ; Year Founded 1972. The new national carrier is incorporated as a subsidiary of Temasek Holdings, Ltd. on January 28, 1972, following the dissolution of the bi-national **Malaysia-Singapore Airlines, Ltd.** Ownership of the company and of the \$203 million in acquired assets is vested in the national government (82.2%) and airline employees (17.2%). Prime Minister Lee Kuan Yew, who had led the fight against the Malaysian service philosophy, appoints his confidant and permanent secretary in the finance ministry, Joseph Y. M. Pillay, as chairman/president.

The fleet includes all of the Boeing equipment retained after the split: 3 B-707-312Bs and 5 B-737-112s and these are now repainted in new yellow and blue livery. On July 26, orders are placed for two, later three, B-747-212Bs plus attendant ground equipment, while three B-707-324Bs are requested from **Continental Airlines** in August.

Flight operations begin over previous MSA routes, especially London, on October 1. Late in the year, Athens, Frankfurt, Osaka, and Zurich join the route network as President Pillay is able to launch a process of negotiating worldwide (almost) reciprocal landing rights. All

routes are served by the Singapore Girls, the gracious, sarong-clad flight attendants who will become SIA's symbol. Their gracious uniforms and those of all ground employees are designed by Pierre Balmain.

Enplanements for the year total 1.82 million and the company ranks as the 54th largest airline in the world; it will move ahead of 47 during the next decade.

The workforce at the beginning of 1973 stands at 6,263 and B-707-324B service to Madras begins on January 1. A Tourism Development Department is established as a division of the airline's administration and a \$25-million Kriscom IBM computerized reservations system is installed and turned on in February. By March, the fleet has been upgraded through the addition of 3 B-707-324Bs and the staff numbers 6,000. In April, holiday charters commence to the resorts on Lake Toba, near Medan, Indonesia.

Low-fare flights are introduced in pool with **British Airways, Ltd.** (2) on July 1. The first of two Jumbojets to be delivered during the year is a B-747-212B that arrives on July 31; it is followed by a second on August 29. Together, the two are employed to launch flights to Hong Kong and Tokyo on October 1 along with services from Sydney to London via Singapore.

Passenger boardings decline 34% to 1,333,000; however, cargo traffic is up by 48.6%.

Airline employment climbs to 7,000 in 1974. One additional B-707-312B is delivered and a third Jumbojet, delivered on July 29, enters service in August. The London frequency is increased and Seoul is added to the international route network, which now comprises 25 cities in 20 countries and covers more than 50,000 unduplicated route miles.

Passenger boardings grow 21% to 1,509,000 and freight traffic soars 58%. Profits of \$16.6 million are reported.

An order is placed in 1975 for a fifth Jumbojet as the fourth, another Dash-212B, joins the fleet on February 6. Also during the month, a hotel management subsidiary is created. The workforce is reduced to 6,008. A wholly owned charter subsidiary, **Tradewinds (Pty.), Ltd.** is formed on February 17. Amsterdam joins the European route network on April 1; the next day, London frequencies are made daily. Chairman Pillay places an \$800-million order for new aircraft later in the month.

Additionally, "meat flights" are inaugurated to Japan, whereby Japanese are able to bring home cheap meat from Singapore. On August 15, a new \$11.5-million engine overhaul facility is opened at Paya Lebar Airport. Three days later, B-707-312B frequencies are inaugurated to Seoul via Bangkok, Hong Kong, and Taipei. With the addition of Seoul, Hong Kong, and Taipei to the route network, SIA has now linked the East Asian nations with the fastest rising economies, the "Mini Dragons."

Bookings soar 20.3% to 1,815,000 and cargo accelerates by 33.4%.

The employee population in 1976 is increased again, up to 6,942. A B-747-212B is acquired on March 30 and an order is placed for six B-727-212As for use on regional routes. Service is opened on May 1 to Dubai, Auckland via Melbourne, and Paris; the next day, the company's London route becomes all-Jumbojet.

In August, the wholly owned charter carrier **Tradewinds (Pty.), Ltd.**, a subsidiary of Singapore's other hotel management subsidiary, is created to offer worldwide passenger and cargo flights, as well as regional scheduled service in cooperation with **Malaysia Air Charter, Ltd.**

The company becomes self-insured in November with the creation of Singapore Aviation and General Insurance Group (Pty.), Ltd. **Tradewinds (Pty.), Ltd.** begins nonscheduled services in October.

Passenger boardings are up 17.5% to 2,132,000 and cargo swells by 23.6%.

Singapore Aero-Engine Overhaul (Pty.), Ltd. is set up on April 1, 1977. In January, the company receives the 1976 "Passenger Services Award" from *Air Transport World* magazine.

The sixth and seventh B-747-212Bs plus six B-727-212As are delivered between June and September and orders are placed on July 6 for seven DC-10-30s. Routes are opened to Copenhagen and Tehran on July 1; 13 days later, a \$14-million air freight terminal is opened at Singapore's airport. In September, a bilateral air service agreement is reached

with the U.S. and on October 21, a pact is signed with **British Airways, Ltd. (2)** for joint Concorde service.

Direct Singapore to Auckland flights commence on November 3 employing a Douglas DC-10-30 leased from **Air New Zealand, Ltd.**

In association with **British Airways, Ltd. (2)**, thrice-weekly London-Bahrain-Singapore Concorde operations begin on December 9; the SST wears BA colors on one side and SIA livery on the other. The service is suspended after only six flights "for environmental reasons."

The year's enplanements are 2,435,906.

The workforce grows 20.4% in **1978** to 9,274. The company is voted "Airline of the Year" in January by *Travel News*. A route is started to Kuwait and in April cargo services are begun to San Francisco via Hong Kong, Guam, and Honolulu. A JT9D engine test facility is commissioned and a \$2.3-million ITEL computer is installed. A \$900-million order is placed for 12 B-747s and 4 B-727-212As, plus spare parts. The first two DC-10-30s are delivered to Chairman/President Pillay's fleet in November.

Cargo traffic soars 58.2% and passenger bookings are up 15.9% to 2,893,000. A profit of \$14.8 million is earned on revenues of \$623 million.

Joint Concorde service with **British Airways, Ltd. (2)** is resumed on January 24, **1979**. On April 1, Brussels becomes the ninth market added in Europe. On April 4, thrice-weekly DC-10-30 passenger service starts to San Francisco via Hong Kong and Honolulu. Having elected to bypass the Guam stop operated on the cargo run, SIA becomes the first airline to fly directly from the British Crown Colony to Hawaii.

The frequency on the transpacific route is increased to four per week in May. The DC-10-30s are replaced by B-747-212Bs between June 9—when the crash of an **American Airlines** machine in Chicago causes the type to be grounded—and September. The Jumbojets, two of which are newly delivered on August 2 and 16, respectively, bear the words "California Here I Come" across their fuselages; a third B-747-212B arrives on September 25 followed by the year's fourth on October 1. Routes are also started to Bali and Brussels and assistance is extended to newly formed Air Lanka.

In November, the very first B-747-212B is sold to **The Flying Tiger Line**. The fleet at decade's end includes 10 B-747-212Bs, 3 B-737-112s, 6 B-727-212As, 10 B-707-312Bs, and 3 DC-10-30s.

Cargo grows 37.3% and passenger boardings jump 16.8% to 3,377,000.

The workforce is increased 2.9% in **1980** to 10,257. Three B-707-312Bs are retired and four DC-10-30s, seven B-747-212Bs, and a B-727-212A join the fleet.

By April 1, the company is operating 17 weekly Jumbojet European services. A second transpacific route is opened on July 2 to Los Angeles, via Taipei and Honolulu. Another two, older B-747-212Bs are sold to **The Flying Tiger Line** in July and September, respectively. Meanwhile, a third and fast—16 1/2-hr.—service across the Pacific is begun via Tokyo to Los Angeles.

Orders are placed for six Airbus Industrie A300B4s. Having drawn insufficient traffic to justify its continuance, joint Concorde service ends on October 30.

Although cargo is off by 2%, passenger traffic rises 13.4% to 3.8 million.

The employee population increases by 51.9% in **1981** to 15,575. One B-747-212B and four A300B4s are delivered, while six B-707-312Bs, the three B-737-112s, and three DC-10-30s are retired. The newly received Jumbojet is the last Dash-200 received. Orders are placed for eight additional Jumbojets and eight more Airbuses.

On February 2, one of the new Airbuses is placed on the Singapore to Madras, India, route, while another starts flying from Singapore to Kuala Lumpur and Jakarta. By April 1, the company is providing eight weekly Jumbojet frequencies to Australia and two to Auckland, New Zealand. On July 1, one of the company's last two B-727-212As is the first aircraft to land at Singapore's brand new Changi Airport. On December 15, a \$1.6-billion order is placed for eight B-747 SUDs (the SUD stands for "stretched upper deck"), four B-757-212s, and six A310-222s.

Freight is up 18.7% to 645.8 million FTKs, while passenger boardings accelerate 15.1% to 4,405,000.

The workforce grows 2.2% in **1982** to 10,449. Continuing its program of maintaining one of the world's youngest aircraft fleets, the carrier phases out two more B-727-212As and receives four A300B4s. With its engines stalled by volcanic ash from Mount Galunggung over Jakarta on July 14, a B-747-212 with 230 aboard falls 1 1/2 mi. before leveling off; the Jumbojet is able to land safely.

Officials of the company and those from **Malaysian Airline System (MAS), Ltd.** agree on November 1 to turn the Singapore-Kuala Lumpur route into a no-frills, non-reservation shuttle similar to that operated by **Eastern Air Lines** in the U.S. On November 23, the two carriers jointly inaugurate holiday services to the Malaysian east coast resorts at Kuantan.

Passenger bookings are up 4.2% to 4,591,000 and cargo climbs 14.1% to 736.82 million FTKs. On revenues of \$1.25 billion, operating and net profits are, respectively, \$23.3 million and \$52.4 million.

The employee population is cut 6.2% in **1983** to 9,798.

The last three DC-10-30s and three B-747-212s are phased out as five B-747-312s and four A300B4s are received. The Jumbojets are sold to **The Flying Tiger Line**. Frequencies on the Los Angeles-Singapore route are increased on May 5 when the B-747-312 makes the first transpacific flight by the SUD aircraft. Incidentally, in-flight slot machines now become a regular feature on all Jumbojet routes.

In September, the company opens the world's largest column-free hangar, near its headquarters at Changi Airport. In December, thrice-weekly Singapore to Kuantan, Malaysia, flights begin.

Freight accelerates 14.8% to 845.96 million FTKs, but passenger bookings dip 1.1% to 4,540,000.

One B-747-212 is retired in **1984** as three B-747-312s and four B-757-212s join the fleet. Flights to Male, Maldives, begin on March 28 while Brisbane and Adelaide join the Australian market list on March 30. In November, twice-weekly B-747-312 service is started to Cairo via Karachi.

Freight is up 13.6% to 961.19 million FTKs and passenger traffic rises 5.6% to 4,792,000 passengers flown. Profits are \$39.1 million (operating) and \$64.7 million (net).

The workforce in **1985** stands at 9,919. The last two B-727-212As and all A300B4s are now sold as delivery is taken on six A310-222s and the last five B-747-312s.

On January 31, the carrier's interest in Singapore Aero-Engine Overhaul (Pty.), Ltd. is sold to Singapore Aircraft Industries (Pty.), Ltd. Beginning on June 1, A310-222s replace A300B4s on the Madras run and under the ICAO 90-min. rule, flights commence to Mauritius the same day.

In November, government interest is reduced to 73% as 50 million new shares are created and floated on the Singapore Stock Exchange.

Passenger boardings increase 2.5% to 4,911,000 and freight swells 2.1% to 980.97 million FTKs. Revenues are \$1.382 billion and expenses are \$1.326 billion, leaving record profits of \$55.9 million (operating) and \$115.3 million (net).

Employment grows 3.3% in **1986** to 10,547. On March 25, a B-747-312C freighter is placed in service. Flights to Delhi commence on April 1, the same day a stop is added at Manchester, England. Also in April, SIA places the largest aircraft order in airline history to that date, a \$3.3 billion-purchase of 14 B-747-400s, plus options on another 6.

On May 10, twice-weekly service is launched directly from Singapore to Bali in cooperation with **Garuda Indonesia**. A second B-747-312C arrives on August 27; also in August, a six-man team of Boeing 707 engineers is dispatched to Shanghai to assist **Shanghai Airlines Company, Ltd.** in preparation of its fleet for charter service that will begin in December. Service is also inaugurated to Christchurch on October 7 and Calcutta, Dhaka, on October 29.

Simultaneously, company officials announce that they will spend \$557 million on improvements at Changi Airport over the next decade, including \$232 million for a second passenger terminal. A second Jumbojet combi enters service in the fall and daily nonstop B-747-312 Singapore-London flights resume in December. Orders are also placed for two Airbus A310-324s.

Customer bookings advance by 1.7% to 4,992,000 and cargo moves upward by 13.3% to 1.11 billion FTKs, third largest among Asian airlines. Revenues rise 3% to \$1.4 billion and expenses are up 1.8%, allowing an operating profit of \$57 million and net gain of \$117 million.

The payroll is improved by 4% to 16,404 in 1987 as the final B-747-312C enters service on March 20. Also in March, a \$2.1-million, 3-year program is initiated to lift the quality perception of the carrier's ground services. The fleet is enhanced by delivery of the first two A310-324s and flights begin to Port Moresby.

On May 1, the fortieth anniversary of service (including that of its predecessors) is celebrated. In addition to the introduction of a new corporate identity program, including a remake of aircraft interiors, new signage, and new livery, it is highlighted by the restoration of an Airspeed Consul, the type employed to make **Malayan Airways, Ltd.**'s first flight.

Government investment is reduced to 55% in June through an additional share offering. On June 11, a second-hand B-747-212B is sold to **Air India, Ltd.** for a price estimated by the press to be between \$45 and \$50 million. Twice-weekly A310-324 frequencies are stretched from Singapore to Katmandu via Dacca in July.

An new agreement is signed with unions in August covering approximately 85% of the airline's staff. Also during the month, a joint service is inaugurated with **Air Niugini** between Singapore and Port Moresby; the route is operated exclusively with Papuan New Guinea aircraft.

In October, the carrier joins with **Malaysian Airlines, Ltd. (MAS)** to offer a joint weekly B737-2H6A service to Langkawi Island, Malaysia, with a stopover at Penang Island.

Direct service is started from Singapore to Istanbul in November, making the carrier the first from Southeast Asia to serve Turkey. In December, the airline joins with **Cathay Pacific Airways (Pty.), Ltd.** and **Thai Airways International, Ltd. (THAI)** to develop a computerized reservations system and travel service to be called ABACUS Travel Systems.

Passenger boardings ascend 9.3% to 5,458,000 and freight retains its third-place rating at 1.25 million FTKs, a 13% boost. Revenues climb 16.6% to \$916.45 million and with expenses down, an operating profit of \$99.1 million can be reported, together with net gain of \$133.85 million.

The workforce grows by 6.1% in 1988 to 17,404 and the fleet of Chairman Pillay and Managing Director Cheong Choong Kong, a former stage actor before becoming an airline executive, now includes 8 B-747-212Bs, 11 B-747-312s, 3 B-747-312Cs, 6 A310-222s, 2 A310-324s, and 4 B-757-212s. Orders are outstanding for 14 B-747-412s and 4 A310-324s.

In January, the company receives the 1987 "Financial Management Award" from *Air Transport World* magazine. A joint-venture agreement is signed with New Japan Aircraft Maintenance Co., Ltd. and C. Itoh & Co., Ltd., also in January, for establishment of Singapore Jamco (Pty.), Ltd. Daily B-747-312 service is initiated from Singapore to San Francisco in January via Hong Kong, while flights are added to Darwin on February 1 and Fukuoka at the end of March.

In April, a Worldwide Emergency Assistance program is unveiled to provide frequent flyers 24-hr. access to prompt assistance in the event of personal, medical, or legal emergencies. Smoking is banned on 4 of 14 daily flights between Singapore and Kuala Lumpur beginning in May.

Twice-weekly B-747-212B service is launched on July 1 from Singapore to Vancouver (Canada) via Seoul. Jumbojet service is also inaugurated to Darwin and Fukuoka. Late in the month, the first pure freighter, a B-747-212F, is delivered for weekly services to Europe, Taiwan, Korean and either New Zealand or Australia. The flight training school, Singapore Flying College (Pty.), Ltd., is opened.

Customer bookings jump 10.8% to 6,045,000 and cargo moves up by 11.9% to 1.39 billion FTKs. Revenues advance by 17.6% to \$2.1 billion and allow operating income of \$401 million. Net gain reaches \$369 million.

The number of employees swells 10.9% in 1989 to 19,309.

In January, the company joins with **Cathay Pacific Airlines (Pty.), Ltd.** in welcoming **Philippine Air Lines, Malaysia Airlines, Ltd. (MAS)**, and **China Airlines, Ltd.** to their new ABACUS reservations

system; **Royal Brunei Airlines** is hooked up later in the year. The no-smoking policy is extended in February to cover the carrier's 13 weekly frequencies from Singapore to Penang. Later in the month, an agreement is signed with **Tradewinds (Pty.), Ltd.** providing for marketing cooperation.

In early March, the first two of 14 ordered B-747-412s are received and begin the first nonstop Singapore-London service on March 29. Meanwhile, in April, the SATS Cargo subsidiary opens its new \$25-million air freight terminal and 24 pilots are hired from the bankrupt Aeromexico.

In late spring, a three-way Global Excellence alliance is joined with **Swissair, A.G.** and **Delta Air Lines**, providing for the exchange of equity interests, as well as joint cooperation in a number of areas including marketing, schedule coordination, and a month-long flight attendant exchange program. A joint-purchasing company will be established at Zurich, with branches in Atlanta and Singapore.

During June, the company bans smoking on all of its short-haul regional flights, including Denpasar, Begawan, Medan, Bandar Seri, Jakarta, Bangkok, Langkawi, Penang, and Kuala Lumpur. The long-haul Jumbojets also initiate Hong Kong to San Francisco flights during the summer. In September, four joint, block-space freighter services per week are inaugurated in cooperation with **Deutsche Lufthansa, A.G.** over SIA's routes from Singapore to Australia.

Three more of the "Megatop" Dash-412s are received in the fall. The company is also the first in the world to arrange for exclusive transmission of television news, via satellite, to its airborne passengers. In December, a 25-minute news program is begun on all Jumbojet and A310-324 flights exceeding three hours.

Enplanements swell 9.9% to 6,643,000 and freight rises 17.7% to 1.64 billion FTKs. Revenues ascend 16.9% to \$2.46 billion, expenses climb just 3.8% to \$1.77 billion, and operating income moves to \$767 million. Net profit totals \$647 million.

Company employment grows by 10.6% in 1990 to 21,355, a figure that ranks the carrier 21st in the size of workforce category among all the world's airlines. In January, the carrier is named the 1989 "Airline of the Year" by *Air Transport World* magazine.

The year is busy. Raffles Class business service is introduced and large aircraft orders are made: \$270 million for 2 A310-324s and \$16.3 billion for 20 MD-11s and 30 B-747-412s. Service is inaugurated to the new destinations of Cebu, Nagoya, and Guangzhou. Additional frequencies are undertaken between Singapore and London (LHR) and as part of its new code-sharing agreement with **Delta Air Lines**, daily Los Angeles to Dallas (DFW) connecting service is initiated in June.

On July 12, the carrier joins with the National Productivity Board to form the Service Quality Centre (Pty.), Ltd. Well-established, the company now joins IATA.

Twice-weekly Singapore to Berlin flights commence on October 28. A flying school is opened during the month at Jandakot, near Perth, Australia. It is the only Asian airline to have its own training center on the island continent.

Passenger boardings climb 7.5% to 6,977,000 and freight climbs 5.8% to 1.69 billion FTKs. Only nine other airlines haul more cargo than SIA. Revenues move ahead by 6.8% to \$2.91 billion and expenses are up 9% to \$2.14 billion. The operating profit of \$809 million thus generated is the highest for any airline in the world. Net profit, however, slips to \$636 million, a \$10-million decline.

The fleet in 1991 includes 6 A310-222s, 11 A310-324s, 1 B-737-3M8F, 4 B-747-212Bs, 1 B-747-212F, 2 B-747-245Fs, 2 owned and 9 leased B-747-312s, 3 B-747-312Cs, and 7 B-747-412s. Orders are outstanding for 2 A310-324s, 20 MD-11s, and 25 B-747-412s.

In early March, **American Airlines** delays accepting its second MD-11 and keeps its first out of service as technical problems in the glass cockpit of the aircraft are resolved with their manufacturer. The dispute between American and McDonnell Douglas (MDC) over 146 different items is widely covered in the aviation press. This dispute, coupled with range problems and communication difficulties, causes the builder a loss

of much credibility. Meanwhile, as a result of its own unanswered questions, Singapore now cancels its own order for MD-11s.

Four Pakistani pirates seize Flight 117, an A310-222 with 129 passengers en route to Singapore from Kuala Lumpur, and returned to Singapore Airport on March 26. The hijackers demand that the Pakistani government release the jailed husband of former Prime Minister Benazir Bhutto.

Government commandos storm the plane the next morning killing all four gunmen and saving the hostages.

Later, delivery is taken of the eighth and ninth B-747-412 and flights are started to Kota Kinabalu, Kuching, and Toronto. The world's first satellite telephone service is introduced and a \$3.36-billion order is placed for seven A340-313s. Deputy Chairman Lim Chin Beng is named Ambassador to Japan.

The carrier, together with **Japan Air Lines Company, Ltd. (2)**, signs a shareholders agreement with Singapore Aerospace, Ltd. to acquire 10% of the latter's wholly owned subsidiary Singapore Aviation Services, Ltd. (SASCO). Service to Toronto starts on June 1.

The Danish Supreme Court on June 26, fines 6 foreign airlines a total of Dkr 452,000 (\$64,570) for bringing illegal refugees to Denmark without visas or identity documents. The decision in the case against European operators **SAS (Scandinavian Airlines System)**, **Sabena Belgian World Airlines, S.A.**, **KLM (Royal Dutch Airlines, N.V.)**, and the defunct **Interflug**, plus **Iraqi Airways** and SIA has been eagerly awaited by the 50 airlines flying into Denmark.

The companies have argued that it is not their responsibility to do the police's work when checking in Denmark-bound passengers. Nor could they be expected to tell the difference between genuine and false visas and passports, or prevent passengers from tearing up their passports once on board the plane, as has often happened. The Supreme Court is unconvinced by their arguments, and orders the airlines to pay a fine of Dkr 8,000 per passenger illegally brought to Denmark.

In November, SIA begins employing a pair of Learjet 31s for advanced pilot training.

Customer bookings jump 7.2% to 7,476,000 and cargo rises 4.3% to 1.76 billion FTKs. Revenues ascend 2.9% to \$3 billion and allow profits of \$659 million (operating) and \$539 million (net).

The payroll is increased by 8.3% in 1992 to 23,793. Employing 1 in every 74 workers in the city-state, SIA is now Singapore's largest private employer. After a 17-year hiatus, direct A310-324 roundtrips begin on February 28 from Singapore to Ho Chi Minh City, four times a week.

On March 29, twice-weekly Singapore to Johannesburg flights begin, some being routed via Mauritius and others nonstop. **South African Airways (Pty.), Ltd.** will offer reciprocal service over the route within a month.

On April 1, most of the carrier's engineering division is merged with Singapore Engine Overhaul Centre, Ltd. to form SIA Engineering Company (Pty.), Ltd. Simultaneously, Apron Services, Cargo Services, and Passenger Services are merged to form the new traffic company SATS Airport Services (Pty.), Ltd. The same day, **Tradewinds Airlines (Pty.), Ltd.** is renamed **SilkAir (Pty.), Ltd.** and the Tradewinds Tours & Travel Services division is reformed into a **SilkAir (Pty.), Ltd.** subsidiary.

Ending its policy of investing only in Singapore hotels, the company, also in April, takes 20% shareholding in a joint venture development project at Yogyakarta in Indonesia. Twice-weekly A310-222 roundtrips commence on May 4 between Singapore and Hanoi.

Additionally, B-747-412 flights begin to Madrid. Big Boeing service to New York commences in July on a frequency of six times per week, three via Brussels and three via Frankfurt. The same month, Singapore-Toronto services are suspended; however, the Vancouver route is retained. A "personal cinema system" is introduced for passengers on long-haul routes while an air cargo electronic datalink system is turned on.

On November 29, B-737-3M8F regional freighter flights are initiated to Bandar Seri Begawan, Bangkok, Dhaka, Ho Chi Minh City, Hong Kong, Madras, and Phnom Penh. Flights are now made to 67 cities in 39 countries. The airline is rated by *Conde Nast Traveler* as best in the

world for passenger service. The receipt of a B-747-412 in December makes the carrier the third in the world to operate 50 Jumbos.

Enplanements accelerate 9.9% to 8,512,000 while freight swells 24.4% to 2.3 billion FTKs. Revenues climb 15.5% to \$3.46 billion and expenses are up 21.9% to \$2.85 billion. The difference results in an operating surplus of \$611 million and net gain of \$513 million.

In 1993, Chairman Pillay and Managing Director Cheong Choong oversee a workforce of 24,711, up 3.9% over the previous year. The fleet is increased by the addition of 2 A310-222s and Boeing's 1,000th Jumbojet. In January, the carrier receives a "Twenty Years of Excellence in International Services" award from *Air Transport World* magazine.

The twice-weekly service between Singapore and Johannesburg is increased to thrice weekly during April. After **China Eastern Airlines Company, Ltd.**, **China Southern Airlines Company**, and **Yunnan Airlines of China, Ltd.** commence flights to Singapore during the month, the flag carrier of Singapore is able to launch reciprocal services into the PRC. Within weeks, a combined total of 14 weekly roundtrips will be offered to Beijing, Shanghai, Guangzhou, Xiamen, or Kunming.

B-747F flights begin to Bombay in the spring, followed by Istanbul, Moscow, San Francisco, and Shenzhen, the latter being the first freight service to that Chinese destination by a foreign carrier.

A new training center is opened in May. In June, the carrier joins in the start of a frequent flyer program, Passages, in collaboration with **Malaysia Airlines, Ltd. (MAS)** and **Cathay Pacific Airways (Pty.), Ltd.**

The arrangement with MAS will result in the establishment of a shuttle service from Singapore to Kuala Lumpur and a joint catering service that will be set up at Madras in India.

In July, the carrier takes a 10% stake, along with **Cathay Pacific Airways (Pty.), Ltd.**, **Japan Air Lines Co., Ltd. (2)**, and other carriers, in the Taeco aircraft maintenance venture at Xiamen in China and 28% shareholding in Royal International Air Catering.

Other achievements of the year include the introduction of passenger service to Hiroshima, launch of the world's first global in-flight facsimile service, and agreement to acquire 40% shareholding in a reformed **Royal Air Cambodge (RAC)**.

Passenger boardings jump 8.7% to 9,305,000 and cargo traffic rises 24.3% to 2.86 billion FTKs. Revenues move ahead by 7.8% to \$3.73 billion and although costs are up 11.6%, they total \$3.18 billion. The operating surplus shrinks to \$548 million while the net profit shrinks to \$501 million. Although both profit lines are off, the former is still sufficient to rank as world's best; net gain is third highest behind a surging **Continental Airlines** and **Trans World Airlines (TWA)**.

Airline employment is increased by 4.2% in 1994 to 25,746 and in early spring, flights begin to Cape Town. Flights to Kao-hsiung, suspended for eight years, are resumed. On April 12, flights are added to destinations in the U.S., Bangladesh, and Vietnam. On June 22, the carrier places \$10.3 billion worth of orders for 52 Boeing 747-400 and Airbus A340-200 jetliners to be delivered between 1996 and 2003. A \$56-million order is also placed for 6 Learjets.

In mid-June, the company reaches an agreement with TATA Industries to launch a domestic joint-venture airline in India sometime after Christmas. Simultaneously, a \$13-million joint venture agreement is signed between subsidiary Singapore Airport Terminal Services and Arab Asia Investments for the development of an in-flight kitchen at Karachi's new Quaid E. Asam International Airport.

Following a coup attempt in Cambodia during the first week of July, SIA withdraws from its arrangement to help restart **Royal Air Cambodge (RAC)**. In August, a commercial and code-sharing agreement is reached with **Vietnam Airlines**. In addition to the inauguration of dual-designator route between Singapore and Ho Chi Minh City, SIA agrees to take 30% shareholding in a Tan Son Nhat Airport cargo handling joint venture in which VA holds a 55% stake.

A commercial alliance is entered into with **Garuda Indonesia** in September when the Indonesia airline takes a 10% stake in SIA's Hong Kong joint venture maintenance concern Pan Asia Pacific Aviation Services. **Royal Brunei Airlines** simultaneously subscribes to 10% shareholding.

An agreement with **Delta Air Lines** is announced on November 1 whereby passengers from each air carrier may use one ticket to fly on either airline. During the year, two B-747-249Fs are sold to **El Al Israel Airlines, Ltd.**

Overall, customer bookings swell 6.6% to 9,920,000 while freight moves ahead by 14.8% to 3.29 billion FTKs. Revenues at the world's most profitable airline accelerate 9.9% to \$4.3 billion and produce profits of \$629 million (operating) and \$586 million (net).

The workforce is increased by another 4.4% in 1995 to 26,875. Two A310-222s operated by the **SilkAir (Pty.), Ltd.** subsidiary are returned, being too expensive for the subsidiary to operate.

In February, the company joins with the Tata Corporation in announcing plans for the expenditure of \$700 million for the establishment of a domestic rival to **Indian Airlines, Ltd.** SIA would hold a 40% stake in the new concern and gain easier access to the subcontinent's expanding market.

Strong demonstrations and threats against Singaporeans in the Philippines force the government of President Fidel Ramos to order security tightened around Singapore Airlines offices and the nation's embassy on March 19. The disturbances have been caused by Singapore's execution of a Filipino domestic worker on March 17 for the murder of another worker in 1991. It will be April before the tension dies down.

During May, SIA joins with **China Airlines, Ltd.** as each subscribe 24.5% and match private owners in establishing a joint venture engine-compressor repair facility at Taipei, Taiwan. An \$S150-million air freight terminal is opened during the last week of the month adjacent to Singapore's Changi Airport.

In September, joint freighter services commence with **British Airways, Ltd. (2)** between Singapore and London.

A \$12.7-billion order is placed for 77 B-777s late in the year and a code-sharing agreement is initiated with **American Airlines** for the Singapore-Chicago route.

Flight attendant Chang Yu, a native of Taiwan, fails to show up for a company service from Los Angeles to Taipei on October 23. Her strangled body is later found wrapped in bed covers and stuffed into a wardrobe shelf at a Los Angeles hotel where her SIA crew had stayed.

On November 20, flight steward Zaini Jeloni is arrested by Singapore police on November 20 on a warrant issued by a U.S. judge and confirmed by a Singapore court. Jeloni will be extradited to California for trial and will be convicted and sentenced.

Passenger boardings jump 8.5% to 10,671,000 while cargo climbs 11.4% to 3.7 billion FTKs. Finances for one of the world's most fiscally capable airlines continue to advance. Revenues ascend 8.3% to \$4.7 billion while expenses are up 7.4% to \$3.98 billion. The operating gain is \$716 million while the net profit reaches \$690 million. The profit lines are later adjusted downward to \$537 million and \$622.3 million, respectively.

Airline employment grows 3.2% in 1996 to 27,737 and the fleet now includes 77 aircraft.

In mid-January, the carrier publishes its first homepage on the World Wide Web.

SIA and Tata Consultancy Services form a joint-venture company at Madras, India, on February 2 to develop and maintain computer software.

Company Chairman Pillay, one of the longest-serving airline executives in the world, steps down on February 28 to become his nation's high commissioner to the U.K. He is succeeded by S. Dhanabalan.

The number of weekly frequencies to Beijing is increased on March 31 from 7 to 10. A third joint freighter service with **Air France** is launched on April 5.

The first two A340-313Xs, the extended-range Airbus version, are received in late April. With satellite navigation available on these aircraft, the first such navaid for the company, the new planes are christened *Celestars*.

During May, the new A340-313s enter service on company routes from Singapore to Melbourne via Bangkok and Jakarta.

A \$12.7-billion order is placed on June 19 for up to 77 B-777s.

On July 1, the company begins to code-share with **American Airlines**. The American designator is applied to Singapore flights from Singapore to Los Angeles and San Francisco; there, connecting passengers may directly board American flights with shared Singapore designations, connecting on to Chicago. The same route may be followed in reverse.

Deputy Chairman/CEO Lim Chin Beng, a 14-year veteran, retires on July 13 to be replaced by Managing Director Cheong Choong Kong on August 1. The same day, the new Silver Kris Lounge opens for first-class passengers at Changi Airport's Terminal 2.

The company's newest building, the \$40-million SATS Maintenance Center 2, is officially opened at Singapore Airport on August 19.

An agreement is signed on August 30 with **Alitalia, S.p.A.** for the joint development of a shared advanced Cargo Operations Management System.

The SATS In-flight Catering's \$172-million Centre 2 is opened at Singapore Airport on October 3. Three days later, the carrier wins the coveted "Best Airline Award" for 1995 from *Conde Nast Traveler*. All-cargo weekly outbound service to Dublin via Dubai begins on October 27; return service begins the next day via Copenhagen and Dubai. A strategic dual-designator service is started on October 29 with **Austrian Airlines, A.G.** covering frequencies between Singapore and Vienna.

SIA sells its shares in the Raffles City and RC Hotels on November 4. Joint-venture freighter service to Frankfurt via Sharjah with **Lufthansa Cargo Airlines, A.G.** is doubled during the month from twice weekly to four times a week.

A joint-venture freight terminal is opened in Vietnam and a catering facility in Macau.

While en route from Singapore to Sydney on December 6, Flight 219, an A10-324 with 16 crew and 236 passengers, hits clear-air turbulence over central Australia; three crew and nine passengers are injured, one seriously. The crew radios ahead and ambulances are waiting at the airport to take the injured to the hospital, where one man must undergo surgery on his hip.

Enplanements surge 10% to 11,838,000 and 4.11 billion FTKs are operated, a 12.3% increase. Operating income inches up 1.6% to \$4.51 billion while costs moves up 4% to \$4.05 billion. Operating profit slides to \$452.1 million, while net gain ascends slightly to \$624.1 million.

Under a new bilateral air agreement between Singapore and India, SIA, on January 5, 1997, increases the number of weekly flights from Singapore to Chennai from five to six. On January 10, the airline is named 1997 "Airline of the Year" by *Executive Travel*.

During this month, the company upgrades its India service, offering a total of 23 flights per week, of which 18 are passenger services. Included in the total are seven frequencies to Bombay, six to Chennai, three to Delhi, and two to Calcutta.

On January 23, Singapore and the United States reach an "open skies" agreement that will end curbs on passenger and cargo services between the two nations and will allow airlines of either country to fly to and beyond the other without restrictions. Singapore is the first nation to accept a U.S. bilateral pact under the "open skies" liberalized formula.

As the result of an ATC failure on January 25, a company A310-324 comes within 1,000 ft. of colliding with a **Swissair, A.G.** MD-11 over Tochigi, Japan, near Tokyo. Disaster is avoided when the TCAS system aboard the Swiss airliner sounds, allowing it to take evasive action.

The new Matsushita interactive gambling system is successfully tested during the January 30 delivery flight of a B-747-412.

On March 30, service is increased by one service per week on routes to Athens, Manchester, Guangzhou, Surabaya, Ho Chi Minh City, Delhi and Dhaka.

Thrice-weekly service is inaugurated on April 1 from Newark (EWR) to Singapore via Amsterdam.

Weekday return joint freighter services commence in April with **Air France**.

Despite an earlier positive ruling by the Indian Foreign Investment Board, an appeal by **Indian Airlines, Ltd.** and the nation's domestic airlines results in a new aviation policy from Aviation Minister C. M.

Ibrahim and the cabinet of the United Front government of Prime Minister H. D. Deve Gowda. Simply put, the new mid-April decision prohibits investments in Indian domestic carriers by foreign airlines, although groups from outside the aviation business may continue to acquire or hold up to 40% of the stakes in domestic carriers. The new policy halts SIA plans to join with the Tata Corporation in forming a rival to **Indian Airlines, Ltd.**

The airline's official fiftieth anniversary is celebrated on May 1. Six days later, the carrier's first B-777-212 IGW arrives at Changi Airport wearing a distinctive "Jubilee" gold livery and is welcomed as a part of the company's anniversary celebrations. On May 23, Singapore Airlines and **Air India, Ltd.** terminate long-running negotiations for a commercial alliance. Air India had wanted access to destinations in the Far East and Asia via a code-share or block-space pact, while Singapore, already possessing a strong presence in those regions, had sought additional capacity on its flights into India. Reaction of Singapore to the Tata decision may also have played some role in ending the talks.

On June 21, Singapore, **Ansett Australia (Pty.), Ltd.**, and **Air New Zealand, Ltd.** jointly sign a memorandum of understanding for the creation of the largest airline alliance in Southeast Asia. The compact contains what has become the normal large-scale partnership compact ingredients of shared networks, codes, marketing, scheduling, reservations, planning, purchasing, cargo, frequent flyer programs, information technologies, and ground and passenger services. Arrangements for certain kinds of financing, fleet rationalization, and relationships with other partners remain to be sorted out.

A joint-venture company is formed with Pratt & Whitney on July 1. The new engine overhaul and repair concern, in which Pratt holds 51%, will begin operations at Singapore later in the year. On July 15, two A310-222s are sold to the Belgian defense ministry for BFr 1.28 billion. The first Airbus will be turned over in September and the second in April 1998.

Manila experiences a runway blackout on July 18 that results in delayed departures, arrivals, and diversions for several hours; an SIA flight from Singapore is diverted to Kao-hsiung, Taiwan.

Thrice-weekly A340-313X roundtrips commence on August 3 between Singapore and Jeddah.

Thrice-weekly roundtrips between Bangkok and Seoul commence on September 3. On September 28, the company introduces ticketless travel on services between Singapore and Kuala Lumpur and between Singapore and Penang.

At the beginning of October, service between Singapore and Christchurch ends as alliance partner **Air New Zealand, Ltd.** takes over flights between the two cities.

In an October 26 Singapore ceremony, Minister of Communications Mah Bow Tan and visiting Brazilian Minister of External Relations Luiz Felipe Lampreia sign an air services agreement. Under its terms, Singapore and **VASP (Viacao Aerea Sao Paulo, S.A.)** are designated to provide thrice-weekly services between the two countries.

The same day, frequencies between Singapore and Beijing are increased from 12 to 14 every week.

On November 28, SIA withdraws from the Global Excellence Alliance with **Swissair, A.G.** and **Delta Air Lines** and signs a memorandum of understanding for a strategic alliance with **Deutsche Lufthansa, A.G.** Under its terms, SIA will hub its European business at Frankfurt while DLH will make Singapore its principal Southeast Asian center for activities from Japan to India.

In addition, the two majors will coordinate frequent flyer programs, offer dual-designator flights, jointly develop marketing, scheduling, customer service activities, and information technology, and share ground handling. There is also discussion of the possibility that SIA will join the "Star Alliance," either with or instead of **Thai Airways International, Ltd. (THAI)**.

Beginning on December 15, SIA offers its Priority Club passengers free airport immigration smart cards.

Passenger boardings move up 2.5% to 12,149,000 while freight jumps 15.7% to 4.76 billion FTKs. With operating revenues of \$4.31 million

and expenses of \$3.84 billion, the company is able to post an operating profit of \$467 million and a net gain of \$569.2 million.

At the beginning of 1998, SIA is the 6th largest airline in the world in terms of freight carried, 8th in net profit, 10th in operating profit, and 18th in operating income.

Airline employment stands at 13,506 and the fleet, all of which is Stage III certified, includes 83 airplanes: 48 B-747s, 4 B-777-212 IGWs, 17 A310-324s, 1 A310-222, and 11 A340-313s.

In January, the company joins with **Air New Zealand, Ltd.** and **Ansett Australia (Pty.), Ltd.** in petitioning the Australian Competition and Consumer Commission for approval of their previously announced strategic alliance. On January 21, the Airspeed Consul that has graced the entrance to the SIA Training Centre for the past five years is moved to the Singapore Science Centre.

The Asian economic crisis begins to have an impact. Frequencies to Kuala Lumpur, Surabaya, and Jakarta are significantly reduced and smaller aircraft are substituted on flights to Hong Kong, Seoul, and Bangkok. Larger aircraft are shifted to routes to Australia, Europe, and the U.S.

On February 20, subsidiary Singapore Airport Terminal Services (Pty.), Ltd. takes a \$10-million, 20% stake in a new joint venture flight kitchen at Manila. Nine days later, ground is broken on a new \$300-million air freight terminal at Changi International Airport.

Weekly flights from Singapore and Frankfurt are increased from 7 to 10 on March 29. Three new frequencies are inaugurated to London, increasing weekly flights from 14 to 17, and the number of weekly flights to Manchester is increased from four to five.

The number of services into the New York area is increased the same day. Previously, SIA had operated daily service into New York (JFK), three times a week via Amsterdam and four via Frankfurt. Now, all seven services are routed via Frankfurt. The Dutch stop is not completely eliminated and three new flights are simultaneously introduced to Newark International Airport via Amsterdam.

Services to Melbourne are boosted from 7 to 10 per week, while B-777-212 IGW flights to Brisbane are increased from 4 per week to 6. Larger aircraft are to occasionally be employed on the company's 14 weekly roundtrips between both Sydney and Perth.

When Chairman S. Dhanabalan leaves in April to become chairman of the Development Bank of Singapore, he is succeeded by board member Michael Fam. The second A310-222, acquired for military purposes the previous July, departs for Belgium during the month.

A block-space, code-sharing agreement is signed with **Asiana Airlines, Ltd.** on April 10; under its terms, the Korean carrier, starting four days later, places its two-letter "OZ" code on SIA A310-324 thrice-weekly roundtrips between Singapore and Seoul. The new flights replace Asiana's existing B-767-38EER roundtrips between the two capitals.

On May 15, a letter of intent is signed for five A340-600s with options for five more. The aircraft will be employed to operate the world's longest nonstop commercial flight, a 17-hr. journey from Singapore to Los Angeles and San Francisco.

At the same time, CEO Kong appears as a virility doctor in the Singapore-produced, English-language movie comedy *Tiger's Whip*.

In addition to the daily B-747-412 service from Singapore to Auckland operated as a code share with **Air New Zealand, Ltd.**, SIA, on June 1, extends the two-airline, dual-designator agreement to cover its thrice-weekly flights to London and Manchester. Customers arriving in Singapore from Auckland on code-shared flights are able to seamlessly travel onwards to the U.K. and to return the same way.

The Australian Competition and Consumer Commission gives its draft approval for the airline's alliance with **Air New Zealand, Ltd.** and **Ansett Australia (Pty.), Ltd.** on June 8. Simultaneously, electronic ticketing is introduced on the Hong Kong route.

On June 15, Malaysian computer salesman Tan Fook Sum becomes enraged when he is asked to move from business class back to the economy-class seat he had originally booked aboard a B-747-412 carrying 258 passengers en route from Singapore to Madrid. Yelling loudly, Tan

next sets fire to rolls of toilet paper that leads to his arrest, while flight attendants put out the fires. Returned to Singapore from Spain, Tan is fined S\$2,000 and allowed to return to Malaysia to await trial in a Singapore court during the spring.

Plans for a new frequent flyer program, to be unveiled in February, are announced on June 29.

As the Asian economic downturn continues, the carrier, on July 1, begins to divert more of its capacity away from Asian routes. It announces that 10 additional weekly flights will be laid on to Australia and New Zealand, along with two weekly services to Hong Kong.

This day, flights to Brisbane are boosted from four to six per week, all using B-777-212 IGW equipment. In addition, weekly services are increased to Mauritius (up from one to two), Istanbul (from two to three), and Dubai (from five to six). The delinking of Karachi from Dubai means Dubai is served by six nonstop flights each week.

Also on July 1, the carrier inaugurates a strategic alliance with **Deutsche Lufthansa, A.G.** Code-sharing is introduced on weekly services of the two airlines from Singapore and Frankfurt and from Frankfurt to New York (JFK). Each airline increases its frequency on the route from 7 to 10 per week.

On July 2, it is announced that soccer enthusiasts will be able to watch the 1998 World Cup aboard all long-haul aircraft fitted with the new KrisWorld personal entertainment system. New World Gourmet Cuisine is introduced on July 16.

East Asia's recession forces the company to come to an agreement with airplane and engine manufacturers on July 22 for the deferral of equipment. Although the company will receive 12 airplanes this year, the delivery of a total of 4 B-777-212 IGWs with Rolls-Royce engines and 1 A340-313X with GE power plants, will be put back from 2000 to 2001. One B-747-412, 8 B-777-212 IGWs, and 2 A340-313Xs will be deferred until 2000-2002.

On July 31, the Australian Competition and Consumer Commission grants regulatory approval of the tripartite alliance between Ansett, ANZ, and SIA.

During the summer, two B-747-412s are painted with special liveries labeled "Tropical Megatops" to denote upgraded in-flight services.

A memorandum of understanding is signed with **China Airlines, Ltd.** (CAL) on August 1 to form a strategic alliance. SIA will acquire up to 10% equity in the Taipei-based flag carrier within six months, with the possibility of increasing its stake at a later time. At mid-month, it is announced that the equity stake will actually be closer to 30% and that the next CAL president will undoubtedly be appointed from SIA.

Services between Singapore and Hong Kong are increased from 33 to 35 weekly flights on August 6. The same day it is announced that managers of the SDIA Group have volunteered to give up their annual service increments for 1998 as a contribution toward containment of costs during this time of Asian economic downturn.

Former SIA A340-313X Chief Pilot Capt. Pow Tuk Kwan is seconded to CAL on September 1 to serve as the ROC airline's vice president-flight operations and training; Capt. Gui Wee Kee, meanwhile, becomes special assistant to the CAL president for flight safety. The same day, using "Jubilee" 777s, the company increases its frequencies to Melbourne from 10 to 12 each week.

With load factors on the high-yield, front-end services not hit as hard by the "Asian economic flu" as those in coach class, the company, on September 11, introduces new first-class cabin services. It also begins to serve free champagne in its tourist class. The same day, SIA is named the "Best Foreign Airline" by *Travel & Leisure Magazine*.

A "Tropical Megatop" B-747-412 departs Singapore on September 13 for an around-the-world publicity flight; stops are made at a number of cities including Frankfurt, London, New York, and Osaka.

Following two years of research and planning and costing in excess of S\$500 million (\$300 million), the carrier's biggest-ever product launch occurs on September 16. These brand-new product and service features are introduced in all three classes aboard B-747-412s, B-777-212 IGWs, and A340-313Xs. In addition to changes to the First, Raffles,

and Economy Class products, SIA also introduces new in-flight cuisine and other service features, including a luxurious First Class check-in reception at Singapore's Changi Airport.

In what will prove an unpopular move exposed by the *Straits Times* newspaper on September 24, SIA has quickly moved to take advantage from the closure of **Philippine Airlines (PAL)** the previous day. One-way ticket prices from Singapore to Manila are boosted from S\$380-S\$430 to S\$810 (\$476). A special roundtrip S\$430 fare for Philippine maids is replaced by a return ticket price of S\$1,206. This occurs while SIA is expressing interest to the Philippine government in acquiring any available shareholding in newly defunct PAL.

The Financial Times of Singapore reports in its September 25 edition that SIA and **SAS (Scandinavian Airlines System)** will sign a code-sharing agreement. It is suggested that the arrangement would ease SIA's entry into the "Star Alliance."

Flights to Sendai, Japan, end on the last day of September. Following delivery of the seventh B-747-400F, also at the end of the month, the aircraft is employed to offer one more weekly service to Los Angeles, Chicago, New York, and Frankfurt.

A code-sharing agreement is signed with **Air India, Ltd.** in late September covering flights to Los Angeles from India beginning on October 1.

A memorandum of understanding is signed with **SAS (Scandinavian Airlines System)** on October 10 for the creation of a strategic alliance. Although arrangements will not be completed before the end of the year, it is anticipated that the pact will cover code-share services, frequent flyer programs, network and schedule development, through check-in, reciprocal use of airport lounges, joint promotions and marketing. When the agreement takes effect on April 1, SIA will place its code on SAS's Copenhagen-Bangkok-Singapore flights four times a week while SAS will code-share on SIA's three weekly direct flights from Singapore to Copenhagen.

The carrier's joint venture with Rolls-Royce is opened at Singapore on October 13. The International Engine Component Overhaul facility will refurbish RB211 and Trent engine parts from around the Asia-Pacific rim.

A second B-747-412 equipped with IEL's Sky Games gaming software is launched on October 14.

Domestic New Zealand code-share services with **Air New Zealand, Ltd.** also commence on October 25 on flights from Christchurch and Auckland to Dunedin, New Plymouth, Queenstown, Rotorua, and Wellington. Customers from both of the major carriers are able to move seamlessly back and forth between seven New Zealand destinations and Singapore.

The code-sharing arrangement with **Deutsche Lufthansa, A.G.** is expanded, also on October 25, allowing the launch of dual designator flights from Frankfurt to Singapore, via Sydney.

When the winter schedule begins on October 28, the carrier adds two new B-777-212 IGW weekly services to Melbourne and one to Brisbane. B-777-212 IGWs replace A340-313Xs on 4 of the 14 weekly roundtrips between Singapore and Perth. The flights coincide with the airline's renewed expansion in the Asian region.

Simultaneously, the number of roundtrips to Kathmandu, Nepal, is increased from two to three per week. Also on October 28, three new B-777-212 IGW roundtrips are introduced to Christchurch and complement the seven code-sharing services operated from that point to Singapore by **Air New Zealand, Ltd.**

In response to the continuing Asian economic downturn, service to Hangzhou, China, ends in early November.

During the remainder of the fourth quarter, the company continues to upgrade services, including the addition of more and better in-flight entertainment systems, menus, and first-class sleeper seats.

In addition to its investment in **China Airlines, Ltd. (CAL)**, discussions on the possible acquisition of equity stakes are held with **Thai Airways International, Ltd. (THAI)** and **South African Airways (Pty.), Ltd.** The carrier is considerably more coy concerning possible talks with **Philippine Airlines (PAL)**, refusing, when asked on December 3, to confirm or deny their occurrence.

The British Broadcasting Corporation reports on December 5 that it has heard from Jakarta that customs officials have foiled an attempt to smuggle more than 1,200 live, poisonous cobras. Labeled as freshwater turtles for export and packed in plastic sacks, they are placed aboard a company airliner for shipment to China, where snakes are prized as a delicacy. The illegal shipment is valued at \$65,000.

Filipino newspapers on December 6 suggest that PAL is negotiating with SIA, but both airlines downplay reports. Agence France-Presse reports that a team from SIA will arrive in Manila during the week for talks.

In response to a U.S. FAA recommendation concerning the fuel tanks aboard long-range B-747s, SIA, on December 8, indicates that it will not be re-routing its flights or reducing payloads as a result, although it will continue to study implications.

On December 9, SIA indicates that it has "no interest" in investing in PAL. Although it had earlier expressed an interest, it now puts out a statement in order to end speculation over its making a possible bid.

During the period of U.S. and British bombing attacks on Iraq between December 16–19, SIA re-routes its flights to Europe over Russian airspace, while those from Europe are shifted to operate south of the Red Sea. The changes are made to provide the services with a wider range of safety.

The attempt to buy into **Thai Airways International, Ltd. (THAI)** hits a snag in mid-month. THAI has delayed a necessary public offering, while political opposition in Bangkok has increased amidst fears that SIA might reduce that city's hub by increasing emphasis on Singapore.

The first of five B-777-312s is delivered on December 17.

A memorandum of understanding is signed with **Air Canada, Ltd.** on December 22 for the creation of a strategic alliance. Although arrangements will not be completed until March, it is anticipated that the pact will cover code-share services, frequent flyer programs, network and schedule development, through check-in, reciprocal use of airport lounges, joint promotions and marketing.

Negotiations with **China Airlines, Ltd. (CAL)**, which have continued since August, become difficult in December. CAL and Taiwanese government officials balk at the prices suggested as well as the percentage to be sold and management control to be exercised. Officials in Taipei demand that the foreign stake be capped at 10%.

Passenger boardings improve by 1.5% to 12.32 million, while cargo traffic inches up 1.4% to 4.82 billion FTKs. Revenues decrease by 5.2% to \$4.09 billion as costs continue to be affected by the Asian economic situation. The operating profit drops 32.1% to \$317 million, although a net \$471-million profit is reported.

When political interference in the talks becomes too intolerable, they collapse on January 9, 1999. Although the SIA captains assigned to assist CAL with safety and training will be allowed to remain, the memorandum of understanding is torn up and there will now be no equity stake in CAL purchased by SIA.

Having elected not to take a stake in **China Airlines, Ltd. (CAL)**, Singapore Airlines now turns its attention to courting **Ansett Australia (Pty.), Ltd.**

The company announces on January 20 that it will halt its flights to and from Berlin by April 1.

In order to improve tourist perceptions concerning the air quality of the tourist area, the airline, on February 9, donates \$125,000 worth of air quality monitoring equipment to Bali.

On February 12, a \$2.2-billion order is placed for five A340-600s, with delivery slated for the end of 2002.

During the month, discussions are begun with **Pakistan International Airlines Corporation** concerning the possible lease to PIA of two B-747-312s.

Thai Transport and Communications Minister Suthep Thaugsuban announces on February 18 that his government may not be able to allow Singapore Airlines to hold a stake in **Thai Airways International, Ltd. (THAI)** because state enterprise laws do not permit it to accept strategic partners that are also business competitors.

By the end of the month, four new B-777-312s are in service.

On March 1, service is withdrawn between Singapore and Darwin, Australia; plans are, however, in place to add additional flights to Adelaide, Melbourne, and Perth later in the year.

Also on March 1, the carrier announces that it will expand its code-sharing pact with **Japan Air Lines Company, Ltd. (2)** in April on freighter flights from Singapore to Tokyo from weekly frequencies to thrice weekly.

Malaysian "air rage" perpetrator Tan Fook Sum, heavily fined earlier for a June incident, is sentenced to a year in prison in absentia on March 4 by Singapore Chief Justice Yong Pung How. Tan, who had refused to return to Singapore to face the courts having already paid a large fine, is sent word that he could be arrested if he ever returns to the country or steps foot aboard an SIA flight.

It is reported the next day that SIA has agreed to provide \$1 million to underwrite tour operators and journalists promoting Indonesian tourism at the March 6–10 International Tourism Fair in Germany.

The most popular airline and the one voted best value for money in a new poll is SIA. The survey, released by the U.K. Consumers' Association's *Holiday Which?* magazine on March 9, is based on responses from 20,000 airline travelers who were asked which airline they would recommend to a friend.

The two B-747-312s not sold to **Pakistan International Airlines Corporation** are, instead, sold to South Africa's newest airline, African Star Airways, on March 14. Under the arrangement, Singapore Airlines will completely reequip the two Jumbojets. South African Star, meanwhile, has yet to receive operating authority.

Deputy Chairman/CEO Cheong Choong Kong signs a joint venture agreement on March 15 between the carrier's SIA Engineering Co. division and Rolls-Royce, PLC and Hong Kong Aero Engine Services, Ltd. to form the joint venture company Singapore Aero Engine Services, Ltd.

The same day, the government of Thailand informs the airline that it will definitely not be allowed to file an equity bid for shareholding in **Thai Airways International, Ltd. (THAI)**. If, however, SIA should join the "Star Alliance," then it might be able to make a joint offer with **Deutsche Lufthansa, A.G.**

Accompanied by **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington and Deputy Chairman/CEO Cheong Choong Kong of Singapore Airlines, Ltd., News Corp. Senior Executive Vice President Lachlan Murdoch, on behalf of owner Rupert Murdoch, meets with Australian Prime Minister John Howard and Treasurer Peter Costello in Canberra on March 22. SIA had unsuccessfully attempted to gain shareholding in **Qantas Airways (Pty.), Ltd.** in 1992 and has remained desirous of gaining a larger foothold in the big Australian domestic market. The conference follows on the heels of a visit to Canberra earlier in the month by Singapore Prime Minister Goh Chok Tong.

As reported in *The Age* the next day, the men lobby the government leaders for permission to have Singapore Airlines buy a stake in Ansett, which is now jointly owned by News Corp. and **Air New Zealand, Ltd.** Although unstated, it is believed to be the same 25% that **British Airways, Ltd. (2)** holds in **Qantas Airways (Pty.), Ltd.** Doreen Siow of Reuters, Ltd. simultaneously reports that the arrangement will see News Corp. turn over its 50% stake in Ansett for more than A\$500 million. As Prime Minister Howard tells the Australian Broadcasting Corporation, Ansett Australia already is half foreign-owned and any sale to SIA would be a simple foreign transaction that should be worked out by the companies involved under Australian law. Approval is expected from the Foreign Investment Review Board, which will next review the offer.

Having proven unprofitable, the twice-weekly roundtrip service between Singapore and Berlin's Schoenefeld Airport via Zurich is discontinued, also on March 24. Berlin customers are advised of the daily **SIA-Deutsche Lufthansa, A.G.** dual-designator service from Tegel Airport to Singapore via Frankfurt.

At a joint news conference on March 25, News Corp. Chairman Murdoch, Chairman Eddington, and Deputy Chairman/CEO Kong formally announce the understanding under which News Corp. is selling its 50%

stake in Ansett to SIA for A\$500 million. Several hurdles remain to be jumped before the deal is officially completed, including regulatory approvals, due diligence, **Air New Zealand, Ltd.**'s preemptive right to buy News' stake in place of SIA, and the conclusion of a sale and purchase contract. If these conditions are satisfied, the transaction will be finalized in the months after July 1 and Eddington will remain in his post for at least two years.

At a news conference on March 27, Sir Selwyn Cushing, chairman of **Air New Zealand, Ltd.** and of its major shareholder, Brierley Investments, indicates that his airline may exercise its preemptive right to match the SIA offer. To that end, a task force is put together to investigate the possibility of full ownership of Ansett.

The carrier combines with **Deutsche Lufthansa, A.G.**, beginning on April 1, in a joint program for the shipment of their express products.

On April 12, the carrier announces that it will officially join the "Star Alliance" in the fall.

Dow Jones reports, also on April 12, that **Air New Zealand, Ltd.** is still waiting for official notification by News Corp. of its intention to sell its 50% stake in **Ansett Australia (Pty.), Ltd.** before initiating its preemptive right to acquire the stake. ANZ, which has already begun due diligence on the possibility and held preliminary discussions with Singapore Airlines, Ltd., has 30 days from official notification to activate its claim.

The partnership with **SAS (Scandinavian Airlines System)** is inaugurated on May 1 through the linkage of the frequent flyer programs of the two carriers. Also during the day, thrice-weekly A340-313X nonstop roundtrips are launched between Singapore and Lahore, Pakistan.

Plans to announce the carrier's membership in the "Star Alliance" at a meeting of the group's CEOs in Sydney on May 3 are set back as the result of developments in the Ansett stake acquisition. The formal statement is pushed back to October.

Having receiving notice concerning News Corp., Ltd.'s intentions, the **Air New Zealand, Ltd.** team, under Managing Director Jim McCrea, assesses its options regarding the sale. On May 4, the *Sydney Morning Herald* reports that Air New Zealand has given its approval of SIA's purchase of the 50% stake in **Ansett Australia (Pty.), Ltd.** The two offshore airlines will jointly operate Australia's No. 2 carrier.

A strategic alliance is signed with **United Airlines** on May 5 covering linked frequent flyer programs and one-stop check-in services. The former is slated to begin on July 1 and the latter during the third quarter.

Brierley Investments, Ltd. announces on May 25 that it has spent approximately NZ\$106 million (\$57 million) to purchase **Air New Zealand, Ltd.** shares on-market. Its stake in the flag carrier is raised from 42% to 47.11%, thus increasing its influence in the wider Australasian airline scene now being played with **Ansett Australia** and Singapore Airlines. Some analysts suggest that the next step may be for ANZ to exercise its preemptive right to acquire the News Corp. share in Ansett and when fully in control of the Australian line to invite Singapore to buy into a merged entity. Others speculate that Brierley is seeking a way to prop up an unprofitable asset in order to eventually sell it. Neither Ansett or Singapore offer comment.

After a safety audit uncovers major continuing deficiencies and Capt. Pow Tuk Kwan and Gui Wee Kee report that significant differences exist between their ideas on training and those of **China Airlines (CAL)** instructors, the two-year pilot training contract with the Taiwanese line is cancelled during the last week of May, 16 months ahead of its scheduled conclusion.

News Corp., Ltd., on June 9, recesses its talks with both **Air New Zealand, Ltd.** and SIA, but indicates that, once the two have come to terms concerning their equity investment in Ansett, discussions may continue. A day later, SIA pulls out of the negotiations altogether, indicating that it will now look at investing in the flag carriers of Thailand or South Africa.

Related to the 1995 order, SIA, on June 18, exercises 10 options to purchase B-777-212 IGWs, for delivery between 2001 and 2004, in a deal valued at \$1.9 billion. SIA, together with **Lufthansa, A.G.**, with-

draw their application on June 25 and halt their bid for an equity stake in **South African Airways (Pty.), Ltd.**

Singapore's KrisFlyer members are, as of July 1, able to redeem miles for travel over the network of **United Airlines** while UA's Mileage Plus members are also able to earn loyalty points when flying with SIA.

Also on July 1, A340-313X roundtrips are increased from two to seven between Singapore and Beijing. Simultaneously, **Ansett Australia (Pty.), Ltd.** begins to code-share on all SIA services from Australia to Singapore, plus seven weekly roundtrips to London and four-times-a-day return flights to Bangkok.

Also during the month, Australia and New Zealand Banking Group Chairman Charles Goode becomes the first non-Singaporean elected to the airline's board of directors.

Australian mechanic Fracek Piotr is taken before a magistrate at Singapore on August 14 and charged with in-flight inebriation and threatening a flight attendant on a flight from Melbourne earlier in the week. His is the second SIA air rage case in August; earlier in the month, Texan Sanil Shetty Kumar was sentenced to jail for assault aboard a company aircraft.

On July 1, **Ansett Australia (Pty.), Ltd.** begins to code-share on all SIA services from Australia to Singapore, plus seven weekly roundtrips to London and four-times-a-day flights to Bangkok. The last of 15 A340-313Xs delivered since April 1996 is accepted on July 8.

By mutual consent, the carrier, on September 22, agrees with **Swissair, A.G.** to end their pact to own a percentage of each other's share for a minimum 10-year period; the accord was otherwise slated to end in August 2001. The sixth and last B-777-212ER to be delivered this year is accepted at Seattle on September 24; it is also the 18th of its type turned over to the airline since 1997.

On October 2, weekly Sunday B-747-400F all-cargo service is inaugurated to Prestwick Airport, outside Glasgow, Scotland, via Bahrain. Cargo frequencies are added to Amsterdam and Los Angeles, while the Bangalore service is upgraded from B-727F to B-747-412F.

Talks with **Air New Zealand, Ltd.** concerning acquisition of an ANZ stake collapse late in the year after Dr. Cheong Choong Kong's negotiators demand the right to name the New Zealand line's chairman and managing director and to assert major influence over operational activities.

Passenger boardings jump 9.9% to 13,545,000, while freight is up 13.5% to 5,481,708,000 FTKs. Operating revenues surge 15.9% to \$4,773,680,000, while costs rise 13.2% to \$4,297,954,000. The operating profit rises to \$475.72 million, while net gain reaches \$737.45 million.

Airline employment at the beginning of 2000 stands at 13,690, a 1.4% increase over the previous 12 months. Among the world's top 25 airlines, SIA is 5th in FTKs, 12th in employees, 17th in operating revenue, 9th in operating profit, and 4th in net profit. Its B-747 fleet now includes 5 Dash-312s, 36 Dash-412s, and 9 Dash-412Fs.

The last of three B-747-312s to be chartered to **Corsair, S.A.** arrives at the French company's base in January.

Announced a month earlier, arrangements are completed on February 11 with **Virgin Atlantic Airways, Ltd.** under which SIA will take an S\$600.3-million (£600-million), 49% minority stake in Virgin Atlantic, the holding company for Virgin Atlantic Airways, Virgin Holidays, Virgin Sun, and Virgin Aviation Services, the airline's cargo division. Simultaneously, Virgin Atlantic will be recapitalized to the tune of S\$100 million, with S\$51 million of the amount coming from the Virgin Group. Three of Virgin's seven-member board will be appointed from SIA. Both airlines will retain their distinctive identities and continue to develop their own products. Relevant government and other approvals must be obtained.

SIA is named recipient of the 1999 "Passenger Service" award by *Air Transport World* magazine in February. The U.K. government approves the SIA investment in **Virgin Atlantic Airways, Ltd.** at the beginning of March; as soon as the EU Commission agrees to the arrangement, three SIA members will, according to plan, be named to the Virgin board.

Also in March, Dr. Cheong takes the unusual step of directly approaching New Zealand Prime Minister Helen Clark. In a brief Wellington meeting, the SIA chief asks the prime minister to ease offshore restrictions and allow him to acquire a 40% stake. Clark agrees to consider the idea.

On March 24 the European Commission formally approves the SIA purchase of a 49% stake in **Virgin Atlantic Airways, Ltd.** The number of weekly roundtrips from Singapore to Cairns, Australia, is increased from three to four on March 27. Paperwork for the final buy into Virgin is completed on March 30. Also during the first quarter, negotiations resume between Brierley Investments and SIA over the possible acquisition by the latter of significant shareholding in **Air New Zealand, Ltd.**

At the end of the first quarter, a company employee is arrested and charged with embezzling S\$35 million (\$21 million) from 1987 into early 2000.

On April 1, **Qantas Airways (Pty.), Ltd.** offers to acquire an A\$1-billion stake; the tender is rejected on April 10. Instead, SIA takes a NZ\$141.3-million (\$70-million), 8.3% stake later in April and wins New Zealand government approval to purchase 16.7% more (bringing it to the legal 25% limit) for NZ\$285 million (\$130 million). Brierley Investments/ANZ Chairman Sir Selwyn Cushing insists, however, that this minority sell-off will not be finalized until Air New Zealand completes its fiscal takeover of **Ansett Australia (Pty.), Ltd.**

On April 3, SIA and Virgin CEOs Cheong and Branson publicly announce their new relationship. At a meeting of the group's CEOs at Singapore on April 7, Singapore Airlines officially becomes the 13th member of the "Star Alliance."

It is announced on April 27 that the carrier is joining with **SAS (Scandinavian Airlines System)** and **Lufthansa Cargo Airlines, A.G.** to create an air freight joint venture to be known as New Global Cargo. The new entity will integrate the cargo networks of the three founders; based at Frankfurt, it will eventually have 60 long-range freighters and operate to 500 destinations in 35 nations

By May, SIA has finalized its 25% investment, agreeing to give Brierley Investments NZ\$426.3 million for a 25% stake in **Air New Zealand, Ltd.** It also secures a regional alliance with ANZ, three seats on the New Zealand line's board of directors, and veto rights over certain management appointments. At the same time, Dr. Cheong promises to abandon previously mentioned possibilities of linkage with the new **Virgin Blue, Ltd.** Although he recognizes that the New Zealand government is not ready to approve, Cheong repeats his interest in acquiring more than a 25% stake in the Kiwi flag carrier.

On June 1, a B-747-412 is sold to the Stanley Limited Partnership and is then leased back for 43 months. This is the 12th Dash-412 Jumbojet that the carrier has sold and then chartered back.

SIA is able to complete its 25% investment in **Air New Zealand, Ltd.** on August 9 and gains three seats on the ANZ board, one of which is filled by Dr. Cheong.

Singapore Airlines confirms on August 11 that it is planning to replace its fleet of 15 A310-324s and that it has invited both Boeing and Airbus to tender proposals. The former is first, arriving the same day with a B-767-400ER demonstrator. In early September, the airline's leaders indicate that they are not satisfied with the bids received from either manufacturer and so will postpone the retirement of its A310s until 2004.

On September 29, an order is placed for 10 Airbus A3XXs, with an option for 15 more; deliveries will begin in 2006 and continue through 2011. The selection of the giant plane is seen by some aviation writers to echo the decision made by **Pan American World Airways (1)** when it first opted to commit to the giant Boeing 747.

A firm order for nine B-747-400Fs, with nine options, is placed with Boeing on October 16; the first aircraft are expected in the fall of 2002.

The cargo divisions of SIA and **Japan Air Lines Company, Ltd. (2)** begin weekly joint B-747-400F return flights on October 19 between Singapore and Osaka (KIX). All-cargo weekly return frequencies from Singapore to Copenhagen are increased from two to three on October 22. Another strategic pact also takes effect on October 29, this one with **Air Canada, Ltd.** Under its terms, AC places its code on the Asian line's daily return service from Singapore to London (LHR) and on its thrice-weekly roundtrips from Singapore to Copenhagen.

While taking off from Taipei in the horrific weather caused by an approaching October 31 typhoon for the continuation of a Los Angeles

service begun in Singapore, Flight 006, a B-747-412 with 20 crew and 159 passengers, hits something and skids off the runway, damaging a parked **China Airlines, Ltd.** A300B4. A total of 83 passengers are killed. The aircraft had been one of two painted in a special *Tropical First Class Raffles* color scheme. Within days, the story will develop further.

The JumboJet had been cleared for takeoff from runway 05L, but began its take-off run on 05R, closed for maintenance, actually lifting off for a short time before slamming back down. The night is dark with poor visibility and the out-of-use runway, still available for use as a taxiway, is not marked with crosses at any point. A dispute will range into the new year as to whether the runway was lit as a taxiway (green centerline lights) or as a runway (white edge lights). Despite the exact cause, within days, the airline unconditionally accepts full responsibility for the disaster.

Permission sought from the U.K. government for the initiation of direct service from London to New York is denied on November 10. During the month, e-mail trials are carried out aboard two company aircraft. On December 12, a spokesman reveals that, until a new B-747-412 can be obtained in March, six weekly return flights on Asian and Australian routes will be curtailed. The airline will, however, continue to operate over 600 weekly return services with the remainder of its fleet.

Capt. Foong Chee Kong, the Malaysian pilot of the crashed SIA airliner, together with first officers Ng Kheng Leng and Latif Cyrano, are granted permission to leave Taiwan on December 13. The authorities have acted after representatives of Singapore's Trade Office give guarantees that the men will return, as required, to assist in the continuing investigation of the tragedy. They arrive at Taipei on December 21. By this time, the second B-747-412 with the *Tropical First Class Raffles* color scheme has been repainted in deference to the victims of the Taipei tragedy.

It is announced on December 22 that, effective February 4, weekly return frequencies between Singapore and Adelaide will be reduced from four to three.

Customer bookings during these 12 months accelerate 9.8% to 14.87 million while cargo traffic jumps an equal 9.8% to 6.02 billion FTKs.

SINGLETON AIR SERVICES (PTY.), LTD.: Australia (1978–1988). Formed at Singleton, New South Wales, in 1978, Singleton undertakes both charter and scheduled services in the eastern part of the state. Employing a fleet of 3 Piper PA-31-350 Navajo Chieftains and 1 Cessna 402, Managing Director Paul Rees's small regional links its base with both Cessnock and Sydney.

In 1988 as expenses rise, one of the Chieftains and the 402 are replaced by a Cessna 414, but this shift cannot attract new traffic or sufficiently lower expenses to avoid bankruptcy.

SITRA CARGO SYSTEM, S.A.: Peru (1992–1993). SCS is established at Lima in 1992 to offer international ad hoc all-cargo services. Operations commence with a single Douglas DC-8-54F, but continue for less than a year.

SIVEWRIGHT AIRWAYS, LTD.: United Kingdom (1946–1951). The Bacon brothers, owners of the Sivewright Bacon and Company shipping agency, register an air transport subsidiary, Sivewright Airways, as an airline charter company on July 23, 1946. Based at Manchester, the company purchases a new Avro 19 on August 13, christening it the *Salfordia*. For the remainder of the summer, the aircraft flies passengers on an nonscheduled basis between Manchester, the Isle of Man, and Jersey. At the end of the season, the aircraft is leased by a wealthy summer for winter work in South Africa.

Channel Island charters resume in January 1947 and in March, a second Avro 19, named *Mancunia*, is added to the fleet. As the popularity of company services improve, a Miles M.57 Aerovan 4 is purchased in July and christened *Oldhamia*. It is followed on August 30 by acquisition of a Douglas DC-3 named *Ecclesia* from **Scottish Aviation, Ltd.** Within weeks, it is sent to India to participate for two months in Operation India, the transfer of Hindu refugees from newly formed Pakistan

into India. A Miles M.65 Gemini is obtained in October and is called *Palatinia*. On December 29, another DC-3 is purchased from **Scottish Aviation, Ltd.** and christened, but is not delivered.

The Avro 19 *Mancunia* is destroyed in a January 7, 1948 forced landing near Knutsford. It is replaced by a new machine, also named *Mancunia*, in March, along with two de Havilland DH 89A Dragon Rapides. Spring charters out of Manchester commence in March. The DC-3 *Bartonia* is received on April 27.

Between October 19 and November 15, the *Ecclesia* participates in the Berlin Airlift, flying three-ton loads into the former German capital from Hamburg. The Douglas will complete 32 sorties and 87 hours flying time on the lift, carrying in over 116 tons of supplies. A variety of long-range DC-3 flights are made during the year with destinations including Australia, Saudi Arabia, and East Africa.

The long-range charters continue in 1949, beginning with DC-3 flights to Egypt and Germany. Summer work from Manchester to Jersey and the Isle of Man resume in April. Another Dragon Rapide is added in June and on July 4 another DC-3 is purchased, from **British Overseas Airways Corporation (BOAC)** and named *Lancastria*. A wide number of long-range charters are also flown to such destinations as Nairobi, Amsterdam, Stockholm, Accra, Paris, Copenhagen, and Edinburgh.

Isle of Man and Jersey services are again flown in 1950, together with long-range charters similar to those mounted in 1949. Following the summer season, both the *Oldhamia* and *Palatinia* are sold in October. **British European Airways Corporation (BEA)** now serves notice that it will fly the Channel Island routes on a scheduled basis in future years; however, both BEA and BOAC employ company DC-3s to fly certain of its freight contracts.

Having lost its main source of aerial income, Sivewright Airways ceases flying in March 1951; selling off its DC-3s, it reverts to a ground transport organization.

SIX RIVERS AIR SERVICE. See CENTURY AIRLINES (1)

SIZER AIRWAYS: United States (1970–1973). Orin Sizer sets up this regional carrier at Rochester, Minnesota, in early 1970 to offer scheduled passenger and cargo services linking its base with Minneapolis, Roseau, and Baudette. Beech 18 flights are duly inaugurated on a daily roundtrip basis, but insufficient traveler traffic causes passenger frequencies to end in late December. Mail and cargo services are maintained almost three years longer.

SK AIR: Cambodia (1991–1993). SK Air is established in 1991 as a joint venture between private Cambodian and Thai concerns. These lease a Tupolev Tu-134A from **Kampuchea Airlines** and employ it to inaugurate scheduled services in the fall linking Bangkok and Phnom Penh. Operations continue for only two years.

SKAERGARDSFLYG, A.B.: Flight Operations, Marienhamn Airport, Marienhamn, Fi-22100, Finland; Phone 358 (18) 12515; Fax 358 (18) 19405; Code 5Q; Year Founded 1995. Skaergardsflyg is established at Marienhamn in 1995 to provide scheduled commuter services to domestic locations. Sven Lemberg is managing director and he begins revenue flights with 1 each Cessna 206, Britten-Norman BN-2 Islander, and Embraer EMB-110 Bandeirante.

SKAGWAY AIR SERVICE: P.O. Box 357, Skagway, Alaska 99840, United States; Phone (907) 983-2218; Fax (907) 983-2948; http://www.ptialaska.net/~skagair; Code 7J; Year Founded 1963. Ben Lingle founds Skagway at the namesake Alaskan community in 1963 to undertake passenger and cargo charters to local bush destinations. Operations continue apace during the next quarter century.

Employing the company's lightplanes, Lingle inaugurates scheduled roundtrip commuter services to Juneau beginning in March 1988.

It is during one of these flights, on July 30, 1989, that the company experiences a fatal accident. While returning to Skagway in bad weather, a

Piper PA-32 Cherokee Six, with a pilot and five passengers, crashes into a steep, wooded hill near a saltwater inlet; two aboard are killed and the three others seriously injured.

In 1990, the 10-employee small regional operates a fleet of 4 Piper Cherokee Sixes and 1 each Piper PA-34 Seneca, Saratoga, and Pilatus-Britten-Norman PBN-2 Islander.

Enplanements in the 12 months total 5,780.

Another PA-32 Cherokee Six is acquired in 1991 as passenger boardings increase to 5,971. A total of 105,276 pounds of mail are flown in addition.

Three years later in 1994, the operations continue with a Pilatus-Britten-Norman PBN-2 Islander and a Piper Saratoga. Passenger boardings drop 5% to 8,703 and a total of 18,000 FTKs are operated.

Ten people are employed by the company in 1995.

Just after takeoff from Juneau on August 26, six inches of the blade of the PA-18 with a pilot and two passengers, separates from the propeller; no injuries are reported in the safe emergency landing that follows.

Enplanements for the year jump 8% to 9,393.

The fleet in 1996 includes 6 PA-32s and 1 each PA-34 Seneca, Saratoga, Islander, and Piper T-1020. Customer bookings swell 6.2% to 9,980.

There is no change in the workforce during 1997. Passenger boardings decrease 6.8% to 9,304. Business significantly improves in 1998 as customer bookings ascend 15.6% to 11,000.

Passenger bookings turn around the other way in 1999, falling by 12.2% to 9,000.

SKIPPERS AVIATION (PTY.), LTD. Valentine Road, Perth Domestic Airport, Redcliffe, Western Australia, 6104, Australia; Phone 61 (8) 9478 3989; Fax 61 (8) 9478 3184; http://www.skippers.com.au; Year Founded 1990. Skippers is established in 1990 to provide charter services for the mining industry in the vast reaches of the state of Western Australia. Mining crew changes, executive charters, and general flights are offered from bases at both Perth Domestic Airport and the International Airport at Broome. The fleet includes both Cessna 402s and C-441 Conquests.

In a surprise move, Skippers, on July 30, 1996, purchases a 17.3% stake in Cudai, New South Wales-based **Hazelton Airlines (Pty.), Ltd.** from Rothschild Australia (Pty.), Ltd. for \$A3.2 million. Analysts had expected **Qantas Airways (Pty.), Ltd.** to acquire the shareholding instead. Skippers Chairman Stanely Quinlivan joins the Hazelton board, eventually becoming its chairman.

In the fall, Hazelton enters into a major marketing and code-sharing arrangement with Qantas rival **Ansett Australia (Pty.), Ltd.** Thereafter, through the remainder of the decade, the Skippers involvement with the regional airline is largely submerged, although its equity stake rises to 25%.

In the period between the acquisition and the beginning of the new millennium, Skippers grows its fleet to include a mix of leased de Havilland DHC-8-100s, Embraer EMB-120 Brasílias, Fairchild Metro 23s, as well as the original Cessnas. Both Hazelton and Ansett are the source of these charters. Weekly roundtrip scheduled service is inaugurated from Broome to Derby and from Perth to Margaret River.

On October 6, 2000, the Hazelton family sells a 20% stake in the carrier to the **Air New Zealand Ltd.**-owned Ansett Holdings, Ltd., cutting its stake in the carrier from 33.11% to 13.11%. Six days later, Ansett launches an A\$15.3 million (90¢ a share) takeover bid for the remaining shares of the regional. Although Deputy Chairman Charles Hazelton announces that the sale will be good for Australia, several minority shareholders do not believe that. Both Truegrip Aviation (10% stake), led by Peter Truegrip, and Hazelton/Skippers Chairman Quinlivan, believe the Ansett offer to be inadequate. Consequently, a bidding war soon follows.

On November 28, **Qantas Airways (Pty.), Ltd.** enters the picture when its wholly owned subsidiary Qantas Longreach (Pty.), Ltd. makes an off-market takeover bid for all of the shares in Hazelton via a cash offer of A\$1.20 a share. According to Qantas CEO James Strong, this tender is a 33% increase over the Ansett price; the Hazelton board, led by Chairman Quinlivan, quickly endorses the Qantas bid as representing far better value for the company's shares.

Not to be outbid, Ansett soon returns with an offer of A\$1.35 a share and lowers its ownership demand from 90% to 50.1% control. On December 12, Qantas CEO-designate Geoffrey Dixon informs the press that his carrier will be revising its Hazelton bid and urges the regional's shareholders not to accept the Ansett offer. Rivalry for the Hazelton slots intensifies in light of the government's decision not to proceed with plans to build a second international airport at Sydney, indicating that it will instead direct overflow traffic to an upgraded, smaller airport at Bankstown.

On December 20, the Australian Competition and Consumer Commission notifies Qantas Airways (Pty.), Ltd. that it will be coming out against the proposed ownership of Hazelton by either **Ansett Australia (Pty.), Ltd.** or Qantas, noting that a takeover by either major would stifle competition in New South Wales' regional market and by controlling Hazelton's 450 takeoff/landing slots, have an unfair advantage at Sydney Airport.

After informing the ACCC that it wishes to proceed anyway, Qantas, on December 27 informs the Hazelton shareholders that it wishes to purchase 20.1% of the shares, instead of the 20% originally sought. It will leave its offer open until January 24 in order to give it time to consult with the ACCC.

As the year ends, the Hazelton family prepares to accept the Ansett bid on January 2, boosting the stake of Australia's No. 2 carrier from 23% to 35.4% and bidding up Hazelton's value to A\$23 million (US\$22 million). The bidding war will intensify in early January 2001, with both sides topping each other "subject to ACCC approval." The ACCC will eventually disapprove the Qantas effort and the pioneer will bow out of the Hazelton bidding on January 22.

At the end of February, it will be reported that the carrier has suffered a half-year net loss of A\$1.705 million (\$889,158). Analysts will suggest that the outlook for the company's survival is bleak unless the ACCC allows the Ansett takeover.

SKOCDOPOLE BROTHERS AVIATION, LTD. See SUNWEST INTERNATIONAL AVIATION SERVICES, LTD.

SKODA AIR, LTD.: Czech Republic (1979–1996). Skoda Air is established at Pilsen in 1979 to offer scheduled regional flights; the airline is part of Skoda Holdings, the nation's biggest industrial group. Milan Svoboda is named managing director and he establishes a fleet that grows to include 4 Let L-410 Turbolets, 1 Cessna 421, and 5 Cessna 410s. These are employed over the next 15 years on charters and scheduled freight services, the latter on behalf of **DHL Airways** in Europe. It also wet-leases short-term capacity to companies and carriers in Africa.

Operations continue apace in 1993 as an L-200 Morava is purchased. In July 1994, Skoda acquires its first SAAB 340B, which is employed, on behalf of **CSA Czech Airlines**, to operate scheduled passenger flights from Prague to Vienna, plus a Cessna 421C Golden Eagle II.

In 1995, the Golden Eagle is sold to a company in the Philippines and the four Turbolets are sold to a firm in Kenya; they are replaced with an Antonov An-26, which undertakes the **DHL Airways** cargo contract.

Airline employment stands at 29 in 1996. On March 1, the company is renamed **Skoda Engineering + Air Transport, Ltd.**

SKODA ENGINEERING + AIR TRANSPORT, LTD.: Namesti Ceskych Btatri 8, Pizen, CZ-31600, Czech Republic; Phone 420 19 773-2838; Fax 420 19 742-1709; Code SOA; Year Founded 1996. Skoda Air, Ltd., based at Pilzen, is renamed on March 1, 1996. Jaroslav Panik is appointed managing director. With a workforce of 29 and a fleet comprising 1 Antonov An-26, 1 SAAB 340B, and 1 Let L-200 Morava, the company continues its freight, charter, and scheduled services as before.

SKY AIR CARGO, LTD.: Room 75, Passenger Building, Ostend Airport, Ostend, 8400, Belgium; Phone 32 (59) 50 7500; Fax 32 (59) 80 5368; Year Founded 1988. SAC is organized at London on November 10, 1988 to operate a weekly all-cargo service from Ostend Airport to

Tehran, Singapore, and back. Manager Azam Begg recruits a staff of 17 and acquires 1 Boeing 707-323C originally flown by **American Airlines**.

Operations continue apace in 1989–1992 and in 1993 the workforce totals 20. The single Boeing now flies regularly from Ostend to Kinshasa and Nairobi, the Mideast and Far East service having been discontinued in favor of ad hoc charters.

Flights continue in 1994–1999, during which years Roger Sherman becomes managing director.

SKY AIRLINES, LTD. See SABRE AIRWAYS, LTD.

SKY CABS (PTY.), LTD.: P.O. Box 683, 294 1/2 Union Place, Colombo 2, Sri Lanka; Phone 94 (1) 633 332; Fax 94 (1) 635 505; http://www.skycab.com; Code 2E; Year Founded 1990. Sky Cabs is originally set up by its chairman, Ali Akber Seafudeen Jeevunjee, at Colombo in July 1990 as the flight training school Asian Academy of Aeronautics. In 1993, the company becomes the first in Sri Lanka to offer scheduled cargo services. A workforce of 27 is recruited and 2 Antonov An-12s are acquired. Revenue flights commence in August with weekly services to Gan Island in the Addu atolls; the usual outbound cargo is fabric, which is returned as completed garments.

With capitalization of Rs2.5 million and Priyakarage Edward Surendra de Silva as a new partner, the company continues its flights in 1994–1997. During these years, the fleet is increased with two An-8s and Male and Sharjah join the route network. The carrier is reformed into three operating divisions: domestic charter, international cargo operations, and the Asian Academy of Aeronautics.

Sky Cabs frequencies by 1998–2000 reach 11 weekly roundtrips between Colombo and Male, becoming the largest cargo carrier operating into Male. Indeed, it is now the second largest carrier in Sri Lanka.

SKY FREIGHTERS, B.V.: Belgium (1994–1995). Sky Freighters, B.V. is established at Kortrijk in the fall of 1994 to provide twice-daily express services to London (STN). Employing a British Aerospace BAe Jetstream 31 transferred to the Belgian register by its U.K. associate, **Euro Direct Airlines, Ltd.**, Sky Freighters inaugurates flights on October 3, but must shut down upon the failure of Euro Direct in 1995.

SKY HARBOR AIR SERVICES: United States (1970). SHAS is set up at Omaha, Nebraska, in the spring of 1970 to provide Cessna light-plane air taxi flights to intrastate destinations. During the fall, the company is bought out by and merged into Alliance, Nebraska-based **Trans-Nebaska Airlines**.

SKY LINE, A.S.: Esenboga, Ankara, Turkey; Phone 90 (212) 296-1694; Fax 90 (212) 296-1695; Year Founded 1983. Sky Line is established at Ankara in 1983 to provide executive and small group passenger charters around the country. By 2000, General Manager Ferda Tariz oversees the work of 4 full-time pilots and the operations of 2 Beech 400A Beechjets and 1 Beech King Air 90.

SKY ONE EXPRESS: United States (1991–1993). William B. Parris III establishes Sky One Express at Reisterstown, Maryland, in 1991 to operate Section 135 charter flights from Baltimore (BWI) to Ocean City. Services commence with 2 Piper PA-31-310 Navajos and 1 PA-31-350 Navajo Chieftain and by year's end, a total of 6,222 passengers have been flown.

During the summer of 1992, scheduled services are inaugurated over the company's nonscheduled route and a second Chieftain is acquired during the fall. Operations cease in 1993.

SKY PROJECT HELICOPTERS, S.A.: Av. Franklin Roosevelt 39, Rixensart, B-1330, Belgium; Phone 32 (0) 2 654 09 58; Fax 32 (0) 2 652 44 18; http://www.sky-project.com; Year Founded 1993. Employing a chartered Aerospatiale AS350B, Sky Project is organized at Rixensart on November 11, 1993 to offer sight-seeing flights on behalf of the

Foire Commerciale de Wavre. The weather is poor and the flights are made in light snow and low ceiling. While the charters could not be successful, the organizers are sufficiently impressed to remain in business.

In the summer of **1994**, Sky Project operates the first commercial flights in Belgium of the McDonnell Douglas MD520 Notar. The helicopter transports a total of 143 passengers from the little community of Virginal. Sight-seeing flights are made over the Plan Incline in Ronqueres as well as over the Castle of Ittre.

Under contract to the UN in **1995**, Sky Project pilots undertake humanitarian flights in Rwanda in the period after the end of the horrendous genocide. Later in the fall, the company is reformed. Henceforth it will engage in both international operations and local flight-seeing activities. At this point, company aircraft begin air work.

Through the remainder of the decade, the operator provides pipeline patrols, medevac, flight-seeing, aerial photography, airlift, cable-pulling, and other contract services, both in Belgium and overseas.

The company's large helicopter fleet in **2000** includes 1 each Bell 47G, 407, and 412, 2 LongRanger 212s, 3 LongRanger 206Ls, 3 Eurocopter AS350B Ecureuils, 2 SA3 Alouette IIs, 1 each AS355F and AS365 Dauphin, 1 each MD500E and MD520 Notar, 3 Robinson R22 Betas, and 1 R44 Astro.

Sky Project has two major international operations under way. The first employs two Bell 212s in flight operations on behalf of relief organizations in Central and Western Africa. In the second, the company is positioning itself to provide helicopter support for oil and gas fields being opened in Southeast Asia.

SKY SERVICE, S.A.: Kortrijkstraat 317, Wevelgem, B-8650, Belgium; Phone 32 (56) 40 39 11; Fax 32 (56) 40 42 08; <http://www.sky-service.be>; Code SK; Year Founded 1983. Sky Service is organized at Wevelgem in October **1983** to offer domestic and regional cargo charters and express services. Nonscheduled flights continue apace over the next decade. As the **1980s** move into the **1990s**, the company fleet includes 1 Beech King Air 100 and 1 Cessna 550 Citation I.

In **1993**, Barth Foucart is director, a workforce of 15 is recruited, and 1 each Cessna 406 Caravan II and Embraer EMB-110P Bandeirante are acquired. Scheduled passenger operations commence in October and continue as the fleet is increased with two EMB-121 Brasilias which, due to economic difficulties, must be withdrawn in **1994**.

Flights continue in **1995–1999**, during which years airline employment rises to 18 and the fleet is altered to include 1 Beech King Air 90, 1 Fokker F.27-500, 2 Cessna 550 Citation IIs, and 1 Bandeirante.

By **2000**, airline employment totals 35 and the number of EMB-110Ps is increased by two.

SKY TOURS. *See* ISLAND AIR LINES

SKY TOURS HAWAII: United States (1965–1971). STH is established at Honolulu in the late fall of **1965** to provide flight-seeing services to destinations to the east. Employing de Havilland DH 104 Doves and Beech 18s, the carrier inaugurates flights on December 3. In **1966**, Andrew Flying Service and Pan Pacific Aero are purchased and merged; a brief feeder arrangement is entered into with **United Air Lines** in **1967**.

Operations continue apace and scheduled frequencies, operated with Beech 18s under the name **Trans-Isle Airlines**, are undertaken between **1969** and **1971**, when the company shuts down.

SKY VIEW AIR LINES: United States (1928–1930). Another casualty of the Depression, SVAL is established at Pittsburgh, Pennsylvania, in the summer of **1928** to undertake multistop excursion flights to Niagara Falls. The Ford 4-AT-42 Tri-Motor is acquired on September 28 and services commence from Buffalo in August **1929**.

The stock market crash and onset of hard times results in insufficient revenue traffic being generated in **1930**. The carrier shuts down at the end of the tourist season in October and the Ford is sold to Long and Harmon of Dallas, Texas, on January 27, **1931**.

SKYBIRD AIRCHARTERS, LTD.: Kenya (1990–1992). J. Cleave establishes Skybird at Mombasa in **1990** to offer passenger and cargo charters to bush destinations. Operations commence with a fleet that grows to include 1 Pilatus-Britten-Norman PBN-2A Trislander, 1 Cessna 402, 4 Cessna 310s, and 3 Beech B-58 Barons.

Operations continue for two years.

SKYBUS. *See* KEY AIRLINES (2)

SKYBUS AIRWAYS, S.A.: Valaoribu 10, Athens, GR-10671, Greece; Phone 30 (1) 361-2222; Fax 30 (1) 361-2688; Code JX; Year Founded 1995. Skybus is established at Athens in the summer of **1995** to provide scheduled passenger services to Thessaloniki. Revenue services begin on November 15 and continue with a McDonnell Douglas MD-82 leased from **Venus Airlines, S.A.**

Flights continue in **1996–2000**, during which years the MD-82 is returned and the company operates air taxi flights with a Britten-Norman BN-2A Islander.

SKYBUS CORPORATION: United States (1985–1986). New entrant **Frontier Horizon**, a nonunion subsidiary of **Frontier Airlines (1)**, is sold to another newly formed company, Skybus Corporation, in January **1985**. Skybus, which has been unable to obtain operating authority of its own, reforms Frontier Horizon, which is equipped with 5 B-727-191s and 1 B-727-291 leased from Frontier Holdings.

Frontier Horizon's routes are either absorbed by **Frontier Airlines (1)** or dropped by Skybus after May as it attempts to establish its own low-cost service hubbing on Atlanta's Fulton County Airport. In July, the six jetliners begin to provide charter services as the carrier awaits its opportunity—and certification—to launch scheduled services.

During the next 6 months, 47,000 passengers are flown, primarily on charters between Atlanta and Las Vegas. Passengers are also flown for **World Airways** while a number of cargo flights are made on behalf of **The Flying Tiger Line**.

Revenues total \$3.86 million; however, start-up costs are so high that losses are taken: \$568,000 (operating) and \$684,000 (net).

Two Douglas DC-9-15s are leased from **Best Airlines** in early **1986** and are employed to operate a replacement segment on behalf of **New York Air's** Washington to New York shuttle service. The heavy losses suffered during the previous year, together with continued failure in the new, forces Skybus to stop flying in November. Neither traffic nor financial figures are released.

SKYBUS EXPRESS: United States (1991–1992). Privately owned Skybus Express is established in **1991** to provide Essential Air Service (EAS) to three Alabama communities. Revenue flights commence with a single Australian-made GAF Nomad N-24A. Neither traffic nor revenue figures are publicized, although it is reported that three more Nomads enter service.

In the spring of **1992**, two of the three routes are reawarded to **GP Express**, a competitor. Unable to continue, President Ron Ciaravella's carrier shuts down.

SKYCRAFT AIR TRANSPORT, LTD.: Canada (1972–1994). Robin Thompson establishes SAT at Oshawa Airport in Ontario in **1972** to offer cargo and charter services in support of the Canadian automobile industry. Operations are maintained, at first with Cessnas and then, beginning in **1975**, with a fleet of, what by decade's end totals 3 Douglas C-47Bs (military DC-3s). Two of the three are sold beginning in **1981**.

Upon takeoff from St. Louis on January 9, **1984**, the last C-47B with two crew loses power; before an emergency landing can be made on a highway, the left wing strikes a pole, causing the aircraft to crash through a fence and against a highway embankment (one dead).

It will later be determined that, during the lost plane's refueling, Jet-A fuel was used instead of 100LL avgas.

In January 1985, company officials decide to begin scheduled third-level passenger services. Two Embraer EMB-110 Bandeirantes are acquired and in July twice-daily flights link the company's base with Montreal, Ottawa, and Windsor. An affiliation is started with **CPAir, Ltd.** and daily Oshawa to Windsor frequencies are initiated. To handle the charter side, two DC-3s are purchased from **Genair, Ltd.**

International service begins in April 1986 as scheduled daily flights are inaugurated to Detroit. In July, the carrier changes affiliations, moving into a new relationship with **Air Canada, Ltd.**

A Shorts 330 is acquired from **Time Air, Ltd.** in June 1987 and placed into service while a larger Shorts 360 joins the fleet a year later in 1988 and is assigned to the Oshawa to Windsor service.

In 1989–1990, additional charters are undertaken as President Al Graham's nonscheduled fleet is increased with the addition of 1 Piper PA-23 Aztec, 1 Piper PA-31T Cheyenne, 1 Cessna 402, and 1 Cessna Citation. The Shorts 360 is withdrawn in 1991. In 1992, Chairman Thompson oversees 100 employees; however, recession causes severe traffic and financial reversals. The company closes down in February 1994.

SKYFIELD AIR COMPANY: Russia (1997–1998). Skyfield is established at Moscow in late 1997 to provide domestic and regional passenger charters. Revenue flights begin with a single Tupolev Tu-134A. The carrier fails during the fall of 1998 following the Russian government's devaluation of the ruble in August.

SKYFREIGHT (TROPICS INTERNATIONAL): United States (1981–1985). Edward G. Harris establishes Skyfreight at Miami in 1981 to provide scheduled Douglas DC-3 all-cargo flights to Freeport and Nassau in the Bahamas. Charter and contract service flights are also undertaken to other Caribbean destinations.

The scheduled frequencies cease in 1984 and the company goes out of business in 1985.

SKYFREIGHTERS. See **KITTY HAWK AIR CARGO**

SKYJET, S.A.: 75 Blvd. Louis Schmidt, Brussels, 1040, Belgium; Phone 32 (2) 735-6335; Fax 32 (2) 735-6335; <http://www.users.skynet.be/airline.skyjet>; Code S9; Year Founded 1992. Skyjet is established by Pierre Vandenbroucke and Henri Fabry at Brussels in October 1992 to offer passenger charter and inclusive-tour flights to international destinations. The former becomes president with the latter taking the post of managing director. Revenue operations commence at the end of the month with a single leased Douglas DC-10-30.

Operations continue apace over the next five years. A DC-10-15 is leased in 1994, the same year in which the company establishes a South American subsidiary, **Skyjet Brazil, S.A.** Destinations visited now include Cancún, the Caribbean, Margarita Island off the coast of South America, South American destinations, and the U.S. Virgin Islands.

Airline employment stands at 54 in 1997 and plans are made to launch services to Miami, Orlando, and Malaga. The South American subsidiary is renamed **World Brazilian Air, S.A.** during the first quarter, while a chartered Airbus Industrie A300B4 enters service in June.

Flights continue in 1998. The A300B4 is returned to its lessor and the chartered fleet now includes 1 each DC-10-15 and DC-10-30. The later wide-body is often employed to operate as additional capacity for the larger European package tour agencies.

On June 12, another DC-10-30 is acquired, this one from **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)**. It enters service with the carrier as soon as it completes a "D" check at Mexico City. On July 19, the Brazilian Douglas is returned to the Belgian register.

On August 1, the company begins operating under the government-approved marketing name of Skyjet Europe. To provide capacity for the new three new routes initiated by **Tunis Air, S.A.** in late March, the DC-10-15 is leased to the North African carrier on August 9.

Service is maintained during the remainder of the year and in 1999. It is announced on November 9 that a new subsidiary, Skyjet France, S.A.,

will be established at Lille to operate DC-10-30CF freighter service beginning in March or April. This arrangement is delayed.

On July 28, 2000, the DC-10-15 is chartered to Greece-based Electra Aviation, S.A., while the lease of the DC-10-30, out with **Ghana Airways, Ltd.**, is extended through February. On August 3, a DC-10-15F is chartered to **DAS Air Cargo, Ltd.**, wearing full Skyjet colors and DAS titles, leaving Galaxy 1 each DC-10-30 and DC-10-15 to operate on its own business.

SKYJET AVIATION, INC.: Halifax International Airport, 549 Barnes Road, Enfield, Nova Scotia B2T 1K3, Canada; Phone (902) 835-6330; Fax (902) 835-1833; Year Founded 1994. Gary Hamblen establishes his small concern at Halifax in 1994 to provide executive and small group charters throughout Atlantic Canada. By 2000, he employs two pilots and operates his single Beech Super King Air daily.

SKYJET BRAZIL, S.A.: Brazil (1994–1997). Skyjet Brazil is established by Skyjet, S.A. at Rio de Janeiro in 1994 to offer worldwide passenger and inclusive-tour charters. Revenue flights commence and continue with a single Douglas DC-10-30 previously operated by **Deutsche Lufthansa, A.G.**

The fleet is increased in 1996 by the charter of a B-707-331C. Service continues without change. Early in 1997, the company is renamed **World Brazilian Air, S.A.** The leased DC-10-30 is repainted in a new blue and white livery.

SKYLANE AIR CHARTER, LTD.: United Kingdom (1992–1995). J. Baumhardt forms this on-demand service at Southend Airport, Essex, in 1992 to offer charter passenger and cargo flights to cities in the U.K. and Western Europe. A workforce of 10 is assembled and revenue services commence with a fleet that includes 1 Cessna 404 Titan, 1 Piper PA-31-310 Navajo, and 1 PA-31-350 Navajo Chieftain. Flights cease in 1995.

SKYLINE: United States (1975–1976). Skyline is set up at Winchester, Virginia, in 1975 as the scheduled airline division of the FBO Skyline Aviation. Outfitted with a pair of Beech 99s, the company inaugurates daily roundtrips linking its base with Baltimore, Norfolk, Newport News, Richmond, Washington, D.C. (DCA), and Ocean City. Flights can only be offered into 1976.

SKYLINE, LTD. 28 Creek Road, Apapa, Lagos, Nigeria; Phone 234 (1) 587 4658; Fax 234 (1) 774 6136; Year Founded 1999. Under the leadership of Amatzia Snir, Skyline is established at Lagos in March 1999 to offer domestic passenger services, both scheduled and charter. Revenue flights to the main Nigerian cities, as well as numerous bush communities, begins in June employing a pair of de Havilland Canada DHC-7-102s. Plans are announced for the acquisition of Boeing 737 equipment.

A total of 80 workers are employed at the beginning of 2000.

SKYLINE AIR SERVICE: United States (1967). Tom Wilson founds SAS at Anacortes, Washington, on February 16, 1967 to provide scheduled commuter service to Seattle and Everett. The company also joins with **Island Sky Ferries** in the contract supporting **Island Mail, Inc.** Employing Cessna lightplanes, Wilson inaugurates revenue flights at month's end and continues them until June 28, when he joins with the owners of four other carriers in signing the agreement that will create **Puget Sound Airlines** on August 28.

SKYLINE AIRLINES: United States (1979–1981). Skyline is established in 1979 as the air transport division of the FBO Skyline Motors Aviation Services, which is located at Beaver Valley Airport in Pennsylvania. Employing 4 Cessna 404 Titans and 2 Cessna 402s, George Hall's carrier undertakes scheduled passenger and cargo flights to Youngstown, Cleveland, and Detroit.

Operations continue until traffic restrictions imposed as the result of the PATCO air traffic controllers' strike force the carrier out of business in 1981.

SKYLINE MOTORS AVIATION SERVICES: United States (1979–1981). SMAS is established at Beaver Falls, Pennsylvania, in the early fall of 1979 to provide scheduled passenger and cargo services to regional destinations. Employing a pair of Cessna 402s, the company inaugurates daily roundtrips in October, linking its base with Detroit City Airport via Youngstown and Cleveland.

Operations continue apace in 1980 and in June 1981 the airline is sold to Dale Rabassi, who changes its name to **B.A.S. Airlines**.

SKYLINE NEPC, LTD.: Lyka Labs Building, 77 Nehru Road, Ville Parle, 400099, India; Phone 91 (22) 610-7356; Fax 91 (22) 610-7599; <http://www.rediff.com/travel/nepc>; Code D2; Year Founded 1995. Bombay-based **Damania Airways, Ltd.** is purchased by **NEPC Airlines, Ltd.** in May 1995, but is allowed to maintain operations as a subsidiary with this name. Both carriers fly as divisions of NEPC India.

The new corporate arrangement, which includes both a 4.5% equity investment in Damania and an assumption of liabilities, will be investigated by the Securities and Exchange Board of India, as the stake taken is less than the mandatory 5% acquisition required. Chairman Parvez Damania steps down and is replaced as Skyline CEO by NEPC Group executive Ravi Kumar Khenka. Tripuri Kutman Khenka is named managing director. The company continues to operate to 11 domestic destinations, including Madras, Calcutta, and Delhi, with a fleet of 2 leased Boeing 737-2K9As and 2 B-737-282As.

On September 1, NEPC Group enters into an interline agreement with **Swissair, A.G.** Under terms of the arrangement, the Swiss flag carrier will maintain the NEPC fleet and train its personnel, while the Indian company becomes Swissair agent in India.

A third B-737-282A is added in 1996. With its sister **NEPC Airlines, Ltd.**, Skyline NEPC is the second largest domestic airline in India after **Indian Airlines, Ltd.**

In 1997, Chairman Khenka begins to negotiate with Airbus Industrie for a fleet of fuel-efficient European-made narrow-bodies with which to replace his Boeings. At the same time, and in tandem with **NEPC Airlines, Ltd.**, the carrier begins consideration of the takeover of fellow-independent **Archana Airways, Ltd.**, as well as the struggling **Modiluft**. The carrier also begins to expand facilities at its Coimbatore maintenance base.

The Director General of Civil Aviation now orders that NEPC reduce its operations over its trunk routes. The government claims that NEPC has failed to provide sufficient services on required subsistence routes in the nation's northeast.

Still, the carrier and its sister make various expansion plans. In March, permission is received from the government of India for the importation of eight more B-737-200s, four of which will be passed to Skyline NEPC, Ltd.

During the second quarter, it is claimed that the company, together with its **NEPC Airlines, Ltd.** parent, owe some \$4 million to the government in internal passenger taxes collected but not turned over. To press the issue, customs officials seize a B-737-282A.

The Indian Securities and Exchange Commission renews its investigation of the carrier's dramatic takeover of **Damania Airways, Ltd.**

NEPC Group executives, faced with a severe cash crunch and unavailability of new aircraft, elect to emphasize Skyline and close the doors of **NEPC Airlines, Ltd.**, planning to merge its assets into Skyline at the end of the year. The fiscal situation is, however, worse than originally imagined. NEPC Group does not have the funds to make its aircraft lease payments, pay its pilots salaries, or undertake maintenance checks. Both airlines stop flying during the first week of July.

At the end of July, the company is able to cobble together a significant loan from several financial institutions. In early August, the decision to close NEPC is reversed. Both companies are now downsized and

restructured, with the staff reduced in strength from 2,700 to 2,000. Salaries are also cut.

On September 15, **NEPC Airlines, Ltd.** is reborn. Flight operations, in South India, employing the five Fokkers that have not been sold, are restarted on October 1. Skyline NEPC, Ltd., meanwhile, flies the trunk routes.

Both airlines continue to operate in 1998; however, a loss of Rs 1.35 crores is suffered.

In 1999, **NEPC Airlines, Ltd.** is merged into Skyline NEPC, Ltd. The NEPC division will continue to operate its Fokkers, while Skyline NEPC, the dominant carrier, will fly the Boeings. This move, which has been caused by personnel problems and fiscal difficulties brought on by the high price of fuel, forces the revitalized carrier to cancel many of its services to and from Bombay, Bangalore, New Delhi, Calcutta, Indore, Coimbatore, and Madras. The year's loss improves to Rs 1.16 crores.

At the beginning of 2000, offices continue to be maintained at Bombay, Delhi, Calcutta, Madras, and Ahmedabad. On September 17, daily return service is resumed from Madras to Cochin, Coimbatore, and Madurai. Other services are offered on a sporadic basis.

SKYLINE SWEDEN, A.B.: Sweden (1971–1978). Organized at Malmo–Sturup Airport in 1971, Skyline undertakes ad hoc passenger and cargo charter flights linking Sweden with North Africa and other European destinations, many of them holiday vacation resorts. Per-Gunnar Norlin is chairman of the privately owned carrier, with Lennart Nordstrom as president and Bengt Malmberg as managing director. The fleet comprises 2 Vickers Viscount 800s and 1 Viscount 700 and airline employment grows to 52.

In 1975–1976, the carrier begins operating replacement flights for **Linjeflyg, A.B.**

Icing causes a Vickers Viscount 838 with 3 crew and 19 passengers to crash into a parking lot 5 km. short of the runway at Stockholm's Bromma Airport on January 15, 1977; there are no survivors.

Unable to generate sufficient revenues to overcome expenses, recession, and rising fuel costs, the company ceases operations in March 1978.

SKYLINK (PTY.), LTD.: Australia (1990–1991). Formed to provide commuter service in South Australia, Skylink (Pty.), Ltd. is established at Adelaide in 1990. Employing an initial fleet of 2 Cessna 402s, Managing Director Arthur William's company begins revenues services from its base to Port Lincoln, Whyalla, and Kingscote. A new Beech 1900 is delivered from the U.S. in early 1991, but must be returned when the carrier ceases operations later in the year.

SKYLINK AIRLINES, LTD.: Canada (1983–1989). Skylink is established at Boundary Bay Airport at Delta, British Columbia, in 1983 to offer regularly scheduled commuter flights to Victoria. A division of Tradewinds Aviation, Ltd., a charter operator, Skylink interchangeably employs as needed units of the Tradewinds fleet of 1 Piper PA-31-310 Navajo, 2 Britten-Norman BN-2 Islanders, 1 de Havilland DHC-2 Beaver, and various piston-engine Cessna equipment.

Operations continue apace during the remainder of the decade with a passenger and cargo route extended to Seattle. Several Fairchild Metro IIIs are acquired.

While on initial approach to the airport at Terrace, British Columbia, on September 26, 1989, a Metro III with two crew and five passengers initiates a go-around maneuver, but collides in fog and smoke with the tops of a line of 80-ft. high trees 300-ft. S of the runway; the plane crashes and there are no survivors.

As a result of a government audit following the tragedy, the carrier is found to be unworthy and its operating certificate is revoked in mid-October.

SKYLINK AVIATION, INC.: 1027 Yonge St., Ste. 300, Toronto, Ontario, M4W 2K9, Canada; Phone 416 924-9000; Fax 416 924-9005; Code SKK; Year Founded 1988. SkyLink is established at Toronto in

1988 to provide a host of general aviation services, including aircraft project management, air charter brokerage, various support activities, as well as charter flights.

During the 1990s, the subsidiary SkyLink Express, Inc. is established to operate courier and freight services across the country and into the U.S. At the beginning of 2000, Walter Arbib is CEO, with Surjit Babra as president. The two oversee a workforce of 140 and the flights of 7 Beech 1900Cs.

In November, the carrier takes a giant step by basing an Ilyushin Il-76 at Windsor, Ontario, for use on transatlantic and other worldwide ad hoc cargo charters.

SKYLINK EXPRESS, INC. See **SKYLINK AVIATION, INC.**

SKYMARK AIRLINES: United States (1968–1969). Skymark is established at Sacramento, California, in early 1968 to provide scheduled intrastate passenger and cargo services. Employing Cessna 402s and Beech 99s, the new commuter inaugurates revenue flights in February, linking its base with San Jose, Oakland, Fresno, Lake Tahoe, and Bakersfield.

Early in 1969, company owners agree to a merger with **Aero Commuter Airlines** and the last flight is completed on March 24.

SKYMARK AIRLINES COMPANY, LTD.: Svax Shinjoku Building B., 5th Floor, 2-9-23 Shinjoku-ku, Tokyo, 160-0022, Japan; Phone (3) 53 79 07 39; Fax (3) 53 79 07 68; <http://www.skymark.co.jp>; Code BC; Year Founded 1996. Established by entrepreneur Sawada Hideo and his discount travel agency HIS Company, Ltd. and the finance corporation Orix at Tokyo in November 1996, Skymark prepares to participate in the partial deregulation of Japan's airline industry and to take advantage of new slots that are to be opened at Haneda Airport. With \$700,000 in initial capitalization, HIS Company owns a 58.7% stake; Orix Corporation has 6.7% shareholding. Hideo announces that, within 5 years, his staff will grow from an initial 10 employees to 200 and via a public flotation, capital will be increased to \$50 million.

In mid-April 1997, Seiji Fukatsu, president of **All Nippon Airways Company, Ltd.**, announces that his carrier has signed a technical assistance contract with Skymark. Under its terms, the major will assist the new entrant in its acquisition of aircraft and in gaining operating authority from the Ministry of Transport.

A Japanese language site will be opened on the World Wide Web late in the year.

After a lengthy gestation period, the company is licensed on July 31, 1998; it is the first independent Japanese to achieve operating authority since **Nagasaki Airlines Company, Ltd.** in 1963. It will employ 11 retired pilots from **Japan Air Lines Company, Ltd. (2)** and **All-Nippon Airways Company, Ltd. (ANA)**.

A Boeing 767-3Q8ER is chartered from ILFC and **All-Nippon Airways Company, Ltd. (ANA)** has agreed to provide maintenance support for it. The ship arrives painted in an all-white fuselage without titles and a navy blue tail that bears a yellow representation of the constellation Cygnus, the swan.

The new plane is repainted and unveiled to the public on August 27 as a "logojet," bearing advertising for the satellite programming of DIRECTV.

Skymark announces plans to inaugurate thrice-daily deep-discount roundtrips on September 12 between Tokyo (HND) and Fukuoka. The opening day must be postponed for a week, as all final arrangements can not be completed in time.

The inaugural one-way fare over the route is ¥ 13,700 (\$97), about one-half the tariffs charged by Japan's major carriers. They promise to match the rate, thereby bringing on a limited fare war in a nation where ticket prices have always been heavily regulated. Tickets for the September 19 first flight are snapped up within 20 minutes of their being placed on sale.

Successful service is operated during the remainder of the year. On November 17, executives announce that, beginning in March, two new routes will be offered linking Osaka (KIX) with Fukuoka and Sapporo. They will be operated with a second B-767-3Q8ER.

President Kichisaburo Nomura of **All-Nippon Airways Company, Ltd.** tells a news conference on December 17 that ANA lost 18,000 passengers to Skymark in October and 20,000 in November. Although he is reluctant to cut fares on the Skymark route from Tokyo (HND) to Fukuoka due to the revenue costs that would occur, Nomura indicates that such a move may be necessary after the first of the year.

The Singapore Shipping Times reports on December 22 that **Japan Air Lines Company, Ltd. (2)** will follow the lead of ANA in March and reduce its fares by half on 13 out of 24 daily roundtrips between Tokyo (HND) and Fukuoka.

Skymark, on February 1, 1999, seeks approval from the Ministry of Transport to offer scheduled flights from Osaka to both Sapporo and Fukuoka on or before April 24. The company's second ILFC B-767-3Q8ER arrives at the beginning of March wearing colors that honor the Microsoft Corporation.

It is reported by *Nikkei America* on March 16 that the counteroffensive by its rivals has caused the discount airline to hit a rough patch in its so-far smooth sky and a decrease in profitability. Still, this is expected to pass after the airline begins flying two new routes awarded to it by the Transport Ministry on March 31, Osaka to Sapporo and Osaka to Fukuoka.

Daily Osaka to Sapporo roundtrips commence on April 24, along with twice-daily Osaka to Fukuoka return service. Company officials announce that planning is underway for the possible launch of overseas charters from Osaka in the year 2000.

The price of a one-way ticket on the Tokyo–Fukuoka route is increased on July 1 from ¥ 13,700 to ¥ 16,000.

Although traffic figures are unavailable, revenues of \$87 million are generated. Unhappily, a \$40.9-million net loss is suffered.

On January 5, 2000, company officials reveal plans to initiate international charter flights to Guam and Seoul within 15 months. On March 24, the new Yahoo Japan color scheme is unveiled on the carrier's premier B-767-3Q8ER; it replaces the one introduced 18 months earlier sponsoring DIRECTV. Two days later, the Yahoo plane returns to revenue service, flying the route from Tokyo (HND) to Fukuoka.

An initial public offering is successfully completed during June, raising ¥750 million (\$7.5 million). The new funds are earmarked for pilot training and improvements at the carrier's Tokyo (HND) facilities.

In early July, service from Osaka to Fukuoka and Sapporo is discontinued in order that the jetliners employed may be employed to double the Tokyo (HND) to Fukuoka route to six daily roundtrips.

The second "logojet" B-767-3Q8ER is repainted during late summer. When it returns to service on the Tokyo (HND) to Fukuoka route on September 29, it sports a paint scheme advertising the Japanese telecommunications and mobile telephone company J-Phone.

SKYMASTER: United States (1990–1995). Skymaster is founded by Luke A. Smith at Gilford, New Hampshire, in 1990. A fleet of 2 Beech 99s, 1 Piper PA-31-310 Navajo, and 1 Cessna 172 is assembled and employed to inaugurate scheduled third-level service linking the company's base with Keene and Laconia plus Rutland in Vermont, Boston, and Newark.

By 1992, revenues total \$14.3 million and the net profit is \$1.88 million. In 1993, airline employment stands at 37. One Beech 99 is withdrawn in 1994. The move is prelude to complete shutdown in 1995.

SKYPOL, S.A.: Aleja Krakowska 110/114, Warszawa, PL-00971, Poland; Phone 48 (22) 466 345; Fax 48 (22) 465 479; Code PZL; Year Founded 1994. Skypol is set up as an air taxi and commuter at Warsaw in 1994. Revenue flights commence under the direction of Manager Zdzislaw Jabtoriski with 2 Fairchild-Swearingen SA.227 Metro IIIs. It is understood that flights continue during the remainder of the decade, although exact operational information is unavailable.

SKYPORT (PTY.), LTD.: Australia (1991–1993). Skyport is established at Alice Springs, Northern Territories, in 1991 to offer both sched-

uled and nonscheduled third-level flights to Darwin via Katherine, Tennant Creek, Groote Eylands, Borrooloola, Victoria River, Downs, and Hooker Creek. President Roger Leach's three Cessna 402s largely replace the service of **Ansett N.T. (Ansett Airlines of the Northern Territory [Pty.], Ltd.)**.

The fleet in 1992 is increased by the addition of a fourth Cessna 402 and a Cessna 441.

Unhappily, the carrier is unable to achieve economic viability and shuts its doors in 1993.

SKYPOWER EXPRESS AIRWAYS, LTD.: P.O. Box 54110, Falomo, Lagos, Nigeria; Phone 234 (1) 269-3275; Fax 234 (1) 269-3253; Code EAN; Year Founded 1995. Capt. Mohammad Joji sets up Skypower at Lagos in 1985 to offer third-level scheduled and charter passenger flights. Revenue services duly commence with a fleet of 5 Embraer EMB-110P1 Bandeirantes.

Frequencies are continued in 1986–1997, as the company becomes a subsidiary of **Nigeria Airways, Ltd.** In exchange for marketing, reservations, and ground-handling assistance as well as subsidy, the company provides feed to the flag carrier as Express Airways Nigeria.

Having arrived at Yola from Jos on charter on January 31 of the latter year, an EMB-110P1 with 3 crew and 13 passengers is forced to circle for an hour because of bad weather; its fuel exhausted, the Embraer crashes 700 m. short of the runway (five dead).

Service continues during the remainder of the year and in 1998–1999. On January 5 of the latter year, another EMB-110P1 with 3 crew and 15 passengers stalls during its turn onto final approach to Abuja International Airport. The turboprop hits the ground and comes to rest short of the runway, killing one person on the ground.

While en route on March 17, 2000, the crew of a Bandeirante suffers engine problems and elects to divert to Kaunda Airport. A safe gear-up emergency forced landing is made some 600 m. short of the runway. This year, there are no fatalities.

SKYROVER, LTD.: United Kingdom (1989–1990). The third-level Skyrover is established in late spring 1989 to provide scheduled regional passenger flights. Initial roundtrip revenue service is inaugurated over a single route to Dusseldorf with a single Embraer EMB-110P Bandeirante. In the fall, the Brazilian-made turboprop is replaced with a Shorts 330.

Unable to maintain fiscal viability during the slow winter season, the third-level commuter shuts down in early 1990.

SKYSERVICE AIRLINES, LTD.: 9785 Ryan Avenue, Montreal, Quebec H9P 1A2, Canada; Phone (514) 636-1626; Fax (514) 636-3300; <http://www.skyservice.com>; Code SS; Year Founded 1986. Skyservice, Ltd. is established at Montreal (YUL) in 1986 to provide passenger and cargo charter services throughout Canada and the U.S. Dennis Crabtree is named chairman of the board, with Richard J. Nelson as president/CEO. Operations commence with 1 Cessna Citation III, and 1 Gulfstream I, and 4 Learjet 35s.

Nonscheduled flights continue throughout the remainder of the decade and into the next. Skyservice Aircraft Management Services manages several executive aircraft for corporate clients at both Montreal and Toronto.

Two Airbus Industrie A320-212s are chartered from **Monarch Airlines, Ltd.** on October 12, 1995 and are employed, beginning on November 4, to offer inclusive-tour services from Toronto and Montreal to destinations in the United Kingdom. Also for the winter season, two more A320-231s and an A320-232 are also leased from other sources and are employed to provide inclusive-tour flights to Caribbean and Central American destinations. The company's tour operator clients include Sunquest Vacations and ALBATours.

When the winter season ends in March 1996, the Monarch narrowbodies are returned, along with the two additional A320-231s. Summer services to Florida and the Caribbean are flown with the A320-232.

Skyservice Executive Aircraft Charter continues to operate executive aircraft services, employing 1 each Learjet, Citation III, Gulfstream I, and Hawker 125.

In late summer, **Monarch Airlines, Ltd.** subleases a pair of A320-231s to the company. Winter holiday flights resume in October and orders are placed with ILFC for an A330-300.

A new color scheme is introduced in February 1997. During the week of February 24, Skyservice in-flight personnel complete extensive CPR training. Automatic external defibrillators (AED) are placed aboard the company's fleet by March 17 and Skyservice now becomes the first Canadian air carrier to be fully outfitted with AEDs.

At the end of March, the **Monarch Airlines, Ltd.** planes go off lease and the cyclical summer frequencies to the lower U.S. resume. Formerly flown by **LTU (Lufttransport Unternehmen, K.G.)**, the chartered A330-322 arrives at the carrier's Montreal base on May 7 wearing titles that read "First A330 in North America." Two days later, the carrier places its new aircraft into revenue service on a charter to Barcelona. As the summer wears on, the plane is promoted on flights to previously served European destinations. In addition, the aircraft is shown off on charters to Aruba and Las Vegas.

In October, holiday flights to Europe under the winter schedule begin again. A leased company A320-212 flies a subservice for **Allegro Air, S.A. de C.V.**, which is operating charters on behalf of Sun Trips, a unit of Sunquest Vacations.

The two Monarch A320-231s are leased again for the winter holiday season. On November 4, one Monarch at Vancouver and the other at Edmonton are employed to initiate passenger charters to destinations in Mexico, Nevada, and the Caribbean.

In early June 1998, a B-727-231 begins wet-lease operations on behalf of Sport Hawk International Airlines, Ltd., a new Canadian charter concern. Specializing in sports-only flights, Toronto-based Sport Hawk secures contracts from the Toronto Blue Jays MLB team and the Toronto Raptors. The latter is the local NBA professional basketball team previously flown by **Air Canada, Ltd.** A contract will also be inked with the NHL professional hockey team, the Toronto Maple Leafs.

In an effort to rescue people stranded by the September 2 pilots' strike, **Air Canada, Ltd.** wet-leases aircraft from Skyservice and three other Canadian carriers to move people over the next week stuck in the midst of journeys.

In early fall, the Sport Hawk trijet is briefly repainted in an attractive blue and white livery displayed in a television commercial on behalf of Labatt Blue beer.

On May 31, 2000, Chairman/CEO Russel Payson announces that a new, but as yet unnamed, full-service airline subsidiary will begin Airbus operations in November. On June 7, the company reveals the name of its new derivative, **Roots Air, Ltd.** The moniker comes as the result of a marketing and branding alliance with Roots Canada, Ltd. The new entrant's business plan will, reminiscent of **MGM Grand Air**, attempt to lure high-paying customers with additional amenities.

The carrier's A330-322 is leased to **Airtours International Airlines, Ltd.** on October 20 for the winter season, through February. In return, Airtours charters an A320-200 to Skyservice through April.

An A320-212 is also subchartered from **Monarch Airlines, Ltd.** in October for the Canadian line's winter holiday schedule. It is delivered in Monarch colors with Skyservice titles.

Plans continue during the fourth quarter for the launch of the subsidiary airline **Roots Air, Ltd.** early in the new year. On November 23, an A320-232 is chartered for **Roots Air** from Singapore Aircraft Leasing Enterprise (SALE); it will be delivered in March 2001. A B-737-214 is tasked to provide backup.

Its marketing plan a fiasco, the new **Roots Air, Ltd.** is forced to shut-down on May 4, 2001, just 40 days after beginning operations. The fiscal pressure caused by this disaster upon Skyservice Airlines will be so intense that it will be forced to sell a 50% voting and 35% non-voting stake in itself to **Air Canada, Ltd.** for less than C\$15 million and become the major's low-fare carrier effective July 1.

SKYSERVICE EXECUTIVE AIRCRAFT CHARTER. See **SKY-SERVICE, LTD.**

SKYSERVICE USA. See **RYAN INTERNATIONAL AIRLINES**

SKYSTAR INTERNATIONAL AIRLINES: United States (1983–1987). Skystar International is established at Washington, New Jersey, in 1983 to provide inclusive-tour flights to such Catholic shrines as Lourdes, Fatima, Rome, and Mount St. Anne in Quebec on behalf of the religious group Blue Army and the specialty-oriented travel agency Fatima Travel. As the result of questions raised concerning its management and travel club membership, an original application for certification is rejected. Initial flights are operated by **Jet 24 International Airlines** under contract.

Operations continue apace with a wet-leased Boeing 707 Stratoliner named *Queen of Peace* and in late 1984 authority is received to provide regular commercial charters.

Enplanements in 1985 total 107,000 and revenues reach \$11.7 million. An operating loss of \$2.2 million is suffered.

In 1986, the company, which has by now acquired five other Stratoliners, is in a position to offer charters to secular destinations, a number as subcontracts for other airlines.

Late in the year, the government grants Skystar its own scheduled route, from Boston to Fort Lauderdale via Philadelphia. It will not be operated, however, as in January 1987 the company is ordered grounded for maintenance and safety problems. Rather than go through the difficulties of restarting, the company elects to shut down and liquidate its assets.

SKYSTREAM AIRLINES: United States (1973–1980). Cecil Pond establishes Skystream at Plymouth, Indiana, in the late fall of 1973 to provide daily scheduled passenger services to Detroit via Indianapolis and South Bend. Beech 99 roundtrips commence on November 15 and after the routes of **Hub Airlines** are purchased, flights begin to Chicago's Meigs Field.

Skystream purchases **Great Lakes Commuter** in April 1974, taking over its frequencies to Flint, Traverse City, and other Michigan communities. Services are suspended during the first quarter of 1975; however, once they are resumed, they are maintained without incident until June 9, 1979, when a Beech 99 crashes coming into Chicago. Services halt on April 14, 1980.

SKYTEAM ALLIANCE. See **AEROMEXICO (2), S.A. de C.V.; AIR FRANCE; CZECH AIR; DELTA AIR LINES; KOREAN AIR (KAL)**

SKYTEAM LUFTHAFTUNTERMEHMEN, GmbH.: Kleiner Kornweg 26-28, Keisterbach, 65451, Germany; Phone 49 (6107) 7700; Fax 49 (6107) 7700 9; <http://www.sky-team.com>; Code XST; Year Founded 1997. This specialist carrier is established at Keisterbach by Managing Director Manfred Nimfuehr and three other investors in October 1997. With their backgrounds in special aviation activities, the four hope to provide a unique nonscheduled airline service catering to such activities as VIP transport, search and rescue, flight-seeing, and movie filming, as well as public small-group passenger and cargo charters.

A fleet of three Fokker F27-500s is assembled, together with a workforce of 37. Revenue flights, from a base at Frankfurt begin in April 1998 and continue.

SKYTECH AVIATION, LTD.: RR #3, Orillia, Ontario L3V 6H3, Canada; Phone (705) 689-8051; Fax (705) 689-8087; Year Founded 1968. Skytech is established at Orillia in 1968 to provide helicopter aerial taxi services. In 2000, President Michael Fleming employs 8 workers and operates 2 each Bell 206B JetRangers and Bell 206L LongRangers.

SKYTECH HELICOPTER SERVICE, S.A.: Rue d'Anogrun 138, Lasne, B-1380, Belgium; Phone 32 (2) 633-5890; Fax 32 (2) 633-5884; Year Founded 1989. Skytech is established by Thierry

Lakhanisky and Lucienne de Dryer at Lasne, Belgium, in 1989 as a consulting company that markets the Agusta A109 to local concerns. In 1990, the company joins with the Brussels-based FBO Temco to serve as European distributor and sales agent for Rostvertol, manufacturer of the Soviet Union's Mil helicopter. As it had for the Italian aircraft, Skytech agrees to find jobs for Russian helicopters that Temco, in turn, would maintain.

Under the direction of Executive Vice President De Dryver, Skytech also develops a relationship in 1991–1992 with the former **Aeroflot Soviet Airlines** division Ukhta Air Stewardship (also known as Ukhta State Enterprise), a helicopter operator that is attempting to introduce Russian helicopters to the West. After Temco goes bankrupt, Skytech elects to not only market but also to maintain any Soviet helicopters it can place.

Under a five-year contract, Skytech now acquires a fleet of 2 Mi-8AMTs and 1 Mi-10 under lease from USE. All are employed on heavy-lift charters in Europe and around the world.

A giant Mi-26T is chartered in 1993. Two Kamov Ka-32Cs are leased and sent to Papua New Guinea where they are operated by the local carrier Heli Niugini in support of the Kutubu oil field project.

During the spring of 1994, the carrier leases its two Russian-made Mil Mi-8AMT helicopters for three years to **Nepal Airways, Ltd.** The rotary-wing aircraft are delivered to Katmandu by an Antonov An-124 under lease to **Heavylift Airlines, Ltd.** and enter service on September 15. With Skytech maintenance and training support, the Mi-8s undertake not only high-altitude passenger transport, but construction work and food-transport missions as well.

In December, the Mi-26T is engaged in a spectacular 3-day airlift of 7 industrial silos from Hallein to Linz, a distance of 93 miles. Each of the 30,870-lb. structures, too large for ground transport, are released into Linz Harbor, from whence they are transported to Belgium by barge.

Early in 1995, a French concern based in Guyana leases the Mi-26T to support the activities of a Canadian gold-mining project. The helicopter is delivered by ship to Martinique and then flown to Guyana, where it becomes the first Russian-made heavy lift helicopter to operate in the Americas.

Upon completion of the Mi-26T's Guyana services in late March, it is sent on a demonstration tour of Latin America and Canada. A second machine is, meanwhile, leased and dispatched to Central America in April. When it is grounded by mechanical difficulties, Skytech quickly arranges for spare parts delivery. Within a day, an **Aeroflot Russian International Airlines (ARIA)** aircraft has delivered the needed parts to Brussels from Moscow and an **Air France** plane takes them on to Guyana.

During the year, two Mi-8SMTVs join the two Mi-8s already in **Nepal Airways, Ltd.** service. In addition, an Mi-8AMT, equipped as a flying studio, is employed by a French television crew filming in Ethiopia.

By 1996, the fleet has come to comprise 1 Mil 10, 1 Mil 26T, 5 Mil 17s, and 2 Kamov Ka-32Ts. In March 1997, the company acquires 3 additional KA-32Ts through a 3-year lease-purchase agreement. They are sent to Southeast Asia to perform construction and logging operations.

Flights continue in 1998–1999. During the summer of the latter year, two Mi-26Ts are leased by the Italian Civil Protection Authority and based at Lamezia Terme, and Calabria to fight fires. The giant helicopters each arrive from Belgium with a pair of 10,000-liter external tanks. Managed by ETI 2000, the two also return to Italy in summer 2000.

SKYTRAIL (AIR SAFARI, LTD.): P.O. Box 81443, Nairobi, Kenya; Phone 254 (2) 501211; Fax 254 (2) 503362; Year Founded 1982. Skytrail is established at Mombasa in 1982 to provide third-level passenger and cargo flights throughout the country, including stops at the big game parks. Revenue operations commence and continue with a fleet of 4 de Havilland Canada DHC-6-300 Twin Otters.

Almost two decades later, in 2000, CEO Roland Ruedin employs 50 workers and operates 6 Twin Otters, plus 1 each Cessna 206, C-404, and C-414.

SKYTRAIN AIRLINES: United States (1981). The all-cargo commuter **PAFCO Airlines**, owned by Gilbert Chcone and based at Chicago (MDW), is purchased by Joseph Valee on May 15 and renamed. Employing a Piper PA-31-310 Navajo, the small regional inaugurates scheduled passenger services, linking its base with Chicago's Meigs Field, Fort Wayne, South Bend, Lafayette, and Indianapolis.

On September 15, Skytrain is relabeled **Air Great Lakes**.

SKYTREK INTERNATIONAL AIRLINES: United States (1997–1999). Robert Iverson II, former **Kiwi International Airlines** founder/president, who had been forced out of that company, establishes this new charter operation at Richmond in January 1997. Holiday and vacation tour charter flights commence in June with a single Boeing 727-276A first flown by **Australian Airlines (Pty.), Ltd.**

By year's end, the company has acquired 2 more Boeing trijets and transported a total of 70,000 customers.

Flights continue in 1998. During the fall, a homepage is opened on the World Wide Web. Passenger boardings during the 12 months skyrocket 328% to 300,000.

Revenues shoot up 148.7% to \$14.62 million, but expenses increase 192.3% to \$17.78 million. The operating loss grows to \$3.16 million, while the net loss climbs to \$3.35 million.

Like other operators of the Boeing trijet, Sky Trek has only five days after the FAA emergency inspection order of May 22, 1999 to review the wiring aboard its five B-727-200As. The task is completed without incident. In October, founder Iverson resigns. The board now reforms the company, renaming it **Discovery Airlines**.

SKYTRUMP AVIATION SERVICES, LTD.: Russia (1991–1997). Skytrump is established at Moscow in 1991 to provide international freight charters and to undertake contract services. Director General Konstantin G. Vartanov recruits a 35-person workforce and flights are started with 1 each Antonov An-12, An-26, An-32, Ilyushin Il-76T, and Yak 42. Many of the services provided are operated on behalf of the UN to destinations in Kenya, Somalia, Mozambique, Ethiopia, South Africa, Zaire, Namibia, and Angola. As these services expand, the Antonov and Ilyushin freighter fleet is increased.

In 1994 alone, the company transports over 4,000 tons of relief supplies and equipment to war-torn Rwanda.

Beginning in 1995, the carrier undertakes cargo charters on behalf of Russian and other clients from Moscow to closer points, including Tbilisi, Baku, Ashkhabat, Almaty, Bishkek, Novosibirsk, Irkutsk, Senake, Kogalym, Usinsk, Khabarovsk, and Yzhno-Sakhalinsk. Working with the travel company Klassik Line, executive and public passenger charters are begun in 1996 from Moscow to all of the CIS points.

On February 1, 1997, the company is renamed **Remex Airlines**.

SKYWALKER, LTD.: Canada (1986–1988). Without benefit of a code-sharing agreement, this new third-level carrier is established at Toronto Island Airport in February 1986. Equipped with a pair of de Havilland Canada DHC-6-300 Twin Otters, it inaugurates scheduled roundtrip passenger service (C\$18 one way) to Buffalo on March 31. Enplanements for the year total 30,500.

In January 1987, President Curtis Begg receives Canadian Transport Commission permission to use aircraft with up to 60 seats on its route. A third Twin Otter is acquired, a major new marketing campaign is undertaken, and daily frequencies are increased to 12 roundtrips. Later in the spring, flights begin to Rochester. Services across Lake Erie to Cleveland's Burke Lakefront Airport are initiated in the fall. No traffic figures are released.

In April 1988, the carrier, in deep financial difficulties, is shutdown by its stockholders as a bad investment.

SKYWARD AVIATION, LTD.: P.O. Box 1207, Thompson Airport, Thompson, Manitoba, R8N 1P1, Canada; Phone (204) 778-7088; Fax (204) 677-9062; Code K9; Year Founded 1995. Skyward is set up

at Thompson Airport in 1995 as the scheduled airline division of an FBO to provide scheduled passenger and cargo third-level service throughout the province. General Manager Frank P. Behrendt's concern begins scheduled revenue operations with a pair of Embraer EMB-110P1 Bandeirantes. Charter operations continue with a fleet of 2 Cessna 206s, 2 C-402Bs, 1 C-402C, and 1 C-414A.

Two more EMB-110s are acquired in 1996–2000. In 1997, several company aircraft are caught in the flooding that occurs in the province.

SKYWAY: United States (1931–1932). Skyway is established at Wichita, Kansas, in the early spring of 1931 to offer scheduled, multistop passenger service to Kansas City and Blackwell, Oklahoma. The Ford 4-AT-17 is acquired on April 28 and employed to inaugurate flights in November.

Without a mail contract, insufficient passenger traffic is generated and when the trimotor is destroyed in a Blackwell hangar fire on March 15, 1932, the company is forced out of business.

SKYWAY AIRLINES (1): United States (1960–1980). Early in 1960, Skyway Aviation, Inc., the FBO at Fort Leonard Wood, Missouri, establishes a scheduled air taxi division and applies for certification, which is duly granted by the FAA on March 18. Employing a Lockheed Model 10A, a Beech 18, and a Piper PA-32 Cherokee Six, semi-scheduled passenger and cargo flights to St. Louis via Rolla are maintained until 1968.

Regularly scheduled flights begin in 1969 as Douglas DC-3 roundtrips to Chicago commence. Between 1970 and 1980, the company enlarges its fleet by the addition of Beech B-80 Queenaires and undertakes regular frequencies to Lake of the Ozarks, Kansas City, and Columbia. Operations cease in April of the latter year.

SKYWAY AIRLINES (2): 4792 South Howell Avenue, Milwaukee, Wisconsin 53207, United States; Phone (414) 747-4750; Fax (414) 769-4272; <http://www.midwestexpress.com/company/aboutsk.html>; Code YX; Year Founded 1989. Skyway Airlines is formed at Milwaukee, Wisconsin, in early spring 1989 as a subsidiary of Farmington, New Mexico-based **Mesa Airlines**, which signs an agreement with **Midwest Express Airlines** to operate a code-sharing "Midwest Express Connection" service, beginning with four Beech 1900s. Scheduled services to 17 surrounding communities in 4 Midwestern states commence on April 17. Thereafter, traffic and financial results are consolidated with those of **Mesa Airlines**, which reports that its new subsidiary's first eight months are profitable.

The carrier adds five cities to its route network in 1990, along with two Beech 1900Cs. Daily nonstop Milwaukee to Grand Rapids and Muskegon flights are added in August 1991. Simultaneously, twice-daily Beech 1900C flights are started from Milwaukee to Louisville, along with two daily directs from Milwaukee to Oshkosh. A fourth daily nonstop is launched from Milwaukee to Rockford.

Operations continue apace in 1992 and in 1993 Chairman Larry Risley and President Rolly Bergeson oversee a workforce of 150 and operate a fleet of 12 Beech 1900Cs. Destinations now served include the Wisconsin cities of Appleton, Bloomington, Cedar Rapids, Chicago (MDW), Des Moines, Detroit, Flint, Grand Rapids, Green Bay, Indianapolis, Kalamazoo, La Crosse, Lansing, Louisville, Madison, Milwaukee, Muskegon, Omaha, Saginaw/Bay City, Traverse City, and Wausau, as well as Rochester, New York. A net \$5.18-million profit is reported for the year.

When the "Midwest Express Connection" contract ends in 1994, **Mesa Airlines** withdraws this service, which is taken over by the national-sized carrier, and operated by it through its owned subsidiary, Astral Aviation, which in turn operates Skyway. Thirteen Beech 1900C/Ds maintain the previous routes.

On May 15, the company begins weekday nonstop roundtrips from Champagne/Urbana, Illinois, to Peoria and Detroit and one-stops from Champagne/Urbana to Rockford.

Enplanements for the year total 204,865 and revenues jump 61.7% to \$38.63 million. Net gain falls all the way down to \$546,000.

Having joined the company eight years earlier, Brenda Skelton is named senior vice president-marketing and customer services in February 1995. Former **Continental Airlines** official Dennis J. Crabtree becomes senior vice president-operations in September.

The company's 15 aircraft transport a total of 308,942 passengers, a 44% increase.

Airline employment stands at 238 in 1996 as 2 more Beech 1900Ds are added. Twice-daily weekday roundtrips commence on May 1 between Milwaukee and Nashville. Simultaneously, thrice-daily weekday roundtrips are introduced between Nashville and Grand Rapids, Michigan, with twice-daily weekday roundtrips from the Nashville to Dayton. Controller Robert S. Bahlman is named vice president/chief financial officer in December.

Customer bookings for the year move ahead by 4.8% to 323,857.

Destinations visited in early 1997 include Appleton, Atlanta, Boston, Chicago (MDW), Cincinnati, Cleveland, Dallas (DFW), Dayton, Denver, Des Moines, Flint, Grand Rapids, Green Bay, Indianapolis, Kansas City, La Crosse, Lansing, Los Angeles, Madison, Milwaukee, Muskegon, Nashville, New York (LGA), Newark (EWR), Orlando, St. Louis, San Francisco, South Bend, Toronto, Washington, D.C. (DCA), and Wausau.

DHL Worldwide Express Director of Flight Operations David C. Reeve is named president/CEO of Astral Aviation, the airline's parent, on March 1. Six-times-daily nonstop Beech 1900 return flights commence on June 1 between Milwaukee and Marquette, Michigan.

On October 1, the carrier introduces six-times-a-day Beech 1900D nonstop roundtrips between Milwaukee and Escanaba, Michigan, and four-times-a-day nonstop roundtrips between Escanaba and Chicago (MDW).

Local chapter members of ALPA conduct informational picketing at Milwaukee on October 17 and October 20.

On November 19, the NMB declares an impasse in the two-year-old labor talks between Skyway pilots and their management. A mandatory 30-day cooling off period, after which both sides are free to engage in "self-help" measures, goes into effect.

On December 2, pilots vote that unless a tentative agreement is reached with management by December 20, their form of "self-help" will be a strike and work stoppage.

Passenger boardings during the 12 months fall 3.7% to 311,789.

After two years of negotiations between the carrier and the local ALPA chapter, company pilots strike in January 1998. After less than an hour, the flyers have a new four-year contract, which requires ratification by the 135 line pilots.

In February, 99% of the company's pilots vote to ratify the agreement with Skyway.

Having not performed to company expectations, the new service to Chicago (MDW) is withdrawn on March 31. The aircraft that are freed up are employed on April 20 to inaugurate six-times-weekday roundtrips between Milwaukee and Traverse City, Michigan.

Flight 1844, a Beech 1900D, blows all of its main landing gear tires upon landing at Nashville on July 7.

Midwest Express Holdings Chairman Timothy E. Hoeksema announces on July 8 that it will become U.S. launch customer for the Fairchild Dornier 328JET, a new regional jet configuration of the aircraft manufacturer's 328 turboprop. Five firm orders are placed for the aircraft, with an option to purchase 10 more; the first machines are scheduled to be delivered to Skyway beginning in March.

Customer bookings accelerate 14% to 355,376.

By the beginning of 1999, the workforce has been increased by 16.2% to 322.

While en route from Grand Rapids, Michigan, to Milwaukee on February 8, a Beech 1900D with 2 crew and 12 passengers encounters a flock of Canadian geese while flying in broken clouds. One of the birds smashes into the plane's right engine, which must subsequently be shut down. Although an emergency is declared, the turboprop is able to make a safe landing at its destination, with no injuries reported.

Together with its **Midwest Express** parent, Skyway, on April 29, introduces electronic ticketing to those travel agencies across the U.S. that are equipped with the Amadeus reservations system.

The number of weekday "Midwest Express Connection" frequencies from Milwaukee and Wausau/Stevens Point, Wisconsin, is increased from 8 to 12 on May 10.

The first two 328JETs are delivered to launch customer Skyway on August 9. Meanwhile, pilot training for the new regional jets continues at Fairchild headquarters at San Antonio, Texas. Skyway introduces 328JET service on November 1, providing four-times-a-day return flights over a new route from Milwaukee to Pittsburgh. The new regional jets also enter service in four existing markets visited from Milwaukee: Indianapolis in late October, Green Bay and Stevens Point in mid-November, and Nashville in late November.

In December, new six-times-weekday Beech 1900D roundtrips are introduced between Milwaukee and Cedar Rapids; this is the only nonstop service available between the two points.

Passenger boardings climb 8.4% to 385,000. Revenues advance 8.2% to \$44.88 million, while expenses are up 12.5% to \$42.98 million. A \$1.9-million operating profit is posted.

A total of 332 workers are employed at the beginning of 2000.

Twice-weekday Beech 1900D return service is inaugurated on March 13 between Milwaukee and Fort Wayne, Indiana.

On April 2, thrice-daily Beech 1900D roundtrips are launched from Milwaukee to Cedar Rapids, Iowa. Fifteen days later, twice-daily 328JET return flights (one not flown on Saturday and the other on Sunday) begin from Grand Rapids to Washington, D.C. (DCA).

Orders are placed on May 2 for five additional 328JETs and five 428JETs, with no deliveries expected before 2001.

The existing daily turboprop service between Des Moines and Milwaukee is upgraded on June 15 when it is taken over by a **Midwest Express Airlines** DC-9. Plans call for one of the new 328JETs to be placed on the route, beginning in late summer.

Daily roundtrips between Milwaukee and Little Rock commence on October 29. The routes from Milwaukee to Fort Wayne and Grand Rapids to Toronto are closed on November 30.

Customer bookings during these 12 months jump 21.1% to 445,842.

SKYWAY COMMUTER: United States (1983–1985). The former **Air Florida** commuter **Skyways of Ocala** is renamed in 1983. With 3 Beech 99s and 1 Piper PA-31-350 Navajo Chieftain, scheduled services are maintained for two years linking the company's Ocala base with Fort Lauderdale, Orlando, Pensacola, Tallahassee, and West Palm Beach. Enplanements for the year total 51,000.

Unable to recover from the **Air Florida** collapse, the airline has a bad 1984. The situation does not improve in 1985 and in November, the airline ceases operations after merger negotiations with **Air New Orleans** fail. No traffic or financial figures are released during the two-year slide to extinction.

SKYWAYS: United States (1972–1985). The Fayetteville, Arkansas-based commuter airline **Scheduled Skyways** is reformed following its purchase by a group of investors on October 1, 1972, and is renamed **Skyways**, although the **Scheduled Skyways** moniker will continue to be employed by many in the aviation press. With a fleet comprising 1 Piper PA-31 Navajo Chieftain and 2 Beech 99s, President Raymond A. Young III's company maintains services to Little Rock, Harrison, Hot Springs, Jonesboro, and Texarkana.

In mid-decade, services are inaugurated to Dallas, Kansas City, Tulsa, St. Louis, and Memphis. A total of 63,517 passengers are boarded in 1977.

Following passage of the Airline Deregulation Act in 1978, the company begins a rapid expansion program. Enplanements rise 13.7% to 72,197.

The workforce is increased a whopping 94.1% in 1979 to 165 and the fleet is increased to include 5 Swearingen Metro IIs, 3 Beech 99s, and 1 Piper PA-31-310 Navajo.

Passenger boardings skyrocket 59.8% to 115,411.

The employee population rises 12.9% in **1980** to 175. Two additional Metro IIs are acquired and services are inaugurated to Springfield, Nashville, Fort Smith, Knoxville, Birmingham, and El Dorado.

Bookings climb 16.8% to 134,758 and operating income skyrockets 75.4% to \$8.07 million.

Services are initiated in **1981** to Mobile, Pensacola, Jackson, and Oklahoma City. More Metro IIs join the seven already on hand and orders are placed for six Avions de Transport Regional ATR42s.

Bookings at new Chairman/CEO Robert L. Shults' carrier rise 26.4% to 170,408. Freight accelerates 65.9% to 218,682 pounds.

Traffic growth continues in **1982** with 196,144 customers enplaned, a 15.1% increase. Freight increases a spectacular 120.8% to 482,875 pounds.

The payroll is increased by 15.7% in **1983** to 325 and the fleet now comprises 14 Metroliners.

While taxiing on the ground at Hot Springs, Arkansas, on August 27, a Swearingen Metro II with two crew and two passengers suddenly catches fire; although all four persons are safely evacuated, the plane is burned out.

The Arkansas traveler rises to the ranks of the nation's large regionals at year's end and records a 13.4% acceleration in boardings to 222,330; cargo rises 2.4% to 495,000 pounds.

The unbroken string of successes continues for the privately held carrier in **1984** as 225,196 passengers are transported, a 1.3% increase. A Nord 262 is acquired. Buoyed by its achievements in deregulated airspace, the company extends frequencies to 24 additional cities in Alabama, Arkansas, Florida, Mississippi, Missouri, Oklahoma, Tennessee, and Texas.

Despite its traffic growth, Skyways has had financial difficulties for several years and has struggled with the costs of its expansion in an era of rough competition. For the six months ending June 30, the airline takes a \$319,000 net loss on revenues of \$8.9 million. On September 24, an agreement is reached whereby Skyways will become a wholly owned subsidiary of its northern neighbor, **Air Midwest**. To facilitate the union, **Air Midwest** issues one common share of its stock in exchange for each 2.75 held in Skyways.

Customer bookings inch upward 1.3% to 225,196, but freight is down by 12.9% to 431,000 pounds.

The merger of the two companies is completed on January 17, **1985** and thereafter they briefly operate as separate entities while integrating. On June 3, the new subsidiary, which has flown as **Air Midwest Skyways**, is entirely absorbed by its parent. The last independent flight is completed on June 25.

SKYWAYS, LTD.: United Kingdom (1946–1964). Originally organized in 1929 to offer sight-seeing flights, Skyways, Ltd., is reorganized for commercial services on March 12, **1946**, by Brig. Gen. A. C. Critchley, Sir Alan Cobham, and **British Overseas Airways Corporation (BOAC)** Capt. R. J. Ashley. Capitalized at £1,000 per share, the carrier employs Ashley as managing director. A fleet of 2 Avro Yorks, 2 Avro Lancastrians (*Sky Diplomat* and *Sky Lane*), and a DH-89A (*Sky Trail*), is assembled, a contract is negotiated with the Anglo-Iranian Oil Company, and revenue flight services commence on May 14 with a York flying Manston–Basra via Malta and Cairo.

On May 31, inclusive-tour flights on behalf of Sir Henry Lunn, Ltd. begin to Zurich. Two Douglas DC-3s, the *Sky Hawk* and *Sky Ward*, are added in August, followed by a third, the *Sky Liner*, in September and a de Havilland DH 104 Dove I, the *Sky Maid*, in October. In November, the government airfield at Dunsfold is purchased and converted into the company's main base.

By November 30, a total of 7,309 passengers and 140 tons of freight have been flown 741,381 miles.

Two new Lancastrians are purchased on November 1; one is named *Sky Ambassador*, but the other Lancastrian is lost in a Dunsfold hanger fire on December 8 before it can be named. Another Lancastrian is

bought in early December and christened *Sky Chieftain* and later in the month, Cobham resigns from the board of directors to be replaced by Member of Parliament Group Capt. C. A. B. Wilcock.

Airline employment is increased to 1,000 in **1947**.

The Avro 691 Lancastrian 1 freighter *Sky Diplomat* with four crew crashes at the H3 landing ground in Iraq on May 11; there are no survivors. With 7 crew and 17 passengers, the Avro 685 York I *Sky Consul*, acquired in February, is involved in a landing accident at London (LHR) on July 25; although the aircraft must be written off, there are no fatalities.

Charter flights are launched to a variety of new destinations, including Palestine, Hong Kong, China, the Canary Islands, Thailand, Kuwait, Dar es Salaam, Greece, Italy, and Indochina. Swiss charter flights for Sir Henry Lunn, Ltd., continue during the summer.

The Avro 691 Lancastrian 3 freighter *Sky Path* with three crew aboard fails its takeoff from Nutts Corner, Belfast, Ulster, on October 3; although the aircraft must be written off after the accident, there are no fatalities.

The fleet is increased by the addition of six more Lancastrians (*Sky Scout*, *Sky Consort*, *Sky Ruler*, *Sky Minister*, *Sky Envoy*, *Sky Trainer*), a Lockheed 12A, and four DC-4s (converted military C-54s) from **KLM (Royal Dutch Airlines, N.V.)**, christened *Sky Alliance*, *Sky Champion*, *Sky Freedom*, and *Sky Wisdom*. At year's end, the Drayton Group purchases a significant holding.

Weekly Nairobi–Mauritius Lancastrian service begins in January **1948**. Sir Henry Lunn, Ltd. continues to employ company aircraft to fly inclusive tours from London (Northolt) to Geneva. An interest is taken in Croydon-based **Morton Air Services, Ltd.** On May 14, the Dove I *Sky Muse*, is lost in a Mount Coron crash. Three of the ex-KLM (**Royal Dutch Airlines, N.V.**) DC-4s enter service in the spring, followed by the fourth in September, and are employed to provide **British Overseas Airways Corporation (BOAC)** replacement flights to Bahrain and Abadan.

The Lancastrians *Sky Consort*, *Sky Envoy*, *Sky Ruler*, *Sky Minister*, *Sky Trainer*, and *Sky Envoy* are, like the DH-89A *Sky Trail* and the DC-3 *Sky Liner*, sold during the summer. Another York I is purchased in October. On November 16, three Avro Yorks begin participation in the Berlin Airlift, flying from Wunsdorf. On December 16, a company York makes the 5,000th airlift landing by a civilian aircraft. The three-ship DC-3 fleet of **Air Contractors, Ltd.** is acquired in December; these are christened *Sky Dispatch*, *Sky Lancer*, and *Sky Warrior*.

A total of 9,622 passengers are flown on the year.

On January 2, **1949**, four Avro Lancastrian tankers are assigned to the Berlin Airlift.

The C-54A *Sky Wisdom* with 9 crew and 44 passengers is lost while on initial approach to Castle Benito Airfield, Libya, on February 4 (one dead). While on approach to Gatow Airport in Berlin on March 15, the Avro 685 York I *Skyway* with three crew, crashes; there are no survivors.

Two Lancastrians, the *Sky Consort* and *Sky Kingdom*, are purchased in April. Service in the Berlin Airlift continues, but not without loss.

The Avro 685 York C.1 *Sky Dominion*, with three crew, is lost at Neustadt, Germany, on June 19; although the plane must be written off, there are no fatalities. The Avro 691 Lancastrian 4 *Sky Scout* with four crew, is damaged beyond repair while landing at Berlin's Gatow Airport on June 26.

During the last eight months of the commercial phase of the Allied operation, Skyways, Ltd.'s Lancastrians mount 1,655 sorties and the Yorks 1,081; together, the planes fly a total of 23,488 tons of fuel and supplies into West Berlin.

Meanwhile, during the year, charters are flown to Mombasa, Dar es Salaam, Mozambique, Lourenco Marques, Durban, and the Far East. The Mauritius route is closed, but two DH-104s are stationed in India. Late in the year, **British Overseas Airways Corporation (BOAC)** assumes responsibility for those routes it had contracted out to Skyways, Ltd. earlier. As a result of this move and the end of the Berlin Airlift, the independent is forced to lay off some 400 employees and retire its Lancastrians. Enplanements for the year are 13,786.

In February 1950, the carrier's three DC-4s are purchased by **Air France**. The **Morton Air Service, Ltd.** interest is sold. On March 1, the company is liquidated by its owners and all of the Lancastrians, Yorks, and most lightplanes are sold in April. Capitalized at £157,500, a new Skyways, Ltd. is registered on March 31 to assume the business of the old. With six DC-3s and the board of directors carried over, revenue flight operations are resumed from London to Nairobi on May 14. Business remains slow, and by year's end the fleet consists of just 2 Douglas transports.

These are operated during 1951 exclusively in Kuwait on behalf of the Kuwait Oil Company. In June, the two DC-3s in Kuwait are sold and the company, although remaining in existence, ceases flying after return of a leased **Crewsair, Ltd.** DC-3 in December.

In March 1952, Skyways is purchased for some £157,000 by the **Lancashire Aircraft Corporation, Ltd.**, with the parent company being re-named **Lancashire Aircraft Corporation and Skyways, Ltd.** LAC & S now transfers to its new subsidiary its own fleet of 20 Avro Yorks and 3 ex-military Handley Page Halifaxes, concentrating on single- and twin-engine operations. Skyways, Ltd. now relocates its base of operations to Bovington Airport. In pre-merger Skyways, Ltd. livery, the Yorks resume the Ministry of Defence troop-carrying contracts of **Lancashire Aircraft Corporation, Ltd.**, with the first plane departing for the Caribbean on June 2.

In July and August, other Yorks fly charters from England to Helsinki for the Olympic Games. Among the various new charter destinations now added are Stockholm, Amsterdam, Bangkok, Hamburg, Cairo, and Dublin. In October, operations are transferred from Bovingdon to London (STN).

On November 25, **Eagle Aviation, Ltd.**'s five Yorks are purchased for £160,000, along with an Air Ministry troop-carrying contract to Rhodesia for air cadets, making Skyways, Ltd. the world's largest operator of the type. On December 12, the Halifax *Air Voyager* is lost in a Blackpool crash; the Halifax, *Air Regent*, is now withdrawn.

A total of 40,000 troops are carried on the year.

On February 3, 1953, a York is lost over the Atlantic while en route to Gander (39 dead). During the same month, the Air Ministry's Rhodesian contract is cancelled in the face of training cutbacks. In April, the final Halifax, *Air Trader*, is withdrawn and the carrier's Yorks make 11 troop-carrying flights to Nairobi as British troops are sent in to deal with terrorists.

Two more Yorks are added to the fleet in July. Every-tow-weeks, low-fare Colonial Coach or "Crusader" services from the U.K. to Cyprus via Malta commence on November 11.

Enplanements during the 12 months are 71,736.

The U.K.-Nicosia "Crusader" frequency is increased to weekly in 1954. An Avro 685 York C.1 with three crew is lost at Kyritz, Germany, on June 26; there are no survivors.

In March 1955, the Bibby Line purchases control of Skyways, Ltd. and capitalization is increased to £315,000. The former **British Overseas Airways Corporation (BOAC)** Handley Page HP-81 *Hermes* 4s *Hanno*, *Heracles*, *Hector*, *Herodotus*, *Hesperides*, *Hestia*, *Hera*, *Helios*, and *Honor* are acquired and begin flying inclusive-tour commercial charters. On June 10, the *Honor* is leased to **Middle East Airlines, S.A.L.** (1). In late summer, the subsidiary **Skyways Coach-Air, Ltd.** is formed.

Two DC-3s are transferred from **Lancashire Air Corporation, Ltd.** and employed to launch, in association with **Skyways Coach-Air Ltd.** but still in LAC colors, Coach-Air London-Paris proving flights on September 22. Following proving flights that continue until September 24, the subsidiary's two DC-3s, piloted by Capt. J. S. Morgan and E. R. Skemp, introduce the scheduled Coach-Air concept on September 30 over a route London and Lympe to Beauvais, Tille, and Paris.

Only the Lympe-Beauvais and Tille segment is flown, the remaining portions of the journey being traversed by motor bus. By December, the HP-81s have largely replaced the Yorks on MOD "trooping" charters.

Enplanements for the year total 35,574.

A bomb explodes in the forward cargo compartment and destroys a *Hermes* 4 at Nicosia, Cyprus, on March 4, 1956. There are no injuries reported from the incident.

Between November 16 and December 14, DC-3s make four roundtrips U.K.-Vienna, lifting out Hungarian refugees. In December, the **Lancashire Aircraft Corporation, Ltd.** is sold to Britavia Group, but Skyways, Ltd. is not a part of the purchase.

Avro Yorks commence London-Singapore freight service on behalf of **British Overseas Airways Corporation (BOAC)** in early 1957. London-Vichy Coach-Air frequency is inaugurated on June 28, the Lympe-Vichy segment being flown. When the last two Avro Yorks are withdrawn from **British Overseas Airways Corporation (BOAC)** service on November 22, they are immediately purchased by Skyways, Ltd.

On April 1, 1958, the *Hermes* 4 *Hera*, with three crew and undergoing tests, crashes at Meesden Green near London (STN); there are no survivors.

After a decade of service as a flying test bed for the Armstrong-Siddeley Motors, Ltd. Mamba turboprop engine, a C-47, reconverted to civil DC-3 status with its original Twin Wasp radials reinstalled, is purchased on June 4. Promoted by Eric Rylands, Skyways Holding Co., Ltd. is formed and in November, purchases 80% of the stock of **Bahama Airways, Ltd.** from BOAC Associated Companies. **Bahama Airways, Ltd.** is renamed **Skyways (Bahamas), Ltd.** The *Honor*, leased to MEA three years earlier, is withdrawn in December and scrapped.

Although the sale does not take effect until April 1, 1959, **Skyways (Bahamas), Ltd.**, employing *Hermes* 4s, launches service Nassau-Miami, West Palm Beach, and Fort Lauderdale in late winter. The American CAB raises questions concerning traffic rights and the HP-81s prove more and more unsuitable to their routes as the year wears on. In May, a letter of intent is signed with Avro for the purchase of three of its new turboprop-powered Model 748s.

Chartered Lockheed L-749As replaces the *Hermes* 4s as of July 25 on the parent's London-Singapore all-cargo service, now being flown under contract to **British Overseas Airways Corporation (BOAC)**. The *Hermes* 4 *Horatius*, *Herodotus*, and *Hesperides* are scrapped at year's end.

The *Hermes* 4 *Hector* is leased to **Bahamas Airways, Ltd.** for a year in January 1960. Later increased to twice weekly, weekly L-749A contract flights are inaugurated on April 26, London-Malta and Tunis on behalf of **British European Airways Corporation (BEA)**, replacing the long-haul Singapore service provided to **British Overseas Airways Corporation (BOAC)**.

The HP-81 *Heracles* is damaged beyond repair in a landing at London (LHR) on March 8. Passenger traffic on the Nassau-Florida route having eroded during the year, BOAC Associated Companies, in December, elects to repossess its former **Bahama Airways, Ltd.** subsidiary, thereby forcing **Skyways (Bahamas) Ltd.**, to cease trading.

The fleet in 1961 includes 4 L-749As, 5 *Hermes* 4s, 7 Avro Yorks, 4 DC-3s, and 1 DH-89A; the *Hermes* 4s are sold to **Air Safaris, Ltd.** in March. In September, Eric Rylands purchases the Bibby Line's shares and organizes the holding company Eric Rylands, Ltd. to control Skyways, Ltd. and **Skyways Coach-Air, Ltd.**

The **British Overseas Airways Corporation (BOAC)** Far Eastern freight contract ends on March 31, 1962 and one L-749A is returned to the flag carrier. Having received its first aircraft the previous month, **Skyways Coach-Air, Ltd.** on April 17 becomes the first U.K. operator of the Avro 748, placing it into service on cross-Channel flights between Lympe and Beauvais. On September 1, Skyways is purchased by **Euravia, Ltd.**, but is allowed to continue certain charter operations under its presale identity; however, the subsidiary **Skyways Coach-Air, Ltd.** is not part of the acquisition.

In its last complete year of operations, Skyways, Ltd. in 1963 transports a total of 12,660 passengers and 80 tons of freight. All Skyways scheduled and charter work are assumed by **Euravia, Ltd.** in April 1964. The last York is retired on October 8.

SKYWAYS (EAST AFRICA), LTD.: Kenya (1948–1951). SEA is established at Nairobi at the beginning of 1948 and employing a Douglas C-47A, inaugurates scheduled flights to Mauritius via Dar es Salaam and Tananarive on January 13. Flights continue until 1951.

SKYWAYS AVIA, A.B. See **SKYWAYS EXPRESS, A.B.**

SKYWAYS AVIATION: United States (1967). Skyways Aviation, the FBO at Orlando, elects to begin a scheduled air taxi service in 1967. Employing a Cessna 310, the company duly inaugurates frequencies to local destinations; these cannot, however, be maintained through year's end.

SKYWAYS CARGO AIRLINE, LTD.: United Kingdom (1971–1980). Formed in April 1967 as the Lympne Airport-based travel agency of **Skyways Coach-Air, Ltd.**, the company is reformed in early February 1971 following the collapse of its parent on January 21. The new owner, **Air Freight, Ltd.**, which had purchased three Douglas DC-3s from **Skyways, Ltd.** in 1970, now acquires the cargo portion of that airline.

Ownership is divided between Eric Rylands, Ltd., Sea Freight, Ltd., and Beauvais Transit, S.A. The new subsidiary begins all-freight operations on February 21. Exeter-based **South-West Aviation, Ltd.** is taken over in 1973.

Following the closure of Lympne Airport in November 1974, the base of operations is transferred to Lydd Airport, near Rye, Sussex. **Air Freight, Ltd.** is reformed and is renamed **Skyways Cargo Airline, Ltd.** in May 1975. Chairman Eric Rylands and Managing Director T. C. Beddowes now oversee a workforce of 150. The company's five DC-3s continue to maintain scheduled frequencies to Antwerp and Beauvais. Two more Douglas transports join the fleet, making SCA the largest DC-3 operator in Europe.

Flights continue apace in 1976–1979; however, the carrier is unable to withstand the costs associated with the fuel situation in the latter year and must cease operations in 1980.

SKYWAYS COACH-AIR, LTD.: United Kingdom (1962–1972). On September 1, 1962, **Skyways, Ltd.** is purchased by **Euravia, Ltd.**, however, its subsidiary **Skyways Coach-Air, Ltd.** is not part of the acquisition. At the time of the changeover, the **Skyways Coach-Air, Ltd.** fleet is comprised primarily of Douglas DC-3s and two new Avro, later Hawker Siddeley, 748s. A third HS 748 is acquired in April 1963. Two Douglas DC-3s, converted into freighters, begin all-cargo Lympne to Beauvais service in the spring of 1964.

In June 1965, HS 748 coach-air service is initiated Lympne to Tours and Vichy. To replace capacity lost when an HS 748 is leased to **Leeward Islands Air Transport, Ltd.**, a Fokker F.27-100 Friendship is chartered for the summer from **Schreiner Airways, B.V.**

An HS-748-1A with 4 crew and 48 passengers is destroyed as the result of a bad landing at Lympne on July 11; there are no fatalities. It is replaced by an HS 748 leased for a month from the manufacturer.

A C-47B with 3 crew and 29 passengers is destroyed as the result of a bad landing at Le Treport, France, on December 17; there are no fatalities.

There are no service or fleet changes in 1966, but in March 1967, two HS 748s are purchased from **BKS Air Transport, Ltd.** Transport Holdings Company purchases 50% interest in the carrier in October and now begins loaning the airline £1 million per year.

In April 1968, Lympne Airport, now with a concrete runway, is renamed Ashford Airport. During the summer tourist season, an Airspeed AS-57 Ambassador and an extra HS 748 are chartered from **Autair International Airways, Ltd.** Ford Motor Company underwrites

a twice-daily London (STN)–Cologne HS 748 service in January 1969. In November, another HS 748 is purchased.

When it is unable to obtain another loan installment in the winter of 1970, the carrier is forced to cease trading on January 20, 1971. Backed by Sterling Securities, a group of investors, led by former **Skyways Coach-Air, Ltd.** Commercial Manager John Knox, purchases the passenger portion of the defunct airline and four HS 748s late in the month,

renaming it **Skyways International, Ltd.** Scheduled operations resume on February 8, Ashford–Beauvais.

In February 1972, **Dan-Air/Dan-Air Services, Ltd.** enters into negotiations for the purchase of the carrier, successfully completing a £650,000 deal on April 12. **Skyways International, Ltd.** is briefly known as **Dan-Air Skyways, Ltd.**, but is quickly thereafter integrated.

SKYWAYS ENTERPRISE, A.B.: Flyfaltsgatan 31, Torslanda, S-41337, Sweden; Phone 46 31 92 60; Fax 46 31 92 34 34; http://www.flying.se; http://www.flygtorget.se/flygbolag/blue_index.html; Code F3; Year Founded 2000. In 1998, founder Eigil Jakobsen is president of **Flying Enterprise, A.B.**, with Alf Lindqvist as chairman. The employee population numbers 103 and the fleet comprises 3 Piper PA-31-350 Navajo Chieftains, 2 Metro IIs, 3 British Aerospace BAe Jetstream 31s, 3 Shorts 360-300s, and 1 Shorts 330. Destinations visited include Gdansk, Halmstad, Jonkoping, Skovde, Stockholm (Arlanda and Bromma Airports), and Visby.

To make up for the loss of feeder services provided by **Air Botnia, A.B.** before its purchase by **SAS (Scandinavian Airlines System)**, **Finnair O/Y** enters into an arrangement with **Flying Enterprise**. Four SAAB 340s previously employed by **Finnaviation, O/Y** are sold to the Swedish regional, and then wet-leased back to **Finnair**.

This new approach to covering Finnish domestic service does not prove profitable and **Finnair O/Y** serves notice that it would like to terminate its arrangement at the end October 1999. That date will actually be missed by six months.

During the fall of 1999, President Jakobsen enters into negotiations with the large Swedish regional **Skyways, A.B.** concerning a possible equity stake or corporate takeover. On January 18, 2000, **Skyways Holdings, A.B.** agrees to purchase 900,000 A shares of **Flying Enterprise, A.B.** from Tippi Fastighets, A.B. for SKr 62.50 per share; B shares will fetch SKr 60 per share. The board of directors approves of the sale at a special meeting on February 15. The remaining B shares are purchased from other shareholders and the entire transaction is completed by February 28.

Renamed **Skyways Enterprise**, the company's agreement with **Finnair O/Y** is cancelled during the first week of March, leading to termination of the wet-lease service operated by **Flying Enterprise** from Helsinki to Mikkeli.

On October 1, three other **Skyways, A.B.** subsidiaries, **Highland Air, A.B.**, **Air Express I Norrkoping, A.B.**, and **Airborne of Sweden, A.B.**, are combined to form Hultsfred-based **Skyways Regional, A.B.**

Skyways Enterprise continues to operate as a wholly owned subsidiary, concentrating on feeder traffic from Stockholm's Bromma Airport.

SKYWAYS EXPRESS, A.B.: Box 915, Arlanda, S-19586, Sweden; Phone 46 (8) 595-13500; Fax 46 (8) 595-13590; http://www.skyways.se; Code JZ; Year Founded 1993. On October 15, 1992, the troubled Swedish commuters **Avia Airlines, A.B.** and **Salair, A.B.** effect a merger. This union is upgraded in early 1993 when **Salenia, A.B.**, the family shipping and offshore energy industry concern that owns the latter, purchases the enlarged carrier and renames it **Skyways Avia, A.B.** Former **Malmo Aviation, A.B.** executive Jan Palmer is named president/CEO.

The fleet of the large regional now includes 6 SAAB 340As and 4 Shorts 360-300s. A number of new routes are added. Markets served from Stockholm (Arlanda), Linkoping, Norrkoping, Orebro, and Visby now include Copenhagen, Kalmar, Linkoping, Mora, Norrkoping, Stockholm, Riga, and Visby.

Enplanements total 42,000 and despite the elimination of Saturday and Sunday flights, a loss of \$5.3 million is taken.

Airline employment stands at 175 in 1994. The Shorts turboprops are replaced with two more SAAB 340As. Employing a single SAAB 340QC, night freight flights are inaugurated from Stockholm to Sundsvall and Lulea. Using Stockholm's Bromma Airport located downtown as an alternative to Arlanda Airport, the company signs a feed agreement with

Deutsche Lufthansa, A.G. and begins to compete with **SAS (Scandinavian Airlines System)**.

Enplanements jump to 318,964, revenues are \$38.6 million, and there are profits: \$1.1 million (operating) and \$546,000 (net).

In January **1995**, a Fokker 50 is wet-leased from **Flugfelag Islands, H.F./Icelandair**. It is joined in May by the first of the new Fokker 50s and placed in service from Stockholm's Arlanda Airport to Borlange and Visby in Gotland. The fleet is also increased by 13 SAABs and by the second Fokker 50, which is delivered in August. A bright new livery is introduced in September.

Destinations visited in **1996** include Arvidsjaur, Borlange, Copenhagen, Gallivare, Kramfors, Lycksele, Orebro, Pori, Storuman, Trollhattan, Vilhelmina, and Visby.

Enplanements for the year total 565,830.

In order to guarantee itself feed, the company, in March **1997**, takes 91% majority ownership in another regional, **Highland Air, A.B.** The Highland company name and management remain unchanged.

Acting on behalf of **Kendell Airlines (Pty.), Ltd., Ansett Australia (Pty.), Ltd.** agrees in May to trade four Fokker 50s to Skyways in exchange for four SAAB 340As.

New routes opened during the year include Borlange to Copenhagen, Stockholm (Arlanda) to Bergen and Jyvaskya, and Goteborg to Umea and Sundsvall. Twice-daily roundtrips between Malmo and Vasteras commence on October 13.

Passenger boardings during the 12 months increase 18% to 667,520.

Destinations visited in early **1998** include Arvidsjaur, Bergen, Borlange, Copenhagen, Gallivare, Goteborg, Hultsfred, Kiruna, Kramfors, Linkoping, Lycksele, Malmo, More, Orebro, Oskarshamn, Pori, Stockholm (Arlanda Airport), Storuman, Sundsvail, Trollhattan, Umea, Vasteras, Vilhelmina, and Visby.

At the request of officials in Gallivare, a second daily Fokker 50 roundtrip is initiated on January 12 between that city and Stockholm (Arlanda). Twice-daily J-32 return service is inaugurated by the **Highland Air, A.B.** subsidiary on February 16 between Malmo and Orebo, while the number of daily roundtrips from Malmo to Vasteras is boosted from two to three.

On April 29, a 25% stake in the carrier is purchased by **SAS (Scandinavian Airlines System)**. Against the advice of some of his closest advisors, Chairman Palmer pushes the arrangement as a measure to ensure the airline's future development and to end a period of aggressive, if not always successful, competition with the multinational major. Skyways becomes a regional partner of SAS (which is allowed to nominate one member to the Skyways Holding board), retaining its independence and even the livery on its airplanes. A strategic marketing pact is signed between the two airlines under which the two begin to code-share and sell tickets on each other's flights; Skyways is able to participate in the SAS EuroBonus frequent flyer program.

An order for two Embraer ERJ-145 ExpressJets is placed on October 15, together with three options. On October 2, Skyways purchases **Air Express I Norrkoping, A.B.** from Thomas Sjo, intending to maintain the Air Express identity and expand its route network so as to more effectively feed the new parent at Stockholm.

The first two ERJs arrive in late November and early December.

Enplanements during these 12 months total 759,000 on 40,983 scheduled departures. Revenues jump 24% to SKr 879 million and a net profit of SKr 41 million (\$4.9 million) is generated.

The workforce at the start of **1999** totals 513, a 7% increase over the previous year. Plans are announced for the recruitment of 40 new employees to handle connections at Arlanda Airport, where Skyways is now the second-largest operator in terms of takeoffs and landings, and 20 for Gothenburg.

New twice-daily ERJ-145 international services, operated in cooperation with **SAS (Scandinavian Airlines System)**, are inaugurated on January 11 from Goteborg to Helsinki. Goteborg's Landvetter Airport becomes a new RJ second hub for the company and a viable alternative to Stockholm's Arlanda Airport.

At the end of March, ERJ services are launched from Goteborg to Brussels and from Stockholm to Vaasa, Pori, and Bergen, from Vasteras to Oslo, and from Linkoping, Vaxjo, and Borlang to Copenhagen. Orders are placed on April 12 for two more ERJ-145s.

Total acquisition of **Air Express I Norrkoping, A.B.** and **Highland Air, A.B.** by Skyways is completed on May 12. Their routes are now completely integrated in Skyways' national and international traffic systems. The same day, Jan Palmer moves up to become president/CEO of Skyways Holding, A.B. He is succeeded as president of the airline by Skyways Flight School Vice President Kjell-Ake Westin; Peter Korning, Skyways production manager, becomes the new vice president.

As the result of a ruling by the EU Commission in June, previously expended environmental fees of SKr 27.5 million for 1995-1996 are credited to Skyways' revenues. Planning begins for a group stock exchange listing; however, the timing of the application to the Stockholm Stock Exchange is uncertain.

Employing the carrier's newly delivered fourth ExpressJet, new twice-daily ERJ-145 return services are introduced between Stockholm and Manchester on October 31. A morning service is offered on Saturdays and an evening service on Sundays. Also on Halloween, Skyways takes over the **SAS (Scandinavian Airlines System)** service from Stockholm (Arlanda) to Zurich.

When **Braathens, A.S.** stops flying from Halmstad to Stockholm, Skyways takes the route over, flying it with Fokker 50s. Enplanements for the year accelerate to 986,000 on 52,397 scheduled departures.

Airline employment totals approximately 700 at the beginning of **2000** and Skyways purchases total control of **Airborne of Sweden, A.B.** The Skyways Group now serves 32 destinations, 7 of them international. At this point, it moves to control another small feeder, this one facing some suspense, as it flies on behalf of rival **Finnair O/Y**.

On January 18, Skyways Holdings, A.B. agrees to purchase 900,000 A shares of **Flying Enterprise, A.B.** from Tipp Fastighets, A.B. for SKr 62.50 per share; B shares will fetch SKr 60 per share. The board of directors approves of the sale at a special meeting on February 15. The remaining B shares are purchased from other shareholders and the entire transaction is completed by February 28.

Rebranded **Skyways Enterprise, A.B.**, the company's agreement with **Finnair O/Y** is cancelled during the first week of March, leading to termination of the Helsinki to Mikkeli wet-lease service operated by Flying Enterprise. An ERJ-145 is leased on July 1 for six months to **British Midland Airways, Ltd.**, which will base it at Birmingham to operate weekday roundtrips to Brussels and Frankfurt.

On September 29, Skyways is named "Regional Airline of the Year" by the European Regions Airline Association (ERA).

On October 1, Highland Air, A.B. is combined with **Air Express I Norrkoping, A.B.** and **Airborne of Sweden, A.B.** to form Hultsfred-based **Skyways Regional, A.B.** The flagship airline, Skyways, is now renamed Skyways Express, A.B. The change has been initiated by Skyway Holdings to gain a more distinct identity in its markets. Skyways Express moves its offices to Arlanda Airport at Stockholm, while Skyway Regional's headquarters are located in the former Highland Air suites in Hultsfred.

Skyways Enterprise, A.B. continues to operate as a wholly owned subsidiary, concentrating on feeder traffic from Stockholm's Bromma Airport. Although planning continues, delivery of a group application for a listing on the Stockholm Stock Exchange is delayed.

The Skyways Group fleet at year's end includes 14 J-32s, 2 Dornier 228s, 4 ERJ-145s, 15 Fokker 50s, and 14 SAABs.

SKYWAYS INTERNATIONAL, LTD.: United Kingdom (1971-1972). When **Skyways Coach-Air, Ltd.** is unable to obtain another loan installment in the winter of **1970**, the carrier is forced to cease trading on January 20, **1971**. Backed by Sterling Securities, a group of investors led by the outgoing Commercial Manager John Knox, purchases the passenger portion of the defunct airline and four Hawker Siddeley HS 748s late in the month, renaming it Skyways International, Ltd. Scheduled operations resume on February 8 from Ashford to Beauvais.

In February 1972, **Dan-Air/Dan-Air Services, Ltd.** enters into negotiations for the purchase of the carrier, successfully completing a \$650,000 deal on April 12. Skyways International is briefly known as **Dan-Air Skyways, Ltd.**, but is quickly thereafter integrated.

SKYWAYS OF OCALA: United States (1981–1983). Bearing the name of its base city, Skyways is established in 1981 to provide feeder services as part of the **Air Florida** commuter network. Operations are undertaken with 3 Beech 99s linking Ocala with Fort Lauderdale, Orlando, Pensacola, Tallahassee, and West Palm Beach.

In 1983, the third-level operator is renamed **Skyway Commuter**.

SKYWAYS OF SCANDINAVIA, A.B.: Sweden (1986–1988). Late in 1986, **AMA Flyg Norwing, A.B.** is reformed and renamed. Scheduled commuter services continue to be operated linking Stockholm's Arlanda Airport with Gavle and Mora. Managing Director Alf Olsson's fleet comprises only 2 Fairchild Metro IIIs.

Malmo service begins and another Metro III is acquired in 1987. In 1988, the company is purchased by rival **Salair, A.B.** and merged.

SKYWEST AIRLINES: 444 South River Road, St. George, Utah 84790, United States; Phone (801) 634-3000; Fax (801) 634-3305; <http://www.skywest.com>; Code OO; Year Founded 1972. For \$100,000, J. Ralph Atkin purchases **Dixie Airlines**, based at St. George, Utah, on March 27, 1972 and renames the FBO/charter operation Sky West Aviation (later SkyWest, Inc.).

Employing a single Piper PA-34 Seneca piloted by Earl B. Snow (later Chief Pilot Snow), an air transport division launches thrice-weekly scheduled service over a St. George–Cedar City–Richfield–Salt Lake City route on June 22. During the next 6 months, a total of 256 passengers are transported.

The small Utah intrastate grows and in the first quarter of 1973 leases the first of five Piper PA-31-350 Navajo Chieftains; a second arrives in December.

The last three Chieftains arrive by April 1974. In May, the route network is stretched from St. George to Las Vegas and to Moab, Bullfrog, and Page, Arizona. Unhappily, this expansion proves very expensive. In August, now deeply in debt, Ralph Atkin turns to his 26-year-old son Jerry, a new CPA, for assistance, appointing him financial director.

The Moab destination is immediately closed and two Chieftains are sold. Creditors are convinced to give the company more time to meet its financial obligations.

Although a total of 11,887 passengers are flown on the year, there is a loss.

Raising \$150,000 in fresh capital in October 1975 alone, Jerry Atkin is able to effect a fiscal rescue and is named president/CEO.

Enplanements for the year total 15,072.

The fleet in 1976 includes 3 Piper PA-31-350 Navajo Chieftains. Supported by **Hughes Airwest**, SkyWest during the summer is able to win certification from the CAB.

Passenger boardings increase by 5% to 15,781. Freight traffic skyrockets 53% to 101,558 pounds. Revenues for the year total \$931,489 and allow a \$17,097 profit, the company's first.

In 1977, routes are operated with a fleet that has been increased to also include 10 Cessna 207As, acquired as part of the purchase of the Page-based FBO Lake Powell Air Service. These LPAS Cessnas fly charters on behalf of rafters traveling down the Colorado River.

Hughes Airwest retires entirely from a number of routes on August 1, the day SkyWest's certification takes effect. The commuter is able to replace Hughes and inaugurate services linking Cedar City and Page with Las Vegas and Salt Lake City. Following receipt of an airmail contract, a fourth Navajo Chieftain is acquired and a fifth is ordered.

Enplanements for the year total 16,034 and on income of \$775,000, a net \$50,000 profit is reported.

Airline employment is increased by 50% in 1978 to 75. During this year of the Airline Deregulation Act, plans are laid for expansion and or-

ders are placed for three Swearingen Metro IIs. A fifth Chieftain is received for the company's route network, along with Essential Air Service (EAS) subsidies that begin in the fall.

Passenger boardings jump 45.8% to 29,583 and among the bookings are the 100,000th (cumulative) passenger. Sky West's revenues shoot up 41.9% to \$1.1 million, allowing a 20% boost in net profits (\$120,900).

The number of employees shoots up by 53.9% in 1979 to 100.

A new half-million dollar headquarters and maintenance facility is occupied at the St. George base. Replacing service previously offered by **Frontier Airlines (1)**, new Chieftain routes are pushed to Phoenix from Flagstaff, Page, St. George, and Cedar City, while, on July 1 the first of three ordered Fairchild-Swearingen Metro IIs are placed on line.

As a result of the new services, passenger boardings rise 41.3% to 41,813. Revenues skyrocket 62.2% to \$1.95 million, but expenses associated with expansion cause an \$82,000 net loss.

The employee population rises 28.8% in 1980 to 130 and the 2 Metro IIs join the fleet in the early spring. SkyWest replaces the **Western Airlines** service between Salt Lake City and Pocatello in April and simultaneously opens service from Flagstaff to Las Vegas.

Traffic increases by 64.7% as 68,657 passengers are carried. On the financial side, revenues advance by 57.9% to \$6 million, but expenses jump 59.7% to \$6.2 million, leaving a \$200,000 operating loss.

Twenty new employees are hired in 1981 and orders are placed for a Metro III. Employing the **Republic Airlines** ESCORT system, reservations are computerized at the St. George headquarters.

A Cessna TU-206 collides over Fort Collins, Colorado, on April 17 with an **Air U.S.** Handley Page HP-137; there are no survivors.

Despite the PATCO air traffic controllers' strike, the number of passengers transported rises 13.9% to 78,234. Revenues push ahead by 16.1% to \$6.5 million, while expenses accelerate 16.4% to \$6.4 million, giving the carrier a \$32,610 net profit.

SkyWest officials enjoy a particularly satisfying year in 1982. Airline employment is increased 25% to 200 as services are started to Rock Springs, Wyoming and Vernal, Utah, replacing those previously offered by **Frontier Airlines (1)**.

To handle the increased load this good fortune is bringing, five more Metroliners are acquired, including two previously operated by **Rio Airways**. The EAS routes to Elko and Ely, Nevada, are taken over from **United Airlines**. The company now begins to keep track of its freight carriage, planning to expand in that area in the future. Most of its cargo consists of mail, express packages, and bank documents.

Enplanements leap 52.6% to 119,394 and a total of 1.23 million pounds of freight is transported. Operating revenues balloon 68.4% to \$9.68 million and although expenses rise 56.1% to \$9.05 million, the carrier is able to publish a record net profit of \$403,688, atop an operating gain of \$825,000.

The workforce swells 20.5% in 1983 to 229 and 2 Fairchild-Swearingen Metro IIIs join the fleet. Taking advantage of the withdrawal of **Republic Airlines**, the company, during the first quarter, inaugurates flights to Twin Falls, Idaho.

Passenger boardings move ahead by 36.7% to 163,960 and revenues ascend 41.2% to \$14.9 million. Expenses are kept in line and allow an operating profit of \$1.62 million. A second net profit record (\$1.1 million) is established.

Profitable throughout most of its history and particularly of late, the 590-employee SkyWest determines to expand again in 1984. Services are inaugurated to Pocatello and Idaho Falls, Idaho, and in addition, flights begin from Reno to Salt Lake City via Elko and Ely and from Salt Lake City to Grand Junction, Colorado. On August 1, frequencies are initiated between Las Vegas and Palm Springs, California.

The company's size is doubled overnight when the Palm Springs-based commuter airline **Sun Aire Lines**, together with its fleet of 12 Metro IIs, is purchased from the DiGiorgio Corporation on September 28 for \$7.9 million (\$7 million of which is borrowed money). Also absorbed is a Los Angeles hub, with spokes out to San Diego, Santa Barbara, Burbank, Ontario, Imperial Valley, and Phoenix.

With a combined total of 653,716 passengers booked (up 31.6% over the number carried separately the year before), the newly merged company ends the year as the 10th largest U.S. regional, providing service to 27 cities in Colorado, Arizona, Nevada, Utah, Wyoming, Idaho, and California. Revenues are \$32.41 million and allow profits of \$3.41 million (operating) and \$1.89 million (net).

The fleet in 1985 comprises 18 Fairchild-Swearingen Metro IIs and 12 Metro IIIs; orders are placed for 6 Embraer EMB-120 Brasilias. Late in the year, the St. George, Utah-based large regional enters into a code-sharing arrangement with **Western Airlines** effective the following spring.

A total of 691,236 passengers are flown on the year and revenues reach \$48.98 million. With costs held to \$44.24 million, the operating profit is \$4.74 million and net gain is \$2.47 million.

Airline employment rises 33.1% in 1986 to 821 and the fleet includes 15 Metro IIs. Aircraft are repainted in modified Western colors and "SkyWest Western Express" services begin to feed the major's principal hubs on April 1. Later in the month, a continuous maintenance program is implemented following inspection fines levied by the FAA. SkyWest goes public on June 26, makes its first public stock offering and employs the \$11.3 million in proceeds to order six Embraer EMB-120 Brasilias. Meanwhile, flights begin to seven new markets.

A week before Christmas, a Metroliner executing a missed approach at Salt Lake City strikes a 45-ft.-tall instrument landing system tower, tearing away the left main landing gear; unaware of the gear loss, the crew diverts to Pocatello, where a safe landing is performed. On a more positive note, the first Brasilia is delivered on December 24.

Enplanements rise 9.7% to 760,045 and revenues ascend 7.9% to \$52.95 million. Expenses jump 10.5% to \$49.05 million, but allow a \$3.89-million operating profit. Net gain climbs to \$3.14 million, a company record.

The payroll is increased by 6.6% in 1987 to 875. On January 15, Flight 1834 is on final approach to Runway 34 at Salt Lake City following service from Pocatello. The Metroliner, carrying two crew and six passengers, collides in midair with a private Mooney 20 carrying two passengers, which has flown directly into the path of the Swearingen at 7,000 ft. over Kearns; both aircraft crash and there are no survivors.

The fleet is increased during the year by the addition of five Brasilias, the first two of which enter service over the Palm Springs-Los Angeles-San Diego route on February 1.

In addition, the large regional also flies 25 Fairchild Metro IIIs and 13 Metro IIs. On April 1, **Western Airlines**, which has been purchased by **Delta Air Lines**, is absorbed into the Atlanta-based major. SkyWest now transfers its allegiance, becoming a "Delta Connection" carrier.

Nonstop EMB-120 service is inaugurated in July from Fresno to San Diego and Los Angeles. Nonstop frequencies are introduced in October from Twin Falls, Idaho, to Salt Lake City. During the remainder of the fall, service is reduced on a number of California routes with flights to Oxnard discontinued in early December.

A Metro III is forced to land on its belly at Yuma, Arizona, on December 20 after its landing gear jams; no injuries are reported.

Passenger boardings increase by 22.3% to 917,912, but freight falls 4.9% to 1.38 million pounds. Revenues rise 20.8% to \$50.8 million, but growth costs are higher. As a result, losses are suffered: \$2.46 million (operating) and \$1.45 million (net).

The workforce grows by 25.7% in 1988 to 1,100 and the fleet receives 7 new Fairchild Metro IIIs to replace some of its older Metro IIs. A new \$2.5-million, 56,000-sq.-ft. maintenance base is opened at Palm Springs, California, on January 1, with daily Brasilia frequencies introduced that day from Salt Lake City to Palm Springs. At this point, the company receives the 1987 "Regional Airline of the Year" award from *Air Transport World* magazine.

In late January, SkyWest sells 20% shareholding to **Delta Air Lines** for \$6 million. Significant capacity (two EMB-120s) is shifted from California to Delta's Salt Lake City hub in February and daily service is begun from there in March to Bozeman, Butte, Billings, Helena, and Missoula, Montana and Boise, Idaho. The route network grows to include

44 cities in 8 Western states, although only four stops (Cedar City, Ely, Page, and West Yellowstone) remain subsidized.

Customer bookings dip by 1.2% to 906,833, but cargo climbs 2% to 1.6 million pounds. Revenues ascend 23.1% to \$62.47 million, expenses are up 8% to \$57.5 million, and the operating profit is \$4.97 million. Net gain totals \$2.87 million.

Airline employment grows another 9.1% in 1989 to 1,000 and President Jerry Atkin's fleet now includes 36 Metros and 6 Brasilias. In March, the company joins the Canadair Regional Jet program, even before the jetliner program's official launch, by signing a memorandum of understanding for the purchase of 10 CRJs.

A new subsidiary, **Aviation Services West**, is created to provide charter and tour flights in Utah and Arizona, with special emphasis on the Grand Canyon. It launches revenue flights in the spring with a de Havilland Canada DHC-6-300 Vistaliner; its traffic figures will for years be reported with those of its parent.

Indeed, SkyWest's passenger boardings now surpass the million-mark in annual boardings for the first time (1,000,865) as a 10.4% boost in ridership is noted. Freight, on the other hand, declines 8.2% to 1,474,000 pounds. Revenues advance 16.3% to \$72.69 million, expenses jump 19.2% to \$68.55 million, and operating income dips to \$4.13 million. Net profit, however, improves to \$3.24 million.

The payroll is increased by 14.8% in 1990 to 1,286 as 4 Brasilias and 1 Metro are reinstated.

While on initial approach to Salt Lake City on January 15, a Metro III with 2 crew and 14 passengers strikes the ground near Elko in the zero visibility of a snowstorm; fortunately, there are no fatalities.

Also in January, daily nonstops are inaugurated from Los Angeles to San Jose, Telluride, Palmdale, and Inyokern.

New services are introduced in June from Salt Lake City to Sun Valley, Great Falls, and West Yellowstone.

Enplanements climb 9.5% to 1,096,381 and revenues are ahead by 20.3% to \$113.6 million. Expenses grow 19.4% to \$106.4 million and allow an operating profit of \$6.08 million. Net gain reaches \$4.55 million.

Company employment is increased by 2.7% in 1991 to 1,441 and 2 more Metros are obtained. On February 1, **USAir** Flight 1493, a B-737-3B7 with 90 aboard, lands atop the company's Flight 5569, a Metro III with 12 aboard, preparing to takeoff from Los Angeles (LAX) in clear weather. The jetliner bursts into flames and 34 aboard are killed, while all 12 on the smashed commuter plane perish. In terms of frequency, SkyWest is now the leading carrier operating out of Los Angeles (LAX). Meanwhile, ski season service begins to Telluride and Sun Valley and a new maintenance hangar is completed at Salt Lake City.

Bookings jump 8.5% to 1,264,718 and cargo rises 9.3% to 276,000 FTKs. After deducting expenses of \$104.62 million from total income of \$108.11 million, the operating profit declines to \$3.49 million. Net profit is cut to \$1.83 million.

The payroll grows a slight 0.5% in 1992 to 1,465 as 10 more Brasilias are placed into service. In February, ground is broken on a new \$3.6-million, 63,000-sq.-ft. corporate headquarters building at St. George. A special cash dividend of 2% per common share is declared in September for shareholders of record.

Passenger boardings incline upward 18% to 1,492,336 and freight climbs 21.3% to 318,000 FTKs. Despite stiff fare competition, revenues increase 10.6% to \$125.3 million and expenses are held lower. The operating profit is \$3.8 million and net gain totals \$1.99 million.

Airline employment is increased by 12.5% in 1993 to 1,800 and the fleet reaches 32 Fairchild and 19 Embraer 120s. In the spring, just as it is occupying its new headquarters, Aviation Services West purchases control of the Grand Canyon flight-seeing operations of pioneer operator **Scenic Airlines**. In May, a \$300-million order is placed for 20 EMB-120 Brasilias, with options on 20 more.

Destinations visited from hubs at Salt Lake City, Los Angeles, Las Vegas, and Phoenix include Bakersfield, Billings, Boise, Bozeman, Burbank, Butte, Cedar City, Elko, Ely, Flagstaff, Fresno, Grand Junction, Helena, Idaho Falls, Imperial/El Centro, Inyokern, Jackson, Las Vegas,

Los Angeles Orange County, Monterey, Ontario/San Bernadino, Page, Palm Springs, Palmdale/Lancaster, Phoenix, Pocatello, Reno, Sacramento, St. George, Salt Lake City, San Diego, San Jose, San Luis Obispo, Santa Barbara, Santa Maria, Sun Valley, Telluride, Twin Falls, Vernal, West Yellowstone, and Yuma.

In July, a \$170-million order is confirmed with Bombardier Regional Aircraft Division for 10 Canadair CRJ-100s, with options on 10 more also approved.

Customer bookings accelerate 9.4% to 1,632,425 and cargo climbs 28.5% to 2,897,296 pounds or 408,000 FTKs. Revenues swell 17.2% to \$146.8 million while expenses grow only 11.4% to \$135.33 million. As a result, operating income is boosted to \$11.46 million and net gain increases sixfold to \$6.7 million.

Airline employment is increased 13% in 1994 to 2,101. The first Canadair CRJ-100 Regional Jet is delivered in January and begins to operate service on February 15 from Palm Springs to Salt Lake City. On March 1, the "Delta Connection" partner begins to replace its major colleague in several markets. This day, thrice-daily nonstop roundtrips are launched from Salt Lake City to Boise. Additionally in early March, Canadair CRJ Regional Jet service begins to several Western cities, including Butte, Montana and Casper, Wyoming.

Daily nonstop roundtrips are initiated from the Utah capital on April 3 to Burbank, Glendale, Pasadena, Casper, Rapid City, Sioux Falls. Service from Salt Lake City to Butte, Montana, is expanded to thrice-daily nonstop roundtrips. The first of the new Brasilia order arrives in May. Four CRJ-100s are in service by midyear, with a fifth arriving before year's end.

Passenger boardings accelerate 13.6% to 1,730,993 and freight climbs 30.4% to 435,000 FTKs. Revenues leap up 28.1% to \$187.99 million while expenses move ahead by 20.7% to \$163.31 million. The pretax profit is up to \$21.02 million, while net gain doubles to \$13.64 million.

The workforce is reduced by 23.8% in 1995 to 1,600 as 5 more Canadairs join the fleet. On January 10, the company moves its operations at Salt Lake City International Airport from the end of Concourse B in Terminal 1 to the new Concourse E in Terminal 2. The new 23,500-sq.-ft. facility triples the airline's gates from 5 to 15 and reduces by half the time it takes to walk to Concourse D, where most connecting **Delta Air Lines** flights depart.

In early March, the company lowers its Salt Lake City fares by \$60 to \$80 to boost local reservations. A daily afternoon flight from Eugene, Oregon, to Salt Lake City begins on April 1.

When **Delta Air Lines** makes a large reduction in daily jetliner departures from Los Angeles (LAX) on May 1, SkyWest is called upon to increase its Los Angeles (LAX) daily departures from 106 to 115 by summer. The same day, the company replaces its last Metroliners and introduces into service four Canadair CRJ-100ERs and four Embraer EMB-120 Brasilias.

Daily "Delta Connection" roundtrips commence on December 1 between Colorado Springs and Salt Lake City.

The year is memorable for the fierce fare wars waged in the company's California market, contests SkyWest does not always win.

Still, enplanements accelerate 6.5% to 2,198,377 and revenues rise 7.2% to \$188.54 million. Costs climb 15.5% to \$178.85 million and these leave smaller profit lines. Operating gain drops to \$9.69 million and a net \$6.51-million profit is recorded. Both figures are later adjusted downward to \$5.71 million and \$4.36 million, respectively.

The employee population is increased by 49% in 1996 to 2,384 and the fleet now includes 50 Brasilias and 10 Canadair CRJ-100s.

On January 1, the third and fourth of seven daily roundtrips from Bakersfield to Los Angeles is upgraded to EMB-120s. Brasilias are simultaneously employed to upgrade the second of three daily nonstop roundtrips between Bakersfield and Sacramento.

On May 1, a fourth daily "Delta Connection" roundtrip service is inaugurated between Eugene, Oregon, and Salt Lake City; it will be maintained through September 30.

Without giving up its **Delta Air Lines** affiliation, SkyWest now also signs a code-sharing agreement with **Continental Airlines**, agreeing to provide "Continental Connection" service at Los Angeles.

During his approach to Los Angeles on November 29 following a flight from Bakersfield, the captain of Flight 5410, an EMB-120 with 2 crew and 16 passengers, sustains an eye injury when he is illuminated by what is believed to be a laser. A safe landing is made by the copilot and no other injuries are reported.

Customer bookings accelerate 17.6% to 2,592,245 and operating income jumps 12.5% to \$283.3 million. Expenses are \$267.89 million and a \$15.41-million operating gain is generated. A net \$10.11-million profit is also reported.

The workforce grows another 4.5% in 1997 to 2,300. When **United Airlines** early in the year elects to transfer code-sharing on eight routes out of Los Angeles to SkyWest, **United Express (Mesa Air Group)** files suit. Although Mesa will continue to seek "commercial resolution" of the move, UAL will eventually provide it with seven new California routes as compensation.

While climbing away from San Diego on a May 21 service to Los Angeles, "Delta Connection" Flight 724, an EMB-120ER with 3 crew and 14 passengers, loses power to its No. 2 engine because of fire. Once the fire is extinguished, the turboprop suffers a hydraulic system failure, necessitating a distress call. The plane is diverted to Miramar NAS, where a successful engine-out landing on a long, foamed runway is accomplished without flaps, brakes, or steering. The Embraer overruns the runway by 1,300 feet, coming to a stop into a grassy area. No injuries are reported.

In late June, Transport Canada issues an emergency airworthiness directive after a 14-inch crack is found in the bulkhead frame of a company CRJ-100ER, just before the wing. Having landed without incident, the aircraft's pilot had reported difficulty in maintaining full cabin pressure at altitude. Inspections in July will reveal cracks in 7 of the carrier's 10 Canadairs (cracks will also be found on 30 other jetliners worldwide). The manufacturer, Bombardier, makes field repairs that require 100 man-hours of work and cost C\$6,000 per plane.

Also during the summer, negotiations continue with **United Airlines** concerning the regional's assumption of additional markets. On July 22, a "United Express" pact is signed between the two that will take effect in October.

On October 1, the company, together with **United Express (Mesa Air Group)**, increases services from the Los Angeles hub by 73% to 175 daily flights; a significant portion of this growth is in 4 markets served to and from Los Angeles (LAX): Santa Barbara, Monterey, Palm Springs, and San Diego.

At the same time, a large number of new California destinations are now visited 29-times-per-day, including Carlsbad, Fresno, Imperial, Monterey, Orange County, Palm Springs, Santa Barbara, Visalia, and Utah. New services added include San Diego, San Jose, and St. George.

Point-to-point routes include Fresno and Burbank, Las Vegas and Fresno, Las Vegas and Palm Springs, Las Vegas and Santa Barbara, Palm Springs and Phoenix, San Diego and Burbank, San Diego and Santa Barbara, and Santa Barbara and San Jose.

Simultaneously, the carrier's marketing agreement with **Delta Air Lines** is reaffirmed when the commuter signs an updated "Delta Connection" contract. SkyWest will provide feed for Delta at both Los Angeles and Salt Lake City. Under this pact, the company will continue serve longer segments with the 10 Canadair CRJ-100ERs based at Salt Lake City.

Given the need for additional "United Express" capacity, it will no longer provide "Delta Connection" service from Las Vegas. Consequently, twice-daily roundtrips between St. George, Utah, and Las Vegas are discontinued, as is a daily roundtrip to the gambling capital from Bakersfield.

In mid-November, pilots at **United Airlines** vote to allow "United Express" partners to operate regional jets in UE colors. Meanwhile, as a "Delta Connection" affiliate, SkyWest continues to offer 39 daily nonstop flights from Los Angeles to Bakersfield, Fresno, Monterey, Palm

Springs, San Diego, and Santa Barbara. In addition, SkyWest operates 95 daily nonstop "Delta Connection" flights from Salt Lake City to 27 destinations.

For the year, passenger boardings accelerate 12.3% to 2,989,062.

Operating revenues advance 6.8% to \$297.09 million, while expenses inch up 0.2% to \$263.14 million. The operating gain more than doubles, rising to \$33.95 million. The net profit also doubles and then some, hitting \$21.94 million.

United Airlines announces in January 1998 that it has cancelled, effective May 30, its "United Express" arrangement with **Mesa Air Group**. This development rebounds to the benefit of SkyWest, which is named UAL's new code-sharing partner on February 10 and as a result, watches its stock shoot up 176% over the same period a year earlier, to 38 1/2.

During the last week of February, a \$51-million order is placed for 10 new EMB-120 Brasilas, with 40 options also taken. These will be delivered by October 1 and employed from the new hub at San Francisco. Arrangements also include the acquisition of 10 more EMB-120s from **Great Lakes Aviation**.

Brasilia deliveries begin in early March. On March 12, while riding his motorcycle some 40-mi. NE of San Diego, Chairman/CEO Atkin collides with an automobile. Suffering a broken left arm and leg, plus secondary internal injuries, Atkin is taken to a hospital at Escondido. Executive Vice President/Chief Operating Officer Ronald B. Reber takes over management of the airline temporarily.

The Los Angeles hub is expanded on April 23 when EMB-120 "United Express" flights commence to and from Bakersfield, Carlsbad, Fresno, Inyokern, Orange County, Oxnard, and Visalia. The added flights bring to over 600 the number of feeder services SkyWest flies daily on behalf of **United Airlines**.

It also offers 104 daily "Delta Connection" departures from Salt Lake City feeding the 176 daily **Delta Air Lines** flights from that Utah hub, the major's third largest. In total, SkyWest offers 300 daily "Delta Connection" departures to 40 cities in 12 Western states plus Canada.

SkyWest initiates 54 new roundtrip **United Express** services from Portland and Seattle the same day. Twelve daily roundtrip frequencies are undertaken from Seattle to Portland, Oregon, seven to Bellingham, six to Pasco and Yakima, and two to Eugene. From Portland, six to Eugene and Richmond/Bend, five to Medford, and two to Pasco and Redding.

On June 1, the company establishes a new West Coast hub at San Francisco from which to operate daily "United Express" EMB-120 services to 12 West Coast domestic destinations. Sixteen daily roundtrip frequencies from San Francisco are undertaken to Fresno and Sacramento, ten to Eureka/Arcata, eight to Redding, six to Chico, five to Bakersfield, Monterey, and San Luis Obispo, four to Modesto and Santa Rosa, three to Merced, and two to Santa Barbara. Seventeen new EMB-120s have are being obtained with which to support the growth.

In order to concentrate on its core business of providing regional airline service, SkyWest, on August 27, sells most of the assets of its **Scenic Airlines** subsidiary to **Eagle Canyon Airlines**. In making the announcement, Executive Vice President Bradford R. Rich notes that the Page, Arizona-based tour division will be retained.

"United Express" EMB-120 roundtrips between Seattle and Vancouver begin on October 25, six times a day.

After lengthy discussions, SkyWest and **Delta Air Lines** announce on December 11 that they will end the Los Angeles portion of their code-sharing agreement on April 4.

During the 12 months, customer bookings increase 52.5% to 4,422,328. Revenues jump 46% to \$388.62 million, while expenses are held to \$324.32 million. The operating profit doubles to \$64.3 million, while net gain climbs to \$41.83 million.

By the beginning of 1999, the workforce has been increased by 43.5% to 3,300.

A firm order is placed on January 22 with Bombardier, Inc. for 25 Canadair CRJ-200LRs, with options taken on 25 more. The request is

valued at approximately \$560 million. Deliveries will commence in July 2000 and continue for two years.

A malfunctioning propeller forces an EMB-120 to make an emergency landing at Los Angeles (LAX) on February 9. There are no injuries and all passengers are put aboard another aircraft to continue their journey.

With lease financing arrangement by Newcourt Capital, SkyWest is able, on February 24, to place a \$560-million order with Bombardier Aerospace for 50 CRJs.

The company's schedule is significantly increased when the summer schedule begins on April 4.

New "United Express" EMB-120 return service is initiated from Seattle to Spokane, six times a day. In addition, a seventh daily EMB-120 "United Express" roundtrip is laid on from Seattle to Yakima. Thrice-daily "United Express" EMB-120 return service is introduced from Portland to Eureka/Arcata, California. "United Express" service from Portland to Medford is increased to seven daily roundtrips.

Simultaneously, the Los Angeles operation is further expanded. For the first time since 1991, the company flies EMB-120 service between Los Angeles (LAX) and Santa Rosa, offering four-times-a-day "United Express" return service. Thrice-daily "United Express" Brasilia return flights also commence between Los Angeles (LAX) and Merced.

In addition, the number of daily EMB-120 "United Express" flights from Los Angeles (LAX) to Fresno is increased from 12 to 15 daily roundtrips. From Los Angeles (LAX) to Monterey from 13 to 15; from (Los Angeles) LAX to Palm Springs from 19 to 20; and from (Los Angeles) LAX to Santa Barbara from 14 to 15.

Electronic ticketing is introduced, beginning on April 26. Four days later, a follow-on order is placed with Bombardier Aerospace for 10 additional CRJ-200LRs. The \$230-million transaction brings SkyWest's firm CRJ order to 45 aircraft, 10 of which have so far been delivered. The carrier also has 35 CRJ options for a total of 80 firm and optioned aircraft.

Passenger boardings swell 23.2% to 5,447,000. Revenues jump 22.2% to \$474.77 million, while expenses are up 19.7% to \$388.09 million. The operating profit grows to \$86.68 million, while net gain reaches \$57.14 million.

Airline employment at the beginning of 2000 stands at 3,600, a huge 88% increase over the previous 12 months. The United Express operator offers a thousand daily departures to 63 cities in 13 Western states and Canada.

On April 2, the daily EMB-120 "United Express" return service from Salt Lake City to Twin Falls is increased from five roundtrips to six.

United Airlines and its "United Express" regional partners exchange several routes on June 8. Employing Embraer EMB-120s, SkyWest replaces United's 11 daily roundtrips between Monterey and San Francisco.

Skywest is named best-managed company among nonstate-owned regional-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

On August 25, \$117 million is raised in a secondary public offering of 2.6 million shares of common stock at \$44.50 per share on the Nasdaq exchange. The issue represents 9.5% of the airline's stock, of which the total is now 26.35 million shares, and boosts the company's capitalization to \$1.2 billion. Underwriters Raymon James & Associates have an option to purchase an additional 400,000 shares to cover over-allotments. The nation's fourth largest regional airline will invest in some 40 new regional jets (provided it can secure scope clause concessions via **United Airline's** tentative labor contract signed the next day with ALPA), spare parts, and support equipment.

Twice-daily CRJ200ER "United Express" return service is initiated on October 1 from Denver to Fresno. On November 1, thrice-daily CRJ200ER "United Express" roundtrips begin from Denver to Bozeman, Montana. The twice-daily EMB-120 "United Express" service from San Jose to Santa Barbara is doubled to four roundtrips on November 13.

Daily roundtrip CRJ200ER "United Express" frequencies are initiated on December 1 from Salt Lake City to both Minneapolis (MSP) and Phoenix. The same day, the number of daily CRJ200ER "United Express" return flights between Salt Lake City and Albuquerque is boosted from two to three.

As the year ends, plans are well advanced for the initiation of new twice-daily CRJ200ER roundtrips on January 31 from Salt Lake City to Sacramento.

Customer bookings during these 12 months inch up 2.8% to 5,598,499.

SKYWEST AIRLINES (PTY.), LTD.: Perth Domestic Airport, Perth, Western Australia, 6105, Australia; Phone 61 (9) 478-9999; Fax 61 (9) 478-9928; Code YT; Year Founded 1967. Begun at Wittenoom, Western Australia, in 1964 as the FBO Skywest Aviation (Pty.), Ltd., the company sets up a charter operation in 1967 initially known as **Pilbarra Air Services (Pty.), Ltd.** In 1972, the company is relocated to Perth Airport at Redcliffe and renamed Skywest Airlines (Pty.), Ltd. Skywest wins a government contract in 1978 to provide Coastwatch services on behalf of the Customs Service. As the decade ends, the carrier is operating not only this duty, but some scheduled service and charter flights on behalf of area oil and mining companies.

In 1980, **Stillwell Airlines, Ltd.**, the largest commuter operator in the region, is purchased and merged.

While on final approach to Esperance on May 13, a Swearingen SA.226TC Metro with a pilot and 11 passengers, loses power in its right engine. A forced landing is made onto an adjacent field, where the landing gear collapses and the plane catches fire. All aboard are safely evacuated before the turboprop is consumed in the flames.

Airline employment in 1981 is 85 and the fleet comprises 1 Grumman Gulfstream I, 2 Cessna Citation IIs, 3 Beech Super King Air 200s, 2 Embraer EMB-110s, 1 Swearingen Metro II, 1 Mitsubishi MU-2N, and 2 GAF Nomad N-24As. The regional network links Perth with Albany, Bunbury, Esperance, Meekatharra, Mount Magnet, Telfer, Wiluna, Yeeleerie, and Rottneest Island.

Transwest Airlines (Pty.), Ltd. is taken over in January 1982 and two more companies are taken over in 1983: **H. C. Sleigh Airlines, (Pty.) Ltd.** in July and Tamworth-based **East-West Airlines (Pty.), Ltd.** in December. East-West, which has grown to become the nation's largest regional airline, is allowed to maintain its separate identity. Additional destinations now added include Geraldton, Kalgoorlie, Laverton, Leinster, Leonora, Marble Bar, Newman, Norseman, and Nullagine.

In 1984, rights are obtained to fly the trunk routes out of Perth to Karatha and Port Hedland. Three BAe Jetstream 31s, 1 Super King Air 200, 1 Cessna Citation II, 3 Britten-Norman BN-2 Islanders, 1 Cessna 402, 5 Cessna 310s, and 10 Aero Commander 500s are added as the Metro II, MU-2N, and 1 GAF Nomad N-24A are deleted. Orders are placed for 2 additional Jetstream 31s.

Following the conclusion of commercial operations by Sri Lanka's **Upali Aviation, Ltd.**, a de Havilland Canada DHC-6-300 Twin Otter is purchased from that operation in early 1985. Managing Director Bill Meeke's fleet is rationalized in 1987 around four Jetstream 31s and four Cessna 310s. However, in 1988, it is expanded again by the addition of two more DHC-6-300 Twin Otters and three GAF Nomad N-22Bs. During the following year, 1989, the decision is taken to rationalize the fleet.

In 1990, Robert E. "Bob" Mason is named general manager. The Twin Otters and Nomads are withdrawn. Services are maintained from Perth and Port Hedland to the ports of West Australia. The fleet in 1991 includes 1 leased DHC-8-102, 2 Cessna 402Cs, 5 Cessna 310s, and 4 British Aerospace BAe Jetstream 31s.

Enplanements total 77,274.

In 1992, the Cessna 310s are retired in favor of two more 402Cs. Passenger boardings inch downward 1.2% to 76,897. Operations continue in 1993 as an order is placed in December for a SAAB 340B and enplanements reach 72,900.

Skywest is sold into the **Ansett Australia (Pty.), Ltd.** feeder system in 1994. The SAAB order is cancelled as the carrier is provided with the

first of three Fokker 50s. The new turboprop is employed on services from Perth, Esperance, and the eastern gold fields region.

Customer bookings accelerate 19% to 90,000.

The second and third Fokker 50s arrive in 1995 and are employed to replace **Ansett Australia (Pty.), Ltd.** on several routes.

Passenger boardings increase 63.5% to 149,329.

Airline employment stands at 165 in 1996 and the fleet is enhanced by the addition of 3 more Fokker 50s.

Traffic gains are somewhat more modest this year, rising 9% to 236,648 passengers flown.

The workforce is 74 in 1997. When **Ansett Australia (Pty.), Ltd.** embarks upon a fleet rationalization beginning in May, it turns over its remaining Fokker to **SkyWest**.

The regional's passenger boardings jump 12.6% to 267,111.

During the spring, General Manager Robert Mason retires after 22 years service with Skywest and its predecessor. He is succeeded by William "Bill" Jauncey. Along with other Ansett regional airlines, Skywest adopts a new, "cleaner" look that will progressively include changes in livery, signage, and stationery. The Ansett Starmark will continue to be employed on all aircraft and the Skywest titles will be in the new Ansett typestyle, using Ansett blue typeface. It is anticipated that much of the makeover will be in place before Christmas.

Customer bookings during these 12 months fall 3.2% to 242,000.

The workforce totals 165 at the beginning of 2000. In mid-February, the aviation media reports that **Ansett Australia (Pty.), Ltd.** is considering a merger of its regional carriers Skywest, **Aeropelican Air Services (Pty.), Ltd.**, and **Kendell Airlines (Pty.), Ltd.** into a super regional airline; the enlarged Kendell would be led by Ansett executive Ronald Roalky. This move would take the major's two-year campaign to cut A\$55 million (\$31 million) in costs across its regional network to a new stage.

SKYWORLD AIRLINES: United States (1985-1990). The airline division of Denver-based Ports of Call, a travel club, changes its name in late 1985. The parent club, however, continues to operate under its **Ports of Call** moniker. Although traffic figures are not made available, Skyworld officials do report that the carrier's fleet of 3 B-707-123s and 1 B-727-100 have flown sufficient passengers to generate a \$1.6-million profit.

A total of 698.1 million revenue passenger kilometers (RPKs) are flown in 1986; however, expenses rise at such a pace that only a \$92,809 profit can be achieved.

The Stratoliner fleet is increased by seven units in 1987. A series of passenger charters are operated on behalf of the uncertified start-up Grand Pacific Airlines between Los Angeles and Pago Pago.

A total of 469,000 passengers are flown over 990 million RPKs, the latter being a 41.8% increase. Revenues climb to \$55.6 million and produce an operating profit of \$28,000. There is, however, a net loss of \$2.64 million.

When, in August 1988, the independent package tour operator Maptours fails to continue payments to Skyworld for the June-September charter flights for which it contracted between Boston and New York and Terceira and Lisbon, the airline is forced to cancel 22 flights. In addition, under DOT regulations, the charter carrier must operate 18 flights through September 19 and at its own expense (\$470,000) to return stranded passengers.

The 410-employee charter operator transports a total of 517,000 passengers, a 6.6% increase. Revenues jump 13.9% to \$63.3 million, but expenses accelerate by 21.2% to \$67.33 million, leaving an operating loss of \$4.02 million. The net loss triples to \$6.61 million.

The fleet in 1989 includes 5 B-707-320Bs, 3 B-707-123s, and the single B-727-100. On March 9, Skyworld files a \$1.07-million suit against Maptours for breach of contract. Through July, the last month it turns in statistics, the company flies 167,957 passengers. In August, the decision is taken to close down, largely because of the costs associated with maintaining the aging Stratoliners.

Just after New Year's 1990, Ports of Call travel club is sold for \$500,000 to Amtran, Inc., parent of **American Trans Air**, a much larger competing charter airline. The Skyworld fleet is liquidated.

H. C. SLEIGH AIRLINES (PTY.), LTD.: Australia (1972–1983).

This commuter carrier is formed at Essendon Airport, Victoria, in 1972 as the air transport division of H. C. Sleigh Aviation, Ltd., Australian distributor of GAF Nomad, Mitsubishi MU-2, Pilatus aircraft. With a fleet of 3 Cessna 404s and 1 Rockwell Commander 500, the carrier in 1973–1982 develops a service from Victoria to Flinders Island.

Flights from Launceston link the mainland with a Tasmanian network comprising routes to Hobart and to Devonport, Wynyard, and King Island. In July 1983, the operation is purchased by rival **SkyWest Airlines (Pty.), Ltd.**

SLICK AIRWAYS: United States (1946–1966). USAAF Air Transport Command pilot Earl F. Slick, with the assistance of Col. Samuel Dunlap III, arranges to lease the former military base at San Antonio, Texas, during the summer of 1945 and pays \$247,500 for a fleet of nine war surplus Curtiss C-46E Commandos from the Reconstruction Finance Corporation. The aircraft are available because they are in Nashville on VJ Day and are no longer required for lend-lease to China for its air force. During the fall, the transports, still wearing the Chinese blue and white livery (which will be retained), arrive in Texas. Slick himself is discharged from the service in December.

Slick Airways is incorporated at San Antonio in January 1946. Employing the Curtiss transports, Slick begins Newark to Texas service on February 20; transcontinental contract flights begin on March 4.

A C-46E with two crew aboard is lost in a landing accident at Dallas on December 10; there are no fatalities.

In the period between May 1947 and September 1948, government examiners find that the company flies 90% of its services between 10 major cities and offers only 37 flights to smaller, on-demand communities.

During this timeframe, four aircraft are lost in operational accidents.

On February 14 of the former year, a C-46E crashes while on final approach to Denver (two dead). Another C-46E with two crew and a passenger is lost on Blue Bell Knoll Mountain, Utah, on August 21 (three dead). A third C-46E with two crew is involved in a landing accident at Burbank, California, on September 17; although the aircraft must be written off, there are no fatalities.

A C-46E with two crew crashes at Port Columbus, Ohio, on May 16 of the latter year (two dead).

When the carrier is certified by the CAB on July 29, 1949, it is the nation's largest all-cargo airline, operating an owned fleet of 12 Commandos, plus 10 leased from the MATS. The company now receives government authorization to operate a southern transcontinental route from California to the East Coast via the south and southwest.

A Curtiss C-46E with two crew and a passenger is lost four km. NW of Cheyenne, Wyoming, on October 9; there are no survivors.

At the beginning of 1950, the company flies to 22 cities and employs trucks to visit 8 others. Fifteen C-46 Commandos are leased from the USAF on February 21.

The carrier flies a record 7.2 million ton-miles of cargo during the year's first quarter and registers 2.96 million ton-miles flown in June and 4.05 million in July.

Charging antitrust violations, the freight operator now sues a number of operators; these include **American Airlines**, **United Air Lines**, **Trans World Airlines (TWA)**, the air freight forwarder **Air Cargo, Inc.**, and **ATA**. The suit will not be successful.

A C-46E with three crew is lost at Newhall, California, on February 23, 1951; there are no fatalities.

Slick becomes the launch customer for the Douglas DC-6A Liftmaster, receiving the prototype on March 7. The carrier introduces the reworked passenger airliner, now freighter, into service on April 16 on its transcontinental route. During January–June, the company carries half of all-cargo transported industry-wide.

Slick Airways should have enjoyed a profitable and long history given its air freight stature at the beginning of the 1950s, but, unfortunately, it does not. Undiversified, it attempts to maintain itself exclusively on revenues from an air cargo industry still in its infancy. Although the internecine and dramatic rate wars of 1946–1947 are survived, due largely to its founder's management skills—and a \$3-million Slick family investment—the company is now forced to compete with the scheduled passenger airlines, which begin to concentrate on freight development.

All of the C-46s are withdrawn from scheduled operations in 1952, replaced by DC-6As.

A C-46F with two crew is lost at East Granby, near Bradley Field, Connecticut, on March 4, 1953; both crewmen are killed.

By late winter, Slick, suffering severe financial difficulty, is forced to seek a merger partner in order to survive. On March 26, company officials join Robert E. Prescott of **The Flying Tiger Line** in announcing a merger of the two carriers.

The union is approved by the CAB on January 5, 1954, and integration begins in February, but unhappily, CAB lower-echelon lawyers join the passenger airlines in objecting to the potential monopolistic threat from such an amalgamation. Meanwhile, the two carriers, faced with intense labor problems as a result of the termination of the government's Korean Airlift, are disappointed when the CAB defers issuance of a new certificate pending resolution of the late disputes. As the costs of the merger mount, it cannot be maintained and on September 20, the arrangement falls through. Slick must find another way to stay in the air.

Despite three years of effort, Slick is not financially able to maintain its scheduled freight service and so on February 24, 1958, these operations are suddenly abandoned. At the same time, an order for five Lockheed L-1049H Super Constellations made two years earlier is postponed. The available fleet now comprises 7 DC-6As, 8 DC-4s, and 13 C-46s.

Concentrating completely on contract flights, particularly those across the Pacific for the U.S. MATS, the carrier begins to approach self-sufficiency as the decade ends.

Three L-1049Hs are leased from Lockheed early in 1959 and two more are acquired from the Argentine carrier **Transcontinental, S.A.** The last of 856 Constellations to be constructed is an L-1049H delivered to Slick on September 30. Six Canadair CL-44D swing-tail freighters are ordered in October.

In July 1960, as a diversification hedge, Slick purchases the Illinois Shade Cloth Company for \$6.3 million and late in the following year, 1961, begins to receive the Canadair CL-44Ds.

Delivered on February 5, 1962, the first Slick CL-44D enters service on February 11 on a San Francisco to Manila military charter. Unhappily, the plane is badly damaged on April 14 when it overshoots its landing at Wake Island. Late in the month, Slick is able to resume scheduled transcontinental roundtrips. Having lost its Nos. 1 and 3 engines, a DC-4 crash-lands at Ackerly, Texas, on May 9.

Pleased with the first two Canadairs despite the operational failure of April, President Alvin Johnson orders two more in June, which are placed into operation by the end of September. Scheduled transcontinental cargo frequencies are resumed on October 1.

The two major domestic routes now operated are from New York to California via Indianapolis and from Chicago to Houston via Indianapolis. A holding company, the Slick Corporation, is formed to operate the airline and two nonaviation divisions as subsidiaries.

A leased L-1049H freighter with three crew and five passengers crashes while on final approach to San Francisco on February 3, 1963 (four dead).

In September, three L-1049Hs are leased from **World Airways**. Off to an apparent turnaround, Slick earns a net profit of \$113,608. Airline employment in 1964 is 906 and the carrier operates 24 aircraft. One of these, the former **United Air Lines** DC-4 *Mainliner Yosemite*, while on final approach to Logan International Airport on March 10, crashes into Boston Harbor (four dead); tail icing is the cause of the disaster. In April,

a Truck-Air program is started, allowing service to over 1,800 off-line communities.

The nosewheel of a DC-4 collapses following the plane's landing at Norfolk, Virginia, on November 19 and a new terminal is opened at Chicago toward year's end.

Revenues climb 19.3% to \$23.3 million. A net loss is taken by the airline, but is more than equaled by the holding company's profit from its two other segments.

Slick now falls upon hard times as costs override cargo-transport receipts. The CAB allows the company to suspend regularly scheduled services once more, on August 27, 1965. At this point, Slick's 240 employees have overseen the boarding of 9,252 passengers on the year. The three **World Airways** Super H Constellations are returned at year's end. A total of 174 million freight ton-miles are flown.

Eleven months later, on July 1, 1966, those assets being employed in Slick Corporation's airline operations are transferred to **Airlift International**. Thereafter, the onetime industry leader operates as a holding company for nonaviation related firms, while retaining only a minor stockholding interest in Airlift, itself destined for economic difficulties. The company's scheduled route certificate is passed to Airlift on July 22, 1968.

SLM (SURINAAMSE LUCHTVAART MAATSCHAPPIJ, N.V.): Dutch Guiana (1954–1975). Late in 1954, SLM (Surinaamse Luchtvaart Maatschappij, N.V.) is formed by the colonial government at Paramaribo to operate domestic feeder services in the colony of Dutch Guiana. A management contract is signed with **KLM (Royal Dutch Airlines, N.V.)** Lightplanes are employed to fly from the capital to the towns of Albina via Monengo in the south and Nickerie via Coronie in the north.

On August 30, 1962, SLM is completely taken over by the government and finally officially registered; it is now given a Douglas DC-3. The following year, the carrier acquires several Bell 47G helicopters that are employed for aerial spraying in the rice district near Wageningen and even beyond the border into Guyana.

Late in 1964, pooled West Indian service is inaugurated in cooperation with **ALM (Antillean Airlines, N.V.)**; destinations include Georgetown, Port of Spain, and Curaçao. Late in the decade, a DC-9 is leased from ALM and employed to start Paramaribo to Curaçao operations via Port of Spain.

Suriname gains its independence from Holland in November 1975 and on November 2, employing a DC-8-55F leased from **KLM (Royal Dutch Airlines, N.V.)**, begins service to Amsterdam as **SLM (Surinam Airways, N.V.)**.

SLM (SURINAME AIRWAYS, N.V.): Coppenaestraat 136, P.O. Box 2029, Paramaribo, Suriname; Phone (597) 465 700; Fax (597) 491 213; <http://www.sim.firm.sr>; Code PY; Year Founded 1975. When Suriname gains its independence from The Netherlands in November 1975, the colonial airline **SLM (Surinaamse Luchtvaart Maatschappij, N.V.)** becomes state owned; it is now renamed and designated the new national carrier. The **KLM (Royal Dutch Airlines, N.V.)** management contract is maintained.

Predating this move by three weeks, the carrier, on November 2, leases a Douglas DC-8-55F from **KLM (Royal Dutch Airlines, N.V.)**; christened *Sabaku* and painted in SLM colors, it is employed to launch flights to Amsterdam via Santa Maria in the Azores.

In 1976–1977, a DC-8-63 chartered from **KLM (Royal Dutch Airlines, N.V.)** replaces the DC-8-55F and the fleet is further augmented by the addition of two more leased aircraft: a de Havilland Canada DHC-6 Twin Otter and a DC-6A. The latter, configured as a freighter, is employed to start all-cargo flights to Miami via Curaçao.

International destinations flown to from Zanderij International Airport are Nieuw Nickerie, St. Eiland, Georgetown, Port of Spain, and Amsterdam. Domestic destinations served from Zorg en Hoop Airport include Apoera, Avanavero, Bakhuis, Djoemor, Ladouanie, and Monengo. Enplanements for the latter year total 103,116.

The workforce is increased in 1978 by 23.7% to 371 and route mileage is now 8,384. A 45% shareholding is taken in **Suriname Air Cargo**. The fleet now includes the leased Dutch DC-8-63, 3 DC-9-32s pool leased with **ALM Antilles Airlines, N.V.**, four leased Twin Otters, and two leased DC-6As. Orders are placed for three DHC-6s to replace the chartered Canadian turboprops. On approach to Paramaribo in bad weather after a May 5 flight from Willemstad, a DC-6A freighter with 3 crew strikes trees 1,800 ft. short of the runway and crashes; there are no fatalities.

Passenger boardings accelerate 27.9% to 143,018.

Led by President L. C. Johanns, a new government-backed management team takes over from **KLM (Royal Dutch Airlines, N.V.)** in 1979. The three owned Twin Otters are placed in service.

Passenger boardings jump 14.5% to 163,724.

A Paramaribo–Belem service is started during the summer of 1980 followed by new routes to Miami and Curaçao. Enplanements in 1982 total 120,292 and in 1983 117,397.

In 1984–1986, the fleet is altered to include two DC-8-62s leased from **KLM (Royal Dutch Airlines, N.V.)** and two Twin Otters. Port-au-Prince is added as a stop on the Miami route and the domestic network is reduced to five stops.

Financial difficulties plague the carrier in 1987–1988, but it is kept alive. While on final approach to Paramaribo on a June 7, 1989 service from Amsterdam, Flight 764, a DC-8-62 with 9 crew and 178 passengers flies below minimum altitude and strikes trees in the jungle, causing the aircraft to roll into the ground (176 dead).

One DC-8-62 is withdrawn in 1990, followed by the other in 1992. Withdrawal of the jetliner effectively ends the carrier's service to Amsterdam. A DHC-8-311 is chartered in 1993 and destinations now visited include Belem, Cayenne, Curaçao, Miami, and Port-au-Prince.

Two more DHC-6-300 Twin Otters join the fleet in 1994. By this time, the company enters into a block-space code-sharing agreement with **KLM (Royal Dutch Airlines, N.V.)** on the international route from Paramaribo to Amsterdam.

Although no changes occur in 1995, a McDonnell Douglas MD-87 is leased in 1996 to resume service to Miami and other regional destinations. The new route from Paramaribo to Miami, due to begin on April 1, must be delayed as the U.S. FAA, convinced that the MD-87 is not receiving proper maintenance, bars the plane from the U.S. In late June, Suriname contracts with **American Airlines** to handle the required servicing and upon its completion, the FAA ban is lifted.

Markets served in 1997 include Aruba, Barbados, Belem, Cayenne, Curaçao, Georgetown, Macapa, Miami, Paramaribo, Port-au-Prince, and Port of Spain.

On May 14, SLM and **KLM (Royal Dutch Airlines, N.V.)** expand their joint roundtrip services between Paramaribo and Amsterdam from twice-weekly to thrice-weekly. SLM and KLM introduce new, permanent low fares on flights between Amsterdam and Paramaribo as of November 1.

Flights continue in 1998–1999. Following a scheduling disagreement, the code-share with **ALM (Antillean Airlines, N.V.)** between Paramaribo and Miami ends on November 2. **Miami Air International**, which had wet-leased B-727-200s to ALM for the route, now transfers one aircraft to SLM, which employs it to inaugurate charters from Paramaribo to Miami via Curaçao. The company's DC-9-51 is employed elsewhere.

SLO (SURINAAMSE LUCHTVAART ONDERNEMING, N.V.): Dutch Guiana (1969–1981). **Suriname Air Cargo** is set up by Henry R. Goodman (99% shareholding) and Johannes Ziel (1%) at Paramaribo Airport in 1969 to offer cargo charter flights. Services are inaugurated with a single Douglas DC-7CF. Following the independence of Suriname in November 1975, **SLM (Suriname Airways, N.V.)** assumes a 45% interest with Mr. Ziel taking the remainder.

By 1981, the carrier has failed and its services have been incorporated by the state carrier.

SLOANE HELICOPTERS, LTD.: The Business Aviation Centre, Sywell, Northampton, England, NN6 0BN, United Kingdom; Phone (44) 1604 790595; Fax (44) 1604 790988; <http://www.sloanehelicopters.com>; Year Founded 1969. David George establishes Sloane Helicopters at Northampton in 1969 to provide rotary-wing sales, charter, engineering, and flight school services.

Over the next 30 years, Chairman George becomes the U.K. helicopter distributor for both Robinson and Augusta and opens three training facilities, as well as a secondary base at Son Bonet Airport, Palma de Mallorca, Spain.

David Morley is managing director in 1998–2000 and oversees the operations of those flying the company's Agusta 109, 2 Bell 206B JetRangers, and 6 each Robinson R.44 Astros and R.22s.

SLOCUM AIR: United States (1978–1984). Slocum is established at Miami in 1979 to provide scheduled daily roundtrip air taxi flights to the Bahamian destinations of Governor's Harbour, Marsh Harbour, North Eleuthers, Rook Sound, and Treasure Cay.

Operations continue into the new decade with 2 each Britten-Norman BN-2 Islanders and BN-2 Trislanders. The company also undertakes frequencies to the Florida cities of Fort Lauderdale, Fort Myers, Melbourne, Vero Beach, and Orlando. As a result of a FAA safety inspection in 1984, the four-plane airline is grounded and goes out of business.

SLOVAIR (1): Czechoslovakia (1969–1990). Based at Bratislava's Ivanka Airport, **Agrolet**, a specialized associate of the state carrier **CSA (Czechoslovak Airlines)**, is reformed on July 1, 1969 into the independent SlovAir. A variety of internal activities, 90% of which are the same as those previously offered by **Agrolet**, are undertaken on behalf of its government owners. These include charter and contract services, industrial support flights, aeromedical evacuation, and agricultural applications. Many are accomplished with the biplane Antonov An-2.

Employing a small fleet of Let L-210s and L-410s, scheduled air taxi feeder services are flown beginning in 1970–1971.

Flying from Prague to Marienbad on April 18, 1972, an L-410 is captured by two pirates, who shoot and wound the copilot before the pilot agrees to divert the aircraft to West Germany. On the ground beyond the Iron Curtain, the skyjackers surrender, seeking political asylum. Tried in a West German court, they will, instead, be sentenced to seven-years in prison each. One will later commit suicide.

En route from Marianske Lazne to Prague on June 8, an L-410 with 3 crew and 17 passengers is taken over by 10 of the customers, who demand to be flown to West Germany. When the pilot resists, he is killed; two other crew members are also hurt, leaving the copilot to fly the aircraft. On the ground in West Germany, the group asks for asylum. Instead, they receive prison terms of from three to seven years.

Flights continue in 1973–1975 and by 1976 the commuter services are taken over by **CSA (Czechoslovak Airlines)**. The fleet at this time comprises nearly 200 aircraft, including An-2s, Let Moravas, Cmelak Z-37s and Z-237s, Mil Mi-8s, and Mi-2s. These nonscheduled operations continue into the 1980s. One An-2 is destroyed in a crash at Smedava in August 1982 while spraying crops.

In 1987, Andrej Hubada succeeds Jan Mac as executive director and scheduled regional services are resumed with three L-200s; an L-410 joins the fleet in early 1988. Mac returns to his post in 1989 but relinquishes it to Lubomir Kovacik in 1990. In November, Slov Air joins with the Swiss regional **Crossair, Ltd.** to form **Tatra Air, A.G.** into which it is absorbed.

SLOVAIR (2): Ivanka Airport, Bratislava, 82312, Slovak Republic; Phone 42 (7) 29 1408; Fax 42 (7) 29 2314; Code SL8; Year Founded 1994. Slov Air (2) is set up at Koscie in July 1994 to provide domestic scheduled passenger services. Flights commence and continue with 5, later 3, Let L-410UVPs.

SLOVAK AIRLINES: Trnavska Cesta 56, Bratislava, 81002, Slovak Republic; Phone 421 (7) 525 4064; Fax 421 (7) 525 4042; Code 6Q; Year Founded 1997. Slovak is established in late 1997 to serve as flag carrier for the new Slovak Republic. A fleet comprising 2 Tupolev Tu-154Ms and 1 SAAB 340A are acquired and employed to launch both scheduled and charter flights on March 29, 1998. Scheduled destinations visited include Moscow and Tatry/Poprad; charters are operated to points in Russia, Cyprus, Greece, Italy, and Spain.

Enplanements total 84,000.

Flights continue in 1999–2000, during which years a third Tu-154M is acquired. Scheduled destinations now include Kosice, Moscow, and Munich.

During the spring of the latter year, the Poprad-Tatry bid for the 2006 Winter Olympic games is boosted via a special Tu-154 color scheme.

SLOVENSKA LETECKA AKCLOVA SPOLECNOST (SLS): Czechoslovakia (1939–1944). Following the German invasion of Czechoslovakia in March 1939, **CSA (Czechoslovak State Airlines)** is disbanded. To replace that national airline, **Deutsche Lufthansa, A.G. (DLH)** establishes this carrier at Bratislava to operate domestic scheduled services for the area recognized by the Reich as an independent Slovakia.

A mixed fleet is provided, including several Junkers Ju-86s, and operated under DLH direction on flights to Vienna and Berlin. The company also supports the Slovak Air Force.

The captive company ceases operations when Slovakia is invaded by the Soviets in the fall of 1944. Its assets will pass to the new **CSA (Ceskoslovenske Aerolinie)**, created on September 15, 1945.

SMB STAGE LINES: United States (1930–1990). This freight airline is originally established at Des Moines, Iowa, in 1930, to provide ground transport (taxi, then bus) under the name the Sedalia-Marshall-Boonville (SMB) Stage Lines. In 1950, the concern is awarded a U.S. Post Office mail contract; letter are hauled on company buses or consigned to already existing air carriers.

On June 9, 1966, this company forms an air transport division with which to operate air cargo flights and to participate in the U.S. Post Office's experimental Air Taxi Mail Program. Within months of start-up, the company's Beech 18s are flying a route network to Tulsa, Muskogee, and Dallas.

Airmail service between Des Moines and Spencer, Iowa, begins in July 1967 and within months, SMB is the largest operator in the program. On October 21, 1968, the company reaches an agreement with **Frontier Airlines (1)** to operate feeder passenger services to cities in Texas and Oklahoma.

Employing Beech 99s, these routes are only briefly flown before SMB reverts to just airmail and contract service frequencies. In 1969, a hub is established at Grapevine, Texas, and Beech 18 freighter flights are initiated from it to Muskogee, McAlester, Paris, and Dallas.

This carrier grows enormously during the next decade and acquires a fleet of turboprop freighters, including 15 Convair CV-600s (7 are purchased from **Trans-Texas International Airlines**), 11 Beech 18s, 3 Douglas DC-3s, and 6 Israel Aircraft Industries 1123 Westwind executive jets. Scheduled operations are initiated from a new base at Dallas (DFW); the privately owned operator, which also performs charter and contract services, transports 26,912 FTKs in 1978.

Windshield icing that restricts pilot visibility results in a DC-3 freighter with two crew landing 300 ft. short of the runway at Des Moines on December 2. Although the aircraft is badly damaged, there are no fatalities.

Destinations visited in 1979 include Austin, Chicago, Cleveland, Des Moines, Houston, Jackson, Kansas City, Memphis, Oklahoma City, Omaha, Pittsburgh, San Antonio, Temple, Tulsa, Waco, and Wichita. Cargo traffic jumps 47% to 50,779 FTKs.

The fleet is altered in 1980 to include 10 Beech 18s and 7 Convair CV-600s. As a result of the recession and rising fuel prices, freight drops by 21.6% to 39.8 million FTKs.

Four Beech 18s are retired in **1981**, succeeded by a single Lockheed L-188AF Electra.

Freight rises 30% to 52 million FTKs, while revenues accelerate 25% to \$15 million.

By **1985**, the fleet comprises 3 Beech 18s, 3 Convair CV-640s, 7 CV-600s, and 1 Lockheed L-100-20 Hercules and mounts scheduled freighter flights not only in the Southwest, but into the Midwest and East as well. Flights continue without incident in **1986**.

Having accidentally crossfed both engines on the right fuel tank, a CV-640 with two crew en route from Chicago to Oklahoma City on October 28, **1987**, becomes fuel exhausted and crashes near Bartlesville. Although the aircraft must be written off, there are no fatalities.

Two years later, in **1989**, flights are conducted with 3 Beech 18s, 1 leased Beech King Air 90, 14 CV-600s, 2 CV-600Fs, 1 CV-640, and 2 CV-640Fs. SMB is of the larger air operators unable to weather the **1990** recession. It is forced to cease operations after its parent, Landa Industries, declares Chapter XI bankruptcy.

SMOKEY BEAR AIR: 2100 Kachemak Drive, P.O. Box 457, Homer, Alaska 99603, United States; Phone (907) 235-1511; Fax (907) 235-1501; <http://www.xyz.net/~seldovia/sbayair.htm>; Year Founded 2000. The air taxi Smokey Bear Air is established at Homer in **2000** to offer daily Cessna 182 service to Seldovia, Port Graham, and Nanwalek. One-way fares to the former point are \$25, with a \$40 tariff for flights to the latter two. In addition to these regular flights, on-demand services are made to destinations throughout Alaska.

A homepage is opened on the World Wide Web; Claire McCann, Scott Cunningham, and Cliff Jeska alert readers that each passenger is allowed 50 pounds of free baggage and that packages weighing up to 50 pounds can be flown for \$10.

SMOLENSK AVIATION ENTERPRISE (SMOLENSKOE AVIAPRED PRIAT). See **SMOLENSKAVIA**

SMOLENSKAVIA: Smolensk Airport, Smolensk, 214019, Russia; Phone 7 (08100) 58165; Year Founded 1994. Formerly the **Aeroflot Soviet Airlines** Smolensk division and then a part of **Central Districts Airlines**, Smolenskavia is reformed into an independent joint stock company during **1994**. With Vasilii A. Izvochikov as director general, domestic passenger services, both scheduled feeder and charter, are launched with a fleet that includes 8 Let L-410UVPs and 31 Antonov An-2s. Rotary-wing work is also performed with 10 Mil Mi-2 helicopters.

Flights continue in **1995–1999**, during which years the fixed-wing fleet is altered to include first 7, and then 5, L-410UVP-Es and 34 An-2s. Seven Mi-2s remain in service.

SMYER AIRCRAFT: United States (1968–1972). This air taxi is set up at Arkansas City, Kansas, in **1968** to provide regularly scheduled daily roundtrip passenger flights to Wichita for executives of the Cessna plants employed in the two cities. Employing a Beech 18 and Cessna lightplanes, the company maintains its operations until its owners are killed in the June 3, **1972** crash of their Beechcraft near Winfield, Kansas.

SNAS WORLDWIDE EXPRESS: P.O. Box 22199, Riyadh, L11495, Saudi Arabia; Phone 966 (1) 462 0371; Fax 966 (1) 462 1919; <http://www.dhl.com>; Code ER; Year Founded 1977. Privately owned SNAS, originally established at Riyadh in **1977** to provide express ground services, signs a contract with **DHL Worldwide Express** in **1995** to offer regional cargo and express services by air as well as by ground. The 70-employee company begins revenue flights with 1 Convair CV-580 and 3 Fairchild Metro IIIs.

SNETA. See **SYNDICAT NATIONAL POUR L'ETUDE DES TRANSPORT AERIENS, S.A.**

SOBELAIR, N.V. (SOCIETE BELGE DE TRANSPORTS PAR AIR): 131 Ae. Frans Courtens, Brussels, B-1030, Belgium; Phone 32 (2) 730-5211; Fax 32 (2) 730-5280; <http://www.sobelair.com>; Code Q7; Year Founded 1946. With 71% ownership, four ex-RAF employees from the state carrier **Sabena Belgian World Airlines, S.A.** form Sobelair on July 30, **1946** to operate scheduled and on-demand Douglas DC-3 passenger service between Belgium and the Congo, plus other African destinations.

Sobelair begins operations in the spring of **1947** and these continue with little change for the next decade. Scheduled DC-4 flights are maintained between Brussels and the Congo and a domestic, local-service network of Cessna 310-flown routes is established and operated in the Congo as a supplement to the main services provided by the parent.

During **1957**, a scheduled domestic network is organized. In **1959–1960**, Sobelair aircraft are used to evacuate Belgians from the civil-war torn Congo.

A chartered C-46A, with seven crew and 28 passengers crashes into a mountain peak while on its initial approach to the airport at Bunia, Congo, on April 22 of the latter year; there are no survivors.

Sobelair holds a 5% stake (equal to that of local airline **Air Brousse, S.A.**) in the new **Air Congo, S.A. (2)** formed in the Democratic Republic of the Congo in **1961**. Parent Sabena holds an even larger stake. Equipped with a DC-7C provided by Sabena, Sobelair undertakes weekly return service from Brussels to Elisabethville via Usambura beginning on July 25.

Following the carrier's withdrawal from Africa in June **1962**, it is reformed as the non-IATA charter subsidiary of the national airline, **Sabena Belgian World Airlines, S.A.** and is employed to undertake nonscheduled passenger and cargo flights and inclusive-tour services with several hand-me-down propeller airliners.

Late in the decade, the company is equipped with three Sud-Est SE-210 Caravelle VINs transferred from the parent.

Bad weather forces a DC-6B freighter with seven crew to return to Malaga, Spain, on December 20, **1970**; a hydraulic failure causes the left gear to remain retracted upon landing and the aircraft to run off the runway, being damaged beyond repair; there are no fatalities.

A pair of Boeing 707-329s leased from Sabena join the fleet in the middle **1970s** and by **1976** Managing Director G. Claeys oversees a workforce of 22. In **1977–1978**, airline employment under new Managing Director Maurice Dans climbs to 90. An order is placed for a B-737-200.

Over the next 5 years, the workforce is increased to 130 and the fleet is altered; gone are the Caravelles, replaced by 3 B-737-229As. Recession and high fuel prices cause significant decline in the early **1980s**. Passenger boardings fall from a high of 412,083 in **1981** to 333,261 in **1983**.

Just after takeoff from Brussels on March 29, 1981, a B-707-329 with 9 crew and 109 passengers suffers a No. 3 engine failure and fire, forcing the crew to return to the point of origin. The aircraft is damaged beyond repair when it runs off the runway after landing, but all aboard are safely evacuated.

Boardings rebound in the middle part of the decade and new destinations are added. The fleet grows to include 3 B-737-229As and 2 B-707-329s.

One of the B-737-229As is leased to **Air Djibouti, S.A.** in **1985**. Passenger boardings this year total 390,000 and \$600,000 in profits are generated.

Enplanements in **1986** are back up to 422,000 and a \$1.09-million profit is reported.

Operations continue apace in **1987** as the first B-737-329C joins the fleet of President Gerrit Kreveid and Managing Director Pierre Jonnart in September. After being hush-kitted, a B-707-329 rejoins the fleet.

Bookings climb to 568,786. Profits are \$301,327 (operating) and \$1.5 million (net).

Airline employment is increased by 4.8% in **1988** to 110 and orders are placed for 2 B-737-400s.

Passenger boardings swell 18.9% to 701,338 and revenues ascend 28.4% to \$67.2 million. The operating profit jumps to \$1.8 million and net gain reaches \$1.77 million.

Operations continue apace in 1989 as the last Stratoliner is retired. In 1990, the payroll has 140 names and the fleet comprises 2 B-737-229As, 1 B-737-329, and 1 B-737-46B; orders are placed for 2 B-737-429s. Routes are stretched to Egypt, France, Cyprus, Greece, Italy, Ireland, Morocco, Malta, Spain, Tunisia, Portugal, and Turkey.

Enplanements during the 12 months total 808,400.

Two more Dash-229As are obtained in 1991 by lease from **Sabena Belgian World Airlines, S.A.** and the order for Dash-429s is reduced to one. The **Air Djibouti, S.A.** B-737-229A is now returned as that carrier goes bankrupt.

In 1992, airline employment stands at 135. Another **Sabena Belgian World Airlines, S.A.** B-737-229A is leased as delivery is taken on the Dash-429.

Enplanements for the year total 457,700.

Chairman/Managing Director Jonnart oversees 150 employees in 1993, an increase of 11.1% over the previous year. The fleet now includes 2 owned and 1 leased B-737-229As and 1 each B-737-329, B-737-4Y0, B-737-429, and B-737-46B. These aircraft are all painted in the new livery introduced in the spring.

More Israeli destinations are added to the charter network and help passenger boardings double to 916,000.

Neither workforce nor fleet changes in 1994 as enplanements decline 24.9% to 688,000.

The company suffers another bad traffic year in 1995 as customer bookings drop 11.4% to 609,400.

Airline employment is increased 25.1% in 1996 to 324 and 1 each B-767-328ER and B-767-33AER are added during the spring.

Sabena's charter subsidiary enjoys a better year than its parent, as passenger boardings jump 10.4% to 1,353,000.

The employee population grows another 8.3% in 1997 to 351. Customer bookings shoot up 13.5% to 768,000.

Destinations visited in 1998 include Austria, California, Cyprus, the Dominican Republic, Egypt, Florida, France, Greece, Ireland, Israel, Italy, Malta, Morocco, the Netherlands Antilles, Portugal, Spain, Thailand, Tunisia, and Turkey.

The second Brussels airport incident within a week involving an aircraft of **Sabena Belgian World Airlines, S.A.** occurs on September 3. An A330-311 being taxied to a gate, where it will load 229 passengers for a flight to New York, accidentally rams a Sobelair Air B-737-329 just outside of its hangar. The departure of the Airbus passengers is delayed. It is anticipated that the damaged nose of the A340 can be repaired within days, but the serious damage to the little Boeing will keep it out of service for weeks.

Flights continue in 1999. Plans are now announced by SAirGroup for the creation of a large European Leisure Group that will include not only **LTU International Airways, GmbH.**, but the **Swissair, A.G.** subsidiary **Balair/CTA**, Sabena's subsidiary **Sobelair**, **Crossair, Ltd.**, **Air Europe, S.p.A.**, and **Volare, S.p.A.** The new arrangement, under the direction of project leader Stefan Helsing, is designed to be part of an integrated network built around the already-existing "Atlantic Excellence" and "Qualiflyer" alliances.

Six days after its arrival at Dusseldorf from Seattle on April 6, 2000, a new B-767-3BGER is ferried over to Brussels. The first aircraft painted in the carrier's new "Sabenalike" color scheme, the plane enters revenue service on April 14.

The A320-231 previously operated by **Transaer Cologne, GmbH.** is repainted by **Transaer International Airlines, Ltd.** and chartered to Sobelair for a short engagement that begins on July 5. The Airbus is returned to Ireland on September 2, one-and-a-half months before Transaer goes bankrupt.

The company's older B-767-228ER is replaced on November 30 with a new B-767-3BGER that had been delivered eight days earlier in Seat-

tle. The lease of the older aircraft, owned by Ansett Worldwide Leasing, is transferred over to **Vietnam Airlines** the next day.

Plans by **Hapag-Lloyd Fluggesellschaft, mbH.** to launch a Hapag-Lloyd Belgium charter subsidiary in March are scrapped on December 8 when Jetair, with which it was to contract for inclusive-tour flights, signs instead with Sobelair.

The "classic" B-737 fleet at year's end includes one each Dash-3M8, Dash-329, Dash-33S, Dash-46B, Dash-429, and Dash-405.

SOCHI AIRLINES AVIAPRIMA: Sochi Airport, Sochi, Krasnodarsky Region, 354355, Russia, Phone 7 (8622) 440 045; Fax 7 (8622) 442 255; Code J5; Year Founded 1992. Sochi Airlines is set up at Sochi on October 15, 1992, as a joint stock company that will offer domestic, regional, and international passenger and cargo services, both scheduled and charter. Valery P. Soukhanov is general director and he recruits a workforce that will come to total 294.

Revenue flights commence on March 3, 1993, and continue. By 2000, the fleet includes 1 Tupolev Tu-154M, 1 Tu-134A, 1 Ilyushin Il-76T, 1 Antonov An-12, An-24, and An-26. Destinations visited include Athens, Antalya, Beirut, Cairo, Damascus, Dubai, Frankfurt, Helsinki, Istanbul, Kiev, Moscow, Ostrava, Saldriki, Samara, Sharjah, and Tel Aviv.

SOCHISPETSAVIA AIR COMPANY: Sochi Airport, Sochi, 354355, Russia; Phone 7 (8622) 44 652; Fax 7 (8622) 442 645; Code NNB; Year Founded 1996. SAC is set up at Sochi in 1996 to operate international and domestic heavy-lift rotary-wing contract services. S. A. Bazyan is CEO and he begins revenue operations with 11 Mil Mi-8s and 9 Kamov Ka-32s.

Though not as well known as **Tyumenaviatrans**, this concern continues to operate successfully throughout the remainder of the decade, providing heavy lift and other transport services for industries at home and abroad.

SOCIEDAD AEREA DE TOLIMA, S.A. See SAETA (SOCIEDAD AEREA DE TOLIMA, S.A.)

SOCIEDAD AEREA DEL CAQUETA, S.A. See SADELCA (SOCIEDAD AEREA DEL CAQUETA, S.A.)

SOCIEDAD AEREA ECUATORIANA DE TRANSPORTES AEREOS, S.A. See SAETA (SOCIEDAD AEREA ECUATORIANA DE TRANSPORTES AEREOS, S.A.)

SOCIEDAD AERONAUTICA DE MEDELLIN, S.A. See SAM (SOCIEDAD AERONAUTICA DE MEDELLIN, S.A.)

SOCIEDAD AERONAUTICA DE MEDELLIN CONSOLIDADA, S.A. See SAM COLOMBIA AIRLINES, S.A.

SOCIEDAD ARGENTINIA DE LINEAS DE TRANSPORTES AEREO, S.A. See SALTA (SOCIEDAD ARGENTINIA DE LINEAS DE TRANSPORTES AEREO, S.A.)

SOCIEDAD ARGENTINIA DE NAVEGACION AEREA, S.A. See SANA (SOCIEDAD ARGENTINIA DE NAVEGACION AEREA, S.A.)

SOCIEDAD COLOMBIANA DE TRANSPORTES AEREOS, S.A. See SCOLTA (SOCIEDAD COLOMBIANA DE TRANSPORTES AEREOS, S.A.)

SOCIEDAD COLOMBO-ALEMANA DE TRANSPORTS AEREOS, S.A. See SCADTA, S.A.

SOCIEDAD DE TRANSPORTES AEREOS, S.A. See STA (SOCIEDAD DE TRANSPORTES AEREOS, S.A.)

SOCIEDAD ECUATORIANA DE TRANSPORTES AEREOS, S.A.
See **SEDTA (SOCIEDAD ECUATORIANA DE TRANSPORTES AEREOS, S.A.)**

SOCIEDADE ACOREANA DE TRANSPORTES AEREOS, S.A.
See **SATA AIR ACORES, S.A.**

SOCIETA ADRIA AERO LLOYD, A.G. *See* **ALA LITTORIA, S.p.A.**

SOCIETA AEREA MEDITERRANEA, S.p.A. (SAM) (1): Italy (1926–1934). Utilizing state funds, SAM is formed at Rome on March 27, 1926. Employing the first of 15 Savoia-Marchetti S-55s to be acquired, it opens service from Brindisi to Valona on February 4, 1927. An Albanian network is created on July 7, when majority interest is purchased in the **Deutsche Luft Hansa, A.G. (DLH)** subsidiary **Adria Aero Lloyd, A.G.** With additional flying boats in hand, Italian service is launched on April 28, 1928 over a route from Cagliari to Rome.

As the carrier's success grows, frequencies are extended to Tunis on December 10, 1929 from Ostia and Cagliari. By 1930, passenger boardings are averaging just under 10,000 per year and the fleet comprises 9 S-55s, 1 S-59, and 1 Cant 22. It is now decided that the airline should be upgraded through the addition of new equipment and routes. To that end, orders are placed with Savoia-Marchetti for six of the first landplane commercial transports designed by Alexandro Marchetti, the SM-71.

The first step outward is introduction of a direct Rome–Tirana frequency on July 1, 1931. Meanwhile, six new SM-71 trimotors are delivered in the late spring and are introduced on a new Rome–Brindisi service on July 6. On December 31, the state-sponsored airline takes over **Transadriatica, S.p.A.**, thereby acquiring additional landplanes (eight Junkers F-13s and two G-24s) and a trans-Alps route to Munich via Vienna.

The Tirana route is extended to Salonica on May 11, 1932 and on August 11, 1933, the SM-71s stretch the Munich route to Berlin.

SM-71s replace F-13s on the Tirana to Salonica service on February 4, 1934, thereafter flying the entire route from Rome to Salonica. In April, SM-66s replace SM-55s on the Rome to Tunis service. SAM's aggressive expansion ends in the creation of an Italian state airline. On August 24, it purchases two of its principal competitors: **Societa Anonima Navigazione Aerea, S.p.A. (SANA)** and **Societa Italiana Servizi Aerei, S.p.A. (SISA)**, following this in early fall with the acquisition of **Aero Espresso Italiana, S.p.A. (AEI)**. The four carriers are merged on October 28 to form **Ala Littoria, S.p.A.**

SOCIETA AEREA MEDITERRANEA, S.p.A. (SAM) (2): Italy (1959–1976). The second SAM is set up at Aeroporto Ciampino, Rome, in December 1959 to operate charter and inclusive-tour flights on behalf of **Alitalia, S.p.A.** Employing a Vickers Viscount 700 and Douglas DC-3s, non-IATA services to various destinations in Europe and North Africa commence in early 1960.

Within 5 years, the company workforce has grown to 195. The fleet in 1965 comprises seven DC-6Bs and enplanements are 212,590.

Operations continue apace through the remainder of the decade.

During the early 1970s, the state carrier assumes complete ownership of SAM and equips it with three Sud-Est SE-210 Caravelle VIs. In 1975, President Aldo Remondino and Director General Francesco Casale oversee a workforce of 125. Operations cease in 1976, at which point the employees and two Caravelles are transferred to **Alitalia, S.p.A.**

SOCIETA ANONIMA AERO ESPRESSO ITALIANA, S.p.A. (AEI): Italy (1923–1934). This pioneer is formed at Brindisi on December 12, 1923. Employing 6 Savoia-Marchetti S-55C twin-engine flying boats, scheduled services are inaugurated on August 1, 1926 from Brindisi to Constantinople via Patras, Athens, and Mitylene. The carrier has the honor of becoming Italy's first international airline.

With the fleet strengthened through additional aircraft purchases, operations, via Patras, Athens, and Syra, are started to Rhodes on April 1, 1930. Late in 1933, trimotor S-66 flying boats enter service. On August 24, 1934, AEI is purchased by competing **Societa Aerea Mediterranea, S.p.A.**, which itself joins with several other airlines in October to form the state company **Ala Littoria, S.p.A.**

SOCIETA ANONIMA AVIO-LINEE ITALIANE, S.p.A. (ALI): Italy (1926–1949). Owned by the Fiat manufacturing concern, this carrier is formed at Milan on November 13, 1926. Fokker F-VIIs are acquired and on May 13, 1928 a route is opened to Munich via Trento; this is followed on October 9 with a service south to Rome. On September 1, 1929, the airline begins flying from Milan to Turin and by 1930 passenger boardings are approaching 3,000 per year.

The fleet, in 1931, includes one F-VIIa and seven F-VIIb/3ms; on April 1 of that year, the Munich stop is stretched on to Berlin by F-VIIb/3ms. The single Fiat G-2 makes its first flight in July 1932.

Given the political power of its owners, ALI escapes merger into the state carrier **Ala Littoria, S.p.A.** when it is formed in October 1934 and continues as the nation's only independent carrier. The Fiat G-2 enters service at the same time and is assigned to the three principal domestic route segments: Rimini to Milan, Turin to Milan, and Milan to Rome.

The twin-engine Fiat G-18, similar in appearance to the Douglas DC-2, makes its maiden flight on March 18, 1935. Orders are placed for nine as the carrier also receives six Savoia-Marchetti SM-73 trimotors, powered by Alfa Romeo engines.

In 1936, the Turin destination is extended to Paris in the north, which now allows direct service from the French capital south via Turin and Milan, to Venice. The one and only Fiat APR-2, first flown the previous year, enters service during the year on a route from Venice to Paris via Milan. It operates primarily on the Milan to Paris segment during 1937. Throughout the year, the manufacturer's six G-18s are eased into service. On April 6, the first units open service from Venice to Paris via Milan and Turin.

On June 1, 1938, the G-18 Paris route is stretched to London. The fleet in 1939 comprises 1 Douglas DC-2, 6 SM-73s, and 9 Fiat G-18s. At optimum strength, the G-18s are also able to offer flights from Rome to Milan and from Milan to Bucharest via Venice, Zagreb, and Belgrade.

When war comes to the Mediterranean in the summer of 1940, the carrier suspends operations. Meanwhile, Fiat, in October, test flies its latest airliner design, the low-wing G-12 trimotor.

With continued Fiat support and new Fiat G-12s, the prewar airline is reborn in April 1947. Service is extended from Rome to Milan and Albenga and from Milan down to Naples via Genoa and Rome. Like numerous other postwar Italian airlines, success is elusive. Late in the year and into 1948, the fleet is upgraded by the addition of six Fiat G-212 CP Aeropullman Monterosas.

In 1949, the Fiat-backed operator takes the lead in uniting certain of these into a larger carrier, **Avio Linee Italiane-Flotte Reunite, S.p.A.**; the purchased companies are **Societa Italiana Servizi Aerei, S.p.A. (SISA)**, **Airone, S.p.A.**, and **Transadriatica (Societa Transadriatica di Navigazione Aerea, S.p.A.)**.

SOCIETA ANONIMA NAVIGAZIONE AEREA, S.p.A. (SANA): Italy (1925–1934). SANA is formed at Rome on January 19, 1925. Employing four-engine Dornier Do J Wals (Whales) and Do R Super Wals manufactured at the German company's Italian subsidiary, Costruzioni Meccaniche Aeronautiche S.A., service is started along a route from Genoa via Rome and Naples to Palermo on April 7, 1926. On November 1, 1928, the carrier extends itself aggressively, opening three new routes from Rome: to Tripoli via Malta on November 1, to Marseilles via Genoa on November 5, and to Barcelona on November 15.

Operating parallel to the **Imperial Airways, Ltd.** route, the company initiates flying boat service to Alexandria on April 11, 1929 via Rome, Naples, and Athens. When the British refuse to pool operations and

receipts, the Italians withdraw Imperial staging rights on October 31. On December 10, a frequency is begun between Palermo and Tunis.

On September 1, 1930, Wals initiate flights from Palermo to Tripoli, where a connection is made with the Benghazi route of **Nord Africa Aviazione, S.p.A.** SANA carries approximately 10,000 passengers on the year and by 1931 its fleet includes 15 Italian built Wals, including 3 of the Do Rs. With new agreements with **Imperial Airways, Ltd.**, the two carriers begin operating the Mediterranean more harmoniously; however, in Genoa Harbor during the year, a Wal collides with the Imperial Airways Kent Class flying boat *Sylvanus*; both aircraft are seriously damaged.

In April 1934, the carrier takes delivery of several new Savoia-Marchetti S-66 flying boats and places them on the Tunis and Tripoli routes. On August 24, the airline is one of three purchased by competing **Societa Area Mediterranea, S.p.A.** On October 28, these, plus **Societa Anonima Aero Expresso Italiana, S.p.A.**, are merged to form the state carrier **Ala Littoria, S.p.A.**

SOCIETA ITALIANE SERVIZI AEREI, S.p.A. (SISA) (1): Italy (1923–1934). SISA is formed at Trieste in 1923. Equipped with 3 Cant 10ters flying boats, the company begins the first Italian revenue airline services on April 1, 1926. The inaugural route runs from Trieste to Turin via Venice and Pavia. On October 15, a frequency is begun between Trieste and Ancona via Pola and Zara. During 1927 and until its completion in December 1928, the carrier gradually opens a circular route from Trieste to Trieste via Zara, Ancona, and Venice. These offerings are successful.

A Trieste–Genoa, via Venice and Pavia route is opened on April 14, 1930 and also during the spring, four up-engined Cant 10ters join the fleet. By year's end, a total of some 10,000 passengers are being transported annually in a fleet which, by 1931, numbers 15 Cant machines, including eight new Cant 22s.

The latter are received during the second half and in 1932–1933 commence Trieste to Genoa and Trieste to Ancona via Zara frequencies, freeing the Cant 10ters to concentrate on the segments from Trieste to Zara via Fiume and from Trieste to Venice via Fiume.

On August 24, 1934, the airline is one of three purchased by competing **Societa Area Mediterranean, S.p.A.** On October 28, these, plus **Societa Anonima Aero Expresso Italiana, S.p.A.**, are merged to form the state carrier **Ala Littoria, S.p.A.**

SOCIETA ITALIANE SERVIZI AEREI, S.p.A. (SISA) (2): Italy (1947–1949). Backed by the Cosusic shipping organization, this carrier is organized at Trieste on June 8, 1947, taking the name of the **Ala Littoria, S.p.A.** merger partner. Using Douglas C-47s converted to DC-3 civil standard, it opens and maintains a variety of north-south routes in 1947–1948: Trieste to Naples via Rome, Trieste to Prague via Vienna, Trieste to Genoa via Milan, Trieste to Belgrade via Zagreb, Trieste to Athens via Rome and Bari plus services from Marseilles to Barcelona and Beirut to Baghdad.

Unsuccessful, the airline is one of several merged in 1949 to form **Avio Linee Italiane-Flotte Reunite, S.p.A.**

SOCIETA NORD AFRICA AVIAZIONE, S.p.A.: Italy (1931–1935). Societa Nord Africa Aviazione, S.p.A., founded in December 1931 to operate a Tripoli–Benghazi and Benghazi–Tobruk service with 5 Caproni Ca-101s, is taken over by **Ala Littoria, S.p.A.** on July 31, 1935. Only 3 Caproni transports have survived to be turned over.

SOCIETE AERO NIGER, S.A. See AERO NIGER (SOCIETE AERO NIGER, S.A.)

SOCIETE AIGLE AZUR, S.A. (SAA): France (1946–1955). Societe Aigle Azur (the “Blue Eagle”) is organized in the spring of 1946 to operate a Mediterranean network with a fleet of 2 war surplus Junkers Ju-52/3ms; points of call include Algiers and Oran from Marseilles and

Tunis from Nice via Calvi. Operations continue apace for the remainder of the decade in France, North Africa, and in Indochina.

In January 1950, the company purchases and merges competing **Compagnie Algerienne de Transports Aeriens, S.A. (CATA)** and assumes that airline's Douglas DC-3s and routes from Algiers to Constantine and Biskra.

A Bristol 170 with three crew and a passenger is lost near Saigon on March 10; there are no survivors.

En route from Paris to Dakar on July 10, a DC-3 with 4 crew and 25 passengers fails its climb away from Casablanca on a charter flight and crashes (22 dead).

A DC-3 must be written off at Luang Prabang, Laos, on February 12, 1951; specific details are unavailable.

In April, SAA buys **Trans World Airlines (TWA)**'s five surplus Boeing 307s and becomes the 1950s largest operator of the Stratoliner.

The first two B-307s, formerly known as the *Cherokee* and *Zuni*, are delivered in May, followed by the *Comanche* and *Navajo* in June, and the *Apache* in July. These are employed in September to stretch the carrier's operations to Brazzaville and Dakar. At year's end, the company is divided into two divisions, Morocco and Indochina. The former is equipped with the first of five Curtiss C-46 Commando freighters ordered.

Stratoliner service to Saigon and Hanoi is inaugurated in the spring of 1952 and to Tananarive, Madagascar, in the fall. When **Air Laos, S.A.** is formed late in the year, the French carrier acquires a stake (20%) and provides the new Indochinese company with Douglas DC-3s.

Three fatal crashes, all in Indochina, are suffered in 1953.

The first occurs on March 17, when a DC-3 with eight aboard crashes while landing at Da Nang; there are no survivors.

On April 16, a DC-3 with 3 crew and 27 passengers suffers a wing failure and crashes west of Hanoi; there are no survivors.

A DC-3 charter from Vientiane with 3 crew and 22 passengers suffers an onboard fire on June 16 and crashes at Phou-Lassy, Vietnam; there are no survivors and the wreckage is not found for thirteen days.

While taking off from Dien Bien Phu on January 31, 1954, the wheels of a DC-3 are prematurely retracted, causing the plane to crash; there are no fatalities, but the Douglas must be written off. Viet Minh forces destroy a DC-3 on the ground at Giam Lam, Vietnam, on March 4. Viet Minh antiaircraft gunners shoot down a C-46E approaching Dien Bien Phu on March 13; both of its crewmen are killed.

Following the July Geneva agreement ending the Indochina War, the subsidiary **Aigle Azur Extreme Orient, S.A.** is formed at the South Vietnamese capital from the company's Indochine division; the *Apache* is reacquired from **Air Laos, S.A.** and assigned to this Saigon-based company.

In 1955, SAA is purchased and amalgamated into **Union Aeromarine de Transport (UAT)**; however, its Saigon-based subsidiary retains the Boeings and continues independently of UAT. Two C-46s are sold to **Air Cameroun (Societe Anonyme des Avions Meyer et Cie, S.A.)**.

SOCIETE AIR AFRIQUE, S.A. See REGIE AIR AFRIQUE, S.A.

SOCIETE AIRTRANSIVOIRE, S.A. See AIRTRANSIVOIRE (SOCIETE AIRTRANSIVOIRE, S.A.)

SOCIETE ANONYME ROUMAINE DE TRANSPORTS AERIENS, S.A. (SARTA): Romania (1932–1937). The French aircraft manufacturer Poetz forms SARTA at Sofia in early 1932 to offer internal competition to both the French-backed CIDNA concern (soon to become a part of **Air France**) as well as the new Romanian government carrier **Linile Aeriene Romane Exploatate cu Statul (LARES)**. Equipped with Poetz 56s, SARTA begins a single 500-mile domestic route from Arad in the north, south through Budapest to Constanta.

Electing to possess a complete state carrier flying both international and domestic service, the Romanian government reconstitutes LARES on July 13, 1937. SARTA and its aircraft and routes are purchased and merged.

SOCIETE ANTILLAISE DE TRANSPORTS AERIENS, S.A. (AIR GUADELOUPE). *See* **SATA (SOCIETE ANTILLAISE DE TRANSPORTS AERIENS, S.A.-AIR GUADELOUPE)**

SOCIETE AUXILIAIRE DE GERANCE ET DE TRANSPORTS, S.A. *See* **COMPAGNIE DE TRANSPORTS AERIENNES INTER-CONTINENTALES, S.A. (TAI)**

SOCIETE AUXILIAIRE DE TRANSPORT AERIEN, S.A. (SATA): Switzerland (1966–1978). SATA is established at Geneva in June 1966 by Edmond Favre, Charles Jacquat, and Raymond Lambert, initially as an air taxi operator. Although small-scale nonscheduled flights will be maintained with 1 Cessna 421, 1 C-401, and 1 C-172 during the life of the company, the partners elect during the early 1970s to convert their enterprise into a full-scale international charter and inclusive-tour service.

With Favre as chairman and Jacquat as president, SATA begins to acquire jetliners and offer group flights to holiday destinations in Europe, the Mediterranean, South America, the U.S., and the Caribbean. Operations continue apace throughout the decade's first eight years with a fleet that comes to include not only the 3 Cessnas, also but 3 Sud-Est SE-210 Caravelle XRs, 1 Douglas DC-8-50, and 1 DC-8-63CF.

Expenses far exceed profits and in October 1978 the company enters bankruptcy. Its assets will be taken over by **Compagnie de Transports Aerien, S.A. (CTA)**, a new subsidiary of **Swissair, A.G.**

SOCIETE AVIA MAROC LIGNE AERIENNE, S.A. *See* **AIR MAROC (SOCIETE AVIA MAROC LIGNE AERIENNE, S.A.)**

SOCIETE BELGE DE TRANSPORTS PAR AIR, S.A. *See* **SOBLEAIR, N.V.**

SOCIETE CALEDONIENNE DE TRANSPORTS AERIENS, S.A. (TRANSPAC): French Oceania (1955–1968). TRAPAS is reorganized and renamed on September 25, 1955. Scheduled services are undertaken linking the carrier's base at Aerodrome de Magenta at Noumea with Mueo, Kone, Koumac, Belep, Houailou, and Touhu in New Caledonia and Mare, Tiga, and Lifu in the Loyalty Islands.

A total of 1,200 passengers are flown during the inaugural year.

Twelve years later, in 1967, the company is maintaining its same route network with a fleet of 3 de Havilland DH 114 Herons, 2 Piper PA-23 Aztecs, and 2 PA-28 Cherokees. Orders are outstanding for a de Havilland Canada DHC-6 Twin Otter.

Enplanements for the year total 44,852.

Airline employment reaches 75 in 1968 and the Twin Otter is delivered. Later in the year, the carrier is renamed **Air Caledonie, S.A.**

SOCIETE D'ECONOMIE MIXTE AIR MAURITANIE, S.A. *See* **AIR MAURITANIE (2) (SOCIETE D'ECONOMIE MIXTE AIR MAURITANIE, S.A.)**

SOCIETE D'ETUDES ET D'ENTERPRISES AERIENNES EN INDOCHINE ET EN EXTREME ORIENT (SEAIE). *See* **AIR ASIE, S.A.**

SOCIETE DE TRANSPORT AERIEN DU RWANDA, S.A. *See* **STAR (SOCIETE DE TRANSPORT AERIEN DU RWANDA, S.A.)**

SOCIETE DE TRANSPORT AERIEN REGIONAL, S.A. *See* **STAR EUROPE (SOCIETE DE TRANSPORT AERIEN REGIONAL, S.A.)**

SOCIETE DE TRANSPORTS AERIENS INTERNATIONAUX ET REGIONAUX, S.A. (STAIR): France (1990–1994). STAIR is established at Paris in 1990 to offer passenger charter and inclusive-tour flights to international and regional destinations throughout Europe, the Mediterranean, North Africa, and the Mideast.

Revenue services commence with a single Aerospatiale (Sud) SE-210 Caravelle XB and continue until the company shuts down in 1994.

SOCIETE DE TRANSPORTS SERVICES ET TRAVAUX AERIENS, S.A. *See* **TUNISAVIA (SOCIETE DE TRANSPORTS SERVICES ET TRAVAUX AERIENS, S.A.)**

SOCIETE DES TRANSPORTES AERIENS GUYANAIS, S.A. *See* **TAG (SOCIETE DES TRANSPORTES AERIENS GUYANAIS, S.A.)**

SOCIETE FRANCAISE DE TRANSPORTES AERIENS DU PACIFIC SUD (TRAPAS): French Polynesia (1948–1955). TRAPAS is formed at New Caledonia in 1948 to provide air transport between the islands making up the French empire in the Pacific Ocean area. On September 25, 1955, the carrier is renamed **Societe Caledonienne de Transports Aeriens, S.A. (TRANSPAC)**.

SOCIETE FRANCO-BILBAINE DES TRANSPORT AERIENS, S.A.: France (1920–1923). Early in 1920, **Compagnie des Transports Aeronautiques du Sud-Ouest, S.A.** is recapitalized, reformed, and given this name. With a fleet of 15 aircraft, it resumes summer-only service from its Bayonne base to Santander and Bilbao. After three years of low traffic and poor financial returns, the carrier disappears in 1923.

SOCIETE GENERALE DE TRANSPORT AERIEN, S.A. (SGTA): France (1922–1933). In 1922, **Lignes Aeriennes Farman** is renamed **Societe Generale de Transport Aerien, S.A. (SGTA)**; the previous Farman routes are maintained. When **Air Union, S.A.** is formed in January 1923, it elects to concentrate its resources on Paris–London service. SGTA, in turn, takes over the former **Compagnie des Grands Express Aeriens, S.A. (CGEA)** routes Paris to Geneva and Paris to Aix-les-Bains via Lausanne and Evian.

Thirteen Farman F-170 *Jabirus* (Storks) inaugurate Paris to Berlin via Cologne service on May 26, 1926. Later in the year, four Farman F-3X *Jabirus* (Storks) begin service on a route from Paris to Amsterdam via Brussels.

In 1927, SGTA enters into a pooling arrangement with **Deutsche Luft Hansa, A.G. (DLH)** on the Berlin run. Service is launched to Copenhagen and Malmo via Cologne and Hamburg. On January 3, 1928, night flights are added on routes from Paris to Rome and from Paris to Casablanca.

In February, the first Farman 180 *Oiseau Bleu* (Blue Bird) is put into service on the London–Paris route. With a blue-painted fuselage and twin engines mounted in tandem above the top wings, the 180 provides accommodations for 24 passengers; on night flights, up to 17 may be carried in couchettes. The aircraft wins public accolades for two other features. It is one of the first to carry a fully equipped bar (at the rear of the fuselage) and, more importantly from a safety viewpoint, it is able to maintain altitude on only one engine with a 17,500-lb. payload.

Frequencies are increased Paris to Berlin later in the year as the company begins to concentrate on its Continental operations.

A year later, in 1929, the three Farman 180 *Oiseau Bleus* (Blue Birds) are put into service on the Paris–Berlin route.

During 1930, six Farman F-301s begin flying from Paris to Berlin and from Paris to Malmo via Brussels, Essen, Hamburg, and Copenhagen. Enplanements for the year total some 12,500.

Fourteen single-engine Farman F-190s are delivered in 1931–1932 and on August 30, 1933, SGTA is one of the four merger partners that create **Air France**.

SOCIETE INDOCHINOISE D'ETUDES E'AVIATION COMMERCIALE ET POSTALE (SIEACP). *See* **AIR ASIE, S.A.**

SOCIETE IVOIRIENNE DE TRANSPORT AERIENS, S.A. *See* **AIR IVOIRE (SOCIETE IVOIRIENNE DE TRANSPORT AERIENS, S.A.)**

SOCIETE NATIONAL AIR MALI, S.A. See **AIR MALI (SOCIETE NATIONAL AIR MALI, S.A.)**

SOCIETE NATIONAL AIR MAURITANIE, S.A. See **AIR MAURITANIE (1) (SOCIETE NATIONAL AIR MAURITANIE, S.A.)**

SOCIETE NATIONAL DES TRANSPORT AERIENS, S.A. See **AIR COMORES, S.A. (2) (SOCIETE NATIONAL DES TRANSPORT AERIENS, S.A.)**

SOCIETE NATIONAL MALAGACHE DE TRANSPORTS AERIENS, S.A. See **AIR MADAGASCAR: SOCIETE NATIONAL MALAGACHE DE TRANSPORTS AERIENS, S.A.**

SOCIETE NATIONALE AIR FRANCE. See **AIR FRANCE**

SOCIETE NATIONALE DE TRANSPORTS AERIENS DU SENEGAL, S.A. See **AIR SENEGAL (SOCIETE NATIONALE DE TRANSPORTS AERIENS DU SENEGAL, S.A.)**

SOCIETE NATIONALES DES TRANSPORTS AERIENS DU RWANDA, S.A. See **AIR RWANDA (SOCIETE NATIONALES DES TRANSPORTS AERIENS DU RWANDA, S.A.)**

SOCIETE NOUVELLE AIR TOULOUSE INTERNATIONAL, S.A. (SNATI). See **AIR TOULOUSE INTERNATIONAL, S.A.**

SOCIETE TUNISIENNE DE L'AIR, S.A. See **TUNIS AIR (SOCIETE TUNISIENNE DE L'AIR, S.A.)**

SOLAIR (SOLOMON ISLANDS AIRWAYS, LTD.): P.O. Box 23, Honiara, Guadalcanal, Solomon Islands; Phone 677 20 031; Fax 677 23 992; <http://www.solomonairlines.com.au>; Code IE; Year Founded 1968. When Honiara, Guadalcanal-based **Megapode Airways, Ltd.** is taken over by Bryan McCook's **Macair (Melanesian Airline Charter Company [Pty.], Ltd.)** of Papua New Guinea on May 1, 1968, the new subsidiary is allowed, as of June 1, to continue its regularly scheduled and charter operations under its revised identity of Solair.

Employing a new de Havilland DH 104 Dove supplied by Macair, the company visits airstrips at Munda and Segi Point (Seghe) on New Georgia, Yandina, in the Russell Islands, Kirakira on San Cristobal, and Auki on Malaita Island.

In 1969-1975, the Solair fleet is increased by the addition of a second Dove and two Beech 55 Barons. During the first quarter of the latter year, the Macair subsidiary acquires operating rights between Honiara and the Papua New Guinea community of Kieta, on Bougainville. Solair is now the smallest international airline in the world. In April, Macair and its Solair subsidiary are purchased by **Talair (Tourist Airlines of Niugini, Ltd.)**. Macair is merged, but Solair is allowed to continue operations as a subsidiary of its latest owner.

During 1976, Solair's two Doves are replaced by a Beech 80 Queen Air and a Lake Buccaneer. Flights continue to link Honiara with Ringi Cove, Gizo, Munda, Sege, Mono, Balalae, Choiseul Bay, Barakoma, Auki, Parasi, Santa Cruz, Kira Kira, Bellona, Rennel, and Kieta. By 1977, enplanements total 21,458.

A route is extended to Espiritu Santo and Port Vila on April 7, 1978. When the new sovereign nation emerges from the former British protectorate, it indicates its intention to acquire 49% shareholding and to exercise its right to purchase the remaining 51% for a set price within five years, plus a goodwill figure to be negotiated.

Passenger boardings leap 26% to 28,997 for the year.

The number of employees is increased by 19.7% in 1979 to 91. In April, the government of the Solomon Islands purchases 49% shareholding. The fleet, which had comprised 2 Beech B-80 Queen Airs, 2 Beech Barons, and 1 Lake Buccaneer, is now upgraded by the addition of a Swearingen Metro II and two Britten-Norman BN-2 Islanders.

Customer bookings accelerate 16.8% to 3,377 while freight is up 37.3% to 560 million FTKs. A \$140,892 profit is earned on total income of \$1.5 million.

Employing its partner's BAC 1-11s, Solair joins with **Air Pacific, Ltd.** in April 1980 to introduce flights from Honiara to Brisbane. At the same time, twice-weekly services are inaugurated from Honiara to Kieta and to Espiritu Santo in Vanuatu, once known as the New Hebrides.

Traffic increases for the 106-employee carrier during the next three years. In 1981, a total of 46,200 travelers are enplaned. The figure grows to 51,200 in 1982 and 55,000 in 1983.

The fleet in 1984 also includes two de Havilland Canada DHC-6-200 Twin Otters and an Embraer EMB-110P1 Bandeirante leased from the parent. During the year, the government indicates its desire to purchase the remaining 51% stake; however, it will require three years of negotiation to settle on a price. During this period, staff morale declines and in 1985-1986, three general managers are appointed.

Finally, in 1987, **Talair (Tourist Airlines of Niugini [Pty.], Ltd.)**, after taking back its leased aircraft, turns the company over to the Solomons for \$1.4 million. Additional assets transferred include the Queen Air and Baron, two Islanders, an Avis-affiliated car rental firm called Pacific Car Rentals, and the inactive tour company Hunts of the Pacific, Ltd. John Rofeta is appointed chairman with Graham Hawthorne as managing director.

Early in 1988, A\$2-million in orders are placed for a pair of new DHC-6-300 Twin Otters and the Baron is immediately replaced with a Piper PA-23 Aztec. New local destinations are now added, including Avu Avu, Ballalae, Fera, Marau, Mbambanakira, Onepusu, Seghe, Tulagi, and Yandina. An active program is launched to recruit new management and flying personnel.

In association with **Qantas Airways (Pty), Ltd.**, scheduled international Boeing 737-2T5 services, employing an aircraft owned by **Air Pacific, Ltd.**, are inaugurated weekly to Brisbane, Kieta, Luganville, and Vila. Solair takes 15 seats aboard each flight for sale in its own name.

In 1989, the fleet comprises 1 Beech B-80, 1 DHC-6-300 Twin Otter, 1 Piper Aztec, and 2 BN-2 Islanders. A code-sharing agreement is signed with **Air Pacific, Ltd.** and a block of 15 seats is purchased for each of the Fijian airline's weekly Nadi to Honiara services. Late in the year, **Air Pacific, Ltd.** informs Chairman Rofeta that it will soon replace its "Baby Boeing" with a B-767-200. The decision is now taken by Solair to acquire its own jetliner.

John Baura becomes general manager in 1990 as the marketing title Solomon Airlines, Ltd. is adopted. The carrier, despite its newly designed livery in the national colors of blue, yellow, and green, remains known as Solair to many.

A technical contract is signed with **Air New Zealand, Ltd.** and international services continue, now employing a former **Malaysia Airlines, Ltd.** B-737-2H6 christened *Guadalcanal* and chartered from ILFC. In August, a code-sharing agreement begins with **Air Vanuatu**; the *Guadalcanal* will be employed to operate dual-designator between Port Vila and Auckland via Nadi.

The fleet in 1991 includes 1 each B-737-2H6 and 2 DHC-6-300s. An order is placed for a B-737-4Q8.

While on a September 3 scheduled Solomon Islands service, a DHC-6-300 with 2 crew and 13 passengers crashes into Mount Nashua, Guadalcanal, at the 4,110-ft. level; there are no survivors.

Plans made earlier to retire the company's two Islanders must be put on hold, as they are pressed into service to fill the capacity hole left with the loss of the Twin Otter.

In 1992 the government obtains complete control of its services and a B-737-4Q8, leased from ILFC, arrives at Honiara, setting a distance and endurance record on its multi-leg delivery flight in April. The new aircraft, also named *Guadalcanal*, enters service on May 19, at which time the carrier elects to return the B-737-2H6. Code-shared services are now inaugurated with **Royal Tongan Airlines, Ltd.** between Fiji, Tonga, and Auckland.

General Manager Baura is relieved in **1993** with Gideon Zolevele Jr. being temporarily placed in charge until the appointment of James Bradfield. The new Boeing begins direct services to Nadi and Cairns.

When the alliance with **Royal Tongan Airlines, Ltd.** expires in the spring, the Henderson Field-based flag carrier finds that its jetliner offers too much capacity. Consequently, a new arrangement will be required.

Flights between Nadi and Auckland end, leaving Solomon with a single weekly flight to and from New Zealand. Additionally, the Honiara–Brisbane–Cairns route is rearranged in order to eliminate 250 hours of flight time.

Services continue apace in **1994**. Facing continued heavy losses from its carrier, the Solomon Islands government on April 1 asks **Qantas Airways (Pty.), Ltd.** to take over a number of Solomon Airlines' services, using a Qantas B-737-376, plus the lease of a B-737-4Q8 chartered from ILFC.

Qantas agrees to operate the services, but does not immediately agree to transfer the lease. That view changes, however, as the Australian major assumes the lease of the B-737-4Q8, and wet-leases back to Solair one of its own B-737-376s, for use during 41 flying hours per week.

In October, a route- and code-sharing arrangement is entered into with the Papua New Guinea flag carrier **Air Niugini (Pty.), Ltd.** The latter, employing Fokker F.28s, relieves Solomon Airlines from its expensive twice-weekly roundtrip service from Port Moresby to Honiara. Another DHC-6-300 is leased from the Australian carrier **Flight West Airlines (Pty.), Ltd.** in November.

Flights continue in **1995–1998**, with no change in fleet or mission. Marketing agreements continue with or are entered into with **Qantas Airways (Pty.), Ltd.**, **Air Niugini (Pty.), Ltd.**, **Air Nauru**, **Air Pacific**, and **Air Vanuatu**. Destinations visited include Auckland, Auki, Avu, Balalae, Bellona, Brisbane, Choiseul Bay, Fera Island, Gizo, Kira Kira, Marau Island, Mbambanakira, Melbourne, Mone, Munda, Nadi, Parasi, Port Moresby, Port Vila, Rennell, Santa Ana, Santa Cruz Island, Sege, Suavanao, Sydney, Viro, and Yandina.

Nearly two years after making application, General Manager Gideon Zoloveke Jr. is able to announce on March 24, **1999**, that the engineering department of Solair has been certified by the joint agency of the European Union.

When a coup is attempted in the Solomon Islands on June 5, **2000**, the carrier, not wishing any problems, temporarily suspends domestic and international operations. The B-737-376 remains in Australia.

A Britten Norman BN-2 Islander and its pilot are taken hostage by rebel militia groups on September 16. The flyer and his plane will be released by the end of the month; the \$2-million ransom demand is not paid.

Flights to Brisbane, Fiji, and Vanuatu are resumed in early October.

SOLAR AIRLINES: United States (1964–1965). Solar is founded at Pecos, Texas, during the early fall of **1964** to offer scheduled passenger and cargo services over a route to New Mexico. Employing 2 Beech 18s, Solar begins daily roundtrips on October 27, linking its base to Roswell via Marta, Alpine, Fort Stockton, Monahans, Artesia, Dallas (DAL), Midland, and Hobbs. Overextended, the new commuter stops flying in **1965**.

SOLID'AIR, S.A.: Rue de Luxembourg, Sandweiler, L-5230, Luxembourg; Phone 352 355 2201; <http://www.solidair.lu>; Year Founded 1998. This new charter operation is established by Enor Aakrann at Luxembourg in the fall of **1998** to fly long-haul nonscheduled services to the U.S. and Caribbean. Chairman Aakrann leases an Airbus Industrie A310-304, which begins revenue flights on December 12.

Flights continue in **1999–2000**, as another A310-304 is acquired and Mexico is added to the holiday route network.

SOLINAIR: Aerodrom Portoroz, Secovje, SL0066333, Slovenia; Phone 386 (6) 679 001; Fax 386 (6) 679 715; Code SOP; Year Founded 1992. Solinair is established at Ljubljana in early **1992** to offer regional services with a fleet of 1 Let 410, 1 PZL M.20, and 4 Piper PA-34 Senecas. The former is wet-leased from the Czech carrier **Air Kitkovic**.

Flights on behalf of Brussels-based **European Air Transport, S.A.** linking the company's base with Vienna begin in April. Permission is sought for routes to Basel, Geneva, and Lugano. Operations continue.

SOLOMON AIRLINES, LTD. See SOLAIR (SOLOMON ISLANDS AIRWAYS, LTD.)

SOMALI AIRLINES, LTD.: P.O. Box 726, Via Medina, Mogadishu, Somalia; Phone 252 (1) 81 533; Fax 252 (1) 80 489; Code HH; Year Founded 1964. The government (51%), in partnership with **Alitalia, S.p.A.** (49%), forms this new national carrier on March 9, **1964** to provide scheduled passenger and freight services. Hamud Sherif is named chairman and a five-year support contract is signed with the Italian flag carrier. The new entrant also receives a gift of four Douglas DC-3s from the U.S.

Revenue services are initiated with 2 Douglas DC-3s over a 15-point domestic network beginning in July.

On March 9, **1965**, a full pooling agreement is signed with Aden Airways and the company's first international route is operated. A route from Mogadishu to Aden is flown jointly with the new partner. By September, the four DC-3s are linking the capital with Hargeisa, Migiurtina, Chisomaio, Bosaso, Alulua, Candala, and smaller points.

Service to Nairobi is started in January **1966** and continues until June 16. On that day, after Radio Mogadishu airs propaganda attacks on Kenyan President Jomo Kenyatta, flights into the country by Somali Airlines are banned. Roundtrip service to Dar es Salaam commences in October **1967**.

During the remainder of the decade, the fleet is increased by the addition of two Vickers Viscount 785Ds and two Cessna 180s. Following the revolution of **1969**, the relationship with **Alitalia, S.p.A.** ends. Abdi Mohammed Namus becomes chairman.

Having lost flight controls, a Vickers 785D with 4 crew and 26 passengers makes a heavy landing at Mogadishu on May 6, **1970**; the landing gear collapses and the turboprop skids 900 m. (5 dead).

Following the Viscount tragedy, **Pakistan International Airlines Corporation (PIA)** acquires a managerial and technical contract during the early **1970s**, succeeding **Alitalia, S.p.A.**

During **1971–1974**, Chairman Kenadit Ahmed Yusuf's fleet is gradually increased to include 2 Boeing B-720-023Bs (B-720Bs) leased from a British company, 2 Vickers Viscount 785D, 2 DC-3s, 1 Cessna 402, 2 Cessna 206s, and 1 Cessna 180. PIA provides the pilots to fly the Boeings on long-haul operations.

International services are inaugurated in **1975** and over the next decade link Mogadishu with Muscat, Abu Dhabi, Nairobi, Sana'a, Jeddah, Cairo, and Rome.

A DC-3 with three crew and eight passengers loses power to No. 1 engine and crashes near Bosaso on August 16; although the aircraft must be written off, there are no serious injuries.

The chartered B-720Bs are replaced in **1976** with two units of the same type purchased from **American Airlines**. **Alitalia, S.p.A.**'s stake is acquired by the government in **1977**, which now assumes total control. When a **Deutsche Lufthansa, A.G.** Boeing 737-230 is hijacked to Mogadishu, the Somali government allows West German commandos to storm the plane and free its passengers.

In the aftermath of this incident, a new relationship is forged between the governments of the two involved nations and aid, including support for Somali Airlines, begins to arrive from Bonn in **1978**. During the year, an F27-600RF is placed into service. Airline employment grows to 352 by **1979**.

The fleet is altered during the early **1980s** as one B-720B is withdrawn and is replaced by two B-707-330Cs purchased from the West German state airline for \$1 million each. Also acquired by lease from a company owned by the Bonn government are two Dornier 228-201s.

Routes are extended to Rome, Frankfurt, Djibouti, and Doha, plus eight local stops. Airline employment grows to some 700 in **1981**. On July 20, the F27-600RF with 50 passengers aboard crashes near Balad; there are no survivors.

Enplanements for the year reach 111,000.

After a drop-off to 99,000 in 1982, traffic increases again in 1983 as 117,000 passengers are transported. During the year, Colonel Mahamud Gulaid becomes chairman/CEO.

Three armed Somali soldiers hijack Flight 414, a B-720B en route from Mogadishu to Jeddah with 130 aboard on November 24, 1984, after beating the pilot and wounding a crew member in an in-flight shootout. The plane is diverted to Addis Ababa where 22 people are released, but a threat is made to blow up the plane unless the Somali government releases seven condemned prisoners.

On November 15, the pirates agree to wait until November 27 before taking action. On that day, with their jailed compatriots freed, they release their prisoners unharmed when given the choice of political asylum or exile.

Bookings for the year reach a high of 120,000.

Enplanements drop 20% to 100,000 in 1985. In 1986, routes are opened to Banjul and Conakry. Operations continue apace in 1987. In April 1988, the company contracts with **Deutsche Lufthansa, A.G.** for the technical support of an Airbus Industrie A310-304, which is delivered in the fall under dry-lease from **Sabena Belgian World Airlines, S.A.** Traffic statistics are released for the first half of the year and show 61,781 enplanements.

In 1989, the fleet includes 2 B-720Bs, 1 of which is out of service, 2 Dornier 228-201s, and 1 each B-707-330C, Fokker F.27-600RF, and A310-304. The latter, a purchased unit, arrives in March to replace the leased Sabena machine.

After aborting its takeoff from Nairobi on May 17, a B-707-330B with 13 crew and 57 passengers overruns the end of a wet runway and ends up in a rice field. Although the Stratoliner must be written off, there are no fatalities.

En route from Hargeysa to Mogadishu on June 28, the F.27-600RF with 6 crew and 24 passengers is hit by a terrorist surface-to-air missile and crashes near Borama, Woqooyi Galbeed; there are no survivors.

Flights are interrupted by the civil strife in the early 1990s. Only the Airbus and Dorniers see service in 1990. In 1991, the Airbus is placed into storage and replaced by a B-727-282A. The Boeing is withdrawn in 1992 and the Dorniers are grounded.

By 1993–1996 as UN forces enforce cease-fires and then gradually evacuate, Chairman/CEO Gulaid's dormant carrier possesses a fleet of 2 B-707-320Bs, 2 Dornier 228-201s, and the first of 2 ordered Airbus Industrie A310-304s. Plans are made to resume jet flights from Mogadishu to Doha, Djibouti, Dubai, Abu Dhabi, Cairo, Frankfurt, Rome, Jeddah, and Nairobi and have the Dorniers relaunch scheduled domestic services.

Flights with the Dorniers begin again and are sporadic thereafter. On January 18, 1999, heavy fighting breaks out around the southern city of Kismayo and the Somali National Front closes it to all aircraft. Reviewing the activities of this concern in the 1990s, it is fair to say that it has not, in fact, operated as a real airline since 1991.

SONMEZ HOLDING AIRLINES (SONMEZ HAVAYOLLARI, A.S.): Yakova Yolu 9 Km, Sonmez Holding Tesisleri, Bursa, Turkey; Phone 90 (224) 246-5445; Fax 90 (224) 246-5446; Code SMZ; Year Founded 1984. Organized at Bursa in late 1984, President Osman Celikadam and General Manager Erdogan Keskin's new third-level carrier undertakes scheduled flights to cities inland of the Sea of Marmara with a pair of CASA C-212-100 Aviocars.

Celal Sonmez becomes president in 1992. In 1993–1997, services linking Bursa with Istanbul are provided by the Aviocars and a Shorts 360-100. A Bell 222UT also provides passenger charters.

Service is maintained in 1998–2000, during which years the Aviocars are withdrawn and replaced with a Grumman Gulfstream I and a Cessna 650 Citation III bizjet.

SONORA AIRLINES: United States (1967–1969). Sonora Airlines is set up at Reno, Nevada, in late fall 1967 to provide scheduled passenger

commuter roundtrips to Winnemucca via Ely and Lovelock. Daily Piper PA-31-310 Navajo revenue flights commence on December 16 and continue until the company goes out of business in 1969.

SOONAIR LINES: United States (1980–1981). Soonair is established at Tulsa, Oklahoma, during the first quarter of 1980 to provide scheduled passenger and cargo roundtrips to Dallas (DAL). Employing a Beech Turbo 18, daily revenue flights commence in April and are maintained until June 1981.

SOSOLISO AIRLINES, LTD.: Enugu, Nigeria; Code OSL; Year Founded 2000. Sosoliso Airlines is established at Enugu during the late spring of 2000 to offer scheduled revenue services to Lagos, Abuja, and Port Harcourt. A Boeing 727-2H9A is leased from **JAT Yugoslav Airlines** and employed to begin scheduled flights in July.

A second B-727-2H9A, christened *Rose of Enugu*, is chartered from JAT in late December.

SOUND AIR AVIATION: United States (1978). Sound Air Aviation, the FBO at Ronkonkoma, New York, establishes a scheduled air taxi division in 1978 to provide flights connecting Islip with New York (LGA). Although daily Aero Commander 500B roundtrips duly begin, they can only be maintained for a few months.

SOUNDAIR EXPRESS, LTD.: Canada (1979–1991). Having expanded, Brian Child's Wiarton, Ontario-based **Owen Sound Air Service (OSAS)** is renamed Soundair in 1979; the company mission continues to provide all-cargo charter services to regional destinations. Service is rendered with a Cessna 310, a chartered Gates Learjet 23, and several Howard 500s (converted Lockheed Model 18 Lodestars). In February 1980, a contract is obtained from **Purolator Courier**, for international flights between Toronto and Columbus, Ohio. The service is inaugurated with the first of an order for Swearingen Merlin IVs, as Soundair begins retiring its Howards.

The first Douglas DC-3 is received in November 1981. Two more arrive under lease in 1982 and are employed to initiate a nightly contract, on behalf of **Emery Air Freight**, between Montreal and Hartford, Connecticut, via Burlington, Vermont. The original Douglas is now committed to **Airborne Express** for a service between Toronto and Buffalo. Company headquarters are transferred to Toronto at midyear and a Merlin IV St. Johns–Halifax–Toronto route is opened on behalf of **Purolator Courier**.

Three new owned DC-3s arrive in 1983, each a replacement for one of the earlier machines now returned. With loads increasing, the operator is in need of more capacity than its licensure will allow. To overcome Canada's leisurely licensing process, owned Child begins merger discussions with financially distressed **Aero Trades Western, Ltd.** of Winnipeg.

Employing a second leased Gates Learjet, freighter flights are inaugurated in February 1984 from Vancouver to Calgary to Winnipeg to Columbus, Ohio. Late in the year, the **Aero Trades Western, Ltd.** acquisition is completed; the company not only receives upgraded licenses, but another DC-3 and two DC-4s.

Soundair is now transformed into a holding company to operate scheduled and nonscheduled airline subsidiaries. A passenger-flying division, **Commuter Express**, is discussed above. The freight subsidiary, which concerns us here, is relabeled Soundair Express. It will not release traffic statistics because officials claim they will not be tracking the carrier's freight ton-kilometers.

One of the two newly acquired DC-4s is employed in January 1985 to take over the cargo flights from Montreal to Hartford via Burlington. The other four-engine Douglas and the acquired DC-3 assume **Aero Trades Western, Ltd.**'s freight charter service from Winnipeg to northern Manitoba. With a DC-4 purchased from **Calm Air, Ltd.** via **Basler Flight Service** and the other pulled off the nonscheduled Manitoba service in July, Soundair Express starts freighter flights on behalf of **Emery**

Air Freight to Dayton, Ohio, from Quebec City, Montreal, Ottawa, Toronto, and Hamilton.

On October 6, a DC-3 is lost in a nonfatal accident at St. Louis. Later in the month, a Dassault Falcon 20, followed shortly thereafter by a second, begins flying for **Purolator Courier** between Montreal and Indianapolis via Ottawa and Toronto.

The three DC-4s are withdrawn in September 1986 and replaced with a Convair CV-580 in October. One of the former is sold to **Air North, Ltd.** In November, the Learjet 23s are transferred to a new Soundair subsidiary, **Executive Jet Canada, Ltd.** A Fokker Fairchild F.27F is purchased in May 1987, followed by another CV-580 in July. The Dutch-made turboprop is employed to service a **DHL Corporation** contract from Toronto to Cincinnati. Also during the summer, a Merlin IV is based at Montreal to undertake a DHL service to New York. Meanwhile, in the fall, a Cessna 402 and a Fairchild Metro II undertake replacement flights for **NWT Air, Ltd.** from Toronto to Ottawa and Montreal, respectively.

Three additional Convairs are delivered in March 1988 and a fourth in May (withdrawn in August). During the spring, freight and courier services are combined and all but two Merlin IVs are withdrawn. The terminus of the **Purolator Courier** service is switched in September from Indianapolis to Wilmington, Ohio, and is rerouted to Winnipeg and Calgary. The Fokker is replaced by a Dassault. A DC-3 is sold in October.

Operations continue apace in 1989; however, recessionary cost increases put the company into the red. In April 1990, Soundair Express stops flying and goes into bankruptcy. When the company is liquidated in 1991, its assets are purchased by **KnightHawk Air Express, Ltd.**

SOUNDSAIR, LTD.: New Zealand (1996-1998). Soundsair is set up at Wellington Airport on April 4, 1996 to offer scheduled passenger and cargo services throughout the nation. The company is successor to John Sinclair's bankrupt floatplane operation **Floatair, Ltd.**, which had flown to Great Barrier and Steward Islands since 1992.

Barry Hvid is general manager and he begins and continues revenue operations with 1 each Cessna 185 and Partenavia P-68B, plus 2 Cessna 208 Caravan Is.

The company expands on November 1 to operate a shuttle service between Wellington and Koromiko near Picton. This doubles its number of daily flights across the strait from 8 to 16.

The Cook Strait airline encounters regulatory and safety difficulties in early 1997 and is briefly grounded. It resumes flying again on March 9 after the CAA is satisfied its passenger operations meet safety standards. Strict conditions have been imposed, including weekly safety audits.

The company is out of business in 1998.

SOUTH AFRICAN AERIAL NAVIGATION COMPANY (PTY.), LTD. See **SOUTH AFRICAN AERIAL TRANSPORT (PTY.), LTD.**

SOUTH AFRICAN AERIAL TRANSPORT (PTY.), LTD.: South Africa (1919-1920). As world leaders meet in conference at Versailles in 1919 to write an official end to World War I, a number of South African veterans of the Royal Flying Corps, meeting in London, form potentially rival air transport concerns to operate in their homeland.

Maj. A. M. Miller sets up South African Aerial Navigation Company (Pty.), Ltd. while several unnamed ex-military flyers, having found £100,000 capitalization, establish South African Aerial Transport (Pty.), Ltd. Happily for all concerned, the two infant companies are soon merged.

Having removed themselves to Johannesburg, the principals establish a company office in the Explorations Building during June and appoint Maj. A. Francis as managing director. Plans are made to launch operations from Baragwanth Aerodrome, south of the city. Orders are placed for five Avro 504Ks, which are shipped by ocean freighter from the U.K. in July, along with a number of recruited mechanics.

After the aircraft have been uncrated, reassembled, and tested, Maj. Francis is ready to begin marketing. With T. F. Allen, mayor of Johan-

nesburg, as first passenger, scheduled flights commence on October 25 to Pretoria, Durban, Newcastle, and Pietermaritzburg. Maj. C. G. Ross undertakes the first charter, on November 15, on behalf of the *Johannesburg Star*.

Service continues apace for the next year. Attempts are made in the interim to interest the government in providing a subsidy—even an air-mail grant—but the efforts are in vain. It is noted that after SAAT closes its doors in November 1920, the pioneer has transported a total of 5,000 passengers. It also has the honor of having introduced commercial aeronautics to the nation.

SOUTH AFRICAN AIRWAYS (PTY.), LTD. (SAA): Private Bag X13, Johannesburg International Airport, Johannesburg, Gauteng 1627, South Africa; Phone 27 (11) 978-1127; Fax 27 (11) 978-1126; <http://www.saa.co.za/SAA>; Code SA; Year Founded 1934. South African Airways (Sud Afrikaanse Lugdiens) is formed at Durban on February 1, 1934 as a division of the South African Railways and Harbours Administration. Maj. Allister Miller's failing **Union Airways (Pty.), Ltd.** is purchased and merged and its order for three Junkers Ju-52/3ms is confirmed by the Union government. John Holthouse is named general manager and Union's routes, aircraft, and personnel are briefly placed back into service on February 5 under the new name.

Union/SAA's three Junkers F.13s and W.34 and two de Havilland DH 60G Gypsy Moths continue to offer weekly roundtrips from Cape Town to Durban via Port Elizabeth and East London and six-times-a-week return flights from Durban to Johannesburg. Railways and Harbours Administration head T. H. Watermeyer soon orders a halt to operations while orders for the first of 10 Junkers Ju-52/3ms are filled.

The premier "Iron Annie" (originally ordered by Union and christened *Jan van Riebeck*) is placed in service on November 15 as the first multiengine aircraft to be employed on the nation's domestic commercial routes. Upon its arrival at Durban from Johannesburg, the Junkers is mobbed by well-wishers seeking to inspect the giant aircraft; passengers are unable to alight for the jostling throng.

Two more German-made aircraft arrive and are christened *Lord Charles Somerset* and *Simon van der Stel*. Four-times-per-week services are now offered from Johannesburg to Cape Town via Durban and Port Elizabeth.

South-West African Airways, Ltd. is purchased for R14,000 and merged on February 1, 1935; its three aircraft (two Junkers A50s and an F.13) enter local operations. SWAA's single authorized scheduled route, Windhoek to Kimberly, becomes a part of SAA's main line operations on February 7.

Following a month-long conference between government officials and representatives from the U.K. Air Ministry on June 13, it is announced that the British flag carrier, **Imperial Airways, Ltd.**, will begin to call at Durban when the Empire Air Mail Scheme begins in two years. More importantly, SAA is granted authority to fly between Johannesburg and Lusaka. At the end of the month, a fourth Ju-52/3m, *Sir Benjamin d'Urban*, enters service.

The headquarters of the enlarged carrier are moved to Rand Field at Germiston, near Johannesburg, on July 1. Just over a month later, on August 6, Ju-52/3ms launch weekly Johannesburg-Kimberley-Beaufort West-Cape Town return shuttle flights. A total of 147 letters (5 registered) are carried on the first scheduled flight from Beaufort West. The first northbound flight over the new shuttle route is started on August 9.

On September 2, SAA launches a route from Windhoek to Cape Town via Kimberly. The first return service over the new segments begins on September 3.

The **Imperial Airways, Ltd.** service from Johannesburg to Cape Town is withdrawn and taken over by SAA, which also begins to fly unsurcharged first-class mail. One of the former **Union Airways (Pty.), Ltd.** DH 60Gs is lost in an accident on November 29.

A Junkers F.13 is destroyed in an accident on January 29, 1936. Twice-weekly direct Germiston to Cape Town via Bloemfontein, Kimberly, and Beaufort West, flights commence on April 1. Southbound

flights are operated on Mondays and Wednesdays and northbound on Tuesdays and Fridays.

Germiston to Cape Town twice-weekly coastal roundtrips, also taken over from **Imperial Airways, Ltd.**, also begin on April 1 and are flown via Durban, East London, and Port Elizabeth. Southbound flights are operated on Thursdays and Sundays, northbound, on Mondays and Fridays. The first mail to be flown on this new route had departed England aboard an **Imperial Airways, Ltd.** plane on March 24.

On June 1, SAA and the Union Post Office negotiate a "Late Mail" contract under which letters and postcards may be accepted at airports (for a 2d fee each) after their official pickup times elsewhere. During late summer, four six-passenger Airspeed Envoys are acquired.

The weekly Kimberley–Windhoek feeder service is cancelled on October 8 and is replaced with a new route from Germiston to Windhoek via Bloemfontein, Kimberley, Upington, Keetmanshoop, and Mariental. The first Airspeed Envoy return service from Windhoek is operated on October 9 and permits direct connection with **Imperial Airways, Ltd.** flights from Germiston.

The schedules for the direct and coastal routes between Germiston and Cape Town are changed on October 11. The direct route, operated via Kimberley and Beaufort West, is operated south on Sundays (with mail from Imperial Airways) and Wednesdays and north on Tuesdays (with mail for Imperial) and Fridays. The southbound coastal route flights are now made on Thursdays (with mail from Imperial Airways) and Mondays and north on Mondays (with mail for Imperial) and Thursdays.

On October 12, weekly Airspeed Envoy Johannesburg to Port Elizabeth via Bloemfontein, Monday services are inaugurated. On November 12, a new South African postage stamp is issued for use on internal airmail. Late in the year, orders are placed for the first of 16 10-passenger Junkers Ju-86s.

The first Ju-86 is delivered on June 5, 1937, and is named *Sir J. Gordon Springg*. Four days later, Johannesburg to Lusaka flights commence via Pietermaritzburg, Bulawayo, and Livingstone.

Since January, six additional Ju-52/3ms have been delivered, although the last is destroyed in an accident a few days after delivery in mid-June. On June 29, the airline begins carriage of unsurcharged mail as a partner in the Empire Air Mail Scheme. Routes are opened from Johannesburg to Lusaka, Broken Hill, Nairobi, and Kisumu on July 4 and twice weekly, carrying mail only, from Johannesburg to Lourenco Marques on July 17, with the first return over the mail route on July 19.

The former **Union Airways (Pty.), Ltd.** Junkers W.34 is lost in a crash at George on October 16 that kills its crew. Two more Envoys are received by year's end.

Also during the fourth quarter, orders are placed for 19 up-engined Ju-52/3ms. The first two planes sent down are lost in crashes en route, although their crews are recovered. In Germany, neither the Luftwaffe, the Junkers Flugzeugwerke, A.G., or **Deutsche Lufthansa, A.G.** have sufficient qualified crews to make delivery flights as far away as South Africa. The builder is forced to turn to the German Reichluftfahrtministerium (RLM), or Air Ministry, for assistance. Conversations ensue between the Junkers Director General Tiedemann and the well-known former Lufthansa pilot Capt., now SS-Standartenfuhrer Hans Baur concerning the use of crews from the Flugbereitschaft RLM (a divisional unit of the air ministry that is often referred to as the Regierungsstaffel or government squadron). Baur personally obtains approval from Adolf Hitler for the use of three crews, including one that he heads himself.

The first three Ju-52/3ms, complete with necessary supplies and vital navigational maps, depart the Dessau factory at the end of December. Flying via Munich, Rome, Tripoli, Benghazi, Cairo, Tanganyika, and Southern Rhodesia, with other African refueling and overnight stops made at remote destinations, they arrive at Rand Airport, Johannesburg, in mid-January. Only a few more of the sturdy Junkers planes will be delivered before the outbreak of World War II.

In 1938, service is inaugurated Johannesburg–Bulawayo on February 1, Johannesburg–Cape Town via Bloemfontein on March 1, and with the

Sir J. Gordon Springg, Johannesburg–Windhoek via Palapye Road and Mann on November 4. Meanwhile, on October 28, a bilateral air agreement between South Africa and Portugal makes provision for roundtrip flights between Luanda, Angola, and Germiston in the Transvaal.

On behalf of **Imperial Airways, Ltd.**, the Kalahari (or Bechuana-land) Desert Feeder Service is launched on November 1. The initial flight is from Johannesburg to Windhoek, via Palapye, Maun, Gobabia, while the return service from Windhoek to Johannesburg, is operated via Keetmanshoop, Upington, and Kimberley.

The fleet at year's end includes 11 Ju-52/3ms and 18 Ju-86s, the 4 Ansons having been passed to the South African Air Force several months earlier.

A Johannesburg to Luanda route via Keetmanshoop, Windhoek, Outjo, Mossamedes, and Lobito, is opened on August 21, 1939. The premier multistop return flight from Luanda to Johannesburg is operated on August 25.

Due to the outbreak of World War II on September 1, the Empire Air Mail Scheme comes to an end late in the month. At the same time, the South African government takes over the carrier's fleet, dividing it into two units, or wings, one military and one civil.

All-but-two of the Ju-86s are placed into the Military Wing, while the remaining two Ju-86s and 11 Ju-52s are left in the Civil Wing. The latter, with reduced capacity, suspends the routes from Cape Town to Windhoek and from Johannesburg to Lourenco Marques, Entebbe, and Luanda.

Early in 1940, orders are placed for 29 Lockheed Lodestars. All South African civil operations are suspended on May 24 and all aircraft so engaged are subjected to government impressment. SAA's 33 pilots are drafted.

The British government takes over all but one of the 29 Lockheed Model 18s ordered before they can be delivered to SAA in October. In order to maintain communications between certain of its territories, the U.K. orders the routes from Johannesburg to Entebbe and from Johannesburg to Luanda to be reopened on December 17.

In March 1941, the weekly roundtrip service to Entebbe is extended to Leopoldville in the Belgian Congo. Weekly service is started between Lourenco Marques and Leopoldville via Johannesburg and Entebbe on June 6. The mail pouch contains just 20 letters. Weekly Johannesburg to Kisumu service is begun in conjunction with **Southern Rhodesian Air Services, Ltd.** on June 7 via Bulawayo, Salisbury, Lusaka, Ndola, Kasama, Mbeya, Dodoma, and Nairobi.

On February 2, 1942, a weekly return service begins from Cape Town to Leopoldville via Johannesburg, Bulawayo, Lusaka, and Elizabethville. The South African mails connect at Leopoldville with **Pan American Airways** Boeing 314 flights to the U.S. All SAA service, including the delivery of unsurcharged mail, is suspended in August.

On May 23, 1944, airmail is again accepted in South Africa for delivery to Great Britain. There is, however, no guarantee that the post will not go by ship, instead.

Toward the end of November, the South African government releases six L-18s for priority passenger services. SAA personnel are reassembled under the leadership of new General Manager C. J. "Boetie" Venter.

Employing the Lodestars, SAA, on December 1, resumes weekly services from Johannesburg to Salisbury via Bulawayo, twice weekly from Johannesburg to Cape Town via Kimberley and Bloemfontein, thrice weekly from Johannesburg to Cape Town via East London and Port Elizabeth, and daily from Johannesburg to Durban. With the release of three more Lodestars, SAA restarts weekly flights from Johannesburg to Port Elizabeth and from Johannesburg to Windhoek.

At the South African Air Transport Conference held at Cape Town in March 1945, government and air transport officials (from large and small operations) discuss postwar commercial flying within the country. Plans for a service to link South Africa with Europe are reviewed.

Orders are placed for three (later seven) Douglas DC-4s in midyear. Nine passenger-carrying Avro 685 York Is are leased from **British Overseas Airways Corporation (BOAC)**. When the first of these ar-

rives on November 7, it is christened *Springbok* and is employed as part of a pool arrangement with the British state carrier, to commence weekly Johannesburg London (Bournemouth) Springbok return service via Nairobi, Khartoum, Cairo, and Tripoli on November 10. Airmail for the U.K. and Europe only is accepted.

Named for the majestic antelope, the two-day flights enter the history books as the first commercial landplane-service from South Africa to Europe and SAA's first international service. For its part, BOAC flies the Springbok route thrice weekly from Johannesburg to London (Hurn Airport) via Livingstone, Brazzaville, Kano, and Tripoli.

At the end of the year, two more York Is, *Impala* and *Sable*, arrive and orders are placed for three (later seven) Douglas DC-4s.

Following delivery of the initial DC-4, nonstop daily Johannesburg to Cape Town return service is inaugurated on May 1, 1946, the same day the airline resumes carriage of unsurcharged mail. The unnamed DC-4s are delivered during the first two quarters.

As a supplement to the York flights, thrice-monthly, two-day Johannesburg to London Springbok DC-4 flights commence on July 8, with stops at Nairobi, Khartoum, Tripoli, and Rome.

During the summer, the first two de Havilland DH 104 Dove 1s (*Katberg* and *Naval Hill*) and the first of eight Douglas DC-3s to eventually be received begin service over domestic routes. The airline's first stewardesses are now employed. Under a new pool arrangement with **DETA (Divisao de Exploracao dos Transportes Aereos, S.A.)** of Mozambique, weekly return service is initiated in October from Johannesburg to Lourenco Marques via Durban and Bloemfontein.

The fleet, at the beginning of 1947, includes the Dove 1s *Naval Hill* and *Katberg*, 5 DC-3s, 9 York Is, and 7 DC-4s.

Having been delivered beginning in September, the first of eight Vickers 635 Viking 1Bs, *Simonsberg* and *Cathkin Peak*, are placed in service on domestic and regional routes during October, beginning with the replacement of the Lodestars operating the twice-weekly segments from Johannesburg to Bulawayo.

An office is opened in London and on November 1, Johannesburg to London *Springbok* service is increased to thrice weekly as the York Is are withdrawn from the route and replaced with DC-4s. The Viking 1Bs *Mont-Aux-Sources*, *Gulakop*, *Devil's Peak*, *Signal Hill*, *Leeuwkop*, and *Mount Prospect* are all in service by year's end.

Joint SAA-British Overseas Airways Corporation (BOAC) 76-hr. Johannesburg to London all-cargo Avro York flights begin on April 14, 1948. Weekly Johannesburg to Cairo DC-4 service is kicked off on January 30, 1949. The year's enplanements total 135,000 as orders are placed for four Lockheed L-749A Constellations.

Weekly Johannesburg to Lydda DC-4 return flights via Nairobi and Khartoum are started on February 20, 1950. Seven L-18 Lodestars are sold for £35,000 to **East African Airways Corporation**.

The first L-749A is delivered on May 8; christened *Cape Town*, it is placed on the Springbok service to London beginning on August 26 and is the first fully pressurized commercial aircraft to be employed on the route to Europe.

Arrival of the other three Constellations allows the DC-4s to be withdrawn from the London route by October 31. The following month, SAA sells its Vikings to **British European Airways Corporation (BEA)** and begins to release them to the British operator at the rate of one per month.

Bookings grow to 157,000.

During 1951, orders are placed for the de Havilland DH 106 Comet I. Company employees institute a controversial "go slow" work policy in an effort to gain for SAA its independence from the Railways and Harbour Administration; it is not successful. Daily DC-4 Johannesburg to Cape Town via Durban return services begin in August.

Pooled return service with **Commercial Air Services (Pty.), Ltd.** begins during the fourth quarter from Johannesburg to Margate.

A DC-3 with 4 crew and 13 passengers crashes into Mount Ingeli near Kokstad, SW of Durban, on October 15; there are no survivors.

Weekly Goldplate L-749A return service is initiated from Johannesburg to London on November 1 via Nairobi, Khartoum, and Rome.

Passenger boardings are 165,128.

The following year, 1952, is taken up with planning for the introduction of jetliner service. South African crews are sent to London for training aboard the new Comet Is of **British Overseas Airways Corporation (BOAC)** as Constellations continue the Springbok services. Frankfurt becomes a stop on the Goldplate Constellation route on July 1.

A DC-3 is lost at Carolina, South Africa, on September 15; there is no information on casualties.

Enplanements for the year reach 179,658.

Tourist-class fares are introduced on October 3, 1953 on three of the four weekly L-749A Springbok services to London. The reconfigured Constellations also begin to make additional stops at Livingstone, Lusaka, Athens, and Frankfurt.

Flights simultaneously commence from Johannesburg's new Jan Smuts International Airport on October 3 and the next day, employing a de Havilland DH 106 Comet I flown by an SAA crew and under contract from BOAC, but wearing SAA titles, the carrier begins twice-weekly jetliner Springbok London to Johannesburg flights. SAA is the first airline outside the U.K. to operate jetliners commercially.

Tourist Class fares are cut on the Springbok route before year's end. By this time, the fleet includes 11 Lodestars, 7 DC-4s, 5 DC-3s, and 4 L-749As.

The year's enplanements jump to 205,256.

During a Springbok flight to Johannesburg on April 8, 1954, the BOAC Comet I G-ALYY, just after takeoff from Naples for Cairo, disintegrates and crashes into the Tyrrhenian Sea (21 dead). The jetliner type is withdrawn from service worldwide and SAA cancels its order for the type.

The company now reinstates the L-749A as its principal long-haul aircraft and these once again offer one first-class and three tourist-class services per week over the Springbok route.

A DC-4 route is launched from Windhoek to Livingstone during the summer. Indeed, all of the Lodestars are now withdrawn and domestic and regional flights are handled with DC-3s and DC-4s. In August, three DC-7Bs are ordered from the U.S. as Constellation replacements.

Bookings this year accelerate to 217,899, despite the jetliner tragedy. Boardings increase during 1955 to 240,147.

The first DC-7B is delivered in February 1956 and is christened *Dromedaris*. Seven Vickers Viscount 813s are ordered in March, while toward the end of the month and at the beginning of April, two more DC-7Bs, *Reiger* and *Goede Hoop*, are acquired.

The newly delivered DC-7Bs are introduced on the London Springbok service on April 21 and are the first of their type to be operated outside of the U.S. On July 1, L-749A flights are started to Salisbury, Rhodesia; by this time, Constellations have replaced DC-4s on all international routes and have reduced the time to London to only 28 hours.

With only one stop at Khartoum, DC-7B Springbok flights begin to London on December 4. Flying time for this express service is 21 hrs. 10 min. Enplanements for the year rise to 267,288.

Twice-weekly Johannesburg to London DC-7B return flights via Leopoldville, Kano, Algiers, and Amsterdam begin on April 2, 1957. Employing a shorter route via Kano rather than Khartoum, a DC-7B one-stop Johannesburg to London Springbok runs in May; initial and largely sustained flying time on this express route is a record 17 hrs. 45 min. A pooled service agreement with **Central African Airways Corporation** is also signed in May.

The L-749As are placed on the longer domestic routes, including Johannesburg to Durban. The fourth DC-7B, *Chapman*, arrives in October, allowing frequencies on the Springbok return route to be increased to five times a week.

With SAA L-749As, a pooled Wallaby service is opened with **Qantas Empire Airways (Pty.), Ltd.** on November 25 over a route across the Indian Ocean from Johannesburg via Mauritius to Perth and Sydney. The first return flight from Australia is made on November 27. DC-7Bs replace the Constellations just after Christmas. Bookings this year skyrocket to 302,102.

Orders are placed in February 1958 for three Boeing 707-344s. The first two of seven Viscount 813s are delivered on October 26 and replace L-749As on the Johannesburg to Salisbury route, now renamed the Bosbok route, on November 24.

Contingency planning is started during the year for the possibility that newly independent black African states might deny overflight rights. Company aircraft begin surveying alternate routes along Africa's Atlantic coast and two captains perform familiarization flights into Las Palmas and Luanda.

Viscount 813 flights commence on December 15 from Johannesburg to Port Elizabeth via Bloemfontein and Kimberley.

Boardings rise through the 12 months to 303,053.

Twice-weekly Viscount 813 Johannesburg to Bulawayo flights are introduced on January 9, 1959. By month's end, the Vickers turboprops are operating all of the carrier's domestic services.

On February 1, the carrier celebrates its twenty-fifth anniversary. Skycoach economy-class fares are introduced on DC-4 domestic routes beginning on March 25.

Skycoach DC-4 return service is initiated from Johannesburg to Cape Town on October 5. Four days later, two DC-4s are sold to UAT (Union Aeromaritime de Transports, S.A.). DC-3 "colored only" frequencies commence on December 4, with fares 25% lower than the same service as provided by Viscounts.

The L-749A *Cape Town*, along with the other L-749As, are retired later in the year, freeing up their names for use on the Boeing jetliners. The Constellations are put up for sale, but no buyers are found. Enplanements this year reach 319,165.

Two, later four, L-749As are returned to service during the first half of 1960 to offer low-cost domestic flights. The first B-707-344 is delivered on July 15; piloted by Capt. J. M. B. Botes and S. Pienaar, the Stratoliner makes the 11,445-mile flight from Seattle, Washington, to Jan Smuts Airport at Johannesburg in 21 hrs. 35 min. Christened *Cape Town*, the aircraft is renamed *Johannesburg* when the second Boeing arrives on August 22 and takes the *Cape Town* name. SAA is the first airline to operate Boeing intercontinentals with full span leading edge flaps.

On September 4, *Cape Town* establishes a new 1 hr. 15 min. Cape Town to Johannesburg record. The B-707-344s are placed on the Johannesburg to London Springbok run beginning on October 1 and begin to replace the DC-7Bs.

As the result of political disturbances in the Belgian Congo, frequencies to Leopoldville are suspended. The *Cape Town* is damaged as the result of a bad (belly) landing at Nairobi on October 30. Toward the end of the fourth quarter, frequencies on the Springbok route are cut to three times a week.

Bookings during these 12 months swell to 366,438.

In 1961, the fleet comprises three B-707-344s (*Johannesburg*, ex-*Cape Town*, *Cape Town*, ex-*Durban*, and *Durban*, ex-*Johannesburg*), 4 DC-7Bs, 7 Viscount 813s, 4 L-749As, 5 DC-4s, and 6 DC-3s. Two of the Constellations, including the former *Cape Town*, are leased to **Trek Airways, Ltd.** for the independent's low-cost European services.

Paris becomes a stop on the Springbok service when service to Europe is introduced from Cape Town via Johannesburg on June 1.

In December, an arrangement is worked out with **Cubana (Empresa Cubana de Aviacion, S.A.)**. Under its terms, SAA will purchase a pair of Viscount 818s from the island airline for £770,000 and two L-749As.

Passenger traffic climbs to 376,713.

The fleet is increased by one former **Cubana (Empresa Cubana de Aviacion, S.A.)** Viscount 818, christened *Reitbok*, in March 1962. Since Cubana is unable to deliver the second turboprop, SAA holds on to the Constellations.

A DC-3 with four crew and three passengers makes a forced landing north of Seymour, South Africa, on March 6 (two dead).

In April, SAA becomes the first airline to fly a nonstop route from South Africa to Europe: Johannesburg to Athens in nine hours. During the summer, weekly and experimental DC-7B newspaper delivery

flights are made from Johannesburg to Cape Town under contract to the former city's *Sunday Times*. Each service is able to transport 11 tons of newspapers, enough for every citizen in Cape Town who wishes to purchase one.

Passenger boardings for the year advance to 409,551.

In what turns out to be a timely move, South Africa and Portugal conclude a new bilateral air agreement during the spring of 1963. It provides access for SAA services to Lisbon and Lourenco Marques from Johannesburg and Durban.

On August 22, a number of newly independent black African states, along with Egypt, Algeria, Sudan, and Libya, ban the carrier from their airspace in protest against South Africa's racial policies. As the result of contingency planning begun five years earlier, SAA shifts its long-haul services to a bulging route along the Atlantic west coast of Africa and does not miss a flight.

On September 20, **British Overseas Airways Corporation (BOAC)**, **East African Airways Corporation**, and **Central African Airways Corporation** withdraw from a profit-sharing pool with the airline for the same political reason. Nairobi closes Wilson Airport to the South Africans on November 12.

Still, 460,660 people are carried on the year and revenues total \$39,113,400.

In 1964, the workforce totals 3,582. The carrier's thirtieth anniversary is celebrated in February. Orders, valued at \$28 million, are placed for five B-727-100s, a B-707-320B, and an L-749A, the former *Cape Town*; her three sisters are sold to **ACE Freighters, Ltd.** for R 120,000.

Passenger boardings rise 16.9% to 612,066. Revenues are \$43.8 million, allowing an \$841,000 profit.

The employee population increases by 16 in 1965. On May 7, **Trek Airways (Pty.), Ltd.** begins once-every two-weeks roundtrips on behalf of the major from Johannesburg to Perth via Mauritius and the Cocos Islands; the "down under" flights by the two airlines allow South Africa to provide weekly services to and from Australia.

A new twice-weekly European Springbok routing is opened on June 4: Johannesburg to London via Luanda, Las Palmas, and Madrid.

The B-707-320B and five B-727-44s are delivered between June 3 and September as all but one of the DC-4s and a Viscount 813 are retired. Meanwhile, beginning on August 1, the five newly arrived trijets, christened *Tugela*, *Orange*, *Vaal*, *Limpopo*, and *Letaba*, enter service. The final DC-4 flight, accompanied by ceremony, is operated by *Lebombo* on September 30 from Johannesburg to Windhoek via Upington and Keetmanshoop.

The **Trek Airways (Pty.), Ltd.** replacement flights to Australia end on October 1, as another B-707-320B order is placed. The same day, B-727-44s complete the process of taking over South African domestic flights from the Viscounts. Windhoek becomes a Springbok stop on November 1.

A total of 693,267 people are carried on the year.

Two B-727-144s are delivered in 1966 and orders are placed for three B-707-344Cs, three B-737-244s, and three B-747-100s. During January, the final DC-4, *Lebombo*, is sold to the South African Air Force.

The company switches from its decade-old Las Palmas route, flying the Springbok route to Europe, beginning on April 1, via a technical stop at the former Portuguese colony of Ilha do Sal, one of the Cape Verde Islands, about 350 miles off the coast of Senegal. Two more B-727-44s are received and two DC-7Bs are sold to **Transair Sweden, A.B.**

Alex Marais "Lex" Conradie succeeds John G. Grove as chairman in July. On September 3, a weekly return service is initiated from Johannesburg to Gaborone in Botswana.

A total of 843,000 travelers are transported.

A B-707-344 is delivered in 1967 and the employee population reaches 4,101. The fleet now comprises 23 aircraft.

During the first quarter, authority is received to operate flights into Luanda and Salisbury.

While approaching East London in bad weather on March 13 on a flight from Port Elizabeth, Flight 406, the Vickers Viscount 818 *Rietbok*

with 5 crew and 20 passengers, mysteriously plunges into the Indian Ocean 35 mi. offshore; wreckage is found the next day and there are no survivors.

Replacing the DC-7B service and the propeller plane's intermediate stops, B-707-344 flights commence on March 29 from Johannesburg to Sydney via Mauritius and Perth.

Basutair, Ltd. is reformed in midyear, with the assistance of **Commercial Air Services (Pty.), Ltd.** Richard Southworth, Basutair founder/managing director, remains in charge. A Douglas DC-3 is leased from Comair and under contract to the government, it is employed, beginning on October 2, to offer a scheduled weekly roundtrip between Maseru and Johannesburg. A second weekly roundtrip is offered as a pooled frequency in partnership with SAA.

Passenger boardings accelerate 14% to 956,400 and the revenue passenger mile (RPM) mark exceeds a billion for the first time (1,029,727,000).

Airline employment is 4,502 in 1968. One B-707-344C, one B-727-44, a B-727-44QC, and three B-737-244s join the fleet as the last DC-7B and a DC-3 are sold.

Reciprocal Paris to Johannesburg all-cargo services are begun with **Air France** on January 20. **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** places orders in February for two B-737-2B2s. It also signs an agreement with South African Airways; under its terms, SAA will maintain the new "Baby Boeings." Windhoek becomes a stop during March on the Springbok service to Frankfurt.

En route to London from Johannesburg on April 20, Flight 228, the B-707-344C *Durban* with 12 crew and 116 passengers aborts takeoff from its intermediate stop at J. G. Strijdom Airport at Windhoek, Namibia, and crashes in scrub 5,327 m. from the end of the runway (123 dead).

A new B-707-334C arrives a month's end; christened *Port Elizabeth*, it is registered sometime later in the year.

The carrier orders 30 pilots and stewardesses to begin karate training on October 5 as a defense against hijacking. Following their October 29 arrivals, the first two B-737-244s are named *Rongala* and *Pongola*.

Passenger boardings jump another 14% to pass the one million-mark for the first time (1,059,812). Revenues total \$84.5 million.

Service is inaugurated from Johannesburg to New York via Rio de Janeiro on January 4, 1969. The B-707-344C *East London* is acquired in the spring as a replacement for the machine lost the previous year. In April, Johannesburg to New York (JFK) service is started via Rio de Janeiro.

Two more B-707-344Cs, including the *Pretoria*, are delivered on August 28.

The first **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** B-737-2B2 is delivered in September and is christened *Boina*. Following workup and proving flights, it begins a weekly return service to Johannesburg on October 15. The Boeing flies to South Africa on Saturdays and returns on Thursdays. As a way of gaining currency to help pay for the new machine, it is wet-leased to SAA between Sundays and Wednesdays and flies over South African domestic routes. This arrangement will last for a year.

The B-737-244 *Malopo* arrives on October 22. Enplanements move ahead this year to 1,218,751.

Airline employment stands at 5,381 in 1970. A new joint freight service with **British Overseas Airways Corporation (BOAC)** is opened between London to Johannesburg early in the year. Offices are commissioned in Barcelona, Brussels, Chicago, and Houston. Three more B-737-244s, *Gouritis*, *Umkomaas*, and *Nossob*, are delivered and enter domestic services. During the year, the last DC-3 is withdrawn from domestic and trans-border services and orders are placed for a pair of Hawker Siddeley HS 748s. Additionally, the company becomes the first to have an integrated message-switching and automated reservations system housed in one central computer.

Cargo traffic grows 19% and passenger boardings soar 18.7% to 1,499,079.

The carrier's HS-748 is delivered in January 1971, followed by the second in February. The first wide-body, a B-747-244B, is delivered on

October 22. Christened *Lebombo*, the giant new aircraft, complete with the black silhouette emblem of a Flying Springbok on its tail, is placed into service on December 1 over the company's Springbok route from Johannesburg to London.

A second Dash-244B, the *Drakensberg*, arrives 12 days later. With the first Hawker Siddeley HS 748s now in full operation, the Viscount 813s are contracted to be sold to **British Midland Airways, Ltd.**

Bookings for the year are up to 1,612,000.

Airline employment stands at 7,325 in 1972. Three additional B-747-244Bs arrive between January and September and are christened *Tafelberg*, *Magaliesberg*, and *Swartberg*; they join a fleet now comprising 9 B-707s, 9 B-727-44/244s, 6 B-737-244s, 7 Viscount 813s, 3 Hawker-Siddeley 748s, and 3 DC-3s.

Weekly B-747-244B roundtrips commence on January 9 between Johannesburg and Cape Town. The last Viscount 813 service is operated in early February. The routes to Rhodesia and South West Africa are taken over by the B-727s and B-737-244s. A second weekly roundtrip service to Rio de Janeiro begins on April 1.

In an effort to extort money from H. Oppenheimer, chairman of the Anglo-American Mining Company on May 24, two Lebanese hijackers, F. A. Camil and A. Yaghi, commandeer the B-727-44 *Letaba* during a Salisbury-Johannesburg flight. Malawi military forces storm the aircraft on May 26 at Blantyre and capture the pirates; Camil and Yaghi will be tried and sentenced to prison.

Chairman Alex Marais Couralis retires on August 2 and is succeeded by James Adam. In partnership with **Aerolineas Argentinas, S.A.** a Johannesburg to Cape Town weekly roundtrip service begins on November 6.

Unduplicated route mileage is now in excess of 50,000. All aircraft are repainted in a new color scheme during the year and the last Viscount 813 is delivered to **British Midland Airways, Ltd.** Bookings approach the two million mark.

The employee population in 1973 numbers 7,457. B-747-244B service is inaugurated between Cape Town and Buenos Aires. Freight soars 49.8% and enplanements rise to 2,211,000.

The workforce in 1974 is 7,703. Weekly B-747-244B service is launched from Johannesburg to Hong Kong in June via the Seychelles Islands. On July 16, an \$87-million order is placed with Boeing for three B-747SP-44s.

Chairman Adam announces his early retirement at year's end. Enplanements total 2,697,623. On revenues of \$248 million, a net \$4-million profit is earned.

Orders are placed in 1975 for four Airbus Industrie A300B2K-3Cs. Two more B-747SP-44s are requested on August 28, with an option taken on another. A sixth B-747SP-44 is ordered in October, making SAA the largest purchaser of the aircraft type.

A B-747-244B with 287 aboard is hit by gunfire during its April 8 landing at Luanda, Angola, an intermediate stop on the regular London service. No injuries are reported and the Jumbojet returns safely to Johannesburg. Officials speculate that opponents of Dr. Agostinho Neto, president of the Popular Front for the Liberation of Angola, shot at the airliner under the suspicion that he was aboard the aircraft.

Cargo traffic dips 1.4% this year, but passenger boardings increase 6.3% to 2,879,000. Revenues jump to \$271 million, leaving a \$9.9-million profit.

The employee population in 1976 is 9,914. The first of five B-747SP-44s, the *Matroosberg*, carrying 50 passengers, is delivered on March 24 following the establishment of a new world record for the longest nonstop flight by a commercial aircraft: Paine Field, in Washington State, to Cape Town (10,290 miles) in 17 hrs., 22 min. Among the VIPs aboard the historic service is Minister of Transport and Communications S. I. Muller.

The second B-747SP-44, the *Outeniqua*, is delivered on April 23. It wears its starboard SAA titles in Afrikaans and those on the portside in English.

Three more of her type will arrive through November and are christened, respectively, *Maluti*, *Majoba*, and *Hantam*; when placed into service, they will significantly increase the company's nonstop capability

around those many black African nations that will not grant overflight privileges due to the government's racial policies. The *Matroosberg* begins revenue service on May 1 flying from Johannesburg to Rome via Athens and Lisbon.

The company's New York headquarters is vandalized during office hours on June 18 by two unidentified Afro-American males. Following delivery of the *Outeniqua*, it begins weekly roundtrips on August 1 from Johannesburg to New York via Sal Island, cutting 2 1/2 hours off the previous routing.

The first of four ordered Airbus Industrie A300B3K-3Cs joins the fleet on October 31; christened *Gemsbok*, it is placed into service on November 26.

Cargo is up 2.9% and passenger bookings rise 2% to 2,938,000.

Enplanements grow to 3,010,000 in 1977, as three more A300B2K-3Cs, *Blesbok*, *Waterbok*, and *Rooibok*, and the sixth B-747SP-44, *Soutpansberg*, join the fleet.

The first B-707 Stratoliner, the *Johannesburg*, is sold to **British Midland Airways, Ltd.** on July 27. The profit has little impact when a \$12-million operating loss is suffered.

Airline employment at CEO M. E. Smuts's carrier in 1978 is 10,478. B-747SP-44 service is inaugurated to Tel Aviv. A new domestic excursion fare is introduced.

Passenger boardings grow 4.2% to 3,142,000 and freight traffic is up 27.5%. On total revenues of \$332.7 million, expenses are \$327.5 million and the operating profit is \$5 million.

The fleet in 1979 includes 5 B-747-244Bs, 6 B-747SP-44s, 3 B-707-344Cs, 6 B-727-244s, 6 B-727-44QCs, 6 B-737-244s, 4 A300B2K-3Cs, and 3 HS 748s.

Following the February 16 destruction of an **Air Rhodesia, Ltd.** Vickers Viscount 782D by a heat-seeking missile fired by guerrillas, SAA cancels its twice-weekly Salisbury to London service, as well as its twice-weekly roundtrips between Johannesburg and Victoria Falls. The B-707-344C *East London* is sold in March.

Passenger boardings accelerate 16.1% to 3,646,000, while freight traffic advances 7.1% during the year. As the result of increasing fuel prices, a \$31.3-million operating loss is taken.

Airline employment is reduced by 2.2% in 1980 to 11,244. Two B-747-244B combis (BC), the *Waterberg* and *Helderberg*, are added, while 12 B-737-244As and 2 A300B4-203s are ordered.

The company announces on July 1 that it will hire black women as flight attendants for the first time. The B-747SP-44 *Matroosberg* is leased to **Luxair, S.A.** in October.

Passenger boardings swell 9.2% to 3.8 million while cargo rises 5.6% to 250.9 million FTKs. Revenues reach \$871.6 million, but expenses climb 36.9% to \$925.3 million, leaving a \$53.7-million operating loss.

The number of employees is increased by 1.4% in 1981 to 11,397.

Luxair, S.A. is unable to begin operations with the *Matroosberg* and so returns it in January.

A fleet of British Aerospace (BAe) 146-100s is acquired to provide frequencies to the capitals of the neighboring nations of Botswana, Lesotho, and Swaziland. During the spring, the transportation portfolio in the government is remodeled; the airline and other units formerly operated under the Railways and Harbours Administration are placed under the new department South Africa Transport Services.

A historical aircraft collection is deemed an appropriate way to celebrate the company's 50th anniversary in 1984 and a special fund is established for its upkeep. A search is undertaken for a Junkers Ju-52/3m, but being unable to locate an actual German-made model, SAA purchases from a private collector in England a license-built model manufactured by Construcciones Aeronauticas, S.A. (CASA) in Spain. The plane is shipped to Lemwerder, Germany, where it is disassembled and shipped to South Africa in May. It will be painstakingly rebuilt and refurbished to resemble the first South African "Tante Ju," the *Jan Van Riebeeck*. Of more than 5,000 Ju-52/3ms built, she will be, when reborn, one of only six still flying in the world.

The A300B4-203 Springbok is delivered in August, along with six B-737-244As, *Tugela*, *Limpopo*, *Vaal*, *Oranje*, *Letaba*, and *Komati*.

Enplanements are up a slight 0.6% to 4,005,000 while freight balloons by 19.4% to 311.06 million FTKs. Another operating loss is posted.

The employee population in 1982 stands at 12,247. Seven more B-737-244As (*Marico*, *Kei*, *Berg*, *Caledon*, *Olifants*, *Wilge*, and *Umgeni*) and two more A300B4-203s (*Eland* and *Bosbok*) join the fleet as the last B-727-44QC is retired and sold, helping to pay for some of its successors.

The technical and overhaul base at Johannesburg now provides support for the aircraft of **Air Comores, Ltd.**, **Air Mauritius, Ltd.**, **Air Zimbabwe Corporation**, **LAM Mozambique Airlines, S.A.**, **Royal Swazi Airlines**, and **TAP (Air-Portugal, S.A.)**. The facility features a newly opened hangar that is the largest in the southern hemisphere.

During the year, the state-appointed Margo Commission of Inquiry into Civil Aviation refuses to make a recommendation on airline deregulation and over 80% of its 300 recommendations will be ignored. The first and only combi Airbus, the A300C4-203 *Koedoe/Kudu*, is also placed into service following its October 29 delivery.

Orders are placed for two B-747-300s and in December the B-727-44 *Letaba*, the only SAA aircraft ever hijacked, is sold to **Aerotol Colombia, S.A.** It is reported that, at some unnamed point during the year, a passenger aboard a company flight, assisted by a flight attendant, gives birth to a healthy baby.

Freight accelerates 1.9% to 318.94 million FTKs, but passenger boardings dip 1.7% to 3,940,000. This year's operating loss is \$65.6 million.

One B-737-244 is sold in 1983 and other cost-cutting measures are taken. Two B-747-344s, the *Cape Town/Kaapstad* and *Johannesburg*, are delivered in April and May, respectively, and are employed to launch nonstop Johannesburg-London Springbok service. A route is also opened to the Comores, in the Indian Ocean. SAA claims the honor of being the first airline to fly nonstop between Johannesburg and London.

When the BAe 146-100s are sold, service to Botswana, Lesotho, and Swaziland must be abandoned as the airports in their capital cities cannot accommodate the company's B-737-244s. Gert van der Veer, assistant general manager of South African Transport Services, becomes chairman/CEO on October 1.

Withdrawn from their final thrice-weekly Durban to Richard's Bay route, the company's last propeller equipment, three HS 748s, are sold to Canada's **Austin Airways, Ltd.** in December.

Freight soars again, up 15.9% to 369.59 million FTKs, but passenger traffic declines another 2.3% to 3,851,561 passengers carried. The operating loss is reduced to \$37.9 million on revenues of \$808 million, up 9.6% over 1982; the net loss is \$41.6 million.

The workforce in 1984 is a reduced 11,728. The company is reorganized into two major segments—domestic/regional and international, each under a chief director. A variety of promotional fares are introduced, along with business-class, 50%-off Midnight Flights, and senior citizen services. The company celebrates its fiftieth anniversary throughout the year.

The Boeing 747SP-44 *Maluti* is leased to **Air Mauritius, Ltd.** on October 28; christened *Chateau du Reduit*, it inaugurates service to Paris and London for that carrier on November 3. A week later, it also launches flights from Mauritius to Paris via Rome.

Passenger boardings reflect the upturn in world economic conditions, jumping 12.6% to 4,334,754, while freight traffic swells 23.8% to 457.56 million FTKs. On revenues of \$780 million, expenses drop 14.6% to \$735 million, leaving an operating profit of \$45 million and a net profit of \$13.2 million.

The employee rolls are cut another 5% in 1985, down to 11,048. The fleet now includes 2 B-747-344s, 5 B-747-244Bs, 2 B-747-244Cs, 4 B-747SP-44s, 4 A300B2K-C3s, 2 A300B4-203s, 1 A300C4-203, 5 B-737-244s, and 13 B-737-244As.

In March, B-747SP-44 nonstop flights begin from Johannesburg to Zurich; on March 15, the B-747SP-44 *Majuba* is leased to **Royal Air Maroc, S.A.** To counter a continuing decline in domestic passenger

boardings, the company, in the spring, introduces a number of special discounted fares.

On April 1, the B-747SP-44 *Outeniqua* is leased to **Air Malawi, Ltd.** just for the purpose of providing an executive transport for a state visit to London. Painted by April 12 in Air Malawi colors and given the temporary name of *Mulanje*, the Jumbojet, on April 16, flies President Hastings Banda and his official party from Blantyre to London (LHR) via Amsterdam for a conference. Paying fees all the while, the giant aircraft is parked at the U.K. airport for three weeks until, on May 11, it returns Banda and party back to their country and is returned to SAA.

Following the introduction of emergency measures by the South African government in July, the U.S. DOT withdraws SAA's operating permit to serve Houston, while Australia cuts the carrier's service to Perth and Sydney to one flight weekly. Flights to Buenos Aires also cease, primarily for economic reasons.

Two B-737-244s are sold as political turmoil and a sharp drop in the value of the country's currency, the Rand, impacts the carrier. Passenger boardings dip 2.9% to 4,207,000 and cargo falls 13.7% to 394.88 million FTKs. Revenues plunge 24.2% to \$589.9 million; losses are \$19 million (operating) and \$44.8 million (net).

The payroll grows a slight 0.5% in 1986 to 11,100. During the first quarter, the company increases its domestic and "See South Africa" fares by 10%; however, international ticket prices remain unchanged. On September 4, **Royal Air Maroc, S.A.** purchases the long-range B-747SP-44 *Majuba* operated under lease over the past 18 months.

On October 12, service is suspended to and from America as the result of the U.S. sanctions against South Africa on account of its government's racial policies. Meanwhile, the UN also introduces sanctions and the Australian government adds its own, forcing the carrier to suspend its weekly Johannesburg to Perth and Sydney services on November 9.

Bookings decline 9.1% to 3,208,000 and cargo drops 15.4% to 276.22 million FTKs.

Avoiding most of black and Muslim Africa north of Lusaka, SAA in 1987 operates its long-haul B-747SP-44 services from Johannesburg and Cape Town via Abidjan or Ilha Do Sal to Lisbon, Madrid, Paris, London, Zurich, Amsterdam, Brussels, Frankfurt, Vienna, Rome, Athens, and Tel Aviv.

Decline in capacity requirements allows the lease of the B-747SP-44 *Matroosberg* to **Air Mauritius, Ltd.** on April 1. Named *Chateau de Re-duit*, the Jumbojet replaces one of the two Air Mauritius Stratoliners on the Bombay and Singapore routes and permits expansion of the European network to include stops at Geneva and Munich.

Simultaneously, the B-747-244B *Drakensburg* is leased to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** for 16 months.

During the fall, business-class service on domestic flights is upgraded on both A300s and B-737s. In addition, a new domestic frequent flyer program is initiated and a variety of promotional fares are introduced.

Planning once more to start long-haul service, **Luxavia, S.A.** leases the B-747SP-44 *Outeniqua* on November 1. The remainder of the year is spent painting the giant aircraft in the operator's white and soft blue colors.

On November 28, Flight 295, is approaching Mauritius for refueling during a flight from Taiwan to Johannesburg. The B-747-244B Helderberg with 19 crew and 140 passengers suffers a blaze in its cargo hold and crashes on fire into the Indian Ocean 125 mi. SW of its destination; there are no survivors.

As the result of Australia's withdrawal of traffic rights, airline officials are not in a position to assist Australia's state carrier's when they face a pilots' strike and seek replacement flyers at the end of the year.

SAA refuses to release its traffic figures to the Western press, although it does admit to a \$26.3-million operating income and a net profit of \$42.3 million. It is eventually learned that enplanements have totaled 4,194,768.

Airline employment falls by 4.5% in 1988 to 10,502. Two Airbus Industrie A320s are ordered in January. In February, the B-747SP-44 *Out-*

eniqua leased to **Luxavia, S.A.** is placed into service between Luxembourg and Johannesburg. At the same time, a **Luxavia, S.A.** Airbus is leased to replace an A300B4-203 chartered to **Wardair Canada, Ltd.** Orders are placed in March for two A310-321s, with options on five more. By May, the company is offering 500 domestic flights per week, with half flown between Johannesburg and Cape Town.

Late night and early morning low-fare flights, with stops at Port Elizabeth and Durban, prove extremely popular. The *Drakensburg* returns from its Brazilian lease in August.

The B-747SP-44 *Soutpansberg* is sent to **Air Mauritius, Ltd.** on a September 30 short-term lease; the plane is not renamed.

In October, it is announced that SAA has joined the ranks of those few airlines in the world with women pilots; three fly over its international routes.

Passenger boardings accelerate 15.7% to 4,976,000, but freight is off by 11.1% to 238.23 million FTKs. Revenues swell 12.1% to \$697 million and low costs allow an operating profit of \$33 million and net gain of \$117.7 million.

The workforce is increased by 7.4% in 1989 to 11,279, largest for any corporation in Africa south of the Sahara. The fleet now includes 5 B-747SP-44s, 6 B-747-244Bs, 2 B-747-344s, 4 A300B2K-C3s, 4 A300B4-203s, 1 A300C4-203, and 17 B-737-244s. Orders are placed for two B-747-444s and seven A320-231s.

The B-747SP-44 *Soutpansberg* is returned by **Air Mauritius, Ltd.** in January.

Flights are inaugurated to Manchester, England, via Paris. After having been allowed to use Abidjan, Ivory Coast, as an unofficial transit stop for some years, the carrier is now able to start an improvement of tourist services to that city as a result of improved relations between the two governments.

Recession is seen to begin in midyear and will have a steadily worsening impact on the airline in the years immediately ahead. Moroni, in the Indian Ocean's Comoros Islands, becomes a destination in October. Late in the month, the company diversifies into the travel business, assuming a 50% stake in the Skybird inclusive tour concern, which includes ground tours and air charters.

Customer bookings for the year jump 15.3% to 5,982,097, but cargo plunges to 223.57 million FTKs.

Company employment is decreased by 15% in 1990 to 10,200. On April 1, the carrier becomes a division of Transnet, a government-owned company. Privatization, the process of forming SAA into a fully market-related commercial enterprise, begins. Simultaneously, the B-747SP-44 *Soutpansberg* is chartered to **Namib Air, Ltd.**

In August, flights—and profits—to and from the Magasar Republic are operated in pool with **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)**.

Service is initiated to Brussels during the fall. The company simultaneously attempts to reach an agreement with the government of Kenya for the inauguration of services to Nairobi.

All is in place until Kenyan President Daniel Moi cancels the renewed air connection on December 1, following a visit from African National Congress Deputy President Nelson Mandela. Moi then changes his mind again after a visit from South Africa's foreign minister Pik Botha. The fully loaded SAA 747 finally departs Nairobi for Johannesburg on December 8. In cooperation with SAA, **Kenya Airways, Ltd.** will be able to initiate reciprocal flights in January.

Passenger boardings rise 3.5% to 5,374,337 and freight ascends 21.8% to 62.64 million FTKs. Revenues advance 23.7% to \$973 million. Income exceeds costs and profits are generated: \$31.6 million (operating) and \$24 million (net).

The payroll grows a slight 1.6% in 1991 to 11,368 and the fleet now includes 4 A300B2K-C3s, 3 A300B4-203s, 1 of which is leased to **Philippine Airlines (PAL)**, 1 A300C4-203, 4 B-737-244s, 13 B-737-244As, 5 B-747-244Bs, 1 B-747-244BC, 2 B-747-344s, and 5 B-747SP-44s, 1 of which is chartered to **Luxair, S.A.** and 1 to **Namib Air, Ltd.**

The first B-747-444 is delivered in January and is christened *Durban*. Orders, valued at \$890 million, are placed for four more Dash-444 *Jumbojets* and seven A320s.

Due to a 10% traffic drop in early 1991 over 1990, the company, on February 15 temporarily discontinues certain flights to Frankfurt.

Flights to the Seychelles, Kinshasa, and Abidjan commence in April, while those to Lubumbashi via Lusaka are withdrawn.

As sanctions against the nation are lifted in the spring, new routes are opened; the first is a weekly flight to Milan started on June 1. Additional markets entered or expanded include Zaire, Madagascar, Reunion, Tanzania, and Morocco.

Zukile Nomvete is appointed Transnet executive director of airways and properties in April, with a five-year mandate to oversee SAA's strategic direction and policy decisions.

The second B-747-444 arrives in June and is named *Bloemfontein*.

On September 8, for the first time since 1963, the company is able to resume flights over the Sudan, Egypt, and other points in eastern Africa. Eight days later, the government of the Sudan, without warning, terminates SAA's overflight rights. Notice is initially received by a B-747-244B en route to London.

Following the deregulation of the domestic airline business, the challenge to SAA begins almost immediately as **Flitestar Airlines (Pty.), Ltd.** inaugurates A320-212 services from Johannesburg to Cape Town and Durban and from Cape Town to Port Elizabeth. To smooth the introduction of its own new A320-231s, SAA now begins maintaining the A320s of rival Flitestar.

At the beginning of October, **Namib Air, Ltd.** is renamed **Air Namibia, Ltd.** The B-747SP-44 *Soutpansberg*, on lease to that carrier, is renamed *Etosha* on October 15.

SAA receives permission, on October 26, to resume flights to the U.S. after a five-year ban.

An interline agreement is signed with **Aeroflot Soviet Airlines** on November 1, the same day services are resumed to Athens. At the same time, the B-747SP-44 *Hantam* is leased to **Air Mauritius, Ltd.**, where it is rechristened *Chateau Labourdonnais*.

On November 2, a second weekly flight is launched between Johannesburg and Paris (ORY). To attract business travelers from France, SAA offers a number of amenities to French travelers, including a free car rental, lodging, and special rates on SAA domestic flights.

On November 3, thrice-weekly direct B-747-244B service begins to New York, with a stop at Ilha do Sal in the Cape Verde Islands.

Also, on November 6, the first of seven A320-231s is delivered to Johannesburg and christened *Blue Crane*. While on its delivery flight, it had crossed Angola, the first flight over that African state by any company aircraft since 1975.

During the month, a separate cargo business unit is established within the airline, which consolidates both the domestic and international freight operations. SAACARE, the carrier's computerized cargo reservations and tracking system, is extended to domestic cargo services as well.

The South African government, in November, introduces an interim aviation policy, designed to permit faster agreement on bilateral services with other countries while a full policy is worked out.

For the first time in history, a SAA aircraft flies to Moscow; the B-747-244B that lands at the Soviet capital on December 1 arrives as an extension of the Frankfurt service. Regularly scheduled service between the U.S.S.R. and South Africa is not then being planned.

Three more A320-231s, *Bokakierie*, *Hadida*, and *Vis Arend*, arrive in December. The number of weekly B-747-244B flights to New York is increased to four as of December 25.

Customer bookings for the year decline 10.1% to 4,723,365, but cargo climbs 2.2% to 215.25 million FTKs. Revenues ascend 10.5% to \$1.09 billion and there is an operating profit of \$243.97 million. The net loss is \$72.27 million.

Service to the Australian cities of Sydney and Perth are reinstated on January 18, 1992. Also in the first quarter, **Flitestar Airlines, Ltd.** acquires the smaller airlines **Air Cape (Pty.), Ltd.** and **Luxair Express**,

S.A. They continue their operations as subsidiaries of the holding company Trek Airways, with Air Cape and Flitestar dedicated to domestic and regional operations and Luxair continuing a Johannesburg to Luxembourg route operated with the leased SAA B-747SP-44 *Outeniqua*, now rechristened *Luxavia Star*.

A new bilateral air agreement is signed in mid-February between the governments of South Africa and Israel. Prior to the establishment of these legal provisions, reciprocal flights by SAA and **El Al Israel Airlines, Ltd.** have been conducted under a diplomatic agreement. A bilateral is also signed during the month with the government of Singapore.

On March 29, new weekly SAA roundtrip flights are inaugurated from Johannesburg to Cairo, with continuing service to Athens. Weekly nonstop roundtrips from Johannesburg to Hong Kong commence on April 1; twice-weekly roundtrips are also launched between Johannesburg and Singapore.

A charter package is opened to Luanda later in the month. Also during the spring, a B-747-244B, three B-737-244s, and an A300B4-203 are placed up for sale. Retired from the South African Air Force in 1977, the one time SAA DC-4 *Lebombo* is purchased for historical restoration.

It is reported in the Middle East press on April 28 that negotiations have been completed and that **Flitestar Airlines, Ltd.** will commence operations in October from Johannesburg to Bahrain via Mombasa. It will be the South African carrier's first international route.

Interavia Air Letter notes in its May 22 issue that Flitestar, by May 19, has reached the 57% load factors required to break even. The airline in 7 months has successfully captured 20% of the South African domestic market.

Exiting years of sanctions and isolation, the South African flag carrier on June 1 signs a marketing alliance with **Air Afrique, S.A.**, which will allow it to fly a new thrice-weekly joint route from Johannesburg to Abidjan via Brazzaville and to serve most major African capitals by November. Simultaneously, weekly frequencies are initiated to Bangkok and Singapore.

Following the successful conclusion of a three-month legal battle with SAA, **Flitestar Airlines, Ltd.** receives a license from the South African National Transport Commission on June 15 to inaugurate services between Johannesburg and Mombasa in September.

Simultaneously, SAA receives back from **Air Mauritius, Ltd.** the B-747SP-44 *Hantam*, which has been serving with that carrier as the *Chateau Labourdonnais*.

Also in June, the governments of South Africa and Japan sign a bilateral air services agreement.

On July 1, **EgyptAir, S.A.E.** inaugurates direct charter flights from Johannesburg to Jeddah on behalf of SAA and **Saudia (Saudi Arabian Airlines)**.

Munich becomes a market on August 13. Daytime service between Johannesburg and London begins on August 29. A 50% reduction in fare is offered for companions accompanying full-fare paying customers on the route. The A320-231s *Bataleur* and *Loerie* arrive during the month.

Simultaneously, the carrier leases three Antonov An-32s and two Ilyushin Il-76Ts from the Air and Navigational Transport Agency of the Ukraine for use as dedicated freighters throughout Europe and Africa. The five, flown by the Ukrainian crews that will operate them under a contract with South Africa, arrive at Jan Smuts Airport together on September 4. The An-32s thereafter fly to Egypt and the Il-76Ts to Europe.

With the placement into service of two more B-747-444s, the *Kemp-ton Park* and *Vulindlela*, the number of flights to New York's JFK International Airport is increased on November 1 to four per week, including three operated by B-747-444s. The fourth service, operated with a B-747-244B, stops for refueling in the Cape Verde Islands.

A strategic arrangement is signed with **American Airlines** on November 4, under which the American major agrees to provide code-sharing feed to SAA at New York (JFK). The arrangement will eventually lead to joint flights from JFK to Miami and Johannesburg and linkage of frequent flyer programs.

The first service between the major vacation areas of the U.S. and South Africa is inaugurated on December 13 when the "Flying Springbok" airline launches weekly nonstop B-747-444 flights from Miami to Cape Town, continuing on to Johannesburg.

Meanwhile, **Flitestar Airlines, Ltd.** has suffered heavy financial reversals during the remainder of the recession year as SAA pours additional capacity onto its domestic routes to overwhelm the independent. Additionally, pressure on yields and the devaluation of the rand against the U.S. dollar, in which most of Flitestar's leasing and other costs are paid, ends the warm thought of profits enjoyed in the spring.

The government does not interfere as the situation has worsened for Flitestar, which is unable to launch its new international services, runs up large debts, and only enplanes a total 400,000 passengers.

Despite its own expansion, the world political situation, recession, and drought, have forced SAA's passenger enplanements to fall another 3.5% to 4,559,200. Freight, on the other hand, has increased 38% to 263.48 million FTKs.

Revenues this year climb 5.5% to \$1.2 billion and expenses rise 9% to \$982.5 million. The difference in these figures is an operating surplus of \$226.97 million. The net loss increases, however, to \$114.56 million.

Chairman van der Veer's workforce is sliced by 13% in 1993 to 10,044 and his fleet now includes 4 A300B2K-C3s, 3 A300B4-203s, 1 A300C4-203, 6 A320-231s, 13 B-737-244As, 5 B-747-244Bs, 1 B-747-244BC, 2 B-747-344s, 4 B-747-444s, 5 B-747SP-44s, and 1 leased B-767-2B1ER, the *Protea*. One A300B4-203 remains out on lease to **Philippine Airlines (PAL)** while the B-747-244BC is chartered to **Garuda Indonesian Airways**.

A code-sharing agreement is signed with **VARIG Brazilian Airlines (Viacao Area de Rio Grandense, S.A.)** in January covering service on a route from Johannesburg to Bangkok.

In January, Prime Minister De Klerk's regulators require SAA to cut back capacity on domestic trunk routes by 30% in an effort to save **Flitestar Airlines, Ltd.**

Larnaca, Cyprus, is included as a stop on the Tel Aviv route from February 2. Beginning in March, for all holding first-class tickets, SAA introduces free helicopter flights via **New York Helicopter Airways** between New York (JFK) and downtown Manhattan.

Also in March, a new code-sharing agreement with **Austrian Airlines, A.G.** is signed for service on a route from Johannesburg to Vienna. Flights now resume to Blantyre and Luanda and the Munich frequency becomes twice weekly. The twice-weekly roundtrips to Singapore are increased to thrice weekly.

On March 25, the B-747SP-44 *Hantam* is chartered to **Air Namibia, Ltd.**

The capacity restrictions on SAA imposed by the government have come too late and **Flitestar Airlines, Ltd.** is forced to suspend operations in mid-April. There is also no money for Trek Airways to operate its other subsidiary, Luxair, and the B-747SP-44 *Outeniqua*, which it has chartered, is now returned. Michael Myburgh, a longtime railroad and harbor administrator, is appointed managing director, also in April.

In May, New York cargo operations are relocated to the AMR facility at JFK. The B-747SP-44 *Hantam* is returned by **Air Namibia, Ltd.** on May 12. Frequencies to Hamburg are introduced on June 30.

Sufficient funding is found and **Flitestar Airlines, Ltd.** is able to resume limited domestic operations on September 1. **Luxair Express, S.A.** is able to reacquire the *Outeniqua* on September 3. Once again known as the *Luxavia Star*, its all-white fuselage is split by a black cheatline. Titles are worn over the forward fuselage and the tail is black-white-black, with the single word "Trek" written in tall block-letters on the white.

The last of seven new A320-231s is also delivered in September and is named *Korhaan*. To help cut costs, flights to Athens, Milan, Hamburg, and Manchester are withdrawn during the month.

During October, the A300C4-203 is taken out of all-passenger service and is converted into an A300F4-203 for freighter operations.

Customer bookings inch up 1.9% to 4,776,795 while cargo advances 4.2% to 100 million FTKs. Revenues decline by 3.8% to \$872.61 million and expenses drop 7.4% to \$896.23 million. The operating loss is 22.62 million and a net figure is not given.

In 1994, flights begin to Toronto, São Paulo, and Los Angeles. Dusseldorf replaces Hamburg as the third destination within Germany, additional frequencies to Victoria Falls and Miami are inaugurated as is a direct service from Cape Town to Hong Kong.

During the first quarter, ICAO suspends the long-standing Assembly Resolution A18-4, which had limited the carrier's participation in the UN body.

On April 11, **Flitestar Airlines, Ltd.**, which was able to resume limited services the previous fall, is in desperate need of support and signs a commercial agreement with SAA. The same day the B-747SP-44 *Luxavia Star*, otherwise known as the *Outeniqua*, is returned.

The arrangement puts an end to Flitestar's attempts to compete head on with SAA on domestic trunk routes. The holding company Trek Airways withdraws from the market after the flag carrier provides a multi-million rand payment. Shareholders shut down both Flitestar and Luxair Executive, S.A. on April 20, thereby bringing South Africa's experiment with deregulation perilously close to failure.

Out on lease with **Air Mauritius, Ltd.** where it has flown as the *Chateau Mon Plaisir*, the B-747SP-44 *Matroosberg* is returned on May 31.

Ground-handling operations are consolidated into a new SAA subsidiary, Apron Services Company (Pty.), Ltd., in June at four domestic airports.

The DC-4, restored and as part of the Historic Flight, departs Johannesburg on July 19 and flying via Mokuti Lodge in Namibia, Luanda, Abidjan, Las Palmas, Ponta Deigeda in the Azores, and St. Johns in Newfoundland, arrives at Oshkosh, Wisconsin, a week later for the Experimental Aircraft Association Convention. Passengers making the flight receive passage back to South Africa aboard a B-747.

Late in the year, a controversy arises over an advertising spot created for the carrier by the American firm of Sonnenberg Murphy Leo Burnett, which recreates the reenactment of the baby's birth in-flight back in 1982. The company now promises to recruit a new racially diverse pilot corps.

Having served a decade with **Air Mauritius, Ltd.** as the *Chateau de Reduit*, the B-747SP-44 *Maluti* is returned to SAA on November 10.

With headquarters at Impala House in Kampala, **Alliance Airlines (African Joint Air Service)** is established as a consortium airline on December 20. Shareholding is divided between SAA (40%), **Air Tanzania Corporation** (10%), and **Uganda Airlines, Ltd.** (10%), with the Tanzanian and Ugandan governments holding 30% pending complete privatization. SAA signs a contract to provide maintenance and support.

From this point on, the company does not release passenger and freight statistics.

Revenues for the year reach \$1.21 billion, while operating expenses are \$1.13 billion. Consequently, the operating income is \$80.29 million and a net gain of \$46.56 is reported.

Airline employment stands at 10,427 in 1995. The fleet now includes 11 B-737-244As, 4 each B-747-444s and Airbus A300B2K-C3s, 7 A320-231s, 5 each B-747-244Bs and B-747SP-44s, 4 A300B4-203s, 1 of which is out of service, and 3 B-747-344s, 2 B-737-244AFs, and 1 each A300F4-203 and B-747-244BF. Orders are outstanding for 8 B-777s and 2 B-747-444s.

Adrian Sibbo is elected chairman of the new **Alliance Airlines (African Joint Air Service)** with Christo Roodt as managing director. A workforce of 60 is employed and the Boeing 747SP-44 *Matroosberg* is wet-leased from SAA in February.

After a contract is signed with the Adelaide-based Australian Aviation College, a racially diverse group of 12 cadets begins its training there in May under the pledge made by SAA officials the previous fall. A total of 40 will be given this education.

During June, a \$4.09-million investment is made as the company expands its air freight facilities in Johannesburg, Durban, and Cape Town.

The growth includes the upgrading of loading areas, access channels, and equipment, as well as the installation of barcoding, scanning, and racking systems.

Scheduled international and regional passenger services by the joint **Alliance Airlines (African Joint Air Service)** commence on July 1 as its leased Jumbojet begins flying from Dar es Salaam and Entebbe to Bombay and London (LGW). Also during July, Johannesburg Jan Smuts Airport is renamed Johannesburg International Airport.

The B-747SP-44 *Maluti* is chartered to **Air Namibia, Ltd.** in October.

On November 3, an order, valued at \$1.3 billion, is placed for seven B-777-244s and two B-747-444s. Later in the month, a new code-sharing agreement is signed with **Deutsche Lufthansa, A.G.**, which will take effect the following spring.

Having been converted by HAECO in Hong Kong, a B-747-244F enters service at the end of the year. Late in the year, a B-767-2B1ER, christened *Protea*, is leased by SAA from the struggling **LAM Mozambique Airlines, S.A.** and new service begins to Buenos Aires.

In December, LSG Lufthansa Service/SKY Chiefs acquires a 21% stake in a Johannesburg-based in-flight catering service. Just before Christmas, the São Paulo route is extended to Buenos Aires.

The number of weekly flights over the route from Johannesburg to London begins to be increased during the first quarter of 1996 from 9 to 14.

A strategic alliance with **Deutsche Lufthansa, A.G.** comes into effect on April 29. In addition to joint venture cargo flights between Johannesburg and Frankfurt, another 86 dual-designator connections per week are now offered each week between South Africa and Germany. Shared airport facilities, clubs, lounges, and ground handling are also part of the deal, along with a linkage of frequent flyer programs.

A new bilateral aviation agreement with the United States is signed on April 30. It is the first between the two nations since Washington terminated the previous accord a decade earlier because of South Africa's apartheid policy.

Also during the month, a new executive committee is set up to run Transnet; the aviation brief is given to Chairman Nomvete, to whom Managing Director Myburgh now reports. Nomvete, a onetime **Ethiopian Airlines, S.C.** flight engineer whose application for employment at SAA had been rejected years earlier, immediately begins to interfere in the day-to-day operations of the carrier, raising tensions at an airline where morale problems caused by transition are already high.

At the beginning of June, the B-747SP-44 *Maluti* returns from **Air Namibia, Ltd.** at the beginning of June. The B-747SP-44 *Outeniqua* is chartered to the carrier in its place.

On June 14, a third weekly nonstop roundtrip is instituted between Miami and Cape Town; it is followed by the introduction, on June 19, of a fifth weekly roundtrip between Johannesburg and New York.

The first of 80 independently owned and operated South African Airways City Center travel agency franchises is opened in Johannesburg in June. The concept, based on one employed by DLH in Germany, will be managed by Transnet. The portent for domestic competition is increased during the month when **British Airways, Ltd. (2)** signs its first non-European franchise agreement with **Comair (Pty.), Ltd.**

In a salute to the July Summer Olympic Games in Atlanta, a B-747-312 is christened *Ndizani* ("To Soar, To Fly to New Height"). When it is released from the paint shop in May, it wears a very vibrant livery based on the colors of the new national flag and displaying stick figures of cheering children. It is announced that the plane will not be repainted until September 1997 as it supports Cape Town's efforts to secure the 2004 Olympics.

Prior to suspending its New York-Johannesburg service on August 23, **World Airways** makes an arrangement with SAA to care for those World passengers holding tickets for the route beyond the end-of-service date.

Discussions are held with **British Midland Airways, Ltd.** and **Thai Airways International, Ltd.** during the summer. At the same time, a 10-city code-sharing arrangement is entered into with **American Airlines.**

The company applies for membership in the African Civil Aviation Commission during September. At the same time, the London-based banking firm of SBC Warburg is contracted to advise the carrier on how best to undertake its privatization.

In partnership with **American Airlines**, code-sharing begins on October 1 over weekly routes from Johannesburg and Cape Town to Atlanta, Boston, Chicago, Dallas (DFW), Houston, Orlando, Philadelphia, San Francisco, and Washington, D.C. (IAD) via New York or Miami.

Sun Air (Pty.), Ltd. implements a strategic agreement with **Virgin Atlantic Airways, Ltd.** on October 2, feeding passengers to VA from its "golden triangle" route network of Johannesburg, Cape Town, and Durban. The next day, Virgin begins its own services into Johannesburg from London.

Despite SAA objections, **Comair (Pty.), Ltd.** is able to launch service on October 22 as a franchise partner of **British Airways, Ltd. (2)**. These two companies begin to place severe pressure on SAA's 9-city network and its 575 weekly flights.

The company's primary Asian hub is switched to Bangkok from Singapore on October 26. On that date, service to Singapore is discontinued and the company's three weekly trips to Hong Kong become nonstops. The dual-designator service with **American Airlines** commences the next day. SAA is allowed to place its "SA" code on flights to eight U.S. cities beyond New York and Miami.

The company enters its 16th African market on November 4 when twice-weekly service to Abidjan begins, and doubles its frequencies to Accra to twice weekly. Twice-weekly B-747-244A roundtrips commence in November between Johannesburg and Osaka (KIX).

SAA begins to counter the VAA and BA low-cost partnerships by forming a strong alliance with **SA Airlink (Pty.), Ltd.** and **SA Express (Pty.), Ltd.**

Although passenger traffic figures for the year are not released, fiscal details are and show revenues of \$1.43 billion, with expenses of \$1.47 billion. There is an operating loss of \$37.2 million and a net downturn of \$92.6 million.

Sydney Organizing Committee CEO Mal Hemerling and **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington announce on January 28, 1997 that SAA has been chosen one of seven carriers to receive the designation of official carrier for the Sydney 2000 Olympic Games.

A code-sharing arrangement with **KLM (Royal Dutch Airlines, N.V.)**, begins in February when SAA begins to feed the Netherlands major at Johannesburg with passengers connecting with its incoming services from Cape Town and Durban.

On February 17, the company joins with **SA Express Airways (Pty), Ltd.** and **SA Airlink (Pty.), Ltd.** in a three-way alliance. According to the accompanying press release, the pact is designed to provide an integrated national aviation system that can service all routes, ranging from entry level to the national hubs, and will offer national over-border air transportation. Although the three airlines will continue to operate independently, there will be commonality in their branching in terms of corporate appearance, ticketing, and check-in procedures.

At the end of the month, Dr. Anton Rupert organizes the Peace Parks Foundation, a nonprofit organization dedicated to the protection of the wildlife heritage of southern Africa. SAA is one of the new group's first corporate sponsors.

On March 22, the company, as part of a stage show hosted by President Mandela and simultaneously broadcast by satellite to venues throughout the country, unveils a new \$1.69-million corporate identity project undertaken by the Johannesburg-based advertising agency Herd-boys. The program is scheduled to be completed by century's end.

The highlight of the proceedings is the introduction of the "Horizon Mark," the nation's post-Apartheid flag, on the B-747-244B *Drakenberg*, which is to be painted on the orange aircraft tails, along with a new all-white fuselage livery, during regular maintenance. The golden arrow symbol in the middle of the multicolored tail replaces the carrier's historic Flying Springbok emblem.

On April 16, the SAA Museum Society's DC-4 is leased to **Swissair, A.G.** for the summer for use in events celebrating that carrier's fiftieth anniversary of transatlantic flight. Also in April, a code-sharing pact is entered into with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and twice-weekly dual-designator roundtrips commence between Johannesburg and Rio de Janeiro.

When the "Star Alliance" between **SAS (Scandinavian Airlines System), Deutsche Lufthansa, A.G., Thai Airways International, Ltd. (THAI), Air Canada, Ltd., and United Airlines** is announced on May 14, negotiations are already underway to bring SAA in as another partner.

Continued deferrals of the new B-777s due to politics surrounding engine selection, the company is forced, by its need for more capacity, to reactivate an older aircraft and seek newer ones.

In May, orders are placed for two B-747-400s. The first arrives at month's end and is placed on the European routes; the second will follow in October.

In June, block-space, dual-designator frequencies commence with **Emirates Airlines** on five Emirates and one SAA flight per week between Johannesburg and Dubai.

A number of changes in the international schedule commence on July 1. Relying on its new *Star Alliance* partner **Deutsche Lufthansa, A.G.** to take over the service, SAA drops its direct flights from Johannesburg to Munich and Dusseldorf. At the same time, it launches new twice-weekly roundtrips from Johannesburg and Cape Town to Copenhagen. The service to Denmark is a dual-designator offering with **SAS (Scandinavian Airlines System)** employing SAA aircraft.

Frequencies on the route from Johannesburg to Frankfurt are increased from six to eight per week, while those on the route from the South African city to Zurich are doubled from two to four. Flights from Johannesburg to Paris and Amsterdam are also increased.

A code-sharing agreement is signed with **Japan Air Lines Company, Ltd. (2)** on July 7, with JAL thus becoming the first Japanese airline to offer connections to South Africa.

The B-747SP-44 *Outeniqua*, retired earlier, is returned to service in early July. Painted in the company's new color scheme, the aircraft is placed into service on the route to Paris. Also at mid-month, the carrier acquires a leased B-767-266, first flown by **EgyptAir, S.A.E.** and later traded into United Technologies.

According to an article by chart Dave English, SAA now operates two of the longest routes in the world: New York-Johannesburg, 5,967 st.mi., 14 hrs. 35 min. eastbound only and Cape Town-Miami, 7,665 st.mi.; 14 hrs. 30 min. westbound and 13 hrs. 5 min. eastbound (*Airways* [July-August]: 21).

Despite earlier assurances that the carrier will soon be privatized, Saki Maconzoma, Managing Director of Transnet, the airline's state-run owners, indicates on August 4 that the proposal to sell a minority of the government's shares abroad is only "tentative"; the statement causes confusion.

Twice-weekly block-seat service with **Japan Air Lines Company, Ltd. (2)** begins on October 2 between Osaka (KIX) to Johannesburg via Bangkok; the flights are operated by SAA B-747-244Bs. SAA also acquires a second leased B-767-2B1ER that allows it to improve its African regional schedules, to introduce a fourth weekly frequency to India, and to operate six weekly connections to Mauritius.

The carrier opens a New York City ticket office on October 10. During the fall, negotiations regarding "Star Alliance" entrance continue. The airline and Sony Trans Con sign an agreement during the first week of November under which the company's Jumbojets, beginning the following May, will test the Passport interactive in-seat passenger entertainment and information system.

In October, stated-owned **Sun Air (Pty.), Ltd.** is sold to a consortium that includes **Comair (Pty.), Ltd. (25%)**, the black empowerment consortium Rethabile and Coordinated Network Investments (55%), National Empowerment Fund (15%), and company employees (5%).

On December 12, a large fire breaks out at Terminal One of London (LHR), forcing cancellation of several company departures.

Traffic figures for the year are not provided, however, it will be noted during the upcoming March that losses have totaled R 345 million (\$70 million). Later, fiscal figures will be reported that show revenues of \$1.392 billion, costs of \$1.391 billion, and an operating profit of \$1.6 million. There will be a net loss, however, of \$64.2 million.

Airline employment in 1998 stands at 11,200 and the fleet, 72.9% of which is Stage III certified, includes 48 airplanes: 13 B-737s, 17 B-747s, 3 B-767s, 8 A300s, and 7 A320s. The **Air Namibia, Ltd. B-747SP-44 Etosha**, formerly the SAA *Soutpansberg*, will be removed from service during the year.

In January, a freight contract is signed with **Southern Air Transport**. The U.S. carrier inaugurates thrice-weekly New York (JFK) to Johannesburg via Amsterdam and Lagos all-cargo return services employing a B-747-249F recently purchased from **Northwest Airlines**.

A lengthy engine selection process earlier causes a delay in the delivery of the company's new B-777-244s. Also during the first quarter, an A300B2K-C3 is dedicated to the Nelson Mandela Children's Fund. Rechristened *The Love Plane*, the Airbus is given a new livery showing greeting cards drawn by children; corporate sponsors are listed on the nose. The color scheme is only allowed to remain intact for a fortnight; thereafter throughout the remainder of the year, the cards are gradually removed, from back to front.

Following South Africa's decision to open diplomatic relations with the People's Republic of China rather than Taiwan's Republic of China, the company, during the last week of April, begins negotiations for a code-sharing agreement with **Air China International Corporation, China Eastern Airlines Company, Ltd., and China Southern Airlines Company, Ltd.**

During mid-May, Transnet Executive Director Zukile Nomvete is removed from his position and given a post of reduced responsibility. Transnet Managing Director Saki Maconzoma also opens a search for a new CEO as CEO Michael Myburgh is ordered to take early retirement.

Twice-weekly roundtrips are inaugurated on May 26 from Johannesburg to Dakar via Abidjan.

The DC-4 of the company's Historic Flight division, now renamed "Skycoach Africa," departs with a small group of passengers for Zurich on May 30 to be on hand Germany in June to participate in the fiftieth anniversary celebrations marking the Berlin Airlift. The northbound flight proceeds via Victoria Falls, Zimbabwe, Tanzania, Zanzibar, Jordan, and Istanbul.

After several years of losses, the company's management team begins to implement a restructuring plan on June 1. The initial components of this cost-cutting effort include the permanent closure of the Rickenbacker Airport Maintenance Facility in Columbus. Approximately 100 full-time and 10 part-time employees from company headquarters receive 60-day notices of possible lay offs. It is hoped that these and other measures will return the firm to profitability by the fourth quarter.

During takeoff from Johannesburg for a service to London during the second week of June, the lever to a back door on Flight 222, a B-747-344, disengages, letting it open slightly. Flight attendant Derusha Naidoo jumps from her seat and pushes it back; with assistance, the door is inspected and rearmed. In an interview in the June 21 issue of *The Sunday Times*, Captain Dennis Spence hails Naidoo's heroism.

Durban model/barmaid Reema Mahaber and British businessman Charles Watkinson are caught in carnal embrace aboard a company flight from London to Johannesburg during the month. These amorous antics, little-reported outside the airline industry, will help boost efforts by major carriers particularly Richard Branson of **Virgin Atlantic Airways, Ltd.**, to introduce better long-haul sleeping accommodations.

On July 1, the company increases its roundtrip frequencies to Hong Kong from two to three per week. Transnet Managing Director Saki Maconzoma announces that former WorldCorp/**World Airways** CEO T. Coleman Andrews was been appointed two weeks earlier to head the airline, succeeding Managing Director Myburgh, who will remain through the end of the month. Andrews will maintain his 46% stake in World, but as the two carriers have no plans to do business together, no conflict of

interest is anticipated. Andrews, prior to the announcement, makes 19 surreptitious trips with the carrier to check out its services. He finds unmistakable evidence of low staff morale, questions of direction, and worries over an aging fleet. Corruption and thievery are also worrisome.

Among his first areas of emphasis, new leader Andrews seeks to improve the carrier's 70% on-time performance by offering employees \$9-per-month incentives. Additionally, Hyundai donates 12 automobiles to the airline and for every month in which there is an on-time improvement, the names of all employees with perfect attendance are entered into a company-wide lottery for one of them.

Andrews and SAA begin to further implement a program designed to turn the company around before its planned partial privatization; the *Plan for Winning* document is made available to the media and all employees.

Christened *iBhayi*, the first B-747-444 powered with the new Rolls-Royce RB211-524G/H-T engines enters service on August 16.

Some 3,000 airline ground workers, members of the South African Railways and Harbours Workers' Union, reject an 8.5% wage offer and go out on strike on September 1. Domestic and international flights continue to run as scheduled as SAA implements contingency plans.

Employing the new B-747-444 *iBhayi*, the company initiates a sixth daily roundtrip service to Miami from Johannesburg on September 6 via Cape Town. David James, southern African general manager for **Virgin Atlantic Airways, Ltd.**, is recruited to become SAA's new global sales network director.

On October 1, Transnet sells four noncore airline subsidiaries: Connex, Transwerk, Apron Services, and Air Chefs. The contract with **Southern Air Transport** ends, also on October 1, with the bankruptcy of the U.S. airline.

The carrier and the Airlines Association of Southern Africa on October 8 call upon the South African government to end the formula employed by Petronet and the National Oil Refinery to establish what they call "excessive" jet fuel prices at Johannesburg.

A strategic code-sharing agreement is signed with **Swissair, A.G.** on October 26. Under its terms, SAA will distribute all Swissair traffic from Johannesburg throughout Southern Africa while Swissair will distribute all SAA traffic from Zurich to numerous destinations in Europe. A joint daily service to and between Zurich and Johannesburg will be introduced within months.

The privatization process, which has been hobbled since 1995 by ongoing discussions between the airline's parent Transnet and its creditors over the restructuring of SAA's \$666-million debt, moves forward in November. The government and the carrier come to terms under which the state assumes part of the airline's debt to help SAA attract equity bidders.

In a quick effort to gain domination over the air routes between South Africa and Zimbabwe, the company, according to the November 10 issue of the *Zimbabwe Standard*, slashes its fares between Harare and Cape Town, Durban, East London, and Port Elizabeth by over 50% off the published schedule. The discounted ticket sale continues through November 30.

Daily service to Miami becomes a fact on November 24 with the addition of another daily roundtrip. Service to Lagos, Nigeria, begins at the end of the month. In December, the bid process is opened; foreign carriers are invited to submit plans for equity investments of upwards of 25%.

Twice-weekly B-767-2B1ER roundtrips commence on December 3 between Johannesburg and Lagos; requiring a seven-hr. flight one-way, it is the company's first service to Nigeria.

At the end of the year, in a controversial move in preservation circles, the airline is suspends its links with the SAA Historic Flight. The unit's aircraft are ordered to vacate the airline's hangar at Johannesburg airport before the end of March. Pilots and engineers who have been allowed to work with the pioneer piston-engine aircraft must now volunteer their time. SAA will, however, honor all existing bookings for aerial tours. Although passenger numbers on the year are not available, it is reported that revenue passenger kilometers have increased 5.1% to 9.85 million. Freight ton-miles, meanwhile, have declined 3.2% to 1.16 million. Total

revenues reach \$1.31 billion, while costs are \$1.25 billion. The operating profit jumps to \$60 million, while the previous year's net loss becomes an \$8.8-million net gain—the company's first-ever profit.

In a further effort to transform itself into a viable carrier, **Air Namibia (Pty.), Ltd.**, on January 7, 1999, signs an agreement in Johannesburg with SAA. Under terms of the document, the two carriers pledge to explore such joint business opportunities as combined customer services, linked frequent flyer programs, and code-sharing. The arrangement is extended to Kalahari Express Airline (Pty.), Ltd., **SA Express Airways (Pty.), Ltd.**, and **SA Airlink (Pty.), Ltd.**

It is reported by SAA on January 22 that eight foreign airlines have come forward to make bids, one of which will hopefully be found acceptable by May, which is when the government hopes the privatization process will be completed. The eight include **KLM (Royal Dutch Airlines, N.V.)/Northwest Airlines, Deutsche Lufthansa, A.G., British Airways, Ltd. (2), Swissair, A.G., Virgin Atlantic Airways, Ltd., Singapore Airlines, Ltd., and American Airlines.**

A code-sharing agreement is signed with **Ghana Airways Corporation** on January 27 for a joint midweek service between Accra and Johannesburg. The two flag carriers will pool their services to make more efficient use of capacity and market reach. Beginning today, the two will share the Wednesday return flight operated by SAA, the cabins of which will be staffed by Ghana flight attendants.

Nationwide Air Charter (Pty.), Ltd. joins with **Sun Air (Pty.), Ltd. and Comair (Pty.), Ltd.**, also in January, in lodging a complaint with the South African Competition Board. The three allege that South African Airways has so reduced prices and increased capacity on a number of domestic routes as to be engaged in predatory pricing violations. Some SAA fares on the routes between Johannesburg and Durban are less expensive than motor buses. The board indicates that it will undertake an investigation over the next few months. When made aware of the Competition Board complaint, officials from SAA indicate that they will contest the claims.

Twice-weekly roundtrips between Johannesburg and Osaka (KIX) are suspended by both SAA and **Japan Air Lines Company, Ltd. (2)** on January 31.

Following an announcement during the week that no survivors have been found from the two chartered C-130s downed over Angola on December 26 and January 2, SAA, on February 5, announces the precautionary measure of diverting its flight paths over Angola.

While taxiing for takeoff from Blantyre on February 5, an A300B2K-C3 with 143 aboard suddenly stops and then return to the gate. A bird has flown into the engine, damaging 10 blades and making it impossible to depart. An **Air Malawi, Ltd.** B-737-33A is chartered to ferry the stranded passengers on to Johannesburg.

It is also noted during the month that the company has begun to get a handle on its corruption problems. Staff accused of damaging the carrier by stealing aircraft spare parts or other graft are fired and in some cases, arrested.

The Minister of Public Enterprises announces on March 15 that the carrier will be incorporated by the end of the month and privatized by mid-June. A number of potential equity partners have already held meetings with his office, it is revealed, and an information memorandum will be posted by April 1 inviting nonbinding offers to be submitted by April 16.

The airline's chairman, Mafika Mkhwanazi, goes on to say that the preferred bidder for a minority equity stake will, hopefully, be announced by the end of June from a list that includes SAirGroup, KLM/Northwest, and Lufthansa/Singapore. Although the value of SAA has yet to be established, it is anticipated that upwards of R 1 billion will be raised from selling a 25% stake.

SAA withdraws service from Dakar on March 29. Company customers are to be offered more frequent service to Dakar via Accra under a new code-sharing agreement with **Ghana Airways Corporation**. Also during March, the former Historic Flight is relocated to the old Swartkop Air Force base at Pretoria, home of the SAAF's noted museum and the South African Airways Museum Society. The entire complex be-

comes an enhanced mecca for South African and Southern Hemisphere historic aviation buffs.

Charges and counter-charges begun at the start of the year concerning illegal or unethical activities by **Aero Zambia, Ltd.** continue throughout the first quarter and into the second.

On April 8, the *Times of Zambia* reports that the South African Civil Aviation Authority is conducting an inquiry into the neighboring airline's activities. If it is found to have broken regulations as some have indicated it has, its authority to land in South Africa will be terminated.

The *London Daily Mail* reports on April 15 that **Virgin Atlantic Airways, Ltd.** has pulled out of bidding for a stake in SAA. The next day, SAA notes that a U.S.-based airline and a consortium of investors from the U.S. have recently come forward to offer bids. At this point, the carriers known to be interested include **Deutsche Lufthansa, A.G./Singapore Airlines, Ltd.**, **Northwest Airlines/KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, **American Airlines**, and **British Airways, Ltd. (2)**. Also, financier David Bonderman and his Texas Pacific Group, which own stakes in several U.S. airlines as well as **Ryanair, Ltd.** in Ireland, seek a stake as well.

Minister of Public Enterprises Stella Sigcau now makes the principal address at the christening of the company's fourth B-747-444. She indicates that her department has set May 31 as a deadline for binding offers from prospective bidders, with final negotiations with the potential partners set for June 7 through the 18, just after South Africa's second post-apartheid general election on June 2.

SAA and its partner **Alliance Air (African Joint Air Service)** are, by late April, ready to quit the bidding process for **Uganda Airlines, Ltd.** The two partners had insisted on not being saddled with the entire **Uganda Airlines, Ltd.** debt, including the lease on a B-737, have less than parity on the board of directors, that the business and capital investment plans already drawn up be binding, that certain airports become hubs, and that brand names and airline codes continue to reflect Uganda. All of these concerns are rejected by the Ugandans.

Indeed, on April 21, the two airlines do withdraw from the **Uganda Airlines, Ltd.** bidding process. So concerned is Ugandan privatization minister Manzi Tumubweine that he personally calls CEO Andrews and obtains a meeting to review the outstanding issues. Within several days, the two sides have convened and the Ugandan government has agreed to water down or delete entirely all of the requirements that SAA has found objectionable. Events will prove this decision on the part of the Ugandans to be a wise course of action.

Meanwhile, the matter concerning **Aero Zambia, Ltd.** remains under review. Later in the month, Aero Zambia loses the right to operate the Johannesburg to Lusaka route on Fridays. The airline petitions a court, which grants an injunction against the transfer of the service to SAA. The injunction is later dissolved, but Aero Zambia is granted another stay of execution. This time SAA challenges and on April 27, again according to the *Times of Zambia*, Zambian Supreme Court Judge Weston Muzyamba rules on the matter in chambers: the stay will no longer remain in place because the entire case will be heard *inter-parte* at a later date.

On April 28, President/CEO Andrews and **Cathay Pacific Airways (Pty.), Ltd.** Deputy Chairman/CEO David Turnbull sign a memorandum of understanding for a long-term commercial agreement at Hong Kong. Under its terms, the two companies will link their frequent flyer programs, offer code-sharing flights, and cooperate on ground handling.

After both **British Airways, Ltd. (2)** and **Sabena Belgian World Airlines, S.A.** pull out of the tender process, SAA and its protegee, **Alliance Air (African Joint Air Service)**, are the only prequalified bidders to make an offer for the available 49% stake in **Uganda Airlines, Ltd.**

On April 30, the Ugandan government via the cabinet subcommittee for privatization cancels the tender process and invites SAA to negotiate the purchase during the week of May 3. In a letter from Ugandan Privatization Minister Tumubweine, SAA is informed that his government will negotiate directly with the airline with a view of reaching an agreement by May 31.

Reporter Robyn Chalmers reveals in the May 14 issue of the Johannesburg *Business Day* that a short list of bidders for the state-owned carrier has been compiled, but their identity is being closely guarded as negotiations with them continue. The key players in the privatization process continue to be the government's private enterprises ministry, the lead transaction advisor Merrill Lynch, and the parent company Transnet. It is known that as many as 12 groups have put forward non-binding expressions of interest with two consortiums emerging as frontrunners—**Lufthansa/Singapore Airlines** and **Swissair/Delta Air Lines**.

It is reported on May 21 that the company is also holding discussions with **Swissair, A.G.** concerning the possibility that it may enter the "Qualiflyer" group, sponsored by the Swiss line. Officials from SAA and SAirGroup both stress that no agreement has been concluded.

As part of his State of the Nation address on June 25, President Thabo Mbeki informs parliament that SAirGroup has won the bid and will acquire a 20% equity stake in SAA for R 1.4 billion (\$232 million). The Swissair parent has an option to purchase another 10% within six months. **Deutsche Lufthansa, A.G.** and **Singapore Airlines, Ltd.** had withdrawn from the bidding with **American Airlines**, Texas Pacific Group (**Continental Airlines** shareholders), and **Ryanair, Ltd.** losing out. The SAirGroup link is expected to help SAA cut interest rates, negotiate less expensive aircraft deals, and to enter major alliance relationships, beginning with immediate admission to the Qualiflyer group.

The SAirGroup announcement is cause for celebration at Johannesburg's Airways Park, where CEO Andrews, together with Yvonne Chaka Chaka, announces winners for four Hyundai cars and offers a pep talk.

Under terms of a three-way code-sharing agreement signed with **Aerolineas Argentinas, S.A.** and **VARIG Brazilian Airlines (Viação Aerea Rio-Grandense, S.A.)**, SAA introduces twice-weekly nonstop roundtrips on July 8 between Johannesburg and São Paulo.

On October 1 it is revealed that the carrier has signed a major marketing and code-sharing agreement with **Delta Air Lines**. Under the terms of the agreement, Delta agrees to purchase block seats on the daily SAA B-747-444 direct nonstop return service from Johannesburg to both Atlanta and New York (JFK). The service from Johannesburg and the Georgia city will be the first nonstop direct link between the city pair.

A strategic equity agreement and code-sharing arrangement is concluded with SAirGroup, parent of **Swissair, A.G.**, on November 20. Under its terms, SAirGroup will purchase a 20% stake in its new partner.

Twice-weekly A320-231 roundtrips are resumed on December 1 between Johannesburg and Kinshasa, Democratic Republic of the Congo. On December 7, company officials travel to Uganda where, in discussions with Ugandan President Yoweri Museveni, they make an offer to purchase a 49% stake in his troubled flag carrier.

Also during December, a spectacular new first-class lounge is opened at the Johannesburg Airport, resplendent with unique African art.

It will later be revealed that a total of 5.1 million passengers have been flown on the year, including 3.4 million on domestic services. It is also reported that revenue passenger kilometers have increased 11.3% to 10.96 million. Freight ton-miles, meanwhile, have risen 32.1% to 1.53 million. Total revenues reach \$1.59 billion, while costs are \$1.49 billion. The operating profit jumps to R 570 million (\$90.4 million), while the previous year's net loss becomes an \$19.3-million net gain.

On January 7, 2000, the U.S. DOT approves the block-seat, code-sharing alliance **Delta Air Lines** has concluded with South African, clearing the way for it to begin from New York (JFK) on January 30 and from Atlanta on January 31. Protesting that skills within the state holding company Transnet are spread too thin, Public Enterprises Minister Jeffrey Radebe refuses to permit the resignation of Transnet Deputy Managing Director Mafika Mkwana as chairman of SAA and his replacement as interim chairman by Transnet Managing Director Saki Macozoma. Macozoma has informed the government that he will not renew his contract with the government when it expires in March 2001. Mkwana's contract is also due to end, but he is needed to remain as SAA's head at least until the board's restructuring required by the SAirGroup investment is completed.

By month's end, the company's international on-time performance rating has risen to 82.8% and its domestic performance to 92%.

An A320-231 landing at Lusaka on February 29 skids off the runway into a nearby field, where its No. 2 engine gets stuck in the mud and its right main landing gear collapses. In an effort to further deal with its revenue management, SAA, in February, purchases a new generation of sophisticated PROS software to perform a number of rev-man tasks, as well as providing the training necessary to operate it.

A long overdue fleet overhaul program is launched on March 1 with a \$680-million order for 21 Next Generation B-737-844s, the first of which is scheduled for delivery in May. The new aircraft, which represent SAA's largest aircraft purchase ever, will be placed on domestic South African as well as regional routes, replacing 3 B-767s, 7 A300s, and 7 A320s.

A B-767-2B1ER leased from **LAM (Linhas Aereas de Mocambique, S.A.)** is returned to Maputo on March 23. On March 26, the Cape Town extension of **Austrian Airline, A.G.'s** Vienna to Johannesburg service is dropped; instead, Austrian begins to code-share on SAA flights on the Cape Town sector.

Unhappy with the inability of the Ugandan government to come to a decision concerning its equity offer, SAA, on March 28, drops its offer to buy a 49% stake in **Uganda Airlines**. Executive Vice President William Meany informs Manzi Tumubweine, Uganda's state minister for privatization, of the decision by registered mail.

In a SFr 1-billion (\$598-million) transaction, SAA in March outsources its information technology functions to Atraxis, a subsidiary of SAirGroup. Atraxis indicates that it will form a Johannesburg-based joint venture, Atraxis Africa, to handle the work and provide employment for the 300 SAA employees who will transfer over.

After stepping back from a call for the closing of **Alliance Air (African Joint Air Service)**'s in April, Transnet, parent of **South African Airways (Pty.), Ltd.**, instead gives warning that it wishes to pull out of the joint venture within six months. It does, however, agree to provide funding as long as Uganda and Tanzania agree to a new business plan and contribute monthly funding of \$126,000 each.

The marketing name SA Alliance Air (Pty.), Ltd. is now employed and a SAA B-767-244 takes over the route from Johannesburg to London (LHR) via Entebbe and Dar es Salaam previously operated by the lion's head-painted Alliance B-747SP-44. Another SAA aircraft, a B-737-244A, is employed by **Alliance Air Express, S.A.** to fly a weekly roundtrip route between Johannesburg, Kigali, and Entebbe.

A marketing and code-sharing agreement is signed with **Zambia Skyways, Ltd.** When the pact begins on April 18, SAA takes over the smaller line's Lusaka to Johannesburg route, operating larger equipment until Zambia Skyways can obtain Western jetliners of its own.

Also in April, a new curbside check-in facility is opened at Johannesburg Airport for premium passengers; similar facilities will soon be available at Durban and in London.

On May 1, **Delta Air Lines** begins block-seat, code-sharing aboard SAA services from Johannesburg to Windhoek, Namibia. On May 29, the office of the South African public prosecutor, at the recommendation of the South African Truth and Reconciliation Commission, reopens the investigation into the crash of a B-747 off Mauritius in 1987 that killed 159 people. Information has been received during closed-door testimony indicating that the Jumbojet, counter to international law, had been transporting a military cargo.

Uganda fails to make payment of any kind toward the upkeep of SA Alliance Air (Pty.), Ltd. after May and Tanzania escapes the cash contribution by providing the carrier with in-kind services, such as landing fees and ground handling. The two national governments, acting in consultation, do agree to sell their shares into the private sector, thereby minimizing state involvement in the joint venture. Their national carriers, meanwhile, concentrate on a new daily roundtrip schedule jointly introduced between Dar es Salaam and Entebbe.

A R 500-million deal is concluded with **Safair (Pty.), Ltd.** on June 7. Under its terms, SAA sells its entire fleet of 13 B-737s (11 Dash-244As

and 2 Dash-244AFs) and then leases them back. SAA will not only operate the aircraft, but maintain them as well. With over 40 planes, Safair is now the largest aircraft leasing and charter firm in Africa.

The first of 16 ordered Next Generation B-737-800s, a Dash-85F leased from GATX Flightlease Management, is received on July 5; although later units will be upgraded during assembly, this unit will have to be retrofitted with a required new wing needed to extend range by up to 400 miles. Two more Next Generation B-737-85Fs are delivered on the same day, June 30.

At the beginning of August, management inadvertently sets off a firestorm of employee protest when it announces that it will cancel 16 collective bargaining agreements. It is feared that the move will bring salary reductions of at least 30%. Union leaders ask the South African government to intervene in the situation on August 7 and to dismiss President/CEO Coleman Andrews, threatening, otherwise, to go on strike. On August 8, SAA officials explain that any contract changes will not impact salaries, but will provide for "updated agreements" that loosen work rules in such a manner as to help keep the company competitive.

On August 8, the carrier signs a contract with **Nigeria Airways, Ltd.** under which it agrees to resume New York service on behalf of the Lagos-based flag carrier. Under the pact, SAA will provide a Jumbojet with seating for 330 passengers, out of which 109 are assigned to the Nigerians.

Under contract, a SAA B-747-344 undertakes a promotional flight, code-shared with **Delta Air Lines**, on behalf of **Nigeria Airways, Ltd.** on August 15 between Lagos and New York (JFK). Aboard are SAA Chairman Behki Sibiya and President/CEO Andrews; Engineer Zakari Haruna, representing the Nigerian Minister of Aviation; Nigeria Airways CEO Edmund Abayomi Jones; chairmen of the Nigerian House and Senate aviation committees, seven journalists, and a full complement of executives from the two airlines, plus travel agents and journalists. Five more such roundtrips will be operated by the end of October.

Blaming leaders of its partner nations, particularly Tanzania, for its inability to perform to a higher level, the SA Alliance Air (Pty.), Ltd., during the first week of September, reports a \$50-million loss since 1994. As the month closes, Senior Vice President William L. Meaney announces that he will be stepping down at the end of the year and will be succeeded by Otis Africa Managing Director Bonang Mohale. Part of his duties will also be handled by Willy Boulter, general manager for Europe, who will be placed into the new vice president-alliances/network management post.

Late in September, SAA announces that it is increasing the number of frequencies on its routes to Bulawayo, Lusaka, Maputo, Nairobi, and Victoria Falls. Also during September, SAA leases a pair of B-747-200s previously operated by **Swissair, A.G.** A fifth Next Generation B-737-85F is delivered on September 29.

On October 2, **DAS Air Cargo, Ltd.** and the Tanzanian Chamber of Commerce step forward with an offer to purchase 30% stakes (the Uganda and Tanzania holdings) each in SA Alliance Air (Pty.), Ltd., with DAS also bidding \$5 million to take over the 40% stake held by Transnet. The deal is conditional in that DAS must also be given traffic rights to the Alliance routes and the Alliance debt must be satisfied.

A memorandum of agreement is signed on October 9 between the governments of South Africa and Iran. Under its provisions, SAA will be able to operate from Johannesburg and Cape Town to Iran's various communities while **Iran Air** is permitted to begin flights from Tehran to any point in South Africa.

The **DAS Air Cargo, Ltd.** rescue effort collapses on October 10. With both Uganda and Tanzania having failed to pay their part of expenses, South African Airways (Pty.), Ltd. refuses to continue operating its Boeings for the partnership airline. Without lift, the company is forced to suspend all operations the same day. SAA, for its part, announces that it will begin a thrice-weekly return service between Johannesburg and Entebbe on December 1.

Seeking surety for owed salaries and benefits, workers for the grounded airline seize a SAA passenger jetliner when it arrives at Dar es

Salaam, Tanzania, on October 13. South African Airways (Pty.), Ltd. quickly appeals to a local judge, who orders the aircraft released. Company workers in Tanzania also file suit against Managing Director Chris Zweigenthal for breach of trust.

Following an interview with police, the partnership carrier's managing director and two associates flee Uganda for South Africa on October 15. The next day, at the request of the airline's workers, the Kampala High Court freezes the Alliance Air records and orders that an inquiry into the company be launched. In a related story, **Uganda Airways, Ltd.**, which is being liquidated and sold its last Fokker three days earlier, is shut down on October 16.

With both the carrier and **Qantas Airways (Pty.), Ltd.** losing money on their roundtrip routes from Johannesburg to Australia, the two agree to a new code-sharing agreement for the services on October 18. When the pact takes effect in mid-January, the two will divide the three-stop route between them, with each controlling 40% of the seats in all three classes on each other's aircraft. SAA will continue to operate from Johannesburg to Perth while Qantas will operate return flights from Sydney to Johannesburg via Perth.

The sixth SAA B-737-85F is delivered on October 25. Alliance Air Managing Director Zweigenthal, unable to discharge his duties from exile in Johannesburg, resigns on October 26. The same day, the workers in Kampala drop their suit. On October 27, Ugandan and Tanzanian private concerns step into buy the suspended airline and announce plans for a revival by December 1. The Nigerian charters become scheduled, thrice-weekly flights on October 29.

For the New York (JFK) joint venture charter frequencies due to be turned into thrice-weekly scheduled roundtrips with South African Airways (Pty.), Ltd. on October 31, SAA has painted a B-747-344 in a special joint color scheme. Before the service can be launched, however, there is a dispute over the number of seats Nigeria Airways will be allowed to sell under the August agreement. The impasse forces the start-up to be put on hold.

On November 6, **Nationwide Air Charter (Pty.), Ltd.** makes a formal complaint to government regulators concerning alleged predatory pricing policies on domestic routes by SAA.

On November 10, a code-sharing agreement is signed with **Qantas Airways (Pty.), Ltd.** covering the Perth-Harare route from which the Australian line had withdrawn two weeks earlier.

Nigerian Aviation Minister Dr. Kema Chikwe personally works to make certain that arrangement with the South Africans for a joint venture air service do not collapse; after diplomatic intervention, the dispute with **Nigeria Airways, Ltd.** is settled on November 13. The same day, it is reported that the joint flights to the U.S. will take off in December (they will not, in fact, begin until February 21).

A B-737-230A, previously operated by **Croatia Airlines**, is chartered from **Safair (Pty.), Ltd.** on November 17. On November 21, weekly frequencies are increased from 3 to 7 from Johannesburg to Bulawayo, 10 to 11 from Harare, 6 to 7 from Lusaka, 8 to 10 from Maputo, 4 to 7 from Nairobi, and 9 to 11 from Victoria Falls. The first improved Next Generation B-737, a Dash-8S3, is delivered, also on November 21.

The A300 wearing a special *The Love Plane* livery showing messages from children is retired on November 27.

Thrice-weekly B-737-244B return flights commence on December 1 between Johannesburg and Entebbe, Uganda. The same day, **Delta Air Lines** begins to code-share on SAA services from Johannesburg to Dar es Salaam. On December 12, a \$50-million contract is signed with Rolls-Royce Limited for comprehensive maintenance on the airline's RB211-524H engines. Another B-737-8S3 is delivered, also on December 12.

Just before Christmas, the government extends the option of SAirGroup to purchase an additional 10% stake in SAA, but indicates that it will require a higher price, not that the value of its carrier has increased. With the Swiss airline group suffering fiscal problems, it is not immediately apparent whether or not the stake will be taken up.

According to an interview with a company spokesperson that will be published by Reuters, Ltd. on January 5, enplanements for the year total

five million, domestically and internationally. When, because of a profit crisis, the board of SAirGroup, parent of **Swissair, A.G.**, ends its policy of airline equity acquisition early in the new year, it also closes out any chance of its further investment in SAA. On March 1, Real Africa Holdings Chairman Donald Ncube will succeed Bheki Sibiba as nonexecutive chairman while, on March 30, President/CEO Andrews will be succeeded by Chief Financial Officer/Executive Vice President Andre Viljoen.

SOUTH AFRICAN EXPRESS (PTY.), LTD. See **SA EXPRESS (PTY.), LTD.**

SOUTH ATLANTIC AIRLINES: United States (1968-1969). SAA is set up at Myrtle Beach, South Carolina, during the summer of 1968 as an affiliate of Sports by Air, Inc. Employing a pair of Aero Commander 500Bs, the commuter inaugurates daily scheduled roundtrips on August 15 linking its base with Hilton Head, Columbia, Raleigh, Jacksonville, Savannah, Charleston, and Raleigh. Services are maintained into 1969.

SOUTH CENTRAL AIR: 135 Granite Post Court, Kenai, Alaska 99611, United States; Phone (907) 283-7676; Fax (907) 283-3678; Code XE; Year Founded 1967. Harold and Irene Andersen establish this charter operation at Kenai, Alaska, in 1967, flying passengers and cargo to surrounding locales over the next 15 years. The company is sold to David Diamond in early 1981 and is reformed to provide scheduled passenger and cargo flights to destinations throughout the south central portion of the state, especially the Kenai Peninsula.

President Diamond inaugurates high-frequency nonstop service to Anchorage and multiple-frequency flights to Homer, Seward, and Soldotna. The initial fleet includes a mix of Cessna lightplanes, and 1 each Piper PA-31-310 Navajo, PA-31-350 Navajo Chieftain, and Britten-Norman BN-2 Islander. Not required as a private carrier to reveal its traffic figures, it will, however, do so on a sporadic basis.

Several Piper PA-31-350 Navajo Chieftains are acquired in 1982 and enplanements reach 79,991.

In October 1983, the company is purchased by **Kenai Air Alaska**, which will operate it as a subsidiary.

While taxiing in fog at Anchorage on December 23, **Korean Airlines/Korean Air (KAL)** Flight 084, a DC-10-30F with three crew, manages to become situated on the wrong runway. During its takeoff roll, the wide-body collides head on with South Central Air Flight 59, the Navajo Chieftain with nine passengers, which is taking off on a service to Kenai. Flight 084 overruns the runway by 1,434 ft. and although both aircraft are badly damaged, amazingly, there are no fatalities.

Passenger boardings for the year climb to 108,611.

During 1984-1985, airline employment is 100 and the fleet comprises 2 Piper T-1040s, 5 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-31-310 Navajo, 1 Piper PA-34 Seneca, 1 Britten-Norman BN-2 Islander, 2 Cessna 207As, and 1 Cessna 206. Enplanements in the latter year total 217,591.

The fleet in 1986 includes 7 Chieftains, the 2 T-1040s, 1 Cessna 207A, and the Islander. Enplanements reach 130,000.

Vernon Lofstedt Jr. becomes president in early 1987. The 100-employee small regional becomes a "United Express" code-sharing affiliate of the major **United Airlines** in June and replaces one of its Chieftains with another T-1040.

A Piper Navajo Chieftain with eight aboard loses power after takeoff from Kenai, Alaska, on December 23 and crashes into a house, killing five passengers and the pilot; residents of the abode escape unharmed.

Passenger boardings, however, shrink by 17.1% to 107,772.

In 1988, the T-1040s are replaced by a British Aerospace BAe Jetstream 31 and three more PA-31-350s.

The Jetstream is withdrawn in 1989 as three new T-1040s are made available. The United contract is terminated and the company now holds its enplanements confidential.

On December 22, a Piper Navajo Chieftain misses its approach to the uncontrolled airport at Beluga after an all-cargo service from Kenia and crashes into trees about 8 mi. to the NW; the pilot is killed.

The T-1040 fleet is increased to seven in **1990** as all but three Navajo Chieftains are withdrawn.

Following the eruption of Mount Redoubt on the evening of April 6, South Central stops flying from Anchorage when, as spokesperson Dawn McKibbin has it, ash begins falling "pretty good." After missing six flights, the company resumes flights about 8 a.m. the next morning. Enplanements this year total 91,423.

One more T-1040 is acquired in **1991**, along with a Cessna 207A and a Pilatus Britten-Norman PBN-2 Islander. The three Chieftains are reinstated.

Despite this fleet expansion, passenger boardings decline to 72,629. A total of 679,617 pounds of mail are flown.

Airline employment stands at 90 in **1992** as passenger traffic plunges 32% to 49,172 passengers flown.

Services continue in **1993–1994**. During these years, a de Havilland Canada DHC-4 is acquired for all-cargo services.

Following the collapse of both **MarkAir** and **MarkAir Express** passenger services earlier in the year, South Central adds scheduled passenger flights between Anchorage and Homer during the fall of **1995**. Plans are announced for similar flights between Anchorage and Kenai.

While on final approach to the airport at Nanwalek on December 10, a PA-32, with a pilot and five passengers, encounters strong winds and strikes the end of the runway, sliding 100-ft. to a stop. Three aboard are injured, one seriously.

The workforce in **1996** remains the same as it was four years earlier and the fleet includes 14 aircraft: 6 T-1040s, 4 Navajo Chieftains, and 1 each Islander, Cessna 185, C-206, and C-207A. A total of 50,019 passengers are flown, not including 11,669 on charters.

En route from St. Mary's to Kenai with freight on January 29, **1997**, the DHC-4 with two crew and a load of mining equipment, loses its No. 2 engine. The aircraft is diverted first to Aniak and then to Sparrevohn, where it encounters severe turbulence while trying to land. As a result, the turboprop collides with snow-covered hilly terrain away from the airfield (one dead).

While on its takeoff roll from Beluga Airport on the evening of November 11, a Navajo Chieftain, with one pilot and four passengers, collides with a moose; although the aircraft is badly damaged and the moose is killed, no injuries are reported by those people aboard.

Scheduled customer bookings accelerate 5.8% to 40,567. In addition, 8,302 charter passengers are flown, along with 2.3 million pounds of mail and freight.

Flights continue in **1998**. While climbing away from Homer on a service to English Bay on February 6, a Cessna 207A stalls, rolls, and crashes into the ground; the pilot is killed.

Unable to recover from the effects of this latest tragedy, the company now shuts down.

Operations are resumed shortly thereafter, with many flights made on behalf of other operators or concerns. These continue, without headline or incident, into the first month of **2001**. While en route Unalaska Island for Anchorage on January 23 on a charter for Majestic Air Cargo with 2,350 pounds of cod milt from Trident Seafoods, a DC-3 with two crew crashes in fog and heavy snow on Table Top Mountain, near Elder Point, Alaska. A fisherman will find the wreckage and report that there are no survivors.

SOUTH CENTRAL AIR TRANSPORT (1): United States (1946–1947). Raymond J. "Ray" Ellis, owner of the FBO **Fayetteville Flying Service**, establishes the intrastate carrier SCAT-1 at Fayetteville, Arkansas, in August **1946** in hopes of having it approved as a scheduled airline. Employing 9 Cessna UC-78s, 5 of which are converted to civil T-50 standard, Ellis inaugurates intrastate revenue and passenger flights connecting his base with Little Rock, Hot Springs, Hope, El Dorado, and Harrison.

Operations continue into **1947**; however, the CAB does not approve the company's application for certification. Hence, SCAT-1 closes down in late fall.

SOUTH CENTRAL AIR TRANSPORT (2): United States (1971–1978). SCAT-2 is set up at Natchez, Mississippi, in **1971** to undertake a full schedule of daily passenger services to regional destinations. With a fleet that includes 1 each Britten-Norman BN-2 Islander, de Havilland Canada DHC-6-100 Twin Otter, and Handley Page HP-37 Jetstream, the company duly inaugurates revenue flights linking its base with Jackson, New Orleans, Tupelo, Columbus, Montgomery, Mobile, Fort Walton Beach, and Panama City.

Operations continue apace until **1978**.

SOUTH CENTRAL AIRLINES: United States (1964–1965). South Central is established at Ocala, Florida, during the summer of **1964** to provide scheduled daily roundtrip services to Gainesville and Jacksonville. Employing a Piper PA-23 Aztec, the company launches air taxi revenue flights in July, maintaining them into **1965**.

SOUTH COAST AIRWAYS (PTY.), LTD. See EAST-WEST AIRLINES (PTY.), LTD.

SOUTH EAST AIR, LTD.: United Kingdom (1986–1988). SEA is established at Shoreham in **1986** to operate scheduled services to Jersey. Revenue services commence with 3 Dart Heralds and 2 de Havilland Canada DHC-6 Twin Otters and continue apace through **1987**.

The small regional does not release any statistics, but apparently encounters negative financial numbers, which force it to shut down in February **1988** and enter receivership.

SOUTH EAST EUROPEAN AIRWAYS, S.A.: Greece (1993–1995). SEEA is established at Athens in early **1993** to operate domestic and regional services with a fleet of 2 Fokker 50s and 3 Fairchild Metro IIIs. Kostas Piladakis is named managing director and a contract is entered into with **Virgin Atlantic Airways, Ltd.** to initiate feeder services on its behalf from Athens–London (LGW). An Airbus A320 is ordered and in the meantime, a B-737-42C is leased from **Air U.K. Leisure, Ltd.** and employed to begin the international contract on March 29.

The Boeing is replaced in January **1994** with a leased Airbus Industrie A320-231. A Fairchild Metro 23 is also acquired. Encountering severe financial difficulties, the carrier fails in March **1995** and transfers its Airbus over to VAA, which begins its own service on the U.K.–Greece route.

SOUTH NAHANNI AIRWAYS, LTD.: P.O. Box 407, Fort Simpson, Northwest Territories X0E 0N0, Canada; Phone (867) 695-2007; Fax (867) 695-2943; <http://www.pacificocean.com/nahanni>; Year Founded 1996. Jacques Harvey establishes South Nahanni at Fort Simpson in **1996** to operate year-round, 24-hour air charter services. Founder/Chief Pilot Harvey employs a float-equipped de Havilland Canada DHC-6-300 Twin Otter and specializes in the transport of tour groups to surrounding lakes and rivers, particularly Nahanni National Park. Additionally, flights are undertaken to Virginia Falls, Rabbittkettle, Moose Ponds, and Island Lakes.

Service is maintained in **1997–1999**.

SOUTH PACIFIC AIR LINES: United States (1953–1964). SPA is organized by the Robert Dollar Company as **Dollar Airlines, Ltd.** at Tahiti in **1953**. The remainder of the decade is taken up with attempts to begin operations over a route to Honolulu. Initially, the Australian operator **Trans-Ocean Airways, Ltd.** is acquired, together with its two Shorts S.25 Solents (a third is later purchased from the U.K.). Christmas Island A-bomb tests prevent the start-up of services.

Following establishment of the U.S. Federal Aviation Administration (FAA) in mid-decade, significant modifications to the Solents are required in order that they might meet airworthiness requirements of the new government agency. About the time these are completed, the French begin to build a new landplane airport at Tahiti that will eliminate the value of flying boats.

In late 1959, an arrangement is made with **Trans World Airlines (TWA)** for the lease of a Lockheed L-1049E, which is christened *Bounty* in honor of the ship made famous by the British mutiny. At long last, it is employed to commence scheduled flights from Hawaii to Tahiti on April 2, 1960. Passengers reaching the French island are able to complete the final sector from Bora Bora to Papeete aboard the Short Sandringham flying boat operated by **Reseau Aerien Interinsulaire, S.A.**

The new Tahiti airport is opened on September 20, 1961 and the airline, now renamed, offers a new Honolulu to Samoa frequency beginning on March 14, 1962. A second L-1049A is purchased from **Trans World Airlines (TWA)** on June 7.

The CAB, on January 28, 1963, grants the mainland U.S. to Tahiti route to **Pan American World Airways (1)**. While the decision awaits presidential pleasure, the major U.S. carrier and the little Polynesian operator reach accord on September 18. Pan Am will rent its competitor's route for 20 years, paying 50% of operating profit for the first decade and 10% for the second.

On November 12, President Kennedy grants **Pan American World Airways (1)** the route, which now makes Juan Trippe's deal with South Pacific unnecessary. Faced with an inevitable end, South Pacific allows itself to be acquired by the major in November 1964.

SOUTH PACIFIC AIRLINES OF NEW ZEALAND, LTD.: New Zealand (1960–1966). With support from **Ansett Airlines of Australia (Pty.), Ltd.** and over 800 small shareholders, privately owned SPANZ is established by Capt. Rex Daniell and Robert Anderson at Auckland in the fall of 1960 to operate scheduled and charter services, largely on behalf of the tourist industry, to provincial centers. Capt. Daniel had led RNZAF No. 24 Squadron (C-47) during the Normandy Invasion in 1944.

Employing a pair of Douglas DC-3s outfitted with large "Viewmaster" windows, revenue flights commence on December 14 to New Plymouth, Hamilton, Taupo, Napier, Masterton, Nelson, Hokitika, Wigram, Wanaka, Timaru, Oamaru, Queenstown, and Alexandra.

After Ansett withdraws its support in October 1964, SPANZ soldiers on alone. Without support from the Australians and facing stiff competition from the state-owned domestic carrier **New Zealand National Airways Corporation, Ltd.**, the airline is finally forced to shut its doors on February 28, 1966.

Forty years later, beginning on December 8, 2000, the company's founders and a number of former employees will join aviation enthusiasts from around the world in a weeklong celebration of the company's memory.

SOUTH PACIFIC ISLAND AIRWAYS: United States (1973–1989). Organized in June 1973, SPIA provides commuter services in American Samoa from a base at Pago Pago. During the next decade, the company undertakes scheduled passenger flights to the Ofu and Tau Islands in American Samoa, Apia in Western Samoa, Ha'apia, Tongatapu, and Vava'u in Tonga, and to the Wallis/Fortuna Islands in French Polynesia. The fleet grows to include 3 de Havilland Canada DHC-6-300 Twin Otters, 2 Cessna 402s, and 1 Britten-Norman BN-2 Islander.

Operations are undertaken without incident in 1974–1978.

A DHC-6-300 with 2 crew and 16 passengers is destroyed as the result of a bad landing at Tau, American Samoa, on November 5, 1979; there are no fatalities.

The company receives scheduled authority in late 1980. In February 1981, the first of four Boeing 707-320B Stratoliners become available and scheduled roundtrip flights are inaugurated to Honolulu on March 26. In the years following, the carrier expands its charter services to points in Canada, Europe, and the South Pacific.

Enplanements reach 110,000 in 1982, jumping 62.7% to 179,000 in 1983. Destinations served beyond the Pacific include Guam, Port Moresby in New Guinea, Honolulu, Anchorage, and Vancouver.

The payroll is boosted 57.9% in 1984 to 401 and the fleet includes 4 B-707-320Bs, 4 DHC-6-300s, and 1 Islander.

While on final approach to Tau, Manua Island, on a July 21 service from Pago Pago, the elevator control cable of a DHC-6-300 with 3 crew and 11 passengers fails. The aircraft hits the terminal roof with its left wing and crashes, hitting a nearby vehicle in the process; one person aboard is killed and the remaining 15 are injured, 7 seriously.

While making an unauthorized polar flight on September 30, a company Boeing with 200 people aboard, nearly becomes involved in an international incident when it strays off course over Norway. Norwegian F-16 fighter planes are scrambled and head off the jetliner, which is approaching within 15-minutes distance of Soviet airspace and a heavily guarded U.S.S.R. naval base.

On October 13, the FAA, citing that flight and others like it, as well as over 50 other violations mostly for safety, grounds the carrier by pulling its FAR Part 121 operating certificate. A court stays the grounding order on September 18 and SPIA resumes partial services in mid-October. The government takes the case to another court and obtains a ruling in its favor, which allows the FAA to re-ground the carrier on October 22.

For the 10 months of operations, the carrier's bookings increase 14% to 204,337 and revenues improve by 10.2% to \$31.4 million. Low costs allow an operating profit of \$2.9 million and net gain of \$2.5 million.

As 1985 begins, officials endeavor to clear up their difficulties with the FAA and to relaunch services. Boeing jetliner flights resume in February between Honolulu and Pago Pago and Papeete. A court on March 8 allows the B-707-320Bs to operate despite the FAA's desire that they be required to stand down for noise-reducing engine modifications.

FAR Part 135 Twin Otter commuter operations are allowed to resume in March. Plans are made to inaugurate charter flights to Majuro, Jakarta, Kwajalein, Auckland, and Manila. As its Stratoliners are not hush-kitted and make too much noise, the government grounds the company again, this time on June 9.

As a result, the year's passenger boardings plunge 712.1% to 55,000. Revenues fall 78.3% to \$7.2 million, but expenses are low enough to allow an operating profit of \$376,000. There is a net \$82,000 net loss.

Early in 1986, the company attempts to obtain an FAA hush-kit exemption that will allow an April launch of its planned central and south Pacific operations. The favor is granted and a single B-707-320B undertakes regularly scheduled flights to Guam, Tahiti, and Pago Pago. In July, the company files for Chapter XI bankruptcy protection. As a result, it does not release any traffic or financial information.

In February 1987, the FAA grounds the carrier yet again, this time for maintenance and record-keeping violations. There is another appeal and the carrier is given another extension. The company is able to clear up some of its violations and continues Twin Otter operations in bankruptcy until December 20, 1988.

The inactive carrier that has refused to die so many times finally does so on January 17, 1989, when the DOT steps in and lifts both the airline's operating certificate and exemption authority. From these actions there is no appeal and the bankruptcy trustee now oversees the Chapter VII liquidation.

SOUTH QUEENSLAND AIRWAYS (PTY.), LTD.: Australia (1939–1940). This little-known carrier is formed at Brisbane in the fall of 1939. Equipped with a de Havilland DH 84 Dragon, it begins flying a route to Toowoomba and Cunnamulla. Unable to succeed against larger competitors and fiscal difficulties, the operation is shut down on April 29, 1940.

SOUTH WEST AFRICAN AIRWAYS, A.G.: South West Africa (1930–1935). The postal authorities of the South West Africa (present day Namibia) government announce on February 4, 1930 that in order to provide feeder flights on the upcoming England–South Africa route of **Imperial Airways, Ltd.**, they will soon commission the establishment of a weekly return airmail service between Windhoek and Kimberley. In early 1931, the colonial government requests that the German Air Ministry help it to establish an air service for South West Africa. The

request finds favor and is passed over to the Junkers Company at Dessau, which has a history of not only building airplanes, but of starting airlines (sometimes as ready-made customers) as well. F. Hoepfner is sent down to take charge of this latest Junkers subsidiary.

Hoepfner arrives in late spring, along with a Junkers F.13 and two A.50s. At this point, it is learned that the planned expansion of the **Imperial Airways, Ltd.** African route is behind schedule. Instead of passing through the area in April, it will now be the end of the year. The colonial post office decides not to wait, but elects to push ahead with its own internal South West African service, which will be operated over three routes: Northern, Southern, and Coastal.

Once the service is organized and airmen are hired, including British chief pilot F. C. J. Fry, South West Airlines is officially founded on August 1. During the day, Capt. Fry inaugurates the Northern route, flying from Windhoek to Grootfontein via Okahandja, Omaruru, Otjiwarongo, and Taubeb. The first return flight over the route is operated two days later.

With Capt. A. O. Wright at the controls, the Southern route is launched on August 4. It is flown from Windhoek to Keetmanshoop via Rehoboth and Mariental. Wright flies back over the route on August 6.

The Coastal route is timed to connect with the incoming post delivered to Walvis Bay by mail steamers. Capt. Fry initiates this service on August 11, flying from Walvis Bay to Windhoek via Okahandja, Karib, and Swakopmund.

The last of the experimental flights over the Southern route is completed on December 4 and over the Coastal route on December 14.

On January 26, 1932, the first regular feeder flight is operated from Windhoek to Kimberley via Mariental, Keetmanshoop, and Upington. At Kimberley, mail going north is loaded aboard an **Imperial Airways, Ltd.** aircraft, while that going south is sent by train. Capt. Fry operates the last SWAA experimental service over the Northern route on February 15.

Flights continue in 1933–1935, during which years Fry and another pilot, Peter Falk, also are assigned to survey the territory, establishing airfields at small and bush communities. Tiring of its money-losing commitment and swamped with business from the new Third Reich, Junkers determines to close down its African airline.

On February 1 of the latter year, the company is purchased by **South African Airways (Pty.), Ltd.** for R 14,000.

SOUTH WEST AFRICAN AIRWAYS, A.G.: South West Africa (1946–1958). In November 1946, G. T. “Porky” van Rooyan and Peter Falk, both of whom had been involved with **South West African Airways, A.G.**, attempt to revive the name of that carrier for a new airline they have formed. Finding that the moniker is already in use, they must settle for the title South West Air Transport.

Having acquired several four-seat Ryan Navions, SWAT finally inaugurates regular services in 1949, linking Windhoek and Grootfontein via Otjiwarongo, Outjo, and Tsumeb. The following year, the company begins a feeder affiliation with **South African Airways (Pty.), Ltd.**

During 1950–1958, stops are also added at Swakopmund and Walvis Bay. The fleet is increased to include 7 Navions and 1 de Havilland DH 89A Dragon Rapide. **Oxyx Aviation (Pty.), Ltd.** is taken over in March 1959, at which time the company is reformed into **Suidwes Lugdiens (Pty.), Ltd.**

SOUTHCOAST AIRWAYS. See **ALASKA SOUTHCOAST AIRWAYS.**

SOUTHEAST (PTY.), LTD.: South Africa (1992–1994). Southeast is established at Bisho, the capital of the homeland of Ciskei, in April 1992. Employing a leased Convair CV-580, scheduled roundtrip services are inaugurated in July between the company base and Johannesburg.

Flights continue until April 1994 when Ciskei is integrated into the new Eastern Cape Province and the carrier is shut down.

SOUTHEAST AIR (1): United States (1979). Southeast-1 is established at New Bedford, Massachusetts, in early 1979 to provide sched-

uled passenger and cargo flights to Martha’s Vineyard, Nantucket, and New York (LGA). Although daily Piper PA-23 Aztec roundtrips are duly begun, they last only until the fall.

SOUTHEAST AIR (2): P.O. Box 1358, Manteo, North Carolina 27954, United States; Phone (919) 473-3222; Fax (919) 473-1349; <http://www.southeastair.com>; Year Founded 1992. North Carolina-based Southeast Air begins intrastate services in summer 1992, flying a total of 702 revenue passengers. Emphasis is placed upon services to the Outer Banks. The workforce is increased by 33.3% in 1993 to eight and the fleet includes two Cessna 172s, a Cessna 206, and one Piper PA-31-310 Navajo.

Customer bookings accelerate 47.9% to 1,038 and cargo rises 63% to 12,000 FTKs. Revenues jump 68.9% to \$351,061.

Flights continue apace in 1994–1998. During these years, President Betty Shotton Brindley, a longtime Outer Banks tourism executive, and Operations Director David Lehr oversee the flights of four pilots.

Regularly scheduled shuttle flights are introduced during the spring of 1999 between Manteo and Norfolk, Virginia.

SOUTHEAST AIRLINES (1): United States (1956–1960). E. Ward King, owner of Kingsport-based Mason & Dixon Truck Lines, establishes Southeast Airlines at Tri-Cities Regional Airport, Blountville, Tennessee, in 1956. The intrastate start-up is a subsidiary of the airport’s FBO, Southeast Aviation. The state Bureau of Aeronautics, in hearings conducted late in the year, approves intrastate operations. King, having obtained a required \$250,000 in capitalization, hires a workforce and purchases 5 Douglas DC-3s.

Intrastate flights commence in February 1957. Initial destinations served include Knoxville, Chattanooga, and Nashville. In the spring, Southeast approaches the U.S. CAB for local service routes outside Tennessee. When five potential competitors object, the government regulators consolidate Southeast’s request into its Southeast Area Local Service route case, then pending.

Destinations now served include, from east to west: Tri Cities, Knoxville, Chattanooga, Shelbyville/Tullahoma, Nashville, Clarksville, Jackson, Union City, Dyersburg, and Memphis.

A DC-3 with three crew and seven passengers crashes into Tennessee’s Mount Holston on January 8, 1958; there are no survivors.

As Crown Coach service continues back and forth across Tennessee, King, having received approval from **Delta Air Lines** and **Eastern Air Lines**, approaches the CAB for permission to issue interline tickets and to receive subsidy payments. The government denies both requests. A state subsidy award is received for use in opening additional frequencies from Tri-Cities to Nashville via Knoxville.

The fleet is increased in 1959 by the addition of two Convair CV-240s purchased from **American Airlines**. During the year, one Douglas transport is written off following an accident. Service to Dyersburg, Union City, and Clarksville is suspended as finances crumble. Unable to maintain viability or obtain a last-ditch fiscal bailout from the Tennessee state government, Southeast Airlines (1) closes its doors on August 1, 1960. DC-3 charters are flown for a few additional months as the company undergoes liquidation.

Plans to restart services in 1961 are crushed when the CAB awards its routes to Atlanta-based **Southern Airways**.

SOUTHEAST AIRLINES (2): United States (1962–1976). Irving Jones and Donald Sittman establish the second Southeast Airlines at Miami during the late summer of 1962 to take over the route from Miami to Key West via Marathon abandoned by **National Airlines (1)**. Employing 1 each Beech 18 and Douglas DC-3, daily roundtrip revenue frequencies commence on September 25.

Service over the route is maintained for the next 15 years. During this period, the fleet is expanded by the addition of a Martin 2-0-2A and a Fokker F.27 and the route network grows to include a route from Miami to Freeport in the Bahamas, operated by a Grumman Goose.

Perhaps the most harrowing event in the airline's history is a 1968 hijacking, one of many U.S. to Cuba incidents of the 1960s and early 1970s.

En route from Key West to Miami on June 29, Flight 101, the DC-3 with 17 passengers aboard, is diverted to Havana by a passenger. The aircraft and most of its occupants are allowed to return, but two passengers are retained by the Cubans. One, of course, is the hijacker. The other is Capt. George Prellezo, who had commandeered a Cubana airliner to Florida eight years earlier. Prellezo will be tried and sentenced to eight years in prison; however, he will be returned to the U.S. after just three weeks in jail.

SOUTHEAST AIRLINES (3): United States (1974–1984). Formed at Fort Lauderdale, Florida, in association with **Trans East International Airlines** in 1974, this third-level carrier undertakes scheduled passenger services to the Florida communities of West Palm Beach and Naples, as well as the Bahamian destinations of Marsh Harbour, Governor's Harbour, North Eleuthera, Treasure Cay, and Rock Sound. The flight equipment employed consists primarily of Cessna 402s and Cessna 404 Titans.

Enplanements in the inaugural year total 60,024.

Airline employment in 1975 stands at 75. Passenger boardings drop 27.9% to 46,894. Freight is also down by 27.3%, to 11,000 FTKs.

Operations continue apace in 1976–1979, with declining enplanements. The fleet is upgraded to include 1 Boeing 707-320B, 1 B-720B, and 1 Fokker F.27. In 1977, a Lockheed L-188C is leased for a year from **Eastern Air Lines**.

These planes combine to carry a total of just 27,000 passengers in the latter year.

Higher fuel costs, inflation, and recession combine during 1980–1982 to force the carrier out of the scheduled airline business and into charter work. The larger aircraft are all withdrawn in favor of 1 Embraer EMB-110 Bandeirante, 10 de Havilland Canada DHC-2 Beavers, and 2 Cessna 185s.

In 1983, the company enters into an association with cross-town charter competitor **State Airlines**, officials of which desire to offer scheduled flights. Under terms of the agreement, Southeast's frequencies are offered under the marketing name State Southeast. The association is, however, short-lived as, on the heels of the bankruptcy of **Trans East International Airlines** in November, Southeast itself ceases operations.

Enplanements for the 11 months operated during the year total only 3,122.

The airline files for Chapter XI protection in February 1984. It does not resume flights, being purchased by and merged into **Atlantic Southeast Airlines (ASA)**.

SOUTHEAST AIRLINES (4): United States (1978–1979). This Southeast Airlines is set up at Jackson, Tennessee, in 1978 to offer daily roundtrip shuttle services to Memphis and to Corinth, Mississippi. Although de Havilland DH 104 Dove frequencies are duly inaugurated, they cannot be maintained.

SOUTHEAST AIRLINES (5): United States (1979–1981). The last Southeast Airlines is the reformed scheduled air taxi operator Cat Cay Airlines, first established at Miami in 1959. Taken over by MCA Leasing in early 1979, the renamed company acquires one each former **United Airlines** Boeing B-720-022 and **Pan American World Airways** (1) B-707-321C. These are employed on May 8 to launch scheduled roundtrips to Aguadilla, Puerto Rico.

Government inspectors find the company wanting and it loses its certificate in October. Although scheduled flights cease, charters are maintained on a sporadic basis. By 1981, the two original aircraft are replaced by a leased B-727F, which operates all-cargo charters to Colombia for several months before finally shutting down for good.

SOUTHEAST AIRLINES (6): 12552 Belcher Road, Largo, Florida 33773, United States; Phone 800-222-1201; <http://www.jetsouth-east.com>; Code JX; Year Founded 1999. On June 18, 1997, the

Largo-based discount air carrier **Sun Jet International Airlines** grounds its planes, lays off most of its 145 employees, and prepares to file for Chapter 11 protection the following Monday. Passengers are switched to flights by Detroit-based **Spirit Airlines**. That company operates Sun Jet's flights to Orlando, St. Petersburg, Fort Lauderdale, and Newark.

The carrier keeps its operating certificate active with the government and seeks a rescue package that will allow it to resume operations. Aviation Industries Corporation, led by former owner Thomas Kolfenbach, steps before the U.S. Bankruptcy Court on February 12, 1998 and wins permission to provide debtor-in-possession financing. Although Sun Jet Chairman John Mansouc and his management team are left in place, AIC retains AIBC Investment Services Corporation to advise it as it prepares to recall workers, expedite revalidation of the carrier's fitness certificate with the DOT, and resume passenger charters.

A reorganization plan is filed with the court by March 20. When it becomes a reality, the airline will fly under a new brand name. During the remainder of the year, Chairman Mansouc and President Brooke Mayger concentrate on emerging from bankruptcy, winning back DOT operating approval, and beginning new charter flights.

The DOT finds Sun Jet fit to resume service during the first quarter of 1999. Flights resume from a base at St. Petersburg with a single Douglas DC-9-32 and under the name Southeast Airlines (6). A second DC-9-32 is acquired later in the year. Both conduct deep-discount public charters as well as contract flights from Atlanta to Biloxi, Mississippi, on behalf of various casinos.

Enplanements total 114,000.

Arrangements are completed for the acquisition of two more DC-9s during the spring of 2000. In August, Southeast takes delivery of the two DC-9-31s previously operated by and purchased from **USAirways**. They arrive in colorful liveries that feature the old "Sun King" logo of **National Airlines** (1).

Daily scheduled roundtrip service is inaugurated on October 12 from Atlanta to Sarasota and St. Petersburg, Florida. This is followed on October 26 by the start of daily return flights from Atlanta to Charlotte–Douglas International Airport. Low advance bookings cause the company to indefinitely suspend the new route after its inaugural flight.

With its own North Carolina scheduled service out of the picture, the company accepts a scheduled service contract from flightserve.com, an Internet travel concern that is a subsidiary of the eResource Capital Group. On behalf of its new partner, Southeast launches daily Skysaver Jet Shuttle roundtrips on November 17 from Norfolk, Virginia, to Orlando and New York (LGA). Additional Florida services will be started on January 6.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinated planning while imposing a September moratorium on new La Guardia flights. On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. Southeast receives four of the new positions.

In late December, the company initiates six weekly return charter flights year round from Charlotte to Cancún, Mexico, on behalf of flightserve.com subsidiary Internet Aviation Services. Seasonal flights are also offered to Cancún from both Atlanta and New Orleans.

Passenger boardings during these 12 months surge 32.8% to 162,000.

SOUTHEAST ALASKA AIRLINES: United States (1979–1982). Under the leadership of new owner and CEO Paul Breed, Jim Webber's Ketchikan, Alaska-based **Webber Airlines**, founded in 1970, is merged with **Flair Air** in 1979 to form SAA. Employing a mixed fleet of Cessna 185s, de Havilland Canada DHC-2 Beavers, and Grumman G-23 Geese, Breed's carrier continues to provide scheduled passenger and cargo

services linking the Ketchikan base with Juneau, Petersburg, Wrangell, Klawok, Craig, and Hydaburg.

Operations continue apace in **1980–1981**; SEA is purchased by Ketchikan competitor **Tyee Airlines** on December 31, **1982** and merged.

SOUTHEAST CARGO AIR: United States (1984–1992). SCA is set up at Miami in **1984** to operate ad hoc freight charters and contract service flights. Revenue flights begin with a leased Boeing 707-320C and continue into **1992**.

SOUTHEAST COMMUTER AIRLINE: United States (1971). SCA is set up at Mobile, Alabama, in early **1971** to offer scheduled passenger air taxi flights to Montgomery, Pensacola, Dothan, and Birmingham. Beech 18 revenue frequencies are duly inaugurated, but can only be maintained for a few months.

SOUTHEAST PACIFIC AIRLINES, S.A.: Chile (1992–1993). SPA is established at Santiago during the summer of **1992** to offer scheduled domestic passenger and cargo services. Employing a Boeing 737-200 chartered from Polaris Aircraft Leasing Corp., the company begins operations in August.

Unable to achieve viability, the new entrant shuts its doors early in **1993**.

SOUTHEAST SKYWAYS: United States (1968–1982). Dean Williams and Billy Bernhardt found Southeast Skyways at Juneau in Alaska in March **1968**. Employing several Cessna 206s, they begin operations to various nonscheduled destinations in the southeastern part of the state.

In June **1982**, the company is purchased by Jim Shanks and Jim Lindsey and, perhaps inadvertently, takes the same name as the famous CIA-sponsored airline of southeast Asia fame, **Air America**. Shanks and Lindsey sell out to Bob Jacobsen, Mike Fenster, and Drew Haag on November 1. The corporate identity is changed again on February 22, **1983** to **Wings of Alaska**.

SOUTHEASTERN AIRLINES: United States (1982–1983). Southeastern is set up at Huntsville, Alabama, in the spring of **1982** to offer scheduled passenger and cargo services to regional destinations. Employing 1 each Cessna 402 and Embraer EMB-110P1 Bandeirante, plus an Australian-made Government Aircraft Factory (GAF) Nomad N-24A, Southeastern inaugurates daily roundtrips on June 15 linking its base with Gadsden, Atlanta, Memphis, Nashville, Auburn, Tupelo, and Columbus.

Overextended, the company goes out of business in **1983**.

SOUTHEASTERN COMMUTER AIRLINES: United States (1979–1983). Roy H. Hagerty, president of **Coastal Air**, reforms his third-level service at Auburn, Alabama in **1979**. Employing 1 de Havilland DH 104 Dove and 2 Riley Doves, the operator undertakes scheduled passenger and cargo service to Opelika and Atlanta. Flights continue apace into the new decade, losing additional money each year as operating costs, led by fuel prices, increase.

Unable to survive both inflation and recession, the carrier agrees to its takeover by and merger into **Atlantic Southeast Airlines** in April **1983**.

SOUTHEND-ON-SEA FLYING SERVICE, LTD.: United Kingdom (1932–1935). Southend-on-Sea is registered on December 15, **1932**. Services finally begin, in conjunction with Short Brothers, Ltd., on June 9, **1934**, when a Short Scion and a de Havilland DH 83 Fox Moth initiate hourly Southend–Rochester ferry service; frequency is cut to four trips per day as of October 7 and suspended for winter.

During the summer of **1935**, two routes are opened from Allhallows: to Rochester and to Southend, as well as an experimental twice-weekly Rochester–Portsmouth frequency. The company ceases operations on October 26.

SOUTHERN AIR: 4323 Eastpointe Dr., Columbus, Ohio 43232, United States; Phone 614-759-5000; Year Founded 1999. In February **1999**, a group of former **Southern Air Transport** managers and others band together under the name of Devon Partners and announce plans for the creation of a new Southern Air that will succeed their historic pioneer. Capitalization of \$3.4 million is secured and the SAT assets are purchased in March. The reborn airline, under the leadership of President Thomas Gillies, begins the DOT/FAA certification process, applying for the international routes previously operated by SAT.

An 18-year-old B-747-230F is purchased from **Lufthansa Cargo Airlines, A.G.**; it will be wet-leased to other carriers under ACMI contracts until the new Southern can resume its own flight operations. Two more B-747-230Fs are acquired by midyear.

As the year progresses and Southern's government paperwork is reviewed, rival **Kitty Hawk International** opposes the Southern application for the old SAT routes, claiming that the new concern is asking for established routes before it is granted operating authority. This potential breach of the rules is not acceptable and the DOT settles the question in mid-November. Southern is granted its operating permit. However, all certificates and exemption authority held by the defunct SAT are cancelled. Any U.S. carrier may now bid on the routes Southern had hoped would come to it.

ACMI service is continued in **2000**. Following the termination of services by **Kitty Hawk International**, Southern, beginning on May 15, is able to finally operate its own Jumbojet services, in its own colors, over the old KHI routes.

A third B-747F is acquired at the beginning of August; wearing the new "SA" logo on its tail, it begins service on behalf of **Cathay Pacific Airways (Pty.), Ltd.** Plans are now made to start a new hub at Chicago (ORD).

SOUTHERN AIR, LTD.: P.O. Box 860, Invercargill, 9500, New Zealand; Phone 64 (3) 218-9129; Fax 64 (3) 214-4681; Code WK; Year Founded 1978. When an airfield is built on Stewart Island, the amphibious operation undertaken by **Stewart Island Air Services, Ltd.** is changed to a land-based service. To promote this new approach, SIAS is renamed Southern Air, Ltd. on January 28, **1978**. Simultaneously, Chairman W. G. Broughton and General Manager W. M. Norris' new fleet of 1 GAF Nomad N-22B, 1 Piper PA-23 Aztec, and 1 Cessna 402 inaugurate scheduled flights. Frequencies to Dunedin are inaugurated in **1980**.

Services are maintained throughout the 1980s. In **1986**, Keith A. Smith becomes managing director and the fleet is altered. Gone are the Cessnas and Nomad, replaced by three Pilatus-Britten-Norman PBN-2 Islanders. Operations continue through the remainder of the decade and the workforce grows to 22.

Traffic and financial figures become available in 1991 and show a total of 31,000 passengers carried in **1990**. Revenues total NZ\$1.8 million, expenses are NZ\$1.5 million, and the operating profit is NZ\$300,000. Net gain reaches NZ\$1.8 million.

Fiscal results are no longer released, primarily because money is lost as customer bookings decline to 28,000 in **1991**, a figure exactly repeated in **1992**, despite the addition of a fourth Islander.

Operations continue apace in **1993–1998** as Managing Director Smith adds a fourth PBN-2 Islander and several additional Cessna 402s are returned to service. On August 19 of the latter year, a Cessna 402 with 10 passengers crashes while on a flight-seeing tour (4 dead).

Service is maintained without further incident into the new millennium. In March 2000, the company is taken over by **Southeast Air, Ltd.**, who operates Southern as a division.

SOUTHERN AIR FAST EXPRESS (SAFE): United States (1930–1931). Following its purchase by **American Airways** in September **1930**, **Southwest Air Fast Express (SAFEWAY)**, the conglomerate's newest subsidiary, joins with the Robertson division, original recipient

of the Contract Air Mail Route No. 2 (CAM-2) from Chicago to St. Louis, to bid on a new service, CAM-33, Atlanta to Los Angeles.

The two, independent on paper, are duly awarded the new contract on October 15 and in turn sublet it to Southern Air Fast Express, another new AA subsidiary outfitted four days earlier with all of SAFEWAY's Ford Tri-Motors. For a publicity photograph, one of these, Ford 5-AT-29, gives a strength demonstration test later in the month when 32 employees are lined up atop its wing.

SAFE will be renamed **Southern Transcontinental Airways**, half-owned by the AA parent. While the ink dries on the various papers, **American Airways** flies the mail service. A year later, in October 1931, the company is folded into its parent.

SOUTHERN AIR LINES (YUGAVIA AVIATRANSPORTNII KONCERN): 40 Ulitsa Engelsa, Rostov-on-Don, 344700, Russia; Phone 7 (8632) 664 698; Fax 7 (8632) 664 698; Code V4; Year Founded 1992. When **Aeroflot Soviet Airlines** is reformed in 1992, this longtime North Caucasian directorate, based at Rostov-on-Don, becomes a semiautonomous division of **Aeroflot Russian International Airlines (ARIA)**. G. A. Kruglikov is director general and his fleet includes 20-plus Tupolev Tu-154s, 20-plus Tu-134s, 10-plus Yakovlev Yak-42s, 20-plus Yak-40s, 15-plus Antonov An-24s/-26s, and 10-plus An-12s. Passenger and cargo charters are added to other CIS destinations, as well as localities in Asia, Africa, and Europe. Enplanments total 5,327,148.

The 1993 downturn in the Russian economy significantly impacts traffic results. Passenger boardings fall 39.8% to 3,810,550 while freight is down 26.3% to 725 million FTKs. The number of Tu-154s is reduced to 15 in 1994 as the carrier suffers another decline in customer bookings, down 11% to 3.39 million. Cargo falls to 13.1% to 630 million FTKs. The company struggles through 1995 before setting down to success in 1996-1997. The Russian currency crisis, which begins in the summer of 1998, plays havoc with company finances and finally puts the concern out of the passenger business.

AirlinersOnline.com reports, on August 18, 2000, that a new Southern Cargo Air Lines has been formed at Taganrog/Urrt, 43 nm. W of Rostov-on-Don, to operate charters with a single An-12.

SOUTHERN AIR TRANSPORT: United States (1946-1998). Established by Frederick C. "Doc" Moor and Stanley G. Williams at Miami in 1946, SAT has a long and at times controversial history in contract and charter cargo work. Initially the carrier is equipped with one purchased and two leased Curtiss C-46 Commandos and specializes in live-stock carriage. Early services are within Florida and to San Juan, Puerto Rico, and the U.S. Virgin Islands.

The company is formally incorporated in Florida on October 31, 1949. In the 1950s, the carrier is awarded Supplemental status and begins to participate in the USAF LogAir and later, the Civil Reserve Air Fleet (CRAF) program.

A C-46F with two crew must be written off following a hard landing at Dallas on July 19, 1953; there are no fatalities.

In 1960, the MATS requires that all contract carriers in the Far East be certified as both a supplemental and LogAir participant. In need of such an entity to fulfill an MATS contract then being operated by **Air America** from Tachikawa AFB near Tokyo to Pacific destinations, another proprietary, the Pacific Corporation—the covert airline holding company of the U.S. CIA—decides to purchase an existing civilian airline.

A survey of the nation's 18 supplemental carriers reveals Miami-based SAT to be the most agreeable acquisition candidate, particularly as a contingency need is envisioned for airlift capability into South America. With the concurrence of the Civil CAB, DOD, Air America management, and the appropriate CIA bureaus, CIA Director Allen W. Dulles approves the takeover on July 15, authorizing that funds be made available from the budget of Clandestine Services.

The Pacific Corporation purchases indebted SAT, then with an appeal pending for permanent certification before the CAB, for \$307,506.10. With

Moor and Williams remaining corporate officials and nominal half-owners, the company is divided into two divisions. The Atlantic division continues to operate from the company's Miami facilities. The Pacific division headquarters are transferred to Tokyo's Tachikawa AFB. Meanwhile, Pacific Corporation guarantees a \$6.6-million loan to SAT from private bankers.

In Japan, the operator is reequipped with 3 Douglas DC-6s paid for with a \$6.7-million loan obtained via the CIA proprietary company Actus Technology and transferred from the CIA airline **Air America**. SAT begins to fly military personnel and charter cargos on October 1 to various Oriental destinations, especially Okinawa, where a large CIA supply base is maintained. By year's end, the value of assets rises from \$100,000 to \$2.5 million, debt is gone, and a \$75,000 profit (all above board from military contracts) can be reported.

Over the next 13 years, SAT undertakes both legitimate and "black" flights on behalf of its secret owners. The latter entail the unheralded transfer of arms from the CIA's Okinawa supply center to secret bases in India, Thailand, and elsewhere. The fleet is increased by the addition of three more DC-6s.

During the April 1961 Bay of Pigs invasion of Cuba, a Dominican-registered Consolidated PB5-5A is converted by the airline into a communications center at Miami and is used by the CIA under the code name Swan Island. A C-46 crashes at Point-à-Pitre in the French West Indies on July 11, 1962.

In April 1966, Southern is one of 10 supplementals to obtain permanent certification and on September 30 the CAB grants Caribbean and Pacific scheduled all-cargo operating authority. Revenues publicly reported for the year are \$7,539,281. Operating expenses are \$6,830,257 and the net profit is \$379,205.

Revenues in 1967 jump to \$16,518,465. Profits are also up: \$1,558,366 (operating) and \$1,267,833 (net).

In 1968 it is decided that in order for the airline to compete more effectively for military contracts (often legitimate, but sometimes used to cover secret operations), SAT must have two Boeing 727-92Cs. These are delivered and give every outward appearance of being normal "three-holers," but are in fact covertly modified to allow airdrops, a capability never employed.

One of these is loaned in January to **Civil Air Transport (CAT)**, another CIA proprietary, which crashes it on Taiwan on February 16 (21 dead). During the year, two Lockheed L-100-20 freighters are placed into service, making SAT the first operator of the commercial Hercules.

Revenues for the year are down to \$10,369,865. Profits are the smallest in years: \$102,513 (operating) and \$87,845 net.

The fleet in 1969 comprises the 2 Boeings, 2 L-100-20s, 1 DC-7C, 3 DC-6A/Bs, 2 DC-4s, and 2 C-46Fs.

Revenues are \$11,044,960. Although a \$147,190 operating profit is earned, a \$1,470 net loss is taken.

In 1970, income declines to \$10,789,552 as the number of legitimate contracts flown is, along with the carrier's Indochinese involvement, reduced.

The operating profit falls to \$96,445, but a \$50,820 net profit is realized.

Out of 10 U.S. supplemental carriers in 1971, SAT is the ninth largest, flying 23.59 million freight ton-miles. That number declines in 1972, down by 2.19% to 23.16 million. A total of 39,000 charter passengers carried are and the workforce is 155.

Meanwhile, on April 2, CIA Director William E. Colby authorizes the divestiture of CIA ownership and control, beginning with the immediate elimination of the carrier's Pacific division and sale of the two Boeings. In May, two CIA officials meet with CAB officials to determine the best way in which to disengage the agency from the carrier. As a result of this conference, CIA determines to sell the carrier to its current management.

Income is bolstered by operation of a \$2-million, 6-month relief operation to Bangladesh on behalf of AID. FTKs flown are 33.82 million. Overall income reported on CAB Form 41 is \$8.17 million and expenses are \$8.31 million. Consequently, a \$141,000 operating loss is absorbed. On the other hand, a net profit of \$51,000 is posted.

On January 19, 1973, the CIA director officially approves the sale of SAT to its current management. SAT's board of directors, on February 28, executes corporate action on the sale agreement. On March 1, a petition for approval of the sale is filed with the CAB. Once the proposed arrangement is opened to public inspection, other supplemental airlines step forward to object; the CIA makes known its position that failure of the sale will mean the company's dissolution. Still, SAT remains the target of complaints to the CAB from potential competitors, which attack the airline's growth through "illegal" government subsidies.

On July 31, the CIA director orders SAT's dissolution; however, the current management steps forward with a new plan. It will remove itself from CAB jurisdiction by relinquishing its supplemental status and fly as a Part 121 operator. As CAB approval would not be required in such a case, the CIA agrees, on October 1, to this new arrangement, pending the purchaser's ability to obtain prompt financing.

Four days later, a new sale agreement is executed. On November 29, the First National Bank of Chicago agrees to loan the purchaser \$4.5 million and the sale is closed on December 31. SAT is sold back to its original owners for \$2,145,000. Following repayment of a \$3,125,000 **Air America** loan, SAT has \$8.1 million in assets and \$868,490.09 in liabilities. All-cargo service is resumed from Miami to Puerto Rico and the U.S. Virgin Islands. The number of FTKs flown declines by 32.58% to 22.8 million and 22 employees are laid off.

A dispute over a clause in the contract forces arbitration between SAT and **Air America** on January 25, 1974. A civil suit filed in March by a group of SAT employees, which disputes the propriety of the airline's sale by the CIA, is dismissed by a federal court "with prejudice" on July 17. After eight months of discussion, the arbitrator rules in favor of **Air America** on September 5 and SAT is required to pay the CIA an additional \$1,304,243.

All of these acquisition and disposal details will be examined in 1975 by the U.S. Senate's Select Committee to Study Government Operations with Respect to Intelligence Activities, also known as the Church Committee for its Chairman Sen. Frank Church. Results will be published in Book 1 of its 1976 *Final Report*.

During the civil war in Angola, SAT is often contracted to fly in munitions and various other supplies.

Operations continue apace in through 1977-1978 and President Stanley G. Williams oversees a workforce of 75 and operates a fleet of 1 Lockheed L-100-30 and 1 L-100-20 Hercules freighters. During the latter year, some 42% of all contract work is flown on behalf of the Iranian Air Force. Losses total \$272,928.

James H. Bastian, who had been the company's legal counsel during its years as a CIA proprietary company, becomes sole owner and chairman in 1979. The fall of the Shah of Iran's government has a significant impact on company traffic and revenue figures. FTKs operated have declined since mid-decade and total 14.28 million in 1980.

The fleet in 1981 includes 1 DC-6A, 3 L-100-30s, and 1 DC-8-21F. In May, **CASAIR (Caribbean Air Services)** is reconstituted by SAT's owners to fly DC-3 and DC-6 scheduled cargo flights in the eastern Caribbean from a base at San Juan.

Overall, FTKs operated skyrocket 73.4% to 24.76 million.

On December 28, 1982, the CAB revokes the company's scheduled operating permit; however, the one for military charters granted in 1960 is retained.

Freight traffic totals 16.47 million FTKs and revenues are \$9.8 million. Despite the generation of a \$628,700 operating profit, the company suffers a net \$111,000 loss.

William G. Langton, former executive of **The Flying Tiger Line** and **Evergreen International Airlines** becomes president in 1983. Cargo plunges 28.3% to 12.84 million FTKs.

Despite the traffic downturn, the year is financially successful. Operating income climbs 18.7% to \$11.64 million while costs rise 11% to \$10.18 million. Consequently, the operating profit jumps to \$1.45 million and a pleasing \$614,000 net gain is reported.

Airline employment grows 38.5% in 1984 to 180 and the fleet comprises 6 Lockheed L-100-30 Hercules. After appeal, SAT suspends its scheduled flights to Puerto Rico and the Virgin Islands, continuing to operate worldwide all-freight and contract service flights. A total of \$9.1 million in contracts is won from the USAF MAC. Much of this funding will cover the commitment of up to eight L-100s on daily shuttle flights between continental U.S. military bases.

Additionally, the once and future covert operator becomes a feeder operator for **UPS (United Parcel Service)**, as the latter expands its flight operations.

The carrier's largest private account is accepted from IAS-Guernsey, Ltd., an Anglo-Irish firm that has been contracted to provide cargo services for the Marxist government of Angola. As the flying subcontractor for IAS, SAT operates 296 flights into Luanda between June and December. Cuban soldiers are passengers on some of the services.

Largely as a result of these new arrangements, the carrier is able to boost its cargo traffic by a whopping 477% to 74.05 million FTKs. The year's profits are \$4.17 million (operating) and \$1.84 million (net).

The payroll is increased by 38.9% in 1985 to 250 and the fleet includes the 16 Hercules freighters plus 8 B-707-320B/Cs. Under contract to the shadowy U.S. National Security Agency subgroup "The Enterprise" operated by Maj. Gen. Richard Secord, USAF (Ret.) and USMC Lt. Col. Oliver North, the carrier in January undertakes a contract for munitions flights from Portugal to Guatemala, munitions destined for the Nicaraguan Contras.

President Langton seeks to increase the company's military work and undertakes freight haulage for the U.S. military's LogAir and Quicktrans systems. An additional \$23.4 million worth of MAC contracts is received.

In May, three B-707-369Cs are purchased from **Kuwait Airways**; flown to Miami during July and August, they are outfitted with Tracor hush kits before joining the fleet.

According to an account in the August 1, 1990 issue of the *Miami Herald*, in October, Richard Gadd, an associate of North and Secord, requests SAT President Langton to dispatch Senior Vice President Robert Mason to Panama. There, he is to set up Amalgamated Commercial Enterprises (ACE), whose main purpose is the establishment of a commercial bank account through which funds may be funneled for the purchase of supplies for the Contra network. Mason will later contend that the funds SAT expends for supplies are reimbursed.

Flights on behalf of IAS-Gurnsey, Ltd. into Angola continue during the year, as the carrier makes 579 flights for the Irish concern. Following a warning from the DOS, SAT stops offering passage to Cuban troops. In addition, L-100s perform 105 services into the Angolan port city of Benguela on behalf of the U.S. government.

SAT is contracted in November to fly a shipment of American arms between Israel and Iran via Portugal. Security for the arrangements made by Iranian arms dealer Manucher Ghorbanifar, which are supposed to have been kept secret, is compromised and information concerning the flight is reported in the press, bringing a measure of embarrassment to all of the governments concerned.

The total number of FTKs operated decline by 24.8% to 55.68 million. Revenues jump 29.9% to \$38.58 million, costs climb 26.5% to \$32.25 million, and a \$6.33 million operating profit is generated. Net profit doubles to \$3.92 million.

Operations continue apace in 1986 as the number of LogAir and overnight express flights is increased. The company now also undertakes monthly flights to Havana on behalf of the State Department's U.S. Interests Section.

As the result of a Sandinista incursion into Honduras in March, the Honduran government requests aid from the U.S. A grant of \$20 million in military aid is authorized to Honduras, along with an airlift contract for transport. Meanwhile, the DOS is authorized to provide "humanitarian" assistance to the Contras; Lt. Col. North establishes the Nicaraguan Humanitarian Assistance Office (NHAO) to provide airlift services, which are contracted out to SAT.

At the end of March, the carrier's Hercules freighters begin flying from Washington, D.C. (IAD) and New Orleans down to the Contra airfield at Aguacate, Honduras. Thereafter, they also undertake NHAO flights to Ilopango and beginning in April, airdrops over Nicaragua.

Just after takeoff from Kelly AFB at San Antonio on October 4, Flight LOG51, an L-382G with 3 crew, having reached an altitude of 700 ft., banks left in a roll and dives into the ramp area in an almost inverted attitude, sliding between two hangars and exploding. There are no survivors.

Under the direction of Gen. Secord's lieutenant Robert C. Dutton and SAT management, Corporate Air Services, which has hired a number of former **Air America** and Cuban exile pilots, undertakes covert aerial supply drop missions to the Contras in 1987. Project Democracy flights from Costa Rica to Nicaragua are undertaken by de Havilland Canada C-7 Caribous and Fairchild C-123 Providers.

While landing after a training flight from Fairfield-Travis AFB, California, on April 8, Flight 517, an L-100-30 with five crew, loses power and smashes into the airport perimeter fence; all aboard are killed and the aircraft must be written off.

On August 21, SAT pays \$86.4 million to purchase the entire 11-unit Hercules fleet of **Transamerica Airlines**, raising the number of its airplanes to 12 hush-kitted B-707-320QCs and 17 L-100-30s.

During September, Project Democracy aircraft drop 185,000 pounds of supplies in Nicaragua in 10-15 missions.

On October 5, a Fairchild Provider is shot down over the jungles of northern Nicaragua and "kicker" Eugene Hasenfus is the only one of four crewmen to survive (he is the only one wearing a parachute). Captured by the Sandinistas, Hasenfus claims that his plane had been hired by the CIA. Following this claim, the U.S. covert air operation in support of the Contras is compromised and media exposure helps to unravel the so-called Iran-Contra Affair. Later in the month, Lt. Col. North is able to intervene with the DOJ and convince it to abandon an investigation it is about to launch into the activities of SAT.

Freight traffic increases to 392.5 million FTKs and revenues skyrocket 74.5% to \$119.5 million. The latter figure allows the controversial airline to advance from the ranks of the large regionals to national status. Profits total \$15.17 million (operating) and \$7.62 million (net).

The workforce is increased by 8.1% in 1988 to 683. Two more Stratoliner freighters are acquired. A variety of government contracts are undertaken to provide L-100 relief flights to various famine-plagued African destinations, including Kenya, Uganda, and Ethiopia. Seven Hercules freighters are assigned to what was once labeled as the "Dark Continent," flying for such international relief organizations as the International Committee of the Red Cross and Caritas, the Catholic relief agency.

The carrier is also the first to employ the Hercules to spray insecticide, again on African contract, in Senegal and Morocco, and the first to land relief supplies in Soviet Armenia following the December earthquake.

Freight traffic grows by only 0.7% to 397 million FTKs, but revenues increase 17.82% to \$140.81 million. Costs are held to a 14.5% increase, \$119.47 million, and allow operating income to reach \$21.34 million. Net gain grows to \$9.93 million.

Airline employment grows again in 1989, up 12.4% to 770. The fleet is dramatically increased to include 1 Boeing 707-311C, 3 B-707-321Cs, 1 B-707-399C, and 2 B-707-338Cs leased from **Burlington Air Express** in support of a contract with that operator. Also included are 1 B-707-321C and 1 B-707-338C leased from and operated for **CP Air Freight, Ltd.**, 3 B-707-369Cs, 2 Lockheed L-382Es, 15 L-382Gs, including 3 (representing an entire fleet) leased from **Globe Air**, and an L-1329 Jetstar 6. SAT is now the world's largest commercial operator of both the Stratoliner and the Hercules.

The FAA officially grants the carrier authority to airdrop food and supplies and it becomes the first U.S. airline to operate such relief missions on behalf of the Red Cross.

Despite much activity, freight traffic is essentially flat, growing only a slight 0.4% to 399 million FTKs. Revenues rise 3.4% to \$145.59 million. Costs, however, climb more quickly, by 10.5% to \$132 million, cutting the operating profit to \$13.6 million. Net profit falls to \$5.9 million.

The number of employees grows by 3.9% in 1990 to 800 as the Jetstar 6 is withdrawn. Cooperation with **Japan Air Lines Company, Ltd.** (2) is strengthened during July when a weekly joint Chicago to Tokyo air freight operation is initiated.

During the spring, SAT is contracted to provide three Hercules freighters in support of the Kutubu Project in Papua New Guinea; the L-100s begin to haul massive amounts of supplies and equipment in support of one of the most important oil discoveries ever on the Pacific Rim.

At the end of July, Eugene Hasenfus and the family of deceased airman Wallace Sawyer, who were shot down over Nicaragua on October 5, 1986, file suit against SAT and retired USAF Gen. Richard Secord. The suit contends that they misled the crew of the C-123 that was sent into dangerous territory with faulty equipment and that SAT should be held responsible for damages because the Miami-based airline employed a series of companies, such as ACE, to shield its covert Contra involvement from scrutiny.

While climbing away from Juba, Sudan, on August 12, the No. 4 engine of an L-100-30 with four crew and a passenger loses power, followed by problems with the No. 1 and 2 engines. A safe emergency landing is made back at the point of origin; however, the Hercules runs off the runway, stopping against a row of sea containers.

Cargo traffic declines a slight 0.6% to 396.68 million FTKs, but revenues swell 4.7% to \$152.5 million. Expenses are only up 1.14% to \$133.47 million and allow an operating profit of \$19.02 million. Net gain balloons to \$22.56 million.

The employee population is not significantly changed in 1991. One L-382G and one L-382E are withdrawn and the first two of six chartered Douglas DC-8-71F is acquired from GPA Group, Ltd. in February. The **CP Air Freight, Ltd.** charter is concluded and the Canadian operator's aircraft are returned. Lockheed's Hercules flight training center is purchased and in May SimuFlight, a simulator training facility based at Tampa, is purchased from bankruptcy.

An L-100-20 with five crew strikes a land mine while taking off from Wau, Sudan, on September 2 and crashes; there are no fatalities.

The **Burlington Air Express** contract is concluded and all of that operator's B-707-321Cs and B-707-338Cs are returned. On charter, one more L-382G and four additional DC-8-71Fs are obtained.

Freight traffic declines by 13.1% to 344.71 million FTKs; however, revenues move upward by 14.65% to \$174.85 million. Expenses jump 17.3% to \$156.57 million and guarantee operating income of \$18.98 million. Net profit jumps to \$26.41 million.

Company employment is cut by 25% in 1992 to 600. Two DC-8-71Fs are replaced by a leased DC-8-73CFs.

On January 17, the company acquires all three of the Lockheed L-100-30 cargo planes previously operated by the Alaskan carrier **MarkAir**. Painted in SAT's black, white, and gray colors, two of the aircraft will be wet-leased back to help **MarkAir** operate a \$5.6 USAF contract, received the same day, to ferry cargo and passengers from Elmendorf AFB to Galena, King Salmon, Atka, Shemya, and Amchitka.

The downward spiral in cargo traffic continues with FTKs operated sliding to 234,442. Revenues drop 20.9% to \$138.31 million, but expenses fall 15.9% to \$131.74 million. As a result, operating profit is reduced to \$6.57 million and net gain drops to \$4.93 million.

Recognized as a specialist in the delivery of outsized cargo to bush areas where normal air transport does not exist or landing surface conditions are inappropriate, Chairman Bastion and President Langton oversee a workforce of 395 in 1993, a 34.2% decline from the previous year. Ad hoc/contract services are also offered to other cargo companies, airlines, and governments. In the spring, a minority interest is assumed in the Seattle-based freight carrier **Polar Air Cargo**.

B-747-100Fs will be chartered to the new entrant for use on long-haul cargo flights to Asia and Ireland, which will be made on the basis of the SAT certificate.

A new Corporate Aviation Services division is established in August to provide support services for operators of bizjets. Landing and overflight

permits, contract fuel, weather services, computerized flight plans, and a worldwide high-frequency radio network will all be offered; if needed, CAS will also arrange for catering, ground transport, and hotel accommodations.

The support contract for the Kutubu Project in Papua New Guinea ends during the year.

Cargo traffic climbs 36% to 326.91 million FTKs and revenues plunge 13.6% to \$119.45 million. Expenses are also down, by 10.3% to \$118.23 million and allow operating income of \$1.22 million. Net gain also declines, to \$1.84 million.

Airline employment increases 51.9% in 1994 to 600. In late January, the company offers the oil industry locally based, specially outfitted transports that can be quickly placed into service to fight oil spills. Equipped with the Biebert Aerial Delivery Dispersal System, one each L-100 is stationed at Anchorage and London (CTN); the aircraft are able to fly regional cargo services when not required for special duties.

The last two B-707-369Cs are withdrawn from service early in the spring and in July, the first of three chartered Jumbojet freighters reports for duty, a B-747-273C leased from **Evergreen International Airlines**. It is employed on a long-term contract from Aeroflora of Colombia to make daily roundtrip flights transporting fresh flowers for the U.S. market from Bogota to Miami.

A contract is now accepted to fly cargo on behalf of **Air India, Ltd.** A Douglas DC-8-73, repainted in **Air India Cargo** livery but with the "S" logo on the tail, is placed on the service in August, flying pallets westward from Indian cities via the Mideast to Zurich and Brussels and hence, via Gander, to New York (JFK). Upon receipt of a second DC-8-73F in September, it is also committed to the weekly Indian service, flying on behalf of **British Airways, Ltd. (2)**.

On October 24, a three-year contract is received from International Enterprise Group to operate twice-weekly, all-cargo roundtrips from Miami to Buenos Aires and Santiago de Chile.

Two additional leased Jumbojet freighters are put into service later in the year, one each B-747-212BC and B-747-246F, and these undertake the International Enterprise Group commission.

Freight traffic skyrockets 91.5% to 624.61 million FTKs and the year's revenues advance by 40.5% to \$167.79 million. Expenses are only up 33.5% to \$157.87 million, leaving an operating surplus of \$9.91 million and net profit of \$8.95 million.

There is no change in the workforce during 1995. In March, the State of Ohio begins to woo the airline, promising it certain tax advantages if it will move to its capital city Columbus. SAT agrees, in return for economic incentives, to make the move over a three-year period.

It is announced on May 29 that **Japan Air Lines Company, Ltd. (2)** will, during high traffic periods, turn over a portion of its cross-border cargo business to SAT. It is estimated that the Japanese company will save up to 10% over the cost of operating its own aircraft by wet-leasing needed capacity elsewhere.

A contract is entered into with **Japan Air Lines Company, Ltd. (2)** and in July weekly B-747-212F services are inaugurated on its behalf from Tokyo (NRT) to the U.S.

In August, a DC-8-73F is leased from **Challenge Air Cargo** via GPA for eight months. During the summer, the company begins to move certain of its administrative staff to temporary facilities it has purchased at Rickenbacker Air Industrial Park; some aircraft maintenance operations are performed in a renovated military hangar. Plans are announced for the construction of a \$35.8-million, 180,000-sq.-ft. facility on 30 acres at Rickenbacker during the following year. When up and running, the SAT complex is expected to provide 300 additional jobs for Ohioans.

It is announced in Columbus by *The Daily Reporter* on October 23 that the Ohio Job Creation Tax Authority has granted SAT a \$1.79-million tax credit to attract its corporate and maintenance offices from Miami (MIA) to the city's Rickenbacker Air Industrial Park. In addition, other incentives are also reported. These include a \$212,000 Franklin County grant for infrastructure improvements, \$300,000 in job recruitment services from the Ohio Bureau of Employment Services, a \$400,000 jobs training

grant, \$5-million direct loan, and \$500,000 grant from the Ohio Department of Development.

At the beginning of November, four Lockheed L-100 Hercules freighters are leased to **UPS (United Parcel Service)**; repainted in UPS colors, they will provide extra capacity into smaller airports for the upcoming holiday season.

Also in November, the company provides the aviation media with an inventory of its aircraft contracts. Of its 18 Hercules, 3 are employed by the USAF, 1 is on emergency standby and cargo duties for the North Sea oil industry while another performs similar duties out of Anchorage, 8 support relief activities in Africa, and 5 are available for ad hoc assignment. The two DC-8-73Fs continue to operate charters to India.

A total of 844.02 million FTKs are operated, a 35.7% increase. Revenues slightly exceed expenses and there is an operating profit of \$445,000. A net \$2.6-million loss is suffered.

The employee population remains the same in 1996. On January 2, SAT L-100 Hercules freighters begin a 90-day contract for Houston-based Brown & Root Services Corporation to fly supplies and equipment from Zagreb, Croatia, to Tuzla, Bosnia-Herzegovina. These will be employed to build a road into Bosnia that will be employed by a force of 20,000 U.S. soldiers in the NATO Implementation Force (IFOR).

In a highly visible operation conducted on January 7, one of the L-100 Hercules freighters leased to **UPS (United Parcel Service)** is employed to transport the "killer whale" Keik, star of the *Free Willie* films. After a 9 1/2-hour flight from Mexico City via Monterrey, Mexico, and Phoenix, the Orca is placed in a custom-designed tank at the Oregon Coast Aquarium in Newport, Oregon.

On February 10, Oil Spill Response, Ltd., a subsidiary of **Air Foyle, Ltd.**, contracts with SAT to provide assistance in dispersing oil slicks up to 12 miles long off the Welsh coast. The slicks had been caused from the loss of an estimated 19 million gallons of light crude oil leaked from a stranded tanker. An SAT L-100-30 on February 11-12 flies three missions spraying dispersant on slicks off Milford Haven and across Carmarthen Bay in southwest Wales.

Ironically, a client's spill of toxic mercury in the cargo hold of a company B-747F at the end of the month renders the plane useless.

On April 30, SAT receives DOT authority to employ its two leased B-747-246Fs over the dormant **USAfrica Airways** routes to South Africa. The previous month, in an effort to block the award, the U.S. District Court for the District of Delaware at the request of **Tower Air** issued a temporary restraining order. This order is now withdrawn and within weeks the Jumbo freighters will commence twice-weekly roundtrips from Columbus via New York (JFK) to Johannesburg and Cape Town with a non-traffic technical stop at Sal Island.

On May 8, the Ohio Department of Development awards the airline another \$500,000 grant for the purchase of equipment in connection with the construction of its new headquarters facility.

On May 15, the DOT awards SAT authorization to undertake two additional roundtrips to South Africa. When the flights commence in early fall, they will operate from Columbus to New York (JFK) and from there via Luanda (Angola) to Johannesburg and Cape Town.

Also in May, **Challenge Air Cargo** leases a B-767-34AFER from **UPS (United Parcel Service)** on a month-to-month basis. The wide-body, which replaces a DC-8F previously leased from SAT, will be employed to operate weekend all-cargo services from Miami (MIA) to Venezuela and Brazil.

In an executive session of the Rickenbacker Port Authority board on June 5, SAT spokesman David Sweet informs the lawmakers that, because it has a shortage of Jumbojet freighters (only two are currently available), portions of the company's three-year transition plan must be delayed. Groundbreaking for the \$180,000-sq.-ft. hangar facility must be put off until the spring of 1997.

During late spring and summer, the company continues its piecemeal relocation from Miami to Rickenbacker AFB, Ohio; a company press release indicates that the move is made because Columbus is with 800 km. of the entire U.S. population.

Cargo traffic drops 10.9% to 752.1 million FTKs. Financial figures are provided through September. Costs of \$118.62 million are less than operating income of \$119.93 million; the operating gain increases to \$1.31 million, but the net loss deepens to \$2.8 million. It will later be reported that revenue income for the whole year is just \$164.5 million.

The fleet at the beginning of 1997 includes 2 leased B-747-246Fs, 1 chartered B-747-212F, 3 leased DC-8-73Fs, 1 chartered DC-8-71F, plus 1 owned L-382E and 14 owned L-382Gs.

During the spring, an L-382G is contracted to transport mining supplies and fuel in support of a copper mining program being undertaken in Tabubil, Papua New Guinea. The groundbreaking in Ohio is again postponed and will never, in fact, occur.

On July 11, an interline agreement is signed with **Japan Air Lines Company, Ltd. (2)**. Under its terms, twice-weekly JAL flights from Tokyo (NRT) to San Francisco will offload their goods to an SAT aircraft, which will deliver them to Dallas (DFW) the next day. The service replaces the current Tokyo-Atlanta offering, which requires truck transport from the Georgia hub to Dallas (DFW).

In August, it is revealed that the company will postpone its expansion plans until the year 2000 to allow for an increase in the Jumbojet freighter fleet to nine planes. With Hercules-required relief flights fewer in number, efforts are pressed to sell off the L-382 fleet.

On August 19, a contract is signed with **Cargolux Airlines International, S.A.** to serve eight cities from a Luxembourg base, including Huntsville, Alabama, Miami, and Bradley, Connecticut, as well as cities in Scotland, Mexico, Colombia, and Venezuela.

During December, the company purchases a B-747-249F from **Northwest Airlines**.

A total of 221.4 million FTKs are operated, a gigantic 70.6% decline. Operating revenues slide 2.8% to \$159.82 million, while expenses rise 6.6% to \$173.92 million. The previous year's operating gain becomes a \$14.1 million loss, while the net loss deepens to \$17.7 million.

While landing at Mekoryuk, Alaska after a January 10, 1998, flight from Anchorage, an L-382G Hercules with four crew crashes; although the aircraft is badly damaged, no injuries are reported.

The new Jumbojet freighter is delivered to Southern's Miami hub in January. Under contract to **South African Airways (Pty.), Ltd.**, the aircraft quickly relocates to New York (JFK) from which it begins thrice-weekly all-cargo flights to Johannesburg, via Amsterdam and Lagos.

Following a massive February 4 earthquake in the area of Rustaq, Afghanistan, a city located near the country's northern boarder, the company is contracted by the International Committee of the Red Cross to fly relief missions. A Hercules freighter and two flight crews are dispatched to Peshawar, Pakistan, from which the huge turboprop will fly relief missions, dropping palletized, bagged supplies in 18,000-lb. deployments from 700 ft.

Beginning on March 7, an L-382G Hercules is sent to Trujillo, Peru, on contract to Minera Yanacocha, S.A., a subsidiary of Newmont Gold, the second largest gold producer in the world. Over the next 45 days, the freighter will fly diesel fuel 5 times daily into the mining base at Cajamarca. The aerial operations replace road transport, which has been made impossible by the heavy rains in the area caused by El Nino.

Under terms of a second subcontract signed with **Japan Air Lines Company, Ltd. (2)** on March 24, a B-747-212F is employed, beginning on April 1, to offer weekly all-cargo roundtrips between Tokyo (NRT) to the U.S.

By the end of the second quarter, five Hercules freighters have been sold under the crash program to dispose of the turboprop freighters. Also in June, the Rickenbacker maintenance facility is shut down, with 110 employees laid off.

On July 22, **Fine Air** executes a letter of intent to acquire SAT. The acquisition is expected to be completed within 90 days, subject to the satisfactory completion of due diligence, receipt of all necessary regulatory approvals, and certain other conditions, including board approvals. Fine has plans to continue its new subsidiary as a separate company, which will, in turn, lease its five B-747-200Fs to other carriers. Three

would be taken by Fine itself for use on its expanding Latin American services.

In the month afterwards, both parties work together in an effort to develop an acquisition plan that will be effective for both companies. A major stumbling block occurs when SAT is unable to find a buyer for the remainder of its fleet of Lockheed Hercules freighters, which Fine does not want to acquire.

Unable to find a way to dispose of the Lockheeds, an agreement is not reached; both parties elect to explore other business opportunities and terminate their acquisition plans on August 24.

Just after it has extricated itself from due diligence under a letter of intent for its acquisition by **Fine Air**, Southern signs a nonbinding letter of intent to be taken over by **Kitty Hawk Airways**. If completed, the acquisition will be made for a combination of cash and stock and indemnities against certain SAT lease obligations. Kitty Hawk will not get the SAT fleet of Lockheed Hercules aircraft which, with their related parts and equipment and associated debt, will be transferred to another entity before closing.

Again, the transaction is expected to be completed within 90 days, subject to the negotiation and execution of a definitive purchase agreement, receipt of regulatory approvals, and satisfaction of closing conditions.

Unable to reach a definitive agreement, once more because of the Hercules fleet, discussions for the acquisition of SAT end on September 14. The press release issued the next morning indicates that there are no penalties or fees for either side associated with the breakdown.

Three tires are blown as a B-747-200F takes off from Miami (MIA) on September 21. The aircraft makes a safe emergency landing back at its point of origin, but is parked.

On September 24, the company informs its clients that financial problems will cause it to shut down. Company employees are made aware of the bleak situation on September 25, the same day 450 of their number nationwide, including flight crews, maintenance workers, and support personnel, are laid off. Some 30 workers are kept on at headquarters. At the same time, the three operational B-747-200Fs are ferried back to Columbus and the remaining L-382Gs are sent to a facility at Marana, Arizona.

When the historic carrier shuts its doors on September 26, over 800 creditors, including the State of Ohio, begin lining up for payment of outstanding debts.

SAT files for Chapter XI bankruptcy protection on October 1 in U.S. Bankruptcy Court for the Southern District of Ohio. Assets of \$111.3 million are listed, with liabilities of \$103 million. The Lockheeds are eventually sold, mostly in Africa, and although no plans are immediately announced for either reorganization or a resumption of services, the company homepage on the Internet's World Wide Web remains active through the end of December.

In February 1999, a group of SAT managers and others band together under the name Devon Partners and announce plans for the creation of a new Southern Air that will succeed their historic pioneer. Capitalization of \$3.4 million is secured and the SAT assets are purchased in March. The reborn airline, under the leadership of President Thomas Gillies, begins the DOT/FAA certification process, applying for the international routes previously operated by SAT. An 18-year-old B-747-230F is purchased from **Lufthansa Cargo Airlines, A.G.**; it will be wet-leased to other carriers until the new Southern can resume its own flight operations.

SOUTHERN AIR TRANSPORT SYSTEM: United States (1929-1930). Tennessee financier A. P. Barrett, who had purchased and reformed **Texas Air Transport** in November 1928, with the assistance of his Vice President/Treasurer Cyrus R. ("C. R.") Smith, forms SATS on March 31, 1929, incorporating it under the laws of the state of Delaware. The operation, which may have been modeled on the **Universal Air Lines System** of **Universal Aviation Corporation**, has a number of divisions, including three airline subsidiaries: **Texas Air Transport**, which maintains its CAM-21 and CAM-22 mail routes; **Texas Flying**

Service, the former TAT passenger division; and **Gulf Coast Airways** (formerly **St. Tammany-Gulf Coast Airways**), a new acquisition.

CAM-32 from Atlanta to New Orleans and CAM-29 from New Orleans to Houston routes are continued under the St. Tammany name. All passenger work is turned over to a combined TFS-St. Tammany division christened SAT Flying Services, which employs Fokker Model 8 Super Universals, Curtiss Robins, and Travel Air 6000s over the El Paso–Dallas–Houston–Brownsville multistop network.

In May, Barrett sells controlling interest to the Aviation Corporation (AVCO), but continues to operate his system under its previous name. On May 16, the company's Fokker Model 8 Super Universal makes a nonfatal crash landing during a storm into the Delaware Mountains of Texas. While flying over Bogalusa, Louisiana, on September 1, pilot W. A. McDonald's Curtiss Robin, with two passengers aboard, suffers a wing failure, but safely crash-lands.

In the fall, passengers on the Dallas–El Paso route are provided with box lunches; the promotional sandwiches, taken aboard at Big Springs, prove quite popular with travelers. A Pitcairn PA-5 of the St. Tammany-Gulf Coast subsidiary crashes upon takeoff at Galveston, Texas, on November 14. The wreck is put on a truck for Dallas, but catches fire and is destroyed with its transport at Bremond. Preparing to land at Amarillo from a December 30 sight-seeing tour, the Travel Air 6000B piloted by station manager Robert Gray crashes (five dead).

On January 25, 1930, **American Airways** is formed as AVCO's principal operating subsidiary through the expedient of a stock exchange between the new entrant and the holding company's subsidiaries. Consequently, SATS receives 2,074 shares in AA and is now both a stockholder and a division. The Southern story is finished under the **American Airlines** entry.

SOUTHERN AIRLINES (PTY.), LTD.: Australia (1955–1958). Southern is founded at Adelaide in the late fall of 1955. Equipped with de Havilland DH 104s and DH 114s, it undertakes services on December 12 to a variety of Victoria destinations, as well as several on Tasmania, King and Flinders Islands. Unable to maintain a level of traffic sufficient to turn a profit, the carrier ceases operations in October 1958.

SOUTHERN AIRLINES AND FREIGHTERS (PTY.), LTD.: Australia (1937–1938). Southern Airlines and Freighters is founded at Sydney on July 30, 1937 to take over the routes and assets of **Intercity Airways (Pty.), Ltd.** Employing the predecessor airline's Gannet aircraft, it continues the twice-weekly Sydney–Broken Hill flights via Nyngan begun in November 1936. Broken Hill–Mildura service is undertaken on August 9, but lack of traffic forces suspension of the route on September 17.

Unable to continue operations due to significant traffic and financial downturns, Southern is forced into liquidation on February 9, 1938.

SOUTHERN AIRLINK: 12 Third Street, Bay Springs, Mississippi, 39422, United States; Phone (888) 835-9535; Fax (601) 764-2564; Year Founded 1996. SA is established at Thigpen Field at Bay Springs in 1996 to provide executive and small group passenger flights throughout the Southern U.S. and to the Caribbean. Chief Pilot Paul Daughtrey begins flights with a single Cessna 500 Citation I bizjet.

SOUTHERN AIRWAYS (1): United States (1936–1979). Frank W. Hulse, the **Delta Air Service** (later **Delta Air Lines**) Augusta station manager, and his business partner Ike Jones purchase control of the FBO/flight school Southern Airways of Georgia in June 1936.

Through 1939, Hulse and Jones expand their business (which will eventually be reorganized into one of the world's largest FBOs, Hanger One, Inc.) to airfields at the Georgia cities of Atlanta and Savannah, as well as Orangeburg, Anderson, and Greenville, South Carolina, and Muscle Shoals, Alabama. Having resigned from Delta, Hulse establishes additional FBO sites at Camden, South Carolina, and Decatur, Alabama in 1940, the year he enlists in the U.S. Army Air Corps.

Hulse is released from the AAC in 1941 and is requested to establish pilot training centers at his FBO. During World War II, a total of 25,000 flyers will earn their wings under his sponsorship in the Civilian Pilot Training program.

Looking to the future, on July 7, 1943, Southern Airways is incorporated by Hulse under the laws of the state of Delaware. Six months later, on January 6, 1944, Hulse files an application with the CAB for the establishment of a local service carrier to provide scheduled and certified air transport service in eight southeastern states.

A Douglas C-47B is purchased from the Reclamation Finance Corporation on March 14, 1946. After conversion to DC-3 civil standard and during the next two years, it will be leased to **Piedmont Aviation** and also make several charter flights on behalf of SA.

A public stock offering is made late in 1948 and executive headquarters are established at Atlanta on January 1, 1949. A temporary CAB operating certificate is received in February and an inaugural flight is made on June 10 from Atlanta to Memphis via Gadsden and Tuscaloosa, Alabama, and Columbus, Mississippi.

The DC-3, piloted by Capt. George Bradford, introduces Southern's new livery, which will be worn by all of the airline's aircraft through September 1961. This consists of a bare metal finish, a broad yellow fuselage stripe trimmed with small blue stripes, the titles "Fly Southern" over the windowline and on the tail, and a company logo aft the passenger door.

Fifteen days later, on June 25, southbound flights commence from Atlanta to Jacksonville via LaGrange, Columbus, Albany, Moultrie, and Valdosta. On August 5, Atlanta to Charlotte, North Carolina, frequencies commence via Athens, Georgia, and Greenwood, Greenville, and Spartanburg, South Carolina. Flights from Columbus, Georgia, to Charleston, South Carolina, begin on September 15 via Macon and Augusta.

Memphis to Jackson, Mississippi, twice-daily roundtrips commence on October 25, 1950; aboard Flight 401 on inauguration day are stewaresses from **American Airlines**, **Capital Air Lines**, **Chicago & Southern Air Lines**, **Delta Air Lines**, **Eastern Air Lines**, and **Braniff International Airways**, all promoting their carriers' Memphis connection. Jackson to Mobile flights begin on December 9 via Laurel and Hattiesburg and by year's end, the fleet includes 10 DC-3s, known as "Southern's Belles."

The great-great-granddaughter of Confederate general, Pierre G. T. Beauregard, christens a new DC-3 General Beauregard on January 15, 1951, and following the ceremony, it is employed to launch service from New Orleans to Columbus, Mississippi, via Jackson, Natchez, and Baton Rouge, Louisiana. The route network now stands at 2,113 unduplicated miles and is expanded again on June 20, when a new market is opened at Tupelo, Mississippi. Frequencies commence to Gulfport–Biloxi on March 21, 1952.

The second—and last—named DC-3 is acquired in January 1953, the *Gen. Stephen D. Lee*. **Delta Air Lines's** headquarters city of Monroe, Louisiana, is initially visited on June 13 and on July 1 the CAB's temporary operating certificate is renewed through the remainder of the year. Less profitable cities, such as Augusta and Macon, Georgia, Charleston, South Carolina, and Hattiesburg, are suspended in the fall. The company's 500,000th passenger is boarded at Columbus in November, but during the month, flights end to Clarksdale, Mississippi, and LaGrange, Georgia.

Operations continue apace in 1954 and permanent local-service certification is received from the CAB on December 9, 1955. Traffic continues to grow through 1956 and on June 29 flights begin to Panama City, Florida. Mrs. Robert Coleman, the airline's one millionth passenger (cumulative) is boarded at Charlotte, North Carolina, on August 12, 1957.

When **Delta Air Lines** drops its Memphis to Greenwood, Mississippi, route, Southern takes it over on October 1, adding an extension to Jackson. Atlanta to Memphis via Anniston and Gadsden service begins on December 1. The route network now totals 2,780 unduplicated miles.

As late as **1958**, the carrier's fleet is still comprised entirely of Douglas transports, 13 to be exact. Airline employment stands at 700 in **1959** and 7 additional DC-3s are acquired. The tenth anniversary is celebrated throughout the year with the slogan "Going Places with the South for Ten Great Years." On July 1, the airline begins flying to University/Oxford, Mississippi, Bogalusa, Louisiana, and Huntsville, Alabama. With service to the latter city's Redstone Arsenal, Southern now serves more military installations than any other airline in the world.

As the result of the CAB's decision in the Southeastern Area Local Service Case, as announced on July 21, Southern receives operating authority to 17 cities—the largest award of service rights in company history.

One stop service is inaugurated on January 11, **1960** from New Orleans to Panama City, Florida. At the end of February, Southern begins flying from New Orleans to Nashville via Muscle Shoals. Meridian, Mississippi, together with Decatur and Selma, Alabama, join the route network on April 1.

Labor unrest among members of the local chapter of ALPA results in a job action by company pilots on June 5. When negotiations break down and the strike continues, Southern hires nonunion flyers. On August 1, service is expanded within Tennessee when a Nashville to Memphis via Jackson route is opened. **Superior Airlines** is established by the striking pilots, but is unsuccessful, leading to a court hearing on unfair labor practices. Southern and ALPA will settle and under political pressure, the airline will rehire most of the strikers.

While attempting to maneuver in a congested area, a DC-3 with 12 aboard rams a parked Douglas at Atlanta on September 10. Back in Tennessee on November 1, service is initiated from Nashville to Tri-Cities (Bristol, Kingsport, and Johnson City) via Knoxville. Three more DC-3s are acquired during the month, allowing a December launch of frequencies from Chattanooga to Shelbyville/Tullahoma and Huntsville.

Airline employment approaches 1,000 in **1961** and the fleet includes 24 DC-3s. During the first quarter, the entire Tennessee intrastate route network of failed **Southeast Airlines (1)** is acquired.

Southern's two millionth passenger (cumulative) is boarded at Knoxville on June 18. The following month, five Martin 4-0-4s are purchased from **Eastern Air Lines**. During the summer, service is inaugurated to Corinth and Pascagoula, Mississippi, and the Tennessee route system is finished by the addition of the former **Southeast Airlines (1)** stations at Clarksville, Paris, Morristown, and Union City.

The five Martins arrive on October 29 and launch Aristocrat service in November. They display a new livery, which will soon be applied to all company aircraft: grey belly to the windowline, thin yellow line and wide blue line over the windowline and white upper fuselage with the title "Southern" above the wing. The yellow and blue lines appear at the tail root and a stylish "S" is visible on the tail.

A DC-3 collides with a Cessna 172 on the ground at Tuscaloosa, Alabama, on November 1; no one aboard the Douglas is hurt.

The first Southern Aristocrat awards are made to local dignitaries in **1962** as a marketing tool and a new corporate headquarters is occupied at Atlanta. Meanwhile, eight additional 4-0-4s and a DC-3 are placed on company routes, which include new frequencies from Columbus, Georgia, to Myrtle Beach, South Carolina, via Charleston and from Atlanta to New Orleans via Columbus, Decatur, and Fort Walton Beach. The accident-free 500 millionth passenger mile is completed, giving cause for celebration.

A Martin 4-0-4 with 19 aboard fails to recover from a bounced landing at Baton Rouge on June 17, **1963** and crashes; there are no injuries reported. A new 49,000-sq.-ft. maintenance hangar is opened at Atlanta and the three millionth passenger (cumulative) is boarded on July 10. Late in November, service is dropped to two small cities in Mississippi and five in Tennessee.

Enplanements for the year total 626,128 and a net profit of \$328,210 is earned.

Airline employment in **1964** stands at 1,159 and the fleet now includes 36 aircraft. On February 12, one of these, a DC-3 with 29 aboard,

encounters clear-air turbulence near Huntsville, Alabama; one passenger is badly hurt. Another Douglas with five aboard fails its takeoff from Tupelo, Mississippi, on March 4, but no injuries are reported.

During the year, six additional Martin 4-0-4s are acquired, replacing six Douglas transports. As the result of a CAB award, the company is able to inaugurate a Panama City to Memphis route via Montgomery, Birmingham, and Muscle Shoals, on July 1.

In addition, Southern takes over the former **Eastern Air Lines** services to Albany, Macon, Rome, and Waycross in Georgia and to the Florida cities of Ocala and Gainesville.

Passenger boardings at President Frank Hulse's carrier accelerate 23% to an all-time high (thus far) of 735,231. Revenues jump 18.5% to \$10,213,754 and a record net profit of \$675,628 is banked.

The workforce grows to 1,352 in **1965**. Orders are placed for three DC-9-10s.

Passenger bookings climb 18.2% to 851,762. Revenues grow to \$19,887,647. Operating expenses are \$18,012,193. The operating profit is \$1,875,454 and the net profit is \$937,975. Since 1962, the carrier has been the most profitable in its classification. Much of the credit for this fiscal achievement goes to Vice President-Finance Marion Lamar Muse, a master of rate formulas, who now departs to head **Central Airlines** and will one day found **Southwest Airlines (2)**.

The five millionth passenger (cumulative) is boarded in February **1966**. Alone among local service carriers, Southern never operates a turboprop airliner. Instead, it moves directly from the piston era to the jet age in August when an order is placed with Douglas for three DC-9-15s. Never much in the news except for an occasional airliner accident, this carrier achieves a reputation as a "quiet airline."

Revenue passenger miles flown are 203 million and freight ton-miles are 1.1 million. Revenues climb to \$22 million and an \$859,743 net profit is posted.

The employee population in **1967** numbers 1,498 and the fleet includes 28 aircraft: 3 DC-3s and 25 Martin 4-0-4s. Orders are placed for 6 DC-9-31s. The first DC-9-15 arrives in Atlanta at the beginning of June and on June 15 it is placed into service. When DC-3 Flight 240 from Dothan, Alabama, to Memphis is completed on July 31, the final piston-engine Douglas transport is withdrawn; in a ceremony, President Hulse and Capt. Bradford hang a large "For Sale" sign on the airliner.

Southern introduces the first jetliner service from Memphis to the Carolinas on August 1 when the third, newly delivered, DC-9-15 begins flying from the Mississippi River community to North Carolina via Jackson, Nashville, Knoxville, and Tri Cities.

A total of 1,183,000 passengers are originated and 1,377,000 freight ton miles are flown. Total revenues advance to \$24.25 million; however, expenses lead to a loss of \$158,715.

The workforce in **1968** numbers 1,521 and the fleet includes 30 aircraft.

On January 1, while on a ferry flight, a Martin 4-0-4 with three crew overshoots the runway while landing at Oxford, Mississippi, and suffers the collapse of its landing gear; there are no fatalities.

As the result of the Southern New York Route award and entry into Washington, D.C., the carrier receives its first long-haul passenger markets, which increase its total number of revenue passenger miles by a quarter. The fleet is bolstered by the arrival of three more DC-9-15s.

Passenger boardings leap up by 23.5% to 1,308,000 and cargo traffic rises by 12.7%. Income is a record \$29,390,278.

In **1969**, the company takes delivery of a seventh DC-9-15 and during May and June, three DC-9-31s. Beginning on September 1, twice-daily jetliner flights connect Fort Walton Beach, Florida, Dothan, Alabama, and Columbus, Georgia, with Washington, D.C. and New York City. Simultaneously, operations to Chicago also begin.

Enplanements total 1,344,381. Revenues for the year are \$37.83 million. Although a \$427,000 operating profit is earned, a net loss of \$822,000 must be absorbed.

Airline employment in **1970** grows 1.4% to 1,769. The fleet grows to include 30 aircraft: 15 DC-9s and 15 Martin 4-0-4s. When the airline in-

augurates service to Chicago (MDW) on April 1, an alligator "ambassador" from the Okefenokee Swamp escapes into the crowd during welcoming ceremonies, causing a disturbance well covered by local media.

The most publicized event in company history is negative occurs on November 14. Chartered Flight 932 is approaching Tri-State Airport at Huntington, West Virginia, from Kinston, North Carolina, with 4 crew and 71 passengers, including 43 players and coaches from the Marshall University football team. The DC-9-31 strikes the top of trees on a 922-ft. ridge and explodes about 1 1/2 miles from the end of the runway; there are no survivors.

Despite the tragedy, overall passenger boardings for the year increase 15.4% to 1,589,102 and freight traffic is up by 49%. Fiscally, losses continue to mount. Having posted revenues of \$49.7 million, Southern's costs climb to \$51.2 million, leaving an operating loss of \$1.5 million and a net loss of \$3.3 million.

In 1971, stewardesses uniforms include "hot pants" and plastic boots while yellow smiling "Have a Nice Day" faces are painted on the radomes of the jetliners.

Enplanements for the year are 1,965,096.

The workforce in 1972 is 2,084. During the summer, the company's DC-9s are given new livery, highlighted by a new white Flightmark "S" applied to a royal blue field on the tail; the "S" is soon nicknamed "spaghetti stripes," after their three wavy lines. Southern suffers the industry's most spectacular skyjacking during the year, involving a 30 hour ordeal and 2 trips to Cuba, beginning on November 11.

L. D. Moore and H. D. Jackson, wanted by Detroit police as suspected rapists, and M. Cole, an escapee from prison at Nashville, brandish guns and hand grenades and take over Flight 49, a DC-9-15 with 31 other passengers aboard en route from Birmingham to Memphis. They force the Douglas to land in Jackson, Mississippi, Cleveland, Ohio, Toronto, Ontario, Lexington, Kentucky, and Knoxville, Tennessee. At the last destination, they demand bullet-proof vests, helmets, parachutes, stimulants for the crew, food for the passengers, and \$10 million in ransom. As negotiations drag, the pirates shoot the copilot and threaten to takeoff and crash the airplane into the Atomic Energy Commission's research facility at nearby Oak Ridge if their demands are not quickly met.

After their requests are granted and ransom is paid in the amount of \$2 million, the plane is ordered to Havana, where the hijackers insist on speaking with Premier Castro himself. Oddly, the plane now returns to Key West for refueling, where the tires are shot out by FBI agents. Still, the DC-9-15 is able to leave for Cuba and lands on a foam-covered runway at Jose Marti Airport, where the three pirates are taken into custody by Cuban police and the money is confiscated. The passengers and Douglas jetliner return to Miami the next day.

Efforts are made to recover a \$2 million ransom paid in the process. The incident is relived by Ed Blair and William R. Haas in their *Odyssey of Terror* (Nashville, Tenn.: Broadman Press, 1977).

During the fall, 13 DC-9-14s are purchased from **Delta Air Lines**. Passenger boardings jump 11.8% to 2,228,000 and cargo does even better, rising by 23.7%. Income is \$68.63 million and expenses are \$65.74 million. Consequently, profits are made: \$2.89 million (operating) and \$1.6 million (net).

A total of 409 new employees join the airline in 1973 as do the first of the DC-9-14s. On December 1, officials report that its federal subsidy will be increased by \$400,000 per year for the next five years to cover the \$2 million seized by the Cuban government after the DC-9 hijacking of the previous November.

Customer bookings jump 18% to 2,628,000 and freight traffic is up by 9.3%. Expenses of \$82.28 million are charged off against \$83.77 million total revenues and result in an operating profit of \$1.48 million and a net gain of \$417,000.

Airline employment in 1974 is 2,657 and the fleet now owns 24 DC-9s. Construction is begun on a new \$25-million jet maintenance base at Atlanta and on December 9, daily nonstop roundtrip service is inaugurated from Miami to Grand Cayman Island. The first television ads, "Nobody is Second-Class on Southern," begin to appear.

Further success comes to Southern as enplanements accelerate 17.4% to 3,084,000. Cargo is off, however, by a slight 2.4%. Income rises 28% \$108.56 million while expenses are held to \$101.67 million. The operating profit is \$6.88 million and net income skyrockets to \$3.48 million.

The workforce in 1975 is 2,539. At an August 10 news conference, Alabama Senator John Sparkman and President Hulse display a check for \$2,609,789.83 in Canadian dollars, disclosing that it has been received from Premier Castro as payback of the \$2 million ransom paid to hijackers in 1972. The hijackers themselves will return to the U.S. during the 1980 Cuban boatlift; found out during processing, they will receive prison sentences of from 20 to 25 years.

CEO since founding, Hulse now moves up to the board room to become chairman/CEO. He is succeeded as president by Graydon Hall, as George M. Gross becomes executive vice president/general manager.

Minor growth of 0.7% is experienced in passenger bookings (3,104,000). Although expenses are \$114.75 million, they disappear into the company's total income of \$118.07 million. The year's operating profit is \$3.31 million and net income, though down, is still \$2.74 million.

The number of employees is increased by 9.8% in 1976 to 2,787. A new "Your Travel Agent is Free" marketing campaign is undertaken and a \$27-million maintenance hangar and facility is completed. Late in the year, authority is granted for services to the Cayman Islands.

Customer boardings jump 10.6% to 3,245,387 while freight does better, up 16.1% to 8.7 million FTKs. Operating income is \$140.16 million and expenses are \$137.67 million. This happy imbalance results in an operating profit of \$2.49 million and net gain of \$405,000.

As flights from Memphis increase to 83 per day to 42 cities in 14 states in 1977, the river town now becomes the airline's long-haul hub.

En route from Huntsville to Atlanta on April 4, Flight 242, a DC-9-31 with 4 crew and 81 passengers, encounters a severe thunderstorm near New Hope, Georgia, (some 40 mi. from Atlanta). Both engines fail and cannot be restarted, forcing the flight crew to attempt an emergency landing on State Spur Highway 92. The gambit is unsuccessful and the jetliner crashes, killing 63 people on the aircraft and 9 in an automobile on the road.

Surviving flight attendant Sandy Purl, with Gregg Lewis, recalls the accident and her troubled life thereafter in *Am I Alive?: A Surviving Flight Attendant's Struggle and Inspiring Triumph over Tragedy* (San Francisco: Harper & Row, 1986).

Survivors of this disaster, families of victims, and rescue workers will hold a reunion at New Hope on April 14, 1997. To replace the Martin 4-0-4s being gradually withdrawn, the company, between June and November, takes delivery of a fleet of eight Fairchild-Swearingen Metro IIs.

Meanwhile, new general offices are occupied at Atlanta along with a new computer reservations center as merger discussions begin with **North Central Airlines**. Acquired from **Air Canada, Ltd.**, a DC-9-32F begins all-cargo service on October 1. Late in the year, orders are placed for four McDonnell Douglas MD-80s.

Enplanements total 3,534,000. On revenues of \$159.51 million, a record net \$8.25- million profit is gained, much of it based on a late payment for mail carriage of \$500,000 and a \$3.9-million insurance settlement.

Chairman Hulse and President Hall oversee a workforce of 3,216 in 1978, up 10.1%. The fleet comprises 5 DC-9-30s, 22 DC-9-15s, and 8 Fairchild-Swearingen Metro IIs. Service is provided to 67 cities in 13 states.

Flight 753, the final Martin 4-0-4 return service is operated as a "commemorative" flight on April 30 between Atlanta and Gadsden, Intrubute to Southern's last piston engine aircraft to make a scheduled flight, a group of 14 senior company staffer are invited to join passengers on the service. When the flight is completed, this last of 25 Southern Martins is retired.

During the second quarter, merger discussions are held with **Allegheny Airlines (1)**, **Ozark Air Lines**, **Piedmont Airlines (1)**, **Texas International Airlines**, and **North Central Airlines**.

Officials and stockholders approve a merger with **North Central Airlines** that will create a much larger carrier; the plan of amalgamation is

sent to the CAB in July and because of the Caribbean routes, to the White House, for approval.

Meanwhile, passenger boardings pass the four million mark for the first time (4,232,000) while freight is up by 13.1% to 11.2 million FTKs. Although operating income rises 18.2% to \$188.51 million, expenses are kept to \$180.80 million and a \$7.7-million operating profit is made. The net profit, despite receipt of \$600,000 for four surplus jet engines, declines a not-unexpected 70.8% to \$2.4 million.

Airline employment at the beginning of 1979 stands at 3,300. The CAB and President Carter both agree to the proposed marriage in February and final approval is announced in April. Southern officially merges with **North Central Airlines** on July 1 to form **Republic Airlines**. Integration of the two airlines is completed on October 1 when the new "RC" two-letter code takes effect.

SOUTHERN AIRWAYS (2): United States (1986–1987). Jackson, Mississippi-based **Flight Line**, a scheduled commuter airline sponsored by the FBO Miller-Wills, changes its name in 1986 in an effort to further highlight its geographical service area and to participate in a code-sharing arrangement with **American Airlines**.

Daily roundtrips linking its base with New Orleans, Baton Rouge, Greenwood, Memphis, and Oxford-Tupelo are maintained with a fleet that includes 2 Cessna 402s, 1 Embraer EMB-110 Bandeirante, 2 Piper T-1040s, and 1 Beech King Air 200.

A total of 2,228 passengers are flown on the year.

Operations cease in 1987.

SOUTHERN AIRWAYS, LTD.: United Kingdom (1938). On January 28, 1938, Bury St. Edmunds Airport, Ltd., owned by the Straight Corporation, is registered; the company name is changed to Southern Airways, Ltd. on May 30. On June 20, a Short Scion is employed to inaugurate air taxi service between Ipswich and Clacton, which is ended in September, the same month in which a Ramsgate-Ilford route, started on July 26, is also closed down.

SOUTHERN AUSTRALIA AIRLINES (PTY.), LTD.: Australia (1991–2001). **Sunstate Airlines (Mildura) (Pty.), Ltd.** becomes an affiliate of **Australian Airlines (Pty.), Ltd.** in 1991 and is renamed at year's end. General Manager Tony Matthew's airline continues to operate a Shorts 360 and two Cessna 404 Titans on routes linking Mildura with Adelaide, Renmark, Melbourne, and Broken Hill. The company also contracts with the Victoria government to operate an air ambulance service of six Titans from a base at Melbourne's Essendon Airport.

Enplanements for the year total 27,004.

The fleet is increased in early 1992 to include 2 de Havilland Canada DHC-8-102s, 2 Embraer EMB-110P1 Bandeirantes, 2 Shorts 330s, and 3 Shorts 360s. Those services linking Melbourne with Devonport and Launceston are taken over from **Eastern Australia Airlines (Pty.), Ltd.** In November, **Australian Airlines (Pty.), Ltd.** is acquired by **Qantas Airways (Pty.), Ltd.**

Passenger boardings jump 55% to 60,008.

Now a subsidiary of the nation's fabled pioneer, SAA continues operations apace in 1993, transporting a total of 118,135 passengers, but losing A\$69,000 in the process.

The fleet in 1994 includes 2 Dash-8s and 2 Cessna 404 Titans. Customer bookings accelerate 8.7% to 129,392 and an A\$1.2-million profit is reported.

A third DHC-8-102 is placed into service in 1995 as service is inaugurated to Burnie.

Passenger boardings during the 12 months climb 22.1% to 151,453.

Airline employment stands at 155 in 1996 and on December 6, two British Aerospace BAe 146-100s are added. The *City of Launceston* is the first to enter service and by Christmas, both are replacing a **Qantas Airways (Pty.), Ltd.** Boeing on nonstop daily routes from Sydney and Melbourne to Launceston and Hobart.

Enplanements this year leap ahead by 32% to 236,648.

The workforce is cut to 60 during 1997. Customer bookings skyrocket 79% to 346,355.

Service is maintained without fanfare in 1998. During the 12 months, passenger boardings accelerate 42% to 492,000. By the beginning of 1999, airline employment has been increased by 186.7% to 172.

Passenger boardings rise 1.2% on the year to 498,000.

A third Bae 146-100 is acquired and beginning on March 28, 2000, the carrier inaugurates new daily roundtrips from Hobart to Melbourne. It simultaneously adds another return service between Hobart and Sydney. Southern Australia will be merged into Qantas Link during June 2001.

SOUTHERN AVIATION (PTY.), LTD.: South Africa (1947–1964). Having arrived at Port Elizabeth with his family and a de Havilland DH 89A Dragon Rapide late in 1946, Philip Smulian begins operating charters to local destinations. His enterprise proves successful and he is able to acquire two other small competitors, Haller Aviation (Pty.), Ltd. and Sharwood's Flying Service (Pty.), Ltd. at the beginning of 1947. These are merged to form Southern.

Employing a fleet that comes to comprise 2 Cessna 150s and 1 each C-182, Piper J-3 Cub, and PA-23 Apache, Smulian is able to continue nonscheduled flights until June 1964, when he sells out to **National Airways (Pty.), Ltd.**

SOUTHERN AVIATION AIRLINES: United States (1964–1974). Southern Aviation, the FBO based at Lawton, Oklahoma, receives FAA certification on September 15, 1964 for a new scheduled airline division. Nonscheduled flights are maintained during the next two years. Employing Cessna 206s, the scheduled operation, marketed as Southern Aviation Airlines, commences in 1967, linking the company's base with Dallas via Ardmore and Sherman.

The company reverts to charter flights only in 1970–1973 and is liquidated in 1974.

SOUTHERN EXPRESS AIRLINES: United States (1984–1986). Following an affiliation as a commuter partner with failed **Air Florida**, **Finair** is renamed SEA on May 15, 1984. From its base at Miami, operations are continued by President Nick Finazzo's small regional with a fleet of 4 Embraer EMB-110s, 1 Piper T-1020, and 6 Piper PA-31-350 Navajo Chieftains. Destinations visited daily beginning in June include Fort Lauderdale, Fort Myers, Jacksonville, Key West, Marathon, Naples, Sarasota, Tallahassee, and Tampa.

The fleet is increased in 1985 by one Bandeirante and three Navajo Chieftains. Still fiscally weak from its **Air Florida** connection, the carrier signs a code-sharing contract with **Piedmont Airlines** in October.

Enplanements for the year total 180,000.

Just a week before the "Piedmont Commuter" affiliation is to begin on January 15, 1986, the larger carrier withdraws from the arrangement, citing the partner's failure to honor its obligations. It turns out that, after the inaugural flight, the Internal Revenue Service has seized the Bandeirante employed to cover SEA's back taxes. Devastated, SEA suspends operations a day later and files for Chapter XI bankruptcy in March.

SOUTHERN FRONTIER AIRLINES, LTD.: Canada (1977–1985). SFA is established at Calgary Airport in early May 1977. Employing a single Douglas DC-3, the new charter entrant begins revenue flights on June 1. A year later, in 1978, the company acquires the Calgary scheduled certification of **Gateway Aviation, Ltd.** and inaugurates flights from the Alberta capital to Cold Lake, Regina, Swift Current, and Lloydminster. Regular freight service is undertaken to Edson, Grand Prairie, Pincher Creek, Lethbridge, and Medicine Hat. A de Havilland Canada DHC-6 Twin Otter is purchased in 1979.

In 1981, the fleet comprises 2 DC-3s, the Twin Otter, 2 Beech King Air 90s, 1 Cessna 401, and 3 Cessna 402s. Enplanements for the year total 9,000, rising to 13,900 in 1982. Frequencies are increased in 1983 after the acquisition of a Beech 99.

In **1984**, the company moves to a terminal at the new Calgary International Airport. It also obtains a second Beech 99 (to replace the first, which is sold to **Quebec Aviation, Ltd.**) and leases a Convair CV-440. These allow the carrier to expand to Edmonton; from the municipal airport there, it is able to offer services to Saskatoon.

In January **1985**, SFA is taken over by **Time Air, Ltd.**

SOUTHERN INTERNATIONAL AIR TRANSPORT, LTD.: United Kingdom (1974–1980). SIAT is organized in Sussex in July **1974**, but will not actually begin operations for another two years. Philip Bowles is named managing director and he recruits a workforce of 20 and a fleet comprising 1 each Vickers Viscount 800 and Viscount 700.

All-cargo charter operations commence in **1976** from London (LGW) to destinations in the Middle East, Africa, and Europe. Unable to maintain sufficient traffic to cover rising expenses, the carrier stops flying in **1980**.

SOUTHERN INTERNATIONAL AIRLINES. See **FLORIDA AIRLINES (2)**

SOUTHERN JERSEY AIRWAYS: United States (1977–1990). In July **1977**, **Atlantic City Airlines**, owned by the Donald C. Youngs Sr. and Jr. is reformed and renamed. A unit in the "Allegheny Commuter" network, the carrier continues to provide scheduled passenger flights linking its Atlantic City base with Wildwood, Cape May, Millville, Philadelphia, Newark, Trenton, Asbury Park, and Monmouth.

Operations continue apace in **1978**, but a Beech B-55 Baron with three aboard crashes while taxiing at New York (LGA) on August 10, **1979**; there are no survivors.

By **1980**, enplanements total 135,034. In **1981**, President Donald C. Young Sr. oversees a workforce of 130 and operates a fleet comprising 5 de Havilland Canada DHC-6-300 Twin Otters and 2 Piper PA-31-350 Navajo Chieftains.

In **1982–1983**, revenue frequencies are initiated to New York (JFK and LGA) and to Washington, D.C. (DCA). Enplanements in the latter year reach 128,080. Orders are placed for DHC-7-102s, the first of which enters service, along with another Twin Otter, in **1984**. For the year, passenger boardings jump 26% to 161,411.

A second Dash 7 begins flying in **1985** and helps the "Allegheny Commuter" partner to increase its customer bookings by 10.2% to 177,895. Unfortunately, enplanements drop 6.9% in **1986** to 165,588.

President Young's fleet in **1987** includes 6 Twin Otters and 2 Dash 7s. Enplanements climb to 176,767. Still, losses continue: \$1.3 million (operating) and \$1 million (net). At year's end, the company is sold to Richard Olsen, who keeps the Youngs on.

Another DHC-6-300 and another DHC-7-102 join the fleet in **1988**. In March, however, **USAir** withdraws its 18-year-old "Allegheny Commuter" contract from the small regional. The commuter now approaches Texas Air Corporation (TAC) and receives both "Eastern Express" and "Continental Express" contracts on May 13 to feed both majors at its former Allegheny destinations.

Additionally, summer service is introduced to Cape May and Wildwood from Philadelphia. Costs involved in these changes force the carrier into Chapter XI bankruptcy in September. On the year, passenger boardings plunge 27.9% to 127,540 and revenues decline 30.6% to \$7.7 million. Losses total \$4.4 million (operating) and \$3.5 million (net).

One Dash 7 is removed in early **1989**. As a result of the **Eastern Air Lines** strike that begins in March, Southern Jersey switches affiliations, becoming exclusively a "Continental Express" carrier. The company's cash flow situation now gets out of hand and it is forced to shut down in May while filing for Chapter XI bankruptcy.

During the remainder of the year, SJA joins in negotiations with fellow bankrupt regional **Emerald Airlines** aimed at a merger into a new airline, Atlantic City Express. The talks are not successful and the carrier is reduced to the operation in **1990** of one Twin Otter, leased from **Scenic Airlines** of Las Vegas.

Early in **1991**, President Donald Young is able to purchase two more DHC-6-300s and the routes of **Long Island Airlines**. Unhappily, the airline now loses its "Continental Express" affiliation and unable to maintain its viability in the face of higher fuel bills and recession, the small regional defaults on its arrangement with Long Island and shuts down in early February.

SOUTHERN LINKS. See **AIR BOTSWANA (PTY.), LTD.**

SOUTHERN MARYLAND AVIATION: United States (1977–1978). SMA, the FBO at California, Maryland, establishes a scheduled airline division in **1977** and launches daily Piper PA-23 Aztec roundtrips between St. Mary's and Washington, D.C. (DCA). The service can only be maintained for a year.

SOUTHERN NEVADA AIRLINES: United States (1980–1981). Southern Nevada is set up at Las Vegas in the late spring of **1980** to provide scheduled passenger flights to the Grand Canyon. Piper PA-31-310 Navajo revenue flights are launched in June, but cannot be maintained a year.

SOUTHERN PACIFIC REGIONAL AIRLINES (PTY.), LTD.: Australia (1990–1993). SPRA is established at Albion, Queensland, in **1990** as successor to **Queensland Pacific Airlines (Pty.), Ltd.** to offer scheduled regional passenger and cargo service. General Manager George Brown's new entrant initiates revenue flights with 4 Mohawk 298s in the spring from Brisbane to Bundaberg and Gladstone. Orders are placed for 3 more Mohawks and enplanements for the year total 11,449.

Charter flights are added in **1991** and passenger boardings climb to 75,964.

The four Mohawks inaugurate three more routes in **1992** and customer bookings advance to 92,100. Operations continue into **1993**, but halt in April for lack of money.

SOUTHERN RHODESIA AIR SERVICES, LTD.: Southern Rhodesia (1940–1946). The assets of **Rhodesia and Nyasaland Airways, Ltd.** are taken over by the government of Southern Rhodesia on February 1, **1940** and transformed into SRAS, a communications squadron/airline of the air force, which had been formed a month earlier.

Employing de Havilland DH 89 Dragon Rapides acquired in the purchase maintain all former routes. Destinations visited from Salisbury and Bulawayo include Beira, Johannesburg, Blantyre, Lilongwe, Fort Jameson, Lusaka, Fort Jameson, Mankoya, Mongu, Mumbwa, and Broken Hill.

Later in the year, flights from Blantyre to Beira and Fort Jameson are withdrawn, while a route is added from Lusaka to Kisumu via Nairobi.

On June 7, **1941**, in conjunction with **South African Airways (Pty.), Ltd.**, DH-89 service is inaugurated weekly between Johannesburg and Kisumu via Bulawayo, Salisbury, Lusaka, Ndola, Kasama, Mbeya, Dodoma, and Nairobi.

During June **1945**, the Air Ministry of Southern Rhodesia announces that SRAS will operate all commercial air services on behalf of the governments of Nyasaland and Rhodesia, both north and south. These join together on June 1, **1946** to form **Central African Airways Corporation** as successor to SRAS.

SOUTHERN SCENIC AIR SERVICES, LTD. See **NEW ZEALAND TRANSPORT AND TRAVEL, LTD.**

SOUTHERN SKIES: United States (1981). Southern Skies is founded at Belle Chasse, Louisiana, in early **1981** to provide daily scheduled roundtrip shuttle services to New Orleans and Lafayette. Although Piper lightplane flights are duly inaugurated, they must be halted before year's end as a result of the PATCO air traffic controllers' strike.

SOUTHERN SKY AIRLINES (PTY.), LTD.: Thomas Street, Adelaide Airport, Adelaide, South Australia, 5950, Australia; Phone 1800 64 3300; Fax (08) 8231-3688; Year Founded 1996. SKA is es-

published in 1996 to provide charter flights to Kangaroo Island, the Eyre Peninsula, and the K. J. Riverland. Services commence with a pair of Cessna 404s and a Piper PA-31-310 Navajo.

Scheduled flights to Kingscote commence in September 1997. Airline employment in 1998–2000 is 20.

SOUTHERN TRANSCONTINENTAL AIRWAYS. See **SOUTHERN AIR FAST EXPRESS (SAFE)**

SOUTHERN WINDS, S.A.: Cordoba Airport, Av. Colon 540, Cordoba 5147, Argentina; Phone (051) 24 1212; Fax (051) 24 7251; <http://www.sw.com.ar>; Code A4; Year Founded 1996. The most successful of several new Argentine regional carriers begun in the mid-1990s, Southern Winds is established at Cordoba, 340 mi. NW of Buenos Aires, as Pampas Air in the spring of 1996. Founder/President Juan Maggio, an executive formerly with LADE (Lineas Aereas del Estado, S.A.) intends to provide scheduled services to provinces in the Argentine central interior (bypassing Buenos Aires) not with the usual turbo-props, but with the more advanced regional jets now becoming available. This concept wins capitalization from a number of banks, including Newcourt and Craft and National Westminster, and a small workforce of about 30 people is recruited.

Southern Winds, as the company is now renamed, becomes the South American launch customer for the Bombardier Canadair Regional Jet. It also takes over most of the Cordoba-based business of Austral Express, S.A. when that regional, previously known as Inter Austral, S.A., transfers its hub to Buenos Aires.

Two Canadair CRJ100LRs, wearing a livery nearly identical to that of Bombardier, their manufacturer, are brought in and employed on July 1 to launch revenue return flights from Cordoba to Tucuman, Salta, Mendoza, Neuquen, and Bariloche. In October, Aerolineas Argentinas, S.A. contracts with the new entrant to provide a daily roundtrip replacement service on its behalf from Cordoba and Rosario to Ezeiza.

Enplanements for the inaugural period total 120,000. Although revenues are \$9 million, initial costs bring a \$200,000 loss.

In 1997, the earlier block-seat, code-sharing agreement with Aerolineas Argentinas, S.A. blossoms into a full-scale strategic alliance, under which the major not only offers payment, but provides ticketing, check-in, and ground handling. Destinations visited include Bariloche, Buenos Aires, Mar del Plata, Mendoza, Neuquen, Rio Cuarto, Rosario, Salta, and Tucuman.

Enplanements of 285,360 are announced for the year. It is also noted that the company has operational revenues of \$30 million and a net gain of \$1 million.

It is revealed in June 1998 that the company is in need of additional capitalization in order to expand and to begin service to Buenos Aires. Alternatives that will be considered are acquisition of a merger partner willing to take a 40% stake or an initial public offering, either of which are designed to bring in approximately \$15 million.

By now, the national economy is slowing somewhat and fuel prices begin to rise. A number of routes previously operated by CRJs are turned over to the first of six de Havilland Canada DHC-8-102s that will join the fleet over the next year. Buenos Aires is on the schedule when the new timetable starts at the end of October. Additionally, charter flights are now added to Porto Seguro, Brazil.

In December, a homepage is launched on the Internet's World Wide Web.

The fleet in 1999 includes 6 Dash-8s and 5 CRJ100LRs. During the fall, the strategic alliance with Aerolineas Argentinas, S.A. is terminated, as the major turns to its own Aerolineas Argentinas Express operation. AR Express, operated by AeroVIP, S.A., begins flying as a low-cost regional, forcing Southern Winds to file a "dumping" lawsuit, charging that the new services it flies are operated below cost to drive Southern Winds off certain routes.

Southern Winds, meanwhile, continues to operate all of its previous routes, including all of the services once provided to Aerolineas, except the daily roundtrips to Ezeiza. Two Dash-8s are withdrawn.

Passenger boardings skyrocket a remarkable 233.3% to 1,000,000. Revenues leap ahead by 350% to \$60 million.

The workforce stands at 700 at the beginning of 2000. A total of 60 daily flights are offered to and between Cordoba, Salta, Tucuman, Catamarca, La Rioja, San Juan, Mendoza, Resistencia, Santa Fe, Rosario, Rio Cuarto, Buenos Aires, Punta del Este, Mar del Plata, Santa Maria de Los Andes, Neuquen, Bariloche, and Comodoro Rivadavia.

CRJ flights begin on March 26 from Rio Gallego to both Buenos Aires and Cordoba. Two more CRJs, Dash-200ERs, are received, on each on April 9 and April 12.

SOUTHERN WORLD AIRLINES, LTD.: New Zealand (1991). SWA is established at Wellington in early 1991 to offer international all-cargo charter services between South Pacific locales and the U.S. West Coast. Revenue flights commence in March with a single Douglas DC-8-63F. A second DC-8-63F joins the fleet in July. Recessionary forces are such that the start-up operation is unable to achieve economic viability and is forced to cease operations in October.

SOUTH-WEST AFRICAN AIRWAYS (PTY.), LTD. See **SOUTH AFRICAN AIRWAYS (PTY.), LTD.**

SOUTHWEST AIR (PTY.), LTD.: P.O. Box 71, Mendi, SHP, Papua New Guinea; Phone 675 591031; Fax 675 591358; Code W2; Year Founded 1995. SWA is set up at Mendi in 1995 to operate scheduled passenger and cargo services to local domestic destinations. Managing Director J. Sauverian begins revenue operations with 1 each de Havilland Canada DHC-6-300 Twin Otter and Embraer EMB-110P1 Bandeirante, plus 3 Pilatus-Britten-Norman PBN-2A Islanders.

Flights continue during the remainder of the decade.

SOUTHWEST AIR FAST EXPRESS (SAFEWAY): United States (1929–1931). With assistance from Maddux Air Lines commodore Lawrence G. Fritz, Earle P. Halliburton establishes SAFEWAY at Tulsa, Oklahoma, in early 1929 to offer scheduled, multistop passenger flights out of the oil fields to a variety of destinations. Beginning on February 14, a number of Ford Tri-Motors will be delivered for this service, including 5-AT-13 (February 14) and 5-AT-28 and 5-AT-29 (March 19).

These three aircraft are employed on April 2 to inaugurate scheduled revenue flights over routes from Tulsa to Fort Worth, Dallas, Wichita Falls, and Sweetwater via Oklahoma City and Tulsa to Springfield, St. Louis, Coffeerville, and Kansas City. Three more Fords arrive before the end of spring: 5-AT-39 on April 13, 5-AT-43 on May 8, 5-AT-44 on May 14.

During the summer, Halliburton participates with Jack Frye's Standard Airlines in the operation of an air-rail service. Passengers arriving at St. Louis from New York via the New York Central Railroad transfer to the Ford Tri-Motors, which fly on to Sweetwater, Texas. There the overnight trip continues, courtesy of the Texas & Pacific Railway, to El Paso, where Frye's company completes the third transcontinental service begun during the year.

On November 21, Halliburton applies to the U.S. Post Office for a new airmail contract. SAFEWAY is not one of those companies within the airway system desired by Postmaster General Walter F. Brown—Halliburton is thought a nuisance and his requests are put off.

The Ford 5-AT-64 is purchased on May 16, 1930, from Parks Air College in St. Louis, where it has been the only trimotored aircraft in America employed exclusively for student instruction. The final Tri-Motor, 5-AT-67, is received from Ford Motor Company on May 23.

Although Gen. Brown's contract award process will later be investigated, the Post Office is spared further difficulty from Oklahoma at this point when American Airways buys SAFEWAY out (for \$1.4 million) in September. The carrier is renamed Southern Air Fast Express on October 11 and Halliburton's planes and personnel are transferred to it.

SOUTHWEST AIR LINES COMPANY, LTD. (SWAL): Japan (1967–1993). Southwest Air Lines Company, Ltd. (Nansei Koku K.K.) is formed by **Japan Air Lines Company, Ltd.** at Naha, Okinawa on June 22, 1967. It is to replace the scheduled and charter services previously flown in the Nansei (Southwest) Islands by the U.S. CIA proprietary airline **Air America**, which is now too heavily engaged in the Vietnam War to continue their provision. JAL holds 51% ownership; the remaining stockholders (49%) are Naha Air Terminal, Orion Beer, Ryubyuan Oil, and the Bank of Okinawa. Employing Douglas DC-3s, the new entrant begins revenue flight operations, under contract to the U.S. Civil Administration of Okinawa, on July 1.

During the next decade, services are established and maintained linking Naha with Miyakojima, Ishigakijima, Kumejima, Yunagunijima, Minamidaitojima, and Taramajima. When the Ryukyu Islands are returned to Japan by the U.S. in May 1973, Southwest is designated Japan's fourth scheduled air carrier.

In 1978, President K. Oshiro's 350-employee carrier owns 8 YS-11A-500s and 2 de Havilland Canada DHC-6 Twin Otters. Orders are outstanding for a pair of Boeing 737-2Q3As. These, together with three others, are received over the next four years and by the middle 1980s, the company has also purchased two more Twin Otters, which replaced three YS-11A-500s. Orders are placed for three more Boeing 737-2Q3As.

New routes are opened during 1979–1981 to Agunijima, Hateruma, Kitadaitojima, and Okinoerabushima. Airline employment grows to 489 and traffic grows as the Boeings arrive.

A B-737-2Q3A, with 5 crew and 133 passengers, overruns the runway after landing at Ishigaki Jima on August 26, 1982, and catches fire; all aboard are safely evacuated before the aircraft is consumed by the flames.

Enplanements for the year total 1,308,651 and rise to 1,320,073 by 1983. The operating profit in 1983 is \$3.4 million and a net gain of \$2 million is generated.

The workforce is increased by 6.4% in 1984 to 500. Passenger boardings swell 4.6% to 1,378,000, while cargo jumps 18.3% to 3.21 million FTKs. Expenses do not overwhelm operating income and, as a result, the operating profit is \$1.9 million and the net profit is \$400,000, both figures being down from the previous 12 months.

K. Oshiro becomes chairman and service is now maintained by new President M. Ihara's airline throughout the Ryukyu Islands. Representing continued growth, the fleet in 1988 comprises 6 B-737-2Q3As, 4 Twin Otters, and 6 Nihons.

Orders are placed for four B-737-4Q3s in 1989. Enplanements total 1,356,974. One YS-11-500A is withdrawn in 1990 as another B-737-2Q3A is added. Passenger boardings leap ahead by 8.5% to 1,463,031 and freight climbs 22% to 4.31 million FTKs.

In 1991, the fleet includes 7 leased B-737-2Q3As, 1 chartered B-737-205A, 4 DHC-6-300s, and 5 YS-11A-200s. Airline employment in 1992 is 500. Regional services continue to be offered from Naha City to Yoron, Kume, Miyako, Ishigaki, Shimoji, Aguni, Kitadairo, Minamidaito, and Tarama. They also link Miyako with Ishigaki, Yoron with Okinorerabu, Tarama with Miyako, Ishigaki with Tarama, Ishigaki with Yonaguni, and Hateruma with Isigaki. In 1993, the carrier is renamed **Japan TransOcean Air, Ltd.**

SOUTH WEST AIR TRANSPORT, LTD. See **NAMIB AIR, LTD.**

SOUTH WEST AVIATION, LTD. See **SKYWAYS CARGO AIRLINE, LTD.**

SOUTHWEST AIRLINES (1): United States (1964–1967). Southwest is organized at San Antonio, Texas, in December 1964 to offer scheduled Beech 18 flights linking its base with Del Rio, Eagle Pass, and Kerrville. With Herbert R. Kelleher as a director and initially known as **Wild Goose Flying Service**, the commuter inaugurates daily roundtrips on January 7, 1965. Revenue services are maintained through 1966 and until the company shuts its doors in 1967.

SOUTHWEST AIRLINES (2): 2702 Love Field Drive, P.O. Box 36611, Dallas, Texas 75235, United States; Phone (214) 904-4000; Fax (214) 904-4011; <http://www.southwest.com>; Code WN; Year Founded 1967. Unloved by many of its competitors, but admired by many students of business and airline affairs, this scrappy, low-fare, short-segment carrier founded by LeMar Muse, Rollin W. King, and Herbert D. "Herb" Kelleher, becomes an example of efficient operation—and profit-making—for all American industries, as well as the U.S. Congress. It will grow into one of the nation's premier air transport concerns, imitated both at home and abroad.

Following the development of intrastate airlines (a category never recognized by the CAB) in California during the early 1960s, the next and most competitive launching site for units of this category is Texas. In 1966, as he will recall in 2001, San Antonio lawyer Kelleher meets with client Rollin W. King at a bar (the St. Anthony's Club) to discuss the idea of setting up a low-fare intrastate airline modeled after **Pacific Southwest Airlines (PSA)**. A triangle-shaped route plan is sketched on a cocktail napkin showing a system linking San Antonio, Dallas, and Houston. Later, on March 15, 1967, Air Southwest is officially formed in Dallas. Kelleher will fight long and hard in court for years to get various approvals required by his clients and will invest \$10,000 in the enterprise—a stake that will appreciate in value to \$200 million. On November 27, he files papers with the Texas Aeronautical Commission (TAC) seeking authority to provide discount flights over the route network first revealed at the St. Anthony's Club.

Although the application is unanimously approved on February 20, 1968, **Braniff International Airways**, **Trans-Texas Airlines**, and **Continental Airlines** begin a long legal battle aimed at prohibiting the TAC from delivering its certificate. On December 7, 1970, the United States Supreme Court rules against the complainants, and the new company is allowed to "get off the ground."

Having meanwhile acquired financing, Air Southwest changes its name to Southwest Airlines (2) on March 29, 1971. On June 8, a total of 650,000 shares are offered to the public at \$11 each. After one last legal skirmish on June 17, it inaugurates 12-times-per-day roundtrip Love Bird service to Houston. The next day, it launches 6-times-per-day roundtrip service to San Antonio with three Boeing 737-2H4As. Along with its hostesses' uniforms of red hot pants and white cheerleader boots, Southwest's fares are revolutionary, well illustrating the first marketing slogan: "How Do We Love You?"

On inauguration day, one-way tariffs are \$20. Southwest's decision to fly into Houston (HOU), instead of Houston (IAH) upsets others who have earlier agreed, under terms of the 1968 Regional Airport Concurrent Bond Ordinance, to service only the major fields then being built. The fourth Boeing is received on September 29 allowing every hour Dallas–Houston service to begin the next day.

On November 14, flights are started from Houston to San Antonio and a week later, the company introduces a \$10 night fare between Houston and Dallas.

Enplanements for the partial year total 108,554; Southwest has well and truly fired the opening salvo in a conflict that becomes known as the "Great Texas Airline Fare War."

A Boeing 737-2H4 is sold to **Frontier Airlines (1)** on May 13, 1972 at a net profit of \$500,000. On June 6, the Regional Airport Board and the cities of Dallas and Fort Worth jointly sue Southwest to force it to move from Love Field to Dallas–Fort Worth International Airport, 20 miles outside of town and scheduled to open in 1974. The outcome could prove important to eight other airlines that have promised to underwrite any losses the new airport might suffer; they enjoy full support from civic and financial communities from Texas to the Potomac.

Executive Class service is introduced on July 19. The TAC intervenes in the Love Field case on September 14, the same day an antitrust grand jury is impaneled in San Antonio. On October 30, Southwest introduces night half-fare flights, \$13 one way after 7:59 p.m. and all day Saturday and Sunday.

Having determined that many customers are driving 45 minutes for a 40-minute flight, all Houston service is transferred from Houston Intercontinental Airport to Hobby Airport.

A profit-sharing plan is started with an initial airline contribution of \$175,000.

A total of 308,999 passengers are carried on the year. Start-up losses are cut by more than half since January, but still total a net downturn of \$1.6 million for the year.

On January 22, 1973, half-fare tickets are issued on all San Antonio flights, \$13 one way. For a time, Southwest's competitors attempt to match its fares, but by the middle of the decade, even the staunchest have surrendered. On February 1, **Braniff International Airways** makes its most determined effort to overwhelm the newcomer by offering \$13 one-way daytime flights between Dallas and Houston. This move offers Muse's operation a shoot-out it can neither afford to fight—or lose.

The company accepts combat by placing its most famous ad in the newspapers of both cities: "Nobody's Going to Shoot Southwest Airlines Out of the Sky for a Lousy \$13!" Southwest goes on in the copy body to announce that it will not only match **Braniff International Airways** fares, but offer the passenger an alternative to it: he can, if he chooses, pay the regular \$26 fare and receive "a choice of valuable gifts." As many of the carrier's passengers are commuting businessmen, the promotion turns out to be a stroke of genius as the "valuable gifts" are fifths of expensive liquor. Passengers can put the fares on their expense accounts and take the Chivas Regal scotch, Crown Royal Canadian whiskey, or Smirnoff vodka home—free.

Braniff International Airways' tactic backfires and an appeal to the Texas Alcoholic Beverage Commission by several organizations identifying themselves as "Baptists" is dismissed. Only after the two-month contest ends do Southwest officials learn that their airline has become the largest distributor of Chivas, Crown Royal, and Smirnoff in the entire state of Texas.

A consolidated reservations center is opened at Dallas on March 21 and the Love Field case is settled in a federal court on April 28, when Judge William M. Taylor Jr., rules that Southwest Airlines can operate from Dallas (DAL) as long as it remains open as a commercial airport. The opposition is aghast and appeals the ruling all the way to the U.S. Supreme Court. The \$13 fare becomes permanent between Dallas and San Antonio on May 1, the same day the carrier begins accepting Universal Air Travel Plan cards.

On July 9, the company applies to the TAC for authority to mount its low-fare assault into the Rio Grande Valley via the Harlingen airport. RUSH Cargo service, which provides same-day airport cargo delivery, is now introduced.

On December 1, fares are increased by \$2 as company officials report that 82.1% of all flights operated arrive within 15 minutes of schedule.

A total of 543,407 travelers are transported on the year, a whopping 76% increase. The first profit in the company's short history is reported: \$174,756.

Unveiling a new advertising slogan, "Love Is Still Our Field," the carrier moves to Gates 2 and 3 of **American Airlines** at Dallas (DAL) on January 13, 1974. Ten days later, the one millionth (cumulative) passenger is carried. Service to four cities continues amidst the hustle and bustle of two dozen lawsuits. TAC hearings begin in Austin on February 26 regarding the Rio Grande Valley route application. The antitrust grand jury is dismissed on March 4 with no action and another antitrust grand jury is impaneled on April 11.

On May 31, the Fifth Circuit of the U.S. Court of Appeals in New Orleans upholds Judge Taylor's 1973 ruling. New hostess uniforms are introduced on September 24. Remodeled facilities, including two new boarding gates and departure lounges (built at a cost of \$400,000), at Houston (HOU) are occupied on December 8. Two days later, **Texas International Airlines** files suit in Austin's 200th District Court seeking to "relitigate" the Love Field case, but on December 16 the U.S. Supreme Court lets stand the Fifth Circuit Court decision of May 31.

With load factors of 61%, customer bookings for the year jump 61% to 759,721.

On January 27, 1975, the U.S. Supreme Court denies a petition for a rehearing of the Love Field Case. In five years, Southwest, in something of a record, has appeared twice (more or less as defendant) before the nation's highest tribunal and has emerged victorious on both occasions. Still, the company has one more battle to fight and one more foe to vanquish.

Finally granted on February 6, the TAC certificate for Rio Grande Valley service allows the carrier to commence four weekday roundtrip flights via Harlingen Airport on February 11. Eight days later, the new competition is appealed by **Texas International Airlines**, the local service carrier formerly known as **Trans-Texas Airlines**, which is now grounded by labor action.

The litigation drags on; meanwhile, Southwest flies the Valley, forcing its competitor into significant further difficulty that is not softened by a U.S. government indictment against TI and **Braniff International Airways** under the Sherman Antitrust Act for conspiring to put Southwest out of business.

On June 15, Judge Taylor issues a preliminary injunction prohibiting carriers governed by the CAB from "relitigating" the Love Field case. The fifth B-737-2H4A joins the fleet on July 2 and common stock is listed on the American Stock Exchange as of October 24 under the ticker symbol "LUV."

Enplanements for the year are 1,136,318.

An application is filed with the TAC on March 24, 1976, seeking authority to service five additional cities. On June 15, a \$32-million order is placed for four more Boeing short-haulers. The fifth anniversary is celebrated with parties on June 18.

The first shareholder dividend is declared by the board of directors on August 10: \$6.25 per share of common stock. The sixth B-737-2H4A enters service on September 13. From the original 2 million shares authorized, a public issue of 461,242 shares of common stock is sold on September 30.

On October 28, Southwest Airlines, whose employees number 198—the same number as the defenders of the Alamo—and which enjoys great public sympathy as an underdog, learns that the 20th District Court has sustained the TAC authority for it to service the Valley. On December 1, authority is granted to serve Austin, Corpus Christi, El Paso, Lubbock, and Midland/Odessa; the TAC permit is appealed by **Braniff International Airways** on December 14, but turned down.

The year's passenger boardings are 1,539,113. Revenues total \$30,966,000 and a net income of \$4,939,000 is earned.

Four-times-per-business-day flights are started to Corpus Christi from Dallas, Houston, and San Antonio on March 1, 1977. The five millionth passenger is flown between Houston and Dallas on May 3. Lubbock and Midland/Odessa service is inaugurated on May 20 with El Paso joining the route network on June 20. The company now covers the state (except for Amarillo and three other communities) and a new slogan is born: "We're Spreading Love."

Common stock begins trading on the New York Stock Exchange on June 27, still with the "LUV" ticket symbol. Frequencies are initiated to Austin on September 15.

Passenger boardings for the year jump 52% to 2,339,524. Revenues accelerate 59% to \$49,113,000 and the net income rises 53% to \$7,545,000.

Airline employment stands at 1,119 in 1978. With the delivery of two new Boeing 737-2H4s, service is started from Austin to Houston and the Rio Grande Valley on February 13. Lamar Muse resigns as chairman/president/CEO on March 28; Herbert D. "Herb" Kelleher is named to the post on an interim basis.

According to a 2001 recollection by the company chairman, Lamar Muse and Rollin King, who have been unable to work harmoniously together for some time, engage in a showdown with their board at the end of March. At this time counsel Kelleher, who has been a go-between, informs the board that he is resigning the Southwest account and is going to Houston to take on a case for his own firm. On March 26, Chairman/

President/CEO Muse informs the board that, unless King is terminated, he is resigning. At an emergency board meeting on March 28, the Muse resignation is accepted. Kelleher, who had flown back to Dallas for the meeting at board request, is named chairman on an interim basis after gaining approval for the appointment of an experienced airline man as president/CEO. Two days later, a new maintenance center is occupied at Dallas (DAL).

Route authority is sought from the CAB on May 23 for nonstop service from Dallas to New Orleans. Former **United Airlines** Vice President Howard D. Putnam is elected president/CEO on July 25 (effective August 21), with Interim Chairman Kelleher being awarded that post on a permanent basis. At this point, the new leader's legal secretary from his San Antonio law firm, Colleen Barrett, joins SWA. Twenty years later, as executive vice president-customer services, she will be the highest-ranking woman employed by a major U.S. airline. She will add to that distinction when, on June 19, 2001, she becomes Southwest's president/chief operating officer.

TAC route authority is received on October 19 for service to Amarillo and Beaumont, Port Arthur, and Orange. Two more B-737-2H4As arrive in late October.

Fighting its many battles against heavy odds and with recurrent success, Southwest Airlines develops a following as far away as the hearing rooms of the U.S. Senate. In the seemingly interminable series of inquiries conducted by that legislative body concerning the air transport industry in 1975-1978, Southwest is repeatedly used as an example of the blessings to be realized from airline deregulation.

Deregulation's champions argue that here is a company that is: (1) not regulated by the federal government, yet (2) increases its passenger loads by 50% per year, and (3) makes a higher return on equity than any domestic carrier in airline history, while (4) charging fares substantially lower than those of the CAB-regulated carriers. The Congress looks at these facts, debates, and passes the Airline Deregulation Act, which will prove a boon to many airlines, including Southwest, and the death knell for others. President Jimmy Carter signs this Public Law 95-504 on October 24.

With the exchange of its oldest B-737 for a new one on December 8, the intrastate completes its fleet upgrade to a total of 14 B-737-2H4As, plus 1 leased from **Braniff International Airways**. Orders remain outstanding for five more Dash-200s. Under the dormant route provision of the new Airline Deregulation Act, the CAB grants Southwest its New Orleans permit on December 11. The company adds Amarillo to its growing network on December 12. Passenger boardings rise 51% on the year to 3,528,105. Operating income climbs 65.3% to \$81 million and net gain skyrockets 121% to \$17 million. It is now time to move outside of Texas.

The workforce is increased by 45.7% in 1979 to 1,630. Daily Dallas and Houston to New Orleans service is launched on January 25. The 14th Boeing arrives on February 8 and on February 12 frequencies on the New Orleans route become 7 per day on weekdays, 6 on weekends. Service is started from Jefferson County Airport serving Beaumont, Port Arthur, and Orange to Dallas on March 5. The 15th B-737-2H4A is delivered on April 25 and placed into service on May 1.

On May 25, the best day to date is recorded: 17,928 passenger boardings. Cubic-Western Data self-ticketing machines are introduced at 10 airports. The 16th B-737-2H4A is delivered on October 23 and begins service the next day. Frequencies are increased on most routes as of November 7.

The company records a traffic increase of 49.8% or 5,000,086 million enplanements; 704,000 FTKs are also operated. Revenues jump 58.6% to \$129 million, but acquisition costs force the net profit to dip to \$15.83 million.

The employee population is reduced by 26% in 1980 to 3,283. When the CAB refigures its airline classification scheme, Southwest is rated as a "national" carrier. Local members of the IAM strike Southwest on January 13, but pilots and flight attendants cross their picket line, enabling the carrier to continue its flights; the job action ends five days later with a mediated agreement and normal operations are resumed on February 1.

Among the year's promotions are Ticknet, a prepurchase travel agency net discount and sponsorship of Capt. Slim Cummings' "Fear of Flying" course. New routes are started each day April 1-3 to, respectively, Oklahoma City, Tulsa, and Albuquerque. On June 18, Southwest celebrates its ninth birthday by deferring fare increases scheduled for July.

Orders are placed for three more B-737-2H4As on June 24. Service is terminated at Beaumont, Port Arthur, and Orange as of September 5; however, overall frequencies are again increased on October 2. Three high school students, none of whom are pilots, steal a twin-engine light-plane at Dallas on November 15 and fly it over Love Field for nearly an hour, barely avoiding a midair collision with a Southwest B-737-2H4A; the three are arrested when they land. Three more B-737-2H4As are received during the year, including the last on December 3, which is named after company founder *Rollin W. King*. It is the first aircraft to be completely owned by SWA.

During the year, the leadership of the company's flight attendants petition Chairman Kelleher to end the requirement that they wear hot pants and go-go boots. Conversely, customer service agents ask that the sexy uniforms be retained. A compromise is worked out: a wraparound skirt is designed and flight attendants are given permission to tie it over their hot pants if desired.

Passenger boardings, meanwhile, accelerate 19.5% to 5,976,621. Despite a yearlong freeze on fare increases, revenues increase by 56.5% to \$213 million. A \$28.4 million-net profit is experienced—a 70.8% jump over 1979 and a company record.

The number of employees is increased by 15.8% in 1981 to 2,129 and the 21st owned B-737-2H4A is received on January 23. A common stock offering of 750,000 shares at \$53 per share is announced on April 15 and easily returns \$38 million to Southwest's coffers. The summer schedule is increased by 18% on May 15 and the tenth anniversary is celebrated on June 18.

Five days later, orders are placed for 10 B-737-3H4s plus 30 options. The second decade of service is officially launched on August 25 with a new advertising theme: "Loving You Is What We Do." The company sees its President Howard Putnam transfer on September 22 to the same post at forgiven-rival **Braniff International Airways**; he is replaced by Board Chairman "Herb" Kelleher.

During the year, a 13.7% traffic increase is logged (6,792,927 passengers carried) and the Dallas-based carrier becomes the top-ranking U.S. national in terms of boarding totals. Cargo also gains, climbing 22.9% to 1.31 million FTKs. Revenues accelerate 26.9% to \$270.3 million and after expenses of \$221.9 are deducted, the operating profit is pegged at \$48.5 million. The \$34.16-million net gain is a company record.

The payroll increases 36.8% in 1982 to 2,913 and this is an important growth year for Southwest Airlines as its 737s fly into many new non-Texas markets. Service from Kansas City to 7 cities is inaugurated on January 18 and on January 21, flights begin to 11 cities from Las Vegas, to 12 cities from Phoenix, and to 11 cities from San Diego. Mr. Kelleher becomes permanent chairman, president, and CEO on February 23.

In celebration of its 11 years of service, the last flight on Friday nights, as of June 24 until December 31, in the Dallas, Houston, Midland/Odessa, and Tulsa markets will be \$11. A "Love That Spirit" advertising campaign is launched on July 6 and orders are placed for three more B-737-2H4As on July 27. Service from Los Angeles to 10 cities is begun on September 18 while flights to and from San Francisco commence on October 31. Largely unnoticed during the year is the appointment of Cathy Jones to the right seat of a B-737-2H4; she is the company's first female pilot.

Boardings surge by 18.1% to 9,079,000, allowing the company to retain its first place ranking in that category. To handle the load increase, 12 more B-737-2H4As have been placed on the line, a 35% increase in capacity. Cargo also grows, up 14.8% to 1.5 million FTKs. On the financial side, operating income rises 22.5% to \$331.18 million and expenses are \$291.96 million. The operating profit is \$39.22 million and a record \$34-million net profit is chalked up.

The workforce jumps upward again in **1983**, by 18.9% to 3,462. In January, the company receives the 1982 "Financial Management Award" from *Air Transport World* magazine.

On February 23, just 12 days after **American Airlines** introduces the concept of the two-tier wage, Southwest signs the industry's first two-tier contract. The first general fare increase in two years is instituted during the first quarter. Orders are placed for three additional B-737-2H4As on May 9.

Denver joins the route system on May 26. The 28th consecutive quarterly dividend is declared by the board on August 27.

Ten more B-737-2H4As join the fleet, passenger boardings for the year accelerate 19.4% to 9.51 million, and freight swells 16.8% to 1.75 million FTKs. Revenues balloon 35.3% to a record \$448 million and costs rise 30.04% to \$379.68 million. The operating gain is \$68.55 million and an after-expense net profit of \$40.9 million is realized—another record.

Employment grows another 13.6% in **1984** to 3,934 as the Texas company hits additional high spots. In what will prove a successful effort to keep financially troubled **Muse Air** out of the market, flights begin to Little Rock on February 27 after only five days preparation. Orders are placed on July 12 for 21 additional B-737-3H4s. With the new advertising campaign "You Choose Who Sits Next to You," open seating is now offered.

The first of Southwest's B-737-3H4s is received on November 30; following an elaborate banquet on December 16, the aircraft is christened *The Spirit of Kittyhawk* the next day and is placed into service. It is followed by two more on December 20.

A healthy traffic rise of 12.5% translates into passage of the 10 million mark in annual passenger boardings (10,697,544) for the first time. Cargo, still almost an afterthought, also climbs, up by 26.4% to 2.22 million FTKs.

The carrier records a 19.6% jump in revenues to \$535.94 million and costs are contained at \$467.45 million. The operating profit declines \$1,000. Yet another record net profit, \$49.7 million, is reported to stockholders and the government.

As **1985** opens, Southwest's expansion moves forward again, beginning with a 1.6% boost in the workforce to 4,228. On March 11, it is announced that the company will acquire financially troubled **Muse Airlines** for \$72 million. Five days later, the 22 city, primarily southwestern route system, is greatly strengthened by entrance into the big markets of St. Louis and Chicago (MDW), to which an introductory fare of \$17 is offered for 17 days. A "Just Say When" advertising campaign is unveiled on March 25 and on April 1, flights begin from St. Louis to New Orleans, Houston, and Kansas City.

On May 15, service is opened to Ontario, California, with a \$9 for nine days promotion. The **Muse Airlines** acquisition is consummated on June 25; Southwest pays \$40 million in cash and \$20 million in stock for its rival. The takeover is the first approved by the U.S. DOT following the demise of the CAB. Nonstop Albuquerque to Los Angeles flights begin on July 14 and to attract additional business travelers, a new campaign entitled "The Company Plane" is started.

At Houston on December 10, a Boeing 737-3H4 is christened *The Texas Sesquicentennial*. Houston to Jackson Hole, Wyoming, ski season flights begin on December 21. Southwest names the Ronald McDonald House as its primary charity. Due to fare wars, the fourth quarter is a fiscal disappointment.

Still, enplanements for the year increase 8.4% to 11,595,602 and revenues ascend 13.1% to \$606.07 million. Costs rise 14.6% to \$535.87 million and the operating profit grows to \$70.2 million. Net gain, however, drops 4.9% to \$47.2 million.

Airline employment rises 24.7% in **1986** to 5,271. A cone bolt and restraining cable supporting a rear engine mount shears off due to metal fatigue, causing a B-737-2H4A to land at Dallas on January 3 with one engine dangling; no injuries are reported.

A number of new fares are marketed in January and in February the **Muse Airlines** subsidiary is renamed **TranStar**. When, during the same

month, **PEOPLExpress** is integrated into **Continental Airlines**, Southwest is left as the largest U.S. national carrier. The 38th consecutive quarterly dividend is announced on March 3 and service is inaugurated to Nashville on March 18.

Flight attendants now sign a new five-year, two-tier wage pact. On April 14, a \$25 Senior Citizens Saturday-only fare is announced and \$19 one-way "Fun Fare" tickets are introduced in all markets on May 29. On June 13, same- or next-day door-to-door Rush Plus air express service is introduced, followed by the "One More Important Meeting—Home" advertising campaign aimed at business travelers.

A multimillion dollar Training Center is occupied on August 28 and in early fall, a five-year contract for the use of the **American Airlines** SABRE reservations system is begun. Unwilling to spend the funds required to become a major player in Denver, the company now departs that city. Meanwhile, the City of Dallas agrees to purchase all of the carrier's Love Field facilities at fair market value if operating restrictions are ever placed on that field; consequently, Southwest makes a long-term commitment to remain there.

Incidentally, when that airport closes its vehicle parking lots in order to replace them with parking garages, the airline turns around and builds the world's first drive through ticket counter outside the grounds.

Passenger boardings grow 1.6% to 12,995,000, but with **TranStar** figures included, climb to 13.6 million. Revenues increase 13.1% to \$679.8 million while the net profit jumps 5.8% to \$50 million.

The workforce is increased by 25.1% in **1987** to 5,765. In early March, Southwest takes delivery of 3 more B-737-3H4s, increasing the fleet to 20, in addition to the 46 owned B-737-2H4As. Difficulties are encountered during the first quarter in getting the new SABRE-based reservations system on line.

Service to Birmingham, Alabama, is inaugurated on March 10; also in March, the company's third reservation center (after San Antonio and Dallas) is opened in Phoenix. A new crew base domicile is opened at Phoenix on April 1 and Fun Fare prices are reduced on April 21. Later in the month, Southwest constructs a new pilot and flight attendant training center at Dallas (DAL) that houses the first convertible B-737-200/300 simulator in the industry. Additionally, work is begun on the building of a new \$7.5-million headquarters building.

The company expands into full-service air cargo on May 11, adding a Rush air freight product, and on May 21, orders are placed for 20 B-737-500s. Also in May, nonstop service is increased from San Francisco to San Diego and initiated to New Orleans, Houston (HOU), and Nashville. Detroit joins the route network on June 4; later in the month, daily nonstop flights begin from the "Motor City" to Phoenix, Chicago (MDW), St. Louis, and Kansas City.

The Company Club is introduced on June 18 as a frequent-flyer program for the short-haul business traveler, while a full-scale Rapid Rewards loyalty program is offered to other travelers. The **TranStar** subsidiary, formerly **Muse Airlines**, ceases operations on August 9 and is liquidated.

Half a million shares of common stock are repurchased on October 27. Also in October, the carrier ends its long stand as an industry outsider by becoming the 21st full member of ATA.

Also in October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

Customer bookings advance 8.6% to 12,313,000 and cargo climbs 14.5% to 1.79 million FTKs. Revenues accelerate 12.5% to \$698,663,000 and expenses increase by 22.1% to \$657.48 million, leaving an operating profit of \$23.77 million and net gain of \$20.15 million.

There is initially no change, plus or minus, in the size of the workforce in **1988**, although Elizabeth Pedrick Sartain, a future vice president, is first hired as director of compensation and benefits. Smoking is prohibited on California intrastate flights as of January 11 and on February 8 the number of trips required to win a free flight from The Company Club frequent

flyer program is reduced. Construction of a new \$5.7-million maintenance facility is started on March 9 at Houston (HOU). Two nonstops are added from Dallas to New Orleans on April 3, along with one from Phoenix; additionally, a daily nonstop is laid on in each of seven other markets served from Phoenix. Fares to several markets are lowered on April 12 and on April 22, the carrier, in compliance with federal law, bans smoking on all its flights, but hands out free lollipops to all passengers to help them become accustomed to the new rules.

The 47th consecutive quarterly dividend is announced on May 18 and also in May, services are expanded in the New Orleans and Phoenix markets. During the month, the company becomes the first to win the coveted Triple Crown award for a month—Best On-time Record, Best Baggage Handling, and Fewest Customer Complaints. In the years that follow (through 1997), SWA will win it 31 more times, as well as five annual Triple Crowns in 1992, 1993, 1994, 1995, and 1996.

On May 23, as part of its joint program with Sea World of Texas, which opens on May 28, to promote Texas tourism, Chairman Kelleher christens a B-737-3H4, painted like a killer whale, *Shamu One*. In six days, the aircraft visits every Southwest market, ending up in California where the carrier becomes the official airline of that state's Sea World attraction. On May 2, 1994, *People Weekly* will reveal that *Shamu One* is the basis for yet another impish tale in the Kelleher legend.

Seeing the killer whale livery, so the story goes, Chairman Robert L. Crandall of **American Airlines** calls up Kelleher to kid him about the aircraft. "It looks all right," he concludes, "but what are you going to do with all the whale s—t?" A few days later, Crandall receives a large bucket of chocolate mousse with a Shamu-shaped spoon sticking in it.

In June, the company adds daily nonstop frequencies from Phoenix to Detroit (DET)—the first commercial service there in 40 years— and Dallas, together with four-times-per-day flights from Phoenix to Albuquerque and Austin. Also, in a television commercial aired about this time, Chairman Kelleher offers any passengers too embarrassed to fly a discount carrier a paper bag to put over his or her head.

Frequencies are also launched from Detroit (DET) to Chicago (Midway), Kansas City, and Houston and as of July 6, the airline offers 900 flights systemwide, visiting 27 cities in 13 states. Simultaneously, service is relaunched from downtown Detroit (DET). Fares are also reduced in major markets during the day. Ground is broken on November 15 for a new corporate headquarters at Dallas (DAL). During the year, 13 B-737-3H4s arrive from and 3 B-727-2H4As are returned to their lessors.

Customer bookings jump 10.2% to 14,876,582 and cargo reaches upward 11.9% to 3.13 million FTKs. Revenues increase 23% to \$860.4 million, operating expenses rise 18% to \$774.5 million, and a net profit of \$58 million is announced.

Airline employment is increased by 35.3% in **1989** to 7,800. On January 30, a new reservations center is opened at Grand Prairie, Texas. New \$29 one-way Night Flight fares are introduced on February 8 between the Texas markets and four new B-737-3H4s join the fleet in March. The additional capacity allows the point-to-point pioneer to undertake another major service expansion, beginning on April 3 with six daily roundtrips from Indianapolis to Detroit (DET), four from the Indiana capital to Houston (HOU), and five to St. Louis.

During the month, many other frequencies are added. From Houston (HOU) these include a second daily nonstop roundtrip to Albuquerque, two additional flights to New Orleans flights, and two nonstops to St. Louis. Three daily nonstops from Chicago (Midway) to Detroit Metro Airport (for a total of 11) are added. From Albuquerque, a sixth daily nonstop to Los Angeles and a third daily nonstop to San Francisco are added, as well as a second daily nonstop from Phoenix to Detroit (DTT) and a fifth daily nonstop to San Francisco.

Flights begin from Oakland, California on May 15 and, as of May 23, *Shamu One* has flown 1.1 million miles between Southwest's destination cities. Night Flight service is introduced systemwide on June 1.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. SWA, with nine security breaches, is faced with \$45,000 in punishment.

Ordered earlier, the first B-737-500 makes its maiden flight on June 30. The 53rd consecutive quarterly dividend is declared on November 15. A cooperative holiday promotion is kicked off with Kentucky Fried Chicken on November 27 and at the end of December, fare reductions are announced in select markets.

Profits drop sharply during the fourth quarter due primarily to a 37% increase in fuel costs. Passenger boardings accelerate another 20.7% to 17,958,263 and freight is up 29.9% to 4.06 million FTKs, least among U.S. majors. Revenues bounce upward 18% to \$1.015 billion. Operating profits swell 13.5% to \$97,626,000 while net profit jumps 23.5% to \$71,558,000.

The payroll grows again in **1990** by 10.5%, to 8,620 and the fleet now includes 46 B-737-2H4As, 48 B-737-3H4s, and **TranStar's** 5 Douglas DC-9-51s. The fleet figure is 19th largest among world airlines.

Additional select market fare reductions are instituted on January 4 while Chairman Kelleher, at a January 31 press conference, announces Southwest's achievement of major carrier status based on its billion dollar 1989 earnings.

Quietly, an emergency cost control program is put into place, focused almost entirely on stringent fuel-conservation measures. The first B-737-5H4, for which the company is launch customer, is delivered on February 28 and enters service on March 5. Colleen Barrett is now appointed executive vice president-customers and corporate secretary, the third executive vice president appointed since 1985 and the first woman.

On April 16, service is inaugurated from Burbank to Oakland and from Oakland to Las Vegas; promotional fares herald the new frequencies. The new \$15-million corporate offices are occupied on April 25, replacing the ramshackle facilities across the field in the Love Field terminal that have been employed since the company's start.

On May 31, a B-737-5H4, the company's 100th delivered airliner, is christened *Shamu II*; painted to resemble a killer whale, it joins *Shamu I* in promotional flights. On August 2, Iraq invades Kuwait, sending fuel prices higher and on August 30, a broad, sports-theme promotional program is announced, tied to an umbrella sponsorship of the member universities of the Southwest Conference.

Special Senior Fares, starting as low as \$20, are offered as of November 1 in conjunction with the twentieth anniversary. Painted to commemorate the company's twentieth birthday and resembling a red, white and blue Texas flag, the B-737-3H4 *Lone Star I* enters service on November 12. Service to and from Reno begins on November 15, the same day the board of directors declares a 57th consecutive quarterly dividend. On December 31, Southwest is the only major carrier to see its stock price close higher on the final day of trading than on the final day of 1989 trading.

Customers accommodated rises 10.4% to 19,830,941, making Southwest the world's 14th largest carrier. Cargo skyrockets 246% to 14.07 million FTKs. Revenues increase 16.9% to \$1.187 billion, but operating expenses climb 20.4% to \$1.104 billion, leaving a net profit of \$47.1 million, atop an \$82 million operating profit, 9th highest among all world airlines.

Airline employment is increased by 13.4% in **1991** to 9,778 and the fleet now includes 124 aircraft, mostly B-737s but still including 5 former **TranStar** DC-9-51s. A new promotional package is announced in cooperation with Chili's restaurant chain on January 14.

On February 11, following the landing of Flight 335 at San Diego, FBI agents arrest C. L. Compton. During the B-737 service from Oakland to San Diego, Compton had argued with the crew for not allowing him to smoke and then gave them a note saying he was carrying explosives and demanding \$13 million and a flight to Cuba. Compton will be tried and convicted in early 1992 and given a 30-year prison sentence.

In less than a year, the Burbank–Oakland route soars from 179th largest U.S. market to 25th largest.

Oakland to Los Angeles and San Diego flights begin on April 15 and on May 6, a Kids Fly Free summer promotion is announced. As the first step in a major expansion of California operations, six-times-per-day service is inaugurated to Sacramento from Burbank on June 17; the next

day, simultaneous 20th birthday parties are hosted in each of the 32 cities served.

Six-times-per-day B-737-3H4 Sacramento to San Diego roundtrip service begins on July 25, followed by the introduction of nonstop St. Louis to Kansas City flights on August 15. In honor of its twentieth birthday, the carrier offers its customers, beginning on September 18, free admission to the Texas State Fair.

A B-737-2H4A comes within 50 ft. of colliding with a small plane while preparing for a landing at Chicago (MDW) on September 27, while on October 4, another small Boeing comes within 1,000 feet of impacting a **Midway Airlines** DC-9-31 over the same airport. On November 1, Las Vegas to Los Angeles and Phoenix frequencies commence. A job fair is held on November 15 for the employees of failed **Midway Airlines (1)**; 3,000 interviews are conducted to fill 34 initial jobs along with future positions.

Customer bookings jump 14.3% to 22,669,942 and cargo moves upward 34.4% to 18.93 million FTKs. Revenues increase by 10.69% to \$1.31 billion, expenses rise 13.25% to \$1.25 billion, and the operating profit is \$62.04 million. This year's net profit totals \$26.91 million.

Company employment grows 16.6% in **1992** to 11,307. At the beginning of the year, the company receives the 1991 "Airline of the Year" award from *Air Transport World* magazine. Also Edward O. Welles profiles Chairman Kelleher as "Captain Marvel," for *Inc* XIV (January 1992): 44-47.

On January 8, service is initiated between Chicago (MDW) and Indianapolis while flights commence between Cleveland and Chicago (MDW) and St. Louis on February 13. On March 2, nonstop frequencies are introduced between Las Vegas and Sacramento or Kansas City.

It is announced on March 6 that, where no other airline has reached the goal even once, Southwest has swept the DOT's performance categories for the sixth consecutive time. In 1991, it has the best on-time performance, the fewest number of lost baggage complaints, and the lowest number of overall customer complaints.

When it is discovered by aircraft service company **Stevens Aviation** that its advertising and that of Southwest is nearly identical, Stevens Chairman Kurt Herwald challenges "Herb" Kelleher to an arm wrestling contest with ad removal the forfeit. A jocular war of words ensues between the two companies. The best two-out-of-three contest is duly held at the Dallas Sportatorium on March 20 and despite Kelleher's loss, the two contestants, who have become good friends over the matter, agree to continue using and sharing their ads.

During the second week of April, Chairman Kelleher is named the fifth "Aerospace Laureate" in the field of commercial air transport by *Aviation Week and Space Technology*. Also during the spring, the 5 remaining **TranStar** DC-9-51s are traded to **Northwest Airlines** for the 18 Chicago gates the latter had purchased from **Midway Airlines** the year before.

On June 4, nonstop flights begin between Indianapolis and New Orleans and from Port Columbus, Ohio, to Chicago (MDW) and St. Louis. The number of Chicago (Midway) gates is now 24 and departures total 61, later increased to 100; however, Phoenix is now the largest hub in terms of departures.

A variety of promotional fares are introduced or reintroduced during the summer season. Frequencies are increased to the carrier's Missouri, Nevada, New Mexico, Arizona, Illinois, and California markets on July 13. Acknowledging the recession, an advertisement is run stating that "All Airlines Operate Within a Budget." To combat the Value Added pricing of rival **American Airlines**, Southwest notes "We'd Like to Match Their New Fares," suggesting that its traditional rates are just as low. At the same time, the famous "Liar, Liar!" ads are run demonstrating that it, in fact, has the fewest number of customer complaints per 100,000 passengers.

The company's largest maintenance facility, a \$10-million project at Phoenix Sky Harbor International Airport, is opened on October 8. Later in the fall, a sixth reservation center, at Albuquerque, is occupied. To celebrate its capture of the Triple Crown as first in customer satisfaction,

baggage handling, and on-time performance, a one-of-a-kind trophy is commissioned.

Passenger boardings zoom up by 22.8% to 27,839,284 and cargo moves ahead by 42.6% to 26.99 million FTKs. Revenues jump 28.3% to \$1.68 billion, expenses ascend 20.1% to \$1.5 billion, and operating income triples to \$182.63 million. Net profit nearly quadruples to \$91.02 million. Southwest is the only U.S. airline to make money during the year.

The payroll is increased by 16.1% in **1993** to 13,232 and the 157 all-B-737 fleet is the world's 12th largest. In January, Southwest receives a "20 Years of Excellence Award in Short-Haul Services" award from *Air Transport World* magazine.

Flights begin from Chicago to Louisville in May and daily service is started in June from San Jose with 11 daily nonstop roundtrips, six to Burbank and five to Las Vegas. Within a month, traffic between Chicago and Louisville triples.

Simultaneously, a Friends Fly Free promotion is unveiled while Chairman Kelleher serves as a member of the President's Airline Commission for three months during the summer. Executive Vice President/Chief Operating Officer Gary Barron adds only the fifth station director since 1989.

Eighteen flights are added from San Jose on August 13 to bring the total number of daily departures from that California city to 29; added nonstop flights include service to Los Angeles (LAX), Ontario, Reno, and Burbank.

A full-scale fare war breaks out with **USAir** on August 17 as additional pressure is placed on the rival when, in a move long expected, the low-fare leader begins flying into Baltimore (BWI). Both slash fares to rock bottom prices to compete on routes from the new East Coast market to Chicago (MDW) via Cleveland.

The company consolidates all of its Detroit flight operations at Detroit Metropolitan Airport on September 15, including those previously offered from downtown Detroit (DET). On the same day, five-times-per-day flights are offered from Baltimore (BWI) to Cleveland and Chicago (MDW). At the same time, 10 new daily departures are offered from the Michigan city, including six-times-per-day roundtrips to St. Louis, from whence connecting flights are offered to other destinations. Simultaneously, the six daily roundtrips to Chicago (MDW) introduced in August are increased to 10.

The carrier becomes launch customer for the B-737-700 on November 17, announcing that it will request 65 of the yet-to-be-flown short-haulers; options are taken on 63 more. Salt Lake City-based **Morris Air** is acquired through an exchange of stock on December 31; integration will take place in stages through March 1995. **Morris Air** cofounder David Neeleman, 33, who has reportedly earned \$20 million on the deal, signs on with Southwest; he will depart within five months, having found his new employer too regimented. Before his departure, Chairman Kelleher requires that he sign a five-year noncompetitive agreement. Neeleman will later help found two more deep-discount operators, **Westjet Airlines, Ltd.** in Canada and history's best-financed new entrant, **JetBlue Airlines**.

Meanwhile, during the year, a DOT study reports that the industry's changing configurations are caused by "The Southwest Effect." During the same 12 months, Chairman Kelleher, reinforces the "effect" when he appears in episodes of the television comedy series *Wings* and *Seinfeld*. He is also interviewed on the U.S. and French versions of *60 Minutes*, David Brinkley's ABC-TV Sunday morning interview program *This Week with David Brinkley*, and stars in an American Express commercial.

"Herb the Love Bug: An Interview" appears in *Incentive* CLXVII (November 1993): 52+ and the chairman regularly appears in company television ads just as onetime **Eastern Air Lines** Chairman Frank Borman had a decade earlier.

Customer bookings ascend 20.4% to 33,508,686, the world's 8th highest boarding total. Cargo rises 23.1% to 33.21 million FTKs. Profitability continues as revenues jump 22.7% to \$2.06 billion, the world's

24th best overall income. Expenses rise 18.8% to \$1.78 billion and the operating profit moves ahead to \$291.97 million, 8th best in the world. Net profit almost doubles, hitting \$169.54 million, and is the world's 5th best such figure. The company is one of only two U.S. passenger air carriers to make money during the year.

Airline employment is boosted 10.8% in 1994 to 16,816; no employee has been laid off since the airline's 1971 founding. The company completes a \$2.5-billion contract with Boeing on January 19 for the delivery of the B-737-7H4s, beginning in October 1997. In April, the union of Southwest and **Morris Air** is celebrated with a mock marriage in the Graceland Wedding Chapel at Las Vegas by a man wearing a stuffed Southwest Spirit model and a lady wearing a similar **Morris Air** mascot. The event is presided over by an Elvis impersonator, a role, incidentally, played on occasion by Mr. Kelleher. Five **Morris Air** B-737-3T5s and a B-737-3T0 are now taken over by the new parent, while the subsidiary's remaining 16 chartered units are returned to their lessor.

On March 2, four-times-per-day nonstop roundtrips commence between Phoenix and San Jose and one new nonstop roundtrip begins from Phoenix to Little Rock. Five-times-per-day roundtrips are inaugurated on April 15 between San Jose and San Diego. Apollo, an industry reservations system, informs the company on April 23 that it has until May 1 to pay for services or have its schedule dumped from the huge computer reservations system.

Other industry reservations systems, including Galileo, Worldspan, and System One, also join in the demand. Southwest begins its own reservations system by offering personal computer systems to travel agents that sell at least 15 Southwest tickets daily.

On May 26, from the old **Morris Air** market at Orange County Airport, the carrier begins flying seven daily roundtrips to Oakland and eight to San Jose. Also in May, a B-737-3H4 arrives at Phoenix painted in colors patterned after the Arizona state flag; christened *Arizona One*, the aircraft joins *Lone Star One* as one of the carrier's two state-theme aircraft.

Another **Morris Air** market is tapped, beginning on June 6; from Seattle, four daily roundtrips commence to Spokane and four to Oakland. The same day, the company begins service from Portland with thrice-daily flights to Spokane and four per day to Oakland. From Spokane, four daily roundtrips to Seattle, three to Portland, and one to Oakland are now offered.

Also this day, three daily nonstop roundtrips are added from Baltimore (BWI) to Chicago (MDW), bringing the number of daily services on that route to seven. By adding one more roundtrip, the number of dailies between Los Angeles (LAX) and Oakland is increased to 19.

For the *Gong Show* contest at this year's Dallas Chili Cook-Off staged at about this time, Chairman Kelleher dresses up as Elvis to perform *Blue Suede Shoes*. Afterwards, company pilots present him with a Harley-Davidson motorcycle.

On July 8, Southwest adds two new daily roundtrips between Birmingham and Baltimore (BWI), one from Birmingham to Houston, three new dailies between Louisville and the airport at Baltimore (BWI), and one more between St. Louis and the same Baltimore (BWI) facility. One more flight between Dallas (DFW) and New Orleans is offered, as well as one additional service between Houston and New Orleans. An additional roundtrip between Houston and Harlingen/Rio Grande Valley, three more nonstops from Houston to New Orleans, and one more roundtrip between St. Louis and Chicago (MDW) are added. Also new are one more roundtrip between Ontario and Sacramento, two more between St. Louis and Louisville, one more between St. Louis and Houston, and one more between Louisville and Birmingham.

On August 3, the carrier announces that it is planning a reservations system of its own that uses no tickets; it begins testing the new system on August 22 over routes from Dallas to Little Rock and Corpus Christi to Houston. In September, a total of 236 Head-Up Guidance Systems are ordered for the carrier's B-737 fleet. Later in the month, Chairman Kelleher announces a new \$25 one-way Monday Night Football fare good only after 7 p.m.; aboard the Boeings those evenings, cabin staff begin to wear football jerseys. Also during September, the company

holds Elvis lookalike contests. However, on October 1, the FAA requires the company's flight attendants to stop singing safety advice to passengers at the start of flights.

The same day, low-fare competition begins in the California market with the Shuttle by United division of **United Airlines**. Company ads note that "Every Seat, Every Mile, Everywhere" are discounted. Also on October 1, a flight attendant base for 494 persons is opened at Oakland. Beginning later in the month, the company offers eight daily flights from Tucson, including four to Los Angeles, two to Las Vegas, and two to San Diego. Beginning October 4, passengers are allowed to employ the new ticketless system for travel between any of the four test cities.

William G. Lee now has "A Conversation with Herb Kelleher," for *Organizational Dynamics* XXIII (Fall 1994): 64+.

A total of 15 B-737-3H4 flights are added in California on November 15, bringing the number of daily departures in the Golden State market to 519. Expansion flights include 6 times Los Angeles (LAX) to Oakland for a total of 25; 3 from Oakland to Burbank for a total of 16; 2 between Ontario and Oakland for a total of 15; 1 between Los Angeles (LAX) and Las Vegas for a total of 14; and 3 between Oakland and Seattle for a total of 7. A tentative 10-year pact is reached with company pilots on November 17; the deal raises the flyers' pay in three of the last five years, but gives them more opportunity to share in company profits.

In December, it is announced, and DOT statistics confirm, that since records were first kept in 1987, Southwest has been number one in on-time performance. These figures, when added to firsts in baggage handling and fewest customer complaints, allow SWA to wing the DOT's Triple Crown award for the third time in three years. On December 15, a leased B-737-3H4 is employed to add five daily roundtrips between Los Angeles (LAX) and Las Vegas; daily departures from the former station reach 109 and from the latter, 110.

At year's end, a new list of fun facts is released. Among the 1994 highlights, SWA has answered 66,693,786 reservation calls, received 126,389 job applications, burned 50 million gallons of jet fuel per month, has employed 543 married couples, served 62 million bags of peanuts, and has operating costs of \$.07 per mile, which no competitor can match.

Passenger boardings surge 15.7% to 42,742,602 while freight climbs 19.5% to 39.69 million FTKs. Revenues jump 12.9% to \$2.59 billion as expenses grow 13.5% to \$2.75 billion. The pretax profit is \$316.7 million and net gain hits \$179.33 million.

Airline employment in 1995 stands at 19,933, an 18.5% increase.

Chairman Kelleher is interviewed on "Unorthodoxy at Work" in *Management Review*, LXXXIV (January 1995): 9+. Fred E. Whittlesey also has a profile in his "CEO Herb Kelleher Discusses Southwest Airline's People Culture," *Aca Journal* IV (Winter 1995): 8+.

As passengers deplane a B-737-2H4 at Dallas (DAL) on January 27, a four-year-old boy exits through the galley servicing door and falls through a nine-inch gap between the aircraft and catering truck; the lad is seriously hurt and rushed to the hospital.

The company issues its last paper ticket on January 31, becoming the first totally "ticketless" operator thereafter. Only one new market is entered this year: Omaha. On the other hand, as a result of the **Morris Air** takeover, 12 new nonstop city pairs and 7 markets are more fully developed.

Wendy Zellner profiles Southwest's "Rita Bailey, Manager, Corporate Employment" for *Business Week* (February 13, 1995): 68-69.

In late June and early July, 18 nonstop daily frequencies are inaugurated from 3 Nashville gates to Baltimore/Washington, Kansas City, and New Orleans. At the same time, additional assets are moved from the East Coast to California to continue the battle with United Airlines' Shuttle by United division.

On July 29 rival **Valujet Airlines** reveals that upwards of 300 Mary Kay Cosmetics sales representatives who thought they had booked flights with them or SWA have been duped in a credit card scam.

After five months, it is reported in late July that 30% of the company's passengers are flying ticketless. Meanwhile, to meet FAA re-

quirements to match checked baggage with passengers, SWA in July begins testing a hand-held, touch-screen 486 computer for curbside check-in at Oakland, Dallas, and Houston.

On August 1, *California One*, a B-737-3H4 with a giant golden bear honoring the Golden State, is unveiled as the latest in the company's line of colorful state planes. By the end of the month, the company has added 11 additional departures from Nashville.

During takeoff at Lubbock, Texas, on August 18, the No. 3 wheel assembly separates from the axle of a B-737-3H4; the air crew continue the flight and land uneventfully at Albuquerque.

Wendy Zellner examines the question "Can a Company Hold a 401(k) Hostage?" in *Business Week* (September 18, 1995): 92+, which reveals the dark story of the termination of Gloria J. Cruz and the airline's refusal to disburse her 401(K) money until she agrees not to fight for reinstatement.

By the end of summer, departures from Portland and Seattle are increased by 50% while frequencies out of Boise and Spokane are doubled.

To kick off its new nonstop service between Cleveland and Nashville on October 29, the carrier also announces an introductory one-way tariff of \$29 or \$49 to San Antonio or Austin. Additionally, six more daily departures are added from Nashville.

Having determined that, for flights lasting more than an hour and a half, say from Nashville to Las Vegas, customers require more substantial snacks than peanuts or pretzels. To that end, the company in November begins to distribute "Real Fast Food" on its longer segments, sealed foil pouches containing wheat crackers, a little tub of cheese spread, and a fruit snack bar.

M. A. Verespei profiles the chairman in his "Flying His Own Course," *IW: The Management Magazine* CCXLIV (November 20, 1995): 22-24.

At year's end, Southwest is the world's largest operator of Boeing aircraft, flying 224 B-737s of different models.

Enplanements accelerate 4.8% to 44,785,573 and cargo grows by 22.6% to 48.67 million FTKs. Revenues jump 10.8% to \$2.87 billion while costs climb 12.5% to \$2.55 billion. Operating income actually falls to \$313.53 million although a \$182.62-million net profit is posted.

The total number workers employed grows by 15.1% in 1996 to 22,944; 10 new B-737s will be received during the year and all will be assigned to Florida. Despite the fact that the U.S. Congress has failed to renew the decades-old 10% excise tax on airline tickets, Southwest, together with **United Airlines**, raises fares by 10% on January 1, effectively cancelling out the savings for its passengers.

A major winter storm severely impacts East Coast airline operations between January 7 and 9. The company is forced to cancel all of its daily departures into and out of Baltimore (BWI) on January 7 and cannot dispatch any from that hub before two B-737s depart on January 9. Final preparations are made to undertake the long-delayed initiation of services in Florida.

The company enters the Tampa and Fort Lauderdale markets on January 22; its appearance will cause difficulties for other airlines providing Florida service, most especially **USAir**. At this time, Southwest, which has transferred pilots and ground crews from Chicago and Houston, launches six daily roundtrip flights from Tampa to Fort Lauderdale and twice-daily frequencies to New Orleans and Baltimore (BWI). Passengers flying from Fort Lauderdale to New Orleans and Baltimore (BWI) connect via Tampa while daily frequencies are also initiated from Fort Lauderdale to Birmingham and Houston. In addition, daily roundtrips begin from Tampa to Nashville and St. Louis.

Also during the month, a new five-year contract is signed with local chapter representatives of the Ramp, Operations, and Provisioning Association. The Tampa and Fort Lauderdale services are expanded on February 27. During the first quarter, company executives meet with officials in Rhode Island, New Hampshire, Connecticut, Massachusetts, and New York concerning possible expansion of services into the Northeast U.S.

On March 31, a commitment is given to offer simplified business-class fares, based on flight distance, to employees of the Business Travel Contractors Corporation, a consortium of 25 companies. The carrier cel-

brates its twenty-fifth anniversary with a series of special events throughout the summer.

The company begins flying to and from Orlando on April 7. That day, the company initiates five daily roundtrips from Orlando (OIA) to Fort Lauderdale, twice-daily flights to Baltimore (BWI), and daily nonstops to Indianapolis, New Orleans, and Nashville.

Also in April, 10 acres are leased from the City of Dallas for construction of a new pilot training facility; the complex is expected to be occupied at the end of 1997.

While approaching Ontario, California, on April 20, the pilot of a B-737-3H4 with 132 passengers reports an unresolved left main-landing-gear problem. The aircraft circles the area performing normal emergency gear-extension procedures without success. Finally, the aircraft is diverted to another airport, where an emergency landing is made with minor damage and no injuries.

Frequencies from Orlando are enhanced on May 10 with new daily nonstop roundtrips added to Birmingham and Louisville and frequencies to New Orleans and Nashville increased to thrice daily.

As the carrier celebrates its twenty-fifth, silver, anniversary, it introduces a special livery on June 1 on a B-737-3H4, which has been christened *Silver One*. The color scheme features the normal tail design atop an all silver fuselage.

New daily nonstop roundtrips commence from Tampa to Columbus, Louisville, and Indianapolis on June 18; the same day, an additional roundtrip is laid on between Tampa and Fort Lauderdale. The inter-Florida route is tied to a promotion with Alamo Rent-a-Car. During the month, one flight per day is withdrawn from the Oakland-Seattle and Oakland-Portland routes.

It is announced on July 1 that the company has employed a total of 300 new pilots during the preceding 12 months. Flight 436, a B-737-2H4A with 127 passengers, aborts its takeoff from Nashville on July 8 after a bird flies into one of its engines. The aircraft skids 700 ft. past the end of Runway 20C and comes to rest with flattened tires, but only one passenger is injured in the subsequent emergency evacuation.

To continue the commemoration of its silver anniversary as a low-cost carrier, the company inaugurates special \$25 fares on August 19; the promotion, for which tickets were first sold on July 23, will run through the end of October.

It appears by early fall that at least two of the concern's competitors are making inroads in their competition with Southwest. **Delta Air Lines** launches its "Delta Express" low-cost unit on October 1. The Texas-based airline begins its long-planned expansion into the Northeast on October 14 with the sale of everyday, one-way \$39 fares.

With SWA attention on its Northeast incursion, **United Airlines** is able to report on October 24 that its Shuttle by United service has been able to battle Kelleher & Co. to a virtual standoff in the West Coast air travel market, capturing 41% of market share to Southwest's 43%.

Pursuant to an announcement made back on July 30, SWA inaugurates service from T. F. Green Airport at Warwick, Rhode Island (8 miles S. of Providence) on October 27 with 14 daily B-737 nonstop frequencies to Chicago (MDW), Baltimore (BWI), Nashville, Orlando, and Tampa. A \$29 fare sale is launched after the Thanksgiving holiday; it will last through Christmas.

A joint-marketing agreement is signed in early December with **Flugfölag Islands (2)/Icelandair, H.F.** When the pact takes effect at the beginning of the new year, the Reykjavik-based flag carrier will handle all ticketing and reservations for the service that will ensure its passengers smooth connection from its arriving jetliners at Baltimore (BWI) onto Southwest Boeings departing for Cleveland.

Late in the month, work begins on a \$30-million, 300,000-sq.-ft., 5-story expansion of the Dallas headquarters facility. The company wins its fifth consecutive Triple Crown this year. As reported in the DOT's *Air Travel Consumer Report*, Southwest has the best on-time performance, best-baggage handling, and fewest customer complaints.

During the year, a widely circulated volume by Kevin and Jackie Freiberg describing the carrier's unique corporate culture is released,

NUTS! Southwest Airlines' Crazy Recipe for Business and Personal Success (Austin, Tex.: Bard Press).

Customer bookings accelerate 10.8% to 49,621,504 and 53.6 million FTKs are operated, a 10.1% increase. Revenues jump 18.6% to \$3.4 billion while expenses are up 19.4% to \$3.05 billion. Operating gain swells to \$350.63 million and a record \$207.33-million profit is posted.

The employee population is increased by 4.5% in 1997 to 23,974. Southwest and **Flugfelag Islands (2)/Icelandair, H.F.** begin their test single-route program on January 22. Passengers from Cleveland are able to connect at Baltimore (BWI) to Icelandair flights bound for Reykjavik.

On January 15, new daily roundtrip service is inaugurated between Houston (HOU) and Kansas City and between Baltimore (BWI) and Fort Lauderdale-Hollywood International Airport. A third daily nonstop is simultaneously introduced between Baltimore (BWI) and Orlando.

Slated for delivery in October as a Dash-7H4 unit, the first B-737-700 prototype is test flown from Renton Field, Washington, on February 6, by the manufacturer's test pilots Capt. Mike Hewitt and Ken Higgins.

Southwest is listed among America's most admired corporations in the annual survey published by *Fortune* magazine on March 3. Southwest was similarly recognized by the magazine in its 1996 survey.

Thrice-daily service from Nashville to Detroit is inaugurated on April 6. On May 24, the company is again ranked first in consumer satisfaction in a survey of domestic air transport. On June 1, limited long-haul flights commence from Nashville to Los Angeles and Oakland.

Ten days later, daily roundtrips begin from Nashville to Columbus. A B-737-3H4 is unveiled upon delivery at Seattle on June 9 as the theme aircraft *Triple Crown One*. The bright blue livery with a medal and ribbon denotes the company's performance championships in 1992-1996 and the names of 24,000 employees appear on the inside overhead storage bin doors. A group of 84 company employees chosen to represent all workers participate the ceremony; they then board the plane and fly back to Dallas, where they are met and given a pep talk by Chairman Kelleher, who formally dedicates the aircraft.

To celebrate the tenth anniversary of its frequent flyer program, SWA, on June 18, automatically enrolls all travelers this day into its Rapid Rewards program. By month's end, the number of daily departures from Nashville has risen to 53 from 11 gates.

The 50-cycle test of a prototype of the company's B-737-7H4, painted in Southwest colors, is completed on July 19. Ground personnel, cockpit and cabin crews are all involved in the exercises, which cover a large portion of the airline's route network. The popular Friends Fly Free promotion is resumed on July 20 and will be continued through December 16.

Also during July, the U.S. Congress changes the manner in which taxes on airlines are assessed, reducing the traditional 10% ticket tax while adding a flat tax per flight. The new method of income enhancement, which will take effect in October, will result in higher taxes for short-haul flights and lower ones for longer segments. Southwest, which joins other low-cost carriers in protesting the measure, continues to selectively expand into longer routes as a way to alleviate some of the anticipated new tax burden.

Twice-daily, nonstop service is inaugurated from Jackson, Mississippi, on August 9 to Baltimore (BWI) and Chicago (MDW), thrice-daily to Houston (HOU), and daily to Orlando.

Southwest and **Flugfelag Islands (2)/Icelandair, H.F.** expand their marketing agreement on August 14 to include Chicago (MDW) and Providence. Southwest passengers from those cities, as well as Cleveland, are able to connect at Baltimore (BWI) with Icelandair flights to Reykjavik. Icelandair will continue to handle all reservations and ticketing. Jacksonville also joins the route network during the second half of the month.

MedLink, a new in-flight telephone service that enables flight attendants to seek physicians' advice to provide additional aid for passengers suffering medical emergencies, is unveiled on September 1.

On September 4, **Northwest Airlines** raises its domestic fares by 5% and over the weekend, most other U.S. majors, except Southwest, join in. Daily nonstop flights from Jackson to Fort Lauderdale and Orlando

start on September 7. Simultaneously, daily nonstop roundtrips commence between Tampa and Albuquerque and between Orlando and Albuquerque.

Also on September 7, a number of other services are expanded from "Music City USA." Daily roundtrips are added between Nashville and Providence, bringing the total number of daily roundtrips between both cities to two. Flights between Nashville and Orlando are increased to four, between Nashville and Kansas City to three, and between Nashville and Austin to two. Twice-daily roundtrips are started from Nashville and Baltimore/Washington flights are increased to seven.

On September 8, **American Airlines, Delta Air Lines, and Trans World Airlines (TWA)** abandon the fare boost, but when **United Airlines** does not go along, these big three reinstate the higher tariffs the next day. Higher fares will now exist in those markets not served by SWA.

The same day, with the breaking of a ceremonial bottle of orange juice over the nose of *Shamu One*, SWA inaugurates daily nonstop roundtrips from Albuquerque to Orlando and Tampa Bay.

During the month, 48 additional frequencies are started east of the Mississippi and 26 to the west; these include 95 weekly Florida services, 101 at Chicago, 50 at Baltimore (BWI), and 59 at Nashville.

As the result of an ATC error on September 25, a private Learjet on final approach passes within 0.08 nm. of Flight 858, a B-737 inbound to Dallas (DAL) from Midland, Texas, with 108 passengers and a crew of five. The SWA pilot climbs and is required to go around, but no injuries are reported.

Although the majors disagree over routing and other issues, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing.

On October 2, the company announces that it will offer a \$99 one-way Fun Fare (based on roundtrip purchase) on all published routes to and from Chicago (MDW), St. Louis, Cleveland, Detroit, and Columbus. A \$39 one-way Fun Fare (based on roundtrip purchase) is also offered for published flights between any two California cities. From California to any of the five noted Midwest cities, the \$99 one-way Fun Fare is applicable. The promotion will run through December 18.

The travel agent payment initiative is matched on October 6 by **American Airlines, Continental Airlines, Delta Air Lines, USAirways, and Northwest Airlines.** Southwest Airlines and **Kiwi International Air Lines** announce that they will maintain the 10% scale. The travel agency industry, which, despite ticketless travel still writes 80% of all tickets sold, protests.

The same day, the alliance with **Flugfelag Islands (2)/Icelandair, H.F.** is expanded. SWA customers from Louisville to Baltimore (BWI) are able to seamlessly connect with Icelandair flights via Reykjavik to Luxembourg.

On November 3, the National Football League signs the airline to a four-year sponsorship deal valued in excess of \$5 million. The arrangement differs from other NFL arrangements; because each team has its own "official airline," Southwest cannot use the NFL logo. The airline begins an NFL-theme ad campaign on November 9.

The company's expanded headquarters facility at Dallas is occupied, also during November.

USA Today reports, on December 10, the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; Southwest demonstrates an 84.5% achievement, good for 1st place.

Delayed by certification problems, the first B-737-7H4 is finally received from Boeing on December 17—two months late. It will not enter commercial service for a month.

Passenger boardings this year climb 1.6% to 50,399,960, while freight jumps 31.1% to 70.24 million FTKs. Operating revenues grow

12.1% to \$3.81 billion, while expenses are up 7.8% to \$3.29 billion. The operating profit reaches \$524.32 million, while a net \$317.72-million gain is recorded.

At the beginning of 1998, Southwest is the 6th largest airline in the world in terms of passenger boardings, 9th in fleet size and operating profit, 12th in net profit, 13th in employee number (23,974), and 22nd in operating income. The fleet, 82% of which is Stage III certified, comprises 261 B-737s.

Coinciding with the retirement of a B-737-2H4, the first B-737-7H4 completes its premier revenue service on January 18; the inaugural Flight 11 is operated from Dallas to Harlingen, Texas, via Houston (HOU). Also during the month, an agreement is concluded to add 10 additional gates at Baltimore (BWI).

The company is named "The Best Company to Work for in America" by *Fortune* magazine in January.

All passengers are limited, as of February 1, to one carry-on bag on heavily booked flights and the airline requires that all carry-ons fit into a sizing box. It will be left to gate agents to determine if a flight is "heavily booked."

On February 26, an agreement in principle is reached to purchase two B-737-300s and lease a third; all had previously been operated by recently bankrupt **Western Pacific Airlines (Westpac)**. Two more B-737-7H4s arrive during the first quarter. However, all three are maintained on short-haul services from Dallas or Houston during this quarter of shakedown. A new ticket counter, baggage claim area, and parking garage are opened on March 31 at St. Louis. The opening of this first phase of the carrier's \$97.5-million east terminal upgrade is marked by public ceremony.

A new crew base with accommodations for 200 pilots is opened at Baltimore (BWI) on April 1; five others are also in operation. A new governmental affairs office is also opened, at Washington, D.C., bringing the number of company employees in the Washington/Baltimore area to 425.

The new summer schedule allows SWA to employ its B-737-7H4s on new long-haul routes. First up is an April 5 nonstop roundtrip from BWI to New Orleans and another to Houston from BWI. Daily nonstops are also inaugurated between Orlando and Kansas City and between Kansas City and Portland, Oregon. Passengers are now able to enjoy daily coast-to-coast one-stop service, the first provided by SWA.

Saturday-only nonstops are inaugurated on April 11 between Las Vegas and Spokane, Tulsa, and New Orleans and from St. Louis to Fort Lauderdale.

The first B-737-700 simulator in the Western Hemisphere comes on line at Dallas (DAL) on April 18. It is housed in the company's new \$10-million, 110,000-sq.ft. flight operations training center that had been opened a week earlier.

The same day, one new nonstop is started between Chicago (MDW) and Columbus, bringing the number of daily roundtrips between the two cities to six. One nonstop between Columbus and Tampa is added, thereby doubling that route and an additional roundtrip between Fort Lauderdale and Tampa brings that daily total to 11. One additional roundtrip between Orlando and New Orleans gives a total of five, one roundtrip between Phoenix and New Orleans doubles that route, and one roundtrip between Tampa and New Orleans brings the total number of daily roundtrips between those two cities to five.

Production delays at Boeing slow delivery of Next Generation "Baby Boeings." Scheduled to have received 13 B-737-7H4s by the end of April, the carrier has received just 6. Despite the payment of penalties to Southwest, Boeing indicates that the problem will continue. Plans to initiate service to two new destinations during the year are cut in half.

Nine more gates are formally opened at the new 240,000-sq.-ft. East Terminal at St. Louis on May 5; 3 more are slated to become available in December. The gates are designed to accommodate the B-737-7H4. Chairman/CEO Kelleher serves as an honorary Operations Agent while boarding customers for an inaugural flight from one of the new gates.

On May 11, fellow major **American Airlines** becomes engaged in a legal battle to prevent interstate service from Dallas (DAL) and now an-

nounces that it will, itself, engage in direct competition with Southwest from the historic battleground airport, where Chairman Kelleher's company is currently the only major operator. The first service will be operated 14 times a day to Austin employing MD-80s. **Continental Airlines**, which holds to gates at the airport, does not choose to fly out of state from it at this point.

On May 11, B-737-7H4 nonstop roundtrip flights are initiated from Portland to Kansas City and from Orlando to Kansas City, together with a one-stop from Portland to Orlando via Kansas City.

Also during the month, Executive Vice President/Chief Operating Officer Barron indicates that he will relinquish his chief operating officer title in January, but remain as executive vice president through December 2000. Vice President-Ground Operations James C. Wimberly will succeed him as chief operating officer.

The company prepares for the launch of the new **USAirways** low-cost division MetroJet at Baltimore (BWI) on June 1.

On June 7, countering MetroJet, SWA inaugurates nonstop 8-times-daily return service from BWI to Manchester, New Hampshire (its only new city this year) and 12 daily nonstop departures are launched from Manchester to Baltimore (BWI), Orlando, Chicago (MDW), and Nashville. The one-way walk-up fare between Manchester and Baltimore is \$66, \$1 more than that charged by MetroJet.

Fun and fanfare mark the Manchester kickoff, as it has at the opening of every new Southwest city for years. The morning festivities begin with an inaugural parade through the Manchester Airport, led by company and airport representatives, Manchester Mayor Raymond Wieczorek, VIPs from surrounding communities, 2 Boston Celtics NBA basketball players, the Central High School Band, and 40 school children from Highland Goffs Falls Elementary School. After speeches, the elementary school students are among those making the inaugural flight to Baltimore (BWI), from whence they are taken to enjoy a day of Washington, D.C. sight-seeing.

Another daily roundtrip is added between Orlando and St. Louis, also on June 7, thereby doubling that route. The fleet at midyear includes 266 B-737s, with an average age of 8.4 years.

Daily nonstop roundtrips commence on June 8 between Boise and San Francisco. The number of daily nonstop roundtrips between Houston (HOU) and Jackson is increased from three to four on June 25.

Beginning on July 6, SWA adds a new nonstop B-737-7H4 roundtrip between Nashville and San Diego and another between Kansas City and Providence. One new B-737-7H4 nonstop service is also started from Nashville to Houston (HOU) for a total of 7. There are now 8 flights from Baltimore (BWI) to Nashville, 4 from Nashville to Kansas City and from Kansas City to Los Angeles, 3 from Nashville to New Orleans, and 2 from Baltimore (BWI) to Kansas City as well as from Kansas City to Oakland.

While on final approach to Birmingham, Alabama, on a July 7 service from Tampa, Flight 1565, a B-737-7H4 with 5 crew and 91 passengers suffers the failure of its No. 2 engine. The aircraft makes an uneventful landing and once ground personnel determine there is no danger, the Next Generation Boeing is towed to the gate where passengers are deplaned via the jetway.

On July 23, the company enters into a 5-year, \$64-million agreement with SABRE Group for the provision of passenger reservations and inventory control systems.

Three new B-737-7H4 frequencies are added on August 5 from Baltimore (BWI) to Jacksonville, from Houston-Hobby and Las Vegas, Baltimore (BWI) and Tampa, Baltimore (BWI) and Birmingham, and Nashville and Los Angeles. (3); Ten are added from Baltimore (BWI) to Providence, six from Las Vegas and Sacramento, four from Nashville and Tampa, and two from Birmingham and Houston-Hobby.

Company pilots on September 18 agree to freeze pay scales and continue with their existing 10-year contract in exchange for additional stock options. As a result of Hurricane Georges, services to Fort Lauderdale are canceled on September 25.

Dispatch workers sign a new 12-year contract on October 5; it provides for the distribution of stock options over the life of the pact.

Twice-daily B-737-7H4 nonstops commence on October 25 between Oakland and Albuquerque. As of this date, SWA flies 51 daily nonstop departures from Albuquerque and 109 from Oakland.

On November 11, Southwest announces that it will launch nonstop Saturday roundtrips on January 16 from Reno to Austin, Houston (HOU), and San Antonio. The special flights will operate through April 2.

Additional schedule changes are announced on November 17. Beginning on January 14, the company will offer Saturday-only nonstop service from Las Vegas to Baltimore (BWI), Orlando, St. Louis, Cleveland, and Tampa. Daily nonstop B-737-7H4 roundtrips will commence on February 5 from Austin to Los Angeles and Tampa and from Kansas City to Seattle and Orlando.

On November 18, a spokesman indicates that Southwest will receive 29 more B-737-7H4s during the next year. On February 5, it will inaugurate daily roundtrips from Austin to both Tampa and Los Angeles.

Two B-737-7H4s are tasked on Thanksgiving Day to fly the carrier's first experimental one-day, coast-to-coast nonstop service. One will fly the 2,446-mi. from Baltimore (BWI) to Oakland in 6 hrs., while the other will, due to winds, complete a service from Oakland to Baltimore (BWI) in 5 hrs. 15 min. Fuel consumption, trash consumption, passenger and crew responses will be among the issues studied.

A host of new services are added on December 7. These include the introduction of three additional daily nonstop B-737-7H4 roundtrips for a total of seven between Phoenix and Baltimore (BWI). Also, one nonstop return service is added from BWI to Providence for a total of 11, from BWI to Tampa for a total of 4, and from BWI to Fort Lauderdale.

On December 9, Southwest announces that it will move into the New York area during the first quarter of the new year, flying from MacArthur Airport at Islip, Long Island.

Enplanements for the year reach 52.58 million, a 4.3% boost, while cargo climbs 40.9% to 98.99 million FTKs. Revenues climb 9.1% to \$4.16 billion, while expenses are up 5.7% to \$3.48 billion. The operating profit ascends to \$683.61 million, while net profits of \$433.4 million are earned. Based on the latter figure, the carrier will pump \$120,696,957 into the employee's profit-sharing plan.

In a major public relations event, Southwest, on January 7, 1999, christens one of its new B-737-7H4s *The Nolan Ryan Express* in honor of the Texas pitcher recently elected to the Baseball Hall of Fame. Ryan participates in the event and is the first person to board the plane, which transports him from Manhattan, where the induction announcement is made, to Dallas (DFW). There, in christening ceremonies, he autographs both sides of the aircraft's nose on two specially designed decals, each featuring a baseball with airplane wings and a Southwest colored tail. The honoree rides the aircraft to Austin, where the ceremony is repeated, this time with a confetti-filled prop champagne bottle broken across the plane's nose. The jetliner, it is noted, will fly the hurler to the actual Hall of Fame induction ceremonies in July.

En route from San Diego to San Jose on January 12, Flight 923, a B-737-3H4 with 5 crew and 74 passengers, must be diverted to Burbank to remove a passenger. The man, taken in hand by police, had threatened to kill members of the flight crew and other customers and had demanded to be taken to Hollywood. At a court appearance the next day he is charged with hijacking.

While taking off from Austin on January 20, the captain of Flight 553, a B-737-5H4 with 125 passengers aboard, spies a Cessna 210 flying at him from a crossing runway. The Boeing is put into a steep climb and passes over the Cessna, missing it by just 100 ft. The FAA opens an investigation.

Also on January 20, **America West Airlines** announces that it has been contacted by a number of airlines expressing interest in a variety of business transactions ranging from strategic alliances to mergers. It confirms that **United Airlines** has made an offer to take it over in a merger; the action is similar to the pact concluded in December between **Northwest Airlines** and **Continental Airlines**. Analysts see the alliance as a

move by the Chicago-based major to counter the recent acquisition for western growth of **Reno Air** by **American Airlines**.

The next day, it is revealed that **Delta Air Lines** has also been in conversation with America West. Southwest, which is the second most dominant carrier at Phoenix, denies any interest in taking over the company.

It is announced on January 22 that the carrier will initiate Saturday-only B-737-7H4 roundtrip flights on June 1 between Orlando and Phoenix. Addition of the new service will also create same-plane, one-stop service from Orlando to Burbank, California.

After running away from home, 13-year-old Raymond Allen makes his way to Baltimore (BWI). There he happens into the SWA departure area, where he requests and receives (with no questions asked) a boarding pass and is allowed on a B-737-7H4, which departs for San Diego. The stow-away is taken into police custody after the aircraft lands, but it will be two weeks before the lad's identity is learned. The miscue will result in a lawsuit filed by the boy's mother, who feared he had been kidnapped.

On January 25, SWA receives the 1998 "Labor Relations Award" from *Air Transport World* magazine. The fifth largest domestic carrier in the U.S. in terms of passenger boardings, Southwest currently mounts 2,350 daily departures with a fleet of 280 B-737s.

On January 28, four days before the Super Bowl game, Southwest stages a "Haul of Fame" contest, a "Pro Tow," at Fort Lauderdale-Hollywood International Airport in Florida. Two 16-man teams of present and former National Football League (NFL) players compete to pull an 83,262-lb. B-737-7H4 a distance of 50 ft. in the shortest time. The winning team is given \$2,500 and 25 SWA tickets to donate to a local children's agency.

At the end of the month, Southwest becomes the "official airline" of the reborn Cleveland Browns NFL professional football team.

Southwest inaugurates additional new service on February 5. Daily nonstop roundtrips are undertaken on this date from Austin to Los Angeles, Tampa, Kansas City, and Seattle and from Kansas City to Orlando. Simultaneously, Tampa to Los Angeles and Orlando to Seattle same-plane one-stops are also launched.

On February 9, it is announced that the carrier will double its gates at Detroit (DTT) in July to four and instead of renting them from **Northwest Airlines** with which it will now enhance competition, it will own them in the smaller terminal not now employed by NWA.

On March 15, Southwest begins to provide 12 daily nonstop return departures from MacArthur Airport at Islip, Long Island, to Baltimore (BWI), Chicago (MDW), Nashville, and Tampa. From those points, direct or connecting service will be available to 29 other cities. Prior to the first departure, Chief Financial Officer Gary Kelly presides over a ceremony with a St. Patrick's Day theme, complete with a bagpipe band that leads a procession to the gate area for speeches.

Also on March 15, **Northwest Airlines**, which has been recalcitrant in the past, joins Southwest, **American Airlines**, **Delta Air Lines**, **United Airlines**, and **USAirways** in raising business fares by 1% and imposing another 3% hike on leisure tickets. United had begun this second round of ticket price increases on March 12.

On March 25, Southwest announces 50 new flights will be added to its schedule in June, July, and August, including 24 new nonstop flights between cities that previously have had no nonstop service.

Daily nonstop B-737-7H4 service is introduced on April 4 between Nashville and Fort Lauderdale and Nashville and Seattle. The roundtrips are arranged so that customers might fly from Fort Lauderdale to Seattle or back with only one stop and no change of planes.

On April 20, SWA converts options for six more Next Generation B-737-7H4s into firm orders for delivery in the year 2000.

Although San Jose has a curfew from 11:30 p.m. to 6:30 a.m. Pacific Time, airlines are allowed to fly in during those hours if they are delayed due to mechanical, weather, or ATC problems. The *San Jose Mercury News* reports on April 27 that the city attorney's office has sent letters to six carriers threatening to sue or ban them from the airport and citing numerous violations of the curfew. The company's committing these "blatant violations" include, in addition to Southwest, **American Airlines**,

Mexicana Airlines, S.A. de C.V., Northwest Airlines, Reno Air, and United Airlines.

Daily roundtrip B-737-5H4 roundtrips commence on May 5 from Chicago (MDW) to Houston (HOU) and from Chicago (MDW) to Phoenix.

Shareholder Michael Schaefer sends his fellow stake owners a recommendation to be voted on at the annual board meeting that would have Chairman/CEO/President Kelleher choose between running the board or the day-to-day operations. Schaefer is concerned about the longevity of the leader, 67, who is a chain smoker, a frequent flyer, and is famous for his consumption of Wild Turkey liquor. Schaefer is unable to reach the May 20 board meeting because another airline cancels his flight; consequently, his proposal is not brought up for a vote.

Chairman Kelleher is interviewed in the June 1 issue of *Money* and explains "How Herb Keeps Southwest Hopping."

B-737 service begins from Raleigh-Durham International Airport on June 6 with 12 daily return flights to 5 cities. Four daily nonstop roundtrips are offered to Baltimore (BWI), two to Chicago (MDW), four to Nashville, and one each to Tampa Bay and Orlando.

New daily nonstop roundtrips are started between Albuquerque and Tucson and from Kansas City to Tampa Bay. In addition, nonstop return service from Albuquerque to Kansas City is increased from two to three, Las Vegas to Seattle from one to two, Las Vegas to Tucson from two to three, San Diego to Tucson from two to three, and St. Louis to Tampa Bay from one to two.

En route from Kansas City to Oakland on June 14, Flight 99 must make an emergency landing at Las Vegas to turn Californian John Schleimer over to local police after he had become belligerent, punched a flight attendant, and been restrained by the attendant and several passengers.

Timed to coincide with the Paris Air Show, six more Next Generation B-737-7HRs are ordered on June 17, for delivery in 2000 and 2001. The world's largest "Baby Boeing" operator, Southwest has requested 366 of the type since the airline was launched.

The official airline of the Chicago Cubs, a chartered company B-737-4H4 transports the team to Cleveland on June 30 for a weekend series with the Indians; upon its completion, the aircraft takes the team to Phoenix, Arizona, to battle the Diamondbacks. In this manner, the airline supports its Chicago team, just as it supports the others it has under sports contract.

Daily Albuquerque to Seattle nonstop roundtrips are launched on July 6, as is daily nonstop return service from Las Vegas to Chicago (MDW). In addition, nonstop return service from Albuquerque to Houston is increased from one to two, Austin and Las Vegas from one to two, Nashville to Cleveland from three to four, and Nashville and Las Vegas from two to three.

Also in early July, the company's 6th flight attendant crew base is opened at Baltimore (BWI), where 300 attendants are now stationed. Flight attendant crew bases are also maintained at Dallas (DFW), Houston (HOU), Phoenix, Chicago (MDW), and Oakland.

The October beginning of service from Bradley International Airport in Connecticut is announced on July 13.

New daily nonstop roundtrips commence on August 5 from Baltimore (BWI) to Las Vegas, Los Angeles to New Orleans, Fort Lauderdale to New Orleans, Houston (HOU) to Providence, and from Kansas City to Indianapolis, Manchester, and San Diego. In addition, nonstop return service from Las Vegas to Reno is increased from eight to nine, Chicago (MDW) to Providence from two to three, Los Angeles to Kansas City from four to five, and Los Angeles to Sacramento from seven to eight.

The arrival of several new Next Generation B-737-7H4s during early fall allows the initiation of new services. Employing the new planes, SWA on October 31 begins new nonstop daily roundtrips from Orlando to Chicago (MDW) and from Portland to Phoenix. Simultaneously, a second daily nonstop is initiated between Chicago (MDW) and Phoenix and from Phoenix to Seattle. On November 6, return flights are launched from Orlando to Phoenix and from Hartford to Las Vegas; the next day, new roundtrips begin from Phoenix to both Birmingham and Providence.

Daily Next Generation B-737-7H4 roundtrips are inaugurated on December 7 from Tampa to San Antonio and Chicago (MDW). Nonstop frequencies are increased in other markets: Tampa to Providence and Raleigh/Durham and Chicago (MDW) to Orlando from one to two, Chicago (MDW) to Raleigh/Durham from two to three, Phoenix to Sacramento from three to four, Nashville to Raleigh/Durham and Fort Lauderdale to Jacksonville from five to six.

Passenger boardings climb 9.3% to 57.5 million, while cargo is up 1.7% to 100.65 million FTKs.

Revenues jump 13.7% to \$4.73 billion, while expenses rise an almost equal 13.6% to \$3.94 billion. The operating profit ascends to \$781.57 million, while net profit reaches \$474.37 million.

Airline employment at the beginning of 2000 stands at 27,653, a 7% increase over the previous 12 months. Among the world's top 25 airlines, SWA is 4th in passengers, 14th in employees, 8th in fleet size, 18th in operating revenue, 6th in operating profit, and 6th in net profit. It is also the 4th largest U.S. carrier.

The arrival of a new Next Generation B-737-7H4s over the Christmas period allows introduction of a new nonstop roundtrip on February 6 from Islip to Orlando, while simultaneously doubling from one to two the number of return flights between Islip and Tampa.

A measure of the company's continued growth is demonstrated on March 3 when it is reported that 46 daily point-to-point nonstop flights have been added to the company's schedule since October 31.

Inbound from Las Vegas on March 5, Flight 668, a B-737-3H4 with 5 crew and 135 passengers overshoots its landing at Burbank Airport and skids off the east-west runway, rams through a fence onto Hollywood Way, where it hits a car and stops just short of a Chevron gas station. A mother and her daughter in the auto and 15 aboard are subsequently hospitalized with minor injuries. Chairman Kelleher parries safety concern questions on that Sunday morning's television interview programs.

Investigators will later report that the plane had come into Burbank at such a steep angle that its cockpit warning system had sounded; additionally, the plane had landed at 208 mph. instead of the normal 160. Injured with scalp cuts, the pilot will be discharged by the carrier on August 1, along with the copilot.

In an effort to reduce turnaround time, Southwest, also during the first week of March, begins a six-month evaluation of the FMT Sweden, A.B. dual-boarding bridge that is undergoing tests at Dallas (DAL) and Austin. The bridge allows passengers to simultaneously enter and exit through both the forward and rear exits of a B-737.

Delivery of additional new Next Generation B-737-7H4s permits the carrier, beginning on March 12, to enhance the number of nonstop return flights offered from Nashville to Islip and Hartford from 1 to 2, and to Phoenix from 2 to 3, from Chicago (MDW) to Tampa from 1 to 2 and Kansas City from 17 to 18, and from Ontario to Sacramento from 10 to 11. Additionally, new nonstop roundtrips are introduced from Ontario to Nashville and from Kansas City to Sacramento.

New daily return service is inaugurated on April 2 from Las Vegas to Columbus, Indianapolis, and New Orleans as well as from Austin to Raleigh/Durham and San Diego. Simultaneously, one more frequency is added from Houston (HOU) and Chicago (MDW) and from Las Vegas to Omaha.

Albany becomes a new hub on May 7 as the carrier initiates 10 new daily services from the New York State capital's airport to Baltimore (7 departures), Orlando (2) and Las Vegas (1).

In an incident that will be turned into a legal test case, the carrier, also in May, demands that 300-lb.+ Cynthia Luther purchase two tickets before boarding a flight from Reno to Burbank. A friend purchases the second fare and the lady rides in one seat with the armrest down and with another person seated next to her. Off the plane, Ms. Luther files suit claiming illegal discrimination and harassment.

An hour into a ramp hold at Nashville on May 19, caused by a weather-induced airport power outage, Flight 1857, a B-737-5H4, suffers another unusual incident. A passenger leaves his seat and approaches a flight attendant at one of the aft entry doors, informing her

that he needs air. Three times she directs him to return to his seat, but on the third occasion, he grabs her hair, opens the door that is slightly ajar, and jumps to the tarmac below. The flight attendant is able to free herself from the man's grip and remain aboard, but the passenger fractures his wrist. Airport security police are quickly on the scene and transport the man to a local clinic. The jetliner departs later without further incident.

Despite the bad month, incident-wise, when DOT airline performance figures for May are released, Southwest will be shown to have the fewest number of complaints of any major U.S. airline, just 0.41 per 100,000 passengers; the industry average is 2.49.

About 150 mi. E of Kansas City on his June 27 service from Los Angeles (LAX) via Kansas City, the pilot of a Next Generation B-737-7H4 receives a message from the Kansas City station that three passengers had been left behind at the previous stop. The 3, children aged 8, 9, and 12, had gotten off to buy snacks and had not been missed when they failed to reboard. The Boeing turns around and retrieves the three sisters.

Boeing confirms on June 29 that SWA, which now operates 323 B-737s, has placed an order for up to 290 Next Generation B-737s over the next 12 years. The request includes 94 firm NG B-737-700s (in addition to 74 currently on order), as well as 25 options and up to 171 purchase rights for an additional 196 NG aircraft, with deliveries beginning in 2002. The largest order ever placed for Next Generation Boeings, the firm order, valued at \$4.5 billion, is for more airplanes than SWA ordered during its entire first 16 years of existence. As they are delivered, older aircraft, beginning with the Dash-200s, will be retired.

Also in June, the carrier's cargo division extends Next Flight Guaranteed service to Albany, Las Vegas, Orlando, Baltimore, and Raleigh/Durham.

One each daily return passenger frequency is added on July 5 from Baltimore to Austin and Houston and from Indianapolis to Phoenix while two more roundtrips are started from Baltimore to Indianapolis.

Southwest is named 11th best-managed company among nonstate-owned national-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

New daily roundtrips are inaugurated on August 6 from Islip to Fort Lauderdale and Jacksonville, from Los Angeles to Indianapolis, and from New Orleans to San Diego; four-times-a-day return service begins from Islip to Providence, Rhode Island. Also on August 6, daily return frequencies are increased between a number of cities, including Baltimore to Nashville from eight to nine, Las Vegas from one to two, Phoenix from three to four, and New Orleans to Orlando from five to six. Indianapolis, Tampa to Jacksonville, and Nashville to Islip are all increased from two to three.

While en route from Las Vegas to Salt Lake City on August 11, tragedy strikes Flight 1763, a B-737-3H4 with 5 crew and 121 passengers aboard. Witnesses will later report that teenager Jonathan Burton begins pacing the aisles as the clock nears midnight, shoves a flight attendant, and runs forward where he kicks a hole in the cockpit door, and then takes a seat in an exit row. Passengers, who fear he may try to open an emergency exit and cause the plane to crash, pull him into the aisle, where he dies. Initial press reports will suggest that the lad died of a heart attack after the plane has landed and he has been turned over to police.

The FBI and local authorities investigate and will later confirm that Burton has been the first passenger killed by fellow passengers aboard a U.S. commercial aircraft. When given the chance to prosecute at the end of September, a U.S. Attorney decides not to press charges. Timothy Roche and Peta Owens-Liston profile this case, one of the most bizarre episodes of in-flight violence in U.S. commercial aviation history, in their article "Homicide in the Sky," which appears in the October 2, 2000, issue of *Time* magazine.

Coverage of the incident does not end there or with the newspapers. Late in the fall, the CBS television series *CSI: Crime Scene Investigation* (ironically, set in Las Vegas) runs a drama depicting a similar scenario. In both the real-life event and the thinly veiled teleplay, investigators suspect murder and even identify the probable perpetrators, but

file no charges. As Blake Morrison will report in his lengthy December 18 front-page story in *USA Today* newspaper, "a fatal mystery shrouds Flight 1763."

Southwest accepts its 10th theme aircraft on August 30, a new B-737-7H4 wearing the symbol of the Zia Pueblo Indians in a salute to the state of New Mexico.

In a four-year deal signed on September 5, the carrier becomes the official airline of the National Hockey League. Advertisements for the fall for the NHL and NFL will be heavily sports-oriented.

Daily Next Generation B-737-7H4 one-stop roundtrips are inaugurated on September 13 between Raleigh/Durham and San Jose via Kansas City. On September 18, the company reports that its Web site has generated over \$1 billion in revenues during the first eight months of the year. This 111% revenue increase reflects the fact that some 30% of all SWA passenger revenues are now generated via the Internet.

A new Buffalo hub is launched on October 8 with 10 daily roundtrips to 4 destinations: Baltimore (7), Las Vegas (1), Orlando (1), and Phoenix (1). On October 20, it is announced that beginning on January 21, the carrier will inaugurate service from West Palm Beach to Baltimore, Nashville, Orlando, and Tampa.

Services are substantially increased on October 29, beginning with an increase of two daily return flights (for a total of six) from Las Vegas to Kansas City and the introduction of daily roundtrips from the Nevada city to both Louisville and Tulsa. The number of daily return flights is also boosted from Las Vegas to Reno to 10 and to Ontario, California, to 9; from Houston (HOU) to Birmingham to 3 and to Las Vegas to 4; from Baltimore to Orlando to 4 and to Louisville to 5; and from Fort Lauderdale to Jacksonville to 7 and to Orlando to 8.

It is reported on November 24 that the carrier's on-time performance in September had slipped to fifth out of the ten major airlines reporting figures to the government. Pundits speculate that the special *Triple Crown* paint scheme on one of Southwest's B-737-300s will now have to be removed.

The schedule is expanded again on December 10 with new daily roundtrips launched from Baltimore to Salt Lake City and to Albuquerque and from Las Vegas to Birmingham. In addition, daily return frequencies are also boosted by from 3 to 4 from Albuquerque to San Diego, from 1 to 2 from Nashville to Manchester, New Hampshire, and San Diego, from 4 to 5 from Baltimore to Raleigh/Durham, from 12 to 13 from Ontario to Oakland, and from 8 to 9 from Las Vegas to Oakland.

On December 14, Los Angeles Superior Court Judge Marilyn Hoffman rules that in legal terms the airline's two-ticket obesity policy exercised on Cynthia Luther in May is not discriminatory.

The 1995 commitment to the American Society of Travel Agents to pay 10% commissions on all tickets expires on December 31. Per a December 13 announcement, SWA will begin 2001 on by cutting commissions to traditional travel agencies to 8% on all ticketless transactions and 5% on all paper ticket transactions.

At this point, Southwest is the fourth largest domestic U.S. carrier in terms of customers boarded and serves 58 cities (59 airports) in 29 states with over 2,700 flights every day.

As the 12 months conclude, it is noted that Southwest will end its loss-making San Francisco service on March 5, moving 8 daily flights to Oakland and another 2 to Sacramento. This will be the first city dropped from the company's network in over two decades. On January 16, to celebrate its thirtieth anniversary, Southwest will debut a new "Canyon Blue" color scheme aboard two new B-737-7H4s, *Spirit One* and *Spirit Two*.

For the year as a whole, customer bookings jump 11.03% to 72,710,000, while cargo traffic rises 30% to 100.95 million FTKs. Revenues accelerate 19.3% to \$4.73 billion, while expenses climb 17.1%, granting an operating profit up by 30.7% to \$1.02 billion. Net gain soars 31.8% to \$625 million. With its new aircraft purchases and orderly expansion, Southwest is on track to become one of, if not the, largest U.S. airlines by 2010.

On March 19, 2001, it will be revealed that the "Kelleher Era" will end on June 19 when the legendary airline chief hands over two of his three titles to longtime company associates. Vice President-General Counsel James F. Parker will become CEO, while Vice President-Customers Colleen Barrett will become president/chief operating officer—the first woman president of a U.S. major airline. With help from author Katrina Brooker, Kelleher will pen a Southwest memoir, "The Chairman of the Board Looks Back." *Fortune* (May 28, 2001): 62–76.

SOUTHWEST AIRWAYS (1): United States (1933). The first of many air transport firms to bear this regional name, Southwest (1) is formed at Tulsa, Oklahoma, in January 1933. Employing a Travel Air 6000, the company inaugurates multistop, scheduled passenger flights to Salina in February. Operations suddenly stop in March.

SOUTHWEST AIRWAYS (2): United States (1941–1958). Although organized in 1941, this local service line does not receive its CAB certificate until May 22, 1946. During the prior two years, the company's cargo division successfully tests various feeder-line tactics. Southwest launches Douglas DC-3 passenger service in the California corridor, Los Angeles to San Francisco, on December 2, 1947, employing the revolutionary tactics developed earlier. In an effort to attract customers and revenues, the company pioneers quick-stop, fast-turnaround passenger-handling methods at its smaller stations, even employing traveling agents to issue tickets in-flight. By the end of 1948, the fleet comprises nine Douglas transports, each displaying the company's thunderbird logo.

Operations continue apace during the remainder of the decade and into the 1950s. Unhappily, there is one fatal crash. On April 7, 1951, a DC-3 with 22 aboard and en route from Santa Maria to Santa Barbara, crashes into a hill near the latter point; there are no survivors.

As new northern California routes are acquired from **United Air Lines** in the spring of 1953, Southwest upgrades its equipment. It also introduces the first two of four Martin 4-0-4s to be delivered on the year and purchased from **Transocean Air Lines** on April 26 over the route from San Francisco to Los Angeles via San Jose, Santa Clara, Carmel, Monterey, San Luis Obispo, and Santa Barbara.

Martinliner service is extended during 1954 to Medford, Oregon. The Robert Ryan and Shirley Booth motion picture *About Mrs. Leslie*, released during the year, employs a company aircraft for its travel scenes.

At the beginning of 1955, Medford and the following California destinations are served, south to north: Los Angeles, Burbank, Palmdale/Lancaster, Inyokern, Ventura/Oxnard, Lompoc/Santa Barbara, Bakersfield, Santa Maria, San Luis Obispo, Monterey/Carmel, Santa Cruz/Watsonville, Santa Clara/San Jose, San Francisco, Stockton, Sacramento, Santa Rosa, Yuba City, Ukiah, Marysville, Fort Bragg/Mendocino, Chico, Red Bluff, Arcata/Eureka, Redding, Yreka, and Crescent City.

In late September, the airline becomes the first of the original local service feeders to obtain permanent CAB certification. A Martin 2-0-2 is damaged beyond repair in a hangar fire at San Francisco on December 30.

By 1956–1957, the fleet includes seven Martin 2-0-2s. In advance of additional CAB route awards to Oregon and Washington, the company is reorganized and changes its name to **Pacific Air Lines** on March 6, 1958.

SOUTHWEST AIRWAYS, LTD.: Canada (1990–1994). George Reid sets up Southwest at Windsor, Ontario, in 1990 to undertake scheduled third-level passenger flights to Pelee Island. Revenue services commence with three Fairchild-Swearingen Merlin IVs, two Piper PA-31-310 Navajos, and a Piper PA-34 Seneca. The Seneca is withdrawn in 1991. A third Navajo is acquired in 1992 as services continue until 1994.

SOUTHWEST JET AVIATION, LTD.: 14988 N. 78th Way, Scottsdale, Arizona 85260, United States; Phone (602) 991-7076; Fax (602) 991-8511; Year Founded 1989. John Castrogiovanni sets up SJA at Scottsdale Airport in 1989 to provide executive and small group passenger charters throughout the U.S. and to Canada, Mexico, and the Caribbean. A decade

later, the owner employs 4 pilots, who fly 1 each British Aerospace BAe (HS) 125-800 Hawker and Learjet 35A Century III.

SOUTHWESTERN AIRLINES, LTD. (SOUTH-WESTERN AVIATION CORPORATION): China (1934–1938). With capitalization of two million yuan from the Kwantung, Unnan, and Kwangsi civil governments and their military departments, plus Cantonese merchants, Southwestern Airlines is established at Canton in the early winter of 1934. The Chinese cabinet on January 25, 1935 grants the company an operating certificate.

Equipped with seven Stinson SR Reliants and three Loeing Air Yachts flown by Chinese pilots, the new company inaugurates services on May 1 linking its base with Lungchow via Wuchow and Nanning. During the summer, a service is initiated from Canton to the Hainan Island community of Hoihow (Kingchow) via Maoming. The new route is abandoned by year's end.

In 1936, the company undertakes services from Canton to Pakhoi and in March it receives authority from the government to operate a route from Canton to Hanoi. This service is started on July 10 and is the first international route ever operated by a Chinese airline. The Indochina route is doubled, via the company's coastal route, on April 4, 1937. Operations continue apace until October 21, 1938 when the Japanese occupy Canton.

SOVEREIGN AIRLINES (PTY.), LTD.: Australia (1976–1982). Organized at Melbourne's Tullamarine Airport in early fall 1976, Sovereign acquires a fleet comprising 1 Cessna 401, 1 Piper PA-31-310 Navajo, 1 Piper PA-31-350 Navajo Chieftain, 1 Cessna 182, and 1 Beech 55 Baron. Scheduled flights are inaugurated on October 4 to Bendigo, Swan Hill, and Mildura.

Rising fuel prices and traffic failures caused by the world recession force the small commuter carrier into receivership in 1982.

SOWIND AIR, INC.: St. Andrews Airport, St. Andrews, Manitoba, R1A 3P4, Canada; Phone 204 338 5429; Fax 204 338 5431; http://www.sae.ca/abt/sowind; Code SOW; Year Founded 1991. Sowind is established at St. Andrews at the end of 1991 to provide scheduled third-level service to six small provincial destinations. Under the direction of President Oliver Owen, the 100%-aboriginally owned carrier launches revenue flights on January 6, 1992.

Service is maintained without incident over the next 9 years employing a fleet that comes to comprise 3 Piper PA-31-350 Navajo Chieftains and 2 Cessna 208B Grand Caravans.

SOYUZ (SOYUZ MPO): Russia (1994–1998). Soyuz is established at Moscow in 1994 to provide international and domestic passenger and freight charters. V. B. Ivanov is appointed general director and he begins revenue services with 3 Ilyushin Il-76s and 1 Yakovlev Yak-40.

Flight continue into the summer of 1998. At this point, the Russian currency crisis has a devastating impact on the carrier's operations and forces it to shut down.

SP AVIATION (SUPERIOR PERFORMANCE AVIATION): c/o Business Jet Solutions, 26220 Industrial Blvd., Hayward, California 94545, United States; Phone (510) 783-3584; Fax (510) 783-3587; http://www.shewey.com/spav8r; Year Founded 1992. The fleet management and corporate charter concern SP Aviation is established at Hayward Air Terminal in 1992. Eight years later in 2000, Jeff Perdue is in charge of charter sales and the work of nine pilots who operate a pair of Learjet 35A Century IIIs on worldwide executive flights.

SPACEGRAND AVIATION, LTD.: United Kingdom (1978–1986). A division of C. Walker & Sons, Ltd. (now Walkersteel Group), Spacegrand Aviation is organized in 1978 to offer Piper PA-23 Aztec air taxi and commuter services from Blackpool Airport to Belfast in Northern Ireland and the Isle of Man. Over the next few years, the fleet is upgraded to include

a de Havilland DHC-6 Twin Otter and a Piper PA-31-350 Navajo Chief-tain. Additional destinations added include Dublin and Teesside.

In **1984**, the carrier becomes a subsidiary of Walker's 1983 acquisition **Jersey European Airways, Ltd.** P. Glennister continues as managing director and Spacegrand inaugurates scheduled services from Belfast to Exeter.

Two Shorts 330Ds are ordered and one is obtained in **1985**. The fleet in **1986** comprises three Twin Otters and the Shorts. In the spring, the two airlines are amalgamated within the parent group, Walker Aviation. Late in the year, the carrier is merged into JEA, which name survives.

SPAIR AIR TRANSPORT: 69, Vishnevaya Str, Ekaterinburg, 620031, Russia; Phone 7 (3432) 443 072; Fax 7 (3432) 441 201; Code S4; Year Founded 1993. Spair Air Transport is founded at Ekaterinburg in August **1990** to provide worldwide all-cargo ad hoc charters. Shareholding is divided between V. V. Spurnov, who is named chairman/president, along with Engineering Director Beketov, Chief Pilot Capt. Starikov, Commercial Manager Klushin, and investor Sergeyev.

Preparations for the inauguration of service take a year. During this time, bases are established at Perm and Rostov and a fleet is assembled comprising 3 Ilyushin Il-76T/TD freighters. As Spair Airlines, the new entrant begins revenue flights in September **1991**.

Service continues apace in **1992–1993**. During the latter year, the decision is taken to reform the enterprise and to begin the provision of passenger charters and scheduled services.

Airline employment in **1994** totals 200 and the company is renamed Spair Air Transport. To accommodate its new mission, the fleet is increased by the addition of two leased Tupolev Tu-154Bs, an Il-18, two Antonov An-26s, and two An-12s. Passenger and cargo charters are undertaken from Ekaterinburg, Perm, and Rostov to Sharjah, U.A.E.

Flights continue in **1995–1997**, during which years two Tu-134As are leased and flights begin to Antalya, Damascus, Delhi Fujairah, and Istanbul.

The Russian currency crisis of **1998–1999** has a significant impact on the carrier. Passenger service is abandoned and the fleet is reduced to include just 1 An-12 and 1 leased Ilyushin Il-76TD. Worldwide cargo flights now originate exclusively from the Ekaterinburg base and are understood to continue on an ad hoc basis.

SPAIR AIRLINES. See SPAIR AIR TRANSPORT

SPAN EAST AIRLINES: United States (1969–1976). Span East is officially established at Spring Valley, New York, late in **1969**, but places its operating base at Ypsilanti, Michigan. There it acquires the 10 Curtiss C-46 Commandos and several DC-6s that **Universal Airlines** has taken over from **Zantop International Airlines**.

The New York-registered freighting concern employs its aircraft to take over the former Zantop automobile industry contract and support flights. In August **1971**, Span East sells its C-46s to Ortner Air Services and transfers its DC-6s to a new Base at Miami (MIA). There it begins flying nonscheduled services to the Caribbean and South America. Flights end in **1976**.

SPANAIR, S.A.: Palma de Mallorca Airport, Edificio Spanair, Spd de Correos 50086, Palma de Mallorca, Spain; Phone 34 (71) 745 020; Fax 34 (71) 492 553; <http://www.spanair.com>; Code JK; Year Founded 1987. A new Spanish charter carrier, Spanair, S.A., is formed at Palma de Mallorca in October **1987** by the travel and operators Scandinavia & Viajes Marsono, S.A. of Spain) and Vingresor, A.B. of Sweden. Gonzalo Pascual is named chairman with Carlos Bravo as director general/CEO. A workforce of some 600 is recruited and a fleet is assembled comprising 4 leased McDonnell Douglas MD-82s and MD-83s.

Revenue services commence on April 1, **1988** with a flight from Palma to Bilbao. Charters are now launched to and from the Canary Islands and Palma from destinations in Europe, primarily Norway, Sweden, Denmark, Germany, Austria, and Switzerland.

Enplanements for the remainder of the year total 454,600, but the net loss is \$1.6 million.

Airline employment is increased 37.6% during **1989** to 366 and the fleet now includes 7 leased MD-83s. Orders are placed for two Boeing 767-3Y0ERs.

Passenger boardings skyrocket 190.3% to 1,319,699 and revenues balloon 101.5% to \$99.6 million. Operating gain is \$1.7 million and a \$369,000 net profit is earned.

Company employment is increased by 21% in **1990** to 444 and the fleet includes 7 MD-83s and 1 MD-82—all leased.

Customer bookings jump another 48.9% to 1,141,186 and revenues rise a more modest 30.9% to \$146.4 million. Expenses climb 32% to \$145.32 million and cause the operating profit to slide to \$1.02 million. Net gain surges to \$1.05 million.

The workforce grows by 29.3% in **1991** to 574 and the 2 ER Boeings arrive (also by lease), beginning in April. Services are inaugurated to new North American destinations, including Cancún, New York, Orlando, and Puerto Plata and Punta Cana in the Dominican Republic.

Passenger boardings swell 49.3% to 1,704,263 and revenues jump 47.2% to \$222.8 million. The operating profit is \$3 million while net surplus reaches \$3.8 million.

Airline employment is increased by 12.4% in **1992** to 645 and the leased fleet now includes 8 MD-83s, 1 MD-82, and 2 B-767-3Y0ERs. In September, twice-weekly flights are initiated from Madrid to Rio de Janeiro and Montevideo, Uruguay, on behalf of **PLUNA (Primeras Lineas Uruguayas de Navegacion Aerea, S.A.)**, the latter nation's flag carrier.

Customer bookings bounce upward by 13.7% to 1,937,041 while revenues advance by 11.7% to \$229.4 million. Expenses are, however, up by 13.5% to \$229.7 million and bring a \$300 operating loss. There is a net profit of \$9,000.

In **1993**, Chairman Pascual and Managing Director Bravo oversee a workforce of 680. In addition to the **PLUNA (Primeras Lineas Uruguayas de Navegacion Aerea, S.A.)** service, destinations now visited include Cancún, New York, Orlando, Puerto Plata, and Punta Cana.

Passenger boardings increase another 8.7% to 2,105,746.

Twenty new employees are hired in **1994** and the fleet is expanded by the addition of 2 more leased MD-83s. In March, scheduled service is inaugurated from Palma de Mallorca to Madrid, Barcelona, and the Balearic and Canary Islands.

The carrier becomes an **SAS (Scandinavian Airlines System)** associate company on June 1.

Customer bookings this year jump 6% to 2,232,098.

The workforce is increased a huge 85.7% in **1995** to 1,300.

The carrier's 16 aircraft transport a total of 3,150,167 passengers, a welcome 12.3% increase. Freight traffic figures show a dramatic 48.8% jump to 4.71 million FTKs. There are profits: \$6.43 million (operating) and \$241,000 (net).

Airline employment grows another 25.6% in **1996** to 1,630 and the leased fleet includes 12 MD-83s, 1 MD-82, and 2 B-767-3Y0ERs. Frequent flyer agreements are signed with **SAS (Scandinavian Airlines System)** and **Deutsche Lufthansa, A.G.**

Customer bookings jump 13.4% to 3,572,804 and 6.12 million FTKs are operated, a 31.3% increase. Revenues climb 4.5% to \$367.72 million while costs ascend 5% to \$362.66 million. Although operating gain falls to \$5.05 million, the net profit moves up to \$970,000.

The airline population grows to 2,168 in **1997**. As the year begins, approximately 45.1% of the carrier's flights are scheduled, with the remainder operated as charters. The fleet now includes 18 MD-83s, 2 MD-87s, and 2 B-767-3Y0ERs.

Share capital is 3,200 million pts. and is distributed between Viajes Marsans, S.A. (51%) and **SAS (Scandinavian Airlines System)** (49%). The carrier's cooperation with **Deutsche Lufthansa, A.G.** begins early in the year, primarily in the areas of reservations and frequent flyer programs.

New scheduled flights are inaugurated to London (LGW) and Copenhagen during January and February. Also during the first quarter, a

group of Spanish regional airlines, including **Canarias Regional Air, S.A.** doing business as Air Europa Express, Spanair, and **Futura, S.A.**, complain to the EC that part of the government funds injected into **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** during the fall of 1995 have been employed to finance a fare war against them. In addition, Canarias claims that Iberia has engaged in predatory pricing, arranging some of its schedules to directly affect private carriers such as itself. The Commission investigates.

Spanair increases its ticket prices by 15% on April 10, leading **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** to increase its tariffs by 3.5% on April 25, the same day **Air Europa, S.A.** boosts its fares by 20%, the largest increase yet.

Following complaints from a consumers' group and local authorities in the Balearic and Canary Islands, the Spanish government, on April 28, begins a price-fixing investigation of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and two of its rivals. Antitrust authorities in the Ministry of Finance begin to review an arrangement between the flag carrier and Spanair and **Air Europa, S.A.**, which has seen them end a yearlong price war while increasing fares an almost equal average of 10% on all Spanish domestic routes and dropping promotional fares.

New scheduled services to Varadero and Havana, Cuba, commence in May.

On October 1, **Deutsche Lufthansa, A.G.** and Spanair reach conclusion on a code-sharing agreement, but contrary to media reports, the German major takes no equity share.

The Spanish pilots union, SEPLA, concerned that modernization and cost-cutting plans afoot at Spain's airlines might badly impact its members, stages a one-hour strike at the end of October as a symbolic protest again them.

Employing B-767-3Y0ERs, the company launches four-times-per-week roundtrips on November 20 between Madrid and Washington, D.C. (IAD). As part of its promotion for this new service, it promises to give free tickets to the first 266 passengers showing up at Washington, D.C. (IAD) in native Spanish costume (e.g., matadors or flamenco dancers).

Passenger boardings increase 32.9% to 4,427,582 while freight skyrockets 86.9% to 11.41 million FTKs. Operating revenues total \$411 million, while costs are just \$401.8 million. Consequently, the company enjoys a \$9.2-million operating profit and a net gain of \$1.3 million.

Airline employment stands at 2,000 in 1998. The fleet now includes 2 B-767-3Y0ERs, 2 MD-87s, 3 MD-82s, and 17 MD-83s.

Twice-daily dual-designator MD-83 roundtrips with **SAS (Scandinavian Airlines System)** begin at the end of March between Madrid and Copenhagen.

While en route from Aberdeen to Ibiza on June 27, an MD-83 with 170 passengers develops engine problems and must divert to Paris (ORY). On the ground at the French capital, the customers are bussed over to Paris (CDG), where they are able to catch another flight and complete their flight.

During the fall, the company begins to evaluate new aircraft from the Boeing Next Generation 737 group as well as the Airbus A320 family. Plans are made to have a choice in hand in time for the carrier's annual board meeting in mid-March.

The opening of a third runway at Madrid's international airport in November will allow the company to expand its hub operations there during the first quarter of the new year.

On December 18, a new direct service is introduced from Madrid to Buenos Aires, replacing the previous twice-weekly one-stop via Rio de Janeiro.

Passenger boardings surge 13.6% to 5.13 million, while cargo traffic skyrockets 178.8% to 31.9 million FTKs. On record income of \$496.75 million, a \$5.55-million net profit is generated.

In an interview with *Airline Financial News* on February 1, 1999, Managing Director Bravo indicates that the company will go public during the first or second quarter of the year 2000. In addition, eight MD-82s will be delivered this year, including five leased units formerly operated by **China Eastern Airlines Company, Ltd.**

Spanair inaugurates thrice-daily MD-83 roundtrips on February 21 from Madrid to Alicante, Vigo, and Oveido.

On March 22, Chairman Pascual signs orders with Airbus Industrie for 45 A310, A320, and A321 aircraft (21 firm orders, 12 to be confirmed, and 12 options) valued at \$2.2 billion.

Thrice-daily return flights are started from Madrid to Seville on March 28. Twice-daily roundtrips are also begun to Lisbon, with Oporto served by bus from Vigo. Simultaneously, new code-sharing flights with **SAS (Scandinavian Airlines System)** are inaugurated between Copenhagen and Barcelona and from Stockholm to Madrid.

On April 22, the company reduces flights from Madrid's Barajas Airport to 500 each week from nearly 700 to help reduce congestion. The move follows a similar reduction by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Four days later, it is noted that the move will be temporary and will not impact upon the carrier's expansion plans.

Flights to Valencia will begin later in the year.

Only days after the strict curfew rule at Aberdeen, Scotland, is extended, a delayed flight from Ibiza on May 8 fails to meet its loosened requirement. En route to Aberdeen, an MD-83 with 170 passengers must be diverted to Edinburgh, not because it will be late in arrival, but because it will be unable to lift off back to Majorca before the airport is closed. The angry passengers are placed on a 3-hr. bus ride to Aberdeen, while 170 others are likewise brought down to Edinburgh, from whence they depart for Spain just before 1 a.m.

Daily B-767-3Y0ER roundtrips commence on August 31 from Lisbon to Washington, D.C. (IAD) via Madrid.

The code-sharing pact with **Deutsche Lufthansa, A.G.** is deepened during October to include all flights by the two airlines between Spain and Germany and all Spanair flights to and between 10 Spanish regional airports. Simultaneously, Lufthansa agrees to maintain up to 45 new Airbus aircraft the Spanish line will purchase and train the pilots to fly them.

Pursuant to an agreement signed on September 23, a new accord between Spanair and **United Airlines**, one that the Spanish line has been seeking since it first began flying to the U.S. in 1997, takes effect on October 31. Under its terms, United places its code on Spanair flights from Washington, D.C. (IAD) to Madrid and from Madrid to Barcelona, Palma de Mallorca, and Malaga. Additionally, passengers on both lines are able to accrue and use rewards from the United frequent flyer program and participate in convenient one-stop check-in service.

Spanair, together with **Air Europa, S.A.** and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** are fined a total of \$865,000, also in December, by the Tribunal de Defensa de la Competencia. Spain's fair-competition agency has found the three guilty of collusion in the termination of a 1997 price war.

Late in the fourth quarter, the company debuts a modified color scheme with large block "Spanair" titles.

Passenger boardings surge 14.3% to 5,757,000 while freight traffic increases 23.1% to 38.92 million FTKs. Revenues jump 27.6% to \$637.46 million, while expenses are up 27.9% to \$628.71 million. Although the operating profit increases to \$8.74 million, net gain slides to \$3.8 million.

Airline employment at the beginning of 2000 stands at 3,909, a gigantic 85.7% increase over the previous 12 months. The MD-80 fleet now includes 10 MD-82s, 21 MD-83s, and 3 MD-87s.

A B-757-2Y0ER is leased on April 26 from **Air 2000, Ltd.** for eight months.

New nonstop roundtrips begin on March 26 from Madrid to Paris (CDG). Simultaneously, the five-times-a-week B-767-3Y0ER return service from Madrid to Washington, D.C. (IAD) becomes daily. On new services between Madrid and Rio de Janeiro, Spanair code-shares with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandeuse, S.A.)**.

AeBal (Aerolineas de Baleares, S.A.) is established at Palma de Mallorca in April to provide regional services on behalf of its parent, Spanair, which orders Boeing 717s for the operation. Originally, several names are considered for the enterprise, including Spanair Link and Air

Balaer. The first two AeBal B-717-2CMs are received on June 22 and 29. Christened *Formentor* and *Espalmador*, they are employed, using the Spanair code, to launch revenue services on July 4.

Meanwhile, on July 3, a new dual-designator pact begins with **SAS (Scandinavian Airlines System)**. Under its terms, Spanair is able to place its code on SAS flights from Madrid to Copenhagen, Helsinki, Goteborg, and Oslo, while SAS shares flights with Spanair from Copenhagen to Alicante via Paris (CDG).

Previously operated by **Korean Air (Korean Airlines-KAL)**, an MD-82 is leased from GECAS for four years as of July 15.

The company's first A321-231 arrives at Palma de Mallorca from Seattle on September 29. In a special October 4 ceremony, the new jetliner is christened *Camilo Jose Cela* in honor of the Spanish Nobel Prize-winning author; it enters revenue service two days later on a scheduled flight to Madrid. The same day, Director General Carlos Bravo departs his position to spend more time with his family; his replacement is not immediately named.

The practice of naming the new A320s for famous living Spaniards continues on October 26 when the second delivered A321-231 is christened *Placido Domingo*, after the famous opera tenor.

In November, **Lufthansa Cargo Airlines, A.G.** takes over the management of all Spanair cargo activities, including its three international freight flights. Two more A320-231s are delivered, one each on November 17 and December 6.

The **Air 2000, Ltd.** B-757-2Y0ER is returned on December 26. Siemens, S.A. director Carlos Banon Blasco will be named director general early in the new year.

Customer bookings during these 12 months accelerate 19.6% to 7.15 million, but cargo traffic falls 9.2% to 34.18 million FTKs.

SPANISH AIR TAXIS. See SPANTAX S.A. TRANSPORTES AEREOS

SPANTAX S.A. TRANSPORTES AEREOS: Spain (1959–1988). **Spanish Air Taxis** is formed at Madrid on October 6, 1959. Founders **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** pilot Roldolfo ("Captain Rudi") Bay (80% owner) and flight attendant Marta Estades (20%) become chairman/managing director and vice president, respectively. Charter and air taxi flights are provided with a fleet of British-made piston-engine aircraft, including 1 AVRO Anson, 2 Airspeed Consuls, 2 Austers, and 1 Oxford.

In April 1960, SAT is granted permission to offer passenger charters on behalf of the oil industry, employing larger aircraft. Two Douglas DC-3s are acquired and charter services begin on December 20 from Las Palmas in support of fuel resource development activities in the Spanish Sahara.

Between 1961–1962, the trade name SPANTAX is chosen and, during the latter year, the company is granted authority to operate long-haul inclusive tour services, beginning with flights to Mauritania. A trio of four-engine DC-4s is brought in and vacationers are transported from various European cities, especially those in the U.K., to the resorts in Spain's Canary and Balearic Islands.

DC-6s and DC-7Cs join the fleet in 1963–1964 and additional African and South American destinations are added. During these years, the company also provides technical assistance for the establishment of **Air Mauritanie (1) (Societe Nationale Air Mauritanie, S.A.)**. There are losses, however.

A chartered DC-3 with 4 crew and 28 passengers crashes near Tenerife on December 7, 1965; there are no survivors.

A DC-3 with 27 aboard ditches in the Atlantic on a Palma–Canary Island flight on September 16, 1966; all aboard are saved except one passenger, who refuses to leave his possessions on the sinking Douglas.

The first jetliner, a Convair CV-990A, is acquired from **American Airlines** on February 19, 1967. It enters service on April 1 between Madrid and Palma de Majorca. The addition of jet equipment forces Managing Director Bey to depart **Iberia Spanish Airlines (2) (Lineas**

Aereas de Espana, S.A.) permanently in order to concentrate full-time on the fortunes of his growing concern.

In 1968–1971, the fleet grows to include 5 of these Coronados (4 from AA and 1 from **Modern Air Transport**), 5 DC-7Cs, 2 DC-6s, 7 DC-3s, and 4 Fokker F.27s. During the former year, a swing-tail DC-6B is acquired from **Sabena Belgian World Airlines, S.A.** SPANTAX is now the first charter company to offer nonstop service from Scandinavia to the Canary Islands.

One CV-990A is chartered to **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** during 1969–1970. Passenger enplanements reach the one-million mark by the latter year, but not without additional tragedy.

On December 3, 1968, a CV-990A with 155 aboard explodes and bursts into flames shortly after takeoff for Munich from Los Rodeos Airport at Santa Cruz de Tenerife in the Canary Islands; there are no survivors in Spain's worst civil aviation disaster to date.

A CV-990A with three crew and seven passengers fails its takeoff from Stockholm's Arlanda Airport on January 5, 1970, for a ferry flight to Zurich, strikes trees, and crashes 1,800 m. from its point of lift-off (five dead).

Transatlantic DC-7C charters are inaugurated in 1972. Unhappily, losses also continue. A DC-3 with six crew crashes at Madrid's Barajas Airport while on a September 30 training flight (one dead).

In poor visibility, a CV-990A with 7 crew and 148 passengers fails its initial climb away from Tenerife on a December 3 flight to Munich and crashes; there are no survivors.

With the placement into service of eight additional former **Swissair, A.G.** and **American Airlines** CV-990As in 1973–1977, SPANTAX becomes the largest operator of this Convair type in the world. During a strike of French air traffic controllers on March 5 of the former year, an **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** DC-9-32 and a SPANTAX CV-990 collide in midair near Nantes. The Coronado makes an emergency landing at a military airfield near Cognac, but the DC-9-32 explodes and crashes, killing all 68 aboard.

The piston-engine fleet is retired during these years, except for a single DC-6. It joins one each newly purchased de Havilland Canada DHC-6 Twin Otter and DHC-7 in operating local service flights in the Balearic and Canary Islands. The older propeller aircraft are replaced by a DC-8-61, two DC-8-61CFs and a DC-9-14. Transatlantic charters are turned over to the DC-8-61s, which also introduce long-haul inclusive-tour flights to Japan and Thailand. Orders are simultaneously placed for Douglas DC-10-30s.

The first wide-body DC-10-30 is placed in service over the North Atlantic on October 24, 1978. In 1979–1982, extensive charter and inclusive-tour services continue, however, an accident on September 13 of the latter year costs the carrier the Douglas wide-body, and with more competitive European operators moving in, much of its reputation as a reliable airline as well.

As the result of a late, aborted takeoff from Malaga for a service to New York, the DC-10-30CF with 13 crew and 381 passengers overruns the runway, crosses a highway, and slams into a railroad embankment, causing a fire to erupt. The aircraft is consumed by the flames and 50 people die.

The 834-employee company operates a fleet in 1983 comprising 3 DC-8-61s, 11 CV-990s, 3 DC-9-14s, and 2 DC-9-32s, 1 of which, under charter from GPA, serves for just 3 months.

On the year, a total of 1,194,413 passengers are flown and revenues of \$87.1 million are earned.

Orderly retirement of the DC-9-14s and Coronados begins in 1984 as the fleet begins rationalization with a DC-10-10 and two B-737-200s. The latter arrive wearing a new color scheme, the first livery change in company history.

All of the DC-9s and all but one CV-990 are replaced in 1985 as a DC-10-10, a third B-737-200, and a fourth DC-8-61 join the fleet. Enplanements total 1,086,175.

The employee population in 1986 stands at 748 and the fleet includes 1 DC-10-10, 4 DC-8-61s, 3 B-737-200s, and 1 CV-990. SPANTAX,

meanwhile, continues on after a series of financial reversals and a political scandal involving the assignment by Managing Director Bey of plumb positions to his relatives and friends. Following a failed effort to attract new capital, Bey loses control of his airline to the government and retires. He will die on October 1, 2000, at the age of 89.

Passenger boardings jump 28.3% to 1,514,888 and freight increases 62.4% to 6.37 million FTKs.

Airline employment is increased by 9% in 1987 to 815. The final CV-990A service is operated in March, after which the Coronado, which had long formed the backbone of the fleet, is retired. The CV-990As, which gave former Managing Director Bey his title "King of the Coronados," had become, in light of rising fuel bills and the company's red-inked ledgers, too expensive to operate.

During the spring, the Luxembourg-based Aviation Finance Group provides new equity and management and begins to offer McDonnell Douglas MD-83s with which to replace the older equipment. The Spanish government agrees to defer payment of nine billion pesetas. Still, SPANTAX encounters significant additional financial difficulty during the year's second half.

Through August, the last reporting date, customer bookings are off by 11.3% to 942,181 and cargo plunges downward 75% to 1.38 million FTKs.

In early 1988, a Kuwaiti investment concern expresses interest in providing cash aid; however, the move is blocked by the Spanish government. Unable to continue, Spantax shuts down and files for bankruptcy at the end of March, citing debts in excess of \$80 million, and leaving travel agents to accommodate over 20,000 travelers already booked.

SPARTAN AIR LINES, LTD.: United Kingdom (1933–1935). With J. de C. Ballardie, H. H. Balfour, W. D. L. Roberts, and L. A. Strange as board members, Spartan Air Lines, Ltd., owned by the investment firm Whitehall Securities, Ltd., is registered on February 2, 1933 and is equipped with a fleet of 3 Spartan Cruisers. Chief Pilot P. Lynch-Blosse begins flying summer weekend proving flights on April 12 from London (Heston) to the Isle of Wight. A month later, on May 12, after additional pilots have been hired, the operation becomes twice daily, ending on October 2.

In association with the new **Railway Air Services, Ltd. (RAA)**, London (Croydon)–Isle of Wight services are resumed on May 1, 1934 with a new Spartan Cruiser II christened *Faithful City*. Cooperation with the railway enterprise is designed to counter operations in the same area by **Portsmouth, Southsea and Isle of Wight Aviation, Ltd.** Another competitive move is equalization of fares with PS&IOW on June 26. The Isle of Wight–London service is rerouted on October 1.

A total of 6,800 passengers are carried on the year.

The London airport terminus is switched on April 14, 1935 from Croydon to Heston. Thrice-daily London (Heston)–Sandown summer services are initiated on June 1. On September 30, the airline is one of three Whitehall Securities-controlled carriers merged to form Allied British Airways, which will become **British Airways, Ltd. (1)** on October 29.

SPECIAL CARGO AIR LINES (SPETSIALNIE GRUZOVIE AVIALINII): Proizvodstvennaya Str 6, Moscow, 119619, Russia; Phone 7 (095) 435-5983; Fax 7 (095) 435-8037; Code C7; Year Founded 1993. SCAS is established at Moscow in 1993 to fly ad hoc all-cargo charters to destinations in the CIS, Africa, and Europe. Igor M. Lebedev is general director and he begins revenue services with 1 Antonov An-26 and 2 Mil Mi-8 helicopters.

Operations continue in 1994–1997, during which years the fleet is increased by 1 An-26, 5 An-12s, 4 An-2s, 3 Mi-8/17s, and 3 Kamov Ka-26s.

The Russian currency crisis of 1998–1999 has a severe impact upon the company's cargo business, forcing a fixed-wing fleet reduction to just 1 each An-12, An-26, and An-26B. Emphasis is now placed on helicopter support services.

SPECIALIZED TRANSPORT INTERNATIONAL: 1383 General Aviation Drive, Melbourne, Florida 32933, United States; Phone (407) 235-0209; Fax (407) 235-0039; Year Founded 1992. Marc Otramare establishes STI at Melbourne, Florida, in 1992 to operate FAR Part 135 all-cargo services to destinations in South Florida and the Caribbean. Revenue flights commence with three CASA C-212 Aviocars and by 2000, the workforce includes seven full-time and two part-time staff.

SPECTRUM AIRLINES: United States (1988–1990). Spectrum Airlines is established at New Bedford, Massachusetts, in 1988 to offer scheduled passenger and cargo services to Hyannis, Nantucket, and Martha's Vineyard. Daily Piper PA-31-310 Navajo roundtrips are inaugurated and are maintained until recession forces the company into bankruptcy in 1990.

SPERNAK AIRWAYS: 1707 Merrill Field Dr., Anchorage, Alaska 99510, United States; Phone 907 272-9475; Fax 907 272-0993; Year Founded 1955. One of the longest-surviving nonscheduled operators in the Alaska, Spernak is established at Anchorage in 1955 to offer charter and flight-seeing flights to local and bush destinations. In 2000, owner Mike Spernak employs 6 full-time and 2 part-time pilots to operate his fleet of 4 Cessna 207A Skywagons and 1 each C-172 Skyhawk and C-182 Skylane.

SPETSIALZIROV AIR: 55 Soviet Army Street, Magnitogorsk, 455037, Russia; Year Founded 1996. SA is set up in 1995 to offer domestic and regional passenger charters. Revenue flights begin, and continue, with 2 Antonov An-24, 3 An-2s, 1 An-26, and 1 Ilyushin Il-18.

SPIRIT AIR (PTY.), LTD.: Australia (1989–1990). A subsidiary of Charter Cruise (Pty.), Ltd., Spirit Air is started in 1989 to offer third-level flights in Queensland during the domestic airline pilots' strike. Operations are undertaken with a Fokker F.27 leased from **East-West Airlines (Pty.), Ltd.** Recession and a return to normalcy by the larger carriers forces this operator out of business in late 1990.

SPIRIT AIRLINES: 2800 Executive Way, Miramar, Florida 33025, United States; Phone (954) 447-7965; Fax (954) 447-7979; http://www.spiritair.com; Code NK; Year Founded 1992. Following the collapse of **Midway Airlines (1)**, Charter One, which is unable to find reliable jet carriers for its charters to Atlantic City, is reformed in May 1992 and is transferred to Detroit Metropolitan Airport (DTT) where it is renamed Spirit Airlines. Founder and principal owner Edward "Ned" Homfeld remains chairman/president/CEO. He oversees the launch of domestic, nonscheduled, FAR Part 121 flights on June 1 with 120 employees and 1 owned Douglas DC-9-31, plus 3 leased DC-9-32s. The purchased aircraft, which has been acquired "for a song" at a time when the second-hand aircraft market is depressed, allows for the retirement of the Convairs.

A total of 149,000 passengers are flown to Philadelphia, Atlantic City, and Boston and revenues of \$6.3 million are generated. Although start-up expenses cause an operating loss of \$2.2 million, a net profit of \$846,202 is earned.

Airline employment totals 170 in 1993. In August, DC-9-30 service begins from Detroit (DTT) and Atlantic City to four Florida cities: Fort Lauderdale, Fort Myers, Orlando, and Tampa.

Passenger boardings skyrocket 91.3% to 285,000. Start-up costs continue to hurt and losses are taken: \$3.48 million (operating) and \$50,000 (net).

The workforce is increased by 72.7% in 1994 to 323. Two chartered DC-9-31s join the fleet in January, allowing the company to initiate a major expansion of service on February 4. On this day, new flights commence to Fort Myers, Orlando, Tampa, West Palm Beach, and Fort Lauderdale and the first international routes are opened from Detroit to Nassau and Freeport in the Bahamas.

A third leased DC-9-31 arrives at Christmastime.

Customer bookings increase 54.4% to 440,000 and revenues jump 122.7% to \$35.1 million. Expenses leap up only 73.1% to \$33.3 million, allowing an operating gain of \$1.8 million and a net profit of \$1.76 million.

Airline employment grows by 36.8% in 1995 to 439. During late spring, flights are also started from Detroit (DET). At the same time, a large hangar at Detroit Metropolitan Airport is purchased from **Delta Air Lines**. The low-cost charter company begins negotiations aimed at a buyout by Cincinnati-based **Comair**, a "Delta Connection" airline.

The Michigan-based charter company enplanes a total of 626,314 passengers and achieves operating income of \$56.1 million. Costs are \$51.73 million and profits are recorded: \$4.36 million (operating) and \$2.71 million (net). The latter figures are later rewritten to read \$4.46 million and \$2.68 million, respectively.

The workforce is increased another 2.5% in 1996 to 450. The owned fleet includes 2 DC-9-32s and 1 DC-9-21; in addition, 3 DC-9-32s and 4 DC-9-31s are operated under charter.

On April 1, a \$20-million arrangement is concluded with **Comair**; under terms of the arrangement, the Cincinnati-based airline will operate its nonunionized prize as its seventh subsidiary. The acquisition must be approved by the Justice and Transportation Departments before it can take effect. Four chartered DC-9-40s scheduled for delivery in June will be taken by Comair and subleased back to Spirit.

Company growth slows following the May 11 crash of the **Valujet Airlines** DC-9 in Florida. Passengers, scared of discount carriers, shy away. Chairman Homfeld and his publicity staff send customers several hundred thousand postcards explaining what the airline does to ensure the safety of its aircraft.

The talks with **Comair** are terminated in June before the DC-9s are delivered. It is later suggested that the Cincinnati-based regional was concerned that it not be saddled with a fiscally dead company.

Spirit continues flying during the remainder of the crisis year, making roundtrip flights from Detroit, Boston, and Cleveland to Atlantic City, Tampa, Orlando, Fort Lauderdale, Fort Myers, and Tampa. It also takes advantage of an opportunity geared to the golf market by introducing service to Myrtle Beach from Detroit (DTT).

During the fourth quarter, the airline undertakes its first advertising campaign. The \$2-million push, handled by Birmingham, Michigan-based Victor Associates, will explain Spirit's low-fare, leisure-travel for a year on television and radio, in magazines, and handouts.

Passenger boardings accelerate 10.6% to 750,000 and operating income shoots up 17% to \$62.74 million. Costs are up 34.7% to \$66.16 million, leaving a \$3.42-million operating loss. A net \$4.81 million loss is suffered.

The leased fleet in 1997 includes 3 DC-9-31s and 4 DC-9-32s. Service is inaugurated at the end of May from Detroit to Bermuda via Atlantic City.

Some \$5 million in debt, **Sun Jet International Airlines**, the Largo, Florida-based discount air carrier, grounds its planes on June 18, lays off most of its 145 employees, and prepares to file for Chapter XI protection the following Monday. Its passengers are switched to flights by Spirit, including those operated as Myrtle Beach Jet Express.

On June 19, Spirit begins flying Sun Jet routes from Newark to Fort Lauderdale, St. Petersburg, and Orlando and to Myrtle Beach from Detroit, Cleveland, and Chicago. Sun Jet will emerge from Chapter XI early the following year.

On October 2, nonstop daily service is inaugurated between New York (JFK) and Myrtle Beach. Toward the end of the year, one DC-9-32 is dedicated to Atlantic City charters while another is leased to the U.S. Marshal Service, which employs it to return illegal aliens from Oklahoma City to Mexico.

Customer bookings increase 45.7% to 1,093,000. Operating revenues jump 29% to \$80.96 million, while expenses rise 19.5% to \$79.14 million. The previous year's operating loss becomes a \$1.81-million gain, while an \$895,000 net profit is celebrated.

Flights are added on February 12, 1998, from Newark to Chicago (MDW), Cleveland, and Myrtle Beach; two days later, Newark to Orlando nonstops commence, five times a week.

While taxiing to the gate after landing at Tampa on July 19 following a service from Detroit, a DC-9-32 with 6 crew and 164 passengers brakes suddenly; one flight attendant is seriously injured.

To assist it in its growth pattern into the South, the company in mid-August adds a McDonnell Douglas MD-82 to its DC-9 fleet.

Opportunity for additional income presents itself late in the month as negotiations between **Northwest Airlines** and its pilots lurch toward a strike. Consequently, the two DC-9-31s leased out at the end of the previous year are recalled. The *Detroit Free Press* reports on August 26 that calls to the airline's reservation desk have skyrocketed to 14,000 to 15,000 daily as travelers seek an alternative to Northwest, the Detroit hub's major carrier.

Beginning on August 29, the day of the Northwest strike, Spirit, employing the two DC-9-31s and the MD-82 flown by management crews, adds additional frequencies from Newark to Fort Lauderdale, Fort Myers, and Tampa. It also expands its Orlando service to daily.

These services are maintained following the end of the job action and help the company to achieve the best performance in the airline's history.

During the fall, Spirit begins to offer tickets directly through the various major reservations systems.

Enplanements for the year balloon 79.1% to 1,420,976 and the overall load factor of 76.4% is the highest in the U.S. airline industry. Revenues for the 450-employee concern surge 61% to \$130.56 million, while expenses are up 55% to \$122.86 million. Operating gain climbs to \$7.69 million, while the net profit increases to \$6.63 million.

Spirit begins daily nonstop roundtrips on February 5, 1999, from New York (LGA) and Islip, Long Island, to Fort Lauderdale.

Low-cost golf packages are introduced for the winter season on February 8. One is operated from New York (LGA) to Myrtle Beach while the second is operated to Orlando, Tampa/Sarasota, West Palm Beach, Fort Lauderdale, or Fort Myers/Naples from either Atlantic City or Detroit.

It is reported on February 9, that Spirit will purchase two gates at Detroit (DTT) in July; the gates will initially comprise temporary facilities at the smaller terminal not employed by **Northwest Airlines**.

A second daily roundtrip service is introduced on February 26 from New York (LGA) to Myrtle Beach.

Daily roundtrips commence on March 4 between Newark and Orlando as the carrier introduces an MD-87 first flown by **Midway Airlines** (1). Also during the first quarter, **Sun Jet International Airlines** resumes operations under its new name, **Southeast Airlines** (6).

Under an arrangement with officials in Florida, the company, in April, begins to move its administrative and computerized reservations functions to Miramar, near Fort Lauderdale. The existing reservations center and maintenance facility will, however, be maintained for two years as new facilities are constructed.

Also in April, arrangements are completed with GE Capital Aviation Services for the purchase of four MD-82s that the lessor has recently acquired from **China Eastern Airlines Company, Ltd.** Plans are made to retire four DC-9-32s.

On June 1, daily late-night roundtrip flights are inaugurated between Detroit and Los Angeles (LAX). The service is designed primarily to increase aircraft utilization of paid-up planes.

The move into the company's new 56,000-sq.-ft., state-of-the-art Miramar headquarters building is completed in November.

Customer bookings increase 67% to 2,372,000, while 212,000 FTKs are also operated. Revenues surge 73.9% to \$227.09 million, while expenses skyrocket 88.9% to \$232.14 million. The previous year's profits are turned into losses: \$5.04 million (operating) and \$9.97 million (net).

Airline employment at the beginning of 2000 stands at 1,884, a giant 57.5% increase over the previous 12 months. To celebrate the 10th anniversary of what is now the largest privately owned airline in the U.S., an MD-83 is painted in a bright yellow-red-lavender-green carnival-style color scheme.

Screaming that they are practicing "black magic," 20-year-old Californian Tareq Kakish assaults the flight crew of Flight 714, an MD-80 en route from Los Angeles to Detroit (DTT) on February 25. The aircraft diverts to Denver where the subdued young man is turned over to police and charged with unlawful interference.

Spirit files a suit in federal court at Detroit on March 29 charging that **Northwest Airlines** forced it to abandon its new flights from Detroit (DTT) to Philadelphia and Boston shortly after their initiation by matching the routes fares and adding more flights. It also alleges that the Minneapolis-based major prevented it from acquiring gates at Detroit (DTT).

Daily roundtrip MD-80 service is inaugurated from Newark to Tampa on May 9. Twice-weekly MD-80 return charters are inaugurated on May 29 from Austin to Las Vegas.

A third daily return service is offered from Orlando to Atlantic City on June 15, the same day a new MD-80 roundtrip is launched from Orlando to Newark.

On June 29, it is announced that the carrier will boost frequencies out of New York (LGA) on September 5, adding two new daily roundtrips to Fort Lauderdale and Orlando and one daily return service to Detroit (DTT), Fort Myers, Myrtle Beach, Tampa, and West Palm Beach.

On July 12, a deal is struck to charter a pair of former **Sun Air (Pty.), Ltd.** MD-81s from **Safair (Pty.), Ltd.** for delivery before Christmas. Two days later, two MD-83s chartered from **Aero Lloyd Flugreisen, GmbH. & Co.** are returned.

Following a rousing Democratic National Convention, a DC-9-31 is rolled out on August 29 wearing "Gore/Leiberman 2000" titles. The aircraft will be employed by Vice President Al Gore and Sen. Joseph Lieberman for the fall presidential campaign. The Republican Party is employing a **Miami Air International** aircraft.

Frequencies from New York (LGA) to Florida are doubled on September 5 with the addition of new daily roundtrips to Fort Myers, Tampa, and West Palm Beach and twice-daily return flights to Orlando. The official 10th birthday is celebrated company-wide the next day.

New daily roundtrips commence on October 5 from Chicago (ORD) to Fort Myers, Fort Lauderdale, and Orlando. Twice-daily DC-9 return service is inaugurated on October 26 from Washington, D.C. (DCA) to Fort Lauderdale and Melbourne.

On November 4, the company's flight attendants vote to be represented by the Association of Flight Attendants.

Flight 600, an MD-80 en route from Fort Lauderdale to New York (LGA) on November 18, is forced to return to its point of origin just after takeoff due to a bomb threat called in to the airport. Just after takeoff from Washington, D.C. (DCA) for Fort Lauderdale on November 24, Flight 139, a fully loaded DC-9-31, suffers severe nosegear vibration. The plane returns to its point of origin and makes a safe landing, with no injuries reported. Unhappily, the brakes of the Douglas freeze up on the runway; it will require maintenance personnel in excess of three hours to physically remove the brakes before the plane can be towed away.

On November 28, the airline announces that it will launch daily non-stop MD-87 roundtrips on February 8 between Newark and Melbourne.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights. On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. Spirit receives 12 of the new positions.

A second daily roundtrip is added to the schedule between Fort Myers and Chicago (ORD) on December 17. On December 22, a third daily return flight is started between Detroit and Fort Myers.

Citing weather delays and pilot scheduling, Spirit, on December 30, dramatically cuts its scheduled flights from Detroit (DTT). Several hundred travelers are stranded and it will be several days into 2001 before it can accommodate ticket holders on other flights. At the same time, 10 arrivals and departures must be cancelled from New York (LGA) and 5 each from Newark. Some passengers are stranded for up to three days.

Overall passenger boardings during these 12 months increase 29.5% to 3,221,000 while cargo traffic skyrockets by 115.86% to 457,000 FTKs.

SPIRIT AVIATION: 16233 Van Owen St., Hangar 1, Van Nuys, California 91406, United States; Phone (818) 989-9642; Fax (818) 785-9585; Year Founded 1983. A fleet management concern, Spirit is established at Van Nuys in 1983 to oversee business fleets and to provide executive and small group passenger charters throughout the U.S., Canada, and Mexico. The company prospers and over the next 14 years, also establishes a base at Santa Ana, California.

In 2000, Roxanne Sunken manages charter flight sales and observes the work of 10 pilots as they operate a large fleet of bizjets. At Van Nuys, these include 2 each IAI-1124 Westwind Is, Learjet 60s, Learjet 25Bs, 4 Beech Super King Air 200s, and 1 each King Air 90, Cessna 425 Conquest, and C-441 Conquest II. Simultaneously, a Learjet 35A Century III and Super King Air 200 are operated from John Wayne-Orange County Airport.

SPIRIT HELICOPTERS: United States (1982-1984). Spirit is established in the summer of 1982 to attempt to make scheduled helicopter services in the San Francisco Bay area a success. Employing 3 Bell 206B JetRangers, the company inaugurates high-frequency revenue flights in September linking Oakland, the China Basin Heliport in downtown San Francisco, and San Francisco.

Operating costs in a recession conspire to finish yet another scheduled rotary-wing airline, as the company goes out of business in 1984.

SPIRIT LAKES AIRWAYS, LTD. See **GREAT LAKES AIRLINES, LTD.**

SPIRIT OF AMERICA AIRLINES: United States (1985-1990). Spirit of America is established in the spring of 1985 to provide coast-to-coast, prime time, all-cargo airlift on behalf of Indianapolis-based **CF Air Freight**. Operations commence in June with 2 Douglas DC-8-73s wearing red titles on snow-white fuselages that fly from Los Angeles and San Francisco to New York (JFK) with a side day trip to San Juan, Puerto Rico.

The assets of defunct **Cam Air International** are acquired in early 1986, including CAI's entire freighter fleet of 7 Lockheed L-188AFs.

Two years later in 1987, the company is upgraded to offer both passenger and cargo charter services with a fleet of 17 Boeing 727-100Fs, 7 Lockheed L-188AFs, and 1 B-737-300. While the freighters continue to fly under contract to **CF Air Freight**, the latter aircraft is employed as transport for the Reno, Nevada, tour operator Casino Express.

In November, a B-727-100F begins five-times-weekly roundtrip flights between Columbus, Ohio, and San Juan on behalf of Profit Freight System. Another Electra freighter is acquired during the fourth quarter, an L-188PF purchased from **Markair**.

A total of 9,450 Casino Express passengers are flown by Christmas.

In 1988, the 700-employee carrier increases its fleet to 52 aircraft: 8 L-188AFs, 19 B-727-100Fs, 1 Falcon 20, and 24 Piper PA-31-310 Navajos. The Casino Express contract ends.

Passenger boardings climb to 36,000 and revenues total \$1.19 million. The operating profit is \$363,725.

The fleet is reduced in 1989 and now includes 10 B-727-100s (6 Dash-21Fs and 4 Dash-22Cs) leased from and operated for **Emery Worldwide**, plus 1 each leased B-727-25F and B-727-44F. The Falcon 20 and 2 L-188AFs are withdrawn. Unable to weather recession and difficulties in the air freight business, Spirit of America ceases operations in 1990.

SPOKANE AIRWAYS: **Spokane International Airport, Spokane, Washington 99219, United States; Phone (509) 747-2017; Fax (509) 838-2387; Year Founded 1970.** Established at Spokane in 1970 as an FBO and charter operation, Spokane Airways provides executive and small group passenger charters, air taxi, light cargo, medevac, and other services without interruption over the next 30 years.

In 2000, Operations Director Rick Lewis oversees the work of 5 full-time pilots, who fly 3 Cessna 172 Skyhawks, 2 Cessna 206 Stationaires, 1 Cessna 210T Centurian, 1 Cessna 340, 1 Beech 55 Baron, and 1 Piper PA-34-200T Seneca II.

SPORT HAWK INTERNATIONAL AIRLINES, LTD. *See SKY-SERVICE, LTD.*

SPORTS AIR TRAVEL: United States (1995–1998). Daniel McFee sets up Sports Air Travel at Troutdale, Oregon, in 1995 to operate FAR Part 135 all-cargo charters throughout the Northwest. Revenue flights commence with a fleet of 19 Cessna 402Cs and 2 C-310s.

Flights continue in 1996 and in July 1997 the concern is purchased by Burbank, California-based **Ameriflight**. Amalgamation is completed by the beginning of 1998.

SPORTSFLIGHT AIRWAYS: 156 Depot Rd., Huntingdon Station, New York 11746, New York; Phone 516 549-4965; Fax 516 271 1149; Year Founded 1994. SportsFlight is established at Tucson in 1994 to offer charter and inclusive-tour flights. Danny S. Wright is named president and revenue operations commence in April with a single leased Boeing 727-2J7A. The first professional sports franchise to sign up with the carrier is the New York Yankees baseball team.

Enplanements for the year total 20,000 and revenues are \$202,000. Expenses, however, are \$357,000 and cause losses: \$155,000 (operating) and \$154,000 (net).

Two more chartered jetliners are placed into service in 1995, a B-727-2M7A and B-727-224A. During the spring, the latter is leased by the presidential campaign of U.S. Senator Robert Dole. Passenger boardings skyrocket to 241,000. In early April 1996, the company is renamed **Pacific International Airlines**. Customer bookings for the first four months are up 83.1% to 119,000.

Unable to maintain the economic viability of his expanded **Pacific International Airline**, Danny S. Wright, in November 1997, elects to close that operation and to resume operations as the smaller Sportsflight Airways. Employing the PIA Boeing 737-233A based at Newark International Airport, the reborn airline flies winter one-plane charters to Mexico, Colorado, and the Caribbean. Sports team charters are operated in the summer.

These niche services continue in 1998–1999, during which years a hush-kitted DC-9-15 is acquired. Airline employment at the beginning of 2000 totals 16, including 6 flight crew and 4 cabin attendants.

SPRINGDALE AIR SERVICE: P.O. Box 811, Springdale, Arkansas 72764, United States; Phone (501) 751-4462; Fax (501) 751-2646; Year Founded 1986. SAS is set up by Randy Shirley at Springdale, Arkansas, during the early summer of 1986 to provide daily passenger and cargo services over the routes abandoned by **Skyways** and **Air Midwest** following their 1985 merger.

Employing Cessna 402s and Beech 18s, the carrier inaugurates these roundtrip flights in July.

A decade later, SAS is largely providing freight flights on behalf of larger carriers. Its fleet now includes 3 Beech 18s, 2 Cessna 402s, and 1 C-310.

Flights continue in 1997–1998. During the latter year, enplanements of 2,560 are recorded. Passenger boardings fall by 25.3% in 1999 to 2,000.

SRI LANKA AIRWAYS, LTD.: Sri Lanka (1978–1979). Formed to replace the domestic division of **Air Ceylon, Ltd.**, Sri Lanka Airways, Ltd. is established at Ratmalana Airport in January 1978. Ownership is

divided between the government (51%) and private interests. Two Hawker Siddeley HS 748s comprise the initial fleet and scheduled operations are begun on April 1 linking Colombo, Jaffna, and Trincomalee with Tirucharappalli, Madras, and Male, Maldives Islands.

On January 10, 1979, this new entrant is merged with **Sri Lanka International Airways, Ltd.** to form **Air Lanka, Ltd.**

SRI LANKA INTERNATIONAL AIRWAYS, LTD.: Sri Lanka (1978–1979). Formed to replace the international division of **Air Ceylon, Ltd.**, Sri Lanka International Airways, Ltd. is established at Colombo in January 1978. Ownership is divided between the government (51%) and private interests. A single Hawker Siddeley Trident 1E makes up the initial fleet. Revenue operations over previous routes to Cairo, Rome, Zurich, Paris, and London are resumed on April 1.

On January 10, 1979, this new entrant is merged with **Sri Lanka Airways, Ltd.** to form **Air Lanka, Ltd.**

SRI LANKAN AIRLINES, LTD.: 37 York Street, Colombo 1, Sri Lanka; Phone 94 (1) 735 555; Fax 94 (1) 735 122; <http://www.airlanka.com>; Code UL; Year Founded 1999. Following its 1998 sale of a 40% stake to **Emirates Airlines, Ltd.**, **Air Lanka, Ltd.** is renamed on July 13, 1999. Simultaneously, the first of two leased Airbus Industrie A340-312s is received, wearing the company's new flying peacock logo. CEO Peter Hill, in marking the day, indicates that nine A330-243s remain on order for delivery between October and late 2000.

Plans are also announced for the inauguration of new services to Beirut in October and to Sydney and Stockholm in November.

In an effort to cut its 4,000-man workforce, the company, on August 16, offers a voluntary retirement program with generous severance to those willing to accept it.

At the end of October, **Emirates Airlines, Ltd.** adds its first service to Scandinavia when it code-shares on the Dubai to Stockholm segment of a new thrice-weekly service from Colombo to Stockholm offered by Sri Lankan Airlines.

Thrice-weekly A340-311 roundtrips are introduced on November 12 from London (LHR) to Sydney via Colombo. The flight, one of the fastest to and from Australia, requires 21 hrs. flight time, plus 90 min. on the ground. The third A330-243 delivered since October 26 is accepted on December 10.

Overall enplanements total 1,422,000, while 179.18 million FTKs are operated. The workforce totals 4,688 at the beginning of 2000. The first of three A330-243s to arrive this year is delivered on January 12.

On February 22, permission is received for the initiation of five additional return frequencies to India.

It is announced on April 10 that the company will inaugurate twice-weekly service to Dhaka in July and thrice-weekly flights to Berlin in November. During the spring and summer, the company's three A340-311s and single A340-312 are all upgraded to the same standard as the new A330-243s, the last of which is delivered on June 15.

On July 1, two weekly roundtrips are added on the route from Colombo to London via Dubai and Milan. An A330-243 is placed on the twice-weekly return service from Colombo to New Delhi, while A320-231 flights from Colombo to Bombay are increased from two to three every week. Frequencies are also boosted to Tiruchirappalli.

It is reported in early July that **Emirates Airlines, Ltd.** will increase its stake in Sri Lankan from 26% to 40% by the end of the year.

It is revealed at the end of August that two L-1011-500s have been sold to **Air Transat, Ltd.** One has been delivered and the other arrives in Canada during September. The work of the company's "Delay Committee," which has been meeting for six months to find ways to improve punctuality, begins to pay off in September as the company boosts its on-time figure to 78%, up 10 points from the same period a year earlier. Including its existence under several names, the carrier's twenty-first birthday is celebrated on September 21.

A code-sharing agreement is signed with **Swissair, A.G.** on October 24. On October 29, weekly A340-312 return service is initiated from

Colombo to Berlin (Schoenfeld Airport) via Dubai. Punctuality rises to 81% during October, up from 70% in October 1999. At the same time, weekly roundtrip frequencies from Colombo to Sydney grow to 5 and to the U.K. to 14.

Under terms of their new alliance, **Swissair, A.G.** starts selling tickets on the Sri Lankan line's twice-weekly A340-312 roundtrips between Colombo and Zurich beginning on December 1. "New Look" business class A340-312 return service is introduced between Colombo and Sydney on December 17.

On December 18, twice-weekly A340-312 return flights are started from Colombo to Jakarta via Singapore.

STA (SOCIEDAD DE TRANSPORTES AEREOS, S.A.): Argentina (1934–1937). Dr. Miguel Figueroa Roman forms STA at the northern Argentine city of Tucuman in the summer of 1934 to restart a service formerly flown sporadically—at the end in 1931 with government assistance—by the Aero Club of Tucuman. The Aero Club had flown between Tafi del Valle–Valles del Oeste–Valles Calchaquies in 1925–1928.

Using the club's Fairchild 71, Roman begins a three-year service on September 5 from Tucuman to Tafi del Valle and Santa Maria. In 1936, the government loans the operation a Ryan Brougham. Unable to continue for lack of traffic, the commitment is ended in 1937.

STAB (SOCIETE DE TRANSPORTS AERIENS DU BURUNDI, S.A.): Burundi (1970–1975). Organized at Bujumbura in October 1970, STAB initiates scheduled passenger and cargo services to Kalemie, Zaire, and Kigoma, Tanzania with a pair of Douglas DC-3s, beginning in April 1971. These flights are maintained until June 1975 when the carrier is reorganized and renamed **Air Burundi, S.A.**

STABO AIR CHARTERS, LTD.: Astonia House, P.O. Box 32152, Kabelenge Road, Lusaka, Zambia; Phone 260 (1) 235976; Fax 260 (1) 233481; <http://www.africa-insites.com/zambia/stabo.htm>; Year Founded 1997. Stabo is established at Lusaka in 1997 to offer executive and small group passenger charters throughout the country and region. Much of the service will operate on behalf of the country's main lodges and safari companies in the transport of Western tourists.

Revenue flights begin and continue with a mixed fleet that includes 1 each Cessna 206, C-210, C-401, Beech 58 Baron, Beech King Air 90, Beech 1900, Piper PA-31-350 Navajo Chieftain, Let 410UVP, and Canadair CL-600 Challenger bizjet.

STAF CARGO AIRLINES (SERVICIOS DE TRANSPORTES AEREOS FUENGINOS, S.A.): Carlos Pelegrini 1063-1B, Buenos Aires, 1699, Argentina; Phone 54 11 4328-2598; Fax 54 11 4327-2164; <http://www.staf-airlines.com>; Code FS; Year Founded 1985. Privately owned STAF is established at Rio de Janeiro on September 11, 1985 to offer international and regional all-cargo charters and contract service flights, primarily to southern Argentina. Operations commence with 1 each Douglas DC-8-53F, DC-8-54F, and Lockheed L-188CF Electra.

The carrier is unable to maintain viability and by 1990 its fleet has been reduced to just the Electra, which is leased to **Air Bridge Carriers, Ltd.** in the U.K. A second L-188CF is briefly owned in 1991, but it, too, is chartered to the British operator.

The original Electra is retained by **Air Bridge Carriers, Ltd.** in 1992, even as that freighter changes its name to **Hunting Air Cargo, Ltd.** With nothing to fly and no business since the beginning of the decade, STAF suspends operations in early 1993.

The company is subsequently revitalized and its main base is situated at Miami (MIA). By 1996, the company is wet-leasing sufficient Douglas DC-10F and Boeing 747F capacity to provide seven weekly roundtrip flights from Florida to Buenos Aires via Santiago de Chile. Although 75% of the cargo shipments made are general in nature, the company also specializes in the transport north of polo horses from Argentina and perishable goods from Chile. A total of 17 million tons of freight are transported.

Ad hoc passenger charters from the U.S. to South America and back commence in 1997; however, the principal service between Miami and South America remains cargo.

It is reported on January 4, 1998, that the Canadian carrier **Royal Airlines, Ltd.** has joined with a local Chilean investor to establish the new charter operator **Chileinter, S.A.** The new company leases one of Royal's L-1011-100s, with a second scheduled to join the new entrant at Santiago within three months.

During April, **Chileinter, S.A.** begins to operate TriStar passenger charters to Caribbean destinations on behalf of STAF.

On April 29, effective in mid-May, STAF wet-leases a McDonnell Douglas MD-11CF from **World Airways** for a three-year period. Painted in STAF colors, the jet freighter will be placed on the Argentine line's services to the U.S.

When **Chileinter, S.A.** stands down during late summer, arrangements are made in November to lease its Lockheed L-1011 TriStar 1. The wide-body is employed to operate passenger charters from Buenos Aires to Varadero, Cuba, St. Martin, Punta Cana, and Porlamar, Venezuela.

Chileinter, S.A. is purchased outright by STAF Airlines on September 20.

Flights continue during the remainder of the year and in 1999.

STAIR. See **SOCIETE DE TRANSPORTS AERIENS INTERNATIONAUX ET REGIONAUX, S.A.**

STANDARD AIR CARGO. See **STANDARD AIRWAYS (1)**

STANDARD AIR LINES (1): United States (1926–1934). On February 3, 1926, Jack Frye, president and new owner of the Los Angeles-based flying school Aero Corporation of California and the first man to land an aircraft on Catalina Island, establishes his company's air transport division under the name Standard Airlines. At age 23, the new CEO is the nation's youngest airline head. Frye, who will later win fame with **Transcontinental and Western Air Lines (TWA)**, next acquires two Fokker Model 8 Universals and a nondescript single-engine Fokker F-VIIa christened *The Texan*.

Employing *The Texan*, Frye and his associates, Walter Hamilton and Paul Richter Jr., the latter fresh from aerial work on the motion picture *Hell's Angels* produced and directed by a young Howard Hughes, inaugurate scheduled service from Los Angeles to Tucson via Phoenix, on November 28, 1927. On those flights where ladies are passengers, a stop is made at Desert Center, California, where a gas station offers women's restroom facilities. Standard is incorporated under the laws of Nevada on May 1, 1928, at which point its fleet comprises upwards of 5 Fokker F-10As and 4 Model 8 Super Universals.

On February 4, 1929, President Frye announces the inauguration of the nation's first transcontinental air-rail service. It will take six months to carry out the claim. That day, the company's Fokkers extend the Tucson route to El Paso via Douglas. There, passengers can deplane and board the Texas & Pacific Railroad for Sweetwater. The old F-VIIa *The Texan* is lost in a crash at Beaumont, California, on March 29 (four dead). Three new Fokker F-10As are received in July and one is christened *The Texan* in honor of the earlier aircraft.

On August 4, Standard aircraft begin picking up T & P passengers at Sweetwater and flying them on to Oklahoma City, where they transfer to Ford 5-ATs of **Southwest Air Fast Express (SAFE)** for completion of their journey to St. Louis. There they again deplane and connect with the air-rail service of **Transcontinental Air Transport (TAT)** and the New York Central Railroad. Begun as the first transcontinental air-rail service, Frye's effort, when finished, is actually the third behind **Transcontinental Air Transport (TAT)** and **Universal Aviation Corporation**. When weather and other conditions are right, intrepid passengers can make the California to New York trip in 43 hrs. 40 min.

A year of operating the Los Angeles–El Paso route is celebrated on February 4, 1930; 97% of all flights scheduled have been completed

over what company public relations refers to as "The Fair Weather Route." The enterprising Standard becomes a tempting takeover target in the expansion plans of larger rivals and on May 1 it is purchased by Harris "Pop" Hanshew's **Western Air Express (W.A.E.)**.

Although Hanshew allows Frye and Richter to continue operations as a separate division, circumstances prevent W.A.E. from moving further east at this point and in October the subsidiary's route is sold to **American Airways**. Standard exists on paper until July 27, 1934, when it is formally dissolved.

STANDARD AIR LINES (2): United States (1945–1949). Stan Weiss and Charles Sherman found **Fireball Air Express** at Long Beach, California, in November 1945. Employing Douglas C-47s, the company inaugurates revenue services in early 1946, flying to New York via Kansas City and Chicago. In 1947, the name is changed to Standard Air Lines and a CAB certificate (as a Large Irregular Carrier) is sought and obtained.

Governor Thomas E. Dewey's August 2, 1948 flight from La Guardia Airport to Idlewild Airport spurs a dispute between the nonscheduled Standard and those scheduled carriers serving New York. Four days later, the company's transcontinental flights are ordered suspended by the CAB after the company admits in hearings to its near-regular operations and violations of rate rules. SAL continues operations apace.

In the first such move, the CAB, on June 21, 1949, upholds the Justice Department action against SAL for allegedly continuing to run unauthorized near-regular transcontinental operations. Countering, the airline cites confusion over the government's use of the term of "contract carrier" to describe its operations.

En route from Los Angeles to New York on July 13, a C-46E with 4 crew and 44 passengers crashes into Mount Chatsworth 30 mi. W of Los Angeles, reportedly as the result of a fight between two passengers; there are no survivors. The CAB will later determine that the scuffle was of no significance in the disaster; the pilot had been flying too low.

When the airline is ordered out of business on July 20, it complies and disbands.

STANDARD AIRWAYS (1): United States (1946–1969). Standard Airways is formed in Seattle in 1946 and for the next 18 years offers charter passenger and all-cargo services throughout the Northwest. The fleet is upgraded from its original Douglas DC-3s to DC-7s and, later, to DC-9-15s. In 1961, a **Trans-Canada Airlines, Ltd.** L-1049E is purchased. A second former Canadian L-1049 is purchased on August 3, 1962 while a former **Trans World Airlines (TWA)** L-1049A is leased from California Airmotive later in the year.

As the result of an in-flight propeller failure, a Lockheed L-1049E Super Constellation with 70 aboard crashes while attempting an emergency landing at Manhattan, Kansas, on May 28, 1963; fortunately, only one passenger is seriously injured. Due to heavy losses, operations cease on January 31, 1964.

The carrier's assets are purchased by Frank B. Lynott in early 1966. In April, Standard is one of 10 supplementals to win permanent certification. Two ex-**Qantas Empire Airways (Pty.), Ltd.** Boeing 707-138Bs are acquired and join a DC-7 and two DC-9-15s when Standard resumes operations on July 17. The CAB grants route authority for Canada and Mexico on December 15.

Revenues are \$1,836,294. Start-up costs cause losses: \$254,662 (operating) and \$319,371 (net).

Following the delivery of the two ex-Australian aircraft on April 1, the fleet remains unchanged in 1967 and by year's end, the employee population numbers 175. One of the new Boeings is wet leased to **Canadian Pacific Air Lines, Ltd. (CPAL)** on October 15.

A total of 173,108 passengers are carried during the first full year. Despite revenues of \$10,844,733, the operating loss is also higher at \$1,709,440. The net loss is \$1,767,035.

A third B-707-138B is obtained from the Australian flag line in 1968, allowing replacement of the Boeing wet-leased to the Canadians, which,

as the *Empress of Sydney*, had been lost in a Vancouver landing accident on February 7.

Revenues accelerate by 9.7% to \$11,894,909, but losses also grow, both operating (\$2,275,316) and net (\$4,135,559).

Early in 1969, two Convair CV-440s are delivered, succeeding the withdrawn DC-7. Domestic and international flights continue until the carrier suspends operations for fiscal reasons on July 31. Unable to restart, Standard shuts its doors permanently on September 24.

STANDARD AIRWAYS (2): United States (1966–1967). The second Standard Airways is set up at Pontiac, Michigan, in the early summer of 1966 to provide scheduled passenger and cargo services to destinations in Michigan and Ohio. Employing 1 each Beech 18 and Piper PA-31-310 Navajo, Standard inaugurates daily roundtrips on July 25 linking Detroit with Cleveland's Lakefront Airport via Pontiac and Port Huron. The service can only be maintained for a year.

STAR (SOCIETE DE TRANSPORT AERIEN DU RWANDA, S.A.): Rwanda (1964–1994). Organized by A. Milligan at Kigali in 1964, STAR undertakes local and regional passenger and cargo charter and contract service flights.

Services are maintained over the next two decades with a fleet that comprises 1 Piper PA-31-310 Navajo, 2 Britten-Norman BN-2 Islanders, and several Aero Commander 500s. A Boeing 707-328C is placed into service in the mid-to-late 1980s.

Operations are suspended during the 1992–1994 civil war.

STAR AIR, A.S.: Copenhagen Airport South, Dragoer, DK-2791, Denmark; Phone 45 3231 4343; Fax 45 3231 4390; <http://www.maersk-air.com/html/com/html>; Code SRR; Year Founded 1987. Star is organized at Copenhagen Airport South in 1987 as a wholly owned subsidiary of the AP Moller Group, owners of **Maersk Air, A.S.** Scheduled and charter operations are undertaken for both passengers and cargo on a regional basis. Additionally, several routes are started on behalf of various air courier companies. President Povi Arnold Jurgensen's initial fleet comprises 3 Fokker F.27-600s.

Operations continue apace in 1988–1990 and a fourth F.27-600 is acquired in 1991. Late in 1992, President Jurgensen negotiates a new long-term contract with **UPS (United Parcel Service)** to operate intra-European all-cargo flights. Based at the UPS European distribution center at Cologne, the carrier leases one each Boeing 727-22QC (RE) and B-727-31QC(RE) from UPS and places them on the Danish aircraft register. Flying under Danish regulations but in UPS colors, Star initiates primarily night frequencies to several European locations.

Airline employment stands at 65 in 1993 and 2 F.27-600s are withdrawn.

The workforce is cut to 50 in 1994 as an F-27-500 is leased from **Jersey European Airways, Ltd.** Services are increased in 1995, employment grows to 80, and Bjame Hansen is named president.

In 1996, the fleet contains 3 each B-727-22Cs and B-727-31Cs plus 1 B-727-180C; all are flown on behalf of **UPS (United Parcel Service)**.

Flights are maintained in 1997–2000, during which years the carrier regularly visits Athens, East Midlands, Edinburgh, Lyon, Nuremberg, Oporto, Turin, Toulouse, and Treviso.

STAR AIR LINES. See **ALASKA AIRLINES**

STAR AIR SERVICE. See **ALASKA AIRLINES**

STAR AIRLINES, S.A.: Immeuble Horizon, 10 Allée Bienvenue, Noisy-le-Grand, 93885, France; Phone 33 (1) 48 15 90 00; Fax 33 (1) 48 15 90 10; Code ZR; Year Founded 1997. Majority shareholding in **Star Europe (Societe de Transports Aerien Regional, S.A.)** is purchased toward the end of 1996 by the Canadian-based Look Voyages travel concern, part of the Transat Group and **Air Transat, Ltd.** Travelers booked on the carrier's two leased Boeing 737-497s continue their

winter holiday vacations without interruption. Orders are placed for five Airbus Industrie A320-214s, the first of which is delivered on December 19.

In early 1997, majority shareholding is purchased by the French Look Voyages division. At this point, the airline is renamed. The second A320-214 is delivered on February 27. Wearing the company's colorful white, black, and green livery, the carrier's third A320-214 is delivered on November 28. It enters service from Paris (CDG) in early December. A fourth A320-214 is handed over on December 10.

Flights continue in 1998. Once **Air Charter International, S.A.** is finally submerged within **Air France**, a capacity gap develops in the French leisure market. As a result, the company, in late spring, seeks to acquire an L-1011 to operate into the market during the forthcoming winter season.

In mid-December, an L-1011-500 is chartered from the Canadian associate **Air Transat, Ltd.**

When the TriStar enters service in January 1999, Star becomes only the second French airline to operate the long-range Lockheed. The last of five A320-214s is delivered on April 1.

Early in 2000, consideration is given to the acquisition of an A321.

STAR AIRWAYS: United States (1977–1980). Lee Hollingsworth, founder and owner of the Denver-based Star Aviation, establishes an airline division of his FBO in 1977 to undertake replacement and Essential Air Service (EAS) flights to Gillette and Rawlins. Scheduled Beech Baron, Swearingen Merlin IV, and Piper PA-31-310 Navajo passenger and cargo flights are maintained until 1980.

STAR AIRWAYS (STAR HAVA YOLLARI, A.O.): Germiyan Sokak, No. 6, Daire 4, Halkiye Hatun Villasi, Florya, Istanbul, Turkey; Phone 90 (212) 663-9120; Fax 90 (212) 663-9123; Code Z3; Year Founded 1995. Chairman Ismet Kotak establishes Star Airways at Istanbul in July 1995 to offer international, regional, and domestic all-cargo services, both scheduled and charter. Bahman Daneshmand is appointed general manager and he recruits a workforce of 28 and acquires 1 Boeing 727-225F. Meanwhile, commercial arrangements are entered into with **UPS (United Parcel Service)**, **Federal Express**, **Air 2000, Ltd.**, **Continental Airlines**, and **Virgin Atlantic Airways, Ltd.** Revenue flights commence in December.

In November, Star purchases the financially distressed, one-plane British start-up passenger carrier **World Airlines, Ltd.** from music entrepreneur Nick Stolberg. A spokesman for World suggests that the grounded airline will soon return to service. Apparently executives at both airlines are unaware that an airline owned by a non-European company cannot be based in the U.K.

Cargo flights continue in 1997–2000, during which years the company's single aircraft regularly visits points in Europe, the Mideast, the CIS, the Far East, and South Africa.

STAR ALLIANCE. See **AIR CANADA, LTD.**; **AIR NEW ZEALAND, LTD.**; **ALL NIPPON AIRWAYS COMPANY, LTD.** (ANA); **ANSETT AUSTRALIA (PTY.), LTD.**; **AUSTRALIAN AIR GROUP, LTD.**; **AUSTRIAN AIRLINES, A.G.**; **BRITISH MIDLAND AIRWAYS, LTD.**; **CANADIAN AIRLINES, LTD.**; **DEUTSCHE LUFTHANSA, A.G.**; **LAUDA AIR, GmbH**; **MEXICANA AIRLINES, S.A. de C.V.**; **SAS (SCANDINAVIAN AIRLINES SYSTEM)**; **THAI AIRWAYS INTERNATIONAL, LTD.**; **TYROLEAN AIRWAYS (TYROLEAN AIRWAYS LUTFAHRGSELSCHAFT, GmbH)**; **UNITED AIRLINES**; **VARIG BRAZILIAN AIRLINES (VIACAO AEREA RIO-GRANDENSE, S.A.)**

STAR ASIA AIRWAYS: Philippines (1994–1996). Star Asia is established at Subic Bay in the spring of 1994 to offer interisland scheduled services. Revenue flights commence in May with a single de Havilland Canada DHC-7-102. Plans are made later in the year to offer frequencies to destinations in Southeast Asia and orders are placed for a pair of

Boeing 737-200s. One is received under charter from GPA (Guinness Peat Aviation, Ltd.).

Star's plans to begin jetliner service collapse during the first quarter of 1995 and the company returns it Boeing to its Irish lessor at the end of March. A second DHC-7-102 is taken in its place and domestic flights are operated until the carrier shuts its doors in the summer of 1996.

STAR EUROPE (SOCIETE DE TRANSPORTS AERIEN REGIONAL, S.A.): France (1995–1997). Star Europe is established at Paris (ORY) on August 3, 1995 to offer European charter services. Cedric Pastour is chairman/CEO and he recruits a workforce of 152. A single Boeing 737-33A is leased and nonscheduled flights to Lille, Lyons, and Nantes commence on December 22.

The inaugural aircraft is returned during the second quarter of 1996 as two chartered, former **Aloha Airlines** B-737-497s become available. Orders are placed for two Airbus Industrie A320-214s. The carrier is purchased at the end of the year by the Canadian-based Look Voyages travel concern, part of the Transat Group and **Air Transat, Ltd.**

In early 1997, Look Voyages requires that the company be renamed **Star Airlines, S.A.**

STARLINE, B.V.: Hoeksteen 115, Hoofddorp, 2132MX, The Netherlands; Phone 31 (20) 653 0003; Fax 31 (20) 653 0335; Code AHD1; Year Founded 1993. With ownership divided between **Air Holland Charter, N.V.** (52%) and **El Al Israel Airlines, Ltd.** (48%), Starline is set up on August 13, 1993, to provide international passenger charters. R. Franken is managing director and he begins revenue flights with aircraft leased from the majority owner.

STARLITE EXPRESS: United States (1988–1991). After **Metro Express II** is merged into **Metro Airlines** in August 1987, this new subsidiary is created as its successor in January 1988. Outfitted with six Shorts 330 freighters, the all-cargo operator inaugurates scheduled freight services for **Federal Express Airlines**.

Initial routes flown are from Rochester, New York, to Newark and from Charleston, South Carolina, to Louisville. Additional northeastern routes are later added, some on behalf of **UPS (United Parcel Service)**. The subsidiary releases neither traffic nor financial data.

Operations continue apace in 1989–1990. Although the cargo operation is not included when parent Metro files for Chapter XI bankruptcy in the spring of 1991, its assets are sold in an effort to raise funds.

STARRETT AIRWAYS, LTD. See **CANADIAN PACIFIC AIR LINES (CPAL)**

STARSPPEED, LTD.: 11 Little Bookham St., Bookham, Surrey, England, KT23 3AA, United Kingdom; Phone 1372-457904; Fax 1372-459068; Year Founded 1984. Starspeed is established at Bookham in 1984 to provide passenger charters.

By 2000, CEO John Dickin oversees a 4-person workforce and the operations of 1 each **Aerospatiale** AS-350B, AS-355, **Bell** 206B Jet-Ranger, and **Bell** 222.

STARWAYS, LTD.: United Kingdom (1948–1964). This charter operation is formed in early December 1948 as a means of rapid transport for show business personnel and is registered as an airline company on December 7. Initially capitalized at £2,000, the first base is at Blackpool Airport.

A Percival Q.6 is purchased in January 1949 and employed to initiate revenue flights. On May 6, the aircraft is lost in crash at Broomhall, Pwllheli, and the company is transferred to Liverpool (Speke) Airport where an Avro Anson is acquired and christened *Stardust*.

In March 1950, two additional Ansons, *Starlight* and *Starflight*, are purchased and are employed to offer pleasure flights from Liverpool as well as a summer charter service to London (Northolt). A freight service to Belfast is launched in October and on October 17, a DC-3 becomes

available. The Douglas transport is employed to make long range flights to Pakistan and Holland.

Produce and passenger charters are flown by the DC-3 in **1951**; destinations visited include Belfast, Amsterdam, Tarbes, Palermo, Marseilles, and Brussels. In February, the Avro 19 *Starlight* is sold. The Ansons provide nonscheduled services from Liverpool to Jersey via London (LGW). In May, a de Havilland DH 89 Dragon Rapide is acquired. F. W. Wilson, owner of Cathedral Touring Agency, becomes chairman and now schedules a series of inclusive-tours.

DC-3 charters to Greece, Istanbul, and La Baule, France, are flown in early **1952**. In January, the Avro 19 *Starflight* is sold and in February, the Anson *Stardust* is removed. During March and May, six ex-RAF Dakotas are purchased and converted to DC-3 civil standard. During the summer, inclusive-tours are undertaken to Jersey and Tarbes. A total of 4,800 passengers are enplaned on the year.

An initial scheduled route is offered in **1953**, Liverpool–Isle of Man. Inclusive-tour destinations include Bilbao and Tarbes. Two ex-RAF DC-3s are sold along with the Dragon Rapide, while another DC-3 is delivered. Passenger bookings reach 6,030.

Cathedral Touring Agency purchases the carrier in **1954** and the new inclusive-tour destinations of Nice and Glasgow are added. An Avro Anson and a DC-3 are sold. In March **1955**, a DC-3 scheduled service is initiated from Liverpool–London (Northolt). Meanwhile, San Sebastian via Biarritz is added to the inclusive-tour network and a DC-3 is sold.

A DC-3 with three crew is lost at Largos on March 28, **1956**, while on a ferry flight (one dead).

Glasgow–Jersey inclusive-tour flights commence in May while the destinations of previous years are flown during the summer. A DC-3 is added in October and it then participates in the airlift of Hungarian refugees Austria–U.K. in November, transporting some 300 in 9 roundtrips.

Inclusive-tours continue unchanged in **1957** and a DC-4 is delivered in September.

Refurbished and in new livery, the DC-4 enters service in January **1958**, its first flight being delivery of football fans Liverpool–Southend. In February, a DC-3 is sold and another DC-4 is placed in operation. New scheduled routes are flown Liverpool (Speke)–London (LHR) and from Glasgow (Renfrew)–Jersey. New inclusive-tour destinations include Barcelona, Basel, Bergen, and Santander; earlier destinations are also flown.

Liverpool–St. Mawgan via Exeter DC-4 scheduled service is inaugurated on June 13, **1959**. New inclusive-tour destinations include Luxembourg, Perpignan, and Pisa. On behalf of **Trans-Arabian Airlines, Ltd.**, a DC-4 flies pilgrims to Mecca on October 16.

Another DC-4 joins the fleet in March **1960**. Scheduled DC-3 flights are, beginning on June 12, initiated from Birmingham, Glasgow, Manchester, and Newcastle to Exeter and St. Mawgan and from Liverpool–Ostend. Scheduled Liverpool–Glasgow flights commence on October 12. Weekly Manchester–Prestwick all-cargo flights start on November 20.

In February **1961**, a Vickers Viscount 708 is acquired from **Air France**. Another DC-4 is purchased in March and one is leased for six months from Trans World Leasing. New inclusive-tour destinations added to those already served include Munich, Oporto, Malaga, Rome, Dinard, and Bordeaux. When the Viscount enters service in May, two DC-4s are leased to **Sabena Belgian World Airlines, S.A.** On September 17, one of the DC-4s leased to the Belgians is destroyed on the ground at Kamina Airport in the Congo by Katangan fighter aircraft. Two days later, a company Skymaster with 4 crew and 69 passengers and first flown by **Pacific Southwest Airlines** in California, is destroyed as the result of a hard landing at Collinstown Airport, Dublin; there are no fatalities.

Daily Liverpool (Speke)–London (LHR) via Hawarden scheduled service begins on April 2, **1962**. Blackpool is added as a stop on the Liverpool–Glasgow route on May 19. Liverpool–Cork thrice-weekly scheduled flights are initiated on June 1 and direct Edinburgh–Exeter

service starts the next day. In November, an ex-**Tradair, Ltd.** Viscount 707 is purchased.

A DC-4 is delivered in January **1963** and inclusive tours are flown as before with the addition of Nantes as a new destination. On November 19, the carrier is sold to **British Eagle International Airlines, Ltd.** and ceases operations on December 31. Enplanements for the final year total 153,209.

STARWELT AIRWAYS (PTY.), LTD.: 3 Willow St., Kempton Pak 1620, P.O. Box 783465, Johannesburg, 2146, South Africa; Phone 27 (11) 975-6452; Fax 27 (11) 975 1863; <http://www.azfreight.com/starwelt>; Code 2N; Year Founded 1989. Originally established in Burundi in **1989** by Capt. Joseph R. B. Krama, Starwelt inaugurates services with a single Boeing 707-320C, flying cargo around the world, particularly in Africa.

In the early **1990s**, company headquarters are transferred to Johannesburg. As the years progress, the fleet is expanded to include not only the original Stratofreighter, but 1 each Airbus Industrie A300B4-203F, Canadair CL-44, Ilyushin Il-76, and Douglas DC-3.

In **1999–2000**, the company continues to operate contracts, taking all manner of freight to remote areas, such as mining sites and construction zones. Emergency relief flights are also made on behalf of government agencies or international organizations.

STATE AIRLINES: United States (1978–1984). Established at Fort Lauderdale in **1978**, State Airlines undertakes scheduled commuter services linking its base with Key West, Miami, and Sarasota plus the Bahamian destinations of Bimini, Chub Cay, Great Harbour Cay, Marsh Harbour, and Treasure Cay. The fleet employed includes de Havilland DH 114 Herons, Cessna 402s, and Piper PA-34 Senecas.

Early in the **1980s**, a number of services are undertaken in conjunction with **Southeast Airlines** under the joint marketing title **State Southeast Airlines**. In **1984**, State, like **Southeast Airlines**, ceases operations.

STATE SOUTHEAST AIRLINES. See **SOUTHEAST AIRLINES (3); STATE AIRLINES**

STATELINE COMMUTER SERVICE: United States (1974–1975). SCS is set up at Leewood, Kansas, in **1974** to provide daily scheduled passenger and cargo flights to destinations within the Kansas City metropolitan area. Piper PA-32 Cherokee Six and Aero Commander 500B roundtrips duly commence, but cannot be maintained beyond **1975**.

STATESWEST AIRLINES: United States (1985–1993). StatesWest is founded by Paul Jones at Phoenix in the summer of **1985** to offer scheduled passenger flights from various communities to the gambling and resort community of Bullhead City, Arizona. The airline is incorporated in Delaware on September 26.

Revenue flights commence on October 1, **1986** with three Shorts 360s. In November, the Newport Beach, California-based small regional **Golden State Airlines** is acquired in exchange for 10,000 shares of Stateswest common stock.

A total of 9,876 passengers are flown during the fourth quarter and a \$1.4-million net loss is suffered.

In **1987**, President Jones and his officers float a \$6.6-million public stock offering. The money is employed to order a pair of British Aerospace BAe Jetstream 31s, which arrive in July and August. The carrier now serves Laughlin, Los Angeles, San Diego, and Bakersfield.

In November, daily nonstop frequencies are introduced from Los Angeles (LAX) to Laughlin, Nevada, and, at year's end, Keith Houk becomes president.

Passenger boardings explode to 73,751 and revenues reach \$3.86 million. Unfortunately, expenses exceed this income and losses are again taken: \$6.06 million (operating) and \$5.97 million (net).

The workforce is reduced by 14.1% in **1988** to 110. Early in the year, the small regional becomes a code-sharing affiliate of **Braniff, Inc.** and

its repainted turboprops inaugurate services to Prescott and Fort Huachuca. Orders are placed for six Beech 1900s and in October, twice-weekday roundtrips commence from Tucson to Scottsdale.

Customer bookings increase by 44.7% to 106,685. Revenues climb by 19.7% to \$5.8 million, expenses decline by 18.9%, but still total \$8.83 million, and the operating loss is cut to \$3.04 million. The net loss also improves to \$3.51 million.

One each Shorts 360 and Jetstream 31 are acquired in 1989. Operations continue to 16 California, Colorado, and Arizona destinations, with special attention paid to the gambling town of Bullhead City in the latter state. In June, 20,000 shares of common stock (7.25% interest) is taken in the rival regional **Mesa Airlines**. During the summer, company officials attempt to propel this shareholding into a total takeover of Mesa, but the acquisition bid is successfully spurned.

On August 1, nonstop roundtrips are inaugurated between Scottsdale and Tucson, bringing the number of daily departures from the former point to seven. Plans are now made, with San Francisco-based Pacific Gate Corporation, to begin a joint-venture regional airline in Thailand.

Passenger boardings decline by 2.5% to 104,057 and revenues fall by 5.1% to \$5.6 million. Expenses, however, shoot up 24.3% to \$7.5 million and leave the company with a \$1.91-million operating loss. The net loss is also cut, to \$2.71 million.

Airline employment is increased by 104% in 1990 to 255 as it is announced on April 5 that the carrier will become the ninth "USAir Express" partner of **USAir** and the first based on the U.S. West Coast; James Lane is named president. Unable to commit the time or resources required, the airline, in May, drops its plan to create a joint venture regional airline in Thailand. In June, daily flights begin from Los Angeles to Bakersfield and Santa Barbara, along with thrice-daily flights from San Diego to Santa Barbara.

On June 15, a 1-for-6 split of outstanding common stock is offered and the company's non-Beech fleet is withdrawn as \$130 million in orders are placed for 10 additional Beech 1900s, 4 de Havilland Canada DHC-8-100s, as well as an ATC flight simulator.

Two of the Beeches arrive at the first of July and join the six already in hand to inaugurate "USAir Express" services on July 15 over the carrier's old routes. Two additional Beech 1900s arrive at year's end.

Customer bookings accelerate 47.3% to 161,847 and revenues balloon 51.4% to \$8.47 million. Costs, led by acquisition of FAR 121 certification and the USAir contract, jump 48.5% to \$11.13 million. The operating loss worsens to \$2.65 million and the net loss deepens to \$3.95 million.

Company employment is cut 49.8% in 1991 to 128 as Rudy Miller becomes chairman/president. He upgrades his flight equipment by adding four additional Beech 1900s, four Beech 1300s, and the four de Havilland Canada DHC-8-100s. A fourth daily "USAir Express" service is introduced in October from Los Angeles (LAX) to Ontario, California. Passenger boardings skyrocket 97.5% to 348,689 and revenues balloon 137.7% to \$20.15 million. Expenses rise 127.8% to \$25.37 million and guarantee an operating loss of \$5.22 million. Net loss is cut slightly, down to \$3.45 million.

The Dash 8s are retired in 1992 along with two Beech 1300s. Significant bad luck is encountered in the form of problems with the Pratt and Whitney Canada PT6A-65B engines of its Beech 1900Cs, losses in the California market, and a strike by USAir maintenance workers that directly costs the commuter \$300,000 in lost revenues.

Customer bookings climb 7% to 339,888 and revenues ascend 16.3% to \$23.4 million. Still, expenses are higher and lead to an operating loss of \$1.7 million and net loss of \$3.7 million.

Never having earned a profit since start-up, the carrier is forced to enter Chapter XI bankruptcy in December. The filing shows the airline with assets of \$42.8 million, \$270,000 in available cash, and \$45.7 million in liabilities. **USAir**, at \$688,000 the regional's largest creditor, informs the company that it will terminate its "USAir Express" affiliation within 180 days.

In 1993, Chairman/President Rudy R. Miller oversees a workforce of 350 and operates a fleet of 11 Beech 1900s and 2 Beech 1300s. As the

bankrupt Arizona-based airline struggles to hold its "USAir Express" affiliation, it receives word that it has been awarded a 1-year, \$1.8-million U.S. General Services Administration contract covering air and rail passenger service to 8 California cities. In March, the bankruptcy court approves a restructuring of the aircraft-financing arrangement the company holds with Beech Acceptance Corp.

Destinations visited from the Phoenix base now include Bakersfield, Burbank, Fresno, Lake Havasu, Laughlin/Bullhead City, Los Angeles, Monterey, Orange County, Sacramento, San Diego, San Francisco, Santa Barbara, Stockton, and Tucson.

During the summer, negotiations are held, unsuccessfully, with **Northwest Airlines** and **Continental Airlines** as StatesWest seeks a new code-sharing partnership to replace the **USAir** affiliation that will end on January 15 next. The company is unable to attract one of these two majors, or to hang on financially; it ceases operations at midnight on October 8.

Prior to its failure, a total of 149,962 passengers are boarded, a 55.8% decline on the year.

STATEWIDE AIRLINES. *See* TRANS EAST AIRLINES

STELA (STELA AO): 217/6 Ulitsa Balkalskaya, Irkutsk, 664075, Russia; Phone 7 (3952) 295 393; Fax 7 (3952) 336 530; Code NND; Year Founded 1994. Stela is set up at Irkutsk in 1994 to provide ad hoc air transport for hunting holidays scheduled in the Lake Baikal region by an associated tour company. Co-general directors A. A. Stephanov and Boris Berkovsky initiate revenue flights with 2 Antonov An-26s and 6 An-32Bs.

Flights continue during the remainder of the decade, during which time Mr. Berkovsky is named chairman and Mr. Stephanov, president. The Russian currency crisis of 1998-1999 has a significant impact on company operations. As a result, the fleet is gradually reduced to 5, then 3, the just 1 An-32Bs.

In 2000, the Antonov operates internal charters, many of these being hunting holiday flights made on behalf of an associated travel concern that arranges hunting expeditions in the Lake Baikal region.

STELLAIR TRANSPORTS AERIENS, S.A.: France (1982-1995). Stellair is established at Aeroport de Nantes Chateau-Bougon in April 1982 to operate passenger and freight charter flights. Revenue services commence with a single Douglas DC-3 plus single-engine lightplanes. Over the remainder of the decade, flights are undertaken to a variety of European destinations as well as stops in North Africa. Many of these are made as replacement services for **Air France** and **Air Inter**. A total of 72,000 passengers are flown in 1989.

In 1990, General Manager Christian Beugin's fleet comprises 1 de Havilland Canada DHC-6-200 Twin Otter, 2 Embraer EMB-110P1 Bandeirantes, and 2 Fairchild Hiller FH-227Js. At this point, the carrier begins to withhold its traffic statistics. Under its own banner, a scheduled route is opened to Strasbourg in August.

In 1991, a Fokker F.28-1000 is leased from **TAT (Transport Aeriens Transregional, S.A.)**. Revenues total \$6.2 million. Operations continue apace in 1992 and in 1993, airline employment stands at 26. The jetliner is replaced in 1994 and only one FH-227J is flown.

Flights cease in 1995.

STELLAR AIR FREIGHTER, A.S.: Norway (1970-1980). Einar von Zernichow forms Stellar at Oslo in May 1970 to operate passenger and cargo charter flights from Fornebu Airport to various destinations in Europe, North Africa, and the Mideast. Revenue services are started during the summer with a single Fairchild Hiller FH-227B and are maintained until the company stops flying in 1980.

STEPHENS AVIATION (PTY.), LTD.: Australia (1937-1941). Formed earlier as E. J. Stephens, this New Guinea bush operation is granted a contract in July 1937 for subsidized mail and passenger service

over two routes from Madang—to Upper Ramu and to Chimbu. Employing 2 de Havilland DH 50As, and 1 each DH 61, DH 66, and WACO 10T, flights commence on August 1.

The beginning of the war in the Pacific in December 1941 brings an end to the company.

STERKHA AIR COMPANY (STERKH AVIAKOMPANIYA): 3 Ulitsa Tikhonova, Yakutia, Mira, Republic of Sakha, 678180, Russia; Phone 7 (41136) 25662; Fax 7 (41136) 24445; Code STH; Year Founded 1993. Sterkha is a new independent founded at Mira in 1993 to provide all-cargo, ad hoc all-cargo charters to Europe. Leonid N. Filipovitch is director general and he inaugurates revenue flights with three Antonov An-32s.

Flights continue apace in 1994–2000, during which years an Ilyushin Il-76T is acquired. **Rich International Airlines** in the U.S. is, before its government shutdown, contracted to provide maintenance services.

STERLING AIR SERVICE: United States (1976–1980). SAS is set up at Sterling, Colorado, in 1976 to provide scheduled Cessna 206 passenger and cargo services to Denver. The FBO-owned airline division continues operations until the summer of 1980.

STERLING AIRWAYS, A.S.: Denmark (1962–1993). Danish clergyman Eilif Krogager, who had formed the travel agency Tjaereborg Rejser A.S. during the 1950s, founds this carrier in April 1962 to operate charter and inclusive-tour flights to the Mediterranean. Douglas DC-6B flights begin on July 7 from Copenhagen to Las Palmas.

A DC-6B with three crew on a ferry flight crashes on final approach to Copenhagen, Denmark, on April 13, 1963; there are no fatalities.

Two DC-6Bs are purchased from the American carrier **Northwest Airlines** on May 22 and June 20, followed by three more that arrive between February 14 and May 20, 1964.

The first jetliner, a Sud SE-210 Caravelle I, is placed in service in 1965.

Coming in to Goteborg in poor visibility on a December 23, 1967 service from Stockholm, Flight 821, a DC-6B with 6 crew and 49 passengers is destroyed as the result of a bad landing; there are no fatalities.

Additional French-made trijets now follow the 1965 unit into service, including 7 specially ordered Caravelle XIs, until 1970 when an order is placed for three Boeing 727-2J4s. On June 23 of that year, Caravelle XB3s launch inclusive-tour charters to North America, flying from Copenhagen to Omaha via Keflavik and Gander. Sterling is the first carrier to operate a twin-jet across the Atlantic with revenue passengers.

When **Falconair Charter, A.B.** goes into receivership on September 1, its Lockheed L-188C is sold to Sterling.

At the conclusion of the first decade in 1971, the fleet comprises 29 Caravelles, 2 Fokker F.27-500s, 1 Lockheed L-188C Electra, 7 DC-6Bs, 1 Cessna 402, and 1 Piper PA-28 Cherokee. A large network of vacation destinations are now visited in Europe, North Africa, and North America.

A subsidiary, **Sterling Sweden, A.B.** is established at Stockholm and begins holiday operations with the Lockheed Electra.

Enplanements reach the two million mark, standing at 2,047,522.

While on descent for Dubai Airport on March 14, 1972, Flight 296, an SE-210 Caravelle XBIII with 6 crew and 106 passengers crashes into a mountain near Al Fujayrah, 50 nm. from the runway; there are no survivors. The carrier's tenth anniversary celebration in April is consequently low key.

Passenger traffic rises 14.4% to 2,392,000 and airline employment reaches 1,241. The fleet now includes 29 Caravelles, 2 Fokker F.27-500s, 1 L-188C, 6 DC-6Bs, 1 DC-6BF, 1 Cessna 402B, and 1 Piper PA-28.

Orders remain outstanding for three B-727-200s with wide-body interiors.

An SE-210 Caravelle VIR is damaged beyond repair as the result of a bad landing at Stockholm on July 14, 1973; there are no fatalities. Also at Stockholm, the Sterling Sweden, A.B. subsidiary is closed down and the Electra is sold.

The three B-727-2J4s are delivered, beginning in November. In the wake of the world's first great oil crisis, enplanements for the year drop to 1,935,875.

The employee population is cut back to 920 in 1974 and 13 of the Caravelles have been disposed of since 1972. Another tragedy is recorded on March 15.

Asked to expedite taxiing to clear Tehran's Runway 29L because of traffic on final approach, an SE-210 Caravelle XB3 with 4 crew and 92 passengers backtracks and while initiating a left turn at the end of the runway, suffers the collapse of right main landing gear. In the process, the right wing tank ruptures, igniting escaping jet fuel that explodes (15 dead).

Passenger boardings this year increase 8.9% to 2,125,000 and cargo traffic rebounds by 69.1%.

The workforce in 1975 is 1,200. A Philippine charter subsidiary, **Sterling Philippine Airways, Inc.**, is established and given an SE-210 Caravelle XII with which to start Pacific operations.

The parent's passenger traffic dips 10% to 1,892,225. Conversely, cargo is up by 20%.

An Italian subsidiary, **Sterling, S.p.A.**, is formed in 1976 to fly Caravelle charter services in Italy and to the offshore Mediterranean islands.

In 1977–1978, additional tour packages are developed and the fleet is rationalized, with the Fokkers and Douglasses retired. During the latter year, Chairman Krogager and President Anders Helgstrand oversee a workforce of 1,354 and a fleet comprising 4 Boeing 727-2J4s, 7 Caravelle XIs, 6 Caravelle XBs. Traffic declines continue; in 1979, 1,234,500 travelers are carried.

The company employs 1,091 workers in 1980 and operates a fleet that includes 5 B-727-2J4As, 9 Caravelles, and 1 Beech King Air.

Passenger boardings skyrocket 17.7% to 1,536,000 while freight increases by 7.2% to 1.04 million FTKs.

Another B-727-2J4A is added to the fleet in 1981 as another SE-210 is retired. Passenger traffic remains level at 1,534,746.

The workforce is cut by 15.4% in 1982 to 1,100. Enplanements rise 1.4% to 1,555,746, but cargo falls off by 35.1% to 873,000 FTKs.

As the world financial situation worsens in 1983, enplanements drop to 1,348,160; 2 more Caravelles and 3 B-727-2J4s are sold.

The payroll is cut 2.3% in 1984 to 1,152 workers. Three Douglas DC-8-63s are acquired and join a fleet that also contains 3 B-727-2J4As and 6 SE-210s Caravelle XBs.

Passenger boardings leap 12% to 1,532,000. Freight does slightly better, growing 16.1% to 1.01 million FTKs. Revenues total \$117 million.

The workforce is increased 17.2% to 1,350 in 1985 and 1 DC-8-63 is deleted. Peter Vange is named president.

Bookings climb 4.3% to 1,598,000 and cargo jumps 150.1% to 1.4 million FTKs.

Only one new employee arrives in 1986, new Chairman Niels Herring.

A scheduled route is opened between Copenhagen and Luxembourg. On August 28, the company purchases four B-727-264As from **USAir**.

Passenger boardings surge upward by 10.2% to 4,759,765 while freight increases another 67% to 2.35 million FTKs. Revenues happily exceed costs and produce profits of \$21 million (operating) and \$7 million (net).

The payroll grows again in 1987, up by 5.9% to 1,354. New uniforms are provided to personnel and a new paint scheme is provided to the fleet's 10 B-727-2J4A/264As, 6 Caravelle XBs, and 2 Corvettes.

Customer bookings accelerate 14% to 2,005,926, but freight plunges 80% down to 460,000 FTKs. Revenues also dip, falling 1.1% to \$263 million. Expenses drop 6.5% to \$229 million and allow an operating income of \$19 million. Net profit climbs to \$28.5 million.

The employee population rises a further 2.1% in 1988 to 1,384. The independent is sold in April for \$118.4 million; shareholders include Reso Travel of Sweden (49%), Danish investors (49%), and Sterling employees (2%).

Passenger boardings fall 1.3% to 1,980,687 and freight dips 13.9% to 396,000 FTKs. On the other hand, revenues increase by 8.9% to \$243.4

million and operating income reaches \$21.6 million. Net gain declines, however, to \$6.8 million.

Company employment inches up 0.8% in **1989** to 1,381. Early in the year, orders are placed for two B-757-27Bs, with options for three more; the first one arrives in time to help the company open the summer season at the end of March. Simultaneously, the carrier's first scheduled route is started between Copenhagen and Luxembourg.

During the year, the company joins in creation of the Portuguese airline **Air Columbus, S.A.**, taking a 34% equity stake.

Customer bookings slide 3% to 1,921,341, but cargo mounts a 57.7% upward rally to 624.73 million FTKs.

The payroll is reduced by 6.6% in **1990** to 1,290 and the fleet comprises 10 Boeing 727-2J4A/264As, 2 B-757-27Bs leased from **Air Holland, N.V.**, and 5 Caravelle XBs, 1 of which is leased to **Air Toulouse International, S.A.**

Passenger boardings decline another 13% to 1,677,700.

Two Aerospatiale SN-601 Corvettes are added in **1991** and all but one Caravelle is retired. In January, the carrier enters into a contract with **Transavia Airlines, N.V.** under which the two charter operators pledge to cooperate on operational, commercial, and technical matters. The first of two B-757-2J4As to be delivered on the year arrives in early June wearing the company's new color scheme.

Arrangements are also made with **Transwede Airways, A.B.** and **Norway Airlines, A.S.** as enplanements plunge down to 882,990.

Airline employment totals 890 in **1992** as the last Caravelle is withdrawn from service following its final rotation on January 15 and with two others, is placed up for sale. The fleet now includes 2 owned and 2 leased B-727-2J4As, 2 each B-727-2B7As, B-727-2J4REs, and 2 B-757-2J4s, as well as 1 each B-727-2K3A and B-727-270A.

Passenger boardings rise 21.7% to 1,127,700.

Despite reductions in the number of aircraft and staff, the company is in deep financial difficulty in **1993**, due entirely to the world recession. Unable to weather the financial storm, the carrier ceases operations on September 22, declares bankruptcy, and is liquidated.

STERLING CARGO, A.S.: Denmark (1999-2000). Sterling Cargo is established as a subsidiary of **Sterling European Airlines, A.S.** at Copenhagen in the summer of **1999** to offer high-yield, low-cost all-cargo service to New York (JFK) from Scandinavia. Employing a Boeing 747-200F under an ACMI contract from **Atlas Air**, the carrier begins thrice-weekly operations in October transporting goods for Volvo, Erickson, and Nokia.

Unhappily, stiff competition for U.S. exports drives down eastbound rates and despite high traffic, Sterling is unable to recover the rising costs of its operation. A subsequent tariff increase drives away its customers. The company's North Atlantic venture is shut down on July 14, **2000**, less than 10 months after its start. Sterling is left with its original business of flying passenger charters and wet-lease B-727Fs freighter services, the latter largely on behalf of newly renamed **TNT Airways, B.V.**

STERLING EUROPEARLINES, A.S.: Copenhagen Airport South, Dragoer, DK-2791, Denmark; Phone 45 32 45 45 45; Fax 45 32 45 14 12; Code NB; Year Founded 1993. SEA is established by Lars Svenheim, Per Volstrup Petersen, Jan Lyneborg, and Keld Ditlev Pedersen at Copenhagen Airport South on December 14, **1993**. It is based on the remaining assets of failed **Sterling Airways, A.S.**, including 1 each Boeing 727-2B7A and B-727-270A. Keld Pedersen is appointed chairman, with Lars Svenheim as president and Per Petersen as chief operating officer.

In the early spring of **1994**, 24 employees are recruited and 1 each B-727-2K3A and B-727-2J4(RE)A are leased. Revenue flights to holiday destinations in the Mediterranean and ad hoc charters worldwide are begun by the four trimotors on May 1.

Airline employment stands at 250 in **1995**. The company begins to fly a B-727F for **TNT Worldwide Express** and enplanements of 3,022,000 are reported.

There is no change in the workforce or fleet at the beginning of **1996**. In January, 90% ownership is acquired by the two Norwegian companies, Ganger Rolf, A.S. and Bonheur, A.S., both of which are managed by Fred Olsen & Co. and are sold on the Oslo Stock Exchange. This is a very bad traffic year as customer bookings plunge 77.8% to just 670,000.

During the summer of **1997**, a B-727-2J4A is wet-leased to the Swedish tour carrier **Blue Scandinavia, A.B.** After Blue Scandinavia is purchased by **Britannica Airways, Ltd.** of the U.K., it will be returned early the following year. At the end of July, President Svenheim announces that three Next Generation B-737-8Q8s will be delivered under charter in mid-1998 from ILFC.

Passenger boardings drop 12.3% to 587,600.

Following the bankruptcy of the U.S. carrier **Western Pacific Airlines (Westpac)** in early **1998**, Sterling agrees to acquire one of that carrier's B-737-3Y0s. At the same time, the company adopts a new "beach ball" livery, with the ball to be painted on the tails of four brightly-colored aircraft reminiscent of the "jelly bean" color scheme introduced by **Braniff International Airways** in 1965. The first ILFC B-737-8Q8 arrives on March 19 wearing a bright yellow "beach ball" livery. It immediately begins flying to Palma de Mallorca. Late in the month, two more B-737-8Q8s are delivered wearing red and green color schemes. One more, in yellow, will follow.

When the former Westpac Baby Boeing arrives in late April, it wears a purple fuselage with white Sterling titles and a colorful beach ball painted on its tail.

Flights continue during the remainder of the year. Customer bookings surge 18.3% to 695,000.

By the beginning of **1999**, airline employment has been increased by a huge 80.3% to 476.

One of the "beach ball" Next Generation B-737-8Q8s is subleased to **Britannica Airways, A.B.** during the first quarter. Repainted in the colors of the British-owned Swedish carrier, the plane enters service with the beginning of the summer season in late March.

Having continued to operate cargo services on behalf of **TNT Worldwide Express** over the past several years, Sterling European, during the summer, begins a long-haul subsidiary, **Sterling Cargo, A.S.** Flights to New York (JFK) from Scandinavia are begun with a wet-leased B-747-200F provided by Atlas Air.

At the beginning of **2000**, the B-727 fleet includes 2 each Dash-287AFs and Dash-281Fs and 1 each Dash-232AF, Dash-251F, Dash-227AF, Dash and 224AF. Three B-737-382s and 6 Next Generation B-737-8Q8s are also operated.

Freighter service is suspended from Copenhagen to Dubai on April 1. On August 11, a Next Generation B-737-8Q8 is leased from ILFC, with delivery anticipated in February. It is reported in July that the carrier will retire two B-737-382s in February.

Having failed with its effort to establish a North Atlantic subsidiary, the company shuts down **Sterling Cargo, A.S.** on July 14, less than 10 months after its start. It will continue to operate freight charters on behalf of newly renamed **TNT Airways, B.V.**

Scheduled service is inaugurated on November 1 with the introduction of flights from Copenhagen and Stockholm to the Spanish cities of Alicante and Malaga.

On December 13, it is announced that the multicolored beach ball tail logo is being dropped.

STERLING FLIGHT SERVICES: Craig Airport, Jacksonville, Florida 32225, United States; Phone (904) 642-9683; Fax (904) 642-0994; <http://www.southeast.net/~sterling>; Year Founded 1995. Blake Deal establishes this nonscheduled carrier at Craig Municipal Airport in **1995** to provide executive and small group passenger charters throughout the U.S., Canada, Mexico, and the Caribbean.

Within five years, the owner employs 3 pilots and operates a fleet that includes 1 each North American Sabreliner, Swearingen Merlin, Piper PA-34 Seneca, PA-28 Arrow, and 2 Cessna 414A Chancellors.

STERLING ONE: United States (1995–1996). Sterling One is established in the fall of 1995 to offer deep-discount scheduled and non-scheduled services between Long Beach, California, and Chicago (MDW). Lita-Nadine Quetnick is named president and she pledges to make her airline different by offering services not found on other cut-rate airlines: hot meals served on fine china and wine served in glass wineglasses.

Employing a Boeing B-727-225A leased from **AvAtlantic**, Sterling One launches daily nonstop roundtrips in December.

Unable to achieve viability, the company is temporarily shutdown on January 25, 1996. President Quetnick informs the Long Beach *Press-Telegram* that the suspension is due to “less than stellar performance from third-party vendors.” A resumption of service in March is promised, but, in the meantime, customers holding tickets are able to transfer their flights to **America West Airlines**.

The airline does not restart.

STERLING PHILIPPINE AIRWAYS, INC. See **STERLING AIRWAYS, A.S.**

STERLING SWEDEN, A.B. See **STERLING AIRWAYS, A.S.**

STERLITAMAK AVIAKOMPANIYA: Sterlitamak Airport, Sterlibashevski Trakt, Sterlitamak, Bashkortostan, 453113, Russia; Phone 3471-14-3062; Fax 3471-14-3062; Year Founded 1991. SA is set up at Sterlibashevski Trakt Airport in the Bashkortostan Republic of the Russian Federation in 1991 as a charter subsidiary of **Bashkirskie Airlines**. R. M. Baembitov is named general director and he begins revenue services with 1 Antonov An-24 and 2 An-2 biplanes.

By 2000, Flight Director Rashid M. Khalimulin oversees a 126-person workforce and the operations of 1 each Antonov An-12 and An-24.

STEVENS AVIATION: Greenville-Spartanburg Airport, Greenville, South Carolina 29612, United States; Phone (864) 879-6000; Fax (864) 879-6195; Year Founded 1950. Stevens Aviation is established as the FBO/charter operation at Greenville–Spartanburg Airport in South Carolina in 1950. Although concentrating primarily on its “gas station” activities, the expanding company also offers a variety of smallplane charters to various southeastern destinations. During the next 40 years, a facility is also established at Nashville, Tennessee, and offices are opened at Knoxville, Atlanta, Denver, and Dayton, Ohio.

The most colorful event in company history occurs on March 20, 1992. After it has been discovered that its advertising and that of major **Southwest Airlines (2)** is nearly identical, Stevens Chairman Kurt Herwald challenges Southwest Chairman Herbert D. “Herb” Kelleher to an arm wrestling contest with ad removal the forfeit. The best two-out-of-three contest is duly held before a large crowd at the Dallas Sportatorium. Despite Kelleher’s loss, the two contestants agree to continue using their ads without change.

By 1999, Charter Director Julie Wrenn oversees the activities of three full-time and three part-time pilots. They fly 1 Beech 2000 Starship and 1 Beech 90 King Air from Spartanburg and 1 Super King Air 200, 1 B-58 Baron, and 2 British Aerospace BAe Jetstream 31s from the Greenville base. A King Air 90 and a Starship, the only one in Tennessee, is flown from Nashville, while a King Air 90 is stationed up north at Dayton, Ohio.

STEWART ISLAND AIR SERVICES, LTD.: New Zealand (1976–1978). SIASL is formed at Invercargill at the tip of New Zealand’s South Island on May 1, 1976 to provide an amphibious air service to its offshore island namesake following the cessation of Grumman G-44A Widgeon services by **Mount Cook Airlines, Ltd.** at the end of April.

Employing a Widgeon leased from Mount Cook, as well as one from **Sea Bee Air, Ltd.**, revenue charter services begin on October 1 and continue for 18 months until an airfield is built on Stewart Island. On Janu-

ary 21, 1978, the carrier is renamed **Southern Air, Ltd.** and reequipped, undertakes a land-based service.

STEWART ISLAND FLIGHTS, LTD.: P.O. Box 860, Invercargill, New Zealand; Phone 64 (3) 218-9129; Fax 64 (3) 214-4681; <http://www.southernair.co.nz>; Code RKU; Year Founded 2000. Stewart Island Flights is established at Invercargill in March 2000 by a group of Southerners formerly associated with **Southern Air, Ltd.**, which has been purchased by the charter operator Southeast Air, Ltd.

Two former Southern Air Britten-Norman BN-2 Islanders are obtained and are employed to offer thrice-daily roundtrips to Stewart Island.

During the summer, the demand for service is so high that many additional frequencies are laid on to meet the demand. The record of 33 return flights in one day is quickly established.

In addition to scheduled service, flight-seeing is also available. Importantly, air ambulance service is provided and medical transfers can be made as needed to Dunedin and Christchurch.

STIGL GROZNI UNITED AIR DETACHMENT: 364026 Chechen Republic, Grozny Airport, Chechnya, Russia; Year Founded 1995. This tiny air concern is established at Grozny Airport in the spring of 1995 even as fighting continues on the ground nearby between Chechen rebels and Russian troops. Ivan Babichev is CEO and is able to inaugurate domestic and regional passenger services, both scheduled and charter, with a pair of Tupolev Tu-134As.

Flights continue during the remainder of the year, but are offered only sporadically in 1996–2000.

STILLWELL AIRLINES (PTY.), LTD. See **SKYWEST AIRLINES (PTY.), LTD.**

STOL AIR: United States (1972–1979). Formed at Burlingame, California, in 1972 under the name **STOL Air**, this commuter is given a fleet of Britten-Norman BN-2 Islanders and BN-2A Trislanders with which to launch scheduled passenger and cargo flights to San Francisco, San Rafael, Concord, Napa, Eureka, Sacramento, Chico, and Fresno.

The company is transferred to Chico in 1975 and the fleet is expanded by the addition of Cessna 402s. New destinations visited in that year and 1976–1977 include Santa Rosa, Ukiah, Clear Lake, and Oakland.

STOL Air is acquired in 1978 by the investment group Westair, which appoints Timothy Flynn its general manager. On April 1, 1979, the new ownership merges its acquisition with another small carrier, Santa Rosa-based **Golden Eagle Airlines**, to form Western Airlines doing business as **Westair Commuter Airlines**.

STOUT AIR SERVICES: United States (1926–1930). Determined to see his aircraft inaugurate passenger service, William Bushnell “Bill” Stout, a leading proponent and, with William B. Mayo, one of the fathers of the Ford Tri-Motor, forms his own airline in the early summer of 1926. Employing the single 2-AT-10, piloted by the Ford Motor Company Chief Pilot and SAS Operations Manager J. Parker Van Sandt (who has also flown the Trimotor predecessor, the Stout 1-AS Air Sedan), the new demonstration line opens scheduled service between Detroit and Grand Rapids on August 2.

A second Ford, 2-AT-11, is acquired in December, along with 2-AT-8 repossessed from the failed **Florida Airways**.

At year’s end, records show that a total of 657 passengers and 3,155 pounds of air-express parcels have been carried.

The inventor also obtains U.S. Post Office Contract Air Mail Route No. 14 (CAM-14) in the spring of 1927, but elects not to fly it and returns it to the post office for closure on July 30. Meanwhile, the Ford Tri-Motor 4-AT-5 is delivered on June 23, becoming the number three aircraft on the Detroit–Cleveland service.

Beginning in July, the latest aircraft, bearing writing in the middle of its fuselage aft the wing that reads “Aerial Tours over the City,” undertakes sight-seeing flights over Cleveland, Detroit, and Toledo. On Octo-

ber 6, Stout obtains Ford 4-AT-9 Tri-Motor and while **Ford Air Freight Lines**, flying from the same field, elects to emphasize cargo services, he is given an opportunity to develop exclusive passenger operations. On November 1, regularly scheduled flights allow customers a view of Lake Erie while traveling to Cleveland via Toledo.

Service continues apace in 1928, with the Ford 4-AT-8, previously flown by the Royal Typewriter Company, entering service on February 18, followed by the 4-AT-18 on May 10, the 4-AT-28 on August 17, and 4-AT-34 on September 14. On October 13, Ralph Reed's 4-AT-8 crashes into a tree while landing at Detroit in the dark; he and two passengers are injured. Detroit to Chicago passenger service is initiated on November 1.

A total of 5,640 passengers are carried over the 2 routes during the year, with another 40,000 taken on 15-minute sight-seeing flights. Overall mileage flown during the year is 161,755.

As the result of a mail compartment fire, the Ford 4-AT-9 crashes near Toledo on January 16, 1929; the aircraft is destroyed and the two-man crew hurt. Another Tri-Motor with engine trouble, 4-AT-5, makes a forced landing in a field near West 65th St. and Denison Ave. in Cleveland on February 24; none of the 13 people aboard is seriously hurt. The next day, the first of the larger Ford Tri-Motors to be received by the company, the \$65,475 5-AT-15, is delivered at Detroit, followed by the \$55,000 5-AT-26 on April 24.

The Ford 5-AT-52 is acquired on June 29, 1930; however, Stout Air Services is purchased by United Aircraft and Transport Corporation on June 30. Still, yet another Ford, 5-AT-53, arrives on July 8 followed by the 5-AT-70 on August 26. The company is merged into **National Air Transport**, another United acquisition, on August 31. Stout's framework, while disappearing as an independent entity, allows United's main line, **Boeing Air Transport**, to reach from coast to coast.

Founder Stout recalls the story of his airline and of the Tri-Motor in his memoir *So Away I Went!* (Indianapolis: Bobbs-Merrill, 1951).

STRAHLE LUFTVERKEHR, GmbH.: Germany (1920–1922). This small, independent carrier is formed at Stuttgart in late fall 1920 to provide services to Constanze; flights begin in December and continue until August 1921. Reconstituted, the company resumes operations from Stuttgart to Nuremberg during the spring of 1922. Short of capital and failing to attract affiliation invitations from either Junkers or Lloyd interests, the company ceases operation.

STRAITS AIR FERRY EXPRESS, LTD. See **SAFE AIR, LTD.**

STRATOFREIGHT: United States (1947–1949). This irregular carrier is set up at Miami in late fall 1947 to operate passenger charter and inclusive tour flights. Revenue flights commence in December with a single Curtiss C-46 Commando.

Significantly overweight, the aircraft suffers engine trouble and ditches into the sea just after takeoff from San Juan, Puerto Rico, on June 7, 1949; there are no survivors. The tragedy leads to revocation of the company's operating permit.

STREAMLINE AVIATION, LTD.: Office 12, Exeter Airport, Exeter, Devonshire, England, EX5 2BD, United Kingdom; Phone 44 (1392) 361 795; Fax 44 (1392) 360 424; Code SSW; Year Founded 1991. Streamline is established in 1991 to offer passenger and cargo charters to domestic and some regional destinations. Revenue flights commence with 3 owned Embraer EMB-110P1 Bandeirantes and 1 leased EMB-110P2 Bandeirante.

One each chartered Shorts 330 and Shorts 360 are added in 1992, but in light of the recessionary impact upon the charter business, are removed in 1993. Operations continue in 1994 as the Shorts 330 is returned to service.

Flights continue in 1995–1999, during which years Chairman/CEO Bernard Haddigan adds two more Shorts 330s and a Pilatus-Britten-Norman PBN-2A Trislander.

While on departure from Paris (CDG) to Madrid on May 25, 2000, an **Air Liberte, S.A.** MD-83, returning 154 Spanish football fans home from the European Cup Final, is involved in a runway incursion accident with a taxiing Streamline Aviation Shorts 360 freighter. Although no injuries are reported aboard the jetliner, its wing smashes into the cockpit of the turboprop, killing its copilot. The French aircraft is able to safely abort its takeoff.

In December, a Shorts 360F is acquired in a basic red and gray livery.

STREZHEVOYE AIRLINE (STREZHEVSKOE GOSUDARTSVENNOE A/P): Strezhevoi Aeroport, Tomsk Region, West Siberian Zone ATD, 636762, Russia; Phone 7 (38259) 32059; Year Founded 1996. Strezhevoye Airline is established in 1996 to offer passenger and cargo services, both scheduled and charter, plus rotary-wing aerial contract work throughout Western Siberia. Vladimir Mikhailov is CEO and he begins flights with 2 Yak 42Ds, 5 Antonov An-2s, and 30 Mil Mi-8 and Mi-17 helicopters.

SUBURBAN AIR FREIGHT: P.O. Box 19090, Omaha, Nebraska, 68119-0090, United States; Phone (402) 344-4100; Fax (402) 344-0415; http://www.subair.com; Year Founded 1994. SAF is set up by James V. Armstrong at Omaha's Eppley Field in 1984 to provide scheduled all-cargo and contract service flights throughout the Midwest. The company is paired with a sister organization, Suburban Air Services, which gains a reputation for its expert in the maintenance and repair of piston-powered Aero Commander 680FL aircraft. SAS also performs retail maintenance, inspection, and modifications of other makes of small cargo aircraft.

During the remainder of the decade and through the 1990s, SAF offers a variety of cargo opportunities for shippers and is able to accommodate special requirements such as forklifts or belt loaders. Both day and overnight express services are offered and any number of special requests are filled, including overnight transfer of MIS and data systems, the handling of such time-sensitive materials as computer tapes and other specialized contracts.

The fleet in 2000 includes 9 Rockwell Aero Commander 680FLs and 1 500FL, 7 Cessna 402Cs, 3 Beech 99s, and 1 Beech 1900C.

SUBURBAN AIR TAXI. See **SUBURBAN AIRLINES**

SUBURBAN AIRLINES: United States (1968–1989). In May 1968, Alfred Bertolet's **Reading Airlines** of Reading, Pennsylvania, merges with **Suburban Air Taxi (SAT)** of Red Bank, New Jersey, adopts the first third of the latter's name, and begins service over a 2,000-mile route system. Employed are Reading's 3 de Havilland DH 104 Doves and 2 de Havilland Canada DHC-6-100 Twin Otters; SAT also contributes 2 Twin Otters and continues to operate as a subsidiary division. Later in the year, a DHC-6-100 previously ordered by Reading is placed into service and a sixth Canadian turboprop is purchased from **Air Wisconsin**.

Among the northeastern destinations now visited are Reading, Newark, Philadelphia, Allentown, Buffalo, and Wilkes-Barre, Princeton, and New York (JFK). In September, an arrangement is signed with **Eastern Air Lines** under which the major transfers a route to Washington, D.C. (DCA) via Lancaster, agreeing to pay the commuter \$245,000 over three years to operate it. Simultaneously, services to New York (JFK) from Allentown are ended.

Operations continue apace in 1969. All airline operations, maintenance, and training are shifted to Allentown, where a new 22,500-sq.-ft. hangar and office facility is opened.

Former **Reading Airlines** Vice President Arthur M. Horst is named president on March 1, 1970. By now completely coordinated, the SAT division is shut down. Although there is little change over the next two years, this condition changes in 1973. The small regional becomes a member of the "Allegheny Commuter" network on March 1 and begins to fly contract services linking Reading with Newark, Philadelphia,

Lancaster, and Washington, D.C. and Lancaster with Philadelphia and Washington.

A separate maintenance base is maintained at Allentown and several Twin Otters, not repainted in Allegheny livery, are employed to maintain an independent service from that community to Buffalo and Philadelphia. In 1974, the first full year of partnership, the commuter becomes a code-sharing member in **Allegheny Airline (1)**'s computerized reservations system. Consequently, enplanements reach 129,673.

Airline employment in 1975 stands at 60. The fleet now comprises 3 Twin Otters and 1 Beech 99, although a DHC-6-300 received on December 1 brings the total of Canadian-made turboprops to 4. Passenger boardings dip 1.5% to 127,756.

The workforce is reduced by 16.7% in 1976 to 50. Customer bookings rebound and grow by 10.8% to 141,689. In 1977, enplanements total 157,980 and revenues are \$3.4 million.

Following President Carter's signing of the Airline Deregulation Act in October 1978, Suburban enters a period of expansion. It becomes the first small regional to qualify for operations under the FAA's revised FAR 135 regulations. In addition, an order is placed for four Shorts 330-100s.

Passenger boardings grow by 1% to 159,892 and operating income increases by 21.7% to \$4.14 million.

The workforce grows by 8.3% in 1979 to 65. Suburban acquires its first Shorts 330-100 on January 15. By year's end, the fleet will include 2 of the Ulster-built turboprops, plus 1 each DHC-6-200, DHC-6-300, and Beech 99.

Customer bookings accelerate 18.1% to 188,857, but cargo is down 5% to 396,000 FTKs. Operating income advances upward by 34.4% to \$5.39 million.

The employee population rises 37.1% in 1980 to 85 and the fleet includes 5 Shorts 330-100s. Orders are placed for 4 Shorts 360-100s and 3 DHC-8s. Allentown-Philadelphia frequencies are increased and a new computer system is installed at the Reading base.

A Shorts 330-100 is blown over by a tornado at Allentown on June 3.

The Shorts transport a total of 217,094 passengers, a 15% boost; freight, on the other hand, declines by 26.1% to 18,000 pounds. Revenues are \$8.1 million, sufficient for entry into the category defined by the CAB as "large regional." Expenses are \$7.39 million, allowing a profit of \$691,096.

Airline employment in 1981 stands at 169 and orders are outstanding for 3 DHC-8s and 4 Shorts 360-100s. On May 1, the outstanding portion of the Suburban service is submerged under the Allegheny label. President Horst and his board are excited as the airline now goes public, offering 300,000 shares of common stock that brings in \$1,782,000 in new capitalization.

Over 100 daily flights are offered in Pennsylvania, New Jersey, and New York; among the destinations served are Lancaster, Allentown, New York (JFK), Newark, Philadelphia, Reading, Binghamton, and Buffalo.

Traffic increases 18.8% as a total of 257,782 passengers are transported; cargo accelerates 23.4% to 22,000 pounds. Revenues of \$11 million are earned (up 36.2%), expenses are up 36.3% to \$10 million, and a net profit of \$931,238 million is enjoyed.

The payroll grows 7.1% in 1982 to 181. Routes are stretched on July 1 into Groton and New London, Connecticut, and Binghamton, Buffalo, and Islip, New York.

On December 1, the Reading-based carrier becomes world and North American launch customer for the new Shorts 360-100 commuter liner, placing four into service. The inaugural service is a 30-min. flight from Allentown to Philadelphia with 17 passengers.

Passenger boardings rise 4.9% to 270,437. Revenues advance 1.9% to \$16.39 million and costs swell 2.4% to \$15.48 million. The operating profit is \$906,898.

Two employees retire in 1983 and the fleet includes the Shorts 360-100s, 4 Shorts 330-100s, and 1 Twin Otter. The route network is now changed as a new route is opened to Washington, D.C.; significant competition from **PEOPLExpress**, meanwhile, causes Suburban to end its flights to the new entrant's Newark base.

Passenger traffic inclines upward 7.5% as 290,807 passengers are transported. Freight grows 25.3% to 519,000 pounds. Revenues jump 7.9% to \$17.69 million and costs are up 9.4% to \$16.94 million. Operating profit falls to \$749,918 and net gain totals \$749,918.

Airline employment grows 6.2% in 1984 to 190. A \$6-million Fokker F.27-500 Friendship is added to the company's fleet in April and on May 1, is employed to inaugurate services to Pittsburgh.

The year's passenger load jumps 19.1% to 346,226 passengers flown. Cargo rises again, up 21.8% to 631,821 pounds. Revenues also increase, by 16.2% to \$20.7 million, as do expenses, by 16.5% to \$16.5 million. The operating profit is \$4.2 million and a record \$1,526,054 net profit is posted.

The payroll grows another 21.1% in 1985 to 230 and the fleet includes the F.27-500, two Shorts 360-100s, four Shorts 330-100s, and a DHC-6. In the spring, Suburban begins flying into Washington, D.C. (DCA). In December, Suburban becomes the second "Allegheny Commuter" partner directly purchased—in this case for \$9.6 million—by **USAir** and will be operated as a subsidiary.

Passenger boardings accelerate 13% to 391,183, but cargo declines 11.5% to 559,000 pounds. Revenues jump 16.4% to \$24 million, but costs climb more quickly, by 21.8%, to \$20.12 million. As a result, the operating profit falls to \$797,195.

Airline employment rises 8.7% in 1986 to 250 and the fleet includes 1 F.27-500, 2 Shorts 360-100s, and 4 Shorts 330-100s. Service to Norfolk and Boston is inaugurated as a second Fokker Friendship joins the fleet. In April, the carrier purchases all eight Washington, D.C. (DCA) slots of financially troubled **Christman Air System**.

Later, **USAir** purchases 100% shareholding from President Horst in May for \$9,742,800; however, the company is allowed to continue its "Allegheny Commuter" operations as before.

Customer bookings rise 3.9% to 406,333, but freight falls again, down 5.3% to 530,000 pounds.

In 1987, the fleet includes 2 F.27s (one newly delivered), 4 Shorts 330-100s, and 2 Shorts 360-100s. In April, five-times-per-day service is opened from Richmond to Philadelphia.

Passenger boardings climb 26.5% to 514,169 while cargo advances by 34.2% to 712,000 pounds.

A third Fokker is acquired in 1988 and with 70 daily departures from its Philadelphia hub alone, the regional posts a 5% increase in customer bookings to 539,781. Cargo, on the other hand, declines by 9.9% to 641,000 pounds.

Richmond joins the route network in early 1989 and a third Shorts 360 is purchased. When the **USAir** parent moves to revamp its "Allegheny Commuter" network into "USAir Express," Suburban changes its name to **Allegheny Commuter** in order, as the press release states, to preserve an honored name among regional carriers.

SUCKLING AIRWAYS, LTD.: United Kingdom (1984-1999). Following receipt of the license first applied for in April 1984, this commuter officially launched on November 14 as Suckling Aviation (International), Ltd., receives a £450,000 route development grant from **British Airways, Ltd. (2)** and the nation's first Dornier 228-201. With 12 employees and owned entirely by its husband and wife team of Merlyn (sales and marketing) and Roy (managing director and chief pilot), Suckling begins scheduled service over a route from Ipswich to Manchester and Amsterdam on April 26, 1986. All of the passengers on the inaugural flight are members of the Ipswich Ladies Hockey Team who are en route to a tournament in Amsterdam.

Roundtrip flights are offered four times per day in 1987. Enplanements for this first full year of operations total 20,000.

Operations continue apace in 1988-1989 as the company transfers its base to Cambridge Airport.

In early 1990, the Cambridge-based carrier, now in financial difficulty, must appeal the CAA's decision to revoke its license because of those fiscal problems. The government proposal is overturned and the Dornier 228-201 continues to operate to Amsterdam and Manchester. Enplanements total 10,299.

Single-plane operations continue apace in **1991** as passenger boardings increase to 15,735. The employee population stands at 15 in **1992** as recession causes difficulty. Customer bookings fall 5.2% to 14,958.

During the second week of April **1993**, twice-daily roundtrips are inaugurated from Manchester to Amsterdam. These prove so successful that, by September, the fleet of Dornier 228-201s has been doubled to two.

Through October, the Dornier operation records a 60.3% increase in passenger boardings to 20,250.

Two Dornier 228-202s are leased in **1994**. Another is acquired during the first part of **1995**. In October, a Dornier 328-110 is acquired and enters service on a route from London (CTN) to Paris (CDG).

Destinations visited in **1996** include Amsterdam, Cambridge, London (STN), Manchester, Paris, Rotterdam, and Waterford.

During the spring of **1997**, Suckling enters into a code-sharing agreement with **Air U.K., Ltd.** on a route to Southampton from Amsterdam. Employing a Dornier 328-110 painted in its partner's colors, Suckling launches feeder services. A route is also opened from London (STN) to Zurich. At the same time, 55% outstanding shareholding in **Air U.K., Ltd.** is purchased by **KLM (Royal Dutch Airlines, N.V.)**. Enplanements reach 90,000.

In January **1998**, **Air U.K., Ltd.** becomes **KLM U.K., Ltd.** When it suddenly withdraws from the Southampton to Amsterdam route, Suckling moves to replace the terminated service of the Dutch line's British subsidiary. Suckling's loss-generating London (STN) to Zurich route is dropped and replaced with a thrice-daily Southampton to Amsterdam service flown in its own name and colors.

During early March, arrangements are completed with **KLM U.K., Ltd.** for new replacement services. The Dornier 328-110 to be employed is repainted with a Scottish flag on its nose and a red and black tartan tail design. Tartan seats are in the cabin and cabin crew are outfitted with tartan ties.

On March 29, Suckling's tartan plane takes over the larger line's service from London (CTY) to Glasgow, four times a day.

Following a significant cash injection from two Scottish investors, Brian Souter and his sister Ann Gloag, founders of Perth, Scotland-based Stagecoach, plc, the carrier is renamed **Scot Airways, Ltd.** on October 13, **1999**. Stagecoach had become involved with the company back in April. Ownership is now divided between the Sucklings (60%) and Stagecoach, plc (40%).

SUDAN AIRWAYS COMPANY, LTD.: SDC Bldg., Street 15, New Extension, P.O. Box 253, Khartoum, Sudan; Phone 249 (11) 47 953; Fax 249 (11) 47 978; <http://www.sudanair.com>; Code SD; Year Founded 1946. A subsidiary of the Sudan Railway System, this state-owned air carrier is formed in February **1946**. A contract is let for technical and flying assistance from the British firm **Airwork, Ltd.**, which assembles flight personnel and a fleet of 4 de Havilland DH 104 Dove Is.

Dove proving flights begin in April **1947**. In July, domestic DH 104 flights commence over four routes: west from Khartoum to El Obeid, El Fasher, and El Geneina; south from Khartoum to Juba via Malakal; and east from Khartoum to Asmara via Kasala and from Khartoum to Port Sudan via Atbara.

When the first schedule is printed in September, it shows a connecting service at Khartoum with an **Airwork, Ltd.** Vickers Viking flown in from Blackbushe Airport in England.

A fifth Dove 1 is requested in January **1948** and flights commence to Wadi Halfa during the spring. With tensions running high between Railway officials and those from **Airwork, Ltd.**, the railroad administration is cut out in **1949**, leaving the British firm to negotiate directly with the Sudanese government.

Flights continue apace in **1950–1951**. Passenger traffic is heavy; despite the arrival of the fifth Dove 1 on February 13, **1952**, larger aircraft are required. Orders are placed for four Douglas DC-3s and service to Kassala and Asmara is suspended.

All four DC-3s enter service during **1953** and allow the airline to experience significant growth. In May, the company begins to participate

Hadj charters for Muslim pilgrimages to Mecca. Also in the spring, flights are started to Wadi Medani as well as to Abeche in Chad.

Scheduled DC-3 international service begins in June **1954** over a route from Khartoum to Jeddah. Flights north to Cairo commence in November.

In November **1954**, Douglas DC-3 international service begins over a Khartoum–Cairo route. During **1955–1956**, routes, frequencies, and capacity are increased and improved; for example, service to Athens is initiated and the two more DC-3s are added. Passenger traffic continues to grow, reaching 31,476 enplanements in **1957**.

An eighth DC-3 is acquired in **1958**. At this point, the new Supreme Council of the Armed Forces, which has taken over the government, elects to expand the airline's international route network and asks **Airwork, Ltd.** to provide an appropriate aircraft.

With an **Airwork, Ltd.** crew at the controls, a Vickers Viscount 831 is delivered to Khartoum on June 5, **1959**. It is employed to inaugurate Blue Nile Khartoum to London weekly return service via Cairo, Athens, and Rome, on June 8. Viscount service to Beirut via Cairo is launched in November.

Airwork, Ltd. is transformed into **British United Airways, Ltd.** on May 19, **1960**. The predecessor concern's contract with the Sudanese government is honored by BUA. In October **1960**, orders are placed for three Fokker F.27-200s and in December, Asmara service is reopened with the Viscount. Enplanements hit 50,567 for the year.

Blue Nile Viscount service is doubled to twice weekly in early **1961**. Two Comet 4C jetliners are ordered for the Blue Nile operation late in the year as passenger bookings advance to 56,987.

The premier Fokker F.27-200 is delivered on January 25, **1962** and is placed in domestic service; SA is the first African airline to fly the Dutch-made turboprop, which will prove so agreeable that a fourth will be ordered. The first Comet 4C arrives on November 13 and takes over one of the Blue Nile frequencies in early December. The second Comet 4C arrives on December 24, at which point the Viscount is returned to **British United Airways, Ltd.**

Passenger boardings are 64,123.

The Comet 4C launches thrice-weekly Blue Nile London service in January **1963**. Two additional F.27-200s are received and the orderly retirement of the DH-104s and DC-3s begins.

Comet 4Cs flying to London add Frankfurt as a stop on May 1. Over the next several months, the F.27-200s are assigned to Hadj charters, transporting 5,247 pilgrims in 107 dedicated flights.

Passenger traffic swells to 93,952.

The fourth F.27-200 enters service in **1964**. Regional service is now offered to Adis Ababa, Aden, Asmara, Cairo, Entebbe, Fort Lamy, Jeddah, Luxor, and Nairobi.

Enplanements reach 104,824 in **1964**.

During **1965–1966**, routes are maintained or extended to 14 African and Middle Eastern destinations and 16 domestic points.

Airline employment stands at 1,310 at General Manager M. el Amir's airline in **1967**. Orders are placed for three de Havilland Canada DHC-6 Twin Otters. While on a training flight from Khartoum on February 21, a DC-3 with two crew crashes near its point of origin (one dead).

The three Twin Otters arrive in November **1968** and begin to replace the last three DC-3s (two of which are up for sale) on services to Atbara, Dinder National Park, Er Roseires, Gedaref, Kosti, Merowe, and Wadi Medani. Orders are placed for two Boeing 737-200s and two B-707-3J8C Stratoliners. Flights continue apace in **1969–1970**.

Converted to civil F.27-400 standard, three Fokker Friendships are transferred to Sudan Airways from the Sudanese Air Force in May **1971**. On December 6, an F.27-200 with 5 crew and 37 passengers crashes at Kapota, near Juba, in Equatorial Province (10 dead).

The fleet in **1972** comprises 2 Comet 4Cs, 3 F.27-200s, 3 F.27-400s, 3 de Havilland Canada DHC-6s, and 2 DC-3s. While on a training flight from Khartoum on May 10, an F.27-400 with three crew and a passenger makes a bad landing at El Obeid; there are no fatalities, but the aircraft is damaged beyond repair.

Two Boeing 707-321s, on a two-year lease from **British Midland Airways, Ltd.**, replace the Comet 4Cs and begin flying the Blue Nile service on November 11. All of the crews are also BMA personnel, except for two Sudanese stewardesses on board to make Arabic announcements.

Enplanements are 135,496.

The two B-737-2J8Cs are delivered in late 1973. Although the passenger count is unknown, 229 million passenger-kilometers are reported flown.

The **British Midland Airways, Ltd.** Stratoliner charter ends late in 1974 with the introduction of the carrier's own Boeings, two Dash-3J8Cs. Upon their arrival, the two American-made jetliners have been named *White Nile* and *Blue Nile*. The fleet now includes 2 B-707-320B/Cs, 2 B-737-2J8Cs, 5 Fokker F.27s, and 3 Twin Otters.

A total of 310 million passenger kilometers are flown, an increase of 35.4%, while 7 million FTKs of cargo are operated, a jump of 66%.

While on an airfield inspection flight, a DHC-6-100 with two crew and four passengers crashes into Dinder National Park, Singa, on March 18, 1975 (five dead).

During 1976-1984, routes and frequencies are further improved. The fleet is altered and grows to include 2 B-707-3J8Cs, 2 B-737-2J8Cs, 1 B-737-3J8, 1 B-707-330B acquired from **Deutsche Lufthansa, A.G.**, 4 F.27s, and 2 DHC-6s, with the latter 2 types serving only domestic frequencies. The employee population rises to just over 2,100. There are three nonfatal hull losses.

An F.27-400M with 4 crew and 35 passengers suffers the collapse of its nosegear during takeoff from Fasher on June 6, 1977; although the aircraft is damaged beyond repair, there are no fatalities.

While on approach to Khartoum on a flight from Jeddah on September 10, 1982, a B-707-348C with 11 crew lands 3 mi. short of the runway in the Nile River; there are no fatalities, but the Stratoliner must be written off.

An F.27-200 with 3 crew and 17 passengers is destroyed as the result of a bad landing at Merowe on October 5; there are no fatalities.

Traffic figures during these years are spotty; enplanements in 1977 are 379,000; these rise in 1980 to 519,000 and in 1982 to 395,000. Pooled service to the U.K. begins in 1980 with **Tradewinds, Ltd.**

In May 1985, the company under goes the beginnings of privatization and reorganization on the basis of recommendations put forward by a team of consultants from **Alia (Royal Jordanian Airlines)**.

An F.27-200 with 5 crew and 26 passengers is destroyed as the result of a bad landing at El Debba on July 2; there are no fatalities.

The privatization process is well advanced when, following a government change in November, it is halted and General Manager A. M. Kheir is instructed to continue running his airline as a national enterprise.

On August 15, 1986, rebel units of the Sudan People's Liberation Army threaten to shoot down all planes flying over the areas they control in the southern provinces of the nation. The next day, a Soviet-made SAM-7 surface-to-air missile destroys an F.27-400M with 3 crew and 57 passengers passing overhead en route from Malakal to Khartoum. There are no survivors.

All Sudan Airways flights are suspended on August 23 as employees go on strike to press their demands for security guarantees; flights resume a month later.

In May 1987, a partnership agreement is signed with **Royal Jordanian Airlines** under which the Middle Eastern carrier makes available a Lockheed L-1011-500. The same month, Sid El Khatmin Magoub Ali succeeds the retired Sid Ahmed M. Kheir as general manager. In August, Fokker provides two additional F.27s under charter as the airline awaits the delivery, two years hence, of its Fokker 50s. One is an F.27-600 formerly operated by the Guatemalan Air Force.

Operations continue apace in 1988. No longer able to make payments, the carrier is forced to cancel its cooperative agreement with the Jordanian flag carrier in February. However, in March, the company is given exceptionally favorable treatment by the Netherlands government, which provides the funds needed to order four Fokker 50s.

The fleet in 1989 includes 2 Twin Otters, 2 F.27-600s, 1 new Fokker 50, and 1 each Boeing 707-330C and B-737-2J8C. Flights link Khar-

toum with Dangola, Juba, Geneina, and Port Sudan. A management contract is signed with **Ethiopian Airlines, S.C.** in May; when the agreement comes into effect, former Ethiopian Deputy General Manager Assefa Ambaye leads the management team to Khartoum.

In August, joint weekly service is initiated to London (LHR). The financial condition, already bad, continues to worsen and credit is withheld by fuel companies, airport authorities, and flight kitchens. Late in the year, an F.27-600 is returned to Fokker, which turns around and sells it to **Air Jet, S.A.** By November, crews are required to carry cash with them on flights to certain foreign destinations.

Mukhtar Osman becomes general manager in 1990 as a second Fokker 50 is acquired. In July, the company contracts with **ZAS Airline of Egypt** to fly a number of its scheduled frequencies between Khartoum, Cairo, and Europe. Late in 1991, the company wet-leases the newly delivered Lockheed L-1011 TriStar 1 of **Atlanta Icelandic Airlines, H.F.**

The last F.27 is withdrawn in 1992 as an order is placed for two Airbus Industrie A310-304s that arrive in 1993. New General Manager Dr. Yasin Abdin now oversees a workforce of 2,062. His fleet now also includes 1 Beech King Air 90, 1 B-707-330B, 2 B-707-3J8Cs, 1

B-707-330C, 1 B-707-368C, 1 B-707-369C, 2 B-737-2J8Cs, 2 Fokker 50s, and 1 DHC-6-300.

International centers regularly scheduled for visits include Abu Dhabi, Addis Ababa, Cairo, Damascus, Doha, Dubai, Frankfurt, Jeddah, Kano, London, Muscat, Nairobi, N'Djamena, Riyadh, Rome, Sana'a, Sharjah, and Tripoli. An A320-211 is delivered in late August and is placed into service in September.

Airline employment in 1994 stands at 2,362 and the fleet is increased by the addition of an A310-304. Orders are placed for 2 Fokker 50s. During the summer, a Special Flights Services Unit is established. Outfitted with one each Beech King Air 90, Super King Air 200, and the Fokker F.27-600 withdrawn in 1992, it specializes in charter flights and air ambulance service.

After years of financial difficulty, the carrier shuts down in August 1995. The remainder of the year is spent in reorganization.

During the interim, an **Air Operations of Europe, Ltd.** Lockheed L-1011-50 TriStar, the *Olivia*, is wet-leased to maintain the company's weekly service from London (LGW) to Johannesburg via Khartoum. As is the Air Operations practice, the TriStar wears the colors of its previous owner (**Hawaiian Airlines**), plus Sudan Airways markings.

As the result of a failed assassination attempt against the president of Egypt during his visit to Addis Ababa in September, the Ethiopian government determines that Sudan is behind the plot. Consequently, all services to and from that nation by **Ethiopian Airlines, S.C.** are suspended, while Sudan Airways is banned from Ethiopia.

The workforce is boosted to 2,745 in 1996 and the fleet is increased by the addition of one each A310-304, A300B4-621, and A320-212. On March 24, the A320-212 is hijacked to Eritrea. One of the A310-304s is sold to the Turkish carrier **Kibris Hava Yollari, A.O.** in June.

On August 25, 7 Iraqis, led by Adnan Hoshan, claiming to have grenades and protesting their fear of death at the hands of Saddam Hussein, hijack Flight 150, an A310-304 en route from Khartoum to Amman, Jordan with 196 people aboard. They force it to fly to London via Larnaca, Cyprus, arriving there the next day. The pirates engage authorities in 5 hours of negotiations before allowing 160 passengers to deplane. Several hours later, they release the remainder of their hostages and surrender to British police.

Enplanements total 490,755.

Destinations visited in 1997-1998 include Abu Dhabi, Addis Ababa, Cairo, Damascus, Dhahran, Doha, Dubai, Frankfurt, Jeddah, Johannesburg, Kano, London, Muscat, Nairobi, N'Djamena, Riyadh, Rome, Sana'a, Sharjah, Tripoli, and domestic points.

On November 5 of the latter year, hijacker Hoshan and his followers are found guilty and given terms in British prisons ranging from five to nine years. According to the British Broadcasting Corporation report of the proceedings, the jury, feeling great compassion for the defendants,

nevertheless convicts them and Mr. Justice Wright passes sentence "to deter others."

At the beginning of April 1999, the UN air embargo against Libya is lifted when that country makes available two suspects in the 1998 Lockerbie bombing case. Consequently, Sudan Airways is able to restart services to Tripoli on April 12.

Sudan Airways is permitted to once more offer a weekly roundtrip service to Addis Ababa, beginning on August 14. A homepage is opened on the World Wide Web at the end of the year.

B-737-2J8CA return service from Khartoum to Lagos begins on July 8, 2000. Only a few weeks later, on October 17, the flight enters the history books. An unidentified expectant mother from Niger, en route with her husband via the Sudanese capital to Jeddah, experiences labor pains 15 minutes before the Boeing is due to land at Khartoum. With the assistance of two female flight attendants, the woman delivers a baby girl just as the aircraft touches down on the runway.

SUDAVIA FLUGGESELLSCHAFT, GmbH.: Germany (1980–1990). This south German charter operation is established at Munich in 1980 as the air taxi BN Rent-a-Plane, GmbH. A lone Beech King Air 90 operates on-demand flights to local destinations, including Saarbrücken, as well as to points in Austria. The concern is renamed Sudavia on June 19, 1984 and in August turns its weekday taxi route to Saarbrücken into a scheduled service.

Scheduled King Air flights from Munich to Verona, Italy, commence in 1985. During the year, a scheduled air operator's permit is sought from the German government, which duly provides it on July 25, 1986. Employing a newly purchased Beech Super King Air 200, regular flights to Pisa are inaugurated.

Sudavia now contracts with Dornier for one of its unpressurized 228-200s. The aircraft is delivered during the first quarter of 1987 and enters service at the end of March on the company's new route to Strasbourg. Unhappily, the aircraft cannot fly high enough to make it over the mountains to Italy and thus must be returned. In November, a Beech 1900 Airliner is leased as a replacement for the Dornier.

A second Beech 1900 arrives in February 1988 and with the beginning of the year's summer season at the end of March, Sudavia begins to coordinate its schedules with **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)**. This arrangement allows more efficient aircraft utilization and cuts down on needless competition between the two airlines.

Early in 1989, Sudavia leases several Embraer EMB-120 Brasília's from DLT. Plans for a merger between the two cooperating carriers falls through during the first quarter. At midyear, a group of investors, who also hold shareholding in **Air Exel Belgium, S.A.**, purchase a strong 43.9% equity stake. The leased Brasília's are returned to DLT and are replaced with a pair of SAAB-Fairchild SF340s.

Largely unnoticed by the public, Sudavia has built up a large debt during the last two years. On April 2, 1990, the federal transport ministry revokes Sudavia's license and the grounded airline is forced to liquidate.

SUDPACIFICO, S.A. de C.V.: Manuel Perez, Coronado 94, Uruapan, Michoacan, 60080, Mexico; Phone 52 (452) 37937; Fax 52 (452) 44773; Code SDP; Year Founded 1995. Sudpacifico is set up at Michoacan in 1995 to offer scheduled third-level domestic services. CEO Capt. Manuel Mejia inaugurates scheduled frequencies with 2 Swearingen SA-226 Metro IIs and 1 Embraer EMB-120 Brasília.

The fleet is increased in 1996 by the addition of a third Metro II, plus two Pilatus-Britten-Norman PBN-2 Islanders and a Piper PA-34 Seneca.

A Fokker F.27 is placed into service during 1997. Flights continue during the remainder of the decade.

SUDWESTDEUTSCHE LUFTVERKEHRS, A.G. (SWL) (FLUGHAFEN FRANKFURT/MAIN, A.G.): Flughafen Frankfurt/Main, Frankfurt, D-60547, Germany; Phone (49) 69-690; Fax (49) 69-690-70081; Year Founded 1924. SWL is established at Frankfurt on July 2, 1924 by a group of local industrialists and Junkers Flugzeugwerke, A.G.

The new company is charged with developing an airport, then located at Rebstock, while also serving as an air transport component of Junkers' Trans Europa Union.

Revenue flights commence with a pair of F.13 cabin monoplanes from the airport to Munich via Nuremberg. Two more F.13s and a G.24 enter service in 1925.

When **Deutsche Luft Hansa, A.G.** is formed in 1926, SWL transfers its airline operating division to the new state carrier. In turn, it becomes a shareholder in DLH, while also retaining management of the Frankfurt airport.

SWL continues to operate the main airport at Frankfurt throughout World War II and survives into the postwar era, during which new period the company name is changed to Flughafen Frankfurt, A.G. As such, the former SWL is the only airport to be listed by full address in this encyclopedia.

SUEDAVIA, GmbH.: Germany (1986–1991). Suedavia is formed at Munich Airport in 1986 with Helmut Neufeld as general manager. The initial fleet comprises 1 Beech King Air 90 and 1 Super King Air 200. These are employed to inaugurate scheduled services to Saarbrücken, Verona, Pisa, and Strasbourg. A second King Air 90 is added in 1988.

Operations continue apace in 1989, with a number of replacement flights undertaken on behalf of **Deutsche Lufthansa, A.G.** In February 1990, **Air Exel Germany/Alphalines, GmbH.** acquires 43.9% shareholding and names Hans Schneider as general manager. The fleet is upgraded by the addition of two Beech 1900s and a SAAB 340B leased from its new partner.

The year's enplanements total 17,574 and revenues are \$2.7 million. Loss of \$1.7 million (operating) and \$1.97 million (net) are suffered.

Air Excel Germany/Alphalines, GmbH. withdraws its support during the first quarter of 1991, forcing the regional to cease operations in March and go into liquidation.

SUEDFLUG (SUDDEUTSCHE FLUGSELLCHAFT, GmbH.): Germany (1989–1994). Formed on February 1, 1989 as an affiliate of **Condor Flugdienst, GmbH.**, Suedflug operates newer equipment previously ordered to replace Condor's Boeing 727s. Rudolf von Oertzen and Reinhard Kipke are appointed joint managing directors. As Boeing 737, 757, and 767 equipment becomes available from **Condor Flugdienst, GmbH.**, a significant number of nonscheduled and inclusive-tour flights are undertaken to tourist resorts in the Canary Islands and Mediterranean area.

Operations continue apace in 1990–1992 and in 1993, airline employment stands at 775. Flights cease in 1994.

SUIDWES LUGDIENS (PTY.), LTD.: Southwest Africa (1959–1978). Originally formed in South West Africa as the nonscheduled **South West Air Transport, Ltd.** in 1946, this carrier begins scheduled operations two years later in 1948. Following a merger with **Oryx Aviation (Pty.), Ltd.** in March 1959, the company is renamed Suidwes Lugdiens.

Employing the aircraft of the merger partners, including 7 Ryan Navions and 1 de Havilland DH 89A Dragon Rapide, Suidwes Lugdiens continues over the next 3 years to provide scheduled flights linking Windhoek's Eros Airport with Grootfontein, Otjiwarongo, Outjo, Swakopmund, Tsumeb, and Walvis Bay. Regular charters are also provided to Luderitz.

Two Cessna 205s are acquired in December 1962, while in February 1963, the last Navion is sold. During the next decade, the fleet grows further, adding 4 PA-23 Aztecs, 1 PA-23 Apache, 1 PA-28 Cherokee Six, 3 PA-30 Twin Comanches, 1 PA-31-310 Navajo, 1 Cessna 182, 3 Cessna 402s, 6 Cessna 310s, 1 de Havilland Canada DHC-2 Beaver, and, most importantly, 3 Douglas DC-3s and 2 DC-4s.

One of the Aztecs operates a feeder service for **South African Airways (Pty.), Ltd.** from Windhoek to Keetmanshoop. Late in the 1960s, a joint service is offered with **Air Cape (Pty.), Ltd.** between Walvis Bay

and Alexander Bay via Luderitz. Other destinations visited include Kaitima, Mulilo, Ondangwa, and Rundu.

Namib Air (Pty.), Ltd. becomes a subsidiary during 1966.

In November 1974, Namib Air-Suidwes Lugdiens becomes a wholly owned subsidiary of **Safmarine, Ltd.** A. Lombard is appointed chairman with A. J. Koorts as managing director. Airline employment stands at 72 and the fleet is comprised of 1 Fairchild Hiller FH-227B, 2 Douglas DC-4s, 2 DC-3s, 1 Piper PA-31-310 Navajo, 3 Cessna 402s, and 6 Cessna 310s.

An order is placed with Fokker Aircraft in 1977 for an F28 Fellowship; however, the government of the Netherlands refuses an export license. On December 1, 1978, the corporation is reorganized and renamed **Namib Air (Pty.), Ltd.**

SULTAN AIR (SULTAN HAVA YOLLARI, A.O.): Turkey (1989–1994). With shareholding divided between Turkish interests and **Transwede Airways, A.B.**, SHY is set up at Istanbul on July 17, 1989 to offer international charter services. Yavuz Cizmerci is appointed president and he recruits a workforce of some 400. Two Aerospatiale (Sud-Est SE-210) Caravelle XBs are leased from **Transwede Airways, A.B.** and are employed on August 1 to inaugurate nonscheduled services to destinations in Germany, Austria, Greece, Israel, and Italy. The French-made jetliners appear in the colors of their Swedish owner, with Sultan titles.

The Caravelles are returned to **Transwede Airways, A.B.** in July 1990 and replaced by one each chartered Boeing 737-205 and 737-248; a lease is also taken on a B-737-2Q8. The Iraqi invasion of Kuwait in August has a disastrous impact on travel to the Turkish holiday destinations, although many Turkish workers employ the airline to return home from Europe. With Allied forces gathering for a counterattack, Sultan stands down for financial reasons.

Following the conclusion of Operation Desert Storm in late February 1991, Sultan resumes flights in late March, though with little success due to the continuing uncertainties of the Mideast area. Another light Boeing is added for a new service known as VIP Air. The livery of the new plane features a peacock displaying full plumage forward of the wing and aft the cockpit windows and small titles aft the wing and over the windowline that read "Operated by Sultan Air." VIP Air is not successful and is reintegrated into Sultan by the time the winter season begins at the end of October.

With **Transwede Airways, A.B.** out of the picture, Turkish interests hold complete shareholding in the airline in 1992. The two Boeing aircraft are reinforced with a pair of chartered Airbus Industrie A300B4-203s.

Destinations now visited include Amsterdam, Barcelona, Basel, Berlin, Bergamo, Bologna, Bordeaux, Brest, Brussels, Cagliari, Catania, Dusseldorf, Eindhoven, Ercan, Frankfurt, Graz, Hamburg, Hanover, Klagenfurt, Le Havre, Leipzig, Leningrad, Lille, Linz, Lyon, Madrid, Marseilles, Maastricht, Metz, Milan, Munich, Nantes, Nuremberg, Paderborn, Paris, Pisa, Rome, Saarbrücken, Seville, Strasbourg, Tel Aviv, Turin, Venice, Verona, Vienna, and Zurich. The Airbus are returned at the end of the year and are replaced with a pair of leased B-727-200As.

Airline employment in 1993 stands at 450. A new B-737-3G7 is acquired during the summer and is christened *Sabiha Gokcen*, in honor of the first female commercial pilot in Turkey. Concerns over the carrier's maintenance operations and safety causes the airline to cease its flights and liquidate its assets in 1994.

SUMMIT AIR CHARTERS, LTD.: P.O. Box 134, Atlin, British Columbia V0W 1A0, Canada; Phone (604) 651-7600; Fax (604) 651-7537; <http://www.summitair.yk.ca>; Year Founded 1987. SAC is set up at Atlin in June 1987 to provide charter services to communities in northern British Columbia and the Yukon. Revenue flights commence with a fleet that includes 3 Shorts SC-7 Skyvans, 1 Beech 18, 1 Piper PA-31-310 Navajo, 1 PA-34 Seneca, 1 Mitsubishi Mu-2, 1 de Havilland Canada DHC-2 Beaver, 1 Cessna 206, and 1 Cessna 185. Services continue without change into the 1990s.

In mid-decade, the company begins to offer thrice-weekly scheduled roundtrip frequencies between Atlin and Juneau. The fleet, by 2000, has been altered to include two Skyvans and one each Cessna 207A and 172.

While en route from Kugluktuk on the continuation of an October 8 service to Echo Bay from Yellowknife, an SC-7 with two crew and a passenger disappears. Wreckage is found the next day on a mountain 4 mi. NNE of Echo Bay near Great Bear Lake; there are no survivors.

SUMMIT AIRLINES: United States (1966–1986). **Delaware Air Freight**, which will fly under the marketing name **Del-Air Cargo**, is formed as an all-freight carrier at Philadelphia in 1966. Initial service is inaugurated with a Cessna 172 over a route from Philadelphia to Millville, New Jersey. Flights to regional locations continue during the remainder of the decade with Cessna 206s and Beech 18s. In 1971, the fleet is increased by the addition of 7 Shorts SC-7 Skyvans. Two Douglas DC-3s are acquired in 1972–1973.

The company is reorganized in June 1974 and renamed. Airline employment in 1975 stands at 65. Meanwhile, a new dispatch and flight following system is installed.

The company's two Douglas transports and 8 Skyvans transport a total of 2.9 million FTKs of freight. A profit of \$3 million is reported.

The number of employees is increased by 6% in 1976 to 87. Route expansion takes place gradually as a systemwide customer service department is established for greater emphasis on that important aspect of the business. Officials approach the CAB for a large aircraft exemption. Cargo balloons 69% to 5.4 million FTKs.

With CAB approval, Summit in 1977 purchases three Convair CV-580s and another DC-3. One Skyvan is withdrawn. Following deregulation of the air freight industry later in the year, service is extended in 1978 to such markets as Atlanta, Boston, Buffalo, Chicago, Charlotte, Detroit, Dayton, Hartford, Norfolk, Baltimore, and Raleigh.

Success is enjoyed in a freight field previously found untenable by all but the largest carriers, e.g., **The Flying Tiger Line**. The carrier's fleet in 1978 comprises 5 CV-580s, which fly 21,898 pounds of cargo during the year; that figure increases by 53% in 1979 to 46,591 pounds.

The employee population falls by 12.4% in 1980 to 268. A total of 43,212 pounds of freight are flown, a 5.8% boost. A Lockheed L-188 is acquired. In 1981, President Joseph W. Wear's fleet of 5 CV-580s and 1 Lockheed L-188 Electra transport 63.4 million pounds of cargo, a 32% increase.

The privately held company boosts its payroll by 5.2% in 1982 to 442. Over the company's eastern routes, an 11.6% traffic increase, to 20.23 million FTKs, is generated, while revenues advance 4.6% to \$26.3 million.

Sixteen new employees are hired in 1983 and the route network is expanded from its northeastern base to markets in St. Louis, Kansas City, and Minneapolis/St. Paul. To handle the increased load, two more CV-580s are acquired.

Traffic soars by 21.4% to 24.6 million FTKs and revenues, keeping pace, jump 21.5% to \$31.9 million.

The payroll is expanded by 12.1% in 1984 to 650 as 2 CV-580s and an Electra are added to the fleet. Summit's freight traffic grows 3.4% to 23.51 million FTKs.

In the spring of 1985, the company's main operation base is moved to New York (JFK), from which overnight cargo service opened to Houston and Dallas (DFW).

Although no traffic figures are released, the carrier reports that its 9 CV-580s have provided a profitable year, forcing revenues up 17.7% to \$41.5 million.

In early 1986, the company is purchased by Barry S. Lutin, owner of Hartford-based **Corporate Air**, and starts flying as a subsidiary. The workforce is reduced to 100 and the fleet of Convairs is reduced by 2. Traffic figures are not made available.

SUMMIT AIRWAYS. See CHALLENGER AIRLINES

SUMMIT JET CHARTER: c/o Summit Aviation Corporation, 7144 Republic Airport, Farmingdale, New York 11735, United States; Phone (516) 756-2545; Fax (516) 756-0809; <http://www.summitjet.com>; Year Founded 1980. Specializing in corporate and executive travel worldwide, the aircraft of Summit Jet are based at Republic Airport in 1980. Summit Aviation Corporation headquarters, however, are in Ridgefield, Connecticut.

From initial fixed-wing flights to U.S. destinations, the concern branches out over the next 18 years to operate to points around the world. It also acquires helicopters with which to provide flight-seeing and airport transfers.

Mike Brazill is charter manager in 2000 and he schedules Summits 6 pilots, who fly 2 Learjet 55 Longhorns and 1 each Canadair 600 Challenger and British Aerospace BAe (HS) 125-700A Hawker. Two Aerospatiale AS-350B Ecureuils are also flown.

SUN AIR (1): United States (1969–1978). Sun Air is set up at St. Petersburg, Florida, in 1969 to provide scheduled air taxi service to intrastate destinations. Employing the first of several Cessna 402s, the company duly inaugurates daily revenue frequencies linking its Lakeland base with West Palm Beach, Miami, Gainesville, and Jacksonville. This route network is supported for a decade.

SUN AIR (2): United States (1981). The second Sun Air is set up by A. Wayne Lackey at Fort Lauderdale during February 1981 on the purchased assets of a failed charter operation. Plans are made to establish a scheduled route network connecting the company's base with eight Florida cities. Employing one of several available Embraer EMB-110P1 Bandeirantes, Lackey's new entrant inaugurates daily roundtrips to Miami on March 17.

Only one revenue flight is completed as Lackey, saddled with a \$1 million in acquired debt, is forced to file for Chapter XI bankruptcy protection on March 24. Liquidation occurs later in the year.

SUN AIR (PTY.), LTD.: South Africa (1994–1999). In April 1994, **Bop Air (Pty.), Ltd.**, the carrier of the former South African homeland of Bophuthatswana, is renamed Sun Air. Dirk E. Ackerman is chairman, with Johan L. Borstlap is managing director. They oversee a workforce of 132 and a fleet that includes 1 British Aerospace BAe (HS) 748-B2, 1 Cessna Citation II, and 2 each Embraer EMB-120 Brasilias and EMB-110P-1 Bandeirantes, plus 2 Douglas DC-9-32 jetliners. From bases at Mmabatho and Sun City, scheduled passenger and cargo services are operated to Johannesburg, Cape Town, and Thaba'Nehu.

Operating between the "golden triangle" cities of Johannesburg, Durban, and Cape Town in 1995, Managing Director Borstlap's fleet is increased by the addition of two DC-9-31s and a Boeing 727-230A, the latter leased from **Safair (Pty.), Ltd.** The Bandeirantes are sold.

The B-727-230A is sold to **Inter Air (Pty.), Ltd.** in February 1996. In September, Sun Air enters into a marketing agreement with **Virgin Atlantic Airways, Ltd.** On October 2, the two carriers link their frequent flyer programs and share codes on Sun Air flights between Durban, Cape Town, and Johannesburg. The schedules of these flights are arranged to connect with the new VAA thrice-weekly roundtrips between London and Johannesburg. A third "Baby Boeing" is delivered in November.

Plans are made to privatize the company early in the new year and Virgin Chairman Richard Branson enters into discussions with the South African government concerning the possibility of his acquiring a majority stake. Several groups bid on the carrier and begin to study its five-year business plan; these include consortia led by Virgin, **Malaysia Airlines Bhd.**, **Air France**, and **Comair (Pty.), Ltd.** Sun Air is valued in the prospectus at between R60 million and R90 million (\$13.4 to \$20.1 million).

In a public poll, the company at year's end is voted the best domestic airline in South Africa for 1996. An R2.6-million profit is reported for the year.

In February 1997, an arrangement similar to that with VAA is joined with **KLM (Royal Dutch Airlines, N.V.)**; dual-designators of the Netherlands flag carrier are also carried on Sun Air flights from Johannesburg to Cape Town and Durban. In April, the carrier leases five McDonnell Douglas MD-81s aircraft from **Safair (Pty.), Ltd.** to replace its aging Boeing and Douglas fleet. In May, Investec, which owns the 4 DC-9s via an installment agreement with Sun Air Trust, gives Safair a 12-month window to sell the 4 planes should Sun Air default on its lease payments. When the first of the Safair planes arrives in July, one DC-9-31 is passed to the new **Zimbabwe Express Airlines, Ltd.**

In October, state-owned Sun Air is sold to a consortium that includes **Comair (Pty.), Ltd.** (25%), the Black empowerment consortium Rethabile and Coordinated Network Investments (55%), National Empowerment Fund (15%), and company employees (5%). The purchase price is R 50 million (\$10.6 million), with the new owners agreeing to take over \$46 million in debt. Managing Director Borstlap remains CEO.

Given their alliances with rivals **British Airways, Ltd. (2)** and **Virgin Atlantic Airways, Ltd.**, Comair and Sun Air will continue to compete with one another over established trunk routes. There will be no changes in branding or management. The two will, however, seek to jointly purchase equipment, coordinate schedules, and refrain, at least immediately, from launching routes in opposition to one another.

Flights continue in 1998. When **SA Express Airways (Pty.), Ltd.** sparks a price war with **Comair (Pty.), Ltd.** on October 5 in which both lower their domestic fares by 15%, Sun Air refuses to join in. At the same time, Managing Director Borstlap indicates that planning is underway for a listing of the company on the Johannesburg Stock Exchange sometime in the year 2000.

Sun Air joins with **Nationwide Air Charter (Pty.), Ltd.** and **Comair (Pty.), Ltd.** during January 1999 in lodging a complaint with the South African Competition Board. The three allege that **South African Airways (Pty.), Ltd.** has so reduced prices and increased capacity on a number of domestic routes as to be engaged in predatory pricing violations. Some SAA fares on the routes between Johannesburg and Durban are less expensive than motor buses. The board indicates that it will undertake an investigation over the next few months. When made aware of the Competition Board complaint, officials from SAA indicate that they will contest the claims.

South African Airways (Pty.), Ltd (SAA) and its affiliates continue their fare war with **Comair (Pty.), Ltd.**, backed by **British Airways, Ltd. (2)**, **Nationwide Air Charter (Pty.), Ltd.**, supported by **Sabena Belgian World Airlines, S.A.**, and Sun Air. By midsummer, the independents have still not heard from the SACB.

On August 1, **SA Airlink (Pty.), Ltd.** CEO Rodger Foster, who is also serving as chairman of the Airlines Association of South Africa, warns that the market is hopelessly overtraded and suggests that one or more of the smaller players will soon fail. Within days, SAA completes a deal with the Sun Air board of directors, led by Executive Director Sheiks Makhado; it is offered financial assistance in exchange for the carrier's grounding. It is anticipated that the government will write off it's the final R20 million (\$3.3 million) that is owed to it by the airline. The arrangement, it will later be revealed, is good until mid-September, after which SAA is free to walk away without paying a thing.

Having received neither government or shareholder permission for the deal, loss-making Sun Air is sold to SAA on August 13 and shut down 72 hours later. Its staff is dismissed and on the specific order of SAA, all aircraft are returned to **Safair (Pty.), Ltd.** at Johannesburg International Airport. In announcing the closure, SAA CEO Coleman Andrews indicates that it should not take the independents more than two weeks to absorb Sun Air's 10% market share and that its removal from the playing field should help the survivors become more viable and compete more robustly with each other.

With support from **British Airways, Ltd. (2), Comair (Pty.), Ltd.**, which grants its approval and writes off its 25% stake, immediately steps in to arrange accommodation for stranded Sun passengers.

Shortly thereafter, South Africa's Public Enterprise Minister Jeffrey Radebe informs the National Assembly that the government had not approved SAA's takeover of the defunct Sun Air and that a special investigation into the circumstances of the Sun Air demise would be conducted. In explaining his decision, Radebe confirms government disapproval of the sale of Sun Air by its current shareholders, believing that it would not receive its final R20 million (\$3.3 million) privatization payment in 2000 due from the shareholders.

With the government unwilling to write off its outstanding payment, the consortium that had purchased Sun Air now has no airline, no buyer, and responsibility for Sun Air's debts. Meanwhile, to make matters worse, **Safair (Pty.), Ltd.** proposes to file a R800-million lawsuit against Sun Air for breaking its aircraft leasing and maintenance contract. The move forces the government to place Sun Air into provisional liquidation and suspend its license, which will not be revoked until a final liquidation order is made. Lawyers for the black empowerment consortium Rethabile are instructed to seek enforcement of the SAA agreement.

Meanwhile, one option remains. A proposal is made by the Sun Air Staff Action Committee, a consortium of foreign and local companies, (including marketing partner **Virgin Atlantic Airways, Ltd.**) led by Glenn Watson, with backing from organized labor and former Sun Air employees, to purchase the Sun Air assets and restart the airline. SAA CEO Andrews scoffs and is quoted in an October *Airline Business* report as indicating that "only a total fool would invest the R300 million that would be required to restart Sun Air."

When the government does not step forward to offer assistance in the form of greater protection for a reborn entity, **Virgin Atlantic Airways, Ltd.**, which has just received authority for direct London (LHR) to Cape Town flights, withdraws on October 4 from any further discussions on revitalizing Sun Air. Its local spokesman informs the Africa News Service on October 6 that the home office also has not, in its due diligence, been able to get a handle on potential liabilities facing Sun Air. That being the case, no profit could be expected.

The results of an investigation into Sun Air's grounding conducted by official liquidator Kenneth Moses are released on December 27 and create headlines in every major newspaper in the country. Details are based on court papers and reveal a secret compact between **South African Airways (Pty.), Ltd.** and **Safair (Pty.), Ltd.** made without the knowledge of anyone at Sun Air or Investec, the bank that had financed part of its fleet. The pact made it impossible for the airline to restart or to sell its leased aircraft.

Under the alleged arrangement, SAA agrees to pay Safair R50 million for the Sun Air leases once it has purchased the airline. Meanwhile, the former Sun Air aircraft may only be sold or chartered by Safair to airlines operating outside southern Africa, a move that will clearly frustrate any group attempting to revive the carrier. It is now understood that the secret arrangement had been one of the "liabilities" that caused **Virgin Atlantic Airways, Ltd.** to halt its talks with Sun Air's former employees concerning a possible revival.

Also on December 27, it is reported that Sun Air Trust, which had owned Sun Air's two DC-9-32s and DC-9-31s, was, itself, liquidated by the Johannesburg High Court on December 20. That closure frees the creditors of SAT to sell the four DC-9s, valued at R60 million, which had been unavailable for sale under the SAA-Safair deal. The trust continues to owe Investec R70 million, while SAA itself stands to forfeit the R50 million it had paid to Safair as part of the May 1997 arrangement.

On December 29, South African Public Enterprises Minister Radebe informs reporters that no one in the South African government knew about the secret SAA-Safair arrangement. An official government inquiry will commence, he promises, once the liquidators have finished their work.

The Sun Air court liquidation hearings get underway in mid-January 2000. **Comair (Pty.), Ltd.** Managing Director Pieter van Hoven testifies

on January 20 that the government itself had persuaded him to buy a stake in the failed carrier when it was privatized in 1997 because there were no other serious bidders. More importantly, he reveals that **South African Airways (Pty.), Ltd.** had come up with a plan in 1999, never implemented, for "horizontal capacity collusion" as a way to end the 1998 domestic price war. Under this proposal, the local airline market would simply be carved up between all the active players. The idea went nowhere when Comair refused to drop its complaint, then pending before the South African Competition Board. Thereafter, the next move was to be the elimination of one of the independents.

During the first week of February, the Sun Air liquidators file suit against **South African Airways (Pty.), Ltd.** seeking R7.2 million to cover the salaries SAA had promised to pay the smaller carrier's employees, as well as ticket liabilities. SAA had claimed R6 million from the Sun Air estate for wages. Various inquiries into the Sun Air closure drag on during the remainder of 2000, with principals in the case blaming or defending as the matter continues. Eventually, most of the arguments escape news coverage. In the end, Sun Air is completely liquidated and is not reborn. Safair leases the last two repossessed Sun Air-operated MD-81s to **Spirit Airlines** on August 16.

SUN AIR LINES: United States (1967–1969). Equipped with Beech 18s, Sun is organized by George Caleshu at St. Louis in early 1967. It begins intrastate service in Missouri on April 3 and by the end of 1968, has stretched routes from Kansas City to Miami with intermediate stops at St. Louis, Memphis, Nashville, Birmingham, New Orleans, and Jacksonville.

During the year, the fleet is enhanced by the addition of several de Havilland DH-114 Herons and de Havilland Canada DHC-6-100 Twin Otters. The use of a Learjet allows the carrier to claim that it is the first commuter to employ a jetliner.

Sun Air Lines in 1969 is the largest regional airline in America, but is so significantly overextended, that it cannot fiscally support its business and so must close its doors in July.

SUN AIR OF SCANDINAVIA, A.S.: Lufthavnsvej 33, P.O. Box 40, Billund, DK-7190, Denmark; Phone 45 76 50 01 00; Fax 45 75 33 86 18; <http://www.sunair.dk>; Code EZ; Year Founded 1977. Entrepreneur, pilot, and former school building salesman Niels Christian Sundberg, an employee of Business Jet Flight Centre at Billund, purchases the flight portion of that company when it goes bankrupt in 1977. Early in 1978, Sundberg registers his prize at Billund as Sun Air of Scandinavia as an aircraft sales, maintenance, and charter company. Over the next decade, Sun-Air undertakes nonscheduled domestic services plus air taxi, air ambulance, and contract flights with Piper and Cessna lightplanes.

By the middle 1980s, the fleet of Sundberg's carrier provides many single-plane examples, including 1 each Beech Bonanza, Cessna 172, Cessna 237, Cessna 207, Gulfstream Commander 690B, Piper PA-31-310 Navajo, Piper PA-34 Seneca, and Piper PA-23 Aztec.

When the European Commission relaxes certain air transport requirements in 1987–1989, Sundberg, who is increasingly unable to make ends meet in the charter business, elects to launch a scheduled operation. He applies for a number of scheduled routes and but several years will elapse before these are awarded. An interline agreement is signed with **Deutsche Lufthansa, A.G.** and an Embraer EMB-110P1 is purchased with which to initiate flights from Billund to Cologne and Bonn during the spring of the latter year.

In 1990, the fleet comprises 2 Cessna Citation Is, 1 Cessna 402, 1 Cessna 441, 1 EMB-110P1, 1 SAAB 340A, and 1 Shorts SC-7 Skyvan. During the summer, the German major shuts down its Cologne hub and the contract with Sun Air ends. As a result of financial and political difficulties, bookings fall to 2,000.

A British Aerospace Jetstream 31 and two Mitsubishi Mu-2Bs are acquired in 1991. When **Maersk Air, A.S.** withdraws from its Billund to U.K. (Southend Airport) service in favor of a new route to London (LGW), Sun Air steps in to take over the previous service. Unhappily,

load factors dictate that it be suspended within three months of its start. During the spring, the Danish government decrees that Aarhus Airport, 40 miles outside Copenhagen, will be the nation's second airport.

When **SAS (Scandinavian Airlines System)** is unable to make a profit flying larger aircraft into the airport, owner Sundberg approaches them with a strategic agreement. Sun Air will take over the low-density service to Norway and SAS will provide airside handling, ticketing, check-in, and other airport services for the regional.

The new Jetstream begins scheduled flights from Aarhus to Oslo in August. Enplanements by year's end total 8,000.

Five more Jetstream 31s arrive in **1992**, as orders are placed for three Jetstream 41s and the Bandeirante is withdrawn. Enplanements surge to 50,000. In **1993**, President Sundberg oversees a workforce of 70. The first Jetstream 41 is placed into service as a new service is inaugurated from Karup to Aarhus and Stockholm's Bromma Airport.

Airline employment is increased to 85 in **1994** and the fleet now includes three Cessna 500 Citation Is, seven Jetstream 31s, two Jetstream 41s, two Mitsubishi Mu-2s, and a Partenavia PN.68 Observer. Brussels, Copenhagen, Goteborg, Odense, and Thisted join the route network.

Recognizing the need to find a commercial partner in **1995**, Chairman Sundberg approaches **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, **Air France**, **Alitalia, S.p.A.**, and **KLM (Royal Dutch Airlines, N.V.)**. An appropriate fit cannot be found with any of them. The fleet is, meanwhile, increased by the addition of 5 Jetstream 41s and enplanements total 120,000.

During the spring of **1996**, partnership negotiations are undertaken with **British Airways, Ltd. (2)**. On August 1, the carrier becomes a franchise partner of BA, the first recruited from outside of the U.K.; the British major does not take equity, preferring to leave the Danish carrier an independent airline. It does, however, provide computerized reservations and other airport services, and allows its passengers to participate in its frequent flyer program.

The fleet now includes 9 J-31s and 7 J-41s painted in "British Airways Express" livery. The two share designators on Sun-Air's Continental routes.

In January **1997**, "British Airways Express" service is inaugurated from Billund to Manchester. Four Jetstream 31s will be removed. In July, the carrier purchases two BAe ATPs and another Jetstream 41 from BAe Asset Management Turboprop.

Two aircraft are delivered in early December. The ATP replaces a Jetstream 41 on the Billund to Manchester route while the J-41 succeeds a J-31 on the run from Billund to Oslo.

Following its arrival in January **1998**, the second ATP is dedicated to ad hoc and charter work, including the transport of ski enthusiasts to Norway.

The last BAe ATP to be manufactured, serial no. 2062, is acquired in early December.

It is announced on February 25, **2000**, that the company will soon inaugurate a new twice-daily Jetstream 41 return service from Billund to Berlin's Tegel Airport. The flights, employing both J-41s and ATPs, commence on March 27 and complement the airline's extensive network of flights from Billund to Manchester, Stavanger, Haugesund, Torp, Oslo, and Goteborg.

SUN AIRE: United States (1981-1985). Stephen Mildren forms Sunaire at St. Croix, U.S. Virgin Islands, as a division of the privately owned, Hamilton-based FBO Aviation Associates on April 1, **1981**. After a year of revenue charter work, capitalization is raised to purchase a de Havilland Canada DHC-6-300 Twin Otter that is employed to inaugurate scheduled seven-times-per-day roundtrip services to St. Thomas on July 5, **1982**. During the remainder of the year, a total of 17,621 passengers are flown.

A second Twin Otter arrives in **1983**, along with a Piper PA-34 Seneca and a PA-31-350 Navajo Chieftain. Enplanements climb 51% to 50,980.

Airline employment in **1984** is 35. Significant competition arrives in April when **Virgin Island Seaplanes Shuttle** launches 14-times-per-day services between the 3 U.S. Virgin Islands.

Bookings total 58,190, a 14% boost, while cargo accelerates 53.5% to 36,000 pounds.

The St. Croix-based carrier is purchased by **Metro Airlines** in October **1985** and merged, becoming an Eastern Metro Express division on November 15, dedicated to providing feed to **Eastern Air Lines'** San Juan hub. Prior to the takeover, the year's passenger boardings are 69,135. Afterwards, traffic and other details are reported with those of the Metro Airlines parent, as are those of its Aviation Associates division.

SUN AIRE EXPRESS: United States (1991-1994). San Juan, Puerto Rico-based **Aviation Associates**, an Eastern Metro Express commuter partner of **Eastern Air Lines** prior to that major's January 18, **1991** shutdown, is purchased by **Metro Airlines** Chairman Edmond Henderson and President Jay Seaborn in February and renamed. With a "United Express" code-sharing alliance in hand, the 216-employee company's 9 de Havilland Canada DHC-6-300 Twin Otters and 3 DHC-6-200s continue operations from a base at St. Croix as before and transport a total of 348,336 passengers, down 18.9% from the previous year.

Enplanements decline a further 5.1% in **1992** to 330,592 as the carrier's parent is reformed and renamed Aeroflight Holdings.

An effort is made throughout **1993** to sell the airline but no buyers are found. As a result, the airline, in financial trouble, is forced into Chapter XI bankruptcy in December.

Prior to its bankruptcy, the airline's customer bookings rise 5.7% to 349,451. Revenues for the year total \$14 million.

In May **1994**, Sun Aire is purchased by the Texas-based megaregional **Mesa Airlines**. Under terms of the agreement, Mesa pledges to invest between \$600,000 and \$750,000 in its new acquisition as part of the required Chapter XI reorganization, which is designed to allow Sun Aire, in the future, to pay back its \$2.3-million debt. In addition, the Virgin Island-based company will receive a cash infusion of \$750,000, bringing Mesa's total investment in cash and debt to \$3.1 million.

The takeover does not occur, new financing is not obtained, and the company is forced to shut its doors at year's end, after flying 69,072 passengers.

SUN AIRE LINES: United States (1968-1984). Founded by H. L. Van Sickle, Sun Aire Lines, the marketing name of Borrego Springs Airline, a subsidiary of the Di Giorgio Corporation, is certified in November **1968**. George J. Kuhrts III, president of the corporation's Rams Hill resort and residential community development unit, is placed in charge; however, he leaves operations to founder Van Sickle, vice president-operations.

The new entrant inaugurates scheduled passenger and cargo flights to San Diego on December 22. The company's single Cessna 402 links the Borrego Springs base with San Diego, 90 mi. away, in **1969**, the first full year of flights, transporting a total of 709 passengers.

Operations continue against stiff competition in the tough California commuter market for the remainder of the decade and through the **1970s**. The corporate base is transferred to Palm Springs and additional points visited include Los Angeles, Yuma, and Santa Maria. The only unfortunate incident of these years is a fatal accident in **1976**. En route from San Diego to Palm Springs on April 15 of that year, a Beech 18 with six aboard crashes in the Santa Rosa Mountains during a storm; there are no survivors.

Michael Di Giorgio, a son of the corporate owners, becomes vice president in **1979**.

In **1980**, President Kuhrts's airline flies to and from its Palm Springs base to Borrego Springs, San Diego, Los Angeles, El Centro, Yuma, and Phoenix. In **1981**, the fleet includes 5 Swearingen Metro IIs and a total of 163,000 passengers are transported.

The number of bookings increases to 227,000 in **1982**. New destinations served include Bakersfield, Burbank, Ontario, Santa Barbara, and Santa Maria.

Airline employment jumps 57.9% in **1983** to 300 and the fleet includes 12 Metroliners. A total of 327,000 customers are flown by the large regional and revenues of \$16.4 million are earned, a 40.2% boost.

In March 1984, the regional offers 195 daily departures from Bakersfield, Borrego Springs, Burbank, Imperial County, Los Angeles, Ontario, Palm Springs, Phoenix, San Diego, Santa Barbara, Santa Maria, and Yuma. During the month, a 13th Swearingen Metro joins the fleet, followed by a 14th in May.

The parent company, continuing its principal engagement in building materials and consumer products, elects to depart the air transport industry, selling Sun Aire to **Sky West Airlines** on September 28. The Utah-based regional will initially operate its new acquisition as a subsidiary until it can be integrated.

SUN BASIN AIRLINES: United States (1975–1978). Sun Basin is set up at Moses Lake, Washington, in the spring of 1975 to offer scheduled passenger and cargo flights to Seattle and Spokane. Employing a pair of Cessna 402s, the commuter opens service on April 7, maintaining it until it goes out of business on July 13, 1978.

SUN COAST AIRLINES: United States (1987–1989). Originally set up at St. Petersburg, Florida, in 1983, to offer low-cost charters to Pennsylvania, Illinois, and North Carolina, Sun Coast is purchased by former **Arrow Air** President Bryan Ellison in the summer of 1986 and relocated to Fort Lauderdale. From there, the company's lone Boeing 727 continues to offer charters and replacement flights into the spring 1987. A workforce of 100 is assembled along with a fleet of 3 Boeing 727-100s. When scheduled authority is received in the spring, it is employed to inaugurate that type of passenger services on June 1 from Orlando to San Juan. Orlando and Fort Lauderdale to Montego Bay scheduled flights are introduced in the fall.

By Christmas, a total of 79,000 passengers have been transported.

Thrice-weekly flights commence on January 5, 1988 from New York (JFK) to Georgetown, Guayana. Scheduled service is opened in April from Boston and New York to Borinquen Airport at Aguadilla, Puerto Rico.

During the spring, the company becomes embroiled in a controversy with ILFC, from whom it plans to lease a B-737-2Q8. As a result, it suspends scheduled flights and declares Chapter XI bankruptcy. Charter flights, however, continue until it is realized that plans to reorganize and resume scheduled flights cannot be implemented. The company's operating certificate is revoked by the DOT in February 1989.

SUN COUNTRY AIR LINES: 2520 Pilot Knob Road, Suite 250, Mendota Heights, Minnesota 55120, United States; Phone (612) 681-3900; Fax (612) 681-3970; <http://www.suncountry.com>; Code SY; Year Founded 1982. Affiliated with Minnesota-based MLT Tours, Sun Country is formed by former **Braniff International Airways** employees at Minneapolis (MSP) in July 1982. Robert Daniels becomes president/CEO and recruits a workforce of 33.

Plans are made to inaugurate MLT tour group flights to Las Vegas, Florida, California, Mexico, the U.S. Virgin Islands, and other Caribbean holiday locations. Charter authority is received from the CAB at the end of the year.

Employing a leased Boeing 727-227A formerly operated by **Air Florida**, the company initiates revenue service on January 20, 1983, flying from Sioux Falls to Las Vegas.

Enplanements for the year total 149,000.

Bookings climb to 177,264 in 1984 and in June 1985 a B-727-264 is leased from Guinness Peat for 10 months. Enplanements climb to 376,000, a 48.6% boost.

In 1986, the carrier obtains the lease of four additional B-727-200s, including two Dash-212As from **Dan-Air/Dan-Air Services, Ltd.** of the U.K. In addition, a DC-10-40 is leased from **Northwest Airlines** in late spring, entering revenue service in June.

Also during the year, Sun Country moves into a new hangar and headquarters complex at Minneapolis (MSP).

The new aircraft help the 179-employee charter operator to have a very successful year, with enplanements climbing 25% to 518,912.

Airline employment is reduced by 1.7% in 1987 to 176. In the spring, the **Dan-Air/Dan-Air Services, Ltd.** aircraft are returned and are replaced by two leased **Northwest Airlines** B-727-251As. The first of these joins the fleet in September as flights on behalf of tour operators are inaugurated from Chicago and Detroit.

Customer bookings zoom upward by 18.9% to 616,937 and revenues total \$44.1 million. With costs low, profits are generated: \$3.19 million (operating) and \$2.08 million (net).

Airline employment grows by 16.5% in 1988 to 205. The second B-727-251A leased from **Northwest Airlines** arrives in February and charter flights to Europe are begun during the summer from Minneapolis to Oslo and Rome. A major change in ownership occurs on December 1 as the Minnesota Corporation takes over.

Passenger boardings increase by 26.8% to 782,502 and revenues rise 25.7% to \$55.5 million. Expenses are held in check, allowing an operating profit of \$2.1 million and a net profit of \$1.7 million to be generated.

The workforce grows a substantial 70.7% in 1989 to 350 as a chartered B-727-276A arrives under charter from **Dan-Air/Dan-Air Services, Ltd.**

The Minneapolis-based charter operator enplanes a total of 907,822 passengers for a 23.3% increase. Revenues ascend by 37.7% to \$76.4 million, costs jump 34.9% to \$71.98 million, and the operating profit moves up to \$3.49 million. Net profit doubles, to \$2.54 million.

The payroll is enlarged by 19.5% in 1990 to 313 as **Air Portugal, S.A.** charters a B-727-282 to the carrier.

Customer bookings surge 20% to 1.2 million and revenues jump 26.5% to \$87.7 million. Expenses are boosted 21.7% to \$80.15 million and allow operating income to more than double to \$8.02 million. Net gain climbs to \$5.44 million.

Company employment is cut 4.2% in 1991 to 300 as 2 DC-10-10s are leased from **Scanair, A.B.** of Sweden, allowing a further expansion of long-haul flights.

Passenger boardings ascend 9.1% to 1,288,000 and revenues shoot up 26.2% to \$117.11 million. Expenses jump 29.1% to \$109.43 million and guarantee an operating profit of \$7.68 million. The net profit is up to \$7.03 million.

The payroll is increased by 16.7% in 1992 to 350 and the fleet comprises 2 each leased B-727-225As, B-251As, and 2 B-727-2J4As, 1 each B-727-227A and B-727-282A, plus 2 DC-10-10s leased from **Scanair, A.B.** and DC-10-14 chartered from **Northwest Airlines**.

Customer bookings move ahead by 37.3% to 1,928,000 and revenues reach \$151 million. Operating income slides to \$793,072 and net gain drops to \$1.4 million.

In 1993, President/CEO John Barry oversees a workforce of 571, a 63.1% boost. A ninth B-727, a Dash-2A1A, is acquired as the DOT upgrades the carrier to national airline status.

Passenger boardings remain level at 1.9 million, but revenues ascend 4.7% to \$144.8 million. Expenses jump up only 0.4% to \$138.5 million and allow operating income to increase sixfold to \$8.45 million. Net profit surges to \$7.01 million.

Airline employment is increased by a huge 53.8% in 1994 to 889 and the leased fleet comprises 2 each B-727-2A1As, B-727-2J4REs, and B-727-225As, 1 B-727-227A, 1 B-727-282A, and 3 DC-10-10s. During the spring, 1 B-727-251A and 1 DC-10-40 are chartered from **Northwest Airlines**.

When a B-727-260A, formerly flown by **Ethiopian Airlines, S.C.** arrives at Minneapolis on September 1, it introduces the company's striking new color scheme. Under contract to MLT Vacations, a subsidiary of **Northwest Airlines**, the company inaugurates nonstop charters from Wichita to Las Vegas on September 29.

Customer bookings surge 18.1% to 2,255,107 and revenues move ahead by 19.8% to \$173.46 million. Expenses climb 18.2% to \$161.14 million and grant a pretax profit of \$12.32 million. The net gain rises to \$9.57 million.

The workforce is reduced by 10.4% in 1995 to 813.

Having equipped 70% of its B-727s with the Trimble TNL8 100 Global Positioning System (GPS), the company chooses one of them to make a roundtrip validation flight on July 25–26 from Boston to Santa Maria, Portugal, via Gender, Newfoundland. On September 1, Sun Country becomes the first commercial carrier to receive FAA operational approval for use of the GPS as its primary navigation system in remote or oceanic airspace.

Gemini Air Cargo is established at Washington, D.C. (IAD) in October to operate charter air cargo services. Unable to immediately acquire its government certification in time for a November launch of services, the carrier leases three newly acquired Douglas DC-10-30Fs to Sun Country, which initiates services on behalf of the new operator on December 1. Sun Country benefits in that it is allowed to continue operating passenger aircraft that exceed FAA noise standards.

On behalf of Funjet Vacations, the company, on December 14, launches winter charters from Atlanta to Cancún and Cozumel; the segment from Cancún to Cozumel is flown via **Mexicana Airlines, S.A. de C.V.**

Enplanements surge ahead by 12.9% to 2,546,838 and 1.26 million FTKs are also operated. Although operating income is up by 16.6% to \$202.19 million, costs are up 22.2% to \$200.73 million. Consequently, the operating profit falls to \$1.46 million. A \$2.08-million net profit is posted.

The employee population climbs 30.4% in 1996 to 1,060. In January, **Gemini Air Cargo** complains that Sun Country has employed the wrong flight number on a service from New York to Seoul, thereby causing a delay in cargo aboard the wide-body. The action results in the cancellation of three later contracted flights and a loss of \$400,000 to the company.

Gemini Air Cargo receives its own FAA Part 121 certificate in June and a fourth Douglas freighter is acquired from Sun Country.

On August 12, the company unveils its fall fare sale good on flights through December 15. Travelers will be able to fly for \$49 to \$99 one way from Minneapolis (MSP) to 18 major U.S. destinations, including Chicago, Boston, San Francisco, Seattle, and New York. Added to the sale are Los Angeles, Washington, D.C., Phoenix, and Laughlin, Nevada.

On August 28, the carrier, which has reduced its relationship with the Indianapolis-based tour operator MLT Vacations, contracts to provide charter service during the winter season with the Bloomington, Minnesota, concern Trans Global Tours.

Reporting that both **UPS (United Parcel Service)** and **Swissair, A.G.**, having found service provided so poor in results that they refuse to ship cargo on planes operated by Sun Country, **Gemini Air Cargo** in the fall attempts to cancel the DC-10 contract.

In October, flights on behalf of Trans Global Tours begin to eight destinations, including Orlando and Las Vegas.

Passenger boardings decline 7.9% to 2,346,856. Although revenues are up 2.9% to \$207.98 million, expenses accelerate 5.9% to \$212.61 million. The previous year's profits are, unhappily, turned into losses: \$4.62 million (operating) and \$2.25 million (net).

John Barry is chairman in 1997, with Gregory Smith as vice chairman and John Skiba as president/CEO. With 9 DC-10s (9) and 10 B-727s, the fleet is now almost evenly divided.

Sun Country files suit in Hennepin County District Court and in U.S. District Court in Minneapolis in January seeking an injunction against **Gemini Air Cargo's** DC-10 repossession. The passenger charter operator, refuting Gemini's concerns, contends that, if the planes are reclaimed, it would suffer "catastrophic" financial injury at the height of the winter tourist season. The companies settle their claims on February 7 in an agreement that allows Sun Country to continue operating on behalf of Gemini for the immediate future.

The agreement with **Gemini Air Cargo** is officially terminated during the second week of April. Gemini is now flying its six DC-10-30s with its own pilots; a seventh aircraft is down for maintenance. That airline currently flies one scheduled service from New York to Seoul six times a week.

William La Macchia Jr., owner of Mark Travel Corporation and its Funjet Vacations subsidiary, purchases Sun Country on April 17 for an

estimated \$25 million and assumes its presidency. Sun Country, which flies from 23 U.S. cities, is known for its charter flights to Las Vegas and other warm-weather destinations and has been a longtime business associate of Funjet. No plans are made to bring Funjet to Minneapolis.

While on a repositioning flight from Minneapolis to Los Angeles on June 17, the cockpit crew of a DC-10-10, transporting 9 flight attendants, 12 deadheading crew members, aircraft parts, and 1,795 lbs. of mail, smells smokes and diverts the flight to Denver, where a safe emergency landing is made. No damage occurs and no injuries are reported.

Passenger boardings rise 8.6% to 2,548,000, but freight plunges 89.5% to 30.64 million FTKs. Operating revenues advance 10% to \$228.83 million, while expenses jump 16.9% to \$239.54 million. The previous year's operating loss deepens to \$10.71 million, while the net loss worsens to \$11.68 million.

After 30-months of negotiations, culminating in around-the-clock bargaining at NMB headquarters in Washington, D.C., the company and ALPA are able to jointly announce a tentative agreement on February 20, 1998. It is anticipated that the 220 rank-and-file pilots will ratify the pact.

Charter destinations now visited include Boston, Chicago, Dallas (DFW), Detroit, Fort Lauderdale, Fort Myers, Harlingen, Texas, Houston, Laughlin, Los Angeles, Miami, Milwaukee, New York (JFK), Phoenix, Salt Lake City, San Antonio, San Diego, San Francisco, Sarasota, Seattle, St. Louis, Washington, D.C. and in the West Indies, St. Thomas, St. Croix, St. Martin, Costa Rica, and Aruba.

As a result of the **Northwest Airlines** pilots' strike in September, Sun Country institutes an elevated flight schedule to meet public demand for an alternative airline in Minneapolis (MSP). During the job action, which shuts down the major, Sun Country adds over 28,000 seats to its regular schedule. It provides regular daily scheduled service to Boston, Chicago, Cleveland, Dallas (DFW), Detroit, Houston, Los Angeles, New York, Phoenix, San Antonio, San Diego, San Francisco, Seattle, and Washington, D.C. Services to Detroit and New York depart Minneapolis (MSP) twice-daily, with flights to Boston and San Francisco made four times a week.

Although Sun Country reverts to charter status after the Northwest strike is concluded, the introduction of scheduled flights during that time leaves a lasting impact. During the fall and into the winter, planning is undertaken, in response to requests from leisure and business customers, to prepare the company for a new departure. An entirely new marketing and operating strategy will soon be revealed.

During the 12 months, customer bookings rise 2.4% to 2.61 million, while freight traffic plunges 83.69% to 4.99 million FTKs. Revenues are up 3.8% to \$237.58 million, while costs dip 2.4% to \$233.88 million. The previous year's operating loss becomes a \$3.69-million gain, while the net loss becomes a \$12.43-million profit.

The Sun Country fleet at the beginning of 1999 includes 4 DC-10-15s and 11 B-727-200As. Airline employment has, by this time, been increased by 20.1% to 1,259.

On January 15, President/CEO La Macchia announces that, effective June 1, Sun Country will become a scheduled airline. Between the date of his news conference and June, the company will develop a frequent flyer program and, beginning in April, undertake an advertising campaign. Daily routes will be undertaken from Minneapolis (MSP) to such major U.S. destinations as Boston, Detroit, Las Vegas, New York (JFK), Orlando, Phoenix, San Francisco, Seattle, and Washington, D.C. (IAD).

Following the announcement by **American Trans Air** that it will stop servicing Milwaukee on April 30, Funjet Vacations, based in that city and also owned by Sun Country President La Macchia, announces on January 22 that it will switch over to Sun Country as its principal carrier on May 1.

Sun Country, on February 3, signs a tentative agreement with its flight attendants union, the Teamsters. The pact is passed to the 400 members for ratification, which is accomplished on March 2.

In an effort to create the same sort of edge in scheduled services enjoyed by **Pro Air** in Detroit, Sun Country, on May 5, begins to run a number of sassy ads in Minneapolis area newspapers touting the advantages

it has to offer. A "Pez head" of President La Macchia appears in the ads along with a coupon that can be mailed back to the airline for a chance to win a year of free travel.

Within days, billboards also begin to appear sporting the slogan "Jesse Did It—Why Can't We?" Others use teaser words like "Smile" and others note the carrier's cheap fares. The \$15-million marketing blitz continues throughout the spring.

Flight 744, a B-727-200A with 7 crew and 83 passengers is substantially damaged when its left wing strikes a catering truck during push-back at Washington, D.C. (IAD) on May 28; no injuries are reported.

The first scheduled service is inaugurated on June 1, a daily nonstop roundtrip from Seattle to Minneapolis (MSP).

Orders are placed with ILFC on June 16 for the charter of six Next Generation B-737-8Q8s, to be delivered during the year beginning on January 31, 2001. In September, competitor **Northwest Airlines** unilaterally terminates an agreement to share or sell jetliner parts to Sun Country; the move deepens already hard feelings between the two Minneapolis-based carriers.

The situation with Northwest worsens on October 13. Although Sun Country has already paid a \$500,000-a-year fee for the federally mandated training, NWA now refuses to train the more than 600 Sun Country workers needing to learn the latest emergency evacuation procedures.

During Christmas week, new seasonal service is introduced from Minneapolis to Montego Bay, Puerto Vallarta, St. Thomas, and St. Martin.

Passenger boardings drop 3.3% to 2,519,000, while freight traffic plunges 64.2% to 1.78 million FTKs.

Although revenues are up 6% to \$251.87 million, expenses surge 14.9% to \$268.62 million. The previous year's profits are turned into losses: \$16.74 million (operating) and \$16.87 million (net).

Airline employment at the beginning of 2000 stands at 1,359, a 12.2% increase over the previous 12 months. The company's B-727 fleet now includes 5 Dash-2J4As, 1 each Dash-227A, Dash-282A, Dash-259A, Dash-2K3A, Dash-224A, and Dash-2M7A, plus 2 Dash-225As. Also operated are 3 DC-10-15s.

For one of several historic baseball matches between players from the U.S. and Cuba, Sun Country is contracted on January 10 to transport the University of St. Thomas team to Havana on January 22. Also aboard are several dignitaries, including university and political officials and members of the news media. At the end of the series on January 29, the carrier will bring the team home.

Seasonal service is introduced on January 24 from Minneapolis to San Juan. The company's seasonal services introduced in December and January will all cease at the end of April. On February 10, Milwaukee customers are able to utilize new connecting service through Minneapolis (MSP) and fly daily to Los Angeles and six times a week to Seattle. From Detroit (DTT), beginning on February 18, passengers can choose one-stop connecting service via Minneapolis to San Francisco and Seattle weekdays.

On March 3, the carrier receives DOT authorization for the inauguration of scheduled services from Detroit (DTT) and bases in Texas to points in Mexico.

On May 15, the company reveals details of their new corporate color scheme to the local Minneapolis affiliate of ABC Television; the livery will be officially unveiled on the first B-737-8Q8 when it arrives in January.

The new scheduled services to Mexico begin on May 22. The return routes flown include Saturday flights from Detroit to Cancún, Houston to Cozumel and San Antonio to Cancun four times a week, and Houston to Cancún six times a week. Twice-weekly flights include Dallas (DFW) to Cabo San Lucas, Cancún, and Puerto Vallarta, Austin to Cancún and Cozumel, San Antonio to Cozumel, and Houston to Puerto Vallarta. Dallas to Ixtapa flights are offered weekly.

It is announced on May 26 that Sun Country has become the first commercial airline to install MedAire's Emergency Service Kits, first-aid kits designed specifically for the needs of the traveling public, aboard all of its aircraft. Sun Country is also contracting with MedAire for the services of MedLink, its emergency telemedicine service.

Also in May, contract talks begin between the airline and its ALPA-represented pilots. A B-737-225A leased from **Sabre Airways, Ltd.** earlier in the year is returned during the month.

Nonstop frequencies between Minneapolis (MSP) and San Diego are increased on September 6, the same-day, one-stop flights are initiated to the Southern California community from Boston, Detroit, and Milwaukee.

While taxiing to the runway for a September 10 departure from Minneapolis to San Francisco, Flight 791, a B-727-224 with 7 crew and 94 passengers, is badly damaged when the No. 3 wheel and tire assembly fail and pieces of the assembly impact the airframe. No injuries are reported. A chartered B-727-225A replacement is received on September 15.

It is announced on October 6 that the carrier's three DC-10-15s will be retired by April; one DC-10-15 has already been turned over to The Memphis Group for reduction into scrap. The B-727-225A acquired in mid-September is employed, beginning on October 9, to offer twice-daily roundtrips between Minneapolis (MSP) and Chicago (ORD); one frequency omits Saturdays from the schedule and the other, Sundays.

A B-727-225A is leased from **Sabre Airways, Ltd.** late in the month for use on the charter line's winter schedule. On October 28, a new "customer friendly" carry-on policy is implemented; passenger baggage is physically measured to ensure that it meets a new linear size requirement of 48 inches, rather than adhering to the standard "in-the-box" system of measurement.

On November 20, ALPA requests that federal mediators enter into the contract negotiations it is holding with the company's management.

Scheduled roundtrip service to Mexico, approved by the Mexican government two weeks earlier, begins on December 18. Routes and weekly return frequencies include four from Minneapolis (MSP) to Cancún, one to Cozumel, and five to Mazatlan; four from Milwaukee to Cancún, five to Puerto Vallarta (5); and four from St. Louis to Cancún, and five to Puerto Vallarta.

As a way to report to the public on the lack of progress in contract negotiations, a number of the carrier's ALPA-represented pilots participate in informational picketing at Minneapolis (MSP) on December 18.

During these 12 months, the decline in passenger boardings is reversed, growing by 5.05% to 2,664,000. Cargo traffic, on the other hand, falls another 80.24% to just 353,000 FTKs.

SUN D'OR INTERNATIONAL AIRLINES, LTD.: P.O. Box 161, Ben Gurion International Airport, 70100, Israel; Phone 972 (3) 971-6470; Fax 972 (3) 971-1389; Code ERO; Year Founded 1977. To compete with foreign nonscheduled flights entering the Israeli market, El Al Charter Services is incorporated as a wholly owned subsidiary of the state airline on October 2, 1977. It had, prior to incorporation, offered BAC 1-11 charters to Rome and Dublin.

During the remainder of the decade, tour routes are developed for destinations in Germany, France, Spain, Finland, Mediterranean points, and the Canary Islands. The carrier also serves to prove routes and stops later regularly flown by **El Al Israel Airlines, Ltd.**; examples of these future scheduled stops include Chicago, Madrid, Boston, and Manchester.

In 1981, the decision is taken not to fly to any city regularly served by El Al and in order for the carrier to have a separate identity, the present name is chosen. On May 1, 1985, a joint operating agreement is signed with **Arkia Israel Airlines, Ltd.** covering operations to Europe and the Mediterranean in an effort to avoid duplicated service. Aircraft employed are leased from El Al and operate in that carrier's standard colors with titles altered.

Operations continue apace during 1986–1991. In 1992, the carrier employs a total of nine permanent workers, including Chairman M. Berger, President S. Mattatiah, and Commercial Manager Y. Schachar. All other personnel support is provided by the parent. A total of 123,500 passengers is flown on the year.

Regular, ad hoc, and seasonal passenger charter flights from Israel to Europe continue in 1993–1994. Enplanements of 308,500 are reported in 1995.

The permanent workforce grows to 12 in 1996. Operating with Israeli jetliners as before, the charter carrier enjoys a good year; customer bookings soar 16.8% to 361,100.

Flights continue without incident during the remainder of the decade.

SUN EXPRESS AIR, A.O.: Fener Mahallesi Sinanoglu Cad, Oktay Airport, P.O. Box 28, TR-07100, Antalya, 07100, Turkey; Phone 90 (242) 323-4047; Fax 90 (242) 323-4057; <http://www.sunexpress.de>; Code XQ; Year Founded 1989. Sun Express is formed at Antalya on September 11, 1989 as a joint venture between **THY Turkish Airlines (Turk Hava Yollari, A.O.)** and **Deutsche Lufthansa, A.G.** Each national carrier holds 40% interest, with private Turkish shareholders owning the remaining 20%; Atilla Celebi is chairman. Gerhard Dinter is appointed managing director and a Boeing 737-3Y0 is leased from the German carrier with which to begin passenger charter revenue flights to Austria, Germany, Italy, Spain, and Cyprus. The first revenue flight is initiated from Nuremberg to Antalya on April 4, 1990.

Two more Dash-3Y0s are chartered from the same source after the Kuwait crisis in 1991. Operations continue apace in 1992-1993, and the first profit is posted at the close of the latter year, during which nearly 400,000 passengers have been flown.

The workforce in 1994 stands at 202 and the fleet is altered with the addition of one each B-737-4Y0 and B-737-430, both chartered from **Deutsche Lufthansa, A.G.** Destinations visited include Cyprus, Austria, Germany, Italy, Spain, Finland, Sweden, Israel, Switzerland, and the Czech Republic.

Flight International, in its November 9 issue, reports that THY has plans to sell its 40% stake as it prepares for alliance negotiations and possible privatization. The report is not confirmed.

Operations continue without change in 1995-1996.

The fleet in 1997 remains the same as it was in 1994: three leased B-737-3Y0s and one each chartered B-737-4Y0 and B-737-430.

On September 18, co-parent **Deutsche Lufthansa, A.G.** announces that, at the beginning of the new year, its charter subsidiary **Condor Flugdienst, GmbH** will be spun off and joined with Germany's second largest tour operator, **Neckermann Reisen, GmbH**. The fifty-fifty joint venture company is to be known as **C&N Condor Neckermann Touristik, A.G.** and will also contain the DLH interest in Sun Express and five German tour operations.

The joint enterprise **C&N Condor Neckermann Touristik, A.G.** is born on schedule, January 1, 1998. Sun Express is not physically submersed and retains its own identity. Flights continue during the remainder of the year and into the next.

Two Next Generation B-737-73Ss, previously operated by **Israir, Ltd.**, are chartered from Pembroke Capital in January 1999 and are delivered on February 23 and April 29, respectively. Enplanements for the carrier's B-737-3Y0s total 120,000.

A total of 282 workers are employed at the beginning of 2000. The first of four Next Generation B-737-86Ns leased from GE Capital Corporation is delivered on January 19; the others follow on February 4, February 22, and May 12. In early November, it is announced that regularly scheduled service will be inaugurated in March to London and Frankfurt.

The new Boeings arrive at the end of December. They will be employed to operate the charters to Germany previously flown by **Air Alfa Hava Yollari Ve Tic, A.S.**, which has been banned from that country due to nonpayment of its ATC fees.

SUN INTERNATIONAL AIRLINES: United States (1989-1990). Based at New Iberia, Louisiana, **Gulf Air** changes its name to SIA in the spring of 1989. Airline employment is increased by 19.1% to 417 and the fleet includes 3 B-727-100s and 4 B-727-200s. In May, the carrier acquires four Douglas DC-8-63s that are placed into transatlantic tour service beginning on Memorial Day.

In early June, two B-727-200s are again leased to **Air Malta, Ltd.** for its summer activities. During the summer, a new operations facility is

occupied approximately one mile from the old one. Operations do not last a year.

SUN INTERNATIONAL AIRWAYS: United States (1979-1982). An associate of Reading, Pennsylvania-based **Perkiomen Airways, SIA** is set up at Isla Verde, San Juan, Puerto Rico, in 1979 to offer scheduled passenger services to St. Thomas, Aguadilla, Vieques, and Culebra. Daily Beech B-55 Baron roundtrip flights are duly inaugurated and are sustained through 1982.

SUN JET INTERNATIONAL AIRLINES: United States (1993-1999). SJI is established by former **Key Airlines** President P. Thomas Kolfenbach at Largo, Florida, in the spring of 1993 to offer charter passenger and inclusive-tour flights to destinations throughout North America with a fleet of two leased McDonnell Douglas MD-81s.

A DC-9-31, once operated by **Eastern Air Lines**, is put into service during October over an initial route from Newark to Tampa/St. Petersburg and Fort Lauderdale. Only \$17,000 in income is realized before year's end, along with \$19,000 in expenses. Losses are \$2,000, on both the operating and net lines.

In June 1994, Dallas (DFW) is added to the route system, with connecting service to Los Angeles via Long Beach.

The leased fleet is considerably increased in 1995; added are two DC-9-51s and another DC-9-31. Flights between Los Angeles/Long Beach and Las Vegas and Seattle commence on October 1. On November 15, new service is inaugurated between Long Angeles/Long Beach and Newark and Houston (IAH).

Enplanements for the first full year total 486,000. Revenues well exceed costs and there are good profits: \$8.79 million (operating) and \$6.56 million (net).

Michigan housing developer John Mansour purchases the company at the beginning of 1996. After announcing plans to transfer the airline to his hometown of Flint, the new owner relents. Former **American Airlines** executive David Banmiller is hired to succeed Mr. Kolfenbach as president and he, too, announces growth plans. Unfortunately, Sun Jet, like a number of smaller carriers, will be badly affected by the May crash of **Valujet Airlines** Flight 592 into the Everglades.

Sun Jet now falls behind in its payments to vendors and to former owner Kolfenbach. Meanwhile, larger airlines offer deep discount fares in an effort to attract riders to their supposedly safer operations.

The two DC-9-31s are withdrawn as passenger boardings slide 2.4% to 622,000. Operating income falls 7% to \$59.28 million while expenses are up 9% to \$59.87 million. The previous year's profits are turned into an operating loss of \$599,000 and a net loss of \$532,000.

The leased fleet in 1997 includes two DC-9-51s and two MD-81s. During the first quarter, Sun Jet, which has been unable to raise additional capital, abandons the scheduled charter market and returns to a more traditional, on-demand, nonscheduled service.

During its takeoff from Dallas (DFW) on June 16, a DC-9-51's main landing gear tire explodes; pieces of rubber are ingested into an engine causing major damage and cancellation of the departure.

In deep trouble, Chairman Mansour indicates on June 17 that he is seeking a merger partner. Recent engine problems have taken two of Sun Jet's four planes out of service and the company reports itself \$5 million in debt.

On June 18, the Largo-based discount air carrier grounds its planes, lays off most of its 145 employees and prepares to file for Chapter IX protection the following Monday. Passengers are switched to flights by Detroit-based **Spirit Air**. That company operates Sun Jet's flights to Orlando, St. Petersburg, Fort Lauderdale, and Newark.

The carrier keeps its operating certificate active with the government and seeks a rescue package that will allow it to resume operations.

Prior to its shutdown, the company flies a total of 248,000 passengers. Revenues have dropped 73.8% to \$15.54 million and expenses have fallen 67.3% to \$19.59 million. The operating loss is \$4.5 million, while a net \$4.09-million loss is also suffered.

Aviation Industries Corporation steps before the U.S. Bankruptcy Court on February 12, 1998 and wins permission to provide debtor-in-possession financing. Although Chairman Mansour and his management team are temporarily left in place, AIC retains AIBC Investment Services Corp. to advise it as it prepares to recall workers, expedite revalidation of the carrier's fitness certificate with the DOT, and resume passenger charters.

A reorganization plan is filed with the court by March 20. When it becomes a reality, the airline will fly under a new marketing name.

The DOT finds Sun Jet fit to resume service during the first quarter of 1999. Flights resume from a base at St. Petersburg with a single DC-9-32 and under the name **Southeast Airlines (6)**.

SUN JET INTERNATIONAL SALES: United States (1993–1999).

Sun Jet International Sales, not to be confused with **Sun Jet International Airlines**, is founded by tour operator World Technology Systems in the late summer of 1993 to promote low-cost charter service (provided by other carriers) between the New York area and Florida. The company is a charter travel company and not an operating airline; therefore, the FAA does not monitor its activities. The government will, however, monitor the carriers contracting with Sun Jet and via this regulatory responsibility will ultimately have some impact on the WTS subsidiary's fate. Charter flights are launched in October from Newark to Tampa/St. Petersburg and Fort Lauderdale. **Great American Airways** is the principle carrier to fly WTS passengers this year and in 1994.

During the summer of 1995, World Technology Systems contracts with the city of Myrtle Beach, South Carolina, and **Great American Airways**, to provide charter service that supplements regular flight schedules. The operation will be known as "Myrtle Beach Jet Express." Like SJIS, MBJE is also not an actual airline.

Beginning in September 1996 and continuing through the following February, tour operator World Technology Systems sponsors a promotion in which every "Myrtle Beach Jet Express" passenger purchasing a ticket will receive two free rounds of championship golf at a selected course.

Citing numerous falsifications of records and documents, the FAA pulls the operating certificate of **Great American Airways** in April 1997. The Reno-based airline files for Chapter XI bankruptcy protection and appeals the government action. The company's certification problems are eventually resolved, but, in the meantime, WTS moves its "Myrtle Beach Jet Express" charters, including its popular golf-for-ticket promotion, to the new **Sun Pacific International Airlines** and **TransMeridian Airlines**.

Early in January 1998, World Travel System enters into a one-year commercial agreement with **Trans World Airlines (TWA)**. Beginning on February 20, the major undertakes daily, nonstop, \$99, one-way through-fares in partnership with "Myrtle Beach Jet Express" between Myrtle Beach and many other destinations via connections at St. Louis and New York. Also during the month, capacity is expanded when SJIS contracts for lift with the start-up carrier **Winair**.

By mid-April, President/CEO Kent Elsbree's company offers daily flights from Orlando and Tampa/St. Petersburg to Newark and twice-daily roundtrips to Newark from Fort Lauderdale. These flights are operated by **Sun Pacific International**, **TransMeridian Airlines**, and the start-up **Winair**.

On June 20, twice-daily (except Tuesday) roundtrips begin from Fort Lauderdale to New York (JFK), along with daily return flights between Fort Lauderdale and Long Island MacArthur Airport at Islip, New York. Daily (except Tuesdays) roundtrips simultaneously commence from Islip to Orlando. The service is also subcontracted to **Sun Pacific International**, **TransMeridian Airlines**, and **Winair**.

For the third consecutive year, the popular New York–Myrtle Beach air service gives away free golf play for every ticket purchased. Each passenger receives two rounds of championship golf at a choice of five courses from September 9 through February 28. Courses participating in this year's promotion are Angels Trace, Deer Track, Raccoon Run, Toski Links, and Wicked Stick.

On January 21, 1999, Casino Airlink, a division of Integrated Marketing Professionals, contracts with Sunjet to offer 42 monthly DC-9-51 inclusive tour charter flights from Fort Lauderdale and St. Petersburg to the new gambling center at Tunica, Mississippi.

By the first quarter, SJIS has flown over 1,000,000 passengers on its "Myrtle Beach Jet Express." A second daily roundtrip "Myrtle Beach Jet Express" service is inaugurated on March 4.

A new nonstop service is inaugurated, also on March 4, from West Palm Beach and Orlando to Newark. The flight brings the total number of daily flights from Florida to New York to seven, including six daily (except Tuesday) roundtrips simultaneously reinstated from Fort Lauderdale to New York (JFK) and Islip. Once more, the actual service is provided by aircraft operated by **Sun Pacific International**, **TransMeridian Airlines**, or **Winair**.

The company's contracted capacity is reduced on April 16 when the FAA issues an emergency order suspending the operating certificate of **Sun Pacific International** due to continuing maintenance problems. **Winair** also encounters regulatory problems; it, too, will fail, on July 6. The lack of capacity forces a suspension of flights to Florida from New York (JFK).

Preparing for an April 16 departure from Newark to Florida, a Sun Jet International Sales flight, operated by **TransMeridian Airlines**, must be evacuated after a bomb threat is received. No explosive device is found and the service eventually departs.

The loss of two of its three contracting carriers and problems at the third force the airline to incur significant additional operating expenses for replacement aircraft and revamped scheduling, travel protection for passengers, and hotel and meal costs. Unable to continue, Sun Jet shuts down at 3 p.m. on June 25, leaving some 2,500 ticket-holders for its flights and those of "Myrtle Beach Jet Express" stranded in Newark, Myrtle Beach, Tampa/St. Petersburg, Fort Lauderdale, and West Palm Beach. With passenger funds protected in escrow by the DOT regulation, refunds are promised within a week. Meanwhile, **Continental Airlines** offers low fares to those SJIS travelers without lift who waive certain restrictions that would normally be imposed.

SUN LAND AIRLINES: United States (1980–1981). The nonscheduled charter operator SLA is established in the summer of 1980 to offer passenger charters to destinations in the U.S. and the Caribbean. Flights between Cleveland, Las Vegas, and Reno commence on October 1 with a pair of Douglas DC-8-31s leased from **Overseas National Airlines**.

During the winter and into the spring of 1981, the company adds Atlantic City and the Bahamas to its holiday tour destinations, while also adding contract service flights between Las Vegas and Reno, Portland, and Seattle. A **Frontier Airlines (1)** B-737-291 is leased and employed to turn the Las Vegas to Reno segment into a scheduled route on May 29. Nonscheduled service is simultaneously initiated from Seattle to Spokane.

Traffic does not bring in sufficient revenue to maintain viability and the company ceases operation in August.

SUN PACIFIC AIRLINES: United States (1987–1988). Miguel Avila organizes this air taxi service at Long Beach, California, in the summer of 1987. Employing an Embraer EMB-110P1 Bandeirante, the carrier opens scheduled flights to Capexico and Brownfield. Operations cease a year later in 1988.

SUN PACIFIC INTERNATIONAL: 2502 East Benson Highway, Tucson, Arizona 85706, United States; Phone (520) 295-0455; Fax (520) 295-1125; Code SNP; Year Founded 1995. SPI is established at Tucson, Arizona, in late 1995 by former **Viscount Air Service** CEO Robert Fleming to offer domestic and international charter services, including flights for professional athletic teams, as well as subservices for scheduled carriers. Two Boeing 727s, a Dash-221A and a Dash-227A, are leased and the company is granted its FAA Part 121 certification on March 1, 1996. The first service is a replacement flight for **Cayman Airways, Ltd.**

A chartered B-727-89 and B-727-243A are purchased by Star Air Tours during the spring from the assets of bankrupt **Viscount Air Services**. Both are expressly dedicated to the transport of pro sports teams, though neither wears team identification, and are contracted to Sun Pacific for operation.

Star, meanwhile, arranges for the Boeings to be operated on behalf of the New York Yankees and Baltimore Orioles professional baseball teams as well as the Sabres, Whalers, and Flyers of the National Hockey League.

On August 15, Sun Pacific agrees to pay a fine of up to \$4,000 to the DOT for flying two international charters without authority to Mexico earlier in the year; \$2,000 must be paid immediately and the remainder will be forgiven in a year if no other violations are committed. On November 28, the company is authorized by DOT to increase its trijet fleet strength to five.

A contract is signed with **Valujet Airlines** on December 26 under which Sun Pacific will operate charter flights from Atlanta to Dallas and to Fort Myers and West Palm Beach, Florida, through January 6. The flights will carry passengers who booked with Valujet when it advertised the service before it received FAA approval.

Enplanements by December 31 total 181,000. Start-up and associated costs exceed the \$11 million in generated in revenues and leave losses: \$971,000 (operating) and \$826,000 (net).

The company enjoys a beneficial 1997. When **Great American Airways** encounters regulatory problems, Sun Pacific contracts with the city of Myrtle Beach, South Carolina, and tour operator World Technology Systems, to provide charter service that supplements regular flight schedules. The WTS charter operation is known as **Sun Jet International Sales** and the South Carolina service as "Myrtle Beach Jet Express."

Beginning in September and continuing through the following February, tour operator World Technology Systems sponsors a promotion in which every passenger purchasing a "Myrtle Beach Jet Express" ticket will receive two free rounds of championship golf at a selected course.

Passenger boardings accelerate 35.4% to 245,000. Operating revenues skyrocket 98.8% to \$25.88 million, while expenses are up 81.9% to \$24.78 million. The previous year's losses become profits: \$1.09 million (operating) and \$871,000 (net).

Early in January 1998, the company enters into a one-year commercial agreement with **Trans World Airlines (TWA)**. Beginning on February 20, the major undertakes daily, nonstop, \$99, one-way through-fares in partnership with "Myrtle Beach Jet Express" between Myrtle Beach and many other destinations via connections at St. Louis and New York.

In March, bankrupt **Sun Jet International Airlines** files a reorganization plan. By mid-April, President/CEO Kent Elsbree's **Sun Jet International Sales** offers daily flights from Orlando and Tampa/St. Petersburg to Newark and twice-daily roundtrips to Newark from Fort Lauderdale. These flights are operated by Sun Pacific, **TransMeridian Airlines**, and the start-up **Winair**.

On June 20, twice-daily (except Tuesday) roundtrips begin from Fort Lauderdale to New York (JFK), along with daily return flights between Fort Lauderdale and Long Island MacArthur Airport at Islip, New York. Daily (except Tuesdays) roundtrips simultaneously commence from Islip to Orlando. The service is also subcontracted to Sun Pacific, **TransMeridian Airlines**, and **Winair**.

When Hurricane Bonnie threatens Myrtle Beach on August 25, the company employs one of the trijets committed to "Myrtle Beach Jet Express" service to evacuate passengers to Newark. Two first-come-first-serve flights are operated in the early evening.

For the third consecutive year, the popular New York-Myrtle Beach air service gives away free golf play for every ticket purchased. Each passenger receives two rounds of championship golf at a choice of five courses from September 9 through February 28. Courses participating in this year's promotion are Angels Trace, Deer Track, Raccoon Run, Toski Links, and Wicked Stick.

During the 12 months, customer bookings jump 46.9% to 360,000. Revenues drop 8.5% to \$22.53 million, while expenses dip 5.1% to

\$23.54 million. The operating loss increases to \$1 million, while the net loss "improves" to \$485,000.

On takeoff from Montego Bay on January 2, 1999, an **Air Jamaica, Ltd. (2)** A310-324 blows a tire and thus becomes unavailable for service. The scheduled flight to Atlanta is cancelled. In Georgia the next day, a B-727-227A is leased from Sun Pacific International to operate the return flight to Jamaica.

While en route from Atlanta as Flight 56, the trijet, with 110 passengers, is forced to divert to Jacksonville when passengers report smelling smoke. No problems are found and the flight to Jamaica is completed.

By the first quarter, **Sun Jet International Sales** has flown over 1,000,000 passengers on its "Myrtle Beach Jet Express." A second daily roundtrip "Myrtle Beach Jet Express" service is inaugurated on March 4.

A new nonstop service is inaugurated by **Sun Jet International Sales**, also on March 4, from West Palm Beach and Orlando to Newark. The flight brings the total number of daily flights from Florida to New York to seven, including six daily (except Tuesday) roundtrips simultaneously reinstated from Fort Lauderdale to New York (JFK) and Islip. Once more, the actual service is provided by aircraft operated by Sun Pacific, **TransMeridian Airlines**, or **Winair**.

On April 16, due to continuing maintenance and record-keeping problems, the FAA issues an emergency order suspending the carrier's operating certificate. Indicating that the airline had been made aware of these difficulties and had failed to correct them, the government regulators conclude that the airline is suffering from "systemic failures." It is given 10 days to appeal the order to the NTSB, during which time the order remains in effect.

Although the certificate is maintained, the company remains grounded into the summer.

Customer bookings plunge 85.2% this year to 83,000. Revenues total \$6.6 million, but expenses are \$11.86 million. The operating loss is \$5.6 million, while the net loss is \$5.7 million.

Service is maintained in 2000 with a pair of B-727-227As.

SUN VALLEY AIRLINES: United States (1966-1975). On January 27, 1966, **Janes Airways (1)** is renamed Sun Valley Airlines. The company's Beech 18s and Piper lightplanes continue to provide service linking Salt Lake City with Sun Valley, Boise, Burley, and Hailey. There are no untoward incidents until 1972. On February 20 of that year, a Beech 80 Queen Air crashes at Fairfield, Idaho, killing all five people aboard.

Service continues unabated until August 1975, when the company is merged with Ogden (Utah)-based **Key Airlines (1)**, which is owned by Johns-Manville Company, to form **Sun Valley Key Airlines**. In November, the name reverts to **Key Airlines (1)**.

SUN VALLEY KEY AIRLINES. See **KEY AIRLINES (1)**

SUN WEST AIRLINES: United States (1979-1985). Scottsdale, Arizona-based **Scottsdale Charter** establishes a scheduled airline division in early summer 1979. Employing 2 Piper PA-31-350 Piper Navajo Chieftains and 3 PA-34 Senecas, passenger and cargo revenue flights are inaugurated in July to Phoenix as well as Durango, Colorado.

Routes are stretched to the New Mexico cities of Farmington and Albuquerque in 1980.

Customer bookings for the first full year of service reach 4,487; 30,603 pounds of cargo are also flown.

The company fleet is increased to eight aircraft in 1981, including 2 Senecas, 5 Chieftains, and 1 Cheyenne II. Flight 104, a PA-31-350 with four aboard crashes at Colorado's Durango-LaPlata County Airport on December 31; there are no survivors.

Enplanements for President John R. Walters' carrier jump an unbelievable 480.8% to reach 26,050; freight is also up strongly, 149.4% to 75,000 pounds.

Company headquarters are transferred to Phoenix in 1982 as passenger boardings accelerate to 34,970. Cargo bounces upward 46.8% to 112,054 pounds.

Customer bookings rise 22% in **1983** to 42,658 while freight gains by 73.3% to 194,169 pounds.

Bookings climb to 41,650 in **1983** and in **1984**, the fleet comprises 4 Beech 99s and 1 Navajo Chieftain. New destinations visited since start-up now include Flagstaff, Gallup, Winslow, and Yuma. In October, five-times-per-day service is inaugurated between Phoenix and Prescott; three-times-per-day from Phoenix to Bullhead City/Laughlin; and twice daily from Phoenix to Las Vegas.

Passenger boardings advance 64% to 62,874 and cargo jumps 28.6% to 221,000 pounds. Overexpanded and under capitalized, the carrier, having failed to find new financing, is forced to file for Chapter XI bankruptcy in March **1985**. It is unable to reorganize.

SUN WEST INTERNATIONAL AIRLINES: 3550 Laughlin View Drive, Bullhead City, Arizona, 86429, United States; Phone (520) 754-1119; Year Founded 2000. Sun West International is established at Bullhead City in the summer of **2000** to provide lift for gamblers visiting the Harrah's casinos at New Orleans and at the new gambling mecca at Laughlin, Nevada, just across the Colorado River. Employing a pair of Boeing 737-236As wet-leased from **Pace Airlines**, the company begins revenue operations in July. Charters for professional sports teams, particularly those from the National Hockey League, are also arranged.

The *Des Moines Register* will report on March 10, **2001**, that Sun West has offered to purchase certain assets of **AccessAir**, which had gone out of business on February 27, for \$750,000. Aircraft spare parts, office equipment, and assorted other materials would be included if such an arrangement were completed.

SUN WORLD AIRLINES: United States (1971–1972). Sun World Airlines is set up at Burbank, California, in **1971** to provide scheduled passenger and cargo commuter flights with a fleet of Cessna 402s. Revenue flights linking the company's base with Phoenix, Prescott, and Kingman in Arizona are inaugurated, but are maintained for less than a year.

SUNAIR EXPRESS: Redding Municipal Airport, 3770 Flight Avenue, Redding, California 96002, United States; Phone (530) 226-0717; Fax (530) 226-8462; <http://www.iflysunair.com>; Year Founded 2000. Andrew Krochmalny establishes SunAir Express at Redding in early summer **2000** to provide scheduled commuter service to Sacramento. Employing a pair of Cessna 208 Caravans, thrice-daily roundtrips commence in August. Two flights continue onto Oakland and back.

Early in **2001**, Sacramento County will demand that the start-up provide \$150 million in liability insurance to use the commuter terminal at Sacramento International Airport. President Krochmalny will inform the *Sacramento Bee* on March 8 that the added \$25,000 premium cost may put him out of business.

SUNBELT AIRLINES (1): United States (1979–1980). Sunbelt (1) is set up at Rome, Georgia, in **1979** to provide scheduled daily roundtrip shuttles to Atlanta. Although Cessna lightplane revenue frequencies are duly inaugurated, they cannot be maintained far into **1980**.

SUNBELT AIRLINES (2): United States (1982–1984). In March **1982**, Camden (Arkansas)-based **Jamaire** is renamed Sunbelt Airlines. Scheduled third-level passenger services continue to be offered linking the company's base with the Arkansas communities of El Dorado, Fayetteville, and Fort Smith as well as Memphis, Dallas (DFW), New Orleans, Muscle Shoals, Alabama, and the cities of Jackson, Laurel/Hattiesburg, Meridian, and Tupelo, Mississippi.

The workforce is increased 36.4% during the year to 75 and the fleet now comprises 2 Embraer EMB-110 Bandeirantes and 3 Cessna 402s.

Enplanements for the year total 29,065, a 47.6% boost, and cargo grows 17.1% to 96,000 pounds.

Airline employment in **1983** is 130, a 62.5% boost, and 2 Shorts 360s are added.

Passenger boardings accelerate 23.3% to 35,823.

The carrier is unable to weather the personal bankruptcy of its former president, owner of more than half of Sunbelt's stock, and shuts down on October 9, **1984**.

SUNBIRD AIR: United States (1978–1986). Established by M. W. "Dudley" Bourne at Murray–Calloway County Airport in Murray, Kentucky, in **1978**, Sunbird initially undertakes nonscheduled air taxi flights linking its base with Nashville, Tennessee, employing two PA-28 Cherokees. Enplanements continue during the remainder of the decade.

The decision is taken just after New Year's Day **1980** to set up a scheduled airline division. Daily roundtrip frequencies are inaugurated in March to Memphis via Paris and Nashville.

Low traffic and high expenses in the years of recession following the **1981** PATCO air traffic controllers' strike, causes the small regional to contract services until it is left with only routes from Murray to Memphis and Paris, Tennessee.

Unable to continue, the carrier shuts its doors on March 28, **1986**.

SUNBIRD AIRLINES (1): United States (1980). Sunbird Airlines (1) is set up at Nashville, Tennessee, in the early fall of **1980** to provide daily roundtrip air taxi flights up to Murray, Kentucky. Piper PA-32 Cherokee Six revenue shuttles are inaugurated on October 1, but are maintained for only one quarter.

SUNBIRD AIRLINES (2): United States (1979–1985). Organized by Ralph Quinlan at Denver/Charlotte, North Carolina, in early **1979**, Sunbird inaugurates scheduled Cessna 402 daily service on November 15 over a route from Hickory to Rocky Mount via Charlotte and Raleigh. The fleet comprises 1 Cessna 404 Titan and 5 Cessna 402Cs are acquired; orders remain outstanding for 2 more 402Cs and fresh orders are placed for 10 Beech 99s. The operations and maintenance centers are established at Little Mountain Airport at Maiden.

Enplanements by the 32-employee company reach 6,000.

During **1980**, flights, many replacement services for **Piedmont Airlines**, are launched to Atlanta, Tri-Cities, Fayetteville, Wilmington, Kingston, Greenville, and Norfolk.

Passenger boardings climb to 41,170.

Traffic increases steadily; 77,250 passengers are enplaned in **1981**. President Quinlan's fleet comprises 8 Cessna 402s, 2 Cessna 404 Titans, and 2 Beech 99s.

The payroll is cut 22.3% in **1982** to 101 employees and the fleet includes 8 99s, 6 Cessna 402s, and 1 Cessna 404 Titan. These 15 aircraft fly over a route system that now includes markets not only in North Carolina, but in South Carolina, Georgia, and Tennessee as well.

Late in the year, an interline agreement is signed with **Piedmont Airlines**, whereby the small regional will provide feed from Winston-Salem to the nation's Charlotte hub.

Customer bookings swing upward by 3.6% to 88,453.

Atlantic Southeast Airlines official Roy Hagerty becomes president in June **1983**, merging the company with his Air Transportation Holding Company. On June 22, the carrier merges **Atlanta Express Airline Corporation**.

Passenger traffic is off by 7.5% with bookings down to 81,189.

On July 11, **1984**, the company is reacquired by new owners and renamed Sunbird Airlines 1984, Inc. The new owners are mostly private investors, including Roy and Harry Hagerty, along with minority interest from Air Transportation Holding Company (Air T), which now also controls **Mountain Air Cargo**. Company headquarters are moved from Hickory, North Carolina, to new offices near Charlotte–Douglas International Airport.

Passenger boardings dip again, down 17.4% to 67,062.

When both **American Airlines** and **Eastern Air Lines** move to acquire commuter affiliates at Charlotte, **Piedmont Airlines** works out an arrangement with Sunbird, which becomes Sunbird, the "Piedmont Commuter" on May 1, **1985**.

En route from Hickory Municipal Airport to Charlotte on an August 28 training flight, a Beech C99 with three crew strikes a row of trees and utility pole, which cause it to crash 11 km. E of Hickory; there are no survivors.

To avoid continuing confusion with Murray, Kentucky-based Sunbird, the carrier changes its name to **CCAair** on January 1, 1986.

SUNBIRD AIRLINES (PTY.), LTD.: Australia (1982–1991). A division of **Helitrans Australia (Pty.), Ltd.**, Sunbird is formed at Cairns in 1982 to provide scheduled fixed-wing commuter flights into northern Queensland. A fleet is assembled comprising 2 Piper PA-31-350 Navajo Chieftains and 1 Piper PA-23 Aztec plus Bell 206B JetRanger helicopters leased as required from the parent. Scheduled services are inaugurated to Aurukun Mission, Croydon, Delta Downs, Dorunda Station, Georgetown, Koolatah, Kowanyama, Normanton, and Robinhood.

Within four years, Managing Director Bruce L. Evans's carrier has added Mareeba and the Torres Straits Islands to its route network. The fleet is also increased and while the Aztec is gone, it is replaced by 3 Pilatus-Britten-Norman PBN-2 Islanders, 3 Cessna 310s, 2 Cessna 404s, 5 Cessna 421s, 1 PA-31-310 Navajo, and 1 Partenavia P-66B.

In 1990, the carrier is purchased into the Norfolk Airlines Group and new Managing Director Andrew Hoar's fleet is significantly reduced. It now includes only 2 Islanders, 5 Cessna 310s, 3 Cessna 404s, and 3 Cessna 421s. Unable to maintain economic viability in an increasingly competitive market, the carrier does not see its tenth anniversary, being declared insolvent and forced to close in the spring of 1991.

SUNBIRD AIRWAYS: 5456 Hoffner Avenue, Orlando, Florida 32812, United States; Phone (813) 530-1515; Fax (813) 530-4082; Year Founded 1993. Sunbird is established at Orlando in 1993 to provide regional passenger charter and inclusive-tour services. Revenue flights commence with two each Douglas DC-9-31s and McDonnell Douglas MD-81s.

The fleet is altered in 1994 to include 2 B-727-225As and 1 each B-727-222 and B-727-230A. New York, Detroit, Minneapolis, and Dallas (DFW) continue as the company's principal destinations.

Operations continue apace in 1995–1999.

SUNBIRD AVIATION, LTD.: Kenya (1979–1985). Chairman M. Hemstead and Managing Director R. D. Knight are appointed by the Cassman Brown Group to organize Sunbird at Nairobi in July 1979 following the merger of the corporation's **Caspair Air Charter, Ltd.** with **Sunbird Charters, Ltd.**

The initial fleet comprises 2 Douglas DC-3s, 2 Cessna 404 Titans, 2 Beech King Air 200s, 2 Britten-Norman BN-2 Islanders, 2 Piper PA-31-310 Navajos, 2 Cessna 402s, 1 Cessna 310, 3 Partenavia P-68Bs, and 2 Beech B-58 Barons.

Scheduled passenger and cargo services are initiated from the capital's Wilson Airport to Kisumu, Keekorok, Mara Serena, Musiara, and Kichwa Tembo. Charter flights are also undertaken to destinations in the Sudan, Somalia, Uganda, and Tanzania.

During the early 1980s, attention is given to the tourist-safari trade and twice-daily scheduled services are launched to lodges and wildlife reserves.

A DC-3 with 2 crew and 36 passengers is destroyed as the result of a bad landing at Kilaguni on August 15, 1987; there are no fatalities.

In November, the carrier is merged with **Wilkenair, Ltd.** to form **Air Kenya Aviation, Ltd.**

SUNDANCE HELICOPTERS: McCarran International Airport, 5596 Haven Street, Las Vegas, Nevada, 89119, United States; Phone (702) 736-0606; Fax (702) 736-4107; http://www.helicoptour.com; Year Founded 1984. This concern is established at Las Vegas in 1984 under the name **Helicopter Services of Nevada** to provide FAA Part 135 charter flights, as well as aerial tours of the local region, including Las Vegas at night, Zion Canyon, Bryce Canyon, and the Grand Canyon.

The company takes its present name in 1993. At this point, the company also begins to engage in external load and contract service work, as well as flights on behalf of television stations, film crews, and government agencies. By the end of the decade, Sundance is operating over 5,600 flights annually, which transport in excess of 28,000 customers.

Jim Granquist is president in 2000 and oversees a 28-person workforce. The fleet comprises 2 Eurocopter AS-350B A-Stars, 3 Bell 206B JetRangers, 3 Bell 206L LongRangers, and 2 Beta R-22s.

SUNDORPH AERONAUTICAL CORPORATION (SAC): United States (1969–1984). Eiler Sundorph, owner of the established FBO at Cleveland's Lakefront Airport, creates an airline division during the first quarter of 1969 to provide scheduled passenger and cargo flights to Akron and Columbus. Employing a Lockheed Model 18 Lodestar, Sundorph inaugurates daily roundtrips on March 17. Traffic does not materialize and the scheduled offering is suspended in 1970. Charters are, however, offered over the next 12 years.

During the late spring of 1983, the decision is taken to resume scheduled services to the destinations visited in 1969 plus Detroit. Daily revenue frequencies commence on June 1 and are maintained with a fleet of 4 Piper PA-31-350 Navajo Chieftains.

In April 1984, the FAA grounds the carrier for maintenance violations and its certification is revoked.

SUNDTAIR, A.S.: P.O. Box 31, Gardemon 2061, Norway; Phone 47 63929660; Fax 47 63929670; Year Founded 1996. Sundtair is established at Gardemon in 1996 to provide executive and small group air taxi services to destinations in Norway and throughout Europe. By 2000, the company employs 14 full-time pilots and operates 1 Beech Super King Air 200 and 3 Cessna Citation III bizjets.

SUNEXPRESS AIRLINES MALDIVES, LTD.: 2nd Floor, 35 Boduthakurufaanu Magu, P.O. Box 20104, Male, 20-02, Maldives; Phone 960 320 001; Fax 960 320 007; http://www.sunexpressair.com; Year Founded 1997. The team that operates **Hummingbird Airways, Ltd.** establishes this new start-up at Male in October 1997. Shareholding is divided between UB Group (60%), Air Beach Resorts (30%), and Kit Chambers (10%). HA Chief Pilot Capt. Garth Duncan is named flight operations manager.

The new company has a long 17-month gestation period, during which time Hummingbird is submerged into the new carrier and the Chambers shareholding is taken over by the surviving partners. Employing 1 each leased Yakovlev Yak-40, Mil Mi-8 helicopter, and 2 float-equipped de Havilland Canada DHC-6-300s, revenue flights finally commence on May 27, 1999.

Service is maintained during the remainder of the year; however, the Yak-40 is quickly replaced with a DHC-6-100; this Twin Otter is also float-equipped. The carrier now begins to emphasize seaplane service between Male Airport and the outer islands.

A total of 41 workers are employed at the beginning of 2000.

SUNFLOWER AIRLINES, LTD.: P.O. Box 9452, Sunflower Hangar, Nadi Airport, Fiji; Phone 679 723 555; Fax 679 720 085; http://www.fiji.to; Code PI; Year Founded 1980. Mike Brook and Don Collingwood form this commuter at Nadi in May 1980, with the latter becoming managing director. Having obtained a Britten-Norman BN-2 Islander, a twice-weekly service is opened in July to the resort Castaway Taveuni. A route is also opened from Nadi to Nausori Airport at Suva, on the island of Viti Levu.

Frequencies on the resort route are increased in 1981 to four per week. During the first full year, a total of 7,000 passengers are carried. Replacement flights are begun in 1982 on several interisland routes abandoned by **Fiji Air, Ltd.** Charter flights are undertaken to a variety of local destinations and boardings soar to 13,000.

Two additional BN-2s are acquired from **Malaysian Airlines System, Ltd. (MAS)** in late fall 1983 and enter service during Christmas week.

Enplanements grow to 26,000. As additional northern routes are flown in **1984**, a Lycoming-engine de Havilland DH 114 (Riley) Heron 2 is purchased from Tarawa's **Air Tungaru**; christened *Belo Vula* (White Heron), it is placed in service at year's end.

A typhoon strikes the carrier's Nadi facilities in January **1985**, damaging or destroying all aircraft except the BN-2 *Bui Nigone* (Old Fashioned Lady), under repair in New Zealand. Also damaged are a terminal air bridge and the company's hangar, which receives severe damage.

With the Heron repaired and a replacement Islander located and christened *Adi Mamanuca* (Plantation Girl), flight operations resume on a reduced basis in March. The remainder of the year is spent in upgrading the fleet and route network.

The fleet in **1986** comprises 2 BN-2s, 2 Riley Herons, and 1 Piper Aztec. Scheduled boardings reach the 5,000-per-month level by summer and charter flights are accelerated.

While on final approach to Nadi after a flight from Savu Savu on December 27, the right flap of a DH 114 Riley Heron 2B with 2 crew and 12 passengers jams, forcing the aircraft to roll over and smash into the ground short of the runway (11 dead).

Two years later in **1988**, Managing Director Collingwood's fleet has been upgraded by the addition of two more Islanders, the *Lewa Sewa* (Little Lady) and *Adi Yasawe* (Yasawa Lady), and a Piper PA-31 Navajo Chieftain; one Riley Heron is retired. The last Riley Heron is retired in **1989** and is replaced by a Beech B80 Queen Air.

A traffic boom in **1990** results in reinstatement of the Riley Heron *Belo Vula* and the acquisition of one more Islander, the *Adi Makutu* (Determined Lady) and two de Havilland Canada DHC-6-210 Twin Otters, which are christened *Spirit of the North* and *Spirit of the West*, respectively.

By **1991**, Donald I. Collingwood, now chairman, oversees a company that employs 60 workers. Enplanements total 122,000, including 18,000 taken on charters.

The fleet in **1992** includes 2 Twin Otters, 1 Riley Heron returned to duty, 5 Islanders, and 1 Avions de Transport Regional ATR42-300 leased from **Air Pacific, Ltd.** Also available is a Cessna 152, the *Ratu Ropate* (Sir Robert) and a Cessna 172N, the *Ratu Ian* (Sir Ian).

Customer bookings rise to 140,000, including 20,000 charters.

Operations continue in **1993-1994**. Enplanements in **1995** total 148,274.

Airline employment is increased by 22.7% in **1996** to 135 and the fleet now includes 3 de Havilland Canada DHC-6-300 Twin Otters, 6 Islanders, 1 Shorts 330, and 1 Beech 80 Queen Air.

Passenger boardings soar 16.7% to 178,000.

Flights continue in **1997-1998**. During the latter year, enplanements total 190,000 and revenues of F\$7.7 million are generated.

Scheduled destinations visited in **1999-2000** include Castaway, Kandavu, Labasa, Laucata Island, Malolotilai, Mana Island, Rotuma Island, Savusavu, Suva, and Taveuni. During these years, the employee total reaches 175, a second Shorts 330-200 is acquired, and Sunflower carries 60% of all visitors to Fiji and 40% of local traffic.

SUNJET AVIATION: 1604 Hangar Road, No. 333, Orlando Sanford Airport, Sanford, Florida 32773, United States; Phone (407) 328-8440; Fax (407) 328-8442; <http://www.gentech.net/sunjet>; Code JX; Year Founded 1990. Sunjet Aviation is established at Orlando Sanford Airport in **1990** to offer worldwide executive passenger charters. Revenue flights duly commence and continue under the marketing name "Sunjet International Airlines."

By **2000**, General Manager Jimmy Watkins employs 3 full-time and 6 part-time pilots to operate the company's Learjet 35A and Cessna 501 Citation I/SP.

SUNJET INTERNATIONAL AIRLINES. See **SUNJET AVIATION**

SUNQUEST EXECUTIVE AIR CHARTER: 7155 Valjean Ave., Van Nuys, California 91406, United States; Phone (818) 778-6520; Fax (818) 778-6526; Year Founded 1992. Sunquest is founded at Van Nuys in **1992** to provide executive and small group passenger charters

throughout the U.S. and Canada. Within 8 years, the concern employs 8 pilots and flies 3 Piper PA-31-350 Navajo Chieftains, 2 Beech Super King Air 200s, and 1 Cessna 310Q.

SUNRISE AIRLINES: 3150 East Airport Loop, Suite C, Show Low, Arizona, 85901, United States; Phone (520) 532-8888; Fax (520) 645-9318; <http://www.sunriseair.net>; Year Founded 1998. At the beginning of **1998**, Moab, Utah-based Redtail Aviation is awarded an Essential Air Service (EAS) contract by the Department of Transportation for the operation of daily scheduled roundtrip passenger service between Moab and Salt Lake City. On September 24, Redtail is sold to Phoenix-based Express Air. The FBO and cargo operation continues under the Redtail banner, while all future scheduled flights, including the \$1,087,340 annual EAS services later expanded, are to be offered as **Sunrise Airlines**. The takeover, according to September 24 *Tribune Business News* feature, is to be completed by November 1.

Revenue services begin with a fleet of 6 leased British Aerospace BAe Jetstream 31s, linking the company's base with Phoenix and Show Low, Arizona, Las Vegas, Ely, and Elko, Nevada, and Salt Lake City, Vernal, and Moab, Utah. A tour and leisure division, Sunrise Vacations, focuses on the combination of travel on the airline with vacation and tour packages. SV destinations include Grand Canyon National Park, Bryce Canyon National Park, Canyonlands National Park, and Monument Valley.

Flights continue without headline or incident in **1999-2000**, with annual boardings approaching 60,000; over 50% of all customers come from outside the U.S.

On November 3 of the latter year, Sunrise suddenly files for bankruptcy and shuts down all of its scheduled routes except the one from Show Low to Phoenix. A news release from the office of Nevada U.S. Senator Harry Reid indicates that the grounding has been caused by the airline's inability to get an extension on its aircraft lease payments.

In bankruptcy court, it is revealed that the small regional has assets and debts of between \$1 million and \$10 million each. A long list of creditors await payment; for example, the city of Page (\$223,334) and the Phoenix Aviation Department (\$5,493). Arrangements are made to keep the airline flying its Show Low-to-Phoenix route and its Web page remains viable well into the new year.

SUNSHINE AIRLINES: 7155 Valjean Avenue, Van Nuys, California 91406, United States; Phone (818) 997-4597; Fax (818) 997-8372; <http://www.sunshineair.com>; Code SO; Year Founded 1995. Three years after the establishment of the nonscheduled **Sunquest Executive Air Charter**, Laurence Balter sets up Sunshine at Van Nuys, California, in **1995**, to provide third-level scheduled services in the Southern California area. Chief Pilot Jim Rinaldi begins and continues frequencies with 6 Cessna 402s.

SUNSHINE AVIATION, LTD.: Lugano Airport, Lugano, CH-6982, Switzerland; Phone 41 (91) 594 141; Fax 41 (91) 595 932; Year Founded 1985. Capitalized at SFr 100,000, Sunshine is established by a group of Ticino businessmen at Locarno in **1985** to serve as an air taxi for Italian-speaking Switzerland. Twin bases are set up at the airports of Locarno/Magadino and Lugano/Agno and operations commence with a fleet comprising 1 Cessna 340, 1 Piper PA-31-310 Navajo, and 1 PA-31T Cheyenne.

A Dornier 228-100 is ordered in **1986** and "quasi-scheduled" weekend flights are inaugurated on December 13 linking Locarno/Lugano with the Samedan airfield, which serves the Swiss sports center at St. Moritz. The last of these services, undertaken primarily for ski holiday passengers, is completed on April 26, **1987**. Beginning on May 1, Sunshine operates replacement flights for Alisarda between the Ticino airports and Oibia.

Capitalization is now increased to SFr 2.5 million and the German-made turboprop enters service. During the summer, "quasi-scheduled" charter flights are inaugurated on fixed days on behalf of ATAV, the Ti-

cino Travel Agents Association, to Oibia/Sardinia, Elba Island, and Sicily, to Corfu/Greece, Ajacolo/Corsica, Mahon/Menorca, Malta, and Sfax/Tunisia.

In late 1988, the decision is taken to offer scheduled regional services. Giacomo Babbucci is appointed managing director in early 1989 and he assembles a fleet comprising 1 Cessna 600 Citation II, 1 Dornier 228-201, and 1 Fokker F.27-200. Orders are placed for 1 Dornier 328-100. The available aircraft are employed to inaugurate scheduled flights to Elba, Olbia, and Cagliari. Charter work is also undertaken.

The Cessna Citation II is deleted in 1991 and Giorgio Giani becomes managing director in 1992, the same year in which the Dornier 228-201 is leased to the Swiss regional Air Engiadina, A.G. In 1993, airline employment is 12 and the fleet includes 1 Dornier and 2 F.27-200s. The flight equipment is changed again in 1994, with operations now being conducted with the new and larger Dornier and a Cessna 600 Citation II.

Flights continue in 1995-1999.

SUNSHINE COAST AIR CHARTER (PTY.), LTD.: Pathfinder Drive, Caloundra Airport, Caloundra, Queensland, 4551, Australia; Phone 61 754 911 988; Fax 61 754 918 346; Year Founded 1979. Sunshine Coast is established at Caloundra in 1979 to provide airport service as well as to conduct executive, small group, and bush charters into the surrounding countryside. By 2000, Chief Pilot Lester Niedeck employs 3 other full-time pilots and oversees the flights of 2 Cessna 172 Skyhawks, 1 Cessna 310, and 1 Piper PA-34-200 Seneca I.

SUNSHINE EXPRESS AIRLINES (PTY.), LTD.: Friendship Dr., Sunshine Coast Airport, Queensland, 4564, Australia; Phone 61 (7) 544 88700; Fax 61 (7) 544 87070; Code CQ; Year Founded 1998. Aeromi Australia (Pty.), Ltd. establishes Sunshine during the summer of 1998 to offer scheduled flights from the Sunshine coast to Brisbane in association with Ansett Australia (Pty.), Ltd. Steve J. Padgett is named CEO and is provided with a single Embraer EMB-110P1 Bandeirante.

Revenue flights, code-shared with the major, are inaugurated on October 25 linking Maroochydore with Brisbane.

A second Bandeirante is acquired in the spring of 1999. Enplanements for the first full year of service total 25,000.

Seven workers are employed at the beginning of 2000. Beginning on October 12, passengers are able to employ the Ansett Australia (Pty.), Ltd. e-check-in machines that were installed at the domestic terminals at Melbourne, Sydney, and Brisbane in August.

SUNSHINE HELICOPTERS: Kahului Heliport #107, Kahului, Hawaii 96732, United States; Phone 808 871-5600; Fax 808 871-0682; <http://www.sunshinehelicopters.com>; Year Founded 1985. Following an 11-year stint as manager for an aviation concern in Anchorage, Alaska, former Vietnam War helicopter pilot Ross Scott and his wife, Anna, relocate to Maui, Hawaii, to operate Alihilani Yacht Charters. In 1985, pilot Scott, yearning to fly again, leases a pair of helicopters and establishes Sunshine Helicopters at Kahului.

During the next 25 years, Sunshine grows into a noteworthy flight-seeing operation. From the air customers view the dense jungles, towering waterfalls, and other sights of Maui, as well as the fiery lava of Kilauea Volcano on the Big Island of Hawaii. By the end of the 1990s, President Scott oversees the flights of 6 Eurocopter AS-350BAA Stars, all painted in a "Black Beauty" black livery. These annually accomplish over 8,500 flights, transporting in excess of 51,000 passengers.

SUNSTATE AIRLINES (PTY.), LTD.: P.O. Box 256, Hamilton Central, Brisbane, Queensland, 4007, Australia; Phone 61 (7) 860-4577; Fax 61 (7) 860-4578; <http://www.qantas.com.au/flying/regional/index.html#sun>; Code OF; Year Founded 1980. Noosa Airlines (Pty.), Ltd. CEO and former truck dealer Bevan Whitaker forms this commuter at Brisbane in the fall of 1980 to operate commuter services feeding Trans-Australian Airlines (Pty.), Ltd. (TAA). Initial services begin in December over a route from Brisbane to Maryborough, Bund-

aberg, Gladstone, and Toowoomba. The company grows in size and by 1983 the employee population totals 64 and 93,381 passengers are boarded. This growth results in Whitaker's decision to integrate his other airline activity, Noosa Airlines (Pty.), Ltd. into Sunstate and this process is completed on January 1, 1984.

During the next several years, flights are undertaken to the following destinations on various schedules: Brisbane, Bundaberg, Gladstone, Great Keppel Island, Hervey Bay, Maroochydore, Maryborough, Noosa, Rockhampton, and Toowoomba. The fleet in 1985 comprises 1 Shorts 360, 2 Embraer EMB-110P1 Bandeirantes, 3 de Havilland Canada DHC-6-200s, 1 GAF Nomad N-24A, and 1 Britten-Norman BN-2 Islander. Operations continue apace through 1988.

The workforce is increased by 11.1% in 1989 to 120 and the fleet now includes 3 Shorts 360s, 2 de Havilland Canada DHC-6-300 Twin Otters, and 1 Embraer EMB-110P Bandeirante. An Embraer EMB-110 is ordered as an interest in the third-level operation is taken by Australian Airlines (Pty.), Ltd. in June.

Enplanements for the year total 164,432.

Four new employees are hired in 1990. Controlling interest in the company is taken over by Australian Airlines in October and the Brisbane-based airline repaints its fleet, which now includes 3 Shorts 360s, 2 Shorts 330s, 2 Twin Otters, 1 Bandeirante, and 1 Cessna 404 Titan.

Enplanements climb 5.1% over the previous year to 172,800. Revenues total A\$19.4 million and expenses are less. As a result, an A\$3.9-million operating profit is generated. Costs of the changeover, together with world economic conditions, lead to a net loss of A\$170,950.

In 1991, the fleet of General Manager Greg Bee's expanding operation includes the 2 Bandeirantes, 3 Shorts 360s, and 2 DHC-6s. The Shorts 330s are placed up for sale. Hubbing on Brisbane, the carrier becomes a member of the new Australian Airlink commuter network in August, following its 100% takeover by Australian Airlines (Pty.), Ltd.

A total of 175,195 passengers are carried on the year.

The two EMB-110s are withdrawn in 1992 in favor of two de Havilland Canada DHC-8-101s and a DHC-8-102. The company's parent is taken over by Qantas Airways (Pty.), Ltd. in September and Sunstate, in the process, has a new owner.

Customer bookings decline 5% to 165,946.

In 1993, new General Manager Ashley Kilroy oversees a workforce of 171, up 31.5% over the previous year. When Australian Regional Airlines (Pty.), Ltd. is eliminated, its routes and assets are passed to Sunstate. Thus the commuter's fleet now includes 3 Dash-8s, 4 Shorts 360s, and 1 Shorts 330 and are put to work feeding Qantas Airways (Pty.), Ltd. at Brisbane.

Passenger boardings swell 34.2% to 268,142 and the net gain is A\$122,000.

The fleet in 1994 includes 3 Dash-8s, 4 Shorts 360s, 1 Shorts 330, and 5 DHC-6s.

Passenger boardings recover, increasing by 32.5% to 308,000, and an A\$1.5-million profit is earned.

The workforce is increased by 21.1% in 1995 to 230 and the fleet is increased by the addition of 1 DHC-8 and 2 Shorts 360s.

The added capacity helps customer bookings to leap up 39.7% to 408,775.

Ten workers retired or are laid off in 1996, a 4.3% decrease in the employee population. Two more Shorts 360s arrive and help enplanements to jump 6.8% to 436,180.

Destinations visited in 1997 include Barnaga, Blackwater, Brampton Island, Bundaberg, Cairns, Dunk Island, Emerald, Gladstone, Great Keppel Island, Hervey Bay, Lizard Island, Lord Howe Island, Mackay, Maroochydore, Maryborough, Rockhampton, Thursday Island, and Townsville.

Passenger boardings inch up 1.8% to 444,055.

In May 1998, a DHC-8Q-200 is ordered from Bombardier, the aircraft's Canadian manufacturer. New daily roundtrips are introduced on June 1 between Brisbane and Rockhampton.

Customer bookings during the 12 months advance by 7.4% to 477,000.

By the start of **1999**, airline employment has grown by 9.1% to 240. Customer bookings for the year accelerate 4.2% to 403,000.

Airline employment at the beginning of **2000** stands at 245, an 8.4% increase over the previous 12 months.

On April 5, the company receives the first Dash 8-Q300 to be delivered in Australia. The super-quiet turboprop is placed into service on the weekday route from Cairns to Townsville and on Saturdays between Cairns and Hamilton Island.

SUNSTATE AIRLINES (MILDURA) (PTY.), LTD.: Australia (1986–1991). Following the collapse of **Murray Valley Airlines (Pty.), Ltd.** on October 31, **1986**, this commuter is quickly established under the leadership of local accountant Lloyd Thompson as its Mildura Airport-based successor. Ownership is divided between Mildura businessmen and **Australian Airlines (Pty.), Ltd.** (66%) and Bevan Whitaker, owner of **Sunstate Airlines (Pty.), Ltd.** (33%).

Employing 1 Shorts 360 and 1 Cessna 404 Titan obtained from Murray Valley's assets, Managing Director Tony Matthews and Chief Pilot Damian Cresp launch scheduled services over the predecessor's routes on November 9. With the entire Murray Valley staff retained, travelers notice little change. Enplanements total 34,000.

Operations continue apace through the remainder of the decade and into the next and in **1991** the carrier becomes an **Australian Airlines (Pty.), Ltd.** affiliate and at year's end is renamed **Southern Australia Airlines (Pty.), Ltd.**

SUNWAYS AIRLINES, A.B.: Sweden (1994–1997). Sunways Airlines is set up at Stockholm's Arlanda Airport on October 30, **1994**, to provide domestic and regional charters, both passenger and cargo. Shareholding is divided between Izzet Edige, Haluk Semiz, and Ilmari Haapajoki. Richard W. Hjelt is appointed chairman, with Engin Gulmez as managing director. A workforce of 330 is recruited over the next 6 months. Three Boeing 757-236s and a B-757-23A are leased and are employed to inaugurate revenue flights on May 22, **1995**. Two of the B-757-236s are soon leased to **Sunways Intersun Havacilik, A.O.** and replaced with McDonnell Douglas MD-83s.

Services continue during the remainder of the year and in **1996–1997**. During these years, destinations visited include Agadir, Bergen, Billund, Cardiff, Copenhagen, Dubai, Fuerteventura, Goa, Goteborg, Gran Canaria, Helsinki, Hurghada, Jonkoping, Kalmar, Kristiansand, Kuopio, London (LGW and CTN), Lulea, Manchester, Mombasa, Newcastle, Orebro, Ostersund, Oulu, Phuket, Stavanger, Tampere, Trondheim, Ulmea, and Vasteras.

One of the company's B-757-236s is grounded in Denmark during the summer, where it is repossessed by its lessor. The company goes bankrupt and shuts its doors in September.

SUNWAYS INTERSUN HAVACILIK, A.O.: Turkey (1994–1997). SIH is founded by the Tursem Group of Tour Operators at Antalya on November 1, **1994** to provide international passenger and cargo charters. Shareholding is specifically divided between Tursem Turistik Hizmetler Mumessillik ve Ticaret, A.S., Intersem Mumessillik ve Dis Ticaret A.S., Haluk Semiz, Mujde Semiz, and Nedim Gurbuz, the latter being named chairman.

Adi Cavas is appointed managing director and over the next six months he assembles a workforce of 320 and orders 3, later 4, McDonnell Douglas MD-83s. During the production period for the jetliners, he also arranges to lease a pair of Boeing 757-236s from **Sunway Airlines, A.B.** Revenue flights commence on April 8, **1995**.

Services continue during the remainder of the year and in **1996**. During these years, destinations visited include Aalborg, Aarhus, Bergen, Berlin (Schoenefeld and Tegel Airports), Billund, Birmingham, Bodo, Bristol, Cardiff, Cologne, Copenhagen, Dalaman, Dusseldorf, East Midlands Airport, Edinburgh, Esbjerg, Frankfurt, Glasgow, Goteborg, Hamburg, Helsinki, Humberside, Isle of Man, Istanbul, Izmir, Joensuu, Jonkoping, Jyvaskyla, Kajaani, Kalmar, Kokkola, Kristiansand, Kuopio,

Lappeenranta, Leipzig, Liverpool, London (CTN, LGW, and STN), Lulea, Malmo, Manchester, Munich, Newcastle, Nuremberg, Orebro, Bofors, Ostersund, Oulu, Pori, Rovaniemi, Savonlinna, Stockholm (Arlanda Airport), Stuttgart, Tampere, Turku, and Teesside.

At the end of September, a company MD-83 causes significant concern. Upon its departure from Turkey, from intermediate points in Germany, as well as its landing at its ultimate destination of Kajaani, Finland (near the Arctic Circle), loud bangs from repeated compressor stalls of the left engine are heard. As the aircraft attempts to depart for Turkey with 137 vacationers aboard, the left compressor stalls again on the taxiway, forcing it to return to the block. An inspection shows numerous fan blade cracks in the left engine, leading Finnish authorities to ground the plane and seize its flight data recorders.

Just after landing at Joensuu, Finland, an intermediate stop on an April 10, **1997** service from Jyvaskyla to Antalya, Turkey, an MD-83, with 166 passengers overruns the runway and comes to a stop just before hitting an airport perimeter fence. No injuries are reported.

Over the next two quarters, numerous safety violations by this airline's MD-83s are recorded, particularly in Scandinavia. In Sweden, one of the jets lines up to land on a country road instead of the runway at Ostersund, only changing at the last moment. Similar near misses occur at the airports of Kajaani, Kuopio, and Oulu in Finland and at Kristiansand, Norway.

Following the bankruptcy of **Sunways Airlines, A.B.** in Sweden in September, this company is shut down in October by the national banks that are acting in the bankruptcy proceedings.

SUNWEST AVIATION: Santa Ynez Valley Airport, P.O. Box 960, Santa Ynez, California, 93460, United States; Phone (800) 293-2437; <http://www.silcom.com/~sunwest>; Year Founded 1987. Alan and Janet Jones, lifelong residents of the Santa Ynez Valley, establish this concern in **1987** as a family operation to provide flight management services for local aircraft owners. Over the next 14 years, the company employs workers at bases in both Santa Barbara and San Luis counties and develop into the largest charter operator on the central California coast, incorporating additional aircraft, a flight school, car rentals, and a maintenance shop into its growing family.

By **2000**, the light aircraft operator provides daily return Sun West Shuttle flights to and between San Luis Obispo, Santa Maria, Santa Ynez, San Jose, Oakland, and Sacramento. Also offered are Cessna 172 scenic flights and banner-towing for the entire central coast. On-demand charters remain a company speciality and are fully promoted on the company's Internet homepage.

SUNWEST HOME AVIATION, LTD.: 230 Aviation Place, N.E., Calgary, Alberta T2E 7G1, Canada; Phone (403) 275-8121; Fax (403) 275-4637; <http://www.aso.com/seller/9297>; Year Founded 1999. During the spring of **1998**, merger discussions are begun between Gordon Laing, who together with his wife and several partners own Calgary-based **Sunwest International Aviation Services, Ltd.**, and his chief pilot, Mark Eberl, and Richard Hotchkiss who, with three partners, own cross-field competitors Home Aviation, Ltd.

Sunwest had been founded in 1986 when the Laings purchased and renamed Skocdopole Brothers Aviation, Ltd. Over the next 12 years, the firm builds up a significant maintenance business and operates charters with a fleet that has come to include 7 Piper PA-31-310 Navajos, 4 Fairchild Metroliners, and 1 each Beech King Air 100, Learjet 55, and Cessna Citation II.

Home, which is also flying executive and small group passenger charters with 1 each Beech Super King Air 200, Learjet 35, and Cessna Citation II, had been created in the early 1990s as the charter division of Home Oil Company, Ltd., and had had its own corporate flight unit for some years. In 1996, Home Oil is sold to Anderson Exploration, Ltd., which in turn sells **Home Aviation, Ltd.**, together with its Beech Super King Air 200 and Learjet 55, to Richard Hotchkiss and three partners. By 1997, Home, which is operating from a leased Esso Aviat hangar, is

flying passenger and cargo charters with 8 aircraft and has added 1 Cessna Citation II.

Although discussions between the two concerns continue into the summer, they end abruptly in August after Gordon and Kathy Laing are killed in an accident.

Southwest and Home resume amalgamation discussions in January 1999. On June 24, a merger is completed and the two concerns become Sunwest Home Aviation, Ltd., with Eberl and Hotchkiss as joint managing directors.

The fleets are combined and Home Aviation's leased hangar is turned back to Esso Aviat. Work, completed a few months later, immediately begins on a 14,000-sq.-ft. addition to Southwest's southwestern-most hangar and office complex. In addition to an increased charter schedule permitted under an international license granted by the Canadian Transportation Agency on July 9, the new company expands its aeromedical services. It participates in the Human Organ Procurement and Exchange (HOPE) Program and also provides flights on behalf of the Alberta Shock Trauma Air Rescue Society (STARS).

During the summer, employing two newly acquired Fairchild Metro 23s, the company introduces replacement services for **Canadian Airlines, Ltd.** from Calgary to Medicine Hat and Cranbrook. The business fleet is enhanced by the addition of another Learjet 35 as well as a British Aerospace (HS) Hawker 800. The company also manages the Eurocopter AS-350B operated by Herman Lorenz of Hi Wood Helicopters, Ltd.

In addition, the company flies and maintains several historic aircraft, including a company-owned Beech 3NM Expeditor and local architect William Boucock's Boeing 75 Stearman.

SUNWEST INTERNATIONAL AVIATION SERVICES, LTD.: Canada (1986–1999). Privately owned SIAS is created at Calgary, Alberta, in 1986 when Gordon and Kathy Laing and their partners purchase and rename Skocdopole Brothers Aviation, Ltd. Over the next 12 years, the revitalized concern builds up a business offering passenger and cargo services to various exploration and energy firms. It also operates air-ambulance flights.

By late 1997, the company occupies 2 self-contained hangars totaling 32,000-sq.-ft. at Calgary Airport, near the Aero-Space Museum of Calgary. Here, aircraft maintenance and avionics work is performed under contract. Commuter facilities are also provided to a regional airline.

The workforce totals 55 at the beginning of 1998 and the fleet numbers 7 Piper PA-31-310 Navajos, 4 Fairchild Metroliners, and 1 each Beech King Air 100, Learjet 35, and Cessna Citation II.

During the spring, merger discussions are begun between Gordon Laing and his chief pilot, Mark Eberl, and Richard Hotchkiss, who, with three partners, owns cross-field competitors **Home Aviation, Ltd.** Home is also flying executive and small-group passenger charters and cargo flights with a fleet of 8 aircraft, including 1 each Beech Super King Air 200, Learjet 55, and Cessna Citation II. In August, Gordon and Kathy Laing are killed in an accident and all merger discussions are postponed.

Southwest resumes amalgamation discussions with Home in January 1999. On June 24, a merger is completed and the two concerns become Sunwest Home Aviation, Ltd., with Eberl and Hotchkiss as joint managing directors.

SUNWORLD INTERNATIONAL AIRLINES: 207 Grandview Drive, Fort Mitchell, Kentucky, United States; Phone (606) 331-0091; Fax (606) 578-1178; <http://www.sunworld-air.com>; Code SM; Year Founded 1996. This charter operator is established at Cincinnati in early 1996 by William Yung, owner of the Columbia Sussex Corporation, which holds hotel properties in the U.S. and Caribbean. On April 29, the company announces plans to inaugurate daily \$99 roundtrips from Akron–Canton Regional Airport to Newark (EWR) with a single Boeing 727-251 first flown by **Northwest Airlines**.

Delays in obtaining DOT and FAA certification cause the carrier to postpone its service launch three times until the end of May. Nonsched-

uled flights to additional domestic points and international services from "The Queen City" to Grand Cayman start in July.

Although traffic figures are not released, the carrier admits to losses of \$582,000 (operating) and \$2 million (net) on operating income of \$2 million.

Service continues in 1997. Enplanements total 47,000 and operating revenues reach \$6.34 million, but expenses climb to \$8.72 million. Consequently, the operating loss grows to \$2.37 million, while the net loss hits \$2.6 million.

Sunworld barely hangs on during 1998. Customer bookings drop 10.3% to 28,000. Revenues, on the other hand, increase by 27.1% to \$8 million, while expenses are held to \$7.82 million. There is a \$246,000 operating profit and a small \$60,000 net gain.

By the beginning of 1999, the workforce has been increased by 57.5% to 63.

Passenger boardings skyrocket 163.6% to 116,000. A total of 67 workers are employed at the beginning of 2000, a 6.3% increase over the previous 12 months.

Just after takeoff from Greensboro, South Carolina, on September 8, one of the carrier's two B-727-251As, on a charter with the North Carolina A & T football team aboard, develops engine trouble and is forced to return to its point of origin. A safe emergency landing is made.

Overall customer bookings during these 12 months jump 35.8% to 167,000.

SUNWORLD INTERNATIONAL AIRWAYS: United States (1981–1989). Jetwest International Airways is organized and incorporated at Las Vegas, Nevada, on June 4, 1981; however, after a long, financially required gestation period, company officials of the privately held carrier change the corporate identity to Sunworld International in early 1983.

With significant investment from George Sage's Providence, Rhode Island-based Bonanza Bus Lines, the management team is led by President/CEO Larry Decker, Executive Vice President Myron Reynolds, Vice President-Operations Les Ferguson, Vice President-Maintenance Jack O'Dell, and Vice President-Finance Robert Sherer, all of whom began their airline careers with **Bonanza Air Lines**.

Employing a pair of former **Continental Airlines** Douglas DC-9-14s, one of which is leased, twice-daily roundtrip flights are inaugurated over a Las Vegas to San Jose via Ontario route on May 27. By year's end, the network has grown to seven cities, including Oklahoma City and Phoenix.

Two more airliners are acquired and 105,432 passengers are transported.

Sunworld withdraws from Tulsa in March 1984 because of a fare war in that market and returns its leased DC-9-14 on May 13. Other than Tulsa, traffic for the large regional is good elsewhere.

During the company's first full year, a total of 362,506 customers are flown. Unfortunately, finances are not as kind and losses of \$560,000 (operating) and \$533,000 (net) are posted.

Airline employment in 1985 increases 78.4% to 339 and as the year dawns, the four DC-9-14s are providing scheduled service to seven cities in four states—California, Nevada, Oklahoma, and Arizona. The fleet is improved by the addition of two leased Boeing 737-300s. Spokane, Portland, and Omaha join the route network.

Passenger boardings leap upward by 71.7% to 555,670 and revenues jump 72.5% to \$41.3 million. With costs held low, the operating profit swells to \$2.52 million and net gain reaches \$2.46 million.

The payroll is increased again in 1986, up 20.7% to 403. On April 1, flights begin to Los Angeles (LAX) and to Milwaukee. In late May, two more B-737-300s arrive under charter, along with a pair of DC-9-31s leased from **Trans Australia Airlines (Pty), Ltd.**

The year's enplanements increase again, rising 42.1% to 790,149. Although figures are not provided, financial losses are suffered.

The workforce grows another 14.9% in 1987 to 463 and the carrier is restructured during the first quarter. In August and September, the carrier begins service from Seattle to Las Vegas, Reno, Oklahoma City, Tucson, San Diego, and Ontario, California.

Having lost a head-to-head competition with **America West Airlines**, headquarters for President Thomas Voiz's charter operations are transferred from Las Vegas to Reno and the leases on the four B-737-300s and two DC-9-31s are terminated. A British Aerospace BAe 146-300 is leased from **Royal West Airlines** during the month for initiation of a service from Reno to San Diego via Las Vegas and Ontario.

Employing the four original DC-9-14s and the BAe, Sunworld is able to increase its traffic by 21.8%, as 962,343 passengers are flown. It is not able to reverse its economic downturn.

On January 14, **1988**, the financially strapped airline halts all scheduled services except a single route between Las Vegas and Oklahoma City. A few charters are offered. The company files for Chapter XI bankruptcy reorganization in April. During the first 9 months of the year, a total of 52,713 passengers are transported.

Unable to reorganize and gain new capitalization through a merger with the U.K. carrier **Paramount Airways, Ltd.**, the carrier is finally shut down for good on November 7. Some \$16 million in debt, the carrier's assets are liquidated in **1989** to partially satisfy creditors.

SUPERIOR AIR: United States (1972–1973). Superior Air is set up at Fairmont, West Virginia, in **1972** to provide scheduled air taxi services to regional destinations. Employing a Britten-Norman BN-2 Islander, the company links its small base, north of Clarksburg, with Pittsburgh and Wheeling via Morgantown. Daily roundtrips cease in **1973**.

SUPERIOR AIRWAYS, LTD. See **AUSTIN AIRWAYS, LTD.**

SUPERIOR AVIATION: 250 Riverhills Road, Kingsford, Michigan 49802, United States; Phone (906) 774-0400; Fax (906) 774-1645; http://www.superioraviation.com; Code AB; Year Founded 1994. Superior is set up by Steven C. Van Beck at Kingsford, Michigan, in **1994** to offer all-cargo and contract services around the Midwest, many on behalf of larger freight airlines and air freight forwarders. FAR Part 135 revenue flights commence with a fleet that includes 1 Cessna 208 Caravan I, 5 C-208Bs, 1 C-441 Conquest II, and 3 leased Swearingen SA-226 Metro IIs.

The fleet is increased in **1995** by the addition of one more C-208B and three more Metro IIs. Two more C-208Bs join the fleet in **1996**, along with six more Metro IIs.

Operations continue apace in **1997**. Just after landing at Des Moines on August 19, a Metro II, having lost directional control, runs off the end of the runway and impacts the localizer antenna. Although the aircraft is substantially damaged, the pilot is not hurt.

Flights continue without incident in **1998**. On March 5, **1999**, two company Metros collide while taxiing at Denver. Although both aircraft are damaged, neither pilot is severely injured.

Just after takeoff from Smith Field, Fort Wayne, in bad weather on a November 9 freight service to Milwaukee, a Metro II hits trees and crashes into the ground just 400 m. from the runway, catching fire. The pilot is killed and the cargo is destroyed.

The company suffers further loss on April 15, **2000**. Just after takeoff from Capital City Airport at Lansing, Michigan, on a cargo service to Caro, a Cessna 404 loses power and is required to make a forced landing. The pilot is not hurt. It will later be determined that the aircraft had been serviced with the wrong fuel, receiving 25 gallons of jet fuel in each wing tank before takeoff.

Late in the year, twice-weekly scheduled Cessna 404 and Cessna 441 is inaugurated between Iron Mountain, Escanaba, and Lansing.

SURINAAMSE LUCHTVAART MAATSCHAPPIJ, N.V. See **SLM (SURINAAMSE LUCHTVAART MATTSCHAPPIJ, N.V.)**

SURINAAMSE LUCHTVAART ORDEREMING, N.V. See **SLO (SURINAAMSE LUCHTVAART ORDEREMING, N.V.)**

SURINAM AIRWAYS, N.V. See **SLM (SURINAM AIRWAYS, N.V.)**

SUSQUEHANNA AIRLINES: United States (1978–1985). Bernard Ford establishes **Ford-Aire** at Sidney, New York, in May **1978**. Employing a Piper PA-23 Aztec, Ford inaugurates scheduled air taxi flights to Syracuse in June. In October **1979**, the company is renamed Susquehanna Airlines.

Ford increases his fleet in **1980** by the addition of two Piper PA-31-310 Navajos. Daily roundtrip revenue services are started to New York (LGA) via Monticello and from the Big Apple to Sidney via Binghamton.

In **1981–1984**, Susquehanna makes Binghamton its primary hub and opens additional markets at Newark, New York (John F. Kennedy Airport), Wilkes-Barre, Boston, and Chicago (ORD). The fleet is increased to comprise 1 Grumman Gulfstream G-1, 1 Beech 99, 2 Navajos, and 3 de Havilland DH 114 Herons.

While on approach to Bainbridge, New York, following a service from Binghamton on December 17 of the latter year, a Navajo, with a pilot and three passengers, crashes into trees and hits a wooded hill 85 mi. N of the runway; there are no survivors.

Due to alleged safety violations, the FAA orders the carrier grounded on January 16, **1985** and its certificate is suspended until its record-keeping violations can be cleared up. Permission to resume is obtained within two months and having restarted, President Ford's airline is shut down a second time on April 28 for five alleged safety deficiencies and the falsification of records.

This time, the government revokes the operating certificate and despite company appeals, it is not restored.

Unable to fly, the carrier, on May 30, sells a Beech 99 and a route between Binghamton and New York to **Ransome Airlines**. The remainder of the operation is liquidated.

SVENSK FLYGTJANST, A.B. See **SWEDAIR, A.B.**

SVERDLOVSK 2ND AIR ENTERPRISE (SVERDLOVSK AVI-APREDPRIAT): Sputnikov Str 6, Uktus Airport, Ekaterinburg, Urals Zone ATD, 620025, Russia; Phone 7 (3432) 242 367; Fax 7 (3432) 246 107; Code UKU; Year Founded 1992. The former **Aeroflot Soviet Airlines** 2nd division at Koltsovo Airport at Ekaterinburg is reformed in **1992**; however, its mission of providing long-haul trunk and charter passenger services is continued. Sergey N. Shuratov is named director general and he launches services with 6 Tupolev Tu-154Ms and 3 Antonov An-12s.

Flights continue in **1993–1999**, during which years Nikloli Mekhnev becomes general manager. The Russian currency crisis has a dramatic impact upon the carrier, which now changes its mission to one of domestic feeder service and rotary-wing contract aerial work. The fleet is altered by removing the Tupolevs and An-12s in favor of 2 An-28s and 19 An-2s, plus 19 Mil Mi 8/17s and 14 Mi-2 helicopters.

Airline employment stands at 400 at the beginning of **2000**. The fixed-wing fleet is once again revised as two Yakovlev Yak-40s are added.

SVG AIR, LTD.: St. Vincent and the Grenadines (1991–1999). Former **Mustique Airways, Ltd.** pilot Martin Barnard establishes SVG (St. Vincent and the Grenadines) Air at Bequia, in the northern Caribbean Island chain of the Grenadines, in **1991**. His daughters, Joanne and Leslie, take charge of the reservations and administrative offices, while one son-in-law, Capt. Paul Gravel, is named head of operations and the other, Capt. Dominic Gonsalves, becomes the no. 2 pilot. Revenue flights to nearby islands commence with a single Pilatus-Britten-Norman PBN-2 Islander and a Beech B-58 Baron.

During the next three years, the Barnard family provides charters to St. Vincent and up to Barbados. Their company enters into an agreement with **Air Martinique, S.A.** to complement the French airline's Dornier 228-200 services to its St. Vincent hub. The fleet is increased by the addition of two Cessna 402Cs and a Piper PA-34 Seneca.

In late **1994**, groundbreaking ceremonies are held for a new hangar maintenance center at Bequia. The new facility is constructed during the summer of **1995**. Service continues apace in **1996–1998**. During these

years, a variety of holiday opportunities are offered, including special package tours for events on Mustique, Bequia, and Jamaica and as far as Venezuela or Guyana. The fleet includes several Aero Commander 500Ss, Cessna 402Bs, and Islanders.

On November 14, 1999, **Airlines of Carriacou, Ltd.** is merged with SVG Air, Ltd., with the latter owning 75% shareholding. Under the direction of SVG's founder, Barnard, the new **Vincent and Granada Air, Ltd.** resumes services from Granada almost immediately.

SWAZI AIR, LTD. (2): Swaziland (1965–1978). The second Swazi Air is set up at Matsapa in 1965 as a subsidiary of **National Airways Corporation (Pty.), Ltd.** M. J. F. E. "Dem" Tanguy-Desmarais is appointed general manager and he is provided with a tiny fleet comprising 1 each Mooney Super 21, Navion Rangemaster, and Piper PA-23 Apache.

Revenue flights commence on September 27 with twice-weekly return flights from Matsapa to Johannesburg and to Durban.

On March 25, 1966, the company joins with **DETA (Divisao de Exploracao dos Transportes Aereos, S.A.)** to open a joint Friday and Monday return service from Manzini to Lourenco Marques in Mozambique. Swazi operates the route with an Aero Commander 500B.

Flights continue during the remainder of the decade and the fleet is upgraded with the addition of a pair of Douglas DC-3s.

National Airways Corporation is taken over by **Protea Airways (Pty.), Ltd.** in 1970, which keeps its new subsidiary only briefly before selling it to the government of Swaziland. When A. Wilhelmi becomes the new general manager in 1972, his fleet comprises 2 DC-3s, 2 Beech Bonanzas, 1 Aero Commander 500B, and 1 Piper PA-24 Comanche.

Service continues as before in 1973–1975. During the latter year, a pooled service is operated with **South African Airways (Pty.), Ltd.** over the route from Manzini to Johannesburg. By 1976, the company is employing a Hawker Siddeley HS 748 over the new route thrice weekly. The two airlines also fly from Manzini to Durban twice weekly.

Late in 1977, the company stops operations and is replaced on January 1, 1978 by **Royal Swazi National Airways Corporation (Pty.), Ltd.** as new national carrier.

SWAZILAND AIRLINK, LTD.: SA Airlink (Pty.), Ltd., P.O. Box 7529, Bonaero Park, Johannesburg, Gauteng, 1622, South Africa; Phone 27 (11) 395 3333; http://www.saaairlink.co.za/airlink_swa; Code ZC; Year Founded 1999. **SA Airlink (Pty.), Ltd.** purchases 40% of the available equity in **Royal Swazi Airways Corporation, Ltd.** on January 25, 1999. Majority ownership (60%) remains with the Swaziland government. Under the leadership of General Manager Capt. President Dhlamini, the concern is renamed on April 12.

Outfitted with a single Fokker F.28-3000, the reborn concern launches daily roundtrip revenue services on July 1, linking Manzini (Matsapa) with Dar es Salaam and Johannesburg. During the fall, flights to Dar es Salaam cease and frequencies between Manzini and Johannesburg are increased to three per weekday and once on Saturdays.

Airline employment stands at 37 at the beginning of 2000. Early in January, the F.28-3000 is grounded for repairs after it develops cracks in its windshield frame. Another aircraft is leased for the interim. The repaired Fokker returns to service in May just in time to offer a special flight, transporting King Mswati III to Mauritius. After developing a mechanical fault over the Indian Ocean, the aircraft is forced to abort the service and return to Mbabane. It is parked there at Matsapha International Airport while government and airline officials decide what to do with it.

After the incident with the king, it is decided not to bring the jetliner back into airline service; instead, it is replaced with a British Aerospace BAe Jetstream 41, chartered from **SA Airlink (Pty.), Ltd.** When the J-41 enters service on June 18, it wears Swaziland Airlink livery.

Services are enhanced during the summer and fall, with the number of weekly roundtrips from Johannesburg to Matsapha boosted to 26 (4 on weekdays and 2 on Saturdays). An average of 4,000 passengers are flown every month.

In October, Swazi transport ministry officials announce that the carrier will either sell or lease out the displaced F.28-3000, which remains grounded at Mbabane.

SWEDAIR, A.B.: Sweden (1975–1993): This regional is formed in 1975 by the merger of **Crownair, A.B.** and **Svensk Flygtjänst, A.B.**, founded in 1935 and one of the nation's oldest carriers. The Swedish government holds 50% interest with the other half divided between **Linjeflyg, A.B.** and **ABA Swedish Airlines, A.B.**, the **SAS (Scandinavian Airlines System)** consortium partner. A fleet is assembled and personnel hired during the remainder of the year.

In 1976, de Havilland Canada DHC-6-100 services are launched over a Karlstad–Göteborg route. In 1977, the carrier's shareholding is revised; **ABA Swedish Airlines, A.B.** takes 25% and **Linjeflyg, A.B.** the remainder. The airline now inaugurates regional services on behalf of **Linjeflyg, A.B.** and **SAS (Scandinavian Airlines System)**, but is also given one international route, Örebro–Copenhagen, for itself. The charter subsidiary **Basair, A.B.** is formed in 1979.

Ministry of Finance official Karl-Erik Strand becomes president/CEO in 1981. Airline employment stands at 450 and the fleet comprises 1 Douglas DC-3, 1 DHC-6-100, 9 Cessna 404 Titans, 1 Cessna 402, 1 Cessna 441, 1 Cessna 425, 1 Cessna 337, 9 Mitsubishi Mu-2s, 1 Gates Learjet 36, 2 Learjet 35As, and 2 Learjet 24s.

In 1982, orders are placed for 10 SAAB-Fairchild SF340As and 6 DHC-6-200s. The first of the Swedish-manufactured turboprops is delivered in 1983, during which year a total of 466,720 travelers are carried. Two additional SF340As arrive in 1984 as the network reaches 20 destinations in Sweden and Denmark. Passenger boardings pass the half-million mark.

Three more SF340As arrive in 1985 and join a fleet comprising 3 SF340As, 5 Fairchild Hiller FH-227s, 6 DHC-6-200s, and 1 British Aerospace BAe Jetstream 31. The year's profit reaches \$2 million. The last 4 SF340As are delivered to the 600-employee regional in the late summer of 1986, at which time sale of the Twin Otters begins.

Regional services are continued in 1987 and President Strand's fleet has been altered to comprise 2 Jetstream 31s, 2 Cessna 441s, 4 Cessna 404s, 2 DHC-6-300s, 2 FH-227s, 3 Learjet 35As, and 8 340As.

Operations continue apace in 1988 and in 1989 this commuter receives a de Havilland Canada DHC-6-300 Twin Otter on lease from **Loganair, Ltd.** and a Piper PA-31-350 Navajo Chieftain. Managing Director Eric Lindström's carrier inaugurates scheduled services to Vilhelmina and Umeå.

Rolf Blom steps into the managing director slot in 1990 as flights begin to Vasa. The financially weak carrier enters into merger discussions with **Salair, A.B.**, but the uncertainty caused by the world political situation following Iraq's August invasion of Kuwait causes them to drag. Plans are also made for the sale of **Linjeflyg, A.B.**'s 75% interest in the regional if a merger between it and **Salair, A.B.** is concluded. Enplanements total 444,400.

The fleet in 1991 includes the DHC-6-300 leased from **Loganair, Ltd.**, plus five owned and eight chartered SAAB 340As. Orders are outstanding for three SAAB 2000s. Following the decision of Swedair, A.B. to not merge with the commuter **Salair** in April, plans for **Linjeflyg, A.B.** to sell its 75% shareholding in the regional are shelved. A new route is initiated from Stockholm (Arlanda) to Trondheim in September. Passenger boardings decline 11.1% to 400,000.

Flights begin from Stockholm (Arlanda) to Trollhättan in 1992. Majority 75% shareholding is reaffirmed by **Linjeflyg, A.B.** at the end of the year, but the carrier is left to operate as an independent subsidiary.

In January 1993, acting Managing Director Lars Svanström oversees a workforce of 500 and a fleet of 13 SAAB 340As. In significant financial difficulty as a result of the nation's airline recession, the company is ordered closed by **SAS (Scandinavian Airlines System)** officials as they merge **Linjeflyg, A.B.** into the major at year's end.

The **Linjeflyg, A.B.** merger decree is withdrawn in 1994 and Swedair, A.B. is allowed to continue its operations with 9 SAAB 340As, 4 of which

are leased to the New Zealand regional **Air Nelson, Ltd.** Benny Lakrisson is now chairman/president, with Christer Bruce as managing director.

SWEDEWAYS, A.B.: Skogsta 41, Hudiksvall, 82492, Sweden; Phone 46 (650) 24280; Fax 46 (650) 24224; <http://www.swedeways.se>; Code HJ; Year Founded 1995. In July 1995, the decision is taken to provide the **Holmstrom Air (Holstrom Flyg, A.B.)** subsidiary **Holmstroem Air Hudiksvall, A.B.** with a new corporate identity at the same time as the parent is renamed **Highland Air, A.B.** On September 1, Chairman Erik Lindstroem and President Carl-Jonas Stahle's 3 Shorts 360-100s resume scheduled passenger services from Hudiksvall as Holstroem Air Sweden, A.B., better known as Swedeways, A.B. Hubs are established at Stockholm (Bromma Airport) and Ostersund.

Scheduled destinations visited in 1996 include Borlaenge, Gallivare, Goteborg, Huitsfred, Oskarshamn, Mora, Stockholm (Arlanda Airport), Sundsvall, Umea, and Vasteras.

In order to provide itself with assured feed, the Swedish regional **Skyways, A.B.** purchases 91% majority ownership in **Highland Air, A.B.** in March 1997. The parent company name remains the same. Nightly postal flights now become this carrier's principal business, although a Shorts 360-200 is acquired to operate passenger services. Scheduled destinations visited in 1998 include Gavie, Lulea, Ostersund, Stockholm, and Sundsvall. Enplanements during the 12 months total 33,325 while 257,400 FTKs are operated.

Customer bookings rise 4.5% in 1999 to 35,000 while freight rises 1% to 260,000 FTKs. Revenues increase 9.3% to \$8.2 million and net gain climbs to \$205,000.

A total of 41 workers are employed at the beginning of 2000, a 6.8% decline over the previous 12 months. A homepage is now opened on the World Wide Web and a Douglas DC-9-41 is added for postal flights and ad hoc charters.

SWEDISH INTERNATIONAL AIRLINES, A.B. (SILA). See SAS (SCANDINAVIAN AIRLINES SYSTEM)

SWIFT AIR: United States (1982–1984). Swift Air is set up at South Bend, Indiana, in late fall 1982 to offer scheduled passenger and cargo services to Sturgis and to Chicago's Meigs Field. Employing a Piper PA-31-310 Navajo, daily roundtrips are duly inaugurated and are maintained into 1984.

SWIFT AIR SERVICE: United States (1962–1967). Swift is established at San Diego in 1962 to provide revenue air taxi flights to Catalina Island and Las Vegas employing a single Grumman G-73 Mallard.

Operations continue apace until the amphibian is lost in a 1967 accident.

SWIFTAIR, S.A.: Ingeniero Torres Quevedo 14PL, Fin de Semana, Madrid, Spain; Phone 34 (91) 329 4693; Fax 34 (91) 329 5720; <http://www.swiftair.com>; Code SWT; Year Founded 1986. SEUR Service Urgent establishes this carrier at Madrid in 1986 to operate scheduled domestic cargo services on its behalf, together with air ambulance and air taxi flights. Revenue operations commence with a fleet of 5 Convair CV-580s, 4 Fairchild Dornier Metro IIs and 4 Metro IIIs. Over the next decade, the fleet is increased through the acquisition of 5 additional CV-580s, 1 each Metro II and Metro III, and 2 Embraer EMB-120 Brasilias.

In the years after 1996, the company mission is expanded into international cargo charter. The fleet is upgraded by the addition of four Boeing 727-200Fs (two each Dash-224AFs and Dash-277AFs), which are employed to offer freight flights on behalf of **DHL Worldwide Express** to the U.K., Belgium, and Germany. A fifth B-727, a Dash-223AF, is delivered on May 1, 2000. It is followed by a sixth and seventh, both Dash-264AFs. In November, a new, modified DHL color scheme is unveiled on two trijets.

SWIFTAIR CARGO, LTD.: Canada (1980–1983). Abbotsford, British Columbia-based **Conair Aviation, Ltd.**, an aerial spraying and fire

bomber operation, applies to the government in the summer of 1979 for permission to operate an all-cargo service. Swiftair Cargo, Ltd., jointly owned with **Frontier Helicopters, Ltd.**, is established by Conair owner Les Kerr the following summer of 1980. Employing 2 Douglas DC-8-33Fs, reverse course night cargo services are inaugurated on September 15–16 from Abbotsford to Montreal via Calgary, Winnipeg, and Toronto.

Significant competition is encountered from **Air Canada, Ltd.**, **Northwest Territorial Airways, Ltd.**, and **Purolator Courier**. Financial difficulties in the sluggish economy ensue and a proposed bailout by **Pacific Western Airlines, Ltd.** in March 1982 does not occur.

Operations cease on May 11 when the Canadian Imperial Bank of Commerce takes the carrier into receivership. One DC-8 is sold immediately and the second in May 1983.

SWIFTE AIRE LINES: United States (1969–1981). Swifte Aire Service is organized by Charlie Wiswell at San Luis Obispo, California, during the first quarter of 1969. The new operator inaugurates Piper PA-23 Aztec flights to Catalina Island on March 20 and to Las Vegas on October 1. Operations continue apace in 1970–1971.

Following a slight name change in early 1972, the carrier begins scheduled de Havilland DH 114 Heron intrastate California passenger services to such destinations as Los Angeles, Bakersfield, San Jose, and Fresno. Operations by the six British-built aircraft continue apace in 1973 and in 1974, enplanements total 92,244.

Airline employment in 1975 stands at 110. Passenger boardings accelerate 6.6% to 98,762.

The number of employees is increased by 20% in 1976 to 145. Four more Herons join the fleet as the company completes the paperwork necessary to become an FAR 121 operator. Orders are placed for four Nord 262 turboprops, two of which are delivered by year's end.

Customer bookings jump 30% to 128,686 while freight traffic rises 46% to 18,360 FTKs.

Enplanements in 1977 total 172,020, with capacity allowed by the arrival of two more Nords. On revenues of \$4.74 million, a \$311,000 net loss is suffered.

In 1978, the year the Airline Deregulation Act becomes federal law, the company boards 209,270 passengers, a 17.8% boost. Revenues advance 29.5% to \$6.14 million and expenses are held to \$5.93 million, leaving an operating profit of \$203,000. The net loss is cut to \$145,000.

Airline employment is boosted by 20.7% in 1979 to 274 and the fleet now includes 3 F.27s, 4 Nord 262As, and 3 DH-114 Herons.

Shortly after takeoff from Los Angeles (LAX) on March 10, Flight 1235, a Nord 262A with three crew and four passengers, loses engine power and ditches into Santa Monica Bay, off Del Rey, California (three dead).

Customer bookings jump 12.4% to 235,000. Operating income grows by 39.3% to \$8.42 million while expenses are held to \$7.9 million. As a result, a \$517,000 operating profit is realized and a \$249,000 net gain is achieved.

The employee population rises 3.4% in 1980 to 275. Unfortunately for Swift Aire, recession and competition in the tough California commuter market, along with rising fuel costs, begin to cause significant financial difficulty. The balance sheet is not helped by the costs involved in taking over **Golden Gate Airlines**, which is allowed to function as a subsidiary.

With the delivery of three F.27-600s, Swifte Aire becomes the first U.S. airline to operate a factory-delivered, Fokker-built F.27. The units also have the distinction of being the first new aircraft of their type to be sold in North America.

Passenger boardings rise 16.2% to 273,116 and cargo grows by 30.8% to 170,000 pounds, revenues advance only 47.1% to \$12.2 million, while expenses skyrocket 66.8% to \$13.2 million. The year's \$2.7-million loss portends disaster unless immediate success is had in what has become a big-stakes game.

The cards do not fall correctly in 1981. When the PATCO air traffic controllers' strike during the summer forces **Golden Gate Airlines** out

of business, Swift Aire, the financially weak parent, is forced to quit as well. Even though Swift Aire has thus far transported 165,045 customers (down 40%) and 26,000 pounds of cargo (down 45.5%) on the year, at the time of its demise on September 18, its cash flow situation is so desperate that no other option exists.

SWISS WORLD AIR NETWORK, LTD. (SWAN). See **SWISS WORLD AIRWAYS, LTD.**

SWISS WORLD AIRWAYS, LTD.: Switzerland (1996–1998). In early 1996, **Swissair, A.G.** announces that it will drop most of its long-haul flights from Geneva, which is located in the French-speaking western part of the nation, and transfer them to its headquarters base at Zurich.

This announcement has far-reaching impact and sets off a storm of political and citizen protest in Geneva, where the move is viewed as an affront by those seeking to curry favor with the major commercial banks and insurance companies located in the German-speaking center east of the country. The financial resources available in the Zurich area are known to be greater than those in Geneva, which is home to most private banks, many international organizations, as well as the European headquarters of the United Nations.

When it is determined that reversal of the Swissair edict is impossible, SWA is established at Geneva, with financial support from the city council and private investors. The founders make it clear that they wish only to assure appropriate long-haul service into Geneva and are not interested in establishing a competitor to **Swissair, A.G.**

Their new enterprise is initially known as SWAN: Swiss World Air Network, Ltd. Former ICAO Secretary General Philippe Rochat is appointed chairman, with Swissair pilot Pierre A. Porta as president. Plans are announced for the inauguration of scheduled passenger services at the beginning of 1998.

1997–1998 is taken up with achieving certification from the Swiss Office of Civil Aviation at Berne and in establishing the infrastructure, personnel base, and aircraft necessary to start up. SWAN, which now changes its name, proves that it has achieved the financial basis necessary to maintain operations for a year. At the same time, an aircraft serving agreement is signed with **British Airways, Ltd. (2)**, which meets a requirement for the demonstration of a high-level of aircraft maintenance.

In March 1997, former **Air Canada, Ltd.** executive Peter Leishman, who has also been involved in the launch of the U.K. discount airlines **easyJet, Ltd.** and **Debonair Airways, Ltd.**, is named president/administrator/director general, with former President A. Porta as his chief deputy.

With a lengthy French-language review of the reasons for formation, as well as other information deemed to be of value, SWA opens a home-page on the World Wide Web in March 1998.

During the spring, arrangements are completed with Ansett for the lease of a Boeing 767-219ER surplus from its partner, **Air New Zealand, Ltd.** The new entrant hires New York-based Tool Box to handle its advertising, even though that firm has no prior experience with airlines. It also designs a revolutionary frequent flyer program that will employ a scratch-off ticket that instantly rewards passengers.

Painted in a simple white livery with black trim, the long-range New Zealand wide-body is delivered on July 17. On August 19, the company signs a contract to lease four B-737-700ERs, which will begin delivery next February.

Certification is received from the Office of Civil Aviation on September 8. Two days later, six-times-a-week roundtrips are inaugurated from Geneva to Newark (EWR) in the U.S., which serves the New York area.

Jubilant officials now announce plans to launch service in 1999 from Geneva to Washington, D.C. (IAD) and Montreal (YUL) and possibly to Miami, as well as from Berne to Newark.

Citing competition from **Swissair, A.G.** and launch problems, the new entrant, on November 4, postpones the inauguration of flights between Basel and Newark (EWR).

Negotiations, revealed on November 19, are undertaken with a London bank concerning an initial public offering to be made during the first half of 1999; it will be designed to raise SFr 35 million (\$25.2 million). The income would help finance new routes, starting with Geneva to Washington, D.C. (IAD).

Having achieved only a 50% seat occupancy on its New York services, during the last week of November the company makes an urgent bid to raise \$2 million to keep itself afloat. When the money is not found, the company's board orders the carrier into receivership on December 2. Flights are suspended and Director General Leishman resigns from all of his posts.

The company's vice presidents and a council of administration, headed by the Geneva official appointed to oversee it upon the receivership filing, now act as an interim board to guide what is left of SWA. In a note to shareholders, it is announced that an administrator will be sought to oversee the end of western Switzerland's airline dream.

On December 24, a group of anonymous shareholders petition the interim board for permission to present a recovery plan. A meeting is set up for January 21, with the understanding that, if it is to maintain its Swiss government operating certificate, the carrier must be back in the air by May. Simultaneously, the Geneva newspaper *Le Temps* reports that the shareholders seeking to restart the airline are headed by Saudi Arabian businessman Hani Yamani.

SWISSAIR (SCHWEIZERISCHE LUFTVERKEHR, A.G./SWISS AIR TRANSPORT COMPANY, LTD.): Zurich-Flughafen, Zurich, CH-8058, Switzerland; Phone 41 (4) 812-1212; Fax 41 (4) 810-8046; <http://www.swissair.com>; Code SR; Year Founded 1931. On March 26, 1931, **Ad Astra Aero, A.G.** and **Basler Luftverkehrs, A.G. (Basle Air Transport-Balair)** merge to create **Schweizerische Luftverkehr/Swiss Air Transport, Ltd.**, recognized thereafter as **Swissair, A.G.** Balz Zimmerman and Walter Mittelholzer, formerly of Balair and Ad Astra, respectively, are appointed as joint managing directors, with initial capitalization of SFr 800,000.

A fleet is assembled comprising 8 Fokker F-VIIb/3ms, 2 Dornier Merkurs, 1 F-VIIa, 1 Messerschmitt M-18d, and 1 Comte AC-4, having a combined total capacity of 86 seats. Ten pilots, seven radio operators, and eight flight engineers are employed. Revenue flight operations begin on March 31 and are restricted to the summer season and only made in good weather. By the end of the year's service in October, the route network stands at 2,800 miles and the workforce totals 64.

Service is resumed in March 1932. The carrier becomes the first European airline to operate American-made equipment when it receives two Lockheed Model 9 Orions; the fastest commercial aircraft now available in Europe, these are placed on the Zurich–Vienna via Munich express route on May 2. March–October summer-only operations also continue in 1933. During the year, the carrier also links Switzerland with the European night airmail network with service between Basel and Frankfurt.

In the spring of 1934, a Curtiss AT-32C Condor II is placed in service on the Zurich–Berlin route. The first of 16 company air hostesses and, indeed, the first European stewardesses, led by the “Airborne Angel” Nelly Diener, are sent aloft to assist passengers on this biplane American transport. In March, the first production model Clark G.A. 43 is delivered; this American aircraft is placed in passenger service on a route Zurich–Basel–Geneva and on night mail runs Zurich–Frankfurt.

The Condor II experiment ends on July 27 following its crash near Tuttlingen, in Germany, which claims the life of, among others, Nelly Diener. Orders are now placed, via the Dutch aircraft manufacturer and sales agent Fokker, for Douglas DC-2s. The first of the new transports arrives on December 4.

Two more DC-2s are delivered in January 1935, followed by a third on February 15. In March, the fourth and final Clark G.A. 43 is ordered. Following the lead of **KLM (Royal Dutch Airlines, N.V.)**, Swissair now introduces the Douglas DC-2 on its European service. In cooperation with **Imperial Airways, Ltd.**, the American transports on April 1 begin a Zurich–London link via Basel—the first Swiss over-water operation.

On July 21, an F-VIIb/3m crashes into a forested mountainside near Berne (13 dead). Two days later, the DC-2 fleet is completed with the delivery of the sixth aircraft. Success leads to the decision to begin DC-2 winter operations on December 16, again over the Zurich–London route. This is the company's first all-year service. At year's end, the Clark G.A. 43 is delivered. Placed in service, it is lost in April 1936 when it crashes into Mount Rigi in the Swiss Alps (two dead).

Mittelholzer and Zimmerman, the joint managing directors, both die in 1937, the former in a climbing accident in Austria on May 9 and the latter by heart attack on October 13. Before Zimmerman's death in October, a Junkers Ju-86Z is acquired, the first Clark G.A. 43 is sold to Spanish Republican sympathizers in France, and an order is placed for five DC-3s that are placed into service during 1938.

In 1939, the fleet comprises 5 DC-3s, 6 DC-2s, 1 de Havilland DH 89A Dragon Rapide, the original Fokker F-VIIs and Comte AC-4. Following the loss of a DC-2 in a crash at Senlis, near Paris, on January 7, a Ju-86 piloted by noted pilot-author Walter Ackermann, crashes at Constance in Germany on July 20. Swiss civil aviation is banned on August 29, just before the eruption of World War II. Unable to workout routes with the Germans, French, British, or French, the company is forced to lay off 85 workers on December 31.

In early 1940, the company is able to gain permission to operate over a limited number of routes, mostly from Ticino. These include Locarno to Barcelona, Zurich to Munich, and Zurich to Berlin via Stuttgart. With a view to postwar expansion, the company's share capital is raised in 1943 to SFr 1 million. A company DC-2 is destroyed at Stuttgart Airport on August 9, 1944 during an American bombing raid. Twelve days later, the carrier ceases operations to Stuttgart and Berlin, its last foreign destinations.

In 1945, the fleet is enlarged through the addition of three more DC-3s and after a five-year hiatus, the Lisbon route is reopened on May 12.

Services resume on July 30 between Geneva and Paris and Zurich and Paris. Zurich–Amsterdam flights resume on September 19. London is served from Zurich beginning on September 29 and Geneva on November 5. Special flights are also undertaken to Barcelona, Tunis, and Malmo. The fleet now comprises 4 DC-3s and 2 DC-2s.

Orders are placed in 1946 for the carrier's first four-engine airliner, the unpressurized DC-4. The last production DC-3, a DC-3A, is delivered in May. During the summer, special frequencies are initiated to Prague, Warsaw, and Barcelona. Capitalization is increased on August 26 to SFr 20 million and after a 16-hour flight, the initial DC-4, christened *Geneva*, arrives at Zurich on November 24.

In February 1947, the operations of the independent airline **Alpar Bern, A.G.** are taken over and Swissair is officially recognized as the national airline of the Confederation. Public institutions acquire 30% of the share capital, while the remaining 70% remains in private hands—an arrangement that will remain unchanged. On March 8, a special DC-4 service is undertaken to Johannesburg.

The first DC-4 transatlantic proving flight is made on May 2, Geneva–Washington, D.C. via London, Shannon, and Gander. The return flight to Switzerland is made four days later. Four more of these irregular flights across the North Atlantic are made before October; 1,000 passengers travel the route this first year it is available. On October 10, a proving flight is made to Rio de Janeiro and Buenos Aires.

Two additional transatlantic proving flights are completed during the first quarter of 1948 before regularly scheduled service is inaugurated on March 25. Some 2,000 transatlantic passengers are carried this year as 17 flights are made from Geneva to New York and 4 from Zurich. Additionally, 20 special DC-4 frequencies are run from Geneva to Johannesburg. The company's special services also include several flights to Middle East destinations.

On the whole, these give Swissair the opportunity to gain the commercial and technical experience necessary to inaugurate regularly scheduled long-haul services and for flight crews to be trained. Meanwhile, operations are moved from Dubendorf to Kloten Airport, their current location.

The first Convair CV-240s join the fleet in January 1949, the delivery flight for the first being organized by young engineer and future chairman Armin Baltensweiler. Regularly scheduled Zurich–New York via Geneva, Shannon, and Gander DC-4 flights commence on April 29. Service to Glasgow is simultaneously started. Devaluation of the pound sterling on September 18 produces a severe revenue crisis.

Dr. Walter Berchtold, a mountain climber and former railway manager, becomes president on May 2, 1950. The continuing financial crisis results in increased short-term government assistance, principally in the purchasing and leasing to Swissair of two pressurized DC-6Bs and the advancement to the carrier of SFr 15 million.

In return for the loan, the government requires Swissair to reduce its share capital to SFr 14 million, a move agreed to at an Extraordinary Shareholders' Assembly held on November 10. A spare-parts pool is entered into with **Sabena Belgian World Airlines, S.A.** and **SAS (Scandinavian Airlines System)**.

En route from Geneva to New York via Shannon and Gander on December 1, a DC-4 with 11 crew and 20 passengers is forced by poor weather to divert to Sydney. While landing, the plane hits light poles and lands heavily, losing a wing. Although there are no injuries and everyone is safely evacuated, the aircraft catches fire and is destroyed.

North Atlantic passenger boardings this year rise to 4,000.

On January 9, 1951, a DC-4 flies New York to Zurich in a record 16 hrs. 44 min. A third DC-6B is ordered in January, while the first two arrive in June and July. These join in the transatlantic service on August 18 and help to bring the year's bookings on that route to more than 6,000. In October, three more DC-6Bs are requested from America. Weekly flights are initiated from New York to Tel Aviv on December 2.

A DC-4 with 4 crew and 16 passengers must be written off after a hard landing at Schiphol Airport, Amsterdam, on December 14; there are no fatalities.

A total of 7.5 million revenue passenger miles are flown on the year and a net profit exceeding SFr 1 million is posted.

A DC-6B makes the New York to Geneva flight on February 1, 1952 in a record 10 hrs. 27 min. Meanwhile, a DC-4 is acquired from **Pan American World Airways (1)**. On April 4, a new route is opened to New York from Zurich via Frankfurt and Shannon. The world's longest operator of the Douglas DC-2 loses its final machine in a crash at Kosti, Sudan, on August 29. At the end of summer, the carrier's administration is reorganized and the famous Swiss arrow logo is introduced. The third DC-6B is delivered in November. North Atlantic traffic is up to 10,000. Three additional DC-6Bs arrive in October and November 1953 as North Atlantic bookings increase to 15,000.

New DC-6B routes are extended on May 27, 1954 from Zurich to Rio de Janeiro and São Paulo via Geneva, Lisbon, Dakar, and Recife.

For whatever reason, a CV-240 with four crew and five passengers has not been refueled before departing Geneva for a flight to London on the evening of June 19. Suffering fuel exhaustion, both engines of the Convair stop, forcing the aircraft to ditch in the dark in the English Channel near Folkstone (three dead).

At year's end, four DC-7Cs are ordered, the first of their type to be requested by a European operator. Transatlantic enplanements are 20,000.

Service is started to Damascus on April 17, 1955. To modernize the short-haul fleet, 8 (later 11) Convair CV-440s are ordered in September. In December, two DC-6s financed by the government in 1949–1950 are purchased from it and the SFr 15 million advanced are paid back in full. North Atlantic bookings accelerate to 22,000.

On January 30, 1956, two Douglas DC-8s are ordered, with one more requested in September. The first CV-440 is delivered on June 10 and enters European service shortly thereafter.

On July 15, on a delivery flight from San Diego to Zurich via New York, Gander, and Shannon, a brand new CV-440 with four crew makes an abnormally steep turn into its final approach into Shannon, drops, and crashes; there are no survivors.

In the wake of the Hungarian Revolution, Swissair flies relief sorties to Budapest. The carrier also transports the first UN peacekeeping troops

on 37 flights from Naples to the Suez Canal zone. The first two DC-7Cs arrive at Zurich on November 12 and December 8 and enter transatlantic operations in December; on the North Atlantic, boardings rise to 24,000.

A DC-7C flies from New York to Rome on January 26, 1957 in a record 9 hrs. 58 min. Services to the Far East commence on April 1, 1957; a DC-6B makes an inaugural flight from Zurich to Tokyo via Geneva, Beirut, Karachi, Bombay, Bangkok, and Manila. The Brazil route is extended to Buenos Aires via Montevideo on April 7. Regularly scheduled weekly flights over the Zurich-Tokyo route are begun on April 23. Nonstop New York to Lisbon flights begin on May 5.

While on a training flight from Zurich, a DC-3 with nine crew is lost in Lake Constance on June 18; there are no survivors.

Weekly Geneva-Tokyo multistage flights start on July 5 via Zurich, Athens, Cairo, Karachi, Calcutta, Bangkok, and Hong Kong. The last of the CV-440s is delivered on July 1 and two more DC-7Cs arrive, one each on June 22 and August 10. On October 30, a fifth DC-7C is ordered and a seventh DC-6B is leased. A DC-6A freighter is ordered on July 8; later in the year, 36% interest is taken in **Balair Air Charter, A.G.** North Atlantic bookings for the year are 33,000.

Board Chairman Rudolf Heberlein dies on January 6, 1958 and is succeeded by Ernst Schmidheiny. On April 11, the company is one of four European airlines charged by **Pan American World Airways (1)** with violating IATA rules by serving full meals disguised as sandwiches, on economy flights; the industry association promises to investigate this "sandwich" incident.

Three new aircraft are now delivered: a DC-6B on June 18, a DC-6A on October 2, and a DC-7C on November 6. Orderly retirement of the DC-4s begins with the first-received *Geneva*, which is renamed *Uri* and transferred to **Balair Air Charter, A.G.** On October 6, Swissair, and **SAS (Scandinavian Airlines System)** initial a maintenance cooperation agreement. The same day, orders are placed for five Convair CV-880Ms. Bahrain joins the route network on November 1. North Atlantic passenger traffic rises to 42,000.

Services are added to Kuwait and Ankara in April 1959, with Tehran joining the route network in May. The company, under contract to the government, opens the Swiss Civil Aviation School (SLS) on June 26. On September 30, the previous year's Convair order is upgraded to seven Convair CV-990A Coronados, although the carrier agrees to acquire a pair of CV-880Ms on lease as a stop-gap until the 990s can be delivered. The year's transatlantic enplanements reach 45,000.

New York to Geneva and Zurich service begins on February 28, 1960. Service is inaugurated to Warsaw in April. The first DC-8-33 is delivered to Zurich on April 24. Two undelivered CV-990As are leased to **SAS (Scandinavian Airlines System)** which, in turn, charts four Sud SE-210 Caravelle IIIs to the Swiss flag line, beginning on May 2. The French-made trijets are introduced on the Zurich-London service on May 21. A third weekly Far East service (terminating at Hong Kong) is begun two days later.

The first DC-8-33 is placed in scheduled transatlantic service on May 30, flying from Zurich to New York's Idlewild Airport via Geneva. The second DC-8-33 arrives on June 20, followed by the second Caravelle on June 25. Two more SE-210s arrive on July 8 and August 13, respectively, followed by the third DC-8-33 on August 31. On December 21, four new Caravelle IIIs are ordered from France. North Atlantic bookings jump to 56,000.

The first of two leased CV-880Ms is received from Convair on August 11, 1961. During the August 21-22 delivery flight from New York (IDL) to Zurich, the second CV-880M establishes a distance and speed record of 3,855 mi. in 6 hr. 57 min.

A third weekly Far Eastern frequency is begun as the Hong Kong route is stretched to Tokyo on September 10 with one of the CV-880Ms. Orderly retirement of the DC-6A/Bs and DC-7Cs begins.

Systemwide, enplanements total 1.46 million (73,000 on the North Atlantic).

The first four CV-990As are delivered between January 12 and February 3, 1962. They are christened *Luzern*, *St. Gallen*, *Canton de Vaud*,

and *Basel-Land*. The CV-880Ms are returned to Convair. The Coronado's begin a frequency to Rio on February 25.

The first CV-990A Far Eastern service is undertaken on March 9 from Zurich to Tokyo via Cairo, Karachi, Calcutta, Bangkok, and Hong Kong.

The first three of the 1960 Caravelle order are delivered between March 17 and March 19. Service is started to Accra and Lagos and Montreal and Chicago on May 2 and 17, respectively.

The fourth Coronado arrives at Zurich on August 3. The Buenos Aires route is extended to Santiago de Chile on August 26. The two loaned CV-880s are now returned to Convair. The final Caravelle is delivered on October 19. Also in October, four DC-8-62s are requested. North Atlantic enplanements jump to 83,000.

A route is opened to Algiers on April 1, 1963. On September 4, Flight 306, a SE-210 Caravelle III with 6 crew and 74 passengers en route to Geneva, crashes and burns in the village of Humlikon, near Durrenäsch (Canton Aargau), following takeoff from Zurich. There are no survivors and 43 people are killed on the ground, 20% of the community's population.

Piloted by Capt. Siegfried Hale, the fourth DC-8-33 begins its delivery flight on October 26. The 7,460-mi. mission from Long Beach to the pickup point at Beirut, Lebanon—the longest nonstop flight by a commercial airliner to date—is completed in 13 hrs. 58 min. The Douglas reaches Switzerland on October 30. By year's end, all DC-6/7s have been sold, leaving only 3 DC-3s and 11 CV-440s as propeller types within the fleet.

Systemwide, passenger enplanements total 1,801,599.

The workforce in 1964 is 8,682 strong. A sixth CV-990A arrives on February 28. Scheduled DC-3 operations cease on March 31 and the last three machines are retired. An order is placed for 12 DC-9-15s on May 13, making Swissair the first European carrier to purchase a new twin-jet. Geneva-Tunis and Zurich-Tripoli services begin on July 6. Later, in the fall, a DC-3 is sold to the South African carrier **Commercial Air Services (Pty.), Ltd.**

Overall passenger bookings climb to 1,978,000 and a net profit of \$3.5 million is recorded on total revenues of \$108.41 million.

Airline employment stands at 8,922 in 1965. The Vatican, on January 18, dispenses the company's passengers from Friday abstinence. On March 22, as the result of an agreement with

El Al Israel Airlines, Ltd. that allows the Swiss to open a new route through Lydda to the Far East, the airline loses its landing and overflight rights over several Mideast countries through an Arab League boycott. The Caravelles leased from **SAS (Scandinavian Airlines System)** are purchased outright in April.

New routes are opened during the year to Frankfurt, Casablanca, Budapest, Abidjan, and Monrovia. Cargo space at New York (JFK) is doubled and new cargo handling equipment is installed. A new flight numbering system is adopted late in the year and two DC-8-33s are sold. Fritz Gugelmann is elected board chairman at year's end, succeeding Ernst Schmidheiny, who remains on the board.

Passenger boardings rise 14% to 2.3 million.

On February 1, 1966, two CV-990As are acquired from the Scandinavian consortium. During February and March, **SAS (Scandinavian Airlines System)** returns the two CV-990As, *Adils Viking* and *Ring Viking*, leased in 1960. Re-liveried, the former is named *Winterthur* while the latter becomes the *St. Gotthard*, later *Nidwalden*.

In April, a fourth Far Eastern frequency is initiated. The first three DC-9-15s arrive in July, August, and December, respectively, and Zagreb is added to the route network during the summer.

Passenger traffic rises to 2,410,096 and total revenues for the year are \$160 million.

On January 1, 1967, the Federal Transport Department grants the carrier's 15-year renewable concession confirming it as the national airline. On February 10, a CV-440 crashes near Zurich while on a training flight (four dead). Two additional DC-9-15s arrive at Zurich on March 11 and June 27, respectively. Meanwhile, a BAC 1-11-207 is leased, with crew, for a year from **British Eagle International Airways, Ltd.** on April 1, and is placed into service from Zurich to Dusseldorf, Prague, and Nice.

The Budapest service is extended to Bucharest on April 5 and the Stockholm to Helsinki service begins on April 11. On April 28, the board of directors authorizes a December order placed for two Boeing 747-100s. A new Balsberg head office is occupied on May 10. The DC-9-15 order is upgraded to DC-9-32s on July 6 and the Warsaw terminus is stretched to Moscow on July 27. Seven DC-9-32s join the fleet during the remainder of the summer, but five are immediately leased to capacity-poor **SAS (Scandinavian Airlines System)**.

On November 5, Malaga becomes the fourth Spanish destination. The first DC-8-62 is delivered on November 24 and a DC-8-33 is withdrawn and sold back to Douglas. On the economic side, bearer shares are issued for the first time.

Enplanements drop back to 2,337,582 while total revenues are \$178.4 million.

Airline employment in 1968 is 11,185. Two DC-8-62s and a DC-8-62CF are delivered, as well as eight DC-9-32s; five DC-9-32s out on lease to **SAS (Scandinavian Airlines System)** are returned from Stockholm, allowing five DC-9-15s to be resold to Douglas.

The BAC 1-11-207 originally constructed for **Central African Airways Corporation** is turned over to **Zambia Airways Corporation**, its successor, on March 27. It is briefly replaced by a BAC 1-11-205 chartered from **British Eagle International Airways, Ltd.**

A CV-990A is transferred to **Balair Air Charter, A.G.** on March 28 and a long-haul DC-8-62 Zurich-Johannesburg route via Geneva, Nairobi, and Dar es Salaam is begun on April 1.

The final CV-440 service is flown on October 31 and the last Metropolitan is disposed of on November 1, making Swissair Europe's third all-jet operator after **British Overseas Airways Corporation, Ltd. (BOAC)** and **TAP-Air Portugal, S.A.** The same day, a Hong Kong service is extended to Tokyo.

Cargo traffic for the year swells by 49% and passenger boardings jump 13.3% to 2,696,172. Revenues are now \$161.8 million.

The 1969 workforce is 11,952. Two DC-9-32s, a DC-9-33F, a DC-8-62, and a DC-8-62CF are delivered as SE-210 retirements continue. Orders are placed for six DC-10-10s.

Multistage Zurich-Singapore service via Geneva, Athens, Karachi, Bombay, and Colombo, is initiated in April and a route is reopened to Damascus, while operations to Innsbruck are withdrawn. The CV-990A *St. Gallen* flies Pope Paul VI to and from Geneva.

On December 22, seven submarine guns are taken from the baggage hold of a DC-9-32 when it lands at Geneva on a flight from Zurich to Beirut; two Lebanese passengers are arrested.

Enplanements for the year soar to 3,888,720.

Airline employment is increased to 13,280 in 1970. The last DC-8-62 is delivered on February 9 and the DC-10 order is upgraded on February 19 to one for DC-10-30s.

Some 9 min. after takeoff from Zurich on a February 21 service to Tel Aviv, Flight 330, the CV-990A *Basle-Land* with 9 crew and 38 passengers, is rocked over Wurenlingen by a bomb explosion in the aft part of the aircraft. The aircraft attempts to return to the airport, but crashes en route and there are no survivors.

Later in the day, another bomb goes off aboard a Caravelle that has departed Frankfurt for Vienna, but that plane is able to land safely. No person or group will claim responsibility and no one is ever indicted for either explosion.

Also in February, the KSSU Group for technical and operational cooperation is formed with **SAS (Scandinavian Airlines System)**, **KLM (Royal Dutch Airlines, N.V.)**, and **UTA French Airlines, S.A.**; the 4-airline pact is signed for a 10-year period.

On April 1, DC-8-62 service to Kinshasa and Johannesburg, to Douala and Oslo via Copenhagen is inaugurated. On April 24, a BAC 1-11-500 (with crew) is leased from **British United Airways, Ltd.** for a six-month period as replacement for the CV-990A lost on February 21.

Four more DC-9-32s arrive in early fall. On September 6, Flight 100, a DC-8-62 with 12 crew and 143 passengers en route from Zurich to New York, is one of three Western airliners hijacked to Zerqa, a military air

base 20 mi. N of Amman, Jordan, by Popular Front for the Liberation of Palestine guerrillas. The hostages are released and together with a BOAC VC10 and a TWA B-707-331B, the plane is blown up on September 13.

Passenger boardings this year climb a slight 1% to 3.92 million and freight is up 6%. In terms of passengers carried, Swissair is now the 23rd largest airline in the world; it ranks 21st in freight tonnage and 18th in employment.

Orders are placed for four DC-10-30s on February 18, 1971. The carrier's first B-747-257B arrives at Zurich on February 27, where it is christened *Geneve*. It enters service on the Zurich-New York via Geneva route on April 1. The second Jumbojet, the *Zurich*, is delivered on April 16 and starts flying to America on April 29.

New flights are added to Nicosia on April 21, Boston on May 8, Libreville on May 13 and in cooperation with **Alitalia, S.p.A.**, Genoa on June 1. Walter Berchtold retires as president on December 31.

Enplanements during the 12 months increase to 4,506,620.

On January 1, 1972, Armin Baltensweiler becomes president and the workforce is now 13,707. The twenty-fifth anniversary of North Atlantic service is celebrated in April, during which month the first anniversary of wide-body service is also noted. The Swiss government issues a new postage stamp in honor of the carrier.

Declaring himself to be the "reincarnation of Jesus Christ Superstar," 30-year-old New York City resident M. V. Maimone hijacks a DC-9-32 en route from Geneva to Rome on April 17 by brandishing what turns out to be a box of cigars. Told the craft is low on fuel and cannot take him to Argentina as requested, Maimone permits the Douglas to fly on to Rome. On the ground at Rome, he demands an audience with the Pope, but is arrested by police instead. He will be tried and sentenced to a prison term of six years. Allowed to post bail in order to go home and put his affairs in order, Maimone simply disappears.

A ban on night movements of aircraft at Zurich, Geneva, and Basel Airports comes into effect on November 1. The first of eight DC-10-30s is delivered on December 9; christened *St. Gallen*, it is placed in transatlantic service to Chicago on December 15. Swissair is the first carrier to introduce the Douglas wide-body on the transatlantic run.

Passenger boardings rise 3% to 4,646,000 and cargo accelerates 9%.

Another DC-10-30 arrives in 1973 and is placed in service to African destinations; three more will be delivered by year's end. Ten DC-9-51s are also ordered. The fuel crisis forces curtailment of transatlantic operations during the third quarter.

D. Buholzer, an 18-year-old Swiss teenager, is overpowered at Zurich Airport on December 1 after seizing a DC-9-32 with 5 crew and 140 passengers shortly after it lands on a flight from Vienna. Buholzer, demanding aid to the starving peoples of Africa, had requested newsmen to come aboard and conduct an interview. When they show up, they turn out to be undercover policemen.

Enplanements are still up, however, by 12% to 5,211,810, and cargo traffic rises by 19%. The workforce is now 14,131.

The employee population climbs to 14,603 in 1974. In an organizational change on January 1, the number of divisions is raised to 11. In February, another DC-10-30 is delivered and placed on the African service; the CV-990s now begin phase out. A route is opened to Marseilles on April 1.

En route from Bombay to Karachi on December 2, a DC-8-62 with 150 passengers is hijacked by a youth armed with a toy pistol, who demands to be flown to the Mideast. After the Douglas lands at Karachi for refueling, the pirate is captured by the airliner's crew. He will be tried and receive a three-year prison sentence.

For the year, an all-time high in passenger bookings to date is reported: 5,373,000, a gain of 3% over 1973; cargo accelerates 15%.

The last CV-990A service, from Tripoli to Zurich, is flown by the *Canton de Vaud* on January 6, 1975, after which this final Coronado is retired. The last of the original eight-plane order of DC-10-30s arrives in February. Flights are started to Beijing and Shanghai on April 1, as well as to Abu Dhabi, Dhahran, and Salzburg. A CV-990A is sold to **Spantax, S.A.** on April 5 and service to Toronto begins on April 23.

Beginning on May 11, the company offers a two-week vacation tour to Yugoslavia for nudists and in June, two more Coronados are passed to **Spantax, S.A.** The former *St. Gallen*, is presented to the Swiss Transport Museum at Lucerne early in the month. Three of 10 ordered DC-9-51s are delivered in July. Company passengers are now able to enjoy the new Terminal C opens a Zurich Airport.

Enplanements for the year climb 5.2% to 5,649,824, freight grows 5.3%, and the workforce is reduced to 14,360.

New service is inaugurated to Oran, Kuwait, and Dubai in April 1976. Employment drops to 14,342 and the fleet now totals 48 aircraft. A DC-9-32 is sold in November, following the earlier sale of a DC-8-62 to **Balair Air Charter, A.G.** and one to the Swiss charter carrier **Societe Auxiliare de Transport Aerien, S.A. (SATA)**. Passenger boardings climb 8.4% to pass the 6 million mark for the first time (6,126,000) and cargo soars 11.7%.

In January 1977, the carrier receives the 1976 "Financial Management Award" from *Air Transport World* magazine.

During the year, routes are extended to Sofia, Linz, and Ankara. A ninth DC-10-30 is delivered and on October 19, 15 DC-9-81s and 2 DC-9-51s are ordered. One more DC-9-32 is withdrawn and orders are placed for 2 DC-9-51s and 15 DC-9-81s (later McDonnell Douglas MD-81s) on October 19.

In 16 days during November and December, a DC-10-30 with 243 passengers aboard makes the carrier's first around-the-world flight Zurich to Zurich. The mission is completed in 11 stages: Geneva, Karachi, Bangkok, Hong Kong, Shanghai, Tokyo, Honolulu, San Francisco, and Geneva.

Enplanements are 6,540,624 during these 12 months.

The workforce totals 14,777 in 1978 and new flights originate to Oporto (April 1) and to the Algerian city of Annaba on June 29. On July 6, a letter of intent is signed for six Airbus Industrie A310-221s and firm orders placed for two more DC-10-30s. Service to Jeddah begins on November 2 and on December 18 it is announced that a new corporate emblem will replace the 25-year-old logo and arrow.

Passenger boardings are up 4.6% to 6,856,437 and cargo jumps 14.5%. On total revenues of \$1.4 billion, expenses reach \$1.36 billion, leaving a profit of just under \$27.9 million.

The company receives the 1978 "Airline of the Year" award from *Air Transport World* magazine in January 1979. On March 14, an order worth SFr 697 million is placed for 10 A310-221s.

Service is inaugurated to Dublin on April 1 and withdrawn to Beirut on July 8 because of the Israeli-Lebanese conflict.

After landing at Athens from Geneva on October 8, the DC-8-62 *Uri*, with 12 crew and 142 passengers, overruns the runway and stops in a public road 80 m. beyond. A fire breaks out and spreads quickly (14 dead).

The public prosecutor files preliminary charges of multiple manslaughter against pilot Fritz Schmutz the next day. They will not be dismissed as expected.

During the Iran hostage crisis, CIA disguise-specialist Tony Mendez is able to smuggle six Americans out of Tehran aboard a Swissair flight; the story is not revealed until October 12, 1979.

A third B-747-257B is requested in December.

Despite soaring fuel prices and the temporary grounding of all DC-10s in the wake of the Chicago **American Airlines** crash, passenger traffic rises 1.8% to 6,977,611 and freight traffic accelerates 1.2%. On total revenues of \$1.47 billion, expenses are \$1.43 billion, producing a \$30.5-million profit.

Two additional DC-10-30s are delivered in January and February 1980 and Jakarta flights are begun on March 31. The top management structure is realigned on June 1. In July, four (later five) B-747-357s and two DC-10-30ERs are ordered; the former, for which the carrier is launch customer, will be passenger and cargo convertible combis. The first three MD-81s are delivered in August and September and are placed into service over the company's Zurich to London route on October 5. Service is launched to Amman on December 10. Also during the

year, the 100-millionth passenger enplanes at Zurich Airport and a new city rail link is opened at that facility.

Cargo traffic is up 3%, but passenger boardings decline 1% to 6.95 million. With the help of income from subsidiaries, a net \$23.1-million profit is posted.

The number of employees in 1981 totals 15,494 and in January the carrier acquires the Hotel Drake in New York City for \$73.5 million. The company's fiftieth birthday is celebrated in Basel ceremonies on March 26.

In April, the holding company Swissair Associated Companies, Ltd. is created to manage the airline's growing number of associated companies. Deputy Swissair President Hans Schneider is placed in charge as the new concern's chairman. He is succeeded at deputy president by Executive Vice President-Technical and Operations Robert Staubli.

During the summer, a decision is taken in favor of a two-crew cockpit for the A310. In October, President Baltensweiler is elected IATA president for 1981-1982.

Passenger bookings rise 5% to pass the seven million mark in annual boardings for the first time (7,300,000) and freight grows 7.5%. Revenues rise to \$1.67 billion and expenses are \$1.65 billion, leaving a \$27.7-million profit.

The employee population in 1982 is 15,746, a 1.6% boost. On February 12 after protracted negotiations, a five-year replacement agreement is signed with **Crossair, Ltd.** and on February 23, the 100 millionth passenger is boarded. Flights begin to Thessaloniki on March 28 and the next day, to Hanover and Nuremberg. On April 30, Chairman Fritz Gugelmann retires and is succeeded by President Baltensweiler; Deputy President Robert Staubli becomes the new president. The new deputy president is Bertranc Jaquiere, while Rolf Krahenbuhl becomes executive vice president-technical and operations and Paul Frei becomes vice president-operations.

A new route is opened to Harare (Zimbabwe) on June 8. Additional highlights of the year include the addition of two more DC-10-30s and the boarding by the airline of its 100-millionth passenger.

Passenger traffic falls 1.8% to 7,168,567 bookings, but freight gains by an equal percentage, climbing to 461.7 million FTKs. Revenues are \$1.72 billion, up 0.3%, and expenses are \$1.70 billion, up 3.3%; a \$27-million net profit is realized, atop an operating gain of \$14.3 million.

The workforce is increased a scant 0.9% in 1983 to 16,147. In January, the carrier receives the 1982 "Airline of the Year" award from *Air Transport World* magazine. Also in January, the marketing and foreign affairs units are merged into a single organization under Deputy President Jaquiere.

The first Jumbojet combi, the B-747-357C, is acquired on March 5 and is christened *Basle*, followed by the *Bern*, which arrives on March 19. Service is started to Toulouse on March 27 and Riyadh on December 7. The latter point is the carrier's 100th destination. Service is also withdrawn from Beirut and Ankara. Meanwhile, during the first six months of the year, two new B-747SP-57s enter service and one sets a new record for the Atlantic crossing of 5 hrs. 47 min.

The first of four A310-221s to be delivered during the year arrives at the end of March and as the first of its type to enter service, begins revenue flights between Zurich and London on April 21. Flights to Moscow are suspended for two weeks in protest of the shooting down of **Korean Air/Korean Airlines KAL 007**.

In late summer, the readers of *Business Traveler Magazine* vote the company the world's No. 1 airline; the carrier will hold that position with subscribers until 1988. The board of directors now approves the introduction of business-class services while Swissair Associated Companies, Ltd. Chairman Schneider announces his retirement, effective at the end of the year. He will be succeeded by Martin Junger.

In September, the company's first DC-10-30, the *St. Gallen*, is sold to **Ecuadoriana (Empresa Ecuatoriana de Aviacion, S.A.)**. The third B-747-357C *Zurich* arrives on November 30, followed by the *Geneve*,

which is delivered on December 4. The board directs the introduction of business-class service on December 15 and in one of the stranger aviation incidents of the year, pilot Fritz Schmutz is convicted by a Greek court for the 1979 fatal Athens crash and fined.

Passenger boardings advance only 0.1% to 7,177,407 while freight does much better, advancing 17.1% to 540.42 million FTKs. On revenues of \$1.7 billion, the profits are \$38.3 million (operating) and \$27 million (net).

The workforce is increased 3.4% to 16,652 in 1984 and the original B-747-257Bs are sold out of service during January. One is leased to the California charter operator **Air National**, which will employ it to launch summer-scheduled European passenger flights.

Business-class service is introduced systemwide on March 25, the same day flights to Harare and to the Algerian city of Annaba are closed. A frequency is initiated to Larnaca on March 27 and the last DC-8-62 is withdrawn from service in mid-April.

As launch customer, Swissair places an order for eight Fokker 100s on July 5; simultaneously, four more MD-81s are also requested. After a string of problems involving overbooked flights, stranded passengers, and fiscal downturn, **Air National's** problems become terminal in early July when the Swissair Jumbojet is attached by a Missouri court for non-payment of rental fees. The plane is returned in August and the company files for Chapter XI bankruptcy in September.

Boardings decline 1% to 7,074,000, but cargo swells another 17% to 634.09 million FTKs. Capitalization is increased to SFr 568,324,400 and revenues advance 8.6% to \$1.7 billion. A gross profit of \$152 million is generated and the year's net profit is \$25.8 million, a 7.9% boost.

The employee population advances 4.8% to 17,500 in 1985. The fleet, meanwhile, comprises 4 B-747-357Bs, 11 DC-10-30s, 5 DC-9-32s, 6 DC-9-51s, 17 DC-9-81s, and 3 A310-221s.

The carrier receives the 1984 "Technology Management Award" from *Air Transport World* in January. In March, Swissair MD-81 first officer Gabriela Luthi becomes the first woman to begin pilot training at the Swiss Civil Aviation School. The Boston Lafayette opens as Swissotel No. 5 and Caracas joins the route network on June 8.

New uniforms are introduced for female flight attendants the company and receives its first extended-range A310-322 in November; the first of its type in the world to enter service, it is placed on the Zurich to London route on December 20.

Cargo is level and enplanements rise 4% to 7.3 million. Revenues are \$2.3 billion and expenses are \$2.1 billion; profits are \$202.4 million (operating) and \$36.3 million (net).

As the year closes, the carrier ranks 20th among world airlines in terms of air freight transported, 21st in total number of employees, 11th in revenues generated, and 4th in operating profit. The year's profit is, in fact, the 35th consecutive one reported since 1950.

The payroll grows 2.3% in 1986 to 17,657. In January, two A310-322s and three MD-81s are added and three DC-9-51s are sold. On March 30, twice-weekly B-747-357B flights begin to Seoul and new markets are initiated at Birmingham on April 1, Malta and Anchorage on April 3, Tirana on May 5, Bahrain on May 29, Ankara on October 26, and Brazzaville on October 28.

Meanwhile, on May 23, a man runs onto Flight 125, a DC-10-30, as passengers are boarding at Chicago (ORD) and holds a knife to a woman's throat for 30 minutes. The man is subdued and removed from the wide-body slightly injured; the lady suffers only minor cuts.

A new accord is signed with **Crossair, Ltd.** on September 16 as six more Swissotels are added. "Genuss-scheine," a form of dividend-right certificate, is issued for the first time.

Share capital is increased to SFr 615,371,400 and the *Genuss-scheine*, a form of dividend-right certificate is issued for the first time. Three people who have played major roles in shaping Swissair's post-war history pass away: Walter Berchtold on January 23, Fritz Gugelmann on June 23, and Heinz Haas on July 21.

Passenger boardings rise 2.2% to 6,454,497 and freight advances 5.9% to 674.17 million FTKs. Revenues drop 7.4% to \$2.18 billion, due

largely to exchange rate fluctuations. Expenses fall 7.1% to \$1.98 billion, leaving an operating profit of \$200 million. The 36th consecutive net profit is down 5.8% to \$35 million.

The employee population climbs 1.4% in 1987 to 17,908. Orders are placed for six MD-11s and another MD-81 on March 18. Flights to Oran are closed on March 22 and the Santiago de Chile route opened in 1962 is closed the next day. Service to Dhahran is closed on March 26, to Dublin on March 27, and to Colombo on March 28. Flights begin to Atlanta on March 29 and Turin (by **Crossair, Ltd.** SAAB 340s) on May 4. Gabriela Luthi begins her career as the first Swissair female pilot.

On July 10, Swissair joins other European carriers in launching the continent-wide computerized reservations system known as Galileo. Crews begin converting to the Fokker 100 in September using a simulator in Montreal. Launch customer for the new Fokker jetliner, the carrier, scheduled to receive its first unit in November, must wait longer because of manufacturing delay. The final B-747-357C, named *Ticino*, arrives on December 4, while options taken earlier on six additional MD-11s are converted to firm orders on December 16. Later in the month, the carrier features foods from the Grisons region on its intra-European and North African services. It also opens new lounges for business-class passengers at Geneva and Zurich.

Customer bookings for the year advance 7.6% to 6,945,399 and cargo moves ahead by 8.8% to 733.75 million FTKs. Revenues inch up to \$2.6 billion, but despite the first profit for the European operation since 1979, exchange rate erosion pushes costs to a point where the carrier's operating income drops to \$69.8 million. Net profit, however, swells to \$48.1 million.

The number of workers grows a further 3.8% in 1988 to 18,584. Early in February, a fifth Jumbojet, a combi, is placed into service. Following hand-over ceremonies in Amsterdam at the end of the month, the company's lead Fokker 100, christened *Chur*, is employed for crew training at Malta during March. Flights to Khartoum end on March 20; however, a week later, flights are started to Graz. On March 28, service begins to Bordeaux, followed two days later by the start-up of the Catania market.

The world's first Fokker 100 service is flown on April 5 when the *Chur* carries passengers from Zurich to Copenhagen. A new cargo terminal is opened on May 30 at Geneva's Cointrin Airport; it is capable of handling 100,000 tons of freight per year.

Swissair acquires 38.4% equity stake and 41% voting rights shareholding in **Crossair, Ltd.** on June 13 in exchange for an investment of SFr 111 million. The Swiss Civil Aviation School celebrates its thirtieth anniversary on June 26.

Deputy President Otto Loepfe succeeds Robert Staubli as president on July 31 upon the latter's retirement. Swiss national councillor Verena Spoerry becomes the first woman elected to the company's board of directors.

The next day, a new corporate organization is introduced. The new corporate management includes Loepfe, the heads of 1 corporate divisions, and 2 delegates to the president. Vice Presidents Heinz Buchi, Andre Clemmer, Alfons Bernhardsgrutter, and Heinz Galli all retire and Paul Reutlinger and Stephan Frohlic join the management team.

Eight Fokker 100s and three MD-81s join the fleet while the last DC-9-32 revenue flight is made, bringing to a close the company's Dash-32 and Dash-51 era.

Passenger boardings ascend 4.2% to 7,236,126 and freight swells 10.9% to 813.91 million FTKs. Revenues increase 5.5% to \$2.8 billion, costs rise 6.8%, and operating income declines to \$40.5 million. Net gain manages to increase again, to \$52.5 million.

Company employment grows 3.8% in 1989 to 20,300 and the fleet now includes 55 jetliners. A cooperative agreement is signed between **Delta Air Lines** Chairman Ronald Allen and Swissair Chairman Baltensweiler on March 14; the two promise to assist one another in marketing and operational areas.

Under terms of the agreement, the Swiss and American airlines will coordinate and share frequent flyer programs, ground handling, schedules, and codes over the North Atlantic from Zurich to New York (JFK),

Atlanta, and six other U.S. gateways plus a route from Geneva to JFK. Swissair will code-share with Delta on the latter's intra-American routes while Delta will operate dual-designator flights via Zurich to nine European communities, plus Abu Dhabi and Dubai.

Service is inaugurated to Lyon on March 27 and to Izmir and Ljubljana on March 28. The service to Lyon and Ljubljana is operated five times per week on behalf of the carrier by Crossair, while the Izmir route is flown twice weekly by Swissair Fokker 100s. The airline joins the frequent flyer program of **USAir** on May 1.

Nonstop flights to Japan via Siberia commence on June 28. Service to Glasgow is suspended on July 27, but started to Santiago de Chile on July 31. Also in July, Swissair acquires 2.5 million shares of **Delta Air Lines** stock (5% equity) for \$193.4 million; the Atlanta-based megacorporation purchases 100,000 shares of Swissair stock, a figure also representing 5% equity. A new management structure is completed on August 1 as Swissair, **Deutsche Lufthansa, A.G.**, and Guinness Peat Aviation, Ltd. undertake to jointly construct and operate an aircraft maintenance facility at Shannon, Ireland.

During the fall, onboard telephones are introduced for the use of passengers on flights delayed on the ground at Swiss airports for more than half an hour. In September, the carrier teams with **Delta Air Lines** and **Singapore Airlines, Ltd.** to form "Global Excellence," an alliance offering a worldwide network of quality air services. The agreements between the European, American, and Asian carriers calls for code-sharing, frequent flyer program cooperation, and reciprocal ground handling.

An extraordinary general assembly of shareholders votes on September 12 to increase share capital to SFr 709,171,740 and votes approval of the 5% equity stake taken in **Delta Air Lines**. About this time, Swissair, **Deutsche Lufthansa, A.G.**, and Guinness Peat Aviation (GPA) undertake to jointly construct and operate an aircraft maintenance facility at Shannon, Ireland.

Goteborg joins the route network on October 29 and Los Angeles on November 1. Later in the month, it is announced that the carrier has finished returning its Fokker 100s to Amsterdam for structural strengthening and will take from the manufacturer all of the jetliners previously assigned to **KLM (Royal Dutch Airlines, N.V.)**. During November, in-flight video news is offered with combined programming from Cable News Network (CNN) and the European Business Channel (EBC).

A cooperative 0.6% equity agreement is inked with **Singapore Airlines, Ltd.** in December, similar to that signed with **Delta Air Lines** in March, and emphasis upon the "Global Excellence" program is intensified. In reciprocity, Singapore takes 2.7% shareholding in the Swiss flag line. During the year, the company begins to wet-lease on the Santiago to Buenos Aires route of **Ladeco (Linea Aerea del Cobra, S.A.)**.

Customer bookings swell 6% to 8,620,319, but cargo only inches upward, by 0.1%, to 887.9 million FTKs. Revenues advance by 3.2% to \$2.9 billion, expenses crawl up only 0.9% to \$2.8 billion, and the operating profit is \$104.6 million. Net profit reaches \$58.8 million.

The payroll is increased 1.7% in 1990 to 20,655, a figure representing the 22nd largest airline workforce in the world. In April, a joint traffic system agreement is signed with **SAS (Scandinavian Airlines System)**. Flights to Monrovia are suspended on June 5 and to Kuwait on August 2; however, the Boston terminus is stretched to Philadelphia on August 6. During the remainder of the month, flights are halted to Jidda, Tel Aviv, Abu Dhabi, and Dubai as the result of Iraq's invasion of Kuwait.

A huge order is placed on September 28 for 7 A320-214s and 16 A321-111s for 1995 delivery. Catania departs the route network on October 24; service is initiated to Berlin (Tegel Airport) on October 28, followed by Valencia the next day and Bilbao on October 30. Also in the month, the airline becomes the first international carrier to offer telephone rental service to its incoming passengers.

In Europe during October, the "European Quality Alliance" of Swissair, **SAS (Scandinavian Airlines System)**, **Finnair, O/Y**, and **Austrian Airlines, A.G.** is formed. During the year, new staff uniforms are introduced, created by the fashion designer, Luigi Colani.

In December, the Swiss national carrier takes a 10% interest in **Austrian Airlines, A.G.** and six-times-per-week services are inaugurated between Zurich and Berlin.

Passenger boardings climb a slight 1% to 8,700,325 and freight is up by 4% to 927.37 million FTKs. Revenues ascend 4.4% to \$3.58 billion, 13th best in the world. Expenses grow 7.7% to \$3.34 billion and cause the operating gain to fall to \$244 million, which is still the world's 7th best operating profit. Net gain plunges to \$3 million.

Airline employment is increased by 21.5% in 1991 to 19,302 and the first 2 of 11 MD-11s join the fleet in March. Early in that month, it is reported that the joint traffic system agreement signed with **SAS (Scandinavian Airlines System)** a year earlier has actually shown a "slightly negative response." At the same time, service is resumed to Jidda, Tel Aviv, Abu Dhabi, and Dubai.

Code-sharing flights, in cooperation with **Air Afrique, S.A.**, commence on a block-space basis from Zurich to Abidjan via Geneva and Dakar. The equity stake in **Crossair, Ltd.** is increased to 48.5% and the voting rights shareholding increases to a majority of 51.9% on March 13. Swissair flights to Bordeaux are taken over by **Crossair, Ltd.** on March 31.

The sixtieth anniversary is celebrated and on May 9, MD-11 service is inaugurated from Zurich to Atlanta. Service is suspended to Jakarta on June 21 and to Anchorage two days later. Service is started to Delhi on June 24, the same day flights to China are inaugurated via Siberia and Mongolia.

Daily MD-11 flights begin in June and July from Zurich to Montreal and Toronto and also in July, Swissair and **Austrian Airlines, A.G.** begin thrice-weekly joint service to Kiev and St. Petersburg, employing Austrian equipment and flying from Zurich via Vienna. The secession crisis disrupts Yugoslavia services in late June and July; although flights to Ljubljana are cancelled and those to Zagreb are suspended, those to Belgrade are maintained.

In an effort to save \$5.5 million per year, the company announces in August that it will move its revenue accounting operations from Zurich to Bombay, India. To compensate for the inequity of the joint traffic system, **SAS (Scandinavian Airlines System)** in September turns over its profitable daily Copenhagen-Geneva service to its partner as compensation.

Crossair, Ltd. begins replacing the carrier's flights to Hanover and Nuremberg on October 27 as direct DC-10-30 Switzerland-Johannesburg via Nairobi flights begin. Three days later, direct Switzerland to Hong Kong MD-11 service is inaugurated. Also in October, and again with **Austrian Airlines, A.G.**, MD-81 flights are started to Kiev and Vienna. Thrice-weekly nonstop MD-11 frequencies are introduced from Zurich to Johannesburg in November; the previous route via Nairobi is also maintained.

In Europe, a second flight, six times per week, is offered from Zurich to Helsinki and the Zurich to Nuremberg route, flown by **Crossair, Ltd.** on behalf of the major, is fully transferred to the regional. MD-11 nonstop flights are also introduced to Los Angeles and Rio de Janeiro and CFM International is selected in December to provide the engines for the carrier's new aircraft. Despite economic difficulties, the carrier is the 21st largest enterprise in Switzerland in turnover terms. Also during the year, Peter Nydegger is appointed chairman of the board of Swissair Associated Companies, Ltd., with Philippe Bruggisser succeeding Rolf Krahenbuhl as president. Rolf Winiger succeeds Paul Frei as head of the flight services division.

Overall customer bookings slide 8.2% to 7,985,740, but cargo inches up 1.9% to 944.64 million FTKs. Cost-cutting and other revenue enhancement programs allow revenues to ascend 1.4% to \$3.69 billion and exceed expenses. As a result, there are substantial profits: \$273.24 million (operating) and \$31.46 million (net). Swissair Group, the parent holding company, enjoys a \$74.6-million net gain.

Airline employment in 1992 stands at 19,300. Hannes Goetz succeeds Armin Baltensweiler as board chairman; the latter is named honorary chairman. A "Move" plan is implemented aimed at cost-cutting. Service is launched to Vilnius on January 19 and flights to Caracas are

suspended on January 26. On February 1, in response to a progressive policy of animal conservation support, the company deletes goose and duck liver, turtle soup, and frogs' legs from its in-flight menus.

The last DC-10-30s are withdrawn and on March 30, in cooperation with **Austrian Airlines, A.G.** and **SAS (Scandinavian Airlines System)**, the company opens four-times-per-week A310-322 service from Vienna to Chicago via Copenhagen; Swissair flies the entire route, suspended by the Stockholm-based major. The "Qualiflyer" frequent flyer program is kicked off on April 1 and a streamlined management structure is unveiled on May 1.

The fleet in July comprises 60 aircraft: 5 B-747s, 12 MD-11s, 4 A310-322s, 5 A310-222, 24 MD-11s, and 10 Fokker 100s. Cooperation with **Austrian Airlines, A.G.** increases on September 1 as passenger and cargo handling at Swiss and Austrian airports pass to the home airline. Service is started to Washington, D.C. on September 14. Four new markets are opened in October: Kiev on the 25th, Minsk on the 27th, St. Petersburg on the 28th, and Yaounde on the 31st.

A marketing agreement is signed with **Air Canada, Ltd.** in October. The arrangement provides for frequent flyer program linkage, exchange of flight attendants, and code-sharing on flights from Zurich and Geneva to Montreal and also Zurich-only to Toronto, Calgary, and Vancouver during the summer.

On November 1, the company tightens its working relationship with **Austrian Airlines, A.G.** with the introduction of a "governorship" concept to look after each others interests in their respective home markets. For example, the two partners represent each other with respect to booking offices, check-in, and passenger lounges at their home airports and merge their sales agencies in Switzerland and Austria. Banjul joins the network on November 6. Also during the year, the new Swissair Terminal at Zurich Airport is opened. Plans are announced for the reorganization of top management into a seven-member executive management group under President Loepfe.

Passenger boardings inch up 1.9% to 7,475,090 while freight does better, growing 13% to 1.06 billion FTKs. Revenues increase 2.7% to \$3.6 billion and expenses ascend 3% to \$3.32 billion. The happy difference allows an operating surplus, slightly down, of \$271.78 million and net gain, cut in half, of \$13.72 million. Parent Swissair Group experiences a 4.7% jump in operating income to \$4.2 billion and an operating profit of \$147.66 million. The net profit, including \$147.4 million from aircraft sales, is \$74.6 million.

In 1993, President Loepfe oversees a workforce of 19,100, still frozen after two years. In January, Swissair receives a "20 Years of Excellence Award in Passenger Service" from *Air Transport World* magazine. Management is now reorganized and the number of board members is reduced from 30 to 22.

A new marketing structure is introduced on January 1 and in February the 1989 "Global Excellence" code-sharing agreement signed with **Delta Air Lines** is expanded. Beginning in June, the American carrier begins daily nonstop Cincinnati to Zurich flights, with the Swiss line reserving blocks of seats in all three classes. Later in the month, Swissair inaugurates flights from Zurich to Atlanta and New York and from Geneva to New York, with **Delta Air Lines** purchasing a similar number of seats. The companies also begin to share terminal facilities in their jointly served cities.

During the year, new scheduled markets are opened at Harare on June 29, Cape Town on July 2, and Muscat on November 6; discontinued flights include to Bonn on March 27 and Vilnius on July 4. Buarulhos Airport becomes a stop on the São Paulo route. The lead European customer for the MD-11 experiences two turbine-blade failures on Pratt & Whitney PW4460 engines of its new airliners during the summer; the two grounded airliners are replaced by aircraft leased from **Deutsche Lufthansa, A.G.**

In October, the carrier joins with **Cathay Pacific Airlines (Pty.), Ltd.** in the Passages frequent flyer cross-participation program. A decision is taken to reject membership in the Alcazar alliance of European airlines. In December, the carrier opens discussions with the Belgian government

over ways to reduce the labor costs and raise the capital of **Sabena Belgian World Airlines, S.A.**

Customer bookings for the year climb 4% to 8,288,755 while cargo rises 17% to 1.24 million FTKs. Revenues for Swissair Group swell 4% to \$4.42 billion and expenses are \$4.27 billion. The operating surplus is \$120 million while net profit slides to \$48.4 million.

Operations continue apace in 1994 as \$1.8 billion, its largest ever investment, is committed to the replacement of MD-81s and A310-221s with 5 A319-112s, 16 A320-214s, and 8 A321-111s. In March, the company becomes the first to place a firm order for the A319.

In May, a 5% stake in Swissair, worth \$70 million, is purchased by a British bank for "mystery investors." At the same time, the company adopts a new aircraft livery that dispenses with the two-tone brown cheatline in favor of a two-color gray and white fuselage.

Plans are made to phase out the **Balair/CTA** charter subsidiary and to pass to the **Crossair, Ltd.** subsidiary the operation of all aircraft of 100 seats or less. Later in the year, negotiations are undertaken for purchase of a stake in **Sabena Belgian World Airlines, S.A.** In the fall, the Very Reverend Colin Semper, Canon of Westminster Abbey in the U.K., is hired to do voice-overs on radio commercials.

Passenger boardings leap ahead by 7% to 8,877,083 while freight is nearly double that, climbing 13% to 1.4 billion FTKs. Revenues are impacted by currency exchange movements; operating income is consequently down 6.1% to \$4 billion, while expenses fall 4.2% to \$3.99 billion. The pretax gain is down to \$5.7 million, while net profit is just \$2.5 million. Swissair Group has \$5.5 billion in revenues and net income of \$18.9 million.

Airline employment is increased a slight 0.4% in 1995 to 17,206. The first A321-111 is delivered to the company at the end of January and enters service on February 17; additional deliveries are scheduled at the rate of one per month through May 1997.

Having entered into a first-quarter block-seat, code-sharing agreement with **LOT Polish Airlines, S.A.**, Swissair now turns to **Crossair, Ltd.** to implement it by flying a SAAB 2000 over a route from Zurich to Krakow.

The route between Vienna and Chicago is closed on March 26 and passengers previously booked on that route are shifted to Swissair. Also during the last week of the month, 12 Avro RJ100s are ordered for **Crossair, Ltd.** at a price of \$300 million.

On March 31, three-way block-space, code-sharing service is launched with **Delta Air Lines** and Swissair by **Austrian Airlines, A.G.** A310-324s flying from Vienna to Washington, D.C. via Geneva. Flight attendants from all three carriers provide in-flight services.

As flag carriers are not welcome by the latter to serve both Taiwan and the Peoples Republic of China, the company, on April 7, establishes the subsidiary **Swissair Asia** to visit Taipei. The new entity receives a single MD-11 from its parent, which is employed to inaugurate new service to Formosa via Bangkok five times per week.

Also during the first week of April, joint flights with **Austrian Airlines, A.G.** commence between Zurich and Almaty via Vienna; the route complements an existing service from Zurich to Minsk via Vienna. At the same time, the current cooperative Vienna-Zurich route is converted into an every-2-hour shuttle. On April 16, the company leases a Douglas DC-4 from the South African Airways Museum Society; it will arrive from Lanseria and be repainted to represent the aircraft employed 50 years earlier to launch transatlantic service.

Discussions between the Belgian government and Swissair concerning the financial plight of **Sabena Belgian World Airlines, S.A.**, which have been on-going since December 1993, appear to bear fruit in early spring. Brussels officials and the Swissair let it be known that the Swissair may purchase up to 49.5% shareholding in the Belgian airline. On April 20, the European Commission enters the picture with a statement that it will only approve this plan when it receives guarantees that any agreement will not distort competition within the European Union or create a duopoly on routes from Brussels to Zurich and Geneva.

The Belgian government on April 28 announces that it has decided to approve the terms under which it will sell a 49.5% stake in Sabena to the Swiss major and expects finalization of a compact within the next two weeks. Sabena executives announce the acquisition on May 2 and two days later, Swissair officials announce the financial arrangements. In exchange for almost a half-interest in the Belgian airline, the Swiss carrier will invest \$228.1 million in Sabena. The arrangement represents acquisition by Swissair of a \$210.6-million voting-rights equity-holding and a \$17.5-million investment in nonvoting Belgian law participation certificates.

In addition, Swissair agrees to lend the publicly held Societe Federale d'Investissement, S.A. (SFI) \$140.4 million with which to pay back **Air France** for its 37.5% minority stake. The Belgian government, via SFI, will inject \$52.6 million while a consortium of Belgian investors will provide an extra \$70.2-million capitalization. State ownership of Sabena will drop from 61.8% to 50.5%; options also exist that would allow Swissair to increase its stake or for the Belgian government to buy back the Swiss stocks if national security requires nationalization.

Although both carriers continue for legal purposes to exist as independent entities, the deal will create the fourth-largest airline group in Europe. Swissair is permitted to appoint 5 members to the Sabena 12-person board of directors, with a 6th coming from the Belgian shareholders; the 12th person on the board, its chairman, must be a Belgian or European Union national with approval of both the Belgian shareholders and Swissair.

Under terms of the alliance signed between **Deutsche Lufthansa, A.G.** and **SAS (Scandinavian Airlines System)** on May 11, the latter will end its strategic relationship with the Swiss company. The next day, company executives announce that the airline will launch a new joint return service, in cooperation with **Delta Air Lines**, from Atlanta to Tel Aviv via Zurich. Two months later, the two will also launch dual-designator return services from Zurich and Geneva to Brussels.

During the third week of July, the European Commission formally, but with provisions to preserve competition, approves Swissair's \$228.1-million, 49.5% stake in **Sabena Belgian World Airlines, S.A.** To satisfy EC antimonopoly concerns, the two carriers pledge that, over the next five years, they will: (1) make slots available at Brussels, Zurich, and Geneva for any new entrants unable to obtain their own; (2) not increase frequencies on the four principal routes between Belgium and Switzerland more than 25% without EC permission; and (3) will conclude interline agreements with any new entrants wishing to fly the routes and permit them entrance into the frequent flyer programs of the two majors. In essence, the approval represents the application of EC air transport rules upon Switzerland, a non-European Union nation; the Swiss, looking for a way into the EU air market, offer no objections.

Also during the month, **Austrian Airlines, A.G.** accounting services are transferred, as a cost-cutting measure, to the Bombay facility where Swissair is already processing financial information. When the main runway at Stuttgart Airport is closed between July 31 and October 4, an Avro RJ85 is leased from **Crossair, Ltd.** and employed to maintain frequencies to the cross-runway at the German airport.

As the result of the tense military situation in Croatia, both **Austrian Airlines, A.G.** and Swissair suspend flights to Zagreb on August 2. Flights will resume a week later.

Company officials are on hand at Hamburg in August when the first Airbus Industrie A319-112 is rolled out and when, on August 25, it makes its first flight; the carrier is to receive its first "Baby Bus" a year hence. On August 29, a block-seat, code-sharing agreement is signed with **Malaysia Airlines, Ltd. (MAS)**.

On September 1, the company enters into an interline agreement with **NEPC Airlines, Ltd.** Under terms of the arrangement, the Swiss flag carrier will maintain the NEPC fleet and train its personnel, while the Indian company becomes Swissair agent in India.

On September 18, strategic alliances are entered into with **TAP-Air Portugal, S.A.** and **AOM French Airlines, S.A.** When implemented, the pacts will place emphasis on joint marketing (including frequent

flyer program links) and upon coordination of aircraft maintenance, ground handling, cargo, catering, and in-flight sales. Ten Fokker 100s are transferred to **Crossair, Ltd.** in September and these begin operating the major's short- and medium-haul routes. The Fokkers will begin withdrawal as the Avros arrive in quantity.

Other new markets are opened at Krakow, Shanghai, and Taipei during the year and the carrier wet-leases with **Emery Worldwide** on cargo flights between Basel and Chicago and operates joint flights with **Korean Airlines/Korean Air (KAL)** between Basel and Seoul. The block-seat, dual-designator service with **Malaysia Airlines, Ltd. (MAS)** begins thrice-weekly operations on November 1 between Zurich and Kuala Lumpur employing MAS B-777-2H6s. Flights take 12 hours.

Also during November, a cost-cutting plan, WIN, prepared by McK-insey Consulting, is sent to arbitration by the company and the pilots' union Aeropers. If implemented, the concept will see an unspecified number of Swissair pilots transferred to **Crossair, Ltd.** In addition, 1,600 **Balair/CTA** positions would be cut over the next several years and 300 ground workers will be laid off. Although executives from Swissair and **Crossair, Ltd.** all refuse to consider a group agreement covering cockpit crews from both companies, the mediator promises a solution by April.

A host of corporate activities, largely unnoticed by the public, occur during the year. A new group corporate structure, group executive management, is adopted and includes President/CEO (Otto Loepfe), Flight Operations (Rolf Winiger), Marketing and Ground Services (Paul Reutlinger), Logistics and Cargo and Human Resources and Organization (Jurg Marx), Swissair Associated Companies, Ltd. (Phillipe Bruggisser), and Finance and Corporate Development (Peter Nydegger). Executive Vice President-External Relations Paul Maximilian Muller retires, while Alain D. Bandle, who has headed the Swissair/Sabena joint project, departs. The board appoints Georges P. Schorderet as its future chief financial officer.

Enplanements move ahead by 3.5% to 8,703,270 while cargo grows by 7.1% to 1.5 billion FTKs. Operating revenue is off 13.2% to \$3.597 billion, but expenses are also down, by 11.5%, to \$3.592 billion. The closeness of these two figures allows an operating gain of just \$5.01 million; net profit falls to \$2.35 million. When SAirGroup is formed the following year, the overall figures will be rewritten; operating gain is adjusted upward to \$172 million, but there is a net loss of \$102.9 million.

Airline employment is cut 1.9% in 1996 to 16,883. In February, Paul Reutlinger, longtime Swissair vice president and management board member, is sent to Brussels to succeed embattled Pierre Godfroid as CEO of **Sabena Belgian World Airlines, S.A.** Block-space flights commence with **CSA Czech Airlines** between Zurich and Prague.

A block-seat agreement begins with **Oman Air** in March on flights between Zurich and Muscat. Code-sharing begins with **Air Canada, Ltd.** at the end of March on flights between Zurich and Toronto.

The type's launch customer, Swissair receives the first two A319-112s on April 25.

In response to the carrier's decision to transfer most of its long-haul flights from Geneva to Zurich, the Swiss government on May 8 elects to grant foreign airlines greater access to the nation's domestic air market and to end Swissair's monopoly status. Within weeks, foreign airlines will be granted unlimited access to Switzerland, including fifth freedom rights. The politics of the day almost overshadow introduction into service of its new A319-112.

On May 15, Swissair announces that it will stop offering champagne in business class before takeoff because of a lack of demand. During the month's last week, a three-year agreement, complete with a 5% salary increase, is negotiated with the company's flight crew union Aeropers; the pilots involved also agree on the carrier's plan to operate code-sharing routes with **Crossair, Ltd.**

Transatlantic summer services commence on June 1. The carrier inaugurates new weekday frequencies between Zurich and Newark. The number of flights to Cincinnati and Los Angeles is expanded by two. In addition, the code-sharing services operated with **Austrian Airlines**,

A.G. and **Delta Air Lines** are enhanced. The arrangement takes the form of block-seat purchases: Delta and Swissair purchase seats six times per week on the Austrian service while Austrian sells seats from Vienna to Washington, D.C. and Geneva. In addition, Delta sells its partners seats for flights from Washington to Vienna and Geneva and Swissair sells seats from Geneva to Vienna and Washington, D.C.

Pooled flights with **Gulf Air** commence in June between Bahrain and Damascus, Syria. During the month, a code-sharing agreement is entered into with **THY (Turkish Airlines, A.O.)** covering flights from Zurich to Istanbul and Izmir and from Geneva to Istanbul.

Plans for in-flight gambling announced earlier in the year begin to come to fruition on July 23 when Interactive Flight Technologies completes a contract for the installation of its in-flight entertainment network, which includes casino-style gambling, on 21 of the carrier's long-haul jetliners. The manufacturer will also receive a share of the gambling revenues generated by its \$80-million system.

Seven days later, company executive Phillippe Bruggiser advises workers that lower fares, high costs, and unsatisfactory business trends are forcing Swissair to cut salaries and other compensation. In cooperation with **Delta Air Lines**, a new market is opened at Newark, New Jersey.

In November, the existing dual-designator pact with **Delta Air Lines** is expanded. Ten new U.S. cities will be added: Fort Lauderdale, New Orleans, Cincinnati, Washington, D.C. (IAD), Dallas (DFW), Houston, Denver, Salt Lake City, Los Angeles, and San Francisco. Toward month's end, the company, acting in an independent role, agrees to allow **Sabena Belgian World Airlines, S.A.** market and sell cargo space on behalf of the Swiss line.

On December 18, the board of directors approves the restructuring of the carrier into the holding company SAirGroup with four major divisions: SAirLines, the airline operating unit; SAirRelations, the catering subsidiary; SAirSer, parent for ground handling and engineering; and SAirLogistics, the cargo and logistics center. A block-seat agreement also begins with **Olympic Airways, S.A.** on flights between Zurich and Thessaloniki.

Customer bookings rise 4% to 9,543,028 and 1.63 billion FTKs are operated, an 8% increase. Operating income for SAirGroup inches up 2.1% to \$5.74 billion, but expenses total \$5.49 billion. Operating profit jumps to \$235.6 million, but largely as a result of writing off its **Sabena Belgian World Airlines, S.A.** stake, the net loss deepens to \$342.8 million.

The employee population is increased by 13.1% in 1997 to 19,100. On January 1, Chief Operating Officer Philippe Bruggiser succeeds Otto Loepfe as CEO; Loepfe remains on the board of directors. The December cargo agreement with **Sabena Belgian World Airlines, S.A.** takes effect on the same day. Officials announce on January 8 that the airline, together with its European partners **Austrian Airlines, A.G.** and **Sabena Belgian World Airlines, S.A.**, will be deepening their relationships with **Delta Air Lines** on February 1 with the intention of increasing the share for all in the North Atlantic air travel market. The new alliance will be known as "Atlantic Excellence."

Six days later, Swissair begins a yearlong commemoration of the fiftieth anniversary of its first transatlantic service by noting that aviation buffs will be able to fly over the original 1947 route in a vintage DC-4 that it will charter from **South African Airways (Pty.), Ltd.**

Astoria, Queens, New York-resident Thomas F. Casella is arrested by the FBI on January 24 and charged with making 185 threatening telephone calls to the New York offices of Swissair and **Delta Air Lines** since March 1995, 107 of which include claims about bombs.

As the result of an ATC failure on January 25, a company MD-11 comes within 1,000 feet of colliding with a **Singapore Airlines, Ltd.** A310-324 over Tochigi, Japan, near Tokyo. Disaster is avoided when the TCAS system aboard the Swiss airliner sounds, allowing it to take evasive action. The in-flight gambling system developed by Interactive Flight Technologies is tested on January 28.

Also during the month, **Sabena Belgian World Airlines, S.A.** and Swissair cargo operations in the U.S. are merged. Additionally, a memorandum of understanding is signed with Airbus Industrie for nine

A330-223s. Transatlantic code-shared revenue dual-designator flights commence on February from all U.S. gateways to Brussels, Zurich, and Vienna.

In March, block space flights commence with **Malev Hungarian Airlines** between Zurich and Budapest. **American Airlines** veteran Jeffrey G. Katz is named chief operating officer on April 1; he will become CEO on January 1, 1998. The carrier also recruits two Britons for vice presidential slots: Lee Shave as vice president-sales and customer relations and Ray Lyons as vice president-network management.

Also during the month, a code-share agreement is signed with the Italian regional **Azzur Air, S.p.A.**

On April 25, raw diamonds worth \$11 million lay unnoticed for two hours in a freight container thought to be empty in a Swissair freight room at the Zurich airport. An honest cargo handler discovers the London-bound shipment from Zaire when he opens the metal container, intending to use it for luggage headed for Atlanta. A Swissair spokesman notes the sacks have gone unnoticed because a telex message alerting the Zurich airport about the incoming shipment from Kinshasa, capital of Zaire, never arrived, probably due to the local political upheaval. Normally a message is sent and valuable cargo is escorted to a special freight room. The worker who found and turned over the diamonds is given a reward by his boss—\$34 from the boss's own pocket.

Celebrating a half-century of transatlantic service, Swissair flies the leased South African DC-4, in vintage livery, from Zurich to Washington, D.C. (DCA) via Shannon and Gander on May 6. With former hostess Emily Schneider-Salta, who had flown the original service, the Douglas must divert from New York (LGA) because of fog. The next day, the aircraft flies to New York (JFK). From there, on May 8, invited guests fly aboard the turbine-powered giant to New York (LGA) and Newark (EWR); two days later, the DC-4 returns to Switzerland.

Company shareholders, who also have a chance to see the historic aircraft, approve creation of SAirGroup at the annual meeting on May 22; restructuring is on target for June completion. Also during the month, **Finnair O/Y** is brought into the trilateral frequent flyer program of Swissair, **Austrian Airlines, A.G.**, and **Sabena Belgian World Airlines, S.A.** and begins dual-designator flights with the Swiss flag carrier over a route from Zurich to Helsinki.

Also in May, new joint Atlantic service begins when European colleague **Sabena Belgian World Airlines, S.A.** begins five-times-per-week Brussels-Cincinnati return service with Belgian A340s. The U.S. DOT now approves the carrier's plans to expand its block-space, code-share agreements with Sabena, **Delta Air Lines**, and **Austrian Airlines, A.G.** to 30 U.S. cities beyond Atlanta, New York, and Cincinnati. In return, Delta will purchase seats on the alliance partners' flights to eight cities beyond Brussels, Zurich, and Vienna.

In late spring, a block space, code-sharing agreement begins with **Ukraine International Airlines** between Zurich and Kiev. At the same time, a similar accord begins with **THY (Turkish Airlines, A.O.)** from Zurich to Istanbul and Izmir. The South African DC-4 makes another transatlantic historic flight in early June. Later, it will take passengers on charters from Zurich and Geneva to Prague, Salzburg, and Cairo.

As of August 1 "Atlantic Excellence" partner **Delta Air Lines** is able to place its code on Swissair's four weekly nonstop roundtrips from Zurich to St. Petersburg and twice-daily flights to Moscow.

On August 4, a code-sharing agreement is signed with **Maersk Air, A.S.** A marketing agreement is signed with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** on August 6. Under the arrangement, beginning in 10 days the majors will share codes on a new daily Swissair roundtrip service from Zurich to Mexico City via New York (JFK).

Also in August and September, strategic alliances are entered into with **TAP-Air Portugal, S.A.** and **AOM French Airlines, S.A.** Both agreements involve the usual amenities such as code-sharing, joint marketing, schedule coordinating, and linked frequent flyer programs that will be implemented with the pacts early in the new year.

In October, the carrier begins to code-share with **Regional Airlines, S.A.** on the route from Zurich to Toulouse. At the same time, Atlanta is

added to the westbound leg of the dual-designator service to Mexico City. When **Lufthansa Cargo, A.G.** determines during the month that it no longer requires its 25.4% stake in **Cargolux International Airlines, S.A.**, that shareholding is purchased for Swisscargo by SAirGroup's SAirLogistics subsidiary.

The **Maersk Air, A.S.** arrangement takes effect on October 26 when a Maersk B-737-5L9 inaugurates daily roundtrips from Copenhagen to Geneva. The route is an extension of another new joint-service that the two provide between Zurich and Billund via Frankfurt.

The 33-month upgrade of the European fleet has been completed by the time the winter schedule begins, also on October 26; at this point, all of the A310-322s/325s and most of the MD-81s have been replaced by 8 A319-112s, 18 A320-214s, and 8 A321-111s.

At Zurich this day, "Atlantic Excellence" partner **Delta Air Lines** is able to place its code on the carrier's daily return services to Hanover. The next day, dual-designator service is also begun on Swissair's daily flights from Zurich to Bangkok.

Also during October, the company enters into a strategic alliance with **AOM French Airlines, S.A.** effective November 1. On this date, code-sharing begins on routes from Zurich and Geneva to Paris (CDG), Zurich to Nice, Lyon, and Marseilles, and Geneva to Nice. The final MD-81 is retired, also on November 1.

The company outbids **Gemini Air Cargo** and is able to purchase four MD-11s from **LTU International Airways, GmbH.** on November 24.

On November 28, Swissair is left without an Asian partner when **Singapore Airlines, Ltd. (SIA)** withdraws from the "Global Excellence Alliance" to sign a bilateral strategic marketing pact with **Deutsche Lufthansa, A.G.** The 5% equity the two companies have in one another does not immediately change. The search for a new relationship begins in Japan and China while plans move forward to launch a fourth weekly service to China in 1998 in collaboration with **Air China International Corporation.**

The relationship with the Atlantic Excellence alliance will also be deepened beginning on December 1 when **Delta Air Lines** starts to code-share on Swissair's daily flights from Zurich to Cairo. Ten days later, it is announced that effective January 8, Delta will also begin to share codes on Swissair's daily flights between Zurich and Singapore.

On December 23, it is announced that the partnership with **TAP-Air Portugal, S.A.** will be deepened. Under this more extensive arrangement, TAP will use Swissair's reservations and handling system while its frequent flyer program will join the Qualiflyer program of Swissair. The agreement also allows SAirGroup to take a minority stake in the Portuguese airline when its planned privatization is initiated by the Portuguese government.

The year-old cooperative agreement with **Air One, S.p.A.** is intensified on December 29 under a new memorandum of understanding. Although the two airlines already cooperate in a number of areas, including frequent flyer benefits, the new relationship will provide Swissair with greater access to North Italian markets and give SAirGroup the opportunity to acquire a substantial minority equity stake in its southern colleague.

Passenger boardings surge 21% to 11,541,754 while freight climbs 12% to 1.83 billion FTKs. SAirGroup sees its operating revenues advance 29% to \$7.3 billion. Expenses are \$6.84 billion. The group operating profit is \$297.9 million while a net gain of \$278.9 million is posted. The core Swissair business enjoys an operating profit of \$137 million, its first since 1991.

At the beginning of 1998, Swissair/SAirGroup is the 11th largest airline in the world in terms of operating income and operating profit, 17th in net profit, 18th in freight carried, and 20th in employee number (19,100). The fleet, all of which is Stage III certified, includes 61 airplanes: 5 B-747s, 6 A310-322s, 8 each A321-111s and A319-112s, 18 A320-214s, 15 MD-11s, and 1 MD-80.

Chief Operating Officer Katz, a California native, becomes CEO on January 1. The code-share with **Delta Air Lines** begins as scheduled on January 8. The corporate checkbook is taken out and employed in Janu-

ary as it is announced that, under the December pacts, Swissair will purchase up to 10% equity in **TAP-Air Portugal, S.A.** as well as a significant minority stake in the Italian carrier **Air One, S.p.A.**

It is announced on January 10 that Swissair will replace its A310-322s, 5 B-747-357Cs, and 20 MD-11s, including the four just acquired from **LTU International Airways, GmbH.** with Airbus A330/340 equipment between the end of the year and 2008. The MD-11s are to be sold to an unnamed "major American airline."

During the month, the company joins several others as a launch customer for the A340-600, placing orders for nine Dash-642s, powered by Rolls-Royce Trent 500 engines, for delivery between 2002 and 2006; it also requests six more A330-223s with Pratt & Whitney PW4168 engines.

In order to gain German antitrust office approval for the merger of **Hapag-Lloyd Fluggesellschaft, mbH.** and Touriste Union International (TUI), Dusseldorf-based Westdeutsches Landesbank (WestLB), at the beginning of the year, is required to divest itself of its 34.2% interest in **LTU International Airways, GmbH.** Discussions on the matter begin with the U.K. leisure group Thomson and with SAirGroup.

On January 24, the existing relationship with **THY (Turkish Airlines, A.O.)** is deepened under a new memorandum of understanding signed in Ankara. Although the new pact does not call for SAirGroup to acquire a stake in the Turkish carrier, it does provide for full-freighter flights between Basel and Istanbul with THY as well as for planning on which new markets the two might enter on a joint basis.

An A320-131 arrives under charter from ILFC in early March. On March 13, **Delta Air Lines** begins to place its code on the daily Swissair flights between Zurich and Oslo.

On March 29, the carrier joins with **Sabena Belgian World Airlines, S.A., Austrian Airlines, A.G., TAP-Air Portugal, S.A., THY Turkish Airlines, A.O.,** and **AOM French Airlines, S.A.** to form the "Qualiflyer" group. Although members will retain their own identities, they will engage in a long list of joint activities, including ground handling, lounges and ticket offices, and frequent flyer benefits. Collaborative activities that will be added as soon as details can be worked out include maintenance and overhaul, cargo, in-flight catering, information technology, and duty-free concessions.

Also on March 29, **Delta Air Lines** places its code on the Swissair A310-322 service between Zurich and Muscat. The same day, the Singapore route is extended, thrice weekly, to Jakarta. New European frequencies are added to Malta, Tunis, Bucharest, and Kiev, while Lisbon receives another daily flight, Stockholm receives a new afternoon service, and the number of daily flights to Frankfurt is increased to four.

Former CEO and current board member Loepfe dies on March 31 at age 62. Lack of demand leads to a suspension of flights to Seoul at month's end. Capacity on the route will be shifted to a new Zurich to San Francisco route.

Swissair joins with **Delta Air Lines** on April 2 to form a global cargo alliance. When the arrangement takes effect during the summer, both companies will see their cargo networks marketed as a single network, using the cargo sales forces of both carriers in common cities to offer joint pricing.

Following the threat of **Virgin Express Airlines, S.A.** to move to the U.K. to skirt Belgium's high taxes and costly personnel benefits, President/CEO Paul Reutlinger of **Sabena Belgian World Airlines, S.A.** seeks government approval in April to shift the contracts of his pilots to Switzerland and to hire Swiss flight attendants. Reutlinger also points out that, as soon as Switzerland is able to join the European Union, Swissair will increase its Sabena stake from 49.5% to 67%, thereby reducing the Belgian government's stake to 33% minority holding.

On April 23, the parent group's Flightlease, Ltd. subsidiary completes arrangements to sell all of the airline's MD-11s to **Federal Express (FedEx).** After undergoing conversion from passenger to cargo aircraft, the planes will be delivered, beginning in August 2002 and continuing through December 2006.

The Swisscargo subsidiary, on April 29, wet-leases a third DC-10-30F that will offer new regularly scheduled links to Bombay and Hong Kong.

Employing an MD-83 leased from Swissair, **Crossair, Ltd.** launches service on May 1 between two and four times a week from Zurich on behalf of its parent to five East European destinations, including Baku, Riga, Samara, Yerevan, and Tbilisi. A Crossair MD-83 is also employed to offer Swissair replacement service from Zurich to both Nice and Berlin (Tegel Airport).

The first of two A321-231s acquired from ILFC on the year arrives in mid-May; the second will be delivered in November.

With MD-11 capacity freed up by the cancellation of services to Seoul, the company, together with **Delta Air Lines**, launches nonstop roundtrips from Zurich to San Francisco on May 28, five times a week. At the same time, service to the New York area, including Newark, is boosted from 21 to 27 weekly flights, while additional frequencies are added on the Manila, Delhi, Bombay, Beijing, Karachi, Dubai, and Muscat routes.

Also in May, an agreement is signed with **Delta Air Lines** that will see the inauguration of dual-designator flights on July 4 from Zurich to Karachi. Another document commits the partners to market their cargo operations as a single network.

All passenger flights become nonsmoking on June 1. The next day, weekly MD-11 roundtrips commence between Zurich and Malabo, Equatorial Guinea. Four weekly return services are initiated on June 7 between Zurich and the Macedonian city of Skopje. The 154th and 155th destinations on the company route network are added on June 22 as flights begin to Bologna and Venice, Italy. The daily services are operated in association with **Air One, S.p.A.** and are provided by a SAAB 2000 wet-leased from **Crossair, Ltd.**

A memorandum of understanding is signed with **Cathay Pacific Airways (Pty.), Ltd.** on June 29; under its terms, the two companies introduce code-sharing on their five weekly nonstops between the Zurich and the new Chek Lap Kok Airport, when it opens on July 6.

After months of operating freighter hubs at both Geneva and Basel, the company, also on July 6, concentrates all of its freighter services at the latter point. Relatively few of the company's staff are required to transfer from one airport to the other.

A major marketing agreement is signed with **Japan Air Lines Company, Ltd. (2)** on July 7. The two airlines will launch dual-designator service between Switzerland and Japan in October. Additionally, the pair will also cooperate in such areas as information technology, technical services, catering, and cargo.

The dual-designator agreement with **Malaysia Airlines, Ltd.** is intensified on July 17 as Swissair places its code on Malaysia's thrice-weekly B-777-2H6 IGW roundtrips from Kuala Lumpur to Zurich.

Code-sharing between Zurich and Ankara begins on August 1 as the Swiss airline places its code on the **THY Turkish Airlines, A.O.** B-737-4Q8 daily roundtrip.

During mid-month, the company joins several other concerns in placing a bid for a large minority stake in the French carrier **AOM French Airlines, S.A.** Also at this time, heavy fighting forces the company to suspend its weekly flights to Kinshasa, Democratic Republic of the Congo.

The U.S. DOT fines the carrier \$50,000 on August 11 for flying over Afghanistan. Department rules prohibit foreign airlines using the codes of their U.S. alliance partners (in this case **Delta Air Lines**) from entering Afghan airspace because of safety and security concerns caused by the civil conflict there. Half of the fine will be forgiven if Swissair does not violate the rule during the next year.

Tragedy strikes on September 2. Late at night while en route from New York (JFK) to Geneva, Flight 111, an MD-11 with 14 crew and 215 passengers, crashes into the sea off the coast of Nova Scotia after the pilot had reported smoke in the cockpit and attempted an emergency landing at Halifax. All aboard, including two infants, are killed and rescue parties reaching the scene in civil and military boats find only an oil slick, small amounts of debris and remains, and life preservers. Along with the lives of those aboard, Swissair will report the loss of a container holding 1 kg. of diamonds, 2 kg. of watches, 4.8 kg. of jewels, and an

unknown amount of currency. Additionally, a painting by Pablo Picasso, valued at \$1.5 million, is also gone.

At 1:30 a.m., **Delta Air Lines**, the carrier's U.S. code-sharing partner, makes an announcement concerning the disaster, together with contact instructions for relatives and the media. Family and friends of crash victims wait at New York (JFK) for word and are assisted by Delta personnel. Meanwhile, the Geneva airport sets up a crisis center for crash relatives in Europe. Canadian transport authorities begin an investigation.

As salvage activities intensify, numerous family members and friends of victims head to the U.S. and Canada, with some continuing on to Nova Scotia. While en route from Chicago (ORD) to Zurich on September 5, Flight 125, an MD-11 transporting home numerous family members of victims of Flight 111 who had come to the U.S. earlier, must be diverted to Toronto when a passenger signals he is in medical distress. Emergency in-flight medical aid is provided by flight crew and two doctor-passengers. After deplaning with other family members, the man, brother of a Flight 111 passenger, is rushed to a Toronto hospital, where he dies. The MD-11, meanwhile, continues to Switzerland.

A strategic alliance is signed with **Qantas Airways (Pty.), Ltd.** on September 18. Dual-designator services and the linkage of frequent flyer programs are the main ingredients.

Also late in the third week of September, SAirGroup purchases a 44% state in the French regional carrier **Air Littoral, S.A.**, which will now become a member of the "Qualiflyer" group. In order to comply with EU regulations, the commuter's controlling shareholder, the MSC holding company, retains the majority interest.

Newly received, the company's first A330-223 makes its maiden revenue flight on September 25, operating as Flight 700 from Zurich to Paris (CDG). Before the new ship is deployed on intercontinental routes on October 25, it will fly European services, ensuring a smooth introduction.

On October 5, it is reported that wreckage from Flight 111 will be brought to the surface via the use of a barge equipped with shovels that can scoop 30-tons each time they are lowered.

In light of the September 5 disaster, the company, on October 7, withdraws its advertising campaign, which had featured the slogan "The Refreshing Airline." Planning begins on a new promotion, with television advertisements, for 1999.

After months of negotiation, WestLB completes arrangements during October for the sale of its **LTU International Airlines, GmbH** stake to SAirGroup, parent of Swissair. At the same time, the SAirGroup board nominates five-year member Eric Honegger to succeed Chairman Hannes Goetz when the latter retires in the year 2000.

The code-share between **Air Littoral, S.A.** and **Deutsche Lufthansa, A.G.** between Nice and six German destinations is threatened in late October. Swissair requests that Air Littoral, which maintains management control, abandon its DLH link, but the regional does not, at least initially, comply.

Under the code-sharing pact signed in July, the company, on October 25, begins code-shared services with **Japan Air Lines Company, Ltd. (2)** over return routes from Zurich to Tokyo (NRT) seven times a week and from Zurich to Osaka (KIA) six times a week.

With the start of the winter schedule during the day, the company also initiates thrice-weekly roundtrips from Zurich to Santiago de Chile via São Paulo. A fourth weekly roundtrip is begun to Buenos Aires, while weekly frequencies to Rio de Janeiro are doubled to two.

The company's five weekly frequencies from Zurich to Hong Kong are augmented by four additional weekly flights operated by **Cathay Pacific Airways (Pty.), Ltd.** under the new dual-designator pact.

The new A330-223 enters long-haul service when it initiates a new Sunday roundtrip service from Zurich to New Delhi, the company's fourth weekly frequency to the Indian destination. As additional A330-223s are received during the fall, they will fly to Dubai and Karachi.

Also on the first day of the winter schedule, Johannesburg receives a sixth weekly service, extended to Cape Town. Douala, meanwhile, receives a second weekly flight, operated via Yaounde.

The code-sharing pact with **Qantas Airways (Pty.), Ltd.** takes effect on October 26, as the two begin to offer thrice-weekly connections from Zurich to Sydney via Singapore. The Zurich–Singapore leg is operated nonstop by Swissair, while the Singapore–Sydney portion is a Qantas operation.

Also on October 26, a strategic code-sharing agreement is signed with **South African Airways (Pty.), Ltd.** Under its terms, SAA will distribute all Swissair traffic from Johannesburg throughout Southern Africa while Swissair will distribute all SAA traffic from Zurich to numerous destinations in Europe. A joint daily service to and between Zurich and Johannesburg will be introduced within months.

The carrier's direct connection with Philadelphia ceases at the end of the month. Travelers needing a connection to Philadelphia are referred to **Delta Air Lines**.

After some negotiation, SAirGroup, parent of Swissair, takes the maximum permitted stake in **Air Europe, S.p.A.** on November 1 through the purchase of 49.9% of the Dutch-based holding company Tegel. Simultaneously discussions continue between SAirGroup and **Air One, S.p.A.** concerning its acquisition of the remainder of the Italian airline.

Under a contract signed with **Debonair, Ltd.** on December 1, the British discount operator undertakes "Swissair Express" BAe 146-200 replacement service for the major from Zurich to Bologna and Venice beginning on November 5. The flights, code-shared with **Air One, S.p.A.**, had previously been operated by Swissair employing a SAAB 2000 wet-leased from **Crossair, Ltd.**

As is the case with the continuing search into the reason(s) for the crash of TWA-800, the investigation into the disaster of Flight 111 has not yet revealed any firm leads as to its cause. On November 11, the parents of a Swiss teenager killed in the crash file a negligent homicide suit against the airline, hoping to discover the cause. The couple, who are reportedly not seeking damages, have chosen to employ this legal procedure as a way to intensify the crash investigation.

En route from Singapore to Zurich on November 26, Flight 189, a fully loaded MD-11, is forced to return to its point of origin when acrid odors are smelled in the cockpit. It will later be determined that the cause was forest fires burning on Sumatra.

On December 6, a similar cockpit odor forces Flight 183, an MD-11 with 14 crew and 222 passengers en route from Bangkok to Zurich, to make an unscheduled landing at New Delhi. After an examination, the aircraft continues to Switzerland without further incident.

By December 8, the remains of 223 victims from Flight 111 have been identified; however, the diamond container and the Picasso painting are still missing. The latter is believed destroyed and no one knows if any of the precious stones will ever be recovered.

Delta Air Lines on December 17 begins to code-share on Swissair A310-325 roundtrip flights from Newark to Basel, six times a week. Simultaneously, the Swiss partner is able to place its code on Delta services to 10 new U.S. destinations: Albuquerque, Austin, Greensboro, Greenville/Spartanburg, Kansas City, West Palm Beach, Raleigh/Durham, San Antonio, Sarasota, and Tulsa.

Despite the Flight 111 tragedy, customer bookings accelerate 12% to 12.69 million. Cargo traffic jumps 7% to 1.96 billion FTKs. Profits are reported for the year: SFr 700 million (operating) and SFr3 61 million or \$247.8 million (net) on \$7.8 billion in revenues.

By the beginning of 1999, airline employment has been increased by 9.3% to 43,696.

The sale of **AOM French Airlines, S.A.** is completed by Consortium de Realisations on February 3. Marine Wendel/Groupe Alpha purchases 51% majority control, with SAirGroup, the parent of Swissair, winning the remaining 49% stake. With Switzerland having elected not to join the European Union, Swissair has actively sought to bypass the problems of non-membership by acquiring strong minority stakes in a number of carriers from EU states.

Plans are now announced by SAirGroup for the creation of a large European Leisure Group, which will include not only **LTU International**

Airways, GmbH., but also the Swissair subsidiary **Balair/CTA, Sabena Belgian World Airlines, Ltd.**'s subsidiary **Sobelair, S.A., Crossair, Ltd., Air Europe, S.p.A.,** and **Volare, S.p.A.** The new arrangement, under the direction of Project Leader Stefan Helsing, is designed to be part of an integrated network built around the already existing "Atlantic Excellence" and "Qualiflyer" alliances.

It is reported on March 8 that the Canadian government has so far spent US \$41.4 million on the Flight 111 disaster; international protocol prevents Canada from seeking recompense from Switzerland.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, Swissair, on March 23, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further the next day. On March 24, service is also cancelled to Sarajevo, Mostar, Banja Luka, Tirana, and Skopje; that evening, Operation Allied Force, the NATO bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25 and for the duration of the NATO bombing campaign. Flights to south-central and south-eastern Europe experience delays of 30–60 min. due to airspace closure.

Weekly service to Kinshasa, Democratic Republic of the Congo, is resumed on March 28. **Flightline, Ltd.** becomes the second British "Swissair Express" carrier during the day. Painted in "Swissair Express" colors and operated with a Flightline cockpit and cabin crews, the new partner's BAe 146-200 operates twice-daily return flights from Zurich to London (STN).

The "Swissair Express" agreement with **Debonair, Ltd.** is simultaneously expanded. A second Debonair BAe 146-200 operates four daily roundtrips from Zurich to Turin.

On April 1, **Delta Air Lines** places its code aboard Swissair services from Zurich to Bucharest.

The Wall Street Journal reports on April 2 that SAirGroup, parent of Swissair, will soon acquire a 20% stake in **TAP-Air Portugal, S.A.**, with an option to acquire another 10% interest over the next 4 years. The pact will need EC permission before it can be implemented.

The company indicates that it is interested in restarting service to Tripoli now that the UN has lifted its seven-year ban on air travel to Libya.

The NATO Stabilization Force reopens the Bosnian airports at Sarajevo, Mostar, and Banja Luka for daylight flights on April 14.

At a meeting of the Swiss-American Chamber of Commerce on April 21, the CEO of Swissair indicates that moves by **Delta Air Lines** to form a code-sharing alliance with **Air France** have placed the status of its current dual-designator pact with Swissair in grave doubt. Swissair resumes flights to Sarajevo on April 21.

Beginning on May 1, partner **Delta Air Lines** places its code on Swissair's daily roundtrips between Zurich and Bucharest. Simultaneously, the number of weekly flights to Beirut is boosted to seven.

Cologne returns to the company route network on May 10 with thrice-daily return service from Zurich.

Flight International reveals on May 12 that SAirGroup is having second thoughts about its plans to take a 20% stake in **TAP-Air Portugal, S.A.** This doubt follows the decision of a tribunal court that has recommended that pilots of the Portuguese national airline be awarded a 95% pay increase.

It is reported on May 21 that the company's parent is holding discussions with **South African Airways (Pty.), Ltd.** concerning the possibility that it may enter the "Qualiflyer" group, sponsored by the Swiss line. Officials from SAA and SAirGroup both stress that no agreement has been concluded. The Italian carrier **Air Europe, S.p.A.** does, however, sign on.

The next day, in an effort to reduce its dependence on the traditional, but volatile, airline catering business, SAirGroup purchases the U.S.-based caterer Dobbs.

On May 24, Swissair increases the number of frequencies to various European cities. This includes six daily frequencies to Brussels and Munich,

five to Berlin, Dusseldorf, and Copenhagen, four to Hamburg, Hanover, Barcelona, and Stockholm, and two to Bucharest and Oslo. Frequencies are also added to Paris (CDG), Amsterdam, Skopje, and Sarajevo.

Swissair and **Delta Air Lines** launch a code-sharing service on May 28 between Atlanta and Lima, Peru. At the same time, Swissair, reestablishes scheduled service to Kinshasa but suspends flights to Bamako, Banjul, and Dakar.

Victor Gerden, the Canadian chief investigator for the September 2, 1998 Flight 111 crash, reports during the last week of May that, by weight, approximately 81% of the wreckage has been recovered from the waters off Halifax, Nova Scotia. The accident review is far from finished.

The company enters into a European marketing alliance with **Sabena Belgian World Airlines, S.A.** and **American Airlines** on June 22. As soon as government clearances are received, AA and Sabena will code-share on each other's flights between Chicago and Brussels and on Sabena services between Boston and Brussels. AA and Swissair will code-share on flights between Chicago and Zurich and on Swissair flights between Zurich and both Miami and Boston.

A B-747-357 is retired on June 24. It arrives at Arizona two days later from Switzerland, having flown in via Boston.

South African President Thabo Mbeki informs his parliament, as part of his State of the Nation address on June 25, that SAirGroup has won the bid and will acquire a 20% equity stake in **South African Airways (Pty.), Ltd.** for R 1.4 billion (\$232 million). The Swissair parent has an option to purchase another 10% within six months. **Deutsche Lufthansa, A.G.** and **Singapore Airlines, Ltd.** had withdrawn from the bidding with **American Airlines**, Texas Pacific Group (**Continental Airlines** shareholders), and **Ryanair, Ltd.** losing out. The SAirGroup link is expected to help SAA cut interest rates, negotiate less expensive aircraft deals, and to enter major alliance relationships.

Occupation of the new Geneva headquarters for **TEA-Basel, A.G.**, doing business as easyJet Switzerland, A.G., a franchise partner of easyJet Airlines, Ltd., is completed on May 21. Plans are announced for the inauguration of new services on July 28 from Geneva to Amsterdam, Barcelona, and Nice.

By the end of the first full week in July, easyJet Switzerland, A.G. has sold thousands of seats for the inauguration of service on its new route from Geneva to Barcelona. On July 12, a spokesman for Swissair holds a news conference to remind the discount operator that a national law enacted the previous November grants the SAirGroup subsidiary a monopoly over the Barcelona route and any others that it has not abandoned. The combative easyJet Chairman Stelios Haji-Ioannou promises a court battle if necessary.

The Swissair position is confirmed by Transport Minister Moritz Leuenberger on July 19. The authority of easyJet Switzerland, A.G. to operate to Amsterdam and Nice is, however, confirmed as Swissair had dropped those routes from its regular schedules before the November law had taken effect.

Beginning on July 29, 3,500 passengers with confirmed Barcelona tickets have their fares refunded in cash, are offered free roundtrips from Geneva to Barcelona, and are encouraged to contribute to a company fund set up "for the protection of consumer interests against Swissair."

The latest airline to be subjected to the scrappy tactics of the British discount carrier, Swissair and its executives must now stand by as easyJet Switzerland, A.G. begins to bypass the November law by offering daily "charter" flights from Geneva to Barcelona using the **TEA-Basel, A.G.** tour operator license, which is still valid.

In something of a surprise move, the airline and Boeing agree, on August 9, to take responsibility for the crash of Flight 111. On August 27, Swissair announces that it will not, in fact, make any attempt to join one of the big global airline alliances. It will, instead, continue to foster the Qualiflyer group.

Boeing and SAirGroup conclude a "sharing agreement" on August 5 under which the two concerns jointly assume financial responsibility for proven damages arising from the Flight 111 disaster.

By mutual consent, the carrier, on September 22, agrees with **Singapore Airlines, Ltd.** to end their pact to own a percentage of each other's share for a minimum 10-year period; the accord was otherwise slated to end in August 2001.

With the October 1 collapse of the British low-fare airline **Debonair Airways, Ltd.**, **Volare Airlines, S.p.A.**, in which Swissair holds a stake, is persuaded to dedicate two A320-211s to the operation of replacement flights on the routes from Turin and Venice to Zurich.

To provide lift for its charter program in the fall, Volare wet-leases a pair of A321-131s from the Turkish carrier **Onur Air, A.S.** on October 7. The participants announce on October 13 that the "Atlantic Excellence" alliance is being dissolved in order that its members might join other world airline groupings. Swissair, **Delta Air Lines**, **Austrian Airlines, A.G.**, and **Sabena Belgian World Airlines, S.A.** will honor existing travel agency and corporate sales agreements through December 31 and end their code-sharing arrangements on or before August 5, 2000.

When the winter schedule begins at the end of October, service is withdrawn to Jakarta, Riga, and London (STN), while new frequencies are started on the Zurich to Washington, D.C. (IAD) route.

It is announced on November 19 that SAirGroup, parent of Swissair, has outbid both **British Airways, Ltd. (2)** and **Deutsche Lufthansa, A.G.** to purchase, by year's end, a 10% stake in **LOT Polish Airlines, S.A.** In making the award, Polish Treasury Minister Emil Wasacz indicates that the stake will be increased to 37.6% through a recapitalization of the airline.

A strategic, equity agreement and code-sharing arrangement is concluded with **South African Airways (Pty.), Ltd.** on November 20. Under its terms, SAirGroup will purchase a 20% stake in its new partner.

Counting partner **Sabena Belgian World Airline, S.A.**'s three flights to and from Chennai, the two carriers share 14 weekly Indian frequencies after Swissair increases its weekly flights from Zurich to Bombay and New Delhi from 9 to 11 on December 7.

The last of 11 A330-223s to be accepted this year is delivered on December 14 while the last of 12 A321-111s received since January 1995 is delivered on December 21. Also, by the end of the year, the management, marking, and sales functions of the carrier and Swissair, A.G. in the U.K and Ireland have been combined into a single umbrella organization known as the Airline Management Company, Ltd. Swissair's General Manager UK & Ireland Kirk Albrow is AMC general manager, with his Sabena counterpart, Marc Nellis, as deputy.

Largely unnoticed during the year, Gaby Musy-Luthi becomes the first woman captain in Swissair history. After performing its final flight from Newark to Zurich via Basel, the last A310-325 is withdrawn. The departure brings down the curtain on 16 years of Swissair A310 service without accident or major incident.

Passenger boardings during the 12 months jump 12% to 14,501,000 while freight traffic dips 1% to 1.94 billion FTKs. SAirGroup revenues increase 17.2% to \$8,135,351,000 while costs climb 16.4% to \$7,713,630,000. The operating profit slides to \$421.72 million, while the net gain drops to \$170.81 million. One more frequency is added on January 1 to both Bombay and New Delhi.

Airline employment at the beginning of 2000 stands at 18,157. Among the world's top 25 airlines, Swissair is 25th in passengers and 20th in FTKs, while SAirGroup is 13th in operating revenue and operating profit, and 20th in net gain.

A one-year lease is signed with **Nova Airlines, A.B. (Novair)** on January 23 for the lease of a Swissair A330-200 that will replace Novair's Lockheed TriStar.

Just 100 m. airborne on its January 27 takeoff from Los Angeles for Zurich, Flight 107, an MD-11, suffers the failure of an engine. The wide-body circles over the Pacific for 45 min. dropping 50 tons of fuel before making a successful emergency landing back at its point of origin.

In late January, representatives of the expanding SAirGroup arrive at Almaty to open negotiations concerning their possible acquisition of a stake in **Air Kazakhstan Group**. A stumbling block will be that group's huge debt, estimated at \$110 million.

A code-sharing agreement is signed with **El Al Israel Airlines, Ltd.** on February 4 covering frequencies by the two airlines between Switzerland and Israel.

The Portuguese government, in early February, confirms that SAirGroup has completed arrangements for the acquisition of a 34% stake in **TAP-Air Portugal, S.A.** for 31.2 billion escudos (\$154 million). The government will retain 51% and sell 10% to employees. SAirGroup has an option to purchase another 5% if desired.

Plans are announced on February 22 for resumption of five-times-a-week return service from Zurich to Belgrade on February 26; this scheme will be delayed until March 10.

Early in the year, new improvements are started on a fifth expansion of facilities at Zurich, including a new terminal train station.

A tripartite signing ceremony is held in New Delhi in March for a pair of new cargo agreements. In one, **Emery Worldwide Express** acquires 80% of the daily cargo capacity of **Indian Airlines, Ltd.** between Madras and Singapore. The other, between **Swisscargo** and **Emery**, permits Emery to book belly space aboard **Sabena Belgian World Airlines, S.A.** passenger flights and Swissair's dedicated thrice-weekly DC-10-30F freighter service to Africa and beyond from Basel.

With a load factor below 60% on the route, the carrier discontinues its Basel to Newark service on March 26; the Zurich-to-Newark flights remain. The same day as the summer schedule begins, a third daily roundtrip is introduced between Zurich and New York (JFK), replacing the one previously flown in code-share with **Delta Air Lines**. The Delta dual-designator arrangement had been concluded the previous day.

The code-sharing agreement with El Al also begins on March 26 and is implemented on the thrice-weekly Swissair roundtrips between Geneva and Tel Aviv and the 14 return flights made by the carrier from Zurich and Tel Aviv, as well as the six-times-a-week El Al roundtrips between Tel Aviv and Zurich and the thrice-weekly return flights from Tel Aviv to Geneva.

Other international highlights of the new Swissair summer schedule include increases in services to San Francisco and Miami from 5 to 7 weekly flights, Boston from 7 to 14, New York (JFK) from 14 to 21, as well as to Bombay, Delhi, Osaka, and the Persian Gulf states. In Europe, frequencies are boosted to Vienna, Paris, and Hamburg.

At Geneva, frequencies to Athens, Madrid, Rome, and Lisbon are turned over to **Crossair, Ltd.** Thrice-daily roundtrips from Geneva to Vienna are handed to **Air Littoral, S.A.** Swissair will continue to operate flights from Geneva to New York (JFK), London (LHR), Moscow, Zurich from Geneva.

Under terms of a memorandum of understanding signed on March 7, Swissair and **Thai Airways International, Ltd. (THAI)** on March 26 begin to code-share on each other's seven weekly roundtrips between Zurich and Bangkok (seven flights each).

Unable to fill the bellies of its passenger planes flying to Miami and various charter points, Swissair terminates its exclusive block-space contract with **City Bird, S.A.** also in March.

Dual-designator services with **Japan Air Lines Company, Ltd. (2)** between Osaka (KIX) and Zurich are increased on April 1 when Swissair increases its MD-11 return flights between the two cities from six per week to daily.

It is confirmed on April 19 that negotiations are underway between **Deutsche Lufthansa, A.G.** and SAirGroup concerning a possible purchase by the former of the latter's 10% stake in **Austrian Airlines, A.G.**

Arrangements are completed on April 26 for SAirGroup to become the new majority owners of **Sabena Belgian World Airlines, S.A.** by taking over the Belgian government's stake and increasing its own equity holding from 49% to 85%. The deal is subject to ratification by a referendum of Swiss voters on May 21 of a new air transport agreement and other accords between Switzerland and the EU, as well as acquisition of the approval of the Belgian Parliament.

On May 5, **British Airways, Ltd. (2)** sells its 86% stake in **Air Liberte, S.A.** for FFr 457 million (£47 million) to Taitbout Antibes, B.V., a Swissair affiliate owned by the French investment houses of Alpha

Group and Marine Wendel. Taitbout is already joined with SAirGroup in the total ownership of **AOM French Airlines, S.A.**, with the two also holding 66% of **Air Littoral, Ltd.** Plans are announced for a merger of the three into a single carrier that can offer domestic French competition for **Air France**.

On May 21, Swiss voters ratify bilateral agreements providing Switzerland closer executive, nonpolitical relations with the EU. Also during May, seven-year board member Eric Honegger becomes SAirGroup chairman, succeeding Hanes Goetz. The U.S. DOT, meanwhile, approves the 10-year pact between Swissair, Sabena, and **American Airlines**.

On June 1, Swissair and **Japan Air Lines Company, Ltd. (2)** link their frequent flyer programs.

The carrier begins to code-share with **Thai Airways International, Ltd. (THAI)** on June 15 on the return route from Zurich to Bangkok. One flight is operated by a Swissair MD-11 and the other by a THAI MD-11.

A second daily roundtrip is initiated between Zurich and Boston on June 18; one flight is operated with an MD-11 and the other with an A330-223. The last of 15 A330-223s to be delivered since September 1998 is accepted on June 23.

It is announced on June 28 that the installation of new first-class seating has been completed on 15 MD-11s and 9 A330s.

Also in June, the carrier joins **Sabena Belgian World Airlines, S.A.** and **American Airlines** in placing a new dual-designator arrangement before the U.S. DOT for approval. Under its terms, the three would code-share on flights from Zurich to Bombay and New Delhi and from Brussels to Chennai, India. The idea will be rejected by the regulators in early August.

A fourth weekly A330-200 service between Zurich and Karachi is added on July 20.

At the end of July, SAirGroup President/CEO Philippe Bruggisser announces creation of a "Conseil de Surveillance," a revised management structure for the about-to-be-merged French airlines. Chaired by Mr. Couvelaire, the body's executive management will be headed by Paul Reutlinger, current **Sabena (Belgian World Airlines, S.A.)** CEO, who will move to Paris to guide the fusion of the three into one, but will also become vice chair of the Belgian airline's board of directors. Meanwhile, Swissair President/CEO Jeffrey Katz, while retaining his board seat, returns to the U.S. to take over the industry-owned Orbitz Internet travel site. Group CEO Bruggisser takes Katz's hat as well.

The last code-shared flights by Swissair, **Delta Air Lines**, and **Austrian Airlines, A.G.**, acting as partners under the now-disbanded "Atlantic Excellence" alliance occur on August 5. The next day, the 10-year arrangement with **Delta Air Lines** definitely ends as Swissair launches a new dual-designator pact with **American Airlines** covering all 14 daily flights operated across the Atlantic by the new partners.

The tire bursts aboard a company MD-11 as it takes off from Johannesburg on August 12 on a service to Zurich. Fragments enter the left engine, causing complete loss of power. After circling for an hour dumping fuel, the giant aircraft make a safe emergency landing back at its point of origin.

The European Commission reports on August 18 that SAirGroup and a group of Portuguese investors have withdrawn their plans to takeover **PGA-Portugalia Airlines, S.A.** In cooperation with the Swissair cargo division **Swisscargo**, **MASKargo**, the cargo unit of **Malaysia Airlines, Ltd. (MAS)** inaugurates twice-weekly B-747-200F return freight flights between Kuala Lumpur and Basel/Mulhouse on August 30.

A code-sharing agreement is signed with **Sri Lankan Airlines, Ltd.** on October 24. Under its terms, the Swiss carrier will sell tickets on the Sri Lankan line's twice-weekly A340-312 roundtrips between Colombo and Zurich beginning on December 1. Swissair will thus return to the former Ceylon for the first time since March 1987.

The Swissair services between Paris (ORY) and Geneva are taken over by **AOM French Airlines, S.A.** on October 29. A press release issued on November 1 indicates that the carrier is training staff and preparing to introduce handcuffs in January for use in restraining violent

passengers. The measure is made necessary by an increase of unruly passenger incidents from 285 in 1996 to 502 in 1999.

A program to repaint the winglets of its MD-11s and A330-223s with the Swiss flag must be halted on November 6 due to legal problems. The airline learns of the requirement limiting the national symbol to the flag and registration area after two MD-11s and two A330-223s have already been colored.

All services between Switzerland, Belgium, Boston, Chicago (ORD), Miami, and Washington, D.C. (IAD) are operated as code-shares by November 21.

It is rumored in the German press during November that Swissair, because of its reportedly weakened financial situation, has become a takeover target for **Deutsche Lufthansa, A.G.** In an interview with the magazine *Wirtschafts Woche* published on November 23, DLH Chairman Jurgen Weber categorically rules out buying the Swiss flag carrier. On November 24, SAirGroup Chairman Bruggisser indicates that Swissair has no current plans to join the "OneWorld" alliance of its code-sharing partner **American Airlines**.

The company grounds its 11 A330-223s propelled by Pratt & Whitney engines on December 8 after French aviation authorities issue a warning concerning a component in the assembly that mounts the power plants to the wing.

In view of the mounting losses being suffered at its French subsidiaries and at **Sabena Belgian World Airlines, S.A.**, negotiations, which have been ongoing with **Alitalia, S.p.A.** for some weeks, are abandoned on December 16. This development opens the door for the Italian line to finally find a partner in **Air France**. Reuters, Ltd. reports that SAirGroup, hit by high fuel bills like other majors, is facing the need to bolster the even more worse off Belgian and French members of its "Qualiflyer" alliance and does not currently have the resources needed for expansion.

On December 18, a global cooperative agreement is signed with Switzerland Tourism aimed at increasing tourism to the carrier's home country. Simultaneously, plans are announced for a second phase of its plans to upgrade operations at Zurich Airport. Passenger handling will be improved at the airport by next summer through the addition of another 70 ground handling staff.

The SAirGroup board meets before Christmas but does not complete a strategic plan to revive its deteriorating economic condition. Arrangements are, however, completed under which SAirGroup will sell its 4.6% stake in **Delta Air Lines** for an unspecified amount to an unnamed buyer. The divestment will allow Swissair to concentrate on its growing relationship with **American Airlines**. A financial rescue plan is also approved for the ailing French airline subsidiaries.

As has become increasingly clear as the year ends, fiscally, 2000 is the worst ever for the airline and its parent. Swissair, during these 12 months, enjoys operating revenues of SFr 5.79 billion, but a loss, before interest and taxes, of SFr 1.27 billion. As a whole, SAirGroup operating revenues jump 25% to SFr 16.23 billion, but operating expenses accelerate 26.1% to SFr 15.63 billion, causing operating profit to fall to SFr 603 million. Losses incurred by airline investments, value adjustments to loans, and provisions established for restructuring costs, asset impairments and contractual obligations combine to cause a net loss of SFr 2.88 billion (\$1.66 billion).

A profit crisis in January will see SAirGroup CEO Bruggisser step down. The board will announce an end to the corporation's aggressive airline acquisition policy and name **Crossair, Ltd.** CEO Moritz Suter to manage its airline group (Crossair, Swissair, and **Sabena Belgian World Airlines, S.A.**), with Swissair Flight Operations Director Beat Schaer becoming Swissair CEO. Suter will resign after only six weeks.

In February, with union support, the company's board will approve a financial rescue package to keep **Sabena Belgian World Airlines, S.A.** from imminent collapse; SAirGroup will assume responsibility for SFr 150 million of the SFr 250-million (\$230-million) bailout agreement reached earlier with the government of Belgium.

SWISSAIR ASIA, A.G.: **Swissair, A.G. Zurich-Flughafen, Zurich, CH-8058, Switzerland; Phone 41 (1) 812 1212; Fax 41 (1) 810 8046; Code SR; Year Founded 1995.** As the People's Republic of China does not welcome flag carriers serving both Taiwan and the PRC, **Swissair, A.G.** on April 7, 1995 establishes this subsidiary to visit Taipei. The new entity receives 2 McDonnell Douglas MD-11s from the mainline fleet, which are employed to inaugurate new service to Formosa via Bangkok, five times a week. The company operates one MD-11 twice weekly over the Formosa route in 1996-1998, increasing to thrice-weekly in 1999.

SWISSAIR EXPRESS. See **AIR ONE, S.p.A.; DEBONAIR AIRWAYS, LTD.; FLIGHTLINE, LTD.**

SYD AERO BE-GE, A.B.: **Sweden (1967-1987).** Established at Oskarshamn in late 1967 under the direction of Per Erik Persson and Karl-Johan Persson, this small commuter inaugurates passenger and cargo charters as well as scheduled commuter services to Hultsfred, Norköping, Stockholm, Trollhättan, and Västervik. De Havilland Canada DHC-6 services continue throughout the remainder of the decade and the 1970s.

By 1981, the fleet comprises 3 Twin Otters and the workforce totals 31. During 1982-1984, one DHC-6-300 is withdrawn and replaced by a Shorts 330. Operations continue with little change until 1987 when the company stops flying.

SYKTYVKAR AIR ENTERPRISE: **Ulitsa Sovetskaya 86, Syktyukar, 167610, Russia; Phone 7 (82122) 20342; Fax 7 (82122) 21678; Code KMA1; Year Founded 1992.** Syktyukar is established in 1992 under the direction of Comdr. Nikolai Banban to operate scheduled passenger and cargo services to Moscow, St. Petersburg, and other Russian points. Additionally, ad hoc charters throughout Europe, Asia, and Africa will also be laid on, together with a significant schedule of rotary-wing aerial work.

Revenue flights continue in 1993-1998 with a fixed-wing fleet that grows to include 35 Tupolev Tu-134s, 1 Yak-40, 62 Antonov An-2s, 4 An-12s, 18 An-24s, 11 An-26s, and 19 An-28s. The helicopter fleet is nearly as impressive, comprising 19 Mil Mi-6s, 59 Mi-8/17s, 5 Mi-10s, 8 Mi-25As, and 52 PZL-Swidnik Mi-2s.

Although it is understood that this carrier continues to operate in the period after the beginning of the August 1998 Russian currency crisis, no definite information has been located to that effect.

SYNDICAT NATIONAL POUR L'ETUDE DES TRANSPORTS AERIENS, S.A. (SNETA): **Belgium (1919-1923).** On March 1, 1919, a group of Belgian businessmen found and capitalize a new air transport enterprise, SNETA. Commandant Georges Nelis, former head of the technical staff of the Belgian Air Corps, is named director general. Six aircraft (three Breguet 14A2s and three Rumpler C.IVs) are acquired in the spring of 1920 and inaugurate Brussels-London service on June 19. Later the fleet is upgraded with de Havilland DH 4s and DH 9Cs.

Meanwhile, in the Belgian Congo, SNETA joins with the aerial survey operator **Comite d'Etudes Pour le Navigation Aerienne au Congo, S.A. (CENAC)** under the joint title **Ligne Aerienne du Roi Albert, S.A. (LARA)** on July 1 to create an experimental east-west air service. Levy-Lepan R three-seat flying boats are employed to launch the first segment of a route between the Congolese towns of Leopoldville and Stanleyville, flying from the former destination as far as N'Gombe. This first airline to open in any colony in the world has thus also opened the first intra-African air service.

Despite the irksome necessity of reattaching the aircraft's fabric after each flight, the N'Gombe end of the Congo service is extended by the little pusher biplanes to Lisala on March 3, 1921. During the summer, the 1,078-mile Stanleyville-Leopoldville Congo River route is finished and opened.

In Europe, Farman F-60 Goliaths are placed on the London route on April 6 and on May 2, in cooperation with **KLM (Royal Dutch Air-**

lines) and **Compagnie des Messageries Aeriennes, S.A.**, a pooled through-service is launched Amsterdam–Paris via Rotterdam and Brussels. By the second anniversary of European service in July, less than 100 passengers have been carried. Two Farmans are among seven aircraft lost in a hanger fire at Brussels Airport on September 28, causing the London service to be halted.

In 1922, the fleet comprises only 14 transports: Farman Goliaths, de Havilland DH 9s, Bleriot-Spad 33s, Ansaldo A300Cs, and the 6 Levy Lepans in the Congo. The combined LARA service is completed on June 7. In 2 years of operations, 95 passengers and 2 tons of freight are transported between the 4 towns on the Kinshasa–Stanleyville route.

To combine and upgrade both the Congolese and European operations, the Belgian government takes over SNETA's assets on May 23, 1923 and forms them into the new state airline, **Societe Anonyme Belge d'Exploitation de la Navigation Aerienne—Sabena**.

SYNDICATO CONDOR, S.A. (SERVICO AEREO NA AMERICA DO SUL E PARA A EUROPA): Brazil (1927–1942). After six months of quasi-operations and negotiations following the official end of the **Condor Syndikat** on July 1, 1927, a new Brazilian company, **Syndicato Condor, S.A.** is registered as an airline on December 1. Fritz W. Hammer returns as director general, the board of directors remains the same, funding is provided by **Deutsche Luft Hansa, A.G. (DLH)**, and initial equipment comprises the Dornier Wals *Santos Dumont* and *Bartholomew de Gusmao*, plus the Junkers G-24 *Ypiranga*.

The Brazilian government on January 20, 1928 provisionally transfers to the new entrant the concession of the old **Syndikat**. A permanent concession is provided a week later for the development of routes and services throughout the country. The *Bartholomew de Gusmao* is destroyed in a fire on February 11.

The established Rio de Janeiro–Porto Alegre frequency is now increased by the *Ypiranga* to twice weekly. During the first half of June, the newly delivered G-24 *Potyuar*, formerly the **Deutsche Luft Hansa, A.G. (DLH)** *Persephone*, undertakes an expedition to the north of Brazil, visiting all of the cities that will later be included in the company's flight plan. In the fall, the carrier begins to distribute semiofficial airmail stamps produced in Germany.

The *Santos Dumont* is destroyed in an accident at Guanabara Bay on December 3. Late in the year the former **Deutsche Luft Hansa, A.G. (DLH)** *Wal Lubeck* is sold to Condor and renamed *Guanabara*. Two more Junkers G-24s, the *Polyguar* and *Riachueio*, along with two F-13s, the *Bandeirante* and *Bluemau*, are received from Germany at year's end.

An ex-**Deutsche Luft Hansa, A.G. (DLH)** Junkers F-13, the *Iguassu*, is received in January 1929. On July 15, the latter initiate weekly flights from Salvador to Belmonte via Ilheus; Valenca and Santarem are added as stops on this new route, beginning on September 2. The former Dornier *Wal Hamburg*, formerly owned by the German flag carrier, is acquired late in the year and christened *Olinda*.

A complete coastal route from Rio de Janeiro up to Natal is inaugurated by the *Olinda* on February 3, 1930 via Vitoria, Caravelas, Belmonte, Ilheus, Salvador, Marcio, Recife, and Cabedelo. On March 22, the new Dornier *Wal Jangadeiro* flies mail to the passenger ship *Cap Arcona* off the island of Fernando Noronha, and in so doing is forced to land on high seas (but mail flights are thus shown to take only 10 instead of the usual 21 days).

On May 18, the carrier begins a close transatlantic relationships with **Deutsche Luft Hansa, A.G. (DLH)** and the German steamship company HAPAG. When the dirigible *Graf Zeppelin* arrives at Rio's Campo dos Alonsos airfield on May 25, a **Syndicato Condor** aircraft picks up its mail sacks and flies them on to other communities in southern Brazil. In June, the German airline inaugurates transatlantic air-steamship airmail service; a Condor *Wal* awaits the arrival of the steamer at Fernando Noronha and takes the mail sacks on to Rio de Janeiro, cutting the Berlin–Rio delivery time to 10 days.

Meanwhile, the F-13 *Piraja* reaches Corumba, having been transferred there on an emergency basis via Buenos Aires and Asuncion in

the midst of the Paraguay–Bolivia Chaco War. On September 18, Capt. Rudolf Cramer von Clausbruch, flying the *Piraja*, initiates Brazil's first interior airline service, a weekly inland route from Corumba to Cuiaba, state capital of Mato Grosso, via Porto Joffre. Later in the month, Fritz Hammer is succeeded as director general by Paul Moosmeyer.

During 1931, seven connecting mail flights are made by **Deutsche Luft Hansa, A.G. (DLH)** from Europe to steamers sailing to South America. **Syndicato Condor, S.A.** Wals provide a pickup service from Fernando Noronha. In August, September, and October, the *Graf Zeppelin* makes three roundtrips between Friedrichshafen and Recife, where the Brazilian airline provides the connection for both mail and passengers. The *Wal Olinda* is written off during the year.

Beginning on March 20, 1932, the dirigible makes nine roundtrips to Brazil; by midyear, the *Graf Zeppelin* is calling directly at Rio's new Santa Cruz airship terminal and the year's last three flights are made without assistance from the **Syndicato Condor**. Meanwhile, the carrier, beginning on June 1, extends its Corumba segment eastward to Campo Grande. Although Condor is no longer needed to help execute HAPAG's nine annual airship trips to Brazil, the transoceanic partnership with **Deutsche Luft Hansa, A.G. (DLH)** continues.

On April 20, 1933, Argentina gives permission for flights to Buenos Aires, thereby providing that city with a link to the Zeppelin service. Paraguay follows suit. On September 8, the trans-Mato Grosso route is completed as Campo Grande is linked to São Paulo via Tres Lagoas, Aracatuba, Penopolis, Lins, and Bauru. A special bus service is required to link São Paulo with the carrier's terminal at Santos. During the year the first of what would eventually comprise a fleet of 16 Junkers Ju-52/3ms are delivered.

February 3, 1934 is an important date in aviation history, marking the inauguration of the first all-air, heavier-than-air, regularly scheduled, transatlantic airmail service. In a four-day odyssey, including 14 hr. 10 min. over-ocean flight, written communications are sent from Berlin to Natal via a mid-ocean depot ship refueling stop. At Natal, the incoming mailplane is met by the **Syndicato Condor**'s Junkers W-34 *Tiete*, which takes over the mail sacks and flies them down to Buenos Aires in 26 hrs. 51 min.

During the spring, improvements in this soon-to-be regular service are made. Meanwhile, on April 14, Argentina gives Condor the concession to carry airmail for the country. Uruguay does the same for flights to Montevideo, beginning in May. Begun as an every-two-weeks service, frequencies on these extensions are upgraded to weekly in July.

On October 7, Chile grants permission for a trans-Andes route from Argentina. During the year, five additional W-34s, the *Tibagy*, *Taquary*, *Tapajoz*, *Tacutu*, and *Tarauaca*, along with two Junkers Ju-46s, the *Tocantins* (formerly the catapult *Bremen*) and *Tingua* (formerly the *Jupiter*) are received from the German state airline.

With the introduction of night services on the transatlantic service as of March 30, 1935, the **Deutsche Luft Hansa, A.G. (DLH)**–Condor flying time between Germany and Buenos Aires is reduced to three-and-a-half days. The Ju-52/3m *Aconcagua* is delivered in July and is employed to inaugurate the first flight of the **Syndicato Condor** on the Buenos Aires–Vila Mercedes–Mendoza–Santiago de Chile route over the Andes on September 28; flying time is four days. Services are maintained and support is now given to other German controlled or assisted airlines in South America. The coastal route is extended northward of Natal to Fortaleza in December.

Two-day service is opened with float-equipped Ju-52/3ms between Rio de Janeiro and Belem on April 11, 1936. Later in the month, a connection is made with **LAB (Lloyd Aero Boliviano, S.A.)**. Passengers seeking to fly into Bolivia from the Atlantic coast are able to board a Condor plane at São Paulo, fly across the Mato Grosso to Corumba, and ferry the Paraguay River to the LAB terminus at Puerto Suarez. F-13s launch eight-stop operations from the Atlantic coastal town of Parnaíba inland to the river community of Florianópolis.

On July 24, 1937, former Condor Director General Hammer founds **SEDTA (Sociedad Ecuatoriana de Transportes Aereos, S.A.)** in

Ecuador. Late in the month, **Deutsche Lufthansa, A.G. (DLH)** establishes a South American regional directorate in Rio de Janeiro. On August 31, the trimotored *Aconcagua* is repurchased by DLH, repainted, up-engined, reregistered, and placed back into service in the Andes Cordillera. In December, service is launched from Florianópolis west to Carolina via Urucui and Balsas.

In 1938, flights begin from Rio Branco to Porto Velho via Boca do Acre and Labrea. The *Aconcagua* is leased to **LANChile Airlines, S.A.** between January 8 and March 14 while that carrier awaits delivery of its Ju-86Z-1s.

Early in 1939, Ju-52/3m flights are started from Belém to Carolina via Cameta, Alcobaco, Marabá, and Imperatriz. The ubiquitous *Aconcagua* is sent back to Chile in January to aid in disaster relief following an earthquake in the southern part of that nation. A new Focke Wulf Fw-200 Condor, christened *Abaitara*, is delivered to the Brazilian carrier on June 27; the first flight by a German landplane over the South Atlantic requires 9 hrs. 47 min. and is a new transatlantic record.

It is followed by a second Condor, the *Arumani*, in July. Following the outbreak of war, all aircraft are painted in **Deutsche Lufthansa, A.G. (DLH)** livery and reregistered with the local subsidiary. On October 23, F-13s begin serving 15 destinations in the state of Maranhão. By the end of the year, Sindicato Condor is serving more than 50 destinations in Brazil. In 1940, the company receives its final two aircraft from Germany, the Focke-Wulf Fw-58 Weihe's *Aquin* and *Cacun*.

A repaired W-34 is received from the Ecuadorian carrier **SEDTA (Sociedad Ecuatoriana de Transportes Aéreos, S.A.)** on January 14, 1941 and on April 24, the trimotor *Aconcagua* is leased to the Ecuadorian line. Final route development occurs on May 3 as a route is pushed inland of Fortaleza through the Ceará State towns of São Benedito, Sobral, Saboeiro, Campos Sales, and Jaicos to Picos.

Brazil, firmly favoring the Allied side in the European war that had begun in September 1939, forces the carrier to change its name to **Servicos Aéreos Condor, S.A.** on August 19. Following the German declaration of war on the U.S. on December 8, fuel supplies are cut off and the company ceases trading.

On January 6, 1942, a group of Brazilian businessmen pay off the \$2.7-million debt owed **Deutsche Lufthansa, A.G. (DLH)** and taking the airline over, rename it **Cruzeiro do Sul, S.A.**

SYRIAN AIRWAYS: Syria (1946–1961). Private Syrian interests form this company on December 21, 1946. With technical assistance, including Douglas DC-3s and crews, from **Pan American Airways (PAA)**, it begins service from Damascus to other Arab capitals in June 1947. Financial reversals and the war with Israel force suspension of services in May 1948, at which time Pan Am withdraws its interest.

With assistance from the Ministry of Finance, Syrian Airways resumes limited Douglas DC-3 operations in the summer of 1951. Services continue without incident until December 21, 1952, when a Douglas transport, with nine aboard, crashes near Damascus; there are no survivors. Following the crash, the government cancels the carrier's operating permit and orders the Syrian Air Force to provide airline services.

A new government-owned firm of the same name is established in 1954 and starts flying with DC-3s and DC-4s.

Operations continue apace during 1955–1957. On February 24, 1956, a DC-3 with 3 crew and 16 passengers is struck by lightning near Aleppo, Syria, and crashes; there are no survivors. Following the union of Syria and Egypt, the company is merged into **United Arab Airlines** on December 23, 1958; the amalgamation lasts until September 1961 when, following the breakup of the two-nation union, Syrian Airways reemerges as the government-owned state carrier **Syrianair (Syrian Arab Airways)**.

SYRIANAIR (SYRIAN ARAB AIRWAYS): P.O. Box 417, Youssef-Azmeh Square, Social Insurance Bldg., Damascus, Syria; Phone 963 (11) 231838; Fax 963 (11) 232154; <http://www.syriaonline.com/syriair>

Code RB; Year Founded 1961. Following the disestablishment of **United Arab Airlines** in September 1961, the Syrian component, **Syrian Airways**, is reformed, reemerging as the government-owned state carrier Syrianair. An extensive domestic network is started with a fleet of 2 Douglas DC-4s and 3 DC-3s inherited from the UAA consortium. Long-haul flights commence to regional Mideast destinations in October with 3 DC-6Bs, also obtained from UAA.

Operations continue apace in 1962–1963. A DC-6B fails its takeoff from Hama on April 7 of the latter year (one dead).

International operations commence in 1964 to London and Paris and through the Gulf states to Karachi and New Delhi.

A DC-4 is destroyed as the result of a bad landing at Damascus on October 2; no crew or passengers are killed.

The flight time on this network is vastly improved when the first of several new Sud-Est SE-210 XR Caravelles arrives on October 27, 1965. Eighteen months later, on February 6, 1967, a DC-3 crashes while landing at Aleppo (1 dead).

Operations continue apace for the remainder of the decade and into the early 1970s, except for a brief interruption during the period of the Six Day War.

Following the disruption of the lead-up to and combats of the Yom Kippur War in 1973, traffic increases steadily in the mid-1970s. During 1974, two **British Airtours, Ltd.** Boeing B-707-436s fly scheduled services on behalf of the company, supplementing Syrianair's own four Sud-Est SE-210 Caravelle XRs.

Enplanements total 279,866 while freight rises a significant 166% to 496,000 FTKs. Revenues are S£107.81.

Orders valued in excess of \$100 million are placed in early 1975 for three B-727-294As and two B-747SP-94s. All will be painted in the carrier's blue and white livery, with a white bird on a blue tail.

A Yak-40 is destroyed as the result of a bad landing at Beirut on March 19, 1976; there are no fatalities.

The first B-747SP-94 arrives on May 21; christened November 16, it enters service on a route from Damascus to London. The second SP-94, delivered on July 16, is named *Arab Solidarity* and extends the company's reach to Pakistan and India. Once the American aircraft begin to enter service, the contract with **British Airtours, Ltd.** ends. During the year, a total of 480,000 enplanements are recorded.

A joint service to New York is started in cooperation with **Alia (Royal Jordanian Airlines)** in April 1978. In 1979–1980, Chairman/Managing Director M. Jeroudi's fleet comprises 2 Boeing 747SP-94s, 3 B-727-294As, 4 Caravelle XRs, and 2 DC-6Bs.

Passenger boardings total 510,000 in 1981, falling due to the Lebanese crisis to 465,000 in 1982.

Just before departure for Damascus on August 19, 1983, a B-727-294A is rocked by a bomb explosion while on the ground at Rome. All of those aboard (the number is uncertain) are safely evacuated; however, the aircraft is severely damaged.

Customer bookings for the year climb back to 487,000.

Airline employment stands at 3,150 in 1984 and the fleet comprises 2 B-747SP-94s, 3 B-727-294As (1 under repair), 4 Tupolev Tu-134s, 2 Caravelle XRs, 5 Yakovlev Yak-40s, 4 Ilyushin Il-76M freighters, 3 Antonov An-26s, and 2 Dassault Falcon 20Fs. All but the Boeings and Tupolevs are operated out of commercial airline service and on behalf of the government. Two Tu-154Ms are delivered in 1985 as Air Force Maj. Adnan Al-Jabi becomes chairman and president.

Operations continue apace in 1986 as a third Tu-154M arrives. In 1987, the Tu-134s are reconfigured to all-economy-class seating and operate primarily over domestic routes.

By 1988, enplanements are 363,355.

Company employment is reduced by 1.5% in 1989 to 3,526 and the fleet now includes 2 B-747SP-94s, 3 B-727-294As, 2 Caravelle XRs, 3 Tu-154Ms, and 4 Tu-134s.

Passenger boardings explode by 28% to 504,659 and freight moves ahead by 5.4% to 9.9 million FTKs. Revenues are \$131.5 million. Costs allow profits of \$1.56 million (operating) and \$55,987 (net).

The workforce is increased by 2.5% in 1990 to 3,615. Despite the Gulf crisis, which erupts following Iraq's August invasion of Kuwait, the Syrian flag carrier enjoys a good year.

Customer bookings swell another 29.9% to 655,644 and cargo skyrockets 78.5% to 17.8 million FTKs. Revenues shoot up 8% to \$88.1 million and permit operating income to ascend to \$1.69. Net gain reaches \$60,466.

The payroll grows another 4.7% in 1991 to 3,784 and the fleet now includes a mixed fleet of 5 Antonov An-26s, 1 An-24, 3 B-737-294As, 2 B-747SP-94s, 2 Dassault Falcon 20Fs, 4 Ilyushin Il-76Ms, 2 Caravelle XRs, 6 Tu-134Bs, 3 Tu-154Ms, and 6 Yak-40s. Syria supports Kuwait during the Gulf Crisis.

Passenger boardings increase 6.9% to 700,819 while freight climbs 19.1% to 14.41 million FTKs. Revenues reach \$199 million.

In 1992, the workforce of Chairman/Managing Director Gen. Adnan Al-Jabi stands at 3,500. Domestic destinations visited from Damascus include Aleppo, Latakia, and Deirzezzor. International markets are concentrated on regional and European cities. In January, the company is able to resume service from Damascus to London, offering three B-737-294A flights per week.

Chairman/CEO Adnan Al-Jabi is succeeded during April 1993 by Air Force Gen. Omar Ali Rida. When the U.S. drops its embargo in December, Kuwait pledges to deliver to Syria its three surplus Boeing 727-269As, as payback for Syrian support two years earlier.

The Boeing jetliners arrive at Damascus during the first quarter of 1994. Operations continue apace in 1995. A commercial agreement begins with **Cyprus Airways, Ltd.** over the Cyprus route from Larnaca to Madrid. The last Caravelle is retired at the end of the year.

A profit of \$71.5 million is reported for the year, a \$48-million increase over the previous 12 months. Company officials suggest that this good fortune is due to training and maintenance contracts with other Arab airlines, improved cooperation with those carriers, and improved ground services and meals for its own services.

Airline employment stands at 4,327 in 1996 and in March, the company begins dual-designator services with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** between Damascus and Madrid.

In June, pooled service begins with **Gulf Air Company, G.S.C.** on a route from Damascus to Bahrain. An order is placed on December 7 for six Airbus Industrie A320-200s.

The company's 31 aircraft transport a total of 598,502 passengers and the carrier earns a \$44.13-million operating profit.

The employee population is slashed 46.1% in 1997 to 2,331. In addition to destinations in the Mideast and North Africa, Syrianair now also visits Berlin (Schoenefeld Airport), Copenhagen, Moscow, Paris, Prague, and Rome. At home, it flies from Damascus to Aleppo, Latakia, and Kameschi.

Passenger boardings accelerate 11% to 672,780, but freight slides 3.9% to 15.65 million FTKs. Operating revenues advance 6.3% to \$209.68 million while expenses rise 5% to \$160.86 million. The operating profit climbs to \$48.82 million.

Flights continue in 1998 under the direction of Gen. Ali Rida, who continues to serve as both chairman and managing director.

In November, the first A320-232 is delivered and christened *Ugarit*. The plane wears the company's new livery, which consists of an all-white fuselage with a dark blue tail and engine nacelles. The previous cheatline has been removed and the titles have been modified to read just "Syrian" in big black letters forward of the wing and below the windowline.

The following month, Syrianair unveils a homepage on the Internet's World Wide Web.

On April 5, 1999, the UN lifts its sanctions against Libya following the handover of two suspects in the 1988 Lockerbie airliner bombing. Twice-weekly flights to Tripoli resume on April 15 and weekly service to Benghazi is restored on April 17.

With the arrival of the second A320-222, the company begins to rethink the role of its aging B-747 fleet.

Twice-weekly roundtrips are inaugurated on December 1 between Aleppo and Beirut. The last of six new A320-232s to be delivered since the previous October is accepted on December 15.

Service is maintained in 2000. The B-727 fleet continues to include 3 each Dash-269As and Dash-294As. Two B-747SP-94s are also operated.

Airport authorities at Damascus receive a bomb threat against Flight 202, an Airbus A320-232, just prior to its May 21 departure. Passengers are deplaned and a search is conducted, but no explosive is found.

A320-232 roundtrips commence on September 15 between Damascus and Vienna.

When an A320-232 lands at Baghdad on October 8, it marks the first flight into the Iraqi capital by a Syrian civil jetliner in 18 years.

An even older suspended-service record—21 years—is broken on November 22 when a company A320-232 resumes twice-weekly roundtrips between Damascus and Amman, Jordan.

T & WL. See TRANSCONTINENTAL AND WESTERN AIR

TAAG ANGOLAN AIRLINES (TAAG LINHAS AEREAS DE ANGOLA, S.A.): Rua da Missao 123, P.O. Box 79, Luanda, CP 3010, Angola; Phone 244 (2) 332 485; Fax 244 (2) 393 548; Code DT; Year Founded 1973. The **Divisao de Exploracao dos Transportes Aereos de Angola**, also known as **DTA Angolan Airlines**, is reorganized on October 1, 1973. Ownership is divided between the new government of Angola (51%), **TAP-Air Portugal, S.A.** (29%), and ex-DTA employees (20%). Plans are made for the introduction of a new livery that will feature the *palanca negra*, a rare native antelope.

Orders are placed in 1974 for two Boeing 737-2M2Cs as an upgrade for a fleet built around three Fokker F.27 Friendships. Two associated companies are also formed: **TAAG (Aviacao Ligeira)** (General Aviation) and **TAAG-Air Charter, S.A.**

Flight operations are suspended until the nation's 1975 independence from Portugal, at which time the airline becomes the national carrier. A bloody civil war that will last 19 years begins between the government and rebel UNITA forces. Commercial services resume in October and on November 19 the first of two B-737-2M2As to be obtained before year's end is delivered. It introduces a red and orange livery and a tail-fin logo designed by Albano Neves e Sousa that features the *palanca negra* antelope.

Domestic B-737-2M2A operations are inaugurated in early 1976. International destinations now served include São Tome, Brazzaville, Lagos, Maputo, Paris, Rome, Lisbon, and Moscow. The two "Baby Boeings" spend most of the year on proving flights and crew training.

The airline is fully nationalized in 1977. The B-737-2M2As begin domestic services. The Soviet Union delivers four new Yakovlev Yak-40s and enplanements total 233,000.

A light aircraft division is established for the 1,650-employee in 1978 to perform air taxi flights; it is equipped with a fleet of 3 Piper PA-23 Aztecs, 1 Piper PA-28 Cherokee, 1 Piper PA-30 Twin Comanche, 2 Cessna 172s, and 1 Britten-Norman BN-2 Islander. A B-707-373C is leased; christened *City of Ostend*, it undertakes all-cargo services from the Belgian city of that name.

A Lockheed Hercules freighter is destroyed as the result of a bad landing at São Tome on May 15, 1979. There are no fatalities. A total of 503,000 passengers are carried this year as additional jetliners are added.

Airline employment stands at 4,000 in 1980 as the airline is again rebuilt. Jose Antonio Fernandez is appointed director general as a government decree brings corporate reorganization. The fleet now includes in its heavy division 6 B-707-3M2B/Cs, 4 B-737-2M2As, 3 Yak 40s, 2 Lockheed L-100s, 4 Antonov An-26s, 2 F.27-600s, 1 F.27-500, and 1 F.27-400.

Seventeen minutes after takeoff from Jamba to Lubango on June 8, a Yak-40FG with 4 crew and 15 passengers is mistaken for an unauthorized foreign aircraft and is shot down by anti-aircraft fire near Matala, Huila; there are no survivors.

A B-707-347C is purchased from **Western Airlines** of the U.S. in August, together with a B-737-2M2C.

Newly arrived from **Western Airlines**, the B-737-2M2C with 6 crew and 128 passengers is destroyed as the result of landing short at Benguela, Angola, on November 4; although the plane catches fire, all aboard are safely evacuated.

During **1981–1982**, the fleet is increased by the addition of a replacement B-737-2M2AC as the 4 Antonovs are withdrawn. Routes are initiated or frequencies modified to Havana, Moscow, Lisbon, Paris, Rome, Brazzaville, Kinshasa, Lusaka, Maputo, and Sal, plus 22 domestic stops.

On May 16 of the former year, an L-100-20 Hercules with four crew coming in to land at Menongue is hit in its No. 4 engine by a heat-seeking surface-to-air missile; there are no survivors from the crash that follows.

A chartered An-26 with six crew and nine passengers flies into 2,250-m. Monte Bibala on November 29 of the latter year; again, there are no survivors.

Passenger boardings in 1981–1982 are, respectively: 810,000 and 890,000.

A third F.27-600 is delivered in April **1983**.

While on initial climb away from Lubango on a November 8 service to Luanda, a B-737-2M2AC with 4 crew and 126 passengers reaches an altitude of only 200 ft. before it stalls and crashes, bursting into flames; there are no survivors. The government will maintain that the accident is due to a "technical fault" experienced during bad weather, while pro-Western insurgents will assert they have shot it down.

Enplanements reach 952,000 for the year.

In **1984**, the company visits 27 destinations, including the international communities of Brazzaville, Havana, Kinshasa, Lisbon, Lusaka, Maputo, Moscow, Paris, Rome, and Sal.

On February 9, as the result of a bomb explosion in its forward cargo hold, a B-737-2M2AC with 6 crew and 136 passengers is forced to make an emergency landing back at Huambo, its point of origin; although no injuries are reported, the little Boeing is damaged beyond repair.

Financial difficulties are suffered and traffic figures are not released this year.

The employee population in **1985** is 5,000. In November, the Douglas DC-10-30 of **LAM Mozambique Airlines** is chartered to start a weekly service from Luanda to Lisbon. One L-100 is withdrawn as bookings fall to 829,000.

Operations continue apace during **1986**. An L-100-20 with five crew veers off the left side of the runway while landing at Dundo on June 8; a wing is ripped off and a fire started that guts the aircraft. There are no fatalities.

Return services from Luanda to Havana are now operated by a pair of Ilyushin Il-62Ms recently obtained from the Soviet Union.

TAAG-Air Charter, S.A. is renamed Angola Air Charter, S.A. in **1987**. The subsidiary continues flights with a Boeing 707 and two Lockheed L-100 Hercules. Flights are operated to Johannesburg, Lisbon, Luanda, and Ostend, along with charters to Namibia and the Spanish city of Vitoria.

During **1988**, damaged or lost flight equipment proves costly. A Yak 40FG is destroyed in a Luanda landing accident on January 8; there is no information concerning any possible casualties.

A B-707-349C with nine crew strikes a radio antenna atop a building while on final approach to Luanda on February 8; the accident costs the aircraft its hydraulic and control lines and consequently, the Stratofreighter overruns its landing and loses its nose gear. Although the plane must be written off, there are no fatalities.

While on initial approach to Lagos on a July 21 service from Ostend, an Angola Air Charter, S.A. B-707-328C with six crew crashes while positioning; there are no survivors.

While on the ground at Luanda on October 10, an electrical fire breaks out in the forward cargo hold of the former **Western Airlines** B-707-347C; although the three-man crew is able to escape, the Stratoliner is burned out.

After an uneventful **1989**, is uneventful, Director General Mario Rogerto von Haff's fleet in **1990** includes 1 B-707-349C, 5 B-707-3M2Cs, 4 B-737-2M2As, 2 Il-62Ms, 1 B-737-2M2AC, 1 F.27-400M, 1 F.27-500, 3 F.27-600s, 1 F.27-100, 1 Hercules, and 2 Yak-40s.

On January 5, the Hercules, with four crew and three passengers and operated by Angola Air Charter, S.A., is hit in its No. 4 engine by a heat-seeking surface-to-air missile just after takeoff from Menongue on a service to Luanda. Although the No. 3 engine is also damaged, the tur-

boprop is able to make a safe return to its point of origin. Upon landing, however, it veers off the runway and its landing gear collapses, damaging the aircraft beyond repair. No injuries are reported.

A Pilatus-Britten-Norman PBN-2 Islander is acquired in **1991**. Domestic services are flown out of Luanda to 18 internal locations. International destinations include Berlin (Schoenefeld Airport), Havana, Brazzaville, Kinshasa, Lisbon, Lusaka, Maputo, Moscow, Paris, Rome, Sal, São Tome, and Rio de Janeiro. A new board is installed in September with Antonio Henriques da Silva as chairman/CEO. The five B-707-3M2Cs are traded in during October for two hush-kitted B-707-382Cs that are turned over to Angola Air Charter, S.A. for operation.

In addition to the fleet units available 2 years earlier, da Silva's company in **1992** continues to operate 2 Il-62Ms, 2 more L-382G Hercules freighters leased from **Safair Freighters (Pty.), Ltd.**, and 1 L-1011-500 TriStar chartered from **Air Portugal, S.A.** An order is placed for five Fokker 50s.

The nose gear of the B-707-349C with four crew collapses as the Stratofreighter is landing at Luanda on February 20; although the aircraft is badly damaged, there are no fatalities.

In March, the airline contracts with **TAP-Air Portugal, S.A.** for the creation of a joint catering and handling operation based at Luanda.

Endiama, the state-owned diamond company, purchases 49% minority shareholding in Angola Air Charter, S.A. in April.

Da Silva is followed into office by Jose A. Fernandez in **1993**. The bloody civil war in the country continues to rage; early in the year, UNITA rebels capture the central Angolan city of Huambo, forcing TAAG to withdraw its services. A new color scheme is introduced during the year for both the main line and Angola Air Charter, S.A.

The workforce totals 1,948 in **1994**. While taxiing to a parking spot after landing at Malange on April 7, an Angola Air Charter, S.A. L-100-30 with four crew and overheated brakes, catches fire; the blaze spreads, destroying the aircraft, though not before all aboard are able to escape.

Huambo is recaptured in early November just before a cease-fire is signed between the government and UNITA on November 20; a formal UN-sponsored truce begins two days later. TAAG is able to resume four-times-per-week F.27-600 flights to Huambo from Luanda on December 6.

The fleet in **1995** comes to include the TriStar leased from **TAP-Air Portugal, S.A.** as well as 2 owned Il-62Ms, 3 B-737-2M2As, 3 Fokker F.27-600s, 1 of which is out of service, and 1 each F.27-500, F.27-400M, F.27-200, B-737-2M2CA, and B-707-382C.

Just after landing at Huambo, Angola, in the rain on January 31, a newly acquired B-727-21F with three crew hydroplanes off the runway into the mud, ripping off its landing gear in the process; although the aircraft is damaged beyond repair, there are no fatalities.

In November, the company begins code-sharing flights with **TAP-Air Portugal, S.A.** between Luanda and Lisbon. Again, no traffic figures are reported.

Airline employment stands at 4,297 in **1996** and an arrangement is made with **Singapore Airlines, Ltd.** to lease a Boeing 747-312C the following year. Enplanements reach 398,513 and a total of 8,600 tons of goods are also flown.

An F.27-600 with three crew and four passengers fails its takeoff from Brazzaville on April 14, **1997** and falls back to land on a rough spot near the runway where it breaks in two and bursts into flame (three dead).

New in-flight services are introduced and staff training is upgraded. Destinations visited during this year and into **1998** include Benguela, Brazzaville, Cabinde, Dundo, Harare, Havana, Huambo, Johannesburg, Kinshasa, Kuito, Lisbon, Lubango, Lusaka, Malange, Menongue, Moscow, Pointe Noire, Rio de Janeiro, Sal, São Tome, Soyo, and Windhoek.

Fighting between the government and UNITA forces resumes in late fall.

Because South Africa has removed certain authorizations for service into the airspace of war-torn Angola, TAAG Angola begins flying a B-707-382C in full **Aero Zambia, S.A.** colors and logo on thrice-weekly all-cargo roundtrips from Luanda to Johannesburg. When this subterfuge is found out on February 9, **1999**, Aero Zambia requests that the pirated livery be removed.

Having been closed for five months due to threats from UNITA rebels, Malange Airport is reopened on May 12.

On July 10, 2000, the company begins to negotiate with **British Airways, Ltd. (2)** concerning the authority now provided the British major to operate twice-weekly roundtrips to Luanda from London (LHR).

In mid-September, the leased B-737-2M2A employed to operate from Luanda to Lisbon is stranded in the Portuguese capital with technical problems. A heavily used B-737-2M2AC is also stuck, undergoing required maintenance. This leaves the leased fleet with just 2 operational B-737-2M2As and 1 each B-747-312 and B-747-357. By the end of the month, the airline is forced to suspend its flights to Rio de Janeiro and Johannesburg because it does not have sufficient aircraft to make the flights.

TAASA (TAXIS AEREOS ARGENTINAS, S.A.): Argentina (1946–1959). TAASA is formed as an ad hoc air taxi by government decree no. 179/47 in Buenos Aires in 1946. Following two years of charter work during 1947–1948, the operator begins flying scheduled services in January 1949. With a fleet comprising 6 de Havilland DH 89As and 1 Fairchild F-24W, TAASA provides third-level flights for citizens in 7 towns in Entre Rios Province.

Service continues for a decade. Unable to compete against the large number of commuter carriers established in 1958, the company ceases operations in 1959.

TAB (TRANSPORTES AERIENS DU BENIN, S.A.): Benin (1982–1989). In April 1982, the Benin government merges **Air Benin (Societe Nationale des Transports Aeriens du Benin, S.A.)** and **ENB (Escadrille Nationale du Benin, S.A.)** to form a new state carrier **TAB (Transportes Aeriens du Benin, S.A.)**. Equipped with 1 Fokker F.28, 1 de Havilland Canada DHC-6-300 Twin Otter, 3 Douglas DC-3s, 1 Dassault Falcon 20, and 1 Antonov An-26, the company undertakes services over the routes of the merger partners.

Destinations now visited include, within Benin: Cotonou, Kandi, Djougou, Parakou, Natitingou, and Save. Weekly flights are made to the regional destinations of Lagos (Nigeria) and Niamey (Niger). The Twin Otter is lost under unknown circumstances at Choke on February 24, 1983.

Company operations are maintained without further incident by Managing Director Manasse Ayayi's concern until the carrier ceases operations in 1989.

TABA (TRANSPORTES AEREOS BACIA AMAZONICA, S.A.)
See TABA (TRANSPORTES AEREOS BANDEIRANTES, S.A.)

TABA (TRANSPORTES AEREOS BANDEIRANTES, S.A.): Brazil (1946–1951). Hoping to create an air cargo operation into the rubber country around Manaus, ex-**VASD (Viacao Aerea Santos Dumont, S.A.)** pilot Capt. Alberto Martins Torres founds **TABA (Transportes Aereos Bacia Amazonica, S.A.)** in early 1946.

Unsatisfied with the carrier's choice of name, denoting as it did a specific locale, the government requires Torres to reorganize and rename his company in 1947 before an operating permit will be provided. Choosing to honor men of legend while retaining the company initials, TABA is accordingly reformed and its headquarters are moved to Rio de Janeiro.

Employing two Consolidated PBY-5 Catalinas originally acquired for use in the Amazon area surrounding Manaus, Torres now begins flying to Laguna, Santa Catarina, in April 1948. These services do not prove fiscally viable even after the route is stretched to Porto Alegre and by the fall of 1949, the flying boats are maintaining the route only on an intermittent basis.

Although his routes are suspended by the fall of 1950, Capt. Torres hopes to restart and to save money in the face of mounting costs, he joins in a technical consortium with **LAP (Linha Aerea Paulista, S.A.)** and **Loide Aereo Nacional, S.A.**

En route from Rio de Janeiro, a C-46A with three crew is lost in Guanabara Bay on September 8; there are no fatalities.

The situation does not improve and on August 24, 1951, TABA becomes part of an operating consortium with his partners under the Loide banner.

TABA (TRANSPORTES AEREOS BUENOS AIRES, S.A.): Argentina (1959–1969). One of many commuter airlines established in 1959, TABA provides scheduled flights to various destinations within Buenos Aires Province. The company's fleet comprises 1 Cessna 170 and 5 C-45s.

In 1963, the carrier receives a government subsidy to defray its costs of operation after picking up the route network of **TACA (Transporte Aereo Costa Atlantica, S.A.)**, which had stopped flying the previous year.

Overextended financially, the operation is closed down in 1969.

TABA (TRANSPORTES AEREOS REGIONAIS DA BACIA AMAZONICA, S.A.): Av. Dr. Freitas S/No, Hangar TABA, Belem, Para 68030, Brazil; Phone 55 (91) 233-6653; Fax 55 (91) 233-3553; Code T2; Year Founded 1975. TABA is formed at Julio Cesar Airport at Belem in early 1975 by Col. Marcellio Gibson Jacques and is consolidated with his already existing **NTA (Norte Taxi Aerea, S.A.)**. Beech 18 operations commence in July. On November 12, the government establishes the Sistema Integrado de Transportes Aereos Regional, calling for the formation of five regional airlines to provide third-level feeder service to outlying areas. A promise of subsidy is made, based on a 3% surcharge on tickets sold on trunk routes. The first carrier signed up is Col. Jacques's Amazon Basin TABA.

Jacques's operation is officially registered as a domestic regional airline on January 1, 1976 as scheduled service is inaugurated from Belem to Altamira, Santarem, and Itaituba. In addition to Beech 18s painted in the company's white, brown, and blue livery, TABA's fleet is now significantly strengthened by the addition of the Fairchild Hiller FH-227 *Rio Amazonas*, leased from the Ministry of Aeronautics in June. Several new Embraer EMB-110C Bandeirantes are also acquired.

Between 1977 and 1981, service is developed and maintained to some 40 destinations as the network is stretched west and south into the State of Amazonas and to such cities as Macapa, Amapa, Oiapoque, Altamira, Nonte Alegre, Obidos, Santarem, Itaituba, Parintins, Maues, and Manaus. Other states visited, primarily by Bandeirante, include Amazonas, Para, Amapa, Acre, Rondonia, and Mato Grosso and additional cities are Cucui, Porto Vellio, and Cuiaba.

The fleet is increased to comprise 3 FH-227s, 10 EMB-110P1s, and 8 Beech 18s.

An EMB-110P with 2 crew and 14 passengers crashes on takeoff from Eirunepe Airport in Brazil on January 31, 1978 (two dead).

During the latter year, the livery is changed to blue and white and enplanements total 189,974.

While on final approach to the airport at Tabatinga, Brazil, in poor visibility on June 12, 1982, an FH-227B with 4 crew and 44 passengers, collides with a pole and then crashes into a parking lot; there are no survivors.

Enplanements reach 228,891 for the year.

In 1983, three Fairchild Hillers are withdrawn. Passenger bookings climb to 244,820.

Delivered the previous December, two BAe 146-100 jetliners are placed in service during January 1984. As recession reaches the Amazon area, customer boardings fall to 230,825.

Difficulties surround the BAe 146-100s in 1985; both are grounded and then returned. Plans for expansion to Rio de Janeiro are shelved in the face of adverse financial conditions.

While on final approach to Juara, Brazil, on June 23, an EMB-110P1 with 2 crew and 15 passengers suffers the loss of its No. 1 engine and crashes 1 km. short of the runway; there are no survivors.

Although three more FH-227s are brought into service, enplanements plunge 28% to 165,079. Financially, however, the year is a success; on revenues of \$25 million, a \$4-million profit is generated.

The BAe 146s are returned to their British manufacturer early in 1986. The fleet of the 600-employee company now includes 9 Bandeirantes and 6 FH-227s. The company services 36 destinations across 3 time zones; the

company's east-west route network equals in distance the space between London and Moscow. At year's end, Bruno Gibson Jacques succeeds his father as president/CEO. Enplanements total 310,953.

Airline employment grows 2.3% in 1987 to 619 and the route network is increased includes 39 destinations in 6 states in northwest Brazil. The company also provides maintenance services, air taxi operations, and a full crew for each airport it operates.

Passenger boardings drop 7.5% to 289,259.

The workforce is increased another 16.3% in 1988 to 720 as the fleet receives another Bandeirante and FH-227.

Still, customer bookings decline, falling 17.5% to 169,521. Cargo, on the other hand, increases by 50.1% to 1.23 million FTKs.

In 1989, the 630-employee airline owns a fleet comprising 10 Bandeirantes and 7 FH-227s. In association with **TNT Express Worldwide**, new charter freight service is introduced in the fall between São Paulo and Manus. For the first nine months covered by the statistics that are provided, the company suffers another major traffic downturn.

Passenger boardings are off by 14.6% to 115,180 and freight is down 25.4% to 841,000 FTKs.

Two EMB-110Ps are withdrawn in 1990. While on final approach to Altamira after a service from Belem on June 6, an FH-227B with 3 crew and 29 passengers strikes a line of trees and crashes 1 km. from the runway (22 dead).

Still, customer bookings recover during the first half to grow by 33.4% to 96,612.

In 1991, five more Bandeirantes are added, along with three de Havilland Canada DHC-8-300s as two more FH-227Bs are retired.

Through September, passenger boardings are down 32.2% to 103,590; freight through the same period is up 34.5% to 441,000 FTKs.

One more Bandeirante is acquired in 1992 in addition to three leased Canadian-made turboprops; options are taken on two Fokker 100s. The first international route is opened during the summer, to Georgetown via Boa Vista.

The workers at the third-level operator are doubtless pleased as customer bookings recover for the year as a whole, growing by 28.2% to 132,841. Cargo hauled totals 250,000 FTKs.

The two Fokker 100s are placed into service in 1993.

An FH-227B freighter with three crew en route from Belem, crashes out of control into the jungles near Altamira on the night of January 25; there are no survivors.

During 1994, the fleet includes 15 Dash 8s, 9 Bandeirantes, 4 FH-227s, and the 2 Fokker 100s. Enplanements during the first quarter of 1994 are 90,806.

En route from Itaituba to Belem on the evening of October 22, a DC-8-300 with 33 passengers is taken over by 5 gunmen among them, who require that the aircraft return to its point of origin. There, armed with advance knowledge, the pirates are able to remove a \$1.15-million shipment of gold bars weighing a total of 213 pounds from the cargo hold and disappear with it on vehicles that appear from the nearby woods. The gold is owned by Germany's Degussa A.G., which had begun operating the Amazon's first gold exchange in Itaituba on September 13.

With nine passengers en route from Caryari to Teti on December 15, an EMB-110 is hijacked by a lone assailant. When the aircraft lands at its scheduled destination, the pirate is captured by police.

Airline employment has been cut to 300 by 1995. Again, traffic figures are only reported through March. These show passenger boardings up 36.1% to 142,105.

While on final approach to Santarem on a November 28 all-cargo service from Belem, an FH-227B with two crew and two passengers crashes near the runway (three dead).

Full-year revenues are \$53.19 million.

Eight employees leave the company in 1996. Figures are again incomplete and show enplanements down to 33,898. The financial picture worsens in 1997 and over 30 workers are laid off.

Flights continue in 1998–2000. During these years, the fleet of 10 Bandeirantes is cut to 8; however, the 3 FH-227Bs soldier on.

TABSA (TRANSPORTES AEREOS BENIANOS, S.A.): Bolivia (1963–1977). The proprietors of the Crillon Hotel at La Paz, led by Capt. Samuel Sanguenza, creates TABSA in July 1963. Initially equipped with several Curtiss C-46 Commandos and employing the marketing name Bolivian Airways, the carrier begins services from La Paz to destinations in the Departments of Benj, Santa Cruz, and Pando. An application is made to the U.S. government for a foreign air carrier permit; disposition of the request will take years.

Finally, in early 1968, the carrier is granted traffic rights by the CAB to fly to Miami. Two Lockheed L-1049G Super Constellations are purchased and scheduled charter services undertaken to Miami beginning in April via Lima, Guayaquil, and Panama. On August 23, a C-46 crashes near Nieve (four dead).

During the remainder of the decade and through 1971, the number of C-46s is reduced from a high of nine to just two.

One of these, a chartered Curtiss CW-20T with two crew and two passengers is destroyed in a crash while landing at San Pedro Richard Airport on May 28, 1972; there are no fatalities.

Thereafter, the survivor and the Lockheeds are retired and replaced by one each Convair CV-440 and Douglas DC-7CF. Ultimately unprofitable, the carrier ceases flying in late 1977.

TABSO. See **BALKAN BULGARIAN AIRLINES**

TAC (EMPRESA DE TRANSPORTES AEREOS CATARINENSE, S.A.): Brazil (1947–1966). This little-known charter operation is formed at Rio de Janeiro in May 1948 under the name TAL (Transportes Aereos, S.A.). Two Curtiss C-46A Commandos are acquired and operations are launched over a single route to Curitiba. Just over two years later, in August 1950, the company is reorganized and renamed TAC. Its headquarters are now transferred to Florianopolis.

Due to heavy competition with other carriers working the State of Santa Catarina, the carrier is unprofitable and within a year or so it becomes a subsidiary of **Cruzeiro do Sul, S.A.**, which employs TAC under its own name to service local destinations, particularly with regard to cargo and express, while providing what would later be called interline services, e.g., reservations, maintenance, advertising, etc.

In 1952–1965, TAC gradually loses its identity and by January 1, 1966 is completely integrated into **Cruzeiro do Sul, S.A.**

TAC (TRANSPORTES AEREOS COMERCIAIS). See **COMAG**

TAC (TRANSPORTES AEREOS COSTARRICENSES). See **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

TAC (TRANSPORTES AEREOS DEL CESAR, S.A.). See **AEROCESAR (AEROVIAS DEL CESAR, S.A.)**

TAC COLOMBIA. See **AEROCESAR (AEROVIAS DEL CESAR, S.A.)**

TAC HEAVYLIFT, LTD. See **HEAVYLIFT CARGO AIRLINES, LTD.; TRANSMERIDIAN AIR CARGO, LTD.**

TACA (TRANSPORTE AEREO COSTA ATLANTICA, S.A.) (1): Argentina (1946–1967). The first Argentine Costa Atlantica is established at Buenos Aires in November 1946 to operate domestic passenger and cargo charters. Revenue flights commence with a single Curtiss C-46 Commando.

During the 1950s, the carrier leases a Douglas DC-6 and two Lockheed L-1049 Super Constellations. These undertake scheduled passenger flights to Antofagasta from Salto. A DC-4 is also acquired, along with a Fairchild C-82 Packet; they join the Commando in offering scheduled freighter flights from Buenos Aires to Asuncion.

TACA joins with the new Chilean all-cargo carrier **ALFA (Aerlineas Flecha Austral, Ltda.)** in 1965 to provide freight services from Men-

doza, Argentina, to Santiago. These pooled flights end in 1967 when TACA goes out of business.

TACA (TRANSPORTE AEREO COSTA ATLANTICA, S.A.) (2): Argentina (1957–1962). TACA is formed at Buenos Aires in 1957 to offer scheduled third-level flights to destinations within the Province of Buenos Aires. The fleet comprises a Cessna 170 and a Noorduyt Norseman.

Unable to maintain viability even while supplementing and feeding the **Aerolineas Argentinas, S.A.** trunk routes, the company is forced into bankruptcy in 1962.

TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.): El Salvador (1931–1951). Having become sole owner of a Stinson Junior biplane, American-educated New Zealander Lowell Yerex, who had formerly flown for the Mexican carrier **CAT (Corporacion de Aeronautica de Transportes, S.A.)**, forms **TACA (Transportes Aereos Centro Americanos, S.A.)** at Tegucigalpa, Honduras, in December 1931.

On February 14, 1932, Yerex receives a Honduran government mail contract and now begins to provide mail-cargo service Tegucigalpa to Juticalpa, Trujillo, Catacamas, La Ceiba, and other points with a fleet of 5 Stinson Juniors and 1 Stinson Model U. Late in the year, Yerex loses an eye while flying government-requested reconnaissance missions over the rebel strongholds in the mountains.

Returning from New Orleans in January 1933 with a glass eye, Yerex is greeted as a hero by Honduran President Tiburcio Carias-Andino; offered a cash reward, the pilot-entrepreneur opts, instead, for a guarantee (confirmed on February 1) of additional mail contracts that are, in fact, subsidies. A program of airfield construction is undertaken. The fleet is increased through the addition of a Stearman, two Ford 4-ATs, and a Bellanca CH-300; services are inaugurated Tegucigalpa–San Salvador at year's end.

The Stinson Model U crashes just after takeoff from Tegucigalpa on March 6, 1934; four aboard are killed and seven hurt. A period of rapid expansion now begins, starting with the purchase of Honduras' only other significant airline, **Empresa Dean, S.A.**, on April 24.

The fleet grows to include 15 aircraft: 7 Stinsons, 1 Stearman, 2 Fokker Model 4 Universals, 1 WACO C, 2 Bellancas (CH-300/CH-400), the 2 Ford 4-ATs, and the 5-AT-71, purchased at Chicago from **American Airlines** on October 15 and flown via intermediate stops to Honduras by TACA pilots. A landing strip is built at the 3,500-foot high Agua Fria mine and in September, a Ford 4-AT arrives from San Lorenzo on the first of many flights to be made over the next 10 months ferrying in mining equipment and supplies. During the year, flights begin to Guatemala City.

The small **CNA (Compania Nacional de Aviacion, S.A.)** is purchased early in 1935, becoming the subsidiary **Compania Nacional TACA de Guatemala, S.A.** Previously operated by **American Airlines**, the Ford 5-AT-75 is purchased on February 19. Service is started to Managua and majority control is taken in the local carrier **LANEP (Lineas Aereas de Nicaragua, Empresa Palacios, S.A.)** on October 16; for now, LANEP is allowed to continue operations under its own name.

The fleet is further strengthened through the acquisition of two Kreutzer K-5s, a Hodkinson trimotor, a Fleet biplane, a Ryan B-1 Brougham, and three Curtiss Kingbirds. En route to La Ceiba, a Ford crash-lands near Jutiapa, Honduras, on November 10; seven are hurt. Orders are now placed for a number of ex-U.S. airline Ford 5-ATs, to be obtained at the rock bottom of price of \$3,000–\$4,000 apiece.

TACA de Guatemala, S.A. receives the Ford Tri-Motors 5-AT-26, 5-AT-52, 5-AT-53, and 5-AT-73, purchased from **Pennsylvania Airlines** on January 21, 1936, the 5-AT-90 obtained from the Guatemalan airline **CNA (Compania Nacional Aviacion, S.A.)**, the 5-AT-36 acquired from a Chicago broker on April 18. The 5-AT-13 and 5-AT-28 are purchased on June 6 and service is inaugurated to Belize City. A company aircraft with four aboard goes down near Puerto Cabezas, Nicaragua, on October 3; pilot Robert Ewalt, who is also Nicaraguan division chief for Yerex, is killed.

TACA thrives in 1937 as its freight business grows; valuable and perishable goods are ferried out of the jungles and mountains, including tobacco, fruit, coffee beans, timber, and the chicle sap used to manufacture chewing gum. Again, the fleet is enlarged as Yerex acquires a Bellanca 300W Pacemaker, five Flamingo G-2s, two Bellancas (31/50), and the Fords 5-AT-7, 5-AT-14, and 5-AT-18, which latter are purchased on December 11 from Nevada-based **Grand Canyon-Boulder Dam Tours**. The wreckage of a company trimotor is found in the jungles near Puerto Cabezas, Nicaragua, on October 3; there are no survivors.

LANEP's Nicaraguan contract is rescinded in 1938, but the carrier's freight operation continues to boom. During the year, the fleet is enlarged as a Lockheed Model 5 Vega and six Lockheed L-14Hs are acquired.

Passenger enplanements reach 20,000, and 4,000 tons of cargo are hauled.

LANEP (Lineas Aereas de Nicaragua, Empresa Palacios, S.A.) is purchased outright by TACA becoming, on March 16, 1939, the **Compania Nacional TACA de Nicaragua, S.A.** Regular services suspended by the now wholly owned subsidiary in 1938 are now resumed. The Ford Tri-Motor 5-AT-16 is purchased for the new entity from **SACO (Servicio Aereo Colombiano, S.A.)** at month's end, while the 5-AT-31 is acquired from the Nicaraguan government and assigned to **TACA de Costa Rica, S.A.** The same month, the 5-AT-4 is destroyed in a fire at Tegucigalpa. Also, in late spring, Ford Tri-Motors begin a six-year period of freight service to the La Luz gold mine, near Siuna, Nicaragua.

Capitalized at \$400,000, TACA, S.A. is established at Panama City on August 25 as a nonoperating holding company for Yerex's growing airline empire and an operating base is set up at San Salvador. The same day, the Honduran operation is incorporated as **Compania Nacional TACA de Honduras, S.A.** Simultaneously, the established subsidiary **Compania Nacional TACA El Salvador, S.A.** now launches direct services between the capital cities of Honduras, El Salvador, Guatemala, Costa Rica, and Nicaragua, with the TACA subsidiaries in those nations providing local feeder/connection services.

During the year, the entire 1,000-ton chicle crop is transported from the Flores region of Guatemala to the port city of Puerto Barrios by air. On October 20, the airlines **Transportes Aereos Costarricenses, S.A.** and **Aerovias Nacionales de Costa Rica, S.A.** are purchased and merged into **TACA de Costa Rica, S.A.**, which, incidentally, receives the Fords 5-AT-71 and 5-AT-90 from **TACA de Honduras, S.A.** in December. The fleet, meanwhile, grows by only four airplanes during the year, all Lockheed Model 10A Electras.

The Costa Rican carrier **ENTA (Empresa Nacional des Transportes Aereos, S.A.)** is purchased, along with Ford Tri-Motor 5-AT-70, on January 16, 1940. On February 20, 5-AT-107 en route to the mines on Nicaragua's east coast, crash-lands near Prinzapolka; there are no fatalities.

On March 1, all of the newly purchased Costa Rican carriers are merged into the single **Compania Nacional TACA de Costa Rica, S.A.** The company now has 29 radio stations in operation for the 46+ aircraft fleet, which is enlarged this year through the acquisition of 1 Stinson SR-8, 1 Hamilton Metalplane, 3 Fairchild Pilgrim 100As, 1 Stinson Model A, 7 Travel Air 6000s, and 16 Lockheed L-18 Lodestars.

In June, takeover negotiations begin with **American Export Airlines**. An aircraft of unknown type piloted by Enrique Malek is lost in a storm over Colon, near San Jose, Costa Rica, on October 7 (six dead). On November 1, American Export purchases controlling interest in the airline for a reported \$2 million; threatened in its sphere of influence, the giant **Pan American Airways (PAA)** reacts 10 days later by establishing a competing subsidiary, **Aerovias de Guatemala, S.A.** Meanwhile, Yerex moves further afield, founding **British West Indies Airlines (1) (BWIA)** at Trinidad on November 27.

Seeking compensation, the heirs of the six victims of the October 7 crash are able to obtain a judicial embargo against the company on December 13. TACA operations in Costa Rica are partially paralyzed for a week.

Enplanements during the 12 months are 65,000, and cargo tonnage reaches 12,500.

On January 28, 1941, the Guatemalan government cancels by purchase the franchise of **Compania Nacional TACA de Guatemala, S.A.** With a pen, 20% of TACA's business is wiped out. Leases on the four airfields Yerex had constructed are cancelled and he is allowed three flights to get all of his men and equipment out of the Peten region where the chicle is grown.

Although much is removed, \$12,000 worth of buildings must be abandoned; **Aerovias de Guatemala, S.A.** will later send a \$5,000 check for them. A Ford freighter, en route to Alamicambra, Nicaragua, from Puerto Cabezas with cargo for the mines, disappears on April 4; the wreckage is found in the east coast mountains 16 days later and neither of the two crewmen have survived.

American Export Airlines and **Pan American Airways (PAA)** now become involved in a court battle in the U.S. over the former's TACA holding (based on Section 408b of the Civil Aeronautics Act of 1938). Yerex testifies from April 29 through May 2. During the year, the TACA fleet is not increased by even a single plane; however, fleet rationalization begins and a number of aircraft, including the earlier Fords, are retired.

On September 4, the CAB denies **American Export Airlines** the right to purchase TACA, citing that provision of the law preventing steamship companies authority to purchase airlines.

Meanwhile, and despite the "ouster" from Guatemala, bookings climb to 90,000, and cargo tonnage accelerates to 14,000.

On August 26, 1942, **Empresa de Transportes Aerovias Brasil, S.A.**, better known as **Aerovias Brasil, S.A.**, is formed at Rio de Janeiro; Yerex and another TACA official hold 60% interest and two Rio brothers, Oscar and Roberto Taves, the remainder. In support of the Allied war effort, two L-14s begin providing freight service Rio-Miami some months before operations are authorized by Brazilian presidential decree on December 29.

Meanwhile in Nicaragua, the Ford 5-AT-4 is purchased from the Texas Petroleum Company by **TACA de Nicaragua, S.A.**, which also accepts the transfer of 5-AT-18 and 5-AT-52 from **TACA de Guatemala, S.A.**, 5-AT-31 from **TACA de Costa Rica, S.A.**, and 5-AT-89 from the government of Colombia. Stationed at Alamacamba, the 5-AT-18 is converted into a diesel oil tanker plane by the insertion of tanks in the cabin; a permanent ladder is attached to the fuselage that allows the pilot to enter his cockpit via the overhead escape hatch. The Ford 5-AT-73, also acquired on loan from **TACA de Guatemala, S.A.**, is returned on October 15, as is the 5-AT-90 back to **TACA de Costa Rica, S.A.**

At year's end, **American Export Airlines** withdraws from TACA, selling its shares back to TACA, S.A. The fleet grows through the purchase of three Curtiss Condor T-32Cs and four Beech 18s.

On January 27, 1943, TACA, S.A. changes its name to Inter-American Airways, S.A.; simultaneously, the Inter-American Airways Agency is incorporated in New York City, allowing the opening of marketing and ticketing offices there and in Miami. On May 13, **British West Indies Airways (1) (BWIA)** is also incorporated. TACA now serves 235 points in Central America, some with the Lockheed L-12, Vultee V-1A and Burnelli UB-14B acquired during the year.

On October 5, Yerex sells 46.2% of Inter-American Airways, S.A. (worth \$2.25 million) to various U.S. corporations: The Adams Express, the Pennsylvania Railroad, Maryland Casualty Co., Time, Inc., and **Transcontinental and Western Air Lines (TWA)**. The same day, all but 40% of the Yerex interest in **British West Indies Airways (1) (BWIA)** is also sold. On November 26, the name TACA, S.A. is reinstated for Inter-American Airways, S.A. and capitalization is increased to \$10 million.

Infused with new capital and **Transcontinental and Western Air Lines (TWA)** technical backing, the carrier in 1944 once again begins to expand, although only two new aircraft are added, a Grumman G-21A Goose and a Douglas C-39 (military DC-2). The Ford 5-AT-52 is transferred back to **TACA de Guatemala, S.A.** in January after two year's service with **TACA de Nicaragua, S.A.** An unidentified Ford Tri-Motor is lost on an unspecified date just after takeoff from the airport at Tegucigalpa, Honduras (14 dead). The Ford 5-AT-75 is transferred on June 1

from **TACA de Honduras, S.A.** to **TACA de Nicaragua, S.A.** Another aircraft of unspecified type crashes into a mountain near Matagalpa, Nicaragua, in a storm on July 3 (one dead).

The nonoperating subsidiary **Compania Nacional de TACA de Mexico, S.A.** is formed, thereby allowing the international division (**TACA El Salvador, S.A.**) to operate north of Guatemala. **Lineas Aereas TACA de Venezuela, S.A.** (55% local control and **Lineas Aereas TACA de Colombia, S.A.** (77.5% local shareholding) are established on August 18.

L-10As of **TACA de Colombia, S.A.** and **TACA de Venezuela, S.A.** launch joint nonstop service Caracas-Bogota on January 2, 1945. **TACA de El Salvador, S.A.** begins Mexico City-Bogota via Medellin and Mexico City-Bogota via Central America service; meanwhile, **Aerovias Brasil, S.A.** launches flights via Trinidad and Dutch Guiana from Ciudad Trujillo-Rio de Janeiro.

During the year, the airlift to the La Luz mine at Siuna, begun in 1939, is completed; during the 6-year period, more than 30,000 tons of supplies and equipment have been flown (mostly by Ford Tri-Motors) to the Nicaraguan dig. This achievement and continuing success in the freight carriage area of the operation allows TACA to lay claim to the honor of being the largest cargo airline in the world. This year the fleet is significantly increased as 6 L-14s and the first in a group of 39 Douglas DC-3s are placed in service.

Displeased by new inroads into Central America made by **Pan American Airways (PAA)** and the perceived lack of support from his American backers, Yerex attempts to obtain British backing for a scheme to buy out his North American partners. The scheme fails and in December the U.S. shareholders buy out the founder's contract as president and elect as his successor Pennsylvania Railroad official Benjamin Pepper. Lowell Yerex, who had started the carrier with a single Stinson in 1931, is now out of his airline's future.

In 1946, **Aerovias Paraguayas, S.A.** is formed as a wholly owned subsidiary, along with **Aerovias Argentinas, S.A.**, but neither will be operated. The Ford 5-AT-31 is sold by **TACA de Nicaragua, S.A.** to **SAN (Servicios Aereos Nacionales, S.A.)** in Mexico in January and a Lockheed Model 10A Electra is damaged beyond repair at Rio Cuarto on March 7. Plans are laid to open services Caracas-Lima and Bogota-Lima via Cali, Quito, and Guayaquil during the summer, but these fail to materialize as increasing financial loss is suffered in the contest with **Pan American Airways (PAA)**. The Ford 5-AT-18 is sold to **NAMSA (Negociacion Aerea Mexicana, S.A. de C.V.)** on June 6 and a DC-3 disappears on December 15. The fleet is, however, further augmented by the addition of three DC-3s, four DC-4s, and two Curtiss C-46As.

On January 6, 1947, the American CAB grants rights for **TACA de El Salvador, S.A.** to fly Belize City-Miami via Havana. Yerex sells his interest in **Aerovias Brasil, S.A.** on January 11, after it reports a \$900,000 loss for 1946. Two days later, the Waterman Steamship Co. purchases a significant block of TACA shares and, as general agent, merges the now-low U.S. office in Miami into its own U.S. sales outlets at home and abroad.

The fleet shrinks to 6 L-18s and 9 DC-3s plus 2 leased DC-4s and 3 DC-3s; late in the year, 1 war-surplus Junkers Ju-52/3m and 3 Avro Anson Vs are placed in service. A DC-3 crashes near Medellin on March 18 (eight dead); two days later, another goes down near Bogota (five dead). Bogota to Balboa daily service begins on April 23; also in April, Ford Tri-Motor 5-AT-75 is sold to **Lagosa (Lineas Aereas Guerrero Oaxaca, S.A.)** in Mexico. Another DC-3 crashes near Nicoya, Costa Rica, on May 4 (11 dead).

Following the DC-3 accidents and the reported loss of \$4 million, **TACA de Colombia, S.A.** ceases operations in mid-May, but a new (never-to-operate) subsidiary, **Aerovias Latine-Americanos, S.A.**, is purchased in El Salvador. On September 15, **Transcontinental and Western Air Lines (TWA)** Executive Vice President Paul Richter becomes TACA chairman and 15 days later, Lowell Yerex sells his interest in **British West Indies Airways (1) (BWIA)**. The wreckage of the DC-3 missing since the previous December is found near Tilaran on November 30; there are no survivors.

The once-thriving TACA empire crumbles almost completely before Easter 1948. On February 28, Miami service is suspended and on the same day, **TACA de Honduras, S.A.** is sold for \$94,000, along with **TACA de Nicaragua, S.A.** On March 3, **Pan American Airways (PAA)** asks the CAB to bar an extension of the TACA permit to serve Miami and New Orleans, charging the Watership Steamship Corporation with owning the airline and operating it to invade the air transport field and evade income taxes.

The outbreak of revolution in Costa Rica on March 12 forces suspension of domestic services in that nation and on the San Jose–Panama route; the Costa Rican government seizes the subsidiary's three DC-3s. Colombia's first woman pilot is hired on March 31 and on May 19, **TACA de Costa Rica, S.A.** is sold to the brothers Kruse for a mere \$175,000. For only the second time in its history, the carrier adds no new aircraft during the year; in fact, it loses or sells several. On December 31, only **TACA El Salvador, S.A.** and **TACA de Venezuela, S.A.** remain from the onetime airline empire.

In February 1949, the Waterman Steamship Co. officially purchases 35% of TACA's **Transcontinental and Western Air Lines (TWA)** interest and thereby gains control. The shipping outfit pours in \$600,000 in operating funds, while plans are made to keep the pioneer alive. Meanwhile, the airline is granted its first regular, three-year, foreign air carrier permit by the U.S. CAB for the San Salvador–New Orleans route via Guatemala City and Belize City on March 30. Flights commence on May 13.

TACA de Venezuela, S.A., the last of the subsidiaries held from the Yerex era, is sold in 1950 and all interests elsewhere in Central America (except El Salvador) and Mexico are liquidated.

On May 24, 1951, the TACA Corporation is organized at New Orleans as a U.S. company, incorporated under Delaware law. All liabilities and assets of the Panamanian-registered TACA, S.A. are transferred to the Louisiana corporation, which now also reforms **TACA El Salvador, S.A.** into the subsidiary **TACA International Airlines, S.A.**; **TACA El Salvador, S.A.** now ceases to exist.

TACA GROUP. See **AEROPERLAS (AEROLINEAS PACIFICO ATLANTICO, S.A.)**; **AVIATECA (EMPRESA GUATEMALTECA, S.A.)**; **COPA (COMPANIA PANAMENA DE AVIACION, S.A.)**; **ISLENA AIRLINES (ISLENA DE INVERSIONES, S.A.)**; **LACSA (LINEAS AEREAS COSTARRICENSES, S.A.)**; **NICA (NICARAGUENSE DE AVIACION, S.A.)**; **SAHSA (SERVICIO AEREO DE HONDURAS, S.A.)**; **TACA INTERNATIONAL AIRLINES, S.A.**; **TACA PERU, S.A.**

TACA INTERNATIONAL AIRLINES, S.A.: Altos Edificio Caribe 2 Piso, Segunda Planta, Colonia Escalon, San Salvador, El Salvador; Phone (503) 339-9155; Fax (503) 223-3757; <http://www.taca.com>; Code TA; Year Founded 1951. On May 24, 1951, the TACA Corporation is organized at New Orleans as a U.S. company, incorporated under Delaware law. All liabilities and assets of the Panama City-based TACA, S.A., are transferred to the Louisiana corporation, which now also reforms **Compania Nacional TACA de El Salvador, S.A.** into the subsidiary TACA International Airlines. **TACA El Salvador, S.A.** ceases to exist and initial capitalization for the new entrant is \$200,000.

Same-day U.S. to Central America service begins on August 20. Services operate without incident through the remainder of the year and into 1952.

A DC-3 with three crew and nine passengers smashes into Cerro Grande mountain, 30 km. E of San Felipe, Venezuela, on March 29; there are no survivors.

To avoid the sort of litigation that ensued following the original buy-in to TACA S.A. back in 1949 (as well as that fought by **American Export Airlines** earlier), the Waterman Steamship Co. interest is sold throughout the year and into 1953. Primary buyers are the steamship line's major shareholders and employees, who hold it as **Waterman Airlines** stock.

A DC-3 freighter with three crew is lost near San Andres, Honduras, on September 8; there are no survivors.

The CAB permit of 1949 is renewed on June 16, 1954.

The Waterman Airlines shares are acquired by McLean Industries in May 1955; in January 1956, these shares are sold to Southern Industries Corporation. The three-year CAB route award is renewed in June 1957. To upgrade the fleet, provision is made for the addition of six Vickers Viscount 700s by lease and purchase. The first, a Viscount 784D, is chartered from **Philippine Air Lines** and is placed in service on the New Orleans run on December 2.

Three more Viscounts, a 798D formerly owned by **Hawaiian Airlines**, a new 786D christened *El Centroamericano*, and a 763D built for Howard Hughes, join the fleet in 1958. The former Hughes machine, with 4 crew and 15 passengers, crashes on takeoff from Managua, Nicaragua, on March 5, 1959 (15 dead).

In exchange for two million shares of common stock, the TACA Corporation, on March 29, 1960 transfers all of the company's properties, assets, and liabilities to its San Salvador-based subsidiary, TACA International Airlines, S.A., and is then liquidated. Simultaneously, the El Salvador government takes action to facilitate the transfer and establishment of the carrier as a local operation. The CAB permit is renewed in May.

One more Viscount 784D enters service in 1961. An ex-LANICA (**Lineas Aereas de Nicaragua, S.A.**) Viscount 786D is obtained in 1962. Enplanements in 1963 are 76,304. Revenues are \$4.426 million and the net profit is \$73,569.16.

Airline employment in 1964 stands at 365. In April, Riccardo H. Kriete purchases controlling interest, giving the airline a decidedly Salvadorian flavor. Simultaneously, the CAB route permit to New Orleans is renewed, with San Pedro Sula (Honduras) as an added stop. A third Viscount 784D enters service in late November, allowing the company to provide all-Viscount service on several major route segments.

The DC-4s are largely restricted to cargo service and the transport of passengers over a few frequencies from Guatemala City to New Orleans.

Passenger boardings jump 11% to 85,735. Revenues accelerate 12% to \$5 million and the net profit skyrockets 86% to \$525,494 on total revenues of \$5 million.

The workforce loses 35 employees in 1965. The fleet now includes 2 DC-4s and 5 Viscount 700Ds. In November, orders are placed for a pair of BAC 1-11-407s, plus two options.

Freight traffic is up and passenger bookings increase to 104,661. Revenues climb 16% to \$5.824 million and net earnings are \$623,667.

On December 14, 1966, the first BAC 1-11-407 arrives from Great Britain; christened *El Centroamericano*, it is joined by *El Salvador* on February 21, 1967. The two jetliners unite with two additional Viscount 784Ds in opening additional routes to Belize, Mexico City, San Jose, Managua, Panama City, and Tegucigalpa.

When owner Kriete dies in early 1968, he is succeeded as company chairman by his son. The employee population now totals 490. Passenger and mail flights begin to Miami in the spring. The colorful Lowell Yerex, founder of the original TACA, dies of cancer in December; his nephew, David Yerex, will publish his biography in New Zealand almost two decades later, *Yerex of TACA: A Kiwi Conquistador* (Carterton: Ampersand Publishing, 1985).

Cargo is up again, and a total of 144,085 passengers are carried on the year. Revenues grow to \$8.06 million, the freight portion of which is the second highest in the airline's history.

A Viscount 745D is purchased from **United Air Lines** in February 1969 for use on short-haul, high-traffic routes in Central America. Due to a diplomatic flap between Honduras and El Salvador in July over a soccer match, the carrier loses its rights into Tegucigalpa.

A BAC 1-11-409 is purchased from **LACSA (Lineas Aereas Costarricenses, S.A.)** in September and is christened *El Izalco*.

During 1970, the Viscounts and DC-4s are retired in favor of four (one leased) DC-6As. On June 1, 1971, service is inaugurated to Jamaica via Belize City.

Enplanements for 1973 are 136,112. Inflation in Europe brings a shift in U.S. holiday traffic to Central America; as a result, passenger boardings soar 23.8% in 1974 to 181,000, while cargo climbs 32.4%. In that year, an ex-RCAF Canadair CL-44D freighter is added.

The workforce is 546 in 1975. In October, the carrier loses its operating authority into Guatemala. The DC-6As are replaced on freight runs by the Canadair CL-44D.

Passenger boardings dip 1.3% to 179,000, and cargo drops 13.4% to 17.3 million FTKs.

The employee population is increased 3.8% in 1976 to 567.

A DC-6BF with three crew undershoots the runway while landing at Altavapaz, Guatemala, on May 2; although the aircraft must be written off, no serious injuries are reported.

The cargo operation is now significantly increased through the addition of a DC-6A, which replaces the DC-6BF. Also acquired in May are two former **Trans Australia Airlines (Pty.), Ltd.** Lockheed L-188AFs that had begun service as the passenger Electras *Charles Sturt*, now renamed *Pangeran Diponegoro*, and the *John Gilbert*. Passenger flights are inaugurated to Merida, Mexico, in the fall.

Passenger boardings increase 5% to 188,121, and freight is up 24.6%. An order is placed in 1977 for a Boeing 737-200.

Enplanements soar to 209,250. Profits of \$39.6 million (operating) and \$715,000 (net) are recorded.

Airline employment in 1978 is 617. The DC-6A is retired in August as the new B-737-244 is delivered, initiating new livery for itself and the fleet's two remaining BAC 1-11-407s and two L-188AFs. Service is restored to Guatemala.

Passenger bookings are up 7% to 225,267 and cargo advances 12.2%. Revenues rise 13.6% to \$25.1 million and expenses are up 10.8% to \$21 million, producing profits of \$3.1 million (operating) and \$1.5 million (net).

Flights continue without incident in 1979. The wing of the L-188AF formerly known as the *John Gilbert* catches fire on the ground at San Salvador on February 2, 1980, destroying the aircraft. No one is injured.

Increased fuel prices and the economic recession of the early 1980s badly hurt TACA, which still, however, maintains services.

While en route over the Gulf of Mexico on September 6, 1983, a BAC 1-11-407 with 71 passengers encounters turbulence while flying in the vicinity of thunderstorms; three people are injured, one seriously.

The carrier begins to fiscally recover in 1984, at which time two additional B-737-222s are placed in service, withdrawing the ex-TAA L-188AF *Charles Sturt* for sale in September of the following year to **Galaxy Airlines**. Operations continue with little fanfare in 1985-1986 and enplanements, by 1987, reach 444,001.

The 1,000-employee flag carrier owns a fleet in 1988 that includes 4 B-737-222s, 1 each B-737-210C and B-737-244, and 1 new B-767-2S1, the only wide-body aircraft to enter service with any Central American airline. Battered by rain and hail and nearly out of fuel, a B-737-222, incoming from Belize with 44 passengers, has both engines suddenly quit at a height of 16,000 ft. The pilots are able to establish emergency power and make a successful emergency landing on a canal bank near New Orleans on May 24.

While on approach for a landing at Golden Meadow, Louisiana, on July 20, a C-118A (military DC-6A) with three crew suddenly loses power to its No. 1, 2, and 3 engines. The pilot attempts an emergency landing at his destination, during which the landing gear strikes a levee, a wing hits the ground, and the aircraft crashes into a drainage ditch. All aboard are killed and the freighter is damaged beyond repair.

On September 28, a B-737-222 runs off the runway at Tegucigalpa, Honduras, damaging its undercarriage and flaps. Although passenger boardings rise only 1% to 448,486, cargo traffic balloons a tremendous 113.3% to 6.45 million FTKs.

The fleet in 1989 is altered slightly as a B-737-3S1 is acquired to replace the B-737-222 lost the previous May. The company initiates a plan, under development for two years, to become "The Airline of the Americas" by purchasing equity in the carriers of neighboring countries.

The process begins with a 30% purchase into Guatemala's **AVIATECA (Empresa Guatemalteca, S.A.)**. The plan also calls for the beginning of fleet rationalization, joint purchasing, and cooperation and coordination in ground handling, catering, and maintenance. Enplanements for the year plunge to 262,945.

Daily nonstop service is initiated in July 1990 from Washington, D.C. (IAD) to Guatemala City and San Salvador. In August, daily nonstop flights commence from Dulles International to San Salvador.

Customer bookings jump upwards to 512,966 and revenues are \$119.78 million.

Airline employment still stands at 1,000 in 1991 and the chartered fleet now includes 1 each B-737-222, B-737-244, B-737-242A, B-737-210C/A, B-737-3S3, B-767-2S1, and 2 B-737-3S1s. A strong 41% share is acquired in the Honduran carrier **SAHSA (Servicio Aereo de Honduras, S.A.)**.

Enplanements total 548,004 and 1.7 million FTKs are operated; together, the traffic produces revenues of \$143.91 million.

A noninvestment marketing alliance is concluded with Panama's **COPA (Compania Panamena de Aviacion, S.A.)** in 1992. In addition, equity is acquired in **NICA (Nicaraguense de Aviation, S.A.)** (49%) and **LACSA (Lineas Aereas Costarricenses, S.A.)** (41%).

All are joined together with **AVIATECA (Empresa Guatemalteca, S.A.)** to form the "Airline of the Americas" or, officially, America Central Corp., S.A., which is often better known as the TACA Group. All participate in joint purchasing, fleet rationalization, and cooperate in ground handling, catering, scheduling, and maintenance.

Passenger boardings are initially announced only for the first five months and total 274,253; it will be revealed later that boardings for the full 12 months have increased to 713,653. Revenues for the year are \$170.92 million.

In 1993, Chairman Enrique Borgo Bustamante and President/CEO Federico Bloch oversee a workforce of 1,500 and the addition of one each B-767-216ER and B-767-33AER to the fleet, the latter delivered in June under lease from Ansett Worldwide Aviation Services. Indeed, El Salvador becomes the first Central American nation to operate an extended range B-767.

A total of 12 cities in nine countries are served from El Salvador, including: New York, Washington, D.C., Los Angeles, San Francisco, Houston, Miami, New Orleans, Belize, Mexico City, Guatemala City, San Pedro Sula, Tegucigalpa, San Jose, and Panama City.

Just after landing at Guatemala City on April 6, Flight 510, a B-767-2S1ER with 9 crew and 227 passengers veers off the runway at 90 kn., 300 m. short of the end of the runway. The wide-body strikes the perimeter fence, runs down a hill, crashes into and through a cinder block house, and hits another home. Although the aircraft is damaged beyond repair, there are no fatalities; three people on the ground are, however, injured.

In July, a comprehensive marketing agreement is signed with the Italian flag carrier **Alitalia, S.p.A.** covering the entire TACA Group; featured is schedule coordination for connections through Los Angeles, New York, Miami, and Chicago.

Customer bookings are swell to 777,158. Cargo is up a whopping 62.8% to 7.78 million FTKs and revenues reach \$192.38 million.

When **SAHSA (Servicio Aereo de Honduras, S.A.)** grounds its entire fleet on January 15, 1994, it begins to employ a leased TACA B-737-2H6A. Hubs for TACA Group are developed. San Salvador handles flights to North America while San Jose, Costa Rica, becomes the gateway for flights to South America. A secondary hub is also set up at Guatemala City.

The entirely leased fleet in 1995 includes 2 each B-737-3S1s and B-737-3Q8s and 1 each B-737-244, B-737-25A, B-737-296A, B-737-210CA, B-737-3S3, B-767-216ER, and B-767-3S1ER. An order is outstanding for an Airbus A320-233. The U.S. reservations centers of the TACA Group members are consolidated in a single El Salvador facility. During the summer, the four B-737-200s are all leased to **LACSA (Lineas Aereas Costarricenses, S.A.)**. Three are repainted in LACSA colors, while one retains its TACA livery with LACSA markings.

The chartered fleet is increased in 1996 by the addition of two A320-233s, which are subleased to **LACSA (Lineas Aereas Costaricenses, S.A.)**, two B-737-2K5As, two B-737-205As, a B-737-2T5A, which is chartered to **NICA (Nicaraguense de Aviacion, S.A.)** and another B-737-3S1, which is chartered to **Air New Zealand, Ltd.** The B-737-3S3 on hand is leased to **Western Pacific Airlines (Westpac)**.

During the third week of January 1997, a code-sharing pact is signed between the TACA Group and **Continental Airlines**. Under its terms, Continental codes will be added to the flights of the TACA partners to Santo Domingo, Cali, Guayaquil and Quito, and Panama City while the TACA designator will also grace Continental frequencies from Houston to Los Angeles and from Houston, Miami, and Dallas (DFW) to Newark.

During the spring, three Cessna 208 Caravan Is received at the start of the year are transferred to **SAHSA (Servicio Aereo de Honduras, S.A.)** and **LACSA (Lineas Aereas Costaricenses, S.A.)**. The latter company becomes the first to offer services from Cuba to North America when it inaugurates flights from San Jose to Toronto via Havana.

A veteran airline executive with service at **Continental Airlines**, **UPS (United Parcel Service)**, **Northwest Airlines**, and **American Airlines**, 36-year-old B. Benjamin Baldanza is named group managing director and chief operating officer in May.

Three Cessna Grand Caravans are delivered in June. By the end of July, TACA Group is operating a combined fleet of 37 jetliners and 8 Grand Caravans. The route network includes stops at 12 points in South American, 14 in Central America, 3 in Mexico, and 8 in the U.S.

Also in July, officials of TACA Group and **American Airlines** sign a memorandum of understanding for establishment of a strategic code-sharing partnership. Due to intense opposition from other Latin American carriers, as well as **Continental Airlines** and **United Airlines**, the pact will remain enmeshed in bureaucratic regulatory wrangling during the next year.

During the summer and fall, joint planning is undertaken between TACA Group, **LANChile, S.A.**, and the Brazilian carrier **TAM (Transportes Aereos Mercosur, S.A.)** for the joint acquisition of up to 200 new narrow-body jetliners. At the same time, the TACA partners begin planning for the elimination of their individual frequent flyer programs in favor of one new loyalty offering.

TACA Group's presence in Cuba is enhanced in August when **AVI-ATECA (Empresa Guatemalteca, S.A.)** launches thrice-weekly roundtrips to Havana from Guatemala City.

During the fall, a number of company aircraft, including a B-767-3SA1, are repainted in a new TACA Group livery that features a white fuselage and a blue tail with a red vertical slash over which appears a logo consisting of five golden macaws, which represent the group members. It is anticipated that the entire group will be repainted by the end of the century.

In November, TACA Group begins service to Santo Domingo. Thrice-daily service to Dallas (DFW) from San Salvador, San Jose, and Guatemala City begins in December.

The company, in January 1998, takes the lead in creation of a new TACA Group frequent flyer program, Distancia. The new loyalty program, affiliated with LatinPass, also allows passengers on any of the five member airlines to collect points when they fly with **KLM (Royal Dutch Airlines, N.V.)** and **USAirways**.

Citizens of El Salvador, Honduras, and Nicaragua are, beginning on February 18, able to employ the new C-4 Central American Immigration card while traveling between the three nations.

On behalf of the TACA Group, **LACSA (Lineas Aereas Costaricenses, S.A.)**, on April 1, inaugurates thrice-weekly B-737 roundtrips between Santo Domingo, Dominican Republic, and Havana, Cuba.

On April 6, in cooperation with ENSA, a company that is owned by the Institute of Civil Aeronautics of Cuba, TACA Group unveils a new "Inter Cuba" division. Although under the operational management of **SANSA (Servicios Aereos Nacionales, S.A.)**, the Costa Rican domestic airline, the new unit's employees, including its general manager, are all Cubans. Under this arrangement, Cessna 208Bs with Costa Rican pi-

lots provide internal frequencies between Havana, Varadero, Cayo Coco, Trinidad, Cayo Largo, and Gerona, all growing tourist areas.

Airbus Industrie achieves a historic victory over its Boeing competitors in April when it signs a gigantic South American consortium purchase agreement. Under its terms, TACA Group, including TACA International, **SAHSA (Servicio Aereo de Honduras, S.A.)**, **NICA (Nicaraguense de Aviacion, S.A.)**, **LACSA (Lineas Aereas Costaricenses, S.A.)**, and **AVIATECA (Aerolineas de Guatemala, S.A.)** promises to take 32 firm A320 family planes, plus 32 options. Other participants are **TAM (Transportes Aereos Regionais, S.A.)** on behalf of itself and its subsidiaries, which agree to acquire 38 firm A320 family aircraft, with 37 options and **LANChile Airlines, S.A.**, which will take 20 A320 family aircraft, with 20 options.

A320-233 daily nonstop return service is inaugurated on April 20 between San Salvador and Washington, D.C. (IAD), between San Salvador and New York (JFK), and between San Salvador and Guatemala City.

As Guatemala has no scheduled, permanent, and efficient domestic air transport for passengers, cargo, or documents, TACA Group decides at the end of the month to remedy that situation. The subsidiary **Transportes Aereos Inter, S.A.** is established at Guatemala City to provide frequencies. Equipped with a fleet of Cessna 208B Grand Caravans operated by Costa Rican pilots of **SANSA (Servicios Aereos Nacionales, S.A.)** under contract, the new entity begins regular flights to Puerto Barrios, Coatepeque, Retalhuleu, Quetzaltenango, Huehuetenango, and El Quiche.

In May, a 49% stake in the parent holding company of TACA Group associate **COPA (Compania Panama de Aviacion, S.A.)** is acquired by **Continental Airlines**. Subject to "certain conditions," the two will enter into a comprehensive marketing and code-sharing alliance. Also during the month, Managing Director/Chief Operating Officer Baldanza is named to the board of directors of **Frontier Airlines (2)**.

The DOT approves the TACA/**American Airlines** alliance in June, with some restrictions, including a prohibition on code-sharing beyond Mexico City. Under terms of the agreement, TACA will place its codes on 126 weekly AA services from 8 points in 7 Central American countries to U.S. gateways and beyond. **American Airlines** will place its designation upon 149 weekly TACA flights from 9 U.S. communities to 10 Central American destinations.

The new arrangement begins in July when the U.S. major places its "AA" code aboard TACA Group services from Dallas (DFW) to Guatemala City and to San Jose via Guatemala City; from Los Angeles to Guatemala City and from Los Angeles (LAX) to San Salvador. The code-share is expanded on August 26 on four new routes: San Francisco to San Salvador, Houston (IAH) to San Salvador, as well as to Roatan, Honduras, on Saturdays, and from Washington, D.C. (IAD) to San Salvador.

During the fall, four new A320-233s are received. All of the group's jetliners are reconfigured for the introduction of Clase Ejecutive (Business Class) service. The initial business services are available over the groups routes from Guatemala City and San Jose to Dallas (DFW).

A \$2-million wet-lease contract is signed with **World Airways** on October 31. Under its terms, the U.S. carrier, beginning on November 1, operates a DC-10-30CF for the group four to six times a week from Miami (MIA) to San Jose, Costa Rica, San Salvador, El Salvador, and San Pedro Sula, Honduras. Flights will continue through the end of the year.

During the first week of November, company aircraft are enlisted to transport 430,000 pounds of relief supplies to Soto Cano AB in Honduras, from where it will be distributed to victims and survivors of Hurricane Mitch. The Honduras-American Emergency Fund in Louisiana had collected the goods.

In addition to relief supply flights, the company establishes an aerial bridge with special flights between the main cities of Honduras so as to overcome the lack of passable roads. It also begins to implement a major program to help rebuild tourism and the economies of the Central American countries affected by the storm.

On November 25, a host of new scheduled changes to be introduced in early December are announced. Demonstrating the growing unity of the group, the individual carriers providing the various services are not

identified. Clase Ejecutive seating will be available on every jet flight by the end of the year.

The decision is taken on December 2 to expand all-cargo services in the new year through the addition of five A300 freighters.

The new schedule is duly implemented on December 7. North American gateway improvements include new daytime nonstop service from Los Angeles (LAX) to both El Salvador and Guatemala City, in addition to the evening service, plus nonstop service to Mexico City and through-service to San Jose. Five daily nonstops are offered between Los Angeles (LAX) and Central America, more than any other airline.

Daily nonstop flights are now operated from New York (JFK) to El Salvador and Guatemala City, plus a new nonstop route to San Jose. From those three stops, connections are available to almost every city in Central America, plus Lima, Caracas, Bogota, Santiago, Quito, and Guayaquil. A daily nonstop is also available from Washington, D.C. (IAD) to El Salvador.

Two daily re-timed flights become available from Houston (IAH) to El Salvador, along with a daily nonstop to Belize and a weekly nonstop to the resort island of Roatan. A new daily nonstop is launched from Dallas (DFW) to El Salvador, doubling service on that route, which complements flights from that Texas city to Guatemala City and through plane service to San Jose.

Daily flights continue to be offered linking Miami with El Salvador, while thrice-daily roundtrips are operated from Miami to San Jose. Nonstop service is also flown daily from Miami to Guatemala City, Managua, and San Pedro Sula, with same-plane service to Tegucigalpa. Daily nonstops are also provided from New Orleans to San Pedro Sula and El Salvador.

Flights from San Francisco to El Salvador are flown every day, while thrice-weekly roundtrips are operated from Toronto to Havana. From the San Jose and El Salvador hubs, the company also offers five daily roundtrips to Guatemala City, San Pedro Sula, Tegucigalpa, Managua, Panama City, Liberia, and Belize. These regional operations will be provided with a mix of jets and newly received Avions de Transport Aerien ATR42-320s.

COPA, on January 19, 1999, places orders for eight Next Generation B-737-700s. Simultaneously, four units are requested from two lessors, Tombo Aviation Services and GE Capital Aviation Services, with the first aircraft scheduled for delivery in April.

In April, TACA President/CEO Bloch is named the 1998 recipient of the Tony Jannus Award for his outstanding contribution to the airline industry. The honor will be presented at a dinner in Tampa, Florida, on October 15.

Chartered from Tombo, the premier Next Generation B-737-71Q is delivered to COPA in ceremonies at Seattle on May 24. The aircraft wears the company's new image, which emphasizes the new alliance with **Continental Airlines**.

Following its arrival at Panama City, additional ceremonies are held, with a ribbon cut by Panamanian first lady Dora Perez Balladares and comments from TACA's Bloch and COPA Chairman Motta. Simultaneously, the code-share with Continental is implemented through a linkage of the two carriers' frequent flyer programs. Plans are announced for the opening of a new Presidents Club at the Panama Airport later in the year. COPA continues to plan for the opening of services to Buenos Aires and São Paulo.

It is announced on May 25 that the number of daily roundtrip flights between Newark and Dallas (DFW) will be increased on September 9 from six to nine.

COPA and **Continental Airlines** begin code-sharing on June 10. The Panamanian line places its "CM" code on approximately 35 Continental flights serving 22 destinations (including Houston, Newark, and Los Angeles), while the American major puts its "CO" code on COPA's flights to Latin America, as well as Miami.

"New Look" daily return service is launched on June 19 between Miami and both Belize City, Belize, and Flores, Guatemala.

About this time, TACA Group takes a minority stake in the Peruvian carrier TransAm, S.A., which is immediately renamed **TACA Peru**,

S.A. It leases to it the B-737-2Q3As required for its October 1 start-up, as well as two new Airbus A319-132s. A third A319-132 is delivered on December 29.

The last of four new A319-132s to be delivered, including the two with TACA Peru, is accepted on March 13, 2000. The "classic" B-737 fleet continues to include 2 each Dash-2K5As and Dash-205A, and 1 each Dash-296A, Dash-242A, Dash-25AA, and Dash-2L9A, plus a Dash-3S1.

A marketing and code-sharing agreement is signed with **Air France** on March 22. With the beginning of the AF arrangement on April 9, TACA Group and the French major exchange designators on their flights between Paris (CDG) and Guatemala, with the consortium carrier able to connect with Air France's worldwide flights via Miami. Weekly Saturday charters, operated on behalf of Cuba Travel Services, from Los Angeles to Havana are launched on April 15.

All-cargo roundtrips begin on June 10 between Guatemala and El Salvador to cities in Mexico.

Due to safety concerns and its inability to measure up to ICAO standards, the FAA downgrades El Salvador to Category 2 status during June. TACA Group core airline TACA International now faces a freeze on its U.S. operations, including its alliance with **American Airlines**, forcing the Group to shift much of its international operations emphasis to its partners **COPA (Compania Panamena de Aviacion, S.A.)** and **LACSA (Lineas Aereas Costarricenses, S.A.)**

In early July, TACA Group Vice President-Maintenance Alfredo Schildknecht is named the group's chief operating officer.

In the wake of Hurricane Keith's devastation in Belize, TACA Group organizes a support plan on October 2 under which the multinational carrier undertakes the immediate delivery of 60 95-pound boxes filled with foods and first-necessity articles. Flights to Belize, cut off by the storm, are resumed on October 4.

Thrice-weekly A320-233 return service is inaugurated on October 31 from San Jose to Montreal via San Salvador and Havana. The last of four A320-233s to be delivered during the year is accepted on December 7. Six more will arrive in 2001, bringing their representation in the fleet to 24 units (including one Dash-232).

Daily roundtrip A319-132 service begins on December 8 from Lima to La Paz and Santa Cruz. A320-233 daily roundtrips commence on December 15 between Lima and Miami.

The eruption of the Popocatepetl Volcano 40 mi. NW of Mexico City on December 20 forces the carrier to cancel all of its flights into and out of the Mexican capital.

Also during December, a B-727 is donated to the Tin Marin children's museum at San Salvador. Company engineers assemble it as a static display.

TACA PERU, S.A.: Avenida Comandante Espinar 331, Miraflores, Lima, Peru; Phone 51 (1) 444-7835; Fax 51 (1) 445 1787; Code ES; Year Founded 1999. With **AeroPeru (Empresa Transportes de Aereos de Peru, S.A.)** bankrupt and on its way to eventual liquidation, Daniel Ratti, former CEO of **Carnival Air Lines**, and Ernesto Mahle establish a new carrier, Trans American Peru, S.A. at Lima during January 1999. When additional capital and support is provided by TACA Group, the company, which retains Ratti as chairman and Mahle as president, is renamed TACA Peru, S.A.

A Peruvian air operator's certificate is obtained on July 13. The TACA Group strategy for the carrier involves its use as a spearhead for the group's deeper penetration into South America.

Outfitted with a pair of Boeing 737-2Q3As leased from TACA Group, the new entrant launches daily roundtrip domestic services from Lima to Iquitos on October 1 and from Lima to Cuzco on October 7. On November 1, scheduled international service is inaugurated from Lima to Miami via Buenos Aires and Sao Paulo employing two Airbus Industrie A319-132s.

TACA Peru officially becomes a member of TACA Group on July 18, 2000. The hub at Lima is expanded with two banks of flights, morning

and early evening, beginning on July 19. Domestic flights are operated with one each B-737-2L9A and B-737-230A, while two more Airbus Industrie A319-132s are brought in to inaugurate new daily return frequencies to Buenos Aires, Caracas, Guayaquil, Mexico City, Panama City, Quito, San Jose, Santiago de Chile, and São Paulo.

International services from Lima are boosted on October 1, with roundtrips started to Bogota and Miami. Daily A319 return service starts on December 8 from Lima to La Paz and Santa Cruz. A320s replace B-737s on the daily Lima to Miami nonstop route beginning on December 15. By year's end, the domestic network from Lima has been increased with stops at Trujillo, Chiclayo, and Piura.

TACH (TRANSPORTES AEREOS DE CHIAPAS, S.A. de C.V.): Mexico (1933–1939). Noted Mexican aviator Francisco "Pancho" Sarabia and his brother Jesus form a cargo charter operation in early 1933, Sarabia Hermanos, and operate it as partners, flying chicle and coffee from the southeastern states of Chiapas and Tabasco. Later, in the spring, the name is changed to TACH (Transportes Aereos de Chiapas, S.A.) and on May 25 the government grants the brothers the route concession formerly flown by Charles Wren's *Pickwick Airways*.

Employing single engine Travel Airs 4000s, Bellanca CH-300 Pace-makers, and Stinsons, TACH maintains its routes, adding passenger service and during late 1934 serves as a feeder for Walter Varney's **LAO (Lineas Aereas Occidentales, S.A.)**, which suspends operations in January 1935.

Thereafter, the company concentrates on building up its local chicle and coffee freight service; two Pilgrim 100s and a rare EMSCO Model B-3-A are acquired in 1937. The small competitor **Aerovias de Quintana Roo** is purchased and merged in late 1938, its route concessions being received in early 1939. On June 7 of the latter year, Francisco Sarabia is killed in the crash of his record breaking Gee Bee *Conquistador del Cielo*.

The company is now split in two. Jesus Sarabia begins flying a coastal service under the name **Lineas Aereas Jesus Sarabia, S.A. de C.V.**; however, he is killed in a crash at Quintana Roo on September 2. Francisco's widow Agripina Diaz and his former chauffeur Effego Cabrera change LAO's name to **Compania Aeronautica Francisco Sarabia, S.A. de C.V.**

TACSA (TAXI AEREO CENTROAMERICANO, S.A.): Tobias Bolanos Airport, Hangar #9, Pavas, San Jose, Costa Rica; Phone 232-1317; Fax 232-1469; <http://www.crdirect.com/tacsa>; Year Founded 1996. TACSA is established at San Jose in 1996 to offer both scheduled and nonscheduled domestic passenger and cargo services. Flights are operated with a sizeable fleet of small aircraft which, by decade's end, includes several Cessna 182s, 5 C-206s, 7 Piper Aztecs, and 4 Piper PA-31-310 Navajos. On occasion, Let L-410UVP-E are leased for charter flights.

The company is not well regarded for its safety. On September 18, 1998, a PA-31-310 crashes into two local houses just after takeoff from Tobias Bolanos Airport (2 dead).

A more dramatic tragedy occurs on January 15, 2000. Having departed Tobias Bolanos on a charter to Tortuguero National Park, a leased L-410UVP-E with 3 crew and 17 passengers is unable to maintain its height and crashes into a home in the upscale Rohrmoser neighborhood of San Jose. Former Central Intelligence Agency (CIA) Director Adm. Stansfield Turner is among the injured in the disaster, which kills his wife, Eli Karen, a San Francisco couple, and a Spaniard. A housekeeper in the demolished home is also hurt.

The actions and lapses of the badly injured crew are later enumerated and include overloading of the aircraft, failure to calculate the plane's weight and balance, no provision of a safety briefing for passengers, non-connection of an installed FDR, and improper flap selection.

TACSA (TRANSPORTES AEREOS DE CARGA, S.A. de C.V.): Mexico (1960–1984). An all-cargo airline formed at Ensenada in 1960,

TACSA flies from that city to Tijuana and to Punta Abreojos via Isla Cedros with Douglas DC-3s. A DC-6F is acquired from **Mexicana Airlines, S.A. de C.V.** in January 1972.

Upon the failure of **Aerocarga, S.A. de C.V.** in 1977, that company's routes and assets are acquired, including a Lockheed L-188AF and a U.S. government contract to return deported Mexican citizens.

Following the world economic recession and the dramatic increase in fuel costs in the early 1980s, the carrier is no longer able to turn a profit and stops flying by 1984.

TACV CABO VERDE AIRLINES (TRANSPORTES AEREOS DE CABO VERDE, S.A.): P.O. Box 1, Rua Guerra Mendes 11/13, Praia, Santiago, Cape Verde; Phone 238 613 215; Fax 238 613 585; <http://www.57.250.224.29>; Code VR; Year Founded 1958. When the local aero club, which has been providing air transport since 1955 with a de Havilland DH 89A Dragon Rapide, goes bankrupt at Praia's Espargo Airport in 1958, the Portuguese government steps in on December 27 and forms TACV to take over its services in on a formal, scheduled basis.

Flight operations commence in January 1959 over a Praia–Sal–São Vicente–Praia route. Two de Havilland DH 104 Doves supplement the Dragon Rapide, until the company is closed down at the end of 1966 for reformation.

Following a period of suspended operations, the carrier is reorganized in 1967 by native-born Anastacia Filinto Correia e Silva, who is sent from Lisbon by **TAP-Air Portugal, S.A.** to become CEO. A third Dove is supplied and service is resumed over the original route, as well as to São Vicente, São Nicolau, and Boa Vista.

Operations continue apace during the remainder of the decade and into the next as the principal islands of the 275,000-citizen republic are all linked. In addition, on-demand charters are often flown.

The first of two Hawker Siddeley HS 748s to be delivered arrives in 1973 and enplanements total 38,048. The employee population in 1974 numbers 172 and the fleet includes 2 HS 748s, 3 de Havilland DH 104 Doves, and 3 Britten-Norman BN-2 Islanders. On December 30, Portuguese transfers power to a transitional government headed by the Portuguese High Commissioner.

Passenger boardings jump 35% to 57,787 and cargo traffic accelerates by 104% to 619,912 FTKs flown.

Following the July 5, 1975 independence of the islands, TACV becomes the national airline. CEO Correia e Silva is retained by the new national leadership, becoming general manager and president of the board of management. He now establishes a route to Dakar, in Senegal, which will be the company's lone international service for many years.

Enplanements for the full year total 62,666.

Airline employment grows 6% in 1976 to 220. Passenger boardings jump 10% to 69,629 and freight traffic is up by 9% to 1.1 million FTKs.

During 1977–1982, the fleet grows to include 2 BAe (HS) 748-2As and 2 de Havilland Canada DHC-6-300s. Airline employment reaches 300. Passenger enplanements in 1981 and 1982 total 103,000 and 113,000, respectively.

The carrier becomes a public company in 1983 and Valdemar Fortse de Sousa Lobo becomes CEO. In 1984, enplanements total 126,433, with revenues exceeding \$2 million. The employee population in 1985 stands at 475. A Douglas DC-10-30, chartered from **LAM-Mozambique Airlines, S.A.** begins weekly weekend charter flights to Lisbon for six months, beginning in April.

Operations continue apace in 1986 and in the summer of 1987, twice-weekly service is initiated between Sal and Boston employing the DC-10-30 leased from **LAM Mozambique Airlines, S.A.** During 1988, a direct route to Lisbon is started by the company in cooperation with **TAP-Air Portugal, S.A.**, which conducts the flight with its A310-304 under a TACV flight number.

Late in 1989, the fleet is increased by the delivery of an Embraer EMB-120 Brasilia. The fleet in 1990–1991 includes 2 each CASA C-212-300 Aviocars, DHC-6-300s, and BAe (HS) 748-2As, plus the Brasilia.

In **1992–1993**, new President/General Manager Alfredo Carvalho oversees a workforce of 580. European destinations visited, with the co-operation of **TAP-Air Portugal, S.A.**, include Lisbon, Amsterdam, and Frankfurt. Enplanements in the latter year total 169,903.

Fleet renewal plans are announced during the spring of **1994**. Both CASAs and the Brasília will be replaced before the end of the year with two new Avions de Transport Aerien ATR42-320s. A B-767-281ER is leased from **LAM Mozambique Airlines, S.A.** and used to start flying from Sal to Amsterdam and Frankfurt.

Passenger boardings accelerate 18.3% to 207,959 while 19.2 million FTKs are operated.

Operations continue apace in **1995** and business improves. During January **1996**, a Boeing 757-2Q8 is chartered from International Lease Finance Corporation. It enters service in March on the company's long-haul routes from Sal to Lisbon, Amsterdam, Frankfurt, and Paris, replacing the B-767, which is returned to Mozambique.

The company now joins with **Air Bissau (Transportes Aereos da Guine-Bissau, S.A.)** to provide joint services. Under this arrangement, the two fly weekly roundtrips from Bissau to Lisbon, employing TACV's Boeing 757-2Q8. Similarly, weekly roundtrips are offered from Bissau to Dakar employing one of TACV's ATR42-320.

Airline employment stands at 580 in **1997** and domestic destinations visited include Boa Vista, Brava, Maio, Mosteiros, Sal, Santo Antao, Sao Nicolau, and Sao Vicente. Flights to Munich begin on October 30.

While landing at Praia on Santiago Island on September 28, **1998**, after a charter service from Sao Nicolau Island, a DHC-6-300 with 3 crew and 19 passengers including Prime Minister Carlos Veiga, crashes in stormy weather. One of the prime minister's bodyguards is killed and four other persons are injured.

New roundtrip service is inaugurated on October 25 from Sal to Bologna and Vienna.

Flights continue in **1999**. While on a go-around on August 7, a Dornier 228-212 acquired the previous year and with 18 passengers, crashes. There are no survivors. A total of 762 workers are employed at the beginning **2000**. A second B-757-2Q8ER arrives under charter from ILFC in April.

TADAIR, S.A.: Mallorca, no. 319, Barcelona, 08037, Spain; Phone 93 712 36 08; Fax 93 712 29 49; <http://www.tadair.es>; Year Founded 1998. Tadair is established at Barcelona in **1998** to offer on-demand executive and small group passenger charters on a 24-hour-a-day, seven-day-a-week basis. Revenue flights begin, and continue, with a single Fairchild Metro III.

TADZHIK AIR. See **TAJIK AIR**

TAE (TRABAJOS AEROS Y ENLACES, S.A.) See **TRABAJOS AEROS Y ENLACES, S.A.**

TAE GREEK NATIONAL AIRLINES TECHNICAL AND AERONAUTICAL EXPLOITATIONS COMPANY, S.A. (TAE): Greece (1940–1957). When **Helliniki Eteris Enaerion Synghinonion (HEES)** ceases operations in **1940**, its equipment and routes are assumed by this new entrant. When the Germans invade in **1941**, all company assets are purposely destroyed.

In early **1946**, the prewar company is reformed and on April 6 a contract is signed with **Trans World Airlines (TWA)** for technical assistance. Pilots of the American carrier, which holds 35% shareholding, inaugurate domestic Douglas DC-3 services, mainly to larger cities, on July 8; later, routes are begun to Alexandria and Istanbul. Frequencies are maintained but services are not financially successful.

Operations continue apace largely without change through the remainder of the decade. The most significant events of this period are tragic.

En route from Athens to Salonika on September 12, **1948**, a DC-3, with 23 passengers is hijacked by 8 passengers, some of whom beat members of the crew severely and force the aircraft to divert to Tetovo, Yugoslavia.

On June 6, **1949**, a DC-3 with 22 passengers including Maj. Gen. George Kotsalos, the military governor of Kavella, crashes 17 mi. from Athens; there are no survivors.

In July **1951**, the local service airline becomes one of three small carriers which, under government supervision, are amalgamated into a new joint stock company that is placed under the TAE banner. Shareholding is divided between TAE (30%), **Trans World Airlines (TWA)** (15.5%), **Aeroporike Metaphore Ellados (AME)** (5%), the Greek Civil Service pension fund (24%), the National Bank of Greece (16%), and the Greek government (10%). Scottish Aviation, which had held interest in one of the merger partners, withdraws.

Financial reversals continue and by August **1954** the government, which is making good the losses, is forced to announce that the carrier faces complete privatization. On June 1, **1955**, the airline is taken over by the Greek Transport Ministry, which sells it to shipping magnate Aristotle Onassis on January 2, **1957**; Onassis reforms the airline and re-names it **Olympic Airways, S.A.** on April 6.

TAESA (TRANSPORTES AEREOS EJECUTIVOS, S.A. de C.V.): Mexico (1988–2000). Financed with private money, including 51% shareholding from businessman Carlos Hank Rhon, TAESA is established by Alberto Angel Abed Shekaiban as an FBO/air taxi at Mexico City in April **1988**. Rhon is chairman, Abed Shekaiban is managing director, and executive passenger charters commence with a pair of Learjet 25Bs. A total of 8,000 passengers are flown on the year.

A cargo division is set up by Managing Director Abed Shekaiban very late in **1989** when two ex-Mexican army Boeing 727-100Fs become available.

The first of these, a B-727-64F, is employed to inaugurate cargo charters in January **1990**. Two more B-727-100s are obtained as a passenger airline operating division of the FBO/air taxi concern is created. Passenger charters are operated to a number of Latin American locations as plans are made to operate scheduled domestic services and international passenger (mainly business executives) and cargo charters.

The next month, a B-727-104 is acquired and used to open scheduled passenger service over a single route. In addition, an executive transport fleet is built comprising 1 Grumman G-159 Gulfstream I, 12 Learjets, and 1 Rockwell Saberliner 40. As is the custom with many privately owned U.S. carriers, traffic and financial figures are not released.

Airline employment stands at 700 in **1991** and the fleet is increased. In addition to the two aircraft employed the previous year, the following units are leased or purchased: a B-727-22, B-727-27, B-727-35, B-727-51, B-727-24C, and B-727-114. Leased are one each B-737-3Y0, B-757-2Y0, and B-757-236. A second B-757-2Y0 remains on order.

The first international run is inaugurated roundtrip between Mexico City and Laredo, Texas; it is followed by roundtrips from Mexico City to Vail, Colorado, and Las Vegas, as well as from Mexico City to Vienna, Cologne, Paris, Barcelona, and Madrid. The airline becomes the first Mexican B-757 operator in October when it receives the B-757-2Y0.

In a three-day period in December, the company obtains most of the fleet noted above in response to its quick signature of contracts with Canadian tour operators left in the lurch by the grounding of **LaTur (Lineas Aereas Latur, S.A. de C.V.)**. Passenger charters are consequently initiated to Brussels and the number of domestic scheduled routes is increased to 12. A contract is signed with **DHL Worldwide Express** and the B-727-24C is dedicated to its fulfillment.

Passenger traffic figures are released and show enplanements for the year totaling 371,700.

Operations of Mexico's third largest domestic airline and largest charter operator continue apace in **1992** as the B-757-236 is delivered, along with a chartered B-767-3Y0ER, four B-737-5Y0s, one B-737-4Y0, and two B-737-3Y0s. Scheduled services are launched to 18 Mexican communities and the former **Mexicana Airlines, S.A. de C.V.** commuter partner **Noroeste (Aviacion Noroeste, S.A. de C.V.)** switches over its feeder affiliation.

Acting under U.S. DOT authorization, TAESA on July 22 launches thrice-weekly same-plane flights from Chicago (ORD) to Mexico City via Zacatecas and Morelia. Mexico City to Milan charters begin on August 11 and, in mid-October the airline is awarded new routes from Chicago to Guadalajara and Leon, from Laredo to Leon, and from Los Angeles to Zacatecas via Ontario.

Employing the original Learjet 25Bs reconfigured, the company inaugurates small package services on behalf of **Airborne Express**. In December, the airline is criticized for a variety of safety-oriented deficiencies in a U.S. General Accounting report, which also notes that Canada has suspended all TAESA flights to its territory because of safety shortcomings.

The workforce is increased to 2,000 and bookings jump 433% to reach 898,000, of which 800,000 are carried over the company's extensive charter system throughout the U.S. and Europe. Revenues total \$300 million and a net \$12-million profit is recorded.

Airline employment, all nonunion, stands at 2,200 in **1993**. On February 22, Chairman Rhon joins in a public worry over the new alliance between **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and **Mexicana Airlines, S.A. de C.V.** Managing Director Abed Shekaiban is interviewed by *The Wall Street Journal* on March 1 and again expresses concern over the linkage between the majors. Later in the month, he meets with officials from the Mexican Transportation Secretariat and Civil Aviation Authority to discuss the airline's safety record.

Alberto and his brother Miguel obtain complete ownership in April, with the former president now occupying the post of chairman/CEO. The company inaugurates scheduled international services to Laredo, Oakland, Chicago, New York, and Detroit. Charter destinations now include Barcelona, Madrid, Paris, Cologne, Munich, Frankfurt, Berlin, Rome, Milan, Brussels, Vienna, Reykjavik, Cordoba, Buenos Aires, and São Paulo.

On his third journey to Mexico, Pope John Paul II is flown from Kingston, Jamaica, to Merida aboard a company B-757-2Y0 fittingly and briefly reregistered XA-KWK, the initials of the Pontiff's name, Karl Wojtyla Kaczorowska. Among the air taxi division's other famous passengers this year are Paul McCartney and Michael Jackson.

Passenger bookings through November total 1,585,627 (scheduled)—a 141.9% increase—and 339,281 (charter). Estimated revenues are \$340 million.

Regularly scheduled passenger service is provided to 26 domestic locations by January **1994**. In addition, charters are undertaken from numerous Mexican markets to 6 destinations in Canada, 12 in Europe, 3 in South America, 9 in the Caribbean, 24 in the U.S. A two-year marketing and code-sharing alliance is signed with **United Airlines** in February while charters to Tokyo begin on March 30. That service, the first ever between Japan and Mexico, is undertaken as a charter joint venture with the large Rising Sun tour operator Nichimen Aviation, Ltd.

At the end of April, several Mexican regionals join with TAESA in a merger of support services designed to make the carriers more competitive with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and **Mexicana Airlines, S.A. de C.V.** Under the arrangement, the carriers share reservations systems, maintenance facilities, ticketing, airport facilities, hangars, and work crews.

During the spring, the airline leases a B-737-5Y0 to **Dominicana (Compania Dominicana de Aviacion, S.A.)** until that carrier can obtain a leased aircraft of its own.

The company is the official carrier of the Mexican national soccer team when it comes to the U.S. to play in the summer's World Cup matches. The subsidiary company **Pueblas Aerolineas, S.A. de C.V.** is established to provide scheduled feed from Puebla with a pair of B-737-3Y0s transferred over from the parent's fleet. Meanwhile, **Noroeste (Aviacion Noroeste, S.A. de C.V.)** is purchased and merged. Enplanements are 2,803,264.

Airline employment stands at 3,000 in **1995**. The airline's 52 aircraft transport a total of 2,070,358, a large 35.4% decline. Freight traffic is also off, falling an even greater 65.5% to 15.92 million FTKs.

Two hundred workers are hired in **1996**. The fleet now includes 2 B-727-23s, 1 each B-727-14, B-727-31, B-727-51, B-727-64F, B-727-24C, 2 each B-737-2T4As and B-737-33As, 1 each B-737-3K2 and B-737-3M8, 1 B-757-23A, 2 DC-9-14s, 3 DC-9-15s, and 3 DC-10-30s. The majority of these aircraft are leased.

Although customer bookings decline 30.9% to 1,429,704, cargo surges, growing 121.7% to 35.3 million FTKs.

The employee population is reduced by 12.5% in **1997** to 2800. A B-737-4Q8 is chartered from ILFC.

Still, passenger boardings accelerate 11.7% to 1,596,235 while freight skyrockets an almost unbelievable 905.5% to 354.99 million FTKs.

Destinations visited by the nation's third largest airline in **1998** include Acapulco, Cancun, Chicago (ORD), Ciudad Juarez, Culiacan, Guadalajara, Hermosillo, Laredo, Leon/Guanajuato, Merida, Monterrey, Puerto Vallarta, Tapachula, Uruapan, Vail, and Zacatecas.

A DC-9-31F, previously employed by the U.S. National Aeronautics and Space Administration (NASA), enters service in June.

On October 22, the U.S. FAA fines TAESA \$160,000 for operating a DC-10-30F in a cargo-carrying operation to the U.S. in excess of its maximum allowable gross weight and failure to maintain it properly.

In November, another DC-10-30F undertakes cargo flights on behalf of the Chilean start-up NSW-New Southways, a cargo sales agent. The aircraft wears dual titles for both concerns.

In the midst of a nationwide scandal involving charges of government and business corruption, Mexican President Ernesto Zedillo vows to crack down on white-collar crime and asks Congress to enact stiffer laws against tax evasion. The Finance Ministry and Office of the Attorney General are directed to enhance their efforts to assure that taxpayers comply promptly and correctly with their payments.

In line with this new government push, Chairman Abed Shekaiban is arrested on December 10 and charged with tax fraud in the amount of 28.78 million pesos (\$2.9 million). It is alleged that this figure has been withheld from workers' paychecks but not turned in to the country's coffers.

Customer bookings jump 18.6% to 1.89 million, while cargo traffic falls 29.5% to 354.99 million FTKs.

A strategic partnership is entered into with the U.S. firm Network Cargo System World Wide on January 21, **1999**. Under its terms, the airline will provide its fleet and the forwarder will invest \$25 million. Between them, nonstop cargo services will be offered from the U.S. to various communities in Mexico and Central America.

During the first quarter, a new color scheme is introduced in which the yellow on aircraft tails extends to the tops of fuselages. The livery is introduced on the B-737-4Q8, which will be returned to ILFC later in the spring.

It is reported on March 5 that the carrier has begun to renegotiate its huge \$350-million debt. On March 14, it liquidates \$80 million of its debt to foreign banks. Although it still owes \$270 million, a restructuring program has been started and recovery is expected.

Unhappily, the turnaround will not occur.

Daily B-737-33A roundtrips are inaugurated on October 28 from Oaxaca to Tijuana via Puebla and Hermosillo. A B-737-4Y0 is now subleased to **Ryan International Airlines** for the winter charter season.

Flight 725, the former NASA DC-9-31F is en route from Tijuana to Mexico City via Guadalajara and Uruapan on November 9 when disaster strikes. Just after takeoff from Uruapan, where 85 passengers have deplaned, the jetliner, with 5 crew and 18 passengers, crashes into an avocado grove 3.3 mi. S of the airport. There are no survivors.

As a direct result of the tragedy, TAESA's operations are suspended by the Mexican government on November 23. A promised fast investigation of the airline continues for a month. On December 23, the government releases its findings, which include 43 conditions TAESA must meet before regaining its certification.

Prior to its shutdown, enplanements for the year have risen to 2,027,000 and 53.76 million FTKs are also operated.

Airline employment at the beginning of **2000** stands at 3,820, a 36.4% increase over the previous 12 months. January is spent attempting

to meet the government's conditions and to cobble together a restructuring plan.

It is reported on January 21 that the grounded company has found partners willing to inject the \$130 million required to get the carrier back into the air once civil aviation authorities have finished their review of its aircraft and procedures. It is anticipated that these details will be completed in a matter of course and that TAESA will soon be offering scheduled services.

On January 31, representatives of the Mexican tourism industry petition Secretary of Communications and Transportation Carlos Ruiz Sacristan and Tourism Secretary Oscar Espinosa asking them to intervene in the TAESA situation and allow the company to resume operations as a way of ending the growing air transport monopoly of the CINTRA carriers **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** and **Mexicana Airlines, S.A. de C.V.**

The company is unable to make its January payroll. This gigantic downturn causes hundreds of employees to protest in downtown Mexico City on February 3, demanding that the government allow the carrier to resume operations. For his part, Mexican Secretary of Communications and Transportation Sacristan answers that by noting that the airline is, technically, bankrupt, under national law it cannot continue flying.

On February 17, most of the company's 3,500 unhappy workers demand the confiscation of two aircraft, which should be sold to raise the 12.3 million pesos owed them for unpaid wages. A strike is threatened if the funds are not forthcoming. The airline, meanwhile, indicates that it is virtually bankrupt and cannot pay any of its debts.

With an estimated \$60 million in assets and \$380 million in debt, the company is officially declared bankrupt by Mexico City Bankruptcy Court Judge Justino Montes de Oca on February 21. On March 9, Banobras is appointed the defunct carrier's official executor. Executives from the public works development bank now begin a review of the company's books to determine its exact financial situation, how it may be able to work with creditors, and whether or not it can fly again. Simultaneously, Angel Celorio, who heads the TAESA workers' union, indicates that at least two potential buyers will soon step forward.

A potential takeover remains shrouded in mystery. On April 3, Marco Delgado, representing an unnamed "American consortium," asks to begin negotiations by requesting use of 22 TAESA routes—and seven more besides. On May 12, Judge Montes de Oca denies four requests for stays of execution on his earlier bankruptcy order. Banobras completes its audit of TAESA on June 9 and its findings are not encouraging. Instead of an estimated \$60 million in assets, it actually has only \$20 million-worth, including vehicles, equipment, and a pair of B-727s. Unhappily, the original \$380-million deficit figure remains correct.

Grupo Hispano Americano de Aviacion, a mixed Mexican-U.S. investment group, steps forward on June 15 to express interest in purchasing the company and restarting it on July 1. If successful, the reborn TAESA would employ most of the previous operation's fleet and operate over 15 domestic and international routes. Transport Secretary Sacristan reports on June 19 that Grupo Hispano Americano de Aviacion has not yet applied for a concession to operate their announced carrier and there is no longer time enough to obtain the necessary clearances before the announced July 1 start-up date. Sacristan notes that, should the group make application and comply with all legal requirements, a concession would be forthcoming.

The remaining TAESA assets are sold to a new entity, **Lineas Aereas Azteca, S.A. de C.V.** on October 13. The new entrant, owned by gas transportation company owner Leonardo Sanchez Davalos (75%) and U.S. interests (25%), acquires the TAESA operating permit, five aircraft, and a hangar at Toluca. Preparations now begin to get the reborn airline off the ground in early 2001.

A special commission appointed to determine a cause of the November 1999 DC-9 disaster reports on November 1 that, although several procedural mistakes have been determined, it is not possible to establish the exact reason for the crash.

During the summer and into winter, efforts have continue to revive the carrier. Eventually, it is determine that the carrier should be reborn

as a new entity, **Lineas Aereas Azteca, S.A. de C.V.** The carrier's 2,700 unionized members patiently await further developments. In its November issue, *AVNews: Latin America and the Caribbean* reports that Azteca has acquired the assets of TAESA from Banobras, including four aircraft, hangars, and airport facilities around Mexico. Gas transport magnate Davalos is known to own 75% of the new entity, with the remaining 25% allegedly held by a U.S. carrier, possibly **America West Airlines** or **Southwest Airlines (2)**.

As the result of an arrangement between Banobras and TAESA workers' union leader Angel Celorio Guevara, the labor force is finally dismissed on November 16. Under terms of the mass termination, each worker receives a severance package equivalent to eight months pay, with additional payments for seniority. Critics complain that the settlement is 50% less than one offered earlier. Still, distribution is completed by the end of the month.

On December 19, it is reported that Azteca will launch service on March 1 with a fleet of 17 B-737-300s.

TAF (LINHAS AEREAS, S.A.): Hangar: Airport Pinto Martins, Fortaleza, Brazil; Phone (085) 272-7333; Fax (085) 272-5144; <http://www.secrel.com.br/taf>; Year Founded 1957. The small air taxi carrier TAF is established on the aero club grounds at Fortaleza, capital of Ceara State, Brazil, by Capt. Ariston Pessoa de Aradjo in 1957. From ad hoc passenger and cargo flights, the company, over the next 42 years develops a full program of services that include scheduled and non-scheduled passenger and cargo flights. By 1999, the fleet includes 5 Cessna 208 Caravans, 4 Embraer EMB-110 Bandeirantes, 1 Cessna Citation I bizjet, and 1 Esquilo AS.305 charter helicopter. Scheduled frequencies are maintained from Fortaleza to Igauatu, Terezina, Fernando de Noronha, Sobral, Parnaiba, Joao Pessoa, and Juazeiro do Norte.

A Boeing 737-200 is acquired in late May 2000.

TAG (SOCIETE DES TRANSPORTS AERIENS GUYANAIS, S.A.): French Guiana (1919-1922). Headquartered in Paris but with its operating base at Saint Laurent du Maroni, TAG is founded on June 7, 1919. Employing a war surplus Levy-Lepen R flying boat, the company undertakes its first flight from Laurent to the capital of Cayenne on October 12. Additional flights are made to other coastal stops and up the Maroni River.

Flying boat mishaps cause a temporary suspension of operations in April 1920. After four new aircraft are delivered, regularly scheduled twice-weekly Saint Laurent du Maroni to Inini services commence on October 7 followed by a frequency to Cayenne started three days later.

Company records for March 1921 show that 40 scheduled flights have been made, carrying 64 passengers and assorted cargo and mail over 13,754 kilometers. Additional accidents to the thin-skinned Levy-Lepens results in the introduction of four Breguet 14Tbis Limousines later in the year. When TAG ceases operations on October 30, 1922, it enters the record books as the first regularly scheduled airline in the Americas to operate nonseasonal sustained services.

TAG AIRLINES: United States (1955-1978). **Taxi Air Group** is organized by William Knight at Lakefront Airport, Cleveland, Ohio, in 1955 and for the next two years offers on-demand floatplane air taxi flights to Toledo, Akron, and other local destinations with one de Havilland Canada DHC-3 Otter and two DHC-2 Beavers. Financial losses are incurred as services cannot be offered during the winter, when Lake Erie freezes.

E. Ross Miller, owner of the Toledo-based Miller Oil Company, and W. C. Brookmeyer, of Cleveland, approach Knight seeking to purchase a Beaver. When negotiations are over, the two have bought out Knight in July 1957 for \$200,000.

Two de Havilland DH 104 Doves are acquired and are employed by the new Miller Oil Company subsidiary to inaugurate four-times-a-day roundtrips between Cleveland's Lakefront Airport and Detroit City Airport. Taxi Air Group takes over and merges Rockford, Illinois-based **Illini Airlines** in December.

Early in **1958**, a third Dove is acquired and TAG begins to operate year-round passenger and cargo flights from Rockford to Detroit City Airport via Chicago (Meigs Field). Chicago is dropped on April 1 in order that the Rockford–Detroit route may be flown direct. Service is inaugurated between Cleveland and Akron on April 28 and from Akron to Detroit on May 5.

Miller's company is transferred to Detroit in July and in the fall the organization is reformed into a scheduled carrier and renamed TAG Airlines. Employing its DH-104 Doves, the new airline begins daily roundtrip revenue services from Burke Lakefront Airport to Detroit City Airport on October 1.

Flights from Rockford to Detroit and from Detroit and Cleveland to Akron cease in **1959** in order that TAG might turn its single route service into a shuttle, "every hour, on the hour."

Enplanements for the year total 20,767.

TAG applies to the CAB on February 1, **1960** for certification as a scheduled airline; initially rejected, the company goes through the application process again on February 8, **1961**.

Throughout **1962**, Miller and his colleagues await action by the regulatory body, but in the end, have no success.

Chairman Miller and his attorney, Merrill Armour, establish the Association of Commuter Airlines in **1963**. Passenger boardings for the year total 44,324.

A third filing is made with the CAB on August 7, **1964**. **North Central Airlines** opposes TAG's request and no action is taken. The company files for the fourth time on September 24 and again NCA stands in opposition. Dove flights link Cleveland with Cincinnati via Columbus beginning on March 15, **1965**.

On May 3, the first of 15 newly received Piper PA-23 Aztecs inaugurate daily frequencies from the 2 new Buckeye destinations to Detroit. During the year, the Cleveland terminus is transferred to Hopkins Airport while that at Detroit is moved to Metropolitan Airport.

Enplanements for the year are 83,873.

Service to Pittsburgh's Allegheny County Airport begins in **1966**, the same year in which unionized company pilots strike the commuter. Significant competition begins on May 18, **1967** when former TAG official Gerald E. Wheeler's **Wright Airlines** begins Cleveland–Detroit frequencies.

Miller seeks permission to begin employment of 40-seat Fokker F.27s as replacements for his aging Doves. Instead, the regulators require the company to suspend services on all of its routes except the "grandfathered" Cleveland–Detroit run. Much of **1968** is occupied in an unsuccessful attempt to become a member of the "Allegheny Commuter" network.

On March 8, **1969**, the CAB grants TAG permission to begin operating F.27s over its Cleveland–Detroit route. The move immediately brings a protest from Wright; as a result of the CAB hearing that follows, the government approval is withdrawn.

On June 28, TAG is incorporated as a freestanding airline and an entity separate from its former Miller Oil Company parent. After a decade of petitions, TAG finally receives a temporary CAB Certificate of Public Convenience and Necessity the next day.

Customer bookings reach 58,222.

A crack in a wing fitting causes a DH-104 en route from Cleveland to Detroit to crash into frozen Lake Erie, 15 mi. offshore from Cleveland, on January 28, **1970** (9 dead). The attendant legal and public relations difficulties surrounding the crash and salvage operations drive passengers away. In May, only 881 commuters are flown and only 2 Doves are required to fly the company's schedule of 10 daily roundtrips, down two-thirds in just one year.

Miller and Wright officials agree to a merger in June, but the plan is vetoed by the CAB in July. Out of options and with its bookings for the year to date being only 9,489, TAG goes out of business on August 7.

TAGP (TRANSPORTES AEREOS DA GUINE PORTUGUSA, S.A.): Portuguese Guinea (1960–1974). TAGP is set up at Bissau in **1960** to offer scheduled services to Dakar, Praia, and Ilha do Sal. Rev-

enue flights commence with a single de Havilland DH 114 Heron 1B. The Heron is supplemented in **1961–1964** by a pair of DH 89A Dragon Rapides.

The fleet is revamped in **1964–1968**. The Dragon Rapides are retired and replaced with another Heron 1B, three Dornier Do-28s, and one each Cessna 206 and C-172H.

At this point, some of the longer route segments are taken over by **TAP-Air Portugal, S.A.**, including the service to Bissau from Ilha do Sal. This arrangement continues until **1974** when Portugal agrees to the colony's independence, unilaterally declared the previous September 24. TAGP is now renamed **LIA (Linha Aerea da Guine-Bissau, S.A.)**.

TAGUA COLOMBIA (TAXI AEREO DEL GUAVIARE, S.A.): Calle 40, No. 29-103, Villavicencio, Meta, Colombia; Phone 57 (86) 644106; Fax 57 (86) 623475; Year Founded 1990. With a base at Villavicencio, TAGUA is formed in **1990** to offer scheduled, third-level passenger and cargo flights throughout the local region. In **1993–2000**, General Manager Hernando Villamizar's fleet comprises 3 Cessna 206s and 1 Pilatus Britten-Norman BN-2 Islander.

TAH (TRANSPORTES AEREOS HONDURENOS, S.A.): Honduras (1931–1932). Dr. T. C. Pounds, who had started the first air transport service in Central America in 1923 and who had been involved with the unsuccessful **Central American Air Lines** of 1927–1928, returns to the Honduran air scene in **1931**.

After receiving government permission, he brings a Stinson Detrioter into the country from the U.S. on August 26 and in September, joining with other partners, forms TAH. A mail contract is briefly flown; however, a dispute between the partners leads to a company shutdown on December 30.

Pounds' mail contract is renewed in early **1932** and he makes a few, sporadic flights before giving up his enterprise on February 20.

TAHITI CONQUEST AIRLINES, S.A.: BP 6109, Faa'a, Tahiti, French Polynesia; Phone 689 85 55 54; Fax 689 85 55 56; Code TQ8; Year Founded 1990. Tahiti Conquest is formed in **1990** at Aeroport de Tahiti, Papeete, to provide interisland commuter flights. President Michel Thion's initial fleet comprises 1 Beech B-58 Baron, 2 Cessna 441s, and 1 new Dornier 228-212. A Cessna 55 is acquired in **1991** and in **1992** the Baron and one 441 are withdrawn.

Operations continued during the remainder of the decade, during which years one 228-212 is replaced with a Fairchild Dornier 328-110.

TAHOE AIR: United States (1996–2000). Tahoe Air Corporation is founded by Bruce Wetzel and Mark Sando during September **1996** with the goal of providing scheduled direct jet service from Lake Tahoe. During the next 24 months, preparations proceed slowly for the initiation of the new flights. An application is filed with the DOT for certification and a management contract is signed with Elko, Nevada-based TEM, Inc., whose CEO, George Warde, now becomes Tahoe Air's chairman. In addition to Wetzel as president/CEO and major investor Sando as executive vice president, other appointments, all from the Lake Tahoe area, include Vice Presidents Gale Davis, Jack Keady, and Gail Sutton.

Late in this gestation period, controlling interest is sold to Pacific Sports Holidays (PSH) of Westlake Village, California. Roseville-based Capitol Bay Securities, an investment banking concern, raises the initial \$5 million start-up funding. The decision is now taken to withdraw the DOT application (and file again in 2000) and to complete a block-seat arrangement with Elko-based **Casino Express**.

Concrete planning is acted upon for the initiation of direct frequencies to both Los Angeles and San Jose. Travel agents are briefed and community relations are undertaken. Efforts are made to coordinate airline activities with those of leading local attractions.

Arrangements are completed to obtain 85% of the seats abroad a hush-kitted Boeing 737-214A in Tahoe Air colors from **Casino Express**, via TEM, which also handles acquisition of flight and cabin crews.

Presided over by *The Newlywed Game* host Bob Eubanks, as well as PSH Chairman Lawrence Donizetti, the inaugural press and VIP flight is made to Los Angeles on June 25, 1999. Thrice-daily nonstop roundtrips to Los Angeles (LAX) are thereafter offered, with twice-daily nonstop roundtrips to San Jose beginning on July 1. At this time, it is announced that twice-daily nonstop B-737 return service will be inaugurated on December 18 from Lake Tahoe to San Diego.

The summer's activities are very rocky. The relationship with **Casino Express** is terminated in a contract dispute at the end of October and Tahoe Air must largely stand down. Casino has been unwilling to let Tahoe sell cargo capacity in the belly of the Boeing and has kept all revenues earned from the in-flight sale of drinks.

A few charters are now operated on Tahoe Air's behalf by Tucson-based **Lorair, Ltd.** The Arizona airline also helps Tahoe resume its pursuit of a Part 121 operating permit from the DOT and entertains CEO Wetsel's proposals for a larger role in his company's operations.

Meanwhile, negotiations with the larger Lake Tahoe casinos for commitments to purchase seats largely fall through. Only one gambling center is willing to go along with the idea, but only if the others also come in—and they do not.

As the result of investor frustration and a refusal by Capitol Bay Securities to pump in the \$2.5 million required to keep the airline going, the decision is taken on November 19 to indefinitely suspend operations (although the message played on the public reservations recorder refers only to the upcoming holidays) and to reorganize. All of the carrier's 65 employees, except for its CEO and three managers, are laid off. Co-founder/Executive Vice President Sando, who has not been consulted on the decision, is one of those released.

CEO Wetsel is, however, quick to inform the media that "we're not dissolving the company . . . we're not filing for bankruptcy." Still, the value of shares has dropped from \$5 each during the summer to \$1 in early November to 25¢.

Over the next week, negotiations with the Lake Tahoe casinos and an unnamed airline are intensified as a way is sought to return to the air. Capitol Bay Securities CEO Stephen Kircher estimates that Tahoe Pacific Corporation will also need to find an additional \$10 million in capital. These developments, reported by the *Tribune Business News*, lead to an increased in the company's stock value on the Over the Counter Bulletin Board, to 37.5¢ a share on November 30.

On Christmas Eve, it is reported that a letter of intent had been signed the previous week for a merger between Tahoe Pacific Corporation and Dallas-based Ameri-First Financial, which would leave the Texas firm in control of the merged company. The deal had been spearheaded by Steve Kircher. Ameri-First Financial owner/CEO Jeffrey Bruteyn will be chairman/CEO with Kircher the chief financial officer. In reviewing the arrangement for the media, Bruteyn indicates that Tahoe Air will be revived employing 50-seat turboprops instead of 737s.

The good news of Christmas sours in January 2000. Former Tahoe Air Vice President-Marketing Keady files an involuntary Chapter VII bankruptcy petition claiming that the airline owes him \$35,350 in back wages. With only slim cash reserves of its own, the carrier quickly files for Chapter XI bankruptcy protection so that it can reorganize its finances and pay off Keady and other creditors. It does not recover.

TAI. See **COMPAGNIE DE TRANSPORTS AERIENS INTER-CONTINENTAUX, S.A. (TAI)**

TAIFUN (ADJAL AVIA) (SUKHUMI UNITED AIR DETACHMENT): Babushara Airport, Sukhumi, 384962, Russia; Phone 995 (88122) 22021; Fax 995 (88122) 24103; Code GIG; Year Founded 1995. Taifun is set up at Sukhumi in 1995 to offer domestic scheduled and charter services. Zaur K. Khaindrava is CEO and he begins revenue flights with 7 Tupolev Tu-134As.

Although it is understood that this carrier continues to operate in the period after the beginning of the August 1998 Russian currency crisis, no definite information has been located to that effect.

TAIMYRTUR TOO (TAIMIRTUR TOO): Russia (1994–1996). TT is established at Norilsk in 1994 to provide rotary-wing charter passenger and cargo flights in support of energy, communications, and agriculture. A. V. Golnikov is named general director and he begins revenue flights with 3 Mil Mi-2 helicopters. Flights cease in 1996.

TAINO AIR, LTD.: P.O. Box F4006, Freeport International Airport, Freeport, Bahamas; Phone (809) 352-8885; Fax (809) 352-5175; Year Founded 1991. Based at Freeport, the longtime air taxi TAINO is upgraded during 1991 to offer scheduled, third-level passenger and cargo flights to various island destinations, including Puerto Plata, Punta Cana, and Santo Domingo. John P. Doherty is named chairman/president and by 1993 his fleet comprises 2 Piper PA-31-310 Navajos, 4 Aero Commander 690s, and 3 Embraer EMB-110P Bandeirantes. Airline employment stands at 22.

Financial difficulties force Doherty to remove all but one Bandeirante in 1994, while adding a Shorts 360-300. Services continue in 1995–1999. During the latter year, the fleet is once again changed; the turboprops are replaced by one each Rockwell Aero Commander 500 and Cessna 402.

A Convair CV-440 is added to the fleet in early September 2000.

TAIP (TRANSPORTES AEREOS DA INDIA PORTUGUESA). See **TRANSPORTES AEREOS DA INDIA PORTUGUESA (TAIP)**

TAISA (TRANSPORTES AEREOS DE INTEGRACION, S.A.): Costa Rica (1971–1974). TAISA is established at San Juan in 1971 to operate all-cargo charters throughout Central and South America. Revenue operations commence with 2 Douglas DC-6As and 1 Curtiss C-46 Commando and continue until the company declares bankruptcy in 1974.

TAIWAN AIRLINES, LTD.: Taiwan (1966–1998). Privately owned **Taiwan Aviation Corporation** is formed by Tu Fuan Lan at Taipei on April 1, 1966. After assembling a fleet of light aircraft (mostly Cessna 206s) and single Douglas DC-3, the carrier begins unscheduled revenue flights on June 26, 1967. Only a month later, the DC-3 with 18 aboard crashes near Luang Prabang, Laos; there are no survivors. C-206 flights are inaugurated from Taitung to Orchid Island on June 26, 1970.

Several Britten-Norman PBN-2A Trislanders are acquired and are employed to initiate additional services from Taitung and Kao-hsiung to Green Island and the Pescadores.

After nearly a decade of charter services, primarily within the republic, company officials elect to commence scheduled services in 1976 and change their concern's name to reflect that decision. Within the next five years, regular and ad hoc flights are started or maintained to nearly every community of size on the outlying islands from Taitung and Koa-hsiung.

In December 1981, Chairman Jackson T. S. Ho and General Manager Allan K. S. Chan's fleet comprises 4 Britten-Norman BN-2 Islanders, 1 BN-2A Trislander, and 1 Cessna 206. The workforce totals 78 and the year's enplanements are 95,526.

Traffic also grows in 1982 as boardings reach 114,127, but dips in 1983 to 113,502.

During the middle years of the decade, additional scheduled destinations are added, including Chimei, Lanyu on Orchid Island, Green Island, and Makung. A Piper PA-34 Seneca and another Trislander replace one Islander. Operations continue apace in 1984–1987.

A Trislander with 11 aboard crashes into a mountain on Orchard Island on January 20, 1988 (10 dead). Enplanements for the year reach 99,356, but losses of \$1.82 million (operating) and \$1.42 million (net) are suffered.

Airline employment skyrockets 94.4% in 1989 to 175; however, the fleet is reduced to 2 Islanders and 2 Trislanders, plus the Seneca and Cessna 206.

Still, passenger boardings jump 27.1% to 136,290 and 2.77 million FTKs are operated. Orders are now placed for six Fokker 100s. Revenues ascend 19.3% to \$4.6 million, but costs escalate and cause the op-

erating loss to worsen to \$1.82 million. The net loss deepens to \$1.88 million.

Liao Min Ling becomes chairman and Harold C. "Chuck" Liu is named president in 1990 and two more Islanders are added. Two Fokker 100 jetliners are ordered. The number of passenger enplanements is reported for the first half of 1991 and show bookings down 11.8% over the same period a year earlier to 62,000.

The first two Fokker 100s are delivered in January 1992, with two more arriving in the fall. In 1993, Chairman Liu oversees a workforce of 173 and adds a third Islander for commuter flights. Plans are made to initiate flights to Kao-hsiung and Taitung from Taipei and the service is inaugurated in 1994.

Flights continue in 1995–1996. Destinations visited include Taitung, Kao-hsiung, Chimei, Green Island, Matsu, Orchid Island, and Wonan. Airline employment grows to 173.

During 1997, this regional becomes a subsidiary of **EVA Air, Ltd.** The fleet's Fokkers are withdrawn and replaced with a pair of Dornier Do 228-212s and four Pilatus Britten-Norman PBN-2A Trislanders. A total of 38 daily flights are offered over 11 routes to the offshore islands. It is reported that an economic loss is suffered on the year.

The crash of a **China Airlines, Ltd. (CAL)** A300B4-622R on February 16, 1998 (202 dead) and a **Formosa Airlines, Ltd.** SAAB 340A on March 18 (13 dead), triggers a national debate over air safety. In mid-April 1998, **EVA Air, Ltd.** employs this debate to make a dramatic move that will also improve its balance sheet.

Effective July 1, the major no longer offers any domestic services. Its regional subsidiaries Taiwan, **Great China Airlines, Ltd.**, and **Uni Air, Ltd.** are now to be merged into an enlarged **Uni Air, Ltd.**, which provides only domestic services.

TAJ (TRANSPORTES AEREOS DE JALISCO, S.A. de C.V.): Mexico (1936–1954). On August 10, 1936, the Mexican government grants General Roberto Fierro and his brother Raul an experimental route from Guadalajara to Puerto Vallarta on the Pacific coast. Service is started in the fall and maintained to small destinations in Jalisco State, with minor variations, until 1943, when a major expansion is undertaken from Guadalajara to Tepic. The company briefly stops flying in mid-1945, but resumes operations with a converted Douglas B-18 and two DC-3s in November.

The Ford 5-AT-103 is purchased from **TACA Nicaragua, S.A.** on January 17, 1946; christened *Estrella Fugaz*, it is placed into service over a route from Guadalajara to Mascota via Talpa. The 5-AT-39 is acquired from the same source in March. The 5-AT-103 is sent to Los Angeles in September 1948 for extensive engine overhaul. The ship, which had originally begun service with **National Air Transport** in the U.S. in 1931, returns to Mexico, but is badly damaged in a landing crash at Pinotepa Nacional on October 27, 1949.

The *Estrella Fugaz* is sold to **Lineas Aereas Guerro-Oaxaca, S.A. de C.V.** in January 1950 and in February the carrier joins in a confederation with expanding **ATSA (Lineas Transcontinentales de Aero-Transportes, S.A. de C.V.)**, known as **Aero-Transportes**. At this point, it begins flying a difficult DC-3 route christened *La Ruta de los Porta-Aviones* (Route of the Aircraft Carriers), from Guadalajara to San Martin de Bolanos.

The ATSA merger proving impossible to integrate, TAJ reverts to its independent status in September 1952. The Ford 5-AT-39 is sold to a Montana native in November 1953 and on January 7, 1954 the airline is purchased by and merged into **CMA (Compania Mexicana de Aviacion, S.A. de C.V.)**.

TAJIK AIR. See **TAJIKISTAN AIRLINES**

TAJIKISTAN AIRLINES: Titov Street 31/2, Dushanbe Airport, Dushanbe, 734006, Tajikistan; Phone 7 (3772) 212 195; Fax 7 (3772) 510 091; <http://www.tajikistanairlines.com>; Code 7J; Year Founded 1990. Tajik Air is formed in 1990 as the Tadzhiik directorate of **Aeroflot**

Soviet Airlines based at Dushanbe Airport. On behalf of the monolithic state carrier, Tadzhiik operates services to the north of its base. When the Soviet Union and Aeroflot are reformed in 1992, the old organization becomes the independent state air company and flag carrier of the new south Asian republic. The new board of directors numbers as its members V. S. Avidzba, K. G. Lolaev, R. Kh. Roustamov, T. Kh. Khamidov, V. S. Sharipov, and Mirzo A. Mustangolov. The latter is named director general and his workforce totals 2,743. A fleet of Russian built aircraft, including Tupolev Tu-154B/Ms, Tu-134As, Yakovlev Yak-40, and Antonov An-26s and An-24s is taken over from the Soviet directorate.

The company, without its previous chain of supply and support from Aeroflot, now enters what the company's Web page will call "the period of the second birth of aviation" in the country. En route from Batumi to Chimkent via Baku on June 17, 1993, an An-26 with 5 crew and 35 passengers crashes 100 km. from Tbilisi, Georgia; there are no survivors.

One of commercial aviation's most disastrous cases of airplane overloading occurs on August 28. Heavily armed ethnic rebels force 81 passengers to board a Yakovlev Yak-40 (designed to accommodate 28 passengers and a crew of 5) at Khorog Airport, Dushanbe, and force the plane and its crew of 5 to take off at high speed under threat of massacre.

The aircraft fails to rise and overruns the runway; its left main landing gear strikes a low embankment, 150 m. beyond the runway, while the right main landing gear hits a concrete machine gun nest 60 m. further on. The plane now plunges into the River Pyanj and only four passengers survive.

A Boeing 747SP-21 is leased from the American major **United Airlines** on November 28; christened *Snow Leopard*, it is employed to inaugurate scheduled flights to Almaty, London (STN), and Sharjah.

In addition to the Jumbojet, the fleet in 1994 includes 1 Tupolev Tu-134, 3 Tu-154B-2s, and a number of smaller aircraft. The SP Boeing is returned to **United Airlines** on February 14.

Plans are made to inaugurate services to Bangkok, Los Angeles, Shanghai, and Tokyo.

A number of new routes are inaugurated in 1995, including Karachi in March, New Delhi in April, and Kabul and Frankfurt in May. With assistance from foreign firms, reconstruction of the runway at Dushanbe Airport is begun. On December 30, the first flight of a Tu-154B is made into Koulyab Airport.

In 1996, a Tupolev Tu-134A is wet-leased long-term to **Sasco Air Lines, Ltd.** Service is started to Beijing, Ankara, and Jeddah. On December 18, the reconstruction of the airport runway at Dushanbe is completed. Fiscal returns diminish, despite introduction of the new routes and a name change to Tajikistan Airlines.

A number of company employees receive training during 1997 at institutions of higher education in Western Europe. Others are sent to study at the Kazakhstan Academy of Civil Aviation (KACA) Also, modern aeronautical navigation equipment is installed at the airports at Dushanbe and Khujand and the airport at Koulyab is given international status.

On December 15, Flight 3183, a Tu-154B-2 with 8 crew and 77 passengers, crashes while on approach to Sharjah, UAE, after a flight from Khudzhand; there are no survivors. Reconstruction of the Dushanbe Airport air terminal begins in 1998. The company begins to equip its aircraft with modern navigational systems and equipment according to ICAO standards. The first ATC controller graduates from the KACA return to Dushanbe to assume positions with the local airports. A group of student pilots and navigators is sent to study at the KACA.

In order to continue and expand services to Western Europe, the carrier is faced with the necessity of making its Tu-154s Stage 3 noise compliant. Six Tu-154B/Ms are modified, at a cost of \$1 million each.

The Russian currency crisis, which begins in August, has an impact. Flights to Beijing, Ankara, Jeddah, Frankfurt, and London (STN) are all eliminated.

The company is subjected to a hijacking hoax on April 21, 1999. While en route from Dushanbe to Moscow, a Tu-154B-2 with 136 passengers is

diverted to Samara after a flight attendant finds a note in a toilet indicating that there is a "terrorist" aboard demanding to be flown to Tehran. On the ground at the central Russian city, a safe evacuation is made as armed troops surround the airliner. Soldiers find no hijackers and no explosives. After refueling, the plane continues its service.

Elsewhere, the 1,100th anniversary of the founding of the Samanids State is celebrated, along with the 75th anniversary of civil aviation in Tajikistan. The eastern gates at the new Dushanbe Airport terminal are completed and the second class of ATC controllers is graduated from the KACA. Scheduled, twice-weekly Tu-154M return service from Dushanbe and Tekirdag to Munich begins on August 24.

At the beginning of August 2000, the air connection between Tajikistan and Uzbekistan is restored. As part of an effort by Russian and Iranian officials to enhance security along the border between northern Tajikistan's Sodhdi region and northeastern Iran, arrangements are completed at the beginning of December for a weekly roundtrip flight between the two areas.

A new schedule is released with the beginning of the winter season on October 29. International Tu-154 return flights are made weekly from Dushanbe to Karachi, New Delhi and Sharjah and twice-weekly from Dushanbe to Munich and Karachi. Weekly roundtrips are also flown from Tekirdag to Munich.

Service is also maintained to points in the Commonwealth of Independent States. Tu-134As from Dushanbe fly weekly to and from Ekaterinburg, Novosibirsk, and Almaty, while Tu-154s operate twice-weekly roundtrips to Moscow. Yak-40s are operated weekly from Dushanbe to Bishkek and twice-weekly to Almaty.

Twice-weekly Yak 40 return flights between Khujand and the Iranian city of Mashhad commence at Christmastime. It is hoped that the \$260 return service will prove a boon for religious pilgrims wishing to visit Islamic sites.

TAJIKISTAN INTERNATIONAL AIRLINES: Tajikistan (1995–1996). TIA is set up at Dushanbe in early 1995 to operate long-haul services to London (LHR). Revenue flights begin in February with a pair of Lockheed L-1011 TriStar 1s formerly flown by **TAP-Air Portugal, S.A.** and obtained via Fortis Aviation, but only last a year.

TAKE AIR, LTD.: P.O. Box 393, Entebbe, Uganda; Phone 39 0333 2251578; Fax 39 06 30891796; <http://www.takeair.com>; Year Founded 1994. Take Air is established at Entebbe in 1994 to provide passenger and cargo charters throughout Central Africa. Revenue operations begin and continue with a pair of Cessna 206 Stationaires.

TAL. See **TERRITORY AIRLINES, LTD.**

TAL (TAXI AEREO LIANERO, S.A.). See **AEROTAL (AEROLINEAS TERRITORIALES DE COLOMBIA, S.A.)**

TAL (TRANSPORTES AEREOS, LTDA.). See **TAC (EMPRESA DE TRANSPORTES AEREOS CATARINENSE, S.A.)**

TAL AIR. See **TRADEWINDS AIRWAYS, LTD.**

TAL THURINGIA AIRLINES, GmbH: Germany (1995–1998). The air taxi TAL is established by Uwe Bohme in 1980. The company grows only slightly over the next sixteen years, also offering lightplane public and small group passenger charters.

Scheduled services from Berlin's Tempelhof Airport are inaugurated in 1996 with 1 each Beech 1900D and Dornier 328-110. Two Fairchild Metro IIIs are added the following year.

Scheduled destinations visited by the 25-worker airline at the beginning of 1998 include Erfurt, Friedrichshafen, Munich, and Westerland/Sylt. On November 1, the carrier is renamed **Tempelhof Express Airlines, GmbH.**

TALAIR (TOURIST AIRLINES OF NIUGINI (PTY.), LTD.): Papua New Guinea (1975–1993). In April 1975, Lae-based **Territory Airlines (Pty.), Ltd.** purchases **Macair (Melanese Air Charters, Ltd.)** and its **Solair (Solomon Islands Airways, Ltd.)** subsidiary. Solair and Macair continue in subsidiary commuter roles, reporting their finances and traffic as part of the figures for the enlarged company, which changes its name to the present title. Most of the previous aircraft and routes are maintained, along with the workforce of 240.

Enplanements for the inaugural year reach 150,191.

Panga Airways (Pty.), Ltd. is purchased and merged in October 1977 completing Talair's immediate expansion. Within four years, Managing Director R. Dennis Buchanan's 594-employee carrier is serving 146 domestic airports with a fleet comprising 5 Embraer EMB-110 Bandeirantes, 8 de Havilland Canada DHC-6-200 Twin Otters, 10 Cessna 402s, 19 Britten-Norman BN-2 Islanders, 1 Pilatus Turbo-Porter, 3 Cessna 207s, 7 Cessna 208s, and 1 Cessna 185. Orders are outstanding for 4 DHC-8-100s.

A DHC-6-200 freighter crashes while on final approach to Garaina, Papua New Guinea, on February 28, 1978, killing its pilot.

Upon its independence, the sovereign new nation of the Solomon Islands acquires 49% interest in the **Solair (Solomon Islands Airways, Ltd.)** subsidiary and the right to purchase, within five years, the remainder for a set price plus a goodwill figure.

An EMB-110P2 freighter is lost at Port Moresby on November 4, 1982; the pilot escapes injury.

In 1984, the government duly serves notice of its desire to takeover **Solair (Solomon Islands Airways, Ltd.)**; however, financial negotiations will require another three years.

Meanwhile, during the middle years of the 1980s, five more domestic points are added along with an EMB-110, three Beech Barons, and a Cessna Citation 550. Severe financial reversals force the closure of the **Macair (Melanese Air Charters, Ltd.)** subsidiary in November 1986. The former parent, meanwhile, takes delivery of its first DHC-8-100 in December.

Capt. H. O. Tschuchnigg is named general manager of the 827-employee carrier in 1987. In January, the company receives permission to operate scheduled services on nine domestic routes in competition with the state airline **Air Niugini (Pty.), Ltd.**

An EMB-110P2, with 2 crew and 15 passengers is forced by bad weather to ditch off the Papua New Guinea coast on February 6 while on a service from Rabaul (14 dead).

In October, orders are placed for two EMB-120 Brasilias. Over 136 regional destinations are now served with upwards of 300 flights scheduled per day. At year's end, the **Solair (Solomon Islands Airways, Ltd.)** subsidiary is finally sold to the government of the Solomon Islands for \$51.4 million.

Overall enplanements for the 12 months rise 20.8% to 294,082 and cargo is up 3.8% to 1.52 million FTKs.

In 1988, Managing Director Buchanan's fleet is increased and now includes 23 Islanders, 4 Beech Barons, 10 Cessna 402s, 11 Twin Otters, 8 Bandeirantes, and 1 DHC-8-100. A new EMB-120 Brasilia is also delivered.

The workforce is increased by 18.1% to 867 and passenger boardings leap upward by 12.9% to 330,650. Freight is also up, by 22.4%, to 1.8 million FTKs.

The number of employees is increased by 36.4% in 1989 to 1,200 as a second Dash 8 arrives.

While in its post-takeoff climb, a DHC-6-300 with 2 crew and 19 passengers veers left and crashes into trees near Porgera on July 21 (3 dead).

Enplanements are reported through September and are up by 17.4% to 220,288. Freight also moves along smartly, growing 10% to 914,000 FTKs.

The fleet in 1990 includes 52 aircraft. However, the world economic situation, particularly after Iraq's August invasion of Kuwait, has a dramatic impact.

Passenger boardings decline to 185,815 and freight is down to 757,000 FTKs. Expenses exceed income and there are equal operating and net losses: \$5.3 million.

Company employment declines by 11.2% in 1991 to 592 and the fleet now includes 7 DHC-6-200s, 9 DHC-6-300s, including 2 leased to **Metro Manila Airlines**, 4 EMB-120P1s, and 3 EMB-110P2s. The Dash 8s must be removed from major Papua New Guinea domestic routes as traffic continues to fall. Still, in the year's highlight, Managing Director Buchanan is knighted by the Queen.

Customer bookings plunge 19.6% to 249,300 and cargo drops 20.7% to 6.15 million FTKs. Revenues slide 8.6% to \$38.56 million, but profitability returns with profits of \$2.68 million (operating) and \$3.6 million (net).

The payroll is boosted 16.9% in 1992 to 498. One Islander is withdrawn and replaced by a Dash 8. The fleet now also includes 7 DHC-6-200s, 8 DHC-6-300s, 5 EMB-110P1s, and 3 EMB-110P2s. Scheduled services are maintained by the 510-employee company to over 700 airstrips and 130 destinations throughout the nation.

An EMB-110P1 with 3 crew and 13 passengers and en route from Mount Ragen to Lae crashes into the mountains at Goroka on April 14 (11 dead).

The landing gear of a DHC-6-300 collapses during touchdown at Esa Ala on October 29; although no one aboard is injured, the plane will have to be written off.

Passenger boardings for the year drop another 5.8% to 234,855 and freight slides 17.3% to 953,000 FTKs. Revenues decline 8.4% to \$35.3 million and expenses fall 3.6% to \$34.58 million. Small profits are posted: \$720,000 (operating) and \$340,000 (net).

The Sir Dennis Buchanan's colorful airline, known on occasion to transport headhunters, goes into a nosedive during the late winter and spring of 1993. Losing \$1 million per month from January on, New Guinea's largest domestic airline is forced to cease operations on June 30.

TALARIK CREEK AIR SERVICE: United States (1983–1986). TCAS is established at Iliamna, Alaska, in the fall of 1983 to provide scheduled passenger and cargo flights to local and regional destinations. Employing Piper Navajos and Saratogas, the company inaugurates revenue flights in November linking its base with Nondalton, Anchorage, Kakhonak, Pedro Bay, and Port Aisworth.

Frequencies continue apace until the company goes out of business in August 1986.

TALIA AIRWAYS, A.O.: Turkey (1987–1989). Talia Airways is established at Ankara in early 1987 to offer passenger and inclusive-tour charter flights to destinations around the Mediterranean and southern Europe. The company is equipped with a Boeing 727-2H9, first flown by **JAT (Yugoslav Airlines)**, which inaugurates services in April. Operations continue apace during the remainder of the year.

While on a positioning flight from Istanbul to Ercan on February 27, 1988, a B-727-2H9 with six crew and nine passengers crashes into a mountain near Girne Arap, Cyprus; there are no survivors.

Unable to recover from the loss, the company closes its doors in 1989.

TALKEETNA AIR TAXI: P.O. Box 73, Talkeetna, Alaska 99676, United States; Phone (907) 733-4444; <http://www.gorp.com/flytat/flt.htm>; Year Founded 1948. This small Part 135 charter operation is formed at Talkeetna, 80 mi. N of Anchorage in Alaska, in August 1948 by famed bush pilot Don Sheldon and Stub Morrison. Operations to various bush destinations commence with a single war-surplus Taylorcraft L2M Cub.

Following the loss of Morrison in an air crash, Sheldon flies alone, operating passenger and cargo charters throughout the territory's interior. Regular customers include miners, trappers, homesteaders, mountain climbers, the Alaska Road Commission, and the U.S. Geological Survey. Exploring parties visit destinations from Ketchikan and Yakutat in the south to Kuskokwim in the west and to Umiat and Barrow in the north.

In the fall of 1950, Sheldon crashes in a lake west of Talkeetna; after securing his injured passenger, the pilot hikes for 14 hours until help can be secured. In a famous 1955 exploit, the pilot lands his float-equipped Aeronca on the Susitna River and rescues seven members of a U.S. Army search and rescue section stranded after an unsuccessful attempt to shoot the rapids at Devil's Canyon. On December 25, 1958, Sheldon finds the wreckage of a USAF C-54 missing on Mount Iliamna, 180 miles south of his base.

During the 1950s and 1960s, mountain climbers, as many as 100 each year, are taken to Mount McKinley, often in the owner's favorite aircraft, a Yellow Piper Super Cub. The fleet grows to as many as 4 Cessna 180s and Sheldon, like his friend Robert "Bob" Reeve, becomes proficient at landing on glaciers.

In June 1960, Sheldon participates in the rescue of several parties in difficulty at the same time on Mount McKinley, ferrying in relief parties and their gear to a base camp 10,200 feet up the mountain's flank and flying out rescued climbers.

In 1964, Sheldon marries Reeve's daughter Roberta, who takes over the company's ground operations. Operations continue for another decade, during which time Sheldon crashes his last aircraft (six since 1948) and completes the flying of a million miles without a passenger fatality.

In 1972, he participates in the award ceremony when his father-in-law is named Alaskan of the Year; three years later in 1975, at age 53, Sheldon is dead of cancer.

Business is maintained over the next quarter century. During these years, David J. Lee becomes president and operations are continued from a hexagonal log building at the Talkeetna State Airport.

During the 1990s, the company continues to specialize in flight-seeing trips over Mount McKinley, using ski-equipped Cessna 185s. Fishing and backcountry hiking and camping adventures are also heavily promoted. The occasional accidents common to Alaskan bush operations occur.

While approaching Anderson Pass on June 30, 1995, a Cessna 185 with a pilot and four passengers encounters turbulence and impacts a glacier. Although the aircraft is badly damaged, no one aboard is hurt and all are rescued within a short time.

While landing on a rough and uneven frozen lake at Skwentna on March 4, 1996, the left main landing gear of a Cessna 185 with three passengers collapses; although no one aboard is hurt, the aircraft is badly damaged.

A Cessna 185 with a pilot and five passengers stalls while taking off from a glacier near Talkeetna on July 28; the airplane settles back onto snow-covered terrain and then collides with the edge of a crevasse. Two aboard receive minor injuries.

While en route on an August 4 scheduled service, a Cessna 185 with a pilot and five passengers is hit from below near Healy by a private McDonnell Douglas MD-369 helicopter with a pilot and two passengers, which is seeking landing sites for a geographical survey. The helicopter is able to spiral down to a safe emergency landing in busy terrain while the Cessna, which has lost its tailwheel and suffered damage to its lower fuselage, is able to continue on to its destination.

On August 9, 1997, a Cessna 185 with a pilot and two passengers sustains substantial damage when it contacts terrain during its landing roll on a Chickaloon River off airport landing site, 30 mi. N of Chickaloon. No injuries are reported.

Flights continue without incident in 1998–1999.

TAM (JATOS EXECUTIVOS, S.A.). See TAM (TRANSPORTES AEREOS REGIONALS, S.A.)

TAM (TRANSPORTES AEREO MILITAR): Paraguay (1954–1988). In May 1954, with the government-owned LATN (**Línea Aerea de Transporte Nacional**) in difficulty and doubt concerning the future of national airline operations, the air force establishes a special air transport wing. On September 27, the government decrees the funding necessary to

purchase a fleet of Douglas C-47s, which are to be employed both in support of the military's logistical needs and in support of civil requirements.

In May 1955, TAM's air force pilots begin flying a number of routes parallel to those of LATN and by 1956 have assumed the latter's scheduled routes to its 12 largest destinations.

A total of 25,500 passenger are carried by the air force wing during the year.

During the next six years, as LATN's role is diminished to one of air supply to outlying army posts, TAM becomes the nation's primary domestic airline.

A C-47 with two crew and four passengers crashes at Tipuani, Bolivia, on August 1, 1960; there are no survivors.

In 1962, TAM officials participate in the founding of the nation's international carrier, LAP (Lineas Aeras Paraguayas, S.A.).

During the next 13 years, TAM continues to undertake internal passenger and cargo operations. Flights serve such points as Asuncion, Concepcion, Filadelfia, and Pilar. Regional services are provided with Douglas DC-4s and Convair CV-340s. There are losses.

A chartered DC-3 with four crew and a passenger crashes while landing at Laja, Bolivia, on February 12, 1970; there are no fatalities.

Just 13 min. after takeoff from La Paz on February 17, 1971, on a flight to San Borja, a C-46A with four crew and eight passengers crashes into Cunatincuta Mountain; there are no survivors.

While climbing away from La Paz on an all-cargo service to El Jovi on May 4, a C-47 with two crew crashes at Rio Secco; the aircraft must be withdrawn, but there are no fatalities.

While on final approach to Talara, Peru, on December 21, 1973, a CV-440 with six passengers strikes a treeline and crashes; there are no survivors.

A DC-4 with 3 crew and 21 passengers disappears on January 10, 1974 while on a charter service from Santa Rose to La Paz; the wreckage is never found and there are no survivors.

A DC-3 crashes near Sorato Mountain, Bolivia, on November 11; there is no information concerning possible casualties.

A CV-440 with 67 passengers fails its takeoff from Cerro Colorado on October 27, 1975 and crashes; there are no survivors.

Flights continue without incident in 1976-1977, but a CV-440 runs off the runway while landing at San Ramon, Bolivia, on January 24, 1978 and ends up in a ditch; one person on the ground is killed.

Service is maintained without incident during the remainder of the decade and into the early 1980s. The last CV-440 freighter is damaged beyond repair while making an emergency landing near La Paz on October 22, 1984; there are no fatalities.

The fleet in 1985 comprises 7 DC-3s and 4 CASA C-212-200 Aviocars received the previous year. Gradually, by the end of the decade, TAM is absorbed into LAP (Lineas Aeras Paraguayas, S.A.).

TAM (TRANSPORTES AEREOS REGIONAIS, S.A.): Avenida Pedro Buano No. 1-400, Rua Monsenhor Antonio, Pepe 9, Jardim Aeroporto, Sao Paulo 04342-001, Brazil; Phone 55 (011) 5582 8811; Fax 55 (011) 5581 9167; <http://www.tam-airlines.com.br>; Code KK; Year Founded 1976. On November 12, 1975, the federal government of Brazil establishes the Sistema Integrado de Transportes Aereos Regional, a system calling for the formation of five regional airlines to provide third-level feeder service to outlying areas. A promise of subsidy is made, based on a 3% surcharge on tickets sold on trunk routes.

Taxi Aereo Marilia, S.A. (TAM), which had been established at São Paulo's Congonhas Airport as an FBO/air taxi charter operation by Capt. Rolim Adolfo Amaro in 1961, is now chosen for expansion into a major commuter operation. It is offered the west central portion of Brazil, which contains the three major cities of São Paulo, Rio de Janeiro, and Belo Horizonte and accounts for 45% of GNP.

In spring of 1976, the small operator is approached by VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.) with a proposal for the creation of one of the five regional airlines permitted under the November government decree, one which would provide scheduled oper-

ations to southeastern states. On May 27, the two carriers form the joint stock company TAM (Transportes Aereos Regionais, S.A.) with VASP holding 66.7% controlling interest and Taxi Aereo Marilia, S.A. the remaining 33.3%.

The latter will also provide executive charter operations and business aircraft sales as TAM Jatos Executivos, S.A., becoming the largest Cessna corporate jet distributor and maintenance center in South America. With a single Fokker F.27-200 and Taxi's Piper PA-31-310 Navajo, President Amaro's TAM (Transportes Aereos Regionais, S.A.) begins flight activities on July 12 over a route from São Paulo to Ourinhos and Maringa. Nine Embraer EMB-110P Bandeirantes arrive later in the year.

During the remainder of the decade, passenger boardings average some 335,000 per year. The regional develops and maintains a significant domestic route network of some 24 destinations as scheduled services are flown from São Paulo to Maringa, Presidente, Prodent, Ribeirao Preto, São Jose de Rio Preto, Bauru, and Aracatuba. Other important routes include Rio de Janeiro to Marilia, Bauru, and Campinas and to Ribeirao Preto, São Jose de Rio Preto. Ribeiro and Franca are served from the federal capital, Brasília.

Aerotaxi Paulista, S.A. is purchased in 1978. While on initial climb away from Bauru, Brazil, on February 8, 1979, an EMB-110C with 2 crew and 16 passengers strikes trees and crashes in flames; there are no survivors.

By 1980, the company has purchased three F.27-600s and joined the reservations and flight control systems of VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.).

Expenses, led by fuel prices, continue to mount and this year a net loss of \$323,935 is suffered.

By 1981, the employee population is 307 and the fleet comprises 3 F.27-600s, 9 Embraer EMB-110Ps, 3 Cessna 402s, and the original Navajo. Oswaldo Pampiona Pinto is named executive vice president.

Enplanements total 331,115, a 6.8% increase over the previous year, while cargo is up by 17% to 8.03 million FTKs. Revenues skyrocket 130% to \$19.2 million and expenses are \$20.2 million, a 107% boost. Although a \$960,941 operating loss is suffered, a net profit of \$724,289 is reported.

The workforce is decreased in 1982 to 279 and the fleet includes 20 airliners. Another air taxi operator, ORA (Oeste Redes Aereas, S.A.), is purchased and merged.

Passenger boardings accelerate 2.7% to 338,750, while freight rises 14.7% to 9.21 million FTKs.

The number of employees grows 26.2% in 1983 to 520. During this and the succeeding two years, frequencies are increased and the route network comes to include some 24 destinations in the States of Rio de Janeiro, Parana, Minas Gerais, Mato Grosso, Matto Grosso do Sul, and São Paulo, plus Brasília. International nonstop flights are also made several times weekly between Ponta Pora and Asuncion.

While on final approach to Aracatuba on October 7, an EMB-110C with 2 crew and 13 passengers lands short of the runway and crashes (7 dead).

Passenger boardings continue to ascend, reaching 346,890, a 4.1% boost, as freight rises 8% to 9.95 million FTKs. This year's profits are \$562,925 (operating) and \$218,710 (net).

The fleet of the 530-employee company in 1984 comprises 3 F.27-600s, 3 F.27-500s, 1 F.27-200, and 9 EMB-110P/Cs.

While descending toward São Pedro in rain and clouds on June 28, a chartered EMB-110C with 2 crew and 16 passengers crashes into a hill; there are no survivors.

Bookings this year dip 4.3% to 338,000 and cargo is down 0.3% to 9.52 million FTKs.

In 1985, enplanements plunge 14.6% to 222,000; however, freight rises 23.7% to 1.8 million FTKs. Revenues total \$20.3 million and allow a net profit of \$2.3 million.

On the brink of financial collapse, VOTEC (Servicios Aereos Regionals, S.A.) is acquired for \$15 million in 1986 and reformed into the wholly owned subsidiary Brazil Central (Linhas Aereas Regional, S.A.). As a result of this single merger, TAM instantly becomes Brazil's largest regional airline in terms of fleet size and passengers flown.

Bookings for the 893-employee regional jump 38.5% to 428,000 while freight ascends 18.6% to 2.9 million FTKs.

During 1987–1988, Capt. Amaro's Taxi Aereo Marilia, S.A. gradually acquires majority ownership in the company, obtaining 76.93% shareholding versus VASP's 23.07%. In conjunction with the Ponte Aerea Air Bridge shuttle service in which **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** is a partner, TAM is subcontracted to provide turnaround flights from and between the downtown airports of Santos Dumont in Rio de Janeiro and Congonhas in São Paulo.

During the latter year, enplanements total 321,445 and 436,000 FTKs are operated.

The fleet in 1989 comprises 8 F.27s and 8 Bandeirantes. During the first 3 quarters for which it reports statistics, the Brazilian airline sees an 11.5% rise in passenger boardings to 272,117. Freight, meanwhile, increases 41% to 437,000 FTKs.

During late summer the airline is authorized to fly F.27 flights between the downtown airports of Santos Dumont in Rio de Janeiro and Congonhas in São Paulo. These begin, six times per day, in October. These flights are in direct competition with the Air Bridge shuttle services offered by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**, **Cruzeiro do Sul, S.A.**, and **Transbrasil, S.A. (Linhas Aereas)**. However, instead of the austere in-flight services offered by the majors, TAM provides a higher class of food and beverage service. Officials estimate it will require 16 years to recoup the \$2 million invested in the new enterprise. In December, the regional **Rio-Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** also enters the Air Bridge shuttle business, flying Embraer EMB-120 Brasílias.

Airline employment stands at 736 in 1990.

While attempting to abort a bad landing at Bauru on February 12 after a service from São Paulo, an F.27-200 with 3 crew and 38 passengers strikes a row of houses and a car 600 m. outside the airport perimeter; the driver and passenger in the automobile are killed.

Through June, passenger boardings, due almost entirely to the new shuttle service, are up 44.5% to 235,000. Cargo skyrockets 473.3% to 1.52 million FTKs. The first of four ordered Fokker 100s arrive under charter in September.

In 1991, TAM operates 5 owned EMB-110Cs, 3 F.27-500s, 1 F.27-500F, and 3 F.27-600s. Additionally, 4 Fokker 100s are now operated under lease.

Statistics are reported through September: customer bookings rise 29.3% to 499,353 while cargo increases 53.6% to 599,000 FTKs. Expenses exceed income leaving an operating loss of \$2.84 million. There is a net income of just \$157,156.

The workforce grows a slight 1.1% in 1992 to 1,061 as two more chartered Fokker 100s are delivered.

Passenger boardings for the year as a whole are down by 9.6% to 629,407 and freight falls 4.4% to 25.59 million FTKs. Revenues increase by 26.3% to \$77.36 million and expenses climb only 15.8% to \$74.26 million. As a result, there is an operating surplus of \$3.09 million and net profit of \$3.89 million.

In 1993, Chairman Capt. Amaro oversees a workforce of 1,245, up 17% over the previous year.

Shuttle service is inaugurated from Rio de Janeiro (Santos Dumont Airport) to São Paulo (Congonhas Airport). Other markets served include Aracatuba, Bauru, Belo Horizonte (Pamphula Airport), Brasília, Campo Grande, Campinas, Corumba, Cuiaba, Dourados, Franca, Goiania, Londrina, Marilia, Presidente Prudente, Ponta Pora, Ribeirao Preto, São Jose do Rio Preto, Uberaba, Uberlandia, and Varginha.

Two more Fokker 100s are delivered, one each in September and October, bringing the total of Dutch-made jetliners in the company fleet to 12, with orders are outstanding for 3 more.

Customer bookings increase 68.5% to 1,038,471 while cargo balloons 183.4% to 2.63 million FTKs. Revenues swell 41.7% to \$121.76 million and expenses are up only 38% to \$117.38 million. Consequently, the operating profit grows to \$6.44 million and net gain reaches \$5.7 million.

Airline employment is increased by 9.5% in 1994 to 1,378 and the fleet now includes 12 leased Fokker 100s plus 3 each owned F.27-500s and F.27-600s, and an F.27-500F freighter. Orders are placed for 5 new Fokker 50s and a 13th Fokker 100 is delivered in January.

During the year, the president of Paraguay, anxious for airline deregulation, invites TAM to take over the domestic air services previously operated by the military. As a result, Commandante Amaro directs the creation of **ARPA (Aerolineas Paraguayas, S.A.)**, which will be outfitted with two Cessna 550 Citation IIs from **TAM (Jatos Executivos, S.A.)** and three Cessna Caravan Is from **Brasil Central (Linhas Aereos Regional, S.A.)**.

Four additional Fokker 100s are requested during the summer; GPA will dispatch three former **Crossair, Ltd.** units, the first in October, followed by two more in November. Meanwhile, the carrier continues to carry out most of its own maintenance at night at Congonhas Airport in São Paulo.

In December, a promotion offers free tickets to passengers making useable suggestions; upwards of 25,000 will be received. The first of these ideas to be acted upon results in the painting of an Fokker 100 for Christmas; a Santa Claus hat appears over the Dutch jetliner's cockpit (the fourth former **Crossair, Ltd.** unit) when it is delivered early in the month.

Passenger boardings balloon this year by 41.9% to 1,473,234 while freight skyrockets 107.7% to 5.46 million FTKs. Revenues advance another 46.7% to \$291.66 million and expenses are up 35.3% to \$260.25. Pretax gain increases to \$31.41 million while net profit surges to \$17.28 million.

The workforce stands at 633 in 1995. During the fall, TAM becomes the first airline to introduce ticketless travel in Brazil. The electronic tariffs are restricted to frequent flyer program members and are only available for the São Paulo to Rio de Janeiro route.

Enplanements skyrocket 90.8% to 1,171,000 while cargo dips to 4.06 million FTKs. Operating revenues increase 73.1% to \$450 million.

Airline employment increases to 2000 in 1996. The carriers fleet of 24 Fokker 100s is the third largest in the world behind those of **American Airlines** and **USAir**. In January, the company receives the 1995 "Regional Airline of the Year" award from *Air Transport World* magazine.

During the summer, the carrier is restructured; the holding company TAM Group is established to operate the airline as a subsidiary.

To supplement its domestic feeder routes, the rapidly expanding TAM purchases **Helisul Taxi Aereo, Ltda.** in August for 2 million reais (\$2 million). The company, which is allowed to retain its independent identity, is assigned to TAM's **Brasil Central (Linha Aerea Regional, S.A.)** subsidiary, but continues to operate from its Foz do Iguaco base in Parana State.

A major stake and management control is acquired in the former **LAPSA (Air Paraguay, S.A.)** during August and by September 1 the entire company is sold to the new Brazilian airline holding company TAM Group for \$27 million. The same day, service between Asuncion and Miami is suspended. The carrier is now renamed **TAM-Mercosur (Transportes Aereos Mercosur, S.A.)** in honor of the free trade zone established by Argentina, Brazil, Paraguay, Uruguay, and Chile. TAM President Rolim Adolfo Amaro appoints former **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** President Rubel Thomas as his deputy director in charge of TAM-Mercosur. Plans are made to lease a fleet of 10 Fokker 100s to **TAM-Mercosur (Transportes Aereos Mercosur, S.A.)**.

When the Brazilian government grants **Brasil Central (Linha Aerea Regional, S.A.)** the rights of a trunk carrier, TAM Group renames its subsidiary **TAM-Meridionais (Transportes Aereos Meridionais, S.A.)** in October.

While on its initial climb away from São Paulo on October 31, Flight 402, a Fokker 100 with 6 crew and 90 passengers, suffers an uncommanded deployment of the No. 2 engine thrust-reverser. Control problems cause the aircraft to enter a right turn and strike a tall building before crashing into a residential area approximately one mi. from the end of the runway. All aboard the jetliner die, along with three people on the ground.

The new long-haul subsidiary, **TAM-Meridionais, S.A.**, begins service in November. Also during the month, orders are placed for five Cessna Citation Ultras.

In November, the airline registers a 9% drop in passenger boardings as a result of the Fokker disaster; figures are back to normal by December.

Customer bookings for TAM Group ascend to 3,126,238 on 73,320 scheduled departures and revenues reach \$600 million. A \$65-million net profit is reported.

During a training flight on January 9, 1997, an F.27-500 with four crew makes a belly landing at Uberaba. Temporary repairs are carried out over the next eight days and on January 17 the turboprop departs on a ferry flight back to its São Paulo base. Just after takeoff, cabin pressurization fails and the plane makes a safe emergency landing back at its point of origin. Considered damaged beyond repair, the decision is taken to write off the Fokker.

The five Cessna Citation Ultras are delivered in February and March. One becomes the personal transport of Chairman Amaro while the other four are handed over to the airline to operate as replacements for overbooked Fokker flights. When not supporting the airline, the executive jets will perform air taxi service.

TAM and **American Airlines** sign a major code-sharing agreement in May; the document covers dual-designator services that will begin later between 41 Brazilian cities and 25 communities in the U.S. and Canada.

Another Fokker 100 explodes after crashing at São Paulo on July 9 (one dead).

In October, a new holding company, CIT, is established to control the three Brazilian based TAM carriers. A previously announced order for five A330-200s for TAM-Meridionais is confirmed during the month.

Plans to lease aircraft and begin daily roundtrip services from São Paulo to Miami in November are postponed for a year. In the meantime, **American Airlines** will operate the route as part of its dual-designator arrangement with TAM.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Passenger boardings jump 6.8% to 3,337,729 on 74,613 scheduled departures while freight accelerates 10.1% to 14.83 million FTKs.

In January 1998, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** is the first off the liberalization mark, introducing its deep discount night product Voa Brazil at Christmas.

Airbus Industrie achieves a historic victory over its Boeing competitors in April when it signs a gigantic South American consortium purchase agreement. Under its terms, TAM, on behalf of itself and its subsidiaries, agrees to acquire 38 firm A320 family aircraft, with 37 options. Other participants are the TACA Group, including **TACA International Airlines, S.A.**, **SAHSA (Servicio Aereo de Honduras, S.A.)**, **NICA (Nicaraguenses de Aviacion, S.A.)**, **LACSA (Lineas Aereas Costarricenses, S.A.)**, and **AVIATECA (Aerolineas de Guatemala, S.A.)**, promising to take 32 firm A320 family planes, plus 32 options and **LanChile Airlines, S.A.**, which will take 20 A320 family aircraft, with 20 options.

With Voa Brasil having proven an outstanding success, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** unveils a new discount product in May that provides for promotional fares on all of its 280 daytime domestic flights. TAM immediately moves to counter VARIG's low prices, offering 60% off fares on 45% of its own services. This challenge ignites a fare war over Brazil's domestic routes, the first in the nation's history.

Under the code-sharing agreement with **American Airlines**, the U.S. major on July 16 begins placing its code on TAM flights from São Paulo to Porto Alegre. Dual-designator services with **American Airlines** are initiated on August 12 from São Paulo to Brasília, Curitiba, and Rio de Janeiro.

On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to

abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Customer bookings surge 17.9% to 3.93 million, while cargo traffic falls 26.6% to 10.88 million FTKs. A net \$6.65-million profit is also generated.

A third A330-222 is delivered to **TAM-Meridionais, S.A.**, the long-haul subsidiary, in January 1999. During the month, it is announced that discussions are underway by that division with **Air France** aimed at the formulation of a strategic alliance.

On February 3, **American Airlines** places its code on the two daily return flights from Miami to São Paulo made by the A330-222 of **TAM-Meridionais, S.A.**

TAM-Meridionais successfully completes its strategic discussions with **Air France** on February 15, at which point a major marketing agreement is announced. Under its terms, the two international airlines will link their frequent flyer programs, coordinate scheduling and marketing, and code-share on routes between São Paulo and Paris (CDG) four times a week, beginning on June 10.

The April 26 issue of *Gazeta Mercantil* reports that Brazil's airlines will have laid off 3,000 employees by the beginning of June due to the restructuring programs they have started since the first of the year. TAM, having reduced its domestic flights somewhat, lays off 191 workers.

The dual-designator pact between the company, its long-haul subsidiary **TAM-Meridionais, S.A.**, and **American Airlines** is further expanded on May 6. AA begins to place its code on TAM flights from São Paulo to Florianopolis, Fortaleza, and Recife. TAM, is allowed to place its "JJ" code on AA domestic services.

It is reported on September 6 that TAM has taken over **ITA (Itapemirim Transportes Aereos, S.A.)** and will shortly be renamed Interexpress Transportes Aereos Regionais, S.A.

In September, the government proposes that the nation's four major carriers find a way to merge some or all of their activities under a joint operating agreement or some other form of umbrella.

Weekday roundtrips commence on October 4 between São Paulo and Florianopolis. At this point, the Brazilian National Development Bank (BNDES) adds to the discussion of airline mergers when its president, Andrea Calabi, announces that BNDES will broker and finance an amalgamation of VASP, VARIG, Transbrasil, and TAM, which may be accomplished in "the medium term." Stating that such a move without additional capital would be pointless, the initiative is publicly opposed by TAM, **Transbrasil, S.A. Linhas Aereas**, and **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. VARIG, which also does not want to give up any of its market regions in order to participate, begins negotiations with BNDES about a debt roll-over loan and an extension of its debt payments.

The 38th and 39th Fokker 100s are added to the fleet on November 11. Under pressure from BNDES CEO Calabi, TAM and Transbrasil undertake and maintain negotiations during November and into December. It is suggested that an accommodation will allow for consolidated capacity, which can produce higher rates for the partners. The last of six new A319-132s to be delivered since July is accepted on December 16. By December 31, the carrier has claimed 24.3% of all Brazilian market share. Enplanements for the year reach 7.87 million. After seven consecutively profitable years, the carrier suffers a R 129.3-million (\$113.7-million) loss on the year. The downturn is largely blamed on the impact of the devaluation of the real back in January.

The carrier accepts delivery of the first 2 of 32 ordered A320-232s in ceremonies at Toulouse, France, on February 18, 2000. The 48th Fokker 100 to be received arrives on February 28 and is the first company aircraft painted in the carrier's bright new color scheme that replaces the blue tail with a red one, along with the provision of billboard-sized red "TAM" titles on a white fuselage with red engine nacelles. The aircraft, which has also dropped its calm blue tail motif, wears billboard titles and, to celebrate the 500th anniversary on April 22 of Portuguese explorer Pedro Alvares Cabral's discovery of Brazil, a special commemorative inscription by the nose.

The spring is marked by continuing financial loss. To help reverse fortunes, company executives, facing the necessary return of seven jetliners to GE Capital Aviation Services on June 1, continue to talk with their colleagues from **Transbrasil, S.A. Linhas Aereas** on measures that may be implemented for joint profitability. On April 19, officials reveal that the company is discontinuing loss-making services to 16 northern and southern Brazilian cities. Additionally, 35 Cessna Caravans will be sold or returned to lessors, while a decision on going all-jet by removing the Fokker 50s remains under active consideration.

It is announced on April 20 that the company is creating a new 49% minority-owned subsidiary, **TAM-Mercosur de Bolivia, S.A.** that will begin operations in July. Two Fokker 100s are assigned to the new entrant and over the next five years the parent will invest \$120 million into the new Bolivian domestic operation.

Two Fokker F27-600s are sold to **Jet Sul Cargo, Ltda.** at the end of the month. Officials from TAM and Transbrasil announce a joint operational agreement on May 3 designed to save upwards of \$6 million per month for the two carriers. The initial phase of the pact, which includes code-sharing, is to run for six months and if successful, may well lead to a merger of the two concerns.

The aircraft returned to GECAS include one each B-737-300 and B-767-300ER, plus four B-737-400s. In addition, the plan to add three former **TAP-Air Portugal, S.A.** B-737-382s is shelved.

A 24-hour strike and pilots protest at Bogota on May 24 causes the nation's government, on June 1, to suspend the operating permit it had given to TAM-Mercosur de Bolivia, S.A. for domestic services. As the month continues, representatives from the TAM start-up subsidiary enter into merger discussions with **Aerosur Boliviano (Compania Boliviana de Aero Privado, S.A.)**, the nation's largest domestic operator. Although a first-half loss of R 74.3 million (\$35 million) is reported, that figure marks a 43% improvement on the loss suffered during the same time period in 1999. The second pair of A320-232s is delivered on August 21, again in a double ceremony. Continuing a livery trend first seen in Europe earlier in the year, a company Fokker 100 appears on August 27 wearing www.tam.com Internet titles.

The two newly arrived, chartered A320-232s enter service on August 31. Two more Fokker 100s are delivered during the week of October 16; with 50 of the type, TAM has more Model 100s than any other airline in the world except **American Airlines**.

The cost-cutting and code-sharing operational agreement with **Transbrasil, S.A. Linhas Aereas** is not renewed on November 3. *Airline Business*, in its December issue, will quote the speculation of analysts who believe that a merger was aborted because TAM does not offer Transbrasil sufficient cash. In an event, all talk of merger ends. As the airline moves to resume its previous operations, it completes an arrangement with **South African Airways (Pty.), Ltd.** to take over the charter, via GATX, of two of its A320-231s. It also announces plans to charter four B-737-300s for the upcoming summer season.

On November 24, TAM is designated by the Brazilian authority International Air Navigation Studies Committee (CERNAI) to receive 43 of the 63 international route allocations it had requested, including some that will replace services previously operated by its fiscally challenged local rival **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. The first of these, which will be flown by the TAM parent itself, covers the São Paulo to Buenos Aires air bridge route. TAM will offer five-times-a-day roundtrips in that market beginning on March 1. At the same time, CEO Amaro announces that TAM has received CERNAI certification for the initiation of twice-daily roundtrips, also on March 1, over the former VASP routes from Rio de Janeiro and São Paulo to Montevideo. All of these routes will be operated with A320s.

A code-sharing agreement is signed with **Air France** and on November 29 it is revealed that **TAM-Meridionais (Transportes Aereos Meridionais, S.A.)** will bring its total of U.S. roundtrips to 28 on May 1 when it adds 14 weekly roundtrips from Brasilia to Miami (7 flown via Manus), in competition with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. The long-haul subsidiary will also add seven

weekly return flights on June 1 to both Frankfurt and Madrid and one to Paris (CDG). These flights will be operated by A330s and will be flown in code-share with **Deutsche Lufthansa, A.G., Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, and **Air France**, respectively.

For the year as a whole, a R 562,000 profit is generated.

TAM (TRANSPORT ET TRAVAUX AERIENS DE MADAGASCAR, S.A.): 31 Avenue de L'Independence, Antananarivo, Madagascar; Phone 261 270360; Fax 261 30540; <http://www.madagascar-contracts.com/tam>; Code OF; Year Founded 1951. The small charter operator TAM is established at Antananarivo in 1954. Shareholding is divided between **Air Madagascar (Societe National Malagache de Transports Aeriens, S.A.)** (34%) and private concerns (66%). Revenue flights commence with three PA-18 Super Cubs.

Very little is heard of the enterprise for almost 20 years as it quietly provides airport services and flies nonscheduled services around the island with a fleet which, between December 1965 and August 1970, is increased by the addition of 10 PA-25 Pawnees.

Flights continue apace in 1971-1989. During these years, the company also undertakes agricultural services, including spraying activities.

In 1990, the fleet is again increased with the addition of three PA-23 Aztecs and a PA-31-350 Navajo Chieftain. Employment in 1991-1992 grows to 140.

Owner/President Jean-Louis Rajaonarivelo and General Manager Solonaivo Rakotomalala take the decision in early 1993 to inaugurate scheduled domestic and regional commuter services. Orders are placed for two Avions de Transport Aerien ATR42-500s.

In October 1994, the company signs an agreement with the manufacturer to lease an ATR42-320 until the newer ATRs can be delivered. The aircraft arrives from France in late November and enters service in December.

Employing the Navajo Chieftain and ATR, as well as the Aztecs, TAM in 1995 provides regular frequencies linking its base with Diego, Fort Dauphin, Majunga, Mezunga, Nosy Be, Saint Denis la Reunion, Sainte Marie, Tamatave, and Tulear. The first ATR42-500 is delivered in October and in November the ATR42-320 is returned.

Airline employment at General Manager Rakotomalala's concern in 1996 stands at 138. Plans are made for receipt of the second ATR42-500 in early 1997. Flights continue in 1998-2000.

TAM-EXPRESS, S.A.: Ave. Pedro Buano No. 1-400, Rua Monsenhor Antonio, Pape 9, Jardim Aeroporto, Sao Paulo 04342-001, Brazil; Phone 55 (011) 5582 8811; Fax 55 (011) 5581 9167; Code H9; Year Founded 1998. When **TAM-Meridionais (Transportes Aereos Meridionais, S.A.)** enters the long haul arena in 1998, that carrier's parent organization, TAM Group, elects to transfer its internal TAM Express services to a new feeder carrier. Consequently, TAM-Express is established to operate scheduled domestic passenger services that will link up with the main line routes of TAM's larger airlines.

Revenue flights commence with a fleet comprising 6 Cessna 208 Caravan Is, 30 C-208B Grand Caravans, and 1 Embraer EMB-110P1 Bandeirante. Scheduled destinations visited include Chapeco, Concordia, Erechim, Rorlanopolis, and Porto Alegre.

TAM-MERCOSUR (TRANSPORTES AEREOS MERCOSUR, S.A.): Peru, 456, Paraguay; Phone 595 (21) 491040; Fax 595 (21) 509151; Code PZ; Year Founded 1996. The consortium led by **SAETA Air Ecuador, S.A.** that had purchased the former national airline of Paraguay in September 1994, contracts management control of **LAPSA Air Paraguay, S.A.** to newly formed TAM Group, parent of **TAM (Transportes Aereos Regionais, S.A.)**, in August 1996. That Brazilian holding company also takes a financial stake that is increased to the \$27-million purchase of full control on September 1.

The same day, service between Asuncion and Miami is suspended.

The new Brazilian owners rename the company in honor of the free trade zone of Argentina, Brazil, Paraguay, Uruguay, and Chile. TAM

President Rolim Adolfo Amaro appoints former **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** President Rubel Thomas as his deputy director in charge of TAM-Mercosur and operations are continued with a pair of Fokker 100s. The marketing name TAM Paraguay is often hereafter employed.

A code-sharing agreement is signed with **American Airlines** in October. Under its terms, TAM purchases blocked seats on AA's daily roundtrips from Miami to Asuncion. Plans are made to lease a fleet of 10 Fokker 100s from TAM to TAM-Mercosur.

Late in the year, the company enters into a code-sharing agreement with **Aerolineas Argentinas, S.A.** on Asuncion to Buenos Aires daily flights; under terms of the agreement, 50% of the seats on every flight will be blocked off for Aerolineas passengers.

Enplanements this year total 258,641. Expenses are such that there are losses: \$2.98 million (operating) and \$25.86 (net).

Airline employment is reduced by 31.5% in 1997 to 185. In January, it is announced that the company will enter a new code-sharing agreement with **AeroPeru (Empresa de Transportes Aereos de Peru, S.A.)**. The two will offer dual-designator flights between Lima and Asuncion. During the summer and fall, joint planning is undertaken with TACA Group and **LANChile Airlines, S.A.** for the joint acquisition of up to 200 new narrow-body jetliners.

Passenger boardings decline 3.3% to 194,467. Operating revenues also fall, by 31%, to \$26.93 million. Expenses increase 44.9% to \$18.84 million. Although there is an \$8.08-million operating profit, the net figure is still a loss, albeit down to \$3.95 million.

Plans are made in the spring of 1998 to participate in the code-sharing arrangement between **TAM (Transportes Aereos Regionais, S.A.)** and **American Airlines**.

Customer bookings during the 12 months jump 16% to 222,000. Revenues rise 6.7% to \$25.99 million, while costs fall 4.4% to \$24.31 million. Although a \$1.18-million operating profit is generated, a \$1.18-million net loss is suffered.

By the beginning of 1999, airline employment has been increased 15.1% to 213. Passenger boardings drop 12.2% during the year to 195,000. A net loss of \$113.7 million is suffered. A total of 170 workers are employed at the beginning of 2000.

TAM-MERCOSUR DE BOLIVIA, S.A. See **TAM (TRANSPORTES AEREOS REGIONAIS, S.A.)**

TAM-MERIDIONAIS (TRANSPORTES AEREOS MERIDIONAIS, S.A.): Rue General Pantaleao Teles 210, São Paulo, SP, CEP 04355-040, Brazil; Phone 55 (11) 582-8737; Fax 55 (11) 533-2469; Code JJ; Year Founded 1996. When the Brazilian government grants **Brazil Central (Linha Aerea Regional, S.A.)** the rights of a trunk carrier, the newly formed Brazilian airline holding company TAM Group, parent of **TAM (Transportes Aereos Regionais, S.A.)** renames its subsidiary during December 1996. TAM founder Rolim A. Amaro is chairman, with Armando L. Filho as managing director. Scheduled Fokker 100 passenger revenue flights commence in December, linking São Paulo with four other destinations under the marketing name TAM Express.

Passenger boardings during the 12 months inch up 1.9% to 409,995, while cargo moves ahead by 7.7% to 1.6 million FTKs.

The company expands its route network in early 1997 by four additional domestic locations. TAM Group and **American Airlines** sign a major code-sharing agreement in May; the document covers dual-designator services, which will begin later between 41 Brazilian cities and 25 communities in the U.S. and Canada, as well as the linkage of frequent flyer programs.

A previously announced order for five A330-223s for TAM-Meridionais is confirmed by its parent during October.

Plans to lease aircraft and begin daily roundtrip services from São Paulo to Miami in November are postponed for a year. In the meantime, **American Airlines** will operate the route as part of its dual-designator arrangement with TAM.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Enplanements for the year reach 674,226, while 2.6 million FTKs are also operated. Revenues of 530 million reais are generated, with a net gain of 31.9 million reais (\$38 million).

Flights continue apace in 1998. Beginning in February, TAM places its code on **American Airlines** services from São Paulo and Rio de Janeiro to Miami, New York (JFK), and Dallas (DFW). Plans are announced for the initiation of nonstop dual-designator TAM services to those U.S. gateways, beginning in November.

American Airlines places its "AA" code on TAM-Meridionais services on July 16 from São Paulo and Porto Alegre. The code-sharing service is expanded by the two companies on August 12 as the American major begins code-sharing on the carrier's flights from São Paulo to Brasília, Curitiba, and Rio de Janeiro.

TAM-Meridionais becomes the first airline in Latin America to take delivery of a long-range Next Generation Airbus when it receives its first two A330-223s in a November 23 twin delivery. After it has conducted workup flights, it enters service in early December over a direct return route from São Paulo to Miami. The flights are the first for the company outside of South America.

The third A330-323 arrives on December 22. On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Passenger boardings skyrocket 274.6% to 2.52 million, while cargo traffic accelerates 136.4% to 6.21 million FTKs.

During January 1999, it is announced that discussions are underway with **Air France** aimed at the formulation of a strategic alliance.

On February 3, **American Airlines** places its code on the two daily return flights from Miami to São Paulo made by the A330-223 of TAM-Meridionais, the long haul subsidiary of **TAM (Transportes Aereos Regionais, S.A.)**.

TAM-Meridionais successfully completes its strategic discussions with **Air France** on February 15, at which point a major marketing agreement is announced. Under its terms, the two international airlines will link their frequent flyer programs, coordinate scheduling and marketing, and code-share on routes between Brazil and France.

The dual-designator pact between **TAM (Transportes Aereos Regionais, S.A.)**, its long-haul subsidiary Tam-Meridionais, and **American Airlines** is further expanded on May 6. AA begins to place its code on TAM flights from São Paulo to Florianopolis, Fortaleza, and Recife. TAM is allowed to place its "JJ" code on AA domestic services.

Dual-designator flights with **Air France** commence on June 10 between São Paulo and Paris (CDG) four times a week; the French line places its code on the services, which are operated by TAM-Meridionais' A330-223s. TAM is able to place its designator aboard the French major's existing B-777-228 roundtrips.

It is announced on April 27 that TAM-Meridionais is interested in taking over the long-haul international routes of **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** to Europe and North America. The pioneer will be forced to suspend them on May 15 when its last four MD-11s are returned to their lessors.

During June, special "Voo Presidencial" inscriptions are placed on the engine nacelles of an A330-223, along with yellow and green logos, to designate the VIP nature of the aircraft that transports Brazil's president on a state visit to Paris.

The carrier's fifth A330-223 enters service on November 13. On November 24, TAM is designated by the Brazilian authority International Air Navigation Studies Committee (CERNAI) to receive 43 of the 63 international route allocations it had requested, including some that will replace services previously operated by its fiscally challenged local rival. The first of these, which will be flown by the TAM parent itself, covers

the São Paulo to Buenos Aires air bridge route. TAM will offer five-times-a-day roundtrips in that market beginning on March 1. At the same time, CEO Rolim Adolfo Amaro announces that TAM has received CER-NAI certification for the initiation of twice-daily roundtrips, also on March 1, over the former VASP routes from Rio de Janeiro and São Paulo to Montevideo. All of these routes will be operated with A320s.

In addition to these local and regional opportunities, TAM is also designated to replace the long-haul international flights previously operated by **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. A code-sharing agreement is signed with **Air France** and, on November 29, it is revealed that **TAM-Meridionais (Transportes Aereos Meridionais, S.A.)** will bring its total of U.S. roundtrips to 28 on May 1 when it adds 14 weekly roundtrips from Brasilia to Miami (7 flown via Manus), in competition with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. It is hoped that these flights will attract new U.S. tourist traffic to the Amazon region.

The TAM long-haul subsidiary will also add seven weekly return flights on June 1 to both Frankfurt and Madrid and one to Paris (CDG). These flights will be operated by A330-223s in code-share with **Deutsche Lufthansa, A.G., Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, and **Air France**, respectively.

TAMAIR (PTY.), LTD.: Australia (1992–1998). Tamair is established at Tamworth Airport, New South Wales, in 1992 as a division of **New England Airways (Pty.), Ltd.** Paul Brederick is named managing director and scheduled passenger and cargo third-level flights are inaugurated to Sydney with 6 Cessna 310s and 3 Piper PA-31-350 Navajo Chieftains.

The Chieftains are replaced in 1993–1994 by 3 Fairchild Metro IIIs and these help enplanements to grow to 36,000 during the latter year. Orders remain outstanding for a fourth Metroliner.

Customer bookings accelerate 16.6% in 1995 to 42,000.

Airline employment stands at nine in 1996 as the Metro 23 enters service. In November, a Metro III is painted as a flying billboard to promote Tamworth's January 19–28 country music festival. The color scheme has been designed by three local art students.

Enplanements in these 12 months drop 5% to 40,000.

Destinations visited in 1997 include Glen Innes, Inverell, Sale, Sydney, and Tamworth. Customer bookings increase 24% to 52,916.

Despite this positive traffic picture, Tamair ceases trading in July 1998. Its assets are sought by **Impulse Airlines (Pty.), Ltd.**

TAME (TRANSPORTES AEREOS MILITARES ECUATORIANOS): Ecuador (1962–1970). With presidential backing and under the leadership of Maj. Jose Maria Montesinos, a special air transport division is established within the Ecuadorian Air Force (Fuerza Aerea Ecuatoriana) on December 17, 1962. Its purpose is to supplement existing civil airlines and to make certain that, in light of a deteriorating financial and managerial situation within **CEA (Compania Ecuatoriana de Aviacion, S.A.)**, better known as **Ecuatoriana Airlines, S.A.**, domestic civil operations continue. With two military C-47s that have not been reconfigured, TAME begins flying the Guayaquil–Quito trunk route as well as services to smaller cities.

Monthly flights to Baltra in the Galapagos Islands begin in 1963 at which point the route network also includes stops at Tukan, Iberia, Quito, Latacunga, Ambato Riobamba, and Guayaquil. On January 9, 1964, a new management team is installed, which quickly negotiates TAME's transformation from a military squadron into a civil airline. As the year continues, additional local destinations are added: Esmeraldas, Bahia, Manta, Portoviejo, Cuenca, Machala, Macara, and Loja.

Additional Douglas transports are provided to handle the increased workload and in early 1967, a DC-6B is purchased to fly the Galapagos run, which monthly service it begins in April. In 1968, and in cooperation with Metropolitan Touring of Quito, the Galapagos frequency becomes daily.

The use of military airfields as airline bases is discontinued in the fall of 1969 when operations are transferred to Quito and Guayaquil.

On September 6, 2 DC-3s with a combined 50 customers aboard en route from Quito to Esmeraldas, are hijacked by upwards of a 12 antigovernment rebels. Both aircraft land for refueling at Tumaco, Colombia, where one DC-3 copilot is killed and another wounded. A number of hostages are released, but the remainder, together with the terrorists, band together on one Douglas, which proceeds to Havana.

On January 19, 1970, TAME is reorganized into a mixed-stock company and although remaining under Air Force administration, it is allowed to retain its acronym, the name is legally changed to **Transportes Aereos Nacionales Ecuatorianos, S.A.**

TAME (TRANSPORTES AEREOS NACIONALES ECUATORIANOS, S.A.): Avenue Amazonas 13-54, P.O. Box 8736, Sucursal Almagro, Quito, Ecuador; Phone 593 (2) 509 375; Fax 593 (2) 509 594; <http://www.tame.com.ec>; Code EQ; Year Founded 1970. The military-sponsored **TAME (Transportes Aereos Militares Ecuatorianos)** is reorganized at Quito into a mixed-stock company on January 19, 1970. Although remaining under Air Force administration, it is allowed to retain its acronym and is renamed. Later in the year, orders are placed for two Hawker Siddeley HS 748s with which to supplement the fleet, which still consists of Douglas DC-3s and a DC-6B.

A DC-3 crashes at Cerro de Hojas, Ecuador, on September 12, 1971; there is no information on casualties.

The HS 748s enter service over the domestic routes in September 1972, with the DC-6B employed as backup. All of the DC-3s are withdrawn to lesser routes and cargo flights. When **CEA (Compania Ecuatoriana de Aviacion, S.A.)**, better known as **Ecuatoriana Airlines, S.A.**, suspends operations on April 16, 1974; it is nationalized on July 31. Shareholding is assigned to TAME on behalf of the government and the military carrier's CEO General Carlos Banderas becomes president.

Although the reconstituted airline is allowed to operate under its previous identity as the nation's long-haul carrier, its fleet of four Lockheed L-188 Electras is passed to TAME for domestic flights. One is placed in service with the HS 748s on the domestic network on August 10 and another is assigned to the Galapagos run on October 25.

Destinations visited in 1975 include Tulcan, Manta, Portoviejo, Quito, Cuenca, Machala, Guayaquil, and Macara.

An HS 748-2A with 6 crew and 36 passengers crashes into a mountain near Loja on January 20, 1976 (34 dead).

A de Havilland DHC-6-300 Twin Otter joins the fleet and, by 1978 the company's employee population has reached 250. A second Twin Otter is added in 1979, during which year the BAC 1-11-409 *El Izalco* is sold back to British Aerospace.

In 1980, a new Boeing 727-2T3A is delivered; the carrier's first jetliner is christened *Cotopaxi* and is placed on the Guayaquil–Quito trunk route.

The DHC-6-300 is lost in Ecuador on September 2; there is no other information on the accident.

A B-727-134 and a B-727-17 join the fleet in 1981, by which year the airline boasts stops at a 12 domestic destinations.

While flying in formation with a Beech Super King Air 200 on May 22, a DHC-6-300 with 3 crew and 15 passengers, joins it in crashing into a mountain near Zumba, Ecuador; there are no survivors from either aircraft. Enplanements total 519,574.

Bookings grow to 668,763 in 1982 as airline employees total 400 and a B-737-2V2 is purchased.

While on final approach to Cuenca on a service begun at Quito on July 11, 1983, the B-737-2V2 with 8 crew and 110 passengers crashes into a hill 1.5 km. from the runway in rough terrain; there are no survivors.

During the 1980s, TAME becomes the nation's primary domestic operator; President Gen. Maco Chavez Duque's airline provides regularly scheduled services to 17 locations.

En route from Loja on November 20, 1984, a DHC-6-300 with 2 crew and 12 passengers crashes into a hill; there are no survivors.

A new Fokker F.28-4000 Fellowship is received in 1985. In an unusual exchange with **VARIG Brazilian Airlines (Viacao Aerea**

Rio-Grandense, S.A.) in 1986, TAME turns over a pair of Electras; VARIG, in turn, overhauls and repaints the two remaining in TAME service.

New destinations added during 1987–1988 include Lago Agrio, Tarapoa, Macas, and Coca. There are losses.

As the result of an electrical failure, an HS 748-2A with 38 passengers overruns the runway at Lago Agrio, Ecuador, on June 23, 1987, after a service from Quito; although the aircraft is damaged beyond repair, there are no fatalities.

Just after takeoff from Lago Agrio on a ferry flight to Quito with an inoperative No. 2 engine on July 1, 1988, an L-188A with six crew and a passenger loses No. 1 engine; with two engines out on the same wing, the plane veers left and crashes. There are no survivors.

In 1989, the fleet includes 2 British Aerospace BAe (HS) 748-2As, 1 B-727-17, 2 B-727-134s, 1 B-727-2T3A, 1 Fokker F-28-4000 Fellowship, and 1 Lockheed L-188C.

The left main landing gear of an L-188C with 7 crew and 92 passengers remains down after the aircraft takes off from Quito on September 4 on a service to Mariscal Sucre. An emergency landing is completed at Taura AFB and although the aircraft is damaged beyond repair, there are no fatalities.

Airline employment in 1990 stands at 650 as the Lockheed is withdrawn. In 1991, a B-727-230 is acquired under lease from **Air France**, followed by a B-727-230A in 1992. The company now begins to feed the French flag carrier's flights in Caracas, by connecting to them from Quito via Bogota. Also during the year, a Frontier Integration Agreement allows flights to be operated from both Tulcan and Esmeraldas to Cali, Colombia, four times a week. Also during the year, TAME flies within the Frontier Integration Agreement, with four frequencies weekly to Cali, Colombia, from Tulcan and Esmeraldas.

In 1993, President Gen. Duque and Managing Director Armando Nuney remove the Twin Otters. Destinations visited from Quito now include Ambato, Bahia, Esmeraldas, Galapagos Islands, Guayaquil, Loja, Macara, Machala, Manta, Oriente, Portoviejo Cuenca, Salinas, and Tulcan. Operations continue apace in 1994.

The fleet in 1995 includes 1 each B-727-12, B-727-134, B-727-230, B-727-2T3A, and Fokker F-28-4000 Fellowship, 2 B-727-230As, and 2 British Aerospace BAe (HS) 748-2As.

One more B-727-134 is acquired in 1996 and regular service is launched on April 30 to Santiago de Chile, Panama City, and Havana. A code-sharing agreement is entered into with **EVA Air, Ltd.** in 1997 covering connecting flights from Los Angeles to the Orient.

Flight 422, the B-727-230 leased from **Air France**, with 10 crew and 43 passengers, crashes into 3,100-m. high Cerro el Cable Mountain just after takeoff from Bogota to Quito on April 20, 1998; there are no survivors.

During the first quarter of 1999, a new homepage is opened on the Internet's World Wide Web. Later in the year, Brig. Gen. William Birkett is president.

The government of Ecuador announces on July 21, 2000, that it will privatize its national carrier in 2001. The search for a strategic partner now begins, while a new Civil Aviation Act works its way through Congress. The fleet now includes 8 B-727s, 1 each Dash-17 and Dash-2T3A, 2 Dash-134s, and 4 Dash-230As, one of which has been hush-kitted.

TAMGASS AVIATION. See ALASKA SOUTHCOAST AIRWAYS

TAMPA (TRANSPORTES AEREOS MERCANTILES PANAMERICANOS TAMPA S.A. CARGO): Carrera 76, No. 34A-61, Alaya Herrera Airport, Medellin, Colombia; Phone 57 (4) 250-2939; Fax 54 (4) 250-5639; Code QT; Year Founded 1974. Oscar Posada and American expatriate and pioneer Latin American aviation figure Luis H. Coulson form TAMPA at Medellin in 1974. After obtaining two Douglas DC-6A freighters, domestic all-cargo services are inaugurated. In 1975, the new all-cargo carrier contracts with **SAM (Sociedad Aeronautica de Medellin, S.A.)** to operate freight flights from Medellin and Bogota to Miami. A third DC-6A is acquired and the cargo to Florida consists

exclusively of cut flowers. TAMPA, meanwhile, becomes the first airline in Colombia dedicated solely to air freight.

Late in the decade, services are also started to Miami from Bogota as the freight operator begins its climb to prominence as the seventh largest all-cargo carrier in the world.

In 1980, the Douglas transports are replaced by a pair of chartered Boeing 707-373Cs; services remain the same, though frequencies are increased to an almost-daily basis. The first Boeing is returned to its lessor in 1981. The second, with three crew, fails its initial climb away from Medellin on December 14, 1983, and crashes into power lines and buildings; all aboard the freighter are killed, along with 22 persons on the ground.

In 1984–1988, four B-707-320Cs are acquired and routes are opened to Miami from Barranquilla, Cali, and Pereira. The company reports that, during the first 3 quarters of the latter year, a total of 105.97 million FTKs are operated.

Airline employment is increased by a spectacular 185.4% in 1989 to 371 and the fleet now includes 4 B-707-320Cs.

Traffic figures are only made available for the year's first half, but show a valuable boost in cargo carried, up 36.4%, to 63.71 million FTKs.

On September 11, the first European service is inaugurated, Bogota–Miami–Ostend, employing a pair of leased Douglas DC-8-63Fs; the routes, which will be suspended in the face of recession, are the first operated across the Atlantic by any Latin American cargo airline. Cut flowers are still flown to Miami, but now account for only 87% of the company's tonnage.

Statistics made available in 1990 show that, through September, freight traffic rises 4.9% to 153.86 million FTKs. A fifth Stratofreighter, a B-707-324C, is delivered at year's end under charter from Comtran International.

In 1991, the fleet comprises 2 B-707-321Cs, 3 leased B-707-324Cs, and 1 leased Douglas DC-8-71F. Employment at President Jorge Coulson Rodriguez's carrier stands at 371. When U.S. Customs agents at Miami find 3,900 pounds of cocaine in an inbound shipment of clothing aboard a TAMPA Stratofreighter, the company is hit with a \$1,000 per ounce (\$64 million) fine. An agreement is reached with the U.S. government under which most of the fine is mitigated as the airline spends almost \$2 million to boost its security.

Numbers are again offered only through September, but this time show cargo down 1.6% to 151.36 million FTKs.

Airline employment stands at 371 in 1992 as the fleet is altered slightly. Gone is one B-707-324C, replaced by a B-707-338C first operated by **Qantas Airways (Pty.), Ltd.** A new route is operated to Panama and Caracas from New York.

Figures are publicized through May and note freight traffic as being up 16.9% to 101.34 million FTKs. Revenues total \$68.8 million and with expenses down, an operating profit of \$1.3 million is generated.

At the end of the month, a temporary contract is signed with the new Miami-based U.S. cargo concern **Fine Air**; it will undertake TAMPA's weekly roundtrip service from south Florida to Ostend, Belgium, via London (STN) employing a Douglas DC-8-55FB.

In 1993, the workforce is increased to 600 and the fleet is altered to comprise the original 2 owned B-707-321Cs, plus 2 leased B-707-324Cs, 1 leased B-707-338C, and 2 leased DC-8-71Fs. Scheduled cargo flights are undertaken from Miami to Barranquilla, Bogota, Cali, Medellin, Ostend, and Pereira, from Bogota to Miami and Ostend, and from New York to Caracas and Panama City.

Through August, cargo is up 5.6% to 162.7 million FTKs. Unhappily, revenues are only \$57.1 million. In the early fall, the last Stratofreighter service is operated to Europe. Although the B-707Fs are withdrawn, the all-cargo route to Ostend and London (STN) is maintained with a DC-10-30CF leased from **World Airways**.

Airline employment is increased by 8.3% in 1994 to 650. Cut flowers are still flown to Miami; however, their tonnage accounts for only 65% of the business conducted by the largest Latin American all-cargo airline operating out of the south Florida airport.

Early in the year, the Douglas wide-body is returned to **World Airways** and services to Europe end. During the year's first 9 months, freight traffic is up by 15.4% to 187.51 million FTKs.

Just after takeoff from São Paulo on an October 9 all-cargo service to Santa Cruz, the No. 3 engine of a B-707-324C with five crew must be shut down. The landing gear fails as the aircraft attempts an emergency landing back at its point of origin and the Stratofreighter slides to a stop. Although the Boeing is damaged beyond repair, there are no fatalities.

There is no change in the workforce during **1995**. Cargo dips 4.5% through August to 176.87 FTKs.

A 40% stake is acquired by **Martinair Holland, N.V.** in November **1996**. President/CEO Frederik Jacobsen's fleet transports a total of 112.6 million tons of goods and earns revenues of \$69.5 million.

The leased fleet in **1997** includes 2 DC-8-71Fs and 1 each B-707-321C, B-707-324B, and B-707-338C. The former was first operated as the *Clipper Courser* by **Pan American World Airways (1)**.

The company moves into a 75,000-sq.-ft. leased warehouse at Miami (MIA) in December. Approximately one-third of the facility is refrigerated for the protection of fresh flowers and other perishable cargo.

Cargo traffic accelerates 14.6% to 226.94 million FTKs, which translates into 117.87 million tons of freight hauled. Income accelerates to \$77.51 million.

Flights continue in **1998**, with approximately 30 all-cargo flights made each week from Miami to Bogota and other cities in Colombia. One more DC-8-71F joins the fleet and a fourth is ordered.

When **Martinair Holland, N.V.** begins to implement a new cargo strategy in Latin America during the third quarter, TAMPA's activities become an integral part. Acquiring a DC-10-30CF on lease, the Colombian airline initiates five-times-a-week all-cargo flights in late November linking Miami (MIA) with Bogota, Medellin, and Caracas.

Freight traffic slides to 204.53 million FTKs.

By the beginning of **1999**, airline employment is reduced by 26.5% to 551.

It is noted on February 18 that this year's volume of fresh flowers into Miami, ahead of Valentine's Day, is level with the previous year's. At the peak of the just-ended season, volume is approximately 17,000 boxes per day. For purposes of measurement, a DC-8-71F can transport 2,300 whole boxes on a flight, each box containing 300 roses. Hoping for better sales, the airline has even undertaken the expense of renting 6 refrigerated 40-ft. trucks to supplement its Miami warehouse capacity. They are not used.

On December 6, company officials indicate that they are planning to soon add a Venezuela stop on the carrier's Colombia-Miami all-cargo run.

Freight traffic for the year totals 234.75 million FTKs. Revenues grow to \$80.9 million.

The workforce at the beginning of **2000** totals 551 and 3 DC-8-71Fs continue to be operated by President/CEO Frederick Jacobsen's concern. It is announced on April 27 that the company will soon be adding new routes into Mexico and Brazil, as well as short-term service to Bolivia and Panama.

TAMSA (TRANSPORTES AEREOS MEXICANOS, S.A. de C.V.): Mexico (1943-1960). *Compania Aeronautica Francisco Sarabia, S.A. de C.V.*, which had ceased trading in 1942, is purchased for 2.2 million pesos from Sarabia's widow, Agripina Diaz, and her partner, Efegeo Cabrera, by a group of Mexican investors in **1943**; the carrier is renamed TAMSA and registered on August 16, **1944**. On August 22, the Ford Tri-Motor 4-AT-6 is purchased from a New York source.

The haulage of chicle, a principal interest of the previous operation, is now halted in favor of the inauguration in **1945** of freight flights to Matamoros and other Yucatan towns. The fleet in **1946** includes Curtiss Robins, Avro Ansons, a Ford Tri-Motor, and a Boeing 40B; orders are placed for three Douglas DC-3s.

The 4-AT-6 is sold to **NAMSA (Negociacion Aerea Mexicana, S.A. de C.V.)** on February 10, **1947**. Three stops, Chetumal-Cozumel-Merida, forming a triangle, plus a frequency to Belize City in British Hon-

duras, comprise the company's passenger service by March, although a mostly cargo route is also flown from the Merida base to Mexico City.

Following the delivery of the Douglas transports later in the year and in **1948**, the fleet is standardized on the three modern aircraft.

Flights continue without incident in **1949-1952**. While landing at Chablekal, Mexico, on September 14, **1953**, a DC-3 freighter with two crew strikes a steel tower in fog, tearing off the wing and forcing the plane to crash in nearby woods (one dead).

Service is maintained without significant changes into the middle **1950s**, at which point a converted Consolidated B-24 Liberator transport is acquired. The ex-military aircraft, employed in a combi role, crashes at Merida on April 14, **1957**, killing all aboard, including popular singer Pedro Infante. Just as the public uproar over the Infante tragedy is dying down, TAMSA becomes involved in a long and bitter strike by its pilots.

The labor dispute, coming on top of the adverse publicity occasioned by Infante's death, effectively kills the airline, which is unable to recover financially from a resulting loss of traffic. What remains of the carrier's assets (primarily its route permits) are purchased by **Mexicana Airlines, S.A. de C.V.** in the summer of **1960**.

TAMU (TRANSPORTE AEREO MILITAR URUGUAYANO): Colonia 959, Montevideo, Uruguay; Phone 598 (2) 901 938; Fax 598 (2) 920 945; Year Founded 1974. The state airline **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)** is reorganized in **1974**. Responsibilities for domestic services are now transferred to the air transport arm of the Uruguayan air force, which is designated TAMU and also flies special charters for the government and military.

By **1985**, daily or near-daily nonstop service is linking Montevideo with the cities of Artigas, Melo, Paysandu, Rivera, and Salto. The fleet includes 2 Fokker F-27-100s, 2 Fairchild Hiller FH-227Ds, 5 Embraer EMB-110B/Cs, 2 CASA C-212 Aviocars, 1 Douglas DC-3, and 1 Beech B80 Queen Air.

Although the "mission" does not change for the air force officers maintaining the TAMU service, the fleet is altered slightly by **1993-1994** as one Bandeirante is withdrawn in favor of another Aviocar.

Flights continue in **1995-1999** without change.

TAN (TRANSPORTES AEREOS DE NIASSA). See COMAG

TAN (TRANSPORTES AEREOS NACIONAL, S.A.) (1): Brazil (1946-1956). Two pilots, Manuel J. Antunes and Hilton Machado, form Nacional at Belo Horizonte in December **1946**. Claudio Hoelck is named traffic manager, but he will come to play a more important role. Brazilian government operating permits are received on February 26, **1947** and the remainder of the year is spent in organization and fleet assemblage. With two Douglas DC-3s, the carrier inaugurates flights to Rio de Janeiro, Salvador, and Cuiaba in January **1948**. Another DC-3 is acquired in **1949** and São Paulo becomes a scheduled destination.

Early in **1950**, service is started to various inland destinations in the state of Bahia, including the northern city of Petrolina. Additionally, a frequency is launched via Januaria to Salvador. Antunes, Machado, and Hoelck now determine that the company should expand, not on its own, but through the creation of a consortium of airlines assembled with similar new entrants.

The first to join with TAN in late spring is **VIABRAS (Viacao Aerea Brasil, S.A.)**. It is followed in August by the large Belo Horizonte-based air taxi operator **OMTA (Organizacao Mineira de Transportes Aereos, S.A.)**. Providing services throughout Mato Grosso, **Central Aerea, S.A.** joins the consortium in October.

Following a year of integration in **1951**, Nacional purchases **VASD (Viacao Aerea Santos Dumont, S.A.)** in April **1952**, gaining the latter's coastal route to Recife.

A DC-3 with 4 crew and 20 passengers is the victim of an in-flight explosion over Palmeira de Goias, Brazil, on August 12; there are no survivors.

The consortium is officially incorporated as the limited company **Consorcio Nacional de Transportes Aereos, S.A.** on November 20, 1953.

Meanwhile, the DC-3 fleet continues to grow, reaching a total of 20 early in 1954.

A navigational error takes a DC-3 with 3 crew and 16 passengers directly into Cipo Mountain, Brazil, on May 31; there are no survivors.

By the end of the year, 8 more Douglas transports have been acquired and the route network stretches for 20,000 unduplicated miles between 74 Brazilian destinations.

The all-cargo airline **Itau (Companhia Itau de Transportes Aereos, S.A.)** is purchased and merged in October 1955, along with its surviving fleet of 5 Curtiss C-46 Commandos. Early in 1956, the Bahia State third-level carrier **TAS (Transportes Aereos Salvador, S.A.)** is acquired. Although its equipment prevents Nacional from entertaining the possibilities of international service, its growth has attracted considerable attention in the national airline community.

As a result, Linneu Gomes, CEO of **REAL, S.A.**, finds Nacional a worthy acquisition, purchasing 85% controlling interest on August 2. Nacional is allowed to continue operations as an autonomous carrier during a two-year integration period, during which time its places into service six new Convair CV-440s.

TAN (TRANSPORTES AEREOS NACIONALES, S.A.) (2): Honduras (1947–1991). Americans Cornell N. ("C. N.") Shelton and R. C. Forsblade join local rancher Miguel Brooks in setting up TAN at Tegucigalpa in August 1947; initial capitalization from the latter is \$159,000. After acquiring a converted Douglas B-18 bomber and two Curtiss C-46s, the carrier begins twice-weekly charters to Miami and Cuba on behalf of the Inter-American Affairs Institute.

A three-year foreign air carrier permit is received from the U.S. CAB on June 12, 1950, allowing the ad hoc service to be scheduled regularly for both freight and passengers. Two more C-46s enter service.

During 1951–1953, San Pedro Sula joins Tegucigalpa as an in-country terminus and direct flights are begun to Managua, Belize City, and Guatemala City. Using a loophole in Ecuadorian law to circumvent the normal understanding of Fifth Freedom rights, TAN, in June 1954, begins simply flying over Honduras to Managua before flying on to Lima via Guayaquil.

By March 1956, the carrier's Miami–South America traffic has increased 10-fold since 1953.

As part of the conditions for renewing TAN's Miami concession in 1957, the CAB requires the carrier to terminate at least one leg of its service in Honduras. There is also much discussion concerning the actual ownership of the airline, with considerable suspicion that Miguel Brooks is simply serving as a front for Shelton.

As a result of the U.S. government ruling, C. N. Shelton now not only avoids stopping in Honduras by forming partnerships with the new Peruvian carrier **APSA (Aerolineas Peruanas, S.A.)** and the fresh Ecuadorian entrant **CEA (Compania Ecuatoriana de Aviacion, S.A.)**, but convinces them to join him as a consortium in discount competition against American companies.

By June 17 when APSA starts flying to Santiago, Chile, Shelton's group is effectively able to offer through-service from the tip of South America all the way up to Florida. Services and frequencies are expanded in 1958–1959.

TAN-APSA interchange service ceases on September 1, 1960 when APSA begins flying to Miami under authority of its own CAB permit. Still, TAN prospers, introducing DC-6As in 1961. The company's interest in **CEA (Compania Ecuatoriana de Aviacion, S.A.)** is sold in 1963.

When Shelton dies in March 1965, the carrier passes to his daughter, Mrs. Patricia S. Spohrer of Miami, who holds a dual U.S./Honduran citizenship. The cofounder's story will be told about 15 years later by Philip Schleit in his *Shelton's Barefoot Airlines* (Annapolis, Md.: Fishergate Publishing, 1982).

Operations continue apace in 1966 and on February 20, 1967, a DC-6B with 48 aboard crashes on the Tegucigalpa Airport runway (4 dead). The great north-south consortium fades during the late 1960s.

On January 21, 1970, TAN purchases the last 38% shareholding of **Pan American World Airways (1)** in **SAHSA (Servicio Aereo de Honduras, S.A.)**. The shareholding leads to a close relationship between the nation's two major airlines.

At the beginning of 1971, two Lockheed L-188A Electras, converted to L-188AF freighter status, are purchased, one had originally been operated by **Braniff International Airways** and the other by **Eastern Air Lines**. Services continue in 1972.

A DC-6A with three crew on approach to the airport at Tegucigalpa on January 27, 1973, crashes 10 mi. N of the runway and bursts into flames; there are no survivors.

The first jetliner, a Boeing 737-2A3 purchased from **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)**, is delivered in May 1974. The Honduran city of La Ceiba now adds a third point to the domestic route network as frequencies are maintained in 1975–1977.

During 1978, President General O. Lopez Arellano's 400-employee company owns a fleet comprising 1 B-737-2A3, 2 L-188AFs, and 1 DC-6B. In April 1980, a legitimate Fifth Freedom CAB concession is awarded for an all-cargo route to and through Belize City. This is flown by a Lockheed L-188, leased from **SAHSA (Servicio Aereo de Honduras, S.A.)**. There are no significant changes in 1981–1984.

By 1985, daily flights are offered between Tegucigalpa and San Pedro Sula and Miami by both the company's B-737-2A3 and the **SAHSA (Servicio Aereo de Honduras, S.A.)** B-727-81 under contract. In 1988, the company reports that during the first 6 months it has transported a total of 74,409 passengers and 599,000 FTKs.

In 1989, control is purchased by TAN; however, the two airlines integrate under the single title **TAN-SAHSA Airlines, S.A.** Leonel Lopez is named general manager and the B-727-81 is sold.

A B-727-224 is acquired, but while preparing to land at Tegucigalpa, Honduras, in high winds and low clouds on October 21, the trijet, with 8 crew and 138 passengers flies into a mountain 15 km. S of its destination and explodes (127 dead).

While on initial approach to Tegucigalpa on a March 21, 1990, all-cargo service from San Pedro Sula, an L-188CF with three crew in poor visibility, crashes into the southern slope of Cerro Hula at 2,500 ft.; there are no survivors.

Two B-737-4Y0s, leased from GPA Group, are delivered during the summer.

A drop in traffic forces the airline, in May 1991, to return the two B-737-4Y0s to GPA Group and put a hold on a third requested for delivery later in the year. At this point, an L-188AF is chartered from SAHSA. On November 1, the carriers are integrated under the **SAHSA (Servicio Aereo de Honduras, S.A.)** name. The L-188AF that TAN had leased the previous year is withdrawn from service in mid-1992.

TAN (TRANSPORTES AEREOS NEUQUEN, S.A.): Diagonal 25 de Mayo 180, Neuquen, 8300, Argentina; Phone 54 (99) 488 927; Fax 54 (99) 466 418; <http://www.tan.com.ar>; Code TB; Year Founded 1972. In order to replace the tax-supported provincial government air ambulance, mail, cargo, and passenger services provided in the region since 1960, TAN is created at Neuquen in the southwestern part of Argentina on May 26, 1972. Equipped with 3 Piper PA-31-310 Navajos, the third-level commuter undertakes scheduled flights linking Neuquen with Chapelco, Caviahue, and Chos Malal. The Pipers are replaced by 3 Rockwell Aero Commander 690s and services are maintained during the remainder of the decade and into the 1980s.

By 1983, the carrier has added additional destinations, including Zapala, and increased its fleet through the acquisition of two Swearingen Metro IIs. Able to survive the ups and downs of the turbulent economy of the late 1980s, President Cesar Jose Gazzera's fleet in 1989 consists of 2 Rockwell Commander 690Bs, 1 SAAB 340A, and 2 Metro IIIs.

There is a significant enhancement in service during the early 1990s as the company begins to replace the frequencies suspended by LADE (**Lineas Aereas del Estado**). In 1992, a third Metro III is acquired and the route network stretches up from Bariloche and Esquel via Mendoza to Cordoba and to the coastal cities of Bahia Blanca and Comodoro Rivadavia.

Cesar Jose Gazzera remains president in 1993 and through the first 6 months, enplanements total 44,221. Passenger boardings decline in 1994, falling by 12.6% through July to 39,273.

The workforce stands at 115 in 1995. Destinations visited include Buenos Aires, Bahia Blanca, Chos Malal, Comodoro Rivadavia, Cordoba, Cutral Co, Malarque, Mar del Plato, Medellin, Puerto Deseado, Puerto Monti, Rincon de los Sauces, Rio Gallegos, Rio Grande, San Carlos de Bariloche, San Martin de Los Andes, Temuco, and Trelew.

Traffic figures are only reported through the first quarter and show enplanements of 23,452 for the period.

The fleet in 1996-1999 includes 2 owned Rockwell Commander 690Bs and 3 Swearingen SA-227 Metro IIIs, plus 2 leased SAAB 340As. Destinations visited include Bahia Blanca, Balmaceda, Chapelco, Chos Malal, Comodoro Rivadavia, Concepcion, Cordoba, Mendoza, Puerto Montt, Rincon de los Sauces, Temuco, and Trelew.

During these years, majority control is acquired by **VASP Brazilian Airlines (Viaceo Aerea Sao Paulo, S.A.)**.

Having fallen on hard times financially, VASP is forced to sell its TAN shares in October 2000.

TAN-SAHSA AIRLINES, S.A. See SAHSA (**SERVICIO AEREO DE HONDURAS, S.A.**); **TAN (TRANSPORTES AEREOS NACIONALES, S.A.)**

TANA (TRANSPORTES AEREOS NACIONALES, S.A.): Colombia (1971-1979). TANA is formed at Bogota as **Taxi Aereo Nacional, S.A.** by Inversiones Alfredo Sesana y Cia in September 1971 to offer charter services to destinations in Panama, Peru, Brazil, Venezuela, Ecuador, and Colombia. Following receipt of several Douglas DC03s and DC-4s, all-cargo services begin in early 1972.

The company is reorganized in 1974, adopts a new name and livery, and begins scheduled passenger services linking Cali with Condoto, Ipiales, Guapi, and Tumaco.

Airline employment in 1978 totals 150 and the fleet comprises 4 DC-4s, 4 DC-3s, and 1 Beech 99. In 1979, the carrier is purchased by a competitor, **TAVINA (Trans-Colombiana de Aviacion, S.A.)**.

TANANA AIR SERVICE: P.O. Box 60713, Fairbanks, Alaska 99706, United States; Phone (907) 474-0301; Fax (907) 474-9311; Code 4E; Year Founded 1972. Tanana Air Taxi of Fairbanks is certified by the State of Alaska in August 1972 to offer intrastate passenger and cargo charter services. President James P. Hagglund assembles a fleet comprising 1 Piper PA-31-350 Navajo Chieftain and 2 Piper PA-32 Cherokee Sixes and inaugurates flights to Minto Manley, Tanana, Ruby, and Galena. The company is reformed in 1974 and renamed **Alaska Central Airways**.

Operations are taken over by Harold Esmaika's Arkansas-based **Harold's Air Service** in 1976. Scheduled commuter services are now inaugurated linking the company's base with Lake Minchumina, Minto, Manley, and Tanana. Late in the decade, the company acquires an Australian-built GAF Nomad N.24A.

In 1983, the carrier is acquired by new owners and renamed Tanana Air Service; Dale Erickson becomes president.

Operations continue apace over the next 15 years. Enplanements in 1996 reach 3,914, and \$1.5 million in operating revenues are generated.

Passenger boardings decline 6.8% in 1997 to 3,649. Business dramatically improves in 1998 as customer bookings rebound and climb 29.2% to 5,000.

Passenger boardings skyrocket 357.8% in 1999 to 22,000.

A total of 10 full-time pilots are employed at the beginning of 2000 to fly the company's fleet, which now includes 1 PA-31-310 Navajo and 5

PA-32R-300 Lances. In 2000, for the first time, the salmon runs along the entire Yukon watershed collapse. By fall, subsistence salmon fishing must be shut down and Governor Tony Knowles declares an emergency. In addition to the economic loss, thousands of dogs in rural bush areas, used to haul sleds and dependent upon salmon as their food source, face starvation or liquidation. Something must be done to avert this disaster and a number of small airlines, coming off a bad year caused by rising fuel and insurance costs, are able to assist, while also enjoying renewed profits.

The key to the situation, in the eyes of many, is the transport of donated dog food and fish obtained by local governments and tribes as the result of press reports of the failed salmon returns. In late August and September, a massive food shipment is organized by Warbelow's at Fairbanks, with support from the U.S. Postal Service and other small airlines.

Because Warbelow's has made special arrangements with its competitors, the USPS, which will not be directly involved in distribution, agrees to allow the donated food to be classified as bypass mail, for which rock-bottom postage is charged. The entire \$25,000 bill will be paid by the Tanana Chiefs Conference, which also rents refrigeration to hold frozen food awaiting delivery.

Under the direction of Chief Pilot Michael Morgan, Warbelow's, which has the only bypass mail shipping permit in Fairbanks, runs the packages through its meter and with USPS assistance, farms out this mail for delivery. The airlines involved, including **Warbelow's Air Ventures, Frontier Flying Service, Arctic Circle Air Service, Belair, Larry's Flying Service, Servant Air, Tanana, Tatonduk Air Service, and Wright's Air Service**, are paid a rate per pound (between 40¢ and \$1 depending on distance), to haul the approximately 100 tons of food to villages along the Yukon, Tanana, and Koyukuk Rivers.

TANEJA AEROSPACE AND AVIATION, LTD.: 1010 Prestige Meridian-1, 29, M.G. Road, Bangalore, Karnataka, 560001, India; Phone 91 (080) 555-0944; Fax 91 (080) 555-0955; http://www.tanejaaerospace.com; Year Founded 1997. In collaboration with Partenavia, S.p.A. of Italy, Taneja is established at Bangalore in 1997 as the first private-sector aircraft manufacturing company in India. The aircraft chosen for development and sale is the six-seater P-68C. The new concern is also the authorized sales and service center in India for Cessna Aircraft Company's business aircraft, including the Citation bizjets and the Caravan.

In addition to building and sales, Taneja also engages in executive and small-group charter operations and provides medevac flights.

In 2000, the company employs 12 full-time pilots. Parenavia P-68Cs are stationed not only at Bangalore, but also at Bombay, Delhi, Madras, and Madurai.

TANS (TRANSPORTES AEREOS NACIONALES DE LA SELVA, S.A.): Ave. Arequipa 5200, Miraflores, Peru; Phone 241-8510; http://www.tans.com.pe; Year Founded 1963. TANS is established by the Peruvian Air Force on December 5, 1963 and given the mission of operating missionary routes into the remote areas of the Amazon region. These flights are operated without headline or incident over the next 35 years, employing a fleet of de Havilland Canada DHC-6 Twin Otters, Chinese-built Harbin Y-12s, Bell 212 helicopters, and large Russian Mil Mi-17s.

At the urging of Peruvian President Fujimori, TANS is encouraged to expand and on December 15, 1998, the DGAC (Peru's civilian aviation agency) grants the AF unit permission to begin scheduled services into Cuzco, as well as to Iquitos, Tarapoto, Pucallpa, and Arequipa. The nation's private carrier's complain that they are being unfairly forced to compete with a government carrier, but the president brushes their concerns aside, pointing out that the nation's airline situation demands reliable service. By March 26, 1999, a fleet of four Boeing 737-200s is on hand and flights commence to Lima. Between April and December, service is also added to Chiclayo, Piura, Juliaca, Tujillo, and Tumbes. In the wake of the collapse of **Aero Peru (Empresa de Transportes**

Aereos de Peru, S.A.), TANS is one of several domestic Peruvian airlines given new routes and responsibilities. In November, the carrier applies for permission to switch from a military to a civilian operating license and former Aero Peru Director Hector Arce becomes managing director. At the same time, alliance discussions begin with **Continental Airlines**.

TANS is recertified as a civilian airline on February 18, 2000. On April 18, it begins operating new services to Tacna, Ayacucho, and Puerto Maldonado. International flights are authorized on May 10. At this point, Cesar Follegati Noriega becomes director general and plans are made to inaugurate roundtrip service from Cuzco to New York.

The relationship with **Continental Airlines** is strengthened during the year as the two make their booking and billing systems fully compatible. On February 1, 2001, the South American Business Information service will report that the two companies will sign a full code-sharing agreement with the next couple of months.

TANSÁ (TRANSPORTES AEREOS DE NAYARIT, S.A. de C.V.): A.P. 221, Tepic, 63190, Mexico; Phone 52 (321) 33 111; Fax 52 (321) 33 117; Year Founded 1958. Alberto Velazco Garcia, who has been in the crop dusting business since 1954, elects to officially establish an air taxi and cargo charter operation in 1958. Revenue operations, which had previously been operated with single engine aircraft, are enhanced by the addition of a Douglas DC-3.

Garcia and his son, Alberto Velazco Navarro, operate flights throughout the mountainous region of the western Sierra Madre in the central part of Mexico. Passengers, supplies, building supplies, and other essential items are transported between small communities and the established towns of Puerto Vallarta, Talpa de Affende, Mascota, San Sebastian, Tepic, Santiago Ixcuintla, La Mesa, Mesa del Nayar, San Juan Peyaton North, and Santa Teresa.

A second DC-3 is acquired in 1974. One is based at Puerto Vallarta and the other at Santiago Ixcuintla. When the founder dies in 1991, the company passes to his son.

Flights continue apace through 1999. During the summer, Greg R. Wormser visits the carrier, subsequently penning its only printed profile, "Romancing the Skies," for the December issue of *Airways*.

TANZANAIR (TANZANIAN AIR SERVICES, LTD.): P.O. Box 364, Dar es Salaam, Tanzania; Phone 51-113151; Fax 51-112946; Year Founded 1969. This privately owned carrier is formed at Dar-es-Salaam in February 1969 and begins domestic and international charter flights on July 7. **Tim Air Charters, Ltd.** is acquired in 1976. During 1977-1984, the fleet grows to include 1 Cessna 414, 1 Piper PA-32 Cherokee Six, 3 Cessna 310s, and 2 Cessna 402Bs. Airline employment reaches 100 and yearly enplanements average 10,000 to 20,000.

Flights continue apace during the remainder of the decade and into the 1990s. D. J. Samaras becomes managing director and the fleet comes to comprise 1 Beech 55 Baron, 1 Beech Bonanza, 2 C-310Rs, 1 C-402B, and 2 C-406 Caravan IIs.

While on approach for a landing at Morogoro on April 24, 1996, one of the Caravan IIs crashes into a mountain; the aircraft is destroyed and the pilot is killed.

The company replaces the lost aircraft in 1997 and goes on to generate \$2 million in sales. Flights continue during the remainder of the decade. During these years, the C-402B and Beech Baron are withdrawn.

TAO (TAXI AEREO DE OAXACA, S.A. de C.V.): Mexico (1930-1943). Capt. Luis Melgosa organizes TAO at Oaxaca in 1938 and begins flying a circular route from that town to Tehuacan-Mixteca with a Stinson Detrolter; route direction is changed on alternate days.

In 1940, the company is renamed Taxi Aereo de Oaxaca and a cargo route is started to the mining areas near Juchatengo. At this point, an old Boeing Model 40 and a Buhl Air Sedan are purchased. Backed by **Pan American Airways (PAA)**, **Aeronaves de Mexico, S.A. de C.V.** takes over Melgosa's operation in 1943.

TAO (TAXI AEREO OPITA, S.A.): Colombia (1961-1974). Investors at Neiva, the provincial capital of Huila, reform TAO from a crop-spraying concern originally formed in 1957 into an air taxi during 1961 to provide small plane passenger and package charter flights within the region. A Douglas DC-3 is acquired in 1963 and a regularly scheduled route called *La Ruta Cordial del Sur* is opened from Neiva to Bogota. Two Curtiss C-46 Commandos are placed on the route during 1965.

Four years later, in 1969, the local service operator purchases a pair of previously owned Vickers Viscount 745s and begins flying to additional destinations. As the British-made turboprops enter service, the Curtiss aircraft are withdrawn.

Operations continue apace in 1970-1971. En route from San Andres to Barranquilla on July 19, 1972, a Viscount 745 is able to land safely at Cartagena after the pilot is shot by B. Suarez, a passenger and the carrier's chief stockholder. The improved route network is maintained with difficulty in 1973 against stiff competition, increasing fuel costs, and the after effects of the Viscount incident.

Already in great difficulty, the company suffers a fatal tragedy on June 8, 1974. One of the two Viscount 745s with 44 aboard crashes near Cueuta and there are no survivors. TAO now stops flying.

TAP (TRANSPORTES AEREOS DEL PACIFICO, S.A. de C.V.): Mexico (1935-1941). Mario Rivas Mercado and Joaquin Cortina Goribar found TAP at Acapulco on May 31, 1935. With 2 Travel Airs and 3 pilots, including the American "Pistol Pete" Baughan, multistop service is initiated to Oaxaca.

During the late 1930s, pilot Julio Zinzer obtains the carrier and upgrades its Stinson fleet by adding a Sikorsky S-38. In 1941, TAP is sold to **Aeronaves de Mexico, S.A. de C.V.**, at that time backed by **Pan American Airways (PAA)**.

TAP-AIR PORTUGAL (TRANSPORTES AEREOS PORTUGUESES, S.A.): Aeroporto de Lisboa, Apartado 50194, Lisbon Codex, 1704, Portugal; Phone 351 (1) 841-5000; Fax 351 (1) 841-5095; http://www.tap-airportugal.pt; Code TP; Year Founded 1944. By a September 1944 decree, the Portuguese government establishes a Secretariate for Civil Aviation, the purpose of which is to plan and launch regular commercial air operations, primarily to strengthen connections with the nation's colonies. On March 14, 1945, the new Secretariate creates a special division, Transportes Aereos Portugueses (TAP), to physically fulfill the government mission.

Simultaneously, the independent carrier **Companhia de Transportes Aereos, S.A. (CTA)** inaugurates scheduled service on a route Lisbon-Oporto. Eight twin-engine Douglas DC-3s and four four-engine DC-4s are ordered and, during the summer and fall, proving flights are undertaken in Europe and to the Azores and Africa. Meanwhile, pilots and maintenance personnel are recruited from the Portuguese Army and Navy and 11 pilots are sent to Britain for training by **British Overseas Airways Corporation (BOAC)**.

All is placed in readiness and five DC-3s are available; on September 19, 1946, TAP becomes a regularly scheduled public carrier as it inaugurates twice-weekly flights Lisbon-Madrid in cooperation with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. On December 31, the so-called "Imperial Line" is opened as the Douglas transports begin 11-stage Lisbon-Lourenco Marquis service, linking the parent country with its African colonies, Angola and Mozambique. This is the longest then-current Dakota route, covering 24,540 km.

Companhia de Transportes Aereos, S.A. (CTA) is disbanded on July 15, 1947 and its assets are acquired by TAP. A Lisbon-Oporto regular service is launched and three DC-4s are delivered, allowing the start-up of operations to Johannesburg. Total enplanements for the year are 8,742.

New European services are started in 1948, initially linking Lisbon to Paris as of August 10. Bookings climb to 14,850.

Airline employment reaches 400 in 1949 and the fleet is upgraded to include 6 DC-3s, 3 DC-4s, and 2 Beech 18s.

Piloted by Capt. Silva Soares, a DC-3 on March 6 inaugurates the company's roundtrip service between Lisbon and Sao Tome and Principe. The flight will be recreated on TAP's fiftieth anniversary.

DC-4 Lisbon-London flights also commence and new charter and freight services are initiated.

Economic difficulties are encountered in 1950 and the government begins planning to privatize the carrier. Privatization efforts continue in 1951-1952; enplanements in the former year are 20,765.

In April 1953, **Aero Portuguesa, S.A.**, controlled by **Air France**, is acquired, together with its equipment, personnel, aircraft, and routes to Tangier and Casablanca. TAP is sold on June 1 to a combine of banking, mercantile, and shipping firms that reorganize it into TAP S.A.R.L., a joint stock company with limited liability and a 20-year government concession for world routes as a developmental incentive. Three Lockheed L-1049G Super Constellations are ordered for the airline in December.

The workforce reaches 593 in 1954. DC-4s are introduced on several African routes as bookings accelerate to 27,310. The Super Constellations are delivered in July and September 1955; after workup, they are placed in service, replacing DC-4s on the routes from Lisbon to Luanda and Lourenco Marques via Kano and Leopoldville. Also, they fly roundtrip from Lisbon to Madrid, Paris, and London.

Cargo traffic increases during 1956-1958 and the last of the DC-3s is retired. During the 12 latter months, L-1049Gs fly the Lisbon to Oporto trunk route. Bookings increase each year: 42,341 (1956), 47,087 (1957), 64,553 (1958). In 1959, plans are undertaken for the launch of jetliner service. A pooling arrangement is entered into with **British European Airways Corporation (BEA)** for the lease of Viscounts and Comet 4Bs. At this point, the L-1049E and L-1049H leased from **Seaboard & Western Airlines** the year before are returned.

Employing the chartered British airliners in 1960, new service is inaugurated to Porto Santo and Madeira; in cooperation with **Panair do Brazil, S.A.**, the Friendship Flight is started to Rio de Janeiro. The African destinations Bissau and Beira are added to the route network in 1961 and four Sud SE-210 Caravelle VIRs are ordered from France. Meanwhile, two L-1049Gs are purchased from **Aerovias Guest, S.A. de C.V.** of Mexico.

On November 11, six government opponents hijack an L-1049G during a Casablanca to Lisbon flight and force it to circle the capital city as leaflets are dropped urging revolt; the plane goes on to land at Tangier, Morocco. The Moroccans deport the pirates to Senegal and they eventually receive political asylum in Brazil.

The first Caravelle VIR is delivered on July 13, 1962 and together with the leased Comet 4Bs, is placed into service on new flights to Santa Maria in the Azores and Las Palmas. Chartered Viscounts begin new Lisbon to Frankfurt and Geneva frequencies. Comet 4Bs launch Lisbon-Luanda service in 1963. Orders are placed for Boeing 707s and 727s. As two additional SE-210s become available during the summer, the pooling arrangement with **British European Airways Corporation (BEA)** is terminated late in the year.

Airline employment is 2,152 in 1964. Direct L-1049G flights are started to Funchal in the Madeira Islands, with connections to Santa Maria, Porto Santo, and Las Palmas. The African Caravelle route is extended from Luanda to Beira.

Systemwide, enplanements during the 12 months are 248,006.

The first B-707-382Bs are delivered via the Portuguese government in early 1965 and are employed to inaugurate new frequencies to Johannesburg. Se-210 service to Brussels, London, and Faro is also started.

Boardings this year climb 26% to 337,883.

Boeing jet service is launched to Rio de Janeiro and New York in June 1966. Caravelle flights Faro-London also commence. The last L-1049G is retired.

With the arrival of 3 B-727-82s, the carrier in 1967 becomes the first European airline to operate an all-jet fleet, now also including 3 Caravelle VIRs and 2 B-707-382Bs. New services are initiated to Zurich via Geneva, to Copenhagen, Salisbury, Rhodesia, Bissau, Recife, and Buenos Aires via Rio de Janeiro. Pope Paul VI flies a TAP SE-210

Rome-Monte Real on his visit to Fatima. The first administrative computer is installed and the workforce is increased to 3,106.

A total of 536,041 passengers are carried during the year.

Airline employment in 1968 stands at 3,125. Two additional B-707-138Bs and two B-727-82s are delivered and new routes are opened Lisbon-Amsterdam and São Paulo and Faro-Frankfurt. Eduardo Mendes Barbosa is named president in October.

Cargo skyrockets 95% and passenger boardings soar 23.7% to 663,000.

On April 1, 1969, Lisbon to Boston flights begin. Also in April, one more B-707-382B is delivered. Faro and Lisbon-Dusseldorf service is started and Santa Maria is added as a stop on the New York run.

Beginning in February 1970, two additional B-707-382Bs are added, allowing extension of the Mozambique route to Lourenco Marques. Lisbon-Santa Maria, Boston, and New York service is launched. A B-747-282B is ordered and activities in 1971 center around its delivery on December 20. Enplanements approach a million.

The fleet in 1972 comprises the new wide-body, plus 7 B-707-382Bs, 5 B-727-82s, and 3 SE-210s. A pipe bomb explodes in the company's New York office on January 24, causing slight damages but no injuries. The premier B-747-282B, christened *Portugal*, inaugurates Lisbon to New York flights in March. Following delivery of the *Brasil* on May 16, Jumbojet services are extended during the summer to Rio de Janeiro, Luanda, Mozambique, and Johannesburg. Passenger boardings jump 20.3% to pass the million mark for the first time (1,454,000) and cargo traffic is up by 15%.

Airline employment reaches 8,140 in 1973. Three more aircraft (a sixth B-727-82 and two B-707-3F5Cs) are added and an Oporto-Paris frequency is begun. TAP is now the first airline to fly a Boeing trijet to Funchal.

Passenger boardings accelerate 14% to 1,517,560 and freight rises a spectacular 69%. The employee population numbers 8,568.

Additional European routes and frequencies are added in 1974 as three more B-727s (one each Dash-82C, Dash-172C, and Dash-155C) and a B-707-3F5C are placed in service.

The computerized reservations system TAPMATIC is introduced. The April 25 revolution brings a reassessment of the carrier, its routes and policies. Some 200 employees demonstrate against their management at Lisbon on May 2; the next day, the six-man board of directors resigns. The first step taken to revitalize the carrier is appointment of a new board.

The third B-747-282B arrives on June 7 and is christened *Luis de Camoes*. On August 29, the government imposes martial law on ground personnel, ending a strike by workers that had paralyzed the national airline. A major shift in route concentration away from Africa to other parts of the world is now undertaken, with the Portuguese flag line becoming one of the few airlines to expand North Atlantic service. Despite the fuel crisis, frequencies to the U.S. and Canada are increased to 17 per week and another B-747-282B is added.

Passenger bookings dip 3.8% to 1.5 million, but freight traffic accelerates by 15.9%.

Lisbon-Caracas service is inaugurated 1975. On April 15, the carrier is nationalized, becoming a public company; the current corporate identity, logo, and livery are introduced and three Caravelle VIRs are sold to the Equatorial airline **SAN (Servicios Aereos Nacionales, S.A.)**. The fourth and final B-747-282B, the *Bartolomeu de Gusmao*, is delivered on October 17. Also in October, as civil war breaks out in Angola, a single B-707-3F5C evacuates 342 passengers and 9.5 tons of cargo to Lisbon in one nonstop flight.

Cargo traffic falls 38.4% and passenger boardings are down 14.6% to 1,307,000.

The employee population is 8,946 in 1976. In protest of the imprisonment of Portuguese citizens by the government, TAP briefly suspends flights, as of January 14, to Mozambique. Cuban Army Pvt. Carlos Manuel Molina Alvaral defects from his country's forces in Angola and forces the captain of a TAP airliner to fly him from Luanda to Lisbon on April 4, where he seeks political asylum. Lisbon-Milan service begins, also in April.

Two B-747-282Bs, the *Bartolomeu de Gusmao* and *Luis de Camoes*, are leased later in the month and later sold to **Pakistan International Airlines Corporation (PIA)** and, in October, 2 additional B-707-3F5Cs are delivered, bringing the fleet total to 12 707s, 4 B-727-100s, 7 B-727-82s/82Cs, and 2 B-747-282Bs.

Passenger traffic jumps 11% to 1,453,893 and freight grows by 12%.

Three new routes are opened in **1977**: Amsterdam and Funchal via Lisbon, Geneva and Funchal via Lisbon, and Oporto and Caracas via Lisbon. Most of the members of the Union of Civil Aviation Pilots strikes TAP between September 11 and December 30.

Poor visibility causes a B-727-82 with 8 crew and 156 passengers to land too far down the runway at Santa Cruz Airport, Madeira, on November 19 after a flight from Brussels via Lisbon. The Boeing overruns the end of the runway and goes over a steep bank, bursting into flames (131 dead).

Enplanements for the year total 1,578,520.

President Eng Frederico Monteiro da Silva's workforce is 9,224 in **1978**. Cabin crews end a strike on January 7, while later, flights to five new European destinations are inaugurated, plus a route Oporto-Salvador, with an extension to Rio de Janeiro. Three B-727-82s are sold as charter operations decline.

En route from Lisbon to Madeira on October 22, a B-727-82 is taken over by a lone assailant claiming to have two pistols and demanding that the aircraft fly to Morocco. After careful observation, the captain determines that the pirate's weapons are fakes and overpowers him. The ship lands at its destination and the perpetrator is turned over to police.

Cargo jumps 23.8% and passenger boardings accelerate a slight 2.4% to pass the two million mark (2,077,000). On total revenues of \$267.9 million, a net loss of \$20.6 million is suffered.

The company receives the 1978 "Technology Management Award" from *Air Transport World* magazine in January **1979**. In March, Transportes Aereos Portugueses, S.A. receives a new name, TAP-Air Portugal. A new corporate identity designed to emphasize the airline's role as the flag carrier is adopted. A new monogram, a bold red, green, and white airplane livery, new wide-body interiors, and new uniforms are unveiled.

One more B-707-3F5C, three B-727-282s, and a de Havilland Canada DHC-6 Twin Otter are acquired and services to Copenhagen and Brazzaville are inaugurated. An order not finalized for five Lockheed L-1011 TriStar 500s is announced in September.

Passenger bookings rise 2.1% to 2,159,673 and cargo grows 10.5% to 116.5 million FTKs. Still, a \$48-million loss is reported.

The workforce is increased by 2.1% in **1980** to 10,003. Three Lockheed L-1011-500s are ordered, another B-727-282 is received, and service is launched to Rome and Barcelona, with a Lagos and New York route is added.

On May 6, 16-year-old Rui Manuel da Costa Rodrigues hijacks Flight 131, a B-707-382B with 90 passengers en route from Lisbon to Faro, demanding to be given a ransom and flown to Switzerland. The aircraft diverts to Madrid for refueling, where the pirate frees all of the passengers, but holds seven crew members as hostages. He is talked into surrendering the next morning.

Later in the year, a major marketing program is launched, aimed at current Brazilian offerings. In October, the TriStar purchase is finalized.

The worldwide recession, however, strikes hard: boardings fall 12.7% to 1,717,000, freight dips 5.5% to 110 million FTKs, and expenses soar 20.3% to \$510 million. On total revenues of \$434 million, a \$76-million loss is taken.

Lisbon-Manchester service begins in May **1981** and a route is restarted to Harare (formerly Salisbury, Rhodesia). A fifth B-727-282 joins the fleet.

Cargo declines 11.3% to 108 million FTKs, as passenger boardings rise 9.4% to 2,055,000. Revenues total \$449 million, expenses climb to \$504.8 million, and a record \$82.8-million loss is incurred.

Airline employment is 9,940 in **1982**, a 0.3% decline. Pope John Paul II flies Oporto-Rome aboard the B-707-320B *Fernao de Maga*; meanwhile, direct Oporto-Manchester service starts and the first B-737-282 is delivered.

Passenger bookings are up 5.8% to 2,175,071, but freight falls again, off 5.5% to 102.24 million FTKs. Despite a cost-control program, expenses rise 4.1% to \$473.6 million. On total revenues of \$442.5 million, another severe financial loss is incurred, the net being \$58.4 million in the red.

The workforce is increased 0.3% to 9,974 in **1983**. The first L-1011-500, christened *St. Antonio Lisboa*, is delivered on January 12. Sometime later, B-727-282 service is kicked-off Oporto-Brussels and Lisbon-Copenhagen. Executive Class is introduced on European flights.

Cargo declines another 3.7% to 461.38 million FTKs and passenger boardings are down an equal percentage, to 1,926,567. On revenues of \$455.7 million, the loss produced this year is \$54.2 million.

The employee population swells 1.3% to 10,105 in **1984**. Monthly Lisbon-S. Tome (Lagos) flights are inaugurated and the two B-747-282Bs *Portugal* and *Brasil* are sold to **Trans World Airlines (TWA)**. The fleet now includes 5 L-1011-500s, 8 B-707-382B/3F5Cs, 7 B-737-282s, and 2 DHC-6s.

Passenger boardings climb 4.8% to 2,125,000 and freight soars 21% to 116.42 million FTKs. Financial data is not released.

The workforce is cut to 9,963 in **1985** and 3 B-707-382Bs are sold. In June, the wholly owned subsidiary **Air Atlantias, S.A.** is formed to operate Lisbon-U.K. charters with two B-707-382Bs and two B-737-282s transferred under lease from the parent's fleet; revenue operations commence in the fall.

Passenger boardings climb a slight 0.05% to 2,126,000 and freight jumps 14.6% to 133.39 million FTKs. The year proves healthy financially in that expenses are less than revenues, \$529.5 million versus \$555.6 million. Still, a \$3.3-million net loss is suffered.

The payroll is cut again in **1986**, down by 0.7% to 9,896. In November, the carrier sells a B-707-3F5C to the Republic of Zaire and enters into negotiations to sell two others to an unnamed U.S. airline. At year's end, orders are placed for three Airbus Industrie A310-300s.

Customer bookings jump 5.5% to 2,131,449. Costs far exceed revenues and an operating loss of \$32.6 million is suffered.

The number of employees is down 11% in **1987** to 9,787 despite the company's good year. The Airbus order is increased by one, and requests are made for three B-737-382s. New routes are stretched to Athens, Vienna, Munich, and across the Atlantic to Toronto.

As a result, passenger boardings accelerate 14% to 2,439,140 and freight rises 1.4% to 124.6 million FTKs. Revenues advance 12% to \$471.8 million, expenses rise 5.9% to \$480.8 million, and the operating loss is down to \$9 million.

The workforce falls a very slight 0.7% in **1988** to 9,612. The fleet now includes 9 B-737-282As, 6 L-1011-500s, 4 B-727-282s, 3 B-727-82Cs, and 2 B-707-382Bs. Orders are outstanding for 4 A310-304s, 3 B-737-482s, and 1 L-1011-500.

Beginning in April, a company L-1011-500 becomes the first commercial aircraft to use satellite data communications on a transatlantic flight; the achievement is part of a joint IMMARSAT/ESA/SITA experimental development program. The route network is increased when markets are entered at Curaçao, Casablanca, Nice, Stuttgart, Hamburg, and Stockholm.

On June 2, twice-weekly roundtrips are inaugurated between Lisbon and Manchester and Dublin. The first A310-304 arrives in December and is placed into service at month's end over routes to Africa.

Customer bookings swell 8% to 2,635,185 and cargo increases 12.8% to 141.05 million FTKs. 1.05 million FTKs.

The fleet is enhanced in **1989** by the addition of one more L-1011-500, three A310-304s, three B-737-382s, and one B-737-282C. Gone are the three B-727-82Cs and two B-707-382Bs.

Long-haul A310-304 service is initiated twice-weekly from Lisbon to Los Angeles in April via Terceira in the Azores. In July, with financing provided by the European Development Bank and the African Development Bank, the company begins construction of a large maintenance and overhaul base at Sai Airport, Cape Verde Islands.

Passenger boardings are elevated 5.7% to 2,954,832 and freight shoots up 13.4% to 159.36 million FTKs.

Company employment is increased by 8.1% in 1990 to 10,688. Orders are placed for two A340s, with options placed on two others. Much of the fleet is sold and leased back on long-term leases.

During the spring, the carrier blocks attempts by the new regional carrier **Portugalia Airlines, S.A.** to inaugurate international routes.

Customer bookings increase 10.2% to 3,257,041 and cargo climbs 4.2% to 166.57 million FTKs.

The payroll grows a slight 0.1% in 1991 to 10,700 and the fleet now includes 1 owned and 5 leased A310-304s, 2 chartered A320-211s, 2 leased B-737-230As, 6 chartered B-737-282As, 1 leased B-737-282C, 5 leased B-737-382s, and 7 leased L-1011-500s, 1 of which is subleased to **TAAG Angola Airlines, S.A.**

In January, flights are begun linking Lisbon with the Spanish communities of Bilbao, Malaga, Seville, Vigo, and Santiago de Compostela. Later in the year, the carrier becomes a "Sociedade Anonima" or public limited company in which the state holds most of the shares.

Unlike most European airlines, the Portuguese flag carrier actually increases its passenger traffic, albeit only 1.9%, to 3,317,386 passengers flown. Freight slides 2.3% to 162.74 million FTKs.

Although there is no change in employment in 1992, two additional A320-211s are leased from **Bavarian Fluggesellschaft, GmbH.**, along with two B-737-382s. In March, the company joins with **TAAG Angola Airlines** in the creation of a catering and handling operation based at Luanda Airport. An L-1011-500 TriStar is also leased to the African company.

Customer bookings jump 8.8% to 3,607,995 and cargo moves ahead by 2.3% to 166.54 million FTKs.

In 1993, President Eng Fernando Santos Martins oversees a workforce of 10,700. The owned A310-304 is replaced by four more leased A320-211s, two coming over from **Bavaria Fluggesellschaft, GmbH.** New international markets are opened at Basel, Bordeaux, Marseilles, and Toulouse. During July, it is announced that the carrier requires a government capital investment of \$500-\$626 million to keep it, like **Sabena Belgian World Airlines, S.A.**, from collapsing under the weight of recession.

The government agrees to the investment and announces that plans are being formed to privatize 49% of the airline before year's end, if the airline's unions agree to a cut of 2,600 positions over the next 2 years and if a restructuring plan can be created. Protesting the plan at a fall rally of 3,000 employees, several hundred dissidents stage a wildcat strike, blocking a Lisbon airport runway and halting flight departures.

The strike ends when Portuguese Transport Minister Joaquim Martins-Ferreira do Amaral agrees to discuss the restructuring plan with union leaders. Weekly nonstop roundtrips commence November 1 between Lisbon and Tel Aviv.

Customer bookings inch up 0.2% to 3,616,885 and cargo does better, climbing 2.4% to 170.53 million FTKs.

Airline employment is increased by 11.2% in 1994 to 9,500. Early in the year, direct flights are added between Oporto and Basel. Still, the carrier continues to suffer from significant fiscal difficulties and becomes one of several flag carriers seeking European Union permission for government bailouts.

In February, Lisbon officials approve a restructuring plan designed to return the airline to profitability in two years. Under its provisions, the company will reduce the workforce from 9,500 to 7,110, cancel 15 European routes, and cut out all North American service except New York. In return, the government will inject Esc 180 billion (\$1 billion).

The EU Commission approves Portugal's bailout of TAP in July, but with restrictions. These include abolishment of government tax exemptions in favor of the airline, a ban on TAP's increasing its European market share, and a ban on TAP's acquiring interest in other European airlines. Having absorbed exceptionally heavy losses, the charter subsidiary **Air Atlantis, S.A.** is now absorbed into its parent.

In August, the company co-brands its image with Visa credit cards, via the Banco Comercial de Macau. A code-sharing, blocked-seat agreement is signed with **Delta Air Lines** on November 1. Under its terms,

the Portuguese carrier purchases blocks of seats on Delta's A310-324 flights from New York and Newark to Lisbon, beginning on November 16. The first of four A340-312s on order is delivered on December 22; another will arrive a week later.

Passenger boardings decline 2.7% to 3,521,013 while freight grows 5.7% to 180.24 million FTKs. Revenues total \$976.82 million, but expenses are a monstrous \$1.16 billion. The operating loss is \$184.14 million and the net downturn is \$179.06 million.

There is no change in the workforce during 1995. The first A340-312 is employed on crew-training flights to London (LHR) during January in place of the A320-211 normally flown on the route from Lisbon. Arrangements are completed, via Fortis Aviation, to place a pair of Lockheed L-1011 TriStar 1s with **Tajikistan International Airlines** in time for that start-up to begin operations in February.

British Midland Airways, Ltd. becomes a code-sharing partner in February. TAP passengers arriving at London (LHR) from Lisbon, Faro, Oporto, or Madeira are able to make seamless connections aboard BMA flights to Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside.

In April, code-sharing flights commence with **Air Afrique, S.A.** over a route from Lisbon to Abidjan. An L-1011-500 TriStar is leased to **British West Indies Airways, Ltd. (2) (BWIA)** on a short-term basis in July. At the same time, two L-1011-500s are leased to the Belgian operator **Caribjet, Ltd.**, which operates them under contract to **Air India, Ltd.**

Two more African airlines become dual-designator associates in November as code-sharing flights commence with **TAAG Angola Airlines, S.A.** from Lisbon to Luanda and with **LAM (Linhae Aereas de Mocambique, S.A.)** from Lisbon to Maputo.

Enplanements rise 5% to 3,696,376 and freight is up 6.9% to 192.76 million FTKs.

Airline employment is reduced 7.1% in 1996 to 8,827 and the owned fleet includes just the 4 A340-312s. Leased equipment includes 6 B-737-382s, 2 B-737-33As chartered from **Norway Airlines, A.S.**, 2 B-737-3K9s leased from **Bavaria Fluggesellschaft, GmbH.**, 1 B-737-282CA, 4 B-737-282As, 2 B-737-230As, 5 A310-304s, 5 Lockheed L-1011-500 TriStars, including the 1 leased to **TAAG Angola Airlines** and 1 out with **British West Indies Airways, Ltd. (2) (BWIA)** and 2 with **Caribjet, S.A.**, plus 6 A320-211s, including the 2 chartered from **Bavaria Fluggesellschaft, GmbH.**

In January, a block-space, code-sharing agreement begins with **Portugalia Airlines, S.A.** Manuel Ferreira Lima becomes chairman in February and in March the EU Commission approves a further Portuguese government injection of \$26 million.

During the first quarter, the two TriStars with **Caribjet, S.A.** go out of service. They are, however, replaced by a third Portuguese L-1011-500 on March 8. After it has been repainted, it begins flying on behalf of **Air Mauritius, Ltd.** on March 15.

A \$720-million order is placed with Airbus Industrie on November 1 for 18 A319s. Following the practice of **Western Pacific Airlines (Westpac)**, the company at the end of the year commits two B-737-382s to a "logojet" program under which sponsors will pay to have advertisements on the aircraft.

Customer bookings accelerate 3.7% to 3,832,386 and 200.67 million FTKs are operated, an 8.8% increase. Although there is a \$57.63-million operating profit, there is also a \$69.51-million net loss.

The employee population grows by 7% in 1997 to 7,968. A previously announced commitment for 18 A319s is formalized in January, with the possibility that 5 orders may later be changed for A320s. In February, the two B-737-382s in the flying billboard program are unveiled. One wears a red and white livery promoting a specific vacation region and titles "Fly Algarve," while the other boosts Lisbon's "Expo 98" world's fair with a base blue and white scheme.

The process of liberalization within the European civil aviation industry is completed on April 1. In early April, the European Commission approves the final Esc 40-billion tranche of state aid to the carrier.

It is now required that pilots perform to the EU legal limits for flight and duty time. Believing this to be unsafe, company flight crews declare a 48-hr. strike on April 24–25.

When the carrier withdraws its service from Lisbon to Manchester, England in May, the route is taken over by its code-sharing partner, the newly renamed **PGA-Portugalia Airlines, S.A.**

On September 18, a strategic partnership agreement is signed with **Swissair, A.G.** When implemented the next summer, the alliance will result in code-sharing on flights, collaboration on aircraft maintenance, ground handling, cargo, catering, and in joint marketing and linkage of frequent flyer programs.

On November 4, the company joins the Skymiles frequent flyer program of **Delta Air Lines**. The first new A319-111 is delivered on December 4.

A strategic alliance is entered into with **Sabena Belgian World Airlines, S.A.** in early December.

On December 23, it is announced that the partnership with **Swissair, A.G.** will be deepened. Under this more extensive arrangement, TAP will use Swissair's reservations and handling system while its frequent flyer program will join the Qualiflyer program of Swissair. The agreement also allows SAirGroup to take a minority stake in the Portuguese airline when the Portuguese government initiates its planned privatization.

Passenger boardings accelerate 7.6% to 4,355,605 while cargo jumps 11.2% to 251.32 million FTKs. Operating revenues dip 1.6% to \$1.15 billion, while costs slide 0.7% to \$1.1 billion. Although the operating profit drops to \$46.91 million, there is an \$8.52-million net profit, the first net gain in a quarter of a century. It is later adjusted downward to \$7.95 million.

Airline employment in 1998 stands at 7,448 while the fleet, 84.4% of which is Stage III certified, includes 32 airplanes at the beginning of the year: 15 B-737s, 5 A310s, 2 A319s, 6 A320s, and 4 A340s.

In January, officials of the carrier and **Swissair, A.G.** agree that the latter will acquire a 10% stake in the line as part of the Lisbon-based major's privatization process. On January 28, a memorandum of understanding is signed with **Austrian Airlines, A.G.** for a broad commercial agreement that includes **Lauda Air Luftfahrtgesellschaft, A.G.**; plans are made to begin code-sharing on routes from Portugal to Austria during the summer.

The company signs a strategic alliance and code-sharing pact with **AOM French Airlines, S.A.** in February, effective at the end of March.

The strategic pact with **Sabena Belgian World Airlines, S.A.** comes into effect on March 1. Dual-designator services are inaugurated from Lisbon to Brussels.

The first quarter compacts are deepened on March 29 when the carrier joins with **Swissair, A.G.**, **Austrian Airlines, A.G.**, **Sabena Belgian World Airlines, S.A.**, **THY Turkish Airlines, A.O.**, and **AOM French Airlines, S.A.** to form the "Qualiflyer" group. Although members will retain their own identities, they will engage in a long list of joint activities, including ground handling, lounges and ticket offices, and frequent flyer benefits. Collaborative activities that will be added as soon as details can be worked out include maintenance and overhaul, cargo, in-flight catering, information technology, and duty-free concessions.

Under a recently signed code-sharing pact with **Transbrasil Airlines, S.A. (Linhas Aereas)**, TAP is able to offer daily dual-designator service to Lisbon. The service, which begins on June 29, is flown four times a week by the European carrier, while Transbrasil offers flights thrice weekly. Each of the Brazilian line's flights stop at a different northeastern city, Fortaleza, Recife, or Salvador.

When the company announces plans to wet-lease aircraft in order to gain additional required capacity to support traffic to the Lisbon "Expo 98" world's fair, the carrier's pilots vote to conduct 48-hr. strikes each week through August to protest.

With the beginning of the winter schedule on October 25, additional flights are added between Lisbon and London (LHR).

High overhead costs force the company, on October 26, to suspend its unprofitable twice-weekly A340-312 roundtrips from Lisbon to Macau.

Toward the end of the year, the government establishes an arbitration panel to end the long-running dispute between the company and pilots over working hours, holidays, rest periods, and wages.

Customer bookings during the 12 months accelerate 8.7% to 4.53 million even as cargo traffic slides 2.1% to 229.97 million FTKs. Revenues are \$1.14 billion, while expenses are \$1.1 billion and leave an operating profit of \$43.45 million. The net gain is \$9.01 million.

By the beginning of 1999, airline employment has been increased by 2.1% to 8,300. Weekly A310-304 return service is inaugurated on March 29 between Lisbon and Natal, in northeastern Brazil. Natal is the sixth Brazilian destination served by TAP, with the others including Rio de Janeiro, São Paulo, Recife, Salvador da Bahia, and Fortaleza.

The Wall Street Journal reports on April 2 that SAirGroup, parent of **Swissair, A.G.**, will soon acquire a 20% stake in TAP, with an option to acquire another 10% interest over the next 4 years. The deal is valued at Esc 15 billion (approximately \$100 million), but will need EC permission before it can be implemented.

The arbitration panel established at the end of 1998 makes a ruling in mid-April on working conditions that very much favors the position of the carrier's pilots. A huge 95% pay increase is also recommended.

On April 21, Portugal's Public Works Minister, Joao Cravinho indicates that the panel's work should be revisited. Unless the arrangement is renegotiated, he fears, TAP risks bankruptcy. Responding for the pilots' union, SPAC, Capt. Joaquim Filipe indicates that the flyers will not abandon the tribunal's ruling and rejects the minister's call to reopen the issue of working conditions. The pilots are, he states, prepared to discuss cost cutting, but only after the airline accepts the principles enshrined in the arbitrators' decision.

Swissair, A.G. offers no comment on the management-labor tussle and waits on the sidelines. Both parties know that the stake sale is effectively on hold until the labor problems are resolved.

At the beginning of May, a new management board is elected. It is tasked with attempting to prepare the airline for privatization and settling the labor dispute with SPAC.

Flight International reveals on May 12 that SAirGroup is having second thoughts about its plans to take a 20% stake in TAP. Doubt has followed the decision of a tribunal court that has recommended that pilots of the Portuguese national airline be awarded a huge salary increase.

It is announced on August 2 that the labor dispute has been settled. Under terms of an agreement between the company and its flyers, the pilots will receive between 10% and 21% of the airline's equity and a seat on the board of directors when TAP is privatized.

A new recovery plan is unveiled on August 6. Although it will divide the company into three operating units and seek various cost-savings, no date for its implementation is announced.

The reorganization and conclusion of the labor difficulties is, however, sufficient proof of stabilization for SAirGroup to finalize its equity investment. TAP-Air Portugal now becomes a member of the "Qualiflyer" group. The last of six A319-111s to be delivered on the year is accepted on November 24.

Passenger boardings jump 6.7% to 4,841,000 while freight traffic falls by 11.5% to 203.59 million FTKs.

Airline employment at the beginning of 2000 stands at 8,870, a 6.9% increase over the previous 12 months.

A comprehensive cooperative agreement is signed with **LAM (Linhas Aereas de Mocambique, S.A.)** on January 24. Under terms of the pact, the Portuguese flag carrier will purchase blocks of seats and place its code on LAM's return services from Maputo to Lisbon. The last of a 16-ship order for A319-111s is delivered on January 25. The Portuguese government, in early February, confirms that SAirGroup has completed arrangements for the acquisition of a 34% stake in TAP for 31.2 billion escudos (\$154 million). The government will retain 51% and sell 10% to employees. SAirGroup has an option to purchase another 5% if desired.

The block-seat dual-designator pact begins with **LAM (Linhas Aereas de Mocambique, S.A.)** on April 1. Three of the four weekly roundtrips from Maputo to Lisbon are operated with LAM's B-767-2B1ER, with the

third flown by TAP's A310-304. The Tuesday and Wednesday LAM flights stop at Beira, while the other two frequencies are direct.

The last of six A320-214s delivered since the previous February is accepted on May 31.

During a parliamentary hearing in June, Public Works Minister Jorge Coelho reports that TAP has avoided the prospect of bankruptcy by having reduced its loss during the first 4 months of the year by 15% to E 42 million (\$39 million). The upswing is due entirely to the company's new relationship with SAirGroup, parent of **Swissair, A.G.**, and the sale of E 20 million of its shares in Equant. Early next year, company employees will be invited to purchase a 10% stake in the airline.

TAP takes delivery of its first A321, a Dash-211, on August 31.

Under a code-sharing agreement signed with **American Airlines** on June 13, American, on October 29, places its designator on TAP flights from Lisbon to Boston, Newark, and New York (JFK). TAP is able to place its code on AA domestic flights beyond those three gateways.

When, on October 29, TAP discontinues its Lisbon to Boston service, it instead begins to code-share on the route with **SATA Internacional, S.A.** Flights from Lisbon to Abidjan cease the same day.

Displeased with the company's salary offer, members of the Civil Aviation Cabin Crew Union stage a strike on November 25. The job action causes the airline to cancel 47 of its 125 departures. The strike continues the next day, forcing TAP to cancel 46 of 125 flights. For the weekend, only 11,914 passengers are transported, as against typical bookings of 25,000. After another 35 flights are scrubbed on November 27, the job action ends and negotiations on a final settlement resume.

During the following week, the airline offers its workers 1.4% of the 2.7% increase demanded, refusing to give in further in anticipation of a huge loss on the year. Talks collapse on the evening of November 30 and the strike action resumes on December 1.

Only one B-737-3K9 remains in service as the year ends. At New Year's, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** CEO Fernando Pinto becomes president/CEO of TAP-Air Portugal.

Customer bookings during these 12 months accelerate 9.1% to 5.28 million, while freight traffic rises 9.9% to 223.66 million FTKs.

Due to finances and a management shakeup at **Swissair, A.G.** parent SAirGroup in late January, the Swiss will withdraw from the TAP privatization process.

TAPIS ROUGE AERO SERVICES, LTD. See **QUEBEC AVIATION, LTD.**

TAPSA (TRANSPORTES AEREOS PERUANOS, S.A.): Peru (1946–1965). One of the longest surviving of Peru's small independent airlines, TAPSA is formed at Lima in June 1946. With an initial fleet of 4 Avro Ansons and 4 Noorduyn Norsemen, revenue services are initiated in the summer over a route from the capital city to Iquitos via Trujillo and Tarapoto. Feeder services to and from Andean destinations are also undertaken.

Three Curtiss C-46As are acquired in mid-1958, and begin flying from Lima to Iquitos. With the coming of additional aviation services to the nation during the late 1950s, the carrier becomes unprofitable.

The entire original Curtiss fleet is lost during the first five months of 1959.

A C-46A with two crew is wrecked in a hard landing at Moyabamba, Peru, on January 4; there are no fatalities.

The second C-46A with two crew and three passengers fails its take-off from Cuzco, Peru, on May 8 and makes a forced landing; although the aircraft must be written off, there are no fatalities.

The last operational C-46A with 2 crew and 10 passengers goes down 30 km. S of Tournavista, Peru, on May 13; there are no survivors.

By June, the carrier is operating only a single Curtiss Commando, acquired as a replacement at the end of the previous month.

TAPSA is forced to shut its doors in July 1961, but is able to resume operations later in the year with a Douglas DC-6 on a route from Lima to Santiago and Buenos Aires. Services end by 1965.

TAPSA (TRANSPORTES AEREOS PROFESIONALES, S.A.): Guatemala (1989–1996). TAPSA is established at Guatemala City in 1989 to provide air taxi and executive charter passenger flights to local and regional destinations. Revenue operations commence with a single Embraer EMB-110P1 Bandeirante. A second Bandeirante is acquired in 1991 and operations continue apace.

While en route from Guatemala City on November 1, 1996, an EMB-110P1 with 2 crew and 12 passengers collides with a 900-ft. mountain near Santa Elena in bad weather; there are no survivors.

The airline, itself, is shut down shortly thereafter.

TAPSA AVIACION (TRANSPORTES AEREOS PETROLEROS, S.A.): Sarmiento 593, 7 Piso, Buenos Aires 1041, Argentina; Phone 54 (1) 480 0572; Fax 54 (1) 480 0552; Code TPS; Year Founded 1991. TAPSA is established at Buenos Aires in 1991 to fly support services on behalf of the nation's energy industry. Revenue flights begin with a fleet that includes 1 Israeli Aircraft Industries AIA Arava 102, 1 SAAB 340A, and 7 de Havilland Canada DHC-6 Twin Otters.

TAQUAN AIR SERVICES: 1007 Water Street, Ketchikan, Alaska, 99901, United States; Phone (907) 225-1010; Fax (907) 225-0522; http://www.AlaskaOne.com/taquanair; Code K3; Year Founded 1977. Jerry A. Scudero, a 23-year-old Tsimshian native, establishes TAS at Metlakatla, Alaska, in the fall of 1977 to provide third-level passenger and cargo flights to regional and bush destinations, as well as flight-seeing and air tours. Operations commence in October with a single Cessna 185, linking the company's base with Ketchikan, Smith Cove, Kasaan, Hollis, Polk Inlet. The 4 Cessna 185s and 2 de Havilland Canada DHC-2 Beavers in the fleet fly a total of 3,865 passengers on the year.

Operations continue apace in 1978–1990. Business improves steadily and company headquarters are moved to Ketchikan. A full-service maintenance facility is opened.

A major expansion occurs in October 1991. Cross-town rival **Temsco Airlines** abandons its Part 135 fixed-wing operation in October and becomes a helicopter operator. Consequently, Taquan is able to purchase seven of Temsco's de Havillands, along with seven routes and a significant quantity of equipment.

Customer bookings skyrocket to 15,423. In addition, a total of 1,063,405 pounds of mail are carried.

The workforce stands at 21 in 1992. Passenger boardings zoom upward another 169% to 41,527.

The payroll grows by 14.1% in 1993 to 28 and the fleet includes 5 Beavers, 3 185s, and 2 DHC-3 Otters.

Customer bookings surge 52.9% to 107,000.

Enplanements climb another 13% in 1994 to 42,467.

Just after landing on the water at Craig on January 2, 1995, a float-equipped Cessna 208 with a pilot and seven passengers strikes a log with its right pontoon; the aircraft veers to the right and the left float strut collapses, causing the left wing to hit the water. All aboard are safely evacuated.

Climbing away from Ketchikan on July 13, a DHC-3 with a pilot and seven passengers begins to vibrate severely; a safe emergency landing is made and an inspection finds large cracks in the trailing edge of the plane's elevator.

Enplanements for the year remain level at 42,418.

The employee population stands at 21 in 1996 and the fleet is altered to include 6 Beavers, 5 Otters, 3 Cessna 185s and 1 Cessna Grand Caravan.

By the spring, 18-year-old Sitka-based **Bellair** has become economically unviable. As a result, its facilities, routes, and 4 aircraft (1 Beaver, 2 Cherokee Sixes, and 1 Cessna 172) are sold to Taquan in June; the latter now adds 12 new points to its expanding route network. Also in June, a new homepage is opened on the World Wide Web.

While climbing away over water from Ketchikan on December 12, a float-equipped DHC-2 with a pilot and a passenger loses engine power,

rolls over and crashes into the water. The customer is able to exit the fuselage through the windshield; the body of the pilot is found with the aircraft when the wreck is partially salvaged several days later.

Passenger boardings this year accelerate 21.4% to 51,478.

In the spring of **1997**, the carrier begins to expand again. This growth is made possible when a 50% interest in the carrier is sold to the Kootznوو Corporation, a group that represents the Alaska natives around Juneau. The funding provided allows Taquan to take over its longtime rival **Ketchikan Air** and change to its IATA code. Harold Esmailka becomes president and the fleet is upgraded by the addition of four Piper Lances and three Cherokee Sixes, as well as additional routes, an aviation fuel business, eight additional scheduled destinations, and two travel agencies.

The carrier begins to heavily promote unique "adventures," including an air tour to explore famous El Capitan Cave, part of a vast recently discovered caste system, and a Prince of Wales Island coastal cruise to see humpback whales, sea otters, and puffins.

Customer bookings soar 46.8% to 75,548.

Flights continue in **1998**. Additional growth continues in June when a Part 121 sister carrier, **Air One (2)**, is able to launch daily scheduled services employing a pair of leased British Aerospace BAe Jetstream 32EPs.

While on a flight-seeing tour over Misty Fjords National Monument on August 5, a float-equipped Cessna 185F with one pilot and two passengers crashes 24 mi. NE of Ketchikan; one passenger is killed, the other two survivors are both seriously injured.

Passenger boardings increase 67.5% to 127,000.

Having proven unviable, the **Air One (2)** subsidiary is shut down in March **1999**.

Just after takeoff from Fairbanks on April 5 on a scheduled all-cargo service to Fort Yukon, a Piper PA-32 blows a cylinder and makes an emergency landing on a nearby road. Just after putting down, the landing gear collapses, severely damaging the aircraft. The pilot is unhurt.

Passenger boardings plunge 60.9% to 49,000.

TAR AIRLINES (TRANSPORTES AEREO RIOPLATENSE, S.A.): Argentina (1969–1989). Carlos F. Martinez Guerrero and his associates register this all-cargo operation at Buenos Aires in December **1969**. Equipping the carrier with two Canadair CL-44Ds, they inaugurate charter freight flights to South American destinations in July **1970**. With permissions received, the operators begin flying to Miami and Houston early March **1971**. The Houston flights involve the transport of cattle.

Three more Canadairs are acquired in **1972**, as the company's worldwide nonscheduled freight flights are profitable, although one is lost in a July accident. Scheduled freight operations begin to Basel, Switzerland, in **1976** and in **1977** a CL-44D is sold to **AER (Aerotransportes Entre Rios, S.A.)**.

In **1978**, President Guerrero's company employs 130 workers. The carrier now orders a pair of Boeing 707-320Cs from **Dan Air/Dan-Air Services, Ltd.** with which to replace its propeller equipment. The first jetliner arrives in **1980**.

The second Dan Air Boeing arrives in early **1981**. Meanwhile, at the turn of the decade, TAR has become involved with the transport of arms to Tehran. One of the two remaining CL-44Ds involved in this trade is lost under mysterious circumstances in July.

Nonscheduled operations continue into mid-decade as two Douglas DC-8-73CFs are briefly acquired and new destinations, such as Santa Cruz, Bolivia, Santiago de Chile, and New York are added.

Unable to maintain viability in the recession of the late **1980s**, the company is forced to cease flying in **1989**. One Boeing and a CL-44D are parked at Ezeiza while the second Boeing is left at Miami.

TAR HEEL AVIATION: 278 Albert Ellis Airport Road, Richlands, North Carolina 28574, United States; Phone (910) 324-2500; Fax (910) 324-3323; Year Founded 1994. Jere W. Fountain sets up Tar Heel

at Richlands, North Carolina, in **1994** to provide FAR Part 135 all-cargo services throughout the local region. Operations begin and continue with a fleet that includes 1 owned and 3 leased Cessna 208/208B Caravan Is, 2 each Beech 58 Barons and Piper PA-31-310 Navajos, and 1 Piper Cherokee Six.

TAROM ROMANIAN AIR TRANSPORT (TRANSPORTURILE AERIENE ROMANE, S.A.): Otopeni Airport, Bucharest, Romania; Phone 40 (1) 212-2494; Fax 40 (1) 314-0524; http://tarom.digiro.net; Code RO; Year Founded 1946. To restart the domestic network of the prewar carrier **Linile Aeriene Romane Exploatate cu Statui (LARES)**, the Romanian and Soviet governments establish the fifty-fifty partnership airline Transporturile Aeriene Romana Sovietica (TARS) in **1946**. Li-2s (Soviet-made Douglas DC-3s) and former Luftwaffe Junkers Ju-52/3ms comprise the initial equipment and only local routes are flown in **1947–1953**.

During these years, TARS is subjected to one crash and a number of hijackings. An Li-2 is lost while landing at Bucharest on August 13, 1947 (three dead).

The first skyjacking occurs on June 17, 1948, when a Junkers with 23 passengers is diverted to Salzburg, Austria. On April 29, 1949, another Ju-52/3m, with 16 passengers en route from Timisora to Bucharest, is seized by a gun-wielding youth, who orders the plane to fly to a military airfield at Salonika, Greece.

En route from Sibiu to Bucharest on December 9, an Li-2 with 24 passengers is captured by 4 passengers, who shoot a security guard dead and order the plane to fly to Belgrade, Yugoslavia.

In **1954**, Romania buys out the Soviet half interest in TARS and assuming full control renames the carrier TAROM (Transporturile Aeriene Romane). Between **1955–1957**, purchased Ilyushin Il-12s introduce service to other Warsaw Pact capitals, as well as Moscow. Il-14Ps are delivered and one of these, with four aboard and flown on behalf of the Party Central Committee, crashes while landing at Moscow's Vnukovo Airport on November 4 of the latter year.

Initial routes are extended into Western Europe during **1958–1962**; in the latter year enplanements are 217,000.

In **1963**, the first Il-18 turboprops are placed in service on the European regional services. On June 16, a chartered Il-14P with 4 crew and 27 passengers crashes near the villages of Tokomlos and Bekessamson in southeast Hungary; there are no survivors.

Passenger boardings for the year advance to 329,000.

An Li-2 is lost at Paragina Hill on June 13, **1964** under unknown circumstances.

There are two fatal crashes in two days in October. On October 9, an Il-14P with 32 aboard crashes near Sibiu; the next day, an Il-18 goes down in the same place (43 dead).

Available traffic figures now show bookings of 371,000 in **1965**.

While en route from Clui to Bucharest on August 11, **1966**, an Li-2 with four crew and 20 passengers crashes into Romania's Lotiora Valley near Sibiu; there are no survivors. Passenger boardings surge to 478,000 this year.

Traffic continues to advance: 571,000 passengers are flown in **1967**.

Technoimport, on behalf of the carrier, orders six British Aircraft Corporation BAC 1-11-424s on February 26, **1968**. The first is received on June 14 and is placed into service (scheduled and charter), linking Bucharest with Vienna, Zurich, Rome, Frankfurt, Brussels, and London. The second BAC is received on December 17 and the year's enplanements reach 668,000.

In **1969**, flights are started to the European destinations of Madrid, Paris, Amsterdam, Sofia, Budapest, Prague, Berlin, and Copenhagen as the fleet grows to comprise 6 BAC 1-11-424s, 11 Il-18s, 3 An-24s, and several Il-12/14s. Routes are also pushed east to Athens, Istanbul, Nicosia, Beirut, Tel Aviv, and Cairo, as well as nonstop from Bucharest to Moscow and from Bucharest to Algiers via Zurich. Passenger boardings reach 680,000.

The following year is especially tragic.

While on initial approach to Oradea after a service from Bucharest, an An-24 with 4 crew and 18 passengers crashes in the Aprisini Mountains on February 4, **1970**; there are no survivors.

En route from Bucharest to Prague on September 14, a BAC 1-11-424 with 89 aboard is hijacked by 4 armed Hungarians accompanied by 2 children and diverted to Munich. All will be tried for air piracy; three will be sentenced to 2 1/2 years in German prisons while the fourth is acquitted.

Inbound from Tel Aviv on December 7, a BAC 1-11-424 with 7 crew and 20 passengers crashes while landing at Constanta (18 dead). Enplanements this year total 849,000.

En route from Oradea to Bucharest on May 27, **1971**, an Il-14P with 24 passengers is taken over by 6 hijackers, who divert the aircraft to Vienna. Put on trial, the pirates will receive prison terms ranging in length from 24 to 30 months.

A total of 958,000 passengers are carried this year.

A BAC 1-11-401 Astrojet is purchased from **American Airlines** on June 20, **1972** while a new BAC 1-11-402, just back from an eight-month lease to **Bavaria Fluggesellschaft, MbH. & Co.**, is acquired in August.

A total of 1,001,000 boardings are recorded for the year.

The first Il-62s are received in **1973**, allowing extension of services to Africa and the Far East. Among the lightplanes operated as part of the 30-unit fleet are 23 Cessnas, 4 Beech 55s, and 3 de Havilland Canada DHC-6 Twin Otters.

Bookings climb to 1,118,000 and airline employment is 1,580.

In February **1974**, a Boeing 707-3K1C is received, allowing Bucharest-New York via Vienna services to commence. A total of 14 An-26s enter all-cargo service. Il-62 service from Bucharest to Beijing via Tehran is inaugurated on December 21.

An An-24V with 5 crew and 28 passengers crashes into the Lotru Mountains while on approach to Sibiu, Romania, on December 29; there are no survivors.

Passenger traffic this year rises to 1,414,000 passengers flown.

On January 4, **1975**, an Il-14P with 33 aboard crashes into the Lotru Mountains; there are no survivors. During the spring, an order is placed with British Aircraft Corporation for five BAC 1-11-525s.

The charter subsidiary **Linie Aerienne Romane** is formed to operate inclusive-tours with three BAC 1-11-424s transferred from the parent company. Charters are started in December to the Black Sea holiday resorts.

Boardings this year dip to 1,397,000.

Tu-154s replace the BAC 1-11s on the European routes in **1976** while traffic remains level.

In **1977** and beyond, General Manager S. Craciunescu's fleet comprises 4 Boeing 707-3K1Cs, 3 Ilyushin Il-62s, 10 Il-18s, 5 Tupolev Tu-154Bs, 4 BAC 1-11-424s, and 28 Antonov An-24s. Destinations now served include destinations in Europe, as well as Tripoli, Algiers, Casablanca, Amman, Baghdad, Beirut, Cairo, Damascus, Istanbul, Kuwait, Nicosia, Tehran, Tel Aviv, Karachi, Peking, and New York City.

The first of five BAC 1-11-525s is delivered on March 21. An Il-18V is involved in an accident at Bucharest on April 21; there are no other details concerning the incident.

On May 25, a tentative agreement is signed between British Aircraft Corporation and Grupui Aeronautic Bucuresti for the latter's license-production of BAC 1-11s. The fifth BAC 1-11-525 arrives on August 25.

Enplanements for the year are 1,437,000.

The Romanian One-Eleven production contract is officially concluded at Filton, England, on June 15, **1978**. The British will manage the ROMBAC project, which will be undertaken by Interprinderea de Avioane Bucuresti, which operates a manufacturing complex at Baneasa, near Bucharest.

Bookings this year are 1,613,000 and 1,908,000 passengers are flown in **1979**.

As part of the ROMBAC project, an Aeromaritime, S.A. Super Guppy is chartered in January **1980** to transport the first of three complete British-built BAC One-Eleven fuselages to Bucharest.

Coming in from Bucharest on August 7, the pilot of a Tu-154B-1 with 16 crew and 152 passengers is unable to see the runway and lands his Tupolev in the sea 300 m. short of the concrete at Nouadhibou, Mauritania (one dead).

Overall bookings for the year slide to 1,871,000.

A BAC 1-11-525 arrives from Hurn, England, on January 16, **1981**. Configured for passengers, it will serve as a finished pattern for the ROMBAC project. En route from Bucharest to Tel Aviv on June 17, a B-707-3K1C is forced to make an emergency landing at a Turkish air base because of a bomb scare. A BAC 1-11-487GK is delivered on July 28; configured as a freighter, it will serve ROMBAC as a pattern for cargo jets.

An An-24RV with seven crew on a training flight crashes while on final approach to Constanta on January 25, **1982**; there are no survivors.

Romanian aviation begins production of the British Aerospace BAe (BAC) 1-11 in the first quarter; a second pattern BAC 1-11-525 is delivered on March 12. The first ROMBAC 1-11-560 is rolled out on August 27 and is test flown on September 18; certified on December 18, it is delivered to TAROM on December 24.

In **1983-1987**, when little operational information is available, An-26s join the TAROM fleet, which also receives modernized Soviet jetliners. Services are begun or frequencies are increased to a total of 50 cities around the world; in April 1983, joint flights commence, in cooperation with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, between Bucharest and Madrid. On March 28, 1984, a BAC 1-11-525 is chartered to **Dan Air, Ltd./Dan Air Services** for 18 months.

Passenger traffic figures are rarely provided and by available year the figures read 1,304,000 (1982), 1,239,014 (1986), and 1,281,296 (1987), the latter figure a 3.3% increase.

The Romanian flag carrier in **1988** has a fleet of 83 aircraft: 5 B-707-3K1Cs, 8 each Romanian-manufactured Rombac BAC 1-11-487s and BAC 1-11-560s, 3 Il-62s, 2 Il-62Ms, 11 Tu-154Bs, 11 Il-18s, 2 An-26s, and 33 An-24s.

Customer bookings accelerate 3.2% to 1,322,535 and cargo rises 10.5% to 12.8 million FTKs.

There is confusion and tragedy in **1989**. While on a training flight from Otopeni Airport at Bucharest on February 9, a Tu-154B-2 with five crew suffers engine failure and crashes; there are no survivors.

An An-24RV freighter with seven crew crashes 50 km. W of Bucharest on December 28 while on a positioning flight; again, there are no survivors.

Traveler traffic for the state carrier fails as the result of the government's downfall. Passenger boardings decline 3.8% to 1,271,726. Freight, however, moves ahead by 13.2% to 14.48 million FTKs.

The longtime Romanian flag line is reorganized into a private company in **1990**, TAROM, S.A., with George Racaru as director general. Orders are placed for three Airbus Industrie A310-325s. Other Western aircraft in the fleet include 4 Boeing B-707-3K1Cs and 2 B-707-321Cs, plus 1 each BAC 1-11-401AK and 111-402AP, 2 111-424EUs that are leased to **LAR (Ligacoe Aereae Regionals, S.A.)** in Portugal, 1 BAC 1-11-487GK leased to **Anglo Airlines, Ltd.**, and 7 BAC 1-11-525FTs, 2 of which are leased to the Irish independent **Ryanair, Ltd.** All of these are painted in a new livery.

Code-sharing flights commence with **Royal Jordanian Airlines** in April over a route from Bucharest to Amman. During the summer and fall, five An-26s are transferred to **Romavia, S.A.**

Customer bookings recover and rise 3.9% to 1,321,498. In a reversal of the previous year, cargo plunges 11.9% to 12.77 million FTKs.

Customer bookings inch up to 1,343,562 in **1991** and freight traffic climbs to 17.42 million FTKs.

The first A310-325 is placed into service in the fall of **1992** and orders are placed for seven B-737-38Js. Joint operations commence with **Austrian Airlines, A.G.** on routes from Timisoara and Bucharest to Vienna.

Enplanements rise a very slight 0.2% to 1,340,881, but cargo rockets skyward an almost unbelievable 482.1% to 72.68 million FTKs.

In 1993, Director General Racaru adds another Airbus A310-325 and a pair of B-737-38Js. When the first "Baby Boeing" is received, it is christened *Alba Lulia*. In addition to domestic passenger and cargo services, the company offers international scheduled flights from Bucharest's Otopeni Airport to Algiers, Tripoli, Amman, Casablanca, Beirut, Baghdad, Istanbul, Cairo, Damascus, Abu Dhabi, Kuwait, Tel Aviv, Larnaca, Karachi, Bangkok, Singapore, Beijing, and New York.

Late in the year, the previous arrangement with **Austrian Airlines, A.G.** is rewritten into a code-sharing agreement for the flights from Timisoara to Vienna; the flights are made with Austrian aircraft.

Although customer bookings slide 1.5% to 1,642,236, cargo climbs 5.5% to 100.89 million FTKs. The year's operating and net losses are an identical \$11.47 million.

Airline employment stands at 3,300 in 1994 and a third A310-325, flown earlier by **Pan American World Airways (1)** and **Delta Air Lines**, is acquired under dry-lease in April. Also in April, a block-space agreement begins with **LOT Polish Airlines, S.A.** over a route from Bucharest to Warsaw.

On September 24 while on approach to Paris (ORY) from Bucharest with 182 passengers aboard, the new Airbus suddenly pulls into a steep nose-high altitude and rolls into a dive; pilots regain control and pull the plane up just 800 feet above the ground. No one aboard is seriously injured. Panic-stricken passengers are so relieved that, as soon as the plane is safely on the ground, many run forward to embrace the pilot.

Passenger boardings for the year plunge another 22.5% to 1,273,315 and freight all but collapses, declining 79.9% to 20.27 million FTKs. Revenues jump 14.1% to \$181.97 million, while expenses accelerate 20.8% to \$206.4 million. As a result, there is an operating loss of \$24.43 million and a net loss of \$44.78 million.

There is no change in the workforce during 1995. The Airbus involved in the September Paris event experiences another mysterious incident on March 1. While en route from Chicago to Amsterdam, the A310-325, while over Riviere-du-Loup, Quebec, suddenly climbs above its ATC-assigned cruise altitude, decelerates, and then plunges 7,000 feet before it is recovered. Again, no injuries are reported. From mid-March on, officials at the airline and at the two Bucharest airports receive multiple bomb threats.

Just after takeoff from Bucharest's Otopeni Airport for Brussels on March 31, Flight 371, an A310-325 with 10 crew and 50 passengers and piloted by Capt. Ilie Batanoui, suddenly goes into a steep dive and crashes in a sleet storm into a snow-covered field outside of the Romanian capital. There are no survivors and witnesses report seeing one or two explosions before the jetliner went down. The disaster is blamed on thrust asymmetry and crew failure.

The two remaining Airbuses are grounded until experts from their manufacturer can complete systems integrity verification during the first week of April.

It is reported on April 3 that post-crash tests on the victims of the March 31 disaster have confirmed an in-flight explosion, possibly caused by a bomb, as the cause of the disaster. On April 4, a bomb threat forces a company aircraft en route from Bucharest to Paris to make an emergency landing at Timisoara; no explosive is found. The next day, a TAROM BAe (BAC) 1-11-525FR flying from Bucharest to Stockholm is also the subject of a bomb threat and lands prematurely at Warsaw; again, no bomb is located.

On April 11, an official finding blames technical failure and not a bomb for the March 31 crash. Also during the month, joint flights commence with **CSA Czech Airlines** over a route from Bucharest to Prague.

During the summer, two B-707-3K1Cs are leased to **Air Afrique, S.A. (2)**. Later, on December 13, another jetliner with 49 aboard crashes near Verona, Italy; there are no survivors.

Enplanements swell 8.7% to 978,723 and cargo moves ahead by 3.5% to 17.49 million FTKs.

Airline employment is increased by 1.4% in 1996 to 3,345. In January, the flag carrier takes a 15% asset stake in George C. Paunescu's Bucharest-based **DAC Air, S.A.** The carrier turns over a number of do-

mestic routes to the new entrant, which launches services in May to 12 locations. **DAC Air, S.A.** receives operational support from TAROM in the way of reservations and ticketing, ground handling, and passenger facilities.

Director General Racaru infuriates the carrier's unions by announcing plans to dismiss 400 employees and ground all but 15 aircraft as a way of addressing TAROM's \$400-million debt. In May, this bold plan is blocked by the government, which is facing elections.

Service to Tashkent ends on July 24.

In December, two second-hand Aero International (Regional) ATR42-320s are received.

If the previous year was good for traffic, this one is bad. Customer bookings plunge 24.5% to 738,614 and 14.53 million FTKs are operated, a 16.9% decline. There is a \$24-million net loss.

The employee population is slashed 13% in 1997 to 2,900. The newly received ATRs begin domestic flights from Bucharest in January, during which month Marian Serbanescu is appointed acting director general.

The debt-ridden airline once more attempts to implement a restructuring program. In addition to mass layoffs, the carrier pledges to rid itself of all its old Soviet-built flight equipment.

Destinations visited now include Abu Dhabi, Amsterdam, Athens, Beijing, Berlin, Cairo, Casablanca, Chicago, Copenhagen, Dusseldorf, Frankfurt, Karachi, Lisbon, London, Madrid, Moscow, New York, Paris, Prague, Rome, Tel Aviv, Vienna, Warsaw, and Zurich.

The code-sharing services with **CSA Czech Airlines** cease in June. Discussions commence with **Iberia Spanish Airlines (2)** (**Lineas Aereas de Espana, S.A.**) concerning extension of their 1983 pact to include dual-designator flights from Bucharest to Barcelona.

Employees opposed to the carrier's restructuring plan go on strike during the week of November 10. Just after takeoff from Bucharest for Hanoi, an A310-325 with Romanian President Emil Constantinescu and his party on board and headed for a Francophone summit, is forced to return to the airport after the plane's center of gravity shifts toward the tail. The aircraft stays on the ground for two hours unloading five tons of fuel before proceeding on without incident.

On November 17, President Constantinescu orders Transport Minister Traian Basescu to sign a decree reappointing George Racaru as director general. The Reuters dispatch announcing the changeover quotes an unnamed transport ministry official as saying, "I have no idea if the minister appointed him because of what happened last week." The former CEO, Serbanescu, is demoted to technical manager.

Passenger boardings fall 6.1% to 693,733 while cargo drops 15.8% to 12.23 million FTKs. There is a net gain of \$15.22 million, despite an operating loss of \$12.03 million.

In the spring of 1998, the Romanian government requires a restructuring program be intensified. Layoffs, route rationalization, and replacement of the Soviet-era fleet continue to headline an effort to put the company into a position for privatization.

With the beginning of the winter season at the end of October, thrice-weekly roundtrips are introduced from Bucharest to Arad and Treviso, Italy.

Customer bookings accelerate 7.6% this year to 745,000, while freight traffic falls another 3.7% to 11.78 million FTKs. Revenues jump 9.8% to \$160.45 million, while costs ascend 6.9% to \$1.69.23 million. There is an operating loss of \$8.77 million and a net loss of \$7.06 million.

Flights continue in 1999. At the end of March, TAROM becomes the first Avions de Transport Regional customer to receive four aircraft in one day when it accepts delivery of four ATR42-520s.

In his article "Flying High" in the May 8 issue of the *Bucharest Business Week*, reporter Sean Hillen provides an extensive and flattering profile of General Manager Racaru. It is the most complete for any of the post-Communist era East European airline leaders.

On June 17, orders are placed with Boeing for four each Next Generation B-737-700s and B-737-800s; deliveries are scheduled to commence at the end of the year. Two each ATR42-520s and ATR72-520s

are added during these 12 months. The *Bucharest Business Week* reports on October 11 that ABN-AMRO Bank (Romania), S.A. and Credit Commercial de France, S.A. are both bidding to become advisors to the Romanian Transport Ministry and the State Ownership Fund on the privatization of TAROM. If successful, the CCF team would be led by former **Air France** CEO Christian Blanc. The AMRO Bank is named consultant on October 22.

Customer bookings accelerate 12.9% to 843,000, even as cargo traffic slides 5.4% to 11.13 million FTKs.

Airline employment at the beginning of **2000** stands at 2,921, a 1.2% increase over the previous 12 months. The "classic" B-737 fleet continues to include 5 Dash-38Js, and 1 each Dash-36M, Dash-36Q, Dash-33A, Dash-548, and Dash-5L9. Most are leased.

Due to a political dispute, services by **Estonian Air Corporation, A.S.** from Moscow to Tallinn are suspended on April 6. Following the route cutback, the B-757-5Q8 employed on the route is subleased by EAC to TAROM. It arrives at Bucharest wearing the basic Estonian color scheme with TAROM titles.

On June 20, a code-sharing agreement is signed with **Alitalia, S.p.A.** The Italian line will place its designator on the Romanian's twice-weekly ATR42-520 roundtrips from Bucharest to Parma via Cluj Napoca.

The Romanian Transport Ministry, on September 8, places 54.2% of the national carrier up for sale. Delivery of tenders is expected during the period between September 12 and November 3 and it is anticipated that as much as 51% of the stock will be held by Romanian nationals and/or juristic persons, thereby allowing TAROM to remain the national airline.

Due to lack of interest and acting on advice from its AMRO Bank consultants, the government, on November 24, puts off the sale of TAROM and announces that the privatization process will be relaunched on September 31, 2001. Analysts suggest that investors had probably been put off by the country's poor economic situation, high fuel prices, the airline's less-than-spectacular fiscal performance, and uncertainty surrounding the Romanian national elections scheduled for November 26.

Hosted by **JAT Yugoslav Airlines** CEO Mihajlo Vujinovic, a "meeting of the scheduled airlines of Southeast Europe" is held at Belgrade in mid-December to consider possible joint cooperation. Attending are representatives of **Malev Hungarian Airlines, Rt., Croatia Airlines, Air Bosna, S.A., Air Srpska, S.A., Monenegro Airlines, Macedonian Airlines, and Adria Airways (Adria Aviopromet) (2)**. Due to an unplanned management change, TAROM is unable to participate, but expresses interest in joint activities.

Of the eight participating airlines, six express interest in joint commercial operations, four in joint technical and maintenance activities, and five in joint training exercises. To study and discuss matters further, three working committees are established: commercial, chaired by a representative from **Adria Airways (Adria Aviopromet) (2)**, technical, chaired by a **Malev Hungarian Airlines, Rt.** Representative, and training, chaired by a representative from **JAT Yugoslav Airlines**.

Passenger boardings during these 12 months surge 20.4% to 1.23 million, while freight traffic is up 4.1% to 11.78 million FTKs.

TARS. See TAROM ROMANIAN AIR TRANSPORT, S.A.

TARSA (TRANSPORTES AEREOS RANQUELES, S.A.): Argentina (1939-1940). Roberto Ripamonti forms TARSA at Rio Cuarto on April 22, **1939**. After acquiring a Beech 17 Staggerwing and operating a number of proving and charter flights, Ripamonti begins thrice-weekly scheduled services on January 3, **1940**. The route flown extends from Cordoba to Huinca Renanco via Rio Cuarto and Vicuna Mackenna. Flights end on December 30.

TARTARSTAN AIRLINES (TARTARSTAN HAVA YOLLARI TL): Kazan Airport, Kazan, Tartarstan, 420017, Russia; Phone 7 (8432)

379 379; Fax 7 (8432) 372 665; <http://www.rz.uni-frankfurt.de/~puersuen/twakaz.htm>; Code KAZ; Year Founded 1992. When **Aeroflot Soviet Airlines** is reformed in **1992**, Tartarstan is broken off from the former Aerovolg directorate and established as an autonomous affiliate of the new **Aeroflot Russian International Airlines (ARIA)**. The company also acts as the country's Civil Aviation Department and assumes the old Aeroflot responsibility for general aviation, airports, and air traffic control.

Vasilii M. Nesterov is director general and he employs a leftover Aeroflot fleet of 10 Ilyushin Il-76s, 15 Tupolev Tu-154B-2s, 10 Yakovlev Yak-42Ds, and 10 Antonov An-26s to begin revenue services from Kazan. In addition to trunk and regional flights, the company also flies charters to Europe, the Mideast, South America, and Asia.

Enplanements total 1,241,650.

The declining Russian economy causes a significant downturn in traffic during **1993**. The fleet is altered to include 10 Yak-40s, 8 Yak-42Ds, 2 Tu-154B-2s, and 1 An-24B.

Passenger boardings plunge 25.9% to 986,220 while freight falls 33.3% to 104.5 million FTKs flown.

The amount of flight equipment available is slashed in **1994** and only 1 each An-24, Il-76, Tu-154B-2, and Yak-42D remain in service. Customer bookings decline another 30.9% to 680,500 while cargo drops 13.4% to 90.5 million FTKs.

The fleet is increased in **1995** by the addition of the company's first Western aircraft, a Boeing 727-193, brought in at the urging of the new director general, Mikhail Rosenstein.

Enplanements total 487,981. Passenger boardings decline by 33.3% in **1996** to 343,572.

The employee population stands at 696 in **1997**. Customer bookings accelerate a welcome 3.3% to 355,300.

The airline experiences serious problems caused by the Russian economic crisis that begins in August. Late in the year, the airline stops flying and its aviators disperse. Director General Rosenstein resigns and immigrates to Israel.

Tatarstan Airlines is "reborn" in May **1999** under the leadership of the new director general, Magomed Zakhorzhayev. In an effort to revitalize air transport in the nation, the Tatar government agrees to a direct loan of 30 million rubles for the overhaul of the remaining Yak-42Ds, the postponement of debt repayments, and compensation for losses suffered when flights are operated at fixed rates. The airline announces plans for the creation of a new maintenance base, the establishment of a meteorological service, and installation of a computerized reservations system. The government allocates 400 million rubles for the construction of a new runway and other improvements at Kazan International Airport. It also pledges to purchase two of the new Tupolev Tu-214-100s being built in the country.

Destinations visited at the beginning of **2000** include Adler/Sochi, Baku, Donetsk, Ekaterinburg, Fergana, Frankfurt, Istanbul, Kiev, Krasnodar, Krasnojarsk, Kiev, Makhachkala, Mineral Vody, Moscow, Nadym, Nefteyugansk, Norilsk, Novy Urengoj, Polyarniy, St. Petersburg, Samara, Samarkand, Surgut, Tashkent, and Urfa. The company employs 8 An-24s, 1 An-26, 5 Tu-154B-2s, and 22 Yak-40s on routes to these communities. The B-727-193 is still flown.

On January 21, the company places an official order for the two Tu-214-100s to be built this year at the local plant of the Kazan Gorbunov Air Industrial Association.

In May, the new runway is opened at Kazan International Airport. Other improvements unveiled include a French-built ATC system.

Flights continue in **1998**.

TAS (TRANSPORTES AEREOS SALVADOR, S.A.): Brazil (1949-1956). This FBO-turned charter carrier is formed at the coastal town of Salvador in **1949** by Capt. Parreiras Horta. In **1953**, the Brazilian state of Bahia offers Horta operating authority for scheduled services within that jurisdiction. With his fleet of two de Havilland DH 114 Herons and 10 Beech V-tail Bonanzas, Horta opens a successful third-level passenger and cargo service in **1954**.

A year later in **1955**, the carrier rejects a merger proposal from the much larger **Panair do Brazil, S.A.** The following year, however, negotiations are successfully concluded and the carrier is taken into the growing airline empire of **TAN (Transportes Aereos Nacional, S.A.)**.

TAS (TRANSPORTES AEREOS SQUELLA, S.A.). See **TAS (TRANSPORTES AEREOS SURAVIA, S.A.)**

TAS (TRANSPORTES AEREOS SURAVIA, S.A.): Chile (1964–1978). TAS (Transportes Aereos Squella, S.A.) is organized at Santiago de Chile by **Transa Chile, S.A.** pilot Oscar Squella Espina in **1964** to provide a scheduled all-cargo service between the capital city and Punto Arenas, along with general and beef-haulage charters to destinations in Chile and across the Andes to Argentina. The company also acquires Transa's Miami authority and revenue flights commence with a Curtiss C-46 Commando.

Two years later, in August **1966**, a former **Capital Airlines** Lockheed L-049 Constellation is purchased. Business thrives during the remainder of the decade, but as the **1970s** begin, the Constellation is replaced with two more Commandos. Service to Miami is suspended.

On January 1, **1973**, the carrier is reorganized and renamed **Transportes Aereos Suravia, S.A.** Director General Espina remains in charge of operations; however, his fleet comprises only one Commando.

On December 17, the left elevator of the Curtiss C-46A, with three crew, separates in flight causing the aircraft to lose control and crash near Aysen; there are no survivors.

A replacement Curtiss is acquired in **1974**. Unable to retain profitability in an increasingly thin market, TAS closes down in late **1978**.

TAS AIRWAYS, S.p.A. (TRANSPORTI AEREI SPECIALI): Italy (1990–1994). TAS is established at Milan's Linate Airport in **1990** to offer charter flights as well as scheduled services on a route from Parma to Rome. President Enzo Guerrieri and Managing Director Paolo Rizzi acquire a fleet of 4 Grumman G-159 Gulfstream Is and flights are inaugurated to Naples, Parma, and Rome.

Three more Gulfstream Is join the fleet in **1991**. Seasonal four-times-per-week Gulfstream I flights are undertaken from Parma to Olbia in June–September while year-round five-times-per-week Parma to Rome roundtrips are also operated.

The first jetliner, a British Aerospace BAe 146-300, is purchased from **Sagittair, S.p.A.** during the first quarter of **1992** and begins charter flights in mid-April. A second BAe arrives in June. Enplanements for the year total 56,140, only 9,315 of which are on the scheduled frequencies. Another BAe 146-300 is added in early **1993**, at which time airline employment stands at 46.

Operations continue only briefly in **1994** after Lorenzo Casgrande becomes president.

TASAIR (PTY.), LTD.: P.O. Box 451E, Hobart, 7000, Australia; Phone (03) 6248-5577; Fax (03) 6248-5507; http://www.tasair.co.au; Year Founded 1963. Tasair is established at Hobart in **1963** to offer scheduled passenger and cargo services to the North West Coast of Tasmania and to King Island. Flight training is also offered.

Scheduled flights are inaugurated between Devonport and Burnie in March **1998** and continued, along with regional charter flights. Airline employment by this time stands at 10.

Billing itself as "Tasmania's Regional Airline," Tasair operates 1 each Piper PA-31-350 Navajo Chieftain and Aero Commander 680 at the beginning of **1999**. Unable to maintain its economic viability, the company is forced to briefly shut down in July. Flights resume and by **2000**, Tasair is back, flying aircraft charters, scenic flights, King Island package holidays, flight training, and its regular airline services.

TASAWI AIR SERVICES, S.A.: Ul, Przestrzenna 10, Szczecin, PL-70800, Poland; Phone 48 (91) 434 2033; Fax 48 (91) 434 2503; Code 9X; Year Founded 1989. Tasawi is established as an air taxi by Wo-

jiczuk Andrezej in **1989**, but does not actually begin services until **1995**. Scheduled services are launched with a pair of British Aerospace BAe Jetstream 31s in July **1996**.

Service is maintained in **1997–1999**. Scheduled destinations visited include Katowice and Warsaw, with some flights operated on behalf of **EuroLot, S.A.**

Only one Jetstream 31 is operated in the first quarter of **2000**.

TASMAN EMPIRE AIRWAYS, LTD. (TEAL): New Zealand (1940–1965). In December 1937, the **Imperial Airways, Ltd.** Shorts S23 *Centaurus* makes a survey visit from Sydney, Australia, to Auckland, during which 50,000 citizens offer greetings. Following discussions held in the wake of the visit, representatives of New Zealand, Australia, and the U.K. sign the papers on April 3, **1940** establishing this jointly owned airline.

Capital shareholding is divided between the government of New Zealand (50%), Australia (30%) and the U.K. (20%) and it is agreed that the new entrant should receive five S23 flying boats. Only two will be delivered before World War II cuts off deliveries.

Later in the month, the first S23 arrives; christened *Aotearoa*, it is employed to inaugurate weekly return service across the Tasman Sea from Auckland to Sydney, on April 30. A second S23, the *Awarua*, is placed in service on the Sydney route in early August and frequency is increased to thrice weekly.

The Sydney frequency is increased to four per week after the December 7, **1941** Pearl Harbor attack, as the flying boats become the only commercial passenger service between New Zealand and Australia.

During **1942–1945**, the two S23s not only maintain their Tasman Sea operation (the 1,000th crossing is made in June 1944), but conduct military-oriented charter flights as far afield as Noumea, Tonga, Fiji, Samoa, and even Hawaii.

The first S25 Sandringham is delivered on July 17, **1946**; christened *Tasman*, it is placed on the Sydney route in August.

Enplanements for the year reach 11,600.

By the fall of **1947**, three additional S25s (*Australia*, *New Zealand*, and *Auckland*) have been delivered and placed in service. The *Aotearoa* completes its 442nd Sydney–Auckland flight on October 29 and along with the *Awarua*, is retired.

Bookings climb to 18,700.

Trouble with the Pratt & Whitney engines requires the withdrawal of the four S25s from service between February 23 and June 17, **1948**; the gap is filled by Douglas DC-4s leased from **Trans-Australian Airlines (Pty.), Ltd.**

Enplanements accelerate to 24,500.

The carrier's first Shorts S45 Solent is christened *Aotearoa II* by Princess Elizabeth at Belfast ceremonies on February 26, **1949**; the first Solent to be delivered, however, is the *Ararangi*, which arrives at Auckland on September 29. S45 Auckland–Sydney service begins on November 14. As three additional Solents join the fleet (the *Aotearoa II*, *Awatere*, *Aranui*), the last S25 Tasman Sea flight is made by the *New Zealand* on December 19; thereafter, the four Sandringhams are retired.

Traffic dips to 22,600 passengers carried.

The Auckland–Fiji service of **New Zealand National Airways Corporation, Ltd.** is taken over on June 6, **1950**. Twice-weekly Wellington–Sydney flights are started by the *Ararangi* on October 3. Quarterly S45 operations are begun on December 15 over a route Auckland and Wellington–Chatham Islands.

The year's bookings grow to 32,434.

On March 26, **1951**, a Solent arrives at Quintero, Chile, ending an 8,500-mile pioneering flight over a future transpacific route. Employing DC-4s leased from **Qantas Empire Airways (Pty.), Ltd.**, the carrier initiates weekly Christchurch–Melbourne service on June 28. A second S45 arrives at the same destination on April 19, having traced the same route. The Fiji–Lambasa return service launched in 1950 is withdrawn on December 11. On December 27, new monthly Solent service is extended from Auckland to Fiji, Cook Islands, and Tahiti—the Coral Route.

Boardings soar to 42,593.

The Coral Route frequency is advanced to every two weeks on May 26, 1952; Samoa is added as a stop on that network on October 14.

Enplanements drop to 37,141.

On August 1, 1953, the Solent route to Fiji is extended to Tonga. In October, the British government drops out of the TEAL consortium, leaving the Australian government to increase its shareholding by 20%.

Simultaneously, **British Commonwealth Pacific Air Lines, Ltd. (BCPAL)** is liquidated; in exchange for its 30% share, TEAL is given by **Qantas Empire Airways (Pty.), Ltd.** the defunct carrier's three Douglas DC-6s.

The year's bookings dip to 35,910.

The three ex-BCPAL DC-6s are delivered in March 1954 and are christened *Arahia*, *Arawhata*, and *Aotearoa III*. On April 7, the S45 *Ararangi* flies the final Wellington–Chatham Islands service. Auckland–Sydney DC-6 flights are inaugurated by the *Aotearoa III* on May 14; the next day, the same plane launches Auckland–Fiji “Hibiscus” service. The *Aotearoa II* flies the last Wellington–Sydney flying boat service on June 25 and the final Sydney–Auckland service two days later; with the exception of the *Aranui*, which is retained on the Fiji–Tahiti route, the surviving Solents are now all retired. Twice-weekly Christchurch–Sydney operations are begun by the *Aotearoa III* on June 29.

A total of 43,575 passengers are carried on the year.

The DC-6 *Arahia* completes the carrier's 10,000th Tasman Sea crossing on October 28, 1955. In November, the NZNAC responsibility for Auckland–Norfolk Island service is acquired; the route is flown every two weeks with a DC-4 leased from **Qantas Empire Airways (Pty.), Ltd.**

Bookings skyrocket to 50,864.

Boardings balloon again in 1956, up to 62,159. Auckland–Melbourne DC-6 service is launched in October 1957. The year's boardings remain level at 62,127.

On May 23, 1958, under Australian influence, orders are placed for three Lockheed L-188C turboprops from the U.S. The request is controversial and brings about the slogan “T.E.A.L.—Take Electras And Like It.”

Enplanements for the year rise to 67,438.

The first of three Electras to be delivered during the year arrives at Auckland on October 15, 1959 and is christened *Aotearoa IV*; the other two will be named *Atarau* and *Akaroa* following their arrival on December 22 and 29, respectively. The premier L-188C launches service from Auckland to Sydney on December 1 and to Melbourne on December 7. Orders are now placed for Fokker F.27-100s.

Traffic for the 12 months reaches 76,405 passengers carried.

Together with **British Overseas Airways Corporation, Ltd.** and **Qantas Empire Airways (Pty.), Ltd.**, TEAL becomes a co-owner of **Fiji Airways, Ltd.** on January 1, 1960. New Electra routes are now opened: Auckland–Fiji on January 5, Fiji–Auckland on January 6, Christchurch–Melbourne and Sydney–Christchurch on January 23, Melbourne–Christchurch and Christchurch–Sydney on January 24, and Wellington–Sydney on July 26.

When a new Tahiti airport is opened allowing landplane service, the *Aranui* completes the carrier's last flying boat service; arriving at Auckland on September 15, the Solent is retired. Late in the month, DC-6 flights commence to Bora Bora and on October 22, to Faa'a Airport, Tahiti.

As 1961 begins, the fleet consists of 3 L-188s and 3 DC-6s. The retired S45 *Aranui* is donated to Auckland's Museum of Transport and Technology. The final Tasman Sea DC-6 service is flown in May as the heavily used Douglas transports are retired. On July 25, in exchange for a grant of competition on the Tasman Sea route, Australia sells its 50% interest to TEAL to the New Zealand government, which now gains control of what will become its state carrier.

The entire fleet of New Zealand's now wholly owned flag carrier in 1962 consists of three Lockheed L-188Cs. Enplanements reach 148,000

in 1963. In 1964, orders are placed for Douglas DC-8-52s for service on the carrier's main routes. Traffic climbs 21% as plans are made to adopt a new name and livery identifying the airline as 100% New Zealand controlled.

The L-188C *Akaroa*, with four crew and two passengers, is destroyed as the result of a bad landing at Whenuapai Airport during a training flight on March 27, 1965; there are no fatalities.

As Auckland's new international airport is prepared for the arrival of the DC-8-52s, 25-year-old TEAL changes its name to **Air New Zealand, Ltd.**, on April 1.

TASMAN PACIFIC AIRLINES OF NEW ZEALAND, LTD. See **QANTAS NEW ZEALAND, LTD.**

TASMAN PACIFIC CONNECTION. See **QANTAS NEW ZEALAND, LTD.; REX AVIATION, LTD.**

TASMANIAN AERIAL SERVICES (PTY.), LTD.: Australia (1932–1934). Ivan and Victory Holyman of **Holyman Brothers (Pty.), Ltd.**, who have been flying a thrice-weekly service from Launceston, Tasmania, to Flinders Island (about 120 miles offshore), join forces with Lawrence McK. Johnson, who has been operating the same route, in October 1932 to form **Tasmanian Aerial Services (Pty.), Ltd.**

The merged carrier now extends its route west to King Island via Smithton. A de Havilland DH 84 Dragon is acquired during the summer of 1933 and in September, Launceston–Melbourne via Flinders Island flights commence. Having obtained the financial backing of two major steamship companies, the Holyman's are able to take administrative control of the airline on October 1, 1934, changing its name to **Holyman's Airways (Pty.), Ltd.**

TASS. See **TRANSPORTES AEREOS SAMUEL SELUM, LTDA.**

TASSILI AIRLINES, S.A.: Blvd. Mustapha ben Boulaid, 301 Hassi Messaoud, Algeria; Phone 213 (9) 73 84 25; Fax 213 (9) 73 84 251 Year Founded 1999. Tassili is established on paper at Hassi Messaoud in 1997 to provide transport for oil workers between that city and Algiers. Shareholding is divided between Sonatrach (51%) and **Air Algeria, S.A.** (49%).

Following a long gestation period, the company receives operating authority during the first quarter of 1999. Outfitted with a fleet comprising 1 each de Havilland Canada DHC-7-102 and DHC-6-300, revenue flights are launched on April 8. Plans are announced later in the year for the acquisition of Next Generation Boeing 737s, probably under lease from the major airline partner.

TAT (TOURAINÉ AIR TRANSPORT, S.A.): France (1968–1987). **Touraine Air Transport, S.A.** is set up by Michel Marchais in 1968, originally as a Beech King Air 90-equipped air taxi, but later, to provide scheduled passenger and cargo service on routes in France and to Corsica. Revenue flight operations begin between Tours and Lyon in March 1970.

In 1971, additional flights are added on behalf of **Air Inter (Lignes Aeriennes Interieures, S.A.)** as the carrier comes to act in a feeder capacity for the French domestic flag line. The company becomes a subsidiary of Societe Auxiliare de Services et de Materiel Aeronautiques (SAS-MAT) in January 1973 and receives its first Fokker F.27 on February 16. Also during the year, the small regional **Rousseau Aviation, S.A.**, together with its fleet of 8 Nord 262s, is taken over and merged.

In 1974 TAT diversifies into maintenance and professional pilot training. The training enterprise is known as CIPRA (Centre d'Instruction Professionnelle et de Recyclage Aeronautique).

In 1975–1977, a number of smaller airlines are absorbed during this period, including **Air Alps, S.A.**, **Air Paris, S.A.**, **Air Languedoc, S.A.**, **Rousseau Aviation, S.A.**, and **Taxi Avia France, S.A.** Operations grow to cover a 55-point network of domestic and international services from

four major cities: Paris (Orly), Lyons (Satolas), Lille, and St. Briec. Several other incidents occur during these years.

The No. 2 engine aboard a Beech 99, with two crew and six passengers catches fire just after takeoff from Nantes on July 2, 1975; the plane attempts an emergency landing, but crashes instead and there are no survivors.

The first express air cargo is flown in 1976 by the company's **TAT Worldwide Express** subsidiary, **TAT Express, S.A.**

Chairman/President Marchais's workforce totals 446 in 1978 and he oversees a fleet comprising 2 Fokker F.28-1000s, 2 VFW-Fokker 614s, 9 Fairchild Hiller FH-227Bs, 2 Nord 262s, 3 Aerospatiale Corvettes, 5 Beech 99s, and 1 Cessna 402.

An FH-227B with 18 passengers is involved in a ground accident at Paris (ORY) on July 5, 1979; there are no fatalities.

Operations continue apace in 1980-1982. During these years, two additional F.28-1000s join the fleet.

The Fokkers are not quite large enough to satisfy TAT requirements, but are excellent short field aircraft suitable to the majority of airports visited. A search for an F.28 replacement continues. In late summer 1983, arrangements are made to lease for a year's trial a pair of Douglas DC-9-21s from **SAS (Scandinavian Airlines System)**. SAS owns 14 of the type and is interested in selling them.

The two Douglas transports are delivered to Paris (ORY) in September and October via Denmark, then the only Scandinavian EEC country (thus making the planes non-import taxable). Revenue flights are undertaken from Paris (ORY) to Chambéry, Beziers, and Carcassonne. Although TAT wishes to proceed with the sale, SAS, upon reconsideration, elects to retrieve the DC-9-21s for additional service.

A subsidiary, TAT Export, is now created to undertake international charters. One each DC-9-14 and DC-9-41 are leased from **Finnair O/Y** for a year at the beginning of 1984. The former will suffer from significant summer payload restrictions during the summer while the other is simply too large.

A daily nonstop service from Saarbrücken and West Berlin's Tempelhof Airport is taken over by **Dan-Air/Dan-Air Services, Ltd.** LAB (Laboratoires et Ateliers de Bretagne, S.A.) is established during the year as a wholly owned maintenance subsidiary. Most importantly, the regional Air Alsace, S.A. is acquired, together with its three F.28-4000s.

The fleet in 1985 comprises 18 FH-227s, 7 F.28-1000s and 1 F.28-4000 employed on **Air France** contract work, 2 other F.28-4000s, 5 de Havilland Canada DHC-6s, and 6 Beech 99s.

The two **Finnair O/Y** DC-9s are returned when their charters expire.

The fleet in 1986 acquires an FH-227B cargo aircraft, two FH-227Js, and two Beech King Air 90s. In 1987, TAT is reformed and renamed **TAT (Transport Aerien Transregional, S.A.)**, also known as **TAT French Regional Airlines**.

TAT (TRANSPORT AERIEN TRANSREGIONAL, S.A.)/TAT (FRENCH REGIONAL AIRLINES): France (1987-1992). **TAT (Touraine Air Transport, S.A.)** is reformed in 1987 and renamed. Founder Michel Marchais remains as president/CEO, with Rodolphe Marchais as general manager. Their fleet comprises 6 Beech 99s, 1 Cessna King Air 90, 4 de Havilland Canada DHC-6 Twin Otters, 14 Fairchild Hiller FH-227Bs, 2 FH-227Js, 7 Fokker F.28-1000s, and 3 F.28-4000s. The F.28s constitute the world's third-largest in-service fleet of that type and regional services continue to be flown from Paris, Lyons, and Lille.

The workforce is increased by 11.7% in 1988 to 2,161. Another FH-227B is acquired, along with a Fairchild-Swearingen Metro II and a second King Air 90; one Beech 99 is retired.

En route from Nancy to Paris (ORY) on March 4, Flight 230, an FH-227B with 3 crew and 20 passengers, loses electrical power and crashes near Fontainebleau; there are no survivors.

Wet-lease operations commence in the spring on behalf of **Air Inter, S.A.**

In November, orders are placed for 30 Avions de Transport Regional ATR72-200s and 8 ATR42-300s.

Customer bookings for the year increase 15% to 2,240,000.

Company employment is cut by 30.6% in 1989 to 1,500 and orders are placed in March for eight Fokker 100s and four Boeing 737-200s. These will be employed both on company routes and as leasing vehicles. Meanwhile, two more Metroliners are received during the year's first half, together with two ATR42-300s. A 6.25% stake is taken in the new Ajaccio, Corsica-based **Compagnie Corse Mediterranee, S.A.**

Emphasis is now placed on increasing the company's freight business as feed contracts are signed with **Air France** and the French Post Office, and a revised **TAT Express, S.A.** overnight delivery service is created. The flag carrier takes 35% shareholding in July.

Passenger boardings jump 20% to 2.7 million. The year's profits total \$21.8 million (operating) and \$11.1 million (net).

The new aircraft begin to arrive in 1990; delivered are the four Boeings, two Fokker 100s, and three ATR42-300s. Following the **Air France** absorption of **UTA French Airlines, S.A.**, the European Commission directs **Air France** to divest itself of its TAT holdings in a three-stage pull-out. In addition, the regional receives six new routes from Paris (CDG) to London, Milan, Stockholm, Munich, Copenhagen, and Frankfurt. The newly received aircraft duly inaugurate the new service opportunities.

Later, the company will also receive permission to fly from Paris (CDG) to Helsinki and Vienna. The Fokker 100 order is increased in December by two options. Two Metroliners are withdrawn and two F.28-1000s are leased out, including one to **Air Reunion, S.A.**

Customer bookings ascend 11% to 3 million and revenues climb 22% to \$465 million. With expenses held in check, the operating profit grows to \$31.3 million, 18th best among all airlines in the world. Net gain is \$12.1 million.

Four ATR42-300s arrive in 1991, along with eight leased Fokker 100s and two ATR72s. The number of FH-227Bs is reduced to five, one of which is chartered to **Iona Airways, Ltd.**

As the result of the conditions placed upon **Air France** for its takeover of **Air Inter, S.A.** and **UTA French Airlines, S.A.**, the flag carrier is required to relinquish a number of regional routes to the smaller independent airlines. In January, the company receives a license to fly from Paris (CDG) to Frankfurt, Copenhagen, London (LGW), Milan, Munich, and Stockholm plus Nice to Berlin, Geneva, and Athens. Services are also newly provided from Lyons to Satolas and from Toulouse to Blagnac and London (LGW).

On April 1, the company revises the mission of its 14 Fokker 100s. Ten remain dedicated to the provision of **Air France** replacement services while four are now leased out to other airlines. Although not obligated to do so for another year, **Air France** transfers 25% shareholding in July to a subsidiary of the Credit National. It also sells a 10% stake to SASMAT, a financial group chaired by TAT Chairman Marchais.

At the same time, Chairman Marchais is able to acquire additional financial assistance to help with the acquisition of new aircraft. These include Banque Indosuez, Aerospatiale Finance, and Credit Agricole and Societe Generale, which commit a total of FFr 240 million. A FFr 1.2-billion loan is also acquired from the European Investment Bank.

By August, the carrier is operating 280 flights daily to 51 national points, plus 28 charter and 9 holiday destinations. Sales offices are opened in Frankfurt, Munich, Copenhagen, Stockholm, London, and Milan while flights from Paris to the latter destination commence in November.

Although traffic figures are not released, it is reported that a \$7.5-million profit is earned on revenues of \$450 million.

Four more ATR72s are received in 1992 as both King Airs and three FH-227Bs are withdrawn from service. Two Fokker 100s are leased to **Corse Mediterranee, S.A.**, the two F.28-1000Cs are chartered to **Air Austral** and **Iran Asseman Airlines**. The latter carrier also leases an F.28-1000 as a second Dash-1000 is loaned to **Stellair**. A new international hub is established at Paris (ORY) and the domestic hub is strengthened there and a new one established at CDG. At this point in February, the carrier announces plans for a major expansion of services and is renamed **TAT European Airlines, S.A.**

TAT (TRANSPORTES AEREOS DE TAMPICO, S.A. de C.V.): Mexico (1940–1950). Felipe Gutierrez de Lara sets up TAT at Tampico in 1940, obtaining an experimental Mexican government permit to begin offering Spartan biplane service between Tampico and Huejutla on May 22. A 30-year certificate is granted at the end of the year and full service begins over the *Ruta de las Huastecas* on January 2, 1941. Tampico–Ciudad Victoria–Monterrey experimental flights commence on October 15, 1942; however, the route is abandoned in 1943.

Tampico–Mexico City service is inaugurated on September 2, 1946 and proves so successful that the company purchases and introduces large Douglas DC-3s in 1947. In 1948, Avro Ansons are employed to begin a frequency from Tampico to Poza Rica.

In 1950, de Lara orchestrates a merger between his TAT, **Aeronaves Oaxaca, S.A. de C.V.**, and **SAN (Servicios Aereos Nacionales, S.A. de C.V.)** resulting in the amalgamated **LAUSA (Lineas Aereas Unidas, S.A. de C.V.)**.

TAT (TRANSPORTES AEREOS DE TETE). See COMAG

TAT (TRANSPORTES AEREOS TERRESTRES, S.A. de C.V.): Mexico (1943–1990). When **United Air Lines** takes over **LAMSA (Lineas Aereas Mexicana, S.A. de C.V.)** in 1943, it casts aside Gordon Barry's old Mazatlan–Tayoltita route, which had been maintained under a permanent route certificate on behalf of the San Luis Mining Company. To replace the service, TAT is organized at Tayoltita and begins service with a Stinson.

In late 1948, the mining concern purchases the 20-year old Ford 5-AT-11 in Florida for \$5,000 and spends \$60,000 to refurbish it. The machine is then flown down to Tayoltita and placed on the company's runs to Mazatlan and Durango, where it will serve until March 1966, when it is sold to an Arizona concern.

Following departure of the Ford, the carrier replaces its antique with a de Havilland DH-6-100 Twin Otter, the first of its type to fly commercially in Mexico. The company continues to offer charter and contract passenger and cargo flights; although its fleet is enhanced by the addition of a Britten-Norman BN-2 Islander and other single-engine types during the 1980s, its fleet at decade's end includes just one DHC-6-300.

Operations cease in 1990.

TAT EUROPEAN AIRLINES, S.A.: France (1992–1998). Based at Paris (ORY), **TAT (Transport Aerien Transregional, S.A.)**, France's largest independent carrier, is renamed TAT European Airlines, S.A. in February 1992 and embarks upon a major expansion of routes and services. The original founder of the French concern, Michel Marchais, becomes chairman; his son, Rodolphe, becomes president/general manager with Alain Corbel as deputy president and John Hanlon as deputy general manager.

The fleet now comprises 5 Avions de Transport Regional ATR42-300s, 4 ATR72-202s, 1 Beech Super King Air 200, 5 Boeing 737-200s, 3 de Havilland Canada DHC-6 Twin Otters, 11 Fairchild Hiller FH-227Bs, 9 Fokker 100s, 5 Fokker F.28-4000s, 4 F.28-2000s, and 12 F.28-1000s. Simultaneously, a contract is signed with Nordam for the development of a hush-kit system for the F.28s.

New Fokker 100 and F.28 services are inaugurated to Milan and Bergamo on March 9, three-times-daily to London's Gatwick Airport on March 30, to London (Gatwick) from Lyon on April 27, to Copenhagen on May 11, and to Munich on May 18. Domestic flights from Paris (ORY) continue to provide services to over 30 destinations while new services from De Gaulle are launched to Marseilles and Toulouse. During the summer tourist season, flights are laid on from Poitiers and Tours to London (LGW and STN) from Brive and the Corsican cities of Figari and Calvi.

On September 28 (effective January 1), a £17.25-million, 49.9% interest is acquired by **British Airways, Ltd. (2)** with an option to obtain the remainder before April 1997. Most former routes are maintained by

company planes, painted as they are in a mixed BA/TAT livery. Also in September, new business-class services are introduced from London (LGW) by Fokker 100s to Paris and F.28s to Lyon.

Enplanements at Chairman Marchais's carrier, under both monikers, increases 14.8% for the whole year to 910,905. Large, undisclosed, losses are suffered.

Airline employment stands at 3,000 in 1993. The process of applying a BA/TAT livery to the fleet continues into the new year.

By the end of the first quarter, the company, employing the British Airways brand name, is offering the major's Club Europe and Euro Traveler products and employing BA flight designers.

In March, the partners establish a new regional network based on both Paris and London (LGW, North Terminal). Following the loss of one of its two Fokker 100s in a spring takeoff accident, **Palair Macedonia** leases one each F.28-1000 and F.28-4000.

Daily flights are initiated to Munich, Stockholm, and Copenhagen from those locations, with twice-daily services also provided Lyon–Satalas and Marseilles–Provence. Flights from Paris are operated by Fokker 100s and those from London by F.28s. Orders are placed for seven Airbus Industrie A320s with which to replace the Fokker 28s.

TAT closes its U.K. office at month's end and suspends its flights from London (LGW) to Paris (CDG) in favor of BA, which gained slots on the route the previous fall when it acquired **Dan-Air/Dan-Air Services, Ltd.** At the same time, the London (LGW)–Lyon F.28 service becomes twice daily and a new twice-daily route is opened from Britain to Marseilles. A complaint is now filed with the EU Commission protesting **Air Inter's** monopoly on domestic French routes from Paris (ORY).

Four more Fokker 100s are delivered, two of which are leased to **Corse Mediterranean, S.A.**, along with four ATR72-202s. A significant number of replacement services are offered on behalf of **Air France** and five B-737s (two Dash-204Cs and one each Dash-210C, Dash 242C, and Dash-248C) are operated in support of **L'Aeropostale (2)**. In December, a five-year fiscal recovery plan is published, calling for 15% savings and the layoff of 350 workers.

Passenger boardings for the year only increase to 995,909 and revenues total \$328.8 million. Heavy fiscal losses are again taken.

In an effort to stem its fiscal hemorrhage, TAT begins to restructure in the spring of 1994. The fleet is cut to 6 Fokker 100s, 11 F.28s, 3 ATR72-202s, and 6 ATR42-300s. In January, an ATR72-202 is leased to **Kam-puchea Airlines**. Plans are made to launch service in June between London (LHR) and Paris (ORY) following resolution of a dispute concerning the access of "foreign" carriers to the historic French airport.

That dispute is officially terminated in May by order of the EU Commission, which requires **Air Inter** to end its historic monopoly. The commission requires that TAT be permitted to commence roundtrip flights from Paris (ORY) to London beginning on June 13, with Marseilles available by fall.

France and **British Airways, Ltd. (2)** agree that June 30 will be soon enough for the launch of the London–Paris (ORY) service. However, the British are upset by French restrictions that limit both the flag carrier and its French partner to four daily flights shared between them under their common flight designator.

During the 12 months, scheduled departures total 42,567 while enplanements ascend to 1,196,211.

Services to Paris (ORY) are enhanced in early 1995. On January 1, TAT is authorized to begin roundtrip services between Paris (ORY) and Toulouse; flights commence in March. Five Fokker 100s are leased to Munich-based **Deutsche BA Luftfahrtgesellschaft, GmbH**.

On May 29, six-times-per-day roundtrips commence from Paris (ORY) to Marseilles. Also in May, a new commercial organization is established at Tours. Provided with a new telephone sales and direct-selling base, it is charged with marketing all domestic services within France.

The Toulouse flights start in September. With the European network losing money, company executives determine to concentrate on building up domestic services.

As the year ends, 20 senior pilots take early retirement and although costs have otherwise been cut somewhat, the airline's deficit now stands at FFr 600 million (\$119 million).

Interested in increasing income, the carrier refuses to enter into deep-discount competition with **Air France Europe, S.A.** when the government completely deregulates domestic air transport on January 1, 1996. Liberalized competition is left to the other independents **Air Liberte, S.A.** and **AOM French Airlines, S.A.**

In order to provide additional space for **Air France Europe, S.A.**, TAT and **AOM French Airlines, S.A.** are ordered in February to vacate the West Terminal at Paris Orly Airport and move to the South Terminal. Both protest vigorously, with AOM Chairman Marc Rochet referring the matter to both Aeroports de Paris and the European Commission. **Air France** Chairman Christian Blanc proves powerful enough to push the two independents out by April.

Continuing to suffer financially, the carrier now concentrates solely on domestic operations, seeking to increase its market share on the routes from Paris (ORY) to Marseilles and to Toulouse from 12% to 20%, while also focusing on the Toulouse hub and its network of secondary routes. On April 1, the number of daily nonstop roundtrip frequencies from Paris (ORY) to both Marseilles and Toulouse is increased from six to nine.

B-737-336s, leased from **British Airways, Ltd. (2)**, now replace the Fokker 100s on the nonstop roundtrip services from Paris (ORY) to London (LHR) and from Marseilles to London (LGW), however, the Fokkers remain in operation from Lyon to London (LGW). Also during the spring, two ATR72-202s are dry-leased to **Vietnam Airlines**.

British Airways, Ltd. (2) takes 100% complete control of TAT in August.

Financially troubled competitor **Air Liberte, S.A.** is placed into receivership on September 26 and its chartered Douglas DC-10 widebodies are returned to Finland. Given six months by the bankruptcy court to develop a workable reorganization plan, its chairman promises to write a recovery program by the end of October, at which time \$120 million in fiscal year losses must be reported.

Following further exploration into the company's finances during the first week of October, the bankruptcy court determines that **Air Liberte, S.A.**'s fiscal situation is worse than was originally reported. Even though a number of unprofitable routes are now cut, the court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, **Air France** expresses interest. Under EC restrictions against acquisition of other carriers during the time of its \$4-billion state bailout, it appears unlikely that the independent will join the major's stable.

Other companies expressing an interest include **AOM French Airlines, S.A.**, which has been seeking a merger, along with **British Airways, Ltd. (2)**, **Virgin Express, Ltd.**, **TAT European Airlines, S.A.**, and **Corsair, S.A.**, the in-house airline of France's largest tour operator, Nouvelles Frontieres. Seeking to protect the interest of its TAT subsidiary, **British Airways, Ltd. (2)** CEO Robert Ayling complains to the European Commission at AOM should not be allowed to seek ownership as it, too, is up for sale as the result of restructuring plans announced in the wake of a 1995 state aid package to its parent, Credit Lyonnais.

With **AOM French Airlines, S.A.** and **Air France** out of the picture, two airlines, Nouvelles Frontiers, and a group of private investors, submit offerings for **Air Liberte, S.A.** to the Creteil Court on October 14.

The weakest offering is made by an unnamed French pilot acting on behalf of a group of private investors; no details are provided. **Virgin Atlantic Express, Ltd.**'s offering, for which details are also not provided, is not, as company officials put it, "fully compliant with the court's requirements."

Nouvelles Frontiers notes that it has partners in the Rivaud Bank and **Royal Air Maroc** who would be willing to take over **Air Liberte, S.A.**

(including its \$300-million debt) and make it profitable within 18 months. It would also make an offer to acquire **AOM French Airlines, S.A.** The two independents would be merged with its own in-house carrier, **Corsair, S.A.**, to create a major independent airline that could then compete with **Air France**.

In addition to an initial payment of \$5 million for AL's assets, the BA/TAT plan would essentially retain the present **Air Liberte, S.A.** fleet and routes, concluding a code-sharing agreement for routes now flown in competition and pledging not to begin new routes that overlap. French management would be maintained, 1,250 employees would be hired, and the British would make a major capital investment. The company would be reformed into the new French carrier Societe Nouvelle Air Liberte, S.A.

During the last week of October, the Rivaud bank and Nouvelles Frontiers abandon their efforts to take over **Air Liberte, S.A.**; Rivaud throws its support behind BA, with the two pledging to invest \$124 million in the ailing French independent. BA would hold 70% interest with the remaining 30% stake held by Rivaud. Meanwhile, **Virgin Atlantic Express, Ltd.** is joined by a number of unnamed investors in presenting an alternative to the French bankruptcy court handling the case; the court extends the deadline for its decision from October 30 to November 5.

Virgin Atlantic Express, Ltd. does not submit a bid and on November 5 the Creteil Court accepts the BA/Rivaud joint offering to acquire Air Liberte. Under terms of the agreement, which will become final on December 15, TAT Chairman/CEO Marc Rochet will assume the same post at Air Liberte; he will be joined by other TAT officials, as well as by Warren Tucker, head of BA's Investment and Joint Ventures Department. No immediate plans to merge the carriers are announced; however, schedules will be coordinated and flight operations will be streamlined.

In November, **Deutsche BA Luftfahrtgesellschaft, GmbH.** completes the sale of its turboprop international and domestic operations originating from Bremen, Stuttgart, and Friedrichshafen to the **Regional Airlines, S.A.** The five Fokker 100s are returned to TAT as the French carrier begins to operate its prize under the separate marketing name Deutsche Regional Airlines, S.A.

Although the acquisition of **Air Liberte, S.A.** is scheduled for completion on December 15, paperwork complexities will force a delay into the new year.

Combined enplanements on the year for both TAT and **Air Liberte, S.A.** total 4.5 million.

On January 4, 1997, the Creteil tribunal officially approves the **British Airways, Ltd. (2)** purchase of a 67% stake in **Air Liberte, S.A.** with the remainder held by Banque Rivaud. TAT Chairman Rochet is also confirmed as chairman of Air Liberte's board of directors. French government permission is simultaneously acquired by the British major to take over complete control and to integrate AL's operations into those of TAT.

TAT and **Air Liberte, S.A.**, under a substantial code-sharing agreement signed at the end of March, begin to more deeply integrate their services as of April 1, the day on which the process of liberalization within the European civil aviation industry is completed.

At this point, Chairman Rochet demands that the working conditions of TAT pilots be cut to the level of their Air Liberte opposite numbers. It is also required that pilots from both lines perform to the EU legal limits for flight and duty time. Believing this to be unsafe, flight crews from TAT and Air Liberte, with support from the European Cockpit Association, walk out on indefinite strike on April 9.

Flight crews at other airlines facing similar difficulties offer support; on April 24-25, pilots at **TAP Air Portugal, S.A.** declare a 48-hr. strike.

The process of amalgamation continues throughout the spring, summer, and into the fall. During these months, a number of routes are dropped, including Paris (ORY) to Chambéry and Castres. Most are quickly snapped up by other companies, including **Proteux Air System, S.A.**

Although legalization of the merger is not complete, the company trade name is no longer employed after November 1, the unified carrier being known as **Air Liberte, S.A.** Complete absorption is completed on March 15, **1998**.

TATA AIR LINES: India (1929–1946). Neville Vintcent and Johangir R. S. Tata in July **1929** establish the private carrier **Tata Sons** at Karachi as a division of the latter's huge family trading enterprise Tata Sons, Ltd. and submit a plan to the government for a Karachi to Bombay air service. A license is successfully sought to open a connecting service to link the **Imperial Airways, Ltd.** Karachi base with cities further south. The 10-year contract, if successfully executed by Tata and Vintcent, will eventually bring revenues for mail on a sliding scale pounds-per-mile basis.

Beginning Indian commercial air transport, Tata and Vintcent inaugurate an unsubsidized weekly de Havilland DH 80A Puss Moth mail service on October 15, **1932** over a route Karachi–Ahmedabad–Bombay and Bombay–Bellary–Madras. The initial flight, completed by Vintcent from Bombay after Tata had arrived at that city from Karachi, reaches Madras on October 16.

Vintcent begins the first leg of the Madras–Karachi return flight next day with Tata arriving at that destination on October 18.

In **1933**, the first full year of service, a total of 155 passengers and 10.71 tons of mail are transported over 160,000 miles. Operations continue apace in **1934**.

In order to gain an annual Rs 20,000 subsidy from the Nizam of Hyderabad, the Bellary stop is replaced on January 4, **1935** by one at the new airfield at Hyderabad. On February 23, Vintcent flies a proving mail route Bombay–Calcutta via Nagpur and Jamshedpur, with the carrier's newly arrived second Puss Moth. During the summer, a Miles Merlin is received and on November 26, it begins an experimental weekly mail service Bombay–Trivandrum via Goa and Cannanore.

American-made WACO YQC-6s join the fleet in **1936** and the Kathiawar Peninsula town of Bhuj becomes a stop on the Karachi–Ahmedabad segment. Tata carries the first Colombo–Karachi airmail, starting on Christmas Day.

The carrier's name is changed to **Tata Air Lines (Pty.), Ltd.** in **1937**. Two de Havilland DH 89As are placed in service during late summer. WACO mail service begins over a Bombay–Delhi route via Indora, Bhopal, and Gwalior, on November 6. The Karachi–Madras mail route is extended to Colombo with WACOS on January 22, **1938**; DH-89A passenger service to the same point is inaugurated on January 29. On February 28, the Indian government grants the carrier a 10-year mail subsidy for its Karachi–Colombo service as a part of The Empire Air Mail Scheme. The Bombay–Trivandrum route is extended to Trichinopoly on March 2; this move links the two principal southbound routes from Bombay. The first of four DH-86s purchased from **Qantas Empire Airways (Pty.), Ltd.** arrives in September and is placed in service on October 9.

During **1939–1940**, additional DH-86s are placed on the passenger routes. In **1941**, five Stinson Model A Tri-Motors are acquired from the U.S. carrier **Marquette Airways** and are placed in service. On November 1, with Douglas DC-2s loaned by the government, nonscheduled multistop Karachi–Baghdad flights are begun. Internal Indian routes are maintained in **1942** with three DC-2s turned over by the RAF in July, August, and October of the former year.

The route to Trichinopoly is suspended in January **1943** and two of the Douglas transports are withdrawn, one each in July and November. On March 1, **1944**, DC-3s are placed on the weekly Bombay–Colombo and twice-weekly Bombay–Karachi routes. These replace the Stinsons, which are now withdrawn, and the last DC-2, retired on July 6. Meanwhile, the network is strengthened in April by the inauguration of Jodhpur services.

In **1945**, DC-3 routes are opened from Bombay to Nagpur and Calcutta on April 16, Bombay to Bangalore and Coimbatore on April 25, Bombay to Bangalore and Madras on June 24, the former being suspended on July 3. The carrier is allocated four DC-3s on August 25 and

leases/purchases eight others from the U.S. Foreign Liquidation Commission. On July 29, 1946, **Tata Air Lines, Ltd.** becomes a public corporation and is renamed **Air India, Ltd.**

TATNEFTAERO: Vishnevski Str., No. 26, Kazan, 420043, Russia; Phone (8432) 380988; Fax (8432) 380969; Code TNF; Year Founded 1997. This privately owned charter carrier is formed on March 17, **1997** and registered on May 6. A refurbished Tupolev Tu-154M is acquired in August **1998** and the Russian air transport ministry (FSVT) grants the new concern an operator's certificate on September 15.

The Russian currency crisis forces the company to put an 18-month hold on its start-up. Employing the Tu-154M, revenue operations commence at the end of March **2000**. Over the next several weeks and into the summer, Tatneftaero operates flights of several days' duration to Delhi, Islamabad, Abadan, Yakutsk, Anadir, Pevsk, Norilsk, Igarka, Noyabsk, Nizhnevartovsk, Nadim, Ufa, Rostov, Anapa, Krasnodar, Stavropol, Mineralnie Vodi, Sochi, and Astrakhan.

On August 15, the company's fleet is increased by the addition of a Tu-134A. The Tu-154M operates a charter from Moscow to Zurich on September 1 transporting the Russian football union's combined national team for World Cup elimination matches. The aircraft returns to the Russian capital on September 3.

With an official delegation from the Tartarstan Republic embarked, including State Council Chairman F. Khan. Mukhametshin, the Tupolev on September 4 flies from Kazan to Hanover for a weeklong visit to the Expo 2000 World's Fair.

A second Tu-154M joins the fleet on September 11. It is joined by the Tu-134A which, on October 19–21, operates a charter flight for Tatneft representatives over a route Kazan–Simferopol–Kalingrad–Moscow and back to Kazan.

Under contract to the tour operator Ver-Tur, a Tu-154M operates a charter from Kazan to Sharm al-Sheikh in Egypt between October 28 and November 6. The second Tupolev, flying on behalf of Inturtsenter, transports tourists from Kazan to Sharja, UAE, via Orenburg between October 30 and November 9. Between November 1 and 3, company representatives are flown on the Tu-134A on a route-proving and public relations service from Kazan to Prague and back. Upon its return from Egypt, the premier Tupolev is turned around and flown with tourists to Greece between November 8 and 11. Known as a "fur tour," this trip and others like it has the express purpose of letting sight-seers return with as many Western-made goods as possible.

Flights continue in December, during which month a homepage is opened on the World Wide Web.

A total of 16,974 passengers are transported between March and December 31.

TATONDUK AIR SERVICE: P.O. Box 61680, 6348 Old Airport Road, Fairbanks, Alaska 99706, United States; Phone (907) 474-4697; Fax (907) 474-4687; <http://www.tatondukflying.com>; Code 3K; Year Founded 1977. Tatonduk is established by **Everts Air Fuel** founder/owner Clifford R. Everts in early 1977 to operate passenger and cargo taxi flights linking Fairbanks with its base at Eagle, on the Yukon River, 5 mi. inside the U.S. border with Canada. The service, a division of the owner's Tatonduk Outfitters Limited, supports those engaged in the gold mining and trapping industries, as well as hunters and fishermen. In **1984**, Robert W. Everts graduates from Embry Riddle Aeronautical University and goes to work for his father.

Regularly scheduled commuter flights are inaugurated by the company's Piper PA-31-310 Navajo in March **1985**. A Piper PA-32R-300 Cherokee Lance is acquired in **1989** as the commuter becomes a code-sharing partner of **Frontier Flying Service**.

Tatonduk's two aircraft fly a total of 1,114 passengers in **1990**. Enplanements grow by a total of 10 customers in **1991**. In addition, 197,144 pounds of mail are transported. Passenger operations are scaled back in **1992–1994** and the Navajo is sold. Meanwhile, in **1993**, Robert W. Everts becomes the company's owner/operator.

Following the collapse of **MarkAir** in April 1995, Everts is granted authority to establish another division of Tatonduk Outfitters Limited, an all-cargo concern under the marketing name Air Cargo Express (2).

A Douglas DC-6 is leased and roundtrip freight service is inaugurated on July 19 from Fairbanks to Barrow, four times a week. On the other days, charters are operated to gold-mining sites in the state's interior.

Operating income exceeds costs and there are profits: \$240,000 (operating) and \$223,000 (net).

The Tatonduk Air Service fleet in 1996 includes 2 Cessna Lances and 1 Cessna 206. Two more DC-6 freighters enter service with Air Cargo Express (2).

A total of 1.07 million FTKs are operated, a huge 204.5% increase. Revenues of \$7.3 million are generated and expenses are \$6.16 million. Operating gain swells to \$1.14 million while a net \$1.05-million profit is posted.

The total fleet of President/General Manager Everts in 1997 includes 3 Piper Lances, 1 Cessna 206, and 3 DC-6s. Although traffic figures are not available at this writing, revenue figures demonstrate a good year.

Operating revenues skyrocket 74.1% to \$12.7 million, while expenses increase 72.6% to \$10.63 million. The operating gain shoots up to \$2.08 million and a \$1.79-million net profit is banked.

Airline employment in 1998 stands at 28. Flights continue without incident or gain. Cargo traffic falls 94.7% to 10,000 FTKs. Still, revenues are up 20% to \$15.26 million and costs are \$14.03 million. The operating profit falls to \$1.2 million, while the net gain slides to \$929,000.

The cargo division's fleet is altered in 1999 as five DC-3s join the fleet, replacing the earlier DC-6s. The new additions provide scheduled services to 13 major markets in Alaska, including Aniak, Barrow, Bethel, Dillingham, Emmonak, Galena, Iliamna, McGrath, King Salmon, Kotzebue, Nome, St. Mary's, and Unalakleet. On-demand charters are also flown. Freight traffic during these 12 months plunges again, dropping to 3,968,000 FTKs.

A total of 23 full-time and 2 part-time pilots are employed at the beginning of 2000 to fly the company's 2-division fleet, which now includes 2 each C-206s and C-208Bs, 1 PA-32R-300 Lance, 3 PA-32-300 Cherokee Sixes, and 5 DC-3s. Air Cargo Express (2) now opens a homepage on the Internet's World Wide Web.

This year, for the first time, the salmon runs along the entire Yukon watershed collapse. By fall, subsistence salmon fishing must be shut down and Governor Tony Knowles declares an emergency. In addition to the economic loss, thousands of dogs in rural bush areas, used to haul sleds and are dependent upon salmon for food, face starvation or liquidation. Something must be done to avert this disaster and a number of small airlines, coming off a bad year caused by rising fuel and insurance costs, are able to assist, while also enjoying renewed profits.

The key to the situation, in the eyes of many, is the transport of donated dog food and fish obtained by local governments and tribes as the result of press reports of the failed salmon returns. In late August and September, a massive food shipment is organized by Warbelow's at Fairbanks, with support from the U.S. Postal Service and other small airlines.

Because Warbelow's has made special arrangements with its competitors, the USPS, which will not be directly involved in distribution, agrees to allow the donated food to be classified as bypass mail, for which rock-bottom postage is charged. The entire \$25,000 bill will be paid by the Tanana Chiefs Conference, which also rents refrigeration to hold frozen food awaiting delivery.

Under the direction of Chief Pilot Michael Morgan, Warbelow's, which has the only bypass mail shipping permit in Fairbanks, runs the packages through its meter and, with USPS assistance, farms out this mail for delivery. The airlines involved, including **Warbelow's Air Ventures**, **Frontier Flying Service**, **Arctic Circle Air Service**, **Belair**, **Larry's Flying Service**, **Servant Air**, **Tanana Air Service**, **Tatonduk**, and **Wright's Air Service**, are paid a rate per pound (between 40¢ and \$1 depending on distance), to haul the approximately 100 tons of food to villages along the Yukon, Tanana, and Koyukuk Rivers.

TATRA AIR, A.G.: M. R. Stefanik Airport, Bratislava, 82314, Slovak Republic; Phone 421 (7) 292 318; Fax 421 (7) 292 459; Code QS; Year Founded 1990. Tatra is established at Bratislava-Ivanka Airport in July 1990 to operate as the new nation's flag carrier on international, regional, and domestic routes. Slovair, with two-thirds of the holdings, and the Swiss regional Crossair, Ltd. holding the other third, jointly own the enterprise. Milos Vrablica becomes director general and Slovair provides both staff and infrastructure. Close cooperation is maintained with **CSA (Czechoslovak Airlines)** while **Crossair, Ltd.** trains flight and ground crews at its Basel base.

A SAAB 340A turboprop is leased from **Crossair, Ltd.** and is employed to inaugurate scheduled services on April 2, 1991. Initial internal flights are undertaken linking the carrier's base with Tatry, Popra, and Kosice, and Sliac with Prague. In August, former Swissair official Jana Jorasek is named director general.

In September, negotiations are held with **CSA (Czechoslovak Airlines)** aimed at allowing Tatra to fly replacement services for the flag carrier. Later in the year, markets are initiated at Zurich and Munich, with twice-daily frequencies to the former and daily to the latter.

During the spring of 1992, Jorasek's carrier, due to severe start-up losses, loses its **Crossair, Ltd.** support and aircraft. The Swiss carrier, having lost over a million Swiss francs and having received no lease payments for its turboprop, withdraws the SAAB 340A at the end of March. Tatra is able to charter a Yak 40 from the state of Slovakia with which to maintain its services to Zurich and Munich.

New Austrian owners, the freight forwarding concern Cargo Rachbauer of Salzburg, replace the Swiss in April and the company acquires three Let L-401s and two chartered SAAB 340BQCs, the latter formerly operated by **Air Exel Belgium**. International destinations now visited from Bratislava include Berlin (Schoenfeld), Geneva, Stuttgart, Zurich, Munich, and Frankfurt. A frequency is also inaugurated to Berlin (Schoenfeld) from Tatry and Popra. Protected by the Czech government, Tatra in July demands that **Deutsche BA Luftfahrtgesellschaft, GmbH**, split its Stuttgart-Prague service with it.

Enplanements total 8,174 and revenues of \$2.4 million are generated.

Airline employment stands at 90 in 1993. The company shuts down for a month in June in protest of the delay in granting it national carrier status; flights are resumed in July and the move does not impact the year's traffic figures. Meanwhile, the company, having spent many months seeking investment from other airlines, finally finds a partner. Unable to make lease payments on its own SAABs, Lausanne, Switzerland-based **AlphaLines** purchases Tatra in August.

Passenger boardings are up a spectacular 56.6% to 18,832 while freight skyrockets 118.7% to 25,000 FTKs flown. Revenues slide 20% to \$2 million.

The workforce is decreased 12.2% in 1994 to 55 and the fleet now includes 1 L-410UVP and 2 SAAB 340BQCs, 1 of which is leased. New routes are opened to Prague and Kiev.

Customer bookings accelerate another 31.9% to 24,833 while cargo jumps 38.4% to 33.9 million FTKs. Revenues increase by 14.9% to \$2.3 million.

Five employees are rehired in 1995 to help the carrier initiate new services to Warsaw.

Enplanements jump 26.4% to 31,395 and operating revenues climb 18.9% to \$3.85 million.

The workforce is increased by 13.3% in 1996 to 68 and the leased fleet now includes 2 SAAB 340QCs and 5 Boeing 737-300s.

Customer bookings increase 38.2% to 43,401 and 61,500 FTKs are operated, a 23% increase.

During the first quarter of 1997, Tatra becomes the first European Customer for the SAAB 2000, ordering two of the jetprops. The first of the Swedish-made aircraft is delivered in October and on November 1 enters service over a route from Bratislava to London (LGW). Plans are made at the end of the year for receipt of the second SAAB 2000 in March.

Passenger boardings accelerate 26% to 54,738, while cargo jumps 32% to 81,000 FTKs.

Service is maintained in 1998.

Customer bookings jump 23% to 70,000, while freight traffic rises 21% to 98,000 FTKs.

Airline employment in 1999 stands at 68.

TAUNUS AIR, GmbH. & CO., K.G.: Frankfurt Airport, GEB 515, Frankfurt, D-60549, Germany; Phone 49 (611) 840 096; Fax 49 (611) 840 066; Code TAQ; Year Founded 1990. Taunus is set up at Frankfurt by Georg Patzold in 1990 to provide executive and small group passenger charters and air ambulance flights to destinations throughout the world. Another base is established at Wiesbaden. By 2000, President Patzold oversees a 14-person workforce and a fleet of 3 Learjet 35A Century IIIs.

TAVAJ (TRANSPORTES AEREOS REGULARES, S.A.): CP484, Rio Branco (Acre), 69901-320, Brazil; Phone 55 (68) 223-2866; Fax 55 (68) 224-3654; <http://www.tavaj.com.br>; Code TVJ; Year Founded 1994. TAVAJ is established at Rio Branco (Acre) in January 1994 to provide scheduled air taxi flights to local destinations. Idaiberto Luis Cunha is managing director and he begins revenue services with three Embraer EMB-110P2 Bandeirantes.

Airline employment stands at 105 in 1995 and Managing Director Cunha is able to report to ICAO that for the first quarter, his enplanements have skyrocketed to 5,440, a 212.1% increase over the same period a year earlier.

Forty-five new workers are hired in 1996, a 42.9% increase. The company's 9 Bandeirantes, 1 Fokker F.27-600, and 3 lightplanes fly a total of 28,708 passengers through July, a huge 115.6% increase. During the fall, a 12-year, \$48-million lease is signed with Bombardier Regional Aircraft for 4 DHC-8Q-200Bs.

The first two of the combi DHCs enter service in February 1997, while the third arrives in June and the fourth in July. The new turboprops allow the company to significantly increase its passenger and cargo services to small communities in the central and western regions of Brazil.

Flights continue during the remainder of the decade.

Destinations visited at the beginning of 2000 include Altamira, Belem, Boa Vista, Boca do Acre, Brasilia, Carauari, Costa Marques, Cruzeiro do Sul, Cuiaba, Eirunepe, Feijo, Guajara-Mirimi, Itaituba, Labrea, Manaus, Parintins, Porto Velho, Rio branco, Sao Gabriel, Santarem, Tabatinga, Tarauaca, and Tefe. In August, a Fokker F.27-600 is leased from the new freight operator **Jet Sul Cargo, Ltda.**

TAVINA (TRANS-COLOMBIANA DE AVIACION, S.A.): Colombia (1973–1986). Gabriel Echavarria Obregon forms TAVINA at Cartagena in 1973 to undertake Douglas DC-3 charter services for oil and mining companies. The base is transferred to Barranquilla in 1974.

In 1979, TANA (Transportes Aereos Nacionales, S.A.) is purchased and absorbed, together with its aircraft and route network. The major shareholder in the private airline remains Aeroejecutivos (49%). The combined route system now extends throughout western Colombia to the Ecuadorean frontier.

In 1980, this system is consolidated, with scheduled services being concentrated at a Barranquilla hub in the north. In 1981, 4 Embraer EMB-110P-1s, 2 de Havilland DHC-6 Twin Otters, 2 Britten-Norman BN-2A Trislanders, 1 Swearingen Merlin, and 1 Swearingen Metro II are brought into supplement the Douglas transports.

Enplanements reach 140,000 for the year.

As is the case for other carriers, rising fuel prices and the world economic recession conspire with stiff competition to cause traffic downturns and financial difficulties.

Passenger boardings show steady decline, plunging to 104,000 in 1982.

An EMB-110P-1 with two crew and five passengers fails its takeoff from Barranquilla on May 29, 1983, and crashes; there are no fatalities.

The year's bookings total only 96,000.

Major fleet rationalization occurs in the early 1984 as the Embraers and Swearingens are replaced by six de Havilland DHC-6 Twin Otters

and two Britten-Norman BN-2A Trislanders. At this point, the route network for the 100-employee airline includes stops at Cartagena, El Banco, Guamal, Maicao, Mompos, Monteria, Providencia, Riohache, San Andres Island, and Valledupar.

The disappointing traffic figures do not improve with the general return to prosperity in mid-decade and TAVINA fails in 1986.

TAXADER (LINEAS AEREAS TAXADER, S.A.): Colombia (1963–1965). The onetime air taxi **Taxader (Taxi Aereo de Santander, S.A.)** is reorganized in 1963 and renamed in order to promote its status as a scheduled second-level airline. Two Douglas DC-4s ordered in 1962 are delivered and permission is received from the U.S. CAB to inaugurate scheduled passenger flights from LAT's base at Bucaramanga to Bogota, Barranquilla, and Miami. The four-engine airliners undertake those international frequencies, while five DC-3s and four Curtiss C-46 Comandos continue to operate at home.

While on a March 8, 1964 domestic flight, a DC-3 crashes near Bogota (33 dead). The Douglas transports begin *El Cafetero* (The Coffee Tree) Florida service in October. Unable to achieve sufficient financial return on its domestic or international routes to pay for its new airliners, Taxader ceases operations in 1965.

TAXADER (TAXI AEREO DE SANTANDER, S.A.): Colombia (1947–1963). Dr. Herman Gomez-Gomez founds Taxader at Bucaramanga in 1947 to operate nonscheduled Cessna lightplane air taxi flights to Barranquilla and various unimproved destinations in Colombia's northeast.

Following the failure of **LANSA (Lineas Aereas Nacionales, S.A.)** in 1954, Taxader begins to expand. Capitalization is raised to 3 million pesos (\$250,000) and a fleet of 5 Douglas DC-3s is purchased. Over the next five to six years, a multistop route network is established linking Bogota with Bucaramanga and Barranquilla.

Three Curtiss C-46s configured for passenger service as "Super C-46Ts" are acquired in 1960. These aircraft allow the carrier to expand its route network over the next year from north to south, adding such destinations as Cali, Pereira, Cartagena, and San Andres Island.

Two DC-4s are purchased in 1962 and service is initiated to the Ecuadorian frontier towns of Pasto and Popoyan. Orders are placed for DC-6Bs. While on an August 23 domestic flight, a DC-3 with 31 aboard crashes at Barrancabermeja (18 dead). A second Douglas transport, with 24 aboard, also goes down near Barrancabermeja on December 6; again, there are no survivors.

The company is reorganized in 1963 and renamed **Taxader (Lineas Aereas Taxader, S.A.)**, the better to market its status as a scheduled second-level carrier.

TAXI AEREO DE MEXICO, S.A. de C.V.: Toluca International Airport, Toluca, Mexico; Phone 52 83 28 62 80; Fax 52 83 28 62 40; Year Founded 1981. TADM is set up at Toluca in 1981 to provide executive and small group passenger services worldwide. By 2000, General Manager Julio Ituarte employs 4 full-time and 2 part-time pilots to fly his Canadair CL-601 Challenger and Learjet 35A Century III.

TAXI AEREO DE OAXACA, S.A. See TAO (TAXI AEREO DE OAXACA, S.A.)

TAXI AEREO DE SANTANDER, S.A. See AEROCONDOR (AEROVIAS CONDOR DE COLOMBIA, S.A.); TAXADER (TAXI AEREO DE SANTANDER, S.A.)

TAXI AEREO DEL GUAVIARE, S.A. See TAGUA COLOMBIA, S.A.

TAXI AERO NACIONALES, C.A.: Venezuela (1964–1969). Established at Ciudad Bolivar in 1964, this nonscheduled carrier undertakes domestic flights with an antique fleet that comprises 1 Lockheed L-10

Electra, 1 L-12, 1 de Havilland DH-104 Dove, and 7 Cessna lightplanes. A Curtiss C-46 Commando is also leased and employed on all-cargo services. The concern fails in **1969**.

TAXI AEREO OPITA, S.A. *See* **TAO (TAXI AEREO OPITA, S.A.)**

TAXI AEREO PANAMENO, S.A.: Panama (1961–1965). Never able to gain economic viability, TAP operates a pair of Curtiss C-46 Commandos on scheduled domestic all-cargo services between **1961** and **1965**.

TAXIS AEREOS ARGENTINAS, S.A. *See* **TAASA (TAXIS AEREOS ARGENTINAS, S.A.)**

TAXI AIR GROUP. *See* **TAG AIRLINES**

TAXI AVIA FRANCE. *See* **TAT FRENCH REGIONAL AIRLINES, S.A.**

TAXPA (LINEA AEREA TAXPA, S.A.): Chile (1967–1992). Having established guest facilities on Juan Fernandez Island, which is better known as Robinson Crusoe Island, famous as the location where Alexander Selkirk was shipwrecked, TAXPA is formed at Santiago de Chile in January **1967** to provide an air link from the capital city's Los Cerrillos Airport. Initial equipment is a Douglas DC-6B.

By the middle **1980s**, the fleet of the one-route airline is changed to comprise 2 Piper PA-31-310 Navajos, 1 Piper PA-23 Aztec, 1 Cessna 310, and 1 Aero Commander 690. Late in the decade, President Carlos Griffin acquires an updated Douglas DC-3.

The recession of the early **1990s** forces the little service to shut its doors in **1992**.

TAYSA (TRANSPORTES AEREOS YAJALON, S.A.) *See* **SACSA (SERVICIOS AEREOS DE CHIAPAS, S.A.)**

TAZ (TRANSPORTES AEREOS DE ZAMBEZIA). *See* **COMAG**

T-BIRD AIR TRAVEL: United States (1981–1984). T-Bird is established at Houston (HOU) in **1981** as successor to Ray Kroc's one-year-old San Diego Padres Air Travel holiday service. Affiliated with Thunderbird Airways, the charter operator undertakes passenger group charter and contract service flights with a Boeing 727-100. Customer bookings accelerate 33.3% to 4,000.

The lone "three-hole" jetliner is able to generate customer bookings of 35,000 in **1982**. On revenues of \$2 million, a \$25,000 operating profit is achieved. In **1983**, the carrier enplanes 72,000 passengers, a remarkable 105.7% boost.

Operations cease during the summer of **1984**; however, in the fall, Reno-based Silver Wings International steps forward and purchases T-Bird's assets.

TCA (TRANSPORTES CARGA AEREA, S.A.): Brazil (1947–1949). Rui Vacani, with fellow owners Roberto Taves and Marcilio Gibson Jacques, set up TCA as a cargo carrier at Anapolis, in Goias State, on December 22, **1947**. A fleet of three ex-military Douglas C-47s is assembled and operations are undertaken in the northeast shoulder area of the country.

The carrier, which has lost two of its three freighters in crashes, is reorganized on August 24, **1949**, emerging with increased capitalization and a new name, **Loide Aereo Nacional, S.A.**

TCA (TURKS AND CAICOS AIRWAYS, LTD.). *See* **TURKS AND CAICOS AIRWAYS, LTD.**

TCI SKY KING CHARTERS, LTD.: P.O. Box 398, Provo International Airport, Providenciales, Turks and Caicos Islands; Code RU; Year Founded 1996. TCI is established in **1996** to offer scheduled and

charter services around the Caribbean from Providenciales. Employing a fleet of 1 each Piper PA-23 Aztec, Cessna 402, Cessna 404, and Shorts 360-300, the carrier will, over the next 4 years, come to visit numerous destinations. Among these are Anguilla, Antigua, Aruba, Barbados, Cap Haitian, Cayman, Dominica, Exuma-Georgetown, Freeport, Havana, Santiago, Inagua, Kingston, Martinique, Miami, Fort Lauderdale, Nassau, Port au Prince, Puerto Plata, San Salvador, Santo Domingo, St. Croix, St. Kitts, St. Lucia, St. Martin, St. Thomas, Tortola, and Cat Island.

T. D. AVIATION: Republic Airport, Route 109, Farmingdale, New York 11735, United States; Phone (516) 753-5757; Fax (516) 753-0279; Year Founded 1994. This rotary-wing operator is established at Republic Airport in **1994** to provide aerial work (spraying, etc.), airport transfers, charters to New York destinations, courier flights, flight-seeing, and aerial photography. Within 6 years, Operations Manager Mike McCormack oversees the operations of 1 each Eurocopter AS-355F Twinstar, Bell 206B JetRanger, and Bell 206L LongRanger.

TEA. *See* **TRANS EUROPEAN AIRWAYS, LTD.; TRANS EUROPEAN AIRWAYS, S.A.**

TEA-BASEL, A.G.: Switzerland (1992–1998). Originally formed in May **1988** as the Swiss component of the multinational charter operator **Trans European Airways, S.A., Trans European Airways-Basel, A.G.** receives its initial Boeing 737-3M8s in early **1989**, placing it into service on March 29. In November, the carrier initiates a practice of leasing certain of its aircraft and the second little Boeing is chartered to an Australian operator.

Enplanements for the first year total 20,000 with charter fees covering expenses and allowing a small profit.

During the national pilots strike of **1989–1990**, a B-737-3M8 is based at Sydney to operate replacement services for **Australian Airlines (Pty.), Ltd.**

Operations continue apace in **1990–1991** and the carrier is purchased by its Swiss management and reformed in early **1992** following the demise of the Belgian parent. The airline is capitalized at SFr 29.2 billion (\$22 million), 60% of which is held by Chairman Markus Kunzli and his colleagues. Managing Director Markus Seiler oversee a workforce of 105 and operates a fleet of 3 owned Boeing 737-3M8s and 1 leased B-737-3Y0 to holiday destinations in Europe, Africa, and the Far East.

Enplanements for the year total 248,000.

The workforce is increased by 5% in **1993** to 105 while the chartered B-737-3Y0, christened *City of Hanoi*, is based at Hanoi to operate on behalf of **Vietnam Airlines**. It is briefly joined by a second aircraft, one of the B-737-3M8s; both are painted in white with Vietnam livery. Although retaining its official TEA-Basel name, the company now begins trading under the name TEA Switzerland.

The year's passenger boardings swell 12.2% to 278,300. Revenues total SFr 81 million and allow a SFr 2-million profit.

Airline employment in **1994** stands at 160 and a new catering facility is established at Zurich. During the summer and in cooperation with a travel firm affiliated with the Migros supermarket group, the airline applies to the government for permission to undertake deep discount domestic flights in competition with **Crossair, Ltd.**; after significant public debate that brings credit to the company, the application is rejected.

A B-737-3Q8 is leased in November and during the winter tour season, the new aircraft is employed to begin operating charter flights from Bergamo, Italy, to Malindi, Kenya, on behalf of an Italian tour operator. Customer bookings accelerate 37% to 370,000 through October 31.

The workforce is increased to 205 in **1995**. The *City of Hanoi*, while retaining its name, is returned to Switzerland.

For the year as a whole, enplanements total 533,200.

The workforce grows 12.2% in **1996** to 230 and the company's 5 aircraft transport a total of 544,300 passengers, a 2.1% increase.

In addition to its ad hoc charters, the company, in **1997**, flies from Zurich and Basel to 24 Mediterranean destinations, as well as Goa, Re-

cife, and Mombasa. The B-737-3Q8 is subleased to **Air Afrique, S.A.** (2) for two years.

Passenger boardings drop 4.7% to 518,600.

On March 26, **1998**, Stelio Haji-Ioannou's low cost carrier, **easyJet Airlines, Ltd.** purchases 40% shareholding in TEA-Basel, A.G. The U.K. airline has the option to increase its stake in the Basel-based line to 90% and to refocus the company as a discount company and franchise partner, **easyJet Switzerland, A.G.** The equity boost is dependent upon Switzerland's joining the European Union "open skies" arrangement. The company remains Swiss-registered, with the same Swiss staff and management.

The franchise arrangement with **easyJet Airlines, Ltd.** physically begins on May 1 as one of the TEA aircraft begins flying on the Geneva-London (CTN) route that easyJet already serves.

TEA-FRANCE, S.A.: France (1991-1992). Having originally launched operations in October 1989 as the French component of the multinational charter operator **Trans-European Airways**, **Trans-European Airways-France** is reformed in September **1991** following the demise of the Belgian parent. The company is licensed by the French government to undertake inclusive-tour flights to Mediterranean destinations from the French cities of Lourdes and Lille. Revenue flights begin and continue with a single Boeing 737-3M8. When **Trans-European Airways** fails in **1992**, it drags TEA-France out of business with it.

TEA-ITALY, S.p.A. (1). See **TRANS EUROPEAN AIRWAYS-ITALY, S.p.A.**

TEA-ITALY, S.p.A. (2): Italy (1993-1995). The second TEA-Italy is established at Rome in early **1993** to provide scheduled passenger services to regional destinations. The fleet of 3 Boeing 737-3M8s transports a total of 500,000 passengers by year's end. A fourth B-737-3M8 arrives in **1994**.

Unable to maintain economic viability, the company shuts down in **1995**.

TEA SWITZERLAND. See **TEA BASEL, LTD.**

TEA-U.K., LTD. See **TRANS EUROPEAN AIRWAYS-U.K., LTD.; EXCALIBUR AIRWAYS, LTD.**

TEAM LUFTHANSA. See **AIR LITTORAL, S.A.; AUGSBURG AIRWAYS, GmbH.; BRITISH MIDLAND COMMUTER, LTD.; CEMBER AIR; CIRRUS AIRLINES; CONTACTAIR FLUGDIENST, GmbH. & CO.; DEBONAIR AIRWAYS, LTD.; FLIGHTLINE, LTD.; LUFTHANSA CITYLINE, GmbH.; REGIONAL AIRLINES, S.A.; RHEINTALFLUG-ROLF SEEALD GESELLSCHAFT, GmbH.**

TEDDY AIR, A.S.: Voldsveien 200, Skeien, N-3729, Norway; Phone 47 (35) 546 600; Fax 47 (35) 546 740; http://www.teddyair.no; Code ZJ; Year Founded 1989. Loevenokiold/Herman establishes Teddy Air at Skeien, Norway, in January 29, **1989**, to offer domestic passenger and cargo taxi services. Viggo Vestiby is chairman, with Tollef Dale as president. Over the next 7 months, a workforce of 18 is assembled and 2 Britten-Norman BN-2 Islanders are ordered. Receipt of these allow revenue flights to commence in July.

A year later, on July 1, **1990**, two newly purchased Piper PA-31-350 Navajo Chieftains begin scheduled commuter flights between Skien and Oslo. These continue without headline or incident during the next three years. On April 1, **1993**, replacement flights are undertaken on behalf of **Wideroe's Flyveselskap, A.S. (Wideroe's Flying Company)** between Skien and Stavanger. Frequencies between Skien and Bergen follow thereafter. Orders are now placed for four Embraer EMB-110 Bandeirantes.

The first Bandeirante is delivered on July 14, **1994**. Christened *Tasselass*, she enters service on the Skien to Stavanger route. The second EMB-110, the *Bamse*, begins flying between Skien and Bergen in **1995**. The *Pekka* and *Lisa* are delivered on August 1, **1996** and enter service shortly thereafter.

Business continues in **1997-1998**, during which years the company begins to cooperate closely with **Golden Air Flyg, A.B.** During the latter year, enplanements total 14,000.

Three of the Bandeirantes are withdrawn during **1999-2000** and replaced with two SAAB 340As leased from Golden Air.

TEEN AIR: 2 Komsomolskaya Volzhski, Volgograd, 404000, Russia; Phone 7 (84453) 36308; Year Founded 1993. Teen is established at Volgograd in **1993** to offer ad hoc passenger charters throughout the nation. Revenue operations commence and continue with a single Yakovlev Yak-42.

Although it is understood that this carrier continues to operate in the period after the beginning of the August **1998** Russian currency crisis, no definite information has been located to that effect.

TEJAS AIRLINES: United States (1976-1980). Tejas is set up at San Antonio, Texas, in **1976** to provide scheduled passenger and cargo services to a number of intrastate destinations. Employing 1 each Fairchild-Swearingen Metro II and Piper PA-31-350 Navajo Chieftain, Tejas inaugurates daily roundtrips linking its base with Austin, Laredo, Corpus Christi, Brownsville, McAllen, Waco, Houston, and Fort Worth. Service continues without incident in **1977**.

Following its landing at Austin's Robert Muller Municipal Airport on August 13, **1978**, the Swearingen Metro II with 2 crew and 16 passengers, swerves off the runway and crashes; there are no serious injuries reported, but the aircraft is damaged beyond repair.

Operations continue with the Navajo Chieftain until **1980**.

TELAIR MANCHESTER, LTD.: United Kingdom (1980-1985). This air taxi operator is based, not as its name implies, at Manchester, but at Speke Airport at Liverpool. Employing a pair of Britten Norman BN-2A Islanders, the little carrier provides on-demand passenger flights around England until it suspends services in **1985**.

TELFORD AVIATION: 100 Airport Road, Waterville, Maine 04901, United States; Phone (207) 872-5555; Fax (207) 872-6794; http://www.telfordaviation.com; Year Founded 1982. With backing from family and friends, Telford Allen Jr. establishes this all-cargo concern at La Fleur Airport in Waterville, Maine, in **1982** to offer charter flights to destinations in the Northeast U.S. and Atlantic Canada. Revenue operations commence with 1 owned Cessna Rockwell Saberliner 40 and 1 Saberliner 60 plus a leased fleet of 2 Cessna 208 Caravan Is, 1 C-208B, and 1 Saberliner 60. In **1989**, a second facility is opened at the Bangor International Airport.

The Saberliner 40s are removed in **1992** and replaced in **1993** with a Swearingen SA-226 Merlin IV. A major fleet change occurs in **1994** as the Saberliners are removed and a Beech 99, CASA C-212-200 Aviocar, and another C-208B are chartered. Emphasis now is largely on the transport of freight.

The Cessna 208 is subleased to **Prince Edward Air, Ltd.** for a year in **1995** as another C-208B arrives along with a British Aerospace BAe (HS) 125-700A Hawker. The Merlin IV and Aviocar are withdrawn in **1996** and replaced with 1 each Beech 99 and Hawker. Telford Allen III becomes president in **1997** and the fleet now includes 2 Hawkers, 7 Caravans, and 2 Beech 99s.

Flights continue in **1998-1999**. Increased emphasis is placed on aircraft maintenance activities and an Airliner Production Facility is opened to undertake approved repair work.

During **2000**, a new \$50-million joint venture is undertaken with the Ages Group, a division of Volvo Aerospace, A.B. In addition, two Cessna 208Bs are stationed at Savanna, Georgia, and begin operating two newly awarded feeder contracts from **UPS (United Parcel Service)**.

TELLAIR, LTD.: Girella 2, Lugano, CH-6814, Switzerland; Phone 41 (91) 960 2170; Fax 41 (91) 960 2179; http://www.tellair.com; Code F4; Year Founded 1997. Tellair is established on January 4, **1997**

to offer regional scheduled services. There is a long gestation period before flight operations can begin, during which 2 Fokker 50s and 1 Boeing 727-100 are acquired.

Revenue flights commence on February 8, 1999, linking the company's base with Ancona, Milan, Pescara, and Turin.

Chairman Renzo Bianchini oversees a workforce of 29 at the beginning of 2000.

TEMPELHOFF AIRWAYS, USA: United States (1980-1990). Having won FAA approval to launch charter flights out of West Berlin in 1981, this U.S.-registered carrier, founded two years earlier in Florida, is reformed at West Berlin's Tempelhof Airport by Knut Kramer and associates in January 1982. Flight activities commence in April employing a Cessna 441 Conquest and a Piper PA-31-350 Navajo Chieftain.

Between 1983-1985, charter operations are undertaken to some 30 destinations in West Germany, including the larger cities of Dusseldorf, Bremen, Munich, and Frankfurt. Most of these services are undertaken under contract to a large computer company.

Following the collapse of the West Berlin-based commuter Directair, Tempelhoff Airways in January 1986 acquires the necessary permissions and an ex-Cimber Air Nord 262 turboprop, allowing it to launch twice-daily scheduled services to Paderborn. A second Nord 262 becomes available at the end of February as company employment reaches nine. Scheduled flights are now laid on to Dortmund, Luxembourg, Augsburg, and Braunschweig. Enplanements are now averaging 1,500 per month.

In late December, 51% controlling interest is taken by **Pan American World Airways (1)**, which plans to use the commuter to feed its Internal German Service beginning in the spring of 1987. No sooner has this arrangement been completed than Pan Am elects not to consummate it. Rather, it elects to begin a new subsidiary of its Philadelphia-based **Pan Am Express** and operate it under the certificate once held by **Ransome Airlines**. Meanwhile, Tempelhoff initiates scheduled services to Dortmund and a third Nord is acquired. Orders are placed for three SAAB 340As.

The first SAAB 340A is received in early 1988, at approximately the same time in which the airline becomes the first European code-sharing partner for **Trans World Airlines (TWA)**. "TWExpress" service is inaugurated twice daily between West Berlin and Brussels. The newly received Nord is now employed to fly packages from West Berlin to Hanover on behalf of **UPS Air**.

Enplanements for the year total 50,000. They grow to 51,000 in 1989.

Major expansion occurs in early 1990 as the fleet is enlarged by the addition of three SAAB 340As, which are employed to inaugurate flights to Brussels and Hamburg. Following German reunification in October, Tempelhof ceases flight operations, but continues to offer ground handling services at the Berlin airport.

The company applies for a certificate to operate as a German airline and CEO Knut Kramer pledges to sell his one-third stake, but such an arrangement cannot be concluded.

TEMPELHOF EXPRESS AIRLINES, GmbH. & CO., KG: Flughafen Berlin-Tempelhof, Gebaeudeteil A1, Rm. 2651, Berlin, 99092, Germany; Phone 49 (60) 7877342; Fax 49 (60) 788284; http://www.tempelhof-express.com; Code FC; Year Founded 1998. **TAL Thuringia Airlines, GmbH.** is renamed on November 1, 1998. The corporate identity change, made under the leadership of President Uwe Bohme, has no impact on operations, which are continued as before with 1 each Beech 1900D and Dornier 328-110.

Frequencies from Berlin to Erfurt, Friedrichshafen, Munich, and Westerland/Sylt are maintained in 1999-2000.

TEMPUS AIR, LTD.: Canada (1988-1989). Formed at Hamilton, Ontario, early in 1988, Tempus inaugurates scheduled commuter services to Ottawa and Montreal with Swearingen Metros. By fall, company officials know that they will be unable to achieve profitability in such regular service and thus suspend it.

The Metros are replaced with a Convair CV-580 that is used briefly in 1989 to operate a courier service between the three cities.

TEMSCO AIRLINES: 5411 North Tongass, P.O. Box 5057, Ketchikan, Alaska 99901, United States; Phone (907) 225-5141; Fax (907) 225-2340; Year Founded 1985. Temsco is established by Kenneth Eichner at Ketchikan, Alaska, in early 1985 to provide passenger charter and contract services. Revenue flights commence on January 2. To provide a scheduled air transport division, the assets of the failed local fixed-wing regional **Tyee Airlines** are purchased in May 1986, merged, and reformed to operate under the name Temsco Airlines.

The company employs a float-equipped, fixed-wing fleet that includes 1 Cessna 206, 7 de Havilland Canada DHC-6 Twin Otters, 1 Pilatus Britten-Norman PBN-2 Islander, and 10 Bell 206B JetRangers.

Temsco undertakes flights to over 120 destinations throughout the state. **Westflight Aviation** is purchased and merged on October 1 and in December, the carrier becomes an **Alaska Airlines** commuter partner.

By 1987, Temsco has also established a reputation as the "originator" of the Juneau ice field flight-seeing and glacier tours. From Juneau, Petersburg, and Skagway, the company's helicopters perform glacier tours that actually allow passengers to get out and walk on the ice.

Operations continue apace in 1988-1989, but not without loss.

While preparing to land on a lake near Liscombe Bay on July 30 of the former year, a float-equipped Cessna 185 with one pilot and two passengers, crashes into the water; there are no survivors.

Just two miles beyond the airport at Ketchikan on an outward-bound flight made on January 15 of the latter year, a DHC-2 with a pilot and a passenger flies into a snowstorm and crashes into water. Search and rescue efforts are suspended after four days and there are no survivors.

The fleet of the 40-employee carrier totals 52 aircraft in 1990: 4 Bell 206B JetRangers, 2 Cessna 185s, 5 Aerospatiale AS-350B-1 A-Stars (known in Aerope as the Ecureuil or Squirrel), 8 DHC-2 Beavers, 1 Islander, 9 DHC-3 Otters, 2 Bell 212s, and 1 Bell UH-1.

During the second week of August, a DHC-2 with a pilot and a passenger crashes 13 miles W of Wrangell; the flyer is killed.

When the company is unable to immediately locate up-to-date maintenance records for an FAA investigation team, Temsco, on August 29, idles 14 helicopters until the matter can be resolved. Theodore Beckloff, head of the FAA office in Anchorage, does not find the matter to be a major enforcement action and refrains from closing down the airline.

The next run-in between the agency and the airline is not as gentle. On December 10, the FAA pulls the license of President Charles W. Gale, charging that he has falsified flight records, particularly flight checks that were not conducted for a number of pilots, including former president and owner Eichner.

Enplanements for the year total 28,497.

Passenger boardings drop to 23,188 in 1991. In addition, 1,044,626 pounds of mail are transported. In October, the Part 135 fixed-wing portion of the company is shut down. The assets are largely passed to **Taquan Air Services**.

Operations continue apace in 1992-1994 as President Gale adds three AS-350B-2 A-Stars to employ in a growing contest for sight-seeing business waged with **ERA Aviation**.

Flights continue during the remainder of the decade. During these year's, the rotary-wing fleet is revised to include 16 Eurocopter A-Star 350s, 2 Bell 212s, and 12 McDonnell Douglas MD-500Ds. The company also begins operating medevac flights under contract to various hospitals employing leased equipment.

While returning to Juneau International Airport after a September 10, 1999, ice field sight-seeing tour flight, an A-Star 350 with a pilot and four passengers encounters a snowstorm that forces the helicopter down into a snow-covered ice field. One person is seriously injured.

On March 10, 2000, while en route to the Northwest Texas Healthcare System Hospital at Amarillo from a hospital in Boise City, Oklahoma, a chartered Eurocopter BO105-CBS-5 with a pilot, two medical technicians, and a patient, encounters fog and crashes into a field 25 mi. N of Dalhart, Texas. There are no survivors.

TENNESSEE AIRMOTIVE: United States (1966–1968). Tennessee Airmotive is established at Chattanooga during the summer of 1966 to provide daily roundtrips to and from Nashville. Employing one each Piper PA-23 Aztec and PA-31-310 Navajo, scheduled frequencies are inaugurated on September 1 and are maintained until 1968.

TENNESSEE AIRWAYS: United States (1978–1987). Founded at Knoxville by Stuart Adcock to provide intrastate service between that city and Nashville, this company's two Cessna 402Bs begin flight operations on June 1, 1978; 4,100 passengers are transported during the next six months in direct competition against the state's other indigenous third-level carrier, **Aerie Airlines**.

A third Cessna 402B joins the fleet in 1979 as the 16-employee carrier begins providing 20 daily flights to the state capital, plus Tri-Cities, Chattanooga, Charlotte, and Augusta. Already weakened, competing **Aerie Airlines** shuts its doors early in the year, leaving Adcock to operate all-commuter flights emanating from and within Tennessee.

Orders are now placed for four Embraer EMB-110 Bandeirantes.

Enplanements skyrocket 384.9% to 19,000.

The employee population rises by 50% in 1980 to 30 and the fleet is upgraded by the addition of the first 2 Bandeirantes. Tullahoma joins the state network, while interstate frequencies are initiated to Lexington, Kentucky.

Passenger boardings leap 42.1% to 27,000.

By 1981, Adcock's airline is serving 6 major cities (Tri-Cities, Knoxville, Chattanooga, Nashville, Lexington, and Charlotte) with a fleet of 3 Bandeirantes and 2 Cessna 402s.

During the year, the **American Airlines** SABRE reservations system is installed at TA's McGhee-Tyson Airport base at Alcoa (outside Knoxville) and the workforce is increased by 25% to 50.

Bookings skyrocket 77.8% to 48,238.

The payroll is advanced 16.7% in 1982 to 70. A fourth EMB-110 is added and orders are placed for 3 EMB-120 Brasiliats and 3 SAAB-Fairchild SF340s.

A modest passenger growth rate of 4.1% (50,000) is experienced by the privately held carrier.

The employee population grows 14.3% in 1983 to 80 as another Bandeirante is acquired and service is launched to Cincinnati. Bookings climb 8% to 54,000.

Early in 1984, the small regional adds two Piper T-1020s to its fleet and brings London and Corbin, Kentucky, and Memphis into its route system. In September, when **United Airlines** abandons its Knoxville-Washington, D.C. service, Tennessee Airways is ready to replace it. Knoxville Metro Airport to Washington, D.C. (IAD) EMB-110 flights commence on October 29. Traffic remains level, but in anticipation of further growth CEO Adcock now places an order for four SAAB-Fairchild SF340s.

While claiming that computer bias is at work against it, Tennessee takes a sharp traffic downturn in 1985, by 26.9% to 38,010 passengers flown.

The plunge continues in 1986, even though employment is increased by 33.3% to 80.

Passenger boardings drop 45.5% to 20,751.

Unable to absorb further losses and successfully compete against the increasingly powerful "American Eagle" commuter network of **American Airlines**, Tennessee Airways shuts its doors on June 30, 1987, after having transported a total of 6,949 passengers during the year's first half. Services are, at least officially, temporarily suspended in 1988–1989, but are never resumed.

TEPAVIA TRANS, S.A.: Office 64, Dacia 60/5, Kishinev, MD-2026, Moldova; Phone/Fax (3732) 526646; <http://www.riscom.net/~air-lines.tepavi>; Code TET; Year Founded 1999. Tepavia Trans is established at Kishinev on May 18, 1999 as Moldova's first air taxi company. A fleet of 7 Antonov An-28s is assembled and revenue flights to destinations within a radius of 1,200 km. are begun. Although initially oper-

ated in the liveries of the airlines from which they were purchased, the company's aircraft are all repainted by late autumn in a new "busy bee" livery designed by artist Fedor Fesilov. Passenger, cargo, and "combi" flights continue during the remainder of the year and into 2000. Destinations visited are located in the Commonwealth of Independent States, Europe, and the Mideast.

TERRE HAUTE AIR COMMUTER: United States (1980–1981). THAC is established at Terre Haute, Indiana, in the spring of 1980, initially operating as **H & D Aviation**. Piper lightplanes are employed to initiate daily scheduled roundtrips to Lawrenceville on June 1 and are maintained until April 1, 1981, when the company is renamed. The new corporate identity is not sufficient to keep the airline from going out of business on August 1.

TERRITORIAL AIRLINES: United States (1990). Territorial is founded at Albuquerque in early 1990 to offer scheduled third-level passenger services to Las Vegas with a Piper PA-31-310 Navajo. The jump in fuel prices caused by Iraq's August invasion of Kuwait conspires with the nation's deepening recession to force the new venture out of business at year's end.

TERRITORY AIRLINES (PTY.), LTD. (TAL): Papua New Guinea (1952–1975). Formed as a charter operation at Lae, TAL obtains two de Havilland DH 84 Dragons and a license that allows it to commence revenue flights on May 5, 1952. Nonscheduled flights to Madang and a variety of other local destinations are undertaken over the next 15 years. The company's main work becomes the resupply of remote stations.

Airline employment stands at 98 in 1967. During the year, the company operates a fleet of 3 Beech B-55 Barons, 3 Cessna 402s, 3 Cessna 336s, 6 Cessna 206s, and 5 Cessna 185s. Enplanements are 27,000 and a total of 6,500 tons of cargo is lifted.

In 1968 a scheduled license good for the New Guinea Highlands is acquired from the government. Three additional Cessna 402s are acquired with which to begin the new commuter operation.

Rapid route and system expansion occurs over the next 7 years, bolstered by several acquisitions; by 1971, enplanements are 56,141.

Airline employment in 1972 stands at 300 and the fleet includes 1 de Havilland Canada DHC-6-100 Twin Otter, 3 Beech B-55 Barons, and 24 Cessnas. **Sepik Air Charters, Ltd.** is acquired in July.

Air services in New Guinea are reorganized late in 1973. As a result, Territory opens new terminals in Wewak, Madang, and Port Moresby and acquires three more Twin Otters. Two hotels are also purchased. On December 20, Bryan Grey is appointed general manager. Additional terminals are opened at Awar and Karkar Island in 1974. Three more hotels are acquired and another is built. More Twin Otters join the fleet as the carrier begins to phase out its single-engine planes. Plans are made to reform the company late in the year; it will be renamed and given a new corporate image.

Enplanements for the final year are 78,442.

In April 1975, **Macair (Melanesian Airlines Charter Company, Ltd.)**, together with its **Solair (Solomon Islands Airways, Ltd.)** subsidiary, is acquired. Although Solair continues as a flying subsidiary, Macair is merged into Territory Airlines, which now changes its name to **Talair (Tourist Airlines of Niugini (Pty.), Ltd.)**.

TESIS AIR ENTERPRISE (TESIS AVIA PREDPRIYATIE): 117858 Moscow Profsoyuz Street, Moscow, 934406, Russia; Phone 7 (095) 336-4733; Fax 7 (095) 335-5111; <http://www.thesis.ru>; Code UZ; Year Founded 1992. TAE is set up at Ekaterinburg in 1992 to offer long-haul domestic passenger services. Aleksei V. Kiumov is appointed general director and launches revenue flights with 3 Tupolev Tu-154Ms.

Service is maintained in 1995–2000, although the company during these years is reformed into a Moscow-based all-cargo operator. George Lipaev becomes director general, with Boris Panukov as president, and the fleet is revised to include 1 owned Tu-154M and 2 Ilyushin Il-76TDs,

plus 7 leased Il-76TDs. Scheduled destinations visited from Moscow's Sheremetyevo and Vnukovo Airports include Irkutsk and Chkalovski.

At the end of the latter year, Tesis joins with **Abakan Avia**, **Atlant-Soyuz**, **Ilavia**, and **Kras Air (Krasnoyarsk Avialinii-Krasair)** in seeking government support in their search for credits to upgrade their aging freighter fleets and to provide customs and tax breaks on the imported equipment necessary to accomplish the task.

TESLINOGRAD UNITED AIR DETACHMENT: Kazakhstan (1992–1996). When **Aeroflot Soviet Airlines** is reformed by the CIS in 1992, TUAD is formed at Akmola Airport in the Akmolinsk Region of Kazakhstan. Mikhail R. Peshkov is general director and oversees a workforce of 1,276. Domestic and regional services are begun and continued with an all-Antonov fleet that includes an unspecified number of An-2s and An-24s. Flights continue until 1996.

TEXAS AIR TRANSPORT: United States (1927–1930). Fort Worth motor coach operator Temple Bowen forms Texas Air Transport on November 12, 1927 to bid upon two short U.S. Post Office Contract Air Mail Routes, Nos. 21 and 22. After the routes are awarded in January 1928, a Curtiss Swallow and four Pitcairn PA-5 Mailwings are purchased and four pilots plus three mechanics are hired. Revenue services commence in February, from Dallas to Galveston (CAM-21) and from Dallas to San Antonio (CAM-22).

Although **Pitcairn Aviation**, the airline division of builder Harold Pitcairn's operation, had received the first airmail contract for its purpose-built aircraft, delays allow TAT the honor of first employing the Mailwing.

Owner Bowen sells out to Tennessee financier A. P. Barrett in November; Barrett immediately reforms his company into a three-division operation for flight training, service, and airline operations. In perhaps his greatest service to commercial aviation, Barrett appoints young Texas bookkeeper Cyrus R. ("C. R.") Smith to his first airline position, vice president/treasurer.

The airline operating division is subdivided. Mail operations continue under the company's previous TAT name while passenger services are relabeled. The latter opens scheduled flights to Brownsville from San Antonio on March 9, 1929. On March 30, flights begin from Dallas and Fort Worth to San Antonio and Houston. On March 31, owner Barrett forms **Southern Air Transport**, incorporating it in Delaware, into which he merges Texas Flying Service and several other aerial activities and companies. TAT will retain its name and fly mail until the following July.

In May, the subsidiary takes delivery of a brand new Lockheed Model 5 Air Express, which is placed into service over the CAM routes from Dallas. Flown by Robert H. Grey, the plane crashes while landing at Big Springs, Texas, on September 12 when its landing gear collapses. Southern has the plane rebuilt by the following February.

TEXAS AIRLINES: United States (1984–1988). Texas Airlines is established at Galveston during the fall of 1984 to provide scheduled passenger and cargo intrastate service with a fleet of Piper lightplanes. Daily and limited weekend revenue flights are inaugurated linking the company's base with Austin, Beaumont, Lake Jackson, and Houston.

Frequencies are maintained with little fanfare until the fall of 1988.

TEXAS FLYING SERVICE. See **TEXAS AIR TRANSPORT; SOUTHERN AIR TRANSPORT SYSTEM**

TEXAS INTERNATIONAL AIRLINES (TXI): United States (1969–1982). On April 1, 1969, the corporate identity of **Trans Texas Airways** is changed by its new owners, Minnesota Enterprises. At this point, W. Lloyd Lane succeeds Robert Sherer as president. To avoid confusion with **Trans International Airlines**, the abbreviation TXI is chosen. The fleet, however, remains the same: 7 DC-9-10 Pamper Jets and 25 CV-600 Silver Clouds.

Flight 600, a CV-600 en route from Alexandria, Louisiana, to New Orleans on May 30, is subjected to an unsuccessful attempt by a man, claiming to be armed with a grenade, to divert it to Havana. Criminal charges are dropped as the man, deemed insane, is committed to a psychiatric hospital for two years.

As if in honor of the name change, a TXI Douglas DC-9-10 becomes the first revenue airliner to land at newly opened Houston (IAH) on June 8; full meal service begins aboard the jetliners the same day. In December, several DC-9-30s joins the fleet.

Enplanements this year are 2,080,080. Revenues are \$51.36 million; however, expenses are \$55.11 million. As a result, losses are suffered: \$3.57 million (operating) and \$5.09 million (net).

The employee population in 1970 is 2,230 (a 6.4% increase) and R. L. Sicard becomes executive vice president at the beginning of the year. A DC-9-10 is involved in an accident at Harlingen, Texas, on January 11, while the new DC-9-30s are employed to inaugurate nonstop operations from Albuquerque to Los Angeles on January 15.

In addition, five Beech 99s are acquired to service, beginning in March, the small communities of east and west Texas, including Bryan, Waco, Temple, Victoria, Galveston, Longview, and Lufkin. Also in March, direct Houston to Salt Lake City flights begin. Direct Houston to Monterrey, Mexico, service is also instituted.

Passenger boardings increase 3.7% to 2,235,000 and freight traffic accelerates a healthy 49.5%. Despite this flurry of activity, the finances of the carrier, never strong, continue to erode. Although income advances 20.6% to 62.12 million, costs (led by increased fuel prices) soar 19.1% to \$65.6 million. As a result, the operating loss, down slightly to \$3.45 million, is further overshadowed by the new loss, now \$7.42 million.

In 1971, an uplift of the corporate image is undertaken, including new advertisements from a new West Coast agency, new uniforms, gate area designs, ticket counters, and so forth. A number of groups make offers for TXI, including William Wyant Jr. and Associates in May, **Hughes Airwest** in November, and Jet Capital Corporation the same month.

Led by Frank A. Lorenzo and Robert J. Carney, the latter joins TXI in announcing on December 9 that Jet Capital will invest \$1.5 million and take control. Harlingen to Vera Cruz via Tampico flights are suspended.

Enplanements for the year are 2,371,908 and the carrier's aggregate losses since its takeover by Minnesota Enterprises in 1968 now stand at \$20.1 million, including a \$6.1-million downturn this year.

The workforce in 1972 is 2,004. President Lane resigns on May 24. Also in May, President Nixon approves and the CAB authorizes service from Houston to Mexico City. Beech 99 feeder flights cease on July 1. Despite objections from Hughes, the CAB approves the Jet Capital acquisition on August 10. Frank A. Lorenzo is appointed president and a \$35-million refinancing program is completed.

Twice-daily DC-9-30 Houston to Mexico City frequencies commence in December.

Passenger traffic declines by 2.68% during the year as 2,310,000 passengers are carried. Cargo, on the other hand, improves by 13.9%. Revenues are \$72.92 million and expenses are \$71.09 million. A \$1.83-million operating profit is chalked up and the net loss declines to \$1.29 million.

A total of 176 new employees are hired in 1973 and two additional DC-9-30s join the fleet in March. Plans are made to introduce upwards of five new DC-9s per year and to begin retiring the Convair fleet. An extensive refurbishment program is undertaken for the carrier's jetliners. Interiors are revamped and new red, white, and blue liveries are painted on exteriors, complete with the white Texas lone star on airliner tails. A new logo is introduced and all appropriate personnel are outfitted with new uniforms.

During the year, the carrier enters into a tough, three-year battle against intrastate rival **Southwest Airlines (2)** in the Rio Grande Valley.

After taking off in heavy thunderstorms and lightning on the El Dorado–Texarkana leg of a September 27 service from Memphis to Dallas, Flight 655, a CV-600 with three crew and eight passengers wanders off course and crashes into a mountain near Mena, only 75 mi. from

Texarkana, and burns. The wreckage is found on September 30 and there are no survivors.

Enplanements decline another 5.9% during the 12 months to 2,175,000 and cargo is down a significant 44.1%. Still, costs are kept in hand, with expenses reaching \$74.4 million on total revenues of \$77.7 million. The operating profit is \$3.32 million and the net profit—the first since 1966—is \$1.18 million.

The carrier begins flying from Dallas (DFW) in January 1974. Late in April, the company adopts the marketing subtitle of “The Texas Airline.” Service is withdrawn to Jonesboro, Lufkin, Pine Bluff, Temple, Brownwood, Big Spring, and Santa Fe; however, a nonstop route is opened from Houston to Denver. What will prove a difficult strike by clerical and office workers and fleet and passenger service personnel begins on December 5 and closes the carrier down.

Prior to the shutdown, the year’s passenger boardings have risen 4.3% to 2,269,000; FTKs drop 3.6% to 6.42 million.

The workforce in 1975 is 2,234 and the fleet is increased by the addition of a former **Hughes Airwest** Douglas DC-9-14 that is christened *City of Laredo*. After 123 days of strike-caused idleness, Texas International resumes operations on April 4.

Customer bookings for the year begin a strike-induced downward spiral to 1,515,196, a decline of 27.5%. At 4.63 million FTKs, freight traffic is off an equal 27.9%. The loss of business results in costs of \$82.98 million, which exceed total income by \$2.98 million. The operating loss is \$2.97 million and a net loss of \$4.37 million must be endured.

The number of employees is increased by 5.4% in 1976 to 2,355. The battle to oust **Southwest Airlines (2)** from the Rio Grande Valley is lost and, as a result, service to a number of smaller communities in the area is progressively abandoned. Permission is sought to open a new route from Albuquerque to Las Vegas from Dallas (DFW) to Kansas City and Las Vegas and from Houston to Yucatan. Orders are placed for six additional DC-9-30s, four of which are delivered by year’s end.

Flight 987, a DC-9-14 with 5 crew and 81 passengers must reject its takeoff from Denver on November 16. The aircraft overruns the runway, traverses drainage ditches, and strikes light stanchions before stopping. Although the aircraft is badly damaged, no fatalities occur.

Passenger enplanements are boosted 58.2% to 2,397,256 while 7.8 million FTKs are operated. Operating income grows to \$121.54 million while expenses are held in check at \$116.37 million. This happy imbalance results in an operating profit of \$5.16 million and record net gain of \$3.21 million.

Early in 1977, Lorenzo’s carrier battles back by starting the first of the (now common) deep-discount fares, the famous “Peanut Fares,” and goes on to launch service to Kansas City and Las Vegas. Two additional DC-9-30s are used on the new frequencies. Meanwhile, CV-600 service is phased out.

Enplanements for the year total 3,167,000. Net gain of \$9.31 million is earned on total income of \$147.6 million.

Airline employment is increased by 12.9% in 1978 to 2,950. CEO Lorenzo competes against **Pan American World Airways (1)**, **Eastern Air Lines**, and **Air Florida** in an attempt to take over **National Airlines**. Copilot Jill E. Brown, on April 20, becomes the first African-American woman to qualify as pilot for a large U.S. airline. Following passage of the Airline Deregulation Act in the fall, plans are made to enter a host of new markets and those actually inaugurated during the fourth quarter include Kansas City, Las Vegas, Guadalajara, Cancún, and Merida.

Braniff International Airways declines to contest charges of violating federal antitrust laws and is fined \$100,000 on December 28 for using unfair tactics in squeezing TIA out of the commuter business.

Passenger boardings for the year rise 23% to 4,113,000 while freight also ascends, by 12.6% to 9.49 million FTKs. Revenues jump 23.08% to \$181.66 million and expenses are \$165.87 million. As a result, profits are realized: \$15.78 million (operating) and \$12.85 million (net), the latter a 37.95% boost.

The employee population grows by 14.4% in 1979 to 3,376.

Eight additional DC-9-30s join the fleet and orders are placed for 20 used DC-9-30s. Flights to Baltimore, Cozumel, Washington, D.C., Mobile, Oklahoma City, St. Louis, and Tulsa are inaugurated and city-pair frequencies on other routes are upgraded. Low-cost fares are expanded. Simultaneously, service is withdrawn, or sometimes just suspended, at Brownsville, Wichita Falls, and several other southwestern cities. Beginning on April 1, the company offers 99 cents and 69 cents flights to Los Angeles and Dallas to commemorate the inauguration of those new routes.

The bidding for **National Airlines** is won by **Pan American World Airlines (1)**, but through a sale of its acquired stock to the winner, Texas International realizes a \$34.6-million gain.

Customer bookings climb 10.4% to 4,542,000; however, freight is down 0.2% to 9.48 million FTKs. Fuel costs are up dramatically, causing a 33% increase in expenses on revenues of \$235 million. Nevertheless, TXI earns a record net profit of \$40.5 million, including \$34.6 million from the sale of its National stock.

As the result of the CAB’s restructured airline classification scheme, Texas International is rated as a “national” in size during 1980. In January, the carrier receives the 1979 “Market Development Award” from *Air Transport World* magazine.

The DC-9-14 *City of Laredo* with 4 crew and 50 passengers is destroyed as the result of a bad landing at Baton Rouge on March 17; there are no fatalities.

The company’s stockholders in June approve formation of the holding company Texas Air Corporation (TAC), which then acquires the airline as its subsidiary. When Frank Lorenzo moves up to chair the parent, Robert J. Carney becomes TXI chairman and Henry T. Chandis arrives from **USAir** to become president. On August 8, 20 DC-9-30s are purchased from **Swissair, A.G.** and **Austrian Airlines, A.G.** for \$135 million and begin to arrive following refurbishment and repainting.

A new TAC subsidiary, **New York Air**, is formed. Frequencies are extended to new markets at El Paso, Omaha and Hartford/Springfield. A campaign is undertaken to acquire **Continental Airlines**, then in deep financial difficulty, as the year ends.

Passenger bookings dip 2.5% to 3,970,000. Revenues rise to \$291 million and a net profit of \$3.62 million is realized atop an operating gain of \$7.8 million.

Airline employment in 1981 stands at 3,350 and the fleet includes 47 aircraft. On January 31, Houston and Dallas to Yucatan flights commence, as does service from the Texas cities to Minneapolis/St. Paul. The takeover bid aimed at **Continental Airlines** continues. Service to Milwaukee is launched on April 1. On May 21, the company begins flying from Houston to Puerto Vallarta, Manzanillo, and Ixtapa/Zihuatanejo.

Still, TXI suffers. Passenger enplanements drop 13.2% to 3,861,000 and cargo falls 23.6% to 6.78 million FTKs. Even though revenues are up 6% to \$310.9 million, expenses accelerate 12.1% to \$319.9 million. As a result, the airline records an operating loss of \$8.9 million and a net decline of \$34.9 million.

On July 13, 1982, **Continental Airlines** and TAC stockholders approve a merger of the two companies and on June 1, they begin a joint schedule. TAC completes its acquisition on October 31 and thereafter combines the operations of the two previous independents under the **Continental Airlines** banner.

TEXAS NATIONAL AIRLINES: United States (1983–1994). Established by CEO Charles Burnight at San Antonio as **Border Airlines** in 1983, this small intrastate carrier undertakes scheduled Piper PA-31-310 Navajo air taxi flights linking its base with Corpus Christi, Del Rio, and Laredo. Late in 1984, the company is purchased by Fairchild Industries, reformed and renamed.

In 1985, the small regional is outfitted with a pair of Metro IIIs, but serves largely as a corporate carrier. Additional destinations visited now include McAllen, Dallas, Brownwood, and Temple. By mid-August, 12 flights per day are offered from San Antonio, generating some \$105,000 in income per month.

Fairchild support operations continue apace in 1986 until October. The carrier now becomes the first U.S. commuter airline to inaugurate scheduled passenger services south of the border by offering public flights to Chihuahua. A total of 426 fare-paying passengers are hauled during the fourth quarter.

Outfitted with 3 Metro IIIs, the 26-employee small regional enjoys a good 1987, its first full year, carrying a total of 9,483 passengers and 6,000 pounds of freight.

Operations continue apace until July 30, 1988 when Fairchild decides to halt scheduled operations and recast its carrier as an air taxi and charter concern. During the year's first half, customer bookings triple to 16,187.

Nonscheduled flights continue for the remainder of the decade and into the 1990s. In 1993, John H. Karamanian is CEO and his company shuts its doors the following year.

TEXAS STAR AIRLINES: United States (1981–1983). TSA is set up at Fort Worth in 1981 to provide daily scheduled shuttle flights to Austin. Employing Cessna lightplanes, the air taxi initiates revenue passenger flights, maintaining them into the fall of 1983.

TGA AVIATION: 16644 Roscoe Blvd., Van Nuys, California 91406, United States; Phone (818) 787-0797; Fax (818) 787-0799; Year Founded 1992. This small nonscheduled carrier is set up at Van Nuys in 1992 to provide executive and small group passenger charters to destinations throughout the world. Within eight years, Operations Director Rit Higgins oversees the work of four pilots, who have been hired to alternately fly a single Grumman G-1159 Gulfstream II.

THAI AIRWAYS COMPANY, LTD. (TAC): Thailand (1951–1988). This state-owned domestic carrier is formed on November 1, 1951 through the merger of **Siamese Airways Co., Ltd. (SAC)** and **Pacific Overseas Airlines (Siam), Ltd. (POAS)**. With a fleet consisting mainly of SAC's Douglas DC-3s and POAC's two DC-4s, inherited and previously flown regional and domestic routes are maintained during the remainder of the year and into 1952.

Among the company's local service routes are Phitsanulok, Lampang, Chiang Mai, Khon Kaen, Phuket, Surat Thani, Nat Yai. International regional flights continue to Penang, Phnom Penh, Saigon, Singapore, Hong Kong, Rangoon, and Calcutta.

During 1953, two Lockheed L-1049G Super Constellations are ordered and DC-4 service is expanded from Hong Kong to Taipei and Tokyo. Financial problems cause TAC to sell its Lockheeds, even before delivery, to **KLM (Royal Dutch Airlines, N.V.)** and they are turned over to the Dutch carrier in June and July 1955.

The decision is taken in 1956 to form an international division and to again seek Super Constellations. The carrier is given a \$2-million U.S. International Cooperation Administration development grant to purchase three more L-1049Gs. A management and technical contract, approved by the U.S. CAB, is signed with **Pan American World Airways (1)**, but is cancelled two years later upon objection of the Thai government.

Later in 1958, the company seeks a second management contract, this one with **Northwest Airlines**. Following dissatisfactions expressed by the CAB, completion of arrangements with the American major fail. Meanwhile, the Super Constellations, received in July, are allowed to sit idle at Bangkok Airport.

Following a period of negotiations conducted under the leadership of Hans Erik Hansen, an agreement is reached with **SAS (Scandinavian Airlines System)** on August 24, 1959. The Europeans will operate the carrier's hoped-for long-haul international routes, while TAC continues to operate domestic and regional services. The arrangement is concluded on December 14 with the joint formation of **Thai Airways International, Ltd. (THAI)**, in which the Scandinavians take a minority equity stake (30%). The new division's activities are examined below.

On May 1, 1960, TAC turns over to THAI all of its previously operated significant regional routes, but continues to fly within the borders

of Thailand and to a few cities nearby. The three redundant L-1049Gs are sold to **Aerovias Guest, S.A. de C.V.** in Mexico, in which **SAS (Scandinavian Airlines System)** also holds substantial shareholding. Domestic services with DC-3s and other light aircraft continue in 1961–1962.

In April 1963, the government approves TAC's plan to purchase three, subsequently nine, Avro (later Hawker Siddeley later British Aerospace) 748s to supplement the DC-3s. Although THAI's parent comes to maintain a lower profile than its internationally known subsidiary, its domestic and regional work continues in 1964. The three HS 748s are placed into service on high-density routes, beginning on April 1, leaving the Douglas transports to be operated on other services.

The workforce stands at 293 in 1965 and enplanements are 91,836.

Operations continue apace for the next decade, during which time regional routes are opened to Kuala Lumpur and Vientiane. Only one plane is lost during these years.

Flight 002, a DC-3 with 3 crew and 28 passengers, crashes while landing at Chiang Mai at the end of a service from Bangkok in May 1967 (four dead). The last DC-3 is retired in 1975.

During the heated contest between THAI and the independent **Air Siam, Ltd.** in 1976, company workers support THAI employees in August demonstrations in Bangkok. Officials of the government of Thailand discuss a possible three-way merger; however, **Air Siam, Ltd.** collapses in September before any such plan can be put on paper. At the same time, the decision is taken to acquire the **SAS (Scandinavian Airlines System)** stake, which had been reduced to 15% in 1974. SAS's local station chief, Niels Lumholdt, prepares to ease the transition.

Air Siam, Ltd. stops flying on January 12, 1977. On February 2, THAI is designated as the nation's sole flag carrier and the next day, Air Siam's license is revoked. On March 31, the SAS shareholding in THAI is terminated, with the European ownership turned over to TAC and the government Ministries of Finance and Communications.

A new lotus logo is introduced in September, replacing the original three-headed elephant symbol. The first Boeing 737-2P5A is delivered on October 21, entering regional service the following month from Chiangmai to Vientiane and Penang. The first HS 748 survey flight to Hanoi occurs on May 17, 1978, while on October 21, regularly-scheduled HS 748 service to the Vietnamese capital begins.

Airline employment at Chairman Air Chief Marshal Penieng Kantarat's carrier stands at 599 in 1979. A code-sharing agreement is signed with **Lao Aviation Company** and during the first quarter, twice-weekly flights are inaugurated from Bangkok to Hanoi via Vientiane. The last DC-3 is retired in 1980.

While on initial approach to Bangkok from Khon Kaen on April 27, Flight 231, an HS 748-2A with 4 crew and 49 passengers, is caught in a thunderstorm, where it encounters a downdraft that forces it to hit the ground, slide 510 ft., and break up (44 dead).

Another HS 748-2A with 3 crew and 18 passengers fails its takeoff from Chiang Rai, Thailand, on June 21, 1981, overruns the runway, and stops against the banks of a stream; although the aircraft is severely damaged, there are no fatalities.

On May 14, 1982, the first of four Shorts 330s are introduced as HS 748 replacements on feeder routes from Chiangmai, Khon-Kaen, and Hat-Yai.

The fleet in 1983 comprises 5 B-737-2P5As, 2 HS 748s, and 2 Shorts 330s. The company now adopts a policy of regional and domestic long-haul route sharing with its offspring.

En route from Phitsanulok to Chiang Mai on January 18, a Shorts 330 is captured by three armed men, who demand a ransom and parachutes. Their request is denied and deciding not to engage in violence, the trio escapes from the turboprop after it lands at its destination. Two of the men will be captured and imprisoned.

An interline service is begun with **Thai Airways International, Ltd. (THAI)** on December 1 from Bangkok to Phuket.

A Hat Yai–Singapore B-737-2P5A route is opened under charter to THAI on February 4, 1984. New pink uniforms are introduced by the

carrier's hostesses and the last pair of Shorts 330s are delivered. The first long-haul interline service with THAI is initiated to Cairo via Karachi and Muscat on June 6.

During the year, passenger enplanements total one million.

The employee population in 1985 stands at 559 and orders are placed for 2 Airbus Industrie A310-204s and 1 A300B4-601. Bandar Seri Bagawan in Malaysia becomes a shared destination with THAI on April 5.

While on initial approach to Phuket on April 15, a B-737-2P5A with seven crew and four passengers crashes into a mountain; there are no survivors.

On September 30, Air Marshal Narong Dithipeng succeeds Air Marshal Kiat Fuangvudhiran as managing director. Two Shorts 360s, delivered on October 22, begin feeder services in the domestic network on November 28.

Passenger boardings this year climb 7.5% to 1,268,000 and 1.97 million FTKs are operated.

The workforce is increased a huge 103% in 1986 to 1,135. Powered by two GE CF6-80C2s, the first A310-204 joins the fleet in May with the second arriving in December; the two aircraft are the airline's first wide-bodies of any type and are placed in service to operate routes from Bangkok to Chiang Mai and Phuket. Meanwhile, the A300B4-601 is delivered on October 9.

Customer bookings jump 10.1% to 1,396,000 and cargo is ahead by 22.7% at 2.42 million FTKs.

Employment continues to increase in 1987, up 32.2% to 1,500.

Carrying 3 other crew and 39 passengers, the copilot is given the honor of landing an HS 748-2A at Chiang Rai, Thailand, on April 28. Unfortunately, he forgets to lower the landing gear and the turboprop makes a gears-up landing alongside the runway, skidding for 1,075 m. to a stop. Although the aircraft is damaged beyond repairs, there are no fatalities.

Flight 365, a B-737-2P5 with 9 crew and 74 passengers, stalls while on final approach to Phuket Island on an August 31 service from Hat Yai and plunges into the Andaman Sea, disintegrating upon impact; there are no survivors.

Orders are placed with leasing companies in November for a pair of Boeing 737s. Auckland and Madrid become joint markets with THAI on December 5.

Passenger boardings ascend 23.1% to 1,719,000 and freight rises 43.8% to 3.49 million FTKs. The year's net profit is \$7.6 million.

On April 1, 1988, the company is merged into its **Thai Airways International, Ltd. (THAI)** offspring.

THAI AIRWAYS INTERNATIONAL, LTD. (THAI): 89 Vibhavadij Rarigsit Road, Bangkok 9, 10900, Thailand; Phone 66 (2) 513-0121; Fax 66 (2) 513-0183; <http://www.metrotel.co.uk/travelog/thaiair.html>; <http://www.thaiair.com>; Code TG; Year Founded 1959. Following a year in which management contracts with two U.S. majors are voided, a master agreement covering the next 15 years is signed between **Thai Airways, Co., Ltd.** and **SAS (Scandinavian Airlines System)** on August 24, 1959, founding a new international operation as a subsidiary of the former. The multinational Scandinavian flag line, whose representative Hans Erik Hansen had led the negotiations, acquires a 30% share in the new airline and pledges to supply modern propeller equipment retired from its fleet as the switch is made to jetliners.

The TAC-SAS pact is formally launched on December 14 with the creation of Thai Airways International, Ltd. (THAI), the new officials of which immediately sign a service agreement with **Thai Airways Co., Ltd.** and technical, managerial, and equipment contracts with **SAS (Scandinavian Airlines System)**.

Three Scandinavian DC-6Bs are transferred under lease to THAI during late winter and a number of Scandinavian personnel are seconded over as well. Revenue flights commence on May 1, 1960 and within a week, all of the former TAC regional routes are being flown, including frequencies to Hong Kong, Taipei, Tokyo, Rangoon, Calcutta, Kuala Lumpur, Singapore, Saigon, and Phnom Penh. Service is extended to Manila on August 11 and to Jakarta on November 6.

As the result of heavy competition on THAI's Tokyo route, **SAS (Scandinavian Airlines System)** officials approach Convair, seeking the lease of two of their new Coronados for the THAI operation. The manufacturer readily complies and a THAI DC-6B is accordingly retired.

The Convair CV-990A Coronado *Ring Viking*, THAI's first jetliner, is leased from **SAS (Scandinavian Airlines System)** and placed on the Japan service on May 18, 1962. The chartered aircraft is given the name *Srisuriyothai* for purposes of the lease. A second SAS Coronado, the *Adils Viking*, is also chartered.

By this time, another DC-6B is out of service and the carrier faces a crisis. To handle problems, Henry Jensen is named CEO. He immediately arranges that capitalization be increased from B 2 million to B 40 million. At the same time, cost-cutting measures are put in place.

In 1963, THAI has the honor of flying Thailand's King and Queen on royal visits aboard company aircraft—the first of many such flights; countries visited by their majesties include Pakistan, Japan, Taiwan, the Philippines, and Malaysia. In November, a pooling agreement is reached with **Cathay Pacific Airways (Pty.), Ltd.** and **Malayan Airways, Ltd.** covering the Hong Kong, Bangkok, Calcutta, and Singapore routes. The original leased CV-990s, meanwhile, are returned to **SAS (Scandinavian Airlines System)** for refurbishment and eventual sale to **Swissair, A.G.**

The carrier in 1964 converts to an all-jet fleet as its last DC-6B and the two Convairs are gradually replaced by two ex-Scandinavian Sud-Est SE-210 Caravelle IIIs, the first of which enters service on January 1. In September, THAI launches the first jet service to Osaka by any airline; a route is opened to Dacca in November. Enplanements for the year total 100,000.

A third SE-210 is added in 1965 and the carrier's first profit is earned. A large flight kitchen is opened at Don Muang Airport in Bangkok to prepare some 40,000 meals each month for 13 scheduled and a number of charter airlines. HRH Capt. the Prince "Nicky" Varanand forms **Air Siam, Ltd.** (initially, Varanair Siam) at Bangkok on September 15. A fourth Caravelle III is added in 1966 and in October a frequency is initiated to Penang.

The employee population in 1967 totals 1,235 and a fifth SE-210 is acquired.

While landing at Hong Kong in bad weather after a June 30 service from Seoul via Tokyo, Flight 601, an SE-210 Caravelle III with 7 crew and 73 passengers, is caught in a downdraft and crashes into Kowloon Bay (24 dead).

In August, the one-millionth passenger is boarded. The first jet service by any airline to the Indonesian island of Bali is inaugurated on December 24. The workforce is now 1,235.

A Caravelle III with no passengers aboard collides with a Thai army craft on January 21, 1968; the company's aircraft lands safely, but all six aboard the military aircraft are killed. Service is launched to Seoul, New Delhi, and Kathmandu on March 17, July 2, and December 4, respectively; the latter represents the first regular jet service to Nepal by any airline. Orders are placed for Douglas DC-9-41s and DC-8-33s.

In February 1969, two DC-9-41s leased from **SAS (Scandinavian Airlines System)** are placed in service, followed by two chartered DC-8-33s in May. An advanced IBM computer is installed in October. A net \$1.08-million profit is realized.

An SE-210 Caravelle III, with 7 crew and 68 passengers is destroyed as the result of a bad landing in heavy weather at Bangkok on July 9; there are no fatalities.

A new cargo terminal is opened at Bangkok in March 1970, the same month Royal Orchid Holiday inclusive-tours are first offered. Bob Keesee, an American with a prison record in Arizona, takes over a company airliner and orders it to fly to North Vietnam; en route to Hanoi, the airliner is hit by antiaircraft fire over Laos. THAI is now the third largest airline in the Far East.

On April 1, 1971, THAI's first intercontinental service, to Sydney, Australia, is inaugurated via Singapore or Bali. During the year, Chatrachai

Bunya-Ananta, a future president, joins the company; he will oversee the airline's coming years of ascent.

Enplanements reach 702,450.

The workforce in 1972 is 2,800. DC-8-62s are leased from SAS and allow Royal Orchid Service to be started between Bangkok and Copenhagen via Moscow (technical stop) on June 3. In August, a flight crew training center is opened at Bangkok and the last SE-210 is retired in the fall. Royal Orchid Service to Europe also becomes known at year's end as the Trans-Asian Express.

Bookings for the year decline to 520,027, but freight traffic grows 41%.

A DC-8-33 with 10 crew and 100 passengers fails to stop after landing at Kathmandu on May 10, 1973, crashes off the runway and crosses a concrete drain, killing one person on the ground. No injuries are reported by anyone aboard the aircraft.

By June, the staff numbers an even 3,000 and the DC-9-41s are now withdrawn. The carrier serves 24 cities in 20 countries and on November 2 begins weekly flights to London via Tashkent (technical stop). On November 6, Frankfurt replaces Copenhagen, although the Moscow technical stop continues.

A record \$5.5-million net profit is posted and enplanements advance to 545,940.

Airline employment in 1974 is 3,534. The fleet now comprises 6 DC-8-33s and 1 DC-8-62. A new computerized reservations system is implemented; new airplane interior decor and hostess ensembles are introduced. Between March 27 and October 1, three DC-8-63s are delivered and placed into service on the routes to Europe, Hong Kong, Tokyo, and Australia. Although the first is chartered from SAS (Scandinavian Airlines System), the second and third mark a new departure in that they are lease-purchases arranged with the First National City Bank. These aircraft are fully owned as of October 26.

Meanwhile, in April, flights are inaugurated to Rome and London frequencies are increased. The five-year pact with SAS (Scandinavian Airlines System) is renewed on July 16; however, the European carrier's stake is cut in half, to 15%.

Although passenger traffic this year climbs 19% to 674,000, Air Siam, Ltd. is offering a quality and variety of service against which THAI finds it increasingly difficult to compete. A new approach must be taken.

THAI intensifies its battle with Air Siam, Ltd. in March 1975 when, on the last day of the month, it leases its first wide-bodied jetliner, a DC-10-30 from UTA French Airlines, S.A. The carrier in April changes its corporate identity, introducing the "New Look" designed by Landor Associates.

The French DC-10-30 is placed in service on April 3 over a route to Amsterdam; it is the first airplane to appear in the new livery. The Douglas is returned in June when two purchased DC-10-30s, led by the *Hariphunchai*, arrive. Flights begin to Athens and Paris on November 3 and 4, respectively.

As a result of complaints from Cathay Pacific Airways (Pty.), Ltd., the government of Hong Kong in January 1976 suspends traffic rights for both THAI and Air Siam, Ltd. that had forced the British action through a policy of extremely low fares. On April 1, THAI begins DC-8-63 flights to Karachi followed by service to Baghdad on May 1.

Air Siam, Ltd. almost collapses in September following nearly three quarters of airline discontent, a near-employee strike by THAI and TAC workers, government discussions of forced mergers, and extremely poor finances for the independent. THAI's seventeenth anniversary is celebrated in December while SAS (Scandinavian Airlines System), having been served notice, prepares, under the direction of Station Chief Niels Lumholdt, to turn over its shareholding and speed transfer of control to TAC.

Air Siam, Ltd. ceases operations on January 12, 1977. On February 3, THAI is recognized as the sole international operator for Thailand and the next day Air Siam's license is revoked. THAI's first owned (rather than leased) DC-10-30 arrives on March 3 and on March 31 SAS (Scandinavian Airlines System) relinquishes the last of its interest to the Thai

government's Ministries of Finance and Communications, which share ownership with TAC. Capt. Lumholdt is asked to remain as a senior executive and accepts.

Also in March, THAI orders two Airbus Industrie A300B4-103s. The first Airbus enters service on November 1 and flights to Seoul, suspended several years earlier, are resumed the next day. Service to Kuwait is inaugurated on November 3.

Enplanements for the year total 869,196.

In 1978, Chairman Air Chief Marshal Panieng Kantarat, who also leads Thai Airways, Ltd., has a workforce of 5,616. All six DC-8-33s are retired as two more A300B4-103s join the fleet. Service is launched to Dhahran on April 4 and in August, orders are placed for three Boeing 747-2D7Bs. The last remaining Air Siam, Ltd. assets are liquidated in September.

Passenger boardings climb 32.3% to 1,281,983 as the carrier passes the million mark annual figure for the first time; freight accelerates 28.7%. On revenues of \$213.1 million, expenses are \$195.4 million and the profit is \$23.5 million.

In January 1979, THAI moves into a new Bangkok headquarters. The fleet during the year is increased by four A300B4-103s and two B-747-2D7Bs, plus a DC-8-62F, the latter beginning all-cargo flights to Europe in April. That month also sees the introduction of service from Bangkok to Hong Kong via Chiangmai (the first international connection from that north Thailand city). Flights are also started to Melbourne and Saudi Arabia in the fall.

In September, Broma Thalang is appointed president. The Jumbojets arrive on November 2 and December 15, respectively, and are painted in a purple, mauve, and gold livery; they are christened *Visuthakasatriya* and *Sirisobhakya* and commence Royal Orchid service from Bangkok to Amsterdam via Frankfurt, Paris, and Amsterdam.

Passenger boardings soar 21.2% to 1,553,922 and cargo jumps 26.2%. A net \$15.9-million profit is recorded on total revenues of \$345.5 million.

The workforce is increased 4.1% in 1980 to 7,000. A third B-747-2D7B is acquired on February 23 and named *Dararasmi*, allowing introduction of operations to Los Angeles and Seattle via Tokyo on March 30.

Flights to Melbourne commence on April 4. Also in the spring, a 1,486-mile Bangkok-Colombo, Sri Lanka, roundtrip A300B4 service is initiated.

A300/B747 simulators are added to the training base during the summer and a new maintenance hangar is completed.

The fourth B-747-2D7B arrives on September 24; christened *Phimara*, it begins working a route to London on November 1. The next day, A300B4-103 service is initiated to Noumea, New Caledonia, via Manila.

Passenger boardings jump 21.8% to 1.86 million and freight soars 35.6% to 237.57 million FTKs. A net \$5.2-million profit is reported.

The employee population grows by 6.7% in 1981 to 7,468 and the carrier enters a new decade with a fleet that comprises 5 B-747-2D7Bs, 2 DC-10-30s, 3 DC-8-63Fs, and 10 A300B4-103s.

Bangkok to Guangzhou service is inaugurated on April 2; the market is the first THAI serves in the People's Republic of China.

Passenger boardings inch upward 1% to 2.2 million while cargo grows 10.6% to 242 million FTKs. Revenues total \$603 million and the net profit is \$1.86 million.

The employee population in 1982 swells 9.3% to 8,452. Royal Executive economy-class service is introduced and the fifth B-747-2D7B, *Sriwanna*, is delivered on March 16. Jumbojet flights to the Australian cities of Perth and Brisbane commence on March 31 and April 2, respectively. In December, joint services are inaugurated with Malaysian Airlines System, Ltd. (MAS) from Kuala Lumpur to Bangkok, Phuket, and Hat Yai and from Penang to Bangkok and Phuket.

Bookings are up 9.9% to 2,402,884 while freight accelerates 27.9% to 320.47 million FTKs. On revenues of \$569 million, expenses are up 17.2% to \$486.1 million; still, an 18th consecutive profitable year is enjoyed as gains are, respectively, \$83.3 million (operating) and \$1.15 million (net).

The workforce grows 5.6% in 1983 to 8,928. A direct route to Beijing replaces the Guangzhou service on March 29. Nikorn Meneelert is named executive vice president in October. During the fourth quarter, the decision is jointly taken with TAC to offer interline services on certain long-haul domestic and regional routes. The first shared flights commence on December 1 from Bangkok to the southern community of Phuket.

Cargo this year rises 4.9% to 317.3 million FTKs and passenger traffic advances 4.3% to 2,506,000 passengers boarded. Revenues and expenses are, respectively, \$618.4 million and \$586.6 million; the operating profit is \$31.8 million and the net is \$28.4 million.

The payroll climbs 5.7% in 1984 to 9,166 and the fleet includes 5 B-747-27Bs, 10 A300B4-103s, 2 DC-10-30ERs, and 1 DC-8-62. A sixth B-747-2D7B, the *Chainarai*, is delivered on January 1 as orders are placed for two A300B4-605Rs. Dual-designator flights commence with TAC to Hat Yai, in southern Thailand, on February 4. The first long-haul interline service with TAC is initiated to Cairo via Karachi and Muscat on June 6.

Weekly U.S. frequencies are increased to four with the addition of flights to Seattle and Dallas (DFW). In October, Air Chief Marshal Janya Sukontasp becomes chairman and president, while Vice President-Management Chatrachai Bunya-Ananta succeeds the late Executive Vice President Nikorn Meneelert.

Enplanements are 2,661,120 as freight soars 43.1% to 323.54 million FTKs. The operating profit is \$115.85 million and the net income is \$80.25 million, the highest in company history and the 20th in a row.

The workforce is up 8.1% in 1985 to 10,700. Twice-weekly B-747-27B service is initiated from Bangkok to Cairo via Karachi on April 1. Four days later, TAC and THAI link up on a frequency to the eastern Malaysian city of Bandar Seri Bagawan. Later in the month, in cooperation with **Royal Brunei Airlines**, twice-weekly (later thrice-weekly) service is started to Brunei employing RBA's B-737-2M6C.

On May 1, a domestic terminal and a wide-body maintenance center are opened at Bangkok. Also in May, an agreement is reached with **Garuda Indonesian Airlines** for joint operations to the holiday island of Bali. The carrier celebrates its twentieth anniversary in June by opening a new cargo terminal at Bangkok. Later in the month, a fourth weekly flight, operated jointly with **British Airways, Ltd. (2)**, is opened to London and a second is inaugurated to Zurich.

In September and October, delivery is taken on the two GE-powered A300B4-600Rs; during the second month, a DC-10-30 is placed on the Perth run. A route is inaugurated to Kiyadh in November and the joint twice-weekly service with Garuda to Bali is opened, employing an Indonesian Airbus.

Passenger boardings climb 10.4% to 2,970,000 and freight rises 5.5% to 421 million FTKs. An operating profit of \$38 million (22nd best among all world airlines) and a net profit of \$21 million are produced on total revenues of \$763 million.

Employment grows 3.6% in 1986 to 11,145. In January, leased DC-8-63F freight service is started Bangkok-Brussels; in February, a new Air-freight Business Development Division is created. Two B-747-3D7s are ordered for 1987 delivery, plus four more A300B4-601s, the first of which arrives in time to begin service over Asian routes by late October. Also in October, Air Chief Marshal Prayad Didyasarin succeeds Air Chief Marshal Janya Sukontasp as chairman.

On October 26, a Japanese Yakuza member smuggles an American-made hand grenade aboard Flight 620, a B-747-2D7B with 247 aboard, prior to its departure for a flight from Bangkok to Osaka, Japan, via Manila. En route at 33,000-ft. over Shikoku Island, the bomb explodes in a rear lavatory, causing a sudden loss of cabin air pressure. After 20 minutes of wild bucking and the long plunge earthward that follows, the pilot is able to recover the aircraft at 6,600 ft. An emergency landing is completed at Osaka 38 min. after the incident; 62 injured passengers are taken to hospital. One of those wounded is the perpetrator, who is arrested.

On November 1, weekly DC-10-30 service is inaugurated Bangkok-Dusseldorf and Stockholm. On December 8, the carrier postpones a pub-

lic stock offering after it is determined that profits will be sufficient to fund the next decade's plans.

Customer bookings accelerate 7% to 3,200,000 as cargo climbs 9% to 463 million FTKs. Revenues advance by 17% to \$895 million as expenses rise 15.6% to \$838 million. Both the operating profit (\$57 million) and net profit (\$32 million) are improvements on the previous year.

The payroll is increased by 3.7% in 1987 to 11,558. In honor of the sixtieth birthday of the king, a yearlong "Visit Thailand Year" promotion is undertaken. In July, the carrier's two DC-10-30s are sold to **SAS (Scandinavian Airlines System)** and two DC-10-30s are purchased new to operate nonstop services from Thailand to Europe. Also in midyear, a new international terminal is opened at Bangkok International Airport. Air Chief Marshal Sukontasp retires in September and is succeeded as chairman/president by Air Chief Marshal Prapan Dhupatemiya.

In November, an agreement is signed with **SAS (Scandinavian Airlines System)** for the creation of a hub-and-spoke operation through Bangkok, with the European airline feeding traffic into Bangkok and THAI carrying it onward; the agreement begins with the winter schedules. On December 5, THAI becomes the first Asian airline to fly to Spain when it launches twice-weekly service from Bangkok to Madrid. Also, on December 3 and 16, respectively, two B-747-3D7Bs are delivered and are christened *Chutamat* and *Suchada*.

New weekly roundtrip service is started with TAC to Auckland on December 5, the same day Madrid becomes a European market for both Thai carriers. Two B-737-3D7s are also acquired in December.

Passenger boardings ascend 15.3% to 3,690,000 and freight rises 5.8% to 490,000 pounds. Revenues jump 21.6% to \$1.09 billion, expenses are up 19.7% to \$1 billion, and a record \$53-million net profit is announced.

In January 1988, THAI joins **Delta Air Lines** and ProTrav, Inc. to offer new \$1,295 vacation packages to the Orient; Delta flies travelers to Tokyo where they continue their Asian visits aboard THAI jetliners. THAI and its **Thai Airways Company, Ltd.** parent are merged on April 1; the combined airline has a route network that includes 47 international destinations and 17 domestic points. Also transferred with the parent are two A310-204s, an A300B4-601, three B-737-2P5As, two Shorts 360s, and four Shorts 330s. In late spring, flights commence to Hanoi, Vienna, and Cairns and a third DC-10-30ER is commissioned in June.

On July 17, thrice-weekly B-747-2D7 service is inaugurated from Bangkok to Toronto via Taipei and Seattle. Also in July, service is inaugurated to Nagoya and Toronto. The seventh A300-601R, a DASH-605R, is delivered in August and in the fall, Ho Chi Minh City becomes a destination. Domestic frequencies are also increased throughout the year as the number of local destinations is increased from 17 to 26. Frequencies to the two major tourist points, Phuket in the south and Chiang Mai in the north, are increased to 40 and 51 weekly flights, respectively.

In October, 18 packaged-tour programs are initiated to leading national tourist attractions and resorts and joint operations commence with **Japan Air Lines Co., Ltd. (2)** on routes from Bangkok to Nagoya and Fukuoka.

Chairman Air Chief Marshal Prayad Didyasarin retires, being succeeded by Air Marshal Werra Kitchathorn. Although Chatrachai Bunya-Ananta remains executive vice president, he and five other key officials are now removed from the airline's long-term planning committee. Simultaneously, a second executive vice president slot of equal status is created and filled by Vice President-Ground Operations Capt. Udom Krisnampok. The fleet is strengthened by the addition of six B-747-2D7Bs, three DC-10-30ERs, and one more owned Airbus A300B4-601, plus two leased A300B4-622Rs.

Customer bookings increase 36.8% to 4,851,818 while cargo advances 19.3% to 584.19 million FTKs. Revenues jump 27.5% to \$1.43 billion, expenses are up 26% to \$1.14 billion, and the operating profit is \$286.8 million. A record net gain of \$258.8 million is reported for the 24th consecutive annual profit.

Early in 1989, the leadership of Prime Minister Chatichai Choonhavan's new Thai government disapproves the airline's membership and \$40 million investment in the ABACUS reservations system because the group has failed to locate its core in Bangkok. At the end of January, Air Chief Marshal Voranat Aphichan becomes chairman/president, the third in a year.

During the first quarter, known in Bangkok airline circles as "The Black Winter," service is inaugurated to Christchurch, New Zealand, while the A310-204s are removed from domestic routes and assigned to regional services, leaving local service to the A300B4s and regional aircraft. Simultaneously, two British Aerospace BAe 146s are leased to provide temporary capacity until an order for seven B-737-400s can be filled beginning the following year. Serious delays and flight cancellations reach such a level that the airline's image begins to be tarnished. Punctuality on occasion slips below 50% and many tourists are stranded with huge bills that tour operators cannot cover. Morale among the airline's professionals collapses when Capt. Chusak Bhachaiyud, vice president-technical affairs, is accused of corruption and demoted, along with Capt. Prija Thawompradit, vice president-operations.

In October, the carrier increases its flights to Hanoi and Ho Chi Minh City from three times weekly to daily. During the month, Air Chief Marshal Kaset Rojananil becomes chairman and he reverses the personnel decisions of President Weera Kitchathorn. Demoted former senior personnel are reinstated in their old jobs; however, a power struggle continues. Work is begun on two additional maintenance hangars at Bangkok.

A B-747-2D7 en route from Seattle to Tokyo on December 14, mistakenly reverses course over the northern Pacific and wanders 600 miles off its flight path before it is alerted by air traffic controllers, who assist it to make a safe landing at Anchorage. The incident marks the largest deviation from a Pacific flight path ever made by a jetliner. The merger with **Thai Airways Company, Ltd.**, meanwhile, produces a traffic bonanza.

Bookings at the 13,552-employee airline jump 28.2% to 7,394,199 while cargo is ahead by 11.1% to 649.26 million FTKs. Revenues total \$1.8 billion and a profit of \$290 million is generated.

The 13,552-employee carrier remains profitable in 1990, despite the deepening world economic crisis. Plans are announced in February for the government to expend \$118 million over the next 6 years to develop terminals and technical facilities at 24 provincial airports. Late in the month, the first B-747-4D7 arrives, following a delivery flight from Seattle to Bangkok. In preparation for possible service several years hence, an office is opened in São Paulo, Brazil, in March and a tourism campaign is launched aimed at attracting Latin American travelers to Thailand. Additionally, twice-weekly nonstop roundtrips commence between Bangkok and Helsinki, with a single weekly roundtrip flight from the Thai capital to Munich via Copenhagen.

A mutual-cooperation agreement is signed with **SAS (Scandinavian Airlines System)** in July, under which a joint supervisory board is formed, with two representatives from each airline, to implement, coordinate, and administer strategies and activities. The first of seven ordered B-737-400s arrives in August.

Two Burmese students, carrying a fake bomb, hijack Flight 305, an A300B4-622R, to Calcutta on November 10 to dramatize their demands for an end to military rule in Myanmar (formerly Burma). All 219 passengers and crew are released over a six-hour period before the pirates surrender.

In October and November, North American service is increased from four flights weekly to daily between Bangkok and Seattle and six times per week to Toronto via Seattle. Skyrocketing fuel prices during November cause the airline to cut back on its European sectors and eliminate service to Dusseldorf entirely.

Passenger boardings for the year ascend 15.5% to 8,537,355 and freight climbs 33.6% to 867.31 million FTKs. The cargo figure is 24th best among all of the world's airlines. Revenues advance 11.9% to \$1.93 billion, 22nd highest, and expenses allow operating income to total \$268 million, 5th best in the world. This is the 26th consecutive operating profit.

Company employment is cut a slight 0.3% in 1991 to 13,500 and the fleet now includes 2 Aerospatiale-Aeritalia ATR42-300s, 2 ATR72-212s, 9 owned and 4 leased A300B4s, 1 A300C4, 7 owned A300B4-601s, 2 chartered A300B4-622Rs, 3 owned A310-204s, 5 leased British Aerospace BAe 146-300s, 3 B-737-2P5As, 3 B-737-4D7s, 5 owned and 1 leased B-747-2D7Bs, 2 B-747-3D7s, 4 B-747-4D7s, 3 DC-10-30ERs, and 2 MD-11s. Orders are outstanding for 5 A300B4-622Rs, 4 A330-302s, 6 A330-321s, 2 BAe 146-300s, 4 B-747-4D7s, 6 B-777-2D7s, and 5 MD-11s.

Due to spiraling fuel and other costs, an austerity program is initiated at the beginning of the year. Chairman/CEO Air Chief Marshal Rojananil is one of the leaders of the successful February 23 military coup against the government and is able to make management changes beginning in March. At that time, Executive Vice President Chatrachai Bunya-Ananta becomes executive vice president-commercial and Capt. Udom Krisnampok becomes executive vice president-technical as the new leadership structure converts from two levels of senior management to three and decision making is decentralized.

It is announced in April that partial privatization will still leave the government holding 75% majority shareholding. The first of five BAe 146-300s is added at the end of May.

During the summer, services are suspended to Helsinki, Auckland, and Cairns. Services are inaugurated from Bangkok to Perth via Phuket and from Bangkok to Los Angeles via Seoul. In September, B-747-4D7s inaugurate a third weekly frequency from Bangkok to Rome and Madrid. The planned partial privatization announced for October 1 is postponed, even as Air Chief Marshal Rojananil becomes leader of the Thai armed forces. Twice-weekly MD-11 service is started from Bangkok to Brussels and Zurich on October 27; the same day, A300-622Rs launch thrice-weekly flights from Chiang Mai to Hong Kong and Taipei.

The Gulf crisis impacts traffic as customer bookings slide 6.1% to 8,016,303 while cargo slips slightly to 867.15 million FTKs. Revenues total \$2 billion and the 27th operating profit in a row is generated: \$197.3 million.

During the first quarter of 1992, plans are finalized for the airline's May partial privatization. A total of 7.3% shareholding (100 million shares) will be made available at a price of \$2.35 each. In May, Thailand is rocked by political turmoil and in June, Transport and Communications Minister Nukui Prachuabmoh orders an investigation into allegations of corruption at the airline headed by the nation's supreme military commander, Air Chief Marshal Rojananil.

While on descent to Kathmandu on a July 31 service from Bangkok, Flight 311, a chartered A310-304 with 14 crew and 99 passengers, crashes 25 mi. N of the runway in the Himalayan mountains. Monsoon rains hamper rescue teams' efforts to find the wreckage, but troops reach the accident site on the side of a snowy mountain on August 3, finding no survivors.

Partial privatization occurs in August as 7.14% of the governments shares are listed by the Securities Exchange of Thailand. The company is now officially known as Thai Airways International pcl; however, we will continue to refer to it here as Thai Airways International, Ltd. (THAI) for consistency in the conclusion and cross-referencing of this profile.

The nation's new Air Force chief, Gen. Gun Pimarnthip, becomes the airline's new chairman, also in August. In September, Gun becomes vice chairman as Finance Ministry Permanent Secretary Pandit Bunyapana becomes the airline's first-ever nonmilitary leader. Simultaneously, veteran Executive Vice President Chatrachai Bunya-Ananta succeeds Air Chief Marshal Weera Kitchathorn as president and begins a corporate reorganization.

In October, services are inaugurated from Bangkok to Bali, Phnom Penh, and Fukuoka. Before the international media, the carrier's first ever corporate planning is held at Bangkok on November 12; with an on-time record of only 78%, the theme chosen for the meeting is "On Time Performance."

Passenger boardings ascend 11.7% to 8,951,689 and freight traffic swells 6.8% to 926.34 million FTKs. Revenues inch up to \$2.1 billion and although a \$114.34-million operating loss is suffered, a \$132.89 million-net gain is chalked up.

The employee population grows 2.3% in 1993 to 19,458. The fleet is altered as two A300B4-601s are withdrawn and are succeeded by five A300B4-622Rs, four B-737-4D7s, three B-747-4D7s, two MD-11s, and a Canadair CL-601 Challenger. In April, it is announced that orders for seven A330-321s and a B-747-400 have been deferred while options on seven A330s and six B-777s are given up.

En route from London to Bangkok aboard a company Jumbojet on July 8, Chairman Bunyapana dies in his sleep of a heart attack. The new acting chairman is Vice Chairman Gun Pimarnthip, who remains commander in chief of the Thai Air Force. The carrier bans the use of laptop computers and CD-players during takeoffs and landings, beginning on August 1.

In addition to its domestic network, the state carrier of the expanding Asian "Mini Dragon" flies to 51 destinations in 31 nations Amsterdam, Athens, Auckland, Bandar Seri Begawan, Beijing, Brisbane, Brussels, Calcutta, Chiang Mai, Copenhagen, Dhaka, Delhi, Frankfurt, Hanoi, Hai Yai, Ho Chi Minh City, Hong Kong, Jakarta, Kao-hsiung, Karachi, Kathmandu, Kota Kinabulu, Kuala Lumpur, Langkawi, London, Los Angeles, Madrid, Manila, Melbourne, Munich, Muscat, Nagoya, Osaka, Paris, Penang, Perth, Phuket, Rome, Seattle, Seoul, Singapore, Stockholm, Sydney, Taipei, Tokyo, Toronto, Vienna, Vientiane, Yangon, and Zurich.

Senior Vice President-Finance Thamnoon Wanglee is chosen by the board in September to succeed the retiring Chatrachai Bunya-Ananta as president for a two-year trial period, beginning on October 1.

Customer bookings increase 18.8% to 10,637,751 while cargo jumps 14.6% to 1.06 billion FTKs. Although revenues are up 7.6% to \$2.05 billion, expenses are \$2.13 billion. The operating loss is cut to \$107.94 million and a \$40.36-million net gain is realized.

The workforce is increased another 5.6% in 1994 to 20,356 and the company's shareholders appoint a new 15-member board of directors in January. Former TAF commander in chief and airline Chairman Gun Pimarnthip is removed from the board and is succeeded by Kasem Suwanakul, the former education minister. On October 10, the company signs an agreement with **Deutsche Lufthansa, A.G.** to expand the Thai carrier's German passenger and cargo operations; under terms of the pact, THAI will increase its flights from Bangkok to Germany from five to seven per week and both airlines will operate as code-sharing partners.

A certification dispute with Airbus Industrie in September further delays the delivery of several A330-321s. The manufacturer will eventually pay compensation for loss of revenues higher than allowed for in the purchase contract; the dispute will be resolved in December and three A330-322s are delivered.

Meanwhile, on October 22, an MD-11 is badly damaged when, during engine runs at the Bangkok base, it jumps its chocks and smashes into a parked A300B4-203. It will take months for repairs to be completed to the U.S.-built wide-body, while the Airbus must be withdrawn from service.

Passenger boardings for the year jump 12.6% to 11,501,787 while freight ascends 17.4% to 1.197 billion ton kilometers. Revenues increase by 8.6% to \$2,178,191 while expenses move up 3.2% to \$2,182,382. As a result, there is an operating loss of \$4,191,000. Electing to recognize discounts on aircraft purchases as income, this figure is adjusted to show an operating profit of \$74.4 million. The company also realizes a net gain of \$168.5 million.

Airline employment in 1995 stands at 21,906, a 7.6% increase. Early in the year, dual-designator flights commence with **Japan Air Lines Co., Ltd.** (2) between Bangkok and Osaka (KIX).

The company's premier B-777-2D7 is delivered during the first week of April; it will be the first to employ the Rolls-Royce Trent engine in revenue services.

On June 5 a new code-sharing and strategic arrangement is signed with **SAS (Scandinavian Airlines System)**, which has recently entered

into a comprehensive alliance with the German major **Deutsche Lufthansa, A.G.** Under terms of the agreement with the Scandinavians, THAI will share passenger lounges, ground handling, advanced-seat reservations, frequent flyer mileage, and other amenities, as well as codes on all of its flights to or from Norway, Sweden, or Denmark.

With the arrival of the second B-777-2D7, flights are inaugurated in June from Bangkok to Hong Kong, Seoul, Taipei, Singapore, and Delhi.

When the U.S.-Thailand bilateral air agreement is suspended by Thailand in early July because of Washington's requirement for greater access to Bangkok, THAI makes it known that, although it also supports Japan in that country's discussions with the U.S. over beyond-flights for **Federal Express**, discussions for a proposed around-the-world pact with **Deutsche Lufthansa, A.G.** and **United Airlines** will not be disrupted.

After a new coalition government takes office in July, Air Chief Marshal Siripong Thongyai is named acting chairman.

Also during the summer, routes are opened to Athens and Istanbul. The pact with SAS becomes trilateral in October when a similar agreement is entered into with **Deutsche Lufthansa, A.G.** The new pact will create 430 code-sharing weekly passenger connections as well as a joint freighter service between Bangkok and Frankfurt. Also during the month, a trilateral around-the-world service is initiated with **United Airlines** and **Lauda Air Luftfahrtgesellschaft, A.G.**, the latter replacing **Deutsche Lufthansa, A.G.** The new thrice-weekly flights allow dual-designator code-sharing via Bangkok with THAI, Los Angeles or San Francisco with **United Airlines**, and Vienna via **Lauda Air, A.G.** The big winner in this arrangement is **Deutsche Lufthansa, A.G.** in that its pact with **Lauda Air, A.G.** provides the German major with an alternative service from Frankfurt to Sydney, Australia.

Deutsche Lufthansa, A.G. joins THAI on October 31 in inaugurating new joint weekly return flights from Frankfurt to Chiang Mai, Phuket, Phnom Penh, Yangon, and Auckland; additionally, the two will offer two weekly roundtrip frequencies between Munich and Bangkok and seven per week from Frankfurt to Bangkok.

Joint services with **Japan Air Lines Co., Ltd. (2)** are increased seven-fold in November; services from Bangkok to Fukuoka, Osaka, and Nagoya are increased to nine per week. Additionally, JAL begins to code-share on THAI frequencies from Bangkok to New Delhi.

At the annual stockholders meeting in December, Acting Chairman Air Chief Marshal Thongyai, the Royal Thai Air Force commander who had also acted as the airline's CEO for the past six months, is confirmed in the latter post.

Customer bookings climb 11.9% to 13,251,299 and cargo moves ahead by 5.8% to 1.3 billion FTKs. Operating revenues swell 11.3% to \$4.7 billion, while costs are up only 7.4% to \$2.29 billion. Operating gain jumps to \$149.3 million and net profit reaches \$182.4 million. The operating line is later adjusted upward to \$193.9 million.

The workforce is increased by 3.7% in 1996 to 22,723.

A contract is entered into with Langdon Asset Management Co. on May 1 under which LAMC, acting as agent, acquires six B-747-2D7Bs from THAI for resale to **Atlas Air**. All will be delivered over the next 18 months and converted by Boeing at Wichita, with the first entering service with the American freighter during the fourth quarter. The trilateral pact with **SAS (Scandinavian Airlines System)** and **Deutsche Lufthansa, A.G.** takes effect on June 1. On June 18 the company enters into a three-year contract with the American freight operator **Atlas Air** for the wet-lease of B-747-200Fs.

The \$256-million agreement with **Atlas Air** commences during the fourth quarter as the first of the newly converted ex-THAI Jumbojets reaches Atlas. It is employed to start new cargo routes opened to Los Angeles via Osaka and Anchorage and to Frankfurt via Sharjah.

Just 24 hrs. before the start of a shareholders meeting on December 24, Transport Ministry official Mahidol Chantyrangkum is told that he has been nominated for the post of airline chairman. He is duly elected to the post, replacing Air Chief Marshal Siripong Thongyai. The board, also newly installed, authorizes the new CEO to place 21 new Boeing and Airbus aircraft worth \$2.6 billion.

Enplanements shoot up another 11.5% to 14,308,270 and 1.32 billion FTKs are operated, a 4.3% increase. Operating income advances 6.6% to \$2.59 billion while costs climb 9.1% to \$2.48 billion. The operating profit reaches \$231.21 million, while after-tax income totals \$193.9 million.

Airline employment is cut almost in half in 1997, dropping 49.7% to 11,300, with most layoffs occurring after the summer currency crisis begins.

Sydney Organizing Committee CEO Mal Hemerling and **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington announce on January 28, that THAI has been chosen one of seven carriers to receive the designation of official carrier for the Sydney 2000 Olympic Games. In an effort to deal with the nation's growing economic crisis, Thailand's Prime Minister Chavalit Yongchaiyudh makes a series of budget cuts during the month. He requests that THAI delay its aircraft purchase and lease only those aircraft necessary to maintain services.

As the result of a study undertaken by a management consulting company, the carrier, in March, reorganizes its top management functions according to a plan approved by the Ministry of Finance. The new structure is designed to streamline the company's hierarchy.

The government, in April, once more gives THAI the green light to purchase \$2.6 billion in new aircraft from Airbus and Boeing. The delayed plan will see 31 aircraft retired as the new planes arrive through the year 2000. Among the withdrawals will be five BAe 146-300, which will exit at the end of the year and be turned over to the new U.K. discount airline **Debonair Airways, Ltd.**

With considerable fanfare on May 14, THAI joins with its marketing partners **Deutsche Lufthansa, A.G.**, **Air Canada, Ltd.**, **SAS (Scandinavian Airlines System)**, and **United Airlines** in an enhanced joint venture marketing venture to be called "Star Alliance." The new alliance, seen in some quarters as a counter to the proposed **British Airways, Ltd. (2)-American Airlines** arrangement, will stitch together the operational and marketing efforts of all five airlines.

Employees of the five will be able to share ticket offices and airport services and jointly purchase supplies. They will also contribute to joint promotional and advertising campaigns to be handled by the New York firm of Young & Rubicam Advertising, which is given a \$25-million budget to publicize unified efforts. Travelers on any of the carriers will be able to accumulate and cash in frequent flyer mileage from any of the five. **VARIG Brazilian Airlines (Viacao Aereo Rei-Grandense, S.A.)** will join the group in October and negotiations are underway to bring in such other airlines as **South African Airways (Pty.), Ltd.** and **British Midland Airways, Ltd.**

The long-delayed aircraft order is finally placed during June. Requested for 1998 delivery are 4 A330-321s and 5 A300B4-622Rs; additionally, 19 Pratt & Whitney POW4000 engines, valued at \$210 million, are also ordered.

Despite the chaos following Hun Sen's coup in Cambodia and the fighting at and near Phnom Penh's Pochentong Airport, the company continues flying into the beleaguered capital from Bangkok during the second week of July. It is the only foreign airline to do so.

A severe foreign-exchange problem strikes Thailand in July and continues. Over the next six months, the baht will fall 36% against the U.S. dollar. Meanwhile, the Finance Ministry resists a Transport and Communications Ministry proposal to further privatize the company and lower its government's 93% stake. Local media cite government sources that claim that opposition to the sale has arisen because it is realized that the International Monetary Fund might have a claim on any revenues.

In a report picked up and distributed by the Agence France Presse English wire service on October 2, the Bangkok daily newspaper *Nation* is quoted as reporting that THAI is under pressure to withdrawn from the "Star Alliance." With THAI officials complaining that the airline has been unable to show adequate progress on an action plan for global co-operation because it is still under control of the Finance and Transportation Ministries, it is noted that "sources close to" **Deutsche Lufthansa, A.G.** have the German major suggesting that the more-efficient **Singapore Airlines, Ltd.** would make a preferable partner. German airline officials deny the contention.

Singapore Airlines, Ltd. would make a preferable partner. German airline officials deny the contention.

In late November, the government, in a petition to the International Monetary Fund, pledges to reduce its stake in the national airline from 98% to below 50% within the next six months.

On December 22, the company's governing board agrees to a privatizing plan that will see the government stake cut from 93% to 70% through a series of public offerings. A delay in Boeing's delivery schedule means that the BAe 146-300s cannot be withdrawn at year's end.

Passenger boardings rise 2.3% to 14,981,897 while cargo moves ahead by 20.3% to 1.6 billion FTKs. Operating revenues (reported at the end of September) climb 8.5% to \$2.07 billion, while costs are \$1.85 billion. Although a \$221-million operating profit is reported, a gigantic \$732.91-million net loss is suffered.

At the beginning of 1998, THAI is the 19th largest airline in the world in terms of operating profit and 21st in passenger boardings and freight carried. Airline employment stands at 11,309 and the fleet, all of which is Stage III certified, includes 76 airplanes: 9 B-737s, 15 B-747s, 7 B-777s, 23 A300s, 2 A310s, 8 A330s, 5 BAe 146s, 3 DC-10s, and 4 MD-11s.

The five BAe 146-300s are retired in February; they will be returned to British Aerospace for refurbishment and painting and will be forwarded to **Debonair Airways, Ltd.** during the second and third quarters.

On March 17, three DC-10-30ERs are sold to Alliance AirInvest; the financing company will lease the planes to another carrier.

Flight 664, an MD-11 arriving from Bangkok on April 12, skids off the runway after landing in heavy rain at Shanghai. Although no injuries are reported, the airport is briefly closed, affecting more than 100 flights.

Discussions concerning privatization are held and in June the government authorizes the sale of 235 million shares, thereby reducing its stake to 72%. **Qantas Airways (Pty.), Ltd.** expresses interest in acquisition. To raise capital, THAI is also granted permission to issue 100 million new shares of common stock.

A working group is established by the board of directors on August 3 to organize a long-term strategic plan for the airline's growth. The Association of Asia-Pacific Airlines (AAPA) announces on September 2 that, in its survey of on-time service for 1997, THAI ranks first.

The carrier's new B-777-3D7 makes a predelivery appearance at the Farnborough Air Show at London on September 9. Between September 9 and 11, THAI hosts a meeting of the "Star Alliance" Purchasing Steering Committee at the company's head office, while simultaneously holding a "Star Alliance" Trade Fair.

The Cambodia Daily newspaper reports on September 23 that, because of a failure in control tower meteorological equipment at Phnom Penh, a THAI aircraft had experienced minor problems in making its landing on September 20. As a result, the airline had suspended flights into the Cambodian capital for two days until repairs can be completed.

Flight 775, an MD-11 with 400 passengers en route to Bangkok is forced to return to Osaka (KIX) on September 22 with engine problems. An uneventful landing is made and no injuries are reported.

On October 25, code-sharing begins with **Emirates Airlines, Ltd.** on all passenger and cargo flights. Together, the two airlines will offer seven weekly roundtrips between Bangkok and Dubai.

The new winter schedule begins on October 26. The current seven weekly roundtrips from Bangkok to Los Angeles via Osaka (KIX) will be maintained, while the number of roundtrips operating to Europe will grow from 29 to 47 each week.

Daytime flights now operate on the thrice-weekly routes from Bangkok to London, while the number of weekly roundtrips between Bangkok and Paris grows from four to seven. The company introduces thrice-weekly direct services from Bangkok to Stockholm, cutting out the Paris stop.

Due to the current dismal economic situation, the weekly roundtrip passenger service to Amsterdam is suspended; all-cargo services are, however, continued. The five weekly flight operations previously undertaken between Bangkok and Amsterdam via Zurich are replaced with daily roundtrips between Bangkok and Zurich.

Although daily services are maintained from Bangkok to Perth, Brisbane, Melbourne, and Auckland, THAI ends its four weekly roundtrips from Bangkok to Sydney via Jakarta.

New twice-weekly flights are initiated between Phuket and Seoul via Taipei. Also in the region, the airline increases the frequency of its weekly Bangkok to Kunming flights from 5 to 7, to Guangzhou from 3 to 4, to Yangon from 12 to 14, and to Phnom Penh from 10 to 14. Within Thailand, weekly frequencies operating from Bangkok to Chiang Mai increase to 58, Chiang Rai and Pitsanulok to 21, and Phuket to 64. The number of roundtrips between Bangkok and Mae Hong jumps from 21 to 28 weekly flights.

At a November 30 ribbon-cutting ceremony attended by the minister of transport, THAI and Rolls-Royce officials open the largest engine test cell in Asia. The facility is located at the airline's Bangkok technical base.

The two ATR72-212s operating daily between Bangkok and Nakhon Srithammarat are replaced on December 1 with a B-737-4D7.

THAI is the official airline and caterer of the 13th Asian Games, which are held for a week at Bangkok beginning on December 6.

As the result of passenger complaints and in cooperation with the Australian Quarantine and Inspection Service, THAI, on December 8, becomes the first foreign airline permitted to stop the use of aircraft disinfectant spray inside the cabin prior to landing.

Having arrived at Surat Thani after a December 11 service from Bangkok, Flight 261, the A310-204 *Phitsanoluk* with 14 crew and 132 passengers encounters limited visibility and heavy rainfall. While on its third landing attempt, the Airbus crashes 3 km. S of the airport in a swamp on a rubber plantation.

Forty-five of those aboard survive, including 12 of the 25 foreigners aboard. On December 13, Chairman Wanglee tells a news conference that THAI will pay all medical expenses for the survivors and provide each of them with \$5,600 in compensation. The airline will also pay \$100,000 in compensation to the relatives of all of the dead.

Despite the UN's armed dispute with Iraq, THAI, on December 17, maintains its scheduled services from Bangkok to both Dubai and Muscat.

The carrier's technical department receives maintenance certification from the European Joint Aviation Authorities on December 18.

The company's first B-777-3D7 is delivered in ceremonies at Everett, Washington, on December 23. The aircraft is christened *Sriwanna* in honor of a now-retired THAI B-747. To accommodate holiday traffic, as many as five extra B-747-4D7 roundtrips are now offered from Bangkok to Hong Kong. These flights will continue to January 2. Extra Airbus frequencies are added on domestic routes.

During the 12 months, passenger boardings climb 4.2% to 15.61 million, while cargo traffic falls 6.1% to 1.52 billion FTKs.

On January 1, 1999, the carrier's float "The Kingdom of Thailand" receives the "Craftsman Award" at the 110th Rose Parade at Pasadena, California.

The Thai Minister of Transport and the airline's chairman are both on hand on January 20 as young Apichart Petchart, a survivor of the Flight 261 disaster, departs for medical treatment in Germany.

The annual board meeting is held at Bangkok on January 21 and results in the appointment of several new members and the establishment of special committees to review safety, the technical department, and conduct audits.

A second B-777-3D7, the *Chainarai*, arrives in January.

Thai Transport and Communications Minister Suthep Thaugsuban announces on February 18 that his government may not be able to allow **Singapore Airlines, Ltd.** to hold a stake in THAI because state enterprise laws do not permit it to accept strategic partners that are also business competitors. Singapore and Star Alliance partner **Deutsche Lufthansa, A.G.** will lobby the other members of the airline pact to make a joint equity purchase into the airline using the alliance as the agent.

THAI is unsuccessful in its attempt to cancel its aircraft orders. However, in March, Airbus Industrie agrees to allow the carrier to delay delivery of an A330-323X until July 2000, while Boeing agrees to a one-

month moratorium on progress payments for a pair of B-777-300s due to arrive early in the new year.

All flights become nonsmoking on March 28. In April, the company announces that it will at some point privatize its THAI-Aircraft Engineering Services Company by selling a 50% stake to another, probably foreign, concern.

Worker opposition to the engineering sale continues to manifest itself in speeches and broadsides throughout the remainder of the month and into May. On May 5, 900 engineers and mechanics stage a protest rally at Bangkok's Don Muang Airport, listening as their leader, Charnchit Sukreungrong, denounces the projected foreign interest and threatens to lead a strike that will ground the company's flights the next day. Sukreungrong's rally follows a similar outburst against foreign ownership staged by workers of the state-run Electricity Generating Authority of Thailand the week before.

THAI Chairman Wanglee sends word to the disgruntled workers early the next morning that he will meet with them to discuss the pending divisonal sale. The conciliatory action averts the threatened strike.

Passenger boardings accelerate 6.3% to 16,593,000, while cargo jumps 9.7% to 1,672,801,000 FTKs. Operating revenues rise 2.1% to \$2.83 billion, while costs dip 2% to \$2.38 billion. Operating gain rises to \$452 million, while the net profit falls to \$140 million.

Airline employment at the beginning of 2000 stands at 24,121, a 0.2% increase over the previous 12 months. Among the world's top 25 airlines, THAI is 21st in passengers, 22nd in FTKs, 17th in employees, 25th in operating revenue, 11th in operating profit, and 23rd in net gain.

It is announced on February 7 that the U.S. Export-Import Bank will guarantee a \$537-million, 12-year loan that will enable THAI to purchase 4 B-777-300s and another B-747-4D7 to go with the 16 already operated.

Stung by a 1.7-billion baht (\$45-million) loss on domestic operations in 1999, the THAI board, on February 24, boosts domestic ticket prices an average of 13% beginning in March.

Between February 24 and February 29, THAI flights bring back to Bangkok all national senate election ballots cast by citizens residing overseas. The votes will be counted with the national tabulation on March 4.

Coming on the heels of the new March 1 bilateral air agreement between Thailand and Myanmar, THAI increases its weekly seat capacity between Bangkok and Rangoon on March 8 from 2,500 to 3,150. Airbus equipment will replace B-737-4D7s to make the increase happen.

Also during the month, another step is taken down the trail toward privatization. Deputy Prime Minister Supachai Panitchpakdi reveals that, with the approval of the Thai Cabinet, the government stake in the flag carrier will be cut from 92.2% to 70% by the sale of 100 million existing and 300 million newly created shares.

Under terms of a memorandum of understanding signed on March 7, THAI and **Swissair, A.G.**, on March 26, begin to code-share on each other's 7 weekly roundtrips between Bangkok and Zurich (7 flights each).

To accommodate visitors to the Songkran Festival 2000, THAI adds seven special flights between April 13-16 from Bangkok to Chiang Mai, Phuket, and Surat Thani. Thrice-weekly return service begins on April 14 from Bangkok to Lampang.

Thrice-weekly ATR roundtrips from Bangkok to the new airport at Petchaboon commence on May 3. Petchaboon is THAI's 23rd domestic destination.

THAI staff welcome visitors to the Thailand Pavilion at EXPO 2000 in Hanover, Germany, beginning on June 1; the World's Fair is scheduled to continue until October 31. B-737-4D7s replace ATRs on the Bangkok-Petchaboon route the next day.

In order to allow the installation of new runway lights at Khon Kaen Airport, the B-737-4D7 flights to that city from Bangkok are cancelled or severely reduced between June 5 and July 1.

The carrier begins to code-share with **Swissair, A.G.** on June 15 on the return route from Bangkok to Zurich. One flight is operated by a THAI MD-11 and the other by a Swissair MD-11. Concerned with the decimation of the world's shark population, shark soup is removed from

THAI's menus. Also on June 15, the company denies plans, rumored for some weeks, that it will join the new "SkyTeam" alliance beings set up by **Air France** and **Delta Air Lines**.

It is announced on June 29 that **Air France** and **Delta Air Lines** will team up to make a bid for a 10% stake that is becoming available in THAI. Officials of the Bangkok-based major announce on July 7 that they will begin accepting bids in September. The accounting firm KPMG and lawyers from the firm of Baker & McKenzie are now employed to assist with the process. Unhappily, a sharp decline in the Thai stock market quickly nullifies this pronouncement and a decision is taken to step away, temporarily, from the partial 23% floatation of the airline—10% to a strategic (airline) partner and 13% to the public—originally scheduled for year's end.

Beginning on July 1, the number of weekly return flights to Europe is increased from 51 to 53. The two weekly Bangkok–Athens–Rome services are separated into twice-weekly direct flights from the Thai capital, one each to Italy and Greece. The delayed A330-323X is delivered on July 19.

A THAI B-747-4D7 arriving at Los Angeles on August 23 carries 120 automobile tires on pallets in its belly. This is the first delivery of a 25-flight transpacific tire airlift that will be made on behalf of Bridgestone/Firestone over the next week. The tire manufacturer has recalled certain types of tires in the wake of their alleged operational failures that have caused a number of motorist fatalities.

On September 26, a block-seat code-sharing agreement begins aboard **El Al Israel Airlines, Ltd.** for four-times-a-week B-747-458 roundtrips between Bangkok and Tel Aviv.

Executive Vice President-Customer Services Bhisit Kuslasayanond succeeds Thamnoon Wanglee as president on October 1. On October 4, the new CEO joins with Mae Fah Luang Foundation Chairman Apilas Osatananda to open "THAI's Exhibition to Commemorate the Centenary Celebration of the Birth of Her Royal Highness the Princess Mother."

On October 19, the board of directors appoints consultants Roland Berger & Partner, GmbH, assist with continuing plans for privatization. It also approves lease financing for the fifth and sixth B-777-3D7s.

An extraordinary shareholders meeting is held on October 25. Chaired by Vice Chairman Supachai Phisitvanich, the meeting approves a reduction of the company's registered capital.

The winter schedule begins on October 29. The number of domestic weekly return flights between Bangkok and Chiang Rai is increased from 33 to 35, as are those from Bangkok to Nakhon Si Thammarat from 7 to 9 and Trang-Krabi from 14 to 20. All of these flights are operated with B-737-4D7s.

International routes are also adjusted. Four additional A330-323X roundtrips are inaugurated between Bangkok and Osaka, three additional B-777-2D7 return flights are offered from Bangkok to Seoul, seven more frequencies are completed to Singapore, bringing the total to 14, while one each additional roundtrip is operated to Fukuoka (4 to 5), Lahore (3 to 4) and Colombo (3 to 4).

There is an increase in the number of weekly roundtrips to Europe from 53 to 56, with one additional weekly flight added on the routes from Bangkok to Copenhagen, to Stockholm, and to Munich. Weekly roundtrips to Australia are boosted from 19 to 24, with the A330-321 service from Bangkok to Perth increased by one service. President Kuslasayanon welcomes back to Bangkok the Sydney Paralympic Games medalists and officials and presents financial rewards to the winners. A gala celebration is held at the Shangri La Hotel in Jakarta on the evening of November 6, marking the fortieth anniversary of service to the Indonesian capital. Chairman Mahidol Chantarakorn resigns on November 16 so that he may begin his retirement. He is replaced by Transport and Communication Ministry Permanent Secretary Srisook Chandragasu. Also in November, the government once more defers the airline's privatization. Rising fuel prices have caused a slump in the value of shares, by some accounts, of up to 50% over the past year.

Believing that they have paid too much for five new jetliners in a deal recently concluded with Boeing, THAI, on December 8, appoints a spe-

cial board to look into the situation. Boeing, meanwhile, agrees to lower its price by \$5 million and to buy back four MD-11s.

On December 1, the number of weekly B-737-3D7 roundtrips from Bangkok to Sydney, Melbourne, and Auckland is increased from 15 to 19. The last of 14 B-777-2D7s to be delivered since 1996 is accepted on December 9.

Deutsche Lufthansa, A.G. Chairman Jurgen Weber admits on December 13 that his airline will participate in bidding for a stake in THAI. Following elections in Thailand on January 6, the national finance ministry is expected to reduce its stake in the flag carrier from 93% to 70% sometime later in the first quarter.

On December 22, THAI and **All Nippon Airways Company, Ltd. (ANA)** begin code-sharing on approximately half of the 21 weekly roundtrips (14 THAI, 7 ANA) operated by them between Bangkok and Tokyo (NRT).

THAI FLYING SERVICE, LTD.: Thailand (1981–1986). This small operation is formed at Bangkok in February 1981 to offer domestic on-demand and commuter services. Flight operations begin in April and the fleet grows to include 1 Piper PA-34 Seneca III and 1 Rockwell Turbo Commander 680T. Operations cease in 1986.

THAMES AIR, LTD.: Nigeria (1993–1995). TAL is established at Lagos in 1993 to provide nonscheduled cargo services to European destinations, particularly London. Revenue operations commence with a single Boeing 707-321C freighter and continue until the company shuts down in 1995.

THERON AIRWAYS (PTY.), LTD.: South Africa (1976–1991). Organized as **Theron's Lugdiens**, the airline division of Pierre A. Theron's Theron's Cartage, Ltd., in 1976, this Krugersdorp-based charter operation commences lightplane revenue flights to domestic destinations late in the year. After five years of nonscheduled operations, Theron begins scheduled services in 1981 from Lanseria Airport, north of Johannesburg, to Wonderboom and Ellisras with a Cessna 421 and a Beech B-55 Baron.

During the middle of the decade, the fleet is increased by the addition of a Cessna 404 Titan and a Beech B-60 Duke. Additional destinations acquired include Alldays, Louis Trichardt, Messina, Pretoria, and Tahipise. Most passengers are businessmen.

Managing Director Theron withdraws the Duke in 1988 while employing the Titan to maintain scheduled services in the northern Transvaal. Three other Cessnas are purchased in 1990: a 402, a 310, and a 210. Recession forces the little carrier into bankruptcy in 1991.

THTIS AIR, LTD. See **PACIFIC SPIRIT AIR, LTD.**

THK (TURK HAVA KURUMU, A.O.): Turkey (1989–1990). THK is established at Ankara on February 28, 1989 to offer scheduled services to regional destinations. Prof. Dr. Inanc Ayas is appointed director general and a two-plane fleet is purchased comprising one Fairchild Metro III and a Dornier 228-200.

The carrier becomes an affiliate of **THY Turkish Airlines (Turk Hava Yollari, A.O.)** in September 1990, at which time its name is changed to **THT (Turkish Air Transport, A.O.)**.

T. THOMAS AIR TRANSPORT SYSTEM, LTD. (THATS): Australia (1978–1985). THATS is formed at Neutral Bay, New South Wales, in October 1978 to operate charter and package air tour services throughout the nation. The initial fleet consists of 1 each Piper PA-31-310 Navajo and PA-31-350 Navajo Chieftain and revenue flights commence on January 26, 1979.

Larger aircraft are acquired later and destinations visited by air tourists come to include Murray River, Tasmania, Alice Springs, the Northern Territory, Ayers Rock, the Great Barrier Reef, and stops in rural Queensland.

The company ceases operations in or before 1985.

THOMAS LAMB AIRWAYS, LTD. See **LAMBAIR, LTD.**

THOMPSON AERONAUTICAL CORPORATION: United States (1928–1931). Thompson Aeronautical Corporation of Chicago bids on the Post Office Department's Contract Air Mail Route No. 27 (CAM-27) to Bay City, winning the award on May 5, 1928. Tex Marshall is appointed president, with Charles Rheinstrom as traffic manager. A fleet of six Stinson SM-1 Detroiters is assembled and scheduled airmail and express flights commence on April 17–18 from Bay City to Chicago via Saginaw, Lansing, Kalamazoo, Ann Arbor, Jackson, Battle Creek, and Kalamazoo.

Preparatory to the introduction of passenger service, a new station is opened at Detroit at the beginning of 1929 and on March 2, Charles Speer, who will become well known as an **American Airways** marketing guru, is appointed its manager. On April 1–2, a spur is opened from Muskegon to Chicago via Grand Rapids and Kalamazoo. Employing Loening C-2C amphibians, Thompson inaugurates scheduled, one-hour return passenger service on May 14 from Detroit to Cleveland. The one-way fare is \$20.

With Amelia Earhart aboard as copilot for the publicity, the initial flight departs the Motor City on schedule, but must land on Lake Erie to wait out a dense fog and misses its expected arrival time. The Ohio port city's newspapers quickly get out editions with headlines proclaiming the loss of the famous aviatrix. Shortly after the newspapers hit the street, the plane alights near 6th Street and the embarrassed press now blames Marshall and Rheinstrom of perpetrating a public relations hoax.

Beginning on July 17, passengers are allowed to fly the multistop Michigan mail route. On August 13, the C-2C *Miss Detroit*, piloted by the same Cy Caldwell who had inaugurated **Pan American Airways (PAA)** service in 1927 and with three others aboard, suffers engine failure. Attempting a deadstick landing, Caldwell crashes into Lake Erie west of Pelee Island; the copilot, Johnny Kasper, is killed. Caldwell is blamed for the tragedy and fired.

In January 1930, winter conditions are addressed through the equipment of passenger and mailplanes with skis. Flying from Cleveland to Bay City, Michigan, on February 18, a Pitcairn PA-6 Super Mailwing suffers engine failure in bad weather near Flint, Michigan; pilot Clifford W. March parachutes to safety.

On March 11, pilot A. H. Dewitt bails out of his PA-6, which is caught in a snowstorm at Mishawaka, Indiana. In the "Great Hangar Fire" at Chicago on June 25, a Stinson SM-1 is destroyed. Beginning on June 26, Thompson begins the use of experimental SM-1 Detroiters powered by Packard diesel engines. En route to Bay City from Cleveland on July 22, a PA-6 crashes at Huron, Ohio, in rain (one dead).

Later in the summer, mail, express, and passengers are carried on a new route from South Bend to Chicago via La Porte. On November 11, service is extended to Buffalo, New York.

On January 1, 1931, TAC is reorganized into a holding company. The airline subsidiary that emerges is named **Transamerican Airlines Corporation**, a small title change.

THORPE'S TRANSPORT (PTY.), LTD.: Australia (1976–1983). Based on Thursday Island, Queensland, Thorpe's is formed in 1976 to offer scheduled Britten-Norman BN-2 Islander services to Yam Island, Sue Island, Badu Island, Yorke Island, and Sabue Island (all located to the north of the Cape Yorke Peninsula) and to Barmaga on the mainland.

In 1983, the company is purchased by and merged into Mascot, New South Wales-based **Adved Airlines of Australia (Pty.), Ltd.**

THT TURKISH AIR TRANSPORT (TURK HAVA TASIMACILIGI, A.O.): Turkey (1989–1993). Originally established in early 1989 as the independent **THK (Turk Hava Kurumu, A.O.)**, operations are undertaken from Istanbul to domestic destinations. Osman Celikadam becomes general manager and his fleet consists of 2 Beech King Airs and 2 Antonov An-24RVs leased from **Tarom (Transporturile Aeriene Romane, S.A.)**.

The carrier becomes a 64% owned subsidiary of **THY Turkish Airlines (Turk Hava Yollari, A.O.)** in September 1990, at which time it is reformed and renamed. The previous regional services of THK are maintained and new routes are introduced, especially to eastern Anatolia; plans are made for the carrier to assume all of THY's domestic routes within six years.

In 1991, the company applies for permission to fly into western Anatolia. Celikadam is succeeded as general manager by Barbaros Yurdakul. In the summer, THY orders three British Aerospace BAe ATPs (later Jetstream 61s) with which to replace the Russian turboprops. The first arrives in September and enters service in eastern Turkey connecting 20 communities with Istanbul; the other two are in operation by year's end.

Airline employment stands at 88 in 1992 as the second pair of Jetstream 61s arrives. Statistics for passenger traffic are publicized for the first six months and show boardings of 60,013.

Airline employment in 1993 stands at 88 as Aykut Ozel becomes managing director. Late in the year, the company is absorbed by **THY Turkish Airlines (Turk Hava Yollari, A.O.)**, its parent.

THUNDER AIRLINES, LTD.: 310 Hector Dougall Way, Thunder Bay, Ontario P7E 6M6, Canada; Phone (807) 475-4211; Fax (807) 475-5841; http://www.thunderair.com; Year Founded 1990. Thunder Airlines is established at Thunder Bay, Ontario, in 1990 to provide passenger and cargo charters linking small communities and large throughout the province, with particular attention to air tour packages. Revenue operations begin with 1 each Beech King Air 100, Piper PA-31-350 Navajo Chieftain, and Cessna 208 Caravan I based at Thunder Bay and 1 each Caravan and Shorts 330 based at Pickle Lake.

By 2000, the fleet includes 1 each Beech King Air 100, Cessna 208 Caravan I, Beech King Air 100, and Pilatus PC-12. Clients now include Bell Canada, Ontario Hydro, C&N Rail, and the Ontario Ministries of Natural Resources and of Health. On behalf of the latter, air ambulance service is provided.

THUNDERBIRD AIRLINES: United States (1964–1969). Established as a division of Ogden, Utah-based Thunderbird Flying Services in the fall of 1964, this small, third-level operator begins scheduled lightplane passenger and cargo flights to Salt Lake City and Logan on September 18.

Operations continue until January 1, 1969, when the carrier is reformed and renamed **Key Airlines**.

THUNDERBIRD AIRLINES, LTD. See **NORTHERN THUNDERBIRD AIR, LTD.**

THUNDERBIRD AIRWAYS. See **T-BIRD AIR TRAVEL**

THY TURKISH AIRLINES (TURK HAVA YOLLARI, A.O.): General Administration Building, Ataturk Airport, Yesilkoy, Istanbul, 34830, Turkey; Phone 90 (212) 663-6300; Fax 90 (212) 663-4744; http://www.turkishairlines.com; Code TK; Year Founded 1933. **DHY (Devlet Hava Yollari-Turkish State Airlines)** is formed by the Ministry of Public Works on May 20, 1933. Initial Istanbul–Ankara via Eskisehir service is launched by de Havilland DH 80A Puss Moths on a summer basis only. At the end of April 1934, it is reported that, for the first year of operations, the carrier has transported a total of 463 passengers and one ton of cargo. The fleet now includes 2 Junkers F.13s, 2 DH 80s, and 2 Curtiss Model 55 Kingbirds first flown by **Eastern Air Transport** in the U.S.

In 1935, the single route is extended to Diarbekir and in May 1937 the fleet is increased through the addition of four DH-86s. By 1939, the route network runs from Istanbul–Diarbekir, with stops at Izmir, Adana, Ankara, and Kayseri. There are no significant changes during the war years.

Pan American Airways (PAA) begins to provide technical assistance in 1946 under a new Turkish-U.S. bilateral air agreement. Upwards of 33 Douglas DC-3s and C-47s ordered from Allied war surplus

the previous year are acquired and winter services are initially begun at year's end. The first international service is inaugurated in **1947** over a route from Ankara to Athens via Istanbul.

Operations continue apace and without incident in **1948–1949**. A DC-3 with 4 crew and 11 passengers catches fire after landing at Ankara on March 25, **1950**, and explodes; there are no survivors.

Another Douglas transport with four crew and a passenger, strikes a sand dune while on final approach to Cairo on November 19; there are no survivors.

Flights are safely conducted during the remainder of the year and throughout **1952**. A DC-3 with 5 crew and 16 passengers fails its climb away from Ankara on September 25, **1953**, and crashes into a dry river bed (five dead).

The first half of **1954** is marred by two fatal accidents. On January 5, a DC-3 with three crew and five passengers smashes into the ground near Lapseki, Turkey, (four dead).

On April 3, a DC-3 explodes in midair just after takeoff from Adana (25 dead).

On June 15, **1955**, an agreement is signed with **Pan American World Airways (1)**; the terms of the deal call for the Turks to be trained in modern techniques under a \$475,000 FOA grant to be administered under the direction of Capt. S. H. Miller.

The carrier is reformed into a corporation and receives its current name on March 1, **1956**, with the government maintaining controlling interest. DH-114 Heron 2s join the fleet and a Douglas DC-7B is leased from the American carrier **Eastern Air Lines**. Toward year's end, the company becomes the 78th member of IATA.

Vickers Viscounts are ordered in July **1957**, during which year passenger boardings are 329,000. While landing at Munich on January 20, **1958**, the EAL DC-7B suffers a nosewheel collapse; although no injuries are reported, the plane is so badly damaged that it must be written off. Fortuitously, the first Viscount is delivered the next day.

British Overseas Airways Corporation (BOAC) acquires a 6% minority interest in **1959**, which will be held until 1977. British technical assistance now replaces American.

En route from Ankara to London on February 17, a chartered Vickers Viscount 794D with 8 crew and 16 passengers crashes near Gatwick Airport (14 dead).

Enplanements for the year total 371,244.

Orders placed for five Fokker F.27s the previous year are license-built in the U.S. by Fairchild and join the fleet in **1960**.

On initial approach to Ankara following a September 23, **1961** flight from Adana, an F.27-100 with 4 crew and 25 passengers flies below minimum altitude and crashes near the airport (28 dead).

While on approach to Incirli on March 8, **1962**, a Fairchild F-27 with three crew and eight passengers makes a navigational error and crashes into snow-covered Taurus Mountain at the 11,000-ft. level; there are no survivors.

Passenger traffic for the year drops to 287,333, falling to 262,920 in **1963**.

A DC-3, with three crew crashes while on initial approach to Ankara on February 3, **1964**; there are no survivors. During the year, routes are opened to Western Europe as Viscount service is started to Brussels, Vienna, Rome, Frankfurt, Munich and Athens.

Enplanements total 368,664.

Airline employment is 1,249 in **1965** and the fleet now includes 19 aircraft: 2 C-47s, 5 DC-3s, 8 F-27s, and 4 Viscounts. A new route is extended to Amsterdam. Frequencies are increased on the Istanbul to Athens route, the service from Istanbul to Brussels via Vienna and Frankfurt, and the run from Istanbul to Munich via Rome.

Passenger boardings climb 10% to 409,626.

There is no change in services offered during **1966**. The carrier's first jetliner, a DC-9-14, is leased from Douglas in August **1967** and is placed in service on the European routes.

The fleet is increased by six Friendships and six Douglas DC-9-14s in **1968**.

The nosegear of a chartered DC-7B with 6 crew and 32 passengers collapses as the plane lands at Munich on January 20; there are no fatalities.

Enplanements this year total 770,232.

While on final approach to Ankara on February 2, **1969**, a Vickers Viscount 794 with 4 crew and 22 passengers strikes an electricity pylon, crashes, and catches fire; although the aircraft must be written off, there are no fatalities.

En route from Istanbul to Ankara on September 16, Flight 124, a Viscount with 63 passengers, is captured by a lone assailant protesting Turkish travel restrictions. The aircraft is diverted to Sofia, Bulgaria, where the pirate is taken into custody. Upon examination, he will be found mentally deficient and sent to a psychiatric facility.

Customer bookings this year swell to 952,816.

The workforce is 2,769 in **1970**. Two additional DC-9-14s are acquired and Istanbul–London service is inaugurated.

An F.27-100 with 3 crew and 26 passengers is destroyed as the result of a bad landing at Samsun on February 17; there are no fatalities. Top management is reorganized during the fall.

Passenger boardings increase 13% to pass the one-million mark for the first time (1,095,191) while cargo climbs by 29.4%.

Two more DC-9-14s are delivered in **1971** as bookings climb to 1,921,744 and DC-10s are ordered.

The employee population stands at 3,775 in **1972**. Service is added to Copenhagen and Milan.

En route from Damascus to Ankara on January 21, a DC-9-32 with five crew is diverted to Adana with pressurization problems; on a second approach, the Douglas crashes and catches fire (one dead).

While en route from Ankara to Istanbul with 61 aboard on May 3, a DC-9-14 is hijacked by 4 Turkish students armed with grenades, who force it to land at Sofia, Bulgaria, after threatening to blow it up unless three condemned members of the Turkish People's Liberation Army are freed. Following a two-day siege, the students abandon their effort in exchange for political asylum.

The Bulgarians will, in fact, place the four on trial and give them three-year prison terms. The condemned TPLA prisoners are, meanwhile, hung at Ankara on May 6.

Four more TPLA students attempt the same ploy on October 22, seizing a similar jetliner en route from Istanbul to Ankara and diverting it to Sofia, where they hold 60 passengers hostages while demanding the release of 13 Turkish political prisoners. Again the demands are refused and again the students surrender to Bulgarian police. These students will also be put on trial and sent to prison for up to three years. The "ring-leader" will make the mistake of returning to Turkey some years later. He will be captured, tried, and sent to prison for 20 years.

The first of three DC-10-10s to be delivered on the year arrives on December 1 and begins service later in the month. Orders are placed for five Fokker F.28s.

Passenger traffic soars 24% to 1,969,000 and freight traffic grows 8.2%.

Service is initiated to Geneva in **1973**. The first F.28-1000s are delivered and begin to replace F-27s on domestic routes. The first of eight new Boeing 727-2F2s are assigned to regional services.

An F.27-100 is destroyed as the result of a belly landing at Istanbul on May 10; there are no fatalities.

Freight skyrockets 46.9% and passenger boardings jump 28.8% to 2,536,072.

An F.28-1000 with 5 crew and 68 passengers fails its takeoff from Cumaovasi Airport at Izmir for a January 26, **1974** flight to Istanbul and crashes into a drainage ditch, skidding and catching fire (66 dead).

As the result of the incorrect engagement of the door-latching mechanism before takeoff from Paris (ORY) to London (LHR) on March 3, Flight 981, the ascending DC-10-10 *Ankara* with 11 crew and 335 passengers, suffers the in-flight ejection of the aft cargo door on the left-hand side of the fuselage. The sudden and explosive depressurization that follows leads to the disruption of the floor structure, causing six

passengers and parts of the aircraft to be ejected. The No. 2 engine is rendered inoperative, thus impairing the flight controls (tail surfaces) making it impossible for the crew to regain control of the aircraft. The wide-body crashes crash at Bois d'Ermenonville and there are no survivors; the event is the worst single-plane disaster in commercial aviation history to date.

Ironically, the *Ankara* is one of six DC-10s that had first been ordered by Mitsui for lease to **All Nippon Airways Company, Ltd. (ANA)**, but passed to other carriers when the Japanese firm suddenly does an about-face and purchases Lockheed TriStars. Among the other carriers is **American Airlines**, which suffered an explosive door-decompression with one of the ships on June 12, 1972. Moira Johnson recalls this incident later in *The Last Nine Minutes: The Story of Flight 981* (New York: William Morrow, 1976).

The resulting bad publicity from Flight 981 (much of it in the British press, as many of the *Ankara*'s passengers had been from the U.K.) and the Cyprus invasion cause bookings to drop 8.3% to 2.09 million. Cargo, however, is up to 10.19 FTKs, a slight 1.9% boost.

As an F.28-1000 with 4 crew and 38 passengers is making its second landing approach to Istanbul Airport on the night of January 31, **1975**, the airport is suddenly blacked out by a city-wide power failure; the jetliner, consequently, crashes into the Sea of Marmara and there are no survivors.

The subsidiary **Kirbis Turk Hava Yollari/Cyprus Turkish Airlines** is formed in February to connect four Turkish cities with the northern part of the island of Cyprus; initial equipment includes a DC-9-14, a Boeing 727-2F2, and a B-707-128B. The airline, on March 4, offers a \$10-million out-of-court settlement to the damage suits arising from the 1974 Paris crash.

Systemwide, passenger boardings advance 8.5% to 2,274,000, but freight drops 4%.

Airline employment is 4,647 in **1976**. Seeking to be reunited with his French girlfriend, Turkish national Zeki Ejder hijacks a DC-10-10 with 253 passengers, shortly after its takeoff from Paris (ORY) for a flight to Istanbul on May 1. He surrenders at Paris, where the plane lands after it is refused permission to exit French airspace.

En route from Istanbul to Antalya on the night of September 20, the pilots of a B-727-2F2 with 8 crew and 146 passengers, see bright lights of a city believed to be their point of destination and obtain permission to land. While on initial approach to, what turns out to be, Isparta instead of Antalya, the aircraft crashes into a mountain; there are no survivors.

Passenger bookings this year soar 25.9% to 2,862,000 and cargo swells by 47.8% to 14.52 million FTKs.

On February 13, **1977**, a 17-year-old assailant shoots the pilot and a stewardess while taking over a DC-9-14 with 62 aboard en route from Istanbul to Izmir. The aircraft is diverted to a military base near its destination, where the young man surrenders to grim-looking military police.

Lebanese police arrest two armed hijackers on March 20, who have commandeered a B-727-2F2 during a Diyarbakir to Ankara flight with 8 crew and 173 passengers and diverted it to Beirut.

The company is completely nationalized at midyear and now operates without foreign capitalization; the last **British Airways, Ltd. (2)** holding is relinquished. Two B-707-321Cs begin a dedicated all-cargo service from Istanbul to Frankfurt; goods hauled include vegetables, fish, fruit, textiles, and leather.

Enplanements for the year rise to 3,109,385. Still, a \$15.1-million loss is suffered. On revenues of \$176.8 million, the loss is cut to \$8.4 million.

International destinations visited from Ankara, Antalya, Izmir, Istanbul, and Adana in **1978** include Beirut, Tel Aviv, Tripoli, Milan, Rome, Zurich, Copenhagen, Brussels, Geneva, Frankfurt, Paris, Vienna, Munich, and London.

Chairman Nihat Kursat oversees a workforce of 5,540 and his fleet now comprises 4 Boeing 707-120Bs, 2 DC-10-10s, 4 B-727-2F2s, 9 DC-9-30s, and 3 F.27-100s. A new technical agreement is negotiated with **KLM (Royal Dutch Airlines)**.

Bookings fall 16.5% to 2,688,979 and freight is off 18.7%.

While on approach to Ankara's Esenboga Airport on December 23, **1979**, the F.28-1000 *Trabzon* with 4 crew and 41 passengers deviates from course and strikes a hill near Cucuk Koy (41 dead).

Traffic for the year falls to 2,037,000, yet the loss is down to \$4.7 million.

A three-month strike-lockout and its aftermath in **1980** will have a significant impact upon traffic.

En route from Istanbul to Ankara on October 13, Flight 890, a B-727-2F2 with 140 passengers, is diverted to Diyarbakir by four armed hijackers. On the ground, Turkish troops storm the aircraft, killing 1 passenger and wounding 12 other persons, including the skyjackers, who are all captured. The four will later be tried and executed.

Passenger boardings drop 45.5% to 1,445,000 as freight dips 37.8% to 162.72 million FTKs. Consequently, the workforce is cut 6% to 5,734. On revenues of \$174 million, the loss this year soars to \$27.6 million.

Service is inaugurated to Karachi and Abu Dhabi in **1981**. En route from Istanbul to Ankara on May 24, Flight 104, a DC-9-30 with 84 passengers, including 5 American bankers, is hijacked to Burgas, Bulgaria, by 4 leftist guerrillas, who threaten to kill the Americans unless 47 political prisoners are released from Turkish jails and a ransom paid.

The next day, two of the skyjackers are captured by police as they leave the aircraft to give a press conference. The two other sleepy pirates are overpowered by Bulgarian law enforcement officials and brave passengers; all of the hostages are safely freed. The quartet will be tried and receive three-year prison terms.

On June 12, a number of people stage a protest outside the company's Paris offices against alleged "outrages" being perpetrated against Armenians living in France.

Customer bookings skyrocket 58.3% to 2,295,000. A net profit of \$37 million is reported.

Enplanements are off 0.2% to 2,292,000 in **1982**. Airline employment in **1983** stands at 5,712 as Airbus Industrie A310s are ordered. Also, 3 de Havilland Canada DHC-7s are chartered for 3 years from **Schreiner Airways, B.V.**

While on final approach to Ankara in a blinding snowstorm on January 16, a B-727-2F2 with 7 crew and 60 passengers lands 50 m. short of the runway, breaks up and catches fire (47 dead).

On January 22, Armenian guerrillas throw grenades at the carrier's Paris office and another bomb is later discovered near the airline's counter at Orly Airport; no injuries are reported at either location.

University student Mahmoud Kalkan, a member of the Leftist DEV SOL group, takes over a DC-9-30 en route from Istanbul to Izmir and diverts it to Athens Airport on April 15. After releasing the 112 passengers, he continues to hold the flight crew at knifepoint, demanding passage to Australia. Police, instead, refuse and storm the cockpit, arresting the pirate. No one is injured during the ordeal. Kalkan will be tried and given a 13 1/2-year prison term.

When the new Turkish government takes power, it introduces legislation to end the flag carrier's monopoly.

On the year, bookings climb 4.4% to 2,392,000.

The workforce is increased 8.5% to 6,195 in **1984**. Turkey's No. 1 foreign currency earner, the airline's status is changed from that of a state-owned private company to that of a government economic enterprise, involving additional bureaucratic processes. An ultramodern technical base is opened at Yesilkoy Airport in the fall and Yilmaz Oral becomes president in November, the 21st since 1956.

Bookings jump 12.9% to 2,687,000. With a ratio of 1.5 million domestic to 1.2 million international, THY has a higher such ratio than any other European airline except **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

The payroll is increased to 6,208 in **1985**. In February, the **KLM (Royal Dutch Airlines, N.V.)** CORDA computer reservations system at Istanbul (Yesilkoy Airport) is turned off in favor of its own TOROS system.

The first of four Airbus Industrie A310-203s is delivered in May and enters service in June as first-class service is reintroduced as a revenue enhancement. The advanced jetliners fly to 24 cities on the

THY network, which now runs from London to Karachi, with 36 foreign and 17 domestic destinations. Three de Havilland Canada DHC-7-102s are leased for domestic operations.

En route from Frankfurt to Istanbul on June 28, a B-727-2F2 with 81 passengers is taken over by a lone assailant, who sprays foam over the instruments, shouting that he will cause the trijet to crash. Obviously mad, the man is quickly captured by passengers and crewmen working together.

Passenger boardings dip 2.6% to 2,508,000, but cargo accelerates 9.23%. Revenues are \$255 million and expenses \$218.4 million, producing a \$36.6-million operating profit and net gain of \$31.4 million.

The employee population continues to grow in 1986, up 4.5% to 7,568. The three leased DHC-7s are returned. Istanbul to Singapore via Bahrain weekly DC-10-30 service begins in July and in August, three A310-300s are ordered.

Customer bookings accelerate 8.2% to 2,935,813 and cargo increases 58.5% to 45.46 million FTKs. Revenues rise 40.6% to \$312 million, expenses are up 47.6% to \$280.63 million, and the operating profit is \$31.52 million.

Airline employment rises another 14.3% in 1987 and the fleet now includes 25 aircraft, although the DHC-7-102s are withdrawn and returned to Canada.

Enplanements through August are up 21.5% to 2,310,684 and freight swells 36.7% to 27.62 million FTKs.

The number of workers grows again in 1988, by 7.8%, to 6,994 and the fleet now includes 9 B-727-2F2As, 9 DC-9-32s, and 7 A310-203s. A B-727-264A, first flown by **Mexicana Airlines, S.A. de C.V.** as the *Mexicali*, joins the company under a two-year lease. Former Denison University (Ohio) professor Dr. Cem Kozlu is named chairman/CEO. In an effort to help promote tourism, direct Istanbul-New York roundtrips are inaugurated on September 15. In November, two DC-10-10s are sold to **Federal Express**.

Passenger boardings for the year increase by 8% to 4,116,883 and cargo climbs 34% to 59.62 million FTKs.

The fleet of the Turkish flag carrier in 1989 includes 13 A310-203/304s, 11 B-727-2F2As, 9 DC-9-32s, and 2 B-707-320Cs. Orders are placed for five A340-311s. All of the aircraft are painted in new livery and major emphasis is placed upon customer service and on-time performance. In August, the company contracts with **American Airlines** to serve as its general sales agent at New York (JFK). Under the arrangement, American feeds cargo to THY's three weekly flights into New York and the Turkish airline provides a connection to American's European operations at other times.

Service begins in October to the carrier's most distant point when weekly (later twice-weekly) roundtrip flights are inaugurated from Istanbul to Tokyo. The number of international destinations served now totals 52. During the last week of December, weekly Istanbul to Moscow flights commence. By year's end, 73.9% of all company flights are on time, as contracted with 66% the previous year.

Customer bookings swell 9.2% to 4,430,570 and cargo balloons 56% to 92.74 million FTKs. Revenues total \$460 million and the first net profit in two years is generated: \$5 million.

Airline employment stands at 6,488 in 1990 and orders are placed for six B-737-4Q8s and four B-737-4YOs. The ex-*Mexicali* is returned. The company joins with **Deutsche Lufthansa, A.G.** in February in acquiring shareholding in the charter operator **Sun Express, A.S.** The Istanbul-Moscow service becomes twice weekly in March. Beginning on May 9, twice-weekly Istanbul-Budapest roundtrip service is introduced for the summer. A new corporate image is introduced during July, complete with a new livery, designed free for the company by Airbus Industrie. It is not unlike that of **Swissair, A.G.** in appearance. **THK (Turk Hava Kurumu, A.O.)** becomes a subsidiary in September and is renamed **THT Turkish Air Transport (Turk Hava Tasimaciligi, A.O.)**.

Iraq's August invasion of Kuwait slows traffic growth and dims immediate growth plans. Approximately 100% of the airline's shareholding is now transferred to the Prime Ministry's Public Participation Ad-

ministration. Following the decision to privatize the airline, a public offering of 5% of the company on the Istanbul stock exchange is made in November, but only 1.3% of the shares are subscribed.

Still, overall passenger boardings climb 9.4% to 4,857,814 and cargo swells 25.3% to 116.23 million FTKs.

The workforce is increased by 31% in 1991 to 8,500; however, much of it is idled by a 38-day strike, which atop the effects of the Gulf war and recession, turns the year into a disaster for the flag carrier. The dedicated Stratoliner freighters are withdrawn in February as the company comes to rely on belly-capacity and wet-leasing for its cargo services; service is also suspended to Kuala Lumpur.

Joint flights commence with **CSA Czech Airlines** in April over a route from Istanbul to Prague. In September, nonstop A310-304 nonstop service is inaugurated from Istanbul to New York, in addition to the carrier's three weekly multistop flights.

President/CEO Cem Kozlu resigns in October; during the search for his successor, Vice President-Technical Yasuf Bolayirli assumes the position. During the year, frequencies are also begun to Abu Dhabi, Baku, Denizli, Amman, and Beirut.

At the behest of national political leaders anxious to gain influence and under a government order, THY begins service into the former Soviet republics of Central Asia and the Caucasus. Airline leaders do not believe the markets will be profitable. Meanwhile, business-class service is introduced throughout the international network and on key domestic routes.

Despite this expansion, customer bookings fall 26.6% to 3,356,337 and cargo drops 32.1% to 77.51 million FTKs. Expenses far exceed income and large losses are suffered: \$60.79 million (operating) and \$128.77 million (net).

The payroll is reduced a slight 0.6% in 1992 to 8,181 and the fleet now includes 9 DC-9-32s, 8 B-727-2F2As, 7 each B-737-4YOs, A310-203s, and A310-304s, plus 2 B-737-5YOs, and 1 each B-727-243A, B-737-4Q8, and leased from **Bavaria Fluggesellschaft, GmbH**, 1 B-737-2K9A.

Tezcan M. Yaramanci becomes president/CEO in January. New routes are initiated to Bahrain, Barcelona, Nice, Strasbourg, and Tashkent/Alma Ata and help the carrier to recover traffic lost to the Gulf crisis. In April, a marketing alliance is entered into with **CSA (Czechoslovak Airlines)** covering joint services on the route from Istanbul to Prague.

Passenger boardings increase 41.8% during the year to 4,687,554 while freight jumps 47.4% to 112.87 million FTKs. Revenues rise 29.5% to \$591.06 million and expenses are up 21.1% to \$626.44 million. The operating loss is cut in half to \$35.38 million as the net loss declines to \$70.02 million.

In 1993, Chairman Erman Yerdelen and President/CEO Yaramanci oversee a workforce of 8,689, up 6.2% over the previous year, and a fleet increased by the addition of an 8th A310-203. A \$20-million international advertising campaign is undertaken during the first and second quarters as 8 routes in Europe and the Mideast are dropped and replaced by 12 others, with Strasbourg, Nice, Barcelona, Manchester, and Tirana new destinations.

As part of a coordinated campaign of demonstrations and other acts designed to draw attention to the desire for a separate Kurdish state, a gang of four or five Kurds smashes in the front window and destroys the airline's office in central Strasbourg on June 26.

Taking over the five delivery positions of the defunct **Dan-Air/Dan-Air Services, Ltd.**, THY on July 22 becomes the first European airline to receive and operate the AVRO RJ100. Christened *Denizli*, the premier aircraft's receipt is shortly thereafter followed by the arrival of four sisters: *Erzurum* on August 12, *Samsun* on September 7, *Van* on October 21, and *Gaziantep* on November 4. The RJ100s are placed on the carrier's domestic routes from Istanbul and Ankara to Adan, Antalya, Izmir, and Van, as well as on international services to Athens, Bucharest, Cairo, Kiev, Rome, Salonika, and Tirana.

The first two A340-311s arrive at Istanbul on July 22 and August 10, respectively. First-class service, abandoned some years earlier, is rein-

troduced on the new Airbus while, at the same time, the \$50 membership fee for the airline's frequent flyer program is dropped. It and the others will allow nonstop flights to North America and the Far East, including a new service to Tokyo.

Late in the year, the regional subsidiary **THT Turkish Air Transport (Turk Hava Tasintaciligi, A.S.)** is absorbed and its fleet of ATPs is exchanged for AVRO RJ100s. At the same time, the company enters into an agreement with the Bulgarian freight operator **Air Sofia**. Under its terms, that company's entire fleet (two Antonov An-22s and five An-12Bs) will provide return all-cargo flights on THY's behalf from Istanbul to Basel, Maastricht, and London (STN).

Customer bookings swell a further 30.1% to 6,099,032 while cargo bounces skyward by 43.2% to 161.66 million FTKs. Although revenues move ahead by 9.7% to \$648.49 million, expenses are nearly double that percentage, jumping 16.1% to \$727.3 million. The operating loss increases to \$83.2 million while the net loss deepens to \$91.13 million. Capitalization is now just TL 2.5 billion.

Airline employment is cut by 2.1% in 1994 to 8,509 and 6 B-727-2F2As are phased out as the 5th leased RJ100 and 7 B-737-4Q8s enter service. In January, three more AVRO RJ100s are requested. Early in the first quarter, a contract is signed with the **British Airways, Ltd. (2)** subsidiary Speedwing, Ltd. for the provision of certain computerized reservations and fare services.

Although remaining a member of the board of directors, President/CEO Yaramanci quits in March; once again, Vice President Bolayirli fills in as a search for a successor is undertaken. The carrier is again designated as a state economic enterprise under the jurisdiction of the Privatisation Administration. Also in March, joint services are inaugurated with **Balkan Bulgarian Airlines** over a route from Istanbul to Sofia.

The three new AVRO RJ100s arrive late in the first quarter and into the second. They are placed on international routes from Istanbul to Athens, Bucharest, Rome, and Cairo. During the spring, the third A340-311 enters service and daily nonstop flights commence to New York (JFK).

THY is now the only European carrier to serve all four Central Asian republics of Azerbaijan, Kazakhstan, Turkmenistan, and Uzbekistan. Among the services offered are twice-weekly Boeing 727-2F2A flights from Istanbul to Baku and Ashkhabad (weekly from Istanbul to Baku direct) and A310-203 frequencies from Istanbul to Tashkent to Alma Ata.

Two DC-9-32s transport 300 blue-bereted Turkish troops to Split, Croatia, on June 24, where they are linked with a contingent of 237 technical and support staff and vehicles sent by sea and are then dispatched to Bosnia to serve with UN forces. A total of 1,455 additional soldiers are flown to Split by June 27. The Turkish contingent will be fully committed in central Bosnia by mid-July.

During the summer, daily A340-311 nonstop flights are inaugurated from Istanbul to Newark (EWR), as well as Tokyo and Beijing.

With the mission of attracting additional business-class passengers, afternoon flights are initiated, complementing the traditional morning flights from the Turkish capital to European destinations. A \$16-million agreement is signed with **Valujet Airlines** on October 1; under terms of the deal, the Turkish carrier will sell the American discount operator nine used DC-9-32s, plus spare parts and engines.

Simultaneously, the thrice-weekly nonstop roundtrips between Istanbul and Manchester are cancelled; bookings have been insufficient to support the service.

After 2 previous attempts to put down are aborted due to bad weather, Flight 278, a B-737-4Y0 with 7 crew and 69 passengers, collides with a 5,700-ft. hill and crashes 2 mi. from the airport of the southeastern city of Van on December 29. All aboard, mostly military personnel, are killed.

At year's end, plans are made to inaugurate new services to Osaka (KIX).

Passenger boardings balloon 19.3% to 7,273,679 while freight moves up 29.8% to 209.85 million FTKs. Revenues advance 9.7% to \$705.09 million, but expenses are \$726.34 million. The loss picture is "improved," with the pretax downturn reduced to \$27.73 million and the net loss down to \$73.84 million.

Fifty-nine new employees are hired in 1995, a 0.7% increase, while three B-737-4Q8s join the fleet. New twice-weekly routes are opened to Tirana and Osaka.

A far-left group is accused of the April 17 fire-bombing attack on the company's Vienna office on April 16.

Following the June 2 crash of one of the DC-9-32s sold to **Valujet Airlines**, the U.S. FAA issues an airworthiness directive requiring inspection of all P&W JT8D engines maintained by THY for U.S. carriers or purchased from the Turkish airline's subsidiary repair facility. A new B-737 simulator is opened at the company's main facility.

At the Paris Air Show in early June, orders are placed for two more AVRO RJ100s. These aircraft, the *Surt* and *Tokat*, are delivered on June 22 and June 28, respectively. These deliveries are followed in October by an order for four RJ70s.

Enplanements swell 18.2% to 8,599,250 and cargo rises 2.7% to 215.44 million FTKs. Operating revenues jump 22% to \$1.22 billion while expenses are up only 15.7% to \$1.09 billion. This year there are profits: \$26.27 million (operating) and \$8.01 million (net).

The workforce is increased by 1.2% in 1996 to 8,668 and a fourth A340-311 is acquired. In January, 10 pilots are sent to the British Aerospace Flying College at Prestwick, Scotland, to undertake a 20-week course of instruction on operation of the new AVROs.

Flights are started to Almaty and six other destinations, including Bangkok. By this time, THY is a dominant carrier in the former Soviet republics along its border, including the Caucasus and Central Asia. Stiff competition on those routes now begins with **Deutsche Lufthansa, A.G., Austrian Airlines, A.G., and British Airways, Ltd. (2)**.

While en route from Ercan, Cyprus, to Istanbul on March 8, a B-727-2F2A with 110 passengers is captured by a lone assailant armed with what will turn out to be a fake pistol. The plane is diverted to Munich where, after hours of negotiations, the perpetrator releases his hostages the next morning and surrenders.

During the month, a code-sharing agreement is entered into with **Swissair, A.G.** covering flights from Zurich to Istanbul and Izmir and from Geneva to Istanbul.

The first AVRO RJ70, the *Usak*, is delivered on March 29. It will be followed into service by the *Muk*, which is accepted on May 3. Weekly A310-204 roundtrips are inaugurated on May 24 from Istanbul to Bishkek and Kyrgyzstan via Almaty. The RJ70s *Kahramanmaraş* and *Erzincan* are delivered on June 24 and June 28, respectively.

On July 31, THY becomes the 10th foreign airline company to start regular service to Tbilisi, when it inaugurates RJ70 services twice weekly from Istanbul. The AVRO is replaced with a B-737-4Y0 in October.

The contract with **Air Sofia** ends with that carrier's demise at year's end. The company now charts 10 RJ100s and 4 RJ70s.

Customer bookings accelerate 7.9% to 9,280,869 while 214.2 million FTKs are operated, a 5% decline. Operating income climbs 13.6% to \$1.27 billion while costs ascend 17.5% to \$1.21 billion. Operating gain reaches \$55.83 million and a big \$53.76-million net profit is posted.

The employee population is cut by 3.6% in 1997 to 8,358. A block-seat agreement begins with **Swissair, A.G.** during the first quarter over routes from Istanbul and Izmir to Zurich. Thrice-weekly roundtrips from Istanbul to Ercan begin on March 30.

Weekly service is started between Istanbul and Johannesburg and in April from Istanbul to Odessa. A \$4-million international print and television advertising campaign to the theme "The Turquoise Bridge"—referring to Turkey's coastal resort area as well as the nation's reputation as a bridge straddling continents—is begun in Europe and the U.S.

A340-311 service from Istanbul to Chicago is started on May 7, thrice weekly on Wednesdays, Fridays, and Sunday. For the first two weeks, tickets of \$499 are offered, followed until the end of May by \$529 tariffs. The Turkish fashion design firm of Vakko creates new female flight attendant uniforms, which are introduced on company aircraft during June.

Cem Kozlu succeeds Atilla Celebi, returning as chairman on July 1. Almost immediately, he cancels a company plan to solicit bids from various manufacturers for a total of 54 aircraft. Twice-weekly, 15-hr. flying

time A340-311 roundtrips to Jakarta via Bangkok and Singapore commence on July 4.

A code-sharing agreement with the South Korean carrier **Asiana Airlines** takes effect on August 1; employing Asiana aircraft with dual designated flight numbers, the two initiate twice-weekly roundtrips between Istanbul and Seoul. A consortium comprising the Turkish government, Banque Nationale de Paris, and the Credit Agricole Indosuez pay for all of the Airbus machines.

Twice-weekly roundtrips are initiated on August 8 to Edremit and Agri, followed by introduction of the same number of frequencies to the "City of Roses," Isparta, on August 28. Meanwhile on August 19, the carrier takes delivery of an A340-313X. In September, Bangkok is dropped as a stop on the twice-weekly Istanbul via Singapore to Jakarta route.

On October 1, a \$2.5-billion contract is signed with Boeing for 26 Next Generation B-737-8F2s and options for 23 more; deliveries are to begin in the year 2002. At the same time, the decision is taken not to exercise the three-year option for the 10 RJ100s now in its fleet and that will begin a staggered return to Canadair next year. Four RJ70s will be retained.

Service to Chicago is suspended on October 26. A new marketing pact with **Japan Air Lines Company, Ltd.** (2) comes into effect on October 31; JAL purchases block-seats on THY A340-311 thrice-weekly flights to Istanbul from Osaka (KIX).

Disappointed in the European Union's inability to grant the nation membership, the government, on December 21, approves a THY plan to purchase up to \$2.5 billion worth of Next Generation B-737-8F2 from Boeing. The EU instructs the carrier not to proceed with its previous effort to secure new aircraft from Airbus Industrie, the European consortium.

Passenger boardings accelerate 12.2% to 10,405,774 while cargo shoots up 23.1% to 256.21 million FTKs. Operating revenues advance 6.2% to \$1.35 billion, while costs are up 3.6% to \$1.37 billion. Although there is an \$18.9-million operating loss, an \$18.8-million net gain is celebrated.

Airline employment stands at 8,958 in 1998 and the fleet, 95.4% of which is Stage III certified, includes 65 airplanes at the beginning of the year: 3 B-727-2F2As, 29 B-737s, 14 each A310s and AVRO Regional Jets, and 5 A340s.

In early January, the carrier firms up its Boeing commitment. After making a second approach in heavy snow and dense fog, the pilot of Flight 74, an RJ100 with 6 crew and 68 passengers arriving from Istanbul, lands midway down the runway at Samsun on the Black Sea, on January 11 and skids some 50 meters into a field. Both pilots and 20 passengers are injured and the fuselage is severely damaged. The aircraft, damaged beyond economic repair, is later written off.

On January 24, the existing relationship with **Swissair, A.G.** is deepened under a new memorandum of understanding signed in Ankara. Although the new pact does not call for SAirGroup to acquire a stake in the Turkish carrier, it does provide for full-freighter flights between Basel and Istanbul with THY and for planning on which new markets the two might enter on a joint basis.

On February 25, ex-convict and Turkish citizen Mehmet Dag hijacks a company flight with 5 crew and 62 passengers while it is en route from Adana to Ankara, and diverts it to the southeastern city of Diyarbakir before surrendering. He claims (falsely) that a teddy bear he is holding contains explosives. Taken into custody, the man is charged with air piracy for which the government will seek a 15-year prison sentence. Diyarbakir Chief of Police Gaffar Okan tells the Associated Press that Dag, who has called himself a "martyr of God," is a psychopath with self-inflicted razor cuts on his body.

Twice-weekly B-737-4Y0 return service is initiated on March 5 from Istanbul to Kazan, Tartarstan. Kazan is the first city in Turkistan to which THY was not the first foreign carrier, having been beaten into service at that point by **Deutsche Lufthansa, A.G.** on March 31, 1997.

On March 29, the carrier joins with **Swissair, A.G., Austrian Airlines, A.G., TAP-Air Portugal, S.A., Sabena Belgian World Airlines, S.A., and AOM French Airlines, S.A.** to form "Qualiflyer" group. Although members will retain their own identities, they will engage in a long list of joint activities, including ground handling, lounges and ticket offices, frequent flyer benefits. Collaborative activities that will be added as soon as details can be worked out include maintenance and overhaul, cargo, in-flight catering, information technology, and duty-free concessions.

Beginning in April, Almaty is dropped as the intermediate stop on the weekly route between Istanbul and Bishkek. At Tashkent on June 18, the deputy directors of THY and **Uzbekistan Airways** sign a protocol that looks forward to cooperation in transportation, training, and technical matters.

Passenger check-in activities at New York (JFK) are transferred on June 12 from Terminal 4W to the newly opened Terminal One. The next day, twice-weekly AVRO RJ70 roundtrips are inaugurated from Ankara to Adiyaman, in southeastern Anatolia.

The company's homepage on the World Wide Web is revised on July 1, the same day twice-weekly AVRO RJ70 roundtrips are inaugurated from Istanbul to Skopje.

While en route from Istanbul to Tokyo on July 9, an A340-311 encounters clear-air turbulence that slightly injures six passengers four hours into the flight; the service continues to Japan.

Just after takeoff from Istanbul on a July 17 service to Ankara, an A310-203, with 175 passengers aboard, suffers an engine fire caused by a fuel leak; a safe emergency landing is made back at the point of origin and no injuries are reported.

Code-sharing between Zurich and Ankara begins on August 1 as **Swissair, A.G.** places its code on the THY B-737-4Q8 daily roundtrip.

En route from Ankara to Istanbul on September 14, Flight 145, an A310-203 with 84 passengers, is taken over by Turkish student Ihsan Akyus, who storms into the cockpit and points a pistol (later found to be a toy) at the head of Capt. Anil Isil. The pirate orders the Airbus diverted to the Black Sea city of Trabzon, while simultaneously demanding that Prime Minister Mesut Yilmaz rescind a ban he had imposed earlier in the year on Islamic attire at Turkish universities. The two-hour incident ends in the release of the hostages and Akyus' surrender to police. The next day, Transport Minister Arif Ahmet Denizolgun will call for "a serious punishment" for the young man's transgression.

Departures into and out of Milan, Italy, are moved on October 25 from Linate Airport to Terminal One of Malpensa Airport.

With the release of the winter schedule on October 28, much of the carrier's route network is changed or upgraded. From the Istanbul hub, the number of daily flights to Ankara is increased from 13 to 14 while the number to Diyarbakir is increased from two to three. Simultaneously, service is offered to Elazyo twice weekly and to Malatya five times a week.

Based on four waves of flights, the new domestic schedule at Ankara is similarly increased. New twice-weekly return service is added to Denizli, while the number of daily roundtrips to Antalya and Trabzon is increased from two to three. Service to Gaziantep is doubled to twice daily, while those to Yzmir are flown five times a day. Frequencies from Ankara to Aory and to Samsun are operated three times a week; to Erzurum and to Kahramanmaraş four times a week; and to Panlyurfa and to Siirt seven times a week.

New twice-weekly service is introduced between Istanbul and Zagreb, together with a third daily roundtrip to Frankfurt. New Friday, Saturday, and Sunday flights are added to the daily roundtrips from Istanbul to Stuttgart, while the schedule is adjusted to show six weekly roundtrips to Hamburg, five to Nuremberg and Baku, and four to Basel. All code-share flights remain as before.

Just after takeoff from Adana on an October 30 service to Ankara, a B-737-4Y0 with 36 crew and 38 passengers is hijacked by armed Kurdish freedom fighter Mursel Peker, who demands that the aircraft be flown to Lausanne, Switzerland. Instead, the plane lands at Ankara, which the gunman has been tricked into thinking is Sofia, Bulgaria, a re-

fueling stop. As part of the ruse, the government has ordered all airport lights turned off and the mosques in nearby villages are told not to hold prayers.

As negotiations are conducted over the next seven hours, the hijacker, closed up in the cockpit, is unaware that security troops have come aboard and evacuated all of the passengers and cabin crew. Finally, commandos storm the cockpit and kill Peker. Police will later reveal that the dead man had been wanted for the 1994 murder of three teachers and a policeman.

In a ceremony presided over by Turkish Prime Minister Mesut Yilmaz, THY, on November 4, receives six of the Next Generation B-737-8YOs ordered the previous December. The mass delivery of the new planes is one of the largest in the history of commercial aircraft. They are christened *Rize*, *Diyarbakir*, *Hatay*, *Afyon*, *Mardin*, and *Igdir*.

Customer bookings climb 2.3% this year to 10.5 million, while freight traffic inches up 1.7% to 260.52 million FTKs. Revenues inch up 0.8% to \$1.36 billion, while costs climb 1.3% to \$1.34 billion. There is an operating loss of \$24 million and a net gain of \$21 million.

Service continues in 1999. Daily roundtrips are inaugurated on March 14 from Istanbul to the tourist and historic community of Nevsehir. At the same time, the number of weekly roundtrips from Istanbul to Bishkek, Kyrgyzstan, is doubled from one to two.

NATO countries find it necessary to unite and commence a military campaign against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo. Operation Allied Force, the bombing attack on targets in Serbia and Kosovo, begins on March 24.

As the aerial operation continues, Serbian forces drive ethnic Albanians from Kosovo into Albania and Macedonia, creating a humanitarian crisis. On March 31, Greece, a member of NATO opposed to the campaign and a traditional foe of fellow-NATO member Turkey, nevertheless grants permission for Turkey to begin a humanitarian airlift to Tirana. This is the first time Greece has ever opened its airspace to Turkish cargo planes.

Three **MNG Airlines Cargo, A.O.** and THY freighters transport 36 tons of food and medicine from the Red Crescent organization to Albania. Additional aircraft fly missions daily thereafter for the duration of the conflict.

All THY flights become nonsmoking on April 1, the same day new services are introduced for business-class passengers.

Just after takeoff on April 7 from Adana on a service to Jeddah, Saudi Arabia, to return Hadj pilgrims, a B-747-4Y0 with 6 crew becomes engulfed in flames and crashes into a field outside of the town of Ceyhan, some 25 mi. from the airfield. There are no survivors. A Second A340-313X is delivered on April 22.

Weekly roundtrips to Beijing begin on May 19. Plans to start summer flights to Barcelona, Warsaw, and Prague must be shelved. Twice-weekly B-737-4Y0 roundtrips are initiated on May 26 linking Istanbul with the Crimena capital city of Simferopol.

With the end of Operation Allied Force on June 11, NATO reopens the airspace over Macedonia to commercial traffic. Consequently, THY resumes thrice-weekly service to Skopje on June 25. In addition, new thrice-weekly return flights are started from Istanbul to Algiers on June 28; weekly flights between Istanbul and Vienna are increased from 11 to 12 on June 30. Twice-weekly roundtrips to Tripoli are resumed on July 14.

Delivered on September 15, a new Next Generation B-737-8F2 arrives from Seattle with a cargo of relief supplies for distribution in the earthquake disaster area. With the beginning of the winter schedule at the end of October, THY introduces the "wave system" of aircraft arrivals and departures at Ankara, with four flights now made daily to regional cities.

At the beginning of October, the wreck of a BAe 146 that had crashed at Samsun in January 1998 is sold to a local businessman for conversion into a restaurant. The deal will later fall through and the hulk will be acquired by **CityFlyer Express, Ltd.** for use as a cabin trainer.

In December, the leases of five of the carrier's nine Avro RJ100s are extended. Passenger boardings inch up 0.4% to 10,541,000 while cargo

traffic jumps 18.2% to 288.25 million FTKs. A net loss of \$121 million is suffered.

The workforce at the beginning of 2000 totals 9,712. The "classic" B-737 fleet now includes 13 Dash-4Y0s, 3 Dash-4Q8s, and 2 Dash-5Y0s, all of which are leased. Also flown are 15 Next Generation B-737-8F2s.

While taking off from Istanbul on a January 1 service to Johannesburg, an A340-311 collides with a flock of seagulls, knocking out two of the four engines on the Airbus and damaging its radar. A safe emergency return to the point of origin is completed and no injuries are reported. A substitute aircraft is located and emergency repairs are effected on the A340.

The previous day's bird-stricken Airbus is assigned to operate the company's Istanbul to New York (JFK) service on January 3. Shortly after departure, the aircraft is forced to return due to a technical problem. Once repairs are made, the aircraft, already late, takes off for New York a second time. About an hour out, the technical fault reoccurs, forcing another return to Istanbul. The third departure is successful and the New York service is finally completed, many hours behind schedule.

On a more mundane January note, the company renews leases for five of its nine Avro RJ100s, and on January 26 takes delivery of a 16th B-737-8F2. A new international terminal is also opened at Istanbul Airport. A new domestic terminal is scheduled for completion in 2002.

A comprehensive code-sharing agreement is signed with **American Airlines** on February 28. On March 22, new daily roundtrip service is inaugurated between Istanbul and the Greek city of Thessaloniki. Two more Next Generation B-737-8F2s now arrive, one each on March 31 and April 3. The last of three A340-313Xs delivered since August 1997 is accepted on April 21.

After landing at Siirt in southeast Turkey in heavy rain after its April 22 service from Ankara, Flight 774, an Avro RJ70, skids off the runway; 5 passengers and 2 crew of the 46 passengers are injured. The aircraft is damaged beyond repair.

The last three of six Next Generation B-737-8F2s to be delivered this year are accepted on May 12, May 17, and June 1, respectively.

A340-311 return service from Istanbul to Shanghai, via Beijing, is increased to thrice weekly on June 6.

Unhappy with their working conditions, air traffic controllers begin a "go slow" policy at Turkish airports; the potential for mistakes increases dramatically.

Daily roundtrips are inaugurated from Istanbul to Chisinau on September 1. A similar service to Warsaw begins on September 15.

A code-sharing agreement is signed with **Cathay Pacific Airways (Pty), Ltd.** on September 22 covering service over the Hong Kong to Istanbul route.

Under a new October 1 code-sharing agreement with THY, **American Airlines** is able to place its designator on THY services from Istanbul to New York (JFK), Chicago (ORD), and Miami. The Turkish line is permitted to code-share on AA domestic flights from those gateways.

The "go slow" policy of the ATC almost results in midair collisions for THY B-737s three times between October 21 and October 24. In the first incident on October 21, the pilot of a "Baby Boeing" on final descent to Ankara on a service from Istanbul, visually identifies a Turkish military plane headed directly at him at 7,000 ft. Altitude is immediately gained and a crash is averted, though several of the 150 passengers are shaken. At 27,900 ft. over the Black Sea later in the day, the TCAS of another B-737, with 155 passengers, sounds; after sighting the lights of an unidentified Russian aircraft, the pilot is able to change course. Ascending to 13,200 ft. after takeoff from Izmir on October 24, the TCAS of yet another B-737, with 150 passengers, sounds a warning of imminent collision with another aircraft; the accident is averted when the 737 halts its ascent.

Also during October, Privatization Minister Yuksel Yalova reveals that the government has decided to change its previous stance and instead of keeping it, will sell off a majority 51% stake in the airline at an early date.

On December 7, Turkish Prime Minister Bulent Ecevit announces that his government will initiate a public offering for the 51% portion of THY that it had earlier agreed to put up for sale. The initial public

offering, which will begin by December 14, comes as a response by Turkey to an agreement it has signed with the International Monetary Fund. Under the pact, the IMF has agreed to provide \$10 billion in credits to help the country surmount fiscal problems while the deregulation of key economic sectors moves forward.

Within a few days, Minister Yalova informs the press that the government shareholding in THY will be 24% when the privatization process is completed.

TIANJIN AIRLINE COMPANY, LTD.: Zhangquizhuang Airport, Tianjin, Tian Jin, Hebei, 300300, China; Phone 86 (22) 439-4104; Fax 86 (22) 494-4105; Year Founded 1996. TA is set up at Tianjin in 1996 to offer scheduled and charter domestic passenger services. Jiang Gue Dong is named president and he launches revenue flights with 4 leased Boeing 737-300s.

Although it is understood that this provincial carrier continues to operate in the period after the beginning of the Asian economic crisis in 1998, no definite information has been located to that effect.

TIE AVIATION (TRANS-INTERNATIONAL EXPRESS): Building 179, P.O. Box 300994, John F. Kennedy International Airport, Jamaica, New York 11727, United States; Phone (718) 244-8909; Fax (718) 244-8912; <http://www.iflytie.com>; Code 5B; Year Founded 1993. Founded by Jacob Lamdan, TIE Aviation is incorporated at New York City in 1993 to sell cargo space to freight forwarders to designations in Central America, Puerto Rico, and Israel. In August 1996, the company receives its FAA Part 135 operator's certificate and joins IATA.

Late in the year, interline agreements are initiated with **Continental Airlines**, **Pan American World Airways (2)**, **Tower Air**, and **Carnival Air Lines**. Revenue passenger charters commence with a fleet comprising 1 each Piper PA-23 Aztec and PA-31-350 Navajo Chieftain.

Flights continue in 1997 and plans are made late in the year to inaugurate several daily roundtrips linking JFK with Albany, Burlington, Atlantic City, Hartford, and Washington, D.C. Four-times-a-week service to both Atlantic City and Hartford becomes a reality.

The company begins working with the FAA on a Part 121 certificate. The agreement with **Carnival Air Lines** ends when that company is merged into **Pan American World Airways (2)** in September.

During the spring of 1998, a whole new management team is put in place, headed by former **Northwest Airlines** executive Thomas Ronell as president, ex-**Deutsche Lufthansa, A.G.** official Michael Winkler as director of business development, and onetime director of operations and chief pilot of **Block Island Airlines** Robert Tidler to hold the same post with TIE Aviation.

These gentlemen devise a plan to provide scheduled commuter links for nonaffiliated JFK-based international airlines to destinations within an hour's flying time of the airport. To accomplish this end, the paperwork is completed to upgrade TIE's operating certificate to FAR Part 121 standard and orders are placed for three previously used Shorts 360-300s.

The premier Shorts is received during the first week of July and upon receipt of the new FAR authority, is employed in August to launch daily roundtrips to Philadelphia. Another 360-300 enters service in November.

A third Shorts 360-300 is acquired early in 1999. On June 17, company officials unveil plans to begin roundtrip services from New York (JFK) to Tel Aviv, Israel, on September 1 employing a Boeing 747-312 leased from **Singapore Airlines, Ltd.**

Although the cargo service is not started, Shorts flights continue in 2000.

TIGAS (TURKS AND CAICOS ISLANDS GOVERNMENT AIR SERVICES, LTD.). See **AIR TURKS AND CAICOS, LTD.**

TIGERES VOLADORES, S.A.: Venezuela (1962–1972). This non-scheduled all-cargo carrier is established at Caracas in 1962. A Curtiss C-46 Commando freighter is acquired, allowing domestic revenue flights to commence in August.

When **LEBCA (Lineas Expresa Bolivar, C.A.)** fails in April 1968, Tigres is able to acquire four more Commandos from the ruined line's assets. Flights cease in 1972.

TIGERFLY, LTD.: 3 Badgers Way, Marlow, Buckinghamshire, England, SL7 3QU, United Kingdom; Phone 44 (0) 1494-447575; <http://ayla.avnet.co.uk:80/tigerfly>; Year Founded 1986. Calling itself the "World's Smallest Airline," Tigerfly, Ltd. is established by Peter Wyld and five others at Wycombe Air Park (Booker) in July 1986 to provide regularly scheduled weekday flight-seeing services. Employing a restored 1940 de Havilland DH 82A Tiger Moth, roundtrip frequencies (including on-demand aerobatics) are undertaken between Marlow and Henley on the Thames River.

Operations continue apace and by the end of 1994 a total of 4,000 passengers have been transported. Flights continue during the remainder of the decade.

TIGRES VOLADORES, S.A. de C.V.: Mexico (1955–1959). Tigres Voladores (Flying Tigers) is formed at Mexico City in April 1955 specifically to fly citizens deported to the capital city from the U.S. on to the cities of Leon, Aguascalientes, Guaymas, and Durango. Over the next four years, a total of seven Curtiss C-46 Commandos will be operated, although not all simultaneously.

The C-46 contract service continues until disaster strikes. A C-46F, with 5 crew and 21 passengers, is lost at Puerto Kino, Mexico, on April 17, 1959; there are no survivors. Among the victims is the company's owner. As a result of the tragedy, the carrier is shut down almost immediately.

TIKAL JETS AIRLINE, S.A.: Avenida Hincapie, Zona 13, Hangar 8, 18 Calle Interior, Aeropuerto La Aurora, Guatemala City, 01013, Guatemala; Phone (502) 334-5568; Fax (502) 334-5631; <http://www.tikaljets.centroamerica.com>; Code TJ; Year Founded 1995. Fernando Rodriguez sets up Tikal Jets at Guatemala City in 1995 to offer scheduled and charter passenger and cargo services to domestic and regional destinations. Revenue operations commence with 1 each British Aerospace BAe (BAC) One Eleven 400 and Shorts 330. In 1996, six Let L-410 turboprops are acquired; however, in 1997, three of these are withdrawn as another hush-kitted One Eleven 400 jetliner enters service.

Flights continue in 1998–2000. In addition to domestic destinations, company jetliners also visit communities in Panama, Mexico, El Salvador, and Colombia.

TILLAIR (PTY.), LTD.: Australia (1982–1988). Formed at Katherine in the Northern Territory in 1982, Tillair undertakes scheduled commuter flights on behalf of itself as well as the Ansett subsidiary **Airlines of Northern Australia (Pty.), Ltd.** Destinations visited without support are small towns, tourist spots, and cattle stations, including Groote Eylandt, Hooker Creek, Kalkgurung, Numbulwar, Roper River, Victoria River Downs, and Wavehill Station.

ANA stops are the larger towns of Darwin, Tennant Creek, Alice Springs, and Ayers Rock. The fleet by mid-decade comprises 2 Cessna 402s, 1 Cessna 404, 2 Cessna 441s, and 1 Cessna 310. Three more 402s are acquired between 1985 and 1987.

Another Cessna 310 and a Cessna 441 are purchased in 1988. However, in the tough competitive that marks the Australian airline scene at the end of the decade, Tillair is unable to maintain its viability and is forced to cease operations late in the year.

TIM AIR CHARTERS, LTD.: Tanzania (1959–1976). Tim Air is established by Tim R. K. Bally at Dar es Salaam in 1959 and operates passenger and cargo charters from its base, as well as a secondary airfield at Arusha.

When Kenya-based **Campling Bros. & Vanderwal, Ltd.** is sold to Blackwell Enterprises of New York in June 1963 and broken up, that small portion that had operated over the border in Tanzania is purchased.

In one fell swoop, Tim Air becomes the nation's largest nonscheduled airline.

Piper and Cessna lightplane operations will continue for another 12 years. In 1976, the company is taken over by **Tanzanair (Tanzanian Air Service, Ltd.)**.

TIMBERLINE AIR, LTD.: Canada (1989–1997). Timberline Air is established at Chilliwack, British Columbia, in 1989 to provide transportation support to the logging industry. Due to an increased demand for air services, the company, at the beginning of 1990, starts to diversify into charter services.

Flights continue in 1991–1997, during which years the company opens a base at Nanaimo and an office at Bella Bella. Employing the two Beech King Air 100s and Piper PA-31-310 Navajo, Timberline also introduces daily scheduled services to and between Chilliwack, Nanaimo, Bella Bella, Vancouver, Campbell River, and Port Hardy.

TIME AIR: United States (1968–1969). Time Air is established in 1968 as the airline division of Hunter Aviation Corporation, the FBO at Fitchburg, Massachusetts. Employing a de Havilland Canada DHC-6-100 Twin Otter, the company duly inaugurates scheduled daily roundtrips linking its base with Boston. These flights continue into 1969.

TIME AIR, LTD.: Canada (1966–1993). Organized at Lethbridge, Alberta, by Walter R. "Stubb" Ross in early 1966, **Lethbridge Air Services, Ltd.** is initially equipped with a Beech 18 and a Cessna 402. These are employed, beginning in May, to link the company's base with Calgary and Medicine Hat.

Within three years, the fleet has been upgraded by the addition of a second Beech 18, another Cessna 402, and a de Havilland Canada DHC-6-100 Twin Otter.

Routes are expanded in 1969 to connect Lethbridge with Edmonton via Calgary and Red Deer and with Calgary via Medicine Hat. The carrier's name is now changed to Time Air, Ltd.

Service is continued without significant change during 1971–1973. Several efforts to provide Edmonton to Red Deer flights prove uneconomical and are given up. A Cessna 402 and Beech 18 are withdrawn and replaced by three additional DHC-6-100s, one of which is sold in 1973.

The last Beech 18 and Cessna 402 are sold in July and August 1974, respectively. They are replaced in October by Fairchild Hiller FH-227J, which is placed into competition with **Pacific Western Airlines, Ltd. (PWA)** on an Edmonton–Calgary route. Unlike the PWA service, Time Air stretches its Calgary flights on to Lethbridge. The route is a success and an FH-227A is purchased in July 1975 to provide additional capacity for it.

To upgrade its fleet, Time Air also orders three Shorts 330s, the first of which is delivered in early August 1976 and placed into service on the Edmonton–Calgary–Lethbridge run on August 24. Two additional Ulster-made turboprops are received, one each in October and November.

A Twin Otter is sold in January 1977 and a Beech 18 in February. In June, the FH-227A is passed to **Norcanair, Ltd.** One of the company's Shorts 330s becomes, on November 29, the first aircraft to arrive at Calgary's new international terminal.

Also in November, the FH-227J is sold to **Pacific Alaskan Airlines**. Edmonton–Pitcher Creek DHC-6 flights begin in May 1978 and are followed by an Edmonton–Grand Prairie service in December 1979. Meanwhile, the Pitcher Creek frequency is suspended in October of the latter year.

Early in 1980, orders are placed for three DHC-7-102s, the first of which is delivered in May and the second in September. Also in May, **Norward Aviation, Ltd.**'s Edmonton to Peace River and Rainbow Lake service is temporarily acquired as its owner plummets toward liquidation. Cold Lake is now briefly visited, but is abandoned when the frequency proves unprofitable.

With **Northward Aviation, Ltd.** now bankrupt, the assets of its **Gateway Aviation, Ltd.** subsidiary are purchased in November for

C\$1.8 million. These include the temporary Alberta routes flown since May and a Convair CV-640 dedicated to them.

Fleet rationalization begins to occur in 1981 as the decision is taken to sell both the Twin Otters and Shorts. The former two are sold in January and June, respectively. The last of three DHC-7-102s ordered in early 1980 arrives in September and one of the Shorts is withdrawn in December.

In February 1982, the carrier inaugurates its first service outside of Alberta, flying a DHC-7-102 from Lethbridge to Vancouver via Kelowna. This route had originally been awarded to PWA but is now given to Time Air by order of the federal cabinet. In June, Time Air avails itself of a new strategy that becomes common in the industry; all of its DHC-7-102s are sold to a leasing firm and then chartered back. A second Shorts 330 is sold in September.

Stubb Ross sells a 40% interest in Time Air to PWA in October 1983 for C\$4.3 million. Ross remains board chairman and Richard Barton is named president. The company's DHC-7-102s now replace the larger carrier's Boeing 737-2T2Cs on Connector services from Vancouver to Victoria and to Campbell River via Comox.

The last Shorts 330 is sold in February 1984 and a second CV-640, acquired from **Worldways Canada, Ltd.**, joins the fleet on May 21. Also in May, Walter Ross retires and Richard Barton becomes CEO. Calgary–Castlegar flights begin in June and are followed in September by two ex-PWA services out of Edmonton: to High Level via Peace River and to Fort Chipewyan via Fort McMurray.

In May 1985, **Inter City Air, Ltd.** is acquired, together with its CV-580, for C\$2 million. Two other Convairs are leased from **Air Ontario, Inc.** during the summer and a second CV-580 is purchased in September. Meanwhile, in June, Calgary-based **Southern Frontier Airlines, Ltd.** is taken over, together with its CV-440 and routes to Cold Lake, Saskatoon, and Lloydminster. Time Air takes over the routes with the two ex-Southern Frontier Beech 99s as the Convair is parked.

The new acquisition's charter division is allowed to continue and during the fall, the carrier is given approval to inaugurate a number of new services (as replacement for abandoned PWA stops) out of Edmonton and Prince George. New destinations visited include Dawson Creek, Williams Lake, Kamloops, and Penticton. Two Shorts 360s are ordered in October and delivered in November. These are placed on the flights emanating out of Vancouver.

In order to place more capacity on routes into Vancouver during Expo '86, service to Saskatoon is suspended early in 1986. Another CV-580 is acquired in February and in June the company joins **Air BC, Ltd.** in announcing a major order for DHC-8-100s and Dash-8-300s. Three new routes out of Vancouver are initiated during the summer: to Port Hardy, Kamloops, and Penticton and Castlegar.

In September, the company joins PWA commuter network, the Spirit Service. Two routes out of Prince George are halted in October: that to Dawson Creek and that to Kelowna and in December, **Pacific Western Airlines, Ltd.** purchases **Canadian Pacific Airlines, Ltd.** Enplanements for the year total 575,000. Revenues advance to C\$33 million and with costs kept down, a C\$3.89-million operating profit is generated, along with net income of C\$773,000.

Airline employment increases 60% in 1987 to 639. A fourth DHC-7-102 is acquired from **Air Atlantic, Ltd.** in February. On March 16, Time Air purchases Saskatoon-based **Norcanair, Ltd.** and its two CV-640s and two Fokker F.28-1000s. The new acquisition will be allowed to maintain its separate identity during a yearlong integration process.

Also in March, two Fokker F.27s arrive and the first of five DHC-8-102s to be received on the year is delivered. In April, CPAL and PWA are integrated into **Canadian Airlines International, Ltd.** The commuter now adopts its new parent's code and as a member of the "Canadian Partner" commuter alliance, begins to paint its aircraft in a similar livery. Two more DHC-8s arrive in April and the last two in June and July.

The new turboprops are placed on services out of Lethbridge to Kelowna and Vancouver. A CV-580 is sold to **Air Ontario, Inc.** in August. In September and October, Vancouver–Williams Lake and Quesnel

flights begin and frequencies from the capital of British Columbia to Comox and Campbell River are increased.

A second CV-580 is sold to **Air Ontario, Inc.** in December, the same month the ex-Norcanair F.28-1000s are integrated and a Dash 7 begins a six-month lease to **Wideroe's Flyveselskap, A.S.** The integration of Norcanair is completed at year's end.

Passenger boardings swell 34.5% to 770,783 and revenues ascend by 59.4% to C\$49.7 million. Expenses are kept under control, allowing the operating profit to reach C\$5.86 million and net gain to grow to C\$2.6 million.

The workforce is increased by 37.4% in **1988** to 878. **Norcanair, Ltd.** is fully absorbed on January 1. Time Air is now affiliated with **Canadian Airlines International, Ltd.**, owned by the carrier's minority shareholder, PWA. A third F.28-1000 is acquired in March. When CAI drops its services to Castlegar, Dawson Creek, Quesnel, Williams Lake, and Penticton in May, they are assumed by Time Air. The carrier's flights to Great Falls, Montana, are dropped. Two more Beech 99s are received in June, followed by former **Maersk Air, A.S.** Dash-7s, one each in October and December.

Meanwhile, a CV-640 is sold to **Canada West, Ltd.** in August and Vancouver-Seattle DHC-8-100 service is kicked off in October. An F.27 is sold in November and is replaced on its Saskatchewan routes by Dash 7s.

Customer bookings accelerate by 35.9% to 1,048,000 and revenues swell 43.2% to C\$77.8 million. Operating income rises to C\$11.7 million and net profit surges to C\$4.3 million.

Airline employment is increased by 19.2% in **1989** to 4,600. The world's first production DHC-8-301 is delivered in February. It does not enter airline service right away; rather, its manufacturer takes it on a demonstration tour. During late winter, the company's maintenance base is shifted to Calgary from its previous Lethbridge facilities.

The fleet at year's end includes 6 DHC-8-301s, plus 4 DHC-8-102s, 5 DHC-7-102s, 5 Beech King Air 90s, 3 Fokker F.28-1000s, 4 Beech 99s, 1 Cessna Citation, 2 Shorts 360s, and 2 Convair CV-580s. Orders are outstanding for a pair of DHC-8-300s and a CV-580.

Passenger boardings swell 19% to 1,250,000 and revenues jump 24.5% to C\$97 million. Costs are held in check and allow operating profit to reach C\$11.9 million. Net gain is \$6 million.

PWA, Inc.'s new Canadian Regional Airlines division acquires 46% minority ownership of this large regional in **1990**. Airline employment remains unchanged; however, the five DHC-7-102s are sold.

Enplanements for the year reach 1.5 million.

In **1991**, 1,300 employees are overseen by General Manager Glenn Pickard, who also operates a fleet that includes 6 F.28-1000s, 14 DHC-8-301s, and 6 DHC-8-102s.

In January, the remaining 54% shareholding is taken by PWA, Inc. in consideration of C\$11 per share. Under the label Skybus, new 10-times-per-day DHC-8-102 service is inaugurated on January 13 between Kelowna and Vancouver, replacing the B-737 service previously provided by **Canadian Airlines International, Ltd.**

Operations continue apace in **1992** as the carrier participates under auspices of the new Canadian Regional Airlines holding company. In March **1993**, the airline is amalgamated with **Ontario Express, Ltd.** to form an enlarged regional under the holding company title, **Canadian Regional Airlines, Ltd.**

TIME AIR SWEDEN, A.B.: Sweden (1991-1993). Thomas Johansson's air taxi Time Air Sweden, A.B. is established at Stockholm in March **1991** to provide both domestic and regional charter flights, the latter under the name **Air Sweden, A.B.** Local services are maintained with 1 Beech Super King Air 200C, 2 Israel Aircraft Industry 1124 Westwind 1s, and 1 Piper PA-31-310 Navajo. Air Sweden passenger charters are inaugurated to Caribbean and Canary Island holiday locations with a Boeing 737-205 leased from **Transwerde Airways, A.B.** The success of these flights leads the company to charter 1 each Boeing 737-205A and B-737-3Q8. In December, a Douglas DC-8-71F is leased from GPA Group, Ltd. and is employed to fly cargo around Europe on behalf of Air India, Ltd.

To improve business in **1992**, the Air Sweden, A.B. fleet is dramatically increased. Added under charter are one each Lockheed L-1011 TriStar 1, DC-8-71F, and two B-737-3G7s.

The GPA Douglas is returned in March as an owned DC-8-71F is acquired. Christened Italian Rainbow, the narrow-body immediately undertakes a weekly roundtrip all-cargo service from Stockholm to Bombay, India, via Ostend and Dubai.

The capacity-enhancement gamble of the previous year does not pay off as recession impacts holiday travel and causes significant financial distress for TAS, as well as several other Scandinavian charter operators. Despite a poor winter season, the company, in an effort to boost business, charters a Lockheed L-1011 TriStar 1 to transport passengers from Stockholm to the Canary Islands during the high summer season. This idea is equally unsuccessful. The fall schedule, which begins at the end of October, brings more disappointment.

With few prospects for passenger contracts from tour operators for the upcoming summer season, TAS owners shut the company's doors in February **1993**. The leased aircraft are returned and all other inventory is liquidated.

TIME AIRLINES: United States (1968-1969). Time Airlines is set up by Gene Cramer at Benton Harbor, Michigan, during the first week of January **1968** to offer scheduled passenger and cargo services to regional destinations. Employing 1 each Beech 18 and Beech 99, the company starts daily roundtrips on January 22 linking its base with Detroit and the 2 smaller airports at Chicago (Meigs Field and Midway). Operations continue until July **1969**.

TIME MACHINE: United States (1982-1984). The Time Machine is established at Atlanta in **1982** to provide scheduled helicopter flights linking its base with heliports at Galleria, Perimeter Center, and Beaver Rim. Service is inaugurated with a Bell 206B JetRanger and a Bell 222.

Recession and high operating costs force the company to shut down in early **1984**.

TITAN AIR CHARTER, LTD. See **TITAN CHARTER AVIATION (ASTORIA), LTD.**

TITAN AIR COMPANY: 18/1 Olimpiski Prospekt, Moscow, 129110, Russia; Phone 70952231348; Fax 70952231349; Code TIT; Year Founded 1988. TAC is set up at Moscow in **1988** to undertake outsized all-cargo charters, primarily on behalf of the domestic energy industry. Revenue flights begin with a pair of giant Antonov An-124-100 Ruslan freighters.

Airline employment at the beginning of **1999-2000** stands at 75.

TITAN AIRWAYS, LTD.: Enterprise House, Stansted Airport, Stansted, Essex, England, CM24 1QW, United Kingdom; Phone 44 (1279) 680 616; Fax 44 (1279) 680 11; http://www.titan-airways.co.uk; Code T4; Year Founded 1988. Titan is established at London (STN) in **1988** by the ARTAC charter brokers to undertake ad hoc passenger and cargo charters and contract service flights to regional destinations, largely on behalf of the British automobile industry. Founding member Gene H. Wilson is named managing director and operations are initiated with one Cessna 404 Titan, from which the enterprise draws its name.

Capacity to continue the emergency freight services offered to Ford and General Motors force Wilson to purchase another Titan early in **1989**, following it with an Embraer EMB-110P1 Bandeirante. A Shorts 330-100 is purchased in May **1990** and passenger charters are undertaken.

A second 330-100 is leased in **1991** along with three Shorts 360-300s. Differences in market philosophy now occur between ARTAC, which wishes to continue freighting on behalf of the auto industry, and the carrier's leadership.

The company is subjected to a management buyout in February **1992** as Gene Wilson (51%) and Brian Donald (19%), backed by the invest-

ment capital group 3i (30%), take control. Orders are placed for the charter of an Avions de Transport Regional ATR42-300.

Airline employment in 1993 stands at 30 as a SAAB 340B is ordered. Being ferried from Southend to Glasgow on January 13, the original Bandeirante with two crew encounters bad weather and fog and strikes a hill at Ponsenby Fell, three mi. E of Sellafield; there are no survivors.

The company, in March, plans to become the first domestic scheduled carrier to operate out of London (LCY), offering twice-weekly roundtrips to Belfast City Airport. When the government's Civil Aviation Authority (CAA) requires the company to display an increase in its working capital above £1 million (\$1.5 million), the new route's start-up must be postponed until September.

The fleet in 1994 includes 3 Shorts 360-300s, and 1 each Shorts 330-100, Cessna 406 Caravan II, and ATR42-300. Another of the latter type is leased in June, followed at year's end by a Cessna 500 Citation I.

The company handles both passenger and freight work, on a fixed or short notice basis; more and more business comes from rapid response to capacity requests from such customers as **Manx Airlines, Ltd.** and **Air U.K., Ltd.** Contracts are arranged on an ACMI (aircraft, crew, maintenance, insurance) wet-lease basis.

A third chartered ATR42-300 arrives in 1995. In the spring, the company agrees to become U.K. launch customer for the ATR42-500; however, when it is learned that the first aircraft cannot be delivered before summer, the order is cancelled. In September, a Shorts 360-300 is leased to **Base Regional Airlines, B.V.** for six months. During the summer, an ATR42-300 is wet-leased to the Italian carrier **Meridiana, S.p.A.** In December, the company agrees to lease a British Aerospace BAe 146-200QC from Asset Management Organization.

The BAe is delivered at the start of April 1996, entering service two weeks later. On September 5, the carrier receives, for the third time in three years, a Silver Award from the British Post Office in recognition of its high quality of service on the nightly Royal Mail Skynet.

Unable to land because of weather at East Midlands Airport after a January 3, 1997, service from Exeter, a Shorts 330-100 with two crew and a passenger is placed in a holding pattern. With fuel running low, it is subsequently diverted to Liverpool. While landing, the freighter touches down hard, causing the right main landing gear to collapse. Although the aircraft is damaged, no injuries are reported.

Following a 10-month lease, Titan, on February 25, purchases the BAe 146-200QC it has been chartering from Assets Management: Jets. On May 1, the carrier announces that it will lease a BAe 146-200 from **USAirways** and will be put to work on a contract with **Jersey European Airways, Ltd.** flying between the U.K. and Belfast.

In a fortunate piece of delivery exposure, the aircraft is photographed as backdrop in a scene where "Q" demonstrates a new BMW automobile to James Bond in the 18th Bond movie, *Tomorrow Never Dies*, which premieres in the U.S. on December 19.

Meanwhile, another BAe 146-200, first flown by **British World Airlines, Ltd.**, is repainted in a colorful blue-and-white color scheme and delivered in November.

Enplanements for the year total 14,000 and 568,000 FTKs are also operated.

Flights continue in 1998 without significant fanfare. During the year, airline employment is increased by 60% to 120. Business, on the other hand, falters.

Passenger boardings plunge 42.9% to 8,000 while cargo traffic is off by 56.2% to 249,000 FTKs.

During the first quarter of 1999, a BAe 146-200 is leased to **CityJet, Ltd.** for use on the Irish carrier's new "Air France Express" services. During the same time, the company introduces a new corporate image and aircraft livery. Gone from plane tails is the previous outline of a Greek soldier, replaced with a stylized globe painted on the markings-free white and light blue fuselages. Markings are left off in order to make it easier for ACMI customers to add their own with easy on/off decals available through a program Titan runs in cooperation with London-based Graphicraft, Ltd.

In early May, an arrangement is concluded with Ansett Worldwide Aviation Services for the charter of a used Boeing 737-300 which will be based at London (STN) and wet-leased out to other European carriers requiring additional capacity. The aircraft, an ex-**Air Pacific, Ltd.** B-737-33A, is received in June.

The busy summer season prevents the carrier from carrying out a plan to equip the Boeing with leather seats. This is completed during the first week of November by Frank Guy, Ltd. and the plane is returned to the airline on November 10.

Passenger boardings for the year jump 28% to 10,000.

A total of 75 workers are employed at the beginning of 2000, a 37.5% decrease over the previous 12 months. The company's second chartered BAe 146-200QC is unveiled in a new trial color scheme on January 9. Designed by the Hertfordshire design house The Foundry, the livery is applied by Aviation Cosmetics. Both companies had worked with Titan on its successful "Globe" scheme.

To cover the late delivery of its new DHC-8-Q300s, **Augsburg Airways, GmbH.** on February 1 signs a wet-lease contract with Titan under which the British operator will fly its British Aerospace BAe 146-200 over the German airline's Augsburg-Berlin route until the end of March. During this time, the aircraft will wear an experimental new color scheme designed by The Foundry group.

The Augsburg contract is extended in March for another six months; however, the route terminus is altered from Berlin to Budapest. Wearing full Titan colors, the B-737-33A is wet-leased to **Tyrolean Airways (Tyrolean Airways Luftfahrtgesellschaft, GmbH.)** for six months, beginning on June 16.

The chartered B-737-33A is employed on behalf of the Cunard Steamship Company between August 9 and October 26 to provide a link from London (STN) for passengers flying to Mediterranean points to join the RMS *Caronia*.

In mid-December, Titan wins a long-term contract with the British Royal Mail to operate a pair of British Aerospace BAe 146-200QCs nightly, one each on the route from London (STN) to Belfast and the other from Edinburgh to East Midlands. The deal is historic as it marks the initial introduction of jet equipment onto the nightly U.K. mail service.

TITAN CHARTER AVIATION (ASTORIA), LTD.: Canada (1995-1996). The deep-discount carrier, also known as **Transports Aeriens Astoria, Ltd.** or **Titan Air Charter, Ltd.**, is established at Toronto in early spring 1995. Two Boeing 737-275s are leased from ATASCO and, on May 26, inaugurate six-times-per-day roundtrips to Montreal (YUL). The carrier folds within a year.

TLA (TOTAL LINHAS AEREAS, S.A.): Transportadores Sullsta S/A, Ave. Senador Salgado Filho 5397, Bairro, Uberaba, CEP-81580-000PR, Brazil; Phone/Fax 55 (41) 376-1710; http://www.tal.com.br; Code TTL; Year Founded 1988. TLA is established as the air taxi Total Aerotaxi, Ltda. at Belo Horizonte, in the state of Minas Gerais, in 1988. Over the next 5 years, the company hauls mail for the Brazilian postal company Telegraphs. Scheduled intrastate services are added and the fleet comes to include 5 Embraer EMB-110P1 Bandeirantes and 1 Beech 99.

In April 1993, the 45-employee carrier takes delivery of the first EMB-120QC Brasilia. The new turboprop, which can carry either 30 passengers or 3,500 kg. of cargo, enters night mail service for the Brazilian Post Office.

Curitiba-based Grupo Sulista, in 1994, purchases the company with a plan for turning it into a regional air carrier. Over the next two years, investments are increased and in 1996 the company receives scheduled airline authority from the Department of Civil Aviation. At this point, the air taxi is renamed Total Linhas Aereas or Total Airlines.

Flights continue in 1997-1998 with a fleet that still includes 1 Beech 99, 7 Bandeirantes, and the lone Brasilia. Two new Avions de Transport Regional ATR42-320s join the fleet during the latter year.

During the first quarter of **1999**, a Portuguese-language homepage is opened on the Internet's World Wide Web. An English-language version will appear a year later. A third ATR42-320 arrives in midyear, allowing retirement of two Bandeirantes.

During the second week of July **2000**, twice-daily all-cargo roundtrips are inaugurated from São Paulo to Florianópolis; one flight is operated with an EMB-120 and the second with an ATR42-320.

Two Boeing 727-243AFs are leased from Pacific Coast Group in early November and are employed to inaugurate all-cargo return service from São Paulo to Florianópolis via Rio de Janeiro and Curitiba.

TMK II COMMUTER, S.A.: Zaire (1990–1994). TMK is founded at Kinshasa in **1990** to offer scheduled passenger and cargo services throughout the nation. Revenues services are started during the summer with a single de Havilland DHC-6-300 Twin Otter. A second Canadian turboprop is acquired in **1991**. Operations continue for two more years.

TNT AIRWAYS, B.V.: Neptunusstraat 41-63, 2132, JA, Hoofddorp, The Netherlands; Phone (31) 20 500 6877; <http://www.tnt.com>; Code NTR; Year Founded 1999. During the summer of **1998**, the company's owners, KPN, the Dutch PTT & Telecommunications organization, is split up, leaving **TNT Express Worldwide (TNT International Aviation Services, Ltd.)** as a subsidiary of the TNT Postal Group, N.V. As an Australian company, TNT could not own or operate its own European airline, but now the restriction no longer applies. Planning is begun for the establishment of a wholly owned, noncontract cargo airline. During the year, TNT and its affiliates move 2.91 million freight tons.

TNT Express and the cargo division of **American Airlines** sign a worldwide airline service level agreement on January 28, **1999**. The pact is the first of its kind between TNT and a U.S. carrier and will extend its reach, particularly into South and Central America. Improved service standards and block-space cargo availability in the freight holds of AA's new Boeing 777-223s are important components of the new arrangement. Freight tons carried grows to 2.97 million and TNT Express contributes \$145 million to its parent's \$860 million 1999 revenues.

At the beginning of **2000**, TNT's air network moves 1,400 tons of express cargo weekly and serves 50 airport every night throughout Europe. When capacity through its "OneWorld" alliance and **KLM (Royal Dutch Airlines, N.V.)** partners is figured in, TNT is able to offer an additional 5,300 flights operating between 726 worldwide hubs.

TNT Airways, Ltd. is officially created on April 7 as a subsidiary of TNT Holdings, B.V. to operate on a noncontract basis as TNT Postal Group's own cargo airline. Although headquartered in the Netherlands, the operational component, under Vice President Fred Beljaars, is based at the TNT European Express Centre at Liege, Belgium, from whence it can take full advantage of TNT Postal Group's extensive European road network. It now begins the process of reacquiring the fleet of 18 BAe 146QT freighters it has placed with other European operators. These are to be consolidated into the new airline as the contracts with each carrier end. It is anticipated that the company will launch flights under its own brand at the end of the year and be fully operational by the end of 2002.

As TNT Postal Group further prepares for the deregulation of European postal services over the next year, it joins with the British Post Office and the Singapore postal authority, also in April, to create an international mailing joint venture. Combined potential value of this enterprise, with its emphasis on the delivery of business mail, could be upwards of \$429 million.

In need of additional capacity in Europe, TNT, during the second quarter, reclaims the two BAe 146-200QTs it has had on lease to **Pacific East Asia Cargo**. They are shifted to London (STN), arriving on April 25 and 28, respectively.

Work toward the official beginning of service continues apace during the remainder of the year. It proves difficult to attract flight crews to Liege, due largely to the high taxes of Belgium. In October, a contract is won with ABB to handle express documents, parcels and freight for the technology concern's 1,000 offices around the world.

Employing a single BAe 146-300QT, TNT Airways inaugurates revenue all-cargo services from Liege in mid-February 2000.

The company's fleet is dramatically increased on May 3 when the contract with **Air Foyle, Ltd.** ends and the eight BAe 146QTs it had been operating on behalf of **TNT Express Worldwide** are transferred back the TNT European Express Centre. The **Pan Air Lineas Areas, S.A.** contract has one more year to run.

In mid-May, TNT purchases the original Airbus Industrie A300B4-203F of **Channel Express (Air Services), Ltd.** The last **Air Foyle, Ltd.** BAe 146QT arrives at Liege on June 5, physically bringing an end to a relationship begun in May 1987. Approximately 55 former Air Foyle pilots have been enticed over to fly the aircraft.

The **Channel Express (Air Service), Ltd.** A300B4-203F is transferred to Belgium on July 5, where it is joined by a second Airbus freighter during the second week of the month.

A new cargo facility is dedicated at New York (JFK) on August 7. The facility is linked by a daily B-757-200F freighter service to the Liege cargo hub.

Another A300B4-203F is purchased on December 15, this one from the First Security National Bank. Using **Pan Air Lineas Aereas, S.A.** A300B4-103Fs, a new cargo route is opened during Christmas week from Liege to Pescara via Bologna. Two more Airbus A300B4-203s are acquired as the year ends and will also be converted into freighters.

TNT EXPRESS WORLDWIDE (TNT INTERNATIONAL AVIATION SERVICES, LTD.): United Kingdom (1988–1999). TNT, Ltd., that part of the Australia-based TNT International Aviation Services Group dedicated to European services, establishes its main hub at Cologne in **1988** while keeping administrative headquarters at Windsor, Berkshire, England. Gerry Fallscheer is appointed managing director and à la **Federal Express (FedEx)**, established an integrated European network of more than 30 cities. These will be served nightly by contract carriers, who may use the aircraft during the day to provide daytime charters booked through the company's Windsor commercial department. Neither traffic nor financial data is released.

In **1989**, a total of 10 British Aerospace BAe 146-200QTs are flown, two each by **Air Foyle, Ltd.**, **Euralair, S.A. (2)**, and **Malmo Aviation, A.S.**, and one each by **Malev Hungarian Airlines; Mistral Air, S.p.A., Pan Air Lineas Aereas, S.A.,** and **Nurnberger Flugdienst, GmbH.** Orders are outstanding for 6 more Dash-200QTs plus 10 Dash-300QTs.

Four BAe 146-300QTs arrive in **1990** and two each are assigned to **Air Foyle, Ltd.** and **Malmo Aviation, A.S.** The former carrier also receives the 11th Dash-200QT. Although seven Dash-300QTs are on hand in **1991**, four (including two flown by **Air Foyle, Ltd.**) are placed in storage as recession, higher fuel bills, and the Gulf crisis impact the carrier's air freight business.

To market all of its cargo products under a single umbrella, TNT, Ltd. in May is reorganized into the single program TNT Express Worldwide, Ltd. Ownership is now held by a consortium of postal departments from Canada, Sweden, France, Germany, and the Netherlands.

Based at Amsterdam and with Paul Moorhouse as chief operating officer, the new organization comes into effect on July 1. At this point, the company controls 1,200 offices in Europe and the U.S. (including 50 in the latter nation) and buys up the entire BAe 146 production line for the next 2 years. An office is opened in Hong Kong in October as services commence in Asia.

The 11 BAe 146-200QTs and 8 Dash-300QTs are fully engaged in **1992** as services improve following the end of the Gulf War. Of the latter aircraft type, **Air Foyle, Ltd.** operates three, **Malmo Aviation, A.S.** flies two, and one each are flown by **Mistral Air, S.p.A.** and **Pan Air Lineas Aereas, S.A.** In May, daily return cargo flights are inaugurated between Cologne and the Finnish city of Turku.

During the year an agreement is entered into with **Federal Express**; under its provisions, TNT will provide intra-European cargo and express flights on behalf of the American major to 10 communities. In Decem-

ber, the company's Aircraft Maintenance Services division opens a new Engine Repair Centre at London (CTN).

In early 1993, a DC-8-73F is acquired and employed to fly five times per week between Cologne and New York City. New European partners joining the operation include **Eurowings NFD + RFG, GmbH**, and **City Air Scandinavia, A.S.** The airline, with the help of **Pacific East Asia Cargo** (formerly **Air Philippines**), expands into the Far East during the spring. Two BAe 146-200QTs are provided to the Asian partner which, also employing two of its own BAe 146-300QTs, inaugurates overnight flights linking its Manila base with Taiwan, Singapore, and Brunei. PEAC's Manila base becomes TNT's new Asian hub.

During the first quarter of 1994, the company's Premium Service and Mail Fast products are joined by a third express-level, "Say When" service. The new product allows U.S. shippers to designate specific delivery dates for items going to Europe. A total of 11 BAe 146-200QTs are flown, four by **Air Foyle, Ltd.**, two each by **Pacific East Asia Cargo** and **Pan Air Lineas Aereas, S.A.**, and one each by **Eurowings NFD + RFG, GmbH**, **Malmö Aviation, A.S.**, and **Mistral Air, S.p.A.**, while two each BAe 146-300QCs are operated by **Air Foyle, Ltd.**, **Malmö Aviation, A.S.**, and one each by **Mistral Air, S.p.A.** and **Pan Air Lineas Aereas, S.A.** In the fall, a seventh BAe 146-300QC is placed into service on the company's European night services.

During the third week of November 1995, a memorandum of understanding is signed with TNT's Australian parent. Under its terms, **Air New Zealand, Ltd.** will purchase from TNT a 25% stake in **Ansett Australia (Pty.), Ltd.** for A\$200 million. In addition, it has the option through February 15, 1998, to purchase another 25% for A\$225 million. If this second stock option is not taken up, TNT will have the option to buy back the initial 25% share. The deal must be reviewed by both the Australian Foreign Investment Review Board and New Zealand's Commerce Commission.

During the first week of January 1996, TNT Express Espana, S.A. is sold for A\$40 million. In a preliminary January ruling, the New Zealand Commerce Commission disapproves of **Air New Zealand, Ltd.**'s arrangement with TNT, Ltd. It advises all interested parties that they may make written comments on the proposed sale until February 29 and give oral presentations in March, but that it will make a final determination on April 3.

During the first week of March it is announced that the company will move its European hub from Frankfurt to Liege, Belgium; upwards of 34 flights per night will be affected when the transfer takes effect on January 1, 1998. Meanwhile, Belgium begins to upgrade facilities at the onetime military air base to Category III standards.

The New Zealand Commerce Commission, fearing a monopoly over New Zealand's domestic routes, rules on April 3 that **Air New Zealand, Ltd.** may not purchase the TNT, Ltd. interest in **Ansett Australia (Pty.), Ltd.**

The Commerce Commission reverses its April decision in late June after the News Corporation, which also holds 50% interest in **Ansett Australia (Pty.), Ltd.**, steps forward at mid-month and acquires 100% ownership of **Ansett New Zealand, Ltd.** The new equity arrangement ends New Zealand government's monopoly concerns; however, the TNT, Ltd. purchase still must be approved by two Australian bodies, the Foreign Investment Review Board and the Competition and Consumer's Commission. These permissions are all obtained over the summer.

The formal A\$325 million **Air New Zealand, Ltd.** buyout of the TNT, Ltd. interest in **Ansett Australia (Pty.), Ltd.** is approved by the TNT board in early September. Approval from the Ansett board and the Australian government is received in October. Late in the year, a four-year contract is signed with FLS Aerospace, Ltd., based at London (STN), for the conversion of Boeing 727-200 passenger planes into 727Fs.

In Europe during November, construction begins on a 24,000-sq.-m. warehouse at Liege. In late December, TNT is purchased by KPN, a postal and telecommunications service based in the Netherlands.

At the beginning of 1997, the company and its subsidiaries visit over 40 European destinations, as well as Brunei, Manila, New York, Singapore, and Taipei.

In January, TNT receives a \$5.9-million contract from Opel/Vauxhall for distribution of after-sales service parts to points within that company's European retail network. The first FLS-converted B-727F is delivered in mid-April. At the same time, the Liege warehouse is completed.

In late May, it is announced that the company has begun construction of an automated parcel-sorting system and a 4,600-sq.-m. aircraft maintenance hangar at Liege.

At this point, TNT has aircraft under contract stationed in Europe at Liege, Helsinki, Cologne, Budapest, Dublin, Bergamo, Rome, Oslo, Lisbon, Madrid, Goteborg, Stockholm, Belfast, Edinburgh, and London (STN). It also operates freighters from Hong Kong, Jakarta, and Singapore. In the U.S. and Canada, it contracts with other operators and provides services from hubs at Vancouver, Toronto, Miami, Los Angeles, San Francisco, and New York (JFK).

The move to Ostend is completed in March and April 1998. During May, it is announced that the company will acquire a large fleet of Airbus Industrie A300B4Fs with which to feed its new Liege hub and with which to replace the aging B-727Fs. A contract is signed with **Channel Express (Channel Express Air Service, Ltd.)** to begin employing its own A300B4-203F on TNT flights from the U.K. to Liege in September.

A new aircraft livery is unveiled in June on a B-727F converted into a freighter by Tucson-based Hamilton Aviation. The aircraft is sent to Europe to be flown by Denmark-based **Sterling European Airways, A.S.**

During the summer, the company's owners, KPN, the Dutch PTT & Telecommunications organization, is split up, leaving TNT Express as a subsidiary of the TNT Postal Group. As an Australian concern, TNT had been prohibited from owning or operating its own freight carrier in Europe, but those restrictions no longer apply. Planning is begun for the establishment of a wholly owned, noncontract cargo airline.

TNT Express and the cargo division of **American Airlines** sign a worldwide airline service level agreement on January 28, 1999. The pact is the first of its kind between TNT and a U.S. carrier and will extend its reach, particularly into South and Central America. Improved service standards and block-space cargo availability in the freight holds of the carrier's new B-777-223s are important components of the new arrangement.

In need of additional capacity in Europe, TNT, during the second quarter, reclaims the two BAe 146-200QTs it has had on lease to **Pacific East Asia Cargo**. They are shifted to London (STN), arriving on April 25 and 28, respectively.

At the beginning of 2000, the TNT air network serves 50 airports across Europe every night moving in excess of 1,400 tons of cargo nightly.

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In need of additional capacity in Europe, TNT, during the second quarter, reclaims the two BAe 146-200QTs it has had on lease to **Pacific East Asia Cargo**. They are shifted to London (STN), arriving on April 25 and 28, respectively.

TNT Airways, Ltd. now begins the process of reacquiring the fleet of 18 BAe 146QT freighters it has placed with other European operators. These are to be consolidated into the new airline as the contracts with each carrier end. It is anticipated that the company will launch flights under its own name around the end of the year and be fully operational by the end of 2002.

TNT SAVA, S.A.: Brazil (1992–1993). TNT Sava is established at Rio de Janeiro in 1992 as the Brazilian partner of the multinational **TNT International Aviation Services** based in the U.K. All-cargo services commence with a single Boeing 727-27C first flown by **Braniff International Airways**.

Unable to achieve fiscal viability in a recession year, the company shuts down in 1993.

TOA AIRWAYS COMPANY, LTD.: Japan (1953–1971). The automobile manufacturer Daihatsu forms Toa Kotan, Ltd. at Hiroshima on November 26, 1953, beginning de Havilland DH 104 Dove charter flights to the Osumi and Shoto Islands early in 1954. In late 1957, permission to commence temporary scheduled services is obtained commencing March 20, 1958. The fleet is now increased by the addition of a number of DH 114 Heron 1Bs.

Three years later in late 1961, permanent certification is obtained.

A DH 114 Heron 1B with three crew crashes into Mount Ohira on February 23, 1962; there are no survivors.

In affiliation with **All-Nippon Airways Company, Ltd. (ANA)** from which several Convair CV-240s are leased, the carrier makes preparations to inaugurate new services on March 20. These new routes include Kagoshima–Kumanoto–Kokura, Kagoshima–Ryuku Islands, and Hiroshima–Matsuyama. On August 22, a marketing and route transfer agreement is signed with ANA; it will be implemented beginning the following year.

A number of thin ANA routes from Hiroshima are turned over on February 11, 1963, followed on October 16 by feeder routes emanating from Fukuoka. The most important group of ex-ANA routes is turned over on June 15, 1964 and includes several important services from Osaka, including a connecting link to Hiroshima.

Services are maintained and frequencies are increased, particularly following Toa's introduction to the commercial world of the YAMC YS-11-100 on April 1, 1965. This turboprop is the first indigenous, post-war, Japanese-built commercial airliner.

A CV-240 leased from **All-Nippon Airways Company, Ltd. (ANA)** is damaged beyond repair in a ground accident at Obihiro on May 29; there are no fatalities.

Another CV-240 with five crew crashes on takeoff from Tokyo on an August 26, 1966, training flight; there are no survivors.

Flights continue without incident through the remainder of the decade and into the next. By May 15, 1971, when the company is merged with **Japan Domestic Airlines Company, Ltd.** to form **Toa Domestic Airlines Company, Ltd.**, the fleet comprises 18 YS-11-100s, 10 YS-11A-200s, and 2 YS-11A-300s.

TOA DOMESTIC AIRLINES COMPANY, LTD.: Japan (1971–1988). This carrier is formed on May 15, 1971 through the merger of **Toa Airways Company, Ltd.** and **Japan Domestic Airlines Company, Ltd.** Shareholding is divided between the Tokyo Electric Express Railway (26%), **Toa Airways Company, Ltd.** (11%), **Japan Air Lines Company, Ltd. (2)** (9%), and miscellaneous smaller investors (54%). Goro Tominaga is named president.

The combined fleet under a new livery includes Toa's 18 YAMC YS-11-100s, 10 YS-11A-200s, 2 YS-11A-300s, JDA's 15 YS-11As, and 3 Boeing 727-146s. Former routes of the merger partners are now flown under integrated schedules.

En route from Sapporo to Hakodate on July 3, a YS-11A with 4 crew and 64 passengers is reported missing; the next day the wreckage is spotted on the southern face of Mount Eboshi near Hakodate and there are no survivors. President Tominaga accepts responsibility for the disaster and resigns.

Orders are placed in 1972 for eight Douglas DC-9-41s, the first of which arrives and enters service between Tokyo and Kushiro in December 1973. TDA is the only airline other than **SAS (Scandinavian Airlines System)** to operate the Dash-40 version of the Douglas twin-jet.

Frequencies and rates are improved during 1974 to the 35 destinations on the domestic network. The fleet is standardized around the YS-11A, which predecessor **Toa Airways Company, Ltd.** had introduced to the commercial world on April 1, 1965, and the three Boeing trijets are withdrawn.

The first of eight additional DC-8-41s begin serving the carrier's Tokyo to Sapporo and Fukuoka trunk routes in May 1975.

A total of 3,851,723 passengers are carried during the 12 months.

Isamu Tanaka is named president in 1976. Airline employment is 2,642 and the fleet now includes 14 DC-9-41s, 1 DC-9-51, and 31 YS-11As. Service is inaugurated between Osaka and Aomori.

Freight traffic accelerates 26.5% for the year while passenger boardings swell 18% to 4,697,954.

Six more DC-9-41s, two DC-9-51s, and six YS-11As are placed into service during 1977.

Enplanements soar to 5,419,954.

The workforce at President Isamu Tanaka's carrier is increased 6.7% in 1978 to 2,914. The transfer of international flights to the new Tokyo Narita Airport and the beginning of services from Nagoya, Oita, and Kagoshima results in a traffic boom.

Cargo soars 28.4% and passenger boardings jump 15.8% to 6,437,000. To help handle this surge, orders are placed for six Airbus Industrie A300B2s and five DC-9-80s (also known as McDonnell Douglas MD-80s).

The number of employees is increased another 8.3% in 1979 to 3,155. Five new domestic routes are opened and five used YS-11As are added to the fleet.

Passenger boardings grow 13.8% to 7,327,194 while freight accelerates by 15.8%.

The workforce grows again in 1980, climbing 5.4% to 3,325. The first of three A300B2K-C3s delivered on the year arrives at Tokyo on October 2 and is placed on a service from Tokyo to Kagoshima. New routes are started from Tokyo–Memembetsu and from Kagoshima–Osaka, Kikaishima, and Okayama.

Freight traffic grows 4.1% to 12.06 million FTKs and passenger bookings rise 1.1% to 7.4 million.

The employee population inches upward by 3.2% in 1981 to 3,430. The first two of eight MD-81s are delivered in March, with six more arriving throughout the remainder of the year along with two A300B2K-3Cs. The MD-81s begin flying from Tokyo to Kagoshima, Kumamoto, and Hakodate.

Four DC-9-41s are sold to **Finnair, O/Y** and the carrier's tenth anniversary is celebrated on May 15. The subsidiary **Japan Air Commuter, Ltd.** is established at Kagoshima on July 1 to feed its parent, itself once a feeder for **All-Nippon Airways Company, Ltd. (ANA)**. TDA holds 60% shareholding.

Passenger boardings jump 9.5% this year to 8,114,786 and cargo traffic balloons 42.4% to 17.18 million FTKs. On revenues of \$253 million, expenses (led by fuel and airport usage costs) climb 21.1% to \$267.9 million, leaving an operating loss of \$10.8 million.

The employee population is increased 1.4% in 1982 to 3,478. Routes are extended from Tokyo to Sapporo, Fukuoka, and Kagoshima and from Nagoya to Akita. One more A300B2K-3C is delivered as two DC-9-41s are sold to **Ozark Air Lines (1)** and one to **Finnair, O/Y** plus three YS-11As to **Mid-Pacific Airlines**.

Passenger boardings dip 2.8% to 7,890,000, but freight advances by 39.2% to 23.9 million FTKs.

A total of 11 people are hired in 1983, a 0.6% increase. During the year, Isamu Tanaka is appointed chairman in June, with Toshihiko Kubota as president. Three A300B2K-3Cs are added to the fleet and two A300B2K-3Cs previously grounded following the national fuel crisis are placed back into service between Tokyo and Osaka. The carrier now orders STOL aircraft for its commuter subsidiary **Japan Air Commuter Company, Ltd.**; the new Dornier 228-212s enter service on December 10.

Freight zooms 30.1% this year while passenger boardings are up 3.2% to 8,143,461. The year's loss is \$27 million.

The workforce is boosted 2.8% in **1984** to 3,596. One A300B2K-3C is delivered and orders are placed on February 8 for four MD-81s, at ¥ 6billion per copy (\$25.8 million) for delivery the following spring.

By December, the company's busiest route is that between Fukuoka and Kagoshima.

Passenger boardings accelerate 10.2% to 8,975,875 and cargo balloons 24.1% to 38.59 million FTKs. Revenues are \$508 million and profits are, respectively: \$19.3 million (operating) and \$19 million (net).

The payroll grows 2.3% in **1985** to 3,674. The fleet now comprises 9 A300B2K-3Cs, 8 MD-81s, 14 DC-9-41s, and 35 YS-11As, with orders outstanding for 5 MD-81s, 1 A300B4-203, and 4 MD-87s.

The first MD-11 is delivered to President Kubota at Long Beach on April 5; a second will be delivered before year's end.

Two new MD-81s arrive from the U.S. in April and May. The first enters service on routes to Mebanbetsu, Hokkaido, on July 1. Also in July, the two daily Tokyo-Hanamaki services are dropped due to the success of the competing *Tohoku Shinkansen* (Bullet Train); this route is replaced by a Hanamaki-Nagoya service, flown with two more A300B2s leased for the route.

In December, the government ends the **Japan Air Lines Company, Ltd. (2)** monopoly on international service, while allowing the flag carrier to compete domestically. Simultaneously, in an effort to save on fuel costs and reduce accumulated deficit, the number of flights on 16 domestic routes is reduced.

Due to the **Japan Air Lines Company, Ltd. (2)** Boeing 747 crash in August, passenger boardings are up only 4.2% to 9,348,000, although freight continues its upward spiral, growing by 10.3% to 42.56 million FTKs. On revenues of \$748.5 million, expenses are \$746 million; profits are, respectively: \$2.5 million (operating) and \$3.5 million (net).

Employment grows by 4% in **1986** to 3,851. In February, an application is submitted seeking the launch of Tokyo-Honolulu scheduled service at year's end. Weekend 20% discount fares are offered on the Tokyo-Osaka route, beginning in May, in an effort to battle the *Tohoku Shinkansen*.

In June, the decision is made to postpone long-haul international service for two years while efforts are made to eliminate the carrier's deficit and to gain experience by flying charters to South Korea, China, Hong Kong, and Singapore with A300B2K-3Cs and the last two of four MD-81s.

On July 21, President Kubota announces that TOA will recruit foreign pilots for its envisaged international air route service now scheduled to start in the airline's 1988 business year. The recruitment is labeled "a temporary measure" until the airline's Japanese pilots have acquired enough experience and technique on the new Tokyo-Honolulu flights.

In November, two DC-10-30s are ordered for delivery in January and February 1988 and an A300B4-203 is purchased from **Australian Airlines (Pty.), Ltd.** for March 1989 delivery.

En route to Tokyo from Oita in Kyushu on December 9, a DC-9-41 with 105 people encounters air turbulence at the 9,000-ft. level over Oshima Island; although the aircraft is safely landed at Tokyo (HAD), nine people must be rushed to the hospital for treatment of their injuries.

So far this year, the company has sold nine of its YS-11-100s; a tenth is purchased by **Mandala Airlines** of Indonesia on November 12 for ¥ 180 million.

Customer bookings increase a scant 1.4% to 9,267,928, but cargo jumps again, by 13.5% to 48.29 million FTKs.

The workforce is increased by 5% in **1987** to 4,042. On January 10, a YS-11A-109 with 4 crew and 48 passengers fails its takeoff from Miho Airport for a service to Osaka and goes off the end of the runway; there are no serious injuries reported.

In March, an A300B4-203 is acquired from **Australian Airlines (Pty.), Ltd.** The company's first long-range DC-10-30 is received on March 30 and to mark the occasion and the rise to the status of an international carrier, the company name is changed on April 1 to **Japan Air System, Ltd.**

TOIMACHEVO STATE AVIATION ENTERPRISE. See **SIBERIA AIRLINES**

TOLAIR SERVICES: P.O. Box 37670, Airport Station, San Juan, Puerto Rico, 00937, United States; Phone (809) 791-5235; Fax (809) 791-8385; <http://www.tolair.com>; Code TI; Year Founded 1983. Jore A. Toledo and Lisa L. Rossello found Tolair at San Juan in **1983** to provide regional and domestic scheduled all-cargo services. Revenue flights commence on May 16 with a single Cessna 182 between Borinquen and Beef Island. A Beech 18 is acquired and later the same year service is initiated to St. Martin, St. Eustatius, and St. Kitts. After obtaining a contract with **UPS (United Parcel Service)**, the company is able to grow with Beech 18s and Convair T-29s refurbished as civil CV-240 freighters. In **1988**, the company receives the first of three (later five) Douglas DC-3s. The first turboprop, a Fairchild-Swearingen SA-227 Metro, is acquired in **1992** and employed on new fast freight service between San Juan and the Dominican Republic.

Operations continue apace for the next 6 years. By **1999**, Chairman Toledo and Executive Vice President Rossello oversee a workforce of 63 and fly 5 each DC-3s and Cessna 402Cs, 3 each CV-240s and Beech 18s, and 1 Metro. The company is now able to transport 100,000 pounds daily to 10 destinations in the Caribbean. In addition, Tolair offers 200,000 pounds of air cargo storage facilities to satisfy the needs of its clients, sells aviation fuel, and operates an avionics repair station.

In January **2000**, a homepage is opened on the Internet's World Wide Web.

TOMSK STATE AIR ENTERPRISE: Tomsk Airport, Tomsk, 634012, Russia; Phone 7 (3822) 443 575; Fax 7 (3822) 448 127; Code TKS; Year Founded 1992. TSAE, the Tomsk division of Aeroflot Soviet Airlines, is reformed at Tomsk Airport in **1992**, retaining its previous mission of providing domestic passenger and cargo services. Under the direction of Comdr. Yuri Prokopiev, revenue flights are undertaken with 3 Tupolev Tu-154B-2s and an unspecified number of Let L-410UVPs, Antonov An-2s, An-24s, and An-26s.

Flights continue during the remainder of the decade, during which years the fleet is altered to include 9 (later 8) Lets, 17 An-2s (most of which are gradually withdrawn), 6 An-24s, 5 (later 4) An-26s, 1 Tu-154B-2, and 5 Yakovlev Yak-40s.

TONGA AIR, LTD. (TONGA AIR SERVICES, LTD.): Tonga (1978-1985). Equipped with two Britten-Norman BN-2 Islanders, Tonga Air begins operations on May 22, **1978**, taking over the role of main domestic airline for the kingdom from the late **Tonga Internal Air Service, Ltd.** Interisland services are provided linking Tongapatu, Vav'u, Ha'apia, and 'Eua.

During the early **1980s**, one Islander is withdrawn in favor of a Piper PA-31-310 Navajo and a Piper PA-23 Aztec. The carrier is renamed **Friendly Islands Airways, Ltd.** in **1985**.

TONGA INTERNAL AIR SERVICE, LTD. See **TONGA AIR, LTD.**

TOP AIR, A.O.: Yeni Hangartar Bolgesi, Ataturk Havalimani, Istanbul, TR-34630, Turkey; Phone 90 (2) 125 41 60 40; Fax 90 (2) 125 98 50 60; <http://www.topair.com.tr>; Code B6; Year Founded 1990. Top Air is established at Istanbul in **1990** to provide long-haul ad hoc passenger charters. It also engages in executive and air ambulance services, aircraft sales, maintenance, and flight training. Revenue flights commence with a fleet that comprises a Tupolev Tu-154M and a Cessna 650 Citation III bizjet. Destinations visited on a nonscheduled basis include Georgia, Albania, Israel, Germany, and the Netherlands.

Two Boeing 727-100s are acquired in the spring of **1996** and allow the company to begin twice-weekly scheduled roundtrips from Antalya and Dalaman to Tel Aviv and from Istanbul to London (STN). Scheduled and charter flights are also begun from Istanbul to Paris, Strasbourg, Lyon, Berlin, Dusseldorf, Hanover, Cologne, Frankfurt, Munich, Leipzig, Munster, and Rotterdam. Return service is also offered from Antalya and Dalaman to Billund in Denmark.

Many of the company's European charters must be cut back or eliminated during the March–July 1999 Kosovo crisis. Once that disturbance is past, the company, which now also owns a B-727-200, is able to resume its services, adding new destinations at Split and Sarajevo.

As 2000 begins, the new company Web site draws attention back to Top Air's air taxi division. Fast and reliable flights are available from Istanbul to Aksaabat, Kazan, Dubai, London, Odessa, Tehran, and Moscow, as well as to local points.

TOPAIR, LTD.: U Silnice 42, Ruzyne Airport Terminal South, Prague 6, CR-16100, Czech Republic; Phone 42 (2) 316-5554; Fax 42 (2) 316-6561; Code P9; Year Founded 1991. Topair is formed at Prague, capital of the former Czechoslovakia, in May 1991 to undertake scheduled Prague to Braunschweig corporate services under contract to **Skoda Air**. Principal owner Mikoslav Tutter is appointed director general and his initial fleet comprises a Beech Super King Air 200 and a Cessna C650 Citation III. Flights begin in September, many in support of a corporate contract with Skoda/Volkswagen for frequencies between Prague and Braunschweig.

A second Super King Air 200 and three Beech 1900Cs are leased in 1992 and the carrier begins feeder flights in March for **UPS (United Parcel Service)** between Prague and Nuremberg. Airline employment in 1993 stands at 38. One 1900C is returned in July as Topair takes delivery of the first Beech 1900D to be introduced into the Czech Republic.

The workforce is increased to 46 in 1994 and a Let L-410A is leased from **Bemoair**.

Flights continue in 1995–2000, during which years the fleet includes 2 each Beech 1900Cs, 2 Let L-200 Moravas, and 1 each Beech 1900D, L-410A, and Cessna 650 Citation III.

TOPFLIGHT AVIATION COMPANY, LTD.: United Kingdom (1976–1990). Topflight is established at Fairoaks Airport (Surrey) as **Air Oxford, Ltd.** in 1976 to undertake charter and contract service flights to local destinations in southern and eastern England.

These operations continue for the next decade with a fleet comprising 2 de Havilland DH 114 Herons, 2 Piper PA-31-350 Navajo Chieftains, 1 Hawker Siddeley HS 125, and 1 Piper PA-23 Aztec. In 1986–1987, Managing Director Howard Rose's company adds another Heron and two Partenavia P-68s. Operations cease in 1990.

TORAIR, A.B.: Sweden (1964–1966). With the two Douglas DC-3s of his Loadair, A.B. charter operation about to be repossessed and his company declared bankrupt, Gote Rosen promptly re-registers it as Torair (after Thor, the Nordic thunder god) at Stockholm. Although he cannot save one Douglas from attachment, he is able to spirit the other out of Bromma Airport to Goteborg on August 6, 1964. There he is able to convince the plane's owner to back a resumption of service under the new name.

Still able to employ Loadair's permit while awaiting the issuance of a new certificate, Rosen is able to complete his previous commitments. The new permit allows only cargo work and fortunately, two significant contracts are received. As a result, a second DC-3 is chartered.

Three nights every week in the fall, live chicks are flown from Billund in Denmark to destinations around the U.K. Twice-weekly deliveries of cut flowers from Copenhagen to Helsinki are also ordered.

The flower deliveries continue through the winter. One night in February 1965, a DC-3 strays off course and comes within 10 miles of the Soviet Union's Baltic coast. The aircraft is chased back by a Red Air Force MIG 21.

During the spring, the company's certificate is amended to allow public passenger charters. Consequently, three stewardesses, chosen by the pilots for their beauty and including the two Britt sisters Anna and Anita, are hired. Business prospers during the summer and fall. Late in the year, owner Rosen enters into a feeder arrangement with **Transair Sweden, A.B.**

As a result of the agreement with the older company, Torair begins to expand in early 1966. Three passenger-appointed Curtiss C-46 Com-

mandos are acquired and additional flight and technical personnel are hired. This rapid upgrade is a mistake. Unable to maintain financial viability, the company shuts its doors in September.

TORONTAIR, LTD.: Canada (1979–1986). The charter carrier **Toronto Airways, Ltd.** establishes this commuter subsidiary at Toronto Buttonville Airport in Markham, Ontario, in February 1979. Employing Beech 99s, the new entrant launches revenue flights on April 30 over a multistop route from Toronto to Elliot Lake.

During 1981–1982, frequencies are extended to Brockville, Kingston, Ottawa, and Trenton. The fleet is increased to comprise 3 Beech 99s, 1 de Havilland Canada DHC-6 Twin Otter, and 2 Piper PA-31-350 Navajo Chieftains. The company now receives admission to **Air Canada, Ltd.**'s Reservac II computerized reservations system at Toronto. Boardings for the two years are, respectively, 17,000 and 26,000.

Toronto to Syracuse, New York, flights begin in 1983. In October 1984, service is initiated from Toronto to Canadian Forces Base Trenton, Ottawa, and Kingston. Frequencies on these routes are increased to five per day by April 1985. Financial difficulties now ensue. The DHC-6 is sold in December and replaced by another Beech 99.

Headquarters are moved to Toronto in February 1986 in order to undertake a planned new operation with **Nordair, Ltd.** for which a Fairchild Hiller FH-227B is leased. When the Nordair prospect falls thorough in May, the carrier finds itself so far overextended that it must shut its doors in June. Following bankruptcy, the remaining assets, routes, etc. are purchased by **Austin Airways, Ltd.**

TORONTO AIRWAYS, LTD. See **TORONTAIR, LTD.**

TOROSAIR, A.O.: Turkey (1988–1990). This charter operator is established at Ankara in the summer of 1988 to offer inclusive tour and other passenger charter flights to destinations in southern Europe and the Mediterranean. The first aircraft, a leased Boeing 727-51 formerly operated by **Suncoast Airlines**, arrives in August; christened *Burcu*, it allows the company to begin revenue services in October.

Operations continue apace in 1989 and by 1990 the fleet includes not only the *Burcu*, but three more chartered tri-motors as well: a B-727-77, B-727-81, and B-727-247. Following Iraq's invasion of Kuwait on August 2, the company's routes dry up and it is forced out of business.

TORRES AIR (PTY.), LTD.: Australia (1990–1991). This small commuter is established in late 1990 to offer services linking the towns on the islands in the Torres Strait, which is located between Australia and Papua New Guinea. Revenue flights begin with 1 each Pilatus-Britten-Norman PBN-2 Islander and Cessna 402. Unable to achieve either traffic or economic viability, Torres Air closes its doors before its first birthday.

TOTAL AEROTAXI, S.A. See **TLA (TOTAL LINHAS AEREAS, S.A.)**

TOTAL AIR. See **AIR AMERICA (1)**

TOTAL LINHAS AEREAS, S.A. See **TLA (TOTAL LINHAS AEREAS, S.A.)**

TOURAIN AIR TRANSPORT, S.A. See **TAT (TOURAIN AIR TRANSPORT, S.A.)**

TOURIST AIR TRAVEL, LTD. See **MOUNT COOK AIR SERVICES, LTD.; MOUNT COOK AIRLINES, LTD.**

TOURLITE INTERNATIONAL AIRLINES. See **ARISTA INTERNATIONAL AIRLINES**

TOWER AIR: Hangar 8, Second Floor, John F. Kennedy International Airport, Jamaica, New York 11430, United States; Phone

(718) 553-4300; Fax (718) 553-4312; <http://www.towerair.com>; IATA Code FF; Year Founded 1982. A package tour operator, Tower Air is formed at John F. Kennedy International Airport in August 1982 to offer services from New York City to Israel and Belgium via the scheduled flights of **Metro International Airways**, a division of **The Flying Tiger Line**. The financial arrangement between the two concerns is based on profit-sharing, with the price per aircraft tied to the number of seats sold. The joint-enterprise is formally launched in November.

By spring 1983, Tower has become the sales arm of Metro and with load factors approaching 98%, both partners make money. In the fall, Flying Tiger officials elect to close out their passenger airline operation.

Led by Tower Chairman/CEO Morris K. Nachtom, a group of former **El Al Israel Airlines, Ltd.** partners, including Samuel Fondiler, Zev Melamid, and Mordechai Gil, purchase the Metro division, planning to continue the New York to Israel link. Melamid becomes president, with Gil as chief financial officer.

A Boeing 747-127 is chartered for five years from the wreckage of **Braniff International Airways** and is sent off to **World Airways** for a \$1.7-million refurbishment and reconfiguration, which will give it 16 business- and 469 coach-class seats. A maintenance support contract is negotiated with **Pan American World Airways (1)**.

On November 1, Tower receives authorization from the CAB to inaugurate its own services and on November 3 it steps in to replace Metro on the latter's New York-Brussels-Tel Aviv route.

Retaining their positions on the board of directors, Melamid and Gil resign their management posts during the first quarter of 1984 and are succeeded by Fondiler and new Chief Financial Officer Herbert Heyman. At the end of April, company headquarters are transferred from lower Park Avenue in New York City to **United Airlines'** Hangar 8 at New York (JFK).

Leasing a former **Continental Airlines** B-747-124 christened *Rena* on May 31, Tower Air continues its scheduled service to Belgium and Israel, transporting 251,000 passengers to those two nations during the remainder of the year. Following a \$2-million refurbishment, a B-747-259B, first flown by **AVIANCA (Aerovias Nacionales de Colombia, S.A.)**, is chartered in July.

A scheduled six-days-per-week, low-fare, coach-class New York to Los Angeles service is introduced during November in competition with **PEOPLExpress**.

Financially speaking, the year is very costly as losses of \$972,523 (operating) and \$799,985 (net) are suffered.

Airline employment grows 5.8% in 1985 to 276 as the *Rena* is purchased. Early in the spring, company officials announce plans to offer charter flights to points in Germany, Italy, Greece, Switzerland, and France during the summer. Simultaneously, the low-cost New York to Los Angeles scheduled service is discontinued when it is found that the company cannot out-attract **PEOPLExpress**, even with the addition of a third Jumbojet in December, the *Suzie*, which had formerly flown for **Deutsche Lufthansa, A.G.**

Customer bookings accelerate 23.5% to 285,078 and revenues climb 31.2% to \$77 million. With costs held down, the carrier is able to generate an operating profit of \$2 million and net gain of \$1.6 million.

The payroll is increased again in 1986, up 16.7% to 322. Due to a change in service patterns, the total number of revenue passenger miles flown declines by 8.4%; however, passenger boardings climb 5.7% to 301,439.

Once flown by **Trans World Airlines (TWA)**, a leased B-747-131 is delivered on April 21, 1987; it is followed by a chartered, onetime **Pan American World Airways (1)** B-747-121 on May 10.

A B-747-100 en route for Israel on September 1 blows two tires as it takes off from New York, but makes a successful emergency landing after circling the airport for two hours. Both of the Jumbojets borrowed in the spring are returned in October.

Customer bookings accelerate 57.2% on the year to 473,753 and revenues advance to \$138 million, pushing the airline from the ranks of the large regionals to national status. The operating profit is \$8.98 million while net gain totals \$2.6 million.

The workforce increases 51.6% in 1988 to 488. Unfortunately, the company's first year as a national is marked by a 3.1% decline in passenger boardings to 459,057. Profits are generated: \$10.83 million (operating) and \$3.44 million (net).

Twelve new employees are hired in 1989 and the fleet now includes 1 each B-747-121, B-747-124, B-747-127, and B-747-130.

Customer bookings dip another 3.8% to 454,000. Revenues ascend 6.48% to \$141.43 million, expenses rise 7.54% to \$131.2 million, and the operating profit falls slightly to \$10.23 million. Net gain also declines, to \$3.40 million.

Airline employment falls by 7.8% in 1990 to 473. During the year, new livery is applied to the company's four B-747-100s, including one that is newly acquired. The company now owns the largest share held by a U.S. carrier in the New York-Israel direct trade.

Passenger boardings inch upward by 0.1% to 453,793 and revenues jump up by 21.81% to \$172.28 million. Costs leap 22.03% to \$160.11 million and allow operating income to move ahead to \$9.1 million. Net profit almost doubles to \$5.61 million.

The payroll grows by 10.5% in 1991 to 524. The fleet is enlarged by the addition of two more B-747-100s. During the Gulf War in January and February, Tower is the only airline, other than **El Al Israel Airlines, Ltd.**, to maintain scheduled services to Tel Aviv. Following the conflict, the Israeli Minister of Transport presents Chairman/CEO Nachtom with a letter and plaque of commendation.

Indeed, with a total of 300, the carrier is in second place behind **American Trans Air** in the number of missions flown in support of the deployment of American troops to and from Saudi Arabia. In May, scheduled flights begin to Paris and Scandinavia. Hadj flights to Mecca are also resumed on behalf of other carriers.

The year's enplanements are up 4.7% to 548,573 and revenues increase 42.69% to \$245.81 million. Expenses grow only 41.3% to \$226.82 million and guarantee operating income of \$18.98 million. Net gain inches up to \$6.96 million.

Company employment increases 62.2% in 1992 to 850 and the fleet now includes 7 B-747-100s and 3 B-747-100Fs. Scheduled flights are initiated on May 1 from Miami to Cologne via Copenhagen. Scheduled services to Berlin begin in November. Regularly scheduled flights are maintained from New York to Paris, Los Angeles, San Juan, and Miami and from Miami to Berlin and Cologne.

Nonscheduled passenger frequencies are undertaken to Athens, Buenos Aires, Milan, Rome, and São Paulo, while all-cargo flights are flown to Taipei, Hong Kong, and other Pacific destinations.

Passenger boardings jump 18.7% to 661,000. Revenues total \$210.89 million and costs are held low enough to allow an operating profit of \$9.03 million and net gain of \$1.2 million.

In 1993, Chairman/CEO Nachtom oversees a workforce of 757, down 10.9% from the previous year, and operates a fleet of 7 B-747-200s, 8 B-747-100s, and 3 B-747Fs. Scheduled passenger service is inaugurated to Brazil while scheduled all-cargo flights begin to Hong Kong.

On August 2, Tower is one of seven carriers to win an Air Force contract to provide long and short range international airlift services under the Civil Reserve Air Fleet program; the pact is valued at \$19 million.

The airline becomes a public corporation in November. During the month, the company opens a new terminal at New York (JFK). Located adjacent to its maintenance hangar on the approach road to the main complex, it is the only terminal at the airport not shared with another carrier.

Customer bookings leap upward by 34.4% to 953,874 while cargo skyrockets 140% to 104.89 million FTKs. Revenues ascend 38.3% to \$341.83 million, expenses accelerate "only" 33.3% to \$317.35 million, and operating income balloons to \$24.47 million. Net profit increases ninefold to \$9.93 million.

Airline employment is increased 18.9% in 1994 to 900. During the spring, scheduled flights are initiated to New Delhi, Dublin, Shannon, and Amsterdam. Hadj business is off, but, on June 18, weekly scheduled roundtrips are started between New York and Orlando. Company

Jumbojets, as well as ticket counters in Israel are given prominent display in the Chuck Norris action film *Hellbound*.

In October and early November, unknown saboteurs—possibly former employees—cut wires on five different Jumbojets on the ground at New York (JFK), disabling their monitoring systems. The media reports in December that the FBI has been called into the case, which the airline prefers to call vandalism instead of terrorism.

Passenger boardings surge 35.4% to 1,282,000 and freight skyrockets 105.8% to \$244.82 million. Revenues increase 7.6% to \$367.98 million and expenses grow 14.4% to \$363.19 million. The rise in costs brings a decline in pretax profit to \$4.79 million and a plunge in net gain to \$568,000.

The workforce stands at 1,842 in **1995**, a 34.7% increase. On February 23, a company Jumbojet flies the last 450 Pakistani UN peacekeepers home to Karachi from Mogadishu, Somalia. Also in February, the company charts a B-747-212B from ILFC for four years; it also receives a second B-747-212B from ILFC, which has leased the Jumbojet to Tower on behalf of a Swedish financial institution.

Hadj business is also down again this year. Josefina M. Essex succeeds C. V. Meserole III as vice president-finance on December 1 while the chairman's son, Guy A. Nachtomi, becomes vice president-operations.

A major snowstorm begins in the New York area on December 20 and contributes to a near disaster at New York (JFK) involving a company B-747. Flight 41, a B-747-136 with 17 crew and 451 passengers, experiences control difficulty during its takeoff roll; after the pilot aborts, the plane skids along icy Runway 4L and off its left side, hitting an electric conduit building that shears off its No. 4 engine. The nosegear and right main landing gear collapse and the plane halts 600-ft. out. A total of 25 passengers aboard are injured (1 seriously) and as the weather deteriorates, the airport is shut down for several hours.

Enplanements surge 24.2% to 1,570,244; however, cargo plunges 64.8% to 80.8 million FTKs. Operating income advances 33.3% to \$490.47 million as costs move up 31.3% to \$476.95 million. The operating profit quadruples to \$13.51 million and a \$10.68-million net profit is posted.

Airline employment stands at 1,400 in **1996**, a 24% decline. A certain amount of embarrassment is suffered on January 29 when a dog escapes from its cage while being unloaded from a freighter at New York (JFK) and must be chased for some time before its recapture. Scheduled service to India via Amsterdam is suspended in March. Four Jumbojets are leased to **Garuda Indonesia** and three to **Air India, Ltd.** for the transport of Muslim pilgrims on Hadj from Indonesia and India to Mecca.

Former **Alaska Airlines** Chairman/CEO Raymond J. Vecchi is named executive vice president/chief operating officer on September 1. Prior to the suspension of its New York to Tel Aviv service on September 3, **World Airways** contracts with the carrier to honor those passengers holding tickets valid beyond the end-of-service date. Also during the month, a B-747-136 is leased to Hollywood; repainted to resemble the U.S. government's VC-25A, it is employed at Hollywood in the shooting of the Harrison Ford adventure *Air Force One*.

The year is not successful as the number of military charters flown declines, along with civilian passenger traffic to and from Israel. Domestic traffic falls off and maintenance problems keep one of the Jumbojet freighters out of service. Chief Operating Officer Vecchi departs the company in December to accept a similar post with **Carnival Air Lines**.

Passenger boardings drop 3.5% to 1,519,000 and cargo plunges 45.5% to 39.35 million FTKs. Revenue falls off 14.8% to \$417.8 million and expenses total \$441.3 million. The previous year's profits are, unhappily, converted into losses: \$23.5 million (operating) and \$20.9 million (net).

The employee population is increased by 32.5% in **1997** to 1,855. At the beginning of the year, the company visits Amsterdam, Athens, Berlin, Bombay, Buenos Aires, Hong Kong, Los Angeles, Milan, Miami, New York, Paris, Rome, São Paulo, San Juan, Taipei, and Tel Aviv. During the spring, flights to Brazil cease. At the same time, a total of nine Jumbojets are subleased to three carriers for Hadj flights: three to

Air India, Ltd., four to **Garuda Indonesia**, and two to **Saudi Arabian Airlines**. A leaking fuel-tank check valve that is (initially) not repaired and flown on a Jumbojet roundtrips from New York and Tel Aviv between April 14 and May 2 will become the subject of a proposed FAA fine in February 1998.

Aviation officials in Israel during the second week of June agree to allow Tower to begin new roundtrips from New York to Tel Aviv during the summer. In return, the U.S. DOT grants **El Al Israel Airlines, Ltd.** permission to operate up to eight monthly roundtrips from Tel Aviv to Baltimore (BWI).

The beginning of the takeoff roll of a company B-747-212B is depicted toward the climax of the Jim Carrey comedy movie *Liar, Liar*, released by Universal Pictures.

Having lost significant business in the wake of the **Valujet Airlines** and **Trans World Airlines (TWA)** disasters the previous year, Tower, on August 1, launches a new advertising campaign. The media effort seeks to reassure travelers about the company's safety by stressing that it is large enough to perform its own aircraft maintenance.

Countering statistics from the Israeli Airport Authorities that reflect a sharp decline in the number of Americans traveling to and from Israel during July and August, Tower Air experiences a 34.9% increase and emerges as the summer's No. 1 foreign carrier in Israel.

On September 4, B-747-238B scheduled nonstop roundtrip service begins on Thursdays and Sundays from New York (JFK) to Las Vegas. The flight is welcomed at McCarran International Airport by a group of heavily plumed showgirls. Tickets on the inaugural flight cost just \$25.

A collision between a company B-727-212B landing at JFK on September 27 and a **British Airways, Ltd. (2)** B-777-236 taking off is narrowly avoided; the two wide-bodies have 200 ft. of vertical separation and 1.3 mi. of lateral separation.

Passenger boardings jump 10.1% to 1,673,000, while freight skyrockets an almost unbelievable 282.7% to 150.59 million FTKs. Operating revenues climb 10.1% to \$461.5 million, while expenses move ahead 2.9% to \$454.04 million. The previous year's large operating loss is turned into a \$7.45-million profit, while the net loss is improved to \$3.89 million.

On January 14, **1998**, former **USAirways Shuttle** President Terry V. Hallcom is named president/chief operating officer; he also takes over as both vice president-operations, as Guy A. Nachtomi enrolls at Stanford University, and as chief financial officer as Ramesh Punwani departs and becomes a member of the board.

The number of weekly New York to Las Vegas flights is doubled to four on February 2.

On March 19, two Tower Air B-747-121Fs are wet-leased by **Fast Air Chile (Fast Air Carrier, S.A.)** for a year under a \$22.86-million contract that is extendable by mutual agreement. The contract will continue even after Fast Air is merged into **LADECO Chilean Airlines, S.A.**

During the first quarter, the company elects to train nonunion, foreign national translators, originally hired to complement the crew of 14 unionized professional flight attendants on services in Saudi Arabia, as flight attendants. On April 1, AFA expresses its displeasure at Tower's plans to replace 50 of the 180 U.S. flight attendants based at Jeddah with these new local hires.

On April 8, CEO Nachtomi announces that, under terms of the new U.S.-France bilateral agreement, Tower will operate up to four weekly flights between Paris and Tel Aviv beginning in June. Future flights from Paris to Cairo may commence in the year 2000.

Flight 37, a Jumbojet en route to New York from Paris on April 18, encounters severe turbulence over the Atlantic Ocean approximately a half hour out from its destination. One passenger is critically injured and 28 others receive cuts and bruises; upon landing, all are taken to Jamaica Hospital Medical Center.

Former Amana Tool Corporation and **Trump Shuttle** Chief Financial Officer Nathan Nelson becomes Tower's chief financial officer on May 14. The company's 250 pilots vote, in June to end their affiliation with the Tower Air Cockpit Crew Association and begin representation by ALPA.

Twice-daily B-747 services commence on June 26 between New York (JFK) and Miami. Under authority granted at the end of April, the company now initiates four weekly fifth-freedom return combi services beyond Paris to and from Tel Aviv and Cairo.

On July 7, Terry Hallcom, president/executive vice president-operations/board member, resigns to move to **Eastwind Airlines**; Chairman/CEO Nachtom takes over his duties.

Under the direction of Thomas Shinar, a new West Coast office is opened at Los Angeles (LAX) on October 9. The office is responsible for servicing 13 states west of the Rocky Mountains. A B-747-200F joins the fleet on November 2.

On December 1, a B-747-259B receives fire damage to its right wing during refueling at Miami (MIA). There are no injuries among the four-person flight crew or the refueler on the ground, but the aircraft must be taken out of service for repairs.

On December 11, a \$20-million contract is signed with **Air India, Ltd.** to provide four B-747s, under wet lease, to transport religious pilgrims during the Hajj for the years 1999–2001.

During the 12 months, customer bookings climb 21.6% to 1.59 million, while cargo traffic is unreported. Revenues improve by 4.8% to \$483.8 million and allow the operating profit to skyrocket 129.8% to \$17.1 million. The previous year's net loss is turned into a \$1.5-million net gain.

Pending the completion of a survey into its on-site operations by the DOD Commercial Airlift Review Board, Tower, on January 28, 1999, agrees to suspend its military charters, which now account for 13.6% of its income. Once the survey is finished, the DOD will decide whether to allow Tower to continue in its program.

The carrier's audit is successfully concluded on February 12 and it is granted DOT authority to offer scheduled return service between New York (JFK) and Santo Domingo, Dominican Republic beginning on March 5. The first service, undertaken on an ad hoc charter basis, actually begins two days later to assist passengers inconvenienced by the **American Airlines** job action, which is just now winding down.

Tower, which has been providing Jumbojets for Hajj flights since 1992, begins the 1999 service in the middle of February and continues through the end of April.

Meanwhile, on March 30, *Aviation Daily* reports that Tower, for the second year in a row, is the fifth busiest airline operating out of New York (JFK).

Meanwhile, on April 20, a federal arbitrator orders the airline to pay its flight attendants back pay plus 9% interest within the next 30 days. The airline had repeatedly failed to meet its flight attendant payroll over a period of two years and was called on the matter by the local chapter of AFA.

The president of the local chapter, Jason Weber, is fired by Tower Air on April 21, allegedly for refusing to report for a second flight after completing a first. Four female colleagues join Weber in his stand, including one who is pregnant. The AFA immediately seeks arbitration in his case.

While en route from New York (JFK) to Puerto Rico on April 22, Flight 51, a fully loaded B-747-200, is forced to divert to Bermuda when two drunken male passengers become involved in a fight after a passenger attempts to halt one of them from harassing a flight attendant. The Puerto Rican suspects are taken to the airport police station after the safe emergency landing.

As a result of an April pledge by the U.S. to take up to 20,000 refugees homeless in the Kosovo fighting, Tower is contracted by the International Organization for Migration to provide lift in a four-to-six week program set to start at the beginning of May. The contract is valued in excess of \$10 million. The original plan had been to move the people to Guantanamo Bay, Cuba, but the scheme is now refined to match refugees up as far as possible with Albanian-American relatives or sponsors.

In response to an urgent request from the UN High Commissioner for Refugees on May 1, the U.S. quickly puts into operation its plan to air-

lift up to 20,000 Kosovo Albanian refugees and provide them with temporary housing for three to six months. The same sorts of appeals have been made to Britain and Canada and U.S. Immigration officials are already working in Macedonia identifying potential transfers, who will join relatives and friends.

The first of 40 scheduled Kosovo refugee flights, a B-747-212B with 17 crew, departs New York (JFK) for Skopje, Macedonia, on May 4. The Jumbojet, after boarding 453 passengers, returns to McGuire AFB, New Jersey, late on May 5, where it is met by first lady Hillary Rodham Clinton and New Jersey Governor Christine Todd Whitman. After a processing period at nearby Fort Dix, the newcomers will be allowed to travel to the homes of U.S. family or friends.

Early on the morning of May 6, Tower flight attendants, joined by colleagues from other carriers, stage a rally in support of dismissed flight attendant Weber. Rallies have been held outside the company's offices almost every week since the controversial firing and dampen many good vibrations generated by the Kosovo airlift.

The second Jumbojet, piloted by Capt. Joe Rudder with 14 crew members, departs for Macedonia on May 6 and returns with 407 ethnic Albanians on May 7. A total of 102 arrive at New York on May 8. The airlift continues, with 422 displaced persons arriving at McGuire AFB on May 11. The total jumps to 1,379 on May 12 and 1,861 the next day.

Employing a B-747-130, Tower launches weekly roundtrips on May 14 from New York (JFK) to Guayana via Trinidad. On May 15–16, four Jumbojets are chartered by over 2,000 Jewish voters wishing to return to Israel to cast ballots in the May 17 general election.

By May 18, 2,904 Kosovo refugees have arrived in New Jersey; they are followed by 464 on May 20 and 483 on May 22.

To coincide with the company's annual stockholders meeting, pilots perform informational picketing around the company's New York (JFK) headquarters on May 26. The flyers have been in negotiations for a new contract since 1996.

At the same time, the shareholders are also met by very unhappy flight attendants, who are protesting the firing of Jason Weber, Tower's treatment of Israeli workers, and its introduction of mandatory overtime. AFA notes that one-sixth of all Tower flight attendants have quit in the last seven months, many because of chronically late and inaccurate paychecks and nonpayment of medical claims under the company's self-funded insurance plan.

An independent arbitrator, agreed to by both sides, upholds Tower's special circumstances scheduling right on June 16, but also rules that flight attendant Weber be reinstated with a two-month salary loss.

Another 365 Kosovo refugees come over on May 27. Less than half of the original 20,000 displaced persons will arrive before the military phase of the Kosovo campaign ends in mid-June.

Weekly nonstop roundtrip Jumbojet flights commence on June 19 between New York (JFK) and Port of Spain, Trinidad.

The frequency of the Guayana service is increased to twice weekly from July 2 to September 18. The next day, the Port of Spain service grows to twice weekly as well.

Passenger boardings increase 7.4% to 1,915,000, while cargo traffic skyrockets a remarkable 440.6% to 130.81 million FTKs. Revenues drop 55.1% to \$217.03 million, while expenses are down 53.9% to \$214.91 million. The operating profit falls to \$2.11 million, while the previous year's net profit becomes a net loss of \$4.61 million.

Airline employment at the beginning of 2000 stands at 1,265, a 20.1% decrease over the previous 12 months. The company remains famous as one of the largest remaining operators of Dash-100 Jumbojets; the B-747 fleet includes 1 each Dash-124, Dash-130, Dash-131, Dash-136, and two Dash-121s, plus two each Dash-282Bs and Dash-212Bs, and one each Dash-2F6B and Dash-283B.

In January, Tower and FotoTag successfully complete FAA-observed operational tests of FotoTag's radio frequency identified (RFID) baggage tags. The system had been installed at New York (JFK) and employed on Tower scheduled flights to Miami, San Francisco, Los Angeles, Tel Aviv, and Paris (CDG).

Tower, which has become somewhat infamous among travelers for the level of its passenger service, now faces at least two Internet forum sites specifically established to share complaints.

At the beginning of February, Tower announces that it is laying off 300 employees, 18.5% of its workforce, as part of a strategic restructuring plan. The airline will also return the now-surplus B-747-2F6B to its lessor, GECAS.

For the Hadj season that begins on February 7, **Air Asia Sdn. Bhd.** wet-leases three Boeing 747-382Bs while **Air India, Ltd.** takes three B-747-212Bs. The aircraft will transport 65,000 people to and from Mecca and earn Tower revenues of the \$28 million.

Unfortunately, the new income is insufficient to prevent the company from entering into voluntary Chapter XI bankruptcy protection on February 29, filing as it does a petition for relief with the U.S. Bankruptcy Court in Wilmington, Delaware. To facilitate the airline's continued operation while it reorganizes and seeks additional financing, Chairman Nachtoni secures an \$18-million debtor-in-possession loan from the airline's existing secured lender, GMAC Business Credit, LLC.

At the beginning of March, officials from **El Al Israel Airlines, Ltd.** meet with Tower executives to discuss ways in which the Israeli carrier, through cooperation or investment, can help the financially distressed U.S. carrier. No decisions are immediately taken, but Tower now stops providing refunds for tickets purchased before February 29 or for lost or damaged baggage or cargo. At the end of the month, the FAA issues an advisory noting that Tower has cancelled certain flights and that other airlines are not required to either honor Tower fares or accept its tickets.

Scheduled frequencies to Fort Lauderdale and San Francisco end on March 17. The B-747-238B is returned to its lessor in April.

Tower suddenly stops all scheduled service on May 1. Indeed, the final service from New York (JFK) to Tel Aviv is pulled so abruptly that 300 passengers are left stranded. Indeed, many are forced to spend the night sleeping in their airport departure terminal. Most carriers refuse to accept Tower's tickets; however, **Trans World Airlines (TWA)** removes a number of restrictions, thereby making deep discount fares available.

Military and other charter work is continued. On behalf of New Age Air Service, passenger charters begin on June 17—and will continue through March 1—from New York (JFK) to Trinidad and Tobago.

The B-737-136 is returned to its lessor on August 15. Little more is heard from this operator as the year finishes. Overall customer bookings in these 12 months plunge 86.32% to 262,000, while freight traffic is worse, down 99.08% to 1.2 million FTKs.

TOWNSVILLE AND COUNTRY AIRWAYS (PTY.), LTD. (T&CA): Australia (1948–1953). T&CA is founded at Townsville, Queensland, in early 1948. With Douglas DC-3s leased from **ANA (Australian National Airlines [Pty.], Ltd.)**, the new entrant begins service to Mount Isa on March 1. Despite significant competition from **Trans-Australian Airlines (Pty.), Ltd.**, the route is maintained in 1949–1952; however, traffic and financial returns fall off in 1953, leading to a cessation of operations on November 27.

TOZAI TEIKI KOKU-KAI (TTKK) (EAST AND WEST SCHEDULED AIR TRANSPORT SOCIETY): Japan (1923–1929). With support from the newspaper *Asahi Shimbun* and leadership from the flying schools founded by Otojiro Itoh and Einosuke Shirato, TTKK is established at Tachigawa Airport (near Tokyo) on January 11, 1923. Employing a Nakajima V, the new airline inaugurates airmail service in July from Tokyo to Osaka via Hamamatsu.

Executives of the newspaper assume the carrier's management in August 1924 and begins to offer willing passengers free accommodation on its aerial mail service. During the fourth quarter, the national government provides the airline with an operator's certificate.

Free flights on the company's eight Nakajimas are now replaced with a one-way ¥ 35 fare. It is reported in March 1925 that 384 flights have been completed since start-up. The Great Earthquake strikes Tokyo in September, interrupting operations.

When business is resumed in 1926, a new route is authorized, north from Tokyo to Sendai; it is not immediately operated. Mail and passenger flights over the original route continue, however, and in the spring of 1927 three Dornier Komets, built in Japan under license by Kawasaki, are acquired. These launch passenger-only service between Tokyo and Osaka on August 27.

Flights continue without significant additional change until late 1929 when the company is purchased by and merged into **Japan Air Lines Company, Ltd. (1).**

TPI INTERNATIONAL AIRWAYS: United States (1984–1991). TPI (Turbo Power International), the subsidiary of an overhaul facility named Turbo Power Incorporated, is established at Miami in 1984 to operate cargo charters and contract service flights with Lockheed L-188AF and L-188CF Electra freighters.

While on initial approach to Kansas City on a service from Detroit (DTT) on January 9, 1985, a L-188AF with three crew accidentally lines up on the wrong airport, Fairfax Airport. The aircraft pulls up steeply to begin to line up anew, when, at 3,100 ft. it stalls and crashes into a public water treatment plant; there are no survivors.

Services continue in 1986–1989 as the fleet is increased to 9 Electras and 1 Douglas DC-8-64F. Three additional Douglas jets remain on order. These operate Logair charters on behalf of the U.S. military, mail on behalf of the British company Airbridge, Ltd., long-haul charters to Africa and South America, and third-party maintenance.

The 200-employee company is purchased by Frederick R. Cathpole and associates and transfer it to Brunswick, Georgia, in February 1990.

While climbing away from Oranjestad, Aruba, on July 14 on a service to Panama City, an L-188CF with three crew suffers the failure of its No. 3 propeller gearbox, causing the No. 3 propeller to separate. The broken propeller strikes No. 4 propeller, which also separates. This propeller crosses under the aircraft and hits the fuselage, hydraulics, cables, and pressure vessel, damaging the No. 2 engine. The No. 2, 3, and 4 engines are all shut down and a safe emergency landing is carried out back at the point of origin.

A total of 4.1 million FTKs are operated during the year. A victim of recession, the airline folds in 1991.

TRABAJOS AEREOS Y ENLACES, S.A.: Spain (1957–1982). TAE is organized at Palma de Majorca in 1957 by shipping magnate Naveira Aznar as an aerial division of his shipping concern, *Compania de Naveira Aznar*. Although the paperwork is completed, difficulties in obtaining an air operator's certificate force the start-up of operations to be postponed until April 1967. At that point, the carrier, from a new base at Palma de Mallorca, inaugurates charter and inclusive-tour services with long-haul piston-engine aircraft to Spain and destinations in North Africa.

To assist in the expansion, the company leases a BAC 1-11-402 from its manufacturer on March 1, 1969. The long-haul enterprise proves a fiscal failure and the company is consequently shut down in early 1970. The BAC is returned to England.

Following lengthy negotiations with various financial institutions, TAE is able to obtain sufficient backing to resume operations on April 1, 1973. A technical assistance contract is entered into with **UTA French Airlines, S.A.**, which provides two chartered Douglas DC-8-32s with which to begin holiday flights to Germany. The world energy crisis has an adverse economic impact, but does not put the company out of business.

Three Sud-Est SE-210 Caravelle XBs are chartered in 1974–1977 and enhance the number of charters flown into Northwest Europe. Although arrangements are completed for the lease of a DC-8-51 from **Delta Air Lines**, the transaction is not completed.

Santiago de Andrews Solana becomes chairman and Aznar's new managing director in 1978 and he now oversees a fleet comprising 3 DC-8-30s and 3 Sud-Est SE-210 Caravelle XBs. Service is maintained during the remainder of the decade and into the next, but higher fuel

bills and a loss of traffic due to world recession cause the carrier to cease trading at the beginning of 1982.

TRADE AIR: Vladimira Nazora 6, 10410 Velika Gorica, Zagreb, Croatia; Phone 385 (1) 6265-053; Fax 385 (1) 6265-054; <http://www.trade-air.com>; Code TDR; Year Founded 1994. Trade Air is established at Zagreb by Capt. Michael Cvijin in 1994 to offer domestic and regional cargo services. Flights commence in May 1995 employing a single Let L-410UVP-E.

Flights continue during the remainder of the decade. During these years, two more Lets are acquired, along with a chartered Antonov An-72. A scheduled roundtrip cargo route is operated on behalf of **DHL Worldwide Express** five times a week between Zagreb and Bergamo.

By 2000, President Michael Cvijin oversees a workforce of 9. A Web site is opened on the Internet later in the year.

TRADE WINDS AIRWAYS. *See* **TRADE WINGS & WESTERN AIRWAYS**

TRADE WINDS & WESTERN AIRWAYS: United States (1959–1975). In 1959, **Tradewinds Airways** is established to offer irregular Beech 18 charter services from San Juan, Puerto Rico, to various other destinations on that island as well as in the U.S. Virgin Islands. Scheduled services are inaugurated over the previous charter routes in June 1964.

Four years later in 1968, another small charter operation, **Western Air Services**, is taken over and merged to form Trade Winds & Western Airways. The enlarged airline employs Beech 18s and Aero Commander 500Bs on its services.

Operations continue apace for the remainder of the decade and into the 1970s. Destinations visited include Mayaguez, St. Thomas, Ponce, Viequez, and St. Croix. Unable to withstand higher fuel costs after the 1973 OPEC embargo, the carrier ceases operations in 1975.

TRADEAIR, LTD. (1): United Kingdom (1957–1962). Eric S. Hanks and Laurence N. Monnickendam register Tradair, Ltd. as an airline company on November 22, 1957. Two Vickers Vikings are purchased in February 1958 and delivered to the company's Southend base. Inclusive-tour flights are now undertaken on behalf of various travel agencies to such destinations as Barcelona, Basel, Munich, Perpignan, Lyons, Vencie, and Santander. The "Queens Flight" of three Vikings are purchased in July.

Two more Vikings are purchased in May 1959 and during the summer a significant number of new tour destinations are added, including Stockholm, Rotterdam, Copenhagen, Malmo, Goteborg, and Hamburg.

Two Vickers Viscount 707s are acquired from **Aer Lingus Irish Airlines** in February 1960, followed by three more Vikings in May. Although inclusive-tour work is resumed for the summer season, there is not enough to fully occupy the Viscounts, so one is leased to **Kuwait Airways, Ltd.** for a year. During the third quarter, three Vikings are sold.

Both Viscounts are back in service for the 1961 summer season and new inclusive-tour destinations of Maastricht, Rotterdam, and Treviso are added. By November, the carrier owes Esso Petroleum over £87,000 and its Viscounts are grounded. Its backer, Barclays Bank, appoints a receiver to handle company business.

During the winter, an all-cargo route is opened Southend–Malmo. Inclusive-tour flights to southern Europe are also flown. During the spring of 1962, the carrier's Vikings undertake a heavy inclusive-tour schedule and between July and October, a Viscount flies German internal services on behalf of **British European Airways Corporation (BEA)**. Upon its return to the U.K. in November, the Vickers is sold to **Starways, Ltd.** Following negotiations, Tradair becomes a wholly owned subsidiary of **Channel Airways, Ltd.** on December 31.

TRADEAIR, LTD. (2): Zimbabwe (1980–1986). The Zimbabwe-based all-cargo airline Tradeair, Ltd. is established in 1980 as a sister to the British freight line **Tradewinds, Ltd.** Employing a B-707-320C

leased from its U.K. associate, the new entrant inaugurates scheduled all-freight flights to London and to regional African destinations.

When **Tradewinds, Ltd.** fails in 1986, so to does Tradeair.

TRADEWINDS (TRADEWINDS [PTY.], LTD.): Singapore (1976–1992). Formed as a wholly owned travel and tour subsidiary of **Singapore Airlines, Ltd.** on February 17, 1975, **Tradewinds (Pty.), Ltd.** does not initially begin operations. Indeed, the carrier's first charter flights—to Peking and Shanghai—are not undertaken until the summer of 1976. In October, Tradewinds begins service as both a regional scheduled carrier and a world charter operator.

Thereafter and throughout the 1980s, nonscheduled passenger flights, many inclusive tours, are undertaken to seasonal destinations in Thailand, Indonesia, Malaysia, Taiwan, China, and the Philippines. Ad hoc charters and oil-crew changes are also undertaken, again using aircraft leased from SIA.

Scheduled flights are undertaken with **Malaysia Air Charter, Ltd.** from Singapore's Seletar Airport nonstop to Malacca and Tioman (both in Malaysia) employing MAC's Dornier 228s. Manager Raymond Lim's company also flies charters with jetliners leased from the parent.

In October 1983, the latter arrangement is put in the form of a marketing agreement, which also includes joint services on routes to Singapore from Kuala Lumpur and Langkawi. Daily Dornier 228 shuttle flights from Singapore to Kuala Lumpur and Malacca commence on May 25, 1984, while Shorts SC-7 Skyvan flights to the Malaysian resort island of Tioman on June 8. These and other services continue apace in 1985.

The joint service with **Malaysia Air Charter, Ltd.** ends with its 1986 cessation. A Shorts SC-7 Skyvan is employed to continue domestic flights within Singapore and long haul charter and wholesale tour services continue to be provided with the major's jetliners. In 1988, the company is split into two divisions: Air Services and Tour and Travel. Operations are conducted from Seletar Airport until midyear. Revenues for the year total \$30 million.

In February 1989, 163-employee Tradewinds (Pty.), Ltd. returns to the scheduled arena and officially becomes the nation's second airline. It upgrades its marketing compact with **Singapore Airlines, Ltd.** and becomes a member of the Passages frequent flyer program.

Outfitted with a wet-leased McDonnell Douglas MD-87 from GPA Group painted with the company's new logo and colors designed by Landor Associates, Chairman Syn Chung Wah's new entrant begins regional all-nonsmoking flights to destinations in Brunei, Malaysia, and Thailand. The first service, performed on February 21, is flown from Singapore to Pattaya, Thailand.

A two-year operations contract with **Air Tara** provides eight flight deck staff and five technical staff to operate the jetliners. Enplanements by year's end total 84,710.

Company employment is increased by 35.6% in 1990 to 274 and 1 Boeing 737-3Y0, also chartered from GPA Group, is delivered in August. A Dornier 228-200, wet-leased from the Malaysian carrier **Pelanggi Air, Ltd.**, takes over the route from Singapore to Tioman Island.

Passenger boardings rocket upward by 66.2% to 184,696.

Airline employment grows by 26.2% in 1991 to 217. In January, a second GPA B-737-3Y0 replaces the MD-87, which is returned. The airline is now made Singapore's second scheduled carrier and service is initiated to Jakarta and Langkawi from Singapore's Changi Airport; in May, six charters are undertaken to Xiamen in the People's Republic of China. A B-737-3L9 is acquired from **Maersk Air, A.S.** in October.

Enplanements for the year increase 47.9% to 250,452 and freight skyrockets 378.2% to 1.62 million FTKs.

The workforce is increased by 31.9% in 1992 to 310. In an effort to change its image as strictly a holiday-resort airline to a scheduled carrier with a business-class emphasis, the company, in April, is renamed **SilkAir, Ltd.**

TRADEWINDS AIRLINES. *See* **TRADEWINDS INTERNATIONAL AIRLINES**

TRADEWINDS AIRWAYS, LTD.: United Kingdom (1968–1990). In November 1968, **Transglobe Airways, Ltd.** ceases operations, leaving a fleet of Canadair CL-44s lease-purchased from **Seaboard World Airlines** in limbo. Later in the month, **Bobwood, Ltd.** is formed to take over the aircraft lease.

This company's name is changed to Tradewind Airways, Ltd. in January 1969 and three ex-Transglobe Airways CL-44s are transferred over. In April, a British group is put together to take over the company, subscribing £50,000 capitalization. The major shareholders are Charles F. Hughesden (85%), now chairman, and Stewart Wrightson and Co., Ltd. C. J. Stevens, former chairman of **BKS Air Transport, Ltd.**, is named managing director.

In June, the ATLB turns down the new entrant's application for a charter license on the grounds that it is not a wholly owned U.K. company. In July, a Bell 206B JetRanger helicopter joins the fleet and later in the year, the Canadairs begin limited ad hoc freight charter flights from London (LGW) on behalf of **Trans-Mediterranean Airways, S.A.L.**

In January 1970, two Tradewinds Airways, Ltd. freighters are employed to transport military and medical supplies to Lagos, Nigeria. In April, a 40% interest in the company is taken by the Crown Agents for Overseas Governments and Administrations and the carrier simultaneously receives its charter license. Two more CL-44s are added in June and October, respectively.

A route network is developed primarily to Africa and North America in 1971–1976. During 1972, the carrier begins flying from London (LHR), often on all-cargo subcontracts for foreign airlines.

A Canadair CL-44D with five crew is destroyed as the result of a heavy landing at Lusaka, Zambia, on December 22, 1974; there are no fatalities.

A replacement aircraft is found and placed in service on February 1975. Weekly London–Maastricht–Hong Kong flights begin during the summer. Ad hoc Ministry of Defence charters begin in 1976.

In January 1977, the carrier becomes a wholly owned subsidiary of the multinational Lonrho Group. The first of three Boeing 707-320Cs is delivered and Managing Director N. F. Curtis now oversees 220 employees.

With a fleet that comes to include 3 B-707-320Cs in place of the Canadairs, the carrier in 1978–1979 maintains scheduled jet freight service from London to Lagos, Kano, and Port Harcourt, Khartoum, Mogadishu, Accra, Chicago, New York, and Toronto.

Following takeoff from Mombasa with a 50-ton cargo of cement on July 6, 1978, the crew of a CL-44D with four men aboard is unable to lock up the right main landing gear, which subsequently collapses when the plane lands at Nairobi.

During 1979, a total of 157.9 million FTKs are operated.

Pooled services are started with **Sudan Airways, Ltd.** and **Uganda Airways Corporation** in 1980. As the carrier further emphasizes blood-stock transport, a special penning system is delivered. A Zimbabwe-based sister company **Tradeair, Ltd.** is established and supplied with a leased B-707-320C. During the recessionary early 1980s, the carrier does not do well financially and releases no figures. Its scheduled services are gradually reduced until, by 1984, its only regularly posted route extends to Chicago via Toronto. The three Boeing freighters do, however, fly ad hoc charters to many other-world destinations, particularly in Africa, although one of the freighters is withdrawn in 1985.

As Britain's last remaining scheduled all-freight carrier in 1986, the airline ceases trading in late January, citing overcapacity, undercutting by competing charter services, and stringent new noise abatement rules as cause of the demise. A bid by the **Deutsche Lufthansa, A.G.** subsidiary **German Cargo Airlines, GmbH.** to purchase the assets is abandoned in April. In May, the aircraft and remaining assets are taken over by **Tal Air, Ltd.**, a business travel airline based at London (STN). At a cost of \$2.5 million, a B-707-320C is hush-kitted in California to operate a twice-weekly scheduled cargo service to Chicago.

Little is heard of the carrier until March 1988. At this point, it leases a hush-kitted B-707-320C from **ZAS Airlines of Egypt** and begins joint services with it to Sudan, Somalia, Kenya, and North Yemen.

On September 28, 1990, Tradewinds ceases operations and shuts down once more, this time for good.

TRADEWINDS AVIATION, LTD.: Canada (1982–1990). Tradewinds is established at Richmond, British Columbia, in 1982 to offer charter and contract service flights to various destinations in the province as well as throughout western Canada. A fleet is assembled that includes 2 Britten-Norman BN-2 Islanders, 1 Piper PA-31-310 Navajo, 1 de Havilland Canada DHC-2 Beaver, and assorted Cessna single-engine types. These are employed to inaugurate revenue services during the summer.

The scheduled subsidiary **Skylink Airlines, Ltd.** is formed in 1983 to offer commuter flights linking its base at Boundary Bay Airport at Delta with Victoria. Operations for both carriers continue quietly apace during the next six years.

On September 28, 1989, a Skylink aircraft is involved in a fatal accident. A government safety audit following the tragedy turns up improprieties and the Skylink operating certificate is revoked in October. Unable to withstand the costs of the crash and the onrush of recession, Tradewinds closes its doors in 1990.

TRADEWINDS INTERNATIONAL AIRLINES: 7304 West Market Street, Greensboro, North Carolina 27409, United States; Phone (910) 668-7500; Fax (910) 668-7517; Code WI; Year Founded 1991. Greensboro, North Carolina-based **Wrangler Aviation** is renamed in November 1991. Employing 6 (4 leased) Canadair CL-44Ds and a chartered Lockheed L-1011-1F—the only one of its type in the world—Chairman/president Richard Swirnow's 182-employee company maintains scheduled all-cargo services to Hartford and Miami and the Caribbean-destinations of Aguadilla and Santo Domingo. A total of 4.52 million FTKs are operated.

Two leased CL-44Ds are temporarily withdrawn in January 1992 and the following month the company files for Chapter XI bankruptcy. The move is made to allow multimillion-dollar refinancing.

During the remainder of the year, the company hauls 7.81 million FTKs, a remarkable 72.6% boost.

The fleet in 1993 includes 6 CL-44Ds and 1 L-1011-1F. A total of 532,900 FTKs are operated and the freight operator reports revenues of \$32.8 million, up 7.9%.

In February 1994 certain air operations and five CL-44Ds are sold to **Florida West Airlines**. The \$5-million transaction is completed in March. The Lockheed freighter continues its operations from Piedmont Triad International Airport; it is the largest aircraft operating from that facility and Tradewinds is the only airline to offer regularly scheduled daily international service from Greensboro.

In 1995–1996, operations continue apace with the L-1011-1F under the marketing name Tradewinds Airlines. A contract is won to haul pharmaceuticals between the U.S. and Puerto Rico. Late in 1997, the company approaches the DOT seeking licensure to operate passenger charters between Hartford, Greensboro, Miami, and San Juan. DOT grants authority on December 4.

Arrangements are made on December 13 to acquire an L-1011-1 TriStar 1 from **Delta Air Lines**.

It is announced on January 26, 1998, that Tradewinds will lease three or four former **Gulf Air Company G.S.C.** L-1011 passenger planes from Interlease Aviation Group. The first, currently being checked at Shannon, Ireland, will be delivered within the next few weeks.

On February 12, the ex-Delta L-1011-1 TriStar 1 is officially commissioned *Charlotte Rose* in ceremonies at Greensboro. The first passenger charter, initiated three days later, is offered from Boston to Montego Bay, Jamaica, on behalf of Sunburst Holidays.

The company continues to expand its passenger charter capacity during the spring and summer, adding the L-1011-200 TriStar 1s *Allison Ann* and *Susan Sabina*, the latter arriving on August 14. The *Allison Ann*, meanwhile, begins operating from New York (JFK) to Georgetown on July 19 on behalf of **Guyana Airways, Ltd.**

During the 12 months, 42,000 passengers are flown by the 182-employee airline. Although revenues of \$38.44 million are generated, expenses are \$41.51 million. There are losses: \$3.06 million (operating) and \$3.08 million (net).

A second L-1011-1 and an L-1011F enter service during the first quarter of 1999. A disagreement with the carrier's aircraft lessor, Interlease Aviation, results in the four passenger planes being parked on April 5. The matter is resolved in time for the aircraft to resume service on May 2.

With the Boston to Montego Bay flights suspended, the carrier now introduces TriStar flights from Hartford to Aguadilla, Puerto Rico.

Passenger boardings jump 16.4% on the year to 128,000 while cargo traffic rises 9% to 98,797,000 FTKs. Revenues increase to \$13.8 million.

A total of 182 workers are employed at the beginning of 2000.

Two Airbus Industrie A300B4-203Fs, chartered from P-G Aircraft Holdings for five years, enter service early in the new year. During the spring, the carrier unsuccessfully attempts to gain permission from the government of Poland for the initiation of charter services into Poland. Company officials appeal to the Department of Transportation, which exerts heavy pressure.

On May 15, an A300B4-203F begins operating from Fort Wayne to Los Angeles on behalf of **Kitty Hawk Aircargo**.

On June 1, the DOT warns the Warsaw government, as well as executives at **American Airlines** and **LOT (Polish Airlines, S.A.)**, that it will unilaterally cancel the code-sharing pact between AA and LOT unless Tradewinds is granted access under the bilateral air agreement between the two countries.

Flights continue during the remainder of the year. In December, the fleet includes 7 A300B4-203Fs and 1 L-1011F.

Overall customer bookings during these 12 months fall 18% to 105,000.

TRADO (TRANS DOMINICAN AIRWAYS, C. por A.): Aeropuerto International Las Americanas, Santo Domingo, Dominican Republic; Phone (809) 549-0591; Fax (809) 542-0169; Code TRD; Year Founded 1995. TRADO is established at Santo Domingo in 1995 to provide both passenger and cargo charters to Miami and various Caribbean destinations. Under the direction of Amin Canaan, revenue operations begin with 1 each Convair CV-440, Douglas DC-6BF, and DC-7CF.

TRAMP AIRWAYS: United States (1931–1932). Named in honor of the mass movement of homeless men across the country during the Depression, Tramp is formed at Tulsa, Oklahoma, in the summer of 1931 to offer scheduled, multistop passenger service to Little Rock, Arkansas.

Employing a Stinson Junior, the carrier begins flight activities on August 28. Without a mail contract, success for the little carrier is as elusive as it is for most hobos; operations cease in February 1932.

TRANS ADRIA: Yugoslavia (1978–1988). In order to assure continuance of the services provided by the failed **Pan Adria**, this wholly owned and government-controlled carrier is established at Zagreb in December 1978. In addition to charter and agricultural work, the carrier provides scheduled flights both within the nation and internationally. Domestic stops include Belgrade, Titograd, Skopje, Dubrovnik, Split, and Pula; international destinations are Linz, Klagenfurt, and Vienna. The fleet comprises 3 Fairchild-Swearingen SA-226 Metro IIs, 2 Merlin IVs, 3 Aero Commander 500Bs, 1 Piper PA-31T Cheyenne, 4 Piper Pawnee Braves, and 11 PA-25 Pawnees.

Two more Metro IIs are added in 1986. Operations cease two years later.

TRANS AERO-SYSTEMS: United States (1973–1974). TAS is set up at San Jose, California, in 1973 to operate passenger and cargo commuter flights on local routes from the city. Employing 1 each de Havilland DH 104 Dove and Cessna 207, the company launches scheduled revenue flights, but cannot maintain them a year.

TRANS AFRICAN AIRWAYS, S.A.: Zaire (1993–1994). Trans-African is established at Kinshasa in 1993 to provide nonscheduled passenger and cargo flights around the country. Revenue services commence with a single Grumman G-159 Gulfstream I and last a year.

TRANS AIR (1): United States (1972–1986). Initially affiliated with **Trans Island Airways, Ltd.** of the Bahamas, Trans Island Airways is originally formed by James Dent as a privately held charter operation in 1972. During the years 1973–1978, the small carrier expands its routes to 10 cities in Florida and provides service to Bahamian destinations with a fleet of 9 Cessna 402s.

The company adds an airline division and launches scheduled passenger service in 1979. As in its charter days, Trans Air remains a seasonal airline, flying most of its passengers between December and April to resort areas.

Enplanements at General Manager Lori P. Goldbold's airline reach 14,000.

Passenger boardings reach 21,000 in 1980. General Manager Goldbold becomes president in 1981, during which year the company is reformed and renamed. Daily Fort Lauderdale to West Palm Beach service is initiated as are flights from Miami and Fort Lauderdale to Melbourne. Bookings reach 24,000.

Additional Florida markets are served in 1982 and orders are placed for CASA turboprops. In 1983, 23,065 passengers are transported. Traffic skyrockets 197.3% in 1984 as 68,575 passengers are boarded.

In June and July 1985, the carrier's Cessna 402s inaugurate five-times-per-day service between Orlando and Gainesville/Daytona. Service is dramatically upgraded in August when the airline places the first of four CASA C-212 Aviocars on line, freeing up two Cessna 402s to operate a new service between Sarasota and Orlando. With the arrival of two more CASAs, six-times-per-day roundtrips are initiated on September 9 between Fort Lauderdale and Orlando and from Tampa to Jacksonville.

This growth leads to Trans Air becoming a member of the **Piedmont Airlines** "Piedmont Commuter" network in October. In an effort to take advantage of the troubles of competing **Provincetown-Boston Airlines (PBA)**, Trans Air now shifts its service from predominantly island routes to flights within Florida proper.

Passenger boardings increase again, up 124.6% to 157,692.

The Piedmont arrangement is inaugurated on January 16, 1986, but on April 1 it is cancelled by the major, which claims that the small regional is unable to fulfill flight completion and on-time requirements of the contract. Chairman/President Dent is now unable to obtain necessary financing and options on six additional Aviocars must be cancelled.

Affiliation is sought with another airline, but such a deal is not forthcoming. The company stops flying its Florida routes, but continues to operate charters for its parent, Royal American Holidays. In late August, Trans Air files for Chapter XI bankruptcy and is sold to Pennco.

TRANS AIR (2): P.O. Box 29239, Honolulu, Hawaii 96820, United States; Phone (808) 833-5557; Fax (808) 833-2636; Code P6; Year Founded 1994. Trans Air is established at Honolulu in late 1994 to offer third-level scheduled as well as charter passenger services throughout Hawaii. Founder Teimour Riahi is president, with Marjan Azimi as executive vice president; revenue flights commence with 4 Cessna 402A/Bs.

The fleet is increased in 1995 by the addition of another Cessna 402B and one Piper PA-32-300. Orders are placed for three Beech 1900Cs. Airline employment stands at 60 in 1996 and the company's 6 aircraft transport a total of 6,844 passengers.

Services continue in 1997. Passenger boardings are level, rising only to 6,865.

Flights are maintained during the remainder of the decade.

TRANS AIR BENIN, S.A.: Cotonou, Benin; Year Founded 2000. This new passenger carrier is established at Cotonou at the beginning

of November 2000. Employing a leased B-737-200A, the carrier initiates twice-weekly roundtrips on November 17 from Cotonou to Ouagadougou, Burkina Faso, via Niamey, Niger.

TRANS AIR CARGO, S.A.: Democratic Republic of the Congo (1993–1997). TAC is set up at Kinshasa in 1993 to offer regional and domestic all-cargo services. Revenue flights commence with one each Bristol Britannia 253F and a Douglas DC-8-55; a DC-8-54 is also available, but out of service. Both Douglas freighters are sold in 1995 and replaced with a Boeing 707-358C.

Flights continue in 1996, but are halted at the beginning of 1997 due to the civil war that will, within months, change Zaire into the Democratic Republic of the Congo.

TRANS AIR CARGO SERVICES. See **TRANS AIR LINK**

TRANS AIR EXPRESS: United States (1977–1979). TAE is set up at Enterprise, Alabama, in 1977 to offer daily air taxi flights to Atlanta via Montgomery. Piper PA-23 Aztec roundtrips are duly inaugurated and are maintained for two years.

TRANS AIR HAWAII, LTD.: United States (1945–1948). Established at Honolulu just after V-J Day in September 1945, this all-cargo airline opens an interisland freight service that is maintained during the hectic relocation of personnel and business following the war. When the general euphoria for all-freight services ends in 1948, this carrier is one of many that stops flying for lack of traffic.

TRANS AIR LINK: 3501 NW 82nd Street, P.O. Box 521298, Miami, Florida 33152, United States; Phone (305) 871-3301; Fax (305) 871-5785; Code TY; Year Founded 1969. Trans-Air Cargo Services is founded at Miami in 1969 to provide all-cargo services linking its base with destinations in Central and South America. Operations continue apace for the remainder of the decade and into the 1970s. By 1978, Managing Director Bob Shelton is flying 1 Lockheed L-1049H, 2 Douglas DC-6As, and 1 Lockheed L-188AF.

In 1984, the carrier is renamed and its Constellation and Electra are replaced by a third DC-6A. Worldwide freight charters are operated, together with scheduled all-cargo flights to St. Martin, St. Croix, St. Thomas, San Juan, and the Bahamian cities of Nassau and Freeport.

Flights continue in 1985–1986. Airline employment jumps 9.5% in 1987 to 92 and CEO Guy Cottingham operates 3 DC-6As and 1 DC-7CF. FTKs operated dip 4.4% to 13.12 million.

The workforce is reduced by 2.2% in 1988 even as the fleet is increased by the addition of 2 more DC-6As.

Despite the capacity boost, cargo drops again, down 19.3% to 10.34 million FTKs.

Although the number of personnel and aircraft is unchanged in 1989, traffic is up and income is down.

Freight rises 17.9% to 11.99 million FTKs and revenues reach \$5.98 million. Expenses, however, climb to \$6.29 million and leave TAL with a \$280,000 operating loss.

The workforce is cut by 44.4% in 1990 to 50. Cargo balloons by 37.8% to 16.65 million FTKs. Although revenues rise 1.7% to \$6.08 million, expenses jump 5.7% to \$6.62 million and cause the operating loss to double to \$535,449. A net profit of \$62,000 is, however, generated.

Twenty new employees are hired in 1991 and the fleet now includes 5 DC-6As and 1 DC-7CF.

Traffic plunges 52.4% to 7.92 million FTKs and revenues decline 20.5% to \$4.82 million. Expenses drop 22.9% to \$5.09 million and cause a \$248,389 operating loss. This year the net profit grows to \$406,388.

A total of 6.83 million FTKs are operated in 1992 and revenues slide to \$4.3 million. Costs are again high and operating loss is \$213,971. There is also a \$23,706 net loss.

The 1993 fleet of President Gary Balnick's all-cargo airline includes 4 DC-6As and 1 DC-7CF. Scheduled and charter flights continue to link south Florida with St. Martin, St. Thomas, St. Croix, San Juan, Nassau, and Freeport.

Cargo declines by 10.3% to 6.41 million FTKs. Revenues decline 10.2% to \$3.86 million and expenses bring another operating loss, \$320,107. This year, however, there is a net profit of \$97,135.

The workforce stands at 60 in 1994 and freight recovers, climbing 18.7% to 7.61 million FTKs. Revenues decline 12.5% to \$3.38 million, while expenses drop 4.5% to \$3.99 million. The operating loss increases to \$613,000 and there is a \$40,000 net loss.

If the previous year was good, 1995 is bad for the Miami-based airline. The carrier's 5 aircraft operate only 4.23 million FTKs, a 44% decline. Losses continue to mount to \$998,000 (operating) and \$289,000 (net).

The situation worsens for the 60-worker concern in 1996 as cargo traffic falls 13.2% to \$3.59 million FTKs. Operating income plunges 19.5% to \$2 million and expenses fall 24.2% to \$2.64 million. Although the operating loss improves to \$641,000, a \$294,000 net failure must be reported.

Flights and mixed traffic and fiscal fortune continue at the carrier in 1997.

Freight accelerates 22.4% to 4.4 million FTKs, while operating revenues ascend 7% to \$2.14 million. With expenses of \$2.69 million, however, an operating loss must still be reported, albeit a smaller \$548,000 figure. The net loss worsens to \$317,000.

The downturn continues for the 60-employee airline in 1998. Cargo traffic falls 59.1% to 1.23 million FTKs. Revenue figures are not available.

Freight traffic skyrockets 109.6% in 1999 to 3,776,000 FTKs.

A total of 60 workers are employed at the beginning of 2000. Following an ownership change, the company parks its DC-6 freighters and acquires, instead, a Convair CV-580.

TRANS AIR VALEOLOGIA: Aleksandru Cei Ban St 54, Kishinev, 277012, Moldova; Phone 373 (0422) 245 406; Fax 373 (0422) 221 013; Code VL; Year Founded 1991. TAV is set up at Chisnau in 1991 to offer domestic all-cargo charters. Valeri V. Kalinochkin is CEO and he begins revenue flights with 2 Antonov An-72s and 1 An-74.

TRANS AIRE: United States (1966–1968). Established at Detroit City Airport in fall 1966, this small operator begins regularly scheduled flights to other Michigan cities and Toledo, Ohio, beginning on October 25. The Piper services are maintained until the company stops flying in 1968.

TRANS ALASKA HELICOPTERS: 819 Orca St., Anchorage, Alaska 99501, United States; Phone 907 274-7762; Fax 907 264-6486; Year Founded 1961. A pioneer Alaskan rotary-wing operator, Trans Alaska is established at Anchorage in 1961 to operate charter and sight-seeing services to local and bush destinations. Over the next 39 years, energy support, forest fire fighting, and various other aerial work services are also undertaken.

In 2000, owner Mel Nading operates a fleet that includes 4 Bell 206B JetRangers, 2 Bell 206L LongRangers, and 1 fixed-wing Cessna 206 Stationaire.

TRANS AMAZON, S.A.: Iquitos, Peru; Year Founded 1992. Trans Amazon is established at Iquitos in 1992 to provide charter passenger and freight services in the border region with Brazil. Revenue flights are inaugurated with 1 Antonov An-24RV and 2 An-26s. Operations continue without change during the next five years.

TRANS AMERICAN AIRLINES/AIRWAYS. See **NORTH AMERICAN AIRLINES (1) (NAA)**

TRANS AMERICAN CHARTER: 5923 South Central Ave., Chicago, Illinois 60638, United States; Phone (312) 735-6906; Fax (312) 735-5622; Year Founded 1994. Trans American Charter is set up

at Chicago in December **1994** to offer domestic and regional nonscheduled and inclusive-tour passenger charters, primarily on behalf of sports teams. President Gary Balnicki's concern inaugurates flights in February **1995** employing the first of three British Aerospace (BAe) 146-200As to be delivered over the next three years. A Douglas DC-9-32 is placed into service during **1997**.

TRANS ANGUILLA, INC.: P.O. Box 1329, Wallblake Airport, Anguilla; Phone (264) 497-8690; Fax (264) 497-8689; <http://www.trans.ai>; Year Founded **1997**. Trans Anguilla is established at Wallblake Airport in **1997** to offer domestic services as successor to **Air Anguilla, S.A.** Under the direction of General Manager Lincoln Gumbs and Chief Pilot Karl Thomas, a workforce is assembled, together with a fleet consisting of 2 Britten-Norman BN-2 Islanders, 1 Beech Super King Air 200, and 1 de Havilland Canada DHC-6-300 Twin Otter, the latter for business charters.

Five-times-a-day return BN-2 scheduled service is inaugurated between Anguilla and St. Martin.

In addition, Islander charters are offered to St. Marten, St. Barths, St. Kitts, Nevis, Antigua, Dominica, Guadeloupe, Martinique, Barbados, St. Thomas, St. Crox, Virgin Gorda, Tortola, and San Juan. Super King Air charters are operated from Anguilla to St. Barths, Nevis, Virgin Gorda, and St. Kitts.

Flights continue over the next four years. During this time, a new hangar is constructed and the staff grows to a total of 11.

TRANS ARABIAN AIR TRANSPORT, LTD.: P.O. Box 1461, Africa Street, Khartoum, Sudan; Phone 249 (1) 451 801; Fax 249 (1) 451 544; Code ZQH1; Year Founded **1983**.

Organized at Khartoum by H & H, under contract to Yemen Transporting Corporation in **1983**, TAAT begins charter and contract cargo operations with 30 workers and 1 Douglas DC-8-55Fs. The aircraft launches revenue services to destinations in the Middle East, Europe, and Africa. Emphasis is placed on the transport of livestock. Neither traffic nor financial figures are released by the privately owned concern, 75% shareholding of which is in the hands of M. H. Gangari.

A second DC-8-55F is acquired in **1985**. Services are maintained by the Jet Traders until **1988**, when they are replaced in September by a single Boeing 707-349C christened *Juba*. A B-707-338C arrives in early **1989**, followed later in the year by a B-707-321C leased from **Sudan Airways, Ltd.**

The year **1990** is disastrous for the company as it loses two Stratofreighters. The leased unit crashes into a mountain near Athens during the first quarter on its very first flight for TAAT. Just after landing at Khartoum on July 14, *Juba* suffers the collapse of its landing gear, which in turn leads to the damaging of the No. 2 and No. 4 engines. There are no fatalities. The B-707-338C now operates all of the carrier's services.

The last Stratofreighter is sold to Grumman Aerospace Corporation in early **1992** for conversion into a J-STARs platform for the USAF. It is replaced with two leased Stratofreighters, plus three Antonov An-26s.

Destinations visited in **1993-1994** include Addis Ababa, Amsterdam, Athens, Cairo, Doha, Harare, Jeddah, London (LGW and STN), Malta, Nairobi, Port Sudan, and Sharjah. In February of the latter year, a B-707-351C is leased as the Antonovs are withdrawn.

Flights continue in **1995** and a new corporate livery is unveiled in **1996** when the company is renamed **United Arabian Airlines, Ltd.**

Capt. Mustafa H. Y. Kordofani remains managing director of the renamed concern and continues to oversee a 230-person workforce.

In addition to 3 Antonov An-26s and 1 An-12, the fleet includes 1 each owned Boeing 707-349C and B-707-351C, plus 1 leased B-707-321C. Destinations visited during the remainder of the year and in **1997** include Addis Ababa, Amsterdam, Athens, Cairo, Doha, Harare, Jeddah, London (LGW and STN), Malta, Nairobi, Port Sudan, and Sharjah.

The company reverts to its original name in **1998** and operations continue apace without headline or incident during the next year. Repainting of the company's aircraft proves haphazard; the An-12 simply has its

"United Arabian Airlines" titles painted over in gray and new "Trans Arabian Transport" titles applied over the top.

Following a missed approach to the airport at Mwanza, Tanzania, on a February 3, **2000** ferry flight, the captain of the carrier's B-707-321C turns to recover. During this maneuver, the aircraft hits the surface of Lake Victoria, where it remains afloat approximately 3 km. short of the runway. Later, the Stratofreighter is towed to shore and beached. Investigators will later determine that the pilot's altimeter had been incorrectly reading 400-ft. higher than actuality.

TRANS ARABIAN AIRWAYS KUWAIT, LTD. See **KUWAIT AIRWAYS, LTD.**

TRANS ARCTIC: United States (1969-1971). Formed at Grosse Point, Wisconsin, in **1969**, this contract carrier is physically based at Fairbanks. A total of 7 Curtiss C-46 Commandos are acquired and employed to operate all-cargo flights throughout Alaska. Operations continue until **1971**.

TRANS ASIA AIRWAYS COMPANY, LTD.: 139 Cheng-Chou Road, Taipei, Taiwan; Phone 886 (2) 715-2766; Fax 886 (2) 712-9801; <http://www.tna.com.tw>; Code GE; Year Founded **1991**. In order to reflect its wider ambitions, the Taiwanese scheduled carrier **Foshing Airlines, Ltd.** receives this new name in late **1991**. President Charles C. Lin's 1,300-employee company has a fleet that includes 4 Avions de Transport Regional ATR42-320s and 5 ATR72-202s. Orders are now placed for two Airbus Industrie A320-231s, four A300B4-622Rs (later cancelled), an ATR42-320 and an ATR72-202. Regular flights are maintained linking Taipei with such national cities Hualien, Kao-hsiung, Kinmen, Makung, and Tainan.

The two A320-231s and four ATR72-202s are received, beginning in August **1992**. The former allow the inauguration of international charter services to Bangkok, Phuket, Kuala Lumpur, Okinawa, Japan, Phnom Penh, Manila, and Cebu during the fall. An order is placed for four A321-100s for delivery beginning in July 1995.

Enplanements total 1,002,034 and a \$2.7-million operating profit is earned.

The employee population is increased by 6.3% in **1993** to 1,412. President Lin's domestic and charter services continue to prove successful and plans are laid to commence scheduled service within a year or so.

Passenger boardings increase 51.3% to 2,069,885. Revenues increase by 47.9% to \$117.49 million and expenses are up only 43.2% to \$109.88 million. The operating surplus is a comfortable \$7.61 million.

Flights continue into **1994**. Traffic improves as eight additional ATR72-202s enter service, the last on December 20.

While en route from Peng Hu Island to Kuei Shan Hsiang on January 30, **1995**, the new ATR72-202 delivered on December 20, with four crew, crashes into a hillside; there are no survivors.

Destinations visited during the remainder of the year and into **1997** include Cebu, Hualien, Kinmen, Makung, Manila, Surabaya, Phnom Penh, Pingtung, Surabaya, Tainan, and Taitung.

The Asian economic crisis started during the previous year comes to have a severe impact on the carrier in **1998**. In the spring, an A320-231 is sold to **Kyrgyzstan Airlines**; repainted in the colors of its new owners by Lufthansa Technik, it will be delivered in July.

In an effort to remain competitive with the nation's 14 other local carriers, Trans Asia, in August, is forced to slash the salaries of its pilots by between 20%-40%. As a result, most of the flyers resign. Faced with collapse, the company reaches a deal with the pilots, who agree to withdraw their resignations.

Faced with continuing economic downturn, the company agrees to sell three ATR72-202s to **Finnair, O/Y** during the second week of November.

On revenues during the 12 months of \$177 million, a \$67.9-million loss is suffered.

Flights continue in **1999-2000**, during which years the ATR42-320s are withdrawn and replaced with three more A320-232s, six A321-131s,

and six ATR72-520s. During the former year, even though Russia and Taiwan do not enjoy diplomatic relations, a bilateral air accord is concluded under which Trans Asia and **Vladivostok Air** are to inaugurate twice weekly roundtrips between Taipei and Vladivostok. Although the services are initially planned for May 2000, they will not in fact begin until April 30, 2001.

At the dawn of the new millennium, President Lin oversees a workforce of 1,587 and has outstanding orders for 2 ATR72-520s. Service is increased between Taipei and Kinmen Island on November 1.

TRANS ASIAN AIRLINES: Tulebaeva Str. 4, Almaty, 480016, Kazakstan; Phone 7 (3272) 301512; Fax 7 (3272) 301558; Code T7; Year Founded 1994. Trans Asian is established at Almaty in 1994 to undertake long-haul passenger flights throughout Russia and the CIS, as well as to China. Flights begin and continue with 3 Ilyushin Il-62s.

TRANS ASIATIC AIRLINES, INC. (TAALI): Philippines (1946–1950). As is the case with competing **Commercial Air Lines, Inc.**, TAALI is established at Manila in late 1946 by a group of former U.S. Army pilots. Plans are made to inaugurate nonscheduled services to Asia with a fleet of Consolidated PBY-5A Catalinas chartered from Victor Osias' **Insular Airways Company**. Although flights are duly begun, they must be suspended in the spring of 1947 when INACO is put out of business for smuggling arms to Indonesian insurgents.

Regrouping, TAALI acquires a fleet of six Douglas C-47s with which to continue its irregular operations during the remainder of the year and into 1950. The business shuts its doors during the latter year.

TRANS ASIATIC AIRLINES (SIAM), LTD.: Thailand (1948–1952). American citizen William D. Davis and officials from **Siamese Airways Company, Ltd.**, establish this independent nonscheduled airline at Bangkok on April 10, 1948, with Davis holding a major minority stake (49%). Equipped with a pair of Douglas DC-3s, the company inaugurates passenger and cargo charters to Hong Kong and Singapore, as well as regional capitals.

A DC-3 fails takeoff from Rangoon, Burma, on January 18, 1950; although the aircraft must be written off, no fatalities are reported.

Flights continue with the remaining Douglas transport until November 11, 1952.

TRANS ATLANTIC AIRLINES: United States (1960–1963). This American-registered company is established in late 1960 to operate passenger charters in Europe. Two Douglas DC-4s are acquired and employed to begin revenue flights from London (LGW) to Luxembourg in March 1961. Cargo charters also begin in October with a Curtiss C-46 Commandos.

Business continues until the concern files for bankruptcy in 1963.

TRANS AUSTRALIA AIRLINES (PTY.), LTD. (TAA): Australia (1945–1986). The Australian National Airlines Act passes the parliament on August 16, 1945 and provides for the creation of an Australian National Airlines Commission as a Commonwealth airline operating authority. Certain provisions of the act are challenged and the matter is not resolved by the High Court of Australia until December.

On February 12, 1946, the government appoints members to the ANAC and the Australian National Airlines Act of 1945 comes into effect on April 17 by proclamation. Late of **Qantas Empire Airways (Pty.), Ltd.**, Lester J. Brain is named on June 3 as general manager and becomes the first employee at the new Melbourne headquarters. In July, a National Airline School is set up at Essendon Airport. To avoid confusion with ANA (**Australian National Airlines [Pty.], Ltd.**), the trading name **Trans-Australian Airlines (Pty.), Ltd.** becomes the carrier's official title in August.

Meanwhile, 11 Douglas C-47s have been obtained from the Australian Disposals Commission and converted to civil DC-3 standard. Flown by Capt. J. Hepburn, the DC-3 *Hawdur* makes a proving flight Melbourne–Sydney on September 1 as daily scheduled service is inau-

gurated the next day; the frequency on the route is increased to twice daily on September 23. New daily flights are launched from Melbourne throughout the fall: to Brisbane on October 7, Hobart on November 4, Launceston on November 18, and Adelaide on December 2. On December 2–3, night DC-4 operations begin Melbourne–Adelaide and Perth. At year's end, five Convair CV-240s are ordered.

Enplanements for the period September–December are 28,576.

Regularly scheduled DC-3 flights begin on April 27, 1947 on the Melbourne–Sydney and Tasmania routes. DC-3 and DC-4 service is launched on July 12 (the latter weekly) from Brisbane to Cairns via Rockhampton, Mackay, and Townsville. The Adelaide–Alice Springs route of **Guinea Airways (Pty.), Ltd.** is acquired and flown by DC-3s as of November 1. During the year, 12 additional war surplus C-47s, all converted to civil DC-3 standard, join the fleet.

Boardings for the first complete 12-month period are 260,391.

On February 16, 1948, Mount Isa–Brisbane via Townsville service is launched. A second Queensland segment paralleling a **Qantas Empire Airways (Pty.), Ltd.** route is opened on April 2. The first of two years' worth of New Zealand charters on behalf of **Tasman Empire Airways, Ltd.** are flown during the summer and several DC-4 migrant-lifting flights are made to Singapore and Hong Kong. The first CV-240 is delivered to Essendon in late September; christened *John Forrest*, it is placed on the Brisbane run on October 18. On November 1, the **Guinea Airways, Ltd.** route from Adelaide to Darwin is purchased.

Nonstop CV-240 *Cannonball* flights Sydney–Adelaide commence on March 11, 1949. Freeing itself to become the Commonwealth's international carrier, **Qantas Empire Airways (Pty.), Ltd.** on April 2 turns over to TAA all 6,050 kilometers of its domestic system in West Australia and Northern Territory. Significant routes thus acquired include the nation's longest internal segment, the 2,870-kilometer Brisbane to Darwin run, plus Brisbane service to Winton, Cunnamulla, Quilpie, and Roma and that from Cloncurry to Burketown.

Additionally, the Flying Doctor Services, based at Cloncurry and Burketown, are also taken over, along with the two de Havilland DH 89As employed to fly them. On June 30, the carrier reports that its cumulative trading loss since inception now totals A£897,000. Air express parcel service begins on December 10.

Boardings for the year reach 507,000.

Nonstop CV-240 Rocket service begins Melbourne–Brisbane on October 23, 1950. Meanwhile, during the summer, the first, if small, profit is reported. Also, the Queensland Gulf and Channel areas—"The Channel Country"—is plumbed with feeder services provided by five de Havilland DH 84 Dragons. Australian-built DHA-3 Drover operations begin on December 19 over the Townsville–Cairns route and at least two of these machines are now dedicated to the Flying Doctor Services.

Bookings for the year soar to 567,000.

DHA-3s are sent into "The Channel Country" in 1951.

The pilot of a DC-3 freighter, with another crewman aboard, loses control in icing conditions on July 3, causing the Douglas to crash at Barilla Bay; neither man survives.

Enplanements for the year accelerate to 654,850.

Melbourne to Perth flights begin on January 15, 1952. On March 1, the carrier assumes responsibility for the Northern Territory Aerial Medical Service based at Alice Springs and Darwin. In July, orders are placed for seven Vickers Viscount 720s. The Civil Aviation Agreement Act of November 18 ends the airline's privileged mail contracts, interest-free loans, and, in general, establishes a "two-airline" policy for healthy and constructive rivalry with the completely independent ANA (**Australian National Airlines [Pty.], Ltd.**).

Boardings dip to 652,865 and the carrier loses A\$166,000 on the year.

Enplanements recover in 1953 and advance upward to 660,287.

Sydney–Darwin DC-3 service via Roma, Longreach, Mount Isa, and Katherine, is inaugurated on March 22, 1954, thereby eliminating an overnight stop at Brisbane. The first Viscount 720 is delivered on October 5. With eight crew aboard, it is lost during takeoff from Mangalore on October 31 for a training flight (three dead).

A second Viscount 730 is secured; christened *John Batman*, it is placed on the Melbourne–Brisbane via Sydney service on December 18. TAA thus becomes the fourth carrier in the world and the first in the Southern Hemisphere to offer turboprop flights.

Still, bookings fall during the year, down to 649,846.

On February 23, 1955, over 70 pilots are suspended for refusing to fly DC-3s with maximum weight; the pilots hold that safety margins are cut to unacceptable levels. Fitted with long-range slipper tanks, daily Viscount 720 Adelaide–Perth flights are begun on April 17 by Capt. D. Winch's *Charles Stuart*. DC-4s, released by this initiative, are reassigned to begin thrice-weekly, tourist-class, Melbourne–Sydney–Brisbane service on October 3 and weekly Melbourne–Alice Springs–Darwin flights on October 14.

Enplanements for the year skyrocket to 739,783.

Hiller H-12C helicopter operations begin on the last day of April 1956. Weekly Sydney–Darwin direct night DC-4 service begins on May 16–17, and weekly Brisbane–Mount Isa via Longreach and Cloncurry DC-4 day flights commence on June 10. Tourist-class fares are cut to three-fourths of first-class fares on August 10. The carrier's technical office recommends acquisition of the Sud SE-210 Caravelle jetliner.

Bookings during the 12 months grow to 773,144.

Early in 1957, the ANAC rejects the proposal for Caravelle purchases; however, permission is granted for the ordering of Viscount 816s and Fokker F.27s. Melbourne–Adelaide–Perth DC-4 tourist-class services are launched on December 14.

Together with the new **Ansett-ANA, Ltd.**, orders are placed at year's end for Lockheed L-188 Electras. The government requires the independent to surrender two delivery positions to TAA before it will approve the arrangement.

Enplanements for the 12 months climb to 811,977.

DC-3 airmail drops begin to isolated points in "The Channel Country" on January 3, 1958. The first Fokker F.27-100 is delivered on April 6; christened *Abel Tasman*, it begins service as Flight 567 on the Melbourne–Canberra–Sydney route on May 1.

Orders are placed on May 23 for a pair of Lockheed L-188A Electra turboprops. Weekly tourist-class Viscount 720 flights Melbourne–Adelaide–Perth are started in May. The **Guinea Airways (Pty.), Ltd.** maintenance contract is taken over from the defunct ANA (**Australian National Airlines [Pty., Ltd.]**) on June 30; it will be lost, together with the carrier itself, to Ansett during the next 12 months.

The Airline Agreement Act is passed late in the year and is applied specifically to TAA/Ansett-ANA; confirmed is the 1952 "two airline" policy and the pattern of fleet rationalization required to maintain it.

Bookings for these 12 months leap to 851,422.

A new Day-Glo livery is unveiled during the first quarter of 1959 and is employed on the company's second F.27-100, the *William Landsborough*, when it begins flying to Brisbane. Direct Melbourne–Coolangatta Viscount 816 operations start on May 16.

The first L-188A, *John Eyre*, arrives at Essendon on June 24, in company with the carrier's second Viscount 816. Given "TAA: The Nation's Jetline" titles above its windowline, the Electra launches Melbourne to Adelaide and Perth service on July 8. Its work is halved by delivery on July 14 of the second L-188A; christened *John Gilbert*, it enters revenue service on July 26.

F.27-100 Adelaide–Alice Springs via Leigh Creek and Oodnadatta operations commence on August 1. The L-188C *Pacific Enterprise* is dry-leased from **Qantas Empire Airways (Pty.), Ltd.** in December.

The year's bookings total 960,643.

The L-188A *John Eyre* makes the Melbourne to Brisbane flight on February 15, 1960 in a record 2 hrs. 9 min. On February 26, TAA signs the last contract negotiated for the Lockheed L-188A Electra. On March 2, the Electra *Pacific Enterprise* arrives under a short-term charter from **Qantas Empire Airways (Pty.), Ltd.**; rechristened *Charles Sturt*, it enters revenue service the next day. The one-millionth passenger of the year is boarded on April 29.

The first fatal accident in scheduled passenger service occurs on June 10 when the initial F.27-100, *Abel Tasman* with 4 crew and 25 passen-

gers en route from Brisbane to Sydney crashes into the sea while on final approach to the airport at Mackay; there are no survivors. Among the victims is Queensland's U.S. Consul, John F. O'Grady.

In June, TAA and **Ansett-ANA (Pty.), Ltd.** are awarded the **Qantas Empire Airways (Pty.), Ltd.** routes to New Guinea.

The state carrier begins weekly Sydney and Brisbane–Port Moresby and Lae operations on July 9 with a DC-6B leased from **Ansett-ANA (Pty.), Ltd.**, following up on July 11 with Brisbane–Port Moresby F.27-100 flights every two weeks.

A passenger aboard Flight 408, the July 19 service operated by the L-188A *John Gilbert*, attempts to divert it to Singapore by threatening to blow up a dynamite bomb under his seat; both the man and the bomb are disarmed by the plane's fast-talking pilot. The third owned L-188A is delivered on August 29. **Qantas Empire Airways (Pty.), Ltd.**'s New Guinea internal and regional services are assumed on September 1, together with the flag carrier's local fleet of 6 DC-3s and 4 de Havilland Canada DHC-3 Otters. Christened *Charles Sturt*, the third owned L-188A enters service on September 3. The leased L-188A *Charles Sturt* is returned to **Qantas Empire Airways (Pty.), Ltd.** on September 9; Qantas will rename the aircraft *Pacific Enterprise*.

Hiller H-12C helicopter services are inaugurated from Melbourne's Yarra River Heliport to Essendon on December 20.

Enplanements pass the magic million mark this season with 1,090,691 passengers flown.

TAA's fleet in 1961 comprises 3 L-188s, 2 Viscount 816s, 3 Viscount 720s, 7 Viscount 756s, 9 F.27-100s, 1 leased DC-6B, 3 DC-4s, 4 DHC-3s, 1 H-12C, and 2 H-12Es.

On July 8, the L-188A *John Eyre* sets a Melbourne to Sydney speed record of just 54 min. A floatplane DHC 3, on August 14, experiences engine failure W of Samari, near the Owen.

On August 14, a DHC-3 floatplane experiences engine failure west of Samarai, near the Owen Stanley Mountain Range, and makes a heavy water landing at sea; all aboard are saved, with the plane's steward becoming a hero for his rescue of three children.

To provide additional capacity on the New Guinea service, TAA, a Consolidated PB-Y-5A Catalina is purchased from **World Wide Air Services**; repainted and given a yellow-bellied sunbird logo for its tail, the amphibian, nicknamed *Wimpey's Water Closet*, begins Sunbird Services over the Gulf of Papua on September 6.

Between November 20–28, the aircraft is loaned to the government to assist in the unsuccessful search for Michael Rockefeller, son of governor Nelson Rockefeller of New York, and his companions, lost somewhere in the Arafura Sea–Dutch New Guinea area. In terms of passenger miles flown, the carrier now ranks as the world's 28th largest.

The H-12s are replaced in 1962 by a Bell Model 47; three DC-3s and a DC-4 are retired as another DC-6B is leased from **Ansett-ANA (Pty.), Ltd.** *Wimpey's Water Closet* is lost in a landing accident at Daru on April 26, although all 11 aboard are rescued by a TAA launch from shore. In early May, a replacement Catalina, a former OA-10A, is purchased from **Macao Air Transport Co., Ltd.** and is refurbished by Bristol Aviation at Bankstown, Sydney, Australia. The rebuilt amphibian arrives at Jacksons Field, Port Moresby, on October 1 and resumes Sunbird Services on October 5 over the routes previously operated by *Wimpey's Water Closet*.

On November 19, government permission is received to order American jetliners. Acting on behalf of TAA, on February 8, 1963, the Australian National Airlines Commission orders four Boeing B-727-76s.

The workforce totals 5,219 in 1964 and the fleet of 63 aircraft now serves 145 points in Australia and the Territories of Papua and New Guinea; the carrier is now the largest domestic airline in the British Commonwealth. TAA enters the jet age on August 25 when the first B-727-76 *James Cook* makes its maiden flight. Piloted by Capt. D. A. Winch and K. J. Fox and in company with **Ansett/ANA Airlines (Pty.), Ltd.**'s first B-727-77, the *James Cook* arrives at Melbourne's Essendon Airport from Seattle on October 16, having flown via San Francisco, Honolulu, Canton Island, and Nadi.

In a new livery and advertised as a "T-Jet" (for TAA and for its T-tail), the *James Cook* undertakes a series of proving flights over the company's route network until November 2, when it is placed in service from Melbourne to Sydney. A second B-727-76, the *John Forrest*, arrives on November 13 and enters service 16 days later.

A total of 1,549,510 passengers are carried on the year and revenues earned total A\$46.88 million.

Employment in 1965 drops to 5,015. On January 14, Capt. Bert van Drunick operates Flight 413, the L-188A *John Eyre*, on a record-shattering Sydney to Melbourne service in 1 hr. 30 min. Another B-727-76, the *Arthur Phillip*, is delivered on August 22 and enters service only two days later. The varied fleet now includes 3 Boeing jetliners, 1 Bell Model 47, 2 Beech B-80 Queen Aires, 2 Bristol 170s, 2 Cessnas, 1 Consolidated PBV, 3 DHA-3s, 20 DC-3s, 5 DC-4s, 3 L-188s, 9 F.27s, 2 FH-227s, 2 Piper Aztecs, 7 Viscounts, and 3 leased DC-6Bs.

Enplanements this year are up to 1,678,647.

The twentieth anniversary is celebrated in 1966 as the carrier's Catalina Sunbird Service comes to an end on January 10. Although the flying boat is put up for sale, it cannot be sold and is eventually transferred to a museum. The fourth B-727-76, *Gregory Blaxland*, arrives on August 10 and is placed in service on August 13; four Viscounts are sold, including both 816s.

In 1967, orders are placed for DC-9-32s and DHC-6s. The first Douglas jetliner enters service in April.

The workforce grows to 6,440 in 1968. A fleet standardization program, Operation Streamline, is initiated, designed to reduce the number of aircraft types within the fleet from 15 to 4. Two DC-9-32s, four F.27QCs, and six DHC-6s (for rural and developmental routes) are received as three DC-3s and two DHA-3s are retired. The computerized reservations system is extended to 90% of the route network and the first airline building is opened at the new Melbourne International Airport at Tullamarine.

Bookings for the 12 months rise to 2,169,562 and revenues of A\$78.86 million are earned.

The employee population in 1969 is 6,549. Four DC-9-31s and the *Matthew Flinders*, a B-727-76 that enters service on November 2, displace the remaining DC-4s, L-188s, and half the Viscounts. The leased DC-6Bs are returned.

Bookings accelerate to 2,468,742.

The payroll is increased 14.7% in 1970 to 7,514. Four more DC-9-32s and nine F.27s arrive to replace the last DHA-3, all but nine DC-3s, the Cessnas and Pipers, the Bristol 170s, the Beech 80s, and the lone PBV.

Air Siam, Ltd.'s first aircraft, a used Douglas DC-4, is acquired from TAA in February. It is employed to launch the Thai independent's inaugural service on March 1, a thrice-weekly all-cargo route to Hong Kong.

A DHC-6-100 with two crew and nine passengers crashes at Kainatu, Papua New Guinea, on April 28 (seven dead).

The final B-727-76, *William Dampier*, arrives on July 12 and begins revenue flying on July 18. An order for four advanced B-727-276As is made on December 9.

Passenger boardings jump 15.5% to 2,921,588 and freight accelerates 14.6%.

Operation Streamline is concluded in 1971 with orders for four B-727-276s. The route system now comprises some 50,000 unduplicated miles. The pioneering first L-188A *John Eyre*, and the second *Electra*, *John Gilbert*, are withdrawn from service on April 30 and placed into storage at Essendon Airport. They are joined by the third turboprop, the *Charles Sturt*, on October 31.

A total of 3,054,957 travelers are transported.

The employee population stands at 7,675 in 1972. The TAARSAN reservations system is now inaugurated. Inclusive-tour charters (ITC) are offered for the first time in a major way.

A DC-3 overruns the runway after landing at Madang, Papua New Guinea, on April 11 and continues into the ocean; there are no fatalities.

Like the *John Gilbert* on February 29 and the *John Eyre* on March 14 before it, the L-188A *Charles Sturt* is sold to the U.S. concern Concare Aircraft Leasing on June 7

With the delivery of the first B-727-276A, *Charles Sturt*, on December 11, the fleet has been standardized and includes 1 B-727-276, 6 B-727-76s, 12 DC-9-31/32s, 17 F.27s, 10 DHC-6s, and 9 DHC-3s.

Passenger boardings increase 7.9% to 3,317,000, but cargo is off 0.2%.

The employee population in 1973 numbers 8,112. The *Charles Sturt* enters service on January 7. The second B-727-276A, *Freeman Cobb*, arrives at Melbourne on November 23 and is in service by December 1. Late in the year, interest in Papua New Guinea services are turned over to **Air Niugini (Pty.), Ltd.**

Cargo, meanwhile, increases 9.9% and passenger bookings swell 18.1% to 3.6 million.

The workforce in 1974 declines to 7,868. A third B-727-276A, *McDouall Stuart*, is delivered on April 7 and enters service three days later. It is followed into service by the *Joseph Banks* on August 1 and the *John Fawcner* on November 8. In an effort aimed at diversification, the carrier purchases the Great Keppel Island Resort on the Great Barrier Reef.

Reacting to a Christmas Day typhoon that devastates Darwin, an F.27 flies one of the first relief flights out of that city and the airline brings 4,000 evacuees out during the next four days. The inbound flights carry doctors, nurses, food, and clothing.

For the year, passenger boardings jump 13.7% to 4,104,724, and freight balloons 16.2%.

A total of 117 new employees are hired in 1975. In January, a new A\$5-million passenger terminal is unveiled at Sydney Airport. As another B-727-276A, *John Eyre*, joins the fleet on April 28, all but one DC-3 is retired. A new hostess school is opened. The marketing of group and holiday travel is broadened as a new holiday package reservations and processing system, TRIPS, is put into operation. In a diversification move, shares are also taken in a tourist park at Airlie Beach in North Queensland. Training facilities are upgraded as a new hostess school is opened and flight simulator visual display systems come on line.

Freight grows a slight 1% and passenger boardings move up 3.1% to 4,169,800.

The workforce declines 2.3% in 1976 to 7,818. The first B-727-76 to leave the fleet was the first to join; the *James Cook* is sold to **Compania Interamericana, S.A. Panama** on February 14. A seventh B-727-276A, *Albert Namatjira*, is placed into service on November 26 and the last DC-3, *Shangri-La*, is retired.

Orders are placed for eight more Boeing "trimotors." The thirtieth anniversary is celebrated and flight attendants, traffic and dispatch personnel receive new uniforms. The B-727-76 *Arthur Phillip* is sold out of service on December 26.

The 50 millionth passenger (cumulative) is boarded, although enplanements for the year dip 2.6% to 4,060,010; freight is up 1%.

The turboprop portion of the fleet in 1977 includes 4 F.27-100s, 2 F.27-200s, 7 F.27-600s, and 4 DHC-6-300s. Shareholding is purchased in the Queensland tourist resort at Dunk Isle.

Bookings are up to 4,514,139.

Airline employment rises 0.9% at Chairman K. H. Vial's company in 1978 to 8,203. One more B-727-276A, the *Caroline Chisholm*, arrives on June 30, bringing the jet portion of the fleet to 8 B-727-276As, 3 B-727-76s, and 12 DC-9-32s. Several new nonstop services and a standby fare system are introduced.

Passenger boardings accelerate 4.6% to 4,535,000 and cargo jumps 10.5%. Unduplicated route mileage is down to 34,722.

Two more B-727-276s, *Arthur Philip* and *John MacArthur*, join General Manager Lyndon L. McKenzie's fleet on, respectively, January 29 and May 26, 1979 as three B-727-76s, the *William Dampier*, *Gregory Blaxland*, and *Matthew Flinders*, are sold on January 15, March 31, and June 4, respectively. Early in the year, the carrier becomes the first airline to adorn its aircraft with scenic views rather than corporate livery when a holiday paint scheme (i.e., a beach scene) is applied to the tails of four DC-9-32s.

While en route from Coolangotta to Brisbane on June 8, a DC-9-32 with 41 passengers, is taken over by a lone assailant armed with a shotgun, who allows the aircraft to proceed to its destination. On the ground, the pirate

allows all of his hostages to deplane, but before he can decide upon his next move, he is disarmed by the flight crew and handed over to police.

In December, government approval is received for the introduction of wide-bodies and an order is placed for five Airbus Industrie A300B4-203s. Cargo climbs 11% and passenger traffic moves ahead by 8.5% with 4.9 million passengers carried.

Another B-727-276A, the *Lawrence Hargrave*, arrives on January 20, 1980 and enters service on January 26; a fifth B-727-76, the *John Forrest*, is sold to **Interamericana, S.A.** on January 29, following the last passenger service by the type from Launceston to Melbourne. Longtime General Manager McKenzie retires in May and is succeeded by Frank Ball.

One more B-727-276A, the *Bert Hinkler*, joins the fleet on September 23 and enters service on September 26.

Passenger boardings increase 4.4% to 5,141,312 as the carrier becomes the first Australian airline to transport 5 million passengers in a single year; freight, however, dips 2.8% to 55.92 million FTKs. During the year, airline employment grows a scant 0.2% to 8,269.

The employee population grows by 4.7% in 1981 to 9,003. The first of three A300B4-203s to join the fleet this year is delivered on June 29; christened *John Oxley*, it will enter service on August 7. Also placed into service at this time is a 12th B-727-276, while three DC-9-32s and three F.27s are deleted.

Two more A300B4-203s now arrive; christened *James Cook* and *John Forrest*, both are in service by September 2. During the first three months of operation, the Airbus equipment achieves a dispatch reliability of 98.9%, topping the previous record for the initial quarter of service of 98.6% sent by **Deutsche Lufthansa, A.G.**

During the remainder of the year, the carrier continues converting to a new logo and colors of blue and gold. Meanwhile, the first direct link is opened Perth and Alice Springs to the North Queensland coast.

Cargo grows 4% to 58.21 million FTKs, but passenger bookings drop 6% to 4,864,000.

The employee population stands at 8,588 in 1982.

An F.27-600 with three crew on a training flight is destroyed as the result of a bad landing at RAAF Amberley on June 9; there are no fatalities.

The fourth A300B4-203, christened *William Light*, enters service on September 2.

Cargo is up again by 9% to 63.2 million FTKs, but passenger boardings dip again, down 1.6% to 4,676,000.

As the effects of the world economic situation continue to plague Australia in 1983, the workforce is cut 9.2% to 7,800. The last two A300B4-203s are placed in service, but three more F.27s are sold.

While en route from Perth to Melbourne on February 13, Flight 5, an A300B4-203 with 204 passengers, is skyjacked by a lone assailant, who claims to have a bomb and demands to be flown to Adelaide. When he allows the Airbus to land at its original destination for refueling, the pirate opens himself up to capture. Knowing this, he surrenders and turns over his explosive, which is a fake.

A dry-lease is taken on June 9 of a B-727-25F, christened *Phar Lap*, from **Bloodstock Air Services (Pty.), Ltd.** The final A300B4-203, named *John Fawkner*, is in service by September 2.

Passenger traffic drops another 8% to 4,301,000 and freight is off as well, down 15.9%.

As recovery appears in 1984, airline employment is increased 3.3% to 8,084. Following the return of the *Phar Lap* on March 30, a five-year lease is taken on April 17 of **Air Nauru's** B-727-77C *Ernest Giles*. **Ansett Airlines of Australia (Pty.), Ltd.** dry-leases the B-727-277 *Frank Hann* to TAA between May 1 and November 30.

Cargo jumps 11.7% to 59.38 million FTKs and passenger boardings advance 3.2% to 4,438,000. On revenues of A\$427.6 million, profits are A\$10.66 million (operating) and A\$2.6 million (net).

The workforce grows 4.6% in 1985 to 8,549. In March, 95% controlling interest is taken in **Air Queensland (Pty.), Ltd.**, some of whose shares are held by rival **Ansett Airlines of Australia (Pty.), Ltd.** In June, government permission is sought to purchase 12 B-737-300s to

replace the aging DC-9-32s. The permission is given and the orders are let during the fall; also ordered are three BAe Jetstream 31s. One B-727-276 is leased as a freighter.

Passenger bookings grow 8.2% to 4,802,000 and freight accelerates 5% to 62.3 million FTKs. Revenues are A\$505.5 million and expenses are A\$485.9 million; respective profits are A\$19.65 million (operating) and A\$19.98 million (net).

Employment grows by 4% in 1986 to 8,797. In January, James Strong, appointed the month before, becomes general manager, succeeding the retiring Frank Ball. A month later, orders are placed for nine A320s for 1989 delivery. In May, two DC-9-32s are leased to the U.S. charter operator **Sunworld International Airlines** for a year. Timed to coincide with the arrival and introduction of the first B-737-376 in July, the carrier's name is shortened to **Australian Airlines, Ltd.** and a new logo and livery are unveiled.

There is an unofficial Web site at <http://www.uq.net.au/~zzbdruni/taa.htm>.

TRANS BHARAT AVIATION, LTD.: Nehru Place 201/72, Laxmi Bhawan, New Delhi, 110019, India; Phone 91 (11) 641-9600; Fax 91 (11) 331-3353; Code TBA; Year Founded 1996. TBA is set up by the Kilachand Group at New Delhi in July 1990 to offer scheduled third-level passenger services to local domestic destinations. P. N. Kumar is managing director and he begins revenue services, primarily to tourist destinations, in March 1991 with a pair of Beech 99s.

Flights continue during the remainder of the decade.

TRANS CAL AIRLINES: United States (1968–1970). Also sometimes labeled Trans Cal Commuter, this small airline is set up at Long Beach, California, in the late spring of 1968 to provide scheduled passenger and cargo flights to Porterville via Los Angeles, Therman, and Bakersfield. Employing Beech B-80 Queen Aires, Trans-Cal inaugurates services on July 8, maintaining them until the company goes out of business in 1970.

TRANS CALIFORNIA AIRLINES (1): United States (1963–1964). TCA is established at Burbank Airport in 1963 to offer deep-discount service in direct competition with **Pacific Southwest Airlines (PSA)**. Three former **Eastern Air Lines** Lockheed L-749A Constellations outfitted with a record 98 seats are leased from California Airmotive and service is inaugurated to Oakland (recently dropped by PSA from its route network) in July.

Three more ex-EAL Constellations join the TCA fleet in the spring of 1964 and flights are initiated to San Diego, Los Angeles, and San Francisco. The resort center of Lake Havasu, on the Colorado River, also becomes a destination. Overextended and in deep fiscal difficulty, Trans California, which cannot compete with PSA's speedy Lockheed L-188A Electras, is forced to shut down in the fall and close its doors.

TRANS CALIFORNIA AIRLINES (2): United States (1980–1981). The second TCA is set up at El Monte, California, in late 1980 to provide scheduled passenger and cargo flights to Las Vegas and Los Angeles. Employing a single Convair CV-440, the company initiates revenue services on December 19.

Unable to generate sufficient traffic, the commuter goes bankrupt in April 1981.

TRANS CANADA AIR LINES, LTD. (TCA): Canada (1937–1964). During a 1935 Ottawa meeting of United Kingdom, Commonwealth, and dependency nations, agreement is reached on the idea of an air transport network linking all of the nations represented. The concept of a transcontinental Canadian airline and a transatlantic link to Great Britain is endorsed, with the Ottawa government assuming full responsibility for the first objective and pledging its cooperation in the latter.

A first significant step is taken on November 2, 1936, when control of Canadian civil aviation is transferred to the Air Services Branch of the Department of Transport from the Department of National Defence.

Transport Minister Clarence D. Howe proposes, early in **1937**, the investment of private and public capital in the creation of a new national carrier. Agreement cannot be reached on broad composition between potential members and **Canadian Airways, Ltd.** and the Canadian Pacific Railways withdraw from the discussions, leaving the government to proceed alone through the instrument of Canadian National Railways (CNR).

Minister Howe introduces Bill 74, the Trans-Canada Air Lines Act, into the House of Commons on March 4. Passed, the Parliament's legislation receives Royal Assent on April 10. The new airline is born as a wholly owned affiliate of the CNR, with an authorized capital of C\$5 million, consisting of 50,000 shares of common stock with a par value of C\$100 each.

Administrative headquarters are established at Montreal with the main overhaul base at Winnipeg. C. N. Hungerford, CNR president, becomes the carrier's first president with former **Boeing Air Transport/United Air Lines** President Philip G. Johnson as vice president-operations. Two other Americans, D. B. Coyle and O. T. Larsen, become technical advisors. The first Canadian employee is **Canadian Airways, Ltd.** Pacific Division boss Donald R. MacLaren, who is joined by a number of pilots, mechanics, radio technicians, and agents from the private carrier. Airline employment by year's end reaches 71.

Meanwhile, with the airline's first aircraft, a C\$5,000 Stearman 4EM two-seater biplane purchased from **Canadian Airways, Ltd.**, the initial proving flight over the transcontinental route departs Vancouver on July 7. Piloted by J. N. Tudhope and J. D. Hunter, a Transport Department Lockheed Model 12A, with Minister Howe, Deputy Minister C. P. Edwards, and TCA Director N. J. Symington as passengers, makes a non-stop Montreal-Vancouver via Gillies, Sioux Lookout, Winnipeg, Regina, and Lethbridge, proving flight in 17 hrs. 34 min. (14 1/2-hrs. flying time) on July 30. In August, two Lockheed L-10As are delivered and the first international route is acquired from **Canadian Airways, Ltd.**

Commercial operations commence on September 1 as the L-10A registered CF-AZY, piloted by Billy Wells and F. M. McGregor, with MacLaren and CNR Auditor P. W. Baldwin as passengers, launches twice-daily, 50-min., 122-mi. Vancouver-Seattle return service. As these flights become routine, the carrier's Stearman, joined by two others, continues cross-country proving flights by day and night. Three additional Lockheeds are placed in service between October and December.

Vancouver to Winnipeg L-10A cargo service begins on February 1, **1938**, with a scheduled training service hauling airmail from Winnipeg to Vancouver commencing on March 1. The first of 10 Lockheed Model 14 Super Electras to be delivered during the year is placed in service in May. The first two TCA stewardesses, Lucile Garner and Pat Eccleston, are hired on July 1.

On August 1, Lethbridge to Edmonton scheduled service is inaugurated with mail placed on the route on October 1. A cargo route is stretched from Vancouver and Winnipeg to Toronto, Ottawa, and Montreal on October 17, with mail added on December 1. Meanwhile, on November 18, the carrier suffers its first fatal accident when an L-14 crashes at Regina (two dead).

Enplanements for the first full year total 2,086.

On February 1, **1939**, the Lethbridge-Edmonton mail and cargo flights begin stopping at Calgary. Daily transcontinental mail-only service is begun on March 1, although the first two planes, crossing simultaneously east to west to east, carry VIPs. The original Stearman is sold to **Northern Airways, Ltd.** in March. The first class of 15 stewardesses is graduated in March and one of the three Stearmans is sold to **Northern Airways, Ltd.** Passengers are allowed to board the transcontinental and Lethbridge-Calgary-Edmonton flights starting on April 1.

Vice President-Operations Johnson, having accomplished his start-up task, now returns to Boeing, turning his post over to D. B. Coyle. A mail stop is added at Moncton on the Vancouver-Montreal run on November 1, as training flights continue. During the year, five L-10As are sold and replaced by six L-14s.

The year's boardings skyrocket to 21,560. A total of 19.6 million pounds of cargo and 1.8 million pounds of airmail are transported.

The Montreal-Moncton route is opened for passengers on February 15, **1940**. A second daily transcontinental frequency is initiated on April 1. On July 15, a mail and training operation is launched from Toronto to Windsor and London, Ontario, with passengers permitted as of August 1. During the fall, an agreement is signed between Ottawa and Washington permitting TCA to begin transborder flights from Toronto to New York City. Bookings accelerate to 53,180.

H. J. Symington becomes the carrier's second president in **1941**. An L-14 crashes at Armstrong, Ontario, on February 6 (10 dead). The Moncton route is extended to Halifax on April 1. The Vancouver to Seattle run is suspended and a Toronto to New York service is opened on April 10. Two L-14s are sold to **Yukon Southern Airways, Ltd.** and the first 6 of 15 ordered Lockheed Model 18 Lodestars are placed in service throughout the year.

En route from Montreal (YUL) to Prestwick, Scotland, on December 30, a civil Lancaster with eight aboard disappears over the Atlantic; among the lost passengers is Sir Alfred E. Evans, chief of the British Admiralty's technical mission in Ottawa.

Enplanements for the year advance to 85,154.

O. T. Larsen becomes vice president-operations in **1942**. On May 1, the Moncton route is stretched to St. John's, Newfoundland, via Sydney and Gander. Late in the year, six more L-18s join the fleet. By year's end, employment stands at 1,662 (464 women).

Bookings jump again, up to 104,446.

Following Minister Howe's announcement in the House of Commons on June 16, **1943**, a TCA Avro Lancastrian launches contract mail, freight and priority-passenger Canadian Government Transatlantic Air Service for Forces (CGTASF) flights from Montreal to Prestwick, Scotland, on July 23, via Reykjavik. (The Lancastrian is the first of nine Lancaster bombers converted to civil standard to be acquired over the next four years.) The first four-ton cargo arrives in Scotland in a flying time of 12 hrs. 26 min.

As summer turns to fall, the company's engineering department works up plans for a Rolls Royce Merlin-powered Douglas DC-4 variant. A Lodestar must be written off following a nonfatal crash upon take-off from Malton on November 4.

Enplanements for the year total 140,276.

Since the beginning of American involvement in the war and through the first half of **1944**, a number of new transborder routes are planned or introduced. These include services from Halifax to Boston and from Whitehorse, Yukon Territory, to Fairbanks. In June, the Vancouver service is extended to Patricia Bay and Vancouver Island. On July 1, a Blissville stop is added on a Montreal-Halifax frequency. At the same time, daily Halifax to Sydney flights are inaugurated. The final three ordered Lodestars are received during the year while an L-12A is leased for four months from the government. A Lancastrian is lost without trace during a December eastbound crossing.

Bookings this year add up to 156,884.

On February 2, **1945**, the first Canadian vice president-operations is appointed, William F. ("Bill") English. Also in February, an L-14 is destroyed in a Moncton accident. Following a nonfatal crash landing at Montreal (YUL) on July 1, a Lancastrian burns out. By year's end, the Lancastrians have made 500 transatlantic crossings and 3 ex-USAAF Douglas C-47s (converted to civil DC-3 standard) have joined the fleet. Passenger boardings rise to 183,121.

Unduplicated route mileage totals 5,299 miles on January 1, **1946**. A number of new routes to the U.S. are opened: Toronto and London to Chicago on July 1, Toronto and London to Cleveland on August 1, Lakehead (Fort William) and Port Arthur to Duluth on September 16, and Victoria to Seattle on November 1.

The CGTASF Lancastrian route is extended from Prestwick down to London on September 15. Also in September, another L-14 is written off after an accident at Moncton. Orders are placed for 20 pressurized Canadair DC-4M-2 North Stars and another 24 DC-3s are obtained, 20 from the RCAF, which has ordered 24 DC-4M-1s. In the licensing agreement, Douglas inserts a clause limiting North Star use to U.K. and Canadian air transport concerns.

The development of cabin pressurization delays delivery of the DC-4M-2s so, beginning on November 19, six unpressurized DC-4M-1s are loaned to the airline by the RCAF. These are powered by Rolls Royce Merlin 622s and are fitted with undercarriages similar to those of the DC-6, which allow an increase in gross weight from 36.5 tons to 39 tons. Since 1942, a total of 218 pilots, like the Douglas transports mostly from the RCAF, have been hired.

Bookings this year grow to 305,442.

Halifax to Boston via Yarmouth and St. John service begins on April 1, 1947. Two days later, the carrier assumes full responsibility for the CGTASF, which now becomes a commercial operation, under a subsidiary **TCA (Atlantic), Ltd.** Employing the RCAF machines, the company begins four-per-week North Star roundtrip flights on the Montreal to Prestwick to London route on April 15.

Fifteen days later, a DC-3 with 15 aboard is lost off Vancouver; there are no survivors. On May 8, another Douglas transport and 15 more passengers are lost off Gabriola Island, British Columbia.

On July 1, Medicine Hat, Swift Current, and Saskatoon enter the route network. As North Star flights climb to 10-per-week, Shannon, Ireland, is added as a transatlantic destination on October 1. The first DC-4M-2 is also delivered on the same day.

Boardings balloon to 443,782.

Nonstop Toronto–New York roundtrip service is inaugurated on January 1, 1948 and Gordon R. McGregor is appointed president in February. DC-4M-1s are introduced on the Vancouver to Calgary route on May 1, the same day twice-weekly Montreal and Toronto to Bermuda DC-4M-2 North Star operations commence.

On June 1, North Stars begin serving the length of the transcontinental route, Vancouver to Montreal, via Calgary, Winnipeg, and Toronto (DC-3s fly to intermediate points) and are placed on the Toronto to Chicago service. The same day, Prairie frequencies are extended to Brandon and Yorkton. The last of 20 DC-4M-2s arrives on June 4 and planes are made to return the borrowed RCAF North Stars.

On July 1, the carrier becomes the world's first to carry unsurcharged first-class mail (at ground rates), initiating the so-called "all-up" system now universally employed. During the summer, all-cargo Lodestar service is initiated on a multistop Toronto to Victoria route. A DC-4M-1 with 6 crew and 11 passengers is lost when its fuel tanks take fire upon landing at Sydney, Nova Scotia, on August 12. All aboard escape, but the plane is burned out.

The Lakehead–Duluth frequency is withdrawn on October 1, due to poor traffic. On December 2, twice-weekly Toronto and Montreal to Nassau, Kingston, and Port of Spain DC-4M-2 flights start.

The ex-USAAF DC-3s are sold. At year's end, the employee population is 5,084, all 20 DC-4M-2s have been received, and bookings are up to 532,555 (23,000 on the North Atlantic run).

DC-4M-2s replace DC-3s on the Edmonton–Saskatoon–Winnipeg route on May 10, 1949. As sufficient DC-4M-2s have now been received, the five surviving borrowed DC-4M-1s are returned to the RCAF over six months, beginning in late June. Barbados is added as a stop on the Bermuda and Trinidad service on December 1. Having by now sold all of its remaining Lockheed L-14s and L-18s, the carrier's fleet comprises 20 North Stars and 30 DC-3s.

Boardings boom to 685,086 (North Atlantic bookings dip 21,000).

After a long—and ultimately unsuccessful—legal action by **Colonial Airlines** to block the Canadian flag carrier's entry onto its long-held route, Colonial must withdraw its claim to exclusivity. Consequently, Montreal to New York DC-4M-2 flights are inaugurated on April 1, while Tampa is added as a stop en route to the Caribbean the next day. The Florida destination represents the airline's first long-haul route into the U.S.

Enplanements for the year zoom upward to 823,509 (however, transatlantic bookings drop again, down to 16,000).

TCA's big event of 1951 is the inauguration of DC-4M-2 service from Montreal to Paris (ORY) via Reykjavik and London on April 1. During December, three DC-4-1 Argonauts are acquired from **Canadian Pacific Airways, Ltd.**

Bookings climb to 973,337 (including 4,000 more transatlantic passengers than in 1950).

On April 27, 1952, DC-4M-2s are introduced on the Montreal-St. John's via Moncton and Sydney route. Dusseldorf is added to the list of European destinations on November 5. In December, orders are placed for 15 Vickers Viscount 724s.

TCA is the fifth carrier in the world and, significantly, the first in North America, to adopt the British-made turboprop. Lockheed is also asked to provide a number of its new L-1049C Super Constellations. On December 22, fog forces cancellation of a record 68 flights from Toronto.

Boardings this year pass the million mark for the first time, up to 1,132,518 (22,000 North Atlantic).

Seventeen aboard are hurt when a DC-4M-2 en route from Toronto to New York City on January 24, 1953, is caught in a downdraft; the plane lands safely. During early spring, the name "Air Canada" first appears as the official bilingual adaptation of TCA, replacing the previous translation of Lignes Aeriennes Trans-Canada.

Under contract to the International Red Cross, the company undertakes with DC-4M-2s the airlift of 4.5 tons of supplies to Greece during August. North Star service is initially offered to Regina and Lethbridge on April 26. Royal Assent is given on May 14 to an amendment to the 1937 enabling legislation, merging the subsidiary TCA (Atlantic), Ltd. into the parent.

Beginning on October 1, the carrier offers shuttle service from Halifax to Boston for steamship passengers diverted from a strikebound Atlantic coast.

On November 1, direct Toronto to Prestwick and London DC-4M-2 flights begin, the same day the carrier's North Stars first begin flying into Cleveland. Sixteen days later, Montego Bay (Jamaica) is added to the Caribbean network. At year's end, three Bristol 170 Mk. 31s are placed in service on an all-cargo run from Montreal and Toronto to New York.

Enplanements for the year rise to 1,307,810 (24,000 transatlantic).

The Tampa route is stretched to Mexico City on January 16, 1954. On February 1, Sault Ste. Marie–Montreal via Sudbury and North Bay service is introduced, the same day tourist-class economy fares are initiated roundtrip, twice daily on the transcontinental route. The first of five Lockheed L-1049C Super Constellations are delivered in March and April, being placed on the transatlantic route from Toronto and Montreal to London, Paris, and Dusseldorf on May 14 in three-class configuration.

Meanwhile, on April 8, a DC-4C-4C en route to Calgary from Winnipeg collides with an RCAF Harvard trainer over Moose Jaw, Saskatchewan (37 dead); a woman is also killed in this tragedy, Canada's worst commercial air disaster to date, when debris falls on her house.

Five-times-per-week Bristol 170 Mk. 31 Montreal and Toronto to Winnipeg freighter flights commence in late May. Super Constellations are placed on the transcontinental run on September 26, Montreal–Vancouver via Toronto and Winnipeg. The first Viscount 724 is delivered on December 8.

An L-1049C with 7 crew and 16 passengers must be written off following a nonfatal takeoff crash from Brampton, Ontario, on a flight from Tampa to Toronto on December 17; many aboard receive various injuries, but there are no fatalities.

The U.S. CAB approves the use of Kinross Airport, Michigan, on December 23 to serve Sault Ste Marie, Ontario.

Bookings rise to 1,438,349 (29,000 on the North Atlantic) and a net operating profit of \$C1.8 million is reported.

The first North American turboprop service begins on April 1, 1955 as the newly received Viscount 724s start flying from Montreal to Winnipeg via Toronto and Fort William. Three days later, Viscount service is launched from Toronto to New York. With three DC-4M-2s in freighter configuration, a five-times-per-week all-cargo service is launched on May 2 from Montreal to Vancouver via Winnipeg, Edmonton, and Calgary. Three L-1049Es now join the fleet.

With equipment supplied by Western Union, the carrier opens a telegraph system from its base at Montreal on June 15, which is reported to

be the largest private communications system in Canada. Montreal to New York Viscount flights begin on August 8.

A route exchange with **Canadian Pacific Air Lines, Ltd. (CPAL)** occurs on November 1. In exchange for Toronto–Mexico City rights, TCA receives routes from Quebec to Seven Islands, Val d'Or, Noranda, and Earlton and Quebec to the Maritime Provinces. The same day, Viscount 724s are introduced on the Montreal to Vancouver transcontinental run and the number of Toronto and Montreal to New York frequencies is doubled to two. The type is now serving 14 North American cities with load factors exceeding 80%.

The first nonstop Toronto to Mexico City service is flown by a DC-4M-2 on November 8. During the year, the Bristol Mk. 31s are sold to **Central Northern Airways, Ltd.** and replaced by four DC-4M-2 Freighters. The fleet now includes 14 Viscount 724s, 25 DC-3s, 7 L-1049s, and 21 North Stars.

The 10 millionth (cumulative) passenger is boarded this year as boardings advanced to 1,682,195 (34,000 transatlantic).

The number of Viscount flights to New York City is increased to 14-per-week on April 1, 1956. Viscount 724s replace DC-4M-2s on the First Class transcontinental service on April 29, Montreal–Vancouver via Ottawa, Fort William, Winnipeg, Regina, and Calgary. Ten days later, orders are placed for 4 (later 11) Rolls Royce-powered DC-8-40 jetliners, which the company will help Douglas develop. A propeller spins off one of the new Viscounts over Flat Rock, Michigan, on July 9, puncturing the plane's fuselage (one dead).

On September 12, a DC-4M-2 with 3 crew and 59 passengers crashes into the mountains near Hope, British Columbia; there are no survivors.

A Montreal-bound North Star, operating as Flight 810-9 with 62 passengers develops engine trouble over Hope, British Columbia, on December 9 and turns back toward Vancouver before disappearing into the wilderness. The RCAF suspends search operations on December 26. The wreckage will subsequently be located on Mount Slesse.

Late in the year, Bill English retires and is succeeded as vice president-operations by H. W. ("Herb") Seagrim. Two DC-3s are sold to **Quebecair, Ltd.** Passenger boardings jump to 2,072,912 (40,000 transatlantic).

Nonstop Toronto–Vancouver flights are inaugurated on January 1, 1957. Orders are placed on January 3 for 20 (later 23) Vickers Vanguard 952s. The C\$67.1-million commitment is, for that time, the largest single export dollar order placed in postwar Britain. Mechanics, on March 15, begin checking the wing flaps of all company Viscounts in the wake of the previous day's accident with a unit owned by **British European Airways Corporation (BEA)**.

The wreckage of the DC-4M-2 lost the previous December 9 is found on Mount Slesse, British Columbia, on May 13; the crash site is guarded to prevent looting. Daily nonstop Toronto–Vancouver L-1049C flights commence on June 1. A search is begun for new pilots on July 10 and the minimum age for these flyers is raised to 28.

A newly developed electronic reservations system built in cooperation with Ferranti Electric, Ltd. is first publicly demonstrated on October 26. Late in the year, the first L-1049Gs and L-1049Hs are delivered.

Enplanements soar to 2,392,713 (48,000 North Atlantic).

On January 1, 1958, domestic tourist-class fares are cut by 20%. L-1049G transatlantic flights begin on April 2 to London and Brussels; the route is stretched to Zurich on May 18. On May 28, Vancouver to London via Winnipeg and Gander L-1049G service starts. At New York on November 10, a **Seaboard and Western Airlines** L-1049H rams a Viscount 724 with two crew upon landing; both aircraft are burned out without loss of life.

DC-4M-2 Montreal–Antigua flights commence on December 15 via Bermuda. Also in December, North Stars launch a two-month airlift of 16,460 pounds of supplies to Ceylon on behalf of the International Red Cross. A total of 13 DC-3s are phased out during the year, of which 9 are sold to **Frontier Airlines (1)**.

Passenger boardings climb to 2,785,523 (61,000 transatlantic).

An L-1049E is acquired and it launches Vienna service via London on May 1, 1959. After striking a water tower while landing at Toronto in

bad weather on October 3, a Viscount 757 with 4 crew and 34 passengers alights short of the runway; no casualties result, but the turboprop must be written off. Only one DC-3 is disposed of this year.

Enplanements accelerate to 3,209,197 (64,000 on the North Atlantic).

The carrier's first DC-8-41 is delivered on February 7, 1960 and is followed by a second in March. Meanwhile, on February 28, the propeller blade from the No. 2 engine of an L-1049C en route from Toronto to London with 83 aboard, flies off, hitting the cowlings and forcing engine shutdown. Escorted by an RAF Shackleton bomber, the aircraft makes a safe landing at London (LHR) with no injuries reported.

When an earthquake destroys Agadir, Morocco, in March, the company, on behalf of the International Red Cross, employs its DC-4M-2s to fly 6,657 pounds of medical supplies to the stricken area. Both of the new Douglas jetliners are simultaneously placed in service, east to west and west to east on the Montreal and Toronto to Vancouver transcontinental route on April 1. The flights mark the first use of jetliners in Canada and the first use of a turbofan-powered airliner in the Commonwealth.

TCA's first Vanguard 952 makes its maiden flight in England on May 21. During the North Atlantic proving flights of May 28–29, the Douglas establishes two world speed records: Ottawa to London in 5 hrs. 55 min. and Montreal to London in 5 hrs. 44 min. Also in May, DC-4M-2s fly emergency medical supplies to Chile following an earthquake in that South American nation.

Transatlantic DC-8-41 DC-8 Jetliner Service begins on June 1, as the transcontinental service from Vancouver is stretched to London via Toronto and Montreal and via Toronto and Montreal and Glasgow. On August 9, one of the new jetliners flies from Toronto to Vancouver in a record 4 hrs. 4 min.

In the fall, a major capacity agreement is reached with **British Overseas Airways Corporation (BOAC)**. In exchange for landing rights at Toronto, the British flag line agrees to pool capacity and revenues on the North Atlantic route. On December 7, the first Vanguard 952 is delivered, following its certification on the second day of the month.

Bookings advance to 3,440,303 (83,000 transatlantic).

Three more Vanguard 952s are delivered in January 1961 and on February 1, daily Vanguard 952 frequencies are inaugurated from Montreal and Toronto to Vancouver via Winnipeg, Saskatoon, Regina, Calgary, and Edmonton. Nonstop Edmonton–London DC-8-43 flights begin on May 3, followed two days later by the start of Cleveland to London service. Via Lockheed, an L-1049H is sold to **Trans-International Airlines** later in the month. Montreal and Toronto to New York and Chicago frequencies are initiated on June 15. Nonstop Winnipeg–London DC-8-43 service is begun shortly thereafter.

The final DC-4M-2 all-cargo, six-stop transcontinental service is flown west to east on June 1, after which the last of 21 DC-4M-2s is retired. In 14 years, these aircraft have flown a combined total of 193 million revenue miles. The fleet now comprises 14 Viscount 724s, 35 Viscount 757s, 5 L-1049Cs, 2 L-1049Es, 4 L-1049Gs, 2 L-1049Hs, 4 DC-8-41s, 4 DC-8-42s, 2 DC-8-43s, 3 Vanguard 952s, and 4 DC-3s.

An effort to sell the North Stars to **Overseas Aviation, Ltd.** in July falls through when the U.K. operator is forced to enter receivership. Three are, however, sold to **Lineas Aereas Unidas, S.A.**, three to **International Air Freighters Cubana**, and two to **World Wide Airways, Ltd.** The remaining North Stars are sold for storage in the U.K. and will later be scrapped.

On September 17, TCA becomes the first to order the Douglas Jet Trader, a freighter version of the DC-8-50.

A C\$20-million maintenance and overhaul facility is completed at Montreal (YUL) and the last DC-8, a Dash-43, is received on December 16.

Customer boardings reach 3.7 million (104,000 on the North Atlantic). In terms of the number of passengers flown, TCA now ranks as the world's seventh largest airline.

The Super Constellations are retired in 1962 and the fleet now includes the same number of Viscounts as in 1961, the same number of DC-3s, 5 more DC-8-43s, and 20 additional Vanguard 952s. One L-1049H overshoots a landing, but will be rebuilt from an L-1049C earlier sold to the

leasing firm California Airmotive. On October 10, a Viscount 757 is involved in a ground collision at Bagotville, Quebec (two dead).

Bookings climb to 3.8 million (114,000 transatlantic).

When, early in **1963**, the last four DC-3s are retired, the carrier becomes the first in the world to operate an all-turbine fleet. A DC-8-54CF Jet Trader is delivered on January 30, the first of eight "combi" airliners to be received, including two more during January.

Two of the DC-3s and a Viscount are sold to **Transair, Ltd.** for C\$1 and concession of its prairie route from Winnipeg to Prince Albert via Brandon, Yorkton, Regina, and Saskatoon. Two more DC-8-43s are delivered and orders are placed for six DC-9s.

The first-ever revenue jet service with a mixed passenger-cargo airliner is inaugurated on March 2 by the new DC-8-54CF over a route from Montreal to London via Prestwick.

While en route from Vancouver to Edmonton on May 6, a Vanguard 952 with 71 aboard encounters severe air turbulence over Alberta and despite a violent plunge, survives (one dead).

All but one of the Vanguard fleet has been delivered by July.

While on its roll for liftoff from London on a foggy night early in November, the takeoff of Flight 861, a DC-8-43 with 7 crew and 90 passengers, is aborted when its controls freeze up. The plane runs off the runway, breaks its nose landing gear, strikes an ILS localizer with its wing, slides across an 8-ft.-wide ditch losing its main landing gear, and comes to rest in a cabbage field half a mile away. No injuries are reported.

On November 29, in the worst commercial aviation accident in Canadian aviation history to date, Flight 831, a DC-8-43 with 7 crew and 111 passengers, crashes near St. Therese de Balinville, four minutes after taking off from Montreal; there are no survivors.

Enplanements exceed 3.9 million for the year.

The employee population in **1964** stands at 11,670. The 15th and 16th DC-8-43s join the fleet and the DC-9 order is increased to eight. During the year, Bill C-2 passes Parliament. It will officially change the carrier's name to **Air Canada, Ltd.** on January 1, **1965**.

On June 13, a Viscount 757 lands short of the runway at Malton; although wrecked beyond repair, no one aboard is hurt. The last DC-8-54F Jet Trader arrives at Montreal on August 27.

Passenger boardings during the final year of operations under this title climb to 4,189,439 and freight traffic jumps by 29%. Total revenues are C\$213.9 million and a C\$1.4-million profit is reported.

An unofficial Web site for Trans Canada Air Lines is located at <http://www.schoolnet.ca/collections/aviation/m065.htm>.

TRANS CAPITAL AIRWAYS, LTD.: Hangar One, Toronto City Centre Airport, Toronto, Ontario M5V 1A1, Canada; Phone (416) 203-1144; Fax (416) 203-1120; Year Founded 1994. Victor Pappalardo establishes his new charter company, Trans Capital, at Ottawa in the spring of **1994** as successor to his defunct **City Express**. Revenue charter operations commence on regional routes in Ontario during the summer with a single de Havilland Canada DHC-7-110.

Flights continue in **1995–1999**. During these years, a second DHC-7-110 is acquired and plans are made to purchase a used Boeing 727-100.

TRANS CARIBBEAN AIRWAYS: United States (1945–1971). With designs of capturing traffic away from its competitor **Resort Airlines** in the Caribbean area, O. Roy Chalk organizes Trans Caribbean as an irregular carrier on May 18, **1945**. Revenue charter flight operations are launched in December with two war-surplus Douglas C-47s purchased for \$6,000 and modified to civil DC-3 standard. After increasing capitalization by \$250,000, DC-4s are acquired in the spring of **1946** with the first inaugurating service from Miami to Puerto Rico in August.

Unable to obtain CAB authorization for regularly scheduled services to that Commonwealth in **1949–1950**, Chalk purchases three DC-6As. These are operated with high-density seating both in Caribbean charter work and on military contract flights following the start of the Korean War in June of the latter year. Another application for scheduled service is made in the fall of **1953**; it, too, is turned down.

Under the **1955** CAB Supplemental ruling, Trans Caribbean begins biweekly, low-fare flights to Puerto Rico on June 15, **1956**. On November 15, **1957**, the company receives a scheduled certificate that will allow it to launch regular New York to San Juan flights with its three DC-6As on March 8, **1958**. Trans Caribbean's achievement is historic as the airline becomes the first ever to be reclassified upward from the ranks of the supplementals to that of the scheduled carriers.

In **1961**, Chalk acquires a minority interest in older, scheduled **Caribbean-Atlantic Airlines (Caribair)**, which operates throughout the West Indies. In **1962–1963**, Trans Caribbean leases a DC-8F from **Seaboard World Airlines**, which makes the jetliner available to Chalk for weekend passenger flights from New York to Aruba and San Juan. Enplanements in the latter year reach 197,025 and revenues exceed \$13 million.

Airline employment in **1964** stands at 550 and the fleet includes five aircraft. A second DC-8F is leased for weekend flights from New York down to the Caribbean and back. Passenger boardings jump 46.2% to 351,203 and revenues jump 43.9% to \$24.62 million.

The workforce in **1965** grows to 671. The company now operates three DC-8Fs on its New York to San Juan route, with an order for a fourth pending. A DC-8-54F is lost in a ground fire at Miami (MIA) on November 25; there are no fatalities.

A total of 380,526 passengers are originated and freight ton-miles flown climb to 11,286,375.

Enplanements in **1966** are 440,000. During the year, the carrier's two C-46s are sold.

The workforce in **1967** is 849. Emphasis continues to be placed on package tours to the Caribbean. The CAB grants permission for flights linking Washington, D.C. (IAD) and San Juan. Two offices are opened in Washington, D.C. and tourist excursion fares are inaugurated in the new Puerto Rican market in October. At year's end, the fleet includes 3 DC-8-55Fs, 1 DC-8-61F, 1 B-707, and 1 B720-048, leased from **Aer Lingus Irish Airlines, Ltd.** Passenger boardings climb to 468,620 and 7.33 million freight ton-miles are flown.

Daily flights begin in **1968** linking Newark with San Juan and Aruba. The employee population numbers 1,028 and the fleet grows by two aircraft. The CAB's decision in the Caribbean Route case results in a doubling of the carrier's unduplicated mileage. New stops are added at Port-au-Prince, St. Thomas and St. Croix, and Curaçao. Customer bookings accelerate 51% to 699,061 and cargo is up a spectacular 511%. Revenues are \$47,369,209.

The fleet in **1969** comprises 1 Boeing 727-100, 2 B-727-2A7s, 2 DC-8-30s, and 3 DC-8-62s. Despite its successes, Trans Caribbean by **1970** has fallen on hard times. In January, Chalk is able to obtain a merger with **American Airlines**. While the two await the outcome of their joint request to the CAB for approval, the major advances TCA a \$7-million loan for payroll.

En route from Newark to San Juan on August 19, Flight 401, a DC-8-62 with 154 passengers, is hijacked by 3 men armed with guns and grenades and is forced to fly to Havana; the plane is allowed to return to Miami the same day.

Flight 505, a B-727-2A7 with 7 crew and 48 passengers, bounces twice upon landing at Harry S Truman Airport, St. Thomas, from New York on December 28 and the third time comes down 2,700 ft. past the end of the runway. The Boeing crashes through a fence, across a highway, and into a hillside (two dead).

On February 21, **1971**, the company is fined \$5,000 after pleading guilty to a charge that it paid "unlawful gratuities" to obtain confidential information on its employees from New York City police files. On March 8, government permission to complete integration of the former supplemental is acquired. American has paid \$18 million in stock for Chalk's operation, receiving in return eight unwanted aircraft. More importantly, shortly thereafter it finds a way to gain a leading position in hotly contested New York to Puerto Rico service.

In an anticlimax and as the result of a 10-month federal grand jury probe, H. Davidoff, secretary-treasurer of Teamsters Local 295, is arrested

on November 2 on charges of extorting tickets worth \$9,627 from the carrier between October 1966 and November 1970. He will eventually plead guilty and go to jail.

TRANS CATALINA AIRLINES: United States (1978–1980). The newest seaplane operator established to provide scheduled commuter service from the California mainland to Catalina Island begins revenue services in February 1978 with 3 Grumman G-73 Mallards.

A total of 44,199 passengers are transported by December 31.

The fleet is altered to landplanes in 1979: 1 each Cessna 421, 402, and 340. Customer bookings fall by 20% to 35,000 and as a result, the workforce must be cut by 62.5% to 15. Operations cease in 1980.

TRANS CENTRAL AIRLINES (1): United States (1966–1970). The first Trans Central is set up at Denver during the first quarter of 1966 to provide scheduled passenger services. Cessna 402 revenue flights commence on March 22, linking the company's base with Albuquerque, New Mexico, via Pueblo and Trinidad.

Operations continue apace until 1970.

TRANS CENTRAL AIRLINES (2): United States (1980–1984). Enid, Oklahoma-based **Air Central** is reformed in January 1980; renamed, it is transferred to Oklahoma City and begins scheduled passenger services on June 1. Robert P. Lammerts's 90-man workforce operates and supports a fleet of 2 Fairchild-Swearingen Metro IIs and 2 Metro IIIs. Flights are undertaken to Little Rock, Memphis, Dallas (DFW), Topeka, and Wichita.

The company highlights for 1981 are the addition of a third Metro III and a move into new facilities at Will Rogers World Airport.

Enplanements for the first full year of operation total 17,938.

Airline employment is increased by 110% in 1982 to 110 and the fleet is enhanced by the addition of 1 Metro II. A new hangar is completed and Lubbock joins the route network.

Passenger boardings skyrocket 175.6% to 49,444. Cargo climbs 46.3% to 16,000 pounds.

Service is started to Kansas City Downtown Airport early in 1983 as the first two of seven ordered NAMC YS-11As join the fleet.

Customer bookings accelerate 31.2% to 65,600.

All other aircraft are retired as the remaining five Japanese turboprops arrive in the winter and spring of 1984. In deep financial difficulty, the carrier ceases operations on August 19.

Prior to its closure, the carrier flies a total of 48,549 passengers, a 53.8% increase.

TRANS CHARTER AIRLINES: Russia (1994–1998). Trans Charter is established at Moscow on April 5, 1994, to offer international, regional, and domestic scheduled and charter services, both passenger and cargo. A workforce of 160 is assembled and flights to Bombay and Maastricht begin a week later with 3 Antonov An-32s, 1 An-74, and 1 Yakovlev Yak 40.

Business continues until late 1998, when fiscal difficulties caused by the Russian currency crisis forces the company to shut down.

TRANS COASTA RICA, S.A.: Costa Rica (1989–1995). TCA is established at San Jose in the fall of 1989. All-cargo services are inaugurated throughout Central America with a single de Havilland Canada DHC-4 Caribou registered in Honduras. Flights continue until the middle years of the next decade.

TRANS COLOMBIANA DE AVIACION, S.A. See TAVINA (TRANS-COLOMBIANA DE AVIACION, S.A.)

TRANS COLORADO AIRLINES: United States (1980–1987). TCA is founded by a group of businessmen at Gunnison in late 1980 to provide scheduled services to ski resorts and to Denver and Montrose with a fleet of 3 Fairchild-Swearingen Metro IIs. Airline employment in 1981

at President James Huff Jr.'s fledgling stands at 36 and enplanements for the first full year are 18,846.

In 1982–1983, new markets are opened at Albuquerque, Cortez, and Durango. Another Metroliner is purchased and enplanements in the latter year reach 61,799.

In April 1984 nonstop Albuquerque to Colorado Springs flights begin, following transfer of the company to the latter point. Former **Continental Airlines** official William Mueller becomes president/CEO, the fleet is increased by two more Metro IIs, and a marketing agreement is signed with **Continental Airlines** on July 15.

Operations continue apace in 1985 as the workforce reaches a total of 175. Destinations visited from Colorado Springs and Denver include Rapid City and Pierre, South Dakota; Casper, Rock Springs, and Jackson Hole, Wyoming, via Riverton/Lander; Gunnison, Montrose, Durango, and Cortez in Colorado and Farmington, New Mexico.

Enplanements total 118,942.

The fleet by 1986 includes 10 Metro IIs. During the latter year, the company becomes a "Continental Express" feeder partner of the major at Denver and Albuquerque. A Metro II, with 17 aboard, goes out of control while landing at Stapleton on December 1 and runs off the runway into a patch of mud; no injuries are reported.

Largely as a result of its new code-sharing affiliation, passenger bookings swell to 157,326.

Flight 2286, a Metroliner with 2 crew and 15 passengers and en route from Denver to Durango, Colorado, on January 19, 1987, crashes 8 km. to the E of the destination from an initial approach that is too steep (nine dead). It is later reported that Capt. Stephen S. Silver had taken cocaine the night before the flight.

During the spring, **Continental Airlines** shifts its "Continental Express" Denver operation exclusively to **Rocky Mountain Airways**. Trans-Colorado attempts to hub on Albuquerque alone, but the market is not there. After a three-month try, the small regional ceases operations in July and leases out its Metroliners to other operators until it is liquidated.

TRANS COMMUTER AIRLINES: United States (1973–1979). Established at San Juan, Puerto Rico, in 1973, Trans-Commuter inaugurates daily roundtrip scheduled passenger services to St. Croix and St. Thomas in the U.S. Virgin Islands with Beech B-80 Queenairs.

Operations become irregular in 1977–1978 and after its 1979 failure, the company's assets are purchased by a new operator, which will resume flights on November 8 as **Oceanair**.

TRANS CONTINENTAL AIRLINES: United States (1972–2000). Established at Ypsilanti in 1972 as the flight training center International Airlines Academy, the company elects to add an air cargo division in early 1975. Employing a fleet of 7 Curtiss C-46 Commandos, IAA inaugurates freight flights from Detroit's Willow Run Airport in August, largely in support of the automobile industry.

In 1977, the company is reformed and renamed, adopting an airline marketing title. During the next 12 years, scheduled all-cargo only services retain their auto emphasis; however, destinations visited are extended throughout the nation. The Commandos are withdrawn and replaced by three Convair CV-440Fs and four Douglas DC-6As. Operations continue apace with little notice for over a decade.

By 1989, the fleet also features four leased Douglas DC-8-54Fs and a DC-8-63. During the spring, the decision is made to enter the passenger charter and inclusive-tour business; revenue flights to TCA's cargo markets commence in July.

By December 31, a total of 39,660 passengers are flown. In the freight department, cargo reaches 67.1 million FTKs. Revenues are \$32.39 million, expenses are \$33.38 million, and the operating loss is \$988,574. Net loss is \$1.56 million.

Two chartered DC-8-55Fs and a DC-8-61 arrive in 1990. Passenger charters are suspended on October 8.

Still, customer bookings for the 10 months skyrocket to 107,000 and full-year freight traffic surges to 183.59 million FTKs. Revenues slip

0.6% to \$32.19 million, expenses jump 15% to \$38.37 million, and an operating loss of \$4.71 million is suffered. The net loss deepens to \$5.19 million.

As a result of the recession, President R. Deane Melvin's fleet is cut-back in **1991** to three DC-8-54Fs, including two leased from **Zantop International Airlines**.

Partially in consequence, cargo declines by 23.7% to 33.73 million FTKs. Revenues plunge 64.3% to \$11.51 million and expenses drop 60.4% to \$14.64 million. The resulting operating loss is \$3.12 million. The net loss is cut to \$225,604. Unable to continue in a tough recessionary year, the carrier ceases operations in January **1992**.

After affiliating with Connie Kalitta's Detroit-based **American International Airways (3)**, Transcontinental, under the direction of Tom Gorklesky, is able to relaunch operations in **1994** with a single DC-8-54F. Plans are made to acquire one each DC-8-51F, DC-8-55F, and DC-8-62F.

A total of 8.74 million FTKs are operated on the year and operating revenues of \$4.61 million are earned. Expenses are only \$2.31 million, allowing a \$2.3-million operating profit. An equal \$2.3-million net profit is also reported.

The workforce stands at 80 in **1995** as the 3 additional Douglas freighters enter service.

Cargo traffic rises dramatically as 50.75 million FTKs are operated. Costs exceed revenues and there are small losses: \$88,000 (operating) and \$68,000 (net).

There is no change in the employee population during **1996**. The company enjoys an outstanding year as traffic soars 116.8% to 110 million FTKs. Operating income skyrockets 322.9% to \$19.67 million while expenses jump 267.5% to \$17.42 million. The previous year's losses become sizeable gain as an operating profit of \$2.25 million and a net profit of \$1.9 million are reported.

The owned fleet in **1997** includes 2 DC-8-62Fs, 1 DC-8-61F, and 1 DC-8-55F. A DC-8-51F and DC-8-54F are also operated under charter from **American International Airways (3)**. The contract will pass to **Kitty Hawk Air Cargo** when AIA and the rest of the Kalitta empire is purchased by the Texas-based carrier.

Freight ascends 2.3% to 112.3 million FTKs, but operating revenues, reported through June, decline 2.6% to \$8.67 million. Expenses jump 23.6% to \$9.53 million and leave an operating loss of \$861,000. The previous year's net gain is turned into a \$1.27-million net loss.

During the 12 months of **1998**, cargo traffic falls 25.4% to 83.86 million FTKs. Revenues total \$9.97 million, while expenses are \$10.58 million. The operating loss is \$562,000, while a net loss of \$1.13 million is also suffered.

Services are maintained during **1999**, but cargo traffic plunges 63.8% to 35,583,000 FTKs.

A total of 80 workers are employed at the beginning of **2000**. During the first week of January, the company is renamed **Express.Net Airlines**.

TRANS DOMINICAN AIRWAYS, S.A. (TRADO): Dominican Republic (1984–1994). TRADO is established at Santo Domingo in **1984** to operate regional all cargo charters employing a single Lockheed L-749A Constellation.

The Connie is removed in **1985** and replaced with two Douglas DC-6s that maintain its freight runs throughout the Caribbean and to Miami and Mexico City. A DC-7CF is acquired in **1986**, along with a Convair CV-440. Unlike the Douglas transports that remain painted in an all-metallic finish with few titles, the Convair is painted in full TRADO colors and is employed for both passenger and mixed-cargo services.

Flights cease in **1994**.

TRANS EAST AIRLINES: United States (1964–1971). Established as **Statewide Airlines** at Manchester, New Hampshire, in the fall of **1964**, this commuter is soon purchased by Walter S. Blandford, who changes its name. Employing a pair of de Havilland DH 104 Doves, daily roundtrips revenue frequencies are inaugurated on November 5, linking the company's base with New York (LGA) via Hartford and New Bedford.

Operations continue apace in **1965–1967** and the route network is expanded with flights to Lebanon, Albany, and Portland. The contract air-mail operator **Buker Airlines** is purchased and merged on August 29, **1968**. Services are maintained in **1969–1971** and the fleet is upgraded by the addition of a de Havilland Canada DHC-6-100 Twin Otter.

TRANS EAST INTERNATIONAL AIRLINES: United States (1982–1984). Not to be confused with the nonunion carrier established by Texas Air Corporation, **New York Air (2)** is reformed at Farmingdale in October **1982** and renamed. Employing a Cessna 402, an Embraer EMB-110P1 Bandeirante, a de Havilland Canada DHC-6-200 Twin Otter, and a Cessna 404 Titan, the carrier continues to maintain daily roundtrip scheduled passenger services to New York (LGA) and from that airfield to Nantucket and Martha's Vineyard.

Operations continue apace in **1983** and **1984**; late in the latter year, the company is renamed **Island Air (5)**.

TRANS EUROPA (COMPANIA DE AVIACION, S.A.): Spain (1965–1982). Trans Europa, S.A. is established at Palma de Mallorca in July **1965** to offer international and domestic passenger and cargo charter services. Equipped with a single, Douglas DC-7B, ad hoc flights commence in September, bringing in tourists from Spain and other Northwest Europe destinations.

In **1969**, the company acquires two Sud-Est SE-210 Caravelle 10Rs and expands its network of holiday vacation points to southern Europe and North Africa, including Morocco and Tunisia. Two more Caravelle 10Rs are acquired from **LTU International Airlines (Lufttransport Unternehmman, GmbH)** in **1976**, while two Caravelle 11R combis are brought in to operate not only passenger charters, but to fly cargo, on behalf of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

By **1978**, President Benito Tamayo and Managing Director Tomas Perez Ruiz oversee a workforce of 185 and a fleet comprising 4 Caravelle 10Rs and 1 Caravelle 11R. Runaway expenses caused by higher fuel bills and a lack of traffic generated by world recession force the carrier to cease operations before the beginning of the summer season at the end of March **1982**. Most of the company's inventory and many of the staff are taken on by **Aviacion y Comercio, S.A. (AVIACO)**.

TRANS EUROPEAN AIRLINES: Russia (1999–2000). TEA is formed at Moscow at the beginning of **1999** to operate long-haul passenger charters. Although a failure, the carrier will be remembered as the first operator of the new Tupolev Tu-204-100 passenger plane. Having consolidated almost every ruble they could raise, the company's owners reportedly give the Ulianovsk-based aircraft builder Aviastar \$1.2 million to complete construction of the first airframe. The airline and the manufacturer agree to share operating revenues and passenger flights with the first of 3 new Tupolevs commence on May 16.

Burdened with a heavy debt, the company, which must also battle the ongoing impact of the Russian currency crisis, cannot achieve economic viability. Unable to continue, TEA shuts its doors after the **2000** summer season. The Tu-204-100 is repossessed by Aviastar and is leased to **Kras Air (Krasnoyarsk Avialinii -KrasAir)** on November 10.

TRANS EUROPEAN AIRWAYS, S.A. (TEA): Belgium (1970–1991). TEA is formed at Brussels on December 6, **1970** to offer passenger and cargo charters and inclusive-tour flights on behalf of its owners, TIFA and G. P. Gutelman. Georges P. Gutelman himself becomes managing director. Flights to European holiday destinations are inaugurated on June 2, **1971** with an ex-Eastern Air Lines Boeing 720-025. A subsidiary maintenance organization is established, Teamco (Trans-European Airways Maintenance Company). In August **1972**, a B-720-048 is purchased from **Aer Lingus Irish Airlines, Ltd.**

Three B-707-131Bs, originally flown by **Trans World Airlines (TWA)**, are acquired in **1973**. An Airbus Industrie A300B2-103 arrives on November 27, **1974**. At the end of the decade, the fleet comprises 1 A300B2-103, 3 B-707-131Bs, 2 B-720s, and 1 B-737-2M8.

Services continue in the **1980s** to European and Mediterranean holiday destinations. During the winter seasons, the transport of Muslim pilgrims to Jeddah and Mecca becomes a specialty. Withdrawal of the B-707-131Bs begins in **1982**; however, the fleet is increased by four B-737-2M8s. In **1985**, the carrier attracts wide publicity for its delivery of Ethiopian Jews from Sudan to Israel over a secret (at the time of the operation) air bridge.

A joint venture airline, **Tur Avropa (Tur European Airlines, A.O.)**, is established with the Turkish trading group Kavala in April **1988**. In May, the subsidiary **TEA Basel, A.G.** is organized to fly charters to Africa, Europe, and the Far East.

In January **1989**, the former British charter operator **Mediterranean Express, Ltd.** is acquired and is reestablished at Birmingham as **TEA U.K., Ltd.** Later in the year, two more associates, **TEA France, S.A.** and **TEA Italy, S.p.A.**, are organized. Orders are placed for nine Airbus A310-304s.

The fleet in **1990** comprises 1 B-737-2M8 (leased to **TEA U.K., Ltd.**), 2 B-737-229s and 3 B-737-3M8s (1 of which is chartered to **Air Aruba, B.V.**). Orders are outstanding for 8 B-737-3M8s and 12 B-737-4M8s.

Airline employment stands at 200 and enplanements total 400,000.

Operations continue apace in **1991** until September when the parent organization collapses from recessionary pressures. This fiscal disaster requires TEA to stop flying and seek protection of a Belgian court from its creditors. Prior to September, passenger boardings are 390,000. The airline is liquidated in November and its failure will adversely affect all of the European partners.

TRANS EUROPEAN AIRWAYS (TEA), LTD.: United Kingdom (1959–1962). A. M. Ross, E. D. Kayton, A. C. Stauber, and L. Perez form Trans European Aviation (TEA) at Fairwood Common, Swansea, in early spring **1959**. A privately owned de Havilland DH 89A belonging to one of the members is employed to start company charter work in early May. A second Dragon Rapide is purchased at the end of the month. These are now employed to offer ad hoc and pleasure flights.

Similar work continues in **1960** and at the end of April, the company base is switched to Coventry Airport. A change in direction is undertaken in October when the former **Air Condor** Bristol 170 Mk. II Wayfarer is acquired. Refurbished, the large aircraft enters service in late November, flying nonscheduled charters between Birmingham and Dublin.

Having decided to enter the long-haul charter market, TEA purchases a Lockheed L-049 from **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** in early January **1961**. However, as it is passing through the U.S. on its delivery flight, it is impounded at Charlotte, North Carolina, to satisfy a claim of Jacob Shapiro, who claims that the Castro government has nationalized his hosiery mill, valued at \$750,000. The aircraft will never reach England.

On March 11, the Wayfarer begins a series of long-range charters from Birmingham. In July, two L-049Es, once flown by **Capital Airlines**, are purchased from **Falcon Airways, Ltd.**; refurbished, the first enters service on July 17, flying a charter from London (LGW) to West Berlin.

The marketing name Trans European Airways, Ltd. is now adopted. Inclusive-tour and charter destinations during the year include Dusseldorf, Malaga, Munich, Nice, Palma, Perpignan, Treviso, Hanover, Dublin, the Channel Islands, Le Touquet, Naples, Nicosia, and Amsterdam. A Dragon Rapide is sold in September and the second Falcon Constellation is delivered in December.

A London group purchases an interest in early **1962** and capitalization is increased to £75,000. The last DH 89A is sold in February. Charter flights to West Berlin on behalf of German tour agencies are now undertaken. Although inclusive tours are flown, financial losses become heavy and a receiver is appointed in July to handle the situation.

In August, a Constellation is impounded in Israel while the other L-049E and the Wayfarer are impounded at London (LGW), all for un-

paid debts, including landing fees. With bills amounting to £125,000, the company collapses and is liquidated.

TRANS EUROPEAN AIRWAYS-BASEL, A.G.: Switzerland (1988–1992). This subsidiary of the Belgian charter carrier **Trans European Airways, S.A. (TEA)** is established at Basel in May **1988** to operate passenger and cargo charters and inclusive-tour flights to destinations in southern Europe, North Africa, and the Far East.

Markus Seiler is named managing director and his carrier is provided with a pair of Boeing 737-3M8s with which to inaugurate services in **1989**. The first flight is undertaken between Zurich and Lisbon on March 23. The second B-737-3MB is leased in Australia and covers operational expenses.

Enplanements for the year total 200,000.

The fleet is increased to 5 B-737-3MBs during the next 5 years as the carrier outlives the failure of its Belgian parent. In **1992**, the company is renamed **TEA Basel, A.G.**

TRANS EUROPEAN AIRWAYS-FRANCE, S.A.: France (1989–1991). Another member of the TEA Group, this French charter operator is organized at Lille early in **1989**. A license is obtained from the government for the operation of inclusive-tour flights from the carrier's base and Lourdes to Mediterranean holiday destinations.

The company begins operations in October with a pair of Boeing 737-3M8s. An Airbus Industrie A310-304 is acquired during the winter, but is leased out to **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** in **1990**. Following the demise of the Belgian parent in September **1991**, the airline is renamed **TEA France, S.A.**

TRANS EUROPEAN AIRWAYS-ITALY, S.p.A.: Italy (1989–1991). This member of the TEA Group is established at Rome in early **1989** to offer inclusive-tour services to destinations in North Africa and the Mediterranean. The fleet is equipped with 3 Boeing 737-3M8s and begins operations in late fall.

The company is not strong enough to continue on its own and ceases trading shortly after the failure of its Belgian parent in September **1991**.

TRANS EUROPEAN AIRWAYS-U.K., LTD.: United Kingdom (1989–1991). The failed British charter operation **Mediterranean Express, Ltd.** is acquired by the TEA Group in January **1989** and is reformed at Birmingham as **TEA U.K., Ltd.** The company is equipped with 2 leased Boeing 737-3Y0s and 1 B-737-2M8, which is almost immediately leased to **G. B. Airways, Ltd.** of Gibraltar. Operations to European destinations commence in the fall.

The company is not strong enough to continue on its own and ceases trading shortly after the failure of its Belgian parent in September **1991**. For the second time in three years, the carrier is bought out of liquidation, this time by the investment group 3i and **Air Malta, Ltd.**, both of which take 30% shareholding, and its **TEA U.K., Ltd.** managers, who secure the remaining stake and reform the company as **Excalibur Airways, Ltd.**

TRANS EXEC AIR SERVICE: 2828 Donald Douglas Loop North, Santa Monica, California 90405, United States; Phone (310) 399-9435; Fax (310) 392-2474; Year Founded 1979. David L. Bilson founds Trans Exec at Santa Monica in **1979** to provide executive and small group passenger charters, initially in support of the motion picture industry. It will also undertake passenger transfer and aerial photography with helicopters. Over the next 20 years, the company grows to a point where it is operating not only within the U.S., but to destinations worldwide, from bases at Santa Monica and Van Nuys.

In **2000**, President Bilson employs 10 pilots, who, from Santa Monica, operate 1 each IAI 1124 Westwind I and Cessna 501 Citation I, plus 1 each August A-109 and Bell 206B JetRanger. Another Westwind I is stationed at Van Nuys, along with two Grumman G-1159 Gulfstream IIs.

One of the Gulfstream IIs overshoots the runway while landing at Van Nuys on February 18 and crashes into four small aircraft and a truck. Although all of the aircraft and the ground vehicle are seriously damaged, no injuries are reported.

TRANS FLORIDA AIRLINES: P.O. Box 10150, Daytona Beach, Florida 32120, United States; Phone (904) 252-3053; Fax (904) 252-0037; Code TF; Year Founded 1966. Originally established by Robert D. Willman at Daytona Beach, Florida, in 1964 as the FBO Daytona Aviation, this concern diversifies in 1966, after obtaining an FAA FAR 121 airline certificate. Privately funded, the new supplemental air-charter carrier inaugurates contract and charter Douglas DC-3 flights in 1967 to destinations throughout Central America, the Caribbean, the Bahamas, Puerto Rico, and the southeast U.S. A flight school is opened in 1968 and, between 1973 and 1975, Trans Florida provides life for the affiliated travel club Holiday Hunters, employing a former **Trans World Airlines (TWA)** Lockheed L-049 Constellation. The Connie is sold to a Dominican Republic firm in 1976, the FBO is shut down in 1977, and the ground school closes in 1978. All of these late 1970s actions occur as the concern's passenger charter business grows.

The first Convair CV-240 is acquired in 1979 and is employed to initiate return charter flights to the Bahamas on behalf of the gambling industry. During the next decade, the fleet grows to include 4 CV-240s and 1 Vickers Viscount 700.

The first Convair freighter is introduced in 1991, a year after the Vickers is withdrawn. In 1993, the Federal Aviation Administration mandates that all aircraft with more than nine seats in commercial passenger service be outfitted with TCAS warning gear. As the cost of the installation of such equipment aboard a TFA CV-240 would exceed the cost of the entire aircraft, President Willman exits the holiday charter business to concentrate exclusively on freight. In 1994, the bulk of the fleet is transferred to San Juan and begins the operation of feeder flights on behalf of **Federal Express (FedEx)** and Silver Express.

By 1998, President Willman oversees a workforce of 25 and a fleet of 4 CV-240s (2 are parked for cannibalization of spare parts) and 3 CV-240Fs. Just after takeoff from San Juan on September 24, a CV-240 with two crew and a passenger elects to return to its point of origin. The aircraft turns to land on Runway 28, but loses altitude and crashes. Although no fatalities occur, the plane is destroyed beyond repair.

Service is maintained in 1999–2000, during which years the active fleet is reduced to just the 3 CV-240Fs and 1 CV-240. Destinations served from San Juan include Borinquen, plus Punta Cana, Santo Domingo, and Santiago in the Dominican Republic.

During the late spring of the latter year, the company's affiliation with Silver Express ends and the company returns to Daytona Beach from San Juan to offer charters in its own livery with two CV-240Fs.

TRANS GLOBAL AIRLINES: United States (1978–1984). Founded at Newark (EWR) on May 1, 1978, this new nonscheduled carrier receives CAB permission in 1980 to inaugurate charter services. A workforce totaling 42 is assembled and a single Douglas DC-8-62 is leased from **Arrow Air**.

Delays in financing cause the airline to delay its initial revenue service, requiring that the Arrow narrow-body be returned. Flights finally commence on July 5, 1984, when a tour group is flown to Oporto in Portugal on board a DC-8-62 once owned by **Braniff International Airways**. The carrier fails before the end of October and plans for a relaunch are abandoned.

TRANS ISLAND AIR, LTD.: South Ramp, Grantley Adams International Airport, Christ Church, Barbados; Phone (246) 428-1654; Fax (246) 428-0916; Code TRD; Year Founded 1990. Trans Island is established at Barbados in 1990 to offer regional passenger charters to points in the Caribbean. Under the direction of Herbert Yearwood, revenue flights begin with 2 Cessna 402Cs and 3 Britten-Norman BN-2B Islanders.

Service is maintained and holiday and sight-seeing flights are offered without incident or headline during the remainder of the decade. In September 2000, one each Cessna and Islander are put up for sale.

TRANS INTERNATIONAL AIRLINES (1): United States (1960–1979). To avoid confusion with the rotary-wing carrier **Los Angeles Airways, Los Angeles Air Service**, owned by Kerkor "Kirk" Kerkorian, changes its name on July 18, 1960. On November 14, two Lockheed L-1049H Super Constellations are chartered from **The Flying Tiger Line**. In May 1961, an L-1049H is purchased from **Trans-Canada Air Lines, Ltd.** The carrier stops individual ticketing in October to concentrate entirely on group charters and inclusive-tour flights. Revenues for the year are \$236,604.

The company becomes the first supplemental carrier to order a Douglas Jet Trader when it makes a request on June 11, 1962, for three of the DC-8-54TJs. It is also the first to offer jetliner service following the delivery of a Douglas DC-8-51 on June 22. It is paid for with money borrowed by the carrier's owner, but helps the airline's profits to jump to \$1.1 million.

On an unhappy note, a Lockheed L-1049H freighter crash-lands at Clark AFB, Philippines, on August 10. Two of the six crewmen are hurt.

Four L-1049Hs acquired from the Hughes Tool Company are leased to **Capitol Airways** and are employed by that supplemental later in the year.

The ex-Hughes Super Constellations continue to be employed throughout 1963. The first DC-8-54TJ is received in April and enters service on the carrier's long-haul routes. The other two Jet Traders also arrive during the year.

One of the new Jet Traders, on May 22, operates a military charter from Travis AFB, California, to Saigon via several intermediate stops, transporting a record cargo of 87,000 pounds.

On March 1, 1964, one of **The Flying Tiger Line** Super Constellations is purchased. The Studebaker Corporation purchases control in October for \$2.7 million in a stock transaction. Airline employment is now 139 and the fleet consists of 6 aircraft

Enplanements total 118,882.

New military contracts are received, beginning in 1965, for flights on the transpacific Vietnam airlift. Additionally, the first of several contracts is signed with **Japan Air Lines Company, Ltd. (2)** for the training of its pilots.

The CAB grants TIA-1 permanent certification on April 1, 1966 as one of 10 airlines of its class so favored. Transatlantic authority is received on April 5, with Latin America/Pacific permissions given on September 30. The same day, the L-1049H acquired from **The Flying Tiger Line** is sold back to the huge freight operator.

When the Studebaker Corporation elects to withdraw from the air transport business, it sells the company back to Kirk Kerkorian in September for \$200,000 less than it cost to acquire in the first place.

Revenues for the year are \$22,162,781. Expenses are \$14,659,258 and a net profit of \$3,854,336 is reported.

The airline becomes a public corporation on June 28, 1967. On October 20, a third consecutive one-year contract is signed to training pilots for **Japan Air Lines Company, Ltd. (2)**. By the end of the year, the fleet comprises 3 DC-8-61Fs, 2 DC-8-35Fs, and 1 DC-8-51F leased out to **Delta Air Lines**. The latter will be sold to the Atlanta-based company. Orders are made or remain outstanding for two B-727-121QCs and three (later seven) DC-8-63CFs.

A total of 240,221 charter passengers are originated and 22,330,465 freight ton-miles are flown. Revenues rise to \$31,557,029. Profits are \$8,569,636 (operating) and \$5,391,030 (net).

Kerkorian elects to withdrawn again in 1968 and 58% majority shareholding is purchased by Transamerica Corporation on April 23. Kerkorian's personal profit is \$104 million. Two B-727-121QCs and a DC-8-63CF are delivered. The carrier is the first supplemental to order the DC-10. The company now begins to specialize in the transport of livestock, as 7,000 head of cattle are transported from California to Chile.

On the year, 491,000 charter passengers are accommodated and cargo ton miles increase a significant 113%. Revenues jump 54% to \$48,582,000. Profits are also up, both operating (\$10,415,561) and net (\$6,534,574).

The fleet is augmented in early 1969 by the delivery of another DC-8-63CF. The remainder of the stretched Jet Trader order is completed by late fall, at which time the three DC-8-61CFs and two DC-8-35Fs are used for leasing operations. The two Boeing 727-121QCs are retained for short-haul services.

Although a passenger count is not released, figures show that 1.96 billion revenue passenger miles are operated. Income accelerates to \$51,095,000 and profits continue to be made. Both operating (\$4,682,000) and net (\$4,012,000) income exceed the \$4-million mark.

Two (later three) DC-10-30CFs are ordered in 1970.

Actually filmed at Long Island's Islip-MacArthur Airport, the beginning of the motion picture *The Out of Towners* depicts the departure from an "Ohio airport" of Jack Lemmon and Sandy Dennis aboard a TIA B-727-121QC.

Eleven of the company's most senior aircrew are killed when a DC-8-63CF crashes after stalling on takeoff from New York (JFK) on October 8 on Ferry Flight 863 to Washington, D.C. (IAD) to pick up passengers for a flight to London (LGW).

Revenue passenger miles flown jump 30% to 2.54 billion. Revenues accelerate 21.5% to \$62,078,000. Led by increased fuel prices, costs climb by \$8 million to \$36,246,000. Although the operating profit is \$8,359,000, the net profit declines to \$2,388,000.

In 1971, TIA transports 702,450 charter passengers and places orders for 3 DC-10-30CFs.

The workforce in 1972 is 928. The CAB grants a temporary exemption to fly holiday service into Mexico. Sales incentive flights are increased throughout the year and on September 9 the carrier begins flying the first of seven charter groups from the U.S. West Coast to New Zealand on behalf of Unitours, Inc.

Now the nation's largest supplemental airline, the carrier's passenger boardings increase 37% to 1,115,000. Freight traffic reflects the general decline in Southeast Asian military business, being down a full 35%. Income is \$74.27 million and expenses are \$69.97 million. Consequently, profits are made: \$4.30 million (operating) and \$1.93 million (net).

Airline employment in 1973 rises by 124. Three DC-10-30CFs are placed into service on April 27 and give the company the largest wide-body capability of any U.S. charter airline. TIA becomes the first airline anywhere to operate a DC-10 all-cargo flight. The inaugural service out-bound from Oakland to Hong Kong late in the year transports fresh California produce, while the return flight brings a plane full of clothing.

The fuel crisis has an impact on business. Charter passenger bookings fall 34.5% to 730,000 and although 22.85 million freight FTKs are flown, the figure represents a decline of 44.1%. On revenues of \$73,487,000, expenses are \$70,553,000. The operating profit is \$2.93 million and the \$4.95-million net gain is the highest for any U.S. supplemental this year.

The carrier employs 952 in 1974. New DC-10-30CF configurations are adopted as TIA begins operating charter programs to Hong Kong and to destinations throughout South America.

On June 4, it is announced that Trans International has negotiated a \$35-million agreement with Travel Enterprises, Inc., under which 500 flights involving 125,000 persons will be made between the U.S. and Hawaii.

Flight attendants, members of the Teamsters, walk out on July 15; their job action ends on July 21 with a mutual agreement concerning issues.

Negotiations are undertaken to acquire Howard Korth's **Saturn Airways** and at year's end, officials of the two carriers file their agreement with the CAB seeking regulatory consent.

Boardings advance 9% to 753,000, but freight traffic is off by 7.7%. The nation's largest supplemental has income of \$104.63 million, while expenses are kept to \$100.88 million. The operating profit is \$3.74 million. A net \$1.48-million loss is suffered.

Employment in 1975 grows to 1,041 and planning continues apace for the acquisition of **Saturn Airways**.

Although passenger boardings are down by 7% to 701,000, freight skyrockets 149% to 52.41 million FTKs. Expenses of \$105.74 million are submerged into total income of \$123.34 million and as a result, the operating profit is \$17.6 million while a net income of \$4.98 million is reported.

The number of employees is increased by 46.4% in 1976 to 1,524. The CAB grants final permission in the spring for acquisition of the Oakland-based supplemental **Saturn Airways** and its fleet of Hercules freighters. Meanwhile, emphasis is placed on increasing tour packages available from the U.S. West Coast to Europe and Israel. A DC-10-30CF is reconfigured to handle 376 passengers. The official **Saturn Airways** takeover occurs on December 1.

Customer bookings for TIA (exclusive of Saturn) total 705,000 for the year while cargo skyrockets 101.7% to 105.722 million FTKs. Operating revenues are \$133.788 million while expenses are kept at \$121.39 million. This happy imbalance results in an operating profit of \$12.39 million and net gain of \$3.12 million.

In January 1977, integration of TIA and **Saturn Airways** into the world's largest charter carrier is completed.

On April 14, the company receives authority to fly into Mexico and Canada. Beginning September 10, Teamster flight attendants again strike the company.

Enplanements for the year are 675,000 while a total of 347.65 million FTKs are operated.

In 1978, President/CEO Henry P. Huff oversees a workforce of 1,715 and operates a fleet of 6 DC-8-63CFs, 2 DC-8-61s, 3 DC-8-61Fs, 3 DC-10-30CFs, 12 Lockheed L-100-30 Hercules, and 9 L-188AF Electra freighters.

The flight attendants accept a mediated agreement on January 11.

A DC-10-30CF, with 376 American tourists aboard, skids from the runway during its July 2 takeoff from Shannon Airport in Ireland; no injuries are reported.

Charter bookings increase by 22.1% to 866,000 passengers while cargo jumps 17.4% to 420.88 million FTKs.

The employee population in 1979 grows by 49.4% to 2,583. A DC-8-63CF with 250 aboard loses a tire during its takeoff from New York (JFK) on May 3, but is able to turn around and make a safe landing. Also in May, scheduled transatlantic passenger frequencies are started New York to Amsterdam via Shannon, in addition to passenger and cargo charters already flown. On October 1, the company name is changed to **Transamerica Airlines**.

TRANS INTERNATIONAL AIRLINES (2): United States (1984-1988). Employing the earlier corporate identity of its parent, TIA-2 is formed in late 1984 as a nonunion, wholly owned subsidiary of Transamerica Corporation's air transport division, **Transamerica Airlines**, to offer charter and contract flights. Initially, the carrier takes over the routes and remaining assets of dormant **Central American International**, a freight line originally founded at Louisville, but which had closed its doors in 1982.

Airline employment in 1985 stands at 1,146. Service is launched from an Orlando base in early spring with a fleet that begins with 1 Douglas DC-8-54F, but which soon thereafter adds 6 DC-8-62Fs, 9 Convair CV-640s, 11 DC-6As, and 21 Lockheed L-100-30 Hercules freighters.

A total of 8.82 million FTKs are operated by December 31. Revenues for this start-up year are \$1.9 million, but costs are \$3.45 million. Consequently, the operating loss is \$1.55 million; the net loss is \$952,000.

When **Transamerica Airlines** ceases operations on September 30, 1986, the future of its subsidiary is in doubt. This Trans International is, however, reformed into a passenger and cargo charter carrier and obtains a new fleet of one DC-8-61F, the original DC-8-54F, and one Lockheed L-188AF.

Recertified, the company begins flying in April 1987 and by year's end has transported a total of 81,000 passengers and 4.5 million FTKs.

The carrier survives only the first six months of **1988** before it shuts down and goes out of business.

During this time, it flies a total of 502.8 million revenue passenger kilometers and generates revenues of \$3.79 million. The operating loss is \$2 million and net loss is \$943,000.

TRANS INTERNATIONAL EXPRESS. *See* TIE AVIATION (TRANS INTERNATIONAL EXPRESS)

TRANS ISLAND AIRWAYS. *See* TRANS AIR

TRANS ISLE AIR. *See* SKY TOURS HAWAII

TRANS JAMAICAN AIRWAYS, LTD.: Jamaica (1975–1996). **Jamaica Air Taxi, Ltd.** is formed in early **1975** to assume the assets and routes of **Jamaica Air Services, Ltd.**, which ceases operations in late **1974**. Based at Sangster Airport, Montego Bay, the carrier's initial fleet comprises the JAS de Havilland DH 114 Herons. Scheduled services are undertaken from Montego Bay to Grand Turk, Port Antonio, Mandeville, Ocho Rios, and Kingston.

On October 11, **1976**, TJA acquires 35% shareholding in the new Air Turks and Caicos. Late in the decade, services are started to the Turks and Caicos Islands. Two Britten-Norman BN-2A Trislanders are acquired in **1980**.

The fleet in **1981** comprises 2 Britten-Norman BN-2 Islanders, 2 Trislanders, and 2 Cessna 206s. Another Islander and a Douglas DC-3 are acquired in **1982**. Passenger enplanements in **1983** are 39,000, while two Cessna 402s are delivered. During the remainder of the decade, the company's regional and international services and routes are maintained.

The **1989** fleet includes 2 Cessna 402s, 2 Cessna 206s, 2 Pilatus-Britten-Norman PBN-2A Trislanders, and 1 PBN-2 Islander.

Enplanements total 73,925. Profits of \$172,000 (operating) and \$66,000 (net) are generated.

In **1990**, one of the two Trislanders is temporarily withdrawn and replaced with another Islander.

Passenger boardings jump 11.4% to 83,436 and revenues shoot up 54.3% to \$2.9 million. Operating income rises to \$476,000 and net profit is \$377,000.

The payroll is increased by 2.6% in **1991** to 117. Customer bookings entirely reverse their previous year's gain, falling 12.4% to 73,103. Revenues decline 14.4% to \$2.48 million, but costs rise. As a result, the operating surplus is cut to \$351,000 and net gain falls to \$183,898.

A significant fleet alteration occurs at General Manager Robert E. Cranston's carrier in **1992**, as all previous equipment is replaced by three leased Dornier 228-202s. An Avions de Transport Regional ATR42-320 arrives in **1993**, and the three Dornier 228-202s are returned in **1994**, along with the Islanders, Trislanders, and two Cessna 206s. Late in **1995**, the majority interest in the company is taken by **Air Jamaica, Ltd.**, which will relaunch it in **1996** as **Air Jamaica Express, Ltd.**

TRANS LATIN AIR, S.A.: Panama (1990–1994). Trans Latin is established at Panama City in the spring of **1990** to offer charter passenger, cargo, and express flights around the nation and to other Central American republics. Revenue operations commence with a single Fairchild Metro III.

International services are introduced in **1992** by a leased Boeing 727-191 first flown by **Frontier Airlines** in the U.S. The big jet service is not successful and the trimotor is withdrawn in **1993**. Unable to continue, the company shuts its doors in **1994**.

TRANS MAGIC AIRLINES: United States (1969–1973). Trans Magic is set up at Twin Falls/Jerome, Idaho, in **1969** to provide scheduled passenger and commuter services to regional destinations. Employing a Piper PA-31-31 Navajo and a de Havilland DH 104 Dove, rev-

enue flights commence, linking the company's base with Boise, Mountain Home AFB, Sun Valley, Burley, Pocatello, Idaho Falls, Jackpot, and Salt Lake City. Operations continue until the great energy crisis of **1973** forces the company out of business.

TRANS MALDIVIAN AIRWAYS, LTD.: Pvt Ltd., P.O. Box 6, Male, Maldives; Phone 960 (32) 5706; Fax 960 (32) 3161; http://www.tma.com.mv; Year Founded 1999. On May 27, **1999**, **Hummingbird Island Airways, Ltd.** is renamed Trans Maldivian Airways, Ltd. Having begun in 1989 as a helicopter carrier, TMA, owned by the UB Group and Air Beach Resorts, now operates only fixed-wing floatplane charters.

Under the direction of Flight Operations Manager Capt. Garth Duncan, the company operates from Male, employing 1 float-equipped Cessna 208B Caravan, and 2 float-equipped de Havilland Canada DHC-6-300s. Two more Twin Otters arrive during the year.

Distracted by reprogramming his GPS unit after takeoff from Male International Airport on February 3, **2000**, the captain of the float-equipped Caravan forgets to raise his landing gear. The aircraft is landed on the water at Filithayo Seaplane Base with the gear still extended and consequently turns over and sinks. There are no fatalities.

TRANS MEDITERRANEAN AIRWAYS, S.A.L. (TMA): P.O. Box 11-3018, Beirut International Airport, Beirut, Lebanon; Phone 961 (1) 831 433; Fax 961 (1) 386 669; http://www.tma.com.lb; Code TL; Year Founded 1953. Organized in **1953** to provide support services for oil companies and for six years a nonscheduled carrier flying a pair of Avro 685 York C.1s, TMA becomes a joint-stock company controlled by its Chairman/President Munir I. Abu Haidar in October **1959**. Certified as an all-cargo airline, TMA purchases its first Douglas DC-4 and undertakes an international network of scheduled freight services linking Beirut with destinations in the Mideast (including Tehran), Europe (including Frankfurt), Africa, and Asia.

Operations continue apace in **1960–1962**, during which years the fleet grows to include seven DC-4s. There are also losses.

An Avro 685 York C.1 crashes during its May 24, 1961, takeoff from Azaiba, Oman; although the aircraft must be written off, there are no fatalities.

A DC-4 is lost at Azaiba, Oman, on January 21, 1962; no other details are available. Another DC-4 freighter with six crew fails its takeoff and plunges into the sea off Brindisi, Italy, on July 9; there are no survivors.

The first DC-6B enters service in **1963**. A DC-4 freighter with three crew crashes in the Koh-i-Safid Mountains in Afghanistan on December 12; there are no survivors.

By **1964**, the workforce totals 525 and a total of 18 million freight ton-miles are flown. Revenues are \$5.17 million.

The fleet in **1965** comprises 5 Douglas DC-4s and 4 DC-6As. New offices are opened during the year in Doha and Dusseldorf. A new cargo terminal is occupied at Beirut, along with a new engine overhaul shop. A Lockheed L-1632F is placed into service at year's end.

A number of new offices are opened in **1966** and the first jet freighter, a B-707-331C Stratoliner, leased from **World Airways**, is acquired.

While en route from Beirut to Frankfurt, a DC-6A freighter with five crew crashes into Mount Parnon, Greece, on March 10; there are no survivors.

In October, an L-1649A Starliner, once owned by **Deutsche Lufthansa, A.G.**, is leased for the winter from the U.S.-based travel club **Air Venturers**.

The last L-1649 flight is completed in January **1967** and the Starliner is replaced by a sixth DC-6A, which is placed into service on a new route to Jeddah. During the summer, new DC-6A service is inaugurated to Tokyo. New offices are opened at Hong Kong, Osaka, Tokyo, Bangkok, Taipei, and Copenhagen. In the fall, a pair of Canadair CL-44Ds is leased.

A total of 35.9 million revenue ton-miles of freight is flown during the year.

The workforce in **1968** stands at 932. The world's longest air freight route is now provided, directly linking Europe, the Middle East, India, Southeast Asia, and the Far East.

Israeli commandos hit Beirut IAP on December 28 destroying or damaging beyond repair a Douglas C-54B and a Douglas DC-6A/B.

The fleet now comprises 5 DC-6As, 1 DC-4, and 3 Boeing 707-327C freighters, the latter previously flown by **Braniff International Airways**.

Revenue freight ton-miles flown are now 52,361,000 and revenues are up to \$16.82 million.

In **1969**, flights begin to Athens, Stockholm, Zurich, Istanbul, Benghazi, Tripoli, Singapore, Paris, and Milan.

Airline employment stands at 820 and freight ton-miles flown total 51,216,464.

A total of 205 employees are hired in **1970**. Revenue freight ton-miles flown increases by 32.4% to 75,764,000.

On April 14, **1971**, the company launches the first round-the-world jet cargo route, flying from Beirut to Tokyo via Southeast Asia and on to Anchorage, New York, Europe, and back to Lebanon.

The workforce in **1972** is up to 1,529. New services are opened to Muscat and Lagos. One of the four remaining DC-6As is sold as two newly reconditioned, ex-**American Airlines** B-707-323Cs join the fleet, for a total of five.

Freight traffic jumps 41%, with real growth occurring toward year's end.

The employee population is increased during **1973** to 1,798 and two more B-707 Stratoliners are added, one each B-707-321C and B-707-331C. New routes are opened to Hong Kong and N'Djamena. Frequencies are increased on other services.

As a result of all this activity, freight traffic doubles to 349.86 million FTKs.

In **1974**, airline employment stands at 5,256. Shafik Fakhoury is named vice president of a new international affairs division created in February. Orders are placed for two B-747Fs and the carrier's seven B-707Cs receive new liveries consisting of green fuselages and yellow tails. Service is inaugurated to Kuala Lumpur and Muscat.

FTKs increase 5% to 387.37 million and construction is started on a new freight terminal at Beirut.

Two leased B-747-123Fs, formerly flown by **American Airlines** and converted into freighters, are placed into service between Beirut and New York via Amsterdam in May and June **1975**. Civil war breaks out during the summer and will bring a series of airport shutdowns over the next decade and a half. En route from Beirut to Athens on December 3, a Jumbojet freighter is badly damaged when its overruns a wet runway on landing in Greece; the fuselage, engine, and landing gear are repaired by Boeing and other engineers.

The company's new freight terminal at Beirut is occupied in **1976**. With a capacity of 800 tons per day, it doubles the airlines previous capacity. During the first major blockade, Beirut International Airport is shut down for a total of 168 days.

As if the carrier did not have enough problems at home, clerical, office, and passenger service employees, members of the Teamsters, refuse to arbitrate differences at New York (JFK). Instead, they walk out on October 25. In no position to resist, TMA grants the union's requests three days later.

As a result of the civil war in Lebanon, the leased Jumbojet freighters are withdrawn in June **1977**. At the same time, four more Stratoliners are acquired to help make up for the capacity lost with the Jumbojets.

By **1978**, airline employment stands at 2,174 and the fleet holds 11 Boeing freighters. A total of 490,198,000 FTKs are operated.

A B-707F crashes during a July 23, **1979** training flight at Beirut, killing all six of its crewmen.

Cargo traffic for the year leaps 17% to 590.6 million FTKs.

Flight operations are severely disrupted by the nation's civil strife of the early **1980s**.

The workforce is reduced by 7.1% in **1980** to 1,955. The company's 11 B-707-320Cs haul 514.06 million FTKs, a reduction of 13%.

An explosion near a B-707-327C parked on the ramp at Beirut on July 5, **1981** causes substantial damage to the freighter.

As a typhoon is passing 160 km. S of Tokyo on October 23, a B-707-331C with three crew that has departed, develops engine trouble and returns to Narita Airport. Although it lands heavily and is badly damaged, there are no fatalities.

On June 16, **1982**, Israeli commandos strike Beirut International Airport, destroying two DC-6As and a B-707-323C. The company, which has been now been reduced by war and hard usage to a fleet of 8 707-320Cs, transfers its headquarters to Sharjah in the UAE. The capital's airport is shut down for 115 days during the Israeli invasion. Freight hauled in **1983** totals 420.26 million FTKs.

Late in **1984**, the Lebanese government approves a merger of TMA with **Middle East Airlines, S.A.L. (MEA)** (2) and establishes a holding company to split ownership between the state carrier (75%) and the independent (25%). The arrangement is not consummated.

Cargo for the year climbs 13% to 483.06 million FTKs.

In response to the **Trans World Airlines (TWA)** Flight 847 hijacking ordeal of June, President Reagan orders an end to TMA landing rights in the U.S. as of July 1, **1985**.

Operations continue, with some disruptions, between **1986-1988**. In 1987, Beirut International Airport is blockaded for 107 days.

Airline employment in **1989** stands at 960 and the fleet includes 7 B-707-320Cs. Following a March to September blockade by forces of Christian militia Gen. Michel Aoun, Beirut International Airport is re-opened; a company B-707-320C cargo service is the first airline service into the facility in six months.

A total of 274 million FTKs are operated on the year. Expenses exceed income and there are losses: \$7.7 million (operating) and \$14.9 million (net).

Company employment is cut by 5.1% in **1990** to 824. Cargo declines by 42.6%, due largely to the Gulf crisis, to 182.87 million FTKs. Revenues are also off, by 24.5%, to \$43.3 million. The operating loss increases to \$12.2 million and net loss reaches \$17.7 million.

With 850 employees, Chairman Chafi Moharram's airline continues to fly its network during **1991-1993** with two each B-707-323Cs and B-707-327Cs (lately leased to **Kuwait Airways, Ltd.**) and one each B-707-321C and B-707-331C.

While taxiing out for takeoff from Amsterdam on an all-cargo service to Beirut on July 26 of the latter year, a beam in the right wing of Flight 172, a B-707-327C with three crew, fails. The aircraft is driven back to its platform where major damage is found in the wing structure. No injuries are reported, but the aircraft must be written off.

Last operated almost 15 years earlier, the B-747-123F, withdrawn in 1977, returns to the fleet at the beginning of **1994**.

In **1995**, airline employment stands at 519 and a total of 137.8 million FTKs are operated. The company suffers a very bad **1996** and is shut down for a period and the Jumbojet freighter is withdrawn.

In November, following introduction of the government's "Horizon 2000" reconstruction program, company management begins to modernize TMA. It also pledges to increase capital to \$40 million. For the year as a whole just 35.62 million FTKs are operated.

Modernization of the carrier's operations continues in **1997-1999**. Capitalization is increased to some \$40 million. The company's six Stratofreighters regularly visit Abu Dhabi, Amsterdam, Bahrain, Bangkok, Bombay, Dammam, Doha, Dubai, Frankfurt, Jeddah, Kuala Lumpur, Kuwait, London (STN), Muscat, Paris (CDG), Sharjah, Singapore, Taipei, and Tokyo (NRT).

In April **2000**, the Lebanese Pilots' Union holds a conference at the Commodore Alhambra Hotel in Beirut, during which it reviews updated reports on the airline's progress. Later in the month, the marketing name TMA Cargo is introduced, as is a new black and yellow color scheme for the carrier's Stratofreighters.

Weekly all-cargo roundtrips are inaugurated by **Jamahiriya Libyan Arab Airlines** during June, from Ostend, Belgium, to Tripoli and Beng-

hazi. The flights are reportedly handled by European Cargo Services, S.A. and operated by a wet-leased Trans Mediterranean B-707F.

A B-707F launches weekly return freight service to Bergamo, Italy, in September.

Allowed under the UN approved "oil-for-food" program, a company B-707F begins transporting goods from Beirut to Baghdad on November 8. Flights to Iraq by the airline have been suspended for 15 years.

TRANS MICHIGAN AIRLINES: United States (1969–1970). Trans Michigan is established at Traverse City in June 1969 as successor to **Peninsula Air**. Employing one each Piper PA-31-310 Navajo and de Havilland Canada DHC-6-300 Twin Otter, the new commuter inaugurates daily scheduled multistop services linking its base with Detroit, Flint, Lansing, Marquette, Kalamazoo, and other Wolverine State destinations.

Unable to maintain economic viability, the company shuts its doors in March 1970 and its assets are sold to the start-up **Great Lakes Airlines**.

TRANS MIDWEST AIRLINES: United States (1983–1985). Trans Midwest is set up by Tom Koehler at Columbus, Ohio, in the summer of 1983 to offer scheduled third-level services to destinations in Ohio and West Virginia. Employing a fleet of 3 Piper PA-31-310 Navajos, the airline undertakes frequencies, beginning on August 1, to Toledo, Lima, Dayton, Cincinnati, Parkersburg, and Charleston.

Operations cease in April 1985.

TRANS MISSOURI AIRLINES: United States (1966–1986). W. E. Asel forms this intrastate carrier at Jefferson City, Missouri, in the spring of 1966. Employing a fleet of 3 Cessna 402s, the company undertakes local charter services while applying for a certificate from the FAA, which is received on July 11.

Beginning in December, scheduled passenger and cargo flights are inaugurated to St. Louis, Lake of the Ozarks, Sedalia, and Kansas City. Two years later, in 1968, Topeka-based **Beeson Aviation** is purchased and merged. Cape Girardeau and Topeka join the route network.

Operations continue apace over the next 18 years. In 1986, however, recession takes its toll on the carrier. Only three Cessna 402s are flown and services to Kansas City are suspended; however, these cost-cutting measures are insufficient and the company closes down.

TRANS MO AIRLINES. See **TRANS MISSOURI AIRLINES**

TRANS MOUNTAIN AIR: United States (1975–1976). Also known as **Trans-Mountain Airlines**, this small regional is established at Longmont, Colorado, in 1975 to provide scheduled Aero Commander 500B flights to Denver. Expected traffic does not develop and the carrier shuts down in 1976.

TRANS NATIONAL AIRLINES (1). See **NORTH AMERICAN AIRLINES (1) (NAA)**

TRANS NATIONAL AIRLINES (2): United States (1973–1974). TNA is set up at Oakland, California, in 1973 to offer de Havilland DH 104 Dove scheduled commuter flights over local routes from the city. Service cannot be maintained a year.

TRANS NATIONAL AIRLINES OF HAWAII: United States (1979–1983). TNAH is established at Honolulu in 1979 to offer scheduled all-freight commuter services in Hawaii with a fleet of 4 Douglas DC-3s and 2 Beech 18s. In 1980, the first full year of service, a total of 4.92 million FTKs are operated. Unable to survive recession, the carrier stops flying in 1983.

TRANS NEBRASKA AIRLINES: United States (1971–1973). Alliance, Nebraska-based TNA is established in 1971, built largely upon

the assets of the former Omaha air taxi **Sky Harbor Air Services**. Employing a Cessna 402, the new company inaugurates scheduled passenger and cargo flights linking its base with Chadron, Kearney, Lincoln, and Omaha. These daily flights are maintained into 1973.

TRANS NEVADA AIR SERVICES: United States (1968–1969). TNAS is founded at Las Vegas during the summer of 1968 to provide scheduled passenger and cargo flights over local routes from the city. Beech 18 and Aero Commander 500 revenue flights commence on August 30, but cannot be maintained a year.

TRANS NEW YORK AIRLINES: United States (1981–1982). Early in 1981, TNYA is established at New York City to provide a rotary-wing shuttle service linking John F. Kennedy International Airport, Newark International Airport, and La Guardia Airport with Manhattan's Wall Street heliport. Employing 3 Agusta A109s, the carrier inaugurates scheduled flights on March 30.

Recession, high expenses, and low traffic cause the company to cease operations in 1982.

TRANS NORTH AIR, LTD.: Canada (1966–1987). Trans-North is established at Whitehorse in 1966 to provide regional helicopter passenger and cargo and passenger and freight charter services throughout the Yukon region. Services commence in 1967 and between 1968 and 1971, routes are developed to a variety of Yukon destinations, including Pine Lake, Faro, and Rose River. Fixed-wing aircraft are added in the latter year.

Great Northern Airways, Ltd. is acquired in 1972 and services are extended down into British Columbia and northern Alberta. The mixed fleet grows to include Douglas DC-3s, de Havilland Canada DHC-6-200s, Cessna and Beech lightplanes and helicopters. Scheduled services begin in 1976.

By 1980, President R. F. Connelly's fleet comprises 2 Douglas DC-3s, 2 Twin Otters, 2 Cessna 404 Titans, 1 Cessna 402, 1 Cessna 310, 2 Bell 204Bs, 11 Bell 206B JetRangers, 4 Hughes 369s, and 2 Bell Model 47Gs.

Enplanements total 30,000 in 1981 and 20,000 in 1982. A DHC-6-300 is sold to **Baker Aviation, Ltd.** in 1983. Airline employment reaches 90 in 1984 and in May, international DC-3 service is started from Whitehorse to Juneau, Alaska. By 1986 the fleet comprises 2 DC-3s, 1 DHC-6-300, 2 Embraer EMB-110s, 2 Cessna 404s, 12 Bell 206B JetRangers, and 2 Bell Model 47s, plus 3 Hughes 500s and 1 Aerospatiale Alouette III. Operations cease in 1987.

TRANS NORTH AVIATION, LTD.: P.O. Box 1445, Eagle River Airport, Eagle River, Wisconsin 54521, United States; Phone (715) 479-6777; Fax (715) 479-8178; <http://www.transnorth.com>; Code 4Q; Year Founded 1980. Ronald J Schaberg establishes this small regional at Eagle River, Wisconsin, in the early fall of 1980, initially as an FBO and charter operation. In 1981, the decision is taken to provide scheduled passenger and cargo services to the "second home" area of northern Wisconsin. Employing a Piper PA-31-350 Navajo Chieftain, the company inaugurates daily roundtrips in October linking its base with Chicago's Palwaukee Airport, Green Bay, Woodruff, and Sturgeon Bay.

Both scheduled and charter operations continue apace over the next 19 years. In 2000, President Schaberg's Eagle River fleet includes 1 each Navajo Chieftain, Beech 1900 Airliner, and Cessna 421C Golden Eagle.

A Beech Super King Air 100 and a Cessna 340A are stationed at Green Bay and a Cessna 340A is also based at Charleston, South Carolina.

TRANS OCEANIC AIRWAYS (PTY.), LTD.: Australia (1947–1953). Trans Oceanic is formed at Sydney in early 1947 to begin flights to Lord Howe Island and Hobart with the Short S.25 Sandringhams *Beachcomber* and *Australis*. Revenue flight operations commence on February 24. These routes are maintained during 1948–1952, but are

finally purchased, along with the flying boats, by **Ansett Airlines of Australia (Pty.), Ltd.** in 1953.

TRANS OCEANIC LINES, LTD.: Seychelles (1963–1968). This ambitious, but tiny, carrier is established at Victoria on the island of Mahe in 1963 to offer service to Kenya. Employing a pair of Consolidated PBY-5A Catalina flying boats, the company launches 1,200-mi, 9-hr. flights to Nairobi via Port Reitz.

Flights continue until the company shuts its doors in 1968.

TRANS PACIFIC AIRLINES (PTY.), LTD.: P.O. Box 1379, Cairns, Queensland, 4870, Australia; Year Founded 1996. This commuter is established at Cairns in the spring of 1996 to offer third-level scheduled services to local destinations. Revenue flights commence and continue with one each Embraer EMB-110 Bandeirante and Dornier 228-200.

TRANS PACIFIC AIRLINES (TPA): United States (1946–1959). TPA is formed at Honolulu by local publisher Rudy Tongg on June 9, 1946. Incorporated under the laws of the Territory of Hawaii, it begins nonscheduled services with a single war surplus Douglas C-47 (military DC-3), piloted by Al Olson and Louis Lucas, on July 26.

Four Douglas transports, nicknamed "Alohaliners," are in service by year's end and enplanements for the first six months total 24,000. In the fall of 1947, older **Hawaiian Airlines** seeks and obtains an injunction to shut the newcomer down on the basis that it is actually flying scheduled service without CAB permission.

After a year of difficulty and litigation, the CAB in 1948 authorizes the carrier to commence scheduled operations in competition with **Hawaiian Airlines** under provision of a five-year temporary certificate. Future U.S. Senator Daniel K. Inouye is an employee and future owners Dr. Hung Wo Ching and Sheridan Ing begin to invest.

President Truman approves TPA's temporary certification on February 17, 1949 and the formerly suspect irregular launches its newly authorized flights on June 6. As the result of a longshoreman's strike, interisland traffic falls off and the company cannot earn a profit during the year. Indeed, a \$300,000 loss is suffered.

There is also no profit in 1950, but in June 1951 the CAB grants a \$127,000 airmail subsidiary. During the year, the company begins to use "The Aloha Airline" as part of its corporate moniker. On August 22, 1952, the company begins hauling sight-seers over an erupting Hawaiian volcano.

Operating as the "poor man's airline," TPA chalks up significant traffic gains as the two carriers fight one another for market share throughout the 1950s. During the decade, a fleet of eight Douglas DC-3s is operated. Now called Vistaliners, they are provided with *puka* camera openings in their five-foot windows. Flight attendants dress in native costume, dance for passengers, and serve fresh pineapple juice along with sodas. As statehood approaches toward decade's end, the junior island service is renamed **Aloha Airlines** on February 11, 1959 and soon thereafter begins to fly Fokker F.27 Friendships.

TRANS PENN AIRLINES (TRANS PENNSYLVANIA AIRLINES): United States (1978–1980). Following President Carter's signing of the Airline Deregulation Act in October 1978, TPA is established to undertake regional services under an Essential Air Service (EAS) contract. Employing a fleet of Piper PA-31-310 Navajos, scheduled daily roundtrips are inaugurated linking the company's base at Reedsville with State College, Pittsburgh, Baltimore, and Atlantic City. Operations continue apace until 1981.

TRANS PROVINCIAL AIRLINES, LTD.: Canada (1964–1994). Trans Provincial is established by a group of local businessmen at Terrace, British Columbia, in 1964 to offer charter and scheduled services from Prince Rupert to the Queen Charlotte Islands as well as to Stewart, Alice Arm, Hartley Bay, Bella Bella, Ocean Falls, Price George, Smithers, and the Alaskan town of Ketchikan.

Flights are started with a pair of de Havilland Canada DHC-3 Otters, one of which is lost in an accident at Stewart on April 18, 1967. Three Grumman G-21 Goose amphibians are acquired in 1968 and a base is established at Port Hardy under management of Gene Story. A fourth G-21 arrives in 1969, the same year a replacement Otter is also acquired. The DHC-3 is followed by two more in 1970, along with a Douglas DC-3.

A second DC-3 is added in 1972 and is followed into service by a Fokker F.27 Friendship in 1973, which is employed to operate a scheduled Prince Rupert–Prince George route via Terrace and Smithers. A fifth Grumman Goose is purchased in 1974. Even after a DC-3 replaces the Fokker (which is sold to **Time Air, Ltd.**) on the scheduled service, traffic is too light to sustain it and the operation is halted in 1975. Another Goose joins the fleet in 1976. Two DC-3s and a Goose are sold in 1978.

Jim Pattison Industries purchases the carrier in 1979 as one of many acquired for the formation of **Air BC, Ltd.**; however, the carrier is allowed to retain its identity. Port Hardy is built up as a major TPA base in 1980 and the subsidiary is upgraded by the addition of a DC-3 and a Britten-Norman BN-2 Islander. An Otter is lost in a crash near Smithers on June 12, 1981. The Douglas is passed to **Air BC, Ltd.** in 1983, leaving TPA a largely amphibious operation, to which most of its parent's amphibious aircraft are now assigned.

TPA is purchased from Jim Pattison in October 1986 by a group of investors headed by Port Hardy supervisor and TPA Chief Pilot Gene Story. In 1987, the fleet is reformed as two G-21s and the Islander are sold and succeeded by two de Havilland Canada DHC-6-100 Twin Otters. Charters and scheduled flights resume on a larger scale and emphasis on cargo is demonstrated by acquisition of a Bristol 170 Mk. 31 Freighter.

A second, the last of its type operational in Canada, is purchased in 1988.

Upon landing at Bronson Creek after a June 21 freight service from Wrangell, one of the Bristol 170 Mk. 31s with three crew ground-loops and runs off the runway, at which point the undercarriage collapses; although the wreck must be written off, there are no fatalities.

Operations continue apace in 1989–1992. At the beginning of 1993, General Manager Jim Soden's fleet comprises 2 DHC-6s, 3 DHC-3s, 6 DHC-2s, 2 Bristols, and 3 Grumman G-21 Geese.

The Bristol all-cargo service is closed down in January, but the company is already in significant financial difficulty. Having overexpanded ahead of revenues, the carrier ceases operations in March.

The Bristol assets and contracts are sold by the carrier's receivers to former Trans Provincial executives Paul Hawkins, Rod Hayward, David Menzies, and Donald Vienneau; the U.K.-made transports will resume freighter operations in August 1994 as **Hawkair, Ltd.**

TRANS REGIONAL AIRLINES (PTY.), LTD.: Australia (1982–1984). Adelaide-based **PAGAS Airlines (Pty.), Ltd.** is renamed Trans Regional Airlines, Ltd. in 1982. Services are maintained with 2 Embraer EMB-110s, 1 Piper PA-31-310 Navajo, and 3 Rockwell Aero Commanders to a variety of destinations in South Australia and Queensland. These include Adelaide, Andamooka, Broken Hill, Hawker, Innamincka, Kingscote, Leigh Creek, Mount Gunson, Oodnadatta, Penneshaw, Port Augusta, and Port Pirie.

Unable to overcome the economics of poor traffic brought on by recession, the carrier is forced to shut its doors in early 1984.

TRANS SERVICE AIRLINK, S.A.: BP 14711, Kinshasa, Congo, Democratic Republic II; Phone 243 (12) 20 970; Code TSR; Year Founded 1992. Trans Service is founded at Kinshasa, Zaire, in 1992 to offer passenger charter and inclusive-tour flights to regional African destinations. Revenue operations commence with a fleet that includes 1 Boeing 727-25, 2 Nord 262s, 2 Lockheed L-188 Electras, 1 Vickers Viscount 754D, and 1 Viscount 782D.

One Nord with 21 passengers fails takeoff from Kinshasa airport on January 27, 1993 and crashes; 3 aboard are killed, along with 6 people

on the ground. A year later, on January 21, **1994**, the L-188A is lost in an accident.

Another accident, the most horrific of the three, occurs in **1995**. While operating a charter service for the Angolan political party UNITA, the last remaining Electra, an L-188C with 5 crew and 139 passengers (thus overloaded by 40 people), crashes at Kahengula just after takeoff from Jamba on December 18 (141 dead).

Despite the civil war that changes Zaire into the Democratic Republic of the Congo, Managing Director Christian von Oorschot's concern continues flying in **1996–2000**. During these years, the Boeing, a Viscount, and the remaining Nord are replaced with two British Aerospace BAe (HS) 748-2As and the Bristol Britannia 253F previously operated by **Trans Air Cargo, S.A.**

TRANS SIERRA AIRLINES (1): United States (1971–1972). Trans Sierra is set up at Burbank, California, in **1971** to provide scheduled passenger and cargo flights linking the company's base with Los Angeles, San Jose, Bishop, and Mammoth Lakes. Piper PA-31-310 Navajo revenue services continue until the company is reorganized into **Sierra Pacific Airlines** in early **1972**.

TRANS SIERRA AIRLINES (2): United States (1980). The second Trans Sierra does not last as long as the first. Established at Fresno, California, in early **1980**, it begins Piper PA-31-310 Navajo scheduled passenger flights to Bishop, California, but cannot maintain them until the end of the year.

TRANS SOUTHERN AIRWAYS: United States (1983–1985). Established at Florence, South Carolina, in **1983**, Trans Southern, in association with **Tennessee Airways**, undertakes daily roundtrip scheduled third-level passenger and cargo services to Atlanta and the North Carolina city of Charlotte.

The carrier's two Piper T-1040 turboprops continue flying these routes until the company shuts down in May **1985**.

TRANS STATES AIRLINES: 9275 Genaire Drive, St. Louis, Missouri 63134, United States; Phone (314) 895-8700; Fax (314) 895-1040; <http://www.transstates.net>; Code 9N; Year Founded 1989. To better reflect its growth and to support the long-term goals of **Trans World Airlines (TWA)**, St. Louis-based **Resort Air** is renamed as Trans States Airlines in June **1989**. President Hulas Knodia oversees a workforce of 420 and operates a fleet of 15 Fairchild Metro II/IIIs and the first 2 of 5 ordered ATR42-320s that had been received during the spring. The airline makes an unsuccessful bid to takeover **Air Midwest** during the summer. Three more ATR42-320s join the fleet by December and orders are placed for ATR72-200s. All are painted in a red and white modified version of the major's livery.

Enplanements for the year under both names total 491,580 passengers, a 47.6% boost.

In **1990**, two Metro IIs are withdrawn and a sixth ATR42-320 is acquired. Orders remain outstanding for ATR72s.

Late in the fall, the other St. Louis "TWExpress" carrier, **Air Midwest**, agrees to become a subsidiary of **Mesa Airlines**. Citing market conditions, it agrees to sell its operation there to Trans States.

Enplanements for the year total 594,395, a 20.8% boost.

The fleet totals 52 aircraft in **1991**. On February 1, **Air Midwest** President Robert Priddy sells his company's St. Louis operation to Trans States for \$12 million. Along with route authority, TSA receives 8 Embraer EMB-120 Brasilias and 15 British Aerospace BAe Jetstream 31s. Also included in the acquisition are ground station and maintenance equipment plus fuel in ground in 19 cities, options on 15 more Jetstream 31s, and \$7.4 million in long-term debt.

The first ATR72-202 is delivered in April and introduced into service on the longer route segments.

These moves assist passenger boardings to skyrocket 88.6% to pass the million mark for the first time (1,121,291). Revenues total \$93.62

million and expenses are \$89.85 million, guaranteeing an operating profit of \$3.76 million. Net gain is \$1.54 million.

In **1992**, the number of Metros is reduced to 6, while the number of Jetstreams is increased to 22. The TWA parent begins to replace Trans States service, using jetliners, from St. Louis to Chicago (MDW), Louisville, Lincoln, and Knoxville. Frequencies on the route from St. Louis to Springfield, Illinois, are increased to 10 daily roundtrips.

Customer bookings this year swell a further 44.5% to 1,322,183 and revenues reach \$106 million. Expenses are held down and allow profits: \$3.65 million (operating) and \$238,649 (net).

In **1993**, President Kanodia oversees a workforce of 933 and a fleet of 43 aircraft. In the spring, a new company, **UFS (United Feeder Service, Incorporated)**, is formed to take over **Air Wisconsin's** remaining BAe ATP turboprop operations. In June, TSA becomes an associate member of CASE (Coordinating Agency for Supplier Evaluation). It will become a sustaining member during the second quarter of 1994.

The great Midwestern floods of the summer and fall impact traffic. Still, the ATP purchase from **United Airlines** is effective on September 1. On that date, the nine repainted British propeller-liners, flying under the direction of special projects manager Gary Santos, inaugurate scheduled UFS flights from Chicago (ORD) to Akron/Canton, Youngstown, Fort Wayne, and Green Bay.

Other company destinations now visited in the East include Birmingham, Bloomington, Burlington, Cape Girardeau, Cedar Rapids, Champaign, Chicago (Meigs Field and MDW), Columbia, Decatur, Evansville, Fayetteville, Fort Smith, Fort Leonard Wood, Joplin, Knoxville, Lexington, Lincoln, Louisville, Memphis, Madison, Marion, Moline, Paducah, Peoria, Sioux City, South Bend, Springfield, Illinois, Springfield, Missouri, Quincy, and Waterloo.

In December, the "USAir Express" routes of **StatesWest Airlines**, which had failed in October, are assumed. The company's new California division provides service to 10 cities with operational control functions provided from St. Louis.

Passenger boardings ascend only 5% to 1,387,865, but revenues rise 8.7% to \$115.16 million. Expenses climb only 2.1% to \$104.43 million and allow operating profits to triple up to \$10.72 million. Net gain surges to \$8.26 million.

Airline employment is reduced by 3.6% in **1994** to 900.

The Jetstream 31s, wearing Trans States livery, are assigned to a new hub at Los Angeles, where, in early April, they take over the "USAir Express" service previously operated by defunct **StatesWest Airlines**. Destinations visited by the British-made turboprops include Sacramento, Monterey, Fresno, Santa Barbara, San Diego, and Palm Springs.

During July, **Northwest Airlines** and **Alaska Airlines** reach agreement with Trans States to offer code-sharing on the commuter flights out of Los Angeles (LAX) and San Francisco to seven California cities. This innovative arrangement is the first triple code-sharing agreement in the United States.

In November, a \$420-million order is placed for 25 Jetstream 41s, with options for 10 more. Also during the month, four daily J-31 "TWExpress" roundtrips are introduced from St. Louis to Fort Wayne, Indiana.

The year's customer bookings recover, shooting up 22.5% to 1,662,135. Revenues advance by 25.2% to \$144.22 million, while expenses rise only 18.5% to \$123.74 million. The resulting operating surplus doubles to \$20.48 million, while the net profit more than doubles to \$18.5 million.

The workforce is reduced to 750 in **1995**, but the fleet is increased by the addition of 12 Jetstream 41s, beginning with three initial deliveries, one each in January, February, and May. The new aircraft replace EMB-120s on a one-for-one basis on the 200–400 mile sectors out of St. Louis, including Birmingham, Sioux City, and Evansville. Meanwhile, the last Metro is sold in March.

When, on November 6, **Trans World Airlines (TWA)** shuts down **TWExpress**, which it had purchased as **Pan Am Express** (formerly **Ransome Airlines**) out of the assets of its onetime rival a few years earlier, its East Coast services are contracted out to Trans States.

President Kanoida's growing regional also maintains its TWA link at St. Louis and its "USAir Express" service on the West Coast. All remaining EMB-120s are withdrawn in December as the last of 12 J-41s arrive. Trans States is now the largest airline at Lambert Field save **Trans World Airlines (TWA)** itself.

Enplanements inch up 1.5% to 1,725,000. Revenues exceed costs and leave profits: \$12.58 million (operating) and \$11.66 million (net), both figures down from the previous year.

The employee population is boosted 24.5% in **1996** to 934. The fleet now includes 3 ATR72-202s, 8 ATR42-300s, 33 Jetstream 31s, and 12 Jetstream 41s, with 13 more of the latter on order and options for 35 more. The newer aircraft are painted in a striking new livery based on that introduced by **Trans World Airlines (TWA)** the previous October.

On May 1, daily roundtrips are introduced between Gary Regional Airport and Champagne, Illinois, with connecting service to St. Louis. Addition of the former "TWExpress" routes provides a traffic bonanza as passenger boardings jump 23% to 2,121,000, on 160,668 scheduled departures.

Operating income accelerates 34.5% to \$190.67 million and expenses are up only 26.6% to \$163.56 million. The operating profit more than doubles to \$27.1 million and a \$26.17 million net profit is posted.

The employee population is increased by 7.1% in **1997** to 1,000. Early in the year, the company begins to receive additional J-41s painted in the updated red, blue, and gold color scheme of the parent. Four-times-per-weekday "USAirways Express" Jetstream 31 nonstops commence on October 1 between Sacramento and Santa Barbara.

In December, a letter of intent is signed for seven Embraer ERJ-145 Amazons, with seven options.

Passenger boardings accelerate 12.5% to 2,386,000 on 174,740 scheduled departures. Operating revenues rise 9.7% to \$208.36 million. Expenses jump 12.1% to \$183.16 million and cause the operating profit to slide to \$25.2 million. Net gain drops to \$24.69 million.

The fleet at the beginning of **1998** includes 6 ATR42s, 3 ATR72s, 35 BAe Jetstream 32s, 25 Jetstream 41s, and 4 ERJ-145s.

A "Delta Connection" contract is entered into with Atlanta-based **Delta Air Lines** during January covering feed at New York (JFK). The incumbent "Delta Connection" partner, **Business Express (BEX)**, shifts its emphasis to New York (LGA) and Boston when the new TSA contract begins in April.

At the Asian Aerospace Show in early 1998, the company places orders for 9 more ERJ-145s, with options taken on 18 more. Upon their arrival, starting in June, most of the new ERJ regional jets, painted in the modified colors of **United Airlines**, are employed on "United Express" services out of Chicago (ORD).

With receipt of the sixth ERJ-145, painted its own Trans States color scheme, the regional, on November 1, initiates thrice-daily "Delta Connection" jet service from Raleigh/Durham to New York (JFK).

After five months of unsuccessful contact negotiations with management, the ALPA local chapter on November 19 requests the intervention of the NMB in the discussions.

At the end of the month, the carrier converts its option to purchase 9 more ERJ-145s, bringing its total confirmed order to 15. Options remain for 12 others.

During the 12 months, customer bookings climb 2.69% to 2.45 million. Revenues climb 5.6% to \$220.08 million, while costs are up 9.2% to \$199.89 million. Operating gain slides to \$20.18 million, while the net profit drops to \$18.94 million.

Airline employment has been cut by 6.6%, to 799, in **1999**.

The company begins to receive its first ERJ-145 ExpressJets during the early summer. On July 21, it is announced that the new aircraft will be employed, beginning on September 19, to inaugurate "Delta Connection" return flights between Boston and Philadelphia, eight times a day. The new service will be increased by four more frequencies on November 15.

The existing "TWExpress" contract with **Trans World Airlines (TWA)** is renewed on August 20.

Thrice-daily ERJ-145 roundtrips are inaugurated on December 5 from Atlanta to New York (LGA).

Passenger boardings drop 2.7% to 2,384,000. Although revenues are up 4.2% to \$229.41 million, expenses jump 14.8% to \$229.55 million. The previous year's profits become losses: \$138,000 (operating) and \$1.8 million (net).

Airline employment at the beginning of **2000** stands at 2,402, a 3.3% decline over the previous 12 months.

The number of daily ERJ-145 return flights to Colombia, South Carolina, from New York (LGA) is increased on February 10 from one to three; those to Charleston are increased from one to two. On April 5, the carrier's ERJ-145s are assigned to take over 4 of 12 **USAirways Shuttle** roundtrips between Washington, D.C. (IAD) and Boston.

On April 14, plans are announced by **USAirways** for a massive increase and expansion of regional services from New York (LGA) in the period between July and October. New flights, some of which will also be flown by **USAirways Express (Mesa Air Group)**, will start to Bedford, Binghamton, Elmira, Manassas, Richmond, Roanoke, Greensboro, and Greenville-Spartanburg. Present frequencies will be increased in number to Albany and Syracuse, Baltimore, Birmingham, Burlington, Charleston, Columbia, Charlottesville, Norfolk, Harrisburg, Hyannis, Martha's Vineyard, Nantucket, Portland, and Providence. Additionally, ERJ-145 "TWExpress" service is initiated from St. Louis to Fayetteville and Peoria.

Having been in negotiations with its pilots since November 1998, Trans States' ALPA-represented pilots commence informational picketing at St. Louis and New York (JFK) on May 15. The action comes in the last phase of a government-required 30-day "cooling off" period. The company narrowly avoids a strike on May 27 when it comes to terms with its 530 ALPA-represented flyers. The 11th hour agreement avoids a job action that could have shut down the carrier's operations from New York (JFK) and St. Louis.

In something of a surprise, the carrier's ALPA-represented pilots vote on July 10 to reject the new May 27 contract and indicate a desire to reopen negotiations. While bidding for a new contract, the pilots picket (informational only) company headquarters on July 24. With a job action only hours away on July 26, the company and its ALPA-represented pilots reach an agreement on a new contract.

It is announced on September 15 that Trans States will cease operations as a "Delta Connection" carrier by March 31. Prior to that date, the company will gradually transfer most of its "Delta Connection" routes by January 1 to **Atlantic Coast Airlines**, **Atlantic Southeast Airlines**, and **Comair**. Flights from New York (JFK) and Cleveland to Boston will be operated under the company's own name thereafter.

On December 2, twice-daily "USAirways Express" Jetstream 41 roundtrips are initiated between Baltimore and Newburgh, New York, while thrice-daily "USAirways Express" J-41 return flights begin from Newark to Richmond, Virginia.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights.

On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. "USAirways Express" receives 20 of the new positions. In a supplemental auction for the slots previously assigned to defunct **Legend Airlines**, "USAirways Express" receives an additional slot.

As the year ends, it is announced that the carrier will begin daily "USAirways Express" ERJ-145 flights from Baltimore (BWI) to Charleston, West Virginia, on April 1 and from Memphis to Pittsburgh on April 6.

Overall customer bookings during these 12 months fall another 26.01% to 1,764,000.

TRANS TEXAS AIRWAYS: United States (1940–1969). R. Earl McKaughan organizes the aircraft sales and service company Aviation Enterprises at Houston in 1940. After appealing to the CAB for local service authority in 1943, McKaughan incorporates on November 14, 1944. Following the Texas–Oklahoma Route Case, the government awards five routes in 1946 to be effective as of May 12, 1947. The corporate name is altered to Trans Texas Airways on June 21 of the latter year, and scheduled Douglas DC-3 services are inaugurated on October 11.

McKaughan's Douglasses fly two routes from Houston: one to San Angelo via Palestine, Dallas, Fort Worth, and Brownwood and the other to San Antonio via Victoria. At year's end, frequencies are started from San Antonio and San Angelo to El Paso. Extensions on these routes are made south and east in 1948 to Brownsville and to Beaumont and Port Arthur.

By 1949, the route system of Trans Texas boxes in an area from El Paso in the west to Dallas in the north to Galveston in the east and Brownsville in the south.

Five years later, in April 1953, services are extended northward to various large and small markets, including Shreveport, Pine Bluff, and Memphis. The carrier's 20 DC-3s, now called Super Starliners, maintain these routes for six years. In April 1959, the network is enlarged by the opening of additional markets at New Orleans and Little Rock.

A DC-3 with 20 aboard encounters severe turbulence over Dallas on May 29, 1960; the flight attendant is badly hurt. Another flight attendant is killed when the Douglas on which she is serving loses its brakes and crashes into a parked DC-7B at Houston on July 22.

As successor to its DC-3s, the carrier places the first of 25 Convair CV-240s into service on April 1, 1961. These are employed during the remainder of the year and into 1962 to maintain current operations initiate new service along routes transferred from **California Airlines**; additional destinations now include Albuquerque, Santa Fe, and Clovis.

The CAB permits nonstop Houston to Austin flights as of November 12, 1963. On November 19, service begins to Dallas from Houston.

Enplanements for the year total 310,080.

Trans Texas experiences the greatest growth in the local airline industry during 1964. Airline employment is now 1,277 and the fleet includes 48 aircraft. As a consequence of additional route awards made late in the previous year in the Southwestern Area Local Service Case, the carrier now adds 13 new markets in Texas and New Mexico. In September, the company makes its first public stock offering; it is the last local service airline to do so.

In late fall, President McKaughan announces plans to reengine his 25 Convairliners with Rolls Royce turboprops, thereby converting them into CV-600s. The \$14-million upgrade will also allow for the simultaneous installation of ground and in-flight air conditioning.

Passenger boardings skyrocket 56.5% to 712,827, a new high in customer traffic for the airline. Operating revenues jump 44.6% to \$18.7 million and expenses climb but 41.2%, leaving a profit of \$1 million.

The workforce in 1965 grows to 1,472 and the fleet is reduced to 43 aircraft. Twenty-five of these machines are Convair CV-240s that will now receive a \$15-million conversion; Rolls Royce RDa10 Dart turboprops and new interiors will vastly improve the old piston engine machines. Orders are placed for seven DC-9s, five in CF configuration. A First Rider promotion is undertaken that allows a \$25 roundtrip fare to customers who have not previously flown. A CV-240 with 10 aboard makes a ground loop while landing at College Station, Texas, on November 8; several aboard are badly hurt.

Bookings climb 29.4% to 922,367.

A key year in the history of Trans Texas Airways is 1966. By February 1, its route network has been significantly strengthened by the receipt of 13 Texas and New Mexico markets from other airlines and by **Eastern Air Lines'** withdrawal from all stops on its Houston–New Orleans run. When Trans Texas introduces its CV-600 Silver Clouds on the Houston to Dallas via Beaumont service on March 1, it virtually has control of the entire feeder route system of the U.S. Southwest.

On August 17, the company becomes an international airline through a CAB award of operating rights from south Texas cities to Monterrey, Tampico, and Vera Cruz in Mexico. The year ends on a high note when, on October 30, the carrier becomes the fifth local service carrier to introduce the Douglas DC-9; its seven new DC-9-10s will cost \$51 million and are called Pamper Jets.

Enplanements for the year are 1,184,220 and revenues are \$20,572,000.

As a result of this expansion, Trans Texas goes into a financial tailspin in 1967. The workforce now stands at 2,021 and the fleet includes 30 aircraft: 3 CV-240s, 17 CV-600s, 8 DC-3s, and 2 DC-9-10s. Orders are placed or remain outstanding for 2 DC-9-30s and 8 CV-600s. In August, a new computerized reservations system comes on-line at Houston (HOU), where a new headquarters facility is also occupied. A new hangar is opened at Midland/Odessa and another begins construction at Dallas (DAL).

In October, Chairman McKaughan retires to become chairman emeritus; his son, Richard, already president, becomes CEO, with J. L. Her-ring as vice president-operations. Sixteen DC-3s and spares are sold in November for \$783,000. Five more DC-9-10s have joined the fleet since spring and the 7 jetliners provide all-jet service to 20 of the company's 65 markets.

Passenger boardings climb 19% to 1,462,000 and revenues jump 26% to \$27.8 million.

The employee population in 1968 numbers 1,961 and the fleet includes 34 aircraft. A number of new terminal facilities are completed or are nearly so and the company's International, Inc. subsidiary purchases control of the Hotel Conquistador, Inc. holding company for control of the Las Vegas landmark, the Tropicana Hotel. The transition of the fleet to all-jet aircraft is completed in October: 11 DC-9s and 25 CV-600s.

During the fourth quarter, control of the corporation passes to Minnesota Enterprises. By merging into a wholly owned Delaware subsidiary, stockholders now vote to change the company name and corporate image the following spring.

For this year, passenger bookings accelerate 33.5% to 1,905,050 and cargo traffic jumps 50.2%. Revenues are \$41,419,019.

The new owners order the introduction of Houston to Denver service on March 1, 1969 with an extension to Salt Lake City on April 1. Non-stop San Antonio to Dallas flights begin the same day. And before sundown, a change in corporate identity occurs as Trans Texas becomes **Texas International Airlines**.

TRANS TRAVEL AIRLINES, B.V.: Arendweg 21, 8218 PE Lelystad Airport, Rotterdam, The Netherlands; Phone 31 (0) 320 28 84 00; Fax 31 (0) 320 28 84 01; <http://www.tta.nl>; Year Founded 1985. Tur-dus Airways, B.V. is established as an FBO at Rotterdam in 1985. Over the next decade, it also comes to operate general aviation, aircraft leasing, air taxi, and air ambulance services.

In May 1996, Turdus Airways establishes a scheduled airline division, TTA. L. Maars is named president, with Mrs. A. de Groot as director general. Employing 2 de Havilland Canada DHC-8-100s plus the Turdus Beech Super King Air 200, the company inaugurates revenue services in October with thrice-daily roundtrips to Hamburg. Service is maintained over this single route during the next year and a total of 12,500 passengers are flown. During the year, interline agreements are signed with **KLM (Royal Dutch Airlines, N.V.)**, **Sabena Belgian World Airlines, S.A.**, and **British Airways, Ltd.** (2).

On May 3, 1998, a new route is opened from Rotterdam to Goteborg, Sweden, operated with a Beech 1900D. In December, a homepage is launched on the Internet's World Wide Web. Enplanements for the year reach 30,000.

A third route, from Rotterdam to Copenhagen, is inaugurated on August 2, 1999. It, too, is operated with the Beech 1900D. Passenger boardings climb to 40,000.

Airline employment at the beginning of 2000 stands at 40. All 3 company routes are now operated thrice-daily.

TRANS UNION AIRLINES, S.A.: France (1967–1971). Trans Union is established in 1967 to operate passenger charters throughout Europe and Africa. Revenue operations begins and continue with a fleet of 3 Douglas DC-6Bs, previously owned by **Sabena Belgian World Airlines, S.A.** Upon its failure in September 1971, the carrier is purchased for its aircraft by **Europe Aero Service, S.A.**

TWA AIRLINES: One City Center, 515 North 6th Street, St. Louis, Missouri 63101, United States; Phone (314) 589-3000; Fax (314) 589-3129; <http://www.twa.com>; Code TW; Year Founded 1950. In keeping with its global service pattern, **Transcontinental and Western Air, Inc. (TWA)** is renamed on May 17, 1950, but is adroitly able to retain its previous company initials. New logos and liveries are introduced. The company is certified to serve 60 cities in the U.S. The company's coast-to-coast, one-way fares at this time are \$157.85 (\$110 Sky Coach), a considerable savings over the 1929 TAT price of \$351.94.

The L-049 Constellation *Star of the Mediterranean* is badly damaged in a nonfatal crash landing at Pittsburgh on May 23; the DC-4s employed earlier to offer daytime coast-to-coast service are replaced by L-049s, beginning on May 25. On June 19, 4.33 million revenue passenger miles are flown in a single day—a company record. The L-049 *Star of Greece* is damaged at St. Joseph, Missouri, on June 21 when a fire breaks out in engine nacelle No. 1 before takeoff on a training flight.

While awaiting delivery of an order for 40 Martin 4-0-4s, TWA agrees to lease 12 unpressurized 2-0-2As. The first, *Skyliner Burbank*, is delivered on July 14.

En route from Bombay to New York on August 30, a Lockheed L-749A with 7 crew and 48 passengers crashes near Wadi Natrun, in Egypt's Nile Delta near Cairo; there are no survivors.

The next day, Martin 2-0-2As are introduced on a route from New York to Kansas City, as well as other short domestic segments. When the White House overturns the CAB recommendation on September 25 allowing **Pan American World Airways (1)** to purchase **American Overseas Airlines**, it also makes certain that the regulators grant TWA permission to service London and Frankfurt. All-cargo coast-to-coast DC-4 flights begin on November 13 while, on December 5, orders are placed for 10 L-1049A Super Constellations.

During the year, all interest in **Aerovias Brazil, S.A.** and **British West Indies Airways, Ltd.** are sold. The fleet now comprises 61 Constellations, the world's largest fleet of postwar 4-engine commercial aircraft yet assembled. In addition, 12 Douglas DC-4s, 58 DC-3s, and 5 Boeing 307 Stratoliners are inventoried. Frequencies are maintained over 4 continents and transatlantic enplanements are 66,000.

The L-049 *Star of the China Sea* is damaged on January 5, 1951 when it is forced to make a belly landing at Phoenix. Impressed with the record-breaking flight of the Avro Canada, Ltd. C-102 prototype between Toronto–Chicago–New York–Toronto on January 10, Howard Hughes charts the Jetliner as his private aircraft for the next year. L-749As, outfitted in a deluxe 18-berth sleeper layout, inaugurate The London Ambassador service on April 8.

The L-049 *Star of Egypt* is leased to Lockheed on April 13 for Jet Stack tests; the Constellation is returned on May 17 as the first of her type with Jet Stacks. The five Boeing 307 Stratoliners are withdrawn in April and sold to the French independent airline **Societe Aigle Azur, S.A. (SAA)** between May and July.

Five additional L-749As, plus three taken over from a **Delta Air Lines** order, are delivered during the first two quarters. The new L-749A *Star of Colorado* is delivered to Howard Hughes in June; it will never enter TWA service. Shareholding in TAE is reduced to 15.4% at the beginning of July. During the same month, a Missouri River flood submerges the company overhaul base at Fairfax Municipal Airport, near Kansas City, under 15 feet of water. TWA employees are able to rescue three DC-3s, a DC-4, a Martin 2-0-2A, and an L-049. In the aftermath, Kansas City and TWA begin development of a new, flood-proof TWA overhaul base and a new international airport north of the city.

Marking the anniversary of a Columbus voyage, the carrier undertakes Madrid to New York L-749A flights on August 3.

The first of nearly 50 Martin 4-0-4s, christened *Skyliner Baltimore* for the city where it was built, is placed into service on October 5; the type is the first in the fleet painted in the attractive white crown skin livery. Upon the assumption of full control of **TACA (Transportes Aereos Centros Americanos, S.A.)** by the Waterman Steamship Company, TWA sells all of its remaining shares in the Honduran enterprise. Transatlantic boardings accelerate to 73,000.

Beginning on January 3, 1952, the carrier replaces its DC-3s with Martin 4-0-4s on its routes from New York, Washington, D.C., and Kansas City. To end a fare war begun late the previous year, TWA, on January 9, agrees to the introduction, with **American Airlines** and **United Air Lines**, of a \$99 transcontinental coach-class service; \$99 coast-to-coast Sky Tourist fares are introduced on January 11.

When a curious soldier tests it, the emergency door of a Martin 2-0-2A en route from Pittsburgh to Chicago on February 24, is jettisoned; the plane is able to safely return to Pittsburgh. Also in February, the CAB grants the airline permanent rights to transport passengers to Paris and Rome via Ireland.

Three are hurt when a gasoline truck, refueling an unoccupied Constellation at Idlewild Airport on April 21, catches fire. Boston to London and New York to Paris Sky Tourist flights commence on May 1; the roundtrip fare is \$486 with \$4 extra for meals; there is no liquor provided. The first TWA Ambassadors Cup is opened at Greater Pittsburgh Airport on May 2.

A permanent certificate for Bombay service is received from the CAB in June. Daylight L-1049A transcontinental service begins on September 10 and, on September 10–11 the Super Constellations introduce transcontinental Ambassador deluxe sleeper service. At this point, the practice of naming selected flights is dropped and all coast-to-coast services are flown under the Ambassador label. Also in September, the last 4-0-4 is delivered.

On October 1, it is reported that the 21,000 tourists were flown between May 1 and August 31; simultaneously, it is noted that a record 183 million revenue passenger miles are flown in September.

The New York to San Francisco Super Constellation frequency is doubled on October 22 to twice daily. Although the eastbound service is made nonstop in under 8 hours, the westbound run must still stop at Chicago.

Also during the fall, President Damon accepts an invitation from the Newcomen Society to address a dinner in New York City; as is the Society's customs, his remarks are published in a small pamphlet, *TWA: Nearly Three Decades in the Air*.

A total of 90,000 customers are transported across the Atlantic this year and TWA's interest in **Linee Aeree Italiane, S.p.A. (LIA)** is reduced to 30%.

A 10% stock dividend is paid in January 1953. On April 1, an interline agreement is signed with **Chicago & Southern Air Lines** allowing both companies to offer through-plane service from New York to Houston using, where necessary, each other's stops en route. The L-049 *Star of the China Sea* is damaged at Baltimore on May 2 when an oxygen bottle explodes, causing a fire in the cockpit and forward cabin.

A new one-day record of 10.18 million revenue passenger miles is celebrated on June 14, but company navigators go on strike between July 10–21. A three-year contract is signed with the government of Ethiopia on July 28, renewing the 1945 support agreement for the operation of **Ethiopian Airlines, S.C.**

Daily nonstop San Francisco to Las Vegas service begins on August 4, followed by twice-weekly flights from the U.S. to Ceylon beginning on August 30. L-1049C Ambassador service is opened between New York and Los Angeles and Los Angeles to New York on October 19. Eastbound flights, advertised as the first scheduled nonstop transcontinental flights, can be made nonstop in 8 hours or less while the westbound service, still fighting the wind, must refuel at Chicago.

During the summer, the Bombay terminus is stretched to Ceylon and orders are placed on September 12 for 20 L-1049Es.

North Atlantic bookings pass the 100,000 mark for the first time (107,000), while systemwide, the year's boardings exceed 3 million.

A Super Constellation flies from New York to Paris on January 12, **1954** in a record 10 hrs. 12 min; the record is lost to **Air France** the next day. Six days later, an L-1049A flies from San Francisco to Chicago in a record 5 hrs. 7 min. New York to London all-cargo service is opened on February 16.

While landing at Albuquerque on April 21, an L-1049A rams into a USAF barracks; fortunately, no injuries are reported. On May 18, U.S.-German all-cargo flights are launched. Also during the spring, an appeal is filed with the CAB seeking the substitution of Tokyo for the Shanghai terminus granted earlier; it is not granted. Through May and into June, the company takes possession of three L-749As purchased from **Chicago & Southern Air Lines**.

Two-way nonstop New York to San Francisco L-1049A flights begin on June 19, followed by a nonstop New York to Los Angeles service on September 19. Howard Hughes' L-749A *Star of Colorado* is sold to **British Overseas Airways Corporation (BOAC)** in the fall to help that carrier add capacity in the wake of the failure of its Comet I jetliners.

A total of 118,000 passengers are flown over the Atlantic.

While on a January 12, **1955**, scheduled service, a Martin 2-0-2A with 3 crew and 10 passengers suffers a midair collision at 900 feet over Covington with a Castleton, Inc. DC-3 executive aircraft, with two crew, which is operating in the area without clearance. Both aircraft crash and there are no survivors; this is the carrier's first domestic fatal accident since December 1944.

In cooperation with **Braniff International Airways**, an interchange service is inaugurated on January 14 from Dallas to Las Vegas via Amarillo using TWA L-749As.

Flight 260, Martin 404 *Skyliner Binghamton* with 3 crew and 16 passengers en route from Albuquerque to Santa Fe on the first leg of a flight to Baltimore, disappears into the mountains near the former New Mexico city on February 19. The wreckage is later found at the 11,000-ft. level of 13,000-ft. Sandia Mountain and there are no survivors. The CAB Bureau of Safety will find that the aircraft's pilot, Capt. Ivan Spong, had intentionally flown off course.

Equipped with wing-tanks, the L-1049G *Star of Chambord* is received on March 14 and enters service on April 1. Also in April, the carrier is allowed to begin flying into Zurich.

On June 1, the Greek government acquires operational control of **TAE Greek Airlines, S.A.** An L-1049A with 67 aboard makes a forced landing at Iowa City on August 7; however, no injuries are reported. A CAB ruling in September allows the carrier to substitute a stop at Detroit for one at Pittsburgh on its New York-Chicago route. Two-class service (Sky Tourist and First Class) are introduced by Super Gs on September 25, the first such same-plane split in the U.S. industry.

Super Gs are assigned to international service for the first time on October 30, flying Los Angeles to London in the first California-U.K. frequency offered by an American airline. As a result of the CAB's Denver Service Case, TWA wins access to the Colorado capital on November 14. North Atlantic bookings reach 127,000.

President Damon dies on January 4, **1956** and John Collings is appointed his acting CEO successor. Two-class transatlantic service is initiated between New York and London, Paris, Rome, and Frankfurt, on January 9 and four days later, on January 13, company Martins begin stopping at Denver.

The L-749A interchange service from Dallas to Las Vegas via Amarillo ends on March 1. On March 3, the number of flights is increased to 100 per week and service is added to Athens and Cairo. The L-049 *Star of Africa* hits an automobile with its propeller at Denver on March 11; no injuries are reported.

An order is placed for 18 Boeing 707-331s on March 19. In the first major commercial air disaster of the year, the wingtip of a Martin 4-0-4 with 3 crew and 33 passengers hits a hillside just after takeoff from Pittsburgh on April 1, causing the airliner to crash and burn (22 dead).

New York to Washington, D.C. service is opened on April 30.

Orders are placed for 30 Convair CV-880s on June 21.

The worst civil aviation disaster to date occurs on June 30. Flight 2, the company's L-1049G Super Constellation *Star of the Seine*, and Flight 718, the **United Air Lines** DC-7 *Mainliner Vancouver*, are both en route eastward 3 minutes apart from Los Angeles. With heavy thunderstorms in the area and both aircraft in similar patterns, the Lockheed seeks permission to fly 1,000-ft. above the 20,000-ft. cloud ceiling where the Douglas is cruising. Permission is granted and the airliners collide 21,000 feet over Arizona's Grand Canyon (128 dead).

The accident will receive intense media exposure and lead to calls for government changes in the nation's air traffic control situation. Donald B. Jr. and Michael B. McComb review "Final Destination: The Story of Flight 2 and Flight 718" in *Airliners* 5 (Spring 1992): 41-47.

The CAB grants routes to Manila and Bangkok in early fall and on October 1 the company joins with American Export Lines to organize the first combined air-sea European cruises. Designed to compete with the DC-7C, the first of 25 L-1649 Starliners slated for the carrier makes its maiden flight on October 11; the giant piston-engine airliner will be the first capable of flying nonstop either way across the North Atlantic.

A Martin 4-0-4 with 3 crew and 35 passengers is wrecked as the result of a bad landing at Las Vegas on November 15; there are no fatalities.

Also during the last quarter, the L-049s *Star of Ireland*, *Star of China*, *Star of Greece*, *Star of Lebanon*, and *Star of Lisbon* are chartered to **Eastern Air Lines** for a year or less. On December 17, the board elects Carter L. Burgess as president.

Transatlantic enplanements are 142,000.

When Aristotle Onassis takes control of **TAE Greek Airlines, S.A.** on January 1, **1957**, he purchases TWA's 15.4% interest. The carrier receives a contract from Ethiopia on January 26 to train its airline's pilots. Beginning under a February 16 ICA contract, officials inspect **Air India, Ltd.** operations in order to recommend improvements; longtime Hughes associate and board member Noah Dietrich is removed from his offices on March 11.

L-749 Sky Tourist service is introduced in April and also during the month, a 21-year-old DC-3 employed for training purposes is sold to **Cruzeiro do Sul, S.A.** The first of 25 ordered Lockheed L-1649A Starliners is delivered on May 26 and christened *Star of Vermont*. It is followed by the arrival of the *Star of Ebro* on May 31.

Employing the new Starliners, TWA commences nonstop Jetstream service New York to London and Paris on June 1. The next day, a leased Lockheed C-121A is delivered to **Ethiopian Airlines, S.C.** Complete with the Lion of Judah insignia in gold on its forward fuselage, the aircraft is outfitted with a removable stateroom for Emperor Haile Selassie. By June 15, 10 Starliners are in service and several are placed on the nonstop Ambassador service from New York to Los Angeles and San Francisco.

Frankfurt becomes a Jetstream destination on July 1. Two engines take fire on a July 10 scheduled flight by the Ethiopian C-121A north of Khartoum and the plane crash-lands; although no injuries are reported, the Constellation is so badly damaged that it must be written off. The twentieth L-1639A is delivered on July 26. In mid-August, L-1649As begin flying from Boston to Los Angeles and from Washington, D.C. to San Francisco.

When **Linee Aeree Italiane, S.p.A. (LIA)** is merged into **Alitalia, S.p.A.** on September 1, all TWA interest is withdrawn in the former. The final Constellation model is also used to launch flights from Los Angeles to London over a Great Circle polar route on September 29 and on October 1, flights begin to Manila and Bangkok. Los Angeles and San Francisco to Paris and Rome L-1649A flights begin over the Great Circle route on October 2. A refueling stop is made at Frobisher Bay, on Baffin Island, where Imperial Oil has just installed new fuel tanks. Simultaneously, the first nonstop New York to Rome service is inaugurated, again with L-1649As.

TWA occupies its new \$25-million maintenance and overhaul base at the new Mid-Continent International Airport at Kansas City, having

transferred these activities over from its longtime facilities at Municipal Airport, where flight operations continue. During the third quarter, the L-049s *Star of India*, *Star of London*, and *Star of Rome* are leased to **Eastern Air Lines** for a year or less.

The L-049 *Star of Switzerland* is damaged at St. Louis on December 19 when it goes into a ground loop during a turn off a wet runway and the right gear collapses. Carter Burgess resigns on December 31, the same day Howard Hughes authorizes an order for 9 L-1049H freighters, 2 of which are delivered within 24 hours.

A loss of \$1.5 million is suffered on the year. A total of 154,000 people are flown over the Atlantic.

The first edition of *Ambassador Magazine* is published in January 1958. Also at the beginning of the year, three L-1049H Super Constellations owned by **California Eastern Aviation (CEA)** and operated by the Argentine carrier **Transcontinental, S.A.** are leased for three years at \$45,000 per month per plane. Originally ordered by **Resort Airlines**, two other L-1049Hs are also received, along with four purchased from Lockheed.

On March 3, an L-1649A with 28 aboard flies nonstop from London to San Francisco in a record time of 19 hrs. 5 min. Late in the month, the DC-4 *Le Moulmein Pagoda* is withdrawn and sold to Eastern Aircraft Sales. Economy-class service is introduced on international flights on April 1 while retired chain-store official Charles S. "Two-Pants Charlie" Thomas succeeds Carter Burgess as president on July 2.

The unlucky L-049 *Star of the China Sea* is damaged in yet another ground accident, this time at San Francisco on August 13 when a jack collapses during a maintenance check. On October 6, the leased CEA L-1049Hs commences twice-weekly New York-London all-cargo services. A job action by members of the IAM ground the airline between November 21 and December 8.

The company's premier Boeing 707-131 Stratoliner makes its maiden flight at Renton, Washington, on December 3. The fleet now comprises 8 DC-4s, 71 L-049s and L-749s, 41 L-1049s, 29 L-1649As, and 48 Martins.

North Atlantic enplanements reach 161,000 and the year's loss totals only \$700,000.

The company's premier B-707-131 is delivered on January 29, 1959. Pioneer and 12-year President William John "Jack" Frye is killed in an automobile accident on February 3. The carrier's first B-707-131 is readied for service on March 17. Piloted by Capt. Gordon Granger, Flight 46, the new Stratoliner, inaugurates the company's first pure jet service from San Francisco to New York on March 20.

On April 1, B-707-131 frequencies are started from New York to Los Angeles. On April 13, service to Manila is halted; however, six days later, Stratoliner service is launched from Chicago to Los Angeles. Baltimore to Los Angeles and San Francisco jetliner frequencies start on June 1.

An L-1649A is employed on June 5 in a last-ditch attempt to snatch traffic for piston-engine airliners in the contest with the new jets; non-stop Chicago to London service begins on that day and is flown in 13 hrs. 10 min. The London-Chicago return is executed in 15 hrs. 50 min. Another B-707-131 is delivered on June 8. Although it had been the first Stratoliner built for the company, its delivery has been delayed by almost three months.

The L-1049G *Star of Edinburgh* suffers a fuselage failure during pressurization tests on June 24; the plane is written off after the accident and sold to California Airmotive, where it will be rebuilt as an L-1049H.

Flight 891, an L-1649A with 9 crew and 59 passengers explodes when lightning hits its fuel tank, causing the aircraft to crash in a thunderstorm 20 mi. NW of Milan, Italy, on June 26; there are no survivors.

Stratoliner service is inaugurated from Chicago to San Francisco on July 1 and from New York to St. Louis on July 21. Between July 30 and August 5, the carrier's new B-707-331 is flown to Moscow to pick up newsmen covering Vice President Richard M. Nixon's Russia visit; Nixon flies the airliner as far as Keflavik, holding a press conference while on board. Meanwhile, B-707-123 service is begun on August 2 from Kansas City to Los Angeles.

Four-times-per-week all-cargo services are instituted between New York and Rome during October. Later in the month, all L-1649As used for transcontinental flights complete configuration into economy- and coach-class. The first two of 12 B-707-331s are delivered on November 10.

B-707-331 transatlantic service begins, New York to London and Frankfurt, on November 23. North Atlantic bookings made prior to late November aboard piston-engine L-1649As, drop significantly, down to 146,000.

On November 24, shortly after takeoff for Los Angeles from Chicago (MDW), one of the engines of Flight 595, an L-749F with three crew, takes fire, forcing the plane to return. It crashes into small homes and apartments near the airport, killing its 3-man crew plus 13 people on the ground.

The fleet now includes 147 Constellations, including 29 L-1649As, 9 L-1049Hs, 9 L-1049As, 28 L-1049Gs, 12 L-749s, 27 L-749As, and 32 L-049s. One of the company's new B-707-331s is leased to **Northeast Airlines** on December 17. It is replaced in service by another B-707-331 delivered on December 23.

Landing gear failures cause damage to two aircraft on two succeeding days in February 1960: a Martin 4-0-4 landing at Olathe, Kansas, on the 28th and an L-1049G at Chicago the next day. New York to London and Paris B-707-331 frequencies are doubled on March 1. On March 20, an air conditioning unit door falls off a B-707-131 and lands on a Queens, New York home; no one is hurt. During the first quarter, Lockheed Aircraft Services begins the conversion of the *Star of Ebro* and five other L-1649As, previously used on The Jetstream transatlantic services, into freighters. At the same time, four Starliners are sold to the new Argentine carrier **Trans Atlantica Argentina, S.A.**

On April 2, a leased L-1049A that has been christened *Bounty* begins weekly service from Honolulu to Tahiti for **South Pacific Air Lines**. Also during the second quarter, the last L-1049As are withdrawn, with one leased to **The Flying Tiger Line**. A B-707-331 crash-lands at New York on May 9; all 109 aboard are injured to some degree. Also on May 18, the first Convair CV-880 is accepted as a trainer. B-707-331 flights are inaugurated via the Great Circle Route from San Francisco to Rome on May 21 and are stretched to Athens eight days later.

At the beginning of June, two L-1049As are purchased by **California Hawaiian Airlines** and a third is leased to **General Airways** for a year.

After a four year investigation, largely conducted and pushed by TWA Capt. Larry de Celles, the CAB issues an amended accident report on June 15 concerning the loss of Flight 260 on February 19, 1955. In its first-ever reversal of a finding document, the CAB safety bureau changes the cause of the disaster from an intentional flight path deviation by Capt. Ivan Spong to "unknown." At once, the tarnished reputation of a respected flyer is restored.

Charles Thomas resigns his presidency on July 28 over continuing operational interference by Howard Hughes. The carrier's bankers now demand Hughes transfer his control to a voting trust or lose any chance of future loans. The newly reconfigured L-1649A freighters begin to replace L-1049Hs on the transcontinental and transatlantic all-cargo runs during August.

Airline magnate Hughes resists his fate throughout the remainder of the summer and fall, but with the company's future up in the air, he finally agrees to the bankers' demands in early December.

An L-1049G with 8 crew and 63 passengers makes a hard landing at Barcelona on November 8; although the aircraft must be written off, there are no fatalities.

Failure of the No. 3 engine causes an L-1049G with 36 aboard to crash-land at Atlanta on December 5; no major injuries are reported. Daily transcontinental excursion fares on Constellations are initiated on December 12 and on December 15 the carrier begins to test the projection of motion pictures on its jetliner flights.

The worst air disaster in U.S. history to date is recorded on December 16. In fog and sleet, **United Airlines** Flight 826, a DC-8-11, with 7 crew and 77 passengers approaches New York (ILD) on December 16 after a flight from Chicago (ORD). At the same time, TWA Flight 266, an

L-1049 with 5 crew and 39 passengers approaches New York (LGA) in IFR. The jetliner, proceeding beyond its clearing point, crosses the flight path of the Super Constellation and at short range the No. 4 jet engine slices open the propeller-liner's fuselage top. The impact causes the TWA craft to break into three pieces and crash in flames on Miller Army Air Station, Staten Island, nearly missing a row of houses.

The DC-8 limps on for another 13.5 km before crashing into Sterling Point, Brooklyn, destroying a church, 10 apartment buildings, and several shops, causing a seven-alarm fire. All aboard both aircraft are killed, along with 5 people on the ground. Donald B. McComb Jr. portrays the "Collision Course: The Tragic End of *Mainliner Will Rogers* and the *Star of Sicily*" in *Airliners* 8 (January–February 1995): 20–23.

North Atlantic bookings for the year recover and accelerate to 243,000.

The second CV-880 is received, following a lengthy Hughes-inspired delay, on January 1, 1961, and is followed by five more during the remainder of the month. Following a preinaugural flight from Los Angeles on January 10, this second Convair 880 begins flights over transcontinental routes on January 12, New York (ILD) to Los Angeles via Phoenix and Las Vegas.

Later in the month, the three L-1049H Super Constellations leased from **California Eastern Aviation** are returned. Six more L-1649A freighters are created by Lockheed Air Services.

CV-880 frequencies are undertaken, beginning on January 20, between New York and San Francisco via Dayton and Chicago. Four days later, a CV-880 service from Chicago to New York is completed in a record time of 1 hr. 11 min.

An illegal work stoppage by flight engineers at TWA and six other carriers causes the layoff of employees between February 17 and 24. During the month, the B-707-331 leased to **Northeast Airlines** in 1959 is returned.

On March 18, the carrier begins to offer refrigerated container services for perishables. Charles C. Tillinghast Jr., formerly the official in charge of Bendix's international operations, is elected president on March 20.

A B-707-331 with 125 aboard lands short of the runway at St. Louis on March 26; only minor injuries result. Four days later, the landing gear of an L-049 freighter collapses when the plane alights at Las Vegas.

The last Martin 4-0-4 flight is completed on April 29, Baltimore to St. Louis via Washington, Columbus, Dayton, and Indianapolis. The L-049 *Star of Switzerland* is sold out of service in April; ironically, it will be acquired by the Pima Air Museum 20 years to the month later, restored, and exhibited in TWA livery—the only one of its class available for visitation.

In May, orders are placed for 26 additional Boeing 707-331B/Cs and for the lease of four **Northwest Airlines** B-720-51Bs (B-720Bs), which will fill the gap until they arrive. The airline files a \$115-million damage suit against Howard Hughes and the Hughes Tool Company on June 30, alleging violations of the Sherman Antitrust Act and the Clayton Antimonopoly Act.

Regularly scheduled in-flight motion pictures are introduced on the New York to San Francisco domestic route on July 19, followed up with their introduction in the first-class sections of international flights as of August 16. The modern age of in-flight entertainment is begun with a screening of the Lana Turner film *By Love Possessed*.

Meanwhile, the first B-720B is received on July 23 and B-720B service is inaugurated on August 18 from New York to Kansas City. The number of movies shown reaches 103 per week by August 31.

The fourth worst air disaster in U.S. history to date occurs on September 1. The L-049 *Star of Paris* with 5 crew and 73 passengers, which had inaugurated the company's North Atlantic service 15 years earlier, suffers elevator failure and crashes just after its takeoff from Chicago for Las Vegas; there are no survivors.

Later in the month, two L-1049Hs are sold to **Trans-International Airlines**.

The last L-1649A transatlantic flight is completed on October 28, Cairo to New York. With the cessation of piston aircraft service on overseas routes on October 29, TWA becomes the first all-jet airline in in-

ternational passenger service; however, disappointing traffic causes suspension of service to Bangkok. The engine of a B-720B explodes in-flight near Albany, New York, on Nov. 5; the plane is able to make a safe landing. Agreement is reached on December 4 with the Air Line Navigators Association on issues involved in the use of the Doppler-Loran electronic navigation system and the last L-049 is retired at year's end. Transatlantic enplanements fall to 208,000.

The last L-049 Constellation is retired on January 1, 1962. Also in January, the carrier is granted roundtrip authority between Los Angeles and San Francisco; it will not be advantaged. On March 25, the Nevada Airmotive Corporation purchases 25 L-049s for resale or lease to non-scheduled airlines. At the same time, two L-1649A freighters are leased to **Alaska Airlines**. The first B-707-131B is received on March 29.

Christened StarStream 707s, several new B-720-131Bs enter service on April 29 over routes from New York to Los Angeles, San Francisco, and Indianapolis. Also in April, a suit is filed against Howard Hughes and the Hughes Tool Company in the Chancery Court in Delaware, seeking \$35 million in damages based on a breach of fiduciary duty. At the same time, the two Super Constellations sold to **California Hawaiian Airlines** are attached for lack of payment.

The formal opening and dedication of the Trans World Flight Center is held at New York (JFK) on May 28. Designed by Eero Saarinen, the facility consists of a main terminal, with one (four planned) "Flight Wing." A second L-1049A is sold to **South Pacific Air Lines** on June 7.

Between July 1 and September 4, the pilot and flight engineer unions disagree with management over third-seat jurisdiction aboard jetliners. Fully automated Doppler radar system of navigation on scheduled transatlantic service is introduced on the October 1 New York to London flight; it is the first time a commercial or military flight has ever operated across the ocean without a professional navigator aboard. During the month, the four B-720Bs are returned to Boeing, who passes them on to **Northwest Airlines**, for whom they were originally constructed.

Following several months of negotiations, TWA and **Pan American World Airways (1)** file a merger plan with the CAB on December 20. Also during the month and after less than six years of service, the L-1649A *Star of Vermont* is withdrawn.

North Atlantic enplanements this year jump to 276,000.

The company receives its first intercontinental B-707-331B on March 11, 1963. As the initial phase of a cargo expansion program, the carrier orders three B-707-331Cs on April 8, taking options on two more. Ten days later, a B-707-131B encounters clear-air turbulence northeast of Des Moines, Iowa, which results in serious injury for one stewardess.

On April 28, the world's first international reservations system to function through high-speed computers is activated at New York.

On May 3, a default judgement is rendered against Hughes Tool Company for its failure to produce Howard Hughes for pretrial examination; Toolco counterclaims are dismissed with prejudice. In-flight movies are inaugurated in the economy-class sections of international flights on May 22.

Attempting to hold to a 1930 schedule that will generate little publicity, the company leases the Ford Tri-Motor 5-AT-74 from its Illinois owner and undertakes a transcontinental flight from Los Angeles to Newark on June 20. Flying via Albuquerque, Amarillo, Wichita, Kansas City, St. Louis, Indianapolis, Columbus, Pittsburgh, Harrisburg, and Philadelphia, the veteran airliner completes its sky voyage in flying time of 27 hrs. 48 min. After a stop at New York (ILD), the Ford flies to Washington, D.C. (DCA) to participate in the government's celebration of the anniversary of the Civil Aeronautics Act before returning to California.

The first three of six CV-880s formerly operated by **Northeast Airlines** are received on July 29, followed by three more by September 13.

A B-707-131 with 68 aboard hits turbulence southeast of Topeka, Kansas, on September 21; one stewardess is badly hurt. On September 27, Hughes purchases \$30 million worth of new convertible debentures and the next day, a B-707-131 with 102 aboard is involved in a ground accident while taxiing out for its Los Angeles takeoff. TWA informs the

government on October 14 that it is willing to purchase the first U.S.-built supersonic transport and deposits a \$600,000 check with the FAA as down payment on the first six.

The same day, a B-707-331B with 14 aboard is involved in an accident at Paris, France. TWA and **Pan American World Airways (1)** announce termination of their mutual merger plan on October 16 and a secondary offering of \$80.9-million subordinated income debentures is filed on October 17. Four Anglo-French Concorde are ordered on October 30 and on November 14 the company informs the FAA that its order for U.S. SSTs is increased to 10. Having successfully employed them for military charters, **Alaska Airlines** purchases its two leased L-1649As on December 31.

All-cargo transcontinental jet service is started on December 3 with two leased B-707-331Cs.

The year's enplanements total 5,966,012 and the net profit is \$19.8 million. As a footnote to the year, a young MBA is hired for his first job; Frank Lorenzo will later head Texas Air Corporation, the largest airline combine in the world.

Airline employment in **1964** stands at 24,500 and the fleet includes 178 aircraft. A CV-880 with 66 aboard overshoots its landing at Boston's Logan Airport on New Year's Day and crashes; no serious injuries are reported. Two days later, on January 3, jet freighter service is extended across the Atlantic and features the first and only through-plane cargo-jet service between the west coast of the U.S. and European cities. San Francisco to London time is 13 hrs. 45 min.

A contract is signed with the National Aeronautics and Space Administration (NASA) on February 10 for the provision of base support services at Merritt Island Launch Area at the Kennedy Space Center in Florida. On March 9, the nose gear of an L-749 with 14 aboard collapses upon landing at Boston after a shuttle flight from New York.

On April 1, the Concorde order is increased to six; as with the four ordered the previous October, none will ever be delivered. The CAB, on April 8, approves a route exchange between the carrier and the local service companies **Mohawk Airlines** and **Allegheny Airlines (1)** governing service between Pittsburgh and Boston. Also in April, the first of 16 B-727-31s are delivered along with the first owned B-707-331C.

A B-707-331 is involved in a landing accident at Paris, France, on May 29; no injuries are reported. B-727-31 domestic flights begin on June 1, New York to Indianapolis. Sixteen days later, the board of directors authorizes an expenditure of \$162 million for the purchase of 33 more jetliners. A CV-880 with 45 aboard encounters turbulence near Allentown, Pennsylvania, on July 1; one stewardess is seriously hurt. Service is resumed to New York (LGA) the same day and 20 DC-9-15s are ordered on July 20.

The last five retired L-1049A Super Constellations are sold to **Florida State Tours** beginning August 7. A B-707-331C is damaged after it overshoots its runway while landing at Kansas City on August 26; fortunately, none of the 138 persons aboard are injured.

The last main line piston engine service west of Wichita is concluded in October when CV-880s replace L-749As on the route from that Kansas community to Albuquerque via Amarillo.

On November 9 near Chicago, a violent maneuver must be undertaken by the pilot of a CV-880 with 50 aboard to avoid a midair collision. Two flight attendants are badly hurt. An L-749A encounters heavy turbulence while landing at Wichita two weeks later, but this time, no one is hurt. While taking off from Rome's Fiumicino Airport for Athens on November 23, Flight 800, a B-707-331 with 73 aboard, skids into a power roller near the runway and explodes (46 dead).

During the year, the airline cooperates in the publication of Capt. John Bainbridge's *Like a Homesick Angel* (Boston: Houghton, Mifflin) which depicts a day in his life as a pilot.

Passenger boardings jump 19.4% to 7.4 million. Revenues increase by 20.6% to \$574.9 million and profits skyrocket 86% to \$36.98 million.

The workforce in **1965** grows to 27,912. On February 17, a B-707-331 with 15 aboard strikes a parked aircraft while taxiing at Los Angeles. The left wing of a B-727-31 with 97 aboard strikes the runway as the plane

lands at Kansas City on St. Patrick's Day. No one is hurt in either incident. Also in March, another L-1649A is sold to **Alaska Airlines**.

On May 3, Howard Hughes liquidates his TWA shareholdings, selling 6,584,937 shares and netting over \$5 million. Severe turbulence is suffered by the 57 persons aboard a CV-880 near Chicago on May 5. Nine-channel audio and stereo programs are introduced on company flights, beginning on May 24.

On June 25, TWA joins with **Pan American World Airways (1)** in guaranteeing the operations of **New York Airways**; in exchange for a 15.6% shareholding, Hughes' airline receives direct helicopter service from Manhattan to the passenger ramps at Newark, La Guardia, and John F. Kennedy International Airports. Near Omaha on July 6, a B-707-131 with 52 aboard is badly tossed about in clear-air turbulence. A B-707-331 en route from Rome to Geneva on August 6 narrowly avoids a midair collision with three Italian jet fighters; many passengers are shaken.

A CV-880 with four aboard on a training mission crashes at Kansas City on September 13 and burns; there are no survivors.

Following his historic New York City visit, Pope Paul VI returns to Rome on October 4-5 aboard a chartered B-707-331. On October 25, a new high-speed electronic UNIVAC message switching center is activated at Zurich.

The year's Visit USA and Discover America marketing programs are a success, CAB authority is now received to serve Kenya, Uganda, and Tanzania in East Africa, and contract operations continue for the National Aeronautics and Space Administration (NASA).

En route to Boston from Newark on December 4, **Eastern Air Lines** Flight 853, a L-1049C with 5 crew and 54 passengers makes an emergency pull up to avoid a suspected collision with a TWA Boeing 707-131, with 58 aboard, near Danbury, Connecticut. The Stratoliner, meanwhile, rolls to the right and down to the left, ensuring the collision. The jetliner manages to land safely at New York (JFK), 45 miles away, with 20 feet of its left wing sheared off and its hydraulic system knocked out. Although several stewardesses are hurt, no passengers are injured. The same cannot be said for the Super Constellation, which crashes near North Salem, New Hampshire.

On December 10, the Moral Rearmament organization purchases a TWA L-1649A Starliner.

Customer bookings jump 18% to 8,771,000 and cargo traffic advances by 41%. Revenues rise to \$672.8 million and net profits of \$50.1 million are banked, leading the industry. Chairman Tillinghast is now the first airline executive to be pictured on the cover of *Time* magazine.

President Johnson approves the renewal of the carrier's transatlantic route certificate on February 11, **1966**, and three days later, TWA seeks authority to extend routes across the Pacific and provide around-the-world service. For the first time in 30 years and for only the third time in company history, a cash dividend is paid to stockholders on February 25; the \$1 per share is payable in equal quarterly installments.

DC-9-15 service is inaugurated on the New York-Kansas City route on March 17 and on May 3, FAA approval is received for operations under Category II landing minimums with the aid of Auto-Scan. In accordance with an agreement between IATA airlines, the CAB, on May 20, approves a \$2.50 charge for in-flight entertainment on international flights.

Having obtained a contract with the USAF Military Airlift Command (MAC), the carrier makes its first Pacific airlift flight to Saigon on July 2. Six days later, TWA is one of five U.S. airlines struck by mechanics and other ground service employees, members of the IAM. The combined effect of the job action is to halt 60% of U.S. passenger service and 70% of airmail operations. After several weeks of negotiations, President Lyndon B. Johnson announces a strike settlement on national television on July 29.

On August 1, the IAM membership votes 2 1/2 to 1 to reject the proposed settlement. Talks resume and on August 15, a tentative agreement is reached on a new three-year contract. The membership votes, on August 19, to ratify the contract by a 2 to 1 margin, thus ending the longest

and costliest strike in U.S. commercial aviation history to date. Meanwhile, on July 22, public bus tours of the Kennedy Space Center are initiated as part of the carrier's NASA contract. Also in July, TWA Services, Inc. is incorporated. During the summer, service is resumed to Bangkok.

The largest equipment order in company history to date is placed on September 2: \$410 million for 28 additional Boeings, including 12 747 Jumbojets. With British permission finally granted, flights to Hong Kong commence in late October. The L-1049G *Star of Chambord* is withdrawn in December and sold to California Airmotive Corporation.

Enplanements for the year total 9,743,700 and revenues are \$681,632,000. A net profit of \$34,718,000 is banked.

The workforce grows during 1967 to 35,015 and the fleet now includes 173 aircraft.

While descending toward Chicago (ORD) on March 9 after a flight from New York (LGA) via Harrisburg, Pittsburgh, and Dayton, Flight 553, a DC-9-15 with 4 crew and 21 passengers, is hit by an unseen and non-ATC controlled single-pilot Beech 55 Baron (owned by the Tann Company). Both aircraft crash near Urbana, Illinois, and there are no survivors.

Following a service from New York to Kansas City on April 6, the L-1649A *Star of Nebraska* is the last Constellation to be retired from passenger service as TWA becomes the first airline to go all-jet in U.S. domestic service. Stratoliners will be joined by DC-9-14s and DC-9-15s in carrying the load.

In cooperation with **LOT Polish Airlines**, joint New York-Warsaw one-stop service is opened.

A merger with Hilton International Company becomes effective on May 9; the international hotel chain becomes a subsidiary. The last two cargo L-1049Hs are withdrawn on May 11, the same day the final L-1649A all-cargo flight is made. During the month, a CV-880 is leased from **Northeast Airlines** for the summer.

On June 2, the FBI seizes J. V. Grimaldi of New York City, who has attempted to extort \$100,000 from the company by threatening to blow up a jetliner; he will be sentenced to prison two months later. Following the suspension of services, due to the six-day Mideast war, flights to Tel Aviv and Tripoli begin again on June 9. The UAR, on June 18, allows a resumption of services to Cairo by all airlines except TWA and **British Overseas Airways Corporation (BOAC)**, both of which are now flying into Israel.

On July 5, Capt. H. Chittenden is grounded for two weeks after he lands a B-707-131 at Ohio State University Airport, which he mistakes for Port Columbus Municipal Airport. Completing worldwide implementation, the carrier activates computerized flight planning on domestic routes on July 31. A B-707-331 with 135 aboard lands safely at New York (JFK) on August 19 after losing a wheel on takeoff from Shannon, Ireland. The L-1649A freighter *Star of Ebro* is sold to Trans-American Leasing in September.

The number of weekly all-cargo transcontinental roundtrips is increased from five to 10 on October 1 and on October 18 the order for American-made SSTs is increased to 12. None will ever be delivered. The same day, \$445 million in additional orders are let for 37 planes, including 10 additional B-747s.

On its November 6 takeoff roll, the pilot of Flight 159, a B-707-131 with 7 crew and 29 passengers, notices a **Delta Air Lines** DC-9-32 apparently stopped off the side of the runway of the Greater Cincinnati Airport. Believing that he has touched the Delta plane, the pilot attempts to abort his departure and runs 421 ft. past the end of the runway. The main landing gear shears off and the plane catches fire, killing one person; the wreck is scrapped four days later.

On November 11, negotiations are completed with the Greek company Sun Line for the addition of a Greek islands cruise as part of the company's air tour packages. Seven days later, on November 18, three are hurt exiting a B-707-131 at Indianapolis' Weir Cook Municipal Airport after a false report of fire.

While on final night approach in light snow to Cincinnati at the end of a November 21 service from Los Angeles, Flight 128, a CV-880 with 7 crew and 75 passengers, strikes trees and crash-lands at Constance, Kentucky, 6,878 ft. short of the runway (70 dead). The pilot will be

faulted for choosing to employ the north runway into the wind, despite its lack of approach lights, in an effort to avoid a tailwind landing, rather than the better-lighted south runway.

Gate facilities are provided late in the year at Los Angeles (LAX) for feed-partner **Cable Commuter Airlines**. A B-707-124 is purchased from **Continental Airlines** in December to replace the Stratoliner lost in mid-November.

Passenger boardings climb 19.7% to 12,640,000 and a total of 310.93 million freight-ton miles are flown. Revenues jump 28.4% to \$875,539,000 and net earnings jump to \$40,770,000.

The carrier changes its in-flight movie system on February 10, 1968 to assure that those making roundtrip, cross-country or transatlantic flights will see a different film in each direction. On March 29, the carrier joins with **Eastern Air Lines** and Air Holdings, Ltd. to announce a \$2.16-billion order for 144 Rolls-Royce RB-211-powered Lockheed L-1011 TriStar 1s. TWA's share in this arrangement is 44 TriStars, plus 11 options. NASA awards the company a 10-year contract on April 8 to conduct a Visitor Center program at the Kennedy Space Center.

A small USAF passenger jet, with Gen. W. T. McKee aboard, is involved in a near miss with a B-707-131 over Arizona on May 7. A major aircraft and grounds facility upgrade program is undertaken and 24 Boeing jetliners are delivered. In addition, work on doubling the size of the TWA Flight Center at New York (JFK) is undertaken; it will include Flight Wing One, the first New York terminal ready for the Boeing 747. A \$33-million Technical Services Center is opened at Kansas City.

En route from Kansas City to Las Vegas on July 4, Flight 329, a B-727-31 with 71 passengers, is captured by a lone assailant who claims to have both a gun and dynamite. Actually unarmed, the man is quickly overpowered. He will be tried and sent to prison.

Special Master Herbert Brownell rules on September 21 that TWA is entitled to recover \$137,611,435 in damages from the Hughes Tool Company. The award represents a statutory tripling of damages found.

On December 11, Flight 496, a B-727-31 with 38 aboard en route on the inaugural flight of a new route from St. Louis to Miami, is hijacked by a recently married African-American man and woman just after take-off from an intermediate stop at Nashville. They force the plane to fly to Cuba in the nation's 20th skyjacking of the year; passengers and crew return to the U.S. on another plane.

President Johnson approves a transpacific route on December 19, thereby allowing the company to offer around-the-world services.

A total of 12,866,000 passengers are originated and 358.44 million freight ton-miles are flown. Revenues, not including those from the Hilton International hotel subsidiary, reach \$948,244,000.

On January 24, 1969, President Nixon reopens the Transpacific Route Case with an announcement that he will review personally the previous decisions of the CAB and President Johnson. The company receives a new B-707-331B on April 2 and President Nixon upholds Johnson's December transpacific route award on April 11, for which the carrier is certified.

On June 17, Black Panther member W. L. Brent hijacks Flight 154, a B-707-331 with 87 aboard en route from Oakland to New York, and diverts it to Cuba. A Flight Hostess Academy is opened at Overland Park, Kansas, also in June, as is a large multiprocessing computer system at the company's new data processing center.

While practicing landing at the FAA's National Aviation Facilities Experimental Center at Atlantic City Airport, Pomona, New Jersey, on July 26, Flight 5787, a B-707-331C, crashes, killing all five crewmen aboard. Also in July, the carrier surpasses its old rival, Pan Am, as the leading carrier on the North Atlantic.

A federal prisoner, guarded by two marshals, is among 131 aboard Flight 79, a B-727-231 en route from Pittsburgh to Los Angeles on July 31. In the lavatory, he finds a used razor blade that he hides on his person until he is able to spring up and hold it to the throat of a stewardess, threatening to kill her unless the plane is diverted to Cuba. The aircraft is allowed to return the same day. Twelve years later, the pirate will return to the U.S. and be captured in Indiana, tried, and sentenced to 25 years in prison.

Transpacific and around the world flights commence on August 1. The latter depart both eastward from Los Angeles and westward from New York; transpacific stops now include Honolulu, Guam, Okinawa, Formosa, and Hong Kong. Incidentally, the initial B-707-331 flight across the Pacific from Los Angeles is first blessed in a Happiness Ceremony by three Buddhist priests. Just after the launch of transpacific service, the company announces on August 15 that 13 Congressmen and a CAB member have accepted the carrier's invitation to take an all-expenses-paid trip with their wives to the Orient.

Claiming their act is a reprisal for U.S. aid to Israel, a male and female team of Arab commandos from the Popular Front for the Liberation of Palestine hijacks Flight 840 on August 29. The B-707-331B with 113 passengers is on the Rome to Athens leg of a service from Los Angeles to Tel Aviv, when the pirates force it to land at Athens, where propaganda messages are broadcast over the Stratoliner's radio.

The Boeing takes off again and lands at Damascus, Syria, where the hijackers organize an emergency evacuation. After the last person steps off, one of the terrorists throws a package of explosives into the plane, destroying its cockpit. Almost immediately, all of the hostages are released; six Israelis will be held as pawns to win exchange of Syrian military prisoners in Israel.

The FAA reports this to be the first hijacking of a U.S. airliner to a destination outside of the Western Hemisphere. On a technical note, the aircraft's destroyed cockpit will be repaired with a "new" nose section claimed from the wreckage of a **British Overseas Airways Corporation (BOAC)** B-707-465 that had crashed at London in April 1968.

The choice of two in-flight movies is introduced on nonstop flights between Washington and San Francisco on October 2, one for "general" audiences and one for "mature." Initially, some Hollywood producers will use the carrier's passengers to "sneak preview" their films.

While beginning its approach to San Francisco from Los Angeles on October 31, Flight 85, a B-707-131B with 39 passengers, is taken over by AWOL USMC Capt. Raffaele Minichiello, who enters the cockpit with an M-1 rifle and orders the craft to fly to Italy. At a Denver refueling stop, he allows all of the passengers and two of the three stewardesses to deplane.

A stop is made at New York to take on two pilots qualified to fly the transatlantic leg. Together with the two stewardesses and the original cockpit crew led by Capt. B. N. Williams, they fly the 6,800-mi. route on to Rome in 17 hours via Bangor, Maine, and Shannon, Ireland.

After arrival in Rome, Minichiello, having already eluded U.S. police, the FBI, and Irish security agents, flees in an auto with an Italian policeman as hostage. The car is abandoned on the highway to Naples and the fugitive is captured in a chapel 10 mi. S of Rome, where he has taken refuge. TWA Chairman Tillinghast puts the cost of fuel and salaries to the company, in terms of flying time, at \$50,000 for one of the nation's most notorious skyjackings. Tried in an Italian court, he will receive an 18-month prison term in a local jail.

Flight 54, a B-707-131 with 28 passengers en route from San Francisco to Philadelphia on December 2, is diverted to Cuba by a passenger holding a knife to the throat of a stewardess. A U.S. Air National Guard F-102 fighter plane tasked to provide an escort crashes near Jacksonville, Florida, although the pilot is able to parachute to safety. News coverage of this second TWA skyjacking in just over a month is, because of its Havana destination, what can only be termed as "routine." When the pirate returns to the U.S. a decade later via Canada, he will be captured, tried, and sentenced to a prison term of 10 years.

The Breech Training Academy is opened in ceremonies the next day and on December 16 the board of directors holds an in-flight meeting aboard a leased B-747. On December 21, two Arab men and a woman are arrested at the airport in Athens as they are about to board a B-707-31 with guns and grenades. They also carry mimeographed announcements that the seizure is the work of the Popular Front for the Liberation of Palestine. Under questioning, one man reportedly confesses the plot to seize the New York-bound plane, force it to land in Tunis, and blow it up as a warning to the U.S. to halt air communications with Israel.

The Hughes Tool Company, on December 23, is ordered to pay \$137.6 million in treble damages to TWA. The carrier's first B-747-131, and only the eighth Jumbojet manufactured, is delivered at Seattle on December 31 and the fleet now also comprises 59 B-707-131s, 65 B-707-331C/Fs, 35 B-727-31Cs, 29 B-727-231s, 25 CV-880s, and 19 DC-9-15s. During the year, the company acquires Spartan Newfoods Corporation, parent of the Hardee's and Quincy Family Steak House restaurant chains.

Enplanements this year are 15,066,240. Revenues are \$1.8 billion and the profits are \$24.9 million (operating) and \$19.8 million (net).

On January 8, 1970, Flight 802, a B-707-131 en route from Paris to Rome, is hijacked to Beirut by Frenchman C. Belon. Upon landing, Belon fires 12 pistol shots into the cockpit instrument panel and then surrenders. The passengers and several crew will fly to Rome aboard an **Alitalia, S.p.A.** airliner, while the pilot and two officers remain behind to supervise aircraft repairs and, three days later, fly the plane to Rome. Pirate Belon is released on \$8 (eight U.S. dollars!) bail on January 14. He will be tried in Lebanon and given a nine-month prison sentence; when released, he will be sent to France, tried again, and given an eight-month term.

The second Jumbojet also arrives on January 8 and a third B-747-131 is delivered on February 2. The first U.S. carrier to offer domestic Jumbojet service, TWA inaugurates scheduled, nonstop B-747-131 Los Angeles to New York flights on February 25; en route, one of four movie projectors on the inaugural Flight 100 fails, but passengers all praise the new service. Flight 100, incidentally, is the first regularly scheduled Jumbojet to land at Los Angeles (LAX).

The fourth Jumbojet is delivered on March 7 and on March 18, B-747-131s are placed into service on the New York-London (LHR) run. Simultaneously, no-smoking areas are offered in Jumbojet first-class and coach-plus economy-class. Flight Wing One is dedicated and opened at New York (JFK) on March 19.

Four more B-747-131s join the fleet between April 3 and May 23. A B-707-131 is destroyed in a ground fire at Indianapolis on April 22.

The year's second hijacking, also somewhat unusual, occurs on June 4 and involves unemployed truck driver A. G. Barkley, who is also involved in lawsuits against his former employer, the Teamsters, and the IRS, which has charged him with failing to pay \$471.78 in 1964 income tax. Barkley takes over Flight 486, a B-727-231 with 51 passengers aboard, shortly after its departure from Phoenix for Washington, D.C. Brandishing a razor, a revolver, and a can of gasoline, Barkley orders the pilot, Capt. D. C. Hupe, to radio ahead and demand a \$100,000,000 ransom from the U.S. Supreme Court, which has refused to hear his tax case appeal.

At Washington, D.C. (IAD), the plane is refueled and takes on Capt. B. N. Williams, hero of the October 1969 Minichiello hijacking, with \$100,500 collected from area banks. When Barkley learns that most of the money he has demanded is not aboard, he orders the plane back to Dulles. The FBI, meanwhile, prepares a ruse, planting paper bags made to look money-filled along the runway.

When Barkely doesn't take this bait, the FBI shoots out the Boeing's tires and hoists an agent into the cockpit through the emergency windows. In the ensuing scuffle between Barkely, the agent, and Capts. Williams and Hupe, the latter is shot in the stomach.

Wounded in the thumb, Barkley is hustled off to an Alexandria, Virginia, arraignment for air piracy. These charges will later be dropped when, upon examination, it is determined that the pirate is mentally unbalanced. He will be sent to a psychiatric facility instead of prison. Incidentally, the ransom demand that was radioed ahead by Capt. Hupe physically reaches the Supreme Court on June 8.

Following an engine fire that begins during a B-747-131 New York landing on June 26, 12 of 198 passengers are slightly injured during an emergency chute evacuation of the Jumbojet.

On July 1, the company becomes the first to offer a no-smoking area aboard every aircraft it flies.

En route from Las Vegas to Philadelphia on August 24, Flight 134, a B-727-231 with 86 passengers, is hijacked to Cuba by a lone gunman.

Castro's government sends the pirate back a month later and upon examination, it is determined that he is mentally ill and is thus sent to a psychiatric hospital for three years.

Along with airliners from **British Overseas Airways Corporation (BOAC)** and **Swissair, A.G.**, Flight 741, a B-707-331B with 10 crew and 141 passengers en route from Frankfurt to New York, is hijacked by Popular Front for the Liberation of Palestine guerrillas just after its departure from Germany. It is diverted to Zerqa, a military air base 20 mi. N of Amman, Jordan, on September 6, where the TWA passengers will be held hostage for six days before the plane is flown to Syria, where all three planes are blown up on September 12.

Eight days later, on September 15, Brinks courier R. E. Denisco shoots ex-mental patient D. B. Irwin during the latter's attempt to hijack Flight 15, a B-707-131B with 56 other passengers en route from New York to Los Angeles, to North Korea. Irwin is arraigned on September 17, the same day Brinks gives Denisco a \$5,000 bonus, a raise, and an extra week's vacation. The pirate will be tried and receive a 12 1/2-year prison term.

A 29-hour strike by cabin attendants, members of the Transport Workers Union of America, begun on October 20 is ended in agreement on October 22. Later on October 22, the carrier, charging misrepresentation and breach of contract, discontinues efforts to use Burroughs computers in its automated passenger reservations and management information system and seeks \$70 million in damages; it also announces a switch to IBM equipment. A major overhaul of the domestic schedule pattern, Clean Slate, is begun on October 25. En route from Chicago to San Francisco on October 28, H. Shively, pilot of a B-727-231 with 54 aboard, dies of an apparent heart attack; his copilot is able to land the plane safely at Cedar Rapids, Iowa.

On November 1, a new business-class Ambassador service is introduced on the transcontinental service, one that features "twin seat" accommodations.

While taking off from Tel Aviv on November 30, a B-707-373C freighter with three crew strikes an unlit Israeli Air Force KC-97 Stratocruiser being towed across the runway. Although both aircraft are destroyed in the fiery crash, only the two-man Israeli towing crew is killed.

A joint proposal with **United Air Lines** and **American Airlines** is filed with the CAB on December 21 that would allow all domestic carriers to reduce excess capacity. When the Ross Hunter production of Arthur Hailey's novel *Airport* reaches the screen during the year, it is learned that TWA's noted mechanic Roy Davis is portrayed as the George Kennedy character "Joe Patroni."

Eight additional B-727-231s and five more B-747-131s are delivered, bringing the fleet total by year's end to 245 aircraft; the employee population is shaved by 4.9% to 37,762.

Passenger boardings decline 6.4% to 14,164,000. Income falls to \$1.15 billion and expenses, led by increased fuel prices, jump to \$1.24 billion. Consequently, the operating loss advances to \$84.2 million and the net failure triples to \$63.5 million.

The NASA Merritt Island Launch Area support contract expires on April 1, **1971**. Three B-747-131s are delivered between May 20–24 and beginning on May 26, Ambassador Lounges are offered in the coach-class sections of certain airliners. The last B-707-131 is withdrawn from service on June 1; the same day, the former **Continental Airlines** B-707-124 is sold to Israel Aircraft Industries.

Out on bail, passenger George White takes out a gun during a June 11 scuffle with a stewardess aboard Flight 358, a B-727-231 on the ground at Chicago (ORD) (an intermediate stop on a flight between Albuquerque and New York), and seizes her. He then orders the remainder of the passengers off the aircraft and shoots one, 65-year-old H. L. Franks, to death. A deputy U.S. Marshal, meanwhile, is covertly boarded through a cockpit window.

White demands to be flown to North Vietnam and a ransom of \$75,000, but is shot and seized by the Deputy U.S. Marshal just after the plane departs eastbound. White is turned over to police when the Boeing arrives at New York.

Franks is the first passenger to die in a U.S. aerial hijacking. Seven years later, White will hang himself in his cell at a mental institution.

The same day, a B-707-131 collides with an **American Airlines** B-707-323C near Phillipsburg, Pennsylvania; both freighters crash, killing all aboard.

Brandishing a pistol, Robert Obergfell hijacks Flight 335, a B-727-231 en route from New York to Chicago on July 23. After taking stewardess Maria Concepcion hostage, this pirate forces the flight crew to return the Boeing to New York (LGA), where he demands a larger aircraft for an escape to Milan, Italy. With his hostage, Obergfell is driven to New York (JFK), where he is shot to death on the runway by an FBI sharpshooter.

On July 29, arrangements are made for the sale of the 13 retired B-707-131s. Coach lounges are introduced aboard B-707-131Bs on September 18. Renewed merger discussions with **Pan American World Airways (1)** are discontinued—again—on September 30. The United-American-TWA excess capacity reduction agreement comes into effect on October 3. PARS is inaugurated at Paris on October 11. The last of 19 B-747-131s is delivered 8 days later.

Wanted for the murder of a New Mexico policeman, three members of the Republic of Black Africa organization, C. Hill, M. R. Finney, and R. Goodwin, brandishing automatic weapons and a knife, seize Flight 106, a B-727-231, on the ground at Albuquerque on November 27. After allowing the 49 passengers to disembark at Tampa, the three force it to fly to Havana; the plane is allowed to return to Miami the next day. One of the pirates will drown while swimming off a Cuban beach in April 1973.

Ambassador Service is extended to all overseas cities and around-the-world flights on December 1 and on December 22, the CAB is asked to extend TWA's 1947 mainland China authority (never exercised) to Hong Kong. At year's end, three B-707-131s are sold to Israel Aircraft Industries at Tel Aviv.

Enplanements for the year total 14,223,560 and a net profit of \$7 million is reported.

The workforce in **1972** totals 36,778.

On January 29, ex-mental patient Garrett Brock Trapnell pulls a gun from a fake plaster arm cast and commandeers Flight 2, a B-707-331 en route from Los Angeles to New York with 8 crew and 93 passengers, over Iowa. At New York (JFK), Trapnell allows the passengers to deplane, but demands \$300,000 in ransom, clemency for his air piracy, freedom for Angela Davis, a conversation with President Nixon, release of a friend from a Texas prison, and talks with lawyers and psychiatrists. Fearing FBI agents will seize his plane, Trapnell orders it to takeoff and circle the airport until it must land. On the ground, the Boeing is refueled and a relief crew is requested. Once aboard, one of the relief crewmen, an FBI agent in disguise, shoots Trapnell and takes him prisoner. He will be tried and given a life sentence in prison.

Meanwhile, another B-707-331, chartered to carry television and radio equipment and U.S. journalists to Communist China in preparation for President Nixon's trip, is delayed until the Trapnell hijacking is resolved. On January 31, a Cherry Hill, New Jersey, resident is fined \$500 and court costs for grabbing and kissing a stewardess during a flight the previous November.

The B-707-331, delayed at New York by the Trapnell affair, arrives at Beijing on February 1; chartered to transport technicians and equipment for television coverage of President Nixon's forthcoming trip, it is the first commercial American airliner to land in mainland China in 23 years. Buoyed by this success, the company seeks permission to begin service to China. In response to a petition from Howard Hughes and a cross-petition from TWA, the U.S. Supreme Court, on February 22, agrees to review the treble damage award.

On March 7, an extortionist telephones the carrier's New York office and demands a \$2-million ransom or he will blow up Flight 7, a B-707-331 that has just taken off for the West Coast. The plane returns to New York (JFK) where police, using trained dogs, find a live bomb in a flight bag in the cockpit minutes before it is timed to explode.

Threats are made against other TWA airliners during the day and there are many delays as searches are made for other bombs. The next day, March 8, the cockpit of Flight 57, a B-707-331, empty and on the ground at McCarran Airport, Las Vegas, is destroyed by a bomb blast believed to be part of the string of extortion demands begun the previous day. Thereafter, the company hears no more from the bomber and on March 11, the FBI arrests two men in the case, who will turn out to be innocent.

Beginning on April 9, TWA offers a European vacation program specifically designed for African-Americans. B-727 Ambassador Express service is inaugurated over domestic routes on April 15. The first of 33 Lockheed L-1011 TriStar 1s is delivered on May 10. En route from Athens to Tel Aviv on June 3, a B-747-131 is delayed more than two hours on the ground at Athens for an explosives search; nothing is found. St. Louis to Los Angeles L-1011 service is inaugurated on June 25; the aircraft is flown on autopilot from takeoff to landing.

The second Lockheed wide-body arrives on July 4 and Chicago-Los Angeles TriStar flights begin on July 8. On July 15, in the largest fine ever received by the CAB for airline misconduct, the airline pays \$87,000 for its failure to obey the regulations requiring it to inform (over 500) passengers that they are entitled to free transportation after being bumped from flights for which they held reservations.

New Getaway vacation packages are offered during the summer. Holiday charter and cargo activities are stepped up by 70%; a total of 2.09 million charter revenue passenger miles will be flown by December. Incorporated in 1966, TWA Services, Inc. is initially activated in July as a wholly owned subsidiary created to undertake special worldwide contract services. New facilities are occupied at New York (JFK), as well as the airports at Kansas City and Pittsburgh. A management assistance agreement is signed with **Nigeria Airways, Ltd.**

After a fire develops in the landing gear of a B-747-131 arriving at New York (JFK) from Rome on September 1, it is decided to evacuate the plane by chute; 30 are injured.

When a B-707-331C freighter with three crew suffers vibration during its takeoff roll from San Francisco on September 14, the liftoff is aborted; the aircraft settles back down to the runway, which it overruns into San Francisco Bay. There are no fatalities.

The TWA-United-American excess capacity agreement expires on September 16. Another B-707-331C is lost in a landing accident at New York (JFK) on December 12.

Also during the year, commercial air service for the Kansas City region is relocated from TWA's longtime home at Municipal Airport to Mid-Continent International Airport, which is renamed Kansas City International Airport.

Passenger boardings for the year jump 11.6% to 16,090,000 and cargo traffic is up by 14.7%. Overall revenues are \$1.41 billion and expenses are \$1.33 billion. Consequently, profits are made: \$74.85 million (operating) and \$43.07 million (net).

Only 71 new employees are hired in 1973. On January 4, a telephone bomb threat is received, demanding a \$237,000 ransom or a B-747-131 en route from Madrid to New York with 236 passengers aboard will explode if it flies below 3,200 ft. Government officials divert the Jumbo-jet to 3,276-ft.-high Ellsworth AFB, South Dakota.

In a 6 to 2 January 10 decision, the U.S. Supreme Court overturns a lower court ruling that had supported TWA's position in its litigation with the Hughes Tool Company. The next day, a B-727-231 with 81 aboard lands safely at an airport near Las Vegas after a large part from one of its three engines falls off over Colorado.

Four Louisville, Kentucky, youths are charged on January 20 with an attempt to extort \$25,000 from the airline by posing as a man named John Clemente, who telephoned to say he would "kill some people" if not paid. Exercising its option not to purchase, TWA, on January 31, cancels its earlier order for Anglo-French Concorde SSTs.

A plan is filed with the CAB on February 14 for "demand scheduling," an innovation that combines substantial fare reductions with advance planning and scheduling. On March 5, the Supreme Court denies TWA reconsideration of its earlier decision dismissing a damage

judgment against Hughes. The 1962 Delaware case, however, remains pending.

Dr. P. P. Yu hangs himself with a belt behind a locked toilet door of a B-707-331 during an April 5 flight from Honolulu to Taiwan. The former Passaic, New Jersey, electronics manufacturer was sought by the U.S. government the past three years for his link to a smuggling conspiracy with the Peoples' Republic of China.

An agreement in principle is reached with ITT on April 18 for acquisition of the Canteen Corporation, a leading vending machine and food services company. An order is placed on April 25 for 17 B-727-200s, with options on 17 others.

A new L-1011 TriStar is received on May 16 and the formal agreement for the proposed acquisition of the Canteen Corporation is signed on June 5.

Between July 8 and 13, four undocumented Polish nationals, including a family of three, crosses the Atlantic five times between New York and Europe in a futile search for a country that will permit them to enter. Canteen shareholders agree to the \$132-million purchase on August 1; the acquisition process is completed on August 10. Meanwhile, five major TWA Getaway tour programs are introduced along with a Europe on Your Own package designed for individuals; automated ticketing also becomes available at San Francisco, St. Louis, and Chicago.

A 44-year-old female passenger dies after suffering a broken neck as a result of severe buffeting aboard a B-707-331B flight to Los Angeles on August 28.

Hughes Tool Company and Raymond M. Holliday file a motion on September 14 for an allowance of costs in the amount of \$2,186,919.24.

The earlier plan for on-demand scheduling service is implemented on October 1. On October 12, TWA seeks permission from the CAB to service 10 additional U.S. and 17 foreign destinations. The same day, the government announces, in light of the energy crisis, a mandatory allocation plan for jet fuel that is slated to occur on November 1. The company, in turn, causes the immediate cancellation or rerouting of 40 flights, an overall 5% reduction, and lays off 100 pilots.

The carrier joins with **American Airlines** and **United Air Lines** in a joint October 18 communiqué concerning a flight reduction plan designed to save 6.6 million gallons of fuel per month following initiation of the allocation scheme on November 1.

A flight attendants strike begins on November 4 and shuts the airline's passenger services down until December 19; the 45-day job action is the longest in company history to date.

Meanwhile, in an effort to conserve fuel, the airline, as of November 26, eliminates its 11 p.m. nonstop all-cargo flight from New York to Los Angeles, which usually ferries 100,000 pieces of airmail and air parcel post daily. The move forces the Post Office to begin relying more heavily upon charter air taxis for the delivery of transcontinental mail.

On December 19, company officials confirm media reports that it continues to train **Saudia (Saudi Arabian Airlines)** pilots under a program first begun in 1946; although embarrassed that the program employs domestic jetliners burning 1,800 gallons of fuel per hour, the airline adds that the effort will continue. Continuing shortages in jet fuel force suspension of on-demand scheduling as of December 31.

The number of TWA Getaway members now exceeds a million, making the plastic card the most widely circulated in the airline industry. During the year, eight more L-1011s join the fleet and long-held options for six Anglo-French Concorde are cancelled. Since June, three CV-880s have been retired.

Customer bookings fall 8.8% to 14,673,000 and freight is off by 4.4%. Revenues are \$1.45 billion and expenses are \$1.38 billion. The operating profit is \$68.07 million and the net profit—a marked comeback—is \$46.47 million.

Airline employment in 1974 is 36,318 and the Washington District Court on January 10 allows costs to Hughes Tool Company of \$1,184,045.10. The same day, another 350 pilots are laid off, as the energy crisis continues.

The nosegear of Flight 701, a B-707-131B with 7 crew and 56 passengers, collapses upon touchdown at Los Angeles on January 16; although the aircraft catches fire and is destroyed, all aboard are safely evacuated beforehand.

Also during the month, 11 CV-880s are withdrawn.

The company files, on February 8, for a revised version of its on-demand scheduling service using regularly scheduled flights. On March 1, movies are introduced on transcontinental L-1011 flights. The same day, a B-707-331 with 80 aboard makes an emergency landing at Los Angeles (LAX) after its landing gear malfunctions on takeoff from San Francisco.

During the first quarter, daily New York (JFK) to Dublin flights begin, along with twice-weekly service from New York (JFK) to Malaga. The company requests a temporary federal subsidy for its international operations on April 3, citing "unprecedented" increases in the price of jet fuel.

A fire breaks out aboard an L-1011 Tristar 1 on the ground at Boston's Logan Airport on April 19, severely damaging the after fuselage. No injuries are reported.

Flight 449 from Chicago to Kansas City on June 15 is the last Convair 880 service; thereafter the aircraft type is retired from the company fleet. The revised demand scheduling service begins on July 8.

Just after arriving at Rome from Athens on August 26, with its passengers deplaned, airline workers discover fire in the aft baggage compartment of Flight 841, a B-707-331B. The blaze has been caused by bomb, set to destroy the plane during a later flight, which has malfunctioned and gone off early. There are no injuries and the blaze is contained.

On a September 8-9 flight from New York to Tel Aviv, via Rome and Athens, the B-707-331B (the same plane attacked on August 26) reports an engine failure. Flight 841, carrying 9 crew and 79 passengers, is seen by the crew of an **Alitalia, S.p.A.** airliner and by those aboard Pan Am Flight 110 to roll to the left into a steep descent. The plane plunges into the sea, with an engine ablaze, some 50 mi. off the Greek island of Kefallinia and 235 mi. WNW of Athens; there are no survivors. The Arab nationalist Youth for the Liberation of Palestine organization claims to have sabotaged the airliner when one of its own members detonates the explosive device, hidden in the aft cargo compartment, as the aircraft flew overhead. The NTSB confirms the boast a year later.

The CAB rejects TWA's request for temporary subsidy on September 18. As a result, the company grounds aircraft and dismisses personnel and also resumes merger discussions with **Pan American World Airways (1)** at month's end. On October 16, the two carriers sign an agreement to exchange selected route authorities (including TWA's transpacific route) for a temporary period of five years. Two days later, the carrier files with the CAB for a reconsideration of its previous international subsidy petition.

Flight 514, a B-727-231 with 7 crew and 85 passengers en route from Columbus to Washington, D.C. on December 1, crashes near a secret government installation on Mount Weather, Berryville, Virginia, during its landing approach to Washington, D.C. (IAD). There are no survivors from what is reported to be a premature descent while on an unpublished segment of a VOR-DME approach.

Two authors will later attempt to explain the disaster: F. Lee Bailey, with John Greenya, *Cleared for Approach: F. Lee Bailey in Defense of Flying* (Englewood Cliffs, N.J.: Prentice Hall, 1977) and Adam Shaw, *Sound of Impact: The Legacy of TWA Flight 514* (New York: Viking Press, 1977). Even the NTSB accident report is commercially published as *How and Why Did Flight 514 Kill 92 People: An Accident Report* (New York: Arno Press, 1976).

The route agreement with **Pan American World Airways (1)** is filed with the CAB on December 17 and incorporates several changes made since October. During the year, 11 additional L-1011s and 3 B-727-200s are delivered, while one TriStar catches fire on the ground at Boston and is destroyed.

Passenger boardings jump 10% to 16,138,000, but FTKs operated decline by 7.7% to 21.08 million. Depression on the North Atlantic and higher fuel costs have a severe impact. Although overall income is up to

\$1.75 billion, expenses (led by fuel bills for \$203.8 million) rise even more, to \$1.77 billion. As a result, stockholders learn that the operating loss is \$18.23 million and, at \$23.57 million, the net decline is even worse.

The workforce is reduced in 1975 to 34,194. In need of a cash injection, TWA concludes an agreement on January 31 to sell six Boeing 747-131s to the government of Iran for \$99 million. On February 4, a B-747-131 with 196 aboard sets a new speed record of 8 hrs. 54 min. between Los Angeles and London, 8 min. faster than the previous mark. Following February CAB approval, the two-year **Pan American World Airways (1)**-TWA route exchange agreement is implemented on March 2. TWA suspends service on its transpacific route, as well as that flown to Bangkok, Bombay, and Frankfurt.

Meanwhile, Daniel P. Reid is appointed vice president/general manager and leads a bold new marketing effort designed to attract additional customers. Newly designed ticket offices, new aircraft livery, and new services are all ordered. On May 5, the carrier files for a fuel-related domestic subsidy of \$184.1 million and a 5% fare increase.

Iran purchases three additional B-747-131s on June 13; the Jumbojets will be delivered through the remainder of the year. A new L-1011 TriStar 1 is delivered on August 27.

To celebrate the anniversary of its 1930 cross country airmail service, Ford 5-AT-8 is leased from Harrah's Automobile Collection at Reno, Nevada. Painted in the carrier's early livery, it flies from Newark to Los Angeles in October and November via Philadelphia, Harrisburg, Pittsburgh, St. Louis, Kansas City, Wichita, Amarillo, and Albuquerque.

An **American Airlines** DC-10-10 with 190 aboard must dive 2,000 feet over Detroit on November 27 to avoid a collision with a company L-1011 carrying 113 people. A lightplane nearly collides midair with a B-727-231 near Pittsburgh on December 9.

While putting down in thick fog, a B-707-331B with 8 crew and 117 passengers lands outside the runway at Milan on December 22, losing its landing gear and all four engines during a subsequent slide to a stop. No fatalities occur, but 33 passengers are injured.

During the year, service to Bombay is cancelled.

Customer bookings since January increase a slight 0.9% to 15,759,000 while freight is off by 7.8% to 712 million FTKs. Total revenues are \$1.8 billion, but expenses are much higher at \$1.88 billion. The operating loss is \$81.6 million while a net loss of \$86.27 million must be reported.

The number of employees is boosted by 2.2% in 1976 to 34,938. An agreement is signed on February 10 for the sale of two L-1011s to **Saudia (Saudi Arabian Airlines)** for \$55.5 million; the aircraft are delivered at month's end, but are flown on to Jeddah wearing TWA livery and Saudia registrations. The fuel-related domestic subsidy request of 1975 is denied on March 17. During the spring, service is inaugurated to Bahrain and Nice and on May 18 the company discloses to the Securities and Exchange Commission (SEC) that it has made \$700,000 in improper payments abroad during the previous year to air cargo agents and shippers for rebates of tariff charges. The company's longest-lasting contribution to the Bicentennial is the restoration of a Northrop Alpha for donation to the National Air and Space Museum.

Five Croatian nationalists (Zvonko Busic, Julienne Busic, Peter Matanic, Frane Pesut, and Mark Vlasic) hijack Flight 355, a B-727-231 en route from New York to Chicago on September 10 with 92 aboard, and divert the aircraft to Montreal. From the Canadian city, the pirates radio instructions that lead New York police to Grand Central terminal lockers, where active bombs and political documents are found—the latter are required to be published next day. During the bomb removal, one device explodes killing a policeman. On September 11, the trimotor flies to Gander, Newfoundland, where it is joined by a TWA B-707-331B able to navigate across the Atlantic.

After the release of 35 hostages, the pathfinder Stratoliner leads the hijacked B-727-231 to Keflavik, Iceland, where both planes are refueled and the B-707-331 is loaded with propaganda leaflets. Meanwhile, the hostages released at Gander relay the hijackers' instructions for the aerial dropping of propaganda leaflets over Chicago and New York.

From Iceland, the B-727-231 and B-707-331 fly to London, where permission to land is denied, but where the B-707 drops leaflets before flying across the Channel to drop more over Paris. Both jetliners land within minutes of one another at Orly Airport, where French police marksmen shoot the tires out of the trimotor.

Early on September 12, French officials give the hijackers an ultimatum: deportation or execution. The five pirates quickly surrender and are led aboard a French Air Force transport plane that flies them to New York and trial for air piracy and murder. The quintet will be tried on federal charges of murder and air piracy and all five found guilty; two will receive sentences of life in prison and the others will receive 30-year terms. The group is retired in a New York State court and the members receive similar local terms of imprisonment.

In an unrelated matter, one of the B-747-131s sold to Iran is now repurchased at the last minute.

A B-707-331 lands safely at Boston on November 30 after being struck by lightning while en route from London. A new management team takes over the company on December 31. Charles C. Tillinghast Jr. retains the board chairmanship, with L. Edwin Smart elected to the new position of board vice chairman. Carl E. Meyer Jr. is then named president/CEO; the former accountant is the first president promoted from within the company in 40 years.

Enplanements at the leading on-time performer grow by 7.4% to 17,486,000, while cargo is up slightly, 1.3% to 679 million FTKs. Operating income is \$2.03 billion while costs are held to \$1.98 billion. This happy imbalance results in an operating profit of \$53.28 million and net gain of \$36.83 million. Overall, the economic performance is a \$154-million turnaround from the previous 12 months.

En route from New York to London on January 11, 1977, Flight 700, a B-747-131 with 349 passengers is subjected to a hijacking attempt by a man claiming to have a grenade and demanding to be flown to Uganda. The assailant is overpowered by nearby passengers and crew members, allowing the Jumbojet to return to its point of origin. The man will be tried and is ordered to receive psychiatric treatment, as well as a short prison term.

An employee warrant offering, announced on February 23, begins on May 11. Half a million \$1.75 warrants are offered to all active TWA, Canteen Corporation, and Hilton International employees in the continental U.S. and the response is so positive that the board of directors, on June 22, authorizes an additional 365,000 warrants. Meanwhile, on June 11, U.S. and U.K. officials approve a new Bermuda II bilateral agreement that allows the continuation of company service to London.

On June 13, all 24 retired CV-880s are sold for just \$3.5 million to Los Angeles-based North Star Maritime Corp., which plans to convert them into freighters. When North Star is unable to finance the purchase, the deal fails; TWA is, however, \$100,000 richer as it is allowed to keep North Star's deposit.

Twice-weekly charter flights for tourists are inaugurated to Cuba on December 1. Another attempt to sell the CV-880s also falls through; this time, the airline is able to keep a \$200,000 deposit.

Enplanements climb to 18,339,000 during the 12 months and a \$64.79-million net profit is earned on total income of \$2.31 billion.

Airline employment in 1978 stands at 35,271. Chairman/CEO Tillinghast and President Meyer oversee a fleet that now comprises 11 Boeing 747-131s, 40 B-707-31Bs, 10 B-707-331s, 35 B-707-331Bs, 11 B-707-331Cs, 26 Lockheed L-1011 TriStar 1s, 39 B-727-231s, 35 B-727-31Cs, and 14 DC-9-15s.

On January 22, Caribbean Holidays, a travel organization, launches a series of weekly charter flights between New York and Havana; TWA provides the airlift at an all-inclusive cost of \$573 per person.

Van Nuys, California-based American Jet Industries, in February, purchases 16 of the 24 CV-880s, plus spare parts, for \$2.4 million. Later, the eight remaining Convair airframes are sold, completely stripped, for scrap at \$5,000 a copy.

The route exchange agreement with **Pan American World Airways** (1) expires in March. Among the new domestic routes introduced are

those to Minneapolis (MSP), Syracuse, Orlando, and Fort Lauderdale. Meanwhile, expanded traffic hubs are established at St. Louis, Albuquerque, and Kansas City.

Newark-London L-1011-200 service is inaugurated on April 30. Two TriStar 200s are leased to **Delta Air Lines**, allowing it to open London service on the same day. New flight attendant and ground personnel uniforms are introduced in June. During the summer, a large scale aircraft interior refurbishment program is undertaken. On August 16, the board of directors approves a plan to reorganize the corporation as a holding company to be known as Trans World Corporation. Under the plan, TWA, together with Hilton International and the Canteen Corporation, become independent operating subsidiaries of the parent.

A stewardess aboard Flight 830, an L-1011 with 88 passengers and en route from New York to Geneva on August 25, is handed a 19-page document by an unknown passenger during the darkness of an in-flight movie. The letter demands the release of Nazi leader Rudolf Hess, Robert Kennedy's assassin Sirhan Sirhan, and the five members of the Croatian nationalist organization held for the previous September's hijacking. The letter threatens to blow up the airliner and the author(s), who does not make good on the threat, is not immediately identified.

Once the aircraft has landed at its destination, a lone assailant, claiming to possess explosives, makes his move and a seven-hour standoff ensues. Finally, the pirate surrenders and is turned over to Swiss police. He will be tried and given a seven-year prison term.

Corporate restructuring is approved by TWA shareholders on October 12 and 5 days later, an order is announced for the purchase of 10 B-727-100s and 3 B-747SP-31s for \$300 million and 1980 delivery; options are taken for 30 more "three-holers" and 6 more Jumbojets.

Once President Carter has signed the Airline Deregulation Act into law, TWA moves ahead on a year of expansion planning for new market introductions. On October 20, the FBI arrests unemployed chauffeur Rudi Kreitlow, a.k.a. Charles Metel, as the mystery man who handed the threatening note to the flight attendant during the August transatlantic flight. The B-707-331C freighter fleet is grounded in early December.

On December 21, 16-year-old Robin Oswald, using three railroad flares as potential weapons, hijacks Flight 541, a DC-9-15 with 87 aboard en route from St. Louis to Kansas City, in a bid to free hijacker Garrett Brock Trapnell, serving a life sentence for his 1972 hijacking. The aircraft puts down at Williamson County Airport, Marion, Illinois, where Oswald, whose mother was fatally shot by a helicopter pilot in May during another attempt to free Trapnell, retains her hostages for nine hours before releasing them and surrendering to authorities. She will be tried in juvenile court, convicted, and sentenced to a juvenile home; she will be released upon reaching her majority, but placed on probation.

Passenger boardings for the year rise 9% to 20,152,000 while freight traffic declines 6.3% to 660.4 million FTKs. Revenues move ahead by 7% to \$2.47 billion while expenses are held to \$2.42 billion. As a result, a \$49.06-million operating profit is earned and net gain moves up by 33.7% to \$86.64 million.

The employee population is reduced by 4.4% in 1979 to 34,036. Trans World Corporation, incorporated under Delaware law, becomes the airline's parent corporation on January 1. The new holding company immediately begins to diversify, seeking and obtaining control of Century 21 Real Estate Corporation. At the same time, it receives the 1978 "Passenger Service Award" from *Air Transport World* magazine.

Orders are officially placed for three B-747SP-31s and, in February and March, a "Kids Fly Free" travel promotion is unveiled.

A B-727-31 with 87 aboard and en route from New York to Minneapolis on April 4, survives a barrel roll and nose dive over Saginaw, Michigan, that may have exceeded the speed of sound, before making an emergency landing at Flint with only three passengers slightly hurt. Pilot Capt. Harvey Gibson reports that, after the wing flaps, spoilers, and leading-edge flaps had all failed to bring the craft under control, he was able to avert a crash by lowering his landing gear.

New York Airways, the scheduled helicopter line in which TWA holds a 15.6% interest, also ceases operations in April; however, in re-

action to the deregulation of the airline industry, other significant domestic route expansion occurs during the year. New destinations now visited include Buffalo, Colorado Springs, Fort Myers, Houston, Knoxville, Omaha, Palm Springs, Providence, Reno, Salt Lake City, Seattle, Toledo, and West Palm Beach. Additionally, new frequencies are launched between 6 cities in Florida and 10 in the Northeast and Midwest. Other new foreign markets include Bahrain, Casablanca, Dublin, Geneva, Nice, Santa Maria, Shannon, and Terceira. On June 14, a B-727-231 flight is delayed by a bomb threat.

Citing soaring fuel costs, the company announces on July 11 that it is discontinuing flights from Boston to the Azores, Lisbon to Casablanca, and Barcelona to Nice. On September 13, Trans World Corporation Chairman L. Edwin Smart breakfasts at New York's Carlyle Hotel with onetime employee Frank Lorenzo, now head of **Texas International Airlines**. Lorenzo, with 4.9% of TWA's stock, offers his former employer, 14 times larger in corporate size, a merger. Smart walks out of the meeting.

Next Flight Out small-package express service is started on October 1. During an October 2-7 visit to the U.S., Pope John Paul II flies TWA, a specially equipped and refurbished B-747-131, *Shepherd One*, transatlantic and a B-727-231, *Shepherd Two*, domestic. Soaring fuel costs force TWA to suspend service to Dublin and Shannon on October 28 after 33 years of a New York-Ireland route.

On November 17, eight Iranians, nearly all of who are students in the Baltimore area, are seized as they are about to board a flight to New York. The men are carrying 3 rifles, 4 telescopic sights, and 15 boxes of ammunition and are charged under federal firearms statutes.

A B-707-131B with 133 passengers lands at St. Louis on November 30 with its nose gear retracted; although the aircraft is badly damaged, there are no fatalities.

Orders are placed on December 10 for 10 B-767-231s, with options for 10 more, preferring them to the Airbus Industrie A310; two more L-1011s are ordered the same day. During the year, seven DC-9-30s and two B-707-320s are sold.

Customer bookings accelerate 12.4% to 22,650,000, but freight is off by 23.4% to 506 million FTKs. Operating income rises 16.9% to \$2.89 billion. Unhappily, expenses (led by soaring fuel prices) jump 21% to \$2.94 billion and leave officials and investors with a net loss of \$27.4 million—a \$114-million downward turn in 12 months.

The employee population is reduced by 5.5% in 1980 to 52,000 and the first of 3 B-747SP-31s is delivered on March 21, followed by a second on April 14. Transatlantic Ambassador Class business service is introduced on April 15. Employing L-1011s and B-747s, TWA becomes all wide-body (six-across seating) over the Atlantic. A B-747-156 is purchased from **Iberia Spanish Airlines (2) (Lineas Areas de Espana, S.A.)** on May 1 and the last of three B-747SP-31s is delivered on May 8, allowing nonstop flights from New York-Cairo to begin on June 9.

A B-727-231 and a small USAF transport avoid collision over Iowa City by a vertical distance of only 200 feet on July 16; both aircraft had been assigned to the same space by ATC.

All tour sales and services functions are centralized within the Philadelphia reservations office on September 15 and six days later, on September 21, the Arab Boycott Bureau bans the company from flying in Arab airspace or from landing at airports in Arab nations. The **National Airlines (1)** terminal at New York (JFK) is purchased on December 8 and in a legal action, the company agrees to pay an \$80,000 fine for fare overcharges made during September of the previous year and to refund up to \$629,000 to passengers.

Enplanements in the recessionary year fall by 9.6% to 20,399,000 and freight is off by 14.1% to 416.53 million FTKs. Revenues rise 13.8% to \$3.37 billion, but expenses, at 13.4%, are higher, reaching \$3.39 billion. The operating loss improves to \$18.4 million, but a net loss of \$27 million is again recorded.

The workforce is cut again in 1981, by 14.7% to 29,000, much of the reduction coming in the fourth quarter. A second former Spanish B-747-156 arrives on February 17. Lester Perry, who had hijacked a jetliner to

Cuba in 1969, is arrested in Indiana for another theft on March 10; having apparently reentered the U.S. via the Cuban boatlift of 1980, he will be tried and sentenced. Also in March, the company purchases a pair of B-747-136s from **British Airways, Ltd. (2)**, with the first delivered on the 25th.

On April 2, the company inaugurates domestic flights from its newly refurbished Domestic Terminal (formerly **National Airlines'**) at New York (JFK), where the TWA Flight Center is now the largest airline complex in the world.

Royal Ambassador service is started on May 6 for all first-class passengers on transatlantic, intra-Europe, and domestic transcontinental and long-haul flights. The second British Jumbojet arrives on May 30.

After a 21-year suspension of service, the carrier resumes flights to Peoria; new markets entered include Des Moines, San Antonio, and Little Rock. Construction for the housing of a new B-767 simulator is started at Kansas City. As a result of the PATCO air traffic controllers' strike, TWA is forced to reduce its domestic flights by 19% and its total capacity by 10%.

For a period in September and October, London (LHR) acts as something of a "hub" for TWA passengers returning to the U.S. from European destinations, thereby ensuring full loads on company aircraft. Beginning in November, the company takes advantage of option positions to begin obtaining five additional TriStar 100s.

Claiming to have a gun and a bomb (he does not), a lone assailant pushes his way past station agents and boards Flight 534, a B-707-331B with 88 other passengers already aboard and preparing for departure from Cleveland Hopkins Airport to New York on December 5. Shouting his demands to be flown to Iran, the pirate is tackled by the plane's flight engineer; in the struggle, both fall down the air stairs and are injured. Both are taken to hospital and, upon examination, the hijacker will be found mentally deficient. Just after the new year, he will be sent to a psychiatric facility.

Still, passenger boardings plunge 11.8% to 18,004,000, while cargo falls by 12.6% to 456.87 million FTKs. Revenues advance a minor 3.6% to \$3.395 billion while costs are just less, climbing 1.74% to \$3.391 billion. The operating profit is \$3.78 million; however, a net loss of \$8.97 million, though better than the previous year, must still be absorbed.

The payroll is cut 2.3% in 1982 to 28,464. Domestic Ambassador Class service is introduced on nonstop transcontinental flights on January 11. Because of an error by a veteran air traffic controller, a B-747-131 nearly collides with a **Northwest Airlines** B-727-251 over Lake Michigan on March 4. All five of the new TriStar 100s are in service by May 1. The company, which operates the Stratoliner longer than most other carriers, sells a B-707-131B back to its builder on May 19. The 35th and last L-1011 TriStar is delivered on May 27.

William Hoffman is arrested on October 27 for his unsuccessful attempt to hijack Flight 72, an L-1011 with 109 passengers at Los Angeles. He is reported in stable condition when he is injured in a fall from the plane after being subdued by sheriff's trainee Dennis Robinson. After he is released from hospital, Hoffman will be tried and given a 12-year prison sentence.

The first four of 10 B-767-231s is received at Thanksgiving and the initial unit is placed into service on December 3 over thinner transcontinental routes, including Los Angeles to Washington, D.C. (IAD). Also during the fourth quarter, documents are signed with McDonnell Douglas permitting the lease of 15 MD-82s early in the new year. Late in the year, a B-747-131 is sold to UAS Leasing.

Customer bookings dip 1.7% to 17,701,000, while cargo drops 7.4% to 423.26 million FTKs. Operating income drops 4.69% to \$3.23 billion as costs drop 1.52% to \$3.34 billion. Still, expenses outrun income and leave a \$104.17-million operating loss and pretax net losses of \$30.82 million.

The workforce is cut another 4.6% in 1983 to 28,152 and at the April board meeting a group of former Oppenheimer and Company executives, Odyssey Partners, with 1% ownership, mount an unsuccessful takeover proxy battle, urging that the airline be split off and broken up.

Fifteen DC-9-82s are leased in the spring and the first is placed into service on May 3. Meanwhile, the last of 10 B-767-231s on order are delivered. Also in November, as Odyssey Partners had recommended earlier, the decision is taken by the board of directors to divest the money-losing airline from Trans World Corporation, turning it into a new public company.

In order to compete with **PEOPLEExpress**, TWA on June 1 cuts its fares 25% on six U.S. to London schedules. During the summer, an inclusive-tour Gateway program is introduced. All salaried personnel, management and nonmanagement, take a 10% pay cut on September 1. The last B-707-331 flight is made on October 31 and all other employees accept a 10% pay cut on November 1. Late in the year, as Odyssey Partners had recommended earlier, the decision is taken by the board to divest Trans World Corporation of the money-losing airline.

Passenger boardings for the year are up 5.3% to 18,634,000 as freight jumps 16% to 492.05 million FTKs. Revenue climbs 2.96% to \$3.33 billion and although expenses are only up 1.7%, that amount totals \$3.39 billion. Consequently, a \$65.24-million operating loss is suffered, along with a \$12.37-million net loss. The loss figures are an improvement on the previous year's figures.

Employment falls 4.1% in **1984** to 27,320 and the fleet now includes 10 B-767-231s, 17 B-747-131s, 2 B-747SP-31s, 26 B-727-31Cs, 56 B-727-231s, 33 L-1011 TriStar 1s, and 15 MD-82s. Orders remain outstanding for 4 MD-83s.

The U.S. Supreme Court on January 16 dismisses a challenge by TWA to a ruling by the New York State Human Rights Division barring the airline from requiring all pregnant flight attendants to take disability leave as soon as they learn of their conditions. The Trans World Corporation's 81% equity in the airline is redistributed on February 1. TWA and its financial problems become a separate entity; however, the move does abort a takeover attempt by the Odyssey Partners group, which had planned to breakup the airline and sell its components.

The largest single route expansion in company history is launched on April 29; new destinations, all emanating from New York (JFK), include Atlanta, Memphis, Raleigh/Durham, Norfolk, Milwaukee, Jacksonville, Amsterdam, Brussels, Munich, Zurich, and Kuwait. Simultaneously, service on the highly competitive New York to Chicago route is lessened in an effort to redeploy into a more commanding position on other routes, such as New York to Seattle. It is also decided not to challenge the hub strengths of **USAir** (Pittsburgh), **Delta Air Lines** (Atlanta), or **United Airlines** (Chicago). Two B-747-282Bs are purchased from **TAP (Air Portugal, S.A.)**, with the first delivered on June 4.

On July 24, arrangements are made to sell the premier B-747SP-31 to the government of Brunei, which will convert it into a VIP transport. This deal will later fall through. Also in July, Vice President-Maintenance and Engineering Richard D. Pearson is named executive vice president/chief operating officer.

In September, a number of assorted investment companies controlled by financier Carl C. Icahn quietly begin purchasing TWA stock. The second former Portuguese Jumbojet arrives on October 30 and as of November, nonstop links are offered to 50 other airports from St. Louis, along with 150 flights per day. During the year, employment costs are reduced \$100 million by a 10% salary cut for all noncontract personnel as well as pilots, meteorologists, and flight dispatchers. Talks with the machinists break down in November.

Although domestic traffic declines, international boardings rise 20.2%; overall system bookings fall 0.4% to 18,225,000. On the other hand, cargo accelerates 25.6 to 616.41 million FTKs. Operating revenues grow 9.5% to \$3.64 billion and expenses are contained at \$3.57 billion. The financial turnaround is dramatic, as operating profit swells to \$75.15 million and net gain is \$29.51 million.

Employment grows 6.4% in **1985** to 29,080 and in an important ruling on age discrimination, the U.S. Supreme Court on January 8 rules that the company has violated the law by forcing 60-year-old pilots to retire rather than be transferred to different cockpit jobs. The carrier now remains the only one of the Big Five majors yet to negotiate wage-

reducing labor contracts with its employee groups and it will face a flight attendant strike that forces it to fly for a significant period primarily with management personnel and new hires manning the passenger cabins.

On February 1, TWA becomes the first U.S. airline to fly a twin-engine aircraft across the Atlantic in scheduled passenger service when Flight 810, a B-767-231ER, is placed on the Boston to London, Paris, and Zurich route, flying under the FAA's 75-min. rule. On February 22, the second B-747SP-31 is sold to the UAE; the Gulf state will transform the Jumbojet into a VIP transport.

A B-747-257B is purchased from **Swissair, A.G.** on March 26, a B-747-284B is acquired from the Greek flag carrier **Olympic Airways, S.A.** on April 11 and on April 28, nonstop B-767-231ER flights begin from St. Louis to Paris to Frankfurt and from Philadelphia to London.

Other new frequencies introduced from New York during the year will include a fourth daily nonstop flight to London, a second daily nonstop to Athens, thrice-weekly nonstops to Tel Aviv, daily flights to Copenhagen via London, daily to Geneva via Paris, thrice-weekly to Bombay via Cairo and Kuwait, and daily nonstop to Munich. New domestic operations inaugurated from St. Louis include Atlanta, New Orleans, Minneapolis (MSP), Dallas (DFW), and Norfolk; the number of domestic flights from St. Louis rises past 170 to 200 per day, in addition to a daily B-747SP-31 service, which is also started to London.

By April 29, Carl Icahn's investors have covertly acquired over 5% ownership; Icahn prepares to turn in his 13D form to the Securities and Exchange Commission and on May 3, meets with TWA management to express his interest in taking over the airline. In a May 9 filing with the SEC, Carl C. Icahn discloses that he, and a group he heads, has acquired more than 20% of TWA's outstanding common stock. The amount is increased to 23% on May 14. The next day, the airline files suit in U.S. District Court New York to prevent Icahn from acquiring more shares, using his present holding to influence TWA management or policies, and to require him to divest his holdings.

A second former **Swissair, A.G.** B-747-257B is delivered on May 17 and Icahn, far from dissuaded by either the suit, the adverse publicity generated by the airline, or the work of high-paid and noted Washington, D. C. lobbyists, makes a formal merger proposal of \$18 per share on May 21. He pledges not to make any further moves for 10 days while the suit is decided. Meanwhile, CEO Meyer opens discussions with Frank Lorenzo three days later. The Texas Air Corporation boss, who also owns 5% of TWA's common stock, offers \$20 per share. On May 28, the federal court refuses to bar Icahn's takeover efforts and at the end of the month, Chairman Frank Borman of **Eastern Air Lines** begins to prepare a bid.

By early June, Mr. Icahn has invested over \$100 million in TWA and owns a third of the company. TWA counterattacks as a Missouri judge issues a temporary restraining order prohibiting the financier from acquiring more stock and that state's Senator John Danforth attempts to enact a piece of special-interest legislation that would keep Icahn, as a corporate raider, from owning any airline. Both moves are blocked.

A Jumbojet with 223 aboard lands safely at St. Louis on June 11 after a 125-pound aluminum panel falls off one of its wings; no injuries are reported. Four MD-83s join the fleet during the month's first two weeks.

During a June 11-12 session, representatives of Icahn and Lorenzo work out an arrangement to provide \$16 million in "expenses" to the former in exchange for allowing Texas Air Corporation to takeover TWA. Lorenzo rejects the arrangement and on June 13 the board of TWA joins with that of Texas Air Corporation in agreeing to a \$793-million merger that would see TWA become a wholly owned subsidiary. Although company management seems pleased, the airline's pilots, who had originally opposed the Icahn takeover, are agast at the prospect of working for Lorenzo and their leaders now begin working with Icahn's representatives.

The next day, June 14, Flight 847, a B-727-231 with 145 passengers and piloted by Capt. John Testrake and a crew of 8, has just taken off from Athens for Rome when it is taken over by two armed Shiite terrorists. These will later be reinforced by 10 others who, collectively, now

put the airline through its worst crisis ever. In a 17-day, televised hostage ordeal, the jetliner initially shuttles between Beirut and Algiers four times in four days and USN diver Robert Stethem is murdered. All of the hostages save 32 Americans and the crew are released.

As Testrake and purser Uli Derickson labor aboard the airliner to win the plane's release and save the captive American passengers, negotiations with representatives of the U.S., Algeria, Lebanon, Syria, and Israel are undertaken. The hostages are taken to different Beirut destinations to prevent their rescue by military forces and are held until Israel releases 735 Shiite prisoners.

The last of 39 American hostages of Flight 847 are freed on June 30 and driven to Damascus in a convoy organized by the International Red Cross; within hours of their arrival, all are flown to West Germany for physical exams, reunification with friends, and flights home.

The incident is widely reported. Capt. Testrake, with David J. Wimbish, relives the saga in *Triumph over Terror on Flight 847* (Old Tappan, N.J.: Fleming H. Revell, 1987) while another prisoner, passenger Kurt Carlson, recalls his impressions in *One American Must Die: A Hostage's Personal Account of the Hijacking of Flight 847* (New York: Congdon & Weed, 1986) as does a second passenger, B. Christian Zimmermann in his *Hostage in a Hostage World: Hope aboard Hijacked TWA 847* (St. Louis, Mo.: Concordia Pub. House, 1985).

Pursor Derickson reveals how she was able to respond while "Living With Fear" in *People Weekly* 26 (July 29–August 5, 1985): 69–76, 96–100. The story is retold as "I'm No Heroine!" in *Reader's Digest* 127 (November 1985): 131–137. With Jim Gallo, Dickerson explains "How I Found the Courage to Fight the Terrorists" in *Glamour* 83 (December 1985): 62–64. The lady's story also becomes the subject of the Emmy-nominated 1988 television movie *The Taking of Flight 847: The Uli Derickson Story*, starring Lindsay Wagner.

Also at month's end, an L-1011 replaces the B-767-231 on the Boston to London, Paris, and Zurich service.

In July, while TWA's management is trying to recover from the effects of the Flight 847 ordeal and President Reagan's veiled warnings of further terrorist acts to come, Frank Lorenzo again tries to deal or buy Carl Icahn away from TWA, but fails at least twice. Meanwhile, the carrier's pilots reach accommodation with Icahn, whom they continue to regard as the lesser of two evils. Rebuffed by Icahn, **Eastern Air Lines'** Frank Borman meets with TWA officials on July 13. However, discussions reveal the enormity of the problems EAL would face if it could win the takeover and consequently, Eddie Rickenbacker's old company bows out of the bidding two days later.

"Trans World Express" commuter service is inaugurated from St. Louis to five Missouri and Illinois cities by **Resort Air** on August 5. The same day, Carl Icahn, who now controls 40.6% interest, wins pledges of support from both the pilots and machinists. Although banned in the U.S. as an instrument of terrorism, Beirut-based **Middle East Airlines, S.A.L. (2)** covertly flies a company crew into the Lebanese capital later in the month to recover the B-727-231 of Flight 847. On August 13, TWA's board refuses to give Frank Lorenzo the "lockup" on negotiations that he had requested and, in effect, hands the takeover game to Icahn. Also during the summer, cargo services are expanded to Bombay, Copenhagen, Geneva, Minneapolis (MSP), and Charlotte.

TWA and Texas Air Corporation agree on September 13 to terminate their merger agreement effective upon the signing of a new merger agreement between TWA and an affiliate of Carl Icahn. The three-way deal provides for payment by TWA to Texas Air, upon signing of the Icahn merger, of approximately \$43 million in cash in satisfaction of TWA's termination obligation under the Texas Air agreement. On September 26, TWA signs a merger agreement with Icahn and certain of his affiliates providing for the financier and his group to acquire the remaining shares of common stock for \$19.50 in cash and \$4.50 in preferred stock.

An order is placed on November 4 for 10 McDonnell Douglas MD-80s, while service to the Bahamas and the Caribbean, with nonstop flights to Freeport, Nassau, and San Juan from St. Louis and New York is initiated on November 15. On December 18, Frank Lorenzo renews

his purchase offer to the TWA board, bidding \$22 cash per share; however, Icahn, who had once threatened to dismiss the board, now makes peace with it and offers \$24 cash for each share of common stock still outstanding. With \$360 million invested, Icahn has finally won his airline. The three B-747SP-31s are now sold, two to **American Airlines** and one to the government of the UAE.

Passenger boardings jump 13% on the year to 20,876,000, but freight dips 5.4% to 586.9 million FTKs. Revenues ascend 5.9% to \$3.86 billion, costs jump 99% to \$3.92 billion, and the operating loss is \$63.57 million. Largely due to takeover costs and a disastrous fourth quarter, a net \$193.1-million loss is suffered. The carrier now has \$1.3 billion in debt against \$539.5 million in equity.

Airline employment is reduced by 5.4% in 1986 to 27,500 and Carl C. Icahn becomes TWA board chairman on January 3 and C. E. Meyer is succeeded by Interim President Richard Pearson; Chief Financial Officer Robert A. Peiser is also driven away. Old-line board members like Robert S. McNamara and Jack Valenti are replaced by new personnel, including Icahn relative Elliott Schnall. Five days later, the new chairman writes to company employees assuring them of his interest in the carrier and mentioning a financial cushion provided by Drexel Burnham Lambert approaching a billion dollars. The communication does not persuade workers of their new chief's long-term interest, particularly as so many executives are let go.

On February 28, the carrier announces the winner of a \$50,000 prize for a contest it ran in 1955 for the most accurate prediction of commercial aviation 30 years into the future. Eighty-year old Helen L. Thomas, who says she long ago forgot entering the contest, is judged the best prognosticator.

Securing a monopoly at its largest hub, TWA purchases St. Louis-based **Ozark Air Lines** on March 6 for \$239 million (\$19 per share of common stock). Applications are filed with the DOT that must decide if a super carrier transporting 85% of the traffic generated at the St. Louis bases will restrict trade. In an effort to resist Chairman Icahn's wage and cost-cutting measures, the company's flight attendants, members of the Independent Federation of Flight Attendants, go out on strike on March 7. They are forced to remain out when the new owner hires replacements and continues to operate.

On April 2, Flight 840 is winging from Rome to Athens, an intermediate stop made as part of a longer service from Los Angeles to Cairo. In apparent reprisal for the sinking by the USN of two Libyan gunboats in the Gulf of Sidra a week earlier, Arab terrorists place a bomb under seat 10F of the B-727-231. The plane explodes at 15,000 ft. and although 4 of the 121 people aboard, including a mother, daughter, and baby, are sucked out through a hole blown in the fuselage, the plane is able to land safely at the Greek capital and the bodies are later recovered. No one is ever apprehended in the case.

On April 15, it is announced that the carrier will close down its connection from Cairo to Athens and Rome, with flights to Cairo routed through Paris or Frankfurt. Three forged Bahraini passports are found aboard a B-747-131 en route from Bombay to New York on April 20, prompting extra security checks and a prolonged stopover at Cairo.

The flight attendants legally prevent the airline from hiring any more replacements by calling off their nine-week-old strike on May 17 after agreeing to a mediated contract, which is ratified on May 22.

During the summer, the terrorism scare and effects of the long flight attendant job action depresses transatlantic traffic and leads to a suspension of flights from St. Louis to Paris and Frankfurt, from Los Angeles to Paris, and from New York to Athens. Trans World Corporation is now renamed TW Services and an agreement is reached with **Piedmont Airlines (1)** that will result in the fellow-major's feeding international traffic to TWA's terminal at New York (JFK).

Merger discussion are held with **Piedmont Airlines (1)** during September; the North Carolina carrier will not take over the Howard Hughes pioneer.

The second of two B-747SP-31s is delivered to **American Airlines** on October 16, while **Ozark Air Lines** is officially acquired on October 26

and is subsequently amalgamated. Its entire fleet of 50 jetliners is sold to a leasing firm and then chartered back, a move that saves the carrier \$240 million—more than the cost of the entire Ozark takeover. In addition, TWA gains another \$25 million when the Ozark pension plan is terminated. Also in October, the last B-747SP-31 is passed to **American Airlines**.

An additional income of \$122.5 million is generated when a half-interest in the company's PARES computerized reservations system is sold to **Northwest Airlines** in November. The same month, an arrangement is made to sell the Hilton International Co. to **KLM (Royal Dutch Airlines, N.V.)** In December, Chairman Icahn announces his intention to take over another airline and quietly establishes an investment company, Swan Management, to begin investing in his next target—**USAir**.

Enplanements dip 7.3% on the year to 24,636,000 and cargo is down 9.1% to 539.72 million FTKs. Revenues plunge 17.59% to \$3.18 billion, costs drop 16.99% to \$3.25 billion, and the operating loss deepens to \$75.72 million. The net loss, however, "improves" to minus \$106.32 million, due largely to \$122.5 million in income received from the sale to **Northwest Airline** of TWA's 50% shareholding in the PARS computerized reservations system.

The workforce is increased by 3.9% in **1987**. In January, the KLM board rejects the purchase of the 90-unit Hilton hotel chain, which is now sold to UAL, Inc. for \$975 million, and the Travel Channel 24-hour cable television channel is launched on February 1. On March 4, owner Icahn bids \$1.4 billion (\$52 per share) for the purchase of **USAir** and acquires 15% minority shareholding. Meanwhile, the SEC launches an investigation of Icahn's tactics as part of a broad review of insider trading; the government's examination, distracts Icahn long enough to allow **USAir** to gain the last bit of financial backing required for a successful takeover of **Piedmont Airlines** (1) the next day. Outmaneuvered, Icahn gives up the idea of a **USAir** merger before the end of the first quarter and disposes of his new holdings for a gain.

Daily L-1011 service is inaugurated from New York to Brussels on May 9, along with daily TriStar flights to Stockholm, continuing on to Copenhagen. Frequencies are also resumed from St. Louis to Paris and Frankfurt. Thrice-weekly Los Angeles to Paris nonstops are restarted in June together with services from New York to Athens; however, flights to Bombay again cease.

A B-747-131 arriving at New York from Milan on August 5 passes within 600 ft. of a Pan Am B-727-221 shuttle from Boston before being guided to a safe landing at New York (JFK). An L-1011 with a stuck landing gear is diverted to St. Louis on August 22, where it lands safely on two of its three sets of wheels.

As in 1979, Pope John Paul II again flies specially configured TWA aircraft between September 10–21: the B-747-131 *Shepherd One*, transatlantic and the B-727-231 *Shepherd Two*, domestic. These two aircraft are accompanied by two charter L-1011s.

In October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

In December, Chairman Icahn purchases 5.9 million shares of Texaco stock from Bell Resources for \$34 per share. A man is taken into custody for bullying a flight attendant who had ordered him not to light up in the nonsmoking section of an L-1011 flight from Boston to Los Angeles on December 30.

During the year, Capt. John Testrake, hero of the 1985 Flight 847 hijacking incident, retires to fly humanitarian aid services for the private multinational Mission Aviation Fellowship in the Far East.

As the result of the public perception that the risk of terrorism has subsided, traffic improves, although it is up only 0.3% over the combined TWA-Ozark figures of the previous year, to 24,722,000 passengers flown. Freight, however, recovers by a nice 11.1% to 599.74 million FTKs. Revenues also resume their upward path, growing by 14.87% to \$4.05 billion. Expenses are up only 5.45% to \$3.81 billion,

allowing an operating profit of \$240.43 million. The net bottom line makes a huge turnaround and provides a gain of \$106.2 million.

Airline employment is increased by 3.4% in **1988** to 31,000, including the most important new hire, President Joseph Corr.

Passengers on a New Year's Day Boston to Los Angeles flight defy the smoking ban and shove flight attendants who ask them to stop; four are taken into custody upon landing. The U.S.-owned German carrier **Tempelhof Airways-U.S.A.** becomes the major's first European code-sharing partner. Employing a SAAB 340A painted in modified TWA livery, Tempelhof inaugurates "TWExpress" flights twice-daily from its base at West Berlin's Tempelhof Airport to Brussels. Meanwhile during the spring, the carrier wins an unexpected \$50-million settlement of a decades-old claim against Howard Hughes stemming from the magnate's failure to purchase new aircraft.

As a result of landing gear extension problems while coming in from St. Louis, a B-727-31 with 6 crew and 62 passengers is forced to make a belly landing at Chicago (ORD) on August 27; although the trijet must be written off, there are no fatalities.

At a special meeting on September 7, stockholders, despite an attempt by the company's pilots to initiate a court case, approve Carl Icahn's proposal to recoup the original acquisition cost by taking the company private. The privatization takes \$610.3 million out of TWA (of which \$469 million goes to Icahn), and adds \$539.7 million to TWA's debt. Meanwhile, efforts to purchase **Eastern Air Lines** continue as the result of several summer meetings between Icahn and Frank Lorenzo.

On October 15, Lorenzo's nemesis, the union leader Charles Bryan, meets with Icahn, but on October 17, the TWA leader announces that he has lost interest in any purchase of **Eastern Air Lines**. Nearly a year after the offense, the man accused of bullying the flight attendant over smoking the previous December, is sentenced on November 14 to 15 days in jail.

Also in November, Chairman Icahn completes the privatization of TWA, which now becomes the only privately owned major airline in America. The process increases leverage significantly as public shareholders receive \$20 in cash and \$30 in face amount of 12% subordinated debentures for each share for a total of \$350 million, including \$140 million in cash. Icahn receives the same \$20 per share, or \$469 million and another \$196 million in a new issue of preferred stock. Employees of the carrier, meanwhile, are able to purchase the remaining 10% of outstanding common shares.

Corporate equity falls from plus \$292 million to negative \$31.2 million, but, at the same time, Chairman Icahn sells the Texaco stock purchased the previous year for \$45.25 per share, presenting his airline with a pretax profit of \$222 million. On the passenger service front, the company and **Alaska Airlines** become partners in each other's frequent flyer programs, allowing participants in either program to earn mileage toward awards in both.

Flight 469, a B-727-231 en route from San Juan to Miami with 128 aboard on December 11, is diverted to Grand Turk Island by former Mariel boatlift participant Felix Sanches, who claims to have a bomb and wishes to go to Cuba; he is arrested. Five days later, on December 15, President Corr, no longer able to work with Icahn, quits to become chairman/CEO of Lorenzo's **Continental Airlines**. The corporate structure is now reformed, with all seven top vice presidents now reporting directly to the office of the chairman. During the year, a B-747-131 is sold to **Evergreen International Airlines**.

Passenger boardings climb a slight 1.9% during the year to 25,196,000 and cargo continues upward, by 8.8%, to 652.65 million FTKs. Revenues ascend 7.59% to \$4.36 billion, costs move along at 7.57% to \$4.1 billion, and the operating profit swells to \$259.42 million. A second straight net profit is generated: \$249.73 million; however, the debt-to-equity ratio has shrunk. The airline now has long-term debt of \$2.3 billion and negative equity of \$31.2 million.

The workforce is cut by 3.8% in **1989** to 29,815 and the fleet now includes 14 B-747-131s, 5 B-747-200s (1 Dash-284B and 2 each Dash-257Bs and Dash -282Bs), 11 B-767-231s, 13 B-727-31Cs, 56 B-727-

231s, 35 L-1011s, 29 MD-82s, 4 MD-83s, 7 DC-9-15s, 38 DC-9-30s, and 3 DC-9-41s. One TriStar is withdrawn.

On January 16, corporate headquarters are transferred from Manhattan to Mount Kisco, New York, an hour north of the metropolis near the owner's home. Twelve days later, on January 28, a federal judge rules that the company is liable for civil damages to 3,000 former flight attendants, who were replaced during their 1986 strike. Also in January, the company begins providing B-727-231 connecting service between New York (LGA) and Washington, D.C. (IAD) under contract to **All-Nippon Airways Company, Ltd.**

While on final approach for a landing at Houston after a March 1 service from San Antonio, the cockpit crew of a **Continental Airlines** MD-82 with 117 passengers misunderstands ATC instructions. It begins a 360-degree turn toward a TWA MD-82 with 57 passengers arriving from Austin in the opposite direction. At 900-m. altitude, the two planes miss each other by just 120 m.

Also in March, the U.S. Supreme Court overturns the January court ruling and in a 6 to 3 decision, indicates that the airline was within its rights to give strikebreakers priority over union members returning to work after the end of the Independent Federation of Flight Attendants strike.

In the first major equipment order since Carl Icahn acquired the carrier, an agreement is announced on March 28 for the \$3.6-billion purchase of up to 40 Airbus Industrie A330-300s or A340s. At the beginning of April, two DC-9-32s previously operated by **KLM (Royal Dutch Airlines, N.V.)**, are chartered.

Chairman Icahn attempts to sell his company, but is unsuccessful. His next move is to sell certain assets, including the Chicago-London route to **American Airlines**. Further cost-cutting measures are sought in the form of employee wage concessions. **Air New Zealand, Ltd.** now joins the major's frequent flyer program.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. TWA, with 16 security breaches, is faced with \$133,000 in punishment.

Also in June, an offering of \$300 million in senior secured notes is registered with the SEC. The move is unique to the industry in that it is secured largely by its slots at New York, Washington, and Chicago and by its expendable spare parts inventory. Long-term debt ascends to \$2.7 billion, with \$118 million in negative equity.

On July 15, the carrier changes its frequent flyer policy in response to complaints and a lawsuit by a homosexual couple; the new policy allows frequent flyers to share free tickets with any companion, not just relatives. Also in July, daily service is opened from Jacksonville to Orlando, continuing to St. Louis and Salt Lake City. In September, an alliance is signed with **Philippine Air Lines (PAL)**. Under its terms, the two enter into a frequent flyer program partnership and agree to code-share flights on PAL flights from Manila to Los Angeles and San Francisco and on TWA services from Los Angeles and San Francisco to New York (JFK).

During the year, as debts pile up, the flight attendants petitions DOT to review Chairman Icahn's fitness to run an airline; the machinists refuse to come to terms on pay, and the pilots accuse the chairman of bilking the company of \$665 million. In December, the carrier sells and leases back, for a \$210-million gain, eight TriStars and three Jumbos.

To make matters worse, customer bookings rise only 0.6% to 25,346,000, but cargo swells by 10.4% to 720.6 million FTKs. Revenues incline upward 3.29% to \$4.5 billion, expenses jump 9.21% to \$4.48 billion, and operating income plunges to \$24.37 million. There is a net loss of \$298.54 million.

There is no change among the company's 29,815 employees in 1990, the twelfth largest airline workforce in the world. The company's 210-jetliner fleet is 10th largest and on January 16, 11 Jumbos are sold to leasing companies for \$210 million to raise cash and reduce debt; they are then leased back.

In February, the carrier joins with **Northwest Airlines** and **Delta Air Lines** to announce that the three have finalized an agreement to create a new and independent reservations system company, Worldspan. Under

the direction of former Delta Vice President-Management Calvin L. Rader, the new system combines the PARS system, which TWA shares with NWA, with Delta's DATAS II reservations system. Brought together are 12,874 PARS and DATAS II-linked travel agencies and 48,910 PARS and DATAS II terminals.

In March, Jerry Nichols is succeeded as executive vice president/chief operating officer by William Hoar and plans are announced for another resumption of flights to Bombay. Later in the month, two Jumbos are sold outright and six B-767-231s are sold and leased back. The arrangement brings the carrier a profit of \$342 million, although it has to prepay \$107 million in related debt, including prepayment penalties. Another letter of intent is signed to sell and lease back a pair of TriStars for a gain of \$28.5 million.

In May, the company signs a letter of intent to lease 12 Airbus A320s formerly destined for **Braniff, Inc.** In June, a frequent flyer partnership is entered into with **Air India, Ltd.** On August 2, Iraq invades Kuwait, driving fuel prices significantly higher and adding to the problems caused by labor, an old gas-guzzling fleet, and an inadequate route system that sees its international segments cut back greatly due to the Gulf crisis.

Union figures in St. Louis attempt to interest billionaire airline entrepreneur Kirk Kerkorian in a possible takeover, while the company reaches agreement to sell its prized London (LHR) route to **American Airlines**. In September, 12 of the company's 46 slots at Washington, D.C. (DCA) are sold to **United Airlines** for \$19.3 million. Older aircraft that are expensive to operate are withdrawn and capacity shrinks. In October, Chairman Icahn approaches bankrupt **Eastern Air Lines**, inquiring about purchase of that major's Atlanta hub. Also in October, a third nonstop roundtrip is launched from St. Louis to San Jose. No such arrangement will be made.

As a result of these difficulties, particularly in the third and fourth quarter, passenger boardings dip 3.7% to 24,416,000, which is still 10th highest among the world's passenger carriers. Freight drops 5.2% to 682.95 million FTKs. Although revenues are up 2.19% to \$4.6 billion, 10th best among all the world's airlines, expenses increase 18.12% to \$7.39 billion. The previous year's operating profit is turned into a \$162.2-million loss, but the net loss is cut slightly, ending up at \$237.56 million.

Airline employment is increased by 4% in 1991 to 31,000 and the fleet now includes 192 aircraft. Following the outbreak of the war in the Middle East on January 17, the company announces that it will cut its international capacity by 50% and lay off 2,500 employees. Beginning in February, the company coordinates its thrice-weekly service from New York to Seattle with **Alaska Airlines**; at the Washington State airport, passengers from the east are able to connect for flights to Alaska. Much of the carrier's international route network in Europe and the Mideast is curtailed during the Gulf War, with service not fully restored until May. Meanwhile, the pilots and machinists unions in March cobble together a huge wage and work rules concession package designed specifically to make the carrier more attractive to an outside buyer.

Missouri's political leaders join TWA's unions in an effort to find a new buyer for TWA; among those approached is Los Angeles billionaire Kirk Kerkorian, who is offered the \$137 million in labor concessions. At the end of April, the carrier's cash supply has dwindled to just \$290 million, while **Tempelhof Airways, U.S.A.**, in the wake of East and West Germany's unification, becomes a ground-handling organization. As the result of a May 2 agreement, TWA transfers New York, Los Angeles, Boston, and Chicago to London route authority to **American Airlines** on July 1 for \$445 million—the DOT had blocked transfer of the Philadelphia and Baltimore (BWI) routes. To compensate for the AA deal, TWA service to England is increased from Baltimore (BWI) to three weekly flights.

A debt-repurchase plan floated in July is blocked by a judge, while a debt-for-equity restructuring plan, conceived at month's end, will employ usage of the bankruptcy laws. The tentative agreement between the airline and its creditors will have Carl Icahn's control drop from 90% to

30%, while debt holders are to receive a combination of stock, cash, and new debt securities in exchange for their signing on. Company publicists announce that these maneuvers will cut almost a billion dollars in debt from the books.

On August 7, the Federal District Court in Atlanta converts an antitrust lawsuit against nine airlines into a class action that could benefit many consumers and cost the carriers millions of dollars. The antitrust suit charges that this company and the others conspired to keep ticket prices high at 23 hub airports. While the politicians and labor concerns jockey for a chance to take on Icahn, the financier/chairman joins with leaders from **American Airlines** and **United Airlines** to make an offer for destitute **Pan American World Airways (1)**.

Chairman Icahn indicates willingness to offer \$1.3 billion, but he and his partners lose out when a second, higher bid is accepted for the pioneer on August 12 from **Delta Air Lines**. Icahn is, however, able to purchase **Pan Am Express**, which the Atlanta-people do not desire. The route transfer to **American Airlines** persuades Kerkorian to back away from any takeover scheme.

En route from New York to Europe on September 15, a B-767-231ER suffers an engine failure that requires it to descend to a lower elevation and divert to Shannon, Ireland, where the offending power plant is changed. Application for New York (JFK) to London (STN) service is made on September 24.

During November, the two ex-KLM DC-9-32s chartered in 1989 are returned to their lessor.

After changing the moniker, the company begins operating **Pan Am Express** at New York (JFK) as a wholly owned "TWExpress" subsidiary on December 5. Several months of merger discussions with **Continental Airlines** have made little progress by year's end.

Also during the year, Robert W. Rummel, who had served for 18 years as assistant to the owner, publishes his memoirs, *Howard Hughes and TWA* (Washington, D.C.: Smithsonian Institution Press).

Customer bookings drop 14.9% this year to 20,778,000 and cargo is down 21.1% to 544.32 million FTKs. Although revenues are down 20.59% to \$3.65 billion, expenses are down by 15.99% to \$4 billion and force an operating loss of \$353.48 million. There is, however, a \$34.55-million net profit gained through the sale of assets.

Company employment is cut by 15% in **1992** to 25,500 and TWA files for Chapter XI bankruptcy protection on January 31. The filing, with its reorganization plan, shows the corporation with assets of \$2.7 billion, liabilities of \$3.5 billion, and \$200 million in available cash. The unprofitable (read \$27-million loss) Travel Channel cable television programming service launched two years earlier is sold to a Landmark Communications subsidiary in February for \$50 million.

On March 2, the company begins utilizing the morning and early afternoon hours at New York (JFK) to expand its domestic hub. Combined with "Trans World Express," the carrier offers virtual shuttle service linking New York with Washington, D.C. and Boston. New York to Moscow (Sheremetyevo Airport) via Brussels flights commence on March 17.

While retaining its St. Louis to London route, TWA, on May 1, sells its Philadelphia and Baltimore to London routes to **USAir** for \$50 million. Simultaneously, the Constellation Club is opened in Terminal A at New York (JFK) as a luxury lounge for full-fare Ambassador and first-class transatlantic passengers.

On June 1, the first phase of expansion to create a hub at Atlanta is started with a total of 29 daily flights. At the end of the month, 300 employees are laid off at the Kansas City maintenance facility.

During July, a bankruptcy judge approves the sale of all remaining Chicago (ORD) assets to AA for \$221 million. On July 28, an MD-82, on approach for a landing at Dallas (DFW) after a service from Richmond, Virginia, loses certain hydraulic power that results in the crew extending the landing gear into place manually. The plane touches down without incident.

Having aborted takeoff from New York (JFK) on July 30 on a service to San Francisco, the pilot of Flight 843, an L-1011 TriStar 1 with 11

other crew and 280 passengers, is unable to halt his aircraft. Fearing that the plane will run off the end of the runway, he turns the aircraft left and runs it 296 ft. into an adjoining field, where it takes fire. All aboard are safely evacuated (with only 57 minor injuries) before the Lockheed is destroyed. The accident is considered to be a textbook example of how safety procedures are supposed to work.

On August 24, TWA and the TWA Creditors' Committee announce the signing of agreements in principle with the company's three major unions for \$660 million in wage and benefits concessions in exchange for 45% equity state in the airline.

In exchange for the forgiveness of a billion dollars in debt, the company's creditors receive majority 55% control in September. Chairman Icahn, who will lose his chairmanship under this plan—along with the burden of the airline—helps to resolve a \$1.2-billion claim by the Pension Benefit Guaranty Corp.

By October, TWA is a much smaller airline, having eliminated international service from 22 of its 26 destinations and cut its number of domestic markets from 70 to 62. A new schedule is introduced on October 23 under which service connecting New York (JFK) and Detroit (DTT) is increased to five daily roundtrips. Between November and December, 17 L-1011s are returned to lessors and one B-747-131 is sold to **Tower Air**. Jetliners are employed to begin replacing the turboprop services of "TWExpress" partner **Trans States Airlines** from St. Louis to Louisville, Lincoln, Knoxville, and Chicago (MDW).

Passenger boardings shoot up 8% to 22,438,000, but freight dips 1.8% to 534.42 million FTKs. Revenues slip 0.7% to \$3.63 billion, expenses rise 0.6% to \$4.03 billion, and the operating loss climbs to \$404.6 million. The net loss is a huge \$317.85 million.

The payroll is decreased by 10.2% in **1993** to 26,500, which is now the world's 13th largest airline workforce. On January 8, Carl Icahn resigns as chairman and is succeeded by former and retired **Piedmont Airlines (1)** Chairman/CEO William Howard, who officially assumes control six months later.

Icahn's stock is placed in escrow and he even supplies \$200 million to help ease the impact of reorganization costs; the "prince of green-mailing" as he is known, leaves the company with pensions underfunded by a billion dollars. Mark Stevens will review his role with the airline in his *King Icahn: The Biography of a Renegade Capitalist* (New York: E. P. Dutton, 1993).

Company direction is placed in the hands of the board's joint Vice Chairmen Robin H. H. Wilson and Glenn R. Zander, a two-man Management Committee (joint CEOs) appointed by the board, employees, unions, and creditors. Such a dual appointment is uncommon in American airline history, but not in the history of certain European carriers, e.g., **Swissair, A.G.** Employees agree to \$660 million in wage and benefit savings over the next three years in exchange for 45% minority shareholding. Additionally, \$1 billion in debt is eliminated by the reorganization.

Plans are made to remove 10 older B-727-231s and replace them with 6 McDonnell Douglas MD-83s, 12 DC-9-51s previously operated by **Eastern Air Lines (EAL)**, and a Boeing 767-331ER.

Comfort Class service is inaugurated on transcontinental and transatlantic wide-body flights on January 14 and a new reorganization plan is filed with the Federal Bankruptcy Court on February 17. Thrice-daily roundtrips commence on March 2 from Atlanta to Pittsburgh; the same day, daily nonstop flights are started from the Georgia city to 12 new cities via either St. Louis or New York.

On March 22, federal judge Marvin H. Shoob approves a \$458-million settlement of a class action antitrust lawsuit charging TWA and five others with price-fixing. Travelers will now be able to receive discount airfare coupons to compensate for overcharges made by the carriers on flights between January 1988 and June 1992.

On April 4, thrice-daily jetliner flights commence between New York (LGA) and Pittsburgh. Executive bloodletting continues as Senior Vice President-Marketing Robert Cozzi resigns, also in April. In preparation for the summer tourist season, several B-747-131s have upwards of 40

seats removed to create more legroom, which is marketed as Comfort Class coach- and business-class service.

The first of the former EAL DC-9-51s enter service in June. Plans are made to emerge from bankruptcy in July, but a postponement must be sought.

On August 2, TWA is one of seven carriers to win an Air Force contract to provide long and short range international airlift services under the Civil Reserve Air Fleet program; the pact is valued at \$12 million.

On August 8, Vice Chairman/Acting Co-CEO Zander becomes president as former **Piedmont Airlines (I)** Chairman/CEO Howard officially takes the same positions at TWA. The U.S. Bankruptcy Court in August approves the company's reorganization plan, clearing the way for reemergence.

Daily roundtrips commence on September 8 between New York (LGA) and Atlanta's Hartsfield Airport. Owned by its employees and creditors and headed by experienced chief Howard, the company emerges from Chapter XI on November 3.

In exchange for \$600 million in wage and benefit concessions, employees own 45% shareholding. The airline now has \$200 million in cash, including the \$40 million from the sale of Chicago facilities to **American Airlines**, \$10 million from Airbus Industrie, and \$64.7 million from the City of St. Louis, which is participating in a sale-leaseback of TWA facilities in that city. An operating agreement is signed with **Alpha Air** of Los Angeles on December 1; under its terms, the regional begins "TWExpress" feeder flights to seven communities.

The St. Louis gateway to Hawaii is reinstated on December 15 with the initiation of daily nonstops from that Missouri city to Honolulu. The airline, also in December, joins with New York-based EAB; the bank and the airline will issue co-branded MasterCard and Visa credit cards. Following a service from Baltimore to St. Louis on December 30, the last B-727-31 is retired.

Customer bookings for the year decline 15.2% to 18,976,100, a figure still 13th best in the world. Cargo falls 18.8% to 433.7 million FTKs. Revenues plunge 13.1% to \$3.15 billion, the 18th biggest sum in the world, as expenses fall 14.9% to a still-high \$3.43 billion. The operating loss is cut almost in half, down to \$283.98 million, while the net loss position of the previous year is shown as a \$623.7-million net gain.

The latter figure is so strong that it ranks as second best in the world, higher even than that by such perennially strong earners as **Singapore Airlines, Ltd.** and **Cathay Pacific Airways (Pty), Ltd.** It will later be shown that the latter is based on \$1.07 billion in income and extraordinary gains from the bankruptcy emergence; without this extraordinary wind-fall, the company would have recorded a net loss of \$435.83 million.

Airline employment is cut another 12.3% in 1994 to 22,964. Chairman Howard resigns on January 4 and is followed out by Co-Vice Chairman Zander before the month is over. Two new top officers are immediately recruited: chairman/CEO Donald F. Craib Jr., retired chairman/CEO of the Allstate Insurance Group, and President Jeffrey H. Erickson, former chief of **Midway Airlines** and **Reno Air**. Wilson remains as vice chairman. The company occupies its new corporate headquarters at One City Centre, St. Louis, in February, along with its new reservations center in the Agribank Building on that city's Olive Street.

A B-767-330ER acquired from **Deutsche Lufthansa, A.G.** begins nonstop Los Angeles-Paris service on March 16. On March 17 the U.S. government settles an antitrust suit against TWA and five other airlines that agree to changes in their reservations system that the government had complained are employed to fix airfares. Without admitting or denying the accusations, the six agree to end the practice of communicating proposed fare increases to each other through the system maintained by the Airline Tariff Publishing Company.

The new leadership team now undertakes a number of moves designed to increase profitability. Renewed emphasis is placed on European services. Nonstop Los Angeles-Paris flights are inaugurated over the North Pole, while the number of weekly frequencies from New York (JFK) to Europe is increased from 59 to 77. During the first five months, the fleet is increased by the addition of 11 MD-83s and 4 B-767-

331ERs. Arrival of the latter allows retirement of the L-1011s employed on international flights.

In preparation for the fare wars and hectic bookings of the summer, the number of daily departures from the St. Louis hub is increased in April from 257 to 300 plus. Additionally, the Atlanta minihub is all but eliminated on June 1 and daily departures from the Georgia city are reduced to 11 from 57. At the same time, the number of Comfort Class coach- and business-class aircraft seating configurations is increased. Consultant Mort Beyer, president of Washington, D.C.-based Mort Beyer & Associates (later Mort Beyer & Agnew), is recruited to develop a plan to neutralize the threat from **Southwest Airlines** at St. Louis. Beyer's plan, calling for a considerable number of frequencies from the Missouri hub, will not be implemented.

Vacation tours to Russia and China are cancelled on June 4 because of IAPA warnings about unsafe flying conditions; the airline also has difficulty in guaranteeing airline departures within Russia. Chief Financial Officer Richard Shuyler resigns later in the month to become the chief financial officer of **Atlas Air**.

The company halts service to Berlin on July 1, leaving **Delta Air Lines** as the only American airline serving Germany's once and future capital. Vice Chairman Robin Wilson resigns, also in July, and his duties are assumed by Senior Vice President-Operations Edward Paquette. The company joins with the American Society of Travel Agents to ask the DOT to require that carriers operating code-sharing flights list those under only one designator in the reservations system, thereby avoiding confusion.

On August 3, the carrier announces that it will lay off up to 3,000 employees, or 11% of its workforce, for 30 days as part of its effort to cut \$135 million from its annual costs to insure that it has enough cash to make it through the winter. Despite the bad news, employees sponsor the acquisition of a new MD-83 through voluntary wage contributions; the aircraft, painted in a special reversed color scheme, is rolled out at Kansas City ceremonies on September 2 and is christened *Wings of Pride*.

As part of the continuing company cutback, services to Zurich and Geneva are halted on September 7 and flights between Los Angeles and Paris are suspended for the winter. In a continuing effort to unload unprofitable markets, subsidiary **Trans World Express** halts services to 12 cities in the Northeast U.S. during September. An employee and management team is formed to "remake" the airline as President/Chief Operating Officer Erickson assumes the CEO mantle from Chairman Craib; Robert A. Peiser returns from exile and is named executive vice president and chief financial officer.

A tentative agreement is reached with the flight attendants union on September 22, followed by the signing of a new contract with ALPA pilots on September 26. These agreements allow the company to cancel its layoff threat of August. A pact is also concluded during the month with the machinists' union. When the flight attendants' union comes to final terms a little later, TWA has, in effect, achieved a total labor restructuring.

Under overall terms, employees agree to contribute \$130 million per year through 1997 in wage and productivity improvements, surrender \$200 million in snapbacks set to occur, and have their ownership stake reduced from 45% to 30% in order that creditors might take more shareholding in exchange for debt forgiveness. Delivered in March 1970, the second oldest B-747-131 in the fleet is removed from service on September 26.

On October 11, the company proposes a sweeping restructuring in its continuing efforts to avoid failure. In a filing with the SEC, the company recommends that its creditors exchange \$800 million of the \$1.8-billion debt for new debt and equity to help lower interest payments by some \$80 million per year. The proposals, which includes the postponement of six months of lease payments, will have the effect of diluting the employees' 45% ownership to the agreed-upon 30%. Officials hint that, should creditors not buy in, the company may have to file a prepackaged Chapter XI bankruptcy plan. Also during the month, a tentative agreement is signed with the airline's 4,800 flight attendants and a pair of leased B-767s, a Dash 205ER and a Dash-340ER, replace two L-1011s.

On the evening of November 22, Flight 427 is 1,500-feet into its take-off roll from St. Louis en route to Denver. The MD-83 with 142 aboard is forced to swerve in an effort to avoid a Cessna 441 Conquest II twin-turboprop that has strayed onto the wrong runway without clearance. The jetliner clips the smaller aircraft with its right wing, shearing its roof off and killing both people aboard. Eight of the passengers on the transport are slightly injured and all are evacuated after the MD-83 comes to a stop, spraying avgas from its ruptured wing 1,000 ft. down the runway.

One of five sets of landing gear on a Jumbojet partially collapses as it lands at New York (JFK) on December 18; no injuries are reported. On December 20, executives report that the financially troubled pioneer has obtained key leasing agreements with GE Capital Corporation and McDonnell Douglas that will help it survive the winter. Planning is begun for a new "We're up to Something Good" advertising campaign that will be dominated by the first new aircraft color scheme to be introduced since 1974.

Passenger boardings for the year jump 10.5% to 21,038,600 and freight rises 14.9% to 498.1 million FTKs. Revenues advance by 8% to \$3.4 billion, but expenses accelerate 7.2% to \$3.68 billion. Consequently, the pretax loss, down slightly, is \$279.49 million and a net loss figure is not provided.

The workforce grows by 1.3% in 1995 to 23,268. On January 7, a group of company bondholders with 10% and 8% notes reject the airline's restructuring plan, saying it would be a better deal for them if the carrier were just shut down and its assets sold. Early in the month, former British Aerospace plc Chairman John Cahill, who had joined the board in September, is elected nonexecutive chairman.

During the third week of January, the company sets a January 30 deadline for a vote on its latest debt-for-equity plan which, if not acceptable, will force the company into Chapter XI bankruptcy. When progress appears to be made in negotiations with the bondholders, the deadline is extended by the company to March 3.

On February 5, an L-1011 with 237 aboard makes an emergency landing at New York (JFK) just after its takeoff from New York (LGA); no injuries are reported. Ten days later, company officials announce that they will match the fare cuts on travel to the U.S., Europe, and the Caribbean launched by **American Airlines** and **America West Airlines** two days earlier.

On February 26, TWA also matches the fare increase, involving mainly business travelers, announced by **United Airlines** the same day. During the month, the company joins **Delta Air Lines**, **Northwest Airlines**, **United Airlines**, **American Airlines**, and **USAir** in placing commission caps on travel agents.

The DOT fines the carrier \$350,000 on March 5 for failure to disclose its code-sharing arrangements during a series of test telephone calls made by agency officials. Of this amount, \$50,000 will be forgiven if TWA commits no further violations in the next 12 months.

Members of Civic Progress, an organization made up of the CEOs of leading St. Louis-based companies, pledge on March 14 to purchase up to six months of travel on the carrier to demonstrate their confidence in TWA's future.

Trans World One service is introduced on March 15; the new product combines industry-leading customer service and passenger comfort for international business travelers.

On May 9, the carrier breaks ranks with its fellow majors and rescinds its limit on travel agent commissions. In exchange for reinstating the traditional 10% commission on domestic airfares, the company is dropped as a defendant in the class-action lawsuit filed by Travel Network, Ltd. The next day, the airline seeks to push back to 1997 the repayment date on \$197 million in loans owed to former Chairman Carl C. Icahn. If Icahn will agree, he will be able to purchase, at discount, some \$640 million worth of TWA tickets for sale over the next eight years.

On June 21, the first day of stock trading following **Hawaiian Airlines** reemergence from bankruptcy, rumors begin that either TWA or **USAir** will purchase the company. Officials of all three carriers deny such a possibility on June 23. Three days later, TWA's shareholders and

creditors agree to a key aspect of the company's debt restructuring plan which, officials have explained, will make the company profitable by year's end because it eliminates \$500 million of the \$1.7-billion debt. Plans are made to present the reemergence program to the U.S. Bankruptcy Court within a week.

On June 30, TWA files for Chapter XI bankruptcy protection at St. Louis, planning to put into place the prepackaged restructuring plan now agreed to by creditors (including Mr. Icahn) and employee-shareholders. Unlike a normal Chapter XI filing such as the airline had achieved in 1991, this kind of prepackaged arrangement usually allows for quicker emergence. On filing day, the carrier has \$149.5 million in cash and cash equivalents available.

Optimistic about its future, the company in late July enters into an arrangement with Ansett Worldwide Aviation Services, Ltd. for the lease of three MD-83s, the first new aircraft to join the fleet in two years.

After a month's deliberation, the court approves the company's debt reorganization plan on August 4. Five days later, a group of private investment funds is set up to buy all of TWA's ticket vouchers issued under the reorganization program. Company executives point out that the vouchers are worth \$50 each and are good for up to 50% of the purchase price of travel anywhere the airline flies.

For the second time in less than two years, TWA emerges from bankruptcy on August 22. The first former Ansett MD-83 is delivered the next day. It will enter the future in its strongest financial position in a decade.

Following the successful relocation of the Rams NFL football team to St. Louis, TWA, on August 31, announces sponsorship of the team's new stadium, the Trans World Dome.

During late summer and early fall, former Chairman Icahn quietly establishes Global Discount Travel Services in New York and Global Travel Marketing Service in Las Vegas to sell off, at 25% reduction, the tickets he had received as a result of his May 10 deal and the August bankruptcy restructuring.

On September 21, a DC-9-34 is unveiled as the inaugural aircraft repainted in the carrier's new livery, the first color scheme change since 1974; it is employed to inaugurate service from St. Louis to Jackson, Mississippi.

A decade after he was murdered by Arab terrorists during the 1985 hijacking of Flight 847 to Beirut, the late USN Seabee Robert D. Stethem is honored by the USN, which commissions a guided-missile destroyer in his name on October 21. The Port Hueneme, California, ceremonies are attended by the sailor's parents.

With double frequent flyer miles awarded to inaugural passengers, the company launches roundtrip, nonstop flights on October 29 from St. Louis to Mexico City. The first ex-Ansett MD-83 enters service during the month; the next two will begin flying for the company at the end of November and December, respectively.

Also in October, TWA introduces a new livery of the airline's planes. A DC-9-34 is the first plane to arrive at St. Louis wearing the new color scheme.

Also during the month, Pope John Paul II travels to Newark, Baltimore, and Rome on a specially configured TWA B-767-3Y0ER on the final leg of a weeklong visit to the U.S.

The Atlanta-based carrier **Valujet Airlines** sues the company and **Delta Air Lines** on November 9 over landing slots at New York (LGA). Eight days later, U.S. Federal Judge G. Ernest Tidwell clears the way for Delta to lease 10 of TWA's New York (LGA) slots by rejecting Valujet's request for an injunction. Completing a restructuring of routes that sees several eliminated, the major eliminates its "TWExpress" subsidiary in November, turning its services over to **Trans States Airlines**.

TWA, on December 12, files suit against former Chairman Icahn seeking to stop his newly formed travel concerns from selling TWA tickets to the public at a 25% discount. Icahn denies any wrongdoing and accuses the airline of going back on the financial settlement it had earlier made with him; he simultaneously enters a default notice against the airline concerning his \$190-million loan. Outmaneuvered, company executives drop their suit on December 18.

Both engines aboard a DC-9-32 flame out during the aircraft's landing roll at St. Louis Lambert Field on December 19 and the aircraft begins to slide, stopping near the edge of the runway, 70 degrees off runway heading. None of the 54 passengers are injured in an event caused by engine ingestion of snow and slush from the pavement. Two more incidents occur over Christmas week.

During its December 25 landing at San Francisco, the right engine throttle of an MD-82 sticks due to frozen hydraulics; the engine is quickly shut down and the touchdown is completed without further incident.

Two days later while en route from Phoenix to New York, the captain's windshield of an MD-83 cracks while at cruising altitude; an emergency descent is made, along with a safe emergency landing back at the point of origin.

During the year, the company has also paid attention to updating its automation system and to its aircraft fleet. Commitments are made to acquire 20 B-757-200s, to retire the remaining L-1011s, and to hush-kit 28 DC-9s.

Enplanements increase by 3% to 21,592,300, but cargo falls 16.8% to 419.8 million FTKs. Operating revenues also decline, by 2.7% to \$3.31 billion, but costs fall a huge 10.7% to \$3.29 billion. There is a small \$25.08-million operating gain, a big turnaround from the previous year, while the net loss is cut in half to \$227.45 million. With \$287 million in cash on hand, the company has twice the amount of available money now that it had 12 months earlier.

Airline employment stands at 24,969 in 1996, a 7.4% increase. Work begins on hush-kitting 28 of the company's 30 DC-9-30s this year. During the next 12 months, 8 B-727-231s and 1 B-727-231A will be removed from service and replaced by a large number of leased MD-83s.

A major winter storm cripples East Coast airline operations between January 7 and 11. Departures from New York (JFK) are halted on January 8 with incoming flights diverted to St. Louis. Some 900 passengers are affected.

On January 12, the company board adopts a Stockholder Rights Plan or "poison" plan, designed to protect shareholders from a hostile takeover. The stairwell door of a B-727-231 with 74 aboard opens during a flight over Texas on January 17. It is closed by a flight attendant without incident, but the aircraft returns to its San Antonio originating point.

During the month, a B-747-131 is repainted in the company's new livery and appears in a television commercial during Super Bowl week that highlights TWA service back to the days of the Constellation.

Capt. John Testrake, hero of the 1985 Flight 847 hijacking incident, dies at age 68 on February 6. Testrake retired from the company in 1987 to fly humanitarian aid services for the private multinational Mission Aviation Fellowship in the Far East and been stricken with cancer, forcing him to step down from the cockpit in 1994.

The same day, executives of the airline announce that a total of 2,100 pilots, reservations agents, and flight attendants will be hired before year's end and that most of these will fill vacant positions resulting from retirements and normal attrition.

Plans are announced on February 12 for the purchase of 10 B-757-231s and lease of 10 B-747-2Q8s to replace the aging L-1011 and B-747-100 fleet. This is the airline's first major aircraft acquisition program of the post-Icahn era.

It is announced on February 28 that, as a result of the new U.S.-Canada "open skies" agreement, the company will immediately inaugurate twice-daily MD-83 roundtrips, in association with **Air Canada, Ltd.**, between St. Louis and Toronto. The next day the company applies to the DOT for authority to service Japan.

On March 10, TWA becomes the second U.S. carrier after **Northwest Airlines** to order the new Airbus Industrie A330-300; the 10-ship request will later be cancelled.

On March 26, the Hilton Hotels frequent flyer program, the only loyalty plan that allows travelers to exchange hotel points for airline miles and miles for points, adds the company to its roster of airline exchange partners.

Also in March, a new East Coast reservations center is opened at the Norfolk Lake Wright Executive Center; the 40,000-sq.-ft. Virginia facility that employs 500 people is linked to the centers at Los Angeles, St. Louis, and Chicago.

During the month, it is announced that the company will close the majority of its 50 U.S. sales offices under a Sales Office Automation Resources project. Hoping to save \$1 million per year, the airline will have its agents move from fixed locations to what it calls "the virtual office environment of a mobile sales force."

During March, the airline, in a dispute with former owner Icahn over the manner in which he is disposing of \$610 million worth of tickets received in the 1995 bankruptcy settlement, revokes the ticketing plates and agency agreement with Icahn associate Oregon-based Mr. Cheaps Travel.

New services are introduced during the spring to Jackson, Reno, Shreveport, Knoxville, Cancún, Ixtapa, and Puerto Vallarta from St. Louis. Flights are discontinued between Boston and Paris and between New York (JFK) and Frankfurt. As the result of a business strategy dispute with President Erickson in late June, Executive Vice President Peiser and Senior Vice President-Marketing Mark Coleman both resign. Vice President-Revenue Management Marilyn M. Hoppe is appointed acting vice president-management. A new state-of-the-art reservations center is opened at Norfolk on June 24.

As a result of a June 25 controller error at the New York Air Traffic Control Center, a **Virgin Atlantic Airways, Ltd.** B-747-4Q8 en route to New York (JFK) from London (LHR), crosses a checkpoint within two minutes of a company B-767-231ER. The Traffic Alert and Collision Avoidance systems (TCAS) aboard both wide-bodies sound, allowing early evasive action to be taken.

A contract is signed on July 1 for the sale of two more B-747-100s and a B-747-284B. At the same time, an MD-83 is leased from **Alaska Airlines**. It is announced on the same day that the company has hired a total of 212 new pilots during the preceding 12 months. On July 16, an order is announced for 15 new MD-83s.

One of history's most mysterious air disasters occurs on the evening of July 17 when Flight 800, a B-747-131 en route from New York to Paris with 230 passengers, mysteriously explodes and crashes into the sea off Long Island; there are no survivors. A massive rescue and salvage effort follows under the direction of NTSB Vice Chairman Robert Francis; FBI assistant director James Kallstrom oversees a security examination.

Over the next year, dozens of theories concerning bombs, missiles, and mechanical failure surface and dissipate. Among the more interesting accounts is James Sanders' *Downing of TWA Flight 800* (New York: Zebra Books, 1997).

The first of 10 new B-757-2Q8s arrives under charter from ILFC on July 22.

On August 15, an eight-foot section of a wing flap breaks off from Flight 782, a B-727-231A with 112 passengers, on approach to New York (JFK) and plunges onto a South Ozone Park street in Queens; although deep gashes are left in the pavement, no injuries are reported.

Edward Soule is appointed executive vice president/chief financial officer during the third week of August and the premier B-757-2Q8 enters service on September 1 from St. Louis to Orange County-Santa Ana, California.

Prior to the suspension of its New York to Tel Aviv service on September 3, **World Airways** contracts with the carrier to honor those passengers holding tickets valid beyond the end-of-service date. Bringing the number requested to 15, the board of directors during the middle of the month approves the acquisition of 10 more MD-83s. On September 28, the carrier is chosen as the official airline of the new St. Louis Rams professional football team; in honor of the occasion, a B-727-231A is unveiled wearing the image of a Rams football helmet on its forward fuselage. The next day, the Boeing departs Lambert Field on a team charter for Phoenix, where the team will play the Arizona Cardinals. The aircraft will normally provide public transport, flying the team on specific chartered dates.

On October 3, it is announced that members of the carrier's frequent flyer bonus plan can use 30,000 of their accumulated miles to purchase a one-year Ambassador Club membership. As investigation into the crash of Flight 800 continues, the company suffers a significant financial downturn. On October 24, embattled President/CEO Erickson resigns, along with three senior vice presidents, effective in January. Management turmoil will ensue.

A debunked rumor that Flight 800 was the victim of a US Navy missile resurfaces on October 8 when former White House Press Secretary Pierre Salinger asserts in a Paris speech that he has new evidence that the assertion is true. The next day, James K. Kallstrom, chief FBI investigator in the case, asserts that the Salinger information has been on the Internet since August 24 and remains untrue. The entire Salinger incident is very upsetting to relatives and friends of the victims.

The DOS and TWA, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide DOS with a passenger list within three hours of a crash.

Gerald L. Gitner becomes the new vice chairman and acting CEO in early December. David M. Kennedy is named acting executive vice president/chief operating officer with William F. Compton as acting vice president-operations.

Throughout the summer and fall and into the winter, a legal scramble has been in process to assign blame for the explosion and crash of Flight 800. By December 23, lawyers have filed 23 lawsuits against Boeing and TWA seeking compensatory and punitive damages in excess of \$1 billion. The same day, TWA, in an effort to stem the losses it has been suffering on the North Atlantic, announces that it will cut some routes and possibly hundreds of jobs at its JFK International Airport hub early in the new year.

Customer bookings advance 8% to 23,407,000 and 392.53 million FTKs are operated, a 6.1% decline. Although revenues are up 7.2% 5 to \$3.55 billion, expenses increase 14% to \$3.75 billion. The previous year's modest operating profit becomes a \$198.52-million loss while the net loss deepens to \$284.81 million.

The employee population is reduced by 10.7% in 1997 to 22,321. On January 10, TWA joins **Continental Airlines, United Airlines, USAir, and Delta Air Lines** in submitting requested comments to the U.K. Office of Fair Trading concerning the proposed strategic alliance between **American Airlines and British Airways, Ltd. (2)**. They assert that such a pact would give the British and American giants the dominant positions in transatlantic and other markets and that the OFT's proposal to require them to relinquish 168 weekly slots at London (LHR) is insufficient to counterbalance the alliance. BA files a 148-page written response.

Also during January, the company vacates half of its domestic terminal at New York (JFK). It also begins to restructure the St. Louis hub. A number of unprofitable routes are dropped, including service to Athens. During the remainder of the winter season, flights also cease from New York to Frankfurt and from Boston to Paris.

The fleet renewal program is accelerated and efforts are made to acquire 20 MD-83s and 27 B-757s. It is announced that the carrier will halt transatlantic flights by its B-747-100s as part of the effort to cut the huge losses in international services being suffered at New York. The Jumbos will be replaced with B-767s. While it continues to phase out its 12 remaining L-1011s, the company makes plans to withdraw all of its 14 remaining B-747-100s by fall.

Flight 374, a DC-9-51 with 112 passengers, encounters clear-air turbulence over Cape Girardeau during initial descent into St. Louis on January 28; two flight attendants are injured, one seriously.

It is reported in the aviation press on February 1, that **Transaero Airlines**, Russia's second-largest airline, has joined the New Jersey-based investment group Strategic Capital Group for the purpose of joining in a proposal to take over the carrier. TWA will neither confirm nor deny this activity.

On February 3, machinist union leaders, who represent 15,000 of the carrier's 25,000 workers, threaten to sue TWA's board of directors if it makes any additional cutbacks before a purchase, merger, or strategic alliance is considered.

Nine days later, the airline places a hiring freeze on white-collar workers. At the same time, Acting CEO Gitner is named permanent chairman/CEO and is immediately welcomed by a vote of no confidence from the machinist union leadership, whose representatives on the board had lobbied against his appointment.

The carrier's schedule is significantly enhanced on February 15; 28 additional flights are added to 16 cities from the St. Louis hub, bringing the total average daily departures from the Missouri base to 346. Additionally, the New York (JFK) hub also increases to 38 average daily departures. As a result, TWA operates 784 average daily flights to 90 destinations in 79 North American and 11 international cities.

From St. Louis, one additional daily roundtrip flight is added to Las Vegas, Pittsburgh, Hartford, Cedar Rapids, Lincoln, Reno, Norfolk, Albuquerque, Houston, Tampa, Cincinnati, and Phoenix. One additional daily one-way flight from St. Louis is added to Raleigh/Durham, Austin, Charlotte, and San Antonio. From New York (JFK), one additional daily roundtrip is added to Tampa (a resumption of nonstop service), San Juan, and Orlando. Two daily nonstop roundtrips are added to West Palm Beach from New York (LGA).

At month's end, financier Carl Icahn is unable to prove to U.S. District Judge Sonia Sotomayer in a New York hearing just how the airline had damaged his Global Discount Travel Service by default in 1995 and dismisses his antitrust lawsuit. Icahn and TWA agree to negotiate their differences. They will be unable to reach agreement and the suit will be resumed, this time in U.S. Circuit Court in St. Louis.

At the same time, the company's 5,200 flight attendants vote to replace their bargaining agent, the International Federation of Flight Attendants, with a new collective bargaining representative, the International Association of Machinists and Aerospace Workers (IAM). The IAM now represents 20,000 of the carrier's 25,000 workers and holds 3 of the 4 labor seats on the airline's 15-person board.

During the week of March 17, a 57-page article, prepared by a group of people headed by Pierre Salinger, appears in *Paris Match* with new claims that a US Navy missile downed Flight 800. The article is publicly disputed ahead of its appearance by a number of U.S. government officials, including NTSB Chairman James E. Hall in a March 13 speech. Saudi billionaire Prince Al-Waleed bin Talal purchases 5% of the airline's outstanding common stock (2 million shares) on March 18. At the end of the month, the only L-1011 TriStar painted in the company's new color scheme is withdrawn.

The service from New York (JFK) to Athens is withdrawn on April 18. On May 15, in its most aggressive ad campaign in recent memory, TWA dumps its "We're Up to Something Good" approach of 1994. It is replaced by a series of print and electronic commercials that employ its workers to demonstrate the company's new-found on-time and reliability that explains why "We Want to Be Your Airline."

Also on May 15, Flight 327, an L-1011-385 TriStar 1 with 11 crew and 176 passengers, experiences an in-flight separation of the left main landing gear strut door while on approach to St. Louis from Orlando; the aircraft lands without incident and no injuries are reported.

At the beginning of June, the company pledges to award 1,000 bonus miles to every frequent flyer on a flight that is late by 15 minutes or more. The company budgets 115 million miles, but due to its improved service, it only needs to hand out 91 million loyalty credits.

The first new MD-83 from a 1996 order arrives in July. Delayed almost 18 months, implementation of improved automation systems begins early in summer and over the next several months, a yield management system is installed, while plans are made for revenue accounting, weather recovery, crew scheduling, and field sales force systems to be installed.

A memorial mass is held at St. Patrick's Cathedral in New York City on July 17 for mourners who lost loved ones in the Flight 800 disaster a year earlier; following the service, they are bussed to Long Island for an-

other memorial service. There, at the edge of Smith Point Park near the spot where the Boeing crashed into the sea, a black monument has been placed bearing the names of the dead crew and passengers.

On July 21, company officials announce that they will consolidate the carrier's 23 domestic maintenance stations into 13 by year's end; as a result of the measure, 1,000 jobs will be cut, 4% of the company workforce. On August 20, the last 2 victims of Flight 800 are identified, 13 months after the disaster.

In August, two new cargo products are unveiled. NFO Life is a specialized premium medical service, while Shipper Saver, the carrier's most economical cargo offering, provides second-day delivery throughout the continental U.S.

The company discovers that Mr. Cheaps Travel, the ticket discounting travel firm with which it had broken the previous year, is preventing other travel agencies from getting low-fare TWA seats by using fake names and other illegal means to lock in low fares. TWA now blocks the concern from access to its Worldspan computerized reservations system.

On August 26, Mr. Cheaps Travel goes before a judge and obtains a restraining order against the airline. TWA responds by appearing in federal court in Montana on August 29, demonstrating the ticket counter's tactics and having the restraining order lifted. The story is widely reported in Midwest and West Coast newspapers the next day.

The last day of regularly scheduled TriStar service is September 2. The next day, two final L-1011 equipment-recovery services are operated to St. Louis: Flight 327 from Orlando and Flight 37 from Boston. Alerted in advance, traffic controllers at Lambert Field are able to guide the two jetliners to landings on parallel runways at the same time, 10:31 a.m. (CST). The last passenger-carrying segment flown by a Lockheed wide-body in company colors is Flight 840 from Los Angeles to New York (JFK), which arrives later in the afternoon.

Increased nonstop services are launched on September 3 from St. Louis to Cincinnati, Louisville, New Orleans, and Orlando. The company also begins year-round return service from St. Louis to Paris.

On September 4, **Northwest Airlines** raises its domestic fares by 5% and over the weekend most other U.S. majors, except **Southwest Airlines (2)**, join in.

On September 8, **American Airlines**, **Delta Air Lines**, and TWA abandon the fare boost, but when **United Airlines** does not go along, these big three reinstate the higher tariffs the next day.

While landing at New Orleans on September 25 after a service from St. Louis, an MD-83 with 130 passengers overruns the runway and comes to rest in mud at the end of the concrete. No injuries are reported.

Also in September, a B-727-231A is sold to South Africa-based **Nationwide Air Charter (Pty.), Ltd.** via Fortis Aviation.

A new Platinum Frequent Flight plan is introduced for business-class passengers on October 6. In an effort to attract additional business travelers, the first-class cabins in 155 of the carrier's narrow-bodies have each been expanded by 60% since July.

On November 9, the FBI, claiming there is a lack of evidence, officially terminates its criminal investigation into the crash of Flight 800. In a letter to the relatives of crash victims, FBI Assistant Director Kalstrom reports that, after a 15-month probe, "absolutely no evidence" of criminality has been found.

Subject to government approval, a code-sharing agreement is signed with **Air Europa, S.A.** in November. When its terms come into effect in early 1998, Air Europa will add its code to TWA flights from Madrid and Barcelona to New York (JFK) and allow the major to place its code on its services to Palma and Malaga from Madrid and Barcelona. The two companies will also link their frequent flyer programs, coordinate marketing, and offer one-stop check-in.

A code-sharing agreement is begun with **Royal Jordanian Airlines**, also in November. Under its terms, the American major is able to place its two-letter designator on Royal Jordanian flights from New York to Amsterdam and Amman. With this agreement, TWA has become the only U.S. airline offering direct service between New York, Holland, and Jordan.

A board member since 1993, the company's ALPA Master Executive Council chairman and an MD-80 captain, Vice President-Operations William F. Compton is named TWA president/chief operating officer on December 1. Public hearings into the Flight 100 disaster open in a Baltimore auditorium on December 8; the next day, it will be revealed that only 52 Jumbojet center fuel tanks have been inspected worldwide since the tragedy. When the hearings conclude a week later, they prove to have been, at \$300,000, the most expensive ever conducted by the NTSB.

With talks between the company and the IAM stalled, machinists and baggage handlers stop work at St. Louis for an hour on December 6.

A lawsuit filed against the airline by Carl Icahn's Karabu Corporation is dismissed by the U.S. District Court for the Southern District of New York on December 9. Icahn had charged that the airline had breached a security agreement on loans by not complying with certain conditions related to the maintenance of aircraft held as collateral.

On the evening of December 9, machinists and baggage handlers stop work again, for two hours. The job action, which the IAM asserts is a justified work break, causes over 100 flights to be cancelled and a number of passengers stranded.

On December 10, *USA Today* reports the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; TWA demonstrates a 77.6% achievement, good for 8th place.

The schedule is changed on December 18. Gone is service to Jackson, Mississippi, but added are flights from St. Louis to Phoenix, Salt Lake City, Fort Myers, and Cancún, Mexico.

On December 31, it is announced that TWA has finished the year ranked No. 2 for domestic on-time performance as reported by the DOT, up from No. 10 in 1996.

Passenger boardings inch up 0.3% to 23,432,000, while freight plunges 24.8% to 295.11 million FTKs. As the result of cost cutting and route restructuring, operating revenues decline 6.4% to \$3.32 billion. Expenses fall 10.5% to \$3.35 billion, causing a reduction in the operating loss to "just" \$29.26 million. The net loss also shrinks, dropping down to \$110.83 million. Still, TWA is the only U.S. passenger-oriented major to lose money this year.

At the beginning of 1998, TWA is the 14th largest airline in the world in terms of passenger boardings, 13th in terms of fleet size, 16th in employees, and 23rd in terms of operating income.

Airline employment stands at 22,000 and the fleet, 68.9% of which is Stage III certified, includes 183 airplanes: 29 B-727-200s, 58 DC-9s, 5 B-747s, 12 B-757-200s, 14 B-767s, and 65 MD-80s.

On January 1, all of the company's U.S. mail contacts and operations are centered on the St. Louis hub.

Early in January, the company enters into a one-year commercial agreement with **Sun Jet International Sales**. Trans World First, a domestic first-class product, is unveiled on January 12. It is open to full-fare economy passengers as well as first-class ticket holders.

Daily MD-83 roundtrips commence on January 15 between Wichita and Seattle.

On January 26, TWA seeks to expand its dual-designator service with **Royal Jordanian Airlines**. The proposed growth will allow TWA to add codes on Royal Jordanian flights from Amman to Manama, Karachi, Calcutta, and New Delhi. Royal Jordanian will be able to add its codes to TWA flights from New York to Cleveland, New Orleans, St. Louis, and San Francisco.

Under terms of the new draft U.S.-Japan bilateral agreement, TWA, on February 10, files its application with the DOT for authority to operate daily nonstop service from St. Louis to Tokyo (NRT) beginning on June 1, 1999.

Beginning on February 20, the major undertakes daily nonstop \$99 one-way through fares in partnership with the Sun Jet International Sales service "Myrtle Beach Jet Express" between Myrtle Beach and many other destinations via connections at St. Louis and New York (JFK and Newark).

Also during the month, the carrier completes a private placement of \$150 million of 11 3/8% senior notes, which are due in 2006.

The TWQ (the "Q" stands for "quality") product, for business passengers traveling between St. Louis and Chicago (ORD), New York (LGA), and Washington, D.C. (DCA), is launched on March 2. The new offering includes special service agents and laptop workstations at the named airport's gates. Einstein Bros. Bagels are served on the breakfast flights.

U.S. DOT Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

Two days later, the DOT authorizes 64 weekly flights to Japan for carriers that in the past have had their services severely limited. TWA gains permission to inaugurate seven weekly flights; although the authority is immediately effective, the company indicates that it will not inaugurate its St. Louis to Tokyo service before June 1999. It also grants the carrier permission to code-share on any of 14 weekly flights from the U.S. to Japan that will be flown by **Delta Air Lines**.

It is announced on March 23 that the company has retired its last B-747-100, after 28 years of service, which is the equivalent of 12 years in the air.

A second weekly roundtrip is inaugurated on April 17 between St. Louis and London (LGW). A third daily roundtrip is started on April 20 between St. Louis and Portland, Oregon; simultaneously, a third daily roundtrip is begun from St. Louis to Toronto.

The company, on April 22, announces an order for 24 MD-83s, to begin delivery in the spring of 1999. Also on April 22, TWA completes the sale-leaseback of 15 B-727-200As. The five-times-a-week St. Louis to London (LGW) service becomes daily on April 30. Also during the month, an order is placed with Boeing for 24 MD-83s, to begin delivery in the spring of 1999.

Premium-fare frequent flyer passengers are identified for a new Aviators program, started on May 1, and these customers are awarded special mileage perks. The program is heavily advertised on television, harkening back to images of intrepid passengers in the early days of commercial aviation.

A one-hour wildcat strike by baggage handlers at both New York (JFK) and at Los Angeles (LAX) during the day cause the company to cancel 49 flights.

On May 8, Judge Kenneth M. Romines of the U.S. Circuit Court in St. Louis rules that former chairman Icahn and Global Discount Travel Service have not violated any agreements with the airline by selling the tickets in question either directly or through travel agents.

The number of daily frequencies between St. Louis and Philadelphia is increased to six on May 11. The next day, TWA receives the 1998 J. D. Power & Associates/*Frequent Flyer Magazine* award as the No. 1 U.S. airline for customer satisfaction on flights of less than 500 miles.

Daily and seasonal B-757-2Q8 nonstop roundtrips commence on May 20 between St. Louis and Anchorage. The service will continue through September 8.

As a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting, as of June 1, the issuance of advance boarding passes. Simultaneously, new daily nonstop MD-80 roundtrips commence between Portland, Oregon, and Anchorage.

The flight attendant's union, on June 12, wins a \$10-an-hour raise for its members who work aboard the company's B-757s.

Negotiations with the local ALPA chapter continue throughout the month, although some members protesting the slow pace of discussions bring out information pickets. On June 23, the union gives the carrier until June 26 to come to a tentative agreement on a new contract or risk disruptions to its operations during the crucial summer season. TWA does not respond.

As of June 26, pilots begin to refuse to fly voluntary overtime. Due to crew shortages, the company must cancel 60 flights per day on June 27-28.

On July 8, a strategic alliance is signed with **Royal Air Maroc**. Un-

der its terms, the two carriers will begin, on October 25, to share codes on their flights between the U.S. and Morocco.

A tentative contract agreement with the company's 2,500 pilots is reached on July 12; the union-represented flyers will receive a pay raise to 90% of the average paid at all U.S. majors. In addition, TWA will transfer to ALPA either a million shares of common stock or \$11 million for distribution to members on a quarterly basis in 1999.

Flights from St. Louis to Knoxville are increased in early August. Toward the end of the month with a pilots' strike pending at **Northwest Airlines**, that major makes arrangements with a number of other U.S. carriers to accept its tickets. TWA, like the others, recommends reservations and agrees to honor NWA tickets presented at airports on a stand-by basis.

The nine teams of the National Football League that have charter arrangements with the Minneapolis-based major also begin to make contingency plans during mid-August. One, the Tampa Bay Buccaneers, arranges lift from TWA for a contest against the New Orleans Saints on August 29, the day the NWA strike begins.

On August 31, the company adds 2 daily roundtrips between Minneapolis and St. Louis, thereby providing an additional 350 seats out of the Twin Cities during the Northwest strike.

Voting 60% in favor, the 2,500 pilots approve their new contract, which takes effect on September 1. The arrangement provides the flyers with their first raise in 12 years. Company officials indicate that they will soon place a massive new aircraft order, as negotiations are undertaken with Airbus Industrie.

Under terms of a marketing agreement signed with between the two on July 30, customers of **Flugfelag Islands (2)/Icelandair, H.F.** and TWA are able to earn and redeem loyalty points in each other's frequent flyer programs, beginning on September 1.

On September 3, frequencies are increased from St. Louis to Cincinnati, Louisville, New Orleans, and Orlando. The previously seasonal service from St. Louis to Paris simultaneously becomes year-round.

During the second week of September, Chairman/CEO Gitner, speaking before the Wings Club in New York, comes out squarely against the proposed code-sharing alliance between **Northwest Airlines** and **Continental Airlines**. He has less to say about the apparently derailed deal between **United Airlines** and **Delta Air Lines**.

The final scheduled L-1011 service is completed on September 27 between Los Angeles (LAX) and New York (JFK). It is understood that the pioneer TriStar operator will retain a pair of aircraft as short-term backup for its long-haul fleet.

An agreement is entered into with the Archdiocese of St. Louis on October 16 for the transport of Pope John Paul II from St. Louis to Rome on January 27. A B-767-3Y0ER, christened *Shepherd I* for the occasion, will transport the Holy Father home following his visit to St. Louis.

Orders are placed with Boeing on October 21 for four B-757-231s to be delivered before the end of 1999. The aircraft will allow TWA to retire the three of its B-737-231As. In addition, agreement is reached with ILFC for the charter of the B-767-3Q8ER, which will be employed initially in support of the visit of Pope John Paul II.

By October 25, the company has relocated from Houston (HOU) to Gate 20, Terminal A, of Houston (IAD). In addition, the four daily roundtrips from Hobby to St. Louis are also changed over. Plans continue for a move into a new concourse at Terminal A when that addition is ready in April 1999.

The carrier places its two-letter code aboard **Delta Air Lines'** MD-11s as they begin daily return service from Portland, Oregon, to Fukuoka, Japan, on October 28.

The carrier announces, on November 3, that it will launch daily nonstop MD-83 roundtrips on January 31 between St. Louis and Mexico City. A little later in the day, the first phase of the new marketing agreement with **Royal Air Maroc** starts on November 5. Customers of the American carrier may now book segments from the entire TWA system and connect to Casablanca on a code-shared return flight, operated thrice-weekly by RAM, between New York (JFK) and Morocco.

Daily roundtrips between Boston and San Juan, beginning on February 3, are added to the schedule on November 10.

Contract discussions between the IAM and management resume on December 1. A week later, on December 8, IAM members hold a rally at Kiener Plaza in St. Louis to protest against the company's current management, its failure to restore TWA to profitability, and its refusal to reach new labor agreements. Joseph Adinolfi, chairman of Local 142, in addressing his followers gives the carrier's CEO and president a failing report and asks for their resignations.

The next day, the company announces orders and options for 250 state-of-the-art, new technology aircraft in the single largest aircraft request in company history. Engines to power the new planes are simultaneously ordered. Among the new jetliners that will commence delivery in February 2000 are 50 B-717-231s and 50 A318s, plus 25 A320 family aircraft (A319s, A320s, A321s). In addition to 125 firm orders, TWA takes options on 50 more B-717s and 75 A320 family planes.

A strategic marketing agreement is signed with **Kuwait Airways Corporation** on December 16. Under its terms, the two will, during the upcoming spring, link their frequent flyer programs. Additionally, TWA will place its "TW" code on KAC services from Chicago (ORD) to Kuwait City and from Kuwait City to Muscat, Oman, and Dubai.

Year-round daily B-757-2Q8 roundtrip service is inaugurated on December 17 between New York (JFK) and Puerto Plata, Dominican Republic. At the same time, five-times-a-week B-757-2Q8 seasonal return flights are started from JFK to St. Martin, Netherlands Antilles. The St. Martin flights will cease on April 18.

The next day, increased nonstop service to Phoenix, Salt Lake City, Fort Myers, and Cancun begins from St. Louis, together with new frequencies from St. Louis to Palm Springs, California. Service from St. Louis to Jackson, Mississippi, is simultaneously discontinued.

Also on December 18, two new nonstop services are introduced from New York (JFK) to Fort Lauderdale and West Palm Beach, while the number of nonstops from JFK to Tampa is increased.

Just before Christmas, seasonal flights are resumed from St. Louis to Steamboat Springs, Colorado, and to the Mexican communities of Puerto Vallarta and Ixtapa/Zihuatanejo.

Displeased with the pace of contract negotiations and a lack of Christmas overtime pay, many local members of AFA stage a sick-out on December 24-25, forcing the airline, for lack of cabin crews, to cancel some 125 flights on Christmas Eve and Christmas Day. An injunction is obtained from a federal judge on December 26, requiring an end to the unofficial job action, which the flight attendants slowly honor during the remainder of the day and on December 27-28, but not before 75 more departures are cut.

Also on December 28, as negotiations resume with the AFA, the NMB schedules talks between the IAM and management for January 12-23.

Passenger boardings this year advance 2.3% to 23.97 million and represent the best enplanement figure since 1990. The full-year 71.4% load factor is the best since 1978, the beginning of airline deregulation. Cargo traffic, on the other hand, falls 26.83% to 215.94 million FTKs.

Despite the good passenger traffic showing, a 10th straight year of losses is suffered with a net loss of \$120.5 million, due largely to \$42.6 million in special charges generated during the fourth quarter, coming atop revenues of \$3.26 billion. The operating profit is also up, to \$65.15 million on expenses of \$3.32 billion.

A major snowstorm paralyzes much of the Midwest between January 2-5, 1999, including cities from St. Louis and Chicago east to Toronto and Montreal. At St. Louis, exhausted ground workers labor 16-hr. shifts to help keep the airline flying. In appreciation, the company deliberately cancels 60 flights from Lambert Field on January 6 to give the people the day off. The schedule returns to normal on January 7.

During the month, plans are made for the withdrawal of a number of older DC-9s by the end of the year. All of the non-hush-kitted DC-9-10s, DC-9-30s, DC-9-40s, and DC-9-51s will be gone, including the first DC-9-15 delivered to **Ozark Air Lines** back on May 25, 1966. Thirty DC-9-31/32s that satisfy Stage III noise regulation will be retained until replaced by B-717-200s.

Pursuant to its October agreement with the Archdiocese of St. Louis on October 16, the newly leased B-767-3Q8ER, christened *Shepherd I* for the occasion, transports Pope John Paul II home to Rome following his visit to the Gateway City on January 27. For the nine-hour flight, the aircraft has been reconfigured with its first-class cabin transformed into a "Papal suite" with a table and a bed. A variety of other amenities have been provided by various donors and vendors.

Daily nonstop MD-82/83 return service is started on January 31 from St. Louis to Mexico City.

Daily B-757-2Q8 roundtrips between Boston and San Juan begin on February 3.

When pilots of **American Airlines** stage a sick-out between February 6 and 10, TWA seeks to accommodate inconvenienced passengers by adding and upgrading certain of its Caribbean services.

Two additional daily MD-82/83 roundtrips are added on February 11 from New York (LGA) to West Palm Beach, increasing the daily number of frequencies from three to five.

For a few days, also beginning on February 11, an extra B-757-200 roundtrip service is laid on between New York (JFK) and both Puerto Plata and Santo Domingo in the Dominican Republic. Additionally, a B-767 replaces the B-757 employed on the normal daily operation.

It is announced on February 12 that the company will close its Los Angeles reservations office on June 15 and transfer the one in downtown Chicago to a new location.

The previous year's losses are announced by Chairman/CEO Gitner at a St. Louis news conference on February 17. The bad news sends down the price of the company stock on Wall Street. A number of cost-cutting measures will now be put in place, including the elimination of 1,000 of its 21,200 workers. Gitner closes on a positive note, reminding the media that the company finished first among majors in 1998 in on-time performance, as ranked by the DOT.

Citing the current distressed state of the Japanese economy, TWA, on February 18, requests a delay of up to one year in the inauguration of the St.-Louis-to-Tokyo (NRT) route announced for June 1.

A press release of March 16 indicates that President/COO Compton will become president/CEO on May 25. Current CEO Gitner will continue as board chairman and will have added duties as chairman of the board's executive committee. Senior Vice President/Chief Financial Officer Michael J. Palumbo is simultaneously named executive vice president/chief financial officer.

Twice-daily (except Sunday) DC-9-41 roundtrips are initiated on April 5 between St. Louis and Peoria, Illinois. TWA is the only major offering full-size jet service from Peoria.

Mediation between the St. Louis-based major and the IAM, representing 16,000 flight attendants, ground workers, and other employees, is held in Chicago between April 26 and April 30 under the supervision of the NMB. At the end of the scheduled talks, the NMB announces that negotiations will continue, under a blackout, despite the end of the scheduled mediation period.

Daily roundtrips commence on May 1 between St. Louis and El Paso.

Simultaneously, daily MD-83 roundtrips are started from St. Louis to Portland, Maine, via Hartford. This is the carrier's 94th destination worldwide. In addition, twice-daily DC-9-51 roundtrips are begun from St. Louis to Richmond.

Having worked without new contract terms since August 31, 1997, the local lodge of the IAM rejects an offer of binding arbitration from the NMB on May 7. The rejection sets in motion a mandatory 30-day cooling off period before a possible June 10 strike. Both the IAM and management continue to pledge a willingness to negotiate.

On May 11, TWA receives the 1999 J. D. Power & Associates/*Frequent Flyer Magazine* award as the No. 1 U.S. airline for customer satisfaction on flights of less than 500 miles. This is the second year in a row that this prize has been received. Daily DC-9-51 seasonal roundtrip service from St. Louis to Vancouver begins on May 15. The IAM reenters mediated contract negotiations with TWA's management on May 19.

With less than two weeks remaining before the company's 16,000 union workers can legally strike, TWA offers a greatly improved, but final, offer to the IAM on May 28.

On June 1, the company inaugurates DC-9-51 return service from Washington, D.C. (IAD) to its 100th destination, Harrisburg, Pennsylvania.

Agreement on a new contract with the IAM is reached on June 13. A new "focus city" program is announced on June 17. Beginning on November 1, the company will add 12 daily B-757-200 or MD-83 flights in and out of San Juan, bringing the number of daily flights to 15. The enhanced hub will provide daily nonstop service to five new destinations: Los Angeles, Fort Lauderdale, Orlando, Santo Domingo, and Aruba.

The seventieth anniversary of Transcontinental Air Transport (TAT) is celebrated in ceremonies at Columbus, Ohio, on July 8.

The existing "TWExpress" contract with **Trans States Airlines** is renewed on August 16. The regional will continue to offer turboprop service on behalf of the major from St. Louis to 24 Midwestern cities.

In a move that saves taxpayers \$4 million, the wreckage of TWA Flight 800 is moved to a smaller Long Island hangar during the week of September 13. NTSB and other investigators still seek the crash cause. A code-sharing agreement is signed with **Gulfstream International Airlines** on September 24; the regional airline will operate "TWExpress" flights beginning in November.

On October 11, TWA records its 50th day of 100% schedule completion this year, far above previous records set in 1997 and 1998.

The service schedule from San Juan is rearranged on November 1, as the Puerto Rico capital becomes the airline's first "focus city." A total of three MD-80 roundtrips are now offered to Santo Domingo, two to Boston, and one each to Aruba, Fort Lauderdale, and Orlando. Five-times-a-day Boeing 757-2Q8 return service is also launched from San Juan to New York (JFK), along with once-daily roundtrips to St. Louis and Los Angeles. It is warned that flights to Rome, Madrid, and Barcelona will cease in early January.

On November 3, a new marketing agreement is announced with Indianapolis-based **Chautauqua Airlines**. Beginning in the summer of 2000, Chautauqua will offer "TWExpress" regional jet service.

The code-sharing agreement with **Gulfstream International Airlines** begins on November 15. Under its terms, the regional, operating as "TWExpress," allows the major to place its code on Beech 1900D frequencies from San Juan to St. Thomas, St. Croix, St. Kitts, St. Martin, Tortola, and Virgin Gorda.

For the year ending in November, TWA has the best on-time performance among the 7 largest U.S. airlines, based on DOT consumer reports for the domestic operations of 10 reporting U.S. airlines. During these 12 months, 80.9% of the airline's flights arrive within 15 minutes of their posted schedules.

B-767-3Y0ER frequencies from New York (JFK) to Riyadh, Saudi Arabia, flown via Cairo, are increased from three to five on December 1. The last of 27 B-757-231s, which type first began joining the fleet in 1996, is delivered on December 2.

On December 21, a somber but serendipitous ceremony is held at Long Beach Airport to mark the acceptance by TWA of the last MD-80 series aircraft, the MD-83 *Spirit of Long Beach*. Douglas, later McDonnell Douglas and TWA, had started the entire DC revolution with Jack Frye's 1932 letter seeking what became the DC-2/3 family of aircraft. The actual aircraft delivery is completed on December 28, on which date the TWA MD-80 fleet includes 41 MD-82s and 54 MD-83s.

Service from New York (JFK) to Chicago (ORD) is discontinued on December 31. Passenger boardings climb 7.9% to 25,854,000, while cargo falls 3.7% to 207.82 million FTKs. Revenues are up 1.5% to \$3.03 billion, while expenses jump 10% to \$3.65 billion. The operating loss significantly deepens, to \$347.64 million, while the net loss becomes \$353.4 million.

Airline employment at the beginning of 2000 stands at 20,972, a 16.1% decrease over the previous 12 months. Among the world's top 25 airlines, TWA is 13th in passengers, 22nd in employees, 21st in fleet size, and 23rd in operating revenue.

On January 10, service is suspended to Rome, Madrid, and Barcelona and the freed up capacity is placed on company routes to the Mideast, Mexico, and the Caribbean. In Europe, TWA now visits only London, Milan, and Lisbon, with Paris (CDG) served on a secondary basis. The retreat of the pioneer airline from Europe is part of a strategy designed to refocus its resources on markets in the U.S., Caribbean, and Mideast and, hopefully, put an end to 12 straight years of losses.

Physically wearing a huge red bow and ribbon just behind its cockpit, the first B-717-231 is literally unveiled at a St. Louis delivery ceremony on February 17. Pilot training and route proving with the new aircraft begins the next day.

The U.S. FAA upgrade of Malta to Category 1 safety status at the beginning of the year allows TWA to enter into a code-sharing agreement with **Air Malta Company, Ltd.** on February 21. In addition to shared flights, the two will coordinate their frequent flyer programs and scheduling.

TWA becomes the second U.S. B-717 operator when it places its new aircraft into service to Dallas (DFW) and Minneapolis (MSP) from St. Louis on March 2. On March 3, daily B-767-330ER roundtrips are inaugurated from St. Louis to Kahului, Maui, Hawaii.

On April 22, a \$76.12-million first-quarter loss is reported; this is the seventh consecutive quarter of loss.

The marketing alliance with **Air Malta Company, Ltd.** takes effect on May 1. Air Malta places its "KM" designator on the American major's flights from London (LGW) to St. Louis, Los Angeles, San Francisco, Dallas/Fort Worth, Houston, and Orlando and its services from Milan to New York (JFK), Los Angeles (LAX), and San Francisco. At the same time, TWA places its "TW" code on Air Malta connecting services from London (LGW) and Milan to Malta.

Also on May 1, daily B-767-3Y0ER return service is started from St. Louis to Kona, Hawaii. Additionally, when **Tower Air** suddenly stops all scheduled flights late on May 1, its final service from New York (JFK) to Tel Aviv is pulled so abruptly that 300 passengers are left stranded. Most carriers refuse to accept Towers tickets; however, TWA removes a number of restrictions the next day, thereby making deep discount fares available.

To make up for the loss of the B-737-231 theme plane that was withdrawn after the Super Bowl, the official airline of the St. Louis Rams rolls out a newly repainted Rams aircraft, a B-757-2Q8, on May 5, officially debuting it with players and cheerleaders on May 7. Although the aircraft wears a World Championship banner, its not as lucky as its predecessor, as the airline's hometown NFL team will not return to the Super Bowl this year.

On May 8, twice-weekly nonstops begin from St. Louis to Bermuda. Seasonal B-757-2Q8 return service between St. Louis and Vancouver is resumed on May 14; four days later, a new and permanent MD-80 roundtrip is started between the two cities.

Daily MD-82 roundtrips from Fort Lauderdale to San Juan are increased on June 1 from one to three; those from Orlando are increased from one to two. Also on June 1, the code-sharing agreement with **Kuwait Airways Corporation** is expanded to cover services from Kuwait to Frankfurt and Amsterdam, from Amsterdam to New York (JFK), and from Frankfurt to New York (JFK) and Chicago (ORD). The next day, MD-83s reinstate company service from San Antonio to New Orleans.

The fourth B-717-231 is received on June 8 and enters service on June 11 over the company's St. Louis-Dallas (DFW) route. The next day, daily B-717-231 return service is started from St. Louis to Milwaukee. Another B-717-231 will be delivered on June 16. Following disclosure in the *Wall Street Journal* and the *Atlanta Journal-Constitution*, **Airtran Airlines** confirms, also on June 16, that it is, and has been, in merger talks with TWA. It will also later be revealed that Global Airlines Corporation, a company led by Los Angeles financier Emil Bernard but with no flight operations, has also made an offer: \$381 million in stock, debt securities, and cash. Nothing comes of either talk or tender.

On June 22, the carrier begins a cargo code-share (actually, transport of the U.S. mail) with **All Nippon Airways Company, Ltd.** on routes

to Osaka (KIX) from Guam and Honolulu, to Tokyo (NAR) from Chicago (ORD), New York (JFK), Los Angeles, San Francisco, and Honolulu, and from Honolulu to Nagoya.

The 75th anniversary of service in Los Angeles is celebrated on July 1; the heritage is traced back to the beginning of **Western Air Express** in July 1925. Daily B-757-2Q8 roundtrip frequencies between New York (JFK) and Los Angeles are increased from three to four on July 8. TWA is named 20th best-managed company among 20 nonstate-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

While en route from New York (JFK) to Los Angeles on August 7, Flight 849, a B-767-3Y0ER, is forced to make an emergency landing at Kansas City after an engine fails; on the ground, passengers report witnessing flames coming from the affected power plant.

Daily B-757-2Q8 roundtrips commence on September 10 between Los Angeles and Washington, D.C. (DCA). A portion of the cockpit windshield of Flight 003, a B-767-231ER taking off from New York (JFK) on a September 11 service to St. Louis, pops out, causing the pilot to quickly abort. Seven tires are blown as the plane skids to a halt.

The last B-727-231 is retired on September 30 following the conclusion of its Flight 78 from New Orleans to St. Louis. The plane had been subjected to worldwide media attention during 1985 when it was hijacked in the Mideast. TWA is now an all twin-engine operator.

The 50th anniversary of the inauguration of service between New York (LGA) and London (LHR) is celebrated on October 2. To mark the occasion, TWA introduces 50% frequent flyer mileage points on certain of its routes, including its only London service, which is now flown from St. Louis to Gatwick Airport. Five days later, the loss-taking airline is forced to announce that, come January, it is dropping service from New York (JFK) to Lisbon and Milan, leaving only London (LGW) and Paris (CDG) as its only European destinations.

On October 27, a historic agreement is signed with **American Eagle Airlines** under which the American Eagle subsidiary **Business Express** will provide "Trans World Express" services to nine new markets and five existing TWE cities, from which **Trans States Airlines** will withdraw by January 5.

Two days later, on October 29, new daily roundtrip service is inaugurated from (JFK) to Orange County, California. Additionally, the number of frequencies from New York (JFK) to California is also boosted, including those to Los Angeles from four to five and to San Francisco from two to three. The number of daily return flights from New York (LGA) to St. Louis grows from seven to eight.

Beginning in November, the airline and TEAMGroup Media Network install 42-inch, flat-screen televisions in 12 U.S.-based Ambassador Club locations.

The *St. Louis Post-Dispatch* reports on November 7 that Global Airlines Corporation has made its second offer, of \$3.75 a share, to purchase TWA. Although the price is down from the \$5 a share offered in June, it is still more than double the airline's November 7 NYSE closing price of \$1.65 a share. Global does not reveal how much debt it will assume in this offer. The newspaper reminds its readers that, in a recent U.S. filing, TWA has listed \$424 million in long-term debt, \$109 million in capital lease obligations, and \$506 million in post retirement-benefit liabilities other than pensions as of June 30.

A marketing and code-sharing alliance is signed with **America West Airlines** on November 17. When it begins during the first quarter of 2001, it will allow customers of both carriers to book with either carrier for over 500 flights and will provide them with new on-line connections to 145 cities in the U.S., Canada, the Caribbean, and Mexico.

The number of daily roundtrips between St. Louis and New York (LGA) rises from eight to nine on December 1 when TWA begins flying in the first B-717-200 to visit the the "Big Apple" facility. As the year ends, many employees look forward to the January publication of a new company history, *TWA: An Airline and Its Aircraft*. With illustrations by Mike Machat, this is the latest in a well-regarded series of carrier profiles by noted aviation historian R. E. G. Davies.

In severe financial distress and unprofitable since 1994, the company is close to declaring bankruptcy for a fourth time as the year ends. Customer bookings have, nevertheless, risen 2.25% during these 12 months to 26,437,000, although freight traffic has been off 8.94% to 1.89 billion FTKs.

On January 10, 2001, it will be revealed that an arrangement has been worked out with **American Airlines** under which the Dallas-based major will pick up the pieces after TWA files for \$742 million protection. The move, which will be approved by U.S. Bankruptcy Court Judge Peter Walsh on March 12, is set to give AA 23% of the domestic U.S. market and a third mid-continent hub at St. Louis. Thousands of TWA jobs will be integrated and the hated discount ticket arrangement with former TWA Chairman Carl Icahn, who will not be successful in his last minute bid to reacquire the carrier, will be voided. Under the arrangement, the two majors will operate independently through an integration process to be completed by early 2002. During this time, the company will be known as **TWA Airlines**.

TRANS WORLD EXPRESS: United States (1991–1995). **Trans World Airlines (TWA)** takes over the regional partner of failed major **Pan American World Airways (1)** in December 1991, and renames it. With the acquired fleet of 1 de Havilland Canada DHC-7-102 and 6 British Aerospace BAe Jetstream 31s, the new subsidiary continues its feeder operations at Miami and New York (JFK).

A total of 721,168 passengers are flown under both company banners on the year.

Airline employment stands at 650 in 1992 and the fleet grows to comprise 11 Avions de Transport Regional ATR42-320s, 10 Jetstream 31s, and 9 DHC-7-102s. The Florida division, which had previously fed **Pan American World Airways (1)**'s Latin American route system from Miami, is shut down and the aircraft employed there are transferred to New York.

Passenger boardings shoot up 22.6% to 884,239.

The payroll grows 18.5% in 1993 to 770, but the fleet is reduced by one Dash 7 and two Jetstream 31s. President Michael G. Robinson now oversees a route network that includes stops at Albany, Atlantic City, Binghamton, Boston, Buffalo, Baltimore (BWI), Harrisburg, Hartford, Ithaca, Manchester, Newburgh, Norfolk, Philadelphia, Providence, Portland, Richmond, Rochester, Syracuse, Washington, D.C. (IAD and DCA), and Wilkes-Barre. In addition to the company's two daily services, parent **Trans World Airlines (TWA)** adds thrice-daily flights on April 4 between New York (LGA) and Pittsburgh.

In September, a code-sharing marketing alliance is signed with **United Airlines** Under its terms, single booking is available under the UA code and the regional provides feed as "United Express" from 20 cities in the Northeast U.S., providing seamless connections to the major's international destinations served through New York (JFK).

Still, customer bookings decline 15% to 751,407.

Airline employment is reduced by 2.6% in 1994 to 750 and the fleet now includes 11 leased ATR42-300s, 8 chartered BAe Jetstream 31s, and 6 owned DHC-7-102s. At the demand of the parent company, TWX, in September, halts services to 12 cities in the northeastern U.S.; among those impacted are Albany, Syracuse, Rochester, Harrisburg, Providence, and Richmond. Following the crash of a **Simmons Airlines** ATR near Roselawn, Indiana, in December, the FAA orders all ATRs grounded, including those flown by TWX.

Passenger boardings fall another 10% to 674,608.

The workforce grows 2.7% to 770 in 1995. The FAA lifts its ban on ATR flights on January 12, but requires those companies employing it to train their pilots and flight dispatchers to follow new procedures intended to limit the time the aircraft-type spends in potentially dangerous weather. By the fall, the carrier is losing \$3 million per month. In a move designed to save the parent \$24 million per year, TWX is shut down on November 6 and its chartered Jetstream 31s and ATRs are returned to their manufacturers. The next day, the operation is taken over by St. Louis based TWExpress partner **Trans States Airlines**, which places

Jetstream 41s on the routes. Prior to the shutdown, the TWA subsidiary has flown 378,206 passengers this year.

TRANSA CHILE (TRANSPORTES AEREOS DE CHILE, LTDA.): Chile (1954–1963). Mario Contreras, a former airline pilot, and local Santiago businessman Fernando Ovalle set up Transa Chile in June 1954 to operate all-cargo services between Chile and Miami. Employing a pair of Curtiss C-46 Commandos, the concern inaugurates scheduled services in September.

The company's business is successful beyond expectation during the 1950s and two more Commando freighters are placed into service. At the beginning of the 1960s, two Consolidated PBY-6A Catalinas are ordered for a proposed new route from Santiago to Punta Arenas. The new service cannot be initiated, however, as the company goes bankrupt in 1963 before the aircraft can be delivered.

TRANSADRIATICA (1) (SOCIETA ANONIMA ITALIANA DI NAVIGAZIONE AEREA, S.p.A.): Italy (1925–1931). This carrier is formed in Venice in 1925 to provide services along the Adriatic coast. Employing Junkers F-13s, it launches services from Venice to Rome on February 1, 1926. When Junkers G-24 trimotors become available in early summer, flights are started from Venice to Vienna on August 18. On April 21, 1928, a route is opened from Venice to Brindisi via Ancona and Bari.

By 1930, passengers boardings average some 5,000 per year. In 1931, the Transadriatic fleet comprises 8 F-13s and 2 G-24s. The Vienna route is extended through the Alps to Munich on May 1. On December 23, the carrier is purchased by competing **Societa Aerea Mediterranea, S.p.A. (SAM)**.

TRANSADRIATICA (2) (SOCIETA TRANSADRIATICA DE NAVIGAZIONE AEREA, S.p.A.): Italy (1947–1949). This carrier is formed at Venice in April 1947. Taking part of the name of the prewar **Societa Aerea Mediterranea, S.p.A.** merger partner and employing war-surplus Douglas C-47s converted to civil DC-3 standard, it opens services over three routes from Venice in 1947–1948: to Rome and Milan via Padua, to Frankfurt, and to Budapest. Unsuccessful, the airline is one of several merged in 1949 to form **Avio Linee Italiane-Flotte Reunite, S.p.A.**

TRANSAER COLOGNE, GmbH.: Germany (1999–2000). A subsidiary of the Irish charter carrier **Transaer International Airlines, Ltd.**, this company is established at Cologne in late July 1999 following the receipt of a two-year, Ir£1.2-million contract from the German government. Outfitted with a single Airbus Industrie A320-231, TC offers a twice-weekly (Monday mornings and Friday evenings) air bridge service for German civil servants who must commute between Bonn and Berlin.

The German concern is shut down on April 30, 2000, and is not resumed before the parent suspends operations on October 20 and goes into liquidation.

TRANSAER INTERNATIONAL AIRLINES, LTD.: Ireland (1997–2000). Based at Shannon Airport, County Clare, Ireland, **Translift Airways, Ltd.**, in which All Leisure Travel Holdings, Ltd. has acquired a 49% stake, is renamed on April 10, 1997. The mission of providing passenger and cargo charter flights to destinations in Ireland, the U.K., and Europe continues, along with subcharters on behalf of **Aero Lloyd, GmbH**. The carrier's relationship with its new American subsidiary, **Transmeridian Airlines**, does not change.

Chairman/CEO Patrick J. McGoldrick, founder of **HeavyLift Cargo Airlines, Ltd.** and former CEO of **Ryanair, Ltd.**, and President Michael Halper oversee a workforce of 225 and a fleet comprising 2 leased Airbus Industrie A300B4-103s and 6 A320-231s. Two of the latter are leased to Transmeridian, one to **America West Airlines**, and one to **Canair Cargo, Ltd.**

Flights continue and destinations visited include Athens, the Canary Islands, Las Palmas, Los Angeles, Malaga, Orlando, Palma, Salzburg, and Tenerife.

Two Airbus Industrie A300B4-203Fs, first flown as passenger aircraft by **Air France**, are leased by **HeavyLift Cargo Airlines, Ltd.** in July from S-C Aviation. The first enters service in August and is flown on behalf of **KLM (Royal Dutch Airlines, N.V.)**. On weekdays, the freighter, flown by TransAer under contract, provides lift between the Scandinavian hub at Skavsta, Sweden, and Amsterdam. On weekends, the Airbus flies from Amsterdam to Bologna, Italy, and Zaragoza, Spain.

At the end of the year, two A320-231s are leased to **Transmeridian Airlines** for its winter holiday charter schedule.

Early in January 1998, the company is contracted to provide a crew to fly an Airbus Industrie A300B4-203F leased to **HeavyLift Cargo Airlines, Ltd.** and painted in that carrier's colors.

A subcontract is received by HeavyLift from **Lufthansa Cargo, A.G.** in February. It is operated from Frankfurt to and from Athens and Istanbul by the leased Airbus Industrie A300B4-203F flown by TransAer. Another pair of A320-231s are received on February 25.

On August 20, a \$30-million 18-month ACMI contract is signed with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** for the wet-lease of two Airbus Industrie A320-231s. The first aircraft, wearing dual TransAer and Cubana titles, arrives at Havana in early November and replaces Tupolev Tu-154Ms on regional services to Mexico City and Central America. The second aircraft will be delivered before the end of the year.

At the same time, two more A320-231s are chartered to **LAV (Linea Aeropostale Venezolana, S.A.)**. They will be employed on that carrier's northern winter holiday schedule.

Cubana (Empresa Consolidada Cubana de Aviacion, S.A.) and TransAer come to an agreement in January 1999, which is announced on February 7. The Cuban flag carrier will replace its leased DC-10-30 later in the year with a pair of A320-231s leased from the Irish line.

Also during the first quarter, a five-year contract is signed with **Pakistan International Airlines Corporation**. Under its terms, the company will wet-lease four A300B4-203s to assist in the annual Hadj pilgrimage program of the North Asian airline.

The war in Kosovo has a major impact on the company's charter flights to Greece as its aircraft are obliged to fly around the air exclusion zone imposed by NATO regarding Serbia and its Kosovo province. These diversions dramatically increase operating costs.

At the end of April, an A320-231 is chartered to the new Malaga-based Spanish charter operator **Andalusair, S.A.**, which initiates flights on May 1 to the U.K. and Ireland.

The Cubana contract is renewed in mid-August.

Also during the summer, the carrier establishes a new Germany subsidiary, **Transaer Cologne, GmbH**. Equipped with an A320-231, it provides a civil servant air bridge service from Bonn to Berlin.

Meanwhile, Kurdish rebels in Turkey threaten to kill tourists visiting that country. The threats lead to huge cancellations of charter flights by German tour operators, as well as customers from other countries, particularly Greece, who book flights to the Turkish holiday locations.

Two leased Transaer A320-231s, resplendent in a new color scheme, are turned over to **Jamahiriya Libyan Arab Airlines** at Marseilles on December 8. Having suffered major losses caused by the Kosovo conflict, as well as the terrorist threats against its Turkish market and continued fiscal leakage from **Transmeridian Airlines**, Transaer posts a \$14-million loss. Additionally, the company falls Ir£14.5 million into arrears on its aircraft leases.

Airline employment stands at 545 at the beginning of 2000. On April 3, an A320-231 comes off lease with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**. It is initially operated in Cubana colors with Transaer titles.

Also during the spring, two A320-231s are chartered to **Khalifa Airways, S.A.** The A320-231 previously operated by **Transaer Cologne, GmbH**. is repainted and chartered to **Sobelair, N.V.** for a brief summer

engagement that begins on July 5. An A300B4 is chartered to **JMC Airlines, Ltd.** for six months from July 14.

The Khalifa A320s are returned in early July and are sent on a two-month charter to **Air France** wearing Khalifa colors and small Air France titles. The French sojourn ends on August 31. The Sobelair Airbus returns to Ireland on September 2. On September 22, the carrier's American affiliate, **Transmeridian Airlines**, declares Chapter XI bankruptcy. Transaero, which has suffered a huge drain on its cash resources as a result of its \$18-million investment in the American carrier, had also guaranteed Transmeridian's liabilities.

On October 2, a \$15-million bid is accepted by **Air Kosova** for an 18-month wet-lease contract. The upgraded arrangement, which includes training and management consultant services, will be paid for by the U.S.-based Foundation for the Reconstruction of Kosovo. Takeover discussions are now secretly undertaken between financially distressed Transaero and **HeavyLift Cargo Airlines, Ltd.**, but these fail on October 13. Still the largest independent charter airline in Europe, the Irish carrier, unable to secure additional funding during the following week, collapses on October 20, with its CEO, Willie O'Byrne, blaming the failure on the **Transmeridian Airlines** bankruptcy and its own inability to conclude the HeavyLift merger.

The 298 staff employed by Transaero in Ireland are laid off, as are the 136 in Britain, 55 in Greece and Germany, and an additional 56 contract workers elsewhere. The defunct carrier does, however, make arrangements to fly its Irish staff home from various locations. At Dublin, the state-owned airport company Aer Rianta immediately seizes an A320-231 as insurance that it will be paid the Ir£200,000 that it is owed in landing fees and other charges. SunWorld and Falcon/JWT, the Irish tour companies that had employed Transaero capacity, quickly make alternative arrangements to fly vacationers to and from Rome, Malaga, Larnaca, and Lanzarote.

The closure also impacts all of those carriers with which it has leasing arrangements. In addition to nine A320s, the company also leases four A300s from GECAS, the Shannon-based subsidiary of the General Electric, which operates the business first started by GPA. The firm of McStay Luby is brought in to handle not only the airline's liquidation, but also the return of all these chartered planes.

On October 24, **EgyptAir, S.A.E.** seizes an A300B4, owned by GECAS, which it had been operating while **Jamahrya Libyan Arab Airlines** holds on to the two ILFC-owned A320-231s it had been flying. Eventually, all three are released. Transaero is officially wound up on November 1 when the Dublin High Court, with the approval of all creditors, appoints local lawyer John McStay to liquidate the carrier's remaining assets.

TRANSAERO AIRLINES: GosNIIGA, Sheremetyevo Airport, Building 3, Moscow, 103340, Russia; Phone 7 (095) 578-5060; Fax 7 (095) 578-8688; <http://www.russia.net/business/transport/air/transaero/transa.html>; http://www.transport.ru:8100/9/tr_air.htm; <http://www.olvit.iasnet.ru/transport/ind.htm>; Code UN; Year Founded 1990. Transaero is established at Moscow's Sheremetyevo Airport on December 28, 1990 as the first private airline approved for scheduled passenger services in Russia. The shareholders in this, one of the reborn nation's first joint-stock companies, are **Aeroflot Soviet Airlines**, the former State Property Committee, the Moscow city government, and the aircraft manufacturers Yakovlev and Ilyushin.

Alexander Pleshakov, the 27-year-old son of Interstate Aviation Committee chairwoman Tatyana Anodina, becomes president, with Grigory Gurtovoy, son of Yak Aircraft Corporation Chairman Arcady Gurtovoy as executive vice president. The cofounders will initially work closely together.

In 1991, the two obtain from the airline shareholders 1 each Tupolev Tu-154 and one Tu-154M. During the year, a new management organization is established along with a corporate infrastructure. President Pleshakov and Executive Vice President Gurtovoy, together with other executives, visit the U.S. to study airline operations. It is decided to reject the low-cost/no-frills short-haul example of **Southwest Airlines** (2).

Government certification is received in October and in November the airline is registered with ICAO at Montreal. Domestic charters commence on November 5.

In a joint operation with **Aeroflot Soviet Airlines**, nonscheduled flights commence in February 1992; charter destinations include Istanbul and Antalya in Turkey and Sharjah in the UAE. The Tupolev transports bring the company welcome publicity when they transport thousands of Russian Jewish emigrants to Israel and undertake several other airlift missions on behalf of the UN.

Also in February, an order is placed directly with the Voronezh Aircraft Production Plant for one, later two, Ilyushin Il-86(s); they will be the first of their type to offer a three-class interior. The purchase is funded by a loan from a major Russian bank, Menatep.

In July, President Pleshakov acquires from **Aeroflot Soviet Airlines**, then being reformed into **Aeroflot Russian International Airlines (ARIA)**, a fleet of four Ilyushin Il-76s; the two Il-86s, paid for with the bank loan, are also acquired and placed into service on a route to Almaty.

Enplanements for the year total 53,145 and more than 4,600 tons of cargo are transported.

The first non-Aeroflot company approved for scheduled passenger services in the new Russian republic, the carrier inaugurates nonstop roundtrip Il-86 domestic flights in January 1993, linking its Moscow base with the northern mining city of Norilsk twice-weekly. The service scores two other firsts: it is the first for which its customers may choose to sit in either business- or economy-class and the first on which full-meal service is available on flights of under four hours duration.

The government in February awards Transaero route licenses to 15 additional Russian destinations as well as 7 capitals in the CIS.

In March, Transaero becomes the first Russian airline to request Boeing jetliners; on April 9, it receives a pair of B-737-2C9As on five-year operating leases from Shannon Air Leasing. They are first U.S. aircraft to carry Russian registration since the DC-3s of the early 1940s and are placed into service on routes from Moscow to Kiev, Minsk, and Western Europe. The company begins to lobby the Pulkovo Aviation Enterprise, which operates St. Petersburg Airport, for permission to launch service to the city once-known as Leningrad.

Having already trained the flight crews with **United Airlines** at Denver and the service crews with **Air France**, the company is able to launch scheduled "Baby Boeing" flights within days to Almaty, Kiev's Borispol Airport, and Sochi. At the same time, scheduled charter flights to Istanbul commence. Riga and Minsk also soon become destinations. Orders are placed for two more, plus two each B-757-200ERs and B-767-300ERs.

By summer, the new entrant has made almost 1,000 flights, mostly on internal routes to Kiev, Riga, and Minsk. It also begins negotiating with U.S. civil aviation authorities for rights to land in Washington DC, New York, and Chicago. The carrier also becomes the first non-Aeroflot airline to win international route licenses for scheduled services.

On November 2, the carrier initiates its first foreign scheduled route, Moscow to Tel Aviv, with the first B-757-2Y0ER delivered. The route to Israel had been won over strong competition from **Aeroflot Russian International Airlines (ARIA)**. Seven other foreign markets are also opened, including Istanbul and the favorite of many Russian shoppers, Sharjah, UAE.

Enplanements for the first full year of service total 241,716, while 63.3 million FTKs are operated.

Operations continue apace in 1994 and in January the carrier is named the Russian-designated carrier to Tel Aviv with three scheduled services per week. Flight attendants with training from **Air France** are available on all frequencies. Advance booking is introduced as is the first Russian frequent flyer program Privilege (fly 10 trips, get 1 free).

The second B-757-2Y0ER enters service in April and, with its sister, undertakes scheduled frequencies from Moscow to Novosibirsk, Nizhnevartovsk, and Tashkent. At this point, the company wins approval to begin daily roundtrips from Moscow to St. Petersburg. The airline is re-registered on August 18.

Plans are made with **RiAir, A.S.**, formerly **Riga Airlines, A.S.**, to begin feeder services with SAAB 340Bs from a hub at Riga, Latvia; these duly commence in September as RA also begins to code-share with Transaero on the Russian airline's routes from Riga to London and Paris. The flights to the U.K. and France are made under the Latvian partner's authority.

Route authority is sought for the initiation of the company's own flights to New York, Berlin, Frankfurt, and London (LGW), as well as to St. Petersburg and Yuzhne Sakhalinsk. From a low of \$80–\$90 per ton at most Russian airports in early December, avgas prices begin to skyrocket. At year's end, permission arrives from Washington, D.C. for the company to operate into six U.S. cities.

Passenger boardings skyrocket 133.3% to 533,561 (293,880 domestic and 239,680 international).

Airline employment in 1995 stands at 1,801, a 45.2% boost. In January, a B-737-2C9A is leased to **RiAir, A.S.** In mid-February, the Transaero Club frequent flyer program is introduced.

During the spring, scheduled flights are initiated from Moscow to Berlin and Frankfurt. Simultaneously, B-757-2Y0ER flights commence from Moscow to Novosibirsk and Vladivostok.

In early July, a special hall for business-class passengers is opened at Sheremetevo-1 Airport at Moscow.

On December 2, company executives announce plans to inaugurate return service from Moscow's Sheremetyevo Airport to California the following June.

Enplanements for the year skyrocket 121.6% to 1,182,446 while cargo also increases, up 108.9% to 286.07 million FTKs. Operating revenues of \$147 million are reported and exceed expenses of \$145.37 million. A \$1.62-million operating gain is recorded, but no net figures are released.

A total of 99 new employees join the company in 1996 and the owned fleet now includes just 1 Il-86. Also operated, under charter, are 3 each B-757-28As, B-737-236As, and Douglas DC-10-30s, and 2 each B-737-2C9As and B-757-2Y0ERs. The long-range Douglas wide-bodies, formerly operated by **American Airlines**, are chartered to the Russian carrier on behalf of the U.S. major by Fin 3 in Ireland. Orders are placed or outstanding for 10 each B-767s, B-737s, and Il-96Ms.

Various new international markets are entered in the Eastern Hemisphere, including Cairo and Paris. Transaero now operates 140 weekly flights to 18 points in Russia and the CIS and to 7 international destinations. With initiation of the summer schedule, regularly posted flights commence to Lvov, Kishinev, Akmola, Karaganda, Omsk, Apatity, and Krasnoyarsk.

On May 14, the company announces plans for a \$1.2-billion expansion of its fleet in one of the largest airliner acquisitions ever made by a Russian carrier in an international competition. All major international and Russian manufacturers will be invited to participate.

The carrier begins its first transatlantic services to the Western Hemisphere on June 16 with weekly nonstop DC-10-30 roundtrips from Moscow to Los Angeles. The route had previously been flown without success by **Aeroflot Russian International Airlines (ARIA)**. A code-sharing agreement is simultaneously reached with **American Airlines** for services to Chicago (ORD) via New York (JFK) slated to begin next April.

An agreement for code-sharing, joint fleet planning, and schedule coordination is signed with **Aeroflot Russian International Airlines (ARIA)** in July. As the result of a complaint filed by Transaero with the State Antimonopoly Committee in January when it was denied additional route authority, Pulkovo Aviation Enterprise relents on August 19 and grants Transaero authority to add to additional weekly roundtrips to its schedule from Moscow to St. Petersburg.

Weekly nonstop DC-10-30 roundtrips to Orlando from Moscow commence in October. Uncertainties surrounding the nation's presidential election bring a decline in business-class travel.

Customer bookings at Russia's largest independent soar 28.3% to 1,516,700 and 23.58 million FTKs are operated, a 25.2% increase. A \$24-million profit is reported.

The employee population grows by 16.3% in 1997 to 2,209. The fleet will be increased during the year by the addition of three additional chartered B-757-2Y0ERs.

It is reported in the aviation press on February 1 that Russia's second-largest airline has joined the New Jersey-based investment group Strategic Capital Group for the purpose of joining in a proposal to take over **Trans World Airlines (TWA)**. The U.S. major will neither confirm nor deny this activity. The TWA bid is not formalized.

During the second week of the month, the company signs a \$7-million, one-year contract with Greenwich Caledonian, Ltd. of Prestwick, Scotland, for the maintenance of its DC-10-30s engines.

Also during the month, the carrier introduces a competitive new fare structure (low-cost or discount would be the term employed in the West) on the Moscow–Novosibirsk route. Traffic on the new service will consequently double in the next four months.

Dual-designator frequencies are initiated with **American Airlines** in April employing DC-10-30s leased from Fin 3. AA purchases seats on Transaero's new weekly frequencies from Moscow's Sheremetyevo Airport to Chicago via New York, while Transaero, in turn, shares codes on American flights from Chicago to five U.S. points.

Discussions begin with **Estonian Air, A.S.** in May concerning the possibility of an alliance under which the former **Aeroflot Soviet Airlines** division would provide feeder services for the Russian independent.

Cofounder/Chairman Gurdavoy now departs to form a project management business, while the other cofounder and general director, Pleshakov, moves up to the top position.

On June 1, Chairman Pleshakov announces a \$450-million order for six Il-96Ms, to be delivered in the year 2001. By month's end, it is reported that, after a year, traffic on the new Los Angeles route is up by 30%. During July, three B-767-266ERs, previously operated by **EgyptAir, S.A.E.**, arrive under charter.

In an effort to counteract generally high domestic airline fares, Transaero maintains low ticket prices on its Novosibirsk–Moscow route and increases capacity by replacing the B-737-236A previously employed with a DC-10-30. A number of discounts become available to customers tailored to generational and demographic factors. Plans to resume flights to Kishinev, Minsk, and Sochi, suspended for lack of traffic, are shelved when marketing determines that business is not yet sufficient to justify relaunch.

In a follow-up to the Russian Federation's establishment of a representative office in Taipei the previous December, the Chinese Republic's Ministry of Foreign Affairs announces on September 4 the opening of direct commercial aviation links between Taiwan and Moscow. **China Airlines, Ltd. (CAL)** and Transaero are authorized to fly the route.

Also in September, the short-haul subsidiary **Transaero Express** begins revenue services with a pair of Tu-134As.

During the fall, significant tourist traffic comes to Moscow for celebrations commemorating the 850th anniversary of the city's founding. Although plans to visit Manchester, England, are dropped, regularly scheduled return flights begin between Moscow and Strasbourg in October.

Also during the fall, the company signs one of the first strategic marketing pacts between airlines of the former Soviet Union when it agrees to cooperate with Tashkent-based **Uzbekistan Airways** on code-sharing over routes from Moscow to Tashkent, on maintenance, and general schedule coordination and marketing.

On October 1, frequencies on the Los Angeles route are doubled to twice-weekly; free connections are offered to **American Airlines** and **Wings West Airlines**, doing business as "American Eagle," from Los Angeles (LAX) to Monterey, San Diego, San Luis Obispo, Fresno, Santa Barbara, Las Vegas, and Honolulu.

Also during the month, arrangements are completed with ILFC for the charter of a pair of B-767-3Q8ER for eight years beginning in March 1998. In November, a request is made of **Bavaria Fluggesellschaft mbH. & Co.** for two Next Generation B-737-7K9s.

A 30% stake is purchased (for just \$10,000) in **Riga Air** during December. Transaero has already invested \$5 million in the regional.

Early in the month, the company becomes the first Russian airline ever certified by the U.S. FAA. Under FAR 145 rules, the FAA grants the company line maintenance rights for repair of its DC-10-30s and their CV6-50 engines.

Passenger boardings rise 2.4% to 1,550,600, while cargo surges 25.5% to 31.7 million FTKs. Revenues reach \$320 million.

The first Next Generation B-737-7K9s, expected during January 1998, are delayed.

During the first quarter, Russian Federal Aviation Service Director General Gennady Zaitsev places the finishing touches upon an ambitious \$750-million plan to modernize the nation's commercial aviation. The blueprint, announced just prior to March 23 when President Yeltsin dismisses his entire cabinet, contains a number of progressive points.

The nation's 315 airlines will be integrated into 5 to 8 national carriers, the number of regional airlines will be cut to 24, and some 65 small local airlines will be allowed to continue. The regional and local service companies will be required to perform "social" flights to unprofitable points.

Zaitsev's document also indicated that the monopolistic relationships between airlines and airports will end and that the number of federally supported airports will be reduced; all will become joint-stock (limited) carriers within a year. Finally, the civil fleet will be upgraded; leases will be employed by those unable to purchase Western-built transports.

The first B-767-3Q8ER arrives in March; the second is expected to be delivered in November. Both will be employed on domestic routes and replace the DC-10-30s within two years.

The premier Next Generation B-737-7K9 arrives at the end of April, with two more expected before the end of the year. It is placed on the longer domestic segments, along with certain routes into Western Europe. Transaero claims to be the first airline in Russia and the second in the world to offer B-737-700 service.

During the spring, code-sharing flights begin from Moscow to Tashkent in cooperation with **Uzbekistan Airways**. At the same time, the company approaches the U.S. Department of Transportation seeking route authority to open service to New York by the summer of 1999.

A business-class lounge is opened at Sheremetyevo Airport on May 11.

By midyear, the company is operating 250 segments per week, many from its newly upgraded terminal at Moscow's Sheremetyevo-1 Airport. On July 3, Transaero becomes the first commercial carrier to fly nonstop over the North Pole with an 11-hr. DC-10-30 flight from Moscow to Newark via Krasnoyarsk and Toronto.

At the beginning of August, a majority group of shareholders elects a new executive board at an illegally called general meeting. The new board now agrees to sell a 12.38% stake in Transaero to Moscow-based LogoVaz, which is controlled by financier Boris Berezovsky. The old board immediately files suit.

Russian air transport, like other elements of the economy, encounter rocky times after the government devalues the ruble in mid-August. Airlines begin to fix their own rates, pegging tariffs to both rubles and U.S. dollars. On August 26, Transaero fixes its domestic rates at 7.5 rubles to the dollar and its international ticket prices at 8.253 rubles to the dollar, even though the official Central Bank exchange rate is 7.86 rubles to the dollar. The rate will plunge to 16 to 1 within a month.

On September 6, **Aeroflot Russian International Airlines (ARIA)** officially informs Transaero of the termination of their agreement for joint commercial activities, effective October 6, and on mutual financial claims on December 6.

Eight days later, on September 14, Aeroflot goes to court in Moscow to file a claim against Transaero for 4.6 million rubles, following it up a week later with another 4.6-million ruble claim (for maintenance and service charges) and a request that Transaero's bank accounts be frozen. Transaero replies with a countersuit seeking 15.2 million rubles.

Analysts picture the court claims as an attempt by financial magnate Berezovsky to further his takeover of Transaero and with the help of key executives at Aeroflot allegedly loyal to him, to merge the two airlines into a super carrier. There is behind-the-scenes opposition from Aeroflot Managing Director Valey Okulov, which now begins to simmer.

In mid-September, the U.K. CAA chooses **Virgin Atlantic Airways, Ltd.** rather than **British Midland Airways, Ltd.** as the second U.K. airline to operate from London to Moscow. Virgin plans to operate in partnership with Transaero, as holder of the corresponding second Russian license, to convert the four weekly flights allowed under the British license to effect daily service as of October 22.

Replacing a DC-10-30, the B-767-3Q8ER takes over the weekly non-stop return service from Moscow to Los Angeles on September 27. A leased B-737-73S is received in lieu of the two ordered units.

The Russian Federal Aviation Service reports at the end of September that for the period since the beginning of the fiscal crisis in August, the number of citizens traveling domestically in Russia has dropped 30%, while the number of those traveling abroad has fallen by 70%. There is also a 40% drop in the number of incoming tourists.

As the result of an appeal of the September CAA decision by **British Midland Airways, Ltd.**, U.K. Deputy Prime Minister John Prescott, in his dual role as Secretary of State for the Environment, Transport, and the Regions, stops **Virgin Atlantic Airways, Ltd.**'s plans for Russian service from London (LGW). While not indicating that Virgin is out of contention for the route it is planning to fly with Transaero, Prescott demands that the CAA hold new hearings on November 26.

Transaero celebrates its seventh anniversary on November 5, but as the Russian economic situation continues to deteriorate, Transaero's fortunes, to a certain extent, decline as well. By the end of November and into December, the carrier is forced to make significant fleet changes. All of the DC-10-30s are returned ahead of schedule, receipt of the second B-767 is delayed, and two B-757-2Y0ERs are returned to their lessor. The Douglas wide-bodies will be chartered to **Hawaiian Airlines (HAL)**.

On December 1, the Moscow court makes a ruling in the suits brought by **Aeroflot Russian International Airlines (ARIA)** and Transaero against one another. As a balance of the mutual claims, Aeroflot is directed to pay Transaero \$3 million (\$176,000). The final joint agreements between the two carriers end on December 6.

The U.K. CAA reverses its decision to award Moscow authority to **Virgin Atlantic Airways, Ltd.** on December 16 and instead hands it over to **British Midland Airways, Ltd.**

Transaero proudly inaugurates twice-weekly return service between Moscow and London (GTW) on December 18. The flights are direct and no longer go via Riga.

Customer bookings, on 18,729 scheduled flights, decline 5% to 1,285,000.

On January 27, 1999, a Russian arbitration court annuls the airline's recent acquisition by financier Berezovsky's trade group LogoVAZ. This setback ends Berezovsky's influence at Transaero. Meanwhile, with the company's 9 largest Western aircraft removed as a cost-saving measure, Transaero's Boeing fleet comprises only 2 chartered Next Generation B-737-7K9s and 5 B-737s (3 Dash-236As and 2 Dash-2C9As), plus 1 Il-86. In February, the company enters into a code-sharing alliance with **Kras Air (Krasnoyarsk Avialinii-Krasair)**. The event marks the first dual-designator alliance between two Russian carriers. Negotiations for joint operations simultaneously begin with **Siberia Airlines (Sibir)**, **Domodedovo Airlines**, and **Air Kazakhstan Group**.

On March 22, the Next Generation B-737-7K9 is seized at London (LGW) and held as insurance that Transaero will make payments on its major debt for ATC and navigation services to Great Britain, Canada, Denmark, and Iceland. Satisfactory discussions are held in Brussels the following week between officials of Eurocontrol and the airline; meanwhile, although the Next Generation Boeing remains under arrest, the company's other Boeings are allowed to fly in and out of London without harassment.

When first quarter figures are released, they demonstrate that the carrier is back on track financially and has begun to recover. On April 12, Chairman Pleshakov reveals this welcome trend to reporters at a Moscow news conference. He also notes that the airline is implementing a cost-cutting plan that will see the number of employees cut from

2,600 to 1,700, with a view to a further reduction to 1,100. It will also rationalize its routes and seek new financial backing that will allow it to operate an all-Russian fleet, thereby withdrawing the Western aircraft that are so expensive to lease.

It is announced on August 23 that Latvian competition authorities are investigating **Air Baltic Corporation** and Transaero over a price-fixing scheme.

Ilyushin Finance now comes forward with a plan for a pair of pilot projects, one each for Transaero and **Aeroflot Russian International Airlines (ARIA)**, which will see the Russian government guarantee bank loans for the acquisition of new Russian-made airliners. Negotiations between Ilyushin, the banks, and the government now follow.

At the end of September, twice-weekly roundtrips are inaugurated between Moscow and Eilat, Israel, via Tel Aviv. From the end of October through December 15, a 10% fare discount is offered on all flights from Moscow to regions in the CIS.

The carrier celebrates its seventh anniversary on November 5. Direct, twice-weekly return service is launched from Moscow to London (LGW).

On December 29, return frequencies from Moscow to Tel Aviv become twice daily. Passenger boardings plunge 57.3% to 571,647 while freight traffic drops 79.3% to 5.42 million FTKs. Revenues total 2.2 billion rubles (\$89.2 million) and there is a 126-million ruble (\$4.4-million) net gain. The decline in passenger traffic totals 25% on domestic routes and nearly 40% on international services, and is blamed by Chairman Pleshakov on the impact of the August 1998 currency crisis.

Airline employment at the beginning of 2000 stands at 1,147, a huge 46.8% decrease over the previous 12 months. A new Transaero 2000 marketing program is kicked off in early January with a publicity stunt unprecedented in company history. Converted to all-business-class seating, a Next Generation B-737-7K9 flies around the world from Moscow via London (LGW), New York (JFK), Los Angeles, Anchorage, Tokyo (NRT), and Irkutsk. The flight requires 12 days and 58 flying hours.

On March 26, the London terminal for the carrier's weekly roundtrip is switched from Gatwick Airport to Heathrow.

On April 11, the company reveals that, within the past two months, it has signed marketing and code-sharing agreements with **Continental Airlines**, **Ural Air (Ural Too)**, and **Air Kazakhstan**.

The carrier begins to code-share with **Ural Air (Ural Too)** on April 24 over a route from Moscow to Ekaterinburg. The next day, **Airlines-Online.com** reports that the carrier has but four operational aircraft.

The carrier's weekly roundtrips between Moscow and Astana, Kazakhstan, are, in partnership with **Air Kazakhstan**, increased to six per week on June 1. The service to London (LHR) simultaneously is made daily. With two aircraft undergoing required certification checks and out of service during the first half, customer bookings have dropped to just 195,000.

On July 3, the carrier begins to code-share with **Air Moldova International** on a route from Chisinau; seven flights are made into Moscow (Vnukovo) and three to Moscow (Sheremetyevo 1). The daily return service from Moscow to Baku, dropped two years earlier due to the currency crisis after a promising start in May 1994, is resumed on July 15. At a Moscow news conference on August 10, Alexi Mayorov, Transaero's head of flight safety inspection, reports that the safety of his airline's flights is improving. With no crashes in its history, Transaero has had a few close calls or incidents. These, it is noted, have dropped from 23 in 1998 to just eight in 1999; only one has so far been reported in 2000.

Weekly return service is launched between Moscow and Strasbourg on August 26. The smallest of all wide-bodied aircraft available on the market, an A310-324 is leased from Airbus Asset Management on September 10. At the end of the month, Chairman Pleshkov is honored when his name appears in *Expert* magazine as one of the top 100 most influential Russian entrepreneurs.

At the beginning of the winter schedule on October 29, Transaero introduces a number of discount fares. Roundtrip tickets from Moscow to London (LHR), Strasbourg, Frankfurt, or Pafos on Cyprus are cut to

\$199 while "welfare priced" 100-ruble return service is available between Moscow and St. Petersburg.

To help improve its market share against Transaero, **Aeroflot Russian International Airlines (ARIA)**, on October 30, replaces the Tu-154Ms employed on the Moscow to Nizhnevartovsk route with B-737-4M0s. The chartered A310-324 is delivered on November 30.

The company places its Airbus into service on December 3 on both scheduled and charter routes to Frankfurt, London (LHR), Tel Aviv and Almaty. The latter is one of four cities in Kazakhstan, along with Atyrau, to which scheduled Boeing service from Moscow is simultaneously launched.

At a press conference early in the month, Chairman Pleshakov reviews the progress being made toward equipping Transaero with Russian-built airliners. Under a plan first proposed by Ilyushin Finance Company in 1999, a pilot project for a state-supported aircraft leasing program has been agreed to by a number of banks. Following two special meetings, one chaired by President Vladimir Putin, the Russian government has also given its approval. The banks will fund the project at an annual interest rate of 11%–12%, which is much less than that charged by Russian banks.

An arrangement for financing is completed with Ilyushin Finance Company on December 15; under its terms, the carrier will be able to add 10 chartered Tu-204-100s to its fleet between 2001 and 2003 at rates 30% less than those for B-767s.

Having for five years unsuccessfully attempted to get its facilities at Moscow's Sheremetyevo Airport upgraded, the company begins to seriously entertain thoughts of accepting an East Line proposal to move to newly reconstructed Domodedovo Airport. Indeed, that decision will be taken during the first quarter of the new year and will result in the carrier's transfer by May 1.

Passenger boardings this year fall 25% to 430,000. The plunge is blamed on a sharp reduction in the number of unprofitable domestic routes operated; flights to other CIS destinations, particularly Kazakhstan, show good growth while traffic on routes to Germany and the U.K. is up substantially. Indeed, passenger numbers on the service from Moscow to London (LGW) increase by 230%. According to preliminary figures, revenues have advanced to 2.5 billion rubles (\$88.8 million) and profits of 280 million rubles (\$10 million) are expected.

At the end of the year, a new code-sharing agreement is signed with the Republic of China-based carrier **EVA Air (EVA Airways, Ltd.)**. The arrangement will allow EVA, on March 1, to become the first Taiwanese carrier to overfly Russian territory with a new thrice-weekly direct roundtrip service from Taipei to Paris (CDG). In October, Transaero, on behalf of the new partnership, will begin operating a weekly A310-324 return service from Moscow to Taipei.

TRANSAERO EXPRESS: 1/9 Senezhkaya Street, Moscow, 124513, Russia; Phone 7 (095) 453 0136; Fax 7 (095) 456 3375; Code TXE; Year Founded 1997. Transaero Express is founded in September 1997 to offer regional charter service on behalf of **Transaero Airlines**. Vasily Vysotski is placed in charge and he begins revenue services with 1 each Antonov An-26, Tupolev Tu-134, and Yakovlev Yak-40.

TRANSAERO SAMARA: Smyshievskoye Shosse 1A, Samara, 443050, Russia; Phone 7 (8462) 586 218; Code TSL; Year Founded 1994. TS is established at Samara in 1994 to offer regional and domestic passenger charters. V. E. Kruglov is appointed general director and he inaugurates revenue flights with a single Yakovlev Yak-40.

Services continue in 1995–2000, during which years the fleet is increased by the addition of 1 each Antonov An-12 and Ilyushin Il-76.

TRANSAEROS ILLIMANI, S.A.: Bolivia (1972–1980). TI is set up at La Paz in 1972 to provide domestic all-cargo charters. Revenue operations begin with a trio of Curtiss C-46 Commandos.

Its No. 1 engine afire, a C-46D with three crew and a passenger carries out a safe emergency landing at Santa Ana on December 7, 1973;

although the aircraft will be destroyed, all aboard are safely evacuated beforehand.

Service continues until the fall of 1980.

TRANSAFRIK: Sao Tome and Principe (1986–1993). This charter operator, headquartered at Shannon, Ireland, is formed at Sao Tome on November 28, 1984 to offer contract passenger and freight services to destinations primarily in Africa. President C. R. G. Hellinger's company employs 220 workers and beginning on December 1, operates a fleet of 4 Lockheed L-382G Hercules and 2 Douglas DC-8-33Fs.

In 1987, two used Lockheed L-188A Electras replace one DC-8-33F. One had originally been operated by **American Airlines** and the other by **Garuda Indonesian Airways**.

On April 8, possibly as the result of multiple hits from small arms fire, an L-382G with four crew suffers a double engine fire while on final approach to Luena. The plane makes a forced landing in bush country about 1.5 km. from the end of the runway at Luena and although the aircraft is subsequently burned out, there are no fatalities.

In 1990–1991, two DC-8-20Fs and a BAC 1-11-322SR are acquired.

While at 17,000 ft. and en route from Luanda to Lunda Norte Province on March 16 of the latter year, another Hercules freighter, with three crew and six passengers, is hit by a surface-to-air guided missile. The turboprop crashes 32 km. from Malange and there are no survivors.

Three more Hercules freighters are leased from the South African operator **Safair Freighters (Pty.), Ltd.** in 1992. In 1993, the carrier is reformed and with the new name **Transafrik International**, is transferred to Luanda, Angola.

TRANSAFRIK INTERNATIONAL: P.O. Box 2839, Luanda International Airport, Luanda, Angola; Phone 244 (2) 352 141; Fax 244 (2) 393 397; Year Founded 1993. In 1993, the company headquarters of the Sao Tome and Principe-based **Transafrik** are transferred to Luanda, Angola. A new title, **Transafrik International**, is chosen, along with a revised logo and appropriate new aircraft livery. Managing Director Erich Koch's airline continues to specialize in large-scale cargo lifts under difficult conditions. The fleet now includes 1 each British Aerospace BAe (BAC) 1-11-211AH, Douglas DC-8-33F, Grumman G-159 Gulfstream I, Lockheed L-382E Hercules, L-382G Hercules leased from **Safair Freighters (Pty.), Ltd.** of South Africa, and a Bell 206B JetRanger helicopter.

The workforce stands at 200 in 1994 and the fleet is enhanced by the addition of a third Hercules freighter and two Boeing 727-100Fs.

While landing at M'Banza Congo, Angola, after an April 27 all-cargo service from Luanda, a B-727-44F with three crew touches down 2 m. short of the runway; the aircraft veers off the right side of the runway and crosses a road, striking a bus with its right wing. Although the aircraft and bus are badly damaged, there are no fatalities.

The UN is able to broker a shaky peace arrangement between warring factions in the former Portuguese colony. UN monitors will attempt to keep the pact from falling apart.

Services continue in 1995–1997, during which years the fleet is altered and comes to include just 1 Hercules plus 1 each B-727-51, B-727-82, B-727-22F, B-727-23F, and B-727-95F and 1 Bell 206B JetRanger.

The workforce is boosted by three employees in 1998. A Lockheed L-382C is leased from a Bolivian concern early in the year to operate all-cargo services in Africa on behalf of the UN. In mid-June, the plane crashes somewhere in Zambia, losing an engine and suffering its wing to be torn off. No fatalities are reported.

The company becomes the focus of a flurry of publicity over the Christmas holidays when two additional Hercules freighters, which it has leased to operate on behalf of the UN in Angola, are both shot down during renewed fighting between the Luanda government and its principal opposition.

The first, with 14 passengers, is lost on December 26 in the Vila Nova area shortly after taking off from Huambo. Although it appears from initial reconnaissance over the area, recently secured by government forces

from the National Union for the Total Independence of Angola (UNITA), that the aircraft has landed in such a condition that some aboard may have survived, such is not the case. After securing approval from both warring parties, a UN search party visits the scene and finds charred wreckage and bodies.

The second aircraft, with four crew and five passengers, is downed on January 2, 1999, near Huambo, again with no survivors. Due to fierce fighting, a visit to the crash site by a rescue team is not, however, possible for some time.

Other services continue without incident or headline during the remainder of the year. The B-727 fleet at year's end includes 3 Dash-23Fs, 1 each Dash-30C, Dash-31F, Dash-22C, Dash-25F, Dash-95F, and Dash-90C.

Following its second ILS approach in storms to Luanda after an all-cargo service from Salima on February 12, 2000, the B-727-82 with seven passengers lands hard with its right wing low. The wing hits the ground and breaks off. Although no injuries are reported, the jetliner must be written off.

TRANSAIR, LTD. (1): Canada (1956–1979). **Central Northern Airways, Ltd.** and **Arctic Wings, Ltd.** merge at Winnipeg in early 1956. The fleet and route system are based primarily upon the aircraft, services, and DEW Line construction support contracts brought into the partnership by the former CNA. Both of the Curtiss C-46s acquired by CNA in February 1955 are lost, one at Fox, Manitoba, on April 3 and the other at Coral Harbor, Northwest Territories, on July 6. Meanwhile, on May 30, one of the carrier's three Bristol 170 Mk. 31 Freighters exceeds the runway when landing at Beaver Lodge Lake, Northwest Territories, and is lost through the ice. On June 18, a second Bristol Freighter is lost when it falls through the ice at Povungnituk, on Hudson's Bay, sinking 40 ft.

Additional DEW Line air supply contracts are obtained and the first aircraft acquired by the new company is a Douglas DC-4 received in June. It is employed to fly to the Mid-Canada Line bases along a route from Montreal to Ottawa to Churchill, Manitoba. It is followed into service in August by a Consolidated PBY-5A Canso, which will, however, be sold in October. Also during the summer, two de Havilland Canada DHC-2 Beavers are obtained.

Three Avro 685 York C.1s enter service in September. One of these is lost at Fox on September 13; no other information is available.

An Avro 685 York C.1 is lost 33 mi. S of Rankin Inlet on January 8, 1957; although the aircraft must be written off, there are no fatalities. Another Canso flying boat is received in March.

A fifth Cessna 180 is acquired in July but is withdrawn the following month. In August and September, three Douglas DC-3s are acquired from **Canadian Pacific Air Lines, Ltd.** In the latter month, Transair takes over CPAL's route between Winnipeg and Churchill via Dauphin, the Pas, Flin Flon, and Lynn Lake. A Noorduyn Norseman VI sinks at Wabowden Lake on October 20.

Scheduled and contract services continue virtually unchanged over the next three years. In February 1958, a 10-year-old Avro Anson V is withdrawn and scrapped. The last Bristol Freighter is sold to **Wardair Canada, Ltd.** in March. On July 28, a Norseman VI is lost in a fire at Eskimo Point and in August, a decade-old Republic RC-3 is sold to Holiday Enterprises, Ltd.

A Norseman V is lost while landing at Fox Channel on January 18, 1959. Another DC-3 is purchased in April and in November, the carrier's six-year-old Lockheed Model 12A is passed to **Superior Airways, Ltd.** Meanwhile, in June, a Norseman V is destroyed in a crash at Sandy Bank Lake and an Avro Anson V acquired in March 1960 is sold in April to **Spartan Air Service**.

A large USAF DEW Line resupply contract is received in 1961 in addition to a new stop at Thompson on the Winnipeg to Churchill scheduled route. To undertake these new services, four additional DC-4s are acquired between March and May. In May and June, the last four Cessna 180s are withdrawn along with a Norseman IV. A sixth DC-4 joins the fleet in February 1962.

In April 1963, **Trans-Canada Airlines, Ltd.** sells its Prairie Air Service to Transair for C\$1. To service this new network—Winnipeg to Regina via Brandon and Yorkton, plus Regina to Prince Albert via Saskatoon—the state carrier in March–May also provides two more DC-3s and a Vickers Viscount 724.

Airline employment in 1964 stands at 312 and the fleet includes 28 aircraft. The route from Regina to Calgary, via Swifts Current and Medicine Hat, is terminated in January. Simultaneously, the Prairie Air Service is now fully implemented. In April, the 1961 DEW Line airlift contract is once again awarded to the company.

A DC-6 is leased to supplement other aircraft making the regularly offered sportsmen's fishing charter flight to Great Bear Lake from Winnipeg. This is the longest such route in the world. A DHC-2 Beaver is withdrawn in September. Enplanements are now 75,901.

The workforce increases to 349 in 1965. It is decided by the new management team, lead by President M. P. Martyn, to consolidate departments and to reorganize the company along functional lines. The decision is also taken to operate transatlantic charters and these are begun by 1 each new DC-7C and DC-6. A Beech 18S is acquired in February.

In the spring, a Viscount low-fare coach service, The Plainsman, is inaugurated on the prairie routes. Three Norsemen VIs, two PBY-5A Cansos, a DHC-2 Beaver, and an Avro Anson V are also withdrawn as an option is taken on a Lockheed Hercules freighter. Passenger boardings climb to 85,022.

Two DC-4s are withdrawn in 1966, one in March and the other in June. A third Canso is also sold in March. Another DC-3 is received in December. The DC-7C is sold in January 1967 and the first de Havilland Canada DHC-6 Twin Otter joins the fleet in February. The DC-6, a DHC-2 Beaver, and a Norseman VI are sold in June, followed by a 20-year-old Bellanca Air Cruiser in July and the Beech 18S in August.

A DC-4 is sold in April 1968 and two Japanese-made Nihon YS-11A turboprops are acquired in August. Christened *Norway House* and *Cumberland House*, they are the first Transair aircraft to receive individual aircraft names. A DC-3 is lost in a September 25 crash at Coral Harbor.

Formed by merger in April 1969, **Midwest Airlines, Ltd.** is taken over in November. The new subsidiary will be allowed to operate under its own name in modified Transair livery. Three of five Hawker Siddeley HS 748s leased by Midwest prior to the merger are returned by year's end. Meanwhile, a DC-6B is acquired in March, two Grumman G-21A Gooses and a G-73 Mallard in April, and a Shorts SC-7 Skyvan in June. Two DC-4s are sold in September.

Orders are placed for two Boeing 737s, which are delivered in March 1970 and enter service in April on two new routes out of Winnipeg: to Toronto via Dryden, Thunder Bay, and Sault Ste. Marie and to Resolute Bay via Churchill. These B-737-29ACs are the first Transair jetliners to be christened with individual names, i.e., *Fort William* and *Fort York*, respectively. Four Hawker Siddeley Argosy Freighters are obtained between April and July for a new, but ultimately unsuccessful, trans-Canada all-freight service. Meanwhile another **Midwest Airlines, Ltd.** HS 748 is withdrawn in February and a DC-3 in October.

The Vickers Viscount 724 is withdrawn in January 1971, followed by the G-73 Mallard in March and another ex-Midwest HS 748 in April. Two more DHC-6s arrive in July. The DC-6B is sold in June 1972 and the last two DC-4s in August. Two of the last three DC-3s are simultaneously withdrawn. The first of two Fokker F.28-1000s on order is delivered in its yellow and brown livery during October and is named *Fort Resolution*. When it enters service, it is the first of its type to operate scheduled airline service in North America.

Rosella Bjornson is now hired as a Fokker first officer. She will shortly become the first Canadian female airline pilot and the first woman in North America to fly a commercial jetliner on a scheduled service.

Charter frequencies are increased and Jamaica replaces Barbados as a Winnipeg charter destination. Agreements are reached with commuter carriers to provide third-level replacement services in several market areas.

Airline employment is now 500 and a total of 273,000 passenger boardings are generated during the year.

The second Fokker F.28-1000, christened *Fort Prince of Wales*, is placed into service in April 1973. A Canso is sold in May and another in July. Also, in July, the two G-21As are sold to West Coast Air. An Argosy Freighter is sold in October. A B-737-248 is leased from **Aer Lingus Irish Airlines, Ltd.** for the winter 1973–1974 season; named *Fort Rouge* while in Canadian colors, it will be leased again in 1974 and 1975.

The Irish state carrier also provides a B-707-348C, *Fort Garry*, on a five-month charter beginning in December. The employee population numbers 632.

Customer bookings increase 20% to 328,000 while FTKs operated rise an incredible 278% to 3.2 million.

Two additional Twin Otters are procured in February 1974 and the last DC-3 is sold in March. A second Argosy Freighter is sold in July and in October, a B-707-351C is purchased from **Northwest Airlines** and takes the *Fort Garry* name. Scheduled operations begin to Resolute Bay. Charter programs to Hawaii are expanded and the company applies for the Prairie Service route to Regina, Saskatoon, and Prince Albert.

Enplanements for the year total 465,196.

The workforce in 1975 is 842. In February, the final HS 748 is withdrawn and sold. The unsuccessful *Fort Garry* is also withdrawn, on February 8, and sold to **Bangladesh Biman Airlines, Ltd.**, which takes delivery in April. Also in February and into March, the last two Canso flying boats are withdrawn. A second frequency is inaugurated on April 1 between Winnipeg and Toronto via Dryden, Thunder Bay, and Sault Ste. Marie.

The tour operator Filmont Tours International, Ltd. is purchased to ensure feed and the company enters heavily into the areas of maintenance and overhaul of flight equipment and begins to overhaul the government's military B-707s. The **Aer Lingus Irish Airlines, Ltd.** *Fort Rouge* is leased for a final time in December.

Passenger boardings decline 15% to 404,519 and a total of 636,000 FTKs are operated.

Plagued by financial difficulties unresolved since the recession and fuel price increases early in the decade, Transair in 1976 begins to sell off its short-haul routes to third-level carriers, disposing of three. In addition, two DHC-6s are sold to one of the purchasers, **Perimeter Aviation, Ltd.**, in June.

The last two HS Argosy 222 Freighters are disposed of in November along with a DHC-6 that goes to **Calm Air, Ltd.** The workforce is reduced by 1.1% through the year to 757.

Customer bookings accelerate 16.2% to 455,114 while cargo is up by 28.3% to 7.7 million FTKs.

In February 1977, **Pacific Western Airlines, Ltd.** purchases 70% majority control and while seeking government approval, allows Transair to continue under its own name on a limited schedule.

Enplanements for the year total 515,252.

Planning the integration of the Winnipeg-based carrier into its new owner takes up most of 1978. During the year, Transair terminates all of its services east of Winnipeg. Still, passenger boardings rise 10.6% during this final period, to 576,344.

The takeover is officially completed on December 1, 1979.

TRANSAIR, LTD. (2). See **TRANSAIR INTERNATIONAL, LTD.**

TRANSAIR INTERNATIONAL, LTD.: United Kingdom (1947–1960). With start-up capitalization of £1,000, Transair, Ltd. is formed by Gerald H. Freeman at London on February 12, 1947. Three Airspeed AS.65 Consuls are acquired in early summer and are employed to commence ad hoc charter flights from London (Croydon) Airport.

During the spring and summer of 1948, personnel charters are flown to Continental destinations. On September 2, a Consul is destroyed in a crash at Berne, Switzerland; it is replaced later in the month by an Avro Anson I. Contract newspaper carriage flights from London (Croydon)–Paris (LBG) for the Newspaper Proprietors Association commence on October 1.

Another newspaper contract, to Brussels, is obtained in early 1949 and two more Ansons are also obtained, being converted into freighters. By February 28, over 150 tons of papers have been carried to Paris. Later in the year, newspaper flights are started to the Channel Islands and a replacement contract is obtained from **British European Airways Corporation (BEA)** for mail flights; the latter make Transair the first postwar British independent authorized to fly domestic mail. Two BEA associate agreement scheduled routes are also opened: London (Croydon)–Blackpool and London (Croydon)–Ostend–Le Zoute. Three more Ansons are delivered in October and November.

Early in 1950, the owners of **Dennis Aviation, Ltd.** purchase an interest in the carrier and the two companies are gradually integrated during the first half; as part of the arrangement, Transair, Ltd. receives nine more Ansons between February and May. Meanwhile, on February 10, an Anson newspaper freighter is lost in a crash at Paris (LBG).

Lille is added as a stop on the Brussels return route in April and late in that month, three-times-per-week scheduled passenger services Lille–London (Croydon) are inaugurated. On April 26, an ex-**Dennis Aviation, Ltd.** Anson is lost in a crash at Mons, France. A variety of ad hoc charters are also flown and during the summer six ex-**Dennis Aviation, Ltd.** Ansons are sold.

Airline employment in 1951 stands at 80 and the fleet includes 9 Ansons. On February 5, an Anson is lost in a crash on Jersey. Newspaper flights continue to provide the bulk of company business, although a variety of ad hoc charters are also flown.

On February 17, 1952 an Anson crashes into a building at Melsbroeck Airport in Belgium; although destroyed, no one is killed. Early in the year, a contract is obtained to fly American service newspapers from Frankfurt to the U.K. Six DH-89As are obtained in April, but are immediately sold.

Seven former RAF C-47s are purchased during the first quarter of 1953 and converted to DC-3 civil standard; the first enters service on February 3. These aircraft are gradually introduced on the newspaper routes and fly ad hoc charters. During the year, company employment increases to 175. Inclusive-tour routes are introduced during the summer, London (Croydon)–Lourdes and Vienna, and a scheduled service is started to the Channel Islands. Late in the year, two Ansons are withdrawn.

During 1954, company DC-3s fly inclusive-tours to Alghero, Lourdes, Nice, and Graz and fly Air Ministry contracts to the Middle East and North Africa. During a May rail strike, Transair DC-3s fly newspapers to Cardiff and Exeter while, during the October and November dock strike, stranded cargoes are flown to Dutch, Belgian, French, and Austrian destinations plus Nairobi. Three Ansons are sold during the year and replaced by three more DC-3s. During the winter, ad hoc charters are undertaken, flying skiers to Zurich.

In 1955, newspaper flights are added to Dusseldorf, Frankfurt, and Hanover. On April 16, the company is re-registered as Transair International, Ltd.; capitalization is increased to £50,000 and orders are placed for two Vickers Viscount 804s. Inclusive-tour services during the summer are flown to all of the previous year's destinations plus Basel. Zurich skiing charters are again flown at Christmastime. Four DC-3s are sold during the year.

Under contract to **West African Airways Corporation (WAAC)**, three DC-3s fly the queen on a 28-day tour of Nigeria during January and February 1956. Manchester and Dublin are added as stops for the newspaper flights and a full schedule of inclusive-tours are flown to earlier destinations.

During the summer, several DC-3s fly German internal services under contract to **British European Airways Corporation (BEA)**. In September, the carrier becomes a wholly owned subsidiary of **Airwork, Ltd.** Between November 16 and December 14, company DC-3s fly over 300 Hungarian refugees to the U.K. from Austria. Two more DC-3s are purchased during the year.

A DC-3 is sold in April 1957. The two Viscount 804s ordered earlier are delivered in September. On October 1, they are placed in service fly-

ing British troops from London (LHR) to Benina, Idris, Gibraltar, and Malta.

A third Viscount 804 is delivered in April 1958. A new base is opened at London (LGW) in May, from which a daily service is flown, until October, on behalf of **Air France** to Paris and Nice. New inclusive-tour stops introduced during the year include Gibraltar, Tangier, and Toulouse. A Lagos to Dakar route is operated for WAAC and one DC-3 is deleted.

In February 1959, **Airwork, Ltd.** transfers two of its own Viscount 736s to Transair International, so that the latter might initiate colonial coach services. Normal trooping and inclusive-tour charters are flown during the summer. On August 19, a DC-3 crashes into Montseny Peak following takeoff from Barcelona (32 dead). A Viscount inclusive-tour route is flown Blackpool–Toulouse in October and November. During the year, three DC-3s are sold.

Two DC-3s are sold during the second quarter of 1960. On July 1, the carrier is merged into **British United Airways, Ltd.**, losing its identity in the amalgamation.

TRANSAIR INTERNATIONAL LINHAS AEREAS, S.A.: Brazil (1998–2000). Transair International is established at Rio de Janeiro in 1998 to offer long-haul charters and replacement services for established airlines. Equipped with a single Douglas DC-10-15 painted in a simple blue and white livery, the company is immediately engaged to provide flights on behalf of **Air Afrique, S.A.**, **Cameroon Airlines, S.A.**, and **Tunisair, S.A.**

Service is maintained in 1999. On April 24, 2000, the Brazilian Civil Aviation Department suspends the carrier's operating certificate forcing it to close down. The DC-10 is parked at Rio International Airport.

TRANSAIR SWEDEN, A.B.: Sweden (1950–1980). Nordisk Aero-transport, A.B. is founded by Pelle Loven at Stockholm's Bromma Airport in 1950, but changes its name before the inauguration of charter services in 1951. The carrier's original purpose is to deliver the newspaper *Aftonbladet* to Jonkoping and it is equipped with two Airspeed Oxfords with which to perform this task.

The fleet is upgraded with Douglas DC-3s in 1953 in order that charter and inclusive-tour operations might commence. Orebro-based Knut-Oskar Gustavsson is the first tour operator to sign a contract with Transair and on its behalf, the premier charter is operated to Hamburg on April 6. During the remainder of the year, and also on behalf of KOG, Transair operates 12 tour flights to Marseilles and 12 to Pisa.

DC-3 charters to Palma de Mallorca commence in 1954 and are operated with a technical stop at Hanover.

Flights from Stockholm to Germany and southern Europe continue apace in 1955–1956.

In 1957, the company also begins to fly certain replacement services for **SAS (Scandinavian Airlines System)**. With a need for greater capacity, Transair purchases three passenger-configured Curtiss C-46 Commandos. Capt. Carl Gustaf von Rosen delivers the first to Bromma Airport on April 7. The new aircraft are also employed to operate all-cargo charters throughout Scandinavia.

Passenger and freight operations continue apace during the remainder of the year and into 1958. The carrier is reorganized in October and operations are transferred to Bulltofta Airport at Malmo.

In mid-1959, Gosta Ellhammar becomes managing director and at the end of the year, three DC-6s are acquired from **SAS (Scandinavian Airlines System)**. Upon their arrival in 1960, the large aircraft inaugurate tour flights to Las Palmas in the Canary Islands.

The most innovative new service opened during this period is a 31-day excursion, with a stop at McMurdo Sound, Antarctica, introduced on February 1, 1961. In June of this year, the carrier accepts a contract to operate services in the former Belgian Congo in support of the UN. A DC-6B, a DC-3, and a DC-4 are dispatched to Leopoldville to undertake service.

On September 17, the DC-6B, with 5 crew and 11 passengers, including UN Secretary General D. Hammarskjöld, departs Leopoldville

on a service to Ndola, Federation of Rhodesia and Nyasaland (now Zambia), 970 nm. away. Shortly after arriving in the vicinity of its destination, the aircraft descends below minimum altitude and crashes in the bush 9.5 mi. from the airport; there is one survivor, who soon dies. As a diversion, the DC-4 had been sent ahead over the same route, with security taken to make it appear as the aircraft transporting the VIP.

In addition to an accident investigation carried out by the Office of the Director of Civil Aviation of the Federation of Rhodesia, the UN, on October 26, establishes an Investigation Commission under Resolution 1628. Neither body is able to find any evidence of foul play.

As the Congo effort increases, the company, in 1962, increases its African commitment by dispatching three more C-46s and two more DC-3s to work for the UN. Also during the year, a 50% stake in Transair is purchased by SAS (Scandinavian Airlines System).

A DC-3 with 10 passengers operated on behalf of the UN, is shot down near Kamon in the Congo on September 20 (one dead).

A DC-6B arrives from Sabena Belgian World Airlines, S.A. on April 3, 1963 and is christened *Uppsala*. Also during the year, the company enters into a contract with the Congolese government to operate domestic services on its behalf for a two-year period; a subsidiary, Transair Congo, S.A., is established and equipped with the ex-Sabena DC-6B and four C-46s.

SAS sells its stake in the airline in 1964 to Nyman & Schultz, A.B., one of Sweden's largest tour operators.

When the Congo contract ends in the fall of 1965, the Douglas transport is sold to the U.S.-based Boreas Corporation on December 3. The C-46s are transferred back to Sweden where they undertake cargo services on behalf of SAS (Scandinavian Airlines System). Late in the year, Managing Director Ellhammar purchases a pair of DC-7Cs from Northwest Airlines.

The Northwest "Seven Seas" are joined in 1966 by nine more acquired from Eastern Air Lines. The new additions are not popular due to continuing technical problems with their turbo compound engines.

A C-46A freighter with three crew and chartered to the UN, is destroyed as the result of a bad landing at Bunia, Congo, on March 6; there are no fatalities. The surviving Commando freighters are now sold as three Boeing 727-134s are requested.

Nyman & Schultz sells Transair in the spring of 1967 to Svenska Handelsbanken and its holding company, Trident, while the aircraft are sold to and leased back from Eriksbergs Mekaniska Verkstad, A.B., a shipyard at Goteborg. The first B-727-134 arrives in the fall. Christened *Midnight Sun*, it initiates service on November 23 with a charter from Bromma Airport to Las Palmas.

Joint operations with Scanair, A.B., the charter subsidiary of SAS (Scandinavian Airlines System) commence in 1968. Also during the year, 3 B-727-134s are leased to SAS for the next 14 years, as orders are made for another of the type, equipped with cargo doors. In addition, a former Eastern Air Lines DC-7B is acquired for contract use in support of the Swedish Red Cross in operations at Biafra. The aircraft is badly damaged when hit by rebel AAA fire on August 21.

Operations continue apace in 1969-1972; during the latter year, the company base is moved to Sturup Airport, E of Malmo.

Charters continue apace in 1973. Just after takeoff from Miami in heavy rain and lightning on June 21, a DC-7CF freighter, with three crew, crashes into the Everglades; there are no survivors.

On October 15, 1974, a B-707-351C is also purchased from Northwest Airlines. At this point, SAS terminates its contracts with Transair, but is, in turn, found guilty in court of breach of contract and is required to pay the charter airline SKr 20 million.

Rather than pay the huge settlement, SAS purchases Transair in 1975 and operates it as a subsidiary of Scanair, A.B. This year, enplanements total 281,049.

Passenger boardings in 1976 decline 10.7% to 253,884 and the B-707-351C is withdrawn. In 1977, Managing Director Ingmar Astrom oversees a workforce of 270 and operates a fleet of two B-727-134s and one B-727-134C. The third B-727-134 arrives in 1979.

Charters continue to be operated to both domestic and regional destinations until the oil crisis and resulting recession of 1980 force the company's business into decline.

The company's last publicly chartered service is operated on September 6, 1981, with a load of four passengers flown from Rhodes to Malmo. The last flight, on September 8, is a subcharter freight service on behalf of SAS (Scandinavian Airlines System) operated from Copenhagen to Narssorssuaq, Greenland. The four Boeing trijets are now sold and the company shuts its doors. There is a Web site maintained by Tony Edlind at <http://www.geocities.com/TheTropics/Cabana/2207/TransairSweden>.

TRANSAM, S.A. See TACA PERU. S.A.

TRANSAMAZONICA COLOMBIA (TRANSPORTES AVEREO DE LA AMAZONIA, LTDA.): Aeropuerto Vanguardia, Apartado Aereo 234, Villavicencio, Meta, Colombia; Phone 57 (86) 648 076; Fax 57 (86) 648 776; Code TAZ; Year Founded 1990. With a base at Villavicencio's Aeropuerto Vanguardia, Transamazonica is founded in 1990 to provide scheduled, third-level passenger and cargo services to the Amazon region near the Brazilian border.

By 1993, Managing Director Ximeno Gonzales Quintero's fleet includes 4 Douglas DC-3s. Contract services and nonscheduled passenger and freight services are also undertaken. One Douglas is withdrawn in 1994. Operations continue without change during the remainder of the decade.

TRANSAMERICA AIRLINES: United States (1979-1986). The onetime Oakland, California-based supplemental Trans-International Airlines, a division of the Transamerica Corporation, changes its name to Transamerica Airlines on October 1, 1979. The workforce totals 2,583 and the fleet comprises 3 Douglas DC-10-30CFs, 12 DC-8-61/63s, 12 Lockheed L-100-30 Hercules, and 8 L-188AFs. Orders remain outstanding for 3 Jumbojets.

On November 18, an L-188CF with 3 crew is en route from Ogden-Hill AFB to Nellis AFB, carrying a cargo that includes 15 pounds of explosive devices and a minute quantity of thorium, a low-level radioactive material. The aircraft loses electrical power 3 km. from Granger, Utah, a sparsely populated community near Salt Lake City. During the subsequent loss of control, the turboprop spirals toward earth, causing it to exceed its design limits; it breaks up in flight and there are no survivors.

The first B-747-271C is delivered on December 21 and, later in the month, Jumbojet flights are launched and scheduled operations are begun.

Combined enplanements for the carrier under its 2 names total 891,000, an increase of 2.8%. Cargo traffic is down by 10.3% to 377.32 million FTKs.

Under the CAB's revised airline classification scheme, Transamerica is now rated as a "national" carrier in 1980 and by the end of the year, it has achieved a third record year of earnings, despite a traffic drop, higher fuel prices, and the U.S. recession. Describing itself as a "department store of air transportation services," the Oakland-based carrier provides military flights, passenger and cargo charters (including its noted animal shipments), and scheduled service.

Transamerica is now the largest passenger charter operator flying across either the Atlantic or the Pacific. Nonstop scheduled Boeing 747-271C service is inaugurated between Los Angeles and Shannon, Ireland, following delivery of the second Jumbojet on March 26.

The fleet now comprises 2 Jumbojets, 6 DC-8-63CFs, 2 DC-8-61s, 3 DC-8-61Fs, 3 DC-10-30CFs, 8 Lockheed L-188AF/CFs, and 12 L-100-30 Hercules freighters.

Passenger boardings remain level at 929,483, and freight traffic drops off by 12%. Revenues accelerate 29.1% to \$352 million and net profit skyrockets 130% to \$23 million. This is the 20th profitable year out of the past 21.

The employee population is reduced by 13.6% in 1981 to 1,900. Although business falls somewhat, the multipurpose carrier continues to

record important firsts. Long known as a premier shipper of animals, Transamerica begins an agricultural development division to consult on and coordinate projects worldwide, winning an initial contract in the People's Republic of China. Meanwhile, twice-weekly B-747-271C charters are launched between Houston and the Persian Gulf.

Three of the company's Douglas DC-10-30s are leased to **Air Florida**, and a new Jumbojet combi, the company's third, is acquired on June 1. In July, seven of its DC-8-63Fs begin conversion with CFM56 engines to DC-8-73s with GE/SNECMA CFM-56 engines.

Passenger enplanements decline 12.2% to 816,000, but freight traffic increases sharply. By operating 357.7 million FTKs, Transamerica proves itself the largest national in that category. Total revenues earned fall off 8.3% to \$319 million, but net profit rises to \$24.7 million atop an operating gain of \$24 million.

Transamerica continues its extensive and diversified military and civilian operations in **1982**, with an employee population that is reduced 15.8% to 1,600. Nonstop scheduled passenger service from Oakland and Chicago to Shannon is added to the existing Los Angeles to New York route with the first new DC-8-73 on June 2, while a new schedule, under contract to the travel package firm American Hawaii Cruises, is added from St. Louis and Dallas to Honolulu and Tahiti.

The fleet by year's end includes 3 B-747-271Cs, 3 DC-10-30s, 12 DC-8s, 12 Lockheed L-100 Hercules, and 8 L-188A Electras.

Freight traffic jumps 10.3% to 394.44 million FTKs, but passenger bookings decline 37.3% to 512,000. Revenues accelerate 24.96% to \$239.5 million while expenses decline 27.74% to \$213.21 million. An operating profit of \$23.6 million is posted, along with net income of \$23.55 million.

One hundred employees are laid off in **1983** as scheduled service is inaugurated from Los Angeles and San Francisco to Shannon and Paris.

Having repossessed them from bankrupt **Air Florida**, the company's three DC-10-30s are sold to rapidly expanding **Federal Express**. An L-188AF is sold in June.

An L-100-30 with four crew and three passengers crashes in fog 50 km. S of Dundo, Angola, on August 27; there are no survivors.

Passenger enplanements finally rise, up 12.9% to 576,000, and freight traffic increases 2.2% to 402.96 million FTKs. Revenues advance 3.38% to \$247.59 million as costs barely increase, up only 0.59% to \$214.47 million. Keeping the latter figure in check allows Transamerica an operating profit of \$33.12 million and net gain of \$26.65 million.

The employee population rises 3.3% in **1984** to 1,550 and the fleet now includes 13 L-100-30s, 7 L-188AFs, 5 DC-8-61CFs, 7 DC-8-63s, 1 B-747-138, and 3 B-747-271Cs.

The company begins twice-weekly New York City to Tel Aviv Boeing 747-130 service in June, following receipt of a leased Jumbojet once flown by **Deutsche Lufthansa, A.G.** Flights to Ireland are also stepped up during the summer as are tour flights from Midwestern cities to destinations throughout Europe.

While conducting joint charter operations with **LOT Polish Airlines**, the carrier becomes the first U.S. air transport firm to land in Warsaw since 1981. On August 22, the company receives a \$31.9-million USAF contract for Pentagon transportation services. The reengining of its seven DC-8-63s into DC-8-73s is completed, the B-747-130 is subleased for freight operations, and the seven L-188AF Electras and five DC-8-61CFs are leased to other airlines.

Branching out somewhat, Transamerica attempts to form a nonunion subsidiary under its old name, **Trans-International Airways**, a move that leads to increased labor tensions and a breakdown in discussions with pilots in November.

An L-100-30 is destroyed on the ground at Cafunfo, Angola, by rebel gunfire on December 29.

Passenger traffic rises 35.6% to 781,000 and freight traffic jumps 14.9% to 462.82 million FTKs. Revenues rise 21.6% to \$331.3 million while costs are suspended at \$293.2 million. The operating profit balloons to \$38.1 million. Net profit is again reported with that of Transamerica Corporation.

The employee population plunges 32.4% in **1985** to 1,048. As the new year dawns, Transamerica continues its successful, if unusual, business mix of low-fare scheduled service over selective routes, military and tour passenger charters, and various charter cargo operations, specializing in outsize or animal loads and unusual destinations. The bitter contract fight with its unions occupies the carrier again this year. Two DC-8-73s join the fleet in February and President Howard K. Howard becomes CEO in May.

Although there is no timetable, the carrier is put up for sale by its parent in the fall and in November, the onetime German Jumbojet is returned to its lessor.

The transatlantic charter business falls off and contributes, along with other company uncertainties, to a decline in passenger traffic of 15.6%, or 659,000. Cargo dips 5% to 439 million FTKs. Revenues are also down, by 5.4%, to \$278 million and costs fall 1.4% to \$272.5 million. Operating income declines to \$5.6 million and a diminished \$20.8-million net profit is earned.

The search for a buyer continues during the first three quarters of **1986**, but when one does not step forward and carrier is forced to shut its doors on September 30.

Prior to shutdown, a total of 378,000 passengers are flown, a decline of 36% over the previous period a year earlier; freight is down by 43.3% for the same period to 183.48 million FTKs.

Revenues since January plunge 45.8% to \$143.86 million and expenses fall 34.4% to \$163.85 million. The operating loss is \$19.99 million. Sale of assets allows the carrier to close out with a \$2.15-million net gain. The most famous example is the transfer, for \$86.4 million, of its 11-unit Hercules fleet to **Southern Air Transport**.

TRANSAMERICAN AIR TRANSPORT: Argentina (1959–1960).

Established at Buenos Aires in **1959**, TAT inaugurates both passenger and cargo domestic charters with a fleet of four Curtiss C-46 Commandos.

A C-46F with 10 crew is lost at El Sosaedo on May 18, **1960**; there are no survivors.

Unable to achieve economic viability after the disaster, the concern closes down.

TRANSAMERICAN AIRLINES CORPORATION: United States (1931–1934).

On January 1, **1931**, Thompson Aeronautical Corporation is reorganized into a holding company. The Airline subsidiary that emerges is named Transamerican Airlines Corporation, only a slight change in moniker. Tex Marshall continues on as president, with Charles Rheinstrom as traffic manager and future **American Airways** marketing guru Charles Speers as a manager in Detroit.

Previous airmail, passenger, and express routes operated to 17 cities in Michigan, Illinois, Ohio, and Indiana are maintained. Employing newly purchased Stinson SM-6000B Tri-Motors, TAC opens direct and fast services between Chicago and Detroit on April 1. The same day, trans-Lake Erie flights, suspended for the winter, are resumed between Cleveland and Detroit.

During the spring and early summer, Manager Speer wins permission from Vice President/Treasurer Thomas Dunnion to begin at Detroit the experimental use of discounted coupon books. With a 15% markdown, a \$250 block of 10 tickets could be purchased for \$212.50. Although at first reluctant, Speer and Rheinstrom are able to win President Marshall's approval, over the objection of Vice President Dunnion, to sell the "script" systemwide. In 1936, the plan will be adopted industry-wide as the Universal Air Travel Credit Plan.

Sponsored by the company, a Bellanca Pacemaker, piloted by Parker Cramer and Oliver Paquette, departs Detroit on August 5 for a flight to Copenhagen over the North Pole. The aircraft will fly over Greenland, Iceland, and the Faroes and Shetland Islands north of Scotland before disappearing on its final leg into Denmark. Wreckage of the Bellanca will be found in September, but there is no trace of the airmen.

En route from Kalamazoo to Chicago on February 2–3, **1932**, a Stearman C3MB crashes near Marcellus, Michigan, in a blizzard; pilot Francis

Rust is found 17 hours later and dies of his injuries. In March, TAC obtains a 75-year exclusive landing concession from the government of Iceland.

Whether the rights are purchased for some planned international service or for later sale is not known; however, on April 15 and again in July, **Pan American Airways (PAA)** pays a combined \$60,000 for the Icelandic privileges. Meanwhile, pilot George Hill is killed when his Stearman C3MB crashes while landing at Fort Wayne on April 21.

American Airways purchases TAC in late January 1933 in order to operate its AM-27 mail route. Twenty-three aircraft are also turned over, 10 of which are repainted and retained in AA service. Conforming to then existing law, Thompson's survives as a phantom subsidiary with miniscule stock until 1934.

TRANSAMERICAN AIRWAYS: United States (1976–1977). This small regional is set up at Denver during the U.S. bicentennial year of 1976 to offer scheduled passenger and cargo services. Employing Cessna 402s, the new company inaugurates flights linking its base with Santa Fe in New Mexico and the Colorado destinations of Cheyenne, Douglas, Casper, Sheridan, and Gillette.

Unable to achieve viability, the company goes out of business in June 1977.

TRANSAMERICAN CHARTER: United States (1993–1995). TransAmerican Charter is established in the spring of 1993 to offer regional and international charter and inclusive-tour flights with a single Douglas DC-9-32. A contract is signed to provide exclusive charter service for the Miami Heat of the National Basketball Association.

A total of 3,000 passengers are flown by the end of the year. Equal losses of \$259,000 operating and net are reported.

During the fall of 1994, three British Aerospace BAe 146-200s are leased and employed on services from New York and Chicago to Key West.

Traffic figures are not released. Revenues, however, plunge 47.8% to \$1.32 million, but expenses drop further, by 54.1%, to \$1.28 million. As a result, there are equal \$40,000 operating and net profits.

Flights cease in 1995.

TRANSANDINA ECUATORIANA, S.A.: Ecuador (1948–1949). Early in 1948, Transandina is formed at Quito to offer scheduled and non-scheduled passenger and cargo services. After acquiring a pair of Curtiss C-46 Commandos, flights begin on March 15 linking the base city with Esmeraldas in the north and Manta, Guayaquil, and Cuenca further south.

Company income is seriously limited after one of the Commandos makes a forced landing on Cozumel Island, Mexico, on October 23. The second C-46, which constitutes the fleet while the first is under repair, is slightly damaged during a hard landing at Esmerales on January 25, 1949. The machine is quickly repaired and put back into service, but must be written off after crashing at Quito on May 13.

Unable to succeed without aircraft and against earnest competition from **ATECA (Aero Transporte Ecuatoriana, S.A.)**, Transandina joins with its rival in early summer to form **AREA (Aerovias Ecuatorianas, S.A.)**.

TRANSASIAN AIR EXPRESS (PTY.), LTD. See **PACIFIC AIR EXPRESS. LTD.**

TRANSATLANTICA ARGENTINA DE AERONAVEGACION, S.A.: Argentina (1958–1962). A group of former Fuerza Aerea Argentina (air force) officers form Transatlantica at Buenos Aires in March 1958. After an 18-month delays spent obtaining necessary permits and purchasing three former **Trans World Airlines (TWA)** Lockheed L-1649A Starliners, the new entrant inaugurates twice-weekly roundtrip service to Zurich on September 21, 1960 via Rio de Janeiro, Recife, and Lisbon.

Early in 1961, the overseas network is altered somewhat; Recife is dropped in favor of a Dakar stop. Geneva replaces Zurich in Europe, and the route is stretched from Switzerland on to Tel Aviv in Israel. A fourth Starliner arrives from Howard Hughes' carrier during the year's first half.

The carrier joins IATA on July 1; however, by this time, the company has begun to deteriorate badly. By year's end, layoffs occur, workers are unpaid, and accusations of fraud are made. Operations are suspended on November 5.

All operations are shut down in February 1962. Overextended financially, any hope of restarting must be abandoned; company officials resign from IATA on August 21 and shut the doors. As assets are sold off, one of the L-1649As will be returned to **Trans World Airlines (TWA)** two years later; it will be sold to the FAA for a spectacular crash test at Deer Valley Airport, Phoenix, Arizona, on September 3, 1964.

TRANSAVIA AIRLINES (LUCHTVAARTMATSCHAPPIJ TRAN-AVIA, N.V.): P.O. Box 7777, Westelyke Randweg 3, Schiphol Airport, Amsterdam, NL-1118ZM, The Netherlands; Phone 31 (20) 604-6555; Fax 31 (20) 648-4637; <http://www.teldesign.nl/transavia.html>; Code HV; Year Founded 1986. The 612-employee Dutch charter carrier **Transavia Holland, N.V.** changes its name to Transavia Airlines during the summer of 1986 in preparation for the launch of scheduled services. Chairman Peter J. Legro's fleet of 9 B-737-2K2s/2K2Cs and 2 B-737-3K2s receives new livery, a new logo is provided, and new uniforms are introduced. On October 26, scheduled service is launched by Transavia's B-737-2K2s from Amsterdam (Schipol Airport) to London (LGW).

For the year and under both names, the carrier boards 765,350 passengers and hauls 284,000 FTKs. A \$10-million profit is reported.

The payroll is increased by 12.1% in 1987 to 686 and a fourth Amsterdam to London frequency is added in March.

Passenger boardings accelerate 24.8% to 1,006,699, but cargo drops 12% to 11.34 million FTKs.

Two more B-737-3K2s join the fleet in 1988, as orders remain outstanding for four more. After competing with Transavia for two years on the Amsterdam–London route, **KLM (Royal Dutch Airlines, N.V.)** drops out and purchases a 40% shareholding in its former competitor; shareholding in Transavia is now divided between the Dutch flag carrier, Nedlloyd (40%), and institutional investors (20%).

Customer bookings rise 10.8% to 1,100,586. Freight declines another 59.2%.

Company employment grows 13% in 1989 to 686. The airline becomes the first in Holland to offer charter flights to Turkey, including Anatolia, Izmir, Ankara, and Dalatan. A code-sharing agreement is signed with **Continental Airlines**, allowing the Dutch carrier to feed the U.S. major at London (LGW) from Amsterdam. In early fall, scheduled flights begin to Mombasa via Luxor. Scheduled five-times-per-week B-737-3K2 flights are inaugurated in November from Amsterdam to Tenerife and Las Palmas.

Enplanements during the 12 months rise to 1,155,547.

The fleet in 1990 includes 8 each B-737-3K2s and B-737-2K2s/2K2Cs. Following Iraq's August 2 invasion of Kuwait, fuel prices rise from 58¢ to \$1.60 per gallon and service is suspended to a number of Mideast points, including Baghdad, Cairo, and Tel Aviv. When the Mombasa route becomes too expensive to operate in December, it is turned over to **Air Holland, N.V.**

Passenger boardings jump 7.7% to 1,251,946, but freight drops 16.1% to 387,000 FTKs.

The workforce grows to 900 in 1991 and the fleet is increased by the addition of 2 B-757-236s and 2 B-737-3K2s. Several machines are now leased out: a B-737-2K2 to **Britannia Airways, Ltd.** one B-737-2T5A and B-737-212A to **KLM (Royal Dutch Airlines, N.V.)**, along with a B-737-3K2, one B-737-2K2C to **L'Aeropostale, S.A.**, and two B-737-3K2s to **Transmed Airlines, Ltd.** of Egypt.

In January, a cooperative agreement is signed with the Danish charter operator **Sterling Airways, A.S.** The two airlines pledge cooperation on operational, commercial, and technical matters. **KLM (Royal Dutch Airlines, N.V.)** acquires 80% shareholding in July and the two companies almost immediately join their frequent flyer programs.

Like other European carriers, Transavia suffers an off year in bookings as a result of the Gulf crisis, with enplanements declining to

1,159,465. Despite the traffic downturn, income exceeds expenses and leaves profits: \$10.48 million (operating) and \$10.69 million (net).

The employee population is boosted a whopping 30% in 1992 to 1,026 as two more B-757-236s arrive.

Customer bookings recover and ascend 28% to 1,610,368. Revenues ascend 18% to \$242.85 million while expenses climb 23% to \$239.6 million. The happy difference allows an operating surplus of \$3.24 million and a net gain of \$7.94 million.

President/CEO Peter J. Legro oversees a workforce of 1,003 in 1993, down 2% from the previous year. Nine scheduled destinations are visited, including Alicante, Faro, Funchal, Heraklion, Las Palmas, London (LGW), Malaga, Malta, and Tenerife.

A leased 757-236 is delivered by Boeing in March, allowing roundtrip service to begin at month's end from Mulhouse, France, to Athens. A second B-757-236 arrives in April.

Passenger boardings for the year continue their upward trend, rising 2% to 1,653,365, but revenues drop 10% to \$217.75 million. Expenses swell 13% to \$208.21 million and the resulting operating profit climbs to \$9.54 million. A net \$13.21-million profit is generated.

Airline employment is increased by 12.7% in 1994 to 1,130 and services to Palma de Mallorca starts in April. During the summer, a B-757-2K2 receives a colorful new livery in honor of the Dutch national football team. Adorned with soccer balls and the team logo, the aircraft transports the national team to and from the U.S. in support of its participation in the World Cup '94 matches.

Customer bookings this year increase 21% to 2,004,877.

Much of 1995 is spent preparing for the company's thirtieth anniversary. A total of \$1 million is committed to a revision of the corporate image. The change will extend to ticket counters, uniforms, and advertising and, as is usually the case with marketing makeovers, a new aircraft livery. The color scheme applied is chosen by both employees and passengers and retains the company's signature dark green and white in a more modern motif. The first aircraft painted in the spring is a B-737-3K2.

When **KLM (Royal Dutch Airlines, N.V.)** withdraws from Tunis on October 29, the carrier takes over the route, operating it from Amsterdam to Tunisia twice weekly.

Enplanements this year total 2,285,297 and there are profits: \$9.7 million (operating) and \$10.7 million (net).

Nine new workers are hired in 1996 and the owned fleet includes 2 B-757-2K2s, 8 B-737-3K2s, 1 of which is chartered to **KLM (Royal Dutch Airlines, N.V.)**, and 1 B-737-2K2A that is out on lease to **Bouraq Indonesia Airlines**. Orders are outstanding for eight B-737-8K2s and one B-757-2K2.

During June, Transavia is heavily booked to transport Dutch soccer fans to the U.K. to cheer on the successful Netherlands national team in the European football championships.

Customer bookings inch up 1% to 2,308,380, but operating income plunges 11% to \$297 million. Fortunately, costs also drop 11%, to \$289.3 million. The bottom lines also decline with operating gain down to \$7.7 million and a net \$2.4-million profit recorded.

The employee population falls 8.7% in 1997 to 1,040. During the spring, single-class service and simplified fare structures are initiated on all flights. The company is employed by **Ukraine International Airways** to operate scheduled flights on its behalf from Kiev.

By the end of July, the carrier visits 15 scheduled and 60 charter markets and transports 37% of all Dutch charter passengers. Weekly return service is inaugurated on September 24 from Amsterdam to Kathmandu, Nepal. Refueling and a crew change is made at Sharjah.

With the start of the winter schedule on October 1, the carrier offers dual-designator flights with **KLM (Royal Dutch Airlines, N.V.)** from Amsterdam to Casablanca.

Passenger boardings jump 16% to 2,674,440.

Service is maintained in 1998. During the year, three Next Generation B-737-8K2s are scheduled to enter service.

During the first week of November, the company becomes the first non-Greek airline to transport local passengers in Greece. Aviation authorities

in Athens permit the KLM affiliate to transport local passengers on its Amsterdam-originating twice-weekly services between Rhodes and Crete.

Customer bookings this year surge another 15% to 3.07 million.

By the beginning of 1999, airline employment has been increased by 17.1% to 1,218. Two of the three Next Generation B-737-8K2s due for delivery are received by April. On May 28, an order is placed with Boeing for four more, which will begin delivery in 2000.

Passenger boardings rise 14% to 3.5 million. Revenues of \$379 million are generated and expenses are \$363 million. The operating profit slides to \$16 million, while net gain slips \$1 million to \$18 million.

Airline employment at the beginning of 2000 stands at 1,502, a 16.8% increase over the previous 12 months. The "classic" B-737 fleet still includes 6 Dash-3K2s and 1 Dash-3L9. Also operated are 6 Next Generation B-737-8K2s, which are joined by a 7th on March 25, and 4 chartered B-757-2K2s.

Thrice-weekly B-737-3K2 nonstop roundtrips are initiated on April 6 from Amsterdam to Naples. The eighth B-737-8K2 is delivered on April 25 and a B-757-236 is leased from **Royal Airlines, Ltd.** for three months, beginning on April 26. Two more Next Generation B-737-8K2s arrive in May, one each on the 11th and 16th.

In a new kind of advertising campaign that will also be adopted by **easyJet, Ltd.**, a Transavia Next Generation B-737-8K2 emerges from the paint shop on June 15 wearing large "www.transavia.nl" titles.

On August 31, five Next Generation B-737-7Q8s are chartered from ILFC for delivery beginning in April 2002; a Next Generation B-737-8Q8 will arrive in June of the same year.

Just after takeoff from Iraklio Airport on the Island of Crete on September 25, an engine aboard a B-757-2K2 with 228 passengers en route to Amsterdam, catches fire. After dumping fuel, the plane returns to its point of origin. The Dutch tourists aboard are deplaned and sent to Holland aboard another company aircraft later in the day.

A chartered B-757-23A is returned to its lessor at Amsterdam on October 30. Two Next Generation B-737-8K2s are leased to **Air Berlin, GmbH**, for five months beginning November 13; the aircraft are delivered in a hybrid livery complete with Web site titles.

Twice-daily, no-frills, low-fare scheduled B-737-3K2 Basiq Air roundtrips are inaugurated on December 18 from Amsterdam to both Barcelona and Nice. Options to purchase two additional B-737-8Q8s are turned into firm orders on December 22; the new planes will be delivered in 2002.

Customer bookings during these 12 months jump 7% to 3.76 million.

TRANSAVIA EXPORT CARGO AIRLINE: Zakharova Str 44, Minsk, 220034, Belarus; Phone 375 (0172) 363 641; Fax 375 (0172) 275 101; Code AL; Year Founded 1992. With government backing and \$6.5 million in capitalization provided by the MAZ truck concern, Gorizont electronics, and the Atlant appliances firm, a plan is made in December 1992 to turn a military enterprise to civil use. In early spring 1993, the privately owned Transavia Export is founded at Minsk as an all-cargo carrier.

The Belarus military transport regiment, together with 300 of its personnel, ground equipment, and 10 Ilyushin Il-76MDs are transferred to it. In addition, the former Soviet Air Force bases at Machulishchi and Vitebsk are made available. Sergey Mankhaev is named president and scheduled international cargo charters, ad-hoc charters, and fixed contract services commence in May.

The first Il-76MD roundtrip charter to Western Europe is operated in early June; for a two-week period, the giant freighter is contracted to fly German-produced pesticides daily from Luxembourg to cotton producers in Kazakhstan.

Among the scheduled cargo charters now undertaken are thrice-weekly services to Delhi, Sharjah, and Brussels; cargos back from the latter destination include large quantities of Philip Morris cigarettes destined for resale in Minsk and Moscow.

Under auspices of the UN, a fixed contract is received from the government of Angola; four Il-76s are dispatched to the African nation to

transport supplies to high-altitude destinations that are inaccessible due to the large quantities of land mines left over from the civil war. When Belarus agrees to participate in the Somalia relief operation, Transavia Export's Ilyushins airlift the required military equipment.

Operations continue apace in **1994–1997**. During these years, the company operates 20 Il-76MDs and places orders for 8 Boeing 737-800s. The Russian currency crisis of **1998–1999** has a significant fiscal impact and forces abandonment of the Boeing order. By the start of **2000**, the fleet has been reduced by two Ilyushins.

TRANSAVIA HOLLAND (LUCHTVAARTMAATSCHAPPIJ TRANSAVIA HOLLAND, N.V.): The Netherlands (1965–1986). Transavia Limburg, N.V. is founded in November **1965** with former **Martinair Holland, N.V.** official John Block as CEO. The original shareholders are KNSM (Koninklijke Nederlandse Stoomboot Maatschappij, N.V.) (40%) and Foundation Transavia Luchtvaart (60%). Plans to begin charter operations with a Douglas DC-3 are shelved in favor of larger planes now ordered.

Three DC-6Bs begin charter and inclusive-tour service on November 17, **1966** by flying a Dutch dance troupe from Amsterdam to Naples.

During **1967**, the present name is adopted and enplanements total 130,000. The first Boeing 707-123B, originally flown by **American Airlines**, is delivered in **1968** as passenger boardings triple to 390,000. As tour traffic increases in **1969** and flights are planned to additional destinations, a Sud Est SE-210 Caravelle III is placed in service on February 11.

The fleet in **1970** comprises 6 Douglas DC-6s, 1 Boeing 707-123B, and 2 SE-210s. Orders are placed for 5 Boeing 737-200s. Additional service is provided to even more points in southern Europe, the Mediterranean, and North Africa during **1971–1972**. Enplanements in the latter year total 544,440.

The employee population in **1973** numbers 480. Two B-737-2K2s are delivered, the first on May 17.

Passenger boardings jump 22% to 698,000 and the carrier is now flying almost half of all Dutch charter service; freight traffic accelerates by 41%.

Ten more employees are hired in **1974**. Three more B-737-2K2s are placed in service, making a total of 5 short-haul Boeings, 7 Caravelle III/VIRs, 1 707-123B, and 1 Piper PA-31-310 Navajo on hand.

An SE-210 Caravelle VIR is destroyed in a ground accident at Schiphol Airport on June 22. No injuries are reported.

The oil crisis causes significant financial problems; however, KNSM increases its holding from 40% to 60%.

Although passenger boardings dip 1% to 689,680, the number of FTKs flown skyrockets 124.8% to 5.33 million.

Two additional B-737-2K2s and a B-707-320C are added in **1975** as the company enters the airliner leasing business. **Lauda Air Luftfahrt-gesellschaft, A.G.**, **Indian Airlines Corporation**, and **CPAir, Ltd.** are among the first to charter Transavia's excess capacity during winter seasons.

A total of 738,750 passengers are carried and net earnings total 6 million guilders.

In **1976**, airline employment stands at 481. A contract is received from **Saudia (Saudi Arabian Airlines)** to fly teachers and Hadj pilgrims.

Cargo traffic skyrockets 160% to 28.63 million FTKs and passenger bookings move upward 3% to 761,598. Net income ascends to 20 million guilders.

The carrier becomes wholly owned by KNSM in early **1977**. A new logo is now introduced, the repainting of all aircraft in a new livery begins, and new uniforms are adopted for flight attendants, cockpit crews, and ground personnel.

The last SE-210s, the 707-320C, and the Piper Navajo are retired in **1978** as boardings decline. Managing Director P. D. O. Hanrath oversees a workforce of 450 and his fleet comprises 1 B-707-120B, 5 B-737-2K2s, and 3 B-737-2K2Cs. Enplanements drop 6% to 891,380 in **1979**.

Peter J. Legro, Netherlands manager for **Pan American World Airways (1)**, succeeds John Block as chairman in January **1980**. Two B-737-2K2s enter winter contract operations for **British Airways, Ltd. (2)**, one for **Austrian Airlines, A.G.**, and one for **Air Djibouti**, leaving three B-737-2K2Cs and one B-707-123B to be operated on the carrier's charters.

On June 6, a B-737-2K2C with 96 passengers arrives on the island of Rhodes in the Mediterranean on a charter service from Amsterdam and as the baggage is being off loaded, an unexploded bomb tumbles out.

Beginning in November, the company wet-leases the three "Baby Boeings" to **Air Malta, Ltd.** to fly that carrier's European route system.

In **1981**, the carrier becomes wholly owned by Royal Nedlloyd Group as a result of KNSM's merger into that organization and reaches a high point in its history in **1982** by transporting 943,800 holiday travelers. The fleet is now an all-737 unit as the lone B-707-123B is sold. The company now agrees to lease one of the new B-737-2A3As acquired by **PLUNA (Primeras Lineas Uruguayas de Navegacion Aerea, S.A.)** every northern summer to help cover its peak charter activity (at which point the southern summer is PLUNA's low season).

The wet-lease charter of three B-737-2K2Cs to **Air Malta, Ltd.** is concluded in April **1983**. Severe traffic reversals set in as the carrier finally begins to suffer the impact of the world's recession.

Passenger boardings drop 32% to 715,000. The downturn forces the carrier to layoff 6.2% of its workforce.

As forecast during the height of its 1983 woes, the charter airline experiences a turnaround in **1984** even more remarkable than its decline.

Although the workforce is cut 2% to 397, passenger bookings soar 43.9% to 778,600 and cargo skyrockets an incredible 338.1% to 13.98 million FTKs.

Recovery continues in **1985** as the fleet is strengthened through the acquisition of two more B-737-2K2s for a total of nine; orders are placed for two B-737-300s.

Boardings increase 18% to 801,000, but freight dips 2% to 13.7 million FTKs.

The employee population is increased by 13.1% in **1986** to 612 and the fleet includes 9 B-737-2K2s/2K2Cs and 2 B-737-3K2s, with orders outstanding for 2 more Dash-300s.

In January, one of the former is leased to **Challenge International Airlines**. During the summer, the carrier changes its name from Transavia Holland B.V. to **Transavia Airlines, N.V.** A new paint scheme and logo are provided for all aircraft and new uniforms are introduced by pilots, cabin attendants, and other passenger-greeting staff. Emphasis will now be placed on scheduled services.

TRANSAVIO, S.p.A.: Italy (1980–1996). Originally established at Milan in **1980** as an air taxi operation for the Tuscany region, Transavio quickly elects to offer scheduled daily services during the summer. The commuter's single Britten-Norman BN-2 Islander flies nonstop from Pisa to Marina di Campo Airport on Elba.

In **1981–1984**, General Manager Italo Ballerio's company inaugurates Pisa to Grosseto flights as a fleet is created that includes two Islanders, a Piaggio P-166, and various Piper lightplanes.

Service to Rome is started in **1987–1988**, at which point three Fairchild-Swearingen Metro IIIs are acquired. Florence joins the growing route network in **1989**. In **1990**, a Fokker F.27-200 is leased from the Swiss operator **Sunshine Aviation** and is employed to initiate a frequency to Lugano. The Metroliners are withdrawn in **1991**.

Operations continue between **1992** and **1996** as the fleet is revamped to emphasize larger equipment. By the latter year, it includes 13 Boeing 737-200s and 3 B-757-200s and charter services are provided from Milan and Pisa to Elba, Grosseto, Florence, and Bastia while a scheduled route connects Lugano-Agno with Rome.

TRANBRASIL, S.A. (LINHAS AEREAS TRANBRASIL): Rua General Pantaleao Teles 40, Transbrasil Aeroporto, Sao Paulo-SP, CEP-04355-040, Brazil; Phone 55 (11) 525-4600; Fax 55 (11) 543-8048;

<http://www.transbrasil.com.br>; Code TR; Year Founded 1972. In June 1972, owner Omar Fontana changes the name of his earlier airline enterprise, **SADIA, S.A. (Transportes Aereos)** to its present designation. The updated BAC 1-11-500 fleet is repainted in a bright new "jelly bean" livery (designed to project Brazil's natural richness) and the carrier receives an entirely new corporate image as its headquarters are moved to Brasilia from São Paulo's Congonhas Airport, now grown too small.

Orders are placed in 1973 for Boeing 727-100s, despite the onset of financial difficulties occasioned by a sudden rise in fuel prices and a decline in the nation's economy. The carrier is also, in March, the first in the world to order the new Embraer commuter liner, the EMB-110B Bandeirante; the initial aircraft are placed in service on southern routes on April 16.

Meanwhile a cash-and-exchange agreement is reached with **British Midland Airways, Ltd. (BMA)**. In exchange for three Transbrasil Dart Heralds and an undisclosed sum of cash, the U.K. independent sells three of its British Aircraft Corporation BAC 1-11-523s to Chairman Fontana's company.

The government recommends Transbrasil's merger with equally hard-pressed **Cruzeiro do Sol, S.A.** in 1974, but Fontana is unable to obtain the 42% loan guarantee from the National Development Bank that would allow him to become a more financially secure organization and to buy out the older airline.

A BAC 1-11-520FN with 8 crew and 88 passengers hydroplanes off the runway while landing at São Paulo on February 1; there are no fatalities. Later in the month, a replacement BAC 1-11-530 is chartered from **British Caledonian Airways, Ltd. (BCAL)** for 11 months.

The government now pushes the sale of both carriers, but Fontana refuses to sell out to **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, believing his funding difficulties can be overcome. The first two B-727-100QCs are delivered on October 2 and will enter service before Christmas. Over the next quarter century, the airline will become the largest operator of this aircraft type in all of South America.

On October 7 and in cooperation with the Brazilian Mail and Telegraph Company, a BAC 1-11-523 begins night airmail flights over a new *Rede Postal Noturna* (nocturnal postal network). Late in the year, BCAL charts two BAC 1-11-518s to Transbrasil, with the first delivered on December 6. They, too, will be purchased.

Additional Boeings are ordered in 1975 and an employee participation plan, the Fundacao dos Funcionarios da Transbrasil (Transbrasil Employees Foundation), is established on October 10, along with a corporate social security system. On November 12, the government decrees a new Sistema Integrado de Transportes Aereos Regional and authorizes the establishment of five new regional carriers to serve the nation.

An EMB-110C, with two crew and seven passengers, fails its takeoff from Chapeco on January 22, 1976, and crashes (seven dead).

In early June, Transbrasil joins with the State of Bahia to form the third-level airline **Nordeste (Linhas Aereas Reginais, S.A.)** as one of the five government-ordained regionals. The new operator begins service on June 15, replacing a number of Transbrasil's domestic flights. Having been withdrawn from the Ponte Aerea Air Bridge service, the last three Dart Heralds are sold. Buyers are also sought for the BAC 1-11-518 and BAC 1-11-523s.

The route network in 1977 now includes points along the eastern seaboard and southeast, plus lines, via Brasilia, to the northeast and Amazon area.

A BAC 1-11-520FN with 5 crew and 37 passengers lands heavily down the runway at São Paulo on January 4, causing its nose gear to collapse. The jetliner swerves off the runway, over a trench, and skids 360 m. to a stop. There are no serious injuries reported.

A new hanger, briefly the largest in South America, is dedicated at Brasilia in March.

Enplanements for the year total 1,186,000 and the financial problems of 1974 appear overcome.

All of the propeller equipment and the final six BAC 1-11-500s by now having been withdrawn and some transferred to **Nordeste (Linha**

Aereas Reginais, S.A.), Transbrasil's fleet in 1978 comprises eight B-727-100QCs and two B-727-100s. An all-cargo service to Miami is opened in March.

Passenger boardings soar 16% to 1,412,000 and freight traffic accelerates by 21%.

In 1979, orders are placed for two B-727-200s. Enplanements jump 16.3% to 1,642,000 and cargo climbs 35.2%.

Airline employment grows by 10.1% in 1980 to 3,261. The fleet is strengthened by the addition of six B-727-100s.

While on initial approach to Florianopolis after an April 12 flight from São Paulo, a B-727-27C with 8 crew and 47 passengers goes off course and crashes into a hill (55 dead).

The all-freight **AeroBrasil Cargo (Aerobrasil Servicos Aereos, S.A.)** subsidiary is created on May 29 to offer flights to overseas destinations with retired Transbrasil aircraft. Night services, under a low-fare Tarifa Economica Noturna (TEN) plan, are inaugurated on October 1-2.

Passenger bookings leap 23.7% to just over two million while cargo rises 14.7%. In terms of passenger km. flown, the carrier is now ranked as the ninth largest in Latin America.

The number of employees is reduced by 11% in 1981 to 2,903. One more B-727-100 is added and the order for two Dash-200s is cancelled in favor of a major request in August for three B-767-200s and nine B-757-200s. In addition, \$35 million is committed to the construction of new hangars.

Two additional efforts to generate additional bookings are now initiated: the low-fare, non-peak time program and a scheme for family travel Tarifas Diferenciadas—Promocionais e Familiares.

As the world economic recession continues to damage Brazil, passenger boardings rise only 0.4% to 2,040,000 while freight is up only 0.9% to 74.99 million FTKs. A \$2-million operating loss is suffered; however, the net profit is \$3.7 million.

The employee population in 1982 numbers 4,083, a 10.5% boost. A B-707-341C freighter is acquired by lease from **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**; it is assigned exclusively to the night mail, *Rede Postal Noturna*, route between São Paulo and Manaus. In preparation for upcoming charter operations, the subsidiary Transbrasil Airlines, Inc. is formed at Miami; Marise Fontana is named general manager. In June, the company seeks permission from the DAC to launch flights from Manaus to Point-à-Pitre on French Guadeloupe; the request is denied.

The carrier remains the only one, other than **Delta Air Lines**, to have both the B-767 and B-757 on order; however, on November 12, the B-757 request is postponed as the B-767 order is confirmed for three machines at \$42 million a copy.

Passenger boardings grow 8.8% to 2,219,633 and cargo climbs 10.3% to 51.72 million FTKs. Revenues ascend 10.9% to \$214.3 million and expenses grow only 6.8% to \$208.6 million, providing a \$5.6-million operating profit and a net gain of \$5 million.

Airline employment is increased 10.3% in 1983 to 4,503. The first of three B-767-2Q4s to be delivered on the year arrives on June 23. Government approvals are won to operate outside of Brazil for the first time and on July 2, a B-767-2Q4 makes the first nonscheduled Brazil to the U.S. charter flight, Brasilia-Orlando. Also in July, B-767-2Q4s are placed in service over the carrier's four major domestic routes. The company is the first in the Southern Hemisphere to operate the advanced Boeing jetliner.

At year's end, the B-757 order is cancelled as several B-727-100QCs are taken in hand for conversion to passenger-only configuration.

Enplanements for the year fall 6.1% to 2,084,171, but freight swells 19.5% to 61.8 million FTKs. Expenses jump to \$177.7 million against revenues of \$166.7 million, leaving losses of \$10.9 million (operating) and \$2.2 million (net).

A total of 77 new employees are added in 1984 as is one B-727-100. Service to the U.S. is suspended. The cancelled B-757 orders are replaced by contracts for three B-737-300s. Weekly stratoliner passenger charters are undertaken (under the marketing name **Aero Brazil, S.A.)**

from São Paulo and Rio de Janeiro via Manaus to Orlando and freight charters to Orlando and on to New York; both services commence on November 3.

Following cancellation of the B-707-341C lease by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, Transbrasil places orders for the world's only B-707-320QCs. The thirtieth anniversary is celebrated in public events throughout the year.

Passenger boardings dip 3.1% to 2,019,673; cargo jumps upward by 23.3% to 76.31 million FTKs. Revenues increase 12% to \$186.8 million and expenses climb only 0.7% to \$176.5 million; profits are \$15.1 million (operating) and \$12.4 million (net).

The workforce is increased 14.4% in **1985** to 5,238. Five frequencies per week now fly to Orlando from Concordia, Florianopolis, Belem, Fortaleza, and Manaus. The Orlando route is stretched to Freeport, Bahamas, on July 5. The fleet is altered to reflect the growing charter and freight success; 8 B-727-100QCs are replaced by 3 B-707-320QCs and 2 more Stratoliner freighters, B-707-349Cs.

The B-737-300 order, meanwhile, is increased to five and two more B-707-320Cs are also requested. Applications are made for the resumption of U.S. service with flights to Washington, D.C., via Orlando and Atlanta.

Passenger boardings accelerate 14.2% to 2,307,000 and freight skyrockets 57% to 119.84 million FTKs. Revenues swell 17.4% to \$223.2 million and expenses ascend 15.3% to \$201.9 million, leaving record profits: \$21.3 million (operating) and \$19.9 million (net).

The employee population grows by 15.7% in **1986** to 6,062 as the requested B-707-320Cs are added, along with two B-737-375s.

Passenger charter services are undertaken to Orlando (113 flights, carrying 27,300 passengers) while all-cargo charters (145 flights) are flown to Montreal.

Recovery of the national economy and new government regulations assist the carrier in boosting its customer bookings by 33.6% to 3,081,189 and its freight traffic by 62.4% to 194.59 million FTKs. Revenues ascend 28.9% to \$287.7 million, but costs are up 32.6% to \$267.71 million, shrinking the operating profit to \$10 million. Net gain, however, increases to \$32.53 million.

The workforce is cut 5.8% in **1987** to 5,713 as the company, early in the year, is designated by the military government as the nation's second flag carrier with permission to service the U.S. Unfortunately, authority is not received from the U.S. due a failure by the two nations to sign a new bilateral agreement. Transbrasil is unable to inaugurate American frequencies and this has a significant impact on the carrier's ability to earn hard currency revenues.

To lower expenses, the carrier not only lays off employees, engages in general cost cutting, reduces the number of directors, and rationalizes its flight operations, but also sells five B-707-320s and three B-727-100s. The eight aircraft are succeeded by three leased B-737-3Q4s. The equipment employed on the **Aero Brazil, S.A.** movements now includes one chartered B-707-323C first flown by **American Airlines**, and a B-707-365C, initially delivered to **British Eagle Airways, Ltd.**; the cargo flights are made by an ex-**Deutsche Lufthansa, A.G.** B-707-330C(F).

Back debt is reduced by almost half through these maneuvers, from \$120 million to \$67 million.

The B-707-330C freighter is destroyed as the result of a bad landing at Manaus in heavy rain on April 11; there are no fatalities among the seven crew.

In October, the carrier seeks a \$50-million loan from the government which, in November, provides \$40 million, with preferential interests rates, saving the airline from bankruptcy. The government, in exchange, acquires 51% controlling interest. Despite this rearrangement, shareholding continues to be held by the employee-owned Transbrasil Foundation (40%), the Fontana family (32%), and miscellaneous minority owners (28%).

Passenger boardings plunge 15.9% to 2,548,593 while cargo drops 16.5% to 173.62 million FTKs. Revenues drop 5.2% to \$272.6 million,

costs rise 1.9% to \$269.6 million, and the operating profit is \$3 million. A net \$50.3-million loss is suffered.

The employee population is reduced by another 11.7% in **1988** to 5,050 and the remaining 6 B-727-100s (sold for \$60 million) are replaced with 3 more leased B-737-300s, Dash-3YOs, and 1 B-707-349C. Orders are placed for 3 B-737-400s.

At the April general shareholders meeting, founder Capt. Omar Fontana retires as chairman/president/CEO and is succeeded by Brazilian Air Force Brig. Gen. Jose Mil-Homens. Discussions are held aimed toward a merger with **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**, with the first step toward the arrangement being the establishment of a joint shuttle service between São Paulo's downtown airport and Rio de Janeiro.

In May-July, Mil-Homens, now fully in charge, reduces the workforce by 5% and shelves earlier plans for the establishment of international services and a union with VASP. Only charters will be operated in the international market following the government's August cancellation of its earlier approval of international flights.

In August, the board of directors votes to file an action for damages against the Brasilia government, claiming that it has broken the financial equilibrium of the public air transport concession. The federal government retaliates for the legal action during September when it intervenes in the airline's affairs, by sacking its new chairman/CEO, Gen. Mil-Homens, and taking over control.

Customer bookings fall again, by 16.2% to 2,134,875 and cargo is down 16.9% to 144.33 million FTKs. Revenues decline 2.9% to \$261.4 million, the operating profit rises to \$3.17 million, and net loss is the same figure as the year before.

The number of company workers is increased by 4.7% in **1989** to 5,288 and the first B-737-4Y0 is received in early spring.

While making a high speed approach into São Paulo on a March 21 service from Manaus, the left wing of the B-707-349C with three crew hits a building 2 km. short of the runway, causing the Stratofreighter to crash into a residential area and burst into flames. All aboard the aircraft are killed, along with 22 people on the ground.

During July, a new four-point program of renewal is announced in the wake of losses since the previous September of \$87 million. An end to state control is promised by a proposal that would have Air Force Gen. Mil-Homens reassume a seat on the board of directors and be replaced as president/CEO by Vice President Flavio Bierrenbach.

The company is able to renegotiate payment of \$120 million in debt, with repayment on a fixed schedule between 1992 and 1997 and takes delivery of its second B-737-4Y0; a third "Dash 400" Baby Boeing arrives in August. An agreement is signed with Ansett Worldwide Aviation Services for the lease of two B-757Fs to replace its two Stratoliner freighters and the last nine B-727-100s and six spare engines are sold for \$33 million.

The carrier's first international scheduled service is inaugurated in September when thrice-weekly B-767-2Q4 roundtrips begin between São Paulo and Orlando and Miami; as a result of a marketing plan labeled "Ecology Tourism," two of the three flights stop over at Manaus.

During October, the regional **TAM (Transportes Aereos Regionais, S.A.)** inaugurates direct competition over the Rio de Janeiro-São Paulo Air Bridge, offering a higher class of service than that provided by Transbrasil and the other majors now operating the shuttle in pool. Also, regularly scheduled service to Orlando is authorized, ending a 15-year monopoly on scheduled international service held by **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**.

The so-called "government intervention" ends in December with the restoration of founder Omar Fontana to the positions of chairman/CEO.

Traffic regains its upward momentum during the year as passenger boardings rise 11.7% to 2,462,652 and freight climbs 1.7% to 146.72 million FTKs. Although the carrier suffers an operating loss of \$30.6 million, there is a net profit of \$3.4 million. Still, \$140 million is owed to the state bank.

Company employment grows 15% in **1990** to 4,932. In January, the company opens negotiations with **Aeroflot Soviet Airlines** for pooled

U.S.S.R. to Brazil services. During the first month, a \$105-million recapitalization plan, agreed to at the conclusion of "government intervention," provides \$35 million in initial new equity from the airline's current shareholders. Negotiations are undertaken with **American Airlines**, **Deutsche Lufthansa, A.G.**, and several others aimed at securing an additional \$35 million by May in ownership investment.

The number of weekly charter flights to Miami and Orlando is increased from three to five in April and service is initiated to several domestic points. Biweekly nonstop scheduled roundtrips are initiated in August from Rio de Janeiro and São Paulo to Miami and Orlando. In October, Transbrasil becomes the second Brazilian airline to receive permission to undertake international services north of Florida.

Despite the national recession, customer bookings ascend 5.7% to 2,602,845 and cargo rises 6.4% to 156.14 million FTKs. Revenues jump 33.9% to \$394.5 million and with the lowest operating costs of any airline in Brazil, the operating loss is cut to \$3.2 million. Still, there is a \$51.9 million net loss.

The payroll inches up 0.5% in 1991 to 4,959 and President Omar Fontana's fleet now includes 1 owned Cessna 550 Citation II and 3 B-767-2Q4s. Leased units are 3 B-737-3Q4s, 6 B-737-3Y0s, 2 B-737-375s, 4 B-737-4Y0s, 2 B-767-3Y0ERs, and 2 B-767-231ERs. Orders are outstanding for 2 B-737-4Y0s and 1 B-767-3Y0ER.

Employing five B-737-3Y0s, the company begins a joint operation with **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** in April over the Rio de Janeiro-São Paulo Air Bridge.

Good feelings toward **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** largely evaporate in June as the two carriers engage in intense fare wars under deregulation. So disturbed is Transbrasil that it files an action against **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** with the Brazilian Department of Civil Aviation (DAC), the national air transport body, claiming that its Air Bridge colleague is engaged in "predatory competition." DAC, in its capacity as a regulatory body, rules in July that **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** is not guilty as charged by Transbrasil; the ruling is seen as a further affirmation of national airline deregulation. Employing a B-767-2Q4 leased from the GPA Group, biweekly nonstop roundtrip service is inaugurated from Rio de Janeiro, São Paulo, and Brasília to Washington, D.C. (IAD) on August 7, followed by beyond flights to New York (JFK) on October 26.

The Brasília to D.C. route is the first direct capital-to-capital service between Brazil and the U.S. On November 11, a B-737 plunges in flames into the public square of Recife (17 dead).

Despite this route expansion, passenger boardings drop 9.3% to 2,360,532 while freight plunges 31.1% to 107.47 million FTKs. Revenues decline 14% to \$339.6 million and with costs up, the operating loss jumps to \$35.06 million. The net loss reaches \$60.3 million.

Recession causes the necessity of a 7.2% cut in the employee population in 1992 to 4,603, despite the arrival of two B-737-3Y0s and a B-767-231ER. In January, the company's share in the Air Bridge shuttle rises from 7% to 20%, promising \$25 million in additional annual revenues. Frequencies to Washington, D.C. are increased to six per week in February.

As a result of a worsening financial picture caused by high inflation rates, recession, and political instability resulting from the impeachment of the country's chief executive, President Fontana studies whether his concern should either become a public corporation or consider the possibility of a merger with **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**. Neither move is made; however, a major technical and operating agreement is signed with **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** in April, largely at the urging of GPA Group.

Joint fares and a joint maintenance pool are established and other pooled activities are studied; a breach of contract lawsuit is, meanwhile, filed against the government over its route award policy.

To take advantage of heavier traffic, a **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** MD-11 is assigned, during June, to take over certain of Transbrasil's frequencies from São Paulo to Miami and

Orlando. The New York service introduced the year before proves so popular that its frequency must be increased to daily in July; four flights are made via Miami and three via Washington, D.C.

Customer bookings plunge 13.2% to 2,048,923; however, cargo climbs 25.4% to 134.81 million FTKs. Revenues decline 3.7% to \$327 million, but expenses grow 2.4% to \$383.61 million. As a result, the operating loss deepens to \$64.91 million and there is a huge \$88.06-million loss.

The workforce is increased by 7.5% in 1993 to 4,947 and orders are placed for three Boeing 777s. In June, a broad commercial alliance is signed with **United Airlines**; its terms feature unified reservation services and frequent flyer programs, mutual blocked-seat arrangements, joint check-in, and code-sharing.

The deal with the North American megacarryer is followed, in October, by the signing of a similar, but domestic accord with longtime national flag carrier **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**. The arrangement is designed to keep the capacity of the two airlines adjusted to demand and to rationalize operating costs. It involves coordination of schedules and frequencies and block-space code-sharing on a number of domestic routes, including São Paulo to Goiácircnia, São Paulo to Foz do Iguaçedilu, and Rio de Janeiro to Brasília.

In November, a letter of intent is signed with Embraer for eight EMB-145 Amazon regional jets, which will begin delivery in late 1996.

Now the nation's second largest airline, Transbrasil's passenger boardings jump 22% to 2,499,572 while freight swells 26.8% to 563,000 FTKs. Revenues increase 29% to \$421.95 million while expenses grow only 19.2% to \$467.19 million. Consequently, the operating loss is cut to \$45.24 million and the net loss drops to \$68.97 million.

Airline employment is reduced by 8.6% in 1994 to 4,520 but, during the first quarter, orders are placed for three Boeing 777-200s. At the same time, requests are made for three more Embraer EMB-145 Amazons, the first jet airliner to be designed and built in Brazil. In the first half of the year, Transbrasil suffers a \$35.7-million operating loss.

The government's new economic Plano Real, designed to boost the value of currency by tying it to the U.S. dollar, is instituted in July. The company is restructured during the third quarter, a number of aircraft leases are renegotiated, and layoff notices are given to 8% of the workforce.

Late in September, service is inaugurated linking São Paulo, Curitiba, and Porto Alegre to Buenos Aires. This initiation is followed in December by the start of twice-weekly B-767-3Y0ER flights from São Paulo and Rio de Janeiro to Vienna via Fortaleza. Plans are announced to inaugurate services to Amsterdam the following summer.

Simultaneously, a new regional subsidiary is established at Brasília: **InterBrasil Star (Sistema de Transporte Aereo Regionais, S.A.)**. It will operate in the south and southeastern regions of the country.

Customer bookings swell another 11.2% to 2,781,395, while cargo moves ahead by 16.5% to 656.32 million FTKs. Price increases, as a result of Plano Real, are capped at 1% to 2% a month, allowing the company to receive full value of tickets sold by travel agents. The new economics assist the carrier to record better financial results during the second half of the year. Overall this year, revenues jump 33.3% to \$562.23 million and expenses rise only 13% to \$527.84 million. There is a pretax profit of \$34.38 million and a net gain of \$45.6 million.

The workforce grows by 7.4% in 1995 to 4,855 and a B-737-4Y0 is leased from the Spanish charter carrier **Futura, S.A.** Service is started to Amsterdam in June from São Paulo, Rio de Janeiro, and Fortaleza.

With Marcos Antonio Lacerda de Athayde as president and a fleet of three Embraer EMB-120s, the subsidiary **InterBrasil Star (Sistema de Transporte Aereo Regionais, S.A.)** inaugurates flights on July 3 from the national capital to markets in the interior of São Paulo state and the states of Paraná and Santa Catarina. The company's code-sharing agreement with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** is extended to Brazil-U.S. routes. Later in July, two new weekly frequencies to Vienna are added. A new product, Rainbow Flight, begins in October on a new second daily frequency New York (JFK), this one nonstop from São Paulo.

Enplanements increase by 9.8% to 3,059,486 and freight jumps 12.8% to 740.17 million FTKs. Plano Real proves its worth as operating income swells 33.8% to \$752.69 million while costs are up an almost equal 33.4% to \$703.92 million. Operating gain climbs to \$48.77 million and a net \$49.69 profit is recorded. The latter figure is later adjusted downward to \$47.51 million.

Airline employment is cut by 5.5% in 1996 to 4,590. New service is inaugurated to London (LGW) and to Cordoba.

Customer bookings dip 1% to 3,028,472 and 744.71 million FTKs are operated, a slight 0.6% increase. Revenues climb 11.4% to \$838.43 million and expenses are up only 9.8% to \$773.57 million. Although the operating profit is up to \$64.85 million, net profit slips to \$44.96 million.

The employee population climbs 15.2% in 1997 to 5,288. Early in the year, a block-space and code-sharing agreement is signed with **Trans World Airlines (TWA)**. Also, the Supreme Court of Brazil decrees that the Brazilian federal government must pay the carrier approximately \$180 million as compensation for losses suffered between January 1986 and May 1990 as the result of the government's inflation-fighting efforts.

At the Brazilian capital of Brasilia on July 30, Transbrasil Chairman Dr. Omar Fontana signs a commercial agreement with **Delta Air Lines** Executive Vice President Robert W. Coggin. Code-sharing will be developed, but in the meanwhile, the two carriers will coordinate their schedules in an effort to improve connections, share airport facilities, and begin to merge their frequent flyer programs.

On October 26, dual-designator service begins with **Delta Air Lines** over routes from Miami, Orlando, and Washington, D.C. (IAD) to Brasilia, Rio de Janeiro, and São Paulo. In addition, code-sharing is begun by Delta on Transbrasil connecting service to the Brazilian cities of Porto Alegre, Florianopolis, Curitiba, Belo Horizonte, Fortaleza, Manaus, and Salvador and by Transbrasil on Delta flights from Cincinnati and Atlanta to Denver, Los Angeles, Chicago, Boston, Dallas (DFW), Las Vegas, and Detroit.

The DAC indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Passenger boardings fall 4.3% to 2,899,737, while freight plunges 38.3% to 146.9 million FTKs. Despite an operating loss of \$96.78 million, a \$66.8-million net profit is generated on operating revenues of \$686.23 million.

Airline employment stands at 4,965 in 1998 and the fleet, all of which is Stage III certified, includes 24 airplanes: 13 B-737s and 11 B-767s.

The DAC, which regulates civil aviation, promotes a degree of liberalization in January. Prior to internal air force opposition that slows the process, DAC decrees that the monopoly the company shares with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** on the Rio de Janeiro to São Paulo Air Bridge must end.

Simultaneously, trunk lines are granted permission to compete with regional carriers on services between the downtown city-pairs of São Paulo and Brasilia or Belo Horizonte and Rio de Janeiro and Belo Horizonte or Brasilia. Further, airlines will be allowed to offer discounts of up to 65% on internal flights and any carrier will be allowed to fly charters on any route, with certain conditions. The move will have the desired end of increasing new business, but it will also set off a devastating fare war.

Transbrasil and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** enter the new city-pair markets in February. Employed to handle Air Bridge traffic, the 61-year-old passenger terminal at Santos Dumont Airport, Rio de Janeiro, burns down on February 13, forcing transfer of connections on that end of the route from São Paulo to be transferred to Rio's international airport. Work is begun immediately on a temporary passenger terminal, which is expected to be completed by July; a completely new facility will not, however, be available until late 1999.

Retaining his chairmanship, but surrendering his day-to-day management responsibilities, founder Fontana eases back in late May, turning the company over to his son-in-law, Antonio Celso Cipriani. The new chairman immediately announces a new strategy designed to increase

Transbrasil's domestic market share to 25% through streamlining and a possible equity transfer to **Delta Air Lines**.

In June, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** announces that it will drop out of the joint Rio de Janeiro-São Paulo Air Bridge shuttle and will, in cooperation with **Rio Sul (Servicios Aereos Regionais, S.A.)**, offer its own competition against its former partners, Transbrasil and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**.

Under a newly signed code-sharing pact with **TAP-Air Portugal, S.A.**, Transbrasil is able to offer daily dual-designator service to Lisbon. The service, which begins on June 29, is flown four times a week by the European carrier, while Transbrasil offers flights thrice weekly. Each of the Brazilian line's flights stop at a different northeastern city, Fortaleza, Recife, or Salvador.

The VARIG-Rio Sul linkup begins in July. The World Cup now leads to a significant reduction in the number of Brazilians traveling, as they prefer to remain home and watch the month of matches on television.

During the first eight months of the year, domestic market share falls by 23.5%. Through the summer, the international schedule is altered. Flights to New York and Vienna are suspended as a new route is opened to Lisbon and a second daily São Paulo-Miami roundtrip is inaugurated.

After months of heavy recruitment by Chairman Cipriani, **Rio Sul (Servicios Aereos Regionais, S.A.)** CEO Paulo Enrique Coco is recruited in September to become Transbrasil's new president/CEO.

The following month, a new effort is made to regain the lost domestic market share. The hub at São Paulo is reworked into six daily banks, which focus on 10 city-pairs. Frequencies are increased between destinations, with a number of new nonstop segments added. In addition, plans are made to implement a yield-management system and paint company aircraft in new livery.

On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Customer bookings for the year inch up 2% to 2.95 million, while cargo traffic drops 5.6% to 138.77 million FTKs. The year's operating loss climbs to \$152.4 million.

The nation's economic downturn, together with toughening competition, leads Transbrasil to initiate a new restructuring plan during the first quarter of 1999. As part of its long-term cost-cutting effort, the airline lays off 300 employees in mid-February.

The April 26 issue of *Gazeta Mercantil* reports that Brazil's airlines will have laid off 3,000 employees by June due to the restructuring programs they have started since the first of the year. Transbrasil, having reduced its domestic flights, has laid off another 300 workers since February.

In September, the government proposes that the nation's four major carriers find a way to merge some or all of their activities under a joint operating agreement or some other form of umbrella.

At the beginning of October, the Brazilian National Development Bank (BNDES) adds to the discussion of airline mergers when its president, Andrea Calabi, announces that BNDES will broker and finance an amalgamation of VASP, VARIG, Transbrasil, and TAM, which may be accomplished in "the medium term." Stating that such a move without additional capital would be pointless, the initiative is publicly opposed by Transbrasil, **TAM (Transportes Aereos Regionais, S.A.)**, and **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, which also does not want to give up any of its market regions in order to participate, begins negotiations with BNDES about a debt roll-over loan and an extension of its debt payments.

Under pressure from BNDES CEO Calabi, TAM and Transbrasil undertake and maintain cooperation negotiations during November and into December. It is suggested that an accommodation will allow for consolidated capacity, which can produce higher rates for the partners.

A \$50 million net loss is reported.

Two B-737-3K9s, previously operated by **Germania Fluggesellschaft, GmbH**, are added on January 4, 2000. Just after landing at Porto Alegre on a February 27 service from Sao Paulo, Flight 202, a B-737-3Q4 with 123 passengers, overruns the wet runway and comes to rest in a ditch 1,000 ft. off the end. The nosegear collapses into the fuselage and the left engine is torn from the wing, but there are no injuries.

On March 9, a B-737-382, previously operated by **TAP-Air Portugal, S.A.**, is also received.

The spring is marked by continuing financial loss. To help reverse fortunes, company executives, facing the necessary return of seven jetliners to GE Capital Aviation Services on June 1, continue discussions with their colleagues from **TAM Transportes Aereos Regionais, S.A.** concerning possible measures that may be implemented for joint profitability.

Additionally, the workforce is reduced by 19% and a 36% cut is made in fixed costs. Negotiations are also undertaken with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, and DAC, the government civil aviation authority, concerning a possible route swap.

It is announced on April 27 that Transbrasil is interested in taking over the long-haul international routes of **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** to Europe and North America. The pioneer will be forced to suspend them on May 15 when its last four MD-11s are returned to their lessors.

Officials from Transbrasil and TAM reveal a joint operational agreement on May 3 designed to save upwards of \$6 million per month for the two carriers. Officials from TAM and Transbrasil announce a joint operational agreement on May 3 designed to save upwards of \$6 million per month for the two carriers. The initial phase of the pact, which includes code-sharing, is to run for six months and if successful, may well lead to a merger of the two concerns.

Also in May, Transbrasil adds one each B-737-3Y0 and B-737-3M8 and suspends its daily B-737-3Q4 roundtrip route from São Paulo to Florianopolis via Curitiba in light of the code-share with TAM.

On August 21, daily B-737-300 roundtrips are inaugurated from Recife to Florianopolis via Maceio, Salvador, and São Paulo. Simultaneously, B-737-3Q4 return frequencies are initiated to Florianopolis from Belem, via Brasilia, Sao Paulo, and Curitiba.

The cost-cutting, code-sharing, operational agreement with **TAM Transportes Aereos Regionais, S.A.** is not renewed on November 3. *Airline Business*, in its December issue, will quote the speculation of analysts who believe that a merger was aborted because TAM does not offer Transbrasil sufficient cash. In any event, all talk of merger ends.

As a direct result of the TAM pact failure, Transbrasil increases frequencies from São Paulo to Buenos Aires on November 6 from one daily roundtrip to two. A B-737-33A is dedicated to the service. At the end of the month, the DAC approves a route swap with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, under which Transbrasil turns over its twice-weekly roundtrip service to London and VARIG gives up its three weeklies to Lisbon. The move allows Transbrasil to offer daily service from Rio de Janeiro to the Portuguese capital.

On December 8, the company accepts delivery of a B-737-3L9 previously operated by **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** and a B-737-46B last flown by **Futura International Airways, S.A.** Both planes are leased.

On a less happy note, founder Omar Fontana dies of a heart attack at São Paulo during the day. B-767-2Q4 weekly roundtrip charters begin on December 30 from São Paulo to St. Martin. The flights will continue through March 2002, after which they will be evaluated and, if successful, will be turned into scheduled flights.

The "classic" B-737 fleet at year's end includes 3 each Dash-33As and Dash-3Q4s, 2 Dash-3K9s, and 1 each Dash-382, Dash-3L9, Dash-3M8, and Dash-3S3, although the latter is parked out of service in Mexico. One B-737-46B is also operated, along with three B-767-2Q4s and -3P6ERs.

This year's loss is R212.83 million.

TRANSCARGA (TRANSPORTES AEREOS DE CARGA, S.A.): Venezuela (1968–1979). When, on September 14, 1967, **LEBCA (Linea Expresa Bolivar, S.A.)** is named the nation's official air cargo carrier by the Ministry of Communications, it is required to undergo reorganization. At this point, all of the company's shares are purchased by the state flag line **VIASA (Venezolana Internacional de Aviacion, S.A.)**.

On January 10, 1968, VIASA forms Transcarga at Caracas as a wholly owned subsidiary; LEBCA itself stops flying on January 22. On April 24, the former independent's traffic rights to Florida and other Caribbean destinations are assigned to Transcarga and four Douglas DC-7CFs allow the company to begin, under VIASA's name, all-cargo flights to Miami.

A DC-8-55F is later added and services are undertaken to New York via Maracaibo, Caracas, and Miami. However, the U.S. refuses to grant Transcarga its own foreign carrier permit for the next decade, due primarily to the fact that the company enjoys no independent shareholding.

Unable to make an impact under its own livery, Transcarga becomes a division of **VIASA (Venezolana Internacional de Aviacion, S.A.)** in 1979.

TRANSCARGA TRANSPORTES, S.A.: Argentina (1961–1963). Employing a Curtiss C-46 Commando freighter leased from **Austral Airlines (Austral Lineas Aereas, S.A.)**, TT begins domestic all-cargo flights in August 1961. Flights continue until late 1963 when Austral recalls its aircraft, forcing the company to go out of business.

TRANSCONTINENTAL, S.A. See TSA (TRANSCONTINENTAL, S.A.)

TRANSCONTINENTAL AIR TRANSPORT (TAT): United States (1928–1930). Backed by the bankers, businessmen, and companies associated with North American Aviation Corporation, TAT is organized and incorporated on May 16, 1928 at New York expressly to operate transcontinental air-rail passenger service. Initial capitalization is \$5 million; NAA Chairman Clement M. Keys is named president of the new enterprise with **National Air Transport (NAT)** General Manager Paul Henderson simultaneously assuming the same post with TAT. Henderson's assistant general manager is Eugene L. Vidal and the general superintendent is longtime airmail pilot Paul F. Collins.

The same day, contracts are let with the Richfield Oil Company for aviation gasoline. General Manager Henderson is asked to lay out a preliminary routing; the path drawn up initially begins at New York and ends at Los Angeles, with stops at Columbus, Indianapolis, St. Louis, Kansas City, Wichita, Dodge City, Albuquerque, Winslow, Kingman, and Las Vegas, New Mexico.

On June 13, the Pennsylvania Railroad, represented by its air-minded President William W. Atterbury, becomes a partner in the TAT undertaking and contributes \$500,000 to the concept of air-rail transport.

Early on, President Keys directs the establishment of a technical committee, chaired by public hero Col. Charles A. Lindbergh who is employed at an annual salary of \$10,000 plus \$250,000 in stock. Lindbergh, with assistance from other leading aviation personnel, personally plans the new entrant's final and refined route, thus giving TAT its popular name, "The Lindbergh Line."

Three members of the technical group, including two railroad representatives, are dispatched to Europe to examine the transport aircraft, airports, and airlines in Germany, France, and the U.K. They find the situation with those aerial communications components far superior to anything in the U.S. After several weeks, the team returns home and prepares a detailed report for Mr. Keys.

As the result of findings from Lindbergh, the European inspection team, and the offer of a superior aircraft from Henry Ford, eleven Ford 5-ATs are purchased (including all five 5-ATs previously operated by NAT). The first of the group, 5-AT-4, is delivered to Eastern Division Chief John Collings at Detroit in November and is christened *City of Columbus*. Sixteen first-tier pilots, each with over 500 hours on Ford

Tri-Motors, are personally hired by Lindbergh, as are 16 replacements, all graduates of the Army Air Corps' Kelly Field training program.

Over \$1 million is appropriated for the construction of weather stations and for the improvement of airports, particularly west of Wichita, Kansas. The latter, as at Kingman, Arizona, is often a major undertaking, from the purchase of land, through the construction of terminal buildings and hangars, runways, lighting, radio buildings, and equipment. Even landing strips at established airports must be upgraded, along with buildings, lighting, and radio equipment. Cash is also expended to purchase specially built 14-passenger "aerocars," trailers to be hauled by 1929 Chrysler roadsters and used to provide ground transport to and from the air fields.

Beginning in April, a handsome house newspaper, *Plane Talk*, is published monthly at St. Louis and details company progress.

Lindbergh, employing the *City of Columbus* as a flying office, personally surveys the entire proposed route. Meanwhile, a number of airfields, terminals, and hangars must be built from scratch and are designed in Indian- or Spanish-style architecture. Between June 20 and July 7, 1929, the new route, the Ford Tri-Motors, and company personnel are market-tested through the transport of 261 passengers on rehearsal trips covering 50,000 miles back and forth between New York and Los Angeles.

The first regularly scheduled departure, for which over 1,000 people have attempted to obtain tickets and for which an equal number have gathered, takes place on July 7. Impressive ceremonies in the main lobby of the Pennsylvania Railroad Station involving TAT officials and the Governor of New York, Franklin Delano Roosevelt are held before the flight. The company's flagship Ford, 5-T-4 *City of Columbus*, renamed *City of New York* for the occasion, is christened with a bottle of ginger ale by another of the airline's vaguely employed aeronautical notables, Assistant to the General Traffic Manager Amelia Earhart. The *City of New York* remains on public display. To the strains of "California, Here We Come" as played by the Long Island Railroad's Sunrise Band, a Pennsylvania Railroad special, *The Airway Limited*, christened by Miss Dorothy Stone at the same time as the Ford, now departs this rail terminus. It travels through the night and reaches the specially built rail-air interchange station at Port Columbus, Ohio, the next morning.

The morning of July 8 begins with a festive Columbus breakfast for dignitaries thrown by TAT General Traffic Manager T. B. Clement. Among those on hand are Col. Henderson, Miss Earhart, Henry and Edsel Ford, Harvey Firestone, and William B. Mayo. Of this group, only Mayo had arrived at Port Columbus by air and so will depart. Outside, before the uninvited crowd that has assembled along with the media to witness the aerial departures, the 5-AT-5 *The Kansas City* is christened.

Afterwards, 5,000 citizens watch in the rain as the lucky passengers (including Col. Henderson, Miss Earhart, and Stutz Motor Co. President Col. Edgar S. Gorrell) pass over a covered walkway to the terminal and then board the two Fords 5-AT-57 *City of Columbus* and 5-AT-8 *City of Wichita*. Each plane is crewed by a pilot, copilot, and courier (flight attendant) and will depart and fly through the day, with four intermediate stops at Indianapolis, St. Louis, Kansas City, and Wichita, to Waynoka, Oklahoma. Fred Harvey's famous girls provide box lunches taken aloft from the Indiana stop and dinner in Kansas. A unique 14-passenger Aero Car trailer then speeds customers and baggage to the railway station where the Atchison, Topeka and Santa Fe Railroad Missionary service then speeds through the dark to Clovis, New Mexico.

At Clovis, the travelers are transferred from the train to two other Fords, the 5-AT-20 *City of Washington*, piloted by Charles Lindbergh, himself, and 5-AT-7 *City of San Francisco*. The latter is a replacement for the 5-AT-9 *City of Los Angeles*, which had suffered engine failure and ground looped across plowed ground into a hangar upon takeoff, causing only delay and some embarrassment. With four stops at Clovis, Albuquerque, Winslow, and Kingman, the two airborne craft in turn make their way on to Grand Central Air Terminal, Glendale/Los Angeles. Interestingly, and due to strong tail winds, the *City of San Francisco* actually lands first at Glendale, at 5:18 p.m. on July 9, 24 min. ahead of

Lindbergh's ship. The Harvey House is also responsible for meals at Clovis and Albuquerque. The entire inaugural trip takes almost exactly 50 hrs. 47 min. and costs each passenger, depending upon train accommodations and trip length, somewhere between \$337 and \$403 one-way.

Return flights mirror this process in reverse and the first, also initiated on July 8, is undertaken from Glendale to Clovis by the 5-AT-34 *City of Philadelphia* and the 5-AT-9 *City of Los Angeles*, piloted by Charles Lindbergh, with guests Douglas Fairbanks and Mary Pickford. The latter aircraft had been christened just before departure by stars Pickford and Gloria Swanson. Lindbergh, accompanied by his wife Anne, departs at Clovis where he awaits the *City of Washington* and flies it on into Glendale; he thus inaugurates both the inbound and outbound legs of the same route on the same day. From Waynoka, passengers continue on to Port Columbus on July 9 aboard the *City of Columbus* and the 5-AT-21 *City of Indianapolis II*. The two aircraft arrive at New York City at 10:35 a.m. on July 10; only two passengers, an unnamed newspaperman and insurance agent Albert S. Hichen, both from Los Angeles, complete the entire trip from California.

Flights continue throughout the summer and fall. It is reported in the August issue of *Plane Talk* that a total of 433 passengers have been transported by TAT during the month from July 7 to August 8. Of these, 150 complete the entire New York to Los Angeles journey, with all the others getting off at various of the intermediate points. A total of 113,240 actual miles are operated, while passenger miles total 432,264.

On September 3, the *City of San Francisco*, possibly hit by lightning during a severe thunderstorm, crashes into Mount Taylor, 60 mi. W of Albuquerque (eight dead). A 50,000 square mile search is unsuccessful and it is not until September 7 that Capt. George Rice, flying the regular eastbound Western Air Express F-10 service, sights the wreckage and radios its location. Enplanements drop after the accident although efforts are made, with publicity, to reverse the trend. The *City of Wichita* is tasked, on October 11, to fly the University of New Mexico football team from Albuquerque to Los Angeles for a game with Occidental College. The plane has its student riders back in New Mexico in time for Monday morning classes.

Thanks to the introduction of personal radio service for passengers, many aloft on October 24 Black Friday are able to send and receive messages from their brokers concerning the status of their stocks on Wall Street. In October, employing a miniature projector and a screen hung on the back of the pilot's door, westbound passengers are treated to the first moving pictures (silent) shown on passenger planes: a newsreel and an *Oswald the Cat* cartoon. TAT purchases rival **Maddux Air Lines**, which has been offering similar service eastward to Kansas City, on November 16. The routes of the two are then merged, making TAT the world's largest trimotor operator and giving TAT a Los Angeles-San Francisco route in the process.

Rates on the transcontinental route are now cut by \$70. At the same time, three flag stops are created: Vandalia, Ohio, St. Elmos and Terre Haute, Indiana. While landing at Indianapolis from St. Louis in a blizzard on December 22, the landing gear of 5-AT-21 *City of Indianapolis* crumples, causing the plane to crash (one dead). This year TAT becomes the first airline to establish its own meteorological department.

When marks and records are discussed at the close of the year, it is learned that 40,000 customers have been transported in just 6 months. Despite the adverse publicity caused by the loss of the *City of San Francisco* and the devastating impact of the October stock market crash, 1929 has been just "swell" for this small segment of U.S. industry.

On January 11, 1930 President Keys announces another fare reduction, noting that TAT tariffs are now less than those charged on certain trains. *Plane Talk* notes the advantages of the "speed of the plane at the cost of the train." Still, winter plays havoc with the schedule; many passengers are unable to complete the air portions of their trips and are escorted through bad weather to trains. In mid-month, President Keys invites **Western Air Express (WAE)** President Harris "Pop" Hanshue to meet in New York City to explore merger possibilities; after discussing the letter with his board, Hanshue declines. Col. Henderson informs the

U.S. Post Office and Warren Irving Glover, the second assistant postmaster general, informs Hanshue that his refusal to merge could be a fatal mistake.

Nine days later, the *Race Special* Ford 5-AT-46, first delivered to **Maddux Air Lines**, with 16 aboard, is caught by a sudden line squall and crashes at San Clemente, near Oceanside, California (15 dead). On February 2, Keys resigns and is succeeded by John L. "Jack" Maddux, who announces that, as of February 4, controlling interest is held by the Pennsylvania Railroad. The carrier is reorganized on February 13 and executive personnel are changed. Henderson, Vidal, and Collins are fired. On February 20, an unnamed AT-5 collides with another aircraft while taxiing at Port Columbus.

Bookings for the first 2 months of the year total 6,800. On April 29, the air-rail fare from New York to Oklahoma City is cut again as the Depression begins to make itself felt on bookings. In Washington the same day, Congress passes the McNary-Waters Act. By this point, the air-rail service has lost \$2.7 million since its opening day.

Fate now steps into the TAT picture in the form of U.S. Postmaster General Walter F. Brown, who controls the awarding of mail contracts (for which subsidy many airlines then depend) and, hence, much of the development of American air transportation. In May, he summons officials or representatives from major air transport concerns to meet with him in Washington, D.C. The chairman of TAT's executive committee, D. M. Sheaffer of the Pennsylvania Railroad, represents the carrier at this May 19–30 "Spoils Conference."

Before awarding a government contract for the central transcontinental route, Brown insists that the two main rivals for it, TAT and Harris "Pop" Hanshue's **Western Air Express**, be merged. Meanwhile, the Ford Tri-Motor *City of Philadelphia* damages its landing gear and propellers in a May 22 emergency landing at LaLande, New Mexico; it will be repaired on the spot and returned to the company's maintenance shops.

As part of its effort to increase its effectiveness, TAT now leases for (ultimately unsuccessful) trial a trio of 18-passenger Curtiss CO Model 18 Condor I biplanes. Celebrating the twentieth anniversary of his Albany—New York flight of May 29, 1910, Glenn Curtiss, first holder of a U.S. Aero Club license, makes his last flight when he takes one of his company's aircraft from New York on May 30. The aviation pioneer will die of a pulmonary embolism at age 52 on July 23.

Brown's desire for efficiency leads to considerable sparring between the two carriers, which is finally resolved in the "Shotgun Marriage" merger of July 16. The new **Transcontinental and Western Air (T&WA)** is created when TAT-Maddux is merged with a part of **Western Air Express** and Pittsburgh Aviation Industries Corporation (PAIC).

Like Western, the previous company's ownership is 47.5%. As lawyers sort out details and attempt to finish work on the final package, the new amalgamation receives Brown's award on August 30 for Contract Air Mail Route No. 34 (CAM-34). The company flies its first all-air, coast-to-coast service on October 25, the day on which the previously elaborate air-rail operation is ended.

In commemoration of the first TAT service, **Trans World Airlines (TWA)** President Charles E. Tillinghast and Pennsylvania Central Railroad President Stuart J. Saunders will dedicate a plaque in the southwest corner of New York's Penn Station 50 years later on July 7, 1969. The seventieth anniversary of TAT is celebrated in TWA-arranged ceremonies at Columbus, Ohio, on July 8, 1999.

TRANSCONTINENTAL AND WESTERN AIR (T&WA): United States (1930–1934). Transcontinental and Western Air, Inc. (T&WA) is formed by merger on July 16, 1930 of a part of **Western Air Express** (47.5%) with **TAT-Maddux Air Lines** (47.5%) and **Pittsburgh Aviation Industries Corporation** (5%). This "Shotgun Marriage," as it is known to airline historians, is the product of a quest for efficiency by U.S. Postmaster General Walter F. Brown, then in charge of granting contract mail routes and subsidies under authority of the McNary-Waters Act. Aircraft received from WAE in the deal include 4 Fokker F-10s, 6 F-10As, 2 huge F-32s, and 4 F-14s.

Simultaneously, an agreement is entered into with **American Airways**: should both companies be awarded transcontinental mail routes, T&WA will pay AA \$284,500 for certain Tulsa property and purchase 20,000 WAE shares for \$1.11 million. On September 30, WAE stops its Los Angeles–San Francisco and Kansas City flights. The **Standard Airlines** division of WAE now goes dormant and its President William John "Jack" Frye and Vice President Paul Richter, are hired as T&WA vice presidents.

Also during September, the Ford 4-AT-7 acquired by T&WA from **Maddux Air Lines** is placed on exhibit at the Pennsylvania Railroad Station at New York City. It will later be donated to the Henry Ford Museum at Dearborn, Michigan, to which it is shipped for display by the railway. The WAE, TAT-Maddux, and PAIC merger is formally completed on October 1.

With the government's concession for Contract Air Mail Route No. 34 (CAM-34) from New York (Newark) to Los Angeles in hand, the new carrier is able to begin advertising \$200 one-way, cross-country flights to be completed in 36 hrs., including an overnight stop. Following ceremonies attended by Newark Mayor Jerome T. Congleton and other city officials as well as Charles Lindbergh, Pilot Henry G. "Andy" Andrews, flying a Ford 5-AT, restarts T&WA's transcontinental service, inaugurating day-and-a-half, coast-to-coast, \$200, one-way, all-air service on October 25.

There will be no more air-rail flights after this Ford departs Newark, New Jersey, at 8:10 in the morning. Its complement of passengers is laden with dignitaries: Postmaster General Walter F. Brown and his assistants Warren I. Glover and E. B. Wadsworth, WAE President Hanshue, Assistant Secretary of Commerce for Air Clarence M. Young, Amelia Earhart; Louise Thaden, and J. C. Cowdin. Meanwhile, two Fokker F-10As, still in the red livery of WAE, have already departed Los Angeles at 5:19 a.m. on the first T&WA west to east flight.

Andrews' all-metal airliner arrives at Kansas City at 6 p.m. that evening via Philadelphia, Harrisburg, Pittsburgh, Columbus, Indianapolis, and St. Louis. Early on October 26, passengers board a company F-10A and continue on to Los Angeles via Wichita, Amarillo, Albuquerque, Winslow, and Kingman, arriving at Alhambra Airport 8 p.m. Meanwhile, the designated eastbound Fokkers had put down at Newark at 7:38 p.m.

Five days later on November 1, T&WA begins the regular operation of WAE's former Los Angeles–Dallas route and pays off on the AA agreement. While landing at Greencastle, Indiana, in bad weather on November 24, the Ford Tri-Motor 5-AT-4 *City of New York* noses up; although no injuries are reported, the plane's propellers and nose engine mount must be replaced.

On January 26, 1931, a Fokker F-10 is fatally damaged when its axle breaks upon landing at Glendale, California. President Hanshue is hospitalized with pneumonia and is temporarily replaced by PAIC official Richard W. Robbins. The final paper work on the "Shotgun Marriage" is completed on February 15.

In late March, delivery is taken on the first of 5 of 11 (later 13) Northrop Alphas.

On March 31, T&WA Flight 5, a Fokker F-10A en route from Kansas City to Los Angeles, having departed its first stop at Wichita, is caught in a storm over Bazaar, Kansas, in mid-morning. The airliner suffers wing failure and crashes; the pilot Capt. Bob Fry, copilot H. Jesse Mathias, and six passengers, including Notre Dame football coach Knute Rockne, are killed.

The adverse publicity that follows will force an end to the use of Fokker wooden-winged aircraft in the U.S. Dominick A. Pisano will review the accident in his "The Crash That Killed Knute Rockne" in *Smithsonian Air & Space* 6 (December 1991–January 1992): 88–93.

The 140-mph Alpha monoplanes are placed into service on April 20 and provide 24-hr. coast-to-coast mail and express service. The company's seven surviving F-10As undergo government inspection at the end of April and are replaced on the transcontinental service by Ford 5-ATs (making it all-Ford for the first time). In May, the Fokker F-32s,

although uneconomical, are, nevertheless, assigned to the Los Angeles–San Francisco service until June 15, when three inspected F-10As return to duty.

The last F-32 flight is made on July 4, a sight-seeing tour over Glendale.

Upon his return to work in July, “Pop” Hanshue is “relieved” of his post in a move led by the General Motors board member Ernest Breech; he returns to his beloved **Western Air Express (WAE)**.

With Breech’s backing, Acting CEO Robbins is now elected company president, with former **Standard Airlines**-WAE official William John “Jack” Frye as executive vice president.

The company completes its first air freight service on August 6, flying a planeload of livestock from St. Louis to Newark, New Jersey. This achievement will later be billed as the first air cargo service in the U.S. Ford 4-AT-31 piloted by Ralph W. Ritchie lands short of the field at Harrisburg, Pennsylvania, on August 14 and crashes; no one aboard is hurt.

Five days later, Ford 5-AT-24 is fatally damaged while landing in rain at Pittsburgh; four aboard are injured as pilot A. D. Smith’s craft overshoots the runway during a storm and slips off the wet runway. The remaining F-10As are back on the line by August 31 but will be withdrawn in 1932–1934. Dayton becomes a “flag stop” on September 28. While taking off from Oklahoma City on December 22, Ford 4-AT-33, originally acquired with **Maddux Air Lines**, crashes (one dead).

Out of gas and radio contact over Mobeetie, Texas, on January 14, 1932, pilot Ted Hereford parachutes from his Northrop Alpha. A Northrop Alpha mailplane, en route to Newark from Columbus in an ice storm, crashes into the Ohio River at Steubenville on March 21–22 (two dead).

The first single-unit wing bin for baggage and mail is demonstrated by company mechanics on Ford 5-AT-34 on April 13; Ford Motor Company officials are so taken with the concept that such compartments will henceforth be factory-built into its Tri-Motors. Also in April, 24-hour, coast-to-coast, transcontinental Alpha mail service is inaugurated.

The entire nose of the Ford freighter 5-AT-51 is destroyed by a ground fire at Amarillo, Texas, on May 8. Ironically, the aircraft will be repaired, returned to service, sold to another carrier, and lost in a second ground fire in June 1938. Again in physical difficulty, the TAT veteran 5-AT-34 *City of Philadelphia* is caught in a hailstorm over Bushland, Texas, on June 5. The fist-sized stones cause \$10,368 in damages to the wing leading edge, wing top, cowls, stabilizer, and fuselage, but do not prevent the aircraft’s “normal” operation for the remainder of her flight.

Flying east of St. Louis on July 3, the propeller blade of Harry Campbell’s Northrop Alpha shears off, causing a vibration that tears loose the engine; with no other choice, Campbell bails out. On August 2, Vice President Jack Frye, unable to obtain modern Boeing 247s because of their manufacturer’s commitment to **United Air Lines**, writes his famous letter to aircraft manufacturers seeking an advanced trimotor and setting forth TWA’s requirements for a modern airliner. T&WA President Robbins signs a contract with Donald Douglas on September 20 for the delivery of one advanced \$125,000 transport, with options to purchase up to 60 more at \$58,000 each. The prototype is designated Douglas Commercial One or, familiarly, DC-1.

While alighting from a Ford 5-AT at Pittsburgh on October 12, a passenger walks into a propeller and is killed. On November 5, the carrier, employing both Fords and Northrop Alphas, initiates 24 hour-a-day service, coast-to-coast, night and day, for passengers as well as freight. Later in the month, the twelfth Alpha is purchased from the NAT division of **United Air Lines**. While landing at Amarillo, Texas, in a December 14 blizzard, Ford 5-AT-37 crashes and is destroyed (two dead).

Due to a mechanical failure, a Northrop Alpha crashes during takeoff from Pittsburgh on January 10, 1933; pilot Harry Zimmerman is not hurt. Pilot Edward A. Bellande skillfully lands his Ford 5-AT-25 with nine aboard and suffering an in-flight fire, at Bakersfield on February 10. Although the aircraft is destroyed, only one passenger, Mrs. Adelaide Helwig, is hurt. A Northrop Alpha is lost on February 26 when its exhausted pilot bails out over Cross Forks, Pennsylvania.

On March 1, new frequencies are introduced on the transcontinental route. The eastbound run now requires 38 hrs. 42 min., while the westward flight takes 39 hrs. 23 min. The former **Maddux Air Lines** Ford 4-AT-31 is sold to **Blue Bird Air Transport** of Chicago on April 10. It is followed out of service by the last ex-Maddux Tri-Motor, 4-AT-36 *The Glendale*, which goes to **Pan American Airways (PAA)** on May 5 for lease to **Cubana (Compania Nacional Cubana de Aviacion, S.A.)**.

On June 1, the North American Aviation subsidiary of General Motors purchases control of T&WA. Ernest Breech is named president and his first act is to cancel a GM trimotor development project undertaken in competition with Douglas. On the same day, the new Boeing 247 of **United Air Lines** enters transcontinental service, cutting 7 hours off of the 27 hours still required by TWA’s Fords to make the trip.

Vice President Operations Fry assigns Daniel W. “Tommy” Tomlinson to monitor the testing of the DC-1 which, with Carl Cover and Fred Herman at the controls, flies for the first time on July 1 from Clover Field at Santa Monica, California. Following an inauspicious inaugural caused by engine difficulties, the new aircraft is extensively and successfully tested over the next three months. On July 28, a Lockheed Model 9 Orion is unable to gain altitude after takeoff from Kansas City and crashes into the Missouri River (one dead).

Beginning in August and continuing for two months, the carrier takes delivery of seven Consolidated Model 20A Fleetsters. At the same time, the first Northrop Delta 1A is leased from its manufacturer and is placed into service on the Kansas City to Los Angeles mail route. On August 29, Ford 5-AT-5, originally delivered to TAT as *The Kansas City*, en route from Amarillo to Albuquerque, is caught in a storm south of Quay, New Mexico, and crashes into the southern end of Mesa Mountain (five dead).

T&WA completes its testing of the DC-1 on September 5 following successful completion of the airplane’s most stringent requirement: a single-engine out flight on September 4 from Winslow, Arizona, to Albuquerque, New Mexico. The aircraft, which had cost the Douglas Aircraft Company \$306,778 to design, build, and test, becomes official T&WA property on September 13, although it will be some time before it is finally handed over.

On October 24, the first Delta 1A is damaged in a forced landing near Grants, New Mexico; it is repaired and returned to service. Day and night transcontinental passenger through-service is initiated on November 5; elimination of the Kansas City stop shortens the westbound route to 28 hrs. 40 min. and the eastward to 24 hrs. 42 min. At \$152.40 one way, a ticket costs \$7.60 more than a railroad fare.

On November 12, the first Northrop Delta 1A, being flown by Harlan Hull, catches fire near Moriarty, about 65 mi. E of Albuquerque; Hull successfully bails out, but the aircraft is destroyed in the ensuing crash. With Donald Douglas as passenger, the DC-1 begins its first transcontinental flight from Santa Monica to Newark on November 15, stopping en route at various airports where it is shown to the press and general public.

In early December, six months after its initial flight, the first—and only—DC-1 is delivered in Los Angeles ceremonies, during which T&WA gives Douglas a \$125,000 check. Jack Frye and Donald Douglas negotiate a revised contract calling for the delivery of 25 stretched production models at \$65,000 each.

Known as the DC-2, the fuselage of the new aircraft will be lengthened by two feet to accommodate an additional row of two seats and Douglas retains the right to sell copies to other carriers. On December 11, while en route to New York from Pittsburgh, a Northrop Alpha ices up over Portage, Pennsylvania; pilot Dean Burford bails out and his cargo (including \$73,000 worth of diamonds) is recovered. Flying westward into the same storm the same day, pilot Henry G. Andrews’ Alpha is also iced up and he, too, bails out. The year’s profit is \$130,000.

As 1934 begins, T&WA employs the DC-1 to fly the mail at night between Glendale and Kansas City. Severely iced, a Lockheed DL-1B crash-lands at St. James, Missouri, on January 31. On February 9, as a result of the so-called “Air Mail Scandal,” the U.S. government cancels existing airmail contracts (effective on February 19) and calls upon the U.S. Army Air Corps to fly the mail.

Having learned of the government's forthcoming airmail action, Jack Frye and **Eastern Air Transport** Vice President Edward V "Eddie" Rickenbacker on February 18–19, fly the prototype DC-1, complete with 10 passengers and 700 pounds of mail, from Los Angeles (Glendale) to Newark via Kansas City and Columbus in a cross-country record time of 13 hrs. 4 min. Rickenbacker, who seldom touches the controls during the mission, graciously receives joint flying credit from Frye, the principal pilot. The flight dramatizes the ability of the airlines to carry mail rapidly over significant distances.

On February 28, all company personnel (save senior officers) and schedules are cut back to two daily Ford transcontinental flights, one each way. By previous arrangement made by Vice President Frye with Douglas and Curtiss-Wright, most maintenance personnel are temporarily hired by those manufacturers. The loss of subsidy payment to T&WA is \$250,000. The Army experiment ends on March 30 and the Post Office advertises for new contracts, which may be let to any company not participating in the May and June 1930 "Spoils Conference."

On April 17, North American Aviation reorganizes its air transport subsidiaries. While T&WA is allowed to continue flying passengers, a new airline, TWA, Inc., is founded to regain the mail contracts. At this point, John D. Hertz Sr., founder of Yellow Cab Company, purchases 11% interest and receives a directorship. The first of three Northrop Gamma 2Ds is delivered on April 30 while the first Douglas DC-2 makes its maiden flight on May 11. The Hertz arrangement is sufficient to win back Post Office mail contracts and with Fords and Gammas purchased from T&WA, the airmail service is resumed by TWA, Inc. on May 13.

On May 13–14, in a highly publicized feat, Jack Frye, piloting the first of the carrier's 3 new Northrop Gamma 2Ds, takes 355 pounds of mail and 85 pounds of express the 2,609 miles from Los Angeles to Newark via Kansas City in a record-setting 11 hrs. 31 min., averaging 227 mph. On May 18, one week after its maiden flight, the first DC-2, *City of Chicago*, is turned over and undertakes a proving flight on TWA's Columbus to Newark via Pittsburgh route on May 18.

Although Douglas will lose \$266,000 on this premier order, the effort will soon turn a huge profit as other airlines make requests. On May 26, with three DC-2s delivered, TWA completes the new Newark–Chicago via Pittsburgh DC-2 run in record time of five hours—for the fourth time in eight days.

DC-2 Newark–Chicago via Pittsburgh service becomes twice daily on June 1. The second Northrop Gamma 2D arrives on June 11 and on June 12 Congress passes a new Air Mail Act, which effectively removes manufacturers from the air transport business and gives them until December 31 to do so. A total of three DC-2s are delivered during the month, with the type certified on June 28.

New York–Kansas City DC-2 flights begin in July; at month's end, 12 new Douglas transports are on hand as is the third Northrop Gamma 2D, delivered on the 11th. During the month, the *City of Chicago*, piloted by John Collings, provides 52 local flights over the namesake city, transporting a total of 728 sight-seeing passengers. At Philadelphia, pilot Carl Flournoy's new *City of Philadelphia* provides 12 promotional flights and on July 5, the Ford Tri-Motor 5-AT-17 is sold to **Pan American-Grace Airways (Panagra)**.

On August 1, DC-2s are placed in service on the carrier's transcontinental route; Sky Chief overnight service from Newark to Los Angeles (Glendale) via Chicago, Kansas City, and Albuquerque, requires but 18 hours, 4 p.m. to 7 a.m. The new operation is advertised as "the first dusk to dawn daily transport schedules between the Atlantic and Pacific Oceans."

Eight more DC-2s are delivered during the month, after which TWA transfers other deliveries of the type to **Eastern Air Lines** and **Western Air Lines** for the next four months. Frequencies on the transcontinental route become twice daily, with one of an express nature and the other multistop.

On August 19, a crowd of 2,500 witnesses the christening of the *City of Albuquerque* by Mrs. Katherine Stinson Otero, America's first woman pilot. The *City of Camden* is named at its namesake city on August 22; a crowd of 2,000 witnesses listens to Capt. Edward V. Rickenbacker

speak of the new aircraft's value. After the *City of Wichita* is christened on August 26, its namesake city provides a complimentary breakfast for 160 local dignitaries to be given promotional rides during the day. The last Ford Tri-Motors are retired on August 31, but are retained in readiness for replacement requirements.

With 20 DC-2s available by September, all TWA Ford 5-ATs except 5-AT-69 begin retirement; the survivor, outfitted with floats, will be employed in a brief and experimental service from Newark to Manhattan's Downtown Skyport. On September 22, R. S. LeRoy's Northrop Alpha, lost and out of gas, makes a forced landing near St. Clairsville, Ohio. Pilot George Rice is injured when his Northrop Alpha must make a forced landing in poor weather near Newhall, California, on November 15.

Displeased that his ticket is stamped "New York," but that his DC-2 has landed in Newark, New Jersey, on November 25, Mayor Fiorello La Guardia demands in front of his fellow passengers—all newspapermen—that he be flown on to Floyd Bennet Field at New York City. TWA, not wishing to be a pawn in a debate between La Guardia and U.S. Postmaster General James Farley over designation of the regional airmail airport, complies with the "Little Flower's" request.

Proceeding westward near Wichita on December 18, a DC-2 experiences an engine failure, loss of a propeller, and engine fire; an emergency landing is made at Kansas city and no injuries are reported. Both T&WA and TWA, Inc. are consolidated on December 27 under the new name Transcontinental and Western Air, Inc. Ownership is now changed as General Motors sells its shareholding to the banking firm of Lehman Brothers and John Hertz Sr. The next day, Henry B. duPont becomes board chairman.

President Robbins, under terms of the Air Mail Act prohibiting retention of CEOs employed at the time of the 1930 "Spoils Conference," is forced to resign and is succeeded by Jack Frye. On the final leg of the December 28 service from New York to Kansas City via Pittsburgh and Chicago, a DC-2 is forced to make an emergency landing at Columbia, Missouri; although no injuries are reported, the aircraft suffers \$10,570.12 in damages. The year's loss is \$407,702.

TRANSCONTINENTAL AND WESTERN AIR LINES, INC. (TWA): United States (1934–1950). On December 27, 1934, in compliance with terms of the Black-McKellar Air Mail Law of June 12, Trans-Continental and Western Air (T&WA) and TWA, Inc. are consolidated into a single new carrier, Transcontinental and Western Air, Inc. General Motors, the former majority partner, sells its principal interest to Lehman Brothers, the New York banking firm, and Yellow Cab founder John Hertz Sr. Jack Frye is named president with Paul Richter as vice president-operations.

The last of three Lockheed Model 9 Orions obtained in 1933 is withdrawn and sold to Wiley Post; it is then converted into the floatplane that he and Will Rogers will employ on their fatal Alaskan trip in August. During the next two years, services will continue as before with additional Douglas DC-2s joining the company fleet. Company highlights in this period are the premier air transport industry adoption of automatic pilots and wing flaps on the new aircraft. The year's net loss is \$407,702.

Filling in as pilot on January 21, 1935, President Jack Frye's Northrop Gamma suffers engine failure near Deep Lake, Arizona, and he is forced to make an emergency landing. While taking off from Pittsburgh early on January 26, Floyd Church's Consolidated Fleetster mailplane ices up and crashes (one dead). Five days later, Ernest Smith's Northrop Alpha mailplane suffers engine failure while approaching Glendale for a landing and crashes.

The first Ford Tri-Motor of **Transcontinental Air Transport (TAT)**, 5-AT-4 *The City of Columbus*, is sold out of service on February 14. Also during February, mail is placed aboard the DC-2s and by mid-month, the remaining single-engine mailplanes are retired. Five more DC-2s are acquired during the month, with one more arriving in March and two in April. **Grand Canyon Airlines (2)** purchases Ford 5-AT-18 on March 27 while the Ford 5-AT-6 and 5-AT-16 are sold to **SACO (Servicio**

Aereo Colombiano, S.A.) at Bogota on April 5. During the second quarter, a crash program of pilot hiring is begun that will double the number of flyers. During the spring, frequencies on the New York to Chicago route rise to four; four are also flown each way each day between New York and Los Angeles. The carrier's DC-2s also offer two return frequencies daily between Chicago and Kansas City.

Having been loaned to the National Aeronautical Association, the DC-1 piloted by Daniel W. "Tommy" Tomlinson breaks its own transcontinental speed record on April 30, flying nonstop from Burbank to New York in 11 hrs. 5 min. Low on fuel in bad weather, Flight 323, a DC-2 en route from Los Angeles to Kansas City crashes at the edge of a Macon, Missouri, farm on May 6 (five dead). This is the first fatal crash of a DC-2 (and the first fatal TWA accident since the Rockne tragedy in 1931). Given that the one passenger killed is an important U.S. senator, Bronson Cutting of New Mexico, the accident becomes one of the most publicized air tragedies of the prewar era. In the face of charges and countercharges, public hearings will be held on the disaster. However, when the Department of Commerce official report is issued, it will blame bad weather and weather reporting for the incident, clearing the airline and its pilots as well as the manufacturer and its aircraft.

Between May 16–19, the DC-1 piloted by Tomlinson sets or breaks 22 records, including eight world records; in the first 2 days of this test series, the aircraft carries a 2,205-lb. load over a 3,107-mi. course in 18 hrs. 22 min. 49 sec. at an average speed of 169.03 mph. Overreacting to the recent tragedy, the company releases both the pilot and copilot of a DC-2 when the investigation of a Chicago runway overrun on June 11 finds pilot error and weather the cause of the accident. No injuries are reported and only the airplane's nose is dented.

In July, Fry authorizes employment of the company's first female flight attendants. In addition, the Ford Tri-Motor 5-AT-69 equipped with floats begins two months of tests in New York Harbor. Certain of these seaplane hops will serve as goodwill flights for city officials and other dignitaries. The onetime *City of Wichita* Ford 5-AT-8 is sold out of service to **Grand Canyon Airlines (2)** on July 16.

On August 2, a DC-2 suffers engine failure after taking off from Albuquerque and makes a nonfatal crash landing in a wooded area near Otto. An investigation will reveal that the underground fuel storage tanks at Albuquerque had been contaminated and that the airplane's fuel tanks were almost completely filled with water. The Texas Company (Texaco), which operates the fuel farm, accepts responsibility for the loss and reimburses TWA for the write-off.

Piloted by William "Bill" Piper, the 5-AT-69 on August 29 begins waterborne commuter flights from "skyports" at the end of Wall Street and the foot of 31st Street to Floyd Bennett Field. During one of his services, pilot Piper flies under both the 59th Street and George Washington bridges, a rare and dangerous feat.

The last Gamma 2D, delivered the previous July, is the first retired; on October 11, it is sold to the Texas Company (Texaco).

For heroism in landing his burning Ford Tri-Motor at Bakersfield, California, back on February 10, 1933, pilot Edward A. Bellande is awarded the Air Mail Pilots Medal of Honor by President Franklin Roosevelt in White House ceremonies on October 29.

During the fall, President Fry agrees to a request from William "Pat" Patterson, president of **United Air Lines**, to join with the other members of the "Big Four," plus **Pan American Airways (PAA)** and Douglas Aircraft Company, in the creation of a jointly funded transport larger than the DC-3A. The first class of air hostesses is graduated from TWA training on December 1 and a second group begins its attendant education, a total of 49 young women in all. The first air hostesses begin flying aboard DC-2s on December 6.

Enplanements for the year total 75,624 and revenue passenger miles flown are 62.45 million. The profit for the year is \$19,404 and is the first in the company's five-year history; with passenger income rising, TWA is no longer entirely dependent upon mail subsidy.

On January 1, 1936, Henry B. duPont resigns as board chairman. The company does not name a successor; however, board member John

Hertz begins to exercise increasing dominance. New uniforms are introduced by cockpit crews; pilots and copilots will henceforth be known as captains and first officers.

Meeting in Chicago on January 14, President Frye joins with **Eastern Air Lines** President Capt. Eddie Rickenbacker, **United Air Lines** President Patterson, and **American Airlines** President C. R. Smith to announce the creation of the trade organization Air Transport Association of America (ATA) and appointment of Edgar S. Gorrell as its first president.

Also during the first month, the DC-1 is sold to the Burbank-based Western Aero & Radio Company for use by Howard Hughes in a contemplated attempt at a new record flight around the world. The aircraft will not be so employed.

The Ford 5-AT-41 is retired on February 3. Having failed to win a mail contract for its New York harbor commuter service, it is shut down and the Ford Tri-Motor 5-AT-69, floats and all, is sold to **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** at Barranquilla, Colombia, on February 11. It is followed out of service by the 5-AT-19 six days later.

When Pittsburgh is cut off from the outside by a flood between March 18 and 22, TWA DC-2s make 60 relief flights from New York during the 4 days delivering passengers and supplies. On March 23, TWA joins with **American Airlines**, **United Air Lines**, **Eastern Air Lines**, and **Pan American Airways** in pledging a \$500,000 pool to assist Douglas in development of a four-engine transport to be called DC-4E (the "E" stands for "experimental"), a 44-seat, 27-ton giant.

The DC-2 *Sun Racer* hits a ridge near Uniontown, Pennsylvania, while approaching Pittsburgh Airport on April 7 and crashes (12 dead). While making a one-engine-out landing at Chicago from New York on May 31, a DC-2 misses the runway and hits a house, ending up in a vacant lot; four aboard are badly hurt. Sleeper berths are introduced in company service on June 1. Piloted by Capt. Andrew Andrews, a DC-2 makes a record flight from New York to Chicago on June 8 in 4 hrs. 6 min. The same plane and crew repeats the same trip a week later in another record, 3 hrs. 48 min. When, on June 25, **American Airlines** introduces the DC-3, TWA responds by ordering \$350,000 in upgrade to the engines of its DC-2 fleet.

On July 6, Tommy Tomlinson, employing a supercharged Northrop Gamma, begins daily test flights into the stratosphere. Distressed by the rising cost of the DC-4E, TWA and **Pan American Airways (PAA)** withdraw from the Douglas aircraft project in mid-month, withhold their payments, and cast their lot with the Boeing 307 Stratoliner effort. The six remaining Consolidated Model 20A Fleetsters are sold later in the year, along with the premier Northrop Gamma 2D. The first new mail destination, Dayton, is awarded on September 17 on CAM-2.

Two Ford Tri-Motors, 5-AT-51 and 5-AT-57, are converted to freighter configuration on October 10 and are leased to a new all-cargo subsidiary, **General Air Freight**. On October 26, its two "Flying Boxcars" begin regularly scheduled air freight service between New York and Chicago via Philadelphia, Pittsburgh, and Columbus. At \$12 per 100 pounds, the operation proves too costly and does not generate sufficient traffic to be maintained, let alone expanded to the West Coast per initial plans. Also in October, new anti-static radio antennas are fitted to company airliners.

During November, Howard Hughes tests a DC-2 at Kansas City. In December, a contract is signed with Boeing for the purchase of six four-engine airliners at \$2 million. Meanwhile, a DC-2 makes the Chicago to New York run in a record 2 hrs. 58 min.—1 whole hour under schedule.

Enplanements for the year total 90,265 and net profit rises to \$205,125.72. The first cash dividend in company history—and the last for 17 years—is now paid: 25¢ per share.

Tomlinson's daily stratosphere tests are concluded on January 24, 1937. En route to Pittsburgh from New York on March 25 with 13 aboard, a DC-2 flips onto its back and dives into a mountain near Clifton, Pennsylvania; there are no survivors in a tragedy later blamed on icing. Orders are now placed for eight Douglas DC-3B Skysleepers (half berths and half day-seats), which are delivered two per month in the second quarter.

On June 1, TWA introduces its new Douglas transports, placing them on the New York to Los Angeles transcontinental Sun Racer service via Chicago or Columbus, Kansas City, and Albuquerque.

The U.S. Post Office bids four new mail routes on June 11. DSTs are also assigned to the New York–Chicago route on June 18, completing the nonstop frequency in 3 hrs. 55 min. The cargo-carrying Ford 5-AT-57 Tri-Motor is sold to Pittsburgh-based Republic Oil Company on July 19.

On August 15, the first DC-3s (without berthing facilities) become available. Also in August, the company is awarded AM-36 Chicago–Dayton, via Fort Wayne, and AM-37 Winslow, Arizona, on the Los Angeles route to San Francisco via Las Vegas. Service is inaugurated over the new routes in September and on September 2 the Ford Tri-Motor freighter 5-AT-51 is retired. On September 22, the old Ford 5-AT-9 Tri-Motor is sold to Pittsburgh-based Gulf Oil Corporation.

Enplanements for the year total 90,000. A net loss of \$959,837 is suffered, the worst in company history to date.

Airline employment in 1938 is just over 1,100 and on January 1 company pilots join ALPA. En route to Burbank from San Francisco on March 1, an off-course DC-2 strikes 9,712-ft.-high Buena Vista Crest northeast of Fresno (nine dead). The search for the wreckage will be abandoned and the plane will not be found until spied by a hiker in the spring.

On May 26, the U.S. Post Office awards the company a new airmail route, AM-38, Phoenix to Las Vegas. It also redefines the carrier's previous AM-37, which is changed to run from San Francisco to Las Vegas. The next day, Howard Hughes sells the original DC-1 to Viscount Forbes, the Earl of Granard, shipping it to London on the deck of a freighter.

When the board refuses to make specified progress payments, Boeing cancels the Stratoliner project in early June. The DC-4E, into the development of which the company has contributed \$100,000, meanwhile makes its initial flight on June 7.

Starring Harry Carey and Richard Dix, the RKO Studios motion picture *Sky Giant* is released during the summer and depicts flight training at a school operated by the airline.

During the aftermath of the New England hurricane of September 21, **American Airlines**, principal carrier in the Northeast, is overwhelmed in its attempt to open air-only communications between New York and Massachusetts.

At the request of ATA President Edgar Gorrell, **Eastern Air Lines**, **United Air Lines**, and TWA, under special permission from Washington, are allowed to contribute aircraft and flight crews to fly emergency relief services over the American routes from New York to Boston. Seven TWA DC-2s are assigned to fly mercy missions in and out of Boston. For 8 days, these planes join aircraft from the 3 other carriers in flying over 8,000 passengers (including refugees out and relief and construction workers in) and 317,000 pounds of mail around the stricken region.

AM-38 is inaugurated, also in September. Having accepted a medal from Herman Goering, pioneer aviator Charles A. Lindbergh is now in corporate disfavor. On December 5, in a move Jack Frye's statement suggests is "routine," the company slogan is changed from "The Lindbergh Line" to "The Transcontinental Line." Although no longer an advisor, the "Lone Eagle" is badly offended.

On December 15, the carrier, responding to orders from John Hertz, who believes the aircraft too expensive, also formally cancels the B-307 contract and becomes involved in a civil suit filed by Boeing. A DC-2 with engine trouble is forced to put down on a grass strip at Hayesville, Ohio on December 20; no injuries are reported. With an engine sent up from Columbus and the help of a local garage for maintenance support, the aircraft is repaired and flown back to Chicago.

During the last week of the year, Frye and long-time Hughes friend Vice President Richter, covertly supply the financier with a list of TWA board members; the fleet meanwhile is reported as comprising 10 DSTs, 9 DC-3s, and 14 DC-2s. The first Boeing SA-307B Stratoliner makes its maiden flight on December 31. Another large deficit is suffered on the year: \$773,263.

In late January 1939, Howard Hughes purchases 12% shareholding, the same amount held by John Hertz. The amount increases and in April, Hughes, heir to the Hughes Tool Company and aviation enthusiast, becomes the principal stockholder; his 25% shareholding is valued at \$1.6 million. He immediately orders Frye to escape the Boeing lawsuit and to resume the Stratoliner contract.

Discussions with Lockheed President Robert Gross and engineers Hale Hibbard and Kelly Johnson concerning the design and manufacture of a new airliner begin in secret at Hughes's Los Angeles home on June 22. The airline seeks a transcontinental airliner that can fly above 250 mph. Years later, Johnson will recall "Flying with Howard" in *Smithsonian Air & Space* 4 (June–July 1989): 102–105.

The first Boeing SA-307B Stratoliner is personally accepted by Howard Hughes on July 13; it will be used for the owner's own purposes, including a planned, but aborted, around-the-world flight. On September 26–29, a chartered DC-3 transports the University of Pittsburgh football team to Seattle for a game against the University of Washington Huskies; the flight is made via Chicago (MDW), Minneapolis, Bismarck, Billings, Helena, and Spokane.

Arriving just after midnight on December 2, a company DC-2 from Chicago and Pittsburgh becomes the first commercial airliner to land at newly opened La Guardia Airport in New York City. The ALPA-organized pilots of TWA sign their first contract with the airline during the year.

The 1939 net loss falls to \$186,000, but due to adjusted mail subsidy, becomes a profit of \$107,000.

In the spring of 1940, orders are placed for 15 DC-3s. When it is decided to purchase the new and secret Lockheed airliner, it is also decided that, in the future, TWA aircraft will be purchased by Hughes Tool Company, which will lease them to the airline. On April 3, a DC-2 is caught in a downdraft over Pittsburgh and crashes; although there are no injuries, the aircraft must be written off.

Three days later, the TWA Stratoliner, christened *Cherokee*, is flown from Portland to Kansas City via Denver. For publicity and photographic purposes, it is given the license number NC1940. Within days, it will establish a new speed record: Columbus to New York at an average ground speed of 349.95 mph. TWA accepts four more Boeings in May and June, christening them *Apache*, *Navajo*, *Comanche*, and *Zuni*. Like the *Cherokee*, they are the first TWA aircraft since the beginning of the company not to bear the fuselage inscription "The Lindbergh Line."

The carrier joins with the other members of the "Big Four" airlines and the ATA on June 25 to form the research group Air Express, Inc. On July 8, Boeing 307 Stratoliners inaugurate the first fully pressurized coast-to-coast service New York–Los Angeles via Chicago, Kansas City, and Albuquerque. The initial flight requires 13 hrs. 40 min., which is 2 hours less than the best DC-3 time.

Having won approval from board members involved, TWA and **Marquette Airlines** agree to a \$350,000 merger of the latter into the former. Because the CAB does not grant immediate approval to Frye's capture of the company and its 564-mile-long AM-58 St. Louis–Detroit via Cincinnati, Dayton, and Toledo, TWA leases the route, beginning on August 15.

On October 11, the second Northrop Gamma 2D is sold to the Texas Company (Texaco). The government's new Priorities Board allows the company only four machines from its DC-3 order by December. With engine loss, a company DC-2 on December 2 is able to make a successful gear-up landing on a hillside near Greensburg, Pa.; no injuries are reported. Also during the year, TWA offers the first-ever in-flight audio entertainment, providing individual receivers to passengers so that they can listen to commercial radio programs.

Passenger boardings increase by 57% to 256,000. The year's net loss is \$232,000.

Making a second approach to St. Louis Airport on January 23, 1941, a DST hits trees and crashes to the southwest (two dead). The research group Air Cargo, Inc. is established by ATA and the "Big Four" on March 14 to study the possibilities of all-cargo operations. The CAB grants permission for the **Marquette Airlines** acquisition in April.

A flight training center for British aircrews, "Eagle Nest," is opened at Albuquerque in June. Under the direction of TWA Capt. Otis Bryan, it will also train pilots for the Army's own Ferry Command. Special Japanese envoy Saburo Kuruu arrives at Washington, D.C. on November 17 aboard a company Stratoliner while on December 5, the **Marquette Airlines** purchase is completed.

Prior to the December 7 Japanese attack on Pearl Harbor, the company's Boeing quintet has recorded 4,522,500 accident-free miles. After a week of discussions, arrangements are completed on December 24 for the company to sell its Stratoliners to the U.S. military; the planes will be leased back and former TWA personnel will form their crews.

The airline also signs a contract on Christmas Eve to operate overseas through a new Intercontinental Division (ICD) created by President Frye the same day and overseen by Capt. Otis Bryan from a base at Washington, D.C. (DCA). Bryan receives orders to come east from his "Eagle's Nest" training facility in New Mexico.

During the last year of peace, the fleet totals 8 DC-2s, 21 DC-3As, 8 DC-3Bs, and 5 B-307s. A total of 439,444 passengers are flown over 200 million revenue passenger miles.

The fleet at the beginning of 1942 numbers 40 aircraft: 3 DC-2s and 37 DC-3s. The words "The Transcontinental Line" painted above the cabin windows of these aircraft are now rubbed out and replaced with the phrase "Victory is in the Air—Buy Bonds."

Capt. Bryan, meanwhile, goes about the business of assembling the ICD at Washington, D.C. Aircraft are transported to National Airport and personnel are recruited or assigned. Among these are the colorful cowboy Capt. Milo Campbell and aircraft mechanic Roy Davis, who will go on to enjoy an almost legendary career as a maintenance chief with the airline. It is he, incidentally, who will, 15 years later, serve as inspiration for Arthur Hailey's portrait of the most famous mechanic in aviation literature, *Airport's* Joe Patroni.

En route to Burbank from Indianapolis on January 16-17, DC-3 Flight 3 smashes into Potosi Mountain, near Las Vegas, in darkness; all 22 aboard are killed, including popular movie actress Carole Lombard. Donald B. McComb Jr. will examine "The Mystery of Flight 3: What Could Happen on a Plane?" in *Airliners* 7 (March–April 1994): 45–48, 54.

The Boeing 307 fleet, including Hughes's personal machine, is turned over to the U.S. Army on January 27; the aircraft are designated C-75s. In the 19 months since entering commercial service, the 5 aircraft have transported 110,000 passengers over 4.52 million miles. To increase range by 1,000 miles, the military takes out the cabin pressurizing system and removes 7 seats from each transport, replacing them with 1,000-gallon fuel tanks.

The B-307 *Navajo*, in camouflage and with a temporary CAB certificate, the USAAF designation of C-75, and TWA crew, undertakes the carrier's first contract overseas flight on February 26, taking a cargo of proximity fuses from Washington, D.C.'s Bolling Field to Cairo. The 17-day roundtrip mission, both a cargo run and a proving flight, is flown by ICD chief Bryan and copilot Floyd Hall (future president of **Eastern Air Lines**) via West Palm Beach, Puerto Rico, Belem, Natal, Monrovia, Liberia, Accra, Kano, and Khartoum.

Following this premier wartime company operation and, indeed, the first use of land transports overseas for the USAAF under contract to a U.S. domestic airline, two Stratoliners are permanently assigned to this Washington, D.C.–Egypt route.

Having been acquired by the military from **American Airlines** in February, the original Douglas Sleeper Transport (DST) *Flagship Texas* is chartered to TWA; after a month's operation, the early DC-3 is redesignated a C-49E on March 14 and is flown under air force contract.

The last three DC-2s are sold to **Northeast Airlines** on April 16. On April 18, a VIP military shuttle is started to the U.K.; three B-307s are allocated to the three-year commitment. Stewards for these flights are provided by **Eastern Air Lines**, the only U.S. carrier to refuse, in the prewar years, to hire female flight attendants.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing

Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen and promised by ATA President Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities and dispatch aircraft to Edmonton, Alberta. There they participate in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

Also in June, one Stratoliner is diverted to undertake a series of South Atlantic flights from Natal, Brazil, to Accra on the Gold Coast. While trying to land at Chicago (MDW) from Knobnoster Army Airfield in Missouri in bad weather on October 15, the C-49E, the first Douglas Sleeper Transport (DST) that began service with **American Airlines** as the *Flagship Texas* in 1936, crashes (nine dead).

While flying above an Allied Atlantic convoy in November, a B-307 piloted by Capt. S. T. Stanton is mistaken by a freighter for a German bomber and is fired upon; although hit in the tail by a 20-mm. shell, the aircraft is able to safely complete its flight.

Eighteen of the first 20 Douglas C-54s are assigned to TWA's ICD.

With loaned Boeing test pilot Eddie Allen at the controls, the first Lockheed Model 049-46-10 Constellation makes its maiden flight from Lockheed Air Terminal on January 9, 1943. When the two **Pan American Airways (PAA)** Boeing 314s, *Dixie Clipper* and *Atlantic Clipper*, transporting President Roosevelt and his company to Casablanca arrive at Bathurst, Gambia, on January 13, they are met by Capt. Bryan and three TWA-crewed Douglas C-54s. One is to be the primary aircraft, one secret service, and one the backup aircraft. The four-engine landplanes fly the VIPs 1,500 miles to the conference site where meetings with Prime Minister Churchill and Premier Josef Stalin begin the next day.

On January 24, Bryan flies his important passengers to Liberia to visit President Edwin Barclay for a day before returning to a Bathurst rendezvous with the *Dixie Clipper*. Bryan's C-54s next fly to Natal, Brazil, where they again meet the Boeing and transport Mr. Roosevelt and company to Port of Spain, Trinidad.

Ten company pilots serving in Air Transport Command are among those participating in a mass flight of 30 Curtiss C-46 Commandos from Miami's Homestead Field to Karachi via Puerto Rico, Trinidad, Bahamas, Brazil, Ascension Island, Accra, Kano, El Geneina, Khartoum, Asmara, Aden, and Salalah, where they arrive on April 21. Following a month of orientation and training for locally recruited crew members, the big transports are positioned at the Assam bases of Tezpur and Jorhat to begin scheduled supply flights over the Himalayan "Hump" to the Chinese city of Kunming.

Meanwhile, on May 10, the CAB allows TWA to inaugurate Los Angeles–San Francisco service. In July, the Constellation prototypes requisitioned by the military are designated C-69s. Also, one of the DC-2s sold to the military earlier is returned as a C-32A for use in pilot and mechanic training at Kansas City. On October 5, the carrier purchases a 22% interest in Lowell Yerex's **TACA (Transportes Aereos Centro Americanos, S.A.)** and also acquires stock in the associated companies **Aerovias Brasil, S.A.** and **British West Indies Airways, Ltd.**

During the last week of November, President Roosevelt arrives at Oran by ship where he and his party are picked up by Capt. Otis Bryan's TWA-crewed C-54s. These transport the chief executive to General Eisenhower's headquarters at Carthage and then to Cairo where FDR and Winston Churchill meet with Chiang Kai-shek. After talking to the Chinese leader, the president is flown on to Tehran for a conference with Russian dictator Josef Stalin. From the Iranian capital, the C-54s return to Cairo, Carthage, and then to Dakar where Roosevelt takes a ship back to the U.S.

En route from the Azores to Casablanca on March 25, 1944, an ICD C-54 passes over an Allied convoy covered by two USN escort carriers. Fighter aircraft from these "jeeps" rendezvous with the transport, but

turn away upon establishment of its identity. Long-range RAF Bristol Beaufighters, seeking German reconnaissance planes or surfaced U-boats, happen upon the Douglas later in the day. Mistaking it for a Focke-Wulf 200 Condor, they shoot it down; there are no survivors.

Employing a new Army-owned Lockheed L-049 (C-69) painted with watercolors in quickly removable TWA livery, Howard Hughes and Jack Frye, with 3 other crew and 12 VIP passengers, fly nonstop over the 2,300-mi. from Burbank to Wright Field, Ohio, in an unofficial record time of 6 hrs. 57 min. on April 19. The aircraft, after a few days of unsanctioned demonstration flights, is then turned over to the military, which is not pleased with the commercial advertising gained by the company at its expense. Hughes, no friend of Gen. Arnold, had gained considerable publicity from a plane his company did not own.

A 20% interest is acquired in **Hawaiian Air Lines** in May, while a B-307 flies the first films of the D-Day invasion to the U.S. on June 8. New York to Chicago all-cargo services commence on June 12. The remaining Stratoliners are returned by the military in July; during their wartime careers, the 5 have flown over 7.5 million miles and made in excess of 3,000 transatlantic flights. Military changes made in 1942 are reversed as the long-haul transports are returned to civil airliner standard.

Gen. T. B. Wilson returns from war service to his board chairmanship on September 27. A DC-3 crashes in a storm near Hanford, California, on November 5 (24 dead) and on November 14 a commitment is made to take 10 L-049s. Air Cargo, Inc., the research group, is closed down on November 29, having compiled a number of studies. A DC-3 crashes near Los Angeles on December 1 (eight dead).

During the year, the ICD as a whole flies 60,000 passengers and 11.5 million pounds of priority mail and freight, but the company's overall net profit is just \$2.8 million.

A new Lockheed L-049 Constellation makes a 2 hr. 53 min. flight from Kansas City to Washington, D.C. on February 15, 1945. New York to San Francisco Stratoliner services are resumed on April 1 following the christening of the B-307 *Zuni* by Mrs. James H. Doolittle. In May, Boston-Chicago flights are started via Albany, Binghamton, Williamsport, Pittsburgh, and Cleveland. The CAB grants TWA permission to serve Washington, D.C. and Boston. On June 1, the board, in the famous North Atlantic Case, rules that TWA is to be granted a seven-year transatlantic service permit.

The European service area assigned to Hughes' carrier is divided with **Pan American Airways (PAA)**, but includes Rome and Athens. TWA is granted sole right to land at Paris and is also permitted through-rights to India via Cairo to Bombay.

A new transcontinental DC-3 all-freight service is initiated on July 1. During the summer, a freight-tariff schedule is filed with the CAB. In August, an agreement made the previous year to acquire minority shareholding in and provide support to **Philippine Air Lines (PAL)** is honored.

On V-J Day in September, it is recorded that the ICD has logged over 15.6 million miles in the air and lost 43 of 1,700 employees in 9 crashes. Among the losses are a C-87 that disappears between Natal and Ascension Island and a low-flying C-54 hospital plane apparently shot down by a German U-boat between Iceland and Newfoundland. Total profit achieved by the airline from all of its wartime government contracts is a miniscule \$181,900.

An order is signed on September 14 for 36 L-049 Constellations, including the first 12 manufactured. A new civilian ICD is established at New York and four ex-AAF C-54s are received on September 7. A Constellation leased from the Army Air Force on October 1 lands in Rome on October 9, the first commercial airliner to land in the Eternal City since V-E Day.

The premier owned L-049 is delivered on November 15 and christened *Star of the Mediterranean*. On November 24, a DC-4 breaks the Atlantic crossing record, Gander to Rineanna, Eire, in 6 hrs. 45 min. The second L-049 Constellation is delivered on December 7 and is named *Star of the Persian Gulf*; even prior to receipt of aircraft certification on December 11, one, the leased *Paris Sky Chief*, is employed to make a New York-Paris via Shannon proving flight on Thanksgiving Day.

A VIP publicity flight headed by Postmaster General Robert Hannegan is made to France, again via Gander and Shannon, on December 3. The 3,870-mile flight, at an average speed of 316 mph., takes 12 hrs. 57 min.

The year's last L-049s, the *Star of Paris*, later *Star of Dublin*, and the *Star of Madrid*, arrive on December 13 and 20, respectively. The carrier participates in the establishment of **Ethiopian Airlines, S.C.** on December 26 and provides management and technical assistance.

At year's end, the fleet comprises 94 aircraft, including 8 DC-4s, 5 B-307s, 53 DC-3s, and 17 C-47s under conversion into DC-3s, the first 10 L-049s, and 1 B-17 under conversion into an executive transport. Net profit climbs to \$33,672,000.

In January 1946, 18 units of the L-049 order are converted to L-649s. The fourth L-049, *Star of California*, is delivered on January 1, followed by the fifth, *Star of Africa*, on January 30. On February 3, Jack Frye and Lee Flanagan, to celebrate Lockheed's twentieth anniversary, fly a Constellation with 45 passengers nonstop over a 2,740-mile great circle course from Burbank to New York (LGA) in 7 hrs. 27 mins. (average speed: 330 mph.). Following its use for promotional flights, the L-049 *Star of Paris* is delivered. The first postwar commercial America-Europe landplane service is inaugurated by Capt. Hal Blackburn, with 35 passengers, in the *Star of Paris* on February 6, New York-Paris via Gander, Newfoundland, and Shannon, Ireland, in 19 hrs. 46 min.

The same day, the Philadelphia Eagles pro football team signs a contract for charter service for the 1946 season. On February 7, a Constellation reaches Cairo, following a proposed New York to India route. The seventh L-049, *Star of India*, is delivered on February 9. The *Star of Rome*, with Archbishop Francis Spellman of New York on board, begins service to Italy's capital city on February 11.

Piloted by Howard Hughes and Joe Bartles, with movie stars Linda Darnell, Paulette Goddard, Cary Grant, Veronica Lake, Myrna Loy, Frank Morgan, Walter Pidgeon, William Powell, Tyrone Power, Edward G. Robinson, Randolph Scott, David O. Selznick, and Gene Tierney aboard, the L-049 *Star of California* flies Los Angeles to New York in 8 hrs. 38 min. on February 15.

Later in the day, the eighth L-049, *Star of India*, arrives; it is followed four days later by the double delivery of the *Star of Ireland* and the *Star of Tripoli*. The *Star of Madrid* departs Cape Town for the U.S. on February 19. Pending Allied approval, the company signs a local operation pact with the Italian government on February 23.

The new Constellations give TWA a tremendous boost over its rivals, **American Airlines** and **United Air Lines**. The company's L-049s begin 11 hr. 25 min. westbound and 9 hr. 15 min. eastbound transcontinental Super Sky Chief service on March 1, with a 25 min. refueling stop at Chicago. New York to Chicago 3-hour nonstop Constellation flights commence six days later. The two available services are christened Sun Beam and Lake Michigan. Regularly scheduled New York to Paris and Geneva service is begun by the *Star of Madrid* on March 11.

On March 28, the Allied Commission approves the Italian government's contract with Hughes' airline for the formation of **Linee Aeree Italiane, S.p.A. (LAI)** within 60 days. The next day, the *Star of Rome*, with three crew and nine passengers, is severely damaged when it overshoots a landing at Washington, D.C.; although no injuries are reported, the plane must be written off.

On April 1, the Paris terminus is extended to Cairo, when a new DC-4, *Le Moulmein Pagoda*, covers the 6,000 miles from New York to Egypt via Paris in 29 hrs. The next day, two New York to Pittsburgh and one New York to Milwaukee routes are opened. Regularly scheduled Rome to New York service begins on April 3. Two days later, a 35% interest is taken in **Technical and Aeronautical Exploitation Company, S.A. (TAE)**, the Greek national airline; technical and management contracts are signed as well.

On April 10, the British put pressure on the Italian government not to ratify the American contract and three days later, Rome announces a delay as it is concerned over the British stand on the forthcoming peace treaty's aviation clause. On April 14, the Philadelphia Phillies professional

baseball team charters a plane to fly the team back from Chicago. A provisioning plane arrives at Madrid on April 26 prior to the opening of regularly scheduled weekly service to New York.

Paris to Lisbon and Madrid service commences on May 1. Two days later, Constellation service is inaugurated from Chicago to Cairo via New York, Paris, and Madrid. Company pilots set a strike date on May 4, but back off when the Truman administration establishes an emergency wage board to investigate their demands. Nonstop New York–San Francisco overnight service is inaugurated on May 13–14.

The Italian government, on June 25, approves contracts from both TWA and its rival, **British Overseas Airways Corporation (BOAC)**, governing its civil airlines; TWA drops its demand for exclusive rights. On June 26, a B-17G is purchased from the government's war surplus depot at Altus, Oklahoma; it will be refitted as an executive transport and employed to survey current and planned air routes.

Washington, D.C.–Cairo multistop service begins on July 8 and two days later, a DC-4 arrives at Boston's Logan Airport from Dhahran on the first transatlantic flight to the U.S. from Saudi Arabia. On a routine training flight northeast of its facility at Reading, Pennsylvania, on July 11, the ICD's L-049 *Star of Lisbon* crashes into a hayfield (five dead); the tragedy is caused by an electrical system design flaw. The CAB orders the grounding of the 16-ship L-049 fleet between July 12 and September 20, decimating the airline's domestic and international schedules.

Meanwhile, on July 26, the *Star of Dublin* is damaged at Shannon when its right gear collapses after landing; no injuries are reported. On August 1, the CAB grants permission to service Shanghai from India via Southeast Asia. During the period of the L-049 grounding, C-54s are pulled from domestic runs to service transatlantic routes. Also, the company accepts the findings of the president's emergency wage board with regard to pay, rules, and working conditions for its pilots.

When Constellation operations resume, new night services are offered: the West Coast to the East Coast in 10 hrs. 10 min. and the East Coast to the West Coast in 11 hrs., 40 min., with Chicago the only stop both ways. With the carrier taking 40% interest, it finally assists in the formation of **Linee Aeree Italiane, S.p.A. (LAI)** on September 16. On September 20, TWA provides assistance to the government of Saudi Arabia in establishing **Saudi Arabian Airlines** and receives technical and management contracts in return. The 11th L-049, the *Star of the Adriatic*, is delivered on September 29, followed by the twelfth, *Star of the Red Sea*, on October 5.

The Constellation *Star of India*, with eight crew, crashes at New Castle, Delaware, during an October 13 ferry flight, but all aboard escape the resulting fire after the plane skids off the wet runway and smashes into parked cars.

New York to Chicago service is resumed the next day and West Coast service is also expanded. Following a 34-hour ultimatum demanding action on wage increase demands, the airline's 1,400 pilots and copilots, led by ALPA President David L. Behncke, go out on strike, stranding 3,000 passengers and grounding the airline from October 21 to November 15. The strike costs the carrier \$8 million and as a result, delivery is cancelled on eight L-049s. Meanwhile, on October 26, the carrier assists in the formation of **Iranian Airways**; it takes 10% shareholding and is given a five-year management contract. On October 29, the B-17G executive transport flies company representatives to the IATA meeting at Cairo.

The strike ends on November 14 with an agreement to arbitrate; a new pact is signed two days later and the carrier is able to resume its domestic schedule. New York to Paris flights resume on November 18.

On December 17, an L-049 with 54 aboard makes a forced landing at Columbus, Ohio; no injuries are reported. The L-049 *Star of Cairo* with 9 crew and 14 passengers en route from Paris to New York via Shannon and Gander, crashes into the River Fergus while on final approach to Shannon, Ireland, on December 28 (13 dead).

A total of 852.99 million passenger miles are flown on the year. The net loss for the year is \$14.5 million.

Through passenger service from New York to Bombay via Jerusalem is begun by the L-049 *Taj Mahal* on January 5, 1947. **Air India, Ltd.** is

now appointed the company's general agent for India; the new arrangement gives the Indian carrier its first link to the U.S. During a board meeting on January 9, arrangements are made for the Hughes Tool Company to loan the carrier \$10 million.

Two days later, shareholding in **Aerovias Brazil, S.A.** and **British West Indies Airways, Ltd.** is reduced to less than 10%, with most of the stock in the former sold to local interests. On January 15, the nation's first international all-cargo frequency is started, the New York–Cairo flight of the *Shanghai Merchant*, which also marks the first regularly scheduled direct all-freight service ever operated over the North Atlantic.

Following a "business disagreement," Jack Frye, Chairman T. B. Wilson, and Executive Vice President Paul Richter resign on February 22. Frye is succeeded by board member LaMotte T. Cohu while Warren Lee Pierson becomes board chairman. The dismissal of Frye and Richter, carried out by Hughes advisor Noah Dietrich, is revealed in a terse one sentence announcement in the March issue of the employee newsletter *Skyliner*.

While en route to Europe on March 11, the astrodome of the L-049 *Star of Cairo* fails at 19,000 feet, blowing out navigator George H. Hart. The next day, all Constellations are temporarily ordered to fly at 12,000 feet pending a report on Hart's fatality. Also in March, the outstanding order for 18 L-649 Constellations is cancelled.

The new L-049 *Star of the Yellow Sea* is delivered on March 28. Also at month's end, it is reported that the L-049s' three daily transcontinental roundtrips transport 3,300 passengers every 30 days, as compared to **American Airlines**, which has flown 3,500 with 12 DC-4 services.

During the spring, lukewarm merger discussions are held between Howard Hughes and Juan Trippe of **Pan American Airways (PAA)**. With 12 new Constellations available for overseas flights, 8 earlier units are transferred to domestic routes. In response to the introduction of Douglas DC-6Bs by **American Airlines** and **United Air Lines**, President Cohu orders an increase in New York–Chicago Constellation frequencies on April 30. Also in April, the B-17G executive transport is sold to the government of Iran.

While on a training flight, the L-049 *Star of Athens* crashes into Delaware Bay, near Cape May, New Jersey, on May 12 (four dead). Also in May, three more L-049 Constellations are delivered, including the *Star of China*, and the *Star of the China Sea*, and one unnamed unit.

A DC-4 completes a transatlantic flight on three engines on June 10 and on July 9 the first airborne Roman Catholic communion service is held aboard a New York–Paris Constellation flight. New York–San Francisco via Chicago overnight L-049 flights begin on July 17.

Also in July, the U.S. Senate's Special Committee to Investigate the National Defense Program opens hearings into Hughes's wartime contracts. On August 6–7, the TWA owner charges in testimony that Maine Senator Owen Brewster has offered him a deal: no hearings if TWA is merged with **Pan American Airways (PAA)** and the latter's "Chosen Instrument" international airline scheme is supported. The hearings collapse in the midst of charges of misconduct against Senator Brewster, who will be defeated when running for reelection in 1952. The Constellation *Star of Dublin* is, meanwhile, shifted to domestic service on August 2.

On October 18, the cancelled L-649 program is reinstated, with the 12 ordered aircraft upgraded to L-749 models. The L-049 *Star of Madrid* is written off at Newcastle on November 18 in a training accident (four dead). A DC-4 crash-lands at New Castle, Delaware, on November 19 (five dead).

A total of 113 million revenue passenger miles are flown on the year and the adjusted net loss is \$5.377 million.

The 20% interest in **Hawaiian Airlines** is sold in 1948. As the result of a hydraulic leak, the *Star of Paris* is badly damaged by a ground fire at San Francisco on January 31. Flying a great circle route, an L-049 flies from Burbank to New York (LGA) on February 3 in a record 6 hrs. 39 min. The 12 L-749s are delivered between March and June and are placed on the international routes; on June 1, President Cohu resigns.

The L-049 *Star of Lisbon* is shifted to domestic service on July 18, followed by the *Star of Geneva* on July 27, the *Star of Dublin* on July 28, and the *Star of Rome* on August 17.

The corporate board, meanwhile, votes on August 10 to convert a \$10-million Hughes loan into \$10-per-share common stock, increasing the billionaire's interest from 46% to 76%. The authorized shares of common stock are increased from three to four million at the same board meeting.

On October 1, all-sleeper luxury service, the Paris Sky Chief, is introduced; the return frequency is known as the New York Sky Chief. The first all-sleeper deluxe transatlantic service by a U.S. carrier, it is also the only such offering at this time. The same day, a former military C-69, converted to civil L-049 status and christened *Star of Switzerland*, is delivered; it is followed into service by the *Star of Zurich*, another former C-69, which arrives on November 30.

An L-049 with 5 crew and 18 passengers is damaged beyond repair while landing at Los Angeles on November 25; there are no fatalities.

The fleet at year's end still possesses 72 DC-3s. During the first full year of operations, the ICD transports 48,000 transatlantic passengers. Meanwhile, several more transcontinental services have been opened: Sky Meteor, Sky Queen, Sky King, and Sky Century. The adjusted net loss declines to \$1.278 million.

New York to Zurich Constellation service begins on January 15, 1949 and Ralph S. Damon is elected TWA president on January 25. Employing DC-3s, TWA inaugurates two-flights-per-night Kansas City to Los Angeles Sky Coach service on February 6–7 via Wichita, Amarillo, Albuquerque, and Phoenix. The fare is \$59.50 for the 10-hour flight; free coffee is provided. Also in February, the carrier's shareholding in **TACA (Transportes Aereos Centros Americanos, S.A.)** is significantly reduced.

An order is placed on May 31 for 20 L-749As and the twentieth anniversary of coast-to-coast service is celebrated on July 9. When the government of Iran steps in to reorganize **Iranian Airways**, TWA's five-year management contract is cancelled.

In September, a restyling program for the interiors of the 35 Constellations on hand is inaugurated. This is the largest program of its type yet undertaken by a U.S. airline. Two former L-049s of **KLM (Royal Dutch Airlines, N.V.)** are acquired in November; one will be employed as a personal transport by Howard Hughes while the other will be placed into service as the *Star of New Foundland*.

The L-049 *Star of the Persian Gulf* is damaged in a December 18 landing accident. Employing B-307 Stratoliners and Douglas DC-4s, TWA launches \$110 coach fare transcontinental flights on December 27. During the year, Zurich is added to the European route network and service to Israel is resumed after the end of the independence conflict. North Atlantic bookings rise to 53,000.

An L-749 flies from Gander to Lisbon on January 31, 1950 in a record 7 hrs. 35 min. On February 22, an order is placed for 12 Martin 2-0-2As and 30 4-0-4s; the former are to be leased until the latter are delivered. Also during the month, the first four L-049s, operated by **Air France** since June 1946, are purchased; they will be christened *Star of the Azores*, *Star of Egypt*, *Star of London*, and *Star of Lebanon*. The former **KLM (Royal Dutch Airlines, N.V.)** Constellation employed by Howard Hughes since November is sold to TWA on February 26 and is named *Star of New Foundland*.

The first direct New York to Paris radio-teletype circuit is opened on March 1, followed the by initiation, five days later, of coast-to-coast daytime DC-4 coach service. A new base is occupied at Kansas City on March 24, from which the company can direct its operations and co-ordinate facilities; the location of every plane in operation can now be traced from this locale. During these early months, Milan becomes a company destination. On May 17, the company is renamed **Trans World Airlines, Inc. (TWA)**.

TRANSCONTINENTAL SUR, S.A.: Uruguay (1992–1994). Transcontinental Sur is established at Montevideo in 1992 to offer all-cargo

charter and contract services throughout South America. Revenue operations begin with a single leased Boeing 707-321C.

Financial problems mount in 1993 and unable to maintain economic viability, the company is forced to shut down in 1994.

TRANSEAST AIRLINES: Riga International Airport, Riga, LV-1053, Latvia; Phone 371 7207 771; Fax 371 7207 772; <http://www.junik.lv/~tea>; Code T4; Year Founded 1992. Transeast is set up at Riga in December 1992 to offer scheduled regional passenger and cargo air services. J. Mutjanko is appointed managing director and he is provided with a single Yakovlev Yak-40. Revenue flights commence in May 1993 to Jonkoping, Sweden. Enplanements for the first full year of service in 1994 total just 1,025.

Airline employment stands at 20 in 1995 and in March a new line is opened from Riga to Billund, Denmark. This year Managing Director Mutjanko's Yak-40 transports a total of 7,319 passengers, a huge 85.9% increase over the previous 12 months.

The workforce is reduced to 11 in 1996. The Yak has another good year as customer bookings soar 28.5% to 9,403. The employee population grows to 28 during 1997. Passenger boardings move up 2.9% to 9,667.

The workforce is cut 25% in 1998 to 21. Customer bookings also move downward, falling 27.9% to 7,000.

Customer bookings fall 18.6% in 1999 to 5,000. In an effort to generate additional income, charters are introduced from Riga to various European cities.

A total of 24 workers are employed at the beginning of 2000, a 14.3% increase over the previous 12 months. Sergey Avvakumovs is named managing director.

TRANSEAIR, INC.: Case Postale 9, Longue-Pointe de Mingan, Quebec G0G 1V0, Canada; Phone (418) 949-2261; Fax (418) 946-2304; Year Founded 1971. Originally established as Transports Aériens Sept-Iles, Inc. in 1971, this concern begins nonscheduled lightplane passenger and cargo charters to other points in Quebec and along the St. Lawrence River. The first two Douglas C-47As (military DC-3s) are purchased in 1978, followed by a Convair CV-240 in 1979.

Another C-47A and a four-engine DC-4 are acquired in 1982. In 1985, the company is reformed and adopts its present name. Revenue flights continue through the remainder of the decade.

En route to Lac Bienville on February 28, 1989, a C-47A, with two crew crashes near Quebec City; there are no survivors.

Service continues in the 1990s. In 1998–1999, the company operates a pair of C-47As and a CV-540.

TRANSGABON (COMPAGNIE AERIENNE GABONNAISE, S.A.): Gabon (1961–1968). Reformed under a new name in the spring of 1961, Founder/Chairman Jean-Claude Brouillet's pioneer carrier continues to provide internal air services in the newly independent country of Gabon. Chief Leon M'Ba is president.

Unable to provide its own transnational services, Gabon, on June 26, becomes a member of the French-sponsored long-haul consortium **Air Afrique, S.A.**

Transgabon retains responsibility for domestic and regional services within Gabon, employing most of its earlier fleet of de Havilland DH 89A Dragon Rapides, a Nordyn Norseman, and a Douglas DC-3. Before the end of September, three more DC-3s have been purchased from and delivered by **Air France**.

Over the next three years, Transgabon continues to improve its fleet and services. In 1964, the fleet includes 3 DC-3s, 1 DH 89A, 1 Beech 18, 3 Cessna 182s, 2 Bristol 170 Mk. 25s, and 1 each C-195 and C-205.

UAT French Airlines, S.A., which has provided support and assistance since 1961, purchases the carrier from its founder at the beginning of 1965. Traffic figures are released for the first time and show enplanements of 72,200. A total of 40 domestic points are served by the end of 1967.

During the first quarter of 1968, **Air Gabon (Compagnie Aerienne Gabonaise, S.A.)** is purchased and merged. Transgabon not only acquires the small line's fleet of 1 Britten-Norman SN-2 Islander (one of the first in West Africa), 4 Beech 18s, 3 C-185s, 2 C-180s, 1 C-310, and several helicopters, but markets at Port-Gentil, Libreville, Gamba, Tchibanga, and Lambarene. The latter outpost has long been the adopted home of Dr. Albert Schweitzer.

In July, Transgabon becomes the country's national carrier under the official name of **Societe National Transgabon, S.A.**, though it continues to be known as Transgabon.

TRANSGABON (COMPAGNIE TRANSPORT AERIEN DU GABON, S.A.): Gabon (1948–1968). While in the U.K. in 1948, pilot Jean-Claude Brouillet, proprietor of a trucking company based at Libreville, French Equatorial Africa, purchases a de Havilland DH 82 Tiger Moth, which he takes to France en route back to FEA. In Paris, he engages the Farman Company mechanic Louis Laurent and together, the two fly the aircraft back to Libreville, arriving after a 22-day hop. Just after arrival, a storm destroys the aircraft.

Brouillet and Laurent are able to convince local foresters to provide them with a FFr 5-million loan, with which a DH 89A Dragon Rapide is acquired. With airfields constructed by their backers and authority from the colonial government to operate a mail service, the two entrepreneurs are able to begin flying from Bitam to Lambarene in 1949 via Oyem and Booue.

These mail services continue for the next two years, despite the arrival of **Air France** with its French government authority to take over internal air service much the same way **Sabena Belgian World Airlines, S.A.** has in the Belgian Congo. With assurances from the colonial government that it still free to operate under its authority, Brouillet's concern surveys possible passenger routes.

Compagnie Transport Aerien du Gabon, S.A., also known unofficially as Transgabon, begins DH-89A domestic services in 1951. The inaugural route stretches from Libreville to Port Gentil via Equata, Dome les Barnes, and Gongoue. While competition begins with **Air Gabon, Compagnie Aerienne Gabonaise, S.A.** formed the same year, additional DH-89As are brought in.

Under an unofficial understanding with **Air France**, the company works to improve its frequencies and equipment in 1952–1959, adopting a variety of aircraft ranging from Norduyn Norsemen to Douglas DC-3s. A number of replacement services are offered on behalf of the French flag carrier.

French Equatorial Africa becomes Gabon on August 17, 1960. Chief Leon M'Ba, an associate of Chairman Brouillet since the late 1940s, becomes president in February 1961. **Air France** now transfers its internal traffic routes to **UAT French Airlines, S.A.** or its predecessors. Compagnie Transports Aeriens du Gabon, S.A. is now renamed **Compagnie Aerienne Gabonaise, S.A.**, but remains Transgabon to almost everyone except shareholders.

TRANSGABON (SOCIETE NATIONAL TRANSGABON, S.A.): Gabon (1968–1977). In July 1968, Transgabon becomes the country's national carrier under the official name **Societe National Transgabon, S.A.** Previous routes are maintained as is participation in the long-haul consortium **Air Afrique, S.A.** Indeed, the new Transgabon is refinanced, with FFr 40 million provided in equal installments by **Air Afrique, S.A.** and the government of Gabon.

Over the next two years, the fleet is increased to include 4 Douglas DC-4s, 4 DC-3s, 1 BN-2, 1 Beech 18, 1 Beech 58 Baron, the old Norduyn Norseman, 1 Bell Model 47J helicopter, and 10 small Cessnas.

Destinations on the route network, usually visited at least weekly, include Bata, Bitam, Booue, Fougamou, Franceville, Kango, Lambarene, Lastoursville, Libreville, Makokou, Mayumba, Medouneu, Mitzi, Moanda, N'Dende, Ndjole, Okonja, Oyem, Pointe-Noire, Port-Gentil, and Tchibanga.

Air Afrique, S.A. and other shareholders are reduced to minority stakes in 1971 as the government of Gabon provides two each Hawker Siddeley HS-748s and DC-6A/Bs. As Transgabon grows in size and stature over the next five years, both **Air France** and **UTA French Airlines, S.A.** withdraw or significantly reduce their competition with the company within Gabon.

In May 1977, the carrier is reformed and renamed. Gone is the familiar Transgabon marketing title and in its place is a trendy new marketing name **Air Gabon** and the new official title of **Compagnie National Air Gabon**. At this point, the airline possesses a heterogeneous fleet that includes 3 Fokker F.28s (2 1000s and 1 4000), 2 DC-6As, 1 DHC-5 Buffalo, and 1 Sud-Est SE-210 Caravelle III.

TRANSGLOBE AIRWAYS, LTD.: United Kingdom (1965–1968). On August 1, 1965, **Air Links, Ltd.** is officially renamed Transglobe Airways, Ltd. Simultaneously, a new Bristol Britannia 314 begins flying a number of inclusive tours from London (LGW) Airport on behalf of **British United Airways, Ltd.** Destinations visited include Palma, Dubrovnik, Rimini, and Tunis. Later in the year, several charters are flown to Baghdad on behalf of **Caledonian Airways, Ltd.** The company's final two Canadair C-4 Argonauts finish their charter careers in October and November, respectively, and are withdrawn. Another Britannia 314 joins the fleet on December 12.

Early in 1966, Bolton Steamship Company, Ltd. buys 42% of the carrier and invests £250,000. During January, the carrier's two Britannia 314s participate in a supply airlift between Dar es Salaam and Lusaka. A Britannia 302 is acquired in May and is employed to begin flying the first of seven pro rata charters to the U.S. In September, an agreement is signed with **The Flying Tiger Line** to purchase two Canadair CL-44D-4s; however, they are not delivered.

In January 1967, a Britannia 309 is leased from **Ghana Airways, Ltd.** for a year. During the summer season, a total of 27 transatlantic group charters are flown to Mediterranean resorts on behalf of Mediterranean Villas and Lord Brothers. In May, a lease-sale deal is made with **Seaboard World Airlines** for the acquisition of six CL-44D-4s. Petitions to the ATLB for scheduled licenses to North America are turned down in December.

Offices are opened in Hong Kong and Toronto early in 1968 and in February an 11.6% share in the company is purchased by the Liverpool-based shipping group Ocean Steamship, which invests £200,000 in the carrier. The American CAB in April grants wide charter privileges and the first CL-44D-4 is now delivered.

By the start of the summer group charter season, three Canadairs are in service. On September 1, two CL-44D-4s are leased to **Trans-Mediterranean Airways, S.A.L.** In early November, Bolton Steamship Company and Ocean Steamship pull out, forcing the carrier to collapse on November 28.

TRANSINDO AIR CHARTER: Halim Perdanakusuma Airport, Jakarta, 13610, Indonesia; Phone 62 21 800 7222; Fax 62 21 809 7227; Year Founded 1990. Transindo is established at Jakarta in 1990 to offer executive and small group passenger charters and medevac flights across the nation. By 2000, the company employs 20 full-time pilots and operates 2 each Grumman Gulfstream G-1159A Gulfstream IIIs and British Aerospace HS-125-700s, plus 1 HS-125-800 Hawker.

TRANSKEI AIRWAYS CORPORATION (PTY.), LTD.: P.O. Box 772, Mantanzima Airport, Umtata, South Africa; Phone 27 (471) 23 368; Fax 27 (471) 310 632; Code KV; Year Founded 1976. TAC is organized at Umtata on September 24, 1976 to serve as the national airline of the independent homeland of Transkei. R. P. Wronsley is named chairman with Maurice S. Pike as managing director. During the fall and early winter, a fleet is assembled comprising 1 Beech King Air 100, 1 Beech King Air 200, and 1 Britten-Norman BN-2 Islander.

Revenue services begin on February 4, 1977 over a six-times-per-day roundtrip route to Johannesburg. Enplanements for the year total 5,168.

During 1978–1980, traffic increases and the fleet is bolstered by the addition of a new Hawker Siddley HS 748-2A and another Islander. Enplanements at the 52-employee company total 8,546 in 1981, rising to 12,717 in 1983.

During 1984–1989, service is launched to Umtata, Port Elizabeth, and Durban. Sipo Mdllele becomes managing director in 1987.

In 1990, Peter Cressey is named managing director. An Aerospatiale AS-350B Ecureuil is acquired and rotary-wing services are started within Transkei to Lusikisiki, the Mkamban game reserve, and the Mzamba Wild Coast Casino.

In 1991 and 1992, the South African independent **Safair (Pty.), Ltd.** acquires one each British Aerospace BAe 146-100QT and BAe 146 QC for overnight parcel services. During the day, the aircraft are re-configured to passenger service and under contract to Transkei, begin to fly between Johannesburg and Umtata. Airline employment in 1993 totals 63.

Three workers are released from the former “national airline of the Republic of Transkei” in 1994. The new South African government, having reintegrated Transkei into South Africa, grants the carrier authorization for services from Umtata to Cape Town, Margate, and Pietermaritzburg, but the routes are not immediately initiated. K. A. Faure becomes chairman and Peter Cressey returns as managing director.

Flights continue in 1995–1999, during which years there are no significant changes in personnel, fleet, or operations.

TRANSLIFT AIRWAYS, LTD.: Ireland (1991–1996). Translift is established at Shannon Airport, County Clare, in October 1991 to offer passenger and cargo charter flights to destinations in Ireland and the U.K. Major emphasis is on the provision of supplementary capacity for the world’s scheduled carriers during peak demand periods.

Chairman and CEO Patrick J. McGoldrick, founder of **HeavyLife Cargo Airlines, Ltd.** and former CEO of **Ryanair, Ltd.** and President Michael Halper assemble a workforce of 125 and a fleet comprising 1 each Douglas DC-8-71 and DC-8-71F. Capitalization in equity and loans of \$3.7 million are provided by the British investment capital firm 3i Corporation and by CIN Venture Management.

Revenue flights commence during the last week February 1992 with an all-cargo charter from Paris to Bombay on behalf of **Air France**. Passenger flights commence at the end of April and 100,000 charter travelers are flown during the next 8 months.

A new Airbus Industrie A320-231 is chartered in May 1993; christened *Caitlin Shligigh*, it begins scheduled operations from Dublin and Shannon to Los Angeles on October 11. Holiday tour destinations now include Tenerife, Palma, Malaga, Las Palmas, Athens, and the Florida city of Orlando.

Bookings for the first full year climb to 325,000.

Airline employment stands at 225 in 1994 and the fourth A320-231 is received in July. Two of the Airbuses are chartered to **Leisure Air** in the U.S. The company also begins to operate services from Germany to Salzburg, Athens, and Mediterranean holiday destinations on behalf of **Aero Lloyd, GmbH**.

Two additional A320-231s and an A300B4-103 are chartered in 1995, with the former pair being leased out to Canair Cargo, Ltd. in Canada. In addition, a third A320-231 is received from and operated on behalf of **Virgin Atlantic Airways, Ltd.** The Atlanta-based subsidiary **Trans-Meridian Airlines** is established in the fall and the company’s passenger charter business formerly conducted with **Leisure Air** is transferred to it, along with two A320-231s.

A second A300B4-103 arrives in 1996; however, the VAA charter ends. One of the A320-231s is leased to **America West Airlines**. All Leisure Travel Holdings, Ltd. acquires a 49% stake in the company early in 1997 and on April 10 the company name is changed to **Transaer, Ltd.**

TRANSMED AIRLINES, LTD.: Egypt (1989–1993). Organized at Cairo in the summer of 1989 by a consortium of Egyptian and Middle Eastern private investors, Transmed names Fadi Saab as president. Two Boeing 737-204s are leased from **Britannia Airways, Ltd.** and employed to begin passenger charters on December 1.

Three chartered B-737-4Y0s join the fleet in September 1990. Destinations visited come to include Luxor, Abu Simbel, Alexandria, Aswan, Hurghade, Amsterdam, Barcelona, Athens, Catania, Bucharest, Faro, Dusseldorf, Izmir, Graz, Madrid, Lisbon, Milan, Marseilles, Paris, Nice, Rome, Venice, Toulouse, and the Gulf states. The marketplace is searched for a pair of B-707 freighters.

Although the Boeing Stratofreighters are not added as planned, operations otherwise continue apace in 1991. Airline employment reaches 120.

In 1992, the fleet includes 2 B-737-3K2s leased from **Transavia Airlines, N.V.**; a B-737-3M3 chartered from **Eurobelgian Airlines, S.A.**, a B-737-33A leased from **Air France**, and two B-737-4Y0s chartered from GPA Group. Having encountered fiscal difficulties during a time of economic downturn, the company shuts its doors in 1993.

TRANSMERIDIAN AIR CARGO, LTD. (TAC): United Kingdom (1962–1979). **Transmeridian Flying Services, Ltd.**, founded by Thomas D. Keegan and a group of airline pilots, is registered at Liverpool on October 5, 1962. With Albert H. Benson as managing director and with a Douglas DC-4 leased from **Keegan Aviation, Ltd.**, it begins revenue flight operations on December 15.

DC-4 long distance charters in January 1963 are flown to such destinations as Athens, Nice, and Brindisi. In the spring and summer, flights are also undertaken to the Middle East and Far East; a second DC-4 is leased in July. Charters to Continental destinations are flown late in the year.

During the year, a total of 1,126 passengers are transported in 94 non-scheduled flights.

In January 1964, new charters are undertaken to Holland and France and on January 11, a long-haul flight to Damascus is flown. Other destinations visited include Stuttgart, Rotterdam, Lourdes, Palma, and Belgrade. At this point, emphasis is placed upon freight services. A DC-7BF is delivered in December.

The two DC-4s are taken off lease in January 1965. The DC-7BF enters service in March, undertaking all-cargo charters to various points in the Middle East and Far East, some on behalf of the Ministry of Defence. Two DC-7CFs are purchased in January and February 1966, allowing sale of the DC-7BF in March. Long haul charters, including livestock transport, are undertaken to Africa, the Middle East, and Far East.

Cargo charters with the two Douglas freighters continue apace in 1967. A third DC-7CF is acquired in November; however, one of the earlier two models is sold in December. Late in the year, TFS becomes a wholly owned subsidiary of Trans World Leasing and changes the carrier’s name to **Trans Meridian (London), Ltd.** Capt. Reginald Stokes replaces Benson as managing director.

In January 1968, Europe’s only all-cargo airline purchases another DC-7CF. Several of the freighters are leased to other airlines. The base of operations is switched from Cambridge to London (STN). A Canadair CL-44D-4 is purchased in December.

The CL-44D-4 enters service in February 1969, beginning three months of livestock flights from the U.K. to Asmara, Ethiopia. Other freighter destinations during the year include Khartoum and Uganda. Two DC-7CFs are sold in April. Two more swing-tail Canadairs begin operations later in the year.

In January 1970, the company’s Canadair’s fly supplies into Nigeria and on January 22 make the first U.K. relief flight to any African nation, taking 20 tons to Lagos from Entebbe for **Uganda Airways Corporation**. A. L. MacLeod succeeds Reginald Stokes as managing director in July, at which time the company begins trading under the name Transmeridian Air Cargo, Ltd. Also at this time, a CL-44D-4 is leased from Conroy Aircraft Company.

Trans World Leasing purchases **British Air Ferries, Ltd.** in October 1971 and three more Canadairs are purchased in November and December. In the spring of 1972, two Transmeridian CL-44D-4s are briefly transferred to the new associate, but are found unsuitable. Meanwhile, Transmeridian enters into scheduled cargo service and inaugurates regular operations to West Africa and the Far East.

The 500-employee company enjoys a 30% increase in sales as 46.71 million FTKs are operated.

In 1973, long-haul freight charters and the new scheduled flights continue apace. A CL-44B Skymonster is acquired to handle outsize loads. In April 1974, a CL-44D-4 is sold to **Transvalair, Ltd.** of Switzerland, a Trans World Leasing interest. New offices are opened in Maastricht, Muscat, Hong Kong, Lagos, and Vienna.

The workforce in 1975 stands at 291. In May, weekly CL-44D-4 all-cargo flights are initiated from London (STN) to Kano and Lagos. New long-haul flights to the Far East are undertaken and labeled Genghis Khan and those begun to Africa are known as Impala. In December, a CL-44D-4 is leased to **Limburg Airways, B.V.** and flies worldwide charters from Maastricht. Freight traffic accelerates 48% to 118 million FTKs.

The Limburg lease ends in August 1976 while long haul flights to the Middle East and Far East continue. Regular charters are introduced between London (STN) and Cairo and Asmara in support of the Middle East oil industry. In November, the Sultan of Oman pays Transmeridian £250,000 to fly the Gerry Cottle's Circus from the U.K. to Oman.

The carrier's eight CL-44Ds transport a total of 164.63 million FTKs on the year, an increase of 24.7%.

Airline employment at the beginning of 1977 stands at 284. In March, two ex-AeroPeru (**Empresa de Transportes Aereos de Peru, S.A.**) DC-8-50Fs are placed in service, bringing Chairman W. B. Slater and Managing Director M. B. Hacker's fleet to 10 aircraft: the 2 DC-8-50Fs, 1 Conroy CL-44-O, 01 de Havilland DH 104 Dove, and 6 Canadair CL-44Ds.

Control of TAC is obtained by the Trafalgar House Group in June when Cunard Steamship Line, Ltd. acquires Keegan's 90% interest.

Just after takeoff from Hong Kong on September 2, a CL-44D with four crew suffers the loss of its No. 4 engine; control is lost and the plane plunges into the sea. There are no survivors.

TAC Heavylift, Ltd. is formed on October 31, 1978 on a two-thirds to one-third shareholding basis by Cunard Steamship Line, Ltd. (which had recently taken control of Transmeridian Air Cargo) and Eurolatin Aviation, Ltd., owners of **IAS Air Cargo, Ltd.**, then involved in the (later cancelled) establishment of a proposed African cargo airline. Simultaneously, the Dove is retired.

The amalgamation of the two cargo operators is completed on August 15, 1979.

TRANSMERIDIAN AIRLINES: 680 Thornton Way, Lithia Springs, Georgia 30122, United States; Phone (770) 732-6900; Fax (770) 732-6956; <http://www.transmeridian-airlines.com>; Code T9; Year Founded 1995. TA is established at Atlanta on June 30, 1995 as a subsidiary of the Irish charter operator **Translift Airways, Ltd.** to offer domestic and international charter and subservices for major and national airlines. Glen Schaab is president, with David Ray as senior vice president-operations.

Revenue flights commence from Chicago (ORD) and Detroit (DTT) on October 30 with two Airbus Industrie A320-231s leased from the parent. Costs exceed revenues and there are losses: \$690,000 (operating) and \$699 million (net).

Operations continue in 1996 as a total of 196,000 passengers are transported. Operating income of \$20.7 million is generated, but expenses are \$23.23 million. As a result, the operating loss deepens to \$2.57 million and the net loss rises to 2.59 million.

The company enjoys a beneficial 1997. On April 10, **Translift Airways, Ltd.** is reformed into **TransAer International Airlines, Ltd.** Also in April, two Boeing 727-251As formerly operated by **Northwest Airlines** are acquired, beginning service by month's end to a variety of Northeast destinations.

When **Great American Airways** encounters regulatory problems, also in April, TransMeridian contracts with the city of Myrtle Beach, South Carolina, and tour operator World Technology Systems to provide charter service that supplements regular flights schedules. The WTS charter operation is known as **Sun Jet International Sales** and the South Carolina service as "Myrtle Beach Jet Express."

Beginning in September and continuing through the following February, tour operator World Technology Systems sponsors a promotion in which every passenger purchasing a "Myrtle Beach Jet Express" ticket will receive two free rounds of championship golf at a selected course.

Two A320-231s painted in the colors of its parent with TransMeridian titles are leased in the fall to operate winter passenger charters to Florida and Caribbean destinations.

Customer bookings accelerate 41.3% in 1997 to 277,000. Operating revenues jump 78.7% to \$23.4 million, but expenses grow 90% to \$23.32 million. Consequently, the previous year's operating loss becomes a slight \$56,000 gain; there is also a tiny net profit of \$75,000.

Early in January 1998, the company enters into a one-year commercial agreement with **Trans World Airlines (TWA)**. Beginning on February 20, the major undertakes daily, nonstop, \$99 one-way throughfares in partnership with the **Sun Jet International Sales** service "Myrtle Beach Jet Express" between Myrtle Beach and many other destinations via connections at St. Louis and New York.

In March, bankrupt **Sun Jet International Airlines** files a reorganization plan. By mid-April, President/CEO Kent Elsbree's **Sun Jet International Sales**, via its subcontracts, offers daily flights from Orlando and Tampa/St. Petersburg to Newark and twice-daily roundtrips to Newark from Fort Lauderdale. These flights are operated by TransMeridian, **Sun Pacific International Airlines**, and the start-up **Winair**.

On June 20, twice-daily (except Tuesday) roundtrips begin from Fort Lauderdale to New York (JFK), along with daily return flights between Fort Lauderdale and Long Island-MacArthur Airport at Islip, New York. Daily (except Tuesdays) roundtrips simultaneously commence from Islip to Orlando. The service is also subcontracted to TransMeridian, **Sun Pacific International Airlines**, and **Winair**.

When Hurricane Bonnie threatens Myrtle Beach on August 25, the company employs one of the trijets committed to "Myrtle Beach Jet Express" service to evacuate passengers to Newark. Two first come-first serve flights are operated in the early evening.

For the third consecutive year, the popular New York to Myrtle Beach air service gives away one free golf play for every ticket purchased. Each passenger receives two rounds of championship golf at a choice of five courses from September 9 through February 28. Courses participating in this year's promotion are Angels Trace, Deer Track, Raccoon Run, Toski Links, and Wicked Stick.

Passenger boardings drop 9.1% to 318,000. Although revenues of \$42.95 million are earned, expenses are \$47.93 million. The operating loss improves to \$4.08 million, while the net loss is \$5.83 million.

The fleet comprises 5 A320-231s and 1 B-727-227A at the beginning of 1999.

On takeoff from Montego Bay on January 2, an **Air Jamaica, Ltd. (2)** A310-324 blows a tire and thus becomes unavailable for service. The scheduled flight to Atlanta is cancelled. In Georgia the next day, the B-727-227A is leased from TransMeridian to operate the return flight to Jamaica.

While en route from Atlanta as Flight 56, the trijet with 110 passengers is forced to divert to Jacksonville when passengers report smelling smoke. No problems are found and the flight to Jamaica is completed.

By the first quarter, **Sun Jet International Sales** has flown over 1,000,000 passengers on its "Myrtle Beach Jet Express." A second daily roundtrip "Myrtle Beach Jet Express" service is inaugurated on March 4.

A new nonstop service is inaugurated by **Sun Jet International Sales**, also on March 4, from West Palm Beach and Orlando to Newark. The flight brings the total number of daily flights from Florida to New York to seven, including six daily (except Tuesday) roundtrips simultaneously reinstated from Fort Lauderdale to New York (JFK) and Islip.

Once more, the actual service is provided by aircraft operated by **Sun Pacific International**, **TransMeridian**, or **Winair**.

The capacity of **Sun Jet International Sales** is reduced on April 16, when the FAA issues an emergency order suspending the operating certificate of **Sun Pacific International** due to continuing maintenance problems. **Winair** also encounters regulatory problems; it, too, will cease operations, on July 6.

Preparing for an April 16 departure from Newark to Florida, a **Sun Jet International Sales** flight, operated by **TransMeridian**, must be evacuated after a bomb threat is received. No explosive device is found and the service eventually departs.

The loss of two of its three contracting carriers and problems at the third force the airline to incur significant additional operating expenses for replacement aircraft and revamped scheduling, travel protection for passengers, and hotel and meal costs. Unable to continue, **Sun Jet International Sales** shuts down at 3 p.m. on June 25, leaving numerous ticket-holders stranded.

Despite the loss of the **Sun Jet** contract, passenger boardings jump 58.3% on the year to 546,000. Revenues advance 57.8% to \$67.77 million, while expenses are up 47.8% to \$70.87 million. The financial picture improves to \$3.09 million (operating) and \$3.15 million (net).

A total of 250 workers are employed at the beginning of 2000. Since its founding, the carrier has transported its customers to over 100 destinations worldwide. A new and revised livery featuring a darker blue color is unveiled on June 30.

TransMeridian declares Chapter XI bankruptcy on September 22. Less than a month later, on October 18, **Transaer International Airlines, Ltd.** shuts down and is liquidated. That carrier had suffered a huge drain on its cash resources following its \$18-million investment in the American carrier; it had also guaranteed **TransMeridian's** liabilities. As might, perhaps, be expected, **TransMeridian** does not fold, but stays active. One A320-231, 2 B-727s, 1 Dash-281A, and 1 Dash-287A remain in the register as the year ends.

Overall customer bookings during these 12 months plunge 25.5% to 407,000.

TRANSMILE AIR SERVICE SDN. BHD.: Mezzanine-2 Block B, Letter Box 20, Wisma Semantan 12, Jalan Gelenggang, Kuala Lumpur, 50490, Malaysia; Phone 603-253-7718; Fax 603-253-7719; http://www.transmile.com; Code TH; Year Founded 1992. Privately owned **Transmile** is set up in 1992 by **Transmile Sdn. Bhd.**, which also includes **Transmile Engineering**, **Transmile Management**, **Transmile Spares**, and **Transmile Helicopters**, in affiliation with **Sterias Tours & Travel (M) Sdn. Bhd.** **Tan Sn Zalnol Mahmood** is chairman, with **Gan Boon Aun** as managing director. From its base at Kuala Lumpur, Chief Pilot Capt. Gavin Barry Minter's 322-employee carrier is prepared over a year to offer domestic scheduled and charter passenger and cargo services. During this period, an owned fleet is assembled that includes 4 Cessna 208 Caravan Is and 1 Boeing 737-248C.

Revenue services commence on November 28, 1993 and a B-737-205C leased in early 1994. Domestic destinations served in 1995-1998 include Kota Kinabalu, Kuching, Labuan, Langkawai, Layang-Layang, Miri, Peninsula Malaysia, Sandakan, Sibul, and Tawau. Regional markets include Bangkok, Chang Mai, Christmas Island, Denpasar, Hat Yai, Jakarta, Macau, Manila, Medan, Padang, Phnom Penh, Phuket, Shenzhen, Singapore, Surabaya, Ujiong, U-Tapao, and Yangon.

The owned fleet during these years is increased by the addition of one each Cessna 406 Caravan II, B-737-230C, B-737-2X6CA, plus the B-737-205C leased in 1994. One Cessna 208 Caravan I is withdrawn.

In November 1997, two former **Malaysia Airlines, Ltd. (MAS)** Douglas DC-10s are ordered for use on Hadj service the following spring. Once the holy duty is completed, the two will be converted into freighters.

In addition, a marketing agreement is signed with the Indonesian carrier **Mandala Airlines**.

The Asian economic crisis has an increasingly dramatic impact on this carrier, causing a significant downturn during the latter year and the

suspension of all regional service except routes to Kuching, Labuan, and Kota Kinabalu. Operations temporarily cease during the third week of March 1999.

Employing its fleet of four Boeing 737-200s, the company resumes seasonal, ad hoc, and long-term exclusive flights at the end of October on behalf of tour operators, government agencies, corporate incentive groups, and labor agencies. Services commence between Peninsula Malaysia and Sabah and Sarawak and to regional points in Indonesia, Thailand, the Philippines, Vietnam, Myanmar, Cambodia, and Southern China.

Flights continue in 2000 and a B-727-2F2F is purchased from **THY Turkish Airlines (Turk Hava Yollari, A.O.)**. Late in the year, the company paints its Web site address on the fuselage sides of its B-737 fleet.

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TRANSNIGER AVIATION, S.A.: Niger (1968-1994). The FBO and charter operator **Transniger Aviation** is established at Niamey, Niger's capital city, in 1968. Revenue flights, including passenger and cargo contract services and air taxi work begin with a pair of Cessna 185s.

Over the next 12 years, airline employment grows to 30 and the fleet is increased by the addition of 2 Piper PA-23 Aztecs, 2 Cessna 402s and 2 C-404s. Enplanements in 1982 total 2,800.

Flights continue with little change over the next 7 years, as Abdou M. Goge becomes president and the workforce is increased to 40.

A scheduled airline division of the air taxi and charter operator is established in early spring 1989. Scheduled flights are inaugurated in April with the Cessnas to regional destinations, including Agadez, Maradi, Tahoua, and Zinder. The routes operated were originally flown by **Air Niger, S.A.** before its liquidation in 1986.

Flights continue during the remainder of the decade and into the 1990s, with the fleet increased by the addition of one each Britten-Norman BN-2A Islander and a Fokker F.27-200 Friendship. In 1994, the carrier is renamed **Nigeravia, S.A.**

TRANSOCEAN AIR LINES (TAL): United States (1948-1960). Organized by Orvis M. Nelson and associates at Oakland, California, in the spring of 1946, **Orvis Nelson Air Transport** accepts a USAAF Air Transport Command subcontract from **United Air Lines**. Employing the first of 12 leased Douglas C-54s (military DC-4s), Nelson begins Honolulu to California contract military personnel flights on March 18.

On March 28, Nelson marries UAL stewardess Edith Frohboese, who will become **Transocean's** first flight attendant. Having made a profit of \$70,000 with no extraordinary expenses on his inaugural flight, Nelson elects to incorporate his large irregular on June 1, changing its name, at the suggestion of dispatcher Ray Foster, to **Transocean Air Lines (TAL)**; \$200,000 in capitalization is realized through a public stock offering.

Although the Honolulu to Oakland flights continue with government aircraft, two war-surplus C-54s are now purchased and modified to civil DC-4 standard as the large irregular prepares to specialize in unusual air transport (some say "tramp") operations around the globe.

The first commercial contracts undertaken are a series of charter flights flown under subcontract to **Philippine Air Lines**. Nelson, flying the DC-4 *Taloo-Manila Bay*, undertakes the inaugural flight to Manila via Wake Island and Guam, on July 22. With **Pan American Airways (PAA)** employing only male flight attendants, Edith Nelson now has the distinction of becoming the first stewardess to complete a transpacific crossing for a commercial airline. Flights on behalf of PAL continue throughout the fall and at this time, TAL, due to a shipping strike and Pan Am's withdrawal from the route, becomes the only U.S. commercial link to the former colony. Meanwhile, Taloo Academy of Aeronautics is established

at the Oakland base to meet GI and civilian requirements for flight and mechanical education. Flights to Shanghai begin in September.

The second company DC-4 enters service in October and allows the initiation of service to Bangkok in November. At the request of Thai officials, some \$6.2-million gold bullion taken by the Japanese from Thailand during the war is transported to the U.S. for safekeeping. Five of the company's owned and leased aircraft transport the cargo from Osaka to the U.S. in nine days. The initial ATC contract is completed in December, with two trips per day having been flown since spring. Profits for the year total \$500,000.

TAL's third DC-4 becomes available in January 1947 and a DC-4B joins the fleet in April. During the year, the company begins a three-year contract for the USN and CAA to operate the Landing Aids Experimental Station at Arcata, California. In addition, the carrier transports 750 military dependents from Seattle to Tokyo and 25,000–30,000 civilian workers to Pacific bases; both of these contracts are undertaken for the U.S. Army.

The company establishes an operations and maintenance base at Windsor Locks, Connecticut, to supply the Oakland base and provide for supplementary operations to Europe and, on behalf of the government, the carrier makes emergency relief missions from Oakland to London and Paris transporting food and clothing.

During the summer, in the first transatlantic coach service, the carrier flies 600 vacationing U.S. college students under charter to Europe. Upwards of 7,000 immigrant craftsmen are transported from London to Toronto beginning on June 26. From Seattle, 800 fishermen are flown to Naknek in Alaska. As a footnote, the carrier also converts a Boeing B-17G into a personal transport for **Philippine Air Lines** President Col. Andreas Soriano.

In 1948, two more Army contracts are accepted: to transport 2,700 dependents between the U.S. and Germany and to fly another 700 dependents from Seattle to Tokyo. One hundred transatlantic flights are made, under contract to the USAF, in support of the Berlin Airlift. Meanwhile, 146 Curtiss C-46 Commandos, with outsized fuel tanks, are ferried from the U.S. to China for use by the Nationalist air force. TAL is the first airline to book group tours from California to Honolulu and to inaugurate them as air tourist common carrier service.

Twice-weekly DC-4 refugee flights are undertaken between Rome and Caracas while operations and maintenance bases are established at Wake Island and Guam. The mass air transportation of pilgrims participating in the Muslim Hadj to Jeddah is pioneered. On behalf of the International Refugee Organization, the carrier, beginning on August 5, transports 25,000 war refugees from Munich to Caracas and beginning on December 8, 13,000 evacuees from Shanghai to the Philippine Islands, including the city's entire 5,000-member strong colony of White Russians and Jews.

TAL in 1949 undertakes a two-year Navy contract to fly cargo from Seattle to Adak. In March, a C-54 piloted by Orvis Nelson with a crew of 11 circles the world from Bradley Field to Oakland via Gander, Shannon, Frankfurt, Rome, Damascus, Karachi, Calcutta, Hong Kong, Okinawa, Tokyo, Guam, Wake, and Honolulu. A Middle East division is established to assist with the development of aviation in the region.

A contract is undertaken on behalf of **Pak-Air, Ltd.** to establish domestic and international services. A one-year arrangement is made with the MATS to make weekly cargo flights from California to Oriental destinations. Commercial operations over the Pacific and Atlantic now account for 72% of all business.

On June 18, Nelson shares a contract with **Seaboard & Western Airlines** from the IRO and Youth Argosy to fly U.S. students to Europe and European displaced persons to America. On August 14–15 during one of the latter flights, a C-54A with 9 crew and 49 passengers en route from Rome to Caracas via Shannon and Gander overflies Ireland by 150 miles due to radio interference. Although the four-engine transport comes about, it runs out of fuel and crashes into the sea five mi. W of Kilkee, County Clare (nine dead). The plane floats for 20 minutes, allowing a trawler to rescue the survivors, including famed aviatrix Ruth Nichols.

The USN Alaskan contract continues in 1950. Bush flights are also made in that territory in support of the Petroleum No. 4 (PET 4) Project. On April 17, Youth Argosy seeks CAB backing for cut-rate charter flights to Europe for U.S. students. The regulators weigh bids from TAL, **Seaboard & Western Air Lines**, and **The Flying Tiger Line**; a month later, the government grants summer student routes to Europe to all three applicants.

On June 3, a TAL/**Icelandic Airways H.F.** U.S. to U.K. charter flight with British war brides and children must be rerouted via Cuba and France when the British refuse landing permission to this attempt to circumvent the CAB's student charter certificate. At Havana, the charter passengers are shifted to **Cubana (Compania Cubana de Aviacion, S.A.)**, which is allowed to complete the flight to London on June 7.

Meanwhile, the previous day, the CAB orders TAL to end its passenger services and places a permanent ban on charter flights for war brides at month's end. A new and open-ended contract is now made with the USAF to mount 25–30 flights per month from California to Tokyo as part of the Korean Airlift. Commercial operations are now limited to emergencies as the carrier dedicates seven DC-4s to the airlift and undertakes upwards of 47 California to Japan flights per month, representing 11% of the total lift provided by commercial and irregular carriers.

In 1951, Nelson accepts a six-year contract from the U.S. Army to fly soldiers to domestic destinations. He also agrees to provide en route service to MATS transport aircraft at Wake Island. Although the Korean Airlift represents most of the carrier's business this year, other opportunities are accepted. For example, 1,500 fishermen are transported from the West Coast to Alaska. **Air Jordan** is established for the Hashemite Kingdom of Jordan.

Interline traffic exchange and ticketing agreements are begun with several U.S. trunk lines and foreign flag carriers, most especially **Northwest Airlines**. Company officials meet with their colleagues from Minneapolis and reach several agreements. TAL leases three DC-4s to NWA for two years for use on the Korean Airlift while NWA makes several of its new Martin 2-0-2s available to the nonscheduled carrier. Retaining the basic Northwest livery, the aircraft are given TAL titles.

Under joint contract to **Japan Air Lines Company, Ltd. (2)** and **Northwest Airlines**, TAL, employing Martins, inaugurates Japan's domestic air service, as Japanese pilots are forbidden to fly commercial aircraft. Several other chartered 2-0-2s are employed on domestic military charters.

In July, the carrier wins a CAB contract to provide airmail service in Micronesia, which flights it begins during the fall with four USN-supplied, 10-passenger Consolidated PBV Catalina flying boats. Operated on behalf of the Interior Department, this service also includes scheduled passenger and cargo flights.

The year ends in tragedy. On November 5, a Martin 2-0-2 with 3 crew and 26 passengers on a domestic military flight, crashes near Tucumcari, New Mexico, while on approach (1 dead). A Curtiss C-46F with two crew and two passengers on approach to Fairbanks, Alaska, crashes on December 30; there are no survivors.

A DC-4 and its 4-man crew disappears between Point Barrow and Fairbanks, Alaska, on January 1, 1952. Commercial flights are limited during the year as the Korean Airlift continues. On April 9, an aircraft is lost when it crashes into Miharayama Mountain.

In 673 Korean flights since 1950, the company has transported 4,900 tons of freight, 20,000 military passengers, and 7,112 patients. A contract is signed to provide modifications for R5C-1s (USN-designated C-46s). Simultaneously, a fleet of five C-54s are modified to civil DC-4 standard and delivered to Saudi Arabia; one aircraft is for the exclusive use of King Ibn Saud.

In July, the carrier receives a DC-6A; christened *The Royal Hawaiian*, it is placed in transpacific service. Late in the year, a U.S.-Europe all-cargo service is launched under contract to **SAS (Scandinavian Airlines System)**.

Demands of the Korean Airlift begin to lessen in 1953, allowing greater opportunity for commercial services. Low-cost passenger tours

are inaugurated from California to Honolulu. The first 12 Japanese commercial pilots trained at Taloa Academy of Aeronautics are graduated. On March 20, 35 are killed, including 30 airmen en route to the Far East, when a C-54G, leased to MATS and inbound from Roswell AFB, New Mexico, crashes at Alvarado, near Oakland, California.

An Army contract for the transport of 360 military dependents across the Pacific is completed and seven DC-4s are dedicated to the transport of \$6.2 million in gold bars from Japan to New York City.

While on a July 12 Guam–Oakland flight, the chartered DC-6A *The Royal Hawaiian* with 8 crew and 50 passengers, crashes 300 mi. E of the former point in the vicinity of Wake Island; there are no survivors.

Aircraft and crews are leased to major Hollywood studios, which use them in the John Wayne films *The High and the Mighty* and *Island in the Sky*, both based on the novels of former TAL pilot Ernest K. Gann.

A management and support contract is signed with the government of Iran to operate **Iranian Air Lines**. A two-month Army contract sees 3,400 military dependents flown from Europe to the U.S. A government of Pakistan contract is initialed on December 22, leading to the establishment and operation of commercial flights from Kabul to Cairo.

Three more Army contracts are accepted in 1954. The first is completed in January and February and entails the transport of 3,000 military dependents from Europe to the U.S. The second provides for the carriage of 360 more dependents over the same routes during the next 6 months.

The company in February completes 43 months on the Korean Airlift, during which time it has flown 17.75 million miles. Taloa Academy of Aeronautics is expanded to provide training opportunities for returning veterans. Pilots are trained and certified there for the reborn **Deutsche Lufthansa, A.G.** and Tokyo to San Francisco service is inaugurated on behalf of **Japan Air Lines Company, Ltd. (2)**.

The first simulator to be constructed by an airline is built by Taloa Academy of Aeronautics personnel to train DC-4 pilots. To aid in support of Dr. Salk's anti-Polio research, the company transports thousands of monkeys to the U.S. from India and the Philippines.

Under contract to a church group determined to help rebuild war torn South Korea, TAL, in Operation Noah's Ark, flies a DC-4 loaded with 30 goats, 550 rabbits, and 2 million bees to Seoul. An 18-month contract for the modification of **United Air Lines'** entire DC-3 fleet is accepted. Late in the year, in 206 flights (then believed a record for commercial airlines), TAL carries 30,000 soldiers and dependents across the Atlantic in a single month.

Airline employment in 1955 stands at 3,000. The largest U.S. irregular carrier owns a fleet of 114 aircraft and operates them from 28 offices around the globe. TAL agrees to service and maintain all MATS aircraft landing at the company's Wake Island facility. Taloa Academy of Aeronautics begins training **Deutsche Lufthansa, A.G.'s** transatlantic navigators.

A DOD contract is accepted in 1956 for the overhaul of Hawaiian Air National Guard F-86 fighter planes. The tenth anniversary is celebrated, at which time it is noted that over a billion revenue passenger miles have been flown since 1946, together with 85 million cargo ton-miles.

Taloa Academy of Aeronautics' handbuilt DC-4 simulator, along with company aircraft, are used as props in the Doris Day and Louis Jordan movie *Julie*. The Trust Territory contract with the Interior Department is renewed and by August, 21 United DC-3s have been overhauled. Overhauls are also undertaken on the DC-4s flown by **Thai Airways Company, Ltd.** and **Braathens SAFE, A.S.** Calling itself a "supplemental air carrier," a term later taken over by the CAB, TAL commences group tour charters from Honolulu to the Pacific islands.

A six-month contract is received from the MATS in 1957 to fly 190 tons of supplies per month between Travis Air Force Base and Tokyo. The company participates in the transatlantic delivery of Hungarian refugees to the U.S. and group tour charters are opened to the Orient. Capacity for these operations is provided by four Lockheed L-749 and L-749A Constellations acquired from **British Overseas Airways Corporation (BOAC)**.

The first of two L-1049H Super Constellations is delivered during the summer and are the first aircraft leased from Air Finance Corporation, formed by hotel owners Joseph Drown and Conrad and Barron Hilton. The aircraft fly from Oakland to Okinawa on behalf of the U.S. military via Honolulu, Wake Island, and Guam.

In significant financial difficulty, Chairman Nelson agrees to sell 40% shareholding to the New York-based Atlas Corporation, an investment group.

TAL in 1958 agrees to participate in Operation Quick/Trans, a one-year DC-4 cargo shuttle between USAF bases in the continental U.S. Employing leased Boeing B-377 Stratocruisers, the company opens scheduled airline service from Honolulu to Guam. It also starts scheduled flying from Oakland to Los Angeles, Chicago, and New York. One Super H Constellation is leased to **Deutsche Lufthansa, A.G.** for a year.

In 1959, the fleet includes 6 DC-4s, 4 Lockheed L-749/L-749A Constellations, 2 L-1049G and 2 L-1049H Super Constellations, and 3 Boeing B-377s. The Stratocruisers, the number of which is increased throughout the year, fly scheduled frequencies from Oakland to Okinawa via Honolulu, Wake Island, and Guam as TAL finally becomes a scheduled transpacific carrier.

Financially drained by the costs of its aspirations and the Atlas sale of most of the carrier's aviation support subsidiaries, TOA must sell off its older Connies. One is passed to **Korean National Airlines** on July 31, while the Austrian charter concern **Aero Transport Flugbetriebsgesellschaft, GmbH**, soon thereafter purchases a second.

Having served the company for three years as a flight attendant, Sherry Waterman retires to write her memoirs, *From Another Island: Adventures and Misadventures of an Airline Stewardess* (Philadelphia: Chilton, 1962).

TOA completes its final transpacific flight on January 6, 1960; the company goes bankrupt on July 11 and its Micronesian service is taken over by **Pan American World Airways (1)**. On September 2, the ex-airline's 14 Stratocruisers, originally valued at \$14 million, are purchased at a scrap auction by the Airline Equipment Company for \$105,000.

TRANSOCEAN AIRWAYS: United States (1989–1990). Having moved to Philadelphia and planned to initiate overseas charter operations, **Gulf Air** finds that it must have a new name to avoid confusion with that already worn by the Gulf states consortium carrier. After several false starts, the name adopted honors the pioneer carrier of Orvis Nelson and becomes official in May 1989.

The fleet of the 600-employee large regional now includes 5 Boeing 727-200s, 7 B-727-100s, and 2 Convair CV-580s and an agreement is signed with the ILFC for the charter of 2 Douglas DC-8-71s.

Throughout the year, the company seeks new capitalization, but all avenues fail, forcing it to file for Chapter XI bankruptcy protection in December. During the year, TransOcean's passenger boardings decline 8.2% to 591,060. Unable to continue, the airline ceases operations in February 1990 and is liquidated the following month.

TRANSOCEANIC AIRWAYS (PTY.), LTD.: P.O. Box 22860, Helderkruijn, Gauteng, 1733, South Africa; Phone 27 (11) 467-0326; Fax 27 (11) 465-2754; <http://www.transoceanic.net>; Year Founded 1998. The Isle of Man-based international holding company Odyssey Group, Ltd. establishes Transocean near Johannesburg in 1998 to provide ACMI leases and all-cargo charters. Under this arrangement, Transoceanic will provide wet- or dry-leased aircraft, together with maintenance and insurance support or operate on-demand freight services for others, including humanitarian organizations. While flying the latter, the company will employ the marketing title Africargo Airlines (Pty.), Ltd.

Neil Robertson is named CEO and offices are established at Accra, Entebbe, Gaborone, Johannesburg, and Port Louis. Plans are made to establish an international and operations office in Le Caudan Waterfront, Port Louis, Mauritius, toward the end of the year or early in the next.

There, global sales operations for all Odyssey Group operations will be set up, as well as a state of the art operations center to keep track of airline activities.

A large fleet of aircraft is acquired, including 1 Boeing 707-320C jet freighter, 5 Canadair CL-44D Swing-tails, 3 (later 5) NAMC YS-11Fs, 1 Lockheed L-100-20 Hercules, and 1 BAC 1-11-400. Africargo charters and other revenue activities commence with the Boeing and two Canadairs during the summer.

The company accepts delivery of two refurbished Canadairs, the three YS-11Fs, and the Hercules at Entebbe in September. The BAC is delivered in December.

Service is maintained in 1999.

In April, Transoceanic, still operating as Africargo Airlines (Pty.), Ltd., is taken over by **Congo Commercial Airlines, S.P.R.L.**, based at Kinshasa. Initially, the South African carrier is allowed to retain its previous identity. Congo Commercial, to escape continuing hostilities in the Congo, is now relocated to Bujumbura, Burundi, and is renamed **City Connexion Airlines, S.A.** Operations continue much as before, employing the 2 Africargo Canadair CL-44Ds, 3 Lets, and 1 Piper Aztec. Medical and evacuation flights become a specialty.

During the summer, the cargo division is renamed CCA Africargo. Africargo Airlines CEO Neil D. Robertson remains in charge. Plans are made to acquire two CL-44Ds that are currently out of service at Greensboro, North Carolina. One will be operated and the other employed for backup.

TRANSPAC AIRLINES. *See* **SOCIETE CALEDONIENNE DE TRANSPORTS AERIENS (TRANSPAC)**

TRANSPERUANA (COMPANIA DE AVIACION TRANSPERUANA, S.A.) (1): Peru (1961–1970). Originally established as an air taxi at Lima on October 1, 1961, this concern begins lightplane ad hoc flights to the Montana and Selva districts.

In 1964, the company is reorganized into a charter airline. The fleet is upgraded by the addition of five Curtiss C-46s, two Douglas DC-3s, and a Fairchild C-82 Packet freighter. Flights are undertaken from Lima to Trujillo and Chiclayo.

In early 1965, one more Curtiss freighter and a Douglas DC-3 are purchased and are employed to inaugurate scheduled multistop cargo flights to the coast from Iquitos. Within four years, the fleet has been increased by one more C-46 and the future appears bright. This view proves erroneous, however.

Ultimately unprofitable, the company allows its permits to expire in July 1969 and declares bankruptcy on September 25, 1970.

TRANSPERUANA (COMPANIA DE AVIACION TRANSPERUANA, S.A.) (2): Peru (1997–1998). The second TransPeru is established as a domestic carrier at Lima late in 1997. The company is equipped with a single former **American Airlines** B-727-23 and several Convair CV-580s and Nihon YS-11A turboprops.

Revenue operations commence to Cuzco, Arequipa, Juanjui, Iquitos, Huanuco, Tarapoto, Trujillo, Tingo Maria, and Pucallpa.

It is believed that the carrier ceased operations in late 1998.

TRANSPORT AEREO COSTA ATLANTICA, S.A. *See* **TACA (TRANSPORT AEREO COSTA ATLANTICA, S.A.)**

TRANSPORT AEREO MILITAR URUGUAYANO, S.A. *See* **TAMU (TRANSPORT AEREO MILITAR URUGUAYANO, S.A.)**

TRANSPORT AEREO RIOPLATENSE, S.A. *See* **TAR (TRANSPORT AEREO RIOPLATENSE, S.A.)**

TRANSPORT AERIEN TRANSREGIONAL, S.A. *See* **TAT EUROPEAN AIRLINES, S.A.**

TRANSPORT AVEREO DE LA AMAZONIA, S.A. *See* **TRANS-AMAZONICA COLOMBIA, S.A.**

TRANSPORT ET TRAVAUX AERIENS DE MADAGASCAR, S.A. *See* **TAM (TRANSPORT ET TRAVAUX AERIENS DE MADAGASCAR, S.A.)**

TRANSPORT FLUGGESELLSCHAFT, GmbH.: Germany (1965–1970). The West German all-cargo carrier Transport Flug is established at Frankfurt in the spring of 1965 to operate freight charters to European destinations on behalf of **Deutsche Lufthansa, A.G.** Revenue flights commence in July employing a single Douglas DC-4 that wears a simple black and white livery.

Two more DC-4s are acquired in 1967 and in March 1969 competing All-Air (Allgemeine Lufttransport, GmbH.) is purchased and merged. That concern's DC-4s are added to the Transport Flug fleet. Later in the year, two DC-6As are purchased from **Germanair Fluggesellschaft, mbH.**; neither is repainted, but are flown with Transport Flug titles over the Germanair's basic red color scheme.

Transport Flug goes out of business in 1970.

TRANSPORT INTERNATIONAL AERIENNE, S.A.: Belgium (1992–1993). TIA is established at Brussels in 1992 to offer domestic and regional express and cargo flights. Revenue operations commence with a pair of Cessna 406 Caravan IIs. The company is unable to achieve viability in a year of recession and ceases operations before its first birthday.

TRANSPORTES AEREO TRANSANDINO, S.A.: Venezuela (1947–1949). TAT is set up at Caracas in 1947 to provide domestic and regional passenger and cargo services. Revenue operations commence with a fleet of 4 Curtiss C-46 Commandos and continue until the carrier goes bankrupt in 1949.

TRANSPORTES AEREOS, C.A.: Venezuela (1962–1968). TA is established at Maiquetia in 1962 to take over the 3 Curtiss C-46 Commandos and an operating certificate of bankrupt **Aguilas Venezolanas, C.A.** The new concern operates to its predecessor's markets until it, too, fails, in 1968.

TRANSPORTES AEREOS BANDEIRANTES, S.A. *See* **TABA (TRANSPORTES AEREOS BANDEIRANTES, S.A.)**

TRANSPORTES AEREOS BENIANOS, S.A. *See* **TABSA (TRANSPORTES AEREOS BENIANOS, S.A.)**

TRANSPORTES AEREOS BOLIVIANOS, S.A.: Casilla Correo 132, Cochabamba, Bolivia; Phone 591 (42) 50743; Fax 591 (42) 50766; Code BOL; Year Founded 1977. TAB is set up at Cochabamba, Bolivia, in 1977 to offer all-cargo services to regional and domestic destinations. Operations commence with a pair of Curtiss C-46 Commandos.

Operations continue apace over the next two decades, during which years the fleet comes to comprise 1 each Lockheed L-100 Hercules turboprop and Douglas DC-8-54F jet freighter.

Destinations visited by General Manager Luis Guereca Padilla's aircraft in 1997–1999 include Buenos Aires, Bahia Blanca, Chos Malal, Comodoro Rivadavia, Cordoba, Cutral Co., Malarque, Mar del Plata, Medellin, Neuquen, Puerto Deseado, Puerto Montt, Rincon de los Sauces, Rio Gallegos, Rio Grande, San Carlos de Bariloche, San Martin de Los Andes, Temuco, and Trelew.

TRANSPORTES AEREOS BUENOS AIRES, S.A. *See* **TABA (TRANSPORTES AEREOS BUENOS AIRES, S.A.)**

TRANSPORTES AEREOS CENTRO AMERICANOS, S.A. *See* **TACA (TRANSPORTES AEREOS CENTRO AMERICANOS, S.A.)**

TRANSPORTES AEREOS COMERCIAL, S.A.: Mozambique (1966–1971). TAC is established at Nampula in 1966 to provide smallplane domestic and regional charters. Employing a fleet of 1 each Piper PA-23 Aztec, PA-24 Comanche, and PA-30 Twin Comanche, non-scheduled flights are made on demand throughout the country and to the Comoros, Madagascar, Malawi, Mauritius, Rhodesia, and South Africa. In addition, a Monday-only scheduled roundtrip service is provided linking the carrier's base with Vila Cabral.

A Cessna 206 is acquired in 1967 and is employed to make weekly shellfish flights from Nampula to Blantyre and Salisbury. Revenue operations continue as described into 1971.

TRANSPORTES AEREOS DA INDIA PORTUGUESA (TAIP): India (Goa) (1955–1961). TAIP is formed in the Portuguese enclave of Goa on August 15, 1955. Equipped with de Havilland DH 114 Herons, the company provides a link to two other small colonies on the Indian subcontinent, Damao and Diu. During the next four years, the fleet is increased, first by the addition of Vickers Vikings and then by Douglas DC-4s. The British-made transports allow establishment of a route to Karachi while the American-made aircraft allow a link with Lisbon itself via Karachi and Bahrain.

Finally, DC-4 service is started from Goa to Lourenco Marques via Aden, Dar es Salaam, and Beira. When the government of India ends Portugal's Indian empire in late 1961, TAIP ceases operation.

TRANSPORTES AEREOS DE BACIA AMAZONICA, S.A. See TABA (TRANSPORTES AEREOS DE BACIA AMAZONICA, S.A.)

TRANSPORTES AEREOS DE CARGA, S.A. See TACSA (TRANSPORTES AEREOS DE CARGA, S.A.); TRASCARGA (TRANSPORTES AEREOS DE CARGA, S.A.)

TRANSPORTES AEREOS DE CHIAPAS, S.A. de C.V. See TACH (TRANSPORTES AEREOS DE CHIAPAS, S.A. de C.V.)

TRANSPORTES AEREOS DE CHILE, LTDA. See TRANSA CHILE (TRANSPORTES AEREOS DE CHILE, LTDA.)

TRANSPORTES AEREOS DA GUINE PORTUGUESA, S.A. (TAGP). See TAGP (TRANSPORTES AEREOS DA GUINE PORTUGUESA, S.A.)

TRANSPORTES AEREOS DE JALISCO, S.A. de C.V. See MEXICANA AIRLINES, S.A. de C.V.; TAJ (TRANSPORTES AEREOS DE JALISCO, S.A. de C.V.)

TRANSPORTES AEREOS DE NAYARIT, S.A. de C.V. See TANSA (TRANSPORTES AEREOS DE NAYARIT, S.A. de C.V.)

TRANSPORTES AEREOS DE TAMPICO, S.A. de C.V. See TAT (TRANSPORTES AEREOS DE TAMPICO, S.A. de C.V.)

TRANSPORTES AEREOS DEL PACIFICO, S.A. de C.V. See TAP (TRANSPORTES AEREOS DEL PACIFICO, S.A. de C.V.)

TRANSPORTES AEREOS EJECUTIVES, S.A. de C.V. See TAESA (TRANSPORTES AEREOS EJECUTIVES, S.A. de C.V.)

TRANSPORTES AEREOS HONDURENOS, S.A. See TAH (TRANSPORTES AEREOS HONDURENOS, S.A.)

TRANSPORTES AEREOS INTER, S.A.: Ave. Hincapie 12-22 Zona, Guatemala City 13, Guatemala; Phone 331-8222; Fax 331-8768; <http://www.grupotaca.com>; Code TSP; Year Founded 1998. As Guatemala has no scheduled, permanent and efficient domestic air

transport for passengers, cargo or documents, TACA Group decides at the end of April to remedy that situation. The subsidiary TAI is established at Guatemala City to provide frequencies.

Equipped with a fleet of Cessna 208B Grand Caravans operated by Costa Rican pilots of SANSA (**Servicios Aereos Nacionales, S.A.**) under contract, the new entity begins regular flights to Puerto Barrios, Coatepeque, Retalhuleu, Quetzaltenango, Huehuetenango, and El Quiche.

Service is maintained without incident or headline in 1999–2000.

TRANSPORTES AEREOS MERCANTILES PANAMERICNOS, S.A. See TAMPA (TRANSPORTES AEREOS MERCANTILES PANAMERICNOS, S.A.)

TRANSPORTES AEREOS MERCOSUR, S.A. See TAM-MERCO-SUR (TRANSPORTES AEREOS MERCOSUR, S.A.)

TRANSPORTES AEREOS MERIDIONAIS, S.A. See TAM-MERIDIONAIS (TRANSPORTES AEREOS MERIDIONAIS, S.A.)

TRANSPORTES AEREOS MEXICANOS, S.A. de C.V. See MEXICANA AIRLINES, S.A. de C.V.; TAMSA (TRANSPORTES AEREOS MEXICANOS, S.A. de C.V.)

TRANSPORTES AEREOS MILITAR. See TAM (TRANSPORTES AEREOS MILITAR)

TRANSPORTES AEREOS MILITARES ECUATORIANOS. See TAME (TRANSPORTES AEREOS MILITARES ECUATORIANOS)

TRANSPORTES AEREOS NACIONAL, S.A. See TAN (TRANSPORTES AEREOS NACIONAL, S.A.)

TRANSPORTES AEREOS NACIONALES, S.A. See TAME (TRANSPORTES AEREOS NACIONALES, S.A.); TAN (TRANSPORTES AEREOS NACIONALES, S.A.); TANA (TRANSPORTES AEREOS NACIONALES, S.A.)

TRANSPORTES AEREOS NEUQUEN, S.A. See TAN (TRANSPORTES AEREOS NEUQUEN, S.A.)

TRANSPORTES AEREOS NEUQUEN DEL ESTADO, S.A. See TAN (TRANSPORTES AEREOS NEUQUEN, S.A.)

TRANSPORTES AEREOS PERUANOS, S.A. See TAPSA (TRANSPORTES AEREOS PERUANOS, S.A.)

TRANSPORTES AEREOS PROFESIONALES, S.A. See TAPSA (TRANSPORTES AEREOS PROFESIONALES, S.A.)

TRANSPORTES AEREOS RANQUELES, S.A. See TARSA (TRANSPORTES AEREOS RANQUELES, S.A.)

TRANSPORTES AEREOS REDES ESTADUALES AEREAS, S.A. See REAL, S.A.

TRANSPORTES AEREOS REGIONAIS, S.A. See TAM (TRANSPORTES AEREOS REGIONAIS, S.A.)

TRANSPORTES AEREOS REGIONAIS DA BACIA AMAZONICA, S.A. See TABA (TRANSPORTES AEREOS REGIONAIS DA BACIA AMAZONICA, S.A.)

TRANSPORTES AEREOS REGULARES, S.A. See TAVAJ (TRANSPORTES AEREOS REGULARES, S.A.)

TRANSPORTES AEREOS SALVADOR, S.A. *See* **TAS (TRANSPORTES AEREOS SALVADOR, S.A.)**

TRANSPORTES AEREOS SAMUEL SELUM, LTDA.: Bolivia (1984–1990). The nonscheduled all-cargo operator TASS is set up at La Paz in 1984 to fly freight to various points around the country. Ad hoc flights begin with a single Convair CV-440 and continue until the plane is lost in a takeoff accident on April 7, 1990.

TRANSPORTES AEREOS SURAVIA, S.A. *See* **TAS (TRANSPORTES AEREOS SURAVIA, S.A.)**

TRANSPORTES AEREOS TERRESTRES, S.A. de C.V. *See* **TAT (TRANSPORTES AEREOS TERRESTRES, S.A. de C.V.)**

TRANSPORTES AEREOS YASALON, S.A. *See* **TAYSA (TRANSPORTES AEREOS YASALON, S.A.)**

TRANSPORTES AEROMAR, S.A. de C.V. *See* **AEROMAR AIRLINES, S.A. de C.V.**

TRANSPORTES CARGA AEREA, S.A. *See* **TCA (TRANSPORTES CARGA AEREA, S.A.)**

TRANSPORTS AERIENS ASTORIA, LTD. *See* **TITAN CHARTER AVIATION (ASTORIA), LTD.**

TRANSPORTS AERIENS INTERCONTINENTAUX, S.A. (TAI). *See* **COMPAGNIE DE TRANSPORTS AERIENS INTERCONTINENTAUX, S.A.**

TRANSPORTES AERIENS SEPT-ILES, INC. *See* **TRANSFAIR, INC.**

TRANSPORTURILE AERIENNE ROMANE, S.A. *See* **TAROM (TRANSPORTURILE AERIENNE ROMANE, S.A.)**

TRANSTAR: United States (1986–1987). On June 25, 1985, **Southwest Airlines (2)** purchases Houston (HOU)-based **Muse Air** for \$60 million in stock and cash. In addition to the changes made at the end of the purchase year, CEO Lamar Muse, who will soon retire, plans additional changes.

Before these can be made, the carrier is renamed **TranStar** in February 1986 and its livery is changed to a deep blue ("Empyrean"), with green, pink, and light blue accents. Service is inaugurated to Miami in March, but halted to McAllen, Texas. Frequencies on the company's increasingly longer route segments are upscaled so as not to compete with **Southwest Airlines (2)**'s deep-discount fare structure. The fleet remains comprised of 8 Douglas DC-9-51s, with 4, later 6 McDonnell Douglas MD-83s on order.

In April, headquarters are transferred to Houston and Empyrean Clubs are established at the Hobby Field hub, as well as the carrier's other two centers at New Orleans and Los Angeles. Flights to San Francisco commence in June.

Although traffic figures are consolidated with those of **Southwest Airlines (2)**, company officials report that for the year, the subsidiary has revenues of \$149 million and costs low enough to allow a \$7.7-million operating profit and net gain of \$1.67 million.

Unable to make a profit in its new guise, the first big nonsmoking airline is forced to quit. On July 29, 1987, President/CEO W. W. Franklin announces that the company will cease operations on August 9. Thereafter, its assets are liquidated.

During the year's first half, the company transports 1,190,128 passengers and earns revenues of \$79.7 million. Expenses multiply, however, to \$90.4 million and "unacceptable losses" of \$10.7 are suffered.

TRANSTAR AIRLINES: United States (1993–1994). Transtar is established at Orlando, Florida, in the spring of 1993 to offer holiday and inclusive-tour flights on behalf of the public charter company Wings of the World. Revenue flights commence on May 30 with a leased Douglas DC-10-10. A leased B-737-247 joins the fleet later in the year; however, the airline does not survive long enough to see its first birthday.

TRANSTATE AIRLINES (PTY.), LTD.: Australia (1996–2000). Transtate is established at Cairns as the airline subsidiary of Transjet Corporation (Pty.), Ltd., owners of **Jetcraft Aviation (Pty.), Ltd.**, in the fall of 1996. The new unit is needed to offer scheduled commuter services over routes acquired from **Flight West Airlines (Pty.), Ltd.** Revenue flights, under the direction of Transjet Managing Director Randal McFarlane, commence in November with 6 Embraer EMB-110P1 Bandeirantes and 1 de Havilland Canada DHC-6-300 Twin Otter.

Flights continue without incident or headline in 1997. A Pilatus Britten-Norman PBN-2 Islander is added to the fleet in 1998 as a number of additional routes are taken over from **Sunstate Airlines (Pty.), Ltd.** Enplanements for the year total 12,810.

Destinations visited in western and northern Queensland in 1999 include Cooktown, Normanton, Karumba, Mornington Island, and Mount Isa. Also, under a long-term contract with P&O Australian Resorts, flights are also offered regularly to Dunk, Brampton, and Lizard Islands. Passenger boardings for the year skyrocket 79% to 61,000.

The workforce totals 45 at the beginning of 2000. *AsiaPulse News* reports on May 12 that the company will soon be merged with **McKinlay Air Charter (Pty.), Ltd. (Macair)**, with the new partner's name surviving. When the event occurs a month later, the passenger activities of Transtate are passed to Macair, while **Jetcraft Aviation (Pty.), Ltd.** continues to provide express freight services. Although the Transtate homepage on the World Wide Web will remain up in early 2001, visitors to it are deflected to the Macair site.

TRANSTATE AIRWAYS: United States (1980). Transtate is set up at Oxford, Connecticut, in 1980 to provide daily roundtrip air taxi flights to Atlantic City via New York (LGA). Although Britten-Norman BN-2 revenue frequencies are duly inaugurated, in the face of soaring energy costs, they can only be maintained for the summer months.

TRANSUPER (TRANSSUPER GLAVNOE TRANSPORTNEO UPRAVLENIE): Russia (1993–1994). Transuper is established at Moscow in 1993 to provide domestic all-cargo ad hoc charter flights. V. I. Prikhodko is general director and revenue service is initiated with a single Ilyushin Il-76. The company's operating license is not renewed when due in 1994.

TRANSVALAIR, LTD.: Switzerland (1973–1983). Established at Sion Airport in September 1973, this charter operator is originally known as **Valair**. As the result of Trans World Leasing investment, the company title is changed prior to the inauguration of flight services in April 1974. Capt. J. Claude Rudaz is appointed managing director and the fleet comprises two Canadair CL-44Ds. Unable to continue in the face of recession, the company, after a decade of quiet operations, disappears in 1983.

TRANSVALAIR, S.A.: France (1986–1990). The second company to carry the Transvalair moniker is established under General Manager Yves Tardiel at Cherbourg in early 1986. Outfitted with a single Beech 99, it inaugurates scheduled passenger service to Southampton in April.

The company also acquires a pair of newly certified, but 37-year-old, ex-French military Nord 2501 transports. A contract is won from the French Railways subsidiary Service National de Messageries (SER-NAM) and the updated Nord's begin nightly roundtrip small parcels service between Paris and Toulouse.

In 1987, Transvalair establishes a sister company, **ACE (Air Charter Express, S.A.)**, which operates a pair of Douglas DC-3s between Paris and Brussels on behalf of DHL Corporation. Operations cease in 1990.

TRANSWAY AIR INTERNATIONAL, INC.: Liberia (1990–1998). Transway is established at Monrovia, Liberia, in 1990 to provide on-demand all-cargo flights to international destinations. Revenue flights begin with a single Boeing 707-323C.

In 1993, the company is transferred to a new base at Entebbe, Uganda. President Roger Sherman's concern continues flights with the Boeing into 1998 before shutting down.

TRANSEWE AIRWAYS, A.B.: Sweden (1986–1998). Transwede is conceived by Thomas Johnsson as AeroCenter Trafikflyg, A.B. at Stockholm's Arlanda Airport on April 1, 1985 to operate both scheduled and nonscheduled flights. Leif Lundin is president and his initial fleet comprises Fokker F.27-600s, which undertake charter flights throughout Scandinavia.

Late in the year, the company's name is changed to the current title and as three Aerospatiale SE-210 Caravelle XRs arrive, a new corporate identity is unveiled, including a distinctive blue, yellow, and white aircraft livery.

At the same time, a maintenance joint venture and marketing agreement is signed with **Finnair, O/Y**.

Charter, inclusive-tour, and other passenger and cargo flights are undertaken from Scandinavian destinations to points in Europe, the Mediterranean, and later, Florida. In 1986, two McDonnell Douglas MD-83s join the fleet.

For the first full year of operations, a total of 199,287 passengers are flown.

Icing causes an SE-210 Caravelle XR to fail its takeoff from Stockholm on a January 6, 1987 charter; the aircraft lands hard back on the runway, slides off and catches fire. Although the aircraft is damaged beyond repair, there are no fatalities.

Johnsson's operation now takes partners as major client Star Tours/Fritidsresor purchases 35.6% shareholding and Stockholm-Saltsjon, a Wallenburg company, acquires 52% majority ownership. During the summer and under the 90-min. rule, MD-83 charter service is started from Oslo and Stockholm to Fort Lauderdale, Florida.

A total of 750,000 passengers are transported during the 12 months.

Operations continue apace in 1988 to destinations in Europe, Florida, the West Indies, the Mediterranean, and the Maldives. During the year, a subsidiary, **Sultan Air, A.S.**, is established and provided with the surviving two SE-210 Caravelle XRs.

In 1989, the fleet of Sweden's largest private airline includes 2 Caravelle XRs, 1 B-737-205, 4 leased MD-83s, 1 of which is subleased to **Finnair, O/Y**. Orders are outstanding for 2 B-737-5Q8s and 20 MD-87s. Plans are made to inaugurate scheduled services in competition with **SAS (Scandinavian Airlines System)**.

Enplanements total 858,318, but losses are suffered: \$5.2 million (operating) and \$548,000 (net).

Company employment is increased by 10.9% in 1990 to 459. In addition to the original aircraft, the fleet also includes 2 more B-737-205s, 1 B-737-217, which is leased to **Sultan Air, A.S.**, 4 leased McDonnell Douglas MD-83s and 2 leased MD-87s. Orders are outstanding for a pair each of B-737-5Q8s and MD-83s. One Caravelle is retired and in May, travel industry official Lars Svenheim is appointed president.

Late in the year, a B-737-205 is sold to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. At the end of December, founder Johnsson sells his remaining shares to NRT; ownership is now NRT 71%, Stockholm-Saltsjon 20%, and **Sterling Airways, A.S.** of Denmark 9%.

Passenger boardings slip 0.7% to 852,352 and revenues ascend 13.9% to \$155.4 million. The operating loss increases to \$19.8 million; however, a net \$175,440 profit is generated.

A B-737-205 is leased to **Time Air Sweden, A.B.** in 1991 as a second leased MD-83 and two leased MD-87s are received. Early in the year, the carrier joins in a Transnordic Group alliance with **Sterling Airways, A.S.** and **Norway Airlines, A.S.** As a result of a change in the **Maersk Air, A.S.** service to London, scheduled deep discount MD-83 service is inaugurated in March from Stockholm to London (LGW). Sterling

acquires an additional 24% interest in April, buying out Stockholm-Saltsjon and taking 4% from NRT; shareholding in Transwede is now NRT 67% and Sterling 33%.

The fleet in 1992 comprises the B-737-205 leased to **Time Air Sweden, A.B.**, 6 MD-83s, 1 of which is leased to **Norway Airlines, A.S.**, 2 MD-87s, another of which is also leased to Norway Airlines, and 1 Caravelle XR.

In 1993, Chairman Bo Johansson and President Christer Petren oversee a workforce of 425. Three more MD-83s are delivered in the spring, two of which are leased to **Centennial Airlines, S.A.** In May, the airline's shareholding is acquired by the SARA Group of travel and hotel companies.

The company orders five Fokker 100s in July, taking options on two more. The Caravelle and B-737-205 are withdrawn when the chartered Fokker 100s arrive, beginning in October.

Enplanements for the year total 1,325,000.

Airline employment balloons 96.5% in 1994 to 835 and the leased fleet now includes 9 MD-83s, 1 MD-87, and 7 Fokker 100s. Two of the MD-83s remain chartered to the Spanish **Centennial Airlines, S.A.** and the MD-87 is out to the Greek **Venus Airlines, S.A.**

By the summer, the carrier is mounting 20-times-per-week service from Stockholm to London (LGW). In July, a code-sharing agreement is signed with **American Airlines**, covering new scheduled flights between London (LGW) and Stockholm (Arlanda Airport).

Passenger boardings increase 53.4% to 2,033,100.

The workforce is cut by 55.1% in 1995 to 375. The company enters into two block-seat marketing agreements with European neighbors. The first provides for dual-designators on domestic Swedish routes with **Swissair, A.G.** The other begins in August with **Finnair O/Y** and covers flights from Stockholm to London (LGW). The two Scandinavian airlines also agree to frequent flyer program linkage and joint maintenance services.

In December, the Transwede Engineering division based at Stockholm's Arlanda Airport is sold to FFV AvioComp for \$19 million; the arrangement includes a three-year maintenance contract for the airline's planes. A B-757-236 painted in the nation's yellow and blue colors is delivered in mid-month and is christened *Anne Anke*.

Enplanements this year fall 15.3% to 1,721,100.

Seventy-five more employees retire or are laid off in 1996 and a number of aircraft leases are ended, including those for two Fokker 100s and two MD-83s. These are replaced by charters for one B-757-236ER and another MD-87.

In June, a 50% stake is taken by **Braathens SAFE, A.S.** of Norway in order to acquire the Swedish line's scheduled services. The company is restructured during the remainder of the year and the separate charter company **Transwede Leisure, A.B.** is established to undertake flights for various tour operators. It takes the Boeing and McDonnell Douglas jetliners, leaving what is left of Transwede, to operate Fokker 100s.

Customer bookings drop 12.2% to 1,511,200.

Flights continue in 1997. Destinations visited include Halmstad, Jonkoping, Lulea, Ostersund, Stockholm (Arlanda Airport), Sundsvall, and Umea. In May, a Fokker 100 is leased from Debis Airfinance for three years.

During the year, **Transwede Leisure, A.B.** is renamed **Blue Scandinavia, A.B.** In December, **Braathens SAFE, A.S.** purchases the company's remaining stock and takes complete control. Plans are made to rename the carrier **Braathens Sverige, A.B.** and to make it a part of the alliance that has been forged between Braathens, **KLM (Royal Dutch Airlines, N.V.)**, and **Northwest Airlines**.

Passenger boardings plunge 44.4% to 862,249.

In January 1998, KLM takes a 30% stake in new parent **Braathens, S.A.**, which has also changed its identity. At this point, Transwede is renamed **Braathens Sverige, A.B.**

TRANSEWE LEISURE, A.B.: Sweden (1996–1997). During the fall of 1996, **Transwede Airways, A.B.**, following purchase of half its stock by **Braathens SAFE, A.S.**, is restructured to allow creation of this

international and domestic charter operation. Per Odegaard is CEO and he employs a workforce of 300. Revenue flights on behalf of various tour operators commence from Stockholm's Arlanda Airport with a fleet of 3 McDonnell Douglas MD-83s, 1 MD-87, and 2 Boeing 757-200s. Early in 1997, the company is renamed **Blue Scandinavia, A.B.**

TRANSWEST AIR, LTD.: Box 100, Municipal Airport, Prince Albert, Saskatchewan S6V 5R4, Canada; Phone (306) 764-1404; Fax (306) 763-1313; <http://www.athabaskaairways.com>; Code 9T; Year Founded 2000. Athabaska Airways, Ltd. General Manager Jim Glass announces on August 4, 2000, that following 40 years of competition, his carrier will takeover Air Sask Aviation, Ltd., the airline division of **La Ronge Aviation Services, Ltd.** on August 15. The new entity, renamed **Transwest Air, Ltd.** on September 9 in an employee contest won by Lisa Tremblay, is based at Prince Albert. From there, it operates 40 fixed-wing and 3 rotary-wing aircraft and employs over 300 people.

Twice-weekday roundtrips are inaugurated on October 30 from Brandon, Manitoba, to Edmonton, Alberta, via Regina and Saskatoon.

TRANSWEST AIRLINES (PTY.), LTD.: Australia (1967-1982). Originally known as TransWest Air Charters (Pty.), Ltd., this carrier is formed at Jandakot, Western Australia in 1967. Originally flying nonscheduled services only, the carrier in the 1970s becomes a scheduled operator.

Destinations regularly visited include Port Hedland, Maribee Bar, Mount Newman, Nullagine, Goldsworthy, Shap Gap, Derby, Fitzroy Crossing, Halls Creek, Margeret River, Leonora, Laverton, Kalgoorlie, and Perth.

The fleet grows to comprise 2 de Havilland Canada DHC-6-200 Twin Otters, 1 Cessna 404, 2 Britten-Norman BN-2 Islanders, 2 Cessna 421s, 8 Cessna 310s, 2 Beech Super King Air 200s, 1 Beech B-55 Baron, 1 Cessna 206, and 1 Cessna 210.

In January 1982, the carrier is taken over by **Skywest Airlines (Pty.), Ltd.**

TRANSWESTERN AIRLINES: United States (1978-1984). Originally formed as a private partnership in mid-1978, Logan, Utah-based Transwestern is equipped with a fleet of 9 Piper PA-31-350 Navajo Chieftains and 1 PA-31-310 Navajo. The new commuter carrier undertakes scheduled services linking its base with Salt Lake City, Moab, and Grand Junction.

Enplanements total 8,460 by December 31.

The workforce is increased by 44.4% in 1979 to 52. Passenger boardings skyrocket 384.9% to 22,000 and 45,000 pounds of cargo are carried.

In 1980, the fleet includes 2 Beech 99s, 8 Piper PA-31-350 Navajo Chieftains, the original Piper PA-31-310 Navajo, and 1 PA-34 Seneca.

Customer bookings, because of recession, fall by 21.8% to 16,761. On the other hand, freight traffic increases an unbelievable 474% to 255,872 pounds.

Airline employment increases 150% in 1981 to 80. The carrier is reorganized into a public corporation, with George Bagley named president. He is assisted by Executive Vice President Edward H. Allen and Vice President-Operations Stanley Johnson. The fleet is altered to include 4 Beech 99s and 3 Navajo Chieftains while the route network is enhanced and now features stops at Logan and Salt Lake City, Utah, Grand Junction, Colorado, Reno, Nevada, and Boise and Sun Valley, Idaho.

Enplanements climb 36.1% to 22,914, but cargo falls 9.7% to 245,000 pounds. Revenues total \$1,493,273 and expenses are \$1,533,170. Although an operating loss of \$39,897 is suffered, a net gain of \$67,970 is achieved.

Airline employment in 1982 stands at 168 and a fifth Beech 99 joins the fleet. Management is also changed, as President Bagley is succeeded by M. Christianson.

Passenger boardings increase 169.7% to 61,981, but freight plunges again, falling 79.6% to 50,000 pounds.

Two more Metro IIs are delivered in 1983 and Seattle-based **Horizon Airlines** purchases the third-level operator in October.

For its 10 months of independent operation on the year, Transwestern boards 75,519 customers, a 52.5% boost. Horizon integrates its purchase completely by January 1984.

TRANZIT AVIA TRANSPORT ENTERPRISE (TRANZIT AVIA TRANSPORTNOE PREDPRIATIE): Russia (1994-1991). TATE is established at Moscow in 1994 to offer regional passenger and cargo charters. V. I. Drutikov is appointed director general and he begins revenue services with 2 Antonov An-24s and 1 An-12. Flights continue in 1995-1999. During these years, the previous fleet is replaced with a pair of An-32s.

The impact of the Russian currency crisis makes it impossible for the carrier to remain in business.

TRAPAS AIRLINES. See **SOCIETE FRANCAISE DE TRANSPORTES AERIENS DU PACIFIC SUD (TRAPAS)**

TRAVEL AIR SERVICE. See **VIKING AIRWAYS**

TRAVEL SERVICE AIRLINES, A.S.: Canaria Travel, Jungmannova 6, Prague, 110 00, Czech Republic; Phone (02) 24 97 70 00; Fax (02) 24 94 80 25 Code TVS; Year Founded 1996. Formed in the spring of 1996 as an affiliate of **CSA Czech Airlines**, TVS will be reformed into the house airline of the Canaria Travel Group. Ownership will be divided between the flag carrier (35%), Canaria, and private interests. TVS will have the distinction of being the first airline in the Czech Republic to operate a Next Generation Boeing.

In early May 2000, a Next Generation B-737-86N is accepted from GECAS and is placed into service operating charters to points in Europe, the Mideast, the Far East, and Africa. Another aircraft, a Dash-4Q8, is expected from ILFC. During the summer, the carrier begins employing the large international terminal at Ruzyně Airport, which is located 17 km. W of Prague.

In September, the B-737-4Q8 is tasked to provide capacity for weekly roundtrip charters between Frankfurt and Monrovia on behalf of the new Liberian concern Simon Air. Later in the fall, two B-737-4Y0s are chartered from GECAS, with one subchartered to **Jordan Aviation, Ltd.** on October 30.

As the year ends, delivery of a second Next Generation B-737-86N is anticipated in June

TRAVELAIR: United States (1990). Travelair is founded at Newark in late spring 1990 by Dominick Borzoman, former president of **Holiday Airlines**. Operations are inaugurated to Hartford, Nantucket, and Martha's Vineyard on July 12 with 2 Shorts 330s. In August, Iraq invades Kuwait, driving up fuel prices which, when combined with the deepening recession, conspire to drive this new commuter out of business in early November.

TRAVELAIR, S.A.: Apartado 381, Pavas Airport, San Jose, Costa Rica; Phone (506) 232-7883; Fax (506) 220-0413; <http://www.centralamerica.com/cr/trav/travlair.htm>; Code U3; Year Founded 1991. Travelair is established at San Juan's Pavas Airport in 1991 to provide scheduled daily flights to many of the nation's far-flung destinations. Employing a pair of Pilatus-Britten-Norman PBN-2A Trislanders and a PBN-2 Islander, the company undertakes roundtrips linking its base with Barra del Colorado, Carrillo, Golfito, Liberia, Nosara, Palma Sur, Puerto Jimenez, Punta Islita, Quepos, Tamarindo, Tambor, and Tortuguero.

Operations continue apace in 1992-2000. The company's schedule is regularly updated at its World Wide Web homepage on the Internet.

TRAVERSE CARGO AIRLINES, LTD.: Tekhnopark Business Center, All-Russia Exhibition Center, Moscow, 129223, Russia; Phone 974 62 69; Fax 234 50 371; <http://www.traverse-cargo.ru>; Year Founded 1993. The freight forwarding concern Traverse Cargo is

established at Moscow in **1993** as a limited liability company to provide services in the Russian and CIS markets. Over the next six years, the company specializes in making arrangements for the transport of passengers and cargo. Freight cargos include industrial equipment, consumer goods, medicines, computer hardware, telecommunications, oil, gas, and military equipment, and hazardous materials.

In **1999**, the decision is taken to join with the closed joint stock company Sukhoi Civil Aviation Company that has been authorized by the Sukhoi design bureau (best known for its ground attack aircraft), in the creation of a freight airline. Under the leadership of Director General Nikolai Sergeevich, the new concern launches Ilyushin Il-76T charter flights to China, the United Arab Emirates, and various CIS and European locations. Antonov An-12s and An-32s are also employed.

After what it terms "a short break associated with solving our organizational problems," Traverse returns to the skies in August **2000** with a fleet of 5 Il-76Ts.

TRB AIRLINES: United States (1969–1972). TRB is set up at Centerline, Michigan, in **1969** to operate domestic all-cargo services. Revenue flights commence with a pair of Curtiss C-46 Commandos and continue until the company goes bankrupt in the summer of **1972**.

TREK AIRWAYS (PTY.), LTD.: South Africa (1953–1976). Equipped with a Douglas DC-3 acquired for it in the U.K. by subsidiary **Meredith Air Transport, Ltd.**, this charter operator is reformed by Tom Meredith, Jock Hamilton, and five colleagues from **Tropic Airways (Pty.), Ltd.** in May **1953**. Revenue flights are inaugurated to Amsterdam from Johannesburg on December 21.

In August **1954**, charter services similar to those flown earlier by TA are initiated to such northern European communities as Dusseldorf and London via Entebbe, Cairo, Malta, Zurich, or Vienna from East Africa and from Leopoldville, Kano, and Palma de Majorca from the West Africa. Two Vickers 498 Viking 1s are purchased from **Airwork, Ltd.** in October and November, one of which is named *Louis Trichardt*.

A third Viking 1, the *Piet Relief*, is acquired in late **1955**, and the three continue to make the five monthly roundtrips that each are permitted by the National Transportation Commission to fly to Europe.

Two Douglas DC-4s are purchased in December **1957** from **Northwest Airlines**. They enter service in April **1958**, at which point the Vikings are removed from scheduled flights and assigned to operate charters. The domestic South African charter subsidiary **Protea Airways (Pty.) Ltd.** is created later the same year.

Low fare passenger service is introduced in **1959** by General Manager P. C. E. Gratz's carrier, bringing considerable success. Routes are extended twice weekly from Johannesburg to London, Paris, Frankfurt, Rome, and Athens via Entebbe, Wadi Halfa, and Malta.

A DC-4 with 6 crew and 61 passengers makes a forced landing near El Badary, Egypt, on September 3, **1960**; although the aircraft is a total loss, there are no fatalities.

Two Lockheed L-749As, including one named the *Andries Pretorius*, are leased from **South African Airways (Pty.), Ltd.** in December **1961**, while the remaining DC-4 is sold to **Luxair, S.A.** In order to avoid being shut out from a Continental destination when its traffic rights to Dusseldorf expire in May **1962**, Trek inaugurates roundtrips to Luxembourg in February. The company will remain the designated South African carrier on that route for its entire history.

When the nations of Black Africa begin to ban South African aircraft from their airspace during the summer of **1963**, Trek returns its two Constellations to SAA in August. Beginning in October and continuing for the remainder of the year, DC-6Bs are leased from **UAT (Union Aeromaritime de France, S.A.)**.

Two L-1049A Starliners, formerly operated by **Deutsche Lufthansa, A.G.**, are acquired in February and March **1964**. These long-legged piston airliners allow Trek to continue service to Europe via the West African coast in a manner similar to the Springbok services provided by

South African Airways (Pty.), Ltd. Technical stops are available at Windhoek, Luanda, and Ilha do Sal.

A cooperative agreement is signed with **Luxair, S.A.** and under its terms, joint operations of the new Lockheeds commence in April, with the European line providing connecting service from Luxembourg onward to London. One of the Starliners is transferred to Luxair, which, not having been banned from the routes, can fly in any African airspace.

Shareholding is revised in early **1965** to include Rentmeester Beleggings (Pty.), Ltd. (40%), South African Marine Corporation (Pty.), Ltd. (Safmarine) (25%), and private interests (35%). Airline employment is now 130. On May 7, on behalf of **South African Airways (Pty.), Ltd.**, the company begins roundtrip Wallaby route flights once every two weeks from Johannesburg to Perth via Mauritius and the Cocos Islands.

With the flag carrier also providing a service every two weeks, South Africa is able to match the trans-Indian Ocean Wallaby frequencies of **Qantas Empire Airways (Pty.), Ltd.** These flights continue until September, when SAA is able to place additional Douglas DC-7Bs on the run. Enplanements for the year are 10,094.

Starliner flights commence on February 15, **1966**, from Johannesburg to Rio de Janeiro via Luanda. This is the first nonstop commercial service across the South Atlantic by a South African airline.

A third L-1649A Starliner and an L-1049E Super Constellation are purchased from **Air France** in April. It is employed, beginning on July 5, to operate a weekly roundtrip from Johannesburg to Tokyo, via Mauritius, Colombo, and Hong Kong.

Authority for 10 additional European roundtrips is granted by the South African government in **1967**. An order is sent to Boeing for a B-707-320B Stratoliner.

After the tragic loss of a SAA B-707-344C, with 123 killed, at Windhoek on April 20, **1968**, Trek volunteers to give its place on the Boeing assembly line to **South African Airways (Pty.), Ltd.** The state carrier promises to turn over one of its older Boeings as soon as the new plane arrives from Washington State.

A Bristol Britannia is leased in June to undertake the Luxembourg service; however, one Starliner is retained in front line service to operate the connecting service for **Luxair, S.A.** to London through September 30. At this point, all three of the Starliners are converted into freighters.

A B-707-348, wearing its own livery and **Luxair, S.A.** stickers, is leased from **Aer Lingus Irish Airlines, Ltd.** and enters service from Johannesburg on October 22.

South African Airways (Pty.), Ltd., in accordance with its pledge the previous April, turns over a B-707-344B on May 30, **1969**.

A former **Qantas Airways (Pty.), Ltd.** Boeing 707-138B is purchased during the early **1970s** and a second B-707-138B is acquired in **1974**. The company ceases operations in the spring of **1976** and the Boeings and Starliners are passed to **Luxair, S.A.**, to which many employees migrate as well. After Trek Airways shuts down, the subsidiary **Protea Airways (Pty.), Ltd.** soldiers on alone until rising expenses (led by fuel costs) force the company out of business in **1980**.

When the South African domestic independent **Flitestar, Ltd.** is created in 1991, the shareholders, Rentmeester Investments and Muelkin & Safmarine, will name their holding company in honor of this charter pioneer.

TRI AIR: United States (1987–1989). Taking a leaf from the book of **Jetstream International Airlines**, Tri Air, established at Hyannis, Massachusetts, in March **1987**, is named in honor of its aircraft. Employing a three-motor Pilatus-Britten-Norman PBN-2A Trislander, daily roundtrips are inaugurated on April 1 linking the company's base with Nantucket and Martha's Vineyard. Operations continue apace until August **1989**.

TRI STAR AVIATION: Box 88, Weyers Cave, Virginia, 24486, United States; Phone (540) 234-8998; Fax (540) 234-9901; Year Founded 1984. Tri Star is established by Marvin Shank in **1984** to offer

on demand FAA Part 135 air taxi flights, cargo operations, and also to engage in aircraft management.

By 2000, Shank oversees the flights of 1 each Beech King Air 90, Cessna 414 Conquest, C-421, and Piper PA-23 Aztec. Revenues reach \$300,000.

TRI-STATE AIRLINES: United States (1982–1984). Tri-State is established at White Lake, New York, in 1982. Employing a fleet of 3 Piper PA-31-350 Navajo Chieftains, the third-level operator undertakes scheduled passenger and cargo services, expanding, during the remainder of the year and into 1983 to Albany, Binghamton, Montgomery, Monticello, Poughkeepsie, Manchester, Harrisburg, Nantucket, New Bedford, and Newark.

Rapid growth and recession contribute to hurt income in 1984 and all routes are suspended in August except those to Nantucket, Newark, and Manchester. These and other cost-cutting measures do not help and the carrier shuts down in the fall.

TRI-STATE AVIATION: United States (1969–1978). Tri State is established by Carlton Clark as the FBO at Huntington, West Virginia. In the fall of 1969, Edward Hyman and Morris Griffiths establish a company airline division to provide scheduled passenger and cargo services to Colubus and Cincinnati. Aero Commander 500B and Britten-Norman BN-2 Islander daily roundtrips commence in November, but only continue through May 1970.

TRIAx AIR, LTD.: 1 Kings Road, New Haven, Enugu, Nigeria; Phone 234 (42) 337 777; Code TIX; Year Founded 1992. Triax is established as a subsidiary of Prince Arthur Eze's Triax Group at Enugu Airport in October 1992 to offer passenger charter flights to destinations throughout Africa and the Mideast. Revenue operations commence on November 17 with a single Boeing 727-82. In 1993, a leased B-727-264 is placed into service.

Flights continue in 1994–2000, during which years Chairman Eze and General Manager Capt. D. Okatachi acquire a B-727-22. Destinations now visited include Abuja, Lagos, Port Harcourt, and Owem.

TRICON INTERNATIONAL AIRLINES: United States (1968–1975). Tricon is established at Dallas (DAL) in 1968 to provide scheduled passenger and cargo services to regional destinations. Employing a Beech 18, daily roundtrips are duly inaugurated, linking the company's base with Shreveport, Longview, Tyler, Waco, Temple, and Austin.

Operations continue apace until 1975.

TRIGANA AIR SERVICE: Mendawai No. 40, Kebayoran, Jakarta-Selatan, Indonesia; Phone 62 (21) 772 337; Fax 62 (21) 772 337; <http://www.geocities.com/WallStreet/5470/indo.htm>; Year Founded 1992. TAS is established at Jakarta in the fall of 1992 to offer domestic scheduled and charter passenger and cargo services. Operations commence with a fleet that includes 3 Beech Super King Air 200s, 2 de Havilland Canada DHC-6-300 Twin Otters, and 3 Fokker F.27-600 Friendships.

A DHC-6-100 with two crew fails its takeoff from Pogapa on December 8 and crashes; although the freighter is damaged, there are no fatalities.

Flights continue without incident in 1993, but not in 1994. Another DHC-6, a Dash-300 with two crew and two passengers, crashes into a cloud-shrouded mountain ridge at the 7,050-ft. level near Nabire, Papua New Guinea, on November 4; there are no survivors.

Flights continue in 1993–2000, during which years an F.28-4000 jetliner is also employed. There are numerous accidents.

While taxiing at Jakarta on May 14, 1996, the No. 1 propeller of the Fokker F.27-600 *Jayapura* chews into the right wing of a parked F.28. Both aircraft are damaged, but repairable.

Just after landing at Ilaga on September 30, a DHC-6-300 with two crew and three passengers overruns the runway and falls over an embankment; although the aircraft must be written off, there are no fatalities.

Just after takeoff from Bandung on a July 17, 1997, service to Jakarta, the F.27-600 *Jayapura* with 5 crew and 45 passengers and leased to **Sempati Air**, develops engine problems and begins trailing smoke. The pilot attempts to make an emergency landing at Sulaiman AFB, but instead, hits the roofs of houses in a residential area and crashes into a muddy field (29 dead).

TRILLIUM AIR, LTD.: Waterloo Regional Airport, P.O. Box. 70, Breslau, Ontario N0B 1M0, Canada; Phone (519) 648-1204; Fax (519) 648-1208; <http://www.trilliumair.com>; Year Founded 2000. Trillium is established at Waterloo Regional Airport in June 2000 as a subsidiary of **Pem Air, Ltd.** Daily Jetstream 31 roundtrips are initiated connecting Kitchener and Waterloo with Ottawa. At the end of October, the schedule becomes twice daily.

TRILLIUM AIR, LTD. See also PEM AIR, LTD.

TRINIDAD AND TOBAGO AIRWAYS CORPORATION, LTD. See TTAS (TRINIDAD AND TOBAGO AIRWAYS SERVICES, LTD.)

TRINITY AIR BAHAMAS, LTD.: Bahamas (1993–1994). TAB is organized at Nassau in the fall of 1993 to offer scheduled service to the U.S. in competition with the state airline **Bahamasair, Ltd.** Employing 2 former **Delta Air Lines** Douglas DC-9-32s, the new entrant launches flights to Miami and Fort Lauderdale on November 11.

Unable to achieve viability, the airline will not see its first birthday.

TRISTAR AIRLINES: United States (1995–1996). TriStar Airlines is established by Chairman/President/CEO Donald Martin at Las Vegas, Nevada, in the spring of 1995. Martin had previously served as president of **Rocky Mountain Airways**.

Marketing alliances are established with **All Nippon Airways Company, Ltd.** and **Japan Air Lines Company, Ltd.** (2) and 3 British Aerospace BAe 146-200As, previously flown by the Hawaiian carrier **Discovery Airways**, are leased from Asset Management Organization to begin scheduled services on July 17.

Chief Pilot Capt. Norman Sevigny and his pilots fly the U.K.-made jetliners on daily nonstop roundtrips from Las Vegas to Los Angeles and San Francisco, with tourist flights to Grand Canyon Airport. Meanwhile, a contract is let with SABRE for computerized reservations services.

In November, flights are launched from Los Angeles to Eugene, Oregon. The following month, BAe services are inaugurated, on behalf of Peak International, from Los Angeles and Dallas (DFW) to Aspen and from Eugene to Reno.

A total of 73,944 passengers are flown over the next 6 months.

A fourth chartered BAe 146-200A arrives on March 1, 1996. It is employed on March 18 to start twice-daily nonstop frequencies connecting Los Angeles and San Francisco. Departures are advanced to thrice daily on April 7. Although **USAir** begins to withdraw from the Los Angeles (LAX)-San Francisco (SFO) market, the company faces stiff competition from **Southwest Airlines** (2) and the Shuttle by United division of **United Airlines**. Winter services to Aspen end on April 14.

Fast Fare discount fares are introduced systemwide on May 1 and charter flights from Fresno to Las Vegas are offered every evening on behalf of Fun Jet Express. The same day, Super Size Me Fares are introduced on the Los Angeles-San Francisco route. The new \$88 tickets will be good through June 15.

New marketing agreements are signed during the spring with **Asiana Airlines, Ltd.**, **British Airways, Ltd.** (2), **Cathay Pacific Airways (Pty.) Ltd.**, **China Air Lines, Ltd.** (CAL), **Continental Airlines**, **Frontier Airlines** (2), **Hawaiian Airlines (HAL)**, **KLM (Royal Dutch Airlines, N.V.)**, **Korean Air/Korean Airlines (KAL)**, **Midwest Express Airlines**, **Northwest Airlines**, **Qantas Airways (Pty.) Ltd.**, **Singapore Airlines, Ltd.**, **Trans World Airlines (TWA)**, **USAir**, and **Virgin Atlantic Airways, Ltd.**

On June 7, a joint marketing, ticketing, and baggage agreement is signed with **Eagle Canyon Airlines** at Los Angeles. The two will also share codes on connecting services from Los Angeles or San Francisco to the Grand Canyon; through passengers are allowed a Las Vegas stopover at no additional cost.

In cooperation with the air services company Peak International and Aspen Skiing Company, Los Angeles to Aspen flights commence thrice weekly on June 12 (with direct connecting service during the summer to Aspen from San Francisco). These services will operate for 14 weeks, after which the parties will switch over to a winter schedule similar to that operated in 1995.

The Fun Fare promotion is reinstated on August 14 covering flights made through October 15.

The carrier has a tough year and reports its financial returns through July and traffic through August. Although revenues in the first half are \$10.64 million, expenses are \$15.69 million and leave an operating loss of \$5.04 million and a net loss of \$6.07 million. In 8 months, customer bookings reach 120,000. The airline stops flying after Thanksgiving and goes out of business in December.

TROPAIR (PTY.), LTD.: South Africa (1965–1970). Tropair is established at Johannesburg on March 28, 1965 to provide regional freight charters throughout Africa. Revenue flights commence with a pair of Lockheed L-100-20 Hercules freighters and continue until March 18, 1970.

TROPIC AIR: United States (1967–1982). TA is founded by Hank Younge at Honolulu in the summer of 1967 to offer Piper Aztec scheduled passenger and cargo flights around Oahu and to Molokai, Maui, and Lanai. Revenue flights commence on August 16 and over the next 15 years the fleet grows to include 2 Douglas DC-2s and 5 Cessna 402s.

The company is acquired by **Air Hawaii (2)** in 1978, but regains its independence in 1980. Late in 1982, the carrier is purchased by the Connecticut-based Concord Development Corporation. It is reformed and renamed **Air Molokai**.

TROPIC AIR (TROPICAL AIR SERVICES, LTD.): San Pedro, Ambergris Caye, Belize; Phone 501 (2) 62 012; Fax 501 (2) 63 338; <http://www.tropicair.com>; Code PM; Year Founded 1979. Tropic Air Service, Ltd. is established at San Pedro, Belize, in 1979 to offer domestic and regional scheduled passenger and cargo services; charters will also be flown. The company, headed by John Greiff III, is a formalized outgrowth of a Cessna 180 service that John Grief Sr. has been providing from Ambergris Caye since 1965.

Scheduled Cessna 172 revenue flights commence in November and in 1981 a terminal building is constructed at the Belize City Airport. A new terminal building is added in San Pedro in 1984 and the name of the airline is shortened to Tropic Air.

Operations continue for the next 18 years linking the company's base with Belize International and Belize Municipal Airports, Caye Caulker, Corozal, Dangriga, Flores, Placencia, and Punta Gorda.

Celi McCorkle is chairman/president in 1998, with John E. Greif III as managing director/chief operating officer. The workforce stands at 65 and the fleet includes 2 de Havilland Canada DHC-6-300 Twin Otters, 3 Cessna 208 Caravan Is, and two each C-207A Stationairs and C-172Ps. The company is now the largest carrier providing intrastate services in the nation.

On October 20, Tropic receives a Model 208B Grand Caravan, the 1000th example of the Caravan single-engine turboprop utility aircraft delivered by Cessna.

By the beginning of 1999, flights are also offered to Flores (Tikal) in Guatemala, with connecting service to Corozal. The first airline in Belize is now the largest and remains the only one with an air operator's certificate and certified for maintenance. During the year, the company opens a homepage on the World Wide Web. A total of 120 workers are employed at the beginning of 2000.

TROPIC AIR (TROPICAL AIR SERVICES [BARBADOS], LTD.): Barbados (1973–1981). This small, private charter company is established at Christchurch in February 1973 to offer nonscheduled passenger and cargo flights to various Caribbean destinations. The fleet includes 1 each Aero Commander and Britten-Norman BN-2 Islander.

Two Douglas DC-3s are acquired in mid-decade. One DC-3 is destroyed in early 1979 during the filming of the motion picture *The Island*. Later in the year, the company is purchased by the Canadian operator **Air Dale, Ltd.**

Operations cease in 1981.

TROPIC AIRWAYS (PTY.), LTD.: South Africa (1950–1953). Three ex-Royal South African Air Force pilots form Tropic Airways on September 21, 1950 to offer charter flights from South Africa to Europe. Equipped with a single ex-military Douglas C-47 converted to civil DC-3 standard, the company initiates service on March 18, 1951, flying multistop from Johannesburg to London via Entebbe, Wadi Halfa, and Malta. During the remainder of the year, Dutch and German immigrants are flown to South Africa from Amsterdam and Hamburg.

While crossing the Mediterranean one day in July 1952, the company's DC-3 with 28 passengers is forced to ditch at sea. All are saved when Royal Navy warships pick up the plane's two lifeboats.

Early August, Tropic purchases an ex-RAF Dakota with which to resume business; however, British regulations require that, for the purchase to be consummated, a U.K. subsidiary be formed. As a result, **Meredith Air Transport, Ltd.** (named for founder Thomas Meredith) is formed and registered on August 12. In December, radio parts are hauled to Khartoum.

In 1953, inclusive-tours are undertaken to the Mediterranean from London while the South African Dakota continues to fly immigrants southward. In June, the Meredith DC-3 is sold to raise capital that will allow Tropic's founders to reform their South African company into **Trek Airways (Pty.), Ltd.** The Meredith subsidiary continues in Britain as a separate entity.

TROPICAIR (TROPIC AIR SERVICES [PTY.], LTD.): Australia (1969–1994). TropicAir is founded at Carnarvon, Western Australia, in 1969. Equipped with a Cessna 206, the company begins revenue operations in early 1970. Nonscheduled services are expanded to include not only air taxi and passenger and cargo charters but air tour and sight-seeing flights as well. The fleet grows to comprise 1 each Cessna 172, Piper PA-28-181 Archer, and a Partenavia P-68B in addition to the original Cessna 206.

Operations continue quietly apace for the next 23 years. In 1993, General Manager Keith Hasleby's fleet is the same as at start-up, minus the Cessna 172. Operations cease in 1994.

TROPICAL AIRLINES, LTD.: 2 Eastwood Avenue, Kingston 10, Jamaica; Phone (809) 968-2477; Fax (809) 926-4379; <http://www.tropicalairs.com>; Code VF; Year Founded 1996. Donovan and Suzanne Grant set up Tropical Airlines at Tinson Pen, Kingston, Jamaica, in late 1996 to offer domestic and regional scheduled passenger services. Employing 3 Beech 99s, the company launches daily shuttle flights between Kingston and Montego Bay.

Flights continue without incident or headline during the remainder of the decade. During these years, the company also operates charter flights on behalf of Gemini Tours to Santiago de Cuba. These services are flown twice weekly from both Kingston and Montego Bay. By the beginning of the new millennium, Tropical Airlines has also established a homepage on the World Wide Web.

TROPICAL AIRWAYS (1): United States (1933–1934). In December 1933, newly formed Tropical Airways is able to outbid **Johnson Airways** for the New Orleans–Pilottown airmail route previously operated by the latter. Operations commence in January 1934 with a Keystone K-84 amphibian. The mail route is permanently terminated on July 1, causing Tropical to shut its doors.

TROPICAL AIRWAYS (2): United States (1986–1989). The second U.S. Tropical Airways is established at New York (JFK) in 1986 to offer service to Georgetown, Guyana. A Boeing 707 Stratoliner is leased and bookings are taken before the DOT, having learned of the operation, forces the carrier to stand down due to its lack of certification.

When its application is approved in the early spring of 1988, TA-2 in May charts a Douglas DC-8-62 previously flown by **SAS (Scandinavian Airlines System)** for six months. Scheduled roundtrips are inaugurated on June 1 from New York to Port-au-Prince, Haiti, via Miami. In November, the aircraft is returned and the airline goes dormant for the winter season.

The DC-8-62 is reacquired in March 1989, by which time the company has concluded an arrangement to operate inclusive-tour flights on behalf of **Egyptair, S.A.E.** Flights commence in April, but in August, FAA inspectors ground the company for maintenance and safety irregularities. Unable to finance a resumption of services, TA-2 folds.

TROPICAL SEA AIRLINES COMPANY, LTD. ("THE YELLOW-BIRDS"): Bangkok International Airport, Building 302, Service Road 8, North of Old Terminal, Bangkok, 10210, Thailand; Phone 66 (2) 535-3461; Fax 66 (2) 535-3470; Code BN; Year Founded 1992. Tropical Sea is formed at Bangkok in 1992 to offer seaplane flights to various destinations along the Gulf of Siam. Operations Director Capt. Sarisport's initial fleet comprises 1 each Grumman G-21 Goose and G-73 Turbo Mallard.

Flights continue during the remainder of the decade as 1 each additional Goose and Mallard are placed into service.

TROPICAL TRANSPORT, LTD. See **TROPIC AIR (TROPICAL AIR SERVICES, LTD.)**

TRUMP AIR: United States (1988–1990). Donald Trump, the famous New York real estate mogul who is also chairman of Resorts International, establishes Trump Air in the March 1988 as successor to **Resorts International Airlines (RIA)**. A rotary-wing operation equipped with 3 Sikorsky S-61s, the airline inaugurates scheduled flights from Manhattan's West 30th St. heliport to Atlantic City's Steeplechase Pier with the original RIA personnel. Plans are made to initiate services to the New Jersey holiday location later in the year from Washington, Baltimore, and Philadelphia. Late in the year, the three Sikorskys begin cabin refurbishment one after another, with the first completed in December.

In 1989, the fleet is upgraded by the addition of the Aerospatiale AS-332L Super Puma previously operated as the VIP shuttle **Trump's Resort Air**. Boeing Vertol's Model 234 Civil Chinook demonstrator is purchased in April. Like the aircraft in the **Trump's Resort Air** fleet, it is painted in jet-black livery with red trim and is based at Linden Airport, New Jersey. A month later, a used Civil Chinook is purchased from Norway's **Helikopter Service, A.S.** for introduction in December.

When the former Boeing Chinook demonstrator begins flying from New York City to Atlantic City on behalf of its owner's casino operations in August, the Civil Chinook becomes the first of its type to be employed in a U.S. passenger shuttle service.

Following the purchase and renaming of the **Eastern Air Lines** shuttle, the Sikorsky choppers are tasked to provide Trump Shuttle Connection flights between New York (LGA) and destinations in the Midtown and Financial District of Manhattan, including the Wall Street Heliport. The six-min. flights are operated eight times a day weekdays.

En route from Manhattan to Atlantic City on October 10, the rotor of an Agusta 109 with two crew and three top Trump officials aboard and flown by Paramount Aviation Corporation on behalf of Trump Air, separates in midair, causing the helicopter to crash; there are no survivors.

Following introductory fanfare, eight-times-per-day S-61N roundtrips commence on December 4 linking La Guardia Airport with downtown Manhattan.

The Trump Shuttle Connection flights from La Guardia and the Wall Street Heliport are discontinued on July 1, 1990, due to low load factors.

When the service is discontinued, a number of pilots are fired and the chief operating officer and director of flight operations resign. Longtime Trump employee Michael J. Burke is named chief operating officer on July 9.

As Chairman Trump begins to suffer financial reversals, the carrier is forced to find ways to cut costs. Over the next six months, the carrier negotiates with **Columbia Helicopters** of Aurora, Oregon, and in December sells that pioneer rotary-wing operator its pair of Civil Chinooks.

Citing high fuel costs and low demands, winter flights from Manhattan to Atlantic City are now suspended. *The New York Times* reports on January 15, 1991, that they will resume during summer. They do not.

TRUMP AIR SHUTTLE: United States (1988–1992). In October 1988, Texas Air Corporation (TAC), parent of **Eastern Air Lines**, prepares to strip off that carrier's most successful operation, the northeast shuttle, and sell it as a way of earning desperately needed capital.

Following the strike-induced grounding of Eastern on March 4, 1989, an arrangement is made to sell the shuttle, along with 21 Boeing 727s (8 Dash-25s and 13 nonadvanced Dash-225s) and \$15 million worth of spare parts, to New York real estate tycoon Donald Trump for \$365 million. U.S. Bankruptcy Court Judge Burton R. Lifland approves the sale on May 25. A new management team, led by President Bruce R. Nobles, Vice President-Operations Richard F. Cozzi, and Chief Pilot Terry V. Hallcom is put into place. Six hundred, mostly Eastern, employees are hired and the aircraft are repainted in new livery. The tails of each B-727 receive a big red "T," while other markings in gold, black, red and white resemble the owner's private jet.

The Trump Shuttle inaugurates service on June 8 on Eastern's old routes from Boston to New York (LGA) and from New York to Washington, D.C. (DCA). **Hub Express Airlines** contracts with Trump to provide scheduled helicopter services linking Boston with Foxboro, Burlington, Norwood, Cambridge, Hanscom Air Field, the Boston financial district, and Waltham suburbs.

In August, a B-727 shuttle flight is forced to land at Boston with its nosewheel retracted; Trump and Nobles personally fly to Logan to comfort the 49 passengers and at a news conference, praise the skill of their flight crew.

A variety of marketing strategies and gimmicks are employed in the competition with the shuttle operated by **Pan American World Airways (1)**, including the distribution of free computer programs and video tapes. In October, fleet structural and cabin refurbishment modifications begin; lavatory vanities are provided with a pink marble pattern modeled on the Taj Mahal Casino Resort at Atlantic City. Late in the year, to take advantage of two newly won New York (LGA) slots and to transport jets to Florida-based Page Avjet without ferry costs, Trump inaugurates weekday roundtrip service between New York and Orlando. Passengers flying at Christmas are given their choice of free copies of the videos of either *It's a Wonderful Life* or *Miracle on 34th Street*.

Enplanements for the year total 768,389.

From March 14–31, 1990, Chairman Trump offers an on-time guarantee, redeemable for tickets or certificates if flights are more than 15 minutes late. Fog in Boston during the last week requires that 15,000 passengers be compensated. Late in the first quarter, the company begins to operate its B-727s with hush-kits for noise suppression and on March 31 the fleet includes 7 B-727-25s, 5 B-727-254s, and 4 each B-727-214s and B-727-224s.

The on-time guarantee is extended on April 1 to June 30, although compensation awards are lessened in value. Meanwhile, and also during April, a new contract is signed with ALPA that eliminates the existing two-tier wage structure inherited from **Eastern Air Lines**. Late in the month, free copies of the Lotus Magellan personal computer software program are given away to passengers.

With more aircraft than necessary on weekends, Trump begins Saturday and Sunday charter flights to Florida, the Bahamas, and Mexico. It also undertakes contract flights for musical groups such as the Boston Symphony Orchestra and such major sports teams as the

Boston Red Sox and Minnesota Twins. A code-sharing arrangement is also entered into on the New York to Boston route with **El Al Israel Airlines, Ltd.**

While splitting the market with Pan Am's shuttle and earning a small operating profit, the Trump enterprise suffers financially from the high interest rates involved in its highly leveraged acquisition. After expressing displeasure over this state, owner Trump, in July, fires President/Chief Operating Officer Nobles and replaces him with Vice President-Operations Richard Cozzi.

With a tiny net profit reported at the end of the third quarter, Chairman Trump announces on October 1 that the shuttle is no longer for sale. The fleet renovation project is completed in November. The recession hurts the Trump empire and the financier's problems are such that he now begins to seek a buyer for the Shuttle. It is proposed that **Northwest Airlines** acquire an equity stake and take over operations.

Passenger boardings for the year skyrocket 114.2% to 1,915,000. Still, the operation is a losing proposition; its losses total \$40.12 million (operating) and \$68.76 million (net).

Loss of the shuttle not only contributes to the failure of **Eastern Air Lines** in January 1991 but it now cannot be effectively maintained by its new owner either.

Enplanements during the company's final year under the tycoon's banner total 1,756,000, a decline of 8.4%. In addition, 413,000 FTKs are operated. Revenues decline 1.7% to \$169.09 million, expenses drop 8.66% to \$193.76 million, and the operating loss improves to minus \$24.67 million. The net loss is cut by \$10 million to \$58.55 million.

Boeing trijet service is inaugurated on February 14, 1992 from Boston and New York (JFK) to Barbados via Miami. Also in the first quarter, Donald Trump enters into a management agreement with **USAir**. In exchange for \$16.2 million, the carrier, renamed Shuttle, Inc., is turned over to a consortium of bankers and the major is allowed to takeover the operation, relabeled **USAir Shuttle**, on April 12. The arrangement also provides the Pittsburgh-based airline with the option to purchase the carrier outright in 1995. The offer will be extended until the end of 1997.

TRURO FLYING CLUB, INC.: P.O. Box 242, Spitfire Rd., Debert, Nova Scotia, B0M 1G0, Canada; Phone (902) 662-2228; Fax (902) 662-2669; Year Founded 1972. Truro is established at Debert, Nova Scotia, in 1972 to provide passenger charters and flight training. Operations continue without fanfare for the next quarter century.

S. Fairchild is general manager in 1997 and oversees a workforce of 6 and a fleet of 2 each Cessna 152s and C-172s. Revenues total C\$100,000. Flights continue in 1998-1999.

TRYGG-FLYG, A.B.: Stockholm-Skavsta Airport, Nykoping, S-61192, Sweden; Phone 46 (155) 267725; Fax 46 (155) 267772; <http://www.trygg-flyg.se>; Year Founded 1997. Erik Trygg forms this nonscheduled carrier at Nykoping in the spring of 1997 to provide nightly airmail service on behalf of the Swedish Post Office. Revenue flights commence in July with a fleet of 1 CASA 212-100 Aviocar and 2 212-200s. Flights continue during the remainder of the decade. During these years, ad hoc cargo charter and passenger air taxi flights are also provided, along with skydiving flights.

TSA (TRANSCONTINENTAL, S.A.): Argentina (1956-1962). Encouraged by **California Eastern Airlines** President Jorge Carnicero, a group of Argentine investors form Transcontinental at Buenos Aires on September 5, 1956. Ownership is 75% Argentine and 25% American, with Carnicero receiving his quarter interest in exchange for a promise to lease the carrier aircraft and maintain them at reasonable rates. During the remainder of the year, Carnicero busily provides a fleet of 4 Curtiss C-46s and 3 Lockheed L-1049H Super Constellations.

Scheduled services are inaugurated in early 1957 over domestic routes from the capital city. Destinations include Mendoza, Cordoba, Tucuman, Salta, Mar del Plata. International flights are also undertaken across the Rio de la Plata to Montevideo, Uruguay.

All three Super H Constellations are subleased on a staggered schedule to the Hughes Tool Company at the beginning of 1958 for the use of **Trans World Airlines (TWA)**. Two Bristol Britannia 305s are ordered from Great Britain in August and in September the "Connies" inaugurate flights to New York via São Paulo, Rio de Janeiro, and Caracas.

The resort city of Bariloche joins the route network in February 1959. Two L-1049Hs are sold to **Slick Airways** in the U.S. during the year. The Britannias are received in early 1960 and in March are placed on the New York route. Frequencies on all services are now increased. Flights are started to Asuncion, Paraguay, and Miami in October.

Although greatly overexpanded, TSA initiates a regional service to Asuncion in early 1961. In January, the L-1049Hs chartered to **Trans World Airlines (TWA)** are returned, allowing two to pass to **Slick Airways**. The financial picture continues to deteriorate; at one point, a Bristol turboprop is impounded at New York until \$83,000 in fees and fuel costs can be paid. **Sabena Belgian World Airlines, S.A.** attempts to bail out the situation in late spring by purchasing a large share, but arrangements fall through.

The fiscal situation is compounded by a major accident. A C-46A with 5 crew and 30 passengers crashes while on final approach to Buenos Aires on June 30 (24 dead).

The company staggers on for several months, but ceases operations on November 8. Late in the year, negotiations are undertaken with **Austral Airlines (Austral Lineas Aereas, S.A.)** and **Aerolineas Argentinas, S.A.** The former agrees to take over the domestic routes while the latter takes on the international. Before Christmas, Austral takes over the domestic services, employing TSA aircraft.

Transcontinental officially declares bankruptcy in September 1962.

TSELINOGRAD UNITED AIR DETACHMENT: Tselinograd-26 Airport, Akmolinsk Region, 473026, Kazakhstan; Phone 7 (31722) 25 733; Fax 7 (31722) 27 800; Year Founded 1996. TUAD is established in 1996 to provide domestic all-cargo charters. Mikhail R. Peshkov is director general and he begins revenue flights with several Antonov An-24s and An-2s.

TSENTR AVIA: Bykovo Airport, Moscow, Central Region, 140150, Russia; Phone 7 (095) 558-4181; Code BYO; Year Founded 2000. **Bykovo Aviation Enterprise (Bykovskoe A.P)** is renamed on March 5, 2000. Shareholding remains divided between the Bykovsky Aircraft Repair Plant (29.40%), Bykovo Airport (19.95%), MARIK Investment Company (19.95%), and Resourcetrustbank (10.75%). The fleet includes 25 Yakovlev Yak-42Ds, 3 Yak-40s, and 1 Antonov An-24. Orders are outstanding for 2 Tupolev Tu-204s.

Flights continue to be offered from Magnitogorsk, Moscow's Domodedovo Airport, and from Bykovo Airport, 30 mi. SW of Moscow. From Magnitogorsk, Tsentra offers scheduled return flights to Yerevan, Mineral Waters, Anapa, and Sochi. The airline operates from the Bykovo Airport to Anapa, Gelendzhik, Volgograd, Magnitogorsk, and Stravropol. From Domodedovo Airport, it flies to Hanover and Stuttgart, Germany. The carrier also operates charter services during the summer from Magnitogorsk to Mineral Waters and Sochi.

At the beginning of October, weekly Yak-42D roundtrips are started from Bykovo to Rostov-on-Don. On October 29, new flights are launched from Bykovo to Ufa.

Late in the year, the two Tu-204s arrive and enter service. Enplanements for the company's three quarters of existence total 156,484. Costs surrounding the airline makeover, rising fuel prices, and the necessity of aircraft modification to meet Eurocontrol and ICAO standards cause a 29.3-million ruble (\$1-million) loss.

TSITOTRANS AIR CONCERN: 3/227 Oktiabir Square, Yekaterinburg, 620031, Russia; Phone 7 (3432) 511 414; Fax 7 (3432) 511 233; Year Founded 1996. TAC is established in 1996 to offer domestic and international passenger charters. Andrei Kuznetsov is director general and he begins revenue flights with a single Tupolev Tu-154M.

Although it is understood that this carrier continues to operate in the period after the beginning of the August 1998 Russian currency crisis, no definite information has been located to that effect.

TTA (EMPRESA NACIONAL DE TRANSPORTE E TRABALHO AEREO, S.A.): P.O. Box 2054, Maputo, Mozambique; Phone 258 (1) 465 292; Fax 258 (1) 465 484; Code TTA; Year Founded 1980. TTA is the result of a 1980 reorganization and renaming of the nation's local service carrier **Comaq, S.A.** Scheduled passenger and cargo feeder flights and charters are undertaken throughout the nation along with medical evacuation, aerial surveying, and agricultural services. Principal bases include Maputo, Beira, Quelimane, and Nampula, from which flights are undertaken to 23 domestic villages and airstrips.

The fleet by 1984 includes 4 Pilatus-Britten-Norman PBN-2 Islanders, 8 BN-2 Islanders, 1 British Aerospace BAe-125, 12 Piper PA-23 Aztecs, 6 Aero Commander 500s, and 5 Bell 206B JetRangers. Services are maintained for the next seven years largely without change.

In 1988, General Manager Jeronimo Albino Parruque's 400-employee carrier extends service to Zimbabwe and South Africa. In 1991, the fleet comprises 8 PBN Islanders, 1 Piper PA-23, and 2 Cessna 206s.

Operations continue apace during 1992–2000 and new General Manager Estevao Alberto Jr.'s aircraft mix includes 5 Islanders, 2 C-206s, 1 Cessna 402, and 3 PBN-2T Turbo-Islanders.

In November of the latter year, a Fokker 50 joins the fleet. In early December, the carrier wins government authority to begin operating regularly scheduled domestic flights over major trunk routes in competition with **LAM (Linhas Aereas de Mocambique, S.A.)**. It is anticipated that larger equipment will necessarily be ordered shortly.

TTAC (TRINIDAD AND TOBAGO AIRWAYS CORPORATION, LTD.). See **TTAS (TRINIDAD AND TOBAGO AIR SERVICES, LTD.)**

TTAS (TRINIDAD AND TOBAGO AIR SERVICES, LTD.): Trinidad and Tobago (1974–1981). TTAS is established by the government of Trinidad and Tobago at Port of Spain on June 12, 1974 to take over the Port of Spain to Tobago service suspended upon the failure of **Caribbean United Airlines, Ltd.** Employing a pair of Douglas DC-6Bs, TTAS undertakes air bridge flights to Tobago, as well as routes to Grenada, Martinique, and St. Lucia.

The Douglas transports are replaced in 1977–1979 by 6 British Aerospace BAe (HS) 748s. The company is taken over and merged into **British West Indies Airways, Ltd.** (2) in 1981.

TUBEL AIR, S.A.: Tunisia (1993–1994). Established during the summer of 1993 as a joint-venture Tunisian-Belgian all-cargo operation, Tubel acquires an Ilyushin Il-76MDK under charter from **Aeroflot Russian International Airlines (ARIA)**. Once the giant freighter arrives from Moscow, it inaugurates the company's services in October, flying back and forth between Monastir and Ostend every weekday.

Flights continue apace until July 1994 when the Ilyushin returns to Russia for an overhaul. Although arrangements are supposedly made to acquire a second Il-76 from ARIA, it never arrives and the carrier goes out of business before its first birthday.

TULA AIR ENTERPRISE (TULA AVIA PREDPRIATIE): Tula Aeroport, Tula, Central Regions Zone, 300038, Russia; Phone 7 (0872) 774 406; Code TULA; Year Founded 1993. Established at Tula Airport in 1993, this new domestic carrier elects Vladimir S. Aleshin as director general. A workforce of 436 is recruited (most of which is assigned to the airport) and revenue operations begin with an all-Antonov fleet of An-2s, An-24s, and An-26s.

Flights continue in 1994–1997, during which year the fleet includes 5 An-24s and 2 An-26s. Although it is understood that this carrier continues to operate in the period after the beginning of the August 1998 Russian currency crisis, no definite information has been located to that effect.

TULIP AIR, B.V.: The Netherlands (1988–1998). Tulip Air is set up at Rotterdam in 1988 to offer nonscheduled urgent-cargo flights and executive and small group passenger charters. Revenue flights commence with a mixed fleet that grows to include 7 Piper PA-31-350 Navajo Chieftains, 2 Cessna 172s, and 1 Beech Super King Air 200.

A joint venture document is signed with Basel-based **Farnair Air Transport, A.G. (FAT)** in 1995. Two Fokker F.27-500Fs are acquired via Farnair in 1996 and are employed to enhance the carrier's cargo services. Tulip's Fokkers operate on behalf of **United Parcel Service (UPS)**, **TNT Express Worldwide**, and **Federal Express**.

FAT, which is owned by Suisse Atlantique, is significantly expanded in 1997, becoming the core subsidiary of a new holding group, Farnair Europe Aviation Group. Tulip also becomes a subsidiary and at this point is split into two divisions. **Tulip Air Taxi, B.V.** continues to provide passenger charters, while **Tulip Air Charter, C.V.** operates freight operations. The Fokker fleet is transferred to the latter, while **Tulip Air Taxi, B.V.** receives 5 Piper PA-31-350 Navajo Chieftains.

TULIP AIR CHARTER, C.V.: The Netherlands (1997–2000). Basel-based **Farnair Air Transport, A.G. (FAT)**, which is owned by Suisse Atlantique, is significantly expanded in 1997, becoming the core subsidiary of a new holding group, Farnair Europe Aviation Group. **Tulip Air, B.V.**, which has been a FAT joint venture partner for a year, becomes a subsidiary and at this point is split into two divisions. **Tulip Air Taxi, B.V.** provides passenger charters, while **Tulip Air Charter, C.V.** flies freight operations. Both subsidiaries continue to be based at Rotterdam. Tulip Air Charter receives Tulip Air's two Fokker F.27-500Fs, while **Tulip Air Taxi, B.V.** receives five Piper PA-31-350 Navajo Chieftains. TAC's Fokkers continue to operate on behalf of **United Parcel Service (UPS)**, **TNT Express Worldwide**, and **Federal Express**.

Three Airbus Industrie A300B4-103Fs, purchased by FAT the previous year, are acquired in 1998, and are placed into service delivering packages around Europe on behalf of **DHL Worldwide Express**. In 1999, a third F.27-500F joins the fleet. TAC moves into new Rotterdam premises in April 2000. In May, **Tulip Air Taxi, B.V.** and its maintenance division are sold. Tulip Air Charter is renamed **Farnair Netherlands, B.V.** in August.

TULIP AIR TAXI, B.V.: Postbus 12110, Luchthaven, Rotterdam, 3004, The Netherlands; Phone 31 (1) 043 78100; Fax 31 (1) 043 72164; Code TLP; Year Founded 1997. Basel-based **Farnair Air Transport, A.G.**, which is owned by Suisse Atlantique, is significantly expanded in 1997, becoming the core subsidiary of a new holding group, Farnair Europe Aviation Group. **Tulip Air, B.V.**, which has been a FAT joint venture partner for a year, becomes a subsidiary and at this point is split into two divisions. Tulip Air Taxi, B.V. continues to provide passenger charters, while **Tulip Air Charter, C.V.** flies freight operations. Tulip Air's two Fokker F.27-500Fs are transferred to the latter, while Tulip Air Taxi, B.V. receives five Piper PA-31-350 Navajo Chieftains.

Unscheduled operations continue apace under the Farnair banner until May 2000, when Tulip Air Taxi and its maintenance division are sold.

TULIP CITY AIR SERVICE: 1581 South Washington Ave., Holland, Michigan 49423, United States; Phone (616) 392-7831; Fax (616) 392-1841; Year Founded 1967. Originally established as the FBO at Tulip City Airport in 1967, this concern also undertakes executive and small group passenger charters throughout the U.S. and Canada, many in connection with the city's famous tulip bulb festival.

In 2000, the company employs 9 pilots and flies 2 Cessna 401s and 1 each C-310, Beech King Air 100, and King Air 90.

TULPAR AVIATION: 2 Academician Pavlov Street, Kazan, Tatarstan, 420036, Russia; Phone 7 (8432) 35 64 34; Fax 7 (8432) 35 64 44; Code TUL; Year Founded 1991. TA is set up at Kazan in the fall of 1991 to provide domestic and international passenger and cargo charters. Vasily Vazhenin is general director and he begins revenue service in November.

Flights continue during the remainder of the decade. During these years, the workforce grows to 30 and the fleet comes to include 5 Yakovlev Yak-40s and 1 each Yak-42 and Antonov An-74. The carrier also enters into a marketing alliance with **Volga-Dnepr Airlines**.

TULSAIR BEECHCRAFT: 3027 N. Sheridan, Tulsa, Oklahoma 74115, United States; Phone (918) 835-7651; Fax (918) 832-0651; Year Founded 1945. Originally established at an FBO at Tulsa in 1945, this concern, over the next 50-plus years, also becomes a Beechcraft sales outlet and offers executive and small group passenger charters.

Tom Clark is president in 2000 and he employs 9 pilots to fly a mixed Beech and Learjet fleet to worldwide destinations. His operational fleet includes 1 each Learjet 55 Longhorn and Learjet 25, 2 Beech 58 Barons, 1 Super King Air 200, and 1 Beech 76 Duchess.

TUNDRA COPTERS: 3868 University Ave, South, Fairbanks International Airport, Fairbanks, Alaska 99709, United States; Phone 907 474-0429; Fax 907 474-8948; Year Founded 1961. Tundra is established at Fairbanks in 1961 to offer helicopter charters and support flights throughout the region. By 2000, the company employs 2 full-time and 10 part-time pilots to fly a fleet that comprises 2 each Bell 206L LongRangers and Hughes 500Ds, plus 4 Bell 206B JetRangers.

TUNINTER, S.A.: BP 1080, Bd 7 November 1987, Imm Naghreb, Tour B, Tunis-Carthage, 2035, Tunisia; Phone 216 (1) 701 717; Fax 216 (1) 712 193; Code UG; Year Founded 1991. Tuninter, S.A. is formed at Tunis on July 21, 1991 to take over the domestic services of the flag carrier **Tunis Air (Societe Tunisienne de l'Air, S.A.)**. Capitalized at 12 million dinars (\$11 million), shareholding is divided between Tunis Air, S.A. (40%), private interests (51%), and government-owned banks (9%).

Tunis Air (Societe Tunisienne de l'Air, S.A.) Chairman/Director General Abdelhamid Fehri is named chairman of Tuninter's 12-person board and Vice President-Commercial Raouf Essaied is seconded to become director general. In the fall, a \$42-million order is placed for two Avions de Transport Regional ATR72-202s (*Habib Bourguiba* and *Tahar Haddad*) and an ATR42-320 (*Alyssa*), the names and color schemes for which are personally chosen by the Tunisia President Zine Ben Ali.

The new regional launches revenue services in March 1992 linking the capital with the tourist destinations of Monastir, Djerba, Sfax, Tozeur, and Tabarka.

International flights are also undertaken to Malta, Sardinia, and the Sicilian city of Palermo. During the remaining 3 quarters of the year, a total of 248,000 passengers are transported.

Airline employment in 1993 stands at 100 as one ATR72-202 is withdrawn. During the summer, scheduled roundtrips are inaugurated to the Algerian cities of Annaba and Constantine. Although traffic figures are not provided, it is known that with their country suffering under a UN boycott, more Libyans are flying the airline after arriving at Djerba by surface transport. Services continue apace in 1994 and charter flights are introduced to Naples, Sardinia, and Palermo, Sicily. To accommodate this growth, the out-of-service ATR72-202 is reintroduced.

Operations continue apace in 1995-1996. During October of the latter year, a Douglas DC-9-32 is chartered from **JAT Yugoslav Airlines**.

In 1997, Querdain ab Derrazek is chairman/director general. During the busy summer season, a Boeing 737-2H3A is leased from **Tunis Air (Societe Tunisienne de l'Air, S.A.)**.

Enplanements for the year reach 431,376.

Service is maintained in 1998-1999. Customer bookings during the former year accelerate 5.4% to 456,000. In April of the latter year, the UN lifts its sanctions against Libya.

The removal of this embargo will lead to a collapse of the Libyan business previously enjoyed by Tuninter, with an overall decline of 20% in market activity recorded by end of the year.

The company unveils a new corporate image at the beginning of 2000. On January 7, it acquires a B-737-3Y0 under charter from

GECAS; it is delivered in a new blue and white color scheme. It joins the company's older B-737-2H6A.

Now faced with huge fiscal difficulty, the airline seeks financial backing from private sources. When outside funding cannot be found, the government steps in during August to assist the troubled airline by forgiving its debt, via capital reduction and a plan for recapitalization.

TUNIS AIR (SOCIETE TUNISIENNE DE L'AIR, S.A.): Blvd. du 7 November, Tunis-Carthage, 2035, Tunisia; Phone 216 (1) 700 100; Fax 216 (1) 700 102; http://www.tunisair.com.tn; Code TU; Year Founded 1948. The Tunisian government and **Air France**, in a joint ownership arrangement, form this carrier late in 1948. Shareholding is split between the government (35%), **Air France** (35%), French shareholders (16%), and Tunisian investors (14%). Longtime **Air France** employee Rene Lefebvre, known for his pioneering prewar activities in Africa and in long-distance flying, is appointed managing director.

The French flag carrier transfers over a start-up fleet of four Douglas DC-3s along with a number of short-haul routes. Flights are started from Tunis to a number of these markets during the inaugural year and the two following, including Ajaccio, Algiers, Bastia, Bone, Nice, Rome, and Marseilles, the latter a freight route. The company also begins booking Muslim Hadj charters to Mecca.

During the first quarter of 1951, new routes are opened to Casablanca, Tripoli, and Ghudamis. A Tunis to Sabhah via Tripoli service is started in May, but is rerouted via Sfax and Djerba in September. The Ghudamis route is withdrawn in 1952 while that to Casablanca is turned over to **Air France**.

The route from Tunis across the Mediterranean to Marseilles is extended north to Paris just before Christmas in 1953. A DC-4, leased from **Air France**, is placed on the Paris service in August 1954.

In 1955-1956, another DC-4 is chartered from **Air France** and two DC-3s are retired. In 1957, the ownership arrangement is revised with the government acquiring 51% control; **Air France** retains 15% interest and other private parties take 34% of the stock. Routes and frequencies are improved during 1958-1960 and preparations are made for the introduction of jet service.

The first jetliner, a Sud-Est SE-210 Caravelle III, is delivered on August 31, 1961 and is placed on the Paris route in the fall. Meanwhile, a Lockheed L-1049G Super Constellation is leased from **Air France** and is employed to start a route to Frankfurt in October. During the year, the company turns over a cabotage route from Tunis to Sabhah to **Libavia, S.A.**, along with a DC-3.

With ridership low, the company closes down its new Frankfurt route in March 1962 and returns the Super Constellation. A second Caravelle III is requested in mid-1963.

Capitalization is increased by \$350,000 in January 1964 and the second Caravelle arrives on March 20 and after workup, enters service during the summer. During July, and in cooperation with **Swissair, A.G.**, holiday flights begin to Switzerland.

The workforce stands at 417 in 1965 and the fleet includes 2 DC-4s, 2 DC-3s, and 2 Caravelle IIIs.

In April, in partnership with **Lufthansa, A.G.**, the company resumes service to Frankfurt, employing Caravelle IIIs on weekly roundtrips. In cooperation with **Air France**, weekly DC-4 cargo services are operated between Tunis and Paris. Enplanements total 138,443.

During 1966-1971, the two DC-4s and a DC-3 are retired as two additional Caravelles and a Nord 262 join the fleet. Routes are extended or frequencies increased to Paris, Marseilles, Rome, Algiers, Athens, Kharthoum, Damascus, Tripoli, and Casablanca.

A third Caravelle is purchased in 1966 and service is started to Brussels and Amsterdam. A route from Tunis to Zurich, via Geneva, begins in 1967. A fourth Caravelle arrives in 1968 as frequencies are launched to Casablanca and Lyon. A Nord 262 is acquired in 1969 and Tunisair begins flying to Nice, Milan, Munich, and Cairo. Also during these years, the two DC-4s and a DC-3 are retired.

Service from Tunis to Palermo begins in 1970 and in 1971 orders are placed for four Boeing 727s. The first B-727-2H3A is delivered at the beginning of 1972; christened *Carthage*, it enters revenue service on March 21 on new routes now opened to Luxembourg and Jeddah. Orderly retirement of the DC-3s continues and that of the Caravelles begins.

Tunis air inaugurates service to London (LHR) in April 1973. The second B-727-2H3A is received in mid-June; christened *Djerba*, it begins revenue flights on June 30. The third trijet, the *Monastir*, enters revenue service on December 19 and the Nord 262 is retired at the end of the year, along with the last DC-3. Enplanements during these 12 months total 129,000.

Orders are placed for three more Boeings early in 1974. The fourth B-727-2H3A of the original order arrives in early November; christened *Tozeur-Nefta*, it launches service on November 19. Cargo traffic grows this year while passenger boardings skyrocket 83% to 756,000, thanks largely to the introduction of the Boeing jetliners.

At the end of March 1975, new service is started from Tunis to Toulouse and to Damascus and Abu Dhabi. Also, new routes are launched from Djerba to Luxembourg and Brussels and from Monastir to London. In 1976, the B-727-2H3As *Kairouan* and *Sidi Bou Said* enter service on three new routes: Tunis-Vienna-Munich, Tunis-Dusseldorf, and Tunis-Kuwait via Cairo. The remaining Caravelles are now sold as additional Boeings are ordered.

Orders are placed in 1977 for two B-737-2H3As. The B-727-2H3A *Hannibal* enters service on March 13. New service from Monastir to Lyon and from Djerba to Frankfurt begins in early April. At the beginning of June, new flights commence from Monastir to Nice. The B-727-2H3As *Jugurtha*, and *Ibn Khaldoun* both enter service on the same day, June 18. Passenger boardings during these 12 months pass the million-mark for the first time (1,100,000), but a net loss of \$62,905 is suffered.

President Abdel Aziz Zennadi's workforce in 1978 is 3,144. Service is inaugurated in April from Tunis to Madrid and from Monastir to Toulouse and Bordeaux. New flights begin in December from Tozeur and Monastir to Paris.

Freight traffic surges 24.3% while passenger boardings jump 12.4% to 1,266,862. Operating income jumps 22.1% to \$116.7 million and allows net gain of \$6.8 million.

A B-727-2H3A, with 75 aboard en route from Tunis to Djerba Island on January 12, 1979, is commandeered by three hijackers armed with starter pistols, who demand the release of a former Tunisian foreign minister and a union leader, both of whom have been jailed. To show their good faith, the pirates release the passengers unharmed when the aircraft lands at Tripoli. Later, eight crew members are released, after two prominent Tunisian opposition political figures, detained in Tunis, are freed; the skyjackers give up the next day.

In April, domestic service is initiated between Tunis and Tozeur. During the year, the company begins to do all of its own B-727 overhaul work, as well as "D" checks on its B-727/737s. Two B-737-2H3As are delivered and are named *Salamambo* and *Bulla Regia*. They enter service on October 29 and November 17, respectively.

Cargo traffic is up 8.9% while bookings accelerate 18.4% to 1,500,515.

The workforce remains level in 1980 at 3,533. New service is inaugurated on April 1 from Tunis to Copenhagen and in November, from Sfax to Paris. Passenger traffic dips 1.9%, down to 1.47 million, but freight grows 6.9% to 12.21 million FTKs.

New service is started in April 1981 from Tunis to Dubai and Barcelona. The third B-737-2H3As *Zarzis* enters service on April 30 and new roundtrips begin from Tunis to Salzburg and Graz in May. The B-737-2H3A *Sousse* joins the fleet on July 3.

Enplanements this year rebound to 1,596,000, including 7,000 pilgrims flown on the Hadj to Mecca. Although charter flights thus increased, there is a \$5-million loss.

The workforce grows to 4,008 in 1982 and one B-727-2H3 is sent to **Sudan Airways, Ltd.** on long-term lease. An order is placed for an Airbus Industrie A300B4-203 during the first quarter and a purpose-

designed \$25-million technical facility is opened at Tunis-Carthage International Airport.

New routes are started from Tunis to Dakar in March and from Tunis to Athens and Amman and to Graz and Linz on June 1. The new A300B4 arrives on May 22; christened *Amilcar*, it enters service on June 6. Roundtrips from Sfax to Tripoli commence in November.

Cargo climbs 30.7% to 18.18 million FTKs and passenger boardings accelerate 7.8% to 1,721,000, of whom one half are tourists. Another \$5-million loss is suffered.

Two B-727-2H3As are sold in 1983. Service to Amman ends in April and is suspended to Athens in June. The new A300B4-203 arrives in the fall. Still, the year's bookings advance to 1,747,100.

In 1984, new lines are stretched from Djerba to Strasborg, Copenhagen, and Marseilles and from Monastir to London (LHR). Customer bookings slide to 1.247 million. New routes are started in 1985 from Monastir to Geneva, to Zurich via Geneva, and from Tunis to Istanbul via Athens, which is reopened for the purpose. Flights from Tunis to Tripoli end on September 26. Passenger traffic totals 1.246 million passengers flown.

In 1986, **Air France** shareholding is reduced to just 5.58%. The Palermo route is closed at the end of February. Fears of terrorism abound and as a result enplanements continue to fall, dropping to 958,346.

The 4,711-employee carrier enjoys a healthy 1987. Flights to Kuwait end in April, but new service is launched on July 3 from Monastir to Luxembourg and the Tripoli route is restarted. Passenger boardings jump 15% to 1,127,465. Income exceeds expenses and, without the requirement to pay income taxes, there are profits: \$45.2 million (operating) and \$54.4 million (net).

In February 1988, Mohamed Ali Souissi succeeds Mohamed Hedi Attia as chairman/CEO. Orders are now placed for eight A320s and four B-737-500s.

Flights to Casablanca and Dakar end in January, but new service is inaugurated in April from Monastir to Amsterdam and the routes to Amman and Kuwait are reopened on May 11.

Customer bookings decline 0.5% to 1,121,730 and cargo is off by 11.1% to 15.26 million FTKs. Revenues increase 17.5% to \$290 million and allow an operating profit of \$74.4 million and record net gain of \$81.6 million.

The 4,711-employee state airline enjoys another successful year in 1989. The fleet now includes 8 B-727-2H3As, 4 B-737-2H3As, and 1 A300B4-203. Orders are outstanding for three (later eight) A320-211s and two (later four) B-737-5H3s. A sudden surge in tourism requires the lease of two B-737-3B3s from **UTA French Airlines, S.A.**

Although service to Khartoum is suspended in April, new joint flights with **Air France** from Tunis to Lille and Mulhouse begin and the route from Tunis to Palermo is reopened. Flights to Amman and Dubai end in September.

Enplanements during these 12 months are up 9% to 1,139,775 and freight rises 11.2% to 15.42 million FTKs. The operating profit falls to \$71 million.

Company employment grows by 5.4% in 1990 to 4,471. In February, the airline contracts with a group of French, German, British, and Tunisian banks for a \$102-million export credit for the purchase of the three, later five, Airbus aircraft. The British institutions provide 20% of the necessary capital, the Germans give 31%, and the French-Tunisian group, led by the latter's Credit Commercial, comes forward with 49% interest.

With the opening of the summer schedule at the end of March, new lines are stretched from Tunis to Hamburg and Munich, from Monastir to Rome, and from Djerba to Brussels.

The first two A320-211s, named *Farhat Hached* and *7 Novembre*, join the fleet in October, triggering a change in fleet livery (highlighted by a stately gazelle tail motif). One of the first aircraft painted in the new color scheme is a B-727-2H3A. The new Airbus aircraft begin service to France on October 22 and November 9, respectively.

Passenger boardings move along, by 8.2%, to 1,437,961 while freight gains by 9.1% to 14.53 million FTKs.

The payroll is increased a slight 0.6% in **1991** and the fleet now includes 1 A300B4, 7 B-727-2H3As, 1 B-727-2H3, 3 B-737-2H3As, and 1 B-737-2H3C. Orders are outstanding for A320-211s and B-737-5H3s.

Marhaba class service is introduced in January and new service from Tunis to Berlin commences in April. The third A320-211, *Khereddinez*, enters service on July 6. Customer bookings total 1,415,335 this year, but cargo climbs slightly to 15.56 million FTKs. Income exceeds expenses and there are profits: \$25.92 million (operating) and \$20.34 million (net).

The employee population climbs a full 13% in **1992** to 5,787 and another B-727-2H3A is retired on February 12. The first B-737-5H3, named *Sfax*, enters service on April 14; the next day, following declaration of the UN embargo, revenue flights to Tripoli cease.

Also in April, domestic routes are transferred to newly formed **Tuninter, S.A.** The Tunis to Palermo route is restructured into a joint service with Tuninter. Abdelhamid Fehri becomes chairman/CEO in August, and invites all of his 15 predecessors to dinner. At the end of October, routes are extended from Djerba to Vienna and Luxembourg.

The fourth A320-211, *Tabarka*, enters service on December 4. Topped by the airline's flying gazelle logo, a new office building is completed and occupied at Tunis Airport late in the year.

Passenger boardings accelerate 28.1% to 2,384,407 while freight rises 38.2% to 318.67 million FTKs. Revenues increase 34.8% to \$406.46 million while expenses ascend 34.3% to \$331.07 million. As a result, there is an operating surplus of \$75.39 million and net gain of \$68.95 million, making Tunis Air the nation's number one company.

Just as the workforce grows in 1992, so does it decline, by 22.2%, in **1993**, to 4,500. Capitalization stands at 91-million dinars (\$18 million), divided between the government (85%), government agencies (9.5%), and **Air France** (6.5%).

As the result of the UN's boycott of neighboring Libya, citizens of that country seeking international air transport must take surface transport to the Tunisian city of Djerba and board a Tunis Air aircraft.

At the end of March, routes are opened from Tunis to Lisbon, to Budapest, to Prague, and to Nouakchott in Mauritania, as well as from Tozeur to Lyon. Another B-737-5H3s, the *Hammamet*, enters service on May 24 and is joined by the fifth A320-211, the *Jerba*.

In association with the German tour operator Neckermann, construction of a joint \$22-million hotel venture is started on the vacation island of Djerba. The resort will be served on a charter basis by **LTU International Airlines (Lufttransport Unternelhman, GmbH)**.

Traffic figures are revealed through November and show passenger boardings up 5.3% to 2,291,059. Cargo declines a slight 0.4% to 16.38 million FTKs.

The employee population increases by a third (33.3%) in **1994** to 6,000. In need of additional capacity, the carrier leases a B-737-291A, B-737-2X6AC, and Lockheed L-1011-100 TriStar I from **Air Atlanta Icelandic, H.F.** The B-737-5H3, the *Mahinda*, is received, and enters service on March 13.

At the end of March, new routes are opened from Monastir to Casablanca, to Istanbul, and to Vienna and from Tunis to Warsaw. Two more A320-211s, the *Abou el Kacem* and *Chebby* enter service between April 1 and April 7.

Traffic figures, reported through July, show an increase of 10.6%, to 1,481,697 passengers flown. Cargo jumps 6.7% to 10.85 million FTKs. Meanwhile, private institutions have by now acquired a collective 60% shareholding in **Tuninter, S.A.**

Revenues for the full year are \$485.76 million, while expenses are but \$380.28 million. As a result, the operating income is \$105.47 million and net gain totals \$18.85 million.

The staff in **1995** remains at 6,000. In January, \$3 million is spent to introduce Espace Privilege business-class service on board four A320-211s; systemwide, a frequent flyer program, Fidelys, is simultaneously unveiled. The fourth B-737-5H3 enters service on March 13th, followed by the A320-211 *Ali Belhaouane* on March 26.

This year, traffic figures are reported through October, but still they are down. Enplanements fall by 1.4% to 1,118,675 and freight is off 9.6% to 10.16 million FTKs.

The workforce grows to 7,134 in **1996** and the fleet now includes 8 Airbus A320-211s, 6 B-727-2H3As, 4 B-737-5H3s, 3 B-737-2H3As, and 1 each B-737-2H3CA, B-727-2H3, and A300B4-203. Service to Amman is restored in January.

Joint insurance purchasing begins with **Air Algerie, S.A.** and in September, the Nouvel Inventaire computerized reservations system (CRS) is turned on.

Enplanements for the whole year reach 1,519,614 and there are profits: \$9 million (operating) and \$26 million (net).

Airline employment inches up 0.5% in **1997** to 7,168 as former Tourism Minister Ahmed Smaoui becomes chairman.

In January, a joint weekly all-cargo service is inaugurated with **Alitalia, S.p.A.** over a route from Tunis to Rome. At the end of March, new service is inaugurated from Tabarka to Brussels, Milan, Paris (CDG), from Tozeur to Milan, and from Tunis to Bratislava and Moscow.

The company's catering division prepares a record 16,000 meals on August 28. A special pro rata agreement takes effect with **Air France** in October. Under its terms, the two begin dual-designator flights to French provincial cities, with code-sharing to Paris put off until 1998. Cooperation is also undertaken with the French giant in the areas of frequent flyer program linkage, purchasing, information systems, cargo, and maintenance.

A \$600-million order is placed with Airbus Industrie in September for four A320-211s and three A319-114s; the first of the latter will be delivered next summer. On October 31, a firm \$300-million order is placed with Boeing for four Next Generation B-737-6H3s; options are taken on three others, with deliveries scheduled to start in the spring of 1999. Retirement of the last B-727-2H3As progresses.

Passenger boardings accelerate 18.1% to 3,227,899 while cargo climbs 10.4% to 22.6 million FTKs. Operating revenue swells 10.9% to \$520.6 million while expenses are up an equal 10.9%, to \$509.5 million. The operating profit improves to \$11.09 million and a net gain of \$26.9 million is reported.

When the spring schedule begins in late March **1998**, new services are inaugurated from Tunis to Beirut and Stockholm. To provide capacity for the new endeavors, a Douglas DC-10-30 is leased from **Skyjet, S.A.**

Although it has long enjoyed various official and semiofficial relationships with **Air France**, the Tunis-based state airline now concludes its first-ever code-sharing pact with the French flag carrier.

A government announcement in May promises that plans are being prepared to float initial or additional shareholding in 19 state-owned concerns, including the airline, and to sell off upwards of 50 other companies by the end of 1999.

Still in need of additional capacity, the carrier leases a DC-10-30 from **Malaysia Airlines, Ltd. (MAS)** on August 9.

The first A319-114 is received in late August and enters service on company domestic routes as well as on services to Europe and the Mideast. Tunisair is the first A319 operator in either Africa or the Middle East and takes delivery of its second unit at the end of September.

A French-language homepage is opened on the World Wide Web in early October. In November, an A320-211 is delivered wearing an enhanced and more-colorful version of its leaping gazelle tail logo.

Customer bookings through October climb 2.3% to 2.6 million, but freight traffic is down by 14.1% to 14.6 million FTKs.

The company workforce at the beginning of **1999** stands at 7,250, a slight 0.1% over the previous year. At the end of March, a wet-leased **Air Atlanta Icelandic, H.F.** B-747-128 enters service for the summer, flying tourists back and forth between Tunisia and Europe.

President/Director General Abdel Malek Larif travels to Seattle on May 29 to accept delivery of the carrier's first two Next Generation B-737-6H3s. The first, christened *Tozeur-Nefta*, returns to Tunis the next day and enters service on routes to Europe, Africa, and the Mideast.

The current three-city code-sharing agreement with **Air France** is expanded on August 16 to include all French and Tunisian cities. Four days later, the company accepts a new, unpainted BBJ (B-737-7H3) for use as an executive aircraft.

Enplanements for the year total 1.92 million and 7.37 million FTKs are operated. Airline employment at the beginning of 2000 stands at 7,259, a 0.1% increase over the previous 12 months. The Boeing fleet continues to include 4 B-727-2H3As, 4 B-737-5H3s, and 3 Next Generation B-737-6H3s.

On February 28, an A300B4-620 is leased from **Saudi Arabian Airlines**; it will be employed until TunisAir receives its A320-211 on March 30. The last three units of a six-ship B-737-6H3 order are delivered on April 21, May 8, and May 25, respectively.

The new Airbus is the last of 11 received since 1990. Service to Tripoli, Libya, is resumed on June 9.

The June 14 issue of the *A-Sahafa* newspaper reveals that between April 12, 1999 and January 14 of this year, Tunisair has transported 26,000 passengers on its return route from Tunis to Jeddah. An increased load was particularly noticeable during the period of Ramadan.

A code-sharing agreement is inked with **Royal Air Maroc** on August 7. Under its terms, RAM flies TunisAir passengers from Casablanca to New York (JFK) and points in Europe, while TunisAir is permitted to transport RAM customers throughout the Mideast and Eastern Europe. The two companies also link their frequent flyer programs. In addition, they will jointly fly the routes between Tunis and Casablanca, beginning in March.

A preliminary agreement is signed with **Delta Air Lines** on August 22 under which the two carriers will examine possibilities for increased cooperation, including the possibility of first-time flights by Delta to Tunisia, either as charters or later as scheduled service.

TUNISAVIA (SOCIETE DE TRANSPORTS, SERVICES ET TRAVAUX AERIENS, S.A.): Immeuble Saadi Spric, Tourd CD 2080, L'Ariana, Tunisia; Phone 216 (1) 717 600; Fax 216 (1) 718 100; Code TT; Year Founded 1974. Organized as a subsidiary of **Tunis Air, S.A.** on April 27, 1974, this charter carrier inaugurates revenue flights throughout Tunisia, particularly in support of the oil industry, on July 10.

A scheduled passenger service is started in July 1976 in association with **Air Malta, Ltd.**, linking Carthage Airport at Tunis with Malta. The fleet for the remainder of the decade comprises a single de Havilland Canada DHC-6-200 Twin Otter, a Beech B80 Queen Air, and an Aerospatiale AS-315B Lama helicopter.

During 1980, a Hawker Siddeley HS-748 is leased from **Air Senegal, S.A.** and is employed on the Tunis to Malta route. Frequencies are initiated from Sfax in 1981 to Tripoli and on to Marseilles.

Also during the early 1980s, services are maintained by President Slahheddine Ferchou's 100-employee carrier. Shareholding is now acquired by Tunisian National Bank, CTAMA Insurance Company, and France's **Heli-Union, S.A.**

Destinations visited for tourists, oil personnel, and other charters include Djerba, Gabes, Sfax, Tozeur, Tunis, Annaba, Algeria, and Valletta, Malta. The fleet grows by the addition of another Twin Otter, a Vickers Viscount 700, a Dassault Falcon 20, a Beech King Air 200, a Sikorsky S-76, and an Aerospatiale AS-330 Puma. Operations, destinations, and fleet change little during the remainder of the decade.

In 1990, President Larbi Hamoude's carrier has 122 employees and a fleet made up of 2 Twin Otters, 1 King Air 200, and 2 Aerospatiale AS-365N Dauphin helicopters. Destinations visited include Tunis, Sfax, El Borma, Monsatir, and Djerba.

Enplanements total 8,629 and revenues are \$5.21 million. Expenses are \$5.05 million and the profit is \$157,772.

Passenger boardings decline to 1,682 in 1991 and revenues fall to \$4.73 million. Still, a \$189,300 profit is generated. That figure climbs to \$348,000 in 1992 on revenues of \$6.2 million.

Airline employment stands at 100 in 1993-1999 as services continue without fanfare.

TUOLUMNE AIR SERVICE. See YOSEMITE AIRLINES

TUPOLEV-AEROTRANS AIR: 2221188 Tupolev Street, Zhukovski, Moscow, 140160, Russia; Phone 7 (95) 556-5236; Fax 7 (95) 556-5235; Code TUP; Year Founded 1994. TAA is set up at Moscow in the spring of 1994 to provide both scheduled and charter passenger and cargo services to domestic and international markets. Victor Kovalenko is director general and he begins revenue flights in June with a fleet that includes 2 Ilyushin Il-76Ms, 1 each Tu-154B, Tu-154M, and Tu-134A.

Operations continue in 1995-2000. During these years, the fleet is altered to include 2 Tu-134As and 1 each Tu-134B, Tu-154B, Tu-154M, Tu-204-100, and Ilyushin Il-76M.

TUR AVROPA (TUR EUROPEAN AIRWAYS, A.O.): Turkey (1988-1994). Tur Avropa is established at Istanbul in early 1988 to offer nonscheduled passenger and cargo charters and inclusive-tour flights to various European destinations. The enterprise is a joint venture between the Turkish trading group Kavala, one of the nation's largest businesses, and the Belgian carrier **Trans European Airways, S.A.** Omar F. Turkhan is appointed president, with Aydin Ertuzun as general manager. Employing a single chartered Boeing 727-76 first flown by **Trans Australia Airlines (Pty.), Ltd.**, Tur Avropa begins revenue services at the beginning of the European summer schedule on April 1. Flights are largely operated to Germany, with tourists and expatriate Turkish workers filling most of the Boeing's seats.

In 1989-1990, the fleet is enhanced by the addition of two B-727-230s purchased from **Deutsche Lufthansa, A.G.** Holiday passenger charters and worker flights continue to operate from the U.K., Belgium, France, Germany, and the Netherlands to Antalya, Ankara, Izmir, and other Turkish destinations. Scheduled services are also begun between the named Turkish cities.

The Iraqi invasion of Kuwait in August of the latter year and the Gulf War that follows in early 1991 cause a dramatic reduction in the number of tourists willing to fly down to Turkey from Northwest Europe and the U.K. That situation is not improved by Turkey's conflict with its minority Kurd population, which draws significant international media attention. The B-727-76 is replaced with a leased McDonnell Douglas MD-83.

Unable to acquire more MD-83s, Tur Avropa charts three German B-727-230s in early 1992. Unhappily, the charter market remains depressed and many planned tour flights must be cancelled.

Airline employment in 1993 stands at 270. The tourist downturn continues and the carrier's financial picture darkens. In an effort to cut costs, scheduled domestic service is terminated and the two owned B-727-230s are sold. The carrier now places all of its hope on a revival of its charter activities.

The tourist industry does not revive in time to save the carrier. Unable to maintain its fiscal viability, Tur Avropa suddenly ceases operations in early 1994 and is liquidated.

TURAN AIR: Azerbaijan (1994-2000). Turan Air is one of several small private airlines established in Azerbaijan following the demise of **Aeroflot Soviet Airlines**. Employing a mix of the usual Russian-made Antonov types, revenue flights are undertaken in 1994 linking the company's Baku base with Moscow and Guianja. Almost nothing is heard of this carrier in the West until the beginning of the new millennium.

In an effort to "clean up" its private sector in order to facilitate the nation's entry into the European Civil Aviation Conference, the state aviation holding entity, Azarbaijan Hava Yollary, through a process of strict airline operating rules enforcement, begins to weed out those smaller carriers that it believes unsafe.

Inspection reveals that Turan Air has ignored air operator regulations in many instances. For its entire lifespan, Turan has hired contract pilots from **Azerbaijan Airlines** and has had no flight crews of its own. In addition, it has no ground staff to schedule flights or to undertake maintenance. Such of these activities as it performs are also done on a contract

basis. Most seriously, the airline has taken it upon itself to extend airworthiness certificates and life limits on its aircraft, most of which are quite old.

In light of these deficiencies, the government, on October 29, 2000, suspends Turan's route authority. Without routes, the company will be forced to shut its doors.

TURDUS AIRWAYS, B.V. See **TRANS TRAVEL AIRLINES, B.V.**

TURK HAVA KURUMU, A.O. (THK). See **THK (TURK HAVA KURUMU, A.O.)**

TURK HAVA TASIMACILIGI, A.O. (THT). See **THT (TURKISH AIR TRANSPORT, A.O.)**

TURK HAVA YOLLARI, A.O. (THY). See **THY TURKISH AIRLINES, A.O.**

TURKISH AIRLINES. See **THY TURKISH AIRLINES, A.O.**

TURKISH EUROPEAN AIRLINES, A.S. See **TUR AVROPA (TUR EUROPEAN AIRLINES, A.S.)**

TURKMENISTAN AIRLINES (TURKEMEN HAVA YOLLARI): Ashkhabad Airport, Ashkhabad, 744008, Turkmenistan; Phone 7 (363) 225-1087; Fax 7 (363) 229-0724; <http://www.rz.uni-frankfurt.de/~puersuen/twaakh.htm>; Code T5; Year Founded 1992. Based at Ashkhabad's airport in the eastern part of central Asia, the former **Aeroflot Soviet Airlines** Turkmenavia directorate becomes, in early 1992, the flag carrier of the newly independent CIS state of Turkmenistan. The company also acts as the country's Civil Aviation Department and assumes the old Aeroflot responsibility for general aviation, airports, and air traffic control.

While going around after a missed landing at Chardzhev on May 13, a Yak-40 with 4 crew and 36 passengers strikes a radio mast with its right wing, impacts the ground, and catches fire; although the plane is damaged beyond repair, there are no fatalities.

One of the few former Russian airline divisions not to start over with entirely Soviet-made flight equipment, Turkmenistan takes delivery of a single Boeing 737-341 in November and places it into scheduled operations in December.

Operations continue apace in 1993 with the short-haul Boeing also serving as the "Air Force One" of the government and employed, on occasion, to transport VIPs to conferences and so forth. A British Aerospace BAe 125-1000B is also employed for executive transport.

An order is placed for a Boeing 757-23A, which is delivered on December 1.

The Boeing arrives in its new homeland in January 1994. It replaces the B-737-341 on executive services, with the smaller aircraft joining the commercial fleet. Connecticut-based Ronnell Aviation arranges for Turkmenistan to acquire a pair of chartered B-737-332s purchased new by **Delta Air Lines**, but never operated. At the same time, the Atlanta major signs a number of joint venture contracts with the CIS airline in the areas of technical operations, planning, scheduling, and marketing.

Constructed by the Turkish concern Alarko, the new \$85-million Saparmurat Turkmenbasi Airport is opened at Ashkhabad on October 27. Some work remains to be completed on the new nation's largest building project.

In 1995, the company is reformed and incorporates three formerly independent carriers as its operating divisions: **Akhal Air Company**, based at the capital of Ashkhabad, **Khazar Air** at Krasnovodsk, and **Lebap Air Company** at Chardzou.

By early March, much of the new \$85-million airport at Ashkhabad is completed. It is anticipated that new flight control equipment will soon be installed and a second runway constructed.

Aleksi Bondarev is director general and he places an order for three more Boeing jetliners. Meanwhile, flights to previously served destinations are maintained with the old Soviet-era fleet of 7 Antonov An-24Bs, 4 An-24RVs, 7 Ilyushin Il-76TDs, 3 Tupolev Tu-154B-1s, 9 Tu-154B-2s, and 4 Yakovlev Yak-42s. Also flown is the B-757-23A, B-737-341, and 2 newly received B-737-332s.

In January 1996, Turkmenistan becomes the last central Asian airline to complete arrangements to place its schedule into a computerized reservations system. A contract is signed with AMADEUS toward this end. On April 1, one additional weekly frequency is added to Abu Dhabi and Karachi. Two B-757-22Ks are now delivered, one each on August 29 and 30 and enters service in the fall of the year.

An order for the 18-month lease of a Boeing 757-236 is filled in June 1997. On October 25, the Turkish construction firm Alarko completes work on a second, 3,800-mile runway at Ashkhabad's new airport. Other upgrades now added include a Turkmenistan Airlines headquarters building, an ATC center, and a fire-guard building.

In March 1998, orders are placed for additional Boeing jetliners under a new 25-year contract signed with the Seattle-based aircraft manufacturer. The long-term arrangement is fiscally guaranteed by the U.S. Export-Import Bank. Seven new international routes and three new flights into Russia are planned.

A code-sharing agreement is signed with **Air Moldova International, S.A.** at the beginning of 1999. In March, the two companies offer twice-weekly dual-designator Boeing 737-341 roundtrips between Ashkhabad and Chisinau. With the beginning of the summer schedule on March 29, weekly B-757-22K roundtrips are inaugurated between Ashkhabad and Bangkok.

Direct access into the AMADEUS reservations system is turned on in June. Scheduled B-757-22K return service to Frankfurt begins on July 31, followed by routes to Birmingham and London (STN).

Scheduled destinations visited at the beginning of 2000 include Abu Dhabi, Almaty, Ashkhabad, Bangkok, Birmingham, Delhi, Frankfurt, Istanbul, Karachi, Kiev, London (STN), Mary, Moscow, Nebitdag, Tashauz, Tashkent, Turkmenabad (Chardzhou), and Turkmenbashi (formerly Krasnovodsk).

A follow-on order is placed with Boeing on January 12 for a third B-757-22K that will be delivered next January.

On July 14, Turkmen President Saparmurat Niyazov announces at a cabinet ministers meeting at Ashkhabad that the state airline is planning to purchase three more Boeing jetliners that will be employed on domestic routes. This statement is confirmed by Boeing on July 28 when it promises to provide the first B-717-200 within a year.

Daily B-757-22K roundtrips from Ashkhabad to Birmingham, England, begin in November. On November 10, President Niyazov announces at a senior managers meeting that all Russian aircraft will be replaced with Boeings and would not now accept Tupolev Tu-334s even if they were ready, which they are not.

TURKS AND CAICOS AIRWAYS, LTD.: P.O. Box 114, Providenciales, Turks and Caicos Islands; Phone (809) 946-4255; Fax (809) 946-5388; Code QW; Year Founded 1983. When **Turks and Caicos National Airline, Ltd.** is privatized in December 1983, it is renamed **Turks and Caicos Airways, Ltd.** and certified by the government as the national airline. During the next decade, service is maintained over all previous domestic and regional routes and is extended to Nassau and Jamaica.

The fleet of General Manager Gary J. Palin's carrier is revised to comprise 2 Piper PA-23 Aztecs, 2 Pilatus-Britten-Norman BN-2 Islanders, 3 Cessna 402Cs, 1 Embraer EMB-110P Bandeirante, and 1 Beech 1900C. An order is placed for a Boeing 727-200.

In the spring of 1992, the company is reformed and merged with Charles Air Service, Ltd. and Charles Airline Handling. A. V. Butterfield Sr. is named chairman, with C. D. Moser as director general. The company resumes flights under new management on August 29.

A de Havilland DHC-6-300 joins the fleet in 1994; however, the jetliner order is delayed. Another Twin Otter is chartered in 1995-1996,

but removed in **1997**. Destinations visited outside the islands include the Bahamas, Cuba, the Dominican Republic, Haiti, Jamaica, Miami, and Puerto Rico.

Flights continue without fanfare during the remainder of the decade.

TURKS AND CAICOS NATIONAL AIRLINE, LTD.: Turks & Caicos Islands (1979–1983). Turks and Caicos National Airline, Ltd. is the new name given, in **1979**, to **Air Turks and Caicos, Ltd.** The government assumes 85% of the company shares. Previous routes are maintained and a new service is now offered to Puerto Plata in the Dominican Republic. The fleet is increased to comprise 2 Britten-Norman BN-2A Trislanders, 4 Britten-Norman BN-2 Islanders, 1 Douglas DC-3, and 1 Piper PA-23 Aztec.

No profits are made and by **1981** the operating loss is \$85,000. Passenger traffic steadily increases; enplanements in **1982** total 39,294, a 15.8% boost over the previous year. The workforce is now 45. Revenues total \$1,000,756 and expenses are \$1,072,756. The operating loss is \$72,000.

In December **1983**, the carrier is privatized and adopts the name **Turks and Caicos Airways, Ltd.**

TURNER AIRE: United States (1985). This tiny commuter is set up at Silver City, New Mexico, early in **1985** to provide scheduled passenger and cargo flights to Carlsbad via El Paso. Cessna lightplane flights are duly inaugurated, but cannot be maintained beyond the summer.

TURNER AIRLINES: United States (1947–1950). With the brothers Paul and John Weesner as partners, the legendary 1930s air racer Col. Roscoe Turner, whose title, given his nonmilitary service, is honorary, establishes Roscoe Turner Aeronautical Corporation at Indianapolis in 1940. Ground is broken for a large complex that will include shops, hangar, flight school, and dormitories. A terminal and control tower are also constructed. What is started is not an airline per se, but a basic air training facility for the U.S. Army Air Corps. From this point through World War II, RTAC will educate 3,500 students for the U.S. military.

Col. Turner has ideas about forming an airline, even as the CAB is debating the concept of the “feeder airline.” In 1944, Turner, employing single-engine Stinson SR Reliants, undertakes what he calls “scheduled charters,” multistop flights from Detroit to Memphis. The new service is protested by **Chicago & Southern Air Lines** and the CAB orders it shut down.

RTAC is incorporated as an unscheduled air carrier on September 3, **1947**, with Col. Turner as president. The CAB, during the third quarter of **1948**, grants RTAC certification to operate as a local service provider from Indianapolis to nine communities in Indiana and Ohio. Charter flights commence with a fleet of 2 Beech 18s and 3 V-tailed Beech Bonanzas.

Having expended over \$2 million on start-up costs, Col. Turner sells controlling interest to the Weesner brothers, while agreeing to remain as minority owner and unofficial director of public relations. His activities with this carrier will be reviewed by Carroll V. Glines in his *Roscoe Turner: Aviation's Master Showman* (Washington, D.C.: Smithsonian Institution Press, 1995).

On May 31, **1949**, the firm's name is changed to **Turner Airlines**. The Beech single- and twin-engine aircraft operations continue as a search is made for larger aircraft.

Two Douglas DC-3s are purchased from **Northwest Airlines** in October and one of these, on November 12, inaugurates scheduled passenger services from Indianapolis to Grand Rapids, Michigan, via Kokomo, South Bend, and Kalamazoo.

A total of 559 passengers are transported by December 31.

Airline employment stands at 25 in **1950**. In January, DC-3 service is started from Chicago (MDW) to Cincinnati via Lafayette, Indianapolis, and Connersville. This roundtrip route and the previous one are operated twice daily.

During the fall, the Indiana communities of Bloomington and Richmond are added to the route network and a third DC-3, also purchased from **Northwest Airlines**, is placed into service.

On November 12, the DC-3 operator is renamed once again, this time becoming **Lake Central Airlines**.

Enplanements for the year total 12,757.

TURNER AVIATION SERVICE. See **REALWEST AIRLINES**

TURTLE AIRWAYS, LTD.: Private Mail Bag, Nadi Airport, Fiji; Phone 679 722 988; Fax 679 720 346; <http://www.turtleairways.com>; Code KT; Year Founded 1979. Having purchased the island of Nanuya Levu in the Fiji Islands in 1972, Californian Richard Evanson is approached by Columbia Pictures in February **1979**. The studio is seeking a good locale in which to remake the 1949 Jean Simmons motion picture *Blue Lagoon*, this time starring Brooke Shields. Evanson agrees to the use of his island and purchases a float-equipped Cessna 206 to fly filmmakers and their equipment back and forth from Nadi to the beach of his island.

Employing proceeds provided by the studios and others, Evanson now creates Turtle Island resort. The center comprises a number of simple but luxurious thatched tropical villas known as bures. Evanson also begins a campaign to promote an environmentally sound tourism industry that will do no harm to his island paradise, bringing in visitors aboard the Cessna in an operation he calls Turtle Island Airways, Ltd.

The company undertakes one-plane, nonscheduled flights all over Fiji in **1980–1981**, notably to Blue Lagoon Lodge, Pacific Harbor, and Suva. Scheduled flights are also operated linking Nadi with Castaway Island, Mana Island, and namesake Turtle Island. The most exciting event of these years is the transport of 34 injured people from Kadavu following a 1981 hurricane.

In **1982**, founder/owner Evanson sells a 75% stake in his airline to South Sea Island Cruises, Ltd., in exchange for a 25% equity stake in the cruise operation. John Pettitt becomes chairman/managing director of the renamed Turtle Airways, Ltd.

Operations continue with little change in **1983–1987**, although the fleet is increased by the addition of two more float-equipped Cessna 206s. Minority owner Evanson looks after guests and to his philanthropic desire to care for the needs of local islanders by providing medical services for them to local clinics and by bringing in medical teams for their treatment. Flights are also operated to other nearby islands where resorts and vacation areas are opening up.

In **1988–1989**, Chairman/Managing Director Pettitt acquires another amphibious Cessna 206. Also during the latter year, Turtle Island guest Dr. Jerrold Beeve, a California ophthalmologist and his wife, Dorothy, a nurse, convince Evanson to establish an annual eye clinic to treat the many islanders with eye problems caused by intense exposure to the tropical sun.

A fifth float-equipped Cessna 206 is purchased in **1990**. In February, Dr. and Mrs. Beeve return to the island with a team of specialists and establish the Beeve Foundation Clinic, which will operate annually thereafter in February under the sponsorship of Doctors without Borders and the World Health Organization, providing eye care for Fiji islanders. The resort is closed down for the entire month to handle the service, which eventually wins visibility on U.S. television. Dental, pediatric, and other health care clinics are offered throughout the year. Enplanements for this year total 16,132.

The number of boardings increases to 18,000 in **1991**; bookings advance 1,000 to 19,000 in **1992**.

Flights continue without headline or incident in **1993–1997**. Toward the close of these years, a surplus de Havilland Canada DHC-2 Beaver is located in British Columbia; it is flown to Vancouver, Washington, where it is disassembled and taken by boat to Fiji. There it is reassembled and placed into service.

Fullers, Ltd. purchases South Sea Cruises, Ltd. in **1998**, at which point, airline founder Richard Evanson buys back his 75% stake, originally sold to the cruise operator in 1982. Having become a leader in the regional environmental organization, as exemplified in the operation of its local resort, Turtle Airways receives two “Grand Green Leaf” awards from the Pacific Asia Travel Association.

During 1999, the motion picture industry returns to Turtle Island, filming the Tom Hanks movie *Castaway* on nearby Monuriki Island. By year's end, the company, under the direction of Evanson and Chief Pilot Paul Hodges, who had joined the company in 1993, is operating 25 daily flights to the resorts on Yasawa and Mamanuca Islands.

Airline employment at the beginning of 2000 stands at 18.

TUVINSK AIRLINES (TUVINSKIE AVIATSIONNIE LINII AOOT): Kyzyl Aeroport, Krasnoyarsk Region, 667008, Russia; Phone 7 (39422) 30 025; Fax 7 (39422) 30 025; Year Founded 1995. Tuvinsk Airlines is set up at Kyzyl Airport in 1995 to offer domestic passenger charters and rotary-wing aerial contract work. Aleksander Marsekha is CEO and he begins services with 10 each Yakovlev Yak-40s and Let L-410 UVPs, 12 Antonov An-2 biplanes, and 5 Mil Mi-8 helicopters.

TUXHORN AIRLINES: United States (1931–1932). Tuxhorn is founded at Kansas City in the spring of 1931 to offer scheduled, multi-stop passenger service across Missouri to Springfield. Flights commence on March 23, but without a mail contract, the carrier is unable to generate sufficient income to remain in operation beyond January 1932.

TWA. See **TRANSCONTINENTAL AND WESTERN AIR, INC.; TRANS WORLD AIRLINES, INC.**

TWENTE AIRLINES, B.V.: The Netherlands (1990–1995). Twente Airlines is established by Robert J. Soetens at Enschede Twente under the sponsorship of Twente City Council and Twente Airport in June 1990 to offer scheduled commuter services. The Province of Overijssel, in the eastern part of the country, and the Twente en Salland Chamber of Commerce provide capitalization.

Managing Director Soetens appoints Bernard Jacobs as general manager, while recruiting six other employees. The company's revenue services are begun in August with a pair of Beech Super King Air 200s; scheduled services to Amsterdam's Schiphol Airport are inaugurated in September with a leased Embraer EMB-110P1 Bandeirante. These flights are subsidized by **KLM (Royal Dutch Airlines, N.V.)**.

The general recession in commercial air activities is such that insufficient traffic can be generated from local concerns to cover start-up expenses and thus, in March 1992, the little operator is acquired by Eindhoven-based **BASE Business Airlines, B.V.**

Allowed to continue operations under its previous identity, Twente, in 1993–1994, concentrates on express and freight services with four Cessna 406 Caravan IIs. Two Caravans are withdrawn in 1995 and the company is shut down by year's end.

TWENTIETH CENTURY AIRLINES. See **NORTH AMERICAN AIRLINES (1) (NAA)**

TWEXPRESS. See **AIR MIDWEST; ALPHA AIR; CHAUTAUQUA AIRLINES; CHICAGO EXPRESS AIRLINES; CORPORATE AIRLINES; GULFSTREAM INTERNATIONAL AIRLINES; METRO AIRLINES NORTHEAST; POCONO AIRLINES; RESORT AIR; RESORT COMMUTER; TRANS-STATES AIRLINES; TRANS WORLD EXPRESS; VIRGIN ISLANDS SEAPLANE SHUTTLE**

TWIN AIR: The Jet Center, Fort Lauderdale International Airport, 1100 Lee Wagener Blvd., Suite 113, Fort Lauderdale, Florida 33315, United States; Phone (954) 359-8266; Fax (954) 359-8271; Year Founded 1972. Twin Air is established as an FAR Part 135 carrier in 1972 under the auspices of Red Aircraft Services, the FBO at Fort Lauderdale Airport that had been set up by Alfred Harper and Red Gamber in 1954. Passenger and cargo charters are initiated, many to Great Abaco Island and Eleuthera Island in the Bahamas.

As 1999 begins, 74-year-old Mrs. Athley Gamber, wife of the co-founder, is managing director. She oversees the work of 17 employees, who operate 4 Piper PA-31-350 Navajo Chieftains and handle the needs

of customers, most of whom are either tourists or Bahamian citizens. Late in the year, the tiny airline wins a U.S. government authority to operate direct return flights to Guantanamo Bay, Cuba. An Embraer EMB-110 Bandeirante is obtained to fill subsequent contracts, many of which are from various federal agencies.

Destinations served from Fort Lauderdale in 2000 include Governor's Harbour, North Eleuthera, Treasure Cay, Marsh Harbour, and Rock Sound. The company's story is told by Geoff Jones in the March issue of *Airways* magazine.

TWIN CITIES AIR SERVICE: 390 Lewiston Junction Road, Auburn, Maine 04210, United States; Phone (207) 784-6318; Fax (207) 784-3819; Year Founded 1992. Roger LeBlanc establishes this nonscheduled carrier at Auburn–Lewiston Municipal Airport in 1992 to provide executive and small group passenger charters throughout the Eastern U.S. and into Canada. Revenue flights begin with 2 Cessna 402s, 1 C-303 Crusader, and 1 Beech King Air 100.

TWIN CITY AIRWAYS: United States (1973). TCA is set up at Texarkana, Arkansas, in 1973 to provide daily roundtrip air taxi flights to Dallas. Although daily Cessna lightplane flights are duly inaugurated, they cannot be maintained beyond year's end.

TYDEN AIR, LTD.: The Valley, Anguilla; Year Founded 1984. This tiny operator is established on Anguilla, the northernmost of the Leeward Islands, in 1984, to offer charter service to St. Martin. Revenue flights begin with a pair of Britten-Norman BN-2 Islanders. Flights continue without incident or headline over the next 16 years. During this period, the company also undertakes day trips to St. Barths, St. Kitts, Nevis, and Virgin Gorda.

TYEE AIR, LTD.: Canada (1960–1985). A. B. Campbell founds Tyee Air at Sechelt, in British Columbia, in February 1960. Scheduled passenger and cargo services are initiated from Vancouver Harbour and Vancouver Airport to the company's base, with connections to Pender Harbour, Jervis Inlet, Sechelt Inlet, and Powell Lake. Twenty years after start-up, President Campbell oversees (depending upon season) between 25 and 40 workers and operates a fleet of 5 de Havilland Canada DHC-2 Beavers and 4 float-equipped Cessna 180s.

In 1982–1984, services are added to Nanaimo Harbour; one Cessna is retired. Recession causes the carrier to shut down in 1985.

TYEE AIRLINES: United States (1936–1985). Tyee is originally established at Ketchikan in 1936 as the charter operator **Simpson Air**. Over the next quarter century, the carrier operates its single-engine, float-equipped aircraft in support of southeast Alaska's mining, logging, government, and tourist (including fishermen and hunters) industries.

The small concern is purchased by Stan Hewitt, Art Hack, and Terry Willis in 1971 and renamed **Coast Air**. Scheduled operations begin during 1973, primarily in the form of replacement flights for **Alaska Airlines** from Ketchikan to Metlakatla, Craig, Klawock, and Hydaburg. **Coast Air** is sold to Kirk Thomas in 1975 and its corporate identity is again changed, this time to Tyee Airlines.

In 1977, enplanements total 36,428. These now begin to rise slightly: 38,762 in 1978 and 41,498 in 1979. During the latter year, the fleet includes 7 de Havilland Canada DHC-2 Beavers and 2 Cessna 185s.

The upward pattern in enplanements continues in 1980 with a total of 42,295; an operating profit of \$92,255 is achieved.

Airline employment is increased by 28.1% in 1981 to 41 and the fleet is upgraded by the addition of 2 de Havilland Canada DHC-3 Otters, which replace 2 Beavers and 1 Cessna. A new advertising campaign is begun emphasizing the carrier's traditional support of fishing charters and regional tourism.

Passenger boardings accelerate 1.9% to 43,080. Revenues jump 53.8% to \$2.6 million and expenses swell 57.6% to \$2.5 million; the operating profit is \$79,812.

The fleet in **1982** includes 2 de Havilland DHC-3 Otters, 8 DHC-2 Beavers, and 1 Cessna 185. This number grows as the carrier purchases **Seair Alaska Airlines (Sea Airmotive)** in July and **Southeast Alaska Airlines** in October. When the integration process is completed on December 31, both acquisitions will be operated as subsidiaries; however, their traffic and financial figures will be combined with those of the parent.

Bookings for the year are 65,000.

Airline employment in **1983** stands at 70. All SEA operations are fully integrated by the end of January and result in a number of new stops for Tyme. The fleet now includes 3 Otters, 12 Beavers, 3 Cessna 185s, and 2 Britten-Norman BN-2 Islanders.

Enplanements for the year total 78,400.

Too rapid expansion and recession combine to take their toll on company finances in **1984** and operations cease on January 25, **1985**. The carrier's assets are acquired by **Temco Helicopters** in May **1986** and reformed into **Temco Airlines**.

TYME AIRLINES: United States (1967–1968). When, during the summer of **1967**, partner **TAG Airlines** alters its route network, its Huntington, West Virginia-based **Air Enterprises** elects to end its affiliation and strike off on its own as an independent. The company, which had provided daily scheduled roundtrips to Columbus, Ohio, for over a year, transfers to Columbus on October 3.

O. M. Pierce's Piper PA-23 Aztecs now add revenue flights to Cleveland, Toledo, and Detroit. These are maintained until July 3, **1968**, when Tyme is purchased by and merged into **Wright Airlines**.

TYNE TEES AIRWAYS, LTD.: United Kingdom (1960–1965). Ghulam Mohamed forms TTA at Newcastle Airport in September **1960**. With Trans World Leasing Chairman Thomas Keegan as advisor, the company obtains a de Havilland DH 104 Dove 1 and begins ad hoc charters on September 9. **Tyne Tees Air Charter, Ltd.** is registered as an airline on December 21 and is capitalized at £25,000.

Another DH-104 is acquired in February **1961**, followed by a DH-89A Dragon Rapide in April and an Auster J/5R Alpine in June. Ad hoc pleasure, passenger and cargo, and aerial charters are flown during the summer and with the arrival of a Piper PA-23 Apache and a Riley 65, air taxi flying begins in September. A Dove is sold in December.

Another DH-104 is leased for a year from Trans World Leasing in January **1962** while a third is purchased in February. The company's first DC-3 is received on March 22 followed by a second on June 1; these are used to fly summer inclusive tours Newcastle–Ostend and Manchester–Perpignan, although the premier Douglas is leased to **TASSA** of Spain on May 22. Denis Martin becomes general director in July. Following the tourist season, the second DC-3 is also leased to **TASSA**.

A Bristol 170 Mk. 21 Freighter is leased from Keegan Aviation for a year in January **1963**. Other additions during the year are two DH-114 Herons leased from Keegan that never enter service, and two more DC-3s, one of which is not used. Also a Dove, the Apache, the Auster, and the Riley 65 are all sold. During the summer season, several inclusive tours are flown to Continental destinations and a variety of ad hoc charters are undertaken.

Enplanements for the year total only 614.

The two DC-3s on lease in Spain are returned in early **1964**, allowing the sale of another Douglas. Ad hoc charters to a variety of British Airports and several Continental destinations are now flown, including a number in Scandinavia late in the year. Following the summer season, work is harder to find and with debts accumulating, it is decided at year's end to cease operations. Tyne Tees and its last two DC-3s are sold in January **1965**.

TYROLEAN AIRWAYS (TYROLEAN AIRWAYS LUTFAHRT-GESSELLSCHAFT, GmbH.): Furstenweg 176, Postfach 58, 6026 Innsbruck, A-6026, Austria; Phone 43 (512) 2222-0; Fax 43 (512) 2222-9; <http://www.telecom.at/tyrolean>; Code VO; Year Founded

1956. Aircraft Innsbruck, GmbH. is formed in **1956** to provide air ambulance, air charter, inclusive-tour, executive jet, and other nonscheduled services to Austro-German destinations. Together with Christian Schwemberger, Gernot Langes-Swarovski and another family member, who control a major Tyrol-based group working in crystal and optics, acquire the company in **1978**.

In early **1980**, the opportunity is taken to acquire a scheduled route from Innsbruck to Vienna and the decision is taken to begin scheduled services; the company is thus reformed on April 1, renamed, and given new logo and livery.

Managing Director Jakob Ringler assembles his workforce of 115 and a fleet comprising 1 de Havilland Canada DHC-7, the *Stadt Innsbruck*, 1 Cessna Citation II, 1 Aerospatiale AS-3552C Super Puma, 2 SA-315B Lamas, and 1 AS 350 Ecureuil. For political reasons, flights are initiated on a scheduled charter basis, linking the company's base with Graz, Frankfurt, Zurich, and Vienna.

Enplanements for the year total 38,000.

A second Dash 7, the *Stadt Wien*, arrives in April **1981** and frequencies begin to Frankfurt.

These factors combine to help passenger enplanements to rise to 70,380.

The workforce is reduced by 12.1% in **1982** to 109. Twenty-year **Austrian Airlines, A.G.** executive Fritz A. Felti, the flag carrier's marketing director, is named Tyrolean's managing director in August.

Customer bookings during the 12 months jump 17.2% to 82,498.

In the spring of **1983**, rotary-wing services are transferred to a new subsidiary company, **Helicopter Air Transport, GmbH.** In March, flights begin from Innsbruck to Graz. Charter and inclusive-tour flights continue to be offered, primarily to resorts in Spain, Greece, Italy, and Yugoslavia.

Enplanements this year are 100,950.

The payroll is cut 1.9% in **1984** to 106. An agreement is signed with **Austrian Airlines, A.G.** whereby the flag carrier becomes the regional's general agent in 20 nations.

Passenger boardings jump a strong 18.8% to 120,000 and cargo surges 22% to 272,000 FTKs. Revenues advance 18.4% to \$9.9 million and expenses are held to a point where a \$1.15-million net profit can be generated, a 20.6% boost.

Employment grows 2.8% in **1985** to 109. In May, new Managing Director Josef E. Burger adds a DHC-8-100 to his fleet; like the two Dash 7s already on hand, it is given new livery. The three aircraft begin a heavy schedule of Aegean Island holiday charters during the summer.

Customer bookings jump 7.9% to 129,500 and freight is up to 280,000 FTKs.

During **1986–1987**, new frequencies are started to Wien, Dusseldorf, and Paris. Agreements are signed during the latter year with **Austrian Airlines, A.G.** and its **Austrian Air Services (Oesterreichischer Inlandsflugdienst, GmbH.)** subsidiary calling for the principal activities of the three carriers to be harmonized.

Replacement DHC-8-100 scheduled service is operated on behalf of **Contactair Flugdienst GmbH.** under contract to **Deutsche Lufthansa, A.G.** from Munich to Stuttgart, Turin, Bologna, Florence, and Zagreb. On these services, the flight-deck crews are drawn from Tyrolean and the cabin crews from Contactair.

Enplanements in the latter year total 142,000.

Airline employment grows by 9.1% in **1988** to 168 and on January 28 an accord is signed with **Austrian Airlines, A.G.** and **Austrian Air Services (Oesterreichischer Inlandsflugdienst, GmbH.)** guaranteeing Tyrolean's monopoly at Innsbruck and banning parallel routing. The letter of agreement thus protects the regional's lucrative Innsbruck–Vienna route—and its future.

During the winter, the carrier, on behalf of **TAT (Transport Aerien Transregional, S.A.)**, flies a Sunday-only flight between Paris (ORY) and the "altipor" at Courchevel, in the French Alps. In February, the Austrian Ministry of Transport grants the company a scheduled carrier license.

Along with a second DHC-8-100 that is dry-leased to **Air Atlantic, Ltd.** in Canada, the last production DHC-7 is obtained. Scheduled flights are launched to Amsterdam and under contract to 27 different charter groups, tours are flown to 19 destinations in 5 countries. A new hangar and maintenance facility is occupied at the Innsbruck base.

Enplanements rise 4.5% to 149,085 and freight is up by 4.8% to 592,000 FTKs.

Company employment is increased 14.3% in 1989 to 192. Rome joins the route network as two more DHC-8-100s are acquired.

Passenger boardings surge 14.8% to 171,025 and freight does even better, climbing by 34.5% to 796,000 FTKs.

Fritz A. Feitl returns as managing director in 1990 with former Managing Director Josef Burger shifting to the marketing manager's post. The workforce is increased another 19.7% to 231 and 2 additional DHC-8-100s are purchased.

Customer bookings move ahead by 19.9% to 205,000.

The fleet in 1991 includes 2 DHC-7-102s, 3 DHC-8-300s, and 8 DHC-8-100s. Two of the latter are leased, one to **Albanian Airlines** and one to **Interot Air Service**. In August, thrice-weekly direct flights begin from Salzburg to Amsterdam.

Enplanements for the 12 months ascend to 208,693.

The payroll grows by 27.4% in 1992 as three DHC-8-300s are delivered. New alliances are signed with **Air France**, **KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, and **Deutsche Lufthansa, A.G.** Destinations now served include Amsterdam, Graz, Linz, Paris (ORY), Vienna, Stuttgart, and newly opened markets at Salzburg and Dusseldorf.

Passenger boardings increase 47.9% to 400,562.

In 1993, Managing Director Feitl oversees a workforce of 362. Flights are inaugurated to Paris (CDG), Munich, and Frankfurt.

The new routes help customer bookings to accelerate 25% to 500,748 while cargo swells 31.9% to 578,800 FTKs.

Airline employment increases 73.4% in 1994 to 657 and during the first quarter, the company sells a 42.85% stake to **Austrian Airlines, A.G.** Shareholding is now divided between the flag carrier, Gernot Langes-Swarovski GmbH. (42.85%), and Leipnik Lundenburger Industrie A.G. (14.30%). Share capital is doubled to S 135 million. Austrian now begins the process of turning Tyrolean into its domestic feeder subsidiary and merging into it during June its own local service carrier, **Austrian Air Service (Oesterreichischer Inlandsflugdienst, GmbH.)**, with the Tyrolean name surviving.

The fleet now includes 7 DHC-8-311s, 4 DHC-8-314s, 6 DHC-8-106s, 2 DHC-8-103s, 1 DHC-8-102, and 2 DHC-7-102s. The DHC-8-102 is leased to **Albanian Airlines**, one of the DHC-8-103s is chartered to Germany's **Interot Air Service, GmbH.**, and DHC-8-106 is leased to **Asia Pacific Airlines (Pty.), Ltd.** in Papua New Guinea. One DHC-8-314 is chartered to **Air Creebec, Ltd.** in Canada. Plans are made to offer routes to Nuremberg and Hanover. Late in the year, a DHC-7-102 is replaced by a Fokker 50. Orders are placed in December for four Fokker 70s.

Passenger boardings skyrocket 85.8% to 930,565 while freight jumps 42.5% to 825,000 FTKs.

A total of 120 new employees are hired in 1995, an 18.3% increase. In April, Bombardier Regional Aircraft Division delivers its 400th aircraft, a DHC-8-314.

The first two Fokker 70s are delivered in June and July. With the arrival of the new Fokker jetliners, a dual-designator agreement is made with **Swissair, A.G.** for 100 weekly flights to Zurich from Tyrolean destinations.

Similar arrangements are also made with **KLM (Royal Dutch Airlines, N.V.)**, **Sabena Belgian World Airlines, S.A.**, **LOT Polish Airlines, S.A.**, **CSA Czech Air**, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, and **Tarom Romanian Airlines, S.A.** for flights to Amsterdam, Brussels, Frankfurt, Krakow, Madrid, Prague, and Timisoara. In cooperation with **Eurowings Luftverkehrs, A.G.**, frequencies begin to Hanover and Nuremberg from Innsbruck, Salzburg, and Vienna.

When the main runway at Stuttgart Airport is closed for repairs between July 31 and October 4, the carrier employs a Fokker 70 to offer

thrice-daily frequencies to the cross-runway of the German airport. The third Fokker 70, coincidentally, arrives in September. During the fall, orders are placed for five Canadair CRJ-100ERs.

A total of 60,000 flights are made, helping enplanements accelerate 35.5% to 1,260,747.

The workforce is increased another 2.8% in 1996 to 799 and the fleet now includes 3 RJ70s, 10 DHC-8-314s, 1 of which is leased to **Augsburg Airways, GmbH.**, 4 DHC-8-311s, 4 DHC-8-106s, 2 DHC-8-106s, including a unit out with **Augsburg Airways, GmbH.** for the summer, 1 DHC-8-102, and 2 DHC-7-102s, 1 of which is out of service.

On July 1, Tyrolean joins with **Austrian Airlines, A.G.** and **Lauda Air, A.G.** to file suit against the government in an effort to reverse implementation of its new 50% increase in airport security taxes. Several new routes are inaugurated from Innsbruck, where the new CRJ-100ERs are based following their delivery. On October 10, an CRJ-100ER, equipped with the Heads-up Guidance System of FlightDynamics, makes the first Category IIIa landing for the aircraft type at Graz.

In November, orders are placed for two more Canadairs. At year's end, the carrier is performing 1,250 flights per week to 6 domestic and 30 international destinations.

Customer bookings soar 10.3% to 1,390,183 while 1.01 million FTKs are operated, an 18.5% increase. Operating income totals \$239.4 million and a net profit of \$8.74 million is reported.

The employee population grows 6.3% in 1997 to 856. Ownership is now divided between **Austrian Airlines, A.G.** (42.85%), Gernot Langes-Swarovski (42.85%), and Leipnik-Lundenburger Industrie, A.G. (14.30%). The two new CRJ-100ERs are delivered in January and March and are assigned to boost the fleet operating from Innsbruck. They will replace the two DHC-8-106s operating longer turboprop segments.

One of the released DHCs is again leased to **Augsburg Airways, GmbH.** for its summer season. Flights to Luxembourg and Dublin begin at the close of the winter season.

Two new super-quiet DHC-8Q-300s are delivered, one each in April and June, and enter service as part of a promotional program for "The Sounds of Silence." Both are painted in a special blue-and-green mountains fortieth anniversary color scheme.

When during the summer the airport at Banja Luka is reopened, the first in the Serbian-controlled area of Bosnia to resume operations since the end of the 1992-1995 civil war, Tyrolean begins DHC-8-311 roundtrips into the airport.

The former Tyrolean route to the Romanian city of Timisoara is taken over by **Lauda Air, A.G.** on October 6, with a **Lauda Canadair** providing weekday flights. Also in October, a \$65-million order is placed for three more DHC-8Q-300s that will be delivered before the end of the year and replace two DHC-8-311s.

It also requests six of the new DHC-8Q-400s, the first example of which is rolled out in Toronto ceremonies on November 21.

Also during November, the company joins with **Austrian Airlines, A.G.** and **Lauda Air Luftfahrtgesellschaft, A.G.** to create Austrian Airlines Group-Cargo and Australia. The airline has a turnkey network for freight of 118 destinations in Europe, the Mideast, the Far East, and the U.S.

Passenger boardings jump 10.4% to 1,587,425 while freight rises 29.3% to 1.3 million FTKs. Operating revenues swell 22.6% to \$278.24 million, while costs are up 15.8% to \$249.09 million. There is an operating profit of \$24.2 million and a \$32.6 million net gain is celebrated.

The CRJs ordered the previous year, together with the new DHC-8Q-300s, are all in service during 1998. In order to meet the exacting demands of its business clientele, the carrier now spends more on service and catering than it does on fuel.

Customer bookings accelerate 16.1% to 1.83 million on the year. Revenues jump 10.8% to \$301.16 million, while costs climb 13% to \$264.59 million. Although the operating profit ascends to \$36.57 million, the net gain slips to \$32.15 million.

In recognition of its almost 20 years of profitability and inventive growth, the company, in January 1999, receives the "Regional Airline of the Year Award" from *Air Transport World* magazine.

Air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo are now anticipated. On March 24, Tyrolean, together with **Austrian Airlines, A.G.** and **Lauda Air Luftfahrtgesellschaft, A.G.**, halts all scheduled service into Belgrade and nine other Balkan destinations. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the NATO bombing attack on targets in Serbia and Kosovo, begins.

Service to Belgrade remains halted on March 25–26 and for the duration of the NATO bombing campaign. Flights to south-central and southeastern Europe experience delays of 30–60 minutes due to airspace closure.

By April 23, the company is able to fly to all of its previous Balkan destinations except Belgrade, Skopje, and Tirana.

Austrian Airlines, A.G. CEO Mario Rehulka reports on April 26 that the Austrian group, including Austrian, Lauda, and Tyrolean, have lost revenue in each of the past 5 weeks because of the Kosovo crisis, including \$ 4.4 million (\$340,000) the week of April 19.

The group's problems continue on May 1 when **Air Engiadina, Ltd.** and its new Austrian Air Alps, GmbH., flying together as KLM Alps, GmbH., take over Tyrolean's thrice-daily roundtrip service between Bern, Innsbruck, Salzburg, and Amsterdam.

Delta Air Lines begins to code-share with Tyrolean on October 15, placing its code on the Austrian line's flights from Vienna to Bremen, Graz, Katowice, Klagenfurt, Krakow, Linz, Nuremberg, and Salzburg.

By year's end, the carrier offers 1,440 weekly flights to 48 national and international destinations in 23 countries.

Passenger boardings rise 10.1% to 2,011,000 on 1,879,000 scheduled departures.

Airline employment at the beginning of 2000 stands at 1,050, a 16.8% increase over the previous 12 months.

New service begins from Vienna to Bern on February 14 and to Friedrichshafen on February 20.

After six months of successful changeover and an investment of ATS 500 million, the full Austrian Airline Group (**Austrian Airlines, A.G.**, **Lauda Air Luftfahrtgesellschaft, A.G.**, and Tyrolean) becomes the 10th official member of the "Star Alliance" on March 26. The same day, Austrian's daily return service from Vienna to Tirana, Albania, is transferred to Tyrolean. Simultaneously, twice-daily Fokker 70 roundtrips are inaugurated by Tyrolean from Vienna to Helsinki. It also begins daily Fokker 70 return flights from Vienna to Kosice and Krakow.

Daily Fokker 70 return service is inaugurated on April 3 between Vienna and Pristina. Employing its first new Next Generation B-737-8Z9, **Lauda Air Luftfahrtgesellschaft, A.G.** on May 22 initiates new four-times-a-day return service from Linz to Frankfurt, taking over the route from Tyrolean.

The carrier's first DHC-8-Q402 enters service on May 24, flying roundtrips from Innsbruck to Frankfurt.

Wearing the full colors of its English owner, a B-737-33A is wet-leased from **Titan Airways, Ltd.** on June 16.

With two already in service, Tyrolean on July 25 orders an additional DHC-8-Q402, bringing its order book total for the super-quiet turbo-props to six firm and six options. A letter of intent is signed for the purchase of 12 CRJ900s.

At the same Austrian Airlines Group supervisory board meeting in November where it is voted to purchase an additional stake in **Lauda Air Luftfahrtgesellschaft, A.G.**, employee representatives walk out in order to delay, if not prevent, the appointment of Tyrolean chief Fritz Feitl as joint CEO of **Austrian Airlines, A.G.**

On December 13, Austrian Airlines Group announces that its large restructuring process will bring a profit for FY00, despite an expected E 14.5-million (\$12.8-million) loss at **Lauda Air Luftfahrtgesellschaft, A.G.** Lauda will be reined in and its new management will be integrated closely with those of wholly owned subsidiary airlines **Austrian Airlines, A.G.** and Tyrolean. The group's supervisory board approves im-

plementation of the reorganization scheme by the executive board during the first half of 2001. Lauda will continue as a charter operator with a few scheduled flights and Tyrolean will be primarily a domestic and regional carrier. As the year ends, the fleet includes 4 DHC8-Q400s, 12 DHC-8-300s, 2 DHC-8-100s, 10 CRJs, and 6 Fokker 70s.

TYROLEAN JET SERVICE, GmbH.: P.O. Box 71, Flughafen Innsbruck, Innsbruck, A-6026, Austria; Phone 43 (512) 22422; Fax 43 (512) 288888; <http://www.tjs.at>; Year Founded 1975. TJS is established at Innsbruck Airport in 1975 to provide executive and small group passenger charters throughout Europe. During the next 20 years, the company also establishes a base at Vienna and prides itself on meeting self-imposed airline standards.

In 1998–1999, the company employs 23 pilots and operates 2 Cessna 550 Citation IIs and 1 each C-501 Citation I, Dassault Falcon 900B, Falcon 10, plus a brand new Dornier 328-110.

On October 5, 1999, the carrier takes delivery of its first Fiachild-Dornier 328JET.

TYUMEN AIRLINES (TYUMENSKIE AVIALINII): Roshchino Airport, Tyumen, West Siberian Zone, 625033, Russia; Phone 7 (3452) 262 566; Fax 7 (3452) 232 835; Code 7M; Year Founded 1993. An independent carrier established at Tyumen's Roshchino Airport in 1993, TA provides scheduled passenger and cargo services to domestic and international destinations. Nikolay N. Zienko is managing director and he recruits a workforce of 4,000. A mixed fleet of unspecified numbers is assembled, including all the usual Russian aircraft types: Antonovs, Ilyushins, and Tupolevs.

Services continue in 1994–1998 as the number of Tu-154B/Ms reaches first 18, later 16, plus 16 Tu-134As, 17 An-24s, 6 An-26s, 9 An-12s, and 5 Il-76T/TDs.

The employee population is reduced to 2,871 and destinations visited include Adler, Anapa, Ekaterinburg, Hanover, Johnston, Krasnodar, Moscow, Nadym, Nizhnevartovsk, Raduzhni, St. Petersburg, Salehard, Surgut, and Uraj.

Enplanements during the latter year total 329,000.

Passenger boardings ascend to 474,000 in 1999 while 68,000 FTKs are operated. Revenues of \$37 million are generated.

During the fourth quarter of 2000, the regional government for the Khanty Mansisk Autonomous District puts out feelers concerning the creation of a possible "super regional airline," through some combination of Tyumen, **Tyumenaviatrans (TAT)**, **Kogalym Airlines**, and **Yamal Airlines**. It is understood that any such amalgamation is a long way off.

At the conclusion of the **Tyumenaviatrans** annual general meeting on May 31, 2001, it will be reported that the Khanty Mansisk Autonomous District and Surgut city governments have increased their shareholding from 8.8% to 25.1% and from 10% to 18.8%, respectively, with the former seeing four of its representatives elected onto a new seven-seat board of directors. One of these, Surgut Deputy Mayor Vladislav Nesterov, is quoted in the day's *Moscow Times* as revealing that "by the end of the year, the merger of debt-ridden Tyumen Airlines with **Tyumanaviatrans**" will be completed.

TYUMEN PRODUCTION ASSOCIATION (TYUMEN MPO): Russia (1994–1996). TPA is formed at Roshchino Airport at Tyumen in 1994 to provide domestic passenger and freight charters. V. G. Kulchikin is appointed general director and he launches revenue services with a mixed fleet of Antonov An-26s and -32s. Flights continue until 1996.

TYUMENAVIATRANS (TAT): Surgut Airport, Surgut, Tyumen Region, Siberia, 626400, Russia; Phone/Fax 7 (3462) 280057; <http://www.cssc.tat.ru>; Code P2; Year Founded 1992. This former **Aeroflot Soviet Airlines** directorate, based at Tyumen in western Siberia, achieves its independence on March 25, 1992. A major cargo operator,

General Manager Vladimir A. Illarionov's company, which still retains ties with **Aeroflot Russian International Airlines (ARIA)**, provides both freight and passenger services on trunk and regional routes out of Mineralnic Vody and serves as the parent company for the other airlines based at Tyumen. It also operates wholly owned airports at Noyabrsk, Berezhovo, Igrim, Tyumen, Mys-Kamenny, and Tazovsky.

The fleet includes 20 Ilyushin Il-76s, 16 Tupolev Tu-154s, 10 Tu-134s, 10 Antonov An-12s, and 10 An-26s. A large rotary-wing division, made up of various Mil helicopter types, is also operated. From a high of 8.25 million passengers in 1990, enplanements slide to 3,512,953.

In 1993, the Il-76 fleet is expanded and worldwide ad hoc freight charters are undertaken. As the economy declines, so too does company traffic. Passenger boardings fall 29.1% to 2,721,110 while cargo is off 21.6% to 426.5 million FTKs.

Customer bookings for the 111-aircraft carrier drop another 20.1% in 1994 to 2,174,200 as freight rises 6.6% to 455 million FTKs.

Flights continue in 1995, although traffic figures are not available. The company begins to revitalize its mission, increasing emphasis on rotary-wing operations and decreasing fixed-wing all-cargo services. Still, modernization of the remaining passenger aircraft begins with an order for six Tu-154Ms, equipped with state-of-the-art engines, from the Samara-based Aviacor factory, with delivery scheduled between April 1996 and late 1998. The aircraft are paid for through a \$15-million debt receipt to the Samara Energo electricity supplier.

TAT accepts its first major support contract with the UN in 1996. The agreement will bring in initial revenues of \$300,000.

Coming in from Tyumen on October 26, a Yak-40 with 4 crew and 33 passengers lands to the right of the runway at Khanti on a helipad, where it smashes into 3 Mil Mi-8 helicopters and bursts into flame (5 dead).

Despite this disaster, service is maintained during the remainder of the year, but once again, no figures are available. As the year ends, the company, not having received payment, refuses to renew its contract with the regional administration at Salekhard to provide daily An-2 services between the scattered communities of the region. A separate contract for the provision of aeromedical flights remains in place.

Unwilling or unable to redress its dispute with Tyumenaviatrans, the Salekhard regional administration promotes the establishment of **Yamal Airlines** in February. TAT will eventually receive payment and resume its flights, which are particularly important during the winter when river transportation is impossible. Helicopter support for the UN continues and these international flights bring in \$400,000. Enplanements are 694,890.

Airline employment at the beginning of 1998 stands at 4,367. In August, as economic problems persist, the Russian government devalues the ruble. The official exchange rate is initially pegged at six rubles to the dollar, but soon plunges. By mid-September, currency trades at 16 to 1. The economic situation will have an impact on the carrier, but its location in the middle of an area with a booming oil industry and its good relationship with energy companies helps to keep its fuel costs down.

Although many carriers increase their economy-class rates over various routes, this carrier is one of several to resist. Indeed, on September 22, it actually reduces its Moscow-Tyumen fare from 1,225 rubles to 890. Also during September, the first Tu-154M is acquired from Aviacor.

Passenger boardings fall 10.3% to 630,000. Revenues for the year total \$80.5 million, but operating costs are \$93.4 million. The operating loss is \$12.9 million and the net loss is \$20.8 million.

Airline employment at the beginning of 1999 stands at 3,729. Surgutneftegaz, a large local oil company with which TAT has dealt for some time, doubles its business to \$10 million. As a result, TAT now transfers its headquarters from the city of Tyumen to the city of Surgut, where it can be closer to this and other energy industry customers.

A dry-lease agreement is signed with **Heyns Helicopters (Pty.), Ltd.** of South Africa, to which TAT sends eight Mi-8s; three Mi-8s are also chartered to the Mozambique operator Elak KFT.

Contracts are signed with the UN for the operation of helicopters on its behalf in the Western Sahara, the Central African Republic, Sierra

Leone (two Mi-26Ts), and East Timor (two Mi-8MTVs). In December, orders are placed with Mil for two more Mi-26Ts; funding for the arrangement is provided as part of a credit to TAT from Petrokomers bank. The first Mi-26T will enter service on December 31. Separately, one Mi-8AMT is ordered from the manufacturer's plant at Ulan-Ude.

During the year, TAT generates 43.4% of its income on regular airline passenger services, 4.1% on international activities, 45.4% on helicopter services inside Russia, 3.3% on charter flights. Contracts with oil companies in the energy-rich, local Siberian region account for 38% of TAT's activities, while natural gas companies account for 22%. Another 5% of business is generated from patrolling power lines, 10% from flying medial services, and 4% on geological missions.

Enplanements for the year total 403,000, a 16% decline. Revenues plunge to \$37.8 million and expenses are \$36.7 million. Although there is a \$1.1-million operating profit, the net loss is still \$6.7 million.

In January 2000, the shareholder breakdown is the state (2%), foreign investors (30%), Russian investors (33%), and individuals (26%), with the remaining 9% allocated for ADRs. The fixed-wing fleet now includes 5 Tu-154Bs, 1 Tu-154M, 2 Tu-134As, 22 Yak-40s, 11 An-24s, 2 An-26s, and 52 An-2s. The rotary-wing division, with the largest helicopter fleet of any operator in the world, flies 134 Mi-8Ts, 19 Mi-8MTW/AMTs, 7 Mi-10s, 9 Mi-6s, and 15 Mi-26Ts. TAT is the only Russian operator of the latter type, the world's largest, because it is very difficult to maintain.

A new management team, led by Director General Andrei Martirosov, takes over and begins to implement additional cost-cutting and revenue enhancing measures. Under the leadership of Director General Martirosov and acting Chief Financial Officer Igor Petrov, the airline will pay off 55 million rubles of its debt to the state and 21 million rubles to the state pension fund. It will attract 280 million rubles in development loans (up from 5 million rubles in 1999) and will have 133 million rubles in debt to the state medical-insurance fund written off. The institution of centralized management and control over cash flow will save the company 60 million rubles in taxes. Other tax debt remains, however.

The workforce, for example, is reduced again, being cut in April to 3,540. Average salaries for those remaining will be boosted 75% from \$150 every month in 1999 to \$262. At the same time, Surgutneftegaz awards TAT the largest annual Russian helicopter service order ever: \$15 million. The Sibneft contracts with TAT for use of its Tu-154 fleet to convey its oil shift workers, while the same firm requests the assistance of two Mi-26Ts in the aerial drilling of two new oil wells. Company jets continue to connect Western Siberia with over 40 destinations in central and southern Russia and 16 new routes are now started, including flights to Omsk, Perm, and Chelyabinsk.

It is revealed in July that, at the Annual General Meeting (AGM) in May, shareholding was divided between the Russian government (2%), individual investors (22%), the City of Surgut (10%), Russian investors (35%), and foreign investors (31%). Outstanding shares total 577,208, while authorized shares number 124,945,000. Also at the AGM, three representatives are elected to the board of directors from the Russian investment fund Sovlink and another from the Templeton Asset Management of the U.S.

By August, TAT has received only one Tu-154M from its 1995 order. TAT offers to settle the growing dispute with Aviacor by agreeing to pay another \$500,000 in return for the delivery of two more aircraft. The manufacturer does not find this acceptable. It has, sometime since, halted Tu-154 production, although it has sufficient components on hand to complete 10 last machines.

A suit is filed against the Aviacor manufacturing concern on August 15 for its failure to deliver five of the Tu-154Ms ordered in 1995 and for supplying the one in received in 1998 with second-hand, overhauled Soloviev D-30KU engines rather than the new power plants for which payment had been made. TAT now demands \$48 million in compensation and if cash is not available, indicates that it will settle for a takeover of the plant's property.

On September 13, the company agrees to pay \$5.3 million in owed taxes over a six-year repayment schedule. By the end of the month, a new money dispute has arisen with the regional administration at Salekhard. This time the local leaders have failed to make good on a \$4-million debt for local air services. When TAT once again shuts off flights, the leaders of that community, on October 1, turn to **Yamal Airlines**, which by now has grown into a respectable local service operation.

The hearing by the Samara Arbitrage Court into the dispute between TAT and Aviacor is postponed on October 18. Also in mid-October, an \$8-million UN contract is received from the UN for the provision of helicopter support services (three Mi-8MTVs) in Eritrea. On October 23, a **Volga-Dnepr Airlines** An-24-100 transports four Mi-8MTWs and 32 TAT employees to Eritrea to begin operating the mission.

TAT plays host to Chris Fry and Paul Gliddon, two directors of **Bristow Helicopters, Ltd.**, on October 25. The two have come to discuss the possibility of a joint venture. Under such an arrangement, Bristow might provide Eurocopter Super Pumas and TAT would fly Mi-26Ts on contracts in which costs and profits would be shared. During the exchange, Director General Martirosov expresses his displeasure with the quality of aircraft contemplated or under development in current Russian helicopter building programs.

At a news conference in early November, Director General Martirosov indicates that his concern, which is also a major heavy lift helicopter operator, is seeking a Western strategic partner and may soon name one. Although Martirosov refuses to name his potential partner, Andy Chuter of *Flight International* suggests that it may be U.S.-based **Offshore Logistics**.

On November 15, the carrier, which now operates 300 Russian-made helicopters (172 of which are classified as heavy-lift, including 26 Mi-26Ts, the largest rotary-wing aircraft in the world), opens a New York office, not far from the UN, one of its major customers. During the month, the regional government for the Khanty Mansisk Autonomous District puts out feelers concerning the creation of a possible "super regional airline," through some combination of TAT, **Tyumen Airlines**, **Kogalym Airlines**, and **Yamal Airlines**. It is understood that any such amalgamation is a long way off.

In December, Director General Martinosov reveals that his concern is giving serious consideration to the use of Western-built turboprop aircraft on its short- and medium-range Siberian routes. The company will examine the Bombardier Dash-8 and perhaps the Avions de Transport Regional ATR72.

At year's end, 31% of the carrier's shareholding continues to be held by Western investors, principally through the American Depository Receipt market. Passenger bookings during these 12 months have soared upwards by 62% to 720,000 and Tyumenaviatrans quietly moves from Russia's No. 9 airline, in terms of domestic passenger volume, to No. 3. Overall, it remains the 5th largest airline in the country behind Aeroflot, Pulkovo, Vnukovo, and Sibir.

Revenues for the year jump 124% to \$84.5 million, while costs are just \$63.2 million. Operating gain totals 21.3 million and a very welcome \$17.4-million net profit is posted, the highest profit margin for any Russian airline in 2000. For the first time since 1996, the company's board authorizes a stock dividend; the payment will be 0.5 rubles (17¢) for each of the 124,945,000 ordinary shares.

As the year ends, the carrier reports that its UN contracts have been very lucrative and have brought in 25.1% of its 900-million ruble income. Tyumenaviatrans earns \$4.6 million from its provision of aerial support for the peacekeeping mission in East Timor, \$1.8 million from Eritrea, \$250,000 from West Sahara, and a whopping \$14,350,000 from Sierra Leone. All of these arrangements will be extended into the new year.

At the conclusion of the AGM on May 31, **2001**, it will be reported that the Khanty-Mansisk and Surgut governments have increased their shareholding from 8.8% to 25.1% and from 10% to 18.8%, respectively, with the former seeing four of its representatives elected onto a new seven-seat board of directors. One of these directors, Surgut Deputy Mayor Vladislav Nesterov, is quoted in the day's *Moscow Times* as re-

vealing that "by the end of the year, the merger of debt-ridden **Tyumen Airlines** with Tyumanaviatrans" will be completed.

UES-AVIA: Airport 42, Dnepropetrovsk, 380582, Ukraine; Phone 380 (562) 650879; Fax 380 (562) 650342; Year Founded 1996. Ues-Avia is established at Dnepropetrovsk in 1996 to provide executive and small group passenger charter to destinations in Europe, Africa, the Mideast, and the CIS. Revenue flights begin with 3 Yakovlev Yak-40s.

U-LAND AIRLINES, LTD.: Taiwan (1995-2000). The failed **China Asia Airlines, Ltd.** is purchased by the Taipei-based U-Land Enterprise Group in early 1995 and renamed. ULEG official Lee Min Chung is appointed executive vice president, with Lt. Gen. Yin Heng-Yuan as vice president-operations. A McDonnell-Douglas MD-82 is acquired and scheduled flights to various domestic destinations from Taipei Sung Shan Airport commence in December.

A second MD-82 is purchased in 1996. Both jetliners are painted in black and white livery with large script "U-Land" titles on the forward fuselage.

It is announced on May 13, 1997 that the carrier will sell space on their planes' sides for ads in a program reminiscent of the "logo jets" of **Western Pacific Airlines**.

Flights continue in 1998. The U-Land Enterprise Group orders all flights cancelled on October 5 due to its financial problems; once matters are put right, service is resumed on October 6.

During the year, revenues of \$36 million are generated, but a \$25.1-million loss is suffered.

Having received government authority to divest upwards of 90% of its shares, **Air Philippines (2)**, during the week of March 15, 1999, holds discussions with U-Land concerning the possible partnership in which the Taiwan-based carrier will take a 50% stake.

With capitalization of NT\$1.5 billion (\$50 million), the company runs up combined losses for the year of NT\$3.9 billion (\$130 million). Its debt reaches NT\$7.6 billion (\$253 million).

At the beginning of 2000, U-Land's 5-ship fleet operates 10 daily flights from Taipei to Kao-hsiung and to Kinmen and from Kao-hsiung to Kinmen.

On May 15, U-Land is grounded by the Civil Aeronautics Administration because it has failed to meet minimum safety requirements, with particular deficiencies in the maintenance department. Within two weeks, all of the carrier's technicians have departed and no progress has been made in redressing concerns. Faced with a worsening situation, the CAA, on May 31, withdraws certification from the carrier's entire fleet. The grounded airline is given six months to correct its safety problems and to address lingering financial difficulties. Analysts do not expect it to recover and it does not.

UBAIR, LTD.: India (1991). Vijay Maillya establishes this private air taxi and commuter at Bangalore in 1991 as a subsidiary of a major brewery group. Scheduled operations are inaugurated with Dornier 228-200s linking the company's base with Madras and Cochin. When one of the Dorniers is damaged in a landing accident, UBAir ceases operations.

UFS (UNITED FEEDER SERVICE): United States (1993-2000). **Trans States Airlines'** founder Hulas Kanodia purchases the Chicago-based turboprop operations of **United Airlines'** "United Express" partner **Air Wisconsin** in September 1993. Given the major's desire to retain the **Air Wisconsin** slots, Kanodia agrees to provide "United Express" services if **United Airlines** will continue to maintain the six owned and four leased British Aerospace BAe ATPs. Gary Santos is named vice president/general manager.

After such an arrangement is struck, the large regional's new subsidiary, UFS (United Feeder Service, Inc.), transports a total of 142,239 passengers during the remainder of the year. Revenues are \$15.2 million, but expenses are higher. As a result, there are losses: \$359,611 (operating) and \$608,283 (net).

Operations continue apace in **1994** and passenger boardings increase to 735,853. Revenues skyrocket a staggering 245.9% to \$52.49 million, while expenses jump 222.3% to \$50.07 million. As a result, there is an operating surplus of \$2.42 million and a net gain of \$1.34 million.

The company's nine ATPs transport a total of 655,964 passengers in **1995**, a 10.9% decline. Still, operating income exceeds costs and there are profits: \$2.75 million (operating) and \$1.84 million (net).

There is no change in either company employment or fleet during **1996**. Traffic continues to slide, falling 4.3% to 639,023 on 22,481 scheduled departures. Revenues move ahead by 2.5% to \$54.55 million and expenses climb 3.5% to \$52.12 million. Operating gain slips to \$2.43 million and a \$1.59-million net profit is reported.

A 10th ATP joins the fleet in **1997**.

"United Express" Flight 5748, an ATP with 4 crew and 39 passengers en route from Chicago-O'Hare to Peoria, Illinois, on September 6, encounters clear-air turbulence at 10,000-ft. near Peru, Illinois. Both flight attendants are injured, one seriously.

Passenger boardings rebound this year, growing 6.2% to 666,826 on 21,774 scheduled departures. Operating revenues inch up 2.6% to \$56.16 million, while expenses climb 7.4% to \$55.99 million. Profits drop significantly, down to \$167,000 (operating) and \$549,000 (net), respectively.

Flights continue in **1998** without significant incident. Additional frequencies are laid on during the summer strike at **Northwest Airlines**.

Customer bookings jump 3.3% to 689,000. Revenues climb 6.8% to \$59.99 million, while expenses increase 2.7% to \$57.49 million. The operating profit grows to \$2.49 million, while net gain reaches \$1.87 million.

The swirling wake of a **Mexicana Airlines, S.A. de C.V. B-757-2Q8** causes a UFS ATP with 50 passengers to roll 45 degrees and break off its approach into Chicago (ORD) on January 27, **1999**. Both ATC and the Mexican carrier are faulted for not maintaining proper distance between the two airliners.

Late in the year, the decision is taken to halt the "United Express" operation. Beginning on December 1, the carrier's routes are gradually transferred to **Atlantic Coast Airlines** and **Air Wisconsin**.

Passenger boardings fall 12.3% during the year to 601,000. Revenues advance 12.5% to \$67.5 million, while expenses are up 7.1% to \$61.59 million. The operating profit improves to \$5.91 million, while net gain reaches \$6.11 million.

The workforce totals 400 at the beginning of **2000**. When the hand over of the ACA and AW routes are completed on February 9, the carrier shuts down. A total of 20,000 customers are flown during these 40 days. The entire fleet of 9 ATPs has been parked at Kingman, Arizona, by March 13.

UGANDA AIRLINES, LTD.: Uganda (1986-2000). **Uganda Airways Corporation** is reformed in May **1986** and renamed. The wholly owned 600-employee government corporation, under General Manager C. Adoko Ajiku, is equipped with a fleet comprising 1 each Boeing 707-324C, B-737-300, British Aerospace BAe 146-100, and Fokker F.27-600. Passenger operations are flown within the country and from Entebbe to Harare, and Nairobi, serving Kampala. All-cargo services are undertaken to Entebbe to Brussels, London (LGW), Nairobi, Sharjah, Djibouti, Cairo, and Bujumbura. Profitability is restored.

Operations continue apace in **1987** as a B-707-328C is leased from **ZAS Airline of Egypt, Ltd.**

While on final approach to Rome on October 17, **1988**, after a flight from London (LGW), Flight 775, a B-707-338C with 7 crew and 45 passengers, crashes near foggy Fiumicino Airport on its third landing attempt (33 dead).

In May **1989**, Christopher S. K. Mboijana, one of the founders of Kenya's **African Safari Airways, Ltd.**, is named chairman and managing director. The recession that closes out the decade and begins the next takes a terrible toll on the airline.

The company is in total chaos during **1990**. The last available annual report, published in December, shows the company \$10 million in debt. From an appended deposition by the nation's Auditor General, it is

learned that the company has operated without a budget, cannot meet its short-term obligations, and its records have been so badly kept—or not kept—since 1982 that an audit of the books is impossible.

Chairman/Managing Director Mboijana is succeeded in January **1991** by Abraham Waliggo. The leased B-707-328C, piloted by Capt. Stephen Mukyeli and four other Ugandans, is detailed at Belgrade Airport in August when it is discovered that its cargo consists of 19 tons of arms and ammunition from South Africa, reportedly destined to Croatia. While the crew is held, Croatian-born Canadian businessman Anton Kikas, aboard the plane as a passenger, is fined C\$1 million for arms smuggling and is released.

In September, a major shakeup in airline management occurs because of the Yugoslav incident. Chairman/Managing Director Waliggo, together with John Kalahan, flight operations/marketing manager and Ocheng' Dohi, corporate secretary, are relieved of their duties and arrested. Benedict Motyaba becomes the new chairman/managing director.

In October, Ugandan President Yoweri Museveni refuses to seek the release of Capt. Mukyeli and his crew, calling them mercenaries. It is reported at the same time that the carrier will be partially privatized, with the government retaining a 49% share. A date for the changeover is not provided. Enplanements for the year are just 16,716.

By **1992**, the owned fleet of the 600-employee airline has been reduced to only the Fokker turboprops.

Former Chairman Waliggo and two other airline executives, indicted for organizing and authorizing an arms smuggling ring, appear in court at Kampala on January 11 and claim innocence. Nothing more will be heard of them, or Capt. Mukyeli.

International service is continued when, in April, the carrier signs an agreement with **Air Botswana (Pty.), Ltd.** Under its terms, the Nairobi-Entebbe sector of the Botswana-based airline's twice-weekly Gaborone-Entebbe service is operated on behalf of the Ugandan company.

In **1993**, the workforce totals 350. A Boeing 737-2N0A is leased by Managing Director Motyaba from **Air Zimbabwe Corporation** and operates scheduled services linking Entebbe with Nairobi, Harare, Johannesburg, Kigali, and Bujumbura.

The company releases its first public report of the decade in September and its figures show that 37,884 passengers have been transported since the beginning of the year. An operating profit of \$2 million is reported; for the first time in years, the company has moved into the black.

Reductions in the workforce continue in **1994**. In addition, service is withdrawn to Rome, Brussels, and London. When Uganda and its airline each acquire a 10% stake in the new multinational consortium **Alliance Air (African Joint Air Services)**, the national airline surrenders its long-haul traffic rights, particularly those for routes to Europe.

Passenger boardings climb a strong 56.4% to 67,719. For the year, an operating profit of \$1.3 million is posted.

Rigorous employee cost-cutting results in a **1995** drop of 48.6% in the number of workers, down to 180. Through October, enplanements leap ahead by 47.7% to 65,814 and freight skyrockets 91.8% to 744,000 FTKs.

Flights continue in **1996** and beyond, during which years marketing alliances are signed with over 35 foreign carriers, including **British Airways, Ltd. (2)**, **El Al Israel Airlines, Ltd.**,

Continental Airlines, South African Airways (Pty.), Ltd., and **Air Zimbabwe, Ltd.**

Twice-weekly roundtrip service is inaugurated on February 27 from Kampala to Tel Aviv. Flights to Kigali cease. Other destinations visited from Entebbe include Bujumbura, Dar es Salaam, Dubai, Harare, Johannesburg, Lusaka, Mombasa, and Nairobi.

Following the overthrow of the democratically elected government of Silvestre Ntibantunganya by Piere Buyoya, the nations of East Africa impose sanctions on war torn Burundi. Among these is the suspension, in August, of flights by UAC to Bujumbura.

In its May 14, **1997** issue, *The New Vision*, a major Kampala-based newspaper, reports that the airline will inaugurate shuttle services from Entebbe to Goma and Kisangani in the eastern portion of the Democratic Republic of the Congo. The Ministry of Works, Transport and

Communications had been approached with a request for the service by the new Kinshasa government.

A team headed by General Manager Dickinson Turinawe travels to Goma and Kisangani in late June to handle necessary logistic matters prior to the resumption of services. Piloted by Capt. Chris Owor and Ernest Yoti, a chartered B-737-53A resumes service to Kinshasa from Entebbe on July 7. Transporting 100 passengers and an official Ugandan government delegation led by State Minister for Foreign Affairs Rebecca Kadaga, the aircraft first makes a brief stop at Goma, where it is welcomed by local government officials.

Flight 561, the B-737-2N0A with 4 crew and 100 passengers develops engine problems just after takeoff from Nairobi on October 4 on a flight to Entebbe; the aircraft returns to Jomo Kenyatta Airport where it makes a safe, one-engine landing. No injuries are reported, the engine is repaired within two hours, and the plane flies on to Entebbe with no further problems.

During October, plans are completed that will have **Air Tanzania Corporation** and Uganda Airways merge with **Alliance Airlines (African Joint Air Services)**, forming the core of **Alliance Express, S.A. South African Airways (Pty.), Ltd.** and Transnet, its government-owned parent firm, are expected to cover costs.

The goodwill trip and other activities does little to take away from the fact that the financially troubled airline is, by year's end, an economic disaster. The chartered Boeing that had flown to Kinshasa has been returned; the company has no flyable aircraft of its own and "huge liabilities."

Resources are found early in 1998 to recharter the B-737-53A, which is employed to operate twice-weekly return service to Dubai. The company begins to plan for a code-sharing service with **Air Zimbabwe Corporation** between Entebbe and Dubai with a Zimbabwean B-767-2N0ER in October.

A crisis erupts with **Alliance Airlines (African Joint Air Services)** during the late spring.

On May 13, **Alliance Airlines (African Joint Air Services)** corporate secretary Frederick Ochieng-Obbo calls a press conference to announce that the carrier's legality is not, in fact, being investigated by the Ugandan government. The story had earlier gained currency as the result of a letter to that country's transport minister, John Nasasira, written by Uganda Airlines General Manager Turinawe. Ochieng-Obbo believes Turinawe had written the "malicious" communication because his company does not "understand the way we are structured, even though they are a shareholder."

There the matter rests as the government of Uganda appoints a privatization unit to oversee the process of turning Turinawe's carrier from a state-run airline into a commercial enterprise. Equator Bank is retained to assist in the fiscal arrangements necessary for privatization. The air carrier is one of more than 30 public enterprises in various stages of preparation for divestiture; indeed, over 70 have been sold since 1992 when the privatization process began. President Museveni indicates that he wants UAC sold by the end of March 1999.

Negotiations are opened with six (later four) different airlines concerning a possible stake in Uganda Airlines, Ltd. Among the suitor finalists are **Air Mauritius, Ltd.**, **British Airways, Ltd. (2)**, **South African Airways (Pty.), Ltd.**, **Alliance Airlines (African Joint Air Services)**, and **Sabena Belgian World Airlines, S.A.** The company chosen will also be asked to develop Entebbe Airport into a regional air transport hub.

Rebellion erupts in Laurent Kabila's Democratic Republic of the Congo on August 2 and as the fighting develops, Uganda and Zimbabwe find themselves on opposite sides. Zimbabwe President Robert Mugabe sends troops to support Kabila, while Uganda finds itself supporting his opponents.

As might perhaps be expected, business ties between the two airlines become strained. Additionally, all scheduled Uganda Airlines services to Goma and Kinshasa are suspended.

In early August, the Ugandan national Parliament decides to suspend the entire national privatization process. As a result of this controversial

move, the country stands to lose billions of shillings and become entangled in costly litigation arising from breach of several contracts.

For the airline, the decision of the lawmakers makes it necessary to suspend the international bidding process and requires the government to continue its support. Additionally, maintenance work cannot now be contracted or IATA bills paid and all of the divestiture audits (which cost \$150,000 to conduct) will become outdated.

In addition, it is expected that the bidders will all withdraw their offers and that there will be difficulty in attracting credible new offers. Indeed, the company will probably be banned from international flights not only because of air safety concerns, but because it cannot provide alternative sources of funding with which to pay its out-of-country bills.

On August 23, Prime Minister Matthew Rukikaire announces his decision to ignore Parliament's resolution and to proceed with privatization. International developments will pose the prospect of further delay for that action.

In a letter to the Ugandan airline's Acting Managing Director Derek Else in early September, **Air Zimbabwe Corporation** CEO Donohoe cancels the joint Dubai operation due to commence in October. At the same time, he refuses to renew the lease of the B-737-2N0, due in November, claiming that Air Zimbabwe has new use for the Boeing. It will be claimed elsewhere that Uganda Airlines is employing the aircraft to ferry military supplies to the Congo. The Ugandan line will be left only with a single chartered B-737-53A.

Uganda Airlines requests a six-month extension for the B-737-2N0 it has been chartering, while attempting to persuade officials at Harare that business should come before politics. When the Ugandan government learns of the airline's entreaties, it orders Managing Director Else to break off negotiations with AZC and find an alternative source for aircraft.

Managing Director Else indicates that the schedule can be reworked and operated with one aircraft, but worries what will happen if the plane breaks down or crashes. Officials of Prime Minister Rukikaire's government hope that privatization can, in fact, be completed before the lease expires in November as the new partner would be expected to provide new aircraft.

On October 9, the Ugandan army bans all aircraft from entering the airspace over the industrial town of Jinja and the capital of Kampala. It is suggested that the precautionary move, which impacts the airline, is in response to growing threats from Sudan.

Despite regional tensions, scheduled service is maintained to Nairobi, Kigali, Dubai, Johannesburg, Harare, and Lusaka. Agreement is reached with **British Airways, Ltd. (2)** for the inauguration of Saturday service between Entebbe and London in January.

Prime Minister Rukikaire's push for privatization continues. Under his direction, the Public Enterprise Reform and Divestiture Committee announces that 51% of the state airline will be sold to Ugandans, with the remainder going to the international airlines with which Uganda Airlines has been in negotiation. One of the airline's most profitable activities, cargo handling at Entebbe is now privatized. Unhappily, the carrier cannot raise the 9 billion Ugandan shillings needed to pay the displaced workers.

Like **Air Tanzania Corporation**, Uganda is finding it impossible to proceed toward privatization without the international traffic rights it had given away to **Alliance Airlines (African Joint Air Services)** in 1994. Prospective investors inform the airline that they will not provide equity without the rights. Like the Tanzanians, Uganda must decide on whether to remain in the consortium and face the prospect of not privatizing or pulling out.

As these considerations continue, the airline draws closer and closer to fiscal collapse. On November 9, the carrier is ordered to pay the \$500,000 it owes Shell Uganda for avgas; as it does not have the cash, the carrier is permitted to begin making installment payments.

It is reported on November 11 that Uganda Airlines will be privatized in four days. The next day, its public relations director, Hadija Naki-tende, informs the press that it will no longer pursue business opportunities with AZC, having turned to **Air Djibouti, S.A.** and achieved an agreement for an Entebbe-Dubai service beginning early in 1999.

Over the next several days, Uganda Airlines receives numerous offers of aircraft from around the world, with the majority coming from the U.S.

With the return of the B-737-2N0 on November 15, all business dealings with **Air Zimbabwe Corporation** are severed.

On December 8, the Parliamentary Select Committee on Privatization reports, according to *The New Vision*, that the entire governmental privatization effort of the airline and other entities has been manipulated by nepotism and politically powerful families. It also calls for the dismissal of four Cabinet ministers involved.

With regards to Uganda Airlines, State Planning Minister Sam Kutesa and Works, Housing, and Communications Minister John Nasasira are alleged to have employed political influence to run down the airline. Several other ministers are cited for failing to supervise privatization. It is found that in-flight catering services have been wrongly advertised—no bids have been received and awarded to allies. Ground handling assets, which have previously contributed up to 60% of the airline's income, have been similarly disposed of in an "ad hoc, unprofessional, unethical and unfair" way to a monopoly consortium planned by Minister Kutesa.

The Ugandan Parliament schedules hearings on the transactions.

To reduce costs and increase efficiency, the carrier, during the first week of January 1999, fires 72 workers.

Ugandan Finance Minister Gerald Sendaula reports to a key privatization working committee of the Parliament on January 5 that three foreign carriers have informed the government that they have reservations concerning their bids to participate in the privatization of Uganda Airlines, now scheduled for March. The reservations are based on the fact that the carrier does not control its international routes, which are now operated by **Alliance Airlines (African Joint Air Services)**.

The finance minister informs the legislators that he will approach a shareholders meeting of the AJAS consortium later in the month and seek a guarantee of its routes. If the issue is not resolved diplomatically by the end of January, the Ugandan government will issue a 12-month notice of withdrawal from the AJAS Accord and Shareholders' Agreement.

On January 25, the leaders of Kenya, Ethiopia, Eritrea, Tanzania, and Rwanda lift sanctions against Burundi during a summit meeting at Arusha, Tanzania. Consequently, a UAC B-737-53A resumes twice-weekly roundtrips from Entebbe to Bujumbura on February 2.

The Parliamentary privatization working committee on February 3 rejects any option of entering into negotiations with bidder Transnet/**South African Airways (Pty.), Ltd.** on grounds that it would preempt the question of the disputed route rights.

Instead, the group, in order to meet the March 1 deadline of President Museveni, recommends that the government form a limited liability company to which all of UAC's assets would be transferred while the government continues to shoulder its liabilities. One of the four foreign carriers should be chosen during the next month; if one is not, the Ugandan government will have to invest another \$1 million into its state airline.

Although no action has been taken on the creation of a limited liability company, the committee investigating the activities of former Minister Kutesa report that, although he and his associates are guilty of shady practices, the ownership by Kutesa's group of the airline's former ground handling activity is legal.

On March 7, Joachim Buwembo of *New Vision* calls upon the government to buy back the ground-handling concern and to move ahead with privatization. D. S. Katongole responds in the March 14 issue of the same journal that such a move would not be necessary. Effective in February, ground handling was liberalized, per the National Aviation Policy, and the monopoly on ground handling at Entebbe Airport ended. Any organization, including Uganda Airlines, can handle its own cargo and other ground activities.

The number of weekly roundtrips between Entebbe and Johannesburg is increased on April 19 from two to three, while a third weekly flight to Dar es Salaam is simultaneously added in cooperation with **Air Tanzania Corporation**.

As the week progresses, employees and others become excited as the prospect of a conclusion to the initial stage of a long-delayed privatiza-

tion. Technical proposals are scheduled to be presented by bidders on April 23, after which a preferred partner will be chosen to take over the airline, owned flight equipment assets of which include just one out-of-service Fokker Friendship.

The choice will be made from among **British Airways, Ltd. (2)**, **Sabena Belgian World Airlines, S.A.**, and a consortium of **South African Airways (Pty.), Ltd.** and its sister **Alliance Air (African Joint Air Services)**. All liabilities incurred by the company up to April 30 will be assumed by the government and assets will be transferred to a new Uganda Airlines, Ltd.

South African Airways (Pty.), Ltd. and its partner **Alliance Air (African Joint Air Services)** are, by late April, ready to quit the bidding process for the carrier. The two partners had insisted on not being saddled with the entire Uganda Airlines debt, including the lease on a B-737, and have less than parity on the board of directors. They also required that the business and capital investment plans already drawn up be binding, that certain airports become hubs, and that brand names and airline codes continue to reflect Uganda. All of these concerns are rejected by the Ugandans.

Indeed, on April 21, the two airlines do withdraw from the UAC bidding process. So concerned is Ugandan Privatization Minister Manzi Tumubweine that he personally calls CEO Coleman Andrews and obtains a meeting to review the outstanding issues. Within several days, the two sides have convened and the Ugandan government has agreed to water down or delete entirely all of the requirements that SAA has found objectionable. Events will, arguably, prove this decision on the part of the Ugandans to be a wise course of action.

After both **British Airways, Ltd. (2)** and **Sabena Belgian World Airlines, S.A.** pull out of the tender process, **South African Airways (Pty.), Ltd.** and its protégé, **Alliance Air (African Joint Air Services)**, are the only prequalified bidders to make an offer for the available 49% stake in Uganda Airlines, Ltd.

On April 30, the Ugandan government, via the Parliamentary Select Committee on Privatization, cancels the tender process and invites SAA to negotiate the purchase during the week of May 3. In announcing the decision, Michael Opagi, the committee chairman, indicates that the government continues with its plans to sell off the remaining 51% of the loss-making carrier over the next year. A total of 5% will be offered to employees and the remainder floated on the open stock market.

In a letter from Ugandan Privatization Minister Tumubweine, **South African Airways (Pty.), Ltd.** is informed that his government will negotiate directly with the airline with a view of reaching an agreement by May 31.

It is reported on May 5 that the airline's chief cashier and manager of revenue services have been detained as suspects in a massive fraud investigation; upwards of \$127,000 has been stolen from UAC via the improper use of American Express credit cards.

Discussions with **South African Airways (Pty.), Ltd.** drag into June, with members of Uganda's Parliament upset over a plan to remove the carrier's "QU" call sign and privatization unit members concerned that the South African major is not fully wedded to the concept an Entebbe hub. By June 22, *The New Vision* reports that the carrier is losing a billion Ugandan shillings a month.

On December 7, **South African Airways (Pty.), Ltd.** officials travel from Johannesburg to Uganda where, in discussions with Ugandan President Yoweri Museveni, they make an offer to purchase a 49% stake in his troubled flag carrier.

Due to be handed back to Ansett Worldwide a month earlier, the chartered B-737-53A is not returned until the third week of February 2000. Penalties of \$280,000 are assessed. Unhappy with the inability of the Ugandan government to come to a decision concerning its equity offer, on March 28 SAA drops its offer to buy Uganda Airlines.

After stepping back from a call for the April closing of **Alliance Airlines (African Joint Air Services)**, Transnet, parent of **South African Airways (Pty.), Ltd.**, instead gives warning that it wishes to pull out of the joint venture within six months. It does, however, agree to provide

funding as long as Uganda and Tanzania agree to a new business plan and contribute monthly funding of \$126,000 each.

With no other buyers in sight and the concept of privatization nearly dead, the airline lays most off its staff on April 7.

During the third week of May, Uganda Airlines and **Air Tanzania Corporation** inaugurate joint daily service over a direct route from Dar es Salaam to Entebbe. The flights upgrade a previous twice-weekly schedule and allow connections to international destinations, as well as points within Tanzania.

Uganda fails to make payment of any kind after May and Tanzania escapes the cash contribution by providing **Alliance Airlines (African Joint Air Service)** with in-kind services, such as landing fees and ground handling. The two national governments, acting in consultation, do agree to sell their shares into the private sector, thereby minimizing state involvement in the joint venture. Their national carriers, meanwhile, concentrate on a new daily roundtrip schedule jointly introduced between Dar es Salaam and Entebbe.

During a June 1 robbery at Wamala, six Sudanese Kuku tribesmen allegedly murder former Uganda Airlines Commercial Services Manager Davis Joash Mugizi and wound several other people. On June 26, Manzi Tumubweine, Ugandan minister of state for finance, assures a travel agencies convention at Kampala that Uganda Airlines may be structurally changed, but that it will continue as an operational entity. He does, however, indicate that it owes the government repayment of a 1997 loan of \$650,000, which he will obtain when he visits the company within a few days.

Blaming leaders of its partner nations, particularly Tanzania, for its inability to perform to a higher level, **Alliance Air (African Joint Air Service)**, during the first week of September, reports a \$50-million loss since 1994.

On September 18, a new air service pact is entered into between Namibia and Uganda. Under its terms, **Air Namibia (Pty.), Ltd.** will launch its first direct scheduled service into East Africa on September 26 with flights code-shared with Uganda Airlines between Windhoek and Kampala. Last minute instructions to the management of their carrier from the Uganda privatization authorities put the flights on hold.

On October 2, **DAS Air Cargo, Ltd.** and the Tanzanian Chamber of Commerce step forward with an offer to purchase 30% stakes (the Uganda and Tanzania holdings) each in Alliance, with DAS also bidding \$5 million to take over the 40% stake held by Transnet. The deal is conditional in that DAS must also be given traffic rights to the Alliance routes and the Alliance debt must be satisfied.

The **DAS Air Cargo, Ltd.** rescue effort collapses on October 10. With both Uganda and Tanzania having failed to pay their part of expenses, **South African Airways (Pty.), Ltd.** refuses to continue operating its Boeings for the partnership airline. Without lift, the company is forced to suspend all operations the same day.

All hope for any arrangements with **Air Namibia (Pty.), Ltd.** are crushed on October 13 when the Ugandan airline is liquidated and its last aircraft, an F.27-600, is sold.

UGANDA AIRWAYS CORPORATION: Uganda (1976–1986). With an initial capitalization of 75 million Ugandan shillings, this carrier is formed in 1976 as a subsidiary of the Uganda Development Corporation. Following the sudden collapse of **East African Airways Corporation** in late winter 1977, the airline assumes responsibility for both the nation's domestic and international air services and takes over **Uganda Aviation Services, Ltd.**

During 1978–1979, service to domestic points is started, as is service to London, Brussels, and Rome following delivery of the first Boeing 707-324C, a refurbished ex-**Continental Airlines** machine. On April 1 of the latter year, the Boeing is destroyed in a ground accident at Entebbe; there are no other details on the incident.

A total of 79,002 passengers is flown in 1980. General Manager William Dunn's fleet now comprises the Boeing, 1 Lockheed L-188-20 Hercules freighter, 2 Britten-Norman BN-2 III Trislanders, 2 Beech

King Air 100s, 1 Cessna 402B, 1 Cessna 206, and 1 Piper PA-32 Cherokee Six. Pooled all-cargo services to London are undertaken in cooperation with **Tradewinds, Ltd.**

Airline employment is increased by 3.1% in 1981 to 1,161. A second B-707-324C is delivered, joining a sister-ship, two Fokker F.27s, and a Beech King Air in the company fleet. Service is launched to Cairo, Cologne, and Dubai.

Freight traffic skyrockets 255.6% to 32.28 million FTKs, but customer bookings, despite a 24% increase in revenue passenger miles operated, drop by 25.4% to 63,000.

During 1982–1984, services are started to Dar es Salaam, Kilimanjaro, and Nairobi in Africa, but the Cologne service is withdrawn. No fleet changes take place and traffic figures are not available. In 1985 the company experiences a very bad year. General Manager Colonel G. W. Toko is named minister of defense in the new government formed in July.

On November 11, rebel National Resistance Army soldiers hijack a B-707-324C with 49 aboard after its departure from Entebbe. Security police search houses near the airport and arrest 200 people in connection with the theft. Two days later, the aircraft, which has returned to Uganda's main airport, but is in bad condition, is released, save for 10 government soldiers who are held as POWs as the rebels make their escape.

For nonpayment of maintenance bills, the second and last serviceable B-707-324C in the fleet is impounded at London (LGW) on December 24. Travelers are embarrassingly stranded in the U.K. over Christmas.

In May 1986, the carrier's 1,000 personnel are cut by 400 as the airline seeks profitability and is reformed into **Uganda Airlines, Ltd.**

UGANDA AVIATION SERVICES, LTD.: Uganda (1965–1977). The nation's Piper Aircraft distributor, UAS is established at Entebbe in late 1965 under the direction of D. J. Hogg. Employing small Pipers, the company, in the spring of 1966, launches a program of inclusive-tour passenger charters to Arua, Gulu, Lira, Moroto, and Soroti, towns that ring three national parks. These services continue until the company is taken over by Uganda Airways Corporation in 1977.

UKHTA ENTERPRISE (UKHTINSKOE GUSUDARSTVENNOE PREDPRIATIE): Russia (1993–1996). Established at Ukhta in 1993, this new regional provides ad hoc passenger and cargo flights to domestic locations and also operates ambulance, agricultural, and energy-industry support services. The mixed fleet of fixed- and rotary-wing aircraft includes Antonov An-2s, Yakovlev Yak-40s, and Mil Mi-2, Mi-6, Mi-8, Mi-10, and Mi-26s.

General Director Ye Yu Starkov's carrier continues its operations without substantial change in 1994. Flights cease in 1996.

UKRAINE AIR ALLIANCE: P.O. Box 136, Kiev, 270054, Ukraine; Phone 7 (34522) 242 349; Fax 7 (34522) 242 288; Code UKL; Year Founded 1992. This joint stock company is established at Kiev on February 28, 1992 and is one of the first private enterprises established in the Ukraine following the breakup of the Soviet Union. Plans are made for the initiation of domestic, regional, and international passenger and freight charters.

Valen Marinitchemko is director general and he begins revenue services in early 1993 with four Antonov An-32s.

Service is maintained without incident or headline during the remainder of the decade. During these years, the fleet is increased to include 2 An-12s, 1 An-24V, 2 An-26s, 2 An-32s, and 1 An-74–2000.

UKRAINE INTERNATIONAL AIRLINES: Propekt Peremogy 14, Kiev, 252135, Ukraine; Phone 380 (044) 221-8135; Fax 380 (044) 216-7994; <http://www.uia.ukrpack.net/1252>; Code PS; Year Founded 1992. Ukraine International is founded at Kiev in October 1992 as a joint venture between **Air Ukraine** and GPA, later GE Capital Aviation Services (GECAS), with the former owning 88% of the shareholding. The western lessor provides Manager Vitali Potyomski's new international carrier with two chartered Boeing 737-400s in early 1993.

At the same time, a code-sharing agreement is signed with **Austrian Airlines, A.G.** covering routes from Kiev, Dnepropetrovsk, and Odessa to Vienna. The Vienna-based flag carrier also acquires equity.

The new jetliners also inaugurate and continue flights to London, Paris, Frankfurt, Amsterdam, Manchester, Munich, Berlin, Milan, and Brussels. Orders are placed for B-767-300ERs with which to launch transatlantic flights in 1995. Also in 1993, GPA seconds Richard Creigh to the carrier to act as vice president. He is also named to the company board and thus becomes the first non-Soviet director of any of the new CIS airlines. By the end of the decade, he will be the only non-CIS director with any real executive authority.

The financial break-even point is reached in 1994, at which point the Ukrainians seek 25% in expanded equity from private Western interests. Enplanements approach 250,000.

In August 1995, UIA launches dual-designator flights from Kiev to Madrid in partnership with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. Additional destinations added in 1996 include Barcelona and Zurich. The company now also visits Kiev, Larnaca, Riga, Rome, Athens, Budapest, and Vienna. In July, the Ukraine government elects to partially privatize the concern. Foreign airlines seek shareholding.

The Zurich-based flag carrier **Swissair, A.G.** takes an equity interest in November; together, **Swissair A.G.** and **Austrian Airlines, A.G.** own a combined 18.4%. The GPA Group stake is now 13.3%, while the State Property Fund for Ukraine holds the majority (68.5%) interest.

Airline employment in 1997 grows to 470.

During the spring, the company contracts with **Transavia Airlines, N.V.** of the Netherlands to operate on its behalf numerous scheduled flights out of Kiev.

On May 1, the carrier joins with **AMADEUS, S.A.** and the Ukraine Civil Aviation Computer Centre to form a new company to market the Amadeus reservations system in Ukraine. Travel agencies and others employing Amadeus will be able to gain information on UIA flights and book seats.

Code-sharing is now inaugurated with **Swissair, A.G.** between Kiev and Zurich.

On a flight to Greece on December 17, a Yak-42 with 75 aboard goes down near Mount Olympus; there are no survivors.

Enplanements during the 12 months total 143,420.

With the beginning of the summer season at the end of March 1998, new frequencies are extended to Belgrade. Four-times-a-week Yak-40 roundtrips are inaugurated on June 22 between Kiev and the Crimean capital city of Simferopol.

Passenger boardings jump 29% to 202,000, while freight traffic increases 75% to 3.94 million FTKs.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement with the ethnic Albanians fighting for an independent Kosovo, UKI, on March 24, 1999, halts all scheduled service into Belgrade. A spokesman, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo begins.

Service to Belgrade remains halted on March 25 and for the duration of the NATO bombing campaign. Flights throughout south-central and south-eastern Europe experience delays of 30–60 min. due to airspace closure.

On April 13, an An-24 is detained at Kishinev, Moldavia. Customs officials, inspecting the aircraft, en route from Hungary to Yemen with a declared cargo of oil production equipment, have found 5,000 undocumented pistols. It will be some time before the matter can be straightened out and the aircraft, minus its confiscated cargo, released.

Yugoslavia bends to NATO will on June 11.

Flights to Belgrade are resumed in the fall.

Customer bookings total 193,000 during the year and 4.94 million FTKs are operated. Revenues total \$55 million.

Airline employment at the beginning of 2000 total 702, a 49.4% increase over the previous 12 months. The fleet now includes 5 Boeing 737s, 2 Dash-35Bs, and 1 each Dash-247A, Dash-2T4A and Dash-32Q.

It is announced on May 25 that the carrier will soon inaugurate regularly scheduled services from Kiev to Copenhagen.

The carrier enters into several new code-sharing agreements to promote service to Western Europe. Effective September 12, a dual designator flight operated with **KLM (Royal Dutch Airlines, N.V.)** is added from Kiev to Amsterdam. Three days later, in cooperation with **Blue Panorama Airlines, S.p.A.**, twice-weekly B-737-4K5 roundtrips are inaugurated from Kiev to Milan. UIA launches its own thrice-weekly return flights on October 4 between Kiev and Copenhagen.

UKRAINIAN CARGO AIRWAYS: 19/21 Frunze Str., Kiev, 254080, Ukraine; Phone 38 (044) 463 7004; Fax 38 (044) 463 7002; <http://www.avia-uca.com.us>; Code UKS; Year Founded 1997. The State Property Fund of the Ukraine establishes this charter carrier at Kiev in July 1997 to make use of surplus transport aircraft available from the downsizing Ukrainian Air Force. Nikolas M. Mayak is elected president and he takes the 6 months to refurbish a fleet of 18 Ilyushin Il-76s, 1 Il-62M, 6 Antonov An-24s, 5 An-12s, and 3 Tupolev Tu-154s.

Revenue passenger and cargo charters are inaugurated in January 1998 to domestic and international destinations.

While on approach to Asmara after a July 17 service from Burgas, an Il-76 with nine crew and a passenger crashes into a hillside seven km. short of the runway; there are no survivors.

Flights continue in 1999. Business in southeast Europe is impacted by the April and June Kosovo crisis.

Service continues apace for the remainder of the year, with UCA winning contracts from the UN to provide humanitarian flights into the Sudan, Kosovo, and the Democratic Republic of the Congo.

Early in 2000, a Tupolev Tu-154B-2 is added and employed to launch medium-haul passenger charters. At the same time, a homepage is opened on the Internet's World Wide Web.

UKRVOZDUKHPUT (UKRAINSKOE AKTSIONERNOE OB-SHCHESTVO VOZDUSHNYKH SHOOBSHCHENII): Ukrainian Soviet Socialist Republic (1923–1930). Meeting at Kharkov on March 26, 1923, representatives from a variety of Ukrainian organizations agree to create the Ukrainian Air Service Joint-Stock Company (Ukrainskoe Obshchestvo Vozdushnykh Shooobshchenii). "Ukrairways," to give it an English translation, is also known as Ukrvozdukhput (UVP) from its initials. V. N. Ksandrov, chairman of the Supreme Ukrainian Council for National Economy (Ukrsovnarkhoz) is elected managing director and initial share capitalization is 550,000 gold rubles.

The Ukrainian Council of the People's Commissars ratifies the company's statutes on June 1. Orders are placed for six Dornier Komet IIs and planes are made to open services in August. Airports are created at Kharkov (combined with a racetrack), Kiev, Odessa, Elisabetgrad, and Poltava, together with several emergency landing fields. While Soviet pilots are trained, three German flyers are recruited to fill the gap: Walter Neun, Egon Fath, and one Zinneimer.

After tests and modifications, the first two Dorniers arrive on September 5 and, like those that follow, are given a blue and yellow livery. The first two Komet IIs are officially presented on September 30 and are christened *Donets-Zheleznodorozhnik* and *Ukraina*. The final four are acquired on November 18: *Kharkovskii Metallist*, *Krasnyi Khimik*, *Kharkovskii Proletarii*, and *Ukrvenshtorg*. By the time the last aircraft are available, it is too late in the year to begin services.

Two routes are proven by the company's German pilots during the first quarter-and-a-half of 1924: Kharkov to Odessa via Elisabetgrad and Kharkov to Kiev via Poltava. A 46-ruble, 80- kopeck one-way fee will be charged for each of the 3 hr. 35 min. flights. Scheduled services are launched with ceremonies on May 25 and, after a month, 90 passengers and 350 kg. of cargo has been flown. When the flying season ends on October 1, records reveal that 347 persons have been flown on 118 scheduled flights; another 413 passengers have been accommodated on charters. Late in the year, orders are placed for seven Dornier Komet IIIs and the first of nine Soviet pilots is employed.

The routes and services of **Junkers Luftverkehr Russland, A.G.** are acquired early in **1925** and the year's Kiev services resume on April 15. The first three Komet IIIs arrive in June and are employed in mid-month to reopen flights to Odessa and to begin service to Moscow. The remaining four Komet IIIs arrive during July and August and enter service before the company is closed down for winter on September 23.

With five additional Komet IIIs on hand, Ukrvozdukhput opens its **1926** season in early April. While attempting to land at Kharkov on May 19, a Komet III, with four aboard and engine failure, attempts to avoid a horse race in progress, but hits a tree and crashes into an unoccupied viewing stand; there are no survivors from the company's first fatal accident. The aircraft, however, will be rebuilt as a Merkur and returned to service.

Flying another Komet III, pilot I. P. Shurygin undertakes a proving flight, beginning on May 17, from Kharkov to Baku and Tbilisi. A month later, on June 20, scheduled flights are inaugurated by V. M. Melnikov over a route from Moscow to Tbilisi via Orel, Kharkov, Artemovsk, Rostov-on-Don, Mineralnye Vody, Grozny, Baku, and Evlakh. At Moscow, connections are established with Dobrolet and at Tbilisi with **Junkers-Luftverkehr's** Persian service. The 114-hr. train trip from Moscow is cut to 38 hrs. by air.

A Komet III is lost in a July 28 crash. During the fall, the company receives two more aircraft. One is an old Red Air Force de Havilland DH 34 and the other is a brand new Dornier Merkur, received in October after its September sales trip from Germany to Moscow and points south.

The Komet II *Ukraina* is lost in a fire on May 8, **1927**. In need of additional capacity, two Fokker F-IIIs are chartered from **Deruluft** later in the month. On June 2, a new Aerial Photography Department, under I. K. Kirillov, is created to officially take over the agricultural reconnaissance work performed over the past two years. The Dornier IIs *Donets-Zheleznodorozhnik*, *Kharkovskii Metallist*, and *Krasnyi Khimik* are converted into camera ships and are assigned to the unit.

A Komet III must be written off following a July 28 crash, but the leased Fokkers are purchased from **Deruluft** in August. Following some negotiation, a pact is signed in October with the Persian branch of **Junkers-Luftverkehr** for a joint Ukraine-Persia service. Following successful completion of a December 1 proving flight to Pakhlevi, the agreement is endorsed by the Soviet and Persian governments. Enplanements for the year total 2,320.

Employing a Ukrainian Komet III, Moscow to Pakhlevi scheduled services are inaugurated in February **1928**, but the aircraft is lost in a crash at Pakhlevi on April 7. A third Deruluft Fokker is purchased in April and in early June a new Junkers F-13 is acquired. Placed on the Persian service, it makes its initial flight to Tehran on June 28. Two Kalinin K-4s, the first successful Soviet-designed airliner, are received, one each in July and August.

The Fokker acquired in April is withdrawn following a crash on October 11. On December 11, the Council of Civil Aviation determines to alter the Moscow to Baku route. The service is sent south (instead of north) of the Caucasus and along the Black Sea coast via Sochi, Sukhum, Kutais, Tbilisi, and Gandzhe. It actually stretches over the route network of the small Caucasus airline **Zakavia**, which is acquired and merged. Enplanements for the year total 3,050.

The fleet at the beginning of **1929** includes 4 Komet IIs, 5 Komet IIIs, 2 Merkurs, 1 DH-34, 2 F-IIIs, and 8 K-4s. Eighteen of the latter type will join the fleet during the year. The Komet II *Krasnyi Khimik* is lost in a crash on May 15 and the *Kharkovskii Proletarii* is retired on May 30. While en route from Sochi to Tbilisi on June 25, a K-4, piloted by M. Pavlov with five passengers aboard, develops engine trouble and crashes into the Black Sea (two dead).

One of the last two F-IIIs is withdrawn on July 10. The Sochi-Tbilisi route is now the company's most dangerous. Just after takeoff from the former point on August 24, an overloaded K-4 crashes into the Black Sea (one dead). The last F-III is retired on August 29 and two K-4s are transferred to the Red Air Force at month's end. Control problems force

I. S. Zakharov to crash another K-4 at Sukhum on September 12; no injuries are reported. Six days later, the Council of Civil Aviation suspends the Sochi-Tbilisi service, which a commission of inquiry will find too difficult for single-engine aircraft. Ukrvozdukhput is required to return to its previous Baku routing, north of Caucasus via the Caspian Sea.

The DH-34 is withdrawn from service on September 23 and the flying season ends on October 1. Enplanements for the last year of flying total 4,040, with 20,550 kg. of mail also transported.

As a result of the Soviet government's 1928 Five-Year Plan, the central decision is taken in Moscow on December 12 to end the joint-stock status of the carrier and its Russian neighbor **Dobrolet** and to merge both into a single state-owned national airline.

The last Ukrvozdukhput stockholders meeting is held at Kharkov on January 15, **1930**. Three days later, a final fatal accident occurs at Baku when a K-4 smashes into a mast at the airport (three dead). The company ceases to exist on January 20, being merged into the new **Dobroflot**.

UKUNDA AIR, LTD.: Kenya (1990–1992). Ukunda is established at Nairobi in **1990** to offer scheduled and charter passenger flights to various domestic destinations, including the big game parks. Revenue operations commence with a single Dornier 228-202. The Dornier is upgraded to a Dash-212 in **1991**. Operations continue another year.

ULAN UDE AVIATION ENTERPRISE (ULAN UDENSKOE AVIA PREDPRIATIE): Russia (1994–1996). Ulan Ude is formed at the airport of that community in **1994** to undertake trunk and regional scheduled passenger and cargo services. A. P. Abashev becomes general director and he undertakes revenue flights with a fleet of 1 Tupolev Tu-154B/M, 2 Let 410s, 24 Antonov An-2s, 10 Antonov An-24s, and three Antonov An-26s.

Enplanements total 186,597.

The carrier's 70 aircraft transport a total of 162,400 passengers in **1995**, a 15.9% decline. Freight traffic also falls, dropping 23.9% to 4.67 million FTKs.

In **1996**, the company is reformed and renamed **Buryat Airlines**.

ULSTER AIR TRANSPORT, LTD.: United Kingdom (1967–1970). On December 1, **1967**, UAT is formed at Aldergrove Airport, Ulster, to acquire the assets of bankrupt **Emerald Airways, Ltd.** The trading name **Air Ulster, Ltd.** is adopted, J. W. Rigby is named managing director and the ex-**Emerald Airways, Ltd.** Douglas DC-3 is obtained, refurbished, and delivered on January 25, **1968**. A second DC-3 is leased from **British United Airways (BUA), Ltd.** for a quarter. Revenue charter operations commence in February. A second DC-3 is placed into service in March and on April 8 scheduled Belfast-Glasgow service is introduced. Later, a Belfast-Prestwick schedule begins. A variety of ad hoc charters are flown during the summer, including replacement service for BUA on routes from the Isle of Man to Blackpool and Belfast.

Early in **1969**, the company enters into an association with newly formed **Phoenix Airlines, Ltd.** and later undertakes a variety of charters for the Liverpool-based carrier. A DC-3 is leased from **Skyways Coach-Air, Ltd.** to replace a Douglas withdrawn in July. Also in this month, a Vickers Viscount 803 is leased for five months from **Aer Lingus Irish Airlines, Ltd.** and is assigned to the Belfast-Prestwick service.

With losses on all services growing steadily more oppressive, the carrier ends the year in the red and on January 5, **1970** ceases all flight operations.

ULSTER AVIATION, LTD. See **NORTHWEST AIRLINES (ISLE OF MAN), LTD.**

ULTIMATE JET: 3153 Donald Douglas Loop South, Santa Monica, California 90405, United States; Phone (310) 915-7557; Fax (310) 915-7565; Year Founded 1993. Ultimate Jet is established at Santa Monica Municipal Airport in **1993** to provide executive and small group

passenger charters throughout the Western Hemisphere. Revenue flights begin with 2 each IAI 1124 Westwinds and 1 Mitsubishi Mu-2.

ULTRAIR: United States (1992–1994). The new passenger charter operator **Airline of the Americas** is established by Houston entrepreneur Barney Kogen and his associate Gordon Cain, chairman of the Sterling Group banking firm, at Smyrna, Tennessee, in the spring of 1992 to offer nonscheduled flights to destinations throughout the eastern U.S., the Caribbean, and to Mexico.

Employing a pair of chartered re-engined ex-**Trans World Airlines (TWA)** Boeing 727-231s, the company of President Charles P. Caudle, formerly an executive with **Pan American World Airways (1)**, inaugurates revenue services in June. A total of 27,000 passengers are flown by December 31.

In January 1993, President Caudle oversees a workforce of 100. Kogen and Cain invest \$10 million in the spring to create Ultrair and employing the Airline of the Americas certificate, transfer it to Houston, where it will begin to provide luxury scheduled service to a variety of domestic destinations. From Houston (IAH), roundtrips are begun twice daily in March to Newark and thrice daily to Los Angeles, with a leased fleet of 3 Boeing 727-225As, 1 B-727-214A, and 2 B-727-231s.

When success is not immediate, President Caudle is replaced by Ronald Ridgeway, former head of **Braniff, Inc.** Operations commence between Houston (IAH) and New York (LGA) in April and weekday roundtrips to Washington, D.C. (DCA) begin in May. This marketing approach is a failure and is abandoned. On July 25, Kogen's interest is sold and the company ceases its luxury, scheduled services. In August, blaming **Continental Airlines** for illegal, anticompetitive, and predatory behavior, the new entrant sues the major in Galveston federal court, seeking injunctive relief and monetary damages.

The reborn airline, under the direction of new CEO J. Patrick Millinor Jr., reconstitutes itself as a low-fare, no-frills carrier on the model of **Southwest Airlines (2)**. In November, Ultrair relaunches frequencies (20 daily nonstop and single-class) from New York (JFK) to Florida destinations. The fleet is cut by the withdrawal from service of two B-727-225As.

In both service modes, Ultrair transports a total of 114,000 passengers on the year and earns revenues of \$6.4 million. Expenses are higher and there are, to no one's surprise, big losses: \$25.56 million (operating) and \$27.78 million (net).

Airline employment in 1994 stands at 200. On February 3, service is initiated from Houston and New York (JFK) to Orlando. These services are followed by the introduction of twice-daily roundtrips to Birmingham and Mobile, Alabama. Meanwhile, during the year's first six months, the carrier is only able to slide deeper into debt as the result of stiff competition from **American Airlines**, **USAir**, and the CALite division of **Continental Airlines**.

After transporting 205,000 passengers in six months, operations cease after the last flight on July 13. They are later briefly resumed, but cannot be sustained. Revenues received for the year increase by 31% to \$21.32 million. Expenses decline by 30.5%, but still read \$29.07 million and the loss lines improve to minus \$7.74 million (operating) and \$7.48 million (net).

At the beginning of 1995, the company's assets are purchased by NavCom Aviation of Manassas, Virginia. The new owners will reform the carrier into **Paradise Airways** and fly one of the B-727-231s in a new paint scheme.

ULYANOVSK CIVIL AVIATION FLIGHT TRAINING SCHOOL (ULYANOVSK VAU-GA): Russia (1994–1995). One of several Russian flight training operations that is given permission in 1994 to operate charter passenger and cargo services as a way of earning additional revenues. V. M. Rihevski is general director and he undertakes revenue flights with 9 Tupolev Tu-154B-2s, as well as an unspecified number of Ilyushin Il-62s and Il-76s.

In 1995, the concern is renamed **Simbirsk Aero Air Company**.

UMCA (URABA, MEDELLIN AND CENTRAL AIRWAYS, S.A.): Colombia (1931–1961). With a vision for a transcontinental South American air service, Gonzalo Mejia, who had helped to form **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** in 1919, is given a 15-year Colombian government route concession on January 14, 1931. The permit requires a connection with a service offered by a North American airline.

Following a meeting with **Pan American Airways (PAA)** President Juan Trippe, Mejia sees UMCA incorporated (under the laws of the state of Delaware) on August 24, taking its name from its route award, Medellin to the Gulf of Uraba.

The PAA holding company, the Aviation Corporation of the Americas, assumes 54% majority shareholding on April 13, 1932. One of Juan Trippe's Sikorsky S-38s, the *Marichu*, is now sent down to Medellin and inaugurates UMCA's twice-weekly, passenger-only services on July 12. On June 20, 1933, the government grants a mail subsidy.

Pan American Airways (PAA) retains its grip on this Colombian connection for the next 28 years, first as a method of keeping German-influenced **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** away from the Panama Canal and then as a fully owned subsidiary. UMCA never receives a livery, owns an airplane, hires a workforce or publishes a schedule; all of these are provided by the American parent.

Despite the loss of the government mail contract on September 1, 1940, the masquerade is continued until July 28, 1959 when the U.S. CAB withdraws the company's certificate. UMCA still is not finally dissolved until June 15, 1961.

UNALAKLEET AIR TAXI SERVICE: United States (1950–1979). Wilfred Ryan Sr. establishes an FBO at Unalakleet, Alaska, in 1950. Over the next couple of years, Ryan flies occasional lightplane charters between Unalakleet and Kaltag. This popular service requires Ryan to upgrade it into a regular operation in 1953. At this point, the founder operates two aircraft, with much of his business coming under a contract with the U.S. Bureau of Indian Affairs. An airmail contract is also obtained.

Over the next decade, Ryan, finally with the help of another hired pilot, operates all flights over the next decade, visiting St. Michael, Stebbins, and other communities along the lower Yukon River.

Unalakleet Air Taxi Service is officially formed in 1963 as the air transport division of Capt. Ryan's FBO. Nonscheduled passenger and cargo charters continue to be undertaken to surrounding local communities and bush destinations with a fleet that includes de Havilland Canada DHC-2 Beavers, Beech 18s, and Cessna lightplanes.

In order to inaugurate scheduled commuter flights, Ryan changes his company's name to **Ryan Air Service** in late 1979.

UNI-AIR. See **UNI AIRWAYS CORPORATION, LTD.**

UNI-AIR INTERNATIONAL, S.A.: France (1969–1994). With Hemet Aviation as majority shareholder (90%), Uni-Air is established at Toulouse-Blagnac in 1969 to offer passenger and cargo charters to various destinations in Europe and the Mediterranean. Henri Clerc is appointed president and services are inaugurated with a single Douglas DC-3.

Frequencies and fleet equipment multiplies during the next decade and in 1978 the 34-employee carrier lists a total of 5 DC-3s, 1 Cessna 421, 1 Cessna 402, 3 Beech B-58 Barons, 1 Piper PA-34 Seneca, 1 Piper PA-32 Cherokee Six, 1 Kamov Ka-26, and 1 Bell Model 47 helicopters.

During the 1980s, the company begins to provide services out of Paris (Orly) and in 1985 airline employment is 50 and the fleet comprises 4 Fokker F.27s, 3 Gates Learjet 24s, and 1 Beech King Air 90. In 1986–1987, General Manager J. Papillault and Managing Director J. P. Sauval delete one Learjet 24 and replace it with two Learjet 35As and four Aerospatiale 601 Corvettes.

In 1988–1989, the fleet is altered again as the company is taken over by the holding company Heliport. The number of Corvettes is increased

to seven, the two Learjet 24s are withdrawn along with an F.27, and a Dassault Falcon 50 and two Falcon 20s are added.

Operations continue apace in **1990–1992**, during which years J. Bastien and J. Thomas become joint managing directors. Airline employment in **1993** totals 96. Flights cease in **1994**.

UNI AIRWAYS CORPORATION, LTD.: No. 2-6 Chung-Shan 4th Road, Kao-hsiung 801, Taiwan; Phone 886 (7) 791-7611; Fax 886 (7) 791-7511; <http://www.uniair.com.tw>; Code B7; Year Founded 1996. The former **Makung International Airlines, Ltd.** is renamed in May 1996. With 51% majority shareholding held by **EVA Air, Ltd.**, the re-formed carrier of Chairman Frank Hsu and President Joseph Lin employs a workforce of 960.

With a fleet of 3 McDonnell Douglas MD-80s, 5 British Aerospace BAe 146-300s, and 2 BAe (HS) 748-B2s, the company, under the marketing name Uni Air, continues to offer scheduled passenger services that link its Taipei and Kao-hsiung bases with Hualien, Kinmen, Makung, Taitung, and Tsuxiang. The airline also offers charter services to the Philippine market of Laoag.

In August, the carrier receives permission to begin international operations. Orders are placed for five MD-90-30s, the first of which is delivered in the company's new livery at Long Beach on November 6. The BAe (HS) 748-B2s are now retired.

Airline employment is increased by 15.8% in **1997** to 1,100. The company now begins operates 131 weekly roundtrips between Taipei and Kao-hsiung plus Kota Kinabalu. Twenty-one more weekly flights are made over 11 other domestic routes. The fleet grows to include 7 MD-90-30s and 5 BAe 146-300s.

Passenger boardings increase 25.7% to 2,226,358 while freight skyrockets 51.1% to 436,000 FTKs. It is reported that a small profit is generated on the year.

In mid-April **1998**, **EVA Air, Ltd.** makes a dramatic move that will also improve its balance sheet. Triggered by the crash of a **China Airlines, Ltd. (CAL)** A300B4-622R on February 16 (202 dead) and a **Formosa Airlines, Ltd.** SAAB 340A on March 18 (13 dead), EVA employs the national debate over air safety to announce that effective July 1, it will no longer offer any domestic services. Instead, its regional subsidiaries **Taiwan Airlines Company, Ltd.**, **Great China Airlines, Ltd.**, and Uni Airways will be merged into an enlarged Uni Air, Ltd. that will provide domestic services. Safety will, however, continue to be an issue.

During July, the enlarged Uni's Dornier 228 fleet experiences 14 mechanical problems, primarily with braking systems. Just after landing at Matsui on August 9, a Dornier 228 runs off the runway. No injuries are reported. The next day, the CAA orders the company's Dorniers grounded for safety inspections.

Four additional MD-90-30s are received, one per month beginning on October 12. The new aircraft join the others in the company's fleet and are used on domestic routes, as well as on an expanding regional route system.

Passenger boardings this year increase by 49% to 3.32 million, while cargo traffic jumps 35% to 590.8 million FTKs. Revenues surge 35.2% to \$136.06 million, but expenses hit \$140.41 million. Losses are \$4.34 million (operating) and \$19.86 million (net).

During the first quarter of **1999**, the five BAe 146-300s are sold to Global Air Australia (Pty.), Ltd. The sale is occasioned by a plan between **British Airways, Ltd. (2)** and **National Jet Systems (Pty.), Ltd.** to purchase a major stake in the struggling Irish scheduled carrier **CityJet, Ltd.** and equip it with the BAe jets leased from Global. The arrangement will be thwarted by EU regulations concerning non-European ownership of EU-based airlines.

On April 16, Uni purchases a DHC-8Q-200 from Bombardier Aerospace for use on the route between Taiwan and neighboring Matsu Island.

While landing at Hualien, 108 mi. SE of Taipei on August 24, an MD-90-30 with 96 passengers, suddenly bursts into flame, with eyewitnesses reporting a fireball after the aircraft touches down. A total of 28 people are injured and it requires 30 min. to extinguish the flames.

Customer bookings skyrocket 109.6% to 2,286,000, while freight traffic increases 167.1% to 413,000 FTKs.

The workforce at the beginning of **2000** totals 1,947. While en route from Taipei to Chiayhi on April 17, the pilot of a DHC-8-300 with 56 passengers is forced to make an emergency landing at Taichung after developing engine problems. No injuries are reported.

A Bombardier DHC-8-Q400 arrives in the spring and is employed for route proving and pilot training. Due to market conditions, the carrier asks the manufacturer to postpone delivery of the six it had ordered and the one visiting Taiwan is returned to Canada, refurbished, and provided to another carrier. On July 25, a 13th DHC-8-300 is ordered.

After the failure of **U-Land Airlines, Ltd.**, the Vietnamese carrier **Pacific Airlines, S.A.** is forced to return the MD-82 it had chartered from it. At this point, Pacific is able to lease one of Uni's seven MD-90-30s.

Service is increased on November 1 between Taipei and Kinmen Island.

UNIAO TAXI AEREO, S.A. See UTA (UNIAO TAXI AEREO, S.A.)

UNIFLY, S.p.A. See UNIFLY EXPRESS, S.p.A.

UNIFLY EXPRESS, S.p.A.: Italy (1980–1990). Unifly is established at Rome's Ciampino Airport in **1980** to offer executive passenger and small group charters with Cessna 402Cs and Citation Is. These non-scheduled services continue for the next 4 years, during which time the fleet is increased with a Dassault Falcon 20 employed to transport overnight package express.

The initiation of public charter service is planned during late **1983** and arrangements are made to acquire a former **Braathens S.A.F.E., A.S.** Fokker F.28-1000. Following the arrival of the Fokker during the first quarter of **1984**, flights are started with the beginning of the European summer schedule on April 1.

Early in **1985**, agreement is reached with **Alitalia, S.p.A.** under which the charter company will fly a number of scheduled replacement services on its behalf.

In October **1986**, the company acquires a second Braathens Fokker F.28-1000 jetliner, which significantly increases capacity for the company's charters and replacement flights. During the year and in **1987**, holiday flights continue to be operated from various Italian communities to destinations in northern Europe, Greece and the Mediterranean, and North Africa.

In **1988**, the Fokkers are leased out to **Alinord, S.p.A.** and are replaced with two Douglas DC-9-15RC convertible freighters, as well as three McDonnell Douglas MD-83s and an MD-82 leased from GPA Group, Ltd.

The DC-9s undertake all-cargo replacement services from Rome to Frankfurt, flying mail and newspapers four times per week on behalf of **Alitalia, S.p.A.** The MD-80s are contracted for inclusive-tour flights.

Unifly, S.p.A. is reformed in **1989** and renamed Unifly Express, S.p.A. At this point, it takes over **Alinord, S.p.A.** and regains control of the Fokkers chartered to that carrier the year before. A number of the scheduled routes operated by the new Alinord subsidiary also pass to Unifly Express.

In **1990**, Unifly Express encounters severe financial difficulty and in an effort to cut costs, the MD-80s are grounded. Plans to wet-lease them out to other European airlines are disapproved by the company's creditors and the aircraft are, consequently, returned to their lessors. Without capacity to operate its charter obligations, the carrier is forced to rely on its few Fokker services and the DC-9-15RC cargo flights for its income. Knowing that this will be insufficient for the maintenance of economic viability, company executives attempt to reorganize and find fresh capital. Unable to accomplish the latter goal, Unifly declares bankruptcy and goes out of business in May. Within a few months, the **Alinord, S.p.A.** subsidiary fails as well.

UNION AEROMARITIME DE TRANSPORT, S.A. (UAT): France (1949–1963). Following the French government's **1949** decision to al-

low the creation of independent carriers, UAT is formed by Compagnie Maritimes des Chargeurs Reunis, the shipping line, as successor to its prewar **Aeromaritime, S.A.**, which is now absorbed as a division. Francis Fabre is named president. Destinations visited in Africa include Rhodesia, French Equatorial Africa, Mozambique, and South Africa, while several points in the Mideast also are serviced by UAT DC-4s.

In competition with **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)**, Douglas DC-4 services are begun in 1950 over routes from France to Saigon, Dakar, and Pointe Noire. On December 9, a DC-4 carrying 37 Senegalese soldiers crashes at Bangul, French Equatorial Africa; there are no survivors.

The Dakar route is extended to Abidjan in 1951 and the West African network is consolidated. Orders are placed for de Havilland DH-106 Comet I jetliners, with the first received in late fall 1952. A DC-4 with five aboard crashes near Lake Chad on November 11; there are no survivors. On December 27, the first operational DH-106 completes a Paris to Dakar proving flight in 6 hrs. 25 min. or one hour under the conventional propeller time.

En route to Paris from French West Africa on February 7, 1953, a DC-4 with 21 aboard crashes near Bordeaux (six dead). Comet Is enter service on the Dakar route on February 19 and by November, are flying as far south as Johannesburg.

The Comet I fleet is grounded on January 11, 1954 following a crash by an aircraft on **British Overseas Airways Corporation (BOAC)** inventory. UAT becomes the first civil customer for the Nord 2501 Noratlas, acquiring seven for its fleet during the summer, partially in replacement for the British jetliners now grounded.

The first Noratlas enters service on September 10 and all will be employed to haul passengers and cargo in French Equatorial Africa and the Cameroons. The jetliner ban is later lifted; however, the French civil aviation ministry, on December 5, orders all UAT Comet Is permanently grounded following a second **British Overseas Airways Corporation (BOAC)** crash off Sicily.

Orders are placed for DC-6Bs, which join the fleet as Comet I replacements in 1955. **Societe Aigle Azur, S.A.**, together with its African and Indochina routes, its subsidiary **Aigle Azur Extreme Orient Airlines, S.A. (AAEO)**, and fleet of aging Boeing 307s, is acquired and merged. AAEO is, however, allowed to continue its operations from the base at Saigon.

On April 18, a de Havilland DH 114 Heron 1B with 4 crew and 10 passengers, crashes into Kupe Mountain while on a flight between Yaounde and Doula, Cameroon; there are no survivors.

A C-54A freighter with three crew is destroyed in a bad landing at Fort Lamy, Cameroon, on June 3; there are no fatalities.

On January 1, 1956, France reorganizes its overseas air network. **Air France** retires from Africa, which routes UAT now receives in exchange for its abandonment of the Pacific to **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)**.

On March 7, 1958, the seventh and last Nord 2501 Noratlas is received and, as the earlier deliveries, is placed in freighter service in French Equatorial Africa and the Cameroons. Also during the year, UAT sponsors creation of the Libyan carrier **Libiavia** in July, and leases several DC-6Bs to it.

A DC-6B with 7 crew and 63 passengers fails its takeoff from Salisbury, Rhodesia, on December 26 for a service to Brazzaville (three dead).

The business of AAEO is wound up in 1959 and its three Stratoliners are sold to another French independent airline, **Airnautic, S.A.** On March 13, a Noratlas, with nine aboard, is lost in a crash near Banga, Chad; there are no survivors.

Orders placed the previous year for Douglas DC-8-33s, which are received in the summer of 1960. Beginning on September 10, the new Douglas jetliners are placed into service on the African routes; frequencies include Paris to Brazzaville via Marseilles and Douala, Paris to Brazzaville via Douala, and Paris to Johannesburg via Brazzaville and Salisbury. During the year, all seven Nord 2501s are sold to the Portuguese Air Force.

In association with **Air France** and in cooperation with 11 newly independent French colonies, UAT in 1961 forms the multinational carrier **Air Afrique, S.A. (2)** on March 28, modeling its consortium arrangement on the highly successful constitution of the **SAS (Scandinavian Airlines System)**. On September 14, UAT and **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)** agree, in principle, to a future merger.

The fleets and schedules of the two carriers are integrated in 1962 and a DC-8-32 is purchased from **Northwest Airlines** on October 3. The amalgamation of the two airlines is completed a year later on October 1, 1963, resulting in the creation of the new **UTA French Airlines, S.A./Union de Transports Aeriens, S.A.**

UNION AIR (PTY.), LTD.: Australia (1972–1982). In April 1972, two small carriers, **Island Airways (Pty.), Ltd.** and **Union Air (Pty.), Ltd.**, are merged; the resultant commuter line takes the name of the larger merger partner. The fleets of the two carriers are assembled and rationalized at the carrier's base at Toowoomba, Queensland, and the resultant group is employed to fly to Hervey Bay, Maroochydore, Brisbane, Maryborough, and Orchid Beach.

Services are maintained for a decade and the fleet grows to include 2 Piper PA-31-350 Navajo Chieftains, 2 Britten-Norman BN-2 Islanders, 3 Cessna 402s, 2 Beech B80 Queenaires and several smaller types. Rising expenses (led by radical fuel cost increases) and declining traffic in recessionary times lead to a cessation of services in early 1982.

UNION AIR LINES. See **WEST COAST AIR TRANSPORT**

UNION AIRWAYS (PTY.), LTD.: South Africa (1929–1934). In preparation for the inauguration of South African internal airmail service, the Union of South Africa publishes an official notice on July 19, 1929, amending its postal rate schedule. A new charge of 4d. per ounce is to be charged for the conveying of postal articles (exclusive of parcels) by Union Air Mail.

Having been in negotiation with former Royal Flying Corps veteran, Swaziland native, and South African Parliament member Allister M. Miller for some time, the government, on July 24, reaches an agreement with the aviator/politician for the establishment of an airmail and passenger service. Union Airways is chosen as the marketing name and this pioneer is simultaneously incorporated at Pretoria. Maj. Miller holds 4,998 of the 5,000 available shares, with 1 each held by Atlantic Refining Company of Africa (Pty.), Ltd. Manager Dayton P. Clark and Assistant Manager E. H. Lewis. Miller persuades Clark to serve as chairman so that he may oversee operations as managing director.

Capitalization is realized under an initial £8,000 annual subsidy (which Miller has helped achieve) from the South African Parliament. A fleet of 5 de Havilland DH 60G Gypsy Moths is assembled at Fairview Aerodrome at Port Elizabeth. A cadre of pilots, including Caspar Caspareuthus, William F. Davenport, and Graham Bellin, plus mechanics, is recruited.

Union receives a three-year license from the government to operate first mail and then mail and passenger services scheduled to connect with the arrival of the Union-Castle Mail Steamship Line's vessels coming into Cape Town from Southampton. Traffic rights to two domestic routes are also provided. The new weekly service is thus to run between Cape Town and Port Elizabeth, with extensions from Port Elizabeth to Durban via East London and from Port Elizabeth to Johannesburg via Bloemfontein.

A pair of new airmail stamps is issued by the government of South Africa on August 21; one is green and sells for 4d. while the other is orange and retails for 1s. They are to be affixed to letters and post cards going via Union Airways.

By August 25, the Union-Castle Mail Steamship Line has landed about 200 Paquebot letters at Cape Town for the first flight, as well as some 2,500 letters from England, of which 191 are registered. Additionally, 5,234 internal letters from points around South Africa have been gathered, including 510 registered.

Maj. Miller's Gypsy Moth, with five stowed mailbags, undertakes the inaugural Union service on August 26 from Cape Town to Port Elizabeth. En route from Port Elizabeth to Johannesburg, Capt. Bellin must make a forced landing at Bloemfontein; his mail sacks are sent on by train. The last flight of the day is carried out by Capt. Caspareuthus, who flies the entire route from Cape Town to Durban via Port Elizabeth and East London.

The premier return flights leave Durban and Johannesburg on August 29. These arrive at Cape Town with 4,015 letters (272 registered) for local delivery, with another 3,782 letters that are to be put aboard the Royal Castle vessel for its voyage back to England.

Service continues without significant incident during the remainder of the year. A total of 245 flights are completed, with 104 passengers and 6,161 pounds of mail flown.

The pioneering airline's success requires the addition of more aircraft in 1930. Added are a Fokker Model 4 Universal and a DH 80A Puss Moth. This expansion exceeds income (subsidy and otherwise) and requires Managing Director Miller to seek additional funding at home and in England. A case for cooperation, pooled services, subsidy or any combination of the three are discussed when an **Imperial Airways, Ltd.** official visits. An offer to purchase the airline is made, but Miller respects a request (made with veiled suggestions of assistance) from South African Defence Minister Oswald Pirow not to sell out.

In 1931, Parliamentary Act. No. 21 grants South African Railways authority to begin an air transport service. Financial problems persist, but pale compared to two fourth-quarter accidents. On November 13, Capt. Davenport's Puss Moth with two passengers crashes at Sir Lowry's Pass, 30 mi. from Cape Town; there are no survivors. Having departed East London in bad weather on December 31, the Universal crashes at Kayser's Beach; although the aircraft is destroyed, there are no injuries reported.

Miller spends the opening months of 1932 seeking additional funding; he is turned down by all concerns visited until an arrangement is struck with F. Hoepfner, the South African representative of Junkers Aircraft Corporation. Under its terms, company headquarters are transferred to Durban and Hoepfner becomes joint managing director. Junkers sends out a pair of its all-metal F.13s.

Unsubsidized thrice-weekly Durban to Johannesburg (actually Rand Airport at Germiston) passenger and freight flights are inaugurated on April 16. A Junkers Ju-52/3m is ordered from Germany during the year and, upon its arrival, it is christened *Jan van Riebeeck*.

At the beginning of January 1933, the South African government signs a contract with Union for the transport of mail on the airline's thrice-weekly Durban-Germiston route. The first mail is transported from Durban on January 2 and from Germiston on January 3. On April 1, the government grants a one-year, £10,000 subsidy for operation of the Cape Town to Durban route; no additional subsidy is given for the Durban-Johannesburg run. The Port Elizabeth to Johannesburg service is suspended on May 31, but the Durban to Johannesburg frequency is increased to daily on June 1.

Financial difficulties mount late in the year. Since start-up, accidents have plagued the carrier. En route from Durban to Johannesburg on December 14, an F.13 with two crew and four passengers crashes near Eshowe (five dead).

On January 29, 1934, Union completes its final northbound flight from Cape Town to Durban via Port Elizabeth and East London. **South African Airways (Pty.), Ltd.** is formed at Durban on February 1 as a division of the South African Railways; failing Union Airways is purchased and merged therein.

UNION AIRWAYS OF NEW ZEALAND, LTD.: New Zealand (1935-1945). Capitalized at £100,000, the Union Steam Ship Company, Ltd.'s air transport subsidiary is founded at Christchurch in December 1935 and equipped with 3 de Havilland DH 86s, christened *Kotuku*, *Karoro*, and *Korimako*. The *Karoro* inaugurates service between the North Island town of Palmerston North and the South Island city of Dunedin via Blenheim and Christchurch on January 16, 1936.

In 1937, three Lockheed Model 10 Electras arrive at the company headquarters; christened *Kotare*, *Kuaka*, and *Kereru*, they are the first all-metal airliners employed in New Zealand.

Taking off in a steady rain, the *Kotare* initiates the first daily Auckland to Wellington via New Plymouth and Palmerston North, flights on June 26.

The Model 10A *Kotare*, with 2 crew and 11 passengers, crashes upon takeoff from Auckland into the SW slope of Mount Ruapehu on May 10, 1938; there are no survivors from New Zealand's worst civil aviation disaster to date.

Gradually coming to dominate the nation's commercial air service scene, the carrier purchases competing **East Coast Airways, Ltd.** on July 1.

Capt. A. G. Gerrand, flying the DH-86 *Korimako* begins Palmerston North to Auckland services on March 20, 1939, landing en route at Napier, Gisborne, Opoiki, and Tauranga. There is little growth and some tragedy during the war years. The Model 10A *Kereru* crashes into Mount Richmond on May 7, 1942; no one aboard survives. On December 7, 1945, Union Airways becomes one of three companies merged to form the new state-owned domestic carrier **New Zealand National Airways Corporation**.

UNION AREA ESPANOLA, S.A. (UAE): Spain (1925-1929). With support from the German airplane manufacturer Junkers Flugzeugbau, UAE is formed in early 1925 to compete with the Seville-Spanish Morocco carrier **Compania Espanola de Trafico Aereo, S.A. (CETA)**. The new entrant, equipped with F-13s, quickly overshadows its predecessor and in 1926 is provided with G-24 trimotors with which to open routes from Seville to Madrid and Lisbon.

The carrier ceases operations on March 13, 1929 when it becomes one of three airlines merged to form **Concessionaria Lineas Aereas Subvencionadas, S.A. (CLASA)**.

UNION DE TRANSPORTS AERIENS, S.A. (UTA). See **UTA FRENCH AIRLINES (UNION DE TRANSPORTS AERIENS, S.A.)**

UNION FLIGHTS: 6273 Freeport Blvd., Executive Airport, Sacramento, California 95822, United States; Phone (916) 421-8531; Fax (916) 421-8546; Code UNF; Year Founded 1955. C. Jayne Paynter sets up Union Flights at Sacramento, California, in November 1955 to undertake charter flights in the Sacramento area. Cessna lightplane revenue flights commence in July 1956.

Over the next 40 years, services to such regional destinations as Oakland and Ontario, California, and Phoenix are begun and scheduled frequencies launched. In 1985, Union becomes a feeder for **Federal Express (FedEx)**.

At the beginning of the 1990s, the fleet includes 3 each Piper PA-31-350 Navajo Chieftains and Cessna 208 Caravan Is, plus 2 Piper Cherokee Sixes. The workforce totals 55 in 1998-2000 and President Paynter operates 8 Caravans and 7 Chieftains.

UNION OF BURMA AIRWAYS, LTD.: Burma (1948-1972). Following the creation of the Socialist Republic of Burma on January 4, 1948, its new government decides that it should have its own air service. To that end, an Air Transport Board, capitalized at 5 million kyats, is established to fulfill that desire and is outfitted with 6 de Havilland DH 104 Dove 1s. These inaugurate scheduled services in October, linking the company's Rangoon base with Mandalay, Akyab, and Moulmein.

The Air Transport Board, though still an Air Ministry division, is renamed Union of Burma Airways in early 1949 and during the remainder of the year the Doves extend the route network to 14 additional communities.

Employing Douglas DC-3s, the carrier opens international routes in 1950 to Chittagong, Calcutta, and Bangkok. Operations continue apace in 1951. The government department becomes an autonomous concern when it is reconstituted on October 1, 1952. It receives an independent board of directors and a full-time chairman/managing director.

While on final approach to the airport at Mergui on January 10, 1953, a DC-3, with three crew and 15 passengers, strikes trees 820 ft. short of the runway and crashes; although the aircraft must be written off, there are no fatalities.

Three Handley Page (formerly Miles) Marathons enter service during the summer; they are employed to open scheduled flights to Singapore via Mergui and Penang.

Unsuccessful, the Marathons are withdrawn the following June and the company returns to DC-3s. In May 1955, three Vickers Viscount 761s are ordered.

While climbing away from Meiktila on September 2, a DC-3 with three crew and six passengers stalls and then crashes; there are no survivors.

En route from Rangoon via Mingaladon to Mandalay on August 8, 1956, a DC-3 with 3 crew and 17 passengers is lost at Thazi, SE of Mandalay (12 dead).

In circumstances unknown (possibly a bad landing), a DC-3 with 4 crew and 19 passengers is lost at Loikaw, Burma, on March 19, 1957; there are no fatalities.

The first Viscount 761s enter service in early 1958 on the carrier's Rangoon–Calcutta–Singapore routes. Those services are extended to Hong Kong and Jakarta soon thereafter. As a result of travel restrictions on Burmese citizens and foreign visitors, the three turboprops are seldom filled. Consequently, flights to Bangkok and Hong Kong end in 1959, though the former market is reopened in 1960.

Service continues without further interruption until the military coup of March 2, 1962 brings a new government into office. Later in the year, the carrier is allowed to order seven Fokker F.27-100s. One of the Douglas transports, with 5 crew and 15 passengers, crashes into Mount Kaolokung in Yunnan Province, China, on June 10, 1963; there are no survivors.

The first Fokker Friendship arrives in October and enters service on November 1.

The domestic network grows during 1964–1968 to include 31 stops, while Viscount service to Siem Reap, near the archaeological site of Angkor Wat in Cambodia, is added as a foreign destination. The fleet is upgraded to include not only 6 DC-3s, but also 7 Fokker F.27-100s and 3 Viscount 761Ds.

One of the Fokkers is destroyed at Moulmein on June 25, 1966, as the result of a bad landing; there are no fatalities.

A chartered C-47 with four crew and two passengers suddenly loses control at an altitude of 300 ft. while on final approach to Lashio on May 23, 1969; the plane crashes into the ground and there are no survivors.

On July 26, the government of Burma charters a **Northwest Airlines** Boeing 727-51 on behalf of the carrier for a year, complete with three U.S. crews, to operate tourist flights in and to its country. It is also employed to resume frequencies to Hong Kong via Bangkok and Phnom Penh. The chartered Northwest trijet is returned in 1970 and replaced with a purchased unit from **Hughes Airwest**.

A DC-3 with 4 crew and 27 passengers crashes into the ocean just after takeoff from Sandoway on August 16, 1972 (28 dead).

On August 24, a Vickers Viscount 761D, with 5 crew and 38 passengers slides off the side of the runway after landing at Akyab and skids 1,250 ft. before coming to a stop with a broken undercarriage; although the aircraft must be written off, there are no fatalities.

In December, the carrier is reformed and renamed **Burma Airways Corporation, Ltd.**

UNITAIR, S.A.: Cameroon (1993–1994). Unitair is established at Douala in 1993 to provide both scheduled and charter passenger flights to domestic destinations. Revenue operations begin with a single de Havilland Canada DHC-6-200 Twin Otter, but only continue for a year.

UNITED AFRICAN AIRLINES. See **JAMAHIRIYA AIR TRANSPORT (LIBYAN ARAB JAMAHIRIYA)**

UNITED AIR CARRIERS. See **NATIONAL AIRLINES (2)**

UNITED AIR EXPRESS AIRLINES, LTD. 229 Ikorodu Road, P.O. Box 2278, Lagos, Nigeria; Phone 234 (1) 496 6641; Fax 234 (1) 263 2873; Year Founded 1984. UAEA is set up at Lagos in November 1984 to operate lightplane passenger charters and air taxi flights to domestic bush locations. In March 1992, a scheduled airline division is established under the leadership of chairman/CEO Capt. T. Bello. Employing turboprops, the carrier introduces regional services to Sierre Leone and other West African destinations. These flights are maintained until 1994, when the unprofitable unit is closed down.

After several years of renewed charter operations, Capt. Bello's concern resumes regular airline operations late in the 1990s. Scheduled destinations visited at the beginning of 2000 include Freetown and Abuja.

UNITED AIR LINES (1): United States (1928–1934). United Air Lines is not the initial name of what would one day become the country's largest air transport concern. Rather, the name comes deep into a process of amalgamating into a single system a strong confederation of various airlines already in existence. The merger ball begins to roll on January 1, 1928 when **Boeing Air Transport (BAT)** takes control of Vernon Gorst's **Pacific Air Transport (PAT)**. On October 30, the holding company Boeing Airplane and Transport Corporation is formed to operate **Boeing Air Transport** and **Pacific Air Transport** as subsidiaries. On December 17, PAT is merged, becoming a BAT division.

On February 1, 1929, Boeing manufacturing and airline interests are merged with the manufacturing concerns of the Pratt & Whitney engine company to form **United Aircraft and Transport Corporation**. Boeing Airplane Company President Philip C. Johnson hires William A. "Pat" Patterson away from San Francisco's Wells Fargo Bank on April 15 to become his assistant. The latter is soon deeply involved in handling the day-to-day operations of the growing airline conglomeration.

The new giant now purchases several other manufacturers, including Sikorsky and Stearman. **Stout Air Services** is purchased by United on June 30 and gives its new owners a chance to extend their San Francisco–Chicago route on to Detroit and Cleveland while acquiring Ford Tri-Motors in the process. To train pilots and ground crews for the corporation, Boeing School of Aeronautics is established on September 16.

After a short but bitter boardroom fight with the North American Aviation Corporation, United takes over **National Air Transport (NAT)** on May 7, 1930. That move allows United to complete its transcontinental system by taking over NAT's Cleveland–New York route. Johnson and company officials have their plans confirmed during their participation in the May 15–June 9 "Spoils Conference" held between Postmaster General Walter F. Brown and representatives of the major air transport concerns in his office in Washington, D.C. Route negotiations and awards, however, are made by the government with the individual carriers and not with Johnson or the United conglomerate as a whole. President Johnson is able to maintain all routes, but gains no new ones.

Varney Air Lines (VAL) comes under the corporation's umbrella on June 30, the same day stewardesses are initially employed on Boeing 80As flying the San Francisco–Chicago route. The weaving together of these various subsidiaries into an integrated coast-to-coast network will take about a year. While landing at Baker, Oregon, with a broken fuel line on August 22, a Boeing 40B-4 of the VAL subsidiary crashes; none aboard are hurt, but the plane is destroyed by fire. En route from Cleveland to New York on September 21, the engine of a NAT Boeing 95 catches fire over Warren, Ohio, forcing the aircraft to make a safe emergency landing.

On New Year's Day 1931, a Boeing 40B-4 of VAL being ferried from Medford to Seattle makes a successful crash landing at Crescent Lake, Oregon. A VAL Boeing 40B-4 en route from Seattle to Pasco crashes into Baldy Mountain at Washougal, Washington, on January 22 (one dead). En route to San Diego from Seattle on March 2, a BAT Boeing 40B-4 catches fire south of Glide, Oregon, and makes a successful crash landing. En route from Chicago to Cleveland on April 29, NAT Ford 5-AT-81 with 10 aboard and engine failure, strikes a tree and barn but lands upright safely in a field at Elyria, Ohio.

On July 1, **United Air Lines** is formed to merge the various semiautonomous airline subsidiaries and divisions then under control of United Aircraft and Transport Corporation. The new entity, under President Philip C. Johnson, is, in fact, a management concern for the four subsidiaries, which now become "divisions." For the time being, they are allowed to continue operations under their previous identities under the direction of BAT President/United Vice President William A. "Pat" Patterson.

In order for the company's leadership to be located in the center of the transcontinental trunk line, corporate headquarters for United Air Lines are now transferred to Chicago from Seattle. Service is expanded to include 46 cities in 20 states.

Just after takeoff on September 16 from Oakland, a VAL division Boeing 40B-4 crashes into the mud flats of San Francisco Bay (four dead). A few days later, NAT Ford 5-AT-87 piloted by Ralph Reed makes a safe crash landing for unknown reasons at Ashley, Indiana.

On November 23, a Boeing 40B-4 of the BAT division crashes in a snowstorm near Salt Lake City (one dead). Trying to find Pasco, Washington, in the fog on November 26, a VAL division Boeing 40B-4 crashes (one dead).

En route to Newark from Cleveland on Christmas Eve, NAT pilot James O. Johnson's Curtiss Carrier Pigeon II suffers wing failure over Allport, Pennsylvania; knocked out, Johnson revives in time to bail out at 500 feet.

In December, the carrier becomes the first in the world to fly 50 million miles, with almost half undertaken at night. Also, during the year, a Boeing 80A is the first aircraft to carry the United Air Lines name; it is painted in shades of green, orange, and tan and also sports the company logo, a modified map of the U.S.

En route to Salt Lake City from Oakland with mail on February 2, 1932, a BAT Boeing 40B crashes in bad weather at Rio Vista, California (one dead). Five days later, a BAT Boeing 40B mailplane crashes east of Knight, Wyoming (one dead). En route from Newark for Cleveland on March 31–April 1, a NAT Boeing 95 mailplane crashes on a farm at Bedford, Ohio, in bad weather (one dead).

Flying from San Diego to Seattle on May 16, a PAT Boeing 40C piloted by Harry Crandall with two passengers, crashes in fog at Burbank (three dead). On May 30, a VAL Boeing 40B-4 literally loses an engine while landing at Portland, Oregon, and explodes (one dead).

A Boeing 40B-4 flown by PAT pilot E. L. Remelin catches fire 2,000 ft. above Fresno on June 2; Remelin makes a safe emergency landing and escapes the burning aircraft. Construction is started on the first Boeing 247 airliners later in the month. While taking off from Boeing Field, Seattle, on July 11, Ford 5-AT-108 loses its left engine and makes an emergency crash landing off the runway in a field; no injuries are reported.

NAT pilot Paul Reeder escapes when his Boeing 95 mailplane crashes into Pennsylvania's Snow Shoe Mountains on September 27. Ice in the carburetor of a BAT Boeing 40B-4 forces the plane to crash-land east of Council Bluffs, Iowa, on December 13. Flying a BAT Boeing 40B mailplane out of Oakland on December 17, pilot Claire K. Vance hits near the crest of Rocky Ridge, California, and is killed.

On January 24, 1933, a PAT Ford 5-AT-98, the *Dawson*, lifting off from Eugene for Seattle, hits a power pole and crashes (two dead). Taking off from Toledo, Ohio on February 25, a Boeing 95 hits a boundary fence and crashes; pilot Nicholas Laurenzana is unhurt.

Postmaster General Brown requires United on February 28 to divest itself of shares covertly purchased in **Eastern Air Transport** and its North American Aviation holding company. The stock is sold to General Motors. By this time, the transcontinental mail route monopoly is over and the carrier's percentage of total domestic mail payments has dropped from a high of 66% in 1928 to 34%.

On March 30, the United group takes delivery of the first of 54 ordered Boeing 247s, the first modern airliner. Group Vice President Patterson works with ALPA to protect the jobs of pilots who are threatened with layoffs due to the use of the new aircraft. A NAT Boeing 40B-4 is

lost in a safe crash landing at Liberty, Missouri, on April 7. On May 12, a NAT Boeing 247 crashes in fog at Provo, Utah, during its delivery flight; the plane will be repaired. The second Boeing 247 is placed into limited service on May 22. As the month closes, BAT Capt. John McCullough Hodgson completes his two-month task of delivering the first 25 B-247s to the different divisions.

On June 12 and in conjunction with a heavy advertising campaign, Boeing 247s begin thrice-daily trips each day over the transcontinental route, New York to San Francisco via Cleveland, Chicago, Des Moines, Omaha, Cheyenne, Salt Lake City, Reno, and Sacramento. Time on the initial westward flight, piloted by NAT Capt. Warren Williams, is 21 1/2 hours and 20 hours on the eastward flight. Also in June, the number of New York–Chicago return frequencies is increased from six to eight per day, including four provided by the new Boeings. A severe windstorm destroys a BAT

On July 1, William A. "Pat" Patterson becomes president of BAT, PAT, NAT, and Varney Air Lines; he continues as vice president of United Air Lines. The NAT Ford 5-AT-80 collides with a Boeing 80A on the ground at Chicago Municipal Airport on July 2, but no injuries are reported. Boeing 247s begin service on the company's Chicago to Dallas (DFW) run on August 15. During the summer, a fully operational B-247 is housed in the Travel and Transport Building at Chicago's Century of Progress International Exposition.

By September, United is offering 10 daily roundtrips between New York and Chicago. The Boeing time is 10 hrs. 30 min. on the westbound route and 4 hrs. 45 min eastbound. During the next three months, the new 10-passenger airliners establish several records. On September 25, the Kansas City–Chicago run is made at a speed of 204 mph. Meanwhile, on September 16, a NAT Boeing 95 piloted by Harold L. Neff crashes in a storm north of Jackson, Michigan; the pilot is found three days later near the wreck of his aircraft, but dies of his injuries. Also during the month, the Varney system is absorbed.

While approaching Chicago on October 10 on the final leg of a flight from Newark via Cleveland, the cargo aboard a NAT Boeing 247 explodes. The burning plane crashes five miles east of Chesterton, Indiana, 10 mi. W of Gary, and all seven aboard are killed, including Alice Scribner, the first United stewardess to die in the line of duty.

Two days later, newspapers report that parts of the wreckage had shown traces of gunpowder. Rumors of a Chicago gangland "hit" against a passenger will persist thereafter. Indeed, investigators will conclude that the aircraft has, indeed, been destroyed by an explosive device, using nitroglycerine rather than gunpowder, but attached to a timing device. No one is ever prosecuted in the first proven case of sabotage in the history of commercial aviation.

Also in October, a BAT 247 piloted by A. W. Stainback makes the Salt Lake City to Cheyenne 421-mile flight in 1 hr. 59 min. During the month, *Popular Aviation* magazine sponsors a B-247 model-building contest and begins the distribution of 6,000 sets of plans.

Just after takeoff from Portland, Oregon, on November 9, a PAT Boeing 247 hits a tree and crashes (four dead). While being ferried from Chicago to Kansas City on November 24, a NAT Boeing 247 is unable to make altitude after taking off from the former location and crashes (three dead). To reassure the public concerning its B-247 transport, UAT in early December delivers one of its new transports to the Army Air Corps Materiel Division at Wright Field, Ohio, for tests. The military will endorse the aircraft and the airline will make certain that newspapers from *The New York Times* report the findings.

In late December, George Boyd flies a Boeing, with the assistance of a tail wind, from Salt Lake City to Rock Springs in 38 min. at an average speed of 256 mph. Also, a Boeing flown by John Wolf is able to make the 418-mile New York to Cleveland frequency in just 1 hr. 55 min. for an average speed of 218 mph. Profits for the year total \$175,000.

On February 9, 1934 as a result of the so-called "Air Mail Scandal," the U.S. government cancels existing airmail contracts and calls upon the U.S. Army Air Corps to fly the mail. United continues passenger

service on a reduced basis. En route to Cheyenne from Salt Lake City in heavy fog on February 23, a B-247 crashes into the 8,000-foot level of the Wasatch Mountain Range (eight dead). The loss suffered during the 90-day company shutdown is \$1,117,567.

The Army experiment ends on March 30 and the Post Office advertises for new contracts that will be awarded to carriers not attending the June 1930 "Spoils Conference". Because mail contracts were all let to its divisions, United Air Lines, unlike the other majors, is not initially required to find a way around the prohibition or use the ruse of a slightly changed name. Still, President Johnson, aided by United Aircraft's Joseph Ripley and Joseph McCarthy, design a reorganization plan designed to meet government requirements.

Most of the corporation's old routes are regained when new contracts are let on April 20; however, the Chicago-Dallas via Kansas City run is lost to **Braniff Airways** and the Omaha to Watertown run is halted. UAL becomes an operating company on May 1 as the Boeing (including Varney), National, and Pacific Air Transport companies (divisions) go inactive. The New York-Seattle via Salt Lake City and San Francisco route, together with the Seattle to San Diego route, are reopened on May 8. The board of directors approves the reorganization plan on May 14. A Boeing 247 crashes in bad weather near Selleck, Washington, on June 7; the seven survivors are rescued after a harrying night.

On June 12, Congress passes the Air Mail Act of 1934 that effectively removes manufacturers from the air transport business and gives them until December 31 to do so. As the end of the first UAL approaches, President Johnson, himself soon to be replaced, takes time out on July 12 to authorize the lease of a new B-247D to famed racing pilot Col. Roscoe Turner for use in the forthcoming MacRobertson England-Australia race.

The holding company's separate subsidiaries are broken out on July 20 into three separate companies. With the individual divisional identities integrated, the air transport concern, United Air Lines Transport Corporation (or United Air Lines for short), is now reincorporated as a new entity. Patterson succeeds Johnson as the airline's president and will remain so until 1962. Johnson is forced to retire under terms of the new airmail law that prohibits employment in the commercial airline industry by any company official having attended the 1930 "Spoils Conference." On August 31, United Aircraft and Transport Corporation is dissolved.

UNITED AIR LINES (2): United States (1934-1974). United Air Lines (2) is often ranked as the world's largest privately owned air carrier and the only one to service all 50 United States. A member of the early, exclusive group of airlines known as the "Big Four," it is born as the result of corporate mergers and political maneuvers that began in 1928 and it will continue beyond 1974, when its name is changed yet again.

The "new" United grows steadily following its May 1, 1934 transformation from a collection of United Aircraft and Transport Corporation subsidiary divisions to a free-standing air transport operation. President William A. "Pat" Patterson visits Newark and averts a pilot strike by agreeing to visit every station during the next two months seeking suggestions for improvements. These discussions will lead to the seniority system later adopted by all airlines.

Noted aviator Col. Roscoe Turner and his recently recruited, equally famous copilot Clyde Pangborn, accept their UAL B-247D at Seattle on September 10 and promptly fly it down to Los Angeles in a record 5 hrs. 33 min. On September 18, the company, acknowledging the superiority of its competitors' Douglas transports, becomes the third transcontinental carrier to introduce the sleeper version of the DC-3, the DST.

Still, significant effort is made to upgrade existing equipment, bringing on line a new version of the B-247, the B-247D, the same make aircraft that Turner and Pangborn employ in the MacRobertson race, which begins from England on October 20. The intrepid airmen cover the 11,323-mile course to Melbourne, Australia, in 92 hrs. 55 min., taking third place behind a specially designed de Havilland Comet and the Douglas DC-2 *Uiver* of **KLM (Royal Dutch Airlines, N.V.)**, which was

not stripped down but had actually flown passengers and mail as part of the Dutch carrier's normal scheduled service.

Having taken the decision to retire its early, unmodified B-247s, UAL agrees, on October 31, to lease three machines to **National Parks Airways**. The first of the airline B-247Ds are employed in November to open faster New York-San Francisco schedules. Eastbound flight times are reduced to 17 hrs. and westbound times to 20 hrs. On December 6 and 26, respectively, sales contracts are signed for the delivery of unmodified B-247s to **Western Air Express** and **Pennsylvania Airlines and Transport**. On December 31, assets are \$3.66 million and liabilities total \$773,043.

Having returned with his racer to the U.S., where it is reconverted back to airliner status by the removal of extra fuel tanks, Roscoe Turner flies the UAL MacRobertson B-247D, now fleet flagship with its achievement painted on its fuselage, from Seattle to Chicago on January 1, 1935. Thirty days later, an agreement is concluded that will provide **Wyoming Air Service** with sufficient B-247Ds to maintain its Denver-Cheyenne route thrice daily.

On April 7, a B-247D flies the 724-mile Newark to Chicago via Cleveland route in a record 4 hrs. 4 min. The memory of the removal of former President Johnson has so enraged his successor "Pat" Patterson that United files a \$2.8-million suit against the government in the U.S. Court of Claims on June 4. Both to recoup losses and to clear Johnson's name, the suit challenges the legality of the airmail cancellations.

All B-247D frequencies on the New York to Chicago return service rise to 10 per day in summer, with at least three continuing to or arriving from San Francisco. San Diego to Seattle return services climb to three per day while San Francisco to Los Angeles and San Diego return flights total five. In the first arrangement of its type between American and European transport concerns, UAL, in July, joins with The French Line, owners of the SS *Normandie*, and **Imperial Airways, Ltd.** to promote seamless worldwide travel for American tourists.

A close association is begun with William A. Coulter's **Western Air Express Corporation**. Routes and schedules are integrated, giving Harris "Pop" Hanshue's former airline access to United's transcontinental route. In addition, the major will sell or lease 28 Boeing 247s/247Ds to Western over the next 3 years. On October 7, a B-247D crashes while landing at Cheyenne (three dead) and while on a night check flight over Cheyenne on October 30-31, a B-247D crashes (four dead).

Having required a year and \$1 million, the remaining units of the carrier's B-247 fleet complete upgrade to B-247D status. Having begun discussions with Douglas Aircraft Company for a transport with twice the capacity and range of the DC-3 several months earlier, President Patterson is able to persuade Donald Douglas to begin designing a DC-4 while he approaches the rest of the "Big Four," plus **Pan American Airways (PAA)**, for joint funding.

The United Air Line Employee's Credit Union, the industry's first, is incorporated in Illinois on November 1.

On December 6, three B-247Ds are sold to **SCADTA (Sociedad Colombo-Alemana de Transportes Aereos, S.A.)** in Colombia. Flying his B-247D low over a Nevada mining camp isolated by blizzard later in December, pilot Don Broughton keeps his ship level while stewardess Ida Novelli shoves food and supplies out to six trapped miners waiting below.

Enplanements for the year are 201,338 and revenue passenger miles flown total 98.65 million. The company suffers a net loss of \$1,392.

Meeting in Chicago on January 14, 1936, President Patterson joins with **Eastern Air Lines** President Capt. Eddie Rickenbacker, **American Airlines** President C. R. Smith, and **Transcontinental and Western Air Lines'** CEO Jack Frye to announce creation of the Air Transport Association of America (ATA) and appointment of Edgar S. Gorrell as its first president.

Also during the first quarter, the first of 13 surplus B-247s are sold to **Pennsylvania-Central Airlines** and an effort to purchase **Pennsylvania Airlines** before its merger with **Central Airlines** is blocked by the Interstate Commerce Commission.

On March 23, the company joins with **American Airlines, Eastern Air Lines, Transcontinental and Western Air Lines (TWA), and Pan American Airways (PAA)** in pledging equal shares of \$100,000 each toward the development of the Douglas DC-4E (the "e" stands for "experimental") prototype. Douglas will commit approximately \$300,000 in initial engineering costs. The aircraft will be constructed to United's Chief Engineer G. T. Mead's previous year specifications: 44 passengers, 175 mph, and 27-tons weight.

Having recognized that its Boeings cannot effectively compete with the new Douglas sleeper transports, the DC-3 DST, or provide adequate service to high altitude airports in the west, United, on April 6, orders 20 of the more powerful Douglas airliners.

Also in April, the company, having provided close assistance, reaps the acclaim when the first major motion picture to accurately depict airline operations is released. Paramount's *13 Hours by Air* stars Fred MacMurray as the captain of a DC-2 transporting a diverse group of passengers from Newark to San Francisco. The plot will be repeated in nearly all airline-oriented films made thereafter.

On June 17, UAL becomes the world's first airline to fly a cumulative 100 million miles. Concerned by rising costs, **Pan American Airways (PAA)** and **Transcontinental and Western Air Lines (TWA)** withdraw from the DC-4E project in July, withholding their \$100,000 payments and casting their support to the smaller Boeing 307 Stratoliner concept.

While landing at Newark in a snowstorm on November 23, the landing gear of a B-247D crumples; no one is hurt seriously.

Powered by Pratt & Whitney R-1830 Twin Wasp radials, the first DC-3A is delivered on November 27 and begins a testing program. At this point, a new United logo—a patriotic shield—appears and the word "Mainliner" is painted in bold red letters on fuselages in honor of the main line route the aircraft fly from coast to coast. The inaugural Douglas transport is christened *Mainliner Reno*. The *Mainliner Los Angeles* and *Mainliner California* arrive on December 5 and 9 and are followed by three unnamed units between December 11 and 23.

While attempting to exit California's Newhall Pass in rain while en route to Burbank from Oakland on December 27, a B-247D crashes (13 dead). The sixth DC-3A of the month arrives on December 31; christened *Mainliner Des Moines*, it, like its predecessors, is equipped with Skylounge luxury chairs. Also in December, United opens the industry's first flight kitchen, at Oakland, California. During these 12 months, a net profit of \$371,000 is recorded.

The DC-3 Mainliners commence service on the Los Angeles–San Francisco route on January 1, 1937. Eighteen days later, the Skylounge service is introduced on the New York to Chicago DC-3 frequency. The \$2.07 extra charge is not well received and the service will be discontinued with the aircraft changed into normal 21-seat arrangement. During January, seven additional DC-3As are acquired, including the *Mainliner Sacramento*, *Mainliner San Francisco*, *Mainliner New York*, *Mainliner Akron*, and *Mainliner Spokane*.

The *Mainliner Pennsylvania* arrives on February 1. On February 9, the copilot's microphone is accidentally lodged between the control column and seat support of one of the unnamed DC-3As received in December. Piloted by Capt. A. R. Thompson, with 10 others aboard and en route to Oakland from Los Angeles, the aircraft crashes into San Francisco Bay (11 dead). The tragedy is the first fatal accident suffered by a DC-3.

During the remainder of the month and in March, five additional DC-3As are received, including the *Mainliner Massachusetts*, *Mainliner Chicago*, *Mainliner Bellingham*, and *Mainliner Medford*.

Meanwhile in February, the carrier acquires AM-17 and the Cheyenne to Denver route for \$209,000 from **Wyoming Air Service**. Four surplus Boeing 247s/247Ds are now made available to **Wyoming Air Service**, later **Inland Air Lines**, and will be delivered over the next four years. Also in March, the cause of the February 9 tragedy is discovered; **American Airlines** President C. R. Smith phones President Patterson to tell him of how a copilot's microphone, which had fallen from its position to become wedged in the steering controls, had nearly caused a similar disaster for an AA flight at Newark. Upon examination of the February

wreckage, investigators find a wedged microphone, just as described by Smith to Patterson.

On July 9, the first of eight DSTs are received. With several available, they are placed into service during the month's last week between New York and San Francisco via Chicago, Cheyenne, and Salt Lake City. Those received in July and into the next month include *Mainliner Cheyenne*, *Mainliner Fresno*, *Mainliner Ohio*, *Mainliner Eugene*, and *Mainliner Utah*.

In midyear, a Denver–Cheyenne route is purchased from **Wyoming Air Service**. In August, United opens at Oakland, California, the world's first flight kitchen designed to prepare food for dining aloft; the facility is overseen by a Swiss chef hired away from the Clift Hotel in San Francisco. The DC-3As *Mainliner Indiana* and *Mainliner Oregon* are delivered on September 8 and 9, respectively. During the early fall, the B-247 *Flying Lab*, piloted by Benjamin O. Howard, undertakes a series of rain and snow radio static investigations. Off course in a snowstorm, an unnamed DC-3A, also delivered in December 1936, crashes into a mountain at Hump Ridge, Utah, on October 17 (19 dead). A net loss of \$754,486 is suffered.

New Hamilton Standard Hydromatic propellers are installed, beginning in March 1938, on an order for 10 DC-3As. They will be retrofitted to aircraft already received. The 100th DST/DC-3A delivered is the *Mainliner Nebraska*, which arrives to enter company service on March 25. The nine remaining Douglas transports are received between March 7 and May 1, and include *Mainliner Connecticut*, *Mainliner Denver*, *Mainliner South Bend*, *Mainliner Pendleton*, *Mainliner Cleveland*, *Mainliner Detroit*, and *Mainliner Vancouver*.

On May 24, an unnamed DST received less than a month before crashes while attempting a one-engine-out landing at Cleveland (10 dead). Piloted by Carl Cover, the Douglas DC-4E prototype makes its maiden flight from Clover Field, Santa Monica, California, to Mines Field, later Los Angeles (LAX) on June 7. Six months of scheduled testing lie ahead for the huge airplane (now significantly heavier with 52 seats instead of the requested 44), although minor modifications will require the time to be stretched much further.

Passed earlier by the U.S. Congress, the Civil Aeronautics Act of 1938, signed into law by President Roosevelt, takes effect on August 22. The legislation emancipates the airlines from Post Office control and establishes the Civil Aeronautics Board (CAB) as the airline industry regulatory agency. United is awarded "grandfather" certificates on all domestic routes it was operating before the new law comes into force.

In the aftermath of the September 21 New England hurricane, **American Airlines**, the principal carrier in the Northeast, is overwhelmed in its efforts to open air-only communications to replace the ruined ground transport infrastructure.

At the request of ATA President Edgar Gorrell, **Eastern Air Lines**, United, and **Transcontinental & Western Air Lines**, under special permission from Washington, are allowed to contribute aircraft and flight crews to fly emergency relief services over the American routes from New York to Boston.

Five United DC-3As immediately begin to fly mercy missions in and out of Boston. For a week, these aircraft join planes from the other carriers in flying over 8,000 return passengers and 317,000 pounds of mail from New York and Massachusetts.

Two new flight aids, a radio altimeter and an automatic direction finder, are demonstrated before Department of Commerce (DOC) and Civil Aeronautics Administration (CAA) officials by the carrier's B-247 flying laboratory during a flight over New York on October 9. Lost and out of fuel, an unnamed DC-3A, en route to Sacramento from Medford Oregon, lands in the Pacific Ocean off Point Reyes, California, on November 29 (five dead).

A doctor in the employ of United now discovers that a new drug intended to allay morning sickness in pregnant women might help queasy passengers more than the previously employed ammonia spirits; as a result, the carrier begins to recommend the use of Dramamine to combat air sickness. The company's net loss for the year is \$900,000.

The 25,000th New York–Chicago–San Francisco transcontinental flight is completed on January 12, **1939**. The company leases four DC-3As to **Eastern Air Lines** to help that carrier meet peak winter traffic demands on its New York to Miami route. On March 20, United and the Airmen's Association of America, representing the carrier's mechanics and related ground service employees, sign the airline industry's first collective bargaining agreement.

The revolutionary DC-4E receives certification from the DOC on May 5 and is officially turned over to United Air Lines, which christens it the *Super Mainliner*. On June 1, Patterson's company becomes the first U.S. airline to operate a modern four-engine land plane in transport service when it places the DC-4E into experimental service over its network.

On June 26, William Coulter and a group of **Western Air Express** stockholders attempt to sell their carrier to the Chicago-based major. Asked for its approval, the CAB, despite the recommendation of an impartial examiner, jurist Roscoe Pound, refuses on July 19. Later in the summer, the *Super Mainliner* is returned to its builder.

Too advanced to be competitive against the smaller DC-3A and with performance less than expected, the manufacturer and the "Big Four" airlines (minus TWA) will elect to develop a smaller DC-4 or, in later military terms, C-54. The DC-4E is sold by Douglas to Japan's Mitsui Trading Company, Ltd. for **Japan Air Lines Company, Ltd.** (1); no more are built. The Japanese pay \$950,000 for the airplane, which is shipped to Tokyo by sea on September 29. After it is reassembled by Douglas technicians, the *Super Mainliner* will be the model for that nation's first four-engine land plane, the unsuccessful Nakajima G5N bomber/transport *Shinzan* (Mountain Recess).

United joins with **American Airlines**, **Eastern Air Lines**, and **Pan American Airways (PAA)** on January 26, **1940** to order 61 DC-4s, a redesigned type smaller than the DC-4E. Between January 25 and February 13, four additional DC-3As are placed into service, including *Mainliner Nevada*, *Mainliner Brooklyn*, and *Mainliner North Platte*. Four Lockheed Model 18 Lodestars are also acquired.

Originally ordered by **KLM (Royal Dutch Airlines, N.V.)** as the *Havik*, a DC-3A, which cannot be delivered, is acquired on April 2 and christened *Mainliner Tacoma*. Los Angeles–San Francisco multistop B-247 Sky Coach flights commence on April 10. By employing fully depreciated airliners, the carrier's experimental service will be offered at \$13.90 until 1942 as the first air coach or "economy" operation by an American trunk line. The *Mainliner Bethlehem*, *Mainliner Tacoma*, *Mainliner Nevada*, *Mainliner Illinois*, and one unnamed DC-3A unit arrive during a nine-day period between April 20 and April 29. On June 25, United joins with the other three members of the "Big Four" and ATA to form Air Express, Inc., a research organization concerned with increasing air freight service. Two DSTs, including the *Mainliner Iowa*, are leased from **Western Air Lines** in August.

While the merger case is under review by the government, an interchange service is inaugurated on September 1 between Los Angeles and New York. The carrier begins a long charter association with the National Football League in the fall. The first team flown, at least partially, is the Green Bay Packers. After arriving at Chicago by train, the 33-man team, plus coach Earl "Curly" Lambeau, public relations man George Calhoun, the trainer, equipment men, and the writer Walter "Red" Smith, board two DC-3s for a flight to New York and a game with the Giants. Players are split by position on the two aircraft in case of an accident.

Unfortunately, the flight is grounded by weather at Cleveland and the trip must be completed by train; the aerial return to Chicago after the 7–3 loss is uneventful. The following week, the squad tries flying again, winging from Chicago to Detroit for a game with the Lions; after the smashing 50–7 win, the team returns to the airport to find all planes grounded, except for the Green Bay Specials. The third week, the last flight of the season, is a charm; a roundtrip Chicago–Cleveland flight is made without incident—except for a 13–13 tie-game.

A government contract is now accepted by United and on October 7 the training of aircraft mechanics begins at the company's Oakland Training Center. En route from San Francisco to Salt Lake City on No-

vember 4, an unnamed DC-3A goes off course and crashes into Bountiful Peak in the Wasatch Mountains (10 dead). In one of the largest delivery months in airline history to date, nine more DC-3As arrive during November, including *Mainliner Chicago*, *Mainliner Washington, D.C.*, *Mainliner Santa Barbara*, *Mainliner Medford*, *Mainliner Salem*, *Mainliner Youngstown*, *Mainliner Philadelphia*, and *Mainliner Toledo*.

On December 4, an unnamed DC-3A en route to Chicago from New York ices up while landing at the Illinois airport and crashes (10 dead). On December 23, the carrier, in complete association with the Railway Express Agency, begins the first all-cargo service in U.S. airline history from New York to Chicago via Cleveland. Departing the "Big Apple" at 11:30 p.m. and arriving in Illinois at 3:40 a.m., this night frequency is essentially a scheduled freight-express operation made by loading packages into unconverted day-Mainliners that are flown as supplement to normal daily passenger and cargo frequencies. RAA will continue in operation until 1975.

Three DC-3As are chartered to fly the Big Ten champion University of Michigan football team to California to play the University of California at Berkeley. Head coach Fritz Crisler claims the airlift helps Tom Harmon and his teammates to win by five touchdowns. A net profit in excess of \$1 million is earned for the year.

United establishes the first airline pension program on January 1, **1941**, and a Salt Lake City hangar fire destroys a Boeing 247D and the Douglas DC-3A *Mainliner California* on January 12. Although the case examiner recommends the merger, the full membership of the CAB now refuses to grant permission for the WAE–United amalgamation and all relations between the two are ended on March 11. The company's attempt to obtain a Los Angeles terminus for its transcontinental service is, thus, temporarily ended. Two days later, ATA and the "Big Four" establish Air Cargo, Inc. to further examine the questions of all-cargo services.

In April, four more DC-3As are delivered, including *Mainliner Utah*. During the spring, a DC-3 freighter, in one of the heaviest airlifts to date, transports a 1,000-lb. diesel-engine crankshaft from Chicago to San Francisco. At the same time, the DC-4 order is, with those for other carriers, jointly cancelled.

In early May, the four Lockheed Model 18 Lodestars acquired just a year earlier are sold to the U.S. Army Air Corps for \$95,000 each; they will become C-56Ds. Seattle to Vancouver service is inaugurated over AM-57 on May 12. The New York–Cleveland–Chicago all-freight service ends on May 31 and three more DC-3As arrive in June, including *Mainliner Washington* and *Mainliner Allentown*.

The Philadelphia Eagles become the second pro football team, after the Green Bay Packers, to fly with United. On September 11, the Eagles depart their training camp at Two Rivers, Wisconsin, take a train to Chicago, and board a pair of DC-3s for Philadelphia, where they will play (and lose 24–0) their opening game of the season with the New York Giants. Like the Packers, the Eagles also divide their players by position between the two Douglas transports.

Japan attacks Pearl Harbor on December 7 and the U.S. declares war on Japan the next day. On December 16, United management orders that absolute priority be given to military requirements for official travel and that charters to professional sports teams end "for the duration." A number of company flights now transport cargo shipments of factory blueprints from the East Coast to the West Coast.

A total of 563,883 passengers are flown over 270 million revenue passenger miles during this last year of peace. With the lowest mail payments in the industry, United turns in another \$1-million-plus net profit primarily from the transport of live passengers.

In January **1942**, two Boeing B-17s are modified into camera ships at the company's Cheyenne maintenance facility. Seven weeks later they will reconnoiter those areas of Japan to be attacked by Col. Jimmy Doolittle's Tokyo raiders. The fleet at the beginning of the year comprises 62 aircraft: 12 Boeing 247Ds, 16 DSTs, and 39 DC-3As.

Sky Coach discount service ends on April 23 as the number of aircraft needed for its success has been diminished by the transfer to the military, beginning on March 15, of 36 of the company's DC-3s and B-247s.

An unnamed DC-3A crashes near Salt Lake City on May 2 (17 dead). On May 15, the company begins Operation Alaska, a contract airlift of military and other supplies to Anchorage, Alaska, from Patterson AAF base, Ohio, via Chicago, Minneapolis, Fargo, Regina, Fort St. John, Whitehorse, and Fairbanks. The route is 3,489-miles long.

Following a successful personnel transfer from Anchorage to Cold Bay on May 31, the DC-3 of Capt. Bob Dawson returns to make a second flight from Anchorage to Unmak with a cargo of aircraft bombs. No sooner does the aircraft land than the Aleutian post is attacked by JNAF Zero floatplanes. The UAL airliner is not hit and its shaken crew safely returns to Anchorage.

During the first week of June, four DC-3s are transferred to **Western Air Lines**. As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen and promised by ATA president Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities. Their aircraft are dispatched to Edmonton, Alberta, for participation in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from UAL and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions. The first Alaskan route is followed on June 27 by a second from Salt Lake City via Edmonton.

Beginning in mid-July, the company contributes aircraft to a 50-transport group from 6 contract carriers (also including **American Airlines**, **Braniff Airways**, **Chicago & Southern Air Lines**, **Pennsylvania Central Air Lines**, **Transcontinental** and **Western Air Lines**, and **Northeast Airlines**) that are rushed to Presque Isle. From here, the planes, joined by 110 Air Transport Command C-47s, will transport the supplies and men required to set up and man the bases at Newfoundland, Labrador, Greenland, and Iceland that will facilitate Operation Bolero, a mass bomber ferry from the U.S. to England.

The Edmonton-hubbed flights are suspended on August 4 to allow for the Aleutians battles; during the lull, pilot Orvis M. Nelson is elected first vice president of ALPA. It is he who successfully negotiates with the AAF for the retention of civilian status by pilots flying under contract to the military. At month's end, the company's Dayton to Nome Operation Alaska route is turned over to **Northwest Airlines**.

At midyear, the remainder of the B-247 fleet, except for the test plane *Flying Lab*, is purchased by the government. The company is now requested by the Army to retire from Alaska and begin Operation Pacific supply flights to the South Pacific. Patterson agrees to begin an 8,269-mi. route from San Francisco to Brisbane, Australia, within 45 days. In early August, a contract is signed for transpacific operations; 25 aircrews are trained and outfitted with Consolidated C-87 Liberator freighters.

The first Consolidated C-87 Liberator is delivered to United at Mills Field, San Francisco, in early September. The 25 crews prepared for Operation Pacific receive check rides.

Five more C-87s arrive on September 23 as Capt. Jack O'Brien, UAL's Ops Pacific superintendent, takes off for the South Seas. Guadalcanal and Port Moresby become stops on this new 50-hr. (flying time) run to Australia. Other points visited by United's Liberators include Hickam Field, Hawaii, Canton Island, Nandi, Fiji, New Caledonia, and/or Palmyra Island and Christmas Island.

Also in September, following an unsuccessful attack on Oregon by a Japanese submarine-based Yokosuka E14Y1 floatplane, company cargoliners are called upon to rush several Curtiss P-40 fighters to the area. These are flown across the Rocky Mountains from Chicago with their fuselages inside the DC-3s and their wings slung in special brackets below. No Japanese submersibles are ever attacked.

Capt. O'Brien returns to Mills Field on October 1, completing United's first transpacific flight, some 16,500 miles. By this time, a con-

tingent of company ground crews is sent to the South Pacific, serving first at Honolulu and Brisbane.

On October 6, a loan of \$250,000 is made to the Mexican carrier **LAMSA (Lineas Aereas Mineras, S.A. de C.V.)**, which was founded and owned by the American Gordon S. Barry. Multistop all-cargo services are started on behalf of the war effort from New York to Salt Lake City on November 1 and an unnamed DC-3A crashes at Dayton, Ohio, on November 18.

Alaska service is resumed on a temporary basis in January 1943, from Seattle to Anchorage and the Aleutians via Ketchikan, Juneau, Yakutat, and Cordova. When service to the north is completed, United will have flown over two million miles in Operation Alaska without a serious accident. The *Mainliner Medford* is lost in a crash at Oakland, California, on January 11.

While on approach to Canton Island on February 7, a C-87, with 16 passengers crashes into the sea; two Army officers and the copilot survive. The Alaska route is shortened during late February to include just two intermediate stops at Juneau or White Horse and Anchorage. The shift is made possible by the creation of a joint UAL/Air Transport Command meteorological bureau, the Alaska Air Transport Meteorological Office, established under the direction of chief United weatherman Howard Hoffman.

On March 1, the Court of Claims decides that the 1934 cancellation of airmail contracts was legal and simultaneously rules that United is due \$364,000 for revenues lost to its former subsidiary lines due to the suspension. On May 10, the carrier is given CAB permission to serve Washington, D.C. All-cargo flights from New York to Salt Lake City end on May 31.

By July, the carrier has completed the training of 5,000 AAF aircraft mechanics and 1,000 Navy. The Australian terminus is now transferred to Townsville, 600 miles north of Brisbane. At about the same time, Capt. Seely Hall becomes the new Ops Pacific superintendent. The first C-54s (military DC-4s) begin to replace the company's Ops-Pacific Liberators at mid-month.

Just after takeoff from Auckland, New Zealand, on August 2, on a flight to Port Moresby, a C-87 with 24 Japanese POWs crashes in heavy rain; 12 prisoners and 2 of 5 crewmen survive.

On September 17, the previous year's loan to **LAMSA (Lineas Aereas Mineras, S.A. de C.V.)** is adjusted to 75% ownership (worth \$3 million) and an effort to connect with Denver from Ciudad Juarez and El Paso receives CAB permission to expand south below the Colorado capital to meet the Mexican partner at Nogales, Arizona.

In October, LAMSA's name is changed to **Lineas Aereas Mexicanas, S.A. de C.V.** Employing three DC-3s returned by the military, an all-cargo transcontinental Cargoliner service is started from New York to San Francisco on October 16. During the fall, Ops Pacific crews flying to Australia are often sent to satellite destinations such as Nadzab Field in New Guinea and Kwajalein.

The *Mainliner Tacoma* is returned on December 5 and on December 12, stockholders approve a recapitalization plan and a change in the company name to United Air Lines, Inc. The company's South Pacific-based Ops Pacific ground crews are transferred to Guam on December 26.

The 50,000th transcontinental flight is completed on January 18, 1944 and the first new Douglas transport received since 1941 is the DC-3A *Mainliner Oakland*, delivered on February 3. United appeals to the CAB in April for routes from San Francisco and Los Angeles to Honolulu. On May 3, one of the company's last C-87s blows a tire during takeoff from Canton Island and crashes (two dead). This is the third and final fatal crash during 7,000 flights the company starts during its wartime Operation Pacific.

Service to Boston is authorized by the CAB on June 12. President Patterson is the only trunk line CEO to support **Pan American Airways (PAA)** requests to Congress for the establishment of a single foreign flag carrier.

With the time now right, United reorders 15 DC-4s on September 11, along with 20 DC-6s. On September 22, the carrier signs its first labor

agreement with the Flight Engineers Association, a union formed by United flight engineers back in the spring.

Flights to Alaska cease on November 15 and after its having compiled significant research, Air Cargo, Inc. is closed down on November 29. Company statisticians report that load factor has now risen to 96% from 66% in 1941. Stewardess supervisor Ada Brown returns to flying the line on December 16; her purpose is to begin the organization of a flight attendants' union.

United Air Lines (2) receives a special National Safety Council award in January 1945 recognizing three years and more than one billion passenger miles of accident-free operations. Pacific flights end on March 31.

By the beginning of April, Ada Brown and her associates have signed up three-fourths of all company stewardesses into a new organization called not a union, but the Air Line Stewardesses Association (ALSA). On April 15, Los Angeles joins San Francisco as a terminus on the carrier's cross-country all-cargo service.

Transcontinental service is started from Boston in May, with Hartford and Cleveland as stops in the east. Although the war is still not over when the company's operational involvement ceases, the record is proud: United aircrew have flown nearly 200,000 men and 20,000 tons of material over 21 million miles, including 1,800 trips on the Alaskan run and 1,700 on the Pacific.

The National Mediation Board (NMB) certifies the International Association of Machinists (IAM) as the bargaining agent for United mechanics and related crafts on July 3, replacing the Airmen's Association of America. Bomber modification ends at Cheyenne on July 31. In August, the Association of Air Line Stewardesses (AALA), later the Air Line Stewardesses Association (ALSA), is named the bargaining unit for United stewardesses on labor contracts. Also in August, following cessation of hostilities with Japan, a group of pilots, led by Orvis Nelson, attempt to persuade management to open a Far East division. On VJ-Day, 12 C-54s piloted by company crews are in the air armada flown over Tokyo during the surrender ceremony. Also in September, the NFL's Green Bay Packers resume charter flights. The company now begins flying mail for the armed forces between San Francisco and Honolulu.

Two ex-AAF C-54s are received on October 17 under lease from the Reconstruction Finance Corporation (RFC); they enter service as the *Mainliner Yosemite* and *Mainliner Yellowstone*. The DC-4 order is cancelled on October 24 when the government begins to make available war-surplus C-54s, easily convertible to civil standard. President Patterson obtains 25. During the fall, Patterson and other top officials visit 36 stations in 32 days aboard a DC-3, checking conditions and personnel.

The first refrigerator plane with a full payload arrives at New York from the West Coast on November 3, continuing on to Boston, from whence it will fly fresh fish back to California. On November 10, the training of more than 7,000 military personnel is completed at the Oakland training center. Still hoping that **LAMSA (Lineas Aereas Mexicanas, S.A. de C.V.)** will be able to expand up to Arizona, that Mexican operator receives a \$1-million cash infusion on November 27, along with the B-247 *Flying Lab*, now reconfigured to civil airliner standard.

United ends the training of U.S. military personnel at Oakland on November 10 after having qualified more than 7,000 ground crew members. Also during November, eight C-54Bs are converted to DC-4 civil standard and are christened *Mainliner Ranier*, *Mainliner Golden Gate*, *Mainliner Lake Huron*, *Mainliner Crater Lake*, *Mainliner Lake Tahoe*, *Mainliner Lake Tahoe II*, *Mainliner Olympic*, and *Mainliner Lake Ontario*. Seven more C-54Bs are acquired in December and, upon conversion, they will become *Mainliner Lake Champlain*, *Mainliner Lake Michigan*, *Mainliner Lake Erie*, *Mainliner Lake Superior*, *Mainliner Mississippi River*, *Mainliner Missouri River*, and *Mainliner Ohio River*.

The first United-IAM labor agreement also takes effect during December and, for the year as a whole, the net profit is \$39,348,000.

The entire fleet on January 1, 1946 comprises 77 DC-3s, including 21 C-47s leased from the government. On the same day, the carrier pioneers for the industry the 40-hour workweek. The DC-3A *Mainliner Tacoma*,

with 3 crew and 21 passengers, crashes into Elk Mountain, near Laramie, Wyoming, on January 31; there are no survivors.

Airline employment swells to 8,000 with the return of 1,500 personnel from the war and 5 more C-54Bs arrive during the month to become *Mainliner Colorado River*, *Mainliner Hudson River*, *Mainliner Delaware River*, *Mainliner Wabash River*, and *Mainliner Columbia River*.

The previous experimental all-cargo association with the Railway Express Agency is revised to allow United to begin offering its own cargo initial peacetime tariffs on February 1. The first DC-4 is delivered on February 11; a military C-54 converted to Douglas DC-4 civil standard, it is the first *Mainliner 230* (referring to the 230-mph cruising speed) and is christened *Mainliner Chicago*. Three daily New York-California Cargoliner frequencies are now offered per day. Only one C-54B is purchased in February; it will become *Mainliner Lake Michigan*.

The *Mainliner Chicago* begins 14-hour coast-to-coast New York to San Francisco service on March 1. Like *American Airlines*, United's Douglas transports are initially at a disadvantage in cross-country service competing against the 80-mph, faster Lockheed L-049 Constellations of **Transcontinental and Western Air Lines (TWA)**, which operate nonstop. Eight days later, Vice President-Operations Jack Herlihy arranges a contract with Senior Pilot Orvis Nelson and several associates to fly a route, on behalf of the military, between San Francisco and Hickam Field, Hawaii. DC-4 New York to Chicago flights begin in mid-month. Employing two unconverted ex-AAF C-54Bs, Nelson initiates United's military contract on March 18. Meanwhile, two more C-54Bs are purchased from the RFC during the month for conversion into *Mainliner Puget Sound* and *Mainliner Chesapeake Bay*.

The group charter by the All-America Football Conference signed on April 13 is called the largest in airline history. On April 25, the carrier signs its first labor agreement with ALSA, which is retroactive to January 1. The carrier flies its first charter for a major league baseball team, the New York Yankees, on May 9.

New York to San Francisco overnight service is opened on May 10 and an unnamed DC-4 crashes at Chicago on May 29. The carriage of dogs, suspended at Pearl Harbor, is resumed on June 2. With agreements made with all affected parties and permission from the CAB obtained the next day, United inaugurates DC-3 frequencies to Avalon Airport, on Catalina Island, from Los Angeles, Burbank, and Long Beach, beginning July 1.

The CAB on July 2 grants San Francisco-Honolulu authority. On July 19, application is made to the CAB for permission to inaugurate scheduled helicopter service between Chicago (MDW) and a number of suburban communities; permission is forthcoming. The company redefines its transcontinental route during the summer.

On August 1, the 21 leased DC-3s are purchased from the War Assets Administration for a combined price of \$290,000. The same day, an \$11-million order is placed with Boeing for 7 Model 377 Stratocruisers; the giant aircraft will be delivered in a 55-seat sleeper version. The next day service is initiated from New York to the Pacific Northwest.

On August 24, the newly organized San Francisco 49ers of the All-America Football Conference (later merged into the NFL) fly to their very first away game, an exhibition in San Diego against the Los Angeles Dons.

A C-54B is acquired on October 4 for conversion into the *Mainliner Cape Cod*. On October 9, the DC-4 *Lake Michigan*, with 4 crew and 37 passengers crash-lands in fog 1.5 km. from the airport at Cheyenne, Wyoming, while on final approach (two dead).

The Cleveland Browns are the second AAFC team to fly with the airline, choosing to visit New York via a pair of leased DC-3s, again with players apportioned between the two aircraft, for their fourth game (versus New York) on October 11.

Another C-54B is purchased on November 9 to become *Mainliner Schuykill River*. While on final approach to the airport at Cleveland, Ohio, on November 11, a DC-3 with 3 crew and 17 passengers crashes (two dead). On November 12, orders are placed for 7 Boeing 377 Stratocruisers.

The first of three new DC-6s to be received before month's end arrives on November 24, the same day **American Airlines** receives its first new Douglas Flagship. As the type has yet to receive government certification, both companies must begin a five-month interim period of crew training and route proving.

The DC-4 *Lake Champlain* must be written off after a bad landing at Los Angeles on December 24; fortunately, none of the 4 crew or 41 passengers aboard are killed.

At year's end, United turns back its California-Hawaii contract, by which time, its supervisor, Orvis Nelson, has organized his own company, **Transocean Air Lines**. The first C-54G is acquired for the airline from RFC on December 28; it will become *Mainliner Potomac River*.

The first production DC-6, *Mainliner San Francisco*, arrives in January 1947 and it, too, begins a series of proving flights. Like the DC-4s, these new pressurized aircraft are known by their cruising speed, becoming Mainliner 300s. A stock offering is undertaken on February 14. The company gains direct entry from the east into Southern California on March 6 when it purchases **Western Air Lines'** Denver to Los Angeles route; the arrangement must be approved by the CAB. On March 27, United and Western file a joint route and equipment transfer application with the CAB and in early April, four DC-4s are leased from **Eastern Air Lines**. Pressurized operations are inaugurated by the carrier's new Douglas DC-6s on April 27, as a new five-mile-per-minute DC-6 flies New York to San Francisco via Lincoln (Nebraska) in 11 hours; the eastbound returns take only 10 hours. Although United offers fewer frequencies than **American Airlines**, the new Douglas transports allow a more even competition with the Constellations of **Transcontinental and Western Air Lines (TWA)**.

DC-6s begin the new roundtrip Hawaiian service on May 1. A Mainliner 300, with 44 passengers aboard, inaugurates the first service to Honolulu from San Francisco.

The same day, overnight San Francisco-New York DC-6 flights are inaugurated; without traffic stops, they require only 9 hrs. 55 min. flying time. On May 17, the CAB authorizes consolidation of the western part of the carrier's transcontinental route.

The DC-4 *Lake Tahoe*, with 4 crew and 44 passengers, is caught by a sudden wind shear while taking off from New York (LGA) on May 29 and crashes (43 dead).

Also in May, having obtained a Sikorsky S-51, the carrier begins experimental rotary-wing flights connecting Chicago (MDW) with a number of suburban communities. Passenger loads do not cover costs and permanent service is not initiated; the S-51 helicopter is sold.

New York-Chicago-Los Angeles flights begin on July 17. On August 25, the CAB authorizes the United-Western route and equipment transfer, which was actually consummated on August 1; for \$3.75 million plus a \$1-million loan, United receives Western's Denver-Los Angeles route plus five DC-6s ordered for its operation. The next day, overnight freight service is initiated to Los Angeles from New York via Philadelphia, Detroit, and Chicago. One million ton-miles in a month is topped for the first time in September.

An in-flight fire causes Flight 608, the DC-6 *Mainliner Seattle* with 5 crew and 47 passengers en route from Los Angeles to Chicago, to crash at Utah's Bryce Canyon National Park on October 24; there are no survivors.

Through month's end, a total of 35 DC-6s have been delivered since April.

As a result of the Bryce Canyon disaster and several other DC-6 accidents industry-wide, the pressurized fleet is grounded, along with those of other carriers, beginning on November 12. Meanwhile, during October, a Fairchild C-82 Packet is employed in an experimental "flying mail car" service over AIM 1. The last DC-3A, *Mainliner Milwaukee*, is accepted on November 15. Frequencies on the Hawaii run are briefly suspended until arrangements are made to lease DC-4s from **Transocean Air Lines (TAL)** and Matson Navigation Company. On December 5, a CAB report blames fuel overflow into the heating system as the cause of the Bryce Canyon disaster.

Setting a new pattern for the centralized control of airline activities, United opens an operations hub at Denver in January 1948. Having been modified to eliminate the problem causing in-flight fires, the government releases the DC-6 to reenter commercial operation; United service with the type is resumed on March 21. Counting all services since the first flight of predecessor **Varney Air Lines**, the company passes the half-billion plane-mile mark on April 6. On April 28, all maintenance work is centralized at a new San Francisco "push button" overhaul base.

En route from San Diego to New York on June 17, a DC-6 hits a power wire and crashes while making a forced landing at Mount Carmel, Pennsylvania, killing all 4 crew and 39 passengers, including showman Earl Carroll and actress Beryl Wallace.

On July 1, the company inaugurates 7 hr.10 min., twice-daily DC-6 roundtrips from Chicago to Providence, Rhode Island, via Toledo, Cleveland, and Hartford, Connecticut. UAL will be the only airline to consistently offer air service to the citizens of Providence over the next 50 years.

A DC-6 with a defective engine crash-lands at Harrisburg while on a July 29 New York to San Francisco flight; no injuries are reported. Also in July, the company transports its 10 millionth passenger and flies its 5 billionth passenger mile. United inaugurates ILS (Instrument Landing System) operations on July 8. Still, with the bloom off the postwar travel boom, it becomes necessary to lay off 4,000 employees or 25% of the total workforce by year's end.

Formerly known as the *Mainliner Oakland*, the DC-3A *Mainliner Ogden* is sold to **Piedmont Air Lines** on March 21, 1949 along with the *Mainliner Boston*. Several new Boeing B-377 Stratocruisers are delivered later in the year, beginning with the *Mainliner Hawaii* on September 28 and the *Mainliner Kauai* on October 28. Airline dependability shows continued progress with United, for example, reporting in December that it has completed 98% of all scheduled miles during the year.

On December 2, the stewardesses of the company's ALSA merge their organization into the larger Air Line Stewards and Stewardesses Association (ALSSA). The B-377 *Mainliner Hana Maui* arrives on December 12 while a Christmas-rush record four million ton-miles of freight are flown between December 1 and 24. The Stratocruiser *Mainliner Hilo* is delivered on December 30 and during the year DC-3 Captain Hamilton Lee, the company's first pilot, retires.

Boeing 377 New York-Glasgow-Amsterdam service is inaugurated on January 9, 1950 by one of the new Stratocruisers, while others start flights over the Hawaii route on January 15, the day the *Mainliner Oahu* arrives. The last new B-377, *Mainliner Kano*, is delivered on January 28.

On April 17, John H. Grant is arrested at Los Angeles for placing a bomb on a company aircraft about to leave for San Diego in a plot to kill his wife and three children for their insurance; the bomb is found minutes before takeoff. Grant, who is deeply in debt and supposedly infatuated with another woman, will be convicted of attempted murder and given a 20-year prison term.

The DC-4 *Mainliner Grand Canyon* is sold to **El Al Israel Airlines, Ltd.** on April 27.

Los Angeles to San Francisco DC-4 coach-class service (\$9.95 one-way) is inaugurated on May 14. The next day, the twentieth anniversary of the first stewardess service is celebrated. A company record 5.66 million passenger miles are flown in a single day on June 19 and United begins participation in the Korean Airlift in late June, flying between San Francisco and Tokyo with contracted supply shipments. One million passengers are carried during the first half of the year, according to a July 15 company report. The CAB grants Los Angeles to Honolulu authority on August 4. Los Angeles to Honolulu B-377 flights commence on October 9.

On January 31, 1951, United completes its 10,000th crossing between California and Hawaii in more than 8 years of transpacific operations both commercial and military. The first DC-6B makes its maiden flight on February 2 and a \$16.5-million order is placed on February 20, for 20 Convair CV-340s. As launch customer, United takes delivery in March of the first of six DC-6Bs to be received in the year's initial quarter.

The carrier's twentieth anniversary is celebrated on April 6 and transcontinental DC-6B service is inaugurated by the *Mainliner Milwaukee* on April 11. The DC-3A *Mainliner Hartford* (originally *Mainliner Chicago*) with 11 aboard, crashes in a storm while landing at Fort Wayne, Indiana, on April 28; there are no survivors. Investigators will later list the probable cause of the disaster as wind shear.

The same day, the first production DC-6B arrives and is christened *Mainliner Newark*. A record 6,112,000 revenue passenger miles are flown in a single day on June 4.

Seeking a larger share of revenue and shorter hours, company pilots present CEO Patterson with a proposal that their pay be based upon miles rather than hours flown; when the airline leader refuses, the flyers strike on June 20, grounding all aircraft. President Harry S Truman urges the pilots to return to work on June 23, but with neither management or labor prepared to settle, the DOJ prepares to seize the airline. The strike ends on June 30, the same day a DC-6B with 5 crew and 45 passengers crashes into Rocky Mountain National Park, 4 km. SW of Fort Collins, Colorado, killing everyone aboard.

ALPA pilots refuse to fly DC-6Bs on July 15 without a pay differential, thus grounding these units of United's fleet. After lengthy negotiations, the pilots agree on August 1 to resume flying DC-6Bs and the carrier immediately restores them to service. Following the defeat of the ALPA strike for a new pay formula, President Patterson orders all company employees not to voice animosity toward the flyers. A New York–Chicago–Los Angeles DC-6B service is added on August 15. On August 22, United begins using mobile air conditioning units at New York (LGA) to cool the cabins of DC-6Bs.

En route from Boston to San Francisco via Hartford, Cleveland, and Chicago, two days later, Flight 615, a DC-6B with 6 crew and 44 passengers preparing to land, crashes into a hill near Oakland, California; there are no survivors.

The B-377 Stratocruiser *Mainliner Oahu*, on a September 12 training flight, is forced to feather an engine and falls into San Francisco Bay northwest of the Port of Redwood City; the three crewmen aboard all perish. New York to San Francisco DC-4 coach fares of \$110 one-way are offered, beginning on September 25 and for September as a whole, a total of 186,377,000 revenue passenger miles are flown.

In October, the NFL Chicago Cardinals fly to an away game, winging via Des Moines, Iowa, to Los Angeles; despite an effort to thus keep his players fresh, coach Curly Lambeau's team loses 45-21.

Also during the fall, President Patterson accepts an invitation to speak at a New York City dinner sponsored by the Newcomen Society in North America; as is the Society's custom, his remarks are published as a small pamphlet, *25 Years among the Stars: United Air Lines, 1926–1951*.

On November 18, a DC-6 with 39 aboard and a DC-6B with 38 aboard each land safely with one engine out.

The pilot of a DC-3, with two other crewmen aboard, loses control and crashes at Denver on December 4; there are no survivors.

On December 7, the tenth anniversary of the Japanese attack on Pearl Harbor, President Patterson announces that United (which will shortly be followed by other majors) is declaring a fare war on the nonscheduled carriers, pledging to continue matching their low fares on the DC-4 New York–San Francisco run.

To end the fare war begun late the previous year, on January 9, 1952, United, **American Airlines**, and **Trans World Airlines (TWA)** agree to offer \$99 coast-to-coast coach fares. The copilot of a B-377, en route from Honolulu to Los Angeles on February 25 with 43 aboard is able to safely return his Stratocruiser to Hawaii when the pilot dies of a heart attack. On March 9, DC-6 flights are added from New York to Philadelphia, Detroit, and points west, while the first delivery of a production CV-340 is made on March 28.

A total of 25 DC-7s are ordered, at a cost of \$56 million, on June 25. A new livery is introduced on company aircraft. With several permutations, it will serve throughout the remainder of the decade and into the early 1970s. With U.S.-Mexican air rights under inharmonious discussion, United sells LAMSA to Mexican investors and the founders of

Lineas Asociadas Mexicanas, S.A. de C.V. on July 22 for \$1.23 million. The DC-6B *Mainliner Des Moines* is received on July 29.

Wavering in their commitment to air transport, the NFL Cleveland Browns elect to make several game trips by train during the fall, but soon return to flight. The *Mainliner Salinas* begins the company's CV-340 operations in California on November 1.

United flight engineers stage a strike ordered by the Flight Engineers International Association (FEIA). President Harry S Truman intervenes and the job action ceases the next day.

A new contract is signed between FEIA and United on January 30, 1953.

On February 22, 1953, a DC-6 flies from Cleveland to Hills Grove, Rhode Island in a record 1 hr. 24 min. Also in February, United joins with the Radio Corporation of America (RCA) to develop an airborne radar unit for weather mapping on commercial transports.

The C-53D, reconverted to DC-3 civil standard as the *Mainliner Red Bluff*, is sold to **Northeast Air Lines** on March 5; it is followed to Boston by the *Mainliner Avalon*, the former DC-3A *Mainliner Sacramento*, on March 10. DC-6 air coach flights are inaugurated between California and Hawaii on March 22 and extended in April to mainland destinations.

United introduces "Executive Flights" for men only on April 26. These services feature complimentary cocktails, steaks, business publications, and cigars. The popular program will end in January 1970.

Despite the transport of 400,000 passengers in 8 years, the company determines in midyear that the Catalina Island service, begun in 1946, is not profitable and gives a year's notice that it will cancel the route. Also in July, an employee stock-purchase plan is unveiled and a new Denver Operating Base, representing the latest in centralized control of airline operations, is opened.

United and **American Airlines** Convairliners, with a total of 57 aboard, brush in midair over Michigan City, Indiana, on August 26; although the planes are damaged, both land safely with no one hurt. Once known as the *Mainliner Ohio*, the DC-3A *Mainliner San Diego* is sold to **Trans-Texas Airways** on September 8. On September 27, the company and **Braniff International Airways** inaugurate an interchange route between Portland and Seattle and Dallas (DFW) via Denver. Also in September, United joins with **Continental Airlines** in operating an interchange service between the Pacific Northwest and Tulsa via Denver and Wichita.

Participation in the Korean Airlift ends in October; in 3 years of contract flights, the carrier has made over 1,000 roundtrip flights between San Francisco and Tokyo and carried in excess of 25,000 troops, plus supplies. The same month, United joins in a Post Office experiment to carry first-class mail from Chicago to New York (Newark) and Washington, D.C. (DCA). Los Angeles–Seattle B-377 Stratocruiser flights are inaugurated on December 1.

Two nonstop New York to Cleveland frequencies are opened on April 24, 1954. **American Flyers Airline** purchases the C-53, converted to DC-3 civil standard as the *Mainliner Tacoma*, on April 21; the DC-3A *Mainliner Salinas*, formerly known as *Mainliner Indiana*, follows on May 18. Employing a new DC-7 Mainliner, the *Mainliner Hawaii*, United, on May 24, operates the first dawn-to-dusk flight from New York to Honolulu via San Francisco; the 5,000-mile flight is completed in a record 16 hrs. 51 min. **Transocean Air Lines (TAL)** purchases the DC-3A *Mainliner Salem*, formerly the *Mainliner Utah*, on May 27.

Mrs. Earl Warren headlines the VIPs making the first nonstop transcontinental DC-7 flight on June 1; company President Patterson awards each passenger on the inaugural flight a share of United stock. San Francisco to New York return service is offered nonstop in 7 hrs. 30 min on the same day, while New York to San Francisco requires a Chicago stop and takes 9 hrs. 30 min. The individual cross-country flights will be christened *The Continental*, *The Overnight Hollywood*, *The San Francisco*, and *The Overnight Continental*; all offer special Red Carpet passenger and White Glove baggage services.

A C-54G with 3 crew and 79 passengers is lost in a landing accident at Oklahoma City on June 15; although the aircraft must be written off, there are no fatalities.

Also in June, the installation of four electronic flight simulators is completed at the Chicago and Denver training sites.

The DC-4 *Mainliner Colorado River* is sold to **American Flyers Airline** on July 1. Six of the no-longer economical Boeing Stratocruisers are offered to **British Overseas Airways Corporation (BOAC)** in July, which desperately needs capacity in the wake of the grounding of its de Havilland DH 106 Comet I jetliners.

On August 1, company officials announce that the airline is flying 300,000 miles per day. Orders are placed the same day for \$21 million worth of new aircraft; additionally, \$4 million is committed for the installation of airborne radar on the company's fleet. Also in August, the NFL New York Giants make their first charter flight, from Salem, Oregon, to Oklahoma City for an exhibition game.

On September 2, the B-377 *Mainliner Hilo* is sold to **British Overseas Airways Corporation (BOAC)**. The DC-7 *Mainliner City of Hartford* inaugurates Boston to San Diego service via Hartford, Chicago, and Los Angeles on September 26. The final Burbank-Avalon flight is made on September 30. On October 3, passenger Lt. Col. Greenway almost falls out of a DC-6 when the plane's emergency hatch flies off at 13,000 feet over Indiana; he is saved by his safety belt.

Four are hurt on October 21 during the refueling of a DC-6 at Chicago (MDW); gutted, the plane will be rebuilt and returned to service. Six days later, the B-377 *Mainliner Kauai*, is purchased by **British Overseas Airways Corporation (BOAC)**. To support nonstop cross-country flights, a long-range weather advisory unit is established at Denver on November 23. A DC-7 flies from Chicago to New York on December 1 in a record 1 hr. 45 min. The DC-7 *Mainliner Waipahu* arrives on December 3 and the remaining B-377s *Mainliner Hawaii*, *Mainliner Kano*, *Mainliner Waipahu* and *Mainliner Hana Maui*, are all sold to **British Overseas Airways Corporation (BOAC)** during the month.

DC-7 Mainliner service is inaugurated between Hawaii and California on January 1, 1955. On February 16, the CAB grants permanent authorization to operate between California and Hawaii. A DC-7 flies from San Francisco to Honolulu on March 12 in a record 6 hrs. 56 min. Nonstop 8 hr. 45 min. flights are initiated on May 6 between New York and San Francisco. The twenty-fifth anniversary of the first stewardess service is celebrated on May 15.

DC-6B is equipped with a set of tubeless tires makes the first test of this equipment, landing safely at New York (LGA) on a regularly scheduled May 21 flight. Formerly known as the *Mainliner Massachusetts*, the DC-3A *Mainliner Merced* is sold to **Southern Airways** the same day. In June, United becomes the world's largest airline operator of electronic flight simulators as three additional units are ordered. The first installation of weather-mapping radar is completed aboard a company aircraft in July.

Restrictions on nonstop Seattle and Portland to Chicago service are lifted by the CAB on September 15. An interline accord is signed with **Seaboard & Western Airlines** on October 2 permitting a single airway bill for cargo shipments to and from Europe and to and from any point in the U.S. served by United.

In the worst crash in U.S. commercial aviation history to date, Flight 409, the DC-4 *Lake Michigan*, with 5 crew and 39 passengers en route to San Francisco from New York on October 6, plunges into Medicine Bow Peak, 40 mi. W of Laramie; there are no survivors.

On the second Sunday in October, the New York Giants professional football team finally takes its first regular-season charter flight, home from Chicago after defeating the Packers at Green Bay 31-17. For several years yet, until the introduction of jetliners, any trip that can be made overnight by train is still made that way.

The airline is struck by 475 flight engineers on October 24, leading to many flight cancellations and lengthy negotiations. The next day, October 25, United becomes the first U.S. domestic airline to request jetliners, placing a \$175-million order for 30 DC-8-11s and DC-8-21s. Nonstop Seattle to Chicago flights commence on October 31.

En route from New York to Portland, Oregon, at 5,000 ft. on November 1, Flight 629, a DC-6B with 5 crew and 39 passengers, explodes in midair near Long Mount, Colorado, about 100 miles from the October 6 disaster site, after takeoff from Denver; there are no survivors.

Two weeks later, the FBI arrests John G. Graham, who admits to carrying out a plot to kill his mother, Mrs. D. King, after purchasing six 25¢ life insurance policies on her flight, totaling \$37,500, from a Stapleton Airport vending machine. Graham, who had planted a bomb made up of 25 sticks of dynamite and a dry-cell battery timer in Mrs. King's suitcase, is arraigned on murder charges on November 16 and on December 10 he pleads insanity and is committed for testing.

After hiring and qualification questions are resolved, the flight engineers strike ends four days later. On December 28, the company completes the largest single airline financing program in history to date—\$150 million over five years.

Daily New York to Kansas City flights commence on February 7, 1956. Accused bomber Graham withdraws his insanity plea on February 25 and pleads not guilty. United celebrates its thirtieth birthday on April 6; it is noted that 38 million people have been flown nearly 25 billion revenue passenger miles since start-up. The Graham trial opens on April 16 and the 20,000th crossing of the California to Honolulu route is completed on April 24. DC-6A Cargoliner service is initiated between New York and San Francisco via Chicago on April 30.

The saddest courtroom trial in company history ends on May 3, with Graham's conviction and death sentence. Also in May, the first nonstop DC-7 service is opened from Washington, D.C. to San Francisco.

The nation's senior airline pilot, Capt. Harry W. Huking, retires on June 1 after logging over 7 million miles and 29,000 hours. The maximum height requirement for stewardesses is raised on June 18 to 5'8" and a minimum age of 20 is set.

Departing Los Angeles just three minutes apart, Flight 718, the DC-7 *Mainliner Vancouver* with 58 aboard, and Flight 2, the **Trans World Airlines (TWA)** L-1049G Super Constellation *Star of the Seine* with 70 aboard, collide in midair over the Arizona Grand Canyon on June 30. All 128 people aboard both aircraft are killed in the worst civil aviation disaster to date. With heavy thunderstorms in the area, the Lockheed had sought permission to fly 1,000 ft. above the 20,000-ft. cloud cover, where the Douglas is cruising at its designated 21,000-ft. height, and it is granted by ATC.

The tragedy will receive intense media exposure and will lead to calls for government changes in the nation's air traffic control situation. Donald B. Jr. and Michael B. McComb review "Final Destination: The Story of Flight 2 and Flight 718" for *Airliners* 5 (Spring 1992): 41-47.

Interline agreements are signed on August 13 with **Braathens SAFE, A.S.** of Norway, **Union of Burma Airways, Ltd.**, and the U.K. operator **Cambrian Airways, Ltd.** While landing at New York (LGA) on September 13, a DC-6 with 13 aboard narrowly misses crashing into an automobile driven onto the runway by a drunkard. A week later, on September 20, the Southern Pacific Railroad begins selling United tickets at 130 depots where the airline has no representative.

The last DC-3 is retired on October 28; since its introduction into the fleet 20 years earlier, "the plane that changed the world" has flown 12.7 million passengers for the company over 400 million revenue airplane miles. The DC-3As *Mainliner North Platte*, *Mainliner Pendleton* and *Mainliner Moline*, the latter formerly known as *Mainliner Connecticut*, are sold to **Southeast Air Lines** on November 12, 19 and 27, respectively. The twentieth anniversary of the first Oakland flight kitchen is celebrated in December and the DC-3A *Mainliner Cheyenne* is sold to **Southeast Air Lines** on December 3; the same carrier also purchases the *Mainliner New York*, formerly *Mainliner Bethlehem*, three days later.

A DC-7 flies from Chicago to Washington, D.C. on January 1, 1957 in a record 1 hr. 23 min. Ten days later, John G. Graham is executed in the California gas chamber. New York to Los Angeles via Philadelphia and Detroit service is inaugurated on February 10. The DC-7 *Mainliner City of Baltimore* is received on the last day of the month.

In April, the employee population exceeds 20,000 for the first time and on May 15 DC-7 Custom Coach service is opened on all long-haul routes.

During the summer, DC-4s of **Pacific Southwest Airlines (PSA)** begin to compete with the company's DC-6B Air Coach service north and south on the California corridor between Los Angeles and San Francisco. A DC-6B is sent by the airline to represent it at the October 12 MacArthur Airport air show on Long Island.

On November 22, an order is placed for 11 (later 29) Boeing 720-022s, derivatives of the B-707, plus another 10 DC-8-10s, at a total cost of \$100 million. Walter O'Malley charts company DC-7s to move the Brooklyn Dodgers professional baseball team to Los Angeles. The last DC-4s are retired at year's end.

In anticipation of the complexities of the Jet Age, the carrier's top management is broadened in January 1958 to include 7 senior vice presidents and 18 vice presidents. A computerized reservations system is placed into full service in February. Chartered United DC-7s fly the renamed Los Angeles Dodgers on all of their cross-country road trips, beginning in early April.

While en route from Los Angeles to New York on April 21, a DC-7 with 5 crew and 42 passengers collides head-on with a U.S. Air Force F-100 Super Sabre with two crew that is on a training flight at 21,000 ft. outside of Las Vegas. There are no survivors from either aircraft.

Two are hurt on June 20 as a DC-7 is forced to dive to avoid a collision with a USAF B-52 over Modesto, California. Also in June, the 50 millionth passenger is flown.

On July 15, a \$16-million order is placed with the Teleregister Corporation for a new computerized reservations system to meet expanded Jet Age needs. Flight crew training begins at Denver in September in the first DC-8 electronic simulator in airline history. A DC-7 with 32 aboard narrowly avoids colliding with a military aircraft while landing at San Francisco on November 18. The fleet at year's end comprises 90 DC-6/DC-6Bs, 55 DC-7s, and 53 CV-340s.

On January 11, 1959, Dayton and Columbus become stops on the company's Chicago-New York DC-7 route. Air travel, much of it under United charter, makes possible the transfer of professional sports franchises and team expansion by allowing for extensive and fast road trips. In April, an industry record is set when all 16 American and National League baseball teams sign for charter flights—nine on an exclusive basis.

The first DC-8-11 is received in a ceremony on June 3 and is christened *Mainliner Capt. R. T. Freng*. A large number of guests, led by Chairman Patterson and Donald Douglas, inspect the jetliner. An order is signed in June for 7 additional B-720-022s, bringing the \$74 million total to 18. In a preservice test flight, the DC-8-11 *Mainliner Capt. R. T. Freng* flies from Denver to New York in a record 3 hrs. 31 min.

Mainliner Capt. W. D. Williams is the second DC-8-11 delivered, on June 27, and on August 19 and 25 and September 3 and 14, respectively, is followed by the *Mainliner R. I. Dobie*, *Mainliner Capt. Harry Huking*, *Mainliner Capt. R. I. Wagner*, and *Mainliner Capt. George Douglas*. On September 18, the first DC-8-11 jetliner, *Mainliner Capt. R. T. Freng*, is placed into service over the San Francisco to New York (IDL) route. Eastbound, scheduled time is cut from 8 hrs. to 5 hrs., while on the westbound run, the time falls from 9 hrs. 15 min. to 6 hrs. 5 min.

Between September 29 and December 30, nine more DC-8-11s arrive: *Mainliner Donald Douglas, Sr.*, *Mainliner William B. Stout*, *Mainliner J. A. Herlihy*, *Mainliner Will Rogers*, *Mainliner Capt. W. E. Rhoades*, *Mainliner W. C. Mentzer*, *Mainliner James Doolittle*, and one unnamed unit. Meanwhile, the first B-720-022, a shortened version of the Stratoliner, makes its maiden flight (in United colors, but with Boeing titles) on November 23.

During the year, the first of six DC-7s are converted into DC-7BF freighters and flight attendant Lucille Chase sees her humorously told recollections published, *Skirts Aloft* (Chicago: Louis Mariano).

On December 31, the first sales from the DC-6 fleet are made when four units are purchased by **Delta Air Lines**. The same day, the DC-7 *Mainliner Waipahu* is traded back to its manufacturer.

Passenger boardings for the year total 7.5 million.

United announces the beginning of daily jet service from New York to Los Angeles on January 2, 1960, via Chicago. The company's first DC-8-21, an upgraded DC-8-11, is delivered on January 21 and is christened *Mainliner W. CV. Mentzer*. Four days later, a DC-7 encounters severe air turbulence over Boulder, Colorado; 1 of the 26 passengers aboard is seriously hurt.

A second B-720-022, also painted in United colors, begins tests in late January.

A DC-7 nearly collides with an **American Airlines** DC-6 over Ohio on February 5. Twelve days later, on February 17, the carrier inaugurates daily DC-8-11 service from Philadelphia to Chicago, continuing on to San Francisco. The same day the DC-8-21 *William B. Stout* is placed into service. On February 18–22, a "DC-8-to-the-Fiftieth State" introductory flight is made by the DC-8-11 *Mainliner Oahu* from New York to Honolulu via San Francisco in 9 hrs. 53 min; eastward bound from Hawaii to Chicago, the return flight is completed in 7 hrs. 52 min. Douglas jets continue on these routes.

On February 26, a \$20-million order is placed for 20 Sud-Est SE-210 Caravelle VIRs from Sud Aviation in France; this is the first foreign jetliner adopted by an American airline (all will receive names honoring French cities) and the first anywhere built with aft-mounted engines. On February 26, the first unaltered DC-8-21, *Mainliner Hana Maui*, arrives while the second is delivered on February 28 and christened *Mainliner W. A. Patterson*. DC-8-21 service is inaugurated to Seattle on March 1 and Baltimore (BWI) on March 18.

In April, two DC-8-21s join the fleet: *Mainliner Hilo* and *Mainliner Annie E. Johnson*, the first of its type named for a woman. The use of a new passenger baggage system is started on April 17, involving the use of special containers developed by Douglas for its DC-8s. The next day, DC-8-11 flights commence to Portland. Christened *720 Jet Mainliner Walter T. Varnet*, the first B-720-022 is delivered on April 30; five more will arrive in May and June.

Sudden in-flight turbulence is encountered by a DC-8-21 with 113 aboard en route to Denver on May 24, the same day Douglas jetliner service to that Colorado city begins; two passengers are seriously hurt. Also in May, President Patterson meets in New York with **Capital Airlines** Board Chairman Thomas D. Neelands Jr. to discuss a possible merger.

During this month and in June, DC-7F Cargoliners begin to join the fleet, as do three more DC-8-21s: *Mainliner Waipahu*, *Mainliner Kauai*, and one unnamed unit. Also in June, ground is broken for a new Executive Office and Training Center near Chicago and on June 22, flights commence to Detroit. The initial three B-720-022s complete their test program and is certified on June 30.

When the pilot switches on the seat belt sign aboard a DC-8-21 with 84 aboard near Poughkeepsie, New York, on July 3, some passengers fail to heed it and not all flight attendants enforce it; as a result, when the plane hits turbulence, one passenger is seriously injured.

The first Boeing B-720-022s come on line on July 5, beginning Jet Mainliner service over the Chicago-Los Angeles, via Denver route. Jet Mainliner B-720-022 roundtrips commence on July 8 from Los Angeles to Seattle via San Francisco.

Frequencies are initiated by DC-8-11s to Cleveland on July 24. On July 28, Patterson and Neelands announce that negotiations are completed for the purchase of financially strapped **Capital Airlines**. Following the approval of the boards of directors of both carriers on August 11, permission to complete the merger is sought on September 15 from the CAB.

Meanwhile, DC-8-11 flights are begun to Omaha on August 12 and to Las Vegas, San Diego, and Salt Lake City on September 5, 13, and 25, respectively. Incidentally, at San Diego on the 13th, the company's first B-720-022, received back on April 30, is christened *Jet Mainliner Claude T. Ryan*, in honor of the aviation pioneer.

In addition, the last named DC-8 to be received until 1965 is placed into service: *Mainliner James M. Doolittle*. The first full year of jet service is completed in September, during which time 1.3 million passengers have been flown over 1.8 million revenue passenger miles.

Stockholders of both United and **Capital Airlines** approve in October the marriage of their two companies; the United vote is 3,291,237 to 35,014 while the Capital count is closer, 677,687 to 34,604. Incidentally, as part of the merger, United will take over **Capital Airlines'** long-standing charter arrangements with the Baltimore Colts, Detroit Lions, and Pittsburgh Steelers professional football teams. On November 17, a Beech 35 Bonanza collides midair with a DC-6 with 19 aboard as it is landing at Denver; although both planes are severely damaged, no one is killed.

A B-720-022 with 91 encounters a pocket of clear-air turbulence over Wolbach, Nebraska, on December 4 that results in serious injury to one passenger. The next day, a contract is signed with Boeing for 40 B-727-100s. A day later, the CV-340 *Mainliner Salinas* is sold out of service.

United Flight 826, the DC-8-11 *Mainliner Will Rogers* with 7 crew and 77 passengers approaches New York (IDL) on December 16 after a flight from Chicago (ORD). At the same time, **Trans World Airlines (TWA)** Flight 266, a Lockheed L-1049G with 5 crew and 39 passengers is approaching New York (LGA) in IFR. The jetliner, proceeding beyond its clearing point, crosses the flight path of the Super Constellation and at short range, the No. 4 jet engine slices open the propeller-liner's fuselage top. The impact causes the TWA Super Constellation to break into three pieces and crash in flames on Miller Army Air Station, Staten Island. The DC-8 limps on for another 13.5 km. before crashing into Sterling Point, Brooklyn, destroying a church, 10 apartment buildings, and several shorts and causing a 7-alarm fire. All aboard both aircraft are killed, along with 5 people on the ground.

Donald B. McComb Jr. portrays "Collision Course: The Tragic End of *Mainliner Will Rogers* and the *Star of Sicily*" in *Airliners* 8 (January–February 1995): 20–23.

The company now flies 60% of all air traffic between California and Hawaii. Also in December, \$186 million in requests are also made for 1964 and later delivery slots for 40 Boeing 727-22s. On December 30, after four months of examination, hearing examiner Thomas L. Wrenn recommends approval of the **Capital Airlines** merger to the full CAB.

Enplanements for the year total 8.11 million.

The first two Caravelles arrive from France on January 4 and 6, 1961, respectively, and are christened *Caravelle Jet Mainliner Ville de Bordeaux* and *Caravelle Jet Mainliner Ville de Lyon*. Two B-720-022s are leased to **Capital Airlines** and commence service on January 8. While landing at Chicago on a positioning flight on January 14, the landing gear of a DC-7 collapses, causing the aircraft to crash. Oral arguments on the Capital merger begin before members of the CAB on January 25 and six days later, the CAB issues its final decision in the affirmative.

Daily DC-8-11 flights into Bradley Field, Connecticut, begin on February 15. On March 9, birds strike a DC-6 with 46 aboard near Elgin, Illinois; all aboard report minor injuries. Four days later, the No. 4 engine of a DC-7 with 51 aboard fails during the plane's takeoff roll from Cleveland.

The January 31 CAB decision is formally announced on April 4.

On April 25, the landing gear of a DC-6 fails as the freighter is landing at Denver. DC-8-51 service is inaugurated on April 30, as up-engined DC-8-11s and DC-8-21s join the fleet. The thirty-fifth anniversary of corporate start-up is also celebrated in April. A new instamatic reservations system is placed in use in May; as of then, it is the largest interconnected electronic data processing facility ever built for business use.

United substantially expands its system on June 1 through the CAB-approved acquisition of financially troubled **Capital Airlines**, its assets and liabilities. As a result of this merger, the carrier comes to service 116 cities in 32 states, the District of Columbia, Hawaii, and British Columbia with a fleet of 250-plus aircraft, including 41 turboprop Vickers Viscount 745Ds previously flown by Capital. Other aircraft acquired in the Capital deal include 11 DC-6Bs leased from **Pan American World Airways (1)**, 10 DC-4s, 10 parked L-049 Constellations, and 17 DC-3s.

A DC-8-52 is received on June 8 and the third SE-210, *Caravelle Jet Mainliner Ville de Toulouse*, is delivered on June 10. The *Caravelle Jet Mainliner Ville de Cahora* arrives on June 20. Capital's orders for Lock-

heed Electras and Convair 880s are immediately cancelled; the move also expands company debt and raises a demand for newer aircraft. Attention to the latter concern is partially addressed by continuing Caravelle deliveries from France. The two Boeing 720-22s leased by their manufacturer to **Capital Airlines** in January are returned on June 30.

The schedules of United and **Capital Airlines** are merged on July 1 and the name Capital disappears into history. The *Caravelle Jet Mainliner Ville de Marseille* and *Caravelle Jet Mainliner Ville de Paris* are delivered on July 2 and 6, respectively. As the result of thrust reverser malfunctions on both its No. 1 and No. 2 engines, Flight 859, a DC-8-51 with 7 crew and 115 passengers en route from Philadelphia to Los Angeles on July 11, skids off the runway at Stapleton Field, Denver. The aircraft crashes into a maintenance truck and burns, killing 17 people, including the truck driver. Only a month old and with but 125 hours, the jetliner must now be written off.

Many new markets will also be served by the Caravelle VIRs, the first of which, *Caravelle Jet Mainliner Ville de Paris*, begins New York (IDL)–Chicago (ORD) operations as Flight 601 on July 14, Bastille Day. A DC-8-51 suffers an in-flight engine fire at Chicago on July 24, but none of the 102 passengers aboard are hurt.

Between July 31 and September 26, seven more Caravelles arrive: *Caravelle Jet Mainliner Ville de Grenoble*, *Caravelle Jet Mainliner Ville de Saintes*, *Caravelle Jet Mainliner Ville de Coutances*, *Caravelle Jet Mainliner Ville de Rochefort*, *Caravelle Jet Mainliner Ville de Rouen*, *Caravelle Jet Mainliner Ville de Strasbourg*, and *Caravelle Jet Mainliner Ville de Dijon*.

On August 13, a company aircraft is the first scheduled airliner to operate into the new T. F. Green State Airport at Providence, Rhode Island. The new \$2-million United Training Center is opened in October at Chicago and three more SE-210s are delivered: *Caravelle Jet Mainliner Ville de Lille*, *Caravelle Jet Mainliner Ville de Aries*, and *Caravelle Jet Mainliner Ville de Nice*.

The old headquarters near Chicago (MDW) are moved on December 11 to suburban Elk Grove Township, near O'Hare International Airport, where a new Executive Office building is occupied. Three more French jetliners are also received: *Caravelle Jet Mainliner Ville de St-Nazaire*, *Caravelle Jet Mainliner Ville de Nantes*, and *Caravelle Jet Mainliner Ville de Cannes*.

The final three SE-210 Caravelle VIRs are delivered between January 4 and February 24, 1962: *Caravelle Jet Mainliner Ville de Bordeaux*, *Caravelle Jet Mainliner Ville de Lyon*, and *Caravelle Jet Mainliner Ville de Calais*. Meanwhile, on January 13, a DC-6 with 52 aboard encounters clear-air turbulence over Fillmore, California; one stewardess is seriously injured. Seven days later while taxiing on an icy runway at Chicago, a company DC-7 with 26 aboard crashes into an **American Airlines** CV-240; both aircraft are badly damaged, but fortunately, no injuries are reported.

A B-720-022 with 49 aboard suffers engine failure at Portland, Oregon, on February 1. Two days later, a DC-8-51 with 125 passengers is unable to stop after landing at New York (IDL) and crashes at the end of its run. The plane takes substantial damage, but no one aboard is hurt. The last DC-3 inherited from **Capital Airlines** is retired in the spring and the last remaining leased DC-6B is returned to **Pan American World Airways (1)**.

A Caravelle VIR with 64 aboard suffers a nosewheel failure while landing at Cleveland on September 11. The DC-7 *Mainliner Baltimore* is withdrawn on September 17. A DC-7 with 38 aboard loses part of its fin and rudder during an October 14 flight over Sacramento; the airliner is able to land safely at San Francisco and no injuries are reported. Components from another DC-7, in storage at San Francisco, are used in the plane's repair.

During its Newark to Washington, D.C. frequency on November 23, two swans hit an ex-**Capital Airlines** Viscount 745D, one of which becomes imbedded in the plane's stabilizer, causing it to crash at Ellicott City, Maryland (17 dead). A landing gear accidentally retracts during the December 10 landing of a DC-6 with nine aboard at Los Angeles; no injuries are noted.

Also in November, plans for one-class service are announced and later in the same month, United's Caravelles transport their millionth passenger. During the year, a new Training and Education Center/executive offices complex and new passenger terminal are occupied at Chicago (ORD).

One-class B-720-022 service is inaugurated in March 1963, the same month three DC-8-54F Jet Freighters are ordered. In the spring, Chicago-New York executive flights "for men only" are started. To commemorate three decades of leadership, a new DC-8-51, *W. A. Patterson*, is christened. A similar jetliner, with 56 aboard, encounters clear-air turbulence near Des Moines on July 28; a passenger is seriously hurt. President since 1934, William "Bill" Patterson is elevated on September 23 to the position of board chairman/CEO. George E. Knack is elected president.

The first production Boeing 727-22 is delivered on October 29 while the hulk of a DC-7 is donated to the USCG at San Francisco two days later. The remains of the old piston-powered airliner will be employed for ditching training and will be floated in San Francisco Bay for five years. Hawaiian economy coach service (\$100 one way) is introduced from Los Angeles and San Francisco in November.

Annual boardings for the year set an all-time world traffic record to date, reaching 13,670,000. A profit of \$3.82 million is reported.

Airline employment in 1964 stands at 33,528 and the fleet includes 251 aircraft. A Viscount 745D, with 23 aboard, encounters clear-air turbulence near Asheville, North Carolina, on January 13; one passenger not wearing a seat belt is badly hurt. The first DC-8-54F Jet Trader is delivered on January 30 while Boeing 727-22s are introduced on the San Francisco-Salt Lake City-Denver route on February 6. A new method of fog dispersal at Pacific Northwest airports is now introduced as dry ice is scattered from small aircraft.

On March 1, the Denver B-727-22 route is stretched to Chicago. One-class service celebrates its first birthday in March; in 12 months, 1.2 million passengers have flown. Later in the month, three new DC-8-54Fs commence all-cargo runs between Chicago, San Francisco, and Los Angeles. These are the first company aircraft to employ the Freightair mechanized handling system, which can load 46 tons in 25 minutes. The Chicago terminus of the Jet Freighter run is stretched to New York, also in April.

While preparing to land after a May 9 training mission, the crew of a Viscount 745D fails to extend the landing gear; none of the three are hurt when the plane crashes at Chantilly, Virginia. A Caravelle VIR with 54 aboard encounters severe turbulence near Knoxville on July 8; one passenger's seat belt fails and he is killed. The next day, a Viscount 745D inherited from **Capital Airlines** with 4 crew and 35 passengers en route from Philadelphia to Knoxville, suffers an in-flight fire that causes it to crash near the city of Newport, Tennessee; there are no survivors.

In August, United becomes the first airline to ever fly more than a billion revenue passenger miles in a month. On the nonstop transcontinental routes, three-class Red, White, and Blue Service is introduced. In order to fend off competition from intrastate rival **Pacific Southwest Airlines (PSA)**, B-727-22s introduce \$14.50 one-way Jet Commuter service on the Los Angeles-San Francisco run, beginning on September 27. The initial frequency is nine roundtrips per day.

The nosegear of a B-720-022 collapses after the plane touches down at San Francisco on November 5; none of the 94 persons aboard are hurt. Also in November, wide-screen Jetarama Theater motion pictures are introduced aboard Hawaiian flights to and from California. The company becomes the first airline, in December, to install a new, fully automatic, all-weather landing system; it is initially demonstrated by a Caravelle VIR at Washington, D.C. (IAD). Inadvertent fuel starvation causes both engines of a CV-340 to shut down while the plane is taxiing at Saugus, California, on December 30.

During the year, 25 of the original order for 40 B-727-22s are delivered and the order is increased to 65. Orders are also placed for 40 B-737-222s, chosen as the company's short-haul jetliner, and the last DC-7s are retired.

Passenger boardings increase 6.8% to 13,224,077 and freight traffic advances by 23%. Record revenues of \$669.4 million are taken in and the highest net earnings in company history are enjoyed as profits skyrocket 86% to \$27.3 million.

The workforce in 1965 is now 36,268. The 31 passengers aboard a Caravelle VIR suffer from turbulence as the plane passes over Allentown, Pennsylvania, on January 24. United now actively begins to promote the development of the then-infant scheduled air taxi and commuter industry and maintains close links with the National Air Taxi Conference. Early in the year, Jet Commuter frequencies reach 20 times a day.

The nosewheel of a DC-6B, with 58 aboard, collapses just after the plane lands at Fort Wayne, Indiana, on March 4. Ten days later, the left engine of a Caravelle VIR with 55 aboard disintegrates during the plane's takeoff from Ypsilanti, Michigan; an emergency landing is made. Converted to all-economy-class seating, Boeing 720s are introduced on the Los Angeles-San Francisco route on April 1, offering \$13.50 one-way Fan-jet Commuter flights. Also in April, the carrier places the largest equipment order by an airline to date: \$750 million for 75 DC-8-61s, B-737-222s, and B-727-222s, with 44 options. Vietnam MAC airlift charter flights commence in June.

While being ferried, a DC-6B with three aboard suffers a nosewheel collapse after landing at Boston on August 15.

Descending toward Chicago from 35,000 ft. after a flight from New York (LGA) on August 16, Flight 389, a B-727-22 with 6 crew and 24 passengers, passes its ATC-assigned altitude of 6,000 ft. and plunges into Lake Michigan. There are no survivors from an accident the cause of which will never be solved.

The only DC-8-54F to receive a name is received on September 28 and is christened *City of Philadelphia*. The famous "Fly the Friendly Skies of United" ad campaign is launched in October. Simultaneously, the carrier becomes the first to qualify for the FAA all-weather program, which allows its DC-8s to land at specific airports when ceilings are as low as 150 feet.

While taxiing at San Diego NAS with 117 aboard on an October 15 military charter, a DC-8-51 rams another aircraft; no injuries are reported. Two days later, a DC-6 with 5 crew and 11 passengers fails its takeoff from Huntsville, Alabama, after its nosewheel collapses; there are no fatalities.

En route from New York (LGA) to San Francisco via Cleveland, Chicago, Denver, and Salt Lake City on November 11, Flight 227, a B-727-22 with 6 crew and 85 passengers descends too rapidly and crashes 335 ft. short of the runway at the Utah airport. The Boeing collides with threshold lights, which strip away its main landing gear and cause the fatal crash and subsequent fire (43 dead).

In December, United helps to save the struggling helicopter carrier **Los Angeles Airways** from extinction after the loss of its government subsidy by assuming, with **American Airlines**, joint control through equal guarantee of the carrier's new \$3.2-million loan. The two operate LAA as an airport shuttle. During the year, new freight facilities are opened at Cleveland, Detroit, New York, Los Angeles, and San Francisco.

A fleet of 255 owned and 29 leased aircraft is operated during the year, with orders outstanding for 148 more. With customer bookings up by 18% to 17.3 million, United Air Lines enjoys the distinction of transporting more passengers than any other carrier in the world. Cargo tonnage advances by 27%. Revenues are also up 18%, to \$792,759,000 while profits skyrocket 67% to \$45,767,000.

United appeals to the CAB on February 28, 1966, for an extension of its U.S. mainland to Hawaii routes to new destinations in the Far East. The request marks the company's first major move toward international operations. Also during the first quarter, the board votes to split the company's common stock on a two-for-one basis. William "Pat" Patterson retires as board chairman/CEO on April 28 and is succeeded by his hand-picked replacement, President Keck. In appreciation of Patterson's years of service, the carrier has a small biography commissioned, Frank J. Taylor's "*Pat*" *Patterson* (Menlo Park, Calif.: Lane Magazine, 1967).

The first B-727-22QC is received on May 1 and on May 18 a DC-7, employed for crew training at Denver for the past six months, must be written off after a blown tire forces it to wreck while landing. A total of 2,007,871 passengers are carried in June making United the first line in the world to top two million bookings in a single month.

On July 8, the airline is one of five struck by the membership of the IAM. The combined effect of the job action is to halt 60% of U.S. passenger service and 70% of airmail operations. After several weeks of negotiations, President Lyndon B. Johnson announces a strike settlement on national television on July 29.

On August 1, the IAM membership votes 2 1/2 to 1 to reject the proposed settlement. Talks resume and on August 15 tentative agreement is reached on a new 3-year contract. The membership votes to ratify the contract on August 19 by a 2 to 1 margin, thus ending the longest and costliest strike in U.S. commercial aviation history to date.

B-727-22QC freighter service between New York and Chicago begins in September. Orders are placed in November for five Boeing 747 Jumbos; requests will later rise to 18, at a total cost of more than \$400 million. Revenues for the year total \$926 million.

The workforce in 1967 grows to 46,038 and the first DC-8-61, *Mainliner Eric A. Johnson*, is delivered on January 7.

A Vickers Viscount 745D with 4 crew and 46 passengers hits a snowplow on the runway while landing at Norfolk, Virginia, on January 19; the aircraft loses a wing, but no fatalities are reported.

Also in January, United inaugurates an Airport Masterplan Program to apprise government officials of industry requirements through 1980. The era of large-capacity airliners is introduced on February 24 as 259-passenger DC-8-61 services are launched by the *Mainliner Eric A. Johnson* over United's transcontinental and Los Angeles to Hawaii routes. Air turbulence over Wyoming on March 28 causes a B-720-022 with 49 aboard to drop 8,000 feet before it can be recovered (one dead). A Personal Travel Credit Plan is instituted in April and the DC-8-61 *Mainliner Capt. R. D. (Dick) Petty* is delivered on May 7.

The interchange agreement with **Continental Airlines** established back in 1953 ends on June 12, as does a similar agreement with **Braniff International Airways**. A total of 1.85 billion revenue passenger miles are flown in July, an industry record for a single month. Designed to sell two seats at once, the "Take Me Along" promotion begins in September and becomes one of the most remembered in airline advertising history.

Chicago to Toronto flights commence in October, the same month the company begins flying from California to Hilo, Hawaii. In November, it is reported that the carrier is the first in airline history to exceed \$1 billion in revenues for a single year (\$1,098,938,000). A DC-8-52 is leased to **Air New Zealand, Ltd.** for three months, beginning on November 13.

The nosegear of a Vickers Viscount 745D with 4 crew and 39 passengers fails while the turboprop is landing at Raleigh/Durham on November 28; there are no fatalities.

While landing at Akron-Canton Regional Airport on December 11, a Vickers Viscount 745D with 3 crew and 15 passengers overruns the end of the runway by 120 yards and goes down a 20-ft. embankment. Although there are no fatalities, the aircraft must be withdrawn from service as the result of damages received.

The first 18 of 40 B-737-222As are delivered by December 29 and joins 26 other aircraft received since spring: 4 DC-8s, 15 B-727-100QCs, 1 B-737-222, and 6 DC-8-61s. Formerly operated by **Braniff International Airways**, a lone DC-8-31 is acquired from Douglas for pilot training; painted white and without the normal United livery, it is dubbed the *White Whale*.

During the year, the company also places a \$520-million order—the largest of its day—for additional aircraft, including Jumbos, B-737s and B-727s, 5 DC-8-61s, 10 DC-8-62s, and 3 DC-8-54Fs (not delivered). Enplanements reach 21,715,000 and a total of 417.18 million freight ton-miles are flown, an increase of 28%.

A \$2.5-million B-747 simulator is ordered in January 1968.

Flight 9963, a B-727-22C freighter with three crew aborts its takeoff from Chicago (ORD) on March 21, but shoots off the right side of its

runway, coming to rest in a ditch 1,100 ft. away. Although the aircraft must be written off from the damages it sustains, there are no fatalities.

Also in March, the last CV-340 is retired, along with the final Viscount 745D taken over in the 1960 **Capital Airlines** merger.

B-737-222 short-haul service begins on April 29. Also in April, a \$465-million order is placed for 30 DC-10s.

B-727-222A service is inaugurated in June. Also during the month, the new B-737-222 *City of Providence* inaugurates twice-daily roundtrips from Providence to Chicago via Hartford, Cleveland, Fort Wayne, and South Bend.

For the first time, United appeals to the CAB for transpacific authority beyond Hawaii in July in addition to nonstop domestic authority from Hawaii to 12 mainland cities. In August, a new \$30-million Flight Training Center is occupied at Denver. With 43,758 hours in service since its 1951 delivery, the DC-6B *Mainliner Newark* is sold to Mars Aviation, Inc. on October 22. Also in October, group inclusive tours are launched from East Coast cities to Hawaii.

The "no marriage" rule for stewardesses, in effect since the beginning, is abolished in November. It might be noted here that, during the year, female flight attendants are outfitted in two-tone A-line mini-dresses designed by Jean Louis. The same month, 24-hour reservations service begins at all United destinations.

As a result of the Transpacific Route Case argued before the CAB, United's Hawaii route is further strengthened when, on December 19, President Johnson approves new authority for United to operate to Hawaii from additional cities in the Northeast, Midwest, and Great Lakes region. It is quickly reported that 94,532 passengers are carried on the Friday before Christmas, the highest one-day total yet in company history.

During the year, United takes delivery of or purchases 102 jetliners during the year: 40 B-737-222s, 10 DC-8-32s—8 from **Pan American World Airways (1)** and 2 from **SAS (Scandinavian Airlines System)**—19 DC-8-61s, 19 B-727-222As, 8 B-727-22QCs, and 6 DC-8Fs. The DC-8-61 fleet now comprises 25 aircraft, a total large enough to allow dedication of 2 to Caribbean and Mexican charters and 2 to military airlifts to South Vietnam. The last DC-6 is retired at year's end and on December 30 the UAL Corporation is incorporated as the inactive, wholly owned subsidiary UAL, Inc.

Customer bookings accelerate 13.5% to 24,645,000. Cargo climbs 14% to lead the domestic industry in freight ton-miles for the first time: 476.04 million. Revenues are also up by 14%, to \$1,261,693,000.

On January 11, 1969, passenger R. McR. Helmy seizes Flight 459, a B-727-22C en route from Jacksonville to Miami with 20 aboard, and forces it to fly to Havana.

Returning to Los Angeles (LAX), its point of origin after departure to Denver, with a burning No. 1 engine on January 18, Flight 266, a B-727-22C with 6 crew and 32 passengers, crashes into Santa Monica Bay, 11.3 mi. W of the runway; there are no survivors.

Six days later, President Nixon announces a deferment of the Pacific routes until his new administration can review the Johnson awards.

On February 4, A. E. Evans is seized at Honolulu before he can make good on his threat to board an airliner scheduled for California and take it over. Three men, two of whom wear Black Panther party badges, are taken off a plane at Chicago on February 23 and arrested because the crew fears a hijacking; one of the suspects carries a pistol.

Despite its many successes, United is in financial difficulty by the close of the 1960s, suffering record losses. In April, the "Come Fly With Me" theme is introduced into United's national advertisements and the CAB confirms the awards made under the Transpacific Route Case. Having flown to Canada from Cuba, R. McR. Helmy is seized by the RCMP and is extradited back to the U.S. where he is indicted on May 6 during the first arraignment of a person charged with a "successful" hijacking. He will be acquitted on grounds of temporary insanity.

A \$2.1-million contract is signed in May for the carrier's first DC-10 simulator. The first DC-8-62, christened *Mainliner Harold Creary*, is received on June 15.

Just after takeoff from Los Angeles for a June 25 transcontinental service to New York, Flight 14, a DC-8-61 with 58 passengers, is taken over by a lone gunman. In one of the longest of the "Cuban diversions," the plane flies southeast all night, arriving in Havana the following morning.

The last named DC-8, the DC-8-62 *Mainliner Hilo Hattie*, is received on July 28. On July 29, modified confirmation of the December permission is received; United will be allowed to fly from Hawaii to 12 mainland destinations, but not to the west of Hawaii. The initial DC-8-62s are employed, beginning on August 1, to initiate a 4,340-mile, 8 hr. 50 min., nonstop Chicago-Honolulu service, the first by any airline.

On August 1, UAL, Inc. converts the airline and three other businesses into wholly owned subsidiaries. The carrier becomes known as United Air Lines, Inc. and UAL, Inc. becomes a holding company and the parent of the airline. Nonstop 10 hr. 40 min. New York to Honolulu DC-8-62 service is inaugurated on October 1, establishing at that time the longest U.S. domestic air route (4,979 miles).

Simultaneously, new nonstop flights begin from Los Angeles to Memphis via Huntsville and Birmingham. At the same time, express service is started from Norfolk to Los Angeles via Newport News, Charlotte, Knoxville, Raleigh/Durham, Greensboro, High Point, and Winston-Salem. The last DC-8-62 is delivered on October 14.

Although the two SAS DC-8-32s had been received the previous year, it requires all of this year through November for the **Pan American World Airways (1)** models to arrive. The fleet now numbers 386 aircraft, including 29 B-720-022s, 122 B-727-100s, 28 B-727-222As, 73 B-737-222s, 74 DC-8-10/-50s, 40 DC-8-61/-62s, and 20 Caravelles. Of these, 10 DC-8-62s, 5 DC-8-61s, 7 B-727-222s, and 31 B-737-222s are received during the year and all of the Caravelles face withdrawal. The DC-8 fleet of 114 aircraft is at its high-water mark of deployment.

While en route from New York (LGA) to Chicago on the day after Christmas, Flight 929, a B-727-222A with 32 passengers, is taken over by a lone gunman who orders it flown to Havana. In 1983, the pirate will turn himself over to U.S. authorities in San Juan; thereafter, he will be tried and sentenced to life in prison.

Passenger boardings for the year total 30 million. Revenues of \$1.9 billion are earned, including a record industry income of \$150 million from air cargo service. The net profit is \$47.7 million.

Airline employment in 1970 totals 52,000. The first Caravelle VIR, *Caravelle Jet Mainliner Ville de Toulouse*, to be retired departs the fleet on January 2. Under pressure, New York-Chicago-New York executive flights "for men only" are discontinued on January 5. Also in January, Seattle and Tacoma to Tokyo authority is sought from the CAB.

A three-year, \$3-million program is announced on February 25 for the modification of all 665 engines on its B-727s and B-737s to reduce noise and air pollution.

One C. Stuffs, with his wife and four children along, forces Flight 361, a B-727-222A with 106 passengers en route from Cleveland via Atlanta to West Palm Beach, to divert to Cuba on March 11. Stuffs is jailed in Cuba and while attempting to escape in 1973, he will be shot and killed.

While over Nebraska the next day, an unidentified man stands up in the cabin of a B-727-222A en route from San Jose to California and shoots himself in the head. Triggered by his reflex, the suicide's automatic pistol discharges again, seriously wounding another passenger.

The first Boeing 747-122 Jumbojet is delivered during June 30 ceremonies at Seattle and is christened *Mainliner William M. Allen*. Flight 611, the B-737-222 *City of Bristol* with 6 crew and 55 passengers, suffers the loss of No. 1 engine after its takeoff for Buffalo from Philadelphia on July 19; the pilot returns to his point of origin, but overruns the runway. Although there are no fatalities, 11 passengers receive injuries.

The *Mainliner William M. Allen* is employed on July 23 to introduce New York to California and California to Hawaii Friendship Service. It is followed by other B-747-122s on San Francisco-Washington runs as of August 14. Meanwhile, UAL, Inc. acquires the Western International (Westin) Hotel chain on July 31. Its chairman, Edward E. Carlson, is elected to the board of UAL, Inc.

Following the introduction into service of the B-747-122s *Mainliner William M. Allen* and *Mainliner Charles F. McErlean*, plus two unnamed units, United, on August 31, receives the ship with the longest name, *Mainliner The Original Eight: Ellen Church, Ellis Crawford, Inez Keller, Margaret Arnott, Cornelia Peterman, Harriet Fry, Jessie Carter, Alva Johnson*. The ladies thus honored were the original nurses who flew the San Francisco to Chicago route for **Boeing Air Transport**, beginning in May 1930.

Having flown over 10 million passengers since their introduction in 1961, the nine remaining French-built Caravelles are withdrawn in October.

En route from San Diego to Los Angeles on November 1, Flight 598, a B-727-222 with 35 passengers, is taken over by a lone gunman, who has his two young children in tow; after refueling at Tijuana, Mexico, the aircraft flies on to Cuba.

On November 3, a B-747-122 scheduled to Honolulu loses a wheel on takeoff from San Francisco, but is able to make a safe emergency landing back at the California airport. Two more Jumbojets arrive in November, one of which is named the *Mainliner Justin Dart*. Meanwhile, a DC-8-52 is sold to **Air New Zealand, Ltd.**

During the year an excess-capacity situation arises on the coast-to-coast routes flown by three of the "Big Four," and the government is approached by them on December 21 with a plan for its solution.

Edward E. Carlson, Westin's president, is chosen by the UAL, Inc. board on December 29 to succeed George E. Keck as United chairman/CEO and is charged with returning the carrier to profitability. During December, two more Jumbojets arrive, one of which is christened *Mainliner Edward E. Carlson*.

Passenger boardings drop 5.3% to 28.5 million and freight is off by 4%. Income is \$1.59 billion, but expenses, led by increased fuel prices, are \$1.60 billion. The operating loss is, consequently, \$13 million and the net loss is \$40.9 million, an \$88.5-million turnaround since the previous year's net profit, and the largest downturn in company history to date.

United's new computerized reservations system, Apollo, is activated at Pittsburgh in March 1971. In mid-April, United becomes the first American carrier to offer passengers a choice of seats in specific sections reserved for smokers and nonsmokers. The policy is adopted after the success of a necessary April 4 action. That day, smokers and nonsmokers are segregated aboard the Cleveland-Miami flight after a passenger complains that his heart condition is directly related to cigarette smoke.

The first Jumbojet of the year, *Mainliner Thomas F. Gleed*, is delivered on May 27. The first steps in corporate reorganization are taken in May, with eventual restructuring into 16 divisions—5 for operations, 2 for services available outside purchase, 4 for intracompany system services, and 5 for corporate activities.

En route from Charleston, West Virginia, to Newark on June 4, Flight 796, a B-737-222 is hijacked by G. E. Riggs, brandishing a pistol and demanding that the little Boeing be diverted to Washington, D.C. (IAD), where he requires a larger craft be prepared for a journey to Israel. During the Washington, D.C. switch, Riggs is disarmed and captured. He will be tried and given a 20-year prison sentence.

On certain aircraft, beginning also in June, Friendship Lounges are created for economy-class passengers. The same month, the new computer center at Denver is named in honor of William A. "Pat" Patterson and two unnamed Jumbojets are acquired.

Unable to erase the memory of a Sikorsky S-61 crash, United and **American Airlines** sell their shares in **Los Angeles Airways** to **Golden West Airlines** in July. The second production Douglas DC-10-10 is delivered on July 29.

United places its new wide-bodied aircraft into transcontinental service on August 14, Washington to San Francisco. In response to the excess-capacity petition, the CAB, on October 3, allows United to enter into New York-Los Angeles temporary scheduling agreements with **American Airlines** and **Trans World Airlines (TWA)**. Later in the month, a food services division is created.

Enplanements for the year are 22,074,886 and the year's loss is down to \$7 million.

One A. Hill is arrested at Omaha on New Year's Day 1972 after threatening to blow up his jetliner en route from Las Vegas to Newark if he is not served with unlimited free liquor. Also in January, UAL, Inc. acquires the Anchorage-Westward Hotel Co. in Alaska. The carrier hires its first domestic male flight attendants in March. They join a workforce that this year reaches 48,230. Increased emphasis is placed on charter flights as two B-747-122s, the *Mainliner William A. Peterson* delivered on January 6 and the *Mainliner Robert E. Johnson*, which arrives on June 27, plus 10 DC-10-10s, join the fleet.

Meanwhile, the standard-body jet fleet begins refurbishment with new liveries and wide-body interior modifications. In addition, new uniforms are issued to flight and ticket counter personnel. The last two Caravelle VIRs are withdrawn in March: *Caravelle Jet Mainliner Ville de Rochefort* and *Caravelle Jet Mainliner Ville de Rouen*. While in United service, none of the French made jetliners have ever suffered a serious accident.

Shortly after a stop at Denver on April 7, Richard F. McCoy Jr., a 29-year-old Brigham young University criminal justice major, ex-Green Beret helicopter pilot, and father of two, hands a note to a stewardess aboard Flight 885. The B-727-222 with 91 passengers is en route from Newark to Los Angeles. Brandishing a pistol and a hand grenade, he now moves to take over the airliner and forces it flown to San Francisco, where he allows the passengers to deplane in exchange for \$500,000 in ransom and several parachutes. Forcing the trimotor to fly in the general direction of Nevada, McCoy bails out over Provo, Utah, à la "D. B. Cooper."

Independently, a Utah highway patrolman, who knows McCoy from BYU, recalls the student discussing the mechanics of hijacking and leads FBI agents and federal marshals to his residence on April 10. After comparing the handwriting on the note given the stewardess with a sample from the suspect, McCoy is taken into custody. A search of his home leads to the recovery of \$499,970. He will be tried and given a 45-year prison sentence.

The next day, the FAA files charges against United for failing to screen its passengers in accordance with the government's new regulations.

On June 2, wearing a hood and brandishing a pistol, 22-year-old parking lot attendant R. D. Heady commandeers Flight 239, a B-727-222 with 97 passengers on the ground at Reno, Nevada, en route from New York to San Francisco. Heady also demands parachutes, as well as a \$200,000 ransom, and when the trimotor is airborne, jumps out somewhere near Lake Washoe, about 40 km. S of the city. Unhappily for him, Heady loses track of his money during his descent and is arrested by the FBI on June 5. After two more days of searching, agents also recover the ransom. Tried and convicted, Heady will receive a 30-year prison sentence.

F. M. Sibley Jr., a 43-year-old resident of Stateline, Nevada, pedals his bicycle, with a rifle across the handlebars, into Reno Municipal Airport on August 18 and takes over another B-727-222, Flight 877 on the ground. After holding the plane captive on the tarmac for 13 hours and receiving a \$1-million ransom, destined, he says, for juvenile victims of the Vietnam War, he orders the trimotor to fly to Seattle. There he is shot by FBI agents while he is deplaning and is arrested. Tried, Sibley will be sentenced to 30 years in prison.

A B-737-222 with 57 aboard makes an emergency landing in Sacramento on August 30 after experiencing engine trouble. The excess capacity arrangement expires on September 16. Also in September, the last B-720-022 is retired.

A reorganization of the carrier into divisions, in contrast to the previous centralized structure, is completed by the start of the fourth quarter. Three geographical divisions (east, central, and western) now emerge, along with four operational divisions: maintenance operations, flight operations, computer and communications, and food services.

R. L. Illingworth, a passenger aboard a scheduled flight from Denver to Des Moines, is taken into custody at Stapleton International Air-

port on November 21 after customs agents discover 10 sticks of dynamite in his luggage; the man had planned to blow up the plane and himself.

While on final approach to Chicago (MDW) Airport on a flight from Washington, D.C. (DCA) to Omaha on December 8, Flight 553, the B-737-222 *City of Lincoln* with 6 crew and 55 passengers, hits a tree and then crashes through several others, plus houses, garages, and utility poles and cables, before coming to rest (43 dead). Among the victims are U.S. congressman Collins, CBS newswoman Marcia Clark, and the wife of a Watergate figure, Mrs. E. Howard Hunt, who's purse contains a mysterious \$10,000.

Passenger boardings bound upward by 25.4% to 29,591,000 and cargo traffic grows by 5.9%. Overall income is \$1.72 billion and expenses are \$1.65 billion. By keeping costs under control, the carrier is able to return to profitability for the first time in three years. The operating profit is \$75.94 million and a net profit of \$17.77 million is recorded.

A total of 1,056 new employees join the airline in 1973. Despite a telephone threat that the craft is carrying a bomb set to explode at 3,500 feet, a B-747-122 makes an emergency landing at Omaha on February 3; no bomb is discovered. Also in February, an Air Freight Information System (AFIS) is introduced as the most modern and complete air cargo computer system in the U.S.

B. J. Anderson, a Southern University coed who gave birth during a flight aboard a company jetliner on February 19, is indicted by a federal grand jury at Cleveland on March 15 for attempted murder after she abandons the child in a washroom at Youngstown Municipal Airport, shortly after its birth. Seven persons suffer smoke inhalation on April 24 when the cabin of a Philadelphia-bound DC-10-10 is enveloped in smoke shortly after takeoff from Chicago (ORD). An unnamed B-747-122 is delivered the same day with the last named unit, the *Mainliner Gardner Cowles*, arriving on April 27.

Accountant H. C. Carlsted, a relative, reports that the \$10,000, found in Mrs. E. Howard Hunt's purse in the wreckage of Flight 553 in December was to be employed to buy a Holiday Inn franchise. Chicago legal researcher S. H. Skolnick alleges on May 25, however, that the plane was sabotaged as part of the Watergate cover-up, a charge soon dismissed as bogus.

The last B-747-122, an unnamed ship, is delivered on May 30. A B-727-222 with 62 passengers aboard mistakenly lands at Opa-Locka Airport, a small USCG field, on June 11, instead of Miami (MIA); the flight crew is disciplined.

The company's divisional structure is refined during the year and each of the three major units reports significant occurrences. In the east, a goal of answering 80% of all reservation calls within 20 seconds is realized. Productivity is boosted in the central division, resulting in a need for less manpower during peak traffic months. In the west, terminal facilities are opened at six cities and scheduling is improved. New flight kitchens are opened at Los Angeles and Denver. The other divisions also report profits from ancillary activities.

The government announces a mandatory jet fuel allocation plan on October 12, designed to take effect 19 days later. The carrier joins with **Trans World Airlines (TWA)** and **American Airlines** on October 18 in a flight reduction plan, also due on November 1, designed to save 6.6 million gallons of fuel per month thereafter. On November 27, United announces that it must lay off 950 employees, including 300 pilots, as a result of the fuel shortage.

In a move to conserve jet fuel, President Nixon, his family and members of the official White House press corps, fly to San Clemente on December 26 aboard a company DC-10-10 instead of Air Force One and a military craft. The trip marks the first ever made by a sitting president aboard a regularly scheduled airliner.

Customer bookings jump 5.2% to 31,131,000 and cargo traffic is up an equal 5.5%. Expenses of \$1.79 billion are charged off against total income of \$1.94 billion. An operating profit is posted of \$150 million, along with a net gain of \$52.01 million.

Airline employment in 1974 is 50,014; a B-720B is sold to Air Viking. UAL's entire schedule of 16 daily flights to Chicago (MDW) are eliminated on January 3 and on January 7, the layoffs announced the previous November take effect as the airline eliminates 100 more flights per day. On January 24, a contract is signed with the National Aeronautics and Space Administration (NASA) for the development of a package of scientific instruments that can be employed aboard commercial Jumbojets.

Automated check-in is installed at New York City in March at a number of locations in the passenger terminal; these significantly reduce lines at the terminal ticket counter. The Ilikai Hotel in Honolulu is purchased on April 7 for \$35 million. Three days later, a DC-10-10 is routinely delivered; N1819U will, however, become the best known of its type to serve with the company as a result of its loss at Sioux City on July 19, 1989.

Serving 45 years for air piracy, Richard F. McCoy Jr. escapes from Lewisburg Federal Prison on August 11. In preparation for the nation's Bicentennial, United introduces the song "Mother Country" in September as the base for its "Friendly Skies of Your Land" ad campaign. Simultaneously, a new corporate identity program is introduced for the country's largest trunk line, featuring a new service mark, logotype, and color scheme. United Air Lines officially becomes **United Airlines**.

UNITED AIR SERVICES (PTY.), LTD.: South Africa (1965–1988). H. Strachan and J. Bekker form United Air at Sunnyside in the Transvaal in 1965 to offer scheduled commuter services linking the base with Johannesburg, Pretoria, Pietersburg, and Sishen. At the end of the decade, control of the company is acquired by a holding company, Unitair Holdings, Ltd., formed to allow diversification.

In September 1975, Sandriver Safaris (Pty.), Ltd. purchases the carrier and names H. Beetge as chairman and managing director. His fleet now comprises two Douglas DC-3s, a Piper PA-31-310 Navajo, and two Piper Aztecs. A third DC-3 is purchased for the fleet in March 1976.

Operations continue apace in 1977–1978 and a Vickers Viscount 700 is acquired in 1979. These are now dedicated to charter and contract services while the scheduled routes are shared with **Magnum Airlines (Pty.), Ltd.**, which employs its own Navajos and Fairchild Swearingen Metro IIs to maintain them.

Flights continue into the 1980s. Destinations visited from Pretoria include Johannesburg, Louis Trichardt, Pietersburg, Sishen, and Vryburg. Equipment employed in 1985–1987 includes 3 DC-3s, 1 Cessna 402, and 1 Vickers Viscount 700.

Just after takeoff from Johannesburg on April 12, 1988, a chartered DC-3C with 3 crew and 21 passengers suffers an on-board fire; the pilot attempts to return to the point of origin and make an emergency landing, but the aircraft crashes before it can reach the runway. There are no survivors.

The company shuts down shortly thereafter.

UNITED AIR TRANSPORT, LTD. (UAT): Canada (1937–1938). On August 4, 1937, under the banner of **United Air Transport, Ltd.**, pioneer pilots Grant McConachie and Ginger Coote, the latter owner of his own carrier, launch the first official direct airmail route in Canada, from Vancouver to the Yukon. The route covered by the two men in a Fleet seaplane runs from Vancouver to Whitehorse and Dawson City via Fort St. John, Williams Lake, Quesnel, and Prince George. UAT's Noorduyt Norseman and Ford 4-AT-10 Tri-Motor are also placed on this route.

Later in the year, **Ginger Coote Airways, Ltd.** and UAT amalgamate into **Yukon Southern Air Transport, Ltd.**, with McConachie as president. Service is now started from Ware to Prince George and from Vancouver to Fort St. John and Edmonton.

UNITED AIRCRAFT SERVICES, LTD. See **CANADIAN PACIFIC AIRLINES, LTD. (CPAL)**

UNITED AIRLINES: 1200 East Algonquin Road, Elk Grove Township, Illinois 60666, United States; Phone (708) 952-4000; Fax (708) 952-7345; <http://www.ual.com>; Code UA; Year Founded 1974. In

September 1974, United Air Lines, the nation's largest trunk carrier, begins a new corporate identity program, introducing a new service mark, logotype, and color scheme. The flying "U" logo that has adorned company aircraft for over two decades is now adopted. Additionally, the company, a subsidiary of UAL, Inc., is renamed United Airlines.

En route from Chicago to New York on September 17, a B-727-222 with 45 aboard is forced to make a nonscheduled stop in Allentown, Pennsylvania, after an anonymous caller warns of a bomb aboard; no bomb is found. Later in the month, automated teleticketing—an industry first—is introduced to provide faster ticket service for travel agencies and commercial accounts.

A new cargo division is formed in October for air freight marketing and support services. "Apollo One-Call" is also started at this time, offering airline, hotel, and rental car bookings with a single telephone call. After eluding capture for two months, escaped hijacker Richard F. McCoy Jr. is cornered and killed by FBI agents at Virginia Beach, Virginia, on November 10. McCoy is the first convicted U.S. hijacker to escape from prison and die a fugitive on American soil. Richard J. Ferris is elected as the airline's president in December while Edward E. Carlson is elected UAL, Inc. board chairman; the latter remains CEO of both concerns.

Passenger boardings grow by a slight 1.1% to 31,511,000, but freight traffic is off by 3.4%. Income advances 14% to \$2.25 billion and expenses, based largely on gains in productivity, are held to \$2.07 billion. As a result, the operating profit is \$178.87 million and net income rises by over \$40 million to \$92.21 million. Consolidated net earnings reach \$101 million, making this UAL, Inc.'s most profitable year to date.

Airline employment in 1975 is 49,609. The economic slump causes the carrier to reduce the number of its flights by 3% on January 10. On January 28, a B-727-222 comes perilously close to striking a ridge on Mount Weather, Virginia, site of a December TWA crash, while on its landing approach to Washington, D.C. (IAD).

Also during the first month, the company receives the 1974 "Airline of the Year" award from *Air Transport World* magazine.

On March 30, United begins to offer 12 Bicentennial vacation packages that highlight historic landmarks in Philadelphia, Boston, Washington, D.C., and Williamsburg, Virginia.

Frank Page Covey is arrested by police at Atlanta on April 25 after unsuccessfully attempting to hijack Flight 344, a B-727-222 with 68 other passengers en route from Raleigh, North Carolina, to Newark. Covey will be tried and given a five-year prison term.

Also in the spring, the company files a request with the CAB for permission to begin flying the routes being abandoned by **Pan American World Airways (1)** from New Orleans into Mexico.

Declaring that she does not wish to go to the scheduled destination, a 16-year-old girl attempts to take over Flight 509, a B-727-222 en route from Eugene, Oregon, to San Francisco, on May 15. A crew member quickly captures the young lady and places her in restraints. Upon landing, it is learned that she has escaped from a mental institution, to which she is returned on the next flight back.

In May, First Freight, a new small package priority service is introduced; it quickly becomes one of the carrier's fastest growing air freight services. The B-727QC service, due to costs, is shortly thereafter suspended as spiraling costs force tickets and tariffs to be increased.

Vancouver, British Columbia-based customer service agents, affiliated with the International Association of Machinists (IAM) strike United for five weeks, beginning July 10. Philippine officials detain a DC-8-62 with 142 aboard on July 16–17 for violating local rules pertaining to the routing of air traffic. Late in the month, president Ferris withdraws from industry talks with the American Society of Travel Agents aimed at the possible creation of a single unbiased computerized reservations system.

A chartered B-737-222 with the Kansas City Royals baseball team aboard makes an unscheduled landing at Salt Lake City on September 12 due to a bomb threat. In mid-month, freighter operations of all B-727-22QCs are phased out and the aircraft are used only to carry passengers.

In October, UAL, Inc. diversifies further, purchasing GAB Business Services, the nation's oldest and largest independent insurance and adjusting company, for \$40 million cash. A mechanics strike occurs in December. A 16-day IAM-backed mechanics strike begins on December 6.

Customer bookings decline 5% to 29,927,000 and cargo is also off, down 13.3% to 697.3 FTKs. On overall revenues of \$2.22 billion, expenses are \$2.23 billion and the operating loss is \$5.38 billion. The previous year's happy gain becomes an unpleasant net loss of \$4.45 million.

The number of employees is increased by a scant 0.5% in 1976 to 49,849. Chicago-New Orleans service is inaugurated in the early spring while CEO Ferris announces that the carrier will now begin to market its new Apollo reservations system to travel agencies. This electronic process, for those who can afford to lease it, will allow the replacement of paperback flight schedules and handwritten tickets with computer printouts. With this pioneering travel information, United offers travel agencies an accurate and timely computerized system for handling customers' reservations.

On April 6, United celebrates its fiftieth anniversary and the fiftieth anniversary of continuous scheduled passenger air service in the U.S. The event is marked by a restored **Varney Air Transport** Curtiss Swallow, which, after a 244-mile commemorative flight from Pasco, Washington, to Boise, Idaho, begins a 65-station tour across the country. The refurbished aircraft had been stored in a Chicago garage for 40 years. Simultaneously, Richard J. Ferris is named the airline's president, with Edward E. Carlson continuing as chairman/CEO of UAL, Inc. Board Vice Chairman Charles McErlean steps down, but remains a board member. Total Apollo Baggage System (TABS) is also an April highlight; it is announced as the most advanced baggage tracing and baggage mishandling information system in the industry.

Meeting at Atlanta's Peachtree Plaza Hotel in late spring, an association of large travel agencies known as the Woodside Group hears presentations on computerized reservations systems from United, **Trans World Airlines (TWA)**, and **American Airlines**. With United absent and TWA ineffective, the major commercial agencies sign up with American's SABRE system. Surprised, United now offers its equipment free to agencies willing to forgo SABRE and opens up a new long-term competition with American reminiscent of the classic contests between chairmen Patterson and Smith decades earlier.

On May 1, the airline agrees to pay \$1,050,000 in back pay to settle discrimination complaints brought against it by the EEOC on behalf of its minority groups and women. William A. "Pat" Patterson is inducted into the Aviation Hall of Fame at Dayton, Ohio, in July. During the fall, self-ticketing machines are installed at the airports in Cleveland, Chicago, San Francisco, and Los Angeles; customers pay for their fares by inserting a credit card.

Gunman Palmer J. Hinnant seizes two maintenance workers at Los Angeles on December 21 and commandeers a DC-8-61. After authorities refuse to allow the Douglas to takeoff, Hinnant stabs hostage Richard Funk; the next day, the pirate releases his captives and surrenders. Upon examination, Hinnant will be found mentally unstable and will be sent to a psychiatric institution.

Also in December, Patterson receives the prestigious Wright Brothers Memorial Trophy in ceremonies at Washington, D.C. New uniforms are adopted by flight attendants and those ground personnel meeting the public.

Enplanements zoom upward by 13.6% to 34,002,000 while freight grows a more modest 3.4% to 829 million FTKs. Operating income is \$2.63 billion and expenses are \$2.59 billion, resulting in an operating profit of \$33.99 million and net gain of \$21.36 million. The latter figure represents a \$28-million turnaround from the previous year's loss.

Negotiated just before year's end, United \$12.8 million contract with OTC Tours of Chicago for 474 one-stop, inclusive-tour charter flights to Las Vegas begins in January 1977. Guaranteed airfares are established as an industry first in August. When the U.S. Congress begins to seriously consider deregulation of the air transport industry, United is so confident of its health, position, and future as to stand virtually alone

among the major airlines as a proponent of a free-market philosophy for what many consider an over-regulated industry. This position is first espoused by president Ferris at the New York Wings Club on March 16 and is later confirmed when the company testifies at October U.S. Senate hearings on deregulation.

As events will show, passage of the Airline Deregulation Act the next year will make United the biggest of profit makers—at least for a while. Also in October, the carrier places its first B-727-222As into service.

While in a holding pattern, Flight 2860, a DC-8-54F with 3 crew, crashes into a 7,665-ft. high mountain peak in Bear Canyon, in the Wasatch Mountains, 20 mi. NE of Salt Lake City near Daysville, on December 18; there are no survivors.

On Christmas Eve, postal inspectors recover 12-pounds of Christmas mail from the crash site, leaving the rest for the spring thaw.

During the year, UAL, Inc. sells the Anchorage-Westward Hotel Co. while airline enplanements for the 12 months total 34,800,000. On revenues of \$2.94 billion, a record \$102.12-million net profit is posted.

United, still the largest airline in free world, increases its workforce by 5.6% in 1978, to 52,065. On February 8, it is reported that more than 150 passengers, en route to Honolulu, have spent two nights aboard a B-747-122 at New York (JFK) because they were stranded after the airport had closed in a storm. Also in February, UAL, Inc. continues its efforts to diversify by acquiring the Mauna Kea Beach Hotel on the Big Island of Hawaii for \$54.98 million.

Gail Gorski, Queen of the 1972 Kentucky Derby, is hired as a pilot on March 10.

On March 13, Flight 696, a B-737-222 en route from San Francisco to Seattle with 72 persons aboard, is skyjacked by Clayton Thomas, who surrenders without incident at Denver. Upon examination, Thomas is found to be legally insane and is sent to a psychiatric hospital.

A new flight schedule is introduced systemwide in June, greatly increasing the utilization of aircraft in hours flown daily. The same month, the company's first female vice president is elected and given responsibility for in-flight services.

With the addition of 35 B-727-222As, the operator of the world's largest, privately held airliner fleet increases its total to 336 jetliners. Preparation for the future is made on July 14 when the company notifies Boeing that it will be launch customer for its new B-767-200.

Claiming to be a member of the Palestine Liberation Organization, Arthur J. Mogilner calls in a threat to the company's Miami headquarters on July 25, warning that a confederate will blow up an airliner leaving Los Angeles unless Mogilner is paid a \$3-million ransom. When arrested by the FBI, which apparently taps the suspect's phone, the would-be extortionist admits that he is not a PLO member and had acted alone.

On August 1, in the largest aircraft order in history to date in terms of cost, United pledges \$1.6 billion to the manufacturer for 30 B-767-200s and 30 additional B-767-222As. The same day, authority is sought from the CAB for the inauguration of service from the U.S. to the mainland China cities of Peking, Shanghai, and Canton.

En route from Denver to Seattle on August 27, Flight 179, a DC-8-61 with 159 passengers, is taken over by a lone female assailant claiming to have a bomb. The aircraft is diverted to Vancouver, where the perpetrator surrenders to police. She will be examined, found mentally unstable, and sent to a psychiatric hospital.

As the Airline Deregulation Act becomes law on October 24, President Carter approves the carrier's 13-year-old request for permission to fly from Seattle and Tacoma to Tokyo. New domestic services are also inaugurated: Chicago-Vancouver, Cleveland-San Diego, and Buffalo-Orlando. The DC-8-21 *Mainliner Kauai* is sold to Sun Land Airlines in November for conversion into a freighter.

The U.S. government files charges against United on December 8 alleging it has violated the sanctions against Southern Rhodesia since 1974 by training commercial air crews for the outlaw airline **Affretair, Ltd.**, which is wholly owned by **Air Rhodesia, Ltd.** The major pleads guilty and pays a \$10,000 fine. In a mid-month ruling, expectant flight attendants are permitted to fly up to the end of the 27th week of their pregnancy.

Unable to lower its landing gear while on initial approach for a landing at Portland on December 28, Flight 173, a DC-8-61 piloted by Capt. Malburn McBroom with 7 other crew and 181 passengers, circles the airport for over 30 min. while the crew attempts to solve the difficulty. Out of fuel, the plane makes a forced landing in a wooded suburban area 6 mi. SE of its destination, destroying a vacant house. The copilot, a flight attendant, and 8 passengers are killed; 21 other people are injured. Pictures taken by investigators will reveal that, while entering the woods, the big jet's tail had snagged a mass of high tension power lines, which had acted like arresting gear on an aircraft carrier to slow the plane's descent.

Passenger boardings, the reason for the carrier's existence, rise 16.5% to 41.7 million. In the past 12 months, the carrier has achieved the most profitable year in aviation history to date. Revenues increase 19.64% to \$3.52 billion and expenses are held to \$3.23 billion. As a result, an operating profit of \$289.44 million is generated and a huge \$287.21-million net gain, up 181.24%, is earned. This figure is 3 times more than in 1977 and in fact, 27% of the U.S. trunk line industry total. Company coffers are also fattened by \$138.8 million in investment tax credits and \$34 million from a refined passenger revenue accounting estimate.

Airline employment grows 5.4% in 1979 to 54,888 and the fleet begins the year at 18 B-747-122s, 9 DC-8-62s, 30 DC-8-61s, 45 DC-8-20/50s, 14 DC-8-50Fs, 37 DC-10-10s, 34 B-727-222As, 86 B-727-122s, 29 B-727-22Cs, 59 B-737-222s. Forty B-747-222As remain on order.

Irene McKenney commandeers Flight 8, a B-747-122, en route from Los Angeles to New York on January 27 with 131 aboard and holds some hostages for 6 1/2 hours after landing at New York (JFK); even when she surrenders, the woman's motives are unclear.

Also in January, nonstop Denver-San Diego service begins. The fuel crisis forces the carrier to announce on March 7 that it will cancel 479 flights during the remainder of the month.

As the carrier concentrates on the immediate effects of deregulation and fuel costs during late winter, it misses an opportunity to expand further when it fails to react to an inquiry from **Pan American World Airways (1)** concerning the possible sale of its Pacific division. It does, however, become an important supporter of the reengine program for DC-8s put forward by Cammacorp and in March leases an unnamed DC-8-61 to that organization. It will have its JT3D-3Bs replaced with CFM56-2 turbofans and, with several other modifications, will emerge as the prototype DC-8-71.

On April 1, more than 18,000 members of the IAM reject a contract offer and walk out on strike. Richard J. Ferris, UAL, Inc. president, is elected CEO, also in April; Edward E. Carlson remains chairman. Percy A. Wood is elected the airline's president/CEO.

On May 8, United announces the cancellation of all scheduled flights through May 16 because of the five-week old strike. IAM members ratify a contract on May 24 and when their company resumes full operations 4 days later, the 58-day machinists' strike stands as the longest in company history.

Following resolution of the job action, the airline introduces a controversial half-fare coupon plan to help win customers back, distributing 2.5 million in an industry first. In a move to make Memphis an important hub, Memphis-West authority is now expanded to provide new nonstop service to Denver, Las Vegas, San Diego, Seattle, and San Francisco. Automated check-in is expanded to 60 locations and fleet modernization continues apace as all 22 remaining DC-8-50s and DC-8-62s begin removal from service and 4 B-737-22Cs are sold.

On July 20, Ronald Allan Rimerman attempts to hijack Flight 320, a B-727-222A en route from Denver with 126 passengers, to Cuba. He is seized by FBI agents at Omaha and will be tried and found not guilty by reason of insanity.

Four days later, a DC-10-10 with 172 aboard makes an emergency landing at Cleveland after the left-wing engine is shut down because of excessive vibration.

On August 22, James R. Alibee, a mental patient, is held at Portland, Oregon, after hijacking Flight 739, a B-727-222A with 120 aboard en

route from Portland to Los Angeles and forcing it to return to its point of origin. He will be tried and given a 60-year prison sentence.

Her motives still unclear, pirate Irene McKenney is indicted on September 13 on charges of kidnapping rather than air piracy. She will receive a five-year probation. Two anti-abortion groups begin a nationwide boycott of United on September 18, contending that the carrier donated \$7,000 to Planned Parenthood; the airline and Planned Parenthood assert that donations came from employees and were not corporate.

Due to fuel costs and the economic recession, the company announces on October 9 the necessity for further cutbacks of flights systemwide in November. UAL, Inc. acquires Olohana Corporation for \$38 million in December, merging it into another subsidiary.

Enplanements fall off 13.4% to 36,083,000, even though United passengers redeem 1.8 million half-fare coupons by the December 15 deadline—a redemption rate of 73%. Cargo is also down, by 26.1%, to 685.6 million FTKs. If United's \$247-million profit of 1978 is the greatest financial gain in commercial airline history, then its slide to a \$99.6-million loss in the next 12 months must surely give the company the mark for the largest one-year, negative economic turnaround. This remarkable event is caused by a variety of factors, some common to other carriers: a deepening national recession, the grounding of all DC-10s for 38 days beginning in June, fuel-cost escalation, and the 58-day strike-shutdown. On the year, company revenues drop 8.5% to \$3.2 billion, while expenses in general accelerate 7% to \$3.46 billion. The net loss is \$99.6 million.

The employee population falls by 5.5% in 1980 to 52,000. Fleet upgrading continues as 16 B-737-222s are disposed of and 12 B-727-222As are added, giving the carrier a total of 76 of these short-range models. A B-747-133 en route from San Diego to Honolulu on January 21, makes an emergency landing at Colorado Springs after an anonymous caller warns that a bomb aboard will explode if the plane descends below the 5,000-foot level. At the 6,000-foot airport, a device resembling a bomb is removed.

The DC-8-62 *Mainliner* Capt. Ralph J. Johnson is donated on March 12 to Project Orbis, which converts it into a flying eye hospital. The organization's management is realigned and streamlined on July 9, with 9 division officer positions and 100 staff positions eliminated; United now also drops several short, unprofitable routes.

Two baggage handlers are injured when a small package explodes in the cargo hold of a B-727-222A at Sacramento on September 9, where it has just arrived from Portland, Oregon, and deplaned its passengers.

A chartered DC-8-62 carrying the New York Giants professional football team makes an emergency landing at Newark on December 8 after experiencing hydraulic problems during a flight from Seattle. Frequencies are initiated on December 18 from Chicago to Phoenix and Houston, along with a new service from Chicago to Houston and from Phoenix to Seattle. Two days later, nonstop New York and Chicago to Mexico City flights commence.

As the result of discontinuing many short-haul operations, the average passenger trip distance rises by 12%, a figure that cannot, unfortunately, be adapted to traffic reports, as enplanements decline 8% to 33.2 million. Cargo is up, however, by 15% to 788.35 million FTKs. Financially, United's revenues total \$4.46 billion, allowing the net loss picture to improve to minus \$15 million, atop an operating loss of \$67 million. UAL, Inc.'s other interests allow the holding company to post a \$21-million net profit.

The workforce is cut again in 1981, declining 12.7% to 45,500, with much of the reduction coming in the fourth quarter. Service is opened in January to Oklahoma City, Tulsa, and Wichita. On February 1, a B-727-222A with 135 aboard en route from Las Vegas to Chicago, makes an emergency landing at Los Angeles after experiencing landing gear problems shortly after takeoff from the Nevada city. En route from Los Angeles to Newark on April 3, a DC-10-10 experiences extreme turbulence; 22 passengers are hurt. The 353rd of its type and the last DC-10-10 delivered to the company arrives on April 20. The new Mileage Plus frequent flyer program is unveiled on May 6.

The large airline now reacts to the success of the low-fare operators. First it secures its own base by working out a "Blue Skies" work-rules agreement with its pilots; in exchange for a 15% cut in costs, the pilots receive wage increases and protection from layoffs. Next, the major pulls out of an interline agreement with upstart **New York Air**, a nonunion subsidiary of **Continental Airlines**.

On June 12, United unveils Friendship Express service, a low-fare B-737-222 imitation of **PEOPLExpress**, on a sixth of its route network. United's cost structure is too high to support the concept, which is abandoned until the fall of 1994, when it is reborn in California as Shuttle by United. Meanwhile, the company joins **American Airlines** in charging other airlines a processing fee for every booking made via its reservations system; when **PEOPLExpress** refuses to pay its Apollo fee, it is dropped from the computer code listings.

On October 29, James Hartigan Sr. is elected president of United. Former President Wood is elevated to board vice chairman. The Westin International Hotel subsidiary is now renamed Westin Hotels.

Federal district judge Prentice H. Marshall at Chicago rules, on November 8, that the carrier discriminated against former pilot Robert L. Kendall, a member of the Worldwide Church of God, who refused to fly on weekends because his religion forbade it; Kendall is awarded \$17,500 in damages.

Like most major U.S. airlines, United suffers a poor year primarily because of the continuing recession, intensified airfare wars, and the PATCO air traffic controllers' strike, which sharply reduces capacity at the company's Chicago (ORD) hub. Losing money, the carrier by year's end completes abandonment of 123 short-haul routes.

Passenger boardings drop 12.2% to 29,162,000, but cargo is up a minor 0.4% to 791.65 million FTKs.

Simultaneously, revenues advance only 2.2% to \$4.47 billion and expenses swell by 3.96% to \$4.61 billion. As a result, the free world's largest airline, which has more operating income than any other, is faced with the industry's second largest operating loss (after Pan Am's) of \$146.7 million. The net loss of \$104.89 million, most of which comes in the year's last quarter, is second only to that of dying **Braniff International Airways**.

United stages a significant comeback in 1982 from what could be another bad year. Even though the payroll is reduced by 8% to 41,550, 7 new cities are added to the route network: Syracuse, New Orleans, San Antonio, Sioux Falls, Dallas (DFW), Albuquerque, and Harrisburg; 28 new segments are also introduced. More than 100 passengers are stranded overnight on January 2-3 in Honolulu because the carrier has overbooked flights to Portland and Seattle.

The hijacking of Flight 674, a B-727-222 with 103 passengers en route from Chicago to Miami, is foiled on March 1 when a passenger and crew members subdue a Major Diaz, who is armed with a bottle of liquid and yelling "Cuba, Cuba, Cuba!" It is later reported that the pilot deliberately flew south to the Florida Keys to confuse the would-be hijacker, and then circled back to land at Miami (MIA). Upon examination, the pirate will be declared mentally deficient and is sent to a psychiatric facility.

Richard A. Ferris is elected chairman of UAL, Inc. on April 29, succeeding Edward Carlson, who will remain on the board for a year before retiring. Vice Chairman Wood now retires.

In mid-May, just after the collapse of **Braniff International Airways**, the airline initiates service from Dallas (DFW) to Chicago and Denver. On May 16, the first DC-8-71 enters service, performing a rotation from San Francisco to Portland. Chairman Edward Acker now turns down a \$50 million-offer from United for **Pan American World Airways (1)**' routes to Japan.

The first of seven B-767-222As to be delivered during the remainder of the year arrives on August 19. The ninth built and the first accepted by any airline, it makes a proving flight on the launch carrier's Chicago to Denver route on September 8. The next day, regularly scheduled B-767-222 flights begin to San Francisco, Boston, New York, and Chicago, replacing DC-10s. Three days later, on September 12, a B-767-

222 with 171 aboard must make an emergency landing in Chicago because of a malfunctioning wingflap.

Specially commissioned for assignment to the company's support of the Civil Reserve Air Fleet (CRAF), a DC-10-10CF is delivered on September 20; it is the 9th Dash-10CF, the 379th DC-10 overall, and the 2,000th Douglas jetliner to be constructed.

Late in the year, the reengining of 11 DC-8-61s into DC-8-71s is completed.

Passenger traffic figures rise 13.6% for a total of 33.1 million customers served; freight declines 9.8% to 714.45 million FTKs. Revenues jump 3.21% to \$4.61 billion, but costs shoot up to \$4.68 billion. The company is headed for a major loss beyond the operating downturn of \$68.64 million until a tax credit and the sale of tax benefits on its 767s and DC-8-61s "improve" the net loss to \$10.75 million.

As the economy improves in 1983, United joins **American Airlines** and **Pan American World Airways (1)** in presenting shareholders with a financial turnaround; at the same time, its employee population increases by 4.9% to 43,000. Thirteen additional DC-8-61Fs are reengined and 12 additional B-767-222s join the fleet.

Flight 2885, a DC-8-54F with three crew, fails its initial climb away from Detroit (DTT) on January 11 for a service to Los Angeles, rolls right, enters a steep descent and crashes into wooded terrain 8,800 ft. past the end of the runway, exploding; there are no survivors.

This is also the year the carrier becomes a true international carrier. Boeing 747-122 flights are launched from Seattle and Portland to Tokyo by the *Friendship Japan* on April 1 and from Seattle to Hong Kong in May. Additional new service is initiated to Calgary and Edmonton in Canada, Freeport and Nassau in the Caribbean, and to Maui and Kona, Hawaii, from the West Coast. San Francisco becomes the West Coast hub, while those at Chicago and Denver are strengthened.

While taking off from Chicago (ORD) on June 11, a B-727-222A with 142 passengers must abort its roll when the No. 1 engine fails. After the trijet is stopped, the captain is informed by another company aircraft that his No. 1 engine is on fire. The engine, unseen from the cockpit, is shut-down and a fire extinguisher is discharged into it. A second radio call informs the crew that the fire remains aflame and a second extinguisher is discharged into it. The other two engines are simultaneously shut down and all occupants are evacuated using the emergency exits. Seventeen people are injured during the evacuation, two seriously.

Four California men bound for a wedding in Chicago are taken off a company jetliner at Omaha on July 2 after burning money, grabbing flight attendants, and talking about hijacking; they are charged with interfering with a flight crew. A B-767-222 pilot aborts his landing at San Francisco on August 18 to avoid a collision with another plane on the runway designated for the jetliner.

Lightning is initially suspected of causing a B-767-222 to lose its main electrical power over the Colorado Rockies on August 20 and plunge 8,000 feet before the pilot is able to restart its engines. Four days later, NTSB officials suggest that icing during a thunderstorm may have caused the overheating of the jet engines and loss of electrical power.

When **AirCal** and **Pacific Southwest Airlines (PSA)** increase frequencies in the Los Angeles-San Francisco corridor in September, United finds itself engaged in a two-front fare war. In response, it introduces 9 more flights for a total of 24 daily roundtrips.

The first scheduled service from Chicago to the Bahamas begins on December 15.

Passenger enplanements jump 15.3% to 38.2 million and cargo swells 20.9% to 885.4 million FTKs. Revenues accelerate 14.4% to \$5.4 billion, expenses are kept under control, and the bottom line figure appears in black: \$120.7 million operating gain, representing a \$227 million turnaround.

If 1983 was a good year for United, 1984 would be the best since passage of the Airline Deregulation Act. Employment grows 9.3% to 47,000—tops among U.S. carriers—and the fleet now includes 29 DC-8-70s, 6 DC-10-30s, 44 DC-10-10s, 104 B-727-222As, 50 B-727-100s, 49 B-737-222s, 18 B-747-222s, and 19 B-767-222s.

An overheated air conditioning unit sends smoke into the cabin of a B-727-222A on the ground at Los Angeles on March 27, forcing evacuation of the 111 people aboard; no injuries are reported. Flight 663, a B-727-222, is involved in a landing accident at Denver on May 31. When its hydraulic system fails on June 28, a B-727-222A is forced to make an emergency landing at Cleveland's Hopkins Airport.

New route expansion now allows the pioneer to become the first U.S. airline ever to fly to all 50 states. Frequencies are significantly enhanced to Hawaii and to Chicago (ORD). On the downside, however, this positive economic news has an adverse impact on negotiations underway with labor groups on new cost-saving contracts.

Although the 14,000-member machinists union agrees to a new pact featuring a two-tier wage scale, management and the pilots union make little progress toward a similar package. As employer-employee relations worsen, CEO Ferris places a halt on fleet enhancement. Meanwhile, the carrier joins a number of independent airlines in opposition to the new "code-sharing" arrangements being organized between commuter airlines and major carriers. Petitions are filed with the CAB and United threatens to eliminate all code-sharers from its Apollo reservations system.

On September 3, Flight 827, a B-727-222A with 81 passengers is maneuvering at a runway holding point prior to takeoff from Washington, D.C. (DCA) for a service to New York (LGA). It is struck in the trailing edge of its right wing by the left wing tip of the trailing **New York Air (1)** Flight 306, a DC-9-30 awaiting liftoff for the same destination. The United aircraft is damaged, but no one aboard either service is injured.

The CAB now forbids United and **American Airlines** from imposing discriminatory reservations booking fees on competing carriers; the two simply raise the cost for all others, which places severe financial burdens on the low-fare operators. Eleven of these now file a \$1-billion antitrust suit against the two majors.

Customer bookings accelerate 8% to 41,272,000, but cargo dips 4.2% to 828.78 million FTKs. Revenues on the year climb upward by 15.8% to \$6.2 billion and costs are contained at \$5.54 billion, an 8% boost. A record leap of 252% in operating profits (\$564 million) and a spectacular 114.6% jump in net profit (\$258.9 million) are experienced.

The payroll grows 6.4% in 1985 to 50,000, tops in the U.S. airline industry. United's all-jet fleet of more than 320 Boeing 767s, 747s, 727s, and 737s, plus McDonnell Douglas DC-10s and MD-80s now operate some 1,500 flights per day to 150-plus cities in the U.S., Canada, Mexico, the Bahamas, Japan, and Hong Kong.

Desperately in need of funds, **Pan American World Airways (1)**' Chairman Acker meets with United CEO Ferris at New York's Plaza Hotel in mid-March, where the two negotiate the transfer of Juan Trippe's jewel.

On April 2, officials of United and Pan Am announce a \$715.5-million deal whereby the latter's Pacific division, together with its stations and equipment, 11 B-747SP-21s, 6 Lockheed L-1011-500s, and 1 DC-10-30 will pass to the former, thereby making it the second largest American transpacific carrier after **Northwest Airlines**. In addition, United will rehire approximately 3,000 Pan Am employees currently in place. With the approval of their boards, Acker and Ferris sign the transfer contract at Washington, D.C. on April 22 and then present it to the DOT for its blessing.

On May 17, the local chapter of ALPA, led by Ferris opponent Frederick "Rick" Dubinsky, strikes the company over the question of a two-tier pay scale. A week later, even as its schedules are severely reduced, United announces its long-term \$265-million purchase of 5 MD-80s and 25 Boeing 737-291s from **Frontier Airlines (1)**.

As negotiations with the pilots continue, Chairman Ferris, while retaining management contracts, sells a number of hotels and places the proceeds, together with \$962 million from overfunded pension plans, into a special corporate account earmarked for expansion. The pilot's job action ends on its 29th day, June 15, in acceptance of the company's salary position; three days later, a large-scale marketing campaign is undertaken to win back customers.

The pilots' displeasure with Chairman Ferris deepens as a result of his refusal to rehire 500 trainees afraid to cross the picket lines. Unable to reverse the trend toward major-commuter interline arrangements, the carrier signs an agreement in June to participate with **Air Wisconsin** as a code-sharing partner listed in the Apollo computerized reservations system.

A broad-based marketing agreement is completed with **Deutsche Lufthansa, A.G.** on July 3 calling for a meshing of the airlines' flight schedules at 10 American airports and enhancement of the automation features between the carriers' reservations systems. Also in July, GAB Business Services, acquired a decade earlier, is sold at a pretax gain of \$28.88 million.

On August 26, just four days after the **British Air Tours, Ltd.** B-737 tragedy, a United B-737-222 with 74 people aboard is delayed from taking off from Cleveland for 44 minutes after a valve malfunctions on one of its two engines.

UAL, Inc. officials, with board approval, spend \$1.6 billion on August 30 to purchase The Hertz Corporation. With some \$587.5 million of the expenditure coming from the employees' overfunded pension fund and without input in the matter, the move angers the rank and file.

A \$3.1-billion order is now placed for 110 B-737s and 6 B-747s. The order is flexible and will allow the airline to choose other models later if desired. Meanwhile, 10 **Frontier Airlines (1)** B-737-291s arrive, along with the MD-80s, beginning in early September; the latter are immediately leased to other carriers. On September 26, President Hartigan also becomes CEO, succeeding Richard Ferris, who remains president/chairman/CEO of UAL, Inc.

In the fall, a DC-10 exchange is made with **World Airways**. The latter takes four United DC-10-10s in exchange for four of its DC-10-30CFs, \$30 million, and cancellation of its Dash-30 debt.

In November, DOT Secretary Elizabeth Dole approves the transfer of the Pacific division of **Pan American World Airways (1)** to United. A Chicago to Fort Lauderdale flight is cancelled on November 30 after more than 50 Chicago Bears football fans pass around liquor and refuse to take their seats before takeoff. A new north-south hub is opened at Washington, D.C. (IAD) in December and the Pan Am arrangement is consummated on December 31.

Passenger boardings drop 7.7% during the 12 months to 38,113,000 and cargo is off by 13.5% to 593.53 million FTKs. Revenues decline by 19.3% to \$4.92 billion, costs fall 5.4% to \$5.24 billion, and a huge \$328-million operating loss is incurred. The strike brings a net loss of \$88.2 million.

Airline employment slips by 0.4% in 1986 to 49,800. On January 6, hourly B-727-222A shuttle service is initiated from Washington, D.C. (DCA) to Chicago (ORD) between 7 a.m. and 6 p.m. Also in January, the carrier announces plans to expend \$10.6 million renovating its Central Terminal at New York (LGA); opening will occur in 18 months. As a cost-cutting move, 1,016 corporate staff positions are targeted for elimination; the move is aimed squarely at reducing overall labor costs and as a challenge to union groups.

The former **Braniff International Airways** B-747SP-27 is delivered on February 9 and the \$715.5-million purchase of the Pacific division of **Pan American World Airways (1)** is completed on February 11. Simultaneously, the new owner begins service to an additional 11 cities for a total of 13 cities in 10 Pacific Rim countries. Much of this service will be offered with 10 former **Pan American World Airways (1)** B-747SP-21s acquired as part of the takeover.

During the spring and in a two-step service increase, an extra 41 daily flights are launched from Denver. Meanwhile, in April, former **Frontier Airlines (1)** President Joseph O'Gorman is named senior vice president-corporate planning. Revenue operations from the new north-south Washington, D.C. (IAD) hub commence on May 1 with a goal of 100 daily flights within 3 years.

To accommodate the new D.C. hub, plans are announced to build a 10-11 gate midfield terminal on the existing jet ramp. Both of these expansions come as competition with **Continental Airlines** heats up. After a year's lease, the 15 remaining **Frontier Airlines (1)** B-737-291s

join the fleet by month's end. Joint marketing ventures are formed with the regional carriers **Air Wisconsin** (feeding Chicago O'Hare and Washington Dulles), **Aspen Airways** (Denver), and **Westair Commuter Airlines** (Los Angeles), resulting in "United Express" service.

It is announced on July 10 that the carrier will pay nearly \$33 million in back wages and reinstate flight attendants who were forced to quit because of the no-marriage rule, since declared illegal. Four hundred return to work immediately and 1,721 will receive settlements of up to \$22,000 each. Later in the month, the carrier reports that it is spending \$60 million to refurbish the aircraft acquired with the **Pan American World Airways (1)** Pacific route purchase; \$24 million of the total is spent in Hong Kong and improvements include new exterior paint jobs and significant interior changes.

The pilot of a company jetliner landing at Chicago (ORD) on August 29 is forced to make an emergency climb to avoid hitting a man who has wandered out onto the runway.

Also at Washington, D.C. (IAD), a midfield facility is constructed during the summer and fall. Covertly, the pilots' union, under Chairman Roger Hall, is developing an Employee Stock Ownership Plan (ESOP), with which it is hoped to take over the airline. When leaders of the other company unions show no interest in the pilots' plan, the concept is laid aside. Late in the year, the first 3 of over 100 ordered Boeing 737-322s are received. Meanwhile, the Apollo reservations system is incorporated under the name Covia.

UAL, Inc., having spent \$3 billion, is now the world's largest travel conglomerate and the chairman himself suggests a new corporate identity: Allegis ("allegiance and aegis") Corporation.

In December, Frederick "Rick" Dubinsky succeeds Roger Hall as chairman of the pilots union.

Addition of the Pacific routes help the carrier attract 50,690,000 passengers this year, a 27.7% boost; cargo is up an exactly equal percentage of 27.7% to 1.02 billion FTKs. Revenues increase 35.94% to \$6.68 billion (most for a U.S. airline) as costs climb 12.59% to \$6.69 billion. The operating loss is \$10 million and the net loss is \$80.63 million; both figures, while still negatives, are improvements on those of the year before.

The workforce grows by a sizeable 20.5% in 1987 to 60,000, highest among U.S. airlines.

Unemployed construction worker and hunter Robert Raymond Prouix fires on Flight 1502, a B-737-222 coming in for a landing at Raleigh/Durham Airport on January 1; Prouix misses the pilot, at whom he had been aiming, but hits passenger Barry Rollins. Quickly called into the case, the FBI arrests Prouix on January 6; he will be tried and given a 20-year prison sentence.

Five days later on January 11, a bomb threat delays the return of the Denver Broncos' charter from Cleveland after the playoff game. Also in January, pilot leader Dubinsky retains famed lawyer F. Lee Bailey and Felix Rohatyn, director of the financial firm Lazard Freres, to assist in a revival of the ESOP.

In early February, Chairman Ferris, unaware of or unconcerned by the pilots' planning, meets with Wall Street financial analysts, who are not impressed with his travel empire scheme, now officially named Allegis, and watches UAL stock fall by \$3 more per share. Mr. Prouix admits his guilt in court on February 20. Increasing discontent spreads to most airline workers, unhappy with the Allegis diversification moves into hotel and ground transport.

In March, it is publicly revealed that real estate magnate Donald Trump has acquired 5% shareholding in UAL, Inc. and the media, at a time of multiple corporate buyouts, begins to speculate on various takeover scenarios for the long-lived airline company. The carrier's pilots, speculating that the holding company or the airline or both are undervalued and ripe for takeover, are rebuffed when they attempt to interest the line's machinists in their ESOP; the IAM members will offer their own plan.

Two B-747-222Bs are acquired to assist with the work in the Pacific, with the first delivered on March 19 and the second on April 2. Meanwhile, when **KLM (Royal Dutch Airlines, N.V.)** fails to conclude its

purchase, the 88-unit Hilton International hotel chain is acquired by UAL, Inc. from Trans World Corporation on March 31 for \$835,746,000 in cash, debentures, and 2.5 million shares of common stock, bringing the total cost to \$977.5 million.

On April 5, in addition to the four-per-week flown via Hong Kong, the company begins thrice-weekly nonstop flights from Tokyo to Singapore and from Hong Kong to Bangkok; simultaneously, it increases its nonstop San Francisco to Tokyo service to twice-daily.

In mid-April, the pilots offer to purchase control of the airline for \$4.5 billion and split it off from the UAL Corporation. The UAL board of directors briefly considers and rejects the pilots' offer. As the month draws to a close, **Aer Lingus Irish Airlines, Ltd.** and **Trans World Airlines (TWA)** file a complaint with the DOT charging the Apollo reservations system lists incomplete and inaccurate international fares.

At the April 30 annual meeting, CEO Ferris asks for and receives the company shareholders' permission to rename the corporation Allegis. Simultaneously, Dubinsky attempts to interest Chicago billionaire Jay Pritzker in joining his ESOP assault; the two cannot agree on partnership terms. In conjunction with an order for 15 Dash-400 Jumbojets and 21 B-737-300s, \$700 million in convertible debt (worth 16% in Allegis common stock) is sold to Boeing, which manufacturer now becomes, potentially, the largest shareholder in the company, just as it was almost half a century earlier.

In a May 20 footnote unrelated to the corporate maneuvering, prisoner Prouix is sentenced to 20 years in prison and is ordered to pay UAL \$53,300 in restitution.

At month's end, Coniston Partners, a New York investment firm, files an affidavit with the Securities and Exchange Commission revealing that, with 13% shareholding, it is the corporation's largest shareholder. It now desires to seek authority from a majority of the other stockholders to oust the board, restructure the corporation, and liquidate its assets.

As Allegis stock values rise, the pilots up their ESOP offer, seeking 80% control for \$5 billion. It is suggested that, should management fail to act, Dubinsky and his colleagues would join the Coniston effort. This time, management and the board of directors are not successful in withstanding the challenge.

During the first week of June, Chairman Ferris meets with pilot leader Dubinsky in Ohio and New York in an unsuccessful attempt to reach accommodation. Meanwhile, led by senior outside director Charles F. Luce, the board secretly meets away from management to consider the Allegis situation. At a specially called board meeting on June 9, Chairman Ferris is ousted, being succeeded on an interim basis by Hertz Chairman Frank Olson. Allegis is dissolved and its diversification efforts cut back.

The board now announces a restructuring plan that includes the sale of its nonairline businesses, including Hilton International, Hertz Corporation, and Westin Hotels, and distribution of the proceeds to shareholders. In addition, 50% of Covia, the name of the company employed to incorporate the Apollo reservations system, is also put on the market. President/CEO Hartigan is elected United chairman on June 25.

State-of-the-art, 48-gate Terminal One is opened at Chicago (ORD) in August; up to 18 wide-body aircraft can be accommodated at one time. On September 1, five B-747-123s, formerly operated by **American Airlines**, are purchased; they, too, will be assigned to Pacific operations.

On September 3, the Allegis board approves the sale of Hilton International; the \$1.07-billion sale is completed on October 14. On October 29, Coniston Partners forces Allegis to sell its interests in the Hertz Corporation. Also in October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

United signs a new three-year contract in November with its 21,000 mechanics, thereby avoiding a strike; as part of the package, the carrier agrees to a \$20-million retroactive wage increase. A B-727-222A carrying

116 people goes into a dive over Long Beach Municipal Airport on November 29 to avoid collision with a smallplane that passes within 100 ft.

Also in November, a fifth nonstop, roundtrip is initiated between Louisville and Chicago. Perhaps the greatest blow occurs at month's end when it is announced that, for the first time since the acquisition of **Capital Airlines** in 1961, the company is no longer the largest airline in the western world. **American Airlines** achieves its decades-old dream of surpassing the Chicago major by flying 200 million more revenue passenger miles on the month.

On December 12, 47-year-old Stephen M. Wolf, former CEO of **Republic Airlines** and **The Flying Tiger Line** is elected chairman/president/CEO of Allegis and president/CEO of United Airlines.

By its donation just before Christmas, United becomes the first airline Fair Share Signatory Company of the National Association for the Advancement of Colored People (NAACP). The Hertz Corporation is sold for \$1.3 billion on December 30.

Despite the year's chaos, United establishes new industry highs for traffic as passenger boardings jump 9.3% to 55,087,000 and freight ascends 23.1% to 1.78 billion FTKs, a figure second only to Pan Am among passenger-carrying majors. Revenues swell 17.56% to \$7.86 billion (tops again in the U.S. industry), costs grow 15.13% to \$7.71 billion, and the operating profit is \$151.21 million. Costs involved in reorganization allow only a \$33.33 million net profit, the smallest such positive report by any U.S. major.

The workforce remains largest in the U.S. industry in 1988, climbing by 14.2% to 68,500. During early January, Allegis pays off its \$700-million note to Boeing, along with accrued interest, and a \$50-million early retirement premium. In the same month, members of the Red Carpet Club gain access to the lounges of **Australian Airline Ltd.**'s Flight Deck Club under a reciprocal agreement.

Piloted by Capt. Clay Lacy with 141 passengers, the B-747SP-21 *Friendship One*, chartered by the Seattle-based Friendship Foundation to raise money for children's charities, completes the fastest around-the-world flight by a commercial airliner between January 28-30. The 23,125-mile Jumbojet service from Seattle to Seattle is completed in 36 hrs. 56 min. with refueling stops only at Athens and Taipei. Among those aboard are astronaut Neil Armstrong and former UAL official Edward Carlson. The Westin Hotel Co. is sold on January 31 for \$1.35 billion.

In February, United agrees to pay \$45,000 to settle a DOT complaint of rule violations in the Apollo reservations system. It is also reported that, to satisfy its new Pacific customers, the company has been required to make a number of changes. Among these are the substitution of steamed towels for microwaved hot towels for Japanese passengers, provision of real cream for the coffee of Australian and New Zealand travelers, and the removal of white carnations (viewed as death symbols) from first-class during operations to Chinese destinations.

In March, the company completes the restructuring begun the previous year, even though the pilots keep working on a plan to purchase the airline. Allegis buys back 35.5 million shares of its common stock at \$80 per share, a figure representing a payout to stockholders of \$2.84 billion. Under its new management, the carrier returns to the core business of running an airline and Chairman Wolf works hard to establish a solid line of communication with employees.

United Airlines Chairman Hartigan retires on May 1 and is succeeded by Allegis Chairman/President/CEO Wolf; former **American Airlines** Vice President John "Jack" Pope becomes the airline's executive vice president. Washington to Bermuda flights also begin on May 1. En route from Los Angeles to Japan on May 2, a B-747SP-21 with 19 crew and 239 passengers suffers engine problems. About 200 km. from Tokyo (NRT), the pilot is forced to shut down Nos. 3 and 4 engines because their measuring devices show abnormalities. Just before landing at the airport, the No. 3 engine is shut down when its measuring instrument fails. Although all aboard are advised to wear their life jackets, a safe landing is made on the one engine. The airport is closed for five minutes due to the incident.

The holding company's Allegis name is dropped on May 26. UAL, Inc. becomes UAL Corporation, with United Airlines as its principal

subsidiary. Also in May, the carrier completes the withdrawal of L-1011s from its Pacific service, moving to an all-Jumbojet fleet, and announces the sale of 50% of its Covia reservations system for \$500 million; deduction of direct-selling expenses will leave a profit of \$493 million.

In July, the word "United" is enlarged in its aircraft livery and the "U" on the tail of B-737-222s is repositioned. Later in the month, 15 gates at Washington, D.C. (IAD) are purchased from **Continental Airlines**. The \$223.4-million sale of 50% interest in the Apollo computerized reservations system is completed on August 5; the Covia Partnership are the new half-owners and comprise **Air Canada, Ltd.**, **Alitalia, S.p.A.**, **British Airways, Ltd. (2)**, **KLM (Royal Dutch Airlines, N.V.)**, **Swissair, A.G.**, and **USAir**. A marketing agreement is initiated with the British flag carrier and in August the two companies begin code-sharing operations. United shares the BA designator on its domestic flights from Denver to Chicago and Washington, D.C. The same month, the Hyatt Hotels chain becomes the largest international hotel participant in United's frequent flyer Mileage Plus program.

On September 1, the carrier increases the number of its daily departures from Washington, D.C. (DCI) from 91 to 114. Among the new services from the nation's capital are flights to Houston, Milwaukee, and Madison. Simultaneously, routes are opened from Denver to Colorado Springs and Houston, from Minneapolis (MSP) to St. Louis, and from San Francisco to Burbank and Monterey.

A \$2-billion order is placed with Boeing for 30 B-757-200s with which to replace the aging DC-8 fleet. The entire DC-8-71 fleet is now sold to the GPA Group subsidiary AeroUSA, with deliveries to the leasing organization scheduled a year hence. In October, Pacific capacity is increased by 11% as the number of flights is increased from 85 per week to 94. In mid-month, the third quarter results are announced and are the best in the company's long history.

Late in the year, the FAA launches a new round of airport screening tests. In addition, Capt. W. E. Dunkle, who had served the airline as pilot and board member from 1938 into the 1970s, publishes his memoirs, *Bird's Eye View* (Camarillo, Calif.: Juli Sellers Press).

Customer bookings for the year grow a slight 2.2% to 56,372,000 and in terms of enplanements, the onetime leading carrier is now third behind **American Airlines** and **Delta Air Lines**. Cargo climbs a similarly small percentage, up 2.9% to 1.37 billion FTKs. Revenues earned are still the highest among U.S. carriers and total \$8.79 billion, an 11.87% boost. Expenses jump only 5.4% to \$8.12 billion, and the operating profit is a record \$668.56 million. Like revenues, the \$589.23 net gain is highest among American air transport concerns.

The workforce, although up 4% to 71,170 in 1989, shrinks to second place behind that of **American Airlines**. The fleet, now third behind AA and **USAir**, includes 2 B-747-222Bs, 18 B-747-100s, 2 owned and 3 leased B-757-222s, 19 B-767-222s, 4 owned and 7 leased B-747SPs, 34 owned and 13 chartered DC-10-10s, 8 leased DC-10-30s, 25 owned and 2 chartered DC-8-71s, 38 B-727-100s, 28 B-727-222s, 51 owned and 25 leased B-727-222As, 49 B-737-222s, and 11 owned and 64 chartered B-737-300s. Orders are outstanding for 15 B-747-400s and 16 B-767-322ERs and options are held for 16 B-767-322ERs. Company stock is now worth \$112 per share.

Flight attendants at Newark (EWR) force the company to cancel a Los Angeles-bound flight on January 3 when they learn, shortly before the passengers board, of a sabotage threat made against their aircraft. The air cargo operation at Chicago (ORD) is relocated late in the month into a new \$50-million, 585,000-sq.-ft. facility.

The cargo door of Flight 811, a B-747-122 en route from Honolulu to Auckland on February 24 with 336 passengers and 18 crew, breaks loose in mid-flight and a huge piece of fuselage, approximately 12 x 25 feet in size, peels away. Nine passengers and several rows of business-class seats are sucked out and 23 are injured in the first explosive rush of decompressed air when the overhead bins fall apart and baggage flies through the cabin. Twenty-five harrowing minutes later, the Jumbojet's pilot, Capt. David M. Cronin, is able to return to Honolulu on just the

two left engines. The company begins an inspection of the cargo bay door locks of its entire Jumbojet fleet on February 27 and a week later, the FAA orders the cargo bay door locks of all B-747s strengthened. The NTSB will initially rule the accident the fault of poor airline maintenance and inspection.

Meanwhile in February, a multiyear aircraft cabin refurbishment program is started. Daily nonstop flights commence on March 2 between Washington, D.C. (IAD) and San Diego. Service on the Seattle to Tokyo route is suspended on March 26, in favor of **Continental Airlines**, which has won the authority following a DOT service review. In April, the reservations center previously located at Washington, D.C. (IAD) is relocated to a new \$30-million facility at Sterling, Virginia.

In April and May, an enormous \$15.75-billion order is given to Boeing for 370 new B-737s and B-757s to be delivered into the 21st century. The move signals United's desire to regain lost initiative and its once proud position as the free world's largest air carrier; the company now becomes the largest transpacific carrier, surpassing both **Northwest Airlines** and **Japan Air Lines Company, Ltd. (2)**.

San Francisco to Mexico City return service begins on May 2. On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. United, with 23 security breaches, has the most of any airline and is faced with \$167,000 in punishment.

Speaking of **Northwest Airlines**, that carrier is taken over in a leveraged buyout on June 19, the same day United stock reaches \$128.50 per share in worth. Also in June, United begins a third daily B-747-133 San Francisco to Tokyo frequency. The parent holding company makes a capital contribution to the airline of its investment in UAL Leasing; UAL Leasing is liquidated and the airline assumes all of its assets and liabilities.

A 20-inch crack is found in a B-727-22C on July 1 and leads the FAA to issue an emergency order calling for inspection of the nation's 46 oldest Boeing trimotors. A brand new B-747-422, the *Spirit of Seattle II* and the first of 15 ordered by the company, stands idle at San Francisco on July 8 when pilots refuse to fly it or any of the other new Jumbojets in protest of delays in the settlement of the ALPA chapter's contract. The regional ticket office at Rocky River, Ohio, near Cleveland, is closed on July 12.

En route to Chicago from Denver on July 19, DC-10-10 Flight 232 with 296 aboard, crashes while attempting to make an emergency landing at Sioux City, cartwheels, breaks up, and catches fire (111 dead). The NTSB will determine that the disaster is caused by the uncontained disintegration of the fan section of the No. 2 engine and the subsequent failure of the triple redundant hydraulic system.

Capt. Alfred C. Haynes will relive the tragedy in his "'I Couldn't Control the Airplane!'" in *Smithsonian Air and Space* 6 (October–November 1991): 26+. Jane Briggs-Bunting, *et al.*, remember "'Here I Was Sitting at the Edge of Eternity': Following the Crash of Flight 232, Life Seems Utterly Different for Most of the 185 Survivors" in *Life* 7 (September 1989): 28–36. Ruth Ness recalls "'My Moment of Courage'" in *Ladies' Home Journal* 106 (November 1989): 28+ while Kevin Simpson will later examine his life in *Chosen to Live: The Inspiring Story of Flight 232 Survivor Jerry Schemmel* (Littleton, Colo.: Victory Publishing Co., 1996).

The event brings national attention to the Iowa city's community's emergency preparedness and is portrayed in the Charleston Heston and Richard Thomas television movie *Crash Landing: The Rescue of Flight 232*. In 1994, the film is repackaged on video cassette under the title *A Thousand Heroes*. Incidentally, the scenes depicting the interior of Flight 232 are shot inside a portion of the center fuselage of the very first Con-
 vair CV-880, which had been shipped to Minneapolis for the filming.

In addition, Emily Dee in 1990 pens *Passengers on Board: Responses to the United 232 Tragedy*, which is published by the Sioux City firm of Loess Hills Press. Robert Monserrate's "The Crash of United Flight 232: Rescue, Recovery, and Identification of Victims" appears in *Disaster Management* 4 (Summer 1992): 157+.

During the summer, the corporation again becomes a target for corporate raiders Saul Steinberg, whose Reliance Group Holdings has ac-

quired 5% (later 9.7%) shareholding, and Los Angeles billionaire Marvin Davis, who has just failed to acquire **Northwest Airlines**. Unable to takeover the Minneapolis-based major, Marvin Davis bids \$5.4 billion (\$240 per share) for United on August 8. On Wall Street, UAL stock jumps 46 points to \$210 per share. Also in August, the first DC-8-71 is turned over to AeroUSA.

To avoid a Davis takeover, Wolf and pilots union leader Dubinsky agree to work on a cooperative financial counterattack and the board sets October 12 as the deadline for their buyout. As the union and company partners and Davis alternate offers, the pilots pledge \$500 million in work concessions and pension fund financing, management borrows, and **British Airways, Ltd. (2)** is sold 15% shareholding and a board seat for \$750 million. Meanwhile, far from Wall Street, the carrier's maintenance center at San Francisco, the largest such center in the world, begins serving only its own jetliners on August 23 and phasing out contract work that it has done on planes owned by more than 60 other commercial and military customers.

In September, United, with its corporate leadership focused more directly on banks and boardrooms, employs three leased machines, to become the first airline to offer B-747-422 service from the U.S. to Australia. Through the month, CEO Wolf continues his attempt to hold together a management and union group of investors to buy out United and to find new investors; \$3 billion in pledges is received from Citibank and the Chase Manhattan Bank. Late in the month, black clouds appear.

First, the DOT official signals a negative change in the government's view of the rules governing foreign airline investment in U.S. carriers. Then it is revealed that Chairman Wolf stands to make a potential \$77-million windfall profit from the buyout—President Pope will receive almost \$38 million. The news causes outrage among union members and the IAM chapter in particular now actively campaigns against the labor-management takeover and warns off other parties from joining a movement that now begins to falter.

By early October, only \$1.4 billion of the required additional \$4.2-billion purchase price has been obtained by the Wolf/Dubinsky group. The \$6.78-billion (\$310 per share) buyout scheme fails on October 13 and helps to trigger a huge "Black Friday" Stock Market decline or "adjustment"; during the next 10 days, UAL stock falls in value to \$170 per share.

Janice and Dale Sorenson, farmers in Alta, Iowa, receive a \$116,000 reward from General Electric on the same October 13 as Black Friday for finding the long-sought fan disk suspected of causing the Flight 232 disaster in mid-July. Also in October, company facilities at San Francisco are damaged by the huge earthquake, while in Charleston, South Carolina, Hurricane Hugo inflicts loss.

Pilots abandon their threat on November 20 to stop flying B-747-422s and also during the month the company launches daily nonstop B-727-222A roundtrips between Los Angeles and Kansas City and B-737-322 flights to that Missouri city from San Francisco.

In addition, the company joins with **British Airways, Ltd. (2)** to offer through check-in for passengers connecting on the two airlines' flights.

In December, scheduled B-747-422 flights are also started by the *Spirit of Seattle II* from San Francisco to Hong Kong.

Customer bookings decline by 2.3% to 54,951,000, but cargo is up by 4.6% to 1.43 billion FTKs. Revenues jump 9.61% to \$9.64 billion, expenses are up 13.01% to \$9.18 billion, and the operating profit is cut to \$456.85 million. Net gain drops to \$358.08 million.

Airline employment climbs 5.4% in 1990 to 75,025 and is the third largest among U.S. carriers and also third largest in the world. The fleet of 462 jetliners is second largest in the U.S. and third largest in the world behind **Aeroflot Soviet Airlines** and **American Airlines**. Just after New Year's, each stockholder learns that one of his common shares purchased for \$1,000 in 1980 is now worth \$8,224.

On January 24, local representatives from ALPA, AFA, and the IAM notify the UAL, Inc. board of their interest in acquiring 75% majority control. Also in January, the company begins the largest renovation and upgrade program in U.S. commercial airline history with a \$45-million

investment designed to enhance its international business-class service. The first step now undertaken is the replacement of appropriate seating aboard the company's Jumbojets.

At the same time, daily service is introduced between Chicago and Sioux City, Iowa, via Cedar Rapids on the way west, but nonstop on the return. Daily B-747-422 services commence on February 1 from San Francisco to Hong Kong. On February 22, the UAL, Inc. board authorizes the release of information to representatives of the unions preparing an acquisition proposal.

Nonstop authority for a route from San Francisco to Toronto is received on March 14. A \$336-million lawsuit, brought against the carrier by **Continental Airlines** and charging that UAL had practiced unfair competition in the use of its reservations system, is settled on March 29 just before jury deliberation begins in a 10-week trial in Los Angeles federal court. Also in March, the international business-class renovation and upgrade is completed with the replacement of seating aboard United's DC-10-30s.

Mount Redoubt erupts on the evening of April 6 and the following afternoon United cancels its flight to Seattle from Anchorage.

Following first quarter negotiations with union leaders, acting under the collective name of the United Employee Acquisition Corporation (UEAC) and their allies, the resurfaced Coniston Partners, the board agrees on April 9 to sell the airline to its employees for \$4.4 billion, if they can come up with financing.

The first of more than 400 aircraft to be equipped with the GTE Airfone "Seatfone" system is introduced on April 21. Three days later, the "United Shuttle" is launched nonstop from Los Angeles to San Francisco and back every half-hour from 7 a.m. to 7 p.m. A number of gates, slots, and assets of bankrupt **Eastern Air Lines** are purchased at Chicago (ORD). Late in the month, former Chairman/CEO Edward E. Carlson dies at the age of 79.

San Francisco-Toronto daily roundtrips commence on May 1 and on May 15, European service is inaugurated; B-747-422s fly from Chicago (O'Hare) and Washington, D.C. (IAD) to Frankfurt. When an attorney aboard a Los Angeles flight refuses to lease a set of earphones to listen to the film *Presumed Innocent* and instead employs his own, the airliner captain has him arrested for theft by airport security upon landing.

A joint marketing program is unveiled with **British Airways, Ltd. (2)** on June 1 that allows BA passengers to fly the Concorde at no extra cost through August 31 when connecting from selected United U.S. gateways after having flown first-class on United domestic routes. Daily nonstop roundtrips commence on June 8 between Washington, D.C. (IAD) and Portland, Oregon. Additionally, daily nonstop B-747-422 service is inaugurated from Newark to Tokyo together with four-times-per-week B-747-222B flights from San Francisco to Bangkok via Taipei.

Former Chrysler Corporation Vice Chairman Gerald Greenwald is appointed, also in June, to lead the employee's buyout effort and is guaranteed \$9 million whether he is successful in the attempt or not. During the summer, a program is started in Denver to donate surplus food to needy people from the airline's flight kitchen. Within six months, the program will spread to Boston, Chicago, Detroit, Honolulu, Newark, San Francisco, Seattle, Philadelphia, and Washington, D.C. and see over 30 tons of goods distributed.

Thrice-weekly flights begin from Los Angeles to Seoul in July and nonstop B-747-422 Chicago to Paris frequencies commence on August 1. On August 6, Iraq invades Kuwait, sending fuel prices significantly higher and setting off an international crisis.

Unable to lock its landing gear, a B-737-222 skids to a safe emergency landing at Los Angeles on August 20. The next day, United begins its Civil Reserve Air Fleet (CRAF) participation in the buildup of U.S. forces in Saudi Arabia, Operation Desert Shield. On August 27, a B-747-422 with 323 aboard is unable to get its front landing gear down, but skids to a safe Los Angeles (LAX) landing.

With financial institutions queasy as a result of the Gulf crisis and withdrawing their commitments, the unions dissolve their alliance with Coniston in September. On a positive note, during the last week of the

month, the USN deep submersible *Sea Cliff* (DSV-4), recovers the forward cargo door torn from Flight 811 in January 1989 from 14,100 feet.

With the UEAC unable to meet the carrier's October 9 deadline for a takeover bid, this year's buyout efforts now taper off as a new labor contract is signed with company pilots. Later in the month, seasonal B-727-222A service begins from Washington, D.C. (IAD) to Cancún and daily B-767-222ER flights commence from Chicago to Paris.

The largest wide-body order in history is announced on October 15 as United becomes the launch customer for the B-777-200; a total of 34, outfitted with Pratt & Whitney engines, are ordered with 34 options. The \$22-billion request is completed by asking for 60 B-747-422s. The same day the DOT, somewhat unexpectedly, chooses United rather than **American Airlines** to receive a new nonstop Chicago to Tokyo route. An agreement is concluded with bankrupt **Pan American World Airways (1)** on October 23 to purchase that fellow-pioneer's prized routes to London (LHR) for \$290 million, effective in mid-November. Boeing's board of directors on October 29 authorizes full-scale development of the B-777, which the builder will market in competition with the A340 and the MD-11.

The route-transfer agreement includes a provision under which United will honor up to \$100 million in Pan Am tickets should that airline cease operations. Consummation of the deal must, however, await resolution of a diplomatic negotiation between the U.S. and U.K. over substitution of United in a new bilateral agreement.

United introduces Cargo Plus 1, a computer system that enables air freight forwarders worldwide to reserve cargo space and track shipments. Four fuel tanks at Denver, along with just over two million gallons of jet fuel, are destroyed in a November 24 fire that takes a day to extinguish, but forces cancellation of only a 12 of 186 departures.

Passenger boardings move ahead by 5% to 57,612,000, good enough for 5th place among the world's airlines. Freight jumps 7.9% to 1.55 billion FTKs, a figure that represents 2nd place among America's passenger carriers and 10th in the world. Among the world's air transport companies, United ranks 2nd behind American in terms of operating revenue, which is up 13.63% to \$10.95 billion. Expenses, however, jump 19.87% to \$11.01 billion and cause an operating loss of \$54.25 million. Net profit is cut to \$95.75 million.

The workforce grows 8.3% in 1991 to 81,242 and the fleet now includes 486 aircraft. Six-times-per-week Washington, D.C. (IAD) to Tokyo (NRT) B-747-422 service via Chicago O'Hare begins on January 8. The same day, the company joins with Bankers Trust to pledge a \$150-million loan to **Pan American World Airways (1)** to tide it over until the London route sale is approved; in return, Juan Trippe's creation is required that day to declare Chapter XI bankruptcy.

Ironically, later in the day, the DOT finally approves the London route transfer. As a result, Pan Am's hub at London (LHR) and other assets are now acquired, which will allow United to add six transatlantic and seven intra-European routes to its growing global network. The route payment now made by United keeps Pan Am alive a little while longer.

On January 13, the carrier returns to Boeing its OI N7001U, the very first B-727-100 built, for display at the Seattle Museum of Flight. Purchased for just \$4.4 million in October 1964, the aircraft had accumulated 64,492 hours of flight service.

Following the outbreak of the Mideast war on January 17, a number of transatlantic flights are cut. Responding to the next night's collapse of **Eastern Air Lines**, the carrier, in early February, agrees to purchase three of its gates at Los Angeles and 21 slots at Chicago (ORD) for \$60 million. Nonstop B-727-222A service is initiated on February 15 from Washington, D.C. (IAD) to San Juan, Puerto Rico.

The cause of the crash of Flight 585 on March 3 is one of the great, unsolved mysteries of aviation. Having departed Peoria for Colorado Springs, with intermediate stops at Moline and Denver, the B-737-291 with 5 crew and 20 passengers has departed the Denver stop on the last leg and is in sight of the runway at its destination. Suddenly, the plane rolls right, pitches nose down, and just misses a 250-unit apartment complex before plowing into the ground of Widefield Park 4 mi. away

at an almost vertical angle. There is a huge explosion that leaves only a charred 14-ft.-deep crater; no one aboard survives.

At the time of this encyclopedia's publication, the NTSB and other agencies have not learned the cause. However, Daniel A. Lauing examines much of the available information in his *Manitou, Fountains of the Deep: The Crash of Flight 585, March 2, 1991* (Estes Park, Colo.: Plumb Line Press, 1995).

Also in March, 68 departures from the carrier's 4 domestic hubs are added, bringing the daily total to 1,986. On April 4, London (LHR) is designated as the carrier's primary European gateway, replacing Frankfurt.

Nonstop B-737-322 service is inaugurated on April 10 from Washington, D.C. (IAD) to Hamilton, Bermuda. Also in the early spring, the company finds it must engage in a deep discount fare war with its major competitors as the result of **American Airlines'** new four-tier tariff schedule.

Four-times-per-day roundtrips begin on May 1 between Chicago and New Haven, Connecticut. Five of the six former **Pan American World Airways (1)** transatlantic routes to London (LHR) are inaugurated by B-767-222ERs on May 1 from Washington, Newark, New York, San Francisco, and Seattle. On May 2, United begins thrice-weekly roundtrip Amsterdam, Brussels, Frankfurt, and Paris to London (LHR) flights while service between Washington, D.C. (IAD) and Paris (CDG) is also initiated. The transatlantic and European services are expanded in mid-month.

Roundtrip service between Washington, D.C. (IAD) and Madrid begins on June 1. The company joins with **Air Wisconsin**, **Mesa Airlines**, and **Westair Commuter Airlines** on June 6 to celebrate the fifth anniversary of their "United Express" partnership. The next day, a third daily flight is added between John Wayne-Orange County Airport, California, and Chicago (ORD). One of the year's highlights is the signing of multiyear contracts with the three principal labor unions and by the end of July, fully one-third of company capacity is dedicated to international routes.

Twice-daily roundtrips commence on August 1 between John Wayne-Orange County Airport and Denver. On August 7, the U.S. Federal District Court, Atlanta, converts an antitrust lawsuit against nine airlines into a class-action that could benefit many consumers and cost the carriers millions of dollars. The antitrust suit charges that this company and the others conspired to keep ticket prices high at 23 hub airports. Also in August, nonstop daily B-767-222 is initiated from Washington, D.C. (IAD) to Madrid.

In early October, flights commence from Los Angeles to Brisbane via Sydney and to Auckland. Los Angeles to Paris frequencies are increased during the month from three to five per week. In cooperation with McDonald's Restaurants, Friendly Skies Meals are introduced on October 31. The same day, Orlando becomes a "connecting complex" (rather than a hub) as daily departures are increased from 18 to 47. Halloween is also chosen as the day for the last DC-8-71 service; an air conditioning problem develops on the Kona to San Francisco run and the aircraft must be diverted to Los Angeles. When the machine is ferried up to San Francisco the next day, it is the highest-time DC-8, with 71,280 hrs.

Elevated business service, Connoisseur Class, is initiated on November 1. After Pan Am's December 4 collapse, its Latin American route network is purchased at auction for \$135 million. Negotiations are now undertaken for the complete takeover of the financially ailing "United Express" partner **Air Wisconsin**. Service begins on December 18 between Orlando and Mexico City. At month's end, a B-757-222, cleared to land at San Juan mistakenly—but safely—lands 4 mi. E on the 5,000-foot runway of Fernando Rivas Dominici, Isla Grande; the jetliner, with 200 passengers aboard, makes a successful STOL takeoff for its original destination.

Customer bookings for the year jump 7.6% to 62,003,000 and cargo is twice as high, up 24.2% to 1.77 billion FTKs. Although revenues are up 6.43% to \$11.66 billion, expenses are up 10.36% to \$12.15 billion and cause a \$490.6-million operating loss. A net loss of \$335.34 million is suffered, much of it coming in the fourth quarter and \$64 million of that

arising from the back payment of wages and benefits as labor contracts are settled. Parent UAL Corporation takes a \$331.9-million net loss.

Company employment is boosted a slight 2% in **1992** to 82,889.

The company's Latin American service is inaugurated on January 15 over the former **Pan American World Airways (1)** routes; flights commence from New York (JFK) to Caracas and Port of Spain and from Miami to Caracas. Flights commence from New York to Rio de Janeiro via Miami on January 31. Senior Vice President-Planning W. Thomas Lagow resigns at the end of January to become vice chairman and executive vice president-marketing at **USAir**.

On February 6, Geneva to Paris flights begin; a week later, frequencies are initiated from Miami to Buenos Aires and São Paulo and from New York to Montevideo via Rio de Janeiro. Zurich to Paris service starts on February 14. The Covia reservations system is merged with the Galileo system; United takes a 38% interest in the surviving company, Galileo International. Despite efforts by **American Airlines** to prevent the maneuver, United is able to obtain Air Wisconsin and its principal subsidiary, the national carrier **Air Wisconsin**, late in the month. At the same time, a forthcoming major upgrade in the marketing agreement with **British Midland Airways, Ltd.** is announced, including code-sharing.

Service is inaugurated on March 2 from Miami to Mexico City, San Jose, Guatemala City, Panama City, and San Salvador. Also in March, the airline outbids **American Airlines** by pledging \$66,000 per month in payments for 16 **Trans World Airlines (TWA)** gates and landing slots at Chicago (ORD). Losses cause the airline to begin reducing capital spending over the next three years by at least \$2 billion through the delivery deferral of 122 jetliners. Four-times-per-week nonstop B-767-322ER flights commence from San Francisco to Paris on April 5.

In a rare reversal of an accident finding, the NTSB announces, also in April, that faulty wiring and not poor company maintenance and inspection caused the February 24, 1989 Jumbojet tragedy. At the same time, a marketing and code-sharing agreement is officially signed with **British Midland Airways, Ltd.** Under the pact, joint services on BMA aircraft are initiated from five U.S. gateways via London (LHR) to Amsterdam, Brussels, Belfast, Edinburgh, Frankfurt, Leeds/Bradford, Teesside, and Glasgow.

Additionally, BMA passengers from East Midlands and Birmingham are able to connect via Brussels onto UAL flights to Washington, D.C. (IAD). Passengers on the major are allowed a variety of amenities, including heavily discounted Visit U.K. Air Passes while travelers from the British line become part of United's Silver Wings program.

Stephen Wolf relinquishes the airline presidency on April 30, but remains chairman and CEO of United and of UAL Corporation. Executive Vice President John Pope takes over as airline president and chief operating officer.

On May 1, departures from Denver are increased from 179 to 205 daily and include new daily services to Phoenix, San Diego, and Seattle. Miami to Caracas flights begin as the major debuts in South America during May. During the same month, the corporation is reorganized through the addition of an international division and the promotion of Vice Chairman/Chief Financial Officer John C. "Jack" Pope to the post of president/chief operating officer.

Also in May, the carrier becomes launch customer of the Collins Series 900 avionics system for its 777 fleet. It also receives the International Flight Catering Association's gold plaque for its sale of 100,000 Friendly Skies Meals, an in-flight version of McDonald's Happy Meals.

The San Francisco to Paris B-767-322ER service becomes daily on June 1; the next day, roundtrip Paris to Athens flights begin. In a second Chicago offering to **Trans World Airlines (TWA)** in June, United loses out to American, which captures 40 slots and 3 gates. The battle for dominance at O'Hare continues. During the next 6 months, the Latin operation expands to 13 cities in 11 countries. The carrier opens Spanish-speaking, toll-free reservations line for North America, Puerto Rico, and the U.S. Virgin Islands on August 8.

In addition to its regular sports charters with major league baseball's San Francisco Giants and Chicago Cubs and White Sox, United is now

the second largest carrier flying nonscheduled frequencies on behalf of the National Football League (NFL). Also in August, the San Francisco 49ers are flown to London for an exhibition game with the Washington Redskins; when the regular season begins, the company will also provide lift to the Chicago Bears, Denver Broncos, New York Giants, and the Redskins.

In midsummer, Paris to Athens intra-European flights begin. *USA Today* Sky Radio is started on September 1, the industry's first live, in-flight radio broadcasts. Enhanced First Class service is unveiled on domestic flights and a strategic alliance is signed with **Ansett New Zealand, Ltd.** Under its terms, the arrangement with the New Zealand carrier calls for marketing and code-sharing to destinations via Auckland to Christchurch, Wellington, and other communities.

Also in September, a Spanish-language reservations service is initiated in response to increased South American operations and Chairman Wolf joins the CEOs of **American Airlines**, **Delta Air Lines**, and **Federal Express** in opposing approval of the USAir-BA arrangement unless greater traffic rights are received from the U.K.

A new in-flight magazine, *Hemispheres*, is launched on October 1, while on October 10, a flight from Chicago to New York dissolves into a misadventure of curses, cops and chaos when foul weather diverts it to Hartford. The passengers are not allowed to disembark and the plane completes its flight to New York (LGA) many hours later. Business One airport services are introduced on October 22 at Boston, Minneapolis (MSP), New York (LGA), Newark, Philadelphia, and Washington, D.C. (DCA).

A strategic and code-sharing agreement is signed with **Air Canada, Ltd.** effective October 25. Under its terms, the two agree to provide joint marketing, cargo and tour operations, advertising and promotions, and participation in both carriers' frequent flyer programs, later expanded by both into cooperation with **Ansett Australia (Pty.), Ltd.**

In addition, the North American partners begin passenger connections through such common hubs as Denver, San Francisco, Los Angeles, Winnipeg, Calgary, Montreal, and Toronto.

New international menus are introduced on intercontinental flights beginning on November 1. After a year of federal mediation, a new five-year contract is signed with the local chapter of the IAM on December 23. At year's end, the company retains the honor of offering the world's shortest service by a turbine-powered aircraft, a 12-mile (5-minute) route from San Francisco to Oakland operated by B-727-222As.

Passenger boardings swell 7.6% to 66,696,000 and freight is up by 8.8% to 1.92 billion FTKs. Although revenues advance 9.1% to \$12.72 billion, expenses shoot up 8.8% to \$13.22 billion and guarantee an operating loss of \$538 million. Net loss triples to a staggering \$957 million. Parent UAL Corporation has revenues of \$12.9 billion, up 10%. Costs, however, force an operating loss of \$537.8 million and there is a net loss of \$956.9 million, \$540 million of which is caused by adoption of the FAS 106 accounting form.

The payroll is sliced 2.6% in **1993** to 81,500, still leaving the 3rd largest airline workforce in the world; the fleet of 544 aircraft is also 3rd largest. On January 11, a new gray, navy blue, and red paint scheme is unveiled for the fleet's aircraft, reflecting the global nature of the carrier's operations. Livery enthusiasts will later point out that it is similar to that worn by the jetliners of **British Airways, Ltd. (2)** and **Canadian Airlines International, Ltd.**

In an effort to cut expenditures, a new cost-cutting program is also inaugurated, featuring a 2,800-employee layoff, including 10 vice presidents—20% of the senior management staff. Also initiated are a freeze on the planned hiring of 1,900 workers, a 5% salary reduction on officers and nonunion personnel and 10% on directors, the grounding of aircraft, and a cut-back in departures.

In addition, a new subsidiary, UAL Leasing Corporation, is formed to charter new and used aircraft surplus to the company's fleet. Simultaneously, Chairman Wolf calls on newly inaugurated U.S. President Bill Clinton to convene a special air transport commission to study difficulties affecting the industry.

United begins thrice-weekly roundtrips between New York and Johannesburg on January 31.

Effective February 10, 33 unprofitable north-south daily domestic departures from Washington, D.C. (IAD) are terminated and 40 older aircraft are retired; a B-747SP-21 is leased to **Tajik Air**, flag carrier of the new Republic of Tajikistan. Federal Judge Marvin H. Shoob approves a \$458-million settlement of a class-action antitrust suit charging United and five others carriers with price fixing. Travelers will now be able to receive discount airfare coupons to compensate for overcharges made by the airlines between January 1988 and June 1992.

Also in February, the airline is able to sell \$600 million in preferred stock to private investors and the UAL parent forms a new subsidiary, UAL Leasing Corporation, to handle the firms aircraft sales and leasing activities worldwide. The strategic alliance with **Ansett Australia (Pty.), Ltd.** comes into effect during the month. In addition to reciprocal lounge and club access and frequent flyer program linkage, UAL is allowed to share codes on Australian domestic routes from Sydney and Melbourne to the Gold Coast.

On March 2, scheduled services are increased to Houston (IAH), doubled to Denver, and from these locations, service is enhanced with daily departures to Miami and Washington, D.C. (IAD). In mid-month, it is decided not to start the Ontario, California, to Mexico City route planned for July 1. A severe winter storm over the eastern U.S. during the week-end of March 12–14 forces the company to cancel 1,149 flights.

Flights commence on April 4 from Los Angeles to Hong Kong. Also in April, the Chicago-based ATP turboprop operations of **Air Wisconsin** are sold to Hulas Kanodia, owner of **Trans States Airlines**, who is beginning a new airline, **UFS (United Feeder Service)**. Air Wis President William J. Andres is succeeded by Vice President-Operations Ronald Aramini; however, the transfer of assets will not be completed until September.

Meanwhile, a purchaser continues to be sought for the BAe 146 operation formerly known as **Aspen Airways**. Unions, requested to make wage concessions, refuse. Simultaneously, the company purchases the **USAir** Philadelphia to London (LGW) route, which the Pittsburgh major has been required to divest itself of as part of its alliance with **British Airways, Ltd. (2)**, for \$14.5 million. The arrangement is not completed because the British will refuse to approve a key component of the deal, a switch of the U.K. terminus to Heathrow Airport.

Teaming up with Collins, the airline conducts HF datalink flight testing during the spring. Employee negotiations continue and by year's end a deal is struck that will make UAL Corporation the largest employee-owned company in the U.S. In exchange for \$5 billion in wage and work-rule concessions, workers will receive 53% majority shareholding and Gerald Greenwald as chairman in place of the widely disliked Stephen Wolf. Months will be required for the employee-buyout to work its way over all of the executive, political, and financial hurdles required.

Also in April, a marketing and code-sharing partnership begins with **Aloha Airlines** for Hawaiian flights inbound, via Honolulu, to Kona, Hilo, Maui, and Kauai.

The Los Angeles–Auckland B-747-422 service is increased on May 1 from thrice weekly to daily while B-737-322s launch twice-daily nonstops between Denver and Cleveland. On May 1–2, south to north B-767-322ER roundtrip service is inaugurated between New York (JFK) and Buenos Aires. The flights complement a nonstop Jumbojet service to the Argentine capital from Miami (MIA).

A broad commercial alliance is signed on May 15 with **Transbrasil, S.A. (Linha Aerea Transbrasil)**; its terms, effective on July 1, feature unified frequent flyer programs, reservations services, joint check-in, code-sharing, and mutual block-seat arrangements in general and on flights via São Paulo to Brasilia and Porto Alegre.

Also during May, the carrier invests \$300,000 over two years to sponsor the London Wasps rugby team. Sponsorship is seen as a way of attracting their fans—many of them frequent business flyers.

On June 9, nonstop B-757-222 roundtrips commence between New York (JFK) and Port of Spain, Trinidad; the previous one-stop service to

Trinidad is replaced with a one-stop flight from Miami to Port of Spain via Caracas. The same day, the Denver–Cleveland frequency becomes thrice daily. For the flying public's enjoyment, the availability of in-flight McDonald's meals is significantly increased on June 10. The use of laptop computers and CD players is, beginning on June 22, prohibited during takeoffs and landings.

In July it is announced that UAL will retire 15 of its 46 DC-10-10s over the next 14 months, along with all 10 B-747SP-21s. The megacARRIER enters into a code-sharing agreement with **USAir** in August. Under its terms, the Pittsburgh major will feed UAL's Latin American hub at Miami beginning the following month, while the Chicago giant will scale back its Orlando departures from 39 to 16 and end service from that Florida city to 6 domestic locations.

The number of Miami to Santiago de Chile roundtrip frequencies is increased on September 8 from three per week to daily and nonstop roundtrips are launched from Atlanta to San Francisco. As part of a cost-cutting requirement, flights are discontinued the same day to Bangor, Maine; Fargo, North Dakota, Fresno, Great Falls, Montana, Huntsville, Alabama, and Sioux City, Iowa. The next day, daily roundtrips begin from Washington, D.C. (IAD) to Glasgow and Zurich.

On September 13, the giant airline announces an agreement to sell 15 of its 17 U.S. flight kitchens in 14 cities to Dobbs International Services, a division of the Dial Corporation, for \$119.4 million. There is also an agreement in principle to purchase catering assets from Caterair International Corporation and provide catering services at New York (JFK). The divestiture ends an era of all-in-house catering launched in December 1936.

Business One service is expanded on September 17 to two new locations: Atlanta and White Plains, New York. On September 23, an agreement to code-share is signed with **Emirates Airlines, Ltd.** designed to attract more high-paying business travelers flying between Dubai in the Persian Gulf and the U.S. via London (LHR). Later in the month, a code-sharing marketing agreement is also signed with **Trans World Express**; under its terms, the regional provides feed to the major at New York (JFK).

Daily nonstop roundtrips commence on October 1 from New York (JFK) to São Paulo, Brazil, with continuation to Rio de Janeiro. The same day, the carrier reduces the number of daily departures from Orlando from 39 to 16, cutting out flights to Boston, Jacksonville, Newark, New York (LGA), Sarasota, Tampa, and Washington, D.C. (DCA). Culminating a lengthy courtship, the company joins with **Deutsche Lufthansa, A.G.** on October 2 to announce that they are joining forces as marketing partners.

Under the arrangement, which does not include the usual exchange of equity, passengers of either carrier may share in the other's frequent flyer program and use either airline's airport lounge. The two airlines will code-share to and from Frankfurt, using the "DL" designator on the German leg of transatlantic flights and "UA" on the American. The union, which will eventually result in 3,100 weekly code-share passenger connections and coordinated freight services, will also see shared advance seat reservations and through check-in.

In addition to the trading agreements, new routes are inaugurated: San Francisco to Guadalajara, Chicago (ORD) to Seoul, Atlanta to San Francisco, Miami to San Juan, and Washington (IAD) to Glasgow and Zurich.

On October 5, cabin crew on one flight "mutiny." While en route from Los Angeles to Auckland, a B-7747-422 with 19 crew and 418 passengers is diverted to Nadi because of a threat of fog at Auckland and marginal weather at the flight's alternate airport of Christchurch. Because of the change, the crew exceeds its maximum duty time and after the Jumbojet lands at Fiji, they walk out. Matters are eventually resolved and the aircraft departs Nadi for Auckland 11 hours later.

The company's pilot union informs its members on October 28 that it is suing the company over the code-sharing deal with **Deutsche Lufthansa, A.G.** Also in October, a credit-card marketing program is entered into with the Shanghai Bank of Hong Kong. Under its terms, bankcard members are able to earn frequent flyer miles. Daily roundtrips are initiated on October 31 between San Francisco and Guadalajara.

A comprehensive joint marketing and code-sharing agreement is signed with **ALM Antillean Airlines, N.V.** in November, connecting the two airlines at Miami; the U.S. major gains dual-designation on ALM flights to Bonaire, Curaçao, and Aruba.

UAL Corporation rejects a union offer in early November; however, during the fourth week of the month, negotiations are reopened. The first Airbus Industrie A320-232 is delivered on November 30.

The UAL Corporation board of directors on December 22 approves, in principle, the United Employee Stock Ownership Plan (ESOP). The sale of the last remaining components of **Air Wisconsin** to CJT Holdings is arranged at year's end: 12 BAe 146s and their routes out of Chicago (ORD).

Customer bookings ascend 4.7% to 69,816,000, the 3rd best showing in the world. In another category, revenue passenger kilometers, United increases its output 9.2% to 162.95 billion and by this measurement, it is once again able to claim that it is the world's largest airline. Cargo climbs 16.2% to 2.25 billion FTKs, good for an 11th-place showing. Revenues shoot up 12.6% to \$14.51 billion; only **American Airlines** has higher overall income. Expenses are up 6.1% to \$14.24 billion and allow an operating profit of \$295 million, the global industry's 10th best. Net loss is cut to \$50 million.

Airline employment drops 6.5% in **1994** to 76,282. A jetliner, en route to Spokane, makes an unscheduled stop at Madison, Wisconsin, on New Year's Day to rescue a dog and a cat mistakenly placed in an unheated cargo compartment. Twice-daily B-737-322 flights are initiated four days later from Miami to San Juan, Puerto Rico. The carrier joins with Delta and Northwest on January 18 in agreeing to pay \$30 million in \$5 fare coupons and lawyers fees to settle a class-action suit over tax-related surcharges on jet fuel attached to passenger fares at Chicago's airports.

On January 28, members of the machinists union approve a plan to give employees 53% control of the airline in exchange for cost saving and flexibility to create a low-fare carrier. Service is initiated in February from San Francisco to Beijing and Shanghai. In addition, a two-year marketing and code-sharing agreement is signed with the Mexican airline **TAESA (Transportes Aereos Ejecutivos, S.A.)**.

Daily nonstop roundtrips are launched on February 9 between John Wayne–Orange County Airport in California and Washington, D.C. (IAD). A new \$800-million B-737/B-757 maintenance center at Indianapolis is formally dedicated on March 2 with the opening of the first hangar in the huge complex. Also in March, five B-727-222As are sold to **Florida West Airlines**. The first B-777 is rolled out on April 9 and a marketing agreement is signed with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** on April 18. Under terms of the agreement, the two airlines agree to coordinate their schedules and marketing activities and, in the future, to introduce joint code-sharing.

Also during the month, a "definitive documentation" is signed with ALPA and the machinists' union covering the restructuring of the airline into an employee-controlled company. Under terms of the accord, employees are to receive 53% of the carrier in exchange for pay cuts and work-rule concessions worth \$5 billion. To satisfy investor and pilot concerns over a fall in the company's stock value from \$170 to \$143 a share, management agrees to increase the cash payout for shares from \$28.50 each to \$88 and to increase employee ownership to 55%.

Although the carrier's second largest stakeholder, Vanguard/Windsor Funds (10%) opposes the changes, the largest investor, Alliance Capital, supports it and the arrangement will be completed in July. At the same time, a campaign to halt the buying and selling of Mileage Plus travel certificates is expanded. Also during the month, a code-sharing, marketing, and frequent flyer benefit agreement is signed with Miami-based **Gulfstream International Airlines**.

In early May, a Gunther's Transport 53-foot semitrailer is painted in United Airlines Cargo colors and is employed to transport B-747 freight between Washington, D.C. (IAD) and East Coast freight centers. At the same time, international in-flight service is extended to the domestic transcontinental routes between New York (JFK) and San Francisco/Los

Angeles. **Gulfstream International Airlines** begins to feed its major partner in mid-month at Miami and Fort Lauderdale.

During the spring, a woman on an 8 1/2-hour flight from Chicago to Honolulu infects 4 others sitting near her with tuberculosis; she will die a few days later. Passengers on the flight will be tested and although all sitting in her area will test positive, none will become ill.

The long-delayed cooperative accord with **Deutsche Lufthansa, A.G.** begins on June 1 with two transatlantic flights from Frankfurt. Also during the month, nonstop B-747-422 flights commence from San Francisco to Sydney, Australia. Employees gain control of the company on July 12 by voting to exchange \$4.9 billion in wages and benefits over the next six years for 55% controlling interest. Gerald Greenwald replaces chairman/CEO Wolf and employees are given 3 seats on the new 12-man board of directors, whose members include John F. McGillicuddy, James J. O'Connor, Paul E. Tierney Jr., Joseph V. Vittoria, Paul A. Volker, Richard D. McCormick, Duane D. Fitzgerald, and John K. Van de Kamp.

Former **Northwest Airlines** Chief Financial Officer John A. Edwardson is elected president/chief operating officer of the nation's largest employee-owned company on July 15, succeeding Jack Pope, who leaves with Executive Vice President Lawrence Nagin. Nagin will later assume the same post with **USAir**.

At this point, it is announced that a low-cost Shuttle by United service will be introduced in the fall, designed to assault **Southwest Airlines** (2)'s domination of the California market. With **Continental Airlines'** CALite avoiding Southwest strongholds and **American Airlines** not competing with the Texas tornado, United becomes the first major to mount a direct attack on Herb Kelleher's airline on its own terms.

Just after restructuring is completed, Master Executive Council Chairman Roger Hall is forced to resign his post and withdraw from the board of directors when it is learned that he had authorized a \$2-million payment to ALPA staff attorney Charles Goldstein during the employee buyout effort. He is succeeded as chairman of the pilot's group by Harlow Osteboe, its vice chairman.

A month after employees take majority ownership, a company spokesman announces on August 17 that the airline is "understaffed" and that the hiring freeze is lifted in order that an application process might begin to fill 1,700 positions. During September, another former **Northwest Airlines** executive, Alan B. "Sky" Magary is appointed president of the new Shuttle by United division. The flight attendants' union now ends discussions with the airline concerning the possibility of joining the employee-ownership coalition; concerned that insufficient value is being offered for concessions, the union disbands its negotiating committee. Late in the month, a comprehensive marketing and code-sharing agreement is entered into with the Chilean domestic carrier **National Airlines, S.A.**

On October 1, the Shuttle by United division, employing a dedicated B-737-300/500 fleet, begins no-frills, low-fare, frequent service, with a 20-minute turnaround, in competition with **Southwest Airlines** in the California market; initially, 14 city pairs are served with a total of 82 daily flights. Unlike Southwest, United offers assigned seating, first-class service, and interlined baggage; it does, however, begin a ticketless travel product.

During the month's third week, in three days of testing, a B-737-322 outfitted with Stanford University Global Positioning System (GPS) equipment, makes 110 auto-landings at a NASA airfield near San Jose, California.

Also in November, fragrance manufacturer Takasago International Corporation purchases the former UAL reservation center in Rockleigh, New Jersey; it will be redesigned and equipped to house the firm's U.S. corporate headquarters.

Early in November, the airline reaches an agreement with the City of Denver to split the cost of overhauling the defective "high-tech" baggage system at the new Denver International Airport. The airline and city each pledge \$11 million and United agrees to pick up any cost beyond that, subject to reimbursement within six months of the airport's opening. The California shuttle service is increased to 271 flights in November. During the

month, service to seven U.S. and eight international destinations is terminated in order to make additional capacity available for the shuttle effort.

On December 5, Phoenix becomes the 10th western city to join the Shuttle by United route network; the number of flights operated by the division reaches 286 per day. Ten days later, the number of San Francisco to Los Angeles roundtrips totals 20 per day. Also on December 15, the carrier sells six B-727-22Cs to **Emery Worldwide**.

A comprehensive alliance with **Cayman Airways, Ltd.** begins in December. It provides for frequent flyer program linkage, joint advertising, marketing, promotion, schedule coordination, and connections at Miami for passengers of both carriers. Customers of UAL are able to enjoy code-sharing Cayman flights from Tampa and Miami to Grand Cayman and Cayman Brac.

During the year, another B-727-222 is donated to the Chicago Museum of Science and Industry and after reassembly, goes on display in 1995 in its original 1964 livery. In addition, veteran navigator and radio operator Ralph Lewis sees his memoirs published, *By Dead Reckoning: Recollections of a Master Navigator* (McLean, Va.: Paladwr Press).

Passenger boardings for the year rise 6.3% to 74,241,000 and freight moves ahead by 3.5% to 3.03 billion FTKs. UAL Corporation earns revenues of \$13.95 billion, up 4.7%, and generates profits of \$521 million (operating) and \$51 million (net). United Airlines contributes most of these figures, bringing in revenues of \$13.88 billion, up 5.5%. Expenses climb 3.9% to \$13.37 billion and the operating profit swells to \$513 million. The previous year's net loss becomes a \$51-million net gain.

The workforce stands at 82,321 in 1995, a 7.9% increase. Company officials announce on January 13 that the carrier will offer ticketless travel over its entire domestic system by midsummer in an effort to ease travel for some passengers while at the same time reducing costs. In mid-month, James J. Hartigan Jr. is named vice president-cargo and is charged with taking the carrier back into the full freighter business; United's Worldwide Cargo Division will now be treated as a core enterprise.

On January 30, it is announced that UAL is one of three majors that will increase roundtrip fares on flights starting or ending in Denver by an average \$40 to offset higher costs of operating from the new Denver International Airport when it opens at the end of February.

Also during the month, cleaning crew worker Ahmad Abu Aziz is terminated for allegedly stealing company property and drinking wine at an unauthorized party held aboard a parked aircraft at San Francisco. The man will file suit claiming he is a victim of anti-Muslim bias.

By the end of January, United workers at London have become the carrier's first international employee owners through the ESOP. By December 31, employees in Japan, New Zealand, Singapore, and Canada will also become owners.

On February 1, the carrier, overwhelmed by calls from its reservations offices, temporarily halts a scheduled change in its frequent flyer program that will raise the requirement for free domestic roundtrip tickets. Shuttle by United on February 8 begins to offer 32 daily departures in 8 East Coast city-pairs and a new route, from Phoenix to San Francisco, with 6 daily flights. The expansion brings the division's daily departures to 342, up from the 184 on opening day the previous year.

Two days later, the carrier joins in the **Delta Air Lines** initiative to place a cap on travel agent commissions. Four days later, it is one of five majors sued over the new practice by Travel Network, Ltd., franchiser of 350 travel agencies.

Also on February 15, company officials announce that they will match the fare cuts for winter and spring travel in the U.S. and to Europe and the Caribbean started by **American Airlines** and **America West Airlines** two days earlier. It is also reported that the company expects to take delivery of its first Boeing 777 on May 15 and to launch transatlantic service with it on June 7.

A controller at the Chicago (ORD) tower, accidentally steers a departing **British Airways, Ltd. (2)** Jumbojet onto a collision course with a departing DC-10-10 on February 25. Although the error is quickly realized and the Douglas is advised to climb, the 2 wide-bodies, with 507 people aboard, miss each other by just 300 feet.

Flight operations from the new Denver International Airport commence at 6 a.m. on February 27. United Flight 1062 for Kansas City is the first passenger service to depart. Five minutes later, Flight 1474, a B-737-522 from Colorado Springs, is the first passenger service to land at the new facility. Later in the day, the carrier imposes a fare increase that mainly involves business travelers; the tariff boost will quickly be matched by four other U.S. majors.

On March 3, federal officials release a full report of the previous spring's tuberculosis incident, calling the event the first documented case of the disease being transmitted from one passenger to another on a commercial airline. In response to a same-day offer by **American Airlines**, United, on March 31, offers discounts of up to 50% on all domestic flights booked by April 14.

At the beginning of the second quarter, United personnel begin a 90-day test cycle on the new B-777-222. After a ferry flight to Los Angeles (LAX) from Seattle on April 1, unit WA004 the next day begins several days of flying to Washington, D.C. (IAD) and back to Los Angeles (LAX) via Denver. Boeing retains overall responsibility for the new plane, even though some 660 UAL personnel will fly and maintain it and offer cabin services during the next three months.

On April 3, company officials announce a major restructuring of company marketing designed to eliminate unnecessary management and cut costs. All marketing operations are now separated from the airline's planning organization and top marketing executives begin to report directly to Chairman/CEO Greenwald.

On April 4, UAL Services is established as a division of United to sell the company's nontransport services to other carriers. Ten days later, a press release notes that the carrier will replace 94 of its oldest aircraft over the next 5 years.

As part of its 90-day test cycle, B-777-222 WA004 is flown by company personnel to and from London (LHR) during the third week of April. On April 25, company parent UAL Corporation announces its first profitable quarter since 1989. Success for the favorable report is attributed solely to the 1994 employee buyout program, which helped to sharply reduce costs.

On April 26, a B-767-322ER maintained to ETOPS standards with an engine out, experiences a pressurization problem en route from New York to São Paulo and must make an emergency landing at Bermuda. Air traffic controllers at New York Center lose radio contact with the jetliner during its long North Atlantic descent as it flies too low to communicate with the controllers' antiquated equipment. On the other hand, the plane remains in contact with United's Chicago dispatchers, who are employing a more advanced satellite link. Due to their advanced communications system, UAL, in commenting on the incident, indicates that their aircraft was never in any danger and no injuries are reported.

United Connection access via the Internet becomes available to CompuServe customers on April 30. Use of the service will, incidentally, earn members up to 5,000 extra miles from United's Mileage Plus frequent flyer program.

A German Transportation Ministry official reports, on May 1, that the cooperative agreement between **Deutsche Lufthansa, A.G.** and United is adding thousands of bookings a day for the German carrier on the fiercely competitive North Atlantic routes. When **Continental Airlines** the same day opens what has become an annual seasonal airfare competition, UAL quickly matches its fare discounts of up to 35% for off-peak summer travel on certain days.

Also on May 1, twice-daily nonstop B-737-322 service is inaugurated from San Francisco to Vancouver.

On May 14, employees file suit against Boston's State Street Bank claiming that it allowed them to overpay by some \$1 billion for their stock in the airline. To further a Shuttle by United experiment in the high-tech check-in of passengers, the company by month's end has installed kiosks at Los Angeles (LAX) and San Francisco that will assign seats and issue boarding passes to customers who have reserved seats electronically. The first of 34 B-777-222s on order is delivered the next day.

On May 30, the FAA announces that the company's new B-777-222s may skip the customary two-year test period and begin immediate flights over routes up to three hours from the nearest possible landing point. This is the first time that a new twin-engine jetliner has won such regulatory approval.

With three aircraft on hand, UAL is able to launch its high-profile B-777-222 into service on June 7. The first aircraft, replacing the service formerly provided by a B-767-322ER, performs Flight 921 from London (LHR) to Washington, D.C. (IAD). The plane departs London at 11:40 a.m. and arrives at Dulles at 2:55 p.m. From Dulles, the aircraft departs as Flight 911 to Chicago (ORD). Although scheduled to depart Chicago for Denver as Flight 941, the plane develops a mechanical problem and the service is cancelled.

A B-747-122 also assigned to transatlantic services is replaced the same afternoon with a B-747-222. The other two B-777-222s the same day fly from Frankfurt to Chicago and Chicago to Denver. Almost lost in this blitz of inauguration is the launching of weekly B-767-322ER roundtrips between Chicago (ORD) and London (LHR); the Dash-322ER-sized aircraft must be employed for the next 18 months by U.K. order.

Two additional daily roundtrips between Seattle and Anchorage are introduced, also on June 7. Nine survivors and relatives of four victims of the 1989 Iowa City crash are awarded a total of \$29 million in a June 8 out-of-court settlement. As part of a new decade-long program aimed at the elimination of 2,000 positions at San Francisco, the company, on the same day, announces that it will begin transferring 245 maintenance jobs to Indianapolis. No layoffs are envisioned as part of the transfer plan.

The U.S. Supreme Court rules on June 14 that settlements received by pilots forced by the company to retire at age 60 must be considered as taxable income; the flyers had argued that, as victims of age discrimination, they had suffered tax-exempt injuries. A Pratt & Whitney PW4084 engine on the first B-777-222 begins to encounter starting problems on June 17; it will be replaced by a spare engine at month's end.

Also during June's second week, the fourth B-777-222 makes the type's first visit to an international exposition when it arrives at Le Bourget airfield for the Paris Air Show after a record-breaking 9 hr. 2 min., 4,470-nm. flight from Seattle.

Also in June, the company introduces thrice-weekly roundtrips between Belo Horizonte, Brazil, and Miami.

The largest contractor with the U.S. Postal Service with 22% of all air-shipped domestic mail the previous year, United plans to obtain \$200 million in revenues from postal business this year, with three-fourths of that coming from domestic mail shipments. To ensure a smooth program, the company redesigns its postal depot operations at Chicago and Denver to facilitate easy transfer of mail from trucks to aircraft, thereby helping to improve on-time performance.

Upon its return from France to Illinois, the new B-777-222 becomes available on July 2 to inaugurate a Chicago-Paris route, with continuing service to Amsterdam. B-777-222 frequencies from London (LHR) to Newark (EWR) commence on July 17.

When the U.S.-Thailand bilateral air agreement is suspended by Thailand in early July because of Washington's requirement for greater access to Bangkok, **Thai Airways International, Ltd. (THAI)** makes it known that, although it also supports Japan in that country's discussions with the U.S. over beyond-flights for **Federal Express**, discussions for a proposed around-the-world pact with **Deutsche Lufthansa, A.G.** and UA will not be disrupted.

A mini-conference is held on July 20-21 between DOT Secretary Federico F. Pena and Japanese Transport Minister Shizuka Komei and they reach an accord that avoids a conflict over the route requests made earlier by **Federal Express**. UAL officials express relief that Japan had not renounced the 1952 bilateral agreement, which could have seriously threatened its beyond rights from Tokyo.

Having also encountered start-up problems, the spare PW4084 engine mounted on the first B-777-222 is removed at Chicago on July 22 and replaced. On July 24, a computer failure at the Air Route Traffic Control Center at Aurora, Illinois, forces UAL to cancel eight flights and divert

a number of others. The next day, self-service boarding machines are introduced at the Shuttle by United check-in areas of the airports at Los Angeles and San Francisco.

At month's end, the company, to further promote its B-777 service from London, pays to have a 350-ft. subway train painted in blue, gray, and red and become a moving billboard on the route from center city to London (LHR). During the month, President Edwardson is also given the title of chief operating officer.

On August 1, the service between Miami and Belo Horizonte becomes daily. Despite the introduction of additional electronic ticketing and the United Connection online reservations system during the first week of August, Shuttle by United does not seem to be making an impact on the **Southwest Airlines (2)** advantage in the West Coast market. The "United Express" contract with **Mesa Air Group** is renewed for service out of Denver; as part of the arrangement, Mesa is allowed to trade 12 DHC-8-300s for 25 smaller, hot-and-high DHC-8-200s.

In August, Washington and Caracas commence an intense series of discussions concerning Venezuelan aviation safety standards. Also during the month, a company DC-10-10, operating from McDonnell Douglas facilities at Long Beach, California, tests the Cockpit Weather Information Needs (CWIN) system developed by NASA and the Langley Research Center. During the last week of August, a B-747-422 flying from San Francisco to Sydney sends GPS positions by satellite employing the Future Air Navigation (FANS-1) navigation suite.

On September 2, Flight 881, a FANS-1 equipped B-747-422, operates the first commercial service using satellite navigation and communication on a scheduled service from Chicago (ORD) to Tokyo (NRT). On board for the historic flight is Russian CAA Chairman Nikolay Zobov, as the airliner flies over Siberia and communicates with the FANS-1 ATM work station at Magadan.

Despite progressive hiring, UAL finds itself in need of additional pilots. Management approaches the Master Executive Council of the local ALPA chapter, seeks, and wins its approval to buy back half of vacation days of currently employed flyers. A special election is called for September 8 to test the concept and when votes are counted three days later, the plan to pay flyers 3.6 hr. of overtime for every vacation day surrendered is accepted by 72.24% (3,338) of those pilots voting.

A B-777-222 is covertly flown into Dallas' Love Field on the night of September 10. The next day, it is unveiled as a surprise at the traditional luncheon for the introduction of the Neiman Marcus Christmas Book. The airline has teamed up with the upscale department store to offer "His" and "Her" B-777s as the top feature of this year's catalog. The opportunity to have the company paint a name of choice across the nose of one of the new wide-bodies is being auctioned off with a minimum opening bid of \$100,000. Any amount offered above that sum by the lucky winner will be donated to United's designated charity, AmeriCares. The package also includes a year of unlimited first-class travel on United, a VIP trip to Seattle to see the B-777 assembly line, and a flight in a B-777 simulator.

As a complement to the pact it holds with **Deutsche Lufthansa, A.G.**, UAL on September 11 joins with **SAS (Scandinavian Airlines System)** in a comprehensive pact that links the ticketing, schedules, and airport services of all three companies. Passengers will now be able to fly to any of these carriers' destinations in the U.S. and Europe with one ticket and collect frequent flyer mileage points for use in any of the companies' reward programs.

A computer malfunction at the Chicago Air Route Traffic Control Center during the second week of September again forces the carrier to cancel or delay flights. After years of planning, the carrier is finally able to inaugurate services in September from Chicago (ORD) to London (LHR).

Ticketless travel is expanded on September 18 into an option for passengers on all of the company's 2,000 daily flights. Requests for E-Tickets must be placed in advance with the carrier or through a travel agent.

On October 2, **USAir** admits that it is holding merger talks with the parent companies of United and **American Airlines**. The next day,

British Airways, Ltd. (2) announces that it is reevaluating its alliances in North America in light of the **USAir** announcement.

The next day, while taking off from Chicago (ORD) on a service to Tokyo (NRT), a B-747-422 with 22 crew and 263 passengers suffers a blown tire on its main landing gear. When the Jumbojet arrives in Japan, it is discovered that debris from the exploding tire has torn a 3.3-ft.-long hole in the fuselage behind its main section. The Fuji television station shows the pictures to the Japanese public.

On a less sensational note, the seventh B-777-222 is delivered during the month's first week.

A B-747-422 with 337 passengers encounters severe air turbulence while en route over the Pacific Ocean on October 17; five persons are injured, one seriously.

A freak snowstorm hits Denver on the night of October 22-23. Preparing to takeoff in early evening, Flight 1667 becomes stuck by ice and snow on a taxiway and blocks **American Airlines** Flight 2037 behind it; an hour will elapse before a tow truck can arrive. Just after midnight, a company B-727 landing on Runway 35-Left narrowly misses an airport worker's Chevrolet that has mistakenly driven out onto the runway. The airliner pilot executes a missed approach from low level without further difficulty or incident.

On October 24, DIA officials discover that a girl, traveling alone, has been stranded at the airport by the sudden collapse of **MarkAir**. Airport security personnel house the 13-year-old passenger overnight and the next morning, having learned of her predicament, United puts the girl—for free—on its flight to her New Orleans destination. Daily nonstop service is inaugurated on October 29 between Washington, D.C. and Milan; the previous intermediate stop at Rome is eliminated.

Also during the month, a trilateral around-the-world service is initiated with **Thai Airways International, Ltd. (THAI)** and **Lauda Air Luftfahrtgesellschaft, A.G.**, the latter replacing **Deutsche Lufthansa, A.G.** The new thrice-weekly flights allows dual-designator code-sharing via Bangkok with THAI, Los Angeles, or San Francisco with UA, and Vienna via **Lauda Air Luftfahrtgesellschaft, A.G. Deutsche Lufthansa, A.G.** is the big winner in this arrangement in that its pact with Lauda provides the German major with an alternative service from Frankfurt to Sydney, Australia, that allows it to discontinue its own thrice-weekly frequencies over the route.

On November 1, after an acquisition decision is postponed for two weeks, Chairman Greenwald begins to actively seek the support of United's employees for a takeover of **USAir**. Letters are sent to local ALPA members explaining that the deal is being evaluated, not only on the overall importance of a combined carrier, but also on cost reductions to be enjoyed along with revenue enhanced synergies. Greenwald will find much opposition to the union among rank and file, but will persevere, believing the merger good for his employee-owned company. FANS-1 crew training is completed the same day.

Also on November 1, a passenger aboard a B-747-122 with 301 aboard en route over the Pacific Ocean, suffers a broken leg when the aircraft encounters turbulence. The rough flight had been anticipated and, although all passengers had been warned to fasten their seat belts, she left her seat, anyway.

During the first week of November, the Japanese Ministry of Transport refuses to approve United flights from Osaka (KIX) to Seoul that had been scheduled to start in late October as a complement to the UAL service from Tokyo to Los Angeles via the South Korean capital. The following week, U.S. DOT Secretary Pena, on a 17-day Asian tour on behalf of his government's "open skies" concept, visits with Japanese Transport Minister Hiranuma Takeo in Tokyo to discuss the matter.

Following the conclusion of a new bilateral agreement between the U.S. and India, the carrier, on November 15, arranges to code-share on flights with **Air India, Ltd.** from New Delhi to Newark via London and Delhi to Los Angeles via Hong Kong segments of its about-to-be-launched "Round-the-World" service.

CEO Greenwald is unable to overcome union opposition and merger talks with **USAir** collapse at Thanksgiving. While descending for its

landing at Portland, Oregon, on November 25, a B-737-522 with 112 passengers encounters moderate turbulence. A flight attendant falls backwards onto a stove in the galley, breaking her shoulder.

All of the carrier's B-747-422s are equipped with the FANS-1 GPS suite by December 1. On December 15, code-sharing flights commence with **Air India, Ltd.** over a route from Chicago and Washington, D.C. (IAD) to New Delhi via London. The industry's only "Round the World" service is introduced during the month with flights connecting New York, London, New Delhi, Hong Kong, and Los Angeles. Other routes are now discontinued, including Seattle-London, Washington-Rome, and Tokyo-Taipei.

Enplanements accelerate 6.2% to 78,665,000 and cargo grows by 5.8% to 2.46 billion FTKs, the 5th highest freight total for any U.S. carrier after FedEx, UPS, American, and Northwest. Operating income jumps 7.1% to \$14.94 billion while costs grow just 5.1% to \$14.11 billion. Operating profit climbs to \$829 million while a \$349-million net profit is posted.

A total of 86,315 workers are employed in 1996, a 4.9% increase. Despite the fact that the U.S. Congress has failed to renew the decades-old 10% excise tax on airline tickets, United, together with **Southwest Airlines (2)**, raises fares by 10% on January 1, effectively cancelling out the savings for its passengers. Phase-in of the code-sharing pact with **SAS (Scandinavian Airlines System)** begins the same day. Later in the month, Shuttle by United withdraws its Seattle-Oakland service.

A severe winter storm cripples airline operations on the East Coast between January 7 and 11. Although 850 flights must be cancelled, advanced weather reports allow the major to fly most of its aircraft out of the region, primarily to Chicago (ORD). Only 8 aircraft remain immobilized at Newark (EWR), along with 17 at New York (LGA) and Boston before flights resume.

A tentative agreement with the flight attendants' union is reached on February 7; voting on the terms is concluded by mail by the rank-and-file members in April. A number of DC-10s are sold to **Federal Express** in exchange for cash and hush-kits.

While departing the gate at Fairbanks on February 20, the left wing of a **Delta Air Lines** B-757-232 with 91 passengers accidentally strikes the left wing of a United B-757-222 parked at the adjacent gate. The Delta crew, which had not noticed the ramp marshals' signals, is recalled before their aircraft can depart the taxiway.

Concerned over the reliability rate for its new B-777-222s, company officials meet with those from Boeing on February 22 to discuss the problems encountered. United announces a 4-for-1 stock split on March 1.

The U.S. and Germany agree on March 1 to drop restrictions on air travel between the two nations in support of the UAL and **Deutsche Lufthansa, A.G.** alliance. In remarks made at this time that will come back to haunt them, company officials from **British Airways, Ltd. (2)** led by CEO Ayling, strongly criticize the request made by United and **Deutsche Lufthansa, A.G.** for U.S. anti-trust immunity for their strategic alliance.

Following up on the brand new U.S.-Canada "open skies" agreement, UAL on March 1 launches daily roundtrips to Vancouver from both Denver and Los Angeles.

Direct B-777-222 return services commence on March 2 between Miami and São Paulo, Brazil. During the second week of the month, Executive Vice President-Fleet Operations Joseph R. O'Gorman writes to Boeing complaining of the continuing poor reliability rate of the 10 B-777-222s now on hand; his letter is seen as confirmation of points raised by company officials with Boeing at the end of February.

On April 1, the carrier expands its code-sharing agreement with **Air India, Ltd.** to include services between Delhi and Washington, D.C. (IAD). Simultaneously, the Indian flag carrier places its two-letter code on United flights between Delhi and Los Angeles.

The code-sharing compact with **SAS (Scandinavian Airlines System)** takes effect on April 15, although the SAS link with **Continental Airline's** OnePass frequent flyer program will continue through August. The deal provides for dual-designator flights between the U.S. and Europe and on selected U.S. and Scandinavian domestic routes. Also

linked are frequent flyer programs, airport services, marketing, promotions, and advertising, and freight. Among the services now provided are dual-designator SAS B-767-383ER flights from Stockholm, Oslo, and Copenhagen to Newark.

Also in April, the carrier announces that it will convert four DC-10s into freighters and return to the all-cargo arena in the fall with transpacific all-cargo services. In an almost unheard of move, a passenger slot at Tokyo's notoriously crowded Narita International Airport will be converted into a freighter slot.

On May 1, the company initiates a second daily B-747-422 roundtrip between Los Angeles and Tokyo (NRT) while discontinuing the daily roundtrip between Tokyo (NRT) and Newark (EWR).

Together with **Northwest Airlines** and **USAir**, the company, on June 29, offers its customers software programs that allow do-it-yourself reservations and ticketing. The same day, **Cathay Pacific Airways (Pty.), Ltd.** begins B-747-467 code-sharing flights with United from Hong Kong to New York via Vancouver five times per week.

It is announced on July 1 that the company has hired 40 new pilots in June and a total of 586 over the preceding 12 months. The American major sells seats to Cathay for its thrice-weekly nonstop B-747-238B frequencies from Chicago to Hong Kong that begin on July 16.

When a man is detained with a false passport at the Frankfurt Airport on July 20 prior to boarding a UAL flight to Washington, all aboard the B-767-322ER he was planning to board, including U.S. delegate to the U.N. Madeleine K. Albright, are evacuated.

Also in July, officials of **TACA International Airline, S.A.** (TACA Group) and **American Airlines** sign a memorandum of understanding for establishment of a strategic partnership. Due to intense opposition from other Latin American carriers, as well as **Continental Airlines** and United, the pact will remain enmeshed in bureaucratic regulatory wrangling during the next year.

Growing out of the continuing dispute between Washington and Caracas over Venezuelan aviation-safety standards, a two-day disruption of air service between the U.S. and Venezuela occurs on August 7-8. Government officials agree on the latter date to end the reciprocal flight cancellations and UAL resumes service on the evening of August 9.

Having received landing permission from Indonesian government officials, the company, on August 14, applies to the DOT for a route to Jakarta. It is noted that it is understood that the service, to be flown thrice weekly via Osaka, cannot begin until a new bilateral is signed between the U.S. and Japan.

During mid-month, United is the "official airline" for the Democratic National Convention, meeting in Chicago. On August 22, a \$900-million order is placed with Airbus Industrie for 24 A319s.

Also during the summer, a lounge is opened in London (LHR) where first-class and business-class passengers who pay full fare can shower and enjoy a variety of amenities. **Cathay Pacific Airways (Pty.), Ltd.** increases its dual-designator flights to daily with UAL on September 1.

Following the lead of **Continental Airlines**, United and three other major airlines on September 3 agree in principle to settle a suit by the American Society of Travel Agents charging the carriers illegally conspired to cap travel agent commissions on domestic airline tickets. The five will reportedly pay a total of \$87 million, but will be able to retain the controversial \$50 commission cap.

Ground is broken on September 17 at New York (JFK) on a new \$9.5-million, 92,000-sq.-ft. cargo transfer facility.

At the beginning of October, UAL and AlliedSignal begin a joint evaluation of the latter's Enhanced Ground Proximity Warning System. Several days will be given over to the trial conducted by a company A320-232 with pilots, engineers, or representatives aboard from the FAA, ALPA, AlliedSignal, and **American Airlines**, which allow UAL representatives on its test flights in November.

On October 18, **Lufthansa Cargo, A.G.**, a separate profit center from **Deutsche Lufthansa, A.G.**, begins a global freight partnership with United. Under terms of the agreement, the two will undertake joint rates, sales, and marketing.

Simultaneously, it is announced that two new advertising agencies—Minneapolis-based Fallon McElligott and New York-based Young & Rubicam—have been selected to coordinate the airline's \$120-million annual advertising account. The three concerns will form a strategic partnership to design and implement new advertising campaigns.

Six days later, on October 24, company officials report that Shuttle by United is now holding its own in its contest with **Southwest Airlines (2)** for control of the West Coast air travel market. Even while preserving first-class service and offering baggage check-in, the low-cost unit has been able to command 41% of market-share, compared to the Texas discount operator's 43%. The division operates a total of 360 daily departures from 12 West Coast cities; SWA, meanwhile, is busily expanding into the Northeast during the month.

Toward the end of the month and into November, United begins to seek DC-10-30CFs to lease for a new dedicated all-cargo service in the Pacific. The search is fruitless and the carrier soon begins to convert four of its passenger DC-10-30s to freighter configuration.

The Department of State and United, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide DOS with a passenger list within three hours of a crash.

Flight 2188, a B-737-522 with 112 passengers, en route from San Francisco to Las Vegas on November 19 encounters clear-air turbulence near Bishop, California; one flight attendant is seriously injured.

A comprehensive alliance is entered into with **Mexicana Airlines, S.A. de C.V.** on November 25. It provides for frequent flyer program linkage, joint programming, advertising, promotions, ground handling, airport lounges, and cargo cooperation. The two will share codes on flights within the U.S. and throughout Mexico and Central America and have access to each partner's international networks beginning the following May.

On November 28, an agreement is reached between the airline and its local ALPA chapter that calls for four wage increases (3%, 3%, 2%, and 2%) through the year 2000. The arrangement also includes eligibility for profit-sharing payments of up to 2% to be paid in lump sums in December of both 1997 and 1998. A similar arrangement is worked out with the members of the company's machinist union chapter. In a reflection of the competition for new business and leisure travelers, the company during the month elects to seek a new advertising agency.

Since January, employees in Argentina, Australia, El Salvador, France, Germany, Hong Kong, Mexico, Taiwan, Thailand, The Netherlands, the Philippines, and Venezuela have become company owners via the ESOP.

A reciprocal marketing and code-sharing agreement is signed with **Air New Zealand, Ltd.** on December 3, covering routes between Australia and the U.S. via New Zealand gateways, on selected U.S. domestic routes and on the trans-Tasman route between New Zealand and Australia. As part of the arrangement, which will commence in March, ANZ gains two new American entry points: San Francisco and Chicago.

When a delay in FAA certification blocks the planned start-up date for **Mountain Air Express** on December 4, UA is contracted to fly from Denver to six Colorado ski resorts on its behalf until the paperwork is completed and Mountain Air Express can take over its routes on December 15.

On December 5, United launches the 1990 vintage of Cuvee Dom Perignon champagne. For the entire month of December, the carrier's international first-class cabins are the only locations in North America where this newest Dom Perignon vintage can be tasted.

As of December 21, travelers booking flights to Australia via the company may obtain permission to enter the country through a new program that issues electronic travel authority.

Airline volunteers expand this year's "Fantasy Flights" holiday program for disadvantaged and handicapped children from 4–5 locations of the past several years to 27. At these domestic cities, the airline fills children into special aircraft that either taxi around the airport or provide lo-

cal flights before returning to Christmas gates to be greeted by Santa and Mrs. Claus. The jolly elf and his wife then distribute gifts from UAL employees and local businesses.

At the end of the year, the carrier reports that the number of disruptive passenger incidents has almost doubled since the previous year, increasing from 226 to 404.

Customer bookings accelerate 4% to 81,945,000 and 2.6 billion FTKs are operated, a 5.9% growth rate. Operating income for UAL Corporation grows 9.5% to \$16.36 billion while costs climb only 8% to \$15.23 billion. Operating profit hits \$1.12 billion while, after \$685 million in ESOP expenses are deducted, a huge \$533-million net profit is posted.

The employee population is increased by 6.3% in 1997 to 91,779. On January 2, torrential rain forces the swollen Truckee River to overflow and flood the area around Reno, Nevada, including Reno-Tahoe International Airport. Thirteen aircraft are grounded by the floodwaters, including at least one UAL B-737-222 that suffers damage to its landing gear and silt seepage into its brakes.

The next day, nonstop flights are added from Newark (EWR) to Boston and San Diego.

Incensed over the tone of recent contract negotiations, Michael H. Glawe, chairman of the United ALPA chapter and company board member, announces on January 5 that the carrier's pilots will no longer cooperate in the effort, proposed at the time of the employee takeover, to create a culture of collegiality. Glawe suggests that, as pilots have done more than other workers to ensure United's success of late, the flyers deserve a greater raise than is offered in the contract they are about to vote upon.

Four days later, ramp, food service, dispatch, and other members of the machinists' union accept a new wage-increase contract, although mechanics reject the one offered to them.

On January 10, United joins **Continental Airlines, Delta Air Lines, USAir, and Trans-World Airlines (TWA)** in submitting requested comments to the U.K. Office of Fair Trading concerning the proposed strategic alliance between **American Airlines** and **British Airways, Ltd. (2)**. All five protest that such a pact would give the British and American giants the dominant positions in transatlantic and other markets and that the OFT's proposal to require them to relinquish 168 weekly slots at London (LHR) is insufficient to counterbalance the alliance. BA files a 148-page written response.

Like the mechanics, the pilots, led by the militant Glawe, reject their contract on January 16. Neither the flyers nor the mechanics accept management's macroeconomic theories concerning recent financial good fortune, and instead attribute the company's upswing to their hard work. Management's failure in these labor negotiations calls into question the entire future direction for U.S. employee-owned companies during favorable economic times. The two labor disputes are sent to binding arbitration.

Despite a long-standing policy of avoiding direct competition with United, **Frontier Airlines (2)** finds itself forced into a pricing war with the major at Denver. On January 16, Frontier accuses the major of a pattern of predatory pricing designed to force it out of that market. United, in a press release, blasts Frontier-2, calling its charges "utterly groundless."

A block-space and code-sharing agreement is signed with **Saudi Arabian Airlines** on January 23 covering flights between Jeddah and Los Angeles. Under its terms, both carriers commit to a set number of seats on each other's flights, agree to link their frequent-flyer programs, offer a single check-in process, and cooperate on reservations, ground handling, and technical issues.

Sydney's Olympic Organizing Committee CEO Mal Hemerling and **Ansett Australia (Pty.), Ltd.** Chairman Rod Eddington announce on January 28 that UAL has been chosen one of seven carriers to receive the designation of official carrier for the Sydney 2000 Olympic Games.

The carrier's Denver operations are significantly expanded on February 11, with the company now offering 303 daily departures. Additional flights from the Colorado airport are offered to Colorado Springs, Las Vegas, Los Angeles, Miami, Minneapolis, Oakland, Ontario, Orlando, Phoenix, Portland, San Francisco, and Seattle. Included as part of this

service increase is the introduction by Shuttle by United of 12 daily roundtrips to Las Vegas and 13 daily roundtrips to Phoenix.

The increasingly uneven contest between United and **Frontier Airlines (2)** continues. Frontier, foreseeing its market share at Denver severely impacted by the UAL growth, elects to file a complaint with the U.S. DOJ on February 11, formally charging that the major is engaged in predatory pricing practices designed to put it out of business. The charges will quietly be investigated.

The same day, United launches daily service between Atlanta and Miami that will connect with seven UAL flights operating daily to and from South America through Miami (MIA)

Also during the month, dual-designator flights commence with **Aeromexico (2) (Aerovias de Mexico, S.A. de C.V.)** over a route from Miami to Mexico City. Additional code-sharing is initiated with **Thai Airways International, Ltd. (THAI)** on services from San Francisco to Bangkok either via Taipei or Hong Kong. In addition, THAI begins to share codes on UAL flights from Los Angeles to selected U.S. communities.

At the beginning of February, an agreement is reached with IBM and Speedwing to cooperate on an immediate marketing of the carrier's E-Ticket electronic ticket service to airlines worldwide.

The pact with **Saudi Arabian Airlines** takes effect on February 18. Saudi Arabian offers two flights a week between Jeddah and New York. These will now connect with UAL's transcontinental flights to and from Los Angeles.

During its descent over mountainous terrain toward a landing at San Francisco on February 25, a B-767-322 with 110 aboard experiences a severe jolt of unexpected, moderate clear-air turbulence; one flight attendant is seriously injured.

The reciprocal marketing and code-sharing agreement with **Air New Zealand, Ltd.** begins on March 1, covering routes between Australia and the U.S. via New Zealand gateways on selected U.S. domestic routes and on the trans-Tasman route between New Zealand and Australia.

On March 3, UAL settles with its local chapters of ALPA and District 141 of the IAM by giving its members, employee-owners of the airline, the largest salary and benefits increases permitted under the arbitration ruling. If they agree, the workers will receive 5% wage raises this July and in July 1998, while the airline will raise its contributions to their pension plans from 1% to 9%.

Flight attendants, still without a contract, threaten a campaign of "chaos" to force a favorable deal; brief, unannounced work stoppages designed to disrupt schedules are given as a potential example of actions that might occur.

The same day, new all-cargo flights commence from Chicago (ORD) to Asia. The first of two DC-10-30Fs launches six-times-a-week freighter service from Chicago (ORD) via Los Angeles and Anchorage to Osaka, Taipei, and Manila. The carrier thus becomes the second passenger line in the U.S. after **Northwest Airlines** to operate dedicated freighters.

Anchorage is the hub for this new operation, which will have 4 aircraft and 100 pilots based in the Alaskan community by September. This is the first time in company history that UAL has entered the international freighter business and indeed, the first time since the 1980s that it has flown all-cargo planes.

When the major, early in the year, elects to transfer code-sharing on eight "United Express" routes out of Los Angeles to **SkyWest Airlines**, previous operator **United Express (Mesa Air Group)** files suit. Although Mesa will continue to seek certain "commercial resolution" of the move, UAL will eventually provide it with seven new California routes as compensation. Employing two converted DC-10-30s as of March 17, the company's Worldwide Cargo Division launches pure freighter services to Japan and on to Taipei and Manila.

At San Francisco, former worker Ahmad Abu Aziz, who had claimed in court that he had been discriminated against and terminated by his supervisors because he is a Muslim, is awarded almost \$3 million as settlement in his wrongful termination suit. United appeals the verdict and award to the 1st District Court of Appeals.

At the same time, a \$14.6-million order is signed with AlliedSignal to equip the entire fleet with its Enhanced Ground Proximity Warning System (EGPWS); 11 more A320-232s will have the system on board by the end of April.

As a result of a successful argument before British regulators, UAL is able, on March 30, to inaugurate a second daily Chicago-London (LHR) roundtrip. It can, however, only be flown during the high summer season that ends in October.

The next day, a B-777-222 IGW (increased gross weight) replaces a B-767-332ER on one of the carrier's two daily frequencies from San Francisco to London. The scheduled 10 hr. 45 min. California-England flight by the new aircraft is 20 min. less than that for the B-767.

The all-cargo service based in Anchorage is off to a bumpy start. Engine problems force the carrier to cancel over 30% of its scheduled Worldwide Cargo flights during the month.

On April 1 the company defies the current trend in reducing food quality and quantity, by "substantially increasing" both in coach-class on its flights from Newark (EWR) to the West Coast cities of Los Angeles, San Diego, San Francisco, and Seattle. The move is an attempt to win some business away from the "snack flights" of its major competitors.

Deutsche Lufthansa, A.G. is also interested in this experiment to see whether better and more food lures passengers and its subsidiary, LSG Lufthansa Service-Sky Chefs, gives United \$1 million worth of food and services as part of the study.

Electing not to compete for the moment with the transatlantic services of **American Airlines** or **British Airways, Ltd. (2)**, the company continues to operate only two daily B-767-222ER roundtrips from New York to London. Since January, employees in Belgium, Brazil, and Peru have become United owners via the ESOP.

Dual-designator flights with **Air New Zealand, Ltd.** are significantly expanded on April 1. Covered are ANZ services from Sydney to Los Angeles and to Auckland, Auckland to Los Angeles, Honolulu, and Melbourne, and Melbourne and Los Angeles. ANZ is able to place its code on UAL flights from Los Angeles to Auckland, San Francisco, Chicago; Sydney and Los Angeles, San Francisco; Melbourne and Los Angeles and Auckland; and Auckland and Melbourne.

The same day, a second daily B-767-322ER roundtrip is started between Chicago (ORD) and London (LHR); the service will be operated through October 25.

B-747-422s replace B-747-200s on the company's daily services between New York (JFK) and Tokyo as of April 3. A wide-ranging strategic alliance is entered into with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, also on April 3. When implemented on October 26, the arrangement will see coordination of schedules, shared frequent flyer programs, and code-sharing. VARIG will operate dual-designator flights from Rio de Janeiro and São Paulo to Los Angeles, Miami, New York, Atlanta, and Orlando, while VARIG will attach its code to United services to São Paulo and Rio de Janeiro from New York, Chicago, and Miami.

Flying nonstop, B-777-222 IGWs replace B-767-322ERs on the carrier's daily service between San Francisco and London (LHR) on April 5. On April 7, Flight 203, an A320-232 with 5 crew and 40 passengers en route from Boston to Newark encounters clear-air turbulence as it approaches the latter point; one flight attendant is seriously injured.

Beginning on April 8, UAL adds 4 B-747-422 flights between New York (JFK) and Tokyo for a total of 11 departures each week.

On April 10, ALPA-represented pilots agree to the mid-contract wage agreement negotiated the previous month. The terms are ratified by 98% of qualified employees voting. On April 11, the second B-767-322ER is relieved of flights from San Francisco to London, making the twice-daily nonstop service all B-777.

While on descent into Ontario, California, on the evening of April 16 following a flight from San Francisco, the captain of Flight 2327, a B-737-522 with 100 passengers, is injured when exposed to a laser beam from the ground.

After pushing back from the gate at Chicago (ORD) on April 28 for a flight to Philadelphia, Flight 1210, a B-737-222 with 4 crew and 54 pas-

sengers, suffers an uncontained failure of its right engine; no one is injured in the subsequent evacuation.

Also during the month, the new \$9.5-million transfer facility is opened at New York (JFK).

Dual-designator flights with **Mexicana Airlines, S.A. de C.V.** begins on May 1. Under terms of their alliance, United is able to place its codes on Mexicana flights from San Francisco to Guadalajara, Chicago to Guadalajara and Puerto Vallarta, Miami to Cozumel and Cancún, Denver to Mazatlan, Puerto Vallarta, and Cabo San Lucas, Newark to Cancún, Los Angeles to Cancún, and San Jose, California, to Guadalajara.

Also on May 1, United launches a series of commemorative events in Honolulu, Kona, Maui, and its mainland gateway cities designed to celebrate 50 years of service between the U.S. West Coast and Hawaii. Flight attendant Ron Akana, one of the airline's original eight male stewards hired in 1949 to serve on the Hawaiian route, is aboard a number of celebratory flights that follow the day's return voyage by Flight 825, a B-747-100. Akana is now No. 4 on the carrier's flight attendant seniority list.

During the spring, the Shuttle by United division of United is able to force **Frontier Airlines (2)** to reduce its flights between Denver and Las Vegas. Frontier again appeals to the DOT. Stung, United, on May 8 files a motion with DOT accusing Frontier of waging an unrelenting campaign of "mischaracterizations, misrepresentations, and misstatements." The Chicago-based major, in a press release, charges that Frontier is petitioning the government "to interfere with the free workings of the marketplace to protect them from the rigors of competition that all carriers face."

With considerable fanfare on May 14, United joins with its marketing partners **Deutsche Lufthansa, A.G., Air Canada, Ltd., Thai Airways International, Ltd.,** and **SAS (Scandinavian Airlines System)** in an enhanced joint venture marketing venture to be called Star Alliance. The new alliance, seen in some quarters as a counter to the proposed **British Airways, Ltd. (2)-American Airlines** arrangement, will stitch together the operational and marketing efforts of all five airlines.

Employees of the five will be able to share ticket offices and airport services, purchase supplies jointly, and contribute to joint promotional and advertising campaigns that will be handled by the New York firm of Young & Rubicam Advertising, which is given a \$25-million budget to publicize unified efforts.

Travelers on any of the carriers will be able to accumulate and cash in frequent flyer mileage from any of the five. Plans are made to have **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** join the group in October.

While company leaders are celebrating the new alliance in a grand Frankfurt ceremony, aircraft from two of the partners are involved in a ground collision at London (LHR). While both are taxiing to a holding point prior to takeoff, a United B-777-222 and an **Air Canada, Ltd.** B-747-433 scrape wings. Both aircraft are inspected. The Canadian Jumbojet, which takes only superficial and easily repairable damage to one of its winglets, is cleared to depart for Toronto three hours later. The 777, however, sustains leading edge and aileron damage sufficient to cause cancellation of its flight to Washington, D.C. (IAD).

Almost unnoticed in this flurry of international activity is the inauguration of a reciprocal code-sharing and marketing agreement with **Air New Zealand, Ltd.** It covers frequencies between the U.S. and New Zealand, the New Zealand-Australia trans-Tasman routes, and domestic services in the U.S. and throughout the ANZ domestic route network.

Young & Rubicam Advertising unveils its new publicity on May 16; the noted three-decades old "friendly skies" campaign from the Leo Burnett agency is replaced with a new "United Airlines Rising" push that emphasizes the role the carrier can play in solving the problems of frustrated passengers.

U.S. President Clinton, on May 20, names Jerry Greenwald chairman of the "National Welfare to Work Partnership," making United a leader in the effort to move people off welfare and into jobs.

On May 22, United discontinues its "Friendly Skies" slogan, first introduced in 1965, and launches a new ad campaign called "Rising." The

campaign focuses on the company's new Customer Satisfaction Philosophy (CSP) that will become the basis for all of its future actions. Also on May 22, a nonbinding agreement in principle is reached with Galileo International Partnership (GI), under which GI will purchase United's entire 77% stake in Apollo Travel Services for \$539 million.

Toward the end of the month a near tragedy occurs at Chicago (ORD). While on its takeoff roll down runway 14R, a **British Airways, Ltd. (2)** B-747-436 with 335 passengers is ordered to abort its liftoff when wind causes a United B-737-322, with 58 passengers, to land long on intersecting runway 27L directly toward the path of the Jumbojet. Blowing 6 tires, locking up 12 brakes, and stunning all aboard, the heavily loaded British jet screeches to a stop just 2,000 ft. from the little Boeing.

Beginning on June 1, B-777-222 IGWs replace B-767-322ERs on the Los Angeles-London service. En route from Buenos Aires to New York (JFK) two days later, a B-767-322ER with 11 crew and 111 passengers encounters severe turbulence 100 mi. S of Asuncion, Paraguay; one flight attendant is seriously injured.

By June 4, the company has 16 B-777-222s and 6 B-777-222 IGWs on hand and during the month, B-777-222s complete the takeover of most of the airline's transatlantic routes, including those from Chicago, Newark, and Washington to London, Washington to Paris, Chicago to Paris and Frankfurt, and Washington to Amsterdam, Paris, and Frankfurt. New York is the only U.S. airport left with a year-round daily B-767-322ER service to London.

Meanwhile, on June 5, a second daily nonstop flight is launched between Frankfurt and Washington, D.C. (IAD).

En route from Philadelphia to Chicago (ORD) on June 8, Flight 1517, a B-737-322 with 5 crew and 76 passengers is involved in a near miss with a Cessna 414, near Valparaiso, Indiana. A TCAS advisory and alert allows the Boeing to climb out of the path of the smaller aircraft.

On June 11, Flight 441, a B-737-291A with 5 crew and 103 passengers and on descent into Albuquerque after a flight from Denver, encounters clear-air turbulence; one flight attendant is seriously injured.

A second daily nonstop is introduced on June 16 between Frankfurt and Chicago (O'Hare). Both are operated with B-777-222 IGWs, as is the second daily service to D.C. The second daily service from Frankfurt to Chicago is flown by a B-767-322ER. UAL's existing daily nonstop from Dusseldorf to Chicago will continue to be operated with a B-767-322ER. All flights to and from Germany are flown as dual-designator offerings with **Deutsche Lufthansa, A.G.**

The same day, daily B-737-322 roundtrip service is inaugurated between Austin, Texas, and San Francisco, while daily A320-232 roundtrip flights commence between Baltimore (BWI) and Los Angeles.

Flying nonstop, in a timeframe four hours shorter than one-stop, a company B-747-422 on June 12 initiates seasonal summer flights from Chicago (ORD) to Hong Kong.

Operating nonstop, B-777-222 IGWs replace B-767-322ERs on the carrier's daily service from Los Angeles to London (LHR). Daily A320-232 roundtrips commence on June 15 between Hartford, Connecticut, and San Francisco.

On June 26, the carrier receives its premier A319-131 in ceremonies at Toulouse, France; it is the first of 24 UAL has on order and will arrive at Chicago 4 days later. United is the first U.S. Carrier to accept one of the small Airbusses.

While on a company service from New York to Los Angeles on June 28, televangelist Rev. Robert Schuller becomes involved in a scuffle with a male flight attendant in an incident that increases over the preacher's request for fruit without cheese. His actions are reported to authorities after the plane lands.

The World Cargo service from Anchorage has righted itself by the end of the second quarter, with 100% of its departures on time.

The transition to a smoke-free airline is completed on July 1 when UAL bans smoking on its 32 daily Asian and South American flights. Also on the first day of the month, the new A319-131 arrives at the company's San Francisco maintenance base after a flight from France via Toronto.

The next day, it is reported that since the company's 1994 rebirth, its stocks have risen 260% in value. With a second A319-131 now available, the company introduces the type into commercial service on July 8 with daily flights from Chicago (ORD) to Boston, Los Angeles, Santa Ana (Orange County), and Washington, D.C. (DCA). United is the first U.S. operator to fly the little Airbus.

Negotiations with AFA, which chose not to join the union-led company buyout, are reopened on July 10.

The flight crew of Flight 2327, a B-737-522 with 112 other passengers, is exposed to a laser beam during approach to Ontario, California, on July 14 while on a service from San Francisco. The incident, in which a red light on two occasions appears to track the aircraft, does not result in any injuries, but is, immediately upon landing, reported to UAL, the FBI, and the Aero Bureau of the San Bernardino County Sheriff's Department.

A dispute between **Mesa Air Group** and its **WestAir Commuter Airlines** unit, doing business as **United Express (Mesa Air Group)**, vs. **United Airlines** and **SkyWest Airlines** concerning access to certain West Coast markets results in a July lawsuit. UAL files suit in the U.S. District Court in Chicago seeking a determination as to the rights of all parties to the routes before any of the companies suffer economically. Mesa does not countersue.

On July 15, a tentative agreement is reached on a new contract with AFA. Under its terms, they will receive raises and bonuses totaling 36% over the next decade. If approved, the arrangement will bring to a close a difficult 500-day negotiation.

The same day, an additional daily B-737-322 roundtrip is inaugurated between Miami and Caracas, Venezuela. The new offering boosts United's U.S.-Latin America services to 202 weekly flights.

Manila experiences a runway blackout on July 18 that results in delayed departures, arrivals, and diversions for several hours; a UAL flight from Japan is diverted to Taipei, Taiwan.

According to an article by Dave English, UAL now operates three of the longest routes in the world. By city-pair, distance, and time, they include: Chicago to Hong Kong, 7,769 st.mi., 15 hrs 50 min. eastbound, 14 hrs 30 min. westbound; Los Angeles to Sydney, 7,489 st.mi., 14 hrs. 40 min. eastbound, 13 hrs. 50 min. westbound, shared with **Air New Zealand, Ltd.** and **Qantas Airways (Pty.), Ltd.**; and San Francisco to Sydney, 7,420 st.mi., 14 hrs., 25 min. eastbound, 13 hrs. 20 min. westbound (*Airways* [July-August 1997]: 21).

Although it will continue its long-standing relationship with **WestAir Commuter Airlines**, UAL, on July 22, announces a new marketing agreement with **SkyWest Airlines**. The new "United Express" partnership is designed to enhance services from Los Angeles.

A wide-ranging new strategic partnership between **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and **American Airlines** is tentatively concluded at the end of July. Under its terms, AMR Corporation would acquire a 10% stake in Iberia's owner, SEPI, which also controls the Argentine carriers **Aerolineas Argentinas, S.A.** and **Austral, S.A.** and lead an effort to find additional investors who will purchase up to 35% additional shareholding. In addition, Iberia and American will begin to share codes on flights from Spain to the U.S. and link their frequent flyer programs.

In South America, American would establish reciprocal frequent flyer arrangements with both **Aerolineas Argentinas, S.A.** and **Austral, S.A.** and code-share on certain of their internal routes. Meanwhile, the U.S. major's almost-partner **British Airways, Ltd. (2)** and Iberia discuss a 10% equity stake for the U.K. flag carrier as well as a strategic partnership with the usual frequent flyer program linkage and code-sharing on routes between Madrid and London. Significant opposition quickly materializes from **Continental Airlines** and United; both fear not only an AA-BA linkup, but also the potential domination of Latin American routes by the Dallas-based megacARRIER.

In early August, UAL joins forces with the Buick division of General Motors to promote the Regal automobile. Passengers receive a snack pack containing a cookie and promotional material on the car, including

an invitation for a test drive. Those actually taking a drive will receive a certificate that can be mailed back to United for the receipt of 500 United Reward frequent flyer miles.

On August 11, as employees of **UPS (United Parcel Service)** go on strike, UAL runs national ads for same-day delivery of packages weighing up to 70 pounds. In federal court on August 13, the noted television evangelist Rev. Robert H. Schuller apologizes for assaulting a flight attendant over service on a recent UAL flight; he agrees to enter a program that could end the possibility of further prosecution after six months of good behavior.

The FBI is called in at Indianapolis on August 23 after the carrier reports finding several apparently intentional maintenance irregularities on a B-737-222A. On September 4, **Northwest Airlines** raises its domestic fares by 5% and over the weekend, most other U.S. majors, except **Southwest Airlines (2)**, join in.

On September 8, **American Airlines**, **Delta Air Lines**, and **Trans-World Airlines (TWA)** abandon the fare boost, but when United does not go along, these big three reinstate the higher tariffs the next day.

In spite of a 1993 air transport agreement between Russia and the U.S. that allows cooperative arrangements, Russian civil aviation officials decide to disallow joint flights between United and **Deutsche Lufthansa, A.G.** to Moscow. After United's application to use a recently established air route over the territory of the Russian far east is denied, the American major attempts retaliation. On September 9, it petitions the DOT to ban **Aeroflot Russian International Airlines (ARIA)** landings in Washington, Chicago, and San Francisco.

Also on September 9, the company moves and embellishes its transcontinental services from New York (JFK). All 14 of its daily flights to San Francisco and Los Angeles are now operated from Gates One, Two, and Three in Terminal Six, formerly the **Trans-World Airlines (TWA)** terminal.

Simultaneously, daily nonstop B-767-322ER return service is inaugurated from Chicago (ORD) to São Paulo. It is the first international route introduced in over a year.

On September 12, UAL requests that the U.S. DOT investigate a new agreement signed during the first week of September between **LAN-Chile Airlines, S.A.** and **American Airlines** designed to increase the number of LANChile destinations. It would also permit LANChile customers to travel from any city in Chile to any destination in the U.S. airliner's worldwide network.

After 31 years with the airline, Senior Vice President-Fleet Operations/Administration Joseph O'Gorman retires. He is succeeded by Andrew P. Studdert, senior vice president-information services/chief information officer.

Also during September, the carrier reports an unprecedented increase in coach-class food ratings. United attributes this success to the introduction of 17 selections from *USA Cookbook* by consultant Sheila Lukins.

Two more DC-10-30Fs arrive on September 20 and the company's international freighter service begins to hub at Anchorage. The new aircraft add east- and westbound routes via Alaska, between New York, San Francisco, and Tokyo.

On September 25, the company announces that it will launch electronic ticketing E-Ticket service, widely popular in the United States, on transatlantic flights for the first time during the following week.

While en route from Chicago (ORD) to Tokyo (NRT) on September 26, Flight 881, a B-747-422 with 13 crew and 321 passengers, encounters clear-air turbulence near Grand Forks, North Dakota. Although one flight attendant is seriously injured and one passenger receives minor injuries, the captain does not declare a medical emergency and continues on to Japan.

During the month, two additional DC-10Fs are acquired for the fleet of the Worldwide Cargo Division. In addition, code-sharing is expanded on **Deutsche Lufthansa, A.G.** routes thrice weekly from Frankfurt to Addis Ababa via Cairo and Frankfurt to Amman, twice weekly from Frankfurt to Johannesburg, and weekly from Frankfurt to Harare, Zimbabwe via Johannesburg, and Munich to Cairo.

Although the majors disagree over Latin American routing, they band together behind United on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing.

Also on October 1, **United Express (Mesa Air Group)** and **Skywest Airlines** increases "United Express" services from their Los Angeles hub by 73% to 175 daily flights; at the same time, 12 new California destinations are now initially visited, including San Jose, and E-Ticket sales commence for foreign destinations.

United, on October 1, launches an ad campaign in Latin America, Asia, and Europe that features actor Marlon Brando in his first commercial role. The "Rising" ad comes from New York-based Young & Rubicam.

The travel agent payment initiative is matched on October 6 by **American Airlines**, **Continental Airlines**, **Delta Air Lines**, **USAirways**, and **Northwest Airlines**. **Southwest Airlines** and **Kiwi International Air Lines** announce that they will maintain the 10% scale. The travel agency industry, which, despite ticketless travel still writes 80% of all tickets sold, protests.

In mid-month, the Chicago (ORD) service to São Paulo is extended to Buenos Aires. On October 16, it is announced that, beginning in the fall of 1998, the company will provide heavy maintenance overhauls for its Airbus fleet at its Indianapolis Maintenance Center.

Deval L. Patrick is named the new salaried/management employee director on the UAL board on October 17, replacing Joseph Vittoria.

An unusually severe winter snowstorm blankets parts of Colorado with up to four feet of snow on October 24–25. On the first day of the crisis, UAL cancels 500 flights from Denver.

VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.) joins the "Star Alliance" on October 26. Simultaneously, daily nonstop UAL B-767-322ER service from Chicago (ORD) to São Paulo, Brazil, begins; the return service from São Paulo to Chicago begins the next morning. UAL is now the only airline with nonstop service between the Midwest and South America. Seoul joins the DC-10-30F freighter route the same day.

On October 31, the carrier moves its Toronto gates to Terminal 2 in order to be closer to its "Star Alliance" partners **Air Canada, Ltd.** and **Deutsche Lufthansa, A.G.**

The same day, Shuttle by United begins to offer nine daily roundtrips between Denver and Salt Lake City. The new low-fare offering replaces seven daily main line frequencies previously provided by the parent. The Denver flights are in addition to the Shuttle's three nonstops to San Francisco and the two mainline flights from Salt Lake City to Chicago.

Also during the month, Jumbojets on the Miami–São Paulo route are replaced by B-777-222 IGWs. Simultaneously, a retired B-737 is turned over to the State of Indiana; it will be placed in a hangar at Indianapolis for training use by company mechanics and students at the Aviation Technology Center.

E-Ticket travel on nonstop flights between London and Chicago, Los Angeles, New York, Newark, San Francisco and Washington begins on November 1.

Also on November 1, **Continental Airlines** moves out of **Air Canada, Ltd.'s** Terminal 2 in Toronto, making room for "Star Alliance" partner, United Airlines. Simultaneously, **Air Canada, Ltd.** transfers from Continental's Newark terminal to United's.

United Express (Mesa Air Group) service from Denver to Fort Collins, Loveland, and Longmont, Colorado, is terminated in November as the result of low prorates from **United Airlines** and high Denver airport costs. United begins an "Airport Express" bus service that operates 14-times-per-day roundtrips from Denver to Fort Collins and 12 times per day to and from Longmont and Loveland.

Pilots, on November 18, ratify an agreement allowing "United Express," the company's feeder partners, to operate jet aircraft with 50 seats or less. Previously, the pilots' contract restricted the feeders to the

operation of turboprop aircraft, while other feeder or regional airlines were offering jet service.

Former director of flight operations and chief pilot on the company's San Francisco–Honolulu route, Capt. Walter J. Addems, 98, dies at his Palo Alto, California, home on November 21.

On November 24, the newspaper *USA Today* reveals that the DOJ is, indeed, in the early stages of investigating a February 11 complaint by **Frontier Airlines (2)** against United concerning predatory pricing practices at Denver. UAL has denied the charges and it would appear that no ruling will be given before year's end.

Another revolutionary policy, initially announced as a two-month test, is unveiled on December 1; on each of the carrier's five daily flights to Des Moines from Denver and Chicago, low-cost Takeoff Fare passengers will be allowed only one carry-on bag instead of two. Except for those traveling on frequent flyer awards, these customers are also required to employ the carrier's electronic ticketing system.

Saturday and Sunday seasonal nonstops are launched on December 6 between New York (JFK) and San Juan, Puerto Rico.

USA Today reports, on December 10, the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; United demonstrates a 77.2% achievement, good for 10th place.

A giant storm dumping heavy wet snow blankets the Chicago area, also on December 10, with as much as 8 inches. United and **American Airlines** are forced to cancel between 25%–40% of their flights from O'Hare. Many delays are caused by poor visibility at other affected airports further east.

The last of six A319-131s delivered this year arrives in mid-month and on December 20, A320-232 nonstops are initiated between Denver and Mexico City. This seasonal service will continue until next April 4. On December 22, President/Chief Operating Officer Edwardson announces an increase in the company's grant to the National Association for the Advancement of Colored People to \$100,000 a year for the next two years.

Flight 318, a B-737-322 with 5 crew and 100 passengers, is standing at the gate at the airport in Eugene, Oregon, on Christmas Day and in the process of deplaning passengers after a flight from San Francisco. Suddenly, the captain orders an emergency evacuation when ground personnel notify him that the No. 2 engine is on fire. During the evacuation, the captain discovers that the fuel lever is in the flight-idle position; when it is turned off, smoke stops coming from the engine. The evacuation order is cancelled and the rest of the passengers deplane normally.

United Express (Mesa Air Group) flights from Denver to Laramie, Rock Springs, and Worland, Wyoming, are terminated after Christmas.

En route from Tokyo (NRT) to Honolulu on December 28, Flight 826, a B-747-122 with 393 passengers, encounters clear-air turbulence at a point about 1,100 mi. E of Japan. The Jumbojet returns to Tokyo where 74 passengers and 9 flight attendants are hospitalized. One 32-year-old Japanese woman subsequently dies of injuries.

During December, a total of 2.7 million E-Ticket coupons are employed. During the year, more than 40% of all eligible UA itineraries have been ticketed electronically.

Passenger boardings ascend 2.8% to 84,245,000, while freight jumps 24.4% to 3.24 billion FTKs. Operating revenues for UAL Corporation climb 6.2% to \$17.37 billion, while expenses rise 5.8% to \$16.11 billion. The operating profit grows to \$1.25 billion, while a net \$949-million profit is celebrated.

At the beginning of 1998, United leads the world in terms of operating revenue, 2nd in terms of the number of passengers flown and in employees, 3rd in operating profit and fleet size, 4th in net profit, and 11th in FTKs.

Airline employment stands at 94,000 and the fleet, 79.1% of which is Stage III certified, includes 575 airplanes: 75 B-727-200s, 207 B0737s,

51 B-747s, 94 B-757-200s, 42 B-767s, 30 B-777s, 4 A319s, 41 A320s, and 30 DC-10-30s.

Flight 965, a B-767-322ER en route from Zurich to Washington, D.C. (IAD) on January 9, experiences electrical problems that force it to divert from a point west of Paris to London (LHR). After landing, flight attendants report smoke in the first-class cabin and galley, leading to an emergency evacuation during which several minor injuries are reported. Investigators find concentrated fire and heat damage in a bundle of wiring.

Also in January, the company announces that, effective on May 30 and September 30, it has cancelled "United Express" feeder service with the **Mesa Air Group** subsidiary **Westair Commuter Airlines** on flights from San Francisco and the Pacific Northwest.

During the month, the carrier is sued by the wife of a man who had died of a heart attack aboard one of its flights; the suit charges that the carrier should have equipped its planes with portable defibrillators, even though the FAA does not require them.

On January 30, a new bilateral air agreement is signed between the U.S. and Japan. Under its terms, the company is able to add 90 weekly roundtrip flights to the 46 it already flies.

It is announced at the beginning of February that construction will begin soon on a \$200-million expansion of the carrier's Los Angeles (LAX) terminal facilities, including a 43% boost in the size of the terminal employed by Shuttle by United.

Also during the month, the carrier joins with **United Airlines** and **Air Canada, Ltd.** to announce creation of a joint venture that will trade aircraft parts. During the first two months, discussions concerning a strategic alliance have been undertaken with **All Nippon Airways Company, Ltd.**

Having been opened for sale since February 1, International E-Ticket service becomes available for flights on March 1 between United's gateway cities and the Canadian communities of Calgary, Toronto, and Vancouver.

It is announced on February 20 that the company will spend \$200 million on renovations at Los Angeles (LAX) over the next 16 months.

Connoisseur Class is renamed United Business Class on February 24. Two days later, UAL begins a 6-month, \$425,000 project to upgrade its entire fleet with air-conditioning recirculation filters. A new image is announced on February 25; it includes an updated logo.

Asian meals from television chef Martin Yan become available on March 1 aboard the company's flights from the U.S. to Tokyo, Osaka, Seoul, Taipei, and Hong Kong.

Seasonal A320-232 service between Denver and Mexico City ends on April 4. Simultaneously, a second daily nonstop roundtrip is instituted from Chicago (ORD) and Mexico City, while a new daily B-757-222 roundtrip is started between Chicago and Guatemala City. The next day, nonstop A319-131 roundtrips commence between Hartford, Connecticut, and San Francisco; at the same time, the seasonal Saturday and Sunday roundtrips between New York and San Juan are concluded.

On April 14, Boeing confirms a company order for 1 B-747-422, 6 B-767-322ERs, and 16 B-777-222 IGWs, with deliveries scheduled to begin during the first quarter of 1999 and continue to 2002. The 23 aircraft will be powered by \$550 million worth of Pratt & Whitney PW4000 engines.

A310-131 nonstops commence on April 15 between San Diego and Boston.

A formal agreement is signed between United and **All Nippon Airways Company, Ltd.** on April 21. The document provides for linkage of frequent flyer programs and schedule coordination, as well as code-sharing on selected transpacific routes and flights within the U.S. and Japan beginning in October.

Also in April, the IAM begins a campaign to organize the carrier's 17,000 unaffiliated passenger-service workers.

At the end of April, EC Competition Commissioner Karel Van Miert asks both United and **Deutsche Lufthansa, A.G.** to cede up to 100 slots at Frankfurt and Munich under a proposed code that affects multinational alliances. The approach is the same that the EC is taking toward the troubled linkup between **American Airlines** and **British Airways, Ltd.** (2).

Having made extensive diversions around thunderstorms while en route from Chicago (ORD) to Baltimore (BWI) on April 17, Flight 100, a DC-10-10 with 287 passengers, runs low on fuel and is forced to make a safe emergency landing at Washington, D.C. (DCA). Efforts to route the plane to Dulles International Airport south of the capital are thwarted by more bad weather.

On May 1, a week after a marketing agreement is inked between **US Airways** and **American Airlines**, the carrier joins with **Delta Air Lines** in an even grander alliance. In addition to the shared frequent flyer programs, lounges, and other activities agreed to by their rivals, UAL and Delta, while agreeing to remain independent, also agree to "engage in code-sharing arrangements" as soon as permissions can be won from their respective pilot unions.

This pact will be implemented in the U.S. first, followed by the rest of the world, save Europe, where the regulatory environment is too uncertain. Contending that their agreement does not require U.S. government approval, this position on consolidation is countered by both the DOT and the Subcommittee on Aviation of the U.S. House of Representatives, which indicate concern.

Despite their emergence in rival camps, UAL and **American Airlines** jointly announce that they are engaged in finding a way to make it possible to interline E-tickets, which cannot now be transferred between airlines, even among those in alliance. A solution is promised by summer 1999.

Also on May 1, United Airlines and **All Nippon Airways Company, Ltd.** formally integrate their frequent flyer programs.

New coach-class meals by gourmet chef Sheila Lukins are introduced on May 5.

As the result of a May 7 FAA directive for carriers to inspect the wiring to wing-tank fuel boost pumps, United maintenance performs the required inspections and finds a B-737-222 with signs of arcing in a single conduit. Consequently, the FAA on May 10 issues an emergency airworthiness directive that effectively grounds 161 U.S.-registered "Baby Boeings" until all are carefully checked. The directive results in the cancellation of 54 company services during the day.

It is announced on May 8 that beginning in July, the carrier will show the Academy Award-winning motion picture *Titanic* on many of its east-west nonstop services. A hot start engine fire forces the emergency evacuation of Flight 801, a B-747-422, at Tokyo (NRT) on May 12. At least 19 of the 365 passengers and 20 crew are hurt exiting down the chutes while airport fire trucks extinguish the blaze.

To expand its presence on the Internet, United, on May 20, invests in the Internet Travel Network. **Vanguard Airlines**, on May 29, publicly protests UAL's announcement that it will dramatically add capacity and lower fares in the Des Moines-Chicago market, a market that Vanguard had earlier indicated it would begin serving during the fall.

As a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting, as of June 8, the issuance of advance boarding passes.

Beginning on June 10, new 9:30 p.m. (EST) flights are launched linking Washington, D.C. (IAD) with Atlanta, Denver, Los Angeles, New Orleans, Orlando, Philadelphia, San Francisco, and Seattle. Additionally, a second daily service to Paris is started, along with a new nonstop route to Munich, both also departing at 9:30 p.m.

During its pushback at Denver on June 17 preparatory to departure on a service to Ontario, California, Flight 475, a B-737-322 with 5 crew and 65 passengers, collides with a Dobs International catering truck, knocking it on its side. The little Boeing loses its tail cone, the frame of the truck is bent, and although the drivers had been able to escape, both have received minor injuries.

An incident occurs, also on June 17, that will have a significant legal impact on the airline and on code-sharing legalities. A partially paralyzed passenger in a wheelchair travels from Seattle to New York on a United flight. He then attempts to seamlessly transfer to Flight 3516 to Frankfurt, operated as a dual-designator service by **Deutsche Lufthansa, A.G.**, but employees of the German carrier refuse to let him board. The gentleman will make his case known to the DOT.

The U.S.-France bilateral accord reached on April 8 is formally signed on June 18 in a ceremony by French Foreign Minister Hubert Vedrine and U.S. Secretary of State Madeleine K. Albright and Secretary of Transportation Rodney E. Slater.

The pact opens the way for new transatlantic code-sharing and additional frequencies from Washington, D.C. (IAD), including a second daily departure to Paris and a new nonstop service to Munich.

All 33 of the carrier's B-777-222s must be grounded on June 19 because the loading of new software into the planes' navigation computers cannot be completed. The problem will be resolved within days.

A fire at Ezeiza International Airport at Buenos Aires late in the third week of June causes the carrier, along with others, to cancel a number of flights on June 20-21; the flight schedule returns to normal on June 22.

Flight 863, a B-747-422 with 307 passengers, loses power to its right inboard engine just after takeoff on June 23 from San Francisco on a 14 hr. 25 min. flight to Sydney. In the process of adjusting, the copilot, who is flying the plane, goes off course and comes within 100 ft. of smashing into 1,576-ft.-high San Bruno Mountain north of the city before the ground-proximity device shouts a warning to pull up. Although the Jumbojet misses the mountain, it startles nearby residents.

As the result of a unique air-rail marketing agreement drawn up in late June, UAL passengers riding the Eurostar train under the English Channel between the U.K. and France after July 1 will receive Mileage Plus frequent traveler credits. At the same time, a new pact begins with the French rail operator SNCF. UAL passengers arriving at Paris from San Francisco, Chicago, and Washington, D.C. are able to connect with the rail link to Lyon.

During June, the company, which operates a B-747-422 on the U.S. to Hong Kong segment and a B-767-322ER on the Hong Kong to New Delhi segment of its around-the-world service, transfers the B-767-322ER to the North Atlantic, replacing it with another B-747-422. Aviation officials in Hong Kong and India respond by citing bilateral air agreements and restricting seating on the Jumbojets to just 206 passengers, the same number previously accommodated by the smaller B-767-322ERs.

Also at the beginning of July, the company joins with **Delta Air Lines** to announce that the two carriers will merge their domestic frequent flyer programs on September 1 as a prelude to the larger alliance outlined in April.

The only airline to consistently offer air service to Providence, Rhode Island, for 50 years, United throws a large celebratory event at T. F. Green State Airport on July 1. UAL officials announce that, later in the year, a unique Fantasy Flight will be operated for local special needs children.

When the European Commission on July 7 announces plans to curtail the code-sharing and other activities of the United-Lufthansa-SAS alliance, United files a protest with the DOT under terms of the "open skies" bilateral agreements signed between the U.S. government and those of several European nations. The EC had, two months earlier, filed suit against the European signatories of these agreements in an effort to nullify them.

Nonstop daily B-747-422 roundtrips between Chicago (ORD) and Osaka commence on July 8. On July 15, daily nonstop B-757-222 roundtrips commence between Washington, D.C. (IAD) and San Salvador, El Salvador.

In response to President Clinton's lifting of the ban on direct flights to Cuba, put in place in 1996 to punish the Castro government for shooting down two unarmed civilian aircraft, UAL becomes the first U.S. carrier to resume charters to Havana. On July 16, a B-767-222, with 208 passengers who had been booked by the city's ABC Charters, fly down from Miami.

More than 18,000 company reservation agents and other passenger service personnel vote on July 17 to join the IAM. The election is the largest airline election in the history of the NMB and the largest private-sector union victory in over two decades.

Just after takeoff from London (LHR) on a July 29 service to New York (JFK), the left engine of a B-777-222 explodes; an emergency

landing is made back at the point of origin and after the plane stops its roll, passengers are deplaned down air stairs. No injuries are reported.

It is announced on August 1 that the carrier has placed firm orders with Airbus Industrie for \$1 billion worth of transports, 12 A320s and 10 A319s, to be delivered between 2000 and 2001. It is also noted that the company will equip 473 of its aircraft with an advanced version of AlliedSignal's RDR4-B weather radar.

Union leaders from United and **Delta Air Lines** meet at Herndon, Virginia, on the weekend of August 1-2 to discuss the proposed alliance between their airlines and its potential impact on pilot jobs. They also adopt resolutions in support for the **Northwest Airlines** pilots, who have reached an impasse in their negotiations for a new contract.

As a result of its failure to win voting status on the board of directors, **Delta Air Line's** ALPA pilots refuse to allow the necessary change in their contract needed to implement the code-sharing portion of the carrier's new alliance with United. Still, President/CEO Mullin indicates that Delta will move forward where it can on the alliance, but will stop pursuing an agreement for joint-ticket sales.

Arrangements are made with **Northwest Airlines** on August 26 for the accommodation of its ticketholders in the event of a pilots strike. Although reservations are recommended, the airline agrees to take NWA tickets on their face and, if necessary, provide seating on a stand-by basis. The job action against the Minneapolis-based major begins on August 29.

The company join's the SkyMiles frequent flyer program of **Delta Air Lines** on September 1 as an initial step toward alliance. Domestic passengers can earn miles in the other airline's program; international flights may be included at a later date.

Daily nonstop A320-232 roundtrips are started on September 9 between Washington, D.C. (IAD) and San Jose, California. Eight daily Shuttle by United frequencies are added the same day between San Jose and Los Angeles. The eight flights are offered in direct competition with the 12 of **Southwest Airlines** (2).

With the earlier aircraft named in his honor having been retired, the late airline head William A. Patterson is again honored on September 14 when, in a Chicago ceremony, a new B-747-422 is named for him. The event is hosted by President/Chief Operating Officer Edwardson, with members of the Patterson family in attendance. Few present realize that this will be the Edwardson's last major function.

With Chairman/CEO Greenwald due to retire in July 1999, leaders of the airline's major unions, which continue to own a majority of the stock in the company, let it be known that they do not support President/Chief Operating Officer Edwardson for the top post. Consequently, Edwardson resigns on September 18. Senior Vice President-North America James E. Goodwin succeeds Edwardson on September 22; his old post of senior vice president-North America goes to Senior Vice President-International Christopher D. Bowers.

As a result of an appeal over the June 17 case concerning a partially paralyzed passenger denied boarding to a dual-designator **Deutsche Lufthansa, A.G.** service to Frankfurt, Transportation Secretary Slater announces DOT's finding on September 23.

Both DLH and UAL operate under a tariff provision requiring that passengers be carried unattended unless they have a mobility impairment so severe that it prevents them from assisting in their own evacuation. Transportation authorities find that, because the passenger had flown across country without assistance and had made it down the boarding ramp without help, he could, if necessary, have assisted in his evacuation from the German aircraft. This is the first time that the DOT finds a U.S. carrier has violated a disabled passenger's rights on a "code-share" flight operated by a foreign airline. United is required to pay a civil penalty of \$3,000 and Lufthansa \$1,000, but under terms of the settlement, neither carrier admits to any wrongdoing.

Also on September 23, United becomes the first airline to offer electronic ticketing on around-the-world flights.

Because of severe weather conditions expected in the South Florida area as a result of Hurricane Georges, a total of 36 domestic and international flight segments serving Miami (MIA) are cancelled on

September 24–25. Three days later, the major announces that it will inaugurate daily nonstop B-767-322ER return service from Boston to London (LHR) on April 4, 1999.

Daily B-747-422 service is resumed on October 5 between Seattle and Tokyo (NRT), a route given up in 1989, while twice-daily service to the Japanese capital from Los Angeles is reduced to a single frequency.

The same day, the company places its code on the new daily BAe 146-200 roundtrip service introduced by **Air BC, Ltd.** between Edmonton and Denver.

The carrier, together with **Air Canada, Ltd.**, announces plans on October 6 to expand their code-share alliance in stages throughout the month of October, thereby resulting in the placement of the Canadian major's "AC" code on more than 600 UA flights throughout the United Airlines domestic system. The action is the largest single expansion made by United with one of its alliance partners. On October 8, the first phase of the enhanced UA-AC alliance takes place on flights out of United's Denver hub.

It is noted on October 12 that since June 1997, the carrier has added 10 full-flight simulators to its flight training center at Denver, including a fourth B-777 simulator brought on-line at the beginning of the month, but excluding a fourth A320 machine that will arrive in March. Investment in training equipment over the period has come to \$340 million.

As the result of low passenger levels and an economic downturn, the carrier, on October 12, discontinues its daily flights from Lima, Peru, to Santiago, Chile. On a brighter note, it is announced that the flights will be resumed on January 1.

The second phase of the enhanced UA-AC alliance takes place on flights out of Chicago (ORD) on October 22.

On October 25, United becomes the first foreign airline to resume flights to South Korea when it restarts flights between Seoul and Osaka abandoned earlier in the year because of declining passenger traffic.

The third phase of the enhanced UA-AC alliance takes place on flights out of United's hubs at Los Angeles and San Francisco on October 29.

Also on October 29, United and **All Nippon Airways Company, Ltd. (ANA)** implement their historic alliance—the first between a Japanese and U.S. carrier to include code-sharing and the first Japan-U.S. air alliance to be implemented following negotiation of the new bilateral between the two countries.

The carriers begin to offer dual-designator service on 391 weekly flights. Under the agreement, UAL offers the new destinations of Fukuoka, Okinawa, Nagoya, and Sapporo. Additionally, members of UAL's Mileage Plus can earn miles in their program for all flights operated by the partner carrier and can redeem their earned miles for award travel on the worldwide network of both carriers. Customers whose travel itinerary includes flights of both UAL and ANA receive boarding passes for all flights operated by both carriers at their first point of check-in. Eligible customers have access to the lounges of the carrier on which they are traveling, regardless of whether their ticket was sold as a UAL or an ANA flight.

While en route south from Miami on November 11, Flight 985, a B-777-222B with 17 crew and 210 passengers, encounters severe air turbulence near Concepcion, Bolivia. A passenger who, contrary to orders, has left her seat belt unfastened suffers a broken leg.

Travel agency commission rates for international travel are restructured on November 12 in a move designed to save the airline \$100 million each year. Tickets purchased in the U.S., its possessions, and Canada for travel outside those points will henceforth earn an 8% commission rate.

On November 16, UAL Corporation announces that it will award former President/Chief Operating Officer Edwardson a "golden parachute" lump sum severance payment of \$2,501,816.13 on January 4. Additionally, Edwardson will remain "on call" and will receive a monthly salary, retroactive to September 25 and through December 31, of \$41,348.67, plus \$2,500 per month from January 1 through September 24.

From November 19 through December 19, United employees, in cooperation with the airline, various unions, local children's hospitals,

orphanages, and organizations such as "Make-a-Wish," offer North Pole Fantasy Flights. Over 2,000 special children and their families in 42 U.S. cities (plus London, Paris, Sydney, and Guatemala City) take part—the most ever since the airline's workers created the event a decade earlier.

By November 23, electronic ticketing has been extended to 11 cities in 7 Asian and European countries since September 8. Included are Amsterdam, Beijing, Brussels, Dusseldorf, Frankfurt, Hong Kong, Milan, Munich, Paris, Shanghai, and Singapore.

While en route from Los Angeles to New York (JFK) on November 30, Flight 14, a B-767-34AFER with 169 passengers, experiences smoke in the cabin and is diverted to Denver. After a 2 1/2-hr. repair job, the aircraft is allowed to proceed.

As part of the new alliance with **All Nippon Airways Company, Ltd. (ANA)**, UAL, on December 1, places its code upon the Japanese line's new daily roundtrip service from Tokyo (NRT) to San Francisco.

On December 4, United launches a program designed to boost volunteerism among college students. For every 50 hours of work for selected nonprofit organizations, students can claim an award of 5,000 frequent flyer miles.

The "Star Alliance" carriers on December 8 form a six-member management board to carry out the group's five-year business plan. **Deutsche Lufthansa, A.G.** Executive Vice President Friedel Roedig is named chairman, with United executive Bruce Harris as his deputy.

Mayor Alex Penelas proclaims December 14 as "United Airlines Day" in Miami. In a special ceremony at Concourse F at Miami (MIA), Penelas and Vice President-Latin America Maria Sastre review the carrier's 40 years of service to South Florida and unveil a new corporate traveling exhibit that detail's the airline's history.

On December 17, **Atlantic Coast Airlines** signs a \$210-million order with Bombardier for the acquisition of 10 more CRJ-200ERs, plus 10 options, with deliveries to start in July 2000. Simultaneously, a comprehensive new 10-year "United Express" marketing agreement is signed with United.

As the result of U.S. and British bombing raids on Iraq between December 17 and 19, UAL cancels its London to New Delhi return flights for the duration plus a day.

A code-sharing agreement is signed with **Air Nova, Inc.** on December 22. It is reported the same day that the carrier's \$240-million modernization of its Los Angeles (LAX) terminal has passed the half-way point. By the end of the year, the workforce has been increased by 3.4% to 91,000.

During the past 12 months, customer bookings have ascended 3.11% to 86.86 million, while freight traffic has moved ahead by 5.5% to 3.42 billion FTKs. Revenues inch up 1.1% to \$17.56 billion, while expenses dip 0.2% to \$16.08 billion. The operating profit jumps to \$1.47 billion, while net gain drops to \$821 million.

The daily flights from Lima, Peru, to Santiago, Chile, discontinued on October 12 are resumed on January 1, 1999.

UAL strengthens its transatlantic service by adding a third daily nonstop flight between Chicago (ORD) and London (LHR) on January 2; it will be followed by a second daily nonstop between Chicago (ORD) and Paris (CDG) in early May. The new London flight eastward will initially be operated with a B-767-34AFER and westward with a B-777-222 IGW.

Beginning on January 2, a severe snowstorm hits the Midwest causing significant air and ground transportation problems. This day, UAL at Chicago (ORD) is only able to operate at 20%, with 750 cancellations systemwide. The next day, 50% of the schedule is flown, with 460 cancellations systemwide. Traffic in and out of Chicago is back to normal by January 4.

Under terms of the new alliance with **Air Nova, Inc.**, the U.S. major, beginning on January 4, sell blocks of seats on the "Air Canada Connector" DHC-8-100s return services between St. John, New Brunswick, and Boston.

On January 6, the Chicago-based major announces that it will increase service from the Washington, D.C. area by more than 60% by

May. The move comes a month after the **USAirways** division MetroJet begins service from the UAL hub at Dulles International Airport. The upgrade will consist of an increase in the average number of daily flights to Boston from 4 to 14.5 and to New York (LGA) from 2.5 to 8 in April and from 2 to 7 to Atlanta in May.

While en route from Anchorage to Tokyo on January 10, Flight 833, a B-747-422 with 23 crew and 227 passengers, encounters turbulence over the Kamchatka region of eastern Russia; two U.S. passengers and three flight attendants are slightly injured and are treated after the plane lands at Narita International Airport.

United, on January 11, becomes the first major airline at Los Angeles (LAX) to pay its subcontracted security workers the city's mandated "living wage" of \$7.39 per hour. Officials in San Francisco seize upon the achievement to complain about the carrier's refusal to comply with their city's domestic partners ordinance.

Beginning on January 16, United expands its code-share agreement with **Deutsche Lufthansa, A.G.** on the German major's thrice-weekly routes from Frankfurt to Sana'a, Yemen, via Cairo.

The code-sharing agreement with **All Nippon Airways Company, Ltd. (ANA)** is enhanced on January 19, when the two carriers jointly affix their codes to daily flights between Tokyo (NRT) and Bangkok.

On January 20, **America West Airlines** announces that it has been contacted by a number of airlines expressing interest in a variety of business transactions ranging from strategic alliances to mergers. It confirms that United has made an offer to take it over in a merger; the action is similar to the pact concluded in December between **Northwest Airlines** and **Continental Airlines**. Analysts see the alliance as a move by the Chicago-based major to counter the recent acquisition for western growth of **Reno Air** by **American Airlines**.

The next day, it is revealed that **Delta Air Lines** has also been in conversation with America West. **Southwest Airlines (2)**, which is the second most dominant carrier at Phoenix, denies any interest in taking over the company. Texas Pacific (46.9%) and **Continental Airlines** (8%), which between them own 54.9% of the company and have a right of first refusal on any shares that Texas Pacific may offer for sale. Continental Chairman Gordon Bethune indicates that his carrier "would assert its rights" over those shares in the unlikely event that an offer for America West is cleared by federal regulators and labor unions.

America West Airlines CEO William Franke, speaking before a Goldman, Sachs & Co. airline conference in Miami on February 5, lets it be known that the airline's major minority shareholder, TPG Partners L.P., will support the sale of the airline only if the buyer purchases all of its stock, Class A and Class B shares alike, valued at approximately \$1 billion. **Continental Airlines**, which seeks to block a takeover by United, has contended that it could take control merely by acquiring TPG's Class A stock, at an estimated cost of \$50 million. The position, seconded by TPG Chairman Bonderman later in the day, is seen by analysts as an effort by America West to maximize the value of any purchase for shareholders.

Just after departure from Denver on a February 7 service to John Wayne-Orange County Airport in California, Flight 553, a B-757-222 with 7 crew and 22 passengers, encounters severe air turbulence that causes one flight attendant to suffer a fractured knee. A safe emergency landing is made back at the point of origin, and the passengers are booked on the next flight to Orange County.

As of February 11, all three United roundtrips between Chicago and London are operated by B-777-222 IGWs.

According to a report in the February 19 issue of *The Wall Street Journal*, **Delta Air Lines**, which has been considering entry into the bidding war for **America West Airlines**, has withdrawn as of February 17. Also on that Wednesday, UAL, Inc., parent of United, tenders an undisclosed cash offer for the airline. The newspaper sees the prospect of a bidding war with **Continental Airlines**.

As a result of the offer, stock in **America West Airlines** rises 13.8% to \$22.75 per share on the New York Stock Exchange; the value of United stock climbs 25 cents to \$59.50.

Not long after takeoff from New York (JFK) for London (LHR) on the evening of February 20, a B-767-322ER with 195 passengers suffers engine problems; the pilot elects to return to his point of origin. No injuries are reported and the customers are placed on a later service.

To cheering by company employees, **America West Airlines** CEO Franke announces that the board of America West, on February 22, has voted to end its discussions with other airlines and remain an independent operator. The chairman refuses to acknowledge that United has made an offer, but acknowledges that conditions of a deal with a possible suitor, particularly antitrust concerns, had been viewed by decision-makers as "difficult and unlikely." The same opinion had been expressed by airline analysts since the day the possible deal was announced.

Speaking before an aviation industry lunch in Brussels on February 23, United Vice President Michael Whitaker indicates his belief that the EU will impose no restrictions on the alliance between **Deutsche Lufthansa, A.G.**, UAL, and **SAS (Scandinavian Airlines System)** until it has reviewed a number of other transatlantic pacts. On February 25, United announces the coordinated branding of all of its products and services.

With the first two of four new Canadair CRJ-200LRs acquired during the first quarter, regional partner Air Wisconsin Airlines Corporation on March 1 introduces daily nonstop "United Express" regional jet service from Denver to Omaha. Employing B-757-222s and B-727-222As, United continues to provide six daily main line return flights between the two cities.

Starting on March 2, the four DC-10-30CFs of United Cargo operate all-cargo service between Chicago (ORD), New York (JFK), Los Angeles, Osaka, and Manila through its hub in Anchorage. The addition of New York to the schedule includes suspension of service to San Francisco and Taipei, where United will continue to provide freight capability in the bellies of the carrier's B-747-422s, which continue to provide daily nonstop passenger flights.

While en route from Chicago (ORD) to Newark on March 2, Flight 648, a B-757-222, encounters severe air turbulence over Michigan; four flight attendants standing in the rear of the aircraft fall, with one hurt seriously.

Chairman Greenwald and Chicago Mayor Richard M. Daley jointly announce on March 3 that the airline will build a 250,000-sq.-ft. corporate headquarters on a vacant lot at Chicago (ORD) to be opened within two to four years.

Two important enhancements for the benefit of passengers are announced on March 4. In the first, the company notes that it is spending \$12 million on a program to install automated defibrillators on all of its aircraft (by March 2000) to assist heart attack victims.

Twenty B-777-222 IGWs and B-747-422s will be modified by the end of the year to offer United First Suite service. The reconversions will include installation in first-class sections of a special combination seat that can be made into a 6'6" flat bed, the first aboard any aircraft in the international fleets of U.S. airlines.

On March 5, in the largest donation ever received by Southern Illinois University, the Carbondale-based institution receives a B-737-2A1A retired from the airline after completing its last regular service (from Chicago to Minneapolis) the previous November 30. The last of its type withdrawn from the United fleet prior to its transfer, the aircraft will be used by students in the Aviation Management and Flight curriculum. Thirty years after UAL had provided the school with a Vickers Viscount, the airline employs more SIUC aviation graduates than any other carrier.

The UAL-ANA partnership is increased again on March 8 on joint daily services from Tokyo (NRT) to Singapore.

On March 15, **Northwest Airlines**, which has been recalcitrant in the past, joins United, **Delta Air Lines**, **Southwest Airlines (2)**, **American Airlines**, and **USAirways** in raising business fares by 1% and imposing another 3% hike on leisure tickets. United had begun this second round of ticket price increases on March 12.

By the time news of the new disaster of the previous June 28 appears in the press on March 22, United has instituted new pilot training for long-haul services.

The thrice-daily nonstop roundtrip flights between Washington, D.C. (IAD) and New York (LGA) are increased on March 30 to eight-times-per-day service. In conjunction with **Atlantia Coast Airlines** upgrade of all 8 of its daily "United Express" flights to Canadair CRJs, the 2-plane network now offers hourly jet service between the 2 cities with a total of 16 flights each day.

On March 31, the Chicago-based major announces that it will begin daily roundtrip B-747-422 roundtrips on October 31 between Chicago (ORD) and New Delhi, India. One of the longest flights operated by any airline, the new service is expected to take 15 hours and cover 7,484 miles. Given the complexities and economics of such a long route, the company will, on June 9, cancel these plans.

The same day, the carrier also promises to begin daily nonstop roundtrips from Chicago (ORD) and Washington, D.C. (IAD) to St. Thomas in the Virgin Islands.

With the second two of four new CRJs on hand, Air Wisconsin Airlines Corporation, on April 1, opens daily "United Express" Canadair roundtrips from Denver to Billings, Montana. United, using either or both B-737-322s and B-727-222As, continues to offer twice-daily main line roundtrips between the two cities.

The major inaugurates daily nonstop B-767-322ER return service from Boston to London (LHR) on April 4. Citing "commercial considerations," United ends its three-year-old around-the-world services, also on April 4, when it drops its daily flights from London to New Delhi and from New Delhi to Hong Kong.

On April 4, the company also adds three new nonstop transcontinental return services from Los Angeles to Washington, D.C. (IAD) and now offers almost hourly service on 12 daily trips. The flights are provided by various aircraft types: 5 A319-131s, 2 A320-232s, 1 B-747-422, 1 B-777-222 IGW, 1 B-767-322ERs, and 2 B-757-222s. Indeed, the major now offers 37 daily transcontinental flights from Los Angeles (LAX) to 9 East Coast cities, the most by any airline operating from Los Angeles.

Building on the success of its first Denver-Edmonton nonstop roundtrip service, **Air BC, Ltd.** adds a second daily BAe 146-200 non-stop roundtrip on April 5. Like the first started in October, it is a dual-designator service flown with United.

United and **All Nippon Airways Company, Ltd. (ANA)** significantly upgrade their dual-designator partnership on April 13 when the Japanese line introduces daily flights from Tokyo (NRT) to Chicago (ORD). In addition to code-sharing on the new service, the date will mark placement of ANA's code on five daily United-operated domestic routes from Chicago to Cleveland, Cincinnati, Columbus, Indianapolis, and Miami for a total of 35 weekly flights.

On April 14, Flight 2781, a **British Airways, Ltd. (2)** B-737-236A with 137 passengers inbound to London (LGW) from Goteborg, Sweden, is ordered to circle, mistakenly at the same altitude as a United B-777-222 IGW, with just 19 passengers en route to London (LHR) from Amsterdam. At 24,000 ft. off the Essex coast near Southend, the TCAS systems in the two planes sound, allowing the BA aircraft to climb and the UAL aircraft to descend. The jetliners miss each other by four seconds.

Weather plays havoc with service to the company's largest and second-largest hub airports on April 22. Severe springtime weather causes a cancellation of 30% of all flights at Chicago (ORD) through the end of the day, while in Denver, heavy snow forces almost 50% of all flights to be scrubbed.

Also on April 22, the U.S. District Court of Appeals upholds a March 1997 award of nearly \$3 million made to former UAL cleaning crew worker Ahmad Abu-Azis, who had claimed he was a victim of anti-Muslim bias.

A tentative agreement is reached with the IAM on April 23 on a contract for United's 19,000 U.S.-based passenger service employees. The membership will ratify the pact on May 27.

On April 26, an announcement is made that the company will sell approximately 17.5 million shares of common stock in Galileo International, valued at \$900 million. The next day, Los Angeles (LAX) is officially designated one of the airline's principal hubs.

The FAA recognizes the inspection department at United and 291 individual aircraft maintenance technicians with its coveted Diamond Award on April 30. The agency's highest honor is designed to promote advanced training for aircraft maintenance technicians throughout the airline industry.

A new Cargo Consolidation Center is opened at Dallas (DFW) on May 4. The facility incorporates a dedicated trucking service that provides a direct link between Dallas, other Texas and Oklahoma cities, and the UAL international gateways at Chicago (ORD) and Los Angeles (LAX).

A strategic alliance is signed with **Singapore Airlines, Ltd.** on May 5 covering linked frequent flyer programs and one-stop check-in services. The former is slated to begin on July 1 and the latter during the third quarter.

Seven former or current Denver area flight attendants, all in their 40s or 50s, file suit in U.S. District Court in Denver on May 14 claiming that United had discriminated against them during a 14-year period (prior to 1994) when it imposed a maximum flight attendant weight limit. The case, for unspecified back pay and damages, is reported by the media four days before the company's annual shareholders' meeting opens in Denver.

A \$260-million upgrade of facilities at Los Angeles (LAX) is completed on May 15. In an appointment first announced on May 3, 20-year veteran Capt. Stephen A. Forte becomes United's new vice president-operations also on May 15. He will work on transition with Capt. Hart Langer, a 10-year veteran of United with 21 years at **Pan American World Airways (1)**, who is set to retire on September 1.

Daily nonstop A319-114 roundtrips from Calgary to Chicago (ORD) are started by **Air Canada, Ltd.** on May 17. The new flights are offered as code-shares with United. The next day, retiring board member Duane D. Fitzgerald is succeeded by Hazel R. O'Leary, former U.S. Secretary of Energy. United's public contract employees, on May 27, ratify their first contract since voting in July 1998 for representation by the IAM.

In early June, the company begins to rename its Shuttle by United division as simply United Shuttle. The previous script titles on the unit's aircraft are replaced with simple white "United" and black "Shuttle" titles above the windowline forward of the wings.

While en route from Singapore to Tokyo (NRT) on June 9, Flight 890, a B-747-422 with 19 crew and 306 passengers, must make an emergency landing at Hong Kong to assist a flight attendant seriously injured when struck by beverage cart.

Daily B-747-222 roundtrips commence on June 10 from San Francisco to Hong Kong. The seasonal flights will be offered through September 7. Also on June 10, the company, having further assessed the economic viability of the undertaking, announces that it is cancelling plans to operate nonstop service between Chicago (ORD) and New Delhi, India, starting on or before October 31.

While on descent into Chicago (ORD) on a June 11 service from Minneapolis (MSP), Flight 256, a B-777-222 with 10 crew and 280 passengers, experiences clear-air turbulence near Madison, Wisconsin. One passenger is seriously injured, two others plus two flight attendants receive minor injuries, and all receive medical treatment when the aircraft reaches its destination.

Scheduled seasonal Saturday flights commence on June 12 between San Francisco and Lihue, Kauai. The new service, scheduled to end on August 28, complements the major's weekday roundtrips.

On June 15, it is announced that the company will launch new daily nonstop B-747-422 service from Los Angeles (LAX) to Melbourne, Australia, on December 4. In response to customer complaints, the U Air Transport Association develops a customer service improvement plan for U.S. carriers on June 17, effective December 15. United will dub its version **Our United Commitment**.

The carrier is able to report on June 21 that its E-Ticket product, first introduced in 1994, has proven a major success. In May, 51% of the more than 7 million tickets used on United worldwide were electronic.

On June 23, United is one of 3 U.S. airlines tentatively granted a total of 17 additional roundtrips per week between the U.S. and China.

En route from Minneapolis (MSP) to Denver, also on June 23, Flight 281, a B-737-322 with 63 passengers is diverted to Scottsbluff, Nebraska, after an electrical smell is discovered in the cabin. No injuries occur during the plane's evacuation. The passengers are later sent to Denver aboard a replacement aircraft, while the "Baby Boeing" is ferried over for further examination.

On June 28, Chairman-elect James E. Goodwin names a new senior leadership team, which includes Senior Vice President-Planning Rono J. Dutta as president, Executive Vice President/Chief Operating Officer Andrew Studdert, and Executive Vice President/Chief Financial Officer Douglas Hacker.

A fire in an underground tunnel at Chicago (ORD) forces United to evacuate its terminal; although flights must be delayed, no injuries occur. **Singapore Airline, Ltd.**'s KrisFlyer members are, as of July 1, able to redeem miles for travel over the network of United Airlines while UA's Mileage Plus members are also able to earn loyalty points when flying with SIA.

Chairman Greenwald retires on July 13; new chairman/CEO Goodwin and his management team take over. On July 20, United and Internet retailer Buy.com sign an agreement to create a new Web site, Buy-Travel.com.

A withdrawn B-737-222 is donated to Lewis University at Romeoville, Illinois, on July 21 for use as a ground trainer.

While descending into Boston on a July 24 service from San Francisco, Flight 174, a B-767-322 with 9 crew and 159 passengers is subjected to an unusual attack. An Irish wolfhound that has gotten out of its cage begins chewing on cables in the cargo hold. Consequently, the wing flaps cannot be fully extended upon landing and a faster-than-desired arrival is made. Baggage handlers find the tail-wagging canine waiting for them when they open the cargo hatch.

On July 30, United becomes the first U.S. airline to offer domestic partner benefits to employees and retirees worldwide. Economy Plus is announced on August 5, a plan to create additional legroom by removing one row of seats from United Economy on all non-United Shuttle aircraft.

Although a fire at World Headquarters on August 12 does not impact operations, it does force the relocation of many employees to other Chicago-area locations, some for months.

The additional China route authority is confirmed on August 16; United will receive five new routes in April.

On August 26, a passenger runs past a security checkpoint and disappears into the United terminal at Chicago (ORD). Company officials are forced to shut down the terminal and clear out 6,000 passengers, while a fruitless three-hour search is made. A total of 81 flights are cancelled and others are delayed. As the month ends, the first two B-757-222s, reconfigured for Economy Plus, are placed into domestic service.

While en route from Los Angeles to San Francisco on September 2, United Shuttle Flight 2036, a B-737-222A with 5 crew and 107 passengers, encounters severe turbulence. Seventeen people are treated for injuries after the plane reaches its destination.

United's mainline service from the West Coast is significantly expanded on September 7. Three new daily A319-131 nonstops are added from Los Angeles to both Dallas (DFW) and Houston (IAH), along with one from Los Angeles (LAX) to Atlanta. Simultaneously, one additional nonstop is added from Los Angeles (LAX) to both Orlando and Miami.

Additional daily A319-113 nonstop roundtrips are also inaugurated on September 7 between both Sacramento and San Jose and Washington, D.C. (IAD). United remains the largest air carrier in the world and now offers 2,370 daily flights over its global network.

On September 18, the carrier operates its final Dash-100 Jumbojet revenue service; the last B-747-123, acquired from **American Airlines** in 1988, is flown as Flight 153 from Chicago (ORD) to San Francisco and then retired. Also in September, United commits to a two-year quality assurance training program for senior Chinese airline managers, mechanics, and regulatory personnel. The exchange program is launched with a two-week series of classroom seminars at the Civil Aviation University of China at Tianjin attended by participants from

the **CAAC (The General Administration of Civil Aviation of China)** and 19 airlines.

The company installs its first defibrillator on a B-747-422 on September 28 to help passengers who suffer heart failure in flight; the entire fleet is to be so equipped by March.

Together with **Deutsche Lufthansa, A.G.**, United, on October 19, pledges C\$730 to Air Canada, Ltd. to help it solidify its place in the "Star Alliance" and to beat off an attempt by **American Airlines**-backed investors to take it over. The remainder of the month is almost quiet in comparison to the variety of news stories that will break on its final day.

B-777-222ER ETOPS operations begin across the Pacific from Seattle to Tokyo (NRT) on October 31. After introducing it across the Atlantic in March, United debuts United Suite service across the Pacific on this service.

Pursuant to an agreement signed on September 23, a new accord between United and **Spanair, S.A.**, one the Spanish line has been seeking since it first began flying to the U.S. in 1997, takes effect on October 31. Under its terms, United places its code on Spanair flights from Washington, D.C. (IAD) to Madrid and from Madrid to Barcelona, Palma de Mallorca, and Malaga. Additionally, passengers on both lines are able to accrue and use rewards from the United frequent flyer program and participate in convenient one-stop check-in service.

The Chicago (ORD) to São Paulo route is upgraded on Halloween when a B-777-222 replaces the currently employed B-767-322ER. Also on October 31, the weekly San Francisco to Lihue, Kauai Island (Hawaii) service is doubled by the addition of a new Sunday flight.

Also in October, Capt. Frederick C. "Mad Dog" Dubinsky, who had played a prominent role in the ALPA strike against the carrier in 1985, is elected president of the UAL ALPA chapter.

By November, United has completed the retrofit of 98 B-757s with its Economy Plus product designed to provide more seat leg-room.

On November 1, UAL Corporation announces plans to start a common stock dividend program by 2000, if approved by stockholders, allowing ESOP participants to receive a cash dividend instead of having their dividends reinvested into UAL stock. The next day, United reveals that it will launch daily nonstop service between San Francisco and Beijing in June 2000 and between Chicago (ORD) and Shanghai in April 2001.

In a rare double delivery, two A320-232s are accepted on November 9. On November 17, e-ticket service is added in Brazil. United now offers electronic ticketing in every market it serves.

New UAL Chairman/CEO Goodwin and **USAirways** Chairman/CEO Steven M. Wolf hold preliminary discussions during a November business meeting concerning a possible UAL purchase of the latter. Additional rounds of discussion are scheduled on UAL's second bid for its smaller rival since 1995.

On November 24, United announces that it has picked Hawaii as the site for a new reservations center; when it opens in 2000, it will employ 200 workers.

With continuing support and assistance from the other "Star Alliance" carriers (especially financial help from **Deutsche Lufthansa, A.G.** and United), **Air Canada, Ltd.** is able to put together its own \$760-million recapitalization plan for company stockholders and makes a successful C\$92-million (\$63-million) counteroffer against an **American Airlines**-backed plan for **Canadian Airlines, Ltd.** The drama reaches a high point on December 4 when the Canadian board of directors accepts the Air Canada tender.

Also on December 4, United starts daily nonstop B-747-422 direct service from Los Angeles to Melbourne, Australia, removing the Auckland stopover, which now also becomes a direct destination. United is the first airline to offer direct service between the two points. The last of four A320-232s to be delivered on the year is accepted on December 8.

On December 15, United launches its Our United Commitment program, which is dedicated to improving customer service.

Meanwhile, eight top Chinese airline managers arrive at the UAL fleet operations base at San Francisco in December to continue the exchange program begun in September. Also in December, United,

USAirways and **American Airlines** join **Delta Air Lines** as airline participants in Priceline.com.

On December 23, United increases its baggage liability limit. The airline joins with the United Negro College Fund on December 27 for an in-flight candy promotion.

Passenger boardings dip 0.3% to 86,580,000, while cargo climbs 4.7% to 3.58 billion FTKs. UAL Corporation revenues advance 2.7% to \$18.02 billion, while expenses rise 3.4% to \$16.63 billion. The operating profit is down to \$1.39 billion, while net gain jumps to \$1.23 billion.

Airline employment at the beginning of 2000 stands at 96,675, a 4.8% increase over the previous 12 months. Among the world's top 25 airlines, United is 2nd in total passengers, 3rd in FTKs, employees, and fleet size, while UAL Corporation leads in operating revenue and operating profit, and is 2nd in net profit.

On January 3, a passenger aboard Flight 105, a B-747-422 en route from Chicago (ORD) to Los Angeles, is overheard by a flight attendant making strange comments about an explosive device being aboard. The pilot makes an unscheduled stop at Denver where the man is taken in hand by police and the aircraft is searched. No explosives are found.

A new U.S. advertising campaign is introduced on January 7. An hour after takeoff from Tokyo (NRT) on a January 10 service to Honolulu, Flight 826, a B-747-422, encounters severe turbulence; eight people are injured, but none seriously enough to prevent the aircraft from flying on to its destination. On January 18, United introduces its Proactive Flight Paging service, which is designed to automatically notify customers of flight delays, cancellations, and gate assignments via personal computer, cell phone, or pager. A major winter storm disrupts flights to the East Coast on January 25.

On February 9, United and Safeway Super Markets introduce the first nationwide grocery miles program.

B-777-222s replace B-767-322ERs on the daily San Francisco to Maui return frequencies beginning on February 15; a Hawaii-born pilot flies this first service. Timed to begin with the start of the European summer schedule on March 26, the carrier and the SNCF French railroad agree to expand their July 1998 multimodal code-sharing agreement. Using its high-speed trains, SNCF will speed entitled passengers from Lyon, Nantes, Rennes, Tours, Poitiers, Angers, Le Mans, Bordeaux, and Lille to their United connections at Paris (CDG).

On March 15, the airline claims victory in the industry's "race for (leg) space" by the completion of the installation of Economy Plus seating in its domestic non-United Shuttle fleet.

In a speech before the Wings Club at New York on March 24, Chairman Goodwin predicts a greater change over the next five years in the way airlines do business than has been experienced since 1945, much of it centered on the intrusion of the Internet. The same day, United pledges to assist **USAirways** customers if a strike occurs at that line.

DOT permission is received on March 29 for the initiation of an extensive code-sharing agreement with **Austrian Airlines, A.G.** The installation of roomier overhead bins on the B-757 fleet is completed on March 30.

New daily B-777-222 return service is inaugurated on April 2 from Los Angeles to Paris (CDG). Simultaneously, the number of daily B-777-222 roundtrip flights between Los Angeles (LAX) and London (LHR) is doubled from one to two. Around-the-world B-747-422 service is also resumed.

New five-times-a-week return service is inaugurated, also on April 2, from San Francisco to Shanghai; one more daily nonstop is also added from San Francisco to Seoul and to Beijing. United now serves 14 international destinations from this north California aerodrome.

Also at the start of the month, the carrier joins **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and **Deutsche Lufthansa, A.G.** in moving into joint facilities at Rio de Janeiro International Airport. Rio becomes the fifth major airport (after Frankfurt, Copenhagen, Shanghai and Beijing) to house all "Star Alliance" partners in a single terminal. The membership's corporate leadership is currently discussing similar arrangements with the airports at London (LHR), Paris (CDG), Los Angeles, and Miami.

On April 5, United is recognized by the Computerworld Smithsonian program as a technology innovator. The next day, United urges Congress to pass legislation granting China permanent "most-favored nation" trading status.

Amidst significant labor turmoil, particularly among pilots seeking a new contract with higher wages, the ESOP, an industry model, is allowed to lapse on April 12. The pilots will react by often refusing to fly "voluntary" overtime flights, while the local ALPA chapter warns management that a pilot shortage is imminent.

Continuing its liberal affirmative programs, UAL, on April 14, introduces a new national advertising campaign aimed at gay and lesbian travelers. United purchases block seats on the new **Austrian Airlines, A.G.** nonstop daily return service from Vienna to Chicago (ORD) that begins on April 15, as well as on Austrian flights to New York (JFK) and Washington, D.C. (IAD). A new United.com Internet address is introduced on April 17.

On April 18, the dual-designator arrangement with **All Nippon Airways Company, Ltd.** is expanded to include an additional 20 daily flights on 20 domestic routes from Chicago (ORD), Los Angeles, and San Francisco. A radar outage disrupts operations at Boston's Logan International Airport on April 24.

Despite numerous discussions, negotiators from United Airlines and **USAirways** are unable to reach agreement on a price for the purchase of **USAirways**. Sensing the possibility of failure, Chairman Goodwin and his executives walk away at the end of the month.

Twice-daily B-737-322 roundtrips are initiated on May 4 between Denver and Toronto. A second daily B-757-222 return flight is simultaneously begun from Los Angeles to Kona, Hawaii. Four days later, the company announces that it will launch daily nonstop B-747-422 roundtrips from Chicago (ORD) to Shanghai in April 2001.

Blaming pilots who refuse to fly overtime, United, on May 11, cancels 150 U.S. flights on May 11 and begins a review of its schedule in an effort to determine which, if any, future services will need to be scrubbed. ALPA counters that it warned management earlier of the potential for this kind of protest due to lack of progress on the completion of a new contract. Bad weather and a further shortage of pilots who have refused to fly overtime forces the company to cancel 240 of its 2,400 services on May 13; the next day, 108 services are scrubbed. Bad weather causes 40 more cancellations on May 15, while the pilot shortage adds another 17. A new international advertising campaign is launched on May 15. Severe weather causes a major schedule disruption on May 18, the same day the company announces that it will resume around-the-world service.

Chairman Goodwin's decision to leave the **USAirways** merger talks proves a successful move. On May 18, Chairman Wolf calls Goodwin back, offering to lower the asking price. Weather, not pilots, is responsible for the cancellation of over 500 flights mainly at Chicago (ORD) on May 19, but flyer problems and weather cause another 320 services—13% of the schedule—to be scrubbed on May 20.

In New York on May 24, Goodwin and Wolf announce that a deal has been struck. United will purchase its smaller rival, **USAirways**, for \$11.6 billion (\$60 a share), in an arrangement that can hopefully be completed before expiration of their agreement on January 1, 2001—and before United would have to pay a \$50-million earnest interest penalty. As part of the arrangement, UAL promises not to raise fares (except for fuel surcharges) for two years or lay off any workers from either carrier. It will spin off the **USAirways** operation at Washington, D.C. (DCA) to a new concern, DC Air, which will be operated by Black Entertainment Television owner/**USAirways** board member Robert Johnson. It is also promised that the larger United would serve all of the cities presently visited by **USAirways** and also offer 64 new daily domestic nonstops and 29 new daily international frequencies.

If the pact is approved by stockholders and can clear federal, state, and European regulatory hurdles, it will create a company with 145,000 employees and \$25 billion in annual revenues that operates 1,000 aircraft, serving 316 cities around the world with over 6,500 daily flights.

Even if created, however, such a giant United conglomerate would face a number of major problems: merger of the employees of both companies (readers need only review the merger of Northwest and Republic to remember how badly such an amalgamation can go); the joining of two presently incompatible reservations systems; UAL's assumption of \$7.3 billion in **USAirways** debt and lease obligation; a need to borrow funds with which to cover the \$4.3-million purchase of **USAirways** stock; cost problems brought about by the no-layoff and no-price increase promises; and fleet and route rationalization.

The announcement of the pact between the two airlines immediately worsens the labor situation at United. Under ALPA rules, the senior pilots in a merger are always awarded the highest-paid posts and most of the **USAirways** flyers had accumulated more hours than those at United. UAL, which had come to rely on a clause in its ALPA contract providing for freely donated overtime, had by now become dependant upon this generosity of its pilots to maintain its daily schedule. At this point, the angered pilots stop signing up for overtime.

As in 1999, the summer flying season of 2000 for United, like other majors, is beset by difficulties caused by weather, too few runways, ATC problems, and too many travelers. Now, the pilot shortage worsens the carrier's situation significantly, forcing managers to cancel hundreds of flights every week and institute even more delays. As a result of these problems, United turns in the worst on-time performance of all major U.S. airlines in the month of May, with only 57% of its flights arriving on time.

The situation does not get any better as May turns into June. Bad weather continues to plague takeoffs from Chicago (ORD). One service, Flight 1806 of June 1, serves as illustration of the problems of many: a procession of East Coast thunderstorms forces the scheduled B-777-222, with nearly 200 passengers, to sit on the runway for over 8 hours after its 1:44 p.m. departure time for Washington, D.C. (IAD). There are no meals (emergency stores of soda, granola bars, cookies, and crackers kept aboard are entirely depleted) and twice the plane returns to the gate, once to refuel and once to exchange crews. Takeoff finally occurs at 10:53 p.m.

Largely unnoticed by the public or media on June 1 is a company announcement that it will build a \$100-million regional aircraft terminal at Denver International Airport.

While en route from Chicago (ORD) to Las Vegas on June 2, Flight 1047 is forced to divert to Denver when all five flight attendants complain of dizziness and being lightheaded. All are taken to the hospital, treated, and released, without a cause of their condition explained.

En route from Washington, D.C. (IAD) to San Jose on June 3, an A320-232 operating as Flight 231 is diverted to Denver when it is learned that a dog had been penned in the unheated forward cargo hold, rather than the heated air compartment. The canine survives.

Air Canada, Ltd. initiates new dual designator A319-114 or CRJ service with United on June 5 from Vancouver to Denver and Washington, D.C. (IAD), from Montreal to Philadelphia, and from Toronto to Austin and Ontario, California. The fifth anniversary of the launch of B-777 service is celebrated on June 7.

On June 8, code-shared return service from Chicago (ORD) to Toronto is expanded from five daily roundtrips to nine. New daily non-stop B-777-222 return service is also introduced from Los Angeles to Frankfurt, while B-747-422s begin flying daily roundtrips from San Francisco to Beijing.

The main line and its "United Express" regional partners **Air Wisconsin** and **SkyWest Airlines** exchange several routes, also on June 8. Employing B-737-322s and B-727-222As, United replaces Air Wisconsin and operates four daily roundtrips from Denver to Boise, two to Cedar Rapids, two to Memphis, and three to Wichita. Employing Embraer EMB-120s, SkyWest replaces United's 11 daily roundtrips between Monterey and San Francisco.

Pending the approval of the United/**USAirways** merger, **USAirways** executive N. Bruce Ashby is named acting president of the new entrant DC Air on June 10. In Congressional testimony on June 13, Chairman/CEO Goodwin calls the United merger with **USAirways** a "win-

win" for consumers. The same day, a new Mileage Plus partnership with Abercrombie & Kent is announced.

United and **Air Canada, Ltd.** introduce the airline industry's first inter-airline electronic ticket on June 14. On June 15, United announces that it offer free headsets and movies to customers in all classes aboard U.S. domestic flights equipped with video players. Customers on flights exceeding 3 hours will see a courtesy feature film.

On June 28, the company is allowed to place its "UA" designator aboard **Air New Zealand, Ltd.** flights from Auckland to Wellington, Christchurch, Queenstown, and Dunedin. The same day, for safety reasons, the laptop electrical ports on the B-777s are all disconnected until they can be rewired.

Also in June, the cargo division leases a 10,000-sq.-ft. warehouse space at Alaska CargoPort, a facility at Anchorage International Airport. When, on August 31, on-time performances for June are released, they will show United with the worst record of any of the 10 big airlines reporting figures to DOT, only 48.3%.

The 70th anniversary of San Diego service is celebrated on July 1. On July 5, laptop power is ordered turned off on some B-777-222Es. Two B-747-222Bs are sold to **Northwest Airlines** on July 7 for conversion into freighters. United is named 15th best-managed company among nonstate-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

ATC problems at Chicago (ORD), fog in San Francisco, and heavy thunderstorms in Denver play havoc with the carrier's schedule on July 17-18. On the latter date, weather forces the carrier to cancel 28 departures and 37 arrivals at its Denver hub, where 317 departures occur on a normal day. On July 20, UAL Corporation promises to proceed with the creation of a Pittsburgh maintenance base if its merger with **USAirways** is approved.

A code-sharing agreement is signed with **BWIA (British West Indies Airways, Ltd.)** on July 25, with an immediate linkage of frequent flyer programs. The pilot shortage, nature, and other difficulties continue to plague UAL all summer.

On August 1, the company's 10,000 ALPA-represented pilots activate a strike committee. If no contract is signed by September 4, the group will trigger a job action. Also on August 1, the third B-767-332ER to be delivered this year is accepted; it is also the last of 35 of its type that have joined the fleet since 1991.

By August, 4,800 flights have been cancelled. On August 4, mechanics (and perhaps the pilots) of Flight 914 refuse to clear that service for departure from Washington, D.C. (IAD) for Paris (CDG). Advised of the situation, management scrubs the flight due to "some sort of mechanical issue." The real reason for the cancellation was the presence aboard of **USAirways** Chairman Stephen M. Wolf.

A total of 120 more flights are scrubbed on August 5, followed by 80 more on August 6. The next day, the carrier removes 1,980 flights from its September schedule, as it suffers the loss of 240 more flights. With consumers and elected officials weighing into the verbal battle between pilots and management, UAL has a first-class public relations disaster on its hands. President Dutta personally apologizes to customers for the carrier's weekend operations.

On August 9, 140 flights must be cancelled. A second daily roundtrip service from Chicago (ORD) to Mexico City is initiated on August 10 employing a B-757-222. On August 14, the 48th B-777-222 is delivered and on August 16, United announces an extension of its pet embargo.

During August, the airline delays four out of every five departures and drops to last in on-time performance among the 10 reporting U.S. majors.

United's management is now beset from all sides, with business clients expressing consternation, unhappy passengers filing reports of abusive practices, expressions of concern from board members, and interrogations from Congressional leaders and DOT Secretary Rodney A. Slater. Wearing a blue shirt and yellow tie, Chairman Goodwin films a commercial in the cabin of a B-777 in which he, personally, apologizes to passengers for delays or cancellations that have caused them to be stranded or suffer other hardships.

A tragedy in the skies over England is narrowly averted on August 20. Descending into London (LHR) from different angles, a United B-777-222 and a **Virgin Atlantic Airways, Ltd.** B-747, with 700 passengers between them, come within 700 feet of one another before ATC orders the United captain to take evasive action. Both aircraft land normally and no injuries are reported.

While its operational problems persist, the carrier, nevertheless, continues to look to the future. On August 22, options placed in 1998 are exercised for the acquisition of six each A320s and A319s to be delivered by 2002.

Also on August 22, *Flight International*, in its annual commercial airline survey, reports that United is the still the second largest airline in the world in terms of actual passenger boardings and largest in terms of revenue passenger kilometers.

The only immediate way out of this morass for United's leadership is to settle with ALPA, which it does on August 26 following two days of intensive, round-the-clock negotiations. Under terms in the new pact, which ends the summer delay war, company pilots become the highest paid in the airline industry. Retroactive to April, pilots receive pay raises of between 21.5% to 28.5%, plus annual 4% increases through 2004. The company's contribution to the flyers' pension fund is boosted from 1% to 11% and, even if pushed to lower pay grades as the result of a merger, serving pilots will remain at their latest pay grades.

Dual designator flights with **BWIA (British West Indies Airways, Ltd.)** commence on September 1 on routes from Washington, D.C. (IAD) and New York (JFK) to Trinidad, from Miami to Antigua, Barbados, and Port of Spain, and on connecting flights to Tobago.

On September 6, new thrice-daily B-737 United Shuttle return service is initiated from Los Angeles (LAX) to Salt Lake City (thrice-daily); flight to Seattle are offered twice daily and those to Portland daily. Also on September 6, United Shuttle expands into the Denver market; new roundtrips are initiated from Denver to Albuquerque 8 times a day, Boise 4 times a day, Colorado Springs five times a day, and Tucson once daily.

At 10,800 ft., just after departure from Los Angeles on a September 7 service to Boston, Flight 174, a B-757-222 with 166 passengers, experiences a near miss with a USAF F-117 Stealth Fighter from Edwards AFB that comes within 500 ft. vertically and 0.6 mi. horizontally. TCAS allows the jetliner to execute a rapid climb, after which it continues safely on to its destination. The next day, a \$4.5-million state-of-the-art reservations center is opened at Honolulu.

On September 12, the company reduces its fall fares substantially and drops a surcharge imposed a week earlier. The move is made in an effort to win back business and shore up the company image following a summer of delays, cancellations, and labor strife. The lower fares are matched by other majors on September 13.

United announces on September 15 that it will end its all-cargo operations on Christmas Eve and retire its four DC-10-30Fs. The last two DC-10-30 passenger planes will be retired in February 2001.

While en route from Chicago (ORD) to New York (JFK) on September 22, Flight 678, a B-727-222A with 5 crew and 120 passengers, is hit by lightning; a safe emergency landing is made at Toledo, Ohio, with no injuries reported.

Despite UAL's employment of such well-known lobbyists as Kenneth M. Duberstein and Thomas Hale Boggs Jr. to promote the merger, the U.S. Senate Commerce Committee, chaired by Sen. John McCain (R-Ariz.), approves a September 23 nonbinding resolution opposing the company's proposed purchase of **USAirways**. Offering the opinion that the move would not be in the public interest, the resolution is transferred to the full Senate for further action.

The last of four A319-131s to be delivered this year is accepted on September 25; nine more units will be delivered in 2001, completing a 40-ship order. United executives and members of the Association of Flight Attendants (AFA) meet briefly and agree to reopen negotiations.

On September 26, UAL files papers with the European Union Commission seeking its required approval of the \$11.6-billion takeover of its

smaller competitor. The carrier announces on September 28 that it will open the world's longest scheduled route on April 1, a 7,339-nm. B-747-422 run between New York (JFK) and Hong Kong. The service will require five minutes more flying time than the Newark-Hong Kong service flown by **Continental Airlines**. Also on September 28, fares are cut 20%-40% for Alaskans flying to the lower 48 states.

Contract discussions with AFA resume on October 2. **Continental Airlines** Chairman Gordon Bethune, also on October 2, formally bids \$215 million in cash for **USAirway's** 119 jet slots and 103 commuter, short-haul slots plus 8 gate leases, ticket counters, ramps, aircraft parking and other facilities at Washington, D.C. (DCA). The offer, which would be good only after a United-**USAirways** merger, is also to include the assets being sold to the proposed new entrant DC Air, led by cable television mogul and **USAirways** board member Robert Johnson. The tender amount exceeds by some 50% the \$141 offered by Johnson and is meant to appease regulators by keeping competition alive in the DCA market.

On October 3, the York County, South Carolina, Economic Development Board endorses the merger with **USAirways**. A new contract is signed with the Professional Airline Controllers Association on October 4 covering UAL's 200 flight dispatchers.

Working with Softnet Systems subsidiary Aerozone, the airline and **Delta Air Lines** now both begin to offer customers wireless Internet access in their airport lounges and gate areas. Also, United now begins to test 25 airport self check-in kiosks (USCs) at Chicago (ORD); the machines allow passengers to book passage aboard flights of the main line, as well as United Shuttle or "United Express."

USAirways shareholders, voting on October 12, approve by 98% the \$60-a-share merger offer from United. Before amalgamation can begin in early 2001, the takeover must obtain approval from the U.S. DOJ and DOT, as well as the European Commission and several state attorneys general, who are voicing concern.

On October 17, United pledges to maintain a reservations center in Winston-Salem, North Carolina, pending its successful takeover of **USAirways**. The company, as part of its campaign to win approval of the takeover, has agreed to serve all 14 North Carolina airports now visited by **USAirways**. Indeed, it is planned to increase the importance of the hub at Charlotte-Douglas International Airport. After the merger is finished, it is anticipated that 490 daily departures (one-stop and nonstop) will be offered to 249 communities, with additional nonstops to Denver, San Francisco, and Seattle, as well as new one-stops to Portland, Austin, San Antonio, Aruba, and Barbados.

Flight 848, a B-747-422 with 296 passengers en route from Melbourne to Los Angeles, also on October 18, is forced to make an emergency landing at Auckland, New Zealand, due to electrical problems. The passengers are booked on a replacement service and the aircraft is ferried to San Francisco the next day.

The same day, the EU Commission, which had originally intended to render its ruling by October 25, suspends its review of the proposed merger due to a need for additional information.

United begins testing self check-in kiosks at Chicago (ORD) and San Diego on October 23.

A B-747-238B is withdrawn on October 26 after completing its last revenue service (Flight 40) from Kona to San Francisco. It will be ferried to Marana, Arizona, where it will be parked in storage.

On October 29, United begins to code-share on **Deutsche Lufthansa, A.G.** flights from Frankfurt to Abidjan, Accra, and Lagos.

Flights 157 and 153, respectively, from Chicago (ORD) to San Francisco on October 30 are the last company services operated with DC-10-10s. The two aircraft are withdrawn and ferried to Las Vegas on October 31 for storage; simultaneously, the withdrawn Jumbojet is ferried to Marana, Arizona, for storage. One other DC-10-10, without titles, remains at Chicago (ORD), where it will be employed for deicing training.

Daily B-757-222 roundtrips begin on October 31 between San Francisco and Lihue, Kauai, Hawaii.

By the beginning of November, the company's on-time departure rate has increased by 40% over August and cancellations are down by 60%.

Still, it is not anticipated that United will be flying its full scheduled of 2,400 daily flights until January—at the earliest.

Federally mediated contract negotiations between the airline and the International Association of Machinists break down on November 2. A second withdrawn B-747-238B is ferried to Marana, Arizona, for storage the same day.

Because the pilots had earlier won an industry-leading salary contract and their request for early, mid-contract wage talks had not been fully honored, the officers of the carrier's Association of Flight Attendants (representing the carrier's 25,000 flight attendants) do not support the **USAirways** merger. Contract talks between the AFA local and United, begun in early October, end on November 4, after the airline fails to meet a deadline to provide a wage proposal. UAL also offers no date for a restart of discussions.

Following its charter from New Orleans to San Francisco on November 5 with the San Francisco 49ers NFL team on board, another B-747-238B is retired. The next day, fares are lowered to Hawaii and within the Western U.S.

On November 7, AFA announces that it will oppose the pending purchase and take other actions to force the company to grant a substantial pay increase. The next day, the National Mediation Board officially adjourns the stalled talks between the airline and the IAM. The union calls for a "30-day cooling off period," after which it would be free to strike.

Air Canada, Ltd.'s daily nonstop A319-114 return flights from Vancouver to New York (JFK), begun on October 30, are code-shared with United starting on November 9. Two days later, weekend B-757-222 roundtrip seasonal service, continuing through April 1, is launched from Chicago (ORD) to Aruba.

The merger with **USAirways** does not appear to be any closer to realization by mid-November than it was in May. Indeed, so many problems continue to exist that even before the DOT, DOJ, and the EU act, the investment firm Paine Webber Buttrick advises Chairman Goodwin to take advantage of the January 1 closing date, even if he has to pay the \$50-million earnest penalty, and simply withdraw. In his insightful review of the UAL-USAirways compact in the November 13 issue of *Business Week*, Michael Arndt writes: "In the final stroke of irony, losing **USAirways** could be the best thing to happen to UAL."

Also on November 13, United becomes the first airline to offer air travel wireless booking. It is simultaneously announced that the United Networks Proactive Paging Service has increased its usage 300% since January.

In addition to difficulties with the company's flight attendants, management now also must contend with slow-downs brought about by mechanics whose contract talks have stalled. The company, on November 15, reports via *The Wall Street Journal* that it has had to cancel hundreds of flights due to the mechanics actions, including 38 on November 14 and 71 of 78 services scrubbed this day.

On November 17, United seeks a temporary restraining order against IAM District 141M; a federal court in Chicago grants the order the same day. The DC-10-10 held at Chicago (ORD) for deicing training is ferried to Las Vegas for storage on November 18.

Noting that contract talks are unproductive, local International Association of Machinists and Aerospace Workers leaders ask federal mediators on November 20 to release them from negotiations and to declare a "30-day cooling off period," after which the 44,000 members will be free to strike.

On November 21, 85 of the company's 121 cancelled flights are blamed on "maintenance operations issues." The same is said of 18 of 25 flights scrubbed by 9 a.m. the next morning. Only 9 flights are scrubbed on November 23, which is significantly better than the pre-slowdown average of 44 a day.

Just before Thanksgiving, in a move overshadowed by the personnel issues, the new UAL subsidiary United New Ventures is set up to explore e-commerce possibilities under the direction of Chief Financial Officer Douglas Hacker.

The situation with the mechanics continues to worsen. Over 86 of 106 flight cancellations on November 30 are directly attributed to the labor

difficulties, along with another 86 on December 1. Also on December 1, a 6-member jury of a Colorado court orders the company to pay \$3.27 million to 6 former employees whom, it has been found, were promised free air travel for life 13 years earlier. The airline appeals.

On December 5, it is revealed that the United New Ventures e-commerce unit of UAL Corporation and **American Airlines** Cargo will begin to co-operate with NextJet in January to offer new express small-package services in the U.S.

In the first week, a new financial and code-sharing arrangement is signed between the major and its "United Express" affiliate **Atlantic Coast Airlines**. Under its terms, the regional will be able to increase its regional jet fleet to 108 aircraft by the end of 2003.

Mediated talks under supervision of the NMB resume between the company and the IAM on December 7. The same day, a federal judge, not wishing to see the talks unduly influenced, lifts a temporary restraining order against the IAM-represented company mechanics.

Citing what it believes to be strong facts against the UAL/**USAirways** merger, the State of Maryland launches an aggressive campaign to defeat the arrangement. Details are reported in the December 9 issue of the *Baltimore Sun*.

A major blizzard forces UAL to cancel 75% of its flights from Chicago (ORD) on December 11. Associated freezing also plays havoc with traffic to and from Detroit (DTT). At the latter point, over 500 people are stranded. Adding to company "cheer," members of the Association of Flight Attendants indicate their plans to continue their CHAOS campaign throughout the upcoming holiday season in protest of the end to contract talks in November. U.S. District Judge William J. Hibber terminates the temporary restraining order placed on the IAM on December 11, believing that it is ineffective and could hinder contract talks with the carrier.

A major snowstorm pounds Chicago (ORD) and other Midwestern communities on December 12; at the Illinois hub and elsewhere, UAL cancels one-third of its schedule.

While en route from Washington, D.C. to Hong Kong via San Francisco, also on December 12, Flight 805, a B-747-422 with 22 crew and 368 passengers, encounters severe turbulence north of Seattle. With three crew members and a passenger hurt, the aircraft diverts to Anchorage, where the injured are taken to hospital and the others are accommodated overnight until a replacement Jumbojet can arrive from California the next day.

The winter storm forces cancellation of 197 flights on December 13, including 40 from Denver. All but 25 are weather-related.

Discussions between the airline and the IAM are recessed by the National Mediation Board, also on December 13. UAL now seeks a preliminary injunction against the IAM, indicating that the union is in contempt of a temporary restraining order by causing continued delays and cancellations due to maintenance problems. Judge Hibbler denies the injunction the next day.

Due to stalled contract negotiations between the airline and members of its Association of Flight Attendants local, the carrier's flight attendants stage protests at major airports beginning on December 14. The informational picketing and other activities will continue through Christmas Eve.

Flight 156, a B-747-238B, departs San Francisco late on December 14 and arrives at Chicago (ORD) early on December 15, completing the last UA flight by a "classic" Jumbojet. The aircraft is ferried to Marana, Arizona, for storage on December 17, a day after another B-747-238B arrives at the Desert Graveyard from Los Angeles.

After United and **USAirways** representatives appear before it and offer unspecified concessions designed to address competition concerns, the EU Commission, on December 18, extends from December 21 to January 12 its deadline to rule on the UAL proposal to takeover **USAirways**.

Also on December 18, the last of 12 A320-232s to be delivered on the year is accepted. Eleven more units will be received in 2001, completing a 79-ship order.

The eruption of the Popocatepetl Volcano 40 mi. NW of Mexico City on December 20 forces the carrier to cancel upwards of 7 flights into the

Mexican capital. The airport at Puebla is closed due to the fear of mud-slides.

On December 21, the carrier announces that it will retire 25 of its 75 B-727-222As in 2001, a year ahead of schedule. The decision is based on anticipated higher fuel bills in the months ahead. To compensate for their loss, the company requests 13 additional Airbus planes for delivery in the fourth quarter of 2002.

In a 48-page report released on December 21, the U.S. Government Accounting Office (GAO) indicates that a merger between UAL and **USAirways** would significantly reduce or eliminate domestic airline competition in 290 of the top 5,000 markets in the United States. The same day, according to *The Wall Street Journal*, the two majors begin intensive negotiations with the DOJ antitrust division, which has not yet ruled out blocking the merger.

On December 22–23, United drops its three-year-old transpacific all-cargo operation and retires its four DC-10-30Fs. The move comes just as the DOT is making an award of 10 new weekly all-cargo frequencies to China, 2 of which go to UAL, along with 6 to **United Parcel Service (UPS)** and 1 each to **Northwest Airlines** and **Federal Express (FedEx)**.

The final services flown by the DC-10-30Fs wearing United Airlines Worldwide Cargo markings are operated. Flight 9206 from Tokyo (NRT) to Chicago (ORD) via Anchorage and Flight 9208 from Osaka (KIX) to Los Angeles via Anchorage flies on December 22. On December 23, Flight 9206 from Tokyo (NRT) to Chicago (ORD) via Anchorage and Flight 9208 from Manila to Osaka (KIX) to Anchorage to Los Angeles are operated.

A press release notes, on December 29, that the carrier will halt its nonstop service from Chicago (ORD) to Honolulu on February 15, due to the retirement of its last two passenger-configured DC-10-30s. The last DC-10-30F to be placed into storage arrives at Marana, Arizona, during the day. The four planes will not remain out of action for very long; on February 5, they will be sold to **Federal Express (FedEx)**.

At New Year's, the DOJ extends its regulatory review of the proposed **USAirways** merger from January 16 to April 2. Company employees will be heartened to learn on January 12 that the EU Commission has approved the union with **USAirways**. Few people are publicly aware that **American Airlines** will shortly enter the picture.

Overall customer bookings during these 12 months drop 3.08% to 83,914,000, but freight traffic climbs 3.15% to 3.69 billion FTKs. Revenues for the year rise 7.4% to \$19.35 billion, while expenses jump 12.4% to \$18.7 billion. Operating profits plunge 53% to \$654 million and net gain falls all the way down to a mere \$50 million.

UNITED AIRWAYS, LTD. (1): United Kingdom (1935). With Whitehall Securities providing £50,000 capital and in association with **Jersey Airways, Ltd.**, United Airways, Ltd. is registered at London on April 4, 1935. The initial fleet consists of Spartan Cruisers and a de Havilland DH 89A. Twice-daily London (Heston)–Blackpool service is inaugurated on April 30 as part of a mass flight comprising the company's Dragon Rapide and two Jersey Airways DH-86s.

The same day, four-times-per-day Blackpool–Isle of Man Spartan Cruiser flights begin, with an extension on to Carlisle. On June 18, two new routes are started from Blackpool: to Morecambe and to Leeds, as well as a service from Liverpool through Blackpool to the Isle of Man. On September 30, the airline is one of three small Whitehall-controlled carriers merged to form **Allied British Airways, Ltd.**, which will become **British Airways, Ltd. (1)** on October 29.

Allowed to continue briefly operating under its pre-merger identity and with a mail contract in hand, the company begins a month of Liverpool–Isle of Man flights on November 1.

UNITED AIRWAYS, LTD. (2). See **CANADIAN AIRWAYS, LTD.; MACKENZIE AIR SERVICE, LTD.**

UNITED ARAB AIRLINES: Egypt/Syria (1958–1971). Following the February 1, 1958 establishment of political union between Egypt and Syria, the Egyptian carrier **Misrair, S.A.E. (1)** is renamed UAA.

On a March 7 flight from Athens to Cairo, a Vickers 628 Viking 1B with 4 crew and 22 passengers is lost in Egypt's Lake Menzalah, near Port Said (8 dead).

Tupolev Tu-104s are purchased from the Soviet Union on April 3 and a select group of pilots is sent to Moscow for training. On September 3, a UAA delegation arrives in Moscow for consultations with **Aeroflot Soviet Airlines** officials. On December 23, **Syrian Airways** is amalgamated into an expanded UAA.

During 1959, the enlarged carrier assumes responsibilities for the routes and services of the merger partners, employing their aircraft in new livery. The available Douglas DC-3s are all flown on domestic routes to Alexandria, Assuit, Aswan, Cairo, Luxor, Mersa Matruh, and Port Said.

The newest aircraft in the fleet are a Vickers Viscount 732 and four Viscount 739s. Orders are placed for three de Havilland DH 106 Comet 4Cs. These, together with several DC-6Bs, are employed on regional routes in the Mideast and Mediterranean.

Flights to Baghdad cease during the first quarter of 1960. The Viscount 732 with 3 crew and 17 passengers crashes near Elba on April 10; there are no survivors. The first Comet 4C is delivered on June 10 and is employed to inaugurate Cairo–London service on July 1. The second Comet 4C now arrives and inaugurates twice-weekly return flights from Cairo to Khartoum and Jeddah.

A DC-4 with five crew and nine passengers engaged in hauling freight is lost in the Congo River, Congo, on September 1; all aboard make it to shore.

On September 29, a Viscount 739B with 4 crew and 17 passengers en route from Geneva to Cairo disappears over the Mediterranean; its wreckage is found 17 miles off Elba on October 5 and there are no survivors.

The third Comet 4C is delivered on December 23; on Christmas Day it joins the other two in altering the European schedule. Flights from Cairo to London are now flown five times a week, with daily stops at Rome, twice-weekly visits to Frankfurt and Zurich, and weekly stops at Geneva.

Three more DC-6Bs are acquired from **SAS (Scandinavian Airlines System)** in April 1961.

A DC-3 with five crew and two passengers crash-lands near Kameshli, Egypt, on May 6; although the aircraft must be written off, there are no fatalities.

Services are now opened to Lagos and on June 12 it is extended to Accra. Meanwhile, service to Moscow begins on June 1 and 20 days later the service to London becomes daily. The fourth and fifth Comet 4Cs are requested and an order is placed with Boeing on September 1 for five B-707-366C Stratoliners.

A bloodless revolution on September 28 splits the United Arab Republic. **Syrian Airways** withdraws from the amalgamation in September, taking the three ex-SAS DC-6Bs, two DC-4s, and three DC-3s. The remaining Egyptian portion soldiers on as UAA and on November 1 launches flights to Karachi, continuing on to Bombay. The sixth and seventh Comet 4Cs are requested in December.

A Vickers Viscount 739 with 6 crew and 10 passengers is destroyed in a forced landing 3 mi. W of Wadi Halfa, Egypt, on March 16, 1962; although there are no fatalities, the plane must be written off.

Two Comets are delivered in April, but the company now enters a period of several years plagued with accidents.

A DC-3 freighter with three crew crashes at Heliopolis near Cairo Airport on May 15; there are no survivors.

Three days later, weekly Comet 4C service to Tokyo begins via Kuwait, Bombay, and Bangkok, while flights to Hong Kong, the final point before Japan, are made twice weekly.

While descending toward Hong Kong during a July 19 flight from Bangkok, Flight 869, a DH 106 Comet 4C with 8 crew and 18 passengers, disappears. Wreckage is found in a teakwood forest 50 mi. N of Bangkok the next day and there are no survivors. Another Comet 4C is delivered in August.

The Baghdad route is restarted with Comet 4Cs, five times a week, on February 15, 1963. While on a May 12 domestic flight, a DC-3 with 4 crew and 27 passengers crashes at the Nile Delta village of Nawa just after takeoff from Cairo; there are no survivors.

En route from Bangkok to Bombay on July 27, Flight 869, a DH 106 Comet C with 8 crew and 55 passengers crashes 9 nm. W. of Madh Island, India; there are no survivors. The aircraft had been acquired as a replacement for the one lost in 1962.

Yet another Comet 4C is damaged in a landing accident at Benghazi on September 12. UAA no longer has sufficient jetliners to serve both Europe and Japan and, consequently, the Tokyo route is now suspended. Arrangements are made to obtain additional aircraft.

Two Comet 4Cs are delivered in February 1964, along with three DC-6Bs from **Pan American World Airways (1)**. These propeller-planes supplement the earlier Viscounts and DC-6Bs on domestic and regional services.

A Vickers Viscount 732 with 4 crew and 45 passengers must be written off after a bad landing at Beirut on February 23; there are no fatalities.

In April, four more DC-6Bs are purchased from **Northwest Airlines**. The first arrives on October 15.

During the fall, company officials decide to create a domestic subsidiary, **Misrair, S.A.E. (2)**, leaving UAA to handle long-haul services. The company stages a fly-off evaluation of turboprop equipment and eventually chooses to place a \$2.3-million order for seven Antonov An-24Vs. As Egypt falls under Soviet influence, its airline fleet is altered as the Russians grant easier payment terms and Western builders turn away. The previous arrangement with Boeing for the acquisition of Stratoliners collapses in November when financing terms cannot be finalized.

The remaining three **Northwest Airlines** DC-6Bs arrive in January, March, and June 1965. The Soviet Antonovs now also begin to arrive.

A DC-3 is lost while landing at Cairo on June 6; there are no fatalities.

All of the new Antonovs are placed on domestic and regional routes when **Misrair, S.A.E. (2)** begins operations on August 1. UAA is now reorganized; it, like Misrair, is owned by General Arab Air Transport Organization, which also oversees the hotel unit, General Aviation Services, and the Karnak Travel and Tourist Corporation.

Coming into Cairo in bad weather from Nicosia on March 18, 1966, Flight 749, an An-24V with 5 crew and 25 passengers, crashes 5 mi. from the runway; there are no survivors.

A new agreement is reached with Boeing on June 15 and a \$30-million contract is signed with the American builder for three B-707-366Cs.

An An-24V with 6 crew and 37 passengers is destroyed as the result of a bad landing at Cairo on September 30; there are no fatalities.

Service to Prague, a stop on the Cairo to Moscow route, is dropped on November 1.

Flights commence from Cairo to Copenhagen via Frankfurt on January 4, 1967. A DC-6B is destroyed as the result of a bad landing at Hodeidah, Aden, on January 24, when it ground loops off the runway causing its landing gear to collapse; no fatalities are reported.

When the summer schedule begins in April, a number of Comet 4C charters are authorized for New York. A Comet 4C is destroyed on June 22 as the result of a bad landing at Kuwait City; there are no fatalities.

Having cost more to operate than its services had generated, the General Arab Air Transport Organization announces on January 1, 1968 that it will fold **Misrair, S.A.E. (2)** back into UAA on June 1.

Just after takeoff from Cairo on January 15, the four-man crew of a DC-3 freighter elects to return due to icing conditions; the aircraft crashes before they can put it back down to the runway and there are no survivors.

En route from Cairo to Damascus on August 18, an An-24V with 7 crew and 33 passengers crashes into the sea off Nicosia; there are no survivors.

During August, two Ilyushin Il-18s are acquired from the Soviet Union and in the fall, the first Boeing Stratoliners arrive and enter service on the London route.

While attempting its third approach to Aswan Airport in a sandstorm on March 20, 1969, a chartered Il-18D with 7 crew and 93 passengers crashes and burns (100 dead).

An Il-18 route to East Berlin is started at the end of the month. A DC-3 freighter with three crew strikes high ground near Cairo on April 10 and is destroyed; there are no survivors.

Weekly flights to Tokyo via Kuwait, Bombay, Bangkok, and Hong Kong, are resumed on June 15.

On August 18, an An-24V with 30 passengers en route from Cairo to Aswan is taken over by two Egyptian brothers, one of whom is accompanied by his wife and children, and diverted to El Wagah, Saudi Arabia. The pirates are arrested and on order of King Faisal are returned to Egypt.

Late in this period, a deal is struck whereby the Soviets will outfit the carrier with a fleet of Tupolev Tu-154 jetliners to replace Western types including the Comet 4Cs.

There will be a string of aircraft accidents in 1970. Having arrived on a service from Cairo via Khartoum, Flight 755, a DH 106 Comet 4C with nine crew and five passengers crashes while landing at Addis Ababa on January 14; although the aircraft must be written off, there are no fatalities.

While landing at Luxor on January 30, the landing gear of an An-24V collapses; there are no fatalities.

As a result of heavy buffeting and ice on the wings, a DH 106 Comet 4C with 9 crew and 14 passengers rejects takeoff from Munich on February 9 at a height of 30 ft. The aircraft settles back down, but overruns the runway, hits a fence, loses its undercarriage, and is exposed to a quickly extinguished fire. Although there are no fatalities, the aircraft must be written off.

Just after takeoff from Alexandria on March 14, an explosion caused by an imbedded foreign body, rocks the No. 1 engine of an An-24V with seven crew and eight passengers. Diverted to Cairo, the turboprop makes a safe wheels-up landing near Runway 05. Although the plane must be written off, there are no fatalities.

The fourth B-707-366C is delivered on April 1.

While practicing touch-and-go landings from Cairo on July 19, an An-24V with three crew goes out of control and crashes; there are no survivors.

In mid-September, the carrier is subjected to three unsuccessful hijacking attempts.

On September 10, three gunmen unsuccessfully attempt to take over an Il-18 en route from Cairo to Beirut, but are foiled by security guards. Two days later, a lone skyjacker, S. Nasr, is subdued before he can capture an An-24V en route from Cairo to Tripoli and divert it to Saudi Arabia.

The third effort proves no more successful than the first two. En route from Luxor to Cairo on September 16, another lone assailant tries to take over an An-24V with 46 passengers, but he, too, is thwarted by security policemen.

The unduplicated route mileage in 1971 totals approximately 40,000, a number equivalent to 10% of the number of passenger boardings per year.

On January 2, Flight 844, a Comet 4C with eight crew and eight passengers en route from Cairo, begins final approach to Tripoli, but flying below minimum altitude, crashes into a 395-ft. high sand dune near the Libyan city and crashes (16 dead). Two days later, the Egyptian government tightens controls on the airline.

The fleet now includes 4 Comet 4Cs, 3 Boeing 707-366Cs, 7 Antonov An-24s, and 2 Il-18s.

Orders are placed with the Soviet government on May 23 for two Il-62s that are delivered a month later and assigned to the European routes.

Il-62 service to Tokyo begins on July 9. On August 22, a security guard subdues a lone pirate as he attempts to divert to Israel an Il-18 flying en route from Cairo to Amman.

New livery and the name **Egyptair, S.A.E.** are adopted on October 10.

UNITED ARABIAN AIRLINES, LTD.: Sudan (1996–1998). **Trans Arabian Air Transport, Ltd.** is renamed during 1996 and receives a new corporate identity. Capt. Mustafa H. Y. Kordofani is managing director and he continues to oversee a workforce of 230.

In addition to 3 Antonov An-26s, the fleet includes 1 each owned Boeing 707-349C and B-707-351C, plus a leased B-707-321C.

Destinations visited during the year and in 1997–1999 include Addis Ababa, Amsterdam, Athens, Cairo, Doha, Harare, Jeddah, London (LGW and STN), Malta, Nairobi, Port Sudan, and Sharjah.

The new brand does not last and by 1998 United Arab is once again known as **Trans Arabian Air Transport, Ltd.**

UNITED AVIATION. *See* **UNITED STATES AIRWAYS**

UNITED CHINA AIRLINES. *See* **CHINA UNITED AIRLINES**

UNITED EXPORT COMPANY: United States (1948–1952). One of many small U.S. irregular carriers established in the years immediately after World War II, UE is set up at Miami in 1947 to operate all-cargo charters. Revenue operations commence with a single leased Curtiss C-46 Commando.

Flights continue without incident until August 31, 1952, when the transport suffers engine trouble just after takeoff from Prescott, Arizona, and crashes. Although no injuries are reported, the Curtiss is so badly damaged that the company elects to liquidate rather than undertake its repair.

UNITED EXPRESS. *See* **AIR WISCONSIN; ASPEN AIRWAYS; ATLANTIC COAST AIRLINES; GREAT LAKES AVIATION; GULFSTREAM INTERNATIONAL AIRLINES; HORIZON AIR; MESA AIRLINES; SKYWEST AIRLINES; UFS (UNITED FEEDER SERVICE, INC.); WESTAIR COMMUTER AIRLINE**

UNITED EXPRESS (MESA AIR GROUP): United States (1997–1998). During the first week of January 1997, Mesa Air Group is again reorganized. The operating divisions Desert Sun, Florida Gulf, Liberty Express, and Mountain West are replaced by four new units: America West Express, Independent, “United Express,” and “USAirways Express.” Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**. Robert Dynan, former president of Liberty Express, is placed in charge of this new unit.

When **United Airlines** early in the year elects to transfer code-sharing on eight routes out of Los Angeles to **SkyWest Airlines**, Mesa files suit. Although Mesa will continue to seek certain “commercial resolution” of the move, UAL will provide “United Express” with seven new California routes as compensation.

A dispute between Mesa Air Group and its **United Express (Mesa Air Group)** division versus **United Airlines** and **SkyWest Airlines** concerning access to certain additional West Coast markets results in a July lawsuit. UAL files suit in the U.S. District Court in Chicago seeking a determination as to the rights of all parties to the routes before any of the companies suffer economically. Mesa does not countersue.

Recognizing the higher costs of operating at the new Denver airport, Congress, on July 1 under the leadership of U.S. Senator Pat Roberts (R-Kans.), restores—and increases—the EAS subsidy for Kansas and eastern Colorado that Mesa Air Group had lost the previous year. In the next fiscal year, MAG will receive \$2,797,280.

Consequently, twice-daily **Air Midwest** “USAir Express” roundtrip Beech 1900D flights are resumed on October 1 from Hays to Kansas City via Great Bend and from Garden City to Kansas City via Dodge City. Additionally, “United Express” resumes twice-daily Beech 1900D roundtrips from Great Bend to Denver via Dodge City and twice-daily roundtrips from Hays to Denver, plus thrice-daily roundtrips from Liberal to Denver via Garden City.

Also on October 1, the company, together with **SkyWest Airlines**, increases “United Express” services from their Los Angeles hub by 73%

to 175 daily flights; at the same time, 12 new California destinations are now initially visited, including San Jose.

CCAir board member Peter Murname, a principal in Barlow Partners and former Mesa executive Jonathan Ornstein, president of **Virgin Express Airlines, S.A.**, make a \$50-million offer in October for Mesa’s “United Express” operation at Denver, along with **WestAir Commuter Airlines**. The tender is rejected.

“United Express” service from Denver to Fort Collins, Loveland, and Longmont, Colorado, is terminated in November as the result of low prorates from **United Airlines** and high Denver airport costs. United begins an “Airport Express” bus service that operates 14-times-per-day roundtrips from Denver to Fort Collins and 12-times per day to and from Longmont and Loveland.

Having weathered the required three-month interim, the company drops “United Express” flights to Worland and Rock Springs, Wyoming, plus Pueblo and Alamosa, Colorado, at the end of the year.

In January 1998, word of separation comes from **United Airlines**, which announces an end to its “United Express” arrangements with Mesa Air Group subsidiary **Westair Commuter Airlines**. The San Francisco component is cancelled, effective on May 31, with Pacific Northwest flights to end in September.

The loss of this operation is a serious blow, as the “United Express” relationship had been worth 47% of the group’s revenue.irate investors, claiming to have lost millions over the past year due to poor management, threaten lawsuits. The entire matter brings a major change in Mesa Air Group management and by midyear former executive Jonathan Ornstein will, in fact, be in charge.

At the beginning of May, Mesa Air Group retains the International Airline Support Group to assist **Westair Commuter Airlines** with the disposition of its leased fleet of Brasilias and Jetstream 31s.

Both that carrier and this division are now shut down.

UNITED IMPERIAL AIRLINES. *See* **IMPERIAL AIRLINES; PACIFIC COAST AIRLINES (2)**

UNITED IRANIAN AIRWAYS. *See* **IRAN AIR**

UNITED LIBYAN AIRLINES: Libya (1962–1964). ULA is established at Tripoli in 1962 to provide aerial support to the growing energy industry. Although owned by local concerns, management and aircraft are provided by **Autair, Ltd.** of the U.K. C. J. Bicknell is appointed CEO and several Autair Douglas DC-3s provide lift.

In 1964, the company is merged with **Libavia** to form **Kingdom of Libya Airlines**.

UNITED PARCEL SERVICE. *See* **UPS (UNITED PARCEL SERVICE)**

UNITED SHUTTLE. *See* **UNITED AIRLINES**

UNITED STATES AIRWAYS: United States (1929–1934). Organized by N. A. Letson at St. Louis in the spring of 1929, United States Airways is equipped with Metal G-2W Flamingos that are employed to inaugurate scheduled, multistop passenger service to Denver via Kansas City on July 29. Operations continue apace in 1930, during the spring of which the carrier joins with **Ohio Air Transport** and **Pittsburgh Airways** in the creation of **United Aviation**, a confederation seeking a transcontinental mail route.

To split the aviation group and halt its desire to participate in his airway master planning, Postmaster General Walter Fogler Brown allows **American Airways** to extend its new AM-30 westward from Kansas City to Denver in June 1931. Part of the deal includes an understanding that it would (as occurs) be sublet to United States Airways should the partner see fit to secede—which it does. **United Aviation** folds on July 15.

A Flamingo is lost in a nonfatal crash landing at Goodland, Kansas, on May 22, 1933. En route to Denver from Kansas City on June 28, a

Flamingo catches fire in the air and makes a safe emergency landing at Goodland, Kansas.

On February 9, 1934, as a result of concerns raised during the so-called "Air Mail Scandal" controversy, the U.S. Post Office cancels all existing airmail contracts. The White House calls upon the U.S. Army Air Corps to fly the mail, a military option that does not prove successful. As a result, the Post Office rebids the routes. United States Airways, which has meanwhile ceased operating, goes out of business in June.

UNITED STATES AVIATION COMPANY: 3315 N. Memorial Drive, Hangar 31, Tulsa, Oklahoma 74115, United States; Phone (918) 836-5387; Fax (918) 836-7804; Year Founded 1995. This corporate carrier is established at Tulsa in 1995 to provide businessmen with on-demand charters to worldwide destinations. The company employs eight pilots and begins revenue flights with 1 each Grumman G-1159C Gulfstream IV, Dassault Falcon 20, Learjet 55C Longhorn, and Learjet 25B.

UNITED STATES OVERSEAS AIRLINES (USOA): United States (1946–1964). USOA is organized at Cape May, New Jersey, in June 1946 to offer irregular cargo service. Revenue flights begin on November 12 employing two war-surplus Douglas C-54s (military DC-4s). Transcontinental freight flights are made and the fleet grows to include DC-6As and DC-7Fs.

A decade later, on January 1, 1956, USOA receives a operational certificate as a "large irregular" from the CAB. By 1958, the fleet comprises 11 freighters: 9 Douglas DC-4s and 2 Lockheed L-1049Hs. Destinations now served include Los Angeles, Miami, New York, Chicago, and San Francisco.

On February 14, 1960, failure to maintain sufficient altitude to clear obstructions during an attempted VFR approach to Providence, Rhode Island, in IFR conditions results in the crash of a DC-4; both crewmen aboard are slightly injured. When **Transocean Air Lines (TAL)** folds on July 11, the company assumes that carrier's routes, with emphasis on the service from Honolulu to Okinawa via Wake Island and Guam.

The nosegear of a DC-4 collapses as the freighter lands at Patrick AFB, Florida, on June 25, 1961. Flights are conducted without incident in 1962. However, a DC-6B with five aboard on a ferry flight crashes upon landing at Wildwood, New Jersey, on May 31, 1963 after the flight engineer prematurely retracts the main gear. Overexpanded and under financed, USOA is declared as unfit to operate by the CAB on September 25, 1964. It goes out of business on November 30.

In 1980, company officials seek recertification from the CAB; the government grants worldwide charter authority in August. Efforts to raise sufficient capital to resume flying are unsuccessful.

UNITED WEST AIRLINES: P.O. Box 824870, Fort Lauderdale, Florida 33082, United States; Phone (954) 438-9077; Fax (954) 431-3573; Year Founded 1993. This nonscheduled carrier is established at Fort Lauderdale in 1993 to provide executive and small group charters to worldwide destinations. Four pilots are employed and revenue flights begin with a single Dassault Falcon 20.

UNIVERSAIR, S.A. See MERIDIANA AIR, S.A.

UNIVERSAL (TRANSPORTES AEREOS UNIVERSAL, LTDA.). See SERVICIOS AEREOS DEL ORIENTE, LTDA. (SAO)

UNIVERSAL AIRLINE COMPANY: United States (1966–1972). **Zantop Air Transport** becomes a wholly owned subsidiary of the Detroit-based Universal Airline Company on September 21, 1966. UAC itself is a subsidiary of Universal Consolidated Industries.

A week later, under the new name of Universal Airlines, the carrier receives CAB authority to provide charter passenger and freight service into Canada and Mexico.

Revenues for the year are \$35,013,761. An operating profit of \$15,858,058 is turned in along with a net profit of \$982,664.

The workforce in 1967 totals 1,537. In October, former **Central Airlines** President M. Lamar Muse becomes president/CEO. The fleet grows to include 6 Armstrong-Whitworth AW-650 Argosy freighters, 19 DC-7Fs, 6 DC-6As, and 34 Curtiss C-46As. Orders are placed or outstanding for 2 DC-8-61CFs and 4 DC-9-30CFs, while 2 Lockheed L-188A Electras are acquired from **PSA (Pacific Southwest Airlines)** for conversion into L-188AF freighters.

A total of 149.09 million freight ton-miles are flown. Revenues climb 5% to \$36.7 million. Net earnings fall to \$266,819.

Airline employment declines to 1,500 in 1968. Early in the first quarter, the company purchases all 11 L-188Cs put up for sale by **KLM (Royal Dutch Airlines, N.V.)**; the first, converted into an L-188CF, is delivered on March 14.

Two DC-8-61CFs also join the fleet during the year and Universal becomes a public corporation. As greater emphasis is placed on turbojets and turboprops, the Commando fleet is reduced, with many sold to the new **Span East Airlines**.

While landing at Philadelphia during a storm on July 2, a DC-7F with two crew suffers an undercarriage failure and crashes; although no injuries are reported, the aircraft must be written off.

About to complete a military contract, a DC-7B with no passengers crashes and burns during its final approach to Cherry Point Marine Air Station on September 27, killing its three crew members.

A total of 26,816 passengers are flown on the year.

Hubbing out of Detroit (YIP), the carrier now offers cargo flights based on an "either/or" tariff (either use the space contracted for or pay for it anyway), a policy that does not immediately help to increase the number of freight ton-miles flown. In fact, these actually decline this year to 147.58 million; revenues are \$45,827,091. Profits rise, both operating (\$6,051,063) and net (\$2,901,339).

In 1969, the fleet includes 2 DC-8-61CFs, 1 DC-8-55F, 12 L-188A Electras, 8 Argosys, 6 DC-7BFs, 5 DC-6As, and 10 C-46s. The last L-188CF from **KLM (Royal Dutch Airlines, N.V.)** arrives on February 2.

The Commandos and DC-6As are sold to **Span East Airlines** as four DC-9-30CFs are also delivered during the spring.

Unable to agree with his board's desire to purchase Boeing 747F freighters, Muse is forced out and his contract is terminated. Income is \$46,134,376; however, losses are suffered: \$2,354,276 (operating) and \$3,174,481 (net).

Still specializing in the delivery of auto parts, Universal purchases **American Flyers Airline** on June 4, 1970. A total of 202,344 charter passengers are carried while freight ton-miles operated advance to 36.4 million. The fleet now includes 12 Electras and 4 DC-8-61CFs.

Flight 9524, the former **KLM (Royal Dutch Airlines, N.V.)** L-188CF Electra *Saturnus* with three crew, fails its takeoff from Ogden-Hill AFB, Utah, on an August 24 Logair service, crashes into the runway, and slides 2,600 ft. to a stop; there are no fatalities.

Revenues increase slightly to \$47,555,232. Although a \$1,257,989 operating profit is realized, the net is again off by \$297,471.

Service continues without incident in 1971 as the company works to integrate its new acquisition.

While landing at Hill AFB, Utah, on March 19, 1972, the former **KLM (Royal Dutch Airlines, N.V.)** L-188CF *Mercurius* with three crew experiences propeller problems; after the plane is on the ground, the propeller separates from the turboprop and punctures a fuel tank. The crew is able to evacuate before the Electra is burned out.

Costs, led by fuel price increases, prohibit the carrier from earning sufficient revenues to sustain the new merger and on May 4, Universal declares bankruptcy and shuts its doors. Its USAF contract, together with the ex-KLM Electras, will be taken over by **Saturn Airways**.

UNIVERSAL AIRLINES (1): United States (1946–1947). Universal Airlines is formed at New York in 1946 to operate an nonscheduled deep discount service to Miami and San Juan. Seven former **Pan**

American Airways (PAA) Boeing 314 flying boats, the *Pacific Clipper*, *Atlantic Clipper*, *Dixie Clipper*, *American Clipper*, *California Clipper*, *Capetown Clipper*, and *Anzac Clipper*, are purchased from the U.S. War Assets Administration at San Diego, California. The ships are hardly in hand when the first named is severely damaged in a storm; it is salvaged for parts.

Unable to obtain sufficient financial return, the charter operator goes broke in the spring of 1947; unpaid for, the Boeings are returned to San Diego in poor condition. They will be sold to another nonscheduled airline, **American International Airways**.

UNIVERSAL AIRLINES (2): United States (1990–1992). A subsidiary of Dallas-based WAA Leasing, Universal is established in 1990 to offer cargo charter and contract service flights in Alaska with a Cessna 411 and a Piper PA-31 Navajo.

A total of 182,500 FTKs are operated on the year.

Although the fleet is altered in 1991 to include 6 Douglas DC-6As, the 40-employee carrier, unable to attract business in time of recession, suffers a major traffic decline.

Cargo traffic plunges by 61.6% to 70,080 FTKs.

At the beginning of 1992, Universal serves 10 communities from Anchorage with cargo flights and transports passengers from Bethel. The insurance company AIG Aviation informs the DOT that liability insurance coverage for the airline will be cancelled on March 25, but will be reinstated two days later. In the interim, the government requires the carrier to shut down. Under DOT rules, the company cannot fly again for at least 45 days unless an exemption is granted. No exemption is sought.

Over the next few weeks, the government evaluates the airline's financial soundness. No report is finished because, on the evening of April 3, WAA Leasing notifies the DOT that it will close permanently as of 12:01 a.m. April 4. Its last action is to take down the sign outside at Anchorage and disconnect the telephone.

UNIVERSAL AIRLINES SYSTEM (UNIVERSAL AVIATION CORPORATION): United States (1928–1930). On July 30, 1928, a group of investors and bankers from St. Louis, Minneapolis, and Chicago meet in Delaware to incorporate the Continental Aviation Corporation as a holding company under that state's laws. Initial shareholding is \$2.3 million. A workforce of 25 is assembled and 5 Hamilton H-45 Metal Planes are purchased.

On September 1, the holding firm's name is changed to Universal Aviation Corporation and the airline operating subsidiary becomes Universal Air Lines. Fifteen days later, scheduled passenger-only service is inaugurated between Chicago and Cleveland. On November 24, a Hamilton H-47 en route to Chicago from Cleveland crashes at Edgerton, Ohio, in a snowstorm (three dead). By year's end, UAL transports a respectable 425 passengers.

On December 31, after much planning and negotiation, Universal Aviation Corporation, in a rush of acquisitions, instantly forms the first airline system in the United States, Universal Air Lines System. On that day, UAC purchases **Robertson Aircraft Corporation**, **Northern Air Lines**, and **Continental Air Lines**. Together with UAL, the three will be operated as subsidiary divisions of UALS.

The three subsidiaries continue operations as before in early 1929. Plans to extend the new Northern division's Chicago to Minneapolis route beyond Fargo are reconsidered. The first 2 of 15 ordered Fokker F-10As is received; christened *Miss Cleveland* and *Miss Chicago*, they are placed into service on the route of the namesakes and complete with chefs, offer the first airline dinner service prepared on electric stoves in the rear fuselages.

On April 1, **Central Airlines** and **Paul R. Braniff** are purchased and UAC begins amalgamating its small components into a single whole with a 2,858-mile route system. Simultaneously, the corporation opens 10 flying schools from Memphis to Minneapolis and Oklahoma City to Cleveland. It also begins taking delivery of the remaining ordered Fokker F-10A trimotors, eight Fokker Model 8 Super Universals, two

Boeing Model 40Cs (obtained from **Pacific Air Transport**), and several Travel Air 6000s, Fairchild 71s, and Hamilton H-47 Metal Planes.

On April 16, the northern routes (totaling 617 miles) to and between Minneapolis and Fargo are closed and assigned to the Northern division. Meanwhile, the Universal Air Lines division, employing the first F-10As to be delivered, stretches its Chicago route up to Minneapolis. In a short-term experiment designed to relieve some of the boredom of flight, the diversion of motion pictures is introduced over this new route. Projection equipment is too primitive to be successfully employed airborne.

As other F-10As become available, they are apportioned to the Northern, Central, Robertson, and Braniff divisions (those provided the latter are employed only on the Tulsa–Oklahoma City segment). The eight Super Universals are divided between the Robertson and Continental divisions while the former receives the two Boeings for its CAM-2 mail route. The Central division is given the Travel Airs while the former Braniff operation in Oklahoma receives the Fairchilds and Hamiltons. In July, the ex-Robertson Ryan B-1s are sold.

On June 15, America's first transcontinental air-rail service is started by the Universal division; passengers embarked on the Universal Air Express will be able to cut their New York to Los Angeles travel time to just 67 hrs. 15 min. for just \$85 more than an all-rail trip. Sent off by Mayor Jimmy Walker from New York overnight via the New York Central Railroad's *Southwest Limited*, six passengers reach Cleveland in the morning where they board a Fokker F-10A (two others filled with media fly escort) for the flight to Garden City via Chicago and Kansas City. At the Kansas terminus by dusk, customers board the Atchison, Topeka and Santa Fe Railroad's *California Limited* for completion of their journey.

On June 30, a Travel Air 4000 of the Continental division is caught in heavy fog and crashes into the radio tower of Columbus' WAIU (one dead). A Boeing 40B-4 hits a truck while taking off from Kansas City on October 8 and crashes; none aboard are injured. On October 29, a Stearman C3B of the Continental division crashes in fog at Mt. Vernon, Ohio (one dead). Late in the year, the corporation is purchased by a larger conglomerate, The Aviation Corporation (AVCO), which allows Universal to operate under its own identity for the remainder of the year.

On January 25, 1930, **American Airways** is formed as AVCO's principal operating subsidiary through the expedient of a stock exchange. Universal receives 4,288 shares, becoming not only a division, but a stockholder as well. Its remaining story will be continued under the **American Airways** entry.

UNIVERSAL AIRWAYS: United States (1978–1981). Established at New Orleans's Lake Front Airport in 1978, Universal is outfitted with 1 each Beech 18 and Beech B-80 Queenaire. Scheduled passenger and cargo services are inaugurated linking the company's base with Gulfport, Morgan City, Patterson, Laurel/Hattiesburg, Houma, and Houston. The Beech 80 is lost in a crash landing at Gulfport, Mississippi, on March 1, 1979; however, a replacement aircraft is acquired to replace it.

Overextended, the commuter is unable to survive the crash of its second Queenaire near Madisonville, Texas, on July 2, 1981 and is history by year's end.

UNIVERSAL JET: 2828 Donald Douglas Loop N, Santa Monica, California 90405, United States; Phone (310) 399-7371; Fax (310) 399-7341; Year Founded 1997. This new nonscheduled operator is established at Santa Monica Municipal Airport in 1997 to provide executive and small group passenger charters throughout the Western Hemisphere and to Europe. James Duggan is general manager and he employs eight pilots, who fly the company's British Aerospace BAe (HS) 125-700A Hawker and Learjet 35A Century III.

UNIVERSAL JET AVIATION: Boca Raton Airport, 3700 Airport Road, Boca Raton, Florida 33431, United States; Phone (561) 989-0025; Fax (561) 361-0920; <http://www.aerosearch.com/companies/univjet>; Year Founded 1994. Michael McCauley establishes this nonscheduled carrier at Boca Raton, Florida, in 1994 to provide execu-

tive and small group passenger charters throughout the Western Hemisphere and to Europe. President McCauley, together with his brother Vice President Robert, employs five pilots who fly the company's Learjet 25B, Learjet 25D, and Learjet 35A Century III.

A story in an April 1997 issue of the *Boca Raton News* labels the brother's charter operation as "a Boca Raton version of the NBC sitcom 'Wings.'"

Flight are continued during the remainder of the decade without incident.

UP AIRWAYS, LTD.: India (1994–1998). NCM (Singapore) and the state government of Uttar Pradesh join together in late 1994 to establish this airline for the express purpose of helping the latter develop the tourist potential of the Lucknow area, particularly in relation to Buddhist traffic. Capt. V. P. S. Sindu is appointed CEO.

Two Fokker F.27-500s are acquired early in 1995 and employed in April to launch pilgrim flights to cities of Agra, Bhopal, Delhi, Kanpur, Lucknow, Patna, and the Bihar Buddhist centers.

NEPC Airlines, Ltd. signs a management contract during the spring of 1996. Services begin from Delhi to Lucknow and Kulu. In April 1997, the Indian government refuses to permit foreign participation in the nation's domestic carriers and the NCM stake is passed to the Delhi-based business house Roopali Industries.

The company is renamed **SGA Aviation, Ltd.** in 1998.

UPALI AVIATION, LTD.: Sri Lanka (1979–1984). Upali Aviation, Ltd. is formed at Colombo Airport in late 1979 as a subsidiary of one of the nation's largest companies, Upali Trading, Ltd. Keenly interested in aviation, the group's President Upali Wijewardena serves as airline chairman; A. S. Pelimuhandiram is appointed managing director. The initial fleet comprises 1 each de Havilland Canada DHC-6-300 Twin Otter, Cessna Citation executive jetliner, Cessna 206, and Bell 206B JetRanger helicopter.

In addition to corporate flight support activities, which are provided by the Citation and JetRanger, the private carrier undertakes scheduled services beginning in August 1980, linking Colombo with Anuradhapura, Batticaloa, Jaffna, and Trincomalee.

Operations continue apace in 1981–1984. During the latter year, the decision is taken to discontinue all scheduled, charter, and flight support domestic passenger services and to concentrate only on corporate airlift. The Twin Otter is sold to **Skywest Airlines (Pty.), Ltd.** in Australia.

UPS (UNITED PARCEL SERVICE): 1400 North Hurstbourne Parkway, Louisville, Kentucky 40223, Phone (502) 329-6500; Fax (502) 329-6550; <http://www.ups.com>; Code 5X; Year Founded 1934. UPS is incorporated in Ohio on March 19, 1934 to provide ground freight transport services. During the next 48 years, it often contracts to have certain of its shipments flown by air. Contract carriers allow the company to introduce UPS-AIR service in 1953; it will later be known as UPS 2nd Day Air.

The company operates to all 48 contiguous states by 1975 and initiates flights to Europe in 1976 with service to Frankfurt.

To complement its already huge ground transport system and to take advantage of the possibilities opening up in air express, UPS starts its own airline. A sorting and distribution hub is opened at Louisville at decade's end.

UPS Airlines is established in 1981 and \$28 million is spent to acquire a mixed-fleet of propeller and jet freighters, including 12 Fairchild-Swearingen Expeditors (cargo version of the Metro II airliner), 24 Boeing 727-100Fs, 5 Douglas DC-8-73Fs, and some 90 smaller aircraft on contract. All aircraft will be flown under contract by specialized carriers such as **Evergreen International Airlines** and **Orion Air**.

Following the lead of **Federal Express Corporation**, UPS begins air operations in 1982. UPS Blue Label Air Service (renamed UPS 2nd Day Air) guarantees delivery anywhere on the mainland U.S. and Oahu within 48 hours. Overnight service, UPS Next Day Air, is also started.

To promote the new service, the first company ad campaign is undertaken. The first three of four DC-8-63Fs previously operated by **The Flying Tiger Line**, which have been converted into DC-8-73Fs, are delivered at year's end.

Coverage of the nation is expanded in 1983 to nearly twice the number stops and capacity available in the first year of air express service. Twelve Fairchild Expeditors are now acquired and provided to **Merlin Express** under contract with which to operate feeder flights from large East Coast hubs to smaller regional airports. Although the fourth ex-Flying Tiger DC-8-73F is acquired, flights to and within Alaska are, however, suspended.

By 1984, the fleet has been upgraded further by the acquisition of 4 more B-727-100Fs and 13 DC-8-71/73Fs. A total of 55.6 million shipments are flown; it is known that \$165 million in bonds are sold to pay for the freighters. Many flights are also still made under contract for UPS by other carriers, including the Lockheed L-100-30s of **Southern Air Transport**, the B-727-100s of **Jet East International**, and the DC-8-73Fs of **Orion Air** and **Evergreen International Airlines**. Between August and December, six B-747-123SFs, formerly operated by **American Airlines**, are purchased and turned over to **Orion Air** for operation on UPS' behalf. Corporate income totals \$6.83 billion and a net gain of \$477 million is generated.

At the beginning of 1985, the UPS fleet includes 6 B-747-100Fs, 29 DC-8-71/73Fs (the largest DC-8 fleet in the world), 28 B-727-100Fs, 8 B-727-200Fs, and 11 Fairchild Expeditors. These are all operated under contract by other specialized carriers. In June, the company guarantees next-day delivery to every point in America except Alaska, where service is resumed. New frequencies are started to and within Puerto Rico.

Contracts are let with carriers in six European nations to begin UPS services; plans are made to begin employing UPS aircraft in Europe in the future. UPS becomes launch customer for the B-757PF Package Freighter, with an order for 20, with 15 options. In October, service to Europe is begun; the lower 48 United States are now connected with destinations in France, West Germany, Belgium, Luxembourg, the Netherlands, and the U.K.

Although exact traffic and financial figures for the airline portion of the corporation are not released, officials note that 350,000 packages are moved nightly. Systemwide, a total of 2.06 billion packages are delivered, revenues total \$7.68 billion, and a net profit of \$568 million is reported.

In late fall 1986, construction is begun on a second cargo hub at Philadelphia; when completed in two years, the \$128-million center will become a twin of the Louisville operation. The carrier joins **DHL Worldwide** in establishing a subsidiary, **International Parcel Express (IPX)**, to operate in the event that a bid for a U.S.–Japan express route proves successful.

Systemwide package deliveries increase to 2.26 billion, revenues advance to \$8.62 billion, and the net gain swells to \$669 million.

Beginning in June 1987, the carrier increasingly operates its own air services, replacing outside companies earlier chartered to fly express. The carrier pays cash to purchase 110 aircraft, instantly becoming the 10th largest U.S. airline. The fleet now also includes the first three newly delivered B-757-24APFs.

When the Japan express route is won by **Federal Express, International Parcel Express (IPX)** is wholly acquired and integrated into the UPS network. Late in the year, remaining contract partners are informed that the company will take over all of its airlift during the next year.

Systemwide, 2.49 billion packages are delivered, corporate revenue reaches \$9.68 billion, and net gain totals \$784 million.

The giant small-package carrier received FAA authorization in 1988 to form its own airline division and operate it as an airline. One of the fastest growing airlines in U.S. civil aviation history, UPS Airlines is equipped with a fleet of 104 aircraft: 6 B-747-100Fs, 42 DC-8-73Fs, 38 B-727-100Fs, and 20 B-757-24AFs. A total of 844 pilots are hired and trained between January and February (and also join the International Brotherhood of Teamsters union) and each month thereafter for

the remainder of the year, one more aircraft is placed into service when returned from its contract carrier.

In November, Asian Courier Systems is acquired, along with its operations to Hong Kong, Malaysia, Singapore, Taiwan, and Thailand. UPS now provides international deliveries in 40 nations, along with 57 cities in the People's Republic of China alone.

The DOT now designates the new all-cargo operation as a national. In return, the corporation reports a total of 2.68 billion packages delivered, revenues of \$11.03 billion, and a net profit of \$758 million.

UPS has over 241,000 people employed in its entire operation in 1989 and does not provide separate employment numbers for UPS Airlines. The fleet grows by four owned aircraft, although another 246 are leased. In January, international air delivery is extended to 18 additional countries in Europe and on the Pacific rim: Andorra, Brunei, the People's Republic of China, Greece, Hong Kong, Indonesia, Macau, Malaysia, New Zealand, Papua New Guinea, the Philippines, Portugal, Singapore, South Korea, Spain, Taiwan, Thailand, and Turkey.

In August, weekly service is initiated from Los Angeles to Sydney via Honolulu and Nadi, Fiji. Now employing the marketing slogan "the tightest ship in the shipping business," UPS later in the month inaugurates worldwide air-express package (up to 70 lbs.) and document delivery.

During the fall, company pilots abandon the Teamsters Union in favor of their own breakaway Independent Pilots Association (IPA).

Thrice-weekly flights begin in November from Newark to East Berlin via Cologne, to Moscow via Cologne, to Budapest via Cologne, and to Krakow and Warsaw via Cologne. Services into the U.S.S.R. are operated by German or Soviet aircraft in partnership with the ground transportation concern Sovtransavto.

The national reports its first traffic statistics. After flying 2.09 billion FTKs in almost 20,000 shipments, UPS Airlines ranks second behind **Federal Express** among U.S. all-cargo airlines; however, the corporation as a whole now begins ranking #1 in the *Fortune* 50 Transportation Companies. The parent corporation reveals that its aviation division earns revenues of \$650.4 million and is profitable on both bottom lines: \$32.92 million (operating) and \$47.45 million (net). Shareholders' equity totals \$3.5 billion while long-term debt stands at only \$165 million.

The 2,000-employee airline division operates 135 aircraft in 1990. Kent C. ("Oz") Nelson is elected chairman/CEO of UPS in January, succeeding John W. ("Jack") Rogers. During the month, the corporation sells \$700 million in 20-year, 8 3/8% debentures through the public debt market. Also, the carrier's first scheduled service to Asia using its own aircraft is initiated five times per week; routing of the DC-8-73Fs is Anchorage-Seoul-Hong Kong-Seoul-Anchorage. Simultaneously, UPS contracts with **Northwest Airlines** for cargo service from Anchorage to Tokyo (NRT). In May, B-727F Pilot Capt. Emily H. Warner retires. Capt. Warner had joined **Frontier Airlines** (1) in 1973, becoming the first American woman in modern times to fly for a scheduled airline. Later, she would become the first qualified woman captain with a U.S. airline. After stints with **PeoplExpress Airlines** and **Continental Airlines**, she moved on to UPS. Following her retirement, she will become an FAA examiner in Colorado.

The \$183.5-million Louisville air operations facility is completed with a new maintenance center; a \$2.5-million Phase III simulator center is also set up at Louisville and is equipped with three Rediffusion Simulation, Ltd. simulators worth \$34 million. Construction is begun on a \$53-million hub center at Ontario, California, and \$1.7 billion in orders are placed for additional 25 B-757-24APFs.

A \$90-million cockpit modernization program, the Electronic Flight Information System, (EFIS) is started for the DC-8Fs and B-727Fs by the Dee Howard Company of San Antonio and a \$1.4-billion, five-year investment in computer technology, UPSCODE, is initiated. The first EFIS-equipped B-727-100F is ready by September.

During all this expansion, the carrier is able to match **Federal Express** in domestic overnight delivery operations and begins overseas expansion through the acquisition of express concerns in France, Japan, as well as the Seabourne Express Parcels division of the U.K. and Belgium

based Seabourne Express, Ltd. Beginning in October, six-times-per-week flights are inaugurated from Louisville to Tokyo via Anchorage.

Cargo traffic accelerates by 14.4% to 2.39 billion FTKs. UPS Airline's portion of the corporation's revenues totals \$891.09 million, a 37.01% increase. Costs, led by increased fuel prices in the wake of Iraq's August 6 invasion of Kuwait, climb 42.35% to \$878.94 million. These force operating income to decline to \$12.14 million. The net profit slides to \$37.23 million.

Five more aircraft join the fleet in 1991 as the carrier takes over 11 package delivery services in Europe. In March, Worldwide Expedited Package Service is begun from the U.S. to destinations in Europe and Asia. Weekly charters are also flown to Europe and the Soviet Union and relief supplies are flown to Bangladesh and Turkey. Several other FedEx services are now equaled, including Saturday overnight delivery, on-demand pickups, discount pricing on high-volume accounts, and computerized package tracking.

On May 25, the company announces that it will spend \$400 million with the Dee Howard Company in the next two years to equip its fleet of B-727Fs with quieter engines, the Rolls Royce Tay 654-54.

By midyear, the fleet includes in operation or on order 55 B-757-200PFs, 8 B-727-200Fs, 39 B-727-100Fs, 49 DC-8Fs, and 11 B-747Fs; an additional 259 aircraft are chartered and the daily schedule features 960 domestic and 415 international segments.

One of France's leading parcel-delivery companies, Post Transport, is acquired in August while, during the same month, UPS joins with the freight-forwarder, Yamato Transport Company, Ltd. of Tokyo, in a partnership designed to further serve the growing U.S.-Japanese freight market. A 19-month-old pay and work rules dispute with IPA pilots is settled in December. Construction is started in the fall on a \$21-million hangar handling facility at Dallas (DFW).

Cargo climbs 19.2% to 2.85 billion FTKs. Revenues increase 30.4% to \$1.12 billion, expenses are up 27.58% to \$1.08 billion, and operating income totals \$39.83 million. The net gain slips to \$27.71 million.

The company's western air hub at Ontario, California, is expanded in 1992 and the 1,000-employee headquarters operation is transferred from Greenwich, Connecticut, to Atlanta. Despite FedEx's withdrawal and stiff competition from DHL Worldwide, UPS continues to build its European network. In April, the major purchases **Star Air Parcel Service** of Austria, a key agent for many of the carrier's East European deliveries.

The new 3-Day Select air-ground delivery service is introduced during the summer. In August, a new \$53-million hub facility is opened at Ontario, California. The first Rolls Royce Tay 651-54-powered B-727-100F "Quiet Freightier" enters service on December 11.

Freight accelerates 14.5% to 3.13 billion FTKs, a figure approximately half that of rival **Federal Express**. Revenues climb 4.5% to \$1.17 billion, expenses leap up by 7% to \$1.15 billion, and operating income slides to \$14.68 million. The net profit decays to \$7.12 million. UPS places first in the airline business with a net worth of \$3.72 billion, \$371 million more than second place AMR Corporation.

In 1993, Richard Oehme is chief operating officer of the 1,307-pilot UPS Airlines, which is elevated to major status by the U.S. DOT at the beginning of the year. The fleet consists of 11 B-747-100Fs, 8 B-727-200Cs, 44 B-727-100Cs, 30 B-757-24APFs, and 49 DC-8-73Fs. Also in January, the carrier becomes launch customer for the B-767-34AFER, with an order for 30. UPS Airlines now has the 15th largest airline fleet in the world—such giants of the industry as **Air France** and **Alitalia**, **S.p.A.** operate fewer aircraft.

Orders are outstanding for 25 B-757-24APFs and 30 B-767-34AFER freighters are requested in February.

Later in the year, another B-747-100F is assigned to replace a DC-8-73F on the U.S. to Europe service. Across the Atlantic, three more intra-European flights are scheduled. Plans are announced for a new regional sorting center at Rockford, Illinois.

Cargo rises 26.6% to 3.96 billion FTKs; over 2.9 billion packages are delivered in more than 185 countries.

Overall revenues jump 8.5% to \$1.27 billion, expenses rise 4.7% to \$1.21 billion, and the operating profit shoots up to \$59.65 million. The net profit also surges, to \$26.13 million. The parent UPS, which employs 285,000 workers, enjoys revenues of \$17.8 billion, an operating profit of \$1.5 billion, and net gain of \$809.6 million.

Overall UPS employment in 1994 climbs 10.5% to 315,000 and 26 aircraft join the fleet. Daily service is started to Taiwan. In the first of a series of planned expansions in mainland China, the company announces on May 15 that it has opened its own business development offices in the cities of Beijing, Shanghai, and Guangzhou. The \$21-million, 250,000-sq.-ft. handling facility and hangar at Dallas (DFW) opens in June.

A second regional hub, built for \$60 million in only seven months, opens at Greater Rockford Airport in late November. A B-757-34AFER, based at the new 70-acre Illinois facility, is employed to relieve congestion at the Louisville hub. Service-wise, a new 8:30 a.m. delivery is offered.

The next-day delivery company SonicAir is taken over in December, becoming an independent subsidiary.

During the year, the carrier begins flying its own aircraft into the territory of the former Soviet Union for the first time.

Freight traffic climbs 3.5% to 4.26 billion FTKs and revenues accelerate by 10.1% to \$19.6 billion. Net gain reaches \$900 million.

The workforce stands at 332,000 in 1995, a 4.8% increase. In an effort to sustain its business surge, the company announces on January 13 that it will add 29 new aircraft over the next 2 years. It also becomes launch customer for the freighter version of the B-767-34AFER, adding five (beginning in late October), along with eight more B-757-24APFs.

Plans are announced for the construction of a \$400-million Asia and Pacific hub in Taiwan, while the first shovel of dirt is turned over on a new Columbia, South Carolina, hub.

While on rollout after its May 13 landing at Louisville, a DC-8-71 with three crew suffers the failure of its right main landing gear, which allows the No. 3 and No. 4 engine cowlings to settle onto the runway; no injuries are reported.

At the beginning of November, four Lockheed L-100 Hercules freighters are leased from **Southern Air Transport**; repainted in UPS colors, they will provide extra capacity into smaller airports for the upcoming holiday season.

The company's contract with the 2,000 members of its Independent Pilots Association expires in December. The premier B-767-34AFER enters service later in the month flying between Louisville and Cologne.

Freight traffic grows by 14.2% to 4.87 billion FTKs making UPS the only No. 2 freight carrier behind FedEx. Operating income jumps 7.5% to \$21.04 billion while costs inch up only 0.1% to \$19.25 billion. Profits are up substantially over the previous year; operating income climbs to \$1.79 billion, while a huge \$1.04-billion net profit is posted. The airline division contributes \$52.1 million (operating) and \$29.62 million (net), respectively, to the profit picture.

Company employment stands at 335,000 in 1996, a 0.6% increase.

In a highly visible operation conducted on January 7, one of the L-100 Hercules freighters leased from **Southern Air Transport** is employed to transport or "killer whale" Keik, star of the *Free Willie* films. In a 9 1/2-hr. flight from Mexico City via Monterrey and Phoenix, the Orca is delivered to a custom-designed tank at the Oregon Coast Aquarium in Newport, Oregon.

A severe winter storm throughout the Northeast region of the U.S. hampers operations to a degree between January 7 and 11.

On February 3, UPS becomes the first package-delivery company to implement distance-based pricing for its air-express service; the new fee is a tariff based on both package weight and the distance it is flown.

Also in February, a basic agreement is reached with **Nippon Cargo Airlines, Ltd.** concerning distribution possibilities. As NCA works with cargo and UPS with parcels, their operations do not directly cross. However, NCA will, under the agreement, be able to employ UPS' U.S. domestic trucking network to provide a direct delivery service.

An \$18-million order is placed with Flight Dynamics on April 1 for 60 head-up guidance systems; these will be installed on the carrier's

fleet of B-727QFs over the next year. After several years of sometimes-bitter negotiations, a new cargo agreement is signed between the governments of the U.S. and Japan on April 16. The accord grants UPS rights to operate 12 weekly flights to Osaka (KIX).

On May 7, a spokesperson announces that the company is actively considering a new plan for a charter service that will carry passengers on weekends when the carrier's aircraft are idle. In this first-of-its-kind experiment, UPS will only employ a few aircraft until it is clear that the new concept works and does not detract from its principal cargo business. A week later, the decision is taken to go ahead with the charter plan.

Also in May, **Challenge Air Cargo** leases a B-767-34AFER from UPS on a month-to-month basis. The wide-body, which replaces a DC-8-73F leased the previous August from **Southern Air Transport**, will be employed to operate weekend all-cargo services from Miami (MIA) to Venezuela and Brazil.

The carrier teams up with Boeing on June 1 to announce the inauguration of Boeing Direct, the first "just-in-time" delivery system for airlines; rates discounted 10%–40% from existing aircraft parts shipping rates are offered. It is announced on June 30 that the company has hired a total of 176 new pilots during the preceding 12 months.

UPS Customhouse Brokerage, the carrier's first full-service customs brokerage operation, is opened at Miami on July 8; it is designed to provide customs clearance for all international air shipments regardless of type. UPS also begins a Pacific Rim expansion at midyear.

On July 24, the company enters into a joint venture with the People's Republic of China transportation company Sinotrans Pekair for establishment of a concern with branches at Shanghai and Guangzhou. Under its terms, UPS will provide service to 108 Chinese cities via Sinotrans.

The same day, it signs an agreement with Taiwan promising to locate its new Asia-Pacific hub at Taipei as a major component of its \$400-million investment in the Orient.

In October, six-times-a-week code-sharing flights commence from Osaka via Taipei to Los Angeles with **Nippon Cargo Airlines, Ltd.** UPS had been awarded the route in April at the conclusion of bilateral talks between Japan and the U.S. Nippon is guaranteed four main deck pallet positions on the UPS B-767-34AFER.

Toward the end of the year, five B-727-100Fs, including one leased from **Evergreen International Airlines**, begin modification with quick-change kits to combi status so they can once again transport upwards of 113 passengers each.

Contract talks between the Independent Pilots Association and company management continue throughout the year without resolution. The flyers want parity with salaries paid at **American Airlines** (a 25% pay increase) while the company offers an 11% boost.

On December 27, UPS becomes the first major airline in North America to completely meet federally mandated aircraft noise reduction standards.

A total of 4.89 billion FTKs are operated, a minor 0.4% increase considered as level growth. Revenues for the airline division, however, accelerate 10% to \$1.79 billion even as expenses climb 8.8% to \$1.76 billion. Operating income moves up to \$76.12 million and a net profit of \$30.13 million is posted, up slightly from the previous year.

The fleet in 1997 includes 197 owned aircraft, with another 302 flown under charter, all of which are flown by 2,000 company pilots. From a main hub at Louisville and regional hubs at Philadelphia, Dallas, Miami, Rockford, Ontario, Columbia, Cologne/Bonn, Hong Kong, Singapore, Taipei, Montreal, and Hamilton, Ontario, over 995 daily U.S. and 559 foreign departures are flown to 391 U.S. airports and 219 more overseas.

During the last week of January, work begins on a new \$59-million, 535,000-sq.-ft. advanced package-sorting facility on an 84-acre site at Memphis. The facility, which will replace one outside the airport grounds, is slated to open in late December 1998 and will allow UPS to process over a quarter of a million documents and packages per day.

On February 25, a UPS official announces that the company has just met the December 1999 federal deadline for quieting all of its noisy airplanes. With the re-engining of a final B-727-100F with Rolls-Royce Tay 650s, it thus becomes the first all-Stage III U.S. major.

In the company's first human cargo flight, a B-727-025C charter flies 113 passengers from Pittsburgh to Orlando on March 7. President Thomas Weidemeyer comments publicly on his new service on April 26. Although the carrier is still working to speed up the time it takes to manipulate the quick-change kits on these Jumbojets back and forth from cargo to passenger use, he is looking ahead to the possibility of offering scheduled service.

Negotiations between the company and the Independent Pilots Association drag on. In April, the company withdraws its previous 11% salary increase offer. The company's main Asian hub at Taipei is opened on April 30.

In early May, IPA union members vote 1,874 to 28 to authorize a job action if their leadership deem it necessary.

During the last week of May, a B-747F encounters Air Force One off the Irish coast, setting off the collision alarm aboard the White House jet. On June 3, officials of the USAF and the Independent Pilots Association report the incident, with the latter group calling for mandatory collision alarms on cargo aircraft.

Also on June 3, five-times-per-week B-747-121F direct service is inaugurated between Chicago (ORD) and Tokyo (NRT). The Jumbojet freight flights replace Anchorage to Tokyo service previously offered by B-767-34AFERs.

Having been called into the contract talks between the Independent Pilots Association and management, the NMB, seeing that progress cannot be made, suspends negotiations between the parties in mid-month. Plans are made to launch dual-designator flights with **Nippon Cargo Airlines, Ltd.** in midyear between Los Angeles and Japan.

On August 4, the Teamsters Union strikes UPS; the contest between the union's 200,000 drivers, mechanics, and package sorters and the parcel service will be portrayed in the media as one of the century's last great labor battles with management. Members of the company's Independent Pilots Association support the job action, grounding the carrier's Next Day Air and Second Day Air services.

Management personnel attempt to provide service and over the next 3 days, 105 management pilots are able to complete a daily average of 41 departures and 41 evening arrivals from Louisville; another 59 departures and arrivals are achieved by chartered aircraft. The normal three daily B-747F flights to Europe are cut to one while several wet-leased DC-10Fs deliver packages from Anchorage to Asia. In addition, numerous packages are sent as belly cargo with scheduled airlines.

Kiwi International Airlines recruits new business for its shipping services and **Emery Worldwide** attempts to accommodate customers sending packages in excess of 5 pounds. However, UPS' major competitors, **Federal Express (FedEx)** and **DHL Worldwide Express** refuse most new business (the latter takes new international business), but do accept packages left in drop-off boxes. Although talks between the Teamsters and UPS resume on August 7, IPA President Capt. Bob Miller notes that, even if the ground workers' strike is ended, the pilots could go out in an effort to resolve their contract situation.

The Teamsters Union and management resolve the job action during the month's second week and both ground workers and pilots return to work. Negotiations for a new IPA contract must now be conducted.

On August 24, company negotiators offer the pilots a new, but "last chance" contract and ask the membership to vote on it. IPA leaders, agreeing to remain neutral, put the question to the 2,000 union flyers as the NMB negotiations adjourn in recess.

The results of the balloting are revealed in Washington, D.C. on October 1; the contract is rejected by a vote of 1,861 to 39. Although a strike was authorized the previous May, it may occur only if the NMB releases the two sides from discussions—and both sides indicate such a move is not desired. To demonstrate its support for the 1998 Winter Olympics in Nagano, Japan, the carrier unveils a special paint scheme on a new B-767-34AFER on October 2. The aircraft, which will fly its first service from Seattle to Louisville later in the day, wears the traditional UPS tail livery, but has a pure-white fuselage decorated with stick athletes.

Talks between the company and its pilots adjourn just before Thanksgiving, with both sides promising to resume discussions in good faith

come January 12, 1998. The arrangement will allow UPS to enjoy its peak holiday shipping season free of labor worry.

To take some of the pressure off the Louisville center during the holiday season, UPS, on December 15, begins flying packages through Nashville. The move is designed to further facilitate movement from Louisville to Nashville to New Orleans for next-day delivery as well as from the Carolinas through Nashville to Ontario, California. If the experiment is successful, company officials declare, then the move to make Nashville a permanent gateway between the Carolinas and California will be created next year.

B-727F roundtrips commence on December 17, four times a week between Washington, D.C. (IAD) and Cancún, Mexico. During the year, the B-727-100Cs assigned to passenger charters are operated from Chicago (ORD), Pittsburgh, and Detroit (DTT) to Orlando, Tampa, and San Juan.

A total of 5.37 billion FTKs are operated during the year, a 9.9% increase over 1996. Despite the strike, operating revenues advance 3.9% to \$1.86 billion, while costs rise 5.3% to \$1.8 billion. The operating profit, however, slides to \$56.1 million and net gain is halved to \$15.3 million.

Union and management in the pilot talks resume negotiations on schedule as of January 12, 1998. The two sides will reach agreement within a month. A tentative U.S.-Japan bilateral is negotiated on January 30.

Rates for most domestic air-express services are increased by 3.3% on February 7, although there are no increases in international service rates.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14.

During the first quarter, construction begins on an \$860-million Hub 2000 at the Louisville base. The new facility, scheduled for completion in 2001, will replace the existing main facility and almost double the number of packages that can be processed every hour.

On March 17, company pilots, represented by the Independent Pilots Association, vote to approve a six-year contract that promises increased benefits and a 27% wage boost.

A firm commitment is made to Airbus Industrie on September 9 to accept delivery of 30 A300-622Rs, with options on 30 others, over the decade, following delivery of the first in mid-2000. The order is valued at \$5 billion.

The B-727-025C charter fleet is fully engaged this year, operating on behalf of a variety of inclusive tour operators such as Apple Vacations and Vacations Express and the cruise lines Royal Caribbean and Carnival Cruise Lines. In addition to the previous destinations, Cancún and other Mexican resorts join the holiday network.

On the night of September 11, just after landing in rain at Ellington Field Airport near Houston after a service from Louisville, Flight 774, a B-767-34AFER with two crew is unable to stop. It runs 1,489 ft. off the left side of the runway before coming to a stop with its right landing gear collapsed; neither flyer is hurt.

Recently chosen as the only U.S. carrier to receive new landing rights at Paris (CDG), UPS inaugurates a direct air link from New York with a B-767-34AFER on September 14.

At the same time, as the result of a recently signed strategic agreement with Miami-based **Challenge Air Cargo**, enhanced scheduled express service via Brazil to South America becomes available five days a week. Beginning on September 15, Challenge will operate a wet-leased UPS B-767-34APF into Campinas, one hour from São Paulo. This service complements additional Latin American routes also announced by UPS and Challenge as part of their pact.

Under this agreement, Challenge has contracted with UPS to operate wet-leased B-757-24APF freighter flights between Miami and the Dominican Republic on Tuesdays, Thursdays, and Sundays and between Miami and Venezuela on Wednesdays and Fridays. A wet-leased B-767-34APF is also operated by Challenge for UPS from Miami and Honduras to Costa Rica on Saturdays.

Two B-767-34AFERs are simultaneously employed to launch new transit-timesaving flights around the world from Taipei to Bombay, the UAE, Frankfurt, London, and New York.

Also during the month, UPS provides the funds and logistical support necessary to airlift *Keiko*, the Orca whale star of the motion picture *Free Willy*, from Newport, Oregon, to its new home in Iceland.

Having found itself at loggerheads with its pilots over a new contract since July, **Federal Express (FedEx)**, in late October and early November, begins to position itself for a possible strike during the Christmas holiday season.

UPS, which lost customers to FedEx during its own strike in August 1997, begins to court FedEx customers worried about a possible strike. On November 12, UPS announces that, if shippers come to it early enough, the largest air and ground distribution infrastructure in the world has various ways of handling additional volume before Christmas.

The FedEx pilots do not go out, choosing to settle with their employer just before Christmas.

On December 22, a new accord is reached with Sinotrans Pekair; three new regional offices will be added to the three existing stations at Beijing, Shanghai, and Guangzhou. Additionally, UPS will move into a further 18 cities across the country, serving the Chinese market directly with the UPS brand rather than through Sinotrans.

A new \$59-million advanced package sorting facility is opened on an 84-acre site at Memphis in late December; the facility replaces one outside the airport grounds.

For the first time in UPS history, on December 22, online tracking requests exceed one million.

Freight traffic during the past 12 months has ascended 9.92% to 5.57 billion FTKs. Passenger bookings, meanwhile, have increased 82.2% to 133,000. Overall corporate revenues for the year climb 10.8% to \$24.8 billion, while net gain rises to \$1.7 billion. The airline brings in \$1.99 billion and its net profit is \$7.94 million. For the first time, UPS' international operations post a profit.

In an effort to enhance its Central American service and meet customer demand, UPS, on January 19, 1999, begins dedicated roundtrip B-757-24APF all-cargo flights from Miami to San Jose, Costa Rica, five days a week. Feeder flights are simultaneously begun from San Jose to Panama City. Deliveries through San Jose to Guatemala, Honduras, El Salvador, and Nicaragua will begin before the end of the second quarter.

When negotiations between the U.S. and China open on February 23, UPS presses both sides to increase the number of cargo carriers permitted to fly into the People's Republic. UPS does not now fly directly into China, but serves the country through its agent partnership with Sinotrans.

On March 5, UPS Chairman Kelly speaks before the Postal Service Subcommittee of the U.S. House of Representatives. He asks that any future reform of the USPS focus on creating greater accountability and oversight of the agency in order to ensure a level playing field for competitors and greater protection for consumers.

A unique mission is announced on May 5. UPS will provide a specially equipped B-767-34AEFR in September to transport a pair of rare Chinese giant pandas from the Chengdu Research Base of Giant Panda Breeding to Zoo Atlanta. It is also noted that the UPS Foundation, the company's charitable arm, will donate \$625,000 over the next five years to maintain a new state-of-the-art panda facility at the Georgia zoo.

On May 6, a B-757-24APF begins to offer five-days-a-week service between Miami and San Jose, Costa Rica, and next-day deliveries to Honduras and Guatemala.

A new B-727F charter service is inaugurated on May 15 from Hong Kong to Singapore and Kuala Lumpur.

UPS joins with **Midway Airlines (2)**, also on May 15, to cohost a fund-raising event at Raleigh/Durham on behalf of the 1999 Special Olympics World Summer Games and the North Carolina Special Olympics team. Outside the UPS Cargo terminal, teams of eight workers from each carrier test their strength in pulling a 30,000-lb. CRJ-200ER in a first annual "Plane Pull."

On June 1, five weekly B-757-24APF roundtrips are launched from Singapore to Taiwan via Hong Kong.

Following several weeks of negotiations, the assets of Miami-based **Challenge Air Cargo**, including all leased facilities, ground equipment, computer systems, and route authorities, but not including aircraft, are sold to UPS (United Parcel Service) on June 28. The move transforms UPS overnight into the largest all-cargo and express carrier in Latin America.

In September, the company, convicted of establishing Bermuda-based Overseas Partners, Ltd. in 1983 as a "sham transaction" to avoid paying U.S. taxes, faces a possible \$2.35-billion liability. While preparing to appeal, it also establishes a \$1.44-billion fund from which to pay back taxes, fines, and interest. The last of B-767-36AFs delivered since October 1995 is accepted on September 9.

A pair of giant Panda cubs arrives at the Atlanta Zoo on November 5 following a 17-hr. flight from Beijing via Anchorage aboard a specially equipped and decorated B-767-34AF dubbed *The Panda Express*. Two-year-olds *Yang-Yang* and *Lun-Lun* are on loan from China for 10 years.

In a move even more exciting in financial circles, UPS stages the largest initial public offering in U.S. history during November. The sale of 9% of the company (109.4 million shares at \$50 each) is more than 9 times oversubscribed and brings in \$5.47 billion.

Passenger boardings for the year rise 2.5% to 124,000, while cargo traffic accelerates 8% to 6.01 billion FTKs. Revenues advance 7.8% to \$2.15 billion, while expenses are up 5.2% to \$2.05 billion. The operating profit surges to \$116 million, while net gain increases to \$66.27 million.

Corporate employment at the beginning of 2000 totals 308,000. Among the world's top 25 airlines, UPS leads in employee numbers, ranks 3rd in FTKs, and 13th in fleet size.

It is reported in March that DHL Airways will soon be taken over by the combined forces of Deutsche Post and **Deutsche Lufthansa, A.G.** Each has a 25%-plus-1-share stake in the company and its European counterpart, DHL International. Although smaller than either **Federal Express (FedEx)** or UPS, **DHL Worldwide Express** (parent of both DHL-A and DHL-I) leads both in cross-border mail and express deliveries (38% against 20% for the former and 15% for the latter). It has also made purchases in trucking, logistics, and air freight that rivals both of the American giants.

The story is part of a general revelation in the aviation media that Deutsche Post and Deutsche Lufthansa Group are reviewing several schemes for a joint-venture (code-named PELIKAN) merging of their logistic activities. PELIKAN would see the joining of DHL Worldwide with **Lufthansa Cargo Airlines, A.G.** and with Deutsche Post-owned Air Express International.

At this point, UPS demands that the EU Commission require Deutsche Post to split up its commercial and public service activities. UPS had originally petitioned the Commission in 1994, alleging unfair competition in the parcel post sector. Now it emerges that Deutsche Post has invested almost \$5 billion in the years since to build up its parcel post activities, while recently engaging in alliance discussions with DHL and **Deutsche Lufthansa, A.G.** It is anticipated that the Commission will respond by April, but it will not open its formal investigation until August.

On May 1, the company begins flying a number of its own freighters over certain of the Latin American routes of **Challenge Air Cargo**. CAC will continue to operate others until the remainder of the route authorities have been transferred.

As a supplement to the weekly B-747F roundtrip flown from Louisville to Sydney, a second, Saturday-Monday Australian return service, is introduced on May 26. It is flown by a B-747-300F from Ontario, California, via Honolulu and Nadi.

When **Gemini Air Cargo's** first MD-11F enters service on June 12, it is operated on behalf of UPS between Louisville and Seattle. During July, UPS and **Federal Express (FedEx)** are both anchor tenants of the new 172,000-sq.-ft. cargo facility that opens at Sky Harbor International Airport, Phoenix.

The first of 30 A300F4-622Rs is received on July 25. On August 22, *Flight International*, in its annual commercial airline survey, reports that UPS is the third largest cargo airline behind **Federal Express (FedEx)** and **Lufthansa Cargo, A.G.**

Two more A300F4-622Rs are delivered in September, one each on the 12th and 21st.

The company's weekly return service between Taipei and Bangkok is upgraded to six times a week on September 25. It is announced on October 3 that Executive Vice President Michael Eskew will become board vice chairman and that UPS Airlines President Thomas H. Weidemyer will become chief operating officer of the UPS parent corporation on January 1, succeeding the retiring Charles L. Schaffer. Also announced is the appointment of Vice President-Finance D. Scott Davis as chief financial officer.

The fourth and fifth A300F4-622Rs are delivered on October 20 and October 30, respectively.

Also in October, an Airbus Industrie A300F4-622R all-cargo roundtrip service is begun on behalf of UPS by the Turkish freight operator **MNG Cargo Airlines, A.S.** between Hong Kong and Singapore.

At the beginning of November, arrangements, valued at \$2 billion, are completed with Boeing for the acquisition of 13 previously employed MD-11s that would be converted into freighters and delivered in 2001-2004. It also takes options on another 22 for possible delivery by the end of the decade.

Additionally, UPS joins with India's largest general sales agency, Je-tair, Ltd., to create a joint venture company based at Bombay that will provide international express delivery services throughout India beginning in early 2001.

Previously operated by **Tower Air**, a B-747-259C is acquired under lease on November 21. On November 27, the twice-weekly "Round the World" service is boosted to five times a week; the B-767Fs are routed from Louisville via Cologne, Sharjah, Bombay, Singapore, Taipei, and Anchorage. A sixth A300F4-622R is delivered on November 29 and is followed by a seventh, the last for the year, on December 8. Thirteen more will arrive in 2001 and nine in 2002.

Although it has been operating to Hong Kong since 1988, UPS has no beyond-rights. In December, in the wake of the lapse of rights given to **Continental Micronesia** in 1996, the carrier seeks acquisition of that authority. If granted, UPS will hub at Hong Kong, a move made particularly important in light of the company's newly received award of six more weekly all-cargo routes to China from the U.S.

Also in December, the company announces a \$30-million investment in its hub facility at Miami International Airport. The improvements are aimed at enhancing services to and from Latin America.

On December 22, the concern announces that it is terminating its Olympic sponsorship. One each B-747F, B-757PF, and B-767F wearing Olympic-theme livery will soon be repainted.

At the end of the year, competitor **Federal Express (FedEx)** prepares to sign a major contract with the U.S. Postal Service. UPS, for its part, places a follow-on order for 60 A300-600Fs, with options on another 50, for delivery beginning in 2003. The \$6-billion request is the largest in company history.

Passenger boardings this year rise 8.6% to 134,000, while freight traffic jumps 5.24% to 6.33 billion FTKs.

UPS AIRLINES. See UPS (UNITED PARCEL SERVICE)

URAL AIR (URAL TOO): Russia (1993-1997). This Urals division of **Aeroflot Russian International Airlines (ARIA)** is reformed at Ekaterinburg in 1993 to offer worldwide cargo and passenger charters. Vladimir E. Beketov is general director and he launches revenue flights with 2 Antonov An-32s and 3 An-24s.

Two Ilyushin Il-86s, 19 Tupolev Tu-154Bs, and 6 An-12s are added in 1994 and passenger boardings reach 524,840.

The carrier's 32 aircraft transport a total of 494,200 passengers in 1995, a 6.2% decline. Cargo traffic, on the other hand, accelerates by 13.4% to 9.3 million FTKs.

Much of this growth can be attributed to the company's newfound practice of performing nonscheduled cargo flights to Sharjah, UAE, where Tu-154Bs can be loaded with profitable cargos of cheap (by Russian standards) clothing and all kinds of electronic products.

Flights continue in 1996, although the fleet is altered downward to include 2 Antonov An-32s and 1 Ilyushin Il-76TD.

In 1997, the **Urals Civil Aviation Department (Uralskoe UGA)** and **Ural Air (Ural Too)** are joined together into a single joint stock company, with shareholding divided between the airline's employees (56%), **Proektniye Tekhnologi** (13.9%), and private investors, including **Deutsche Lufthansa, A.G.** (30%).

URAL AIRLINES: Koltsovo Airport, Sputnikov Str. 6, Ekaterinburg, Urals Zone, 620025, Russia; Phone 7 (3432) 266625; Fax 7 (3432) 266221; <http://www.uralairlines.com>; Code U6; Year Founded 1997. In 1997, the **Urals Civil Aviation Department (Uralskoe UGA)** and **Ural Air (Ural Too)** are joined together into a single joint stock company, with shareholding divided between the airline's employees (20.47%), **Proektniye Tekhnologi** (13.93%), **Uraltransbank** (14.7%), and private investors, including **Deutsche Lufthansa, A.G.** (50.5%). Under the leadership of Director General Serguey Skuratkov, the new entity is named Ural Airlines.

Domestic, regional, and international passenger services, both scheduled and charter, are maintained. Among the routes operated is a twice-weekly (thrice-weekly between June and August) return service from Yekaterinburg to Bonn and Cologne. Despite reorganization and a 26% reduction in ticket prices for domestic flights and flights to CIS countries, overall passenger boardings for the year decline another 10.8% to 344,300.

Service continues without incident or headline in 1998. New charter destinations initially visited include Israel, Italy, Spain, and Bulgaria. Customer bookings ascend to 480,000. The Russian currency crisis, which starts in August, has a significant impact on company earnings, although exact figures are not available.

The situation improves somewhat during 1999 and the fleet is upgraded by the return to active status of 5 An-12s, 2 An-24Bs, 3 Il-86s, and 10 Tu-154s withdrawn earlier.

Weekly Tu-154M return service is inaugurated on September 1 from Ekaterinburg to Cologne via Prague. In Prague, Viola Plus, S.R.O. becomes the carrier's general sales agent (GSA).

On September 28, Ural Airlines becomes the first airline to install a Siren-3 booking system.

An on-line reservations service is opened on December 9. The same day, a strategic marketing agreement is signed with **CSA Czech Airlines**. The two agree to share European services and ground services requirements beginning in April, while Ural passengers are immediately able to interline on Czech long-haul flights to such points as New York (JFK).

On December 10, An-12 cargo flights commence from Dubai to Prague via Istanbul, Tashkent, Baku, Tbilisi, Yerevan, and Ekaterinburg. Express mail service between Ekaterinburg and Prague begins the same day.

Enplanements are level at 480,000 while 16.95 million FTKs are operated. Revenues of \$34 million are generated. There are, however, large, if unannounced, losses.

Airline employment totals 1,129 at the beginning of 2000. The fleet now includes 3 each An-24s and Il-86s, 12 Tu-154Bs, and 2 Tu-154Ms.

In cooperation with **CSA Czech Airlines**, dual-designator twice-weekly return service is launched on April 1 between Ekaterinburg and Prague. On April 6, weekly roundtrips are initiated by these partners from Yekaterinburg to Prague.

By the spring, the carrier is in a dire financial situation. On April 10, the regional property fund announces that the 13.93% of the airline held by **Proektniye Tekhnologi** will be sold at a public auction in about a month.

Ural Airlines and CSA begin a second weekly return service to the Czech capital from Yekaterinburg on April 24. Also on April 24, the carrier begins to code-share with **Transaero Airlines** over a route from Ekaterinburg to Moscow.

On April 25, the regional property fund announces the date of the airline's sale will be May 18. The carrier publishes its summer schedule on May 11, but is uncertain as to the volume of traffic that it may generate. The May 18 auction is pushed back into late June.

After a Ural Tu-154 flight lands at Yekaterinburg, in SE Siberia, on May 30 following a service from Tashkent, an unexploded bomb is found aboard. Russian aviation authority experts later report that the explosive device is not in working order and could not have blown up.

An auction of the airline is held on June 27, but attracts little interest. To offset rising fuel costs, ticket prices begin to climb; they will reach a total 15% increase for the year.

Plans are announced on August 10 for a second auction of the company, as well as Koltsovo Airport. When the event is held on August 31, no bids are received. Officials later report that the lack of interest was not unexpected.

Having been unable to unload the airline, its leadership now determines to make a go of it. Work begins to upgrade the fleet of 4 Il-86s, 15 Tu-154s, and 3 An-24s by installing TCAS aboard 7 aircraft (at a cost of \$1.5 million) to meet the April demands of Eurocontrol. Additional improvements include cabin upgrades and the installation of KLN-90B satellite navigation systems.

In addition to the flight equipment improvements, Ural also opens more ticket offices to be closer to its customers. New officers are opened in Moscow, Sochi, Khabarovsk, Yerevan, Baku, Tbilisi, Tashkent, Cologne, and Dubai, as well as Prague. Plans are made to open five more in the Sverdlov region in the new year.

Frequencies are also increased on the popular summer routes, including flights to Sochi, Anapa, Mineral Waters, Astrakhan, Krasnodar, Rostov, Sartor, and Samara. Charters are operated to Tunisia and Mallorca.

Late in the year, permission is received from the Czech transport ministry for the initiation of services from Prague to foreign destinations. Planning immediately begins for the inauguration of flights to The Netherlands, Spain, and France, as well as to Turkey and the UAE.

Passenger boardings dip to 476,623 however cargo and mail increases by 12% to 4,816 tons.

URAL INTERAVIA (URALINTERAVIA AQZT): 2 Ulitsa Kuznetsova, Ekaterinburg, Urals Zone, 620012, Russia; Phone 7 (3432) 266 942; Fax 7 (3432) 266 026; Code U3; Year Founded 1993. Another new private enterprise airline founded at Ekaterinburg in 1993 is Ural Interavia, a domestic ad hoc all-cargo carrier. Mikhail U. Deriagin is named director general and he initiates regional and international revenue services with 3 Ilyushin Il-76s.

Passenger charters are started in 1994 and the fleet grows to include 4 Il-76s and 5 Il-86s. The Russian currency crisis of 1998-1999 has a significant impact on the airline, which now reverts to its original mission as a freight operator. The Il-86s are withdrawn and replaced with two more Il-76, Dash-TDs.

URALS CIVIL AVIATION DEPARTMENT (URALSKOE UGA): Russia (1992-1997). When Aeroflot Soviet Airlines is reformed in early 1992, this Ekaterinburg-based Urals Directorate is reborn as an affiliate of the new Aeroflot Russian International Airlines (ARIA). V. V. Vakmromov is placed in charge and he continues to operate scheduled domestic trunk and regional services with a fleet that includes 10 Antonov An-12s and 20 Tupolev Tu-154s.

Enplanements total 4,443,948.

International charter flights are initiated to Europe and Southeast Asia in 1993. The downturn in the Russian economy brings a big decline in traffic.

Passenger boardings plunge 38.7% to 3,204,000 while freight is off by 38.3% to 523.7 million FTKs.

The fleet is reduced by three Tu-154s in 1994. Customer bookings decline another 34.4% to 2,102,000, while cargo drops 13.2% to 455 million FTKs.

Enplanements plunge in 1995, falling all the way down to 470,713.

In 1996, the carrier's 26 aircraft transport a total of 386,464 passengers, a 21.8% decline.

In 1997, the company is altered into a joint stock company, with shareholding divided between the airline's employees (56%), Proektniye Tekhnologi (13.9%), and private investors, including Deutsche Lufthansa (30%). The new entity is renamed Ural Airlines.

LA URRACA (LINEAS AEREAS LA URRACA, S.A.): Colombia (1955-1979). Alvaro Henao and Fernando Jaramillo found La Urraca ("The Magpie") at Villavicencio in 1955. Employing Douglas DC-3s and Curtiss C-46 Commandos, the brothers seek passenger and cargo charters throughout the heart of Colombia and into the Caribbean. Services continue without incident until November 26, 1962, when a Curtiss C-46 crashes near Port Henderson, Jamaica (two dead). Scheduled flights are initiated in January 1963.

Late in that decade, Fernando is killed in the crash of a new Curtiss C-46 being ferried in from Miami. Ownership now reverts to Alvaro and Fernando's widow Nydia, who maintains operations apace during the remainder of the 1960s.

While en route from Villavicencio to Monterrey on June 20, 1969, a DC-3 with 20 passengers is hijacked to Cuba by three men and a woman.

In 1970, three Handley Page Herald's are purchased. Thirteen are killed as a DC-3 explodes and burns after an emergency landing on a riverbank near Puerto Infrida, 80 miles south of Bogota, on February 12.

In 1971, the fleet comprises 3 Herald's, 4 DC-3s, 2 C-46s, and 1 de Havilland Canada DHC-2 Beaver. Regularly scheduled passenger and cargo services are launched from Bogota and Villavicencio to south Colombian destinations, including Miraflores, Sogamoso, Mito, and Agnazai.

While climbing away from Bogota for a flight to San Andres on January 21, 1972, a Vickers Viscount 837 with 5 crew and 15 passengers suffers an explosion and crashes near Funza; there are no survivors.

A Handley Page HPR-7 Herald 101 is damaged beyond repair in a bad landing at Valledupar on May 7; there are no fatalities.

A little over 9 months later, on February 21, 1973, 22 people perish when a DC-3 smashes into the mountains near Boquete, Panama. While landing at Arauca on November 2 after a flight from Paz de Ariporo and Tame, a Herald 101 with 4 crew and 12 passengers is diverted to Villavicencio, where, with a feathering No. 1 engine, it crashes (6 dead).

Flights continue apace in 1974, but there is another accident in 1975. The failure of its No. 2 engine forces an HPR-7 Herald 101 with two crew and a passenger to make an emergency landing on a grassy field near La Libertad, Colombia, on June 22; no injuries are reported.

Toward the end of the decade, the company acquires a pair of Britten-Norman BN-2 Islanders. However, following the loss of two DC-3s in crashes, the 248-employee carrier returns its focus to charter work and in 1979, following government investigations into various rules violations, La Urraca's operating license is revoked.

U.S. AIRCOACH: United States (1951-1957). Established at Miami in 1951, U.S. Aircoach inaugurates nonscheduled all-cargo charters with a single Curtiss C-46 Commando. A second Curtiss freighter is leased from The Flying Tiger Line in 1952, but is only flown for a brief period. The company fails in 1957.

U.S. AIRLINES: United States (1944-1955). U.S. Airlines, Inc. is organized at St. Petersburg, Florida, on June 9, 1944. Douglas C-47 (military DC-3) charter operations of the irregular begin on December 5, 1945. Scheduled flights commence in January 1946 and on October 10, the CAB grants the carrier the first operating permit given a nonscheduled U.S. airline. The carrier receives its letter of registration on July 30 and flights are now undertaken from Boston to New Orleans, with various stops in between.

U.S. Airlines is one of the cargo carriers caught up in the rate war that now breaks out between the scheduled airlines. So intense is the conflict

that special hearings on the matter are held before the CAB. In May **1947**, the government awards temporary certificates to 14 "non-skeds." Although a recipient, U.S. Airlines elects to suspend services until the CAB completes its work.

In April **1948**, a minimum rate level is ordered put in place and U.S. Airlines now resumes operations, employing eight Curtiss C-46 Commandos leased from the USAF. By year's end, the company is one of only six all-cargo carriers still flying. When it is fully certified on August 12, **1949**, U.S. Airlines is one of just four still operating.

Scheduled freight flights to New York, Texas and other destinations with Skytrains and Curtiss Commandos continue apace in during the remainder of the year and into **1950**. Scheduled service is withdrawn in June **1951**, but Newark to Miami all-cargo contract flights begin on September 18, followed by nonstop New York to Miami routing on November 30.

A reserved space cargo plan is established on January 6, **1952**. New York to New Orleans through-service begins on March 19. On April 5, a C-46 with two crew en route to Idlewild Airport from Fort Lauderdale misses its approach and plunges steeply into a residential section of Jamaica, New York. Both pilots are killed, along with three people on the ground; in addition, 5 houses and 22 autos are destroyed.

Thereafter the company files for bankruptcy, but operations are maintained throughout the remainder of the year, in **1953**, and into **1954**.

A merger with **California Eastern Air Lines** is announced on July 26. All 55 aboard are safe as a DC-4 lands at Hilo, Hawaii, on November 7 after a 300-mi. flight with 2 engines out. Scheduled authority is withdrawn on April 27, **1955** and the business shuts its doors shortly thereafter.

USAIRWAYS. *See* INTERSTATE AIRLINES (2)

U.S. AVIATION: United States (1978–1979). U.S. Aviation is set up at Sheridan, Wyoming, in late **1978** to provide Essential Air Service (EAS) flights to Gillette and Denver. Although revenue flights with Cessna lightplanes commence, they cannot be maintained through **1979**.

U.S. DELIVERY SYSTEMS: 3402 East Wier Avenue, Phoenix, Arizona 85040, United States; Phone (602) 243-9810; Fax (602) 243-9584; Year Founded 1994. Woodrow Matthews sets up U.S. Delivery Systems at Phoenix in **1994** to operate lightplane express, cargo, and courier services. Revenue flights begin with a fleet that includes 6 Piper Cherokee Sixes, 3 Cessna 207As, 1 Cessna C-206, 2 Piper Lances, and 1 Piper Navajo.

U.S. JET AVIATION: United States (1988–1990). U.S. Jet is established at Washington, D.C. in **1988** to offer passenger charter flights with a fleet of 3 Learjets, 2 Beech King Airs, and 10 Eurocopter BK-117 helicopters.

Enplanements total 4,819.

Airline employment is increased by 28.8% in **1989** to 152. When the FAA attempts to revoke the company's operating certificate for alleged FAR violations, the small regional fights back in court and wins its case.

Passenger boardings, meanwhile, skyrocket 43.6% to 8,544 and revenues accelerate 23.4% to \$15.3 million.

Increased fuel costs brought about by Iraq's August **1990** invasion of Kuwait conspire with the deepening recession to force this charter operator out of business in December.

USA JET AIRLINES: Wilson Run Airport, Hangar 2064D, Belleville, Michigan 48111, United States; Phone (313) 483-7833; Fax (313) 483-1023; <http://www.active.aero.com>; Code U7; Year Founded 1979. David B. and Brian M. Hermelin join Martin R. Goldman in establishing this company at Willow Run Airport, Belleville, Michigan, near Detroit, in **1979** to operate on-demand quick-delivery air charters for the automobile industry. This non-scheduled operation continues for the next 15 years, by which time the executives operate as Air Charter Manager for Ford Motor Company of North America.

In late **1994**, the Hermelins and Goldman are ready to inaugurate scheduled cargo services, primarily linking Detroit (YIP) with El Paso, Little Rock, and Memphis. Airline employment at this point stands at 80 and the fleet includes 15 Dassault Falcon 20s and 4 Douglas DC-9-15Fs. Orders are placed for three more of these chartered freighters.

Scheduled flights commence in January **1995** and a total of 7.83 million FTKs are operated by December 31. Operating income exceeds costs and there are profits: \$3.49 million (operating) and \$3.53 million (net).

The employee population stands pat in **1996** and traffic figures are reported through June. These show cargo rising 70.9% to 13.90 million FTKs. Revenues of \$18.46 million are generated and expenses are \$13.09 million. The operating profit is \$5.37 million and a net \$3.53-million profit is reported.

The fleet is increased in **1997** through the addition of another Falcon 20 and a Beech King Air 90; the workforce grows 28% to 320.

Although cargo traffic is down 7.9% to 12.33 million FTKs, the company reports operating revenues have shot up to \$80.2 million. With expenses in hand, profits are reported: \$3.5 million (operating) and \$3.4 million (net).

Flights continue apace in **1998** without incident. A total of 13.06 million FTKs are operated, a 5.9% boost over the previous year. Revenues rise 14.2% to \$91.55 million, while expenses are up 3.6% to \$79.43 million. The operating profit grows to \$12.11 million, while net gain surges to \$10.3 million.

Airline employment has been cut 21.9%, to 250, by the beginning of **1999**.

While on final approach to Kansas City on a March 4, service from Los Angeles, a DC-9-15F with two crew encounters a large flock of birds. During the incident, several birds are ingested into both engines, causing substantial damage and resulting in severe power loss. Still, the aviators are able to successfully complete their landing.

Cargo traffic jumps 29.1% on the year to 16.86 million FTKs. Revenues advance 22.1% to \$111.81 million, while expenses are up 15.7% to \$91.89 million. The operating profit climbs to \$19.91 million and the net gain reaches \$19.28 million.

Airline employment at the beginning of **2000** stands at 424, a 20.5% increase over the previous 12 months. Operations continue to be undertaken with 8 DC-9-15Fs, all Stage 3 noise compliant.

Due to increased demand by the automobile industry for the domestic transport of parts, the company in August acquires three DC-9-32Fs, one DC-9-33F, and a DC-9-51. All are placed into service from the Willow Run base before Christmas.

Freight traffic during these 12 months plunges 22.64% to 13.04 million FTKs.

USAFRICA AIRWAYS: United States (1993–1995). USAfrica is established by its chairman Arthur S. Lewis at Washington, D.C. (DCI) in early **1993** to offer scheduled services to South Africa. Edward R. Bolton is named vice chairman and chief operating officer and plans are made to initiate services early the next year. Interim financing of \$30 million, including two bridge loans worth \$12 million each, are obtained and a workforce of 380 is employed.

The top corporate leadership changes in early **1994**. Wesley Kaldahl, former vice president-route planning at **American Airlines**, becomes chairman while the founding chairman's son, Gregory S. Lewis, is named president/CEO. Two McDonnell Douglas MD-11s are leased from **American Airlines** in late spring and the first delivered, christened *Edward R. Bolton*, is employed to inaugurate twice-weekly scheduled services to Johannesburg via Cape Verde on June 3. The frequency becomes thrice weekly on July 2 as a weekly service to Cape Town is also introduced.

Plans are made to secure a domestic marketing partner in **United Airlines**; however, the employee-buyout of that major during the summer delays the accord until much later in the fall. Meanwhile, as long-term financing is sought, most of the short-term money available comes from mutual funds, one of the year's bad investments.

Frequencies by year's end are 6 roundtrips per week and a total of 33,000 passengers are flown on the year. Revenues are just \$10.29 million and expenses are \$27.79 million. The operating loss is \$17.49 million and the net loss totals \$18.14 million.

Short-term financing cannot, however, sustain the company's operations far into 1995. On February 3, USAfrica Airways misses an important lease and maintenance payment to **American Airlines**, which is forced to repossess the two MD-11s. A week later, the new entrant suspends operations and files for Chapter XI bankruptcy.

During the last week of July, company officials forge a marketing alliance with **Continental Airlines**. The executives have (wrongly as it turns out) expectations of emerging from bankruptcy in November and resuming flights. **Continental Airlines**, for its part, would code-share on USAfrica Airways frequencies and provide ground-handling at Newark (EWR), to which the new entrant would shift from Washington, D.C. (IAD).

USAIR: United States (1979-1997). USAir is born on the morning of October 28, 1979 when the nation's sixth-largest air carrier, **Allegheny Airlines (I)**, changes its corporate identity to reflect its ever-expanding network. A few months later, in accordance with the CAB's revised airline classification scheme, the newly renamed company, the largest local service airline, is ranked as one of the country's 13 "major" carriers. Although its operations and maintenance hub at Pittsburgh is strengthened, corporate headquarters remain in the same Washington, D.C. (DCA) hanger they have occupied since 1949. The workforce is 9,317 and the fleet includes 2 B-727-2B7s, 11 B-727-1B7s, 49 DC-9-31s, and 28 BAC 1-11-200s.

In the year's closing months, the carrier's niche in the Northeast is maintained, the "Allegheny Commuter" network is nurtured and expanded, and unlike the approach of other airlines flying deregulated skies, no rush is made to lower fares. At the same time, orders are placed for 10 additional Douglas DC-9-30s and 3 Boeing 727-2B7s. Largely unnoticed during the year is the appointment of Joyce Stripp to the right seat of a BAC 1-11-200; she is the company's first female pilot.

Passenger boardings for the year under two names total 14,152,000, a 9.2% jump; cargo climbs a meager 0.1% to 30.39 million FTKs. Operating income accelerates 28.58% to \$728.71 million and expenses are held to \$676.77 million, a 27% gain. Consequently, profits for the year are \$51.93 million (operating) and \$33.4 million (net).

The employee population rises by 11.2% in 1980 to 10,470. Over \$16 million is expended to upgrade terminals systemwide while also expanding maintenance facilities at Pittsburgh. Airliner interiors are all refurbished. During the first complete year of the major's new title, USAir adds San Antonio, New Orleans, Houston, and Phoenix to its domestic route network.

It records a 1% rise in passenger boardings, up to 14.3 million; cargo declines by 27.8% to 27.2 million FTKs. A net profit of \$60.3 million is earned on total revenues of \$971.8 million, up 33.4%, and \$880 million in expenses, continuing a trend that will eventually show, at least for awhile, the company as the most profitable since deregulation.

Airline employment is increased 3.7% in 1981 to 10,764. Service is extended to Dallas (DFW), Kansas City, Austin, Knoxville, Grand Rapids, and Fort Lauderdale. The fleet is strengthened by the arrival of 11 new aircraft: 3 new Boeing 727-2B7s and 8 Douglas DC-9-30s. Orders are placed for 15 B-737-2B7s and 10 B-737-3B7s, with USAir the launch customer for the latter aircraft.

A \$16-million concourse is opened at Pittsburgh and boasts the world's largest ground power system. Maintenance facilities at the Pittsburgh airport are also improved, to the tune of \$19 million. The carrier's management information services division is transferred from Washington, D.C. (DCA) to a new \$12-million computer center in Virginia.

En route from Albany to Buffalo on October 5, Flight 455, a BAC 1-11-200 with 66 passengers, is taken over by a man claiming to have a bomb, but who quickly surrenders. Upon examination, he will be found mentally unstable and will be ordered to a psychiatric facility.

The PATCO air traffic controllers' strike of the summer is almost solely responsible for a 5.6% decline in passenger traffic to 13.4 passengers. It also forces a 20.7% downturn in freight traffic, to 17.41 million FTKs. Revenues accelerate 14.27% to \$1.11 billion, but even with a 19.49% boost, expenses are kept to a manageable \$1.05 billion. The operating profit swells to \$58.46 million and net income of \$51.08 million is banked.

From a psychological and marketing standpoint, the year's greatest achievement comes in the wake of the earnings statement because its operating income now qualifies USAir to be labeled a "major" carrier under the CAB's airline classification scheme. It is the first company added to that select list since its initial publication.

USAir has a remarkable 1982. The payroll is boosted 2.6% to 11,046, as Denver joins the route system. New aircraft overhaul and flight training facilities are occupied in Pittsburgh and a \$16-million remodeling of the South Dock there adds 10 new boarding gates. On that basis, the carrier is now ranked 10th in size in the free world. New deliveries aid the company's fleet modernization program as 6 B-737-2B7s, 2 B-727-2B7As, and 8 DC-9-31s are placed on line.

A DC-9-31 strikes a deer on takeoff from Pittsburgh on August 28 and although the plane must make an emergency landing and be taken out of service, no injuries are reported by anyone aboard.

Boardings rebound strongly, jumping 9.1% to 14,727,000; cargo, unhappily, drops 14.2% to 14.93 million FTKs. On the financial side, CEO Edwin I. Colodny's cautious post-deregulation approach pays big dividends. The debt and equity position is improved to one of the best in the industry, with a ratio of 42 to 58. Additionally, in a year when most of the country's airlines are having financial trouble as the result of recession and cutthroat competition, USAir produces a \$59.1-million net profit on revenues of \$1.27 billion.

The ledgers not only show that the company possesses the best operating margin among domestic air carriers, they also proclaim the sensational news that it has achieved the largest net profit of any airline in the world and is one of only two American majors to have net gain.

Fifty-four new employees are hired in 1983 and on February 1, shareholders approve the creation of a holding company, USAir Group, which will now operate the airline, several regional carriers, and aviation support firms as subsidiaries. Since 1979, the carrier has acquired 58 aircraft, bringing its total to 18 B-737-2B7s, 14 B-727-2B7/-2B7As, 71 DC-9-31s, and 24 BAC 1-11-200s, the latter mostly holdovers from the **Allegheny Airlines (I)** era. All remaining B-727-1B7s and most BAC 1-11-200s are disposed of as 9 B-737-2B7s and 3 B-727-2B7As are delivered.

USAir becomes a transcontinental airline in March when nonstop service is launched from Pittsburgh to Los Angeles and San Francisco in competition with **United Airlines**, which will drop those routes in January 1984, and to San Diego. From the Pittsburgh hub, routes are extended to seven new markets in the North and South Carolina and Virginia.

When flights from its connecting "Allegheny Commuter" system are included in the total, USAir has 300 departures a day from its Pittsburgh base, the most by any carrier from any airport save Atlanta, where **Eastern Air Lines** has 327 and **Delta Air Lines** has 301.

Enplanements increase by 11% to 16,352,000 and as the routes lengthen, the average passenger trip grows from 327 miles in 1978 to 452; freight booms upward by 9.3% to 16.31 million FTKs. Revenues accelerate 12.51% to \$1.43 billion and costs climb 9.19% to \$1.30 billion. The operating profit is \$128.87 million and net gain totals a record \$78.38 million.

Employment grows 5.3% in 1984 to 12,524 and the fleet now includes 21 BAC 1-11-200s, 49 owned and 22 leased DC-9-31s, 14 B-727-2B7As, and 17 owned plus 6 leased B-737-2B7s.

In January, the carrier receives the 1983 "Financial Management Award" from *Air Transport World* magazine. Flight 183, a DC-9-31, is involved in a landing accident at Detroit (DTT) on June 13, while the first 4 of 30 B-737-3B7s on order arrive in December.

Although service is begun to Fort Myers, Florida, no major moves are made by USAir this year, save the establishment of a frequent-flyer

program, Frequent Traveler. Frequencies from the Pittsburgh hub are increased; 249 departures leave the Pennsylvania city daily for 69 destinations. Meanwhile, as is the case with several competitors, the company negotiates a two-tier wage scale with its employees.

Passenger traffic increases by 5.7% as 17,277,000 customers are flown; cargo rises 22.8% to 20.2 million FTKs. Operating revenues jump 13.8% to \$1.62 billion and costs are checked at \$1.43 billion, a 10.3% boost. Operating profit balloons to \$550 million and yet another record net profit, \$121.4 million, is turned in.

The payroll grows by 10.1% in 1985 to 13,789 as nonstop service from Pittsburgh to San Diego, Milwaukee, and Green Bay. The carrier now flies over 70% of all customers flying through or from Greater Pittsburgh, now the nation's 5th largest hub. In April, the company orders 20 sets of avionics for its B-737-2B7s and markets 2 jetliners, a B-727-247 for **Western Airlines** to Louisiana-based **Gulf Air** and a B-727-1B7 for Calgary-based VCHC Enterprises, Ltd. to **Avensa (Aerovias Venezolanas, S.A.)**.

Flights begin on May 1 from Pittsburgh to Newport News and Myrtle Beach. In mid-May, it is announced that "Allegheny Commuter" partner **Pennsylvania Commuter Airlines**, based at Harrisburg, has been purchased. In late July, the company signs a \$380-million order to purchase 20 Fokker 100s, becoming the jet's U.S. launch customer. Commuter partners **Ransome Airlines** and **Fischer Brothers Aviation** defect to other majors during the fall and plans are now made to take over **Suburban Airlines** as "Allegheny Commuter" bookings reach a cumulative total of 25.7 million.

Customer bookings advance by 13.1% to 19,278,000 and freight balloons 26.2% to 91.15 million FTKs. Revenues accelerate by 7.3% to \$1.74 billion, costs climb 10.1% to \$1.58 billion, and the operating profit declines to \$166.92 million. Net gain dips to \$109.85 million.

Airline employment rises 8% in 1986 to 14,800. A new hub is opened at Philadelphia to complement the cross-state operation at Pittsburgh.

While landing at Erie, Pennsylvania, following a service from Toronto on February 21, Flight 499, a DC-9-31 with 5 crew and 18 passengers, encounters tailwind conditions and a slippery runway, which is overrun. The aircraft crashes through a fence, across a road, and into a ditch 180 ft. from the end of the concrete. There are no fatalities.

By March, the "Allegheny Commuter" network is operating 594 flights per day, feeding USAir at Baltimore, Boston, New York, Newark, Pittsburgh, Philadelphia, and Washington, D.C. **Suburban Airlines** is acquired on April 30 as, beginning this spring, flights are inaugurated to Atlanta, Jacksonville, Portland, and Manchester.

In June, the company begins hush-kitting the Rolls Royce Speys on its 20 BAC 1-11-200s at the rate of one per month. Also during the summer, the company begins dual-designator flights with **Northwest Airlines** on USAir routes between San Francisco and Los Angeles and starts to participate in Northwest's frequent flyer program in the Pacific.

On August 28, four B-727-2B7s are sold to **Sterling Airways, A.S.** of Copenhagen and in September, four-times-per-day nonstop service is initiated from Washington, D.C. (DCA) to Boston. As the airline industry goes through a consolidation phase, competition for the lucrative California market intensifies as local carriers are bought and merged into larger partners. **Pacific Southwest Airlines (PSA)** of San Diego is purchased by USAir on December 6.

Passenger boardings jump 12.7% to 21,725,000, while cargo falls 3.2% to 21.49 million FTKs. Revenues swell by 2.2% to \$1.78 billion, costs climb 2.6% to \$1.62 billion, and the operating profit is down \$2 million to \$164.13 million. The net gain also slips, by \$20 million to \$89.16 million. Income by USAir Group totals \$169.4 million (operating) and \$98.4 million (net).

The workforce is increased another 12.3% in 1987 to 16,620. In January, Norfolk Southern Railroad, which owns almost 20% of North Carolina-based **Piedmont Airlines (1)**, the dominant carrier throughout the mid-Atlantic region, announces its plan to take over complete control with an offer of \$65 per share for the outstanding common shares. In early February, after 11 straight profitable years and still in an ex-

pansion mode, USAir Group Chairman Colodny counters the Norfolk Southern Railroad offer with a \$72 per share bid (\$1.65 billion total) that forces the railroad to withdraw its bid.

On March 4, just as USAir Group is about to savor the purchase of 2,292,599 shares in the larger Piedmont, **Trans World Airlines (TWA)** Chairman Carl Icahn offers \$1.4 billion for the pride of Pittsburgh itself, suggesting he will merge the two airlines with his own to form a super-carrier. Although he has managed to acquire 15% shareholding in USAir through an investment group known as Swan Management, the rival's hostile takeover is successfully fought off during the next few days. It is helped along, no doubt, by a Securities and Exchange Commission March 4 announcement that it is investigating Icahn's practices as part of a general SEC review of insider trading.

On March 5, USAir's principal financial backer, Manufacturers Hanover, in response to a request from the Piedmont board for a cash deal, agrees to advance the necessary \$800 million, allowing the USAir and Piedmont boards to complete approval of the merger on March 6. An additional 9,309,394 Piedmont shares are thus acquired by Chairman Colodny on April 1 and by mid-month, a plan for merger of the field sales staffs of the three airlines is cancelled; the TWA chairman's interest in USAir is finally abandoned in May.

In July, USAir Group prepays \$505 million in indebtedness under a \$2-billion credit agreement. Daily nonstop B-737-3B7 flights commence in September from New York (JFK) to Ottawa. The following month, as the DOT approves the Piedmont acquisition, six-times-per-day nonstop return trips commence from Cleveland to Newark.

In October, the FAA launches an intensive program of airport screening. Over the next 18 months, FAA agents will be able to slip 734 test weapons or explosives through airline-run screening points and will, in turn, impose \$5.21 million in fines against some 50 airlines that fail the unannounced tests.

The **Piedmont Airlines (1)** purchase arrangement is completed on November 5, with all remaining outstanding stock now passing to USAir. Total cost of acquiring the new North Carolina-based subsidiary is \$1.6 billion and it is slated for integration completion in early 1989. It will be operated as a subsidiary for eight months while, in addition, the "Piedmont Commuter" affiliates **Henson Aviation** and **Jetstream International Airlines** now become "USAir Express" operators. Thrice-daily service is inaugurated in November from Pittsburgh to Wichita via Kansas City.

An engine falls off a B-737-2B7 minutes after takeoff from Philadelphia on December 5 and makes a hole in a plowed field in Deptford Township, New Jersey; passengers aboard the little Boeing panic, but flight attendants bring them under control, allowing the plane to land safely.

Also in December, USAir Group continues to retire debts incurred to acquire PSA and Piedmont by prepaying another \$400,000,000 in indebtedness under the \$2-billion credit agreement; still, \$1 billion is outstanding under the agreement. On the last day of the year, the fleet numbers 401 aircraft, not including either orders or the planes of commuter partners.

The year's customer bookings accelerate 14% to 23,772,843, while freight recovers to increase by 4.4% to 22.44 million FTKs. Revenues advance 15.86% to \$2.07 billion, expenses grow 11.34% to \$1.8 billion, and the operating profit is \$283.61 million. Net profit balloons to \$140.07 million. USAir Group's consolidated operating profit is \$319.2 million and net gain is \$194.6 million.

The employee population falls 9.9% in 1988 to 14,976. **Pacific Southwest Airlines (PSA)**, despite objections from certain of its pilots, completes an integration process on April 9 and becomes a wholly owned subsidiary of USAir Group. As the result of negotiations with Allegheny County, a new long-term lease is signed with officials for occupancy at Pittsburgh.

The carrier now switches from its old "AL" two-letter code to a new "US" designation. At the same time, an 11.5% interest is taken in the Covia computerized reservations system still 50% owned by **United Airlines**. Meanwhile, experimental color schemes are applied to two DC-9-31s; both continue to place emphasis upon the bare metal livery.

On May 2, service is started from Pittsburgh to Atlantic City. Later in the month, year-round, nonstop flights are initiated between Palm Springs and San Diego, with continuing service to Pittsburgh. Simultaneously, the Visit USA airfare plan is revised.

As its difficult integration continues, **Piedmont Airlines (1)** continues to operate in a subsidiary role. On June 1, the new parent launches four daily roundtrips between Pittsburgh and Chicago (MDW) and thrice-daily frequencies between Philadelphia and Atlanta. Beginning in October, the company launches sustained competition against **Braniff, Inc.** at Kansas City by introducing daily nonstop return flights from that Missouri city to Los Angeles. Subsidiary **Piedmont Airlines (1)** also participates in the assault.

In November, twice-daily roundtrips begin from Pittsburgh to Worcester, Massachusetts.

Passenger boardings decline 3.3% to 35,054,000 and cargo is down by 2.9% to 35.3 million FTKs, the smallest amount hauled by any U.S. major. Revenues grow by 6.06% to \$2.98 billion, costs are up 12.44% to \$2.84 billion, and the operating profit is cut almost in half to \$140.16 million. The same integration costs that impact the receipt of operating income slice the previous year's net gain to only \$57.71 million.

The fleet of the 18,000-employee major in **1989** includes 6 leased B-767-201ERs, 12 owned and 13 leased B-737-4B7s, 15 owned and 16 chartered MD-81s, 9 owned and 35 B-727-2B7/-2B7As, 60 owned and 14 chartered DC-9-31s, 8 Fokker 100s, 62 owned and 23 leased B-737-2B7s, 41 owned and 61 chartered B-737-3B7s, 4 owned and 17 leased BAe 146-200s, 4 owned and 21 leased F.28-4000s, and 20 F.28-1000s. Orders are outstanding for 55 B-737-300/400s, 5 B-767-2B7ERs, 20 MD-82s, and 22 Fokker 100s.

Swissair, A.G. becomes a partner in the airline's frequent flyer program on May 1. Also, beginning in May, the carrier offers five Visit US airfare packages for non-U.S. visitors to America; each is priced according to the number of sectors traveled.

On June 1, the FAA assesses fines against those carriers failing its latest round of airport screening tests. USAir, with seven security breaches, is faced with \$65,000 in punishment. The first Fokker 100 is received from Holland in June and the last BAC 1-11 is retired.

In July, USAir Group becomes the 186th member of IATA. Integration of the salaries and benefits of its PSA and Piedmont acquisitions are completed by August 5, at which point Piedmont is finally integrated. The achievement marks the largest merger in world airline history. The Piedmont policy of giving passengers a whole can of soda instead of just a cupful is adopted company-wide on August 19. A new color scheme and logo is unveiled and work is begun on redesign of aircraft interiors.

Also in August, USAir Group sells \$358 million in 9.25% Series A preferred stock to Berkshire Hathaway, which is controlled by billionaire investor Warren E. Buffet; Buffet's acquisition represents a 12% interest. Flight 105, a B-737-2B7A, is involved in a landing accident at Kansas City on September 8. Additionally, daily nonstop service is inaugurated on September 15 from Philadelphia to Los Angeles and Bermuda.

After inadvertent rudder trim threatens to force it to veer off the runway to the left on September 20, Flight 5050, an 8-month-old B-737-401 with 6 crew and 57 passengers en route to Charlotte, North Carolina, rejects takeoff when about half-way down the New York (LGA) runway. The Boeing then slides off the end of the rain-slicked concrete, dropping onto a light pier that collapses. The plane breaks into three parts and falls into the East River to a depth of 7-12 ft. (two dead). Pilot Michael Martin and copilot Constantine Kleissaf, neither with much B-737 flight experience, initially disappear from the wreck site.

During pushback in preparation for departure from Orlando during a thunderstorm on October 7, a DC-9-31 with 107 passengers is struck in the tail by lightning. A ground worker wearing a headset connected to the aircraft is fatally injured by the bolt as it travels into him via the Douglas.

Hurricane Hugo in September and the San Francisco earthquake of October cause damages and impact schedules. Still, USAir begins daily

nonstops from Dayton to Phoenix and adds a third daily nonstop from Dayton to Tampa. **Air France** becomes a member of the company's Frequent Traveler program.

Eighteen new departures are initiated from the Philadelphia hub on December 1, including daily nonstop service to Sarasota, Florida, Nassau, and San Juan. The same day, nonstop flights commence to Baltimore (BWI) from Denver and between Long Beach and Phoenix. Later in the month, twice-daily nonstops commence between Kansas City and Indianapolis, while a second daily nonstop is introduced from the Missouri city to Los Angeles and San Francisco.

Customer bookings for the year dip again, by 1.3%, to 61,152,000; cargo, however, is up by 10.3% to 143.99 million FTKs. Revenues rise 9.53% to \$6.25 billion, expenses jump 18.15% to \$6.23 billion, and operating income plunges to \$21 million. The previous year's net profit becomes a \$63-million net loss.

With 52,000 workers, USAir in **1990** is the 5th largest airline employer in the world; the 452-jetliner fleet is fourth largest.

Just after New Year's, stockholders, including company board member George Goodman, alias Adam Smith the economics author, find that a common share purchased for \$1,000 in 1980 is now worth \$5,090.

While en route from Buffalo to Cleveland on January 18, an MD-81 is forced to turn back to its point of origin when its cockpit is filled with smoke from an improperly repaired electrical installation in the left generator. A safe emergency landing is made and no injuries are reported.

A \$1-million renovation and remodeling project is begun in February to increase the USAir Club on Concourse C at Charlotte Douglas International Airport by 50%.

At the same time, Hyatt Hotels and Resorts becomes a partner in the Frequent Traveler frequent flyer program. Still struggling with problems caused by the takeovers of **Pacific Southwest Airlines (PSA)** and **Piedmont Airlines (1)**, the Pittsburgh heavyweight acquires Gate 43 at Greater Pittsburgh International Airport from **Eastern Air Lines** in preparation for an expansion of its international services. The company now flies to 135 cities in 36 states, plus Canada, the Bahamas, and the new European markets. Indeed, the company has more flights per day than any other airline.

One nonstop daily roundtrip is introduced in March between New York (LGA) and Charleston and Greenville/Spartanburg; two roundtrips are offered from New York (LGA) to Colombia and Jacksonville. At the same time, seven daily nonstop roundtrips are inaugurated from New York (LGA) to Boston. On May 1, daily nonstop roundtrips inaugurated between New York (LGA) and Bermuda. The next day, May 2, daily roundtrip nonstops are started from Orlando to Los Angeles and Kansas City. From the latter point, daily flights begin to Seattle and twice-daily frequencies are launched to Wichita.

A daily nonstop roundtrip is inaugurated from Baltimore (BWI) to San Juan. Daily nonstop roundtrips to San Diego from Cleveland now begin, as do thrice-daily nonstops from Milwaukee to Charlotte. A marketing alliance is entered into with the Italian flag carrier **Alitalia, S.p.A.** Under its terms, the two carriers will code-share from Washington and Philadelphia to Rome via Boston. Simultaneously, an initial agreement for block-space purchase and connecting service on three weekly flights between Washington (IAD) and Orlando is inked with **All Nippon Airways Company, Ltd. (ANA)**. The Japanese carrier joins in the USAir Frequent Traveler frequent flyer program.

For the summer season that begins in June, the airline offers all-inclusive Universal Studios Star Vacation packages as well as special discounts on flights to the Universal Studios facilities in Florida and Hollywood, California; movie characters are featured on all of the airline's ticket jackets to promote the Universal programs. Pittsburgh-Frankfurt B-767-2B7ER service is inaugurated on June 15, the same day daily roundtrips are begun between San Diego and Charlotte. These German service complements existing Charlotte to London service begun by **Piedmont Airlines** three years earlier. As both are taxiing at New York (JFK), a B-737-4B7 collides with an **Alitalia, S.p.A.** aircraft also on June 15, causing minor wing and tail damage, but no injuries.

Air New Zealand, Ltd. and **Sabena Belgian World Airlines, S.A.** join the carrier's Frequent Traveler frequent flyer program in July. The same month, the company's new \$58-million, 551,000-sq.-ft. maintenance complex is opened at Charlotte and **StateWest Airlines** joins the "USAir Express" commuter compact.

A B-737-222 with 5 crew and 22 passengers fails its takeoff from Charlotte on July 22; following the abort, an engine must be shut down and the nosewheels separate from their gear. There are no injuries reported.

Fare wars during the summer, coupled with enormous fuel price increases in the wake of Iraq's August 2 invasion of Kuwait and growing national recession in the year's second half, lead to what Chairman Colodny calls "the most difficult year in the company's history." Seattle to Reno service begins in August and at the end of the month, 3,600 employees are laid off.

On September 5, thrice-daily roundtrips begin from Charlotte to Harrisburg while Philadelphia to New Orleans service is increased from one to two daily roundtrips and Pittsburgh to Charlotte frequencies are reduced to five daily roundtrips. **Alitalia, S.p.A.** and **KLM (Royal Dutch Airlines, N.V.)** join the Frequent Traveler frequent flyer program later in the month, as four new destinations are inaugurated from Boston: Columbus, Indianapolis, Tampa, and Orlando.

In October, daily roundtrip service is initiated from Boston to Columbus, Indianapolis, and Orlando and from Kansas City to Tampa/St. Petersburg. A B-737-2B7 flight is added roundtrip from Kansas City to Orlando while a B-737-3B7 roundtrip is started from Los Angeles to Kansas City. Daily nonstop B-737-3B7 Dayton to Fort Myers service begins on November 1, followed by daily B-767-2B7ER service from Pittsburgh to Frankfurt in December.

Passenger boardings for the year decline 1.8% to 60,059,269, a figure still 4th among world carriers. Freight comes through again, however, climbing 15.8% to 166.74 million FTKs. It is in the ledger books that disaster is most clearly seen. Revenues are off by 2.66% to \$6.08 billion, still 7th best in the world. Expenses, on the other hand, swell 6.39% to \$6.62 billion and turn the previous year's small operating profit into a huge \$543.23-million loss. Meanwhile, the small net loss becomes a gigantic \$454.4-million downturn.

Not willing to suffer reversal without a fight, USAir attacks its physical and fiscal difficulties in 1991. Seven thousand employees are laid off, twenty-four B-727-2B7s begin withdrawal, and B-737/767 deliveries are pushed back into the future. Beginning on January 1 and running through March 15, the carrier offers special \$175 roundtrip fares to Frankfurt for travel agents in appreciation of their assistance over the previous year.

DC-9-31 flights commence on January 8 from Pittsburgh to Stewart International Airport in New York State. Also in January, an additional flight is added from Greenville and Spartanburg to Baltimore (BWI). **Air Midwest** joins the "USAir Express" commuter network at month's end, while daily DC-9-31 service from Pittsburgh to Newburgh, New York, begins in February.

Flight 1493, a B-737-3B7 with 6 crew and 83 passengers landing in clear weather at Los Angeles (LAX) on February 1, alights atop **Skywest Airlines** Flight 5569, a Fairchild Metro III with 2 crew and 10 passengers, preparing for takeoff. The jetliner bursts into flames (34 dead) and the Fairchild is smashed and all aboard are killed. The crash is blamed on an air traffic control error.

In the face of tough competition from **Southwest Airlines**, withdrawal from the eight California markets, including Orange County-John Wayne Airport, begins on May 2 as hubs are realigned with more through-flights from Pittsburgh, Charlotte, and Philadelphia and fewer departures from Baltimore (BWI) and Cleveland.

Flight crew bases are closed at San Diego, Syracuse, Miami, and Greensboro and all 18 ex-PSA BAe 146-200s are withdrawn, while delivery of 16 aircraft is delayed. The same day, nonstop daily B-767-2B7ER service begins from Philadelphia to Paris and San Francisco. During the month, nonstop daily Fokker 100 flights commence from

Pittsburgh to Des Moines and Omaha, while DC-9-31s offer nonstop Pittsburgh to Myrtle Beach and Birmingham flights. B-737-4B7s now fly nonstop from Pittsburgh to Reno.

Chairman Colodny relinquishes his CEO/president titles to Seth Schofield on June 1. After issuing \$213 million of convertible preferred stock and completing \$332 million of aircraft lease financing through the first six months, the airline's liquidity position, at the end of June, is approximately \$820 million in cash and available bank lines of credit.

In July, employing five Fokker 100s as security, the company completes \$103 million of secured-debt financing with Kreditanstalt für Wiederaufbau. Also during the month, the new \$22.5-million maintenance facility is opened at Indianapolis.

During July, a code-sharing agreement is signed with **LADECO Chilean Airlines, S.A.** and is designed to promote transportation between the South American nation and USAir's North American cities served from the Baltimore (BWI) hub.

On August 7, the U.S. Federal District Court, Atlanta, converts an antitrust lawsuit against nine airlines into a class-action that could benefit many consumers and cost the carriers millions of dollars; the antitrust suit charges that this company and the others conspired to keep ticket prices high at 23 hub airports.

Also in August, hourly shuttle service commences between Boston and Washington, D.C. In conjunction with **All Nippon Airways Company, Ltd. (ANA)**, USAir inaugurates daily B-737-3B7 service from Washington, D.C. (DCA) to Orlando at month's end.

On September 4, Philadelphia to Austin and San Antonio B-737-4B7 flights begin while, on September 23, an all-cargo interline agreement is signed with **Aeroflot Soviet Airlines**. Also in September, the carrier initiates hourly (14 flights per day) Boston to Washington direct frequencies. After losing some \$45 million in 18 months, the carrier closes its Dayton hub, laying off 359 employees; "spoke" flights from the Ohio city are diverted to Pittsburgh. An agreement in principle is signed with **Air Canada, Ltd.** for a strategic alliance in the areas of operational, marketing, technical, and investment activities.

In October, "USAir Express" Charlotte-Montgomery commuter service is replaced with Fokker Fellowships. Also in October, a new arrangement is made with General Electric Capital Corporation for aircraft leases; under its terms, 10 former **Eastern Air Lines** B-757-225s, parked since that carrier's January failure, are chartered. In addition, GECC promises to purchase and leaseback to USAir 15 B-737-3B7s at a price of \$330 million. Simultaneously, the airline begins to call upon its employees for further participation in cost-cutting programs.

Daily F.28-4000 frequencies are introduced on November 1 from Charlotte to Rochester and twice-daily nonstops begin from New York to West Palm Beach and three-times-daily nonstops are launched from Pittsburgh to Trenton. The same day, daily nonstop roundtrip B-767-2B7ER service is inaugurated from Charlotte to Frankfurt. Also in the fall, total of 114 slots are purchased from **Continental Airlines** at Washington, D.C. (DCA) and New York (LGA) for \$61 million, with new the East End Terminal thrown in at the latter point.

Additionally, two London routes are purchased from **Trans World Airlines (TWA)** for \$50 million. A management contract is signed for operation of the **Trump Shuttle** and \$16 million is spent for an option to purchase it.

Customer bookings fall another 7.4% to 55.6 million, while cargo moves ahead by 19.7% to 199.53 million FTKs. Although revenues decline 0.58% to \$6.04 billion, expenses drop 5.68% and still total \$6.25 billion. The resulting operating loss is an improvement over the previous year, but still a minus figure of \$202.1 million. The net loss is cut in half to \$259.99 million.

Company employment remains level in 1992 at 47,000 as 10 B-757-225s arrive, replacing a number of retired B-737-2B7s and BAe 146-100s. Due to operating losses, the company discontinues hub operations from Dayton on January 2, reducing the number of daily jet departures from 73 to 20. The majority of jetliner flights previously flown between the home of the Wright Brothers and smaller communities are hubbed at

Pittsburgh and there is no reduction in systemwide capacity as a result of the shift.

Hourly Boston–Newark shuttle service begins on January 7, the same day nonstop daily frequencies are initiated from Charlotte to Albany, from Pittsburgh to Evansville, Champaign/Urbana, Flint, Kalamazoo, Lansing, Fort Wayne, and South Bend, and from Philadelphia to Dallas (DFW). “USAir Express” commuter flights from Charlotte to Atlanta are replaced by F.28-1000s and four-times-per-day DC-9-31 flights are opened from Atlanta to Madison via Indianapolis.

Flight 305, a DC-9-31 with 5 crew and 36 passengers, is destroyed as the result of a heavy landing at Elmira, New York, on January 18; there are no fatalities.

Also in January, USAir begins flying its B-767-2B7ERs from Philadelphia to Paris. Vice Chairman/Executive Vice President-Marketing Randall Malin resigns at month's end and is succeeded, in February, by **United Airlines** Senior Vice President-Planning W. Thomas Lagow. When the new Galileo International reservations service is formed, the carrier acquires 11% shareholding. It is announced at month's end that the salaries of directors will be cut 20% and those of top airline officials by 15%.

With ice on its wings, Flight 405, an F.28-4000 with 4 crew and 47 passengers, mostly from Ohio, is unable to complete its March 22 take-off from New York (LGA) for Cleveland in a blizzard. The jetliner stalls and crashes, coming to rest upside down and partially submerged in Flushing Bay (27 dead). Fredric Nickell, who is driving a lavatory pump truck, and Jimmy May, operating a baggage cart, race to the scene and braving flaming jet fuel, pull dazed survivors from the freezing waters in an act of heroism celebrated by the local media.

Alan Ebert tells of the survival of actor Richard Lawson after the accident in “Angel in My Corner” in *Essence* 23 (July 1992): 90–92. The Subcommittee on Transportation and Related Agencies of the U.S. Senate's Committee on Appropriations also looks into the accident in its *Field Hearing to Receive Testimony on the Crash of USAir Flight 405: Hearings*, 102nd Cong., 2nd sess. (Washington, D.C.: GPO, 1992). Kendra St. Charles will live with memories of the tragedy for years before reporting them, with the help of editor Patricia Burnstein, in “Just Lean on Me” in *Ladies Home Journal* 107 (May 1995): 44+.

On April 12, USAir assumes management of the former **Trump Shuttle** and renames it **USAir Shuttle**; hourly service is continued between New York and Boston and between New York and Washington, D.C. (DCA). The contract gives USAir the right to purchase the shuttle outright at the end of four-and-a-half years. “USAir Express” chief Gordon Linkon is transferred to the shuttle as president/CEO. Also in April, ground is broken on a \$23.5-million maintenance hangar at Tampa.

Daily, nonstop service is inaugurated from Philadelphia and Baltimore (BWI) to London (LGW) on May 1, the same day flights commence between Charlotte and Bermuda. Service from Baltimore (BWI) is adjusted downward on May 22 to certain markets, while allowing increases to other destinations. Overall daily jetliner departures are reduced from 111 to 88 while “USAir Express” flights are increased from 87 to 102.

A B-727-254 shuttle, approaching New York (LGA) on May 19, aborts its landing and passes within 50–75 feet of a **United Airlines** jetliner taking off for Chicago.

Also in May, a new four-year contract is signed with company pilots that provides for \$100 million in wage and work rule concessions. The FAA cites company heroes Nickell and May, now working for **USAir Shuttle**, for their “selfless concern for the preservation of human life” for their rescue work in connection with the Flight 405 disaster.

When Chairman Colodny retires on June 30, his title is assumed by President/CEO Seth Schofield.

Piedmont Aviation Services, Air Service, and Aviation Supply Corporation are sold to Piedmont Holding on July 15. The carrier joins with **British Airways, Ltd. (2)** on July 21 to announce plans for the formation of the world's largest code-sharing alliance. The U.K. flag carrier will invest \$750 million in new 7% convertible preferred shares in USAir and receive, in return, 4 seats on the company's board of directors and 21% interest in the voting stock.

Although the company offers nonscheduled lift to some 20 college football teams and a number of professional hockey teams, its only charter contract with a National Football League team continues to be held with the Pittsburgh Steelers.

Two of the carrier's jetliners, a B-767-2B7ER and a DC-9-31 carrying more than 200 passengers, come within half a mile of each other 28,000 feet over Richmond, Virginia, on September 1. The new USAir Terminal at New York (LGA) is opened on September 12. Also in September, the chairmen of **Federal Express**, **United Airlines**, **Delta Air Lines**, and **American Airlines** formally oppose the USAir-BA arrangement unless greater traffic rights are forthcoming from the U.K.

The carrier becomes the primary tenant (53 of 75 gates) when the new, \$750-million state-of-the-art Midfield Terminal is opened at Pittsburgh on October 1, gaining 17 additional gates. On October 8, the company's 8,300 unionized machinists stage a 4-day job action, the first strike in the company's history, to protest the carrier's call for additional economic concessions; the action causes the cancellation of over 1,000 daily flights. Machinists end their strike on October 12 by agreeing to pay concessions as part of a new 4-year contract.

During November, another alliance is signed with **All Nippon Airways Company, Ltd. (ANA)** to provide one-stop service between Charlotte and Tokyo. Six-times-per-week Charlotte (later Orlando)–Washington, D.C. (IAD) flights are inaugurated, timed to connect with the ANA service to Japan.

In December, the outgoing Bush administration signals its disapproval of the BA deal. The arrangement costs USAir \$750 million in an immediate and long-term British cash infusion and is put off in December. Chairman Schofield and nine other top executives are forced to delay receipt of \$4.3 million in bonuses due upon completion of the BA deal.

Passenger boardings for the year dip 1.7% to 54,654,575, but freight rises 4.2% to 207.89 million FTKs. Although revenues are up by 3.1% to \$6.23 billion, expenses jump 5.8% to \$6.61 billion and guarantee a leap in operating loss to \$330.52 million. The net loss is an almost unbelievable \$1.22 billion, highest in the U.S. airline industry.

The payroll is cut a slight 0.7% in 1993 to 46,667, 6th largest in the world airline industry; the 441-unit fleet is the 5th biggest.

Early in the month, the carrier merges its USAir and “USAir Express” operations in Florida into a new USAir Florida Shuttle. At the same time, the carrier engages in a costly fare war with **Delta Air Lines** in the Boston–New York–Washington shuttle market, shaving its weekday tariffs by 34%.

On January 21, USAir and **British Airways, Ltd. (2)** announce a restructured investment and alliance plan. The U.S. DOT approves the British airline's immediate, passive investment of \$300 plus \$450 million over the next five years if outstanding difficulties (read: the necessity to get USAir's costs down) are resolved. In return, BA will receive an initial 19.9% voting interest and a major code-sharing marketing agreement. Three BA executives are voted onto the 16-member USAir board: CEO Sir Colin Marshall, Chief Financial Officer Derek Stevens, and Corporate Strategy Director Roger Maynard.

Although the integration plan contemplated the previous July is shelved, the U.K. operator receives entry to 38 American communities via Philadelphia, Pittsburgh, and Baltimore (BWI). USAir is required to divest itself of its rights to London from Philadelphia, Pittsburgh, and Charlotte, but wet-leases Boeing 767-3B7ERs to BA for London to Baltimore, Charlotte, and Pittsburgh frequencies.

On February 1, the USAir Florida Shuttle begins to cover all USAir flights within the Sunshine State. Copying the ex-**Trump Shuttle** operation up north, the airline introduces new hourly jetliner or DHC-8 turboprop flights between Miami and Tampa and Miami and Orlando. Passengers frequently employing the new service are given the opportunity to join the USAir Florida Shuttle Club. Overall, intra-Florida operations are increased by 10% from 300 to 330 daily departures, while services from Florida to other states rises by 11% from 199 to 221 flights.

The same day, new B-737-3B7 services are launched from Bangor to Boston, Lebanon to Boston, Manchester to Boston, Tampa to Nassau,

Tampa to Columbus, and Orlando to Columbus. Flights to the Colorado ski slopes are increased in number via a new daily nonstop B-737-3B7 roundtrip frequency from Philadelphia to Denver. The next day, roundtrip nonstops commence from Washington, D.C. (DCA) to St. Louis. Company flight attendants reach tentative agreement on a new contract, also in February.

Albuquerque to Kansas City flights begin on March 2. The same day, services are increased from the St. Louis hub by 11 flights per day, including thrice daily to New York (LGA), four times per day to Kansas City, one to Orlando, one to Omaha, and two to Baltimore (BWI).

A severe winter storm over the eastern U.S. on the weekend of March 12-14 severely impacts company services; on Saturday alone, all operations are cancelled at Boston, New York (LGA), Rochester, Pittsburgh, Newark, Philadelphia, Cleveland, Atlantic City, Syracuse, Buffalo, and the Charlotte hub. Flights gradually resume March 14-16.

During the month, the U.S. government approves the company's strategic alliance with **British Airways, Ltd. (2)** for a year and authorizes the wet-lease transatlantic services contemplated. In early spring, USAir cancels delivery of 20 B-737-4B7s this year and defers delivery of 40 others for 5 years.

Roundtrip B-727-2B7A service is inaugurated on April 4 from Boston to Bermuda. The same day, new nonstop B-727-2B7A roundtrips are started from Orlando to San Juan while B-737-3B7s begin flying, twice daily, from Pittsburgh to John Wayne-Orange County Airport in California. The long haul flights from Orange County are the first flown by the company from that destination in two years. At the same time, jet service is discontinued out of Tucson. **Northwest Airlines** announces on April 15 that it will buy the carrier's Baltimore to London route for \$5 million and move the U.S. terminus to Detroit by mid-June.

The City of Nashville reaches an unusual agreement with USAir on April 27 to acquire that carrier's Charlotte to London route for \$5 and to shift the U.S. end to Nashville, allowing **American Airlines** to operate the route in exchange for certain concessions to the city. Also during the month, the Philadelphia to London (LGW) route is sold to **United Airlines** for \$14.5 million; **American Airlines** protests the arrangement, which is not completed. To compensate the manufacturer, company officials agree to exercise options on 15 B-757-2B7s and place options on 15 more.

Also during the month, the company proposes the sale of 10 million shares of common stock. Acting under the January 21 agreement, **British Airways, Ltd. (2)** announces that it will purchase sufficient additional preferred stock in USAir so as to maintain its 24.6% interest in USAir Group's equity share capital on an undiluted basis. The final significant event of the month is the opening of the new \$27-million maintenance base at Tampa.

On May 1, **British Airways, Ltd. (2)** announces that it will begin sharing flight codes with its new American partner; the move will provide flight codes of both airlines on USAir domestic services that connect with BA's transatlantic flights. Meanwhile, USAir initiates additional new routes: Philadelphia to Mexico City, Baltimore to St. Thomas, and Charlotte to Grand Cayman.

The right engine of an MD-81 is completely destroyed by an explosion at cruise altitude later in the day; the aircraft is able to execute a safe emergency landing at Tampa and no injuries are reported.

On May 2, new nonstop service is initiated from Savannah, Georgia, to New York (LGA) and from Washington, D.C. (IAD) to Boston. Because the U.S. and German governments cannot agree on a new bilateral agreement, new Philadelphia to Frankfurt service scheduled for the day must be cancelled. During the month, the carrier receives cash infusions not only from BA, but from a \$231-million offering of common stock. At their annual meeting in Virginia, USAir Group stockholders approve the **British Airways, Ltd. (2)** arrangements announced in January and April. Their action is the final step in the completion of the integration process.

Nonstop B-757-2B7 roundtrips are inaugurated on June 9 from Philadelphia to both Seattle and San Diego. New daily roundtrips are also initiated from Orlando to Raleigh/Durham; they are flown one way with B-737-4B7s and the other way with Fokker 100s. Daily B-737-3B7

roundtrips are also begun from Kansas City to Boston during the day, as a new Northeast fare program is unveiled that provides savings for business and leisure travel in 286 markets.

Also during the month, a B-767-2B7ER equipped with Sundstrand Data Control's HF-DataLink system, begins operational trials of the ground-based reporting and data transmission system. Another of the type, wet-leased to **British Airways, Ltd. (2)** in BA colors, begins daily nonstop service from London (LGW) to Pittsburgh; the flights are staffed by USAir crews in BA uniforms.

The DOT awards **American Airlines** the Philadelphia to London route on July 5 that the carrier was recently forced to cede as part of the price of the BA link. Arch-rival **Southwest Airlines (2)** steps up the pace of competition in California in July and, consequently, USAir reduces the fares on its hourly Los Angeles-San Francisco shuttle and offers special bonus miles in its frequent flyer program for those employing the service. During the month, \$300 million in income is received from a public debt issue.

Daily nonstop roundtrips are inaugurated on August 1 to Mexico City from both Philadelphia and Tampa. Southwest also causes considerable pain when it begins to move into East Coast markets, starting with service on August 17 from Baltimore (BWI) to Chicago (Midway) via Cleveland. A full-scale fare war breaks out between the two as both slash fares to rock-bottom prices in the competition that follows. A new intra-Florida small package express service is introduced on August 20 between 19 airports.

Terry V. Hallcom succeeds the retiring Gordon Linkon on September 1 as president/CEO of USAir Group. Additional nonstops are added on September 7 between Baltimore (BWI) and Chicago (MDW) via Cleveland; also from Baltimore (BWI), new daily roundtrips are started to Las Vegas and New Orleans. Service from Baltimore (BWI) to Indianapolis is also increased this day from two to three daily flights and to Pittsburgh from five to seven.

From Pittsburgh on September 7, daily B-737-2B7 roundtrips are offered to Tri-City Airport in Tennessee, while daily Pittsburgh to Charlotte "USAir Express" DHC-8 flights are supplemented by twice-daily B-737-3B7 frequencies. Finally this day, roundtrips are started every 24 hours between Charlotte and Las Vegas and to Las Vegas from Columbus. Responding to the continuing rivalry with **Southwest Airlines (2)**, the carrier, on September 16, cuts fares to many East Coast cities, including Florida destinations.

Four days later, USAir unveils new package tours, known as USAir Vacations. Effective October 1, package tours to vacation destinations will be offered, including 2-to-21-day tours to 27 markets, including Paris, London, Frankfurt, and Mexico City. In October, revived **Continental Airlines** establishes its CALite low-fare operation and, like **Southwest Airlines (2)**, specifically targets USAir markets. Also during October, **British Airways, Ltd. (2)** launches daily nonstops from London (LGW) to Baltimore (BWI) employing a wet-leased USAir B-767-2B7ER in BA livery and staffed by USAir crew in BA uniforms working to BA service standards.

The company initially enters the Virgin Islands market on November 10, with the start of daily roundtrip B-727-2B7A services from Baltimore (BWI) to St. Thomas. The same day, four-times-per-week roundtrips commence from Tampa to Grand Cayman and thrice daily to that destination from Charlotte. Also on November 20, twice-daily nonstop roundtrips begin from Roanoke to Pittsburgh, increasing the total number of frequencies in that market to nine per day.

Customer bookings slide 1.8% to 53,678,114, still 4th highest among the globe's carriers. Cargo grows 4.2% to 216.59 million FTKs. Revenues advance 5.9% to \$7.08 billion, the 10th best income in the world. Expenses rise 2% to \$7.15 billion and cause an operating loss of \$149.1 million. Net loss is \$418.97 million.

Airline employment in 1994 is cut by 1.4% to 46,000. The DOT, in January, agrees to extend its approval of the expanded BA-USAir code-sharing agreement through March 17, but no longer than that unless all U.S. airlines receive additional access to London (LHR).

At the same time, **British Airways, Ltd. (2)** inaugurates daily non-stop service from London (LGW) to Charlotte using a wet-leased USAir B-767-2B7ER in BA livery and staffed by USAir crew in BA uniforms. This is the last of three wet-leased services to be provided by BA under the January 1993 alliance agreement.

To battle **Continental Airlines'** CALite, USAir, beginning on February 16, unveils Project High Ground, which increases frequencies to 18 of its East Coast short-haul markets, reducing turnaround times from 45 to 25 minutes. An agreement is started with **Qantas Airways (Pty.), Ltd.** that covers round-the-world fares, links frequent flyer programs, and provides code share on USAir flights for the Australian line on services between Los Angeles and San Francisco.

As the result of recommendations by the company's unions, Executive Vice President-Finance Frank L. Salizzoni, elected president/chief operating officer at the end of 1993, takes office on March 1, while Michael Schwab, executive vice president-operations, resigns; John W. Harper becomes senior vice president/chief financial officer.

At the same time, another public debt issue brings in \$175 million that helps to pay for slots at Washington, D.C. (DCA), New York (LGA), and Orlando. As a further response to CALite and **Southwest Airlines**, the company, in early March, reduces business-class fares by 50% to 96 cities and drops leisure fares by up to 70% in the same markets.

During the first week of March, the company indicates that its financial losses will again be high this quarter. To combat the situation, the carrier introduces its Management Action Plan, which is designed to enhance revenue opportunities and pursue cost reductions and productivity improvements.

Still, the airline's partner, BA, freezes further investment in USAir Group until the carrier can get its costs under control. On March 17, the BA code-sharing agreement, which will cover 66 cities by year's end and become a factor in U.S.-U.K. bilateral negotiations, is, nevertheless, approved by the DOT through March 1995. The government refuses to act on the U.K. line's application to extend these arrangements to further destinations. In response to its low-fare enterprise, the company must, during the month, recall or hire 800 part-time reservations agents and 200 flight attendants.

The smell of a household bug killer in a carry-on bag prompts authorities at Baltimore (BWI) to evacuate a USAir flight on April 1 and quarantine 78 passengers for 4 hours.

On April 5, a new turnaround, short-haul approach is developed; based on the use of B-737-2B7s, the program is designed to cut costs and have aircraft in and out of airport gates in as little as 20 minutes. A total of 22 "Baby Boeings" are initially committed to the new effort.

The company begins offering year-round discounts of as much as 55% on many routes between the Northeast and Florida. Two days later, USAir drops its weight standards for flight attendants, settling a 1992 lawsuit filed by the EEOC, and institutes a performance test to make sure attendants can easily fit down aisles and emergency chutes.

On May 1, a B-737-3B7 with 89 aboard lands at Charlotte without its faulty nose gear deployed; no injuries are reported. During the month, low-fare flights are inaugurated from Washington, D.C. (DCA) to Newark. Also in May, the company announces plans to subcontract freight and mail operations at 35 cities. Although the move is challenged in court by the United Steel Workers of America, the case is dismissed in U.S. District Court.

Actual possession of 40 B-737s scheduled for delivery between 1997 and 2000 is postponed on May 12.

Beginning in June and continuing through August, the carrier's air freight and mail-handling operations at 56 cities are subcontracted; the move is designed to save \$11.5 million. Also, on routes from Atlanta to Philadelphia and Chicago (MDW), the company faces and responds to a challenge from new competitor **Valujet Airlines**.

Chairman Schofield announces the company's intention, in a "Billion Dollar Solution" plan, to cut expenses by a billion dollars a year for the next 3 years, with \$500 million each 12 months coming from permanent wage cuts and productivity improvements. The other half will center on

a combination of maintenance restructuring, fleet rationalization, increased aircraft utilization, product changes and enhancements, and purchasing centralization. At the same time, it is announced that a memorandum of understanding has been signed with **Mexicana Airlines, S.A. de C.V.** under which negotiations will proceed toward a strategic and code-sharing alliance.

By July 1, 100 aircraft are dedicated to the quick-turn service, which is viewed as one way to combat the Southwest/CALite challenge. As the popularity of the approach increases, some 800 part-time reservations agents and 200 flight attendants are hired.

Coming in from Columbia, South Carolina, on July 2, Flight 1016, a DC-9-31 with 5 crew and 52 passengers, descends too fast and crashes into a wooded area and a private home while reattempting a missed approach to Charlotte in a thunderstorm (37 dead). Following the crash, flight attendant Richard DeMary becomes a hero for his rescue work in saving survivors; he will receive the Flight Safety Foundation's heroism award in ceremonies in Lisbon, Portugal, in the fall. Wind shear is determined to be the cause of the first fatal U.S. air disaster since the company's March 1992 F.28 tragedy.

In an effort to save at least \$10 million annually, the company now begins to subcontract its mail handling and air freight operations at upwards of 35 airports. Subcontractors begin handling freight services on July 3 at Hartford, Charlotte, Greensboro, Los Angeles, and Philadelphia. Beginning on July 18, other companies take over freight at Boston, Pittsburgh, Indianapolis, Providence, Roanoke, Islip, and San Francisco.

The pilots' union suggests sweeping financial restructuring of the airline on August 3, under which \$2.5 billion in wage concessions would be made in return for 25% equity, \$700 million in preferred stock, and board seats. The offer is not supported by any other employee group, including the AFA, and BA is not receptive to the idea; the carrier rejects the offer two days later.

On August 24, the airline sells a package of assets to Mesa Airlines for \$28 million; the northeastern division of the latter's **Florida Gulf Airlines** subsidiary will launch "USAir Express" flights to Baltimore, Philadelphia, and Boston from a base at Reading, Pennsylvania. Later in the month, a code-sharing agreement is signed with **United Airlines**. On August 30, it is reported that the pilots of the Douglas transport lost on July 2 did not receive the wind shear alert broadcast on radio frequencies shortly before the crash.

Flight 427, a B-737-3B7 with 132 aboard on final approach to Greater Pittsburgh from Chicago on the evening of September 8, suddenly nose-dives into a wooded area 7 miles out, near the town of Aliquippa, Pennsylvania; there are no survivors.

The arrangement with **United Airlines** comes into effect in September and under its terms, the Pittsburgh major feeds the UAL Latin American hub at Miami. Also during the month, USAir announces a decision to defer quarterly dividend payments on a class of preferred stock not held by **British Airways, Ltd. (2)**.

At the same time, the Chicago-based megacarrier scales back its daily departures at Orlando from 39 to 16 and eliminates service from that Florida city to 6 domestic locations. During the month, the carrier leases out 18 aircraft: 5 B-737-2B7s to **Frontier Airlines (2)**, 2 B-737-2B7s to Kansas-based TSP, Inc., 3 F.28-1000s to **Atlantic Island Airways, Ltd.**, 2 F.28-1000s to **Horizon Air**, and 4 B-737-2B7s to an unidentified operator.

It is announced on October 1 that the carrier will, during the next year, remove 12 B-767-2B7ERs, 8 B-727-2B7As, 10 B-737-2B7s, and 14 B-737-3B7s from its fleet over the next year and terminate transatlantic service. On October 7, the carrier's pilots, in light of the previous week's decision that will result in 525 surplus pilots, pull out of talks aimed at cutting the company's labor costs; even if 225 retire as expected, the remainder will be downgraded. At the same time, the quarterly dividend payments on \$972 million in preferred stock are suspended in an effort to save cash.

The company and its pilots, on October 25, accept a mediator, the former governor of Virginia Gerald Baliles, to help resolve the impasse

over how much union workers should contribute to the carrier's cost-cutting efforts. It is made known that the company will not participate in the fare war expected the following summer between **Southwest Airlines (2)** and the new Shuttle by United division of **United Airlines**. To emphasize the point, it is announced that the San Francisco crew base will be closed in the spring.

Under a licensing agreement with BA governed by the two carriers' global alliance, a B-767-2B7ER introduces BA's Club World business and World Traveler economy-class services on a transatlantic flight from Charlotte to Frankfurt on November 1. Over the next two months, the branded services will be put in place on frequencies from Pittsburgh to Frankfurt and from Philadelphia to Paris. At the same time, a B-737-222, B-737-247 and B-737-281 are leased to Kansas City-based new entrant **Vanguard Airlines**.

In response to intense competition in the Los Angeles (LAX)-San Francisco (SFO) market, the number of daily roundtrips between Los Angeles and San Francisco is reduced on November 13 from 16 to 4. It is revealed in *The New York Times* on the same day that, following the company's elimination of two preflight refueling checks in July of the previous year, 9 USAir departures were made without adequate fuel over the next 16 months. Two days later, on November 15, company and ALPA officials agree to resume talks and settle their contract difficulties within 30 days.

In a move to reassure customers after the fifth fatal crash in five years, USAir on November 20 appoints retired USAF Gen. Robert C. Oaks to the newly created position of vice president-corporate safety and regulatory compliance. The carrier also hires a consulting concern, PRC Aviation, to conduct an independent safety audit of its flight operations.

While at cruising altitude on November 26, a loud bang is heard in the right engine of a company MD-81, after which the engine shuts down. A safe emergency landing is made at Raleigh/Durham.

On November 27, the airline sets up a joint frequent flyer plan, Lat-inpass, with 12 Latin American carriers, becoming its exclusive domestic U.S. partner. The move is the largest expansion of the Frequent Traveler Program during its entire 10-year history.

A new \$50-million service class is introduced on December 1 for full-fare passengers in short-haul, East Coast markets, replacing first class. Business Select is unveiled aboard 30 B-737-2B7s making some 210 daily departures and is based upon the installation on those aircraft of the Recaro Aircomfort convertible seat. On December 3, the carrier, in reaction to *The New York Times* story on November 13, reports that it has reinstated the two refueling checks previously eliminated.

A week later, on December 10, transcripts of the exchange between pilots and ATC during the last moments of Flight 427 are released. On December 23, USAir Group and the pilots' union suspend cost-cutting talks for the holidays, promising to resume early in January 1995.

The windshield of the first officer of an MD-82 cracks while at cruising altitude on December 26; an emergency descent is made as the aircraft diverts to a safe emergency landing at Charlotte, North Carolina.

At year's end, plans are made with **Qantas Airways (Pty.), Ltd.** for code-sharing between Los Angeles and San Francisco and employees can take pride in having beaten back the East Coast invasion by **Continental Airlines'** CALite. Still, during the month, mega-shareholder Warren E. Buffett, chairman of Berkshire Hathaway, acknowledges to analysts that his investment in USAir had been a mistake.

Passenger boardings for the year jump 10.8% to 59,495,000, while freight falls 13.3% to 187.89 million FTKs. Revenues slip 0.7% to \$6.57 billion, while expenses advance by 4.8% to \$7.09 billion. Consequently, the pretax loss increases to \$516.97 million and the net loss surges to \$716.18 million.

The workforce stands at 43,100 in 1995, a 6.3% decrease. Two B-737-301s will be sold during the first quarter and arrangements made to sell 11 more by year's end. In addition, the leased maintenance hangar at Indianapolis will be closed and delivery of the B-757s scheduled for 1996 is pushed back a year.

As a result of electrical power problems at Newark (EWR) on January 9, the carrier is forced to cancel 18 of its 54 flights from the New

Jersey airport; power supplies return to normal the next day. During the month, Business Select short-haul service is introduced in 16 cities; the new product provides enhanced comfort for business travelers in a separate cabin, special check-in lines, advanced seat reservations, and reserved baggage space.

On February 11, the company joins in the **Delta Air Lines** initiative to place a cap on the commission paid to travel agents. Four days later, it is among the 5 majors taken to court by Travel Network, Ltd., franchiser of 350 travel agencies, in an effort to halt the new practice.

Also on February 15, company officials announce that they will match the fare cuts for winter and spring travel in the U.S., the Caribbean, and Mexico started by **American Airlines** and **America West Airlines** two days earlier. The same day, three jet flights from Cleveland to New York are dropped, along with one each to Indianapolis and Pittsburgh.

Federal regulators, on February 24, commend USAir for its safety efforts in the aftermath of recent crashes. In a ceremony, company flight attendant Richard DeMary receives the DOT Heroism Award for his "selfless heroism" following the crash of Flight 1016 the previous July. He is lauded for having disregarded his own injuries to evacuate one crew member and three passengers while helping to rescue others.

Daily nonstop B-737-296A roundtrips are introduced on March 1 from Pittsburgh to Toronto. Commissioned after the Flight 427 disaster the previous September 8, an independent study released on March 17 concludes that USAir is operated safely; still, it makes 30 recommendations for changes in flight training and maintenance procedures.

During the month, mega-shareholder Buffett announces that his Berkshire Hathaway has written down the value of its \$358-million investment to \$89.5 million and warns that he and Berkshire Vice Chairman Charles T. Munger will both resign from the airline's board if the carrier is sold.

On March 25, the company ALPA chapter breaks a yearlong deadlock in negotiations with the airline over price-cutting measures. The flyers propose to take an approximate 20% pay cut and to let the company lay off up to 300 pilots in exchange for a 20% employee stake in the company, a seat on the board of directors for each of the three major unions, a seat for the nonunionized workers, and miscellaneous preferred stock and profit-sharing arrangements. The deal will be consummated, the ALPA negotiators report, only if the flight attendants and machinists agree.

Ticketless scheduled service is inaugurated by new entrant **Nations Air** on March 26, between Pittsburgh, Philadelphia, and Boston. The frequencies are offered five times daily on weekdays and four times daily on weekends. In response to the company's \$59 Philadelphia-Pittsburgh fare, USAir quickly counters with a \$53 tariff and matches the upstart on 4 of its own 16 daily frequencies from Pittsburgh to Boston.

The Pittsburgh-Toronto frequency is doubled to twice daily on April 2 and DC-9-31s replace B-737-296As on the route. When a propane tank, thought to be a bomb, is found inside a men's room at the company's New York (LGA) terminal on April 23, the entire facility is evacuated until the New York City police bomb squad can resolve the incident. Bermuda-based Everest Capital, Ltd. and FMR Corporation of Boston purchase large investments in the carrier during the month.

On May 1, when **Continental Airlines** opens what has become an annual seasonal airfare competition, USAir quickly responds, matching that major's discounts of up to 35% for off-peak summer travel on certain days. On May 3, the carrier and its chapter of the IAM agree in principle on wages and other concessions for mechanics and fleet service personnel. B-757-225s replace DC-9-31s on the twice-daily Pittsburgh-Toronto roundtrips as of May 7.

During the month, **British Airways, Ltd. (2)** announces that it must take a \$200-million write-down to reflect the decline in value of its 24.6% stake in USAir.

A tentative settlement is reached with its AFA chapter on May 21. Under its terms, wages of flight attendants will be cut some 5% over the next five years and there will be no raises for them during the same period; in exchange, the union members will receive a 10.8% stake in the company and a seat on the board of directors.

Rumors begin on June 21, the first day of stock trading following its reemergence from bankruptcy, that **Hawaiian Airlines** will be purchased by either USAir or **Trans-World Airlines (TWA)**. The talk actually causes the stock of the Pittsburgh major to drop on the second day that shares of the Hawaiian company are traded. Officials of all three carriers deny such a possibility on June 23. During the second quarter, the price of the company's common stock almost doubles.

With the beginning of summer, the company introduces a new strategy of offering shuttle service each half-hour on long-haul routes in an effort to lure a greater number of business travelers at full-fare. Planes and frequencies are removed from smaller cities in order to enhance services between Los Angeles, San Francisco, Dallas, Chicago, New York, and Washington, D.C.

On July 13, members of the local chapter of AFA reject the offered concession and investment contract of May 21. After due deliberation by management, the carrier, on July 28, calls off the proposed deal for part-ownership in exchange for concessions discussed with its three major unions. Instead, it will negotiate separate accords with each employee group as contracts come due over the next several years.

A jetliner landing at New York (LGA) on August 3 suffers a near collision with a helicopter after air traffic controllers fail to warn the pilots of the rotary-winged aircraft's location. USAir Group informs the SEC on August 14 that the DOJ is examining charges of predatory pricing in certain cities made against it by **Valujet Airlines** and **Nations Air Express**. The charges will be dismissed. On August 28, the carrier follows the lead of **Northwest Airlines** and **Continental Airlines** two days earlier by temporarily cutting certain fares by up to 58%.

The fare sale is only the tip of the iceberg in a quiet major pricing change for flights that link major East Coast cities and Pittsburgh with most of the cities in western and northern New York. By September 1, fares for some passengers have been cut, but costs for weekly commuters rise almost 75% when the airline drops roundtrip discounts for those staying over Saturday nights.

As a result of Mexico's struggling economy, the carrier stops flying its unprofitable return service to Mexico City on September 24. The number of dual-designator U.S. cities flown in partnership with **British Airways, Ltd. (2)** reaches 62 in September with the addition of 10 more communities in New Hampshire, Georgia, Florida, Georgia, Alabama, Indiana, Missouri, and South Carolina. At the same time, the British major moves a specialized information management system into the USAir computer center at Winston-Salem, North Carolina.

On October 2, USAir admits that it is holding merger talks with the parent companies of **United Airlines** and **American Airlines**. The next day, **British Airways, Ltd. (2)** announces that it is reevaluating its alliances in North America in light of the USAir announcement the same day that Seth E. Schofield will remain chairman/CEO as talks with AA and UAL continue. During the third week of the month, the company introduces its Priority TravelWorks product that allows potential customers to review schedules and book services via the Internet.

On November 1, after an acquisition decision is postponed for two weeks, **United Airlines** Chairman Gerald Greenwald begins to actively seek the support of his employees for a takeover USAir. Letters are sent to local ALPA members explaining that the deal is being evaluated not only on the overall importance of a combined carrier, but on cost reductions to be enjoyed along with revenue-enhanced synergies. Greenwald will find much opposition to the union among the rank and file, but will persevere, believing the merger good for his employee-owned company.

On November 16, USAir inaugurates new services and added departures from Washington, D.C. (IAD) to Boston, Columbus, Orlando, and West Palm Beach.

Displeased by a *Newsweek* story, NTSB Chairman Jim Hall, during the week's hearings on the crash of Flight 427, challenges anyone with a "golden nugget" reason for the crash to first inform the safety board instead of the media.

Although merger talks with **American Airlines** are quickly abandoned, those with United are pushed by that company's chairman into

November. Rank and file of the employee-owned United voice much opposition and talks collapse at Thanksgiving. On November 28, Chairman Schofield asserts that the company's survival is not in doubt, despite the end of merger talks with the two majors.

During the year's second half, departures have been cut by 17% to save costs. For example, most of the carrier's jet service is withdrawn from Florida and turned over to local turboprop affiliates. Also, automated yield-management, crew-scheduling, and maintenance systems are turned on. Every employee seems to realize the truth in Chief Financial Officer John Harper's words when he releases the carrier's statistics at year's end; USAir's potential "cannot be realized, nor our existence assured, if we do not achieve a competitive cost structure."

His figures show enplanements of 57,095,000, down 4.7%, and freight transport of 182.95 million FTKs, a 2.6% decrease. "Rightsizing" throughout the year results in an operating income of \$7.47 billion, up 6.8%, and costs of \$7.15 billion, down 4.5%; there is an operating profit of \$321.68 million and a \$119.28-million net profit is posted.

Airline employment stands at 42,087 in 1996, a 2.3% decline.

On January 6, the major introduces new jetliner flights from Washington, D.C. to Tampa and increases service in Boston. It also replaces its four-per-day roundtrips between Pittsburgh and Fort Wayne with SAAB 340 flights operated by "USAir Express" affiliate **Chautauqua Airlines**.

A major East Coast winter storm severely impacts operations during the second week of January. On January 7 a total of 1,032 flights must be cancelled, 1,302 on January 8, and 600 on January 9. Most of the cancellations occur at Washington, D.C. (DCA), Philadelphia, and the Baltimore (BWI) hub, which, with Boston, is the first to resume operations.

BA announces on January 19 that it will not exercise two options to buy another \$450 million worth of preference shares in USAir Group. Stephen M. Wolf succeeds the retiring Seth E. Schofield as chairman/CEO on January 22. Before month's end, former **Air France** Vice President-Marketing and Development Rakesh Gangwal succeeds the retiring Frank Salizzoni as president with Lawrence M. Nagin as executive vice president.

Installation of the new management team causes stocks to increase \$15 in value and speculation, unfounded as it turns out, begins that an employee buyout could occur within a year. Among the first moves of the new group is to meet during the last week to discuss the long-delayed entry on January 22 of rival **Southwest Airlines (2)** into the Florida market.

On February 1, a DC-9-31 swerves to avoid a small plane that has blundered into its path on the runway during the jetliner's landing at Charlotte. A month-long 40% fare discount on travel between 40 markets in the Eastern U.S. ends on February 14.

Also in February, an agreement is entered into with **Deutsche BA Luftfahrtgesellschaft, GmbH**, that allows the American major to share codes on the BA subsidiary's flights from Munich to Cologne, Hamburg, Dusseldorf, and Tegel Airport at Berlin. Flights are also inaugurated from the nation's capital to West Palm Beach with additional services to Orlando and Boston.

Seven persons receive minor injuries when a B-767-2B7 with 147 passengers encounters moderate turbulence while on approach for its February 20 landing at Pittsburgh.

Under terms of the new U.S.-Canada "open skies" agreement, the carrier on February 28 launches twice-daily roundtrips between Washington, D.C. and Toronto.

Employing visual inspection methods, company maintenance personnel on March 4 uncover a 38.75-in. crack in the forward upper skin of a DC-9-31. The discovery prompts McDonnell-Douglas to issue a safety alert to all DC-9 operators.

New chairman Wolf, CEO of the nation's sixth largest airline, tells employees on April 15 that the company's future lies with purchasing another carrier, forming a partnership with another airline, or being acquired itself. For any of these possibilities to be created, Wolf notes, USAir must reduce its costs and become more productive.

Seasonal roundtrips between Pittsburgh and Frankfurt resume at the end of April. B-767-201ER frequencies commence on May 23 from

Philadelphia to Munich. On June 1, the long-haul Boeings also inaugurate nonstop roundtrips from Philadelphia to Rome.

On June 11, **British Airways, Ltd. (2)** announces a new marketing alliance with **American Airlines**. Four days later, daily B-767-201ER flights are started between Philadelphia and Madrid. As the result of a controller error at the New York Air Route Traffic Control Center on June 24, a B-737-3B7 en route to New York from Bermuda passes within 4 nm. and zero vertical separation at 31,000-ft. of a **Kiwi International Airlines** B-727-225A en route from Bermuda to New York. Disaster is averted when the latter, which had been wrongly ordered to climb, descends.

Together with **Northwest Airlines** and **United Airlines**, the company, on June 29, offers its customers software programs that allow do-it-yourself reservations and ticketing.

A Charlotte-bound B-737 is forced to return to Savannah on July 6 after 40-year-old Gary Lee Lougee of Pooler, Georgia, demands to be served drinks, pushes a flight attendant, and must be subdued by the airliner's crew; Lougee is arrested.

Flight 614, a B-737 with 119 passengers and en route from Las Vegas to Charlotte is diverted to Nashville on July 26 after 25-year-old Daniel Walters threatens other people aboard. Walters surrenders to the FBI, who do not label the event as a hijacking attempt. Walters is the second unruly passenger to be jailed within a month.

On July 30, USAir Group files suit in federal court against **British Airways, Ltd. (2)** over its marketing partner's new alliance with AA; the brief charges antitrust violations and breach of contract and fiduciary duty on the part of BA.

Roman Regman, a 21-year-old seminarian, is arrested at Tampa on September 2 after security personnel find six knives, a pistol, two grenades, and bomb-making materials in the carry-on luggage he is about to take aboard a company flight to Pittsburgh. Regman is held without bond on seven federal counts of possessing explosive devices and seven counts of possessing concealed weapons. In a statement from jail the next day, Regman claims the materials he had in his cases are harmless.

While en route on August 29, a B-737-3B7 with 4 crew and 80 passengers encounters clear-air turbulence over Chattanooga, Tennessee; four people are injured, three seriously.

Following the lead of **Continental Airlines**, USAir and three other major airlines on September 3 agree in principle to settle a suit by the American Society of Travel Agents charging the carriers illegally conspired to cap travel agent commissions on domestic airline tickets. The five will reportedly pay a total of \$87 million, but will be able to retain the controversial \$50 commission cap.

A day after the carrier elects not to renew its five-year contract with Greenwich Air Services on September 23, the stock of the engine-repair service plunges. While en route from New York City to Rochester on October 21, the cabin of a B-737 fills with smoke from an air-conditioner malfunction; the plane makes an emergency landing in Ithaca, but no injuries are reported.

As the dispute with **British Airways, Ltd. (2)** continues, the U.S. partner continues to evidence its displeasure. On October 24, USAir announces that it will end its marketing and code-sharing agreement with the BA on March 29 of the following year. At the same time, the American carrier applies to the DOT for permission to inaugurate its own services to London (LHR) from its gateways in Pittsburgh, Charlotte, Philadelphia, and Boston.

Toward month's end, the Boeing Company offers to slide delivery of the eight-unit B-757 order from 1998-1999. The suggestion is the latest in six years worth of aircraft order and delivery schedule revisions, substitutions, and sliding made by the manufacturer, which has also returned to the carrier some \$170 million in advance and options payments in an effort to help USAir survive. On November 1, the carrier defaults on a \$3-million progress payment on the eight narrow-bodies.

On November 8, the company agrees to pay \$450,000 to settle charges that it has violated, between 1990 and 1996, certain federal rules

concerning maintenance, security, and flight operations. The next day, a preliminary agreement is signed with Airbus Industrie for the delivery, by century's end, of 120 narrow-body A321s, A320s, and A319s; the sale, valued at \$5.5 billion, is the largest of the European manufacturer in North America and, indeed, is the largest in its history to date. Needless to say, Boeing officials are shocked.

Three days later, on November 12, Chairman Wolf announces that, early in the new year, the company will change its name to **USAirways**. The move will be part of a large, bold, and, analysts suggest, risky plan to execute a new survival strategy. In addition to the corporate image changeover, the plan centers on increasing domestic and international services employing the new fleet requested a few days before. The chairman publicly renounces the Boeing contract.

The DOS and USAir, together with six other majors, reach an agreement on November 19 to provide speedier notification of the families of U.S. victims in the event of air disasters abroad. The arrangement, lobbied for by groups representing crash victims' families, puts into effect the provisions of a 1990 federal law calling upon the carrier's to provide the DOS with a passenger list within three hours of a crash.

In early December, Jon Bryan succeeds Robert Gaudioso as chairman of the master council of the local chapter of ALPA. In a December 10 letter to Boeing attempting to justify his company's recent nonpayment actions, President/CEO Gangwal confirms that the B-757 contract is a binding legal document.

British Airways, Ltd. (2) takes the decision on December 18 to sell off its shareholding in USAir and in light of the suit filed by the American carrier during the summer, to disentangle itself from any further relationship. USAir is given the option to purchase the \$500 million in preferred shares or, if it becomes necessary, they can be sold privately or through a public stock offering.

As a national debate on the growing problem of disruptive passengers unfolds, Gary Lee Lougee is sentenced by a federal judge in Savannah, Georgia, on December 27 to 4 years in prison plus 200 hours of community service upon his release. Because Lougee's actions on July 6 had forced the pilot of his flight to turn around, he is also required to repay USAir \$611.35 for fuel spent in returning to its point of origin.

Customer bookings dip 0.1% to 56,640,000 but cargo rises 22.2% as 221.78 million FTKs are operated. Operating income climbs 10.3% to \$7.7 billion, even as expenses are swelling 8.7% to \$7.33 billion. Operating profit reaches \$368.68 million and a \$183.23 million is posted. USAir Group as a whole records a record \$263.4-million profit on revenues of \$8.1 billion.

There is no change in the workforce at the beginning of 1997, although the company faces an uncertain future of downsizing in light of its inability to win labor concessions. Just after the new year, Chairman/CEO Wolf opens contract negotiations with the Master Executive Council of ALPA, which represents the carrier's 5,000 pilots. He proposes a seven-year agreement that seeks pay cuts, job security and work rule changes, and increased productivity. In addition, pilots are asked to allow creation of a low-cost carrier to compete with the "Delta Express" division of **Delta Air Lines** and **Southwest Airlines (2)**.

On January 10, USAir joins **Continental Airlines**, **Delta Air Lines**, **United Airlines**, and **Trans-World Airlines (TWA)** in submitting requested comments to the U.K. Office of Fair Trading concerning the proposed strategic alliance between **American Airlines** and **British Airways, Ltd. (2)**. All five protest that such a pact would provide the British and American giants the dominant positions in transatlantic and other markets and that the OFT's proposal to require them to relinquish 168 weekly slots at Heathrow is insufficient to counterbalance the alliance. BA files a 148-page written response.

During the second week of January, the carrier is advised by Airbus Industrie that its failure to lower costs has placed in jeopardy the planned delivery of up to 57 aircraft over the next 3 years.

In early February, **British Airways, Ltd. (2)** CEO Robert Ayling, Chief Financial Officer Derek Stevens, and Investments Director Roger

Maynard all resign from the USAir board of directors. USAir Group, on February 18, refuses to exercise its option to purchase the 24.6% stake in the carrier owned by **British Airways, Ltd. (2)**. Under the leadership of Chairman/CEO Wolf, who is seeking to turn around the company's declining fortunes, the airline and its holding group parent are renamed **USAirways** effective at midnight on February 27.

USAIR EXPRESS. See **AIR MIDWEST**; **ALLEGHENY AIRLINES (2)**; **CCAIR**; **CHAUTAUQUA AIRLINES**; **COMMUTAIR**; **CROWN AIRWAYS**; **FLORIDA GULF AIRLINES**; **HENSON AVIATION**; **JET EXPRESS**; **JETSTREAM INTERNATIONAL AIRLINES**; **PARADISE ISLAND AIRWAYS**; **PENNSYLVANIA AIRLINES**; **PIEDMONT AIRLINES (2)**; **STATESWEST AIRLINES**; **TRANS-STATES AIRLINES**

USAIR EXPRESS (MESA AIR GROUP): United States (1997). During the first week of January 1997, **Mesa Air Group** is again reorganized. The operating divisions Desert Sun, Florida Gulf, Liberty Express, and Mountain West are replaced by four new units: America West Express, Independent, "United Express," and "USAir Express." Also merged into the new divisions are the marketing and customer service departments of **Air Midwest** and **WestAir Commuter Airlines**. **Florida Gulf Airlines** and **Liberty Express** are combined into the new USAir division.

The paperwork is barely dry on the merger before an incident occurs. On January 10, Flight 5326, a Beech 1900D with two crew and nine passengers en route to Boston aborts its climb after takeoff from Bangor when the stall alert sounds; after a safe landing, the plane veers left and strikes a snowbank, injuring two passengers.

On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional begins to repaint its aircraft in a modified version of the major's grey and dark blue livery.

USAIR SHUTTLE: United States (1992–1997). On April 12, 1992, financially troubled New York real estate tycoon Donald Trump negotiates a management contract with **USAir** for operation of his **Trump Air Shuttle**, formerly the **Eastern Air Lines Air Shuttle**. In exchange for \$16.2 million, Shuttle, Inc., a subsidiary of the company's creditors led by Citibank and Bankers Trust, takes over the concern's ownership. Details are concluded with USAir, which is also given the right of first refusal to purchase the Shuttle outright four-and-a-half years hence.

USAir is able to rename the carrier USAir Shuttle, paint the 22 Boeings in modified **USAir** colors, and appoint its own leadership, beginning with ex-"USAir Express" chief Gordon Linkon, who is transferred in as president. **Trump Air Shuttle** Vice President-Operations Terry V. Hallcom retains the same post with **USAir**.

In addition, **USAir** is given the option to purchase the shuttle outright in 1995 and Mr. Trump's ownership interests, meanwhile, are turned over to a group of banks. Operations commence on April 13. In May, company employees Frederic Nickell and Jimmy May are cited for their heroism in connection with their rescue efforts in the aftermath of the March 22 crash of **USAir** Flight 405.

Later in the year, a new terminal is opened at New York (LGA) to smooth connections between the Shuttle, its parent, and "USAir Express."

Enplanements drop 9.2% to 1,594,000. Expenses exceed income and losses are suffered: \$14.38 million (operating) and \$28.59 million (net).

Airline employment is cut 33% in 1993 to 600 and the fleet now includes 2 B-727-294As, 5 B-727-254s, 4 B-727-25s, and 1 B-727-214. The company's first anniversary is celebrated on April 12. On November 12, the carrier, in a cost-cutting move, lays off 87 workers; the dismissal of Frederic Nickell and Jimmy May, company heroes a year before, creates public relations difficulties with the New York media.

Passenger boardings plunge 21.7% to 1,249,000 and freight falls 16.7% to 22,000 FTKs. Revenues increase only 0.3% to 147.56 million,

expenses decline 10.7% to \$144.25 million, and the previous year's operating loss becomes a \$3.3-million profit. The net loss is cut to \$5.13 million.

The 1,000-employee national-sized carrier has another bad year in 1994 as customer bookings plunge 13.8% to 1,297,000. Revenues dip 3.6% to \$140.64 million, while expenses fall 12.2% to \$125.79 million. The operating surplus is \$14.84 million while there is a net gain of \$5.14 million.

There is no reported change in the workforce during 1995, although three more B-727-214s are acquired. Enplanements inch up 1.9% to 1,443,000 while cargo traffic jumps 53.9% to 204,000 FTKs. Revenues exceed expenses and again there are profits: \$17.73 million (operating) and \$5.84 million (net).

The employee population stands at 523 in 1996. Flight 6500, a B-727-254 with 118 passengers, departs Washington, D.C. (DCA) on June 24 for New York in severe weather and despite warnings of potential wind shear. The flight crew is suspended while the FAA investigates.

Flight attendants represented by AFA begin contract negotiations with the airline on December 31.

Passenger boardings slip 0.6% to 1,435,000, but 223,000 freight FTKs are operated, a 9.3% increase. Operating income accelerates 8.6% to \$156.48 million while costs move up 7.4% to \$135.62 million. Operating gain rises to \$20.86 million while net profit doubles to \$9.48 million.

On February 27, 1997, **USAir** is renamed **USAirways** and the shuttle becomes **USAirways Shuttle**. The major makes plans during the spring to purchase the operation from the consortium that owns it; later, in the face of significant difficulties, USAirways postpones its decision. AMR Corporation also bids for the airline.

USAIRWAYS: 23245 Crystal Drive, Arlington, Virginia 22227, United States; Phone (703) 418-7000; <http://www.usairways.com>; Code US; Year Founded 1997. Under the leadership of new Chairman/CEO Wolf, who is seeking to turn around the declining fortunes of **USAir**, that airline and its holding group parent are renamed **USAirways** effective at midnight on February 27, 1997. Newly painted with a combination of grey and a dark, nearly black, blue ("US blue") livery and ferried to Pittsburgh from Greenville, Mississippi, for the occasion a week earlier, a Boeing 737-3B7 is the first jetliner to fly a service under the new title.

The first repainted B-757-2B7, which is also the last of its type to join the fleet, enters service with the 38,500-employee company on March 1. It is noted that only the B-737-300/400, B-757, and B-767 units will be repainted over the next three years, with older and smaller aircraft waiting their turn.

The extensive marketing and code-sharing agreement previously enjoyed between **USAir** and **British Airways, Ltd. (2)** officially ends on March 29. On April 8, USAirways Group begins to assess the valuation of the **Trump Air Shuttle**, which it had been operating as **USAir Shuttle**, in order to consider the option it holds to purchase the service launched by **Eastern Air Lines** 30 years earlier.

Determined to sell efficiency and cost-cutting, while gaining cost concessions from unionized workers, Chairman Wolf begins a series of talks before groups of employees on April 10. During these presentations, he repeats a warning given earlier: "our unit costs remain the highest in the industry and seriously restrict our ability to compete with expanding low-cost carriers."

Wolf further points out that the airline has lost \$2.4 billion in the last decade and that drastic measures must be taken to bring the airline's high costs in line with those of its rivals, particularly the "Delta Express" division of **Delta Air Lines** and **Southwest Airlines (2)**. He asks for help from the unions, including the local ALPA chapter with which the carrier has been negotiating for almost a year. He also points out that, should this help not be forthcoming, the company is prepared to begin dropping unprofitable transcontinental routes, as well as services in Florida and from its Baltimore (BWI) hub.

A month later, on May 9, the airline's management begins to shrink the company. It is announced that some unneeded operations will be

closed, service to nine cities (Albuquerque, Austin, Bangor, Cincinnati, Daytona Beach, Melbourne, Islip, and Newburgh) will be cut in September. Twenty-two older planes (5 F.28-1000s and 17 DC-9-31s) will be grounded and some pilots will be laid off. The search for a new European partner is called off.

On May 21, **British Airways, Ltd. (2)** sells the last of its 14.5 million 22.5% stake in USAirways to the public for \$499 million (\$34.50 per share).

American Airlines, on May 29, makes a \$300-million offer to purchase the **USAirways Shuttle** from the consortium of New York banks that owns it.

Saturday Fokker 100 nonstop roundtrips commence on June 21 between Harrisburg and Orlando. Also during June, the carrier purchases the anti-icing NOFOD Overwing Heater System for its 31 MD-80s.

On July 2, Chairman Wolf places a firm order for 7 Airbus A330-300s, with 7 more bids to be reconfirmed and 16 options; the premier unit is slated to arrive in December 1999.

On July 17, the airline's management offers the ALPA negotiating committee a contract proposal that it believes would be beneficial for its members. Union Master Council Chairman Jon Bryan refuses to be hurried by a company request that a decision be expedited by the last day of September. The airline cancels 110 trips in July, as sick leave for crews in certain aircraft jumps 25%. Many question the validity of the absences.

By the beginning of August, the carrier has lost 57 Airbus Industrie delivery positions and stopped negotiations aimed at acquisition of \$1.5 billion in new aircraft with which to expand services. Plans to buy the **USAirways Shuttle**, spend \$300 million on upgrading the Philadelphia hub, and on the establishment of a new Midwest hub in 1998 are all shelved, hopefully for a short period.

The network of 10 regional airlines operating as "USAirways Express" collectively achieve a historic milestone in August. For the first time in the confederation's long service, a million passengers are carried in a single month (1,000,383).

On August 28, the company signs a long-term letter of intent with SABRE Group to turn over its information technology functions to the onetime AMR subsidiary. SABRE CEO Michael Durham at a press conference announcing the arrangement describes it as "one of the five largest outsourcing contracts ever entered into by American industry." Internal reservations, aircraft and crew scheduling, yield management, airport check-in, and electronic ticketing are all areas covered, as SABRE assumes responsibility for the airline's information technology infrastructure (hardware, software, facilities, personnel, and training).

Dissatisfied pilots conduct informational picketing at Boston and at Pittsburgh on September 4. At the same time, it is noted that 103 pilots have been laid off with 42 additional reductions in force slated.

The company's difficulties are increased on September 11 when the Boeing Company files suit in the Washington State Superior Court in Seattle claiming that the company has broken contracts to purchase some \$2 billion worth of B-757s in favor of aircraft from rival Airbus Industrie.

The last of the unprofitable routes marked for termination are suspended in September. Intense negotiations between management and the pilots union commence on September 19 at Philadelphia and continue nonstop throughout the weekend, with both sides trading proposals. On September 23, the talks are moved to Washington, D.C.

At the same time, on September 24, hot sandwiches and new entrees become available for first-class passengers; meal choices also increase for those in coach class.

As the month draws to an end, the company, still unable to obtain what it considers to be a competitive cost structure from its pilots, appears poised to forfeit the remainder of a \$14-billion order for 120 new narrow-body Airbuses, along with options for 280 more.

Late in the evening of September 30, just hours before the deadline set months earlier, the Master Executive Council of the company's local ALPA chapter reaches agreement with management on a new 5-year contract. The MEC waives the 7-day review period and immediately rushes the document to the 4,800-man membership for a ratification vote.

Terms of the contract include provisions for salary increases, a formula with which to handle a low-fare division, early retirement for the 325 most senior pilots, a recall of 428 pilots, including 42 recently given notice, stock options, and a no-layoff clause. The pilots also receive 11.5 million shares of stock and a seat on the board of directors.

On the strength of the agreement, Airbus Industrie agrees to extend the company's deadline for confirming its \$14-billion order, pending the flyers' contract ratification vote.

The next morning, the company agrees to move ahead on negotiations with other groups, including the 10,000 reservations, ticket, and gate agents who voted the previous day for representation by the Communications Workers of America. The election was the largest union organizing election in private U.S. business in a decade. Plans for other objectives, shelved earlier, are now revived.

Although U.S. majors disagree over routing and other issues, they band together behind **United Airlines** on October 1 when the Chicago-based giant cuts commissions paid to travel agencies for writing tickets. Although commissions on roundtrip domestic flights remain at \$50 and there is no cap on international flights, rates are reduced from 10% to 8% for domestic and international ticketing.

This payment initiative is immediately matched by **American Airlines**, **Continental Airlines**, **Delta Air Lines**, and **Northwest Airlines**. **Southwest Airlines (2)** and **Kiwi International Air Lines** announce that they will maintain the 10% scale. The travel agency industry, which, despite ticketless travel still writes 80% of all tickets sold, protests.

On October 14, the carrier lowers fares for travel between most eastern U.S. markets and South Florida and the Caribbean. With a 14-day advance purchase required, all tickets must be purchased by October 20 for travel by February 5.

Pending approval of a new U.S.-France bilateral air agreement, the company, on October 23, announces plans to launch service from Pittsburgh to Paris (CDG) next April.

ALPA members approve their new contract during the last week of October, effective January 1. Plans now move ahead toward the establishment of US2, a low-cost division similar to that of "Delta Express," which will begin service during the first quarter of 1998, as well as with construction of a new international terminal at Philadelphia.

Negotiations with AFA, the Communications Workers of America, the IAM, and the Transport Workers Union continue.

When the new Buffalo-Niagara International Airport opens on November 3, the USAirways club is the facility's only airline club.

On November 5, daily nonstop roundtrip B-737-4B7 service is inaugurated from Pittsburgh to San Juan. A third flight is initiated the same day between the Puerto Rico capital and Philadelphia. At this point, the company offers five daily nonstop roundtrips between Charlotte, Philadelphia, Pittsburgh, and San Juan.

While landing at Charlotte, North Carolina, on November 7 after a flight from Milwaukee, Flight 479, a Fokker 100 with 5 crew and 99 passengers experiences a failure and separation of the right main landing gear. Although the aircraft is badly damaged, no injuries are reported. A club is opened at Hartford on November 17.

Despite AA's larger bid, USAirways elects on November 22 to purchase the **USAirways Shuttle** by exercising its original option. The price is \$285 million; **American Airlines** receives a \$10-million, negotiated breakup fee.

Begun earlier from Pittsburgh, Philadelphia, and Charlotte, E-Savers bargain-rate weekend flights are initiated on December 3 from Denver, Los Angeles, Orange County, Phoenix, San Diego, San Francisco, and Seattle.

USA Today reports on December 10 the newly released DOT 10-year report of on-time percentages for the nation's 10 major airlines, with a note that the airlines, themselves, began reporting mechanical delays in 1995. The industry average since record keeping was begun in September 1987 is 79.3%; USAirways demonstrates a 79.2% achievement, good for 5th place.

Premium transatlantic Envoy Class service is inaugurated for international business travelers on December 15 on flights from Philadelphia to

Frankfurt, Madrid, Munich, Paris, and Rome and between Pittsburgh and Frankfurt.

Passenger boardings ascend 3.6% to 58,658,788, while freight swells 28% to 283.95 million FTKs. Operating revenues for US Airways Group advance 4.6% to \$8.51 billion, while expenses climb 2.9% to \$7.93 billion. The operating profit grows to \$584 million, while net gain skyrockets to \$1.02 billion, a company record.

At the beginning of 1998, USAirways is the 4th largest airline in the world, in terms of passenger boardings, 6th in fleet size, 10th in employees with 40,846 and operating revenue, 8th in operating profit and 3rd in net gain.

The fleet, 81.6% of which is Stage III certified, includes 375 airplanes: 203 B-737s, 55 DC-9s, 34 B-757s, 12 B-767s, 40 Fokker 100s, and 31 MD-80s.

Previously announced as US2, the company unveils firm plans for its new low-cost division in January. Electing not to have its own name in the new unit's moniker, Chairman Wolf reveals that the new operational will be known as MetroJet. It will inaugurate services from Baltimore (BWI) on June 1 with a fleet 5 B-737-201As leased from the parent.

It is also noted that the MetroJet aircraft will be painted with a red top and gray underside separated by blue and white stripes. The blue tail will carry the USAirways stylized U.S. flag and interiors will be specially designed for MetroJet. Three of the four initial destinations will be visited in direct competition with **Southwest Airlines (2)**.

As it departs Andrews Air Force Base, Maryland, on January 28, Air Force One fails to maintain proper separation from USAirways B-737 Flight 484, which has 2.36 nm. horizontal and 900 ft. vertical distance from President Clinton's aircraft. The FAA investigates.

An 11,080-sq.-ft. USAirways Club is opened at Boston on February 1. In a presentation before the Society of Airline Analysts on February 4, Chairman Wolf and President Gangwal announce that, on its June 1 launch, MetroJet will offer a simplified fare structure including 14-day and 7-day advance reservations and walk-up ticketing. The two company executives also note that, from time to time in the open market or through privately negotiated transactions, USAirways will repurchase up to \$500 million worth of its common stock. The airline will also redeem \$358 million in Series H preferred stock held by billionaire investor Warren Buffet, after which it will have no preferred stock outstanding. The airline will also retire \$379.2 million in debt.

Former **United Airlines** executive Terry Hall is appointed chief financial officer on February 9. Daily nonstop B-737-3B7 roundtrips commence on February 11 between Philadelphia and Grand Cayman. It is revealed on February 14 that a special MetroJet reservations center will be established at Indianapolis.

On February 20, the local ALPA chapter forces the company to back away from plans for joint service with **American Airlines** and **United Airlines** on routes from the U.S. to Japan. As a result, a plan to purchase long-range B-777-200s is placed in jeopardy.

En route from Charlotte, North Carolina, to Birmingham, Alabama, on February 26, a Fokker F.28-1000 with 5 crew and 87 passengers is struck by lightning and suffers total hydraulic system failure. An emergency is declared and the aircraft makes a safe landing, without nosegear steering capability. The aircraft travels off the left side of the runway, loses its nosegear, and eventually comes to rest on its nose section in the grass, 1,119 ft. from the runway. Fire rescue personnel assist all aboard to exit out the left forward door and no injuries are reported.

An about-to-lapse agreement between the airline and the American Express Membership Rewards frequent flyer program is renewed on March 1. On March 18, the company begins taking telephone reservations for the new Metrojet flights, scheduled to begin on June 1.

Daily nonstop B-767-2B7ER roundtrip service is inaugurated on April 1 from Philadelphia to London (LGW) and to Amsterdam.

Having cleared **Air Canada, Ltd.** Flight 703, an A319-114, to take-off from Runway 31 of New York (LGA) on April 3 and USAirways Flight 920, a DC-9-30, to land on R-22, ATC realizes the Airbus might not have sufficient time to clear the intersection of R-22. The USAir-

ways Douglas is directed to execute a go around and the **Air Canada, Ltd.** Airbus is directed to turn right. The Canadian jetliner rejects the ATC direction and maintains its heading, while the U.S. plane banks left to avoid it, flying under and behind the A319. Flight 703 proceeds on course while Flight 920 circles and lands.

The USAirways captain estimates that his aircraft had flown within 75 ft. horizontally and 85 ft. vertically of the **Air Canada, Ltd.** plane; ATC puts the separation at just 20 ft. The near miss is not revealed to the public until June.

A new Terminal B section is opened at Boston on April 6.

Daily roundtrip service between Charlotte and London (LGW), previously announced as having a May 7 launch, is postponed on April 22. The carrier blames the U.K. government, citing its "unlawful" behavior under the Bermuda II Treaty in refusing to grant commercially viable landing rights for the flight.

A marketing alliance is entered into with **American Airlines** on April 24. Under its terms, the two majors agree to link their frequent flyer programs, share lounges at various airports, and cooperate in such areas as joint purchasing. Code-sharing will be left for later discussion, if permission for it can be obtained from their respective pilot unions and the government. At the same time, a 25-year, multibillion contract is entered into with SABRE Corporation to take over the airline's information technology activities and modernize them.

The same day, the carrier settles the breach of contract suit filed against it by Boeing the previous September. While details of the agreement are not disclosed, the manufacturer does acknowledge receipt of a payment from the airline.

Having received approval and first announced flights the previous December, the company inaugurates daily roundtrip B-767-201ER service between Philadelphia and Amsterdam on April 29. While in London, Chairman Wolf indicates that conversations are occurring with a number of carriers concerning the possibility of a new strategic alliance.

With DOT approval, the carrier announces on May 8 that it will launch nonstop service from Pittsburgh to Paris on October 1.

During the stockholders' annual meeting in mid-May, President/Chief Operating Officer Gangwal, upon the recommendation of Chairman Wolf, assumes the CEO title as well; Wolf will remain as chairman/CEO of the holding company USAirways Group.

En route from Pittsburgh to Los Angeles on May 24, Flight 7, a B-757-2B7 with 8 crew and 120 passengers, encounters turbulence at 39,000 ft. about 80 mi. S of Wichita, Kansas. Seven people are injured, including one flight attendant, who is seriously hurt; the flight is diverted to Oklahoma City where the injured are sent to the hospital.

With appropriate ceremony, MetroJet is launched on June 1. Five B-737-201As initiate 34-times-a-day roundtrips from Baltimore to Cleveland, Fort Lauderdale, Manchester, New Hampshire, and Providence, Rhode Island. Also on June 1, USAirways more than doubles its number of daily flights between Washington, D.C. (IAD) and Boston, adding eight flights and offering hourly service. The total number of daily roundtrips between the 2 cities reaches 15.

On June 7, countering MetroJet, low-cost rival **Southwest Airlines (2)** inaugurates nonstop eight-times-daily return service from Baltimore (BWI) to Manchester, New Hampshire (its only new city this year) and 12 daily nonstop departures are launched from Manchester to Baltimore (BWI), Orlando, Chicago (MDW), and Nashville. The one-way walk-up fare between Manchester and Baltimore is \$66, \$1 more than that charged by Metrojet. A new 23,300-sq.-ft. USAirways club opens at Philadelphia on June 14.

The U.S.-France bilateral accord reached on April 8 is formally signed on June 18 in a ceremony by French Foreign Minister Hubert Vedrine and U.S. Secretary of State Madeleine K. Albright and Secretary of Transportation Rodney E. Slater. The pact opens the way for new transatlantic code-sharing and additional frequencies.

On July 2, USAirways Group Chairman Wolf announces 7 firm orders for Airbus A330-300s, together with 7 orders to be reconfirmed and

16 options. The first will be delivered in the fall of 1999, followed by six more in 2000. It is also determined to increase the delivery of Airbus narrow-bodies, with six A319-112s to arrive during the fall.

MetroJet adds four-times-a-day nonstops roundtrips on July 6 from Baltimore (BWI) to Tampa/St. Petersburg, plus twice-daily roundtrips from Baltimore (BWI) to Jacksonville and Miami. Simultaneously, two more daily roundtrips are started between Baltimore (BWI) and Manchester, New Hampshire, bringing to five the number of daily nonstops between the two cities.

As a result of enhanced airport security measures, the carrier is now allowed to cut some costs and to make last-minute plane changes for passengers by halting, as of July 7, the issuance of advance boarding passes.

As part of the new alliance with **American Airlines**, members of the carrier's frequent flyer program can begin claiming mileage for travel on both carriers on August 1. In addition, USAirways Club members may access any of American's 47 Admiral Clubs and vice versa.

Orlando joins the MetroJet network five times daily on August 3, by which date 10 B-737-200s are operating a total of 66 daily departures. Seven days later, the company announces that it is deferring plans to serve London (LGW) from its Charlotte hub until the DOT has been able to obtain commercially viable slots from British aviation authorities.

While en route from Philadelphia to Las Vegas on August 7, Flight 623, a B-737-3B7 with 6 crew and 117 passengers, encounters severe air turbulence at 29,800 ft., 5 nm. N of McConnellsburg, Pennsylvania. Ten aboard suffer minor injuries.

A tentative contract agreement, covering 6,100 employees, is tentatively concluded with the IAM during the third week of August.

New MetroJet twice-daily nonstop flights commence on September 9 from Baltimore (BWI) to New Orleans and from Tampa/St. Petersburg to both Boston and Hartford. A third daily nonstop service is introduced between Baltimore (BWI) and Jacksonville.

A total of 12 cities are now served with 80 daily departures by the carrier's low-cost division.

Daily nonstop B-767-201ER return service is inaugurated on October 1 from Pittsburgh to Paris (CDG), the company's second European destination. This is the only nonstop flight available on the route.

On October 4, twice-daily nonstop MetroJet service is launched from Orlando to Albany, Buffalo, and Rochester, while the number of frequencies from Orlando to Baltimore (BWI) grows from five to six.

Simultaneously, new daily MetroJet roundtrips are introduced between Asheville, North Carolina, and Pittsburgh and between Knoxville and Philadelphia. One new daily roundtrip is also started between Birmingham, Alabama, and Pittsburgh.

Tiger Management, the airline's largest shareholder, submits a filing on October 12 to increase its holding in the airline above its current 20% level.

The first of as many as 400 Airbus A320-family aircraft is delivered in ceremonies at Hamburg on October 16; on hand for the turn over of the A319-112 is Chairman Wolf and Airbus Industrie CEO Noel Forgeard. Two more will quickly be delivered, with three more following before the end of the year.

It is announced on November 2 that MetroJet twice-daily return flights will begin on January 6 from Hartford to Fort Lauderdale and from Washington, D.C. (IAD) to Fort Lauderdale.

The initial two A319-112s enter service to Tampa on November 10 over the carrier's routes from Philadelphia and Raleigh-Durham.

The MetroJet schedule from Baltimore (BWI) is significantly increased, also on November 10, with the number of frequencies to Fort Lauderdale increased from two to five, to Miami from two to three, to Orlando from six to seven, and to Tampa from four to six.

Also on November 10, new Chief Financial Officer Hall, in office only since February, resigns "to pursue other interests." He is succeeded by another ex-**United Airlines** official, its treasurer, Thomas Mutryn.

Two days later, **Austrian Airlines, A.G.** joins the carrier's Dividend Miles program. The airline's President/CEO Gangwal is elected CEO of

USAirways Group on November 18. He will continue to hold his posts with the airline-operating arm.

Just after touching down at Charlotte on November 22, an MD-80 with 77 passengers rolls into the path of a Fokker 100 taking off on an intersecting runway. The Fokker pilot must aggressively lift off in order to avoid a collision, passing over the MD-80 by not more than 50-ft. Both company pilots file reports with the FAA and ALPA again rebukes the regulators for their newly introduced "Land-and-Hold Short Operations" policy that permits the simultaneous use of intersecting runways, even at night or in bad weather.

It is announced on November 27 that the carrier will inaugurate non-stop service between Philadelphia and Milan, Italy, on April 1.

At the end of November, a new MetroJet homepage is opened on the World Wide Web at <http://www.flymetrojet.com>. Also, the third A319-112 enters service, flying from Charlotte to Tampa.

The number of MetroJet flights from Hartford to Orlando grows from twice daily to thrice daily on December 2. The 1 millionth MetroJet passenger is identified the next day as Newark, Delaware, resident Jed R. Seay, who has boarded a division service from Baltimore (BWI) to Providence, Rhode Island. A special ceremony is held at Baltimore (BWI), where unit president S. Michael Scheeringa presents Seay with a number of prizes.

As the result of a "glass ceiling" review by the Office of Federal Contract Compliance Programs of the U.S. Labor Department, the carrier, also on December 3, is required to pay nearly \$400,000 to 30 women who for years were paid less than their male counterparts at the airline.

Plans are announced on December 4 for the expansion of MetroJet service on February 3 by the addition of 17 new daily roundtrips in 3 new markets with 6 additional aircraft. With the new schedule, MetroJet will operate seven flights between Washington, D.C. (IAD) and Atlanta, three flights between Washington, D.C. (IAD) and Birmingham, four flights between Washington, D.C. (IAD) and Raleigh/Durham, and three flights between Raleigh/Durham and Orlando.

As of December 15, USAirways customers may travel with the convenience of electronic ticketing to all USAirways, "USAirways Express," MetroJet, and USAirways Shuttle destinations worldwide.

Significant MetroJet service enhancements are announced on December 16. On April 7, thrice-daily deep discount roundtrips will be started from Washington, D.C. (IAD) to both Columbus, Ohio, and St. Louis. Simultaneously, the company announces that beginning on March 3, the main line will inaugurate seven-times-a-day roundtrips between New York (LGA) and Washington, D.C. (IAD).

Main line frequencies from Washington, D.C. (IAD) to Orlando increase from one to four on December 22. At this point, MetroJet operates 22 aircraft, serving 16 cities with 124 daily departures.

Despite the introduction of MetroJet, overall passenger boardings during the 12 months dip 1.1% to 57.99 million. Cargo traffic, on the other hand, rises 3.08% to 292.7 million FTKs. Revenues move up 2% to \$8.68 billion, while costs fall 3.2% to \$7.67 billion. Operating gain reaches \$1.01 billion, while net profit is cut in half to \$538 million.

MetroJet twice-daily return flights begin on January 6, 1999, from Hartford to Fort Lauderdale and from Washington, D.C. (IAD) to Fort Lauderdale.

On January 11, *The New York Times*, having obtained documents under a Freedom of Information Act request, publishes details concerning a series of security lapses by the airline between 1993 and 1996. The snafus include guns and test parcels of small explosives that find their way past passenger screening checkpoints. USAirways executives indicate that the company has been working with the FAA in the years since to enhance security procedures.

While en route from Baltimore (BWI) to Chicago (ORD) on January 15, Flight 1177, a B-737-200A with 5 crew and 88 passengers is forced to divert to Fort Wayne, Indiana, when passengers complain of a strong odor in the cabin. Upon landing, 7 people are treated and released from a local hospital for chest pains and troubled breathing, while another 17

are given medical attention at the airport. The passengers depart for Chicago a few hours later on a backup plane sent for them from Chicago.

A seventh daily nonstop roundtrip Metrojet service is initiated on February 3 between Atlanta and Washington, D.C. (IAD). Simultaneously, thrice-daily Metrojet roundtrips begin from Washington, D.C. (IAD) to Birmingham and from Raleigh/Durham to Orlando and four times a day from Washington, D.C. (IAD) and Raleigh/Durham.

Also on February 3, daily A320-214 roundtrips commence between Philadelphia and Los Angeles. The aircraft employed is the first of 11 to enter service over the next 11 months.

It is announced on February 11, that new daily main line B-757-2B7 roundtrips will be inaugurated on June 3 between Boston and the Florida cities of Fort Lauderdale and Orlando. Simultaneously, a third daily Metrojet service will be added from Boston to Tampa.

While en route from Hartford to Orlando at 33,000 ft. on February 23, Metrojet Flight 2710, a B-737-2D7A with 117 passengers, experiences an uncommanded yaw to the right and roll to the right. The flight crew immediately disconnects the autopilot and autothrottle. Although equipped with a new rudder power control unit (PCU) redesigned to prevent such upsets, the plane, which does not lose altitude, is not leveled until aileron inputs and differential thrust have been applied. The crew declares an emergency and the aircraft is diverted to Baltimore (BWI). There, NTSB and company officials immediately remove the PCU for study.

The local executive council of AFA asks the NMB on February 24 to help resolve the stalled two-year-old contract talks between their union and management.

Severe weather conditions in the upper New England states force the airline to cancel all of its flights between Boston and Providence during the afternoon and evening of February 25 and the morning of February 26.

A new USAirways Club and Business Center is opened at Charlotte-Douglas International Airport on March 1.

Beginning on March 3, the main line inaugurates seven-times-a-day DC-9-31 roundtrips between New York (LGA) and Washington, D.C. (IAD) for a regular, unrestricted \$149 walk-up fare. CCAir also provides eight daily return flights.

USAirways also introduces the A319-112 to Pittsburgh, placing the newest airliner type in inventory into service from its giant hub to Charlotte.

The next day, management and the IAM reach a tentative collective bargaining agreement covering approximately 6,000 fleet service workers. The pact is sent to the membership for a ratification vote.

Chairman Wolf reports on March 11 that the airline has successfully completed its quest for competitive takeoff and landing slots at London (LGW) for its Charlotte service, authority for which has been held for over a year. An inaugural date is promised soon.

On March 15, **Northwest Airlines**, which has been recalcitrant in the past, joins **USAirways**, **Delta Air Lines**, **Southwest Airlines (2)**, **United Airlines**, and **American Airlines** in raising business fares by 1% and imposing another 3% hike on leisure tickets. United had begun this second round of ticket price increases on March 12. On March 31, the company's sales arm has the pleasure of selling to **Debonair Airways, Ltd.** its first owned aircraft, the former **Pacific Southwest Airlines (PSA)** BAe 146-200 that it has been operating under lease since 1995.

Thrice-daily deep discount Metrojet roundtrips are started on April 7 from Washington, D.C. (IAD) to both Columbus, Ohio, and St. Louis. On April 13, it is announced that Metrojet service between Atlanta and Raleigh/Durham will be expanded to four daily roundtrips on October 2.

While on its takeoff roll from Raleigh/Durham for Washington, D.C. (IAD) on April 19, Flight 2784, a Metrojet B-737-201A, suffers a smoking engine that forces the pilot to abort the takeoff. The plane is stopped and all aboard are safely evacuated.

Thomas H. Davis, the founder of **Piedmont Airlines (1)**, dies at Winston-Salem, North Carolina, on April 22 following a lengthy illness. He was 81 years of age.

Five-times-a-day nonstop roundtrip Metrojet service is inaugurated on May 4 from Chicago (MDW) to Washington, D.C. (IAD) and four-

times-a-day from Midway Airport to Baltimore (BWI). Main line flights are initiated from Orlando to Lehigh Valley International Airport.

Also on May 4, the main line expands its daily flights from its Philadelphia hub. Service from Philadelphia to Atlanta will grow to 8 daily roundtrips, with 5 roundtrips to Cleveland, 3 roundtrips to Denver, 6 roundtrips to Indianapolis, 5 roundtrips to Los Angeles, 4 roundtrips to Minneapolis (MSP), 7 roundtrips to Chicago (ORD), 11 roundtrips to Pittsburgh, and 3 roundtrips to Seattle.

Forewarned concerning a Long Term Incentive Plan to be submitted to the annual USAirways Group general meeting at Charlotte on May 19, flight attendants, who have been seeking a contract since the beginning of 1997, organize opposition to the scheme through a letter-writing campaign and media outreach. Although the plan granting top executives 500% bonuses is approved by the stakeholders inside the meeting (while 150 flight attendants demonstrate outside), Chairman Wolf, feeling the heat of the protest, renounces the bonus (up to 220% of their annual salaries) for himself and CEO Gangwal.

Daily roundtrip Metrojet service is initiated on June 3 between Boston and Orlando and Fort Lauderdale. Simultaneously, a third daily Metrojet roundtrip is started between Boston and Tampa. The next day, thrice-daily nonstop roundtrips commence between Washington, D.C. (DCA) and Columbia, South Carolina.

Following an impressive ceremony attended by Sen. Jesse Helms (R-NC), daily B-767-201ER return service is inaugurated on June 12 between Charlotte and London (LGW). That between Philadelphia and Amsterdam is suspended the next day pending the delivery of new aircraft.

On June 29, company officials are able to report that its electronic ticketing product has exceeded the 50% mark.

Twice-daily nonstop Metrojet roundtrips are introduced on July 9 between West Palm Beach and Hartford and from West Palm Beach to Baltimore (BWI). Daily nonstop Metrojet roundtrips are simultaneously launched from West Palm Beach to Boston.

Beginning on July 15, A319-112s and A320-214s are employed on services to Richmond from both Pittsburgh and Charlotte.

The number of nonstop Metrojet roundtrips between West Palm Beach and Boston is boosted to three-per-day on August 6, but a dearth of available B-737-200s forces cancellation of plans to simultaneously begin twice-daily nonstop Metrojet roundtrips between Boston and Fort Myers and between Raleigh/Durham and Tampa.

To highlight their campaign for fairness, the carrier's Pittsburgh-based flight attendants wearing bright yellow tee shirts march in the city's annual Labor Day parade on September 6.

Lack of aircraft also causes a hold on plans to begin daily nonstop Metrojet roundtrips on September 9 between Fort Myers and Washington, D.C. (IAD) and twice-daily Metrojet nonstops from Boston to Fort Myers. The same day, twice-daily nonstop B-737-200 Metrojet roundtrips are begun from Milwaukee to Columbus, Ohio, and from Milwaukee to Washington, D.C. (IAD), as well as from Columbus to Boston.

On September 14, with its original delivery date slipping, USAirways announces that it will still become the first U.S. carrier to fly the \$115-million-a-copy A330-300, even as the number of firm orders is increased to 10, with 20 options.

At the end of the month, a strike is averted when the airline and its 7,000-member engineering union reach a tentative late-night agreement on pay and working conditions. The employees had been concerned over a company plan to hire additional part-time workers.

Thrice-daily MetroJet roundtrips are inaugurated on October 1 from Atlanta to both Baltimore and Boston on October 1. The next day, daily B-737-200 MetroJet return service is started from Orlando to Syracuse and the MetroJet frequencies from Washington, D.C. (IAD) to Milwaukee are boosted from two to three every day.

A new group of European destinations are announced on October 7; beginning in April and May, the company will operate from Charlotte to Paris (CDG) and Frankfurt and from Philadelphia to Manchester.

On November 9, the carrier's leasing and sales division signs a letter of intent to sell six B-737-200s to **Vanguard Airlines**.

New **United Airlines** Chairman/CEO James E. Goodwin and USAirways Group chairman/CEO Wolf hold preliminary discussions during a November business meeting concerning UAL's possible purchase of the latter. Additional rounds of discussion are scheduled.

The last of 21 A319-112s to be delivered during the year is accepted on December 16.

In December, USAirways, **United Airlines** and **American Airlines** join **Delta Air Lines** as participants in Priceline.com. Also during the month, a new five-year labor contract is ratified by the carrier's 10,400 passenger service workers, represented by the Communications Workers of America.

Passenger boardings slide 3.8% to 55,812,000, while cargo jumps 7.1% to 313.41 million FTKs. Revenues fall 1.1% to \$8.46 billion, while expenses are up 10% to \$8.32 billion. The previous year's large operating profit falls to \$139 million, while net gain is cut to \$273 million.

Airline employment at the beginning of 2000 stands at 41,636, a 9% increase over the previous 12 months. Among the world's top 25 airlines, USAirways is 6th in total passengers, 12th in employees, 6th in fleet size, 12th in operating revenue, 24th in operating profit, and 14th in net profit.

The first of 29 A319-112s to be delivered for main line service during the year is accepted on January 11. Nine others will be delivered for **USAirways Shuttle**.

The carrier advises the media on February 2 that it will accept delivery of the first of 34 A321-211s that it has on order during the early months of 2001.

On February 9, an emergency inspection of the stabilizer assemblies of all 31 of the company's MD-80s and 34 DC-9s is undertaken in light of the **Alaska Airlines** disaster. On February 24, the carrier announces that unless a contract is reached with its flight attendants at the end of the mandatory 30-day "cooling off" period on March 25, it will be forced to shut down.

A new four-times-a-day B-737-200 MetroJet return service is launched on March 5 from Boston to Chicago (MDW). MetroJet frequencies from Boston to Fort Lauderdale are increased from two to three and to both Orlando and Tampa from three to four.

On March 6, the company and **British Airways, Ltd.** (2) announce that they have resolved the litigation pending between them in the U.S. District Court in New York in a manner satisfactory to both sides. The next day, twice-daily B-737-200 MetroJet roundtrips begin from New York (LGA) to Fort Lauderdale. Two days later, the carrier's first A330 makes its maiden flight from the Airbus airfield at Toulouse, France.

The carrier's flight attendants, on March 10, release an initial list of routes and cities that are targeted for random, unannounced CHAOS (Create Havoc Around Our System) strikes should a contract not be signed by March 25.

In ceremonies at Toulouse, France, on March 21, Chairman Wolf accepts delivery of the first A330-323, pledging to start Philadelphia to Paris (CDG) frequencies with it on May 4. The four-engine wide-body is the first of its type acquired by a U.S. airline.

The stand-off between the company and its Flight Attendants Association local continues right up to the brink, with Chairman Wolf threatening to shut down the main line, MetroJet, and the **USAirways Shuttle** at one minute after midnight on March 24-25 if a deal is not reached.

The premier A330-323 arrives at Pittsburgh on April 5. The same day, company B-737s take over 8 of the 12 daily roundtrips operated by **USAirways Shuttle** between Washington, D.C. (IAD) and Boston. The other four frequencies are assigned to "USAirways Express" partner **Trans States Airlines**. Daily B-767-2B7ER roundtrips are launched on April 13 from Charlotte to Paris (CDG).

Despite numerous discussions, negotiators from **United Airlines** and USAirways are unable to reach agreement on a price for the purchase of USAirways. Sensing the possibility of failure, Chairman Goodwin and his executives walk away at the end of the month.

During the first week of May, 85% of the company's AFA-represented flight attendants choose to vote and ratify, on a 4 to 1 basis, the new 5-year agreement tentatively reached late on March 24. The pact is viewed as good for both labor and management. The cabin crews win an immediate 5% pay raises and a 5% signing bonus, along with 2.5% salary raises spread over the life of the contract. The airline now has agreements with all its major unions and the prospect of labor peace for some time to come.

Also during the month, the company's ALPA-represented pilots vote approval of a measure that will allow the carrier to operate up to 70 50-seat regional jets—double the current agreed-upon number. In exchange, USAirways agrees to hire an unspecified number of new pilots and give job protection to those already employed.

With departure of Flight 26 from Philadelphia to Paris (CDG) on May 4, USAirways becomes the first United States airline to operate an A330 in international service. Philadelphia city fathers and a French consulate delegation attend the departure ceremony, during which President/CEO Gangwal cuts a ribbon to open the gate area for the flight. As the A330-323 taxis out, two airport fire trucks provide a saluting water arch.

Four-times-a-day B-737-200 MetroJet return service is initiated from New York (LGA) to Tampa on May 7, along with thrice-daily roundtrips to Orlando and twice-daily return flights to West Palm Beach. On the evening of May 11, the premier A330-323 international return service is operated as the first new Airbus is placed on the company's Philadelphia to Frankfurt route. Overnight A330-323 service from Charlotte to Frankfurt begins on May 12.

On May 25, daily A330-323 roundtrips are inaugurated from Pittsburgh to Frankfurt. That evening, daily B-767-201ER return service is launched from Philadelphia to Manchester, England. The eastbound flight requires 8 hrs. 10 min.

Goodwin's decision to leave the merger talks with USAirways actually prove a successful move. On May 18, Chairman Wolf calls Goodwin back, offering to lower the asking price. In New York on May 24, Goodwin and Wolf announce that a deal has been struck. **United Airlines** will purchase its smaller rival for \$11.6 billion (\$60 a share), in an arrangement that hopefully can be completed before expiration of their agreement on January 1, 2001—and before United would have to pay a \$50-million earnest interest penalty.

As part of the arrangement, UAL promises not to raise fares (except for fuel surcharges) for two years or lay off any workers from either carrier. It will spin off the USAirways operation at Washington, D.C. (DCA) to a new concern, DC Air. This new company is established by the partners specifically to resolve antitrust concerns occasioned by the position of USAirways as the leading carrier at Washington's Reagan National Airport and of **United Airlines**, a major operator in and out of Dulles International Airport. USAirways director and Black Entertainment Television founder Robert Johnson, will own the new regional, which, it is hoped, will immediately begin serving 43 cities out of Washington, D.C. (DCA).

If the pact is approved by stockholders and can clear federal, state, and European regulatory hurdles, it will create a company with 145,000 employees and \$25 billion in annual revenues that operates 1,000 aircraft, serving 316 cities around the world with over 6,500 daily flights. Even if created, however, such a giant United conglomerate would face a number of major problems: merger of the employees of both companies (readers need only review the merger of **Northwest Airlines** and **Republic Airlines** to remember how badly such an amalgamation can go); the joining of two presently incompatible reservations systems; UAL's assumption of \$7.3 billion in USAirways debt and lease obligation; a need to borrow funds with which to cover the \$4.3 million purchase of USAirways stock; cost problems brought about by the no-layoff and no-price-increase promises; and fleet and route rationalization.

Pending the approval of the United/USAirways merger, USAirways executive N. Bruce Ashby is named acting president of the new entrant DC Air on June 10.

Twice-daily B-737-200 MetroJet roundtrips are inaugurated on June 11 from New York (LGA) to Jacksonville. Simultaneously, a second daily return service is initiated from Charlotte to Nassau. In mid-month, an A330-323 is placed on the company's twice-daily service from Philadelphia to London (LGW).

The fifth A330-323 is delivered on June 28 and later in the day operates its first revenue service, Flight 8910 from Paris (CDG) to Pittsburgh.

While the fifth aircraft is worked up, the fourth A330-323 begins flying from Philadelphia to Rome on July 4, replacing a B-767-2B7ER that will be assigned to a new London offering.

USAirways is named 18th best-managed company among nonstate-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

On July 14, a company spokesman announces that the carrier will initiate A330-323 return service from Charlotte to both Frankfurt and London (GTW) during the first quarter of 2001. Daily B-767-2B7ER roundtrips from Pittsburgh to London (LGW) commence on the evening of July 17. From July 31–August 3, USAirways, the official airline for the 2000 Republican National Convention, operates a special reservations desk to assist convention delegates, guests, and media visiting Philadelphia.

While on descent into New York (LGA) on an August 2 service from Buffalo, the pilot of a company B-737 must quickly climb approximately 1,000 feet after TCAS sounds warn him of an **Adirondack Flying Service** Cessna 310 heading at it in departure from Newburgh. No injuries are suffered in the near miss.

On August 7, it is announced that daily roundtrip service from Philadelphia to Amsterdam will be resumed in April 2000, using A330-323s. On August 18 USAirways Group begins negotiations with **Gulfstream International Airlines** concerning a takeover of the stock of **Paradise Island Airways**. The same day, a new USAirways subsidiary, **Potomac Air**, is established to operate in the Northeast and mid-Atlantic regions as part of the larger merger proposal between its parent and **United Airlines**. If government regulators approve the amalgamation, **Potomac Air** will become DC Air, the separate airline established to meet regulatory concerns.

As the result of Hurricane Debby, flights are cancelled to and from St. Croix, St. Thomas, and San Juan on August 22 and San Juan early on August 23. A deal between the major and **Gulfstream International Airlines** is struck on August 24 under which USAirways acquires 100% shareholding in **Paradise Island Airways**.

Plans are announced on September 6 for the November 11 initiation of weekend nonstop A320-200 flights on the New York (LGA) and Boston to Miami routes using equipment borrowed from **USAirways Shuttle**. The flights will mark the first regular use of Airbus equipment by the company into South Florida.

One more A319 is ordered on September 15, bringing the total order to 70; this machine will not be delivered until 2002. Simultaneously, the company announces that it will launch daily nonstop roundtrips from Philadelphia to Brussels on May 9 next.

On September 20, A330-323s quietly replace B-767-2B7ERs on the carrier's Wednesday routing from Philadelphia to Bermuda. The Boeing equipment will continue to be employed on other days of the service.

While undergoing a post-maintenance trial at Philadelphia on September 22, the No. 1 engine of a company B-767-2B7ER suffers an uncontained failure of its first stage turbine disc. The subsequent fire extensively damages not only the power plant, but its pylon, the wing, and adjacent fuselage as well. Still, it is anticipated that the aircraft can be repaired and returned to service by October 20.

On September 23, despite UAL's employment of such well-known lobbyists as Kenneth M. Duberstein and Thomas Hale Boggs Jr. to promote the merger, the U.S. Senate Commerce Committee, chaired by Sen. John McCain (R-Ariz.), approves a September 23 nonbinding resolution opposing United's proposed purchase of USAirways. Offering the opinion that the move would not be in the public interest, the resolution is transferred to the full Senate for further action.

On September 26, UAL files papers with the European Union Commission seeking its required approval of the \$4.3-billion takeover of its smaller competitor. Also during September, a new 15,000-sq.-ft. reservations center is opened in Liverpool, England; consolidating all European reservations functions, the new facility initially employs 90 people.

On October 2, **Paradise Island Airways** is merged into **Potomac Air**, giving it an automatic Part 121 operating certificate. In the interim since August 18, a headquarters and operational base for **Potomac Air** has established at the Roanoke International Airport maintenance base closed by **USAirways** Chairman Stephen M. Wolf when he took over the company in 1996.

Continental Airlines Chairman Gordon Bethune, also on October 2, formally bids \$215 million in cash for the carrier's 119 jet slots and 103 commuter, short-haul slots plus 8 gate leases, ticket counters, ramps, aircraft parking and other facilities at Washington, D.C. (DCA). The offer, which would be good only after a United-USAirways merger, is also to include the assets being sold to the proposed new entrant DC Air, led by cable television mogul and USAirways board member Robert Johnson. The tender amount exceeds by some 50% the \$141 offered by Johnson and is meant to appease regulators by maintaining competition in the DCA market.

Also on October 2, daily roundtrip MetroJet service is inaugurated between Orlando and Syracuse. On October 3, the York County, South Carolina, Economic Development Board endorses the merger with **United Airlines**. A company press release of October 6 reveals that the carrier's frequent flyer and club relationships with **American Airlines** will end on August 21 next.

USA Today reports on October 10 that company flight training personnel are now discouraging pilots from the use of certain terms over aircraft public address systems and asking that others be avoided completely. Among the discouraged words are thunderstorm (preferred: rain shower), fog (preferred: mist haze or restricted visibility), and turbulence (preferred: bumpy) while late and terminal (even if noting an airport arrival point) are now out of the vocabulary.

Company shareholders, voting on October 12, approve by 98.5% the \$60-a-share merger offer from **United Airlines**. Before amalgamation can begin in early 2001, the takeover must obtain approval from the U.S. DOJ antitrust division and the DOT, as well as the European Union and several state attorneys general, who are voicing concern.

In an incident that will garnish international attention and provide grist for the late night television comics, USAirways allows the "service animal" Charlotte, a 300-lb. Vietnamese potbellied pig, to accompany her owner, Maria Tirota Andrews, in the first-class section of the October 17 service from Philadelphia to Seattle. Following the flight, on which the pig allegedly behaves badly, the embarrassed airline files an incident report with the FAA. After *The Philadelphia Daily News* runs the Charlotte story, FAA officials interview USAirways personnel on the matter. On November 30, the agency will rule that the carrier had acted reasonably.

On October 18, the European Union, which had originally intended to render its ruling by October 25, suspends its review of the proposed merger due to a need for additional information. The last of 12 A320-214s delivered for main line service during the year is accepted on October 23.

Through October and into November, a workforce of 120 is built up for **Potomac Air** and two de Havilland Canada DHC-8-200s currently operated by **Piedmont Airlines** (2) are acquired, with plans to obtain others. Initially, a start-up date of November 12 is forecast. Left unresolved is the mechanics of a potential merger with DCAir, the company being set up to take over the majors' routes from Washington, D.C. DCAir owner Johnson now indicates that he is negotiating to sell up to 49% of his carrier to another airline, probably **American Airlines**, which would then lease to DCAir the planes and crews necessary for operation. Initial planned destinations from the DCA base include Baltimore (BWI), Charleston, West Virginia, Greensboro/High Point, White Plains, and Roanoke. As up to six more turboprops are acquired, routes will be extended to Allentown, Charlotte, Greenville/Spartanburg,

Knoxville, Philadelphia, Norfolk, Pittsburgh, Richmond, and the West Virginia communities of Greenbrier/Lewisburg, Clarksburg (Bridgeport), and Morgantown.

The "USAirways Express" contract with **Mesa Air Group** is extended on November 1 from 2007–2008. Mesa promises to grow the number of ERJ-145s committed to the pact from 28 to 32.

The weekend A320-214 roundtrip service from Philadelphia to St. Martin becomes daily on November 12, the same day Sunday flights to St. Martin are added to those already operated there on Saturdays from Charlotte. Also on November 12, new daily roundtrips are also started from Charlotte to both St. Croix and St. Thomas, the latter via San Juan; from Philadelphia to Aruba and to Santo Domingo; and from New York (LGA) to Nassau. Saturday-only roundtrips are simultaneously launched between Pittsburgh and Nassau.

The merger with **United Airlines** does not appear to be any closer to realization by mid-November than it was in May. Indeed, so many problems continue to exist that, even before DOT, DOJ, and the EU act, investment firm Paine Webber Buttrick advises UAL Chairman Goodwin to take advantage of the January 1 closing date, even if he has to pay the \$50-million earnest penalty and simply withdraw. In his insightful review of the UAL-USAirways compact in the November 13 issue of *Business Week*, Michael Arndt writes: "In the final stroke of irony, losing USAirways could be the best thing to happen to UAL."

On November 17, the company announces that it will place A330-323s on its Philadelphia to Manchester route beginning on March 4. Also during November, the last B-737, a Dash-301, is withdrawn from **USAirways Shuttle** and returned to the main line.

In December, A330-323s are placed on the weekday route between Philadelphia and Miami and on the weekend service from Philadelphia to San Juan.

Citing what it believes to be are strong facts against the UAL-USAirways merger, the State of Maryland launches an aggressive campaign to defeat the arrangement. Details are reported in the December 9 issue of the *Baltimore Sun*.

On December 12, USAirways is named the "best overall airline" by *Onboard Services* magazine.

Beginning on December 15, company passengers at New York (LGA) are able to bypass lines by purchasing their tickets, checking bags, selecting seats, and obtaining boarding passes at 10 new e-ticket check-in kiosks.

After **United Airlines** and USAirways representatives appear before it and offer unspecified concessions designed to address competition concerns, the EU Commission, on December 18, extends from December 21 to January 12 its deadline to rule on the UAL proposal to takeover USAirways. The same day, the first non-proving A330-323 domestic service flights begin on the Philadelphia–Miami route. The return service northward to Philadelphia continues on to Rome.

In a 48-page report released on December 20, the U.S. Government Accounting Office (GAO) indicates that a merger between UAL and USAirways would significantly reduce domestic airline competition in the United States. The same day, according to *The Wall Street Journal*, the two majors begin intensive negotiations with the DOJ antitrust division, which has not yet ruled out blocking the merger.

Also on December 20, the last of 29 A319-112s delivered for main line service during the year is accepted; nine other aircraft have been received for **USAirways Shuttle**. The seventh A330-323 arrives on December 27.

USAirways customer bookings during these 12 months rise 7.06% to 59,831,000, while that for the three owned "USAirways Express carriers" (Allegheny, PSA, and Piedmont-2) dip 1.2% to 6,753,000. The major's freight traffic rises 29.36% to 406.42 million FTKs.

As the year ends, the deadline for federal antitrust regulators to rule on the United-USAirways merger is moved from January 16 to April 2, 2001. Nevertheless, company employees look forward to **Potomac Air's** inaugural DHC-8-200 "USAirways Express" service, to be made from Washington, D.C. (DCA) to Charleston, West Virginia, Greensboro/High Point, and White Plains on January 5. They may also be heartened when the EU Commission, on January 12, rules in favor of the United-USAir-

ways merger. On February 4, USAirways will become the first American carrier to operate the A321 when it places its premier A321-211 into revenue service on the route from Philadelphia to Los Angeles.

Revenues for the year climb 7.8% to \$9.27 billion, but expenses jump 10.2% to \$9.32 billion, leaving an operating loss of \$53 million. The previous year's net gain becomes a \$197-million net loss.

USAIRWAYS EXPRESS. See **AIR MIDWEST**; **ALLEGHENY AIRLINES (2)**; **CCAIR**; **CHAUTAUQUA AIRLINES**; **COMMUTAIR**; **FLORIDA GULF AIRLINES**; **LIBERTY EXPRESS**; **PARADISE ISLAND AIRWAYS**; **PIEDMONT AIRLINES (2)**; **POTOMAC AIR**; **PSA AIRLINES**; **TRANS STATES AIRLINES**; **USAIRWAYS EXPRESS (MESA AIR GROUP)**;

USAIRWAYS EXPRESS (MESA AIR GROUP): 14000 Pecan Park Road, Jacksonville, Florida 32218, United States; Phone (904) 741-9000; Fax (904) 741-9901; <http://www.mesa-air.com/fl.htm>; <http://www.mesa-air.com/LIB.htm>; Code YV; Year Founded 1997. On February 27, **USAir** is renamed **USAirways** and "USAir Express" becomes "USAirways Express." During the remainder of the year, this regional begins to repaint its aircraft in a modified version of the major's grey and dark blue livery.

While on final approach to Benedum Airport at Bridgeport, West Virginia, on June 19, the outboard wingflap segment on a Beech 1900D detaches; the plane is safely landed and no injuries are reported.

On November 10, **Mesa Air Group** places \$350 million in orders with Bombardier Regional Aircraft for an additional 16 Canadair CRJ-200ERs; in fact, the request actually represents the conversion of eight DHC-8 requests and the exercise of eight options. Four will be assigned to **Mesa Airlines** and 12 to "USAirways Express."

On November 17, it is announced that the carrier will begin flying the new regional jets on January 19 from Philadelphia to Birmingham, Cincinnati, St. Louis, and Newburgh, New York.

While taxiing on the ramp at Bradley International Airport, Windsor Locks, Connecticut, on December 23 after a flight from New York (JFK), "USAirways Express" Flight 5286, a Beech 1900D with two crew and three passengers, collides with a snow bank in poor visibility. Two blades separate from the right propeller and strike the aircraft fuselage; no injuries are reported.

Passenger boardings climb 13.6% over the previous year, rising to 410,296.

On March 12, 1998, it is announced that five Canadairs will be transferred from the **Mesa Air Group** Fort Worth and Colorado Springs system to satisfy the MAG agreement with **USAirways**, which calls for the placement of 12 regional jets into the "USAirways Express" code-sharing program.

Those on hand during the first quarter fly from Philadelphia to Birmingham, Charleston, St. Louis, and Newburgh and from Charlotte to Charleston, West Virginia, Tallahassee, and Toronto.

CRJ service is inaugurated on April 1 from Charlotte to Little Rock.

Three of the jetliners enter service on May 1 on routes from Washington, D.C. (DCA) to Birmingham and Huntsville, Alabama, while a fourth flight is simultaneously started between St. Louis and Philadelphia.

While taxiing away from the ramp at Boston on the evening of June 12, "USAirways Express" Flight 5493, a Beech 1900D with 2 crew and 18 passengers, experiences the separation of two propeller blades after it strikes a plastic cone. The blades land 40 ft. behind the aircraft and no injuries are reported. The aircraft returns to the gate and its passengers are deplaned.

Regional jet service begins on June 15 between Boston and Raleigh/Durham, North Carolina, and from Philadelphia to Milwaukee and White Plains. The same day, all five daily nonstops between Philadelphia and Cincinnati are operated with the CRJs.

Former **Chautauqua Airlines** President Timothy Coon is appointed to the newly developed position of Vice President of "USAirways Express" on July 17.

Given the history between the leadership of the two organizations, it does not come as a surprise when, on August 27, it is announced that **Mesa Air Group** has signed a letter of intent for the acquisition of **CCAair**. The all-stock transaction, valued at approximately \$60 million (including \$15 million in debt assumption), will be complete as soon as stockholders and government regulators approve. Mesa will operate **CCAair** as a wholly owned subsidiary that will retain its own name.

Through their relationships with **USAirways**, the acquisition is also seen as a way for the combined "USAirways Express" companies to serve all of the major's hubs on the East Coast. On October 4, nonstop "USAirways Express" DHC-8-102 roundtrips commence between Charlotte and Tallahassee, four times a day.

In a move calculated to rebuild the strength and size enjoyed before the early 1998 "United Express" disaster, **Mesa Air Group**, on February 1, 1999, officially moves to fold **CCAair** into its "USAirways Express" division, with the merger to be complete by May. There are no initial plans to change **CCAair**'s operations or to link the carrier's route system to that of **MAG**.

On February 3, twice-daily nonstop "USAirways Express" CRJ roundtrips commence between Washington, D.C. (DCA) and Knoxville, Tennessee. "USAirways Express" roundtrips from Long Island's MacArthur Airport to Baltimore (BWI) are shut down on March 3 as **Southwest Airlines (2)** begins flying from the New York airport.

Regional "USAirways Express" service from Newburgh, New York, to Raleigh/Durham, North Carolina, is expanded on April 7 by the addition of two nonstop CRJ roundtrips.

Three daily "USAirways Express" CRJ services are added on May 4 between Philadelphia and Baltimore (BWI), complementing the existing five flights in that market.

The **Mesa Airlines**, **Air Midwest**, and **CCAair** divisions of **Mesa Air Group** all complete 100% of their flights on May 2. To celebrate this achievement, President/CEO Ornstein on May 6 hosts a company-wide pizza party, ordering pizza for all 3,800 employees in every unit spread over 100 locations.

On September 9, the **CCAair** division initiates thrice-daily Dash-8 return service from Charlotte to Montgomery, Alabama.

During November, the ALPA-represented pilots of **Mesa Airlines** and **CCAair** merge their seniority lists. Both carriers operate as **USAirways Express** (Mesa Air Group). Thrice-daily CRJ roundtrips commence at the end of the year between Washington, D.C. (DCA) and Toronto.

An agreement is signed by Mesa Air Group with Empresa Brasileira de Aeronautica, S.A. on January 27, 2000 for 36 additional ERJ-145s; Mesa also has options on 64 more regional jetliners, some of which may later be converted into ERJ-135 orders.

On April 14, plans are announced by **USAirways** for a massive increase and expansion of regional services from New York (LGA) in the period between July and October. New flights, many of which will also be flown by the "USAirways Express" partner **Trans States Airlines**, will start to Bedford, Massachusetts, Binghamton and Elmira, New York, Manassas, Richmond, and Roanoke, Virginia, Greensboro, North Carolina, and Greenville/Spartanburg, South Carolina. Present frequencies will be increased in number to Albany, Syracuse, Baltimore, Birmingham, Burlington, Charleston, Columbia, Charlottesville, Norfolk, Harrisburg, Hyannis, Martha's Vineyard, Nantucket, Portland, and Providence, Rhode Island.

The first ERJ-145 arrives and clears customs at Fort Lauderdale on April 28 and is assigned to **USAirways Express** (Mesa Air Group) on June 1. The first ExpressJet service begins the next day as one daily return flight is offered from Washington, D.C. (DCA) to Atlanta and two to Birmingham. The CRJs previously employed by the company begin a process of transfer to **America West Express** (Mesa Air Group).

Nonstop ERJ-145 return service is initiated on August 10 between Boston and Greensboro, North Carolina.

The "USAirways Express" contract is extended on November 1 from 2007–2008. Mesa promises to grow the number of ERJ-145s committed to the pact from 28 to 32.

On December 2, a fourth daily ERJ-145 service is added from Washington, D.C. (DCA) to Columbia, South Carolina. CRJ thrice-daily return flights begin on December 11 between Charlotte and Baton Rouge.

Thrice-daily CRJ roundtrips are started on December 18 from Charlotte to both Fayetteville, Arkansas, and Jackson, Mississippi.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights. On December 4, the FAA holds an action to distribute the available takeoff and landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. **USAirways Express** receives 20 of the new positions. In a supplemental auction for the slots previously assigned to defunct Legend Airlines, **USAirways Express** receives one more.

Daily roundtrip CRJ roundtrips are initiated on December 18 from Charlotte and Jackson to Northwest Arkansas Regional Airport. The new services have barely begun when they are shut down—along with most of the rest of the state—by a great ice storm at the end of the month, worse than any storm in decades.

During the first quarter of 2001, Mesa will execute a new agreement with **United Airlines**. Contingent upon the proposed merger of the major with **USAirways**, **United** will extend the **MAG** "USAirways Express" contract through December 3, 2010. The deal requires that both **UAL** and **MAG** drop all outstanding litigation remaining from the **UAL** termination of its contract with Mesa in 1998.

USAIRWAYS SHUTTLE: P.O. Box 616, La Guardia Airport, Flushing, New York 11371, United States; Phone (718) 397-6000; Fax (718) 397-6040; http://www.usairways.com; Year Founded 1997. On February 27, 1997, **USAir** is renamed **USAirways** and the shuttle service in which it holds 47% interest becomes **USAirways Shuttle**. As a cost-saving measure, the decision is taken to let the aircraft assigned to the operation retain their previous livery. It is announced on April 7 that **USAirways Group** will establish the value of the shuttle and will consider exercising the option it holds for its purchase.

On May 29, **American Airlines** makes a \$300-million offer to purchase the shuttle from Shuttle, Inc., the consortium of New York banks led by Citibank and Bankers Trust, which owns it.

Throughout the summer, **USAirways** struggles to win a contract from its pilots. Meanwhile, on August 1, Washington, D.C. (IAD)-based **Atlantic Coast Airlines** launches competing "United Express" service to New York (LGA) nine times per weekday.

When, on September 30, at the 11th hour, an arrangement is finally concluded with its pilots, **USAirways** is able to begin implementing plans for expansion that have largely been on hold.

Despite AA's larger bid, **USAirways** elects on November 22 to purchase the shuttle by exercising its original option. The price, including debts and warrants, is \$285 million; **American Airlines** receives a \$10-million, negotiated-breakup fee.

With a fleet of 4 each B-727-214s, B-727-225s, and B-727-254s (which now begin to receive new livery), the shuttle offers 17 daily roundtrips from New York (LGA) to Boston and 15 from New York (LGA) to Washington, D.C. (DCA).

Passenger boardings accelerate 5.2% to 1,509,000, while freight declines 2% to 219,000 FTKs. Operating revenues advance 10.3% to \$173.4 million, while expenses rise 15.9% to \$158.59 million. The operating gain is thus reduced to \$14.81 million, while net profit falls to \$2.79 million.

The workforce has been reduced to 620 by the beginning of 1998. During the first quarter, 17 daily nonstop roundtrips are initiated from Washington, D.C. (DCA) to Boston.

On October 4, operations at Boston are moved from Terminal A to new facilities at **USAirways**' Terminal B. All shuttle flights are now operated

from dedicated gates 10, 12, and 13. Shuttle President Rita M. Cuddihy joins airport and area officials in a ribbon-cutting ceremony the next day.

Employees of the division and the Port Authority of New York and New Jersey for the sixth straight year host nearly 75 children, patients at Schnedier's Children Hospital in New Hyde Park, New York, aboard a B-727-225 on December 12 for a "Secret Trip to the North Pole." Once aboard at Gate 22, the youngsters are treated to holiday beverages and snacks while the aircraft taxis about the airport property; they then deplane at Gate 11 to visit with Santa and Mrs. Claus in their workshop.

During the 12 months, customer boardings inch up 1.59% to 1.53 million, while freight traffic falls 10.67% to 198,000 FTKs. Revenues move up a slight 0.3% to \$173.92 million, while costs, up 9.2%, are \$163.3 million. The operating profit slides to \$10.61 million, while net gain rises to \$3.91 million.

The company introduces a new livery during the first quarter of 1999, with a B-727-225 the first to wear the new color scheme.

Beginning on April 5, shuttle flights between New York (LGA) and Boston takeoff 30 minutes earlier each weekday, the earliest scheduled departure from either airport. Hourly service is thereafter operated between the two communities until 10 p.m.

On May 17, parent **USAirways** reaches a contract agreement with the IAM covering 82 mechanic and related employees at USAirways Shuttle.

It is announced on May 26 that beginning on October 2, A320-214s will replace B-727-200s on the Boston–New York (LGA)–Washington, D.C. (DCA) route. It is anticipated that the move will save the company a million gallons of fuel every year.

Enhanced competition begins with the Delta Shuttle on July 9 over the routes from Boston to Washington, D.C. (DCA). The same day, the existing 15 daily flights offered by **USAirways** main line are merged into the USAirways Shuttle operation.

Both of the airlines face new ground competition as the rail system Amtrak opens its 150-mph *Acela* trains between Boston and New York and between New York and Washington, D.C.

Hourly B-727-200 service is launched on September 9 from Washington, D.C. (IAD) to both New York (LGA) and Boston. The Washington, D.C.–Boston schedule operates from 6:45 a.m. to 8:45 p.m., while the return from Boston to Washington, D.C. is flown between 6:15 a.m. and 8:15 p.m. The Washington, D.C. (IAD) to New York (LGA) shuttle roundtrips are operated on the same 6:30 a.m. to 8:30 p.m. schedule, coming and going.

The company assigns a newly received Airbus Industrie A320-214 to the Washington, D.C. (IAD) to New York (LGA) route on October 1. Three more Airbus will be received by December 22 and placed into service on the Shuttle's routes.

Passenger boardings climb 3.7% to 1,586,000, while freight traffic plunges 41% to 115,000 FTKs. Revenues rise 3% to \$179.15 million, while expenses jump 8.5% to \$177.2 million. The operating profit falls to \$1.95 million, while the net gain is only \$264,000.

A total of 397 workers are employed at the beginning of 2000, a large 30.8% decline over the previous 12 months. All 8 A320-214s delivered the previous year are now in service alongside 1 B-737-301 and 11 B-727s, including 4 each Dash-154As and Dash-225s, and 3 Dash-227As. The first of the latter to depart the fleet is a B-727-227A, withdrawn on January 27.

The **USAirways** Airline Pilots Association (ALPA) Master Executive Council (MEC) and USAirways Shuttle ALPA-MEC tentatively agree, on February 10, to the integration of USAirways Shuttle pilots into **USAirways**. The pact affects approximately 5,800 USAirways Shuttle and 200 USAirways Shuttle pilots.

On February 24, the carrier announces that, unless a contract is reached with its flight attendants at the end of the mandatory 30-day "cooling off" period on March 25, it will be forced to shut down.

The stand-off between the company and its Flight Attendants Association local continues right up to the brink, with Chairman Wolf threatening to shut down the main line, MetroJet, and the Shuttle at one minute after midnight on March 24–25 if a deal is not reached. An agreement is reached at the very last moment.

On April 15, the carrier's 12 daily shuttle flights between Washington, D.C. (IAD) and Boston are handed over to the main line and to "US-Airways Express" partner **Trans States Airlines**.

A disaster at the intersection of Runways 04 and 31 at New York (LGA) is avoided by just 100–300 ft. on June 12 when a corporate Beech King Air 200 coming over from Runway 4 to take off into the NW from Runway 31, just clears a Shuttle A320-214 passing the intersection after arriving on Runway 4 from the SW.

A redesigned gate and boarding area is dedicated at New York (LGA) on June 23.

Plans are announced on September 6 for the November 11 initiation of weekend nonstop A320-200 flights by **USAirways** on the New York (LGA) and Boston to Miami routes, using equipment borrowed from USAirways Shuttle. The flights will mark the first regular use of Airbus equipment by the company into South Florida.

The first of nine A319-112s is delivered on September 15; the next day, the final B-727-200A flights are completed on the Boston–New York (LGA) segment of the Shuttle. By September 20, the day the first A319-112 arrives at Washington, D.C. (DCA) from Tampa, the Shuttle is down to its last five operational B-727s (one Dash-254, two each Dash-225s and Dash-227As), which are primarily held as backups.

Two more A319-112s are now delivered, one each on September 20 and 22. The premier A319-112 enters revenue service between Washington, D.C. (DCA) and Boston on September 25. The next day, a B-727-227A is withdrawn.

On October 4–5, 17–19, and 24, five additional A319-112s are accepted, one each day. A B-727-225 is retired on October 9. The next two Shuttle-dedicated B-727s, a Dash-254 and a Dash-227A, are withdrawn from service on October 20 and replaced with new A320-214s. The final B-727-225 is withdrawn on October 24. Its departure also marks the end of a long **USAirways** association with the "three-holers" dating back to the days of **Allegheny Airlines** (1). Just since 1992, the trijets have operated approximately 200,000 shuttle flights.

The last two A319-112s are delivered on October 24 and 30, respectively. The B-737-301 is withdrawn during November and returned to the main line.

A 500-mile bonus promotion ends on December 31. Overall customer bookings during these 12 months plunge 53.59% to 736,000, while freight traffic drops 50.63% to 57,000 FTKs.

As part of a scenario that will begin on January 10, 2001, **USAirways** agrees to sell a half-interest in USAirways Shuttle to **American Airlines**, which will simultaneously purchase the assets of bankrupt **Trans World Airlines** (TWA).

UST ILMSK AIRLINES: Aeroport, Ust Ilmsk, Irkutsk Region, East Siberian Zone, 665770, Russia; Phone 7 (39535) 75246; Year Founded 1992. Ust Ilmsk is established at its namesake city in 1992 following the breakup of **Aeroflot Soviet Airlines**. Aleksandr Akimov is named director general and he begins scheduled domestic and regional passenger services with 3 Yakovlev Yak-40s and 2 Antonov An-24Vs. It is understood that flights continue.

UTA FRENCH AIRLINES (UNION DE TRANSPORTS AERIENS, S.A.): France (1963–1992). This carrier is born on October 1, 1963, by the completion of a two-year amalgamation of **Union Aeromarine de Transport, S.A. (UAT)** and **Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI)**. Compagnie Maritimes des Chargeurs Reunis, a shipping company, is majority shareholder (61%). The inaugural fleet includes 6 Douglas DC-8-33s, 2 DC-7Cs, 13 DC-6A/Bs, 6 DC-4s, and 2 de Havilland DH 114 Herons.

UAT French Airlines President Francis "Tom" Fabre remains in charge of the upscaled independent as France now becomes the only country on the European continent to operate two international long-haul airlines. Late in the year, three used Douglas DC-7Cs, formerly flown by **Swissair, A.G.** and **SAS (Scandinavian Airlines System)**, are acquired under lease from the government.

In February 1964, France once again realigns its international route network, granting UTA the right to service West, Central, and South Africa (except Dakar) and the Pacific; all other foreign authority is reserved to **Air France**. Services begin over the consolidated 190,000-km. route network formerly operated by the two merger partners.

Orderly retirement of the DC-4s continues while the DC-7Cs leased from the government begin operations in support of the nuclear testing program in the Pacific Atomic Testing Area. A second weekly roundtrip from Tahiti to Fiji and New Caledonia is offered as of September 20.

While en route from Paris to Mauritania on October 2, a DC-6B crashes into a mountain peak near Granada, Spain (70 dead).

Airline employment in 1965 stands at 4,100. The fleet now comprises 1 Beech 18, 1 DC-3, 2 DC-4s, 5 DC-6Bs, and 7 DC-8-33s. On December 17, the company begins to provide assistance to **Air Afrique (Societe Aeriennne Africaine Multinationale, S.A.)**.

Passenger boardings during the 12 months total 229,190.

The charter subsidiary Aeromaritime International, S.A. is established in 1966 and, having been modified, the three DC-7Cs operated on behalf of the government are employed, after September 14, in the space program's satellite-launcher tracking and re-entry observation service at Tahiti. Beginning on December 14, scheduled Sud-Est SE-210 Caravelle XB service is inaugurated over a 1,143-mi. route from Noumea to Auckland.

Systemwide enplanements drop to 214,000.

The fleet in 1967 includes 7 DC-8-33s, 2 SE-210s, 1 DC-4, and 1 Beech 18; orders are outstanding for 4 DC-8-62s. Employing a DC-8-33 leased from UTA, Aeromaritime International, S.A. begins operations in the summer.

Passenger boardings increase to 255,020 and freight traffic soars. The workforce is now 4,496.

Enplanements in 1968 are 294,000, rising to 331,000 in 1969, the year service is extended to the U.S. West Coast and on June 26, orders are placed for DC-10-30s.

In February 1970, UTA joins **SAS (Scandinavian Airlines System)**, **KLM (Royal Dutch Airlines, N.V.)**, and **Swissair, A.G.** in forming the KSSU Group for technical and operational cooperation; the multi-airline pact is signed for a 10-year period. In November, **Air Ceylon, Ltd.** announces its decision to terminate its commercial relationship with **British Overseas Airways Corporation (BOAC)** and to enter into a new affiliation with UTA. By now, all four DC-8-62s are now in service and passenger traffic climbs to 363,000.

The new commercial pact with **Air Ceylon, Ltd.** begins on September 27, 1971 and a decade of assistance to **Air Afrique, S.A.** is celebrated. A new route from London and Paris to Jakarta via Colombo begins on November 1.

In February 1972, a pact is signed with **Air France** for route network cooperation. Employing a Douglas DC-8-33 painted in **Air Ceylon, Ltd.** colors, UTA on April 6, inaugurates service on behalf of its partner over its own London and Paris to Jakarta route via Colombo.

While en route from Abidjan to Paris on July 12, a DC-8-33 is subjected to a hijacking attempt by a man who has wounded his wife during the takeover. A security guard shoots the suspect, who is then arrested.

The 46th station is opened with the inauguration of Paris-Tripoli via Malta flights. A new DC-10 simulator is unveiled at the company base on September 25.

The employee population stands at 5,297 and 102.8 million freight ton-miles are flown. The figure for enplanements is unknown.

The workforce in 1973 is increased to 5,503. The first of three DC-10-30s to be delivered on the year arrives on March 4; wearing the carrier's new colots, it enter service on March 17 over a route from Paris (CDG) to Johannesburg via Nice and Brazzaville. After workup, the others will also be placed on the company's long-haul routes to the Far East, Australia, the U.S. West Coast, and Africa. The fleet now includes 10 DC-8-33/-62s, 1 SE-210s, and 3 DC-10-30s, all of the DC-6Bs and DC-4s having been retired.

Implementation of the computerized reservations system UTA-MATIC begins and the carrier joins with **Air France** on August 10 to announce that they are both halting passenger flights into Cambodia because of that nation's military situation.

A total of 457,032 passengers are carried.

A fourth DC-10-30, equipped with automatic landing capability, is delivered in January 1974. The French government announces that, despite the route delineation of 1965, it reserves the right to award UTA traffic rights to other world destinations when they fit in with future bilateral air agreements signed with foreign governments.

On March 13, corporate headquarters are transferred from Le Bourget to Roissy-Charles De Gaulle International Airport. The new base also includes a large hangar, cargo terminal, training center, and a passenger terminal with automated passenger check-in.

In partnership with Wagons-Lits, UTA forms the subsidiary Roissy-Service, Co. to take on catering and the cleaning of small aircraft at the new De Gaulle airport. Routes are extended on November 8 from Tokyo to Noumea, Pago Pago, and Wallis/Futuna on the Noumea line. The employee population at year's end numbers 5,846. Passenger boardings jump 16.6% to 548,000 and freight grows 14%.

The workforce in 1975 is 6,142. A fifth DC-10-30 arrives in early spring, replacing a DC-10-30 that is leased to **Thai Airways International, Ltd.** in March. Los Angeles-Tahiti traffic grows 65%. Paris-Kinshasa and Paris-Luanda frequencies begin. A commercial flight agreement is developed with **Air Zaire, S.A.** for the joint development of freight and mail traffic between Zaire and France; plans call for weekly DC-8-62 service from Paris-Kinshasa via Marseilles.

Passenger bookings rise 14% to 625,925 and cargo is up 11.5%.

Employment in 1976 is increased by 2.6% to 6,300. A sixth DC-10-30 joins the fleet. In February, an agreement is signed with **Air Ceylon, Ltd.** under which the Singales company will purchase the DC-8-33. The French Douglas is turned over on September 30.

Service is launched by UTA to Muscat and a second weekly frequency is added to Freetown as the carrier continues to grow strongly in Africa by kicking off its weekly Zaire route. The **Air Ceylon, Ltd.** relationship is ended after Air Force AVN Padwan "Paddy" Mendis is named AC chairman on December 15.

Freight traffic this year balloons by 32.9% and passenger boardings accelerate 8% to 675,828.

In 1977, Chairman Fabre and Managing Director Antonine Veil oversee a workforce of 6,376 and a fleet that comprises 2 DC-8-63s, 3 DC-8-62s, 3 DC-8-50Fs, 1 DC-8-50, and 3 DC-10-30s. The DC-10-30 out on lease to **Thai Airways International, Ltd. (THAI)** is returned in May as a second weekly service to Djakarta is added to the Lagos-Freetown route.

Enplanements for the year reach 739,591.

The first Boeing 747-2B3F is delivered on September 26, 1978. The first jetliner to display an all-white fuselage (with giant UTA titles), the freighter is placed on all-cargo routes to Africa beginning in October.

Cargo traffic soars 21% and passenger boardings are up 13.7% to 856,544.

A second B-747-2B3F is acquired on August 6, 1979. The oil price increase situation causes freight to grow only 2.7% to 564.6 million FTKs and enplanements only 0.9% to 862,602. Total revenues jump 18.1% to \$749.4 million, leaving a \$9.27 million net profit.

The workforce is reduced 0.4% in 1980 to 7,105. Freight traffic declines 13.2% to 471.28 million FTKs, but passenger traffic rises 1.6% to 874,370. Total revenues are \$867.5 million, and the net profit soars to \$15.86 million.

Two more B-747-2B3Fs are placed in service during April and May, 1981, and a route is opened to the carrier's 50th destination, Salisbury, Zimbabwe. Longtime Chairman Fabre retires in July and is succeeded by **Air Inter, S.A.** Managing Director Rene Lapautre.

Freight grows 3.2% to 486 million FTKs and enplanements climb 7.2% to 937,455. Expenses of \$857 million on total revenues of \$861 million leave only a \$6.2-million operating profit.

The workforce is reduced a scant 1.1% in **1982** to 7,044. Passenger bookings rise 4.9% to 983,192, but cargo accelerates only 1.4% to 439.06 million FTKs. Expenses rise to \$820 million on revenues of \$825 million; the net profit is reduced to \$1.1 million.

Staff reductions continue in **1983** as the workforce is cut 2.1% to 6,966. The world's first production model B-747-3B3F is delivered on March 1 and is placed into service in April on routes to the Pacific via the Middle East and Far East. A service is opened to Malawi during the year.

Freight carriage accelerates 2.6% to 506.12 million FTKs, but boardings dip 4.9% to 935,204. Still, a net profit of \$16.3 million is reported on revenues of \$517.8 million, up 7.5%.

Some 20 minutes after arrival at an intermediate stop at N'Djamena on a March 10, **1984**, service from Brazzaville, and after the deplaning of 5 crew and 18 passengers, a bomb goes off in the forward baggage compartment of Flight 772, a DC-8-63PF, destroying the jetliner.

Late in the year, the last DC-8-63 is retired as a second B-747-3B3F arrives.

A record net profit of \$21.9 million is posted, despite a 1.8% dip in freight to 465.44 million FTKs and a 9.2% drop in enplanements to 774,549.

The workforce in **1985** totals 6,770 and the fleet includes 11 aircraft. The newest B-747-3B3F is destroyed in a fire at a maintenance area at Paris (CDG) on March 16. It is replaced on May 3 by a B-747-271C chartered from **Transamerica Airlines**.

A total of 863,465 passengers are carried on the year and a net profit of \$78 million is generated.

A total of 25 employees are laid off in **1986** as a bidding war is successfully fought with **Air France** for the Paris-San Francisco route. The first B-747-3B3C arrives on January 31 and in March the first B-747-2B3F is sold to **Air France** and the leased **Transamerica Airlines** machine is returned, making room for the addition of another B-747-3B3C on April 24.

In August, two B-747-4B3s are ordered. On October 1, twice-weekly DC-10-30CF nonstop Paris-San Francisco service is launched, and is then extended on to Papeete as of November 2.

Customer bookings accelerate 6.1% to 914,991, but cargo is off by 7.8% to 461 million FTKs. With costs under control, profits jump to \$37.7 million (operating) and \$133.9 million (net).

The workforce is cut another 5.3% in **1987** to 6,631 and the fleet includes 1 B-747-2B3F, 4 B-747-3B3Cs, and 6 DC-10-30CFs. Service between Paris and San Francisco is increased to five times per week during September and the Dash-2B3F Jumbojet is turned over to **Air France** at year's end. A total of 13,500 passengers are transported between Japan and New Caledonia during these 12 months on the company's DC-10-30CF service.

Passenger boardings fall a slight 1.1% to 894,164 and freight rises a scant 0.2% to 465.76 million FTKs. Revenues decline 2.7% to \$1.07 billion, but costs eat into profits, allowing an operating profit of \$34.1 million and net income of \$20.9 million.

Employment falls again in **1988**, down 1.2% to 6,553. Orders are outstanding for two B-747-4B3s and six A340-300s. Much attention is paid to expanding the work of the charter subsidiary Aeromaritime International, S.A. Due to demand, the number of DC-10-30 weekly flights between Noumea and Tokyo (NRT) is doubled on November 1.

Although most other customer bookings decline again, by 6.6%, to 835,225, cargo is up a strong 14% to 530.8 million FTKs. Revenues recover and move ahead by 6.7% to \$1.14 billion, expenses are up only 2.7%, and operation income reaches \$76.9 million. Net gain skyrockets to \$125.6 million.

In July **1989**, weekly Saturday service is inaugurated from Paris to Malta.

While cruising at 35,000 ft., Flight 772, a DC-10-30CF with 14 crew and 156 passengers en route from Brazzaville via N'Djamena to Paris on September 19, explodes in midair in the vicinity of Bilma, Niger, after warnings of a bomb are telephoned to company offices in London and Paris. The wreckage is scattered over an 80-sq.-km. segment of the Sahara known as the Tenere Desert.

Two days later, investigators reach the wreckage and find no survivors; on September 21, they uncover evidence of a bomb (and the explosive pentharite) in the wreckage of the forward cargo hold and later, from the aircraft's "black boxes," proof of an explosion. Suspicion for perpetration of the worst act of sabotage ever to befall a European airline falls on either Syria or Libya, the government policies of which are opposed by France.

After an extensive investigation, the brother-in-law of Libyan leader Col. Muammar Qaddafi and five others will be convicted for the crime in absentia by a French court on March 10, 1999, and sentenced to life in prison. Qaddafi will refuse to turn the men over to French authorities.

Nonstop flights are inaugurated on December 12 from New York to the wine country destinations of Bordeaux and Lyons. No aircraft orders are filled in this mixed traffic year.

Passenger bookings dip 1.3% to 825,962, but freight rallies again, climbing by 6.4% to 542.55 million FTKs.

Company employment is increased by 5.4% in **1990** to 6,910. In January, **Air France** acquires 54.6% majority shareholding in the nation's largest independent and appoints Jerome Sydoux as successor to President Fabre. UTA continues to operate as a unit of the new Air France Group, which now also includes **Air Inter, S.A.** and to concentrate on its Pacific services. Simultaneously, twice-weekly flights begin from Marseilles to Newark, New Jersey, with one routed via Nantes and the other via Toulouse.

In February, weekly nonstop service is initiated from Nantes and Toulouse to Newark and direct service is started to that stop from Montpellier via Bordeaux.

Traffic statistics are reported through July and show customer bookings up 12% to 522,389 and cargo ahead by 7.2% to 329.57 million FTKs. Revenues rise 7.5% to \$1.4 billion and a net \$39-million profit is generated.

The payroll is sliced just 0.1% in **1991** to 6,900 and the fleet now includes 1 leased B-737-33A, 2 B-747-2B3BCs, 1 B-747-2B3F and 1 B-747-228F leased from **Air France**, 1 B-747-3B3C, 2 B-747-4B3s, and 5 DC-10-30s. On June 15, service from Paris to San Francisco is increased from four to six flights per week.

The number of B-747-4B3 flights from Paris to Singapore is doubled in October from two to four.

Passenger boardings decline 12.2% to 800,817 and freight is off 12.7% to 488.68 million FTKs. There is, however, a \$17.9-million net profit.

The longtime independent is absorbed into **Air France** during **1992**. There is an unofficial Web site located at <http://www.chez.com/utawebfan>.

UTILITY AIRWAYS, LTD.: United Kingdom (1936-1937). UAL is registered as a subsidiary of Merseyside Air Park Co. at London on December 30, **1936**. Employing a Monospar ST.12, it initiates four-times-per-day Hooton-Liverpool cross-Mersey flights on May 14, **1937**. On June 30, the frequency is suspended and the route is flown on demand. In July, a Hooton-Blackpool service is undertaken. Both operations are suspended on October 1.

UZBEKISTAN AIRWAYS NATIONAL AIR COMPANY (UZBEKISTAN HAVO YULLARI HY): 1 Ulitsa Proletarskaya, Tashkent, 700061, Uzbekistan; Phone 7 (3712) 911 940; Fax 7 (3712) 320 183; <http://www.uzbekistan-airways.com>; Code HY; Year Founded 1992. By decree of new President Islam Karimov, a former aircraft designer, the former Uzbeki directorate of **Aeroflot Soviet Airlines** is reformed at Tashkent on January 28, **1992** into the flag carrier of the newly independent CIS state of Uzbekistan, located in Central Asia. The company also acts as the country's Civil Aviation Department and assumes the old Aeroflot responsibility for general aviation, airports, and air traffic control.

Rafikov Ganiy is appointed president (and minister in the national government) with veteran **Aeroflot Soviet Airlines** captain Arslan Ruzmetov as director general. The former Soviet fleet is acquired: 10 Ilyushin Il-62Ms, 10 Il-86s, 13 Il-76TDs, 23 Tupolev Tu-154s, 25 Antonov An-24/26s, and 30 Yakovlev Yak-40s. All are painted in the new company's distinctive 10-color livery.

Under a 12-year lease-purchase arrangement, orders are placed for a pair of Airbus Industrie A310-324s and for new Thomson-CSF ATC equipment, both requests going to France. Revenue operations are undertaken linking the company's base and Samark with domestic locations as well as London, Tel Aviv, Istanbul, Jeddah, Delhi, Karachi, and Kuala Lumpur.

Having landed too far down the runway at Navoi following a March 23 service from Tashkent, an An-24B with 4 crew and 59 passengers overruns the runway and collides with a 1.95-m.-high pile of ferroconcrete slabs. The aircraft catches fire and breaks up (34 dead).

A total of 6.5 million passengers are transported; 3.83 million revenue passenger kilometers and 517.6 million FTKs are flown.

In response to a strike by **Indian Airlines Corporation** pilots late in the year, the government of India charts five Tu-154s, along with their crews, to fly replacement service. One of these, with 163 aboard, misses the Madras airport entirely on January 5, **1993** and lands at a nearby military base, nearly hitting a jet on the tarmac. Three days later, the same plane misses the runway while attempting to land at New Delhi, knocks out the guide lights, and flips over. Although all of the 178 passengers survive, the government grounds the Uzbek jets.

Six additional Il-76TDs arrive through April. All are contracted by **Air India, Ltd.** to fly freight on its behalf from Delhi to Zurich and back to Bombay.

The first of two A310-324s, formerly flown by **Ecuatoriana Airlines, S.A.** from whom they were repossessed, arrives under lease in the new blue and white livery in June. In July it begins replacing Il-62Ms and starts new frequencies to London via Frankfurt to Urumqi, China, and to the Mideast destinations of Jeddah, Sharjah, and Tel Aviv. A technical contract for their support is worked out with **Deutsche Lufthansa, A.G.** Il-76 freighter flights are maintained to Bangkok and Delhi.

As the result of substantial fare increases, intra-CIS traffic collapses; by fall, only 14 former Aeroflot aircraft are in service. To still earn funds with its grounded aircraft, Uzbekistan Airways begins an active wet-leasing program. Two Il-86s are chartered to **Xinjiang Airlines Company, Ltd.**, two Tu-154s are placed with **Rajiv Airlines**, one Il-62M goes to **Panaf Airways**, and three Il-76s are placed in Africa, one in the Sudan, and two in Luanda. Enplanements for the year total 460,127.

Uzbekistan's workforce totals 16,296 at the beginning of **1994**. With the arrival of the second A310-324, frequencies are initiated from Uzbekistan to Delhi, Karachi, and Istanbul. In February, commitments are made for the purchase of five Il-114-100s. They will gradually replace Yak-40 and An-24s currently in use on local lines. When the first of these arrive later in the year and enter service, they give Uzbekistan the honor of being the first Russian airline to operate the type; they also bring considerable teething problems, particularly regarding the reliability of their Klimov TV7-117 engines.

The Il-86s and Il-62Ms are employed to begin additional international flights to Bangkok, Beijing, and Kuala Lumpur. Plans are made to inaugurate scheduled long-haul intercontinental flights.

Passenger bookings during the 12 months drop to 900,000.

In **1995**, orders are placed for a VIP-configured B-757-200 and two B-767-300ERs. The first of the new long-haul Airbus services, from Tashkent to New York (JFK), begins in the spring. An agreement is entered into with **Trans World Airlines (TWA)** to interline passengers on to the domestic network of the U.S. major. At the same time, three Il-114 prototypes begin flying for the airline, two between Moscow and Tashkent.

Airline employment stands at 11,300 in **1996**. As the result of an ICAO safety inspection, the government establishes a State Inspectorate for the Supervision of Flight Safety and places Uzbekistan Deputy Director General Valeri Tian in charge. He is given the resources necessary to quickly establish the standards demanded by the U.N. affiliate.

A VIP-configured B-757-23P is delivered on October 19; it will operate on behalf of the government. The first B-767-33P, christened *Samarkland*, is delivered on November 27. The Boeing is employed to upgrade the New Delhi-London via Tashkent service, replacing an Airbus A310-324. A \$75-million order is placed at the end of December for three Avro RJ85s. The new regional jets will be jointly financed by the airline and by the U.K.'s Export Credits Guarantee Department.

Enplanements total 2.3 million, including 4,000 Japanese tourists visiting Uzbekistan, and a net \$7-million profit is reported. In addition, the company wins something of an international reputation for its nonscheduled flights in support of domestic consumer goods purchases; a total of 422 charters are thus flown to Omsk, Tomsk, Karachi, Delhi, and Sharjah.

As **1997** begins, UA is operating 75 weekly international flights plus 30 daily roundtrips to 16 domestic markets. The domestic service is, in general, operated with older Soviet equipment with the Western airliners flying internationally. The second B-767-33P arrives during March; both of the wide-bodies are 85% financed by a \$171-million loan from the U.S. Export-Import Bank.

Under a contract between the airline and Thomson-CSF, Uzbekistan, in May, turns on a new automated ATC system at Tashkent Airport. It is the first Western ATC system to operate in the CIS. Also in May, a third A310 is ordered for delivery the following April, while the two operated under lease are now purchased.

Weekly Tashkent to Jakarta B-767-33P roundtrips commence during the summer. Tourism to the ancient cities of Samarkand, Bukhara, and Urgench remains strong. New airports are now completed at the latter two destinations. The first of the three Avro RJ85s is delivered on July 7 and begins service eight times per day from Tashkent to the holiday destinations of Samarkand, Bukhara, and Koklund. On July 20, UA gains direct access to the worldwide AMADEUS reservations system. On August 29, the International Flight Safety Foundation awards the carrier a special diploma "for prominent services in the sphere of guaranteeing the safety of flights."

Company officials announce their plans on September 23 to lease between 10 and 15 Boeing 757/767 aircraft, which will be employed to replace the aging Tu-154Bs. Initial funding is provided by the sale of two Il-76TDs.

During the fall, the company signs one of the first strategic marketing pacts between airlines of the former Soviet Union when it agrees to cooperate with Moscow-based **Transaero Airlines** on code-sharing over routes from Tashkent to Moscow, maintenance, general schedule coordination, and marketing. The pact is known as the CIS Alliance.

Services continue apace in **1998**. In February, Uzbekistan and the U.S. sign an "open skies" bilateral air agreement that gives each country full access to the airports of the other. At Tashkent on June 18, the deputy directors of the Uzbek carrier and **THY Turkish Airlines (Turk Hava Yollari, A.O.)** sign a protocol that looks forward to cooperation in transportation, training, and technical matters.

A new weekly A3100-324 dual-designator service with **Transaero Airlines** is inaugurated on July 1 between Tashkent and Moscow, with connections to Bukhara, Khiva, and Samarkand. At this point, **Ukrainian International Airlines** also joins the **CIS Alliance**. Also on July 1, the company switches its Bukhara, Samarkand, and Urgench services from Domodedovo to Sheremetyevo Airport, thereby centering all of its activities in the Russian capital city at one location.

In ceremonies at Moscow on September 18, Uzbekistan Airways and **Aeroflot Russian International Airways (ARIA)** sign a new and far-reaching cooperative agreement. Under its terms, the two will undertake joint passenger flights from Moscow to the Uzbek cities of Tashkent, Samarkand, Urgench, and Bukhara and share in cargo services on the route from Moscow to New Delhi via Tashkent. Shared tariffs are introduced on flights from Uzbekistan to the European and Baltic cities served via Moscow. Managing Director Aslan Ruznetov takes the opportunity to note that the Russian currency crisis, which began the previous month, is not (yet) impacting on cooperation between the two carriers.

Flights are maintained in **1999**. The owned fleet at the beginning of the year includes 2 B-767-33Ps, 3 A310-324s, and 3 Avro RJ85s, plus holdovers from the old Aeroflot days.

Just after landing at Moscow's Sheremetyevo-1 on March 3 after a service from Tashkent, an A310-324, unable to stop, runs off the runway. No injuries are reported. The Itar-Tass news agency learns of the incident from a passenger.

On April 5, orders are placed with the Tashkent-based Tchkalov aircraft plan for 10 of the new 64-seat Il-114-100s. In a deal valued at \$80

million, the airline places orders on April 20 for two B-757-200s. The same day, part of the financing (\$18 million) is secured by loan from Barclays in London. On May 19, it is reported that delivery of the Il-114s will be delayed due to lack of engines.

A cooperative agreement, negotiated on April 29, is signed with **Air Ukraine** on June 17 covering shared routes and services. The media labels the pact as a new "CIS Alliance" air system.

While landing at Tutkul following an August 26 service from Tashkent, a Yak 40 with 4 crew and 28 passengers overshoots the runway and rolls over (2 dead).

The first B-757-23P is delivered on September 3 in ceremonies at Seattle. Beginning on September 9 and continuing for two weeks, the first three Il-114-100s powered with Klimov TV7-117 engines are delivered from the nearby TAPO manufacturing plant. The Alarko Company, Laing Company, and Maruben Company, from Turkey, Britain, and Japan, respectively, launch modernization projects on September 16 at the airports of Samarkand, Buhara, and Urgenc.

At the beginning of October, an agreement is signed between the Uzbek Council of Ministers and the Frankfurt Main Airport under which the German airport will provide equipment valued at DM 26.48 million.

The second new B-757-23P is delivered on December 9. The Il-114-100 receives its airworthiness certificate in December, the same month the carrier receives its fourth unit.

The fleet at the beginning of 2000 includes 3 A310-324s, 3 B-757-23Ps, 2 B-767-33Ps, 3 RJ85s, 1 An-2, 6 An-12s, 23 An-24Bs, 15 Il-62Ms, 20 Il-76TDs, 10 Il-86s, 4 Il-114-100s, 24 Tu-154Bs, and 28 Yak 40s. While still not having overcome the type's engine problems, Uzbekistan orders 4 additional Il-114-100s in January.

Destinations visited now include Aleppo, Almaty, Alma-Ata, Amsterdam, Andizhan, Ashgabat, Astana, Athens, Baku, Bangkok, Barnaul, Beijing, Bishkek, Bukhara, Chelyabinsk, Dhaka, Delhi, Ekaterinburg, Fergana, Frankfurt, Irkutsk, Islamabad, Istanbul, Jeddah, Kaliningrad, Karachi, Karshi, Kazan, Khabarovsk, Kiev, Kokand, Krasnodar, Krasnoyarsk, Kuala Lumpur, Lahore, London (LHR), Mineralnye Vody, Minsk, Moscow, Namangan, Navoi, New York (JFK), Novosibirsk, Nukus, Omsk, Paris (CDG), Perm, Rome, Rostov, St. Petersburg, Samara, Samarkand, Sariasia, Seoul, Shahrizabz, Sharjah, Simferopol, Tbilisi, Tehran, Tel Aviv, Termez, Turtkul, Tyumen, Uchkuduk, Ufa, Urgench, Urumqi, Vienna, Volgograd, Yerevan, and Zarafshan.

Balkan Bulgarian Airlines officials announce on February 1 that the suspended service to New York (JFK) will soon be resumed; employing a B-767-33PER in code-share with Uzbekistan Airways, the new flights will route from Tashkent to New York via Sofia. On March 29, plans are revealed for the initiation of twice-weekly A310-324 return flights from Tashkent to Birmingham, England, on April 16. Meanwhile, on April 7, weekly B-757-23P roundtrips are initiated from Tashkent to Rome.

In late April ceremonies, the Uzbekistan Minister of Communications and the Turkish Minister of Communications preside over the opening of the modernized airports at Samarkand, Buhara, and Urgenc. At the same time, it is confirmed that the carrier will take the four Il-114-100s requested from the Tashkent-based TAPO factory; these are to be powered with leased Pratt & Whitney PW-127H engines. Six more of the \$8-million aircraft, similarly configured, will also be obtained.

A joint agreement is signed on May 17 by the carrier with **East Line Airlines** and the Chkalov Aircraft Company (TAPOiCH) for the joint lease of two new Ilyushin Il-76TFs, the first of which will be delivered in the spring of 2001. Unable to obtain Pratt and Whitney power plants, TAPO must inform the airline on May 19 that delivery of its first two Il-114-100s will be delayed.

In cooperation with **East Line Airlines**, joint services are launched from Domodedovo Airport on May 25. The Rome service becomes twice weekly on June 3. Also during the summer, new service is introduced on Saturdays from Amsterdam via Tashkent to Amritsar, India.

On December 18, the carrier signs a contract with ELT Banbury, a language school based at Banbury, England, for EU-funded English instruc-

tion for its senior management, controllers, and trainers. The first of three Uzbek groups will begin their ESL training at Banbury in January.

It is announced in late December that the company will launch B-757-23P weekly roundtrips on April 28 from Tashkent to Osaka (KIX). These will be the only scheduled services between Japan and the Central Asian republic.

UZU AIR (PTY.), LTD.: Australia (1994). Uzu Air is established at Cairns in January 1994 to provide scheduled passenger services in the Torres Strait. Equipped with 2 Pilatus-Britten-Norman PBN-2 Islanders, revenue operations commence in February. Traffic does not materialize and the new entrant is forced to shut down at year's end.

VACATIONAIR, LTD.: Canada (1980-1990). Established at Toronto in fall 1988 by International Travel Group, Ltd., Vacationair acquires a leased Boeing 737-2T5A from **Air Europe, Ltd.** and begins charter flights to the Caribbean, Mexico, and Florida in December.

A second B-737, a Dash-2Q8A, is delivered in January 1989 and following the winter tourist season is leased to **Aviogenex** for the summer. When the winter schedule resumes in the fall, flights are offered to the previous year's destinations, plus Cuba, Turks and Caicos Islands, and the Dominican Republic.

Recession causes the company to cease operation in 1990.

VAIL AIRWAYS. See **ROCKY MOUNTAIN AIRWAYS**

VAK-ROSAT AIRLINE: Samara Airport, Samara, 443064, Russia; Phone 7 (8462) 227 380; Code VAK; Year Founded 1995. Vak-Rosat is established at Samara in 1995 to offer regional passenger charters. L. P. Gvozdovski is director general and he begins revenue flights with 1 each Tupolev Tu-154M and Yakovlev Yak-40.

Although it is understood that this carrier continues to operate in the period after the beginning of the August 1998 Russian currency crisis, no definite information has been located to that effect.

VALDEZ AIRLINES: United States (1979-1985). Valdez is founded by partners Jeffrey D. Haddock and Ronald A. Watson at Anchorage in late fall 1979 to provide third-level passenger and cargo services to destinations in south central Alaska. The carrier inaugurates revenue flights on January 1, 1980 to Valdez, the southern terminus of the Trans-Alaskan oil pipeline.

Operations continue apace in 1981 and with a fleet of 3 Piper PA-31-350 Navajo Chieftains, the commuter now begins to offer replacement flights for **Wien Air Alaska** to Homer, Iliamna, Kenai, and Kodiak in October 1982.

During 1983, the Chieftains are replaced with a fleet of Embraer EMB-110P1 Bandeirantes. Enplanements for the latter year total 52,000.

Just after landing at Cordova on February 22, 1984, Wien Air Flight 463, a company EMB-110P1 with two crew and seven passengers runs off the runway, during which exit the Bandeirante's landing gear collapses and the left propeller hits the ground. The pilot's first flight in 21 days ends with this brake failure, but no injuries are reported.

The company is purchased by **Liberty Air** on September 1, but quickly goes bankrupt, operating its final service only three days later.

VALDOSTA-PHOENIX AIRLINES: United States (1972-1973). V-PA is established at Valdosta, Georgia, in 1972 to offer daily scheduled air taxi flights to Atlanta. Employing a Cessna 402, revenue roundtrips are duly inaugurated, but cannot be maintained beyond 1973.

VALDRESFLY, A.S.: P.O. Box 30, Hommedalen, N-1350, Norway; Phone 47 6758 3588; Fax 47 6758 3644; Code VZ; Year Founded 1995. Valdresfly is established at Hommedalen in 1995 to offer passenger services, both scheduled and charter. Gunner Hagsveen is president and he begins services with 1 each Cessna 206 and Cessna 550 Citation I. A Dornier 228-212 is acquired in 1996 and flights continue in 1997-1999.

VALE INTERNATIONAL AIRLINES: United States (1979–1980). VIA is set up at Nashville, Tennessee, in 1979 to provide scheduled passenger and cargo services to regional destinations. Employing a pair of Piper PA-31-310 Navajos, the commuter duly inaugurates daily roundtrips linking its base with Lexington, Kentucky, and from there, Indianapolis and Columbus, Ohio. Services cannot be maintained beyond 1980.

VALLEY AIR: United States (1990). Valley Air, the scheduled division of Valley Flying Service, is established at Burlington, Vermont, in the early summer of 1990 to provide daily roundtrips to Albany, New York, via Rutland. Piper PA-31-310 Navajo frequencies are duly inaugurated in June, but in the face of a difficult recession, cannot be sustained beyond August.

VALLEY AIR SERVICE: United States (1976–1978). VAS is established at St. Thomas, U.S. Virgin Islands, in 1976 to provide scheduled passenger services to Anguilla in the British Virgin Islands. Daily Britten-Norman BN-2 Islander roundtrips are duly inaugurated and maintained for two years.

VALLEY AIR SERVICE, LTD.: British West Indies (1977–1979). Clayton Lloyd founds his Valley Air Service at Anguilla in the British West Indies in 1977. Employing a Britten-Norman BN-2 Islander, passenger and cargo services are offered to various destinations in the Leeward Islands and to St. Thomas.

Unable to cope with higher fuel costs, the company goes bankrupt in December 1979.

VALLEY AIRLINES (1): United States (1968–1974). The first Valley Airlines is set up at Oakland, California, in the fall of 1968 to provide scheduled passenger and cargo services. Employing Beech 18s, the commuter inaugurates revenue flights in October linking its base with San Jose, Fresno, Bakersfield, and Santa Barbara.

Operations continue apace until mid-1974, when Valley is merged with Ram Airlines to form Pacific Northwest Airways.

VALLEY AIRLINES (2): United States (1974–1989). Valley is established at Frenchville, Maine's Northern Aroostock Regional Airport in February 1974, as the scheduled airline division of the local FBO to offer regional passenger and cargo charter and contract service flights.

The decision is taken during the summer of 1981 to offer regularly scheduled service. Equipped with 2 Cessna 310s and 2 Cessna 402s, it inaugurates scheduled third-level passenger and cargo services on November 2, linking its base with Bangor via Presque Isle twice daily.

A total of 338 passengers are flown in two months.

In 1982, the small regional transports 3,048 passengers and hauls 13,000 pounds of freight. Services are started to Augusta and Portland in 1983 and these new markets help customer bookings to rise 38.6% to 4,223. Freight skyrockets by 158.7% to 32,883 pounds.

Cargo increases a further 221.1% in 1984 to 106,000 pounds. Enplanements rise 70.9% to 7,218.

The fleet in 1985 includes 3 Cessna 402s, 2 Cessna 310s, and 1 Beech 58.

The balloon is deflated, somewhat, as passenger boardings fall 8.4% to 6,614 and freight plunges 41.6% to 62,000 pounds.

The 28-employee small regional is purchased by Bar Harbor Airlines in 1986, but continues to operate as a subsidiary of its new parent.

Enplanements for the year dip a further 2.6% to 6,441.

In July 1987, four-times-per-day (except Saturdays) nonstop service is inaugurated from Laconia, New Hampshire, to Boston.

Passenger boardings rebound and indeed jump 49% to 9,597.

Airline employment grows a dramatic 79.3% in 1988 to 52 and the fleet now includes 6 Cessna 402s and 1 each Cessna 310, King Air 100, and Beech 99.

Customer bookings jump 21.2% to 11,628.

The company is renamed **Northeast Express Regional Airline** on September 18, 1989, becoming a Northwest Airlink partner of **Northwest Airlines**.

VALLEY CATALINA AIRLINES: United States (1981). VCA is set up at Van Nuys, California, in 1981 to offer scheduled passenger and cargo flights to Santa Catalina. Although Beech 18 revenue flights begin, they cannot be maintained due to the ATC restrictions imposed late in the year as a result of the PATCO air traffic controllers' strike.

VALLEY COMMUTER: United States (1975–1976). In 1975, Eugene Flight Center, the FBO at the Eugene, Oregon, airport, establishes an airline operating division in order to provide scheduled passenger flights to Portland. Employing a Piper PA-31-310 Navajo, frequencies are initiated, but lack of traffic causes this operating unit to be shut down in 1976. Charter flights are, however, continued.

VALLEY ISLE AVIATION: United States (1965–1967). VIA is founded at Kahului in the fall of 1965 to offer flights to Honolulu and flight-seeing tours. Employing a Beech 55 and often competing with **Tropic Air**, Valley inaugurates services on October 29 and continues them until it goes out of business in 1967.

VALUJET AIRLINES: United States (1993–1997). Valujet, which will soon be compared to low-cost predecessor **PEOPLEExpress**, is established at Atlanta in June 1993 by Robert Priddy, a founder of **Atlantic Southeast Airlines**, Maurice Gallagher and Tim Flynn, cofounders of **Westair Commuter Airlines** and former **Continental Airlines** President Lewis Jordan. Respectively, the four take the titles: chairman/CEO, vice chairman/treasurer, director, and president/chief operating officer. Investment is sought through public stock offering under the Nasdaq stock symbol VJET.

The newly assembled workforce dispenses with formal uniforms; tickets, nonrefundable, are also not required. Advertisements emphasize pursuit of a low-fare, low-cost, low-frequency leisure market. Twice-daily "fun and friendly" low-cost, roundtrip, scheduled passenger service is inaugurated on October 26 from Atlanta to Orlando, Jacksonville, and Tampa with a pair of Douglas DC-9-32s formerly operated by **Delta Air Lines**.

The competition is directly with the dominant carrier, Atlanta-based **Delta Air Lines**. The fleet is increased by four more Douglas transports by year's end and the carrier is the first to adopt a cartoon as its official logo. When **Delta Air Lines** counters with \$49 matching fares, Valujet is able to hold on, although one counter-pricing effort by the major in mid-December brings a predatory-practice complaint from President Jordan to the DOT.

Revenues of \$5.8 million are reported at year's end and the new entrant is profitable.

Eight more DC-9-32s are acquired in early 1994 and destinations served grow on January 12 to include Nashville, West Palm Beach, and Washington, D.C. (IAD). On January 28, a landing DC-9-30 goes off an icy runway at Washington, D.C. (IAD) and skids into the grass, forcing officials to close the airport for almost two hours. None of the 101 passengers and 5 crew members are injured.

Other markets entered in the first quarter include Memphis, New Orleans, Louisville, Savannah, Fort Myers, and Fort Lauderdale. Atlanta and Washington are designated "focus cities," and city pairs visited from those communities are chosen on a basis of low-cost profitability. Through the end of April, the airline has flown a cumulative total of 425,000 passengers.

New four-times-per-day service is inaugurated from Atlanta to Philadelphia and Chicago (MDW) on May 24. Meanwhile, **Delta Air Lines** withdraws from its competition with Valujet at Atlanta, preferring to retain its high-yield connecting traffic and many frequencies. For its part, another competitor facing Valujet's low-frequency, low-fare approach, **USAir**, fights back with its own lowered fares. Four daily nonstop

frequencies are initiated on July 12 from Atlanta to Dallas (DFW) for a one-way fare of \$69. A \$41-million order is placed in August with ABS Partnership and Pratt & Whitney for 15 DC-9 hush-kits.

Thrice-daily nonstop roundtrips commence on September 8 between Atlanta and Indianapolis. On October 1, a \$16-million agreement is signed with **THY Turkish Airlines (Turk Hava Yollari, A.O.)**, for the purchase of nine used DC-9-32s, together with spare parts and engines.

Passenger boardings for the year total 2,041,000 and revenues are \$133.9 million. With expenses of \$99.4 million, there is a pretax profit of \$34.5 million and a net gain of \$20.7 million.

There is no change in the size of the workforce in **1995**. The most successful of recent new entrants, Valujet is elevated to the ranks of National carriers by the DOT early in the year. The company adds 21 more jetliners to its fleet.

On January 9, Valujet begins service from Atlanta to Detroit (DTT), setting off a price war with **Northwest Airlines**. Northwest not only lowers its own fares, but quickly inaugurates flights to Atlanta from Flint, Lansing, Grand Rapids, Kalamazoo, Muskegon, and Saginaw.

Daily roundtrips commence on February 8 between Windsor Locks, Connecticut, and Washington, D.C. Eight more communities will join the system over the next 10 months, with Boston and Orlando marked to become focus cities. On April 10, a 2 to 1 stock split occurs and there is now 26.6 million shares outstanding.

The engine of Flight 597, a DC-9-32 with 62 passengers and bound for Miami, malfunctions as the jetliner, one of the first to be received from **THY Turkish Airlines (Turk Hava Yollari, A.O.)**, rolls for take-off from Atlanta on June 8. An engine fragment strikes a fuel line causing a fire that will destroy the aircraft. Seven people are injured in the plane's forced evacuation. The same day, thrice-daily, \$49, one-way service is inaugurated to Boston from Washington, D.C. (IAD) and thrice-daily \$149 one-way from Atlanta.

The NTSB will report on July 6 that the June fire has been traced to faulty JT8D engine repair on a Pratt & Whitney unit outsourced to Turkey for overhaul. It issues an airworthiness directive requiring that all JT8Ds acquired from or repaired by THY be inspected.

Service to and from Montreal is discontinued on July 11. At month's end, it is reported that upwards of 300 Mary Kay Cosmetics sales representatives, who thought they had booked flights, have been duped in a credit card scam.

During the summer, flight attendants continue to engage in slapstick humor as the airline continues to promote itself with the slogan "Good Times, Great Fares." **USAir** informs the SEC on August 14 that the DOJ is examining charges of predatory pricing in certain cities made against it by Valujet and **Nations Air Express**. The charges will be dismissed. Valujet launches the MD-95 on October 19 with an order for 50 of the type and options on another 50.

The Atlanta-based carrier sues **Trans World Airlines (TWA)** and **Delta Air Lines** on November 9 over landing slots at New York (LGA). Eight days later, U.S. Federal Judge G. Ernest Tidwell clears the way for Delta to lease 10 of TWA's New York (LGA) slots by rejecting Valujet's request for an injunction.

While climbing away from Dallas (DFW) on December 12, Flight 224, a DC-9-32 with 59 passengers, suffers the failure of its No. 2 engine. The pilot declares an emergency and makes a successful one-engine-out landing back at the point of origin; no injuries are reported.

On December 15, "focus city" operations are set up at Orlando and Boston. Nonstop frequencies are inaugurated from Boston to Orlando and Tampa; the same day, nonstops commence from Orlando to Boston.

Having doubled its size, the newest national experiences tremendous growth in traffic, revenues, and profits. Enplanements skyrocket 153.7% to 5,177,629. Operating income surges 174.7% to \$367.75 million while costs are unable to keep pace, rising to just \$260 million. Operating gain climbs to \$107.75 million while a net profit of \$67.76 million, three times more than the previous year, is posted.

The employee population stands at 1,411 in **1996**. Early in the year, company officials admit that ferocious competition from **Southwest**

Airlines (2), which will enter the Florida market on January 22, has had an impact upon Valujet's ability to enhance its Sunshine State market. Still, expansion continues in January as the carrier builds up a hub at Raleigh/Durham.

Flight 558, a DC-9-32 piloted by Capt. Steven Rasin and en route from Atlanta to Nashville on January 7, suffers a sudden ground spoiler deployment while on final approach to Nashville. The aircraft makes a hard landing that causes extensive damage to the fuselage underside and the forward landing gear. No injuries are reported as crew and passengers make an emergency evacuation.

On January 11, nonstop service is inaugurated to Raleigh/Durham from Orlando and Boston. At the same time, twice-daily direct frequencies begin from Raleigh/Durham to Boston and once daily to Orlando. Introductory one-way fares of \$79 are charged for the Massachusetts service and \$69 to the Florida stop.

The next day, Flight 281, a DC-9-32 arriving from Boston with 30 passengers, slides off the Washington, D.C. (IAD) runway after landing. The incident, caused by ice that had formed on the pavement, does not result in any injuries.

Nonstop daily frequencies begin on January 18 from Boston to Fort Lauderdale and West Palm Beach and from Orlando to Memphis and Philadelphia. On January 26, a DC-9-30 skids off an Atlanta runway and gets stuck in the mud. No one was injured, but 101 passengers on Flight 260 from New Orleans must be bused back to the terminal and reasigned to other flights.

While landing at Nashville after a flight from Atlanta on February 1, Flight 558, a DC-9-32 with 75 passengers and 5 crew members, suffers a burst tire upon touchdown. The plane comes to a stop with its right wing resting on the runway; no injuries are reported in the subsequent evacuation.

Under contract with TAD Aviation Services, a reservations center is opened at Newport News, Virginia, in February. At the same time, 1,000 reservations agents employed by the airline are hired by Amlease of Charlotte, North Carolina, and Foxtrot Aviation Services of Reston, Virginia, which take over the reservations functions on an outsourced basis. Three new DC-9-32s are also acquired.

Flight 574, a DC-9-32 with 74 passengers aboard, rolls off the runway after landing at Savannah, Georgia, following a flight from Atlanta on February 28. All aboard are safely evacuated without injury.

On March 1, daily nonstop roundtrips commence between Washington, D.C. (IAD) and New Orleans. Simultaneously, frequencies from Dulles to Charlotte are offered four times daily while those to Pittsburgh become thrice daily. On March 19, company officials announce the inauguration of daily roundtrip flights between Atlanta and New York (LGA).

As a result of the recent in-flight incidents noted above, the company, on April 10, announces that it will voluntarily slow the growth of its fleet while FAA regulators review the company's operation.

Five-times-daily roundtrips commence as scheduled on May 1 from Atlanta to New York (LGA). The same day, thrice-daily Boston-Philadelphia roundtrip service is launched, along with thrice-daily roundtrips from Atlanta to Mobile and twice-daily roundtrips from Atlanta to Fort Walton Beach, Florida.

Just after takeoff from Miami (MIA) for Atlanta on May 11, Flight 592, a DC-9-32 piloted by Capt. Candalyne Kubeck with 109 passengers, crashes into the dark waters and muck of the Florida everglades some 85 miles from the airport; there are no survivors. Both the NTSB and FAA begin immediate investigations into the cause, which will later be laid to exploding oxygen generators placed aboard in error.

The disaster, coming on the heels of the year's earlier incidents and intense media scrutiny, puts Valujet's survival in doubt. On May 16, the FAA launches an intense inspection regime. The next day, while FAA inspectors visit *en masse*, the carrier slashes its schedule to 320 daily flights. In the week after the crash, the company refunds some \$4.1 million to customers whose flights have been cancelled. Company stocks fall to their lowest level in a year and, on May 20, cofounder Timothy P. Flynn sells 1.5 million of his 5.98 million shares of common stock.

Company officials begin to meet with FAA inspectors at Atlanta on May 22 to discuss results of safety inspections along the company network. By the end of the first week of June, Anthony Broderick, FAA associate administrator for regulation and certification, is able to announce that 1,000 detailed safety checks have been made of Valujet since May 11. Although concern exists over quality assurance procedures at the airline, none of the findings from the inspections have prompted the agency to revoke the carrier's operating certificate.

At the same time, NTSB Chairman James Hall asks the FAA to review airline hazardous materials handling procedures and calls for a ban on the transport of chemical oxygen generators on passenger airliners.

Admitting that both his agency and Valujet had failed to properly oversee maintenance operations, FAA Administrator David R. Hinson reaches the decision on June 16 that the company cannot keep up with the volume of violations and difficulties uncovered by inspectors over the past 30 days. On June 17, before the government can issue a public grounding order, Valujet is "voluntary" shutdown by President Jordan, who hands in his Part 121 operating certificate and agrees to a binding consent order. Granted immunity for violations known to the FAA before June 18, the consent order also requires Valujet to immediately undertake a three-phase program to address its shortcomings in quality control, training, and engineering. Valujet is the largest U.S. airline ever shut down for safety concerns.

On June 24, FAA Associate Administrator Broderick is forced to retire; the respected safety official is assigned responsibility for the safety oversight failures of his agency. The Aviation Subcommittee of the Transportation and Infrastructure Committee of the U.S. House of Representatives holds hearings on the Valujet shutdown during the month's last week. FAA officials deny allegations of White House involvement in the Valujet grounding.

Former **Trans World Airlines (TWA)** Senior Vice President-Maintenance and Engineering James Jensen accepts the same post at Valujet on July 1. Later in the week, President Jordan submits a plan for the resumption of service to the FAA. The document outlines its future, particularly in terms of maintenance training and supervision, as well as its employee compensation program and oversight of its outsourced maintenance operations.

On July 15, the FAA moves to restrict the transport of certain hazardous materials on airliners, particularly oxygen canisters of the type that contractor SabreTech had placed aboard the Valujet plane blamed for the May 11 disaster. Three days later, FAA safety inspectors in Atlanta prohibit carrier personnel from conducting training or ferry flights; the ban will be lifted two weeks later. It is now revealed that gaps in the company's records for part of July have effectively disqualified all of the airline's pilots and check airmen and the FlightSafety International instructors contracted to train them. The check pilots and instructors must be retrained.

Meanwhile, the carrier's costs mount and during the summer, Valujet renegotiates its bank debt in an effort to avoid default.

The crash program by a team of 300 Valujet officials to make the stipulated corrections in the June 18 consent degree is completed by the self-imposed deadline of August 1. Documents are provided to the FAA supporting this claim. In an effort to prevent the government from grounding its pilots, the carrier on August 5 begins to require four hours of DC-9 simulator training and a check ride for all of its laid off pilots. Seventy pilots are recertified by August 21. At the same time, some 500 other employees are recalled for training: pilots, 100 flight attendants, 175 customer service agents, and 175 reservations agents.

The carrier's landing slots at New York (LGA) are returned to **Continental Airlines** on August 26.

On August 29, both the DOT and the FAA grant approval for the carrier to relaunch some services, under heavy scrutiny. Others are flown by charter operators under contract. The company's certificate is returned on August 30, with permission to resume limited operations. On September 26, the DOT rules that it has found the airline and its management fit and willing to run a safe operation.

Although AFA attempts to halt the resumption of limited Valujet service by filing a suit in U.S. Court of Appeals, Washington, D.C., claiming that the carrier remains unsafe, the judge in the case refuses to issue an injunction.

Despite a 30-min. delay, a DC-9-32 flying from Atlanta takes the airline back into operation on September 30 with a scheduled service to Washington, D.C. (IAD). The Florida communities of Fort Lauderdale, Orlando, and Tampa are also visited during the first day of resumed service. A total of 35 daily frequencies are offered during the remainder of the month with \$19 one-way introductory fares available for each flight.

Although the inaugural day is a success, financial ruin continues to stare the carrier in the face. The situation is not helped any when, on October 1, **Delta Air Lines** begins "Delta Connection" low-cost service. Many of the markets targeted by the major's division will be former Valujet destinations to which Chairman Priddy and President Jordan had hoped to return.

Service is resumed on October 4 to Columbus, Newport News, and New Orleans and on October 16, Louisville, Memphis, Savannah, Jacksonville, and Fort Walton Beach. Fifteen more DC-9-32s and MD-80s are added to handle the increased schedule.

While these services are being resumed, Valujet begins to air a series of no-frills, 30-second TV spots on Atlanta cable TV systems thanking loyal employees for remaining with the company. At the same time it attempts to boost the airline's image with the theme "Valujet's back, and here are some reasons why."

Board Chairman Priddy resigns his posts on November 6, remaining as chairman/CEO of the Valujet, Inc. holding company; his mantle is taken up by airline President Jordan. The new Valujet Airlines President/CEO is D. Joseph Corr, who had earlier followed Mr. Jordan into the presidency of **Continental Airlines**.

On November 12, Valujet reports the loss of \$21.9 million in the third quarter and a total of \$54.7 million in costs associated with the May 11 crash of Flight 592. The same day, the NTSB begins a week of public hearings on the May disaster. These disclose numerous operations and maintenance failures by the airlines, by its subcontractors, particularly canister-shipper SabreTech, and by the FAA.

Two days later, the FAA moves to require fire detection and suppression systems in the cargo holds of all airliners and acts to ban the transport of oxidizing materials that can feed fires. Also on November 14, the company, in its regular filing with the Securities and Exchange Commission, reports that because of costs associated with the disaster, it may be in default of its loan agreements by year's end.

In early December, the company, having lost confidence in one of three charter operators with which it has contracted, cancels all flights under its name to Dallas and Fort Myers. Recently added flights to West Palm Beach are, however, continued.

A contract is signed with **Sun Pacific International** and **Kiwi International Air Lines** on December 26 under which the two will operate charter flights from Atlanta to Dallas and to Fort Myers and West Palm Beach, Florida, through January 6. The flights will carry passengers who booked with Valujet when it advertised the service before it received FAA approval.

Overall customer bookings plunge 42% to 3,003,883. Revenues fall an almost equal 40.3% to \$219.63 million as expenses rise 4.5% to \$271.03 million. The previous year's giant profits are turned into huge losses: \$51.39 million (operating) and \$41.47 million (net).

As **1997** begins, the FAA allows the company to add three more DC-9s to its fleet, but withholds permission for it to resume flights to Dallas (DFW). Still, on January 3, daily roundtrips resume from Atlanta to West Palm Beach, Florida, followed by a resumption of service from Georgia to Fort Myers on January 16.

A twentieth DC-9 joins the Valujet fleet during the last week of January. At this point, service has been restored or added to 18 cities. With FAA approval, frequencies to Boston are reinstated on February 20 from Washington and Atlanta.

At this point, Valujet accuses **Delta Air Lines** and several other majors of "aggressive predatory pricing" as a result of its January traffic downturn. Delta rejects the claim, as do the others.

The carrier installs smoke detectors in all of its airplane cargo holds. Thrice-daily nonstop roundtrips commence on March 6 from Atlanta to Akron-Canton Regional Airport in Ohio.

Flights from Atlanta to Dallas (DFW) are restarted on April 10 and to Charlotte on May 15. On the latter date, the carrier launches thrice-daily roundtrips from Atlanta to Flint, Michigan. On May 21, Valujet seeks permission to restart services to New York (LGA).

Although 15 lawsuits arising from the previous year's crash have been settled out of court, the first of 40 more go to trial in June. During the month the company holds merger talks with **American Trans-Air** that will shortly prove unsuccessful.

On July 1, officials of the airline, having decided that they cannot return the company to profitability under its current identity, sign an agreement to merge with Airways Holdings, parent of **Airtran Airways**. Pending all necessary approvals that will be duly received, the union will occur within three months, with the Airtran name surviving. The arrangement calls for a straightforward one-for-one exchange of 9,067,937 shares of Valujet stock valued at \$61.8 million. Valujet's president Corr will become CEO of the enlarged operation, which will operate a fleet of 40 Boeing 737s and DC-9s.

Due to a lack of traffic, the company suspends services to Charlotte, Louisville, and Columbus on the day after Labor Day.

In September, the NTSB issues its findings concerning the crash of Flight 592. Responsibility for the disaster is assigned to SabreTech, the FAA, and the airline itself. The decision to add the airline into the mix is largely a last-minute attachment to the final report demanded by NTSB board member John Goglia. In its response to the findings, Valujet condemns Goglia; "his obvious bias and personal conduct discredit the reputation of this board," the airline states.

On October 1, **Valujet Airlines** begins flying under the name **Airtran Airlines**.

Three years after the disaster, on May 11, 1999, a new concrete memorial is dedicated in the Everglades to the memory of the victims. Designed and built by students from the University of Miami, the monument consists of 110 gray concrete pillars—one for every lost person—atop a triangular-shaped platform that points toward the crash site, some 8 mi. N.

Two months later on July 15, the State of Florida charges SabreTech, Inc. with 100 counts of third-degree murder. A former SabreTech vice president and two mechanics are indicated by a federal grand jury for a cover-up involving hazardous waste violations and other crimes.

VANAI, LTD. (VANUATU INTERNAL AIR SERVICES): Private Mail Bag 069, Bauerfield Domestic Terminal, Port Vila, Vanuatu; Phone 678 22 827; Fax 678 22 438; <http://www.islandsvanuatu.com/vanair.htm>; Code V3; Year Founded 1990. Vanair is established at Port Vila in early 1989 to provide scheduled internal services among the islands of the former New Hebrides. Merger discussions are held with **Air Melanesiae**, but these fail, as does Air Melanesiae in early November and on November 29 its assets pass to Vanair. Managing Director M. Pope's initial fleet now comprises 3 used Pilatus-Britten-Norman PBN-2 Islanders and a de Havilland Canada DHC-6-300 Twin Otter.

Flights commence at the beginning of January 1990. A Pilatus Britten-Norman BN-2A Trislander is destroyed on the ground at Vanuatu on January 3.

Two more Twin Otters are acquired in 1991, along with an Embraer EMB-110P1 Bandeirante. In October 1992, a contract is awarded to **Australian Regional Airlines (Pty.), Ltd.** for the modification of the Twin Otter; the repair job is the first such ever won by the Townsville-based airline.

Operations continue apace in 1993–1994. During these years, David Young becomes managing director. A fourth DHC-6-300 is purchased and an option is taken on an Avions de Transport Regional ATR42-520.

Flights continue in 1995–1999 with Willie Naripo becoming managing director. The ATR42-520 is not acquired; instead, the fleet is upgraded by the addition of a de Havilland Canada DHC-8-103. Scheduled destinations now include Aniwa, Craig Cove, Dillons Bay, Ermae, Espiritu Santo, Ipota, Lamap, Lamen Bay, Longana, Lonorore, Norsup, Paarva, Sara, South West Bay, Tanna, Tongoa, Torres, Ulei, Walesdir, and Walaka. A marketing alliance is entered into with **Air Vanuatu**.

Airline employment totals 145 at the beginning of 2000.

VANCE INTERNATIONAL AIRWAYS: United States (1949–1971). Vance Roberts incorporates **Vance Airways** at Seattle, Washington, on March 29, 1949. Douglas DC-3 contract services are inaugurated shortly thereafter and are maintained on a charter basis until December 19, 1962, when the company is given an exemption by the CAB to operate as a scheduled air taxi.

As a result of CAB investigations into the role of supplemental carriers, Vance is one of 10 carriers to receive permanent certification in April 1966. It is awarded traffic rights to Canada and Mexico on December 15.

Revenues for the year total \$203,264. Expenses, however, are \$252,275, leaving a loss of \$54,006.

Revenues total \$455,731 in 1967 and additional losses are taken: \$24,920 (operating) and \$25,231 (net).

The fleet is now increased by the addition of 1 each Curtiss C-46 Commando and DC-7.

Two DC-4s are acquired and inclusive-tour charters begun. These are traded in 1968–1969 for three Lockheed L-188A Electras, but losses continue to decline. Revenues in the former year reach \$410,191. Losses, however, are \$70,465 (operating) and \$71,779 (net).

Roberts sells his carrier to McCulloch of Long Beach in 1971 and it is renamed **McCulloch International Airlines**.

VANCOUVER ISLAND HELICOPTERS, LTD.: 1-9600 Canora Road, Sidney, British Columbia, V8L 5V5, Canada; Phone (604) 656-3987; Fax (604) 655-1180; <http://www.vih.com>; Year Founded 1955. Theodore "Ted" Henson establishes Vancouver Island Helicopters, Ltd. (VIH) at Vancouver, British Columbia, in 1955 to support mining and construction work in the north woods. Financial assistance is provided by Bill Boeing Jr., son of the founder of Boeing Aircraft, and revenue charters commence from Victoria Airport, near Sidney, with a single Bell 47G-2.

Following a successful first two years, Henson disappears without a trace in 1957 while flying for the BC Power Commission near Tatlayoko Lake. Henson's widow Lynn marries Alfred Stringer, a cofounder of **Okanagan Helicopters, Ltd.**, in 1959 and he departs his post as operations manager at the pioneer concern and moves to VIH to become president. General charter, sight-seeing, mineral support, agricultural services, heli-logging, ferrying of ship's pilots to vessels in the ports of Prince Rupert, Sand Spit, Port Hardy, Gold River, and Victoria, as well as other activities, are continued for the next quarter century.

In 1985, Frank Norie, who becomes the company's principal shareholder, buys out both Boeing and Stringer. His son Ken and General Manager Barry Hewko also acquire smaller stakes. In 1986–1991, the company, in addition to its earlier activities, also provides Bell 205s for fire-fighting activities under contract to the BC Fire Service. The subsidiary VIH Heli-logging, Ltd. is established under Vice President Ken Norie in March of 1991 to concentrate on timber harvesting. Initial operations are undertaken with a Sikorsky S-61N leased from **CHC (Canadian Helicopters Corporation, Ltd.)**; however, the American-made machine is replaced six months later by the first Soviet helicopter to operate commercially in North America, a Kamov Ka-32.

Meanwhile, Robinson R22s provide helicopter flight training while Bell 206L LongRangers are employed to install and maintain mountaintop repeater stations for BC Telephone Company. Sight-seeing and maintenance operations conclude the company's portfolio of aerial services.

In July 1992, VIH becomes the first helicopter operator in British Columbia to provide a dedicated aeromedical service. Under a five-year contract from BC Ambulance, part of the province's Ministry of Health, the company provides three Bell 222UTs for Airevac flights from Vancouver International Airport, Victoria Airport, and Prince Rupert Airport.

During the year, VIH and the Pacific Pilotage Authority conduct trials with a Bell 222UT fitted with a Lucas winch that may replace a Bell 206B JetRanger employed to ferry pilots to ships offshore. The Ka-32, under lease from Kamov Helicopter Scientific and Technology Company, completes 1,200 hours of heli-logging during the year and becomes the centerpiece of the company's timber harvesting operation.

Operations continue apace in 1993-1994. General Manager Hewko oversees a fleet that includes 3 Bell 205As, 22 Bell 206L LongRangers, 4 MD-500Ds, 3 Robinson R-22Bs, and the leased Kamov.

In addition to the heli-logging operation, the company continues to provide passenger flights from and between Victoria Airport, Prince Rupert Seaplane Base, Bob Quinn Lake, Sandspit Airport, Stewart Airport, Gold River, Campbell River, Port Hardy, and Bella Coola.

The fleet is increased in 1995 by the addition of four LongRangers and an MD-500D. Operations continue in 1996-1996.

During the summer of 1997, the company introduces or enhances sight-seeing tours, customer charters, golf packages, and its Heli-Picnic and Fly/Dine/Drive products.

Charter and general service is maintained in 1998 and during the year the company's latest base is opened at Port McNeill.

Heli-logging continues to be the company's major concern in 1999, but it also continues to serve mining, geology, forestry, silviculture, and fishing interests, while also providing environmental control, ship/pilot transfer, and air ambulance flights.

In July, logging magnate Frank Norie, himself a Bell 47 pilot, becomes board chairman and his son, Kenneth, also a helicopter pilot and manager of the Prince Rupert base, is named president. As 2000 begins, VIH is Canada's oldest name in helicopter transportation—and still operates from the same principal location at which it was founded 45 years earlier.

VANDERPOOL FLYING SERVICE: United States (1975-1979). VFS is established at Aniak in 1975 as an affiliate of **Wien Air Alaska** to provide scheduled third-level passenger services. Revenue flights linking the company's base with Crooked Creek, Nyac, Kalskag, and Holy Cross are initiated with a fleet of Cessna lightplanes and de Havilland Canada DHC-2 Beavers. Operations cease in 1979.

VANGUARD AIRLINES (1): United States (1973-1974). Vanguard is set up at New Orleans in 1973 to provide scheduled passenger and cargo services to intrastate destinations. Employing a Piper PA-28 Cherokee, Vanguard duly inaugurates daily roundtrips linking its base with Houma, Patterson, and Lafayette. Unable to withstand the costs of the energy crisis, the air taxi goes out of business in 1974.

VANGUARD AIRLINES (2): 30 Northwest Circle, Mezzanine Level, Kansas City, Missouri 64153, United States; Phone (816) 243-2111; Fax (816) 243-2188; <http://www.flyvanguard.com>; Code NJ; Year Founded 1994. Vanguard Airlines is established at Kansas City during the late fall of 1994. Former **PEOPLExpress** executive Robert McAdoo, the moving force behind the new enterprise, is named chairman/CEO and the company is equipped with three "Baby Boeings" leased from **USAir**, including a B-737-222, B-737-247, and B-737-281. Funding is sought via a public offering under the Nasdaq stock symbol VNGD. As the time for service launch approaches, 14- and 7-day advance booking and walk-up purchases are encouraged, with no requirements for roundtrip tickets.

Revenue flights, with an inaugural fare of just \$1, commence on December 4 linking the new entrant's base with Denver and Salt Lake City via Wichita. Plans are made for the purchase of additional jetliners and the initiation of operations to Atlanta and San Francisco.

By month's end, revenues are \$773,000, but expenses are \$3.87 million. The operating loss is \$3.09 million and net loss totals \$3.02 million. The latter two figures are later revised upward to read \$12.06 million and \$12.19 million, respectively.

The chartered fleet is increased in 1995 by the addition of two B-737-3Y0QCs leased from **Aloha Airlines** and another **USAir** B-737-222.

On May 15, twice-daily roundtrips commence from Kansas City to Des Moines and Minneapolis (MSP). From Des Moines, flights commence to Kansas City, Dallas (DFW), Denver, and Wichita. From Minneapolis, frequencies are initiated to Kansas City and Dallas (DFW). Service is also started to Chicago (MDW). Daily nonstop roundtrips commence on September 25 between Wichita and Denver.

All of this expansion will be termed "largely unsuccessful."

An initial public offering is made in November; the stock sold nets \$14.4 million.

Enplanements for the first full year total 698,000 passengers and a \$12.2-million net loss is reported.

Airline employment stands at 568 in 1996 and another leased B-737-205 joins the fleet. On September 18, the carrier meets the net worth requirements for listing on the Nasdaq SmallCap Market. Consequently, the airline's Nasdaq listing will no longer be conditional and the next day trading for Vanguard's securities resume under the trading symbol VNGD.

Still, the third quarter is a fiscal disaster as losses for July-September reach \$3.6 million. A private stock offering brings in \$5.2 million and helps to keep the company going now that the funds from its initial public offering have been eaten up.

Cincinnati becomes a new market on October 1 and in a Midnight Madness sale, 40,000 discounted tickets are sold for flights through December to Cincinnati, Dallas, Denver, Kansas City, Minneapolis, Phoenix, and Wichita.

Daily Kansas City to Seattle roundtrips commence on October 10, but Kansas City to Los Angeles and San Francisco frequencies are reduced from twice daily to daily. In addition, service from Denver to Salt Lake City is cut from three per day to two and flights from Minneapolis (MSP) to Chicago (MDW) are dropped down a level from four per day to three. Service between Chicago (Midway) and Des Moines is halted.

On October 17, the company enters the Phoenix market, offering daily roundtrips from that Arizona community to Dallas (DFW), Minneapolis (MSP), and Denver.

The board of directors appoints **Air South** Chairman/President/CEO John Tague to succeed Mr. McAdoo on November 1. The first CEO remains a board member and he is joined in the executive suite by new board member Robert J. "Rocky" Spane, a retired USN admiral.

The same day, new daily roundtrips are introduced from Minneapolis (MSP) to Kansas City and Phoenix.

Having determined that the routes will not become profitable, during the first week of his tenure, Tague directs that service be withdrawn from Seattle, Phoenix, Cincinnati, and Salt Lake City. All sold tickets will be honored by refunds, rescheduling from another network city, or booking on other airlines. The flights will end between November 17 and December 20.

On December 21, having secured a new line of credit, the company begins a major route restructuring aimed at creating a true Kansas City hub and moving into the Florida and Nevada markets. In addition to a new nonstop service to Chicago (MDW), flights are started to Atlanta, Fort Myers, Miami, Orlando, Tampa, and Las Vegas. The company also elects to accelerate scheduled maintenance on several aircraft, thereby increasing maintenance expenses.

Passenger boardings increase 47.6% to 1,151,000 and revenues skyrocket 90% to \$68.58. Unhappily, expenses total \$92.58 million, leaving larger losses: \$23.99 million (operating) and \$24.05 million (net).

The workforce is increased by 10.4% in 1997 to 542. The Road Warrior business travel program is unveiled during early spring. Figures released in May show that although revenue passenger miles and fleet capacity are both up, the company, which has lost \$7.9 million in the first quarter, continues to operate in the red.

CEO Tague departs both **Air South** and Vanguard in June to return to **American Trans Air**. After a short search, former admiral and board member Spane is appointed president/CEO on July 1. After just two weeks on the job, Spane announces on July 18 that the company has two immediate goals. First it must avoid head-on competition with **Southwest Airlines (2)** and second, it must sacrifice certain routes in order to begin service to New York.

An entirely new marketing team is brought in (largely from **Morris Air**), new uniforms and aircraft liveries are ordered, and route rationalization proceeds.

Des Moines, Los Angeles, Las Vegas, Orlando, and Tampa/St. Petersburg disappear from the company route network on September 2 in order that the company might develop an East Coast presence—as well as avoid competition with **Southwest Airlines (2)**.

Twice-daily roundtrip service from Kansas City to New York (JFK) begins on September 3 with introductory \$59 one-way fares.

Also during the month, drawings are held on all nonstop flights for gift certificates for free roundtrips to any point on the route network. It is also revealed that, through the second quarter, the company, which has never made a profit, has had combined losses of \$56.6 million.

In November, the company runs a promotion that ends up costing it more than is expected. Free roundtrip tickets will be awarded in a post-card drawing based on the winning score of the November 30 pro football game between the NFL's Kansas City Chiefs and San Francisco 49ers. At the end of the Sunday match, the hometown Chiefs have won by a point spread of 44–9, costing the airline 44 free passes.

The schedule is significantly increased on December 1 with the introduction of daily nonstops from Atlanta to New York (JFK) and from Kansas City to Washington, D.C. (IAD). Capacity for this growth is provided by the lease of another B-737-222 (from MIMI Leasing Corporation), which is to be delivered in the company's new livery.

Executive Fares are introduced on December 12; the program for business travelers features fully refundable tickets that come with express check-in, guaranteed seating, and no penalty should changes be required.

Daily service from Pittsburgh to JFK and also from Kansas City to Chicago (MDW) starts on December 17.

Passenger boardings for the year accelerate 4% to 1,311,412, as 18,195 departures are completed. Operating revenues jump 18.7% to \$81.38 million, while expenses are up 15.4% to \$106.75 million. Consequently, the operating loss “improves” slightly to \$23.35 million, while the net loss worsens to \$28.24 million.

Airline employment stands at 660 in 1998 and the fleet includes 5 B-737-222s, 2 B-737-3Y0QCs chartered from Aloha Airlines, and 1 each B-737-205, B-737-247, and B-737-281. All of these units are leased. Service to San Francisco ends on January 11.

During the first quarter, the company announces that it will begin daily roundtrip service between Chicago and Des Moines during the fall. A second daily service is started on March 1 between Kansas City and New York (JFK). A profit is made for the first quarter, the first for the airline in any quarter. Each of the next two quarters will also bring pleasant winning fiscal results.

Travel agents are allowed to begin booking Vanguard seats via the WORLDSPAN computerized reservations system on May 14. Seasonal daily roundtrip service through September 9 is started on May 21, between Atlanta and Myrtle Beach, South Carolina.

Vanguard, on May 29, publicly protests **United Airlines'** announcement that it will dramatically add capacity and lower fares in the Des Moines–Chicago market, a market that Vanguard had earlier indicated it would begin serving during the fall.

On June 15, the number of daily nonstop roundtrip flights between Chicago (MDW) and Pittsburgh is doubled from two to four. Simultaneously, it is announced that the company is extending its twice-daily nonstop roundtrip service between Atlanta and Myrtle Beach through January 15, 1999.

After the significant fiscal losses Vanguard has historically incurred, the company, on July 20, is able to report the first profitable quarter in

its history. For the three months April–June, the carrier generates a \$1.1-million operating profit and a net gain of \$323,000.

In preparation for expansion, Vanguard, on August 17, reorganizes its Maintenance and Engineering Department. Vice President-Maintenance James Miller becomes vice president-engineering and quality assurance, while Director of Stations Albert Gorthy is named vice president-maintenance.

Vanguard takes the opportunity of the **Northwest Airline** strike, which begins on August 29, to expand its Minnesota services. Beginning on September 11, a sixth daily B-737-200 return flight is added on the route between Chicago (MDW) and Minneapolis (MSP).

At the beginning of November, an investment group, including W. R. Hambrecht & Co., purchases an 8% stake in Denver-based **Frontier Airlines (2)**. On November 13, it files a Schedule 13D with the Securities and Exchange Commission which, among other things, recommends that a merger or business combination be undertaken between Frontier and Vanguard. Flattered by the suggestion, Frontier President Sam Addoms, after a discussion with CEO Spane, declines the approach on December 16.

A total of 617 more departures are made this year than in 1997 and customer bookings surge 14.8% to 1,505,976. Operating revenues accelerate 28% to \$104.3 million and operating expenses are \$102.81 million, leaving an operating profit of \$1.45 million. This year's net loss is just \$1.47 million, which represents a significant improvement over the previous year.

Lease negotiations with GE Capital Aviation Services are completed on January 12, 1999; under terms of the agreement, two more B-737-200As will be delivered, one each at the end of the month and in February.

In conjunction with the delivery of its 10th B-737, Vanguard adds two additional daily roundtrips on March 15, between Kansas City and Denver, bringing the total number to six.

A weekly Saturday roundtrip service from Chicago (MDW) to Myrtle Beach begins on April 3; it will continue through September 11.

Following workup of the 11th B-737-200A, Vanguard, on April 15, inaugurates daily nonstop roundtrip service from Chicago (MDW) to Cincinnati, four times a day. Simultaneously, a sixth daily roundtrip is started from Chicago (MDW) to Minneapolis (MSP).

In the first predatory pricing case since the government deregulated the airline industry in 1978, the DOJ on May 13 files suit against **American Airlines** for allegedly trying to quash competition, led by Vanguard Airlines, at Dallas (DFW). The filing, announced by antitrust chief Assistant Attorney General Joel I. Klein, is the most developed of several being pursued against a number of the nation's major carriers. New entrants **Sun Jet International Airlines** at Long Beach and **Western Pacific Airlines (WestPac)** on routes to Colorado Springs are other alleged AA price-cutting victims.

American responds with a statement claiming the allegations are unwarranted and that it will challenge the findings. The next day, analysts find the case to be a warning to other airlines to avoid anticompetitive practices against start-ups.

President/CEO Spane, in responding to the case, indicates his belief that the Vanguard position, maintained over the previous three years, has been vindicated. He simultaneously announces that Vanguard will commence service on July 15, in conjunction with the delivery of its 12th B-737-200A, between Chicago (MDW) and Buffalo, with four daily roundtrips.

In the Vanguard press release, Spane is quoted as indicating that the new route is one “which **American Airlines** also serves, so we will be watching closely for any capacity dumping, predatory pricing, excessive override commissions to travel agents, increased frequent flyer benefits, and disproportionate levels of advertising targeted specifically at this route.”

In response to a growing demand, the company adds two additional daily return flights on June 1 between Kansas City and Atlanta, for a total of five.

On June 14, one additional daily roundtrip (for a total of five) is added between Chicago (MDW) and Kansas City.

On November 9, the carrier signs a letter of intent with the leasing and sales division of **USAirways** for the lease/purchase of six B-737-200s.

The company celebrates its fifth birthday on December 4. A company press release recounts the progress made in this period: 2 B-737s in December 1994, 13 now; 3 destinations in 1994, 10 now; 197 employees in 1994, 968 now; and 8 daily flights in 1994, 78 now. Over 6.6 million passengers have been flown during those years on 52,000+ accident-free flights.

Passenger boardings jump 25.4% to 1,888,000. Operating revenues rise 20% to \$125.08 million, while expenses are up 26.5% to \$130.1 million. The previous year's operating profit becomes a \$5-million operating loss, while the net loss deepens to \$5.14 million.

Airline employment at the beginning of 2000 stands at 934, a 5.4% decline over the previous 12 months.

The schedule from Kansas City is significantly enhanced on March 2 as the number of B-737-200 roundtrips inaugurated to Denver increases from six to eight and those to Chicago's Midway Airport rise from five to seven. In addition, new twice-daily B-737-200 return service is started from Atlanta to Pittsburgh. On the other hand, less than a year after its start, flights to Cincinnati end. The new flights are made possible by the addition of two of the six B-737-201s to be acquired from **US Airways**.

Saturday B-737-200 roundtrips are introduced on April 15 from Chicago (MDW) to Myrtle Beach, South Carolina. Simultaneously, the schedule from Atlanta is enhanced with return frequencies to Myrtle Beach increased from two to three and to Pittsburgh from two to four.

On May 24, **Frontier Airlines (2)** Vice President-Marketing Jeff S. Potter succeeds Robert J. "Rocky" Spane as president/CEO; Spane remains company chairman. Six days later, Potter is able to announce that the carrier's pilots, represented by the Vanguard Airlines Pilots Association (VAPA), have ratified a four-year contract, their first with the airline.

Thrice-daily B-737-200 roundtrips are initiated on June 1 between Chicago (MDW) and Denver. Two daily return flights are inaugurated on July 31 between Kansas City and New Orleans and from New Orleans to Kansas City, Chicago (MDW), Denver, and Minneapolis (MSP). As part of the run-up to this service launch, Vanguard promises to give away one free roundtrip ticket (up to 1,000 total) for every person contributing a case of food to the Second Harvest Food Bank in New Orleans.

On October 1, daily B-737-200 return service is started from Kansas City to Pittsburgh, along with twice-daily roundtrips from Kansas City to New York (LGA). The Minneapolis-Chicago (MDW) route is abandoned on September 11 in order that the B-737-200s employed may be shifted to the start, the next day, of twice-daily B-737-200 roundtrips between Kansas City and Los Angeles.

As the result of a spring law allowing an increase in traffic, New York (LGA) has, by early December, added more than 200 new daily flights and requests have been made that will increase the daily total by almost 600. In an effort to handle an increase certain to exacerbate existing delays and congestion, the FAA and the Port Authority of New York and New Jersey begin coordinating planning while imposing a September moratorium on new La Guardia flights. By working closely with the Port Authority, Vanguard, on October 1, is allowed to begin a daily roundtrip service into New York (LGA) from Kansas City.

Vanguard announces on December 3 that it will introduce twice-daily nonstop roundtrips between Kansas City and Austin on January 7, along with nonstops from Kansas City to both Buffalo and Myrtle Beach. This will be the only nonstop service between Kansas City and those three cities.

On December 4, the FAA holds an action to distribute the available takeoff/landing slots. Each carrier serving the airport draws a certain number, with each then choosing lots for first choice of times for those slots. Vanguard receives two of the new positions.

A private stock sale is completed on December 18 which raises \$7.5 million. Debt reduction will account for \$3.5 million, while \$4 million

will be employed for continued operations, including the launch of the new January 7 services.

Papers are signed with Pegasus Aviation on December 23 for the lease of four MD-82s and two MD-87s, with the first two MD-80s scheduled to arrive at the company's Kansas City base beginning on March 22, 2001.

The "classic" B-737 fleet now includes 4 Dash-2B7As, Dash-230As, and 1 each Dash-2T5A, Dash-2Q8A, Dash-297A, Dash-222, Dash-244, and Dash-247.

Overall customer bookings during these 12 months dip 1.76% to 1.5 million. Although revenues are up 5.4% to \$131.8 million, operating expenses climb 20% to \$156.6 million, causing an operating loss of \$24.8 million. Due largely to increased fuel bills, the net loss reaches \$26 million.

VARIG BRAZILIAN AIRLINES (VIACAO AEREA RIO-GRANDENSE, S.A.): Avenida Almirante Silvio de Noronha 365, Edificio Varig, Rio de Janeiro, CEP 20 021-010, Brazil; Phone 55 (21) 272-5210; Fax 55 (21) 272-5703; <http://www.varig.com.br>; Code RG; Year Founded 1926. Having removed to Porto Alegre, in the state of Rio Grande do Sul, from Recife, German émigré and textile official Otto Ernest Meyer conceives of the need for an airline system to reduce travel time in Brazil. With the support of the local business community and state officials, Meyer founds his airline on paper, giving it the name **Empresa de Viacao Aerea Rio-Grandense**. In November 1926, he visits members of the **Condor Syndicate** in Hamburg, selling them a 21% interest in exchange for the Dornier *Wal Atlantico* and technical support.

The first shareholders meeting is held on April 1, 1927 and the carrier, with Meyer as managing director, is officially registered on May 7; 19-year-old Ruben Berta simultaneously joins the airline as assistant to founder Meyer and the company's first paid employee. Initial capitalization is 1 million reis, later raised by the Condor Syndicate 21% to 2.297 million reis.

On June 10, via a presidential decree, the infant carrier becomes the first indigenous Brazilian airline authorized to operate. The inaugural revenue service by the *Atlantico* is flown on June 22 from Porto Alegre to Rio Grande via Pelotas. The flight time is 2 hrs. 20 min. and the fare is 220 reis one way (360 reis roundtrip).

On July 1, the Condor Syndicate, already active in Brazil, ceases operations; it will be succeeded by a new Brazilian company, **Sindicato Condor, S.A.** On July 13, the *Atlantico* must be taken out of service until September 24 for repairs; it is replaced by the Junkers G-24 *Ypiranga*, leased from **Sindicato Condor, S.A.** The carrier's second aircraft is a Dornier Merkur delivered in October; christened *Gaucha*, it enters service on November 24. Meanwhile, the *Atlantico* is again removed for overhaul on November 18 and for structural reasons, the *Gaucha* is withdrawn on December 1.

Repaired and strengthened, the *Atlantico* and *Gaucha* are returned to service during 1928. They are supported by two Klemm L-25s purchased from the **Empresa de Transportes Aereos, S.A.** on November 16, 1929. With only limited finances and state subsidy, the carrier does not grow, although two Klemm L-25s are purchased and named *Ruyzinho* and *Irma*.

After petitioning it for assistance, the State of Rio Grande do Sol on April 24, 1930, provides the company with funds and leases to it an airfield at Gravata upon which to build hangars. In exchange, the carrier agrees to train military pilots. The *Atlantico* and *Gaucha* are sold to **Sindicato Condor, S.A.** during the summer and a Klemm L-25 crashes on September 17. Reduced to one aircraft, the company briefly suspends operations at year's end.

Leased back, the *Gaucha* resumes service on January 3, 1931 over the route from Porto Alegre to Rio Grande via Pelotas. Later that first week, a Morane-Saunlnier MS-130 and a Nieuport-Delage 641 are acquired, followed by the Junkers A-50 Junior *Bage*, which enters service on January 18.

With capacity of just one passenger, the A-50's main use is in the shipment of mail pouches and small packages. With these aircraft, the company

performs several advertising flights, aiming to inform the state's communities about the importance of commercial aviation in Brazil.

On February 23, frequencies are launched by the German-made plane from Porto Alegre to Santa Cruz and Santa Maria. In late April, the *Bage* is destroyed in a crash.

Still in financial distress entering 1932, the carrier, after being reorganized, is loaned sufficient funds by the state government to purchase a second A-50, the *Minuano*, two Junkers F-13s, the first of the latter being delivered on April 1. Christened *Liuramento* in homage to the community from which it will operate, the German metalplane launches two new services on April 18 and 19: Porto Alegre to Cruz Alta or to Santa do Liuramento via Bage. When the second F-13 is received, it is named *Santa Cruz*.

The Cruz Alta route is extended to Palmira in 1933. A mail subsidy is now first received from the federal government. Additional planes are ordered in 1934–1935 and plans made for route expansion.

Porto Santo–Santa Cruz direct routing is initiated in 1936 and frequency on the Porto Alegre–Pelotas route is raised to eight per week, making VARIG the first Brazilian carrier to offer a daily service.

A new Messerschmitt Me-108 Taifun ("Typhoon") monoplane is acquired in early September. With low wings, retractile landing train, and capacity for three passengers and one pilot, the type is the predecessor and quite similar to World War II's German Me-109 fighters. In VARIG, it is assigned the registry PP-VAJ and flies from September 26 to November 24, when it is retired from service as the result of a landing accident.

An ex-**Deutsche Luft Hansa, A.G. (DLH)** Messerschmitt M-20b2, the *Harz*, is acquired in early April 1937. It enters service on the 30th of that month as the *Acegua*, extending the Livramento route to Uruguaiana. This Messerschmitt is considered one of the most modern aircraft of its time, since it had onboard restrooms and a closed pilot's cabin. Unlike other aircraft, it allows passengers to open window glasses, like an automobile. Among the crew it is known as *Vaca* (Cow), obviously due to its registry "VAK."

A Junkers Ju-52/3m is acquired from **South African Airways (Pty.), Ltd.** in May 1938. Christened *Maua*, it enters operations on July 6. Elegant, imposing, and confidence-inspiring, the three-engine Ju-52 is VARIG'S "jumbo," but it flies only when the number of passengers is sufficient; only a few of the company's older crew members are able to pilot it.

With four modes of transport, the Pelotas route is extended to Jaguarao late in the year.

During the winter of 1939, Ju-52/3m holiday service is operated from Porto Alegre to Torres. On June 29, the government authorized airmail subsidy is increased. It is supplemented by a special developmental credit of 500,000 milreis provided on May 19, 1940.

The fleet in 1941 thus comprises 1 Ju-52/3m, 2 F-13s, 1 Messerschmitt M-20b, and 2 Focke-Wulf 58s leased from **Syndicato Condor, S.A.** Ruben Martin Berta succeeds Otto Ernest Meyer as president/CEO when Brazil sides with the Allies and all German employees are dismissed.

The fleet flagship *Maua* is lost in a February 28, 1942 crash near Porto Alegre; damaged beyond repair, it must be withdrawn. It is replaced in May by an ex-**Avio Linee Italiane, S.p.A./Italian Air Ministry** Fiat G-21. Originally known as the *Espaguetti* (Spaghetti) and the lone example of its type built, the six-seater is rechristened *Jacui*. It is employed to inaugurate the carrier's first international route (indeed, its first outside Rio Grande do Sul) to Montevideo on August 5. Incidentally, VARIG pilots will all hate flying the *Jacui* because they must remember to pull back on the throttles to add power, exactly the opposite of what they do with all other aircraft.

Meanwhile, in an effort to begin moving away from an uncertain German equipment source, a de Havilland DH 89A is acquired from **Compagnia Fabril de Jata, S.A.** The British-made eight-seater, christened *Chui*, begins service on August 18 as Brazil declares war on the Third Reich.

At this time, the company offers twice-weekly roundtrips. *Chui* is equipped with a Marconi radio receiver, but because there are no radio

beacons in the airports of the Rio Grande do Sul interior, and only Porto Alegre airport has a broadcast, it receives little use and is disassembled.

A Cant Z-1012, previously owned by the Italian Embassy at Rio de Janeiro, is now taken over, but it will never be operated by VARIG.

With Electra I, PP-VAP, VARIG begins its fleet standardization in 1943. The eight Lockheed Model 10A/E aircraft, known as *Electrinhas*, will be delivered during the next 12 months. They will initially cover all routes to Rio Grande do Sul's interior and Montevideo, Uruguay, followed by Santa Catarina and Paran States in Brazil. VARIG's onboard services begin with the Electras; however, without a company commissary, the copilot distributes boxed snacks to passengers. Having served as a school-plane, the remaining A-50 is retired from service in 1944.

At the General Shareholders Meeting of October 29, 1945, President Berta persuades the airline's shareholders to transfer one-half of their stock, at no cost, into an Employee Foundation. This organization will give the workers a stake in the carrier and provide income with which to pay for a variety of fringe benefits. The foundation, which he has designed, is based on his own personal views, the company's bylaws, the ideas of Jean-Jacques Rousseau, and the principles of Pope Leo XIII.

The first Douglas DC-3s, of which a fleet of 29 will eventually be acquired, are placed during early summer 1946. On August 17, with its initial "Douglinhas," as they are called, the carrier inaugurates a line from Porto Alegre–São Paulo–Rio de Janeiro; it is the nation's first interstate service. In 1947, a lone Noorduyn UC-64A Norseman VI is acquired from Ted Coleman. It will be operated for three years.

The first Curtiss C-46s, in a fleet that would come to total 20, are placed on domestic routes in 1948 as some *Electrinhas* still fly to the city of São Paulo. The F-13 *Santa Cruz*, the last of its type in regular airline service, is retired after 16 years operation. On April 10, the *Sky Chief Zuni*, a DC-4 once flown by the disbanded American carrier **Santa Fe Skyways**, is purchased and placed into service.

Operations continue apace in 1949–1951 and by the latter year the carrier is offering flights from Porto Alegre to São Paulo, Rio de Janeiro, Montevideo, six cities in the State of Parana, six in the State of Santa Catarina, and 14 in the State of Rio Grande do Sol.

These are not without cost. A Curtiss C-46D is involved in a landing accident at Jquiraro on January 26 of the former year and must be written off. During the same month, a Lockheed Model 10A crashes at São Gabriel and there are no survivors.

A small airline, **Aero Geral, S.A.**, is acquired in May 1952, together with its coastal route to Natal in northern Brazil and two aircraft (a DC-3 and a C-46). The new subsidiary is initially allowed to operate under its own identity. Meanwhile, VARIG itself begins flying to Buenos Aires and it also begins to inquire a huge fleet of C-46s; eventually, 59 machines will be registered, but not all will be flown simultaneously. On October 18, a Lockheed Model 10B Electra is destroyed in a hard landing at Lajes, South Catanna.

In February 1953, the government nominates the carrier as its second airline representative to North America and awards it a New York route. Three Lockheed L-1049Gs are ordered in April to take advantage of what was, in fact, a failure by competing **Cruzeiro do Sul, S.A.** to operate traffic rights granted earlier.

In July, **Aero Geral, S.A.** is absorbed as official government approval for its takeover is received. Planning and training for the opening of international service occupies the carrier in 1954. In September, five Convair CV-240s are purchased from **Pan American World Airways (1)**. The company now begins to operate many of its lines with Convairliners. The fast aircraft, with speeds of nearly 435 kmh, are incorporated into the fleet because of their ability to offer a significant reduction in travel time.

Flightline workers fail to remove the elevator securing device from a Curtiss C-46A on June 4. When it takes off with three crew aboard for an all-cargo service from São Paulo to Puerto Alegre, it is unable to climb and crashes (three dead).

The L-1049Gs are received in the late spring of 1955 and an order is placed for three more. An L-1049G completes a Rio de Janeiro to New

York survey flight on June 6, via Argentina, Uruguay, Brazil, and the Dominican Republic. Following a special VIP flight the previous day, regularly scheduled, twice-weekly Super Constellation flights from Rio de Janeiro to New York via Belem, Port of Spain, and Ciudad Trujillo, are launched on August 2. Outfitted with 66 seats (compared to the usual 99), the giant triple-tailed aircraft complete their flights in 27 hours. De Luxo service is available, featuring excellent cuisine.

With the company already operating to Montevideo and Buenos Aires, it is now able to offer through-plane flights all the way up the east coast of South America, across the Caribbean, and up to New York. In November, the carrier receives a government subsidy for this route, which is now doubled and stretched southward to Buenos Aires.

In 1956, orders are placed for eight more CV-240s as DC-3 replacements. Still, other units now in service are sufficient to increase the New York frequency to thrice weekly on June 10 as part of a new joint-scheduling arrangement with **Deutsche Lufthansa, A.G.**, providing a link to Europe. Also in June, an order is placed for three L-1649A Starliners. Later in the year, the company elects to standardize on the Super G Constellation and cancels its Starliner order in December.

The first purchased CV-240s are placed in service on domestic routes in 1957. A C-46A with 5 crew and 35 passengers, crashes in unknown circumstances outside the city of Babe on April 7; there are no survivors.

While on a ferry flight from Miami on August 16, an L-1049C with 11 crew is lost off Cabarete, Dominican Republic (one dead).

Three Rolls Royce-powered Boeing 707-441s are ordered in September and two Sud-Est SE-210 Caravelle Is in October. On October 14, the former **Santa Fe Skyways** DC-4 *Sky Chief Zuni* crashes at Tubarao; there are no survivors.

While on a training exercise, a DC-3 with two crew is lost at Porto Alegre on January 3, 1958; there are no fatalities.

The Convair order is finished during the year. On December 31, a CV-240 with 37 aboard crash-lands into Rio de Janeiro Bay (6 dead); 14 people are trapped in the wreck.

On July 6, 1959, a pool agreement is signed with **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** and **Cruzeiro do Sul, S.A.** under which the three airlines pledge to combine their resources on the Rio de Janeiro-São Paulo route; some 50 shuttle flights per day are made over this Ponte Aerea (Air Bridge).

The first SE-210s are delivered on October 2; originally intended for domestic operations, they are employed, instead, to launch the carrier's international jetliner service. The Brazilian commercial jetliner era starts on December 12 when the Caravelle I *Brasilia* departs Porto Alegre for New York via São Paulo, Rio de Janeiro, Port of Spain, and Nassau. Six months ahead of the introduction of Caravelle service by the U.S. carrier **United Air Lines (2)**, VARIG wins the honor of operating the first SE-210 service in North America.

With the introduction of the French-made jetliner, the New York flight, which had previously taken 27 hrs. by Super Constellation, is reduced to 22 hrs., even though Nassau has been added as an extra fuel stop. VARIG, incidentally, is the first airline company to operate a pure jet at New York's Idlewild Airport.

Brasilia is added as a stop on the New York route on January 20, 1960. Frequency on this service is now five a week—two Caravelle Is and three L-1049Gs. On April 12, a CV-240 with 22 aboard crashes at Pelotas (8 dead). The first two B-707-441 Stratoliners arrive at Rio de Janeiro on June 23 and are placed on a nonstop New York route on June 28; a Brasilia stop is added on one frequency, as of July 2.

Although the first three Stratoliners PP-VJA, PP-VJB, and PP-VJJ come equipped with Rolls Royce Conway MK 508 engines, the rest will employ Pratt & Whitney power plants. As the jetliners take over the North American route in June (reducing flying time to nine hrs.), the L-1049Gs are assigned to regional and major domestic services, while the Caravelle begins flying to the Pacific coast.

It is reported in July, the first anniversary of the Ponte Aerea service, that 387,000 passengers have been transported over the Air Bridge during its inaugural year. On September 17, the company sets up a bus as a

mobile ticket office in Brasilia. In terms of passenger kilometers flown, the carrier now ranks as the third largest airline in Latin America.

A C-46C with three crew overruns the runway while landing at São Paulo on December 18; there are no fatalities, but the plane must be written off. Also in December, a B-707-441 is leased to **El Al Israel Airlines, Ltd.**

The Stratoliner leased to El Al opens that Mideast line's first scheduled jetliner service on January 5, 1961. The aircraft is returned to Brazil in the spring. The carrier opens Brazil to New York tourist flights on April 1; two weeks later, the first group of Brazilians completes a two-week tour of the U.S. East Coast sponsored by the airline.

Aerovias Brazil, S.A., the international division of the **REAL, S.A.** consortium, is acquired on May 2. On August 16, VARIG takes over the remainder of the financially distressed **REAL, S.A.** organization, obtaining 90% of its shares.

Among the aircraft obtained through this deal are 12 CV-240s, 4 L-1049Hs, and 5 DC-6Bs. REAL's arrangement with **American Airlines** for 5 Lockheed L-188A Electra IIs will be honored.

An SE-210 Caravelle III with 9 crew and 62 passengers is destroyed as the result of a bad landing at Brasilia on September 27; no fatalities occur.

B-707-441 service is inaugurated, on November 18, from Rio de Janeiro to Los Angeles via Lima, Bogota, and Mexico City. The ex-Aerovias Brazil, Miami, and Central America routes are also maintained.

While on a training flight, a Curtiss C-46A with two crew crash-lands into the sea off Itaipassu Beach, Rio de Janeiro, on December 12; there are no fatalities.

Systemwide this year, enplanements reach 1.86 million.

At the beginning of 1962, the huge VARIG fleet includes 45 DC-3s, 2 DC-4s, 3 DC-6Bs, 10 L-1049Hs, 26 CV-340s/440s, 24 C-46s, 2 B-707-441s, and 2 Caravelle IIIs. During the summer, all of the ex-**REAL, S.A.** CV-440s are sold; simultaneously, beginning in August, REAL's order for surplus AA Lockheed L-188s begins fulfillment. The first turboprop enters domestic services on September 2. The "Electra IIs," all five of which are available by October, are now placed on a Rio-São Paulo air shuttle and will render almost 30 years of service on this line.

During initial approach to Porto Alegre on November 27 on an intermediate stop during a service from Brazil to Los Angeles, Flight 810, a Boeing 707-441 with 17 crew and 80 passengers, crashes into La Cruz Peak, Peru; there are no survivors. Among the victims are 10 Cuban officials. The resulting capacity shortage forces VARIG to divert Electras onto routes leading to the Miami and New York destinations.

While on the final leg of a service from Rio de Janeiro via Belo Horizonte, a CV-240 with 5 crew and 35 passengers is below minimum altitude and strikes a row of trees 8,400 m. short of the runway at Brasilia on December 22. The aircraft skids 300 m. before coming to rest on its side (one dead).

Unable to cancel the **REAL, S.A.** order for four Convair CV-990A Coronados and already having paid \$5 million in progress payments, the carrier agrees to purchase three on March 1, 1963, and these are duly delivered later in the year. A DC-3 with 2 crew and 13 passengers on a July 1 domestic flight, crashes at Passo Fundo (15 dead).

Upon arrival of the Coronados, they are assigned to fly from Porto Alegre to Los Angeles via Rio de Janeiro, São Paulo, Lima, Bogota, and Mexico City.

Wearing a new color scheme, a B-707-441 is delivered on November 12.

During late fall and throughout 1964, some fleet rationalization is started; two C-46s, a CV-240, six CV-440s, five DC-3s, and an L-1049H are withdrawn. The CV-440s are sold to the Spanish flag carrier **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

On February 10, 1965, **Panair do Brazil, S.A.** cancels all services, the international flights being taken over by VARIG on three hours notice. The next day, the government cancels the financially distressed Panair's operating authority, directing that its international services be taken over by VARIG. The government receiver on February 12 directs

that two **Panair do Brazil, S.A.** DC-8-33s on lease from **Pan American World Airways (1)** be leased once again to VARIG (at \$75,000 per month) in order to allow it the equipment necessary to maintain the former carrier's overseas operations. The planes, repainted in VARIG livery, will enter service in July.

Meanwhile, a C-46C freighter is lost in a landing accident at Porto Nacional on March 22; there are no fatalities.

VARIG now vastly expands the scope of its activities. Service is started on September 12 to six ex-**Panair do Brazil, S.A.** European destinations, including London, Frankfurt, and Rome, plus Chile and Africa. **Panair do Brazil, S.A.**'s low-fare immigrant Friendship Flights from Lisbon to São Paulo are also continued with Super Constellations.

A total of 1,158,862 passengers are flown by the carrier's 99-airplane fleet, for which 3 B-707-320Cs are ordered during the year.

President Ruben Berta dies in 1966 and is succeeded by Erik de Carvalho; following the death of the company's first paid employee, the Employee Foundation is renamed the Ruben Berta Foundation. A route is opened to Beirut via Rome during the late spring.

Due to a significant number of Super Constellation equipment failures, L-188As replace them at this point on the weekly transatlantic roundtrips between Portugal and Brazil; stops are made at Ilha do Sal and Recife. When the five L-1049Gs and four L-1049Hs are withdrawn during the summer, they are no longer airworthy and must be broken up. On November 1, service is started to Zurich. One leased DC-8-33 is returned to **Pan American World Airways (1)** and one CV-990A is retired.

A new rationalization program is begun for the fleet in 1967; it now comprises 3 CV-990As, 2 B-707-320Cs, 2 B-707-441s, 7 L-188As, 10 new Avro (Hawker Siddeley) HS 748s (3 of which are in service by November), 5 DC-3s, and 4 C-46s. Sold are 5 DC-6Bs and 1 CV-990A, the latter to **Alaska Airlines** in May. Out of service and awaiting certain disposal are 4 L-1049Hs, 24 DC-3s, 8 C-46A/Ds, and 4 C-46Cs.

Flight 837, a DC-8-33 with 19 crew and 71 passengers en route to Brazil from Rome, crashes into a house near Monrovia, Liberia, on March 5; 51 people on the aircraft are killed, along with 5 others on the ground.

Late in the year, two more L-188As are acquired from **American Airlines**.

In March 1968, another Electra (VARIG's eighth) is acquired from **American Airlines** and is employed to open a new route from Rio de Janeiro and São Paulo to Asuncion, Paraguay. Copenhagen service is initiated on April 15, followed by extension of the Los Angeles route to Tokyo via Honolulu.

A B-707-341C is destroyed in a hangar fire at Rio de Janeiro on September 7. The CV-240s are withdrawn now that all of the HS 748s are in service.

In 1969, orders are placed for 10 B-727-100s as the last of 13 CV-240s are retired. The carrier suffers two skyjackings during the fourth quarter. En route from Buenos Aires to Santiago on November 4, Flight 863, a B-707-441 with 101 passengers, is diverted to Cuba. An unidentified gunman captures a B-707-441 with 95 passengers en route from London to Rio de Janeiro over Portugal on November 29 and forces it to land at Havana.

Coming into Uberlandia, Brazil, at too high a rate of speed on December 14, an HS-748-2A with five crew and four passengers, attempts to go around; the aircraft subsequently crash-lands 900 m. right of and 1,400 m. past the end of the runway, but there are no fatalities.

The workforce grows to 10,461 and enplanements are 1,349,450.

Airline employment in 1970 is up to 10,920. Two convertible L-188PFs are purchased from **Northwest Airlines** in January.

An L-188A is damaged beyond repair in a landing accident at Porto Alegre on February 5; there are no fatalities, but the former **American Airlines** machine must be written off.

En route from Santiago de Chile to London on March 12, Flight 866, a B-707-441 with 41 passengers, is taken over and diverted to Cuba.

Two more former **American Airlines** L-188As arrive by April. Delivered in early July, the **Northwest Airlines** Electras launch palletized cargo flights over a 1,500-mile route from São Paulo to Manaus.

Nonstop B-707-441 service to Johannesburg begins on July 21 with a technical stop at Luanda on the westbound return. Following the bankruptcy of the third-level operator **Paranse Transportes Aereos, S.A.**, its four Fokker-Fairchild FH-227Bs are taken over by the government against loan guarantees; in July, these are leased to VARIG for five years for use on the Ponte Aerea shuttle.

The fleet now also includes 9 B-707-441s, 2 CV-990As, 1 leased DC-8-33, 10 L-188s, 9 HS 748s, 7 DC-3s, and 4 B-727-41s; the first of the latter enters service on October 13. Avro 748s now replace DC-3s in Rio Grande do Sul. They also operate the line RIN (Rede de Integrao Nacional-National Integration Network), which includes routes to Tocantine, São Francisco, and Cariri.

Passenger boardings rise 1.5% to 1.37 million, and freight traffic grows 18.9%. In terms of freight hauled, the carrier now ranks as the 25th largest airline in the world; it is 20th in number of employees.

The unduplicated route mileage in 1971 is 106,000. The two CV-990As are sold to **Modern Air Transport** in February. Enplanements total 1,557,910.

The employee population in 1972 numbers 11,513. In December, firm orders are placed for two DC-10-30s, with options on two others. The fleet now includes 10 L-188s, 8 HS 748s, 1 leased DC-8-33, 2 B-707-441s, 12 B-707-320Cs, and 4 B-727-41s.

An HS-748-2A with three crew crashes on takeoff from Porto Alegre on February 4 for a training flight; there are no fatalities.

Deceiving company officials into believing he has two accomplices, H. Martins takes over an Electra with 96 aboard during a May 30 flight from São Paulo-Curitiba-Porto Alegre. The plane returns to São Paulo, where the passengers are released in exchange for \$260,000 in ransom and three parachutes. Unable to either escape or get the plane's pilots to take off (they slip out the cockpit windows while he is checking the cabin), Martins commits suicide rather than surrender or be captured by federal troops now rushing the aircraft.

Cargo accelerates 23% this year and passenger boardings soar 17% to 1,877,000.

The employee population in 1973 numbers 12,853. Frequencies are boosted on several routes as record traffic totals begin to accumulate. The fleet is increased by the addition of 3 B-727-41Cs and 2 B-707-341Cs; orders are placed for 10 B-737-241s. Two of the new trimotor Boeings replace the Electras on the São Paulo-Manaus cargo run, allowing the Lockheeds to be reconverted to passenger use and assigned to the Ponte Aerea shuttle service. On approach to Rio Galeao Airport at Rio de Janeiro on June 9, a B-707-341C freighter strikes approach lights at a height of 70 m. and ditches into the sea, killing its two crewmen.

En route from Rio de Janeiro to Paris on July 11 with 17 crew and 117 passengers, Flight 820, a B-707-441, experiences an onboard fire that begins in the rear portion of the fuselage near the lavatories and spreads. When the crew is unable to extinguish the blaze, the pilot, thinking the fire will asphyxiate all aboard before he can land, makes an emergency crash landing into an onion field 5 km. short of the runway at Paris (ORY); all of the passengers and crew are killed except for steward Alain Turfey.

Passenger bookings swell 22.6% to 2.3 million while freight traffic jumps up by 23%.

The workforce in 1974 is 14,395. The first two of three DC-10-30s to be delivered during the year arrive at Rio de Janeiro on May 29. The delivery is unique, being the first time that the manufacturer has delivered two DC-10-30s simultaneously and one of the rare double deliveries of the Jet Age. One is placed in service to Europe on June 24 and the other to New York on July 1. When the third DC-10-30 is placed into service later in the year, it is employed on frequencies to Tokyo and Johannesburg. Four B-737-241s are also delivered, beginning in November.

Passenger boardings soar 13.3% to 2,612,691 and cargo climbs 28.5%.

A total of 226 new employees are hired in 1975. A fourth DC-10-30 and six B-737-241s are added. As the result of several fatal accidents over the previous three years, the government's Ministry of Aeronautics,

on March 1, bans the use of twin-engine aircraft on the Ponte Aerea shuttle route. Already retiring its Lockheed L-188 Electra fleet in favor of B-737-241s on domestic routes, VARIG now switches eight of the big American-made turboprops to the Air Bridge service.

The big event of the year is the May 22 acquisition of financially troubled **Cruzeiro do Sul, S.A.** The initial stock purchase is 65%, later increased to 98% full control. Although reservations, schedules, and fleets are integrated, the acquired partner is allowed to continue operations under its previous identity, as well as the name Cruzeiro Brazilian Airlines, S.A.

An HS 748-2A with 4 crew and 11 passengers overruns the runway after landing at Pedro Alfonso on June 17, crosses a street, and crashes into a house; one passenger aboard the aircraft and three on the ground are killed.

On August 26, the Aeronautics Ministry decrees that the new super-carrier cannot exceed 40% of the domestic traffic share.

Passenger boardings grow 14.5% to 2,990,677 and freight is up by 10%.

The employee population is increased 2.8% in 1976 to 15,025. The airline is now 65% employee-owned through the Fundacao Ruben Berta; Erik de Carvalho is reelected as president for the next five years. On February 23, a semi-scheduled meat haulage service is initiated to Lagos and on March 10 the carrier's domestic share percentage is allowed to increase 5 points, perhaps in anticipation of the government's next airline move.

To help recoup the national trade deficit, the government, on June 4, institutes a special exit tax on overseas flights. In reaction to the government's 1975 scheme for a system of regional airlines, the carrier **Rio-Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** is established at Rio de Janeiro on August 26, with VARIG holding 51.67% majority interest.

Equipped with Fokker F.27s and Embraer EMB-110s, Porto Alegre-Pelotas services begin on September 8. In November and December, two additional L-188As are purchased from **Aerocondor (Aerovias Condor de Colombia, S.A.)**. These, like earlier units, are placed into service on the Ponte Aerea (Air Bridge) service between Rio de Janeiro and São Paulo.

The major's passenger boardings pass the 3 million mark for the first time in a year, up 9.6% to 3,278,248; freight climbs 2.3%.

The fiftieth anniversary is celebrated on May 7, 1977. Weekly B-707-320C passenger and cargo flights to Lagos begin on June 26. Orders are placed for five additional DC-10-30s and four more L-188As are purchased for Ponte Aerea service from the **Aerocondor (Aerovias Condor de Colombia, S.A.)**. In exchange for refurbishing four **TAME (Transportes Aereos Nacionales Ecuatorianos, S.A.)** Electras, VARIG is allowed to keep two as payment.

Enplanements total 3,469,830 and a \$23-million net profit is earned—despite the government exit tax.

The workforce in 1978 is 15,720 and the unduplicated route mileage is 136,799. Orders are placed for 2 more B-727-41Cs for a fleet that now comprises 4 DC-10-30s, 9 B-727-41/-41Cs, 10 B-737-241s, 12 L-188s, 14 B-707-341Cs, and 2 B-707-441s.

Passenger boardings grow 7.2% to 3,730,534, but freight remains level. Revenues climb 13.4% to \$510.9 million.

Three additional DC-10-30s and a B-727-41C are added in 1979 as the two B-707-441s and a B-707-341C are retired. Orders are placed for four additional DC-10-30s.

A B-707-323C freighter with five crew goes missing over the Pacific Ocean 30 min. after takeoff from Tokyo (NRT) on January 30; no trace of wreckage is found.

Despite the temporary grounding of the DC-10 fleet due to the Chicago **American Airlines** crash, passenger bookings accelerate 12.9% to 4,212,909. Revenues rise 35% to \$689.7 million, but the net profit drops to \$54.5 million.

The workforce is increased a scant 0.3% in 1980 to 16,722. Orders are placed for two Airbus Industrie A300B4-2Cs and three B-747-241Bs, as one B-727-41C and three DC-10-30s are added.

In January, the company receives the 1979 "Passenger Service Award" from *Air Transport World* magazine. Helio Schmidt is elected president in April, a post he will hold until his death a decade later.

Boardings rise 5.4% to 4.4 million and freight is up 4.4%. Revenues jump 19.1% to \$822 million, but expenses (led by increased fuel costs) soar 26.5% to \$806 million; the operating profit falls to \$15.8 million and the net to \$32.8 million. In terms of passenger kilometers flown, VARIG now ranks as the largest carrier in Latin America and is among the world's 24 largest airlines.

The employee population is reduced 0.3% in 1981 to 16,703. Helio Schmidt assumes the presidency and his fleet is strengthened by the delivery of three B-727-241s, two DC-10-30s, and one A300B4-2C. Also, three B-747-2L5Bs, originally manufactured for **Libyan Arab Airlines** but refused a U.S. export license, are delivered between January 30 and February 5; these are placed on the route between Rio de Janeiro and New York (JFK). Jumbojet services to Europe commence in April, followed by regional A300B4-2C services in June.

A B-707-341C with three crew is destroyed as the result of a bad landing at Manaus on June 11; there are no fatalities.

The 1946 bilateral agreement between Brazil and the U.S., criticized by both sides, is terminated later in the year, leading to five years of often harsh negotiations on a new pact.

Passenger boardings are level at 4,460,316, but freight climbs 5.0% to 561 million FTKs. A \$9.1-million operating loss is suffered.

The workforce in 1982 is up to 16,799 as the second A300B4-2C joins the fleet.

Passenger bookings accelerate 5.9% to 4,598,283 and freight rises 4.3% to 555.48 million FTKs. Revenues grow 10.4% to \$1.001 billion, expenses are up 6.4% to \$985 million, resulting in profits of \$26.8-million operating and \$43.4-million net.

Airline employment in 1983 is reduced 0.3% to 16,745 and service is started to Santo Domingo. In April, in cooperation with **Ecuatoriana Airlines, S.A.**, one joint weekly flight is inaugurated over a route from Rio de Janeiro to San Jose via São Paulo, Guayaquil, and Quito.

Passenger boardings dip 6.2% to 4,313,130 and cargo declines 3.5%. Revenues drop 17.6% to \$883 million and expenses fall 12.1% to \$866 million, leaving an operating profit of \$17.4 million.

The employee population in 1984 climbs back up to 16,948.

En route from Rio de Janeiro to Manaus on February 3, an A300B4-2C is seized by a man and woman with a small child in tow, who demand that it fly on to Cuba. During a refueling stop at Surinam, the passengers are released.

Service is initiated to Abidjan as orders are placed for two B-747-341Cs.

Passenger bookings are level at 4,305,553, but cargo swells by 22% to 651.57 million FTKs.

The employee population is increased 10.4% in 1985 to 19,383 and President Schmidt is reelected to a second five-year term. On December 10 and 19, respectively, two B-747-341Cs are received and enter service.

Passenger boardings climb 8.1% to 4,656,000 and freight rises 7.5% to 700.68 million FTKs. In terms of freight haulage, the carrier now ranks as the 16th largest airline in the world; it is 17th in terms of total employee numbers and still the largest, overall, in Latin America.

The payroll jumps 8.1% in 1986 to 20,943. The new Jumbojets extend service from Rio de Janeiro to Tokyo via Los Angeles. In March, a \$400-million firm order is placed for six B-767-241ERs, with options for four more. Two more L-188As are purchased from **TAME (Transportes Aereos Militares Ecuatorianos)** in April and are assigned to Air Bridge services.

During the spring, flights commence to Toronto and Montreal and under the direction of Walterson F. Caravajal, a new Directorate of Human Resources is established to implement an extensive training program.

Late in the year, two leased B-767-2Q8ERs and two owned L-188s are added and three B-707-341Cs are retired.

In November, the giant orders two EMB-120s for the regional **Rio-Sol (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)**; the aircraft

are to enter into service at the end of 1987. During the year, a ground handling joint venture is entered into with **Aerolineas Argentina, S.A.**

Customer bookings are up again, a healthy 21.4% to 5,650,308 and cargo accelerates 12.8% to 790.64 million FTKs. Revenues rise 18.6% to \$1.17 billion, costs climb but 10.8% to \$1.05 billion, and the operating profit is dramatically improved to \$110.55 million. Net gain also doubles to \$126.79 million.

Airline employment is increased by 11.5% in 1987 to 23,356.

Just after takeoff from Abidjan, Ivory Coast, to Rio de Janeiro on January 3, Flight 797, a B-707-379C with 12 crew and 39 passengers, develops engine trouble and attempts to return to the point of origin; the aircraft crashes into a forest 18 km. NE of the point of origin (50 dead).

In February, the carrier and Aeroportos do Rio de Janeiro hold an accident drill, simulating a Jumbojet overrun crash that involves over 150 people. On April 11, a B-747-244B is leased from **South African Airways (Pty.), Ltd.** Services are inaugurated to Montreal and Toronto in June and the two chartered B-767-2Q8ERs are returned as six owned B-767-241ERs complete their entry into service during July.

In September, the company begins serving its thirty-seventh international destination with a four-times-weekly DC-10-30 service from Rio de Janeiro to Barcelona via Madrid. In October, a \$464-million agreement is signed with ILFC for the 15-year charter of 3 B-747-341Bs. Simultaneously, Stratoliners employed on the routes from Rio de Janeiro to Lagos, Luanda, and Abidjan are replaced with DC-10-30s.

Passenger boardings slip 1.6% to 5,559,279, but freight continues its upward push, rising 9.2% to 863.6 million FTKs. Revenues climb 5.4% to \$1.23 billion, expenses jump 11.1%, and the operating profit falls to \$57 million. The net figure is a loss: \$123.9 million.

The payroll grows by 3.6% in 1988 to 24,200, largest in Latin America. The 75-plane fleet is also the largest south of the U.S. border; however, during the year, the last 5 B-707-320Cs are sold. In January, 4 A300B4-2Cs are sold to **Toa Domestic Airlines Company, Ltd.** for delivery early in the succeeding year.

In March, a marketing agreement is signed with **Japan Air Lines Company, Ltd. (2)**, which provides for code-sharing and block-space seat sales on weekly flights from Rio de Janeiro to Tokyo (NRT) via São Paulo and Los Angeles.

The three leased B-747-341Bs are delivered during the second half of the year, as orders are placed for six MD-11s. In July, two B-737-33As are leased from Ansett Worldwide Services, Ltd. and the long-haul concession is reconfirmed in August when the government revokes its earlier approval of international rights for **Transbrasil, S.A. (Linhas Aereas Transbrasil)**.

During the fall, the joint agreement signed with **Japan Air Lines Company, Ltd. (2)** begins and capacity is shared on a weekly route from Rio to Tokyo. In December, \$12 million is invested to begin construction of a new cargo terminal at Rio de Janeiro.

Customer bookings advance by 7% on the year to 5,967,477 and cargo is up 2% to 882.72 million FTKs. Revenues increase 18.4% to \$1.45 billion. Costs force an operating loss of \$51.66 million, but the net loss shrinks to \$32.62 million.

Company employment inches up by 2.1% in 1989 to 24,638 and the fleet now includes 68 aircraft, including 54 jetliners. The largest airline in South America operates to 43 destinations in 33 nations while also flying to 43 domestic locations. A new Brazil-U.S. bilateral takes effect in April after five years of often harsh negotiations.

In competition with **Transbrasil, S.A. (Linhas Aereas Transbrasil)** and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**, VARIG, also in April, places the two previously leased Australian-owned B-737-33As into service over the Rio de Janeiro-São Paulo air bridge, along with a chartered Dash-3Y0 and two Dash-2K9As rented from **Bavaria Fluggesellschaft, GmbH**. As the jetliners are introduced, Electras are retired. The nonstop, twice-weekly DC-10-30 service from Rio to Toronto is rerouted in June to include a stopover in Chicago.

Beginning in July, the megacarrier introduces two new nonstop roundtrip frequencies to Miami and replaces DC-10-30s on some routes

with B-747-2L5Bs and B-747-341Bs. In August, weekly flights begin from New York to São Paulo via Rio de Janeiro, while the B-747-2L5Bs employed on the nonstop runs to New York are replaced with B-747-341Bs.

With the crew reportedly listening to a World Cup soccer match between Brazil and Chile, Flight 254, a B-737-241 with 6 crew and 48 passengers en route from São Paulo to Belem on September 3, goes off course. It suffers fuel exhaustion that results in the Boeing making a forced landing in the Amazon jungles 60 km. from São Jos de Xingu (13 dead).

Two days later, a survivor reaches a remote ranch and reports that 43 others are alive after the belly-landing and require assistance. Unemployed 19-year-old Alfonso Saravia leads the search team that locates the wreck site and rescues the survivors.

Later in the month, the company signs an cooperative operating and marketing agreement with **Aerolineas Argentinas, S.A.** As part of the pact, the two carriers pledge to avoid fare wars and to provide reciprocal ground handling in their respective countries; also, they will develop joint flight-service training and market-development activities.

Employing Fokker F.27s, the regional **TAM (Transportes Aereos Regionais, S.A.)** inaugurates its own Rio to São Paulo air bridge shuttle in October in direct competition with VARIG and its fellow majors. The regional **Rio-Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** enters the air bridge competition in December.

Passenger boardings this year shoot up 13.3% to 6,758,354 and freight rises 15.1% to 1.01 billion FTKs. Revenues advance 21.6% to \$1.86 billion, expenses climb 19% to \$1.89 billion, and the operating loss is cut in half to \$25.62 million. A \$10.41-million net profit is generated.

The number of employees is increased by 4.1% in 1990 to 25,654. Construction on a new \$10-million freighter terminal is completed at Rio de Janeiro in early January. Also at the first of the year, the company enters the currency exchange business through the establishment of a new subsidiary, Banco VARIG, S.A., capitalized with a \$25-million line of credit.

Plans are completed with **Aerolineas Argentinas, S.A.** for the inauguration of joint shuttle service between Buenos Aires and the Brazilian destinations of Porto Alegre, Florianopolis, Foz do Iguacu, São Paulo, and Rio de Janeiro. Twice-weekly service is initiated on March 1 from Chicago to Rio de Janeiro, continuing on to São Paulo. President/CEO Schmidt, due to retire on May 1, dies of cancer at New York in April at age 64; he is immediately succeeded by Executive Vice President Ruben Thomas.

In June, it is announced that the carrier will replace the L-188As employed on the São Paulo-Rio de Janeiro air bridge route with newly ordered B-737-300s. The \$2.5-billion fleet renewal contract is the most ambitious yet signed by any South American airline. The shift cannot, however, be made until a 200-m. extension is made on the runway of Rio's downtown Santos Dumont Airport.

The company's two A300B4-2Cs are withdrawn from regional routes during the month.

The Gulf crisis that follows Iraq's August 2 invasion of Kuwait brings extraordinarily high fuel costs. To meet the fiscal challenge, the company seeks to increase its capital by selling \$75 million in debentures in the local market, stepping up a Total Quality Control program, and the sale and leaseback of three DC-10-30s for \$110 million. On December 31, three hotels combined into Hotel da Bahia, S.A. are renamed Companhia Tropical de Hotels, S.A.; shareholding in the facilities is increased to 89.90%.

Customer bookings for the year fall 5% to 6,442,908 and cargo drops 9.1% to 924.2 million FTKs. Revenues swell 6.3% to \$1.98 billion, but costs are higher and force an operating loss of \$29.4 million. The net loss is \$145.1 million.

The payroll grows another 2.3% in 1991 to 26,236 and the fleet now includes 90 aircraft. **Pan American World Airways (1)** initiates new—if brief—competition with the flag carrier early in the year with new flights from Miami to Recife, São Paulo, and Rio. In May, flights from Rio de Janeiro to Chicago are increased to four per week. San Francisco becomes the fifth U.S. gateway; on May 27, four-times-per-week non-

stop service is opened from Rio de Janeiro to San Francisco. During the month, the Iris 2 reservations system comes on line.

In June, weekly Chicago to Brazil services are doubled from two to four and nonstop routes are inaugurated from Miami to Recife and weekly flights begin from the same Florida city to Belem and Manaus. New competition appears on the scene as American Airlines launches twice-daily frequencies. As the result of the British Aerospace BAe 146 challenge from failed start-up carrier **Air Brazil, S.A.** and in accordance with an earlier announcement, the carrier phases out the 14 Electras it has assigned to the Rio-São Paulo air bridge, replacing them with four B-737-3K9s chartered from **Bavaria Fluggesellschaft, GmbH**.

Nonstop Miami-Recife flights commence on July 1. During the month, discussions are held with **SAS (Scandinavian Airlines System)** concerning a joint-venture agreement on South Atlantic routes. Simultaneously, President Thomas is elected to a five-year term. Weekly frequencies to Lisbon and Oporto increase from five to seven, along with flights to Madrid and Barcelona. Frequencies from Los Angeles to Japan are increased to five per week when Nagoya joins the route network. The first B-747-400, a leased Dash-475, is delivered in October; orders remain outstanding for eight B-747-441s as well as six of eight MD-11s.

Clearing the way for the introduction of close-in B-737-3K9 service, government aviation authorities, later in the month, grant approval for jet operations into Rio de Janeiro's downtown Santos Dumont Airport.

A code-sharing agreement is implemented with **Canadian Airlines International, Ltd.** in November. Under its terms, VARIG code-shares on a route from São Paulo to Toronto via Rio de Janeiro and Chicago, while the Canadians code-share on São Paulo to Toronto services, as well as on VARIG flights to Chile and Argentina.

With the first two MD-11s delivered on November 12, VARIG, in December, becomes the first company in Latin America to operate the advanced wide-body when it places them into service on routes from São Paulo and Rio de Janeiro to Paris and Amsterdam. The leased B-747-475 simultaneously enters service, flying from Rio to Rome.

Also in December, VARIG places 13 of its 14 Electras employed on the air bridge up for sale, pledging to keep the last for its own museum.

Passenger boardings inch up 1% on the year to 6,519,255 as freight declines by 8% to 848.39 million FTKs. Revenues advance just 1.4% to \$2 billion and costs are held low enough to allow an \$80.4-million operating surplus to be earned. The net loss is cut to \$137.6 million.

Recession, inflation, and political instability caused by the impeachment of the nation's president help to insure a decline in 1992. The number of employees is reduced by 6.2% to 24,600 and only one new B-747-441 is received, with delivery of a second delayed for fiscal reasons.

PP-VJM, the first former **American Airlines** Lockheed L-188 Electra purchased in 1962, completes the last Electra flight in Brazil on January 6. The turboprop is then transferred to the Museum Aeroespacial de Campos dos Afonsos in Rio de Janeiro.

To help cope with the downturn, sale and lease-backs are taken on two DC-10-30Fs, a passenger DC-10-30 is sold in April for \$35 million, and scheduled B-737-334 deliveries are cut from six to three. In addition, the last remaining parked L-188As are sold for \$17.5 million for the lot.

In May, negotiations are undertaken designed to change its short-term domestic debt packages into long-term paybacks. The following month an agreement is signed with **SAS (Scandinavian Airline System)** under which the Scandinavian carrier purchases 40 seats and 12 tons of cargo space on each of VARIG's 3 weekly flights from Rio de Janeiro and São Paulo via London to Copenhagen.

New routes are initiated from Rio de Janeiro to São Paulo, Johannesburg, Bangkok, and Hong Kong and from Rio to Mexico City via Cancún. A joint venture agreement is signed with the Marriott Corporation in July under which the companies pledge to build an \$18-million catering facility at São Paulo's Guarulhos Airport. On September 30, the subsidiary **Cruzeiro do Sul, S.A.** begins absorption into its parent. A sixth Brazil-Japan frequency is introduced in November; in cooperation with

Japan Air Lines Company, Ltd. (2) joint flights are undertaken from São Paulo to Nagoya.

Customer bookings fall 14% to 5,622,537. The only positive statistic is a 10% growth in cargo traffic, to 929.59 million FTKs. Despite an operating profit of \$115.2 million, the company suffers a net loss of \$380.3 million.

In 1993, Chairman/President Rubel Thomas oversees a workforce of 25,152, down 4.2% from the previous year, as subsidiary Cruzeiro is fully absorbed into the carrier's operations. On January 4, capacity is increased on the routes linking Rio de Janeiro, São Paulo, Recife, and Salvador with Madrid and Barcelona. MD-11s are substituted for B-767-341ERs. Service is provided to a total of 44 Brazilian destinations and 38 foreign markets. Later in the month, the company begins to code-share on **South African Airways (Pty.), Ltd.** flights from Johannesburg to Bangkok.

In March, the company begins to operate code-share and block-space flights over domestic Brazilian routes in partnership with **Transbrasil, S.A. (Linhas Aereas Transbrasil)**.

In June, a strategic marketing and code-sharing agreement is signed with **Deutsche Lufthansa, A.G.**, effective in November. Under its terms, the two carriers coordinate their schedules and operate 28 dual-designator flights per week on routes from Rio de Janeiro and São Paulo to Frankfurt; VARIG joins the Amadeus reservations system consortium. Joint freight services will also be flown between São Paulo and Frankfurt.

Following the loss of \$100 million in the year's first half, the company institutes a stringent cost-cutting plan in late summer. Under its terms, 4 directorates are eliminated, 2 are downgraded, and layoffs are announced for 1,300 workers. In October, a historic code-sharing alliance is entered into with the nation's second largest airline, **Transbrasil, S.A. (Linhas Aereas Transbrasil)**. Designed to rationalize operating costs and keep capacity adjusted to demand, the new pact quickly sees frequencies and schedules adjusted for coordination on a number of routes.

Six DC-10-30s are retired by year's end. Also during the 12 months, the carrier joins with the Catholic University of Rio Grande do Sul to establish an Aviation Sciences Institute. Also, together with Caterair International, the joint venture subsidiary Caterair Brazil is established to provide on-board meals to outside customers on a large scale.

Enplanements for the year total 9,159,649 and as the result of new and improved services and a cost-cutting program, revenues advance 18% to \$2.6 billion. Operating income is \$43.14 million, but a \$97.2-million net loss is suffered.

Airline employment is reduced a further 14% in 1994 to 21,832. The catering facility at São Paulo's Guarulhos Airport, built jointly with the Marriott Corporation, is opened early in the year. A new frequent flyer program, Smiles, is introduced during the first quarter. Unhappily, it will turn out that the information technology system chosen to support the program is too low-grade to keep up; however, a government decision will prevent the carrier from importing foreign software with which to upgrade.

At São Paulo, in March, VARIG signs a joint marketing and feeder agreement with the new air taxi operator **Aeroexutivos, S.A.**, which will employ its two Cessna 500 Citation Is to provide connections within a 600-km. region. On the 27th of the same month, the major informs its aircraft lessors that it will suspend principal, rent, and interest payments for two months, pending renegotiation of its agreements.

A code-sharing venture is started with **LAB (Lloyd Aero Boliviano, S.A.)** in April on a route from Santa Cruz to La Paz. A significant cost-cutting program is undertaken in May and June. A total of \$6 million in monthly wages is saved by the immediate layoff of 2,600 employees. Nine leased aircraft are returned, including both B-747-441s and the B-747-475 and options are cancelled for five more B-747-400s and seven 737-300s.

Service is suspended to 11 international and 2 domestic destinations, wide-bodied aircraft are removed from domestic services, the amount of

food served in flight is reduced, 30 offices in foreign nations are closed, and 5 executive positions are eliminated. Additionally, a hotel chain, a car-rental company, a bank, and other nonairline assets are put up for sale.

The code-sharing and support agreement signed the month before with **Delta Air Lines** is implemented in July as the first Brazil to Atlanta daily roundtrip service is inaugurated. Delta purchases code-shared blocked-seats on the VARIG B-767-341ER flights to Georgia from Rio de Janeiro and São Paulo. A similar code-sharing arrangement covers flights by VARIG to Miami, New York, and Los Angeles. At the same time, the company participates as a management partner, without investment, in the privatization of **PLUNA (Primeras Lineas Uruguayas de Navegacion Aerea, S.A.)**. The government's new economic plan, released during the month, is of significant fiscal assistance, just through the strengthening of the nation's currency alone.

In August, a "protocol of understanding" is signed with GE Capital and McDonnell Douglas. Under its terms, the two companies agree to take over payments on 10 VARIG aircraft in exchange for 3 seats on the Brazilian major's 9-member board of directors, the first outside directors appointed in the airline's long history. GE Capital purchases six VARIG B-767s and leases them back, while also paying \$204 million of the debt owed by the airline to the U.S. Export-Import Bank.

The manufacturer, for its part, agrees to pay the same bank \$70.2 million over 18 months, to be applied to the \$407 million owed on 4 MD-11s. When Brazil defeats Italy in the World Cup championship held in the U.S., the company shows off its pride by painting special titles on the aft fuselage and engines of its DC-10-30s. During the fall, the national investment bank BNDES provides a \$130-million loan; the Banco de Brasil grants a long-term, \$250-million loan; 39 offices are closed.

Passenger boardings inch up only 0.9% to 9,242,834, but freight does much better, swelling 9.7% to 1.2 billion FTKs. Revenues move ahead by 8.1% to \$2.74 billion and expenses grow only 3.7% to \$2.59 billion. As a result, the pretax profit rises dramatically to \$158.86 million, while net gain is not revealed.

The workforce is cut another 12.2% in **1995** to 19,170. Willy Engels is named president in June and given a mandate to stem the flow of red ink on the financial ledgers. He prepares a plan, modeled on that developed by CEO Jan Carizon for **SAS (Scandinavian Airlines System)**. Emphasis is placed on cost-cutting, business-class enhancements, yield management improvement, fleet rationalization, and improvements in baggage-handling, customer relations, and punctuality.

In July, the government institutes Plano Real, a currency reform program designed to cut costs by tying Brazil's money to the U.S. dollar. The same month, the company launches the only Rio de Janeiro-to-New York (JFK) nonstop roundtrips.

In August, a B-747-2L5B is damaged in a ground accident at New York (JFK). The Jumbojet, being taxied to the gate by two **Delta Air Lines** engineers, crashes into a parked service truck, dragging it 75 feet across the tarmac and damaging a jet engine when the truck is wedged underneath.

During the fourth quarter, three B-747-2L5Bs are purchased by **Cathay Pacific Airways (Pty.), Ltd.** and sent to Boeing's Wichita division for conversion into freighters for its subsidiary, **Air Hong Kong, Ltd.**

Enplanements are up a slight 1% to 9,334,720, with cargo again making a large gain, rising 9% to 1.31 billion FTKs. Operating revenue is \$3.1 billion and, even though costs leave a \$152.11-million operating profit, there is a \$41.88-million net loss.

The number of employees is reduced a further 5.2% in **1996** to 18,119. Having been unable to impact the company's slide, President Engels is terminated and replaced on January 12 by former **Cruzeiro do Sul, S.A.** President Fernando Pinto. A restructuring program accounts for much of the reduction in force. Additional reforms undertaken include increasing the number of seats in business class, revising the company's yield management system, an improvement in on-time performance, enhancement of onboard and ground service levels, including airline business courses for cockpit and cabin crews.

In addition, a contract is signed with Speedwing, the consulting arm of **British Airways, Ltd. (2)** for help in the development of new computer systems and applications. In August, the company reports a loss of \$153 million during the first six months of the year; President Pinto blames the downturn on "administrative problems."

In late summer, U.S.-based Landor Associates is contracted to assist the company in revising its older image into one more friendly to business. The company begins a 2-year, \$15-million program in October to repaint its entire fleet with a new lighter-blue Landor-designed livery, replacing the familiar tail markings with the blue and yellow "rose of the wind" logo of the Ruben Berta Foundation. The new color scheme is only the second in company history. In addition, aircraft cabins and in-flight services are redesigned.

During the year, two wet-leased freighters are replaced with one underutilized VARIG DC-10-30 for a \$25-million saving. In addition, 10 B-737-200s are sold and leased back bringing another \$55 million in savings. Indeed, the entire cost-cutting program in 1996 saves \$140 million.

Customer bookings ascend 3.3% to 9,642,216 and 1.24 billion FTKs are operated, a 4.6% decline. Revenues dip 1.4% to \$3.01 billion, but expenses plunge 20.3% to \$2.91 billion. The result is an operating gain of \$99.68 million and net revenues of \$132.61 million.

The employee population inches up 0.5% in **1997** to 18,203. In late January, the limited 1994 joint service agreement with **Delta Air Lines** is terminated.

Flight 265, a B-737-2C3 with 6 crew and 46 passengers on a flight from Maraba, overruns the runway while landing during a thunderstorm at Carajas, Brazil, on February 14. The accident is caused when the right main landing gear collapses rearwards, forcing the plane to end up in a forest and killing the first officer.

Also in February, the company and **PLUNA (Primeras Lineas Uruguayas de Navegacion Aerea, S.A.)** agree to operate joint offices. VARIG will provide local management and sales for PLUNA in Brazil, Chile, and Paraguay while PLUNA reciprocates in Uruguay.

A wide-ranging strategic alliance is entered into with **United Airlines** in April. When implemented on October 26, the arrangement will see coordination of schedules, shared frequent flyer programs, and code-sharing. VARIG will operate dual-designator flights from Rio de Janeiro and São Paulo to Los Angeles, Miami, New York, Atlanta, and Orlando, while VARIG will attach its code to United services to São Paulo and Rio de Janeiro from New York, Chicago, and Miami.

When the "Star Alliance" between **SAS (Scandinavian Airlines System)**, **Deutsche Lufthansa, A.G.**, **Air Canada, Ltd.**, **United Airlines**, and **Thai Airways International, Ltd. (THAI)** is announced on May 14, negotiations have already been completed, as part of the United arrangement, to bring VARIG in as another partner in October.

On July 1, the company is finally permitted to sign 10-year leases with IBM and SITA, valued at \$450 million, for upgrade of its computer and communications or information technology systems. Software for planning, reservations, and yield management will be purchased from **United Airlines** and **Deutsche Lufthansa, A.G.**

A \$629,000 legal claim is placed against **Delta Air Lines** in U.S. District Court in Atlanta on July 30, seeking to recover damages from the August 1995 Jumbojet incident.

A plan implemented the year before to increase business-class seating and pitch across the wide-body fleet is completed at the beginning of August.

In a concentrated effort to increase the \$549 million in 1996 revenues gained from freight, the company, in September, completely revamps its all-cargo operation. The entire freight emphasis is restructured into a separate profit center, VARIG Cargo. The two DC-10-30Fs and five B-727-100Fs assigned to it are given new livery and the unit is equipped with the Unisys Air Cargo Efficiency automation system.

The lawsuit against **Delta Air Lines** is withdrawn in early October and the previously limited marketing agreement between the two companies is replaced by a more comprehensive pact. It provides not only

for coordinated frequent flyer programs, but also a code-sharing agreement on all return services the two companies fly between Brazil and the U.S.

On October 26, the company is formally accepted as the sixth member of the "Star Alliance," which is now initially thrust into the fast-growing South American airline market. The landmark event is demonstrated worldwide when, in early November, a company B-747-341C begins flights with the port side of its fuselage painted in the color schemes of the other members.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January. Also in December, the carrier introduces its deep-discount Voa Brasil night domestic service.

Passenger boardings accelerate 3.2% to 9,937,912, while freight rises 4.3% to 1.3 billion FTKs. Operating revenues reach \$3.04 billion, but huge expenses cause an operating loss of \$92.7 million. Still, a \$24.48-million net profit is generated and celebrated.

At the beginning of 1998, VARIG is the 22nd largest airline in the world in terms of employee number (18,203) and 24th in operating income. The fleet, 73.9% of which is Stage III certified, includes 88 airplanes: 5 B-727s, 48 B-737s, 5 B-747s, 12 B-767s, and 9 each DC-10s and MD-11s.

Prior to internal air force opposition that slows the process, DAC deregulation continues in January. As part of the liberalization, the government decrees that the monopoly the company shares with **Transbrasil, S.A. (Linhae Aereae Transbrasil)** and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** on the Rio de Janeiro to São Paulo air bridge must end.

Simultaneously, trunk lines are granted permission to compete with regional carriers on services between the downtown city-pairs of São Paulo and Brasilia or Belo Horizonte and Rio de Janeiro and Belo Horizonte or Brasilia. Further, airlines will be allowed to offer discounts of up to 65% on internal flights and any carrier will be allowed to fly charters on any route, with certain conditions. The move will have the desired end of increasing new business, but it will also set off a devastating fare war.

On January 22, it is announced that VARIG Cargo will begin dedicated freighter flights later in the spring between Rio de Janeiro and Milan, Italy.

Transbrasil, S.A. (Linhae Aereae Transbrasil) and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)** enter the new city-pair markets in February.

Employed to handle air bridge traffic, the 61-year-old passenger terminal at Santos Dumont Airport, Rio de Janeiro, burns down on February 13, forcing transfer of connections on this end of the route from São Paulo to be transferred to Rio's international airport.

Work is begun immediately on a temporary passenger terminal, which is expected to be completed by July; a completely new facility will not, however, be available until late 1999.

Due to promotions and discount fares, industry traffic to Brazil, through March, increases by 35% over the same period a year earlier.

During April, the airline, which has been selected as "Transportadora Oficial da Selecao Brasileira de Futebol," paints two aircraft in new colors that show off its official status as the nation's airline of the World Cup games. An MD-11 and a B-737-341 each receive a white forward fuselage, a blue rear fuselage, and green and yellow ribbon bands in the center. They also show stars and badges representing the years of victory: 1958, 1962, 1970, and 1994.

It is announced on May 13 that the two repainted planes will be stationed at Paris (CDG) in June; the aircraft will be rotated for flights throughout France to the various sites of the football (soccer) matches of World Cup '98.

Voa Brasil proves such an outstanding success that, in May, the company unveils a new discount product that provides for promotional fares on all of its 280 daytime domestic flights. **TAM (Transportes Aereos Regionais, S.A.)** immediately moves to counter VARIG's low-prices,

offering 60% off fares on 45% of its own services. This challenge ignites a fare war over Brazil's domestic routes, the first in the nation's history.

On June 1, arrangements are made with **Air France** to help fly its booked soccer fans to the World Cup championships being held in France. Although the Paris-based flag carrier's pilots go out on strike this day, **Air France** aircraft already stationed in Brazil will fly customers for the next two days, after which passengers bound to the games on June 2-4 will fly VARIG. The specially painted B-737-341 is stationed in France to fly the Brazilian national team between tournament cities.

Also in June, VARIG announces that it will drop out of the joint Rio de Janeiro-São Paulo air bridge shuttle. In cooperation with **Rio Sul (Serviclos Aereos Regionais, S.A.)**, it will offer its own competition against its former partners **Transbrasil, S.A. (Linhae Aereae Transbrasil)** and **VASP Brazilian Airlines (Viacao Aerea de Sao Paulo, S.A.)**.

The joint air bridge service with Rio Sul begins in July. The World Cup leads to a significant reduction in the number of Brazilians traveling, as they prefer to remain home and watch the month of matches on television.

During late summer, a major shakeup at the airline is begun. The change is due largely to a report that a \$168-million loss has been incurred during the year's first half.

In late August and in response to the continuing Asian economic crisis, the carrier suspends its five-year-old twice-weekly flights into Bangkok and Hong Kong.

The carrier moves from Terminal 7 at New York (JFK) on September 15 to Terminal 4. With three former **Garuda Indonesia** MD-11s already in the fleet, VARIG, on September 20, agrees to take four of the six that the Indonesian carrier had returned to its lessor in late spring. One is quickly delivered and will be joined by the other three once they have received certification checks.

Also in September, the livery of Rio Sul aircraft is changed; the planes become identical to those operated by the parent company in all but titles. Also during the month, a \$2.7-billion order is placed with Boeing for 39 new aircraft. The first is scheduled for delivery in late November, with two more arriving in December.

The premier Next Generation B-737-76N duly arrives on November 29 under charter from GE Capital Aviation Services. Three more such leased examples will enter service at the end of the year.

A DC-10-30 is leased to **AVENSA (Aerovias Venezolanas, S.A.)** on December 18.

President Pinto indicates on December 29 that the company will experience a \$200-million shortfall on its 1998 domestic revenues; company debt is now \$1.9 billion.

The reasons behind VARIG's fiscal condition, which set off a board debate on the president's future, are laid to three business decisions during the year: (1) a \$2.7-billion order to Boeing for 39 airplanes; (2) a \$500-million agreement with GE to purchase engines; and (3) a 10-year maintenance agreement, also with GE.

On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are expected.

Customer bookings jump 10.9% to 11.01 million, while cargo traffic dips 1% to 1.29 million FTKs. Revenues accelerate 9.7% to \$2.6 billion; however, costs jump to \$2.78 billion. The operating loss is \$181.5 million, while the net loss is \$15.3 million.

A code-sharing agreement with VARIG is announced by **All Nippon Airways Company, Ltd. (ANA)** on January 26, 1999; the two carriers will begin joint services between Japan and Brazil in May.

It is announced on January 28 that the company has been voted the Best South American, Caribbean and Central American airline at the 1999 OAG Global Awards presentations in Washington, D.C. earlier in the month.

Although the Fundacao Ruben Berta, which holds 87.2% shareholding, continues to support President Pinto, a number of administrative

council (board) members in early March begin to campaign for his replacement by board member Nelson Sampaio Bastos. They have lost confidence in the incumbent leader's ability to redress the fiscal concerns that he had reported at the end of the previous year. Pinto, whose brother is a company captain, as was his father, receives strong support from the pilots' union, which had lobbied the Fundacao Ruben Berta on the president's behalf.

With the Brazilian real having lost 35% of its value against the U.S. dollar since mid-January, VARIG is forced on March 17 to discontinue, on a temporary basis, service to five international destinations in April. The devaluation has caused the airline to register a drop of 11% in international traffic, along with a 4.5% decline in domestic boardings.

Having called upon President Pinto to resign for complacency and been rebuffed, the entire administrative council resigns in displeasure. At a special meeting at Porto Alegre on March 24, a new administrative council is chosen for the airline. Among the new members are onetime VARIG Planning Director Harro Fouquet and Brazilian aviation legend Ozires Silva, a former air force officer and government aviation minister who had founded the Embraer aircraft manufacturing concern and served as its CEO. The council's first act is to reaffirm President Pinto's position and to give him a vote of confidence as the leader who will take the carrier out of its current economic difficulties.

Upon his reaffirmation, President Pinto announces a major cost reduction program on April 5 aimed at reducing annual expenses by \$160 million. All four remaining passenger DC-10-30s will be grounded; thereafter, VARIG will utilize two DC-10-30Fs for cargo only. Additionally, six B-737-200s and two B-737-300s will also be withdrawn. Leasing arrangements are to be renegotiated, while the financial terms of the \$2.7-billion Boeing order will be restructured.

New York-based Bankers Trust is contracted to renegotiate the airline's debt and the company soon resumes its leasing payments. Arrangements will be completed by early June for a 400-million real loan from BNDES, the national development bank.

Effective April 15, the major no longer flies to Zurich, Switzerland, Porto, Portugal, in Europe, or the U.S. cities of Orlando, Atlanta, and Washington, D.C. Passengers bound between Brazil and the discontinued U.S. cities are pointed to "Star Alliance" partner **United Airlines**.

The April 26 issue of *Gazeta Mercantil* reports that Brazil's airlines will have laid off 3,000 employees by June due to the restructuring programs they have started since the first of the year. VARIG, having reduced its domestic flights by 12%, lays off the majority of workers—2,000.

Having suffered a 35% drop in international bookings since the beginning of the year, VARIG suspends services to Johannesburg on May 9. Plans are announced for the immediate return of 14 leased aircraft, while cost cutting may result in the suspension of as many as 4 more international routes. At this point, President Pinto becomes the fourth president in six years to depart involuntarily; he is replaced with board member Silva.

Under the January code-sharing agreement and employing one of the Brazilian partner's B-747-341s, VARIG and **All Nippon Airways Company, Ltd. (ANA)** inaugurate dual-designator services on May 13 between Rio de Janeiro and Tokyo (NRT) via São Paulo and Los Angeles. The All Nippon-VARIG code-share also includes one weekly service to Nagoya; two more Nagoya flights will be added on June 29.

Under terms of a strategic agreement signed on May 21, VARIG and **LANChile Airlines, S.A.** commence dual-designator service on June 1 from Peru to Japan.

On June 10, the federal court announces that the airline is to receive 2.2-billion real (\$1.8 billion) indemnification for losses generated by the government's 1986–1992 refusal to allow price increases.

A week later, on June 18, the Brazilian national development bank BNDES grants VARIG a \$410-million loan to help it manage its debts. The funds are made available through a debentures issue that is underwritten by BNDESPar, a possible VARIG partner. Due to devaluation of the real, the company proceeds with a restructuring of its international services.

Flights five times a week between Los Angeles and Brazil are continued and on June 29 increased to daily.

Under terms of a three-way code-sharing agreement signed with **Aerolineas Argentina, S.A.** and **VARIG, South African Airways (Pty.), Ltd.** introduces twice-weekly nonstop roundtrips on July 8 between Johannesburg and São Paulo.

In September, the government proposes that the nation's four major carriers find a way to merge some or all of their activities under a joint operating agreement or some other form of umbrella.

At the beginning of October, the Brazilian National Development Bank (BNDES) adds to the discussion of airline mergers when its president, Andrea Calabi, announces that BNDES will broker and finance an amalgamation of VASP, VARIG, Transbrasil, and TAM, which may be accomplished in "the medium term." Stating that such a move without additional capital would be pointless, the initiative is publicly opposed by **Transbrasil, S.A. Linhas Aereas, TAM (Transportes Aereos Regionais, S.A.)**, and **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**. VARIG, which also does not want to give up any of its market regions in order to participate, begins negotiations with BNDES about a debt rollover loan and an extension of its debt payments.

Previously operated by **Garuda Indonesia** and refurbished after a period of retirement in the Mojave Desert, the company's 14th MD-11 is received on November 1. Another ex-Garuda MD-11 arrives on December 10.

Passenger boardings decline 8.7% to 10,065,000 while cargo traffic falls 16.1% to 1.08 billion FTKs. Although revenues jump 25% to \$2.5 billion, an R 218.6-million (\$54-million) loss is suffered. The downturn is largely blamed on the devaluation of the real back in January.

Airline employment at the beginning of 2000 stands at 17,740, a 1.4% decline over the previous 12 months. The "classic" B-737 fleet now includes 2 each Dash-36Qs and Dash-33Rs, 4 each Dash-36Ns, Dash-33As and Dash-3K9s, 14 Dash-341s, 1 each Dash 3S3 and Dash-3Q8, and 4 Dash-4Y0s. Five Next Generation B-737-76Ns are also operated.

During the first quarter, Fundacao Rubem Berta undertakes a restructuring effort when it transfers part of the original holding company VARIG Brazil's equity and liabilities into two new entities, VPTA and VPSC. The rearrangement will continue later.

Frequencies from Rio de Janeiro to Rome and Milan become thrice-weekly on March 26. The same day, VARIG begins to code-share with **Spanair, S.A.** on their new flights to Brazil.

At the start of April, the carrier joins **Deutsche Lufthansa, A.G.** and **United Airlines** in moving into joint facilities at Rio de Janeiro International Airport. Rio becomes the fifth major airport (after Frankfurt, Copenhagen, Shanghai and Beijing) to house all "Star Alliance" partners in a single terminal. The membership's corporate leadership is currently discussing similar arrangements with the airports at London (LHR), Paris (CDG), Los Angeles, and Miami.

To celebrate the 500th anniversary on April 22 of Portuguese explorer Pedro Alvares Cabral's discovery of Brazil, a company B-737-341 is painted in a special commemorative color scheme.

On May 17, two B-737-2T4As join the fleet; the aircraft had previously been operated by the recently defunct Mexican carrier **TAESA (Transportes Aereos Ejecutivos, S.A. de C.V.)**. Two of the MD-11s given up by **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** earlier in the month are leased to VARIG by Mitsui & Co., Ltd. on May 22. A commercial and operational alliance is formed between VARIG Cargo and **Lufthansa Cargo Airlines, A.G.** on May 31.

A B-767-241ER, the very first of its type to be delivered back on July 2, 1987, is damaged by a ground fire at Rio de Janeiro on June 7; it will be repaired and returned to service by October. A second daily MD-11 return service is initiated on June 15 between Rio de Janeiro and Los Angeles while new flights are simultaneously started from Rio de Janeiro and São Paulo to Munich.

Also during June, the company's restructuring continues. A new holding company, FRB-Par, is created for the VARIG business group, with VPTA and VPSC becoming two of its three subsidiaries, with the

original holding company, VARIG Brazil, named the third. The group's first charter organization, Rotatur, is incorporated, while the subsidiary carriers **Nordeste (Nordeste Linhas Aereas Regionais, S.A.)** and **Rio-Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** are granted their independence from VARIG and placed under the control of VPTA.

On July 1, Ozires Silva is elected to succeed Fernando Pinto as CEO. The new leader will not only continue the carrier's restructuring, but launch an expansion program as well. Soon, a second daily São Paulo to Los Angeles roundtrip is started, while thrice-weekly B-767-341ER return service is also inaugurated from São Paulo to Munich.

Arrangements are completed on July 5 for the acquisition of four B-737-4Y0s previously operated by **Transbrasil, S.A. Linhas Aereas**; the premier aircraft enters service during the first week of July.

While en route from Lisbon to Rio de Janeiro on July 10, the captain of a B-767-341ER receives a warning by radio that a bomb is aboard. An emergency landing is made at Gando in the Canary Islands, where all aboard are hastily evacuated. A search reveals no explosives.

On behalf of the national post office, the company, on July 18, inaugurates B-727-41F mail service weekdays from Porto Velho to Salvador via Cuiaba and Brasilia and Tuesday-Saturday mail service from Salvador to Porto Velho via Brasilia and Cuiaba.

The company's last B-747-341C departs Rio on August 18; it has been turned over to **Atlas Air** for operation. Two B-777-2Q8s are leased for 10 years from ILFC on August 25 for delivery in October and November 2001. When they enter service, VARIG will become the first operator of the type in South America.

An ambitious \$100-million, two-year plan is unveiled in August for the creation of Brazil's top-level logistics concern. Under the concept, VARIG Cargo will be shut down as an independent company and replaced with a new VARIG Logistica. A strategic partner will be recruited to assume a 45% equity stake and the new operation will fly 10 cargo planes and operate a fleet of 2,000 ground vehicles.

During the first nine months, domestic boardings ascend to 5.2 million, a 5.8% improvement over the same period a year earlier; international bookings jump 10.8% to 2.9 million. A net loss of R 24.7 million is recorded.

The third of four B-737-4Y0s enters service during the first week of October. On October 9, a lease is signed with Pegasus Aviation for a pair of B-727-200Fs.

Due to an increase in loads, equipment utilized on the São Paulo to Munich service is upgraded on October 13 from B-767-341ER to MD-11.

When the partnership with **Lufthansa Cargo Airlines, A.G.** begins on November 2, the Brazilian carrier is able to increase sales by 40% without any new aircraft, while the German line instantly boosts its business in Brazil. Frequencies between Brazil and Germany grow from five to nine weekly flights, with incoming cargo connections made via VARIG for Bogota, Buenos Aires, and Montevideo.

A B-737-341 that had been out on lease to **Virgin Express, S.A.** is returned on November 10; three days later, it is chartered to **Rio Sul (Servicos Aereos Regionais, S.A.)**.

On November 24, VARIG is awarded 20 new international routes by the Brazilian authority International Air Navigation Studies Committee (CERNAI); many others it had sought are awarded, instead, to **TAM-Meridionais (Transportes Aereos Meridionais, S.A.)**. Among the new opportunities presented by the government for implementation in the spring of 2001 are weekly frequency increases to the U.S. (seven), Germany (two), and Spain (three). It is also given all six available Canadian routes, an unexpected prize.

Also the end of the month, the DAC approves a route swap with **Transbrasil, S.A. Linhas Aereas** under which Transbrasil turns over its twice-weekly roundtrip service to London and VARIG gives up its three weeklies to Lisbon. The move allows Transbrasil to offer daily service from Rio de Janeiro to the Portuguese capital, while VARIG increases its number weekly London services to eleven.

A B-727-200F is added to the cargo operation on December 8.

At the end of the year, the company announces that it will soon raise by 10 (to 75 total) the number of daily air bridge shuttle flights operated between Rio de Janeiro and São Paulo.

Passenger boardings during these 12 months accelerate 8.3% to 10.89 million, while freight traffic jumps 14.3% to 1.23 billion FTKs. The year's loss is R 178.5 million.

VARMLANDSFLYG, A.B.: Box 43, Torsby, S-68521, Sweden; Phone 0560-71515; Fax 0560-13015; <http://www.algonet.se/~ulldani/varmlandsflyg.html>; Code T9; Year Founded 1989. Varmlandsflyg is established at Stockholm in 1989 to provide passenger and cargo charter services to domestic locations. Revenue flights commence with a single Beech 99.

Operations continue apace in 1990-1991 and the fleet is increased by the addition of 1 each Rockwell Commander 690A and 840. Unable to maintain economic viability, the company briefly ceases trading during the recession year of 1992.

Revenue flights are resumed in 1993 with attention paid to scheduled flights to Torsby and Hagfors, as well as charters to other domestic points. There is little change in operations over the next seven years. The most important developments are the creation of a homepage on the Internet's World Wide Web in December 1996 and the introduction to the fleet of a Beech 1900D airliner.

VARNEY AIR LINES: United States (1925-1930). California aerial entrepreneur Walter T. Varney bids on U.S. Post Office Contract Air Mail (CAM) Route No. 5, Elko, Nevada, to Pasco, Washington, via Boise, Idaho, in mid-1925. The only contestant, Varney wins the 460-mile route and establishes Varney Air Lines to operate it. Barbara Wood and Leland S. Prior will later profile the pioneer in their "Walter T. Varney: Air Mail Pioneer, Airline Executive, and Test Pilot" in *American Aviation Historical Society Journal* 31 (Winter 1986): 264-268.

Led by Chief Pilot Leon D. Cuddleback and three of his best pilot-trainees, Varney's company establishes bases, with hangars, at Pasco and Elko in spring 1926. Six Curtiss C-6 engine Swallow A27s and A28s are provided and prepositioned at both locations.

On April 6, scheduled mail services are inaugurated west to east and east to west. Flying the eastbound route, Cuddleback barely makes it over the mountains. Franklin Rose, flying to the west, is not so lucky and crashes at Jordan Valley. He recovers the mail sacks, places them on a train and rides with them the 60 miles to Boise where they are flown on to Pasco. Present day **United Airlines** traces its ancestry back to these first flights.

As additional difficulties ensue, it is determined that the Swallows are underpowered. The Post Office now grants permission for a 60-day stand-down while the biplanes are reequipped with Wright J-4 Whirlwinds. Service is resumed on June 6; however, due to a lack of traffic over the route, profits are low. Varney moves the Nevada terminus to Salt Lake City, located on the transcontinental mail route, in October.

On April 15, 1927, William Sanborn's Curtiss A28 en route to Pasco from Salt Lake City, crashes near King Hill, Idaho; Sanborn is killed. A profit is reported later in the spring and is largely employed to purchase five Stearman C2MB and C3MB Speedmails. On February 7, 1928, pilot George Buck is killed when his Swallow A27, caught in a snow squall, crashes. Despite the loss, business prospers and the company's mail subsidy totals \$400,000.

Harold Buckner's C3MB crashes at Cove, Oregon, on January 18, 1929; although managing to reach a trapper's cabin, Buckner dies of his injuries before help arrives. On March 12, the company is incorporated under Delaware law. Now 100,000 shares can be sold under authorization of the Corporation Commission of California and much of the stock is taken up by the North American Aviation holding company. The Pasco terminus is stretched to Spokane and Seattle along newly won CAM-32 on September 23.

On November 9, Kenneth Neece's C2MB, en route from Seattle to Pasco, spins into the ground in fog near Portland; Neece and 100 pounds of mail survive. En route to Portland from Pasco in thick fog on

November 30, Clarence Price is fatally injured when his C2MB flies into the Interstate Bridge over the Columbia River at Vancouver, Washington. Subsidy for the year totals \$700,000. The influx of capital allows purchase of a Boeing 40B-4, the first of an order for 13.

In January 1930, a Stearman is taken in hand and converted as a blind flying trainer with a covered rear cockpit. United Aircraft and Transport Corporation comes forward in late spring with an offer to purchase the operation. Following the advice of old colleague Louis H. Mueller, whom he had had the foresight to appoint company president, Varney allows United to be counterbid by North American. After the boardroom maneuvers, the company is sold to for \$2 million on June 30. It is operated thereafter as a division of United. On September 30, 1933, VAL is absorbed into **Boeing Air Transport (BAT)** and disappears.

VARNEY AIR TRANSPORT: United States (1934–1937). With airline entrepreneur Walter Varney's Mexican airline **LAO (Lineas Aereas Occidentales, S.A.)** just starting, Varney and his former **Varney Air Lines** President Louis H. Mueller form another Varney Speed Lines System subsidiary, Varney Speed Lines (Southwest Division), at Burbank in late April 1934. The new concern is founded after Varney wins AM-29 (once part of **Western Air Express**' AM-12), one of the airmail contracts relet by the Roosevelt administration in the wake of the "Airmail Scandal." Varney and Mueller appoint Avery J. Black, one of four pilots hired (Jess E. Hart, John Montijo, and Earl Campbell are the others), as general manager. An accountant, traffic manager, and secretary complete the staff.

Company headquarters are moved to Denver and three Lockheed Model 5 Vegas are acquired. After being sworn in early on July 15 by El Paso Postmaster M. L. Burleson, Jess E. Hart takes off in his Lockheed Vega with 100 letters to begin passenger, mail, and air-express operations over the 520-mile route between El Paso and Denver via Albuquerque and Pueblo.

No passengers are flown on inauguration day, but 9 are transported during the first 15 days. Corporate headquarters are again transferred, on September 1, down to El Paso. A new logo and the marketing slogan "Trail of the Conquistadores" is introduced. On December 17, the division is rechristened Varney Air Transport.

Services are maintained in 1935, even though the Mexican contract is lost in February and the fleet now comprises 9 Lockheed Model 5 Vegas. While attempting to drop letters to schoolchildren near Walsenburg, Colorado, on May 1, a Lockheed Vega mailplane crashes (one dead). Service is launched to Trinidad, Colorado, during the summer.

On July 5, 1936, Robert Six joins the company, purchasing a 40% interest for \$90,000. Six's investment constitutes a loan from his father-in-law William Erhart, chairman of the Charles Pfizer pharmaceutical company, and is mostly used to pay the Varney company's debts. A little later in the year, Walter Varney leaves the company to Mueller and Six and retires to Cruz Roja to run a mining company. Raton, New Mexico, now joins the route network. En route from Trinidad to Pueblo, Colorado, a Lockheed Model 5 Vega crashes into Rattlesnake Butte, near Walsenburg, on September 28 (three dead).

On April 27, 1937, while taxing for an El Paso takeoff, a Lockheed DL-1B is flipped onto its back by a wind gust and destroyed; the pilot is not hurt. A small expansion is completed on May 14 through Six's insistence on the purchase of the Denver–Pueblo mail route previously flown by **Wyoming Air Service**. Denver to El Paso through-service is started via Colorado Springs; stops at Trinidad and Las Vegas are withdrawn.

A Model 5 Vegas is destroyed as the result of a noninjurious crash landing at El Paso on May 15 and Robert Six becomes executive vice president on June 1. To become compliant with a new federal law concerning flight equipment standards, Mueller and Six now mortgage their homes to raise a \$15,000 down payment on three Lockheed Model 12 "Baby Electras." The carrier's first twin-engine aircraft arrive late in the month.

The new airliners are introduced into service on July 1. Simultaneously, a new marketing slogan "Fly the Old Santa Fe Trail" is unveiled

and, more importantly, at Six's insistence VAT is renamed **Continental Air Lines (2)**.

VARNEY SPEED LANES. See **VARNEY SPEED LINES SYSTEM (VARNEY SPEED LINES AIR SERVICE, LTD.)**

VARNEY SPEED LINES SYSTEM (LINEAS AEREAS OCCIDENTALES, S.A.-L.A.O.). See **LAO (LINEAS AEREAS OCCIDENTALES, S.A.)**

VARNEY SPEED LINES SYSTEM (VARNEY AIR FERRIES). See **AIR FERRIES**

VARNEY SPEED LINES SYSTEM (VARNEY SPEED LINES AIR SERVICE, LTD.): United States (1931–1933). After running an unnamed Oakland–Sacramento–Marysville Stinson passenger service in 1930, Walter Varney joins with former **Varney Air Lines** pilot Franklin Rose in mid-1931 to establish Varney Speed Lines Air Service, Ltd. With \$100,000 of Varney money, Rose purchases six Lockheed Model 9 Orions for the new entrant, some of which have the words "Varney Speed Lanes" added as part of their livery.

The fast aircraft are employed to inaugurate four scheduled daily passenger and air-express flights from San Francisco (Alameda) to Los Angeles (Glendale) on October 15. Advertising his 1 hr. 58 min. frequencies as the fastest in the world, Varney offers passengers a maximum \$5 refund (\$18.95 one way/\$34.11 roundtrip) should the flight be late.

Varney's popular service, which retains the Sacramento spur, becomes very popular and attracts an "in" crowd of Hollywood stars; Varney uses the public relations generated from the booking of such celebrities as Mary Pickford, Douglas Fairbanks, Maurice Chevalier, and Joe E. Brown to promote his service.

In March 1932, Varney purchases Vern Gorst's **Air Ferries**, then providing Keystone-Loening Air Yacht hourly flights from Alameda across San Francisco Bay to Oakland. The Air Yachts are replaced with three Sikorsky S-39s. Simultaneously, frequencies on the Orion service up and down the state corridor is advanced to four per day, with flights to the state capital advanced to six times per day. Just as the company appears to be heading for success, disaster strikes.

En route to San Francisco from Los Angeles on March 25–26, the Orion *East Wind*, piloted by Noel B. Evans with two passengers aboard, is caught in a severe thunderstorm over Hayward. Hurlled out of the clouds, the plane hits two houses, starting fires. All aboard the aircraft and 11 on the ground are killed.

In August, pilot V. Hoganson, flying an Orion with six passengers and aided by a strong tailwind, completes the San Francisco–Sacramento run in 17 minutes, averaging 249 mph, which is faster than the speed of any Army Air Corps pursuit plane. Still, adverse publicity growing out of the March crash and legal claims beset the carrier.

Varney's second airline first ceases operations to Sacramento and then closes its doors forever on August 15, 1933.

VARNEY SPEED LINES SYSTEM (VARNEY SPEED LINES AIR SERVICE (SOUTHWEST DIVISION). See **VARNEY AIR TRANSPORT**

VARSA, S.A. de C.V.: Mexico (1992–1993). VARSA is established at Mexico City in spring 1992 to offer ad hoc passenger charter flights to domestic holiday destinations. Revenue operations commence with a single Boeing 737-244 first delivered years earlier to **South African Airways (Pty.), Ltd.**; however, like most privately owned carriers, the company chooses not to reveal either traffic or financial data. Flights cease within a year.

VASD (VIACAO AEREA SANTOS DUMONT, S.A.): Brazil (1944–1952). Capitalized at 30 million cruzeiros, VASD is formed at

Rio de Janeiro on January 18, 1944; shareholding is held by 7,000 local investors who have responded to a public subscription. An initial fleet comprising 2 Consolidated PB5-5 Catalinas and 1 Budd Conestoga is purchased from Belem's Rubber Development Corporation and is employed on proving flights during the remainder of the year.

Regularly scheduled services are launched in early 1945 when the Budd begins flying southward to Porto Alegre from Rio de Janeiro while, from that city, the flying boats hop up the coast to Fortaleza. An operating concession is awarded to the carrier on December 17; however, by that time, the company is in serious financial difficulty. The board of directors abruptly resigns on December 29.

Without a corporate board, the company's officers carry on. The Budd is damaged in a January 4, 1946 landing accident and within days, the Catalinas are both grounded. Following a period of inactivity, VASD, in March 1947, enters into a joint arrangement with another new entrant, **LATB (Linha Aerea Transcontinental Brasileira, S.A.)**.

The latter's president, Col. Dulcilio Espirito Santo Cardoso, is named CEO on October 23 for both carriers, which, while retaining their separate identities, also share technical and other resources. Equipped with Douglas DC-3s, VASD resumes its coastal route late in the year, maintaining it with little change.

When LATB is sold to **REAL, S.A.** in August 1951, VASA retains its autonomy for an additional year. Without its stronger partner, the company is, however, unable to survive on its own and in April 1952 it is taken over by **TAN (Transportes Aereos Nacional, S.A.)**.

VASP BRASILIAN AIRLINES (VIACAO AEREA DE SAO PAULO, S.A.): *Praca Cmte. Lineu Gomes S/No, Aeroporto de Congonhas, São Paulo, SP 0426-910, Brazil; Phone 55 (11) 531-1949; Fax 55 (11) 543-7227; <http://www.vasp.com.br>; Code VP; Year Founded 1933.* With 75% capitalization from the State and City of São Paulo plus the Municipal Bank, VASP is formed on November 4, 1933. Two three-seater Monospar ST-4 Mk. II monoplanes, imported from Great Britain, arrive on November 12 and are christened *VASP 2/Edu Chaves* and *VASP 1/Bartholomeu de Gusmao*. At year's end, orders are placed for two Junkers Ju-52/3ms and a de Havilland DH 84 Dragon II.

Operating authority is received from the government on March 31, 1934. On April 16, the Monospars inaugurate scheduled passenger and mail flights over routes São Paulo–Uberaba via Riberirao Preto and São Paulo–Rio Preto. Service over the first route is curtailed during the summer as the airfield at Riberirao Preto fails.

The six-seater DH 84 arrives at São Paulo in late October; the largest landplane then in Brazil, it is christened *VASP 3* and is employed to launch São Paulo–Rio de Janeiro mail flights on November 1.

A flood at Camp de Marte airfield interrupts operations in 1935. A new up-to-date facility is now constructed at Congolias, to which the carrier shifts its headquarters and flight activities.

The two Ju-52/3ms ordered in 1933 are delivered in July 1936. Christened *Cidade de Sao Paulo* and *Cidade de Rio de Janeiro*, they are placed in service on August 5 on a regional, six-times-per-week passenger route from São Paulo to Rio de Janeiro. Both aircraft are damaged on the route's opening day and cannot resume operations until November 30, at which time the state government institutes an annual subsidy for maintenance of the service.

In July 1937, the São Paulo–Rio de Janeiro frequency is increased to twice daily. A third Ju-52/3m is now ordered. Delivered in September, it is named *Cidade de Santos* and is placed in service, allowing retirement of the two Monospar ST-4s.

A subsidy contract is signed with the Ministry of Transport and Public Works on April 4, 1938 for the inauguration of a route from Uberaba to Goiania via Araguari, Ipameri, Pires do Rio, and Anapolis. DH 84 service is started over the new line on August 1. Within weeks, the government, questioning the carrier's standards, suspends the airline's certificate for the route until December 31, 1939.

The Uberaba–Goiania route suspension is postponed by the government on March 6, 1939 as the standard question is studied. On October

14, a new government decree establishes a method whereby the carrier can regain the Goiania contract, the principal provision being the start of service from São Paulo and the use of radio-equipped Junkers trimotors.

On October 28, the small carrier **Aerolloyd Iguassu, S.A.** is purchased and as a result, additional Ju-52/3ms are received. The merged carrier's São Paulo–Florianopolis via Curitiba route is started on November 30. On December 21, a subsidized contract is reissued by the government for the suspended Goiania operation.

Ju-52/3m flights to Goiania commence on January 2, 1940. The fleet now includes 4 German-made trimotors and a Dragon II and service on the São Paulo–Rio de Janeiro run becomes thrice daily. On November 8, a Ju-52/3m collides with an Argentine DH-90 over Botafogo Bay; all aboard both planes are killed. The Florianopolis route is extended to Porto Alegre on November 28. In terms of passenger kilometers flown, VASP now ranks as the fifth largest in Latin America.

Two additional Ju-52/3ms join the fleet during the summer of 1941. Due to difficulties in obtaining spare parts from the Third Reich and other problems, service south of São Paulo must be suspended until late in the year.

The fleet grows to six Ju-52/3ms in 1942–1945, including one each acquired from Colombian Petroleum and **LAB (Lloyd Aero Boliviano, S.A.)**. Services north of São Paulo are maintained, but just barely. Orders are placed for Douglas DC-3s following VJ-Day.

The first DC-3s (converted to civil standard from ex-military C-47s) are received in January 1946. During the year, frequencies are undertaken to Presidente Prudente and Tupa. The DC-3 fleet grows to 16 in 1947–1948 as the Junkers trimotors are retired. Service is introduced to Londrina and Maringa.

On February 17, 1949, the State of São Paulo purchases **Aerovias Brazil, S.A.** On September 29, that carrier is reorganized and the Municipal Bank of São Paulo takes control, vesting operational responsibility for the airline with VASP.

A DC-3 must be written off following a hard landing at São Paulo on May 26, 1950; there are no fatalities.

The first two aircraft of a former **Aerovias Brazil, S.A.** order for six SAAB 90 Scandias arrives in Rio de Janeiro on August 11. They enter service later in the month and are transferred to VASP on December 21.

Meanwhile, a DC-3 crashes into houses at Riberirao Preto, Brazil, on December 14; one person aboard the aircraft is killed, as are three people on the ground.

In 1951, capitalization for the São Paulo-based carrier is increased to 100 million cruzeiros. Ownership is divided between the State of São Paulo (34.2%), the City of São Paulo (33.2%), the Municipal Bank of São Paulo (8.4%), and private interests (24.1%). The fleet is increased through the addition of 1 more Scandia, for a total of 3 and 9 DC-3s for a total of 25.

In bad weather, a DC-3 with three crew and six passengers, strikes high ground at Rancharia, Brazil, on May 18; there are no survivors.

Tragedy strikes again on September 8 when a DC-3 with four crew and nine passengers fails its takeoff from São Paulo and crashes into a house; there are no survivors of the aircraft and three people are killed on the ground.

Flights continue in 1952 and again there is tragedy.

On May 13, the pilot of a DC-3 with 2 other crewmen and 19 passengers, loses control of his aircraft after it has suffered engine failure. The plane crashes at São Paulo (5 dead).

São Paulo–Rio de Janeiro service is increased to 15 times per day in 1953.

In the late spring of 1955, flights are started to Curitiba. On July 28, four more Scandias are delivered; they enter service in August. Frequencies are initiated to Camp Grande, Cuiaba, and Belo Horizonte in 1956. **Aerovias Brasil, S.A.** is sold to the consortium led by **REAL, S.A.** On October 20, an agreement is signed with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** for the coordination of domestic traffic and sales and for training and maintenance facilities.

On May 10, **1957**, orders are placed for five Vickers Viscount 827s. During the summer, service is inaugurated to Brasilia and Natal. Late in the year, the entire **SAS (Scandinavian Airlines System)** Scandia fleet of eight aircraft is purchased.

The SAS Scandias are delivered in **1958** and enter service. VASP becomes the world's largest—and only—operator of the type. The first Viscount 827 is delivered on October 28 and begins revenue flight operations on November 3.

A SAAB Scania 90A-2, with 4 crew and 33 passengers, is lost at Guanabara Bay, Brazil, on December 30 (21 dead).

On July 6, **1959**, a pool agreement is signed with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and **Cruzeiro do Sul, S.A.** for joint operations on the Rio de Janeiro–São Paulo route. VASP now dedicates 15 of its Scandias to the task of helping to maintain the world's first nonreservation airbus (or shuttle) service, the Ponte Aerea ("Air Bridge").

A SAAB Scania 90A-2 with 4 crew and 16 passengers is lost at São Paulo on September 23; there are no survivors.

Just after takeoff from Rio de Janeiro on December 22, a Vickers Viscount 827 with 6 crew and 26 passengers is hit in midair by a Brazilian Air Force AT-6 Harvard trainer; the military pilot is able to parachute to safety as both aircraft crash into a residential area. All of those aboard the Viscount and 10 people on the ground are killed.

The carrier's fleet in **1960** totals 4 Viscount 827s, 18 Scandias, and 28 DC-3s. Service is started to Belem in June, both with DC-3 multistop frequency and with Viscount 827 direct flights, from Rio de Janeiro and São Paulo via Basilia, the capital providing a connection on to Fortaleza. In terms of passenger kilometers flown, VASP is now the 11th largest carrier in Latin America.

A SAAB Scandia 90A-2 must be written off following a bad landing at São Paulo, Brazil, on August 15.

On August 7, **1961**, two multistop DC-3 routes are acquired from **Cruzeiro do Sul, S.A.**; Goiania–Belem via Tocantins and Goiania–Belem via Araguaia.

Loide Aereo Nacional, S.A. is purchased for VASP by the State of São Paulo on January 7, **1962**, the merger partner's routes and usable aircraft being integrated by the time federal government approval is received on April 4. Meanwhile, a DC-3 once flown by **Pacific Southwest Airlines** in California is lost in a March 3 crash. Also, joint shuttle service is started on March 12 over three new Ponte Aereas routes: Rio de Janeiro–Belo Horizonte and Brasilia and Belo Horizonte–Brasilia.

The fleet now comprises 33 DC-3s, 8 DC-4s, 6 DC-6s, 22 Curtiss C-46s, 5 Viscount 827s, and 15 Scandias. Service is started later in the year from Cuiaba–Rio Branco via Vilhena, Guajara Mirim, and Porto Velho.

On November 26, a SAAB Scandia 90A-2 with 5 crew and 18 passengers en route from São Paulo to Rio de Janeiro, collides with a Cessna 310 with 4 passengers at 2,400 m. above Paraibuna, Brazil; there are no survivors.

The first Viscount 701s enter service in **1963**. Obtained from **British European Airways Corporation (BEA)**, their number will eventually reach seven.

Retirement of the piston-engine Scandias and other inherited aircraft proceeds apace in **1964**. Several of the withdrawals are due to accidents.

A SAAB Scandia 90A-2 is lost under unknown circumstances at Londrina, Brazil, on March 8, while a DC-3 with three crew is lost at Rodovia during a training flight on May 27; there are no survivors. A C-46A freighter crashes 200 mi. S of Belem on August 16 (one dead).

On September 4, while on a domestic service, a Vickers Viscount 701C with 5 crew and 34 passengers crashes in a rainstorm into Nova Caledonia Mountain near Pico da Caledonia, 60 mi. NE of Rio de Janeiro; there are no survivors.

A DC-3 is damaged in a hangar fire at São Paulo on November 26; it, too, will be withdrawn.

A proposed **1965** merger with financially distressed **Panair do Brazil, S.A.** is not consummated. A Vickers Viscount 701C with four

crew is destroyed at Rio de Janeiro on March 3 as the result of a bad landing; there are no fatalities.

On April 21, orders are placed for 10 Handley Page Heralds, but these will not be delivered.

A Curtiss C-46A with 3 crew and 51 passengers is destroyed as the result of a bad landing at San Salvador, Brazil, on December 19; there are no fatalities.

Having flown 15,683 hours, the last Scandia is retired in July **1966**. A Vickers Viscount 701 is destroyed at Rio de Janeiro on October 31 as the result of a bad landing; there are no fatalities.

On June 22, **1967**, a £3-million order is placed for two BAC 1-11-422s, which are delivered on December 19. Meanwhile, a leased de Havilland Canada DHC-6-100 Twin Otter is also received.

VASP inaugurates jetliner service with the BAC 1-11-422s on January 8, **1968**. Daily, one BAC flies roundtrip from São Paulo to Manaus via Rio de Janeiro and Belem. The other operates a daily roundtrip from Porto Alegre to Fortaleza via Rio, São Paulo, Salvador, and Recife.

Orders are placed in February for six Nihon YS-11As followed by a request to Boeing in March for five B-727-200s, later changed to five B-737-200s.

While taking off on a training flight from São Paulo on September 15, a Vickers Viscount 827 with two crew fails its climb away and crashes 7,450 m. beyond the end of the runway; both aboard are killed, along with one person on the ground.

A leased Beech 99 joins the fleet and the Japanese-made turboprops arrive later in the year.

A DC-3 is lost at Loanda, Brazil, on January 11, **1969**; there are no details on casualties.

The first of four B-737-2A1s is received on July 25 and enters service in early September. A DC-3 with 20 aboard fails takeoff and crashes at Londrina on September 14; there are no survivors. By year's end, the last Viscount 701 has been withdrawn, replaced by the Nihons.

The workforce totals 3,837 and enplanements are 635,046.

Airline employment grows 8.86% in **1970** to 4,210. The fleet now includes 25 aircraft: 5 B-737-2A1s, 2 BAC 1-11-422s, 6 YS-11As, 4 Viscount 827s, and 8 DC-3s.

A DC-4 is lost at Rio de Janeiro on April 2 under unknown circumstances.

En route from Brasilia to Manaus on April 25, a B-737-2A1 with 30 passengers is captured by a hijacker, who orders it flown to Cuba. While the trijet is stopped at Guyana for refueling, the pirate allows the passengers to deplane.

On May 14, a B-737-2A1 with 48 passengers en route from Brasilia to Manaus is taken over by an armed gunman who order it to fly, via two refueling points, to Havana.

Having to feather a prop 50 minutes into a September 14 flight from Londrina, a DC-3 with 6 crew and 14 passengers elects to return to its point of origin and crashes during a go-around from a missed landing on Runway 12; there are no survivors.

Passenger boardings jump 22.2% to 816,255, and freight traffic rises 28.1%.

Enplanements in **1971** are up to 1,669,986, surpassing the million mark in annual boardings for the first time. Four DC-6A freighters and a sixth B-737-2A1 are added.

Airline employment in **1972** is 4,185. Two YS-11As are retired during the year and three more B-737-2A1s are ordered, along with eight Embraer EMB-110Cs, the first of which enters service over the southern domestic routes on November 4.

Passenger bookings and walk-ons climb 17.8% to 1,630,000 and cargo is also up.

The employee population totals 5,366 in **1973**. The fleet is enhanced by the delivery of three B-737-2A1s as orders are placed for four more. Four additional EMB-110Cs enter service. One Viscount 827, one YS-11A, and three DC-3s are withdrawn.

A DC-3 is damaged beyond repair as the result of a bad landing at Rondonopolis, Brazil, on January 29; there are no fatalities.

While on descent to Rio de Janeiro on April 12, the YS-11A with 4 crew and 21 passengers mysteriously crashes 50 km. N of the runway; there are no survivors.

A Vickers Viscount 827 veers off the left side of the runway just after landing in heavy rain at Salvador, Brazil, on May 15 and its landing gear collapses; there are no fatalities.

A YS-11A with 5 crew and 60 passengers loses power shortly after its October 21 takeoff on the first leg of a service to Belo Horizonte and crashes into Guanabara Bay at Rio de Janeiro (five dead). Among the injured are Indiana Lt. Gov. Robert Orr and 11 members of an Indiana trade delegation.

Boardings increase 30% to 1,342,374 and cargo traffic jumps 28.3%.

Airline employment in 1974 is up to 5,717. The new automated reservations system C-PARS starts operation. Both BAC 1-11-422s, one Viscount 827, one YS-11A, and all five remaining DC-3s are sold as four additional B-737-2A1s and five EMB-110Cs join the fleet. Passenger traffic swells 27.4% as 1,849,157 passengers are carried; freight accelerates by 24.5%.

The employee population is reduced to 5,505 in 1975. Joel Siquiera Jr., is shot dead by Brazilian police after commandeering a B-737-2A1 with 80 passengers during a January 15 stopover in Goiania while en route from São Paulo to Brasília. At Goiania, Siquiera had demanded a \$1.3-million ransom and the release of political prisoners.

An EMB-110C with 2 crew and 13 passengers crashes just after takeoff from São Paulo on February 27; there are no survivors.

On March 1, the federal government decrees that all twin-engine types be withdrawn from the Ponte Aerea. Under the existing pool agreement, VASP now assumes its responsibilities with leased **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** Lockheed L-188s and receives 22% of all shuttle service revenues. The company fleet now comprises 20 B-737-2A1s, 9 EMB-110Cs, 2 Viscount 827s, and 2 YS-11As.

Passenger boardings soar 11.5% to 2,061,644 and freight climbs by 10%.

The workforce in 1976 reaches 6,619. In response to the federal government's regional airline scheme, VASP and **Taxi Aereo Marilia, S.A.** in May establish **TAM (Transportes Aereos Regionais, S.A.)**, which begins operations on July 12. Meanwhile, orders are placed for two B-727-200s. The last remaining Viscount 827s are retired and the Bandeirantes are transferred to TAM as three additional B-737-2A1s are received. VASP is now the largest operator of the short-haul Boeing in Latin America.

Passenger boardings swell 19% to 2,387,404 and freight skyrockets 52%.

The two B-727-2A1s are placed in service early in 1977 and six more are ordered. In midyear, two B-737-2A1s are traded back to their manufacturer for two B-737-100C freighters.

Enplanements are up to 2,698,756.

The workforce is reduced 16.4% in 1978 to 4,586. Unduplicated route mileage is now 36,733.

A B-737-2A1 with 7 crew and 37 passengers is destroyed as the result of a belly landing and subsequent fire at São Paulo on April 2; there are no fatalities.

Passenger boardings accelerate 11.4% to 3,045,584 and cargo zooms upward by 70.5% following acquisition of the B-737-100Cs. Orders are placed for a B-727-2A1C. Revenues are \$209.1 million and expenses \$161 million, producing an operating profit of \$48.2 million—up an incredible 367.8% over 1977.

The fleet in 1979 comprises 8 B-727-2A1s, 19 B-737-2A1s, 1 B-727-100C, and 2 B-737-100Cs.

Bookings and walk-ons are up to 3,223,500 and a \$2.3-million profit is realized.

The workforce is increased by 19.2% to 5,468 in 1980. Passenger boardings climb 7.9% to 3.5 million and freight grows 2.9%. Revenues are up 26.6% to \$206 million, but expenses, led by increased fuel prices, jump 29.5% to \$200 million, forcing profits down to \$21.5 million. In

terms of passenger kilometers flown, VASP now ranks as the sixth largest airline in Latin America.

The employee population plunges 16.2% in 1981 to 4,583. Orders are placed for three Airbus Industrie A300B4-203s, the first of which arrives at São Paulo on September 26. During the year, one B-737-2A1 is sold and another B-737-100C is added.

Passenger enplanements accelerate 7.4% to 3.8 million, and freight increases by 5.8% to 349.6 million FTKs.

The workforce in 1982 totals 9,064.

A B-737-2A1 with 6 crew and 112 passengers is destroyed as the result of a hard landing in rain at Brasília on May 25 (2 dead).

While on initial approach to Sierra de Pacatuba on the night of June 8, Flight 168, a B-727-212 with 9 crew and 128 passengers, crashes into a wooded mountainside at 2,500 ft.; there are no survivors.

Orders are placed for nine A310-200s and two additional A300B4-203s enter service on November 5. Passenger boardings grow 4.7% to 3,980,029 and freight soars 21.8% to 425.64 million FTKs.

Airline employment is increased 2.5% in 1983 to 9,287. The A310 order is cancelled and two B-727-264s are leased from **Mexicana Airlines, S.A. de C.V.** Early in the year, the Brazilian cruzeiro is devalued by 40%. A month later, with the debt inflated to \$500 million, São Paulo State Governor Franco Montoro appoints jurist Prof. Antonio Angarita Silva as VASP chairman, ordering him to find a way to cure the carrier's ruined finances through a complete reorganization.

While on takeoff from Manaus for a February 22 training flight, a B-737-2A1C with two crew aboard fails takeoff, rolls over, and bursts into flames; there are no survivors.

Enplanements for the year fall 2.9% to 3,864,746 and cargo dips 6.5% to 398.13 million FTKs.

The employee population is cut by 1,300 in 1984, down 14% as a major reorganization program gets underway. Many sales offices are closed and two B-727-264s leased from **Mexicana Airlines, S.A. de C.V.** are returned. A total of 50 charter flights are made to Aruba, Orlando, Curaçao, and Bariloche, Argentina.

Scheduled Passenger boardings fall significantly, to 2,333,760 as the market share decreases to 35%. As a result of cost savings, a \$4.77-million operating profit and an \$8.73 million net profit are earned.

The employee population in 1985 stands at 8,327 and the unduplicated mileage in the route system totals 48,452. Charter flights double with 20,000 bookings. Cargo services are started to Florida, in connection with **Delta Air Lines**. The State of São Paulo invests \$4.5 million, bringing to \$10 million the amount injected since 1983 to help cover financial losses as the carrier's debt shrinks to \$310 million.

Although the market share falls to 32.4%, passenger boardings are up 4.1% to 3.57 million and freight advances 9.9% to 109.57 million FTKs. Revenues dip 2.1% to \$185.4 million and expenses fall 2.3% to \$174.5 million. The operating profit skyrockets 454% to \$21.7 million, but the net income dips 13% to \$7.7 million.

In dense fog, a B-737-2A1 with 5 crew and 67 passengers mistakenly attempts to take off from a taxiway at São Paulo on January 28, 1986; although the departure is aborted when the error is perceived, the plane overruns, collides with a dyke, and breaks into two parts (one dead).

Three B-737-33As are chartered in April, May, and June at \$275,000 apiece per month from the Irish leasing company Guinness Peat. As a result of the reestablishment of diplomatic relations between Brazil and Cuba during the latter month, plans are made to begin nonscheduled service to Havana. VASP becomes the first Latin American airline to operate the type.

By December, the fleet has been enhanced by the acquisition of six B-737-317s and a B-727-2L9A in exchanged for a single withdrawn B-737-2A1.

Customer bookings ascend 21.7% to 4,343,756, but cargo dips 2.6% to 106.49 million FTKs.

Airline employment dips 7.5% in 1987 to 7,746. Weekly charter flights are initiated to Havana in December, in the first Brazilian service to Cuba since 1959.

Passenger boardings rise 9.5% to \$4,757,242, but freight is off a slight 0.4% to 459.4 million FTKs. Expenses exceed income, producing losses of \$10.8 million (operating) and \$103.9 million (net).

The workforce grows by 7.2% in 1988 to 8,300 and the fleet now includes 3 A300B4-203s, 2 B-727-2L9As, 22 B-737-2A1s, and 3 B-737-317s. A total of 18 charter flights to Havana are completed by March, at which time the service ends. Plans are now made for privatization during the following year. In August, it is reported that 3 of 12 B-737-2A1s have been found with the same metal fatigue difficulties encountered by Aloha Airlines in April. The 3 aircraft, each a decade old, are put through a \$280,000, 35-day repair program.

At Goiania's Santa Genoveva Airport on September 29, a gunfight breaks out between a hijacker and the crew aboard Flight 375, a B-737-2A1 which, together with its 105 passengers and crew, has been diverted from its Porto Velho to Rio de Janeiro service by a mentally deficient assailant. The copilot and three other crewmembers are shot before the pirate is wounded and captured by police. Originally hoping to be able to crash into a government building in Brasilia, the misguided man will die in hospital two days later.

Customer bookings fall 9.1% to 4,323,890 and cargo declines 11.9% to 76.8 million FTKs. The airline suffers a \$35-million operating loss, bringing the cumulative total for the past two years to \$46 million.

Company employment is cut 3% in 1989 to 8,051 as VASP begins service to Aruba, the carrier's first international destination. When flights begin in January, the carrier is required to surrender its charter rights between Brazil and the U.S. Plans are now made for privatization as Price Waterhouse conducts a financial and economical evaluation of the carrier's worth. During February and March, in an effort to become more attractive to investors, the airline sells its remaining four B-727-2A1s and cuts those 99 weekly flights that have load factors lower than 35%.

The carrier signs an agreement with **Transbrasil, S.A. (Linhas Aereas Transbrasil)** in April for joint operations over the Rio de Janeiro-São Paulo air bridge. Five B-737-317s begin the service the same month. Employing a B-737-3Y0, the company in June begins its first ever international scheduled service, a weekly frequency from São Paulo to Aruba via Manaus. During the fall, a privatization bill, or "Project of Law," is sent by the State of São Paulo, the airline's owner, to the national legislature. VASP begins a struggle with **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** designed to cause the senior international carrier to surrender the Buenos Aires landing rights held by its subsidiary, **Cruzeiro do Sul, S.A.**

Meanwhile, in October, the regional carrier **TAM (Transportes Aereos Regionais, S.A.)** inaugurates its own competing shuttle service over the Rio-São Paulo air bridge route. President Marcelo Antinori announces in November that an agency of the World Bank has agreed to assist the carrier in renegotiating its \$570-million debt with creditors, including the refinancing of \$251 million in short- and medium-term debt into long-term debt. In December, the regional **Rio-Sul (Empresa Rio-Sul Servicos Aereos Regionais, S.A.)** also enters the air bridge shuttle competition, flying Embraer EMB-120 Brasílias. The "Project of Law" privatization bill is approved by the São Paulo state legislature.

Passenger boardings recover nicely in these 12 months, moving ahead by 16.1% to 5,018,435. Freight skyrockets 65.3% to 113.74 million FTKs. The airline's debt now stands at \$250 million domestic and \$320 foreign.

Airline employment grows to 8,584 in 1990. In January, two auditing firms finish their analysis of the carrier's asset value, the first step prior to the letting of bids for up to 60% private investment. At the same time, the national government rejects the carrier's application for service into Buenos Aires. Privatization is officially announced at the end of March, with bidders required to submit proposals by May 31. A total of 64 offers are initially made and on June 15 the prequalified contenders are announced; however, requirements of airline debt serving will force all but one to withdraw.

A B-737-205 is purchased from **Transwede Airways, A.B.** The company begins negotiations to take over 50% control of **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)**. Bids for the company's

privatization are closed in July and the winner is announced on August 31. Aeropart, a consortium made up of Voe, a company owned by 3,500 of the airline's 7,200 employees, and the Brazilian surface transport group named for its founder, Wagner Canhedo, acquire 60% shareholding for \$43.7 million. Shareholding is divided 12% and 48%, respectively, with the Voe portion actually financed by Canhedo via a 10-year, 6% loan. The winning bid is predicated upon Aeropart's willingness to extend the repayment of \$276 million owed to the Banco do Brasil and the ability to swap an additional \$350 million in debt.

The State of São Paulo turns over control of the carrier to the new major shareholder on September 15. Two months later, in December, the Brazilian DOJ is called upon to investigate charges of favoritism and undue intervention in the privatization process by President Fernando Collor de Mello's administration.

The specific charges revolve around the airline's ability, shortly after completion of privatization, to renegotiate the repayment schedule on \$276 million in debt on terms generally available only to state-owned companies. There is also an allegation that government officials have attempted to pressure the state-owned oil supplier Petrobras into giving the airline a low-interest, 10-year, \$40 million loan in return for a monopoly on supplying the carrier's fuel. The charges are later dropped.

The previous year's big traffic boost fizzles as customer bookings decline 6.9% to 4,669,712 and cargo drops 15% to 96.68 million FTKs.

The payroll is cut by 8% in 1991 to 7,900 and the fleet now includes 49 aircraft. In March, a joint venture agreement is signed with **PLUNA (Lineas Aereas Uruguayas, S.A.)** under which the Brazilian carrier will operate a pair of leased DC-10-30s for it from Montevideo to Miami and Madrid. At the same time, a commercial agreement is signed with **TAP-Air Portugal, S.A.** with the latter now selling the company's tickets in Europe. Discussions are held with **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** aimed at the eventual establishment of joint operations on Canadian and European routes.

Joint B-737-2A1 service begins with **Transbrasil, S.A. (Linhas Aereas Transbrasil)** over the Rio de Janeiro-São Paulo air bridge in April. The carrier joins with the Banco Latino to make an offer in May for the 60% of **VIASA (Venezuela International Airlines, S.A.)** on the market.

While on initial approach to Cruzeiro do Sul on June 22 on a freight service from Rio Branco, a B-737-2A1C with two crew and one passenger reports an in-flight fire and then crashes into the jungle 15 km. from the runway; there are no survivors. Union officials charge the airline with faulty maintenance in connection with the accident.

Good feelings toward its new Transbrasil partner largely evaporate under deregulation in June as the two engage in intense fare wars over other routes.

Transbrasil, S.A. (Linhas Aereas Transbrasil) files a complaint with DAC, the national air transport body, claiming "predatory competition" on the part of VASP, which aggressively markets its product under a variety of promotional fares. Acting in its capacity of air transport regulator, DAC rules in July that VASP is not guilty of the Transbrasil assertion; the vindication further accelerates domestic airline deregulation. Late in the month, two DC-10-30s are acquired from Potomac Capital Leasing and begin charter flights to Orlando.

The bid for **VIASA (Venezuela International Airlines, S.A.)** is rejected by the Venezuelan government in August because VASP has not posted the \$1 billion in annual revenues the previous three years required of all bidders.

Traffic statistics are provided only through September, but these show passenger boardings up 13.2% to 3,884,671. Freight traffic during the same period increases 58% to 96.81 million FTKs.

The two chartered DC-10-30s commence regularly scheduled services in October from Brazil to Los Angeles and San Francisco; these are the first scheduled sectors to the U.S. By month's end, the company has invested a total of \$300 million in expansion since its privatization. DC-10-30 service to Miami begins in November. Simultaneously, a cooperative feed agreement is signed with **AeroPeru (Empresa de Trans-**

portes Aereos de Peru, S.A.) and with **All Nippon Airways Company, Ltd. (ANA)** to feed passengers on from California to Japan.

The workforce climbs another 19% in **1992** to 9,400 and the fleet now includes 3 A300B2s, 3 Boeing 737-2A1s, 4 B-737-214s, 7 owned and 1 leased B-737-2A1As, 3 B-737-205s leased from **Braathens SAFE, A.S.**, 1 each B-737-2A1AF and B-737-2H4C, 3 leased Douglas DC-10-30s, and 2 chartered McDonnell Douglas MD-11s.

In April, a major technical and operating agreement is signed with **Transbrasil, S.A. (Linhas Aereas Transbrasil)**. Under its terms, a variety of future operational activities are considered, joint fares are introduced and a maintenance spare parts pool is established.

To take advantage of heavier traffic, one of the MD-11s is assigned during June to replace the B-767-3Q4ER of **Transbrasil, S.A. (Linhas Aereas Transbrasil)** on certain of its frequencies from São Paulo to Miami and Orlando.

The service highlight of the year is establishment of a link on July 17 between São Paulo and Seoul, South Korea. VASP is the first South American carrier to establish direct service to Seoul and the new route is designed to connect the 50,000-strong Korean population in São Paulo with relatives in Asia. In September, the company enters into a block-seat, code-sharing agreement with **El Al Israel Airlines, Ltd.** for flights between Brazil and Israel.

Majority shareholding is now purchased by the VOE/Canhedo Group. With VASP unable to come up with funds to pay \$50 million in past-due leases, both GPA Group and Ansett Worldwide Aviation Services seize a number of company aircraft in November.

Majority shareholder/CEO Canhedo offers to sell his interest while inflation, recession, and political unrest contribute to mixed traffic results.

Customer bookings plunge 24.2% to 3,862,711 even as cargo climbs 14.7% to 169.95 million FTKs. Revenues total \$486.6 million, but expenses are higher, forcing big losses: \$173.9 million (operating) and \$249.1 million (net).

In **1993**, President Canhedo oversees an employee population reduced to 5,200. The fleet is cut by one B-737-2A1 and three DC-10-30s, but a ninth B-737-2A1A and another leased MD-11 are acquired. In addition to domestic services, the company maintains scheduled routes to Brussels, Seoul, Buenos Aires, Aruba, and Los Angeles. Totally disillusioned with President Canhedo's financial dealings, GPA Group, in May, demands that the airline, which has owed it \$16 million in back leasing fees, be declared bankrupt.

The GPA dispute is settled in July when the airline gives GPA \$10 million in cash and pledges to pay the remainder owed over the next five years. Simultaneously, however, the company becomes embroiled in a similar legal assault from Ansett Worldwide Aviation Services, which is also owed \$12 million in rent.

In October, the government of Uruguay announces that a VASP-led consortium is the only one of four prequalified bidders not to drop out of the quest to participate in the privatization of **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)**. At the same time, the airline declines to join in a historic code-sharing arrangement between **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** and **Transbrasil, S.A. (Linhas Aereas Transbrasil)**. The egos of President Canhedo and Transbrasil Chairman Omar Fontana prohibit a smooth personal mix.

VASP's problems intensify in November and December. The central bank briefly freezes its accounts until \$8.5 million in debts are paid. The company's unions attack CEO Canhedo for corruption and bad management and in December the Uruguayan government rejects the carrier's bid to acquire 51% majority control of **PLUNA (Primera Uruguayas de Navegacion Aerea, S.A.)**.

Although passenger boardings for the year fall another 30% to 2,721,025, freight advances 11.7% to 189.91 million FTKs. Long-term debt stands at \$869 million.

Airline employment is increased by 1.9% in **1994** to 5,300 and the fleet includes 3 A300B4-203s, 1 leased B-707-321C, 2 B-737-2A1s, 4 B-737-214s, 1 B-737-2A1F, 9 B-737-2A1As (1 leased), 1 each owned

B-737-2L7A, B-737-2L9A, B-737-2H4C, and B-737-2L7CA, 2 chartered B-737-3L9s, and 4 leased MD-11s. Service is inaugurated to Miami in March and to New York in April with the MD-11s.

Customer bookings recover and advance by 6.5% to 2,897,129, while cargo surges 36.8% to 259.72 million FTKs. Revenues total \$887.93 million while expenses are \$784.01 million. Consequently, there is a \$103.91-million operating profit and a net gain of \$182.48 million. Long-term debt is down to \$813 million.

The workforce is reduced by 300 during **1995**. Traffic figures are reported through the first quarter and show enplanements up 30.2% to 871,500. Freight is up 6% in the same period to 47.58 million FTKs.

In April, the new management of the state-owned bank Banespa seeks payment of \$192 million in unpaid loans on two mortgaged B-737-214s. VASP claims the debt to be only \$102 million. At the height of the impasse, President Canhedo is placed in custody for six hours and his private jet is confiscated; both actions are quickly overturned by a state court and the debt is sent to arbitration.

The domestic network is readjusted in June to incorporate additional hubbing at São Paulo, while also cutting down on its point-to-point services to and between Brasilia, San Salvador, and Rio de Janeiro.

During July, the government institutes a currency reform program, Plano REAL, designed to link the nation's money to the U.S. dollar and slow rising costs. Also in July, an order is placed for 10 B-737-3A1s and 3 MD-11s. Twice-weekly roundtrips commence in September to Barcelona.

On August 1, a 51.1% stake is acquired in **Ecuatoriana de Aviacion, S.A.** VASP and the Ecuadorian investor Juan Eljuri Anton share the \$33-million acquisition, the first direct privatization in Ecuador, which is seen as part of VASP's growing regional strategy.

In October, VASP, the only bidder for the airline, acquires a 49% stake in **LAB (Lloyd Aero Boliviano, S.A.)** for \$47.4 million. The fee consists of \$5 million in cash, \$10.5 million through credit services and other assets, and the remaining \$31.9 million through the transfer to LAB of a B-737-3A1. The remaining shareholding is split between the Bolivian government (51%), **American Airlines** (.5%), and LAB employees (.5%). VASP is also given a management contract.

One of the purchased Douglas wide-bodies, together with a leased unit, are delivered during November and inaugurate twice-weekly flights to Zurich.

A second owned MD-11 arrives in December. The three new aircraft allow existing services to be increased as a third weekly frequency to Seoul is added. Additionally, twice-weekly roundtrips are laid on from São Paulo to Toronto via Miami and weekly from Salvador to Toronto.

Airline employment grows by 20.8% in **1996** to 6,400.

VASP Flight 844, an MD-11 with 12 crew and 197 passengers, collides during taxi after landing at Miami on January 23 with **Alitalia, S.p.A.** Flight 631, a B-747-243B with 19 crew and 231 passengers that is taxiing out for takeoff to Rome. Although both aircraft sustain substantial damage that causes the two services to be cancelled, no injuries are reported.

Also in January, a block-space agreement is concluded with **Olympic Airways, S.A.** that gives the Greek carrier block space on VASP flights from São Paulo and Rio de Janeiro to Athens. The third purchased MD-11 arrives in May as deliveries are accelerated. The B-737-3A1s begin arriving in June at the rate of two every month.

The company now takes control of **LAB (Lloyd Aero Boliviano, S.A.)**, leasing to it a B-737-3A1. The carrier receives its eighth MD-11 on July 2.

Customer bookings are given for the first half and show a 15.8% growth to 1,902,748. During the same period, 89.48 million FTKs are operated, a 17.1% increase.

The employee population is reduced by 17.2% in **1997** to 5,300. Destinations now visited include Aruba, Belem, Belo Horizonte, Brasilia, Brussels, Buenos Aires, Campo Grande, Florianapolis, Iguacu, Los Angeles, Macelo, Manaus, Miami, New York, Porto Alegre, Recife, Rio de Janeiro, São Paulo, Seoul, Toronto, and Vitoria.

In January, a DC-10-30 is wet-leased to **Ecuadoriana de Aviacion, S.A.** and is employed to resume that carrier's international service from Quito to New York.

Andes Holding, S.A., the parent of **Austral Airlines, S.A.** and **Aerolineas Argentinas, S.A.** held by Bankers Trust, Teneo, and Merrill Lynch, announces in February that it will consider offering for sale its total shareholding in both airlines—an 89% stake in the former and a 63.5% stake in the latter. Although no official announcement is made, VASP quietly places a bid of \$300 million.

In March, VASP, with a \$120-million investment, introduces VASPex, a door-to-door small-parcel courier service, over the company's domestic route network.

On April 16, a company MD-11 near Los Angeles (LAX) unexplainably comes within 400 ft. of a **KLM (Royal Dutch Airlines, N.V.)** B-747-406. VASPex service is extended to foreign destinations in May.

A DC-10-30CF is wet-leased from **World Airways** for six months beginning on June 1; it is employed to fly cargo from South American destinations into Miami. During July, an A310-200 is chartered via Fortis Aviation.

Work begins in mid-August on a \$100-million maintenance hangar at São Paulo. The largest hangar in South America will open in July 1999.

On September 2, the company seeks authorization from the government to enhance its five-year-old code-sharing agreement with **El Al Israel Airlines, Ltd.** through the initiation of its own twice-weekly, dual-designator services between Brazil and Israel.

The Brazilian Department of Civil Aviation (DAC) indicates on December 30 that it will begin to institute domestic airfare deregulation in January.

Passenger boardings for the year accelerate 14.8% to 4,576,317, while freight jumps 22.7% to 255.32 million FTKs.

Government deregulation continues in January 1998.

Prior to internal air force opposition that slows the process, DAC deregulation continues in January. As part of the liberalization, the government decrees that the monopoly the company shares with **Transbrasil, S.A. (Linhas Aereas)** and **VARIG Brazilian Airlines (Viacao Aeras Rio-Grandense, S.A.)** on the Rio de Janeiro to São Paulo air bridge must end.

Simultaneously, trunk lines are granted permission to compete with regional carriers on services between the downtown city-pairs of São Paulo and Brasília, Belo Horizonte and Rio de Janeiro, or Belo Horizonte and Brasília. Further, airlines will be allowed to offer discounts of up to 65% on internal flights and any carrier will be allowed to fly charters on any route, with certain conditions. The move will have the desired end of increasing new business, but it will also set off a devastating fare war.

Transbrasil, S.A. (Linhas Aereas Transbrasil) and VASP enter the new city-pair markets in February.

Employed to handle air bridge traffic, the 61-year-old passenger terminal at Santos Dumont Airport, Rio de Janeiro, burns down on February 13, forcing transfer of connections on this end of the route from São Paulo to be transferred to Rio's international airport.

Work is begun immediately on a temporary passenger terminal expected to be completed by July; a completely new facility will not, however, be available until late 1999.

During the first quarter, the company joins with a local business group, Venezolana de Comercializaciun, in a consortium the purpose of which is to acquire **VIASA (Venezolana Internacional de Aviacion, S.A.)** from the government of Venezuela. Under terms of the plan, VdeC will take the majority 51% stake while VASP will provide 49% of the equity and receive a management contract and other considerations.

A code-sharing agreement, which will take effect during the summer, is signed with **Continental Airlines** in April. The deteriorating Asian economic condition now causes the carrier to suspend its thrice-weekly roundtrip service between São Paulo and Seoul.

In early June, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** announces that it will drop out of the joint Rio de

Janeiro-São Paulo air bridge shuttle. In cooperation with **Rio Sul (Servicios Aereos Regionais, S.A.)**, it will offer its own competition against its former partners, **Transbrasil, S.A. (Linhas Aereas Transbrasil)** and VASP.

On June 15, the company again wet-leases a **World Airways** freighter, this time an MD-11F. Under terms of the agreement, VASP is given the option to extend the agreement for an additional six months or to add a second MD-11F.

Having received formal approval from the U.S. and Brazilian governments, the code-share agreement with **Continental Airlines** takes effect on July 1. Continental places its two-letter code on VASP flights from São Paulo to Miami, to Los Angeles, and to 14 cities in Brazil. VASP, simultaneously, places its code on Continental services from Newark to São Paulo, to Rio de Janeiro, and to 20 domestic U.S. destinations.

The World Cup leads to a significant reduction in the number of Brazilians traveling, as they prefer to remain home and watch the month of matches on television.

Just after takeoff from Rio de Janeiro on a July 26 service to Porto Alegre via São Paulo, Flight 195, an A300B4-203, suffers an engine fire when its No. 2 power plant turbine explodes. A safe emergency landing is made back at the point of origin and no injuries are reported.

The fare war between the majors reaches international routes by fall. VASP attempts to institute a \$450 return service ticket price between São Paulo and New York, but when the DAC threatens not to authorize such a cutthroat tariff, the company backs down to a \$540 figure.

In an October 26 Singapore ceremony, visiting Brazilian Minister of External Relations Luiz Felipe Lampreia and Singapore Minister of Communications Mah Bow Tan sign an air services agreement. Under its terms, VASP and **Singapore Airlines, Ltd.** are designated to provide thrice-weekly services between the two countries.

On December 30, the Brazilian DAC scraps its last regulations over passenger airline fares, a year to the day after it had launched domestic deregulation. DAC does, however, indicate that it will remain vigilant to abuse, including dumping, cartels, monopolies, and predatory pricing. As domestic competition stiffens, additional alliances with foreign airlines are sought.

The Brazilian economic picture darkens during the first quarter of 1999. Between mid-January and mid-March, the national currency, the real, loses 35% of its value against the U.S. dollar.

The April 26 issue of *Gazeta Mercantil* reports that due to the restructuring programs they have started since the first of the year, Brazil's airlines will have laid off 3,000 employees by June. VASP, having reduced slightly the number of its domestic flights by 12%, lays off just 100 workers.

On June 10, the federal court announces that the airline is to receive 1.6 billion reais indemnification for losses generated by the government's 1986-1992 refusal to allow price increases.

VASP stops paying its domestic airport landing fees in September. Also in September, the government proposes that the nation's four major carriers find a way to merge some or all of their activities under a joint operating agreement or some other form of umbrella.

At the beginning of October, the Brazilian National Development Bank (BNDES) adds to the discussion of airline mergers when its president, Andrea Calabi, announces that BNDES will broker and finance an amalgamation of VASP, VARIG, Transbrasil, and TAM, which may be accomplished in "the medium term." Stating that such a move without additional capital would be pointless, the initiative is publicly opposed by **Transbrasil, S.A. Linhas Aereas**, **TAM (Transportes Aereos Regionais, S.A.)**, and VASP. **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)**, which also does not want to give up any of its market regions in order to participate, begins negotiations with BNDES about a debt rollover loan and an extension of its debt payments.

Passenger boardings fall 9% to 61,000. The devaluation of the Brazilian real by 50% back in January has had a devastating economic impact. Privately held, the airline is not required to reports its fiscal results; however, analysts suggest its debt has reached \$1.9 billion.

Mitsui & Co., Ltd. and its Tombo Aviation unit file suit in the New York State Supreme Court in Manhattan on January 28, 2000, seeking the return of four MD-11s and one engine from VASP, which has defaulted on their lease. The lessors also request payment of \$31.7 million in unpaid rent and by terms of the charter agreement, another \$186.6 million in "liquidated damages." Two of the MD-11s are grounded at Campinas Airport at the end of the month.

On February 11, it is announced that VASP will return all four of the Mitsui MD-11s and discontinue its services to New York (JFK) and Toronto in March. Miami will remain the only North American gateway. At the same time, it is acknowledged that only six days remain for the company to settle its unpaid domestic landing fees debt or face being shut down.

Although the fees are paid and the airline avoids, by a whisker, a shut-down, it continues to face stiff difficulties. Not only does it now fall further behind in its contributions to the national social security system, but ECT, the Brazilian postal system, now charges it with fraud and withdraws a mail contract that VASP has held since the early 1970s. VASP denies any wrongdoing and comments that, while it has indeed transported 39% of ECT's total mail and cargo volume, the contract has only accounted for 2% of the airline's annual revenues.

On February 25, it is announced that the year-and-a-half old code-sharing agreement with **Continental Airlines** is being terminated by the U.S. major. Four days later, the company announces that within the month, service to Brussels will also be suspended, while the number of frequencies to Miami will be cut.

In March, VASP is conditionally allowed to participate in the nation's Fiscal Recovery Program (REFIS), provided it make significant payments to the National Social Security Institute (INSS), which is owed \$137.5 million. VASP pledges to repay this debt in \$2.2-million monthly installments and puts up 24 aircraft as collateral against the INSS bill.

By the second quarter, VASP is in even greater difficulty. On April 3, Victoria Regis Lessor of the Cayman Islands, which owns several of the B-737s that the carrier has chartered, repossesses three of the aircraft; loss of the capacity severely impacts flights between Rio de Janeiro and São Paulo.

Failure to pay required fees forces the AMADEUS and SABRE computerized reservations systems to disconnect the carrier on April 9; the company's direct links to 80% of the nation's travel agencies are thus severed. The airport handling agency Infraero, which has also not been paid, indicates that it will begin to hinder passenger boardings on April 13 if it has not been paid. This second threat of the year to close the company down brings a debt payment of R 80 million on April 10.

Due to financial problems, the carrier is forced to ground its four remaining MD-11s on April 24; word is sent out that international flights must now be cancelled. The carrier is not forced to shut down its European and North American services as expected on April 25; it wins an extension until May 15 of the contract on its four MD-11s and will continue its long-haul flights until then.

It is announced on April 27 that **TAM-Meridionais (Transportes Aereos Meridionais, S.A.)** and **Transbrasil, S.A. Linhas Aereas** are interested in taking over VASP's long-haul international routes to Europe and North America. The pioneer will be forced to suspend them on May 15 when its last four MD-11s are returned to their lessors.

On May 11, officials announce that they will soon sell all VASP shareholding in **LAB (Lloyd Aero Boliviano, S.A.)** and **Ecuatoriana de Aviacion, S.A.** to help meet its huge deficit problems. The last MD-11 service to Miami is flown on May 14 and to Europe the next day. VASP now suspends its international services to Toronto, New York, Miami, Barcelona, Brussels, Zurich, and Frankfurt and returns its last four MD-11s to their lessors. Mitsui, by the way, will claim that VASP had, during their operation, cannibalized two of the MD-11s for parts, components, and other equipment valued at \$39 million.

On May 19, a passenger B-737-3K9, upon which lease payments cannot be made, is returned to IMS Leasing, while two B-737-200Fs are returned by the cargo division to the same firm for the same reason.

In early June, one each B-727-1A0 and B-727-171C are leased from **LAB (Lloyd Aero Boliviano, S.A.)** for six months. At 29,000 ft. over Rio de Janeiro on June 13, a B-737-2A1 with 85 passengers aboard experiences rapid decompression. Following a hasty descent, an emergency landing is made at Rio, with no injuries reported. An inspection will reveal a 28-in. crack in the fuselage above the forward service door.

On June 21, Nilson Carlos, director of the religious confederation Confabre, announces that his organization, in a deal valued in excess of \$200 million, has agreed to purchase VASP, along with several subsidiaries, including the Nacional hotel chain.

Due to payment problems with Victoria Regis Leasing Company, three chartered B-737-3L9s are impounded on July 18 and parked at Sao Paulo Congonhas Airport. With the aircraft unavailable, the airline is forced to cancel 14 daily services. A few will be operated, beginning the next day, with a B-737-200.

On July 28, the national airline trade union representing VASP's employees demand that the government take over management of the airline and remove incumbent CEO Wagner Canhedo. To emphasize their position, the workers plan a 24-hr. strike on August 7. That job action will be postponed at the last minute after management pledges to negotiate employee concerns.

A cost-cutting effort, built around layoffs and a renegotiation of government tax debts, allows the company to post an R 94.7-million loss for the year's first half. While bad, the figure represents a significant improvement over the R 152.9-million loss recorded for the same period a year earlier.

Just after takeoff from Foz do Iguacu on an August 18 service to Curitiba, 5 gunmen spring up in the cabin and hijack a company B-737-2A1 and its 6 crew and 66 passengers, primarily French, Italian, and Japanese tourists returning from a visit to the famous Iguacu Falls on the border with Argentina. One pirate moves into the cockpit where he fires a shot and then directs the pilot to fly to a remote paved airstrip in Parana State that is surrounded by nothing but ranchland and sugar cane plantations. There, while three cover the hostages, two men loot the hold of \$3.3 million in cash being transported for various banks from the aircraft's cargo hold. The robbers escape in prearranged vehicles. Afterwards, the Boeing is flown 50 miles away to Londrina, site of the closest airport.

By the beginning of October, the carrier owes \$1.5 billion to its creditors, which include the nation's airport authority. In addition, it loses its \$1.5-billion lawsuit, pending for several years, against the government over the state's price-fixing. The carrier's interest in **TAN (Transportes Aereos Neuenen, S.A.)** is now sold. On a positive note, a net profit of \$50 million is reported for the first six months of the year; it comes almost entirely from credits obtained upon the return of its leased MD-11s.

Seeking to possibly purchase its way out of trouble, the company, on October 24, announces that it plans to buy \$320 million worth of ERJ-145 regional jets with which to link 36 Brazilian cities with direct VASP Express flights beginning during the first quarter of 2001. Analysts suggest that a major hurdle to this scheme will be the necessity of the airline to convince a bank or other financiers to lend it the required funds. The National Economic and Social Development Bank, however, supplies a \$250-million loan to be employed to launch the new subsidiary operation.

Arrangements are completed on December 4 for the acquisition of four ex-**Transavia Holland, N.V.** B-737-3K2s.

Despite all of these purchases and arrangements for expansion, a time bomb is ticking at the end of the year. Although VASP claims to be up to date on its repayments to the INSS via a credit arrangement it has worked out with the state-controlled Fundo Aeroviario airport development fund, it has paid, in actual cost, only a little over \$9,000 per month in the period since April. It is forced to make a quick \$3.5-million payment to INSS just to keep from being shown the REFIS door. To make matters worse, an independent audit of company accounts has found discrepancies and the nation's Securities and Exchange Commission informs the airline that it will review its books for 1999 and 2000.

Passenger boardings for the year accelerate 12% to 4 million. Helped along by another restructuring program, a net profit of R 114 million is generated.

VAYUDOOT, LTD.: India (1981–1994). To provide third-level feeder service in northern, central, and western India, the government, through a fifty-fifty partnership between **Air India, Ltd.** and **Indian Airlines Corporation**, establishes this regional carrier on January 26, 1981. The two major airlines each own half of the new entrant, with the managing director of the latter tasked to serve as part-time chairman. Employing two Fokker F.27-100s leased from **Indian Airlines Corporation**, initial services are concentrated in the northeastern portion of the nation.

The first services link Gauhati with Barapani, Kailashahar, and Agartala, and Rupsi/Kamarpur and also Chabua with Tezu. A total of 8 stations are served by year's end and 19,000 passengers have been accommodated.

During 1982, Vayudoot establishes a route network covering over 14 points. Service is provided with the two leased F.27-100s, supplemented by three owned British Aerospace (HS) 748-B2s known as Avro 748s (built under license by Hindustan Aeronautics, Ltd. in India and purchased from **Indian Airlines Corporation** for one Rupee apiece), and various chartered Indian Airlines aircraft.

Enplanements for the first full year of service total 79,558.

As the company becomes a public company, Harsh Vardhan, a former **Air India, Ltd.** executive, is employed as managing director in February 1983. The leased aircraft are replaced by three F.27s and four Avro 748s, all purchased from **Indian Airlines Corporation**. Main terminals are located at New Delhi, Calcutta, and Bombay.

On November 29, a contract is signed with the Dornier Corporation in Germany for 10 new 228-201 turboprops. Half of the order will be assembled at the Bangalore plant of HAL. Customer bookings jump to 104,285.

The 10 Dornier 228-201s join the fleet throughout 1984–1985. Half arrive from Germany while five are, like the Avro 748-B2s, license-built by HAL. The number of stations visited is boosted to 84, including a world record 32 opened during the latter year, while traffic figures increase. A total of 163,331 passengers are flown in 1984 and 232,837 in 1985.

An all-women crew takes flight on January 15, 1986 for the first time in the history of Indian commercial aviation. Piloted by Capt. Saudamini Deshmukh, assisted by Capt. Nivedita Bhasin, an F.27-100 completes the scheduled return service from Calcutta to Silchar without incident—other than intense media attention.

With four Dornier 228-201s, the carrier in June launches an innovative Night Air Mail Service. This is followed in July by the inauguration of overnight small package express service, "TNT Skypack," to eight cities from a base at Nagpur. Holiday tour packages are initiated, along with Himalayan Trek sight-seeing flights from New Delhi on Sundays. Daily flights are inaugurated to the community of Guna, south of New Delhi.

Introduction of the Dorniers causes a heavy fiscal loss (approximately \$500,000). Passenger boardings total 450,000.

The workforce in 1987 totals 500 and the fleet includes 10 Dorniers, 2 Dornier F.27-100s, 1 Dornier F.27-400, and 4 Avro 748-B2s. The domestic route system now includes 87 points as Vayudoot discontinues the "TNT Skypack" arrangement in favor of its own courier operation.

Enplanements decline to 300,000.

Passenger boardings accelerate to half a million in 1988 as orders are placed for two Yakovlev Yak-42s, with options on two others. An Antonov An-24 is test marketed.

An F.27-100 with 4 crew and 39 passengers is destroyed as the result of a bad landing at Calcutta's Dum Dum Airport on September 23; there are no fatalities.

While on final approach in a severe rainstorm to Gauhati on an October 19 service from Silchar, Flight 702, an F.27-100 with 3 crew and 31 passengers crashes into the side of a 1,400-ft. forested hill near Gawahat, Assam, on October 19; there are no survivors.

The fleet in 1989 includes 3 F.27s, 6 Avro 748-B2s, and 9 Dornier 228-201s.

During a heavy thunderstorm, a Dornier 228-201 with three crew and eight passengers en route from Pune on September 23, suddenly enters into a steep descent and crashes into Lake Indapur, a reservoir located behind the Ujani Dam, near Pandharpur; there are no survivors.

A total of 475,000 passengers are flown on the year, together with 32,000 FTKs.

The year 1990 turns out to be one of crisis for the carrier, which has now run up losses of \$38.3 million in the past two years on income of only \$30.3 million. The government agencies, which have provided the nation's third-level operator with everything from fuel to ground handling, have simply not been paid, nor has Hindustan Aeronautics, Ltd., owner of the Dorniers. The government is faced with several unsavory choices, all of which involve writing off the losses. During the summer, a B-757-2F8 is leased from **Royal Nepal Airlines Corporation** and employed on flights between New Delhi and Bombay.

The fleet in 1991 includes 8 Dornier 228-201s, 1 F.27-400 leased from **Indian Airlines Corporation**, 2 out-of-service F.27-100s, and 8 Avro 748-B2s. Only 45 destinations are now visited, less than half the number inaugurated at start-up a decade earlier. The government now seeks to privatize Chairman/Managing Director Capt. Vijay Trehan's faltering airline. The year's loss is \$14.2 million.

Airline employment in 1992 stands at just 100 and the fleet is unchanged. Statistics are made public through September and show enplanements off by 38.6% to 150,664 and freight by 37.7% to 33,000 FTKs.

In 1993, Chairman/Managing Director Capt. Trehan oversees a workforce of 1,681. The regional is merged into **Indian Airlines Corporation** in May, but is allowed to continue operations under its previous identity. Although traffic figures are not released, it is revealed that the loss has been cut to only \$5 million for the year.

In early April 1994, the carrier is assigned to service only the hilly regions of the northeast as the government considers complete assimilation of the regional into **Indian Airlines, Ltd.** (as Indian Airlines Corporation is now known), a move that is completed late in the year. As in the previous year, no traffic figures are provided.

VEE NEAL AIRLINES: United States (1980–1983). Founded at Latrobe, Pennsylvania, in 1980, this regional operator enjoys considerable success in the next decade. Initial Cessna 402 air taxi service is inaugurated over a Latrobe–Pittsburgh route on May 19. The fleet in 1981 includes 3 Cessna 402s and 2 Cessna 404 Titans.

Passenger traffic climbs by 30% to 21,075 as Vee Neal begins scheduled commuter service.

Boardings increase another 37.5% in 1982 to 28,936, despite national recession. To celebrate its acquisition of British Aerospace BAe Jetstream 31 turboprops and in reflection of its dreams, the small regional changes its name on December 1, 1983 to **Jetstream International Airlines**.

VEG AIR, S.A.: 1 Tache Ionescu Street, Bucharest, 71100, Romania; Phone 40 (1) 223 3852; Fax 40 (1) 223 3853; Code V3; Year Founded 1999. VEG Air is established early in 1999 to operate scheduled domestic and regional passenger services in alliance with **Moldavian Airlines**. Employing a single Yakovlev Yak-40, the new entity launches revenue flights on March 15. Scheduled destinations visited include Budapest, Timisora, and Venice.

VEGA AIR COMPANY (VEGA AVIAKOMPANIYA): Russia (1993–1996). Vega Airline is founded at Vega Voronezh in 1993 to provide worldwide ad hoc all-cargo services. A. S. Kokalin is general director and he inaugurates revenue flights with a pair of Ilyushin Il-76s. One Ilyushin is withdrawn in 1994. Flights continue into 1996.

VEGAS JET: North Las Vegas Airport, 2634 Airport Drive, Suite 106, Las Vegas, Nevada 89030, United States; Phone (702) 647-7700; Fax (702) 646-6871; Year Founded 1996. Formed at its namesake city

in **1996**, Vegas Jet provides executive and small group passenger charters throughout the U.S., Canada, Mexico, and the Caribbean. Flights begin with 1 each British Aerospace BAe (HS) 125-400 Hawker and Piper PA-42 Cheyenne 400LS.

VELJEKSET KARHUMAKI (VKD). See **KARHUMAKI AIRWAYS, O/Y**

VENEZUELAN INTERNACIONAL DE AVIACION, S.A. See **VI-ASA (VENEZUELAN INTERNACIONAL DE AVIACION, S.A.)**

VENTURA AIR SERVICE: Republic Airport, Route 109, Farmin-dale, New York 11735, United States; Phone (516) 249-9848; Fax (516) 249-9729; Year Founded 1952. This fleet management concern is established at Republic Airport in **1952**. In addition to overseeing the aircraft of various businesses, the company, over the next 45 years, also undertakes executive and small group passenger charters to first domestic and then worldwide destinations.

In **2000**, Ventura employs 12 pilots and operates 1 each Canadair 601 Challenger, Dassault Falcon 50, British Aerospace BAe (HS) 125-700 Hawker, Learjet 25D, and Cessna 421 Golden Eagle.

VENTURE AIRWAYS, LTD. See **AIR COMMUTER, LTD.**

VENTURE JETS: Lancaster Airport, Lititz, Pennsylvania 17543, United States; Phone (717) 581-0306; Fax (717) 581-8317; Year Founded 1994. This small corporate carrier is established at Lancaster Airport in **1994** to fly businessmen to and from various destinations in the U.S., Canada, and the Caribbean. Two pilots are employed and revenue flights begin with 1 each Learjet 31A and Piper PA-31-350 Navajo Chieftain.

VENUS AIRLINES, S.A.: Greece (1993–1996). Venus Airlines, S.A. is established by the Karabatis Group at Athens during the first quarter of **1993** to offer charter and inclusive-tour services to the sunny Greek holiday destinations. Revenue flights from Scandinavia and West Germany begin with a pair of McDonnell Douglas MD-82s chartered from Aircraft Leasing and Management.

With additional bookings obtained from Austrian and Swiss tour concerns, an MD-83 is leased from **Transwede Airways, A.B.** in **1994**. The fleet in **1995** includes just 1 owned Beech Super King Air 200. Also operated under charter are 2 MD-83s, 1 MD-82, 2 B-757-2Y0s, and 1 B-757-236. During these years, the carrier also begins flying tourists down from Belgium and Luxembourg.

During the first quarter **1996**, **Edelweiss Air, Ltd.** is formed at Zurich, Switzerland, to operate both charter and scheduled passenger services. Shareholding is divided between the Venus Air, S.A. (40%), tour operator Kuoni Switzerland (33%), Emil Grotz (20%), and Niklaus Grob (7%). A management contract is signed by Venus and a workforce of 70 is recruited.

Two McDonnell Douglas MD-83s that Venus has leased from GECAS are subleased and beginning on April 1 are employed to inaugurate inclusive-tour flights to the Mediterranean and Greek islands and scheduled service from Zurich to London (CTN) via Vienna.

Service is suspended in November.

VERCOA AIR SERVICE: United States (1949–1975). Like giant **Delta Air Lines**, the Hoosier State's only indigenous airline begins as a crop-saving operation. In **1949**, University of Illinois mechanic William "Bill" Britt, a licensed pilot, discovers that farmers in his community of Royal, Illinois, are using the services of a crop duster who comes in from Florida.

Employing a patched-up plane he had obtained in **1948** by trading his new car to a friend, Britt borrows \$650 from his brother, purchases a crop-spraying unit, and sets up a seasonal side venture in **1949**.

Spraying proves worthwhile, but after losing his college job, the aviator moves his family to Danville in **1950**, becoming the FBO at the lo-

cal Vermillion County Airport. With his wife Marilyn handling administrative details, Britt gives flying lessons, sells airplanes, sprays crops, flies charters, and eventually becomes the airport's manager.

In July **1956**, naming his new enterprise in honor of his base, Britt sets up a charter segment of his business called **Vercos Air Service**. Britt's air business continues to grow through the **1960s**. Having extensive Beech 18 freighting experience and contracts to fly explosive samples for the military during the early years of the Vietnam conflict, the Danville operator is invited in late **1967** to offer emergency replacement services on behalf of **Lake Central Airlines**, then experiencing difficulties with its French-made Nord 262 turboprops.

During the first quarter of **1968**, Vercoa, employing a vintage and refurbished Lockheed Model 12A, begins feeding the local service carrier at Indianapolis and Chicago from Danville and Lafayette. Adverse reaction to the Lockheed causes Britt to almost immediately substitute a Beech 18. Following its purchase of **Lake Central Airlines** on March 14, **Allegheny Airlines (1)** elects to change the route network of its acquisition. Meanwhile, Vercoa acquires a new Beech 99 on July 28.

The company is invited in August to become the second "Allegheny Commuter" partner after **Henson Aviation**, a proposition owner Britt accepts on September 20. Wearing the livery of the Pittsburgh-based consortium, Britt's new Beech 99 launches its first scheduled airline service on October 7 over an initial Danville–Chicago route, later expanding commuter operations to Indianapolis, Bloomington, Muncie, Terre Haute, Fort Wayne, and several other small towns in Illinois and Indiana.

Britt, in **1970**, acquires a route in which **Allegheny Airlines (1)** holds no interest, Champaign and Decatur to Chicago (Meigs Field). Employing a Volpar Beech 18, the company independently maintains this service for the next three years under the name "Vercoa Commuter."

Following entreaties from city officials in **1973**, Bill Britt begins to transfer his entire company to the better-equipped Hulman Airport at Terre Haute, Indiana, a move completed in November **1974**. In February **1975**, the corporate identity is changed to **Britt Airlines** and two more Beech 99s are leased.

VERITAIR, LTD.: United Kingdom (1982–1996). The onshore helicopter operator Veritair is established by Julian Verity at Cardiff in **1982** to offer charter flights and aerial work. In July **1987**, the concern receives a 10-year Class 7 sole-use charter license from the CAA, which will permit it to compete for offshore support contracts in the Celtic Sea and Western approaches.

Support of the energy industry is not begun. Instead, the company comes to specialize in police support and over the next decade, enters into long-term contracts to provide services to the South and East Wales police forces.

By **1996**, Managing Director Verity oversees a fleet that includes 2 each Bolkow BO-105DBs and Bell 206L LongRangers. On October 31, the concern is sold to **British International Helicopters, Ltd.**, which will use it as the core upon which it will build entry into the aerial law enforcement support business.

VERMONT INTERNATIONAL AIRWAYS: United States (1967–1969). VIA is established by John McDonald at Morrisville, Vermont, on January 2, **1967** to provide scheduled air taxi services to local Granite State destinations. Employing 1 each Beech 18 and Cessna 402, McDonald inaugurates daily roundtrips on January 13, maintaining them into **1969**.

VERO MONMOUTH AIRLINES. See **MONMOUTH AIRLINES**

VETERAN AIR COMPANY: Moskovskaya 182-A, Djankoy, Crimea, 334010, Ukraine; Phone 38 (06564) 33112; Fax 38 (06564) 30122; <http://www.skylineaviation.co.uk>; Code VPB; Year Founded 1992. Veteran is founded in the Crimea on July 7, **1992** to provide ad hoc, worldwide, all-cargo charter services. Andrey Petrenko is general

director and he inaugurates revenue flights on September 19 with a large fleet, 23 Il-76s, leased from the Ukraine Air Force and the Ilyushin design bureau. The number of aircraft employed in 1994 is reduced to 17.

Flights continue in 1995–1997, during which years the workforce reaches 362 and a regular weekly route is opened to Baku in Azerbaijan and to Shariyah, UAE. A number of Antonov An-12s are acquired for work requiring less than an Ilyushin.

At the end of November 1998, an An-12 is based at Kent International Airport in Manston, U.K., to undertake ad hoc all-cargo charters. Skyline Aviation, Ltd. serves as agent and over the next month, flights are undertaken on behalf of Rolls-Royce and Ford.

Airline employment stands at 276 at the beginning of 1999.

By the first months of the year, an An-12, which Veteran has based at Kent International Airport (Manton) in the U.K. to operate the business founded by Skyline Aviation, has found work transporting cargos on behalf of DHL Worldwide Express, Rolls-Royce, and Ford Motor Company.

Veteran is deeply involved in support of the humanitarian work of the UN High Commissioner for Refugees during the Kosovo crisis. Two of the company's three Antonov An-12s operate a total of 20 relief flights from the U.K. and various European destinations to Tirana, Skopje, and, after June, Pristina. Cargos range from vehicles and blankets to water pumps and buckets. Veteran is proud to report that it has flown more relief missions into the area than any other An-12 operator.

The fleet at the beginning of 2000 comprises three An-12s. As the year begins, one is operating on a freight-hauling contract in West Africa while another is performing a similar task in the Democratic Republic of the Congo. A third aircraft is completing an overhaul at the Ukrainian plant of the Antonov Design Bureau.

VIABRAS (VIACAO AEREA BRASIL, S.A.): Brazil (1946–1950). Arnaldo Raposo Murtinho founds VIABRAS at Rio de Janeiro on April 11, 1946. A government operating permit is received on August 16 and the remainder of the year is spent on organization and the acquisition of three ex-military Douglas C-47s (reconfigured to DC-3 civil standard).

Scheduled revenue services commence on March 12, 1947 over a route to Rio Verde via Belo Horizonte, Uberlandia, and Goiania. Service is maintained in 1948 and in 1949 frequencies are initiated to the Mato Grosso cities of Cuiaba and Nortenopolis.

In order to avoid wasteful duplication on routes contested with TAN (Transportes Aereos Nacional, S.A.), VIABRAS in 1950 merges into a consortium led by the former.

VIACAO AEREA ARCO-IRIS, S.A.: Brazil (1945–1950). Arco-Iris is formed at São Paulo in March 1945. After V-J Day, the carrier purchases six British-made de Havilland DH 89As and on July 12, 1946 inaugurates services to destinations in the western part of São Paulo State as well as Parana State and its capital city of Londrina.

After a year and a half of service, the company is in considerable financial distress and its owners, knowing that they face bankruptcy and the cancellation of their operating permit, sell the carrier to a group of investors at Caxias do Sul in Rio Grande do Sul in December 1948.

Fully expecting to resume services in 1949 and even having built a new hanger to support the relocated headquarters, the new investors lose their capital when the government refuses permission to resume services employing Dragon Rapides. In June 1950, the Arco-Iris operating permit is cancelled.

VIACAO AEREA BAHIANA, S.A.: Brazil (1945–1948). This small company is set up at Salvador on December 12, 1945. Two Lockheed Model 18 Lodestars are purchased from Panair do Brazil, S.A. and employed to initiate scheduled services to Ilheus and Aracaju in February 1946.

Flights are maintained in 1946–1947 and in December of the latter year, the fleet is upgraded by the addition of 1 Boeing 247D and 3 Douglas DC-3s purchased from AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.). A DC-3 is reported missing near Bo-

gota on March 10 of the latter year; the wreckage is found near Villa Vincento on March 14 (eight dead).

Flying on the edge of financial disaster, the carrier is unable to recover from the June 22, 1948 crash of a DC-3 at Ilheus and thus shuts its doors on November 4. AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.) is finally able to reclaim its unpaid for aircraft in 1951.

VIACAO AEREA BRASIL, S.A. See VIABRAS (VIACAO AEREA BRASIL, S.A.)

VIACAO AEREA DE SAO PAULO, S.A. See VASP (VIACAO AEREA DE SAO PAULO, S.A.)

VIACAO AEREA RIO-GRANDENSE, S.A. See VARIG (VIACAO AEREA RIO-GRANDENSE, S.A.)

VIACAO AEREA SANTOS DUMONT, S.A. See VASD (VIACAO AEREA SANTOS DUMONT, S.A.)

VIARCO (VIAS AEREASCOLOMBIANAS, S.A.): Colombia (1947–1948). Capitalized at 3 million pesos (\$1.7 million), VIARCO is founded at Bogota in January 1947. A significant fleet comprising 7 ex-military Douglas C-47s (converted to civil DC-3 standard) and 2 Consolidated PB-5A Catalinas is assembled and service is initiated between 8 of Colombia's major cities, including Bogota, Cali, Medellin.

A C-47 with four crew and five passengers crashes in Colombia on March 8; there are no survivors.

A total of 57,000 passengers are transported during the inaugural year; however, financial difficulties force the carrier to cease flying in 1948.

VIAS AEREASCOLOMBIANAS, S.A. See VIARCO (VIAS AEREASCOLOMBIANAS, S.A.)

VIASA (VENEZOLANA INTERNACIONAL DE AVIACION, S.A.): Colombia (1960–1997). Capitalized at 12 million bolivars (\$3 million), this carrier is jointly formed by LAV Venezuela Airlines, S.A., CVF, a government development agency, and AVENSA (Aerovias Venezolanas, S.A.) on November 21, 1960 to operate their international services. Shareholding is divided between the two concerns on a 51 to 49 basis, with AVENSA assuming responsibility for daily management. The board of directors is chosen entirely from the private sector.

In February 1961, KLM (Royal Dutch Airlines, N.V.) is contracted as the new airline's European agent, also agreeing, under an operational contract, to provide service on behalf of the Venezuelan carrier. Orders placed by AVENSA two years earlier for two Convair CV-880s are taken over and increased to three and a Douglas DC-8-33 is wet leased from the Dutch flag line.

The latter is employed, beginning on April 1, to inaugurate transatlantic service from Bogota to Lisbon and Madrid via Bogota, Caracas, and Curaçao. VIASA is the only Latin American carrier to have flown jet aircraft since its creation. Five days later, on April 6, the Madrid route is pushed up to London via Paris.

In May, the network expands, replacing LAV Venezuela Airlines, S.A.'s international flights; frequencies begin to Paris and Amsterdam and to Lima, Bogota, and Curaçao.

While en route to Caracas via Santa Maria in the Azores, Flight 897, the DC-8-33 leased from Holland with 14 crew and 47 passengers, crashes into the Atlantic Ocean 3 km. offshore of Lisbon after failing takeoff on May 30; there are no survivors.

In June, a second DC-8-33 is placed in service as a replacement.

The two CV-880Ms are delivered in July, allowing the start-up of services to America: New York on August 8, Miami on October 1, and New Orleans on October 5. The latter route replacing one previously flown by AVENSA (Aerovias Venezolanas, S.A.).

On November 27, students hijack a CV-880 with 47 aboard and force its crew to drop propaganda leaflets over Caracas before diverting the jetliner to a safe landing at Curaçao. The five hijackers are arrested and returned to Venezuela on December 2 for trial.

The fleet in 1962 includes 1 leased **KLM (Royal Dutch Airlines, N.V.)** DC-8-33 and 2 CV-880Ms, both of which are now frequently leased to the Dutch flag carrier. Services are launched to Santo Domingo and Panama in October.

When the third CV-880M is delivered in late 1963, it is painted in two color schemes: VIASA's on the left and KLM on the right.

A pool agreement is signed with **Alitalia, S.p.A.** on May 1, 1964 and the last **LAV Venezuela Airlines, S.A.** international route—to Rome—is now assumed. The third VIASA CV-880M is simultaneously leased to **KLM (Royal Dutch Airlines, N.V.)**, which employs the jetliner, beginning the next day, on its flights from Curaçao to Miami. Curaçao to Paramaribo, Surinam CV-880M services are inaugurated on May 3.

An **Alitalia, S.p.A.** DC-8-40 is leased late in the year, allowing the initiation of DC-8-40 service to Mexico City in June 1965. The first owned DC-8-53 is delivered in November and is placed on the New York route on October 6.

A second DC-8-53 arrives in 1966, allowing return of the chartered DC-8-40 to **Alitalia, S.p.A.** The carrier's own Douglas jetliners commence transatlantic services on October 6. Two DC-9-10s are leased from **AVENSA (Aerovias Venezolanas, S.A.)** in May 1967. They are placed on short-haul routes San Jose, Panama City, Barranquilla, Maracaibo, Caracas, Trinidad, and Barbados.

The all-cargo subsidiary Transcarga is formed on January 10, 1968 to take over freight service to the U.S. with a new DC-8-55F. London becomes a new European destination on April 20.

En route from Miami to Caracas via Santo Domingo and Curaçao on June 19, Flight 797, a DC-9-32 chartered from **AVENSA (Aerovias Venezolanas, S.A.)** with 78 passengers, is hijacked on the Santo Domingo to Curaçao segment and diverted to Santiago de Cuba. The pirate remains behind as the Douglas twin-jet is allowed to proceed. The assailant will leave Cuba in August 1970 for the Dominican Republic, where he will be caught, tried, and sentenced to 20 years in prison.

A DC-8-53 is destroyed in a ground accident at Amsterdam's Schiphol Airport on June 29.

The New York frequency becomes daily during the summer and the first DC-8-63 is received in December. By year's end, all three CV-880Ms are withdrawn and sold to **Cathay Pacific Airways (Pty.), Ltd.**

The new DC-8-63 is introduced on the New York route on January 1, 1969. In the world's worst civil airline disaster to date, the ill-fated, previously hijacked DC-9-32 leased from **AVENSA (Aerovias Venezolanas, S.A.)** and operating as Flight 742 with 10 crew and 74 passengers, strikes power lines and crashes into the Maracaibo suburb of La Coruba just after takeoff. There are no survivors from the aircraft and 72 persons are also killed on the ground. Later analysis of the jetliner's black box tape recording indicates the pilot was shot. The second DC-8-63 is delivered in May.

Beirut service begins on May 15, 1970 and DC-8-63 flights are inaugurated to Frankfurt on June 1, 1971. Late in the year, a contract is signed with **KLM (Royal Dutch Airlines, N.V.)** under which VIASA will dry lease a Boeing 747 and become the first Latin American airline to fly a Jumbojet. Enplanements for the latter year total 291,885.

Airline employment in 1972 totals 1,297. The fleet now comprises 2 DC-8-63s, 2 DC-8-53s, 2 DC-8-33s, and 1 DC-8-55F. A B-747-206B is leased from **KLM (Royal Dutch Airlines, N.V.)** on January 1; christened *Orinoco* after Venezuela's largest river, enters service wearing the full KLM livery on one side of its fuselage and that of VIASA on the other. The initial Jumbojet service is from Caracas to Madrid, Paris, and Amsterdam via the Canary Islands. In April, orders are placed for two DC-10-30s. A big marketing campaign is undertaken to attract winter holiday traffic to Venezuela from Europe and North America.

Passenger bookings climb 8.5% to 319,000.

The wet-leased Dutch Jumbojet continues to serve on the European runs from Caracas to Rome via Madrid and from Caracas to Paris via

Madrid as of late spring 1973. As the year ends, arrangements are made with KLM for the dry lease of a DC-10-30. Overall bookings advance to 383,400.

The **KLM (Royal Dutch Airlines, N.V.)** Jumbojet is returned when the first DC-10-30 is received from the Dutch flag line on April 24, 1974. On April 30, VIASA becomes the first South American wide-body operator as it introduces its new Dutch-owned jetliner on mid-Atlantic routes from Caracas to Madrid, Paris, and Amsterdam via the Canary Islands. Later, the plane also flies from Caracas to Panama and Miami, while DC-9-10 service is started to San Juan, Puerto Rico.

Passenger boardings rise 10% to 426,088; the carrier's highest net profit to date is realized: \$6.5 million.

The workforce in 1975 totals 1,536. The fleet is strengthened through the addition of a second DC-30-30, again via **KLM (Royal Dutch Airlines, N.V.)**, in May and a DC-8-53 in November. Meanwhile, Caracas to Cali service begins in May while Rio de Janeiro and Buenos Aires join the network in June and Quito in December.

Passenger boardings grow 13.1% to 484,662, but freight is off 2%.

The employee population remains level in 1976. On April 28, VIASA purchases **Pan American World Airways (1)'s** 30% interest in **AVENSA (Aerovias Venezolanas, S.A.)**.

Alfonso Marquez-Amez succeeds Oscar Machado as president in midyear, while frequencies from Miami to Caracas are stepped up from 7 to 12 on July 1, with 5 stopping at Maracaibo en route. Caracas to New York frequencies are daily and those to Washington, D.C. are twice weekly. Orders are placed for two additional DC-10-30s.

Passenger bookings jump 24% to 538,731. This is the year in which Viasa, after years of profits, shows its first losses, due largely to labor unrest and rising fuel costs.

A third DC-10-30 is placed in service in 1977. Two additional DC-10-30s join the fleet in 1978–1979. During these years the Transcarga, S.A. subsidiary is folded back into the airline as a division. Also, the tails of all aircraft are now painted orange, with white VIASA lettering.

Traffic rises and in terms of passenger kilometers flown, the carrier in 1980 ranks as the seventh largest in Latin America. The fleet at the beginning of 1981 includes 6 DC-10-30s, 2 DC-8-63s, 2 DC-8-53s, 1 DC-8-63F, and 2 leased DC-9-15s. Enplanements these 12 months total 900,600.

During 1982, the first of three MD-80s are placed on regional routes to the Caribbean and for new services to Miami from Barquisimeto, Barcelona, and Portlamar. Customer bookings ascend to 938,200.

The bottom literally falls out in 1983. **Swissair, A.G.** is hired to conduct a study and finds the company nearly bankrupt as the result of high-cost loans taken to cover debts of \$88 million. Among the difficulties uncovered is massive over-hiring—there are now 47 pilots for every aircraft. In July, a B-747-273C is chartered from **World Airways**. This Jumbojet will be employed as a freighter on routes from Caracas to Miami and New York.

Passenger boardings drop to 673,700 and this dramatic slump in traffic brings severe financial difficulties and result in a \$75-million loss.

Luis Ignacio Mendoza Machado becomes chairman and president in February 1984 and he immediately institutes a recovery plan. In addition to rigid cost-cutting measures, all DC-8s and MD-80s are withdrawn from service, the employee force is cut to 3,400, and some service in the Caribbean is suspended, while other international destinations, like Beirut, are abandoned.

The situation is not helped by an August 1 hijacking. Two aerial pirates, one each from Haiti and the Dominican Republic, force a DC-9-10 with 79 passengers to land at Curaçao and demand \$5 million in ransom. With technical assistance from the U.S. Delta Force, a 12-man Venezuelan commando unit storms the plane, kills the hijackers, and frees all of the hostages unharmed.

Bookings drop even further this year, to 508,164. Revenues are \$189 million, producing an operating profit of \$10.7 million, but a net loss of \$2.1 million is suffered.

The employee population is reduced 6.1% in **1985** to 2,850. The fleet now comprises only the 5 DC-10-30s plus 1 DC-8-55F.

Passenger boardings accelerate 9.9% to 563,500 and freight traffic is up 5.5% to 89.12 million FTKs. Revenues slide to \$185.5 million, but this year a net profit of \$3.56 million is earned.

Operations continue apace in **1986** and a \$3.8-million profit is earned. The company's livery is altered; although retaining their orange tails, aircraft are painted a brighter white, with three-tone blue cheatlines under the windows.

Two Airbus Industrie A300B4s previously operated by **Deutsche Lufthansa, A.G.** are leased from Guinness Peat in **1987** for use on Caribbean and U.S. services. In the spring, VIASA, for the first time, undertakes domestic services, operating from Caracas to Maracaibo and Porlamar.

Jetliners from VIASA and **Pan American World Airways (1)**, carrying a total of 180 passengers, nearly collide over the Atlantic Ocean, 800 mi. S of New York, on July 9. By now, all of the pilots dismissed in 1984 are rehired and a new training center is opened in Caracas.

For a variety of reasons, enplanements fall to 187,675 and the red ink continues to flow over company ledgers.

In **1988**, the 3,035-employee carrier owns a fleet of 5 DC-10-30s, 1 DC-9-51, and 1 leased B-747-200F. A new DC-10-30 simulator is placed into service at the Caracas training facility and service is inaugurated to Houston. During the first quarter, thrice-weekly charters are flown from Toronto to Caracas via Barcelona.

The Douglas jetliners assist passenger boardings in their dramatic 80% increase to 938,372, while the Jumbojet accounts, almost completely, for an 82% boost in freight traffic to 210.88 million FTKs.

The fleet is increased in **1989** by the addition of a DC-8-63 and three leased Airbus Industrie A300B4s. During the summer, the joint Venezuela-Brazil-Argentina route is split in two. Twice-weekly nonstop Caracas to Buenos Aires and twice-weekly Caracas to Buenos Aires flights add São Paulo to the previously direct Brazilian service. In October, twice-weekly A300B4 service is inaugurated from Caracas to Havana.

Customer bookings increase 17% to 1,098,125 and cargo swells 7.6% to 226.9 million FTKs. Profits are earned: \$19.4 million (operating) and \$5.6 million (net).

Company employment grows 4.2% in **1990** to 3,690. The decision is taken late in the year to privatize the state-owned carrier.

Passenger boardings climb 5.3% to 684,695 and freight ascends 8% to 370.76 million FTKs. Revenues slip 1.8% to \$275 million and expenses swell 15% to \$299.6 million. As a result, the operating loss is \$24.6 million and net loss is \$36.6 million.

The payroll is cut 3% in **1991** to 3,580 and the fleet now includes 5 DC-10-30s and 3 leased A300B4s.

In July, a Lockheed L-188CF, originally flown as *Uranus* with **KLM (Royal Dutch Airlines, N.V.)**, is acquired by the Transcarga division and is employed to operate European freighter services on behalf of **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**.

A sixth DC-10-30 is also delivered during the summer and employed to enhance the carrier's European routes.

A consortium led by the Spanish flag carrier **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** purchases 35% minority shareholding on August 9 for \$145.5 million.

The arrangement marks the first large sale of a Venezuelan state asset to a foreign buyer and includes a management contract and comprehensive marketing agreement that features joint routes, code-sharing, joint frequent flyer programs, and schedule coordination. **KLM (Royal Dutch Airlines, N.V.)**, with which VIASA had so long associated, is the losing bidder.

Still, customer bookings decline 4.9% to 274,028. On a happier note, cargo climbs 3.2% to 60.61 million FTKs.

Company employment falls another 6.4% in **1992** as President Arturo Cardelus has charge of 3,350 employees. One DC-10-30 is removed as six B-727-256As are acquired from **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**. These are placed into service on the Miami routes, replacing the chartered Airbus that are all returned to GPA.

Passenger boardings recover and increase by 25.6% to 465,236. Freight increases 47.5% to 102.54 million FTKs. Revenues for the year total \$317.7 million; however, a \$52-million loss is suffered.

In **1993**, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** appoints one of its local officials, Jose Campins, president and his workforce now totals 2,000, down a huge 40.3% from the previous year. Western Hemisphere destinations served from Barcelona, Caracas, Porlamar, and Maracaibo include Aruba, Bogota, Buenos Aires, Curaçao, Havana, Houston, Lima, Miami, New York, Quito, Lima, Rio de Janeiro, San Juan, São Paulo, Santiago, and Santo Domingo. Scheduled flights are also made to the European cities of Amsterdam, Frankfurt, Lisbon, London, Madrid, Milan, Oporto, Paris, Rome, Santiago de Compostela, and Zurich.

Winter charters are continued to Vancouver and Toronto and during the spring a new strategic plan is developed with emphasis on route rationalization. The Boeing trimotors acquired the previous year are employed to inaugurate new routes to Cartagena, Cancún, Aruba, and Margarita Island.

Statistics are only available through July, but these show customer bookings up 3.5% to 388,035. Cargo is down, however, by 2.9% to 85.5 million FTKs. In October, the company becomes the exclusive general sales agent for **Aerolineas Argentinas, S.A.** and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** in Colombia. The Spanish flag carrier also establishes a new cargo division to encompass the freight services of the three airlines in Latin America. Enplanements total 685,963 and the year's loss is \$16 million.

Airline employment skyrockets 79% in **1994** to 3,580 and the fleet now includes 5 each DC-10-30s and B-727-256As, as well as 2 leased Airbus Industrie A300B4s. The company begins to code-share with **Aerolineas Argentinas, S.A.** over a route from Buenos Aires to Caracas.

Customer bookings surge another 24.9% to 913,300, while cargo increases 42% to 183.84 million FTKs. Enplanements for the first 7 months of **1995** total 547,135.

The workforce is cut to 2,250 in **1996**. In honor of the Pope's second visit to Venezuela in February, VIASA unveils a new aircraft color scheme, modeled after Iberia's livery.

Customer bookings are only reported through July and show a 1.5% increase to 555,466. During the same period, 59.75 million FTKs are operated, a 15.1% boost.

In December, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** notifies officials of the Venezuelan government and VIASA that no more money will come to the South American carrier from Madrid until it puts a radical restructuring plan into effect. The Spanish partner proposes that VIASA withdraw from its more unprofitable routes, that 30% of the workforce be laid off (some 2,200 personnel), and that the remaining 70% have their wages frozen. In addition, restructuring costs should be assumed by the national privatization and investment body Fondo de Inversiones de Venezolanas (FIV), which owns 40% of VIASA.

The year's losses total \$30 million.

During January **1997**, the European Commission orders **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** to reduce its Latin American holdings as a condition for the company receiving another \$330 million in government capitalization. On January 17, following nearly a month of discussions, the FIV and VIASA employees reject Iberia's December plan; the Spanish withdraw their plan.

On January 23, VIASA's board of directors closes down the airline and sets February 8 as the date to decide upon the carrier's fate. Meeting at Madrid on January 28, officials from **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)**, the Venezuelan government, and VIASA agree on a plan to keep the partner going. The Venezuelan government will set up a special fund to take care of their carrier's expenses until a foreign operating partner can be signed up. Iberia, for its part, with convert \$30 million, about 20% of the money it is owned by VIASA into additional equity by taking over ownership of its fleet. It is also agreed that the Venezuelan airline will remain grounded until a new associate is

located and new labor agreements are signed. A rescue plan to save the financially troubled carrier appears near at hand.

On February 18, however, FIV Chairman Alberto Poletto announces that the nation will spend no more money on the airline, which lost \$45 million in 1996 and had accumulated debts of \$200 million. He also notes that the deal put forward the previous month does not preclude liquidating VIASA, particularly since it is now losing \$250 million per month, more than twice the figure estimated.

Now that the end is at hand, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** pays severance to VIASA's employees and agrees to write off its \$30-million stake in return for preservation of its rights to serve Venezuelan destinations.

During the first quarter, the **VASP (Viacao Aereas de Sao Paulo, S.A.)** joins with a local business group, Venezolana de Comercializaciun, in a consortium the purpose of which is to acquire VIASA from the government of Venezuela. Under terms of the plan, VdeC will take the majority 51% stake while VASP will provide 49% of the equity and receive a management contract and other considerations. The government also considers a tender from another group of local entrepreneurs, SkyVen.

VIASA is, in the end, allowed to fail. Its routes will be assigned to three other carriers during 1998 and three of the four DC-10-30s will be taken by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** for its use.

VIC TURNER, LTD.: Canada (1966–1971). Vic Turner establishes this charter operation at Dawson Creek in British Columbia in May 1966. Nonscheduled bush operations are undertaken with Cessna 185s and are maintained until the company is purchased by the Borek Construction Corporation in 1971. The new owner, like his predecessor, adopts a personal corporate identity as **Kenn Borek Air, Ltd.**

VICTORIAN AND INTERSTATE AIRWAYS (PTY.), LTD. (V&IA): Australia (1936–1948). V&IA is formed at Melbourne in the summer of 1936. Equipped with 2 Miles Merlins, it undertakes a daily Melbourne–Hay via Deniliquin service, adding mail on September 14. The route is maintained without change through 1937–1939, finally ceasing on August 24, 1940.

VIEQUES AIR LINK: P.O. Box 487, Vieques, Puerto Rico 00765, United States; Phone (809) 741-3266; Fax (809) 741-0545; http://www.vieques-island.com/val; Code VI; Year Founded 1965. This company is originally established by Oswaldo "Val" Gonzalez as the air taxi, charter, and air ambulance operation at Vieques, Puerto Rico, in October 1965. Revenue flights commence with a single three-place Cessna 172. Later in the year, a Piper Cherokee is purchased, with a second one following in 1966. The nonscheduled network is expanded to include flights to San Juan.

VAL is registered as a corporation on April 5, 1967. On July 7, 1968, the carrier places a Britten-Norman BN-2 Islander into service on new routes to St. Croix and Culebra. The Islander is the first of its type to operate in the Caribbean.

Charters are continued in 1969 and throughout the 1970s. Following the completion of Fajardo Airport in 1980, new flights are laid on from Fajardo to St. Thomas.

This small operator elects to convert its charter services into scheduled passenger flights to the U.S. Virgin Islands and Puerto Rico in early 1972. An application is made to the CAB and the company is certified in early May. Britten-Norman BN-2 Islander service begins before month's end. Destinations served from Gonzalez's base include San Juan, Humacao, and St. Croix.

Frequencies are continued during the next eight years. The only untoward incident during this period is a fatal accident at Vieques on December 19, 1977 when an Islander crashes, killing its five occupants. In 1980, President Gonzalez oversees a workforce of 40. A total of 70,904 passengers are flown in 1981, a figure that climbs to 81,919 in 1982.

The Caribbean's first Britten-Norman BN-2A Trislander joins the fleet in 1983. This year, customer bookings surge to 87,834.

By 1984, the fleet includes 6 Islanders, 1 BN-2A Trislander, and 2 Piper PA-32 Cherokees. En route from Vieques to St. Croix, Flight 910, a BN-2 with 9 aboard, crashes into the Atlantic Ocean on August 2; there are no survivors. Early in 1985, the company comes under FAA review for the previous year's crash and the inspection reveals an unlicensed pilot, overloading, record falsification, and various FAR violations. The findings lead in August to an emergency revocation of the company's operating certificate.

All of 1986 is spent in a successful recertification effort. Equipped with 9 Islanders, the 37-employee small regional is allowed to resume operations in 1987. Enplanements for the year total 119,709 and advance in 1988 to 123,124.

Hurricane Hugo destroys the company's entire fleet in 1989. Consequently, passenger boardings drop 14.3% to 107,720.

The 12-employee company's fleet in 1990 includes 12 aircraft: 2 Piper PA-23 Aztecs and 10 Islanders.

Passenger traffic not only stabilizes, but climbs by 16.7% to 125,714 passengers flown.

The fleet is reduced in 1991 by one Aztec and four Islanders.

Customer bookings inch up 1.4% to 127,482.

The employee population in 1992 stands at 32 as passenger boardings climb 11.1% to 141,654.

The fleet in 1993 includes 4 Islanders, 3 Trislanders, and 1 Piper PA-23 Aztec.

Customer bookings fall 17.9% to 116,245 and decline another 8.5% in 1994 to 106,391. Airline employment is 32.

There is no relief in 1995 as enplanements fall 8.2% to 97,775. The company's 7 aircraft transport a total of 90,216 passengers in 1996, another 7.7% decline.

President Gonzalez's fleet in 1997 includes 3 Islanders and 1 Aztec. Destinations visited include Fajardo, St. Croix, San Juan, and Vieques. Customer bookings fall another 10.9% to 79,732.

Flights continue in 1998. Late in the year, a homepage is opened on the Internet's World Wide Web. Passenger boardings fall another 15.9% to 67,000.

Although founder/owner Gonzalez remains in charge in 1999–2000, Francisco Cruz is now operations director. The gentlemen oversee a workforce of 71 employees.

VIETNAM AIR SERVICES COMPANY (VASCO): 114 Bach Dang Rd., Tan Binh District, Ho Chi Minh City, Vietnam; Phone 84 (8) 844-5999; Fax 84 (8) 844-5224; Code VS; Year Founded 1995. VASCO is set up at the former Saigon in 1995 to offer scheduled and charter passenger and cargo services to destinations in the southern part of the nation. Vu Ngoc Dinh is director general and he begins revenue services with 2 each Antonov An-30s and British Aerospace BAe Jetstream 31s.

VIETNAM AIRLINES: Gialiem Airport, Hanoi 10000, Vietnam; Phone 84 (4) 8732732; Fax 84 (4) 8272291; http://www.vietnamair.com.vn; Code VN; Year Founded 1989. Formerly known as **Hang Khong Vietnam/General Civil Aviation Administration of Vietnam**, this state carrier of the Socialist Democratic Republic of Vietnam adopts a new corporate image and livery and changes its name to a more manageable title in April 1989.

The fleet, repainted in a new blue and white livery complete with a flying stork tail logo, comprises 11 Antonov An-24s, 2 Boeing 707Fs, 2 An-26s, 3 Ilyushin Il-18s, 1 Tupolev Tu-134B, and 3 Yakovlev Yak-40s.

A commercial agreement begins in May between Ho Chi Minh City and Singapore in partnership with **Garuda Indonesia**. Six Tupolev Tu-134A-1s are purchased out of the wreckage of **Interflug (DDR German Airlines)**. Even in death, the East German carrier continues to provide, if only indirectly, aid to its longtime progeny.

In February 1990, the company, which has operated under auspices of the Defense Department for the past 15 years, is transferred to civilian

control. Joint flights commence in November with **Malaysia Airlines, Ltd. (MAS)** from Ho Chi Minh City to Kuala Lumpur.

While on final approach to Ho Chi Minh City on January 12, 1991, from a service to Bangkok, a Tu-134A-1 with 4 crew and 72 passengers suddenly loses height and lands hard, causing its left main landing gear to collapse. There are no fatalities.

While continuing to maintain its base at Hanoi's Gialam Airport, the company is formally separated from CAAV on April 1. Led by the chief of the directorate of civil aviation Khoang Igok Zieu, the carrier operates international passenger flights from Hanoi's Noi Bai Airport to Phnom Penh and Vientiane. Employing a Tu-134A-1, a twice-weekly roundtrip charter is flown between Ho Chi Minh City and Singapore on behalf of Singapore's Cassidy Company. A domestic trunk route is flown from Hanoi to Ho Chi Minh City.

Early in the year, the U.S. government, protecting its embargo on technology transfer to Vietnam, halts **Martinair Holland, N.V.'s** plans to wet-lease a Boeing 737-300 to the Southeast Asian airline. A similar agreement with **Trans-European Airlines'** Swiss charter subsidiary is also stopped. After two B-737-3Y0s are ferried to Ho Chi Minh City, **TEA-Basel, A.G.** is informed that basing the airliners in Vietnam would violate the embargo and the aircraft return to Europe. An Airbus A310-324 is wet-leased from Singapore-based **Region Air, Ltd.** Unhappily, it is soon out of service having been caught in a dispute over who should pay for repairs after it suffers an accident at Taipei.

Following U.S. government approval, the carrier is allowed to partially lease an **SAS (Scandinavian Airline System)** B-767-383ER in May, employing it to continue the European major's flights from Bangkok. Alternating on Wednesday and Friday, services are offered between the Thai city and Ho Chi Minh City and Hanoi, respectively. **Air France** President Bernard Attali visits Hanoi and signs a "protocol," under which the French airline agrees to help Vietnam Airline with aircraft leases.

On December 16, and in cooperation with **Cathay Pacific Airways (Pty.), Ltd.**, twice-weekly joint service, employing Cathay's Lockheed L-1011 TriStar 1s, is inaugurated from Hong Kong to Ho Chi Minh City and Hanoi. Cathay will also come to hold a 69% stake in Vietnam Air Caterer while VA will assume 60% shareholding in Cathay Pacific Catering Services.

Painted white, the pair of Boeing 737-3Y0s, blocked from entering service the previous year, are wet-leased from **TEA-Basel, Ltd.** again on February 15, 1992. They commence frequencies from a base at Bangkok, Thailand, with foreign flight crews in January and May, respectively. Orders are now placed for the company's first Western aircraft since the late 1970s: two Avions de Transport Regional ATR72-202s valued at \$20 million.

French President Francois Mitterand, accompanied by **Air France** President Attali, visits Hanoi; while there, the latter continues negotiations begun the previous year. As the result of strong demand, the shared route with **Cathay Pacific Airways (Pty.), Ltd.** is doubled in March.

In midyear, the **Region Air, Ltd.** Airbus is replaced for six months by one of the B-767-33AERs owned by and wet-leased from **Royal Brunei Airlines**. Painted white like the Swiss airliners, it is employed to operate services to Seoul and Taipei. In August, a code-sharing agreement is signed with **China Airlines, Ltd.** covering flights on routes from Taipei to Hanoi and from Kao-hsiung to Ho Chi Minh City.

While on a scheduled November 14 service, a Yak-40 with 6 crew and 25 passengers is caught in a thunderstorm and crashes near Song Trung (30 dead).

At year's end, the two Boeing freighters are sold. The first passenger traffic statistics reported in years are publicized and show a total of 752,301 passengers flown.

Nguyen Hong Nhi is director general in 1993, with Dao Manh Nhuong his deputy. A B-767-284ER is wet-leased from **Air France** in January, replacing the **Royal Brunei Airlines** unit. The ATR72-202s arrive under lease in February as a two-year operational and technical partnership agreement is signed with **Air France**, calling for the state

carrier of the nation's former colonial masters to invest heavily and to provide aircraft and technical and training support.

In addition to the Hong Kong and domestic Hanoi to Ho Chi Minh City route, the carrier undertakes scheduled international frequencies from the capital's Noi Bai Airport to Bangkok, Phnom Penh, and Vientiane. In July, a code-sharing and block-space agreement is signed with **Korean Airlines/Korean Air (KAL)** covering flights from Ho Chi Minh City to Seoul.

Continuing negotiations with **Air France** culminate in the formal August 31 signing of a cooperative agreement. Fifteen technicians and 29 pilots are sent out from Paris in September as the European megacrier assumes responsibility for the carrier's training, maintenance, and other services. With the arrival of three chartered A320-111s in Vietnam Airlines livery at Ho Chi Minh City's Tan Son Nhat Airport from Paris via Dubai and Bangkok, the pilots, on October 25, take over the company's regional routes.

At year's end, the entire An-24 fleet is withdrawn from service and placed into storage at Tan Son Nhat Airport.

Passenger boardings for the year swell 32.6% to 1,116,173 and cargo rises by 26%; a net \$4.3-million profit is banked.

The U.S. embargo is lifted on January 27, 1994 and the company begins to phase out its Russian-built equipment. The Swiss B-737-3Y0 lease expires in February; in the 25 months of operation, the 2 "Baby Boeings" have made 5,258 revenue flights. Configured slightly differently, two **Air France** A320-211s, also given Vietnam Airlines blue and white livery, arrive on February 26, along with 14 more French pilots. Members of Capt. Dominique Sauvat's team, which now numbers 35 pilots, 15 technicians, and 5 administrators, each are employed for 6 months.

On March 1, fares are increased by 16% and the company begins to phase out subsidies for local travelers on domestic flights.

A B-767-284ER is wet-leased during the month from Ansett Worldwide Aviation Services, Ltd. and employed to inaugurate services on routes to Australia and Moscow.

During the spring, Deputy Director General Dao Manh Nhuong becomes deputy director general of the Civil Aviation Administration of Vietnam (CAAV).

The first **Air France**-trained flight crews join the aircraft during the summer. At the same time, twice-weekly B-767 frequencies are launched to Paris and Berlin via Dubai. Negotiations continue with Japan for rights to fly into Tokyo. In early August, an agreement is signed with **Cargolux Airlines International, S.A.** at Hanoi as the two companies work to establish a joint partnership for air cargo services. Employing a Cargolux B-747F, weekly freight frequencies are initiated on August 8 between Ho Chi Minh City and Europe.

On the domestic front, the company now operates two ATR72-202s provide daily service to Hue from Ho Chi Minh City and five-times-per-week flights to the ancient Imperial capital from Hanoi; the turboprops also link Da Nang and Hanoi with Vinh.

Vietnam Airlines, having applied earlier, reluctantly settles for slots at the new Kansai International Airport at Osaka after being refused permission to fly a more lucrative route to Tokyo's overcrowded Narita Airport. Employing the B-767-284ER leased from **Ansett Australia, Ltd.**, Vietnam begins thrice-weekly roundtrips to Osaka from Ho Chi Minh City on November 2 in an effort to cash in on a growing interest in Vietnam among businessmen and tourists from Japan.

During the year as a whole, \$65 million is spent to upgrade the airline's facilities and ground equipment. Overall customer bookings increase 54% to 1.68 million. A profit in excess of \$20 million is reported.

In an article published in the *Vietnam Investment Review* on January 29, 1995, Deputy Director General Pham Ngoc Minh lays out the carrier's plans for the year. Chief among these will be an increase in ticket prices pegged to rising fuel costs, a reduction in the company's growth rate, and a restructuring of company management along the lines of regional competitor **Singapore Airlines, Ltd.**

Two more ATR72-202s are delivered during the month and in February, joining the two earlier units on domestic service. Passenger board-

ings accelerate 40% through June to 1,076,000. Two B-767-33AERs are chartered, one each from AWAS and one from **Royal Brunei Airlines**, and permit connections to be made from Hanoi to Singapore, Seoul, and Kao-hsiung. Plans are made to begin services from the former U.S. military base at Da Nang by the middle of 1996.

Direct roundtrip A320-214 flights between Hanoi and Seoul are doubled as frequencies become four times a week. **Korean Airlines/Korean Air (KAL)** and **Asiana Airlines, Ltd.** share rights on the routes.

Orders are placed for two Fokker 70s and negotiations are undertaken with **Air France** and Aerostar Leasing, Ltd., a division of Region Air (Pty.), Ltd. of Singapore, for the replacement of the A320s currently flown under wet lease with 10 more under dry lease.

The company begins its first international advertising campaign in August. Advertisements are taken out in regional trade magazines and as well as such mainstream Western publications as *Time*, *Newsweek*, *Economist*, and *Far Eastern Economic Review*.

In October, a block-seat pact begins with **Philippine Airlines (PAL)** on flights between Ho Chi Minh City and Manila. Expressing an interest in joining the Orient Airline Association, Deputy Director General Pham Ngoc Minh attends the group's meeting at Brunei in mid-month.

The company now also purchases blocks of seats for flights on services provided by **KLM (Royal Dutch Airlines, N.V.)**. By year's end, the company has spent \$1.7 million on advertising.

There is no change in the workforce during 1996. The two Fokker 70s enter service on VIP frequencies and regional flights into China and two more ATR72-202s, leased from **TAT European Airlines, S.A.**, begin domestic flights. In April, the carrier launches daily dual-designator flights with **Japan Air Lines Co., Ltd. (2)** between Ho Chi Minh City and Osaka (KIX).

The **Air France** wet-lease agreement expires in June and is not renewed. Instead, the company completes arrangements to dry lease a new fleet of 8, later 10, A320-214s from Aerostar Leasing Ltd. In addition, three B-767-324ERs are simultaneously chartered from General Electric Capital Aviation Services.

Having spent \$9.09 million since July to build a terminal and upgrade the runway and other facilities at Tuy Hoa Airport, a former military field in Phu Yen Province, Vietnam Airlines begins flying into the site on September 2. Also during the month, the company introduces a business-class upgrade program.

A new commercial agreement is signed with **Air France** in October. During the year, the company's \$3-million advertising budget is employed to push Vietnam as a tourist destination as well as to stress the airline's modern aircraft, appointments, and even its "charming ao dai-clad hostesses."

In addition, the carrier is reformed into a public corporation, which brings together several service companies, with the airline at its core. Henceforth, the enterprise is run by a seven-seat management board whose members are appointed by the prime minister. Phan Van Tiem becomes acting chairman, with Le Duc Tu as director general.

On December 16, as a result of a special image marketing program for the airline sponsored and developed by the Boeing Commercial Airplane Company without charge, Vietnam Airlines is able to introduce a new aircraft livery on one of its B-767-324ERs. Designed to symbolize the airline's dramatic progress towards world-class status, the bold design is built around the Lotus flower.

Enplanements for the year climb a welcome 18% to 2.5 million.

Two A320-214s enter service in February 1997, bringing the total number of this type on hand to ten. The two requested Fokker 70s are received the same month.

On August 26, the ANZ Investment Bank, Ltd., the investment banking division of Australia and New Zealand Banking Group, Ltd., signs an A\$15-million loan agreement with the airline.

En route from Ho Chi Minh City in southern Vietnam to Phnom Penh on September 4, Flight 815, a Tu-134B-3 with 6 crew and 60 passengers, strikes trees and crashes aflame into paddy fields just off the Cambodian airport as it attempts to land in downpours (65 dead). Most of the dead are

foreigners including South Koreans, Chinese, Japanese, Thais, Americans, and Canadians. The one survivor, a 5-year-old boy, dies in hospital.

The crash is the third air accident involving a Vietnam Airlines Tu-134 in the past 10 years. Local farmers are viewed rifling the pockets of victims and rummaging through the wreckage. They also steal the flight data recorder, but after appeals are made to Cambodian radio and television, the recorder will be returned two days later.

Although an investigation is launched into the cause of the crash, the company reveals the next day that it will continue to fly the four remaining Soviet-made Tupolev planes in its fleet because all of them are within their period of operational validity. This decision is short-lived and the final Soviet-made aircraft is grounded by the end of December.

The Asian currency and economic crisis of the year's second half has an impact upon company traffic. Still, an all-cargo marketing agreement is signed with **Korean Airlines/Korean Air (KAL)**.

Passenger boardings increase 2% to 2.59 million and 45,000 tons of cargo are transported. Still a 50 billion dong (\$3.6 million) loss is suffered.

Under terms of the dual-designator freight agreement with **Korean Airlines/Korean Air (KAL)**, Vietnam Airlines, on January 10, 1998, begins to place its two-letter code aboard KAL's weekly all-cargo service from Ho Chi Minh City to Seoul and beyond.

On January 13-14, representatives from Vietnam, Myanmar, Laos, and Cambodia meet to discuss a possible sub-regional air transport agreement. A code-sharing agreement is signed with **Qantas Airways (Pty.), Ltd.** on January 16.

On January 21, the carrier joins with **All Nippon Airways Company, Ltd. (ANA)** in announcing a cooperative connection service between ANA's Asian and VNA's Hanoi Network.

Under terms of their January 16 agreement, Vietnam and Qantas B-767s commence twice-weekly dual-designator return service from Ho Chi Minh City to Sydney and weekly to Melbourne on March 28.

The next day, the so-called "Tokyo-Hong Kong-Hanoi" connection is begun in cooperation with **All Nippon Airways Company, Ltd. (ANA)**. To help get around the inconvenience passengers suffer through lack of direct service between Tokyo and Hanoi, ground agents from both companies meet flights and guide customers to the transit counters.

A passenger code-share agreement is signed with **Korean Airlines/Korean Air (KAL)** on April 9. On April 29, Chairman Tiem is succeeded by Nguyen Sy Hung, while Director General Tu is succeeded by Dao Manh Nhuong, the CAAV official who had once been deputy director general.

Cambodian officials report on May 25 that the previous September's Tu-134 crash was caused by "the captain's psychological unreadiness to abort the landing."

To regain profitability, Vietnam Airlines, in May and June, suspends services to Manila and other money-losing destinations, halves its roundtrips to Seoul, and institutes a cost-cutting plan that includes the use of smaller-capacity aircraft. In addition, one (later two) of the retired Tu-134Bs is put back into service to transport cargo on domestic and international routes.

Suspended earlier, weekly return flights resume on August 31 between Ho Chi Minh City and Manila.

The national newspaper *Thanh Nien* (Youth) begins a four-part expose of the airline on September 9, reporting on its mismanagement under former Director General Tu and allegations that \$2.2 million has gone missing due to ticket irregularities in Canada. Airline officials, which indicate that an internal audit is underway, request a halt to the series. The newspaper's editors, in light of the Communist Party's calls for an end to graft, refuse.

While taking off from Ho Chi Minh City for Osaka on September 12, a B-767-324ER with 7 crew and 188 passengers encounters engine problems, aborts, and veers off the runway. All aboard evacuate down slides and no injuries are reported. Another B-767-324ER is tasked to complete the Japan service on September 14.

A new Vietnam-France agreement is signed on September 21 between the CAAV, SNECMA, Vietnam Airlines, Hanoi and Ho Chi Minh City

Universities of Technology, and the Poitiers Ensma National and Mechanical High School. Under its terms, PEN&M will assist the carrier in years to come with on-scene training of its aviation technicians.

On October 26, new direct B-767-324ER service is introduced from Hanoi and Ho Chi Minh City to Moscow. The historic stop in Dubai is eliminated, saving upwards of 3 hrs. flying time.

As a result of the continuing Asian economic crisis, traffic this year is down. Customer bookings fall 4.7% to 2.48 million and 40,300 tons of cargo are operated.

Airline employment in 1999 stands at 5,700. The unprofitable weekly service from Ho Chi Minh City to Moscow via Hanoi, is suspended on May 5. On May 27, a third weekly roundtrip is started to Sydney.

Although the company has spent \$2 million to make the carrier Y2K ready, a spokesman, on June 21 reveals that it will stand down on the afternoon of December 31 just to make certain there are no problems.

In September, the company hosts the 35th Conference for Directors of Asia-Pacific Civil Aviation and, in December, a new Golden Lotus Plus frequent-flyer program is launched.

Passenger boardings jump 6% to 2.6 million, while 69.45 million FTKs are operated.

Airline employment at the beginning of 2000 stands at 6,200, an 8.8% increase over the previous 12 months.

The carrier inaugurates its second Cambodian route on January 7, flying five-times-a-week return service from Ho Chi Minh City to Siem Reap. The airline is the first foreign carrier to take advantage of the new Cambodian "open skies" policy and bring tourists to the site of the Angkor temples.

On January 21, the company is awarded, effective in 2002, a landing slot at Tokyo's Narita Airport. Five-times-a-week return service from Ho Chi Minh City to Siem Reap begins on February 16.

With the implementation of the summer schedule on March 26, several weekly frequencies from Ho Chi Minh City are expanded: to Osaka Kansai from 3 to 4, to Phnom Penh from 18 to 21, to Siem Reap from 5 to 14, and to Hong Kong from 1 to 2.

A total of 18 additional return flights a week are added from Hanoi and Ho Chi Minh City to the former imperial city of Hue on April 8 in order to accommodate visitors to the Hue Festival 2000, which ends on April 18.

An air service agreement is signed between the governments of Vietnam and Mongolia on July 1. A code-sharing agreement is signed with **China Southern Airlines Company, Ltd.** on July 26 providing for dual-designator service from Guangzhou to Ho Chi Minh City. Two days later, twice-weekly A320-214 nonstop roundtrips is initiated from Ho Chi Minh City to Guangzhou; the flights complement the thrice-weekly service to the Chinese city from Hanoi.

Quoting the French AFP news agency on August 21, the BBC reports that Vietnam Airlines has banned the nation's famous *nuoc mam* fish sauce from its flights because of its pungent smell. The crackdown has been ordered after a bottle broke during a flight leading to many complaints from foreign tourists.

Government approval is received and orders are placed on September 19 for three new ATR72-520s; the turboprops will be delivered one per year into 2004. A B-767-33AER is chartered from **Royal Brunei Airlines** on September 30. It wears full Royal Brunei livery with Vietnam Airlines titles.

The first ATR72-520 is received on October 8.

Twice-weekly A320-214 return service between Hanoi and Seoul is resumed on October 29, along with thrice-weekly roundtrips between Ho Chi Minh City and the South Korean capital. On October 31, the weekly return frequency between Ho Chi Minh City to Melbourne is doubled.

On November 1, thrice-weekly Fokker 70 return frequencies are started from Hanoi to Phnom Penh via Vientiane. The thrice-weekly return service is part of a "Trans-Indochina" service that now links Hanoi, Vientiane, Phnom Penh, and Ho Chi Minh City with nonstop flights.

Code-shared with **Japan Air Lines Company, Ltd. (2)**, direct twice-weekly return service is initiated on November 2 from Tokyo (NRT) to

Ho Chi Minh City on November 2. At the same time, the six-times-a-week roundtrips from Ho Chi Minh City to Osaka (KIX) become daily.

All flights, both domestic and international, become no smoking on November 15.

On November 22, Vietnam Airlines signs a \$480-million order for three B-777-200ERs and renews the lease of the three B-767-324ERs it has been operating since 1995.

When **Sobelair, S.A.** receives a new wide-body on November 30, the lease of its older B-767-228ER, which is owned by Ansett Worldwide Leasing, is transferred over to Vietnam Airlines the next day. The plane enters service early in December.

Overall passenger boardings for the year rise 5% to 2.5 million. Revenues jump 12% to VN\$8.3 billion and a pretax profit of VN\$464 million (\$32 million) is realized.

VIF AIRWAYS, LTD.: 6-3-668-17, 100-2-102 Punjagutta, Hyderabad, 500582, India; Phone 91 (40) 310 878; Fax 91 (40) 313 836; Year Founded 1993. VIF Airways is founded at Begumpet Airport at Hyderabad in 1993 to offer scheduled third-level commuter services throughout southern India. An order is placed for five Dornier 328-110s, the first of which arrives at New Delhi on March 29, 1995.

Once the plane, christened *Subuhi*, has been ferried down to its new base and familiarization has been completed, the company inaugurates flights to stops in the states of Andhra Pradesh, Timi Nadu, and Kamataka, including the city of Bombay.

Three more German turboprops enter service during 1996 and the number of markets visited is increased. Flights continue.

VIKING AIR LINES: United States (1947–1950). Viking is set up at Los Angeles by Jack Lewin and Ross Hart in 1947 to provide transcontinental passenger charters. Douglas DC-3 revenue flights commence from California to New York. Within two years, the company also adds a Curtiss C-46 Commando, which is employed to operate irregular cargo flights under the name Oxnard Air Freight.

In January 1950, Viking is merged into the North American Airlines Agency, which is also known as **North American Airlines (1)**.

VIKING AIRWAYS: United States (1964–1970). On February 24, 1964, Thomas Corwin establishes **Travel Air Service** on Block Island to provide on-demand air taxi flights to Westerly, Rhode Island. During the fall, Corwin elects to begin scheduled air taxi flights from a base at Westerly. Equipped with a Cessna 402 and a Piper PA-23 Aztec, the renamed commuter inaugurates daily roundtrips on December 27 to Block Island and Newport.

Operations continue apace during the next six years, during which time the fleet is upgraded by the addition of a Britten-Norman BN-2 Islander. Services end in June 1970.

VIKING INTERNATIONAL AIRLINES: United States (1969–1993). VIA is formed at Minneapolis (MSP) in 1969 as a scheduled all-cargo commuter airline. Employing a fleet that comes to include 2 Douglas DC-3s and 5 Beech 18s, the carrier inaugurates flights linking its base with Chicago. Contract and charter services are also available. Operations between the two Midwestern cities continues apace during the remainder of the decade and into the 1970s.

An SC-7 Skyvan, with a single pilot, crashes while on final approach to the airport at La Crosse, Wisconsin, on April 14, 1972; the plane is destroyed and flyer killed.

By 1975, cargo traffic operated totals 677,000 FTKs.

Airline employment in 1976 stands at 50. Bill Ramsey is now appointed president, with Jim Leither as vice president-general manager. Application is made for route expansion and plans are made to purchase turboprop aircraft. Cargo increases by 8% to 735,000 FTKs. In 1977, service is inaugurated from Minneapolis (MSP) and Chicago to Cleveland, St. Louis, Cincinnati, and Kansas City.

Operations continue apace in 1978 and 1979. In 1980, the Minneapolis-based cargo commuter operates 3.95 million FTKs.

The fleet in **1981** includes 6 Beech 18s and 2 Convair CV-600s; many new routes are added early in the year.

Cargo traffic skyrockets 70% to 13.19 million FTKs.

The success of the previous year causes a need for additional capacity in **1982** and consequently, five Beechcraft are sold and replaced by two Convair CV-640s.

Freight climbs again, jumping 33.7% to 17.64 million FTKs.

Flight services continue apace in **1983–1985**.

While climbing away from Chicago (ORD) on September 28, **1986**, a Beech 18 experiences engine problems and attempts to return to the airport. Unable to maintain altitude, the freighter, about one mi. SE of the runway, strikes the roofs of two family-type residences, strikes two garages, and ground impacts, hitting the rear area of a third residence and breaking into fire. The pilot is killed and the aircraft is destroyed.

Service is conducted without incident in **1987–1988** and by **1989**, the fleet includes two leased CV-640Fs and two CV-600Fs. That number is cut in half in **1990** and remains the same in **1991**. During the latter year, the Minnesota airline seeks government permission to begin scheduled DC-9-51 flights between Las Vegas and Laughlin/Bullhead City.

The fleet in **1992** includes 2 chartered CV-600Fs, 2 leased CV-640Fs, and 1 each DC-9-14 and DC-9-15. The company's certificate is purchased in December by Gene Yamagata, CEO of Yamagata Holdings. In **1993**, the carrier is renamed **Eagle Airlines (4)**, doing business as **Viking International Airlines**. Formerly operated by **Delta Air Lines**, a DC-9-32 is acquired in early **1994** as VIA completes its upgrade from a public charter company to a fully certified airline.

VIKTORVIEI AVIAKOMPANIYA VIA VIKTORIE: Russia (1994–1996). VAVV is set up at Mosfilmovskaya in **1994** to offer long haul passenger and cargo charters. S. B. Zelbin is appointed general director and he launches revenue services with 3 Ilyushin Il-76s and 2 Tupolev Tu-154Ms. Flights continue until **1996**.

VILLAGE AIRWAYS (1): United States (1969–1971). VA-1 is set up at West Chicago, Illinois, in **1969** to provide scheduled services (primarily mail and cargo, but occasionally passenger) linking its base with Omaha, Milwaukee, and International Falls. Beech 99 revenue flights begin and continue until **1971** when the company is reformed and renamed **Federal Airlines**.

VILLAGE AIRWAYS (2): Philippines (1970–1981). This all-cargo operation is formed at Manila Domestic Airport in September **1970**. Equipped with a fleet of 3 Douglas DC-3s and 1 Piper PA-32 Cherokee Six, the carrier undertakes nonscheduled charter flights from Manila to Cebu, Bacolod, Iloilo, Roxas, Kalibo, and Tacloban.

During the next eight years, President Rodolfo A. Villaflores also undertakes domestic and international passenger charters. Faced with significantly higher costs (led by radical fuel price increases) and world recession, the carrier is forced to cease operations in **1981**.

VILOCITY AIRLINE (VIKTORVIEL A/K): Mosfilmovskaya Str 176, Moscow, 117330, Russia; Phone 7 (095) 217-4472; Code VKT; Year Founded 1995. Velocity is established at Moscow in **1995** to offer domestic cargo charters. Revenue flights begin and continue with a pair of Ilyushin Il-76TDs.

Although it is understood that this carrier continues to operate in the period after the beginning of the August **1998** Russian currency crisis, no definite information has been located to that effect.

VINCENT AND GRANADA AIR, LTD.: P.O. Box 39, St. Vincent, St. Vincent and the Grenadines; Phone (784) 457-5124; Fax (784) 457-5077; http://www.svgair.com; Code SVD; Year Founded 1999. On November 14, **1999**, **Airlines of Carriacou, Ltd.**, based at St. George's, is taken over and is merged with **SVG Air, Ltd.**, with the latter owning 75% shareholding. Under the direction of SVG founder Martin Barnard, the new **Vincent and Granada Air, Ltd.** almost immediately resumes services from Granada to Carriacou and Union Island

with Airlines of Carriacou's 3 Britten-Norman BN-2 Islanders. It also continues to operate its previous SVG flights with 1 each Islander and Rockwell Aero Commander 500S.

Scheduled destinations visited at the beginning of **2000** include Barbados, Bequia, Canouan, Carriacou, Grenada, Mustique, St. Vincent, and Union Island.

VINTAGE AIR TOURS: United States (1992–1994). Richard Branson, owner and CEO of the British independent **Virgin Atlantic Airways, Ltd.**, establishes Vintage at Orlando in late fall **1992** to offer nostalgic day flights to Key West. Employing 2 Douglas DC-3s in red and white livery, christened *Eve* and *Amelia*, refurbished to 1940 configuration, Vintage begins revenue charter operations from Orlando in December.

To add even more authenticity, pilots and flight attendants dress in period costume, World War II era magazines are in reading racks, and swing music from the big band era is piped in. Kevin Greene is general manager on behalf of the airline's management firm, Pelican Express.

The company is transferred to a new base in January **1994**. Regularly scheduled \$129 roundtrips to Fort Lauderdale from the Jet Center, near the Fort Lauderdale, take up where the unsuccessful Orlando service had ended. Plans are announced for possible expansion into the Caribbean.

Financially strapped, the carrier stops flying on November 1. Charters are offered until the two Douglas transports, which had cost \$500,000 apiece to refurbish, are sold.

VIP AIR, LTD.: Hamilton Airport, Hamilton, New Zealand; Phone 64 (7) 843-6530; Fax 64 (7) 843-0542; http://infosys.co.nz; Year Founded 1995. VIP Air is established at Hamilton Airport in **1995** to provide nonscheduled passenger charters to points throughout New Zealand. Employing six pilots, the company's fleet consists of 1 each Piper PA-32-350 Navajo Chieftain and PA-23 Aztec and revenue operations are undertaken to over 50 destinations.

Points served this year and in **1996–1999** include Invercargill, Dunedin, Timaru, Christchurch, Hokitika, Nelson, Wellington, Palmerston North, Napier, Gisborne, New Plymouth, Auckland, Whangarei, and The Bay of Islands.

VIP AIR (SERVICIOS AEREOS, S.A.): International Airport Don Torcuato, Buenos Aires, C.P. 1611, Argentina; Phone 541-748-7700; Fax 541-748-7700; http://www.geocities.com/~vipair; Year Founded 1996. VIP Air is established at Buenos Aires in **1996** to provide executive and small group passenger charters, cargo flights, aerial photography, and air ambulance work. Revenue flights begin and continue with a fleet of three Beech King Air 100s.

VIPAIR AIRLINES: Zheltoksan Str. 112, Almaty, 480091, Kazakhstan; Phone 7 (3272) 399655; Code 9V; Year Founded 1995. Vipair is established at Almaty in **1995** to operate passenger charters to regional destinations, as well as to Moscow. Revenue flights begin and continue with a pair of Tupolev Tu-154Ms.

VIRGIN AIR: United States (1970–1993). Paul and Margaret Wilkander form Virgin Air at St. Thomas, U.S. Virgin Islands, in the first week of December **1970** to offer scheduled Piper PA-23 Apache flights to St. Barthelemy in the French West Indies. Revenue service begins on December 19.

Operations continue apace during the remainder of the decade and by **1980** the company has grown to support a fleet of 2 Douglas DC-3 and 2 Beech 18s used as freighters and passenger equipment comprising 1 Cessna 402B, 3 Piper PA-23 Aztecs, and the original Apache. Much of the business now consists of all-cargo charter flights to various Caribbean destinations, particularly in the Leeward Islands.

Meanwhile, the passenger business increases as daily service is inaugurated to San Juan, Puerto Rico. Enplanements in **1981** total 4,999 and rise to 5,446 in **1982**. The workforce now totals 10 employees. Largely unaffected by recession or other difficulties plaguing other U.S. small regionals, Virgin Air maintains services without significant change over

the next seven years. In 1989, President Paul Wilkander's fleet includes 3 Beech 18s, 1 DC-3, 1 Cessna 402B, 3 Aztecs, and the Apache.

Much of the all-freight charter operation is discontinued in 1990 and the DC-3, two Beech 18s, and the Apache are withdrawn in favor of the addition of four more Aztecs. The upgrade in passenger services results in the need to add a Pilatus-Britten-Norman BN-2 Islander in 1991. A second C-402B joins the fleet in 1992 as two Aztecs and the last Beech 18 are retired.

In December 1993, a long-standing trademark/name infringement and unfair competition suit against the U.K.'s **Virgin Atlantic Airways, Ltd.** is settled out of court. Under terms of the settlement, the American regional agrees to drop its charges and receive \$30,000 to be employed in changing its brand to **Air St. Thomas**.

VIRGIN ATLANTIC AIRWAYS, LTD.: Ashdown House, High Street, Crawley, West Sussex, England, RH10 1DQ, United Kingdom; Phone 44 (1293) 562 345; Fax 44 (1293) 561 721; <http://www.fly.virgin.com>; Code VS; Year Founded 1982. Founded originally in 1982 as **British Atlantic Airways, Ltd.**, the new carrier proposes to establish a scheduled service between the U.K. and Falkland Islands and from London (LGW) to New York. When the CAA refuses to grant a license, the enterprise is almost immediately sold, receiving a name change upon its sale. The shareholding is now divided between Richard Branson's Virgin Group, Ltd. (75%) and Randolph Field's Field Investments, Ltd. (25%).

Branson is chairman with Roy Gardner as managing director. Branson, in an April 1998 interview in *Success*, reveals that he sought out Sir Freddie Laker at this point to seek his advice on how to compete with **British Airways, Ltd.** (2). Laker suggests that Branson use himself to promote his new entrant.

A Vickers Viscount 800 is obtained and in 1983 scheduled flights are inaugurated from London (LGW) to Maastricht. Chairman Branson is along on the first flight, dressed as a hobo.

Many such publicity gimmicks later, the British press will use the term *Bransonesque* to describe flamboyant entrepreneurs.

CAA and U.S. CAB approval for low-fare transatlantic service is received in March 1984 and daily London (LGW)–Newark (serving New York) flights begin on June 22, with a lone Boeing 747-287B, the *Maiden Voyager*, acquired for £20 million from Boeing, which had had it repossessed from **Aerolineas Argentinas, S.A.**

The initial standard weekday fare is \$166 one-way, including meals and luggage, for the economy class that Branson had originally wished to label Riff-Raff Class. During the inaugural flight, Chairman Branson is clad in a dress-style pilot's uniform—with leather helmet and goggles. In November, a daily connecting flight is offered from London to Maastricht; it is flown by the British Aerospace (BAC) 1-11-432 *Island Esprit* leased from **British Island Airways, Ltd.** Traffic data is not released.

Kazoo player Barbara Stewart entertains passengers on the January 8, 1985 flight from Newark to London in response to CEO Branson's offer of free fare for performing musicians. Still, low traffic forces a cut-back to twice-weekly flights in February. Meanwhile, the tour operation, Virgin Holidays, is established. On March 1, it is reported that \$4.3 million has been lost since start-up.

In August, the daily roundtrip feeder route between London (LGW) and Maastricht in Holland, employing a wet-leased BAC 1-11-400 in modified Virgin colors, is taken over by **British Air Ferries, Ltd.**

Daily service is resumed in the summer and 217,332 passengers are flown on the year by the carrier's lone Jumbojet.

On January 31, 1986, a second B-747-200, the *Dash-243B Scarlet Lady*, is acquired. The BAC is replaced in the spring on the Holland route with a Vickers Viscount 806, *The Maastricht Maiden*. The BAF turboprop also begins flying to Maastricht from London (CTN). The privately owned carrier is taken public, with 35% of its stock sold to the public. In August, Virgin Atlantic joins the **Continental Airlines** TravelBank frequent flyer program.

Extra flights on both the Newark and Miami runs to London are added in late September. In December, a CAA application for a London–Charlotte, North Carolina, route, filed earlier, is withdrawn and replaced by one for London–Boston service, with London–Raleigh/Durham as secondary choice.

Enplanements for the year total 86,733; however, a loss of \$2.1 million is suffered.

In 1987, in a move that dramatically increases its business, the 441-employee carrier begins flying to Miami. Early in the year, Per Lindstrand and CEO Branson make a successful balloon flight eastward across the Atlantic Ocean. A second Viscount 806, *Dublin Lady*, is wet-leased from **British Air Ferries, Ltd.** and employed to launch services in June from London (CTN) to Dublin. Applications are filed to service a number of routes formerly operated by **British Caledonian Airways, Ltd.** (BCAL).

Custom built by Thunder & Col, Ltd. of Shropshire, a hot-air balloon in the shape of a Boeing 747 is flown during the 16th Albuquerque International Balloon Fiesta, October 3–11. At year's end, a contract is signed with the new Irish airline **Club Air, Ltd.** to operate a B-727-46 over the Dublin–London (CTN) route.

Passenger boardings jump 74.4% on the year to 338,800 and net gain totals \$9 million. The first profit, \$7.8 million, is generated.

Early in 1988, plans are made to inaugurate new services from London (LGW) to Los Angeles and on March 26, charter flights to Orlando begin, along with a London (CTN) to Maastricht scheduled route. During the spring, a maintenance base is opened at London (LGW). In May, the carrier elects to postpone the start-up of its Los Angeles service because **British Airways, Ltd.** (2) flies the same route. When **Club Air, Ltd.** goes bankrupt in June, Virgin turns once again to **British Air Ferries, Ltd.** to operate its feeder service from London (CTN) to Dublin.

In August, authority is received for a Tokyo service. In September, daily through-service is inaugurated from Newark, Miami, and Orlando to Dublin. Through September 30, weekend-only standby fares to the U.K. from London and Miami are offered at \$259 and \$299, respectively.

With public interest in investment lagging, chairman Branson now takes his company private.

Customer bookings climb 38.4% to 556,653 and revenues jump 24.8% to \$131 million. A net profit of \$16.1 million is earned. VA is now Britain's second leading long-haul airline after **British Airways, Ltd.** (2).

A one-way London to Newark and Newark to London \$99 fare is offered during January and February 1989. Also in January, an interline agreement is signed with **Air U.K., Ltd.** The London (LGW) to Maastricht route, operated with **British Air Ferries, Ltd.**, is closed down in March. At the same time, the Irish arrangement with BAF is also cancelled and is turned over to new entrant **Capital Airlines, Ltd.**

A \$395 roundtrip fare is introduced through June 15 for senior citizens flying between London and the U.S. Thrice-weekly service is started in May to Tokyo (NRT) via Moscow and in July, Chairman Branson, in a \$310,000 decision, bans all cigarette advertising and sponsorship from his airline. Simultaneously, plans are announced for the initiation of services from the U.K. to Australia.

On August 1, passenger flights begin from London (LGW) to New York (JFK). Daily all-cargo frequencies begin from London (LGW) to New York (JFK) on August 30 with a B-747-212F acquired from **Singapore Airlines, Ltd.** The Japanese group Fujisankei takes a 25% stake in the airline's parent, Virgin Group, in October.

Passenger boardings during the 12 months decline by 4.4% to 532,000. Revenues swell 9.9% to \$144 million, but costs also rise, causing net profit to fall to \$11.2 million.

Now owned by Voyage Travel Holdings, the British independent reduces its workforce by 2.2% in 1990 to 1,300. Authority is won to operate from London (LHR), but the daily London–Maastricht flights, flown by **British Air Ferries, Ltd.** under contract, cease in January. The B-747-123 *Miami Maiden* is delivered in March.

The fleet is also increased by the addition of two more B-747-212Bs. Christened *Maiden Japan*, the first arrives in April and begins flying to Tokyo (NRT) on May 5. On May 16, daily London to Los Angeles flights commence; in conjunction with the new market, the carrier begins participation in the FlightFund frequent flyer program of **America West Airlines**.

Two days later, on May 18, five flights are added to the six weekly frequencies between London (LGW) and Newark. During the summer, four-times-per-week frequencies are introduced to Miami and four times to Tokyo (NRT) via the U.S.S.R. Three-times-per-week charters are also flown from London to Orlando.

Beginning in late June, **Dan-Air/Dan-Air Services, Ltd.** and **Air U.K., Ltd.** join with the carrier to provide deep discount airfares within the U.K. for Virgin's transatlantic passengers. During the month, fiscally distressed **Capital Airlines, Ltd.** ceases operations, thereby ending its Irish arrangement with Virgin.

The year's second added Jumbojet, *Maid of Honour*, is delivered in August. For a three-month trial period beginning in October, passengers to Los Angeles are able to complete immigration procedures before departing the U.K. The opportunity exists as the result of successful negotiations with the U.S. Immigration and Naturalization Service.

Enplanements for the year rise to 569,780 and a total of 129.17 million FTKs are operated. Revenues balloon 95% to \$388.7 million, but net profit slips to \$15.8 million.

Thirty new workers are hired in **1991**. The B-747-238B *Boston Belle* is received in February and begins daily London to Boston service in April. The B-747-238B *California Girl* arrives in May and on July 1, it commences flights from London (LHR) to New York (JFK), Los Angeles (LAX), and Tokyo (NRT).

Passenger boardings accelerate 21% to 915,436 and freight is up by the same percentage to 204.65 million FTKs. Although revenues boom upward 37% to \$433.6 million, expenses do better. As a result, the operating loss is \$15.8 million and net loss totals \$5.2 million.

Airline employment increases 103% in **1992** to 2,700 and the all-Jumbojet fleet now includes the 2 B-747-212Bs *Maiden Japan* and *Maid of Honour* and 2 B-747-238Bs *Boston Belle* and *California Girl* and 1 each B-747-123 *Miami Maiden*, B-747-243B *Scarlet Lady*, B-747-283B *Shady Lady*, and B-747-287B *Maiden Voyager*.

During January and February, Virgin becomes the first airline to carry infant safety seats specifically designed and tested for air travel; provided at no extra charge, they must be reserved at time of booking. Chairman Branson pledges the \$1 billion proceeds from the March cash sale of his Virgin Music Group to airline expansion. The company in April sues **British Airlines, Ltd. (2)** for alleged unfair practices, including the clandestine recruitment of passengers at VA gates.

New services are inaugurated to Orlando and Johannesburg. An alliance is signed with **Midwest Express** providing for code-sharing flights via Boston to Milwaukee.

Customer bookings swell 13.3% to 1,232,983 and cargo climbs 10.1% to 271.93 million FTKs. Revenues grow to \$527,615.

Chairman Branson and joint Managing Directors Roy Gardner and Syd Pennington oversee a workforce of 2,457 in **1993**. Orders are placed for four B-747-4Q8s. **British Airways, Ltd. (2)** agrees to settle an estimated \$3 million libel suit filed by Chairman Branson by admitting on January 11 that it made improper attempts to undermine its upstart rival; Virgin is awarded £610,000 (\$945,000) in damages and court costs. After a public apology, the state line's chairman, Lord King, resigns on February 5. Negotiations between the two airlines now bring a compensation offer of £9 million (\$12.6 million) from BA and a demand that Virgin pledge not to raise past disputes in future proceedings.

The feud between the two airlines reignites on March 20 after efforts collapse to settle allegations by Virgin that BA employed "dirty tricks" to lure away the independent's passengers. Branson turns down **British Airways, Ltd. (2)**'s compensation plan, refuses to take the BA pledge, and calls for special inspectors to be appointed, under the Companies Act, to learn the facts behind the "dirty tricks" campaign.

Branson's request is enlarged by members of the opposition Labour Party into a demand for an investigation into BA's "fitness to operate"; however, the call is turned aside by U.K. Transport Secretary John MacGregor. A code-sharing agreement is signed with Athens-based **South East European Airlines, S.A.** under which the latter's aircraft, painted in modified Virgin livery, begin Athens to London feeder flights on March 29.

Branson joins with Airbus Industrie Managing Director Jean Pierson in early April to announce, at BA's home base at London (LHR), a £300-million (\$445-million) order for the lease-purchase of four A340-311s. In light of the state carrier's decision to purchase the Boeing 777, Chairman Branson delights in pointing out that Virgin will be the first U.K. airline to acquire the A340. Simultaneously, but separately, the company agrees to lease two B-747-400s from ILFC during the next year.

The carrier challenges **Continental Airlines'** Business First Service advertising in an April 11 letter to the National Advertising Division of the U.S. Council of Better Business Bureaus. On May 6, Branson's enterprise files suit against BA in High Court, London, contending that the flag carrier tapped into Virgin's reservations system for information, following what he calls a smear campaign. BA files a statement of regret. The ultimate airport lounge, "Clubhouse," is opened at London (LHR).

The quarrel heats up again on July 12 when the newcomer accuses the pioneer of hindering competition by paying kickbacks to travel agents and corporate clients. On October 21, Virgin files an antitrust suit against BA in U.S. Federal District Court, Manhattan, seeking \$325 million in damages; Chairman Branson admits he wishes to block BA's efforts to extend its global alliance with **USAir**.

Chairman Branson takes back complete control in November when he purchases the 10% shareholding, for \$65 million, held by Seibu Saison. Also in November, the first A340-313 is delivered, one of 20 originally requested by **Northwest Airlines**.

The premier A340-313 is the subject of a media event in December. Chairman Branson, wishing to honor the Duchess of Windsor and his female flight attendants, who wear red uniforms, turns the occasion into a royal ceremony when Princess Diana officially christens the aircraft *Lady in Red*.

Among those participating in the event is singer Chris de Burgh, who performs his hit version of "Lady in Red." Late in the month, the Irish feeder subsidiary **CityJet, Ltd.** is established at Dublin and the second A340-311, *Maiden Toulouse*, arrives from the builder's plant at Toulouse. Passenger boardings for the year decline to 1,226,000 but revenues increase 9.5% to \$583 million.

The workforce is cut to 2,300 in **1994** as the company's tenth anniversary is celebrated. The remainder of the aircraft orders will be delivered this year, painted in the latest version of the company's red livery. They will be the first Virgin aircraft to display full fuselage titles.

Travelers bound for London aboard a B-747-238B *Shady Lady* on January 9 spend 13 hours on the Jumbojet in frigid outside temperatures, snow and sleet, unable to leave New York (JFK) except for one brief flight that has to be called back.

The code-sharing arrangement sealed with Dublin-based **Cityjet, Ltd.** takes effect on January 10 as this regional, which has painted its two leased British Aerospace BAe 146-200s in Virgin colors, begins service from Dublin to London (LCY).

After initial service on the London to Boston route, the A340-311 *Lady in Red* inaugurates the company's new roundtrip service from London (LHR) to Hong Kong on February 21. The third A340-313, *China Girl*, arrives at month's end.

A code-sharing agreement is signed with **Delta Air Lines** on April 12, effective in or before January 1995, giving the American major access to London (LHR) by the process of purchasing blocks of seats on VA flights to London; the two carrier's also agree to share frequent-flyer benefits.

Flights from Boston, New York, Newark, Los Angeles, San Francisco, and Orlando will be displayed as **Delta Air Lines** flights in U.S. reservations systems and Virgin is guaranteed \$150 million in revenues by the Atlanta-based giant under the accord.

The carrier's lone A320-231, *Spirit of Melina*, is delivered in April and is placed in service from London (LHR and LGW) to Athens. Also during the month, the first leased B-747-4Q8, *Lady Penelope*, arrives from Washington.

Beginning on May 18, the carrier adopts a "greener" image, with special green-clad flight attendants teaching crews and passengers the benefits of recycling in-flight disposables. The *Lady Penelope* commences services to San Francisco from London (LHR) on May 21. Chairman Branson, wearing a black-and-white horizontally striped prisoner's costume with the number "Virgin 747," is aboard. CAA approves the code-sharing arrangement with **Delta Air Lines** on the last day of the month.

En route from Tokyo (NRT) to London (LHR) on September 19, the A340-313 *China Girl* suffers cockpit-computer software failures that cause loss of both pilots' map displays and fuel misreadings. Nearing London, the crew declares a fuel emergency and the Airbus lands safely after a hand-flown surveillance-radar approach with 4.5t of fuel remaining.

The fourth A340-311, *Dragon Lady*, is delivered in October, along with the B-747-4Q8 *Tubular Belle*, and the code-sharing and block-space agreement with **Delta Air Lines** takes effect on November 1 allowing flights through London (LHR) for U.S. originating traffic.

The B-747-212B *Maiden Japan* is withdrawn in December while the B-747-136 *Miami Maiden* is rechristened *Spirit of Sir Freddie*, in honor of British aviation pioneer Sir Freddie Laker. The Jumbojet is the first VAA aircraft to appear in the company's revised livery, the main features of which include removal of the cheatline and the addition of bright red engine cowlings (nicknamed BRTs or "Big Red Things").

The year's customer bookings jump 39% to 1,703,600.

Airline employment is increased by 4.3% in 1995 to 2,400. On January 3, Federal District Judge Miriam Goldman Cedarbaum, at New York City, refuses to block the carrier's lawsuit that charges **British Airways, Ltd. (2)** with monopolizing air routes between the U.K. and U.S. Noting that part of the suit charges that American laws have been broken, she also rejects BA's contention that the dispute is between the two British carriers and should not be heard in a U.S. court.

A comprehensive 10-year marketing and code-sharing agreement is signed with **Malaysia Airlines, Ltd. (MAS)** during the third week of January. The pact also provides for shared cabin crews and frequent flyer program linkage.

On February 1, the U.S. DOT approves the company's alliance with **Delta Air Lines**, under which the Atlanta-based major will acquire \$150 million of blocked-seating with the U.K. airline as a way of gaining access to London (LHR). In-flight services will be provided by attendants from both carriers.

Having won a "Wedding in the Sky" competition sponsored by the airline and a southern California radio station, a couple, with all 309 other passengers as witnesses, exchange vows on Flight 008, a B-747-238B, en route from Los Angeles to London (LHR) on February 14. The B-747-212B *Maid of Honour* is retired in March.

The **Delta Air Lines** arrangement commences on April 3 and covers VA flights from San Francisco, Los Angeles, Newark, and New York (JFK) to London (LHR) and to London (LGW) from Boston, Orlando, and Miami. The same day and employing MAS aircraft, the company launches twice-daily code-sharing return flights with **Malaysia Airlines, Ltd. (MAS)** between London and Kuala Lumpur.

It is announced in London on April 6 that one of the several lawsuits against **British Airways, Ltd. (2)** has been settled out of court. During the last week in April, Virgin becomes the first U.K.-based airline to offer reservations and frequent flyer information over the Internet.

The company links its frequent flyer program with that of **Malaysia Airlines, Ltd. (MAS)** on May 22 and starts dual-designator flights with that carrier from London (LHR) to Kuala Lumpur, Sydney, Melbourne, and Adelaide. In an action viewed as an attempt to undermine efforts of U.S. majors to place a cap on travel agent commissions, the airline, on May 29, announces that it will give U.S. travel agents 15% commissions on economy-priced flights through September 30.

Dual-designator service begins with **Cityjet, Ltd.** on June 16 between Dublin and Brussels. In July, a comprehensive arrangement is made with **British Midland Airways, Ltd.** It provides for London (LHR) connections for VA passengers arriving from six U.S. gateways onto BMA flights to Belfast, Dublin, Edinburgh, Glasgow, Leeds/Bradford, and Teesside. Frequent flyer programs are also linked.

A Virgin flight en route from London to Hong Kong, also in July, is ordered to land at Moscow's Sheremetyevo-2 Airport because air traffic controllers have not been apprised of its approved flight plan. The 271 passengers have no Russian visas and are forced to stay on board for 8 hours while the matter is cleared up.

On November 21, Virgin is the first airline to be fined by DOT for violations in its advertisements on the Internet. Also during the month, an arrangement is reached with **Ansett Australia (Pty.), Ltd.** that allows joint fares between the United Kingdom and Australia via Hong Kong.

Enplanements swell 20.8% to 2,058,000 and cargo inches up 4.3% to 2.4 million FTKs. Among the shipments carried from the U.K. to the U.S. are issues of the Shephard Press publications *Commuter World* (now *Regional Airline World*) and *Helicopter World*.

The workforce is dramatically increased in 1996, growing 58.3% to 3,800. The fleet now includes 3 B-747-4Q8s, 1 each B-747-287B, B-747-283B, B-747-238B, B-747-123, and A320-231s, 3 B-747-243Bs, and 4 A340-311s.

The **Cityjet, Ltd.** franchise agreement is not resigned when it comes up in January, but in February the code-sharing pact with **Delta Air Lines** is renewed for another two years. Simultaneously, the code-share with **British Midland Airways, Ltd.** is expanded to include Amsterdam, Brussels, and Hong Kong.

On March 12, Virgin agrees to settle its remaining legal dispute with **British Airways, Ltd. (2)** over allegations of dirty tricks. It will pay \$607,800 in court costs to BA for the subsequent case in which Virgin had claimed \$44 million in damages for reported misuse by BA of computerized passenger data.

A leased A340-313, *Virginia Plain*, arrives at the beginning of April. On April 30, the company's parent, Virgin Group, completes takeover of Brussels-based **EuroBelgian Airlines, S.A.**, which is turned into a European feeder under the name **Virgin Express-EuroBelgium Airlines, S.A.** or Virgin Express, S.A. for short.

On May 1, Virgin Group becomes part of a consortium that assumes ownership of the U.K. portion of the Channel Tunnel *Eurostar* project. The airline and its new **Virgin Express-EuroBelgium Airlines, Ltd.** subsidiary begins to offer vacation packages for travelers wishing to use both air and rail for their holiday trips.

On May 17, new A340-313 daily roundtrips commence between Manchester and Orlando, Florida; due to the holiday-travel aspect of the flights, the route is not code-shared with **Delta Air Lines**.

Refurbished, the "Clubhouse" is reopened at London (LHR); with a bar expanded by 20%, the airport lounge also includes a 200,000-sq.-ft., 4-hole putting green that is opened by former U.S. Masters golf champion Ian Woosnam.

While en route from London to Los Angeles on May 31, a passenger aboard Flight 007, suffers severe chest pains. The B-747-238B with 15 crew and 396 passengers, including Prince Michael of Kent and rock singer Gerry Barlow, is forced to divert to the former USAAF World War II airstrip at Iqaluit, on Baffin Island, Northwest Territories. The Jumbojet is able to make a safe emergency landing and the patient is taken to the only hospital that had been within its reach at the time of the attack. During taxiing, the cowl of No. 4 engine is damaged and parts are requested. Although Prince Michael and singer Barlow depart immediately on chartered flights, and the remainder are hosted by the entire community, including tiny Arctic College. Late in the afternoon, all depart for New York aboard a chartered **Delta Air Lines** Lockheed L-1011 TriStar 1 and a **First Air, Ltd.** B-727-233A.

The third B-747-4Q8, *Tinker Belle*, is delivered at the beginning of June. As a result of a June 25 controller error at the New York Air Traffic Control Center, the new Jumbojet, en route to New York (JFK) from

London (LHR), crosses a checkpoint within two minutes of a **Trans World Airlines (TWA)** B-767-231ER. The Traffic Alert and Collision Avoidance systems aboard both wide-bodies sound, allowing early evasive action to be taken.

Daily dual-designator flights with **Delta Air Lines** are inaugurated on June 26 between London (LHR) and Washington, D.C. (IAD); the American major purchases blocked seats upon the British line's flights to its eighth U.S. gateway city. Beginning on June 26, A340-311s perform the service Monday through Thursday and Saturday while B-747-238Bs take over on Fridays and Sundays.

The inaugural flight brings Chairman Branson to Washington, where he spends a week lobbying U.S. lawmakers against the proposed strategic alliance of **British Airways, Ltd. (2)** and **American Airlines**. Spectators at Dulles are surprised when the A340-311 *First Lady* taxis up to the gate wearing the slogan "No Way BA-AA" boldly painted on its fuselage. The aircraft, however, is only the first indication that Virgin has opened a multimillion-dollar campaign in the U.S. to block the pact between its British rival and the U.S. major.

Code-sharing partner **Delta Air Lines** during the first week of July joins in the VA lobbying effort against the BA-AA alliance. On July 8, the U.S. Justice Department begins an antimonopoly probe of the alliance between **British Airways, Ltd. (2)** and **American Airlines** announced on June 11 and seeks information from VA, which opposes the union, concerning its 1993 antitrust suit against the former British state carrier.

Also in July, Virgin enters into a marketing agreement with the South African carrier **Sun Air (Pty.), Ltd.** At the same time, the A340-313 displaced from the Manchester to Orlando route is replaced for eight months by a B-767-31AER released from **Martinair Holland, N.V.**

B-747-4Q8 service to Johannesburg begins on October 3. Chairman/CEO Branson, dressed in an open-neck shirt and brightly colored socks, is the first to deplane from the Jumbojet. On the ground, he enthusiastically shakes hands with the many grey-suited South African businessmen and officials gathered to greet the man who has broken the BA and SAA monopoly on the London route.

Also on October 3, Virgin and **Sun Air (Pty.), Ltd.** link their frequent flyer programs and share codes on Sun Air flights between Durban, Cape Town, and Johannesburg. The schedules of these flights are arranged to connect with the new VAA thrice-weekly roundtrips between London and Johannesburg.

During the year, Tim Jackson profiles the airline's founder in his *Richard Branson, Virgin King: Inside Richard Branson's Business Empire* (Rocklin, Calif.: Prima Publishing).

Customer bookings inch up 12.9% to 2,292,417 and 545.09 million FTKs are operated, a 4.1% increase. Revenues reach \$595.5 million, with expenses of \$545.8 million. The operating profit is \$49.7 million, while a net profit of \$51.8 million is reported.

The employee population grows 26.3% in 1997 to 4,800. During the first week of January, dual-designator flights are launched with **Delta Air Lines** between New York (JFK) and Manchester. The code-sharing agreement between the British major and its Atlanta-based partner are now renegotiated in light of Delta's Frankfurt restructuring and the possibility that the BA-AA alliance might open additional slots at London (LHR).

The only B-747-4Q8 to arrive this year is delivered on January 28. It is christened *Tubular Belle*, in honor of the first record produced by company founder Richard Branson.

During the week of February 2, European Union officials, led by Competition Commissioner Karel Van Miert, hold closed hearings at Brussels on the BA-AA merger proposal. CEO Ayling puts forward the case for the compact while officials from Virgin, **Delta Air Lines**, **United Airlines**, and **Continental Airlines** speak in opposition.

An extensive code-sharing and marketing deal is signed with **Continental Airlines** on March 13, which gives the American major access to London (LHR). Continental purchases blocked space on VA flights from Orlando to Manchester and to London (LHR) from San Francisco, Los Angeles, Newark, New York (JFK), Boston, Miami, and Washington, D.C. (IAD). The arrangement replaces one between VA and **Delta Air**

Lines, which is now left without a British partner. Also during the month another new B-747-4Q8 is received.

When **British Airways, Ltd. (2)** offers a free ticket during March to business-class travelers dissatisfied with its transatlantic service, there are only a few passengers who respond. The fact is cheerfully noted in a public statement, but the bragging is short-lived as rival Virgin places ads over the next month suggesting that businessmen pay closer attention to the BA boast and take up its free-ticket offer. Some do, the promotion ends, and business-class air warfare over the North Atlantic intensifies.

A leased A340-313X is delivered on April 21. On April 22, Chairman Branson testifies before the U.S. Senate Judiciary Committee's Subcommittee on Antitrust, Business Rights, and Competition, which is looking into the proposed alliance between **American Airlines** and **British Airways, Ltd. (2)**. The lawmakers are told that higher prices and poor service would come of the union.

On May 19, Fiona Castle, wife of the late Roy Castle, departs London (LHR) on a company aircraft on the first leg of the jointly sponsored "Tour of Hope," which will visit nine countries in an effort to raise awareness, funds, and understanding of lung cancer. At this time, Virgin also becomes a sponsor of the Adam Walsh Children's Fund.

Successfully previewed in 1996, the carrier now offers Virgin Value Fare as a permanent product. Under its terms, economy-class passengers who book 21 days in advance are offered a free trip on either **British Midland Airways, Ltd.** or a *Eurostar* Channel rail ticket from London to Paris or Brussels or a week of free car rentals from Avis.

The May general election sweeps the Labor Party into power and Tony Blair becomes prime minister. The immediate effect of the voting is to require that the AA-BA alliance question be put on hold while new government ministers are appointed. Chairman Branson, however, still finds something to complain about when, at the same time, the British Airport Authority signs a tentative agreement with **British Airways, Ltd. (2)** that will provide BA and its alliance partners occupancy of the proposed fifth new terminal at London (LHR). Two new A340-311s are delivered at month's end and at the beginning of July, allowing return of the **Martinair Holland, N.V.** B-767-31AER.

In June, the company's B-747-238B *Boston Belle* is tasked to fly the British Lions professional rugby team to Johannesburg for a tour of South Africa. The service celebrates the carrier's six-times-per-week roundtrips from London. A fifth B-747-4Q8 also arrives during the month. Late in the spring, the company contracts with BM Engineering, Ltd., the new London (LHR)-based subsidiary of **British Midland Airways, Ltd.**, for regular maintenance checks of its B-747/A340 fleet.

Daily B-747-4Q8 service is reintroduced on June 26 from London (LGW) to Newark (EWR), where it connects with services offered by **Continental Airlines**. All passengers on the inaugural flight receive a commemorative "Back to Our Routes World Tour" T-shirt. Four days later, the London terminus of the Miami service is switched from Gatwick Airport to Heathrow and frequencies are also increased to daily from five times per week. The first Jumbojet-load of flyers on this route also receive T-shirt souvenirs.

When **British Airways, Ltd. (2)** unveils its new global corporate image and replaces the Union Jack as part of its aircraft liveries, VA, on July 1, announces that it will henceforth replace the red cloak of its previous "Scarlet Lady" trademark image with a new stylized British flag.

Employing the new A340-313Xs, Virgin, on July 10, adds a second daily nonstop flight from London (LHR) to Los Angeles. In response to the **British Airways, Ltd. (2)** cabin attendants strike, Virgin, on July 11, increases the number of its frequencies from London (LHR) to New York (JFK).

On July 15, frequency on the London (LHR) to Johannesburg route is increased to daily. Also during the month, a second new B-747-4Q8 is delivered.

On August 1, a \$2.5-billion order is placed with Airbus Industrie for 18 A340-642s for delivery after the year 2002. **Air France** Industries wins an \$80-million-per-year contract during the first week of August to

maintain the carrier's A340s. The block-space arrangement with **Delta Air Lines** ends in August and on August 19 Chairman Branson goes before the U.S. House of Representatives' Committee on Transportation and Infrastructure to again condemn the proposed alliance between **American Airlines** and **British Airways, Ltd. (2)**.

Virgin officials meet with their counterparts from **Nigeria Airways, Ltd.** on September 29 to explore the possibility of joint operations between London and Lagos. Britain has banned Nigerian operations into the U.K. because of safety concerns.

On October 1, twice-weekly, dual-designator, all-cargo service is inaugurated in cooperation with **Malaysia Airlines, Ltd. (MAS)** over a route from Kuala Lumpur to London (LHR) via Osaka, Japan, on Wednesdays and via Melbourne, Australia, on Saturdays. The new freight operation employs the MD-11F that MAS has leased from **World Airways**.

On October 27, Virgin moves into the west wing of Terminal 4 at New York (JFK); the shift allows the company to double the size of its Club-house lounge.

While on approach to London (LHR) following a service from Los Angeles on November 5, Capt. Timothy Barnby of Flight 24, the A340-313X with 114 other passengers on board, discovers that his left main landing gear will not deploy. Barnby, the 1997 British aerobatics champion, was able to make a successful landing, keeping the aircraft centered on the runway until it skids to a halt as the left wing and engine settle to the ground. Nine passengers and crew are slightly hurt evacuating down emergency chutes.

Odyssey, an in-flight entertainment system, is unveiled on November 28. It offers customers 27 video and audio channels, Nintendo, news, and sports.

Late in the year, the company applies to the CAA for permission to inaugurate transatlantic roundtrips from London to Las Vegas.

On Christmas Day, Chairman Branson appears in costume on the Walt Disney Christmas Parade broadcast on the ABC-TV network in the U.S.

During the year, Virgin is named "Best Transatlantic Airline" by *Travel Weekly* magazine for the eighth consecutive year.

Passenger boardings accelerate 21.8% to 2,792,162 while cargo surges 29.9% to 708.41 million FTKs. Revenues total \$1.07 billion, with expenses of \$1.01 billion. There is a \$63.6-million operating profit and a net gain of \$57.2 million.

Airline employment in 1998 stands at 4,409 and the fleet, all of which is Stage III certified, includes 20 airplanes: 11 B-747s, 1 A320, and 8 A340s.

While en route from London (LHR) to Miami on January 6, a B-747-4Q8 is forced to divert to Charleston, South Carolina, after a Scottish pensioner aboard suffers a heart attack and stops breathing. A flight attendant and a doctor-passenger attend to 73-year-old Alex Tweedie using an on-board defibrillator to restart his heart. At Charleston, Tweedie is dispatched to a local hospital and within an hour the Jumbojet is able to depart for the completion of its Florida service.

The company's application to fly to Las Vegas is turned down by the CAA in January when the regulatory body awards the last nonstop U.K.-U.S. route to **British Airways, Ltd. (2)**, which had requested permission to fly from London to Denver. Chairman Branson reacts angrily and promises to appeal the government's "anticompetitive" decision.

Also during the month, the company firms its launch order for A340-642s.

On February 2, **Continental Airlines**, under a new block-space, dual-designator pact, begins to code-share on Virgin flights from New York (JFK), Newark, Los Angeles, San Francisco, Miami, and Washington, D.C. (IAD) to London (LHR). Virgin will place its codes on Continental's twice-daily frequencies from New York to London (LGW). In essence, the two airlines attempt, with six daily flights, to create a shuttle service between New York and London. Continental will also purchase seats on Virgin's seasonal services between Manchester and Orlando.

Drive-through check-in is introduced on February 25 for business-class passengers flying from Newark (EWR). These travelers may also receive free door-to-door limousine and curbside check-in services; se-

curity questions are asked and boarding passes are issued in the automobiles.

An A340-313X is chartered in March for four years from ILFC. It will complement the owned unit and another owned aircraft that will be delivered on June 12.

Chairman Branson appears on the May 7 episode of the NBC-TV comedy *Friends* in which the airline is featured. To celebrate the colorful leader's cameo appearance as a street vendor, the airline, for the day of viewing, offers its customers a "Friends Fly Free" opportunity: customers purchasing an economy-class fare receive a free companion ticket.

The carrier in mid-May purchases all five B-747-219Bs owned by **Air New Zealand, Ltd.** for just \$130 million. In addition, the Kiwi carrier agrees to refurbish the aircraft to Virgin's specifications before delivering them to England between March 1999 and January 2000.

On May 18, Chairman Branson announces that **Virgin Express, S.A.** is close to establishing a new holiday airline based in the U.K. to be known as **Virgin Sun Air, Ltd.** Arrangements for lift for the new package-tour airline, to be formed in partnership with Virgin Holidays, Ltd., will be provided by **Sabre Airways, Ltd.** starting in 1999.

In June, the carrier announces that it will begin serving the Caribbean for the first time during the autumn. Leading aviation barrister Robert Webb, who had won the **easyJet, Ltd.** High Court ruling in May and had previously represented Virgin Atlantic during the 1993 "dirty tricks" libel action against **British Airways, Ltd. (2)**, is recruited on June 30 to serve, effective September 1, as BA's own general counsel.

A second daily nonstop service from London to Orlando begins on July 7; Virgin is now the dominant carrier between the U.K. and the home of Walt Disney World and offers 27 flights per week from London to Florida.

Under an agreement signed on July 20, Virgin and **British Midland Airways, Ltd.** on August 17 begin dual-designator service over the BMA route between London (LHR) and Warsaw. This is the first time Virgin has been able to offer the Polish capital as a destination.

In mid-September, the CAA chooses Virgin, rather than **British Midland Airways, Ltd.**, as the second U.K. airline to operate from London to Moscow. Virgin plans to operate in partnership with **Transaero**, as holder of the corresponding second Russian license, to convert the four weekly flights allowed under the British license to effective daily service in late October.

Virgin also competes with **British Airways, Ltd. (2)** to win permission to launch a second weekly frequency (26 versus 25) now available from London to Cape Town.

On September 18, the CAA grants the South African frequency to **British Airways, Ltd. (2)**. Virgin appeals the decision, pointing out that with 18 of the weekly services, BA has become the dominant U.K. carrier on the route.

At the same time, Chairman Branson, speaking before the International Aviation Club, promises to expend \$250 million to begin a Virgin American Airlines if, and only if, the U.S. government revises its current restrictive policies on foreign ownership or control of domestic airlines.

It is announced at a London news conference on September 21 that **Cathay Pacific Airways (Pty.), Ltd.** has joined its first airline alliance, the new "OneWorld" grouping established to compete with the "Star Alliance" headed by **United Airlines** and **Deutsche Lufthansa, A.G.** Leadership for the new enterprise is provided by **American Airlines** and **British Airways, Ltd. (2)**, which continue their battle to gain regulatory approval for a separate arrangement that would provide U.S. antitrust immunity on prices set for the transatlantic market. **Canadian Airlines International, Ltd.** and **Qantas Airways (Pty.), Ltd.**, both of which already have marketing partnerships with AA and BA, are also charter members.

Leaders of the five companies indicate that they will coordinate ticketing and flight schedules, while cooperating on frequent flyer programs. Other carriers will be invited to join and **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** announces its membership before the day is over.

Virgin is one airline that will not be invited to join and hires a truck with a sign painted on its side proclaiming "no way" and has it parked, illegally, outside the building where the "OneWorld" news conference is held. A spokesman for Virgin indicates that his airline will gladly pay the parking ticket to get its point over.

Thrice-weekly B-747-200 return frequencies to St. Lucia from London (LGW) commence on September 27 and to Barbados on September 28. Plans to inaugurate thrice-weekly return flights to Antigua three days later are postponed due to Hurricane Georges. Instead, at the request of the Antiguan government and the National Emergency Operation Centre on the island, Hampshire-based Watermark Group is able to assemble a 30-ton relief package, which a B-747-200 flies to St. John's on the day it would have initiated passenger flights.

On October 1, **British Airways, Ltd. (2)**, in conjunction with a British newspaper, offers a 50% discount on international flights with the collection of tokens. VA immediately moves to reduce its fares to certain international destinations by the same amount, in most cases undercutting BA's special rates.

The thrice-weekly service from London to Antigua postponed on September 30 is launched on October 21. The price war with BA continues through October 28.

As the result of an appeal of the September CAA decision by **British Midland Airways, Ltd.**, U.K. Deputy Prime Minister John Prescott, in his dual role as Secretary of State for the Environment, Transport, and the Regions, stops Virgin's plans for Russian service from London (LGW). While not indicating that Virgin is out of contention for the route it is planning to fly with **Transaero Airlines**, Prescott demands on October 22 that the CAA hold new route award hearings on November 26.

Thrice-weekly roundtrip service to Barbados begins on November 5. While en route to Beijing on November 18, where he will attempt to achieve for VA the first direct air routes between Britain and Shanghai, Chairman Branson tells reporters of his plans for the new year. While adding 5 new jetliners, the entrepreneur pledges to create 1,500 or more new jobs even if he fails to win the new routes. Recruitment is beginning immediately, he notes, for 700 cabin crew, 400 reservations agents, 250 in the new Virgin Sun package tour business to be launched in the spring, 100 flight deck personnel, and 100 administrators.

The chairman visits Shanghai on November 24 and announces plans to meet with representatives of **China Eastern Airlines Company, Ltd.** in London in the new year to conclude a commercial agreement in the event of their twin designation to operate services on the London to Shanghai route. Both the British and Chinese governments will decide in December which of their carriers will be authorized to operate the two weekly roundtrips.

The hearing ordered by Deputy Prime Minister Prescott occurs on schedule, with attorneys from both VAA and British Midland making presentations, backed by various witnesses, including Sir Michael Bishop of BMA and Richard Branson of VAA. On balance, the CAA now finds for BMA and grants it the Moscow route license on December 16.

Following the Chinese lead, the U.K. CAA announces on December 23 that, in preference to **British Airways, Ltd. (2)**, it has chosen Virgin Atlantic to be the first British airline to operate to Shanghai. Also in December, the carrier is awarded a three-year contract by the UK Ministry of Defence to fly military personnel between London and the U.S.

Customer bookings this year ascend 14.6% to 3.2 million, while cargo traffic climbs 6.1% to 751.89 million FTKs.

Newly appointed Secretary for Trade and Industry Stephen Byers reacts to a complaint by Virgin Atlantic in early January 1999. Executives of Richard Branson's carrier claim that although they had been interested, they were not given a chance to bid on **CityFlyer Express, Ltd.** before its takeover by **British Airways, Ltd. (2)** was arranged on November 30. Additionally, Byers indicates that the move raises competition concerns in that BA would gain control of 39% of all the take-off and landing slots at London (LGW). Consequently, the proposed acquisition is referred to the U.K.'s Monopolies and Mergers Commission, which will report its findings on April 26.

On January 25, VAA receives the 1998 "Market Development Award" from *Air Transport World* magazine.

In the latest episode in a war of words that never seems to end, Virgin on February 12 complains to the U.K. Advertising Authority concerning the use by **British Airways, Ltd. (2)** of the slogan "World's Favourite Airline."

Documents are completed on February 8 to lease a pair of B-747-267Bs from **Cathay Pacific Airways (Pty.), Ltd.** for five years on a lease-purchase contract. Cathay will refurbish and repaint the Jumbojets to Virgin's specification before delivery.

Virgin Chairman Branson dons a rabbit costume on February 21 to celebrate the Chinese Year of the Rabbit—and his carrier's new route to Shanghai, which will begin twice-weekly in May. Branson indicates that he has learned that the Transport Ministry has denied BA's appeal of the route decision.

Chairman Branson, appearing on the BBC's February 28 edition of *Breakfast News*, reveals that the company will soon be creating 2,000 additional jobs as it adds new routes or frequencies to Shanghai, New York, and Chicago, the latter beginning in August.

In addition, an entire renaming of the airline begins. The current red and white exterior aircraft livery is replaced by silver bodies, emblazoned with the Virgin logo. Also accented in the new color scheme is the red, white, and blue colors of the Union Jack, painted on wings and tail fins. The B-747-4Q8 *Lady Penelope*, first tapped to wear the new patriotic livery, will be unveiled on June 7.

The interiors of all aircraft will also be redone, with exclusively designed economy- and upper-class seats. Although a cost figure is not released, Branson notes that the project will involve the expenditures of "tens of millions of pounds."

On March 1, Virgin goes to court in London in an effort to prevent the takeover of **CityFlyer Express, Ltd.** by **British Airways, Ltd. (2)**. Virgin announces on March 7 that it will match any BA bid for CityFlyer Express. As the value of the BA bid is at present unknown, Virgin is bidding blind. It is also noted that the company will launch its **Virgin Sun Air, Ltd.** charter subsidiary during the upcoming summer.

Company officials are very pleased with their rating in a new survey released on March 9 by the U.K. Consumers' Association's *Holiday Which?* magazine. Based on responses from 20,000 airline travelers earlier asked which airline they would recommend to a friend, the document indicates that Virgin is the second most popular airline, overall, after **Singapore Airlines, Ltd.**

Still hurting from the company's treatment by BA and U.K. regulators over service from Lagos to London, officials of **Nigeria Airways, Ltd.** on March 15, according to an article by Tony Egbulefu in *The News*, enter into a new, and controversial, pact with Virgin Atlantic. Under terms of a memorandum of understanding signed between the two carriers and due to take effect in April, a phased-in arrangement between the 2 lasting 15 years will eventually see profits—and losses—shared on a fifty-fifty basis. Virgin will use its good offices to help Nigeria in the employment of third parties to achieve resolution of its foreign debt problem. The document also calls for immediate termination of Nigeria's partnership with **British Airways, Ltd. (2)** and a replacement of BA's codes with its own on all of Nigeria's services, including the lucrative routes from Lagos to Johannesburg, Amman, and Dubai.

Chief of the general staff Vice Admiral Okhai Akhigbe, on behalf of the National Association of Aircraft Pilots and Engineers, challenges Nigeria Airways Director of Corporate Information Chris Aligbe about the rumored pact with Virgin Airways. Aligbe informs the admiral and the press that no agreement, pact, or joint venture "has been contemplated or signed with Virgin Atlantic Airways." The denial leads to speculation that the new arrangement will be scrubbed.

It is reported in the aviation press on March 19 that Virgin Atlantic has, indeed, pulled out of talks with Nigeria's state-owned carrier over a planned cooperation pact.

In anticipation of air strikes by NATO countries against Serbian military targets in a campaign to compel Belgrade to accept a peace agreement

with the ethnic Albanians fighting for an independent Kosovo, all scheduled service into Bosnia and Yugoslavia is suspended and their airspace closed. A NATO spokesman in Brussels, in making the announcement, indicates that the situation will be evaluated further toward evening; however, that evening, Operation Allied Force, the bombing attack on targets in Serbia and Kosovo begins.

Service to Yugoslavia remains halted on March 25–26 and for the duration of the NATO bombing campaign, Operation Allied Force. Flights to south-central and southeastern Europe experience delays of 30–60 min. due to airspace closure. Flights to Bosnia will be allowed about five weeks into the campaign. The situation brings about the transfer of large numbers of refugees out of Kosovo into neighboring states, particularly Macedonia and Albania.

To assist in the relief effort, Virgin Atlantic provides support for aid organizations and charities working to bring much-needed humanitarian aid to the Kosovo region. On April 8, an A340-311 transports 20 tons of supplies, such as clothing, tents, and tinned goods, gathered by the Scottish Kosovo Relief Fund from Glasgow to Thessaloniki, Greece, from which it is sent to the Macedonian capital of Skopje. Other relief flights will be made as the campaign continues.

Meanwhile, in early April, the Nigerian magazine *Tempo* reports that discussions with **Nigeria Airways, Ltd.** are very much alive and that a memorandum of understanding is being prepared. On April 15, the airline officially withdraws its bid for a stake in **South African Airways (Pty), Ltd.**

It is reported in an April 16 article by Keith Harper in the online edition of *The Guardian/The Observer* that the CAA has just approved a second British route to Moscow, which **British Midland Airways, Ltd.** has won against strong competition, again from Virgin Atlantic.

On April 19, an A340-311 transports 20 tons of relief supplies, gathered by Project Plus and Lightforce International, from London (LHR) to Athens. In Greece, the goods are sent by road to refugee camps in and around the Albanian capital of Tirana.

Capt. Mohammed Joji, general secretary of the Airways Operators of Nigeria, sends a strongly worded five-page document to the national government on April 27 protesting the proposed commercial agreement between Nigeria Airways and **Virgin Atlantic Airways, Ltd.** The document warns the country's leaders not to allow Nigeria to be turned into a battlefield by VAA and competing **British Airways, Ltd. (2)**.

The British Advertising Standards Authority (ASA), also on April 29, rejects in a letter to BA's marketing department the calls from Virgin Atlantic to prevent BA from using its 16-year-old advertising slogan "the world's favourite airline." A Virgin spokesman indicates that his company is confident of winning a bid in the U.S. to prevent BA's use of the tag.

On May 1, the new **Virgin Sun Air, Ltd.** holiday charter carrier takes wing; lift is provided employing two A320-214s subleased from **Sabre Airways, Ltd.** Revenue charters are operated from London (GTW) and Manchester to Mediterranean and European holiday destinations.

A fire breaks out on the evening of May 2 in a Virgin group office in Holland Park, west London. Forty firemen respond to the blaze and save a secretary trapped on the top floor. Unfortunately for Chairman Branson, 10-years worth of his paperwork and all of his files, past and current, are destroyed. None of the files have a direct impact on business operations.

Despite the fact that it has not until recently been designated by the CAA for a new Chicago route, Virgin is denied permission by the U.S. DOT to begin planned August flights from London (LHR) to capacity-controlled O'Hare International Airport. The U.S. regulators do not find the fact that Virgin had received British authorization too late to apply for slots sufficient reason for its not filing with the FAA on time. The DOT will not grant an exception, but will allow the company to file for future slots, if it does so in a timely fashion. A company spokesman calls the ruling "extremely disappointing," but indicates that it will file for Chicago on the next opportunity.

NATO jets accidentally bomb the Chinese embassy in Belgrade, also on May 7, resulting in violent protests against the attack in several Chi-

nese cities. On May 10, Reuters, Ltd. reports that the airline may face a delay in the start-up of its Shanghai service due to continuing Chinese anger; however, the company responds that it fully anticipates an on-time start. While monitoring the situation, the carrier permits its daily service to Beijing to depart London (LHR) on schedule to show its confidence.

Having teamed up with Mike Myers for a global air traveling marketing blitz prior to the June 11 opening of the new film *Austin Powers: The Spy Who Shagged Me*, Chairman Branson and the actor unveil a re-decorated Virgin jetliner at London on May 13. Christened *Shaglantic*, the aircraft boasts a reclining image of Myers in his role as the 1960s spoof spy Powers painted along its forward fuselage.

Having determined to proceed with its new Shanghai service as scheduled, the company on May 14, to demonstrate its sensitivity to current Chinese concerns, cancels its celebrations planned to mark the occasion. It notes that Chairman Branson will not be aboard the inaugural flight.

After securing a £500,000 down payment, **AB Airlines, Ltd.** on May 21, concludes the sale to Virgin Atlantic for £2 million of its seven weekly takeoff and seven weekly London (LGW) landing slots previously employed for services to Shannon, Ireland, and Nice, France. The financially troubled new entrant does not, however, receive sufficient funding from this deal to resolve its working capital problem.

Also on May 21, Chairman Branson indicates that inaugural celebrations for the new Shanghai service will, in fact, be held, on July 10–13. Shanghai marks the first time Virgin has beaten **British Airways, Ltd. (2)** to a new destination and is too important an event not to be squeezed for its public relations value.

Twice-weekly roundtrips from London (LHR) to Shanghai commence on May 22.

A fifth daily roundtrip from London (LHR) to New York (JFK) is added on June 1, with the carrier now operating between the two cities six days a week.

At Amsterdam's Schiphol Airport on June 7, Chairman Branson unveils for the media his carrier's "striking new look for the new millennium." Photographers eagerly snap pictures of a B-747-400 behind him wearing a silver metallic livery with the Union Jack prominently displayed on the wing nacelles and fuselage. On June 19, a new homepage is opened on the World Wide Web.

A long-term lease is signed with the city of Orlando on June 23 as the airline prepares to become the first tenant at that city's new \$3-billion airport international terminal.

In mid-October, the company enters into an agreement with Volvo, A.B. Under its terms, the Swedish automobile manufacturer will provide 450 S80s to the carrier, which will then be able to offer complementary limousine services in Europe for its upper-class passengers. The new service will even permit its users to check their luggage from their luxury cars.

On October 25, U.S. District Court Judge Miriam Goldman Cedarbaum dismisses all outstanding claims raised by Virgin in its lawsuits against **British Airways, Ltd. (2)** in the United States, including a allegation of BA's monopolization of routes from London (LHR). Chairman Branson promises to appeal the ruling.

Following a pre-flight party and ceremony, daily B-747 service is inaugurated on November 1 from London (LHR) to Chicago (ORD). Among those hosted by Chairman Branson are eight passengers who have won a special Internet contest in which they have bid to participate in this inaugural flight. In addition to pre-flight festivities and the actual service, the eight are included in Chicago activities and have all of their expenses, including hotel fares, paid.

As November ends, Virgin unveils a new *Upper Class* service. It also announces that it will launch twice-weekly roundtrips to Las Vegas in June, the first scheduled service between the U.K. and Nevada.

At the beginning of December, Chairman Branson meets with Australian Prime Minister John Howard to discuss establishment of a low-cost carrier prior to the start of the Sydney Olympics. On December 8, Virgin Atlantic receives permission from the government of Australia on for the creation of a Virgin-branded low-cost airline for Australia. Chair-

man Branson makes a fast trip to Sydney to be present for the announcement, at which time he informs the local media that a deep-discount Virgin-labeled carrier will be granted A\$60 million (\$30 million) in seed money to begin operations by summer. The as-yet-unnamed airline, is simultaneously awarded takeoff and landing slots at Kingsford Smith Airport at Sydney. When up and flying, it will be the first foreign carrier formed in Australia under a June government ruling allowing offshore owners to form wholly owned domestic Australian carriers to compete with **Qantas Airways (Pty.), Ltd.** and **Ansett Australia (Pty.), Ltd.**

In an effort to gain benefit from its unused frequencies between London and New Delhi, **Air India, Ltd.**, in mid-December, signs a code-sharing agreement with Virgin Atlantic. Under the arrangement, VAA will, in partnership, fly at least three of the frequencies. STIC Travels will handle ticketing in India. Chairman Branson climbs aboard an elephant dressed up as a Virgin Jumbo before riding into the news conference where the pact is announced.

When the CAA awards Virgin a second frequency to Cape Town during the month, **British Airways, Ltd. (2)** appeals.

The name of Chairman Branson, the fifth richest man in Britain, appears on the New Year's Honours List, which is reported by the BBC on December 31. His knighthood will be awarded by Queen Elizabeth II in an elaborate ceremony.

Passenger boardings jump 13.2% to 3,622,000, while freight accelerates 21.2% to 901.24 million FTKs.

Airline employment at the beginning of 2000 stands at 7,076, a 36.7% increase over the previous 12 months. The "classic" B-747 fleet now includes 5 Dash-219Bs, 2 each Dash-238Bs and Dash-267Bs, and 1 Dash-287B. Also operated are 2 B-747-41Rs and 4 Dash-4Q8s.

On January 26, just three days before the company's second Cape Town service is scheduled to begin, the CAA orders the company, in light of the BA appeal, to suspend the new service until it can determine which airline should have the authority to operate the flight.

On February 7, Chairman Branson is named by *Aviation Week and Space Technology* as the 1999 Laurels and Laureates winner in its Air Transport category.

Announced a month earlier, arrangements are completed on February 11 with **Singapore Airlines, Ltd.** under which SIA will take a £600-million (\$\$600.3/US\$960 million), 49% minority stake in Virgin Atlantic, the holding company for Virgin Atlantic Airways, Virgin Holidays, Virgin Sun, and Virgin Aviation Services, the airline's cargo division. Simultaneously, Virgin Atlantic will be recapitalized to the tune of \$510 million, with \$51 million of the amount coming from the Virgin Group; Chairman Branson will pour the remaining £500 million realized into other Virgin Group enterprises. Three of Virgin Atlantic's seven-member board will be appointed from SIA. Both airlines will retain their distinctive liveries and identities and continue to develop their own products. Relevant government and other approvals must be obtained.

The U.K. government approves the SIA investment in Virgin Atlantic at the beginning of March; as soon as the EU Commission agrees to the arrangement, three SIA members will, according to plan, be named to the Virgin board.

Orders are placed with ILFC on March 23 for 10 Next Generation B-737-7Q8s that will be operated by the new Australian subsidiary beginning in March 2001. The next day, the European Commission formally approves the sale of a 49% stake to **Singapore Airlines, Ltd.** Paperwork for the final buy into Virgin is completed on March 30.

On April 3, SIA and Virgin CEOs Cheong and Branson publicly announce their new relationship. On April 5, **British Airways, Ltd. (2)** wins its appeal against the CAA decision to award Virgin a second Cape Town frequency; Secretary of State John Prescott, who overturns the agency's decision, awards the authority to BA, which will employ it to take its Cape Town service to daily flights.

At the annual awards dinner at the Smithsonian Institution's National Air and Space Museum on April 12, Executive Vice President North America David Tait physically accepts Chairman Branson's *Aviation*

Week and Space Technology 1999 Laurels and Laureates trophy in its Air Transport category. Branson gives his acceptance speech in a video shown during the ceremonies.

By May, **Singapore Airlines, Ltd.** has finalized its 25% investment, agreeing to give Brierley Investments NZ\$426.3 million for a 25% stake in **Air New Zealand, Ltd.** It also secures a regional alliance with ANZ, three seats on the New Zealand line's board of directors, and veto rights over certain management appointments. At the same time, SIA CEO Dr. Cheong promises to abandon previously mentioned possibilities of linkage with the new **Virgin Blue, Ltd.**, which will be directly competing with the established ANZ subsidiary **Ansett Australia (Pty.), Ltd.**

A single A321-211 is delivered on May 12; chartered from GECAS, it is christened *Hellenic Beauty*. It will be placed into service on the carrier's route from London (LHR) to Athens.

Also in mid-month, the company celebrates a decade of in-flight beauty therapy for its premium passengers. Over 250,000 *Upper Class* clients have employed the service during this time and the airline now employs a staff of 200 certified in-flight beauty therapists.

Twice-weekly B-747-4Q8 roundtrips commence on June 8 between London (LGW) and Las Vegas. The Nevada gambling mecca is the carrier's 10th U.S. gateway and access to it marks the successful conclusion of a 7-year effort to obtain licensing and slots. During the inaugural flight, which is three-fourths full, Sir Richard Branson announces that he has obtained a code-sharing, feeder agreement with **National Airlines (4)**.

The new partnership pays off more quickly than anticipated as it falls to the U.S. carrier to reprovision the big Boeing for its return to England. Branson's invited guests and fare-paying passengers had drunk the Jumbojet dry before its landing.

On June 12, a letter of intent is signed for six each of the proposed Airbus A3XX and B-747-400X.

To provide on-going connections throughout India for its new international service from London (LHR), Virgin Atlantic, on July 3, signs an interline agreement with **Indian Airlines, Ltd.**

On July 5, four-times-a-week B-747-200 return service, operating only through October 28, is started from London (LGW) to San Francisco. The flights complement the daily California service operated from Heathrow Airport. The next day, twice-weekly B-747-4Q8 roundtrips, code-shared with **Air India, Ltd.**, are launched from London (LHR) to New Delhi. The services initially utilize Air India's unused authority for the route. Deplaning from the inaugural flight, Sir Richard rides around Delhi's central shopping district in a motorcade of 30 three-wheel "auto-rickshaw" scooter taxis, followed by children waving Virgin balloons.

A tragedy in the skies over England is narrowly averted on August 20. Descending into London (LHR) from different angles, a Virgin B-747-41R and a **United Airlines** B-777-222, with 700 passengers between them, come within 700 ft. of one another before ATC orders the United captain to take evasive action. Both aircraft land normally and no injuries are reported.

On August 22, *Flight International*, in its annual commercial airline survey, reports that Virgin has the second best (77%) load factor of any airline in the world after **KLM: (Royal Dutch Airlines, N.V.)**.

On August 31, orders are placed for two B-747-400s; the pair will arrive under charter from GECAS in October and December 2001. The same day, the subsidiary **Virgin Blue (Pty.), Ltd.** begins operations in Australia.

A code-sharing agreement is signed with **All Nippon Airways Company, Ltd.** on September 28. When the pact takes effect at the end of March 2001, the two will share an unspecified number of routes between London (LHR) and Tokyo (NRT).

At the invitation of President Olusegun Obasanjo, Chairman Branson travels to Lagos at the beginning of October to participate in Nigeria's independence anniversary. While there, he meets with government officials and comes away convinced that a deal, "in principle," has been achieved under which his airline would be designated to offer Nigerian service. As reported in the October 3 issue of the *Ikeja Vanguard Daily*,

Sir Richard has informed the local aviation press that Virgin will hopefully be able to help **Nigeria Airways, Ltd.** operate its London service and that Virgin, itself, will be flying into Nigeria "before next summer."

A second A340-313X weekly roundtrip is added on October 29 between London (LHR) and Cape Town.

When on November 10 **Alitalia, S.p.A.** cancels an order for five B-747-443s in favor of six B-777-243ERs, Virgin Atlantic steps forward to take over the delivery positions for the spurned aircraft; the new *Jumbos* will be delivered as Dash-41Rs between March and June 2001.

On November 14, Chairman Branson pops up at London (LHR) to personally welcome his airline's 25th-million passenger, Toddington resident Raymond Davies, who is traveling from Heathrow Airport aboard Flight 19 to San Francisco. Sir Richard awards Davies two free tickets to any company destinations, along with commemorative champagne and glasses.

Having been forewarned that **Sabena Belgian World Airlines, S.A.** will withdraw service to Johannesburg at the end of March, **Nationwide Air Charter (Pty.), Ltd.** is now forced to find a new code-sharing partner. In mid-November, Virgin steps in and signs a strategic marketing agreement with the South African domestic carrier. Virgin, which operates daily service between London (LHR) and Johannesburg and twice-weekly roundtrips to Cape Town, places its code on Nationwide flights between Johannesburg, Cape Town, and Durban. Nationwide begins to repaint its aircraft in modified Virgin colors and participates in Virgin's frequent flyer program.

On December 1, the company announces that it will launch daily roundtrips from London (LGW) to Toronto beginning on June 1. In sharp contrast to the situation at **British Airways, Ltd. (2)**, Virgin, on December 6, announces that it will recruit 1,700 new employees in 2001 to support its rapid growth. Job opportunities are expected for pilots, cabin crew, ground crew and airport staff, who will be based at Heathrow and Gatwick Airports.

A \$3.8-billion order is placed on December 15 for six Airbus A3XXs, with six options. Now having received the 50 firm orders needed before it can launch construction, Airbus schedules Virgin's first delivery for 2006.

It is now learned that the premier delivery of the first of six A340-642s has been delayed until June. Still, with a number of new jetliners in the pipeline, Virgin announces that it will hire 1,700 staff in the new year, including 250 pilots and 1,000 cabin crew.

Confirmation is provided on December 16 that Virgin will, indeed, order six A3XXs.

The London *Sunday Times* reports on December 24 that CEO Branson is working on plans to start a domestic Canadian airline, modeled on **Virgin Blue (Pty.), Ltd.** Talks concerning the possibility are said to have recently been conducted with Canadian Transport Minister David Collett.

Enplanements for the year surge 18% to 4,281,000.

VIRGIN BLUE (PTY.), LTD.: P.O. Box 1034, Spring Hill, Queensland, 4000, Australia; Phone (7) 3295 3000; Fax (7) 3839 4024; <http://www.virginblue.com.au>; Code VS; Year Founded 1999. Permission is received by **Virgin Atlantic Airways, Ltd.** from the government of Australia on December 8, 1999, for the creation of a Virgin-branded low-cost airline for Australia. Chairman Branson makes a fast trip to Sydney to be present for the announcement, at which time he informs the local media that a deep-discount Virgin-labeled carrier will be granted A\$60 million (\$30 million) in seed money to begin operations by summer. The as-yet-unnamed airline will be the first formed in Australia under a June government ruling allowing offshore owners to form wholly owned domestic Australian carriers to compete with **Qantas Airways (Pty.), Ltd.** and **Ansett Australia (Pty.), Ltd.**

The company, under its new CEO Brett Godfrey and using a preliminary Virgin Australia brand, is awarded takeoff and landing slots at Kingsford Smith Airport at Sydney.

Even as a decision on an exact name is being debated, the new entity, in January 2000, applies to Canberra in January for an air opera-

tor's certificate and secures start-up approval from the Australian Foreign Investment Review Board. It must now clear the regulatory process involved in obtaining its AOC, as well as locate sufficient terminal facilities.

With **Virgin Express Airlines, S.A.** plagued by management and quality difficulties, Sir Richard Branson confides to the *Financial Times* in early February that it was a mistake for him to have purchased the carrier and now wishes that he had just started a new airline instead. He vows that his Australian operation will be built up from scratch. At this point, **Singapore Airlines, Ltd. (SIA)** CEO Cheong Choong Kong confirms that Branson has offered him the opportunity to purchase a 49% stake in the Australian start-up; however, despite his new equity partnership with **Virgin Atlantic Airways, Ltd.**, he holds back from a commitment.

The Virgin Australia parent in England now begins to make a number of decisions. First, a total of A\$200 million (\$126 million) will be invested over five years to establish a hub at Brisbane, complete with administration, maintenance, and distribution facilities, and a 750-person staff. Additionally, negotiations are opened for terminal facilities at Sydney and Melbourne (the first two destinations) and fleet plans are made to begin services with five older B-737s sent down to Australia from **Virgin Express, S.A.**, which does not require them during its less-busy winter season.

On March 23, orders are placed with ILFC for 10 Next Generation Boeing 737-7Q8s, scheduled to become available in March 2001. Except for a name and an air operator's certificate, executives report on April 19 that the airline is good to go. At the end of March, **National Jet Systems (Pty.), Ltd.** cofounder Rob Sherrard, is appointed deputy CEO/chief operating officer.

On May 3, the new airline name is finally revealed: Virgin Blue. The brand is the result of a radio naming contest, sponsored by Brisbane station 4KQ, in which over 3,000 entries have been received and reflects how "true blue" Virgin is to be in delivering low-fares. The winner, whose name has been drawn from a hat by CEO Godfrey is, incidentally, a Brisbane interior designer, who is awarded two Virgin roundtrip tickets a year for life.

By May, **Singapore Airlines, Ltd.** has finalized its 25% investment, agreeing to give Brierley Investments NZ\$426.3 million for a 25% stake in **Air New Zealand, Ltd.** It also secures a regional alliance with ANZ, three seats on the New Zealand line's board of directors, and veto rights over certain management appointments. At the same time, SIA CEO Dr. Cheong Choong Kong promises to abandon previously mentioned possibilities of linkage with the new Virgin Blue, which will be directly competing with the established ANZ subsidiary **Ansett Australia (Pty.), Ltd.**

On May 30, it is announced that the company's first route, to be launched on an unspecified date in the fall, will be from Brisbane to Sydney.

The first Virgin Blue aircraft is a **Virgin Express Ireland, Ltd.** B-737-43Q sent down from Brussels via Istanbul and Muscat on May 30-June 1. A new color scheme is unveiled and on June 28 a new logo is unveiled, featuring a curved accent mark that resembles both the nose of a B-737 and a boomerang.

A B-737-3M8 arrives under charter from **Virgin Express, S.A.** on June 29, the same day a sales and distribution agreement is signed with Flight Centre (Pty.), Ltd., under which FC will sell Virgin tickets throughout its network of more than 400 stores across Australia.

The first flight is made on July 9, when a group of 100 celebrities, media types, and government officials are flown on a special charter from Brisbane to the Sunshine Coast aboard the B-737-43Q. Simultaneously, plans for the inauguration of scheduled services between Brisbane and Sydney on August 3 are announced. Appealing for support, Chairman Branson indicates that the one-way fare will be A\$99 for pre-booked tickets.

On July 21, the company is forced to note a delay as it awaits authority from the government's Civil Aviation Safety Authority, which seeks

additional impartial inspectors to help it complete the start-up's review. Refunds of A\$150,000 must be issued for 1,500 tickets already booked for the inaugural flights.

The CASA approves the company's operating manuals on August 19. Sale of tickets is again permitted and an A\$48 (£18) one-way introductory fare is announced on August 25 for all who purchase them on the Internet over the next 48 hours. Also on August 25, Brisbane-Sydney proving flights are made with government inspectors and regulators aboard; the unofficial services represent the last step before certification.

On August 26, the company receives word that inspectors have found all facilities to be in order. Unhappily, the company's online system is now so overloaded by anxious customers seeking to take advantage of the A\$48 introductory sale that it crashes, forcing Virgin to temporarily pull its online booking service. Falling back to the Virgin telephone hotline service, potential passengers find that swamped as well. Waits of three hours are not uncommon.

Having successfully, if belatedly, completed all mandatory trials and requirements, Virgin Blue receives Australian government certification on August 28. The company's aircraft, including two newly received leased ILFC B-737-4Q8s (one of which was previously operated by **Pharaoh Airlines, S.A.E.**), had been approved earlier in the week. The next day, it is announced that due to popular demand, the company's second route start, from Brisbane to Melbourne, will be moved up from October 1 to September 7.

B-737-4Q8 roundtrips commence on August 31 between Sydney's Domestic Express Terminal and Brisbane. The inaugural flight is held up for 25 min. due to a warning light that shows that one of the aircraft's doors has not been properly closed.

In an effort to compete not only with the majors, but with discounter **Impulse Airlines (Pty.), Ltd.**, the "Baby Blue," seeking to make amends for its online booking snafu, offers introductory \$A48 ticket prices for its first month. Throughout September, the company struggles to regain marketing momentum lost to Impulse when it failed to win expected certification in late July.

The new thrice-daily Brisbane to Melbourne return route begins, as advertised, on September 7. A thin route for other carriers, Virgin Blue promises on September 9 to make attractive and open a new thrice-daily route from Brisbane to Adelaide on February 1. By then, it will be operating five **Virgin Express, S.A.** B-737s.

Following almost immediately after the Virgin Blue announcement, **Qantas Airways (Pty.), Ltd.** increases its capacity on the route by 50%, diverting an aircraft from another route to operate the extra service. The major's move will be challenged by Virgin Blue when it files a "predatory pricing" complaint with the Australian Competition and Consumer Commission in January.

On October 26, the company announces that it has carried over 85,000 passengers since August 31, with an average load factor of more than 75%.

It is reported on November 28 that the company will receive two more B-737s within days and six more in 2001. Indeed, a **Virgin Express, S.A.** B-737-46M is received under lease the same day, with the second, a Dash-405, arriving on December 2.

On December 4, Virgin Blue CEO Godfrey and **Impulse Airlines (Pty.), Ltd.** Chairman Gerry McGowan join Christopher Barlow, CEO of Melbourne Airport, for the joint opening of the new A\$8.4-million "Domestic Express" terminal the two competitors will share.

Even sooner than announced, thanks to the fast-tracking of temporary Adelaide airport facilities and the early availability of Virgin Blue's newest aircraft, direct thrice-daily roundtrips between Adelaide and Brisbane commence on December 7. Keeping with a Virgin inaugural flight tradition, CEO Godfrey and fellow executives adopt a "destination theme" for the flight, dressing up as crows to highlight their carrier's "as the crow flies" double, daily, direct services. Simultaneously, the Brisbane to Melbourne return service becomes thrice daily.

A four-year contract is signed with Lufthansa Technik on December 12 for provision of its B-737-4Q8 fleet. Negotiations continue with the

technical arm of **Deutsche Lufthansa, A.G.** on a similar pact that will cover the 10 Next Generation B-737-700s, the first of which is now scheduled for delivery in April.

On December 13, both Virgin Blue and **Impulse Airlines (Pty.), Ltd.** come under renewed competitive pricing from **Qantas Airways (Pty.), Ltd.** and **Ansett Australia (Pty.), Ltd.** The majors both slash their summer domestic fares by 75% for the normally quiet booking period between Christmas and April.

As the year ends, Virgin Blue is operating twice-daily roundtrips between Adelaide and Brisbane and nine times daily from Sydney to Brisbane. Eagerly anticipated is the March 1 inauguration of thrice-daily return flights from Sydney to the new International Terminal at Adelaide.

VIRGIN EXPRESS (IRELAND), LTD.: Ireland (1998-2001). The creation of Virgin Express (Ireland), Ltd. is announced on September 25, 1998. Virgin Express CEO James Swigart places a former **Trans World Airlines (TWA)** executive in charge of the new entity and announces that twice-daily roundtrips between Shannon and London (STN) will commence in mid-December.

As the start-up date approaches, a satellite reservations center and crew base is established at Shannon Airport and a B-737-3M8 is chosen to be stationed there. Virgin Express (Ireland), Ltd. tickets go on sale at the introductory one-way price of £17 for twice-daily service between Shannon and London (STN).

At this point, Brian Beal, chairman of the unborn airline's small Shannon-based rival **AB Airlines, Ltd.**, accuses Richard Branson, Virgin Group chairman, of "doing a British Airways." Beal, who appeals the Virgin move to the European Commission, is concerned that it may be forced to pull out of services between the West of Ireland airport and Stansted and accuses his fellow airline boss of doing "exactly what Virgin accuses British Airways of."

Virgin Express (Ireland), Ltd.'s new Shannon headquarters are opened on December 15 in a grand ceremony presided over by Chairman Branson, President/CEO Swigart, Daven Hoare and Luc Bertrand, nonexecutive directors, and Luzveminda O'Sullivan, the 1998 Rose of Tralee. The proceedings include the arrival of the first B-737-3M8 that will be stationed at the Irish airport.

Twice-daily return flights between Shannon and London (STN) begin on December 18.

The *Just Planes* reporting service reveals on August 12 that Virgin Express will launch Berlin Express operations on November 10, employing the Irish-registered "Baby Boeing" to offer nonstop services from London (STN) to one of the three airports of the German capital. Flights from Ireland to other major cities will begin shortly thereafter.

The B-737 fleet at the beginning of 2000 includes 2 Dash-43Qs, 3 Dash-36Ns (chartered from **Virgin Express, S.A.**), and 1 each Dash-4Y0, Dash-36M, and Dash-3M8 (leased from **Virgin Express, S.A.**).

The first **Virgin Blue, Ltd.** aircraft is a Virgin Express Ireland B-737-33Q sent down from Brussels via Istanbul and Muscat on May 30-June 1.

Another B-737-36N is received from **Virgin Express, S.A.** in October and is employed, beginning on October 29, to operate daily roundtrips from Shannon to Milan via Brussels coordinated with the twice-daily return service between Shannon and London (LGW) simultaneously begun by the parent. The arrangement allows Virgin Express to get around the Italian government's prohibition against more than one daily flight into crowded Linate Airport.

Twice-daily B-737-300 return service is inaugurated on December 10 from Shannon to Malaga via Brussels.

It is reported on December 12 that this subsidiary will be shut down on January 15. On that date, the Irish line's Berlin, London (STN), and Shannon bases will be closed down and necessary assets transferred to Brussels. Meanwhile, the company is to be put up for sale for a reported \$10 million; two investment firms and an unnamed airline immediately express interest.

One of the more unusual takeover possibilities in European airline history will occur on January 25, 2001, when Alexander Zurbayev, first

deputy director of **Aeroflot Russian International Airlines (ARIA)**, reveals that his carrier is holding serious discussions concerning the purchase of this Virgin subsidiary. If consummated, it would be the first takeover of a Western airline by a Russian carrier. The offer will be taken seriously enough by Virgin Express executives that the Irish subsidiary will be allowed to continue flying from Shannon to London (LGW) until at least March 15. The Brussels route, will, however, be closed on January 15.

On March 5, the Russian newspaper *Vremya Novostei* will report that Aeroflot has, indeed, purchased a 59% stake; none of the principals will comment, promising more detail later. The report will turn out to be inaccurate and when arrangements cannot be completed, Virgin Express (Ireland) will be formally shut down on March 16.

VIRGIN EXPRESS-EUROBELGIUM AIRLINES, LTD.: Building 116, Melsbroek Airport, Melsbroek, B-1820, Belgium; Phone 32 (2) 752-0511; Fax 32 (2) 752-0520; <http://www.virgin-exp.com>; Code BQ; Year Founded 1996. On February 19, 1996, British entrepreneur Richard Branson holds a press conference to announce that his Virgin Group has plans to take over the **EuroBelgian Airlines, S.A.** for operation as a subsidiary of **Virgin Atlantic Airways, Ltd.** Current majority-owner City Hotel Group plus a small group of private investors will receive a reported £43 million (\$67 million) for a 90% stake in their regional. The acquisition includes the EA subsidiary **Air Provence Charter, S.A.**, based at Paris (CDG).

The takeover is completed on April 30 and the carrier is renamed Virgin Express-EuroBelgium Airlines, S.A. (to also be known as Virgin Express Airlines, S.A.), and is placed under the direction of former **Mesa Airlines** executive and **Continental Express** CEO Jonathan Ornstein. He oversees a workforce of 250 and a fleet that includes a mix of 12 B-737-3M8s, B-737-3Y0s, and B-737-33As and 1 B-737-4Y0. A **Mesa Airlines** and **Continental Express** colleague of Ornstein's, James Swigart, is recruited to serve as chief financial officer.

As might be expected, given the history between VA and BA, the B-747-436 chartered by the previous owners from **British Airways, Ltd. (2)** is returned. Ornstein now begins to copy in Europe the low-fare, short-haul activities of **Southwest Airlines (2)**. The new CEO is quoted on the matter in the May 1997 issue of *Airline Business*: "We're following Southwest in Europe and will emulate them where we can and when we can—why reinvent the wheel?"

From its bases at Brussels and Paris (CDG), the company continues to operate international and regional scheduled and charter passenger and cargo flights to Barcelona, London (LHR and LGW), Milan, Nice, Vienna, the Canary Islands, and holiday points in the Mediterranean.

In partnership with its parent, the holding company Virgin Group, and executives of **Eurostar**, the company begins to offer vacation packages for those wishing air and rail service for their holidays via the Channel Tunnel.

Two B-737-3M8s that Eurobelgian had earlier ordered are received in August painted in a "reversed" color scheme from those jetliners in the VAA fleet. They are the first aircraft to appear in Virgin Express colors; however, the remainder of the Eurobelgian fleet will now be painted to match them.

Virgin Express is officially launched on September 2 as the newly received Boeings provide scheduled flights over the old Eurobelgian routes linking Brussels with Rome and Madrid. Three days later, Brussels-Copenhagen service is inaugurated.

Financially troubled **Air Liberte, S.A.** is placed into receivership on September 26 and its chartered Douglas wide-bodies are returned to Finland. Given six months by the Creteil bankruptcy court to develop a workable reorganization plan, Chairman Belhassine promises to write a recovery program by the end of October, at which time \$120-million fiscal year losses must be reported.

Following further exploration into the company's finances during the first week of October, the Creteil bankruptcy court determines that **Air Liberte, S.A.'s** fiscal situation is worse than was originally reported.

Even though a number of unprofitable routes are now cut, the court announces that it must have outside acquisition bids by October 14 in order to avoid ordering the company liquidated.

Suitors for the stricken airline begin to emerge late in the week. With pressure to keep it in French hands and its unions seeking acquisition, **Air France** expresses interest. Under EC restrictions against acquisition of other carriers during the time of its \$4-billion state bailout, it appears unlikely that the independent will join the major's stable.

Other companies expressing an interest include **AOM French Airlines, S.A.**, which has been seeking a merger along with **British Airways, Ltd. (2)**, Virgin, **TAT European Airlines, S.A.**, and **Corsair, S.A.**, the in-house airline of France's largest tour operator, Nouvelles Frontières. Seeking to protect the interest of its TAT subsidiary, BA CEO Robert Ayling complains to the European Commission that AOM should not be allowed to seek ownership. It, too, is up for sale as the result restructuring plans announced in the wake of a 1995 state aid package to its parent, Credit Lyonnais.

With **AOM French Airlines, S.A.** and **Air France** out of the picture, two airlines, Nouvelles Frontières, and a group of private investors submit offerings for **Air Liberte, S.A.** to the Creteil Court, also on October 14.

The weakest offering is made by an unnamed French pilot acting on behalf of a group of private investors; no details are provided. **Virgin Express, Ltd.'s** offering, for which details are also not provided, is not, as company officials put it, "fully compliant with the court's requirements."

Nouvelles Frontières notes that it has partners in the Rivaud Bank and **Royal Air Maroc** who would be willing to take over **Air Liberte, S.A.** (including its \$300-million debt) and make it profitable within 18 months. It would also make an offer to acquire **AOM French Airlines, S.A.** The two independents would be merged with its own in-house carrier, **Corsair, S.A.**, to create a major independent airline that could then compete with **Air France**.

Working together, **British Airways, Ltd. (2)** and **TAT European Airlines, S.A.** agree on a three-year plan for **Air Liberte, S.A.** TAT Chairman/CEO Marc Rochet is tasked to manage the offering on behalf of the British major. In addition to an initial payment of \$5 million for AL's assets, the BA/TAT plan would essentially retain the present **Air Liberte, S.A.** fleet and routes, concluding a code-sharing agreement for routes now flown in competition and pledging not to begin new routes that overlap. French management would be maintained, 1,250 employees would be hired, and the British would make a major capital investment. The company would be reformed into the new French carrier **Societe Nouvelle Air Liberte, S.A.**

Also in October, a wet-lease agreement is entered into with **Sabena Belgian World Airlines, S.A.** covering nine daily return flights from Brussels to London (LHR and LGW), as well as those to Barcelona and Rome that will start later. Employing a Sabena B-737-4Y0 and two B-737-46Ms painted in Virgin Express livery, the company begins flying the Belgian line's Brussels to London (LHR) route during the last week of the month. Frequencies will advance to 13 times a day.

When, during the month, **SAS (Scandinavian Airlines System)** reduces certain of its fares on its Copenhagen to Brussels route, Virgin Express files a protest with the European Commission claiming predatory pricing. In response, SAS simply lowers all of its ticket prices on the route.

At the same time, the Rivaud Bank and Nouvelles Frontières abandon their efforts to take over **Air Liberte, S.A.**; Rivaud throws its support behind **British Airways, Ltd. (2)**, with the two pledging to invest \$124 million in the ailing French independent. BA would hold 70% interest with the remaining 30% stake held by Rivaud. Meanwhile, Virgin Express is joined by a number of unnamed investors in presenting an alternative to the French bankruptcy court handling the case; the court extends the deadline for its decision from October 30 to November 5.

Virgin Express does not submit a bid and on the fifth day of November the Creteil Court accepts the BA-Rivaud joint offering to ac-

quire **Air Liberte, S.A.**, which arrangement will become final on December 15.

During the month, the rivalry with **SAS (Scandinavian Airlines System)** intensifies. Virgin Express, in a promotion set to last until late March, reduces its prices on the Brussels to Copenhagen route to a point 37% below those offered by the multinational carrier.

Enplanements for the year increase 43.3% to 1,881,000. Moderate profits are generated, including \$1.84 million (operating) and \$880,000 (net) on revenues of \$173 million (Bfr 6 billion), a 30% increase.

The workforce is dramatically increased in 1997, growing 56.3% to 800. Markets visited include Barcelona, Brussels, Copenhagen, London (LHR), Madrid, Milan, Nice, and Vienna.

On behalf of **Sabena Belgian World Airlines, S.A.**, Virgin doubles its Brussels-Barcelona services in January by taking over all five of Sabena's daily roundtrips. Five-times-a-day replacement flights to Rome's Fiumicino Airport commence on March 30, along with new twice-daily flights to London (LGW) flown with Sabena Avro RJ85s and B-737-229As.

By May, the company is flying 1,609 flights per month, a huge increase over the 300 per month flown at start-up. It operates 150 daily charters and scheduled services between 10 major European cities.

As the year progresses, the carrier begins losing pilots to **Sabena Belgian World Airlines, S.A.** and other carriers as labor relations worsen. Cockpit and cabin crews, represented by the union SETCB, protest pay and working conditions that they claim are worse than at other Belgian airlines.

On August 27, Virgin Express Flight 603 is operating a replacement service into London (LHR) from Brussels on behalf of **Sabena Belgian World Airways, S.A.** The B-737-229A with 29 passengers on ILS approach comes within 200 ft. horizontally and 600 ft. vertically at 2,400 ft. with **British Airways, Ltd. (2)** Flight 818, a departing B-757-236 with 29 aboard. Both aircraft, in cloud, respond to ATC instructions and avoid disaster, although the near miss is caused by initially faulty ATC.

In September and October, two B-737-46Ms are leased to Montreal-based **Air Transat, Ltd.**, which will operate them on its winter charters to Florida. They are sent in the company's red and white colors, with AT titles and a tail logo.

CCAir board member Peter Murnane, a principal in Barlow Partners II, and former **Mesa Air Group** executive Ornstein, now Virgin Express' president, make a \$50-million offer in October for Mesa's "United Express" operation at Denver, along with **WestAir Commuter Airlines**. The tender, largely unnoticed in Europe, is rejected.

The company makes an initial public offering in November, selling a percentage of its equity to the public.

Passenger boardings this year skyrocket 61.4% to 3,019,947 while operating revenues surge 38.8% to \$244.82 million. With expenses up 34.1% to \$234.02 million, there are large profits: \$10.8 million (operating) and \$7.38 million (net).

The dispute between labor and management continues into 1998. During January, it is revealed that, over the past quarter, Ornstein and his group have acquired 5.33% in "United Express." In February, an unofficial one-day strike leads to cancellation of almost of third of the carrier's flights.

In March, CEO Ornstein and Chief Financial Officer Swigart obtain seats on the **Mesa Air Group** board of directors. The two "Baby Boeings" leased in Canada return at the end of March.

At the beginning of the second quarter, Virgin Express begins to sell certain of the tickets it is unable to unload by conventional means in Internet auctions. Bids are solicited from visitors to its Web site and the undesirable tickets are sold off at an average of £33 pounds each, which represents an unexpected £33,000 in additional and unexpected income.

Virgin Express threatens in April to move to the U.K. to skirt Belgium's high taxes and costly personnel benefits. At the same time, President/CEO Ornstein becomes chairman, although he returns to the U.S. on May 1 to operate **Mesa Air Group**. Chief Financial Officer Swigart succeeds him as president/CEO, even though he is also vice chairman of the MAG board.

The code-sharing agreement with **Sabena Belgian World Airlines, S.A.** is deepened on May 17 when the two begin thrice-daily return service from Brussels to London (STN) using Virgin equipment. Simultaneously, the number of peak daily frequencies is increased to six between Brussels and Barcelona. The company now offers 34 daily departures from Brussels and low-fare scheduled services to London, Barcelona, Rome, Madrid, Milan, Nice, and Copenhagen.

On May 18, Virgin Group Chairman Branson announces that Virgin Express is close to establishing a new holiday airline, based in the U.K., to be known as Sun Air. Arrangements for lift for the new package-tour airline, to be formed in partnership with Virgin Holidays, Ltd., will be provided by **Sabre Airways, Ltd.** starting in 1999.

In competition with the new **British Airways, Ltd. (2)** in-house airline GO, Virgin Express, beginning on May 22, inaugurates deep-discount service from London (STN) to Rome. Flights from the same point commence to Milan on May 23 and Copenhagen on June 5. The company does not compete directly on any routes, but offers fares from London (STN) via Brussels to Rome, Milan, Copenhagen, Madrid, Barcelona, and Nice for £98 pounds return, with direct flights to Brussels priced at £78 return.

A cofounder of **America West Airlines**, Donald Monteath, is appointed Vice President-Operations/Chief Operating Officer on June 16, effective July 1. A week later, on July 8, the company announces that, in August, it will seek an Irish operating license (which will hopefully be received by November) in order help it avoid further crippling labor costs in Belgium. It is made clear that the carrier is not quitting Brussels, but will expand in Ireland and start "something new."

Company officials are so pleased about the extra income generated from Internet auction ticket sales that these are continued; someone, however, forgets to specify minimum bids. In its July 31 financial section, *The Irish Times* reports that, as a result of this oversight, the airline has been bound to accept and accommodate a ticket offer of 39 pence for a service from Rome to Brussels. Upon completion of the flight, it is registered in the *Guinness Book of World Records* as having been flown with the cheapest scheduled airline ticket ever.

Costs continue to accelerate during the summer, eventually being pegged at 20% higher than in the spring. Flight staff, meanwhile, defect in larger numbers to **Sabena Belgian World Airlines, S.A.** The loss for the first half of the year reaches £70,000.

The creation of **Virgin Express (Ireland), Ltd.** is announced on September 25. Virgin Express CEO Swigart places a former **Trans World Airlines (TWA)** executive in charge of the new entity and announces that twice-daily roundtrips between Shannon and London (STN) will commence in mid-December. Simultaneously, it is noted that Robert Brayton, former vice president-operations at **Continental Airlines**, has accepted the same post with Virgin Express.

On October 1, **British Airways, Ltd. (2)**, in conjunction with a British newspaper, offers a 50% discount on international flights with the collection of tokens. VA immediately moves to reduce its fares to certain international destinations by the same amount, in most cases undercutting BA's special rates. The price war between BA and VA continues through October 28.

As part of the contest, the BA low-cost division GO cuts the cost of certain fares to Rome, Bologna, Lisbon, and Milan.

Virgin Express (Ireland), Ltd. tickets go on sale at the introductory one-way price of £17 for twice-daily service between Shannon and London (STN). At this point, Brian Beal, chairman of the unborn airline's small Shannon-based rival **AB Airlines, Ltd.**, accuses Richard Branson, Virgin Group chairman, of "doing a British Airways." Beal, who appeals the Virgin move to the European Commission, is concerned that it may be forced to pull out of services between the West of Ireland airport and Stansted and accuses his fellow airline boss of doing "exactly what Virgin accuses British Airways of."

According to the *London Daily Mail* on November 13, Virgin Express reports losses of £2.4 million during the third quarter, which must be added to first-half losses of £70,000. The carrier has been struck by

higher costs, up 51%, and a shortage of flight staff, many of who are defecting to **Sabena Belgian World Airlines, S.A.**

Recruitment is begun in November for 250 reservations agents for the new Virgin Sun package tour business to be launched in the spring.

In a grand ceremony presided over by Chairman Branson, President/CEO Swigart, and Luzveminda O'Sullivan, the 1998 Rose of Tralee, the company's new Shannon headquarters are opened on December 15. The proceedings include the arrival of the first B-737-300 that will be stationed at the Irish airport.

Flights between Shannon and London (Stansted) begin on December 18.

Enplanements jump 17.7% to 3,554,825. Revenues climb 14.1% to \$277.08 million, while costs are up 18.9% to \$276 million. There is an operating profit of \$1.08 million and a net gain of just \$688,000.

An announcement is made on January 29, 1999 that the company will inaugurate twice-daily return flights from London (STN) to Shannon on December 1.

With the beginning of the summer schedule on March 28, the company introduces thrice-daily RJ85 return flights on behalf of **Sabena Belgian World Airlines, S.A.** between Brussels and the Channel Island of Jersey.

On April 13, shareholders approve a plan for the company to repurchase up to \$15 million of its outstanding shares.

On May 1, the new **Virgin Sun Air, Ltd.** holiday charter carrier takes wing; lift is provided employing a pair of A320-214s subleased from **Sabre Airways, Ltd.** Revenue charters are operated from London (GTW) and Manchester to Mediterranean and European holiday destinations.

While taking off from Brussels on July 13, a tire bursts aboard a B-737-4Y0. After circling the airport for three hours to burn off fuel, the aircraft makes a safe emergency landing during which no injuries occur.

Aviation Week and Space Technology reports on August 23 that Virgin Express will launch Berlin Express operations on November 10, employing the company's Irish-registered "Baby Boeing," to offer nonstop services from London (STN) to one of the three airports at the German capital, plus Brussels and Paris (CDG).

Virgin Express announces on October 5 that it has no further interest in acquiring any of the assets of newly defunct **Debonair Airways, Ltd.** The charter base at Paris (CDG) is closed.

With the end of the summer season in late October, the carrier and **Sabena Belgian World Airlines, S.A.** halt their dual-designator service between Brussels and London (LGW), freeing the Sabena B-737-329 employed for the routes the two code-share from Brussels to Barcelona and Rome. The two partners continue to offer code-shared flights from Brussels to London (LHR) nine times weekdays, with a reduced number of flights on weekends.

On November 10, Virgin Express replaces defunct **AB Airlines, Ltd.** on the route from London (LGW) to Berlin (Schoenefeld), twice daily. These are the only nonstop flights from London to the German capital from the U.K., save those offered by **British Airways, Ltd. (2).**

Passenger boardings jump 12.6% to 2,925,000. Revenues climb 11.9% to \$291.8 million, while costs are up 15.1% to \$299.2 million. The previous year's slight profits are now losses: \$7.4 million (operating) and \$5.64 million (net). The net loss is blamed on compensation to former management and a share buyback scheme.

Airline employment at the beginning of 2000 stands at 972, a 36.5% increase over the previous 12 months. The B-737 fleet includes 2 Dash-3M8s (1 of which is leased to **Virgin Express Ireland, Ltd.**), 3 Dash-33As, 2 Dash-3Y0s, 4 Dash-36Ns (2 of which are chartered to **Virgin Express Ireland, Ltd.**), 2 each Dash-4Y0s, Dash-46Ms, and Dash-405s, and 1 Dash-430.

With the company plagued by management and quality difficulties, Sir Richard Branson confides to the *Financial Times* in early February that it was a mistake for him to have purchased the carrier and now wishes that he had just started a new airline instead.

On February 15, an agreement is reached with **City Bird, S.A.** under which City Bird will take over all Virgin charters as of October 1.

Recovery plans are put into place during the first quarter. Flights between Madrid and Rome and Rome and Barcelona are cut and capacity dedicated to increasing routes elsewhere. Additionally, the company's charter operation, which accounts for a third of its revenues, is to be downsized because it is both unprofitable and difficult to manage.

The company's first quarter loss grows to E 13.8 million (\$13.2 million) compared to E 5.1 million for the same period a year earlier. Although revenues have grown by 10.5% to E 59.8 million, costs, led by increased fuel prices, are up 23%.

Return frequencies from Brussels to Copenhagen are expanded on May 1 from one to three flights daily and to London (LHR) from seven to eight.

Service from Brussels to London's Stansted Airport is discontinued on May 3; flights into Gatwick and Heathrow Airports are continued. Beginning on May 4, anyone with the surname Ryan is allowed to fly free (along with a friend) on the company's new frequency between Shannon and London (LGW) through May 14; although the service is designed to compete with the twice-daily roundtrips between the two points made by **City Flyer Express, Ltd.**, the promotion is perceived as a slap by competing **Ryanair, Ltd.**, which institutes a similar offer, running until May 24 on its Shannon to London (STN) service.

On May 26, a press release notes that the carrier will cease its charter operations in October in order to provide capacity for the company's more profitable scheduled services. At the end of the month, the unprofitable routes from Rome to both Madrid and Barcelona are closed.

The first **Virgin Blue, Ltd.** aircraft is a **Virgin Express Ireland, Ltd.** B-737-33Q sent down from Brussels via Istanbul and Muscat, on May 30-June 1. A B-737-3M8 arrives in Australia under charter from Virgin Express in late June.

During June, arrangements are completed with GECAS for the lease of eight Next Generation B-737-700s beginning in July 2001 and with ILFC for the charter of three more starting in 2002.

The carrier reports an E 6.4-million loss for the second quarter. Company executives believe that the airline's current distribution system is not properly filling its aircraft and consequently, negotiations are opened with reservations system providers Galileo and AMADEUS regarding an upgrade of its sales and marketing network.

In accordance with a new game plan released in mid-September, the carrier, on October 28, reduces its charter operations from 23% of its operation to just 2%-3%, with those being ad hoc. Operations from London (STN) are halted and the company's remaining services are consolidated at Gatwick and Heathrow Airports. In addition to nine daily roundtrips between London (LHR) and Brussels, three new daily return frequencies are introduced to the Belgian capital from London (LGW). Return flights from Gatwick to Shannon, Ireland, are doubled from one to two every weekday.

Following the report of a third-quarter E 7.3-million (\$6.2-million) loss at the beginning of November, Managing Director John Osborne resigns to become group operations director at **Ryanair, Ltd.** and is succeeded by Flight Operations Director Neil Burrows. David Hoare becomes executive chairman. In continuing financial difficulty, the carrier on November 10 cancels its 2 orders for 11 Next Generation B-737-700s and 2 Next Generation B-737-800s, which were to have been delivered between July 2001 and April 2003. It also cuts its current B-737-300/400 fleet by returning a B-737-341 to its lessor, **VARIG Brazilian Airlines (Viacao Aerea Rio Grandense, S.A.)**, and subleasing five others to **Virgin Blue (Pty.), Ltd.**

It is reported on November 28 that **Virgin Blue, Ltd.** will receive two more B-737s within days and six more in 2001. Indeed, a Virgin Express B-737-46M is received under lease at Sydney the same day, with the second, a Dash-4Y0, arriving on December 2.

Daily B-737-300 roundtrips are inaugurated on December 10 between Brussels and Malaga. The new flights complement the carrier's twice-daily nonstop return service from the Belgian capital to Madrid and its seven dailies down to Barcelona and back.

It is reported on December 12 that **Virgin Express (Ireland), Ltd.** will be shut down on January 15 and put up for sale. On that date, the

Irish subsidiary's Berlin, London (LGW), and Shannon bases will be closed down and necessary assets transferred to Brussels. The move follows a strategic review that finds it necessary for Virgin Express to re-focus business around the profitable routes out of Brussels.

Enplanements for the year total 3,814,689. Due largely to the strength of the U.S. dollar and high fuel price, the year's net loss deepens to £65.3 million (\$57.5 million).

In actuality, the Irish subsidiary will, due to requests from potential purchasers seeking a smooth transition, be allowed to fly from Shannon to London (LGW) and Brussels until at least March 15. When no takeover is completed, **Virgin Express (Ireland), Ltd.** will be shut down on March 16.

VIRGIN EXPRESS FRANCE, S.A.: BP 10928, 1 Rue de La Haye, Le Dome, Roissy Cedex, Paris, F-95731, France; Phone 33 (1) 4816 1500; Fax 33 (1) 4816 1506; <http://www.virgin-express.com>; Code DG; Year Founded 1997. Air Provence International, S.A., the subsidiary of Euro-Belgian Airlines, S.A., is acquired with its parent by Virgin Group in April 1996. The company is allowed to continue its previous scheduled flights under its own name until November 1997, when it stands down.

In the months that follow, the company is reformed, renamed, and even listed on the Nasdaq and Brussels stock exchanges. Jean-Pierre Rozan remains president, with Harve Tourrei as vice president-operations. A fleet is assembled comprising 1 Boeing 737-300, 2 British Aerospace BAe 748-2As, and 3 Grumman Gulfstream G-1 turboprops.

Revenue flight operations resume on March 24, 1998 from Paris (CDG), as well as a hub at Nice. Scheduled departures are offered to London, Copenhagen, Brussels, Milan, Rome, Barcelona, and Madrid. In addition, charters are offered to over 150 different destinations in Europe, the Mideast, and Africa.

With the **Air France** division Air Charter pulling out of North Africa in the fall, greater emphasis is placed on VEF's nonscheduled flights from Paris (CDG).

Airline employment stands at 70 at the beginning of 1999. Paul Skelion is now president, with Herve Tourral as director of flight operations.

VIRGIN ISLAND AIRWAYS: United States (1963–1968). VIA is founded by Bill Bohike Sr. at St. Croix, U.S. Virgin Islands, in the spring of 1963 to offer scheduled third-level Aero Commander service to St. Thomas and to San Juan, Puerto Rico. Revenue services commence on May 10.

Operations continue apace between 1964–1967, with only one unhappy incident: seven are killed on July 16, 1965 when an Aero Commander crashes during its takeoff from St. Thomas for San Juan. With the addition of de Havilland DH 104 Doves and DH 114 Herons, flights are maintained until the carrier is sold to and merged by **PRINAIR (Puerto Rico International Airlines)** in 1968.

VIRGIN ISLAND AIRWAYS, LTD.: P.O. Box 365, Town Road, Tortola, British Virgin Islands; Phone (809) 495-1972; Fax (809) 495-2354; Code S5; Year Founded 1996. VIA is established at Tortola in 1996 as successor to **Air BVI (Air British Virgin Islands, Ltd.)**. Norbert E. O'Neal is named managing director and he recruits a workforce of 50 and purchases a pair of de Havilland Canada DHC-6-300 Twin Otters.

Revenue flights begin and continue; destinations visited by the flag carrier of the British Virgin Islands include various Caribbean Island points, including the U.S. Virgin Islands.

VIRGIN ISLANDS INTERNATIONAL AIRLINES: The Pavilion, 24901 Dana Point Harbor Dr., Suite 200, Dana Point, California 92629, United States; Phone (949) 488-8494; Fax (949) 488-8494; <http://www.viaa.com>; Code 6G; Year Founded 1998. On May 15, 1998, a new subsidiary, VIIA, is created by **Las Vegas Airlines** to operate scheduled passenger services from St. Thomas. Las Vegas Airlines will continue to hold the FAA operating certificate under which VIIA will operate.

Jehu Hand is named president of the new operation and is able, on September 17, to announce an agreement with the government of the Virgin Islands. In addition to a \$50,000 development contribution, the government agrees to endorse and help market the new entrant as it promotes its services. Simultaneously, plans are announced for the inauguration of 14-times-a-day deep-discount services in October from St. Thomas to San Juan and St. Croix and from San Juan to St. Croix, plus a daily return service from St. Thomas to Antigua.

The first of several turboprop aircraft bearing the VIIA emblem is unveiled in ceremonies at Dana Point, California, on September 22. Revenue flights commence in December.

VIRGIN ISLANDS SEAPLANE SHUTTLE (VISS): United States (1981–1990). VISS is organized in October 1981 as a division of New York-based Seaplane Shuttle Transport, owned by the Sea Air Corporation headed by President/Capt. Michael B. Braunstein, himself a seaplane pilot. In early 1982, the assets of **Antilles Air Boats**, which has been operated by Resorts International since 1979, are purchased and merged. The company name is changed and seaplane ramp operating rights are obtained from respective island governments. With many of the former AAB employees and flyers still available, they are recruited to form the nucleus of the new VISS.

Employing two Grumman G-73 Turbo Mallards painted in the carrier's blue and white livery, the company inaugurates scheduled passenger flights from St. Croix to St. Thomas and St. John on March 15.

Enplanements for the year total 65,771 and revenues are \$1.5 million. The operating profit is \$60,000.

Operating 5 Mallards in 1983, the carrier enjoys an outstanding year, as reflected in the payroll, which jumps 20.4% to 65 workers.

The Mallards, by the way, are now the first aquatic aircraft to be air conditioned. The company's Turbo Mallards are also the first and only ones of their type certified as Day/Night VFR/IFR aircraft and are so operated.

Passenger boardings soar 55.2% to 100,966. Operating income increases to \$3 million and expenses are held to a point where an \$80,000 operating profit is generated.

One more Mallard joins the fleet in April 1984 and allows the company to begin operating 14 daily flights from Alexander Hamilton Airport on St. Croix to the waterfront docks on St. Thomas and St. John. These services are in addition to 40 daily trips made between the seaplane docks on the three U.S. Virgin Islands.

To accommodate additional expansion, VISS paves more concrete ramp area and expands hangar space at its St. Croix waterfront base.

Enplanements climb 8.1% to 109,184. A total of 386,000 pounds of cargo are also flown.

Airline employment is 58 at the start of 1985 and the fleet comprises 7 Grumman Mallards. In the spring, regularly scheduled flights are started to Tortola in the British West Indies and San Juan.

During the year, 16,000 flights are made to 5 Caribbean island markets, passenger boardings accelerate 36.1% to 148,619, and freight rises 3.4% to 399,000 pounds.

The workforce grows 2.2% in 1986 to 140 and the fleet still includes 7 G-73 Turbo Mallards. Three Grumman G-73T Turbo Mallards are purchased from Texaco in June. As of July 1, VISS is the largest certified seaplane airline in the world.

Due to aileron control problems, a G-73 with 13 aboard crash-lands into the sea near the island of St. Croix on October 28 shortly after takeoff. The secretary of the only federal court judge then sitting on St. Croix is killed, while the remaining 12 people are injured, 5 seriously.

Customer bookings rise 21.7% to 182,139.

After his fellow travelers have deplaned at San Juan on June 5, 1987, a lingering passenger aboard a Mallard pulls a gun and demands to be flown to Cuba—and is.

The 135-employee small regional suffers a traffic drop for the year as bookings go down 11.3% to 161,508 passengers flown.

Although three additional G-73Ts join the fleet in 1988, the workforce is cut 7.1% to 118. In April, former Virgin Islands Director of

Tourism Daniel H. Lewis is appointed vice president-general manager and the company negotiates a contract from **Trans World Airlines (TWA)**, becoming a "TWExpress" carrier, effective June 1.

During the spring, the bill comes due for the necessary conversion of the piston engines of the company's Mallards to turboprops. Unhappily, the airline is not in a position to cover the \$2 million per aircraft price tag. In July, VISS, with debts of \$16 million, files for Chapter XI bankruptcy, seeking a way to better its financial situation through reorganization and sale into new ownership. It also hopes to forestall the repossession of its aircraft by Manufacturer's Hanover Trust Bank (MHTB) and its affiliate CIT Leasing. Still, the company is taken over by MHTB that works with it on restructuring.

The year's passenger boardings dip by 1.9% to 158,517 and revenues fall to \$4.97 million.

Operations at Braunstein and Lewis' carrier, including the search for new ownership, continue apace in 1989. In April, "TWExpress" service is initiated from San Juan to Cyril King Airport in St. Thomas and Alexander Hamilton Airport in St. Croix. Two new de Havilland Canada DHC-6-300 Twin Otters are employed on this service. The company schedule totals more than 60 daily interisland flights.

By September 16, fairly detailed warnings have been issued that Hurricane Hugo is rapidly bearing down on St. Croix and that the island will be severely hit. Surprisingly, the VISS Mallard fleet is not ordered to seek safe haven elsewhere, but is simply left on the ramp. The next day, the huge storm strikes the company's base, flipping over or otherwise smashing four of the five aircraft present. All five loss-making planes have instantly become insurance write-offs.

The disaster causes Lewis to suspend operations on October 12. No traffic or financial figures are available for the year due to the carrier's bankruptcy status.

The single available Mallard is employed on charter flights under court protection in the spring of 1990, linking St. Croix and St. Thomas with San Juan. The company's assets are purchased for over \$1 million on June 1 by Anthony Tirri, owner of Caribbean Airlines Services. Plans are announced for the investment of another \$1.5 million to upgrade and expand the fleet and to reestablish services.

Meanwhile, the Virgin Islands Ports Authority asks the carrier to vacate its facilities and denies access to the landing and takeoff ramps previously employed. During the fall, the company is renamed **Sea Air Shuttle**.

VIRGIN SUN AIR, LTD.: Virgin Holidays, The Galleria, Station Road, Crawley, West Sussex, England, RH10 1WW, United Kingdom; Phone 44 (0) 1293 444616; Fax 44 (0) 1293 525496; <http://www.virginholidays.com>; Code VS; Year Founded 1998. In April 1998, Virgin Holidays, the package tour subsidiary of Virgin Group, which also owns **Virgin Atlantic Airways, Ltd.** and **Virgin Express-Eurobelgium Airlines, S.A.**, announces the launch of Virgin Sun, a short-haul holiday airline that will fly to popular Mediterranean and European destinations beginning in a year. To provide lift for the new program, merger discussions are undertaken between **Sabre Airways, Ltd.** and **Virgin Express-Eurobelgium Airlines, S.A.** These negotiations go nowhere. On May 18, Virgin Group Chairman Richard Branson announces that his corporation is close to establishing its own new charter airline, based in the U.K., which will provide all lift for Virgin Holidays. An arrangement is, meanwhile, worked out with **Sabre Airways, Ltd.** for the provision of supplemental Virgin Holiday flights. Lease requests are placed with GECAS for two Airbus Industrie A320-214s.

Recruitment is begun in November for 250 reservations agents for the new airline. Although an early sales lead-in is begun, it will later be reported that many seat-only flights are not booked for the early summer period, with customers preferring to wait for later dates.

Ron Simms is appointed managing director in December and new management personnel are appointed. Also, the company's distinctive new livery is unveiled. The company's aircraft will be painted a striking canary yellow, with red Virgin tails/engine nacelles and billboard-block

"Sun" titles over a white sun on the forward end of the fuselage windowline.

Virgin Holidays finalizes the appointment of its airline staff early in 1999 and in April the two A320-214s arrive under charter from GECAS, including one christened *Mediterranean Maiden*; both Vacation charters from London (GTW) and Manchester to 13 Mediterranean and southern European holiday destinations commence on May 1 and continue. Destinations visited include Majorca, Menorca, Ibiza, Costa Blanca, Costa del Sol, Tenerife, Gran Canaria, Portugal, Turkey, Crete, Rhodes, and Corfu. Standard and Premium Class service is offered. All passengers receive a welcome drink, free headsets, and a newspaper. Flight menus feature snacks and hot dogs. The £49 fare for flight-only customers also includes priority check-in, access to the executive airport lounges at London (LGW) and Manchester, extra legroom, and upscale meals with free drinks and champagne.

It is announced at the beginning of September that the company will acquire additional Airbus equipment in time for the start of the summer schedule. The parent tour operator promises to increase the number of London (LGW) and Manchester summer holiday seats it can offer from 130,000 to 200,000.

At the end of October, a Winter Sun program is introduced with flights to Lanzarote, Gran Canaria, Tenerife, Costa del Sol, Costa Blanca, Cyprus, and Funterventura. At this point, Virgin Holidays becomes one of the first tour operators to enable passengers to book holidays online.

On December 13, Virgin Sun delays the start of its second summer seat-only program. Instead of the previous year's sales beginning six months out in order to introduce the company brand, the lead-in now is scaled back to three months.

Enplanements for the year total 14,000.

A full schedule of charter flying begins at the end of March 2000. Pilots, cabin crew, and ground customer service personnel are provided with new uniforms in April.

On May 10, weekly return flights are inaugurated from East Midlands Airport to the Greek Islands of Rhodes and Crete and to Larnaca, Cyprus.

Not long after the beginning of the summer schedule, on May 31, an A320-211 is acquired. Christened *Sunkissed Girl*, the Airbus flies from London (LGW) and Manchester to the Canary Islands and Mediterranean destinations. New daily Manchester to Naples charters commence on July 10.

It is reported on November 25 that the company has decided to cease all charter operations at a point sometime in late 2001. Whether the date will be at the end of the 2001 summer season or just before the opening the following winter season is not specified. The A320s will be leased to other operators.

VIRUNGA AIR CHARTER, S.A.: Zaire (1978–1996). VAC is established at Kinshasa, Zaire, in 1978 to provide passenger charter flights to bush destinations and small domestic communities. Revenue operations begin with Cessnas, Partenavia, and a Douglas DC-3.

During the 1980s and 1990s, Ngezayo Kambale's concern employs 50 workers and, when required, a single de Havilland Canada DHC-6-300 Twin Otter is leased from **Air Burundi, S.A.**

Flights cease as a result of the civil war in 1996.

VISCOUNT AIR SERVICE: United States (1994–1998). VAS is established by former **Sportsflight Airways** executive Bob Fleming at Tucson, Arizona, in the spring of 1994 to provide charter and scheduled passenger and cargo services, with emphasis on the transport of professional sports franchises. Revenue flights commence in August with a fleet that includes 9 leased Boeing 737-247s, 3 737-284As, 2 each 737-204s and 737-2E1s, and 1 737-89. Enplanements by year's end total 269,000 and revenues are \$4.61 million. Expenses total only \$3.87 million, leaving the difference as operating profit.

By 1995, VA has signed up a host of pro franchises and many of the carrier's aircraft are emblazoned with their logos: baseball's New York

Yankees and Baltimore Orioles, and basketball's New Jersey Nets, Denver Nuggets, San Antonio Spurs, Sacramento Gold Miners, Atlanta Hawks, and Charlotte Hornets.

Enplanements climb to 398,000.

VA enters Chapter XI in March 1996, but continues operations. The company's Boeings transport a total of 120,275 passengers through September, a huge 67.8% decline. Two aircraft, a B-727-89 and B-727-243A, are sold to **Sun Pacific International** and are replaced with a chartered B-727-231, which is promptly subleased to **Nations Air Express**. Flights cease in October. Revenues for the year total \$70 million.

The workforce at President Walter Cole's airline stands at 250 at the beginning of 1997. In February, Chief Pilot Capt. Timothy Frye is sent to repossess the trijet leased to **Nations Air Express**. Within days of this exercise, the FAA suspends his ATP certificate for 18 days, charging that Frye had piloted an unairworthy aircraft. The flyer, in return, files suit against the government agency, charging that his civil rights have been violated. When the matter is resolved in March, the only unairworthiness charge that can be upheld is that for an inoperative bulb in one of the Boeing's landing lights.

During the remainder of the year and into 1998, the company, which has been purchased by Air Oklahoma, attempts to restart operations, but cannot.

VISION AIR, INC.: 118-5360 Airport Road South, Richmond, British Columbia V7B 1B4, Canada; Phone (604) 303-9336; Fax (604) 303-9337; <http://www.visionaire.com>; Year Founded 1995. Vision Air is established at Richmond in 1995 to offer passenger and cargo charters throughout Western Canada. Revenue flights commence with one each Cessna 401 and Fairchild-Swearingen Metroliner.

Flights continue without headline or incident during the remainder of the decade. In these years, weekday scheduled return service is developed and offered from Vancouver to Victoria. Additionally, Friday and Sunday return service is flown from Vancouver to 108 Mile.

VISION AIRWAYS, LTD.: Canada (1993-1995). Vision is established at Timmins, Ontario, in 1993 to offer local domestic services. A fleet is assembled comprising 1 each Dornier 228-201, 228-202, and de Havilland Canada DHC-7. These are employed to inaugurate scheduled flights to Moosonee, Attawapiskat, Fort Albany, and Kaschechewan.

Operations continue for less than two years.

VISTA AIRLINES: 3955 Blue Diamond Rd., Grand Canyon, Arizona 89139, United States; Phone 897-2300; Year Founded 1990. President Eliot Alper establishes Vista at Grand Canyon in 1990 to offer on-demand charter and air taxi flights. Revenue flights, including flight-seeing services over Death Valley, begin and continue with a pair of Cessna 206s.

VISTAJET, LTD.: Canada (1997). Former **Air Ontario, Inc.** executives form this new entrant at London, Ontario, during the first quarter of 1997. Two Boeing 737-291s are acquired on long-term charter from International Air Leases on April 9 and after workup, they inaugurate low-cost jetliner flights on May 26 from Toronto to Thunder Bay and Calgary. Two de Havilland Canada DHC-7 turboprops are also employed to fly from Ottawa to Windsor via Toronto.

Plans are announced for the acquisition of additional aircraft and the extension of flights to Calgary and Edmonton in Alberta. Unhappily, the company is unable to achieve viability and ceases operations on September 12, after reaching an agreement with **Air Canada, Ltd.** to accommodate its previously ticketed passengers.

VITA (VIACAO INTERSTADUAL DE TRANSPORTES AEREOS, S.A.). See LATB (LINHA AEREATRANCONTINENTAL BRASILEIRA, S.A.)

VITAIR: 5 Levanevskokogo St., Kiev, 03058, Ukraine; Phone 7 (095) 292 2160; Fax 7 (095) 292 2010; Code VIT; Year Founded

1994. This Ukrainian all-cargo carrier is established at Kiev in 1994 to offer both domestic and international services. Revenue flights commence with 2 Antonov An-74s and 1 each An-32B and An-12.

During the remainder of the decade, the company comes to specialize in the transport of Ukrainian and other UN troops plus support equipment, to diverse points ranging from Somalia and the Western Sahara to Kuwait and the new republics of the former Yugoslavia.

The company's fleet at the beginning of 2000 includes 1 each An-32B, An-12, and An-24RV.

VITIAZ AVIATRANSPORT (VITIAZ AIRTRANS): Russia (1993-1996). This small all-cargo charter operation is established at Moscow in 1993. V. O. Garin is general director and he begins ad hoc domestic flights with a single Ilyushin Il-76. Nonscheduled passenger flights are added in 1994 with several Tupolev Tu-154Ms.

Services continue in 1995-1996 with the Ilyushin and 4 Tupolevs.

VIVA AIR (VUELOS INTERNACIONALES DE VACACIONES S.A.): Spain (1988-1998). This carrier is formed at Palma de Mallorca on February 24, 1988; the German state airline **Deutsche Lufthansa, A.G.** holds 48% interest with **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** holding the remainder. Three Boeing 737-330s are leased from the German partner and inclusive-tour operations begin in April. A network of charter routes is established throughout Europe and the Mediterranean basin and a total of 329,000 passengers are carried by December 31.

The charter operations of Iberia's domestic affiliate **Aviacion y Comercio, S.A. (AVIACO)** are assumed in early 1989 and airline employment is increased by 44% to 345. The fleet also grows, adding two more B-737-330s and three DC-9-32s. A contract is signed with **Aeroflot Soviet Airlines** to transport crews of the Russian fishing fleet from Las Palmas to Moscow.

Enplanements total 808,603 and revenues are \$73.6 million.

In September 1990, the German shares are purchased by **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** and ownership is now held by the Spanish flag carrier (96%), INI (2%), and Paurner (2%). Manuel Rodriguez Gimeno is president with Jose Ma de Celis as director general. The fleet now comprises 4 B-737-330s, 3 DC-9-32s, and 1 B-747-248B. Orders are outstanding for 4 B-737-36Es as the carrier is reconfigured to also provide scheduled flights.

The 450-employee airline transports a total of 1.4 million passengers and earns a net profit of \$7.2 million.

Scheduled non-trunk services by the 465-employee carrier are begun in spring 1991 linking Madrid and Malaga to London (LGW); Alicante, Malaga, and Palma de Mallorca to London (LHR); Malaga to Paris (ORY), Frankfurt, and Dublin; Palma de Mallorca to Frankfurt, Manchester, and Paris (ORY); and Alicante to Paris (ORY). A number of flights are made as replacement services on behalf of Iberia. The fleet is enhanced by the delivery of half the outstanding order for B-737-36Es.

Enplanements, now reported for scheduled flights only, total 381,509.

The workforce is cut 1.7% in 1992 to 457 as the 3 leased DC-9-32s are returned to Iberia.

Passenger boardings skyrocket 63.7% to 624,382 and freight does even better, shooting up 78.4% to 1.48 million FTKs.

In 1993, President Gimeno returns the Douglas transports and chooses to fly 4 B-737-36Es, 3 chartered B-737-3Q8s, and 1 each chartered B-737-33A and B-737-3K9, the latter obtained from **Bavaria Fluggesellschaft, GmbH**. Flights from Lisbon to Paris cease on September 28.

Customer bookings for the year advance 25.4% to 781,653 and cargo climbs 9.6% to 1.62 million FTKs. Losses of \$4.98 million (operating) and \$13.28 million (net) are suffered.

The workforce is reduced by 2.2% in 1994 to 529. B-737-36E service is inaugurated on March 17 from Santiago de Compostela to London (LGW). Also in March, Lisbon to Paris service is resumed. A commercial agreement is signed with **British Midland Airways, Ltd.** in July

under which through-fares and connections are provided for business travelers from the U.K. to Spain.

Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.) attempts to sell the company, but is unsuccessful and plans are made to absorb the charter operator into the flag carrier. In November, thrice-weekly services are inaugurated from London (LGW) to Las Palmas; ticketing includes through-fares on **Binter Canarias, S.A.** to the other Canary Island destinations.

On December 29, the company, reacting to the Algerian security crisis, announces that it is suspending flights from Alicante to Oran and from Madrid to Algiers via Barcelona.

Passenger boardings decline 10.4% to 2,205,685 and freight plunges to 141.5 million FTKs. Revenues advance 8% to \$192.76 million and expenses are only up 2.5% to \$188 million. Consequently, there are profits: \$4.75 million (operating) and \$732,087 (net).

Employment is reduced another 13.4% in 1995 to 458. Flights to Algeria resume on January 8.

Enplanements fall an almost equal 13% to 962,208 and cargo is off 11.6% to 124.99 million ton-kilometers. Operating income drops 17.1% to \$159.76 million and even though expenses are down 14.2%, they still total \$161.31 million. Consequently, there are losses: \$1.54 million (operating) and \$5.43 million (net).

Only one person leaves the company in 1996, a 0.2% decrease. Customer bookings move ahead by 2.7% to 988,255 and 130.1 million FTKs are operated, a 4.1% increase. Financial figures are not provided.

Flights continue in 1997. On October 26, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** integrates its own resources, together with those of its domestic subsidiary **Aviacion y Comercio, S.A. (AVIACO)**, its charter operation, **VIVA**, and its regional **Air Nostrum, S.A.** under one centralized operational holding company. Long-term plans are made to institute a single Iberia branding over all three, but due to potential union problems, this plan will be implemented in phases. Meanwhile, coordination becomes the theme of the day in the short run.

Although the companies are held as separate legal entities, a management committee made up of the commercial directors from each airline now allocates the group's fleet, crew, and scheduling according to perceived daily requirements for each route. All passenger revenue receipts are turned into a central office, while all marketing activities are also centralized. Under this reorganization, **VIVA** begins to drop unprofitable charters, while **AVIACO** dumps unprofitable routes off on **Air Nostrum**, thereby freeing up capacity for Iberia.

Citing continuing problems, particularly with the pilots' union, **Iberia Spanish Airlines (2) (Lineas Aereas de Espana, S.A.)** finally closes **VIVA** on November 1, 1998 and absorbs its assets and responsibilities.

To this point during the year, enplanements are 1.35 million.

VLADIVOSTOK AVIATION. See **NATIONAL CHARTER NETWORK**

VLADIVOSTOK AIR: Portovaya Str 41 Airport, Primorski Krai, 692811, Russia; Phone 7 (42332) 28240; Fax 7 (42332) 28010; <http://www.vladavia.ru>; Code XF; Year Founded 1992. Following the demise of **Aeroflot Soviet Airlines** in 1992, its Vladivostok directorate is reformed into Vladivostok United Air Detachment (Vladivostokskii OAO), an affiliate of the new **Aeroflot Russian International Airlines (ARIA)**. This unit is reformed in 1993, becoming a joint stock company under its present name. Shareholding is divided between the government (51%) and the new airline's employees (49%).

Vladimir Saibel is director general and his fleet comprises an unspecified number of Antonov An-2s and An-28s, Yakovlev Yak-42s, plus three Ilyushin Il-76Ts. These aircraft continue to offer scheduled domestic flights, as well as international return services to points in China, Japan, and Korea. The carrier also operates a large rotary-wing fleet in support of energy and communications activities, including Mil Mi-2s and Mi-8s, plus Kamov Ka-26s and Ka-32s.

Operations continue in 1994 as the Antonovs are replaced with one Tupolev Tu-54M and two Tu-154Bs, which begin to serve trunk routes. Customer bookings total 102,109.

The carrier's 24 aircraft transport a total of 100,700 in 1995, a 1.4% dip. Cargo is also down, dropping 9.1% to 3.81 million FTKs.

Flights continue in 1996-1997, although traffic figures are not available. Destinations visited from Vladivostok in 1998 include Moscow, Novosibirsk, Irkutsk, Yekutsk, Petropavlovsk-Kamchatsky, Zonalnoe, Yuzhno-Sakhalinsk, Khabarovsk, Harbin, P'yongyang, Seoul, Pusan, and Tokyo.

In August as economic problems persist, the Russian government devalues the ruble. The official exchange rate is initially pegged at 6 rubles to the dollar, but soon plunges. By mid-September, currency trades at 16 to 1.

This carrier, like others across Siberia, is able to resist the temptation to sharply increase some economy-class fares on its busy domestic routes.

Late in the year, the company opens a site on the World Wide Web.

Flights continue in 1999. At the beginning of March, North Korea and Russia extend their civil aviation agreement. On March 4, the carrier inaugurates a new international Air Terminal at Vladivostok Airport. Under the pact just signed with North Korea, Vladivostok Air begins one additional weekly Tu-134A return service between its namesake city and P'yongyang on March 30.

Weekly Tu-154M roundtrips commence on July 1 from Vladivostok to Osaka, Japan.

Cross subsidization allows the carrier, beginning on September 3, to restart a number of regional routes earlier abandoned due to the Russian fiscal crisis. During the year and even though Russia and Taiwan do not enjoy diplomatic relations, a bilateral air accord is concluded under which Vladivostok Air and **Trans Asia Airways Company, Ltd.** are to inaugurate twice weekly roundtrips between Taipei and Vladivostok.

Although the services are initially planned for May 2000, they will not, in fact begin until April 30, 2001.

In cooperation with **BAL Bashkiri Airlines (Bashkirskie Avialinii Aviakompaniya)**, a new joint air service is, however, opened in the Russian Far East on October 26.

VLADIVOSTOK UNITED AIR DETACHMENT (VLADIVOSTOKSKI OAO). See **VLADIVOSTOK AIR**

VLM AIRLINES, N.V.: Luchthaven Gebouw, B50, Deurne, B-2100, Belgium; Phone 32 (3) 230-9000; Fax 32 (3) 281-3200; <http://www.vlm-air.com>; Code VG; Year Founded 1992. This third-level commuter, the name of which translates to "Flemish Airlines" in English, is established at Wommelgem on February 15, 1992 to offer scheduled services to local and regional destinations, largely in support of oil, chemical, finance, and shipping interests. Organizer Freddy Van Gaver, former **Transavia Holland, N.V.** managing director who is currently a tire, fruit, and vegetable dealer, is appointed managing director and he recruits a workforce of 40.

Two leased Fokker 50s, formerly flown by **Busy Bee of Norway, A.S.**, are obtained and employed in 1993 to begin, on May 17, four-times-per-day roundtrip revenue flights from Antwerp International Airport to London (LCY). The same scheduled service is introduced between Rotterdam and London (LCY) in April 1994.

As traffic improves, another Fokker 50 is acquired early in 1995. During the year, the Flemish government provides VLM with an interest-free, unsecured BF 20 million (\$680,000) loan. British regional **CityFlyer Express, Ltd.** complains to the EU Commission that this action is anticompetitive state aid, which is illegal under EU guidelines.

Enplanements total 114,048.

The workforce stands at 95 in 1996 and the company now flies 4 Fokker 50s. During the first quarter, the EU Commission agrees with **CityFlyer Express, Ltd.** that the Flemish government loan to VLM constitutes state subsidy. It rules that VLM must pay market rate interest to the government, backdated to the date of the loan, but rejects the British call that the loan be secured or repaid.

In April, VLM pioneers the first-ever scheduled services from Dusseldorf Express Airport at Monchengladbach to London (LCY).

Markets visited by VLM at the end of the year include Antwerp, London (LCY), Dusseldorf, and Rotterdam. Customer bookings soar 29.6% to 162,000. On revenues of E 14.8 million, an E 2-million loss is suffered.

Airline employment is increased by 22.2% in 1997 to 110. Airline employment is increased by 22.2% in 1997 to 110. To help redress the previous year's fiscal downturn, **Constellation International Airlines, S.A.** Executive Vice President Christian Heinzman is brought in to become the new managing director. Among his first moves is to drop such unprofitable routes as Rotterdam–Munich and to start new ones, including Rotterdam–Manchester. Ad hoc charter flights are started and flown on behalf of such multinational corporations as BMW, Phillips, and Hannover Messe.

On July 1, the carrier signs a code-sharing agreement with **Deutsche Lufthansa, A.G.** In addition to shared marketing, sales, and customer service activities, the German major will purchase blocks of seats on 104 weekly VLM flights from Dusseldorf Express Airport and Rotterdam to London (LCY).

The compact with DLH is expanded on September 1 to allow daily dual-designator frequencies between Antwerp and Munich.

Passenger boardings soar 21.2% to 205,000.

Rotterdam to Manchester service starts in September 1998. M2 Communications in the October 14 issue of its *In the Industry* Internet news roundup notes a company promotion. During the month, the carrier's business-class passengers passing through London (LCY) are entitled to a free shoe shine.

VLM, in November, is the first carrier to begin flights from Luxembourg to London (CTY).

Late in the year, an updated homepage is opened on the Internet's World Wide Web. The fleet now includes 7 Fokker 50s, which transport approximately 250,000 passengers on the year.

With the beginning of the new schedule on March 28, 1999, service is inaugurated from London (LCY) to the Island of Jersey. Saturday and Sunday flights are inaugurated on April 17 between Rotterdam and the Island of Guernsey; a Wednesday service is added during July.

The carrier's weekday Fokker 50 return service between London (LCY) and Jersey becomes twice weekly at the end of October.

Orders are placed with British Aerospace on November 15 for a pair of Avro RJ85s. As the year ends, VLM turns down an offer from **Deutsche Lufthansa, A.G.** to become a "Team Lufthansa" franchise partner and the two concerns end their 2-1/2-year collaboration and code-sharing flights.

Passenger boardings jump 19.9% to 320,000. Revenues of E 40.5 million are generated, as is an E 1.4-million net profit.

A total of 220 workers are employed at the beginning of 2000, a 29.4% increase over the previous 12 months.

At this time, the company undergoes a complete corporate makeover. The carrier is renamed VLM Airlines, N.V. Under an E 285,714 contract with Tilburg, the Netherlands-based Lila Design Aviation, a number of other changes in styling are made. Yellow and black, the official colors of the Flanders region—and the airline—are replaced with deep blue and gold, while the company's logo, a lion symbol, and aircraft livery are revitalized. Aircraft cabins are all given a new look with gray leather seats and dark blue wool carpets.

In February, the 500,000th passenger is transported between Rotterdam and London (LCY). During the record-achieving flight, Deutsche Bank executive David Clarke is named the historic passenger and is presented with a magnum of champagne and a box of Belgian chocolates.

Daily (except Tuesday and Saturday) Fokker 50 roundtrips are resumed on April 8 between Jersey and London (LCY). Beginning in May and for the summer only, weekly Fokker 100 charters are operated from Jersey to Humberside.

Early in December, VLM is again licensed to operate summer flights from London (LCY) to Jersey. The move had been opposed by **British European Airways, Ltd.**, which claims to have lost £250,000

since July operating its own service over the route. On December 18, it is announced that Managing Director Christian Heinzman will depart on February 1 to become CEO of the Luxair Group; he will be succeeded by a **KLM (Royal Dutch Airlines, N.V.)** regional manager, Paul Johannes.

Also during December, the two ATR42-320s of **European Air Express, GmbH**, must be grounded at Moenchengladbach owing to incomplete maintenance records dating back to the time when they were operated with **Zambia Airways Corporation**. In the interim, the company leases several aircraft, including a Fokker 50 from VLM.

VNUKOVSKIE AVIALINII (VNUKOVSKIE AVIALINII): Russia (1992–2001). When **Aeroflot Soviet Airlines** is reformed in early 1992, this longtime directorate, based at Moscow's Vnukovo Airport, becomes one of the first autonomous divisions of the new **Aeroflot Russian International Airlines (ARIA)**.

Noted for its introduction of such aircraft as the Tupolev Tu-154 and Ilyushin Il-86, the organization continues to provide scheduled frequencies to the southern areas of the former U.S.S.R. and adds ad hoc international charter services. V. V. Baranov is general director and oversees a fleet that includes 22 Il-86s and 58 Tu-154s.

Enplanements total 3,292,767, a figure slightly more than half the number flown in 1990.

The State Privatization Committee allows the carrier, in March 1993 to be reconfigured into the Vnukovo Civil Aviation Production Association; the \$12-million **Aeroflot Soviet Airlines** debt is carried forward. Shortly thereafter, the new body is divided into an airport and Vnukovo Airlines. The process of division continues in May, with the airport becoming a separate joint stock company.

With 3,000 employees, the airline company is given the association's aircraft and engineering and technical department. The Russian government requires the company to provide services to remote areas and Il-86 flights are undertaken to Pevek, Nadym, Igarka, and Norilsk, the latter in competition with the new **Transaero Airlines**. With fuel shortages causing its aircraft to be frequently grounded at Krasnoyarsk, Vnukovo must arrange to ship 1,000 metric tons of fuel to that city to cover operations during the quarter.

International service begins with inclusive-tour flights, called "scheduled holiday charters," to Korea, Greece, Cyprus, Turkey, and the Mideast. Only about half of the carrier's aircraft are available during the peak summer travel period; the rest are grounded for lack of spare parts and mechanical problems.

In October, the carrier becomes the first Russian company to place the new Tu-204 into service. Although not certified, three units are allowed to fly domestic cargo routes as the carrier assumes responsibility for the airliner's precertification test operations.

Late in the year, Vnukovo becomes the first Aeroflot unit to elect a new board of directors; former engineering department head Yuri Kashitsin is named director general, with Alexei Konstantinov as director of operations. In December, charters to the UAE become weekly. As the result of Russia's economic downturn and a corresponding increase in the price of tickets, Vnukovo's traffic falls.

Passenger boardings decline 53.1% to 2,150,730 while freight plunges 48.8% to 509 million FTKs.

The second Tu-204, with Perm PS90 engines, enters service during the spring of 1994 and the two units available will complete the type's operational trials. The fleet now includes 33 Tupolev Tu-154B/C/Ms, 22 Ilyushin Il-86s, and 3 Tu-204s; the inherited Aeroflot domestic service is maintained and "scheduled holiday charters" continue.

In April, employees threaten a job action in July unless real progress is made on the long-delayed privatization of the airline. Consequently, the State Committee of Property (GKI) begins to provide the necessary assistance required to make the change. The airline's capital base is established at 289 million rubles (worth \$52 million in 1990, but only \$150,000 by this summer), 28% of which are sold at discount to staff and retirees.

Another 29% interest is made available as part of a government voucher system giving every Russian citizen the opportunity to specify which former Soviet state property they wish to "claim." This approach provides no equity, but does give the airline 7,000 new stockholders, none of whom hold more than 5% interest. The remaining 41.4% interest is to be sold in a 1995 investment auction.

Also during the spring, costs begin to rise dramatically, with fuel and air navigation charges in particular up astronomically. Beginning in May, for example, air navigation commences a yearlong upward spiral of 104 increases. Fuel rises from under \$100 per ton to over \$200 at most airports served. To improve reservations, the computerized reservations system is switched from the Soviet-made Sirena 2 to the Western Galileo system.

During the summer, a Tu-204, the first of its type to wear Vnukovo colors, is flown to and exhibited at the annual Farnborough Air Show in the U.K. The Kashitsin-led board is reelected by stockholders at the first annual meeting in December and plans are made to launch charter flights to Thailand, Dubai, Egypt and Spain. Also, a joint-venture contract is signed with Everest Catering for the improvement of in-flight food services.

Customer bookings slide 4.7% to 2,050,000, while cargo falls 13% to 443 million FTKs.

Airline employment is increased by 5.2% in 1995 to 3,708 as the promised investment auction is held. When the shutdown Turkish charter operator **GreenAir, A.S.** locates additional capital early in 1995, it is reborn under the marketing name **ActiveAir, A.S.** A Tu-154M is chartered from Vnukovo and is employed to resume charters at the end of March. Additional Vnukovo Tupolevs will be obtained.

A strategic agreement is signed with **Aeroflot Russian International Airlines (ARIA)** in mid-June that provides for cooperation and coordination of commercial policy. Aeroflot will be able to employ VA's aircraft while Vnukovskie will be able to interline passengers on to Aeroflot international services.

At the beginning of July, the company receives government certification that will allow it to service and repair Russian aircraft of any type.

Later in the summer, Vnukovo and **Transaero Airlines** both lodge applications to become the second Russian carrier permitted to fly from Moscow to London (LGW). For Vnukovo, which will ultimately be unsuccessful in its bid, the route would be the first outside the CIS.

On October 10, the concern becomes the first Russian state-owned airline to complete its privatization, when it is acquired at auction by the trading company VIL. The little-known enterprise purchases a 41% stake for \$150 million. The investment will be challenged in court by rival bidder Finvest. The challenge will not be successful and final shareholding will now be divided between the Russian Aviation Consortium (43.42%), employees (29.7%), the Ministry of State Property (0.00034%), Univerus (18.92%), and individuals (7.95%).

Meanwhile, **ActiveAir, A.S.** continues its European flights through the end of October, when it shuts down a second time—permanently. The Vnukovo aircraft are returned.

The carrier's 54 aircraft transport a total of 1,981,345 passengers, a 7.8% decline. Freight, however, increases by 4% to 463.55 million FTKs. Operating revenues are \$157 million, costs reach \$153.1 million, and a pretax profit of \$3.9 million is reported.

The workforce is reduced to 1,300 in 1996. When the airline's new owners default, the government reacquires Vnukovo and sells it to the group that holds Moscow-based **Oriol Avia**. The two companies are combined, with Oriol's management taking the senior slots in the "new" Vnukovo. An effort is now begun to acquire as much market share as possible through a policy of low-cost fares designed to force competitors off various shared routes.

On August 29, Flight 2801 is on its initial approach to Svalbard, on the remote Norwegian island of Spitsbergen on service from Moscow. The Tu-154M with 12 crew and 129 passengers (mostly Ukrainian and Russian coal miners and their families returning from vacation), collides into 2,000-ft. Opera Mountain Salbard at a point 6 mi. from the runway; there are no survivors.

The crash site is large and the search for bodies requires several days.

Customer bookings drop to 1,488,539 while 39.5 million FTKs are operated. Financial reports are not made available.

The fleet in 1997 comprises 22 Il-86s, 26 Tu-154Ms, and 3 Tu-204s. On February 9, the carrier performs a "jubilee flight" from Moscow to Mineralniye Vody to celebrate the twenty-fifth anniversary of the first Tu-154 service. Chief Pilot Capt. Yevgeny Bagmut, who performed the premier **Aeroflot Soviet Airlines** Tu-154 flight over the route on February 9, 1972, is joined by a group of former pilots and representatives of the Tupolev design bureau, the aircraft building industry, and the federal aviation department.

Scheduled markets visited include Anapa, Aktau, Antalya, Dunai, Hurghada, Igarka, Kaliningrad, Kambala, Kemerovo, Krasnodar, Novosibirsk, Norilsk, Odessa, Samarkand, Sochi, Tbilisi, Thessaloniki, Ulan Ude, and Yerevan.

Charters are also operated to Athens, Barcelona, and Istanbul. On the subject of charters, it should be noted that on March 1, VAL signs a cooperative agreement with Moscow-based Intourist, a large and well-known travel agency and tour operator. Under its terms, Intourist will sell tickets for Vnukovo services and the airline will operate upwards of 700 flights on behalf of the agency over the next year.

It is reported in the September 17 issue of *Delovoy Mir* that the company will add 22 additional domestic flights by the end of the year. Meanwhile, it has also signed exclusive agreements with several tourist companies and local governments designed to help increase enplanements back up above the 2 million annual figure.

Late in the year, Alexander Klimiov is named deputy director general-commercial.

Passenger boardings slide 2.5% to 1,780,000, while cargo falls 2.4% to 20.6% million FTKs.

The low-cost strategy introduced by the "New Vnukovo" in 1996 has not worked; no competitors have been forced off any jointly flown routes and the plan has, by late spring 1998, caused Vnukovo significant financial distress. The fiscal decay, in turn, creates serious service and aircraft maintenance problems. During May, several Russian airports, fuel suppliers, and ATC centers demand immediate payment of 80 million rubles that Vnukovo owes. The airline cannot pay because Russian ministries have yet to reimburse it 217 million rubles owed for tickets.

By June 9, eight aircraft are out of service for lack of spare parts and the airline is experiencing significant flight delays.

Tateros Surinov becomes the new director general and invests substantial equity in the enterprise. During the summer, the carrier loses 40 million rubles in lost business and its employees suffer wage delays.

Russian air transport, like other elements of the economy, encounter rocky times after the government devalues the ruble in mid-August. Airlines begin to fix their own rates, pegging tariffs to both rubles and U.S. dollars, even though the official Central Bank exchange rate is 7.86 rubles to the dollar.

Although the carrier does not immediately raise its domestic ticket prices it does, beginning on August 26, sell its international flights at a rate set and announced by the Transportation Clearing Chamber.

By mid-September, the exchange rate has plunged and currency trades at 16 to 1. This carrier, like many others across the nation, is forced to sharply increase some economy-class fares on their busy domestic routes. Even so, the new fares are still cheaper, in terms of dollars, than they were before the crisis. Vnukovo, for example, increases its one-way fare to Moscow on September 22 to Tomsk, Yekaterinburg, Krasnodar, Blagoveshchensk, and other points.

The fare boost, together with a worsening Russian economy, causes load factors to plummet. On November 2, the carrier indicates that it is reducing domestic ticket prices by 60%–70% through the remainder of the year.

Customer bookings fall another 6.7% to 1.55 million, while cargo traffic plunges 55% to 14.68 million FTKs.

The fare-cutting gambit results in substantial additional losses by the first quarter of 1999. The company's shareholders are not pleased.

Several relief plans are tried, including the transfer of many services to Domodedovo Airport and the introduction of charter flights from Sheremetyevo-1. In March, plans are announced for a merger with **Siberia Airlines (Sibir)**.

Preparing for departure from Al-Ghurdaqah, Egypt, on May 1, a company Il-86 with 350 passengers is seized by Egyptian authorities tired of Russian airlines not paying their fuel and landing fee bills. Those aboard are accommodated in two resort hotels. The Vnukovo Ilyushin is one of 12 planes from different companies held for nonpayment of fuel and ground servicing provided by the local Tiger Aviation Service. Following long and difficult discussions between the Russian Embassy and Tiger, the company, on May 14, agrees to release 11 of the 12 planes. The Ilyushin, however, is held three days until Tiger receives a letter from the Russian Federal Aviation Service guaranteeing that Vnukovo will settle its \$350,000 invoice. The airline is now \$20 million in debt.

Director General Surinov becomes nonexecutive chairman on May 19 and Vladimir Roubtsov, a former high official in the Soviet Civil Aviation Ministry, takes his place with a mandate to halt the fiscal hemorrhage. Demanding payment of four months back wages, the company's 300 flight attendants threaten to strike on June 18. The event does not occur as the airline indicates that it is prepared to employ contract flight attendants from other airlines.

On July 1, **Siberia Airlines (Sibir)** MD Vladislav Filov is named DG of Vnukovo and begins an attempt to run both carriers prior to their merger. At this point, Vnukovo is a shadow of the "New Vnukovo" of 1996-1997, with only six destinations served by three or four daily roundtrips.

Following a one-day symbolic strike in July, company employees on August 5 vote for a full job action beginning on August 15. Preparations for a strike by maintenance and ground staff continue apace; on August 11, the media reports their suspicions concerning a possible desire by the airline to shed its maintenance capability. By now, salaries for the airline's 3,000-man staff are five months in arrears. To make matters worse, fuel prices have risen substantially; by the end of August, aviation kerosene is selling for \$200-\$240 per ton in Moscow. Fuel prices for the year will increase four times.

After six weeks with Vnukovo, Sibir MD Filov realizes that Vnukovo's financial, personnel, and fleet problems are too significant to allow for an early amalgamation of the two carriers. After putting in place a number of small reforms and instituting joint services over several common routes, Filov resigns from Vnukovo. Returning to Sibir, he indicates that, if Vnukovo is able to overcome its problems on its own, a merger may be possible in the second quarter or later in 2000.

In the turmoil surrounding the sacking of the carrier's DG and his replacement, the strike by ground and maintenance personnel is stalled until mid-September. Meanwhile, the Vnukovo board of directors turns to businessman Alexander Krasnenker, the former commercial director of **Aeroflot Russian International Airlines (ARIA)**, and asks him to come aboard on October 1 as Filov's successor. Krasnenker is the seventh DG at Vnukovo Airlines in the last three years. Deputy DG-Commercial Alexander Klimov is named first deputy DG.

About this time, the company, like other airlines, releases its first half figures. These show customer bookings down to 600,000 and revenues of less than \$2 million a month. For September alone, only 52,000 passengers have been flown.

At Vnukovo, Krasnenker launches a restructuring program on October 25 with a RIF of personnel. A number of unprofitable routes are either closed down or flown irregularly. The new DG is able to talk the CEO's of Moscow's airports into freezing old debts for airport services. He is also able to obtain just enough credit to begin the restoration of 13 aircraft, the bare minimum required to operate regular services. Difficult finances will make further improvements problematic.

To make matters worse, Russian investigators, on October 16, accuse Messers. Boris Berezovsky and Nikolai Glushkov, the latter formerly deputy DG of **Aeroflot Russian International Airlines (ARIA)**, and new Vnukovo CEO Krasnenker (regarded as a Berezovsky's protégé during his time at Aeroflot) of taking \$400 million of the national airline's

profits and \$200 million in air traffic fees, which are hidden in Swiss companies and then laundered.

It is reported on November 16 that **Siberia Airlines (Sibir)** and **Perm State Air Enterprise** have joined together in a concentrated effort to acquire part of the 25% market share held by Vnukovo in the Ural and Siberian markets.

Customer bookings for the year as a whole plunge 43.5% to 934,000, while 209 million FTKs are operated. A net loss of \$30 million is suffered.

The workforce at the beginning of 2000 totals 1,300. At the beginning of the year, only two Tu-204s are operational. The other five are half-experimental aircraft which the builder had turned over to the airline after the conclusion of a test program. Fuel costs for this airline, like others in Russia, is now so high that it accounts for almost 50% of ticket prices.

By the end of February, the company's on-time percentage has risen to 93% from 20% or less six months earlier. With the beginning of the summer schedule at the end of March, new three class cabins are available on all scheduled flights; all-economy seating remains only on charter flights. Vnukovo remains the only airline operating scheduled flights from all three Moscow airports: Vnukovo (17), Domodedovo (16), and Sheremetievo-1 (6). The scheduled services from the latter point are new.

During the spring, the company transfers even more services from Domodedovo Airport back to its home base at Vnukovo Airport. An agreement has been reached with East Line Group, which owns both Domodedovo and **East Line Airlines**, that the facility will be employed as a transfer center for foreign passengers flying, via Moscow, to Siberia and other Russian and CIS destinations.

The Moscow Times reports on June 27 that DG Krasnenker had been on a list of candidates for seats on the board of **Aeroflot Russian International Airlines (ARIA)**. Krasnenker had been ousted from the board in 1999 and will not win appointment now.

The first of eight Yakovlev Yak-42Ds enters service on July 7. While en route from Moscow to Yuzhno, via Bratsk, on July 11, an Il-76's wing supposedly suffers mechanical problems. An emergency landing is made at Bratsk, but no significant difficulties are found. A Tu-134A, chartered from JSC Alania Leasing Company, enters service during the last week of August.

On September 4, Aviazapravka-Norilsk, the fueling company at Norilsk and Tolmachevo Airports, warns that Vnukovo's debt may force it to stop refueling the airline's aircraft. Without payment, the pumps are turned off at those locations on September 11. The airline, with a major cash flow problem, is forced to begin making some kind of payment.

As the result of an August meeting between deputy prime minister Tariq Aziz and Russian president Vladimir Putin, a decision is taken by the two governments to shortly resume air services. On September 14, **Aeroflot Russian International Airlines (ARIA)** regional representative Pavil Piryatku announces the new arrangement, noting that his airline will reopen its Baghdad office in mid-October.

Papers are also signed between **Iraqi Airways** and Vnukovo Airlines concerning the inauguration by the latter of regular Iraqi flights. Additionally, a pre-contract agreement is reached between the two that, once the matter of sanctions against Iraq has been resolved, may see Vnukovo selling as many as 10 Tu-204s to **Iraqi Airways**.

After obtaining clearance from the UN Sanctions Committee, a Russian delegation of business and political representatives, led by Central Fuel Company chairman Yuri Shafranik, a chartered Yak-42D arrives at Baghdad on September 17, following a direct flight from Moscow. Shafranik is also president of the Committee for International Scientific and Business Cooperation with Iraq, which has arranged the three-day visit.

Making the first airline flight to Iraq in 10 years, a Vnukovo Tu-134A, transporting humanitarian supplies, a delegation of Russian politicians, and a youth football team arrives at Baghdad from Moscow on September 23. On September 29, a chartered Tu-154M flies 120 passengers, including members of the Council of Europe parliamentary assembly and its speaker plus 11 Nobel prizewinners, and another shipment of humanitarian aid to Baghdad from Paris (CDG). As was the case with the

two previous flights, it is met by Iraqi deputy prime ministers Uasom Ramadan and Tariq Aziz. The group will attend a conference marking the 10th anniversary of the introduction of UN sanctions against Iraq.

By the start of October, Vnukovo is making some progress on paying down its debt and is, reportedly, actively repaying its residual fuel debts to the Norilsk and Tolmachevo airport providers. Still, fuel supplies from some sources remain suspended and access to certain other airports because of debt has been restricted. The pressing cash flow problems remain.

Still with the cloud of his former mentor Boris Berezovsky hanging over his head, DG Krasnenker resigns as CEO on October 9, while retaining a seat on the Vnukovo board. The airline PR department reports that Krasnenker believes he has accomplished the goals set forth for him in his one-year contract and that Vnukovo is well on the road to recovery. He is succeeded on an interim basis by his deputy, Alexander Klimov.

On October 13, the Russian newspaper *Kommersant* reveals that Director General Krasnenker had stepped down because of a "misunderstanding" with Tatevos Surinov, director general of Vnukovo's owner, the Russian Aviation Consortium (RAC) and himself formerly director general of the airline. Disagreements over cash flow, policy, and the Berezovsky relationship are pointed to as being at the core of the falling out. When reporting the same story, *Russia Today* says that the real cause was a decision by RAC to sell the Vnukovo subsidiary Centreleasing, which owns 19 of the airline's 25 operational aircraft, to an undisclosed third party, thereby stripping the carrier of its principal assets. The board's expenditure of \$20 million "for other purposes" is also viewed as a contributing factor.

The press, quoting the Iraqi news agency INA, reports on October 12 that Vnukovo will start a four-times-a-week roundtrip charter service on October 27 between Moscow and Baghdad. Deputy Chairman Alexei Sapkin plays down this version, which has understandably upset U.N. officials, and indicates that any Vnukovo flights are strictly for humanitarian purposes and that no regular flights will resume until the airline receives clearance from the Russian foreign ministry. Vnukovo operates another Tu-154M service to Baghdad on October 27. This aircraft also transports relief supplies, as well as a delegation of Russian businessmen to a trade fair. An Il-86, with 255 passengers, arrives at Saddam Airport on October 30.

While en route from Makhachkala in Dagestan to Moscow on November 11, a Tu-154 is hijacked by a man carrying a bomb (which will later turn out to be a blood-pressure gauge), who orders the Tupolev flown to Israel. Following a refueling stop at Baku, the jetliner proceeds to the Mideast, where it is denied permission to land at Ben-Gurion Airport at Tel Aviv. The Russian airliner is, however, allowed to put down at Uvda, an Israeli air force base in the Negev Desert near Eilat, where the pirate turns himself over to Israeli police.

After Russian officials promise not to execute the pirate, Israel permits the plane, with its passengers and prisoner, to take off for Moscow on November 12. It arrives at Vnukovo Airport early the next day.

Dmitry Kalinichenko, director general of Aviazapravka-Norilsk, the fueling company at Norilsk Airport, proudly informs the press on November 22 that Vnukovo has paid all of its debt to the supplier. It has also put down \$1,800 on account for future delivery—the first advance payment for avgas ever made by the airline.

Noting that salary payments had become almost regular under former Director General Krasnenker, but were nonexistent since August, 1,000 workers stage a one-day strike at the end of the month. Workers remain upset by the departure of Krasnenker and the board's \$20 million "for other business purposes" expenditure revealed in October. Acting Director General Klimov is able to find funds to pay all but 300–400 workers—enough to convince them to end their job action.

Former ARIA Deputy Director General Glushkov is put under arrest at Moscow's Lefortovo Prison on December 7 on charges of fraud. Vnukovo Director Krasnenker is not summoned by prosecutors at this time. He does, however, resign from the airline's board.

On December 20, the 300–400 workers who received no pay in November, including all of the carrier's mechanics and engineers, go on strike demanding payment of wages not received since August. The workers' union also demands that Vnukovo fully observe all labor laws

and safety requirements. By now, only 2 of 50 aircraft are operational, with another 9 having been repossessed by creditors. VKO is \$20 million in debt and heading downhill quickly.

In response to official concerns, the airline announces the next day that its schedules are being operated, but acknowledges that the workers at its maintenance and repair center at Vnukovo Airport are all out. Flight Operations Director Yuri Sytnik reveals that the negotiations with workers and their unions are progressing. He blames much of the difficulty on the Russian defense ministry, which has failed to make good on a 260-million ruble debt to the airline for the transport of military personnel. The work stoppage will continue until December 22.

An agreement is reached on December 23 under which Vnukovo will be taken over by **Siberia Airlines (Sibir)** in the biggest landmark in Russian civil aviation history since the breakup of Aeroflot Soviet Airlines. The State Service of Civil Aviation (GSGA) and the Sibir board of directors must approve the deal and there is no precedent in Russian law for the takeover of one major independent airline by another. There is also a law prohibiting the sale of state holdings that exceed \$17 million in valuation.

Under the arrangement, if approved, Vnukovo will lose its identity and Sibir will cover its \$17-million debt and pay the workers of both carriers for the 2 1/2 months required for integration. Of course, Sibir would prefer that the debt be restructured prior to amalgamation. The deal will provide Sibir with a strategic Moscow hub at Vnukovo Airport, 7 more Tu-204-100s (among other types), and boost its route network to almost 200 cities. Beginning on January 15, Sibir will operate the Vnukovo schedules to Sochi, Ulan-Ude, Novi Urengoi, and a few other northern routes.

Arrangements are immediately completed for the \$16.9-million purchase and delivery to Sibir, in February, of the first ex-Vnukovo Tu-204-100. Upon receipt, the aircraft will be ferried to the Tupolev Aviation Technical Complex at Zhukovsky for further modernization and alteration prior to their joining the fleet in the summer. In addition, \$7.18 million will be expended to purchase one Il-86 and eight Tu-154Ms; Vnukovo will apply the proceeds to its large debt. In addition to the Tu-204s, the Vnukovo fleet includes 22 Il-86s and 17 Tu-154s, but only 1 Il-86 and 5 Tupolevs are actually serviceable.

As anticipated, there is opposition to the potential merger from **East Line Airlines** and **Aeroflot Russian International Airlines (ARIA)**, as well as from within the GSGA itself.

Enplanements for these 12 months total 905,200 and 189.1 million FTKs are operated.

The merger with Vnukovo will be officially reported on January 3, 2001. The GSGA, having heard all opponents, will approve this creation of the nation's second-largest airline with Sibir, as promised, assuming responsibility for Vnukovo's 500-million ruble (\$20-million) debt. Following approval by Sibir stockholders on April 27, Vnukovo, Russia's fourth largest airline, will be the first to disappear in the new year. Although the two will now operate as one entity under the Sibir name, actual amalgamation may require another year.

VOLARE AIR COMPANY: 2 Svyatoshinska Street, Kiev, 03115, Ukraine; Phone/Fax 380 44 452 1115; <http://www.volare.kiev.ua>; Code F7; Year Founded 1994. This freight operator is established at Kiev in 1994 to operate regional and long-haul on-demand charters.

Under the direction of Director General Andrey Likarenko, a fleet of 5 Ilyushin Il-76TDs and 7 Antonov An-12s is assembled. Revenue flights commence and continue to destinations worldwide. Before the end of the decade, the carrier has agents in Belgium and the United Arab Emirates.

VOLARE AIRLINES, S.p.A.: 186 c.so Garibaldi, Verona, I-36016, Italy; Phone (39) 0445 800100; Fax (39) 0445 800101; <http://www.Volare-Airlines.com>; Code 8D; Year Founded 1998. Businessmen in northeastern Italy establish Volare during the first quarter of 1998 to provide additional services as flights into the area by **Noman, S.p.A.** and **TEA Italy, S.p.A.** are reduced. Employing an Airbus Industrie A320-232 chartered from ILFC, President Gino Zoccai's new nonscheduled concern introduces revenue services on April 1. Destinations visited

from Verona, Milan, and Bologna are scattered throughout Europe and the Mediterranean and include Lourdes, Fatima, Tel Aviv, Amman, Cairo, and Sharm-el-Sheik.

SAirGroup, parent of **Swissair, A.G.**, acquires a 34% equity interest in the start-up during September. Volare, in turn, begins to obtain its aircraft maintenance from the major's shops in Zurich.

Plans are now announced by SAirGroup for the creation of a large European Leisure Group that will include not only **LTU International Airways, GmbH.**, but also the **Swissair, A.G.** subsidiary **Balair/CTA**, **Sabena Belgian World Airlines, S.A.**'s subsidiary **Sobelair, S.A.**, **Crossair, Ltd.**, **Air Europe, S.p.A.**, and Volare. The new arrangement, under the direction of project leader Stefan Helsing, is designed to be part of an integrated network built around the already existing "Atlantic Excellence" and "QualiFlyer" alliances.

Late in the year, a homepage is launched on the Internet's World Wide Web and the fleet is enhanced by the addition of four chartered A320-212s. Orders are placed for five more leased units.

In 1999, airline employment reaches 200. Scheduled destinations visited from the main base at Verona and hubs at Milan and Rome include Rome, Milan, and Cagliari. Many European and Mediterranean holiday communities are also visited on a nonscheduled basis.

With the October 1 collapse of the British low-fare airline **Debonair Airways, Ltd.**, the company is persuaded to dedicate two A320-212s to the operation of **Swissair, A.G.** replacement flights on the routes from Turin and Venice to Zurich. To provide lift for its charter program in the fall, Volare wet-leases a pair of A321-131s from the Turkish carrier **Onur Air, A.S.** on October 7. An A320-212 arrives under lease on December 8.

On February 3, 2000, an A320-212 arrives from GECA. With the beginning of the summer season at the end of March, Volare introduces daily nonstop A320 service from Alghero to Venice and Verona, from Bergamo to Olbia, from Naples to Verona, from Olbia to Bergamo and Verona, from Venice to Alghero, and from Verona to Alghero, Naples, and Olbia. Two more A320-212s arrive to help provide lift, one each on April 17 and May 7.

On July 12, a merger agreement is signed with **Air Europe, S.p.A.** Plans are made to merge the carriers at a Venice hub into an as-yet-unnamed airline under the umbrella of the Volare Group, which is 49.9% owned by SAirGroup. Another chartered A320-212 is delivered on July 24.

Formerly operated by **TAP-Air Portugal, S.A.**, another A320-211 is acquired under lease from GATX on August 1.

On October 29, Volare takes over the "Swissair Express" service between Venice and Zurich previously operated by Flightline, Ltd. with a British Aerospace BAe 146-200.

The year does not end well politically for Italy's six major airlines. On December 22, it is announced that the government's competition authority has unleashed an antitrust investigation into Volare, as well as **Alitalia, S.p.A.**, **Air One, S.p.A.**, **Air Europe, S.p.A.**, **Meridiana, S.p.A.**, and **Air Dolomiti, S.p.A.** Under review is a question of whether the six had an understanding on two domestic ticket price hikes that came on the heels of an earlier rise in fuel prices. In June, all of the carriers introduced a 10,000-lire (\$8) fuel surcharge, following it up in September with a 24,000-lire boost.

As the year ends, delivery of a final leased A320, another Dash 211, is expected in March.

VOLARES AIR TRANSPORT (VOLARS AVIATRANST): 3rd Peschanaya Str 6, Moscow, 152252, Russia; Phone 7 (095) 157-4764; Fax 7 (095) 157-0961; Code OP; Year Founded 1993. Volare is founded at Moscow's Sheremetyevo Airport in 1993 to provide worldwide ad hoc passenger and cargo charter services. V. N. Krykov is general director and revenue flights begin with a fleet that includes 3 Ilyushin Il-76s, and 1 each Il-62, Il-18, Tupolev Tu-154 and Tu-134, and Antonov An-12, An-24, and An-26.

Flights continue apace in 1994-1998. During these years, the fleet is reduced to 2 Il-62s and 1 each Il-18 and An-12. Although it is under-

stood that this carrier continues to operate in the period after the beginning of the Russian currency crisis in August 1998, no definite information has been located to the effect.

VOLGA AIRLINES (VOLGA AIR COMPANY STATE ENTERPRISE): Volgograd Airport, Volgograd, 400036, Russia; Phone 7 (8422) 317 562; Fax 7 (8422) 317 785; Code G6; Year Founded 1992. Following the demise of **Aeroflot Soviet Airlines** in 1992, its former Volgograd Directorate is reborn as Volga Aviaexpress Airlines. Nikolai Almazov is director general and he continues to offer scheduled passenger and cargo services to CIS and Russian communities employing a fleet of 5 each Tupolev Tu-134As, Yakovlev Yak-42s, and Antonov An-2s, plus 2 Yak-40s.

Service is maintained during the remainder of the decade. Airline employment totals 271 at the beginning of 2000 and the fleet now comprises 5 Tu-134As, 2 Yak-40Ks, 7 Yak-42Ds, and 6 Yak-40s.

VOLGA-DNEPR AIRLINES: 14 Karbysheva Str., Ulyanovsk, 432062, Russia; Phone 7 (8422) 201 497; Fax 7 (8422) 204 997; <http://www.voldn.ru>; Code VI; Year Founded 1990. The Russian joint stock enterprise Volga-Dnepr, named for the major Russian rivers and based at the Ulyanovsk Aviation Industrial Complex some 425 mi. E of Moscow, had been formed in 1989 when workers demanded that the Gorbachev government "sell" to them several transport aircraft that it had been planning to place aboard.

Shareholding is settled on August 18, 1990 and is divided between JSC Aviastar, Antonov Design Bureau, and Motor Sich. A board of directors is established and Alexey I. Isaikin is elected director general. The company is registered as a joint stock company at Ulyanovsk on August 22.

The company's first aircraft, an Ilyushin Il-76TD, arrives at Ulyanovsk's Vostochny Airport at the start of 1991. It receives its first Antonov An-24-100 Ruslan from JSC Aviastar, as part of the primary shareholder's stake, in early August. After a period of inactivity during which the Moscow government flounders, Volga-Dnepr receives Russian Air Operator's Certificate No. 45 on September 16.

Volga-Dnepr is one of the first non-**Aeroflot Soviet Airlines** Russian carriers to begin free enterprise service when it launches domestic all-cargo operations in October. By year's end, the company is operating 3 of the 12 Ruslans it has been authorized to fly by the Ministry of Aviation Industry, as well as 3 An-12s, and 1 Il-76TD.

The workforce stands at 478 in 1992 as the fleet is increased to a total of 6 An-124-100s, 8 An-12s, and 2 Il-76s. The Russian Department of Air Transport provides over 70 licenses to operate domestic cargo charters, as well as flights to China and the U.S. With ethnic riots and political unrest spreading through Central Asia, a large number of former **Aeroflot Soviet Airlines** pilots from that region are hired.

During May, An-124-100s deliver Euro satellites from Rome to Cayene, in French Guiana, for launch into space; another machine transports 52 tons of gold, valued at £230 million, from Abu Dhabi to Zurich.

While on approach to Skopje, Yugoslavia in a heavy storm on July 24, an An-12BP with 7 crew, crashes into a mountain 26 km. SE of its destination; there are no survivors.

Operations continue apace in 1993 as the company labors to expand its network of nonscheduled destinations. The employee population is boosted to nearly 700 and the company purchases 90 apartments for the rotating use of company flight personnel. A training division is now sanctioned and a significant investment in training is made, both in Moscow and at London; education at the latter point being provided by partner **Heavylift Cargo Airlines, Ltd.**

In January, a 90-ton, one-piece chemical reactor is flown aboard an An-124-100 from Venice to Omsk. Ruslans fly heavy road building equipment from Vladivostok to Polyarny in February. In March, a pair of 72.5-ton solar turbines is airlifted from Houston to Manchester and to London (STN) in England.

During April and employing a new double-deck car loading system, An124-100s fly 107 cars for the London-Sydney marathon from Turkey

to India and then on to Australia. In another Ruslan mission during the spring, the Italian subcontractor Alenia ships Boeing 767 parts from Naples to Seattle in an effort to make up for time lost in a labor dispute.

In June, the joint venture with Heavylift is extended for another three years; **Heavylift Cargo Airlines, Ltd.** continues to provide marketing services for the Russian freighter's Antonovs, eight of which will eventually be positioned at London (STN).

An offshore-drilling-rig repair machine weighing 130 tons is flown by a Ruslan from Amsterdam to Perth, Australia, in September.

During the 12 months, Volga-Dnepr becomes the first Russian cargo airline to become a trustee member of the TIACA, the International Air Cargo Association.

Freight traffic accelerates 124% to 211 million FTKs and revenues skyrocket 130.8% to \$74.8 million.

Early in **1994**, the Mitsui Corporation becomes the airline's Japanese partner. In February, an An-124-100 flies power station components, weighing 107 tons, from Naples to Karachi. Also during the first quarter, the Beijing government grants its authority for operations to and from China. Cargo charters are initially operated to Italy, Israel, and Hong Kong.

A road transport division (RTD) is set up with 10 large trucks in April to start "door-to-door" bonded freight deliveries in Europe. The same month, the company is registered with the International Air Transport Association (IATA). Three unique Ruslan services are completed in April. In the first, four **Canadian Helicopter Corporation** Bell 212s and their crews are transported from Vancouver to Mogadishu in Somalia. Two giant Pratt & Whitney PW4084 engines for the first Boeing 777 are flown from Hartford, Connecticut, to Seattle, while 70 cars participating in the London-Mexico City rally are flown from Lisbon to São Paulo.

The first RTD delivery to Germany is made in June. It is announced on July 1 that the fleet will be expanded from 6 to 10 An-124-100s and from 2 to 6 Il-76TDs. Tentative plans are also made to purchase a pair of Western freighters, possibly B-747Fs.

Antonov and the Russian aviation authority AviaRegistr fly a Ruslan in a certification program that achieves success with the U.S. FAA on October 13. The FAA, on October 14, grants authority for the initiation of scheduled cargo services by the Volga-Dnepr/Heavylift partners from Ulyanovsk and Moscow to Bangor, Maine, and Houston, beginning on November 30. In November, a 72-ton ship engine bed is flown by an An-124-100 from Hanover, Germany, to Memphis, Tennessee.

On December 19, a chartered An-124-100 flown by **Heavylift Cargo Airlines, Ltd.** takes a Soviet SA-10 Grumble SAM system from Minsk to Huntsville, Alabama, where it is turned over to U.S. officials. Il-76TD roundtrip scheduled flights, preparatory to the inauguration of expanded scheduled services next year, are started on December 28 from Moscow to Tianjin in north China.

A total of 219 million FTKs are operated on the year and revenues are estimated to total \$60 million.

Airline employment is increased 45% in **1995** to 1,067. In February, the RTD is certified by the Russian customs office to deliver cargo throughout Russia. On March 29, the airline's maintenance division is certified as a repair station for An-12s, An-32s, An-124s, Il-76TDs, and Yakovlev Yak-40s.

In April, one An-124-100 flies four mobile television stations, built on Mercedes truck bodies, from Frankfurt to Seoul. Also during the spring, the Ruslan charter network is also stretched to India, the UAE, and Thailand. Chinese scheduled return service is inaugurated thrice weekly from Ulyanovsk to Shenzhen and from Ulyanovsk to Dalian and to Shenyang employing Il-76TDs. An Il-76TD is now chartered from **Magadan Airlines** to help increase capacity on freight charters to and from China.

At the beginning of June, an An-124-100 transports three Kamov KA-32s from Ufa to Seoul. On June 20, Volga-Dnepr is awarded the "first and only Russian operator with an air carrier customs license." The fifth anniversary is celebrated on August 19. Also in August, a 27-ton yacht is flown by a Ruslan from Genoa to Tashkent. In November, one of the giant aircraft transports an entire 104-ton Ford Motor engine production line from Valencia, Spain, to Cologne.

Cargo traffic this year increases 19% to 270.69 million FTKs and revenues climb to \$87.65 million.

Unusual An-124-100 out-sized feats of **1996** are turned in during March. One plane flies an entire 81-ton Coca-Cola bottling line from Atlanta to Vladivostok, while another carries two one-piece turbines, weighing 80 and 26 tons, respectively, from Berlin to Jakarta. In May, a 95-ton compressor is taken in a single load from Zurich to Shanghai while in June, a pair of 90-ton gudgeons is flown from Ulyanovsk to Polarny for use in the diamond mines there.

A major customer recruited this year is British Petroleum (BP); in just the next two years, Volga-Dnepr will operate 100 flights for the energy giant, delivering over 10,000 tons. In July alone, a series of mass An-124-100 deliveries of up to 100 tons each, including one of 65 tons, are made for BP between Europe and Colombia.

In September, the airline is named a co-organizer of and official carrier for the Master Rally 96 off-road rally from Paris to Beijing. For the event, an An-124-100 is especially equipped with racks that allow it to transport 40 jeeps, each weighing 2.5 tons, and a number of motorcycles, from Paris to Ulyanovsk.

A seventh An-124-100 joins the fleet in October. Employing a Yakovlev Yak-40 trijet leased from bankrupt JSC Simbirsk Aero, Volga-Dnepr on November 1 inaugurates daily passenger roundtrips from Ulyanovsk, on the Volga River, to Moscow. These are the cargo specialist's first noncargo operations.

In December, an An-124-100 suffers 50% hull loss when it crashes 12 minutes after takeoff from Ulyanovsk following the failure of its No. 3 engine.

Although freight haulage of the smaller An-12s and An-32s is off by 40%, overall cargo traffic rises 36% as 45,100 FTKs are operated. Operating income soars 27% to \$111 million, making Volga-Dnepr one of Russia's most successful companies.

Chairman/President Isalkin holds a press conference at St. Petersburg on March 22, **1997**, and reports that although profits for the previous year were up by 5%-6%, Russia's heavy new taxes had turned a net gain into a net loss.

In the spring, a Free Custom Zone is established at Ulyanovsk; the first joint venture partner within the project is the government of China's Shanxi Province. In May, an An-124-100 flies a yacht from Sydney, Australia, to London (STN).

The board of directors, in July, elects Viktor Ilyich Tolmachov, the airline's technical director, as its new chairman. He will briefly assume some of the duties of Director General Isaikin, who has been appointed chairman of the newborn Russian Association of Cargo Operators, in February.

A memorandum of intent is signed for four Il-96T freighters in September. Each will be equipped with Pratt & Whitney engines and Collins avionics for delivery beginning in the fall of 1999.

Also in early September, two An-124-100s, equipped with the double-deck auto loading system, transport automobiles, jeeps, and motorcycles in five flights from Venice to Turkmenbashi on Turkmenistan's Caspian Sea coast for Master Rally 97. Starting from Turkmenbashi, the marathon is run via Baikonur, Buguruslan, and Cheboksary to Moscow's Red Square. The event is timed to coincide with the city's 850th anniversary.

During October, the company is awarded an honorable diploma by the International Aviation Safety Association for five years of accident-free operations.

In the wake of a Russian military An-124 crash at Irkutsk on December 6, company officials announce that they will intensify control and inspection of their Ruslan fleet.

During the year, Volga-Dnepr flies 57.7% of all international shipments made in the heavylift/outsize cargo market.

A total of 26,220 passengers are flown and 209.6 million FTKs are also operated, which figures cover the actual 50,000 metric tons of cargo flown. An operating profit of \$90.6 million is reported.

Service continues apace in **1998**. The fleet now includes 7 An-124-100 Ruslans and 3 Il-76Ts. Special missions continue to be operated with the Ruslan fleet.

Director General Isalkin is named chairman of TIACA's CIS Chapter in February. Also during the month, the company is awarded the "Wings of Russia" prize as the best cargo operator in Russia. A pair of An-124-100s is contracted to fly the Irish rock group U-2 and its 200 tons of show equipment on a world tour to Buenos Aires, Melbourne, and Tokyo. On February 24, a Ruslan transports a 105-ton generator and its spare parts from Sydney to Auckland, New Zealand.

At the end of the month, the Russian Federal Aviation Authority names Volga-Dnepr Airlines as the top Ruslan operator in the country. It is ordered to head and unite efforts of all An-124 operators and manufacturers, as well as producers of aircraft parts and systems, to smoothly implement an Antonov program for the giant aircraft's modernization.

On March 7, another generator, weighing 113 tons, is transported by An-124-100 from Perth to Auckland.

In May, the company patents the special car-loading system that it had introduced in 1993, allowing an An-124-100 to transport upwards of 40 jeeps or vans in a single load. The functional one-piece unit of a space station is flown from Moscow to Berlin during the month. Also in May, under contract to the UN, IL-76TDs fly a pair of 15-ton loads of humanitarian supplies to Freetown, Sierra Leone, one each from Brindizi, Italy, and the other from Luanda, Angola.

Under contract to BP in October and November, An-124-100s deliver 1,005 metric tons of oil refinery equipment from Baranquilla to El Yopal, Colombia, in 14 flights. Technical specialists test new loading equipment during this contract.

At the beginning of December, a Ruslan under a contract from the Tishman Spair Properties Company, transports a 73-ft. Norway spruce to Newark (EWR) from Cleveland, Ohio; the giant pine will be hauled into New York City to become the 1998 Christmas tree at Rockefeller Center.

Passenger boardings climb 7.2% to 28,000, while cargo traffic falls 7.7% to 193.58 million FTKs. Revenues total \$98 million.

By the beginning of 1999, the workforce has been reduced by 29% to 760. For the second straight year, the company, in February, is awarded the "Wings of Russia" prize as the best cargo operator in Russia. Minsk joins the passenger network at the end of March.

During April, the company's aviation engineering and maintenance operation at Ulyanovsk is certified by the U.K.'s Civil Aviation Administration. In late April, the airline is accused in the European press of having transported NATO armored vehicles to Macedonia on April 5, 7, and 8 as the alliance attack on Yugoslavia, brought on by the crisis in Kosovo, continues. The charge is hotly denied by the airline's deputy managing director, Gennady Yeltsov, at a news conference on April 27. According to Yeltsov, the company had made three "humanitarian" flights into Macedonia on those dates, transporting tons of tents, sleeping bags, blankets, and foodstuffs. Another flight is operated the next day. Volga-Dnepr has been closely monitored by the Russian Federal Aviation Service throughout the Kosovo crisis and all shipments into Yugoslavia or the war zone have been coordinated by the Foreign Ministry.

Four Ruslans are certified as Stage 3 noise compliant by the Russian Federal Aviation Authority in May. One, under contract to the Curis Air Company, flies an 83.4-ton, one-piece industrial scrubber from Tulsa, Oklahoma, to Kuwait. In early June, another An-124-100 transports a 21-ton Angara 1 rocket from Moscow to Le Bourget Field, under contract to the Khronichev State Space Centre, for display at the Paris Air Show.

The U.S. government contracts with the airline on July 28 for use of an An-124-100 to transport heavy material to Macedonia.

It is reported that the company has enjoyed an unusual level of business during the first nine months of the year, due to the political situations in the Balkans and East Timor and the earthquake in Turkey. These three locations alone have received numerous visits from contracted Volga-Dnepr aircraft.

On November 3, the company reports that its various humanitarian aid contracts have significantly boosted its income for the year's first nine months. Additionally, it proudly claims for itself fully half of the world's heavy lift market. In December, new maintenance facilities are opened at Shannon, Ireland, and at Sharjah, UAE.

Freight traffic for the year accelerates 32% to 254 million FTKs, with more than 85% generated by the joint venture with **HeavyLift Airlines, Ltd.** Revenues jump 25% to \$104 million.

Airline employment at the beginning of 2000 stands at 726, a 0.5% decrease over the previous 12 months. Having resolved a number of manufacturing and operational conflicts with **Antonov Design Bureau** and its airline subsidiary Antonov Airlines, the two organizations begin to share technical information at the start of the year concerning An-124-100 civil operations.

Also during the first quarter, Volga-Dnepr and **HeavyLift Cargo Airlines, Ltd.** begin talks designed to find ways of deepening their joint venture relationship. One possibility discussed is an exchange of equity between the two partners.

On April 3, AeroWorld.net reports that since 1990, Volga Dnepr has filled 1,700 orders for An-124-100 service and used its 9 Ruslans to transport over 300,000 tons of cargo to 400 airports around the world. In late April, the Kaskol Group—a private stockholder group affiliated with the Russian defense industry—purchases a minority 16% stake in Volga-Dnepr with the express goal of boosting the carrier's independent out-sized cargo offerings in the world market.

Beginning on May 19, the carrier introduces a new twice-weekly Euroasia Express IL-76T return cargo service from Prague to Beijing via Ulyanovsk and Novosibirsk. Another hush-kitted An-124-100 is delivered on May 25. During late spring and early summer, the company's An-124-100s begin life-extension modifications; beginning with the first delivered on May 25, four will be on hand by the beginning of September.

The company celebrates its tenth anniversary on July 21 by accepting delivery of its tenth An-124-100. The huge new freight features improved crew rest areas. A \$6-million credit from the Russian State Savings Bank Sberbank has provided the spur needed by the Aviastar plant at Ulyanovsk.

During the month's first meeting of the airline's new board of directors, Technical Director Victor Tolmachev is retained as chairman. The 10th new Ruslan is shown to the press at Moscow's Sheremetyevo Airport on August 3.

Media rumors of a pending merger with the **Antonov Design Bureau** subsidiary Antonov Airlines are quashed on August 21. The next day, a \$10-million, 4-1/2-year line of credit is obtained from Sberbank; it will be employed to complete hush-kitting and modernization of the existing fleet and to purchase another Ruslan. Three days later, the airline begins a new contract to deliver Tor-M1 anti-aircraft missiles to Greece.

Other contracts filled during the first nine months of the year include the delivery of oil and energy equipment from Houston to Kazakhstan, Azerbaijan, and Russia, the shipment of emergency equipment to France, rescue helicopters to Mozambique, and additional contract missions to Sierra Leone and East Timor operated on behalf of the U.N.

In mid-October, an \$8-million U.N. contract is received by **Tyumenaviatrans (TAT)** from the U.N. for the provision of helicopter support services in Eritrea. On October 23, a Volga-Dnepr An-24-100 transports four TAT Mi-8MTWs and 32 TAT employees to Eritrea to begin operating the mission.

During the fall and into the winter, discussions, begun months earlier and now often reported as "stormy," are held between representatives of Volga-Dnepr and **HeavyLift Cargo Airlines, Ltd.** concerning the future of their joint venture. While HeavyLift seeks to maintain the marketing arrangement and the fifty-fifty split of costs and revenues, the Russian carrier, despite a lack of experience in the area, believes it is capable of undertaking its own marketing without the intermediation of the British carrier. It also sees little chance of the JV providing the amount of investment capital required for the purchase of additional An-124s, recalling that all of the loans so far obtained to purchase the first nine An-124s have been of Russian origin, with higher interest rates than might have been had from Western banks and institutions. The British, for their part, believe that investment opportunities they have arranged for the joint venture have consistently been turned down by its conservative, short-sighted Russian partners.

In this atmosphere, a number of options are reviewed, including a possible purchase of HeavyLift by Volga-Dnepr and an initial public offering, which could provide the fiscal backing to turn the joint venture into a full partnership airline and legal entity capable of acquiring its own finances, aircraft, and personnel.

By mid-October, rumors are rampant in the Russian press that Volga-Dnepr is in the process of negotiating a separate U.S. marketing deal with Kansas City-based Aircraft Leasing Group, one that would leave its British joint venture partner **HeavyLift Cargo Airlines, Ltd.** out of the picture. Fahhad Azima of ALG, a leading Heavy Lift shareholder, indicates that his firm will continue to represent the British airline and its joint venture with Volga-Dnepr in the Americas. Tensions coming from a failure of the two carriers to rework the current fifty-fifty split of cost and revenues in their joint venture are said to be behind the ALG rumors.

As the year ends, the outsized-carrier has increased its share of the world super heavy lift and unique cargo market by 6.4% to 60.4%. A total of 31,600 tons of cargo are transported, of which 28% is aerospace equipment, 26% is UN humanitarian aid, 34% is general freight, and 12% is industrial freight. Overall revenues accelerate to \$136 million, of which \$125 million is generated by Ruslans.

On January 29, 2001, Volga-Dnepr will be named recipient of the 2000 "Cargo Development Award" from *Air Transport World* magazine. It is the first Russian carrier to achieve the magazine's recognition. Four days later, the 10-year-old joint venture with **HeavyLift Cargo Airlines, Ltd.** will end. With a huge new U.S. Export-Import Bank credit for the purchase of TCAS equipment, the Russian carrier prepares to go it alone and market its An-124 capability through its new London (STN)-based Volga-Dnepr UK, Ltd. and Houston-based Volga-Dnepr (Unique Air Cargo) subsidiaries.

In February 2001, the Moscow government reports that the total number of Russian air carriers has fallen from 328 in January 2000 to a current 294. It also reveals at this time that **East Line Airlines, Atlant Soyuz Airlines, Volga-Dnepr, and Aeroflot Russian International Airlines (ARIA)** have, between them, carried half of all Russian air freight traffic in 2000.

VOLOGDA AVIATION ENTERPRISE (VOLOGDASKOE AVIA PREDPRIATIE): Vologda Aeroport, Vologda Dorozhn, North West Zone, 160015, Russia; Phone 7 (81722) 20686; Fax 7 (81722) 20686; Code VGV; Year Founded 1994. VAE is set up at Vologda Airport in 1994 to offer regional passenger and cargo services. L. P. Yelferov is appointed director general and he launches revenue flights with 16 Yakovlev Yak-40s, 26 Antonov An-2s, and 6 An-28s. Sixteen Mil Mi-2 helicopters provide air ambulance and agricultural support services.

Flights continue in 1995–1999. During these years, Lev P. Eilferov becomes director general and his fleet is altered to comprise 14 Yakovlev Yak-40s, 24 An-2s, 6 An-28s, and 1 An-26. The rotary-wing complement includes 15 Mi-2s and three Mi-8s.

Just after takeoff from Sheremetyevo I Airport at Moscow on a March 9, 2000, charter to Kiev, a Yak-40 with five crew and four passengers loses control and crashes into the ground, breaking into two parts and exploding. There are no survivors. Among the casualties are businessman Zia Bazhayev and well-regarded journalist Artyom Borovik. Ice on the wings will later be blamed for the tragedy.

VOLUNTEER AIRLINES (1): United States (1954–1955). The first indigenous scheduled air carrier set up in the State of Tennessee is this subsidiary of the Nashville FBO and charter operator **Capitol Airways**. Having received certification from the Tennessee Aeronautics Commission, Chairman/President Jesse F. Stalling's company acquires a pair of Douglas DC-3s.

Twice-daily services are inaugurated in September 1954 linking the company's base with Knoxville, Chattanooga, Memphis, and Jackson. Having a greater interest in boosting **Capitol Airways**, Stallings shuts down his profitable intrastate operation on August 12, 1955.

VOLUNTEER AIRLINES (2): United States (1971–1973). Taking the state's nickname, the second Volunteer is set up at Chattanooga, Tennessee, in 1971 to offer scheduled passenger and cargo services to regional destinations. Employing 1 each Lockheed Model 10A Electra (a vintage aircraft, refurbished) and Britten-Norman BN-2 Islander, the commuter inaugurates daily roundtrips linking its base with Nashville, Memphis, Huntsville, Birmingham, and Spartanburg.

Operations continue for only two years.

VOLUSIA AIR SERVICE: United States (1970–1973). Also known as **VQ Airlines**, VAS is set up in 1970 as the scheduled air transport division of Volusia Aviation, the FBO at Daytona Beach, Florida. Employing 1 each Piper PA-23 Aztec and PA-32 Cherokee Six, VAS duly inaugurates daily roundtrips linking its base with Tampa and Walt Disney World. Operations are maintained into 1973.

VORONEZH AIR (VORONEZHSKOE AP). See VORONEZH AIRLINES (VORONEZHSKOE AP/VORONEZHAVIA)

VORONEZH AIRLINES (VORONEZHSKOE AP/VORONEZHAVIA): Voronezh Airport, Voronezh, Central Regions Zone, 394025, Russia; Phone 7 (0732) 160 937; Fax 7 (0732) 553 566; http://www.europages.com/cat/_ec_voronezhaviai.jo.html; Code ZT; Year Founded 1994. The former Aeroflot Soviet Airlines division at Voronezh Airport is reformed into a joint stock company on January 20, 1994. In following years, it will occasionally be known as the Joint Stock Air Company. The previous mission of providing domestic Russian passenger services, both scheduled and charter, is continued. Evgeni Shabunin is director general and he begins services on January 24 with a fleet of 6 Tupolev Tu-134SKHs, 7 Tu-134As, 10 Antonov An-24s, 28 An-2s, and 2 Yakovlev Yak-42Ds. In addition, the reborn carrier undertakes various flights on behalf of the national agriculture department.

Services continue in 1995–1999, during which years the number of aircraft shrinks to 2 An-24Bs, 6 An-24RVs, 6 Tu-134SKHs, 7 Tu-134As, and 1 Yak-42D. Airline employment reaches 1,751 and destinations visited include Abu Dhabi, Ankara, Antalya, Athens, Burgas, Cairo, Damascus, Dubai, Hurgada, Istanbul, Jerusalem, Larnaca, Paris, Prague, Sofia, Tehran, Tel Aviv, Tunis, Varna, and Warsaw. The company's financial health is not helped by the Russian currency crisis of 1998–1999.

Just after takeoff from Moscow's Sheremetyevo 1 Airport on an August 26, 2000 charter service to Barcelona, an engine of a company An-24RV catches fire; a safe emergency landing is made back at the point of origin and no injuries are reported.

VORONEZHAVIA. See VORONEZH AIRLINES (VORONEZHSKOE AP/VORONEZHAVIA)

VOSTOK AIRLINES: Russia (1946–2001). Originally established as an aviation group in 1946, Vostok is reformed in 1993 and registered as a joint stock company, with shareholding divided between the Ministry of State Property (25.5%), the Kharbarovsk State Property Fund (31.9%), and private investors (42.6%). Fanis Mirayanov is elected director general.

The workforce totals 791 and the concern operates a fleet of 8 Let L-410UVPs, 4 Antonov An-28s, and 3 An-32s on intraregional passenger and cargo services. It also undertakes a complete portfolio of rotary-wing aerial work, with a helicopter fleet that includes 16 Mil Mi-8s/-17s, 2 each Mi-6s and Mi-26TCs, and 8 PZL-Swidnik Mi-2s.

Flights continue without headline or reported incident through the remainder of the decade. On April 10, 2001, it will be reported that the company has been merged with **Dalavia** and another small local carrier, **Nikolaevsk-na-Amur Air Enterprise**, with the **Dalavia** name surviving. With the Khabarovsk regional administration providing \$6 million to cover the **Dalavia** leasing package for two new Tupolev Tu-214s, Ministry of State Property ownership in **Dalavia** has been transferred to the region, so that the carrier might be joined with the other two into a stronger and more viable airline. The legality of the arrangement under

which the JSC Vostok is amalgamated into two state-owned companies to form a new state owned concern will lead to local press discussion. Nevertheless, on May—effective August 1—**Dalavia** and **Nikolaevsk-na-Amur Air Enterprises** are joined to form **Khabarovskavia**.

VOTEC (VOTEC SERVICOS AEREOS REGIONAIS, S.A./VOTEC TAXIAEREO, S.A.): Estrada Rio do Pau 2066, Rio de Janeiro, 21655-611, Brazil; Phone (21) 455-1444; Fax (21) 455 1078; Year Founded 1966. On September 23, 1966, the air taxi operation VOTEC (Voos Tecnicos e Executivos, S.A.) is organized at Rio de Janeiro to offer nonscheduled flights into the Tocantins and Araguaia Basins. The carrier is equipped with 3 Britten-Norman BN-2A Islanders and 1 Piper PA-23 Aztec and begins flight operations in 1967. Within the next few years, an autonomous division is formed to handle on-demand traffic in the Amazon area, VOTEC Amazonia Taxi Aereo, S.A.

During the remainder of the decade and into the next, VOTEC becomes a significant charter operation, offering executive air taxi and on demand passenger and express flights, offshore oil industry support, agricultural applications, and resource industry (e.g., logging) support. Douglas DC-3s are added to operate longer segments.

On November 12, 1975, the Brazilian federal government establishes the Sistema Integrado de Transportes Aereos Regional, a system calling for the formation of five regional airlines to provide third-level feeder service to outlying regions. A promise of subsidy is made, based on a 3% surcharge on tickets sold on trunk routes.

Early in 1976, VOTEC is reorganized and upgraded; a new division is established to handle scheduled operations under regional airline brand. Capitalization is now increased and former **TAN (Transportes Aereos Nacional, S.A.)** traffic manager Claudio Hoelck becomes a major shareholder and officer. Return scheduled passenger flights begin over a Goiania—São Simão—Uberlandia route on October 11 employing 2 new Embraer EMB-110P Bandeirantes.

While maintaining its previous charter and support operations, VOTEC over the next 5 years develops a regular network in the states of Goiás and Minas Gerais, featuring 18 destinations. Among the communities visited are Rio de Janeiro, Uberaba, Uberlandia, São Simão, Goiania, Brasília, Argarcas, Arraias, Dianópolis, Porto Nacional, Carolina, Balsas, Grajau, Barra do Corda, Imperatriz, São Luiz, and Belem.

By 1981, the fleet comprises 6 DC-3s, 8 EMB-110P Bandeirantes, 3 BN-2A Islanders, 2 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-23 Aztec, 3 Sikorsky S-61Ns, 5 Sikorsky S-58ETs, 4 Sikorsky S-76s, 4 Hughes 500, 24 Hughes 369s, and 14 Hughes 269s, the last 6 types being helicopters.

Coming in from Tukurui on February 24 in rain and high winds, an EMB-110P1 with 2 crew and 12 passengers collides with a ship in dry dock while on initial approach to Belem. The turboprop bounces onto two barges and breaks into two parts, one of which cascades onto a tugboat and the other, the tail section, sinks (11 dead).

Despite the tragedy, enplanements for the year total 135,721.

During the next 3 years, the fleet is upgraded through the addition of 3 Fokker F27-200 Friendships, 2 EMB-110Ps, 3 BN-2As, 1 Piper Aztec, and 6 Sikorsky S-76s. Withdrawn are 1 DC-3 and 1 Sikorsky S-58ET.

Passenger boardings jump to 156,286 in 1982, but decline dramatically in 1983 to 113,431. Two F27-600s are added in these years, wearing the company's new "minimalist" style livery.

While on initial approach to Imperatriz, Brazil, on April 18, 1984, an EMB-110EJ with 2 crew and 16 passengers collides in midair with another company aircraft, an EMB-110P1 with 2 crew and 15 passengers. The EMB-110EJ crashes out of control and there are no survivors, while the EMB-110P is able to make a forced landing into a river and sinks (1 dead).

Customer bookings this year slide to 104,959, a decline of 7% from the previous year.

Operations continue apace in 1985, but customer bookings plunge to 96,015. A total of \$10.3 million in revenues is earned; however, a large, if unspecified, loss is suffered.

In desperate financial difficulty, VOTEC's fixed-wing division is sold to **TAM (Taxi Aereo Marilia, S.A.)** in August 1986 and is reformed into the wholly owned subsidiary **Brazil Central, S.A.** Having abandoned its scheduled regional operation, VOTEC returns to its roots to concentrate on rotary-wing charter and oil industry support service as VOTEC Taxi Aereo, S.A. Elzo Freitas is managing director in 1999–2000 and his fleet includes 6 Sikorsky S-61Ns and 7 S-76As.

VOTEC TAXI AERO, S.A. See VOTEC (VOTEC SERVICOS AEREOS REGIONAIS, S.A./VOTEC TAXI AERO, S.A.)

VOYAGEUR AIRWAYS, LTD.: P.O. Box 1734, CFB North Bay, Hornell Heights, Ontario, P0H 1P0, Canada; Phone (705) 476-1750; Fax (705) 476-6773; <http://www.voyageurairways.com>; Code 4V; Year Founded 1983. Voyageur is founded by Max Shapiro at North Bay, Sudbury, Ontario in 1983 and equipped with 2 Saunders ST-27s purchased from, respectively, **Air Atonabee, Ltd.** and **Northward, Ltd.** In the spring of 1984, Canadian government permission is received to commence scheduled passenger and cargo flights to Toronto Island Airport. Because of difficulties at TIA, the company is authorized to begin its revenue flights to Toronto in July. In the fall, flights are started—then stopped—between Toronto and Windsor.

The Sudbury terminus is extended in January 1985 to Marathon and Manitouwadge. During the summer, a cooperative agreement is signed with **NorOntair, Ltd.** to connect at Ottawa. The following year, another Saunders is purchased, from **Northward, Ltd.**, as is a Beech King Air 100. These are employed, beginning in April, to launch direct Sudbury to Ottawa service. Ottawa to Rouyn and Val d'Or service is initiated in July. Six months later, in December, flights begin from Marathon to Sudbury, North Bay, and Montreal.

The fleet is further expanded in 1987 by the addition of Piper PA-31T Cheyennes and Beech Super King Air 200s. These assist in the opening of new routes, purchased from **City Express, Ltd.**, linking Toronto with Montreal via Peterborough and Ottawa. By 1989, the fleet has been expanded to include 10 Beech King Air 100s, 1 Super King Air 200, 1 Piper PA-31-310 Navajo, and 3 PA-31T Cheyennes. When service to Elliott Lake, Ontario, is suspended by **Air Ontario, Inc.** on April 2, it passes to Voyageur the same day.

Operations continue apace in 1990–1992 and in 1993–1994 two Cessna 501 Citations and a de Havilland Canada DHC-7-102 are acquired. A second DHC-7-102 arrives in 1995, but late in 1996, when the new Colorado-based charter operator **Maverick Airways (2)** elects to begin scheduled services, both Dash-7s are leased to it. Maverick lasts only a short period and so the DHCs are returned; in 1997 they are joined by a third. The fleet also contains 10 Beech King Air 100s, 2 Cessna 501 Citations, and 1 Super King Air 200. The King Air complement is changed by year's end to include 9 King Air 100s and 2 Super King Air 200s.

On June 17, 1998, the company signs an "Air Canada Connector" contract with the major. Under its terms, which will take effect in September, the regional will acquire a fleet of 10 Beech 1900Ds, painted in modified **Air Canada, Ltd.** colors. Employing Air Canada tickets, it will then operate services from its North Bay base, as well as Toronto, to new local markets in southern Ontario and the Northeast U.S. considered as too uneconomical to receive service from DHC-8s. Voyageur will also provide off-peak service on existing Air Canada routes.

With sufficient Beech 1900Ds on hand and a new marketing name Air Connexion chosen, Voyageur Airways, Ltd., on behalf of Air Canada, prepares to inaugurate nonstop roundtrips on September 20. The first city-pair selected for visits is Toronto and Syracuse, with four daily nonstop roundtrips to be offered during the week and three nonstop roundtrips on both Saturday and Sunday. Unhappily, the new service is cancelled before it is started.

VQ AIRLINES. See VOLUSIA AIR SERVICE

VSESOYUZNOE OB'EDINENIE GRAZDANSIY VOZDUZHNIY FLOT. See DOBROFLOT

WAGLISLA AIR, LTD.: Canada (1984–1996). Established at Vancouver in 1984, Waglisla inaugurates local and bush services, both scheduled and unscheduled, along the central British Columbia coast. Employing a de Havilland Canada DHC-2 and several Cessna 180s, all float-equipped, the operator visits such destinations as Bella Coola, Bella Bella, and Ocean Falls.

Operations continue apace for the remainder of the decade and into the next. In 1993, President Vivian Wilson's carrier visits Power River, Port Hardy, Bella Bella, Masset, and Prince Rupert. The fleet includes 2 Beech 99s, 3 Piper PA-31-310 Navajos, 1 Douglas DC-3, 2 DHC-3 Otters and 6 DHC-2s (all of the DHCs are float-equipped).

The Douglas transport, Beech 99s, and three Beavers are withdrawn in 1994; however, another Otter is added. Arthur Harrison is general manager in 1995 and he operates 3 Beavers, 3 Otters, and 2 Chieftains. The 2 Beech 99s rejoin the fleet later in the year. The company declares bankruptcy in October, but continues to operate. One Beaver is withdrawn in 1996, just before the entire concern shuts its doors.

WAIRARAPA AIRLINES, LTD.: New Zealand (1980–1991). Established late in 1980 to provide scheduled commuter services, Masterton-based Wairarapa undertakes flights to Auckland with a pair of Piper PA-31-350 Navajo Chieftains. During the remainder of the decade, services are also started to Christchurch, Nelson, and Rotorua.

By decade's end, Managing Director Alan Stewart has only one Chieftain available. Although another Chieftain is acquired in 1990, the small regional is unable to maintain its economic viability and ceases operations in 1991.

WALATKA AIR SERVICES. See NORTHERN CONSOLIDATED AIRLINES**WALKER'S CAY AIR TERMINAL.** See WALKER'S INTERNATIONAL AIRLINE**WALKER'S CAY AIRLINE.** See WALKER'S INTERNATIONAL AIRLINE

WALKER'S INTERNATIONAL AIRLINE: 700 Southwest 34th Street, Fort Lauderdale, Florida 33315, United States; Phone (305) 359-1406; Fax (305) 359-1414; http://ella.netpoint.net/empg/walkers_cay/wc5.htm; Code XW; Year Founded 1967. Walker's is originally founded as the Jet Hansa Corporation at Fort Lauderdale in 1967 to operate and market in America the Hamburger Flugzeugbau HFB 320 Hansa business jet. Charter flights are operated in support of aircraft promotion.

In 1975, James Radcliffe takes over and reforms the company, beginning to operate it as a charter passenger and cargo service linking its base with West Palm Beach and the Bahamian destination of Walker's Cay—hence its new name, Walker's Cay Air Terminal. In 1980, Radcliffe decides to offer daily scheduled roundtrip frequencies and the company is reborn as Walker's Cay Airlines.

By 1981, the fleet includes 1 each de Havilland Canada DHC-6 Twin Otter, Grumman G-73 Mallard, Beech Super King Air 200, and Beech Queen Air 65. Service to Fort Lauderdale begins and operations continue apace during the remainder of the decade until 1990 when, in the face of recession, scheduled operations are suspended.

Charter flights, never abandoned, now receive total emphasis and in 1993–1994, President Radcliffe and General Manager Flemming Andersen still operates a Twin Otter and a Mallard. The fleet is altered in 1995–1996 to include 1 Cessna 206, 1 Cessna 207A, and 6 Piper PA-31-350 Navajo Chieftains. Enplanements during the latter year total 3,680. Flights continue without fanfare.

During October 2000, the Twin Otter receives a fake color scheme and "Fly y Air" titles, which allow it to be featured in the motion picture *Big Trouble*, written by Dave Berry.

WALTAIR, S.A.: Zaire (1993–1994). Waltair is established at Kinshasa in 1993 to offer domestic and regional charter flights to destinations in Africa and the Mideast. Revenue operations commence with a single Aerospatiale (Sud) SE-210 Caravelle XB. The company name is changed in 1994 to **Wetrafa Airlift, S.A.**

WANAIR, S.A.: P.O. Box 6896, Aeroport Tahiti, Faaa, Tahiti, 98702, French Polynesia; Phone 689 855 554; Fax 689 855 556; Year Founded 1987. Wanair is set up at Tahiti in 1987 to offer nonscheduled passenger charters to all of the nearby islands. President Robert Wan operates a Beech 1900D in 2000. Scheduled services begin in May following the acquisition of a colorfully painted Fairchild-Dornier 328JET christened *Marutea*.

WANGANI AERO WORK, LTD.: Wangani Airport, P.O. Box 509, Wangani, New Zealand; Phone 64 (6) 345 3994; Fax 64 (6) 345 3992; <http://www.aerowork.co.nz>; Year Founded 1950. Wally Harding establishes WAW at Wangani in November 1950, originally as a charter and agricultural support concern. Over the next 30-plus years, this founding member of the Aviation Industry Association of New Zealand operates a large fleet of lightplanes and helicopters on a variety of general aviation missions, including aerial work, agricultural spraying, forest fire reconnaissance/suppression, supply dropping, search and rescue, and passenger and cargo air charters.

The concern remains in Harding family hands and in 1972 Richard Harding is managing director, with Bruce and Heather as company directors. The fleet in 1976 comprises 10 Fletcher FU24-950s.

Helicopter aerial work is added to the agricultural business during the remainder of the century. At the beginning of 2000, the fixed-wing fleet includes the 10 Fletchers, plus 1 Cresco 600, and 4 Cresco 750s. A Bell 205, 2 Bell 206B JetRangers, and 1 Hughes 500D are also operated.

WARATAH AIR SERVICES (PTY.), LTD.: Australia (1986–1988). Waratah is formed at Tumut, New South Wales, in 1986 by Chief Pilot G. Pickering. Employing a single Cessna 402, the small commuter begins scheduled daily return services to Sydney. Unable to establish a profitable concern, Pickering is forced to halt operations in late 1988.

WARBELOW'S AIR VENTURES: 3758 University Avenue South, Fairbanks, Alaska 99709, United States; Phone (907) 474-0518; Fax (907) 479-5054; <http://www.akpub.com/fhwag/warbe.html>; Code 4W; Year Founded 1991. Arthur Warbelow founds his WAV at Fairbanks in 1991 to provide scheduled passenger and cargo flights to a number of Alaskan destinations. A staff of 16 is recruited and a fleet is assembled comprising 3 Piper PA-31-350 Navajo Chieftains, 1 Piper PA-31-310 Navajo, 3 Cessna 207As, 1 Cessna 206, and 2 Beech 18s.

A total of 4,253 passengers are flown, along with 472,852 pounds of mail.

Operations continue apace in 1992 and destinations served in 1993 include Fort Yukon, Chalkyitsik, Utopia, Hughes, Huslia, Galena, Rampart, Tanana, Eagle, Circle, and Circle Hot Springs.

Passenger boardings increase 57% to 12,106.

Operations continue apace in 1994 as customer bookings accelerate 35% to 16,357. A total of 333,000 FTKs are also operated.

The fleet in 1995 includes 2 Cessna 207As, 1 Cessna 206, and 3 Navajo Chieftains. The company now serves 18 interior villages. Increased mining activities and the aftermath of the flooding on the Koyukuk River fuel a traffic boom.

Enplanements surge 29% during the 12 months to 21,095.

Airline employment stands at 37 in 1996 and passenger boardings accelerate 13.5% to 23,935.

While on final approach to Prudhoe Bay after a June 20, 1997 all-cargo service from Nuiqsut, the Cessna 206's aft cargo door opens and slams against the side of the fuselage, resulting in substantial damage. The pilot is able to complete his landing and is uninjured.

Enplanements during the 12 months total 26,334.

President Warbelow's fleet in **1998** includes 8 Chieftains, 2 Cessna 207As, and 1 C-206. Passenger boardings ascend 30.7% to 38,000.

Customer bookings climb another 5.3% in **1999** to 40,000.

For the first time, the salmon runs along the entire Yukon watershed collapse. By fall, subsistence salmon fishing must be shut down and Governor Tony Knowles declares an emergency. In addition to the economic loss, thousands of dogs in rural bush areas, used to haul sleds and depend upon salmon as their food source, face starvation or liquidation. Something must be done to avert this disaster and a number of small airlines, coming off a bad year caused by rising fuel and insurance costs, are able to assist, while also enjoying renewed profits.

The key to the situation, in the eyes of many, is the transport of donated dog food and fish obtained by local governments and tribes as the result of press reports of the failed salmon returns. In late August and September, a massive food shipment is organized by Warbelow's at Fairbanks, with support from the U.S. Postal Service and other small airlines.

Because Warbelow's has made special arrangements with its competitors, the USPS, which will not be directly involved in distribution, agrees to allow the donated food to be classified as bypass mail, for which rock bottom postage is charged. The entire \$25,000 bill will be paid by the Tanana Chiefs Conference, which also rents refrigeration to hold frozen food awaiting delivery.

Under the direction of Chief Pilot Michael Morgan, Warbelow's, which has the only bypass mail-shipping permit in Fairbanks, runs the packages through its meter and with USPS assistance farms out this mail for delivery. The airlines involved, including Warbelow's, **Frontier Flying Service, Arctic Circle Air Service, Belair, Larry's Flying Service, Servant Air, Tanana Air Service, Tatonduk Air Service, and Wright's Air Service**, are paid a rate per pound (between 40¢ and \$1 depending on distance), to haul the approximately 100 tons of food to villages along the Yukon, Tanana, and Koyukuk Rivers.

WARD AIR: 8991 Yandukin Drive, Juneau, Alaska 99801, United States; Phone (907) 789-9150; Fax (907) 789-7002; Year Founded 1975. Kenneth R. Ward establishes Juneau Flying Service at Juneau, Alaska, in **1975** to offer charter passenger and cargo flights to destinations in southeast Alaska. His fleet consists of float-equipped de Havilland DHC-2 Beavers and Cessna 185s. Airline employment reaches seven.

To provide scheduled commuter services, the carrier is reformed under its owner's name in April **1980**. Employing 1 each Beech 18, de Havilland Canada DHC-2 Beaver, and Cessna 185, revenue frequencies begin over local routes. Services continue without change for the next 13 years.

In **1993**, Ken Ward and his wife Michelle sell the company and purchase Taku Glacier Lodge, a world-famous resort built in 1923. Five years later in **1998**, the company mission has not changed since the days of its founder. The Beech 18 has, however, been replaced with a second Beaver.

Flights continue in **1999**. Coming in from Hawk Inlet on April 27, a Cessna 185 with one pilot and one passenger, lands short of the runway at Juneau. Although the aircraft is damaged beyond repair, no one aboard is seriously hurt.

A total of 9 full-time and 3 part-time pilots are employed at the beginning of **2000** and the fleet now includes 2 Cessna 185 Skywagons, 3 Beavers, and 1 DHC-3 Otter.

WARDAIR, LTD. See **WARDAIR CANADA, LTD.**

WARDAIR CANADA, LTD.: Canada (1946–1989). Ex-RCAF and bush pilot Maxwell W. Ward forms **Polaris Charter Company, Ltd.** at Yellowknife in **1946** and initiates on-demand service with a four-passenger de Havilland DH 83C Fox Moth, flying to the many mining sites of the Northwest Territories. Unlicensed, Polaris Charter is merged into certified **Yellowknife Airways, Ltd.** in **1947** under the latter's logo; operations are suspended in **1949**, briefly restarted in **1950**, and bought out by **Associated Airways, Ltd.** in **1951**.

Wardair, Ltd. is formed at Yellowknife and a new de Havilland DHC-3 Otter is ordered in **1952**. Charter flights with the C\$96,000 ma-

chine commence in June **1953**. The fleet is upgraded in **1954–1956** by the addition of two more Otters and two DHC-2 Beavers. Contract services and passenger and cargo charters continue.

In March **1958**, a Bristol 170 Freighter is purchased from **Central Northern Airways, Ltd.** and employed to offer cargo services to Arctic destinations. A fourth Otter is obtained April, but is lost in a May **1959** accident at Coral Harbor, Hudson's Bay.

In **1961** the decision is taken to emphasize overseas charters and the company takes the name Wardair Canada, Ltd., primarily for marketing purposes. Two modified Douglas DC-6s are obtained; the first, a DC-6A/B, is leased from **Canadian Pacific Air Lines, Ltd.** and enters service at year's end on flights to the U.K.

In January **1963**, a Beech 18S seaplane joins the fleet operating in the north. The second long-range aircraft, a DC-6A purchased from **KLM (Royal Dutch Airlines, N.V.)**, is delivered in March. After eight charters, the CPAL aircraft is returned in December and for the next 2 years the former Dutch Douglas makes approximately 70 charters annually. The company profits from international group and inclusive-tour services to a point where additional capacity is required. A Boeing jetliner is ordered in **1965**.

Equipped with extra fuel capacity, a B-727-11 is delivered on April 25, **1966**. Christened *Cy Becker*, it is placed into service in May on a flight from Vancouver to London (LGW) via Sondre Stromfjord (Greenland). In addition to becoming Canada's premier operator of Boeing jetliners, Wardair Canada now becomes the only airline to operate this tri-jet type on transatlantic charters. Additional flights are laid on to the European destinations of Dusseldorf, Copenhagen, and Amsterdam; however, more range is required and thus two B-707-320Bs are requested. The DC-6A is sold to **Pacific Western Airways, Ltd.** in November while, during the winter season, the Boeing is leased to the American carrier **National Airlines (1)**.

The northern operation receives its first DHC-6-100 Twin Otter in April **1967**; receipt of the larger aircraft allows sale of an Otter in May and the Beech-18 in August. The carrier becomes a public company in September and in the fall arrangements are made for the purchase of four ex-RCAF Bristol 170s, the first of which is delivered in December.

After the withdrawal of the former **Central Northern Airways, Ltd.** Bristol 170 in February **1968**, two former air force Bristols arrive in March and July. Meanwhile, the first B-707-311C is delivered on April 17; christened *Punch Dickens*, it enters revenue service in May, the same month the DHC-6-100 is replaced by a Dash-200. A Beaver is sold in October.

The fleet is further enlarged in **1969** through the arrival of the B-707-396C *W. R. Wop May*, the last Bristol 170, and two DHC-6-300s. The Stratoliner is a used aircraft, previously operated by **Kuwait Airways Corporation**. During the winter charter season, the B-727-11 is leased to **Braniff International Airways**.

The ice gives way on Great Slave Lake, near Snowdrift, Northwest Territories, on May 3, **1970** and a Bristol 170 Mk. 31M Freighter falls in; unable to salvage the aircraft, employees strip it and let it sink. Two other Bristols are sold during the year, one in March and one in November.

Max Ward's holding is reduced to 42% in **1971** as private interests acquire 25% shareholding and **Air Canada, Ltd.** 33%. A B-747-1D1 is ordered and an Otter is sold in November. The B-727-11 is sold to **Cruzeiro Brazilian Airlines (Cruzeiro do Sol, S.A.)** in May **1972**. Two new DHC-6-300s join the northern fleet (one each in January and June) while the last DHC-3 is sold in November.

On April 23, **1973**, the first B-747-1D1 is received; originally ordered by **Braniff International Airways** but not delivered, it is christened *Phil Garratt* and placed into service in May flying transatlantic charters from Canadian cities to London.

An order is placed in **1974** for a B-747-124. The second Dash-1D1 arrives on December 15; it is purchased from **Continental Airlines** and is named *Romeo Vachon*.

The fleet in **1975** comprises 2 Jumbojets, 2 B-707-300Cs, and 6 DHC-6-300 Twin Otters.

On January 1, the carrier's corporate name is changed to Wardair Canada (1975), Ltd. and future Chief Operating Officer George D. Curley is first named to the board of directors.

The main foreign destinations are Florida, Hawaii, the Caribbean, and the four original north European nations. Bush operations are continued throughout the Yellowknife district and are enhanced once passenger charters are started with a Mitsubishi Mu-2.

On June 1, 1976, the carrier becomes a division of Wardair International, Ltd., a holding company established to control airline and associated transport subsidiaries plus International Vacations, Ltd., Wardair Jamaica, Ltd. and Wardair (U.K.), Ltd. The following year, orders are placed for two DC-10-30s and two B-747-200s.

In August 1977, a Grumman Gulfstream I is acquired on lease to fly government executive charters in the northland. Enplanements are 613,366.

Charters are started from Montreal and Toronto to San Juan, Puerto Rico, in 1978. The Gulfstream I is returned and the Mu-2 is sold, but is replaced by major additions. A B-747-211B (christened *H. Hollick Kenyon*) and two Douglas DC-10-30s (*Punch Dickens* and *W. R. Wop May*) are delivered, joining a fleet that includes 2 B-747-1D1s, 6 DHC-6-300s, and 1 Grumman Gulfstream I. The first DHC-7-102 arrives on June 8; called *Don Braun*, it is the first of its type to enter service in Canada.

The two B-707-300Cs are sold late in the year; passenger boardings jump 19.4% to 761,000 and profits soar 41% to C\$5.4 million.

The employee population is increased by 13.6% in 1979 to 2,046. The bush portion of the operation ends as full concentration is placed on international charter flights. The reequipment program begun earlier is completed as the second B-747-211B is received; it is christened *H. A. "Doc" Oaks* and placed in service. A second Dash 7 is received, but like the first, it is not now required and so both are sold.

Despite the grounding of the DC-10s for awhile as a precaution after the May crash of an **American Airlines** unit at Chicago, passenger bookings skyrocket 45% to 1,114,175. Revenues climb 38.7% to C\$236.2 million and the operational profit soars 127% to C\$13.7 million; the net profit is C\$6.5 million.

Orders are placed in 1980 for six Airbus Industrie A310s. A number of government-contract Vietnamese refugee charters are undertaken and in May the first full-frills domestic charters are inaugurated from Vancouver to Toronto. Domestic mixed-frills charters begin in June. As part of a Saskatoon to Honolulu via Calgary charter in December, Wardair's B-747-211B *H. A. "Doc" Oaks* becomes the first Jumbojet ever to land at that Saskatchewan city. Passenger bookings accelerate 15% during the 12 months to 1.28 million.

Cancelled during the winter, charter flights begin again in May 1981. In June, the carrier becomes the Canadian flag representative to St. Lucia and a third DC-10-30, the *Stan McMillan*, is added in October.

As the world recession deepens, passenger boardings dip 2.3% to 1,251,000. A C\$1.04-million profit is reported.

Enplanements recover in 1982 to 1,384,000. Although a C\$5.6-million operating profit is posted, a C\$10.5-million net loss is suffered. The April delivery date for the first A310s is pushed to 1985, while interline arrangements are made with **Air Ontario, Inc.** and **Pacific Western Airlines, Ltd.**

The employee population is cut 10.8% in 1983 to 1,992. Domestic charters are cut during the winter and the A310 order is cancelled. Passenger boardings rise 7.1% to 1,482,000. Revenues increase 5.2% to C\$284 million, producing a C\$21-million operating profit; still, a net loss of C\$2.3 million is taken.

Following U.S. and Canadian negotiations, the existing bilateral air agreement is amended in 1984. Wardair receives Ottawa's approval, under deregulation, to begin scheduled international services. Domestic charters are resumed during the summer and the carrier reaches a settlement with a flight attendants' union threatening a strike.

Passenger boardings advance a slight 1.1% to 1,499,057. The carrier continues to maintain its ranking as the nation's largest charter operator. Profits are C\$110.9 million (operating) and C\$5.1 million (net).

The workforce is increased 8.9% in 1985 to 2,250 and a deal with a Brazilian carrier to lease A300B4s falls through. In April, Maxwell W.

Ward is named board chairman/CEO while longtime board member and Vice President Operations George D. Curley becomes president/chief operating officer. A whole new management team is put into office at the same time.

On May 9, the carrier is officially designated as the second Canadian scheduled airline to the U.S., becoming the first Canadian operator other than **Air Canada, Ltd.** or **Canadian Pacific Air Lines, Ltd.** to receive a license for scheduled services over the Atlantic or Pacific. Twice-weekly scheduled DC-10-30 flights are launched on November 5 from Toronto and Montreal to San Juan, Puerto Rico. Designated the second Canadian scheduled airline to the U.K., Wardair inaugurates flights to Manchester and London in December.

Passenger bookings for the year accelerate 4.5% to 1,566,625 and freight traffic climbs 23.9% to 49.5 million FTKs. Revenues advance to C\$341 million, while expenses increase only 8.3%, producing profits of C\$36.6 million (operating) and C\$7.9 million (net).

On March 20, 1986, a Class I domestic license is requested. Promotion of the new U.K. scheduled service is begun on May 1 and four days later, scheduled domestic DC-10-30 frequencies are started from Toronto to Vancouver via Edmonton and Calgary. A three-year lease-purchase arrangement is signed with **South African Airways, Ltd. (SAA)** for two A300B4-203s and an A300C4-203.

The first A300B4-203 received from Johannesburg is renamed *H. Hollick-Kenyon* and enters service on the Toronto-Vancouver route on August 22. The last two Airbuses are received in late August and early September and christened, allowing the addition of Montreal to the domestic network. The B-747-211Bs *H. Hollick-Kenyon* and *H. A. "Doc" Oaks* are sold to **British Caledonian Airways, Ltd.** in October, leaving the Oaks name available for a former **Air Canada, Ltd.** B-747-133 acquired in December and given the *H. A. "Doc" Oaks* moniker.

Customer bookings swell 4.4% during the 12 months to 1,635,400 and revenues rise 3.8% to C\$355.7 million. With costs kept down, the operating profit moves upward to C\$30.4 million and net gain reaches C\$33.4 million.

Airline employment is increased by 28.7% in 1987 to 3,890 and a C\$920-million order is placed in February for 12 A310-300s. Toronto-Winnipeg scheduled flights begin in May, but are dropped in July while Toronto-Vancouver frequencies are decreased, both actions due to the SAA's August recall of its *Koedoe*, the A300C4-203. Juggling of the fleet briefly requires suspension of service from Montreal and Toronto to San Juan. To allow these to resume along with start-up of a new frequency from those to cities to Puerto Plata, a DC-8-61 is wet-leased from **Nationair, Ltd.**

The first three A310-304s arrive in November and December and are christened *G. Levine Leigh*, *Don C. Braun*, and *Jack Moar*. On November 28, the *G. Levine Leigh* inaugurates the first service by its type from London (LGW) to Toronto.

Passenger boardings rise 6.7% to 1,744,000 and freight jumps 36.1% to 97.2 million FTKs. Revenues swell 13.2% to C\$399 million. Expenses, largely related to preparations for the launch of scheduled services the next year, are up significantly and cut the operating profit to C\$11.1 million. Net profit falls to C\$27.4 million.

The workforce grows another 35% in 1988 to 4,684. A total of nine A310-304s are delivered between January and October; these are named *A. M. Matt Berry*, *H. W. Harry Hayter*, *C. C. Carl Agar*, *S. R. Stan McMillan*, *T. "Rusty" Blakey*, *G. W. Grant McConachie*, *Sheldon Luck*, *W. R. "Wop" May*, and *C. H. "Punch" Dickens*. Meanwhile, in March, an order is announced for eight McDonnell Douglas MD-88s. A request is also made to Fokker for 12 Fokker 100s.

Between April and September, all three DC-10-30s are sold, one each to **Garuda Indonesian Airlines**, **Finnair, O/Y**, and **Canadian Airlines International, Ltd.** Scheduled service to Paris and San Diego is started, while Ottawa and Halifax become scheduled domestic markets. Charters are undertaken to Los Angeles, Hamburg, and Paris, plus the traditional foreign gateways. For the winter season beginning in

December, A310-304 service from Canada to the U.K. is increased to 23 weekly flights.

Customer bookings leap upward 45.2% to 2,532,929 and cargo climbs 10.2% to 107 million FTKs. Revenues jump 33.4% to \$C523.3 million, but the expensive scheduled services run costs up 49.6% to \$C580 million. The resulting operating loss is \$C48 million and the net downturn is \$C17.4 million.

In January 1989, the carrier is purchased by PWA Corporation, parent of **Canadian Airlines International, Ltd.**, for \$C206 million. PWA CEO Rhys Eyton becomes the new Wardair CEO and operates the carrier for six months as a subsidiary under the chairmanship of Wardair founder Maxwell Ward. Service to Winnipeg is halted in March and the Fokker 100/MD-88 orders are cancelled.

Through June, the last month of independent statistics, passenger boardings are down 7.4% to 1,128,761, but freight is up 39.5% to 50 million FTKs. The operator is absorbed into **Canadian Airlines International, Ltd.** in July.

Founder Ward will spend the next two years completing his autobiography, *The Max Ward Story: A Bush Pilot in the Bureaucratic Jungle* (Toronto: McClelland and Stewart, 1991).

WARING AIR: United States (1982–1983). Waring Air is set up at Charlottesville, Virginia, in the late fall of 1982 to offer daily air taxi flights to Charlotte, North Carolina. Employing a Beech 18, roundtrips are inaugurated on December 15, but only continue a few months into 1983.

WASA WINGS, O/Y: Finland (1987–1990). Wasa Wings is established as a Finnish independent in 1987 to offer replacement services over those routes considered to be too lightly traveled to justify regularly scheduled flights by **Finnair O/Y** and **Finnaviation O/Y**. A fleet of 2 Beech 99s and 1 Cessna 404 transport a total of 18,000 passengers during the start-up year.

While on final approach to Ilmajoki during a storm on November 14, 1988, the 2 crew and 10 passengers aboard an EMB-110P1 from Helsinki are startled to witness a massive power failure, which puts out all of the lights at the airport. The aircraft now strikes trees 800 m. beside the runway and crashes (6 dead).

Bookings for the year advance to 30,000.

Early in 1989, the third-level operator purchases a CAT 200 modified Beech King Air.

Enplanements remain level at 30,000 and operations cease in 1990.

WASAYA AIRWAYS, LTD.: P.O. Box 308, Pickle Lake, Ontario P0V 3A0, Canada; Phone (807) 928-2244; Fax (807) 928-2595; <http://www.wasaya.com>; Code WG; Year Founded 1993. Frank W. Kelner sets up Wasaya at Pickle Lake in 1993 to operate scheduled and charter passenger and cargo services to local and regional destinations. Revenue operations commence with a fleet that includes 1 Cessna 208 Caravan I, 3 C-208Bs, and 5 British Aerospace BAe (HS) 748-2A/Bs.

Two BAes are withdrawn in 1994 as a fourth C-208B is acquired.

Fleet changes continue in 1995 as two C-208Bs are replaced by two Beech Super King Air 200s and a BAe (HS) 748-2BF. The original Cessna 208 is sold in 1996. Service is maintained in 1997–2000, with scheduled flights added in October of the former year.

WASHINGTON AIRLINES: United States (1968–1969). During the summer of 1968, Butler Aviation elects to attempt the establishment of a short landing and takeoff (STOL) service linking Washington, D.C. with Baltimore. Employing a pair of Dornier Do-7 Skyservants, its subsidiary, Washington Airlines, inaugurates daily roundtrips on September 20 linking National Airport and Dulles International Airport with Friendship Airport in Baltimore, Maryland.

Technically, the experiment is a success, but failing to generate significant traffic, it is a commercial failure and shuts down in September 1969.

WASHINGTON-BALTIMORE AIRWAYS: United States (1968–1970). Washington-Baltimore is set up at Washington, D.C. (DCA) in 1968 to provide scheduled passenger and cargo services to regional destinations. Employing Piper PA-23 Aztecs and Beech B-80 Queenaires, WBA inaugurates daily roundtrips linking the company's base with Baltimore, Pittsburgh, Harrisburg, Reading, Martinsburg, Bristol, Cumberland, Charleston, and Bluefield.

Services are maintained into 1970.

WASP AIRLINES (PTY.), LTD.: Australia (1935–1936). WASP is formed at Sydney in 1935 to offer short-haul services to various destinations from the capital of New South Wales. Equipped with Codock and Monospar ST.10 aircraft, the company undertakes weekly flights to Coonambie via Narromine and thrice weekly to Young, Leeton, and Griffith.

As is the case for other pioneer airlines during the Depression, traffic does not allow continue and the carrier ceases operations in July 1936.

WATERMAN AIRLINES, S.A. See TACA INTERNATIONAL AIRLINES, S.A.

WATERTOWN AIRWAYS: United States (1935–1936). WA is founded at St. Paul, Minnesota, in the summer of 1935 to offer scheduled passenger flights on a route into the Dakotas, touching en route at such communities as Watertown, Pierre, Rapid City, and Spearfish, plus Mount Rushmore. Revenue frequencies commence in August, but traffic proves too insufficient to justify operations beyond the first quarter of 1936.

WATERWINGS AIRWAYS, LTD.: New Zealand (1990–1994). Under Managing Director Chris Willett, Waterwings is established on Te Anau Island in 1990 to provide scheduled service to various points on the southern tip of the nation's South Island. Sight-seeing flights are also undertaken. The initial fleet includes 2 GAF Nomad N.22s plus 1 Cessna 206 and 1 Cessna 207. Operations continue until 1994.

WAYFARER AVIATION: 10 Hangar Road, Westchester County Airport, White Plains, New York 10604, United States; Phone (914) 949-4424; Fax (914) 949-5206; <http://www.wayfareraviation.com>; Year Founded 1956. Laurence, David, and Nelson Rockefeller establish this aircraft management, charter, sales, maintenance, and consulting concern at Westchester County Airport in 1956. Over the next 40 years, the full-service aviation concern becomes well known for the provision of executive and small group passenger charters to airports in New York, New Jersey, Connecticut, and other Eastern U.S. locations.

James Christiansen is president in 2000 and operates a fleet that includes 2 Canadair 600 Challengers, 1 Dassault Falcon 20, 1 Learjet 35A Century III, and 2 Augusta A-109 helicopters.

WDL AVIATION (KOLN), GmbH.: Postfach 98 02 67, Koln 90, D-51130, Germany; Phone 49 (2203) 53082; Fax 49 (2203) 64100; <http://www.wdl-aviation.de>; Code WDL; Year Founded 1991. In late 1991, WDL Flugdienst is reformed and its group headquarters are moved to Cologne. The airship division, WDL Luftschiffgesellschaft MbH., remains at Mulheim on the Ruhr. In 1992, the route network of this operator is lengthened as President Walter Bohnke acquires three Airbus Industrie A320-231s on lease from **Adria Airways**. The FH-227J is leased to **CARA Express**.

The Airbus lease ends in early 1993 and the fleet now includes 5 F.27-600s, 3 F.27-100s, and 1 F.27-200. Two more F.27-600s, 8 F.27-100s, 2 F.27-200s, and 1 F.27-400 join the fleet in 1994 as both routes and services are expanded. The mission, however, is altered as WDL becomes an all-cargo operator, flying on behalf of **United Parcel Service (UPS)**, **Lufthansa Cargo, A.G.**, **Emery Worldwide**, **DHL Worldwide Express**, and **TNT Express Worldwide**.

Flights continue in 1995–1997, during which years the fleet consists of 9 F.27-600s, 4 F.27-200s, and 1 each F.27-400 and F.27-100.

In addition to contract services on behalf of the large freight operators, WDL also continues to provide its own services, offering logistical support to the automotive and other industries. A corporate shuttle division is established at Frankfurt during the year, flying executives aboard a Bombardier Learjet 55.

Freight service and executive passenger charters are maintained in 1998. During the spring, the decision is taken to reenter the passenger charter market. A British Aerospace BAe 146-100, just off lease to **KLM U.K., Ltd.**, is acquired from the charter arm of the manufacturer on July 1.

Repainted, the BAe enters service on August 8; initial operations consist of the provision of replacement services for **Aero Lloyd, GmbH**. A second British-made jetliner, a VIP-configured Dash-200, is acquired from **Pelita Air Service** late in the year.

Service is maintained in 1999. The former Pelita BAe 146-200 enters service on April 14. The replacement business is found to be most promising as flights are operated on behalf of **LTU International Airlines (Lufttransport Unternehmman, GmbH.)**, **Aero Lloyd Flugreisen, GmbH.**, **Eurowings Luftverkehrs, A.G.**, **Hapag-Lloyd Fluggesellschaft, mbH.**, **Virgin Express, S.A.**, and **Fti Fluggesellschaft, mbH.** Corporate shuttle customers include Airbus Industrie and the automobile manufacturers Audi, BMW, and Daimler Chrysler.

On May 1, 2000, a wet-leased British Aerospace BAe 146-300, operated on behalf of **Air Nostrum, S. A.**, launches Iberia Regional weekday return flights from Zaragoza to Madrid, Nice, and Frankfurt. These are complemented with weekend services to Bologna from Madrid and Barcelona.

A BAe 146-200 is wet-leased to **Deutsche BA Luftfahrtgesellschaft, GmbH.** on November 1 and is employed to offer scheduled frequencies from Koln to Munich, Dusseldorf, and Berlin (Tegel). Two more planes, also wearing Deutsche BA stickers, will follow.

WDL FLUGDIENST, GmbH. (WESTDEUTSCHE LUFTVERBUNDUNG FLUGDIENST, GmbH.): Germany (1956–1991). WDL is incorporated at Mulheim on the Rhur in 1956 as a subsidiary of Westdeutsche Luftwerbung Theodor Wullenkemper GmbH. & Co., K.G., to provide executive air charter and aerial advertising. In the beginning, flights seldom total more than 90 in a whole year. Lightplane charters continue without incident or headline during the next several decades. In 1972, an airship division is also established at Mulheim on the Ruhr; it will eventually become known as WDL Luftschiffgesellschaft MbH. and will operate the company's own dirigible type, the WDL-1-B. Like the Goodyear blimps in the U.S., these will almost always be employed for aerial observation and photography.

The first Fokker F.27-100 is acquired in 1974 and is employed to operate scheduled passenger replacement service under contract to **Deutsche Lufthansa, A.G.** By the middle 1980s, Managing Director Theodor Wullenkemper's fleet comprises 3 Fokker F.27-100s and 1 Fairchild-Swearingen Metroliner.

Operations, primarily on behalf of **Deutsche Lufthansa, A.G.** and **Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)**, continue apace. In 1990, the fleet comprises 4 Fokker F.27-100s (3 of which are leased to **FTG Air Services, GmbH.**), 1 F.27-200, which is also chartered to **FTG Air Services, GmbH.**, and 2 WDL-1-B airships.

The **FTG Air Services, GmbH.** charters end in 1991, at which point the F.27-100/200s are joined by 3 F.27-600s and 1 Fairchild Hiller FH-227J. The carrier is reformed late in the year and renamed.

WEARNE'S AIR SERVICE, LTD.: Malaya (1936–1941). Wearne's is founded at Singapore on December 18, 1936 as an associate of the automobile dealer and importer Wearne Brothers, Ltd. Equipped with a single DH 89 christened *Governor Raffles*, the company launches thrice-weekly Singapore to Penang service via Kuala Lumpur and Ipoh, on June 28, 1937. The route's frequency becomes daily following delivery of another Rapide, the *Governor Fullerton*, on September 27.

Two DH 86s are acquired in 1938, one each from **British Airways, Ltd. (1)** (the *Governor Ibbotson*) and **Jersey Airways, Ltd. (the Gover-**

nor Murchison). A DH 60 is also purchased. In 1939, flights begin from Penang to Kota Bharu and the *Governor Ibbotson* conducts a survey flight across the South China Sea to Sarawak. On June 30, 1940, Penang to Kota Bharu service is suspended. By year's end, the fleet comprises 2 DH 89s and 1 DH 90 Dragonfly.

On December 1, 1941, the carrier becomes "B Flight" of the Malayan Volunteer Air Force; after the attack on Pearl Harbor on December 7, the company officially ceases to exist. As a military unit, Wearne's now flies passengers and mail from Singapore to various military destinations. All three of the company's aircraft are lost in accidents or under Japanese attack.

WEBBER AIRLINES. See **SOUTHEAST ALASKA AIRLINES; TYEE AIRLINES**

WEDELL-WILLIAMS AIR SERVICE CORPORATION: United States (1929–1937). W-WAS is formed at New Orleans in August 1929 by race car driver Jimmy Wedell and lumberman H. P. Williams to offer scheduled passenger services to Fort Worth via Baton Rouge, Alexandria, Shreveport, and Dallas. Ryan Brougham revenue flights commence on November 30, the same day a Loening C-2 Air Yacht amphibian is employed to begin offering flights to Grand Isle.

During the spring of 1930, a Ryan inaugurates a weekly service from New Orleans to St. Louis via Memphis. The overnight stop at Memphis is the first regularly scheduled air service enjoyed by that western Tennessee community.

Caught in a winter storm while flying from Fort Worth to Shreveport on January 7, 1931, a Lockheed Model 5 Vega piloted by Art Brown with two passengers, crashes west of Marshall (three dead). Operations continue until December when the airline is temporarily closed down.

During April 1933, a rejuvenated company undertakes a new service from New Orleans to Laredo. A New Orleans-Houston route won by the **Robertston Airplane Service** as the result of the May 1934 renewed issuance of government airmail contracts is taken as the result of the Robertson brothers decision, reached within months of its September start-up, to exit the airline business.

In 1936, the carrier is purchased by **Eastern Air Lines** for \$160,000.

WELCOME AIR LUFTFAHRT, GmbH. & CO., K.G.: Postfach 81, Innsbruck, A-6026, Austria; Phone 43512295296; Fax 43512288888; http://www.welcomeair.com; Code 2V; Year Founded 2000. An affiliate of Tyrol Air Ambulance, A.G., Welcome Air is established at Innsbruck in the spring of 2000 to offer scheduled passenger flights. Outfitted with a single Fairchild-Dornier 328JET wearing a bright yellow and purple livery, President/CEO Jakob Ringler's 50-employee Welcome launches flights in May from Innsbruck to Graz.

WENELA AIR SERVICE (PTY.), LTD.: Botswana (1952–1975). The Witwatersrand Native Labour Association (WNLA) in 1952 elects to begin transporting workers for the South African mining industry by air. Employing Douglas DC-3s, the concern flies 11,000 miners to Francistown from Molembo, Maun, Mongu, Livingstone, Lilongwe, Blantyre, Fort Hill, and Ndola. At the capital of Botswana, then known as the Bechuanaland Protectorate, the miners are outfitted and dispatched by road and rail to the mines.

Within two years, Wenela is flying 58,000 workers per year. In 1958, the fleet includes 8 DC-3s and 1 DC-4 and boardings total 80,000.

The service transports an annual average of 100,000 workers per year during the 1960s and into the early 1970s. During these years, there is no charge for miners being transported into Francistown. The trip out, however, brings in a small amount of income as the workers, having been paid, are charged for their flights.

Also during these years, additional airlines begin to fly workers and the surface travel infrastructure is improved.

Contaminated fuel causes engine failure aboard a DC-4 with 4 crew and 80 passengers, on April 4, 1974, and a subsequent crash near Francistown, Botswana (78 dead).

WNLA suspends its air service in 1975.

WELCH AVIATION: United States (1987). Robert C. Welch establishes this commuter named for himself at Alpena, Michigan, in the spring of 1987 to offer scheduled shuttle flights to Detroit's Metropolitan Airport. Piper PA-31-310 Navajo frequencies are duly inaugurated, but end six months later when the company is driven out of its market by **Simmons Airlines**.

WEST AFRICAN AIRLINES, LTD.: Ghana (1980–1988). WAA is organized at Accra in 1980 to offer charter and contract cargo services throughout Africa and from Banjul, Gambia, on to London. The carrier's flight equipment comprises a single Boeing 707-3B4C, leased from **Middle East Airlines, S.A.L. (2)**. Unable to maintain economic viability in a period of general recession, the company stops flying in 1988.

WEST AFRICAN AIRWAYS CORPORATION: Nigeria, Sierra Leone, Gold Coast, Ghana, Gambia (1946–1958). As the result of the West African Territories Order-in-Council signed by King George VI on May 15, 1946, WAAC is established as successor to **Elders Colonial Airways, Ltd.** and the airline operating division of the West African Air Transport Authority, owned by the four colonial governments of British West Africa.

Sir Hubert Walker, formerly director of public works and controller of Nigerian civil aviation, is appointed chairman. J. R. McCrindle, seconded from **British Overseas Airways Corporation (BOAC)**, is managing director, with another BOAC executive, B. C. H. Cross, as general manager. Orders are placed for 11 de Havilland DH 104 Dove 1s; the request will be followed within months by an order for 3 Miles Marathon 1s.

While preparations are made to begin services, including the establishment of regulations, airfields, and navigation aids, **British Overseas Airways Corporation (BOAC)** is contracted to provide twice-weekly Douglas DC-3 roundtrips for the temporary **Nigerian Air Services, Ltd.** from Lagos to Jos, Kano, and Port Harcourt.

The first DH 104 Dove 1 is delivered at Lagos on September 14 and initial service to Calabar starts in October.

Following the assemblage of a tiny Douglas DC-3 fleet leased from BOAC, WAAC in September and October 1947 begins assuming the Lagos to Kano route of **Nigeria Air Services, Ltd.** On December 31, the carrier takes over all Gold Coast routes as **Nigeria Air Services, Ltd.** shuts its doors.

Twice-weekly Lagos to Kano DC-3 flights, formerly operated by BOAC under the name **Nigeria Air Services, Ltd.**, commence on January 24, 1948 and full Nigeria service is assumed on January 31.

Between March 5 and 25, services are extended to Benin City, Enugu, Tiko, Potiskum, Maiduguri, Yola, Ibadan, Ilorin, Kaduna, Accra, Takoradi, Kumasi, Kumasi, and Tamale. When BOAC withdraws from its weekly service from Freetown to Dakar on March 27 and from Lagos to Dakar on March 29, these are taken over on March 31.

The last of the Dove 1s enter service as BOAC reclaims its DC-3s.

The first traffic figures are released; boardings for the year total 12,000.

A Dove 1 with eight passengers crashes in the Niger River Delta during May 1949, killing all aboard. As a result, the 10 remaining DH 104s are withdrawn from service, leaving the DC-3s to shoulder the traffic loads. Two Bristol 170 Wayfarers chartered from the military are delivered to Accra and begin low-fare intercolonial services in November.

Enplanements during the 12 months reach 13,813.

Bristol 170 Lagos to Khartoum operations are initiated in April 1950. Two more Bristol Wayfarers are acquired and start flying to Benin City, Kano, Port Harcourt, and Tiko.

The year's customer bookings are 14,149.

Operations continue apace in 1951 as a fifth Bristol Wayfarer enters service and the Doves are brought back. A Bristol 170 Mk. 21 is lost near Kaduna, Nigeria, on July 27; there are no fatalities.

Customer bookings nearly double, reaching 32,089.

During the summer of 1952, a contract is signed with **British European Airways Corporation (BEA)** for the lease of six Miles Marathon

1 transports; these join the fleet between July and October and begin flying throughout Nigeria and the Gold Coast.

One of the Dove 1s is badly damaged in a wheels-up emergency landing in at Lagos on November 18. On December 19, weekly frequencies are initiated to Mamfe.

Bookings for the year soar to 42,769.

One of the unsuccessful Marathons is withdrawn on February 9, 1953. On March 6 the Mamfe route is closed down. A Wayfarer is damaged on June 23 when it runs off the runway while landing at Ikeja and comes to a stop in a ditch; although no injuries are reported, the aircraft will have to be taken out of service and ferried to Lagos for repairs.

Due to poor traffic, Lagos to Khartoum Marathon I service is suspended on August 27. There are two nonfatal crashes involving failed landing gear during October; on October 8, a Marathon I is damaged by the failure of its landing gear drag strut at Jos while a Dove 1 is harmed as the result of a bad landing at Kaduna.

Boardings for the year climb to 57,189.

On February 8, 1954, a Marathon I is damaged while landing at Jos when its landing gear drag strut fails—exactly the same reason as its sister's crash at Jos the previous October. The next day, all of the Marathon 1s are withdrawn. Sir Hubert Walker steps down as chairman on March 31 and is succeeded as Chairman/Managing Director by M. C. P. Mostert who had, years earlier, played a prominent role with Mrs. Florence Wilson's **Wilson Airways, Ltd.** in Kenya.

In September, one of the withdrawn Marathon 1s is sold by BEA to the Royal Jordanian Air Force to become King Hussein's personal transport. To replace the Bristols and Dove 1s, orders are now placed for three DH 114 Heron 2s.

Passenger enplanements accelerate to 69,261.

While on a February 5, 1955 domestic flight from Enugu, a Bristol 170 Mk. 21E with 4 crew and 9 passengers loses a wing and crashes 84 km. NW of Calabar, Nigeria; there are no survivors.

A DC-3 is quickly chartered to take the downed aircraft's place, as the remaining Wayfarers are grounded. Between March and October, all of the remaining Marathon 1s are returned to BEA and the Doves 1s are also withdrawn for modification. Four additional DC-3s and a Vickers Viking are chartered.

As a result of the radical decline in capacity, bookings for the year slip to 49,267.

On January 1, 1956, D. Malcolm Brown succeeds M. C. P. Mostert as chairman/managing director. Lagos–Accra–Kumasi DH-114 Heron 2 flights begin on May 16. As the other two Heron 2s arrive, the aircraft leased the previous year are all returned, as are the two Bristol 170s chartered from the military in 1948.

Passenger traffic rebounds, up to 61,476 passengers flown.

The Gold Coast achieves its independence on March 6, 1957 and is renamed Ghana. The fleet at this point includes 2 Bristol 170s, 8 Herons, and 6 Doves, 3 of which are soon thereafter sold out of service. Seven DC-3s are acquired through the remaining three quarters. To pay for them, the two Wayfarers and a Dove 1 are sold.

During the fourth quarter, an agreement is signed with **British Overseas Airways Corporation (BOAC)**. Under its terms, the British flag carrier is contracted to provide twice-weekly Canadair C-4 Argonaut roundtrips between Lagos and London.

Enplanements for the year are 73,444, the highest number ever.

Given the rush to independence in West Africa, the West African Air Transport Authority determines in a February 1958 meeting that significant changes are required in their consortium airline. Meeting later, the agency determines that Ghana and Nigeria will form their own state airlines and that WAAC will be disbanded.

The consortium air carrier ceases to exist in its original form as of September 30. It is replaced by a separate **Ghana Airways, Ltd.** and the remnants of the old airline, renamed **WAAC (Nigeria), Ltd.** trading as **Nigeria Airways, Ltd. Sierra Leone Airways, Ltd.**, is also created and it will be followed by a **Gambia Airways, Ltd.** in 1964.

In October, twice-weekly international services from Lagos to London are started to London with the Boeing 377 *Calypso* flown by British

crewmembers under contract from **British Overseas Airways Corporation (BOAC)**.

Enplanements for this final year are a combined 72,763.

WEST AFRICAN AIRWAYS CORPORATION (NIGERIA), LTD.
See **NIGERIA AIRWAYS, LTD.**

WEST AIR SWEDEN, A.B.: Box 82, Karlstad, S-65103, Sweden; Phone 46 (54) 180 010; Fax 46 (54) 184 410; <http://www.westair.se>; Code PT; Year Founded 1993. Time Air Sweden, A.B. is reformed in 1993 and given a new corporate identity, livery, and logo. Oskar Nilsson is president and his fleet includes a pair of Israel Aircraft Industry 1124 Westwinds. Scheduled passenger and ad hoc charter flights are undertaken from Karlstad to Avidsjaur, Storuman, and Arlanda Airport at Stockholm.

Two Boeing A75N1b Stearmen are acquired in 1994. Flights continue in 1995–1996, during which years the fleet is increased by the addition of five British Aerospace BAe (HS) 748-B2s. Scheduled services are initiated to Avidsjaur, Goteborg, Hagfors, Lidköping, Östersund, Storuman, Stockholm (Arlanda Airport), Sundsvall, and Torsby.

In May, the company is reformed into an all-cargo operation. Flights are performed on behalf of the major air freight integrators, with special attention paid to next day air delivery of parcels and packages. Mail is also flown under contract to the Swedish Post Office and ad hoc freight services are offered throughout Europe.

Service is maintained in 1998–1999, during which years the fleet is reformed to include 5 BAe (HS) 748-2Bs, 5 748-2As, and 2 748-2Bs, the latter with large freight doors. Early in 2000, a jointly funded freighter conversion program is launched with BAe Systems Regional Aircraft. West Air purchases six ATPs formerly operated by **United Feeder Service (UFS)** in the U.S.; converted into freighters, the first three are delivered by the end of June, with the second three scheduled to arrive just after Christmas.

On June 25, it is reported that two of the three new ATPs are hauling mail, while the third remains in passenger configuration. Plans are underway between the carrier and British Aerospace for the development of a special ATP freighter door that can hopefully be retrofitted to these ATPs during 2001.

On July 24, the passenger-configured ATP appears with company Web site titles, “www.westair.se.”

WEST AUSTRALIAN AIRWAYS (PTY.), LTD.: Australia (1921–1936). With A£50,000 capital, Norman Breauly forms his pioneer carrier at Geraldton, a rail center north of Perth, in April 1921. In response to the Air Navigation Act of December 1920, Breauly now bids on one of four newly available subsidized airmail routes; his tender is accepted on August 2. A fleet of 6 three-seat Bristol Tourers (converted Bristol F.2B Fighters) is purchased in September and readied.

On December 4, Breauly begins the first subsidized mail service in Australian commercial air history (for that matter, the first regularly scheduled service not only in Australia but anywhere in the Southern Hemisphere) from Geraldton to Derby via Carnarvon, Onslow, Roebourne, Port Hedland, and Broome. During the course of the inaugural flight, a Tourer crashes on one of the segments, with both the pilot and engineer killed. Despite the tragedy, weekly flights begin the next day.

Frequencies and flight times along the route are improved during 1922–1923 and on January 17, 1924, the Derby leg is extended to Perth. An unsubsidized Derby–Wyndham via Fitzroy Crossing and Hall’s Creek route is briefly flown in 1925.

Several de Havilland DH 50As and DH 61s are acquired and placed in service in 1926–1928. Four DH-66 trimotors are obtained in 1929, allowing the inauguration on June 2 of a subsidized weekly Perth–Adelaide route via the Nullarbor Plain. Seasonal, weekly, subsidized Derby–Wyndham service is opened on July 13, 1930.

At the end of April 1931, Capt. R. Mollard and his crew attempt to complete the Karachi–Darwin segment of the first England to Australia

experimental service. Mollard’s **Imperial Airways, Ltd.** DH-66 *City of Cairo* crashes at Koepang, Timor, and the entire crew is picked up by **Australian National Airways, Ltd.** co-owner Charles Kingsford-Smith and flown to Darwin. There, Mollard receives orders to go to Perth and purchase the WAA DH-66 *City of Cape Town* to employ on the return flight. Unable to reach his destination by rail, Mollard and his colleagues travel by ship, complete their transaction, and fly back to India. The first Australia to England mail sacks reach London by May 14.

On July 12, a Vickers Vicia flies the 1,450-mile Perth–Adelaide route in a record 22 hrs. 30 min. (11 air hours). While en route from Forrest to Alice Springs via the Great Victoria Desert on December 26, 1932, a DH 50A, flown by Harry Baker with two passengers, crashes-lands on a dry lakebed. Hastily repaired, the aircraft is able to lift one passenger back to Forrest the next day.

The second passenger is returned to Forrest without incident on January 5, 1933. Flights begin from Wyndham along the West Australia coast to Daly Waters on October 3, 1934. The spreading world depression has a significant negative impact on 1935 traffic figures. The fleet at this point includes 1 Vickers Vicia, 1 DH 89, 1 DH 84, and 3 DH 50As.

On July 1, 1936, the carrier is purchased by **Adelaide Airways (Pty.), Ltd.** just before that airline is absorbed into **ANA (Australian National Airlines (Pty.), Ltd.)**.

WEST CARIBBEAN AIRWAYS, S.A.: San Andres Island, Colombia; Year Founded 1999. One of the least-noticed of the many small Caribbean area air transport concerns, West Caribbean is established at Aeropuerto Internacional General Gustavo Rojas Pinilla, also known as Sesquicentenario, on the San Andres y Providencia archipelago in 1999. Scheduled roundtrip revenue flights from San Andres to Providencia begin with 1 (later 2) Let L-410UVP.

During the summer of 2000, orders are placed with a firm in Colombia for a used Avions de Transport Aerien ATR42-320 with which to expand the route network to the mainland. The aircraft, previously operated by **TAROM Romanian Air Transport (Transporturile Aeriene Romane, S.A.)** arrives at year’s end and is employed to offer daily return service from San Andres to Cartagena and Monteria.

WEST CENTRAL AIRLINES (1): United States (1966–1968). West Central is founded at Lincoln, Nebraska, in the fall of 1966 to offer scheduled third-level passenger and cargo flights to destinations in the central and western areas of Nebraska. De Havilland DH 104 Dove revenue flights commence on October 3 and are maintained until the company ceases operations in 1968.

WEST CENTRAL AIRLINES (2): United States (1984–1985). WCA-2 is set up at Minneapolis (MSP) in late spring 1984 to provide scheduled passenger and cargo services to Fergus Falls via Alexandria. Employing Piper lightplanes, the small commuter inaugurates revenue roundtrips on June 1, but is unable to maintain them beyond May 1985.

WEST COAST AIR, LTD. See **AIR BC, LTD.**

WEST COAST AIR CHARTER: 2211 East Missouri, Suite 219B, El Paso, Texas 79903, United States; Phone (915) 543-6069; Fax (915) 532-0195; Year Founded 1974. Yoli Damian sets up WCAC at El Paso in 1974, together with facilities at Ontario, California, Willow Run Airport at Ypsilanti, Michigan, and at Moore-Murrell Airport in Morristown, Tennessee. Executive charter and contract services cargo flights begin and continue over the next 25 years. The 12 employees of the carrier undertake flights with a variety of executive jets and other aircraft.

A decade later, the fleet comprises 2 Gates Learjet 25s, 1 Learjet 35, and 2 Rockwell Turbo Commander 690Bs. Operations continue apace and in 2000 the company flies 1 each Dassault Falcon 20 and Learjet 25D from Michigan, 1 Learjet 25D from California, and 1 each Beech 18 and Douglas DC-3 from Tennessee.

On November 1, the float-equipped Twin Otter with 2 crew and 15 passengers crashes into the Burrard Inlet while taking off from Vancouver Harbour. Although the right wing catches fire, there are no injuries reported.

WEST COAST AIR SERVICES, LTD.: United Kingdom (1937–1946). *Isle of Man Air Service, Ltd.* is merged with **Blackpool and West Coast Air Services, Ltd.** in September 1937. At that time, a joint service between Bristol and Dublin, flown by the latter with **Aer Lingus** under the marketing title **Irish Seas Airways, Ltd.**, is reformed as a separate company and named West Coast Air Services. On September 3, 1939, at which time the carrier is flying 1 each DH 86A, DH 86B, and DH 89A, the U.K. declares war on Germany and all civil flying ceases. Liverpool to Dublin DH-86 services resume in October.

On May 5, 1940, the company is one of seven independent airlines joining with the Secretary of State for Air to initiate the **Associated Airways Joint Committee** for the governance of domestic air transport operations in wartime. The company's DH 86A is abandoned on Jersey in June. The British terminus of the Irish Sea service is transferred from Liverpool to Manchester on August 5.

While flying the Manchester to Dublin service on October 18, 1941, the company's DH 86B is hit by anti-aircraft fire from a British merchant ship; the aircraft, carrying 11 passengers, lands safely. The Liverpool terminus is reopened in November 1942.

On December 3, 1945, the company, in association with Aer Lingus, begins to employ leased **Railway Air Services, Ltd.** Avro 19s on a direct London (Croydon)–Dublin service. On April 5, 1946, the British and Irish governments reach an agreement making **Aer Lingus Irish Airlines, Ltd.** the only recognized trans-Irish Seas carrier between the two nations.

As a result, West Coast Air Services, Ltd. ceases operations on June 29 and is amalgamated, by purchase, into the new state carrier, **British European Airways Corporation (BOAC)**, on February 1, 1947.

WEST COAST AIR TRANSPORT: United States (1928–1931). West Coast is incorporated at Portland, Oregon, early in 1928 to offer scheduled passenger and cargo flights over a multistop route from Seattle down to San Francisco. The initial fleet comprises 2 trimotor Bach 3-CT-6 Air Yachts designed by Californian Mort Bach and the only U.S.-certified civil transport whose frame was made entirely of wood. Revenue services commence on March 5 from Seattle to San Francisco via Tacoma, Chehalis, Portland, Medford, and Corning.

The Bachs, of which only 21 will be built, prove to be extremely quiet and fast; the Seattle–Portland segment is flown in 1 hr. 15 min. while the Portland–San Francisco takes only 5 hrs. One Bach must be written off at Seattle on June 28. Two more Air Yachts are delivered in August and one is christened *Cherokee*. (Although all WCAT Bachs are named for Indian tribes, only the name of this one is known for certain.)

During the remainder of the summer, company aircraft transport 903 passengers over 26,326 miles in 240 hours flight time.

In the fall, two aircraft are committed to sight-seeing flights from Portland to nearby Mount Hood.

En route to San Francisco from Portland on November 2, a Bach 3-CT-6, piloted by Louis Goldsmith with six passengers, crashes while making an emergency landing at De Sabla, California; pilot skill prevents a tragedy, although all six customers are hurt. The company is now acquired by Sacramento-based **Union Air Lines**.

For the 10 months of operation, a total of 4,946 passengers are flown over 210,604 miles.

The successful carrier is incorporated (under Delaware laws) on July 27, 1929 and late in the year it is purchased by **Western Air Express**. The new owners, who operate their prize as a subsidiary, are pleased to have the route, although the mail contract is owned by Union.

In need of additional revenues following the July 16, 1930 "Shotgun Marriage" with **Transcontinental Air Transport (TAT)** that forms **Transcontinental and Western Air (T&WA)**, WAE sells its West Coast route to **Pacific Air Transport** on March 16, 1931.

WEST COAST AIRLINES (WCA): United States (1941–1968). Organized by Nick Bez at Seattle on March 14, 1941, WCA receives a CAB feeder certificate on May 22, 1946 and inaugurates scheduled Seattle–Portland Douglas DC-3 service on December 5. The company adopts as its mascot no less a figure than Paul Bunyan, legendary Northwest lumberjack. The CAB renews the company's feeder permit on July 1, 1949.

Flights from Bellingham, Washington, to Klamath Falls, Oregon, commence in 1950. Other stops are added at Yakima, Wenatchee, Medford, and Spokane. On August 4, 1952, the company absorbs **Empire Airlines**. Having grown in size, the company, in 1953, is required by the government to begin hiring flight stewards. The millionth passenger (cumulative) is boarded in 1955.

By the late 1950s, West Coast is maintaining a lock on a northwestern route network that stretches from San Francisco in the south to Calgary in the north and Billings in the east. The airline's major claim to historical fame appears to rest upon the aircraft it chooses to replace its aging DC-3s.

On September 22, 1958, the company becomes the first local service airline in America to introduce a turbine-powered aircraft and, indeed, is the first scheduled carrier to place a turbine-powered airliner into service in the U.S. (**Eastern Air Lines** will take delivery of its first Lockheed L-188 Electra in October, the same month **Pan American World Airways (1)** begins Boeing 707 flights across the Atlantic.)

The aircraft in question is a turboprop F-27A Friendship built under license from the Dutch airplane builder Fokker by Fairchild at Hagerstown, Maryland. The first, certified on July 16, is handed over to President Bez in August and a much-publicized delivery flight is made back to Seattle. There, company pilots, who have been working without a contract since spring, refuse to fly the aircraft and threaten to strike unless their wage demands are met. The dispute goes to arbitration and is settled (in favor of the flyers) before the start of service. Meanwhile, a proving flight is made to Portland, where the new aircraft encounters landing gear problems.

Four more Fokkers are delivered in September, followed by two more on October 23 and December 12, respectively. Incidentally, the September 28 inaugural service by the F-27A derivative is actually flown over two months before the first Netherlands-built Fokker F.27-100 enters service, with **Aer Lingus Irish Airlines, Ltd.** in December.

Service continues apace during 1959–1962. On January 1, 1963, the first Fokker F-27A, delivered back in 1958, crashes into the Great Salt Lake, Utah, during a training exercise (three dead).

Another F-27A with 3 crew and 13 passengers crashes a mile short of the runway at Calgary on August 24. After the wing breaks off, the fuselage slides 780 feet, but, miraculously, no injuries are reported.

A DC-3 is unable to recover from a bounced landing at Kalispell, Montana, on December 11 and crashes; the six aboard receive slight injuries.

The year's enplanements reach 337,917, but West Coast is the only local service airline to report an operating loss: \$320,000.

Airline employment in 1964 stands at 867 and the fleet includes 19 aircraft. With 34% interest in **Pacific Air Lines**, President Nick Bez now attempts to takeover that carrier; the tactics employed are found unworthy and the CAB requires Bez to cease and desist his efforts. The minority interest in the competitor is thereafter sold. Late in the year, the government regulators authorize the start of scheduled F-27A nonstop Jetbus Service between Spokane and Seattle.

Orders are placed for three (later four) DC-9-14s as passenger boardings jump 28% to an all-time company high of 469,328. Revenues advance 17.6% to \$13.59 million. Still, operating costs are high and another \$53,240 loss is taken. Again, West Coast is the only local service carrier to report a fiscal downturn.

The workforce in 1965 is 875. The fleet now includes 17 aircraft: 7 DC-3s and 10 F-27As; the DC-9-14 order remains outstanding. A total of 506,636 passengers are originated and revenues advance by 18%.

The well-received Jetbus Service is successfully expanded from Seattle to Spokane on September 26, 1966. The F-27As are now supplemented on longer runs by the carrier's first DC-9-14, beginning on September 16.

En route from San Francisco to Portland via Eugene on October 1, the jetliner, operating as Flight 956 with 5 crew and 13 passengers, descends below its cleared 9,000-ft. altitude and disappears into the Cascade Mountains near Squaw Valley, Oregon. The wreck, which has sheared trees and slammed into Salmon Mountain, is found the next day and there are no survivors. The plane is the first of its type to crash anywhere.

The company's second DC-9-14 is delivered in mid-October and enters service without incident. Revenues total \$18,155,585.

In an effort to improve its fortunes, West Coast voluntarily joins in 1967 merger discussions with **Pacific Airlines** and **Bonanza Air Lines**.

Just two minutes after takeoff from Klamath Falls on March 10, Flight 720, an F-27A with three crew and one passenger, crashes into the NW side of 6,525-ft. Stukel Mountain; there are no survivors.

The workforce now totals 1,086 and at year's end the company operates 3 DC-9-14s and 4 F-27As.

Passenger boardings climb to 716,000 and revenues are \$18,392,251. A loss of \$274,000 is suffered.

Plans to retire the last DC-3 in July are announced in early 1968. With approval from both the CAB and President Johnson, West Coast joins its two partners on April 9 to form **Air West**.

WEST COAST AIRLINES, LTD.: Ghana (1982–1985). Organized at Accra in May 1981, WCA obtains a Boeing 707-320C freighter and begins scheduled all-cargo services in July 1982. Destinations visited include nations in West Africa and Rotterdam in Europe. The company is unable to achieve viability and folds in 1985.

WEST COAST AIRWAYS, LTD. See **NEW ZEALAND TRANSPORT AND TRAVEL, LTD.**

WEST COAST CHARTERS: 1971 Campus Drive, Suite 200, Santa Ana, California, 92707, United States; Phone (714) 852-8340; Fax (714) 260-3999; Year Founded 1987. WCA is set up at John Wayne-Orange County Airport in 1987 to provide executive and small group passenger charters throughout the U.S., Canada, Mexico, and the Caribbean. Twelve years later, the company employs 10 pilots at this location, 1 of 6 from which it operates.

A large fleet of turbojet, turboprop, and piston-engine aircraft are stationed at Santa Ana, including 1 Dassault Falcon 20, 1 Cessna 550 Citation II, 2 Beech Super King Air 200s, 1 Super King Air 300, 2 King Air 90s, 1 Beech 58 Baron, and 2 A36 Bonanzas.

A Citation II is flown from Carlsbad, California, and another from Camarillo. A Super King Air 200 is based at Daugherty Field, Long Beach, with a C-650 Citation VII stationed at Van Nuys. A Citation V and an IAI 1124 Westwind I also operate for the company from Phoenix.

WEST INDIAN AERIAL EXPRESS, C.A. (WIAX): Dominican Republic (1927–1928). In the fall of 1926, the famous air racer and stunt pilot Basil Rowe and his companion, Bill Wade, having found the U.S. market for their peculiar skills nearly dried up, take ship (with two automobiles and two WACO 9 biplanes) for Puerto Rico. The islands of the Caribbean prove more receptive to the two pilots, even if the terrain is more dangerous.

Having worked their way accident-by-repaired-accident over to Barahona in the Dominican Republic by late spring 1927, the two flyers are more than ready to listen to the requests of a group of local sugar plantation owners and other businessmen. Led by H. L. Harper, the gentlemen are ready to put up \$50,000 to create an airline that will connect Barahona with the outside world. With their WACOs constituting the initial airline fleet, Rowe and Wade, with Roscoe Dunten as operations manager, incorporate WIAX on June 27.

With Rowe gone north to purchase aircraft, an Australian pilot named Jenkins makes the company's first proving flight to Port au Prince on July 14. En route, Jenkins is lost. WIAX seeks the aid of USMC Observation Squadron 9, based in Haiti, which quickly locates the WACO downed with engine failure on the shores of Lake Enriquillo. Once re-

pairs are made, Jenkins is able to take off and complete his run to Port au Prince, where he crash-lands. From Port au Prince, Jenkins, having repaired his plane overnight, flies on to Santo Domingo on July 15.

Meanwhile, having approached several manufacturers in New York and Pennsylvania, Basil Rowe purchases the former *American Legion*, a Keystone Pathfinder (one of only three built) originally outfitted for the transatlantic Orteig Prize competition won by Charles A. Lindbergh. In addition to this trimotor, which is rechristened *Santa Maria*, he purchases a Fairchild FC-2, which is named *La Nina*, and embarks for Barahona after having obtained the service of his friend Cy Caldwell to fly the Fairchild.

During a stopover at Miami to repair an oil leak, Caldwell is telephoned by J. E. Whitbeck, Key West representative of the infant **Pan American Airways (PAA)**, on October 18. Unable to obtain its own aircraft, PAA needs to get a mail shipment over to Havana the next day in order to qualify for a Post Office subsidy. Required to reach the Dominican Republic by way of Cuba anyway, Caldwell agrees to a \$145.50 charter and flies down to Key West about dusk.

On the morning of October 19, Caldwell departs Key West and drops off Whitbeck's mail sacks before proceeding to his original destination. Caldwell's good deed for **Pan American Airways (PAA)** is made without company authority and inadvertently allows the rival to begin a growth surge that will eventually swallow WIAX.

Regularly scheduled WIAX services commence on December 1. Rates charged for seats from San Juan on either the 10-passenger *Santa Maria* or four-passenger *La Nina* are \$50 to Santo Domingo and \$85 to Port-au-Prince. The frequency to the former destination is thrice weekly and the latter once per week, with cargo carried at 25¢ per pound.

Also, mail contracts are held from the governments of Cuba, Haiti, and the Dominican Republic at \$2.50 per pound, while subsidies from the Haitian government total \$500 per month and \$200 per month from the Dominican Republic. As the company is not authorized to fly U.S. mail from the U.S. territory of Puerto Rico, there is no subsidy there; however, the monthly rental fee at San Juan airport is kept by local authorities at only \$10.

Service continues apace through the Christmas season and on into the new year. On February 6–7 1928, while on his Caribbean goodwill trip, Charles A. Lindbergh contracts to carry WIAX mail to Havana aboard the *Spirit of St. Louis*—the only time that famous Ryan monoplane is ever used for commercial purposes. On February 20, the carrier stretches its three-stop route to five by adding Santiago de Cuba in the west and St. Thomas/St. Croix in the east.

This expansion proves expensive.

At one point, credit for gasoline is stopped. Later in the month, having sold all of its seats to buy gasoline, Rowe pilots the *Santa Maria* to Puerto-au-Prince on only two engines, having blown a cylinder in a side mount. There he is able to beg sufficient fuel from an oil company agent to get back to Santo Domingo, where he talks another agent into just enough to reach San Juan, where a new propeller awaits. The 1,000-mile trip is made in 10 hours.

In response to the March 8 passage of the Foreign Air Mail Act, the U.S. Post Office, on May 31, puts out bid requests for FAM Route No. 6 (Miami–San Juan), which may be contested by U.S. airlines. To meet that requirement, Manager Dunten travels to New York to enlist support. He even talks to PAA chief Juan Trippe, who immediately offers to buy Dunten out in exchange for 7,000 Pan Am shares worth \$100,000. The offer is left on the table, neither accepted nor refused.

Meanwhile, West Indian Aerial Express, Inc. is formed in June as a holding company for WIAX, C.A. Initial capitalization is \$92,000 and the officers include Graham Grosvenor and Sherman Fairchild, who becomes president. When the bids are opened on July 14, both Pan Am and WIAX have bid the same amount: \$2 per mile. Postmaster General Walter Folger Brown, lobbied earlier by Trippe and his technical advisor, Lindbergh, but not by Rowe or Dunten, awards the contract to Pan Am, which has already demonstrated its ability to exercise a FAM route (FAM-1, won thanks to Cy Caldwell's flight the previous October).

Recognizing that it cannot be profitable without a United States mail contract, WIAX opens—or rather reopens—merger discussions with its rival on August 7. This time, Juan Trippe offers 5,008 shares, with a value of \$75,120. On September 12, with a deal all but concluded, a hurricane grounds *La Nina* and wrecks the company's headquarters at Santo Domingo, destroying all files and records. Still, the acquisition process continues. Even before a formal merger is announced, the *Santa Maria* is delivered to **Pan American Airways (PAA)** on September 20.

In perhaps an ironic twist on the company-saving gesture of a year before, Basil Rowe, on WIAX's last flight, is allowed to take the first U.S. mail service out of San Juan to Port-au-Prince on October 15—in *La Nina*, under contract to PAA. On October 16, it is announced that the Aviation Corporation of the Americas will purchase the company, its first significant takeover of another carrier, on November 28. WIAX is dissolved on December 22.

Offered a pilot's position by the new owner, Basil Rowe accepts and goes on to a noteworthy three-decade career that he will recall in his 1956 autobiography *Under My Wings* (Indianapolis: Bobbs-Merrill).

Roscoe Duntun, who had negotiated with Juan Trippe in June and August, is allowed to remain as San Juan station chief. In 1933, he will commit suicide.

WEST ISLE AIR: 4000 Airport Road, Suite A, Anacortes, Washington 98221, United States; Phone (206) 293-4691; Fax (206) 293-0517; Code 7Y; Year Founded 1990. During the first quarter of 1990, the Anacortes, Washington-based charter carrier **Island Air** is sold to Jim Burton, who wishes to begin scheduled services linking his base with Bellingham, Bayview, and other points in the San Juan Islands. After changing the corporate identity, Burton commences revenue flights in April with a fleet of Cessna 172s/182s, 1 Cessna 206, 1 Cessna 210, and 1 Piper PA-32 Cherokee Six. Operations continue apace in 1991–1995.

President Burton's concern employs 7 workers in 1996 and devotes 2 Cessna 206s and 1 Cherokee Six to the transport of scheduled passengers. By December 31, enplanements reach 22,472.

Customer bookings in 1997 climb 13.2% to 25,432. That boarding figure grows by 2,000 (6.8%) in 1998.

Passenger boardings jump another 4.9% in 1999 to 28,000.

WEST OF SCOTLAND AIR SERVICES, LTD.: United Kingdom (1935). In July 1935, West of Scotland Air Services, Ltd. is given a five-year concession by the Stornoway Trust to open air transport services between Stornoway and Glasgow. Employing a de Havilland Fox Moth, a Short Scion, and a Short Senior Scion, the company flies an experimental daily Greenock–Arran frequency that is shortened to weekend-only during August and September. Unsuccessful, the operation is abandoned.

WEST PACIFIC AIRLINES: United States (1970–1971). West Pacific is set up at Seattle, Washington, in 1970 to provide scheduled intrastate commuter services. Employing a pair of Beech 99s, the new entrant begins flying to Yakima, Pasco, Spokane, and Bremerton. Unable to achieve viability, the carrier folds in 1971.

WEST PENN COMMUTER: United States (1985–1986). Mike Cardimone and Leo Angevine establish **Bradford Air Transport** at St. Mary's, Pennsylvania, during February 1985 to provide scheduled passenger and cargo flights to Pittsburgh. Employing a Piper PA-32 Cherokee Six, Bradford inaugurates daily roundtrips in March. Operations continue apace until the following March when the company is renamed.

Recession and lack of traffic conspire to put the company out of business in April 1986.

WEST WIND AVIATION, INC.: Hangar 10, Saskatoon Airport, Saskatoon, Saskatchewan, 87L 6S1, Canada; Phone (308) 652-9121; Fax (308) 652-3958; <http://www.avcanwest.com/sk.westwind/index.html>; Code WE; Year Founded 1995. West Wind is set up by Dennis Goll at Saskatoon Airport in 1995 to provide both scheduled and non-

scheduled passenger and cargo services to local and regional destinations. A hub is simultaneously established at Regina and revenue flights commence with a fleet that includes 6 Cessna 401s, 1 C-402, 1 Piper PA-31-310 Navajo, 1 PA-31T Cheyenne, 1 Swearingen SA-226 Merlin IV, 2 Beech King Air 100s, 2 British Aerospace BAe (HS) 748-B2s, and 1 BAe Jetstream 31.

The Jetstream 31 is temporarily replaced in 1996 by a pair of Super King Air 200s. The BAe returns to the fleet in 1997. Flights continue in 1998–1999. The workforce, at the beginning of the latter year, totals 110.

WESTAIR: 5005 East Anderson, Fresno, California, 93727, United States; Phone (209) 454-7844; Fax (209) 454-7840; Code PCM; Year Founded 1992. Late in 1991, **Westair Commuter Airlines** Chairman Timothy Flynn announces that the scheduled division of WestAir Holdings will be sold to rapidly expanding **Mesa Airlines** the following summer.

When the WCA transfer is completed on July 1, 1992, the former owner maintains this all-cargo unit to operate a lucrative contract on behalf of **Federal Express (FedEx)**. Flynn remains chairman, with Lawrence W. Olson as president. Bases are set up at Oakland and Ontario, California, and Westair begins service to 10 cities from each of these hubs with a fleet of 24 Cessna 208 Caravan Is, 7 Embraer EMB-110 Bandeirantes, and 1 Beech Super King Air 200.

Two more Caravans are acquired in 1993 and five Bandeirantes are withdrawn. The last two Embraers leave the fleet in 1994. One more C-208B arrives in 1995, followed by seven additional units in 1996.

No changes are made in Chairman Olson's fleet in 1997–2000. The workforce, at the beginning of the latter year, totals 60.

WESTAIR AVIATION, LTD.: General Aviation Centre, Shannon Airport, County Clare, Ireland; Phone 353 (1) 61 475166; Fax 353 (1) 61 474544; <http://ireland.iol.ie/~westair>; Year Founded 1977. Westair Aviation is established at Shannon in 1977 to provide individual and small group passenger charters, with both rotary- and fixed-wing aircraft. Over the next 22 years, the company operates long- and short-haul jet charters, all-weather day and night helicopter services, provides pilot training, and operates a maintenance service.

By 2000, the fleet includes 6 helicopters and 5 British Aerospace (HS) corporate jets. The company, which not only coordinates an air ambulance service, remains Ireland's only all-weather corporate helicopter operator.

WESTAIR COMMUTER AIRLINES: United States (1972–1998). Formed at Burlingame, California, in 1972 under the name **STOL Air**, this commuter is given a fleet of Britten-Norman BN-2 Islanders and BN-2A Trislanders with which to launch scheduled passenger and cargo flights to San Francisco, San Rafael, Concord, Napa, Eureka, Sacramento, Chico, and Fresno.

The company is transferred to Chico in 1975 and the fleet is expanded by the addition of Cessna 402s. Operations continue apace in 1976–1977.

STOL Air is acquired in 1978 by the investment group Westair, which appoints Timothy Flynn its general manager. On April 1, 1979, the new ownership merges its acquisition with another small carrier, Santa Rosa-based **Golden Eagle Airlines**, to form Western Airlines (Westair). In 1980, General Manager Flynn's company undertakes Essential Air Service (EAS) flights to several communities in northern California.

Westair is taken over in 1981 by Chico-based Pacific Express Holding Company, which also controls the commuter carrier **Pacific Express**. General Manager Flynn is promoted to the post of chairman/CEO. T. R. Ashton is named president, and the company's 12 Cessna 402s maintain scheduled passenger and cargo destinations to Santa Rosa, San Francisco, Sacramento, Arcata, Crescent City, and Redding. In 1982, three Shorts 330s join the fleet.

In early 1983, Westair is sold to the new holding company, WestCom Holdings, which operates it as a subsidiary. The purchase includes not only the airline and its aircraft but the FBO as well.

Enplanements reach 123,804. These will be the last traffic figures reported for several years.

In 1984, three Cessnas are temporarily replaced by four de Havilland Canada DHC-6-200 Twin Otters as orders are placed for Embraer EMB-110 Bandeirantes and Shorts 360s. Additional destinations now served include Concord, Eureka, Fresno, Modesto, Monterey, San Jose, and Stockton. **United Airlines** designates Westair as a marketing partner.

Service is expanded in 1985 to Orange County and Burbank airports in southern California. As the Brazilian-manufactured turboprops arrive, the four Twin Otters are withdrawn.

The fleet in 1986 comprises 15 Bandeirantes and 4 Shorts 360s. In early spring, the company moves its headquarters from Chico to Fresno and on July 1 it signs a formal marketing and code-sharing contract with **United Airlines**, adopting the "United Express" name and aircraft livery.

Flights commence to six additional California cities. Orders are placed for 10 EMB-120 Brasilias, with options taken for 10 more.

Enplanements total 544,936 and the year's profits reach \$3 million (operating) and \$1.46 million (net).

Five Brasilias join the fleet in 1987, which also includes 31 EMB-110 Bandeirantes and 5 Shorts 360s. The subsidiary **NPA** is formed at Seattle to handle feed in the Pacific Northwest while the parent adds new services to Los Angeles (LAX).

Passenger boardings jump 57.3% during the 12 months to 856,947.

The 1,190-employee regional expands rapidly in 1988. Just after New Year's, the carrier places three British Aerospace BAe 146-200s into service. In January, the company receives the 1979 "Regional Airline of the Year" award from *Air Transport World* magazine.

Meanwhile, three more EMB-120s arrive during the first quarter and BAe 146-200 service is launched to Reno, Nevada, the company's first "United Express" destination outside the Golden State. On June 30, all outstanding common stock of FG Holdings is acquired in exchange for 826,050 shares of WestCom Holdings common stock.

During the year's second half, four additional Brasilias, six Jetstream 31s, and three more BAe 146-200s are delivered. In September, WestCom Holdings is transformed into WestAir Holdings; Timothy Flynn becomes chairman of the parent concern and Maurice J. Gallagher is appointed president of the airline. The following month, the company's first public offering of 1.6 million shares of common stock is made on the New York Stock Exchange and service is inaugurated to Tucson. Orders are placed in November for 20 optioned Brasilias.

Revenues balloon 127% to \$134.5 million and expenses allow an operating profit of \$9 million and net gain of \$4.8 million.

Airline employment is increased by 29.4% in 1989 to 1,540 as the carrier is now the world's largest Bandeirante operator after the Brazilian Air Force. **NPA** inaugurates commuter operations on March 1 to Boise. In early spring, ALPA is elected as the collective-bargaining unit for the company's 375 pilots.

Westair launches "United Express" service in October from San Francisco to Oxnard, California. The same month, Chairman Timothy Flynn enters into discussions concerning a possible purchase of financially distressed **Aspen Airways**; however, Aspen's high labor costs and an offer of East Coast services from **United Airlines** causes Westair to end its interest in Colorado carrier.

A new operating division, **Atlantic Coast Airlines**, is established at Washington, D.C. (IAD) in late fall. It begins revenue operations in December over routes purchased from the creditors of bankrupt **Presidential Airways**. Meanwhile, an **NPA** Jetstream 31, doing business as "United Express," crashes and bursts into flame 500 feet short of the runway at Tri-Cities Airport in Pasco, Washington, on December 26 (six dead).

Combined enplanements for Westair and its subsidiaries increase 22.4% to 2,361,598 and revenues jump 39.9% to \$188.1 million. Costs, however, accelerate by an unwelcome 45.4% to \$182.4 million and reduce operating income to \$3.92 million. Net gain is cut to \$1.4 million.

The employee population for the company's 3 divisions explodes by 75.3% in 1990 to 2,700 and the fleet now includes 104 aircraft. In March, just after daily roundtrips begin from San Francisco to Fresno,

the San Francisco-based Westair Airlines division is combined with the **NPA** unit, which flies "United Express" services out of Seattle, under the former's name as the West Coast division. **Atlantic Coast Airlines** remains the East Coast division.

Nonstop flights are now inaugurated from John Wayne Airport in Orange County, California, to San Francisco. During the summer, WestAir Holding, Inc., now serving a total of 64 cities, is caught up in industry discounting practices. Following Iraq's invasion of Kuwait on August 2, fuel prices increase significantly and recessionary factors add to financial difficulties.

Overall passenger boardings jump 21.9% to 2,872,208 and revenues ascend 43.37% to \$209.76 million. Expenses jump a further 52.6% to \$217.28 million and leave the company with a \$7.52-million operating loss. The previous year's net profit becomes an \$10.67-million net loss.

The payroll is cut by 11.1% in 1991 to 2,400 and the fleet includes 59 aircraft. The carrier joins with **United Airlines** on June 6 to celebrate the fifth anniversary of their "United Express" partnership.

During the summer, the company's eastern division, **Atlantic Coast Airlines**, is sold for \$14.2 million (plus assumption of \$2.8 million in indebtedness) to a group of financiers led by former **Pan American World Airways** (1) Chairman C. Edward Acker. Operations continue under the Atlantic Coast moniker. In September, the company initiates twice-daily Jetstream 31 roundtrips from San Diego to Fresno while the same schedule is begun in October with SAAB 340Bs from San Jose to Palm Springs.

On December 1, daily roundtrip BAe 146-200 jet service is inaugurated from San Francisco to Monterrey, adding it to the four turboprop daily services already provided. A daily BAe 146-200 flight is also offered from San Francisco to Palm Springs, along with another daily EMB-120 run. Late in the year, the board of directors agrees to the airline's acquisition by rapidly expanding **Mesa Airlines** during the following year. A separate all-cargo operation will be retained.

Customer bookings leap ahead by 4.1% to 2,858,779 and revenues increase by 7.54% to \$225.58 million. Expenses increase 23.07% to \$267.42 million and cause operating income to fall to \$41.84 million. The net downturn doubles to minus \$20.48 million.

Company employment declines another 56.3% in 1992 to 1,050. It is announced in February that the **Mesa Airlines** acquisition will be worth \$41.4 million, with Westair shareholders receiving \$6.37 per share. As Mesa and Westair approach their midsummer marriage, the latter drops a number of unprofitable routes and returns several Jetstream 31s to British Aerospace.

Westair officially becomes a wholly owned subsidiary of **Mesa Airlines** in July. Larry Risley is chairman with Jonathan Ornstein as president. The "United Express" relationship is maintained as the new owners shift the carrier's emphasis away from local services and toward feeding the major.

The company's major hubs are Boise, Los Angeles, Oakland, San Francisco, Sacramento, Portland, Seattle, and Spokane. Destinations visited include Bakersfield, Bellingham, Chico, Crescent City, Eugene, Fresno, Mammoth Lakes, Medford, Merced, Modesto, Monterey, Ontario, Orange County, Palm Springs, Pasco, Portland, Redding, Redmond, Reno, San Luis Obispo County, Sacramento, San Diego, San Francisco, Santa Barbara, Santa Maria, Seattle/Tacoma, Spokane, and Yakima.

A variety of new services are introduced during December. Connecting roundtrip flights between San Jose and San Francisco commence seven times per day on December 1. Seasonal flights begin on December 19 from Fresno and Los Angeles to Telluride, Colorado, and Mammoth Lakes, California. Twice-daily EMB-120 roundtrips are initiated the same day from San Francisco to Lake Tahoe.

Enplanements for the year decline 27.2% to 2,107,503.

Airline employment is 1,050 in 1993 and the fleet comprises 3 British Aerospace BAe 146-200s, 31 BAe Jetstream 31s, and 15 Embraer EMB-120 Brasilias. Orders remain outstanding for 23 Brasilias and the Mesa subsidiary reverts to its previous classification of large regional.

Service is started from Los Angeles (LAX) to Telluride; Los Angeles (LAX) to Mammoth Lakes via Fresno, San Francisco to San Jose, and Orange County to Denver.

Passenger boardings slide another 1% to 2,086,922.

Contract talks with leaders of the company's 75-member chapter of ALPA drag on during the first months of 1994. In April, former **Superior Airlines** President Rolly Bergeson is appointed Westair's CEO and Lawrence O. Olson becomes president of the WCA subsidiary.

When the **United Airlines** Shuttle by United division takes on **Southwest Airlines** in the California corridor during the fall, Westair suffers from the competition. The BAes are now withdrawn and the fleet at year's end includes 18 Brasilias and 34 Jetstream 31s.

Customer bookings slide 3% during the 12 months to 2,023,411.

"United Express" services are provided to four California cities during 1995 as the **Mesa Air Group** division continues to be caught in the contest between Shuttle by United and **Southwest Airlines**.

Two additional EMB-120s join the fleet in December.

This unit reports its traffic statistics, which show enplanements down 5.5% to 1,911,489.

In 1996, Westair exchanges a number of routes with fellow **Mesa Air Group** division **Mountain West Airlines** (4).

Passenger bookings still fall, however, plunging 13.6% to 1,651,532.

Early in 1997, **Mesa Air Group** reorganizes its four main divisions into "America West Express," Independent, "United Express," and "US Airways Express." To these units are added the marketing and customer-service departments of both **Air Midwest** and WCA.

A dispute between **Mesa Air Group** and its WestAir Commuter Airlines unit, doing business as **United Express (Mesa Air Group)**, versus **United Airlines** and **SkyWest Airlines** concerning access to certain West Coast markets results in a July lawsuit. UAL files suit in the U.S. District Court in Chicago seeking a determination as to the rights of all parties to the routes before any of the companies suffer economically. Mesa does not countersue.

On October 1, the company increases services from its Los Angeles hub by 73% to 175 daily flights; at the same time, 12 new California destinations are now initially visited, including San Jose.

CCAair board member Peter Murnane, a principal in Barlow Partners, and former Mesa executive Jonathan Ornstein, president of **Virgin Express Airlines, S.A.**, make a \$50-million offer in October for Mesa's "United Express" operation at Denver, along with WCA. The tender is rejected.

Passenger boardings climb 11.4% to 1,840,264.

In January 1998, **United Airlines** announces that, effective May 31 and September 30, it has cancelled its contract with Westair for "United Express" services from San Francisco and for the Pacific Northwest. The markets will be turned over to **SkyWest Airlines**.

Meanwhile, hoping to help revitalize their carrier, company pilots offer **Mesa Air Group** \$20 million for a 20% stake. Mesa turns down their tender.

In March, President Bergeson memos company employees the bad news that 1,100 of their number will be laid off by mid-June, directly as a result of the loss of the United contract. It is anticipated that the company will stop flying at that time.

In May, parent **Mesa Air Group** retains the International Airline Support Group to assist Westair with the disposition of its leased fleet of Brasilias and Jetstream 31s. On May 31, Westair becomes the latest commuter enterprise casualty in California.

WESTAIR DE MEXICO, S.A. de C.V.: Hangar 5, Fila 8, Aeropuerto Internacional de Guadalajara, Guadalajara, Mexico; Phone (013) 688-5251; Fax (013) 688-5017; <http://www.westairdemexico.com>; Year Founded 1997. Westair de Mexico is established at Guadalajara in the fall of 1997 to offer ad hoc freight charters throughout Mexico and into the U.S. Upon receipt of its air operator's certificate, the new concern launches revenue flights on December 11 employing a small fleet of Fairchild SA227 Metro IIIs.

Flights continue without headline or incident during the remainder of the decade. On June 23, 2000, the company begins operating charters to Miami for **Federal Express (FedEx)**.

WESTAIR FLYING SERVICES, LTD.: Blackpool Airport, Lancashire, England, United Kingdom; Phone 44 (0) 1253 404925; Fax 44 (0) 1253 401121; <http://www.westair.demon.co.uk>; Year Founded 1994. Denis Westoby establishes a flying service at Blackpool Airport in Lancashire in 1994 to provide both scheduled air taxi and charter flights to regional destinations. Revenue services commence with 1 Beech King Air 90 and 2 Cessna 401s. Over the next five years, aircraft sales, engineering, and a flying school are also operated.

WESTAIR TRANSPORT: United States (1948–1964). The Aviation Corporation of Seattle is formed in 1947 to begin nonscheduled air service in and to Alaska under the marketing name Westair Transport. Revenue flights commence with a Douglas DC-3.

A Curtiss C-46 Commando is acquired in 1948 under charter from the USAF. Both passenger and cargo charters are operated over the next decade, with the carrier branching out to provide irregular flights into the Caribbean as well. Although not all operated simultaneously, seven C-46s are operated during these years.

The company is listed by the U.S. government as an interim supplemental carrier in 1959, but is out of business by 1964.

WESTATES AIRLINES (1): United States (1985). Westates is established at Burlingame, California, in the spring of 1985. President John Lowe's new entrant obtains two Convair CV-580s, which are employed, beginning on July 8, to inaugurate thrice-daily scheduled services in the tough Golden State commuter market between Santa Rosa and Los Angeles. An application is made for permission to launch flights to South Lake Tahoe, but the request is denied.

Unable to maintain or grow its vitality, the small regional, after having transported 18,000 passengers during the year's second half, declares Chapter XI bankruptcy and ceases operation in December.

WESTATES AIRLINES (2): United States (1990–1995). Terrence Dennison, acting on behalf of the Finnish concern A. Ahlstrom Corporation, reforms WA at Columbia County Airport in Hudson, New York, in 1990. Although scheduled commuter authority is held, it remains dormant as nonscheduled operations commence with 4 Convair CV-580s between several Virginia destinations and Atlantic City. Operations continue apace in 1991–1993, during which time 3 Mohawk 298s are acquired for the fleet and a code-sharing agreement is briefly operated with **Trans World Airlines (TWA)**.

The company continues to fly charter and scheduled air taxi services in 1994 between Niagara Falls and Newark and between Miami and Cap Haitien. The carrier will be grounded by the FAA during the first quarter of 1995 for maintenance and record-keeping problems with three CV-580s.

In April, an agreement is reached between the FAA and the carrier under which the latter, without admitting to any regulatory violations, will be permitted to resume flights. Westates agrees to properly maintain and report on the three Convairs, to establish a safety and compliance program, and to retrain flight crews and mechanics on approved ways of handling maintenance discrepancies.

Efforts to find additional capital are undertaken, but before an infusion can be made, the carrier's operating rights are revoked because its Finnish owners have been found ineligible to hold them.

WESTCHESTER AIR: 6 Hangar Road, Box 5, Westchester County Airport, White Plains, New York 10604, United States; Phone (914) 761-3000; Fax (914) 761-3291; Year Founded 1982. Established at its namesake airport in 1982, WA undertakes executive and small group passenger charters over the next 15 years throughout the U.S., Canada, and Caribbean. Millie Becker is president in 2000

and she employs 5 pilots, who operate 1 each Cessna 500 Citation I, Beech King Air 100, and Piper PA-31-350 Navajo Chieftain.

WESTCHESTER AIRWAYS: United States (1934–1942). Westchester Airways is established at Auburn, New York, in the summer of 1934 to offer passenger sight-seeing and charter flights to local destinations and during the winter vacation season to Miami, Florida. The Ford Tri-Motor 4-AT-67, which has been employed by the manufacturer as a test vehicle over the past five years, is acquired on September 26 and is employed to inaugurate revenue flights.

Operations continue without fanfare until August 2, 1940. While on a sight-seeing flight over Liberty, New York, the Ford suffers engine loss and crashes; although no injuries are reported, the left wing and landing gear are damaged. The aircraft is repaired and returned to service.

Following U.S. entry into World War II on December 7, 1941, wartime restrictions and the leisure market conspire against the company. On November 21, 1942, the company closes its doors and sells its aircraft to the Cuban airline **Expreso Aereo Inter-Americano, S.A.**

WESTERN AIR (PTY.), LTD. See **NORTHERN AIR (PTY.), LTD.**

WESTERN AIR EXPRESS (WAE): United States (1925–1934). Until its acquisition by **Delta Air Lines** in 1986, **Western Airlines** was for many years the only survivor of a handful of airlines that pioneered commercial air transportation in the U.S. in the mid-1920s. Indeed, arguments were heard suggesting that Western was the first American company specifically formed to operate as an airline. The Delta acquisition traces its pedigree back to Western Air Express (WAE).

WAE is incorporated at Los Angeles on July 13, 1925, with the colorful former race car driver Harris M. "Pop" Hanshue as president and with Major C. C. Mosely as vice president-operations. The company has important backing, including James A. Talbot of Richfield Oil and Harry Chandler of the *Los Angeles Times*. An initial public stock offering valued at \$360,000 is immediately taken up and in November the new entrant wins one of the first Post Office airmail contracts, the 600-mile Contract Air Mail Route No. 4 (CAM-4) route from Los Angeles to Salt Lake City via Las Vegas.

In January 1926, WAE orders six Douglas M-2s, the first commercial aircraft sold by Donald Douglas after the unsuccessful "Cloudster" effort with David Davis earlier in the decade. Five pilots (Maurice F. Graham, Alva R. DeGarmo, Charles N. "Jimmy" James, Fred W. Kelly, and Eldred R. Remelin) and mechanics are hired and ordered to tour the proposed new route system by automobile, marking out emergency landing fields en route.

"Pop" Hanshue now breaks into print with a short article, "Western Business Takes the Air," which appears in *Western Flying* (January 1926): 9–10.

The first three M-2s are delivered on April 10 and, flying simultaneously from each end of the route, Maury Graham and Jimmy James use them to inaugurate mail service on April 17. The operation is so successful that a month later, on May 23, passenger flights are launched and a total of 209 intrepid customers, at \$90 per head, are flown nestled among the mail sacks in the forward cockpits during the remainder of the year. Among these is Maude Campbell, the company's first female passenger, who flies in June. Some 100 pounds of air express parcels are also transported.

Between September and November, the fleet is upgraded by the addition of an M-4 and three ex-U.S. Air Mail Service de Havilland DH 4Bs.

A total of 518 flights are completed; there are only 38 forced landings during the year, giving the company 90% reliability. A \$28,674.19 net profit is realized, all but \$1,029 of the income being derived from CAM-4.

The first significant "break" for WAE comes in early 1927 when the Daniel Guggenheim Fund for the Promotion of Aeronautics chooses the carrier to establish a "model" first-class passenger service between Los Angeles and San Francisco. With substantial fund grants, the WAE airway will incorporate the latest in technical perfection and passenger safety and comfort.

The aircraft selected to initiate the Guggenheim experiment are a trio of 12-passenger Fokker F-10s, upon which all of the fund monies advanced thus far (\$180,000) are spent. These will permit customers to sit in comfortable wicker chairs inside the cabin and be served meals (initially obtained from the Los Angeles cafeteria Pig 'n' Whistle) by a steward. Western now recruits the first flight attendants in U.S. domestic service and of these, Miles Davis is chosen to make the inaugural run.

As preparations for the model airway continues through the year, Hanshue's M-2s continue to fly CAM-4 and earn another profit. On June 16, the company purchases an M-2 and an M-4. "Pop" Hanshue publishes another article, "The Economics of Air Transport," *Western Flying* (June 1927): 11–12, 70.

In October, WAE becomes the first airline in history to pay a cash dividend to its stockholders. In early December, Western makes its first purchase of another airline, **Colorado Airways**, together with its fleet of 3 Ryan M-1 mailplanes and its Pueblo–Cheyenne via Colorado Springs and Denver CAM-12 route. The takeover is the first acquisition of one U.S. airline by another.

The carrier's first fatal accident occurs on December 10 when the M-2 acquired in June crashes at Denver on its first trip over the ex-**Colorado Airways** route, killing pilot Jack Taylor. A new Fokker F-VIIA is now ordered from Atlantic Aircraft Corporation for delivery the following March. By year's end, the Pueblo–Cheyenne run has become a "lighted airway."

The F-VIIA is delivered in March 1928, followed by the arrival of the three long-awaited F-10s beginning on April 24. Passenger operations by WAE along the model airway are initiated on May 26, and result, thanks to the Wasp engines of the Trimotors, in three-hour nonstop scheduled flights between California's two major cities. Within a year, over 3,000 passengers have been transported and the company has maintained a 99% on-schedule reliability.

To a large extent, this success is due to a Guggenheim-U.S. Weather Bureau forecasting system of stations strung out along the California corridor to provide warning of poor flying conditions. WAE, in this connection, also carries out radio experiments and one of its engineers on these projects is Herbert Hoover Jr., son of the commerce secretary and future U.S. president. Thirty-seven different weather stations are established in the California corridor, allowing WAE pilots a choice of five different routes between the two major terminals.

Looking like a "barrel-nosed cigar," the prototype Lockheed Model 3 Air Express, already extensively test flown, is operated by Charles A. Lindbergh on June 1; the aviator's first flight in a Lockheed airplane is made from Vail Field at Montebello, California. Later in the week, the aircraft is turned over to WAE. Piloted from Montebello by Fred Kelly and with Dr. L. D. Cheney and humorist Will Rogers (en route to the Republican national convention at Kansas City) as passengers, Air Express service over the sector to Salt Lake City is inaugurated on June 6. Unhappily, a runway obstruction at Las Vegas, the first stop, causes the plane to crash; Cheney is hurt. Kelly and Rogers continue on in a relief plane.

On June 29, **Pacific Marine Airways**, which has operated a ferry service from Wilmington to Avalon on Santa Catalina Island since 1923, is taken over, along with its fleet of 3 Curtiss HS-21s and its outstanding orders for a pair of Keystone-Loening C-2H Air Yachts and a single Sikorsky S-38A. Beginning in September with the newly received Air Yachts and the S-38A, which is christened *Flying Fish*, WAE stretches the old Pacific Marine route from Avalon to Long Beach and Alhambra, dropping the stop at Wilmington.

Hanshue and James Talbot create the holding company WAE, Inc. on October 1 with Western Air Express the prime subsidiary, along with the Fokker Aircraft Corporation of America, later the Atlantic Aircraft Corporation. Capitalized at \$5 million, the holding company promptly orders five Fokker F-32s for its airline subsidiary. Two more F-10s are received in November and December and the first upgraded F-10, an F-10A, is delivered on Christmas Eve.

Meanwhile, on December 18, the two ex-**Colorado Airways** Ryan M-1s are sold to the Western College of Aeronautics, having been re-

placed, beginning on December 15, by the first two of five ordered Stearman C3Bs.

At year's end, corporate records show that 6,014 passengers have been carried during the 12 months, along with 374,628 pounds of mail over 622,755 miles.

Four more F-10As are acquired during the first quarter of 1929, as WAE, Inc. assumes ownership of Atlantic Aircraft Corporation, the U.S. segment of the Fokker Aircraft Corporation; the Dutch parent is not impacted by the sale. In March, four Boeing 95s and two Boeing 40B-4s are delivered. Three more F-10As join the fleet between April 8 and May 6. On May 7, a Stearman C3B crashes at Denver (one dead) and four days later the Fokker F-VII is sold to **Continental Air Express**.

Passenger service to Albuquerque via Arizona is launched on May 15 while two additional Stearman C3Bs are received on May 17. Two weeks later, the Albuquerque route is extended to Kansas Cit, via Amarillo. Also during May, a Boeing 204 is placed on the Alhambra-Santa Catalina Island run.

Also in May, "Pop" Hanshue publishes a third article, "Financing Air Transport Lines," in *Popular Aviation* (May 1929): 16, 90, 92.

The Albuquerque route is extended to Kansas City on June 1 and a day later, a Fokker F-10A is destroyed at Wichita, Kansas, when a tornado strikes the airfield. On June 5, the Sikorsky S-38A *Flying Fish* crashes at Avalon; irreparable, it is written off. The carrier provides financing and promotional support for **Mid-Continent Air Express**, which is incorporated under Delaware laws on June 19; the new subsidiary will allow the sponsor to push further eastward.

Between August 7 and October 31, the fleet is enlarged by the addition of four more Fokker F-10As. Meanwhile, on September 21, the Albuquerque market is linked by air to El Paso. Late in the year, the carrier acquires **West Coast Air Transport**; WAE will operate it as a subsidiary and thus gain system access to destinations at Medford, Portland, and Seattle. A Fokker F-10A crash-lands at Oakland Airport on December 26; none of the 12 people aboard are hurt.

Enplanements for the year are almost 22,000 and most of the \$1.87-million profit still comes from CAM-4.

On January 6, 1930, a Stearman C3B crashes in a snowstorm at DuPont, Colorado. A Boeing 95 mailplane crashes at Cedar City, Utah, on January 10 (one dead) while, also in January, ice-warning indicators are installed on company aircraft. In mid-month, President Hanshue receives a letter from North American Aviation Chairman Clement Keys requesting a New York City meeting to discuss a merger between WAE and his **Transcontinental Air Transport (TAT)**; after consulting his board, Hanshue declines. After learning of the refusal from TAT General Manager Col. Paul Henderson, U.S. Second Assistant Postmaster Warren Irving Glover writes Hanshue, informing him that he may have made a costly mistake.

A Boeing 40B-4 is destroyed in an accident on February 9. On February 23, a Fokker F-10A crashes at Lake Arrowhead, California (three dead); this disaster is followed on February 24 by the crash of a Boeing 95 at St. George, Utah (one dead). In February and March, the carrier receives four Fokker F-14s plus a Stearman C4D Junior Speedmail and the second of two Boeing 40B-4s.

On April 17, WAE becomes the first line to operate the world's largest available landplane, the four-engine Fokker F-32, two of which are placed in service on the Los Angeles-San Francisco run. The F-32 also allows Western Air Express to claim another "first," as the leading four-engine commercial aircraft operator in the U.S. On April 29, Congress passes the McNary-Waters Act and **Standard Air Lines**, together with its parent, the Aero Corporation of California, and its Los Angeles to El Paso via Phoenix, Tucson, Douglas, route are purchased on April 30. Also received from Standard are four Fokker F-10As.

After May 1, the Western Air Express route system, including that of its subsidiaries, stretches 15,832 miles through 11 Western and Southwestern states making "Pop" Hanshue's 40-plane airline the world's largest. In these heady times, few outside the company realize that severe difficulties are just ahead. Between May 19 and 30, Hanshue re-

luctantly travels to Washington, D.C. to participate in the so-called "Spoils Conference" meetings between Postmaster General Walter Fogler Brown and officers and representatives of various air transport concerns. Once again, the subject of a WAE-TAT merger arises. Operationally, trouble begins with the loss of a Fokker F-10A in a storm at Wichita on June 2. On June 23, a Douglas M-4 is wrecked and withdrawn. Both accidents are attended by bad publicity.

As WAE expands and pushes eastward in a time of great economic uncertainty, it encounters significant financial losses. To help ally these, it desires a significant new mail contract—as does a competitor, **TAT-Maddux Air Lines**, which is moving west. The prize is the Los Angeles-New York CAM Route No. 34; however, Postmaster General Brown, who by authority of the McNary-Watres Act, decides which airlines receive postal subsidy and which do not, refuses to award duplicate contracts for the same route.

The two competing candidates, joined by a small holding company, **Pittsburgh Aviation Industries Corporation (PAIC)**, are forced into a merger on July 16, ever after known as the "Shotgun Marriage." "Pop" Harris is voted the combined company's first president and is given a one-year contract. After the creation of this union, otherwise known as **Transcontinental and Western Air Lines (T&WA)**, into which WAE pours 47 1/2% of its resources, but from which it is able to withhold 52 1/2%, Western Air Express continues to operate independently, but in a much weakened condition.

To assist in the transition into amalgamation, General Motors loans "Pop" Hanshue, who is president of both WAE and T&WA, \$800,000 to keep the former afloat. Through its General Aviation subsidiary, it also acquires 60,000 shares of stock, which will be converted into T&WA stock when the merger arrangement is finally completed.

A Stearman C3B is lost in a Cheyenne crash on August 3 and another is destroyed in a Denver accident on August 10. The shorter routes are flown, especially CAM-4. So much money is lost as the result of the T&WA adventure that WAE, Inc., must begin selling off some of its subsidiaries, routes, and aircraft to bring in sufficient cash to stave off financial ruin.

Principal services transferred to T&WA in September are those from Los Angeles to San Francisco and Kansas City; those to Dallas follow in October. On October 1, the two Fokker F-32s are withdrawn from service; eight days later, five Fokker F-10As are sold to **Southwest Air Fast Express (SAFEWAY)**. Flights are maintained between Salt Lake City and San Diego via Los Angeles and a route is picked up between Pueblo and Cheyenne. The latter is operated with three Fokker F-10As. Also in October, the ex-**Standard Air Lines** Los Angeles-El Paso route is sold to the Aviation Corporation of America (AVCO) then in the process of creating what would become today's **American Airlines**.

A Fokker F-10A makes a nonfatal and spectacular forced landing at Alhambra, California, on December 22 while, at year's end, Los Angeles to Catalina Island flights are maintained employing two Loening C-2H amphibians and a Boeing 204 flying boat. The fleet at year's end comprises 3 Fokker F-10As, 2 Boeing 95s, 2 Boeing 40B-4s, 1 Stearman C4D, 2 Loenings, and the Boeing flying boat.

On January 7, 1931, the Boeing 204 employed on the Santa Catalina Island service is sold to **Gorst Air Transport**. A Fokker F-10 crashes at Alhambra Airport on January 26. The legal complexities of the "Shotgun Marriage" are finally resolved on February 1. As T&WA provides expensive, low-fare competition against Western Air Express on the West Coast (and thus, ironically, against itself), Hanshue, who has withdrawn as T&WA president and returned to WAE, is forced to seek further assistance from General Motors to keep his airline from failing.

On March 3, GM, through its General Aviation Corporation subsidiary, acquires a 30% shareholding in Western Air Express for just \$90,000. Service to Portland and Seattle and other services of the **West Coast Air Transport** subsidiary are halted in early March and on March 16, it, together with the routes of **Mid-Continent Air Express** are sold to **Pacific Air Transport**. Eight days later, an F-10, three F-10As, and an F-14, along with the two F-32s, are sold to T&WA.

In May, when the contract to serve Santa Catalina Island ends, WAE, Inc. sells the rights and aircraft to the island's owner, Philip K. Wrigley, the chewing gum magnate, who organizes a replacement carrier, **Wilmington-Catalina Airline**. Pop Hanshue resigns as TWA president in July and returns to Western and CAM Route 12 is extended on August 1 when the Post Office creates separate Albuquerque and Amarillo links. These are now won and flown with the eight Fokker Model 8 Super Universals retained from the **Mid-Continent Air Express** sale.

On September 27, **Mid-Continent Air Express**, which has no routes, is absorbed into its parent, together with its fleet of Fokker Model 8 Super Universals, its F-14, and two Boeing 40B-4s; at this point, the WAE fleet comprises 12 Model 8 Super Universals, 6 Fokker F-10As, 4 Boeing 40B-4s, and 4 Boeing 95s. This is the first year in which no aircraft are lost in crashes or significant accidents.

On May 21, 1932, WAE receives the first television reception aloft in a specially outfitted Fokker F-10A; signals are broadcast from the Don Lee television station to the aircraft during three flights over Los Angeles. Also in May, company officials announce a new safety record for American airlines. Despite a number of crashes and aircraft accidents, WAE, since its start-up, has not had a single fatal or serious passenger injury. A Fokker F-10A crashes at Lynndyl, Utah, on December 9, but maintains this record.

Early in 1933, General Motors acquires the North American Aviation Corporation and with it 52% majority control of "Pop" Hanshue's carrier. During the year, the company becomes the only American airline to fly the Clark (General Aviation) G.A.-43, which is placed in service on the Albuquerque to Cheyenne run.

Save for two fatal mail and two fatal ferry flights, the company is able to celebrate seven years and five months of operations on September 24, again without a single passenger fatality or injury. For the record, the company has flown 100,001 passengers over that period, together with 3.6 million pounds of mail and 70.5 tons of air express on 26,332 flights over 35.18 million miles.

On December 2, a Fokker Model 8 Super Universal crashes at Colorado Springs; it is followed into the write-off column by the loss of another Model 8 to high winds at Las Vegas, New Mexico, on December 31. The year's profit is \$230,000.

Following the cancellation of all existing airmail contracts by President Roosevelt on February 9, 1934, many airlines find it necessary to choose new titles in order to requalify for government mail subsidies. On February 28, General Motors officials give Western Air Express a new name, **General Air Lines**. As part of the makeover, the former WAE President Harris Hanshue, a participant in the "Spoils Conference" and therefore no longer acceptable to the government as an airline leader, is forced to retire. On April 17, the carrier is reconstituted as a separate entity, **General Air Lines, Inc. (Western Air Division)**, that is General Air Lines with its WAE, Inc. holding company now veiled as a division.

Following the government's unsuccessful attempt to turn the transport of airmail over to the Army Air Corps, the Post Office reopens competitive bidding for commercial air routes. These are awarded in late April and GAL is now awarded a mail route running from San Diego up to Los Angeles and across to Las Vegas and Salt Lake City that is nearly identical to that first initiated back in 1926. The previous route between Cheyenne and Albuquerque has, however, been allocated to other airlines. GAL service is inaugurated on May 8 with aircraft, technically, leased from its Western branch.

During the first half of the year, four Model 8 Universals are sold to Charles H. Babb while the remaining Boeing 95s and Boeing 40B-4s are withdrawn in July. Five new Douglas DC-2s are purchased and introduced by the company on October 15 over the San Diego-Salt Lake City route. The remaining Fokker F-10As are withdrawn. As the result of the nation's new airmail law, the Black-McKellar Act of June 12, General Motors as an aircraft manufacturer must divest itself of its operating airline by year's end.

On September 1, a B-247D, having taken off too steeply from Burbank, stalls at 1,000 ft. and crashes (three dead). Late in the year, an

arrangement is made with William A. Coulter, the financier behind **Pennsylvania-Central Airlines (PCA)**. As a condition of sale, GM forces Coulter to accept payment of a liquidation dividend to stockholders. Coverage of the funding nearly wipes out all of the carrier's resources and forces it to sell off its prized DC-2s to **Eastern Air Lines**. As a result, Coulter now enters into a close connection with **United Air Lines**, leasing from it on December 23 two new Boeing 247Ds to replace the DC-2s.

On December 29, the company is officially turned over and once in possession, Coulter dissolves both General Air Lines and the WAE, Inc. holding company, replacing them with a new **Western Air Express Corporation**, an altogether independent operation.

WESTERN AIR EXPRESS CORPORATION: United States (1934-1941). Passage of the 1934 Black-McKellar Act requires that holding companies involved in both the manufacture of airliners and the operation of airlines divest themselves of the latter. As a result, General Motors, through its General Aviation Corporation subsidiary, seeks a purchaser for its **General Air Lines, Inc. (Western Air Express)** division.

In accordance with the law's timeframe, an arrangement is made with William A. Coulter, the financier behind **Pennsylvania-Central Airlines (PCA)** late in the year. As a condition of sale, GM forces Coulter to accept payment of a liquidation dividend to stockholders. Coverage of the funding nearly wipes out all of GAL's resources and forces it to sell off its prized DC-2s to **Eastern Air Lines**. Western is left with no airplanes with which to conduct business.

As a result of this fiscal situation, the new owner enters into a connection with stronger **United Air Lines**, leasing from it on December 6 two new Boeing 247Ds to replace the DC-2s. These two planes save Western from oblivion. On December 29, the company is officially turned over and once in possession, Coulter dissolves both **General Air Lines** and its holding company WAE, Inc., replacing them with a new Western Air Express Corporation, an altogether independent operation of which Alvin P. Adams is named first president.

The two leased United 247Ds are immediately purchased on start-up subject to the approval of the new CAB which, suggesting the possibility of monopoly over Western routes, refuses to countenance the deal. A B-247D is leased to **Pennsylvania-Central Airlines** in December.

The new aircraft arrive on the same day, January 1, 1935, and arrangements are made for the yearlong lease of 19 more and the lease-purchase of others from Boeing or United over the next 6 years. Western's single route, San Diego to Salt Lake City via Los Angeles and Las Vegas, provides feed to United's transcontinental expansion and allows the two companies to run joint offices and coordinate schedules during the remainder of the decade. Additionally, the two further coordinate the upgrade of WAEC's fleet. The association will be so close that some will claim that WAEC is practically a subsidiary of United.

Charles H. Babb purchases one Fokker F-10A on February 12, followed by four more on December 2. During the year, 25 B-247Ds are added to the fleet through lease or lease-purchase arrangements with **United Air Lines**. Of these, one is lost in a crash caused by heavy fog during its Burbank to Saugus delivery flight on September 1 (three dead). A significant number of Boeing transports are returned to **United Air Lines** following expiration of their leases in late 1936, along with one leased from **Pennsylvania-Central Airlines (PCA)**.

On December 15, while on a flight from Burbank to Salt Lake City, a B-247D becomes lost in a snowstorm near Alpine, Utah, and crashes into Loan Peak mountain (seven dead). The disaster spoils Western's decade-old perfect safety record and the crash site, itself, will not be located until the following June. Still, there is good news at year's end. Back from extinction, the company has been able to turn a welcome \$50,000 profit for the year.

A B-247D with 10 aboard crashes into the Sierra Madre Mountains near Newhall, California, on January 12, 1937 (5 dead). Among the victims is noted explorer Martin Johnson. Three B-247Ds are leased to **Pennsylvania-Central Airlines** during the first quarter. Two new Dou-

glas Sleeper Transports are received in June and enter service on the carrier's Salt Lake City–Los Angeles service.

President Adam's company makes its first acquisition of another airline on August 1, when it acquires Salt Lake City-based **National Parks Airways**, together with its route northward through Idaho to Great Falls, Montana, and its mixed fleet of Fokkers, Stearmans, two Boeing 247Ds, and the Ford Tri-Motor 5-AT-70, which is employed to fly sight-seers over Yellowstone Park.

In December, two Lockheed Model 12As, originally ordered by National Parks, are delivered as another B-247D is sold to the South American airline **SCADTA (La Sociedad Colombo-Alemana de Transportes Aereos, S.A.)**.

Charles Boettcher purchases an interest in the company on January 30, 1938 and becomes board chairman. WAEC takes delivery of its first Douglas DC-3 via **United Air Lines** on May 5. Simultaneously, the two Lockheeds are returned to their manufacturer and the Ford 5-AT-70 is sold to Charles H. Babb on June 24 for resale to **ENTA (Empresa Nacional de Transportes Aereos, S.A.)** in Costa Rica. On July 30, a B-247D is sold to **Wilmington-Catalina Airlines**.

Early in 1939, a number of stockholders propose that the carrier be sold to **United Air Lines**. The move is opposed by President Adams, who is fired and succeeded in office on March 12 by William Coulter himself. On June 26, Western is officially sold to **United Air Lines**, but even with support from the CAB examiner in the case, the merger will be overturned when it is heard by the full board. Meanwhile, a Western-United interchange service is started on September 1 from Los Angeles to New York.

The carrier's first named airliner, the DC-3 *City of Las Vegas*, is received from Douglas in August 1940 and during the fall, Western applies to the CAB for permission to begin service into Alberta.

Enplanements for this last full year of WAEC designation total 34,224.

A Boeing 247D is lost in a hangar fire on January 12, 1941; it replaced by another of the same type purchased from **Pennsylvania-Central Airlines** on the last day of the month. Having failed in its merger, the company, on March 11, breaks off all official links to **United Air Lines** on March 11. The third DC-3 is accepted on March 21. On April 17, the company is officially renamed **Western Air Lines**.

WESTERN AIR LINES: United States (1941–1954). **Western Air Express Corporation** is renamed Western Air Lines on April 17, 1941; the fleet now consists of 5 Boeing 247Ds, 2 Douglas DSTs (sleeper version of the DC-3), and 3 DC-3As. Joint operations with **United Air Lines** are now abandoned and new offices are opened and uniforms worn. On June 1, the carrier, having received CAB permission upon an application filed while still WAEC, begins flying from Great Falls to Lethbridge, Alberta, via Cut Bank.

Two more DC-3As join the fleet in August. Western becomes one of the first civilian U.S. airlines to become directly involved in World War II. When news of the Japanese attack on Pearl Harbor is received in California on December 7, a number of the company's aircraft are immediately commandeered by the U.S. Army to fly ammunition to the West Coast's defenders.

Passenger boardings for the last year of peace rise 49% to 69,845.

On May 15, 1942, the carrier's Boeing 247Ds and DC-3s are all taken over by the government for the war effort. Two more DC-3s are, however, acquired on June 1 and are employed to operate the company's domestic services.

As part of their campaign against Midway Island in the Pacific, Japanese naval forces attack the Aleutian Islands on June 3, capturing Attu and Kiska while grasping at underdefended Dutch Harbor. In a textbook example of the mobilization foreseen and promised by ATA President Edgar Gorrell at the beginning of the year, the U.S. Army orders 11 airlines to halt their normal passenger and contract cargo activities. Their aircraft are dispatched to Edmonton, Alberta, for participation in a massive contract airlift that is quickly organized for the defense of Alaska.

Over 100 aircraft from this airline and 10 other carriers execute daily roundtrips between Edmonton and Dutch Harbor through mid-July, transporting troops and supplies. Over 90% of the pilots involved had never flown to or from Alaska before and few had encountered such tough weather conditions.

During the summer, Capt. Patrick Carlson is sent to Edmonton to establish a hub from which the company's former airplanes, now known as C-73s and C-47s with ex-company aircrews in USAAF uniforms, will begin to participate in Operation Sourdough.

For the next three years, the Air Transport Command's requirements will have company aircraft, supported by 100 of the firm's personnel. They will transport supplies over a 2,451-mi. route from Great Falls, Montana, to Fairbanks, Nome, and other points in Alaska via Shelby and Cut Bank, plus the Canadian towns of Lethbridge, Edmonton, White Horse, and a multitude of other Canadian stops along the way. In thousands of flights through terrible weather, not a single accident will be logged after the December 15 landing loss of the carrier's very first DC-3 at Fairfield, Utah.

On August 13, 1943, the CAB grants Western permission to reopen the California corridor route between Los Angeles and San Francisco once flown by the company's predecessor, **Western Air Express**. Despite the hardships posed by wartime service, Western officials continuously plan for the peace and on October 7 acquire 83% controlling interest in **Inland Air Lines**, a move approved by the CAB on May 23, 1944.

Two Inland Lockheed Model 18 Lodestars are transferred to Western and that carrier is now operated as a Western division, operating as a subsidiary retaining its previous identity. On paper, at least, the new purchase allows the company's route network to now stretch from California to the Dakotas; however, the system is circuitous and incapable of generating much traffic.

During the remaining war years, domestic capacity is concentrated on rebuilding the California corridor markets, where flights begin in May, and on maintaining the San Diego–Salt Lake City trunk route. This is accomplished with seven ex-military C-47s (reconfigured to civil DC-3 standard) largely obtained from the Reconstruction Finance Corporation. The first four are delivered between February 10 and November 20.

On March 20, 1945, the CAB, over objections from **United Air Lines**, grants Western a direct route from Los Angeles to Denver, a significant new advantage for customers who would fly east of Salt Lake City. **United Air Lines** suggests that a local service regional like Western cannot handle the difficulties involved in flying over the Rocky Mountains. Western officials, for their part, believe they can fly the peaks with improved transports soon to be available. During the remainder of the year, an additional seven DC-3s are placed in service, one of which crashes at Hollywood on April 24.

Operation Sourdough ends with the war in September. Since its initiation in mid-1942, company pilots have flown 22 million tons of cargo over the 2,451-mi. route from Montana to Alaska. Another DC-3 is lost in an accident at Mount Laguna, California, on October 4. Service to Palm Springs starts on November 15 as Western now orders four-engine DC-4s.

A DC-3 extension of the San Francisco route up to Oakland is made on January 9, 1946. After receiving the first production civil DC-4 (as opposed to the C-54 military version) as world launch customer, Western places it into service on January 18.

While undergoing crew training, a DC-3A with three aboard crashes 2 mi. NW of the Hollywood-Lockheed Air Terminal, California, on April 24; there are no survivors.

Between March and October, seven additional four-engine Douglas transports are received and by September are operating 12 nonstop Los Angeles–San Francisco return frequencies. Orders are now placed for five DC-6s.

Service to Great Falls is resumed on June 1, followed by Jackson on July 1 and Richfield, Cedar, and St. George on July 16. Ogden and Logan join the route network on August 22.

On November 7, the first DC-4 is sold to **Waterman Air Lines**.

While descending near White Mountain, California, on November 13, a DC-3 with three crew and eight passengers crashes; there are no survivors.

Late in the year, Western receives CAB authorization to extend its Canadian route and to offer services to Mexico City. Approval from the foreign governments is not immediately forthcoming and besides, the company needs to grow before it can implement the awards.

A DC-3 with three crew and nine passengers is lost on descent near Mount Laguna, California, on December 24; there are no survivors.

The company suffers a \$9-million loss on the year, which leads to the resignation of President (and principal stockholder) Charles Coulter.

Terrell C. Drinkwater is elected Western president on January 1, 1947 and two DC-4s are sold to **Australian National Airways, (Pty.), Ltd. (ANA)** in February. As aircraft operating costs quickly mount and the immediate postwar travel boom ends, Western is faced with severe financial difficulties. Service to Huron and Minneapolis begins on April 1 while San Diego–Yuma flights commence on May 2. Despite receipt on May 19 of CAB authorization to service Portland and Seattle, the company is fiscally unable to do so.

Indeed, President Drinkwater is forced to sell the new Los Angeles–Denver route certificate to **United Air Lines** on August 1 (along with four DC-4s) in order to raise \$3.75 million just in order to pay off outstanding loans and debts. Pat Patterson's major also agrees to pay for the five DC-6s ordered the previous year. A variety of additional cost-cutting measures are put into effect, including a reduction in force that cuts the 2,800 workforce by 1,000 jobs. With a renewed credit rating, orders can now be placed for 10 pressurized, 40-seat Convair CV-240s.

Between June 16 and July 28, 1948, Western receives its first four CV-240s. Following familiarization and public relations flights, the company places them into service on September 1, becoming the first U.S. airline to fly the Convairliner. The six remaining machines are received during the fourth quarter.

In October, a DC-3 is sold; two more are sold in December, including one to **Bonanza Air Lines**. As an economy measure, onboard catering service aboard the Convairliners is discontinued on December 10.

El Centro becomes a destination on October 27, 1949. During the year, a six-month experiment is mounted in low-cost service, featuring a 5% fare reduction in place of full food service; the discounting approach fails.

The 1950s mark a period of domestic route growth for Western Air Lines and a time of frustration in efforts to expand into foreign markets. After receiving Canadian approval, flights from Great Falls to Edmonton commence on April 30, 1950, followed by Brookings and Mankato in June and July. A \$6-million order is placed in the spring of 1951 for five Douglas DC-6Bs and on August 6 a DC-4 is sold to **Alaska Airlines**.

The total absorption of **Inland Air Lines**, which has been operated as a subsidiary division of the company since 1944, is completed on April 9, 1952. On April 27, Hot Springs, South Dakota, becomes a stop. The carrier's first DC-6B is received on November 24, followed by two more in December. Also in December, the CAB allows Western to fly the Salt Lake City–Rapid City segment, thereby gaining a direct route from Los Angeles to Minneapolis. The new DC-6Bs inaugurate the route in late December and also enter the California market.

A fourth DC-6B is received on January 15, 1953 followed by a fifth on January 29. En route from Los Angeles, the second DC-6B with five crew and five passengers crashes into San Francisco Bay just after its takeoff from San Francisco on April 20 (eight dead).

A DC-3A with three crew is lost while climbing out of Los Angeles on a June 29 training flight (one dead).

On July 19, service is suspended to Yuma and 10 days later the DC-3 that was taken over from the Inland division crashes at Los Angeles. A DC-3 is acquired from **Pacific Northern Airlines** in December.

The first of two Western CV-240s to be accidentally destroyed is lost on February 26, 1954 while en route from Los Angeles to Minneapolis. As the result of a sudden emergency of undetermined origin, the Con-

vairliner, with three crew and nine passengers, makes a rapid descent in heavy turbulence and icing conditions. It disappears into the mountains of northern Wyoming; the wreck is found near Wright, Wyoming, on March 1 and there are no survivors.

A DC-4 is purchased from **Braniff International Airways** on March 19; four more DC-6Bs will join the fleet during the year, one of which is sold to **Slick Airways**. The name "Western Air Lines" is replaced with "Western Airlines" in April.

WESTERN AIR SERVICES: United States (1964–1968). Western Air Services is set up at Mayaguez, Puerto Rico, in the summer of 1964 to provide scheduled air taxi flights to San Juan, Ponce, Viequez, and the U.S. Virgin Islands. Daily Beech 18 roundtrips commence on September 2 and are maintained until 1968, when the company is combined with **Trade Winds Airways** to form **Trade Wings & Western Airways**.

WESTERN AIR STAGES: United States (1972). WAS is established at Grand Junction, Colorado, in 1972 to provide scheduled passenger and cargo flights to Vernal, Aspen, Vail, and Steamboat Springs. De Havilland DH 104 Dove and Beech B-80 Queenaire service cannot be maintained beyond the winter ski season.

WESTERN AIRCRAFT: United States (1966–1967). Western Aircraft begins flying local Beech 18 scheduled services from its base at Gooding, Idaho, in 1966, but fails within the year.

WESTERN AIRLINES (1): United States (1954–1987). **Western Air Lines**, which began as the famous **Western Air Express**, is renamed in April 1954. The company, operator of a mixed fleet of Douglas aircraft and Convair CV-240s, flies passengers and cargo in scheduled service up and down the West Coast of the U.S.

As a result of a favorable ruling in the famous Denver case, the CAB grants the company authority from San Francisco to Denver via Reno and Salt Lake City. A DC-3 is sold to **Page Airways** in March and Sioux Falls becomes a destination on July 16.

Office workers, members of the Railway Workers Union, strike for a wage raise on January 9, 1956; the job action cripples the carrier for 73 days, until March 21.

Six Douglas DC-6Bs are delivered to the company between April 27 and October 10. Meanwhile, four DC-4s are sold, two to **Alaska Airlines** and one each to the Mexican line **Aerovias Guest, S.A.** and the Belgian company **Sobelair, S.A.** A DC-3 is delivered to **Piedmont Airlines** on February 7 with a second withdrawn and disposed of in July. Meanwhile, a \$19.5-million order is announced in May for nine Lockheed L-188A Electras. A record \$3-million profit is reported.

Mexico finally grants its permission and Western begins Los Angeles–Mexico City DC-6B flights on July 15, 1957.

Ten days later, on July 25, an explosion occurs aboard Flight 39, a Convairliner with 3 crew and 13 passengers, 10,000 ft. over the California desert near Daggett. Passenger Saul F. Binstock, a 62-year-old retired jeweler, is sucked out of the lavatory and the explosion leaves a 28-sq.-ft. hole in the rear fuselage. The CV-240 makes a safe emergency landing at a nearby USAF base.

Binstock's body is found on July 27 and it is learned that he had taken out a \$125,000 life insurance policy just before boarding his last flight. On August 18, tests conclude that the explosion that killed Binstock was caused by a dynamite bomb set off in the lavatory.

Meanwhile, Western, which has been consolidating its domestic routes, adds seven more DC-6Bs between April 11 and September 6. Some of these latter begin, for the first time, a competition with intrastate **Pacific Southwest Airlines (PSA)**; Western's Coachmaster service easily outpaces the upstart's DC-4s. Meanwhile, the last two DC-4s are sold to **Loide Aero Nacional, S.A.** of Brazil in May.

The failure of a mechanic to properly secure the right leading edge section of the right wing of a CV-240 leads to a near tragedy on February 13, 1958. Immediately after takeoff from Palm Springs, the aircraft,

with 3 crew and 18 passengers loses the leading edge. The crew is able to make a wheels-up emergency landing on a boulder-covered desert area near Garnet, but the plane breaks up and the left wing catches fire. All aboard are safely evacuated, but the Convair is a total loss.

Another long strike—110 days by ALPA pilots—occurs between February 21 and June 10. A DC-3 is sold in April and a CV-240 in June. **Northwest Airlines** purchases two DC-6Bs and **Braniff International Airways** obtains one; however, nine others are added, completing the company's order. Los Angeles–Mexico City DC-6B coach service is initiated on December 1, the same day Phoenix joins the route network.

Two of the last three DC-3s are sold in February and March 1959. When Hawaii becomes a state, Western applies to the CAB for a route on March 12. The first L-188A is received on May 20 and undergoes familiarization and promotional flights. On June 1, Calgary replaces Lethbridge as a stop on the Edmonton run and during the month a CV-240 is sold. Two more Electras are received beginning on July 10 and on August 1 the first one is placed into revenue service on the Los Angeles to Seattle via San Francisco and Portland route in competition against the low-fare services of **Pacific Southwest Airlines (PSA)**.

Two more L-188As are delivered in September. They are employed, beginning in October, to initiate services over the mountains from California to Salt Lake City, Denver, and Minneapolis (MSP).

Five Electras are in service by mid-December, at which point orders are placed for three additional \$2.5-million units.

Events move somewhat slowly for Western Airlines during the 1960s, with still no authority granted to Hawaii. The early part of the decade is taken up with fleet standardization.

A Convair CV-240 is sold in 1960 and in February, orders are placed for three Boeing 720B-047Bs (B720Bs). Meanwhile, two cancelled **Cubana (Empresa Consolidada Cubana de Aviacion, S.A.)** B-707-139 Stratoliners are leased from Boeing on May 4 and delivered nine days later. The two jetliners enter service in June 1, flying a Pacific Coast route from Seattle to Los Angeles via Portland and San Francisco. Another L-188A arrives later in the year.

The balance of the 12-plane order, 6 Electras, arrives between February 3 and May 24, 1961. Among these are several units immediately placed into upgraded Coachmaster competition with the L-188As introduced by **Pacific Southwest Airlines (PSA)** in the California corridor.

The last revenue flight by a CV-240 in Western colors occurs on February 16; the final four are disposed of during the year. On February 28, a DC-6B is sold to the Los Angeles Dodgers for use as the team aircraft *Kay O*; **Alaska Airlines**, **Slick Airways**, and Lockheed also purchase DC-6Bs during the year.

Four B-720-047Bs fan-jets are delivered between April 7 and July 11 and the first enters revenue service on May 15, flying the route from Los Angeles to Mexico City. Another new L-188 is acquired two days later.

On June 1, the fan-jets are shifted to the Pacific Coast routes, freeing up the Stratoliners for other duties, and they fly from Mexico City to Los Angeles, San Francisco, and Seattle. The B-707-139s, on June 16, begin flying to Minneapolis from Los Angeles via Salt Lake City and from San Francisco via Denver.

While preparing for takeoff from Seattle on October 11, an Electra with 49 aboard suffers the loss of an engine that falls off as the result of maintenance workers forgetting to properly secure it.

Two DC-6Bs are sold to **Japan Air Lines Company, Ltd. (2)** on February 27, 1962 and with the fleet further upgraded by the delivery of three B-720Bs from March–August, the lease for the two B-707-139s is allowed to expire on September 22. Some of the new fan-jets are placed into commuter competition with **Pacific Southwest Airlines (PSA)** in the California corridor, continuing on from Los Angeles and San Francisco to Seattle, handling World's Fair traffic.

Three additional B-720Bs are received in 1963. DC-6B Thriftair flights commence between Los Angeles and San Francisco; the price is very low (\$11.43 one way)—but so too are the number of frequencies. Three significant accidents occur this year. A DC-6B with 38 aboard

must take violent evasive action to avoid a midair collision with a military aircraft near Mount Hamilton, California, on February 7; one stewardess is severely injured.

An L-188A with 87 aboard crash-lands at Los Mochis, Mexico, on October 19; two passengers are badly hurt. A DC-6B with 46 aboard fails its takeoff from Los Angeles on December 17; only minor injuries are noted.

Enplanements for the year total 2,628,536 and a \$7,743,596 net profit is earned.

Airline employment in 1964 stands at 4,092 and the fleet includes 40 aircraft, including 2 more B-720Bs delivered early in the year. Nonstop Long Beach to San Francisco L-188A Electra flights are introduced and on September 22 a B-720B with 55 aboard overshoots its landing at Sacramento; only minor injuries are reported in the ensuing crash.

Passenger boardings jump 25.6% to 3,532,978. Revenues swell 18.3% to \$117.6 million and the net profit climbs 42% to \$13,351,027, a company high to date.

As the result of increased competition from both **Pacific Southwest Airlines (PSA)** and **United Air Lines** in the Los Angeles–San Francisco corridor, the company introduces Fan-jet Commuter shuttle service on April 2, 1965. Four of the six new B-720Bs received during the year are dedicated to its implementation; **Pacific Southwest Airlines (PSA)**, however, is still able to offer more frequencies. During the past three years, a total of eight DC-6Bs are withdrawn and sold.

The FAA accepts \$75,000 on June 24 as payment on a fine for “multiple” maintenance and operating violations. The 94 persons aboard an L-188A suffer severe turbulence near Battle Mountain, Nevada, on August 12.

Four more B-720Bs are received during 1966 and a new marketing campaign, *Flug Stub*, is launched in May. San Diego and Los Angeles to Minneapolis (MSP) direct flights begin on October 1; also in October, a DC-6B is sold to Purdue University. Having been unable to expand its route network to Hawaii or elsewhere by application to the CAB, the company, on October 31, moves outward in another fashion, reaching agreement to acquire the Alaskan carrier **Pacific Northern Airlines**. For awhile, PNA founder Arthur Woodley becomes Western Airlines' largest single stockholder.

The PNA merger is completed on July 1, 1967, with the former airline becoming the carrier's Northern division. A DC-6B is sold on July 31 and the last DC-3 is passed from storage to Red Dodge Aviation in August. Four more B-720Bs enter service during the year and orders are placed for B-737-247s. Direct California to Alaska flights start on December 9.

The company's attempt to start Hawaiian service drags on, becoming part of the great CAB transpacific route investigation begun in 1966 and not concluded until 1968. On May 3, the company announces that it will expend \$4 million to convert five L-188As into L-188PF combination passenger-freight aircraft.

The first B-737-247 is received on June 11. Between June 22 and September 19, five B-707-347Cs are acquired and the last unit of the 27-plane B-720B order is received on September 20.

Nonstop flights from Denver to Calgary commence on December 1. Also in December, the six Lockheed L-749A Constellations received in the merger of PNA are withdrawn and former **Trans-International Airlines** owner Kirk Kerkorian purchases 28% shareholding for \$61.7 million. Orders are placed for B-727-247s.

In early 1969, the U.S. government finally approves Western's long-sought bid to serve Hawaii, as well as a proposal that would allow it to serve Anchorage from Honolulu, thereby linking up with its Northern division.

The first of the L-188PFs is readied in January and enters service over the former PNA routes to Alaska during February. The seventh B-737-247 arrives on March 17.

On April 11, five of the six withdrawn L-749As are sold to Concare International. In June, the order for B-737-247s is completed with the delivery of the 30th machine. All four L-188As are withdrawn, also during the second quarter.

Actual B-707-347C Hawaiian flight operations begin on July 25, but are then suspended for several weeks by a mechanics' strike that begins four days later. Members of the Teamsters and management reach a mediated agreement on August 14. Stratoliner flights to Hawaii resume shortly thereafter.

During the year, the last three DC-6Bs are sold while the premier B-720B acquired back in 1961 is purchased by **AVIANCA (Aerovias Nacionales de Colombia, S.A.)** on September 24.

The first three B-727-247s are delivered on October 16 followed by three more on November 14. As the decade closes, company advertisers resurrect a now-famous transportation slogan; Western Airlines, they claim, is "The Only Way to Fly."

Kirk Kerkorian has obtained 30.5% shareholding by early 1970 and thus control of the airline. The board of directors is reformed and President Drinkwater is named chairman. A "New Look" color scheme is now introduced on company aircraft.

On August 12, company officials pay \$25,000 to a man who says he placed a bomb on a Seattle flight and demands the cash to tell where the bomb is and how to prevent it from exploding. The B-737-247 lands safely and no bomb is discovered.

Seattle to Minneapolis (MSP) direct service is inaugurated on September 15 and West German G. J. Spiwok is arrested at Portland, Oregon, on September 21 for perpetrating the August bomb hoax. A Lockheed Electra is sold to **Reeve Aleutian Airlines** on September 26.

On November 2, President J. Judson Taylor announces that negotiations have been completed and that Western will merge with **American Airlines**, pending approval of stockholders and the CAB. On November 27, three L-188s are sold to a leasing firm.

At year's end, the fleet includes 30 aircraft and the workforce totals 8,830, a decline of 4%. Revenues jump 24% to \$298 million, but expenses, despite higher fuel prices, are held in check. As a result, an \$11.8-million operating profit is achieved, along with a net gain of \$595,000.

En route from Ontario, California, to Seattle on February 25, 1971 with 94 aboard, including some U.S. Army inductees, a B-727-247 operating as Flight 328 is hijacked by draftee C. S. Patterson and forced to fly to Vancouver, where the pirate seeks asylum. Taken in hand by the RCMP, Patterson is deported back to the U.S. on March 8. He will be given a 10-year prison sentence.

On March 19, the shareholders of both Western and **American Airlines** vote to merge their two companies, even as competitors complain the amalgamation will exceed government guidelines for such arrangements.

While on a pilot orientation flight over Ontario, California, on March 31, Flight 366, a B-720B with five crew, crashes while landing at Ontario International Airport (four dead);

Four **American Airlines** options for Douglas DC-10-10s are taken over on September 29. Spurred by the CAB withdrawal of its Seattle to Juneau and Ketchikan route authority, Western, on December 12, suspends services operated by the Northern division in Alaska. Chairman Drinkwater retires, leaving the company in the hands of President Arthur F. Kelly.

Enplanements for the year are 6,602,191.

En route from Salt Lake City to Los Angeles with 64 aboard on May 6, 1972, Flight 407, a B-737-247, is hijacked by pistol-waving Michael Lynn Hansen and is diverted to Cuba. During the ride, the 21-year-old Hansen threatens death to President Nixon, vows that "the skies of America will not be safe again" until the U.S. ceases its aggression in Indochina, and pledges to return to America for additional skyjackings. Hansen will return to the U.S. three years later; captured by police, he will receive a 10-year prison term.

Dressed in a U.S. Army captain's uniform, William Holder and his female companion, Katherine Mary Kerkow, hijack Flight 701, a B-727-247 with 98 aboard, during a June 2 Phoenix-Seattle flight and divert it to San Francisco. In California, a ransom of \$500,000 and 5 parachutes are received, along with a B-720B, which flies the pair and 48 hostages to New York.

At New York (JFK), Holder and Kerkow are allowed to take their charges aboard a Western B-707-347C, which then takes off for Algiers, arriving the next day. The pirates receive political asylum, but the plane, passengers, and ransom are returned. Holder will be captured in France three years later and receive a three-year prison sentence. Kerkow will simply disappear, her fate unknown.

Following negative rulings by the DOJ and CAB, the planned **Western-American Airlines** merger is dropped in July. Five additional B-727-247s are delivered between May and August and three more L-188As are sold between August and November. On the marketing front, "champagne on every flight" service is reintroduced and in its television advertising, Western is the first airline to air commercials featuring sign language.

Late in the year, a new public stock offering is made: 500,000 shares at \$15.62.

Passenger boardings jump 11.7% to a record 7,477,000 passengers carried. Cargo traffic is up by 1.9%. Revenues are \$365,663,000 and expenses are \$342,056,000. The control of costs results in profits: \$23.6 million (operating) and a record 73.7% in net income to \$11.21 million.

Airline employment in 1973 is 10,015. The first DC-10-10 is delivered on April 19, followed by four more during the remainder of the year. The wide-bodies are employed to inaugurate Spaceship Service on the company's major routes, beginning in June. Two Lockheed Electras are sold to **Jet Air** on November 29 and new flight attendant uniforms are unveiled in December.

For the second year in a row, Western ranks first in on-time performance. Customer bookings incline upward by 6.5% to 7,960,000, but cargo is off by 0.2%. Expenses of \$374.59 million are written off against overall income of \$414.71 million, leaving an operating profit of \$40.1 million and a welcome \$20.38-million net gain.

Airline employment in 1974 is 9,653. The last L-188 is sold on January 18 to **Pacific Western Airlines, Ltd.** Also in January, the carrier begins to sell off seven Boeing 720Bs and three B-737-247s, a process that will be completed in January 1980. One of the former is passed to **Pakistan International Airlines Corporation (PIA)**.

On February 1, Arthur F. Kelly is elected president/CEO, and turns over day-to-day operations to Executive Vice President Dominic P. Renda. Between March and July, seven additional B-727-247s join the fleet along with two more DC-10-10s.

The field organization is divided into 10 regions each headed by a vice president. Major emphasis is placed on participation in and support for the Alaska pipeline project as Ray Waters is named as special vice president-Alaska Projects.

On June 1, the carrier begins an interchange frequency with **Continental Airlines** to Anchorage, Alaska, from Houston and Dallas (DFW) via Seattle. The Houston to Anchorage route is operated by a Continental DC-10, while that from Dallas (DFW) to Anchorage is flown by a Western B-727-247.

On September 28, the carrier purchases the Portland-Seattle-Fairbanks route of **Pan American World Airways (1)** and related equipment for \$6.65 million. After a 14-year hiatus, flights are resumed to Edmonton, Alberta. Employees receive new uniforms this year.

Passenger boardings accelerate a minor 0.1% to 7,963,000; however, the number of FTKs operated advances a full 37.2% to 104.13 million. Income climbs 15% to \$488.39 million and expenses are kept under control at \$450.03 million, despite a 60.5% boost in fuel prices. The operating profit is \$38.36 million and the \$24.09-million net gain is the highest in company history.

A total of 143 new employees are hired in 1975. Hijacker William Holder is arrested in Paris on January 26 and deported to the U.S. for trial.

Flight 470, a B-737-247 with 6 crew and 93 passengers, overshoots the runway while landing at Casper, Wyoming, on March 31; there are no fatalities.

Two B-727-247s arrive in May followed by a third in June. Released after three years detention by the Cubans, pirate Michael Lynn Hanson

is arrested by police at New York (JFK) on June 15 while attempting to sneak back into the U.S.

B-707-347C combined passenger and cargo flights are started between Los Angeles and Anchorage via Seattle. The ACCU-RES computerized reservations system is expanded to accommodate commuter interline connections, now integrated into the company's timetables, as a sixth DC-10-10 is delivered and employed to begin services from Denver to Honolulu.

Customer bookings accelerate 1.88% to 7,530,000 while freight climbs 14% to 192 million FTKs. On revenues of \$518.97 million, expenses are \$510.41 million and the operating profit is \$8.56 million. A record net gain of \$12.32 million is celebrated.

Airline employment is increased by 4.3% in 1976 to 10,221. Having gradually reduced his holdings, Kirk Kerkorian offers to sell his remaining 17% shareholding; the carrier, in January, immediately purchases this 2.5 million share stake for \$30.5 million. A newly awarded route from Seattle and Portland to Las Vegas is inaugurated in February.

A B-737-247 is sold to **Aloha Airlines** on March 13. The company celebrates its fiftieth anniversary on April 17 and is, at this time, the oldest continuously operated commercial airline in the U.S.

A seventh DC-10-10 is delivered on June 22 and enters service on a new nonstop Los Angeles to Miami service beginning on October 1. A new Honolulu to Vancouver nonstop frequency is initiated shortly thereafter.

Enplanements accelerate 7.7% to 8,765,000 while freight does better, growing by 29.4% to 159 million FTKs. On record revenues of \$605.2 million, expenses are \$575.34 million, resulting in an operating profit of \$29.85 million and a net income of \$14.96 million.

Seven B-727-247s join the fleet in 1977. In January, the company shares the 1976 "Market Development Award" from *Air Transport World* magazine with **Pan American World Airways** (1).

En route from San Diego to Denver on August 20, Flight 550, a B-707-347C with 40 passengers, is taken over by a lone gunman, who demands that the aircraft be diverted to Mexico. After the aircraft lands at Salt Lake City for refueling, the pirate is overwhelmed by police. Upon examination, he will be found mentally unstable and sent to a psychiatric institution.

Enplanements for the year total 9,129,000. On revenues of \$691.46 million, the net gain is \$14.36 million.

Airline employment is increased by 5.6% in 1978 to 10,886.

During the spring, an interline agreement begins with **Braniff International Airways**. It links Dallas (DFW) with Calgary and Edmonton via Denver.

On August 1, company officials reach an agreement to merge with **Continental Air Lines** and jointly submit this proposal to stockholders and the CAB.

Meanwhile, an additional five B-727-247s join the fleet, along with two DC-10-10s, and after President Carter signs the Airline Deregulation Act into law in October, a new passenger terminal is opened at Salt Lake City and three new routes are inaugurated: Sacramento–Seattle, Reno–Minneapolis, and Los Angeles–Guadalajara. Senior Vice Presidents R. O. Kinsey and Richard Ensign are elected to the board of directors.

A record 11.32 million passengers are boarded, marking the first time the company exceeds the 10-million mark in annual bookings. The boom pushes revenues up by 20.7% to \$834.5 million and allows a \$55.8-million net profit, up a spectacular 289%. These are the highest profits in Western history.

The workforce is reduced by 0.7% in 1979 to 10,792. The CAB vetoes the proposed merger with **Continental Airlines**. During the year, the company acquires six more B-727-247s and two DC-10-10s and inaugurates service to Washington, D.C., Spokane, and Milwaukee. A B-727-247 with 94 passengers en route from Denver to Sheridan, Wyoming, on August 1, mistakenly lands at Buffalo, Wyoming, 35 miles away; the pilot, copilot, and one other officer are suspended for their error.

While landing at Mexico City from Los Angeles on October 31, Flight 2605, a DC-10-10 with 11 crew and 77 passengers, strikes a truck

and the cab of an excavator and continues on to plough into a building, catching fire. Seventy-two passengers on the aircraft and one person on the ground are killed.

A B-727-247 with 108 aboard nearly collides with a lightplane over San Diego on November 15.

Passenger traffic rises 6.6% as 12,067,000 customers are carried, but cargo declines 11% to 183.19 million FTKs. Revenues climb up to \$932 million, but the net profit dips to \$41.5 million, a respectable figure.

The employee population is decreased by 8.1% in 1980 to 9,917. The last Boeing 720B is sold in January and a yearlong sale of the five B-707-347Cs begins in May. Meanwhile, between March and May, five more B-727-247s join the fleet, followed by two additional DC-10-10s, one each in May and June. Another effort is made to merge with **Continental Airlines** in August, but the effort fails as the potential partner falls to **Texas International Airlines**. Service is started to Milwaukee and Washington, D.C.

Anchorage to London DC-10-10 flights commence on October 9. Various factors cause a sharp financial decline: tougher competition from low-cost carriers; costs involved with the proposed **Continental Airlines** merger and higher fuel bills; a fight against a takeover bid by UNC Resources; and an 18.7% drop in passenger traffic to 9.1 million passengers flown (although cargo does climb a minor 0.7% to 262.65 million FTKs). Instead of a profit, a \$29.6-million net loss is suffered on revenues of \$995.7 million, which is only a 6.8% increase and is overshadowed by a 14% boost in expenses to \$1.04 billion. The loss is the company's first since 1970 and heralds a period of tough economic problems.

The number of workers is cut another 5.2% in 1981 to 9,827. The last DC-10-10 to be acquired arrives on April 9, and is followed by the final three B-727-247s in May and June. Meanwhile, Denver–London DC-10-30 service begins on April 24. On July 20, **Air Florida** begins an effort to acquire Western, purchasing 12% shareholding. Also in July, the last B-707-347C is sold and later in the year, two DC-10-10s are sold to International Air Leases.

Under pressure from the board of directors, Chairman Kelly and president/CEO Renda "retire" in October. While the board searches for new management, Robert Kinsey serves briefly as acting CEO. On December 8, Neil G. Bergt, owner of **Alaska International Air (AIA)**, arrives as company chairman/president/CEO. Andre C. Dimitriadis and Seth M. Oberg are named vice president-finance/chief financial officer and vice president-operations, respectively.

Passenger enplanements fall again, this time by 6.8% to 9,212,000; freight is off as well, down 9.2% to 170.24 million FTKs. Revenues accelerate 6.44% to \$1.05 billion, but expenses increase 8.09% to \$1.12 billion, leaving an operating loss of \$65.95 million and a net loss of \$73.4 million.

The payroll jumps 5.4% in 1982 to 10,360 (although management is reduced by a third and salaries are cut) and orders remain outstanding for 6 B-767-247s. Although the CAB now grants approval for an **Air Florida** acquisition, it is contingent upon the outcome of negotiations begun in January by CEO Berger for the takeover of **Wien Air Alaska**. The Washington-based regulatory body gives its blessing to Berger's plan in April, but stipulates that the CEO must give up his association with **Alaska International Air (AIA)**, which he refuses to do. The entire project collapses and Berger, who has pledged to quit Western if the deal fails, elects to remain in charge.

Salt Lake City and Denver are designated major company hubs in May (the former, under Vice President Lawrence H. Lee, in place of Los Angeles) and frequencies from them increase dramatically. Analysts breathe a sigh of relief that Western has finally adopted the self-feeding hub-and-spoke route system deemed so vital to U.S. airlines in the post-deregulation era.

Former Six Flags executive Ned De Witt is appointed president in July. Transcontinental DC-10-10 service to New York is inaugurated in late summer and all merger activities end on October 29. Plans are made to initiate a Hawaii fare promotion during the upcoming first quarter.

Passenger boardings climb 8.6% to 10,008,000 as cargo declines 3.6% to 165.57 million FTKs. Operating income inches up 0.51% to \$1.06 billion, but costs climb to \$1.09 billion. Although a \$30.79-million operating loss is taken, the net loss "improves" to \$44 million.

Although airline employment is increased 6.1% in **1983** to 10,355, the airline is awash in red ink.

While climbing to cruise from Seattle on January 7 and passing the 20,500-ft. level, a B-727-247 with 5 crew and 32 passengers encounters severe air turbulence; one elderly passenger, a retired priest, is severely injured, causing the flight to divert back to its point of origin.

Also in January, Western becomes the fourth customer to order a B-737-300, with a contract for three Dash-347s. In addition, a 12-year lease is signed with AIA for two new B-727-2Q9s.

During the year, the Los Angeles terminus is beefed up to semi-hub status; however, the push to concentrate at Salt Lake City is continued. Attraction of additional business traffic dominates company marketing.

On April 11, top management is again changed as Seattle attorney and longtime board member Gerald Grinstein succeeds Bergt as board chairman and Vice President Lee moves from Salt Lake City to become president/CEO. The former CEO returns to Alaska at the end of the month. Vice Presidents Dimitriadis and Oberg are retained by Lee and are joined by the new Vice President-Management Henry T. Chandis and Vice President-Service Donald L. Beck.

A Minnesota State Police helicopter patrolling near President Reagan's motorcade and a Western B-727-247 with 144 people aboard come within 300 feet of colliding as the airliner begins landing descent to Minneapolis (MSP) on June 10; evasive action by both craft prevents a disaster.

Also during the month, a public offering of stock brings in \$90 million, which is employed to repay some \$78 million in debt.

AirCal, Pacific Southwest Airlines (PSA), and United Airlines kick off a fare war in the Los Angeles-San Francisco corridor during September. Western, as part of its effort to increase its Los Angeles (LAX) hub, doubles the number of its own flights in this north-south contest from three to six daily roundtrips.

Reminiscent of the **Air Canada, Ltd.** disaster earlier in the year, but with a better ending, a B-727-247 makes a safe landing at Anchorage on October 7 after an electrical fire fills its cockpit with smoke. Employees in the fall agree to a "Partnership," through which they will gain 32% ownership of the carrier (7.8 million shares of common stock) in exchange for major wage and benefit concessions. In October, the first of 34 B-737-247s are delivered.

A second public stock offering in November nets another \$65 million, which is again applied to the company's debts and allows the carrier to sign a new \$22-million line-of-credit. Long-term debt is now down to \$438 million. The "Partnership" with employees is ratified by vote just before Thanksgiving.

Customer bookings accelerate 8.2% to 9,134,000 and freight moves ahead by 7.1% to 243.82 million FTKs. Revenue ascends 7.26% to \$1.14 billion as costs climb 9.36% to \$1.19 billion. The operating loss is \$56.37 million and the net loss is \$54.48 million. Still, if a \$41.5-million pension plan had not been cancelled, the carrier's net loss would be a staggering \$96 million instead of \$54.5 million, which is still \$10.5 million worse than the previous year.

The workforce is cut 0.9% in **1984** to 10,264 and the fleet now includes 44 B-727-247s, 21 B-737-247s, and 10 DC-10-10s. Orders remain outstanding for 6 B-737-247s and 9 B-737-347s. In January, an earlier \$240-million order for a 6 B-767s is replaced with a \$378-million request for 12 more B-737-247s and 6 B-737-347s. The former will be delivered beginning in November and the latter starting in March 1986.

President/CEO Lee becomes chairman/CEO on January 9 as Board Chairman Gerald Grinstein becomes president/chief operating officer. The Los Angeles and Salt Lake City hubs are expanded and schedules are refined to take advantage of the hub-and-spoke system.

A new Concourse D is completed at Salt Lake City, which increases facilities there by 40%; meanwhile, a new ticket lobby is finished at Los

Angeles (LAX). A new hub is started at Los Angeles on March 1, largely to provide service to new leisure markets in Mexico. Daily departures from this hub now stand at 75 per day.

In September, the employees are convinced to accept permanent wage cuts worth \$20.1 million. The last of 34 B-737-247s, which had begun delivery in 1968, are received in December.

Customer bookings decline 9.1% to 8,307,000 and cargo is off by 6.5% to 228.17 million FTKs. Revenues increase 3.4% to \$1.18 billion and expenses decline 2.4% to \$1.17 billion, leaving the company with a net loss of \$29.2 million, but an operating profit of \$11.4 million, its operating profit since 1979.

Airline employment dips 0.2% in **1985** to 10,247. The nation's oldest sustained-service airline is serving 63 cities from Alaska to Mexico and on to New York, Washington, D.C., and London. With 84 daily departures, Western is now the dominant carrier operating from Los Angeles (LAX). At the same time, the number of daily flights from Salt Lake City is boosted 32% to 108.

In March, the first of an order for 13 B-737-347s arrive. They introduce a new company livery and are also the first of the carrier's twinjets to feature first-class sections; five more will be delivered by December. Meanwhile in April, a B-727-247 is sold to Louisiana-based **Gulf Air**; **USAir** is agent in the deal. At the same time, a DC-10-10 is leased by **American Airlines**.

Growing out of a suit by Western employees, the U.S. Supreme Court rules on June 17 that airlines may not force flight engineers to retire at age 60. On August 5, company officials proudly announced a \$45-million profit for the first seven months. In November, the carrier completes a public offering of \$100-million principal amount of 7 3/4% convertible subordinated debentures due in 2005.

A highlight of the year is the release of the motion picture *Commando*. Early in the film, the hero, portrayed by Arnold Schwarzenegger, who has been taken aboard a company DC-10-10 by villains, manages to kill his captor and escape the aircraft as it is taking off from Los Angeles (LAX) by climbing down into the cargo hold and jumping from the forward wheel well.

For the year, passenger boardings advance 9.1% to 9,062,000, but freight is down again, by 2.2% to 223 million FTKs. Revenues advance 10.6% to \$1.3 billion, costs climb just 5.1% to \$1.2 billion, and a \$76.5-million operating profit is achieved. In a \$96-million turnaround and a new company record, \$67.1 million is gained in net profit.

Airline employment rises 14% in **1986** to 11,684 and in May the carrier completes the expansion of its Salt Lake City freight facility from 8,500 to 26,000 square feet. The last of 13 B-737-347s are delivered in June and in August, Donald J. Lloyd-Jones succeeds Robin H. H. Wilson as president/chief operating officer. **Delta Air Lines** purchases Western on December 19 for \$860 million; the company will be operated as a subsidiary for one quarter. Largely unnoticed during the year is the appointment of Terry London Rinehart to the right seat of a B-727-247; she is the company's first female pilot.

Customer bookings accelerate 2.6% to 12,234,000 and cargo ascends 5.3% to 154.63 million FTKs. Revenues decline 5.49% to \$1.23 billion, costs dip 0.20% to \$1.22 billion, and the operating profit is \$7.26 million. The \$6.82-million net profit allows the historic carrier to retire on a profitable note.

In a last-ditch effort to prevent the amalgamation, Western pilots file suit in early **1987** to remodel the company into a one-union airline modeled on Delta. Meanwhile, while on approach to the Salt Lake City Airport on February 7, a B-737-247 with 59 aboard is forced to suddenly veer to the left to avoid a small private plane that strays ahead of it. The anti-amalgamation move by the pilots is now unsuccessful and Western is fully integrated on April 1.

WESTERN AIRLINES (2): United States (1985-1989). Western Airlines, a commuter carrier, is set up at Burlingame, California, in early summer **1985** to provide daily scheduled passenger and cargo roundtrip flights to Santa Rosa. Employing a Convair CV-580, revenue services

are inaugurated on July 8 and maintained until recession forces the carrier out of business in December 1989.

WESTERN AIRWAYS, LTD.: United Kingdom (1938–1953). The Straight Corporation purchases control of **Norman Edgar (Western Airways), Ltd.** on October 18, 1938 and renames it Western Airways, Ltd. In accordance with the Air Navigation Order of September 16, the new ATLB on October 21 grants the company route certification from Weston-super-Mare to Cardiff and Swansea.

In February 1939, a de Havilland DH 90 Dragonfly is acquired, followed by a DH 86B in April, a DH 89A Dragon Rapide in May, two Percival Q.6s in April and June, and a DH 84 Dragon 1 in September. Meanwhile, a daily Swansea–Penzance via Barnstaple and Newquay service is initiated on May 8. Thrice-daily Weston-super-Mare to Manchester via Birmingham operations commence on June 17.

War is declared on Germany on September 3 and all civil flying ceases. Joining neither National Air Communications nor the **Associated Airways Joint Committee**, the state groups coordinating wartime internal routing, the company assumes the role of aircraft repair facility at its Weston-super-Mare base, selling most of its prewar aircraft.

In January 1946, an ex-RAF Percival Proctor 1 and three Piper J-4A Cubs are purchased and used to relaunch revenue flying operations in March. Other Percivals are purchased in the spring and in August, eight ex-RAF Avro Anson 1s are acquired, the first entering service in September.

During 1947, 10 Fairchild 24W Argus 2s are purchased and these join other single-engine aircraft in providing both charter work and flight training. In May 1948, Western Airways, Ltd. is named a **British European Airways Corporation (BEA)** associate and is thus granted a scheduled route from Weston-super-Mare to Cardiff. Flown in association with **Cambrian Airways, Ltd.**, company Ansons start the route on May 25. On October 11, the service is extended for another year.

On April 20, 1949, Airways Union, Ltd. is formed as a holding company for several companies, including Western Airways, Ltd. and several flying clubs, with the Straight Corporation itself changing its name to that of the holding company. The Cardiff route is assumed by **Cambrian Air Services, Ltd.** during the summer. On October 14, Airways Union, Ltd. eliminates support of its flying club subsidiaries and many single-engine aircraft are sold, including all of the Fairchilds.

Ad hoc passenger and freight charters continue on a fairly regular basis until the fall of 1952 when the last Avro Anson 1 is sold. In 1953, only the Proctors are available to fly on an air taxi basis and these transport a total of 3,858 passengers. In the fall, Western Airways stops flying and Airways Union, Ltd. now concentrates on FBO and flight training activities at Weston-super-Mare, Exeter, and Plymouth.

WESTERN ALASKA AIRLINES: United States (1959–1973). Western Alaska is formed at Dillingham in early 1959 and inaugurates local lightplane services on March 13. These continue apace largely without incident during the remainder of the decade and into the early 1960s. An L-12 is destroyed by fire at Dillingham on July 21, 1961.

Operations are conducted without incident in 1962, but on September 12, 1963 a Cessna 180 fails its takeoff from Egegik and crashes; both people aboard receive minor injuries.

In 1964, the company employs 24 workers and owns a fleet of 8 aircraft. A Cessna 180C, with eight aboard, hits an obstruction while landing at Togalak on June 23 and crashes; only minor injuries are reported.

Enplanements for the year total 8,952 and revenues are \$334,000.

The workforce in 1965 grows to 25. The 10 planes flown include 4 Cessnas, 2 Grumman G-21A Geese, 1 G-44A Widgeon, and 1 old Lockheed Model 12A; orders are placed for 1 Cessna 185.

Passenger boardings jump 10% to 10,585 and freight traffic is also up. Revenues also grow by 10%.

Operations continue apace in 1966 and in 1967 the workforce stands at 32; the fleet includes 12 aircraft. Enplanements are 9,411 and 13.85 million freight ton-miles are flown. Customer bookings climb to 13,000

in 1968. Four new employees are hired and revenues are \$413,000. Enplanements in 1969 are 13,055.

The employee population is reduced by one in 1970 as the fleet is reduced to nine aircraft. The passenger count drops by 879 to 12,176 and freight ton-miles are off a substantial 31% to 15,505. Costs, led by increased fuel prices, are up significantly.

Enplanements in 1971 grow to 13,910. Although the number of freight ton-miles flown climbs a spectacular 121% in 1972 to 31,000, the number of passenger boardings falls 7% to 13,000. Merger discussions begin with **Kodiak Airways** in hopes that a union of two fiscally troubled carriers will result in salvation for both.

Western Alaska and Kodiak Airways amalgamate on April 1, 1973 to become **Kodiak-Western Alaska Airlines**.

WESTERN CANADA AIRWAYS, LTD.: Canada (1926–1930). In November 1926, with backing from Winnipeg grain merchant James A., Capt. Harold A. "Doc" Oaks, RFC veteran and former **Patricia Airways and Explorations, Ltd.** official and pilot, founds Western Canada Airways, Ltd. at Winnipeg, with himself as managing director. Richardson had earlier briefly backed **Central Canada Airways, Ltd.** The new company has one pilot, Oaks, one mechanic, Al Cheesman, one clerk, J. A. MacDougall, and one float-equipped Curtiss Lark.

The first aircraft purchased is a Fokker Model 4 Universal which, beginning on December 25, is flown to Sioux Lookout, Ontario, from Teterboro, New Jersey. Sioux Lookout–Rolling Portage and Red Lake flights commence on December 26 and by the end of the year, Oaks has flown the 5-place monoplane 31 hours and carried 18 passengers and 850 pounds of mail.

In early March 1927, a Canadian government contract is obtained to haul drilling equipment to Hudson Bay, where tests will be made to determine if a railway terminus is possible. The noted Norwegian flyer Bernt Balchen and two former **Ontario Provincial Air Service, Ltd.** pilots, Frederick "Steve" Stevenson and Red Ross (also RFC veterans), join the company. Three Fokker Model 4 Universals, purchased by Richardson, arrive from the U.S. at Hudson, Ontario, where Oaks has established a corporate administration facility that Balchen describes as a "lean-to."

On March 27, two Universals, piloted by Stevenson and Balchen, with Cheesman and Ross as engineers (mechanics), begin the airlift, flying 1,200 lbs. of drilling equipment from the end of the rail line at Cache Lake over 125 miles to Fort Churchill. After several flights, it is determined that Ross will remain behind to supervise the growing Fort Churchill base.

Balchen and Cheesman return safely to base after this mission, but the Universal flown by Stevenson suffers engine failure 75 miles north of Cache Lake. Stevenson puts the Fokker down on a frozen lake and begins a three-day trek back to Cache Lake. The day after Stevenson fails to return, Balchen and Cheesman take off to search for him. They find his Universal, which Cheesman is able to repair and fly back to Cache Lake to await its pilot's return.

By April 27, the carrier's three Universals have flown 8 tons of gear and 14 workers to Fort Churchill, completing the contract and the first large airlift in the far north. In August, a contract—marking the start of significant air freighting in Canada—is undertaken on behalf of the owners of the Sherritt-Gordon mine in Manitoba. A mail service is opened from Lac du Bonnet to Wadhope via Bissett on October 4.

During a test flight over The Pas on January 5, 1928, a company Fokker Universal crashes, killing its pilot Steve Stevenson. In mid-month **Yukon Airways and Exploration Company, Ltd.** General Manager David "Andy" Cruickshank joins the company and employing one of Oak's Fokkers, commences a 320-mile circular Post Office contract mail route from Rolling Portage to Red Lake on January 25. On the first flight, he carries 588 pounds of airmail in and 90 pounds out. On May 14, the carrier inaugurates a circular route to the Red Lake area, flying Sioux Lookout–Gold Pines and Red Lake–Narrow Lake and Jackson Manion.

During the summer, a Fokker Model 8 Super Universal and a Boeing Model 204 are acquired (the latter is christened *Pintail*) and are placed in service. Routes are opened from Victoria and Vancouver to Seattle and Hudson to Pine Ridge. A government mail contract is executed during the summer from Lac du Bonnet to Wadhope, Manitoba, via Bissett. The float-equipped Fokker Model 8, piloted by A. H. Farrington, undertakes a 1,000-mile, multistop flight, beginning on August 12, from Winnipeg to Eskimo Point on Hudson Bay to return miners. Weekly mail flights to the Cold Lake Area (Kississing—The Pas) begin on August 31.

In the fall, Vancouver-based **Pacific Airways, Ltd.** is purchased, along with its Curtiss HS-2L flying boat, allowing Oaks's carrier to expand into British Columbia. As of December 1, pilot Cruickshank has flown 28.5 tons of mail on his Rolling Portage to Red Lake return route covering some 26,240 miles. Under Post Office contract, an experimental Universal mail route is flown December 10–29 between Winnipeg and Regina, Calgary, and Banff and to Edmonton, Saskatoon, and Regina. As the year closes, Doc Oaks participates in the formation of **Northern Aerial Mineral Explorations, Ltd.**

With mail added later in the year, a weekly passenger and cargo route is inaugurated for 10 weeks, beginning on January 11, 1929, Waterways—Fort Simpson via Fort Chipewyan. These are the first WCA flights to the Arctic Circle. On March 6, pilot C. H. "Punch" Dickins extends his Fort Simpson route to Fort Good Hope on the Mackenzie River.

On June 1, The Pas—Kississing route is superseded by new twice-weekly service from Cranberry to Kississing. On July 1, Punch Dickins lands a float-equipped aircraft at Aklavik on the Mackenzie River, becoming the first pilot to reach a point along western Canada's Arctic coastline. On August 5, General Manager W. Leigh Brintnell, flying a Fokker Model 8 seaplane in a remarkable service, proceeds from Winnipeg to Fort McMurray, Great Bear Lake, Aklavik, Dawson City, White Horse, Skagway, Prince Rupert, Prince George, Edmonton, The Pas, and back to Winnipeg.

The 9,000-mile flight, which has delivered a variety of passengers and cargos en route, requires 94 hours flying time and the rest of the month. At unknown dates during the year, a variety of additional small operations are flown in the Patricia District and throughout the northern portions of Ontario, Alberta, British Columbia, Saskatchewan, and Manitoba.

Flying a Fokker Model 4, C. M. G. Farrell on March 3–4, 1930 begins the first scheduled commercial air operation in Canadian history. A contract mail route is that night opened Winnipeg—Regina—Saskatoon—Calgary and Regina—Edmonton via Saskatoon and North Battleford. Collectively, these services are known as the Prairie Air Mail.

The Aviation Corporation of Canada and Western Canada Airways in the fall enter into negotiations with the Canadian Pacific Railway and Canadian National Railway. The result of the talks is the November 25 merger of the air transport companies into a new **Canadian Airways, Ltd.**

WESTERN COMMUTER AIRLINES. See **WESTAIR**

WESTERN ISLES AIRWAYS, LTD.: United Kingdom (1937–1945). Western Isles Airways, Ltd. is formed as a holding company on July 19, 1937. On October 21, 1938, in accordance with the Air Navigation Order of September 16, the new ATLB grants the carrier route certification from Glasgow to Islay and North Uist.

Operating as part of the **Scottish Airways, Ltd.** group, the company is absorbed by **British European Airways Corporation (BEA)** on February 1, 1947.

WESTERN KENYA AIR CHARTERS, LTD.: P.O. Box 190, Eldoret, Kenya; Year Founded 1966. Western Kenya is established by the East African Tanning Extract Co., Ltd. at Eldoret in 1966 to provide passenger transport with a Piper PA-32 Cherokee Six on behalf of the concern. Public charters are also offered.

By the mid-1980s, the Cherokee Six has been replaced with a PA-23 Aztec and a PA-31-310 Navajo.

Flights continue into the late 1990s. In 1998, Hofo von Kaufmann's five-person company operates a single Cessna 404 Titan.

WESTERN NSW (WESTERN NEW SOUTH WALES AIRLINES [PTY.], LTD.): Australia (1981–1993). This small regional is established by Chairman Rod Kendall at Wagga Wagga, New South Wales, in 1981 to provide nonscheduled passenger and cargo charter services to Sydney, Griffith, Canberra, Albury, Deniliquin, Hay, and Narrandera. Max Cochrane becomes managing director and revenue flights are initiated with 2 Piper PA-31-350 Navajo Chieftains, 1 PA-31-310 Navajo, and 1 Cessna 310. Operations continue apace for the remainder of the decade with little change in either routes or fleet.

Airline employment in 1990 stands at 42 and enplanements, now reported, total 350. Revenues, made mostly from freight, reach \$A2.7 million and a net \$A300,000 is generated.

The little carrier takes over **Macknight Airlines (Pty.), Ltd.** and earns \$A4 million in 1991 with profits moving to \$A500. The year's enplanements are 32,184.

In 1992, the fleet is increased by three Cessna 310s and an order is made for a Beech 1900. Passenger boardings jump 10.6% to 36,000 as revenues ascend 44.4% to \$A3.9 million. The operating surplus is \$A584,000, but net gain slides to \$A251,000.

Flights cease in 1993.

WESTERN PACIFIC AIR SERVICES, LTD.: P.O. Box 411, Honiara, Solomon Islands; Phone 677 36 533; Fax 677 36 476; Code WPA; Year Founded 1990. Established at Honiara's Henderson Airport in 1990, Western Pacific begins scheduled interisland services. General Manager Gary Clifford's initial fleet comprises 1 Pilatus-Britten-Norman BN-2 Islander and 2 Piper PA-23 Aztecs. Leroy Keim becomes general manager in 1991 and the fleet is enlarged by the addition of an Aero Commander 500B.

Operations continue apace in 1992–1994. Declining traffic during a time of recession forces Keim to remove all aircraft except his Islander and one Aztec.

Flights continue in 1995–1999 and a Piper PA-31-310 Navajo is placed into service as business improves.

WESTERN PACIFIC AIRLINES (WESTPAC): United States (1994–1998). WPA is set up at Colorado Springs, Colorado, in July 1994 by Edward R. Beauvais, former chairman of **America West Airlines**, to offer deep-discount scheduled passenger flights with emphasis on the new Denver International Airport. Beauvais will model his operation on that of **Southwest Airlines (2)**, but will also fly a medium-haul route network and employ ticketless travel from the outset. Capitalization from private investors totals \$25 million; Beauvais, Edward L. Gaylord, and Hunt Petroleum will control 65% of the shareholding.

The remainder of the year is occupied in preparations for service start-up. A \$3-million stock offering is made in October and a new air terminal is simultaneously opened at Colorado Springs; orders are also placed for the acquisition of three B-707-301s and three B-737-3B7s from **USAir**. Although the company name is briefly changed to **Commercial Air**, WPA is quickly restored.

Vice President-Management Tom DeNardin now proposes the concept of an "air logo" program (sometimes called "flying billboards"), whereby Westpac will paint its little Boeings as flying advertisements for corporate and other sponsors. The first company to have its name and logo displayed is The Broadmoor, a Colorado Springs resort hotel owned by Edward L. Gaylord, a Westpac investor. The paint jobs are performed by BF Goodrich Aerospace (TRAMCO), another investor, at its facility at Paine Field, Everett, Washington.

The second company to participate in the "air logo" program is the Fox Television Network, for which a B-737-301 is painted in a memorable yellow scheme that features its cartoon series *The Simpsons*—the plane is also nicknamed the "Electric Banana." The third B-737-301 wears a basic green and burgundy Western Pacific livery with a "WP" on its tail.

The workforce stands at 1,200 at the end of 1995's first quarter. The company turns on its own Unix-based, client-server reservations system

during the first week of April. Sales with a Windows interface program are now started by 50 reservations agents and, during the first two days alone, over 24,000 calls are received seeking seats on the company's \$129 walk-on or \$69 21-day advance, off-peak, one-way flights from Colorado Springs to Los Angeles.

On April 28, the same day it receives its FAA air carrier certificate, Western Pacific inaugurates Part 121 services with a flight to Oklahoma City. During the next 10 days, additional frequencies are laid on from Colorado Springs to Los Angeles, Las Vegas, Phoenix, and Kansas City.

With the addition of a third "flying billboard" jetliner on May 8, painted in a basic red and silver livery with the fuselage markings "Future Logo jet" with a large question mark painted on its blue tail, San Francisco joins the route network. On May 19, *USA Today* profiles *The Simpsons* aircraft and reports that Fox has spent over \$1 million to advertise this cartoon television series on the side of the Westpac jet.

Also in May, the company orders 100 new computers and announces plans to add 150 new operators by June 1 to improve the performance of its reservations center.

On June 1, nonstop frequencies commence from Colorado Springs to Dallas (DFW), Seattle/Tacoma, and Chicago (MDW).

Fleet strength reaches five aircraft in June. Also during the month, CEO Beauvais is profiled by Wendy Oden in her "Local Boy Makes Good," *Colorado Business Magazine* 22 (June 1995): 88-94.

The "Future Logo jet" is repainted in July and rolled out on July 24 to honor the *City of Colorado Springs*; featuring a huge painting of Pikes Peak, the paint job, paid for by private and public subscription, costs \$90,000.

The *Colorado Springs* is followed by a fourth, a newly acquired B-737-3B7 painted for Colorado Technical College with a huge golden eagle along the side of its fuselage and a tall "T" on its yellow tail.

Frequencies and destinations are increased throughout the summer. Nonstop service is initiated on August 1 from Colorado Springs to Houston, San Diego, Indianapolis, and Wichita. The new entrant's best month comes in August when it transports 121,000 passengers. Heavy advance bookings will continue and in later months will exceed this initial surge.

In early October, the company begins to offer limited-time \$59 roundtrip "mystery tours" between Colorado Springs and any of its other markets. There is a catch. Although the overnight, two-day trips may be booked in advance, passengers are only advised as to hot or cold climate and will not know until they board which destination will be visited. Instead of hundreds of takers, thousands of passengers sign up for the seats and the program is expanded.

A B-737-3L9 is leased from Boullioun Aircraft on October 25; painted for the upcoming holidays, the *Winter Wonder Plane* portrays Santa Claus on its tail and has a red nose, in the manner of Rudolph the Red-Nosed Reindeer. Service to Tulsa and Newark begins on November 15.

On December 7, a B-737-3B7 not yet committed to the logo jet program has the symbol of the airline's ProntoPAC package service painted on the forward end of its fuselage above the windowline; the symbol, in the shape of a smiling jetliner, is nicknamed "Westpac Willie." An ex-Air Europa, S.A. B-737-3L9 "Corporate Logo jet" joins the fleet on December 13 wearing huge red and blue Western Pacific markings on the side of its wide fuselage.

Washington, D.C. (IAD) joins the network on December 15. On the latter day, two new "logo jets" are rolled out at Colorado Springs. Aki, a model affiliated with the Stardust Resort Casino, is featured in a stretched-out pose on the tail of a B-737-301 while Thrifty Car Rental is the theme for another B-737-301, complete with the automobile firm's caveman-on-a-unicycle mascot painted on the plane's tail.

Enplanements for the seven months of service total 731,000 and 845,000 FTKs are also operated. Revenues for the operational portion of the start-up year are \$4.7 million; however, costs bring \$3.4 million in losses on both the operating and net lines. The loss figures are later deepened to \$6.85 million (operating) and \$6.21 million (net).

There are no changes in the employee population during 1996; however, the fleet grows to 12 leased B-737-300s, including a B-737-3S3 chartered from El Salvador's **TACA International Airlines, S.A.**

Daily roundtrip service to Atlanta commences on January 6. To accommodate the new route, one of the airline's two daily flights to Dallas is dropped.

Destinations visited now also include Seattle, San Francisco, Los Angeles, San Diego, Chicago (MDW), Dallas (DFW), Houston, Indianapolis, Kansas City, Las Vegas, Newark, Oklahoma City, Phoenix, Tulsa, and Wichita.

Poor bookings force cancellation of service to the last-named point on January 31. It is the first destination dropped by the airline.

Using the B-737 freed up by dropping the largest city in Kansas, Westpac is more easily able to inaugurate daily flights to San Antonio, San Jose, and Nashville next day.

During February and early March, the company conducts negotiations with Boeing; plans are made to sign a \$740-million order for 20 new B-737-300s/700s to be delivered over the next 2 years.

The seventh logo jet *Bronco Buster* is delivered in mid-March. The B-737-3S3 is painted on one side with titles reflecting the Professional Rodeo Cowboy's Association and has a portrait of six-time, all-round world champion Ty Murray riding the bucking bull Playboy Skoal. The other side features titles honoring the Pro Rodeo Hall of Fame with a likeness of the late Casey Tibbs and the bronco Necktie on the tail. The plane enters service on March 26 from Colorado Springs to Las Vegas.

The 1-millionth passenger is boarded during the third week in March and the first anniversary is celebrated on April 28. The B-737-3L9 formerly painted as the *Winter Wonder Plane* is now recolored to become the *Spring Fling Jet* to promote spring and summer fares and vacations. Daily roundtrips commence on May 6 from Colorado Springs to Portland, Oregon. On May 29, Boyd Gaming Corporation underwrites the introduction of the first of two SAM'S Town "logo jets."

Two more Logjets are delivered in early June. The first is a B-737-3K9 that wears billboard-sized Western Pacific corporate titles on a solid red fuselage and blue tail and engine nacelle on its right side and blue fuselage and red tail and engine nacelle on its left. The second aircraft is the third of the original B-737-301s leased from **USAir**, which is now given a livery that honors its sponsor, the Security Service Federal Credit Union of San Antonio.

Also at this time, one each B-727-221A and B-727-277A are acquired under lease from **Express One International** and wear dual Westpac and Express One titles. Between June 15 and September 5, they will provide scheduled service on behalf of Westpac from Colorado Springs to Newark and Washington, D.C. (IAD).

Under a March agreement with the City of Colorado Springs, a \$3-million expansion of a new permanent passenger facility and five-gate temporary concourse is opened at Colorado Springs Airport in late June. The Boyd Gaming Corporation Sam's Town "logo jet" Boeing is unveiled at Las Vegas on July 3. Stretched across the tail are the images of local models Lisa McCutcheon on one side and Corina Harney on the other, both wearing cowgirl apparel featured at the Sam's Town Western Emporium.

The company's Atlanta reservations center receives a telephone call on August 7 indicating that a bomb is aboard Flight 383, which had departed minutes earlier. The aircraft is directed to return and is sealed off in a "bomb disposal" area. Although the Boeing 737, its passengers and cargo are thoroughly searched by law enforcement personnel, no bomb is discovered.

With Westpac Chairman/CEO Beauvais holding the same post, the feeder subsidiary **Mountain Air Express** is established to fly holiday traffic to six Colorado ski resorts beginning in December. The company orders 12 Fairchild-Dornier 328-120 turboprops on behalf of its new child.

Simultaneously, Westpac teams up with Boulder-based Warren Miller Entertainment on a new 3-year partnership to promote the new air service. Under terms of the contract, the carrier becomes the official airline of Warren Miller, which has offices in Canada, Australia, and the U.K.

It will be promoted in an October motion picture release, *Snowriders*, in Miller's popular magazine *Ski World* and will be given a 30-second ad in a weekly television show to be shown for 13 weeks during the winter on Prime Sports Network.

As the result of increased public concern over the May **Valujet Airlines** disaster, higher fuel bills, and reinstatement of a federal ticket tax, the company suffers a \$910,000 loss during the third quarter. Meanwhile, on September 15, the two **Express One International** Boeings are returned.

On October 1, the second Boyd Gaming Corporation Sam's Town is rolled out at Memphis in connection with the opening of a new casino at Tunica, Mississippi. Wearing cowgirl clothing similar to that shown on the first Sam's Town "logo jet," the image of Memphis model Traci Adell adorns one side of the tail and Kansas City model Kori Bailey the other.

The company unveils the ski industry's first flying billboard at Durango-La Plata County Airport on October 17; the B-737 *The Spirit of Durango* has the mountains and markings of Purgatory Ski Resort painted on one side of its fuselage and the nearby Anasazi ruins on the other. Skier Sven Brunso is featured on one side of the tail and the Durango & Silverton Narrow Gauge Railroad on the other.

Another "logo jet" is unveiled at month's end; it is sponsored by the Crested Butte Ski Resort and features images of ski champion Kim Reichhelm on the tail and the fishing opportunities of Gunnison, Colorado, on the fuselage.

Also during the month, a new 23,100-sq.-ft. maintenance hangar is opened at Colorado Springs and orders are placed with Flight Dynamics for its Head-Up Guidance System, which will be placed aboard the aircraft of the Westpac fleet.

Finances dominate a boardroom debate during which Senior Vice President/Chief Operating Officer Trevor Van Horn is ousted. In late November, founder Beauvais is succeeded as president/CEO by Robert A. Peiser, who, by his work as chief financial officer, is noted for his success in delivering **Trans World Airlines (TWA)** from bankruptcy. Beauvais does, however, remain as board chairman. "Logo jet" creator and Vice President-Management DeNardin is succeeded by another TWA veteran, Mark Coleman.

Plans are made to increase frequencies, adjusting departure times to meet the needs of the business traveler, seek additional business traffic, and to challenge **United Airlines** dominance and competing **Frontier Airlines (2)** at Denver.

Unprofitable service to San Jose, California, ends on December 4. Simultaneously, service from Colorado Springs to San Diego is reduced to daily from twice daily. The same day, *The Spirit of Durango* begins daily roundtrip service to Miami on behalf of Floridians on ski vacations and Coloradans seeking warmer weather.

To assist in the Denver invasion, the new regional subsidiary **Mountain Air Express**, formed during the fall, launches scheduled feeder services to six ski destinations on December 15 with two Fairchild Dornier 328-120s. Within 3 days, the commuter is providing 25 daily roundtrips from Colorado Springs.

At the end of the month, the *Spring Fling Jet*, a B-737-3L9, reappears in the red and yellow colors of Century Casinos' Womacks Cripple Creek property, which is located near Colorado Springs. Gaming house employee Lisa Patton poses next to a slot machine on the jetliner's tail. The aircraft is the 13th and last in the "logo jet" series, as the new management team cancels the colorful program in favor of a new business-class emphasis and market realignment designed to return the airline to profitability.

Passenger boardings accelerate to 1,768,139. Operating income reaches \$155.33 million, but expenses are \$176.13 million. The operating loss deepens to \$20.79 million while a large \$21.83-million net loss is suffered.

Yield management strategies are put into practice early in 1997 and improved in-flight amenities are offered to passengers. Daily service to San Antonio, Nashville, and Ontario, California, ends on February 2;

Las Vegas also leaves the route network this day. Simultaneously, daily flights are added to 15 cities already visited.

As part of its planned implementation of the SABRE reservations system, Westpac, on February 28, begins to close its flight stores. The facilities, in the Citadel Mall, the Pueblo Mall, and the Park Meadows store were designed to sell tickets, along with other souvenirs bearing the airline's logo. Unable to stand on their own without ticket sales, the three outlets are shut down by March 31.

Service to Miami ends on April 6. The next day, the 1,300-employee Westpac completes a switch to the SABRE reservations system and the taking of reservations becomes much easier than with its previous in-house operation. The "Baby Boeing" fleet totals 16 in May following delivery of another B-737-300. During the month, \$10 million in new capitalization is received to help with a transfer to Denver and the decision is made to change the company image by abandoning the widely known "logo jet" program.

Service is increased by 50.7% on June 29, when new frequencies are inaugurated from Denver; a total of 45 daily departures will be offered by the company, along with 24 more by its **Mountain Air Express** affiliate. Simultaneously, 13 daily departures are cut out of the Colorado Springs schedule. Concern is expressed in aviation circles over what type of response will be made by the airport's largest client, **United Airlines** and, to a far lesser extent, by competing **Frontier Airlines (2)**.

In a surprise initiative designed to neutralize any adverse traffic or fiscal impact from the latter and to assist in the upcoming battle with the Chicago-based major, Westpac on July 1 begins the process required to takeover its rival. Officials from both companies agree that Westpac, with Peiser as president/CEO, will eventually be the surviving partner after stockholders from **Frontier Airlines (2)** hopefully accept 0.75 shares of Westpac stock for every one of their own. The no-cash arrangement, valued at \$45 million, is to be accomplished in stages, beginning with joint code-sharing on August 1 and total merger in October.

Toward the end of the month, officials of the two carriers suggest that, upon merger, the Frontier name survive for the united entity, as the name is associated with **Frontier Airlines (1)**, widely recognized and still remembered as one of the nation's safest carriers. The proposal is noted in the July 28 issue of *Aviation Week & Space Technology*.

A total of 70 weekday departures are offered by Westpac from Denver International Airport on August 1 by Westpac and **Mountain Air Express** combined to 26 markets. The Colorado Springs hub has been pared down to just 23 daily departures by the airlines, 12, later 10, of which are flown to Denver.

Guaranteed by the Gaylord and Hunt families, Westpac receives a \$10-million short-term loan from Bank One on September 19. Half of the loan is due seven days after the merger with **Frontier Airlines (2)**, with the remainder due six months after that.

Despite the introduction of code-sharing operations on the appointed date, the two companies find it difficult to coordinate their schedules and integrate their cabin and cockpit crews. With both carriers suffering financially, merger plans falter.

On October 3, Westpac President Peiser releases a statement to the media. Due to "cultural differences and the contrast in our scheduling difficulties," the merger with Frontier is dead. Even the dual-designator compact will end, on November 16.

Industry insiders suggest that the union has failed because **Frontier Airlines (2)**, with only \$7 million on hand, is unwilling to join in a situation where \$15 million in debt is due and payable shortly after the merger.

The **Frontier Airlines (2)** divorce and weak finances bring boardroom battles. Four of the company's seven board members resign, including representatives of key backers Edward L. Gaylord and Margaret Hunt Hill, who own one-third of the stock. It is they who have provided \$30 million in capital during the past 12 months and guaranteed the Bank One loan in September.

Three days later, Westpac files for Chapter XI bankruptcy protection, noting assets of \$133 million and liabilities of \$98.8 million. The U.S.

Bankruptcy Court for the District of Colorado at Denver allows the airline to withdraw \$2.8 million from its accounts receivable to pay for fuel, salaries, and various other operational costs needed to keep the company afloat as it seeks a rescue package. It is also allowed to sell tickets for future flights.

It is also announced that all jet service will be eliminated from the former Colorado Springs hub on November 16 and centered on Denver International Airport; flights to Indianapolis and Houston are also ended as of October 20. The November 16 schedule change will provide additional nonstops from Denver to Chicago (MDW), Los Angeles, San Diego, San Francisco, Seattle, and Washington, D.C. (IAD). Elimination of jet service at Colorado Springs will result in the relocation of 90 Westpac employees; however, the company's reservations center and headquarters will remain at that city.

On November 17, the airline begins to allow college students to fly one way between any city pairs on the network for just \$79; the offer is good through May.

Having made a controlling investment in **Hawaiian Airlines (HAL)** the previous year, Smith Management Co. (SMC) of New York City steps forward early in the third week of November to rescue Westpac. That firm joins with company officials to ask the U.S. Bankruptcy Court in Denver to allow it to inject \$10 million into the destitute carrier before December 4 in order to allow the airline to make its aircraft lease payments.

Thereafter, on December 20, another \$20 million in debtor-in-possession financing would become available as working capital, with another possible \$20 million to follow that would assure emergence from Chapter XI. In exchange for this aid, SMC would receive nearly all equity in Westpac. Associated company **Mountain Air Express (MAX)** is also impacted as it, too, files for creditor protection.

On November 21, former partner **Frontier Airlines (2)**, backed by Greenwich, Connecticut-based Wexford Management LLC, submits a surprise bid of its own. The new plan is similar to SMC's in that \$15 million would be put forward by December 4 for Westpac's aircraft lease payments, followed by additional debtor-in-possession financing. Bankruptcy Judge Sidney Brooks orders a preliminary hearing on the two plans for November 28, with a decision on December 3 in time for the lease disbursement.

After Brooks decides in favor of SMC, Westpac files a company reorganization plan with the Denver court that stipulates \$8 million in payments to unsecured creditors and emergence from bankruptcy in March. Under an exit-financing arrangement, SMC President John W. Adams and Sundance Venture Partners general partner Gregory S. Anderson are appointed to the Westpac board.

Westpac, meanwhile, proceeds with its plans to change its image, but also offers a large number of special ticket incentives, both in a traditional format and via the World Wide Web. These have no significant impact upon the carrier's economic situation.

On December 19, the company announces that its fares for travel on Christmas Day and New Year's Day will start at \$39 one way, with no advance purchase required.

Passenger boardings increase 25.4% to 2,217,110, while freight grows 10.2% to 4.85 million FTKs. Operating revenues for the year advance 17.3% to \$182.26 million, but expenses surge 44.4% to \$254.45. Consequently, the operating loss deepens to \$72.18 million, while the net loss deepens to \$81.95 million.

During January 1998, SMC invests another \$13 million into Westpac in an effort to keep it aloft. For weeks, daily readers of the "Message Board" on the World Wide Web's Yahoo financial pages are able to track the continuing downturn as income falls short of projections.

On January 30, in an effort to clarify what it considers to be inaccurate and misleading statements, the airline feels itself compelled to issue a communiqué: "Western Pacific Airlines continues to receive funding from Smith Management Company as part of Smith's original credit agreement with the airline dated December 3, 1997. All operations at the airline are normal. At today's board meeting, where two Smith Manage-

ment representatives hold seats and fully participated in the normal course of Company business, no discussions took place regarding discontinuation or modification of the airline's funding arrangement. In addition, during the past week, Western Pacific has realized the highest level of passenger reservations for a one week period since filing for Chapter 11 protection on October 5, 1997."

Just how dire the situation really has become is revealed on February 2, as lawyers for SMC, Westpac, Westpac's creditors, and Denver-based **Frontier Airlines (2)** argue in U.S. Bankruptcy Court. At the end of the two-hour ordeal, SMC shuts off its cash flow to Westpac, having provided \$23 million since December 3.

Without resources and deeply in debt, officials of the once-innovative Western Pacific reach a liquidation agreement with SMC on February 4, which is reported to U.S. Bankruptcy Judge Sidney Brooks. SMC agrees to pay all employees through Wednesday and to allow completion of a few final flights, which depart Denver during the afternoon, even as the airline terminates all other operations. By February 5, all aircraft are grounded and employees laid off.

Several other airlines now step in to assist those who hold Westpac tickets. **Frontier Airlines (2)** offers to accommodate passengers on a space-available basis, while **Reno Air**, **United Airlines**, and **Vanguard Airlines** make available special cut-rate tickets. **Mountain Air Express (MAX)**, which continues flying, also assist former Westpac customers, who wish to fly turboprops on the routes it operates. MAX itself will be sold to **Air Wisconsin** on February 23.

WESTERN PACIFIC AVIATION (PTY.), LTD.: Australia (1991–1993). Formed at Runaway Bay, Queensland, in 1991, Western Pacific is operated by joint Managing Directors W. S. Childs and Warren Thomas. Flights to coastal destinations are undertaken with a Cessna 441 and two Beech Super King Air 200s. Flights continue for several years.

WESTERN PACIFIC AVIATION CORPORATION: United States (1931). WPAC is established at San Francisco during the first week of January 1931 to offer scheduled passenger services to Oakland and Sacramento. The Ford Tri-Motor 4-AT-16 is purchased and employed to inaugurate revenue flights on January 28.

With the Great Depression deepening, the new entrant cannot attract sufficient traffic to gain viability and is forced to shut its doors on April 24. The aircraft is sold to a Seattle firm.

WESTERN PACIFIC EXPRESS (WESTPAC): United States (1982–1989). Westpac is established at Van Nuys, California, in 1982 to provide scheduled passenger and cargo services with a fleet of Beech 99s. Revenue flights commence over a route from Los Angeles to Palm-dale via Lancaster, Edwards AFB, and Ontario, but cannot be maintained beyond 1983.

The assets and certificate are purchased by new owners in 1984 and the company, reformed into an all-cargo operation, resumes and continues operations in 1985. Flights cease at decade's end.

WESTERN YUKON AIR: United States (1979–1982). WYA is established at St. Mary's in 1979 to fly passenger and cargo charter services. President Lawrence L. Ledlow acquires a fleet of 1 Piper PA-31-350 Navajo Chieftains, 4 Cessna 207s, and 2 Cessna 185s. These are employed to inaugurate revenue flights to Mountain Village, Pilot Station, Marshall, Russian Mission, Bethel, Aniak, Unalakleet, St. Michael, Stebbins, Kotlik, Emmonak, Alakanuk, Sheldon's Point, Scammon Bay, Hooper Bay, Chevak, Dillingham, and Nome. Operations continue apace in 1980.

The decision is taken early in 1981 to initiate regularly scheduled commuter flights. These begin in July and during the next six months a total of 6,000 passengers are transported, together with 5,000 pounds of cargo.

In 1982, three additional Navajo Chieftains are acquired. Recession, however, takes a steady financial toll and only 2,000 passengers are

flown in the year's first half. As a result, the carrier is forced to stop flying on June 30.

WESTFLIGHT AVIATION: United States (1984-1985). Charter, scheduled, and scenic tour flights in southeastern Alaska are inaugurated by Westflight following its August 1984 start-up at Ketchikan. Destinations visited by the company's Grumman G-21 Goose and 2 de Havilland Canada DHC-2 Beavers include Coffman Cove, Craig, Hydaburg, Kassan, Klawock, Long Island, and Thorne Bay.

The fleet is expanded in 1985 through the addition of a DHC-6 Twin Otter and a DHC-3 Otter. The company's last flight is made on September 30 as, the next day, it is taken over by local competitor **Temco Airlines**.

WESTJET, LTD.: 35 McTavish Place, NE, Calgary, Alberta T2E 7J7, Canada; Phone (403) 735-2600; Fax (403) 571-4649; <http://www.westjet.com>; Code M3; Year Founded 1994. In 1994, Calgary real estate developer Clive Beddoe, president of the Hanover Group, obtains an aircraft to travel back and forth between his business interests in Alberta and Vancouver. When not in use, the aircraft was available for charter from Timothy Morgan's Morgan Air. These supplemental offerings are so successful that Beddoe and Morgan and local businessmen Donald Bell and Mark Hill come to believe that a new Western Canada airline, especially if it is low cost, might be viable.

After reviewing the operations of several North American carriers, including **Southwest Airlines (2)** and **Morris Air**, to obtain insights into the operations of successful low cost airlines, David Needleman, president of **Morris Air**, is sought out as a consultant. Needleman visits Calgary and together with Beddoe, Morgan, Hill, and Bell, works out a comprehensive business plan and financial prospectus. The final plan is unveiled at the beginning of 1995 and calls for a three-plane, low-cost, deep-discount carrier that will serve short-haul markets in Western Canada from a base at Calgary. Modeling itself on **Southwest Airlines (2)**, Beddoe's airline will fly without tickets, shun the use of computerized reservations systems, avoid interlining, and serve no in-flight meals.

A number of individuals and concerns are approached and, within a month or so, C\$8.6 million in capital has been raised. Shareholding is divided between **Morris Air** founder Needleman, Ronald Greene of Renaissance Energy, Ltd., Beddoe, and retired Nesbitt Burns, Inc. official William Mathews.

Chairman/CEO Beddoe begins to recruit a nonunionized workforce of 340, including former **Canadian Regional Airlines, Ltd.** executive Donald Clark as chief financial officer. The first workers move into the company's premier downtown Calgary offices in July. Two Boeing B-737-275As are leased in November. The aircraft are painted in a white, blue, and teal livery. A B-737-265C is acquired in January 1996 and, later in the month, Westjet completes another offering to retail and institutional investors, including the Ontario Teachers' Pension Plan Board, through Canada Trust Company, Ltd. Directors and senior company officials also obtain equity.

Revenue flights commence on February 29 and, through the year, a total of 96 weekly flights are mounted linking the carrier's base with Victoria, Vancouver, Kelowna, Edmonton, and Winnipeg. With more demand from Regina than traffic from Winnipeg, the company halts service to the Manitoba capital on June 1 and begins flying to Regina and Saskatoon. During the month, another B-737 joins the fleet, a Dash-2A3. During the summer, a two-story headquarters office building is occupied at Calgary's airport industrial park.

On September 30, the company voluntarily grounds its aircraft when Transport Canada questions the carrier's maintenance procedures. Chairman Beddoe threatens to sue the regulatory body to halt its safety audit; however, by October 14, the company's fleet has been cleared and normal operations, accompanied by slashed fares, are resumed. During the 17 days of idleness, the company has lost C\$5 million. Long-term debt stands at just C\$219,000.

While en route from Victoria to Edmonton on October 25, an engine warning light comes on aboard a B-737-275A; the engine is shut down

and the plane returns to its point of origin. After a safe emergency landing and two hours spent in repair, the flight takes off again and is completed without further incident.

Company spokesman Siobhan Vinish announces on November 11 that the carrier's quest for an injunction against Transport Canada has been dropped. Service to Fort McMurray begins on November 19.

By December 31, 601,149 passengers have been flown and generated income of C\$37 million.

Airline employment remains at 340 in 1997. A rights offering in January raises an additional C\$8.3 million, making Westjet the most heavily capitalized start-up airline in North America during the past 15 years. The funding is employed to purchase a fifth "Baby Boeing" and to restore the cash reserve depleted by the September shutdown.

On March 1, the company's first anniversary, it is announced that 760,000 passengers have been transported during the first year. The new Boeing is employed to inaugurate revenue flights to Grande Prairie and Prince George, British Columbia, and joins with the earlier units to increase monthly departures to 1,250.

On June 18, frequencies are initiated from Vancouver to Abbotsford/Fraser Valley, British Columbia; Westjet becomes the first scheduled airline to service the Abbotsford Airport.

Both of the nation's other long-haul discount airlines, **Greyhound Air, Ltd.** and **Vistajet, Ltd.**, fail during September; Westjet is the only survivor of the three started with such high hopes a few months earlier.

On December 5, the carrier licenses Open Skies' Revenue Management System to help it identify sales opportunities and to maximize system revenues. The computerized program is an important forecasting tool.

Operating revenues of C\$77.3 million are generated, as are costs of C\$66.79 million. Operating profit reaches C\$10.54 million and a net profit of C\$6.16 million is announced.

Service continues in 1998. The fleet is increased to include 10 B-737s that visit 9 cities throughout Western Canada.

On March 30, daily B-737 roundtrips are started between Winnipeg and Calgary, with connecting service to Edmonton, Vancouver, Kelowna, Victoria, and Abbotsford/Fraser Valley.

On November 13, a C\$27-million fixed-rate term loan facility is finalized with Newcourt Capital, Inc. Under its terms, the carrier may employ these new funds to pay for both planned and previous aircraft acquisitions through September 1999. The facility is set to mature in October 2005.

Operating revenues this year climb to C\$125.9 million, while expenses reach C\$111.75 million. The operating profit is C\$14.23 million, while a net gain of C\$6.51 million is turned in.

With the airline having successfully grown and demands having kept pace, the decision is taken on February 11, 1999 to appoint Stephen C. Smith, former president/CEO of **Air Ontario, Inc.**, as Westjet president/CEO. He will concentrate on day-to-day activities, while Chairman Beddoe will continue to emphasize development.

It is confirmed in mid-month that the company is in discussion with **Air Canada, Ltd.** concerning a nonequity strategic commercial agreement.

On March 11, Westjet launches two new routes. Daily roundtrip service is inaugurated from Calgary to Thunder Bay, becoming the only airline to operate a nonstop flight between the two communities. Simultaneously, twice-daily nonstop roundtrips are initiated from Calgary to Prince George.

At the conclusion of the airline's annual meeting on May 5, **Air Canada, Ltd.** CEO Durrett informs reporters that talks will shortly be resumed with Westjet concerning a cost-cutting, code-sharing, strategic alliance. *The Edmonton Journal* reports on May 6 that the major is "keen to ink" a deal in order to help it begin to make money on short-haul routes in the western part of the nation, money previously lost to Westjet's low-cost service.

On May 7, it is noted that the company's first-quarter revenues are C\$37 million, while pretax profits have increased 350% to C\$4.5 million.

A spokesman announces on May 27 that shares valued at approximately C\$25 million will be made available in an initial public offering.

Although no exact percentage of the airline to be offered or date of the offering is given, a preliminary prospectus is filed with the security commissions in all Canadian provinces. Investment dealer CIBC World Markets is retained to lead the forthcoming transaction.

The initial public offering occurs in July and is extremely successful; the oversubscribed sale of 2.5 million shares, or approximately 10% of the company, generates proceeds of C\$25 million. Certain of the funds are employed to purchase a pair of B-737-200As, the first of which joins the fleet on August 18. Daily service from Calgary to Grande Prairie in Alberta begins on September 9.

Although traffic figures are not reported, financial data is. Revenues increase 62.3% to \$138.43 million, while costs surge 54.1% to \$117.71 million. The operating profit accelerates to \$20.71 million, while net gain jumps to \$10.76 million. The company's profit-sharing plan permits the distribution of C6.5 million to Westjet employees.

Airline employment stands at 1,500 at the beginning of 2000. It is announced on January 20, that the carrier has placed orders for four more B-737s and that it will establish a hub at Hamilton, Ontario, in order to expand its operation into eastern Canada. By summer, the carrier will be offering 11 daily departures from Hamilton to such destinations as Halifax, Montreal, Ottawa, Thunder Bay, Winnipeg, and Calgary.

In February, the carrier tentatively agrees to a major upgrade in fleet equipment, including an order for 6 Next Generation B-737-700s, with 17 options. Simultaneously, a contract is signed with GECAS for the charter of 10 more Next Generation B-737-700s, with lease options on another 10.

The first step in the company move into eastern Canada is launched on March 9 when, employing the first of four newly delivered B-737s, it begins a new route from Hamilton to Winnipeg and another from Hamilton to Thunder Bay, continuing on to Calgary. Additionally, another daily flight is added on the Calgary to Abbotsford route.

On April 19, six-times-a-week B-737 return service is inaugurated from Moncton, New Brunswick, via Hamilton, to Winnipeg. Previously operated by **LADECO Chilean Airlines Linea Aerea del Cobre, S.A.**, a B-737-205A arrives on May 23 under a five-year lease from Pegasus Aviation.

Twice-daily B-737-200 roundtrips begin on June 8 between Hamilton and Ottawa. Orders for five B-737-200s are confirmed on July 18; the first will arrive before the end of the month, with another delivered in September, followed by two in December and one in February.

The February reequipment decision is confirmed on August 22 with the six Next Generation B-737-700 orders made firm. The long-term package will now include 20 of the advanced planes, with options taken on another 30. An agreement is also finalized for the lease of 10 Dash-700s from GECAS, with the first arriving before the end of the second quarter of 2001.

On September 18, Westjet reveals the resignation of President/CEO Stephen Smith seven days earlier. A press release indicates that Smith had left due to "management philosophy differences" with the carrier's other directors. Chairman Beddoe once more becomes president/CEO, posts that he had surrendered upon Smith's appointment, and indicates that his move is "not an interim move." The management shakeup has no impact on the airline's business plan or operations.

It is announced on November 9 that the carrier will inaugurate twice-daily roundtrips from Fort McMurray to Calgary and daily return flights from the same point to Edmonton, beginning on January 8.

Preliminary loan approval is received from the U.S. Export-Import Bank on November 23 covering the financing of 26 new Next Generation B-737-700s.

At the end of 2000, a new five-year contract is ratified by 90% of the 165 members of the company's in-house pilots' association. The fleet of "classic" B-737s now includes 6 Dash-281As, 1 each Dash-217, 2M8A, Dash-2Q8A, Dash-2A3, Dash-297A, and Dash-2T4A, Dash-2E3A, 4 2H4As, and 2 each Dash-275As and Dash-204As.

Revenues during the 12 months increase 63% to C\$332.5 million, while expenses rise 61.2% to C\$279 million. The operating profit

climbs 75.5% to C\$53.5 million while net gain skyrockets 91% to C\$30.3 million. Load factor averages a pleasing 76.2%.

WESTKUSTENFLUG HELLINGER, GmbH. (WKF): Germany (1955–1985). Originally established as a flying school in 1955, WKF undertakes scheduled commuter services in summer 1965 in association with Hadag Air. Wyk-auf-Fohr, Westerland (Sylt), St. Peter-Ording, Heide, and Hamburg are linked by Cessna equipment.

Services continue over the new two decades, during which the fleet is increased to comprise 3 Cessna 172s, 1 Cessna 207, and 1 Partenavia P-68. Operations cease in 1985.

WESTMINSTER AIRWAYS, LTD.: United Kingdom (1946–1949). Capitalized at £20,000, Westminster Airways, Ltd. is founded by a group of members of Parliament and registered as an airline company on June 5, 1946. Air Commodore A. V. Harvey is named chairman/managing director. Initial equipment consists of two Percival Proctors and one of these begins company revenue services on June 15 with the transport of a professional boxing team. An Airspeed AS.65 Consul is acquired in July along with an Avro 19, followed by three more Consuls in September and October.

During these months, various ad hoc charters are undertaken, including the transport of young Auschwitz concentration camp survivors to the U.K. During a long-haul trip to Rhodesia, the Avro is lost in a crash on October 31. Late in the fall, the company is transferred between London airports, from Heston to Kenley and Croydon. One of the Proctors is sold in November.

On behalf of **Airwork, Ltd.**, company Consuls in January 1947 fly winter tourists to Sameden Airport, St. Moritz, becoming the first British commercial aircraft to land at that facility. In April, Westminster receives an Auster J/1 Autocrat and, more importantly, a Douglas C-47 converted to DC-3 civil standard. On April 23, four Consuls are leased to **British European Airways Corporation (BEA)** to operate the state carrier's Helsinki service.

In June, Westminster aircraft return 540 people to the U.K. who had been stranded by a French rail strike, more than any other British airline. A second DC-3 is obtained in July and is operated on behalf of London Express Newspapers to carry newspapers from Leeds to London and from London to Glasgow. During October, both DC-3s are sent to India, under an Indian government contract, to fly refugees from India to Pakistan.

This airlift is concluded on December 5, by which time the Douglas transports have transported 4,500 passengers, including 69 by in a single sortie. In December, company business is transferred to Blackbushe Airport; three Consuls are sent on charters to South Africa while the remainder of the fleet flies holiday tourists to Switzerland.

A long-haul DC-3 charter to Cairo via Malta is made in January 1948, followed by another long flight to Nairobi and back in February. Company Consuls take over a **British European Airways Corporation (BEA)** scheduled route London (Croydon) to Cowes in July. During July and August, a DC-3 is chartered to the UN and sent to India and Pakistan.

On August 4, a Westminster DC-3 begins participation in the Berlin Airlift; both DC-3s are fully engaged by the end of October, flying supplies into the former German capital from Hamburg. On November 23, the two planes are withdrawn, having completed 228 sorties and flown in over 300 tons of supplies. They are sold during November and December. A Handley Page HP-70 Halton is purchased in November and on December 15 it is committed to the airlift.

The Halton is converted to tanker status and flies the company's first fuel run into Berlin on January 1, 1949. Two more Haltons are obtained in February and March, together with an HP-61 Halifax 8 in April. After only 10 sorties, the Halton purchased in February crashes at Berlin on April 1.

Between them, the Haltons complete a total of 428 sorties by the time they return to Blackbushe from Germany in July. The post airlift depression in the charter business forces the carrier to stop flying at the end of the summer and to enter liquidation in November.

WESTOVER AIR: United States (1988–1989). A division of Long Island-based **East Hampton Aire**, Westover Air is established at Chicopee, Massachusetts, in the summer of **1988** to provide scheduled passenger services to New York (LGA). Daily Beech 99 and Beech 1900 roundtrips are inaugurated on September 26, but can only be sustained through January 5, **1990**.

WESTPAC. *See* **WESTERN PACIFIC AIRLINES**

WESTWARD AIRWAYS, LTD.: United Kingdom (1969–1970). Westward Airlines is set up at London (LGW) in the summer of **1969** to offer interairport shuttle service linking its base with London (LHR). It is anticipated that the service will be a success because there are no direct connections for the 25-mile trip.

Two newly acquired Britten-Norman BN-2 Islanders launch the new service; plans to allow the new enterprise to land its little turboprops on a London (LHR) taxiway so as to avoid larger traffic are not approved.

In August, daily roundtrip flights are initiated from London (LGW) to St. Mary's, Scilly Isles, via Plymouth and Newquay.

Flights continue in **1970** and during the summer a new stop begins at Bournemouth. Unable to generate either the traffic or profits required to maintain economic viability, the company shuts its doors in October.

WETRAFA AIRLIFT, S.A.: Airport Nidjili, Kinshasa, Democratic Republic of the Congo; Phone 32 (59) 704 409; Fax 32 (59) 704 409; Code W8T; Year Founded 1994. Kinshasa-based Waltair, S.A. is renamed in **1994**; however, the mission of providing regional and domestic charter services continues. Flights are operated with one each Aerospatiale Sud Est SE-210 Caravelle III and Boeing 727F.

Kalambayi M. Faustin is president in **1999** and oversees the work of 90 employees. Regional and domestic passenger and cargo services continue to be provided with two Caravelle III freighters, a B-727F, and a British Aerospace BAe 748-2A.

AirlinersOnline.com reports on December 28, **2000** that Wetrafa has acquired a Douglas DC-9-32. It will join the B-727-25F.

WHEELER AIRLINES: United States (1969–1985). Warren H. Wheeler forms Wheeler Flying Service at Raleigh, North Carolina, in early **1969** with the aid of a loan from the Small Business Administration. Revenue charter flights commence on February 1 with a single twin-engine Piper PA-23 Aztec. By the end of **1973**, WFS has established itself as a moderately successful operation with 12 employees and five aircraft, including several Beech 18s and a Britten-Norman BN-2 Islander.

A scheduled air transport division, Wheeler Airlines, is established in **1976**. Reported in the aviation press as "the first Black airline," this small North Carolina commuter begins to expand following passage of the Airline Deregulation Act in **1978**.

In addition to its original Charlotte, Norfolk, Newport News, and Ashville destinations, Wheeler begins flying daily roundtrips to New York City in **1979**. In an effort to mitigate early developmental losses sustained on the New York service, an Atlantic City stopover is initiated in late **1980**.

In order to enhance the New Jersey service, a joint fare and co-operative marketing agreement is negotiated with **Piedmont Airlines (1)** in **1981**. Simultaneously, the fleet is enlarged to include 1 Fokker Fairchild F-27J, 2 Beech 99s, 1 Piper PA-31-350 Navajo Chieftain, and 2 Smith Aerostars.

New routes are added in **1982** to Tennessee's TriCities Airport, Greensboro, Wilmington, and Washington, D.C. (DCA). The American-made Fokker is withdrawn in favor of a fleet of 3 Beech 99s.

A total of 48,000 passengers are flown in **1983**. Operations continue in **1984** but, overexpanded, Wheeler files for Chapter XI bankruptcy in October **1985**.

WHEELER AIRLINES, LTD.: Canada (1921–1964). Lightplane scheduled services are inaugurated in **1947** by this 26-year-old charter

operator between Jovite and Montreal. Winning contracts to participate in support of the DEW Line in the mid-1950s, Douglas DC-3 and Curtiss C-46 routes are developed and maintained into the Hudson Bay region.

Two DC-4s join the fleet in **1956**, followed by a third in **1958**. The four-engine transports are employed to operate transatlantic passenger charters from Montreal (YUL), but one of these crashes at St. Cleophas on November 4, **1959**.

A Curtiss C-46A with two crew crashes while on initial approach to DEW Line Site 28 in Canada on March 25, **1960**; although the aircraft is destroyed, neither flyer is badly hurt.

The two remaining DC-4s, comprising the carrier's heavy division, are sold to **Nordair, Ltd.** in April. The lightplanes continue to operate for Wheeler until **1964**.

WHEELER FLYING SERVICE. *See* **WHEELER AIRLINES**

WHIDBEY FLYING SERVICE: United States (1964–1967). Wes Lupien founds Whidbey at Oak Harbor, Washington, in the late fall of **1964** to provide scheduled passenger and cargo commuter flights to Seattle. Employing a single Piper Cherokee Six, Lupien inaugurates service on December 17.

Operations continue apace until June of **1967** when Lupien becomes president/CEO of the new, combined regional **Puget Sound Airlines**, which will begin services on August 28.

WHITE EAGLE AVIATION, S.A.: Airport Okęcie, 17 Stycznia 47 Str., Warsaw, Poland; Phone 4822 650 10 30; Fax 4822 650 16 40; http://www.whiteeagle.com.pl; Year Founded 1995. White Eagle is established at Warsaw in **1995** to provide regional cargo and air taxi flights and to engage in helicopter work. Service is offered over the remainder of the decade without headline or incident, employing 1 each Yakovlev Yak-40, Let L-401UVP, Beech 36, and Bell 407.

Taking advantage of the airline market's recent liberalization, in early **2000** White Eagle decides to offer passenger charters to sun destinations in Spain, Greece, Israel, Cyprus, Turkey, Egypt, and Morocco. Arrangements are completed for the charter of a jetliner and tour operators are invited to complete arrangements to fill its seats.

On May 6, a former **Hapag-Lloyd Fluggesellschaft, mbH**, B-737-4K5 is delivered from the Lufthansa Technik, A.G. Hamburg facility and christened *Jurata*. A white-titled fuselage is complemented by a dark blue tail that displays a white stylized eagle logo.

The first Polish airline other than **LOT Polish Airlines, S.A.** to offer charter passenger flights, White Eagle inaugurates service on May 8 from Warsaw to the Iraklion on Crete. Eleven more flights are offered during the month with the number growing through June to total 66 in July.

WHITE HORSE FLYING SERVICE, LTD. *See* **PACIFIC WESTERN AIRLINES, LTD.**

WHITE MOUNTAIN AIRE: United States (1986). WMA is set up at White Mountain Lakes, Nevada, in the summer of **1986** to provide daily roundtrip scheduled Piper PA-31-310 Navajo passenger and cargo services to Phoenix. Unable to continue beyond the vacation season, the commuter stops flying on October 7.

WHITE RIVER AIR SERVICES, LTD. *See* **AUSTIN AIRWAYS, LTD.**

WHYALLA AIRLINES (PTY.), LTD.: 5 St. Whyalla Norrie, Oborn, South Australia, 5608, Australia; Phone 61 (86) 458 922; Fax 61 (86) 451 951; http://www.whyalla.net.au/~wwair; Code WW; Year Founded 1991. Formed at the South Australian town of Whyalla in **1991**, Chief Pilot/Managing Director Kym Brougham's initial fleet comprises 1 Beech 58 Baron and 2 Piper PA-31-350 Navajo Chieftains.

Scheduled services are undertaken linking the base with Adelaide and other nearby towns.

A single Chieftain is added in 1992 and 14 roundtrips are made each week between Whyalla and Adelaide. Frequencies on the route are boosted to 19 per week in 1993 and continue at this rate during 1994. To handle the increase, one more Navajo Chieftain and a Cessna 210 are acquired in 1995.

Revenue services continue apace without change in 1996–1999. During the former year, a homepage is opened on the Internet's World Wide Web.

On May 31, 2000, the pilot of a Piper Navajo Chieftain with seven passengers radios that he is ditching into Spencer Gulf, having lost power on both engines. There are no survivors. Investigators will later rule out fuel exhaustion and cite evidence that both of the turboprop's engines may have independently suffered mechanical failure.

As the result of the accident, Whyalla is grounded by the Australian government the same day. Thereafter, it converts into an FBO to provide ground services to private operators, with particular attention paid to **Airlines of South Australia (Pty.), Ltd.** that flies into Whyalla from Adelaide. The company surrenders its AOC on August 1.

WIA (WINDWARD ISLANDS AIRWAYS INTERNATIONAL, N.V.): P.O. Box 2088, Phillipsburg, Princess Juliana Airport, St. Martin, Netherlands Antilles; Phone 599 (5) 52568; Fax 599 (5) 54229; <http://www.mrstm.com/winair>; Code WM; Year Founded 1961. "Winair" is formed at Philipsburg, St. Martin, on August 24, 1961. With a single Piper PA-23 Apache, charters are offered to various Antillean destinations. Scheduled flights to St. Eustatius commence on August 5, 1962.

Traffic increases and in 1967 the first de Havilland Canada DHC-6-100 Twin Otter is purchased. At the end of the decade, regular frequencies are undertaken beyond the Netherlands Antilles.

Winair's name is officially changed to WIA (Windward Islands Airways International) in 1971. Another Twin Otter is purchased and the route map grows to include stops at Anguilla, Nevis, Saba, St. Barthelemy, St. Eustatius, St. Kitts, and St. Thomas. In 1972–1973, the carrier leases a pair of Fairchild-Hiller FH-227s, which it flies to San Juan. The exercise nearly bankrupts the company.

As a result of the company's brush with failure, it is sold to the government (to avoid its takeover) in December 1974 and management of the nation's new regional commuter is assigned to **ALM Antillean Airlines, N.V.** In 1978 the fleet includes 2 Twin Otters and 1 Islander and the employee population is 42.

A third DHC-6-300 is acquired in 1981 and by 1983 enplanements total 97,847. Passenger boardings jump 11.1% in 1984 to 110,063 while freight traffic climbs 10.5% to 399,958 FTKs. Routes, fleet, and services are maintained throughout the remainder of the decade.

In 1989, the Islander is withdrawn and a NAMC YS-11-100 is acquired for cargo operations. The passenger fleet comprises 3 de Havilland Canada DHC-6-300 Twin Otters. Customer bookings by the beginning of the 1990s average 150,000 per year.

On November 1, 1992, scheduled services are initiated to Tortola, British Virgin Islands. The YS-11-100 is withdrawn at the end of the year and in 1993–1994 the fleet comprises three DHC-6-300s. Chairman N. C. Wathey and President I. Romer oversee a workforce of 110.

Enplanements in 1995 total 190,525. There are profits: \$1.03 million (operating) and \$930,000 (net).

The workforce is cut 13.5% in 1996 to 90. During the year, the company, which has provided connecting flights for **American Airlines**, is criticized by the major for its poor handling of AA customers baggage.

Customer bookings drop 23.8% to 153,898 and revenues decline 24.4% to \$6.75 million. Even though expenses are down 4.9%, they still total \$7.51 million and cause losses: \$760,000 (operating) and \$844,000 (net).

Destinations visited by new Chairman M. Ferrier's 3 Twin Otters in 1997–1999 include Anguilla, Nevis, Saba, St. Barthelemy, St. Eustatius, St. Kitts, St. Thomas, and Tortola.

The board of directors meet with Prime Minister Miguel Purier and other officials of the government of Curaçao on February 9, 2000, to discuss the airline's financial condition, its outstanding tax obligations, and future direction. The political leadership suggests that the airline be privatized and both sides label the conference a success.

The cancellation of night flights to St. Eustatius on March 10 is not well received by that island's leaders. Further conversations between the airline board and the government are held during the month. All come to realize that before the airline can be privatized, it must be reconstructed and made appealing to potential investors. The necessary process to accomplish this end may take a year or so.

On June 16, a new agreement permitting schedule coordination, joint marketing and ticketing, and various other services is signed with **ALM (Antillean Airlines, N.V.)**.

Guaranteed by the central government (and backed by the U.S. Export-Import Bank), WINAIR is awarded a \$2.6-million loan from the Windward Islands Bank on July 6. The funds are necessary to finalize the purchase of two Twin Otters being offered for sale as surplus by the Canadian government. The newer DHC-6-300s will replace two older units that have now reached the end of their cycle and are too expensive to repair. It is hoped that the new aircraft will allow an increase in the number of flights offered to the islands of Anguilla, Saba, St. Barths, St. Kitts, Statia, and Tortola.

Also during the month, the company headquarters and hangar, which had been damaged the previous fall by Hurricane Lenny, are repaired over the next two weeks.

Managing Director John Strugnell and Gary Cullen, CEO of **LIAT (1974), Ltd.** announce a new code-sharing and marketing agreement on July 28. Under terms of the pact, the two will quickly integrate their schedules and launch new services between the French islands, St. Martin, Antigua, and Santo Domingo.

At the end of July, the airline finalizes the purchase of two ex-Canadian government Twin Otters, including one from an Ohio company that had obtained it before WINAIR. Both need some repair. CEOs Strugnell and Cullen unveil a new regional networking plan on September 22. Under their concept, the pair link with Trans Island Airlines, Ltd. of Barbados, **Carib Aviation, Ltd.** of Antigua, and **Air Caraibes Exploitations, S.A.** of Guadeloupe to serve passengers in Miami, Cuba, the Dominican Republic, French Guiana, and Guyana. The new business confederation is tentatively labeled the CARIB Partner Alliance. With Michael Ferrier, WINAIR board chairman, as chairman of the combine, it will later be renamed CARIB Sky Alliance.

On September 26, State Secretary Marcel Gumbs writes to the board of WINAIR requesting that it adopt a new package of austerity measures to help stem its continuing losses. Board Chairman Ferrier writes back, pointing out the impossibility of the demand and noting that employees have not received a raise in five years. Since 1999, it has been able to reduce expenses on materials and services and has introduced a public tendering program. That one measure alone has allowed it to cut a \$360,000 bid to provide a new computer system down to \$190,000, to cut the cost of its recent hangar repair from \$450,000 to \$265,000, and to reduce a \$170,000 bid for the upgrade of the Canadian Twin Otters to \$136,000. Finally, he warns that any cutting of overtime or cost of living allowances could cause major problems with the airline's unions.

As a first step under the CARIB Partner Alliance, WINAIR offers improved connections to St. Martin, beginning on November 1.

The first ex-Canadian Twin Otter arrives on November 14, with the second expected by the end of the year. In the interim, the company seeks a code-sharing agreement with **American Airlines**. The major refuses to sign a deal, however, choosing to remember WIA's 1996 problems with losing passenger baggage.

As the year ends, the company anticipates full implementation of the CARIB Sky Alliance on April 1. The new multi-airline compact is expected to generate 690 daily flight movements serving a projected 1.4 million passengers and linking 46 destinations. With 1,400 employees and 32 aircraft, the group will hopefully enjoy a \$145-million turnover.

WIDEROE NORSK AIR, A.S. See **WIDEROE'S FLYVESELSKAP, A.S. (WIDEROE'S FLYING COMPANY)**

WIDEROE'S FLYVESELSKAP, A.S. (WIDEROE'S FLYING COMPANY): P.O. Box 247, Bode, N-8001, Norway; Phone 47 (67) 116 000; Fax 47 (67) 116 195; <http://www.wideroe.no>; Code WF; **Year Founded 1934.** Pioneer Norwegian aviator Viggo Wideroe founds a smallplane charter service, Wideroe og Bjorneby, A.S., with another pilot on February 19, 1934. In June, he reorganizes the company under its present name and receives government permission to begin scheduled service over a coastal route from Oslo to Haugesund via Kristiansand and Stavanger. Passenger and freight flights begin with a Waco cabin floatplane.

When the state carrier **DNL (Norwegian Airlines, A.S.)** objects to Wideroe's scheduled operations in 1935, the scheduled portion of the small airline is transferred to northern Norway in 1936 and mail and passenger flights are undertaken to the Kirkenese.

Further south during the remainder of the year and in 1937, charter operations are offered, along with taxi flights, a flying school, and aerial photography. The company's technical department builds the nation's first indigenous aircraft in 1938, the high-wing Honingstad Norge A, which is placed into service and flies nonscheduled routes until grounded by the war.

The Kirkenese service ends in 1939. Occupying German forces imprison Viggo Wideroe in 1940; he thus gains—along with Albert Plesman of **KLM (Royal Dutch Airlines, N.V.)**—the dubious honor of being one of the world's few airline executives to suffer such a fate. Wideroe is released in 1943 and his airline is reconstituted in 1946, initially as a flying school. Air taxi and aerial photography work resumes in 1947. Flights continue apace in 1948–1949.

The small Narvik-based operator **Polarfly, A.S.** is purchased and merged in 1950 and the combined company is named **Wideroe's Flyveselskap & Polarfly, A.S.** In 1951 the government and **SAS (Scandinavian Airlines System)** grant the airline certain contract routes in northern parts of the country. Employing Noorduyn Norsemen, Wideroe's Flyveselskap, A.S. begins scheduled floatplane service in early 1952 from Narvik to Bodo via Svolvaer.

Several de Havilland Canada DHC-3 Otters join the fleet in 1953 following an award by **SAS (Scandinavian Airlines System)** of a three-year contract to operate a floatplane route from Tromsø to Alta, Hammerfest, Kirkenes, and Vadso. In 1954–1955, sectors are added from Narvik–Harstad and Bodo–Harstad–Tromsø–Alta and Hammerfest.

By 1956, the carrier has also developed its own Norsemen/Otter services further south. After an uneventful 1957, the company reverts to its original Wideroe's Flyveselskap, A.S. moniker in 1958.

After years of mostly scheduled and contract services with single-engine, piston-engine equipment, Wideroe's undertakes a brief 1962–1964 marketing agreement with **Nordair, A.S.** of Denmark. Flying as **Wideroe Nordair, A.S.**, the airline offers charter services employing Douglas DC-3s and, on trial, the unpressurized Nord 260 Super Broussard.

A chartered C-47A with 3 crew and 15 passengers, fails its takeoff from Oslo on March 5; although the aircraft must be written off, no fatalities are reported. Charter flights end in 1965.

Scheduled flights resume in 1966 as the government awards the company authority to undertake regular service from Bodo to Trondheim via Mo i Rana, Sandnessjoen, Rorvik, and Namso. A route is also started from Tromsø to Hammerfest. The Norwegian Parliament (Stortinget) now enacts a national airport plan that begins with construction of four STOL facilities along the Helgeland coast at Mo i Rana, Sandnessjoen, Bronnoysund, and Namsos.

Wideroe's is awarded this initial route in 1967. Aerial photography, long a company specialty, is increased during these years by the introduction of a camera-equipped Douglas A-26 Invader, which is employed when Wideroe's accepts foreign contracts, some from as far away as Libya.

The carrier receives its first twin-engine, turboprop transport in May 1968, a de Havilland Canada DHC-6-200 Twin Otter. This machine is

employed to inaugurate scheduled services to the four recently opened STOLports on July 1. Late in the year, DHC-3-Otter pilot Turi Wideroe becomes a pilot trainee with **SAS (Scandinavian Airlines System)** and will become the first female to fly for a major European carrier.

By 1969–1970, the company is undertaking operations to 33 destinations throughout Norway. During the latter year, the carrier's photography department is merged with competing **Fjellanger, A.S.** to create **Fjellanger Wideroe, A.S.**, which will become the nation's largest survey firm.

In 1971, the Twin Otter is sold to the German operator **Transair, GmbH**, and is replaced by four DHC-6-300s. These begin flying, during the year, to the new STOLports in western Norway: Orsta-Volda, Flore, Forde, and Sogndal. In 1972, the de Havillands begin flying into the Lofoten and Vesteralen STOLports at Svolvær, Leknes, and Stokmarknes.

Having received a government request to operate a taxi service to Rost and Vaeroy Islands west of Bodo, the company in 1973 contracts with **Helilift, A.S.** to provide the flights.

Enplanements for the year total 135,340.

The workforce in 1974 totals 175. The European launch customer, Wideroe's orders two de Havilland Canada DHC-7-102s. Service begins during the year to five STOLports in the Finnmark region: Hammerfest, Mehamn, Serkjosen, Berlevag, and Vadso.

Passenger boardings during the 12 months jump 33% to 202,000.

In 1975 the carrier's 174 workers oversee inauguration of service to the STOLports at Sandane and Narvik, bringing the number of points served in Norway to 34. Shares are now taken by three major investors: Fred Olsen Flyveselskap Group, A.S. (40%), **SAS (Scandinavian Airlines System)** (22%), and **Braethens SAFE, A.S.** (18%). Fred Olsen becomes chairman with Per Bergsland as managing director.

Customer bookings accelerate 22.5% to 248,057 and freight traffic is up by 25.4% to 48,000 FTKs.

The Canadian-built Dash 7s arrive in 1976. Scheduled domestic passenger service is offered to a significant number of locations along the coastal region from Bergen to Kirkenes. A government subsidy is provided allowing Wideroe to continue service to the series of specially constructed STOLports. **Helilift, A.S.**'s successor, **Offshore Helicopters, A.S.**, takes over the contract service to Rost and Vaeroy Islands, employing Sikorsky S-58Ts.

Twin Otters begin flying into the new STOLport at Honningsvåg in 1977 and the one opened at Batsfjord in 1978. The fleet is upgraded by the purchase of additional Twin Otters. By 1979 enplanements total 445,320.

Airline employment in 1980 stands at 260. Passenger boardings accelerate a minor 0.6% to 448,000, while freight is up 2.8% to 8,000 pounds.

In 1981–1982, the number of employees rises to 235 and the fleet is increased to include 4 DHC-7-102s, 1 Sikorsky S-58T, and 14 DHC-6-300s. Flights are made to 34 domestic points, including 19 STOLports and 2 heliports. Passenger boardings are 491,959 in 1981 and 511,382 in 1982.

A problem with the tailfin causes a DHC-6-300 with 2 crew and 13 passengers to crash into the sea 80 km. E of Nortkapp, Norway, on March 11 of the latter year; there are no survivors. This is the company's first fatal accident.

Enplanements total 575,700 in 1983. When special services and charters are included, passenger boardings rise to 794,000 in 1984. Revenues climb 24% and the net profit 34%.

With a fleet of 5 DHC-7-102s, 12 DHC-6s, and 1 Bell 212, Norway's longest-surviving airline operates to 35 stops in 1985, including 20 STOLports stretching from Oslo to Florø. Bjørn Eldem becomes chairman with Bard Mikkelsen as president.

Peter L. Nissen becomes managing director in early 1986. While en route from Honningsvåg to Hammerfest on May 6, a woman gives birth to a little girl. The child, named Silje, not only receives a lifetime of free travel wherever Wideroe flies, as well as a job offer, but also names the Twin Otter in which she is born after her. In late October, the carrier joins IATA.

Two more Dash 7s join the fleet in **1987** as enplanements reach 646,226. The fleet of the 550-employee airline in **1988** includes 13 Twin Otters and 8 Dash 7s.

While on initial approach to Bronnoysund on May 6 in bad weather, a DHC-7-102 with 3 crew and 33 passengers crashes into Torgghatten Mountain; there are no survivors.

Passenger boardings decline 6.7% to 605,648 and freight traffic dips 2.3% to 337,000 FTKs.

The 555-employee third-level operator adds another Twin Otter in **1989**. In addition to 150,000 replacement passengers flown on behalf of **SAS Commuter**, the carrier's 8 DHC-7-102s and 13 DHC-6-300s haul 787,000 passengers over Wideroe's independent routes. Merger discussions commence with Sandefjord-based **NorskAir, A.S.**, which is failing financially. Enplanements for the year total 787,300.

Company employment is increased 8.1% in **1990** to 600. Two Twin Otters are temporarily withdrawn.

While climbing away from Vaeroy on April 12, the elevator of a DHC-6-300 with two crew and three passengers fails, causing the turboprop to crash into the sea; there are no survivors. The disaster is initially blamed on windshear and leads to the closing of the STOLport at Vaeroy.

Passenger boardings slip 1.6% to 774,398, but freight inches up 0.5% to 435,000 FTKs. A \$1-million net profit is earned.

The payroll grows 3.8% in **1991** to 634 and the DHC-6s are now restored. The former independent **Norsk Air, A.S.**, based at Sandefjord and flying four Embraer EMB-110P1s and a Fokker 50, is taken over and operated as a subsidiary under the name Wideroe Norsk Air, A.S.

Customer bookings increase 2% to 787,500 and revenues rise 3.2% to \$96 million. The net profit climbs to \$4 million.

The workforce is increased by 9.5% in **1992** to 640 and the fleet now includes 12 DHC-6-300s, 5 owned and 3 leased DHC-7-102s, including 1 leased from **British Midland Airways, Ltd.** In December, a \$160-million order is placed for 15 DHC-8-102s.

Passenger boardings increase 6% during the 12 months to 835,000.

In **1993**, Chairman Bjorn Eidem and President Bard Mikkelsen oversee a workforce of 700 and a fleet of 11 Twin Otters, 5 owned and 3 leased Dash 7s, and 4 DHC-8-102s, the first 2 of which arrive in May and June. When the inaugural unit enters service on June 20, it is the first of its type operated by any Scandinavian carrier.

While on final approach to Namsos on an October 27 service from Trondheim, a DHC-6-300 with 4 crew and 17 passengers descends below minimum altitude and collides with the ground near the end of the runway (6 dead).

Scheduled services continue to be offered from Sandefjord to Copenhagen, as well as to 41 Norwegian stops, and enplanements increase to 901,130.

The workforce is cut by 60 positions in **1994**, even as two more DHC-8-103s are delivered in January. New routes are started to Sumburgh in the Shetland Islands and to Copenhagen.

Customer bookings accelerate 3% to 929,000.

Airline employment stands at 640 in **1995**. The company's 21 aircraft transport a total of 725,832 passengers through September, a 5.1% increase over the same period a year earlier. Cargo traffic climbs 6.5% to 459,000 FTKs. In December, the company is awarded a contract from **SAS (Scandinavian Airlines System)** to maintain all of the consortium-carrier's Fokker 50s.

By year's end, all of the Twin Otters have been removed, except one, the *Batsfjord*, which is required to link its namesake city with Vadso and Kirkenes to the southeast and Alta to the west.

Sixty new employees are hired in **1996**. The carrier continues to provide service to 33 destinations, two-thirds of which possess runways of less than 1,000 m. (3,280 ft.), flying an average of 230 flight legs per day. With three Embraer EMB-120 Brasilas, the Wideroe NorskAir, A.S. subsidiary also maintains its schedules into a number of remote communities in southern Norway.

Traffic figures are again reported through September. Customer bookings dip 0.3% to 716,845. At year's end, two leased DHC-7s are re-

turned. Wideroe NorskAir, A.S. is closed down in December and its operations are transferred to the parent.

Enplanements for the year total 1,296,697 on 71,518 scheduled departures.

Destinations visited at the beginning of **1997** include Alta, Andenes, Batsfjord, Bervelag, Bodo, Bronnoysund, Copenhagen, Hammerfest, Kirkenes, Leknes, Mo i Rana, Mosjoen, Namsos, Narvik, Oslo, Rost, Skolvaer, Stokmarknes, Sumburgh, Tromso, Trondheim, Vadso, and Vardoe. New regional routes are opened to Berlin and Murmansk.

In early December, **SAS (Scandinavian Airlines System)** acquires a 29% stake, with the option to take another 34.2%; total value of the shareholding would be \$42.1 million.

Passenger boardings for the year skyrocket 80.9% to 1,303,158 on 83,914 scheduled departures.

At the beginning of **1998**, Chairman Gunnar Reitan and President/CEO Per Arne Watle oversee a fleet that includes 1 Twin Otter, 17 DHC-8-100s, and 8 DHC-8-300s.

A \$27-million order is placed with Bombardier in May for two DHC-8Q-300s with which to replace a pair of DHC-8-102s; an option is taken on a third.

When management refuses the request of the pilots' union for a 15.6% salary increase, the carrier's flyers go on strike in mid-July. The job action ends on July 31 after the strikers vote to accept a new 5-year contract, which includes a 3.5% annual wage boost.

The company unveils its site on the World Wide Web on August 27.

On December 18, SAS uses its option to purchase a further 34.3% stake, raising its stake to 63.2%.

Customer bookings jump 15.2% to 1.41 million.

By the beginning of **1999**, the workforce has been increased by 36.4% to 955.

Daily roundtrips commence on November 1 between Stavanger and Aberdeen, Scotland.

Passenger boardings for the year jump 12.3% to 1,585,000 on 86,038 scheduled departures.

Airline employment at the beginning of **2000** stands at 1,142, a 19.6% increase over the previous 12 months. In March, two DHC-8-100s are withdrawn and put up for sale. Piloted by Capt. Otto A. Holte and Flight Officer Petter Nordbye, the DHC-6-300 *Batsfjord* completes its final service, Flight 945, from Vadso to Batsfjord on March 31. It is now withdrawn from service, ending the carrier's 32-year romance with the rugged type that has flown an estimated 14 million passengers for the airline.

On July 24, another DHC-8-100 is given special Internet titles, "www.wideroe.no."

WIEN AIR ALASKA: United States (1927-1983). At one time Alaska's oldest major airline, this company is founded in by pioneer bush pilot Noel Wien as Wien Brothers, a fixed base operation run together with his four brothers, Ralph, Sigurd, Fridjof (called Fritz), and Harold. Ralph is later killed at Kotzebue in 1930 and Harold returns to the family home in Minnesota.

Noel, the elder brother, employs a Hiss Standard J-1, purchased from the Fairbanks Airplane Corporation, to inaugurate the first scheduled flights between Fairbanks and Nome on June 20, **1927**. In late June, Ralph Lomen is taken aloft to round up reindeer by air. The first mercy flight is made in July, an abortive attempt to get one George Tracey to Anchorage for an operation. Forced back to Fairbanks, Tracey is saved by local action.

Flights of a similar nature continue and when the weather permits, Wien is in the air at all hours of the day and night. A Stinson SB-1 Detrouiter is acquired from Arctic explorer Sir George Hubert Wilkins, allowing scheduled operations to continue throughout the winter. The new aircraft is inaugurated on the first flight ever made from Fairbanks to Deering, on Kotzebue Sound, accomplished nonstop in 6 hours.

In the spring of **1928**, a WACO biplane is purchased; after Noel teaches Ralph to fly, the brothers expand their business. In May, the Fox Film Company charts Wien's Detrouiter to film Arctic life and Noel

makes the first commercial flights in the Arctic part of Alaska. In October, the brothers incorporate as Wien Airways.

In March 1929, the Swenson Fur Company of Seattle charts Noel Wien and his Standard to fly from Nome to the North Cape of Siberia and return with 1,100 furs. In a six-hr. flight across the Bering Sea (and six back), Wien completes the first successful international roundtrip flight to the west of Alaska. In August, Noel elects to return to Minnesota and signs a four-year, noncompetitive, \$25,000 agreement with famed bush pilot Ben Eielson, representing **Alaska Airways**, a subsidiary of the **Pan American Airways (PAA)** holding company, The Aviation Corporation. Noel flies a month for AA until returning south with his wife, Ada, and brother Sig.

In Minnesota, Wien purchases a Stinson Jr. and undertakes charter operations in the Virginia, Minnesota, area. Unable to remain on the "outside" longer than nine months, the Wiens returns north in December 1930. The flight to Fairbanks via Edmonton, Prince George, Telegraph Creek, Atlin, Whitehorse, and Dawson, is only the fifth from the U.S. to this time and requires 14 days.

Noel and his Stinson Jr. fly off and on for **Alaska Airways** until 1932, when his noncompetitive agreement expires. Wien, together with his wife and her parents, then form a new transport company, Wien Airways of Alaska and employing a Bellanca CH-300 Pacemaker, resume operations between the Fairbanks base and Nome.

En route to Fairbanks from Ruby one day in 1933, Wien spies the Lockheed Vega *Winnie Mae* of Wiley Post, obviously lost over the Yukon River. Wien attempts to overcome the globe-circling Post, but cannot catch the speedy Model 5. On April 14, capitalization is increased to \$200,000, plus \$50,000 in preferred stock. The fleet now comprises 1 each Ford, Bellanca, Fokker Model 4 Universal, and 2 Stinson Juniors.

In two of the coldest days of flying on record, Wien wings from Fairbanks to Bethel via Ophir and Crooked Creek on January 13–14, 1934 in temperatures ranging from -70° at ground level to a much warmer -35° degrees at 5,000 feet. Still, the mail gets through.

In 1935, Noel and Ada buy out her parents' interest and the carrier is merged with **Northern Air Transport**, retaining the latter's name. The tragedy surrounding the deaths of Wiley Post and Will Rogers brings Noel Wien into the national spotlight, as it is he who flies to Seattle in August with the first photographs of the accident site and sells them to the wire services.

With the \$3,500 received from this service, Wien, on September 6, places a down payment on Ford 5-AT-58, a Tri-Motor formerly owned by **Northwest Airways**, and with several passengers aboard, departs for Fairbanks on the first commercial flight between Washington State and Alaska. NAT is not a financial success and the Wien brothers purchase it outright, bad debts and all.

In 1936 the company's books are finally written in black ink instead of red. At this point, the carrier is reorganized and named Wien Alaska Airlines. As the carrier prospers, Noel Wien's brothers become more deeply involved with it. The fleet comprises eight aircraft (four pilots) in 1938 and the company operates route spokes radiating outward from Fairbanks to the north, west, and east.

In 1940, the elder Wien retires as president and sells his stock for \$15,000 to Sigurd, who takes his place as CEO on May 16, while Noel and Fritz take seats on the board of directors. On June 24, the Ford Tri-Motor is sold to **Star Air Lines**.

Following America's entry into World War II on December 7, 1941, the Wiens, like their competitors, transport cargo and fly personnel charters for the U.S. military. In addition, the company is contracted by the U.S. Bureau of Mines to support its oil resource exploration. Sig undertakes all flights with the Bellanca.

Two ex-USAAF C-73s (military Boeing 247Ds) join the fleet in 1944. These will be modified with large cargo doors and auxiliary fuel tanks during the next two years.

The profits earned from government service since the Pearl Harbor attack allow purchase of three war surplus Douglas C-47s (military DC-3s) in 1945, followed by three Curtiss C-46s and four Beech 18s in

1946. During these years, the B-247Ds are outfitted with new cargo doors and increase fuel capacity. Numerous small aircraft, including Cessnas and the new de Havilland Canada DHC-2 Beaver begin joining the fleet in 1947. Sig Wien retires from flying in 1948.

Wien acquires **Ferguson Airways** on June 25, 1949, and throughout the early years of the next decade the enlarged carrier makes improvements to its route structure and fleet. Numerous contracts are accepted from the government in the 1950s to support construction of the DEW Line warning system. An Alaskan tour package is marketed, beginning on May 5, 1956, in cooperation with **Pan American World Airways (1)**. Another small company, **Byers Airways**, is absorbed on June 9.

Two Fokker Fairchild F-27As, license-built in Maryland by Fairchild, join the fleet in 1958–1959. In 1960, the year prior to the arrival of the Fairchilds, Wien benefits from a CAB-ordered redistribution of feeder lines from north of the Yukon and Tanana Rivers.

During an April 9 training flight, the copilot of an F-27A prematurely retracts the landing gear during takeoff, causing the aircraft to crash-land; both men are hurt. A Beech 18 crashes at Kotzebue on November 28. Eight passengers aboard another Beech 18 are seriously hurt when it aborts its takeoff from Northeast Cape on December 18 and crashes.

A Beech 18 overturns in mud while landing at Shishmarf on April 6, 1961. A C-46A freighter crashes on June 21 while landing at Kotzebue. The engine of a Cessna 180B fails near Galena on November 14; the plane is able to glide down to safety. Events of December 8 are not as happy. While attempting to rush a sick passenger to the hospital at Nome, the pilot of a Cessna 180B encounters bad weather near the city; the plane crashes and both aboard are killed.

Airline employment in 1962 stands at 295. Mileage in the scheduled route network totals 66,000 and at \$2 million, the company payroll is the largest for any commercial concern in interior or Arctic Alaska.

A Beech 18 with three aboard crashes while landing at Moses Point on March 5 (two dead). The inadvertent retraction of the landing gear during takeoff on July 7 causes another Beech 18 carrying two people to crash; there are no fatalities. While ferrying five people to the Pow "B" DEW Line site on October 1, another Beech 18 undershoots its landing, resulting in injuries to four passengers. The fleet is increased in December by the addition of three Swiss-built Pilatus PC-6A Porters.

In 1963, the company is able to acquire, at no cost, the Fairbanks–Whitehorse–Juneau route given up by **Pan American World Airways (1)**. On January 14, a Beech AT-11 with six aboard crashes while landing at Barter Island in bad weather (five dead). A DHC-2 Beaver suffers an in-flight power failure and crash lands at Savoogna on April 2. Eight days later, a Cessna 180A comes down near McIntire Point; injuries in both accidents are slight.

A Beech 18 with seven aboard fails its takeoff from Baird Bay on May 17; although the aircraft is destroyed in the crash that follows, injuries are again slight.

The workforce in 1964 has increased by two. A whiteout over Elim causes a Cessna 185 with two aboard to crash on April 17 (one dead). In May, a Lockheed L-749A Constellation, previously operated by **KLM (Royal Dutch Airlines, N.V.)**, is obtained for the company's long-haul routes.

Another Cessna 185 with four aboard fails its takeoff from Kotzebue on July 12 and crashes; injuries are minor. The same day, a PC-6A crashes while landing at Ruby Creek. A Porter's strut fails near Hughes on November 28; none of the five persons aboard are seriously hurt in the crash that follows.

Enplanements total 52,437 and 4.49 million freight ton-miles are flown. Revenues grow to \$11.38 million.

The number of workers employed in 1965 is 298. Between April and June, four more Pilatus PC-6A Porters are delivered; built by Pilatus, they are acquired from Fairchild in Hagerstown, Maryland.

A Cessna 185 with four aboard strikes a fuel tank after landing at Bettles on August 23 and explodes; there are no survivors.

A PC-6A rolls off the runway and into a ditch after landing at Selawik

on October 10. A DHC-2 makes a hard landing on a frozen river at Arc-tic Village on November 15.

New facilities, new bush aircraft, and improved services result in an increase in customer bookings to 54,667 and a boost in freight traffic. A B-737-210C is ordered.

The corporate identity is changed in February 1966 when the carrier is reorganized as Wien Air Alaska. Enplanements are 61,000.

In 1967, the employee population numbers 265 and the fleet includes 18 aircraft. Floods in August hold down company traffic gains across the state. Late in the year, company announces plans to merge with friendly rival **Northern Consolidated Airlines**, soon after receiving authority for another Anchorage–Fairbanks route. The fleet now includes 3 F-27As, 1 Twin Otter, and 14 lightplanes used in bush flying. The Boeing jetliner remains on order as passenger bookings ascend to 63,298.

Following receipt of CAB approval, the union with NCA is completed in February 1968. The new amalgamation, renamed Wien Consolidated Airlines, and with Sig Wien as chairman, soon after receives permission for an Anchorage–Fairbanks route, which places it into direct competition with **Alaska Airlines**.

A former **Northern Consolidated Airlines** F-27B with 39 aboard crashes at Spotsy Lake, near Pedro Bay, on December 2; there are no survivors. Meanwhile, the employee population numbers 572 and the fleet totals 38 aircraft, many of them small.

Customer bookings rise to 158,000 and 3.2 million freight ton-miles are flown. Revenues are \$12.51 million.

By 1969, Wien Consolidated's fleet comprises 3 Boeing 737-210Cs, 2 Douglas DC-3s, 5 Fairchild Hiller FH-227s, and 7 other small transports: 4 Twin Otters and 2 Shorts SC-7 Skyvans.

Enplanements during the 12 months are up to a healthy 268,200.

The workforce is increased 9% in 1970 to 718 and a fourth B-737-210C joins the fleet. Passenger boardings increase 10% to 298,000 and freight traffic accelerates by 7%.

Brandishing a pistol, ex-convict D. L. Thomas hijacks Flight 15, a B-737-210C with 35 passengers en route from Anchorage to Bethel on October 18, 1971, but a stewardess talks him into allowing the craft to return to Anchorage to discharge its passengers. There the man deplanes, flees to Canada, is captured by the RCMP, and returned to Alaska for trial. He will receive a 20-year prison sentence.

Enplanements for the year are 346,500. Passenger boardings grow only 1% in 1972, up to 350,000. Cargo is up by 6% as 6.83 million freight ton-miles are flown.

Having returned to the name **Wien Air Alaska** in 1973, the pioneer company is forced by increased expenses to reduce its workforce to 646.

Customer bookings decline 3.4% to 338,000. Cargo is up by 9.4% as 10.91 million FTKs are operated.

Employment is boosted back up in 1974 as 244 workers are hired. Due to increased Alaska pipeline construction, Wien experiences substantial growth during the year. Ira Harkey publishes a biography of the company founder, *Pioneer Bush Pilot: The Story of Noel Wien* (Seattle: University of Washington Press).

Passenger boardings accelerate 26.1% to 420,000. A total of 18.13 million FTKs are operated, an impressive increase of 52.9%. Although revenue figures are not released by the privately held carrier, the ledger is written in black ink.

The workforce in 1975 is 1,115. Two B-737-210Cs are acquired, one each in May and July. To better handle spiraling growth, a reorganization plan is implemented in late fall.

Meanwhile, on August 30, Flight 99, an F-27B with 4 crew and 28 passengers, crashes into a mountain and flips over while attempting to land at Gambell, on St. Lawrence Island in the Bering Sea off western Alaska (10 dead); the survivors are rescued by Eskimos.

The service area now covers 190 airfields and Noel Wien is named "Alaskan of the Year."

Customer bookings accelerate 47% to 617,000 and freight is up by 41% to 25.6 million FTKs. On revenues of \$54,782,000, a net profit of \$3.7 million is posted.

The number of employees is decreased by 8.3% in 1976 to 1,023. James J. Flood succeeds Raymond I. Petersen as president/chief operating officer of the state's oldest carrier as Petersen becomes board chairman/CEO. A Data 100 computer is placed into the Anchorage accounting office and the first Flight Information Display System in Alaska is turned on at both Anchorage and Fairbanks.

Enplanements jump 16.7% to 720,000 while cargo falls 4.5% to 24.5 million FTKs. As the result of rising fuel and labor costs, net income falls to \$3.7 million, even though operating revenues are up by 14% to \$63.7 million.

ALPA members strike the company beginning on May 8, 1977 and Noel Wien dies on July 18. The year is also bad from a financial viewpoint, as the carrier posts a net loss of \$742,000.

Although the pilots' job action continues throughout 1978, personnel adjustments, a 14.6% increase in passenger boardings (to 571,000), and the subcontracting of some routes to air taxi operators, allows Wien to record a \$482,000 profit.

Airline employment is now reduced by 12.9% to 826 and Chairman Petersen and President Flood operate a fleet comprising 7 B-737-210Cs, 4 Fairchild Hiller FH-227Bs, 4 F-27s, 4 de Havilland Canada DHC-6 Twin Otters, and 1 Grumman G-73 Mallard.

The workforce is increased by 24.1% in 1979 to 1,025. A presidential commission brings an end to the 22-month job action on March 1, and after the flyers return to work in March, company officials are finally able to begin planning the expansion that deregulation made possible for the industry a year earlier. The year is a climactic one in the history of Wien Air Alaska.

New routes are stretched to Ketchikan, Juneau, and Seattle. The addition of three new B-737-210Cs brings the fleet total to 10 short-haul Boeings.

Passenger traffic increases 20.2% as 685,558 passengers are transported and freight rises 14.4% to 25.4 million FTKs.

Unhappily, most corporate attention cannot be focused on growth, as time and resources must be given over to fighting a takeover bid by rival **Alaska Airlines**. Although the contest is won, the battle is costly to the family enterprise. When added to rapidly rising fuel bills, high interest rates, the bills for new route service, etc., overall expenses are up by 41% to \$85.1 million, overshadowing a 35% growth in operating income to \$85 million. The result is a net loss of \$1.7 million.

Following on the heels of the **Alaska Airlines** bid and continuing financial drain, Household Finance Corporation (HFC) now begins buying up available stock.

The employee population falls by 2.4% in 1980 to 1,025. Wien's control over the longtime family business laps as HFC purchases the remaining stock, takes control, and names President Flood chairman. Wien's 10 B-737-210Cs now fly a 10,500-mile route system over 150 points in Alaska, Canada, and down to Seattle. During the year, authority is obtained to service Chicago and other markets in the "lower 48" and on December 1, service is inaugurated to Portland, Oregon.

The influx of new money from HFC allows Flood to plan further fleet and operations expansion.

Passenger boardings rise 12.5% to 770,964, cargo increases by 57.5% to 40.72 million ton-kilometers, revenues skyrocket by 50% to \$126.5 million, and a net profit, \$1.6 million, is recorded. Under the CAB's new airline classification scheme, Wien Air Alaska is rated as a "national" carrier.

Talks are held between Wien officials and those from **Western Airlines** in 1981 concentrating on a possible merger. On May 8, a B-737-210C is sold to **Arkia Israel Airlines, Ltd.**

Passenger traffic rises 26.1% to 972,000 passengers carried and FTKs operated jump 38.9% to 55.1 million. Revenues advance 42.8% to \$180.7 million while expenses, although up by 46.68%, are contained at \$172.01 million. Although the operating profit of \$8.69 is less than the previous year's \$9.27 million, a second straight net profit is banked, \$4.78 million.

The payroll is significantly boosted in 1982, up 13.1% to 1,159. As the result of continuing negotiations with **Western Airlines** and a joint

plan from the two carriers, the CAB approves the merger of the two companies in the spring. It does, however, impose the restriction that Western President Neil G. Bergt must give up his association with **Alaska International Air (AIA)**, which he owns. Bergt refuses and all merger discussions end.

Control of Flight 517, a DHC-6-200 with two crew and six passengers, is lost while on final approach to Hooper Bay, Alaska, on May 16; the Twin Otter crashes 1,320 ft. short of the runway, but there are no injuries.

The year's recession poses difficulties for Wien, as it does for other American carriers.

Passenger enplanements drop 2.3% to 949,827 and freight declines 8.1% to 50.68 million FTKs. Revenues fall 1.3% to \$178.4 million and expenses are held to \$172.3 million. The operating profit is \$6.11 million and a net profit of \$2.1 million is achieved.

Household Finance sells Wien to Chairman Flood in mid-**1983**, and the new owner immediately opens routes to Reno and Oakland and increases the workforce 36% to 1,500. Consideration is given to changing the corporate identity in such a manner as to de-emphasize the carrier's Alaskan base. Efforts are made to lease additional jetliners to enhance the fleet that consists of 12 B-737-210Cs and 3 B-727-202As.

To demonstrate the widening commitment, the company is now renamed Wien Airlines.

Household Finance sells Wien Air Alaska in mid-**1983** to JFF Investments, owned by Wien Chairman James J. Flood. The new owner immediately sells the carrier's Alaskan route license to **MarkAir** and opens routes to Reno and Oakland, and increases the workforce 36% to 1,500.

Consideration is given to changing the corporate identity in such a manner as to de-emphasize the carrier's Alaskan base and so the pioneer company is renamed Wien Airlines. Efforts are made to lease additional jetliners to enhance the fleet, which consists of 12 B-737-210Cs and 3 B-727-202As.

Passenger boardings for the year, under both names, rise 13.4% to 914,826, while freight falls 9.7% to 14.72 million FTKs. Revenues drop 12.61% to \$155.92 million and even though costs fall 8.21%, they still total \$158.16 million. An operating loss of \$2.23 million is suffered, as a \$2.17-million net loss is taken.

In the spring of **1984**, flights begin to Albuquerque. Continuing to bleed financially, the company, in the summer, suspends flights to Aniak, St. Mary's, Unalakleet, and Galena. In an effort to reorganize its operation, Wien requests permission for a temporary suspension of services at the beginning of November. Following a court's ruling that such an action would be illegal, the company files for Chapter XI bankruptcy on November 28 and closes its doors.

Prior to its demise, Wien flies 1,014,000 passengers on the year, a 15.5% boost; ironically, this is the first time the company has ever broken the million-mark in annual cumulative bookings. Freight traffic plunges 47.7% to 13.03 million FTKs. Losses for the year, reported at the time of bankruptcy, total \$11 million.

Early in **1985**, Chairman Flood and a group of former employees put forward plans to resume operations. Meanwhile, the bankruptcy court allows the lease of the three B-727-202As to **Republic Airlines**.

The airline does not restart.

WIGGINS AIRWAYS (1) (E. W. WIGGINS AIRWAYS): United States (1930–1953). Named for its owner, the first Wiggins Airways is originally established in **1930** as a fixed-base operation (FBO) at Norwood, 11 miles southwest of Boston. The carrier is certified as a feeder airline by the CAB on June 13, **1946** under its new classification scheme.

Employing Cessna T-50s, revenue operations commence on September 19, **1949** over a route to Albany plus four other routes in New England. On August 20, **1951**, the company seeks renewal of its certificate and an extension to New York City, White Plains, and Southampton-Riverhead, New York.

Scheduled operations are terminated on August 1, **1953** and the airline's network is divided between **Northeast Airlines** and **Mohawk**

Airlines. Wiggins Airways resumes its FBO business, flying occasional charters over the decades ahead.

WIGGINS AIRWAYS (2): P.O. Box 250, Memorial Airport, Norwood, Massachusetts 02062, United States; Phone (617) 762-5690; Fax (617) 762-1958; <http://www.wiggins-air.com>; Code WIG; Year Founded 1987. Established years earlier in the 1950s as an FBO that flirted with scheduled services, Wiggins eventually creates an employee stock ownership program that allows the company to be purchased by its employees in 1985. Significant charter business is undertaken and a satellite base is set up at Manchester, New Hampshire.

Wiggins-2 is established in **1987** to operate scheduled all-cargo services. Operations are undertaken with a pair of leased de Havilland Canada DHC-6-300 Twin Otters. The subsidiary **Wiggins Airways (3)** is formed in 1988.

A contract is received in **1989** to operate express package flights on behalf of **Federal Express (FedEx)** and two Cessna 208 Caravan Is are supplied for the purpose. From this point on, Wiggins increases its business substantially, growing each year through **1992**. The fleet in these years also begins rotary-wing operations with 5 Bell 208B JetRanger helicopters.

In **1993–1994**, President David Ladd's contract with **Federal Express (FedEx)** supports the operation of 27 Caravans. In **1995–1998**, a contract is signed with **UPS (United Parcel Service)** and the company begins to fly on behalf of that giant concern as well. The fleet is increased by five Caravans and four Beech 99 freighters.

Airline employment reaches 100 and annual sales top \$12 million.

Destinations visited now include Allentown/Bethlehem, Altoona, Augusta, Baltimore, Bangor, Boston, Bridgeport, Burlington, Chicago (MDW), Cleveland, Cumberland, Elmira/Corning, Harrisburg, Hyannis, Jamestown, Johnstown, Lebanon, Manchester, Martha's Vineyard, Nantucket, Newark, New York (JFK), Owensboro, Pittsburgh, Plattsburgh, Presque Isle, Providence, Portland, Rutland, Syracuse, Wilkes-Barre, and Williamsport.

Flights continue in **1996–2000**, during which years the fleet comes to include 32 Caravans, 4 Beech 99s, 1 de Havilland Canada DHC-6F, and 4 JetRanger helicopters. The UPS and FedEx contracts are flown by 53 pilots.

WIGGINS AIRWAYS (3): Norwood Airport, Norwood, Massachusetts 02062, United States; Phone (617) 762-5690; Fax (617) 762-1958; Year Founded 1988. Wiggins Airways (2) CEO David Ladd founds the third Wiggins in **1988** as a subsidiary of the 1987 firm, also at Norwood Airport in Massachusetts. This firm is an authorized sales and service center for Bell and Eurocopter as well as Allison engines. Avionics are also sold and installed and the operational fleet by **2000** includes 6 Bell 206s, 1 Aerospatiale AS-350D, and 1 Schweizer 300.

WIGHT AVIATION, LTD.: United Kingdom (1930–1932). Inland Flying Services, Ltd., formed in April 1929, is renamed **Wight Aviation, Ltd.** in March **1930**. On June 27, **1932**, the first is reborn again as **Portsmouth, Southsea and Isle of Wight Aviation, Ltd.**

WIKING HELIKOPTER SERVICE, GmbH.: Nagelsweg 34, Postfach 106422, Hamburg, D-20097, Germany; Phone 49 (40) 2354-4300; Fax 49 (40) 2354-4310; <http://www.wiking-helicopter.de>; Year Founded 1975. WHS is established at Hamburg in August **1975** to ferry sea pilots to ships anchored in the German Bight. An exclusive contract for this service is signed with the government's Department of Transportation. On December 2, **1977**, the company is licensed as an approved maintenance and overhaul facility for helicopters owned by Wiking and third parties. A license is granted on December 12 authorizing commercial on- and offshore flights according to Instrument Flight Rules (IFR).

Operations continue apace during the remainder of the decade and into the **1980s**. In **1985**, the company is capitalized at \$920,000 and ownership is divided between the founding VTG-Lehnkering, A.G.

shipping conglomerate, a subsidiary of Preussag, A.G. (51%) and Norway's **Helikopter Service, A.S.** (49%). With a staff of 55 (including 15 pilots), the carrier operates 7 helicopters, as well as a fixed-wing Cessna Citation III based at Hanover. Revenues reach \$6.5 million.

Flights continue with little change during the next five years. In **1990–1992**, Wiking remains the nation's only offshore operator. Flights continue to be made to two compressor platforms on the Ekofisk-Emden pipeline and to a research installation 65 nm. off the German coast.

In October **1993**, the company leases a Sikorsky S-76A+ to the U.K. operator **British International Helicopters, Ltd. (BIH)**. Operations are maintained apace in **1994–1995**. Besides its bases at Hamburg and Wilhelmshaven, a Wiking branch office is now opened at Hanover. From here, EMS-equipped helicopters transfer mainly intensive care patients and newborn babies from general hospitals to specialized hospitals.

Wiking reaches a milestone in the fall of **1996**. Employing an IFR-equipped S-76 on September 1, the company conducts its 25,000th accident-free sea pilot transfer. Wiking ferries marine pilots to tankers and other cargo vessels approaching the German coast under a contract that it has held with the Federal Ministry of Transport for the past 21 years.

In **1997**, bases are operated at Hamburg, Kiel, Hanover, and Bremen for a fleet that comprises 1 Bell 212 and 2 each Sikorsky S-76s, Bell 206B JetRangers, and 206L LongRangers. Capitalization stands at DM 2.5 million.

Late in **1998**, a homepage is opened on the Internet's World Wide Web. Acting through Vinland Helicopters, **Canadian Helicopter Corporation, Ltd.** announces on August 2, **1999** that all of the remaining conditions to its offer to purchase all shares in **Helikopter Services Group, A.S. (HSG)** have been satisfied or waived and that the acquisition is completed. CHC now also finds itself the owner of the giant Norwegian operator's foreign subsidiaries, including its Wiking stake. As the HSG operation is consolidated into **2000**, CHC maintains the German interest.

WILBUR'S FLIGHT OPERATIONS: United States (1961–1992). Established as an Anchorage-based FBO by Joe Wilbur Sr. in **1961**, this company also sets up a flight division to offer charter passenger and cargo services to local destinations. Certain of these are offered on a scheduled basis, even though such an arrangement is illegal.

In November **1984**, Wilbur elects to begin scheduled third-level Piper PA-34 Seneca flights between his base and Sparrevohn. Service between Anchorage and Cordova is introduced in **1985** and operations continue apace for the remainder of the decade, with McGrath, Valdez, Aniak, and other points joining the route network. Two fatal accidents are recorded during these years.

While on final approach to Merrill Field at Anchorage on April 1, **1987**, a Cessna 402B with a pilot and a passenger suffers fuel exhaustion and crashes into a heavily wooded area upside down in a near vertical attitude; both aboard are killed.

While en route on August 17, **1988**, a Cessna 402B with two crew aboard crashes into Mount Torbet at the 10,570-ft. level; there are no survivors.

The destroyed aircraft are replaced in **1989** and by **1990** the 51-employee small regional continues to operate the Seneca, plus 2 Cessna 401s, 2 Cessna 402s, and 1 Beech 99.

Enplanements for the year total 8,489.

The fleet is increased in **1991** by the addition of a Piper PA-34 Seneca. In March, **Pacific Northern Airways**, owned by Gerald, Newton and Bert Ball, purchase Wilbur's passenger operations and attaches to it a Douglas DC-6 cargo division. President Wilbur continues to operate Flight Safety Alaska, a flying school and maintenance facility at Merrill Field.

On November 20, Dallas-based WAA Leasing, owner of the old **Wien Air Alaska**, purchases Wilbur's, **Pacific Northern Airways**, and several other aviation companies. WAA President Patricia Long indicates that the company, which leases out the four Wien B-737 passenger airliners, may bring two of them north again to fly Wilbur's passengers.

Passenger boardings decline by more than half to 3,465 and 547,399 pounds of mail are flown. Revenues total \$5.8 million, but costs reach \$6.41 million, guaranteeing an operating loss of \$589,997. The net loss is \$561,575.

At the beginning of **1992**, Wilbur's serves 10 communities from Anchorage with cargo flights and transports passengers from Bethel. During the first quarter, the company encounters difficulties in transporting its contracted mail shipments from Anchorage to King Salmon and Dillingham. Difficulties appear imminent and pilots apply to **Northern Air Cargo**, which begins to complete the Wilbur's Flight Operations mail deliveries.

The insurance company AIG Aviation informs the DOT that liability insurance coverage for the airline will be cancelled on March 25, but will be reinstated two days later. In the interim, the government requires the carrier to shut down. Under DOT rules, the company cannot fly again for at least 45 days unless an exemption is granted. No exemption is sought, although no immediate move is made to officially shut down. Wilbur's does not relinquish its flying certificates and DOT makes no move to revoke them.

Over the next few weeks, the government evaluates the airline's financial soundness. No report is finished because, on the evening of April 3, WAA Leasing notifies the DOT that it will close permanently as of 12:01 a.m. April 4. Its last action is to take down the sign outside of Anchorage and disconnect the telephone.

WILD GOOSE AIRLINES: United States (1964–1967). WGA is set up at Del Rio, Texas, during the first quarter of **1964** to provide scheduled intrastate passenger and cargo services. Employing a Piper PA-23 Aztec, the air taxi inaugurates daily roundtrips linking its base with Bracketville, Uvalde, San Antonio, and Eagle Pass. Operations continue apace until **1967**.

WILD GOOSE FLYING SERVICE. See **SOUTHWEST AIRLINES (1)**

WILDERNESS AIR (1975), LTD.: 4540 Agar Drive, Richmond, British Columbia V7B 1A4, Canada; Phone (604) 276-2635; Fax (604) 276-9586; <http://www.alloutdoors.com/Adventure-Travel/TuktoWilderness/default.html>; <http://www.wildernessair.com>; Code 6W; Year Founded 1975. Privately owned WAL is established by David Kahl and Gordon Douglas at Bella Coola, British Columbia, on March 31, **1975**. It takes over the Class 9-4 international charter license, 2 Cessna 206 floatplanes, and 1 de Havilland Canada DHC-2 Beaver of an ad hoc charter operator by this name founded in the late 1950s.

The two Cessnas are sold and replaced by a second Beaver and a Britten-Norman BN-2 Islander. In addition to charter and contract service flights, the carrier in **1976–1977** inaugurates lightplane scheduled service linking the company base with Williams Lake, over the Coast Mountains 200 miles to the east.

The fleet in **1978** comprises the Islander, 3 Beavers, and 1 Cessna 185. The BN-2 offers the company's only east-west scheduled service, a frequency between Bella Coola and Chilcotin Valley and Williams Lake. Class 3 scheduled flights are offered to South Betinck, Kimsquit, Punitzi, Tarla, One Eye, Charlotte, and Anahim. Operations continue apace in **1979–1980**.

When **Air BC, Ltd.** pulls out of Bella Coola in **1981**, Wilderness purchases a Piper PA-31-350 Navajo Chieftain and inaugurates daily scheduled service to Vancouver on April 2, **1982** via Anaheim Lake. Operations continue apace for the remainder of the decade and into the **1980s**. During these years, a charter base is also opened at Vancouver.

In **1985**, the fleet comprises 1 Piper PA-31-350 Navajo Chieftain, the Islander, the Beavers, 1 Cessna 206, and 3 Cessna 185s. A Beech King Air 100 joins the company in **1987**.

There is little change during most of the next decade as services are maintained between the three southern British Columbia destinations. In

1992, President Douglas's company operates 1 Beaver, 1 Islander, 3 Navajo Chieftains, and 1 Beech Super King Air 200.

Cofounder Kahl becomes president in **1993** as one more Super King Air 200 arrives. In **1994**, the fleet comprises 2 each King Air 100s and King Air 200s, 1 Cessna 207, 1 Beaver, and 1 Islander.

Operations continue apace in **1995**.

A float-equipped DHC-2 crashes while taxiing after landing in Karluk Lagoon, about 67 mi. W of Kodiak, on September 28; although the aircraft is badly damaged, the pilot is not hurt.

In November, a Beech 1900C Airliner, first flown by **Business Express**, is purchased from Piedmont Aviation Services' new Airliner Sales Division. It is employed in a combi role in scheduled and charter operations.

Airline employment stands at 40 in **1997–2000**.

WILHURI, O/Y. See FINNAVIATION, O/Y

WILKENAIR, LTD.: Kenya (1963–1987). Wilkenair, Ltd. is established at Nairobi's Wilson Airport in November **1963** to provide charter flights for tourists seeking to visit the country's wild game parks. Under the direction of A. Mayer, revenue flights commence with a single Piper PA-23 Aztec.

Over the next four years, the fleet is increased with a variety of small aircraft, mostly Pipers for which the company is a local dealer. The largest is a PA-31-310 Navajo added in **1967**.

Three years later, in **1970**, a scheduled twice-weekly roundtrip service is inaugurated from Mombasa to Mahe via Astove Island and Diego Suarez.

Commuter and charter operations are maintained until September 6, **1971**, when the company ceases trading.

Employing the dormant authority, new owners resurrect the carrier in **1986** as **Air Kenya Aviation, Ltd.** This new entity is merged with **Sunbird Airlines, Ltd.** in November **1987** to form **Air Kenya Aviation, Ltd.**

WILLIAM DEMPSTER, LTD.: United Kingdom (1948–1953). With a base at Blackbushe Airport, William Dempster forms his carrier in October **1948**; **Ciro Aviation, Ltd.**'s de Havilland DH 89A is obtained in November and employed to launch ad hoc charter operations. A second Dragon Rapide is acquired in January **1949** and during the year the two small aircraft fly a variety of short haul passenger and cargo charters in England and to the Continent.

On April 1, **1950**, the company takes delivery of two ex-**British South American Airways, Ltd.** Avro Tudor 5s. One of these makes a proving flight to Johannesburg on April 6. The success of this flight brings a close operating relationship with the South African charter company **Pan African Air Charter, Ltd. (PAAC)**.

During **1950–1951**, Dempster flies its Tudors to South Africa on behalf of PAAC, often encountering difficulties with the British government concerning various charges of impropriety, mostly involving low fares. Both Dragon Rapides are sold during the summer of 1950.

The Avro 689 Tudor 5 *President Kruger* with seven passengers is destroyed in a hard landing at Bovington on October 26, 1951; although the aircraft must be written off, there are no fatalities.

Although the South African charters continue, the company in **1952** increasingly concentrates on long-haul ad hoc charters to various destinations in North Africa and the Middle East. Another DC-3 is acquired in August. Airline employment at year's end stands at 53. During the spring and summer of **1953**, the Tudor is tasked to long-haul charters, including the transfer of a shipment of specialized lamps to Nairobi in April, while the DC-3 flies short- and medium-haul services to the Continent and to the Channel Islands.

Having lost considerable money in its legal battles over the South African arrangement and now making too little to remain in the black, William Dempster ceases flying at the end of the year, selling its DC-3 to **Dan-Air/Dan-Air Services, Ltd.** in **1954**.

WILLIAMS AIR: United States (1981–1984). Donald E. Williams Jr. founds this third-level carrier named for himself at Medford Lakes, New Jersey, in **1981**. Employing Beech 99s and Britten-Norman BN-2 Islanders, Williams provides scheduled passenger services between Philadelphia and Pittsburgh.

The recession and start-up costs conspire against corporate income and the carrier ceases flying in **1984**.

WILL'S AIR: United States (1982–1986). William R. Welch, president of Nantucket Aviation, establishes Will's Air, "The Little Airline with the Big Heart," at Nantucket Memorial Airport in **1982** to offer scheduled daily roundtrip passenger and cargo commuter flights to Boston and Hyannis. Employing 2 Piper PA-31-310 Navajos and 2 Piper PA-28 Aztecs, the carrier transports 53,159 passengers in **1983**, the first full year of operation.

Although traffic figures are not released in **1984**, the carrier does reequip itself with 5 Britten-Norman BN-2A Trislanders. These are employed to transport a total of 71,000 passengers in **1985**. Although these enplanements represent a traffic improvement, the cost of expansion proves too high.

After merger discussions with **Gull Air** fail, the cash-poor company closes its doors in January **1986**.

WILMINGTON-CATALINA AIRLINE: United States (1931–1940). When the **Western Air Express** contract to serve Santa Catalina Island from Los Angeles expires in May **1931**, it is not renewed. Instead, Philip K. Wrigley, the chewing gum magnate and Chicago Cubs owner, purchases the route and ex-WAE Loening C-2H Air Yachts and establishes a new company, Wilmington-Catalina Airline, to fly the title route. Service is started on June 6. Two Douglas Dolphin amphibians replace the Loening Air Yachts on the 27-mile route in October and the older aircraft are assigned to sight-seeing flights.

While lifting off the water west of Avalon on November 2, **1933**, one of the Dolphins turns crashes into the water (three dead).

The route is maintained throughout the **1930s** (it is not impacted by the **1934** "Air Mail Scandal" controversy), eventually receiving a CAB certificate on October 13, **1939**.

Meanwhile, on July 30, **1938**, the company purchases its first landplane, a Boeing 247D from Western Air Express Corporation. Having employed the marketing title Catalina Air Transport since mid-decade and now preparing to fly landplanes to a new Avalon airfield, the company is officially renamed **Catalina Air Transport** in August **1940**.

WILSON AIRWAYS, LTD.: Kenya (1929–1940). In order to review her late, expatriate husband's British business interests, so the story goes, Mrs. Florence Kerr Wilson in late January contracts with pilots Thomas Campbell-Black and Archie W. Watkins to fly her to England. Employing the Fokker Model 8 Universal *Miss Africa* owned by the flyers' **Kenya Aircraft Company, Ltd.**, the group departs for England on February 6, **1929**.

During the trip up, Mrs. Wilson convinces the two men to join her in plans to set up an airline when they get home. All realize the need to provide reliable air services to remote areas of both Kenya and Tanganyika. While in the U.K., the trio visits the de Havilland plant and makes arrangements to purchase a DH 60G Gypsy Moth.

Wilson Airways is officially established at Nairobi on July 13, with Mrs. Wilson as chairman, C. W. F. Wood as general manager, and Campbell-Black as chief pilot with Watkins as his No. 2. At the same time, **Kenya Aircraft Company, Ltd.** is disbanded. By this time, the Gypsy Moth has arrived and is christened *Knight of the Mist*.

Revenue charters to several nearby bush locations commence from a sheep field at Dugoretti Corner, Nairobi, and the fleet is increased with the addition of two more Gypsy Moths and two Avro Vs, one of which is named *Knight of the Grail*. In August, return flights are started from Nairobi to Dar es Salaam via Mombasa, Tanga, and Zanzibar.

Pilot M. C. P. Mostert joins the company during the first quarter of **1930**. Between April 29 and May 5, Mrs. Wilson, flown by Capt.

Mostert in a Gypsy Moth, undertakes a route proving flight between Johannesburg and Nairobi, stopping en route at Messina, Bulawayo, Livingston, Broken Hill, Ndola, Abercorn, Tabora, and Arusha. Flight operations are started by Capts. Campbell-Black and Watkins to bush destinations during the summer as two DH 80A Puss Moths arrive. One of the Avros is returned on October 7.

Beginning on February 24, 1931, Mrs. Wilson and Capt. Mostert conduct a route survey flight from Zanzibar to Dakar via Nairobi, Entebbe, Stanleyville, Bangui, Fort Lamy, Kano, Gao, and Bathurst. From Dakar, the pair head north via St. Louis, Fort Etienne, Villa Cisneros, Cape Juby, Las Palmas, Agadir, Casablanca, Tangiers, Seville, Madrid, Biarritz, Bordeaux, and Paris to London (Croydon Airport). The entire flight is made in 80 hrs. 40 min.

On July 4, the southbound **Imperial Airways, Ltd.** African flight makes a forced landing at Kibanga Port, some 15 mi. N of Entebbe. The mail recovered from the aircraft is taken by road to Kisumu and the next day is flown by Wilson Airways to Nairobi.

Weekly DH 80A Puss Moth Nairobi-Kisumu scheduled services are started by Capts. Campbell-Black and Mostert on July 8, thereby officially providing a feeder connection for the trans-Africa route of **Imperial Airways, Ltd.** An extra fee of 20c. is charged for letters flown by Wilson on this service. Return flights from Kisumu to Nairobi commence on July 12.

The colonial government of Tanganyika establishes its own feeder service in October. The premier mail flight is made from Dar es Salaam to Mombasa on October 21 via Zanzibar and Tanga. The post is transported by train from Mombasa to Nairobi, where it is picked up by Wilson Airways and flown to Kisumu. The first southbound multistop flight from Mombasa to Dar es Salaam is undertaken on October 22.

Nairobi-Dar es Salaam Puss Moth flights via Mombasa, Tanga, and Zanzibar, are started by Wilson Airways on August 18, 1932. These replace the experimental charters previously operated between Dar es Salaam and Mombasa by the colonial government of Tanganyika. The first service carries letters from Great Britain dated August 10. The first northbound flight from Dar es Salaam takes off on August 20. One of the Gypsy Moths is lost in a crash landing on October 16 under unknown circumstances.

A new DH 84 Dragon is acquired during the first quarter of 1933. In July, A. N. Francombe is sent to Dar es Salaam to open a branch office. Several pilots are hired to fly the Gypsy Moth and two Puss Moths dispatched with him. The new Dragon is lost in a Mombasa crash landing on December 8; no fatalities are reported.

In early 1934, **Imperial Airways, Ltd.** takes a financial interest in the company and supplies it with a replacement DH 84 Dragon. At this point, Capt. Mostert becomes general manager. One of the Puss Moths is sold and the new Imperial-supplied de Havilland is employed, on October 2, to initiate an extension on the Dar es Salaam route to Mafia. By the end of the year, Wilson's fleet includes 4 DH 85s, 3 DH 80s, 2 DH 84s, and 1 each DH 60 and DH 87.

Kisumu to Nairobi service via Kakamega, Eldoret, and Njoro begins on January 14, 1935. This route is replaced by two new weekly frequencies beginning on April 13: Kakamega to Watende and Nairobi to Nungwe via Lolgorien, Watende, Kitere, Kisumu, Musoma, and Mwanza.

The weekly service from Nairobi to Mafia is extended to Kilwa and Lindi on January 1, 1936. During the year, a branch office is set up at Kololo Hill, near Kampala.

A Dragon is lost on April 14, 1937 under unknown circumstances.

Following introduction of the Empire Air Mail Programme in June, Wilson Airways is given a feeder route. Beginning on July 1, the company flies all-up mail on its Kisumu to Nairobi route, connecting with **Imperial Airways, Ltd.** at Kisumu.

On July 3, a feeder service is also started between Nyeri and Kitale via Nakuru. Another route undertaken to connect with the British state carrier at Kisumu is begun on July 7: Kisumu to Lusaka via Nairobi, Moshi, Dodoma, Mbeya, Mpika, and Broken Hill. Dar Es Salaam to Dodoma flights via Morogoro are initiated on October 28.

Mrs. Wilson's company undertakes merger discussions with **Rhodesian and Nyasaland Airways, Ltd.** in 1938, but the talks are unsuccessful. Meanwhile, the fleet is reconfigured to include 1 DH 60, 2 DH 80s, 1 DH 84, 1 DH 85, 4 DH 89As, 1 DH 90, 2 Percival P.10 Vega Gulls, and 1 Klemm L.25A.

The only Leopard Moth is lost in a crash landing at Iringa on January 25, 1939 under unknown circumstances. On the outbreak of war in September, the carrier ceases many services, including its weekly Nairobi-Moshi-Mombasa flights on May 9, 1940. In September, the company is liquidated and its assets are acquired by the RAF.

Nairobi West Airport, which the company had set up in 1930, is renamed Wilson Airport in impressive ceremonies in 1958. Mrs. Wilson, who lives to witness the event, dies in 1966.

WINAIR: United States (1997-1999). The U.S. Winair is established by Richard Winwood at Salt Lake City in August 1997 to offer passenger charters throughout the U.S., Canada, Mexico, and Central America. Certification is received from the DOT in December.

Two Boeing trijets are leased—B-727-2Y5A is painted blue and white and a B-727-236 sports white, red, and black.

Upon receipt of FAA authority in early January 1998, the company undertakes its first charter, to the NFL Super Bowl, on January 25.

In March, bankrupt **Sun Jet International Airlines** files a reorganization plan. By mid-April, President/CEO Kent Elsbree's **Sun Jet International Sales**, via its subcontracts, offers daily flights from Orlando and Tampa/St. Petersburg to Newark and twice-daily roundtrips to Newark from Fort Lauderdale. These flights are operated by TransMeridian Airlines, **Sun Pacific International Airlines**, and the start-up Winair.

Summer scheduled revenue flights commence from Long Beach in May with a third leased "Baby Boeing" requested for delivery in July. In addition to the B-737-236, another B-737-2Y5A will also be received. Destinations visited include Las Vegas, Oakland, Sacramento, Salt Lake City, and Seattle.

On June 20, twice-daily (except Tuesday) roundtrips are started by **Sun Jet International Sales** from Fort Lauderdale to New York (JFK), along with daily return flights between Fort Lauderdale and Long Island MacArthur Airport at Islip, New York. Daily (except Tuesdays) roundtrips simultaneously commence from Islip to Orlando. These flights are performed by **Sun Pacific International Airlines**, **TransMeridian Airlines**, and Winair.

For the third consecutive year (Winair's first year of participation), the popular New York-Myrtle Beach air service operated by **Sun Jet International Sales** as "Myrtle Beach Jet Express" gives away one free golf play for every ticket purchased. Each passenger receives two rounds of championship golf at a choice of five courses from September 9 through February 28. Courses participating in this year's promotion are Angels Trace, Deer Track, Raccoon Run, Toski Links, and Wicked Stick.

In late August, the company begins a new contract, flying the Brigham Young University football team to all of its away games.

Special deep-discount, introductory, one-way Winair fares (as low as \$29 between Long Beach and Las Vegas) are offered on the carrier's own routes beginning on November 2. Two leased B-737-3U3s enter service on the West Coast in December. They are joined in the East by two B-747-4Q8s subchartered from the Turkish charter operator **Pegasus Airlines, A.O.**

A total of 203,000 passengers are flown during the year and revenues of \$4.93 million are generated. Unhappily, expenses are \$6.07 million, leaving a \$1.13-million operating loss. On a brighter note, a \$1.15-million net gain is celebrated.

Travel industry leader Lawrence Gelwix becomes chairman/CEO in January 1999, freeing owner Winwood to honor other commitments.

A new nonstop service is inaugurated by **Sun Jet International Sales** on March 4, from West Palm Beach and Orlando to Newark. The flight brings the total number of daily flights from Florida to New York to seven, including six daily (except Tuesday) roundtrips simultaneously reinstated from Fort Lauderdale to New York (JFK) and Islip. Once

more, the actual service is provided by aircraft operated by **Sun Pacific International Airlines**, **Transmeridian Airlines**, or Winair.

By the first quarter, **Sun Jet International Sales** has flown over 1,000,000 passengers on its "Myrtle Beach Jet Express." A second daily roundtrip "Myrtle Beach Jet Express" service is inaugurated on March 4. The B-737-3U3s depart late in the month.

Winair operates its portion of the Sun Jet schedule with the B-737-4Q8s from Turkey. These two aircraft are returned in April.

On May 13, the company introduces a unique "Dime-a-Mile" promotion, based upon statute miles from its Long Beach hub. Fares are computed as \$23 to Las Vegas (230 mi. x .10); \$31 to Oakland (310 mi. x .10); \$34 to Sacramento (340 mi. x .10); and \$54 to Salt Lake City (540 mi. x .10).

The next day, Christopher Kunze, Long Beach Airport manager, reveals that 188,000 passengers have flown in and out of his facility on Winair flights since November.

On May 17, the company becomes a marketing affiliate of the Long Beach Area Convention & Visitors Bureau. Henceforth, the booster agency will display the Winair logo in its advertisements and the airline will place Long Beach brochures in the seat-back pockets of its aircraft.

Following the June collapse of **Sun Jet International Sales**, Winair, which has lost \$15 million since November, is forced to shut its doors on July 8. The B-737-2Y5As and B-737-236s are redeployed to **Frontier Airlines (2)** by their lessor.

WINAIR, N.V. See **WIA (WINDWARD ISLANDS AIRWAYS INTERNATIONAL, N.V.)**

WIND RIVER AIR SERVICES. See **ARCTIC CIRCLE AIR SERVICE**

WINDHAM AVIATION: Airport Road, Willimantic, Connecticut 06226, United States; Phone (860) 456-4156; Fax (860) 456-2540; Year Founded 1974. Originally established in 1974 as the FBO at Hartford-Brainard Airport, over the next quarter century Windham also undertakes a variety of executive and small group passenger charters throughout the northeastern U.S. The company in 1998-2000 flies 1 each Beech Super King Air 200 and King Air 100.

WINDROSE AIR FLUGCHARTER, GmbH: Flughafen Tempelhof, Gat, Berlin, D-12101, Germany; Phone 49 (30) 6951 2400; Fax 49 (30) 6951 2404; Year Founded 1991. As soon as the opportunity to operate from Berlin's Tempelhof Airport is available in 1990-1991, Thomas Stillman elects to begin a nonscheduled air taxi and air ambulance from the formerly divided city. Six pilots are hired and revenue flights begin with 1 Cessna 500 Citation I, 1 C-550 Citation II, and 2 C-441 Conquest IIs.

WING AIRWAYS (PTY.), LTD.: South Africa (1978-1983). Organized at Krugersdorp's Lanseria Airport, Wing Airways begins scheduled passenger services in 1978 to destinations in the Cape and Transvaal provinces in support of the mining industry. Graeme Conlyn is chairman and Beech King Air 100s and Super King Air 200s are employed to link cities along a route from Lanseria to Kuruman and Aggeney, and Lanseria to Ulco, Lime Acres, and Postmasburg.

National Airways Corporation, a subsidiary of the Lonhro Group, acquires control of the company in February 1983 and the name is changed to **National Airlines (Pty.), Ltd.**

WINGED CARGO AIRLINES: United States (1946). Winged Cargo is perhaps the most unique of the many nonscheduled freight operations to spring up in the U.S. after World War II.

Established at Philadelphia during the first quarter of 1946, the company acquires one each Douglas DC-3 and war surplus WACO CG-4A glider. These are employed, beginning on April 24, to inaugurate the world's first—and only—commercial freight glider service.

The operation proves just a bit too unique and, after only a few trips from the Philadelphia to Miami and beyond to Havana and San Juan, traffic is too light to sustain.

WINGS AIRWAYS (1): United States (1976-1977). Wings Airways (1) is set up at Cincinnati by 24-year-old former **Eastern Air Lines** passenger service agent Pat Sowers and Charles Fugazzi, in the spring of 1976. Employing a single Piper PA-31-310 Navajo, the two inaugurate daily scheduled roundtrips on May 17 to Cleveland via Gainesville. Flights to Evansville, Indiana, are also offered. Unable to find sufficient capital to maintain operations, the company faces bankruptcy at year's end.

In February 1977, the tiny airline is purchased by Raymond and David Mueller, who reform it into **Comair**. In 1988, Sowers will found **Enterprise Airlines**, a corporate commuter.

WINGS AIRWAYS (2): United States (1976-1991). Pennsylvania Aviation, the FBO at Wings Field in Blue Bell, Pennsylvania, which already operates the air taxi service **Wings Charter Services**, establishes a scheduled airline division in late 1976. The initial fleet comprises 2 Britten-Norman BN-2 Islanders. Revenue flights are inaugurated in February 1977, linking the company's base with North Philadelphia Airport.

In 1978, this small regional's first full year, 18,173 passengers are transported by 2 Britten-Norman BN-2 Islanders. Passenger boardings jump 40.3% in 1979 to 25,000.

By 1980, traffic has increased by 35% to 34,416 passengers flown and 3 more Islanders are acquired.

Service is initiated in 1981 from Philadelphia to Dover, Delaware, and Millville New Jersey. Passenger boardings for the privately owned carrier jump 60.2% to 55,130.

The workforce is increased by 24.7% in 1982 to 121. Three BN-3 Trislanders are added to the fleet and twice-daily frequencies are started from Bellville to New York (JFK). Bookings climb by 36.7% to 76,194.

Frank McKeon becomes general manager in January 1983 and the company is forced to undertake major retrenchments as the result of recession and fiscal difficulties caused by expansion. The route system is cut back to a single route between North Philadelphia and Blue Bell and the workforce is reduced 32.8% to 84.

Enplanements for the year increase a slight 1.4% to 77,236.

In 1984, President Warren C. Meyers appoints James B. Vincenzo general manager. Operations continue apace and in 1985 enplanements reach 93,726. The fleet in 1986 includes 3 Islanders, 2 Trislanders, and 1 de Havilland Canada DHC-6-300 Twin Otter. Passenger boardings drop 5.2% to 88,834.

Fred Berkobin is president in 1987 with Joseph Woosley as general manager. The fleet now comprises 3 Islanders, 2 Trislanders, and 1 Twin Otter. Customer bookings fall again, dropping by 21.1% to 70,055.

James Vincenzo becomes president in 1988. Service is started to Washington, D.C. (IAD) and Cape May.

The new routes revitalize traffic totals as passenger boardings leap upward by 16.5% to 81,637.

The 110-employee regional has a rough 1989, as customer bookings decline 19.2% to 65,940.

Eight employees are laid off in 1990 and the fleet remains unchanged. Passenger boardings plunge to just 42,000. In light of deepening financial difficulties caused by war and recession, officials of the longtime Blue Bell-Philadelphia shuttle announce in April 1991 that scheduled flight operations will cease on June 14. Thereafter, charter operations continue.

WINGS ALLIANCE. See **AIR EUROPA, S.A., ALITALIA, S.p.A.; CONTINENTAL AIRLINES; KLM (ROYAL DUTCH AIRLINES, N.V.); NORTHWEST AIRLINES**

WINGS CHARTER SERVICES: Wings Field, 1501 Narcissa Road, Wings Field, Blue Bell, Pennsylvania 19422, United States; Phone (215) 646-1800; Fax (215) 628-3594; Year Founded 1972. WCS is the

nonscheduled division of Pennsylvania Aviation, the FBO established at Wings Field in 1972. Lightplane executive and small group charters commence to local destinations; they will continue even after the establishment of the concern's scheduled airline division, **Wings Airways (2)**, in 1976.

In 1990 the company employs 4 pilots dedicated to charter operations and flies 1 each Beech Super King Air 200, Beech 58 Baron, and Piper PA-31-350 Navajo Chieftain.

In 2000, President James Vincenzo's fleet includes 1 each Piper PA-31-310 Navajo, Beech King Air 90, and Beech 58 Baron. The latter aircraft is shared with **Wings Charter Services**.

WINGS EXPRESS. See AMERIFLIGHT

WINGS OF ALASKA: 8421 Livingston Way, Juneau, Alaska 99801, United States; Phone (907) 789-9863; Fax (907) 789-2021; <http://www.alaskaone.com/wingsofak>; Code K5; Year Founded 1982. In June 1982, President Tom Horne's **Southeast Skyways** is purchased by Jim Shanks and Jim Lindsey. It is given the same name, perhaps inadvertently, as the famous clandestine CIA airline of southeast Asia, Air America.

The company is acquired by Bob Jacobsen, Juneau's Fire Chief Michael Fenster, and Drew Haag on November 1 and is renamed on February 22, 1983 as Alaska Juneau Aeronautics doing business as Wings of Alaska. Shareholding is divided between the three founders, plus Jacobsen's mother, Jerry, his sisters Karen Hansen and Kathy Elmore, Jim and John Jacobsen, and John Lucas, the state's Director of Audit and Management Services, who also provides fiscal advice.

Employing a fleet of 4 Cessna 207As and 6 Cessna 206s, the carrier inaugurates scheduled third-level passenger and cargo flights linking its Juneau base with Excursion Inlet, Gustavus, Haines, Hoonah, Kake, Petersburg, Angoon, Tenakee, and Skagway. As in its earlier years, the company undertakes charter and contract services to a variety of destinations in southeastern Alaska.

Operations continue apace in 1984-1989. The latter year is particularly successful, with passenger loads increasing nearly 30%, although much of the traffic comes about as the result of the FAA's closure of three competitors.

By 1990, President Jacobsen and Vice President-Operations Russell Schaub oversee a workforce of 25 in Alaska's fastest-growing commuter airline. The fleet now comprises 5 Cessna 206s, 5 Cessna 207As, and 2 de Havilland Canada DHC-2 Beavers.

Passenger boardings increase by 8.9% to 47,159 and revenues advance 8.3% to \$3.9 million.

The workforce is increased 11.7% in 1991 to 67 as 3 additional Beavers and 1 Cessna 207A are added. Customer bookings slide to 25,532 and a total of 998,555 pounds of mail are flown.

A Cessna 206 is withdrawn in 1992 and following his retirement from state government, John Lucas joins the company full-time. Enplanements advance 7% to 27,237. In 1993, they decline 7% to 25,433.

Passenger boardings continue to slide in 1994, dropping 5.2% to 18,920. Revenues also decline, to \$4.5 million. The workforce is increased a dramatic 56.9% in 1995 to 80 and the fleet now includes 5 Cessna 207As, 4 Cessna 206s, 6 Beavers, and 5 Otters. Still, enplanements fall 6% to 23,982.

There are no changes in either the employee population or fleet during 1996. Passenger boardings accelerate 4.8% to 25,144.

Company records in 1997 show that Wings has transported over 500,000 passengers and 15 million pounds of freight since its inception. Flight-seeing operations alone have carried over 25,000 passengers per summer over the Juneau ice fields and to the world-renowned Taku Glacier Lodge, built in 1923 and currently held by former **Ward Air** owners Ken and Michelle Ward.

Late in the year, a Cessna Grand Caravan is purchased for express services and a new hangar is constructed at Haines. Passenger boardings accelerate 8.2% to 27,206.

Service is maintained without fanfare in 1998. Customer bookings jump 12.1% to 30,000.

Passenger boardings climb 6% in 1999 to 75,000. A total of 55 workers are employed at the beginning of 2000, a 19.6% increase over the previous 12 months. Among these are 25 full-time pilots at Juneau, who fly the company fleet of 1 C-206, 2 C-207As, 2 C-208Bs, 6 Beavers, and 5 Otters.

WINGS WEST AIRLINES: United States (1979-1998). Wings West begins at Santa Monica in late fall 1979 as the outgrowth of FBO operator William J. Hirsch's desire to become a new entrant in the tough California commuter market and to replace **Sierra Pacific Airlines**, which had been sold and transferred to the Mammoth ski market. Mark Morro is named president/CEO and his original fleet consists of a single Cessna 402 made available on lease-back by Los Angeles attorney Carl A. Albert.

Revenue flights commence on November 11 over a route from Santa Monica to Mammoth Lakes. The CAB names the carrier the Essential Air Service (EAS) provider in the central coastal area: Santa Maria-San Francisco-Los Angeles and San Luis Obispo-San Francisco-Los Angeles.

Passenger boardings in 1980, the first full year of service, total 9,441.

In the spring of 1981, Santa Monica officials evict Morrow's airline in an effort to close the airport. Needing \$100,000 to transfer elsewhere, Morro approaches Albert and his partners. These gentlemen loan the carrier \$100,000 and purchase 25% shareholding for \$25,000. In return for their investment, the gentlemen require that the carrier be reorganized, with Albert as chairman, Morro as CEO, and Hirsch as president; at this point, it is named Wings West Airlines.

The company is now able to transfer its headquarters to Culver City, while a maintenance base is established to the north at Santa Maria. Two Beech 99s are placed in service to supplement the Cessnas and destinations now served include Los Angeles, Burbank, Santa Maria, San Luis Obispo, Sacramento, Fresno, San Francisco, Oakland, Mammoth, and Bishop. The Santa Maria and San Luis Obispo services are picked up upon the failure of San Luis Obispo-based **Swift Aire**.

Enplanements skyrocket 176% during the 12 months to 26,951.

The 190-employee company in 1982 acquires 3 Fairchild-Swearingen Metro IIs and 3 Beech 99s. During the year, the intrastate becomes an interstate carrier as its route network is expanded to markets in Colorado and Arizona.

Passenger boardings rise by 75% to 100,075. Revenues total \$2.63 million and expenses are \$3.54 million, leaving losses of \$903,000 (operating) and \$1.13 million (net).

Airline employment in 1983 totals 251 and the company adds two more Metros and two 99s. On January 19, one of the latter crashes at San Francisco (one dead). Later in the year, a new maintenance and headquarters facility, originally built by **Swift Aire**, is leased and occupied at San Luis Obispo.

Passenger traffic soars upward by 151.8% to 253,000 as the privately held company advances to the ranks of the "large regionals." Still, expenses of \$9.47 million (caused largely by a fare war with Palm Springs-based **Sun Aire**) atop revenues of only \$7.38 million force continued losses of \$2.09 million (operating) and \$2.34 million (net).

Growth continues apace in 1984. In May, the company "goes public," making a public stock offering that brings in \$3 million. A yearlong effort to place itself in better financial condition is undertaken, involving restructuring and stringent cost control measures. All Los Angeles (LAX) operations are relocated to **Trans World Airlines (TWA)** Terminal 3 on June 10.

Flight 628, a company Beech 99 with 2 crew and 13 passengers and a Rockwell Commander 112TC owned by Aesthetech Corporation Flight School on a training flight with two aboard, collide in midair on August 24 half way between Los Angeles and San Francisco near San Luis Obispo. All aboard both aircraft are killed.

Still, boardings for the year advance 42.3% to 360,075. A third straight deficit year is recorded, albeit smaller than the last. On revenues of \$14.95 million, expenses are \$16.33 million; the operating loss is down to \$1.38 million and the net decline drops to minus \$1.94 million.

After such traffic progress, 1985 comes as a major disappointment, one that will bring the resignation of CEO Morro and the assumption of his responsibilities by Chairman Albert. Early in the year, however, the

37,800-sq.-ft. ex-**Swift Aire** facility occupied at San Luis Obispo is purchased from the city for \$275,000. A second stock offering is made in October, which nets \$3.7 million.

Three Metro IIAs are sold at a profit, but, due largely to poor weather and increased competition from the new British Aerospace BAe 146-200 fleet of **Pacific Southwest Airlines (PSA)**, passenger boardings rise only 1.4% to 365,175 and revenues by 5.9% to \$18 million. Initial profits are, however, earned and total \$151,000 (operating) and \$1.52 million (net) atop revenues of \$22.92 million.

Upon the retirement of founder Hirsch, Chairman Albert is also appointed president on April 1, 1986; on June 1, the 490-employee carrier joins the "American Eagle" commuter network of **American Airlines** and its aircraft, painted in new livery, begin to serve the major at Los Angeles and San Francisco.

Enplanements for the year climb 22.8% to 408,480 and revenues ascend 27.3% to \$23.62 million. Expenses jump 31.3% to \$24.95 million and cause an operating loss of \$1.33 million. There is, however, a net gain of \$439,000. The losses are tied directly to the costs of the new code-sharing arrangement.

Airline employment in 1987 rises 36.7% to 670. President Albert and CEO Philip Ben-David operate a fleet of 5 Fairchild-Swearingen Metro IIAs, 16 Metro IIIs, and 4 Beech 99s. The first 2,000-passenger day occurs on June 26. In anticipation of a forthcoming ownership change, \$100 million worth of new aircraft are ordered in October and November for the Wings West fleet, including 15 British Aerospace BAe Super Jetstream 31s (for which it is launch customer) and 10 BAe ATPs, later known as Jetstream 61s. With 325 weekday departures, the company now serves 22 cities.

Late in the year, an agreement is signed selling the company to AMR Corporation, parent of **American Airlines**. Beginning on November 1, the major allows its new, about-to-be Eagle subsidiary to replace jet service on four routes between Burbank and San Francisco with five Convair CV-580s wet-leased in early spring from the onetime airline-turned-leasing-operator **Sierra Pacific Airlines**.

Passenger boardings increase 57.9% to 645,116 and revenues accelerate 29.1% to \$30.5 million. With costs barely held in check at \$30.49 million, the operating profit is a mere \$14,000; net gain increases to \$224,000. The net gain is cut in half to \$224,000.

The workforce is increased by 29.1% in 1988 to 865. The first ATP arrives in May and enters service in June. On August 9, the company officially becomes an AMR Eagle subsidiary, having been purchased by AMR Corporation for \$41.7 million. John Selvaggio is placed in charge as president and the fleet is increased by the addition of 13 Metro IIIs. The "new" Wings West now replaces its parent on the routes emanating from Burbank, which were acquired when **American Airlines** took over **AirCal**.

The year's enplanements increase 47.6% to 952,500.

The ATP is withdrawn in 1989 and the fleet is standardized on 39 Metro IIIs. Operations link the **American Airlines** San Jose and Los Angeles hubs with 24 California cities.

Passenger boardings climb a slight 1.3% to 964,995.

Bob Zoller becomes vice president-operations of the 865-employee large regional in 1990. The fleet now comprises 32 Metros and 4 Beech 99s and customer bookings inch their way up by 3.5% to 998,705.

Gene Hahn succeeds Bob Zoller as vice president-operations in 1991. The Beech 99s are withdrawn and replaced by eight SAAB 340Bs, while the number of Metroliners is increased by five.

Passenger boardings ascend a scant 2.3% to pass the million-mark in annual enplanements for the first time (1,021,680).

Airline employment stands at 1,280 in 1992 as 2 more SAAB 340Bs are added along with 29 BAe Super Jetstream 31s; the number of Metroliners is reduced to 25.

Customer bookings rise 12.1% to 1,144,833.

In 1993, President Selvaggio oversees a workforce of 1,249 and operates a fleet comprising 18 leased BAe Jetstream 31s, 2 leased Metro IIIs, and 30 SAAB 340Bs, 26 of which are chartered. In May, a new 54-

month contract is ratified between the carrier and the Transport Workers Union (TWU).

From the hubs at Los Angeles and San Jose, the carrier serves 25 cities: Bakersfield, Carlsbad, Fresno, Inyokern, Lake Tahoe, Las Vegas, Monterey, Ontario, Orange County, Oxnard, Palm Springs, Reno, San Diego, San Luis Obispo, Santa Barbara, Santa Maria, Visalia, San Jose, Burbank, Klamath Falls, Redding, Sacramento, Santa Rosa, and San Francisco. Several of these routes out of San Jose are new replacement services for **American Airlines**, which now closes its hub there in the face of stiff competition from **Southwest Airlines**.

During the late spring, Wings West also cuts back services at San Jose; however, during the summer, a decision is taken to increase operations from John Wayne Airport at Orange County. Employing SAAB 340Bs, the carrier, in September, inaugurates six daily nonstop roundtrips from the facility, near Los Angeles, to San Francisco. By October, the airline is serving San Francisco, Los Angeles, Las Vegas, Sacramento, and Tucson with 23 nonstop roundtrips per day from John Wayne Airport.

Passenger boardings for the year as a whole jump 9.6% to 1,297,676.

The fleet in 1994 includes 26 British Aerospace BAe Super Jetstream 31s and 32 SAAB 340Bs. When, during the spring, **American Airlines** withdraws certain jet services from Dallas/Fort Worth, Wings West dispatches 28 SAAB 340Bs to the Texas airport to take over or expand short-haul services to some 20 destinations in Texas, Arkansas, and Missouri; a few roundtrip frequencies are also flown daily to Nashville. As the only "American Eagle" company west of the Rocky Mountains, the J-31s and four SAABs remain in California to operate very short routes.

On December 9, the FAA places a prohibition on the operation of ATR turboprops, which comprise much of the American Eagle fleet. Fortunately, "American Eagle" President Robert Martens is meeting at AMR headquarters in Dallas with the presidents of the four confederated regionals and they are quickly able to come up with a plan to reconfigure the combined Eagle fleet around the country.

Under this scheme, six of the ATR42s displaced from the **Simmons Airline** fleet are sent to Wings West at Los Angeles, while Wing West dispatches its four SAAB 340Bs first to Texas, where they join the 28 others sent earlier, and then eventually to Chicago (ORD). LAX now has no SAABs, half a dozen ATRs, and 17 Jetstream 31s.

Customer bookings accelerate 23.2% to 1,598,914.

The workforce stands at 1,553 in 1995. The scattered fleet is gradually returned to its previous hubs between January and the start of the April 2 summer schedule.

In June, former **American Airlines** Vice President-Human Resources Mary Jordan is elected the carrier's president, becoming one of the very few female CEOs in the history of commercial aviation.

Enplanements soar 20% to 1,926,812 while freight traffic is also up, by 26.8%, to 279,000 FTKs.

The employee population is reduced by 9.9% in 1996 to 1,400.

"American Eagle" Flight 547, a SAAB 340B with 3 crew and 12 passengers, sustains an uncontained engine failure resulting in structural damage while on initial takeoff climb from Dallas (DFW) for Shreveport on July 1; no injuries are reported.

A passenger is seriously injured while disembarking from a SAAB 340B that has just arrived at Fort Smith, Arkansas, from Dallas (DFW), on September 20; the initial NTSB report on the matter does not state a cause.

Plans are made or actions completed to initiate code-sharing arrangements with **Hawaiian Airlines**, **Alaska Airlines**, and **Canadian Airlines International, Ltd.** An example of the value of these pacts can be seen in the agreement reached with **Reno Air** on October 15. As a result of this accord, dual-designator services are flown from Los Angeles to nine California cities and to Las Vegas.

The last 19 Super Jetstream 31s are replaced at year's end with SAAB 340Bs.

Passenger boardings this year slide 3.5% to 1,859,054.

The marketing agreement begins with **Hawaiian Airlines** on March 4, 1997. Under its terms, the two companies share codes providing connecting service for Hawaiian passengers from Los Angeles (LAX) to the

airports at San Diego, Orange County, Monterey, San Luis Obispo, Palm Springs, Bakersfield, Carlsbad, Fresno, and Las Vegas.

Another code-share agreement is signed by month's end with **Alaska Airlines**. Wing West flights in California and Nevada will connect with over 40 cities served by the major in the western U.S., Alaska, Canada, Mexico, and even Russia.

Under terms of the May agreement between the Allied Pilots Association and **American Airlines**, "American Eagle" pilots will be offered one of every two new-hire positions, but places limits on the stage length Eagle regional jet pilots may fly (550 nm.). Meanwhile, negotiations between representatives of ALPA and AMR's "American Eagle" subsidiary are completed and sent to the 1,900 pilots of Wings West, **Simmons Airlines**, **Executive Airlines**, and **Flagship Airlines** for ratification.

The new ALPA contract is ratified during the third week of August by a vote of 773 to 473. The 16-year compact provides for guaranteed annual pay increases of 7%, improved crew scheduling and reserve conditions, replacement of the four individual company contracts with one master "American Eagle" document, and a no strike-no lockout agreement.

Scheduled to connect with AA's nonstop service from San Jose to Tokyo (NRT), the carrier, on October 1, begins daily roundtrips from Los Angeles (LAX) to San Jose.

"American Eagle" Flight 3331, a SAAB 340B with 3 crew and 14 passengers en route from Santa Barbara to Los Angeles on December 11, encounters severe air turbulence at 5,000 ft. over Ventura, California. One flight attendant is seriously injured.

Passenger boardings inch up 1.3% to 1,883,929. Operating revenues fall 6.8% to \$169.34 million, while expenses decline 3% to \$158.11 million. Operating profit declines to \$11.22 million and the net profit plunges to \$475,000.

On January 15, 1998, AMR Eagle officials, led by President Daniel P. Garton, announce that the availability of regional jets, together with the previous August's single Eagle pilot contract and changes in the economics of the regional airline business, dictate consolidation. Consequently, AMR will integrate all four of its airlines into a single carrier by year's end.

During the second quarter, the new carrier's field services organization begins to take shape. A number of appointments are made at the end of April, effective July 1, including David Kennedy, who becomes senior vice president-operations, while **Flagship Airlines** vice president-flight operations is named AEA's vice president-flight operations under Kennedy.

Reporting to Senior Vice President-Field Services Ralph Criner will be six new hub vice presidents: Mike Costello at Dallas (DFW), Dave Brown at Los Angeles (LAX); Jacques Vachon at Miami (MIA); Robert Hamilton at New York (JFK); and former **Executive Airlines** President George Hazy at San Juan.

While en route from Fresno to Los Angeles on a May 13 positioning flight, a SAAB 340B is struck by lightning near Visalia; although all generators and emergency avionics power are lost, the uninjured pilot is able to make a safe landing at his destination.

In late May, the company's four semiautonomous carriers (**Simmons Airlines**, **Flagship Airlines**, **Executive Airlines**, and Wings West) begin a seven-month period of amalgamation into the single mammoth **American Eagle Airlines**, now viewed by AMR as a sister of **American Airlines**. The presidents of **Simmons**, **Flagship**, and Wings West are provided with appointments elsewhere within AMR and are replaced with vice presidents at each of the new airline's hubs. With Simmons as the core unit, **Flagship Airlines** joins the merger in May, followed by Wings West in June.

Simultaneously, agreement is reached with the Transport Workers Union of America for a new single-carrier contract. The agreement covers flight dispatchers, mechanics, and ramp-service personnel.

In June, the decision is taken to separately maintain the authority of Puerto Rico-based **Executive Airlines**, moving its operating certificate to Dallas (DFW) on July 1. The physical merger of that company into **American Eagle Airlines** is put off.

WINLINK, LTD.: St. Lucia (1982-1984). Winlink is established at St. Lucia in 1982 to provide scheduled passenger air services to destinations in the eastern Caribbean over routes that extend north from Dominica to Grenada. The first aircraft is a de Havilland Canada DHC-6-300 Twin Otter, which is employed to inaugurate services with shuttle flights between the island's Vigie and Hewanorra Airports.

With the arrival of a second Twin Otter in August 1983, the company is able to introduce regional services to Cane Field, Dominica, Barbados, Grenada, and Union Island. Unable to continue, the company closes its doors in October 1984.

WINNIPESAUKEE AIRLINES: United States (1968-1980). Winnepesaukee is established at Laconia, New Hampshire, in 1968 to offer scheduled third-level service to destinations in New England, including Boston, North Conway, and Worcester. Daily roundtrips are undertaken, beginning in June, with a fleet comprising 3 Piper PA-31-310 Navajos and a PA-31-350 Navajo Chieftain.

Operations continue apace for the next decade and by 1977 enplanements reach 10,722. Passenger boardings jump 44.2% in 1978 to 19,215 while freight increases 5.6% to 77,795 pounds. Customer bookings grow by 3.1% to 20,000 in 1979; cargo is up a huge 74.6% to 136,000 pounds.

The airline is purchased by and merged into **Precision Airlines** in January 1980.

WINNPORT LOGISTICS, LTD.: Winnipeg International Airport, 103-1821 Wellington Avenue, Winnipeg, Manitoba R3H 8G4, Canada; Phone 204 954-9200; Fax 204 954-9214; http://www.winnport.com; Code KN; Year Founded 1998. A consortium of 40 investors from the local financial and transport sector establish this freight concern at Winnipeg International Airport in 1993. Emphasis is placed on the forwarding of cargo aboard scheduled airliners flying between Canada and Nanjing and Shenzhen in China and to domestic locations. In 1998, the decision is taken to operate aircraft. A Boeing 747F is wet-leased from **Evergreen International Airlines** to operate thrice-weekly return flights from Winnipeg to Nanjing and Shenzhen. The Jumbojet cargo service is not a success, primarily because of the Asian economic crisis, and is withdrawn by year's end.

Although the company remains one of only three North American all-freight operations with access to China, it elects to hold off reentering the China market until it can see potential for a profit. Meanwhile, in mid-1999, Winnport elects to revamp its operation and to operate cargo between cities in the NAFTA countries. Authority is sought from the Canadian, Mexican, and U.S. governments for the operation of trans-border freighter service with a smaller plane.

At the beginning of 2000, President Lynn Bishop oversees a workforce of 32 (including 18 flightcrew). In February, **Kelowna Flightcraft Charter, Ltd.**, a major investor, provides a hush-kitted Boeing 727-25F under lease. The same month, Winnport receives its Canadian operators certificate and inaugurates scheduled, overnight, all-cargo service on behalf of the Royal Air Cargo division of **Royal Airlines, Ltd.** between Calgary, Edmonton, Hamilton, and Vancouver.

U.S. authority is received in March and the first ad hoc charter "south of the border" is flown on May 14 between Winnipeg and New York (JFK). Operating authority from Mexico is received in June.

WINWEST SHUTTLE: Fresno Airport, Fresno, California, United States; Phone (888) 594-6937; http://www.winwest.com; Year Founded 1998. WinWest Shuttle is established at Fresno in the fall of 1998 to offer \$59 one-way charter service to Las Vegas. Employing a single Boeing 737-200A, revenue flights commence in November, with three flights from California to Nevada and two return flights. Passengers on the company Web site are advised that the schedule may change during holiday seasons.

WIRA KRIS, LTD.: Malaysia (1976-1978). The Wira Kris Udara (WKU), a fifty-fifty partnership between the Malaysian Armed Forces Cooperative Society (Koperasi Tentera) and private business interests,

forms this charter carrier at Kuala Lumpur in October **1976**. WKU owns 70% control, while a 30% interest is taken by the Dutch Schreiner Group. A fleet of 2 de Havilland Canada DHC-6 Twin Otters, 1 Piper PA-34 Seneca, and 1 Cessna 177B is assembled.

Revenue flights begin from Subang International Airport early in **1977** and are maintained. Airline employment reaches 40 and the fleet is upgraded. There is no further information available concerning this airline and it may well have gone out of existence.

WISCAIR: United States (1978–1980). Owners of Whitman Aviation, an FBO at Waukesha, Wisconsin, set up a scheduled commuter division in late **1978** to take advantage of possibilities opened up by the signing of the Airline Deregulation Act in October. Employing a Piper PA-31-310 Navajo, scheduled daily passenger and cargo roundtrips are inaugurated to Chicago (ORD) and are maintained until **1980**.

WISCONSIN CENTRAL AIRLINES: United States (1944–1952). Having operated a de facto airline since 1940 for employees of his Clintonville, Wisconsin-based Four Wheel Drive Auto Company, President Walter A. Olen incorporates Wisconsin Central Airlines on May 15, **1944**. FWD Public Relations Director Francis M. Higgins is named the airline's first president and travels to Washington to lobby the CAB for route awards in the North Central area. Meanwhile, in **1945**, a new headquarters and hangar is built at Clintonville.

In March **1946**, a CAB examiner recommends against a route award for WCA, suggesting conflict of interest between the air transport and auto firms. Under the direction of former **Transcontinental & Western Air Lines (TWA)** executive and new Vice President-Traffic Hal N. Carr and employing the Howard DGA-15 owned at the time of its formation, the airline inaugurates an intrastate service to six Wisconsin cities on April 6.

When rental property is made available by the U.S. Army Air Forces, headquarters are transferred to Madison in July. Having proved its commitment by serving six cities, WCA ceases its expensive demonstration in November while, on December 19, the CAB reverses its examiner's ruling and grants certification on December 19, provided its association with FWD is severed. Although the corporate reshuffle is approved, WCA has difficulty raising the \$1 million in capital necessary for its start-up.

Hal N. Carr is named executive vice president in January **1947** and given responsibility for day-to-day operations. His workforce now totals 100 and WCA is recertified October 3. During the fall, three Lockheed Model 10As are acquired (the company is so cash starved that it can only paint one side of the first aircraft following its delivery) and service is inaugurated between Minneapolis (MSP) and Hibbing/Chisholm in Minnesota on February 24, **1948**.

A fourth Model 10A, first flown by **Trans Canada Air Lines, Ltd.** in 1937 and destined to hang in Ottawa's National Aviation Museum, is acquired in the spring as the route network grows to 1,028 unduplicated miles. The famous Herman mallard deck logo is introduced and enplanements for the year total 11,400.

Destinations visited in **1949** include Chicago, Milwaukee, St. Cloud, Stevens Point, Wisconsin Rapids, Rhinelander, Eau Claire, and Minneapolis (MSP), as well as smaller communities in Wisconsin and Minnesota. A fifth and a sixth Electra join the fleet and passenger boardings ascend to 32,630. The workforce at year's end stands at 228.

Operations continue apace and in October **1950**, success leads to the purchase of six Douglas DC-3s for \$450,000 from **Trans World Airlines (TWA)**. America's third largest local service carrier transports 100,000 travelers on the year.

In **1951**, the intrastate carrier, employing the advertising phrase "Route of the Northliners" is allowed to extend its routes into North Dakota and additional Minnesota regions. The CAB recertifies the company and despite objections from Vice President Carr, votes to reduce its service to help it save on expenses. Unable to accept this downturn, Carr resigns at year's end.

The situation does not significantly improve in **1952** and the USAF advises the company that it must abandon its rented headquarters. At this

point, President Higgins resigns and is succeeded by new Executive Vice President/General Manager Donald A. Duff. Arthur Mueller is named chairman and president and headquarters are moved to Minneapolis (MSP). In March, two more DC-3s are purchased, this time from **Eastern Air Lines**.

In November, Vice President Duff dies suddenly and his place is temporarily taken by Art Mueller, who himself resigns in early December. Wisconsin State Aeronautics Commission Chairman Howard Morey now becomes the company's leader. To celebrate its new locale, Wisconsin Central changes its name on December 16 to **North Central Airlines**.

WISE AIRLINES: United States (1983–1985). N. M. Michael establishes Wise at San Angelo, Texas, in **1983** to provide scheduled passenger and cargo services to intrastate destinations. Employing 1 each Beech 99 and Piper T-1040, Wise inaugurates daily roundtrips linking its base with Brownwood, Dallas (DAL), Midland, and Austin. Operations continue apace until late **1985**.

WOODLAND AVIATION: Yolo County Airport, Davis, California 95616, United States; Phone (530) 662-9631; Fax (530) 669-3144; <http://woodlandaviation.com>; Year Founded 1952. Woodland is originally set up as the FBO at Yolo County–Davis Woodland Winters Airport in **1952**. Over the next 45 years, the company also undertakes a variety of domestic executive and small group passenger charters.

In **2000**, Mary MacCormac is charter coordinator and she schedules the work of 6 pilots, who fly 1 each Beech 2000 Starship, Beech Super King Air 200, and King Air 90.

WOODLEY AIRLINES: United States (1932–1945). Arthur G. Woodley, employing a single aircraft, establishes a charter service known as **Woodley Airways** at Anchorage on April 10, **1932**. Return flights are undertaken linking that city with points in the southwestern part of the territory. A Post Office mail contract is acquired in **1934** and four years later, in **1938**, route certification from Anchorage to Kodiak and to the regions around the Kuskokwim River and Bristol Bay is obtained.

The fleet by decade's end includes 1 Lockheed Model 10 Electra, 1 Consolidated Fleetster 20A, and 2 Travel Air 6000s. A Stinson Model A is purchased from Frank Reynolds on January 31, **1940**. The aircraft is lost in a crash landing at Juneau on January 19, **1943**.

Two ex-U.S. Army Air Forces C-73s (military Boeing 247Ds) are obtained in July and August **1944** and are placed into service over a route from Anchorage to Juneau. On January 1, **1945**, another Stinson Model A is acquired from the military. Later in the month, the company is renamed **Stinson Airlines** and following various corporate arrangements, is retitled **Pacific Northern Airways** on August 23.

WOODLEY AIRWAYS. See WOODLEY AIRLINES

WOODS AIRWAYS (PTY.), LTD.: Australia (1947–1962). With financial backing from friends and acquaintances and a July 22, **1947** license from the Western Australian Transport Board, Captain James "Jimmy" Woods and his wife Mollie form this tiny airline at Perth on December 4. William Duff is named chairman, with Capt. Woods as managing director. After purchasing an Avro Anson, he begins a 26-mile-long, over-water, twice-weekly roundtrip service from Perth to Rottnest Island on March 5, **1948**.

One of the world's most meager carriers, flying over what its advertising calls "the smallest scheduled air line route in the world," the Woods service is maintained with the only change being the addition of two more Ansons.

In December **1961**, the government bans Ansons from undertaking passenger flights over water. As a result, the tiny airline must be closed. Woods and his wife make the final company run from Rottnest to Perth on December 29.

Company business is finished and its shareholders are paid off in January and February **1962**. The last Anson is sold on March 17 and Woods

retires to become the subject of Julie Lewis's biography *Jimmy Woods: Flying Pioneer*.

WORLD AIR FREIGHT, LTD.: United Kingdom (1947–1950). Capitalized at £15,000, WAF is formed at London on June 24, 1947 as an international all-cargo operation. An ex-military Handley Page HP 61 Halifax 8 bomber, converted to civil freighter standard, is obtained on November 26 and begins operations from London (STN) by month's end.

A second Halifax is delivered in January 1948. Company operations are moved to Bovingdon at the end of February. The two aircraft undertake a variety of long-haul charters during the spring and summer and destinations visited include Zagreb, Lydda, Geneva, Damascus, Bahrain, Rangoon, Nicosia, Basra, Karachi, Calcutta, Madrid, Villafranca.

The two aircraft fly fruit to the U.K. from Spain and Italy in July and August and on August 31 one ship is committed to the "milk airlift" from Belfast to Blackpool and Liverpool. While en route from Belfast on September 28, the Halifax *Trade Wind* crashes near Port St. Mary, Isle of Man (four dead).

The surviving Halifax, the *North Wind*, begins participation in the Berlin Airlift on October 6, flying cargo into the former German capital from Wunsdorf. After only seven sorties, the plane crash-lands near Gatow on October 8; although no one is killed, the aircraft burns out. A replacement Halifax is located in November and begins flying freight into Berlin, from Hamburg, on Christmas Eve.

A second Halifax is placed in service by World Wide in March 1949; however, the Christmas HP 61 crashes near Tegel Airport, West Berlin, on April 30 (4 dead), after having completed 255 airlift sorties.

The remaining machine successfully completes its German service and is withdrawn on August 15 after flying 264 sorties. Refurbished, the Halifax returns to commercial service from Bovingdon in October, flying textiles into the U.K. from Lille.

On January 20, 1950, the Halifax is damaged in a landing accident at Brindisi. Although it is repaired, the aircraft, with six aboard, smashes into Mount Hohgant, Switzerland, on April 16; there are no survivors. With the loss of its last aircraft, the company ceases operations.

WORLD AIR NETWORK CHARTER, LTD. (WAC): Japan (1991–1995). World Air Network is founded at Tokyo on February 8, 1991 as the first international charter airline in Japan and a subsidiary of **All-Nippon Airways Company, Ltd. (ANA)**. President Isao Kasuga's new entrant initially employs 87 workers and leases a single Boeing 767-381ER from its parent.

Revenue flights commence on March 2 from Fukuoka, Nagoya, Niigata, Oita, Okayama, Sapporo, and Sendai. Destinations visited come to include 15 locations, including Bali, Bangkok, Beijing, Brisbane, Cairns, Dalian, Denpasar, Guam, Hanoi, Hong Kong, Melbourne, Phuket, Saipan, Seoul, Shenyang, Singapore, Sydney, Tianjing, and Xi'en.

A total of 120 flights are made during the remainder of the year, transporting 11,500 travelers.

A second B-767-381ER is chartered in 1992 and passenger bookings swell to 63,000. Based at Singapore, the carrier in 1993 employs 16 Australian pilots and 40 cabin attendants from Singapore. It is announced in October that this subsidiary will begin to operate some of its parent's scheduled routes as a way of cutting costs; the first roundtrip replacement flights begin in early December between Tokyo and Singapore.

Service continues in 1994 as two more B-767-381ERs join the fleet. Overextended, the company is shut down in August 1995. Since its start-up, the company has transported only 78,000 passengers on 398 international charters; losses reach \$4.8 million.

WORLD AIRLINES, LTD.: United Kingdom (1995–1996). WA is established by U.K. automobile-leasing magnate Nick Stolberg at London (LCY) in early December 1995 to operate close-in scheduled passenger frequencies to Schiphol Airport in the Netherlands. Capt. Ray Johnson is named managing director and plans are announced to launch

flights in February, four times a day. It is also noted that services to Copenhagen, Vienna, Innsbruck, and Salzburg will follow.

Beginning on May 1, 1996, business-class travelers may undertake luxury flights to Amsterdam aboard a single British Aerospace BAe 146-200 leased from **USAir**. A total of 44 weekly frequencies are offered.

In August, **Air U.K., Ltd.** introduces a cheaper business-class service between the two points. Passengers flock to the less-expensive frequencies of World's rival, putting the new entrant into a fiscal tailspin. Plans to take delivery of a second **USAir** BAe 146-200 and the initiation of a new route to Copenhagen are put on hold.

On October 1, the BAe 146-200 is impounded at London (LCY) for nonpayment of landing fees. Without flight equipment, World goes into liquidation on October 10. **USAir** pays the landing fees to regain its BAe and **Air U.K., Ltd.** honors tickets held by passengers for World.

In November, the Turkish all-cargo **Star Airways (Star Hava Yollari, A.O.)** purchases the British start-up passenger carrier from music entrepreneur Stolberg. A spokesman for World suggests that the grounded airline will soon return to scheduled service. Executives at both airlines are apparently unaware that an airline owned by a non-European company cannot be based in the U.K.

World has the distinction of being the first casualty in a U.K. fare war that will soon engulf other low-cost carriers, such as **easyJet Airlines, Ltd.**, and majors like **British Airways, Ltd. (2)** and **KLM (Royal Dutch Airlines, N.V.)**.

WORLD AIRWAYS: 13873 Park Center Road, Suite 400, Herndon, Virginia 22071, United States; Phone (703) 834-9200; Fax (703) 834-9212; <http://www.worldair.com>; Code WO; Year Founded 1948. World is incorporated as a "large irregular" carrier under Delaware laws by founder Benjamin Pepper at Oakland, California, on March 29, 1948. It supposedly begins operations between the Marine Air Terminal at New York (LGA) and San Juan, Puerto Rico, with the 3 former **British Overseas Airways Corporation (BOAC)** Boeing 314 flying boats *Bristol*, *Berwick*, and *Bangor* purchased for \$50,000 total. Occasional charters are flown to the Foynes in Ireland. Later in the year, the B-314 *Anzac Clipper* is purchased from **American International Airways**. Unable to achieve viability, Pepper halts operations at the end of December.

In January 1949, the Berkoviche Steamship Company acquires World Airways from Pepper and leasing a Curtiss C-46 Commando from the War Assets Administration, reopens the San Juan service. An additional Commando is acquired for spare parts. At this time the three former British flying boats are sold for scrap and the *Anzac Clipper* passes into private hands at Baltimore, only to be destroyed in a storm two years later.

In a January–February 1995 letter to the editor of *Airliners*, Mike Hardy of Rustington, England, will demonstrate that the often-repeated account of World flying boat service is largely a legend.

In July 1950, Edward J. Daly, the son of a Chicago fireman, employing, according to another myth, \$50,000 in poker winnings, purchases 81% controlling interest in World while also assuming its \$250,000 debt. To cut overhead costs, company headquarters are transferred from New York (LGA) to Teterboro Airport, New Jersey. C-46 charters to and from Puerto Rico continue for the remainder of the year.

A Douglas DC-4 is leased from **Braniff International Airways** in 1951, but before it can be placed into service, it must be repaired following a gear-up landing accident at Brownsville, Texas. Meanwhile, a contract is won from the government, the company's first, to undertake supply runs on behalf of the DEW Line construction project in Canada. The Commando provides this airlift support while Daly seeks a second DC-4 to replace the terminated Braniff lease. An ex-military C-54 is purchased, but it must first be repaired and brought up to civil DC-4 standard.

Two DC-4s join the fleet in 1952–1954, replacing the C-46s. During these three years, the carrier's charter service is maintained and the contract service with the U.S. Military Air Transport Service (MATS) grows in volume. Daly is awarded an "on-call" contract, which entails the extension of flights to Frankfurt, Casablanca, Guam, and Oriental

destinations. An interim CAB supplemental certificate is granted to World on December 15, **1955**.

Chairman Daly makes headlines in **1956** by personally flying refugees from Europe to the U.S. following the Hungarian Revolt. Under contract, World's DC-4s make 14 transatlantic refugee flights to Vienna. Late in the year, company headquarters are moved from Teterboro to Oakland, California. On December 16, the company is given a MATS contract to open a daily interisland service between Tokyo, Manila, Okinawa, and Taiwan.

A DC-6A joins the fleet in **1957**, at which time the company is marketed as "The World's Largest Charter Airline." Chairman Daly now receives an "on-call" contract from the government to operate services as needed to any major destination in the Pacific. Operations continue apace in **1958-1959**.

World Airways begins buying up **American Airlines'** surplus Douglas DC-6A Airfreighter fleet in February **1960**. Seven units will be received by August. Meanwhile, the company receives a LOGAIR transcontinental military charter contract on June 15.

Flight 830, an MATS-chartered DC-6A/B with 8 crew and 86 passengers fails its climb from Agana, Guam, on September 18 and makes a forced landing (80 dead).

In January **1961**, three Lockheed L-1049H Super Constellations are leased from **California Eastern Aviation**, along with one formerly operated by **Transocean Air Lines (TAL)**. The final AA DC-6A, the former *Airfreighter Boston*, is delivered on April 7, followed by an ex-**Resort Airlines** L-1049H on May 3. Another DC-6A is purchased from **Northwest Airlines** on July 1 while a second L-1049H is purchased from the Argentine airline **Transcontinental, S.A.**

Having earned \$5.5 million in profits over the previous two years, in May **1962**, World becomes the first supplemental to order jetliners, the long-range Boeing 707-373C. The order is made largely at the insistence of the USAF.

All four of the L-1649A Starliners previously operated by **Deutsche Lufthansa, A.G.** are chartered, two each in July and two in October.

Meanwhile, two L-1049H Super Constellations are chartered from **KLM (Royal Dutch Airlines, N.V.)**. The three jetliners, the first convertible B-707s built, join the fleet early in **1963**. In September, the three **California Eastern Aviation** L-1049Hs are passed to **Slick Airways**.

The first of the new cargo planes enters service in July, completing transpacific MATS flights. Also in July, two L-1049H Super Constellations are chartered to **The Flying Tiger Line**.

One of the Stratoliners makes civil aviation history on August 20 when it flies the first commercial nonstop service between the U.S. and Japan; the flight from Oakland to Tokyo requires 9 hrs. 52 min. Another B-707-373C is delivered on September 26.

By the middle **1960s**, World Airways is the most successful and largest of all 13 American supplemental air carriers.

Airline employment in **1964** totals 516 and the fleet includes 10 aircraft. During February and March, two L-1649A Starliners, acquired earlier on lease from **Deutsche Lufthansa, A.G.**, are passed to the South African independent **Trek Airways (Pty.), Ltd.**, while one goes to Air Venturers and the fourth is returned to Germany. An L-1049H previously flown by **Resort Airlines**, is chartered on May 4 to **The Flying Tiger Line**. Simultaneously, an L-1049H is chartered to **Alaska Airlines**. Late in the year, Daly's carrier becomes the first to inaugurate service with convertible B-727-173QCs.

Enplanements during the 12 months total 72,806 and revenues are \$25,904,000.

The workforce in **1965** is level. Introduction of the new Boeings continues. Plans are unveiled for the construction of a new headquarters at Oakland. On May 27, President Daly personally pays \$152,500 to help reimburse 2,000 victims of a bankrupt travel agency that had booked tours via the carrier; he also arranges for free airlift back to New York for 1,200 travelers stranded in Miami and Hawaii.

On August 22, World reports the initiation of two nonstop flights between the U.S. East Coast and Honolulu, the first such service by a non-scheduled airline.

A total of 110,794 passengers are originated. Revenues are \$33,341,274 and expenses are \$20,479,768. The net profit is \$6.9 million, or 46% of all net income earned by U.S. supplemental carriers.

On April 5, **1966**, World becomes one of 10 supplementals to receive permanent CAB certification; simultaneously, it also receives authority to fly transatlantic jet charters. Thirteen days after the CAB makes that award, CEO Daly's airline becomes a public corporation, with an initial offering of 975,000 shares of common stock. At month's end, the two L-1049Hs leased to **The Flying Tiger Line** in 1963 are sold to that freighter giant.

On June 30, Daly takes delivery positions for three Boeing Model 2707 SSTs; none will ever be delivered. Permission is received on September 30 to provide group transport to markets in South America and the Pacific. The company begins participation in the transpacific airlift to Vietnam.

Enplanements are 227,000. Revenues for the year total \$40,074,796. Profits are \$21,346,228 (operating) and \$9,380,377 (net).

When the flight deck personnel of the L-1049H, with 4 crew and 28 passengers and chartered to **Alaska Airlines** fails to put the landing gear down, the Super Constellation makes a belly landing at Kotzebue on April 17, **1967**; there are no fatalities, but the aircraft must be written off.

Mr. Daly requests CAB permission on April 26 to offer low-fare scheduled transcontinental service, but is turned down. World becomes the first airline to receive the USAF Zero Defects Award. Construction is started at Oakland upon a new headquarters and hangar complex; the \$11-million facility will be known as the Air Center and International Headquarters.

At midyear, World, the nation's largest supplemental carrier, becomes the first in its classification to be listed on the Pacific Coast and New York Stock Exchanges.

The fleet now comprises 20 aircraft: 9 B-707-373Cs, 5 DC-6A/Bs, and 6 B-727-173QCs, including 9 jet freighters received since spring.

Charter boardings increase to 350,948 and 91.19 million freight ton-miles are flown. The year's revenues are \$70,272,371. Net income jumps in both operating (\$21,346,228) and net (\$14,464,338) categories.

Beginning in July **1968**, World provides rest and recuperation (R and R) flights for U.S. troops in Vietnam, flying them to Japan or Australia. It also earns the contract to fly *Stars and Stripes*, the military newspaper, to Saigon from Japan, where it is printed. The carrier leases a DC-9-55F on December 1 for a two-year period from **Trans Caribbean Airlines**.

During the next three years, the carrier's heroic flights into war-torn South Vietnam gain public notice. Flying servicemen, food, and supplies into that nation and Cambodia provide the grist for media focus.

The workforce is now 1,355. A total of 543,000 charter passengers and 91.36 million freight ton-miles are flown during the year. Revenues accelerate to \$84,292,000, but profits fall, both operating (\$19,067,828) and net (\$7,538,547).

The workforce in **1969** is increased to 1,300 and 545,000 charter passengers are flown. The nation's largest supplemental carrier has revenues of \$87,707,963 and enjoys huge profits: \$11,647,304 (operating) and \$4,729,759 (net).

Increased fuel costs, inflation, and Vietnamization bring a **1970** downturn. The year begins with several administrative changes, including the appointment of Howell M. Estes as executive vice president and the election of new board member actor Fess Parker. On February 25, the carrier joins with British Grand Hotels to offer British tourists a new group charter plan for a roundtrip to New York and a six-night hotel stay for \$213.

A strike by pilots, navigators, flight engineers, and flight attendants affiliated with the Teamsters Union, which begins on May 15, limits flights to those that can be made by supervisory pilots. After contracting with members of the Texas Intercollegiate Student Association for six charter flights to Europe, World is unable to carry them out as scheduled because of the continuing job action.

On June 5, the carrier seeks to transfer these groups to **KLM (Royal Dutch Airlines, N.V.)**, but this move is rejected by the CAB, which also challenges the "charter worthiness" of the student association. Having carried out its legal obligation to make alternate arrangements, even

though they fail, the company can do nothing further until the strike is settled, by mutual agreement, on July 4.

The order for Boeing 747s is cancelled in favor of a request for three DC-8-63Fs. In September, a B-707-373C is leased to **Pakistan International Airways Corporation (PIA)**.

A special Homecoming Fare is introduced in December, in cooperation with the United Service Organizations (USO), and allows a serviceman to fly roundtrip from Saigon to Oakland for just \$350.

Passenger boardings decline 36.6% to 345,000. Forty-seven new employees are hired during the year. Income falls to \$58,268,387 and despite an operating profit of \$1,144,550, a net \$970,030 must be absorbed.

During the **1970s**, World's fleet is gradually expanded. The three Douglas DC-8-63CFs are the first to arrive, beginning in March **1971**. During the year, the company also undertakes an eight-year contract to provide scheduled services on behalf of the Republic of Mali. From a base at Bamako, flights are undertaken employing three B-727-173s provided under lease. The Homecoming Fare program ends in December. Enplanements ascend to 375,326.

The workforce in **1972** totals 1,694. Norton Lilly & Company becomes the carrier's U.S. general cargo sales representative, while a major marketing agreement is signed with the Greyhound Lines for the promotion of worldwide air charter tours, inclusive and otherwise. Orders are placed for three B-747-273Cs and World takes delivery of three more DC-8-63CFs.

Passenger boardings for the nation's largest supplemental carrier increase 35.4% to 581,000, but freight traffic is down by 26%. Income is \$63.66 million and expenses are \$63.40 million. Consequently, profits are made: \$256,000 (operating) and \$5.57 million (net), the latter best in the nonscheduled industry.

Employment in **1973** is reduced by 62 workers. The company becomes the first charter airline to acquire wide-body aircraft when two nose-loading Boeing 747-273Cs join the fleet in May; they immediately enter service flying transatlantic military passenger charters. Three more DC-8-63CFs are also welcomed over the next eight months. The same year a new \$12-million company headquarters and maintenance facility, the World Air Center, is occupied at the Oakland base.

The maintenance subsidiary now offers itself as a major contract airframe engineering, overhaul, and modification operation available to the entire industry.

Operationally, World now also initially participates, in support of Islamic world carriers, in transporting Muslims from Indonesia, Algeria, and Niger on their Hadj pilgrimage. Within 20 years, Daly's airline will have provided more pilgrim airlift to the Islamic Holy Land than any other.

Charters are undertaken and maintained on behalf of both **Malaysian Airlines, Ltd.** and **Garuda Indonesian Airlines**.

En route from Travis AFB, California, to Yokohama, Japan, and Clark AFB in the Philippines on September 8, Flight 802, a MAC-chartered DC-8-63CF with a six-man crew, crashes into Mount Dutton, near King Cove, during its landing approach to Cold Bay airstrip in Alaska; there are no survivors.

In the fall, one of the B-747-273Cs is changed to all-cargo configuration and undertakes 12 missions to the Pacific for MAC.

The number of charter passengers increases by 46% to 848,000 while freight traffic rises 51.6%. These traffic figures temporarily reduce Daly's company to second place among American supplementals. Still, industry-best revenues of \$81.17 million are generated. Expenses, led by fuel prices, swell to \$91.52 million, leaving an operating loss of \$10.35 million. A million-dollar net profit is, however, realized.

The workforce of the world's largest charter carrier in **1974** reaches 1,017. The company wet-leases its DC-8-63CFs to **Garuda Indonesian Airways** and **Air Algerie, S.A.**, which operate them on Muslim Hadj pilgrimage flights to Saudi Arabia.

In addition, World begins to participate in two projects organized by Holiday Inn in Jordan. A third B-747-273 is received, and is then wet-leased to **Korean Airlines/Korean Air (KAL)**. The World Air Center's maintenance staff undertakes a contract to modify USAF KC-10 tankers.

Due largely to economic factors (as well as the end of the Indochina war), charter traffic is down. Boardings fall 17.3% to 700,000 and cargo declines a huge 47.7%, with much of the freight loss coming from concluded MAC business. Despite an 8.5% rise in revenues to \$84.51 million, expenses (led by fuel costs) jump to \$91.74 million. An operating loss of \$7.22 million is suffered, but thanks to the sale of the First Western Bank, net income actually rises \$20 million dollars to \$21.23 million.

The workforce in **1975** grows to 1,500. As the situation in southeast Asia deteriorates in the spring, World steps up its missions to and from that area. Between February 15 and 26, World aircraft operate an average of six roundtrip DC-8-63CF ammunition and military supply flights per day from Saigon's Tan San Nhut AFB to Phnom Penh. Chairman Daly himself pleads with authorities to allow foodstuffs to be taken to the starving people of the Cambodian capital. Beginning on February 27, the company is able to undertake a rice airlift to provide humanitarian relief.

On March 29, when North Vietnamese forces begin to envelop South Vietnam's second city, Da Nang, the U.S. government contracts with World to provide 20 roundtrip B-727-173C evacuation flights. After the first three, the contract is cancelled by the U.S. Embassy due to the worsening situation. Ignoring Department of State wishes, Daly enlists his crews to fly a mission into Da Nang Airport, under siege by the North Vietnamese and Vietcong, to evacuate civilian women and children.

Only one plane lands, because upon touching down it is rushed by thousands of people. Pushing people off with his pistol, Daly and fellow crew members are able to lift off successfully, even as "friendly" troops begin to fire on them. With people in every corner, including cargo holds and wheel wells, the "Last Flight from Da Nang" returns to Saigon with 368 "passengers." Of these, 60 are in the cargo pits, 8 are in the wheel wells, and the remainder are in the cabin, but only 11 turn out to be women or children.

Chairman Daly now makes international news when he airlifts Vietnamese orphans, in what was to become known as the "Baby Lift," from Saigon to Oakland. Returning to Oakland, Daly's final flight from Vietnam brings in 218 war refugees, of whom 57 are orphans for which the World official takes personal responsibility. The U.S. Immigration and Naturalization service attempts to fine World \$218,000 for his effort, but media and public outcries lead to a cancellation of the charge.

The company withdraws from Indochina after the fall of Saigon at the end of April. Chairman Daly receives the Aero Club's annual achievement award on June 25.

On the year, passenger boardings fall 20.8% to 554,184; however, freight is up by 16.42% to 36.84 million FTKs. On revenues of \$94.64 million, expenses are \$91.09 million and the operating profit is \$3.54 million. Although down from the previous year, a net profit is earned, \$7.47 million.

The number of employees is reduced by 5.1% in **1976** to 1,144. World signs a management and support contract with **Yemenia (Yemen Airways Corporation)** and provides three chartered B-727-173s. Company aircraft ferry a 28-unit motel from the U.S. to Dubai in late February.

A charter jetliner is grounded for 36 hours in Jackson, Mississippi, on May 31 by irate passengers, led by Hinds County Circuit Court Judge Francis Bowling, who are inconvenienced by delays in London and Bangor, Maine, as the result of the company's ongoing labor problems. Judge Bowling obtains a writ of attachment against the plane, which requires a day and a half for World to remove.

Customer bookings fall 35% to 358,466; however, cargo skyrockets 107.4% to 71.2 million FTKs. On revenues of \$70.23 million, expenses are \$79.54 million. This unhappy imbalance results in an operating loss of \$9.31 million. Other diversified activities, however, salvage the year financially and produce an overall \$2.17-million net gain.

By **1977**, the carrier employs 1,400 workers and operates a fleet comprising 1 B-747-273C, 5 DC-8-63CFs, 2 DC-10-30CFs, 3 B-727-173Cs, 1 B-707-373C, and 1 CV-440. Orders remain outstanding for 1 B-747-100F and 4 DC-10-30CFs.

Early in the year, permission is received from the CAB for the initiation of service to Canada and Mexico. The regulatory body also holds expedited hearings on an application for scheduled U.S. transcontinental flights.

Enplanements total 496,000 and a total of 11.4 million FTKs are operated.

Airline employment is increased 8.8% in 1978 to 1,740 and on February 9 a former **Continental Airlines** B-747-124SF is acquired. Most of the year is taken up with planning to meet Ed Daly's decade-old desire for scheduled service, which becomes possible following President Carter's signing of the Airline Deregulation Act on October 14. On November 13, the carrier agrees with Jetsave to a 3-year, \$60-million travel program centered on low-cost vacation flights between the U.S. and U.K.

Customer bookings jump 37.6% to 794,000. Freight, on the other hand, is down a whopping 78.4% to 6.39 million FTKs.

The employee population is increased by 49.4% in 1979 to 2,600. Initial \$99.99 scheduled, nonstop operations commence between Newark and Baltimore to Oakland and Los Angeles on April 11. The first U.S.-U.K. flight under the Jetsave contract is undertaken three days later. During the year and into the next, a fleet of four convertible McDonnell Douglas DC-10-30CFs is acquired.

Scheduled operations are suspended in June following the crash of an **American Airlines** DC-10 at Chicago. Although the wide-bodies are later available for return to duty, only passenger charters are operated, sporadically, for the remainder of the year due to a 132-day transport workers strike.

The company reports, on December 12, that its 1,300 pilots, flight attendants, and mechanics have ended a 4-month job action.

As a result of the strike, however, overall passenger boardings decline 18% to 651,000 and freight traffic plunges by 89.7% to 656,000 FTKs. Although a \$4.25-million operating loss is suffered, there is a net gain of \$11.38 million, the last profit to be shown.

Following a profitable performance, World Airways suffers a fiscal setback in 1980. Transcontinental service is restarted in February and a route to Hawaii is added. California to Honolulu service is expanded by two flights per day on April 15 because of the heavy demand generated by a special discount fare of \$69.99. New York to London standby fares are cut on July 30 by up to 50%.

Although these services cause enplanements to climb to 1,164,840, revenues for the newly reclassified "national" carrier cannot keep pace with costs. Expenses skyrocket 79.98% to \$229.37 million against an operating income of \$200.6 million, a boost of 62.84%. The company is therefore forced to absorb an operating loss of \$28.7 million and a net loss of \$28.2 million.

An annual relationship begins with **MAS (Malaysian Airlines System)** in March 1981 as Hadj pilgrimage flights to Saudi Arabia are flown on behalf of the Southeast Asian carrier. U.S. West Coast service to London and Frankfurt via Baltimore (BWI) is launched on a scheduled basis beginning in May.

Tragedy strikes on September 20 when, during Flight 32 from Baltimore (BWI) to London (LGW), flight attendant Karen Williams is crushed to death in the crew elevator of her DC-10-30CF.

Overall passenger traffic rises 42.9% as 2.03 million passengers are transported and 90.04 million FTKs are operated. Despite this success and a six-month International Commission on Migration Asian refugee transport contract, financial losses, some associated with the slowdown caused by the PATCO air traffic controllers' strike, continue.

Indeed, Chairman/President Daly seeks union concessions and demands the government re-regulate the airlines as a net loss of \$20.228 million is posted.

The fiscal situation does not improve in 1982 as the recession deepens.

While landing at Boston on January 23 after a flight from Newark, Flight 30H, a DC-10-30CF with 12 crew and 200 passengers, is unable to stop. The wide-body is steered off the side of the runway to avoid a pier and slides into shallow water, where, at a point 250 ft. past the end of the runway, the nose section separates (two dead). A salvage crew lifts the aircraft from its resting place eight days later.

Bomb threats, later proved false, result in the evacuation of 500—600 people on 2 DC-10-30CFs at Baltimore (BWI) on September 8.

Passenger bookings for the 1,700-employee carrier fall 19% to 1,651,000 as cargo plunges by 47.3% to 47.47 million FTKs. The

ledgers continue to be written in red ink. Revenues fall 21.29% to \$269.88 million and costs jump to \$282.45 million. The operating loss is \$12.57 million and a \$43.77-million net loss is suffered.

In 1983, World Airways opens a nonstop Newark–Oakland route, as well as one from Newark to Frankfurt. Comedian George Burns becomes the company's "official spokesman." The debt is reorganized and a number of creditors are paid off with preferred stock.

Passenger boardings drop 26.8% to 1,237,000 and freight is down by 1.9% to \$53.97 million FTKs. Costs of \$269.6 million and less than operating income of \$274.4 million and thus a turnaround operating profit of \$4.8 million is claimed. Unhappily, a \$29.38-million net loss is suffered.

Airline employment stands at 2,400 in 1984 and the fleet now includes 2 B-747-273Cs, 1 B-747-124SF, 8 DC-10-30CFs, and 2 DC-10-10s.

Chairman Daly dies on January 21 at the age of 6.

On February 18, a DC-10-10 comes within five miles of two USAF KC-135 tanker planes in flight over Topeka, Kansas, before the civilian pilot changes course.

Former **Western Airlines** Vice President Donald Beck is named president in April and immediately finishes a major recapitalization effort.

The company now changes its focus from charter to scheduled operations and records a passenger traffic increase of 30% as 1,604,000 customers are flown. Freight, meanwhile, balloons by 81.2% to 97.83 million FTKs. On the financial side, revenues, helped along by the national recovery, rise 17.7% to \$322.9 million, as costs climb only 16.1% to \$313.09 million. The operating profit of \$9.78 million represents a significant turnaround and hope is seen in the net loss of \$17.97 million, an improvement over 1983.

As 1985 dawns, the 2,200-employee World continues to provide both charter and low-cost scheduled air service to Saudi Arabia; from Hawaii to the U.S. West Coast; across America via Oakland, Los Angeles, Kansas City, and Baltimore (BWI), to Newark (EWK); and on to London and Frankfurt. The company constantly upgrades its scheduled service to a point where charter traffic totals only 19% of enplanements. The fleet now comprises 8 DC-10-30CFs, 2 DC-10-10s, 1 B-747-124SF, and 2 B-747-273Cs. In April, Jerrold Scoutt Jr. becomes board chairman and in June President Arthur Hutton becomes CEO.

While taxiing at Newark on July 18, a DC-10-10 nearly collides with a **PEOPLEExpress** B-727-227; more than 200 people are jostled, but none are injured. Late in the year, four DC-10-30CFs are leased to **United Airlines** in exchange for the charter of four DC-10-10s, better suited to its needs. To sweeten the arrangement, United pays an additional \$30 million and retires World's Dash-30 debt. The aircraft will be delivered to World later on in a new purchase scheme, complete with a new company logo.

Passenger boardings dip 3.2% to 1,568,000 and revenues jump 12% to \$360.23 million. Costs rise 11.5% to \$347.14 million and the operating gain is up to \$13.08 million. An unhappy \$9.47-million net loss is suffered, a 50% improvement over the previous year.

With its scheduled services continuing to be a significant drain on resources, the company's board, including chief stockholder June Daly, votes in summer 1986 to discontinue scheduled flights and, after making CEO Arthur Hutton vice chairman, seeks new leadership. The B-747-124SF is sold to **AVIANCA Colombian Airlines (Aerovias Nacionales de Colombia, S.A.)** in July.

After **Presidential Airways** purchases the charter operator **Key Airlines (2)** in July, the latter's president, T. Coleman Andrews III, is named president/CEO of World on August 25. In September, the carrier closes down all of its scheduled services, which account for the bulk of operations, and in an unprecedented success, World exits its scheduled experiment in an orderly fashion. In excess of 100,000 booked passengers are transferred to other airlines with minimal disruption and fiscal loss.

Additionally, 1,500 employees are laid off, the DC-8s are sold, and the leased B-727s and DC-10s are returned to lessors, the latter going back to **United Airlines** along with the new paint scheme and logo. The company successfully attempts to move into profitability, with a \$1-million fourth-quarter net gain showing the way.

Passenger boardings plunge 25.5%, as expected, to 1,368,000 and freight traffic is level at 115.8 million FTKs. Although exact financial figures are not made available, losses are reported as \$49 million (operating) and \$28 million (net).

In late winter 1987, stockholders approve the creation of a new holding company, WorldCorp. On March 1, the 1,300-employee charter operator **Key Airlines (2)** is acquired from **Presidential Airways** for \$18 million and becomes a wholly owned WorldCorp subsidiary, which will be operated separately from World.

The carrier's four DC-10-30CFs are sold and leased back and a B-747-273C is sold to **Evergreen International Airlines** in May. These aircraft transactions reduce long-term debt to \$23 million. Meanwhile, in order to be closer to the headquarters of the U.S. military, its chief customer, World moves its own headquarters cross-country to Washington, D.C. (IAD).

Effective on June 23, World Airways officially becomes the principal subsidiary of WorldCorp through the exchange of one common share of stock in the old airline for one in the new holding concern. The new subsidiary World Airways Cargo is created on October 5.

Customer bookings fall a dramatic 60.3% to 543,000 as the company works only charters and purposefully shrinks itself by two-thirds. Cargo is also down, by 13.4%, to 118.13 million FTKs. Revenues also decline, dropping 56.7% to \$101.2 million. Expenses are, however, held low and a \$14.9-million operating profit is generated, along with a net profit of \$7.8 million.

Airline employment is cut by 50% in 1988 to 650 and the fleet now includes 4 leased DC-10-30CFs and 8 B-727-173Cs.

Once again exclusively a charter operator, the airline boosts its enplanements by 2.5% to 454,000. Freight traffic recovers, rising a welcome 63.2% to 110.92 million FTKs. The airline's profits total \$22.4 million (operating) and \$22.9 million (net). WorldCorp as a whole reports revenues of \$167.5 million, up 17%, and net earnings of \$11.8 million.

The employee population increases 30.2% in 1989 to 479 and the fleet is increased by the addition of 3 DC-10-10s.

Customer bookings balloon 60.2% to 729,329 and cargo skyrockets 182.1% to 334.57 million FTKs. Revenues move upward 37.5% to \$173.6 million and these produce gains of \$27.79 million (operating) and \$31.4 million (net).

The fleet in 1990 includes the 3 new DC-10-10s and 5 DC-10-30CFs. Following the UN's decision to oppose Iraq's August 2 invasion of Kuwait, World begins to transport U.S. servicemen and women to the Persian Gulf in support of Operation Desert Shield. Despite its new-won military contract, the carrier actually suffers a downturn in traffic.

Passenger boardings fall 29.2% to 516,000 and freight is off by 33.3%, to 223.31 million FTKs. Revenues, however, advance by 40.34% to \$243.68 million and stay ahead of costs, which rise 54.54% to \$225.4 million. Still, operating income falls to \$16.98 million and net income is down to \$10.67 million.

A fourth DC-10-10 joins the fleet in 1991 as the 725-employee company continues to fly in support of the UN Persian Gulf commitment, now labeled Operation Desert Storm.

Despite this activity and the introduction of a new color scheme in the fall, the pioneer supplemental suffers a bad traffic year as customer bookings decline another 6.8% to 481,000 and cargo is off by 23.7% to 170.32 million FTKs.

Still, profits are made. Revenues drop 6.5% to \$226.59 million, expenses fall 6.23% to \$211.34 million, and an operating profit of \$15.24 million is generated. Net profit doubles to \$20.48 million. Parent WorldCorp is also profitable, earning an operating profit of \$13.4 million and net gain of \$10.4 million.

The fleet in 1992 includes 5 DC-10-30CFs and 4 DC-10-10s. In April, British Aerospace plc Executive Vice President Russell L. Ray Jr. is elected to the board of directors. Ray had been the last president/CEO of **Pan American World Airways (1)**.

During the summer, World flies U.S. Olympic athletes to Barcelona. A contract is signed with **Japan Air Lines Company, Ltd. (2)** on Oc-

tober 9 under which the carrier's new subsidiary, World Flight Crew Services, will provide the Japanese megacarrier with pilot training for three years at a fee of \$16 million per annum.

The following week, a letter of intent is signed to sell the **Key Airlines (2)** subsidiary to Savannah, Georgia-based Savannah Aviation Group for \$7.25 million. At the same time, the company elects to take leases on 10, later 11, MD-11s with which to replace the DC-10s.

In the fall, the company participates in the Bosnian relief effort and in December is called to assist in Operation Restore Hope in Mogadishu, Somalia.

Passenger boardings decline 35.6% to 410,000 and freight is off by 49.8% to 85.54 million FTKs. Revenues fall 11.6% to \$200.28 million, expenses drop 7.7% to \$194.98 million, and operational income slides 2/3 to \$5.28 million. Net gain tails off to \$6.44 million. Finances at parent WorldCorp slip, even after **Key Airlines (2)** is sold in the fall. Revenues descend 28.5% to \$200.4 million, but costs are higher and force losses of \$5.29 million (operating) and \$6.44 million (net).

The payroll is increased by 24% in 1993 to 598 as President Charles Pollard's carrier continues to fly missions in support of Bosnian relief and Operation Restore Hope. On March 30, World takes delivery of the first 4, in passenger configuration, of an 11-aircraft order for McDonnell Douglas MD-11s; an order is outstanding for an MD-11F. Civil scheduled passenger operations are resumed on April 1 and in addition, plans are made to offer scheduled round-the-world all-cargo services from the east coast to Europe, the Orient, and to the West Coast.

On May 1, three MD-11s are wet-leased to **Garuda Indonesia** for Hadj flights to Saudi Arabia and the fleet now comprises 6 DC-10-30CFs, 2 DC-10-30s, and 6 MD-11s. William F. Gorog is named chairman on May 15, succeeding W. Jerold Scoutt Jr., who retires, but remains a director.

On August 2, World is one of seven carriers to win an Air Force contract to provide long- and short-range international airlift services under the Civil Reserve Air Fleet program; the pact is valued at \$94 million.

Malaysia Helicopter Services, Sqn. Bhn., a subsidiary of the telecommunications company Technology Resources Industry Berhard, which also controls **Malaysia Airlines, Ltd. (MAS)**, purchases a 24.9% stake in the airline during November for \$27.4 million. Added publicity is obtained this year when a company DC-10-30 appears at the end of the Kim Basinger and Val Kilmer adventure film *The Real McCoy*.

Customer bookings for the year inch up 0.4% to 482,000, but cargo slides 6% to 216.64 million FTKs. Revenues rise only to \$201.52 million, while expenses jump 7% to \$208.84 million. As a result, the operating loss worsens to \$7.32 million. The net loss grows to \$9.04 million.

Airline employment is increased by 25.4% in 1994 to 750. Part of the traffic rights to South Africa granted to **USAfrica Airways** are sought from the DOT; they are not received and planned scheduled frequencies to Johannesburg cannot begin. On June 2, the DOT proposes reducing the number of **El Al Israel Airlines, Ltd.** flights between New York and Tel Aviv in retaliation for the Israeli government's refusal to allow World to start scheduled service over the same route. The proposal does not take effect—and World is not certified for the route by the Israelis.

Malaysia Airlines, Ltd. and **Malaysia Helicopter Services, Sqn. Bhn.** join with World on June 15 to forge a code-sharing deal under which the three will operate a joint freighter service to Europe and the U.S. using a World MD-11. The tripartite alliance takes effect on June 19 when a weekly service is opened from Kuala Lumpur to Amsterdam via Dubai and a second is started from Kuala Lumpur to Los Angeles via Penang, Taipei, and Anchorage.

Two MD-11 passenger aircraft are chartered for six months to **Malaysia Airlines, Ltd. (MAS)** in October. Also during the fall, World is finally granted permission to inaugurate scheduled flights to Tel Aviv from New York, beginning in the first quarter of the following year.

An MD-11 is wet-leased to **Ghana Airways Corporation** in November, while, simultaneously, an MD-11F and two DC-10-30s are also chartered to **Malaysia Airlines, Ltd. (MAS)**. The former aircraft is employed to inaugurate twice-weekly New York to Accra flights for six

months on behalf of the renter. Also during the month, over \$70 million worth of new one-year military charters are acquired from the U.S. government.

Plans are made to initiate the scheduled Israel service next July. Simultaneously, the company again files for scheduled services to Accra and Johannesburg, seeking to acquire the route authority of defunct **US-Africa Airways**.

Passenger boardings advance by 4.6% to 294,000 while freight plunges 57.9% to 74.05 million FTKs. Revenues total \$203 million, but a \$9-million net loss is suffered atop a pretax loss of \$5.2 million.

The workforce stands at 838 in 1995, a huge 73.1% increase. In addition to the three aircraft already leased, the company charters a fourth MD-11, an MD-11CF, to **Malaysia Airlines, Ltd. (MAS)**.

Scheduled thrice-weekly MD-11 passenger service begins on July 2 from New York to Tel Aviv, but falls well short of expectations. Meanwhile, federal government shutdowns force cancellations in the carrier's Brazil-U.S. charter program. A code-sharing agreement is entered into with **Continental Airlines** that is designed to improve results on the scheduled front.

In mid-September, WorldCorp spins off World Airways, its largest division, into a separate publicly traded company; when news of the impending public offering of World Airways stock gets out, WorldCorp stock prices are pushed to record levels. As part of the arrangement, Chairman Andrews agrees to sell most of his holdings.

Enplanements surge 31.1% to 737,363 and 523.3 million freight FTKs are operated, a gigantic 90.7% growth. Operating income accelerates 43.6% to \$259.48 million as costs move ahead by 34% to just \$249.14 million. The previous year's losses are turned into profits: \$10.34 million (operating) and \$8.89 million (net). The loss figures are later rewritten and deepened to \$15.89 million and \$14.14 million, respectively.

The employee population is reduced 8.6% in 1996 to 766. The first two MD-11ERs manufactured are received under lease from their builder during April. They will be wet-leased to **Garuda Indonesia** for use on that flag carrier's Hadj flights to Saudi Arabia.

Charles W. Pollard is named CEO at the WorldCorp annual meeting on May 22, succeeding T. Coleman Andrews III, who becomes board chairman. Ahmad M. Khatib is appointed chief operating officer with Vance Fort as executive vice president.

On June 6, a new code-sharing agreement with **Continental Airlines** takes effect. Not only does World transfer four of its long-haul flights to Newark to connect with Continental's, but the two offer weekly dual-designator nonstop flights to Johannesburg, Tel Aviv, Dublin, and Shannon as World inaugurates its new South African service on June 23.

On June 25, a company spokesman announces that World will drop its money-losing European scheduled charter business and will take a \$2.7-million charge loss for the second quarter for the discontinued business. The flights in question end on July 31.

On August 1, a \$55-million contract is signed with the USAF for the transport of military personnel to U.S. bases in the Far East, Europe, and the Mideast for a year. The award is the 40th consecutive annual contract that the carrier has won from the USAF.

Regularly scheduled passenger service between New York and Johannesburg is halted on August 23, while the route from New York to Tel Aviv is dropped on September 3; the suspensions allow the carrier to focus on its more profitable charter and cargo business. Arrangements are, however, made with **Tower Air** and **Trans World Airlines (TWA)** to honor Tel Aviv ticketing and with **South African Airways (Pty.), Ltd.** to care for Johannesburg passengers holding tickets valid beyond August 23.

In September, the company begins to develop a core, long-term wet-leasing strategy that will prove lucrative. Similar to those offered by **Atlas Air**, these aircraft, crew, maintenance, and insurance (ACMI) contracts provide customers services for a fixed price.

Flight 201, an MD 11 with 14 crew and 268 passengers, runs off the end of runway 11 at Buenos Aires after landing on November 6 and be-

comes mired in the mud. All occupants deplane through the passenger door using external stairs and no injuries are reported.

By December 31, the carrier is able to claim the honor of having provided more contract airlift services to the U.S. Department of Defense than any other airline.

Passenger boardings (scheduled and nonscheduled) skyrocket 76.9% to 1,304,475 even as cargo plunges 42.7% to 300.08 million FTKs. Revenues jump 27.7% to \$309.58 million while expenses accelerate only 27.1% to \$287.94 million. Operating gains advance to \$21.64 million and a net \$18.35-million net profit is posted.

The employee population is cut 2.1% in 1997 to 750. On January 6, the carrier signs a \$30 million ACMI agreement with **Garuda Indonesia**. Under its terms, the company will provide the carrier with flight crews, maintenance, four MD-11s, and two DC-10-30CFs between May and September and perform Hadj flights for Muslim pilgrims to Saudi Arabia.

President/CEO Pollard, who had given notice that he would not return upon the expiration of his contract in December, resigns under board pressure on March 14. Chairman Andrews becomes acting president and heads a search committee for a new CEO. A member of the World Airways board for four years, Russell L. Ray Jr. succeeds President Pollard, initially on an interim basis, on April 4. The post will become permanent before the end of the year.

In late May, an MD-11 is wet-leased to the Belgian low-fare carrier **City Bird, S.A.** A month later, a DC-10-30CF is wet-leased to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)** for six months; the aircraft is placed into service on behalf of Brazil's No. 2 carrier, transporting cargo from various South American destinations to Miami.

After having received a substantial payment from **Philippine Airlines (PAL)** on July 11, World and PAL resolve a contractual dispute that allows two MD-11s leased to the Asian airline to be placed elsewhere during the third quarter. PAL agrees to operate two other MD-11s currently in its fleet until February 1998.

World's contract with the USAF is not only renewed on August 6, but increased by 35% to \$74 million. Military personnel will continue to be flown to and from the U.S. from bases in Europe, the Far East, and Mideast. It is anticipated that ad hoc awards will again add \$15 to \$25 million to the value of the contract.

On September 18, the airline repurchases 3.2 million shares of its common stock from parent WorldCorp for \$7.65 per share. During the remainder of the month, World repurchases an additional 773,000 shares of its common stock from WorldCorp and other shareholders.

An MD-11 strikes its tail while landing at Montevideo, Uruguay, on October 24, causing it to be out of service for two months.

Also during the month, the carrier completes a private offering of 8% senior subordinated debentures due in 2004. The \$50 million raised will be employed to pay down debt, for working capital, and for general purposes.

An MD-11F experiences a hard landing at Montevideo on October 31; although none of the crew is hurt, it will take two months to repair the aircraft and return it to service.

Former Overnite Transportation President/CEO James Douglas is appointed executive vice president/chief financial officer on December 1. On December 30, **Aer Lingus Irish Airlines, Ltd.** comes to terms with World for the charter of an MD-11 between May and October next. The Irish state line thus makes a change after two years of employing a **Caledonian Airways, Ltd.** Lockheed L-1011 TriStar on its summer services between Dublin and Newark.

The year's passenger boardings plunge 42.2% to 294,000, while freight falls 35.2% to 3.8 million. Operating revenues decline 13.2% to \$309.41 million, while expenses drop 19.8% to \$292.55 million. As a result, the previous year's operating loss is turned into a \$16.85 million operating gain, while the net loss becomes a welcome \$11.26-million net profit.

El Al Israel Airlines, Ltd. is the first ACMI lease customer of 1998, agreeing on January 14 to charter an MD-11 for use on summer tourist flights between Tel Aviv and the U.S.

On February 3, a lease is signed with **Garuda Indonesia** for the operation of six MD-11s for the upcoming Hadj season, from March through early May.

U.S. Secretary of Transportation Rodney E. Slater and Japanese Transport Minister Takao Fujii are the principals for the formal signing of the new U.S.-Japan bilateral air agreement in ceremonies at Washington, D.C. (IAD) on March 14. A preliminary document had been initiated by their representatives on January 30.

The company celebrates its fiftieth birthday on April 6 and two days later, the U.S. signs a new bilateral air agreement with France.

On April 29, effective in mid-May, **STAF (Servicios de Transportes Aereos Fuegoños, S.A.)** of Argentina wet-leases a McDonnell Douglas MD-11F from World for a three-year period. Painted in STAF colors, the jet freighter will be placed on the Argentine line's services to the U.S.

To cut costs, the six MD-11s out on lease to **Garuda Indonesia** for Hadj services are returned by the Jakarta-based flag carrier on May 6. Simultaneously, Garuda announces that it will retain its five DC-10-30s, using them to help cover the capacity lost with the return of the MD-11s.

On May 13, effective in mid-May, an MD-11 is wet-leased to **Monarch Airlines, Ltd.**

On May 21, World announces the signing of its seventh wet-lease contract since the beginning of the year. In addition to ACMI agreements with **Aer Lingus Irish Airlines, Ltd.**, **Air India, Ltd.**, **El Al Israel Airlines, Ltd.**, **Florida Jet**, and **STAF (Servicios de Transportes Aereos Fuegoños, S.A.)**, this latest arrangement again calls for delivery of a freighter to **VASP Brazilian Airlines (Viacao Aerea Sao Paulo, S.A.)**.

The wet-lease with **Monarch Airlines, Ltd.** is simultaneously started. Repainted in modified colors, the aircraft will operate five weekly return flights between Manchester and Orlando and weekly return service between Manchester and Las Vegas, through November 1.

The VASP MD-11F enters service for six months on June 1.

World Chairman Andrews is named the new CEO of **South African Airways (Pty.), Ltd.** on June 15, effective July 1, succeeding Michael Myburgh. Coleman indicates that he will relinquish his chairmanship and board seat and soon move to Johannesburg, but will retain his 46% stake in World. As the two companies do not plan to do business together, no conflict of interest is anticipated.

Two days later, on June 17, President/CEO Ray is elected to become World's new chairman.

On July 30, World signs its 43rd consecutive annual contract with the USAF Air Mobility Command. Effective in the next fiscal year that begins in October, the agreement is valued at \$86 million.

On September 27, **VARIG Brazilian Airlines (Viacao Aerea Rio-Grandense, S.A.)** agrees to lease four of the MD-11s returned by **Garuda Indonesia**. One is delivered immediately, with the other three to sent down once they have undergone a certification check.

A \$2-million wet-lease contract is signed with the TACA Group of Central American airlines on October 31. Under its terms, World, beginning on November 1, operates a DC-10-30CF four to six times a week from Miami (MIA) to San Jose, Costa Rica, San Salvador, and San Pedro Sula, Honduras. Flights will continue through the end of the year.

The contract with **Aer Lingus Irish Airlines, Ltd.** for the wet-leased MD-11 is renewed on November 9. The wide-body will continue its transatlantic passenger services through the holiday season and into January, as well as between May and October 1999.

Led by the New York-based Rothschild Recovery Fund, negotiations are held between the airline's creditors and the carrier's management concerning the restructuring of the carrier's \$65 million in outstanding convertible debentures. An agreement is signed on November 16.

On November 19, a \$3-million contract is signed with **AVIANCA (Aerovias Nacionales de Colombia, S.A.)**. Under its terms, a wet-leased MD-11 will be operated on AVIANCA's behalf on daily passenger services from Bogota to New York (JFK) between December 10 and January 17.

During the 12 months, customer bookings jump 24.9% to 368,000. Figures for cargo traffic are not provided. Total revenues for the year decline

by 12.4% to \$271.14 million, with expenses hitting \$274.31 million. There is an operating loss of \$3.16 million and a net loss of \$11.03 million.

Beginning in mid-February 1999 and continuing through the end of April, World provides a pair of MD-11s each to **Air Asia, Sqn. Bhd.** and **Saudi Arabian Airlines** under ACMI contracts to provide roundtrip Hadj services from various points to Mecca. One of the MD-11s had previously been out on contract to **Aer Lingus Irish Airlines, Ltd.**

It is announced by the airline on April 5 that, upon the retirement of Chairman/President Ray on May 1, the new CEO will be former **Continental Airlines, Delta Air Lines**, and **Air Canada, Ltd.** Chairman/President Hollis L. Harris. Ray will remain on the board.

Former **Delta Air Lines** and **AirTran Airlines** executive Andrew Gilbert "Gil" Morgan Jr. is named president/chief operating officer on May 12, effective June 1. New Chairman Harris continues to hold the position of CEO.

For some unknown reason, the two MD-11s employed on Hadj services for **Saudi Arabian Airlines** are been given the colors and titles of the old Saudia, more than a year after that carrier changed its corporate identity.

Under an agreement signed with Premier Cruises on March 1, World, beginning on May 23 and continuing through October 18, provides weekly MD roundtrips between New York (JFK) and Barcelona for passengers cruising on the holiday ship *Rembrandt*.

During the week of July 12, a number of initiatives designed to redress the carrier's failing finances are announced. A pair of DC-10-30s will each be returned to lessors three months earlier than originally scheduled, with one already returned and the second to be gone by month's end. The two other remaining DC-10s will be retired during the fourth quarter. In addition, lease agreements are being renegotiated for the eight MD-11s. In exchange for a reduction in monthly lease fees, lessors are to be provided warrants for the acquisition of a million shares of World stock at \$2.50 a share.

Also during July, a lucrative agreement is signed with Renaissance Cruises to provide exclusive services on its behalf between New York (JFK), Europe, and the Mediterranean. MD-11 Renaissance flights commence in August from New York (JFK) to Athens and Istanbul.

In exchange for financial considerations and salary reductions of 10%, World, beginning in September, issues common stock to all personnel earning in excess of \$25,000.

Officials at Renaissance Cruises are so pleased with their new partner that arrangements are completed on October 8 for a three-year extension of the July contract. For its part, World promises to add the capacity of one aircraft in April and June and expand the Renaissance route network to include visits to Lisbon and Barcelona.

Passenger boardings jump 31.7% to 482,000, while freight traffic falls 15.5% to 16.29 million FTKs.

The carrier's operating loss totals \$10.3 million.

A total of 835 workers are employed at the beginning of 2000, a 4.5% increase over the previous 12 months. Directors and employees now own 43% of the airline's common stock.

A total of five MD-11s are wet-leased to **Garuda Indonesia** in February for delivery of thousands of Muslim pilgrims from Borneo and Java to Jeddah during the annual Hadj pilgrimage. The same aircraft will return the faithful in April. World has now carried pilgrims from more Muslim countries to the Islamic Holy Land than any other airline in the world.

With the start of the summer season on March 26, an MD-11 is again chartered to **Aer Lingus Irish Airlines, Ltd.**; operated under an ACMI contract, it flies from Shannon to New York (JFK) six times a week.

To pick up the slack in Israel-U.S. frequencies caused by the termination of scheduled service by **Tower Air**, on June 18 **El Al Israel Airlines, Ltd.** boosts its North American return service from 21 to 33, with 27 of the frequencies operated into either Newark or New York (JFK). Many are operated under contract by World Airways. On June 22, arrangements are completed for the three-year lease of three DC-10-30Fs; deliveries will occur in October and December, plus May 2001.

Beginning on June 23 and continuing until September 11, nonstop twice-weekly MD-11 roundtrips are operated on behalf of Lambda World from New York (JFK) to Athens. Another MD-11 is also dedicated to Lambda customers flying nonstop from New York (JFK) to Tel Aviv or back twice weekly from July 2 through October 30.

World is named 16TH best-managed company among nonstate-owned major-sized airlines in the "2000 Index of Competitiveness" published by *Aviation Week and Space Technology* on July 10.

While en route from Newark to Tel Aviv on the evening of July 18, El Al Flight 18, an MD-11 operated under contract by World, is forced to divert to Gander when 19-year-old passenger Daniel Neuhaus becomes abusive toward other passengers. He locks himself into a toilet, where his smoking sets off an alarm; the crew and a doctor are unable to successfully calm the youth and rather than face a transatlantic flight with the unruly customer, the pilot puts down in Canada. RCMP board the plane and escort Neuhaus to jail, where he is charged with disorderly conduct and marijuana possession.

On July 20, World announces that it will relocate its corporate headquarters from Herndon, Virginia, to the Peachtree City area outside of Atlanta, Georgia, during the first quarter of 2001.

WorldCorp, Inc. is liquidated on August 17 and the remaining 1.9 million shares in the former holding company are redistributed to its various creditors in lieu of compensation. One creditor sells some 700,000 shares to a group of World directors and managers led by Chairman/CEO Harris. This gives the Harris group a 45% equity stake and takes World out of bankruptcy.

On September 21, the carrier is awarded an expanded \$127-million USAF Air Mobility Command contract to provide military charters in FY2001, beginning on October 1. A letter of intent is signed on September 29 for the acquisition of two more DC-10-30Fs. The next day, it is reported that the carrier has approximately 10,256,000 shares of common stock outstanding.

On October 16, **Garuda Indonesia** announces that it will lease 15 aircraft for the 2001 Hadj season (February–April), during which it anticipates the transport of 200,000 pilgrims to Mecca. As usual, **World Airways** is sure to be among the participating ACMI carriers.

On October 31, the board of directors approves a stock buyback of up to a million shares of its outstanding common stock.

A contract is signed with the state-owned Angolan fuel corporation Sonangol on November 10 for the February 2001 initiation of twice-weekly Houston Express return charter service from Houston (IAH) to Luanda, with a refueling stop at Cape Verde. The deal is consummated following the November 8 completion of a trial flight with an MD-11 wearing "Sonair" titles.

A DC-10-30 is chartered from **Continental Airlines** on November 17 and will be used to fly military charters. The plane arrives wearing full Continental colors with World titles.

Customer bookings during these 12 months drop 5.10% to 457,000. Revenues for the year are a flat \$264 million while costs rise 4.5% to \$261.9 million. The previous year's operating loss becomes a \$2.1 million gain.

WORLD BRAZILIAN AIR, S.A.: 75 Blvd. Louis Schmidt, Brussels, 1040, Belgium; Phone 32 (2) 735-6737; Fax 32 (2) 734-1481; Code S9; Year Founded 1997. Founded at Rio de Janeiro in 1994, **Skyjet Brazil, S.A.**, a subsidiary of the Belgian charter operator **Skyjet, S.A.**, offers worldwide passenger and inclusive-tour charters with a single Douglas DC-10-30 previously operated by **Deutsche Lufthansa, A.G.** and a B-707-331C.

Early in 1997, the company is renamed World Brazilian Air and the leased DC-10-30 is repainted in a new blue and white livery.

Skyjet, S.A. is renamed **Skyjet European, S.A.** on August 1, 1998. The Brazilian contract is maintained.

WORLD JET AIRCRAFT INTERNATIONAL: P.O. Box 21824, Fort Lauderdale, Florida 33335, United States; Phone (954) 522-

1839; Fax (954) 767-0604; Year Founded 1993. Everett Marsh founds WJA at Fort Lauderdale late in 1993 and begins regional services with a pair of de Havilland Canada DHC-6-300 Twin Otters. The company also leases and finances de Havilland aircraft in south Florida.

Business continues in 1994–2000, during which years Bob Magill becomes president. Revenues of \$6 million are generated in 1996.

WORLD WIDE AIRLINES: United States (1956–1962). WWA is established at Miami (MIA) on January 1, 1956, to provide nonscheduled Douglas DC-3 passenger charters to destinations in the Caribbean. These flights continue until 1959, when the company is transferred to California.

The reformed and relocated company begins operating all-cargo services from Oakland with three Curtiss C-46 Commandos. The carrier soon moves again, to Burbank Airport, and applies for a supplemental certificate from the U.S. CAB. When this requested is refused in October 1962, WWA shuts down.

WORLD WIDE AIRWAYS, LTD.: Canada (1945–1966). World Wide is established in 1945 to offer lightplane charter flights to various destinations within Quebec. During the early 1950s, the company bids upon and wins several contracts to provide support service for those constructing the DEW Line across northern and central Canada.

The first service is provided by a former RCAF Lancaster bomber, acquired in 1952 and outfitted to transport fuel. The tanker crashes and is lost while landing at the construction site at Menihek on June 28, 1953.

In order to fulfill new building support obligations, the carrier next acquires three Curtiss C-46s in 1955, followed by four more plus four Douglas DC-3s in 1956. Among these are one of each type registered to newly acquired **Montreal Air Service, Ltd.**

Two Curtisses are lost in landing accidents, one in a repairable incident on March 25. The second C-46D is lost at DEW Line Site 28 on September 23; although the aircraft must be written off, there are again no fatalities.

A DC-3 is also involved in a landing accident on May 5, 1957, but it can be repaired. It is replaced by another Douglas transport late in the year. In 1958, a DC-3 is sold to Canadian Aircraft Renters.

Following their removal from service, the Canadair C-4 North Stars of **Trans Canada Airlines, Ltd.** are put up for sale and in 1961 World Wide purchases two, along with a former RCAF C-54 (military DC-4). A North Star is sold to International Leases before the end of the year while the second is withdrawn from service at the end of 1962.

The same year, a C-46 is also sold. The last DC-3 is sold in 1963 and the C-54 is lost in a landing accident at Montreal on March 10, 1964.

The last two C-46s are sold in 1965, the year the carrier elects to concentrate on the provision of long-haul charters. To carry out the holiday work, two Lockheed L-1049Gs are purchased from **Qantas Empire Airways (Pty.), Ltd.** while one each L-1049C and L-1049H are acquired under lease from subsidiary **Montreal Air Services, Ltd.** The L-1049C is found to be in such poor repair that it is withdrawn from service before year's end and is employed for spare parts. Traffic from the charter business is insufficient and in the face of safety concerns, the carrier ceases operations in August 1966 after its license is revoked.

Founder Donald M. McVicar remembers his company years later in his *Through Cuba to Oblivion* (Dorval Station, Que.: Ad Astra Books, 1994).

WORLDWAY AIRLINES, LTD. (WORLDWAYS CANADA, LTD.): Canada (1975–1991). Roy T. Moore forms Worldways as a charter operation in April 1975, becoming president and CEO. A former **Keating Aviation, Ltd.** ice patrol Douglas DC-4 is acquired to undertake all-cargo services. Two Gates Learjet 35s and a Hawker Siddeley HS 125-3A are purchased in April and May 1976 for the introduction of executive charters. During the latter month, a Convair CV-640 is obtained from **Pacific Western Airlines, Ltd. (PWA)** and employed to replace the passenger charters into southern Ontario previously provided

by **Great Lakes Airlines, Ltd.** The HS 125 and a Learjet 35 are withdrawn in July 1977.

The DC-4 is sold in February 1978 and replaced by a second CV-640 added in May. Contract service operations are also performed for the Canadian government and such private organizations as the National Hockey League. A Learjet 25 is acquired in July, but sold in April 1979, only to be replaced by a Learjet 35A in December.

Beginning in late fall 1980, the Convairs and Learjets undertake trans-Canada cargo flights for Loomis Couriers, Ltd. After the failure of **Ontario Worldair, Ltd.** in December, the subsidiary **Worldways Canada, Ltd.** is formed to undertake long-haul charters from Toronto.

An ex-**Ontario Worldair, Ltd.** Boeing 707-338C is purchased in early June 1981 and employed on the 21st of that month to inaugurate long-distance charter service from Toronto to Tercera in the Azores. A B-707-365C is acquired from **British Caledonian Airways, Ltd.** in November and employed in December to begin a long series of winter charters to Venezuela.

A second BCAL B-707-338C is purchased for spare parts in January 1982. By March, Worldways is heavily into the inclusive-tour field. Destinations visited from Toronto include Prestwick, Dublin, Shannon, Belfast, Helsinki, Zagreb, Skopje, and Oslo. Flights are also undertaken from Montreal to Paris and Athens and from Vancouver to Amsterdam. One of the CV-640s is leased to Petrocan for the summer, but in the fall, both Convairs are sold to Cleveland-based **Wright Airlines**.

Early in 1983, four Douglas DC-8-63s are purchased from **CP Air, Ltd.** The first is delivered in March, followed by the others in May and June. Their receipt allows sale of the two B-707-338Cs to the Royal Australian Air Force in May. Meanwhile, in April, the carrier begins flying the Calgary-based Lockheed L-382E Hercules freighter of Echo Bay Mines.

Air Niagra, Ltd.'s Convair CV-640 is leased for a year in April to undertake the Petrocan contract at St. John's. New tour destinations added in the winter season include Edinburgh from Toronto, Copenhagen from Vancouver, and London and Amsterdam from Calgary or Vancouver.

During 1984, the DC-8-63s are overhauled in England. The first one finished is leased to **Flugfélag Islands, H.F. (2)/Icelandair**, which subleases it to **Air Algeria, S.A.** for the August Hadj pilgrimage service. The leased **Air Niagra, Ltd.** CV-640 is returned in May. The B-707-365C operates summer tourist flights from Vancouver to Copenhagen via Calgary. Unable to meet U.S. FAR 36 noise control standards, Worldways aircraft are now barred from American markets until they can do so. The Echo Bay Mines Hercules is purchased and resold in December to **TransAmerica Airlines** for \$6.5 million.

In the spring of 1985, tour flights are undertaken from Vancouver to London and to Prestwick and Manchester. Two of the company's DC-8-63s are now outfitted with hush kits, making them suitable for operation in U.S. airspace. Meanwhile, the company wins the government contract to overhaul all five Canadian Forces B-707 transports and leases to the government (complete with crew) the B-707-365C for use as a replacement for a year. Two **Pacific Southwest Airlines (PSA)** Lockheed L-1011-385 TriStars are acquired; the first is delivered in early August and undertakes a Toronto-London charter on August 29.

The second TriStar joins the fleet in September and both are modified in November to long-range L-1011-500 standard. New holiday destinations now visited include Santo Domingo, Puerto Vallarta, Cartagena, Bridgetown, Banjul, Acapulco, Montego Bay, Puerto Plata, and Barcelona. Charters into the U.S. resume from Toronto to St. Petersburg, Fort Lauderdale, Orlando, and Las Vegas.

Enplanements for the year total 450,000.

The B-707-365C is sold to **Transbrazil, S.A. (Linhas Aereas Transbrazil)** in February 1986. The Canadian Forces charter a DC-8-63 that makes nine overseas flights in February and March. In the spring, the carrier moves into a new technical facility in a twin-bay hangar at Toronto.

Vancouver to Copenhagen via Calgary charters are again flown during the summer and in the early fall the last two DC-8-63s are hush-kit-

ted. During the year, a new training center, complete with a DC-8 simulator, is opened.

Passenger boardings during the 12 months jump 31.8% to 560,000.

The HS 125 acquired in June 1985 is sold in July 1987. Meanwhile, the summer tourist season features new stops at Brussels, Paris (ORY), Frankfurt, Munich, Vienna, Venice, Rome, Leeds/Bradford, Lisbon, Oporto, and Malaga. New winter destinations include Aruba, Holguin, La Paz, Margarita Island, and Santiago de Cuba. Enplanements in 1988 total 741,735.

In early 1989, two L-1011s are leased from the **British Airways, Ltd. (2)** charter subsidiary **Caledonian Airways, Ltd.** to fly tours for Regent Holidays; they are operated in Caledonian colors with Worldways titles. The planes are returned in April and May. A DC-8-63 is leased to **Air Jamaica, Ltd.** for 15 months, beginning in the summer; it is based at Toronto and flies to Jamaica weekdays.

Passenger boardings accelerate 27% to pass the million-mark in annual enplanements for the first time (1,016,074).

Unable to continue financially, this charter operator shuts down in August 1990. Management spends a year attempting to relocate resources that will allow the carrier to resume flying.

In October 1991, Worldways officials are denied permission to restart and the following month, the airline's assets are liquidated and its aircraft placed in storage.

WORLDWIDE AIRLINE SERVICES: United States (1992-1995).

Privately owned Worldwide Airline Services is established at Washington, D.C. in the summer of 1992 to offer domestic and international charter and inclusive-tour flights. Revenue services begin in the fall with three leased Airbus Industrie A320-231s and by year's end a total of 57,000 passengers are flown. Financial data is not revealed.

In 1993, a fourth A320-231 is chartered, along with one each A320-232, Boeing 757-23A, and B-757-28A.

All of this capacity helps customer bookings to skyrocket to 254,000 and there are profits: \$1.13 million (operating) and \$707,000 (net).

Operations continue apace in 1994 as revenues increase by 46.6% to \$60.7 million. Unhappily, expenses swell 69.2% to \$68.17 million, leaving an operating loss of \$7.47 million and a net downturn of \$7.71 million.

The fiscal losses of the previous year force the company out of business in 1995.

WORLDWIDE AIRLINES: United States (1983-1986). Worldwide is established at Chicago in early 1983 to operate domestic and international tour group charters on behalf of its owners, Carefree Vacations, one of the city's largest tour operators.

Employing 3 Boeing 707-331Bs first operated by **Trans World Airlines (TWA)**, the company begins revenue flights to destinations in Europe, the Caribbean, and the southern U.S.

Nonscheduled services are maintained in 1984-1985, with enplanements in the latter year reaching 87,000. As the company's aircraft are unable to meet government noise reduction standards, it is forced to close down while replacement aircraft are sought.

A B-727-23A is leased from **Air Holland, N.V.** for domestic charters for a brief period before final liquidation in 1986.

WRA, INC.: United States (1988-1992). Warren H. Wheeler organizes WRA, Inc. at Richmond, Virginia, in late 1988 to replace his bankrupt **Wheeler Airlines**. Part 135 certification is received from the FAA in February 1989. Small-scale operations, both scheduled and charter, are resumed with an ex-**Wheeler Airlines** Beech King Air 100 linking the new company base with destinations in both Virginia and North Carolina. Wheeler, himself, meanwhile, returns to **USAir** as a Boeing 737-3B7 captain. Flights cease in 1992.

WRANGELL AIRWAYS: United States (1985-1989). This small Alaskan carrier is established in late 1985 to offer service to four communities near the state capital of Juneau. Employing a Cessna 207 and a Britten-Norman BN-2 Islander, it inaugurates scheduled third-level

services in 1986 and transports a total of 4,702 passengers during its first full year. Enplanements for the 7-employee small regional climb 8.5% in 1987 to 5,137 as a Cessna 185 is purchased.

The company suffers a major setback when its Islander is lost in a 1988 accident. Funds will not permit replacement. Although the year's passenger boardings have advanced to 6,500, the carrier does not survive to see its fourth birthday.

WRANGLER AVIATION: United States (1969–1991). Wrangler is established at Greensboro, North Carolina, in 1969 as the air transport division of the Blue Bell Corporation, manufacturer of Wrangler jeans and clothing. Employing 3 Canadair CL-44Ds, the company undertakes freighter flights on behalf of the manufacturer to Worcester, Massachusetts, San Juan, Santo Domingo, and New York (JFK). The FAA Part 91 operator also inaugurates charter flights to Miami and destinations in the Caribbean. Such operations continue for a decade until the carrier is upgraded to Part 121 status in 1978.

In 1981, the carrier begins scheduled all-cargo operations with the first of four Canadair CL-44Ds to be delivered over the next nine years. A total of 14.45 million FTKs are operated in 1983, a figure that drops 74% in 1984 to 8.3 million FTKs. Revenues of \$11 million earned in the former year grow to \$15 million in the latter. Services to Haiti begin in 1985.

In 1989, with 4 CL-44Ds on hand, flights are inaugurated to such Caribbean locales as Aguadilla and Santo Domingo.

Two additional leased CL-44Ds arrive in 1990. The company now resumes a report of its annual statistics to the DOT. Initial figures show that 877,000 FTKs are operated on the year.

In February 1991, the fleet is substantially upgraded by the addition of a Lockheed L-1011-1F freighter. Reformed, the carrier is renamed **Tradewinds International Airlines** in November.

WREN AIR: United States (1991–1992). Stan C. and Patricia Sue Wren found this small third-level operation at Dillingham, Alaska, in 1991. With 8 employees and a fleet of 4 Cessna 207As, they begin scheduled operations to Bethel, King Salmon, and Port Heiden. Charter and contract service flights are also made. Unable to achieve viability, the company shuts down within a year.

WRIGHT AIR SERVICES: P.O. Box 60142, Fairbanks, Alaska 99706, United States; Phone (907) 474-0502; Fax (907) 474-0375; Code 8V; Year Founded 1980. Robert P. Bursiel founds WAS at Fairbanks in 1980 to provide charter and contract service flights throughout Alaska and into northwest Canada. Nonscheduled operations continue throughout the decade with a fleet of 2 Piper PA-31-310 Navajos, 2 Cessna 207s, 1 Cessna 185, 1 Grumman G-73 Widgeon, and smaller aircraft.

Regularly scheduled passenger and cargo commuter service is inaugurated in 1986, linking the company's base with Anaktuvuk Pass, Arctic Village, and many of the other previously nonscheduled points visited. Traffic on the new scheduled routes grows steadily in 1987–1989.

A scheduled air division is established in 1990, by which time Bursiel's fleet comprises 2 Cessna 207s, 1 de Havilland Canada DHC-3 Otter, and 4 Navajos.

Enplanements for the year total 6,930.

The fleet of the 17-employee small regional is increased in 1991 to 12 through the addition of 2 Helio Couriers, 1 Aero Commander 500, and 1 Cessna 206.

Passenger boardings slide to 6,791 and a total of 890,923 pounds of mail are carried.

Two additional Otters are obtained in 1992–1993 and enplanements for the latter year total 8,011.

The fleet is revised somewhat and, in 1994 includes 4 Navajos, 1 Cessna 206, 1 Helio H-295, and 1 Cessna 208 Caravan I.

Operations continue as before and passenger boardings jump 13% to 9,207. A total of 120,000 FTKs are also operated.

Although there is no change in either personnel or fleet in 1995, business continues to grow. Enplanements soar 9% to 10,025. Passenger boardings accelerate another 6% in 1996 to 10,429.

The Cessna 206 is removed in 1997 in favor of a second Caravan.

While en route from Arctic Village to Fort Yukon via several remote landing strips on August 23, the tundra tire-equipped Helio H-295 with a pilot and two passengers crashes just after takeoff from one of the intermediate stops, at a point 78 mi. N of the final destination. Although the aircraft sustains substantial damage, no one aboard is injured.

Customer bookings for the year are level at 10,479.

Service is maintained without fanfare in 1998 and passenger boardings jump 8.6% to 11,000.

Passenger boardings climb 3.6% in 1999 to 12,000.

President Bursiel employs 12 full-time and 3 part-time pilots at the beginning of 2000 to operate his fleet, which now includes 1 each Beech A36 Bonanza, PA-31-310 Navajo, C-185 Skywagon, and C-206 Stationaire, 2 C-207As and H-700 Helios, 3 C-208Bs, and 3 PA-31-350 Navajo Chieftains.

For the first time, the salmon runs along the entire Yukon watershed collapse. By fall, subsistence salmon fishing must be shut down and Gov. Tony Knowles declares an emergency. In addition to the economic loss, thousands of dogs in rural bush areas, used to haul sleds and depend upon salmon as their food source, face starvation or liquidation. Something must be done to avert this disaster and a number of small airlines, coming off a bad year caused by rising fuel and insurance costs, are able to assist, while also enjoying renewed profits.

The key to the situation, in the eyes of many, is the transport of donated dog food and fish obtained by local governments and tribes as the result of press reports of the failed salmon returns. In late August and September, a massive food shipment is organized by **Warbelow's Air Ventures** at Fairbanks, with support from the U.S. Postal Service and other small airlines.

Because Warbelow's has made special arrangements with its competitors, the USPS, which will not be directly involved in distribution, agrees to allow the donated food to be classified as bypass mail, for which rock bottom postage is charged. The entire \$25,000 bill will be paid by the Tanana Chiefs Conference, which also rents refrigeration to hold frozen food awaiting delivery.

Under the direction of Chief Pilot Michael Morgan, Warbelow's, which has the only bypass mail-shipping permit in Fairbanks, runs the packages through its meter and with USPS assistance, farms out this mail for delivery. The airlines involved, including **Warbelow's Air Ventures**, **Frontier Flying Service**, **Arctic Circle Air Service**, **Belair**, **Larry's Flying Service**, **Servant Air**, **Tanana Air Service**, **Tatonduk Air Service**, and Wright's, are paid a rate per pound (between 40¢ and \$1 depending on distance), to haul the approximately 100 tons of food to villages along the Yukon, Tanana, and Koyukuk Rivers.

While operating an air taxi service from Fairbanks to a remote airstrip near Kavik on December 22, a Piper PA-31-350 with a pilot and two passengers encounters dense fog and crashes 50 mi. ESE of Deadhorse. Although the aircraft is badly damaged, only minor injuries are reported.

WRIGHT AIRLINES: United States (1966–1985). Wright Airlines is founded by Gerald Weller, the ex-sales manager of **TAG Airlines**, at Cleveland's Lakefront Airport on May 25, 1966 to provide Cleveland–Cincinnati commuter service with Cessna 402s. Daily roundtrip revenue flights are inaugurated by the company (named in honor of Orville and Wilbur Wright) on June 27 via Columbus and Dayton. As the fleet is expanded to include Beech 18s and de Havilland DH 114 Herons, Pittsburgh to Cleveland shuttle service is launched on August 20, 1967.

Tyme Airlines, the former West Virginia airline now based at Columbus, is purchased and merged on March 4, 1968, followed by **Air Commuter Airlines**, a small Cleveland competitor, on July 3. Unhappily, despite the addition of services to Louisville, Detroit's Metropolitan Airport, Toledo, and Huntington, West Virginia, the carrier loses money every year for each of the next 11 years.

In 1972, Wright becomes the first American regional airline to go public.

Enplanements for that first year are 31,000 and 40,000 pounds of freight are transported.

Passenger boardings skyrocket 103.2% in 1973 to 63,000. A total of 225,000 pounds of cargo are carried, a spectacular 285% increase. Fuel costs, however, bring the year's net loss to \$40,000.

Early in 1974, a rush package service is initiated. Following CAB exemption approval for the operation of the larger aircraft, the first Convair CV-600s are now acquired.

Recession inhibits growth and customer bookings are up 3.2% to 65,000. A total of 142,000 FTKs are operated, a drop of 37%.

Airline employment in 1975 stands at 70. Union Commerce Bank, a principal shareholder, arranges for **Midwest Air Charter** President Gilbert "Gibbey" Singerman's appointment as CEO.

Customer bookings decline 10.8% to 58,000 and freight falls even further, down 41.6% to 83,000 pounds.

The number of employees is increased by 7.1% in 1976 to 75. Enplanements accelerate 6.9% to 62,000 while cargo rebounds, jumping 54.4% to 128,000 pounds.

In 1977, service is initiated to Detroit and Louisville. Enplanements climb to 74,000 and on revenues of \$3.03 million, a net loss of \$2,000 is suffered.

Following passage of the Airline Deregulation Act in 1978, Wright's fortunes improve somewhat.

Traffic rises 38.4% as 119,000 passengers are carried. Revenues advance by 75% to \$5.3 million. Expenses, however, jump 72% to \$5.37 million. Although a \$72,000 operating profit is earned, the net loss accelerates to \$46,000.

The employee population in 1979 totals 136 and the fleet includes 4 CV-600s.

Enplanements climb by 31.9% to 157,000 and 140,000 FTKs are operated. Although revenues accelerate 0.6% to \$5.33 million, expenses, led by fuel costs, rise 2.4% to \$5.5 million, leaving the carrier with losses: \$168,000 (operating) and \$199,000 (net).

There are no changes in the employee population in 1980 and the carrier obtains a fifth Convair.

Fueled by recession, enplanements drop 7% to 146,000. With no figures provided, the company claims to record its first profitable year.

The following year, 1981, Wright records a 3% rise in bookings (150,621), mostly boarded in the months before the PATCO air traffic controllers' strike and the fall's ATC restrictions. An increase of 9.4% in cargo to 59,000 pounds is recorded, along with some profits. After long negotiations, it elects not to acquire financially troubled **Air New England**.

The Ohio-based carrier reports an outstanding year in 1982. Two Convair CV-640s are acquired from **Worldways Canada, Ltd.** in December, and join a fleet of 4 CV-600s.

Meanwhile, as passenger boardings skyrocket 48.85% to 219,594, Singerman's 500-employee company does suffer a downturn in freight traffic, off by 12.1% to 827,356 pounds. Expenses of \$16.93 million are absorbed by overall income of \$17.94 million. The operating profit is up to \$1.01 million and qualifies the airline to join the ranks of the nation's "large regional" carriers. Net income totals \$710,000.

The workforce grows 12.6% in 1983 to 563. Wright Airlines' route system increases to 21 cities in 8 states in October as it absorbs the Clarksburg, West Virginia-based regional **Aeromech Airlines**. Flying a mixed fleet of 10 Embraer EMB-110P Bandeirantes and 10 Convair CV-600/640s, the enlarged carrier transports 402,812 passengers on the year. Unfortunately for all concerned, the marriage with Aeromech, for a variety of reasons, does not work.

Financial difficulties in the amalgamation develop almost immediately and the workforce is reduced throughout 1984 by 77.1% to 126. Still, the company is able to briefly lease, beginning on April 16, a pair of BAC 1-11-203s for six months from **Air Illinois**. On September 27, Wright files for Chapter XI bankruptcy and follows that with an appeal to Chapter VII. All but two of the carrier's routes are dropped, the work-

force is cut to 250, and only Cleveland-Cincinnati and Cleveland-Detroit flights continue.

Five CV-600/640s are sold and the carrier briefly operates five Shorts 360s, until they are repossessed. Passenger traffic declines 23.6% to 307,998 passengers flown. Cargo, meanwhile, booms upward a spectacular 106.9% to 4.3 million pounds.

The Cleveland to Cincinnati service is dropped on January 19, 1985. As Wright attempts reorganization and disposes of the bulk of its fleet and other resources, company officials file for DOT approval to conduct flights to and from Puerto Rico as **Puerto Rico Express**, while retaining the Wright name for its now-diminished operations. Little comes of the idea and in early November the last scheduled route to Chicago is suspended.

Wright is now purchased by Transystem, Inc., a New York City corporation formed expressly to buy the Cleveland-based airline. Planning to emerge from Chapter XI before Thanksgiving, Marlin Schultz, who now replaces CEO Singerman as CEO, seeks to purchase a few more CV-640s, introduces low-fare charter flights between Cleveland and Detroit, and plans for operations outside the original northern Ohio region.

All operations cease in December as creditors convince the bankruptcy court to order the airline's liquidation. The year's customer bookings total 31,148.

WRIGHTSON AND PEARCE, LTD.: United Kingdom (1934). With 2 de Havilland DH 84 Dragons, this company begins early morning London-Paris newspaper flights on May 14, 1934, continuing them until October 24. A weekend passenger service is operated London (Heston)-Paris via Le Touquet, during the summer. Early morning freight service is initiated over the same route beginning on September 3 and ends a month later.

WRIGHTWAYS, LTD.: United Kingdom (1934-1940). Capitalized at £6,000, Wrightways, Ltd. is formed on December 17, 1934 as, actually, a reformation of **Wrightson and Pearson, Ltd.**, with a better marketing title. The early morning London-Paris newspaper service is reopened year-round, beginning in April 1935.

In April 1937, new DH-86s are introduced to the newspaper operation. On-demand weekend passenger services are provided London (Croydon) to Le Touquet between June 10 and September 30, 1938.

War is declared on Germany on September 3, 1939 and all civil flying ceases. Joining neither the National Air Communications or **Associated Airways Joint Committee**, the company is liquidated in 1940.

WSG EXECUTIVE AIR SERVICE: 5230 W. 63rd St., Chicago, Illinois 60638, United States; Phone (800) 900-5390; Fax (773) 582-0806; Year Founded 1995. WSG is set up at Chicago (MDW) in 1995 to provide executive and small group passenger charters to destinations around the world. Four pilots are hired and these fly 1 each Dassault Falcon 10 and Beech King Air 90.

WUHAN AIR LINES COMPANY, LTD.: 230-1 Hangkong Road, Wuhan, Hubei, 430030, China; Phone 86 (27) 385-4313; Fax 86 (27) 585-3692; Code WU; Year Founded 1986. Wuhan Air Lines is established at Wuhan, China, in 1986 to offer regional and domestic scheduled passenger and cargo services in and from Hubei Province. Cheng Yaokun is president and he inaugurates services with a fleet that includes 2 Avia 14Ms, 2 SAP Y-5s and 4 Xian Y-7-100s (license-built Antonov An-26s).

Operations continue apace in 1987-1991 as the company's aircraft visit Beijing, Chengdu, Chongqing, Dalian, Enshi, Fuzhou, Guangzhou, Guiyang, Haikou, Hangzhou, Huangyan, Kunming, Nanjing, Ningbo, Shanghai, Shantou, Shenyang, Sheruhen, Tianjin, Wenzhou, Xian, Xiamen, and Yiwu.

Having experienced engine problems, an Avia 14M with 7 crew and 28 passengers attempts to return from an April 6, 1992 service to Huajia and land at its point of origin at Lanzhou; the aircraft crashes before it can reach the runway (14 dead).

Flights are maintained in **1993–1995**. During these years, the company begins to operate three leased Boeing 737-3Q8s and orders are outstanding for three more. Enplanements in the latter year total 592,000.

Airline employment stands at 200 in **1996** and passenger boardings jump 8% to 740,000. Cargo traffic accelerates 12.1% to 6.99 million FTKs.

Early in **1997**, Wuhan enters into an agreement with the Texas-based leasing company Air Alaska for the charter of a B-737, which is to be delivered to China for the airline's use. Wuhan makes required escrow and security deposits, including a standby letter of credit.

In compliance with the Chinese government's desire to increase the efficiency of competition by reducing the number of regional airlines, Wuhan joins five other carriers to form the New Star Alliance in September.

Enplanements during the 12 months total 656,490.

When activated on the following January 1, **1998**, the informal compact begins to boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes.

Wuhan does not receive its little Boeing from Air Alaska and brings suit against the leasing firm and its President/CEO Thor K. Tjontveit in U.S. Federal District Court in Manhattan. Represented by the New York office of the international legal firm of Coudert Bros., the court decides a breach of contract claim in favor of the airline before the trial begins.

At the conclusion of the trial on October 30, Wuhan has won a historic victory. The jury returns a verdict finding both the company and Tjontveit liable for fraud for having failed to deliver the aircraft while keeping the deposits and drawing against the standby letter of credit. Wuhan is awarded compensatory damages of \$10.4 million and punitive and exemplary damages of \$10.4 million. This is the largest fraud finding in history by an American jury in favor of a Chinese company against an American concern.

Passenger boardings jump 15.4% this year to 790,000, while cargo traffic increases 59.5% to 9.69 million FTKs.

By the start of **1999**, airline employment has been increased by 9.1% to 719.

Customer bookings for the year total 707,000 and 1.01 million FTKs are operated.

Airline employment at the beginning of **2000** stands at 200, an 11.7% increase over the previous 12 months. The classic B-737 fleet includes 3 Dash-3Q8s, 2 Dash-36Rs, and 1 Dash-3S3.

While on approach to Wuhan in heavy rain and poor visibility at the completion of its June 22 service from Enshi, Flight 343, a Yunshuji Y7-100C with 4 crew and 40 passengers, crashes 12–18 mi. from Wuhan near the village of Sital, Yongfeng Township. Half of the aircraft crashes into a farmhouse while the other half comes to rest on a dike in the Han River after smashing into a vessel and instantly killing seven men installing generators. All aboard the aircraft are also fatalities. The local weather bureau has recorded 451 thunderclaps in the 10 minutes before the disaster and witnesses claim that the aircraft has been hit by lightning.

The remaining six Y-7s are immediately grounded for inspection and their flight crews receive extra training.

The first Y-7s return to service on July 16. At this point, the **CAAC (The General Administration of Civil Aviation of China)** orders all Yunshujis and Tupolevs removed from Chinese airline service by June 1, 2001.

On September 15, the carrier completes arrangements for the charter of two Next Generation B-737-86Rs from CIT Aerospace for eight years; they will be delivered in March and June **2001**.

Reacting to rising fuel costs, the **CAAC (The General Administration of Civil Aviation of China)**, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Wuhan, increase fares on November 5.

An earlier order for three B-717-200s is cancelled on December 11; the aircraft will, instead, be taken by **Impulse Airlines (Pty.), Ltd.** in Australia.

WYOMING AIR SERVICE: United States (1930–1938). With initial capitalization of \$50,000, Richard (president) and Joseph (chief pilot) Leferink begin WAS as a Casper-based FBO on May 9, **1930**. Flight training and charter services are offered.

Following an agreement with **Border Airlines** CEO Earl Vance, Wyoming Air Service, employing a Stinson SM-8A, begins scheduled Casper–Denver service in February **1931**. A second SM-8A joins the first in April and during the summer both companies stretch their routes and meet at Sheridan. Border, which had come down from Great Falls, ceases operations in September; however, WAS then extends northward to Billings. Flag stops are now made at Hardin, Montana, Freely and Fort Collins, Colorado, and Buffalo, Glen Rock, Douglas, and Wheatland, Wyoming.

Leferink's fleet is expanded in **1932–1933** by the addition of another SM-8A and two Stinson Model 5s.

A Post Office mail contract for service to Pueblo is received in February **1934** and the company's operations are not interrupted by the spring controversy raised by the so-called "Air Mail Scandal." Flights down to Pueblo from Denver commence on May 3. On May 25, the first three Stinson SR-5A Reliants are received and are placed on the Pueblo service. Another mail contract, Cheyenne–Billings via Casper and Sheridan, is received on June 4. Ten days later, three more Reliants and a Stearman 4D are obtained and the northward contract is initiated on June 20. A Stinson SM-8A is sold in August.

In retrospect, **1935** is a significant year for WAS because of its fleet changes. On January 31, a contract is signed with **United Air Lines** under which the major agrees to provide WAS with sufficient chartered and gift aircraft—and all attendant services to operate them save personnel—to fly three daily Denver–Cheyenne roundtrips. In return, WAS will give United 20¢ per airmail letter and half of all passenger revenues.

The Stearman 4D, a Stinson Model 5, and a Stinson SM-8A are sold, but, following the lease of a Boeing 247D from **United Air Lines** on May 1, the only two Boeing 221A Monomails produced are delivered on May 24. One piloted by Alva Lucas crashes 100 mi. N of Cheyenne, near Glendo, on May 27 (one dead). On August 6, two Lockheed Model 9D Orions are purchased from **Northwest Airlines**. During the fall, the second Monomail is destroyed in a Pueblo accident.

A third Orion and two B-247Ds (from **United Air Lines**, including the leased unit) are received in **1936**, while all of the Reliants are sold. An Orion crash-lands at Buffalo, Wyoming, on October 24, and is damaged beyond repair.

A third B-247D is received from **United Air Lines** in February **1937**, the same month in which the carrier sells to the Chicago-based major its Cheyenne to Denver route and AM-17 for \$209,000. In the spring, Leferink sells his Denver–Pueblo route to **Varney Air Transport** for \$35,000. On April 11, the U.S. Post Office accepts bids for four new airmail routes while the last Stinson Model 5 is sold in May.

On August 1, Billings to Great Falls mail flights begin; passenger service over the route begins two weeks later. On August 24, three B-247s are purchased from **Pennsylvania-Central Airlines** and following their upgrade to B-247D status, are added to the fleet. Also in August, the company receives AM-35, the postal route from Cheyenne to Huron via Pierre.

On April 14, **1938**, new mail services are inaugurated from Cheyenne to Huron, South Dakota, via Rapid City, Buffalo, and Pierre; scheduled passenger service is launched over the new system on April 25. On May 3, a B-247D is acquired from **United Air Lines** and is christened *City of Denver* in honor the largest community on its route network. In celebration of its turn eastward, WAS is renamed **Inland Air Lines** on July 1.

XIAMEN AIRLINES COMPANY, LTD.: Gaoqi International Airport, Xiamen, Fujian, 361009, China; Phone 86 (592) 602-2961; Fax 86 (593) 602-8263; <http://www.xiamenair.com>; Code MF; Year Founded 1989. This new Chinese entrant, the first independent airline to be formed under the government's new liberalization policy, is a joint venture formed in **1989** between the port city of Xiamen (50%)

and CAAC (The General Administration of Civil Aviation of China). The company is outfitted with 3 Boeing 737-200s and inaugurates services from the city's Gaoqi International Airport. Orders are placed for three B-757-25Cs. Neither traffic nor financial statistics are released.

Operations continue apace in 1990, though not without tragedy.

En route from Canton to Xiamen on October 2, Flight 8301, a B-737-247A with 104 passengers, is hijacked by "active criminal" Jiang Xiaofeng, who claims to have 15 pounds of explosives strapped to his body. The pirate demands to be flown to Taiwan and refuses an offer to be flown instead to Hong Kong.

With fuel nearly exhausted, the government orders Capt. Cen Longyu to try a ruse in an effort to convince Xiaofeng that his demand has been met and that he is landing. When this gambit fails, a fight breaks out in the cockpit as the little Boeing completes its final approach to Canton's Baiyun Airport.

The aircraft hits hard, veers off the runway, side swipes a China Southwest Airlines Company, Ltd. B-707-336C Stratoliner and then slams into a China Southern Airlines Company, Ltd. B-757-21B with 118 passengers, preparing to depart on a domestic service to Shanghai. In the explosion and fire that follows, both the B-737 and B-757 are burned out, 84 are killed aboard Flight 8301, 47 aboard the B-757, plus the driver of an airport service vehicle. Fifty other passengers are wounded, including the pilot of the Stratoliner. The fireball creates China's worst air disaster ever.

In 1991, operational control of the carrier is taken over by China Southern Airlines Company, Ltd., which also assumes majority (60%) shareholding. A virtual subsidiary, the airline is able to retain its own service region and fleet, which now includes 1 each B-737-2L9A and B-737-25CA, the latter leased; in addition, the carrier flies two leased B-737-2T4As.

In 1992, a B-737-505 is leased from Braathens SAFE, A.S. and two B-737-25Cs are acquired for use as freighters. When the former arrives in China during August, it is the 100th Boeing airliner delivered into the PRC. In addition to routes to the eastern and southern part of the PRC, a new service is inaugurated to Hong Kong with the first new B-757-25C, delivered on August 12.

In 1993, President Wu Rongnan oversees a workforce of 1,800 and 2 more B-737-505s are received from Norway. The company will be plagued with skyjackings during the year.

While en route from Changzhou to Xiamen on June 24, the B-737-505 with 71 passengers is taken over by state factory employee Zhang Wenlong and ordered to Taipei. There the plane is released and Zhang is taken in hand; following his trial, he will receive a nine-year prison term.

While en route from Guangzhou to Xiamen on November 5, a B-737-2T4A with 140 passengers is hijacked to Taipei by city government driver Zhang Hai. This Zhang will also be tried and he will receive a 10-year sentence.

Another B-737-2T4 with 100 passengers en route from Harbin to Xiamen is captured on December 12 by state firm salesman Qi Dachuan; it is also diverted to Taiwan. Again, the aircraft is released and the hijacker is jailed. Following his trial, Qi will receive a 12-year jail term.

Flights continue apace in 1994-1995 as 42 domestic destinations are now served. Over 2.5 million passengers are transported during the latter year.

Airline employment stands at 2,400 in 1996 and the company now leases 3 B-737-505s from Braathens SAFE, A.S. The last of 5 B-757-25Cs is received on February 7.

Upset that his wife has left him and run off with his life savings, an unidentified Hong Kong man, claiming to have a bomb, attempts on April 5 to divert a B-737-505 en route from Guangzhou to Xiamen with 172 passengers on board, on to Taipei. After landing at Xiamen, the pilot convinces the pirate that he has landed on Taiwan, a ruse that works until authorities come on board to make an arrest.

This year, the company's 16 aircraft transport a total of 2,511,786 passengers (up 0.7%) and operate 44.5 million freight FTKs.

There is no change in the workforce in 1997. Orders are, however, placed for four B-737-700s.

On July 16, for the third straight time, air passengers cite the airline as the best among small Chinese airlines that carry less than 3 million passengers annually. Results of the survey are obtained from a total of 1.33 million questionnaires sent to solicit passenger opinion on the service quality of 25 airports and 16 major Chinese airlines.

Other winners are China Eastern Airlines Company, Ltd. and Shenzhen Airlines Company, Ltd., which each won first place in separate contests for the annual passenger volume exceeding 6 million and less than 2 million.

Passenger boardings jump 7.8% to 2,708,000 while freight advances 38.2% to 61.5 million FTKs.

Flights continue in 1998. The first of three B-737-75Cs to be delivered before the end of the year arrives on August 21. It will enter revenue service on September 1.

Late in the year, a Chinese-language homepage is opened on the Internet's World Wide Web.

The "classic" B-737 fleet at the beginning of 2000 includes 1 each Dash-2T4C, Dash-2T4A, and Dash-25CA, plus 3 Dash-3Q8s and 6 Dash-505s. Also operated are 4 Next Generation B-737-75Cs and 5 B-757-25Cs.

A fire alarm sounds aboard a company B-737-2T4A while it is en route to Wuhan on March 28. An emergency landing is made at Xi'an International Airport at Xianyang, where all aboard exit down emergency chutes. Upon examination, firemen find that the bells had been set off by pigeons, which had gotten loose while being transported in the baggage compartment.

The same day, new twice-weekly roundtrips are inaugurated between Wuyishan, in the southeastern province of Fujian, and Macau.

Beginning in August the first of three B-737-3Q8s arrive under a five-year lease from ILFC. A fifth Next Generation B-737-75C is delivered on August 24 and a sixth on October 10.

Reacting to rising fuel costs, the CAAC (The General Administration of Civil Aviation of China), on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Xiamen, increase fares on November 5.

The carrier's B-737-25C is sold to Ethiopian Airlines, S.C. on December 29.

XINHUA AIRLINES COMPANY, LTD.: No. 1, Jong Song South Road, Beijing, China; Year Founded 1992; <http://www.chinaxinhuaair.com>. Xinhua is established at the capital's principal airport by the municipal government and local investors in August 1992. Domestic services commence with a single Boeing 737-341 on June 6, 1993.

Operations continue apace in 1994-1996 and the fleet is increased to include, by the latter year, the original "Baby Boeing," plus 2 each B-737-332s and B-737-39Ks, plus 1 leased B-737-4Y0. Eventually, over 200 flights depart each week from Beijing and Tianjin to over 40 large- and medium-sized cities, such as Harbin, Shanghai, Guangzhou, Haikou, Kunming, and Xian.

When the *Oriental Falcon Jet Service* is set up in April 1997, Xinhua becomes a partner with Dassault of France and Avion Pacific; it soon begins operating Dassault Falcon charters throughout China. One B-737-39K and three B-737-46Qs are delivered during the year, with one more of the latter type to follow in 1998.

Enplanements during these 12 months total 913,610.

A Chinese-language homepage is opened on the Internet's World Wide Web later in 1998. Passenger boardings this year jump 19.1% to 1.12 million, while freight traffic rises 28.5% to 15.02 million FTKs.

Service is maintained without headline or incident in 1999. The workforce, at the beginning of 2000, totals 500.

While en route from Baotou, the second largest city in Inner Mongolia, to Beijing on September 26, a B-737-332 with 143 passengers is subjected to a hijacking attempt. A young man in his 20s rushes into the

cockpit and stabs the plane's captain. The pirate is himself immediately jumped upon by security police and is stabbed to death with his own dagger. This is believed to be the first time that Chinese airline guards have ever killed a hijacker. The copilot makes an emergency landing at Jinan and the pilot is rushed to hospital.

Reacting to rising fuel costs, the **CAAC (The General Administration of Civil Aviation of China)**, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Xinhua, increase fares on November 5.

XINJIANG AIRLINES COMPANY, LTD.: 46 Yingbin Road, Diwopu Airport, Urumqi, Xinjiang, 830016, China; Phone 86 (991) 335688; Fax 86 (991) 339084; Code XO; Year Founded 1985. A former **CAAC (The General Administration of Civil Aviation of China)** airline division, Xinjiang is formed in 1985 and is 50% owned by CAAC and 50% by Xinjiang Province. Based at Urumqi's Diwopu Airport, the new entrant is provided with a chartered Boeing 737-200 and in November begins scheduled services as the first of several regional carriers established under auspices of the state airline. It undertakes domestic Chinese scheduled and charter services as well as charters to the CIS.

Operations continue apace, although the Boeing is replaced with Soviet equipment. The fleet in 1989 includes 4 Tupolev Tu-154Ms. By 1991, the number of airliners has been increased to 2 Antonov An-24s and 5 Tu-154Ms.

In 1992, the fleet comprises 2 Antonov An-24s, 2 de Havilland DHC-6-300 Twin Otters, 2 Ilyushin Il-86s, 5 Tupolev Tu-154Ms, and 1 Yunshuji Y-8B. Two B-757-2Y0s arrive under charter from ILFC. In 1993-1995, President Zhang Ruifu oversees a workforce of 3,880. One Il-86 is withdrawn and four Boeing 737-31Ls are added. Enplanements in the latter year total 1,201,628.

Airline employment stands at 4,597 in 1996 and the fleet includes 3 Il-86s, 2 Boeing 737-300s, 4 Boeing 737-31Ls, 2 An-24RVs, 2 Twin Otters, 7 Tu-154Ms, and 7 SAP Y-5s. The company is now also known as China Xinjiang Airlines.

Passenger boardings soar 13.2% to 1,384,364 and 30.75 million FTKs are operated, a 6.1% increase.

The workforce grows to 5,000 during 1997. In May, the China Aerospace Supply Corporation places an \$80-million order with Aero International (Regional) for five ATR72-210As, with five options, that it will turn over to this carrier. The order is confirmed during French President Jacques Chirac's visit to Beijing during the month.

The first ATR72-210A is delivered during the last week of August and after route proving in September enters scheduled service on October 1 from Urumqi to tourist areas. As the others arrive over the next year, they will serve on domestic routes throughout the remote home province.

A B-757-28A, chartered from ILFC on March 10 for eight years, is delivered on December 12. Meanwhile, orders are placed for two owned aircraft, Dash-28Ss.

Customer bookings fall 6.9% to 1,289,000, but cargo skyrockets 119.1% to 71.98 million FTKs.

The third of five ATR 72-210As is delivered to the company in April 1998. It is the 200th ATR 72 built.

Weekly roundtrip service is inaugurated on November 2 between Urumqi, in northwest China, and Bishkek, Kyrgyzstan. The first B-757-28S is delivered on July 8.

On December 17, the state approves a \$24.09-million airport expansion project in the Kashi prefecture. The area, which borders on five neighboring countries including Pakistan, has become well known for its integration of eastern, western, and Islamic cultures.

Passenger boardings increase to 1.34 million, while freight traffic increases to 83.5 million FTKs.

On March 12, 1999, a fleet of four aircraft chartered from the company depart Urumqi, China, transporting a group of 1,101 Muslim pilgrims to Mecca in Saudi Arabia. The second B-757-28S is delivered on June 2.

Passenger boardings during these 12 months jump 7.8% to 1,444,000, while freight climbs 10.3% to 92.12 million FTKs.

The workforce at the beginning of 2000 totals 4,598. The Western-built fleet now includes 5 ATR72-210As, 2 Twin Otters, 3 Antonov An-24s, 4 B-737-31Ls, 2 each B-757-2Y0s and Dash-28Ss, and 1 B-757-28A. Also operated are 3 Il-86s and 5 Tu-154Ms.

Destinations visited include Altay, Aksu, Almaty, Ashgabat, Baku, Beijing, Bishkek, Can Tho, Chengdu, Hong Kong, Islamabad, Karamay, Kashi, Korla, Kunming, Kuqa, Lanzhou, Moscow (Sheremetyevo), Novosibirsk, Qiemo, Shanghai, Sharjah, Tacheng, Taos, Tashkent, Xian Xianyang, Xining, and Yining.

When it is decided that three Next Generation B-737-700s that had been requested will go to another Chinese airline instead, the company, on March 28, places orders for three more B-757-28Ss.

In response to a fatal June 22 Xian Airlines Y-7-100C crash, **CAAC (The General Administration of Civil Aviation of China)** delivers a major reorganization plan to the China State Council in mid-July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, and **China Southern Airlines Company, Ltd.** Xinjiang negotiates to become a member of the **China Southern Airlines Company, Ltd.** group.

Agence France Presse reports on July 14 that the company will soon place orders for three new Voronezh-built Ilyushin Il-96-300s. Three spare PS-90A turbofan engines will be obtained for the new aircraft from Perm Motors.

Reacting to rising fuel costs, the **CAAC (The General Administration of Civil Aviation of China)**, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Xinjiang, increase fares on November 5.

Discussions with China Southern continue during the fall. On November 23, former Xinjing Vice President Wang Chang Shun becomes the major carrier's president.

XL AVIATION, LTD.: Suite 701, Chancery House, Lislet Geoffrey St., Port Louis, Mauritius; Phone 230 (211) 61 13; Fax 230 (211) 28 77; <http://www.xla.com.ch>; Year Founded 1989. XL Aviation is established at Port Louis in 1989 to provide worldwide executive and small group passenger services. By 2000, the small concern employs 7 full-time pilots and operates 1 each Canadair Challenger 600 and a Dassault Falcon 900B.

XP EXPRESS PARCEL SYSTEMS, B.V.: The Netherlands (1971-1989). Former Dutch student Jaap Mulders forms Roetsj ("Zoom"/"Vroom") in 1971, a small company dedicated to providing fast ground pickup and delivery of small shipments around Amsterdam. In 1974, a night delivery system is developed and extended nationwide.

Between 1975-1978, the U.S. firm **Purolator Courier** acquires full control, holding the company until it elects to abandon European operations in mid-1978. At this point, founder Mulders and the original shareholders repurchase the company. Vendex International purchases control in 1979, but **KLM (Royal Dutch Airlines, N.V.)** buys half interest in 1980.

The first aircraft are put in service in 1981, as leased smallplanes are employed to make the carrier an air-express operator on behalf of the Dutch flag carrier. The name Roetsj is dropped in 1982 in favor of a more appropriate title. Nine owned and four leased Piper PA-31-350 Navajo Chieftains are placed in service in 1983.

In 1984, the fleet is augmented by the purchase of a Fokker F.27-200; a BN-2A Trislander, and a Fairchild Metroliner are also leased. Between 1985-1986, the workforce (much of it on the ground) grows to 800 as the total of offices grows to 52 in 18 nations. Since 1982, courier and intercity parcel transfer flights have been maintained or added to Germany, the Netherlands, Austria, Great Britain, Italy, France, Denmark, and Switzerland.

A second F.27 is acquired and operations continue apace in **1987–1989**, when **TNT Express Worldwide, Ltd.** acquires the company in April of the latter year.

XPRESS AIR: Chattanooga Airport, 1001 Airport Road, Chattanooga, Tennessee 37421, United States; Phone (423) 490-4620; Fax (423) 265-5715; Year Founded 1996. XPress is set up at the East Tennessee city in **1996** to provide executive and small group passenger charters and express cargo flights around the country. Revenue operations commence with one each Cessna 560 Citation V and a Swearingen Merlin.

YACUMA (TRANSPORTES AEREOS YACUMA, LTDA.): Bolivia (1981–1991). Yacuma is established at La Paz in **1981** to offer contract service flights to destinations around the country. Operations commence with 1 each Convair CV-240 and CV-340, the latter an ex-USAF C-131. Flights continue for the next 10 years, primarily with the CV-340.

YAK SERVICE AIRLINE: P.O. Box 191, Leningradski Prospect, Moscow, 125315, Russia; Phone 7 (095) 151 8986; Fax 7 (095) 956 1613; Code AKY; Year Founded 1993. YSA is set up at Moscow on February 12, **1993** to provide executive and small group passenger charters to domestic and international destinations. Shareholding is divided between JSC Lavis and Yakovlev, the aircraft manufacturer.

Oleg Demchenko is named president. He recruits a workforce of 22 and assembles a fleet of 2 Yak-40s and 1 Yak-42D that begin revenue flights on November 25.

Although it is understood that this carrier continues to operate in the period after the beginning of the August **1998** Russian currency crisis, no definite information has been located to that effect.

YAKUTAVIATRANS AIR COMPANY (YAKUTAVIATRANS AVIA KOMPANI): Russia (1992–1995). When **Aeroflot Soviet Airlines** is reformed in early **1992**, this directorate becomes an autonomous division of the new **Aeroflot Russian International Airlines (ARIA)**. Based at Yatutsk in Siberia, the company serves its region as both carrier and parent of new airlines forming in the city, while adding worldwide ad hoc cargo charter services. V. T. Pinacv is CEO and his fleet includes 8 Ilyushin Il-76s, 10 Tupolev Tu-154s, 8 Antonov An-12s, 20 An-26s, and 3 An-74s. Enplanements total 1,749,537.

An An-24B with 4 crew and 23 passengers aborts its takeoff from Ust-Kuiga on February 3, **1993**, and runs off the runway; although the aircraft is badly damaged, there are no fatalities.

While landing at Aldan on August 26, a charter Let L410UVP with 2 crew and 22 passengers stalls and crashes 273 m. short of the runway; there are no survivors.

The downturn in the Russian economy causes a fall in traffic. Passenger boardings decline 23.9% to 1,412,056 while freight falls 10.6% to 287.2 million FTKs.

The fleet is reduced in **1994** to only 1 Tu-154M, 8 Il-76s, 8 An-12s, 3 An-24s, and 2 An-26s. Customer bookings fall another 11.5% to 1,250,000.

In **1995**, the carrier is renamed **Sakha Avia National Air Company**.

YAKUTIYA AIRLINES. See **SAKHA AVIA NATIONAL AIR COMPANY**

YAMAL AIRLINES: Salekhard, Yamal, Russia; Code YL; Year Founded 1997. As **1996** ends, **Tyumenaviatrans (TAT)**, having failed to receive agreed upon payment, refuses to renew its contract with the regional administration at Salekhard to provide daily An-2 services between the scattered communities of the region.

Unwilling or unable to redress its dispute with Tyumenaviatrans, the Salekhard regional administration promotes the establishment of Yamal Airlines in February **1997**. Yamal, under the leadership of Director General Vasily Kryuk, is, like TAT, organized into two divisions: rotary-wing and fixed-wing. A total of 16 Mil Mi-8T helicop-

ters are purchased for the former while the latter comes to comprise 1 each Tupolev Tu-154B, Tu-154M, and Tu-134A, 6 Yakovlev Yak-40s, and 3 Antonov An-74s. Twice-weekly scheduled services are inaugurated from Salekhard to Yar Sale and Novy Port, while charter and bush services are provided to many other towns and bush locations. A separate contract is also signed between the local government and the airline for the provision of Mi-8T aeromedical flights to isolated communities.

TAT, it should be noted, will eventually receive payment and resume its flights, which are particularly important during the winter when river transportation is impossible.

By the end of September **2000**, a new money dispute has arisen with the regional administration at Salekhard. This time the local leaders have failed to make good on a \$4-million debt for local air services. When TAT once again shuts off flights, the leaders of that community, on October 1, turn to Yamal Airlines, which by now has grown into a well-respected local service operation. Under a new contract, Yamal agrees to double its twice-weekly services from Salekhard to Yar-Sale and Novy Port and to launch new flights to Mys Kamenny, Seyakha, Yaptik-Sale, and Tambey.

During the fourth quarter, the regional government for the Khanty Mansisk Autonomous District puts out feelers concerning the creation of a possible “super regional airline,” through some combination of Yamal, **Tyumenaviatrans (TAT)**, **Kogalym Airlines**, and **TyumenAirlines**. It is understood that any such amalgamation is a long way off.

YANA AIR CARGO, LTD.: Kenya (1991–1995). Yana is established at Nairobi in late summer **1991** to offer all-cargo services with Swiss and British companies each taking 24.5% shareholding. A Boeing 707-338C is leased from **Anglo Airlines, Ltd.** of the U.K., while two Antonov An-12Fs are also acquired.

Managing Director John Sanyer’s new Boeing begins revenue flights on September 19 over a twice-weekly route from London (LGW) to Nairobi via Amsterdam and back. The Russian-made turboprops fly regional services.

The 15-employee carrier runs into financial difficulties in **1992** and withdraws one Antonov. In **1993**, Roger Hargreaves becomes CEO and Yana applies for a multistop route from Nairobi to Bujumbura that begins in **1994**. Flights cease in **1995**.

YANDA AIRLINES (PTY.), LTD.: Range Road, Whittingham, New South Wales, 2330, Australia; Phone 61 (65) 723100; Fax 61 (65) 722757; Code ST; Year Founded 1989. Established at Singleton, New South Wales, in **1989**, Managing Director Paul Rees’ new small carrier is equipped with 2 Piper PA-31-350 Navajo Chieftains. Scheduled services are inaugurated linking the base with Scone and Sydney.

A third Navajo Chieftain is acquired in **1990** and Maitland is added as a destination. A fourth PA-31-350 is purchased in **1992**. Flights continue in **1993–1994** as a fifth Navajo Chieftain enters service. In the fall of **1995**, the company suffers an accident that is serious enough to cause government authorities to suspend its license. Safety concerns are addressed and Yanda is allowed to resume operations in January **1996**.

A total of 34 weekly flights are offered from Sydney to Scone, Maitland, Gunnedah, and Coonabarabran without further incident or headline in **1997–2000**.

At the end of the latter year, the company’s operating certificate is again suspended by the Civil Aviation Safety Authority for alleged breaches of safety regulations. Further investigation into a range of issues will occur and it is unclear if the four-plane carrier will survive.

YANGON AIRWAYS, LTD.: 22/24 Pansondan Street, Kyauktada Township, Yangon, Myanmar; Phone 95 (1) 251 935; Fax 95 (1) 251 932; <http://www.yangonairways.com>; Code HK; Year Founded 1996. Yangon is established at its namesake city during the summer of **1996** to provide scheduled and charter domestic passenger and cargo

services. The new entrant is a joint venture between Myanmar Airways and Krong Sombat of Thailand. U. Khin Maung Myint is named chairman, with U. K. Win as managing director.

Two Avions de Transport Regional ATR72-210s are leased and revenue flights commence on October 15.

The Krong Sombat shares are sold to Mayflower Holdings Group in September 1997. Flights continue without interruption through the remainder of the year and 1998. By 1999, the turboprops of the 152-worker company regularly visit Dawe, Heho, Kawthaung, Kengtung, Lashio, Mandalay, Myeik, Mytkyina, Nyaung-u, and Tachilek.

The workforce at the beginning of 2000 totals 164. The carrier's 2 ATR72-210s continue to operate from Yangon to Bagan, Mandalay, Heho, Techileik, Kengtung, Dawei, Myeik, and Kawthoung.

YAROSLAVI AIR COMPANY (YAROSLAVI AVIA KOMPANII): Russia (1993–1996). Yaroslavi is established at Yaroslavi's Leftsovo Airport in 1993 to operate third-level passenger and cargo services as well as agricultural support and other rotary-wing functions. Nikolay I. Kuprianov recruits a workforce of 250 and begins operations with a mixed fleet of Antonov An-2s and Mil Mi-2s and Mi-8s. Flights continue apace in 1994–1995.

YELLOWKNIFE AIRWAYS, LTD. *See* **WARDAIR CANADA, LTD.**

YEMEN AIRLINES CORPORATION: Yemen (1954–1972). Yemen Airlines is formed in 1954 by a group of local businessmen to provide domestic lightplane services. Weekly Douglas DC-3 flights begin in 1957 to Djibouti, French Somaliland.

A chartered DC-3, with four crew and four passengers is lost at Rome on November 3, 1958; there are no survivors.

The company's single remaining aircraft carries on flights without incident during the remainder of the year and through the next two.

In 1961, the nation's ruler sells a pair of DC-3s to the company and takes 51% majority shareholding. Operations continue as the flag carrier begins 1962. During the middle part of the decade, civil war forces the carrier to suspend operations for over 18 months, forcing it out of business by 1966.

In 1967, the previous entity is replaced by a new national air transport company, **Yemen Arab Airlines**. Ownership is divided between Yemen (51%) and Egypt (49%), but even with assistance from the Soviet Union, service is sporadic and the international partnership is dissolved in 1968. Yemen Airlines is now reestablished as a government corporation.

Operations continue apace during 1969–1971 and two DC-6Bs are added to the fleet, including a former **Hawaiian Airlines** unit. Two DC-3s and a DC-6 are lost during these years.

While on a maintenance test flight from Taiz on March 19, 1969, a DC-3 with four crew, crashes; there are no survivors. With icing on the wings, a DC-3 with two crew and three passengers crashes just after takeoff from Belgrade on a European charter on September 16, 1971; there are no survivors. A DC-6B is destroyed at Hodeidah, Yemen, on November 11 under unknown circumstances.

In 1972, the carrier is renamed **Yemen Airways Company**, although it is still also known as **Yemen Arab Airlines**.

YEMEN AIRWAYS COMPANY. *See* **YEMENIA (YEMEN AIRWAYS COMPANY)**

YEMEN ARAB AIRLINES. *See* **YEMEN AIRLINES CORPORATION**

YEMENIA (YEMEN AIRWAYS COMPANY): Al-Hasaba, P.O. Box 1183, Airport Road, Sana'a, Yemen; Phone 967 (1) 232 380; Fax 967 (1) 252 991; <http://www.yemenia.com.ye>; Code IY; Year Founded 1972. Yemen Airlines is renamed **Yemen Airways Company** in 1972, although it is also known as **Yemen Arab Airlines**.

En route from Taiz to Asmara on August 25, 1973, the company's Douglas DC-6B is hijacked to Kuwait by a lone gunman, who surrenders once his safety is guaranteed.

Enplanements for the year total 11,520.

Shaif M. Saeed is appointed president in 1974, with Ahmed M. Ali as general manager. The first jetliner, a Boeing 737-2N8A, is delivered, joining the fleet's 2 DC-6s and 2 DC-3s. The jetliner largely accounts for a 120% increase in boardings, up to 96,000. Two B-727-2N8As are ordered and the workforce grows to 335.

En route from Hodeida to Sana'a on February 23, 1975, a DC-3 is diverted to Qizon, Saudi Arabia, by a lone gunman. Taken in hand by police, the pirate is tried and condemned to execution. The death sentence is later commuted to life imprisonment.

The two Boeings are delivered in 1976–1977, allowing the inauguration of service to such southern European destinations as Athens.

The government reorganizes the carrier on July 1, 1978, giving it the present name and taking 51% controlling interest; the remaining 49% of the shares are acquired by **Saudia (Saudi Arabian Airlines)**. Mohammed Ahmed Al-Haimy is named chairman with Saudia Senior Vice President Rida Hakeem as managing director. Airline employment is now 750 (including 500 foreigners) and the fleet comprises 2 B-727-2N8As, 1 B-737-2N8, 1 DC-6, and 4 DC-3s.

One DC-3 is, however, destroyed as the result of a heavy landing at Marib on November 14.

In 1979–1984, operations are upgraded and service is started to India, Pakistan, and additional Middle Eastern points. Four B-727-173Cs are leased from **World Airways** and replaced by five purchased B-727-2N8As. For domestic operations, two de Havilland Canada DHC-7-102s are acquired with Canadian financial assistance in 1980 to replace the DC-3s. A total of 356,000 international passengers are transported during the latter year.

Overall enplanements in 1985 are 426,000, falling to 333,000 in 1986. The fleet now includes 1 B-737-2N8, 5 B-727-2N8As, and 2 de Havilland DHC-7-102s. Airline employment in 1987 stands at 1,905, including 225 foreigners, and destinations visited from Sana'a include Sharjah, Karachi, Bombay, Aden, Djibouti, Addis Ababa, Khartoum, Abu Dhabi, Doha, Bahrain, Dhahran, Riyadh, Kuwait, Amman, Damascus, Jeddah, Cairo, Larnaca, Istanbul, Moscow, Rome, Frankfurt, Amsterdam, Paris, and London. Traffic figures are not released.

In 1988 the 1,800-employee North Yemen flag carrier owns a fleet of 5 B-727-2N8As, 1 B-737-2N8A, and 2 DHC-7-102s. Flights begin to Tunisia.

Through the first 6 months of the year, enplanements total 199,866 and a total of 4.59 million FTKs are operated. A net profit equivalent to \$6.4 million is reported for the year.

Operations continue apace in 1989. The net profit jumps 65% to \$10.5 million. In May 1990, following the political merger of North and South Yemen, it is announced that an agreement has been reached with **Alyemda**, the South Yemen airline, for the coordination of services.

Passenger boardings during the year's first half total 205,247. After Iraq invades Kuwait in early August, the company's newly improved prospects seem to evaporate as the government refuses to support the deployment of non-Arab forces in Operation Desert Shield. The airline loses remittance and aid income from the Gulf States, as well as oil supplies from Iraq. Frequencies to Rome are reduced from two to one per week, while all service to Baghdad and Kuwait City must be suspended. A meeting between the carrier's management and Saudi shareholders is abruptly cancelled on December 11.

The payroll is cut 1.5% in 1991 to 1,950. On January 18, Chairman Mohammad al-Haimiy reports that the company has lost 60% of its traffic since the Kuwait crisis began. The company's continuing isolation in the period surrounding Operation Desert Storm leads to a loss of flights to and support from Saudi Arabia (which holds a 49% stake in the carrier) and a series of delays in implementing a merger with **Alyemda**.

The undercarriage of a B-707-369C collapses as the freighter is landing at Amman, Jordan, on November 26; there are no fatalities to its five-person crew.

Customer bookings are again only reported for the January–July period. These show customer bookings down 51.5% to 99,485 and cargo off 59.9% to 1.65 million FTKs.

A proposal to merge Yemenia and Alyemda into **Alyemda-Air Yemen** is put forward in October 1992. Work is begun on acquiring the 49% shareholding of **Saudia (Saudi Arabian Airlines)** and plans are made to integrate fleets and routes. Chairman Mohamed al-Haimiy dies late in the year.

The proposed merger remains uncompleted in 1993 and Yemenia continues to operate independently. Ahmed Kaid Barakat is appointed the new chairman/president in February and oversees a workforce of 1,954 and a fleet that continues to boast 5 B-727-2N8As, 1 B-737-2N8A, and 2 DHC-7-102s. Domestic destinations visited from Sana'a include Taiz, Hodeidah, Albuque, Aden, and Riyan. International markets include Djibouti, Bahrain, Doha, Jeddah, Sharjah, Dhahran, Khartoum, Addis Ababa, Abu Dhabi, Karachi, Damascus, Cairo, Rome, London (LGW), Amsterdam, Istanbul, Moscow, Frankfurt, Larnaca, Bombay, Amman, Paris, and Riyadh.

Civil war breaks out between the northern and southern parts of the country in May 1994. One B-727-2N8A is withdrawn and **British Airways, Ltd. (2)** and **Air France** both end service to Yemen in the early summer. The German airline **Deutsche Lufthansa, A.G.** remains and its regional director will report in June 1995 that Lufthansa had a DM300-million profit in 1994 serving Yemen, compared to a DM300-million loss in 1993.

Normal operations resume on July 22, including the airline's thrice-weekly service from Sana'a to London. A terminal building damaged during the fighting is repaired.

Yemen's tourism industry in 1995 is hampered by the shortage of international flight connections. Yemenia, one of the two nationals, charges fares for Yemenis that do not cover costs. Attempting to make up the difference on fares for non-Yemenis reduces the airline's competitiveness.

Most visitors from Europe arrive on the twice-weekly **KLM (Royal Dutch Airlines, N.V.)** or **Deutsche Lufthansa, A.G.** flights. A total of seven flights a week to Egypt are offered and five or six (depending on the season) to Jordan.

The union with **Alyemda Democratic Republic Airlines** is finally completed on May 26, 1996 when Alyemda is merged. Ownership in the amalgamated carrier is divided between the Republic of Yemen (51%) and the Kingdom of Saudi Arabia (49%). Hassan Abdo Sohbi is chairman and oversees a workforce of 2,655. The combined fleet includes 4 B-727-2N8As, 3 DHC-7-102s, 1 B-737-2N8A, 2 B-737-2R4Cs, 1 each B-707-369C, and 1 Airbus Industrie A310-304. Overall enplanements reach 672,955.

Two Airbus Industrie A310-304s are received in March 1997. According to an August 20 press release, in an effort to improve its performance and services, and in order to cope with the financial burden caused by increasing employee wages by 30% and pilots wages by 100%, Yemen has raised its ticket prices by 30%. In addition, the company promises to upgrade its fleet with new equipment at a cost of \$200 to \$300 million. Two new A320s join the fleet during the fall.

Flights continue in 1998–1999. Scheduled domestic destinations visited at the end of the decade include Aden, Al Ghaydah, Ataq, Hodeidah, Riyan Mukala, Seiyun, Socotra, and Taiz. International services are operated to Abu Dhabi, Addis Ababa, Amman, Asmara, Bahrain, Beirut, Bombay, Cairo, Damascus, Dar es Salaam, Djibouti, Doha, Dubai, Frankfurt, Jeddah, Karachi, Khartoum, London (GTW), Nairobi, Riyadh, Rome, and Sharjah. On December 4 of the latter year, weekly A310-304 return service is started from Sanaa to Johannesburg via Dar es Salaam. Enplanements during those 12 months approach one million.

Hassan Sohbi is chairman at the beginning of 2000 and he oversees a workforce of 4,017. The fleet continues to include not only the Air-

bus equipment, but 5 B-727-2N8As, 2 B-737-2R4Cs, and 1 B-737-2N8A as well.

Weekly A310-304 roundtrips begin on January 16 from Sanaa to Paris (CDG) via Moroni, Comores.

In May, an A310-324 previously operated by **Austrian Airlines, A.G.** is leased for five years from AIFS.

The company's B-737-2N8A loses direction while landing in a sandstorm at Khartoum, Sudan, on June 26. The Boeing runs off the runway and its landing gear separates. No injuries are reported.

A company B-727-2N8A lands at Baghdad on September 29 after Saudi officials change their mind and allow the flight overflight authority. Despite the U.N. embargo, Yemenia is the third company to make a charter flight into the Iraqi capital during September.

YENISEISH AIR ENTERPRISE: Romanshkin Str. 14, Yeniseisk, 663130, Russia; Phone 7 (39115) 3363; Year Founded 1996. YAE is established at Yeniseisk in 1996 to provide regional and domestic cargo charters, as well as a full portfolio of rotary-wing aerial work.

Revenue flights begin with a fleet that includes 10 Let L-410UVPs, 6 Antonov An-26s, 17 An-2 biplanes, 11 Mil Mi-8s, and 9 PZL-Swidnik Mi-2s.

Although it is understood that this carrier continues to operate in the period after the beginning of the August 1998 Russian currency crisis, no definite information has been located to that effect.

YEREVAN AVIA: 1/3 Busand Str., Yerevan, 375010, Armenia; Phone (3741) 580121; Fax (3741) 567511; http://www.yer-avia.am; Code ERV; Year Founded 1992. At the direct urging of Yerevan Mayor Hambartsum Galstyan, this freight operator is established in 1992 as the first all-cargo airline in Armenia equipped with its own aircraft. Under the leadership of Director General Dr. Arsen Aslanian, a staff and a small fleet of Ilyushin Il-76TDs are assembled and ad hoc flights are initiated to other countries within the Commonwealth of Independent States.

Service is maintained throughout the remainder of the decade. Over the years, the company's aircraft range further afield, visiting France, Germany, Bulgaria, Italy, The Netherlands, Belgium, China, India, Democratic Republic of the Congo, Kenya, Egypt, Australia, and more than 12 others. Both commercial and humanitarian contracts are accepted, with the U.N. and International Red Cross providing a number of the latter.

In 2000, the carrier employs both of its Il-76TDs under a long-term contract to provide air cargo shipments from the United Arab Emirates to the CIS countries of Moldavia, Georgia, Tajikistan, and Russia (mainly Moscow). Few trips are now made to Europe or Africa.

YESSENTUKI AIR: Russia (1996–1998). V. V. Lapchenko founds YA at Stavropol in 1996 to offer domestic passenger and cargo charters. Revenue services commence with a pair of Antonov An-2 biplanes and continue into 1998.

YETI AIRLINES, LTD.: Lazimpat, P.O. Box 20011, Kathmandu, Nepal; Phone 977 (1) 411912; Fax 977 (1) 420766; http://www.yeti-airlines.com; Year Founded 1998. Yeti is formed at Kathmandu in the spring of 1998 to provide both scheduled and charter passenger air service to major destinations around the country. Shareholding is divided between the Nepal Indo-Suez Bank, Ltd. and the Himalayan General Insurance Company of Nepal. A seven-man board of directors is named that includes Chairman Sonam Sherpa and Managing Director Ang Tshiring Sherpa.

Application is made to the government for an air operator's certificate, which is duly received on May 29. In addition, arrangements are made with the Canadian carrier **Kenn Borek Air, Ltd.** for the wet-lease of a de Havilland Canada DHC-6-300. Upon the arrival of the Twin Otter, revenue flights commence on September 21.

Flights continue without incident or headline in 1999 and the fleet is increased by the addition of four more DHC-6-300s. During the summer of 2000, an Embraer EMB-120 Brasília is chartered from CS Aviation.

It arrives at Kathmandu on October 1 and enters service shortly thereafter. A homepage is opened on the Internet at the end of the year.

YORKSHIRE EUROPEAN AIRWAYS, LTD.: United Kingdom (1993). Yorkshire is organized in the spring of 1993 to offer scheduled third-level regional services from Southampton to Aberdeen with a fleet of 2 leased Embraer EMB-110P1 Bandeirantes. Unable to achieve viability, the company closes its doors in November.

YOSEMITE AIRLINES: United States (1975–1981). Columbia, California-based charter operator Dean H. Jung, owner of **Tuolumne Air Service**, establishes a scheduled airline subsidiary in early 1975. Employing a Piper PA-23 Aztec and a Cessna 337, the carrier begins scheduled flights on June 30 linking its base with San Francisco, Sacramento, Modesto, Stockton, and Yosemite/Pine Mountain Lake.

During the next two years, the fleet is increased by the addition of a Beech B-80 Queen Air. Orders are placed for another, plus a King Air 90. By 1977, enplanements are 1,750 and revenues are \$108,000.

The second Queen Air and the King Air join the fleet in 1978.

Passenger boardings skyrocket 75% to 7,000. Operating income also increases, up 100.9% to \$217,000.

Service to South Lake Tahoe and Monterey begins in May 1979. Three Piper PA-31-310 Navajos and a Flyapak cargo service are introduced. George Moore becomes president in November and installs a new management team.

Customer bookings jump 172% during the 12 months to 9,000.

The employee population is boosted 120% in 1980 to 33. A computer system for accounting and reservations is purchased for installation at the Columbia base and three new Chieftains join the fleet. Plans are made to extend services to Merced, San Jose, and Oakland.

Passenger boardings decline by 13.2% to 7,456, but operating income totals \$803,295—a 94% boost.

Increased fuel and other costs in a time of recession force the company out of business in May 1981.

YOUNG AIR: United States (1980–1982). H. Wayne French establishes Young Air as the commuter division of his Young Flying Service in 1980. Based at Harlingen Industrial Airport at Harlingen, Texas, the carrier's Piper PA-31-350 Navajo Chieftain and PA-34 Seneca inaugurate scheduled passenger flights to McAllen and the cross-border Mexican cities of Reynosa and Ciudad Victoria.

Meanwhile, YFS continues to operate charter and contract passenger and cargo flights to various nonscheduled destinations in the Rio Grande Valley with a second Chieftain.

Increased costs and recession make the scheduled service unprofitable and it is abandoned in 1982 in favor of all-charter operations. These are continued until late in the decade.

YOUNG CARGO, S.A.: Belgium (1974–1981). Established at Zaventem in September 1974, Young Cargo begins all-cargo charter flights with two Boeing 707-320Cs to various worldwide destinations in March 1975. Contract service flights are also undertaken.

Within three years, Managing Director Edouard de Jeune's workforce grows to 90. Unable to generate sufficient traffic to overcome expenses caused by recession and radically higher fuel costs, the carrier stops flying in 1981.

YPFB TRANSPORTES AEREOS, S.A. See SERVICIOS AEREOS PETROLEROS, S.A. (SAPSA)

YUGAVIA AVIATRANSPORTNII KONCERN. See SOUTHERN AIR LINES (YUGAVIA AVIATRANSPORTNII KONCERN)

YUKON AIR NORTH. See AIR NORTH (YUKON AIR SERVICE)

YUKON AIR SERVICE: United States (1967–1973). Yukon Air Service is established at Fairbanks in 1967 to offer nonscheduled passenger

and cargo services to local destinations in central Alaska with a fleet of Beech 18s, Scottish Twin Pioneers, and Cessna lightplanes. The company is renamed **Air North (Yukon Air Service)** in 1973.

YUKON AIRWAYS AND EXPLORATION, LTD.: Canada (1927–1939). This short-lived Yukon operation is established at White Horse in the spring of 1927 to operate passenger and express charters and mail flights to Dawson City and Mayo. Initial capitalization is C\$50,000 and the fleet comprises 1 Ryan Brougham, christened *Queen of the Yukon*.

David "Andy" Cruickshank is named general manager and chief pilot and he flies and ships the aircraft to and from Vancouver and on to Skagway, Alaska, where it is reassembled on October 21. Regularly scheduled Whitehorse–Dawson City via Mayo mail flights commence on November 11.

Cruickshank departs the company for **Western Canada Airways, Ltd.** in 1928. Flown by a new pilot, the Ryan crashes on April 5, 1929 while initiating a Dawson City to Aklavik route; the pilot is killed. With the loss of the aircraft and the coming depression, the company shuts down in 1930.

YUKON SOUTHERN AIR TRANSPORT, LTD.: Canada (1938–1942). In 1938, **Ginger Coote Airways, Ltd.** and **United Air Transport, Ltd.** amalgamate into YSAT, with Grant McConachie as president. Ford 5-AT Tri-Motor service is now started from Ware to Prince George and from Vancouver to Fort St. John and Edmonton.

In 1939–1941, the fleet grows to include several Barkley Grows and a pair of Lockheed L-14s.

On January 30, 1942, the carrier is one of 10 airlines purchased by the Canadian Pacific Railway and formed into the subsidiary **Canadian Pacific Air Lines, Ltd. (CPAL)**. McConachie is named president of what would eventually become Canada's second largest air transport concern.

YUKOS AVIA AIR: Russia (1996–1998). YAA is set up in 1996 to undertake passenger charters in support of the region's developing energy industry. Revenue flights begin and continue with a single Tupolev Tu-134A.

The Russian currency crisis, which begins in the summer of 1998, forces the company out of business.

YUNG SHING AIRLINES, LTD. See FORMOSA AIRLINES, LTD.

YUNNAN AIRLINES OF CHINA, LTD.: Wujaba Airport, Kunming, Yunnan Province, 650200, China; Phone 86 (871) 717-7528; Fax 86 (871) 313-8675; <http://sunflower.signet.com.sg/grasroot/cya.html>; Code 3Q; Year Founded 1992. YAC is established at Wujaba Airport at Kunming in 1992 to offer scheduled passenger services to destinations within its region. Xu Xiaoming is named president of the 2,300-employee subsidiary of CAAC (**The General Administration of Civil Aviation of China**), which is given a fleet comprising 5 Boeing 737-3W0s, 1 B-737-3Y0, and 1 B-737-341.

Operations continue apace in 1993 and in 1994 a chartered B-737-37K joins the fleet.

While landing at Kunming in rain on July 20, a B-737-3W0 with 8 crew and 140 passengers overruns the runway, hitting approach lights and the ILS antenna; although the little Boeing is damaged beyond repair and there are injuries, no fatalities are reported.

On December 31, a contract is signed with the city of Vientiane, Laos, under which the airline will provide local and international flight services.

Flights from Beijing to Vientiane via Kunming begin during 1995. Enplanements total 1,920,185.

The workforce stands at 2,300 in 1996 and the fleet now includes 10 B-737-300s and 3 B-767-3W0ERs. Passenger boardings accelerate 24.1% to 2,529,887 and 28.68 million FTKs are operated, a huge 59.5% increase.

Airline employment is increased by 30% in 1997 to 3,000. At the end of January, a \$68-million order is placed with Boeing for two B-737-3W0s. The first is delivered at year's end.

Customer bookings climb 14% to 2,883,336 while cargo increases 28.7% to 72 million FTKs.

In 1998, the company employs three newly delivered B-767-300ERs to begin service to Bangkok and Singapore. Passenger boardings jump to 3.29 million, while cargo traffic increases 28.7% to 72 million FTKs.

With a fleet of 9 B-737-3W0s, 3 B-737-33As, 1 B-737-341, 4 Next Generation B-737-7W0s, and 3 B-767-3W0ERs, the carrier, in 1999, makes scheduled visits to Bangkok, Baoshan, Beihai, Beijing, Changchun, Changsha, Chendu, Chongqing, Dali City, Dalian, Diqing, Fuzhou, Guangzhou, Guilin, Guiyang, Haikou, Harbin, Hefei, Jinan, Jinghong, Lijiang City, Luxi, Macau, Nanchang, Nanjing, Nanning, Ningbo, Qingdao, Shanghai, Shantou, Shenyang, Shenzhen, Shijiazhuang, Simao, Singapore, Taiyuan, Tunxi, Vientiane, Wenzhou, Wuhan, Xian, Xiamen, Xuzhou, Yibin, Yichang, Zhanjiang, Zhaotong, Zhengzhou, and Zhuhai.

Customer bookings surge 31.6% to 4,337,000, while cargo jumps 9.9% to 113.06 million FTKs.

The workforce at the beginning of 2000 totals 2,300.

Weekly roundtrip service is inaugurated on June 16 from Kunming to Chengdu and Jinzhou.

In response to a fatal June 22 **Xian Airlines Y-7-100C** crash, **CAAC (The General Administration of Civil Aviation of China)** delivers a major reorganization plan to the China State Council in mid-July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, and Yunnan begins negotiations to become a member of the **China Southern Airlines Company, Ltd.** group.

Six Bombardier CRJ200ERs are ordered during the first week of September.

Reacting to rising fuel costs, the **CAAC (The General Administration of Civil Aviation of China)**, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Yunnan, increase fares on November 5.

By the end of the year, concern has been expressed in many circles that **China Southern Airlines Company, Ltd.** is becoming far larger than the government had intended. It is suggested that the **CAAC (The General Administration of Civil Aviation of China)** may "give" Yunnan to **China Eastern Airlines Company, Ltd.** as a form of "compensation."

On March 1, 2001, Yunnan will enter into a code-sharing agreement with **China Southern Airlines Company, Ltd.** covering flights between Guangzhou and Kunming. The pact will be the first domestic code-share signed between two Chinese airlines and demonstrates the "camp" with which Yunnan is allied.

YUTANA AIRLINES: United States (1987–1994). Dale E. Erickson establishes Yutana Airlines at Fairbanks, Alaska, in 1987 to operate regional and bush flights with a fleet of 2 Piper Cherokee Lances. Scheduled flights are introduced in 1991 and a total of 668 passengers and 510,230 pounds of mail are flown during the inaugural year. Operations continue apace until September 1994, when the company is renamed Alaska Central Express.

YUTE AIR ALASKA: 4451 Aircraft Drive, Anchorage, Alaska 99502, United States; Phone 907 243-1011; Fax 907 243-2811; <http://www.yuteiar.com>; Code 4Y; Year Founded 1956. YAS is established as Bob Harris Flying Service in Dillingham, Alaska, during 1956 to undertake passenger and cargo charter services throughout the 49th state.

In 1973, local Dillingham pilot Philip L. Bingman and his wife, Demptha, purchase the concern and change the name to Yute, which roughly translates as "people." The word is derived from the Upik Eskimo word *Yuut*, a term that the indigenous Yipik people in the southwest employ to refer to themselves. During the next nine years, Yute becomes a dominant air charter and air taxi operator, specializing in the transport of people and goods to bush locations.

Following the "Bethel Experiment," a government test designed to improve airmail transportation in Alaska, Yute, in late 1981, receives its Part 401 certificate from the CAB.

Scheduled passenger and freight services are provided to destinations in the Togiak and Nushagak River and Bristol Bay regions beginning in 1982. Destinations visited include Aleknagik, Clarks Point, Ekuk, Ek-wok, King Salmon, Koliganek, Manokotak, New Stuyahok, Portage Creek, and Togiak. As is the case with many other Alaskan bush commuters, Yute will encounter its share of operational accidents.

After picking up four passengers on a beach near Twin Hills on May 8, 1983, the pilot of a Cessna 206 bounces his aircraft during takeoff; the aircraft yaws, encounters loose gravel, and goes into the water. No injuries are reported.

While taking off from Ekuk on June 26, 1984, a PA-32 with a pilot and seven passengers strikes a six-ft. pipe and crashes; four people are injured, one seriously.

Having taken off from Koliganek on November 20 without first having its snow removed, a Cessna 207A with three passengers crash-lands; two aboard receive minor injuries, but the aircraft must be withdrawn.

The fleet in the middle 1980s comprises 1 each Piper PA-31-350 Navajo Chieftain, Cessna 207, Britten-Norman BN-2 Islander, Cessna 185, and various miscellaneous aircraft.

While en route to Togiak on September 14, 1985, a PA-32 with two aboard crashes into a mountain in bad weather; both people are seriously injured. The accident comes at the worst possible time, as the FAA, in the aftermath of a **Ryan Air** Beech 1900 crash, begins a focused inspection of Alaska's small regionals. Eight companies, including Yute, fail the federal review and are shut down.

Yute regains its certification and service to Bethel begins in 1986. Operations continue apace in 1987 and during these years the fleet grows to 22 aircraft, 7 of which are committed to flights out of Bethel. Additional stations are opened at St. Mary's, Kotzebue, Iliamna, and Aniak.

Having elected to fly in very bad weather, a Navajo Chieftain strikes a 350-ft. hill at Nightmute on May 7; the pilot is killed and the aircraft is destroyed.

A number of problems and failed government inspections culminate in September 1988 when various FAR violations lead to the carrier's grounding by the FAA for a second time. The company is now sold to William L. Johnson, who begins work to gain recertification.

In the spring of 1989, Yute applies to the DOT for permission to resume scheduled operations with 3 Navajo Chieftains, 5 Cessna 207s, and 1 de Havilland DHC-6-300 Twin Otter. Operating authority (Part 135) is restored at year's end.

The fleet of the 45-employee regional is increased in 1990 to 14 aircraft: 2 Navajo Chieftains, 2 Saratogas, 2 Cessna 207As, and 1 each Cessna 172, Cessna 208, and Douglas DC-3. Service is resumed on February 12.

Enplanements by December total 20,000. Revenues are \$2.4 million and with costs contained, the operating profit is \$400,000 and net gain reaches \$60,000.

Neither fleet nor employee population changes in 1991 as passenger boardings soar to 35,840. In addition, 4,274,293 pounds of mail are flown. Customer bookings jump 64.9% in 1992 to 59,089.

Yute witnesses a 4% increase in passenger boardings during 1993 to 61,632. Flights continue in 1994, but customer bookings decline 7% to 57,026. On the plus side, a total of 330,000 FTKs, mail and express, are flown.

The fleet in 1995 includes 2 Navajo Chieftains, 12 Cessna 207As, 2 Cessna 206s, and 1 lone Cherokee Six.

On February 25, a Cessna 207A crashes on the southwest side of a box canyon 10 min. out from Kotzebue; the pilot, who had been searching for wolves, is killed.

After experiencing whiteout conditions, another Cessna 207A, with a pilot and a passenger, collides with flat, snow-covered terrain 5 mi. N of Bethel on March 20. Although the aircraft is badly damaged, no injuries are reported.

Enplanements for the year soar 28% to 72,790.

The employee population numbers 180 in 1996.

Just 500 ft. into its April 17 climb away from Kotzebue, witnesses observe a Cessna 207A make a right turn, bank right 90 degrees and descend into the ground; the pilot is seriously injured.

In cooperation with San Antonio, Texas-based **Merlin Express**, Yute, in July, inaugurates service with three Fairchild Metro IIIs between Anchorage and Aniak, Bethel, and Dillingham. Metroliner flights commence on November 17 from Anchorage to Kotzebue.

Having exhausted fuel, a Navajo Chieftain with a pilot and five passengers makes a precautionary landing at Nunapitchuk on December 5; just after touchdown, a gust of wind pushes the aircraft off the right side of the runway. No injuries are reported.

Passenger boardings during the 12 months accelerate 15.7% to 84,204.

In 1997, President Johnson's company flies 18 C-207As, 3 C-206s, 3 C-172s, 3 Chieftains, 1 Cherokee Six, 2 Metro IIIs, and 1 C-208 Caravan I.

During the spring, the Metroliner network is expanded from Anchorage to Nome, Kenai, and King Salmon.

Distracted from his checklist by another aircraft, the pilot of a Navajo Chieftain makes a wheels-up landing at Selawik on April 25; although the aircraft is badly damaged, the flyer is unhurt.

In June, Jeffrey R. Pereira is appointed president/CEO. His main task is to develop the airline from a Part 135 into a Part 121 charter carrier as soon as possible. To assist him, Pereira contracts with former **Pennsylvania Commuter Airlines** President William C. Clark, now employed by Aviation Management International, to provide advice on marketing, sales, and yield management.

Just after landing in the ocean near Cape Pierce following a July 7 service from Cape Newenham, a float-equipped Cessna 206 with a pilot and two passengers is caught by a wind gust and shoved up out of the water onto the beach, where it noses over. No injuries are reported.

While taxiing for takeoff from Anchorage on August 22, Yute Air Alaska Flight 421, a Metro III with two crew and five passengers wet-leased by Yute to **Merlin Express**, collides with an airport tug. Although the aircraft sustains substantial damages, no injuries are reported.

The year's customer bookings drop 5.3% to 79,732.

As 1998 begins, Yute employs 160 workers and 54 contract agents. It provides scheduled service (most of them twice daily) to 57 villages from hubs at Aniak, Bethel, Dillingham, Kenai, King Salmon, Kotzebue, and Nome. Almost all of the company's passengers continue to be carried between rural villages and bush hubs, including Naknek, Lev-
clock, Shishmarefand, and Koyuk. Approximately half of the revenue generated by Yute continues to come from passenger flights and most customers (80%) continue to be native Eskimos.

While taking off from Quinhagak on May 21, a Cessna 207A with a pilot and four passengers strikes a runway edge light, severely damaging the left stabilizer. The aircraft continues on to its destination of Bethel, where an uneventful landing is made. The company maintenance department later replaces the entire left stabilizer.

During the summer and fall, President/CEO Pereira retires his Navajo Chieftains, replacing them with additional Cessna Caravans.

Following the purchase of **Reno Air** by **American Airlines**, negotiations between Reno and Yute concerning a code-sharing agreement are terminated.

Passenger boardings fall 14.3% to 72,000.

Yute experiences a severe cash-flow problem during the first quarter of 1999. The fiscal situation forces the Alaskan commuter to file for Chapter XI bankruptcy protection in March. The two wet-leased Metroliners are returned to **Merlin Express** as the company stops flying while efforts are made to reorganize. Passenger boardings this year plunge 90% to 7,000.

By 2000, the company is still alive and the workforce at the beginning of the year totals 215.

Z. BOSKOVIC AIR CHARTERS, LTD. See **ZB AIR, LTD.**

ZAGAL (ZAGREB AIRLINES). See **CROATIA AIRLINES**

ZAIRE CARGO, S.A.: Zaire (1981–1986). This cargo airline is established at N'Djili Airport at Kinshasa in the spring of 1981. A single Lockheed L-100-30 Hercules freighter is acquired, allowing the start-up of domestic and regional nonscheduled service in September. Flights are maintained to a variety of destinations until the company stops trading in 1986.

ZAIRE EXPRESS, S.A.: Zaire (1994–1997). Express Cargo of Kinshasa forms the airline subsidiary Zaire Express, S.A. in 1994 to offer scheduled domestic and regional passenger and cargo services. Stavros Papaioannou is chairman with Jose Endundo as president. A workforce of 1,200 is recruited and revenue flights commence with 1 Boeing 707-358C and 3 British Aerospace BAe (BAC) 1-11-500s.

Despite the civil war that will result in the replacement of the government of Zaire with a new Democratic Republic of the Congo, services continue in 1995–1996.

One each B-737-214 and B-737-227A are acquired and destinations visited include Bauavu, Beni, Bunia, Butembo, Gbadolite, Gemena, Goma, Isiro, Kananga, Kindu, Kisangani, Lubumbashi, Mbandaka, and Mbuji-Mayi.

In the spring of 1997, after the rebel forces of Desire Kabila come to power, this most important privately owned airline in the country changes its name to **Congo Airlines, S.A.** It also makes an unsuccessful claim on the traffic rights of defunct **Air Zaire, S.A.**, which rights are rather passed to **Lignes Aeriennes Congolaises, S.A.**

ZAIREAN AIRLINES, S.A.: Blvd. du 30 Juin 3555-3560, P.O. Box 2111, Kinshasa, Democratic Republic of the Congo; Phone 243 (12) 24 624; Fax 248 (88) 48 103; Code ZAR; Year Founded 1981. Formed at Kinshasa in 1981, Zairean Airlines begins revenue services as a charter carrier with two Vickers Viscount 757 turboprops. Over the next 12 years, the company undertakes regular passenger and cargo services to Bandundu, Boma, Gbadolite, Gemena, Inongo, Kananga, Libenge, Lodja, Mbuji-Mayi, Muanda, Nioki, and Tshikapa.

In 1993, Director General Capt. Alfred Sommerauer's company employs 38 workers and operates a fleet comprising 1 each Viscount 757 and 1 Piper PA-28-180 Cherokee. Many charter services are now provided.

The fleet is significantly upgraded in 1994 as two B-707-320C Stratofighters are placed into service, leaving the Viscount and Piper to handle passenger traffic.

Flights continue in 1995–1996, during which years a B-727-100 is also acquired. One of the Stratofighters is stored as civil war disrupts the nation. In early 1997, Zaire becomes the Democratic Republic of the Congo. Details on the company thereafter dry up, but it is believed to remain in operation, at least for a time.

ZAKAVIA: U.S.S.R. (1923–1928). This small airline, the name of which is derived from Zakavkazie ("Trans-Caucasus"), is founded at Tbilisi in the Caucasus on May 10, 1923. Employing a Junkers F-13, the company initiates a single return route to Baku.

Later, despite local political difficulties and extremely difficult terrain, the company is able to establish services from its base to south, west, and north, respectively: Djoulda, Yerevan, Batum, and Mineral'nye Vody.

Unable to achieve growth or maintain viability, the airline is acquired by the Ukrainian carrier **Ukvozduchput** in 1928.

ZAMBIA AIRWAYS, LTD.: Zambia (1964–1967). Zambia Airways is formed in April 1964 as a subsidiary of **Central African Airways Corporation (CAAC)**. T. M. D. Mtine is named chairman, with R. P. Hartley as managing director. A fleet of 3 de Havilland Canada DHC-2s and 2 Douglas DC-3s is received from CAAC and revenue flight operations commence on July 1 over a route from Salisbury to Kitwe via Kariba, Lusaka, and Ndola.

At the beginning of November, joint service is launched with **Air Congo, S.A. (2)** over a return route from Ndola to Elisabethville. The Congolese fly the service on Fridays and the Zambians on Thursdays.

On November 11, 1965, Southern Rhodesia's Prime Minister Ian Smith makes a Unilateral Declaration of Independence speech, breaking relations with its former federated partners, Zambia and Malawi.

Two BAC 1-11-207s originally requested by CAAC are withheld as part of the Commonwealth's sanctions against Smith's government. Instead, they are leased out to **British Eagle Airways, Ltd.** and **Swissair, A.G.** Flights are maintained during the remainder of the year and through 1966 with the equipment already in hand.

Planning begins in early 1967 for a separation of Air Zambia from CAAC and the Zambia Airways Act passes the national parliament authorizing the creation of a new state carrier to fly both domestic and international services. **Alitalia, S.p.A.** is chosen from a pool of three applicants to provide management support after the divorce. A new airport is opened at Lusaka in July.

Zambia Airways Corporation is established on September 1 to take over the CAAC subsidiary. Alitalia executive Francesco Casale is seconded to Lusaka to serve as general manager while the two BAC 1-11-207s held back in 1965 are turned over to ZAC in mid-December.

When, as part of the sanctions movement, Zambia requires that its airports be closed to service to or from Rhodesia on December 31, **Central African Airways Corporation** collapses.

ZAMBIA AIRWAYS CORPORATION: Zambia (1967-1994). On January 1, 1968, BAC 1-11-207 services are introduced by Zambia's new flag carrier on regional routes to Kenya, Malawi, Tanzania, and Mauritius. The four original **Zambia Airways, Ltd.** Douglas DC-3s continue to provide domestic services.

General Manager Francesco Casale, on loan under a management contract signed with **Alitalia, S.p.A.**, provides leadership in support of the initiation of new international services. Employing a Douglas DC-8-43 leased from **Alitalia, S.p.A.**, Lusaka to London flights are inaugurated in November via Nairobi and Rome. This one service doubles the length of the route network to 12,000 miles.

Airline employment at Chairman T. M. D. Mtine's airline in 1969 is 854. Flights to Mauritius commence in November and enplanements for the year total 143,789.

The workforce grows 11% in 1970 to 960. Three owned Hawker Siddeley HS 748s and a chartered DC-8-43 are delivered by Alitalia, the latter allowing start-up in February of the carrier's first London service with owned aircraft.

Freight soars 52.8% and passenger boardings climb 22.39% to 185,271.

Simon C. Katilungu becomes chairman in 1971, while Roberto Tarrantino rotates in as the new Italian general manager. A bilateral agreement is signed between Zambia and Botswana in February 1972, allowing ZAC to commence service to Gaborone. Two more HS-748s begin plying regional routes in 1973. The first Boeing Stratoliner, a B-707-343C, is delivered in 1974, while the subsidiary **National Air Charters, S.A.** is formed during the latter year.

Early in 1975, the company's two BAC 1-11-207s are sold to **Dan-Air, Ltd./Dan-Air Services, Ltd.** and are turned over on March 29. Meanwhile, the **Alitalia, S.p.A.** management contract is replaced by one signed with **Aer Lingus Irish Airlines, Ltd.** A B-707-348B, leased from the Irish carrier, is delivered on March 24.

The Irish Stratoliner begins nonstop Lusaka to London roundtrips on April 1. The leased **Alitalia, S.p.A.** DC-8-43 is now returned.

A B-707-351C is purchased from the American carrier **Northwest Airlines** on June 30; simultaneously, an Aer Lingus B-737-248A is chartered.

An owned B-737-2M9A, ordered the previous summer, arrives in June 1976. With the addition of two more Irish Stratoliners earlier in the year, scheduled service is inaugurated in July from Lusaka to Frankfurt. No sooner has this important event occurred than a pilot strike in August

grounds the company for most of the next four months. A Boeing crash-lands at Lusaka on May 14, 1977.

Routes are extended or improved throughout the remainder of the decade to a total of 12 domestic points as well as London, Frankfurt, Rome, Salisbury (Harare), Johannesburg, Lilongwe, and Nairobi.

Enplanements for 1981 total 276,700. The carrier is reorganized in April 1982, becoming a subsidiary of the government-owned **Zambian Industrial and Mining Corporation (ZIMCO)**. Patrick Chisanga, director general of ZIMCO, becomes ZAC chairman. A contract is signed with **Ethiopian Airlines, S.C.** under which the older airline will manage the Zambian line's technical and operations departments for the next three years.

A total of 251,110 passengers are flown.

A Boeing 737-2M9A is acquired in 1983. As the result of engine problems, an HS 748-2A with 4 crew and 42 passengers aborts its take-off from Kasaba on July 4, but runs off the end of the runway and is damaged; there are no injuries reported.

Company pilots, of whom nearly 70% are now Zambian nationals, continue to employ for training the B-707 simulators of **Deutsche Lufthansa, A.G.** and the B-737 simulators of **Aer Lingus Irish Airlines, Ltd.**

One of the Stratoliners is now grounded and cannibalized for spare parts. Another is employed as a freighter, while the other two offer regional services as well as weekly return flights to Rome.

Passenger traffic for the year drops to 235,400 passengers, all but 37,000 of which are carried on international services.

The employee population stands at 1,686 in 1984. Managing Director Oliver Chama is suddenly replaced at the beginning of July by Lawrence Bwalya who, like his predecessor, has no airline experience.

The carrier's first wide-body, a DC-10-30, is delivered on July 31 and is named *Nkwazi*. A month later, it is placed in service on the Rome-Paris-London route, but not without difficulty. The British government had initially refused to allow the sharp increase in capacity the wide-body represented on the thrice-weekly Lusaka to London service. Consequently, one of the three flights is now terminated at Paris, a destination not previously visited.

In cooperation with **Air India, Ltd.**, ZAC also starts weekly Stratoliner return service to Bombay via Mauritius and a B-737-2M9A route is launched to Lubumbashi.

On October 5, the government dismisses Civil Aviation Director Capt. Patrick Kawanu following a September incident in which he had closed Lusaka Airport for 45 minutes when he could not get a seat on a departing Zambia Airways Corporation flight.

Passenger boardings for the year grow 5.1% to 247,487 and cargo skyrockets 213.5% to 73.58 million FTKs.

The fleet in 1985 comprises 1 DC-10-30, 2 B-707-348Bs, 1 B-707-351C, 1 B-737-2M9A, and 2 HS 748s. An agreement is signed in February allowing **Air India, Ltd.** to code-share on Zambia Airways' Bombay-Lusaka service. Frankfurt joins the European network and flights start to Jeddah.

In December, the two B-707-348Bs are transferred to a new subsidiary, **National Air Charters, Ltd.**

Passenger bookings grow 3.6% to 254,000 and freight is up a slight 0.38%. Revenues advance 57% to \$34.8 million and expenses climb 44.2% to \$34.8 million; losses are \$132,000 (operating) and \$4.81 million (net).

A January 1986 contract is signed with **Deutsche Lufthansa, A.G.** authorizing the German flag carrier's experts to conduct a comprehensive review of technical and operational departments. In September, Capt. Godfrey M. Mulundika is named managing director. Meanwhile, a weekly flight is started to Matsapa, Swaziland, via Gaborone. Operations continue apace in 1987.

On April 1, 1988, DC-10-30 roundtrip flights are initiated from Lusaka to New York via Monrovia. Two chartered Avions de Transport Regional ATR42-320s arrive in May and June, entering service in July and allowing the removal of an HS 748. A sales office is opened in

Tokyo during August and in October all three B-707-348B/-351Cs are put up for sale.

Enplanements for the 1,681-employee state carrier increase by 7.1% to 268,200 while freight skyrockets by 226.3% to 84.21 million FTKs.

In April 1989, a contract is formed with **Pakistan International Airlines Corporation (PIA)** under which the Asian carrier provides assistance in the areas of computerization, data processing, engineering, accounting, and flight operations. A DC-8-61 is leased from **Nationair, Ltd.** in May and is employed to double the Lusaka to New York service to twice weekly via Monrovia. In September, the airline initiates next-day cargo service from New York to all of its African destinations.

A second chartered DC-10-30 now arrives and in October, following return of the Canadian Douglas, weekly service from New York to Windhoek, Namibia, service is opened via Lusaka—the first ever from North America to Namibia; the return flight routes additionally via London from Zambia. In 1990, an order is placed for an MD-11. In December of that year, the airline becomes the second outside of the U.S. to place a B-757-23APF, leased from Ansett Worldwide Aviation, into service.

The workforce is increased to 2,130 in 1991 and the fleet now includes 2 ATR42-320s and 1 each B-737-2M9A, B-737-291A, B-757-23APF, and DC-10-30. Orders are outstanding for a McDonnell Douglas MD-11.

Following the outbreak of the Mideast war on January 17, together with higher fuel bills, avgas is no longer uplifted in Lusaka on international flights and service is suspended to Kitwe, Lubumbashi, Mansa, and Mongu. Managing Director Mulundika is succeeded by Luke Mbewe in February. Also early in the year, Lome, Togo, is substituted for Monrovia, Liberia, on the Lusaka to New York route. In March, a DC-8-71, configured with a 200-seat, 2-class interior, is acquired.

Despite the substitution of Lome, the New York service loses money; consequently, it is suspended in April.

Traffic figures are provided for the first six months of the year. Passenger boardings fall 37.2% to 80,000 and freight is off 42.6% to 39.87 million FTKs. It is reported in November that financial arrangements made to help acquire the MD-11 have been cancelled due to the company's poor fiscal situation and, in fact, cost it \$2 million.

In 1992, the fleet of Managing Director Mbewe's 2,130-employee company includes 2 ATR42-300s, and 1 each B-737-2M9A, B-737-291A, DC-8-71, B-757-23APF, and DC-10-30. The McDonnell Douglas MD-11 order is outstanding.

In addition to domestic routes, the carrier undertakes scheduled international flights from Lusaka to Bombay, Dar es Salaam, Entebbe, Frankfurt, Gaborone, Harare, Johannesburg, Lilongwe, London, Nairobi, and Rome. Service to Lubumbashi is reinstated.

Statistics are reported for the first 8 months of the year and show passenger enplanements of 160,570 and FTKs of 11.76 million.

Airline employment declines 10.8% in 1993 to 1,900 and the B-757-23APF is withdrawn. Peter Kaoma becomes managing director and a large restructuring program is put into place designed to save the governmental corporation from bankruptcy. General sales agents replace foreign ticket offices and a number of assets are sold in addition to the Boeing.

Data is available through May. In the year's first 5 months, customer bookings are up 1.2% to 97,600, but freight is off 25.5% to 5.32 million FTKs.

The workforce is increased by 12.1% in 1994 to 2,130. In early spring, the government announces plans to restructure and privatize the carrier. Managing Director Kaoma is given another ZIMCO post and he is succeeded by George A. Lewis.

Traffic figures are reported through July and show passenger boardings up 14.5% to 108,730. Cargo recovers, moving ahead by 24.6% to 7.81 million FTKs. The airline is at least \$100 million in debt by fall; international donors threaten Zambia with loss of its aid packages if the plan to save the airline is continued. As a result, the company ceases operations on December 3 and is liquidated, its 1,200 remaining workers being dismissed.

During the summer of 1995, the company's DC-10-30, *Nkwazi*, is sold to **Monarch Air Lines, Ltd.**

ZAMBIA SKYWAYS, LTD.: Lusaka Airport, Box 32661, Lusaka, Zambia; Phone 260 (1) 233 097; Fax 260 (1) 286 508; <http://196.36.240.13/zambia/easternair.htm>; Code X7; Year Founded 2000. Lusaka-based **Eastern Air, Ltd.** is renamed on April 1, 2000. Yoosuf Zunda remains managing director and continues to operate a pair of Let L-410UVPs to the country's tourist destinations, as well as into Chipata, Dar es Salaam, Johannesburg, Kasaba Bay, Kasama, Lilongwe, Livingstone, Lubumbashi, Mansa, Mfuwe, Mongu, and Ndola.

A marketing and code-sharing agreement is signed with **South African Airways (Pty.), Ltd.** When the pact begins on April 18, Solly Patel becomes managing director and SAA takes over the smaller line's Lusaka to Johannesburg route, operating larger equipment six times a week until Zambia Skyways can obtain Western jetliners of its own over the next 18 months. Patel confirms that qualified Zambia aircrew personnel only will be employed to fly the new aircraft.

ZAMBIAN AIRWAYS, LTD.: P.O. Box 310277, Lusaka International Airport, Lusaka, Zambia; Phone 260 (1) 271230; Fax 260 (1) 271054; <http://www.africa-insites.com/zambia/roanair.htm>; Code Q3; Year Founded 1999. Roan Air, Ltd. is purchased by Zambian interests, reformed and renamed on September 2, 1999. Gregory Havermahf is managing director and employing a pair of new Raytheon Beech 1900Ds, he increases the number of daily roundtrip scheduled service from Lusaka to Ndola and Kitwe to 18. Flight schedules are also arranged to complement international arrivals and departures to tourist destinations such as Mfuwe and Livingstone/Victoria Falls. Charters are offered to such points as Kasaba Bay and Chipata. Zambian Airways also manages the operations of the government's Bombardier CL-601-1A Challenger fleet.

The reborn airline also joins the International Air Transport Association and the Southern African Bank Settlement, while linking its reservations system to the international Galileo network.

Thrice-weekly Beech 1900D return service is initiated on October 18 from Lusaka to Harare, Zimbabwe. Later in the month, the company enters into a strategic partnership with **Air Namibia (Pty.), Ltd.** from which it will purchase blocks of seats and thereby code-share on its London route.

The weekly B-747-48EC dual-designator roundtrips are inaugurated on November 2 from Lusaka to London (LHR). Later in the month, the number of weekly frequencies from Lusaka to Harare is doubled from three to six. As the year ends, the company has increased its domestic operations by 50% and has taken a dominant market position, controlling 85% of the domestic flights made in Zambia.

Airline employment stands at 60 at the beginning of 2000.

On March 6, the carrier enters into a marketing and code-sharing agreement with South African carrier **Comair (Pty.), Ltd.** Daily Beech 1900D roundtrips commence on March 26 from Lusaka to Johannesburg and to Nairobi. Plans are announced on July 4 for the acquisition of a Boeing 737-200.

On December 15, the company signs up to become a **British Airways, Ltd. (2)** franchise carrier. A Boeing 727-200 will be acquired from **Comair (Pty.), Ltd.**; repainted in modified BA colors, it will operate on the major's behalf twice weekly from Johannesburg to Ndola and to thrice weekly Lusaka starting in January.

ZAMBIAN AIR CARGOES, LTD.: Zambia (1966–1971). This ZAC is set up in early 1966 by the Roan Selection Trust at Lusaka specifically to operate freight services in support of the copper industry. Under a subcontract from Lockheed Aircraft International at Geneva, London, England-based Field Aircraft Services provides support and management, including CEO H. E. Linsley and a fleet of 5 L-100-20 Hercules transports.

The 320-employee concern begins flying on March 21, transporting copper to Dar es Salaam and returning with petroleum and other products of national priority.

Service is provided without incident in 1967. Having completed a cargo service from Cambridge, England, to Lusaka via Benina and Entebbe on April 11, 1968, an L-100-20 Hercules catches fire as it is being parked next to a second ZAC Hercules; although both planes are destroyed, there are no fatalities.

Operations continue until 1971.

ZAMBIAN EXPRESS AIRWAYS, LTD.: Private Bag E811, 5th Floor, Finance House, Heroes Place, 10101 Lusaka, Zambia; Phone 224276; Fax 224158; <http://www.zamnet.zm/zamnet/zntb/zamex.html>; Code OQ; Year Founded 1995. Privately owned Zamex is established at Lusaka in March 1995 to fill the void left by the defunct **Zambia Airways Corporation**. Shareholding is divided between private Zambian investors (51%) and **SA Express (Pty.), Ltd.** of South Africa (49%). SA Express Chairman William Deluce is given the same post with this concern.

An initial fleet comprising 2 de Havilland Canada DHC-8-314s chartered from SA Express and a Piper PA-31-310 is assembled with which to begin revenue passenger services, both scheduled and charter.

General Manager Linton Bell's new entrant continues during the remainder of the year and in 1996 and beyond to link the capital with Ndola, Livingstone, Johannesburg, Lilongwe, and Lubumbashi. An Aero International (Regional) ATR42-320 is ordered in July, along with a chartered Boeing 727-100.

A second frequency into the Malawian capital of Lilongwe is introduced on December 2; it connects Victoria Falls in Livingstone and the shore of Lake Malawi. The accompanying tour package is designed for the discerning tourist who has little time to see many places in Livingstone, South Luangwa National Park, and Lake Malawi.

Simultaneously, the airline becomes the first Zambian operator to introduce duty free sales on board its flights.

The ATR enters service in 1997 and allows the Navajo to double the company's daily flights to Ndola. Flights continue in 1998-1999.

ZAMRUD AIRLINES. See AOA ZAMRUD AVIATION CORPORATION

ZANTOP INTERNATIONAL AIRLINES: Hangar 2, 840 Willow Run Airport, Ypsilanti, Michigan 48198, United States; Phone (313) 485-8900; Fax (313) 485-4813; <http://www.flyzantop.com>; Code VK; Year Founded 1946. Duane A. Zantop and his three brothers form the FBO Zantop Flying Services at Jackson, Michigan, in 1946 to provide general aviation services, air taxi flights, and ad hoc cargo charter services. Giving a taste of things to come, the brothers' lightplane is occasionally employed over the next six years to fly freight on behalf of General Motors Corporation. At the recommendation of GMC and Ford Motor Company executives, the Zantops, in 1952, apply for and receive an airline operating certificate.

During the early 1950s, the Zantops define their purpose by coming to specialize in the air shipment of automobile parts from Detroit to assembly plants across America. Services are also flown under contract to the Department of Defense. Three Douglas DC-3s and three Curtiss C-46 Commandos are employed on these flights.

A DC-3 freighter with three crew crashes in icing conditions while on final approach to Kansas City Airport on January 24, 1954; there are no survivors. On July 6, 1956, the company name is changed to **Zantop Air Transport**. A C-46A with four crew is lost after a bad landing at Long Beach on December 16; although the aircraft must be written off, there are no fatalities. Service continues apace for the remainder of the decade.

A DC-6A is purchased from **Northwest Airlines** on August 24, 1961. A DC-4 freighter with three crew is destroyed as the result of a bad landing at Cincinnati on November 14; there are no fatalities.

The Curtiss C-46 operator achieves Supplemental status on May 9, 1962, when it takes over, with CAB approval, the abandoned supplemental certificate of **Coastal Cargo Company** and begins to branch out into the delivery of other goods. In late June, **Riddle Airlines** encounters financial difficulty and is forced to sell back its seven Armstrong-Whitworth AW.650 Argosy Is to their manufacturer; two of these now come to Zantop. On July 5, a C-46F crashes into several parked aircraft at Vandenberg AFB, California, while taxiing for takeoff.

While attempting to make a single-engine landing at Puyallup, Washington, on February 16, 1963, a C-46F crashes and burns; both crewmen are seriously injured. Another Commando with two crew and a passenger is destroyed in a crash landing 10 mi. NW of Nederland, Colorado, on December 7 (three dead).

During this year and the next, the company successfully bids on and receives large LogAir contracts from the U.S. government. The Commando fleet is quickly increased from 16 to 24 aircraft.

Services continue apace in 1964, but once again accidents are plentiful. A C-46 crash-lands at Denver on February 21 and following a premature liftoff from Osceola, Michigan, on August 26, an Argosy I makes a wheels-up landing that causes severe damage to the plane. The right main landing gear of a C-46 collapses as the aircraft lands at Pittsburgh on October 30.

An Argosy I suffers an in-flight fire over Gwinn, Michigan, on November 19, but is able to land safely (but with damages). The next day, a C-46 with two crew fails its Inkster, Michigan, takeoff and is destroyed in the nonfatal crash that follows. Five days later, another Commando suffers landing gear failure after it lands at Covington, Kentucky.

A C-46A with four crew crashes at New Boston on December 20; there are no survivors.

The year's final crash, on December 30-31, is fatal; four crewmen are killed when their C-46 loses control after touchdown at Detroit in icy weather.

The company has another accident-filled year in 1965. Only five days into the new year, a C-46 strikes a tractor-trailer truck while taxiing at St. Louis and is badly damaged. The left main landing gear of another Commando fails while it is landing at Atlanta on February 8. On March 20, the company is fined \$70,000 by the FAA, which has been investigating the safety concerns raised over the past several years, for maintenance and operating violations.

Despite the fine, mishaps continue. On July 17, the No. 4 engine of a DC-6A falls off while the plane is in flight near San Jose, California; a safe emergency landing is executed.

The landing gear of a C-46 collapses as it is landing at Atlanta on August 31, while another loses power while taking off from Dover AFB, Delaware, on September 13. Engine failure forces an Argosy I with three crew to make an emergency landing on a highway outside of Piqua, Ohio, on October 14; there are no fatalities.

In April 1966, the company is one of 10 Supplemental carriers to receive permanent certification from the CAB.

En route from Detroit to Kansas City on June 16, a C-46A with two crew and leased from **Saturn Airways**, collides with a single-pilot Piper; both aircraft crash 6 mi. NW of Columbia City, Indiana, and there are no survivors.

Flight 7990, a C-46A with two crew loses an engine while climbing away from Port Elizabeth, New Jersey, on July 28; the Commando makes a wheels-up landing on a salt flat from which both flyers walk away. The plane must, however, be written off.

Zantop Air Transport becomes a wholly owned subsidiary of the Detroit-based Universal Airline Company, itself a subsidiary of Universal Consolidated Industries, on September 21 and operates as **Universal Airline Company** for the next four years.

The costs of expansion in 1970 cannot be overcome and as a result, Universal shuts its doors on May 4, 1971. After Universal files for bankruptcy, the Zantop family reenters the picture in May 1972, rescuing and reorganizing the carrier, incorporating it as a Michigan company, and renaming it Zantop International Airlines. Duane A. Zantop is board

chairman and his sons, James M., Duane G., and David B. will all help him to operate the reborn carrier.

New financing is obtained, along with a fleet of DC-6A/Bs and CV-640Fs, ground facilities at Detroit's Willow Run Airport, and, most importantly, new FAA operating authority.

The year ends on a positive note when B. J. Barret is employed on November 22 as the only female commercial-cargo airline pilot in America.

Charter and contract service flights are the initial offering of ZIA and continue apace in 1973. The Lockheed fleet of **Overseas National Airways** is acquired in 1974, nine L-188AFs. One of these new freighters, with three crew, makes a heavy landing at Deadhorse on April 30, 1975, and flips over; there are no fatalities, but the aircraft must be written off. In 1976-1977, six additional L-188AFs are acquired, all formerly operated by **Eastern Air Lines**.

Scheduled freighter flights are begun in April 1978. President Duane A. and Vice President Duane G. Zantop now operate a fleet of 13 DC-6A/Bs, 14 L-188AFs, and 14 Convair CV-640Fs. The automobile industry remains a prime source of income.

The big fleet transports a total of 43.5 million FTKs this year, a huge 309.3% boost.

The employee population in 1979 stands at 1,025 and the company's first jet transport, a Douglas DC-8-54F, enters service in January. Another L-188AF is purchased, this one from **Trans Continental Air Transport**.

After the Airline Deregulation Act takes effect in the fall, Zantop begins to develop a commercial hub network connecting important communities around the nation. The network, which grows to 38 cities, will be busy mostly at night. Still in this first year of domestic liberalization, cargo falls by 40.2% to 26.03 million FTKs.

When a DC-6A loses a door over Syracuse on January 18, 1980, a carton containing military explosives is also lost; the USAF reports that the explosives cannot go off without detonators and that there were none in the carton.

Eight more Lockheed L-188AF Electras join the fleet in September as Zantop acquires the mainland cargo division of **Hawaiian Airlines**, started at Macon, Georgia, two years earlier. A total of 79.12 million FTKs are operated.

On February 1, 1981, Zantop International becomes a wholly owned subsidiary of the Aviation Group, a holding company incorporated in North Carolina in December 1977. The Zantop family, however, continues to remain in control of the carrier.

The fleet now comprises 1 DC-8-54F, 5 DC-8-30Fs, 25 L-188AFs, 12 DC-6A/Bs, and the 14 CV-640Fs. The carrier receives CAB certification in September and posts a 10.2% traffic gain (88.1 million FTKs) on the year.

The 1,250-man workforce remains level in 1982. Two L-188AFs are destroyed when the roof of their hangar collapses at Macon, Georgia, on March 21.

Cargo traffic dips 1.3% during the year to 86.97 million FTKs. Despite the national recession, Zantop earns revenues of \$80.5 million, allowing it a \$3.8-million net profit.

During 1983, Reese Zantop establishes Detroit (YIP)-based **Reliant Airlines** to offer on-demand all-cargo services to destinations in Europe and the Americas. Additionally, an L-188AF is sold to **Reeve Aleutian Airways**.

Continuing to maintain its emphasis on auto parts transport, Zantop operates 184.9 million FTKs, an increase of 82%. Total revenues are \$106.4 million and the net profit is \$8.8 million.

Just after departing from Baltimore (BWI) for Detroit (YIP) on the evening of May 30, 1984, an overloaded L-188AF with three crew and a passenger enters into a descending spiral and its speed increases to a point where it suffers structural failure, breaking up in flight. Wreckage is spread over an area near Chalkhill, Pennsylvania, 2 mi. long by 1 mi. wide and there are no survivors.

Traffic for the year dips 1.7% to 187.05 million FTKs.

As 1985 dawns, the company's fleet of 5 newly received Douglas DC-8-62Fs, plus 21 Electras, 9 Convair CV-640s, and 6 DC-6As con-

tinues to ferry goods to a variety of automobile and other markets in the eastern and central U.S.

Total FTKs flown by the 1,146-employee operator dip 4.7% to 185.83 million. Revenues, however, are up 20.6% to \$128.7 million. With costs at \$109.46 million (a 12.9% increase), the operating profit is able to climb to \$19.23 million. Net income jumps \$3 million to \$11.98 million.

Airline employment in 1986 continues to stand at 1,146 and the fleet is upgraded by the addition of 2 more DC-8-62Fs and 1 DC-8-50F. The DC-6As are retired.

Cargo is down again, by 26.6% to 136.4 million FTKs. Revenues plunge 11.7% to \$113.63 million, expenses drop 5.5% to \$103.45 million, and the operating profit is \$10.17 million. Net profit falls by half to \$5.52 million.

The workforce is increased significantly in 1987, rising 57.1% to 1,800.

Freight traffic makes a strong recovery, growing by 17.1% to 12.99 million FTKs. Revenues take another 3.2% fall to \$110.06 million, costs jump 9.4% to \$113.17 million, and the operating loss is, accordingly, \$3.1 million. The previous year's net gain turns into a \$2.58-million net loss.

The payroll is cut by 31.2% in 1988 to 1,238. All of the DC-8-62Fs are sold to **CF Airfreight**. Traffic is also down, falling 6.6% to 109.92 million FTKs.

The number of workers increases by 21.1% in 1989 to 1,500 and the fleet includes 1 Beech King Air 90, 1 Beech Super King Air 200, 9 Convair CV-640s, 6 DC-6Bs, 10 Lockheed L-188AFs, and 11 L-188CFs.

Freight traffic plunges 48.9% to 56.19 million FTKs and the company suffers the stigma of being demoted by the DOT from the status of national airline to that of a large regional. Expenses exceed income and there are losses: \$3.28 million (operating) and \$1.2 million (net).

One L-188AF is withdrawn in 1990 as one more L-188CF joins the fleet, only to be immediately leased to **Channel Express Air Services, Ltd. (CEASL)**, along with 11 Convair CV-640Fs.

Cargo rebounds, climbing by 24.5% to 97.52 million FTKs. Revenues advance 18.3% to \$75.13 million, expenses are held to an 11.2% gain, to \$74.27 million, and operating income totals \$860,001. Net profit reaches \$1.86 million.

Airline employment is increased by 13.3% in 1991 to 1,700 and the fleet now includes 34 aircraft. Two DC-8-54Fs are acquired, but are then leased out to **Trans Continental Airlines (TCA)**. During the Persian Gulf crisis, which actually began the previous August, Zantop operates a day hub exclusively for the U.S. Post Office.

Freight declines by 9.3% to 88.51 million FTKs, but revenues improve by 5.7% to \$79.42 million. Expenses are unchanged and total \$74.24 million, causing the operating profit to increase to \$5.18 million. Net profit surges to \$7.65 million.

Two more L-188AFs are leased to Channel Express in 1992, while the TCA lease is concluded. Destinations visited regularly now include Albany, Ashville, Atlanta, Baltimore, Boston, Buffalo, Charlotte, Chicago, Cincinnati, Cleveland, Dallas (DFW), Dayton, Detroit, Fort Wayne, Grand Rapids, Hartford, Houston, Indianapolis, Jackson, Kansas City, Little Rock, Los Angeles, Memphis, Minneapolis (MSP), Nashville, New York (JFK), Newark, Norfolk, Philadelphia, Richmond, Rochester, Shreveport, South Bend, St. Louis, and Syracuse.

Late in the year, the decision is taken to discontinue the company's hub system in favor of charter and contract service flights.

Cargo plunges 36.3% in these 12 months to 73.03 million FTKs. Revenues plunge 33.6% to \$52.76 million, costs fall 21.3% to \$58.44 million, and there is a \$10.9-million operating loss. The previous year's net gain now turns into a \$6.3-million net loss.

A total of 1,200 workers are employed in 1993. The company's fleet of 2 DC-8-54Fs, 11 CV-640Fs, and 20 L-188 Electras (3 remain leased out to CEASL) continues to provide "prime-time" overnight scheduled services until April, when Zantop terminates its schedule in favor of nonscheduled flights. On-demand cargo charters and contract services

throughout the U.S., together with special charter flights, are now also available to worldwide locations.

The air conditioning duct of an L-188AF overheats while the aircraft is parked at Detroit (YIP) on April 14; the fire spreads to the cockpit and the whole aircraft is eventually burned out. The engines and propellers are salvaged and the remainder of the hull is scrapped.

In May, the scheduled routes are taken over by **American International Airlines**.

Freight falls another 47.8% to 38.09 million FTKs and revenues decline 29.6% more to \$37.1 million. Still, the operating loss is cut to \$8.9 million and net loss is reduced to \$4.1 million.

The workforce is cut in half during 1994 to 600 as cargo plunges 25.5% to 25.85 million FTKs. Revenues, however, increase by 19.3% to \$44.72 million. Still, expenses, even if down 4.2%, total \$47.3 million and cause an operating loss of \$2.58 million. There is a \$4.76-million net gain.

In 1995, the company's 33 aircraft operate a total of 19.53 million FTKs, a 24.4% decline, translating into a fiscal downturn as costs exceed operating income and leave losses of \$10.78 million (operating) and \$9.1 million (net).

The employee population grows to 755 in 1996 and 2 L-188AFs remain out on charter to **Channel Express, Ltd.**

Cargo traffic skyrockets 134.2% to 45.73 million while revenues jump 22% to \$29.85 million. Unhappily, expenses rise 29% to \$45.49 million and leave a \$21.8-million operating loss. The net loss grows to \$14.95 million.

The workforce is slashed 20.5% during 1997 to 600. The fleet now includes 11 CV-640Fs (5 of which are out of service), 18 L-188Fs, 3 DC-8-54Fs, and 1 each DC-8-62CF and Beech Super King Air 200, the latter used for the transport of company executives.

On March 21, Zantop ceases airline operations on its own accounts and begins to operate aircraft exclusively on contract to its air freight customers. These include the U.S. Postal Service, **Emery Worldwide**, **DHL Worldwide Express**, **Channel Express, Ltd.**, **Lynden Air Freight**, **American International Airlines**, and **Kitty Hawk Aircargo**.

For that reason, the year is horrible from a traffic and financial standpoint. Freight plunges 62.1% to 17.33 million FTKs, while revenues decline 45% to \$16.85 million. Expenses jump 53.5% to \$24.41 and, although cut somewhat, losses continue. The operating loss is significantly reduced to \$7.56 million, but net loss is still \$14.91 million.

The downturn, although slowed, continues in 1998. Cargo traffic declines by 8.4% to 15.88 million FTKs. The 100-employee carrier continues services in 1999.

Cargo traffic this year accelerates 5.1% to 16,698,000 FTKs.

A total of 100 workers are employed at the beginning of 2000. Two DC-8-54Fs are operated.

ZAS AIRLINE OF EGYPT (ZARKANI AVIATION SERVICES, LTD.): Egypt (1982–1995). This new scheduled charter operation is organized at Cairo in June 1982 by Amir Zarkani, whose family operates the ground handling company Zarkani Aviation Services (ZAS) and for two decades has chartered foreign airliners to transport vegetables from family land to Europe. The private company obtains a pair of Boeing 707-328C Stratoliners and undertakes nonscheduled charter and contract service cargo flights from the Egyptian capital to such European cities as London, Brussels, Frankfurt, and Amsterdam. Scheduled all-cargo operations and nonscheduled passenger flights are authorized by the Egyptian government in April 1983.

By 1986, the fleet includes 13 B-707-320Cs and 3 Lockheed L-1329 Jetstar 6s. The Jetstars, acquired from the German government, are the first ZAS aircraft employed for passenger services.

It is reported in June 1987 that the company has moved 40,000 metric tons of freight in the past year and earned revenues of \$71 million. In July, a B-707-328C is leased to **Uganda Airlines, Ltd.** and in September ZAS is granted a license to transport passengers, initially on a nonscheduled basis. Regular services are now undertaken by Chair-

man/President Sherif Zarkani's carrier to Alexandria, Aswan, Hurghada, Luxor, and Sharm el Sheikh; these soon become scheduled destinations. In December, scheduled weekly roundtrip passenger service is launched to Amsterdam.

In 1988, the airline begins a close affiliation with **Tradewinds, Ltd.**; a hush-kitted B-707-320C is leased to the British freight operator in March, allowing joint services to begin to North Yemen, Somalia, Kenya, and the Sudan. Frequency on the Amsterdam route is boosted to thrice weekly in October.

East African operations continue through the remainder of the year and into 1989, during which 12 months a McDonnell Douglas MD-11 is ordered for the company by its major Swiss stockholder, ADO Finance. Also during the year, a DC-9-32 is leased from **Adria Airways** to fly charters from Aswan to Abu Simbel.

A total of 600,000 passengers is transported on the year (in addition to cargo), and they contribute \$45 million to the company's coffers.

Beginning in July 1990, scheduled services between Khartoum, Cairo, and Frankfurt and Paris are undertaken under contract by **Sudan Airways, Ltd.** Following Iraq's August 2 invasion of Kuwait, the company suspends its passenger operations and begins to earn its only revenues from the transport of cargo in support of Operation Desert Shield.

Operations continue apace in 1991 in support of Operation Desert Storm in January and February, and in the air transport work of its aftermath. At this point, the company begins a leasing arrangement with **Conair of Scandinavia, A.S.**, taking the first of three Airbus Industrie A300B4-120s it will eventually charter for seasonal charter flights. Still, income is down and the company's 700 employees are forced to endure 40% pay reductions. On August 31, the company is \$10.3 million in debt.

Notoriously slow with its creditors, ZAS improves its lot in the summer of 1992 when it becomes a joint stock company, with the three Zarkani brothers as majority shareholders. A total of £41,020,900 (\$12.4 million) is subscribed in the initial offering. The fleet is increased by the addition of a McDonnell Douglas MD-83, but the MD-11 order is cancelled.

A total of 319,000 passengers are transported on the year and revenues of \$88 million are banked.

The fleet in 1993 comprises 3 B-707-320Cs, 1 MD-83, 4 Jetstar 6s, and 3 Airbus Industrie A300B4-120s leased from Conair. One of the Stratoliners is sold to Nile Safaris Aviation during the year.

Scheduled international flights are inaugurated to Amsterdam and Berlin in Europe, and to the Asian destinations of Male, Sharjah, and Kuwait. Charter destinations, all in Europe, include Barcelona, Bologna, Cologne, Frankfurt, Madrid, Milan, Munich, Paris, and Vienna.

During early 1994, one B-707-320C is sold, while the fleet is increased by the addition of one more MD-83 and three MD-87s. In a copyrighted article in the November 22 issue of *The New York Times*, founder Zarkani states that he is being driven out of business by capricious government regulations designed to safeguard the state carrier **Egyptair, S.A.E.**

On April 12, 1995, ZAS officials explain to the chairman of the Egyptian civil aviation authority, Mr. Munsef, that the airline has not ceased operations, but has merely had a partial stand-down until inspection and maintenance on its planes are completed. ZAS requests authority to operate 12 unscheduled flights between Cairo and Salalah employing aircraft leased from abroad. It also submits a petition to the authority's manpower committee explaining that the company's financial status requires it to lay off 280 workers.

Following a threat by Libyan leader Qaddafi to defy the UN sanctions imposed against his country, the Security Council on April 19, 1995 agrees to ease restrictions on flights from Libya; it will permit Egyptian airlines to carry Muslim pilgrims to Mecca.

Although ZAS will obtain its charter license and receive a portion of the pilgrimage business, the flights will not generate sufficient revenues to allow the airline to continue. Consequently, ZAS shuts its doors in October.

ZB AIR, LTD.: P.O. Box 45646, Nairobi, Kenya; Phone 254 (2) 501 219; Fax 254 (2) 505 964; Code ZB; Year Founded 1963. In June 1963, **Campling Bros. & Vanderwal, Ltd.**, the largest air charter operation in East Africa, is purchased by New York-based Blackwell Enterprises for £120,000. Now unemployed, former Campling director and chief pilot Zivota Boskovic takes his share and establishes a small charter operation, **Z. Boskovic Air Charters, Ltd.**, at quarters at Nairobi's Wilson Airport, not far from his former employer's. Revenue operations commence with a single Cessna 172.

In 1964–1966, the fleet is increased by the addition of a Beech A-36 Bonanza, one each Cessna 175 and C-180, and three each C-150s and C-182s. A Beech 58 Baron arrives in 1967.

These is little change in the company over the next 20 years, as light-plane charters are provided to small communities and bush destinations for tourists, hunters, and local citizens alike.

With T.A.D. Watts as managing director, Boskovic continues to undertake charter services for those seeking aerial safari and sight-seeing holidays. Contract service and passenger and cargo ad hoc charters are also undertaken. The fleet comprises 2 Cessna 404s, 1 Cessna 402, 1 Cessna 310, 1 Cessna 210, 2 Cessna 206s, and 3 Beech B-58 Barons.

At the end of the 1980s, the aging Chairman Boskovic, together with Managing Director Watts, elects to convert the company from a charter and air taxi operation into a scheduled commuter. At this point, the original Z. Boskovic Air Charters, Ltd. name is changed to the present moniker.

Scheduled passenger and cargo services are undertaken in 1989 linking the capital with Mombasa and other small towns, villages, and landing strips. The fleet now comprises 2 Cessna 404 Titans, 1 Cessna 401, 3 Cessna 310s, 2 Cessna 206s, and 3 Cessna 182s.

Cargo and passenger charters are also undertaken, particularly in connection with the tourist trade to animal reserves.

A fourth Cessna 310 and another Titan join the fleet in 1990 followed by three Beech Barons, a type previously flown, in 1991–1992.

Operations continue in 1993–2000, during which years another C-206, four C-208B Grand Caravans, and a C-208 Caravan I are acquired.

ZENIT AIRLINE: Leningradskoe Shosse 6, Moscow, 125299, Russia; Phone 7 (095) 155 2017; Fax 7 (095) 150 3916; Code EZT; Year Founded 1992. This transport division of the MIG design bureau is reformed in 1992 in order to offer domestic and regional cargo charters. Vladislav Mikhailovski is named director general and he begins revenue services with 2 Antonov An-12s and 1 Yakovlev Yak-40.

ZENITH AIR, LTD.: Nigeria (1994–1995). Zenith Air is established by Dewayne Sheehy at Lagos in 1994 to provide charter services to destinations throughout Africa. Revenue operations commence with a pair of ex-Eastern Air Lines Douglas DC-9-31s, but cease within a year.

ZHEJIANG AIRLINES COMPANY, LTD.: Jian Qiao Airport, 7 Yucheng Road, Hangzhou, Zhejiang, 310021, China; Phone 86 (571) 808-2490; Fax 86 (571) 517-3015; <http://www.zjair.com>; Code ZJ; Year Founded 1990. CAAC (The General Administration of Civil Aviation of China) authorizes creation of this regional during the summer of 1990. Officially established on September 7, shareholding is divided between **China Eastern Airlines Company, Ltd.** and the Zhejiang provincial government.

Initially equipped with 2 de Havilland Canada DHC-8-301s, the carrier, under the leadership of President Luo Qiang, inaugurates flights to tourist centers along the southeast coast on November 1. The major route is between the company base at Hangzhou and Shanghai.

Operations continue apace in 1991–1995, during which time the fleet is increased by the addition of a third DHC-8-301 and two Tupolev Tu-154Ms, the latter wet-leased from Russia.

The most exciting event of these years is one of China's many aircraft skyjackings. While en route from Hangzhou to Fuzhou on November 8, 1993, a DHC-8-301 with 59 passengers is taken over by factory worker

Wang Zhihua. The turboprop is diverted to Taipei, where Wang seeks political asylum. After the plane is released, Wang will be tried and sent to prison for 10 years.

In 1996, orders are placed for three Airbus Industrie A320s.

Flights continue in 1997–1998. The Tu-154Ms wet-leased from Russia are returned on March 22, 1999. The company now operates 4 A320-214s. Overall enplanements total 630,000 and 1.24 million FTKs are operated.

Just after takeoff from Hangzhou and a February 22, 2000 service to Wenzhou, the left engine of a Dash-8 develops an oil leak forcing automatic shutdown of the power plant; a safe emergency landing is made back at the point of origin and no injuries are reported.

In response to a fatal June 22 **Xian Airlines** Y-7-100C crash, **CAAC (The General Administration of Civil Aviation of China)** delivers a major reorganization plan to the China State Council in mid-July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around **Air China International Corporation**, **China Eastern Airlines Company, Ltd.**, and **China Southern Airlines Company, Ltd.** Zhejiang negotiates to become a member of the **Air China International Corporation** group.

The last of five A320-214s delivered since August 29, 1997 is accepted on September 15.

Reacting to rising fuel costs, the **CAAC (The General Administration of Civil Aviation of China)**, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Zhejiang, increase fares on November 5.

ZHETYSU AVIAKOMPANIA: Kazakhstan (1999–2001). Zhetysu is established at Taldy-Kurgan in the first quarter of 1999 to offer 40–45 min. roundtrip flights to Astana and Almaty. Revenue flights with 6 Yakovlev Yak-40s commence in April.

Despite relatively low prices for the service, the operator is unable to attract passengers or become viable. Difficulties in accessing the airport at Almaty and poor ground handling at both the capital airport and at Astana make the 3-hr. ground service by taxi or bus just as attractive for many travelers. Having lost an estimated \$62,000, the company will shut its doors at the beginning of March 2001.

ZHONGFEI GENERAL AVIATION CORPORATION: P.O. Box 73-90, Lin Yun Road, Yanliang District, Xian, Shannxi, 710089, China; Phone 29-721-4527; Fax 29-620-2094; Code CFZ; Year Founded 1991. This division of the China Flight Test Establishment is set up at Xian in 1991 to provide aerial photography and remote sensing. The division is officially reformed into a separate concern on April 18, 1993.

During the remainder of the decade, Zhongfei expands its original mission to include executive charters and a host of activities in support of China's energy and technology industries. It also provides management services for company's owning their own bizjets.

President Cheng Dunbin oversees a workforce of 90 at the beginning of 2000 and his fleet includes 1 HAMC Y-12-II and 3 Cessna 550 Citation IIs.

ZHONGHUA HANGKONG GONGSI (CHINA AIRWAYS CORPORATION). See **CHINA AIRWAYS CORPORATION**

ZHONGYUAN AIRLINES COMPANY, LTD.: 143 Minggong Road, Zhengzhou, Henan Province, 450000, China; Phone 86 (371) 622-2542; Fax 86 (371) 622-2542; <http://www.zy-air.com>; Code Z2; Year Founded 1986. ZYA is established at Zhengzhou, in Henan Province, on May 17, 1986 to provide regional services under the leadership of President Xie Yongliang. A workforce of 180 is recruited and a fleet is assembled, comprising 2 Xian (license-built Antonov An-26s)

Y-7-100s and 6 Ilyushin Il-14s. Revenue flights begin on May 17 to Beijing, Changsha, Guangzhou, Hefei, Huangyan, Nanjing, Shanghai, and Xiamen.

Operations continue apace in **1987–1993**, during which years, orders are placed for three Boeing 737-37Ks and the number of Il-14s is reduced.

The first two Boeings are delivered to General Manager Rong Liang's fleet in the fall of **1994** and enter service in December, helping enplanements to reach 244,920 in **1995**.

Airline employment stands at 300 in **1996** and additional destinations served a decade after start-up include Fuzhou, Chengdu, Haikou, Harbin, Kunming, Qingdao, Shengyan, Shenzhen, Wenzhou, and Wuhan.

Passenger boardings increase 52.9% to 520,000, while cargo traffic skyrockets 83.8% to 4.42 million FTKs.

In compliance with the Chinese government's desire to increase the efficiency of competition by reducing the number of regional airlines, Zhongyuan joins five other carriers to form the New Star Alliance in September **1997**.

Enplanements during the 12 months total 509,098.

When activated on January 1, **1998**, the informal compact begins to boost the quality of its members' services via integrated passenger and marketing services and code-sharing on selected routes. Late in the year, Zhongyuan opens a Chinese-language homepage on the Internet's World Wide Web.

Passenger boardings decline by 11.4% to 457,000, while freight traffic is off by 3.4% to 5.26 million FTKs.

At the beginning of **1999**, airline employment stands at 300.

Overall customer bookings for the year reach 404,000, while 557,000 FTKs are operated.

The workforce at the beginning of **2000** continues to total 300. Five "classic" B-737-37Ks are still operated.

In response to a fatal June 22 **Xian Airlines** Y-7-100C crash, **CAAC (The General Administration of Civil Aviation of China)** delivers a major reorganization plan to the China State Council in late July. Among the proposals is a release of all airlines from the requirement that they purchase aircraft through CAAC. More important, however, is a recommendation that the 13 largest of China's 34 carriers be consolidated into 3 groups built around **China Southern Airlines Company, Ltd.**, **China Eastern Airlines Company, Ltd.**, and **Air China International Corporation**.

CSA is the first to take operational and managerial control of another airline under the CAAC mandate. Although it will be allowed to retain its name, Zhongyuan, valued at \$176.54 million and based at Zhengzhou in Henan Province, almost immediately becomes part of the Southern Airlines Group on August 1.

Over the next three months, a number of changes are made. CSA immediately seeks to optimize a joint route network and deletes three duplicate routes from the Zhongyuan schedule. This is accomplished by combining two flights into one and transferring the added capacity into four other routes. Within a month, the revitalized company has operated 1,071 flights, with 2,237 hours flown. These include 48 additional domestic flights, 8 charter flights between Zhongyuan and Hong Kong, and 9 international tourist charters.

Other improvements include the addition of first-class cabins aboard two Zhongyuan B-737s for use on the routes to Beijing and Shanghai. The unprofitable cargo stations at Zhengzhou, Mengzhou, and Qinyang are closed, while a new office is opened at Luoyang. A new Air Mail Transit Service is also added.

A Boeing 737-37K is leased to **Sichuan Airlines Company, Ltd.** on September 2.

Reacting to rising fuel costs, **CAAC (The General Administration of Civil Aviation of China)**, on November 1, grants the nation's 34 airlines permission to raise ticket prices by 15% to balance passenger traffic and avgas costs; 23 companies, including Zhongyuan, increase fares on November 5.

ZIA AIRWAYS: United States (1972–1980). The **Associated Air Ambulance Service** is established at Las Cruces, New Mexico, on August 16, **1972** to provide ambulance and charter services in the local region. Two years later, in **1974**, the decision is taken to offer scheduled passenger and cargo flights and the company is reorganized and renamed Zia Airways. Employing Cessna 402Bs, frequencies are initiated linking the company's base with Albuquerque, Santa Fe, Taos, El Paso, and Silver City.

Routes are stretched to Denver, Farmington, and Alamogordo in **1975–1976** and by **1977** enplanements total 5,153. In **1978**, the year that the Airline Deregulation Act becomes federal law, the fleet includes 3 British Aerospace BAe Jetstream 31s and 4 Cessna 402Bs.

Zia enjoys a 68.3% jump in passenger boardings to 16,255 while cargo accelerates by 38.1% to 263,396 pounds.

Customer bookings skyrocket 112.8% in **1979** to 35,000, while freight grows by 27.1% to 335,000 pounds.

The final revenue flight is made on May 21, **1980**, after which the company, purchased by new owners, is renamed **Air New Mexico**.

ZIMBABWE EXPRESS AIRLINES, LTD.: P.O. Box 513-, Harare, Zimbabwe; Phone 263 (4) 729681; Fax 263 (4) 737117; <http://www.zimsurf.co.zw/zex>; Code Z7; Year Founded 1994. Privately held ZEA is established by Tirez Aviation Services at Harare in December **1994** with founder Evans Ndebele as managing director. A Boeing 727-23 and a British Aerospace (HS) 748 are acquired and employed to launch services during the spring of **1995** to Kariba and Victoria Falls.

A total of 77,000 passengers are transported in **1996**. Business is sufficiently positive at the beginning of **1997** to warrant the lease of a B-727-23F and a British Aerospace (BAe) 146-200.

Arrival of the new trijet, under charter from Million Air Charter in South Africa allows the company to service a new Bulawayo-to-Harare route, which is inaugurated with a special flight on January 14. It is promised that a free flight will be made between the two cities whenever the plane is delayed an hour or more. Twice-daily return service begins the next day.

The Hawker arrives at the end of the month under charter from South Africa's Executive Aerospace (Pty.), Ltd.

In July, a Douglas DC-9-31 is received under lease from South Africa's **Sun Air (Pty.), Ltd.** During the fall, the company enters into strategic arrangements with **Virgin Express Airlines, Ltd.** and **KLM (Royal Dutch Airlines, N.V.)**.

Early in **1998**, a code-sharing agreement is entered into with **Sun Air (Pty.), Ltd.** that opens connections to Durban and Cape Town. A cooperative agreement is also entered into with the new Harare-based independent **Air Zambezi, Ltd.** that begins flying on July 16.

On December 11, the company launches a homepage on the Internet's World Wide Web.

Service continues in **1999** and the arrangement with **Sun Air (Pty.), Ltd.** leads to the acquisition of a second DC-9-31.

Financial problems cause **Sun Air (Pty.), Ltd.** to shut down on August 13. Zimbabwe is also endangered because it will be required to return the Douglas jetliners. Without aircraft, the company is forced to suspend operations. Although often petitioned, the company's management refuses to meet with its 250 workers to discuss their fate. Payment of employee salaries stops at the end of October.

Negotiations are entered into with **South African Airways (Pty.), Ltd.** in November seeking assistance. It is hoped that the company can be reformed into a new entity with the SAA taking a 40% minority stake.

These talks, pursued aggressively by Zimbabwe CEO Evans Ndebele, continue into **2000**. Key issues all revolve around the airline's substantial (but undisclosed) debt, which has forced impatient creditors to attach its remaining assets. *The Financial Gazette* (Harare) on June 29 quotes SAA Chief Financial Officer Andre Viljoen, who has indicated that his company's investment in Zimbabwe Express depends entirely upon whether or not the troubled carrier can reach an appropriate compromise with its creditors, one that will be approved by the courts.

As this condition is met, SAA insists on six different, specific, and undisclosed agreements before it will help. On July 1, the Zimbabweans sign four and anticipate agreement to the remaining two before the end of summer.

ZIMEX AVIATION, LTD.: P.O. Box 162, Alte Landstrasse 106, Zollikon, CH-8702, Switzerland; Phone 41 (1) 391-4466; Fax 41 (1) 391-3277; Code C4; Year Founded 1969. A division of Xiegler Holding, Ltd., Zimex is established at Zollikon in early 1969 to offer a variety of specialized charter services. These include survey, air taxi, air ambulance, passenger and cargo flights, as well as pilot training. Founder Hannes Ziegler is president. Revenue services begin on June 20 and are maintained with little change over the next decade.

During the early 1980s, the company's emphasis on support of oil exploration, particularly in North Africa, continues. In 1984–1985, the fleet comprises 13 Pilatus Porters, 3 Fokker F.27s, 3 de Havilland Canada DHC-6-300 Twin Otters, and 1 Beech Volpar Turboliner.

Two Boeing 707Fs and a Lockheed L-100-30 Hercules are acquired in 1986.

Just after takeoff from Cutato, Angola, for Benguela on October 14, 1987, an L-100-30 with four crew and two passengers suffers the explosion of its No. 3 engine. While attempting to return to its point of origin, the Hercules rapidly descends and collides with 8 houses in Cancao village, 40 km. W of Kuito; there are no survivors from the aircraft and 2 people are killed on the ground.

Although no person or group admits to the deed, all indications are that the tragedy has been caused by a heat-seeking surface-to-air missile.

Operations continue apace in 1988, although the jet freighters are removed. The fleet in 1989 includes 5 DHC-6-300s, 2 Cessna 208 Caravan I, and 1 each British Aerospace BAe Jetstream 31, Volpar Turboliner, and Super King Air 200. A Lockheed L-382G is acquired, but leased to **Intercargo Service** of France.

Another Super King Air 200 is acquired in 1990, along with a second Caravan I. One Twin Otter is leased to **Flugfelag Nordurlands, H.F.** in Iceland and **Gronlandsfly, A.S./Greenlandair**. The number of DHC-6-300s is increased to 11 in 1991 and a Turbo-Conversion Douglas DC-3 is also acquired.

The latter plane is removed in 1992 as unsuitable while, as a result of the recession, one Cessna 208 and one King Air are also sold. A Twin Otter is withdrawn in 1993 so that the fleet in 1994 totals 2 Beech Super King Air 200s, 10 DHC-6-300s, 13 Pilatus PC-6s, and 1 Jetstream 31.

Flights continue in 1995–1998, during which years the fleet is increased by the addition of a Cessna 208 Caravan I and two Fokker F.27-200 Friendships.

Airline employment at the beginning of 1999 stands at 180. In July, the company is sold to a Swiss investment group. Emphasis on air taxi flights, as well as energy industry and humanitarian charters, continues into the new millennium.

During 2000, a de Havilland Canada DHC-6-300 is acquired and dry-leased to **Loganair, Ltd.**, which employs it while its own Twin Otter is busy on a contract in Scotland. Upon the completion of the arrangement, the Zimex DHC is returned on November 27.

ZIMMERLY AIR LINES. See **EMPIRE AIRLINES** (2)

ZONDA (ZONAS OESTE Y NORTE DE AEROLINEAS ARGENTINAS, S.A.): Argentina (1946–1949). In order to insure state participation in the postwar development of the nation's air transport industry, in 1945 the government of Argentina decrees the establishment of several joint-stock carriers in which it would hold some interest. In addition, the map of Argentina is divided into six regional zones of influence that would be allocated to the new operators.

On February 23, 1946, **LAAN (Lineas Aereas Argentinas Noroeste, S.A.)** is formed to take over zones III and V in the northwest. Important destinations included were once flown as part of the cabotage arrangement by **Pan American-Grace Airways (PANAGRA)** and feature such cities as Cordoba and Tucuman.

Given the geographical location of LAAN's district up against the Chilean border and the initials of that country's airline (**LAN Chilean Airlines, S.A.**), it is decided to change the name of the Argentine operation in June to ZONDA. The remainder of the year is primarily devoted to assembling a fleet that comes to comprise 17 Douglas DC-3s, 10 de Havilland DH 89A Dragon Rapides, 2 Avro Ansons, and several miscellaneous types. In August, unscheduled proving flights are started and the first revenue flight is completed in mid-November, Buenos Aires–Salto.

Regularly scheduled domestic services are inaugurated on January 2, 1947. Among them are two nonstop direct ex-**Pan American-Grace Airways (PANAGRA)** flights out of Buenos Aires: Expreso El Tucumano and Expreso El Cordobes. The first international flight occurs in October when the Mendoza route is pushed to Santiago de Chile. Night service is simultaneously opened from Buenos Aires to Cordoba.

ZONDA's domestic and regional services are maintained throughout the remainder of the year and 1948. During the latter year, Convair CV-240s are ordered to replace the DC-3s; however, they will not be delivered in the lifetime of the airline. On May 3, 1949, ZONDA is one of four companies merged to form the new state company **Aerolineas Argentinas, S.A.**

ZULIANA DE AVIACION, S.A.: United States (1985–1997). With its name taken from the state of Zulia, Zuliana is established by Edgar J. Valles at Caracas, Venezuela, in 1985 as an all-cargo charter airline. A Douglas DC-8-54F is obtained with which to begin scheduled passenger charter operations and permission is requested of the U.S. DOT for authority to serve New York, Houston, Miami, and San Juan. Operations commence in 1991 to Miami, Maracaibo, Medellin, and Bogota, with the company's main hub transferred to Miami.

Flights continue in 1992–1993 as two DC-9-31Fs are acquired. As the economy improves in 1994, additional passenger charter business is acquired and the fleet is expanded by the addition of one each Boeing 727-227 and B-727-295.

The latter aircraft is put out of service in 1995. Enplanements through August total 274,963. In 1996, the fleet includes 3 DC-9-32s, 2 DC-9-31Fs, the leased B-727-227, and 2 newly acquired Douglas DC-8-54Fs. Traffic is mixed. Customer bookings for the first 8 months plunge 26.8% to 216,848, but 6.31 million FTKs are operated, a 19.5% increase.

Services cease in 1997.

Postscript

Proofreading and indexing of these three volumes was completed on a staggered schedule: Volume I (November 10, 2000), Volume II (March 10, 2001), and Volume III (June 10, 2001). During those seven months, and several extra tacked on afterwards, the following airlines failed, were taken over and merged, or changed their names. The author was given the opportunity to add last-minute information concerning these failures and other late details during the indexing/proofing phases of the project. Consequently, information on the demise of carriers, traffic and financial figures, personnel changes, alliance upgrades, and disasters is included, but on a gradually shrinking scale based on volume cut-off dates. For an overall review of the year 2000 and specific figures, readers are directed to the "2000 World Airline Report" issue of *Air Transport World* (July 2001).

LIST OF FAILED, ACQUIRED/MERGED, OR RENAMED CARRIERS

AccessAir closes down on February 27, 2001.
Aero Kuznetsk Novokuznetsk Airline is renamed Aerokuzbass.
AeroContinente, S.A. is ordered shut down by the Chilean courts on July 19, 2001 after its owners and three executives are charged with money laundering and drug trafficking.
Aeropostale (2) becomes Europe Air Post, S.A. in October 2000.
Air China International Corporation, Ltd., effective May 1, 2001, enlarges its group to include China Southwest Airlines Company, Ltd. and Zhejiang Airlines Company, Ltd.
Air Engiadina, A.G./KLMalps becomes Swisswings Airlines, A.G. on March 28, 2001.
Air Normandie, S.A. is reported to have ceased operations on August 31, 2001.
Air Nova becomes part of Air Canada Regional, Inc. on January 1, 2001; it will continue to operate under its previous name until the physical amalgamation into the larger entity is completed later in the year.
Air Ontario, Inc. becomes part of Air Canada Regional, Inc. on January 1, 2001; it will continue to operate under its previous name until the physical amalgamation into the larger entity is completed later in the year.
Air Open Sky, S.A. fails on November 13, 2000.
Air Venezuela, S.A. ceases operations on April 23, 2001.
Air BC becomes part of Air Canada Regional, Inc. on January 1, 2001; it will continue to operate under its previous name until the physical amalgamation into the larger entity is completed later in the year.
Alberta Citylink, Inc., following the loss of its Air Canada affiliation, ceases scheduled operations in April 2001, flying charters under the name Bar-XH Air.
Alcon Services Aereos, S.A. de C.V. ceases operations on September 3, 2001.
ALM Antillean Airlines, N.V. is taken over mid-June 2001 and merged into the new Dutch Caribbean Airlines, N.V.
Ansett Australia (Pty.), Ltd., Australia's second largest airline, enters administration (bankruptcy) on September 12, 2001, and ceases all op-

erations and shuts down on September 14. It resumes limited operations on September 30.

AOM French Airlines, S.A. is merged into Air Liberte, S.A. at the end of April 2001.

Arrow Air is merged into Fine Air Services on February 23, 2001.

Australian Airlink (Pty.), Ltd. becomes part of Qantas Link in June 2001.

Avant Airlines, S.A. ceases operations on March 10, 2001.

Balkan Bulgarian Airlines is declared insolvent on March 12, 2001.

Binter Mediterraneo, S.A. is taken over by Air Nostrum, S.A. on May 11, 2001.

Braathens, A.S. owners, on May 22, 2001, elect to end independent airline operations and sell out to rival SAS (Scandinavian Airlines System); as in the American/TWA merger, SAS will continue, at least initially, to operate the Norwegian carrier as a separate brand. Subsidiary Malmo Aviation, A.B. is divested by Braathens prior to the sale.

Britannica Airways Germany, gmbH, is shut down on April 2001.

British Midland Airways, Ltd. is rebranded bmi british midland (lower case for emphasis) in mid-April 2001.

British Regional Airlines, Ltd., of the British Regional Airlines Group, is purchased by British Airways, Ltd. (2) in April. It is merged into Brymon Airways, Ltd.; the enlarged company is rebranded British Airways Cityexpress, Ltd.

Brymon Airways, Ltd. is merged with British Regional Airlines, Ltd., of the British Regional Airlines Group, after its purchase by British Airways, Ltd. (2) in April; the enlarged company is rebranded British Airways Cityexpress, Ltd.

Braathens's Malmo Aviation becomes Malmo Aviation in October 2000.

Canadian Airlines, Ltd. disappears into Air Canada on January 1, 2001.

Canadian Regional Airlines, Ltd. disappears into Air Canada Regional, Inc. on January 1, 2001; it will continue to operate under its previous name until the physical amalgamation into the larger entity is completed later in the year.

Canjet Airlines, Ltd. purchased into Canada 3000 Airlines, Ltd. on March 28, 2001.

Capital City Airlines, Ltd. ceases all operations on February 23.

Centennial Air ceases operations in June 2001.

China Eastern Airlines Company, Ltd., effective May 1, 2001, enlarges its group to include not only China Great Wall Airlines Company, Ltd., but China Northwest Airlines Company, Ltd. and Yunnan Airlines Company, Ltd. as well.

China Northern Airlines Company, Ltd., effective May 1, 2001, merges into the group led by China Southern Airlines Company, Ltd.

China Northwest Airlines Company, Ltd., effective May 1, 2001, merges into the group led by China Eastern Airlines Company, Ltd.

China Southern Airlines Company, Ltd., effective May 1, 2001, enlarges its group to include China Northern Airlines Company, Ltd. and Xinjiang Airlines Company, Ltd.

China Southwest Airlines Company, Ltd., effective May 1, 2001, merges into the group led by Air China International Corporation, Ltd.

City Bird, S.A. ceases all operations on October 5, 2001.

City Connexion Airlines, S.A. ceases all operations on March 2, 2001.

Comed Aviation, Ltd. ceases operations on February 19, 2001.

Country Connection Airlines (Pty.), Ltd. is shut down on May 20, 2001.

Dalavia is expanded on April 1, 2001, by the inclusion of Nikolaevsk-na-Amur Air Enterprise and Vostok Airlines; on May 4, the three are combined, effective August 1, into Khabarovskavia.

Eastern Australia Airlines (Pty.), Ltd. becomes part of Qantas Link in June 2001.

Eastern Caribbean Express, Ltd. (EC Express) ceases operations on April 16, 2001.

Emery Worldwide, in light of FAA safety concerns, voluntarily grounds its fleet on August 13, 2001; it will henceforth rely on its contract partners for air services. On September 24, a settlement is reached which will allow the airline operation to resume in 2002.

Flandre Air, S.A. merged into the new Region, S.A. on April 1, 2001.

FTi Flugesellschaft, GmbH., per a May 23, 2001 announcement, ceases operations at the end of October, its parent having contracted other German charter operators to provide lift thereafter.

Galaxy Airlines, S.A. reported closed on March 12, 2001.

Gill Air, Ltd. ceases operations on September 20, 2001.

Goldwing Airlines, S.p.A. ceases all operations at the end of February, 2001.

Guyana Airways 2000, Inc. ceases operations on August 2, 2001.

Harbor Airlines ceases scheduled operations on May 9, 2001.

Impulse Airlines (Pty.), Ltd. ceases is acquired by Qantas Airways (Pty.), Ltd. on May 14, 2001, and adopts the Qantas Link brand.

Legend Airlines liquidates its assets under Chapter VII in early May 2001.

Kendell Airlines (Pty.), Ltd., like its Ansett Australia (Pty.), Ltd. parent, enters administration (bankruptcy) on September 12, 2001, and ceases all operations and shuts down on September 14.

LADECO Chilean Airlines: Linea Aerea del Cobre, S.A. is shut down on September 1.

Legend Airlines liquidates its assets under Chpt. VII in early May 2001.

Manx Airlines, Ltd. (2), a partner with British Regional Airlines, Ltd. in British Regional Airline Group, is purchased by British Airways, Ltd. (2) in April, 2001; unlike BRA, its services to the Isle of Man continue to be operated under the Manx Airlines, Ltd. (2) name.

Maxair, A.B. ceases operations on March 31, 2001 and is liquidated.

Med Airlines, S.p.A. ceases all operations at the end of February 2001.

Midway Airlines (2), already bankrupt, is grounded with other U.S. airlines in the wake of the September 11, 2001 terrorist strikes on New York and Washington, D.C., anticipates an air travel demand slowdown when domestic operations are permitted to restart and does not have the resources to resume flights; on September 12, it announces that it is shutting down permanently.

Nagasaki Airways Company, Ltd., following delivery of its premier Dash 8-Q200 in early 2001, is renamed Oriental Air Bridge Company, Ltd.

Nikolaevsk-na-Amur Air Enterprise is merged into Dalavia on April 1, 2001; on May 4, the two are joined with Vostok Airlines, effective August 1, to form Khabarovskavia.

Ozark Air Lines (2) halts operations on March 29, 2001; it is sold and resumes operations on April 6 as Great Plains Airlines.

Polar Air is acquired by Atlas Air on July 13, 2001; the process of amalgamation is expected to take a year.

Proteus Air System, S.A. merged into a new Region, S.A. on April 1, 2001.

Qantas New Zealand, Ltd. collapses on April 20, 2001 and is liquidated.

Reeve Aleutian Airways ceases operations on March 31, 2001.

Regional Airlines, S.A. is merged into a new Region, S.A. on April 1, 2001.

Royal Airlines, Ltd. is merged into Canada 3000, Ltd. on May 1, 2001.

Southern Australia Airlines (Pty.), Ltd. becomes part of Qantas Link in June 2001.

Trans World Airlines (TWA) declares bankruptcy on January 10, 2001, and its assets are purchased by American Airlines, effective April 9. During a yearlong integration, the new AA subsidiary is known as TWA Airlines LLC.

USAirways announces on September 24 that it will shut down its low-cost Metrojet division by December.

Virgin Express (Ireland), Ltd. is shut down on March 16, 2001.

Vnukovo Airlines is officially merged into Siberia Airlines (Sibir) on April 27, 2001.

Vostok Airlines is merged into Dalavia on April 1, 2001; on May 4, the two are combined with Nikolaevsk-na-Amur Air Enterprise, effective August 1, to form Khabarovskavia.

Xinjiang Airlines Company, Ltd., effective May 1, 2001, merges into the group led by China Southern Airlines Company, Ltd.

Yunnan Airlines Company, Ltd., effective May 1, 2001, merges into the group led by China Eastern Airlines Company, Ltd.

Zhenjiang Airlines Company, Ltd., effective May 1, 2001, merges into the group led by Air China International Corporation, Ltd.

A FINAL NOTE

As this review list indicates, the year 2001 has (as of October 1) developed into one of the worst for the world airline industry since the end of the last cyclical downturn in 1994–1995. High fuel prices and sluggish economies in many parts of the world have been accompanied by a sharp decline in the number of boardings, particularly by the most lucrative customer, the business passenger. In the U.S. as elsewhere, record amounts of red ink spilled over airline balance sheets during the first and second quarters, and that before Black Tuesday, September 11.

On that infamous day, two American Airlines aircraft and two United Airlines Boeing jetliners were taken over by 19 hijackers and employed as guided bombs to attack New York City's World Trade Center and the Pentagon in Washington, D.C., completely destroying the former. One of the United aircraft crashed south of Pittsburgh, apparently as the heroic last act of alerted passengers engaged in combat with their captors and determined to prevent further murder on the ground. The horrendous acts, which claimed more than 3,000 lives, caused the FAA to ground all commercial air traffic in the U.S. for much of a week, further diminishing any hope of financial recovery this year for the American airline industry, which now faces its most severe challenges since World War II.

The ripple impact of fear—caused by the terrorism on top of an already bleak economic picture confronting many of the world's carriers—has brought unprecedented numbers of layoffs and bankruptcies by even some of the best known airlines, including Swissair, Sabena, and Ansett Australia. A few more, like City Bird of Belgium, have collapsed without restarting (or teeter on the brink), joining the list of others to fail earlier in the year. Time will tell what other names will pass into history.

Appendix A

Acronyms and Abbreviations

ORGANIZATIONS/CORPORATIONS

AACO	Arab Air Carriers Organization
AAPA	Association of Asia-Pacific Airlines
ACPA	Air Canada Pilots Association
AEEU	Amalgamated Engineering and Electrical Union
AFA	Association of Flight Attendants
AFAP	Australian Federation of Air Pilots
AFL	Australian Football League
AHS	American Helicopter Society
AID	Agency for International Development (U.S.)
AMFA	Aircraft Mechanics Fraternal Association
ALPA	Air Line Pilots Association
APA	Allied Pilots Association
ATA	Air Transport Association of America
ATGU	Amalgamated Transport and General Workers Union
ATLB	Air Transport Licensing Board (U.K.)
BALPA	British Air Line Pilots Association
CAA	Civil Aeronautics Administration (U.S.)
CAA	Civil Aeronautics Authority (U.K.)
CAB	Civil Aeronautics Board (U.S.)
CADF	China Aviation Development Federation
CALPA	Canadian Air Line Pilots Association
CIA	Central Intelligence Agency (U.S.)
CRAF	Civil Reserve Air Fleet
CUPE	Canadian Union of Public Employees
DOC	Department of Commerce (U.S.)
DOD	Department of Defense (U.S.)
DOJ	Department of Justice (U.S.)
DOS	Department of State (U.S.)
DOT	Department of Transportation (U.S.)
EC	European Commission
ERA	European Regional Association
EU	European Union
FAA	Federal Aviation Administration (U.S.)
FBI	Federal Bureau of Investigation (U.S.)
FEIA	Flight Engineers International Association
IAM	International Association of Machinists and Aerospace Workers
IASC	International Air Services Commission (Australia)
IATA	International Air Transport Association
ICAO	International Civil Aviation Organization
ILFC	International Lease Finance Corporation
ILG	International Leisure Group
IPA	Independent Pilots Association
MAC	Military Airlift Command (U.S.)
MATS	Military Air Transport Service (U.S.)
MLB	Major League Baseball
NASIP	National Aviation Safety Inspection Program (U.S.)

NBA	National Basketball Association
NFL	National Football League
NHL	National Hockey League
NMB	National Mediation Board (U.S.)
NTSB	National Transportation Safety Board (U.S.)
OPEC	Organization of Petroleum Exporting Countries
PFLP	Popular Front for the Liberation of Palestine
RAAF	Royal Australian Air Force
RAF	Royal Air Force
RCAF	Royal Canadian Air Force
RCMP	Royal Canadian Mounted Police
RFC	Royal Flying Corps;
RNZAF	Royal New Zealand Air Force
SFCA	Southwest Flight Crew Association
SIPTU	Services, Industrial, Professional and Technical Union
SITA	Societe International de Telecommunications Aeronautiques
TASSO	Trans-Atlantic Air Service Safety Organization
TIACA	The International Air Cargo Association
UN	United Nations
USAAF	U.S. Army Air Forces
USAF	U.S. Air Force
USCG	U.S. Coast Guard
USFU	U.S. Forest Service
USMC	U.S. Marine Corps
USN	U.S. Navy

AIRPORTS

Most of the world's airports are named for someone or some thing and the official names are often quite long. Many cities, such as Paris, have more than one airport, each with a different name. Years ago, the airlines and international civil aviation organizations began the practice of employing abbreviations for airports, just as they had for airlines themselves.

The IATA codes for those airports most commonly mentioned in this work include:

Chicago

MDW	Midway Airport
ORD	O'Hare International Airport

Dallas

DFW	Dallas/Fort Worth International Airport
DAL	Love Field

Detroit

DET	City Airport
DTW	Metropolitan Airport
YIP	Willow Run

Houston

HOU	Hobby Airport
IAH	George Bush International Airport

London

LGW	Gatwick Airport
LHR	Heathrow Airport
LCY	London City Airport
CTN	Luton Airport
STN	Stansted Airport

Los Angeles

LAX	Los Angeles International Airport
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Miami

MIA	Miami International Airport
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Minneapolis/St. Paul

MSP	Minneapolis/St. Paul International Airport
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Montreal

YUL	Dorval International Airport
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New York

IDL	Idlewild International Airport
JFK	John F. Kennedy International Airport
LGA	LaGuardia Airport
EWK	Newark International Airport

Osaka

KIX	Kansai International Airport
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Paris

BVA	Beauvais-Tille
CDG	Charles de Gaulle International Airport
LBG	La Bourget
ORY	Orly Airport

Tokyo

HAD	Haneda Airport
NRT	Narita Airport

Washington, D.C.

BWI	Baltimore/Washington International Airport
IAD	Dulles International Airport
DCA	Ronald Reagan National Airport

CORPORATE AND INSTITUTIONAL TITLES

AC	Air Commodore
ACM	Air Chief Marshal
AM	Air Marshal
AS	Air Superintendent
AVM	Air Vice Marshal
CEO	Chief Executive Officer
CAM	Civil Aviation Minister
CFO	Chief Financial Officer
COO	Chief Operating Officer
DG	Director General
EVP	Executive Vice President
GM	General Manager
HH	His/Her Highness
HRH	His/Her Royal Highness
MD	Managing Director
Pres.	President
SSA	Secretary of State for Air
SVP	Senior Vice President
VP	Vice President
VPC	Vice President Cargo
VPF	Vice President Finance
VPM	Vice President Marketing
VPO	Vice President Operations

COUNTRIES

CIS	Commonwealth of Independent States
PRC	People's Republic of China
U.A.E.	United Arab Emirates

U.K.	United Kingdom
U.S.	United States
U.S.S.R.	Union of Soviet Socialist Republics

GENERAL TERMS

A	advanced (when employed with aircraft, e.g., Boeing A-727s)
A&P	airframe and power plant
ABC	advanced booking charter
ACAS	airborne collision avoidance system
ACMI	aircraft, crew, management, and insurance
AOC	air operator's certificate
APU	auxiliary power unit
ATC	air traffic control
C	combi
CRS	computerized reservations system
DEW	Distant Early Warning
EAS	Essential Air Service
EDI	electronic data interchange
EFIS	electronic flight information system
EGPWS	enhanced ground proximity warning system
EMS	emergency medical service
EROPS	extended range permission
ESOP	employee stock ownership plan
ETOPS	extended range twin-engine operations
FAR	Federal Aviation Regulation
FBO	fixed base operator
FDR	flight data recorder
FLIR	forward-looking infrared
FP	final point
FTK	freight ton kilometer
GPS	global positioning system
HGS	head-up guidance system
IFR	instrument flight rules
ILS	instrument landing system
IPO	initial public offering
JATO	jet-assisted takeoff
LCD	large cargo door
MLS	microwave landing system
MRO	maintenance, repair, overhaul
OPS	operations
R-NAV	three-dimensional area navigation
RPK	revenue passenger kilometer
SAFE	system for automated flight efficiency
SAR	search and rescue
STC	supplemental type certificate
STOL	short takeoff and landing
TCAS	traffic alert and collision avoidance system
VFR	visual flight rules
VOR	visual omnidirectional range

MEASUREMENTS

ft.	foot
hr.	hour
kg.	kilogram
km.	kilometer
kn.	knot
m.	meter
mi.	mile
nm.	nautical mile
sec.	second
sq. ft.	square foot

Appendix B

Research Sources

Company reviews are based on a wide variety of sources, including the aviation press; commercial monographs; company, government, association, and international reports and studies; the general news media, including newspapers files; and the increasingly large body of data being reported over the Internet. Some of the more interesting memoirs or incident accounts are noted within the profiles.

PRINT SOURCES

Much of the non-newspaper, printed information through the mid-1980s is reported in the two volumes of my *Airline Bibliography: The Salem College Guide to Sources in English* (Westport, Conn.: Locust Hill Press, 1986–1988). Uncited 1980s–1990s data employed in the compilation of this encyclopedia, from individual periodical articles to airline-oriented resources on the Internet, will be included in *The Airline Bibliography 2* (TAB-2), which is scheduled for publication by Scarecrow Press.

Three other important bibliographic sources are those from Christopher H. Sterling, Kenneth G. Madden, and ICAO. Dr. Sterling's *Commercial Air Transport Books: An Annotated Bibliography of Airlines, Airliners, and the Air Transport Industry* (McLean, Va.: Paladwr Press, 1996), should prove a handy listing for post-1985 book titles until TAB-2 appears. Kenneth Madden, who contributed significantly to Sterling's title, has published his own bibliography of continuously revised air safety related items on the University of North Texas World Wide Web server, which is noted in the Internet resources section below. The *Library Bulletin* from the Library of the International Civil Aviation Organization (ICAO) provides a monthly listing of new titles, including aviation periodical articles not commonly available, and is available over the World Wide Web (also noted below). Unfortunately, ICAO halted online publication of this valuable tool with the December 2000 issue.

The International Air Transport Association (IATA) has produced a handy guide to airline coding, both its own (two/three letter) and that for ICAO (three letter), in its *Airline Coding Directory*, which is published in April, August, and December. Although free sources for both codes are available, the IATA Web site, noted in the Internet section, is the most direct method to receive the latest edition available.

The best printed source for tracking detailed world airline developments since the early 1960s continues to be the annual "World Airline Reports" provided in the July (previously May or June) issues of *Air Transport World*. This is supplemented by the "News Briefs" in each monthly issue, along with "Facts & Figures" pages at the end of each number.

Later information is weekly available from the "Airline Observer" column in *Aviation Week and Space Technology*. David Field's column "Business Travel Today" in the newspaper *USA Today* is a helpful print method of quickly determining new airline routes and services, albeit with a North American or transatlantic emphasis.

Over the years, numerous airline history books have been published. Any review of these always begins with R. E. G. Davies' definitive *A*

History of the World's Airlines originally authored in 1960 and reprinted (New York: AMS Press, 1983). Davies has also penned histories of airlines in the U.S., Asia, and South America, as well as pictorial reviews of a number of noted companies.

Of particular value as a complement for Davies covering another geographical region is Ben R. Guttery's *Encyclopedia of African Airlines* (Jefferson, N.C.: McFarland & Co., 1998) and the volume that Bill Leary edited in the *Encyclopedia of American Business History and Biography* series, *The Airline Industry* (New York: Facts on File, Inc., 1992). Six of the profiles that appear in this work were offered, in earlier version, in that work. Finally, of course, no airline encyclopedia would be complete without a nod toward John Stroud's classic *Annals of British and Commonwealth Air Transport, 1919-1960* (London: Putnam, 1960).

If one can find a copy, Paul R. Martin's *Airline Hand Book* (9th ed., Cranston, R.I.: Aero Research, 1985) is invaluable for the identification of many defunct airlines. Additionally, the U.K.-based Shepard Press has been publishing *Helicopter Operators' & Buyers' Handbook* and the *Regional Airline Handbook* since 1986, well supplementing Martin. The *Regional Airline Handbook* began as an annual feature in *Commuter World* magazine, while the *Helicopter Operators' & Buyers' Handbook* has been published in association with *Helicopter World*. Gerry Manning's *1000 Airlines in Colour* (London: Airline Publishing, Ltd./Stillwater, Minn.: Voyageur Press, 1998) is useful not only for liveries but for brief profiles (and ending dates) of numerous little-known operators. *The World Aviation Directory*, published in the spring and fall by McGraw Hill, has been a standard reference aid since 1958. That publisher now also offers the most helpful book-length print source to the new electronic sources: John Allen Merry's *300 Best Aviation Web Sites: . . . and 100 More Worth Bookmarking*, which was update and expanded in June 1999.

German airline historian B.I. Hengi, beginning in 1997, has offered a semi-annual compact review of world airlines in his *Airliners Worldwide* (London/Stillwater, MN: Airline Publishing, Ltd./Voyageur Press). Each airline profiled features a color airliner photograph. Employing the same format, Hengi, in 2000, also published a valuable retrospective review, *Airlines Remembered: Over 200 Airlines of the Past, Described and Illustrated in Colour*.

JP Airline-Fleets International remains an invaluable listing of fleets by country and airline. It has come from Bucher & Co. at Zurich since 1966. Great insight has also been had through a regular consultation with the annual *Exxon Survey of the Turbine-Engined Fleets of the World's Airlines* previously published as a special supplement to the magazine *Exxon Air World* but with the demise of that journal, free-standing. Although many hundreds of titles have been printed concerning the aircraft of various manufacturers by group or individually, for a review of the work by airplane builders one should consult Rod Simpson's *Airline's Commercial Aircraft and Airliners: A Guide to Postwar Commercial Aircraft Manufacturers and Their Aircraft* (London: Airline Publishing, Ltd., 1999).

INTERNET SOURCES

For instant facts and figures, including some histories, the Internet is now a vital research component. Every available World Wide Web address of airlines covered in this book is provided herein. Sites are listed, where known, with each of the entries. It is recommended that these sites be adopted by users of this work as a primary source for profile updates. Current operators, especially the larger ones, are very good about posting their news releases. Parts of this section also appear in "Essay on Web Sources" on the "Links" page of the *Air Transport World* Web site located at www.atwonline.com as.

Associations and Guides

To provide assistance in ascertaining current and future Web sites, a number of airline and air transport association guides, most with links to other online sources, are available on the Web. A few of these, with their URLs, include:

Air Charter Guide

<http://www.guides.com/acq>

Aircraft Charter Companies

<http://www.flightnet.co.za/aircraftchartercomps.html>

Specifically designed with a search engine to allow users to find charter carriers in southern Africa.

Airlines.Com

<http://www.airlines.com>

Airlines of the Web, by Karl L. Swartz

<http://www.chicago.com/air/carriers>

Air Transport Association On-Line

<http://www.air-transport.org>

Home to the U.S. airline industry trade organization.

Air Transport Association of Canada

<http://www.atac.ca>

The site of the Canadian airline industry trade organization.

The Aviation Marketplace

<http://www.bird.ch>

Provides links to airlines, events/air shows, museums, photographs, and a database library that connects to fleet, order, and register sites.

Center for Asia Pacific Aviation

<http://www.airportasiapac.com.au>

An Australian site.

EasySabre: The Original Travel Planner

<http://www.easysabre.com/ezsabre/airline.htm>

Provides a list of IATA two-letter codes arranged by airline—free and very helpful.

A Handy Guide—Airlines

<http://www.ahandyguide.com/cat1/a/a89.htm>

International Air Transport Association On-Line

<http://www.iata.org>

International Airline Passengers Association

<http://www.iapa.com>

International Civil Aviation Organization

<http://www.icao.org>

MTA-IC: The Air Cargo Newsgroup

<http://www.mta-ic.com>

This site is gateway to the "Air Cargo Resource List," the largest collection of air cargo links on the Internet.

Regional Airline Association

<http://www.raa.org>

European Regional Airline Association

<http://www.eraa.org>

Top Recommendations

Mention should be given to Thomas Becher's "Flying the Web" column in the print numbers of *Airliners*. This recently concluded work was of great assistance in determining the most helpful web sites, current and retrospective (including significant attention paid to civil aircraft sites). It is hoped that someone else will step up to resume the bimonthly essays.

The first and foremost resource is *AIR: Aviation Internet Resources* located at <http://www.air-online.com>. This is the premier civil aviation site on the Web, updated weekly. A number of searchable databases are included with links for such topics as aviation, photographs, and aviation resources (magazines, museums, FBOs, etc.) The primary database of interest is the "Airline Website Database" that provides both official and unofficial listings of every airline homepage available.

AIR is particularly helpful in the provision of a listing, every few weeks, of new Web sites and in the provision of a strong news service, with links to the outstanding Yahoo recaps. Also covered are all sorts of Aviation resources, including online magazines and sites to magazines, such as *Australian Aviation*, offering online articles or news reports.

Unfortunately, just as this encyclopedia was nearing completion, this site disappeared—another example of a first-rate resource to leave cyberspace without warning.

In the summer of 1999, Malcolm Ginsberg introduced the free, weekly "Air and Business Travel News" by e-mail or at the online site of *Aviation Directories* located at <http://www.abtn.co.uk>, which has, within the past month, been taken over by publishers of *Flight International*. Written in an engaging, personal style, news stories contain links to carriers and other sites mentioned as well as notes on aviation topics or events of interest to the title's author. The *Directory of British Aviation, 1999–2000* was available at the same site. The ultimate fate of Ginsburg's online contribution is not known at this writing.

There are a dozen individual online guides recommended for keeping up-to-date on airline and airliner news. Others, as noted, are similarly useful.

Moving up in line to replace AIR as one of the most-helpful sites is *Landings*, which bills itself as "*The Busiest Aviation Hub*." Created in 1984 and located at <http://www.landings.com>, it deserves its crown, receiving over 11 million "hits" each month. Offering a complete range of professional databases (including weather and flight planning information for pilots) and powerful search engines, *Landings* is updated daily with news, expert mediated forums, links, and even a personal Web site service. There is even a registration link where you can type in an aircraft registration number and learn details of its construction and service.

Aviation Safety Network has two listings, with the second being the most preferred: <http://www.aviation-safety.net> and <http://www.web.inter.NL.net/users/H.Ranter>. Harro Ranter's site provides frequent (usually weekly) updates and links to news sources about airline incidents and accidents around the world, as well as links to government safety agencies and various safety studies. Invaluable is its database containing details on every "airliner hull loss" since 1945.

Two newer sites are *AirlineSafety.Com* located at <http://www.airline-safety.com>, which includes links, book reviews, and other helpful data accessible via a menu. *Crashsite.Com* at <http://www.crashsite.com> offers photographs, links, and a database that covers over 1,000 crashes.

The monthly National Transportation Safety Board *NTSB—Accident Synopses* located at <http://www.nts.gov/Aviation/months.htm> provides details on every accident/incident involving a U.S. registered aircraft since 1983. A similar resource is the *Air Safety Investigation Resource* at <http://www.startext.net/homes/mikem>, which provides links to daily accident reports from both the FAA and NTSB.

Just Plane Videos located at <http://www.justplanes.com> not only offers purchasers its high-quality airliner VHS productions, but more im-

portantly here, provides readers with twice-weekly airline and airliner news updates. This resource also contains perhaps the most up-to-date list of airline links.

The Web sites of *Airliners* and *Air Transport World* (see Journal Publishers, below) also offer extremely helpful daily news roundups.

Also available by e-mail subscription is the twice-weekly *AVFlash*, a service from *AVWeb, the Magazine for Aviators on the World Wide Web* located at <http://www.avweb.com>. *AVFlash* summarizes the latest aviation news, articles, products, features and events featured on *AVWeb*. Many of the selections available at this site are written by well-known names in aviation journalism.

Airjet Airline World News at <http://www.airlinebiz.com> provides a free daily compendium of world airliner and airline news and is also available by e-mail subscription.

Another recommended site is *PlaneBusiness: The Airline Industry Business and Financial Site* at <http://www.planebusiness.com>. As its title indicates, this site concentrates on fiscal matters. Important subdivisions include "Quotes and Charts," "Earnings," and "Financials." If you have missed the company press release and want to know, for example, the latest quarterly earnings of a given carrier, *PlaneBusiness* might be your first stop.

Another helpful resource is *AeroWorldNet: A Weekly Aerospace Magazine on the Internet* located at <http://www.aeroworldnet.com>, containing numerous topical sections upgraded every Monday. News briefs, aerospace jobs, people and places, industry literature, industry products, aerospace events, companies, products and services, and careers, and industry associations are covered, with links. The site's most valuable feature, however, is a search engine that allows entry into a three-year full-text article archive. Two continuing series are particularly helpful: "This Week in Russian Aerospace," and "This Week in CIS Aerospace."

Another helpful source is *The Air Bulletin* at <http://www.airconnex.com/bulletin> from *ConnexWorks*, which has been published weekly since March 28, 1997 as the Internet's sole free weekly bulletin dedicated to civil aviation on a global scale and has a full archive. Included on the site are airline news reports and analysis, cargo trends, aircraft orders, and the latest in cyber-traveling under its many forms.

Equally useful is the weekly *Airwise Airline News* at <http://www.airwise.com> from *Airwise: The Airport and Air Travel Guide*. In addition to a news index, the site provides links to news stories from the major airlines and airline alliances.

Aeroseek: Aviation Search Engine and Directory located at <http://www.aeroseek.com> allows keyword searching or selection via a list of categories. This site may reveal links not previously uncovered.

The most difficult region from which to obtain consistent doses of airline news is Russia and the CIS. There are several choices to help to address this problem. The free *Avia.Ru: Russian News & Information Server* at <http://www.avia.ru> includes news, articles and interviews, reviews, and a listing of regulations and can be searched. *Concise Aerospace Business to Business Information: Russian Aerospace Issues* located at <http://www.concise2b.com/aerospace> is a subscription service that offers a daily news update and a two-year back file. A taste of what is available may be found by checking the first lines of available stories. Interestingly, many of the same stories are freely available by employing the search box at its sister site, *Russia Today*, located at <http://www.russiatoday.com>.

Concise 2B2 Information is starting the construction of a Web-based database containing information on all Russian and CIS airlines at <http://www.concise.corduroy.co.uk>.

The Lausanne, Switzerland-based law firm of Ziegler & Partner has posted its *Links to Russian Airlines and Aviation Organization* at <http://www.studyru.com/links>. In addition to a group of airport, ATC, regulatory, and educational organizations, the site provides links to recommended Russian airlines. Among these leads are the only known links to Russian-language-only carriers, e.g., *Saratov Airlines. Turkish World Aviation* at <http://havayollari.webjump.com> is particularly valuable for keeping up with the airlines of Central Asia.

The Airline Data Website located at <http://www.airline-data.com> is sponsored by Data Base Products and provides links to air carriers, airports, and news. It also provides name and code information for the airlines of the U.S., Middle America, the Caribbean, South America, Europe, Africa, Eastern Europe, Russia, Canada & Greenland, Australasia & Oceania, and the Far East.

Other sites worth visiting include Gabriele Re Ceccni's *Italian Airlines* at <http://www.digilander.iol.it/flymvp/Pia.html>, which is dedicated to a review of information on past and present carriers. *AirTransport.Com: El Portal Latino Para el Profesional de la Aviacion* at <http://www.latintraveler.com/default.atcom.pincipal.asp> is a Spanish language site with up-to-the-minute news reports on the activities of Latin American airlines. Finally *The Airline History Website* at <http://www.airlines.freeuk.com> by Sarah Ward profiles several hundred air transport concerns, with photos, from the 1920s to date. Some entries are more complete than others.

General Search Engines and Databases

In addition to the aviation-specific Web sites noted above, there are two general search engines that cover news reports. Oldest and long the most helpful is the *Business News Reports*, specifically the "Airline/Aviation News" daily compilation from *Yahoo Finance* located at <http://biz.yahoo.com/news/airlines.html>. With a U.S. emphasis, these reports come from a variety of sources such as *Business Wire*, *PR Newswire*, *AP*, and *Standard & Poor's*.

Next in importance, primarily because of its international scope, is the "Business News" search feature available from the multi-search engine *Dogpile* at <http://www.dogpile.com>. Although many of the same sources, e.g., *PR Newswire* are tapped as at the Yahoo site, so too are many others not examined there, including *Africa News*, *Agence France*, *Asiainfo*, *Inter Press*, *Itar-TASS*, *Reuters*, *UPI*, and *Xinhua*.

A large number of commercial databases that can provide periodical articles for free or a fee are available at public and academic libraries. Among these are such well-known titles as *First Search*, *EBSCO Host*, *ABI Inform*, *JSTORs*, and various Gale Group components of *Infotrac*. Employing the free search box, a review of the subject contents held by *Northern Light* at <http://www.northernlight.com> and *Carl Uncover* at <http://uncweb.carl.org>, the latter recently purchased by the British online document supplier *Ingentra*, can be profitable for those seeking to build a bibliography of titles.

Journal Publishers

Various publishing groups, noted for their aviation or defense industry print journals, now also offer frequently updated news sections on their Web sites:

"Airline News from Around the World" from *ATW Media Group*, parent of *Air Transport World*, at <http://www.atwonline.com>.

Begun in 1987, *Airliners: The World's Airline Magazine* at <http://www.airlinersonline.com> remains a valuable, illustrated source of current and historical airline information. The site includes articles, photographs, an online shop, and a recently added free "Airliners Daily News" section.

Now in its seventh volume, *Airways: A Global Review of Commercial Flight* at <http://www.airwaysmag.com> includes articles, photographs, book reviews, an online shop, and various other items from the monthly magazine. A weekly, subscription-only, news service, "Airways News Online," has recently begun <http://www.airwaysnews.com>, which is similar in many ways to *Airliners*, founded by the same publisher.

"Aviation Now.com" is the online home of *Aviation Week and Space Technology*, *Business & Commercial Aviation*, and *Airports Today*. The site also contains a buyer's guide, an aerospace source book, technical and regulatory data, and links to government, industry and academic Web sites.

AWST's older British counterpart, *Flight International*, has recently opened a Web site at <http://www.flightinternational.com> that provides news and headlines from current issues. Topical previews and commentary are also provided.

The German magazine *Flug Revue* at <http://www.flugrevue.de>, now in its 40th year, also maintains a Web site where it offers English-language translations of certain of its articles. Several years worth of selective archives are also maintained.

The well-regarded European *Interavia* also maintains a Web presence at <http://www.aerospacemedia.com> where selected full-text articles of interest may be read on a monthly basis.

Aviation International News located at <http://www.ainonline.com> is the online version of an in-depth print news source, with the "Top Story" a major feature covering several pages.

Links to these and other journals, including *Air Line Pilot*, *Airline Business*, *Professional Pilot*, *Plane & Pilot*, and *Smithsonian Air & Space*, may be found on the aviation page of *NewsDirectory.com* located at <http://www.ecola.com/news/magazine/science/aviation>.

Key Publishing, one of the U.K.'s foremost independent publishers of specialist consumer magazines, has opened a Web site for the journals in its aviation division: *FlyPast*, *Air Forces*, *Air Enthusiast*, *Air International*, and *Air International*. Title pages for articles stretching back three years are provided and these, like the current ones, provide links to key articles, many of interest to users of this work.

"Latest News" from *Helicopter World* or *Commuter World* (now *Regional Airline World*) from Shepard Press in the United Kingdom is located at <http://www.shepard.co.uk>.

"Newsdesk" items, released two weeks prior to paper publication, are available at the Web site of *Australian Aviation* at <http://www.ausaviation.com.au> and is valuable for keeping up with airline developments in Australia, New Zealand, and the South Pacific.

American City Business Journals located at <http://www.americancity.com> contains full-text archives for up to five years of its newspaper-type journals issued out of most major U.S. cities.

Employing the search engine of the journal *Canadian Business* at <http://www.canadianbusiness.ca> can yield important airline-oriented articles for the last three years.

Air Cargo World Online located at <http://www.aircargoworld.com>, from the *Journal of Commerce*, is an invaluable resource that makes available not only news updates, but copies of both current and archived articles since 1997. Another important inclusion is a directory of cargo airlines, with fleet lists, route networks, and, in a few cases, operational statistics given in addition to the normal names and addresses.

"World Airline News" from *Jane's*, the noted British publisher of defense and transport reference works, has added a helpful online news service that is updated monthly at its Web site <http://www.jane's.com/transport/transet.html>.

It is also possible to receive trial access to the online version of *Aviation Today* by registering at its site <http://www.aviationtoday.com>. The location is home to several leading aviation business publications, including *World Airline News*, *Airline Financial News*, *Commuter/Regional Airlines News*, and *Air Safety Week*.

Aviation History, located at <http://www.thehistorynet.com/AviationHistory>, from Cowles History Group, is now in its 10th year and offers online, with an archive, many of the articles from the print journal. Both civil and military topics are covered, along with information on museums, biography, art, and aerial oddities.

Newspapers and Electronic Media

It should be noted that newspapers have increasingly been placing two years or more of their archives on the Internet; some can even be accessed for free. Those that can be searched are a gold mine of airline information.

Located at <http://www.southamerica-business.com/newspapers>, the Brazilian firm of Messing & Asociados has built the most helpful Internet guide to online international newspapers, *Newspapers of the World on the Internet*. The index is divided by regions, e.g., Africa, Europe, South America, and further by nations. Newspapers are cited regardless of language and whether or not they offer an archive or, better yet, an archive with a search engine.

Internet access to the back files of the following newspapers are particularly helpful: *The Irish Times*, *The Namibian*, the Aberdeen (Scotland) *Press and Journal*, *The St. Petersburg Times*, the American city business journals (e.g., *The South Florida Business Journal*, *The Business Journal of Phoenix*), *The Financial Times*, *The Times of India*, *The Hindustan Times*, and others cited from time to time in the text of airline profiles.

Two other online newspaper indexes are also helpful. *American Journalism Review* offers *AJR NewsLink: U.S. Newspapers by State*. This site, located at <http://ajr.newslink.org>, is devoted only to U.S. coverage and picks up a number of newspapers not included in the Messing & Asociados titles. For example, while attempting to discover the ultimate fate of Southern Air Transport, this site led to *The Columbus Dispatch* Internet site, with its archive of stories available via its search engine. Typing in the name of the company, as well as the subject "airlines," resulted in the retrieval of relevant data. It should be noted that *AJR NewsLink* also reaches out to various magazines that maintain an Internet presence. The "Regional" subdivision is particularly helpful, leading as it does to journals as diverse as *Texas Monthly* and *Paris Match*.

NewsCentral: The Largest Newspaper Index on the Web located at <http://www.all-links.com/newscentral> contains 3,500 links (some of which are dead) and which, like the AJR site, can be used as a check on the Messing & Asociados service. The site is arranged by geographical location (North America, South America, Asia, Africa, Europe, and Australia), as well as College/K-12, Singapore, and the extremely useful *Shipping Times*, can be found under "Asia," and can be reviewed for several years via its search engine.

Canoe Online Explorer at <http://www.canoe.ca> allows users to review all aspects of Canadian business and finance, with useful coverage of airline and aircraft manufacturing topics. Using the search engine, one can visit the topic "Airline Mergers," where a large and valuable archive of newspaper articles concerning Canadian airline restructuring will be found.

Several organizations specialize in publishing news releases. The following from the U.K. and Canada are the most helpful:

Two-Ten News Network at <http://www.twoten.press.net> provides Internet access to stories on the U.K.'s only full-text commercial newswire and includes a two-year archive.

Canada NewsWire at <http://www.newswire.ca> is available in English and French and allows one to search by category, organization, date, industry, keyword, stock symbol, or subject.

Caribbean AirNews located at <http://www.candoo.com/airnews> is a very current, extremely helpful full-text archive of newspaper articles concerning airlines of and airline activity in the Eastern Caribbean since September 1997. Though not a newspaper site, Roger Chung-Wee's *Caribbean Airlines* located at <http://www.caribbeanaviation.com>, is a similarly helpful, updated guide.

Finally, the sites of the *British Broadcasting Corporation* at <http://www.bbc.co.uk>, the *Cable News Network* at <http://www.cnn.com>, and the *Australian Broadcasting Corporation* at <http://www.abc.net.au> are searchable and helpful.

Those wishing to keep up with airline developments can do so by regularly searching these special sites and following such aviation and airline print journals as *Air Transport World*, *Aviation Week and Space Technology*, *Flight International*, *Rotor & Wing International*, *Regional Airline World*, *Airliners*, and *Airways*.

Bibliographies and Library Catalogs

For the last half of the 1990s, Bill and Barbara Byrd have operated the Williamsburg, Virginia-based *Aeroplane Books* at <http://www.aeroplanebooks.com>. Their online book catalog presents the latest in new titles, with complete bibliographic information.

Kenneth G. Madden's *Air Transportation Safety Resources*, particularly helpful for its updated bibliography, should be seen regularly at <http://people.unt.edu/~kgm0001>.

Those wishing to find a complete listing of currently available airline-oriented books should check either the print or online versions of *Books in Print*. On the other hand, if you wish the same service without cost, type in author, title, or subjects in the search box at <http://www.amazon.com>.

Since the original edition of *The Airline Bibliography* was published in 1985-1986, dozens of library catalogs have become more easily available to researchers via the World Wide Web. One can access via a one-stop consultation with Peter Scott's *Library Web-Based OPACS* at <http://www.lights.com/webcats>, originally begun as a project at a Canadian university library, but now hosted by Northern Lights Internet Solutions. Employing the "Geographical Index" of this tool, the following library catalogs are recommended for those needing to keep abreast of newly accessioned published and unpublished studies.

Australia

The Australian National University Library Catalogue
<http://anu.edu.au>

The National Library of Australia Catalogue
<http://ilms.nla.gov.au/webpac>

Canada

Concordia University Libraries CLUES, the Library Catalogue
<http://mercury.concordia.ca>
Concordia offers the only aviation-oriented MBA program and has the library to support it.

International Civil Aviation Organization Library
<http://www.icao.org>

All sites should be supplemented by services available from this resource located in Montreal. The *Library Bulletin* provides a monthly listing of new titles, including aviation periodical articles not commonly available. The ICAO Library catalog, which is also online, includes books, articles, and documents.

McGill University Libraries Catalogue (MUSE)
<http://muse.mcgill.ca>

Allows access to the collection employed to support another well-known aviation program.

National Library of Canada resNet/NLC Catalogue
<http://www.amicus.nlc-bnc.ca>

A gateway to another vital source for little-known studies, including those from other Canadian libraries and the federal and provincial governments.

United Kingdom

The British Library catalog
<http://www.bl.uk>

Provides the same national access as the national repositories noted in Australia, Canada, and the U.S. Additionally, the library has introduced a new, fee-based service, *Inside* (<http://www.bl.uk/online/inside>) that allows users to search the BL's article collection from 20,000 worldwide research journals and 70,000 conference proceedings. Much of the same information is freely searchable via *Carl Uncover* noted above and *TRANweb* noted below.

COPAC, University Research Library Catalogue
<http://copac.ac.uk/copac>

A shared online public access catalog (OPAC), allows entry into the collections of various U.K. university libraries. If you elect to use the Geographical Index of Scott's OPAC guide, you can go to Europe, England and find a number of British colleges with relevant universities. Cranfield University is one and the Pilkington Library *Talisweb* OPAC of Loughborough University is another.

United States

The Air University Library GeoWeb
<http://132.60.133.8002>

Allows entry into the collections of the U.S. Air Force postgraduate school. Here one will find a surprising number of titles relative to civilian aviation, including the CRAF program;

Embry-Riddle Aeronautical University
<http://voyage.db.erau.edu>

The commercial multi-library Endeavor OPAC permits review of the collection of the Hunt Memorial Library, the world's premier aviation college. Many little-known unpublished papers are available to users.

The Library of Congress
<http://www.loc.gov>

The main catalog is particularly helpful for older book titles.

Middle Tennessee State University
<http://voyager.mtsu.edu>

The commercial multi-library Voyager OPAC allows access to the library collection of another well-known university with an aeronautical program.

National Transportation Library
<http://www.bts.gov/smart>

Allows the user to search the library's collection, check reference services, and for the airline student, review certain publications of DOT's Office of Airline Information;

Northwestern University
<http://www.nwu.edu>

The main library is home to a world-renown Transportation Library that houses many special studies from the institution's curriculum and those of many other universities and government agencies. Additionally, the single most important source for citations to older periodical articles and conference papers, also from the NWU Transportation Library, is *TRANweb* located at <http://trans.library.nwu.edu/webvoy.htm>.

Ohio State University OSCAR OPAC
<http://library.ohio-state.edu/search>

Permits entry into another excellent aviation collection.

SIRIS, The Smithsonian Institution Research Information System
www.siris.si.edu

Permits entry, via the commercial Horizon system, into the oldest and most prestigious aviation book and document collections anywhere. Materials here are especially helpful for students of early airline history.

Western Michigan University Westcat
<http://www.wmich.edu/library>

Permits review of the collection of a Midwestern university with a growing aviation program.

Aircraft Orders and Registers

All airline enthusiasts continuously seek updated fleet news and aircraft registers. Several sites of value are now available but as most are private, they may go the way of *AIR: Aviation Internet Resources*. These include:

Aeromoe's U.S. Airline Fleets
<http://www.geocities.com/~aeromoe/airlines.html>

The site comprises computerized fleet lists, assembled since 1989, for American carriers operating jet equipment. Most operators are passenger airlines; the author freely admits difficulty obtaining information from freight airlines. Not currently updated.

Aircraft C/N Lists, by Nicolai Musante Larsen's
<http://www.image.dk/~lai/lai.html>

Provides production/fleet information not only on large jet airliners but smaller aircraft, such as the Vickers Viscount and commuters like the Beech 99.

Airliner Orders Site, by Marc Shaeffer

<http://www.geocities.com/CapeCanaveral/Lab/8803/orders.htm>

To find out what has been requested from Boeing or Airbus, Shaeffer has put up order cancellations; leasing arrangements are also noted.

Airliner Production List, by David Greg

<http://www.intercept.demon.co.uk/prodlist.html>

Arranged by type and updated monthly.

Commercial Aircraft Registers

<http://www.blackjet.demon.co.uk/registers.html>

Links pages to official government-created databases, including those of Canada, the U.S., the U.K., Ireland, Italy, and New Zealand.

Commercial Jet Aircraft Census, by Bill Harms

<http://www.bird.ch/bharms/asrstart.htm>

A very large and impressive Swiss-based site. Covers nearly every jet airliner from Boeing, McDonnell Douglas, Airbus, plus L-1011s

in service with any carrier anywhere in the world, accessible by type, operator, country code, and registration. If, for example, one wants to know what the new JetBlue Airlines is flying, here is a place to check.

Rotorhub Online Registers, by Jeremy Parkin

<http://www.parkin.co.uk/rotorhub>

Includes links to English-language fixed- and rotary-wing aircraft registers around the world, both official and unofficial. Parkin also links to two other privately maintained collections, Pascal Brugier's *Register of the World* in France and Kenneth Rijock's *Aircraft Registry Database Collections* in the U.S.

World Airline Fleets

<http://www.demon.co.uk/fleets.htm>

Arranged by nation and airline and updated monthly.

Regional Indexes of Carriers

This index arranges the 6,442 airlines within this title by region and then by nation. The five areas are Africa/Middle East, Asia/Pacific, Europe, Latin America, Canada/United States.

AFRICA/MIDDLE EAST

Aden

Aden Airways, Ltd. (1949–1968)
Arabian Airways, Ltd. (1937–1940)

Algeria

Aero Africaine: Compagnie Aero Africaine, S.A. (1945–1952)
Air Algerie: Societe Nationale de Transport et de Travail Aerien, S.A. (1946–)
Antinea Airlines, S.A. (1999–)
Inter Air Services: Lignes Interieures Algeriennes, S.A. (1984–1986)
Khalifa Airways, S.A. (1999–)
Sahara Airlines, S.A. (1999–)
Tassili Airlines, S.A. (1999–)

Angola

Aero Taxis: Companhia Aero Taxis, S.A. (1961–1966)
Aero Tropical, S.A. (1994–1996)
Air Nacoia, S.A. (1993–)
Angola Air Charter, S.A. (1990–)
DTA Angola Airlines, S.A. (1939–1973)
TAAG Angolan Airlines: TAAG Linhas Aereas de Angola (1973–)
Transafrik International (1993–)

Bahrain

Gulf Air Company, G.S.C. (1973–)
Gulf Aviation, Ltd. (1950–1973)
Gulf Helicopters, Ltd. (1973–)

Basutoland

Basutair, Ltd. (1964–1966)

Belgian Congo

Air Brousse, S.A. (1955–1960)
Air Congo, S.A. (1) (1945–1949)
Cogeair: Compagnie Generale Aerienne Africaine, S.A. (1955–1960)

Benin

Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
Air Benin: Societe Nationale des Transports Aeriens du Benin, S.A. (1978–1982)
TAB: Transportes Aeriens du Benin, S.A. (1982–1989)
Trans Air Benin, S.A. (2000–)

Botswana

Air Botswana Corporation, Ltd. (1972–)
Air Charter Botswana (Pty.), Ltd. (1984–)
Air Kavango (Pty.), Ltd. (1991–1996)
Bechuanaland National Airways, Ltd. (1965–1966)
Bechuanaland Safaris, Ltd. (1964–1965)
Botswana Airways Corporation (Pty.), Ltd. (1969–1972)
Botswana National Airways (Pty.), Ltd. (1966–1969)
Desert Airways Botswana (Pty.), Ltd. (1973–1982)
Desert & Delta Air (Pty.), Ltd. (1982–1996)

Northern Air (Pty.), Ltd. (1990–)

Wenela Air Services (Pty.), Ltd. (1952–1975)

Burkina Faso

Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
Air Burkina, S.A. (1985–)
Air Volta, S.A. (1967–1985)
Naganagani Cargo: Naganagani Compagnie Nationale, S.A. (1984–1993)

Burundi

Air Burundi: Societe de Transport Aerien du Burundi, S.A. (1971–)
City Connexion Airlines, S.A. (1998–2001)
Royal Air Burundi (1963)
STAB: Societe de Transports Aeriens du Burundi, S.A. (1970–1975)

Cabo Verde

TACV Cabo Verde Airlines: Transportes Aereos de Cabo Verde, S.A. (1975–)

Cameroon

Air Affaires Afrique, S.A. (1978–)
Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
Air Cameroon: Societe Anonyme Des Avions Meyer et Compagnie, S.A. (1953–1971)
Camavia, S.A. (1986–1989)
Cameroon Airlines, S.A. (1971–)
Cameroon Helicopters, S.A. (1984–)
Cameroons Air Transport, S.A. (1962–1970)
Regie Air Cameroun, S.A. (1946–1953)
Unitair, S.A. (1993–1994)

Central Africa Republic

Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
Air Bangui: Compagnie Centree Africaine, S.A. (1966–1981)
Inter-RCA, S.A. (1980–1985)

Chad

Air Tchad: Compagnie Nationale Tchadienne, S.A. (1966–)

Comoro Republic

Air Comores, S.A. (1) (1963–1974)
Air Comores, S.A. (2): Societe Nationale des Transport Aeriens (1975–1995)

Congo, Democratic Republic I (1960–1971)

Agence et Messagers Aeriennes du Zaire, S.A. (1969–1971)
Air Brousse, S.A. (1960–1967)
Air Congo, S.A. (2) (1961–1971)
Cogeair: Compagnie Generale Aerienne Africaine, S.A. (1960–1971)

Congo, Democratic Republic II (1997–)

Blue Airlines, S.A. (1997–)
Congo Airlines, S.P.R.L. (1997–)
Express City, S.A. (1995–)
Filair, S.A. (1997–)
Gomair, S.A. (1997–)
Lignes Aeriennes Congolaises, S.A. (LAC) (1997–)
New ACS, S.A. (1997–)

- Scibe Airlift, S.A. (1997–)
 Shabair, S.A. (1997–)
 Trans Service Airlift, S.A. (1997–)
 Virunga Air Charter, S.A. (1997–)
 Wetrafa Airlift, S.A. (1997–)
 Zairean Airlines, S.A. (1997–)
- Congo Republic**
 Aero Service, S.A. (1967–)
 Air Congo (Brazzaville), S.A. (1961–1965)
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Blue Airlines, S.A. (1992–)
 Lina Congo: Lignes Nationales Aeriennes Congalaises, S.A. (1965–)
- Cote d'Ivoire**
 Air Afrique (2): Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Inter Ivoire, S.A. (1979–1988)
 Air Ivoire, S.A. (1958–)
 Airtransivoire: Societe Airtransivoire, S.A. (1973–1985)
- Dahomey**
 Air Afrique: Societe Aerinne Africaine Multinationale, S.A. (1961–)
- Democratic Republic of the Congo**
 Air Congo (2) (1961–1971)
- Djibouti**
 Air Djibouti, S.A.: Red Sea Airlines (1963–)
 Djibouti Airlines, S.A. (1997–)
 Puntavia Airline de Djibouti, S.A. (1992–1997)
- East Africa**
 Simbair, Ltd. (1971–1977)
- Egypt**
 Air Cairo, S.A.E. (1997–)
 Air Cargo Egypt: Internatonal Air Cargo Corporation, Ltd. (1977–1985)
 Air Memphis, S.A.E. (1995–)
 Air Sinai, Ltd. (1982–)
 AMC Aviation, Ltd. (1994–)
 Cairo Aviation, Ltd. (1991–1994)
 Egyptair, S.A.E. (1971–)
 Heliopolis Airlines, S.A.E. (1996–2000)
 Lotus Air, S.A.E. (1997–)
 Luxor Air, S.A.E. (1999–)
 Midwest Airlines, S.A.E. (1999–)
 Misr Overseas Airways, Ltd. (1985–1989)
 Misrair, S.A.E. (1) (1949–1958)
 Misrair, S.A.E. (2) (1964–1968)
 Nile Delta Air Service, Ltd. (1976–1986)
 Nile Valley Aviation, Ltd. (1977–1987)
 Orca Air, S.A.E. (1995–)
 Petroleum Air Services, Ltd. (1982–)
 Pharaoh Airlines, S.A.E. (1998–)
 Pyramid Airlines, Ltd. (1977–1984)
 SAIDE: Services Aeriens Internationaux d'Egypte, S.A.E. (1947–1952)
 Scorpio Aviation, S.A.E. (1990–)
 Shorouk Airlines, Ltd. (1992–)
 Transmed Airlines, Ltd. (1989–1993)
 United Arab Airlines (1958–1971)
 ZAS Airline of Egypt, Ltd. (1982–1995)
- Equatorial Guinea**
 EGA: Ecuato Guineana de Aviacion, S.A. (1989–)
 LAGE: Lineas Aereas de Guinea Ecuatorial, S.A. (1969–1987)
- Eritrea**
 Air Eritrea (1993–1994)
 Asmara Airlines (1994–1995)
- Ethiopia**
 Admas Air Service, S.C. (1975–1995)
 Ethiopian Airlines, S.C. (1945–)
 RRC Air Service, S.C. (1987–1994)
- French Equatorial Africa**
 Air Gabon: Compagnie Aerienne Gabonaise, S.A. (1951–1960)
 Transgabon: Compagnie Transports Aeriens du Gabon, S.A. (1951–1960)
- French Somaliland/Afars and Issas
 Air Somali, S.A. (1962–1971)
- Gabon**
 Air Affaires Gabon, S.A. (1975–)
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Gabon: Compagnie Nationale Air Gabon, S.A. (1977–)
 Air Gabon Cargo: Compagnie Gabonaise D'Affretements Aeriens, S.A. (1977–1983)
 Air Inter Gabon, S.A. (1956–)
 Air Service Gabon, S.A. (1965–)
 Gabon Express, S.A. (1998–)
 Heli-Gabon, S.A. (1975–)
 Transgabon: Compagnie Aerienne Gabonaise, S.A. (1961–1968)
 Transgabon: Compagnie Transports Aerien du Gabon, S.A. (1960–1968)
 Transgabon: Societe National Transgabon, S.A. (1968–1977)
- Gambia**
 Air Dabia, Ltd. (1996–1999)
 Air Gambia, Ltd. (1991–1995)
 Gambia Air Shuttle, Ltd. (1987–1991)
 Gambia Airways, Ltd. (1964–1998)
 Mahfooz Aviation, Ltd. (1995)
 West African Airways Corporation (1946–1958)
 West African Airways, Ltd. (1980–1988)
- Ghana**
 Air Ghana, Ltd. (1994–1997)
 Cargo D'Or, Ltd. (1989–1997)
 Elders Colonial Airways, Ltd. (1935–1940)
 Gemini Air Transport (Ghana), Ltd. (1974–1982)
 Gemini Airlines, Ltd. (1981–1990)
 Ghana Airways Corporation (1958–1995)
 Ghana Airways, Ltd. (1995–)
 Race Cargo Airlines, Ltd. (1986–1995)
 Rainbow Express, Ltd. (1989–1994)
 West African Airways Corporation (1946–1958)
 West Coast Airlines, Ltd. (1982–1985)
- Gold Coast**
 Elders Colonial Airways, Ltd. (1935–1940)
 West African Airways Corporation (1946–1958)
- Guinea**
 Air Guinee: Compagnie Nationale Air Guinee, S.A. (1960–)
 Guinee Air Service, S.A. (1992–)
- Guinea-Bissau**
 Air Bissau: Transportes Aereos da Guine-Bissau, S.A. (1995–)
 LIA: Linhas Aereas da Guine-Bissau, S.A. (1974–1995)
- Iran**
 Air Service Company (1962–1979)
 Air Taxi Company (1958–1980)
 Caspian Airlines (1993–)
 Iran Air: Iranian National Airlines Corporation (1961–1979)
 Iran Air: The Airline of the Islamic Republic of Iran (1979–)
 Iran Asseman Airlines (1980–)
 Iranair: Iranian Airways, Ltd. (1944–1961)
 Iranian State Airlines (1938–1950)
 Junkers Luftverkehr Persien, A.G. (1927–1932)
 Kish Air (1992–)
 Mahan Air (1994–)
 Pariz Air (1997–)
 Pars Air Company (1969–1980)
 Persian Air Services (1955–1961)
 Safiran Airlines (1988–)
 Saha Airlines (1994–)
- Iraq**
 Arab Air Cargo, Ltd. (1982–1990)
 Iraqi Airways (1945–)
- Israel/Palestine**
 Aeroel Airways, Ltd. (1992–)
 Arkia Israeli Airlines, Ltd. (1950–)

- Aviron: The Palestine Aviation Company, Ltd. (1936–1948)
 CAL Cargo Airlines, Ltd. (1976–)
 Chief Air, Ltd. (1997–)
 Classic Air Aviation Services (1995–)
 El Al Israel Airlines, Ltd. (1948–)
 Elrom Aviation, Ltd. (1968–)
 Emek Wings, Ltd. (1989–1995)
 Hevra Avirit Miskharit (1939)
 Israir Airlines and Tourism, Ltd. (1995–)
 Jerusalem Wings (Kanfei Jerusalem), Ltd. (1995–)
 Maof Airlines, Ltd. (1981–1984)
 Near East Air Transport, Ltd. (1949–1950)
 Orange Aviation, Ltd. (1997–)
 Palestine Air Transport, Ltd. (1934–1941)
 Palestine Airlines (1996–)
 Shacaf Aviation Services, Ltd. (1968–)
 Sun D'Or International Airlines, Ltd. (1977–)
- Jordan**
 Air Jordan, Ltd. (1950–1958)
 Alia Royal Jordanian Airlines (1963–1986)
 Arab Air Cargo, Ltd. (1982–1990)
 Arab Airways, Ltd. (1946–1958)
 Arab Wings, Ltd. (1975–1998)
 Jordan Airways, Ltd. (1961–1963)
 Jordan Aviation, Ltd. (2000–)
 Royal Jordanian Airlines (1986–)
 Royal Wings Airlines, Ltd. (1996–)
- Kenya**
 African Airlines International, Ltd. (1987–)
 African Cargo Airways, Ltd. (1973–1981)
 African Safari Airways, Ltd. (1967–)
 Air East Africa, Ltd. (1993–)
 Air Kenya Aviation, Ltd. (1986–)
 Air Starline, Ltd. (1990–1994)
 Autair Helicopters (EA), Ltd. (1964–)
 Campling Bros. & Vanderwal, Ltd. (1946–1963)
 Caspair Air Charter, Ltd. (1965–1979)
 Caspar Air Charter & Agencies, Ltd. (1946–1963)
 Clairways, Ltd. (1947–1952)
 Coast Air, Ltd. (1974–1982)
 Cooper Skybird Aircharters, Ltd. (1988–1989)
 Eagle Aviation, Ltd. (1986–)
 East African Airways Corporation (1946–1977)
 East African Safari Air, Ltd. (1989–)
 Equator Airlines, Ltd. (1989–)
 Global Star Airlines, Ltd. (1997–)
 Kenya Aircraft Company, Ltd. (1925–1929)
 Kenya Airways, Ltd. (1977–)
 Kenya Flamingo Airways, Ltd. (2000–)
 Noon & Pearce Air Charters, Ltd. (1946–1955)
 Pioneer Airlines, Ltd. (1978–1985)
 Regional Air, Ltd. (2000–)
 Safari Air Services, Ltd. (1963–)
 Seychelles-Kilimanjaro Air Transport, Ltd. (1952–1968)
 Simba Air Cargo, Ltd. (1995–1996)
 Simbair, Ltd. (1971–1977)
 Skybird Aircharters, Ltd. (1990–1992)
 Skytrail: Air Safari, Ltd. (1982–)
 Skyways (East Africa), Ltd. (1948–1951)
 Sunbird Aviation, Ltd. (1979–1985)
 Ukunda Air, Ltd. (1990–)
 Western Kenya Air Charters, Ltd. (1966–)
 Wilkenair, Ltd. (1966–1987)
 Wilson Airways, Ltd. (1929–1940)
 Yana Air Cargo, Ltd. (1991–1995)
 ZB Air, Ltd. (1963–)
- Kuwait**
 Kuwait Airways Corporation (1954–)
 Shorouk Airlines (1992–)
- Lebanon**
 Air Liban: Libnes Aeriennes Libanaises, S.A.L. (1945–1965)
 Lebanese International Airlines, S.A.L. (1950–1965)
 Middle East Airlines, S.A.L. (1) (1945–1963)
 Middle East Airlines, S.A.L. (2) (1963–)
 Trans-Mediterranean Airways, S.A.L. (TMA) (1953–)
- Lesotho**
 Air Lesotho: Lesotho Airways Corporation (1982–1999)
 Basutair, Ltd. (1966–1967)
 Lesotho Airways (Pty.), Ltd. (1967–1970)
 Lesotho Airways Corporation, Ltd. (1971–1982)
- Liberia**
 ADC Liberia: Aviation Development Company-Liberia (1993–1996)
 Air Cess (1994–)
 Air Liberia (1974–1990)
 Ducor Air Transport (1964–1974)
 Liberia National Airlines (1965–1974)
 Liberia National Airways (1949–1965)
 LWA (Gibraltar), Ltd. (1987–)
 LWA: Liberia World Airlines (1980–)
 Transway Air International (1990–1998)
- Libya**
 Jamahiriya Air Transport (1969–1990)
 Jamahiriya Libyan Arab Airlines (1990–)
 Kingdom of Libya Airlines (1964–1969)
 Libavia (1958–1964)
 Libyan Airways (1952–1953)
 Libyan Arab Airlines (1964–1990)
 Libyan Aviation, Ltd. (1960–1967)
 Libyan National Airways (Linair) (1962–1975)
 United Libyan Airlines (1962–1964)
- Madagascar**
 Air Madagascar: Societe Nationale Malagache de Transports Aeriens, S.A. (1947–1960)
 Regie Malagache, S.A. (1934–1937)
 Service de L'Aeronautique Civile, S.A. (1937–1941)
 TAM: Transport et Travaux Aeriens de Madagascar, S.A. (1951–)
- Malagasy Republic**
 Air Madagascar: Societe Nationale Malagache de Transports Aeriens, S.A. (1962–)
 Madair, S.A. (1961–1962)
- Malawi**
 Air Cargo, Ltd. (1991–)
 Air Malawi, Ltd. (1964–)
 Leopard Air, Ltd. (1965–1968)
- Mali**
 Air Mali (1): Societe National Air Mali, S.A. (1960–1986)
 Air Mali (2): Societe National Air Mali, S.A. (1986–)
 Lignes Aeriennes Felou, S.A. (2000–)
 Malitas: Mali-Timbouctou Air Service, S.A. (1989–)
 Sahel Aviation Service, S.A. (1989–)
- Mauritania**
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Mauritanie (1): Societe Nationale Air Mauritanie, S.A. (1962–1974)
 Air Mauritanie (2): Societe D'Economie Mixte Air Mauritanie, S.A. (1974–)
- Mauritius**
 Air Mauritius, Ltd. (1967–)
 XL Aviation, Ltd. (1994–)
- Morocco**
 Air Atlas: Compagnie Cherifienne de l'Air, S.A. (1946–1953)
 Air Maroc: Compagnie Cherifienne de Transport Aeriens, S.A. (CCTA) (1953–1947)
 Air Maroc: Societe Avia Maroc Ligne Aerienne, S.A. (1947–1953)
 Regional Air Lines, S.A. (1996–)
 Royal Air Inter: Lignes Interieures Marocaines (1970–1985)
 Royal Air Maroc: Moroccan International Airlines (1953–)
- Mozambique**
 Comag, S.A. (1977–1980)

- DETA Mozambique Airlines, S.A. (1936–1980)
 LAM Mozambique Airlines, S.A. (1980–)
 Transportes Aereos Comercial, S.A. (1966–1971)
 TTA: Empresa Nacional de Transporte e Trabalho Aereo, S.A. (1980–)
- Namibia**
- Air Namibia (Pty.), Ltd. (1991–)
 Air Ocean Indian, S.A. (1989–1992)
 Caprivi Airways (Pty.), Ltd. (1978–1982)
 Kalahari Express Airlines (Pty.), Ltd. (1996–)
 Namib Air (Pty.), Ltd. (1962–1991)
 Namibia Commercial Aviation (Pty.), Ltd. (1992–)
- Niger**
- Aero Niger: Societe Aero Niger, S.A. (1961–1966)
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Niger, S.A. (1966–1986)
 Nigeravia, S.A. (1994–)
 Transniger Aviation, S.A. (1968–1994)
- Nigeria**
- ADC Airlines: Aviation Development Company, Ltd. (1984–)
 Aero Contractors of Nigeria, Ltd. (1959–)
 Afrimex, Ltd. (1993–1994)
 Albarka Airlines, Ltd. (2000–)
 Barnax Airlines, Ltd. (1991–1992)
 Bel Air, Ltd. (1991–1992)
 Bellview Airlines, Ltd. (1992–)
 City Link Airlines, Ltd. (1988–)
 Concord Airlines, Ltd. (1990–1994)
 EAS Cargo Airlines, Ltd. (1986–1992)
 Empire Aviation, Ltd. (1999–)
 Express Airways, Ltd. (1989–1994)
 Executive Airline Services, Ltd. (1992–)
 Fegan Aviation, Ltd. (1995–1996)
 Flash Airlines, Ltd. (1989–)
 Foremost Aviation, Ltd. (1992–1994)
 GAS Air Cargo, Ltd. (1973–)
 Harco Air Services, Ltd. (1992–1994)
 Harka Air Services, Ltd. (1992–)
 Hold Trade Air Services, Ltd. (1991–)
 Intercontinental Airlines, Ltd. (1980–1992)
 Jambo Airlines, Ltd. (1983–1992)
 Kabo Air, Ltd. (1975–)
 Maina Air, Ltd. (1980–)
 Merchant Express Aviation Services, Ltd. (1990–1995)
 Nigeria Airways, Ltd. (1958–)
 Nigerian Air Services, Ltd. (1946–1947)
 Okada Air, Ltd. (1983–)
 Oriental Airlines, Ltd. (1990–)
 Overnight Cargo, Ltd. (1993–1995)
 Pan African Airlines, Ltd. (1961–)
 Skyline, Ltd. (1999–)
 Skypower Express Airways, Ltd. (1985–)
 Sosoliso Airlines, Ltd. (2000–)
 Thames Air (1993–1995)
 Triax Air, Ltd. (1992–)
 United Air Express Airlines, Ltd. (1984–)
 West African Airways Corporation (1946–1958)
 Zenith Air, Ltd. (1995–)
- Northern Rhodesia**
- Central African Airways Corporation (1946–1967)
 Roan Air, Ltd. (1948–1965)
- Nyasaland**
- Central African Airways Corporation (1946–1967)
 Christowitz Air Service (Nyasaland), Ltd. (1931–1933)
 Nyasaland Air Charter Company, Ltd. (1949–1952)
 Rhodesia and Nyasaland Airways, Ltd. (1933–1940)
- Oman**
- Cargoman, Ltd. (1977–1983)
 Gulf Air, Ltd. (1973–)
 Gulf Helicopters, Ltd. (1973–)
- Oman Air, Ltd. (1993–)
 Oman Aviation Services Company, Ltd. (SAO) (1981–1993)
- Palestine**
- Aviron: The Palestine Aviation Company, Ltd. (1936–1948)
 Palestine Air Transport, Ltd. (1934–1941)
 Palestinian Airlines (1996–)
- Portuguese Guinea**
- TACV Cabo Verde Airlines: Transportes Aereos de Cabo Verde, S.A. (1958–1975)
 TAGP: Transportes Aereos de Guine Portuguesa, S.A. (1960–1974)
- Qatar**
- Gulf Air, Ltd. (1973–)
 Gulf Helicopters, Ltd. (1973–)
 Qatar Airways (1993–)
- Republic of the Congo/Congo-Brazzaville**
- Aero Service, S.A. (1962–)
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Congo, S.A. (3) (1961–1965)
- Reunion**
- Air Austral, S.A. (1990–)
 Air Reunion, S.A. (1989–1990)
 Reunion Air Services, S.A. (1975–1989)
- Rwanda**
- Air Rwanda: Societe Nationale des Transports Aeriens du Rwanda, S.A. (1975–1994)
 Alliance Air Express, S.A. (1997–)
 Rwanda Airlines, S.A. (1998–)
 Rwandair Cargo: Societe Nationale des Transports Aeriens du Rwanda, S.A. (1994–1998)
 STAR: Societe de Transport Aerien au Rwanda, S.A. (1964–1994)
- Sao Tome & Principe**
- Air Sao Tome & Principe, S.A. (1993–)
 Equatorial International Airlines of Sao Tome & Principe, S.A. (1986–1993)
 Linhas Aereas de Sao Tome e Principe: Transportes Aereos de Sao Tome (1975–1985)
 Service de Transportes Aereos, S.A. (1949–1974)
 Transafrik (1984–1993)
- Saudi Arabia**
- Executive Air Transport, Ltd. (2) (1989–)
 Mahfooz Aviation, Ltd. (1993–)
 National Air Service, Ltd. (1999–)
 Saudi Arabian Airlines (1996–)
 Saudia: Saudi Arabian Airlines (1946–1996)
 SNAS Worldwide Express (1977–)
- Senegal**
- African West Air, S.A. (1993–1994)
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Senegal: Compagnie Senegal des Transports Aeriens, S.A. (1962–1971)
 Air Senegal: Compagnie Sengalaïse de Transports Aeriens, S.A. (1971–1981)
 Air Senegal: Societe Nationale de Transports Aeriens du Senegal, S.A. (1981–)
- Seychelles**
- Air Mahe, Ltd. (1972–1979)
 Air Seychelles, Ltd. (1977–)
 Helicopter Seychelles, Ltd. (1992–)
 Inter-Island Airways, Ltd. (1976–1979)
 LAS: Ligne Aerienne Seychelles, S.A. (1987–1988)
 Seychelles International Airways, Ltd. (1982–1986)
 Trans Ocean Lines, Ltd. (1963–1968)
- Sierra Leone**
- Sierra Leone Airlines, Ltd. (1982–1987)
 Sierra Leone Airways, Ltd. (1958–1982)
 Sierra Leone National Airways, Ltd. (1990–)
 West African Airways Corporation (1946–1958)
- Somalia**
- Somali Airlines (1964–)

South Africa

Absil Air Services (Pty.), Ltd. (1993–1996)
 Africa Charter Airlines (Pty.), Ltd. (1997–)
 Air Cape (Pty.), Ltd. (1962–1986)
 Air Excellence (Pty.), Ltd. (1978–)
 Air Lowveld (Pty.), Ltd. (1970–1978)
 Air Supply (Pty.), Ltd. (1990–)
 Airlink Airline (Pty.), Ltd. (1992–1995)
 Alliance Airlines: African Joint Air Services (1995–2000)
 Avex Air (Pty.), Ltd. (1968–1986)
 Avia Air Charter (Pty.), Ltd. (1994–1995)
 Aviation (Pty.), Ltd. (1919–1922)
 Aviation Natal (Pty.), Ltd. (1965–1975)
 Bass Aviation (Pty.), Ltd. (1992–1996)
 Bop Air (Pty.), Ltd. (1985–1994)
 Border Air (Pty.), Ltd. (1972–1990)
 Capital Air (Pty.), Ltd. (1982–)
 Care Airlines (Pty.), Ltd. (1991–1996)
 CHC Helicopters Africa (Pty.), Ltd. (2000–)
 Ciskei International Airways (Pty.), Ltd. (1988–1989)
 Citi Air (Pty.), Ltd. (1985–1990)
 Civiair Charter Services (Pty.), Ltd. (1981–)
 Collondale Air Service (Pty.), Ltd. (1959–1968)
 Comair: Commercial Airways (Pty.), Ltd. (1967–)
 Command Airways (Pty.), Ltd. (1977–1983)
 Commercial Air Services (Pty.), Ltd. (1943–1967)
 Commercial Air Services (Natal) (Pty.), Ltd. 1946–1952)
 Consolidated Airways (Pty.), Ltd. (1965–1966)
 Court Air (Pty.), Ltd. (1993–)
 Court Helicopters (Pty.), Ltd. (1964–2000)
 Exclusive Air Charter (Pty.), Ltd. (1986–1994)
 Executive Aerospace Operations (Pty.), Ltd. (1984–)
 Flitestar Airlines (Pty.), Ltd. (1991–)
 Grand Central Air Charter (Pty.), Ltd. (1971–1986)
 Hydro Air Cargo (Pty.), Ltd. (2000–)
 Impala Air Cargo (Pty.), Ltd. (1993–)
 Intensive Air (Pty.), Ltd.
 Inter Air: Inter Aviation Services (Pty.), Ltd. (1993–)
 Letaba Airways (Pty.), Ltd. (1974–1985)
 Link Airways (Pty.), Ltd. (1989–1992)
 Mafikeng Air Service (Pty.), Ltd. (1978–1979)
 Magnum Airlines (Pty.), Ltd. (1978–1990)
 Magnum Helicopter Airlines (Pty.), Ltd. (1977–1978)
 Margate Air (Pty.), Ltd. (1980–1985)
 Metavia Airlines (Pty.), Ltd. (1984–)
 Millionair Charter (Pty.), Ltd. (1994–)
 Mmabatho Air Services (Pty.), Ltd. (1979–1985)
 Namakwaland Air Services/Lugdiens (1960–1984)
 Natal Aviation (Pty.), Ltd. (1958–1963)
 National Air Lines (Pty.), Ltd. (1983–)
 National Airways (Pty.), Ltd. (1958–1970)
 Nationwide Air Charter (Pty.), Ltd. (1996–)
 Noord Weste Lugdiens (Pty.), Ltd. (1963–1965)
 North Atlantic Airways (Pty.), Ltd. (1998–)
 Orion Air Charter (Pty.), Ltd. (1997–)
 Owenair (Pty.), Ltd. (1946–1965)
 Phoenix Airways (Pty.), Ltd. (1958–1980)
 Protea Airways (Pty.), Ltd. (1959–1980)
 Regional Airlines (Pty.), Ltd. (1992–1993)
 Rennies Express Air Services (Pty.), Ltd. (1993–)
 Rodair (Pty.), Ltd. (1962–1968)
 Ross-Thompson Aircraft Company (Pty.), Ltd. (1921–1924)
 Rossair Executive Air Charter (Pty.), Ltd. (1956–)
 SA Airlink (Pty.), Ltd. (1995–)
 SA Express Airways (Pty.), Ltd. (SAX) (1993–)
 Safair (Pty.), Ltd. (1988–)
 Safair Freighters (Pty.), Ltd. (1969–1988)
 Safair Lines (Pty.), Ltd. (1989–1991)
 South African Aerial Transport (Pty.), Ltd. (1919–1920)

South African Airways (Pty.), Ltd. (1934–)
 Southeast (Pty.), Ltd. (1992–1994)
 Southern Aviation (Pty.), Ltd. (1947–1964)
 Starwelt Airways (Pty.), Ltd. (1989–)
 Sun Air (Pty.), Ltd. (1994–1999)
 Theron Airways (Pty.), Ltd. (1976–1991)
 Transkei Airways Corporation, Ltd. (1976–)
 Transoceanic Airways (Pty.), Ltd. (1998–)
 Trek Airways (Pty.), Ltd. (1953–1976)
 Tropair (Pty.), Ltd. (1965–1970)
 Tropic Airways (Pty.), Ltd. (1950–1953)
 Union Airways (Pty.), Ltd. (1929–1934)
 United Air Services (Pty.), Ltd. (1965–1988)
 Wing Airways (Pty.), Ltd. (1978–1983)

South West Africa

Namib Air (Pty.), Ltd. (1962–1990)
 Oryx Aviation (Pty.), Ltd. (1956–1959)
 South West African Airways, A.G. (1930–1935)
 South West Air Transport (Pty.), Ltd. (1946–1958)
 Suidwes Lugdiens (Pty.), Ltd. (1959–1978)
 South Yemen/Peoples Republic of Yemen
 Aden Airways, Ltd. (1949–1968)
 Brothers Air Services Company, Ltd. (BASCO) (1968–1971)
 Alyemda Democratic Yemen Airlines (1971–1996)
 Yemenia: Yemen Airways Corporation (1996)

Southern Rhodesia/Rhodesia

Affretair (Pty), Ltd. (1) (1965–1979)
 Air Carriers, Ltd. (1946–1960)
 Air Rhodesia, Ltd. (1) (1964–1967)
 Air Rhodesia, Ltd. (2) (1967–1980)
 Air Trans Africa (Pty.), Ltd. (1965–1980)
 Central African Airways Corporation (1946–1967)
 Commercial Air Services (Rhodesia), Ltd. (1946–1960)
 Rhodesia Air Service, Ltd. (1961–1966)
 Rhodesia United Air Carriers, Ltd. (1960–1968)
 Rhodesian Aerial Tours, Ltd. (1922)
 Rhodesian and Nyasaland Airways, Ltd. (1933–1940)
 Rhodesian Aviation Company, Ltd. (1929–1933)
 Rhodesian Aviation Syndicate, Ltd. (1927–1929)
 Southern Rhodesia Air Services, Ltd. (1940–1946)

Sudan

Air West, Ltd. (1992–)
 Azza Transport Company, Ltd. (1993–)
 Federal Airlines, Ltd. (1994–)
 Sasco Air Lines, Ltd. (1983–)
 Sudan Airways, Ltd. (1946–1995)
 Trans Arabian Air Transport, Ltd. (1983–)
 United Arabian Airlines, Ltd. (1996–1998)

Swaziland

African International Airways, Ltd. (1985–)
 Air Swazi Cargo, Ltd. (1987–1995)
 Royal Swazi Airways Corporation, Ltd. (1990–1999)
 Royal Swazi National Airways Corporation, Ltd. (1978–1990)
 Swazi Air, Ltd. (1) (1956–1961)
 Swazi Air, Ltd. (2) (1971–1978)
 Swaziland Airlink, Ltd. (1999–)

Syria

Syrian Airways (1946–1961)
 Syrianair: Syrian Arab Airways (1961–)
 United Arab Airlines (1958–1971)

Tanganyika

East African Airways Corporation (1946–1964)

Tanzania

Air Tanzania Corporation (1972–)
 Air Zanzibar, Ltd. (1990–)
 Alliance Airlines: African Joint Air Services (1995–2000)
 East African Airways Corporation (1964–1977)
 Precisionair Services, Ltd. (1994–)
 Simbair, Ltd. (1971–1977)

- Tanzanair, Ltd. (1969–)
 Tim-Air Charters, Ltd. (1959–1976)
- Togo**
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Liberte Tunisie, S.A. (1989–1996)
 North African Cargo Airlines, S.A. (1993–)
 Novelair Tunisie, S.A. (1996–)
 Tubel Air, S.A. (1993–1994)
 Tuninter, S.A. (1991–)
 Tunis Air: Societe Tunisienne de l'Air, S.A. (1948–)
 Tunisavia: Societe de Transports, Services, et Travaux Aeriens, S.A. (1974–)
- Uganda**
 Alliance Airlines: African Joint Air Services (1995–2000)
 Caspair Air Charter, Ltd. (1963–1965)
 Caspar Air Charters & Agencies, Ltd. (1946–1963)
 DAS Air Cargo: Dairo Air Services, Ltd. (1983–)
 Eagle Aviation (U), Ltd. (1994–)
 East African Airways Corporation (1946–1977)
 Kob Air, Ltd. (1991–1993)
 Simbair, Ltd. (1971–1977)
 Take Air, Ltd. (1994–)
 Uganda Airlines, Ltd. (1986–2000)
 Uganda Airways Corporation (1976–1986)
 Uganda Aviation Services, Ltd. (1965–1977)
- United Arab Emirates**
 Abu Dhabi Helicopters, Ltd. (1976–)
 AeroGulf Services, Ltd. (1977–)
 Air Cess, Ltd. (1994–)
 Air Gulf Falcon (1999–2000)
 Air Intergulf, Ltd. (1975–1983)
 City Link (1995–)
 Daallo Airlines, S.A. (1991–)
 Emirates Airlines, Ltd. (1985–)
 Emirates Air Services (1976–1994)
 Gulf Air, Ltd. (1973–)
 Gulf Falcon (2000–)
 Gulf Helicopters, Ltd. (1973–)
 Hamarein Air-Gulf Carriers, Ltd. (1977–1980)
 Lotus International Air, FZE (1999–)
 Nad Al-Sharq International Airlines, Ltd. (2000–)
- Upper Volta**
 Air Afrique: Societe Aerienne Africaine Multinationale, S.A. (1961–)
 Air Volta, S.A. (1967–1985)
- Yemen**
 Yemen Airlines Corporation (1954–1972)
 Yemenia: Yemen Airways Corporation (1972–)
- Zaire**
 African Air Charter, S.A. (1976–1996)
 Agence et Messagers Aeriennes du Zaire, S.A. (1969–1978)
 Air Brousse, S.A. (1960–1967)
 Air Charter Service, S.A. (1980–1996)
 Air Transport Office, S.A. (ATO) (1994–1995)
 Air Zaire, S.A. (1971–1997)
 ATS: Air Transport Service, S.A. (1992–1996)
 BCF Aviation, S.A. (1984–1991)
 Blue Airlines, S.A. (1992–1997)
 Express City, S.A. (1995–1997)
 Filair, S.A. (1988–1997)
 Fontshi Air Service, S.A. (1984–1991)
 Funtshi Aviation Service, S.A. (1992–1993)
 Gomair, S.A. (1996–1997)
 Inter-Fret: Inter-Fret Transport Aerien, S.A. (1981–1988)
 Katala Air Transport, S.A. (1978–1994)
 Kinair Cargo, S.A. (1984–1988)
 Lukum Air Service, S.A. (1981–1990)
 Lupenga Air Transport, S.A. (1990–1993)
 MMM Aero Services, S.A. (1981–1985)
 New ACS, S.A. (1983–1996)
 Scibe Airlift of Zaire, S.A. (1979–)
 Shabair, S.A. (1989–1997)
 Sicotra Aviation, S.A. (1988–1991)
 TMK Air Commuter, S.A. (1990–1994)
 Trans Service Airlift, S.A. (1992–1997)
 Trans African Airways, S.A. (1993–1994)
 Trans Air Cargo (1993–1997)
 Virunga Air Charter, S.A. (1978–1996)
 Waltair, S.A. (1993–1994)
 Wetrafa Airlift, S.A. (1994–1997)
 Zaire Cargo, S.A. (1981–1986)
 Zairean Airlines, S.A. (1981–1997)
- Zambia**
 Aero Zambia, Ltd. (1995–2000)
 Eastern Air, Ltd. (1995–2000)
 Lupenga Air Transport, Ltd.. (1990–1993)
 National Air Charters, Ltd. (1974–)
 Roan Air, Ltd. (1965–1999)
 Stabo Air Charters, Ltd. (1997–)
 Zambia Airways, Ltd. (1964–1967)
 Zambia Airways Corporation (1967–1994)
 Zambia Skyways, Ltd. (2000)
 Zambian Air Cargoes, Ltd. (1966–1971)
 Zambian Airways, Ltd. (1999–)
 Zambian Express Airways, Ltd. (1995–)
- Zanzibar**
 East African Airways Corporation (1946–1964)
- Zimbabwe**
 Affretair (Pty.), Ltd. (2) (1980–)
 Air Zambezi, Ltd. (1998–)
 Air Zimbabwe Corporation (1980–)
 Expedition Airways (Pty.), Ltd. (1997–)
 Tradeair, Ltd. (1980–1986)
 Zimbabwe Express Airlines (1994–)
- ASIA/PACIFIC**
- Afghanistan**
 Ariana Afghan Airlines Company, Ltd. (1955–)
 Bakhtar Afghan Airlines Company, Ltd. (1968–1988)
 Balkh Airlines Company (1997–)
- Australia**
 Adastra Airways (Pty.), Ltd. (1934–1957)
 Adelaide Airways (Pty.), Ltd. (1935–1936)
 Aeropelican Air Services (Pty.), Ltd. (1971–)
 Air Cruising Australia (Pty.), Ltd. (1994–)
 Air Express (Pty.), Ltd. (1952–1980)
 Air Facilities (Pty.), Ltd. (1995–)
 Air Hibiscus (Pty.), Ltd. (1985–1987)
 Air Kangaroo Island (Pty.), Ltd. (1990–1996)
 Air Maroochy (Pty.), Ltd. (1993–1995)
 Air New South Wales (Pty.), Ltd. (1981–1989)
 Air North International (Pty.), Ltd. (1978–1994)
 Air Queensland (Pty.), Ltd. (1982–1988)
 Air Swift (Pty.), Ltd. (1992–1997)
 Air Tasmania (Pty.), Ltd. (1968–1981)
 Air Taxis (Pty.), Ltd. (1938–1939)
 Air Tiwi (Pty.), Ltd. (1996–1998)
 Air Transit (Pty.), Ltd. (1986–1990)
 Air Whitsunday (Pty.), Ltd. (1993–1994)
 Aircrafts (Pty.), Ltd. (1927–1945)
 Airlines (West Australia) (Pty.), Ltd. (1935–1955)
 Airlines of Australia (Pty.), Ltd. (1935–1943)
 Airlines of New Zealand (Pty.), Ltd. (1960–1986)
 Airlines of Northern Australia (Pty.), Ltd. (1981–1987)
 Airlines of South Australia (Pty.), Ltd. (1) (1981–1985)
 Airlines of South Australia (Pty.), Ltd. (2) (1998–)
 Airlines of Tasmania (Pty.), Ltd. (1982–1997)
 Airlines of Western Australia (Pty.), Ltd. (1981–1984)

- Airnorth (Pty.), Ltd. (1994–)
 Albatross Airlines (Pty.), Ltd. (1980–1998)
 ANA: Australian National Airlines (Pty.), Ltd. (1936–1957)
 ANA: Australian National Airways (Pty.), Ltd. (1929–1931)
 Ansett Airlines of Australia (Pty.), Ltd. (1936–1990)
 Ansett Airlines of New South Wales (Pty.), Ltd. (1958–1981)
 Ansett Airlines of Papua New Guinea (Pty.), Ltd. (1960–1973)
 Ansett Airlines of South Australia (Pty.), Ltd. (1960–1981)
 Ansett Australia (Pty.), Ltd. (1990–)
 Ansett Express (Pty.), Ltd. (1990–1992)
 Ansett N.T. (Pty.), Ltd. (1987–1991)
 Ansett NSW (Pty.), Ltd. (1989–1990)
 Ansett W.A. (Pty.), Ltd. (1984–1993)
 Aquatic Airways (Pty.), Ltd. (1975–1993)
 Arnhem Air Charter (Pty.), Ltd. (1991–1998)
 Associated Airlines (Pty.), Ltd. (1992–)
 Augusta Airways (Pty.), Ltd. (1980–)
 Aus-Air (Pty.), Ltd. (1956–1999)
 Australia Asia Airlines (Pty.), Ltd. (1989–1996)
 Australian Aerial Services (Pty.), Ltd. (1924–1934)
 Australian Air Express (Pty.), Ltd. (1992–)
 Australian Airlines (Pty.), Ltd. (1986–1993)
 Australian Airlink (Pty.), Ltd. (1991–2001)
 Australian Jet Charter (Pty.), Ltd. (1983–)
 Australian National Airlines, Ltd. *See* ANA: Australian National Airlines (Pty.), Ltd.
 Australian Regional Airlines Queensland (Pty.), Ltd. (1988–1993)
 Australian Transcontinental Airways (Pty.), Ltd. (1935)
 Australasian Jet Charter (Pty.), Ltd. (1989–)
 Avdev Airlines of Australia (Pty.), Ltd. (1974–1987)
 Avior (Pty.), Ltd. (1980–1987)
 Barrier Reefs Airways (Pty.), Ltd. (1947–1952)
 BBA Cargo (Pty.), Ltd. (1949–1976)
 Bloodstock Air Services (Pty.), Ltd. (1981–1985)
 British Commonwealth Pacific Airlines (Pty.), Ltd. (1946–1954)
 Buloro Goldfields Aeroplane Service (Pty.), Ltd. (1926–1928)
 Bush Pilots Airways (Pty.), Ltd. (1951–1982)
 Butler Air Transport (Pty.), Ltd. (1934–1959)
 Butler Airlines (Pty.), Ltd. (1977–1982)
 Canberra Airlines (Pty.), Ltd. (1992–1993)
 Cape York Air (Pty.), Ltd. (1995–1996)
 Capital Jet Charter (Pty.), Ltd. (1998–)
 Cargomasters Australia (Pty.), Ltd. (1981–1985)
 W. R. Carpenter and Company (Pty.), Ltd. (1934–1944)
 Central Highlands Air Taxi (Pty.), Ltd. (1991–1992)
 Challenge Airways (Pty.), Ltd. (1988–1989)
 Champion Air (Pty.), Ltd. (1979–1982)
 Charrak (Pty.), Ltd. (1996–1997)
 Charter Cruise Air (Pty.), Ltd. (1983–1994)
 CHC Helicopters Australia (Pty.), Ltd. (2000–)
 Clubair (Pty.), Ltd. (1976–1982)
 Commercial Aviation Company (Pty.), Ltd. (1927–1934)
 Commodore Aviation (Pty.), Ltd. (1979–1986)
 Compass Airlines (Pty.), Ltd. (1) (1989–1991)
 Compass Airlines (Pty.), Ltd. (2) (1992–1993)
 Conair (Pty.), Ltd. (1970–1981)
 Connellan Airways (Pty.), Ltd. (1939–1970)
 Corporate Air Canberra (Pty.), Ltd. (1992–1996)
 Country Connection Airlines (Pty.), Ltd. (1991–2001)
 Countryair (Pty.), Ltd. (1958–1991)
 Countrywide Airlines (Pty.), Ltd. (1980–1982)
 Crane Airlines (Pty.), Ltd. (1991–1993)
 Curtis-Madsen Airlines (Pty.), Ltd. (1949–1952)
 Davey Air Service (Pty.), Ltd. (1958–1982)
 W. T. Dwyer (Pty.), Ltd. (1946–1947)
 East Coast Commuter Airlines (Pty.), Ltd. (1980–1986)
 East-West Airlines (Pty.), Ltd. (1947–1994)
 Eastern Australia Airlines (Pty.), Ltd. (1986–2001)
 Eastland Air (Pty.), Ltd. (1989–)
 Emu Airways (Pty.), Ltd. (1970–)
 Execair (Pty.), Ltd. (1991)
 Execujet Australia (Pty.), Ltd. (1983–)
 Executive Airlines (Pty.), Ltd. (1979–)
 Eyre Commuter (Pty.), Ltd. (1979–1996)
 Eyre Peninsula Airways (Pty.), Ltd. (1931)
 Falcon Airlines (Pty.), Ltd. (1) (1987–1990)
 Falcon Airlines (Pty.), Ltd. (2) (1990–1995)
 Flight West Airlines (Pty.), Ltd. (1987–2001)
 Flinders Island Airlines (Pty.), Ltd. (1945–1990)
 Gawne Airlines (Pty.), Ltd. (1977–1983)
 General Cargo Australia (Pty.), Ltd. (1980–1993)
 Geoterrex and Southern Commuter (Pty.), Ltd. (1996–)
 Goldfields Air Services (Pty.), Ltd. (1986–1996)
 Great Western Aviation (Pty.), Ltd. 1996–
 Guinea Airways (Pty.), Ltd. (1926–1960)
 Hart Aircraft Company (Pty.), Ltd. (1933–1934)
 Hazelton Airlines (Pty.), Ltd. (1953–)
 Helicopter Resources (Pty.), Ltd. (1970–)
 Helicopters Australia (Pty.), Ltd. (1980–)
 Helicopters Victoria (Pty.), Ltd. (1989–)
 Helijet Air Services (Pty.), Ltd. (1992–)
 Helijet Whitsunday (Pty.), Ltd. (1985–)
 Henebery Aviation (Pty.), Ltd. (1967–1987)
 Heron Airlines (Pty.), Ltd. (1991–1993)
 Holden Air Transport (Pty.), Ltd. (1929–1936)
 Holyman's Airways (Pty.), Ltd. (1933–1936)
 Horizon Airlines (Pty.), Ltd. (1998–)
 Impulse Airlines (Pty.), Ltd. (1993–2001)
 In Tours Australia (Pty.), Ltd. (1988–1989)
 Independent Air Freighters (Pty.), Ltd. (1993–)
 Intercity Airways (Pty.), Ltd. (1936–1937)
 IPEC Aviation (Pty.), Ltd.: Interstate Parcel Express Company (1976–1993)
 Island Hopper Chopper (Pty.), Ltd. (1986–1987)
 Jayrow Helicopters (Pty.), Ltd. (1965–)
 Jet City (Pty.), Ltd. (1989–)
 Jetcraft Aviation (Pty.), Ltd. (1989–)
 L. McK. Johnson (Pty.), Ltd. (1932)
 Kakuda Air (Pty.), Ltd. (1993–1995)
 Kendell Airlines (Pty.), Ltd. (1966–)
 King Island Airways (Pty.), Ltd. (1990–)
 King Solomon Airways (Pty.), Ltd. (1998–)
 Larkin Aerial Supply Company (Pty.), Ltd. (1921–1928)
 Lincoln Airlines (Pty.), Ltd. (1987–1997)
 Link Air (Pty.), Ltd. (1991–1994)
 Lloyd Helicopters (Pty.), Ltd. (1969–2000)
 MacKnight Airlines (Pty.), Ltd. (1970–1991)
 MacRobertson-Miller Airlines (Pty.), Ltd. (1934–1981)
 Majestic Airlines (Pty.), Ltd. (1994–1995)
 Mandated Airlines (Pty.), Ltd. (1936–1961)
 Maroomba Airlines (Pty.), Ltd. (1998–)
 Masling Commuter Services (Pty.), Ltd. (1967–1982)
 Matthews Aviation (Pty.), Ltd. (1933–1934)
 McKinley Air Charter (Pty.), Ltd. (MACAIR) (1963–)
 Metavic Airlines (Pty.), Ltd. (1993–1994)
 Milair (Pty.), Ltd. (1991–1992)
 Moloney Aviation (Pty.), Ltd. (1972–)
 Monarach Airlines (Australia) (Pty.), Ltd. (1991–1994)
 Morlae Airlines (Pty.), Ltd. (1928–1930)
 Murray Air (Pty.), Ltd. (1984–1990)
 Murray Valley Airlines (Pty.), Ltd. (1982–1986)
 National Jet Systems (Pty.), Ltd. (1989–)
 Natonwide Aviation (Pty.), Ltd. (1973–1987)
 New England Airways (Pty.), Ltd. (1) (1931–1936)
 New England Airways (Pty.), Ltd. (2) (1947–1980)
 Nicholas Skyways (Pty.), Ltd. (1961–1994)
 Noosa Airlines (Pty.), Ltd. (1970–1984)
 Norfolk Jet Express (Pty.), Ltd. (1997–)

- Norfolk Island Airways (Pty.), Ltd. (1973–1991)
 Noris Dinan Aviation (Pty.), Ltd. (1995–)
 North Queensland Airways (Pty.), Ltd. (1934–1938)
 Northern Airways (Pty.), Ltd. (1934)
 Northwestern Airways (Pty.), Ltd. (1938–1940)
 O'Connor–Mt. Gambier's Airline (Pty.), Ltd. (1992–)
 Opal Air: Opal Air Services (Pty.), Ltd. (1963–1985)
 Ord Air Charter (Pty.), Ltd. (1989–)
 Oxley Airlines (Pty.), Ltd. (1979–1993)
 Pacific Aerial Transport (Pty.), Ltd. (1931–1936)
 Pacific Transair (Pty.), Ltd. (1995–1997)
 Pagas Airlines: Port Augusta Air Services (Pty.), Ltd. (1967–1982)
 Par Avion (Pty.), Ltd. (1989–1990)
 Pearl Aviation (Pty.), Ltd. (1970–)
 Pearl Aviation Australia (Pty.), Ltd. (1964–)
 Pelair Aviation (Pty.), Ltd. (1966–)
 Peninsula Air (Pty.), Ltd. (1993–1995)
 Premier Airlines (Pty.), Ltd. (1994–)
 Promair (Pty.), Ltd. (1977–1995)
 Qantas Airways (Pty.), Ltd. (1967–)
 Qantas Empire Airways (Pty.), Ltd. (1934–1967)
 Qantas Link. *See* Australian Airlink (Pty.), Ltd.; Eastern Australia Airlines (Pty.), Ltd.; Southern Australia Airlines (Pty.), Ltd.
 QANTAS: Queensland and Northern Territories Aerial Services (Pty.), Ltd. (1934–1947)
 Queensland Air Navigation Company (Pty.), Ltd. (1930–1931)
 Queensland Flying Services (Pty.), Ltd. (1947–1950)
 Queensland Pacific Airlines (Pty.), Ltd. (1989–1990)
 Questair (Pty.), Ltd. (1992–)
 Rebel Air (Pty.), Ltd. (1978–1988)
 Rockhampton Aerial Services (Pty.), Ltd. (1931–1936)
 Rossair (Pty.), Ltd. (1975–1994)
 Rottneast Airbus (Pty.), Ltd. (1985–)
 Sabair Airlines (Pty.), Ltd. (1987–1997)
 Scrusse Air (Pty.), Ltd. (1975–1982)
 Seaboard Airlines (Pty.), Ltd. (1987–1990)
 Shepparton Airlines (Pty.), Ltd. (1997–1999)
 Shortstop Jet Charter (Pty.), Ltd. (1982–)
 Singleton Air Services (Pty.), Ltd. (1978–1988)
 Skippers Aviation (Pty.), Ltd. (1990–)
 Skylink (Pty.), Ltd. (1990–1991)
 Skyport (Pty.), Ltd. (1991–1993)
 Skywest Airlines (Pty.), Ltd. (1967–)
 H. C. Sleigh Airlines (Pty.), Ltd. (1972–1983)
 South Queensland Airways (Pty.), Ltd. (1939–1940)
 Southern Airlines and Freighters (Pty.), Ltd. (1937–1938)
 Southern Airlines (Pty.), Ltd. (1955–1958)
 Southern Australia Airlines (Pty.), Ltd. (1991–2001)
 Southern Pacific Regional Airlines (Pty.), Ltd. (1990–1993)
 Southern Sky Airlines (Pty.), Ltd. (1996–)
 Sovereign Airlines (Pty.), Ltd. (1976–1982)
 Spirit Air (Pty.), Ltd. (1989–1990)
 Stephens Aviation (Pty.), Ltd. (1937–1941)
 Sunbird Airlines (Pty.), Ltd. (1982–1991)
 Sunshine Coast Air Charter (Pty.), Ltd. (1979–)
 Sunshine Express Airlines (Pty.), Ltd. (1998–)
 Sunstate Airlines (Mildura) (Pty.), Ltd. (1986–1991)
 Sunstate Airlines (Pty.), Ltd. (1980–)
 T. Thomas Air Transport System (Pty.), Ltd. (1978–1985)
 Tamair (Pty.), Ltd. (1992–1998)
 Tasair (Pty.), Ltd. (1963–)
 Tasmanian Aerial Services (Pty.), Ltd. (1932–1934)
 Thorpe's Transport (Pty.), Ltd. (1976–1983)
 Tillair (Pty.), Ltd. (1982–1988)
 Torres Air (Pty.), Ltd. (1990–1991)
 Townsville and Country Airways (Pty.), Ltd. (1948–1953)
 Trans Australia Airlines (Pty.), Ltd. (1945–1986)
 Trans Oceanic Airways (Pty.), Ltd. (1947–1952)
 Trans Pacific Airlines (Pty.), Ltd. (1996–)
 Trans Regional Airlines (Pty.), Ltd. (1982–1984)
 Transtate Airlines (Pty.), Ltd. (1996–2000)
 Transwest Airlines (Pty.), Ltd. (1967–1982)
 Tropicair: Tropic Air Services (Pty.), Ltd. (1969–1994)
 Union Air (Pty.), Ltd. (1972–1982)
 Uzu Air (Pty.), Ltd. (1994)
 Victorian and Interstate Airways (Pty.), Ltd. (1936–1940)
 Virgin Blue (Pty.), Ltd. (1999–)
 WASP Airlines (Pty.), Ltd. (1935–1936)
 Waratah Air Services (Pty.), Ltd. (1986–1988)
 West Australian Airways (Pty.), Ltd. (1921–1936)
 Western NSW (Pty.), Ltd. (1981–1993)
 Western Pacific Aviation (Pty.), Ltd. (1991–1993)
 Whyalla Airlines (Pty.), Ltd. (1991–2000)
 Woods Airways (Pty.), Ltd. (1947–1962)
 Yanda Airlines (Pty.), Ltd. (1989–)
- Bangladesh**
 Aero Bengal, Ltd. (1995–)
 Air Parabat, Ltd. (1994–)
 Biman Bangladesh Airlines: Bangladesh Biman, Ltd. (1972–)
 Bismillah Airlines, Ltd. (1995–)
 GMG Airlines, Ltd. (1997–)
- Bhutan**
 Druk Air: Druk Air Corporation/Royal Bhutan Airlines (1981–)
- Brunei Negara Darussalam**
 Royal Brunei Airlines (1974–)
- Burma**
 Burma Airways Corporation, Ltd. (1972–1989)
 Irrawaddy Flotilla and Airways, Ltd. (1934–1937)
 Union of Burma Airways, Ltd. (1948–1972)
- Cambodia**
 Air Cambodge, S.A. (1970–1975)
 Cambodia International Airlines, Ltd. (1992–1995)
 Kampuchea Airlines (1) (1982–1994)
 Kampuchea Airlines (2) (1997–)
 Khmer Akas (Cambodia Air) (1970–1975)
 President Air, Ltd. (1997–)
 Royal Air Cambodge, S.A. (1) (1956–1970)
 Royal Air Cambodge, S.A. (2) (1994–)
 Royal Phnom Penh Airways Company, Ltd. (1999–)
 Siem Reap Airways, Ltd. (2000–)
 SK Air (1991–1993)
- Ceylon**
 Air Ceylon, Ltd. (1948–1972)
 Ceylon Airways (1947–1948)
- China**
 Air China (1988–)
 Air Great Wall (1992–)
 Belya Airlines (1994–)
 CAAC: The General Administration of Civil Aviation of China (1952–)
 Central Air Transport Corporation (CATC) (1943–1949)
 Changan Airlines (1992–)
 China Air Cargo (1987–1988)
 China Airways Corporation: Zhonghau Hangkong Gongsu (1938–1945)
 China Airways Federal, Ltd. (1929–1930)
 China Cargo Airlines Company, Ltd. (1998–)
 China Eastern Airlines Company, Ltd. (1985–)
 China Flying Dragon Aviation (1981–)
 China General Aviation Corporation (1952–1999)
 China Great Wall Corporation (1992–)
 China Hainan Airlines Company, Ltd. (1989–)
 China Hainan VIP Flight Service (1995–)
 China National Aviation Corporation (CNAC-1) (1930–1952)
 China National Aviation Corporation (CNAC-2). *See* CAAC: The General Administration of Civil Aviation of China Northern Airlines Company, Ltd. (1988–)
 China Northwest Airlines Company, Ltd. (1989–)
 China Ocean Helicopter Corporation (1982–)
 China Southern Airlines Company, Ltd. (1987–)

- China Southwest Airlines Company, Ltd. (1987–)
 China United Airlines (1984–)
 Deerjet Company, Ltd. (1999–)
 Eurasia Aviation Corporation (1930–1943)
 Fujian Airlines (1993–)
 Guizhou Airways (1991–)
 Hainan VIP Flight Service (1995–)
 Hamiata: Sino-Soviet Aviation Corporation, Ltd. (1939–1949)
 Huitong Airways: Huitong Hangkong Gongsi, Ltd. (1936–1938)
 Jiangnan General Aviation Company (1990–)
 Jihua Airlines Company, Ltd. (1987–)
 Longken General Aviation (1988–)
 Nanjing Airlines Company, Ltd. (1994–)
 Shandong Airlines Company, Ltd. (1994–)
 Shanghai Airlines Company, Ltd. (1985–)
 Shanghai-Chengtu Air Mail Line (1929–1930)
 Shanxi Airlines Company, Ltd. (1991–)
 Shenzhen Airlines Company, Ltd. (1994–)
 Shuangyang General Aviation Company (1991–)
 Sichuan Airlines Company, Ltd. (1986–)
 Southwestern Airlines, Ltd. (1934–1938)
 Tianjin Airlines Company, Ltd. (1996–)
 Wuhan Air Lines Company, Ltd. (1986–)
 Xiamen Airlines Company, Ltd. (1989–)
 Xinhua Airlines Company, Ltd. (1992–)
 Xinjiang Airlines Company, Ltd. (1985–)
 Yunnan Airlines of China, Ltd. (1992–)
 Zhejiang Airlines Company, Ltd. (1990–)
 Zhongfei General Aviation Corporation (1991–)
 Zhongyuan Airlines Company, Ltd. (1993–)
- Cook Islands
 Air Rarotonga (1977)
 Avaiki Air (1991–1992)
 Cook Island Air: Cook Island Airways, Ltd. (1973–1991)
 Cook Islands International, Ltd. (1987–1991)
- Dutch East Indies
 Koninklijke Nederlandsch-Indische Luchtvaart
 Maatschappij, N.V. (KNILM) (1928–1947)
- Fiji
 Air Fiji, Ltd. (1995–)
 Air Pacific, Ltd. (1) (1967–1971)
 Air Pacific, Ltd. (2) (1971–)
 Air Wakaya, Ltd. (1992–1996)
 Fiji Air, Ltd. (1971–1995)
 Fiji Airways, Ltd. (1) (1932–1934)
 Fiji Airways, Ltd. (2) (1947–1971)
 Island Air, Ltd. (1983–)
 Sunflower Airlines, Ltd. (1980–)
 Turtle Airways, Ltd. (1979–)
- French Polynesia
 Air Archipela, S.A. (1995–)
 Air Moorea, S.A. (1969–)
 Air Polynesie, S.A. (1970–1987)
 Air Tahiti, S.A. (1) (1951–1953)
 Air Tahiti, S.A. (2) (1969–1987)
 Air Tahiti, S.A. (3) (1987–)
 Air Tahiti Nui, S.A. (1996–)
 Heli-Inter Caledonie, S.A. (1996–)
 Regie Aerienne Interinsulaire, S.A. (RAI) (1953–1958)
 Reseau Aerien Interinsulaire, S.A. (RAI) (1958–1970)
 Societe Caledonienne de Transport Aeriens, S.A. (Transpac) (1955–1968)
 Societe Francaise de Transports Aeriens du Pacifique Sud, (Trapas) (1948–1955)
 Tahiti Conquest Airlines, S.A. (1990–)
 Wanair, S.A. (1987–)
- Great Britain
 British Commonwealth Pacific Airlines, Ltd. (1946–1954)
- Hong Kong
 Air Hong Kong (Pty.), Ltd. (1986–)
- Cathay Pacific Airways (Pty.), Ltd. (1946–)
 Dragonair: Hong Kong Dragon Airlines (Pty.), Ltd. (1985–)
 East Asia Airways (Pty.), Ltd. (1989–)
 Helicopters Hong Kong, Ltd. (Heli Hong Kong) (1996–)
 Hong Kong Air International (Pty.), Ltd. (1966–1975)
 Hong Kong Airways, Ltd. (1947–1959)
 Oriental Pearl Airways (Pty.), Ltd. (1971–1977)
- India
 Air Asiatic, Ltd. (1990–1991)
 Air India, Ltd. (1946–)
 Air Sahara, Ltd. (2000–)
 Air Services of India, Ltd. (1936–1953)
 Airways of India, Ltd. (1945–1953)
 Ambica Airlines, Ltd. (1947–1949)
 Archana Airways, Ltd. (1993–)
 Bharat Airways, Ltd. (1945–1953)
 Blue Dart Aviation, Ltd. (1994–)
 City Link, Ltd. (1991–1992)
 Continental Air, Ltd. (1991)
 Continental Aviation, Ltd. (1991–)
 Dalmia-Jain Airways, Ltd. (1946–1953)
 Damania Airways, Ltd. (1993–1995)
 Deccan Airways, Ltd. (1945–1953)
 Deccan Aviation (Pty.), Ltd. (1998–)
 East-West Airlines, Ltd. (1992–1996)
 Elbee Airlines, Ltd. (1994–)
 Goa Way, Ltd. (1996–)
 Goldensun Aviation, Ltd. (1977–1978)
 Great Eastern Shipping Company, Ltd., The (1995–)
 Gujarat Airways, Ltd. (1994–)
 Himalayan Air Transport and Survey, Ltd. (1934–1935)
 Himalayan Aviation, Ltd. (1947–1953)
 Hinduja Cargo Services, Ltd. (1996–)
 Huns Air, Ltd. (1974–1976)
 India International Airways, Ltd. (1990–)
 Indian Airlines Corporation (1953–)
 Indian National Airways, Ltd. (1933–1946)
 Indian Overseas Airlines, Ltd. (1946–1950)
 Indian Trans-Continental Airways, Ltd. (1933–1940)
 Jagson Airlines, Ltd. (1991–)
 Jamair Company, Ltd. (1948–1980)
 Jet Airways, Ltd. (1992–)
 Jupiter Airways, Ltd. (1948–1949)
 Kalanga Airlines, Ltd. (1946–1953)
 Madras Air Taxi Service, Ltd. (1933–1934)
 Mesea Airlines, Ltd. (1992–)
 Mistri Airways, Ltd. (1946–1947)
 Modiluft (1993–)
 NEPC Airlines, Ltd. (1993–1999)
 Orient Airways, Ltd. (1946–1953)
 Pawan Hans Helicopters, Ltd. (1985–)
 Pushpaka Airlines, Ltd. (1978–1983)
 RAJ Airways, Ltd. (1993–)
 Safari Airways, Ltd. (1971–1980)
 Sahara Airlines, Ltd. (2000)
 Sahara India Airlines, Ltd. (1991–2000)
 SGA Airlines, Ltd. (1998)
 Skyline-NEPC, Ltd. (1995–)
 Sam Aviation, Ltd. (1994–)
 Taneja Aerospace and Aviation, Ltd. (1997–)
 Tata Air Lines (1929–1946)
 Trans Bharat Aviation, Ltd. (1990–)
 Transportes Aereos da India Portuguesa, S.A. (1955–1961)
 UBAir, Ltd. (1991)
 UP Airways, Ltd. (1994–1998)
 Vayudoot, Ltd. (1981–1994)
 VIF Airways, Ltd. (1993–)
- Indonesia
 Airfast Indonesia: PT Airfast Services Indonesia (1971–)

- AOA Zamrud Aviation Corporation (1969–1973)
 PT Awair: Air Wagon Airlines (2000–)
 Bali Air: PT Bali International Air Service (1973–)
 PT Borneo Airways (1997–1999)
 PT Bouraq Indonesian Airlines (1970–)
 PT Dayajasa Transindo Pratama (1990–)
 PT Deraya Air Taxi (1990–)
 DAS Dirgantara Air Services (1978–)
 PT Garuda Indonesia (1990–)
 PT Garuda Indonesian Airways (1949–1990)
 PT Gatari Air Service (1983–)
 Indoavia: PT Indonesian Aviation Corporation (1990–)
 PT Indonesian Air Transport (1968–)
 Indonesian Airways (1948–1950)
 PT Jayayu Air: Jatayu Gelang Sejahtera (1998–)
 PT Lion Mentari Airlines (2000–)
 PT Mandala Airlines (1969–)
 PT Merpati Nusantara Airlines (1962–)
 PT National Air Charter (1968–)
 PT Pelita Air Service (1973–)
 PT Sabang Merauke Raya Air Charter (SMAC) (1969–)
 PT Sempati Air (1990–)
 PT Sempati Air Transport (1968–1990)
 PT Seulawah Air Services (1968–1981)
 PT Transindo Air Charter (1990–)
 PT Trigana Air Service (1992–)
- Japan**
 Air Hokkaido Company, Ltd. (1994–)
 Air Nippon Company, Ltd. (1987–)
 All Nippon Airways Company, Ltd. (ANA) (1958–)
 Amakusa Airlines Company, Ltd. (1998–)
 Asahi Air Lines, Ltd. (1982–)
 Asahi Helicopters, Ltd. (1955–1982)
 Asahi Teiki Koku-Kai (ATKK) (1927–1945)
 City Airlink, Ltd. (1987–1991)
 Fair Air Company, Ltd. (2000–)
 Far East Airlines Company, Ltd. (1952–1958)
 Fuji Air Lines Company, Ltd. (1952–1964)
 Fujian Airlines Company, Ltd. (1993–)
 Fujita Airlines Company, Ltd. (1952–1963)
 Greater Japan Air Lines see Japan Air Lines Company, Ltd. (1)
 Hankyu Air Lines Company, Ltd./Hankyu Koku (1980–)
 Harlequin Air Company, Ltd. (1997–)
 Hokkaido Air System, Ltd. (1998–)
 Hokkaido International Airlines Company, Ltd. (“Air Do”) (1996–)
 Honda Airways Company, Ltd. (1964–)
 Imperial Airline Company, Ltd. (1960–)
 J-Air Company, Ltd. (1991–)
 JAL Express Company, Ltd. (JEX) (1997–)
 JALways Company, Ltd. (1999–)
 Japan Air Charter Company, Ltd. (JAZZ) (1990–2000)
 Japan Air Commuter Company, Ltd. (1983–)
 Japan Air Lines Company, Ltd. (1) (1938–1945)
 Japan Air Lines Company, Ltd. (2) (1951–)
 Japan Air System, Ltd. (1988–)
 Japan Air Transport Company, Ltd. (1928–1938)
 Japan Asia Airways, Ltd. (1975–)
 Japan Continental Airlines Company, Ltd. (1991–)
 Japan Domestic Airlines Company, Ltd. (1964–1971)
 Japan Helicopter and Aeroplane Transport Co., Ltd. (1952–1958)
 Japan Regional Airlines Company, Ltd. (1995–)
 Japan Transocean Airways Company, Ltd. (1993–)
 Japan Universal Transport System, Ltd. (JUST) (1991–1992)
 Kokusai Koku Yuso K. K. (1962–)
 Kyokushin Airways Company, Ltd. (1995–)
 Manchurian Air Transport Company, Ltd. (MKKK) (1932–1945)
 Nagasaki Airways Company, Ltd. (1960–2001)
 Naka Nihon Air Lines Company, Ltd. (1953–1988)
 Naka Nihon Airline Service, Ltd. (1988–)
- New Central Aviation Company, Ltd. (1990–)
 New Japan Domestic Airline, Ltd. (1979–1989)
 Nihon Kinkyori Airways Company, Ltd. (1974–1987)
 Nihon Sangyo Airways Company, Ltd. (1983–1987)
 Nippon Cargo Airlines Company, Ltd. (1978–)
 Nippon Koku Yuso Kenkyujo (NKYK) (1922–1938)
 Nishi Nihon Airways Company, Ltd. (1954–)
 Nitto Aviation Company, Ltd. (1952–1964)
 North Japan Airlines Company, Ltd. (1953–1964)
 Ryukyu Air Commuter Company, Ltd. (1990–)
 Sagawa Helicopter Express, Ltd. (1989–)
 Scheduled Air Services, Ryukyus, Ltd. (1964–1967)
 Shikoku Airways Company, Ltd. (1956–)
 Shin Chuo Koku, K. K. (1979–)
 Skymark Airlines Company, Ltd. (1998–)
 Southwest Air Lines Company, Ltd. (1967–1993)
 Toa Airways Company, Ltd. (1953–1971)
 Toa Domestic Airlines Company, Ltd. (1971–1988)
 Tozai Teiki Koku-Kai (TTKK) (1923–1929)
 World Air Network Charter, Ltd. (1991–1995)
- Kiribati**
 Air Kiribati (1996–)
 Air Tungaru Corporation (1977–)
- Korea (Democratic Republic of)**
 Air Koryo (1950–)
- Korea (Republic of)**
 Asiana Airlines (1988–)
 Korean Air Lines/Korean Air (KAL) (1962–)
 Korean National Airlines (1947–1962)
 Seoul Air International (1972–)
- Laos**
 Air Laos, S.A. (1952–1961)
 Lao Aviation Company (1976–)
 Royal Air Laos, S.A. (1961–1975)
- Macau**
 Air Macau Company, Ltd. (1994–)
- Malaya**
 Borneo Airways, Ltd. (1958–1965)
 Federation Air Services, Ltd. (1951–1955)
 Malayan Airways, Ltd. (1937–1962)
 Wearne’s Air Service, Ltd. (1936–1941)
- Malaysia**
 Air Asia, Sdn. Bhd. (1994–)
 Asia Pacific Airlines Company, Ltd. (1995–1998)
 Asia Tenggara Aviation Services Sdn. Bhd. (1994–)
 Berjaya Air Sdn. Bhd. (1994–)
 Hornbill Skyways, Sdn. Bhd. (1988–)
 Malaysia Air Charter Company, Ltd. (1962–1986)
 Malaysia Airlines, Ltd. (MAS) (1987–)
 Malaysia-Singapore Airlines, Ltd. (1967–1972)
 Malaysian Airlines System, Ltd.: Sistem Penerbangan Malaysia Berhad (MAS) (1972–1987)
 Malaysian Airways, Ltd. (1962–1967)
 Malaysian Helicopter Services, Sdn. Bhd. (1980–)
 MHS Aviation Sdn. Bhd. (1996–1998)
 Naluri Bhd. (1998–)
 Nusantra Airlines: Nusantra Sakti Sdn. Bhd. (1991–)
 Pacific Eagle Airlines, Ltd. (1996–1997)
 Pan-Malaysian Air Transport Sdn. Bhd. (1979–)
 Pelangi Air Sqn. Bhd. (1987–1994)
 Sabah Air: Penerbangan Sabah Sdn Bhd. (1975–)
 Saeaga Airlines, Ltd. (1995–1998)
 Transmile Air Service Sdn. Bhd. (1992–)
 Wira Kris, Ltd. (1976–1978)
- Maldives Republic**
 Air Maldives, Ltd. (1974–2000)
 Hummingbird Airways, Ltd. (1997–1998)
 Hummingbird Helicopters, Ltd. (1989–1997)
 Hummingbird Island Airways, Ltd. (1998–1999)

- Inter Atoll Air, Ltd. (1986–1987)
 Maldives Airways, Ltd. (1984–1986)
 Maldives International Airlines, Ltd. (1977–1983)
 Maldivian Air Taxi (Pty.), Ltd. (1995–)
 SunExpress Airliens Maldives, Ltd. (1997–)
 Trans Maldivian Airways, Ltd. (1999–)
- Manchuria**
 Manchurian Air Transport Company, Ltd. (1932–1945)
- Marshall Islands**
 Air Marshall Islands (1989–)
- Mongolia**
 MIAT-Air Mongol: Mongolyn Irgeniy Agaaryn Teever—Mongolflot—
 Mongolian Civil Air Transport (1956–)
- Myanma**
 Air Mandalay (Pty.), Ltd. (1994)
 Myanma Airways, Ltd. (1989–)
 Myanma International Airways, Ltd. (1993–)
 Yangon Airways, Ltd. (1996–)
- Nauru**
 Air Nauru Corporation (1970–)
- Nepal**
 Buddah Air, Ltd. (1999–)
 Everest Air, Ltd. (1992–)
 Gorkha Airlines, Ltd. (1996–)
 Himalayan Helicopters, Ltd. (1992–)
 Lumbini Airways, Ltd. (1996–)
 Necon Air, Ltd. (1992–)
 Nepal Airways, Ltd. (1993–)
 Royal Nepal Airlines Corporation (1958–)
 Yeti Airlines, Ltd. (1998–)
- New Caledonia**
 Air Caledonie: Societe Caledonienne de Transports Aeriens, S.A.
 (1955–)
 Air Caledonie International, S.A. (ACI) (1983–1997)
 Aircalin, S.A. (1997–)
 Aviazur, S.A. (1990–1995)
- New Zealand**
 Air Albatross, Ltd. (1981–1986)
 Air Central, Ltd. (1974–1982)
 Air Charter (Christchurch), Ltd. (1992–1993)
 Air Chathams, Ltd. (1986–)
 Air Freight New Zealand, Ltd. (1989–)
 Air National, Ltd. (1989–)
 Air Nelson, Ltd. (1978–)
 Air New Zealand, Ltd. (1965–)
 Air Post New Zealand, Ltd. (1991–)
 Air Safaris: Air Safaris and Services, Ltd. (1969–)
 Air Travel (N.Z.), Ltd. (1934–1945)
 Air Travel, Ltd. (1929–1931)
 Airlines of New Zealand, Ltd. (1999–2000)
 Airwork NZ, Ltd. (1936–)
 Amphibious Airways, Ltd. (1949–1961)
 Ansett New Zealand, Ltd. (1986–2000)
 Astra Air Services, Ltd. (1991–1992)
 Avcorp Commuter, Ltd. (1983–1986)
 Bell Aviation, Ltd. (1968–1997)
 British Commonwealth Pacific Airlines, Ltd. (1946–1954)
 Canterbury Aviation Company, Ltd. (1921)
 Coast Air Charter, Ltd. (1991–1994)
 Cook Strait Airways, Ltd. (1935–1939)
 Cook Strait Skyferry, Ltd. (1990–1992)
 Dominion Airways, Ltd. (1929–1931)
 Eagle Airways, Ltd. (1969–)
 East Coast Airways, Ltd. (1935–1938)
 Float Air Picton (1992), Ltd. (1992–)
 Freedom Air International, Ltd. (1995–)
 Gisborne Air Transport, Ltd. (1931–1932)
 Great Barrier Airlines, Ltd. (1990–)
 Helicopter Line, Ltd. The (1965–)
 Helicopter Services (BOP), Ltd. (1984–)
 Helicopters (NZ), Ltd. (1955–)
 James Air, Ltd. (1977–1983)
 K2000, Ltd. (1999–2000)
 Kiwi Travel International Airlines, Ltd. (1994–1996)
 Mount Cook Air Services, Ltd. (1953–1969)
 Mount Cook Airlines, Ltd. (1969–)
 Mountain Air, Ltd. (1980–)
 New Zealand Aero Transport Company, Ltd. (1920–1922)
 New Zealand Air Charter, Ltd. (1990–)
 New Zealand National Airways Corporation, Ltd. (1945–1978)
 New Zealand Transport and Travel, Ltd. (1955–1967)
 Newman's Air, Ltd. (1985–1986)
 Origin Pacific Airways, Ltd. (1996–)
 Pacific Midland Airlines, Ltd. (1991–)
 Pacifica Air, Ltd. (1992–1993)
 Qantas New Zealand, Ltd. (2000–2001)
 Queensland-Mount Cook Airways, Ltd. (1936–1939)
 Rex Aviation, Ltd. (1989–)
 SAFE Air, Ltd. (1951–1990)
 Sea Bee Air, Ltd. (1955–1991)
 Soundsair, Ltd. (1996–1998)
 South Pacific Airlines of New Zealand, Ltd. (1960–1966)
 Southern Air, Ltd. (1978–)
 Southern World Airlines, Ltd. (1991)
 Stewart Island Air Services, Ltd. (1976–1978)
 Stewart Island Flights, Ltd. (2000–)
 Tasman Empire Airways, Ltd. (TEAL) (1940–1965)
 Union Airways of New Zealand, Ltd. (1935–1945)
 VIP Air, Ltd. (1995–)
 Wairarapa Airlines, Ltd. (1980–1991)
 Wangani Aero Work, Ltd. (1950–)
 Waterwings Airways, Ltd. (1990–1994)
- Pakistan**
 Aero Asia International, Ltd. (1993–)
 Bhoja Airlines (Pty.), Ltd. (1993–)
 Crescent Air Transport, Ltd. (1952–1954)
 Hajvairy Air, Ltd. (1993–1994)
 Orient Airways, Ltd. (1946–1953)
 Pak-Air, Ltd. (1948–1949)
 Pakistan International Airlines Corporation (PIA) (1951–)
 Panjnad Aviation, Ltd. (1993–)
 Shaheen Airlines, Ltd. (1991–)
- Palau**
 Aero Belau (1980–1986)
- Papua New Guinea**
 Air Niugini (Pty.), Ltd. (1973–)
 Airlink (Pty.), Ltd. (1) (1989–)
 Bougair (Pty.), Ltd. (1967–1986)
 Chee Air (Pty.), Ltd. (1966–1976)
 Co-Air: Co-Ordinated Air Services (Pty.), Ltd. (1975–1986)
 Douglas Airways (Pty.), Ltd. (1965–1990)
 Hevi Lift (Pty.), Ltd. (1985–)
 Islands Aviation (Islands Nationair) (Pty.), Ltd. (1991–)
 Macair: Melanesian Airline Charter Co. (Pty.), Ltd. (1960–1986)
 MBA Airlines of Papua New Guinea (Pty.), Ltd. (1994–)
 Milne Bay Air (Pty.), Ltd. (1992–1994)
 Southwest Air (Pty.), Ltd. (1995–)
 Talair: Tourist Airlines of Niugini (Pty.), Ltd. (1975–1993)
 Territory Airlines (Pty.), Ltd. (1952–1975)
- Philippines**
 A Soriano Aviation (1996–)
 Aboitiz Air (1988–)
 Aerolift Philippines (1982–)
 Air Link International Airways (1983–)
 Air Manila (1960–1976)
 Air Philippines (2) (1995–)
 Airfreight 2100 (1989–1996)
 Asian Spirit (1996–)

Cebu Pacific Air (1995–)
 Centennial Air (1997–2001)
 Commuter Air Philippines (1990–1996)
 Commercial Air Lines, Inc. (CALI) (1946–1948)
 Fairways (1964–1965)
 Filipinas Orient Airways (1965–1974)
 Fleming Airways Systems Transport (FAST) (1957–1965)
 Grand Air: Grand International Airways (1995–1999)
 Iloilo-Negros Air Express Company (INAEC) (1932–1941)
 Insular Airways Company (1946–1947)
 LBC Airways of Manila (1990–)
 Mindanao Express (1996–)
 Pacific Airways Corporation (1947–)
 Pacific East Asia Cargo Airlines (1991–)
 Philippine Aerial Taxi Company (PATCO) (1930–1939)
 Philippine Aerospace Development Corporation (1974–1991)
 Philippine Air Express (1947)
 Philippine Air Lines (PAL) (1941–)
 Philippine Air Service (1919)
 Philippine Airways Service (1920)
 Philippine Aviation Development (1951–1957)
 Seair: Palwan's Airline (1994–)
 Star Asia Airways (1994–1996)
 Trans Asiatic Airlines, Inc. (TALI) (1946–1950)
 Village Airways (1970–1981)

Saipan

Pacific Island Aviation (1988–)

Singapore

Aeroleasing Far East (Pty.), Ltd. (1989–)
 Aerolift International (Pty.), Ltd. (1990–)
 Air Taxi, Ltd. (1966–1968)
 Global Aviation, Ltd. (1996–)
 Kris Air (Pty.), Ltd. (1977–1980)
 Malaysia-Singapore Airlines, Ltd. (1967–1972)
 Region Air (Pty.), Ltd. (1) (1988–1991)
 Region Air (Pty.), Ltd. (2) (1994–)
 Saber Air, Ltd. (1969–1972)
 Silkair, Ltd. (1992–)
 Singapore Air Services (Pty.), Ltd. (1968–1969)
 Singapore Airlines, Ltd. (SIA) (1972–)
 Tradewinds: Tradewinds Private, Ltd. (1976–1992)

Solomon Islands

Megapode Airways, Ltd. (1963–1968)
 Pacific Air Express, Ltd. (1999–2000)
 Solair: Solomon Islands Airways, Ltd. (1968–)
 Western Pacific Air Services, Ltd. (1990–)

Sri Lanka

Air Ceylon, Ltd. (1972–1978)
 Air Lanka, Ltd. (1979–1999)
 Helitours, Ltd. (1971–)
 Serendip Airways, Ltd. (1980–1986)
 Sky Cabs (Pty.), Ltd. (1990–)
 Sri Lanka Airlines, Ltd. (1999–)
 Sri Lanka Airways, Ltd. (1978–1979)
 Sri Lanka International Airways, Ltd. (1978–1979)
 Upali Aviation, Ltd. (1979–1984)

Taiwan

Astro Airlines Company, Ltd. (1997–2000)
 China Airlines, Ltd. (1959–)
 China Asia Airlines, Ltd. (1987–1994)
 Civil Air Transport (CAT) (1946–1968)
 EVA Air: EVA Airways, Ltd. (1989–)
 Far Eastern Air Transport Corporation (FAT) (1957–)
 Formosa Airlines Corporation, Ltd. (1966–1999)
 Foshing Airlines, Ltd. (1951–1991)
 Great China Airlines, Ltd. (1955–1998)
 Makung International Airways, Ltd. (1989–1996)
 Mandarin Airlines, Ltd. (1991–)
 Taiwan Airlines, Ltd. (1986–1998)

Transasia Airways, Ltd. (1991–)
 U-Land Airlines, Ltd. (1995–2000)
 UNI Airways Corporation, Ltd. (1996–)

Thailand

Aerial Transport Company of Siam, Ltd. (1930–1941)
 Air Andaman, Ltd. (2000–)
 Air Siam Air Company, Ltd. (1965–1977)
 Angel Airline Company, Ltd. (1998–)
 Bangkok Airways Company, Ltd. (1986–)
 Bira Air Transport, Ltd. (1968–1975)
 Cambodian International Airlines, Ltd. (1992–1995)
 Orient Airlines, Ltd. (1995–)
 Orient Express Air, Ltd. (1995–)
 Pacific Overseas Airlines (Siam), Ltd. (1947–1951)
 PB Air, Ltd. (1990)
 Sahakol Air: Sahakol Air Company, Ltd. (1968–1986)
 Siamese Airways Company, Ltd. (SAC), (1947–1951)
 Si-Chang Flying Service Company, Ltd. (1991–)
 Thai Airways Company, Ltd. (1951–1988)
 Thai Airways International, Ltd. (1959–)
 Thai Flying Service, Ltd. (1981–1986)
 Trans Asiatic Airlines (Siam), Ltd. (1948–1952)
 Tropical Sea Airlines ("The Yellowbirds"), Ltd. (1992–)

Tonga

Friendly Islands Airways, Ltd. (1985–1991)
 Royal Tongan Airlines, Ltd. (1991–)
 Tonga Air: Tonga Air Services, Ltd. (1978–1985)

U.S. Trust Territory

Airline of the Marshall Islands (1980–1989)

Vanuatu

Air Melanesiae, S.A. (1969–1989)
 Air Vanuatu (Operations), Ltd. (1981–)
 Vanair, Ltd.: Vanuatu Internal Air Service (1989–)

Vietnam

Air Vietnam, S.A. (1951–1975)
 CAAV: Civil Aviation Administration of Vietnam (1956–1976)
 Hang Khong Viet Nam (1976–1991)
 Pacific Airlines, S.A. (1992–)
 Vietnam Air Services Company (VASCO) (1995–)
 Vietnam Airlines (1989–)

Western Samoa

Polynesian Airlines, Ltd. (1959–)

EUROPE

Albania

ADA Air: Adalbanair (1992–)
 Albanian Airlines MAK S.H.P.K. (1992–)

Armenia

Armenian Airlines (1991–)
 Yerevan Avia (1992–)

Austria

Aero Transport Flugbetriebsgesellschaft, GmbH. (1962–1964)
 Air Salzburg, GmbH. (1987–)
 Air Styria, GmbH. (1992–)
 Amadeus Air, A.G. (1992–1995)
 Amerer Air, GmbH. (1995–)
 Austrian Airlines: Österreichische Luftverkehrs, A.G. (1957–)
 Austrian Air Services (AAS): Österreichische Inlandsflugdienst, GmbH. (1980–)
 Austrian Air Transport (AAT): Österreichische Flugbetriebs, GmbH. (1964–1998)
 Bannert Air, GmbH. (1995–)
 Comtel Messeflug, GmbH. & Co. (1989–)
 Eurosky, GmbH. (1994–)
 Grossman Air Service, GmbH. (1991–)
 Heli-Air, GmbH. (1968–)
 Lauda Air Luftfahrtgesellschaft, A.G. (1979–)
 Montana Austria: Montana Flugbetrieb, GmbH. (1975–1981)

- Osterreichische Luftverkehrs, A.G. (OLAG) (1923–1939)
 Pink Aviation, GmbH. (1993–1994)
 Rheintalflug-Rolf Seewald Gesellschaft, mbH. (1973–)
 Salzburg Airlines, GmbH. (1992–1993)
 Tyrolean Airways: Tyrolean Airways Luftfahrtgesellschaft, GmbH.
 (1956–)
 Tyrolean Jet Service, GmbH. (1975–)
 Welcome Air Luftfahrt, GmbH. & Co., KG (2000–)
- Azerbaijan**
 Azerbaijan Airlines: Azerbaijan Hava Yollari (1992–)
 Imair Airlines (1994–)
 Turan Air (1994–2000)
- Bahkorstan Republic**
 Sterlitamak Aviakompaniya (1994–)
- Bashkir Republic**
 Bashkir Airlines (1990–)
- Belarus**
 Belair: Air Belarus (1991–)
 Belavia: Belorussian Airlines (1993–)
 Gomel Air Detachment/Gomelavia (1993–)
 Minsk Flight Detachment No. 1 (1994–)
 Minskava-Minsk Flight Detachment No. 2 (1994–)
 Transavia Export Cargo Airline (1992–)
- Belgium**
 Abelag Aviation, S.A. (1964–)
 Aeromas, S.A. (1946–1949)
 Air Belgium International, S.A. (1979–2000)
 Air Exel Belgium, S.A. (1989–1991)
 Air Mercury International Cargo, S.A. (1991–1992)
 Air Meuse: Belgian Regional Airline, S.A. (1992–1995)
 Aviamer Airlines, Ltd. (1958–1960)
 Caribjet, S.A. (1995–1996)
 Centre d'Aviation Generale, S.A. (1976–)
 ChallengeAir, S.A. (1994–)
 CHS: Cilenroc Helicopter Services, S.A. (1993–)
 CityBird: The Flying Dream, S.A. (1996–2001)
 Comite d'Etudes Pour la Navigation Aerienne du Congo, S.A.
 (1919–1920)
 Compagnie Belge de Transports Aeriens, S.A. (COBETA) (1945–
 1950)
 Constellation International Airlines, S.A. (1995–1999)
 DAT Wallonie, S.A. (1991–1992)
 Delta Air Transport, N.V. (DAT) (1966–)
 EuroBelgian Airlines, S.A. (1991–1996)
 European Air Transport, S.A. (EAT) (1971–)
 European Airlift, S.A. (1992–1994)
 European Airlines, S.A. (1991–1995)
 European Expeditee, S.A. (1988–1992)
 Flanders Airlines, S.A. (1989–1992)
 Heli-Europe, S.A. (1990–1993)
 Ligne Aerienne du Roi-Albert, S.A. (1920–1923)
 Occidental Airlines, S.A. (1995–)
 Publi-Air, S.A. (1980–1987)
 Sabena Belgian World Airlines: Societe Anonyme (S.A.) Belge
 D'Exploitation de la Navigation Aerienne (1923–)
 Service de Transports Aeriens Regionaux, S.A. (1947–1949)
 Servisair, S.A. (1989–1990)
 Sky Freighters, B.V. (1994–1995)
 Skyjet, S.A. (1992–)
 Sky Project Helicopters, S.A. (1993–)
 Sky Service, S.A. (1983–)
 Sobelair, N.V. (1946–)
 Syndicat National Pour L'Etude des Transports
 Aeriens, S.A. (SNETA) (1919–1923)
 Trans European Airways, S.A. (TEA) (1970–1991)
 Transport International Aerienne, S.A. (1992–1993)
 Virgin Express-EuroBelgium Airlines, Ltd. (1996–)
 VLM, N.V. (1992–)
 Young Cargo S.A. (1974–1981)
- Bosnia and Herzgovina**
 Air Bosna, S.A. (1994–)
 Air Srpska (1999–)
- Bulgaria**
 Air Sofia (1992–)
 Air Via: Bulgarian Airways (1990–)
 Balkan Bulgarian Airlines: TABSO (1947–)
 Bounavad (1928)
 Global Air (1992–1995)
 Heli Air Services, Ltd. (1988–)
 Hemus Air, Ltd. (1989–)
 Jes Air (1992–1993)
- Croatia**
 ANIC Airways (1992–)
 Croatia Airlines (1989–)
 North Adria Aviation (1990–)
 Trade Air (1994–)
- Cyprus**
 Avistar Cyprus, Ltd. (1990–)
 Cyprus Airways, Ltd. (1947–)
 Eurocypria Airlines, Ltd. (1991–)
 Helios Airways, Ltd. (1998–)
- Cyprus (Turkish Republic of Northern)**
 Kibris Turk Hava Yallari, A.O.: Cyprus Turkish Airlines (1974–)
- Czech Republic**
 Aba Air, A.S. (1997–)
 Air Moravia, A.S. (1991–1995)
 Air Ostrava, A.S. (1994–2000)
 Air Terrex, A.S. (1992–)
 Air Vitkovice, A.S. (1992–1994)
 Bemoair, A.S. (1994–1996)
 Ensor Air, A.S. (1992–1994)
 Fischer Air, A.S. (1996–)
 Silver Air, A.S. (1996–)
 Skoda Air, A.S. (1992–1997)
 Skoda Engineering + Air Transport, A.S. (1996–)
 Topair, A.S. (1991–)
 Travel Service Airlines, A.S. (1996–)
- Czechoslovakia**
 Agrolet (1951–1969)
 Air Moravia, Ltd. (1991–1995)
 CLS Czechoslovak Airlines: Ceskoslovenska Letecka Spolecnost
 (1927–1939)
 CSA Czechoslovak Airlines: Ceskoslovenske Statni Aerolinie
 (1923–1994)
 Skoda Air, Ltd. (1979–1992)
 Slovair (1) (1969–1990)
 Slovenska Letecka Akcova Spolecnost (SLS) (1939–1944)
- Denmark**
 Air Business, A.S. (1980–1988)
 Alkair Flight Operations, A.S. (1994–)
 Atlantic Airways, A.S. (1987–)
 Business Flight of Scandinavia, A.S. (1988–1995)
 Business Flight Service, A.S. (1985–1988)
 Cimber Air, A.S. (1950–)
 Conair of Scandinavia, A.S. (1964–1993)
 Copenhagen Air Taxi, A.S. (1963–)
 Danair, A.S. (1971–1997)
 Danish Air Transport, A.S. (1989–)
 DDL Danish Airlines: Det Dansk Luftfartselskap, A.S. (1918–)
 Falck Air, A.S. (1974–)
 Flyn Air Taxi, A.S. (1986–1991)
 Gronlandsfly, A.S./Greenlandair (1960–)
 Ikaros Fly, A.S. (1981–)
 Maersk Air, A.S. (1969–)
 Maersk Commuter, I.S. (1988–1990)
 Metro Airways, A.S. (1983–1993)
 Midfly International Airways, A.S. (1985–1989)
 Muk Air, A.S. (1979–)

- Newair Air Services, A.S. (1990–)
 North Flying, A.S. (1990–)
 Premiair, A.S. (1993–)
 SAS: Scandinavian Airlines System (1946–)
 SAS Commuter: Scandinavian Airlines System Commuter (1988–)
 Star Air, A.S. (1987–)
 Sterling Airways, A.S. (1962–1993)
 Sterling Cargo, A.S. (1999–2000)
 Sterling European Airlines, A.S. (1993–)
 Sun-Air of Scandinavia, A.S. (1977–)
- Estonia
 Aeronaut, A.S. (1921–1928)
 Air Livonia, Ltd. (1999–)
 Elk Airways: Estonian Aviation Company, Ltd. (1991–)
 Enimex, Ltd. (1994–)
 Estonian Air, A.S. (1991–)
- Finland
 Aero O/Y (1923–1927)
 Aero O/Y (1923–1947)
 Air Botnia O/Y (1988–)
 Copterline O/Y (1999–)
 Finnair O/Y (1968–)
 Finnair O/Y (1950–1996)
 Finnish Air Lines O/Y (1947–1968)
 Helikopterpalvelu O/Y (1960–1999)
 Jetflite O/Y (1980–)
 Karair O/Y (1957–1996)
 Karhumäki Airways, O/Y (1951–1957)
 Lentotoimi O/Y (1990–1993)
 Pohjanmaan Lento, O/Y (1991–1992)
 Polarwing, O/Y (1990–1995)
 Skaergaardsflyg A.B. (1995–)
 Wasa Wings O/Y (1987–1990)
- France
 Ace-Transvalair, S.A. (1988–1993)
 Aeris, S.A. (2000–)
 Aero Charter Darta, S.A. (1971–)
 Aero France International, S.A. (1990–)
 Aero Sahara, S.A. (1950–1962)
 Aerolyon, S.A. (1996–)
 Aeromaritime, S.A. (1935–1944)
 Aeromaritime International: Compagnie Aeromaritime d’Affrètement, S.A. (CAA) (1966–1991)
 Aeronavale (1921–1926)
 Aerope, S.A. (1988–)
 Aeropostale (1): Compagnie Generale Aeropostale, S.A. (1918–1931)
 Aeropostale (2): L’Aeropostale/Societe de Exploitation Aeropostale, S.A. (1993–2000)
 Aero Transport, S.A. (1922)
 Aero Transports Ernoult, S.A. (1919–1922)
 Aigle Azur Extreme Orient Airlines, S.A. (1954–1959)
 Aigle Azur Transport Aeriens: Compagnie de Transport Aeriens, S.A. (1987–)
 Air Afrique, S.A. (1) (1937–1941)
 Air Alpes, S.A. (1961–1980)
 Air Alsace, S.A. (1962–1980)
 Air Aquitaine, S.A. (1991–1992)
 Air Asie, S.A. (1928–1931)
 Air Atlantique, S.A. (1991–1996)
 Air Atlas: Compagnie Cherifienne de l’Air, S.A. (1946–1953)
 Air Bleu, S.A. (1935–1946)
 Air Bretagne Service, S.A. (1990–1991)
 Air Charter: Societe Aerienne Francaise d’Affrètement, S.A. (1966–1998)
 Air Evasion, S.A. (1993–1994)
 Air Exel France, S.A. (1989–1992)
 Air Exel, S.A. (1990–1992)
 Air France: Compagnie Nationale Air France (1933–)
 Air France Europe (1996–1997)
 Air Fret, S.A. (1964–1980)
 Air Inter: Lignes Aeriennes Interieures, S.A. (1954–1996)
 Air Inter Europe, S.A. (1996–1997)
 Air Jet, S.A. (1980–)
 Air Liberte, S.A. (1987–)
 Air Limousin, T.A. (1978–1989)
 Air Littoral, S.A. (1976–)
 Air Normandie, S.A. (1991–2001)
 Air Open Sky, S.A. (1998–2000)
 Air Orient, S.A. (1929–1933)
 Air Outre Mer, S.A. (1987–1992)
 Air Provence Internaitonal, S.A. (1985–1997)
 Air Rouergue, S.A. (1970–1980)
 Air Saint-Pierre, S.A. (1961–)
 Air Service Nantes, S.A. (1988–1992)
 Air Toulouse International, S.A. (1969–2000)
 Air Transport Pyrennes, S.A. (1989–1995)
 Air Union, S.A. (1923–1933)
 Air Vendee, S.A. (1975–1992)
 Airlec: Air Aquitaine Transporte, S.A. (1985–1992)
 Airlinair, S.A. (1998–)
 Airmatic Airlines, S.A. (1959–1964)
 Alsavia, S.A. (1989–1993)
 AOM French Airlines, S.A. (1989–2001)
 Avions Bleu, S.A. (1949–1952)
 Belair: Ile de France, S.A. (1994–2000)
 Brit Air: Brittany Air International, S.A. (1973–)
 CAP Airlines (1995–)
 Champagne Airlines, S.A. (1998–)
 Compagnie Aerienne du Languedoc, S.A. (CAL) (1976–1988)
 Compagnie Aerienne Francaise, S.A. (CAF) (1919–1922)
 Compagnie Aeronautique Europeenne, S.A. (CAE) (1991–)
 Compagnie Air Transport, S.A. (1946–1953)
 Compagnie Algerienne de Transport Aeriens, S.A. (1947–1950)
 Compagnie D’Affretements et de Transports Aeriens, S.A. (CATAIR) (1969–1981)
 Compagnie de Chargeurs Reunis, S.A. (1936–1943)
 Compagnie de Transports Aeriens Intercontinentaux (1946–1963)
 Compagnie de Transports Aeriens Intercontinentaux, S.A. (TAI) (1946–1963)
 Compagnie des Grands Express Aeriens (CGEA) (1919–1923)
 Compagnie des Messageries Aeriennes, S.A. (CMA) (1919–1923)
 Compagnie des Transports Aeronautiques du Sud-Ouest, S.A. (1919–1920)
 Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (1920–1925)
 Compagnie Generale Transaeriennes, S.A. (CGT) (1919–1921)
 Compagnie Germain, S.A. (1934–1938)
 Compagnie Internationale de Navigation Aerienne, S.A. (CIDNA) (1925–1933)
 Corsair, S.A. (1993–)
 Corse Air International, S.A. (1981–1993)
 Corse Mediterranee: Compagnie Corse Mediterranee, S.A. (1989–)
 Crossair Europe, S.A. (1998–)
 Euralair International, S.A. (1964–)
 Euro Aero Service, S.A. (1965–1995)
 EuroBerlin France, S.A. (1988–1994)
 Europe Air Post, S.A. (2000–)
 Fairlines, S.A. (1997–1998)
 Finist-Air, S.A. (1985–)
 Flandre Air, S.A. (1985–2001)
 Heli-Inter Riviera, S.A.: Lignes Regulieres Transport Public et Travail Aerien par Helicoptere (1976–)
 Heli Transport, S.A. (1992–1994)
 Heli Union, S.A. (1961–)
 Helifrance, S.A. (1982–)
 Hex’Air, S.A. (1992–)
 Industrie Air Charter, S.A. (1988–1993)
 Interciel Service, S.A. (1990)

- Jet Alsace, S.A. (1992–1993)
 Jet Europe, S.A. (1990–1991)
 Jet Fret, S.A. (1991–1993)
 Kel-Air, S.A. (1980–1990)
 Kymair, S.A. (1986–)
 Leadair Unijet, S.A. (1966–)
 Lignes Aeriennes Farman, S.A. (1919–1922)
 Lucas Aigle Azur, S.A. (1977–1987)
 Mid Airways, S.A. (1994–1995)
 Minerve, S.A. (1975–1992)
 Oya Helicopters, S.A. (1983–)
 Pan Europeene Air Service, S.A. (1989–1994)
 Point Air, S.A. (1980–1987)
 Proteus Air System, S.A. (1990–2001)
 Regie Air Afrique, S.A. (1925–1937)
 Regie Malagache, S.A. (1934–1937)
 Regional Airlines, S.A. (1992–2001)
 Rousseau Aviation, S.A. (1963–1973)
 Seemafer, S.A./Safair: Compagnie de Transports Aeriens, S.A. (1976–1986)
 Service de L'Aeronautique Civile, S.A. (1937–1941)
 SFAir: Compagnie de Transport Aerien, S.A. (1980–1987)
 Societe Aigle Azur, S.A. (1946–1955)
 Societe de Transports Aeriens Internationaux et Regionaux, S.A. (STAIR) (1990–1994)
 Societe Franco-Bilbaine des Transports Aeriens, S.A. (1920–1923)
 Societe Generale de Transport Aerien, S.A. (SGTA) (1922–1933)
 Societe Nouvelle Air Toulouse International, S.A. (SNATI) (1992–)
 Star Airlines, S.A. (1997–)
 Star Europe: Societe de Transport Aerien Regional, S.A. (1995–1997)
 Stellair Transports Aeriens, S.A. (1982–1995)
 TAT European Airlines, S.A. (1992–1998)
 TAT: Touraine Air Transport, S.A. (1968–1987)
 TAT: Transport Aerien Transregional, S.A. (1987–1992)
 TEA France, S.A. (1991–1992)
 Trans European Airways-France, S.A. (1989–1991)
 Trans Union Airlines, S.A. (1967–1971)
 Transvalair, S.A. (2) (1986–1990)
 Uni-Air International, S.A. (1969–1994)
 Union Aeromaritime de Transport, S.A. (UAT) (1949–1963)
 UTA French Airlines: Union de Transports Aeriens, S.A. (1963–1992)
 Virgin Express France, S.A. (1997–)
- Georgia**
 Air Georgia (1994–1999)
 Airzena Georgian Airlines (1999–)
 Georgian Airline-Orbi (1995–1997)
 Georgian Airlines (1997–1999)
 Orbi Georgian Airlines (1992–1997)
- Germany**
 Abacus Air, GmbH. (1983–1985)
 ACM Air Charter, GmbH. (1993–)
 Aero-Dienst, GmbH. (1968–)
 Aero Lloyd Flugreisen, GmbH & Co. (1980–)
 Aeroleasing Deutschland, GmbH. (1965–)
 Aerotec Airways, GmbH. & Co., K.G. (1996–)
 Air Berlin, GmbH. & Co. Luftverkehrs, K.G. (1978–)
 Air Bremen, GmbH. (1989–1990)
 Air Exel Germany, GmbH. (1989–1992)
 Air Germanica, GmbH. (1995–1996)
 Aquair Luftfahrt, GmbH. (1982–1984)
 Arcus Air Logistic, GmbH. (1987–1995)
 Arcus Air Luftfahrtunternehmen, GmbH. (1996–)
 Augsburg Airways, GmbH. (1995–)
 Augusta-Air Luftfahrtunternehmen, GmbH. (1995–)
 Avanti Air, GmbH. & Co., K.G. (1995–)
 Bavaria-Germanair Fluggesellschaft, mbH. (1957–1978)
 Bavaria Fluggesellschaft, mbH. & Co. (1979–)
 Bayerische Luft Lloyd, A.G. (1919–1923)
 Bayerische Luftverkehrs, A.G. (1925–1926)
 The Berline: Berlin-Brandenburgisches Luftfahrtunternehmen, GmbH. (1991–1994)
 Berliner Spezial Fluggesellschaft, A.G. (BSF) (1991–)
 Britannia Airways Germany, GmbH. (1997–)
 BusAir, GmbH. (1993–)
 CCF Manager Airline, GmbH. (1984–)
 Cimber Air, GmbH. (1997–)
 Cirrus Luftfahrtgesellschaft, mbH. (1990–)
 Cologne Commercial Flight, GmbH. (1988–1992)
 Condor Berlin, GmbH. (1998–)
 Condor Flugdienst GmbH. (1961–)
 Condor Luftrederei, GmbH. (1955–1961)
 Contactair Flugdienst, GmbH. & Co. (1969–)
 Conti-Flug International Airlines, GmbH. (1964–1994)
 Cosmos Air, GmbH. (1997–)
 Delta Air Regionalflugverkehr, GmbH. (1974–1992)
 Deutsche B.A. Luftfahrtgesellschaft, GmbH. (1992–)
 Deutsche Flugdienst, GmbH. (1955–1961)
 Deutsche Luft Hansa, A.G. (DLH) (1926–1951)
 Deutsche Lufthansa, A.G.: Lufthansa German Airlines
 Deutsche Luft Lloyd, GmbH. (1921–1923)
 Deutsche Luft Reederei, GmbH. (DLR) (1918–1923)
 Deutsche Luftschiffahrts, A.G. (DELAG) (1909–1919)
 Deutsche Luftverkehrsgesellschaft, GmbH. (DLT) (1970–1992)
 Deutsche-Russische Luftverkehrs-Gesellschaft, GmbH. (DERULUFT) (1921–1941)
 Deutsche Verkehrsflug, A.G. (1926–1933)
 Deutscher Aero Lloyd, A.G. (DAL) (1923–1926)
 Deutscher Zeppelin-Reederei, A.G. (1935–1937)
 Direct Air, GmbH. (1992–)
 EFS Cargo, GmbH. (1975–1980)
 Euro City Line Luftverkehrs, MbH. (1995–)
 European Air Express, GmbH. (1998–)
 Eurowings Fluggesellschaft, GmbH. (1996–)
 Eurowings Luftverkehrs, A.G. (1994–)
 Eurowings NFD + RFG, GmbH. (1993–1994)
 Express Airway, GmbH. (1998–)
 FAI Airservice, A.G. (1987–)
 Filder Air Service, GmbH. (1999–2000)
 Flight Travel Service, GmbH. (1980–1990)
 Flugdienst Fehlhaber, GmbH. (1991–1993)
 Frisia Luftverkehr Norddeich, GmbH. (1969–)
 FTi Fluggesellschaft, GmbH. (1998–2001)
 General Air, GmbH. (1972–1975)
 German Cargo Airlines, GmbH. (1977–1995)
 German Wings, GmbH. (1989–1990)
 Germania Fluggesellschaft, GmbH. (1986–)
 Grenzländ Air Service, GmbH. (1990–)
 Hadag Air: Hafendampfschiffahrts Actien, GmbH. (1974–1983)
 Hahn Air Businessline/Hahnair Sudwestflug, GmbH. (1994–)
 Hamburg Airlines GmbH. & Co., K.G. (1) (1988–1993)
 Hamburg Airlines GmbH. & Co., K.G. (2) (1993–1997)
 Hamburg International Airlines, GmbH. (1998–)
 Hansa Express, GmbH. (1988–1989)
 Hapag-Lloyd Fluggesellschaft mbH. (1972–)
 Holiday Express H.X.: Deutsche Luftverkehrsges., GmbH. (1962–1988)
 HW Air, GmbH. (1975–1982)
 Interflug DDR Airlines: Gesellschaft für Internationales Flugverkehr, mbH. (1955–1991)
 Interot Airways, GmbH. (1979–1995)
 Jet Connection Business Flight, A.G. (1997–)
 JetAir, GmbH. (1982–1985)
 Junkers Luftverkehr A.G. (1921–1926)
 Kanair Luftverkehrs, A.G. (1975–1995)
 Lloyd Luftverkehr Sablatnig GmbH. (1919–1923)
 Lloyd Ostflug, GmbH. (1920–1923)
 LTS: Air Taxi, mbH. (1992–)
 LTS: Lufttransport-Sued, GmbH. (1984–1988)

- LTU International Airlines: Lufttransport Unternelhman, GmbH. (1955–)
- LTU Lufttransport, GmbH. (1970–1995)
- LTU Sued International Airways, GmbH. (1988–1997)
- Luftfahrtgesellschaft Walter, GmbH. (LGW) (1992–)
- Lufthansa Cargo Airlines, A.G. (1995–)
- Lufthansa Cityline, GmbH. (1992–1993)
- Lufthansa. *See* Deutsche Luft Hansa, A.G. (D.L.H.)/Deutsche Lufthansa, A.G.: Lufthansa German Airlines
- Luftverkehr Friesland Brunzema & Partner, K.G. (1983–)
- Luftverkehr Wilhelmshaven-Friesland, GmbH. Luftverkehrsgesellschaft Ruhrgebiet, A.G. (LURAG) (1925–1926)
- MTM Aviation, GmbH. (1980–)
- Naske Air, GmbH. (1992–)
- NFD: Luftverkehrs, A.G. (1974–1993)
- Night Express Luftverkehrsgesellschaft, mbH. (1984–)
- Nordavia Fluggesellschaft, mbH. (1976–)
- Oberschlesische Luftverkehrs, A.G. (1925–1926)
- Panair Fluganlage, GmbH. (1969)
- Paninternational Airways, GmbH. (1969–1972)
- Phoenix Air, GmbH. (1979–)
- Primair Executive Charter: Luftfahrtges, MbH. (1993–)
- Private Wings Flugcharter, GmbH. (1991–)
- RAS Fluggesellschaft, mbH. (1996–)
- Radioflug, GmbH. (1982–1998)
- RFG: Regional Flug, GmbH. (1975–1993)
- Rheinland Air Service, GmbH. (1971–1996)
- Roland Air, GmbH. (ROA) (1980–1991)
- Rumpler Luftverkehr, GmbH. (1) (1919–1922)
- Rumpler Luftverkehr, GmbH. (2) (1922–1923)
- Saarland Airlines, GmbH. (1989–1993)
- Sachsische Luftverkehrs, A.G. (1923–1926)
- SAT: Fluggesellschaft, mbH. (1976–1986)
- Schlesische Luftverkehrs, A.G. (1925–1926)
- Senator Aviation Charter, GmbH. (1985–)
- Skyteam Luftfahrtunternehmen, GmbH. (1997–)
- Strahle Luftverkehr, GmbH. (1920–1922)
- Sudavia Fluggesellschaft, GmbH. (1980–1990)
- Sudwestdeutsche Luftverkehrs, A.G. (SWL) (1924–)
- Suedavia, GmbH. (1986–1991)
- Suedflug: Suddeutsche Fluggesellschaft, GmbH. (1989–1994)
- TAL Thuringia Airlines, GmbH. (1980–1998)
- Taunus Air, GmbH. & Co., K.G. (1990–)
- Tempelhof Express Airlines, GmbH. & Co., KG (1998–)
- Transaer Cologne, GmbH. (1999–2000)
- Transport Fluggesellschaft, GmbH. (1965–1970)
- WDL Aviation (Köln), GmbH. (1991–)
- WDL Flugdienst, GmbH.: Westdeutsche Luftverbund Flugdienst, GmbH. (1956–1991)
- Westkustenflug Hellinger, GmbH. (WKF) (1955–1985)
- Wiking Helikopter Service, GmbH. (1975–)
- Windrose Air Flugcharter, GmbH. (1991–)
- Gibraltar**
- GB Airways, Ltd. (1981–)
- Gibraltar Airways, Ltd. (1) (1931–1932)
- Gibraltar Airways, Ltd. (2) (1947–1981)
- Greece**
- Aegean Aviation, S.A. (1977–)
- Air Greece: Aerodomisis, S.A. (1994–1999)
- Air Kedros, S.A. (1997–)
- Apollo Airlines, S.A. (1994–1996)
- Aviator, S.A. (1995–)
- Axon Airlines, S.A. (1999–)
- Cretan Airlines, S.A. (1993–)
- Cronus Airlines, S.A. (1994–)
- Galaxy Airways, S.A. (1999–2001)
- Hellenic Air, S.A. (1992–1995)
- Hellenic Airlines, S.A. (HELLAS) (1947–1951)
- Helliniki Eteria Enaerion Synghinonion, S.A. (HEES) (1931–1940)
- Interjet, S.A. (1982–)
- Macedonian Airlines, S.A. (1992–)
- Olympic Airways, S.A. (1957–)
- Olympic Aviation, S.A. (1971–)
- Princess Airlines, S.A. (1998–)
- Skybus Airways, S.A. (1995–)
- South East European Airways, S.A. (1993–1995)
- TAE Greek National Airlines: Technical and Aeronautical Exploitations Company, S.A. (1940–1957)
- Venus Airlines, S.A. (1993–1996)
- Greenland**
- Gronlandsfly, A.S./Greenlandair (1960–)
- Hungary**
- Aero-Express R.T. (1923–1924)
- Air Service Hungary, Ltd. (1990–)
- Aviaexpress Airlines and Services, Ltd. (1991–)
- Carpatair: Carpathian Air Transport (1999–)
- Danube Air, Ltd. (1990–1992)
- Farnair Hungary, Kft. (1990–)
- Hungarian-Ukrainian Heavy Lift, Ltd. (1994–)
- LinAir Hungarian Regional Airlines, Ltd. (1995–)
- Malert Hungarian Air Transport Co.: Magyar Legiforgalm (1922–1945)
- MALEV Hungarian Airlines: Magyar Legikozlekedast Vallalat, Rt. (1946–)
- Pannon Air Service, Kft. (1998–)
- Iceland**
- Air Atlanta Icelandic, H.F. (1991–)
- Air Viking, H.F. (1973)
- Atlanta Icelandic Airlines, H.F. (1986–1991)
- Atlantic Island Air, H.F. (1991–1992)
- Eagle Air Amarflug, H.F. (1976–1884)
- Ernir Airlines Isafardi, H.F. (1991–1997)
- Flugfelag Akureyrar, H.F. (1937–1939)
- Flugfelag Austurlands, H.F. (1972–)
- Flugfelag Ernir, H.F. (1969–1991)
- Flugfelag Islands, H.F. (1) (1928–1931)
- Flugfelag Islands, H.F. (2)/Icelandair (1940–)
- Flugfelag Islands, H.F. (3) (1997–)
- Flugfelag Nordurlands, H.F. (1974–1997)
- Icelandic MD Airlines, H.F. (2000–)
- Iscargo, H.F. (1972–1980)
- Islandsflug, H.F. (1991–)
- Helicopter Service of Iceland, H.F. (1988–)
- Loftleidir, H.F./Icelandic Airlines H.F. (1944–1979)
- Nordflug, H.F. (1959–1974)
- Odin Air, H.F. (1992–)
- Ireland**
- Aer Arann Express, Ltd. (1998–)
- Aer Araan: Kilroe Air Ireland, Ltd. (1978–)
- Aer Lingus Irish Airlines, Ltd. (1936–)
- Aer Lingus Commuter: Aerlinte Eireann Tioranta, Ltd. (1983–)
- Aer Turas Teoranta: Irish Cargo Airlines, Ltd. (1963–)
- Air Contractors (Ireland), Ltd. (1998–)
- Air Tara, Ltd. (1994–)
- Avair, Ltd. (1978–1984)
- Cityjet, Ltd. (1993–)
- Club Air, Ltd. (1987–1988)
- Cork Aviation Centre, Ltd. (1995–)
- Hibernian Airlines, Ltd. (1966–1967)
- Interconair: Irish Intercon Cattle Meats, Ltd. (1975–1977)
- Iona National Airways, Ltd. (1985–1994)
- Ireland Airways, Ltd. (1991–)
- Irish Helicopters, Ltd. (1968–)
- Ryanair, Ltd. (1985–)
- Shannon Air, Ltd. (1964–1966)
- Shannon Executive Aviation, Ltd. (1980–1990)
- Transaer International Airlines, Ltd. (1997–2000)
- Translift Airways, Ltd. (1991–1997)

Virgin Express (Ireland), Ltd. (1998–2001)
Westair Aviation, Ltd. (1977–)

Italy

Aerea Teseo, SpA. (1947–1948)
Aeromediterranea: Linee Aeree Mediterranee, SpA. (1981–1985)
Aero Leasing Italiana, SpA. (1982–)
Aero Trasporti Italiani, SpA. (ATI) (1963–1994)
Aerolinee Itavia, SpA. (1958–1981)
Air Capitol, SpA. (1991–1993)
Air Dolomiti, SpA. (1991–)
Air Europe, SpA. (1989–)
Air One, SpA. (1995–)
Air Sardinia, SpA. (1989–1994)
Air Sicilia, SpA. (1991–)
Air Vallee: Servicios Aeriens du Val d'Aoste, SpA. (2000–)
Airone, SpA. (1947–1949)
Airumbria, SpA. (1996–)
Ala Littoria, SpA. (1934–1940)
Aliadriatica, SpA. (1989–1995)
Aliblu, SpA. (1987–1989)
Alidaunia, SpA. (1986–)
Aligiulia, SpA. (1983–1985)
Alinord, SpA. (1986–1991)
Alisarda, SpA. (1963–1991)
Alisud: Compagnia Aerea Meridionale, SpA. (1963–1964)
Alitalia, SpA. (1946–)
Alitalia Express, SpA. (1997–)
Alpi Eagles, SpA. (1979–)
Altair Linee Aeree, SpA. (1980–1986)
Avianova, SpA. (1986–)
Avio Ligure, SpA. (1975–1980)
Avio Linee Italiane-Flotte Reunite, SpA. (1949–1952)
AZZURRA Air, SpA. (1995–)
Blue Panorama Airlines, SpA. (1998–)
Elicotteri Toscani (Elitos), SpA. (1966–)
Eureca: European Regional Carrier, SpA. (1998–)
Eurofly, SpA. (1989–)
Federico II Airways, SpA. (1998–)
Fortune Aviation, SpA. (1994–1995)
Free Airlines, SpA. (1996–)
Gandalf Airlines, SpA. (1999–)
Goldwing Airlines, SpA. (2000–2001)
International Flying Service, SpA. (1991–1998)
Italair, SpA. (1996–2000)
Italy First, SpA. (1999–)
Itavia, SpA. (1958–1989)
Lauda Air, SpA. (1993–)
Linee Aeree Italiane, SpA. (LAI) (1946–1957)
Linee Aeree Transcontinentale Italiana, SpA. (LATI) (1939–1941)
Med Airlines, SpA. (1997–2001)
Meridiana, SpA. (1991–)
Minerva Airlines, SpA. (1995–)
Miniliner, SpA. (1981–)
Mistral Air, SpA. (1989–)
National Jet Italia, SpA. (2000–)
Noman, SpA. (1995–1996)
Sagittair, SpA. (1990–1991)
Salpanavi, SpA. (1947–1948)
Serib Wings, SpA. (1991–1995)
Si-Fly: Compagnia Aerea, SpA. (1994–)
Societa Aerea Mediterranea, SpA. (1) (SAM) (1926–1934)
Societa Aerea Mediterranea, SpA. (2) (SAM) (1959–1976)
Societa Anonima Aero Espresso Italiana, SpA. (AEI) (1923–1934)
Societa Anonima Avio-Linee Italiane, SpA. (ALI) (1926–1949)
Societa Anonima Navigazione Aerea, SpA. (SANA) (1925–1934)
Societa Italiane Servizi Aerei, SpA. (SISA #1) (1923–1934)
Societa Italiane Servizi Aerei, SpA. (SISA #2) (1947–1949)
Societa Nord Africa Aviazione, SpA. (1931–1935)
TAS Airways, SpA. (1990–1994)

Transadriatica (1): Societa Anonima Italiana di Navigazione Aerea, SpA. (1925–1931)
Transadriatica (2): Societa Anonima Italiana di Navigazione Aerea, SpA. (1947–1949)
Transavio, SpA. (1980–)
TEA Italy, SpA. (1). *See* Trans European Airways-Italy, SpA.
TEA Italy, SpA. (2) (1993–1995)
Trans European Airways-Italy, SpA. (1989–1991)
Transavio, SpA. (1980–1996)
Unifly Express, SpA. (1980–1990)
Volare Airlines, SpA. (1998–)

Kazakhstan

Aeroservice Kazakhstan Aviokompania (1991–)
Air Kazakhstan (1996–)
Astana Air Aviakompania (1998–)
Atyrau Airways: Atyrau United Air Detachment (1996–2000)
Burundai Aviation Company (1995–1999)
Burundaiavia (1999–)
Irtys Avia It (1994–)
Jana-Arka Air (1996–)
Kazakhstan Airlines (1994–1996)
Kazair: Kazakhstan National Airways (1993–1996)
Kustanai United Air Detachment (1993–)
San Air Company (1995–)
Saykhat Air Company (1989–)
Tselinograd United Air Detachment (1992)
Trans Asian Airlines (1994–)
Vipair Airlines (1995–)
Zhetysu Aviakompania (1999–2001)

Latvia

Air Baltic Corporation, S.A. (1996–)
Baltic International Airlines, A.S. (1992–1995)
BEL: Baltic Express Line, A.S. (1994–2000)
Concors, A.S. (1991–)
Inversija, A.S. (1991–)
Latavio Latvieskie Avialinii: Latvian Airlines, A.S. (1992–1994)
Latcher, A.S. (1992–)
RAF-Avia Airlines, A.S. (1991–)
RiAir, S.A. (1994–)
Riga Airlines: Rigas Aeronavijas, A.S. (1993–1994)
Transeast Airlines, A.S. (1992–)

Lithuania

Avies, A.B. (1999–)
Lietuva Air Company, A.B: Air Lithuania, Ltd. (1991–)
Lithuanian Airlines, A.B. (1991–)

Luxembourg

Cargo Lion, Ltd. (1992–)
Cargolux Airlines International, S.A. (1970–)
Luxair, S.A. (1961–)
Luxembourg Airlines, S.A. (1947–1950)
Seven Seas Airlines, S.A. (1959–1961)
Solid'air, S.A. (1998–)

Macedonia

Avioimpex: Macedonian Airways (1992–)
Macedonian Airlines (1994–)
Palair Macedonian Air Lines, A.D. (1991–1996)

Malta

Air Malta Company, Ltd. (1) (1946–1950)
Air Malta Company, Ltd. (2) (1973–)
Eurojet, Ltd. (1994–)
Malta Air Charter, Ltd. (1990–)
Malta Airlines, Ltd., The (1950–1973)
Malta Airways, Ltd. (1946–1950)
Med Avia: Mediterranean Aviation Co., Ltd. (1978–)

Moldova

Air Moldova, S.A. (1992–)
Air Moldova International, S.A. (1995–)
Moldavian Airlines (1994–)
Renan Airways, S. A. (1994–)

- TEPavia Trans, S.A. (1999–)
Trans Air Valeologia (1991–)
- Monaco
Air Monaco, S.A. (1980–1982)
Heli-Air Monaco, S.A. (1976–)
- Montenegro
Air Montenegro (1991–)
Montenegro Airlines (1994–)
OKI Airways (1993–)
Pelikan Blue Line (1997–)
- Netherlands, The
Air Exel Commuter, C.V. (1992–1998)
Air Exel Netherlands, C.V. (1990–1992)
Air Holland, N.V. (1979–1991)
Air Holland Charter, B.V. (1991–)
Air Service Limburg, B.V. (1992–)
BASE Business Airlines, B.V. (1989–1994)
BASE Regional Airlines, B.V. (1994–)
Denim Air, B.V. (1996–)
Dutchbird, S.A. (2000–)
Dynamic Airlines, N.V. (1988–)
Fast Airways Holland, B.V. (1977–1984)
Fairlines, B.V. (1996–1998)
Farnair Netherlands, B.V. (2000–)
Flexair, N.B. (1989–1994)
Freeway Air, B.V. (1989–1995)
Holland Aero Lines, B.V. (1978–1988)
Jet Cargo, N.V. (1988–)
Jet Link Holland, B.V. (1998–)
KLM Cityhopper, B.V. (1988–)
KLM/ERA Helicopters, B.V. (1991–1997)
KLM Exel, C.V. (1998–)
KLM Helicopters, B.V. (1977–1991)
KLM Royal Dutch Airlines: Koninklijke Luchvaart Maatschappij, N.V. (1919–)
KLM U.K., Ltd. (1998–)
Limberg Airways, B.V. (1973–1978)
Martinair Holland, N.V. (1958–)
Netherlines, N.B. (1984–1990)
NLM Cityhopper: Nederlandse Luchtvaart Maatschappij, B.V. (1966–1988)
Quick Airways, B.V. (1984–)
Rijnmond Air Services, B.V. (1988–)
Rotterdam Airlines, B.V. (1977–1984)
Schreiner Airways, B.V. (1945–)
TNT Airways, B.V. (1999–)
Trans Travel Airlines, B.V. (1985–)
Transavia Airlines: Luchtvaartmaatschappij Transavia, N.V. (1986–)
Transavia Holland: Luchtvaartmaatschappij Transavia, N.V. (1965–1986)
Tulip Air, B.V. (1988–1997)
Tulip Air Charter, C.V. (1997–2000)
Tulip Air Taxi, B.V. (1997–)
Twente Airlines, B.V. (1990–1995)
XP Express Parcel Systems, N.B. (1971–1989)
- Norway
Agderfly, A.S. (1990–1991)
Air Europe Scandinavia, A.S. (1989–1991)
Air Executive Norway-Busy Bee, A.S. (1972–1980)
Air Stord, A.S. (1996–1999)
Air X, A.S. (1986–1990)
Airlift, A.S. (1987–)
Bergen Air Transport, A.S. (1961–1977)
Braathens, A.S. (1998–)
Braathens Helikopter, A.S. (1989–1994)
Braathens Malmo Aviation, A.B. (1999–2000)
Braathens SAFE: Braathens South American and Far East Air Transport, A.S. (1946–1998)
Braathens Sverige, A.B. (1998–)
Busy Bee Air Service, A.S. (1966–1980)
Busy Bee of Norway, A.S. (1980–1993)
CHC Helicopter Service, A.S. (2000–)
Coast Air, A.S. (1990–)
Color Air, A.S. (1998–1999)
DNL Norwegian Airlines, A.S. (1920–1951)
Fred Olsens Flyselskap, A.S.: Fred Olsens Air Transport, Ltd. (1933–1997)
Helikopter Service, A.S. (1956–1999)
Kato Air, A.S. (1995–)
Lufttransport, A.S. (1983–)
Mey-Air, A.S. (1970–1974)
Morefly, A.S. (1955–)
Nor-Fly Charter, A.S. (1977–1981)
Nordsjofly, A.S. (1975–1987)
Norsk Air, A.S. (1988–1992)
Norsk Helikopter, A.S. (1993–)
Norving, A.S. (1959–1990)
Norway Airlines, A.S. (1991–1992)
Norwegian Air Shuttle, A.S. (1993–)
Polaris Air Transport, A.S. (1966–1969)
SAS: Scandinavian Airlines System (1946–)
SAS Commuter: Scandinavian Airlines System Commuter (1988–)
Stellar Air Freightier, A.S. (1970–1980)
Sundtair, A.S. (1996–)
Teddy Air, A.S. (1989–)
Valdresfly, A.S. (1995–)
Wideroe's Flyveselskap, A.S.: Wideroe's Flying Company (1934–)
- Poland
Aero Lloyd Warschau, S.A. (1922–1925)
Aero T.Z. (1925–1929)
Aeroglobo, S.A. (1991–1996)
Aerolot (1925–1929)
Blue Sky Carrier, S.A. (1992–)
Danziger Lloyd Luftdienst, GmbH. (1921–1923)
Danziger Luft Reederei, GmbH. (1919–1921)
Danziger Luftpost GmbH. (1921–1923)
Eurolot, S.A. (1996–)
Exin Company, Ltd. (1991–)
4–Air Airlines, S.A. (1994–)
LOT Polish Airlines S.A. (1929–)
Polnippon Cargo, S.A. (1990–1991)
Polonia Airlines, S.A. (1991–)
Skypol, S.A. (1994–)
Tasawi Air Services, S.A. (1989–)
White Eagle Aviation, S.A. (1995–)
- Portugal
Aero Portuguesa: Sociedade Aero Portuguesa, S.A. (1934–1953)
Air Atlantis, S.A. (1985–)
Air Columbus: Transporte Aereo Nao Regular, S.A. (1989–1994)
Air Luxor, S.A. (1983–)
Air Madeira, S.A. (1996–1999)
Air Sul, S.A. (1990–1992)
Air Zarco, S.A. (1999–2000)
ATA Aerocondor Transportes Aereos, S.A. (1951–)
Companhia de Transportes Aereos, S.A. (CTA) (1945–1947)
Euro Atlantic Airways, S.A. (2000–)
Heliavia: Transporte Aereo, Ltda. (1971–)
Heliportugal, Ltda. (1982–)
Inter Piloto, S.A. (1994–1995)
LAR Transregional, S.A.: Ligacoes Aereas Regionais (1986–)
Ocean Air, S.A. (1992–1994)
Omni Aviacao e Tecnologia, Lda. (1988–)
PGA-Portugalia Airlines, S.A. (1997–)
Portugalia Airlines: Companhia Portuguesa de Transportes Aereos, S.A. (1987–1996)
SATA Air Acores: Servico Acoreano de Transportes Aereos, S.A. (1947–)
SATA Internacional, S.A. (1998–)
TAP Air Portugal: Transportes Aereos Portugueses, S.A. (1944–)

Romania

Air Antares, S.A. (1991–)
 Air Tracia, S.A. (1994–)
 DAC Air, CLUJ. (1996–)
 Ion Tiriac Air, S.A. (1997–)
 Jaro International, S.A. (1990–)
 LAR Romanian Airlines: Linile Aeriene Romane (1975–1996)
 Linile Aeriene Romane Exploatate cu Statul (LARES) (1932–1941)
 Romavia Romanian Airlines, S.A. (1991–)
 Societe Anonyme Roumaine de Transport Aeriens, S.A. (1932–1937)
 Tarom Romanian Air Transport: Transporturile Aeriene Romane, S.A. (1946–)
 Veg Air, S.A. (1999–)

Russia

Abakan Avia (1993–)
 Abakanskoe Aviapredpriatie (Abakan Air Enterprise) (1994–1997)
 ABV Airways (1991–1994)
 Aeoe (1993–1994)
 Aerokuzbass Airline (1952–1999)
 Aero Licht (1991–1995)
 Aero Volga Concern (1993–2000)
 Aeroflot-Don (2000–)
 Aeroflot-Perm (2000–)
 Aeroflot Russian International Airlines: Rossiliskiye Mezhdunarodnyye
 Linii Avia Kompaniya (1992–)
 Aeroflot Soviet Airlines: Grazdansij Wozdushniyj Flot (1933–1992)
 Aerolik Airline (1994–)
 Aerolit Air Company (1993–)
 Aeromost (1994–1996)
 Aeroneftekhim A/K (1994–)
 Aeronika Airline (1994–1996)
 Aerotaxi Stock Leasing Company (1996–)
 Air Lines of Kuban: ALK Kuban Airlines (1932–)
 Air Transport School (1993–1995)
 Air Troika SP (1994–)
 AJT Air International: Aktsionernoe Obshchestvo (1991–)
 AKTA Air Company (1993–1996)
 Alak: The Joint Stock Leasing Company/ Alak: Antionernaya
 Lizingovaya Avia Kompaniya (1991–)
 Alak Air Taxi (1991–)
 ALFA-92 Air Company (1994–)
 ALIS Joint Stock Company (1993–)
 Alkor Production Company: Alkor Proizvodstvenniya Kompaniya
 (1994–)
 Alrosa Avia (1996–)
 Altai Airlines (1997–)
 Amuravia Trans (1994–)
 Anadyr United Air Detachment (1996–)
 Antares Air Company (1996–)
 Antel Air Company (1996–)
 Antei Aoot (1993–)
 Antonov Airtrack International Cargo Airlines (1994–)
 Antonov Design Bureau dba Antonov Airlines (1989–)
 AOM Air Company: AOM Aviakompaniya (1994–1996)
 Arkhangelsk Air Concern: Arkhangelski Aviakoncern (1992–)
 Arkhangelsk Airlines (1994–1995)
 ASA: St. Petersburg-American Airlines (1994–1995)
 Asian Star (1995–)
 ASN Aerostan: Airstan (1994–)
 Astrakhan Airlines: Astrakhan Avialinski (1992–)
 ATC Russ (1999–)
 Atlant Soyuz (1991–)
 Atruvera Aviation (1994–)
 Avcom SP (1990–)
 Avia Air Company (1996–)
 Avia Express Cruise (1995–)
 Avia Most (1995–)
 Aviacon Zitotrans (1995–)
 Aviaenergo ROA (1994–)

Aviakor Air Transport: Aviakor-Proizvodstvenno Kommercheskaya
 Aviatransportnaya (1993–)
 Avial Air Company (1991–)
 Avialinii Dakestana (1995–)
 Aviaobschemash Shareholders Air Company (1992–)
 Aviaprad Air Company (1995–)
 Aviaprima AOZT (1994–1996)
 Aviaross Air Company: Aviaross Aviakompanii (1993–)
 Aviaistar Airlines (1992–)
 Aviata: Tambov Airline (1996–)
 Aviatrans Cargo Airlines (1993–)
 Ayaks Airlines (1996–)
 Baikal Air Company (1993–1998)
 Baikal Avia: Baikal Aviaobedienenie (1992–2000)
 BAL Bashkiri Airlines: Bahkirske Avialinii Aviakompaniya (1992–)
 Balakovo Air Enterprise (1996–)
 Balakovo United Air Detachment (1994–1996)
 Balt Aero (1994–1995)
 Barnaul State Aviation Enterprise (1993–1997)
 Beta Air (1994–)
 Batagai Aviation Enterprise (1994–)
 Belgorod State Air Enterprise (1995–)
 Belukha Closed Kompaniya (1994–)
 Beta Air (1994–1996)
 Black Sea Airlines: Chernomorskie Avialinii (1996–)
 Bodaibo Air Enterprise (1995–)
 Bratsk Air Enterprise (1994–)
 Bravia (1999–)
 Bryansk Air Enterprise (1995–1999)
 Bugulma Air Enterprise (1994–)
 Buryat Airlines (1996–1999)
 Buryat Avia (1996–1999)
 Buryatia Airlines (1999–)
 Bykovo Avia: Bykovo Aviation Enterprise (1993–2000)
 Bylina (1992–)
 Cargoservice of Berkshire (1990–)
 Centre South: Tsentr-Yug Too (1994–1995)
 Cheboksary Air Enterprise: Cheboksarskoe A/P (1995–)
 Chelal-Chelyabinsk Airline: Chelyabinsk Chief Aviation Enterprise
 (1993–2001)
 Cheremshanka (1994–)
 Chernomor Soyuz Air Company (1996–)
 Chitaavia Airlines Company (1993–)
 Clintondale Aviation (1995–)
 Cosmos and Transport Avia: Kit Kosmos E Transport Aviakompaniya
 (1992–)
 DAK Far Eastern Aviation: Khabarovsk United Air Detachment
 (1993–1999)
 Dagestan Airlines: Makhachkala Air Enterprise — DAG Dagestan
 Airlines (1993–)
 Dakono Air (1993–)
 Dalavia (1999–)
 Diamond Russia Sakha-Mirny Aviation Enterprise: Almazy Rossiya
 Sakha-Mirinskoe AP (1992–1996)
 Diamond Sakha Airlines: Avialinii Almazi Sakha (1993–1998)
 Dobrolot Airline (1996–)
 Domodedovo Civil Aviation United Enterprise: Domodedovskie
 Airlines (1992–)
 Donavia: Donskie Avialinii (1993–)
 East Line Airlines (1997–)
 East Line Aviation (1995–1997)
 Ekspark Airline (1993–2000)
 Elf Air (1993–)
 Eliip Flight Test & Research Center: Ermolinskoe Letnoe Ispitaelno-
 Issledovateslskoe Preopriyativ (1994–)
 Elista United Air Detachment: Elistinsky OAO (1993–1995)
 Etel Aero Air Company (1996–)
 Express Air Company (1995–)
 Far East Cargo Lines (1997–)

- Flait Air Company (1995–)
 Flight Detachment 223 (1995–)
 Flight Detachment 224 (1996–)
 Gazpromair Air Enterprise (1995–)
 Gorizont Airline Close Stock Company (1996–)
 Gosnii GA (1996–)
 Government Air Services (1992–1994)
 Gromov Flight Test Institute (1994–)
 Horizon: Gorizont (1993–1996)
 Igarka Airline: Agarsha Air Enterprise (1996–)
 Ikar (1994–)
 Ikar: Arsenevskaya A/K (1994–1995)
 Ilavia (1995–)
 Ilim Airlines (2000–)
 Impuls Aero Air Transport Association (1993–)
 Interglobus (1994–1995)
 Ioshkar-Ola United Air Detachment (1995–)
 Iron Dragonfly (1994–)
 Ivanov United Air Detachment (1995–)
 Izhevsk Air Enterprise: Izhavia (1995–)
 Jet 2000 (1999–)
 Kaliningradavia (1945–)
 Kaluzhski Engines (1994–)
 Kamchat-Avia (1992–1995)
 Karat Joint Stock Company (1996–)
 Kavminvodyavia (1961–)
 Kazan Air (1993–)
 Kazan Helicopters (1994–)
 Key Avia: Kluich Avia (1994–1995)
 Kezhemsk Air Enterprise (1992–)
 Khakasia Airlines (1997–)
 Kirov Airlines (1993–)
 Klyuch Avia (1993–1994)
 Kogalymavia: Kogalimavia Too (Kolavia) (1993–)
 Kolpashevo State Airline: Kolpashevskoe GAP (1992–)
 Kolyma Avia Enterprise: Kolima Avia Aviapredpriyatie (1994–)
 Komandor Aero Air Company: Komandor Aero Aviakompaniya (1994–)
 Komiaviatrans (1992–)
 Komiinteravia (1996–)
 Komsomolsk Na Armure APO (1995–)
 Konveyor Air Company: Nveyor Aviakompaniya (1994–1996)
 Kosmos and Transort Avia: KIT Kosmos E Transport Aviakompaniya (1992–)
 Kostroma Air Enterprise (1995–)
 Kotras United Air Detachment (1995–)
 KraiAero Airlines (1993–)
 Kras Air: Krasnoyarsk Avialinii (Krasair) (1994–)
 Krasnoyarsk Avia: Krasnoyarskavia Aviakompaniya (1992–1998)
 Krilataya Rous: Wings of Russia (1993–1996)
 Krilo Maloe Aviatsionno Small Aviation Transport: Transportnoe Predpriytie Wing (1994–1996)
 Krylo Aviakompania (1993–)
 Kuban Airlines (1992–)
 Kumertau Express (1994–)
 Kurgan State Air Enterprise (1993–)
 Kursk Air Enterprise (1994–)
 Kustanai United Air Detachment (1994–)
 Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline (1993–)
 Lensibavia (1994–)
 Lipetsk State Air Company: Lipetskoe State Avia Kompaniya (1993–)
 Magadan Air Cargo: Magadan Aero Gruz (1994–)
 Magadan Air Concern: Magadan Aviakoncern Mak (1992–1995)
 Magadan Airlines (Mavail): Magadanskii Avialinii (1995–)
 Magnitogorsk State Air Enterprise (1993–)
 MALS Air Company: Mals Avia Kompaniya (1993–)
 MATK Rusavia (1997–2000)
 Meridian Air Company (1994–)
 MI Avia (1993–)
 Mirny Air Enterprise (1996–)
 Moscow Airlines: Aeroflot-Moscow Airlines (1993–1995)
 Mostransgaz Airlines Company (1993–)
 Murmansk Airlines: Murmansk Aviation Company (1992–)
 Myachkovo Avia Enterprise: Myachkovskoe AP (1994–)
 Nadym State Air Enterprise: Nadimskoe Gosudarstvennoe Aviapredprivatie (1993–)
 National Charter Network (1991–)
 Nebo Air Company: Nebo Aviakompaniya (1994–1996)
 Neftiyugansk Air Enterprise (1998–)
 Neftiyugansk United Air Detachment (1994–1998)
 Neriungri Sakha Airline (1993–1996)
 Neriungri State Air Enterprise (1993–1998)
 Neya A.K. (1994–)
 Nikolaevsk-na-Amur Air Enterprise (1992–2001)
 Nizhegorod Airlines: Nizhegorodskii Avialinii (1994–)
 Nizhivartovsk United Air Detachment: Nizhivartovsk OAO (1994–)
 Noriisk Airline (1992–)
 North Eastern Cargo Airlines: SVGAL (1993–)
 North West Air Department/St. Petersburg (1992–)
 Novosibirsk Airlines (1996–)
 Omskavia (1994–)
 Orel Avia Airlines (1994–)
 Orenburg Airlines: Orenburg Avia (1992–)
 Orient Avia (1994–1997)
 Oriol Avia Soviet Austrian JV: Oriol Avia Soviet Avstriskoe SP (1993–1996)
 Panh Company, A.O. (1966–)
 Pankh: Pankh NPO (1994–)
 Partner Air Company: Partner Aviakompaniya (1993–)
 Penza United Air Detachment (1995–)
 Penza United Air Detachment (1992–)
 Perm State Air Enterprise: Permskoe Gosudartsvennoe AP (1993–2000)
 Petrolada (1994–1996)
 Petronordavia Airline (1992–)
 Petrozavodskoe Aviapredpr (1994–)
 Pilot Air Company: Pilot Aviakompaniya (1994–1996)
 Pilot Private Enterprise: Pilot Chastnoe Predpriyatie (1994–1996)
 Pilot, Ltd.: Pilot Too (1993–)
 Poliot Chernobyl (1994–1996)
 Polise Air (1993–1996)
 Polyarny Airlines (1994–)
 Polyet Airline (1995–)
 Pskov Avia (1993–)
 Pulkovo Airlines: Aviation Enterprise Pulkovo (1932–)
 Radiopribor-Tatarskoe (1994–1996)
 RDS Avia (1994–)
 REMEX Airlines (1997–1999)
 Rossiya Air Company (GTK Rossiya) (1992–)
 Rosvertol A.O. (1993–1996)
 RT Aviation (1994–)
 Ruslan Aviation (1994–1998)
 Russ Air Transport (1999–)
 Russian Independent Airlines: Rossiskiy Nezavisimaya Aviakompaniya RNA (1994–1996)
 Russkiy Vitaya Air Company: Russkiy Vitaya Aviakompaniya (1993–)
 Ryazanaviatrans (1995–)
 Rzhnevka Air Enterprise (1992–)
 SAAK: Stavropol Joint Stock Airline (1998–)
 Saak-Gem Air Company: Saak-Gem Aviakompaniya (1992–1998)
 Sakha Avia National Air Company (1995–)
 Sakhalinskiye Avia Trassy/SAT: Sakhalin Air Routes (1992–)
 Sakhavia Trans Air Company: Sakha Avia Trans Aviakompaniya (1993–1995)
 Samara Airlines: Samara Avialinii (1993–)
 Saransk State Aviation Enterprise (1999–)
 Saratov Aviation Division: Saratovskii OAO (1992–1994)
 Saratov Aviation Factory: Saratovskii Aviatsionny Zavod (1994–1995)
 Saravia (1994–)

- Savia Air Company: Savia Aviakompaniya Too (1993–)
 Sayany Airlines (1996–2000)
 Shans Avia (1994–1995)
 Si Air Aozt (1994–)
 Siberaviatrans (1995–)
 Siberia Airlines (Sibir) (1992–)
 Simbirsk Aero Air Company (1995–)
 Skyfield Air Company (1997–1998)
 Skytrump Aviation Services, Ltd. (1991–1997)
 Smolenskavia (1994–)
 Sochi Airline Aviaprima (1992–)
 Sochispetsavia Air Company (1996–)
 Southern Air Lines: Yugavia Aviatransportnii Konzern (1992–)
 Soyuz: Soyuz MPO (1994–1998)
 Spair Air Transport (1990–)
 Special Cargo Air Lines: Spetsialnie Gruzovie Avialinii (1993–)
 Spetsialzirov Air (1996–)
 Stela: Stela AO (1994–)
 Sterkh Air Company (1993–)
 Sterlitamak Aviakompania (1991–)
 STIGL Grozni United Air Detachment (1995–)
 Strezhevoye Airline: Strezhevskoe Gosudartsvennoe A/P (1996–)
 Sverdlovsk 2nd Air Enterprise: Sverdlovski Aviapredpriat (1992–)
 Syktyvkar Air Enterprise (1992–)
 Taifun (Adjol Avia): Sukhumi United Air Detachment (1995–)
 Taimyrtur Too: Taimyrtur Too (1994–1996)
 Tartarstan Airlines: Tartarstan Hava Yollari TL (1992–)
 Tatneftaero (1997–)
 Teen Air (1993–)
 Tesis Air Enterprise: Tesis Avia Predpriyatie (1992–)
 Titan Air Company (1988–)
 Tomsk Air Enterprise (1992–)
 Trans Charter Airlines (1994–1998)
 Trans European Airlines (1999–2000)
 Transaero Airlines (1990–)
 Transaero Express (1997–)
 Transaero Samara (1994–)
 Transuper: Transsuper Glavnoe Transportnoe Upravlenie (1993–1994)
 Tranzit Avia Transport Enterprise (1994–1999)
 Traverse Cargo Airlines, Ltd. (1993–)
 Tsentr Avia (2000–)
 Tsitotrans Air Concern (1996–)
 Tula Air Enterprise: Tula Avia Predpriatie (1993–)
 Tulpar Aviation (1991–)
 Tupolev-Aerotrans Air (1994–)
 Tuvinsk Airlines: Tuvinskije Aviasionnie Linii AOOT (1995–)
 Tyumen Airlines: Tyumenskije Avialinii (1993–)
 Tyumen Production Association: Tyumen Too (1994–1996)
 Tyumenaviatrans (TAT) (1992–)
 Ukhta Enterprise: Ukhtinskoe Gusudarstvennoe Predpriatie (1993–1996)
 Ulan Ude Aviation Enterprise: Ulan Udenskoe Avia Predpriatie (1994–1996)
 Ulyanovsk Civil Aviation Flight Training School: Ulyanovsk VAU-GA (1994–1995)
 Ural Air: Ural Too (1993–1997)
 Ural Airlines (1997–)
 Ural Interavia: Uralinteravia Aqzt (1993–)
 Urals Civil Aviation Department: Uralskoe UGA (1992–1997)
 Ust Ilmsk Airlines (1992–)
 Vak-Rosat Airline (1995–)
 Vega Air Company: Vega Avia Kompaniya (1993–1996)
 Viktorviei Aviakompaniya Via Viktorie (1994–1996)
 Vilocity Airline (1995–)
 Vitiaz Aviatransport: Vitriaz Airtrans (1993–1996)
 Vladivostok Air (1993–)
 Vnukovo Airlines: Vnukovskie Avialinii (1992–2001)
 Volares Air Transport: Volars Aviatranst (1993–)
 Volga Airlines: Volga Air Company State Enterprise (1992–)
 Volga-Dnepr Airline (1990–)
 Vologda Aviation Enterprise: Vologdaskoe Avia Predpriatie (1994–)
 Voronezh Airlines: Voronezhskoe AP/Voronezhavia (1994–)
 Vostok Airlines (1946–2001)
 Yak Service Airline (1993–)
 Yakutaviatrans Air Company: Yakutaviatrans Avia Kompaniya (1992–1995)
 Yamal Airlines (1997–)
 Yaroslavi Air Company: Yaroslavi Avia Kompaniya (1993–1996)
 Yeniseish Air Enterprise (1996–)
 Yessentuki Air (1996–1998)
 Yukos Avia Air (1996–1998)
 Zenit Airline (1992–)
- Serbia**
 Aviogenex, Ltd. (1992–)
 Genius Air (1992)
 JAT Yugoslav Airlines: Jugoslovenski Aerotransport (1946–)
- Slovak Republic**
 Air Slovakia BWJ, Ltd. (1994–)
 Air Transport Europe, A.S. (1991–)
 Cassovia Air (1991–1994)
 Seagle Air, Ltd.
 Slov Air (2) (1994–)
 Slovak Airlines (1997–)
 Tatra Air, A.G. (1990–)
- Slovenia**
 Adria Airways: Adria Aviopromet (2) (1992–)
 Solinair (1992–)
- Spain**
 Aeбал: Aerolineas de Baleares, S.A. (2000–)
 Air Atlantic, S.A. (1994–)
 Air Comet, S.A. (1996–)
 Air Europa, S.A. (1986–)
 Air Plus Comet, S.A. (1996–)
 Air Spain, S.A. (1970–1975)
 Air Sur, S.A. (1987–1991)
 Air Track Lineas Aereas, S.A. (1996–)
 Air Truck Lineas Aereas, S.A. (1990–1996)
 Andalusair, S.A. (1999–)
 Artac Aviation, S.A. (1994–)
 Aviacion y Comercio, S.A. (AVIACO) (1948–1999)
 BCM Airlines, S.A. (1996–1999)
 Binter Canarias, S.A. (1988–)
 Binter Mediterranea, S.A. (1989–2001)
 Canafrica, S.A. (1987–1989)
 Canarias Regional Air, S.A. (1996–)
 Cargosur: Compania de Explotacion de Aviones Cargueros, S.A. (1988–)
 Centennial Airlines, S.A. (1993–1996)
 Compania Espanola de Trafico Aereo, S.A. (CETA) (1921–1929)
 Concessionaria Lineas Aereas Subvencionadas, S.A. (1929–1932)
 Drenair, S.A. (1990–1996)
 European Air Cargo, S.A. (1992–)
 European Regions Airlines, S.A. (1998–2000)
 Euro First Air, S.A. (2000–)
 Freeway Iberica, S.A. (1990–1995)
 Futura International Airways, S.A. (1989–)
 Gestair Executive Jet, S.A. (1982–)
 Helicopteros, S.A. (Helicsa) (1988–)
 Helicopteros del Sureste, S.A. (1973–)
 Hispania Lineas Aereas, S.A. (1982–1989)
 Iberia Spanish Airlines (1): Sociedad Iberica de Aviacion, S.A. (1927–1929)
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (1940–)
 Iberworld Airlines, S.A. (1998–)
 Lineas Aereas Canarias, S.A. (LAC) (1985–1991)
 Lineas Aereas Navarres, S.A. (1996–)
 Lineas Aereas Postales Espanolas, S.A. (LAPE) (1932–1937)
 LTE International Airways, S.A. (1987–)

- Melila Jet, S.A. (1995–)
 Meridiana Air, S.A. (1990–1992)
 NAYSA: Navegacion y Servicios Aereos Canarios, S.A. (1988–1995)
 Norjet, S.A. (1988–1992)
 Oasis International Airlines, S.A. (1988–1996)
 Pan Air Lineas Aereas, S.A. (1988–)
 RLA: Regional Lineas Aereas, S.A. (1995)
 Seven Air, S.A. (2000)
 Spanair, S.A. (1987–)
 Spantax, S.A. Transportes Aereos (1959–1988)
 Swiftair, S.A. (1997–)
 Tadair, S.A. (1998–)
 Trabajos Aereos y Enlaces, S.A. (1957–1982)
 Trans Europa: Compania de Aviacion, S.A. (1965–1982)
 Union Area Espanola, S.A. (UAE) (1925–1929)
 Viva Air, S.A. (1988–1998)
 St. Pierre et Miquelon
 Air Saint-Pierre, S.A. (1961–)
 Sweden
 ABA Swedish Airlines: Aktiebolaget Aerotransport, A.B. (1924–)
 Air Express i Norrkoping, A.B. (1996–2000)
 Air Hudik, A.B. (1982–1996)
 Air Nordic, A.B. (1988–1992)
 Air Nordic Sweden Aviation, A.B. (1993–1996)
 Air One Sweden, A.B. (1989–1994)
 Air Operations of Europe, A.B. (1993–1996)
 Air Trader of Sweden, A.B. (1972–1973)
 Airborne of Sweden, A.B. (1987–2000)
 AMA Air Express, A.B. (1976–1986)
 AMA Flyg Norwing, A.B. (1963–1986)
 Avia, A.B. (1987–)
 Baltic Airways, A.B. (1986–1989)
 Blue Scandinavia, A.B. (1997–1998)
 Braathens Sverige, A.B. (1998–1999)
 Britannia Airways, A.B. (1998–)
 City Air Scandinavia, A.B. (1992–1993)
 Fairline, A.B. (1966–1968)
 Falcon Aviation, A.B. (1965–)
 Falconair Charter, A.B. (1967–1970)
 Fly European Airlines, A.B. (2000)
 Flygbolaget i Hudiksvall, A.B. (1973–1982)
 Flying Enterprise, A.B. (1994–2000)
 Golden Air Flyg, A.B. (1976–)
 Gotia Shuttle Express, A.B. (1993)
 Helikopter Service Euro Air, A.B. (1982–)
 Highland Air, A.B. (1995–2000)
 Holmstroem Air Hudiksvall, A.B. (1994–1995)
 Holmstrom Air: Holmstroem Flyg, A.B. (1989–1995)
 IBA International Business Air, A.B. (1995–)
 Interair, A.B. (1981–)
 Internord, A.B. (1965–1968)
 JivAir, A.B. (1981–)
 Kungsair Norrkoping, A.B. (1984–1990)
 Linjeflyg, A.B. (1950–1993)
 Liz-Air, A.B. (1989–1990)
 Malmo Aviation, A.B. (2000–)
 Malmo Aviation Schedule, A.B. (1993–1999)
 Maxair, A.B. (1998–2001)
 Nordic Airlink, A.B. (2000–)
 Nordic East Airways, A.B. (1991–1997)
 Nordic European Airlines International, A.B. (1997–1998)
 North Cross Airlines, A.B. (1990–1993)
 Nova Airlines, A.B. (1997–)
 NYGE Trafikflyg, A.B. (1991–)
 Osterman Helicopter, A.B. (1948–)
 Premiair, A.B. (1993–)
 Reguljair i Skelleftea, A.B. (1997–2000)
 Sae Swe Aviation Europe, A.B. (1996–)
 Salair, A.B. (1987–1991)
 SAS: Scandinavian Airlines System (1946–)
 SAS Commuter: Scandinavian Airlines System Commuter (1988–)
 Scanair, A.B. (1961–1993)
 Scanbee, A.B. (1976–1985)
 Skyline Sweden, A.B. (1971–1978)
 Skyways Enterprise, A.B. (2000–)
 Skyways Express, A.B. (1993–)
 Skyways of Scandinavia, A.B. (1986–1988)
 Sunways Airlines, A.B. (1994–1997)
 Swedair, A.B. (1975–1993)
 Swedeways, A.B. (1995–)
 Syd Aero Be-Ge, A.B. (1967–1987)
 Time Air Sweden, A.B. (1991–1993)
 Torair, A.B. (1964–1966)
 Transair Sweden, A.B. (1950–1980)
 Transwede Airways, A.B. (1985–1998)
 Transwede Leisure, A.B. (1996–1997)
 Trygg-Flyg, A.B. (1997–)
 Varmlandsflyg, A.B. (1989–)
 West Air Sweden, A.B. (1993–)
 Switzerland
 Ad Astra Aero, A.G. (1919–1931)
 Aero Association Lucerne (1910–1914)
 Aero Leasing Geneve, S.A. (1965–)
 Air-Sea Service, A.G. (1974–1980)
 Air Alpes, Ltd. (1996–)
 Air City, A.G. (1990–1991)
 Air Engiadina, A.G. (1987–2001)
 Air Glaciers, S.A. (1965–)
 Air Starline, Ltd. (1990–)
 ALG Aeroleasing, S.A. (1966–)
 Alp'Azur Airlines, Ltd. (2000)
 Alpar Bern, A.G. (1929–1947)
 Alpine Luft-Transport, A.G. (1964–)
 Avisto, Ltd. (1990–)
 Balair Air Charter, A.G. (1953–1993)
 Balair: Basler Luftverkehrs, A.G. (1925–1931)
 Balair-CTA, S.A. (1993–)
 Business Flyers Basel, Ltd. (1975–1978)
 Classic Air, A.G. (1985–)
 Clipper International, Ltd. (1980–1983)
 Compagnie de Transport Aerien, S.A. (CTA Geneva) (1978–1993)
 Crossair, Ltd.: Company for Regional European Transport (1978–)
 Edelweiss Air, Ltd. (1996–)
 easyJet Switzerland, A.G. (1998–)
 Farner Air Transport, A.G. (1984–)
 Heliswiss, Ltd. (1953–)
 Helog, A.G. (1981–)
 Horizon Air Taxi, Ltd. (1984–1994)
 Metro Cargo, A.G. (1990–1991)
 Mexair, Ltd. (1989–1994)
 Petrolair System (1977–)
 Phoenix Airways, Ltd. (1970–1981)
 Privatair, S.A. (1977–)
 Rhine-Air, A.G. (1979–1982)
 Societe Auxiliare de Transport Aerien, S.A. (SATA) (1966–1978)
 Sunshine Aviation, Ltd. (1985–)
 Swiss World Airways, Ltd. (1996–1998)
 Swissair, A.G. (1931–)
 Swissair Asia, A.G. (1995–)
 TEA-Basel, A.G.. (1992–1998)
 Tellair, Ltd. (1997–)
 Trans-European Airways-Basel, A.G. (1988–1992)
 Transvalair, Ltd. (1) (1973–1983)
 Zimex Aviation, Ltd. (1969–)
 Tajikistan
 Tajikistan Airlines (1990–)
 Tajikistan International Airlines (1995–1996)
 Turkey
 Air Alfa Hava Yollari Ve Tic, A.S. (1992–2000)
 Air Anatolia, A.S. (1996–)

- Air Rose, A.S. (1997–2000)
 Airgroup Havacilik, A.O. (1994–1995)
 Akdeniz Airlines: Akendiz Hava Yollari A.O. (1989–1995)
 Albatross Hava Yollari, A.O. (1992–)
 AlfaAirlines, A.S. (2000–)
 BHY Bursa Air Lines: Bursa Haa Yollari, A.O. (1977–1981)
 Birgenair, A.O. (1988–1996)
 Bodrum Imsik Hava Yollari, A.O. (1989–)
 Bogazici Hava Tasimacigli, A.O. (1988–1990)
 Bon Air: Bonair Havacilik, A.O. (1996–)
 Bosphorus Airways, A.O. (1994–)
 Dardanel, A.O. (1997–)
 Doruk Tourism Trade & Industry, Inc. (1994–)
 Eurosun: Gul Havacilik Isletmeleri, A.S. (2000–)
 GTI Hayayollari A.S. Airlines, (1996–1997)
 Golden Horn Aviation, A.O. (1990–1995)
 Greenair, A.S. (1990–1995)
 Guven Air, A.S. (1996–)
 Holiday Airlines, A.S. (1994–1996)
 Istair Istanbul Airlines: Istanbul Hava Yollari, A.O. (1985–2000)
 MAS Air, A.O. (1994–)
 MNG Airlines Cargo, A.O. (1997–)
 Noble Air, A.O. (1989–1992)
 Onur Air Tasimacilik, A.S. (1992–)
 Pegasus Airlines: Pegasus Hava Tasimaciligi, A.S. (1989–)
 Rota Air, A.O. (1995–)
 Sky Line, A.S. (1983–)
 Sonmez Holding Airlines: Sonmez Hava Yollari, A.O. (1984–)
 Star Airways: Star Hava Yollari, A.O. (1995–)
 Sultan Air: Sultan Hava Yollari, A.O. (1989–1994)
 Sun Express Air, A.O. (1989–)
 Sunways INtersun Havacilik, A.O. (1994–)
 Talia Airways, A.O. (1987–1989)
 THK: Turk Hava Kurumu, A.O. (1989–1990)
 THT Turkish Air Transport: Turk Hava Tasimaciligi, A.O. (1989–1993)
 THY Turkish Airlines: Turk Hava Yollari, A.O. (1933–)
 Top Air Hacacilik Sanayi Ve Ticaret, A.S. (1990–)
 Torosair, A.O. (1988–1990)
 Tur Avrupa: Tur European Airways, A.S. (1988–1994)
- Turkmenistan**
- Akhal Air Company (1993–1995)
 Chardzhou Airlines (1995–)
 Khazar Airline (1992–)
 Lebap-Turmenistan (1993–1995)
 Turkmenistan Airlines: Turkemen Hava Yollari (1992–)
- Ukraine**
- Aeroleasing Ukraine (1989–)
 Aerosvit Airlines (1994–)
 Aerosweet Airlines (1994–)
 Air Navigation Transport Agency of Ukraine (1994–)
 Air Service Ukraine (1994–)
 Air Ukraine (1992–)
 Air Ukraine International: Mizhnarodni Aviolinii Ukraine (1992–)
 Air Urga: International Joint Stock Air Company (1993–)
 Antonov Design Bureau (1992–)
 ATI Air Company (1996–)
 Atlant SV Airlines (1991–)
 Boronezh Avia (1993–)
 SL Airlines (1994–)
 Busol Airline (1992–)
 Constanta State Airline (1994–)
 Crym-Avia (1993–1994)
 DM International Airlines (1995–)
 Dnepravia (1993–)
 Hungarian-Ukrainian Heavy Lift, Ltd. (1994–)
 Independent Carrier (ICAR) (1993–)
 Khortitsa Air (1995–)
 Khoseba Sic (1995–)
 Liana Air Company (1995–)
 Ues-Avia (1996–)
- Ukraine Air Alliance (1992–)
 Ukraine International Airlines (1993–)
 Ukrainian Cargo Airways (1997–)
 Ukrvozdrukput: Ukrainskoe Aktsionernoe Obshchestvo Vozdushnykh Soobshchenii (1923–1930)
 Veteran Air Company (1992–)
 Vitair (1994–)
 Volare Air Company (1994–)
- Union of Societ Socialist Republics (U.S.S.R.)**
- Aeroflot Soviet Airlines: Grazdansij Wozdushniy Flot (1932–1992)
 Aviaarktika (1930–1960)
 Deutsche-Russische Luftverkehrs, A.G. (DERULUFT) (1921–1941)
 Dobroflot: Grazdansi Vozduzhniy Flot (GVF) (1930–1932)
 Dobrolet: Rossiskoye Obshestvo Debrovolnogo Vozdushnogo Flota (1923–1930)
 Junkers Luftverkehr Russland, GmbH. (1923–1925)
 Kharkov United Air Detachment (1992–)
 Kiors Air Company (1990–)
 Kiev United Air Detachment (1994–)
 Korsar Soviet Austrian JV Airline: Avstriskoe SP Aviakompaniya Korsair (1991–)
 Lana Air Company (1995–)
 Lvov Airline (1995–)
 Odessa Airline (1995–)
 Zakavia (1923–1928)
- United Kingdom**
- AB Airlines, Ltd. (1993–1999)
 Aberdeen Airways, Ltd. (1) (1934–1937)
 Aberdeen Airways, Ltd. (2) (1989–1992)
 ACE Freighters, Ltd. (1962–1966)
 Aeromega, Ltd. (1979–)
 Air 2000, Ltd. (1986–)
 Air Anglia, Ltd. (1970–1980)
 Air Atlantique, Ltd. (1969–)
 Air Belfast, Ltd. (1995–1996)
 Air Bridge Carriers, Ltd. (1972–1992)
 Air Bristol, Ltd. (1992–)
 Air Camelot, Ltd. (1986–1987)
 Air Cavrel, Ltd. (1997–)
 Air Charter (Scotland), Ltd. (1965–1985)
 Air Charter, Ltd./Channel Air Service, Ltd. (1947–1963)
 Air Commerce, Ltd. (1934–1950)
 Air Commuter, Ltd. (1969–1984)
 Air Contractors, Ltd. (1946–1949)
 Air Corbiere, Ltd. (1991–1993)
 Air Couriers, Ltd. (1938–1967)
 Air Dispatch, Ltd. (1934–1940)
 Air Ecosse, Ltd. (1977–1988)
 Air Enterprises, Ltd. (1947–1953)
 Air Europe Express, Ltd. (1988–1991)
 Air Europe, Ltd. (1978–1991)
 Air Exel U.K. (1989–1992)
 Air Faisal, Ltd. (1976–1979)
 Air Ferry, Ltd. (1962–1968)
 Air Foyle, Ltd. (1978–)
 Air Freight, Ltd. (1946–1953)
 Air Furness, Ltd. (1986–1988)
 Air Hanson, Ltd. (1976–)
 Air Kilroe, Ltd. (1978–)
 Air Kruise, Ltd. (1946–1958)
 Air Links, Ltd. (1958–1965)
 Air Luton, Ltd. (1997–)
 Air Manchester, Ltd. (1982)
 Air Manos, Ltd. (1999–)
 Air Metro, Ltd. (1988–1989)
 Air Post of Banks, Ltd. (1920)
 Air Safaris, Ltd. (1952–1962)
 Air Sarnia, Ltd. (1989–1990)
 Air Scandic, Ltd. (1997–)
 Air Scotland Express, Ltd. (1994–1996)

- Air South West, Ltd. (1995–)
 Air Swift, Ltd. (1994–1996)
 Air Transport Charter, Ltd. (1946–1952)
 Air U.K. Leisure, Ltd. (1987–1996)
 Air U.K., Ltd. (1980–1997)
 Air Wales, Ltd. (1) (1977–1980)
 Air Wales, Ltd. (2) (1997–)
 Air Westward, Ltd. (1976–1980)
 Aircraft Transport and Travel, Ltd. (1916–1920)
 Aircruise, Ltd. (1963–1970)
 Airfreight Express, Ltd. (1999–)
 Airtours International Airways, Ltd. (1990–)
 Airward Aviation Services, Ltd. (1992–)
 Airways International CYMRU, Ltd. (1984–1988)
 Airwork, Ltd. (1928–1960)
 Airworld Aviation, Ltd. (1993–1999)
 Alidair, Ltd. (1972–1983)
 All Leisure Airlines, Ltd. (1995–1997)
 Allied Airways (Gandar Dower), Ltd. (1937–1947)
 Ambassador Airlines, Ltd. (1992–1994)
 Amber Airways, Ltd. (1988)
 Anglian Air Charter (1950–1970)
 Anglo Cargo: Anglo Airlines, Ltd. (1983–1992)
 Anglo-Normandy Airways, Ltd. (1973–1979)
 Aquila Airways, Ltd. (1948–1958)
 Assistair, Ltd. (1974–1975)
 Associated Airways Joint Committee (1940–1947)
 Atlantic Air Transport, Ltd. (1993–1998)
 Atlantic Airlines, Ltd. (1998–)
 Atlantic Airways, Ltd. (1993)
 Atlantic Cargo, Ltd. (1993)
 Atlantic Coast Air Services, Ltd. (1935–1937)
 ATS Vulcan, Ltd. (1975–)
 Aurigny Air Services, Ltd. (1968–)
 Autair International Airways, Ltd. (1953–1969)
 Aviation West, Ltd. (1985–1986)
 Avro Civil Aviation Service (1919)
 BKS Air Transport, Ltd. (1951–1970)
 BAC Aircraft, Ltd. (1991–1994)
 BAC Express Airlines, Ltd. (1994–)
 Baltic Airways, Ltd. (1987–1989)
 Baylee Air Charter, Ltd. (1971–1980)
 Berlin European U.K., Ltd. (1987–1991)
 Birkett Air Service, Ltd. (1932–1953)
 Birmingham European Airways, Ltd. (1989–1992)
 Birmingham Executive Airways, Ltd. (1982–1989)
 Blackpool and West Coast Air Service, Ltd. (1933–1937)
 Blue-Line Airways, Ltd. (1946–1949)
 Bon Accord Airways, Ltd. (1992–1995)
 Bond Air Services, Ltd. (1946–1951)
 Bond Helicopters, Ltd. (1984–1999)
 Bristow Helicopters, Ltd. (1951–)
 Britannia Airways, Ltd. (1962–)
 British Aerial Transport, Ltd. (1919–1920)
 British Air Ferries, Ltd. (1967–1993)
 British Air Navigation Company, Ltd. (BANCO) (1932–1935)
 British Airways, Ltd. (1) (1935–1939)
 British Airways, Ltd. (2) (1974–)
 British Airways Helicopters, Ltd. (1974–1986)
 British Airways Regional, Ltd. (1992–1996)
 British Airways (Scotland), Ltd. (1988–1992)
 British Amphibious Air Lines, Ltd. (1932–1933)
 British Caledonian Airways, Ltd. (BCAL) (1971–1987)
 British Caledonian Helicopters, Ltd. (BCHL) (1979–1987)
 British Continental Airways, Ltd. (1935–1936)
 British Eagle International Airways, Ltd. (1963–1968)
 British Emerald Airways, Ltd. (1983–1987)
 British European, Ltd. (2000–)
 British European Airways Corporation (BEA) (1946–1974)
 British European Airways Helicopters, Ltd. (1964–1974)
 British Executive Air Services, Ltd. (1970–1978)
 British Flying Boats, Ltd. (1932)
 British Independent Airways, Ltd. (1990–1991)
 British International, Ltd. (2000–)
 British International Helicopters, Ltd. (1986–2000)
 British Island Airways, Ltd. (1) (1970–1980)
 British Island Airways, Ltd. (2) (1982–1990)
 British Marine Air Navigation Co., Ltd. (1923–1924)
 British Mediterranean Airways, Ltd. (1994–)
 British Midland Airways, Ltd. (1964–)
 British Midland Commuter, Ltd. (1998–)
 British Nederland Air Services, Ltd. (1947–1950)
 British Overseas Airways Corporation (BOAC) (1939–1974)
 British Regional Airlines, Ltd. (1996–2001)
 British South American Airways, Ltd. (1944–1949)
 British United Air Ferries, Ltd. (1962–1967)
 British United Airways, Ltd. (1960–1970)
 British United (Channel Island) Airways, Ltd. (1962–1968)
 British United Island Airways, Ltd. (1968–1970)
 British Westpoint Airlines, Ltd. (1960–1966)
 British World Airlines, Ltd. (1993–)
 Brymon Airways, Ltd. (1) (1972–1992)
 Brymon Airways, Ltd. (2) (1993–2001)
 Brymon European Airways, Ltd. (1992–1993)
 Burnthills Aviation, Ltd. (1974–1985)
 Business Air, Ltd. (1987–1998)
 BUZZ (1999–)
 Caledonian Airways, Ltd. (1) (1961–1970)
 Caledonian Airways, Ltd. (2) (1995–2000)
 Caledonian/BUA, Ltd. (1970–1971)
 Cambrian Air Services, Ltd. (1935–1955)
 Cambrian Airways, Ltd. (1955–1976)
 Capital Airlines, Ltd. (1987–1990)
 Cargo Lion, Ltd. (1991–)
 Casair: Casair Aviation, Ltd. (1980–1988)
 Celtic Airways, Ltd. (1988–1993)
 Centreline Air Charter, Ltd. (1987–)
 Channel Air Ferries, Ltd. (1936–1939)
 Channel Airways, Ltd. (1962–1972)
 Channel Express (Air Services), Ltd. (1978–)
 Channel Island Airways, Ltd. (1934–1947)
 Chartair, Ltd. (1946–1961)
 Chauffair, Ltd. (1980–)
 CHC Scotia, Ltd. (1999–2000)
 Chieftain Airways, Ltd. (1986–1987)
 City Flyer Express, Ltd. (1992–)
 Classic Airways, Ltd. (1997–1998)
 Cobham Air Routes, Ltd. (1935)
 Cobham-Blackburn Air Lines, Ltd. (1928–1930)
 Comed Aviation, Ltd. (1994–2001)
 Commercial Air Hire, Ltd. (1934–1936)
 Community Express, Ltd. (1994–1996)
 Connectair, Ltd. (1984–1988)
 Court Line Aviation, Ltd. (1970–1974)
 Crilley Airways, Ltd. (1935–1936)
 Cunard-Eagle Airways, Ltd. (1960–1963)
 Daimler Airway, Ltd. (1919–1924)
 Dan Air/Dan Air Services, Ltd. (1953–1992)
 De Havilland Aircraft Co. Aeroplane Hire Service (1922–1924)
 Debonair Airways, Ltd. (1995–1999)
 Derby Airways, Ltd. (1938–1964)
 Directflight, Ltd. (1990–1994)
 Dollar Helicopters, Ltd. (1970–1995)
 Don Everall (Aviation), Ltd. (1946–1961)
 Donaldson International Airways, Ltd. (1964–1974)
 Dragon Airways, Ltd. (1953–1957)
 Eagle Airways, Ltd. (1953–1960)
 Eagle Aviation, Ltd. (1948–1953)

- Eagle European Airways, Ltd. (1993–1994)
 East Anglian Flying Services, Ltd. (1946–1962)
 Eastern Air Executive, Ltd. (1967–)
 Eastern Air Transport, Ltd. (1932–1934)
 Eastern Airways, Ltd. (1973–)
 easyJet Airlines, Ltd. (1995–)
 Emerald Airways, Ltd. (1) (1965–1967)
 Emerald Airways, Ltd. (2) (1992–)
 Eros Airlines, Ltd. (1962–1964)
 Euravia, Ltd. (1961–1964)
 Euro Direct Airlines, Ltd. (1994–1995)
 Euroair Transport, Ltd. (1977–)
 Euroflite, Ltd. (1981–1985)
 European Airways, Ltd. (1990–1998)
 European Aviation Air Charter, Ltd. (1993–)
 Euroscot Express, Ltd. (1997–1999)
 Euroworld, Ltd. (1991–1992)
 Excalibur Airways, Ltd. (1991–1996)
 Excel Airways, Ltd. (2000–)
 Executive Air Transport, Ltd. (1970–1972)
 Fairflight, Ltd. (1948–1952)
 Fairflight (Charters), Ltd. (1968–1992)
 Fairways Aviation (Jersey), Ltd. (1953–1956)
 Falcon Airways, Ltd. (1959–1962)
 Falcon Jet Centre, Ltd. (1974–)
 Flight Refueling, Ltd. (1932–)
 Flightline, Ltd. (1989–)
 Flying Colours Airlines, Ltd. (1997–2000)
 FR Aviation, Ltd. (1985–)
 Gama Aviation, Ltd. (1983–)
 GB Airways, Ltd. (1981–)
 Genair, Ltd. (1981–1984)
 Genesis Airways, Ltd. (1994–1995)
 Gill Air, Ltd. (1969–2001)
 Great Western and Southern Air Lines, Ltd. (1938–1947)
 Guernsey Airlines, Ltd. (1978–1989)
 Guernsey Airways, Ltd. (1934–1945)
 Handley Page Indo-Burmese Transport Company (1920–1921)
 Handley Page Transport, Ltd. (1919–1924)
 Heathrow Jet Charter, Ltd. (1992–)
 Heavylift Cargo Airlines, Ltd. (1978–)
 Highland Airways, Ltd. (1) (1933–1937)
 Highland Airways, Ltd. (2) (1991–)
 Highland Express Airways, Ltd. (1983–1987)
 Hillman's Airways (1931–1935)
 Horton Airways, Ltd. (1946–1950)
 Humber Airways, Ltd. (1968–1975)
 Hunting Air Transport, Ltd. (1951–1953)
 Hunting Air Travel, Ltd. (1945–1951)
 Hunting Cargo Airlines, Ltd. (1992–1998)
 Hunting-Clan Air Transport, Ltd. (1953–1960)
 IAT Cargo Airline, Ltd. (1996–)
 Imperial Airways, Ltd. (1924–1939)
 Independent Air Transport, Ltd. (1953–1959)
 Instone Air Line, Ltd. (1) (1919–1924)
 Instone Air Line, Ltd. (2) (1976–)
 Inter-European Airways, Ltd. (1987–1993)
 Intercity Airlines, Ltd. (1980–1983)
 Interline, Ltd. (1994–)
 International Air Freight, Ltd. (1937–1938)
 International Air Lines, Ltd. (1933)
 International Airways, Ltd. (1946–1950)
 Intra Airways, Ltd. (1969–1979)
 Invicta International Airlines, Ltd. (1964–1980)
 Island Air Charters, Ltd. (1946–1950)
 Island Air Services, Ltd. (1945–1957)
 Isle of Man Air Services, Ltd. (1935–1947)
 Isles of Scilly Sky Bus, Ltd. (1990–)
 J & J Air Charter, Ltd. (1990–)
 Janes Aviation, Ltd. (1987–1992)
 Janus Airways, Ltd. (1982–1987)
 Jayline, Ltd. (1990–1994)
 Jersey Airlines, Ltd. (1948–1963)
 Jersey Airways, Ltd. (1933–1945)
 Jersey European Airways, Ltd. (1979–2000)
 Jersey Ferry Airlines, Ltd. (1971–1974)
 JMC Airlines, Ltd. (1999–)
 Kearsley Airways, Ltd. (1947–1950)
 Keenair Charter, Ltd. (1963–)
 Kestrel International Airways, Ltd. (1970–1972)
 KLM U.K., Ltd. (1998–)
 Knight Air, Ltd. (1982–1996)
 Laker Airways, Ltd. (1966–1982)
 Lakeside Aviation, Ltd. (1991–1994)
 Lancashire Aircraft Corporation, Ltd. (1946–1957)
 Leisure International Airways, Ltd. (1996–1998)
 Lloyd International Airways, Ltd. (1961–1971)
 Loganair, Ltd. (1962–)
 London City Airways, Ltd. (1987–1991)
 London European Airways, Ltd. (1985–1990)
 London Executive Aviation, Ltd. (1995–)
 London, Scottish and Provincial Airways, Ltd. (1934)
 Love Air, Ltd. (1991–2000)
 Lundy and Atlantic Coast Air Lines, Ltd. (1937–1939)
 Lynton Group, Ltd. (1978–)
 Macedonian Aviation, Ltd. (1972–1974)
 Maersk Air U.K., Ltd. (1993–)
 Magec Aviation, Ltd. (1947–)
 Maitland Brewery Aviation, Ltd. (1959–1961)
 Malinair, Ltd. (1985–1987)
 Management Aviation and North Scottish Helicopters, Ltd. (1961–1984)
 Manx Airlines, Ltd. (1) (1947–1956)
 Manx Airlines, Ltd. (2) (1982–)
 Mayflower Air Services, Ltd. (1961–1964)
 Mediterranean Express, Ltd. (1987–1989)
 Mercury Airlines, Ltd. (1957–1964)
 Metropolitan Air Movements, Ltd. (1960–1967)
 Metropolitan Airways, Ltd. (1978–1985)
 Midland Air Cargo, Ltd. (1970–1973)
 Midland and Scottish Air Ferries, Ltd. (1933–1934)
 MK Airlines, Ltd. (1990–)
 Monarch Airlines, Ltd. (1967–)
 Morton Air Services, Ltd. (1945–1968)
 National Commuter, Ltd. (1988–1990)
 Newquay Air, Ltd. (1993–1995)
 Night Express, Ltd. (1984–)
 Norfolk Airways, Ltd. (1950–1970)
 Norman Edgar (Western Airways), Ltd. (1933–1938)
 North Eastern Airways, Ltd. (1935–1947)
 North Sea Aerial and General Transport, Ltd. (1919–1933)
 North Sea Air Transport, Ltd. (1945–1967)
 North South Airlines, Ltd. (1959–1962)
 Northeast Airlines, Ltd. (1970–1976)
 Northern Air Lines (1924–1925)
 Northern Airlines, Ltd. (1991–1992)
 Northern Airways, Ltd. (1934)
 Northern and Scottish Airways, Ltd. (1934–1937)
 Northern Executive Aviation, Ltd. (1960–)
 Northwest Airlines (Isle of Man), Ltd. (1950–1952)
 Novair International Airways, Ltd. (1982–1990)
 Olley Air Service, Ltd. (1934–1961)
 Orient Air, Ltd. (1991–1994)
 Orion Airways, Ltd. (1) (1956–1960)
 Orion Airways, Ltd. (2) (1978–1988)
 Overseas Aviation (Channel Islands), Ltd. (1957–1961)
 Overnight Cargo, Ltd. (1993–1995)
 Oxford Aero Charter, Ltd. (1979–)

Paramount Airways, Ltd. (1987–1989)
 PDG Helicopters, Ltd. (1995–)
 Peach Air, Ltd. (1997–1999)
 Pegasus Airlines, Ltd. (1958–1961)
 Peregrine Air Services, Ltd. (1969–1986)
 Phoenix Aviation, Ltd. (1991–1994)
 Platinum Air Charter Executive Jet, Ltd. (2000–)
 Polo Aviation, Ltd. (1996–)
 Portsmouth, Southsea and Isle of Wight Aviation, Ltd. (1932–1940)
 Princess Air, Ltd. (1990–1991)
 Prospair Aircharter, Ltd. (1994–1996)
 Provincial Airways, Ltd. (1933–1935)
 Railway Air Services, Ltd. (1934–1947)
 Redcoat Air Cargo, Ltd. (1976–1980)
 Regionair, Ltd. (1988–1991)
 Rig-Air, Ltd. (1969–1970)
 Ryan European Airways, Ltd. (1986–1990)
 Sabre Airways, Ltd. (1994–2000)
 Sagittair, Ltd. (1969–1972)
 Scillonair Airways, Ltd. (1965–1968)
 ScotAirways, Ltd. (1999–)
 Scottish Airlines, Ltd. (1946–1961)
 Scottish Airways, Ltd. (1937–1947)
 Scottish European Airways, Ltd. (1984–1991)
 Scottish Motor Traction Company, Ltd. (1932)
 Silver City Airways, Ltd. (1946–1962)
 Sivewright Airways, Ltd. (1946–1951)
 Sky Air Cargo, Ltd. (1988–)
 Skylane Air Charter, Ltd. (1992–1995)
 Skyrover, Ltd. (1989–1990)
 Skyways Cargo Airline, Ltd. (1971–1980)
 Skyways Coach-Air, Ltd. (1962–1972)
 Skyways International, Ltd. (1971–1972)
 Skyways, Ltd. (1946–1964)
 Sloane Helicopters, Ltd. (1969–)
 South East Air, Ltd. (1986–1988)
 Southend-on-Sea Flying Service, Ltd. (1932–1935)
 Southern Airways, Ltd. (1938)
 Southern International Air Transport, Ltd. (1974–1980)
 Spacegrand Aviation, Ltd. (1978–1986)
 Spartan Air Lines, Ltd. (1933–1935)
 Starspeed, Ltd. (1984–)
 Starways, Ltd. (1948–1964)
 Streamline Aviation, Ltd. (1991–)
 Suckling Airways, Ltd. (1984–1999)
 Telair Manchester, Ltd. (1980–1985)
 Tigerfly, Ltd. (1986–)
 Titan Airways, Ltd. (1988–)
 TNT Express Worldwide, Ltd. (1988–1999)
 Topflight Aviation Company, Ltd. (1976–1990)
 Tradair, Ltd. (1957–1962)
 Tradewinds Airways, Ltd. (1968–1990)
 Trans-European Airways (TEA), Ltd. (1959–1962)
 Trans-European Airways-U.K., Ltd. (1989–1991)
 Transair International, Ltd. (1947–1960)
 Transglobe Airways, Ltd. (1965–1968)
 Transmeridian Air Cargo, Ltd. (1962–1979)
 Tyne Tees Airways, Ltd. (1960–1965)
 Ulster Air Transport, Ltd. (1967–1970)
 United Airways, Ltd. (1935)
 Utility Airways, Ltd. (1936–1937)
 Veritair, Ltd. (1982–1996)
 Virgin Atlantic Airways, Ltd. (1982–)
 Virgin Sun Air, Ltd. (1998–)
 Westair Flying Service, Ltd. (1994–)
 West Coast Air Services, Ltd. (1937–1946)
 West of Scotland Air Services, Ltd. (1935)
 Western Airways, Ltd. (1938–1953)
 Western Isles Airways, Ltd. (1937–1945)

Westminster Airways, Ltd. (1946–1949)
 Westward Airways, Ltd. (1969–1970)
 Wight Aviation, Ltd. (1930–1932)
 William Dempster, Ltd. (1948–1953)
 World Air Freight, Ltd. (1947–1950)
 Worldwide Airlines, Ltd. (1995–1996)
 Wrightson and Pearce, Ltd. (1934)
 Wrightways, Ltd. (1934–1940)
 Yorkshire European Airways, Ltd. (1993)

Uzbekistan

Bukhara United Air Squadron (1995–)
 Samarkand United Air Detachment (1995–)
 Uzbekistan Airways National Air Company: Ozbekistan Havao Yullari
 HY (1992–)

Yugoslavia

Adria Airways: Adria Aviopromet (1) (1961–1968)
 Adria Airways: Adria Aviopromet (2) (1986–1991)
 Aeroput: Drustro Za Vazdusni Saobracaj (1927–1941)
 Air Jugoslavia (1969–)
 Air Kosova (2000–)
 Air Montenegro (1991–)
 Aviogenex (1968–1992)
 Inex Adria Airways: Inex Adria Aviopromet (1968–1986)
 JAT Yugoslav Airlines: Jugoslovenski Aerotransport (1946–)
 Montenegro Airlines (1994–)
 OKI Airways (1993–)
 Palair Macedonian Air Lines (1991–1996)
 Pelikan Blue Line (1997–)
 Trans Adria (1978–1988)

LATIN AMERICA

Anguilla

Air Anguilla, S.A. (1992–1995)
 Trans Anguilla, Inc. (1997–)
 Tyden Air, Ltd. (1984–)

Antigua

Carib Aviation, Ltd. (1990–)
 Caribbean Star Airlines, Ltd. (2000–)
 Four Island Air Services, Ltd. (1976–1986)
 Inter-Island Air Services, Ltd. (1977–1980)
 LIAT: Leeward Islands Air Transport, Ltd. (1956–1974)
 LIAT (1974), Ltd. (1974–)
 Seagreen Air Transport, Ltd. (1964–)

Antigua and Barbuda

Antigua Paradise, Ltd. (1994–1995)

Argentina

AER Airlines: Aerotransportes Entre Rios, S.A. (1962–1982)
 Aero Andes, S.A. (1997–)
 Aero Chaco: Lineas Aereas Chaquenas, S.A. (1958–1986)
 Aerolineas Argentinas, S.A. (1949–)
 Aerolineas Carreras Transportes Aeroes, S.A. (1959–1968)
 Aerolineas Ini y Compania, S.A. (1957–1964)
 Aeroposta Argentina, S.A. (1927–1949)
 Aeroposta, S.A. (1992–1994)
 Aerovias Halcon, S.A. (1) (1958–1962)
 Aerovias Halcon, S.A. (2) (1961–1970)
 AeroVIP, S.A. (1999–)
 Air Plus Argentina, S.A. (1999–)
 ALA: Aerotransportes Litoral Argentina, S.A. (1955–1973)
 ALFA: Aerolinea Federal Argentina, S.A. (1987–1995)
 ALFA: Aviacion del Litoral Fluvial Argentina, S.A. (1946–1949)
 American Falcon, S.A. (1995–)
 American Jet, S.A. (1982–)
 Aries del Sur, S.A. (1997–)
 ASTRO: Servicios Aereos Astro, S.A. (1979–1993)
 Austral Airlines: Austral Lineas Aereas, S.A. (1955–)
 CATA Linea Aerea Sacifi, S.A. (1989–)
 Corporacion Sudamericana de Servicios Aereos, S.A. (1938–1946)

- CRPA: Compania Rio Platense de Aviacion, S.A. (1921–1924)
 Dinar Lineas Aereas, S.A. (1994–)
 Empresa Aerea Falcon, S.A. (1967–)
 FAMA: Flota Aerea Mercante Argentina, S.A. (1946–1949)
 Helicopteros Marinos, S.A. (1985–)
 Helyjet, S.A. (1996–)
 Inter Austral, S.A. (1993–1995)
 Kaiken Lineas Aerea, S.A. (1990–)
 LAC: Lineas Aereas de Cuyo, S.A. (1958–1960)
 LADE: Lineas Aereas del Estado, S.A. (1940–)
 LAER: Linea Aerea Entre Rios, S.A. (1967–)
 LAM: Linea Aerea Misioners, S.A. (1978–1995)
 LAPA: Lineas Aereas Patagonias Argentinas, S.R.L. (1960–1966)
 LAPA: Lineas Aereas Privadas Argentinas, S.A. (1977–)
 LAPER: Linea Aerea Parana Entre Rios, S.A. (1967–1979)
 LAS: Lineas Aereas Santafecianas, S.A. (1986–1992)
 LASA: Linea Aerea Sacifi, S.A. (1993–)
 Lloyd Aereo Cordoba, S.A. (1925–1927)
 Macair Jet, S.A. (1994–)
 NORSUR: Compania Argentina de Aeronavegacion, S.A. (1958–1965)
 Orion Airways: Orion Servicios Aereos, S.A. (1999–)
 PLAS: Primera Linea Aerea Santafecina, S.A. (1958–1965)
 SALTA: Sociedad Argentina de Lineas de Transport Aero, S.A. (1957–1959)
 SANA: Sociedad Argentina de Navegacion Aerea, S.A. (1940–1943)
 Servicio Aereo Territorial de Santa Cruz, S.A. (1934–1945)
 Servicios Aereos Patagonias, S.A. (1991–)
 Servicios Aereos Rio Negro, S.A. (1968–1975)
 Southern Winds, S.A. (1996–)
 STA: Sociedad de Transportes Aereos, S.A. (1934–1937)
 STAF: Servicios de Transportes Aereos Fuenginos, S.A. (1988–1993)
 TAASA: Taxis Aereos Argentinas, S.A. (1946–1959)
 TABA: Transportes Aereos Buenos Aires, S.A. (1959–1969)
 TACA: Transporte Aereo Costa Atlantica, S.A. (1) 1946–1967
 TACA: Transporte Aereo Costa Atlantica, S.A. (2) (1957–1962)
 TAN: Transportes Aereos Neuquen, S.A. (1972–)
 TAPSA Aviacion: Transportes Aereos Petroleros, S.A. (1991–)
 TAR Airlines: Transportes Aereo Rioplatense, S.A. (1969–1989)
 TARSA: Transportes Aereos Ranqueles, S.A. (1939–1940)
 Transamerican Air Transport, S.R.L. (1959–1960)
 Transatlantica Argentina, S.A. (1958–1962)
 Transcarga Transportes, S.A. (1961–1963)
 Transportes Aereos Neuquen del Estado, S.A. (1993–)
 TSA: Transcontinental, S.A. (1956–1962)
 VIP Air: Servicios Aereos, S.A. (1996–)
 Zonda: Zonas Oeste y Norte de Aerolineas Argentinas, S.A. (1946–1949)
- Aruba, Dutch Caribbean**
 Air Aruba, N.V. (1986–2000)
 Avia Air, N.V. (1987–)
 Ibis Aviation Aruba, A.S.V. (1993–)
- Bahamas**
 Abaco Air, Ltd. (1975–)
 Air Bahama, Ltd. (1968–1982)
 Bahamas Airways, Ltd. (1936–1973)
 Bahamasair, Ltd. (1973–)
 Flamingo Airways, Ltd. (1971–1973)
 Laker Airways (Bahamas), Ltd. (1985–1999)
 Taino Air, Ltd. (1991–)
 Trinity Air Bahamas, Ltd. (1993–1994)
- Barbados**
 Air Calypso, Ltd. (1973–1977)
 Carib Express, Ltd. (1995–1996)
 Carib West Airways, Ltd. (1971–1980)
 Caribbean Air Cargo, Ltd. (Caricargo) (1979–1983)
 Caribbean Airways International, Ltd. (1994–1995)
 Caribbean Airways, Ltd. (1972–1989)
 HelenAir (Barbados), Ltd. (1998–1999)
 LIAT: Leeward Islands Air Transport, Ltd. (1956–)
- Paradise Island Helicopters, Ltd. (1998–)
 Tropic Air: Tropical Air Services, Ltd. (1973–1981)
 Trans Island Air, Ltd. (1990–)
- Belize**
 Maya Airways, Ltd. (1961–1997)
 Maya Island Airways, Ltd. (1997–)
 Tropic Air: Tropical Air Services, Ltd. (1979–)
- Bermuda**
 ARCO Bermuda, Ltd. (1968–1971)
- Bolivia**
 Aerodinos, S.A. (1992–1994)
 Aerolineas Abaroa, Ltda. (1962–1972)
 Aerosur Boliviano: Compania Boliviana de Aero Privado, S.A. (1992–)
 Aerovias Condor, S.A. (1958–1966)
 Aerovias DAP, S.A. (1980–)
 Aerovias Las Minas, S.A. (1964–)
 Bolivian Air System, S.A. (1965–1971)
 Carga Aero Transportada, S.A. (1983–1991)
 Compania Boliviano de Aviacion, S.A.L. (1965–1971)
 Compania Boliviano de Rutas Aereas, S.A. (1964–1967)
 Corporacion Boliviano de Fomento, S.A. (1946–1965)
 Eldorado, Ltda. (1980–1993)
 ETA: Empresa Transportes Aereos, S.A. (1977–1988)
 Frigorifico Reyes (Fri-Reyes), Ltda. (1968–)
 Frigorifico Santa Rita, Ltda. (1972–)
 LAB: Lloyd Aereo Boliviano, S.A. (1925–)
 LAI: Linea Aerea Imperial, S.A. (1983–)
 Lineas Aereas Canedo, Ltda. (1981–)
 NEBA: North East Volivia Airways, Ltda. (1982–1991)
 North East Bolivian Airways, Ltda. (1970–)
 Panambra, Ltda. (1980–1989)
 Rutas Aereas Uncia, S.A. (1964–1969)
 Servicio Aereo Vargas Espana, S.A. (SAVE) (1972–)
 Servicios Aereos Boliviano, S.A. (1970–1987)
 Servicios Aereos Curtiss, S.A. (1969–1973)
 Servicios Aeros del Oriente, Ltda (SAO) (1977–)
 Servicios Aereos Petroleros, S.A. (SAPSA) (1953–)
 Servicios Aereos Pinto, S.A. (1989–1990)
 TABSA: Transportes Aereos Benianos, S.A. (1963–1977)
 Transaereos Illimani, S.A. (1972–1980)
 Transportes Aereos Bolivianos, S.A. (1977–)
 Transportes Aereos Samuel Selum, Ltda. (1984–1990)
 Yacuma: Transportes Aereos Yacuma, S.A. (1981–1991)
- Brazil**
 Aero Geral, Ltda. (1942–1953)
 Aero Taxi Jacarepagua, Ltda. (1996–)
 Aeroexutivos, S.A. (1994)
 Aerolloyd Iguassu, S.A. (1933–1939)
 Aeronorte: Empresa de Transportes Aereos Norte do Brasil, S.A. (1949–1961)
 Aerovias, S.A. (1944–1949)
 Air Brazil, S.A. (1991)
 Air Link Airlines, S.A. (1992–1995)
 Air Vias, S.A. (1993–)
 Aparte Taxi Aereo, S.A. (1987–)
 Beta Cargo, S.A. (1998–)
 Brasair Transportes Aereos, S.A. (1994–1998)
 Brazil Central: Linha Aerea Regional, S.A. (1986–1996)
 Central Aerea, S.A. (1948–1950)
 Condor Syndikat, GmbH. (1924–1927)
 Cruzeiro Brazilian Airlines: Cruzeiro do Sul, S.A.—Servicios Aereos, Ltda. (1941–1993)
 Digex Aero Cargo, S.A. (1991–)
 Empresa de Transportes Aerovias Brasil, S.A. (1942–1961)
 Fly Linhas Aereas, Ltda. (1995–)
 Helisul Lineas Aereas, Ltda. (1994–)
 Interbrasil STAR: Sistema Transbrasil de Automacao de Reservas, S.A. (1994–)
 ITA: Itapemirim Transportes Aereos, S.A. (1990–)

- ITAU: Companhia ITAU de Transportes Aereos, S.A. (1947–1957)
 Jet Sul Cargo, Ltda. (2000–)
 LAB: Linhas Aereas Brasileiras, S.A. (1944–1948)
 LAN: Linhas Aereas Natal, S.A. (1946–1950)
 LAP: Linhas Aereas Paulistas, S.A. (1943–1951)
 LATB: Linha Aerea Transcontinental Brasileira, S.A. (1944–1951)
 LAW: Linhas Aereas Wright, S.A. (1947–1948)
 Lider Taxi Aereo, S.A. (1958–)
 Loide Aereo Nacional, S.A. (1949–1962)
 Meridional: Companhia Meridional de Transportes, S.A. (1944–1946)
 NAB: Navegacao Aerea Brasileira, S.A. (1940–1961)
 Nordeste: Nordeste Linhas Aereas Regionais, S.A. (1976–)
 OMTA: Organizacao Mineira de Transportes Aereos, S.A. (1946–1952)
 Panair do Brazil, S.A. (1930–1965)
 Pantanal Taxi Aereo: Pantanal Linhas Aereas Sul-Matogrossenses, S.A. (1992–)
 Paraense Transportes Aereos, S.A. (1952–1970)
 Passaredo Transportes Aereos, S.A. (1995–)
 Pena Transportes Aereos, S.A. (1994–)
 REAL: Transportes Aereos Redes Estaduais Aereas, S.A. (1945–1961)
 Rico Taxi Aereo, S.A. (1971–)
 Rio-Sul: Empresa Rio-Sul Servicos Aereos Regionais, S.A. (1976–)
 SADIA, S.A.: Transportes Aereos (1955–1972)
 SAVAG: Servicos de Aerotaxis e Abastecimento de Vale Amazonica, Ltda. (1968–)
 SAVAG: S.A. Viacao Aerea Gaucha (1946–1966)
 Skyjet Brazil (1994–1997)
 Sindicato Condor: Servico Aereo NA America do Sul e Para a Europa, S.A. (1927–1942)
 TABA: Transportes Aereos Bandeirantes, S.A. (1946–1951)
 TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A. (1975–)
 TAC: Empresa de Transportes Aereos Catarinens, S.A. (1947–1966)
 TAF: Linhas Aereas, S.A. (1957–)
 TAM: Transportes Aereos Regionais, S.A. (1976–)
 TAM-Express, S.A. (1998–)
 TAM-Meridionais: Transportes Aereos Meridionais, S.A. (1996–)
 TAN: Transportes Aereos Nacional, S.A. (1946–1956)
 TAS: Transportes Aereos Salvador, S.A. (1949–1956)
 TCA: Transportes Carga Aerea, S.A. (1947–1949)
 TLA: Total Linhas Aereas, S.A. (1988–)
 TNT Sava, S.A. (1992–1993)
 Transair International Linhas Aereas, S.A. (1998–2000)
 Transbrasil S.A. Linhas Aereas (1972–)
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (1926–)
 VASD: Viacao Aerea Santos Dumont, S.A. (1944–1952)
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (1933–)
 VIABRAS: Viacao Aerea Brasil, S.A. (1946–1950)
 Viacao Aerea Arco-Iris, S.A. (1945–1950)
 Viacao Aerea Bahiana, S.A. (1945–1948)
 VOTEC: Votec Servicos Aereos Regionais, S.A./VOTEC Taxi Aereo, S.A. (1966–)
 World Brazilian Air, S.A. (1997–)
- British Guiana**
 BGA: British Guiana Airways, Ltd. (1939–1963)
- British Honduras**
 BCA: British Colonial Airways, Ltd. (1952–1956)
 British Honduras Airways, Ltd. (1956–1963)
- British Virgin Islands**
 Air BVI: Air British Virgin Islands, Ltd. (1971–1995)
 BCA: British Caribbean Airways, Ltd. (2) (1981–1986)
 Fly BVI, Ltd. (1992–)
 Gorda Aero Service, Inc. (1979–)
 Virgin Island Airways, Ltd. (1996–)
- British West Indies**
 BeeWee Express, Ltd. (1999–)
 British International Airways, Ltd. (1947–1948)
 British West Indies Airways, Ltd. (1) (1939–1947)
 British West Indies Airways, Ltd. (2) (1948–1999)
- BWIA International Airlines, Ltd. see British WIA (2)
 BWIA West Indies Airways, Ltd. (1999–)
 Caicos International, Ltd. (1973–1975)
 Eagle Air Services, Ltd. (1970–)
 Eastern Caribbean Express, Ltd. (EC Express) (1999–2001)
 Interisland Airways, Ltd. (1992–)
 Valley Air Service, Ltd. (1977–1979)
- Cayman Islands**
 Caribbean International Airways, Ltd. (1948–1953)
 Cayman Airways, Ltd. (1968–)
 Cayman Islands Airways, Ltd. (1945–1947)
 Island Air, Ltd. (1989–)
 Jetflight, Ltd. (1996–)
- Chile**
 Aero Cardal Air Services, Ltda. (1989–)
 Aero Continente Chile, S.A. (1999–2001)
 Aero Lloyd, S.A. (1991–1995)
 Aeroandina: Linea Aerea Andina, S.A. (1979–1982)
 AeroChile (1996)
 Aerocor: Aerolineas Cordillera, S.A. (1980–1988)
 Aeronor-Chile: Aero Norte-Sur, S.A. (1977–1988)
 Aeropesca: Servicios Aereos Aeropesca, S.A. (1991–1996)
 Aeroregional, S.A. (1987–1994)
 Aerosanta, S.A. (1987–1990)
 Aeroservicio Parrague, Ltda. (1959–)
 ALA: Sociedad de Transportes Aereos, Ltda. (1954–1961)
 ALFA: Aerolineas Flecha Austral, Ltda. (1965–1978)
 Alta Airlines, Ltda. (1995–)
 Avant Airlines, S.A. (1996–2001)
 Chileinter, S.A. (1998)
 CINTA: Compania Nacional de Turismo Aereo, S.A. (1953–1957)
 Evergreen Chile, Ltda. (1981–)
 FAST Air Chile, S.A.: Fast Air Carrier (1978–)
 Heli-Alfa: Alfa Helicopters-Inversiones Cirrus, S.A. (1982–)
 Ladeco Chilean Airlines Linea Aerea del Cobre, S.A. (1958–2001)
 LAN Chile Airlines: Linea Aerea Nacional Chile, S.A. (1932–)
 LASA: Linea Aerea Sud Americana, S.A. (1964–1983)
 LASA: Linea Aeropostale Santiago-Arica, S.A. (1929–1932)
 Linea Aeropostal Santiago-Arica, S.A. (1929–1932)
 National Airlines, S.A. (1992–1999)
 SABA Airlines, S.A. (1991–1992)
 Southeast Pacific Airlines, S.A. (1992–1993)
 TAS: Transportes Aereos Suravia, S.A. (1964–1978)
 TAXPA: Linea Aerea Taxpa, S.A. (1967–1992)
 Transa Chile: Transportes Aereos de Chile, Ltda. (1954–1963)
- Colombia**
 ACES Colombia: Aerolineas Centrales de Colombia, S.A. (1971–)
 ADES: Aerolineas Del Este, S.A. (1990–1995)
 AE Colombia: Aerolineas Especiales de Colombia, S.A. (1980–1985)
 Aero Republica, S.A. (1993–)
 Aerocesar: Aerovias del Cesar, S.A. (1968–1985)
 Aerocondor: Aerovias Condor de Colombia, Ltda. (1955–1981)
 Aerocosta International, Ltda. (1966–1976)
 Aeroexpreso Bogota, Ltda. (1978–)
 Aeroexpreso de la Frontera, S.A. (1994–)
 Aerogolfo, S.A. (1994–1996)
 Aerojecutivos, S.A. (1979–)
 Aerolineas Cargueras, S.A. (1995–)
 Aerolineas del Este, S.A. (1992–)
 Aerolineas Medellin, S.A. (1976–1979)
 Aerolineas Tao, S.A. (1962–1974)
 Aeropesca: Aerovias de la Pesca y Colonizacion del Sureste Colombiano, S.A. (1960–1982)
 Aerorepublica Colombia, S.A. (1993–)
 Aerosucre Colombia: Aerosucre, S.A. (1975–)
 Aerotaca Aerotaxi Casanare: Aerotransportes Casanare, Ltda. (1965–)
 Aerial Colombia: Aerolineas Territoriales de Colombia, S.A. (1971–1983)
 Aerovias Especiales de Carga, S.A. (AVESCA Colombia) (1990–1995)

- AIRES: Aerovias de Integracion Regional, S.A. (1980–)
 ARCA Colombia: Aerovias Colombianas, S.A. (1960–)
 ARCO: Aerovias Ramales Colombianas, S.A.. (1939–1941)
 ATC Airlines, S.A. (1992–)
 Avianca Colombian Airlines: Aerovias Nacionales de Colombia, S.A. (1940–)
 AVISPA: Aerovias Pilotas Asociados, S.A. (1955–1962)
 Cessnyca, Ltda. (1962–1974)
 Helicol: Helicopteros Nacionales de Colombia, S.A. (1989–)
 Interandes, S.A. (1979–1993)
 Intercontinental Colombia, S.A. (1982–)
 Islena Colombia, S.A. (1994–)
 LAC: Lineas Aereas de Caribe, S.A. (1976–1997)
 LAC: Lloyd Aereo Colombiano, S.A. (1954–1965)
 LAMA: Lineas Aereas de la Amazonica, S.A. (1991–1994)
 LANSA: Lineas Aereas Nacionales, S.A. (1945–1954)
 LAOS: Lineas Aereas Orientales, S.A. (1971–1978)
 LAP: Lineas Aereas Petroleras, S.A. (1975–)
 LAU: Lineas Aereas Suramericanos Colombia, S.A. (1993–)
 LIDCA: Lineas Aereas del Caribe, S.A. (1954–)
 Lineas Aereas TACA de Colombia, S.A. (1944–1947)
 Lineas Interamericana Aerea, S.A. (1950–1962)
 RAS: Rutas Aereas de Colombia, S.A. (1955–1962)
 SACO: Servicio Aereo Colombiano, S.A. (1933–1940)
 SADELCA: Sociedad Aerea del Caqueta, S.A. (1977–1986)
 SAEP: Servicios Aereos Especializados en Transportes Petroleros, S.A. (1980–)
 SAETA: Sociedad Aerea de Tolima, S.A. (1947–1952)
 SAM Colombia Airlines, S.A. (1962–)
 SAM: Sociedad Aeronautica de Medellin, S.A. (1945–1962)
 SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A. (1962–)
 SCADTA: La Sociedad Colombo-Alemana de Transports Aereos, S.A. (1919–1940)
 SCOLTA: Sociedad Colombiana de Transports Aereos, S.A. (1947–1948)
 SERCA: Servicio Especializado de Carga Area, S.A. (1992–1993)
 TAGUA Colombia: Taxi Aereo del Guaviare, S.A. (1990–)
 TAMP: Transportes Aereos Mercantiles Panamericanos Tampa, S.A. Cargo (1974–)
 TANA: Transportes Aereos Nacionales, S.A. (1971–1979)
 TAO: Taxi Aereo Opita, S.A. (1961–1974)
 TAVINA: Trans-Colombiana de Aviacion, S.A. (1973–1986)
 TAXADER: Lineas Aereas Taxader, S.A. (1963–1965)
 TAXADER: Taxi Aereo de Santander, S.A. (1947–1963)
 Transamazonica, S.A. (1990–)
 UMCA: Uraba, Medellin and Central Airways, S.A. (1931–1961)
 La Urraca: Lineas Aereas la Urraca, S.A. (1955–1979)
 VIARCO: Vias Aereascolombianas, S.A. (1947–1948)
 West Caribbean Airways, S.A. (1999–)
- Costa Rica**
- ACASA: Aerovias Cariari, S.A. (1968–1975)
 ACORI: Aero Costa Rica, S.A. (1992–1997)
 Aero Costa Sol, S.A. (1996–)
 Aerolineas Nacionales, S.A. (1958–1959)
 Aerovias Cariari, S.A. (1968–1979)
 Aerovias Nacionales (Macaya), S.A. (1934–1940)
 ALPA: Aerolineas del Pacifico, S.A. (1952–1958)
 APSA: Aerovias Puntarenas, S.A. (1961–1982)
 AVE: Aerovias del Valle, S.A. (1951–1978)
 AVO: Aerovias Occidentales, S.A. (1947–1951)
 EDAC: Empresa de Aerotransportes Costarricenses, S.A. (1936–1938)
 ENTA: Empresa Nacional de Transportes Aereos, S.A. (1932–1940)
 EXACO: Expreso Aereo Costarricenses, S.A. (1951–1980)
 JHM Cargo Airlines, S.A. (1997–)
 LACSA: Lineas Aereas Costarricenses, S.A. (1945–)
 LADECA: Lineas Aereas del Caribe, Ltda. (1967–1971)
 SANSA: Servicios Aereos Nacionales, S.A. (1979–)
 SERCA: Servicio de Carga Aerea, S.A. (1981–1994)
- TACSA: Taxi Aereo Centroamericano, S.A. (1996–)
 TAISA: Transportes Aereos de Integracion, S.A. (1971–1974)
 Trans Costa Rica, S.A. (1989–1995)
 Travelair, S.A. (1991–)
- Cuba**
- Aero Caribbean of Cuba (1985–)
 Aerogaviota (1994–)
 Aerovias Q, S.A. (1945–1961)
 Cuba Aeropostal, S.A. (1948–1961)
 CUBANA: Compania Nacional Cubana de Aviacion, S.A. (1932–1945)
 CUBANA: Compania Nacional Cubana de Aviacion Curtiss, S.A. (1929–1932)
 CUBANA: Empresa Consolidada Cubana de Aviacion, S.A. (1945–)
 Expreso Aereo Inter-Americano, S.A. (1942–1961)
- Dominica**
- LIAT: Leeward Islands Air Transport, Ltd. (1956–)
- Dominican Republic**
- APA Internacional Airlines, S.A. (1994–)
 ADSA: Aerolineas Dominicanas, S.A. (1974–1982)
 Aeromar International, C. por A. (1962–)
 Aerovias Quisqueyana, C. por A. (1962–1980)
 Air Atlantic Dominica, C. por A. (1996–)
 Air Santo Domingo, C. por A. (1996–)
 ALAS Airlines: Alas de Transport International, S.A. (1989–1997)
 ALAS del Caribe, S.A. (1967–1982)
 AMSA: Aerolineas Mundo, S.A. (1986–1994)
 Antillana de Navegacion Aerea: Sun Airways, S.A. (1990–1991)
 Antillas Air Cargo, S.A. (1983–)
 Apair A.P.A. Internacional Airlines, S.A. (1980–1986)
 ARGO Air International, S.A. (1971–1991)
 CDA: Compania Dominicana de Aviacion, S.A. (1944–1957)
 Dominair: Aerolineas Dominicanas, S.A. (1982–)
 Dominicana: Compania Dominicana de Aviacion, S.A. (1957–)
 Dominicana Internacional, S.A. (1984–1988)
 Hispaniola Airways, S.A. (1979–1988)
 Quisqueyama, S.A. (1962–1980)
 Servicios Aereos Profesionales, S.A. (1981–)
 TRADO: Trans Dominican Airways C. por A. (1995–)
- Dutch Guiana**
- SLM: Surinaamse Luchtvaart Maatschappij, N.V. (1954–1975)
 SLO: Surinaamse Luchtvaart Onderneming, N.V. (1969–1981)
- Ecuador**
- Aerolineas Condor, S.A. (1978–1985)
 Aerolineas Galapagos, S.A. (1992–)
 Aeroservicios Ecuatorianos, S.A. (1980–)
 ANDES: Aerolineas Nacionales del Ecuador, S.A. (1961–)
 ANDESA: Aerovias Nacionales del Ecuador, S.A. (1946–1948)
 AREA: Aerovias Ecuatorianas, S.A. (1949–1968)
 ATECA: Aero Transporte Ecuatoriana, S.A. (1947–1949)
 ATESA: Aero Taxis Ecuatorianos, S.A. (1960–1982)
 CEA: Compania Ecuatorianas de Aviacion, S.A. (1957–1970)
 Compania Internacional Aerea, S.A. (1966–1974)
 Ecuatoriana Airlines, S.A. (1970–1993)
 Ecuavia C., S.A. (1949–)
 LIA: Linea Internacional Aerea, S.A. (1958–1963)
 Linea Internacional Aerea, S.A. (1957–1959)
 SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A. (1966–2000)
 SAN: Servicios Aereos Nacionales, S.A. (1964–)
 SEDTA: Sociedad Ecuatoriana de Transportes Aereos, S.A. (1937–1941)
 TAME: Transportes Aereos Militares Ecuatorianos (1962–1970)
 TAME: Transportes Aereos Nacionales Ecuatorianos, S.A. (1970–)
 Transandina Ecuatoriana, S.A. (1948–1949)
- El Salvador**
- AESA Airlines: Aerolineas El Salvador, S.A. (1960–1988)
 TACA International Airlines, S.A. (1951–)
 TACA: Transportes Aereos Centro Americanos, S.A. (1931–1951)
- Falkland Islands**
- FIGAS: Falkland Islands Government Air Services, Ltd. (1982–)

French Guiana

TAG: Societe des Transports Aeriens Guyanais, S.A. (1919–1922)

French Guyana

GAT: Guyane Air Transport, S.A. (1948–)

Heli-Inter Guyane, S.A. (1984–)

French West Indies

Air Antilles, S.A. (1954–1978)

Air Calypso, S.A. (1997–)

Air Caraibes, S.A. (1): Caraibes Air Transport (1987–1999)

Air Caraibes, S.A. (2): Caraibes Air Transport (2000–)

Air Guadeloupe see SATA: Societe Antillaise de Transports Aeriens (Air Guadeloupe), S.A. (1970–)

Air Mango, S.A. (1989–)

Air Martinique: Compagnie Antillaise D’Affretements Aeriens, S.A. (1981–2000)

Air St. Barthelemy, S.A. (1981–2000)

Air St. Martin, S.A. (1994–2000)

Heli-Inter Caraibes, S.A. (1987–)

SATA: Societe Antillaise de Transports Aeriens (Air Guadeloupe), S.A. (1970–2000)

SATAIR-Air Martinique, S.A. (1974–1981)

Transcaraibes Air International: Lignes de Transport, S.A. (1996–)

Grenada

Airlines of Carriacou, S.A. (1992–)

LIAT: Leeward Islands Air Transport, Ltd. (1956–1999)

Guadeloupe

Air Caraibes Exploitations, S.A. (1987–)

Air St. Martin, S.A. (1994–)

Guatemala

Aeroquetzal, S.A. (1990–1993)

Aerovias de Guatemala, S.A. (1940–1945)

Aerovias, S.A. (1977–1993)

AVIATECA: Aerolineas de Guatemala, S.A. (1946–)

Aviones Comerciales de Guatemala, S.A. (1989–)

CNA: Compania Nacional de Aviacion, S.A. (1930–1935)

Mayan World Airlines, S.A. (1997–)

TAPSA: Transportes Aereos Professionalaes, S.A. (1989–1996)

Tikal Jets Airline, S.A. (1995–)

Transportes Aereos Inter, S.A. (1998–)

Guyana

Guyana Airways Corporation (1963–1999)

Guyana Airways 2000, Inc. (1999–2001)

LIAT: Leeward Islands Air Transport, Ltd. (1956–)

Roraima Airways, Ltd. (1992–)

Haiti

Air Haiti, S.A. (1969–1991)

Air Haiti International, S.A. (1961)

Hairi Air Freight International, S.A. (1992–)

Haiti Air Transport, S.A. (1943–1983)

Haiti Regional Airways, S.A. (1990–1991)

Haiti Trans Air, S.A. (1988–1995)

Quisqueya, Ltd. (1948–1951)

Honduras

Aero Servicios: Trans Caribbean Airlines, S.A. (1958–1993)

ANHSA: Aerovias Nacionales de Honduras, S.A. (1950–1986)

CAA: Central American Air Lines, S.A. (1925–1927)

CAH: Compania Aereo Hondureno, S.A. (1927–1934)

Empresa Dean, S.A. (1924–1934)

Islena Airlines, S.A. (1981–)

LANSA: Lineas Aereas Nacionales, S.A. (1962–1993)

Lineas Aereas Nacional, S.A. (1963–1975)

SAHSA: Servicio Aereo de Honduras, S.A. (1944–1994)

TAH: Transportes Aereos Hondurenos, S.A. (1931–1932)

TAN: Transportes Aereos Nacionales, S.A. (1947–1991)

Jamaica

Air Jamaica, Ltd. (1) (1963–1968)

Air Jamaica, Ltd. (2) (1968–)

Air Jamaica Express, Ltd. (1996–)

Air Negril, Ltd. (1997–)

BCA: British Caribbean Airways, Ltd. (1) (1946–1950)

Jamaica Air Services, Ltd. (1963–1974)

LIAT: Leeward Islands Air Transport, Ltd. (1956–)

Trans Jamaican Airways, Ltd. (1975–1996)

Tropical Airlines, Ltd. (1996–)

Mexico

ACSA: Aerocargo, S.A. de C.V. (1950–1977)

Aero-Mitla, S.A. de C.V. (1996–)

Aero California: Aerocalifornia Servicios Aereos, S.A. de C.V. (1982–)

Aero Carga, S.A. de C.V. (1950–1975)

Aero Cozumel, S.A. de C.V. (1978–)

Aero Eslava, S.A. de C.V. (1992–1994)

Aero Feliz, S.A. de C.V. (1990–1991)

Aero Fiesta Mexicana, S.A. de C.V. (1994–1995)

Aero Guadalajara, S.A. de C.V. (1991–1994)

Aero Jalisco, S.A. de C.V. (1991–)

Aero Pacifico, S.A. de C.V. (1989–1992)

Aero Taxi del Vizcaino, S.A. de C.V. (1993–1996)

Aero Tonalá, S.A. de C.V. (1993–1995)

Aerocancun: Aeronautica de Cancun, S.A. de C.V. (1989–)

Aeroexo: Transportes Aereos Ejecutivos, S.A. de C.V. (1992–)

Aerolineas Amancer, S.A. de C.V. (1990–)

Aerolineas Cuahonte, S.A. de C.V. (1992–1995)

Aerolineas de la Frontera, S.A. de C.V. (1961–1968)

Aerolineas del Pacifico, S.A. de C.V. (1962–1985)

Aerolineas Internacionales, S.A. de C.V. (1994–)

Aerolineas Mexicanas, S.A. de C.V. (1955–1960)

Aerolineas Reublica, S.A. de C.V. (1980–1985)

Aerolineas Vegas, S.A. de C.V. (1952–1969)

Aerolitoral: Servicios Aereos Litoral, S.A. de C.V. (1989–)

Aeromar: Transportes Aeromar, S.A. de C.V. (1987–)

Aeromaya, S.A. de C.V. (1966–1969)

Aeromexexpress, S.A. de C.V. (1994–)

Aeromexico (1): Aeronaves de Mexico, S.A. de C.V. (1972–1988)

Aeromexico (2): Aerovias de Mexico, S.A. de C.V. (1988–)

Aeromonterrey, S.A. de C.V. (1) (1991–1994)

Aeromonterrey, S.A. de C.V. (2) (1993–)

Aeronaves de Mexico, S.A. de C.V. (1934–1971)

Aeronaves de Michoacan, S.A. de C.V. (1948–1951)

Aeropoiente: Aerovias de Poiente, S.A. de C.V. (1994–1996)

Aero Safari, S.A. de C.V. (1961–1966)

Aerosierra del Durango, S.A. de C.V. (1990–1993)

Aerotron, S.A. de C.V. (1990–)

Aerovias Azteca, S.A. de C.V. (1944–1945)

Aerovias Caribe, S.A. de C.V. (1973–)

Aerovias Centrales, S.A. de C.V. (1932–1935)

Aerovias Contreras, S.A. de C.V. (1947–1955)

Aerovias del Centro, S.A. de C.V. (1962–1969)

Aerovias del Sur, S.A. de C.V. (1959–1969)

Aerovias Guest, S.A. de C.V. (1946–1962)

Aerovias Oaxaquenas, S.A. de C.V. (1990–)

Aerovias Reforma, S.A. de C.V. (1946–1955)

Air Monarch, S.A. de C.V. (2000–)

Airex, S.A. de C.V. (1983–)

ALASA: Aerovias Latino Americanas, S.A. de C.V. (1945–1959)

Alcon Servicios Aereos, S.A. de C.V. (1990–2001)

Allegro Air: Lineas Aereas Allegro, S.A. de C.V. (1992–)

ANSA: Aerolineas Nacionales, S.A. de C.V. (1988–1990)

ATSA: Lineas Transcontinentales de Aero-Transportes, S.A. de C.V. (1943–1959)

AVIACSA: Aviacion de Chiapas, S.A. de C.V. (1990–)

Aviesa (1995–)

Azteca Cargo, S.A. de C.V. (1994–1995)

Bonanza Aerolineas, S.A. de C.V. (1997–)

Carga del Caribe, S.A. de C.V. (1994–)

CAT: Corporacion de Aeronautica de Transportes, S.A. de C.V. (1929–1932)

CAVSA: Comunicaciones Aereas de Veracruz, S.A. de C.V. (1934–1945)

- CMA: Compania Mexicana de Aviacion, S.A. de C.V. (1924–1956)
 CMTA: Compania Mexicana de Transportacion Aerea, S.A. de C.V. (1921–1924)
 Compania Aeronautica del Sur, S.A. de C.V. (1930–1943)
 Compania de Transportes Aereos Mexico-Cuba, S.A. de C.V. (1931–1932)
 Compania Tabasquena de Aviacion, S.A. de C.V. (1945–1970)
 Consorcio Aviaxsa, S.A. de C.V. (1990–)
 Estrellas del Aire, S.A. de C.V. (1992–1996)
 GPA: Golfo y Pacifico Aerotransportes, S.A. de C.V. (1945–1948)
 Inter-America, S.A. de C.V. (1993–1994)
 International Corporate and Cargo Service, S.A. de C.V. (1994–1995)
 Interstatal de Aviacion, S.A. de C.V. (1980–1986)
 LAGOSA: Lineas Aereas Guerrero-Oaxaca, S.A. de C.V. (1946–1950)
 LAMSA: Lineas Aereas Mexicanas, S.A. de C.V. (1944–1953)
 LAMSA: Lineas Aereas Mineras, S.A. de C.V. (1934–1944)
 LAO: Lineas Aereas Occidentales, S.A. de C.V. (1933–1935)
 LATUR: Lineas Aereas Latur, S.A. de C.V. (1988–1991)
 LAUMSA: Lineas Aereas Mexicanas Unidas, S.A. de C.V. (1950–1964)
 Lineas Aereas de California, S.A. de C.V. (1958–1960)
 Lineas Aereas del Centro, S.A. de C.V. (1975–1982)
 Lineas Aereas Mixtecas, S.A. de C.V. (1956–1970)
 Magnicharters, S.A. de C.V. (1994–)
 MAS Air: Aerotransportes MAS de Carga, S.A. de C.V. (1990–)
 Mexicana Airlines, S.A. de C.V. (1956–)
 Noroeste: Aviacion del Noroeste, S.A. de C.V. (1988–1996)
 Puebla Aerolineas, S.A. de C.V. (1994–1996)
 Quassar: Quassar de Mexico, S.A. de C.V. (1992–1995)
 RAMSA: Red Aerea Mexicana, S.A. de C.V. (1943–1947)
 SACS: Aervicios Aereos de Chiapas, S.A. de C.V. (1948–1955)
 SAESA: Servicios Aereos Especiales, S.A. de C.V. (1960–1977)
 SAM: Servicios Aereos de Michoacan, S.A. de C.V. (1949–1969)
 SAM: Servicios Aerolineas Mexicanas, S.A. de C.V. (1992–)
 SARO: Servicios Aereos Rutas Oriente, S.A. de C.V. (1991–)
 Servicio Aereo Baja, S.A. de C.V. (1958–1971)
 Servicio Aereo Gomez Mendez, S.A. de C.V. (1953–1966)
 Servicio Aereo Leo Lopez, S.A. de C.V. (1943–)
 Servicio Aereos Panini, S.A. de C.V. (1934–1948)
 Servicios Aereos Aviles, S.A. de C.V. (1968–)
 Servicios Aereos Madero, S.A. de C.V. (1961–1969)
 Servicios Aereos Regiomontanos, S.A. de C.V. (1969–)
 Servicios Aereos Solis, S.A. de C.V. (1959–1969)
 Servicios Aereos Zarate, S.A. de C.V. (1938–1942)
 TACH: Transportes Aereos de Chiapas, S.A. de C.V. (1933–1939)
 TACSA: Transportes Aereos de Carga, S.A. de C.V. (1960–1984)
 TAESA: Transportes Aereos Ejecutivos, S.A. de C.V. (1988–2000)
 TAJ: Transportes Aereos de Jalisco, S.A. de C.V. (1936–1954)
 TAMSA: Transportes Aereos Mexicanos, S.A. de C.V. (1943–1960)
 TANS: Transportes Aereos de Nayarit, S.A. de C.V. (1958–)
 TAO: Taxi Aereo de Oaxaca, S.A. de C.V. (1938–1943)
 TAP: Transportes Aereos del Pacifico, S.A. de C.V. (1935–1941)
 TAT: Transportes Aereos Terrestres, S.A. de C.V. (1948–1990)
 TAT: Transporte Aereos de Tampico, S.A. de C.V. (1940–1950)
 Taxi Aereo de Mexico, S.A. de C.V. (1981–)
 Tigres Voladores, S.A. de C.V. (1955–1959)
 VARSA, S.A. de C.V. (1992–1993)
 Westair de Mexico, S.A. de C.V. (1997–)
- Montserrat
 LIAT: Leeward Islands Air Transport, Ltd. (1956–)
 MAS: Monserrat Aviation Services, Ltd. (1980–)
- Netherlands Antilles
 ALM: Antillean Airlines, N.V. (1969–)
 ALM: Anillaanse Luchvaart Maatschappij, N.V. (1935–1969)
 CLTM Airlines: Carabische Luch Transport, Maatschappij, N.V. (1962–1986)
 WIA: Windward Islands Airways International, N.V. (1961–)
- Nicaragua
 Aeronica: Aerolineas Nicaraguenses, S.A. (1981–)
- La Costena Airlines, S.A. (1993–)
 LANEP: Lineas Aereas de Nicaragua, Empresa Palazios, S.A. (1934–1935)
 LANEV: Lineas Aereas de Nicaragua, Empresa Vendetti, S.A. (1933–1934)
 LANICA: Lineas Aereas de Nicaragua, S.A. (1944–1981)
 NICA: Nicaraguense de Aviation, S.A. (1992–)
- Panama
 ADSA: Aerovias Darienitas, S.A. (1960–1990)
 Aeroperlas: Aerolineas Pacifico Atlantico, S.A. (1970–)
 Aerovias Las Americas, S.A. (1994–)
 AFISA: Aeroflets Internacionales, S.A. (1966–1972)
 AGSA: Aviacion General, S.A. (1948–1961)
 Air Panama International, S.A. (1966–1991)
 ALAS Chiricanas: Compania Alas Chiricana, S.A. (1989–1996)
 ANSA: Aerolineas Nacionales, S.A. (1988–1996)
 APA: Aerovias Panama, S.A. (1956–1965)
 APASA: Aerovias Panama, S.A. (1965–1966)
 Aviones de Panama, S.A. (1964–1986)
 AVISPA: Aerovias Interamericanas de Panama, S.A. (1951–1956)
 Balboa Airlines: Aerovias Internacional Balboa, S.A. (1962–1971)
 Chitreana: Compania de Aviacion, S.A. (1964–)
 Compania de Transportes Aereos Gelabert, S.A. (1935–1941)
 COPA: Compania Panamena de Aviacion, S.A. (1944–)
 DHL Aero Express, S.A. (1996–)
 INAIR: Internacional de Aviacion, S.A. (1967–1987)
 Isthmian Airways, S.A. (1929–1933)
 Pacific International Airlines, S.A. (1993–)
 PAI: Panama Air International, S.A. (1991–)
 PAISA: Panamena de Aviacion Internacional, S.A. (1967–1969)
 Panama Aeronautica, S.A. (1960–1962)
 Panama Airways, S.A. (1936–1941)
 Panama Cargo Three, S.A. (1993–1994)
 Panavia, S.A. (1994–)
 Parsa, S.A. (1990–)
 PIA: Pacific International Airlines, S.A. (1993–)
 RAPSA: Rutas Aereas Panamenas, S.A. (1944–1972)
 Taxi Aero Panameno, S.A.
 Trans Canal Airways, S.A. (1998–)
 Trans-Latin Air, S.A. (1990–1994)
- Paraguay
 ARPA: Aerolineas Paraguayas, S.A. (1994–)
 LADESA: Lineas Aereas del Este, S.A. (1994–)
 LAP Paraguayan Airlines, S.A. (1962–1994)
 LAPSA Air Paraguay, S.A. (1994–1996)
 LAPSA: Lloyd Aereo Paraguayo, S.A. (1960–1965)
 LATN: Linea Aerea de Transporte Nacional, S.A. (1944–1956)
 Paraguay Air Services: Servicios Aereos del Paraguay, S.A. (1957–1958)
 TAM: Transportes Aereo Militar (1954–1988)
- Peru
 Aero Chasqui, S.A. (1989–1991)
 Aero Condor, S.A. (1975–)
 Aero Continente, S.A. (1992–)
 Aeronaves del Peru, S.A. (1965–)
 Aero Peru: Empresa de Transportes Aereos de Peru, S.A. (1973–2000)
 Aero Santa, S.A. (1994–)
 Aerovias Amazonas, S.A. (1961–1965)
 Americana de Aviacion, S.A. (1991–1997)
 ANDES: Aerovias Nacionales del Sur, S.A. (1948–1951)
 ANDREA, S.A. (1990–1992)
 APSA: Aerolineas Peruanas, S.A. (1956–1971)
 ATAPSA: Aerovias Trans-America Peru, S.A. (1964–1967)
 CAMSA: Compania Aereo Mercantil, S.A. (1947–1957)
 CAP: Compania Aerovias Peruanas, S.A. (1934–1938)
 CAP: Compania de Aviacion Peruana, S.A. (1991–1992)
 Cielos del Peru, S.A. (1997–)
 COPISA: Compania Peruana Internacional de Aviacion, S.A. (1964–1973)

- Deutsche Lufthansa Sucursal en Peru, S.A. (1938–1941)
 Empresa Andoriente, S.A. (1960–1966)
 Expresso Aereo Peruano, S.A. (1) (1956–1962)
 Expresso Aereo Peruano, S.A. (2) (1991–)
 Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A. (1928–1998)
 Imperial Air, S.A. (1993–1996)
 LanPeru, S.A. (1998–)
 LANSA: Lineas Aereas Nacionales, S.A. (1963–1972)
 Linea de Aviacion Condor Tampa, S.A. (1935–1941)
 Peruvian Airways Corporation, S.A. (1928–1929)
 PIA: Peruvian International Airways, S.A. (1946–1949)
 RIPSAs: Rutas Internacionales Peruanas, S.A. (1961–1968)
 SASA: Servicios Aereos, S.A. (1981–1995)
 SATCO: Servicio Aereo de Transportes Comerciales, S.A. (1963–1973)
 Sitra Cargo System, S.A. (1992–1993)
 TACA Peru, S.A. (1999–)
 TANS: Transportes Aereos Nacionales de la Selva, S.A. (1963–)
 TAPSA: Transportes Aereos Peuranos, S.A. (1946–1965)
 Trans Amazon, S.A. (1992–)
 Transperuana: Compania de Aviacion Transperuana, S.A. (1) (1961–1970)
 Transperuana: Compania de Aviacion Transperuana, S.A. (2) (1997–1998)
 St. Kitts and Nevis
 Nevis Express, Ltd. (1993–)
 St. Lucia
 HelenAir Castries Corporation, Ltd. (1987–)
 St. Luica Airways, Ltd. (1975–1987)
 Winlink, Ltd. (1982–1984)
 St. Vincent and the Grenadines
 LIAT: Leeward Islands Air Transport, Ltd. (1956–)
 Mustique Airways, Ltd. (1979–)
 St. Vincent and Grenadines Air Service, Ltd. (1976–1982)
 SVG Air, Ltd. (1991–1999)
 Vincent and Granada Air, Ltd. (1999–)
 Surinam
 GUM Air, B.V. (1974–)
 SLM: Surinam Airways, N.V. (1975–)
 Trinidad and Tobago
 Air Caribbean, Ltd. (1991–2000)
 Arawak Airlines, Ltd. (1970–1973)
 Caribbean Air Cargo, Ltd. (1979–1983)
 Caribbean Air Cargo, Ltd. (Caricargo) (1979–1993)
 Caribbean United Airways, Ltd. (1973–1974)
 LIAT: Leeward Islands Air Transport, Ltd. (1956–)
 Nealco Air Services, Ltd. (1984–)
 TTAS: Trinidad and Tobago Air Service, Ltd. (1974–1981)
 Turks & Caicos Islands
 Air Turks and Caicos, Ltd. (1976–1979)
 TCI Sky King Charters, Ltd. (1996–)
 Turks and Caicos Airways, Ltd. (1983–)
 Turks and Caicos National Airline, Ltd. (1979–1983)
 Uruguay
 Aero Uruguay, S.A. (1977–1991)
 Aerolineas Uruguayas, S.A. (1990–)
 ALAS: Atlantida Linea Aerea Sudamericana, S.A. (1978–1979)
 ARCO: Aerolineas Colonia, S.A. (1957–1987)
 CAUSA: Compania Aeronautica Uruguaya, S.A. (1936–1967)
 PLUNA: Primera Uruguayas de Navegacion Aerea, S.A. (1935–)
 TAMU: Transporte Aereo Militar Uruguayano (1974–)
 Transcontinental Sur, S.A. (1992–1994)
 Venezuela
 Acerca, S.A. (1992–1993)
 Aero B Venezuela, S.A. (1976–1983)
 Aerolatin: Aerolineas Latinas, S.A. (1989–)
 Aeronaves del Centro, S.A. (1980–)
 Aeropostal Airlines see LAV Venezuelan Airlines, S.A.
 Aerotuy, C.A.: Linea Turistica Aerotuy (1990–)
 Air Global, S.A. (1997–)
 Air Venezuela, S.A. (1996–2001)
 Aquilas Venezolanas, C.A. (1961–1962)
 ASERCA: Aerolineas Regional de Centro, C.A. (1993–)
 AVENSA: Aerovias Venezolanas, S.A. (1943–)
 Aviacion Nacional Venezolana, S.A. (1933–1935)
 CAVE: Compania Aerea Viajes Expresos, S.A. (1987–1994)
 Industria Aero Agricola, C.A. (IAACA) (1995–)
 Interamericana Cargo Venezuela, S.A. (1982–1995)
 LAI: Linea Aerea IAACA, C.A. (1995–)
 LASER: Lineas Aereas de Servicio Ejecutivo regional, S.A. (1993–)
 Latin Carga: Latinamericana Aerea de Carga, S.A. (1972–1980)
 LAV Venezuelan Airlines: Linea Aeropostal Venezolana, S.A. (Aeropostal: Alas de Venezuela, S.A.) (1933–)
 LEBCA: Linea Expresa Bolivar, S.A. (1958–1968)
 Linea Aerea TACA de Venezuela, S.A. (1944–1957)
 Lloyd Aviation, C.A. (1990–)
 Multitransporte Aereo, C.A. (1982–)
 RANSA: Rutas Aereas Nacionales, S.A. (1948–1964)
 Rent-a-Charter, S.A. (1985–)
 Rentavion, C.A. (1992–1995)
 RUTACA: Rutas Aereas, C.A. (1977–)
 Santa Barbara Airlines, S.A. (1995–)
 Servivensa, S.A. (1991–)
 Taxi Aereo Nacionales, C.A. (1962–1969)
 Tigres Voladores, S.A. (1962–1972)
 Transcarga: Transportes Aereos de Carga, S.A. (1968–1979)
 Transporte Aereo Transandino, S.A. (1947–1949)
 Transportes Aereos, C.A. (1962–1968)
 VIASA: Venezolana Internacional de Aviacion, S.A. (1960–1997)
 Zuliana de Aviacion, S.A. (1985–1997)

CANADA /UNITED STATES

Canada

- Abitibi Helicopters, Ltd. (1980–)
 Action Aviation, Ltd. (1990–)
 Adlair Aviation (1983), Ltd. (1983–)
 Advance Air Charter, Ltd. (1993–)
 Aero Trades Western, Ltd. (1974–1984)
 Air 2000, Ltd. *See* Air 3000, Ltd.
 Air 3000, Ltd. (1988–1992)
 Air Alberta, Ltd. (1985–1986)
 Air Alliance, Ltd. (1988–1999)
 Air Alma, Ltd. (1959–)
 Air Atlantic, Ltd. (1985–1998)
 Air Atonabee, Ltd. (1971–1984)
 Air Baffin, Ltd. (1989–1996)
 Air Bras D'Or, Ltd. (1986–1987)
 Air Canada, Ltd. (1964–)
 Air Canada Regional, Inc. *See* Air BC; Air Nova, Ltd.; Air Ontario, Ltd.; Canadian Regional Airlines, Ltd.
 Air Charter Systems, Ltd. (1986–)
 Air Club International, Ltd. (1993–)
 Air Creebec, Ltd. (1981–)
 Air Dale, Ltd. (1974–)
 Air 500, Ltd. (1986–)
 Air Gaspee, Ltd. (1952–1982)
 Air Georgian, Ltd. (1994–)
 Air Inuit, Ltd. (1979–)
 Air Labrador, Ltd. (1983–)
 Air Manitoba, Ltd. (1993–1997)
 Air Mikisew, Inc. (1990–)
 Air Montreal, Inc. (1995–)
 Air Muskoka, Ltd. (1992–1993)
 Air Niagara Express, Inc. (1978–1998)
 Air Nootka, Ltd. (1982–1994)
 Air North, Ltd. (1977–)

- Air Nova, Ltd. (1986–2001)
 Air Ontario, Ltd. (1981–2001)
 Air Rainbow, Ltd. (1992–)
 Air Satellite, Ltd. (1968–)
 Air Schefferville, Ltd. (1981–)
 Air Southwest, Ltd. (1988–1992)
 Air Tindi, Ltd. (1988–)
 Air Toronto, Ltd. (1988–1991)
 Air Transat, Ltd. (1987–)
 Air Transit, Ltd. (1974–1976)
 Air Windsor, Ltd. (1961–1982)
 AirBC, Ltd. (1979–2001)
 Airgava, Ltd. (1961–1983)
 Aklak Air, Ltd. (1977–)
 Alberta Citylink, Inc. (1995–2001)
 Alberta Express, Ltd. (1986–1995)
 All Canada Express, Ltd. (1993–1996)
 Alpen Helicopter, Ltd. (1980–)
 Alta Flights (Charters), Ltd. (1995–)
 Athabasca Airways, Ltd. (1955–2000)
 Atlantair, Ltd. (1981–1983)
 Atlantic Airways, Ltd. (1974–1987)
 Atlantic Island Airways, Ltd. (1994–1996)
 Austin Airways, Ltd. (1934–1987)
 Aviation Boreal, Ltd. (1988–)
 Aviation Quebec Labrador, Ltd. (1995–)
 AVWest Charters, Ltd. (1992–)
 Awood Air, Ltd. (1983–)
 B.C. Airlines, Ltd. (1943–1970)
 Barrie Flight Centre, Ltd. (1989–)
 Baxter Air: Baxter Aviation, Ltd. (1985–)
 Bearskin Airlines, Ltd. (1963–)
 Big River Air, Ltd. (1997–)
 Bishop-Barker Aeroplanes, Ltd. (1920)
 Bradley Air Service, Ltd. (1946–)
 Brooker-Wheaton Aviation, Ltd. (1965–1995)
 Brooks Airways, Ltd. (1932–1934)
 Buffalo Airways, Ltd. (1970–)
 Burrard Air, Ltd. (1983–1990)
 Calm Air International, Ltd. (1961–)
 Canada 3000 Airlines, Ltd. (1992–)
 Canadian Air-Crane, Ltd. (1991–)
 Canadian Airlines, Ltd. (1999–2001)
 Canadian Airlines International, Ltd. (1986–1999)
 Canadian Airways, Ltd. (1926–1942)
 Canadian Flying Service, Ltd. (1929–1931)
 Canadian Frontier, Ltd. (1988–1991)
 Canadian Helicopter Corporation, Ltd. (CHC) (1987–)
 Canadian North, Ltd. (1998–)
 Canadian Pacific Air Lines, Ltd. (CPAL) (1942–1986)
 Canadian Regional Airlines, Ltd. (1991–2001)
 Canadian Transcontinental Airways, Ltd. (1927–1930)
 Canair Cargo, Ltd. (1995–1997)
 Canjet Airlines, Ltd. (2000–2001)
 Capital City Air, Inc. (2000–2001)
 Centennial Flight Centre, Ltd. (1967–)
 Central British Columbia Airways, Ltd. (1945–1953)
 Central Canada Air Lines, Ltd. (1926)
 Central Mountain Air, Ltd. (1983–)
 Central Mountain Air, Ltd. (1991–)
 Cherry Red Air Line, Ltd. (1929–1930)
 City Express, Ltd. (1984–1991)
 Classic Helicopter Corporation (1982–)
 Commercial Airways, Ltd. (1929–1930)
 Commuter Express, Ltd. (1984–1988)
 Compagnie Aérienne Franco-Canadienne, Ltd. (1927–1930)
 Conair Aviation, Ltd. (1969–)
 Conifair Aviation, Ltd. (1979–)
 Corporate Express, Ltd. (1974–)
 Contact Air, Ltd. (1995–)
 Cougar Helicopters, Ltd. (1984–)
 Coulson Aircrane, Ltd. (1987–)
 Coval Air, Ltd. (1979–1994)
 Coyote Air, Inc., (1998–)
 Crownair, Ltd. (1989–1990)
 Custom Helicopters, Ltd. (1977–)
 Cypress Airlines, Ltd. (1987–1997)
 Day Airways, Ltd. (1980–)
 Destinair Airlines, Ltd. (1993–)
 Dominion Aerial Exploration Company, Ltd. (1922–1926)
 Dorval Air Transport, Inc. (1954–1960)
 Eastern Flying Services, Ltd. (1956–1987)
 Eastern Provincial Airlines, Ltd. (1949–1986)
 J. V. Elliot Air Service, Ltd. (1926–1928)
 Exequire, Inc. (1964–)
 Fairchild Aviation Company, Ltd. (1927–1929)
 First Air, Ltd. (1978–)
 Fortunair Canada, Ltd. (1994)
 Gateway Airlines, Ltd. (1998–)
 Gateway Aviation, Ltd. (1952–1979)
 General Airways, Ltd. (1928–1933)
 Georgian Bay Airlines, Ltd. (1946–1992)
 Ginger Coote Airways, Ltd. (1938–1942)
 Golfe Air Quebec, Ltd. (1955–1982)
 Great Lakes Airlines, Ltd. (1961–1981)
 Great Northern Airways, Ltd. (1965–1972)
 Greyhound Air, Ltd. (1996–1997)
 Harbour Air, Ltd. (1981–)
 Harrison Airways, Ltd. (1960–1976)
 Hawkair Aviation Services, Ltd. (1993–)
 Heli-Max, Ltd. (1976–)
 Helijet Airways, Inc. (1986–2000)
 Helijet International, Inc. (2000–)
 High-Line Airways, Ltd. (1975–1983)
 Hi-Wood Helicopters, Ltd. (1972–)
 Holidair, Ltd. (1988–1990)
 Home Aviation, Ltd. (1996–1999)
 Huisson Aviation (1989), Ltd. (1974–1998)
 Ilford Riverton Airways, Ltd. (1953–1987)
 Inland Air Charters, Ltd. (1980–)
 Innotech Aviation, Ltd. (1970–1989)
 Intair, Ltd. (1989–1991)
 Inter-Canadien Airlines, Ltd. (1) (1988–1989)
 Inter-Canadien Airlines, Ltd. (2) (1991–)
 Inter-Provincial Airways, Ltd. (1929–1930)
 Intercity Air, Ltd. (1983–1986)
 International Cargo Charters Canada, Ltd.: ICC Canada, Ltd. (1997–)
 International Jet Air, Ltd. (1969–1976)
 Jetall Airways, Ltd. (1987–1996)
 KD Air Corporation, Inc. (1994–)
 Keewatin Air, Ltd. (1972–)
 Kelowna Flightcraft Air Charter, Ltd. (1970–)
 Kenn Borek Air, Ltd. (1971–)
 Kenting Earth Sciences, Ltd. (1962–1986)
 Keystone Air Service, Ltd. (1985–)
 KnightHawk Air Express, Inc. (1991–)
 La Ronge Aviation Services, Ltd. (1960–)
 Labrador Airways, Ltd. (1969–)
 Lambair, Ltd. (1938–1981)
 Laurentide Air Services, Ltd. (1921–1925)
 Leavens Bros. Air Services, Ltd. (1927–1946)
 Les Ailes de Charlevoix, Ltd. (1990–)
 Lethbridge Air Service, Ltd. (1966–1969)
 Mackenzie Air Service, Ltd. (1933–1942)
 Maritime Central Airways, Ltd. (MCA) (1941–1963)
 Maritime Global Airlines, Inc. (1991–1997)
 Millardair, Ltd. (1954–1998)

- Minerve Canada, Ltd. (1987–1992)
 Ministic Air, Ltd. (1996–)
 Montair Aviation, Inc. (1992–)
 Morningstar Air Express, Ltd. (1970–)
 Nationair Canada, Ltd. (1984–1993)
 National Air Transport, Ltd. (1932–1933)
 Newfoundland Airways, Ltd. (1948–1983)
 Newfoundland-Labrador Air Transport, Ltd. (1961–1998)
 Nolinor Aviation, Inc. (1992–)
 Norcanair, Ltd. (1965–1987)
 Norcanair, Ltd. (2) (1991–1993)
 Nordair, Ltd. (1956–1987)
 NorOntario: Ontario Northland Air Services, Ltd. (1971–1996)
 North Cariboo Flying Services, Ltd. (1958–)
 North Coast Air Service, Ltd. (1961–1987)
 North Vancouver Air, Ltd. (1994–)
 North Wright Air, Ltd. (1994–1997)
 North Wright Airways, Ltd. (1997–)
 Northern Aerial Minerals Exploration, Ltd. (1928–1930)
 Northern Air Services, Ltd. (1925)
 Northern Mountain Helicopters, Inc. (1959–)
 Northern Thunderbird Air, Ltd. (1973–)
 Northland Air Manitoba, Ltd. (1983–1987)
 Northward Aviation, Ltd. (1965–1980)
 Northway Aviation, Ltd. (1964–)
 Northwest International Jet, Ltd. (1993–)
 Northwest Territorial Airways, Ltd. (NWT Air) (1961–1998)
 Northwestern Air Leases, Ltd. (1994–1996)
 Northwinds Northern, Ltd. (1988–1996)
 Odyssey International, Ltd. (1988–1992)
 Okanagan Helicopters, Ltd. (1947–1987)
 Ontario Central Airlines, Ltd. (1947–1987)
 Ontario Express, Ltd. (1987–1992)
 Ontario Worldair, Ltd. (1976–1981)
 Osprey Wings, Ltd. (1995–)
 Owen Sound Air Services, Ltd. (OSAS) (1973–1979)
 Pacific Airways, Ltd. (1925–1928)
 Pacific Coastal Airlines, Ltd. (1986–)
 Pacific Spirit Air, Ltd. (1997–)
 Pacific Western Airlines, Ltd. (PWA) (1953–1987)
 Patricia Airways, Ltd. (1928–1929)
 Patricia Airways and Exploration, Ltd. (1925–1928)
 Peace Air, Ltd. (1962–)
 Pem Air, Ltd. (1970–)
 Perimeter Airlines, Ltd. (1976–)
 Points of Call Airlines, Ltd. (1985–1990)
 Powell Air, Ltd. (1960–1985)
 Prince Edward Air, Ltd. (1995–)
 Propair, Inc. (1987–)
 Propair, Ltd. (1981–1984)
 Provincial Airlines, Ltd. (1972–)
 Ptarmigan Airways, Ltd. (1961–1995)
 Quebec Airways, Ltd. (1941–1949)
 Quebec Aviation, Ltd. (1970–1985)
 Quebecair, Ltd. (1953–1987)
 Quebecair Inter, Ltd. (1984–1987)
 Queen Charlotte Airlines, Ltd. (1946–1955)
 Ram Air, Ltd. (1971–1985)
 Ramsey Airways, Ltd. (1992–1994)
 Regionnair, Ltd. (1992–)
 Rimouski Airlines, Ltd. (1946–1953)
 Royal Airlines, Ltd. (1979–2001)
 Sabourin Lake Airways, Ltd. (1961–1998)
 Saint Felicien Air Services, Ltd. (1957–1980)
 Saskair: Saskatchewan Government Airways, Ltd. (1947–1965)
 Sealand Helicopters, Ltd. (1975–1987)
 Shuswap Air: Shuswap Flight Center, Ltd. (1989–)
 Silvertip Aviation, Ltd. (1994–)
 Simo Air, Ltd. (1989–1998)
 Simpson Air, Ltd. (1979–1989)
 Skycraft Air Transport, Ltd. (1972–1994)
 Skyjet Aviation, Inc. (1994–)
 Skylink Airlines, Ltd. (1983–1989)
 Skylink Aviation, Inc. (1988–)
 Skyservice Airlines, Ltd. (1986–)
 Skytech Aviation, Ltd. (1968–)
 Skywalker, Ltd. (1986–1988)
 Skyward Aviation, Ltd. (1995–)
 Soundair Express, Ltd. (1979–1990)
 South Nahanni Airways, Ltd. (1996–)
 Southern Frontier Airlines, Ltd. (1977–1985)
 Southwest Airways, Ltd. (1990–)
 Sowind Air, Inc. (1991–)
 Summit Air Charters, Ltd. (1987–)
 Sunwest Home Aviation, Ltd. (1999–)
 Sunwest International Aviation Services, Ltd. (1986–1999)
 Swiftair Cargo, Ltd. (1980–1983)
 Tempus Air, Ltd. (1988–1989)
 Thunder Airlines, Ltd. (1990–)
 Timberline Air, Ltd. (1989–1997)
 Time Air, Ltd. (1966–1993)
 Titan Charter Aviation (Astoria), Ltd. (1995–)
 Torontair, Ltd. (1979–1986)
 Tradewinds Aviation, Ltd. (1982–1990)
 Trans Capital Airways, Ltd. (1994–)
 Trans Canada Air Lines, Ltd. (TCA) (1937–1964)
 Trans North Air, Ltd. (1966–1987)
 Trans Provincial Airlines, Ltd. (1964–1993)
 Transair, Ltd. (1956–1979)
 Transfair, Inc. (1971–)
 Transwest Air, Ltd. (2000–)
 Trillium Air, Ltd. (2000–)
 Truro Flying Club, Inc. (1972–)
 Tyee Air, Ltd. (1960–1985)
 United Air Transport, Ltd. (1937–1938)
 Vacationair, Ltd. (1988–1990)
 Vancouver Island Helicopters, Ltd. (1955–)
 Vic Turner, Ltd. (1966–1971)
 Vision Air, Inc. (1995–)
 Vision Airways, Ltd. (1993–1995)
 Vistajet, Ltd. (1997)
 Voyageur Airways, Ltd. (1983–)
 Waglisla Air, Ltd. (1984–1996)
 Wardair Canada, Ltd. (1946–1989)
 Wasaya Airways, Ltd. (1993–)
 West Wind Aviation, Ltd. (1995–)
 Western Canada Airways, Ltd. (1926–1930)
 Westjet, Ltd. (1996–)
 Wheeler Airlines, Ltd. (1921–1964)
 Wilderness Air (1975), Ltd. (1975–)
 Winnport Logistics, Ltd. (1998–)
 World Wide Airways, Ltd. (1945–1966)
 Worldway Airlines, Ltd.: Worldways Canada, Ltd. (1975–1991)
 Yukon Airways and Exploration, Ltd. (1927–1930)
 Yukon Southern Air Transport, Ltd. (1938–1942)
- United States**
 AAA Air Enterprises (1980–1985)
 Aaxico Airlines (1945–1965)
 A & M Aviation (1992–)
 Abilene Aero-Lubbock Aero (1968–)
 A-B-C Airlines (1965–1966)
 Abel American Jets (1987–)
 Academy Airlines (1980–)
 AccessAir (1998–2001)
 Ace Aerial Service (1994–)
 ACM Aviation (1981–)
 Action Airlines (1979–)
 Addison Aviation Services (1988–)

- Adirondack Airlines (1991)
 Advantage Airlines (1992)
 Aerial Transit Company (1984–)
 Aerie Airlines (1971–1979)
 Aero-Dyne Airlines (1965–1985)
 Aero Air (1935–)
 Aero Charter (1965–)
 Aero Coach Aviation International (1981–1992)
 Aero Commuter Airlines (1967–1969)
 Aero Freight (1979–)
 Aero International Airlines (1982–1984)
 Aero, Ltd. (1919–1922)
 Aero Southwest (1975)
 Aero Taxi (1) (1969–)
 Aero Taxi (2) (1988–)
 Aero Trans Colombia de Cargo (1993–1994)
 Aero Union (1959–)
 Aero Virgin Islands (1977–1991)
 Aeroamerica (1974–1982)
 Aerodynamics (1959–)
 Aeroflex Corporation (1958–1968)
 Aerogenesis Aviation (1990–)
 Aeromarine Airways (1920–1924)
 Aeromech Airlines (1964–1983)
 Aeron International Airways (1983–1989)
 Aeronautical Services (1973–1992)
 Aeronaves de Puerto Rico (1982–1983)
 Aerosmith Aviation (1991–)
 Aerostar (1979–1984)
 Aerosun International Airlines (1981–1983)
 Aerotransit (1979–1980)
 AFS Airlines (1981–1984)
 Agro Air International (1975–1992)
 Agro Air International Dominicana (1992–)
 Air-Serv International (1991–)
 Air Activities (1955–1958)
 Air Ambulance Care (1983–)
 Air America (1) (1979–1990)
 Air America (2) see Wings of Alaska
 Air America Jet Charter (1981–)
 Air and Sea Charter (1996–)
 Air Anguilla (1976–)
 Air Arkansas (1976–1977)
 Air Associates, Inc. (1972)
 Air Atlanta (1981–1987)
 Air Atlantic (1976)
 Air Atlantic Airlines (1978–1982)
 Air Bahia (1979–1980)
 Air Best de Puerto Rico (1971–1973)
 Air California (1965–1981)
 Air Cargo Carriers (1986–)
 Air Cargo Enterprises (1979–1984)
 Air Cargo Express (1983–)
 Air Cargo Transport Corporation (1945–1948)
 Air Caribbean (1975–1979)
 Air Caribe International (1983–1991)
 Air Carolina (1977–1980)
 Air Castle (1982–)
 Air Center Helicopters (1986–)
 Air Central (1) (1972–1973)
 Air Central (2) (1978–1979)
 Air Central (3) (1979–1980)
 Air Chaparral (1980–1983)
 Air Charter One (1995–)
 Air Charter Services (1968–1969)
 Air Charters (1981–)
 Air Chico (1980–1982)
 Air Colorado (1980–1982)
 Air Commuter Airlines (1967–1968)
 Air Cortez (1976–1987)
 Air Direct Airways (1990–)
 Air Enterprises (1966–1968)
 Air Express Corporation (1932–1933)
 Air Express International Airlines (1979–1988)
 Air Ferries (1930–1933)
 Air Fleets International (1980)
 Air Florida (1971–1984)
 Air Frater (1997–)
 Air Freight Express (1982–1985)
 Air Hawaii (1) (1967–1982)
 Air Hawaii (2) (1985–1986)
 Air Hyannis (1977–1982)
 Air Illinois (1968–1985)
 Air Indies (1967–1973)
 Air Irvine (1981–1983)
 Air Kentucky Airlines (1974–1989)
 Air LA (1979–1996)
 Air Lift Associates (1979–1990)
 Air Link (1981–1984)
 Air Margarita (1993–1994)
 Air Miami (1978–1982)
 Air Micronesia (1967–1993)
 Air Mid-East (1968–1971)
 Air Midway (1992–)
 Air Midwest (1965–)
 Air Mike Express (1990–)
 Air Molokai (1982–1996)
 Air Mont (1975–1984)
 Air Nashua Corporation (1977–1979)
 Air National (1981–1985)
 Air Nebraska (1977–1981)
 Air Nevada (1974–1998))
 Air New England (1970–1981)
 Air New Mexico (1980–1981)
 Air New Orleans (1981–1988)
 Air Niagra (1982–1985)
 Air North (1967–1984)
 Air North (Yukon Air Services) (1976–1991)
 Air Olympic (1981–1982)
 Air One (1) (1981–1985)
 Air One (2) (1998–1999)
 Air Oregon (1980–1982)
 Air Orlando Charter (1987–)
 Air Pac Airlines (1978–1986)
 Air Pennsylvania (1980–1982)
 Air Puerto Rico (1986–1992)
 Air Resorts Airlines (1975–1996)
 Air Response/Orlando Jets (1986–)
 Air Ruidoso (1987–1989)
 Air Sedona (1983–1993)
 Air Shannon (1966–1967)
 Air Sierra (1980–1982)
 Air South (1) (1967–1975)
 Air South (2) (1982–1985)
 Air South (4) (1993–1997)
 Air Spirit (1984–1985)
 Air Sunshine (1) (1971–1978)
 Air Sunshine (2) (1983–)
 Air Taxi Associates (Eastern Air Taxi) (1964–1966)
 Air Taxi Company (Red Bank) (1960–1968)
 Air Tour Acquisition Corporation (1992–)
 Air Train (1987–1989)
 Air Transit (1959–1968)
 Air Transport (1979–)
 Air Transport International, L.L.C. (1980–)
 Air 21 (1995–1997)
 Air U.S. (1974–1983)
 Air Vantage (1990–)

- Air Vectors (1976–1985)
 Air Vegas (1983–)
 Air Vermont (1981–1984)
 Air Virginia (1) (1979–1985)
 Air Virginia (2) (1995–)
 Air West (1) (1968–1970)
 Air West (2) (1984–1985)
 Air West (3) (1992–)
 Air West Airlines (1992–1995)
 Air West Aviation (1993–)
 Air Wisconsin (1965–1993)
 Air-Pak Airlines (1967–1973)
 Air-Serv International (1991–)
 Airbama (1978–1979)
 Airborne Cargo (1945–1947)
 Airborne Express (1946–)
 AirCal (1981–1987)
 Aircraft Charter Group (1983–)
 Aircraft Services Group (1990–)
 Airlift International (1963–)
 Airline Feeder System (1937–1939)
 Airline Transport Carriers (1947–1962)
 Airline of the Americas (1992–)
 Airmarc Airlines (1983–1984)
 Airmark Aviation (1992–1993)
 Airmark Corporation (1980–1984)
 Airnet Systems: Airnet Express (1974–)
 AirNews (1949–1951)
 Airnow (1999–)
 AirPac Airlines (1976–)
 Airspur Airlines (1981–1985)
 Airstar International (1972–)
 Airvia Transportation Company (1929)
 Airways International (1980–1997)
 Airways of New Mexico (1979–1985)
 Akland Helicopters (1980–1986)
 Alair (1977–1978)
 Alamo Airways (1966–1968)
 Alamo Commuter Airlines (1979–1983)
 Alamo Jet (1985–)
 Alaska Aeronautical Industries (1954–1986)
 Alaska Air Guides (1954–)
 Alaska Air Taxi (1995–)
 Alaska Air Transit (1985–)
 Alaska Air Transport (1935–1939)
 Alaska Airlines (1944–)
 Alaska Airventures (1982–1991)
 Alaska Central Airways (1972–1983)
 Alaska Central Express (1994–)
 Alaska Coastal Airlines (1) (1939–1962)
 Alaska Coastal Airlines (2) (1980–)
 Alaska Coastal-Ellis Air Lines (1962–1968)
 Alaska Helicopters (1951–1995)
 Alaska International Air (1972–1984)
 Alaska Island Air (1988–)
 Alaska Island Airlines (1959–1986)
 Alaska North Flying Service (1976–1987)
 Alaska River Safaris (1981–1987)
 Alaska Seaplane Service (1954–)
 Alaska Southcoast Airways (1960–1974)
 Alaska Southern Airways (1922–1934)
 Alaska Travel Air (1978–1991)
 Alaska-Washington Airways (1929–1932)
 Alaskan Airways (1928–1932)
 Albany Air Service (1977–1978)
 Albany Air Service and Athens Aviation (1964–1970)
 Alector Airways (1976–1977)
 Alii Air Hawaii (1969–1975)
 All American Aviation (1937–1953)
 All Island Air (1973–1980)
 All Seasons Air Pacific (ASAP) (1981–1983)
 All Star Airlines (1983–1985)
 Allegheny Airlines (1) (1953–1979)
 Allegheny Airlines (2) (1992–)
 Allegheny Commuter (1989–1992)
 Allegiant Air (1998–)
 Allen Air Commuter (1967–1975)
 Alliance Airlines (1984–1994)
 Aloha Airlines (1959–)
 Aloha Island Air (1987–)
 Alpha Air (1983–)
 Alpha Airlines (1969–1970)
 Alpha Aviation (1982–)
 Alpine Air (1977–)
 Alpine Aviation Corporation (1980–1981)
 Alpine Lake Aviation (1989–)
 Altair (1963–1966)
 Altair Airlines (1966–1982)
 Altus Airlines (1963–1989)
 Alyeska Air Service (1982–1989)
 Amarillo Airport Corporation (1929)
 Amav (1990–)
 Ambassador Airlines (1963–1968)
 Amelia Airways (1993–)
 America Trans-Oceanic Company (1916–1921)
 America West Airlines (1981–)
 America West Express (1) (1992–1994)
 America West Express (Mesa Air Group) 1997–
 Americair (1983–1984)
 American Air Express (1945–1947)
 American Airlines (1934–)
 American Airways (1) (1921–1922)
 American Airways (2) (1930–1934)
 American Airways Charters (1979–1982)
 American Carrier Corporation (1970–1971)
 American Central Airlines (1) (1978–1979)
 American Central Airlines (2) (1980–1985)
 American Eagle Airlines (1) (1980–1981)
 American Eagle Airlines (2) (1998–)
 American Export Airlines (AMEX) (1937–1945)
 American Flyers Airline (1949–1971)
 American Inter-Island (1977–1982)
 American International Airways (1) (1945–1948)
 American International Airways (2) (1980–1984)
 American International Airways (3) (1991–1999)
 American Jet (1982–)
 American Jet Charter (1986–)
 American Overseas Air Lines (AOA) (1945–1950)
 American Trans Air (1973–)
 Ameriflight (1968–)
 Amerijet International (1974–)
 Ameristar Jet Charter (1982–)
 Amistad Airline (1967–1980)
 Amphibian Air Transport Service (1947–1949)
 Anchorage Airways (1981–1983)
 Anderson Aviation Sales (1968)
 Andrew Flying Service (1965–1966)
 Angeles Flying Service (1964–1967)
 Anjill Airlines (1968–1970)
 Antilles Air Boats (1963–1981)
 Apache Airlines (1) (1930)
 Apache Airlines (2) (1957–1973)
 Apex Airlines (1987–1989)
 Apollo Airlines (1969–1981)
 Apollo Airways (1968–1972)
 Apollo Aviation (1973–1974)
 Appalachian Airlines (1977–1980)
 Arawak Aviation (1987–)

- Arcada Flying Service (1981–1984)
 Arctic-Pacific (1958–1959)
 Arctic Circle Air Service (1973–)
 Arctic Transportation Services (1996–)
 Argonaut Airways Corporation (1949–1966)
 Argosy Airlines (1978–1979)
 Arista International Airlines (1979–1984)
 Arizona Air Sedona (1993–1994)
 Arizona Airways (1). *See* Frontier Airlines (1)
 Arizona Airways (2) (1991–1999)
 Arizona Pacific Airlines (1981–1983)
 Arkansas Aero (1973)
 Arkansas Traveler Airlines (1980–1984)
 Armstrong Air Service (1984–1989)
 Aroostock Airways (1965–1973)
 Arrow Air (1983–2001)
 Arrow Airways (1) (1930)
 Arrow Airways (2) (1947–1983)
 ASA: Aerovias Sud Americana, Inc. (1947–1965)
 Asheville Flying Service (1982–1983)
 ASI Charter (1995–)
 Aspen Airways (1953–1991)
 Aspen Mountain Air (1996–1999)
 Aspen Aviation (1981–)
 Associated Air Transport (1952–1962)
 Astec Air East (1980–1982)
 Astor Air (1984–1985)
 Astro Air (1968–1969)
 Astro Airways (1972–1980)
 Atkin Air Charter (1995–)
 Atlanta Express Airline Corporation (1982–1983)
 Atlantic Aero (1990–)
 Atlantic Airways (1923)
 Atlantic & Gulf Coast Airline (1937)
 Atlantic Air (1979–1984)
 Atlantic Aviation Corporation (1927–)
 Atlantic Central Airline (1975–1976)
 Atlantic City Airways (1963–1977)
 Atlantic Coast Airlines (1989–)
 Atlantic Coast Airways Corporation (1929)
 Atlantic Express Airlines (1981–1983)
 Atlantic Gulf Airlines (1983–1986)
 Atlantic Flight Group (1981–)
 Atlantic Gulf Airways (1988–)
 Atlantic Southeast Airlines (1979–)
 Atlantis Airlines (1978–1989)
 Atlas Air (1992–)
 Atlas Airlines (1976)
 Audi Air (1983–1988)
 Austin Express (1998–)
 AV Air (1985–1988)
 AV Atlantic (1992–1997)
 Avalon Air Transport (1953–1963)
 Avastar Jet Charter & Management Services (1996–)
 Avbase Aviation (1993–)
 Aviance International (1988–)
 Aviation Charter (1982–)
 Aviation Methods (1976–)
 Aviation Services (1978–1979)
 Aviation Services, Inc. (ASI) (1965–1969)
 Aviation Services West (1989–1995)
 Avitat (1967–)
 Avjet Corporation (1995–)
 Avsat (1981–)
 Avtech Executive Flight Center (1987–)
 Aztec Airlines (1966–1967)
 B Airways (1988–1990)
 BAS Airlines (1978–1987)
 Bader Express (1985–1986)
 Bahamas International Airlines (1981–1982)
 Baja Airlines (1972–1976)
 Baja Cortez Airlines (1977–1980)
 Baker Aviation (1964–)
 Ball, Clifford (1927–1930)
 Balsam's Air Service (1922)
 Bangor International Airline (1983–1987)
 Bank Air (1965–1971)
 Bankair Commuter Airlines (1973–)
 BancONE Services Corp. (1996–)
 Bar Harbor Airlines (1946–1991)
 Bard Airlines (1980–1981)
 Barken International Airlines (1980–)
 Baron Aviation Services (1978–)
 Barrow Air (1981–1994)
 Basco Flying Services (1990–)
 Basler Airlines (1957–)
 Bass Air Corporation (1980)
 BAX Global (1997–)
 Bay Air (1985–1986)
 Bay Air Executive Jet Charter (1995–)
 Beech Aviation Center (1965–1967)
 Beeson Aviation (1965–1967)
 Bellair (1978–1996)
 Bellingham-Seattle Airways (1964–1967)
 Bemidji Airlines (1981–)
 Bering Air (1979–)
 Berry Aviation (1983–)
 Best Airlines (1981–1985)
 Biegert Aviation (1970–)
 Big Bend Airways (1977–1978)
 Big Horn Airways (1979–)
 Big Island Air (1985–)
 Big Sky Airlines (1979–)
 Bimini Island Air (1992–)
 Bison Air Lines (1962–1964)
 Bird Air Fleet (1972–)
 Biscayne Helicopters (1970–)
 Bizjet Charter Group (1967–)
 Black Swan Jet Charter (1983–)
 Blackhawk Airways (1970–1995)
 Blue Line Air Express (1982)
 Boca Aviation (1989–)
 Bode Aviation (1995–)
 Boeing Air Transport (1927–1931)
 Bohlke International Airways (1959–)
 Boise Air Service (1967–1968)
 Bonanza Air Lines (1945–1968)
 Bonanza Airlines (1985)
 Borinquen Air/Air Puerto Rico (1961–)
 Boston Maine/Central Vermont Airways (1933–1940)
 Boston-Maine Airways (1930–1931)
 Bowen Air Lines (1930–1936)
 Bowman Aviation (1976–)
 Bradford Air Transport (1985–1986)
 Braniff Airways (1930–1948)
 Braniff International Airlines (1991–1992)
 Braniff International Airways (1948–1982)
 Braniff, Inc. (1983–1989)
 Braniff, Paul R., Inc. (1928–1929)
 Branson Airlines (1993–1994)
 Bremerton Air Taxi (1964–1967)
 Bremerton Air Taxi. *See* Crowther Flight Center
 Britt Airways (1975–1991)
 Brockway Air (1983–1989)
 Brooks Fuel (1986–)
 Brower Airways (1968–1980)
 Browers Air Service Corporation (1929–1931)
 Buckeye Air Service (1967–1971)

- Budyer Air (1981–1982)
 Buffalo Airways (1982–1998)
 Buker Airways (1966–1974)
 Burlington Aeroplane Company (1983–1984)
 Burlington Air Express (1986–1997)
 Burlington Airways (1980–1982)
 Burlington Northern Air Freight (1972–1986)
 Bush Air (1979–1983)
 Bush Pilots Air Service (1960–)
 Business Air (1957–1999)
 Business Aircraft Group (1994–)
 Business Aviation (1995–)
 Business Commuter (1976–1980)
 Business Express (1983–)
 Butler Aviation (1979–1980)
 C & M Airlines (1979–1982)
 C-Air (1964–1966)
 Cable Commuter Airlines (1966–1969)
 Cal Sierra Airlines (1980–1981)
 Cal-Aero Airways (1969–1970)
 Cal-Nat Airways (1967–1969)
 Cal-Neva Air (1966–1967)
 Cal-State Airlines (1968–1970)
 Cal-West Airlines (1988–1989)
 Calasia Airlines (1945–1947)
 California Air Charter (1983–1987)
 California Air Commuter (1975–1977)
 California Air Shuttle (1990)
 California Amphibian Transport (1980–1982)
 California Central Airlines (1947–1954)
 California Eastern Air Lines (1) (1946–1948)
 California Eastern Air Lines (2) (1953–1954)
 California Seaboard Airlines (1985–1986)
 California-Nevada Airlines (1976–1977)
 Cam Air International (1983–1984)
 Camai Air (1977–)
 Camel Flying Service (1939–1940)
 Canadian Colonial Airways (1) (1928–1934)
 Canadian Colonial Airways (2) (1935–1942)
 Canadian-American Airlines (1929–1930)
 Cannon Aviation (1) (1966–1968)
 Cannon Aviation (2) (1974–1976)
 Cape & Islands Flight Service (1951–1970)
 Cape Air (1979–)
 Cape Cod Airways (1929)
 Cape Smythe Air Service (1975–)
 Capital Airlines (1948–1961)
 Capital Aviation of Santa Fe (1992–1993)
 Capital Cargo Airlines (1994–)
 Capitol Air (1982–1984)
 Capitol Air Express (1993–)
 Capitol Air Lines (1928–1929)
 Capitol Airlines (1) (1966–1990)
 Capitol Airlines (2) (1993–1995)
 Capitol Airways (1946–1967)
 Capitol Helicopters (1983–1984)
 Capitol International Airways (1967–1982)
 Caravan Airlines (1965–1967)
 Carco Air Service (1963–1973)
 Cardiff & Peacock Air Lines (1933–1934)
 Cardinal Airlines (1968–1976)
 Cardinal Airways (1968–1969)
 Cariba Air (1980–1982)
 Caribbean Air Services (CASAIR) (1) (1968–1979)
 Caribbean Air Services (CASAIR) (2) (1979–1984)
 Caribbean Airlines (1995)
 Caribbean Airways (1991–)
 Caribbean-Atlantic Airlines (CARIBAIR) (1939–1973)
 Caribbean Executive Airlines (1969–1972)
 Caribbean Express (1983–1988)
 Caribbean Helicorp (1995–)
 Caribbean International Airlines (1980–1981)
 Caribbean Island Airways (1969–1975)
 Carnival Air Lines (1989–1997)
 Carson Helicopters (1957–)
 Carver Aero (1951–)
 Cascade Airways (1969–1986)
 Casement Aviation (1965–1969)
 Casino Airlines (1996–)
 Casino Express (1989–)
 Castle Aviation (1984–)
 Catalina Air Lines (1). *See* Avalon Air Transport
 Catalina Air Lines (2) (1955–1959)
 Catalina Air Lines (3) (1978–1981)
 Catalina Air Transport (1941–1942)
 Catalina Channel Airlines (1958–1965)
 Catalina Flying Boats (1993–)
 Catalina Seaboard Airlines (1983–1985)
 Catalina Seaplanes (1) (1965–1983)
 Catalina Seaplanes (2) (1983–1984)
 Catalina-Vegas Airline (1964–1981)
 Catawba Air Transport (1972–1991)
 Catskill Airways (1966–1989)
 Causey Aviation Service (1967–)
 CCAir (1985–1994)
 Centennial Airlines (1981–1987)
 Central Air Transport (1977–1978)
 Central Airlines (1) (1928–1929)
 Central Airlines (2) (1934–1936)
 Central Airlines (3) (1944–1967)
 Central Airlines (4) (1974)
 Central Airlines (5) (1993–)
 Central Airways (1985)
 Central American International (1978–1982)
 Central Flying Service (1975–1978)
 Central Iowa Airlines (1973)
 Central States Airline (1980–1982)
 Central States Airlines (1989–1990)
 Central Texas Airlines (1967–1970)
 Central Texas Airlines (1981–1983)
 Centurion Air Service (1973)
 Century Air Lines (1931–1932)
 Century Airlines (1) (1972–1992)
 Century Airlines (2) (1979–1981)
 Century Airlines (3) (1980)
 Century Airlines (4) (1983–)
 Century Pacific Lines (1931–1932)
 CF Airfreight (1987–1989)
 CFI, Inc. (1985–)
 Chalk's International Airlines (1919–1996)
 Chalk's Ocean Airways (1999–)
 Challenge Air Cargo (1985–)
 Challenge Air International (1984–1987)
 Challenge Air Transport (1978–1987)
 Challenger Airlines (1946–1949)
 Champion Airlines (1995–)
 Champlain Air Transport (1932–1934)
 Channel Air Lift (1966–1970)
 Channel Flying Service (1954–1989)
 Chaparral Airlines (1975–1990)
 Chaparral, Inc. (1979–1996)
 Chaplin Air Line (1919)
 Chartair (1988–1991)
 Charter Airlines (1977–1979)
 Charter Flight (1993–)
 Charter Services (1991–)
 Chatham Aviation (1964–1970)
 Chautauqua Airlines (1972–)

- Check Air (1979–1981)
 Cherokee Airlines (1972–1973)
 Cherokee Airways (1968–1970)
 Chester County Air (1988–1989)
 Chicago Air (1986–1987)
 Chicago and Southern Air Lines (1934–1955)
 Chicago and Southern Airlines (1969–1971)
 Chicago-Detroit Airways (1931)
 Chicago Express Airlines (1993–)
 Chicago Helicopter Airlines (1949–1965)
 Chicago Jet Charter Group (1996–)
 Chinook Air (1984–1985)
 Chipola Aviation (1970–)
 Chippewa Air Commuter (1977–1978)
 Chisum Flying Service of Alaska (1985)
 Chrysler Penastar Aviation (1974–)
 Christman Air System (1977–1992)
 Cincinnati Airlines (1969–1970)
 Circle Rainbow Air (1983–1995)
 Cirrus Air (1976–)
 Clarksburg Airways (1930)
 Clarksville Flying Service (1972–1975)
 Clay Lacy Aviation (1968–)
 Clinton Aero Service (1972–1984)
 Clipper Air International (1975–1976)
 Coast Air (1) (1971–1975)
 Coast Air (2) (1975–1977)
 Coast Airways (1931–1932)
 Coastal Air (1975–1979)
 Coastal Air Transport (1976–)
 Coastal Airways (1) (1928–1929)
 Coastal Airways (2) (1967–1969)
 Coastal Airways (3) (1976–1978)
 Coastal Airways (4) (1989–1993)
 Coastal Aviation (1). *See* Coastal Airways (2)
 Coastal Aviation (2) (1978–1984)
 Coastal Cargo Company (1951–1959)
 Coastal Helicopters (1990–)
 Coastal Plains Commuter (1978–1979)
 Cochise Airways (1971–1982)
 Coleman Air Transport Corporation (1977–1980)
 Coleman Enterprises (1944–)
 Colgan Air (1991–)
 Colgan Airways (1970–1989)
 Colonial Air Lines (1) (1924–1926)
 Colonial Air Lines (1942–1956)
 Colonial Air Transport (1923–1929)
 Colonial Airlines (1975)
 Colonial Western Airways (1927–1929)
 Colorado Airlines (1976–1984)
 Colorado Airways (1926–1927)
 Colorado River Airways (1966–1968)
 Columbia Airlines (1935–1936)
 Columbia Helicopters (1957–)
 Columbia Pacific Airways (1973–1978)
 Colvin Aviation (1980–)
 Comair (1977–)
 Combs Airways (1983–1984)
 Combs Freightair (1957–1985)
 Command Air (1966–1968)
 Command Airways (1951–1991)
 Commercial Air Transport (1928–1930)
 Commutair (1989–)
 Commutair of Michigan (1975–1976)
 Commutaire International Airways (1976–1977)
 Commute Air (1967–1968)
 Commuter Airlines (1) (1962–1982)
 Commuter Airlines (2) (1965–1970)
 Commuter Airlines of Chicago (1966–1970)
 Commuters Air Service (1932)
 Concierge Air (1995–)
 Condor Air Lines (1936)
 Congressional Air Charters (1995–)
 Connectair (1984)
 Conner Air Lines (1983–1991)
 Connie Kalitta Services (1972–1998)
 Conquest Airlines (1988–1997)
 Consolidated Air Lines (1935–1936)
 Continental Air Charter (1948–1953)
 Continental Air Express (1929–1930)
 Continental Air Lines (1927–1928)
 Continental Air Services (1965–1975)
 Continental Airlines (1937–)
 Continental Airways (1930–1932)
 Continental Express (1990–)
 Continental Micronesia (1993–)
 Continental West Airlines (1984–1986)
 Contract Air Cargo (1983–)
 Copper State Airlines (1980–1982)
 Coptco Helicopter Service (1993–)
 Coral Air (1980–1984)
 Cordova Airlines (1936–1967)
 Corporate Air (1981–)
 Corporate Air, Inc. (1978–)
 Corporate Air Management (1985–)
 Corporate Aircraft Management (1993–)
 Corporate Airlines (1998–)
 Corporate Express (1992–)
 Corporate Express Airlines (1997–1998)
 Corporate Flight (1979–)
 Corporate Flight Management (1981–)
 Corporate Helicopters of San Diego (1989–)
 Corporate Jets (1969–)
 Corsairways (1942–1946)
 Cosmopolitan Airlines (1978–1985)
 Courtesy Air Service (1979–1980)
 Crescent Airways (1962–)
 Crest Airlines (1967)
 Cromwell Air Lines (1929–1931)
 Cross Sound Commuter (1970–1974)
 Crow Executive Air (1947–)
 Crown Air (1981–1989)
 Crown Airlines (1978–1979)
 Crown Airways (1969–1993)
 Crown International Airlines (1974–1979)
 Crowther Flight Center: Bremerton Air Taxi (1964–1967)
 CSA Air (1986–)
 Cumberland Airlines (1964–1990)
 Curtiss Flying Service (1929–1932)
 Curtiss Flying Service of the Middle West (1929)
 Custom Air Transport (1995–1998)
 Cutter-Carr Flying Service (1948–1963)
 Cutter Aviation (1928–)
 D & D Aviation (1993–)
 D & S Aviation (1993–)
 Dakota West Airlines (1974–1975)
 DAL Airlines (1963–1968)
 Dallas Express Airlines (1994–1996)
 Danbury Airways (1980–1981)
 Dash Air (1983–1984)
 Davis Air Lines (1930)
 Davis Airlines (1949–1977)
 Dawn Air (1991–1992)
 DB Aviation (1989–)
 Decatur Commuter Airlines (1966–1981)
 DEL Air Cargo: Delaware Air Freight (1967–1974)
 Del Airways (1971)
 Delta Air Lines (1929–)

- Delta Air Service (1979–)
 Des Moines Flying Service (1960–1968)
 Desert Airlines (1) (1979–1981)
 Desert Airlines (2) (1985)
 Desert Commuter Airlines (1968–1970)
 Desert Pacific Airlines (1979–1981)
 Desert Pacific Airways (1979–1980)
 Desert Sun Airlines (1) (1982–1984)
 Desert Sun Airlines (2) (1995–)
 Detroit Northern Airlines (1964–1975)
 Devoe Airlines (1981–1983)
 DHL Airways: DHL Worldwide Courier Express (1969–)
 Diablo Aviation (1991–1993)
 Dickenson, Charles (1926)
 Direct Air (1980–1993)
 Discovery Airlines (1999–2000)
 Discovery Airways (1989–1991)
 Dixie Air (1969–1970)
 Dixie Aviation Corporation (1968–1970)
 Dixie Flying Service (1930–1932)
 Dodge Air Charter (1979–1980)
 Dolphin Airlines (1981–1984)
 Dolphin Atlantic-Gold Aviation Services (1994–)
 Dolphin Express Airlines (1994–)
 Dorado Wings (1963–1981)
 Dovair (1976–1977)
 Dovair Air Transport (1967–1968)
 Downeast Airlines (1) (1968–1980)
 Downeast Airlines (2) (1995–)
 Downeast Charter Flights (1983–)
 Downtown Airlines (1972–1975)
 Drummond Island Air (1989–1991)
 Duncan Aviation (1969–1972)
 Durango Air Service (1990–)
 Dwyer Air Charter (1952–)
 EFS Airlines (1968–1969)
 EAF Charter (1967–)
 Eagle Air (1) (1976–1980)
 Eagle Air (2) (1993–1995)
 Eagle Airline (1985–1986)
 Eagle Airlines (1) (1930)
 Eagle Airlines (2) (1971)
 Eagle Airlines (3) (1978–1981)
 Eagle Airlines (4). *See* Viking International Airlines
 Eagle Aviation (1) (1970–)
 Eagle Aviation (2) (1982)
 Eagle Aviation (3) (1989–)
 Eagle Canyon Airlines (1995–)
 Eagle Commuter Airlines (1976–1986)
 Eagle Helicopters (1980–)
 East Coast Commuter (1963–1970)
 East Coast Flight Services (1990–)
 East Coast Flying Service (1965–1966)
 East Hampton Aire (1978–1991)
 Eastern Air Charter (1981–)
 Eastern Air Lines (1934–1991)
 Eastern Air Transport (1). *See* Colonial Air Transport
 Eastern Air Transport (2) (1930–1934)
 Eastern Caribbean Airways (1975–1980)
 Eastern Carolina Aviation (1980–1981)
 Eastway Aviation (1979–)
 Eastwind Airlines: The Bee Line (1994–1999)
 Ed's Aircraft Service (1972–1973)
 Ede-Aire (1978–1981)
 Edgartown Air (1989–1992)
 Egli Air Haul (1979–)
 Elan Air (1981–1982)
 Elite Aviation (1994–)
 Ellis Air Lines (1936–1962)
 Ellis Air Taxi (1983–)
 Embry-Riddle Company (1925–1932)
 Emerald Air (1978–1991)
 Emery Air Freight (1946–1989)
 Emery Worldwide: A CF Company (1989–)
 Emmet County Aviation (1980–1982)
 Empire Air Lines (1944–1952)
 Empire Airlines (1) (1977–1995)
 Empire Airlines (2) (1979–1986)
 Empire Airways (1977–1995)
 Empire State Airlines (1964–1968)
 Enterprise Airlines (1988–1990)
 ERA Aviation (1947–)
 Erickson Air Crane Company (1972–)
 Erie Airways (1980–1982)
 Essair Lines (1939–1946)
 Eugene Aviation Service (1966–1967)
 Eureka Aero Industries (1978–1982)
 Evergreen International Airlines (1975–)
 Everts Air Fuel (1980–)
 Excelsior Services (1993–)
 Excellair (1983–1984)
 Exec Express I (1985–1988)
 Exec Express II (1988–1991)
 Execjet Charter & Management (1989–)
 Execuair (1972–1979)
 Executive Air Charter (1979–1992)
 Executive Air Charter of New Orleans (1990–)
 Executive Airlines (1) (1967–1973)
 Executive Airlines (2) (1976–1977)
 Executive Airlines (3) (1989–)
 Executive Airlines (4) 1993–
 Executive Aviation (1967–1968)
 Executive Aviation Logistics (1987–)
 Executive Charter Services (1983–1985)
 Executive Flight (1982–)
 Executive Flight Management (1984–)
 Executive Flight Services (1977–1980)
 Executive Jet Aviation (1970–1989)
 Express Aire (1984–1991)
 Express Airlines I (1986–)
 Express Airways (1977–)
 Express.Net Airlines (2000–)
 Express One International (1987–)
 Fairbanks Air Service (1946–1975)
 Falcon Air Express (1996–)
 Far West Airlines (1) (1979–1982)
 Far West Airlines (2) (1984)
 Farwest Airlines (1999–)
 Faryniak, Walter (1965–1968)
 Federal Carriers (1975–1978)
 Federal Express (FedEx) (1971–)
 Fiesta Air (1970–1973)
 Finair Express (1981–1984)
 Fine Air (1992–)
 Finger Lakes Air Service (1920–1922)
 First Air International (1993–)
 First American Airlines (1993–1995)
 Fischer Brothers Aviation (1951–1987)
 F.I.T. Aviation (1968–)
 Five Star Air: Five Star Aircraft (1985–1995)
 Flagship Airlines (1991–)
 Flagship Express (1990–1991)
 Flamenco Airways (1974–)
 Flamingo Air Service (1945–1948)
 Fleet Airlines (1967–1969)
 Fleetway Airlines (1967–1969)
 Fleming International Airways (1973–1983)
 Flight Development, Inc. (1972)

- Flight International Airlines (1984–1985)
 Flight Line (1983–1985)
 Flight Management (1989–)
 Flight Services Group (1982–)
 Flightcraft (1948–)
 Flightstar Corporation (1978–)
 Flightways Air System (1974–1975)
 Flirite (1984–1985)
 Florence Airlines (1969–1974)
 Florida Air (1992)
 Florida Air Cargo (1994–)
 Florida Air Transport (1970–)
 Florida Airlines (1) (1936–1937)
 Florida Airlines (2) (1945–1981)
 Florida Airways (1943–1949)
 Florida Airways Corporation (1926)
 Florida Atlantic Airlines (1968–1969)
 Florida Caribbean Airways (1970–1971)
 Florida Express (1983–1989)
 Florida Gulf Airlines (1991–1997)
 Florida Jet Service (1991–)
 Florida West Airlines (1981–1995)
 Florida West Indies Airways (1919–1920)
 Florida West International Airways (1995–)
 Flying Dutchman Corporation (1975–1976)
 Flying Tiger Line, The (1945–1989)
 Flying W Airways (1968–1970)
 Fontana Aviation (1967–1978)
 Ford Air Freight Lines (1925–1931)
 Fort Vancouver Airlines (1979–1981)
 Fort Wayne Air Service (1963–1967)
 Fort Worth Airlines (1984–1985)
 Forty Mile Air (1970–)
 Foster Aviation (1947–1984)
 Four Sons Flying Service (1978–1979)
 Four Star Aviation (1) (1982–)
 Four Star Aviation (2) (1994–)
 Franklin & Baker Airlines (1934)
 Freedom Air (1983–)
 Freedom Airlines (1) (1980–1982)
 Freedom Airlines (2) (1982–1984)
 Freight Runners Express (1985–)
 Friendship Air Alaska (1986–1990)
 Front Page Tours (1991–1995)
 Frontier Airlines (1) (1950–1986)
 Frontier Airlines (2) (1994–)
 Frontier Commuter (1983–1985)
 Frontier Flying Service (1950–)
 Frontier Horizon (1983–1985)
 FS Air Service (1995–)
 Funair (1998–)
 GCS Air Service (1987–1990)
 Gail Force Express (1995–)
 Galaxy Airlines (1) (1968–1969)
 Galaxy Airlines (2) (1981–1987)
 Galena Air Service (1986–1989)
 Gary Jet Center (1971–)
 Gateway Airlines (1959–1960)
 Gateway Aviation (1968–1969)
 Gem State Airlines (1978–1980)
 Gemini Air Cargo (1995–)
 General Airlines (1967–1968)
 General Aviation (1) (1930)
 General Aviation (2): Greeneville Air (1974–1988)
 General Aviation Services (1966–1967)
 General Transport Services (1990–)
 Geneva International, Ltd./Executive Air Charter (1984–)
 Georgia Air (1970–1972)
 Georgia Jet Executive Charter (1985–)
 Gibson Aviation (1978–)
 Gifford Aviation (1977–1985)
 Gilpin Air Line (1930–1934)
 Glacier Bay Airways (1966–1991)
 Global Executive Charter (1995–)
 Global International Airways (1978–1985)
 Globe Freight Airline (1945–1948)
 Gold Coast Air (1981–1982)
 Gold Coast Airlines (1966–1968)
 Golden Airways (1981–1983)
 Golden Carriage Aire (1979–1982)
 Golden Eagle Air Tours (1984–1995)
 Golden Eagle Airlines (1979)
 Golden Gate Airlines (1980–1981)
 Golden Gate Airways (1960–1961)
 Golden Pacific Airlines (1) (1969–1973)
 Golden Pacific Airlines (2) (1981–1988)
 Golden South Airline (1979–1980)
 Golden State Airlines (1) (1968–1969)
 Golden State Airlines (2) (1986)
 Golden Valley Aero (1982)
 Golden West Airlines (1) (1968–1969)
 Golden West Airlines (2) (1969–1983)
 Gopher Airlines (1968)
 Gordon Air Management Corporation (1984–)
 Gorst Air Transport (1929–1935)
 GP Express Airlines (1977–1996)
 Grand Aire (1985–)
 Grand Airways (1991–1996)
 Grand Aviation (1995–)
 Grand Canyon Airlines (1) (1927–)
 Grand Canyon Airlines (2) (1936–1937)
 Grant Airways (1994–)
 Great American Airways (1979–1997)
 Great Lakes Airlines (1951–1962)
 Great Lakes Airways Company (1921)
 Great Lakes Aviation (1979–)
 Great Lakes Commuter (1972–1974)
 Great Northern Airlines (1975–1980)
 Great Sierra Airlines (1980–1981)
 Great Western Aviation (1990–1991)
 Greater Southwest Aviation (1985)
 Green Bay Airlines (1978–1980)
 Green Bay Airways (1965–1978)
 Green Hills Aviation (1978–1987)
 Green Mountain Airlines (1979–1980)
 Gromer Aviation (1980)
 Gross Aviation (1972–1973)
 GSC Aviation (1993–)
 Guam Marianas Air (1990–1993)
 Gulf Air (1986–1989)
 Gulf Air Lines (1928–1929)
 Gulf Air Taxi (1992–)
 Gulf Air Transport (1979–1986)
 Gulf Central Airlines (1983–1984)
 Gulf Coast Air Line (1923–1931)
 Gulf Coast Airlines (1971–1975)
 Gulf Coast Airways (1928–1929)
 Gulfstream Airlines (1984–1993)
 Gulfstream International Airlines (1989–)
 Gulkana Air Service (1983–1995)
 Gull Air (1974–1987)
 Guy America Airways (1981–1983)
 H & D Aviation (1980–1982)
 Hageland Air: Hageland Aviation Services (1992–)
 Haines Airways (1986–)
 Halisa Air: Haitian Aviation Line, S.A. (1995–)
 Hammonds Commuter Airlines (1977–1984)
 Hanford (Tri-State) Air Lines (1932–1938)

- Hap's Air Service (1953–1995)
 Harbor Air Service (1985–1994)
 Harbor Airlines (1974–2001)
 Harold's Air Service (1974–1986)
 Harrisburg Commuter (1965–1970)
 Harrisburg Jet Center (1954–)
 Hartford Airlines (1966)
 Havasu Airlines (1978–1987)
 Hawaii Express (1982–1983)
 Hawaii Helicopters (1985–)
 Hawaii Pacific Air Cargo (1991–1992)
 Hawaii Pacific Airline (1975–1979)
 Hawaiian Air Tour Service (HATS) (1965–1987)
 Hawaiian Airlines (1941–)
 Hawkeye Airlines (1974)
 Hawkins Airways (1969–1977)
 Heartland Aviation (1960–)
 Heli-Air (1985–1989)
 Helicopter Air Services (1949–1956)
 Helicopter Flight Services (1993–)
 Helicopter Transport Services (1998–)
 Helitrans Air Service (1989–1992)
 Helo Air (1993–)
 Henry's Charter Service (1965–1968)
 Hensley Flying Service (1944–1978)
 Henson Aviation (1962–1993)
 Hermen's Air, Inc. (1970–1990)
 Heussler Air Service (1977–1983)
 Hispanola Airways (1996–)
 Hogan Air (1993–)
 Holiday Airlines (1) (1960)
 Holiday Airlines (2) (1965–1966)
 Holiday Airlines (3) (1968–1975)
 Holiday Airlines (4) (1970)
 Holiday Airlines (5) (1979–1989)
 Hood Airlines (1963–1972)
 Hop-a-Jet (1976–)
 Horizon Air: Horizon Air Industries (1981–)
 Horizon Airlines (1967–1969)
 Horizon Airways, Inc. (1969–1976)
 Huachuca Airlines (1983–1985)
 HUB Air Service (1964–1976)
 HUB Airlines (1966–1973)
 HUB Express (1987–1991)
 Hubbard Air Transport (1919–1935)
 Hudson Air Service (1946–)
 Hudson Valley Airways (1972–1973)
 Hughes Air West (1968–1980)
 Hulman Airlines (1959–1971)
 Hunter Airways (1932)
 Hyannis Aviation (1977–1982)
 IBC Airways (1991–)
 I.C. Jet (1989–)
 Icarus Caribbean Corporation (1995–)
 Iliamna Air Taxi (1980–)
 Illini Airlines (1956–1957)
 Imperial Airlines (1) 1961–1962)
 Imperial Airlines (2) (1964–1987)
 Imperial Palace Air (1997–)
 Independent Air (1966–1990)
 Indian Wells Airlines (1984–1985)
 Indiana Airways (1) (1930–1931)
 Indiana Airways (2) (1977–1980)
 Indiana Airways (3) (1979–1980)
 Inland Air Lines (1938–1952)
 Inland Empire Airlines (1977–1983)
 Inlet Airlines (1980–1990)
 Inter-City Air Lines (1932–1933)
 Inter-Island Airways (1) (1929–1941)
 Inter-Island Airways (2) (1964–1980)
 Inter-Island Airways (3) (1993–)
 Inter Island Express (2000–)
 Inter-Valley Airlines (1983–1991)
 Intercontinental Airways (1980–1981)
 Interior Airways (1947–1972)
 Intermountain Airways (1977–1978)
 International Air Taxi (1) (1965–1970)
 International Air Taxi (2) (1980–1983)
 International Charter Express (1992–1994)
 International Jet Aviation Services (1979–)
 International Jet Charter (1993–)
 International Parcel Express (IPX) (1986–1987)
 International Sky Cab (1969–1970)
 Interstate Air Lines (1928–1930)
 Interstate Airlines (1) (1966–1968)
 Interstate Airlines (2) (1978–1988)
 Interstate Airlines (3) (1981–1982)
 Iowa Air Lines (1979)
 Iowa Airways (1985–1994)
 Irving Airways (1935–1936)
 Island Air (1) (1971–1972)
 Island Air (2) (1970–1990)
 Island Air (3) (1971–1983)
 Island Air (4) (1976)
 Island Air (5) (1984–1985)
 Island Airlines (1) (1929–1991)
 Island Airlines (2) 1992–)
 Island Airlines Hawaii (1977–1984)
 Island Express Airlines (1995–)
 Island Express Helicopter Service (1982–)
 Island Helicopter Corporation (1968–1997)
 Island Helicopters Kauai (1980–)
 Island Hoppers Hawaii Aerial Tours (1990–)
 Island Mail, Inc. (1966–1979)
 Island Pacific Air (1975–1978)
 Island Sky Ferries (1950–1967)
 Isle Royale Airways (1965)
 Isle Royale Seaplane Service (1975)
 ISO Commuter (1979–1980)
 Jamaire (1978–1982)
 Janss Airways (1) (1964–1966)
 Janss Airways (2) (1969–1971)
 Jay Hawk Air (1983–)
 Jefferson Air Service (1928)
 Jen Air (1970–1983)
 Jerdon Air Commuter Service (1980–1982)
 Jet Aire (1985–1986)
 Jet America Airlines (1) (1980–1987)
 Jet America Airlines (2) (1989–1994)
 Jet Aviation Group (1967–)
 Jet Charter International (1992–)
 Jet Charter Service (1979–1988)
 Jet East (1975–)
 Jet East International (1980–1988)
 Jet Express (1987–1993)
 Jet Fleet International Airlines (1970–1992)
 Jet Link (1990)
 Jet Source (1987–)
 Jet U.S. (1993)
 JetBlue Airways (1998–)
 Jetcorp (1981–)
 Jetstream Commuter (1974)
 Jetstream International Airlines (1983–1995)
 JetTrain (1993–1996)
 Jetways (1978–)
 Jim Hankins Air Service (1990–)
 Joe Brigham, Inc. (1983–)
 Johnson Airways (1931–1934)

- Johnson Flying Service (1928–1975)
 Kachemak Air Service (1967–)
 Kaiserair (1946–)
 Kansas City Aviation Center (1969–)
 Katmai Air (1992–)
 KCI Aviation (1951–)
 Kenai Air Alaska (1946–)
 Kenai Air of Hawaii (1983–1995)
 Kenai Helicopters (1995–)
 Kenmore Air Harbor (1940–)
 Kennedy Air Service (1978–1979)
 Kenosha Aero (1980–1982)
 Ketchikan Air Service (1966–)
 Ketchum Air Service (1962–)
 Key Airlines (1) (1969–1980)
 Key Airlines (2) (1983–1993)
 Key Lime Air (1998–)
 Key West Airlines (1980–1981)
 Keystone Airline (1936–1937)
 Keystone Airlines (1967–1977)
 Keystone Helicopter Corporation (1953–)
 King Aircharters (1994–)
 King Airlines (1965–1979)
 King's Flying Service (1). *See* King's Skyline
 King's Flying Service (2) (1986–1988)
 King's Skyline (1968–1969)
 Kitty Hawk Air Cargo (1976–)
 Kitty Hawk International (1999–)
 Kiwi International Air Lines (1992–1999)
 KMK Airlines (1969–1970)
 Knight Airlines (1979–1980)
 Kobrin Airways (1982)
 Kodiak Airways (1960–1973)
 Kodiak-Western Alaska Airlines (1973–1984)
 Kohler Aviation Corporation (1929–1934)
 Kuilima Air Service (1973)
 L'Express (1989–1992)
 LA Air Service (1949–1950)
 LA Helicopter (1986–1989)
 La Posada Airways (1968)
 LAB Flying Service (1956–)
 Lake Central Airlines (1950–1968)
 Lake Central Aviation (1976–1977)
 Lake Geneva Airways (1970–1973)
 Lake Havasu Air Service (1974–1978)
 Lake State Airways (1973–1981)
 Lake Union Air Service (1946–1992)
 Lakeland Commuter Airlines (1980–1984)
 Laker Airways (1995–1999)
 Lang Aire (1987–1992)
 Larado Air (1989–1990)
 Larry's Flying Service (1978–)
 Las Vegas Airlines (1973–)
 Lawrence Aviation (1973–1983)
 LB, Ltd. (1999–)
 Lebanon Airport Development Corporation (1975–1976)
 Leconte Airlines (1981)
 Legend Airlines (1996–2001)
 Leisure International Airways (1992–1995)
 Levetz Group (1989–)
 Liberty Air (1984)
 Liberty Airlines (1982–1983)
 Liberty Express (1994–1997)
 Liberty Helicopters (1985–)
 Lisle Air Service (1965–1966)
 Livermore Air Service (1968–1970)
 LJ Associates (1987–)
 Lloyd Airlines (1960–1961)
 Loken Aviation (1989–1997)
 Lone Star Airlines (1991–1996)
 Long and Harmon Airlines (1934–1935)
 Long Island Airlines (1984–1991)
 Longhorn Airlines (1965–1967)
 LorAir, Ltd. (1999–2000)
 Los Angeles Air Service (1947–1960)
 Los Angeles Airways (L.A.A.) (1944–1971)
 Los Angeles-San Diego Air Line: Ryan Airlines (1925–1927)
 Louisiana Aircraft (1941–)
 The Ludington Line. *See* New York, Philadelphia, and Washington Airway
 Lynch Flying Service (1940–)
 Lynden Air Cargo (1995–)
 Lynstar Aviation (1987–)
 Lynx Air International (1989–)
 M & N Aviation (1992–)
 Mac-Aire Aviation Corporation (1962–1968)
 Mac Dan Aviation Corporation (1971–)
 Mackey Airlines (1965–1967)
 Mackey International Airlines (1968–1982)
 Maddux Air Lines (1927–1929)
 Magnolia Airways (1975)
 Magnum Airlines (1980–1982)
 Magnus Aviation (1990–)
 Mahalo Air (1993–1997)
 Main Flying Service (1930–1931)
 Maine Air (1982–1983)
 Maine Air Transport (1931–1933)
 Maine Aviation Corporation (1959–)
 Majestic Air Service (1978–)
 Majestic Airlines (1) (1988–1989)
 Majestic Airlines (2) (1990–)
 Mall Airways (1973–1989)
 Mamer Air Transport (1929–1932)
 Mammoth Air Shuttle (1984–1985)
 Manu'a Air Transport (1982–1985)
 Manufacturers Air Transport (1970–1971)
 Marco Island Airways (1972–1985)
 Mansell Aviation (1992–)
 Mar-El Aviation (1976–)
 Marc Fruchter Aviation (1978–)
 Marianas Airlines (1998)
 Marine Airways (1936–1939)
 Markair (1984–)
 Markair Express (1990–1995)
 Marquette Airlines (1938–1941)
 Marshall's Air (1979–1982)
 Martinaire East (1991–)
 Martz, Frank, Coach Company (1930–1933)
 Maryland Airways (1964–1968)
 Mason & Dixon Air Lines (1929–1930)
 Massachusetts Air Industries (1964–1971)
 Matson Air Lines (1943–1948)
 Maui Airlines (1985–1988)
 Maui Commuter, The (1975–1978)
 Maverick Airways (1) 1974–1975)
 Maverick Airways (2) (1994–1997)
 Mavrik Aire (1998–)
 Maxair (1969–)
 May Air X-Press (1990–)
 Mayflower Airlines (1936–1945)
 Mayo Aviation (1975–)
 MC Aviation (1995–)
 McCarthy Air Alaska (1975–)
 McClain Airlines (1983–1988)
 McCulloch International Airlines (1969–1979)
 McMahon Helicopter Services (1981–)
 McNeely Charter Service (1985–)
 Medjet International (1976–)

- Memphis Jet (1995–)
 Mercer Airlines (1948–1976)
 Merlin Express (1983–)
 Merrimack Air System (1975–1978)
 Merrimack Airways (1978–1979)
 Mesa Air Group (1994–)
 Mesa Airlines (1980–1994)
 Mesaba Airlines (1944–)
 Meteor Air Transport (1951–1958)
 Methow Aviation (1990–)
 Metro Airlines (1967–1992)
 Metro Commuter Airlines (1968–1970)
 Metro Express II (1984–1987)
 Metro International Airways (1980–1983)
 Metroplex Airlines (1978–1981)
 Metropolitan Air Ferry Service (1931)
 Mexico Air Service (1979–1980)
 MGM Grand Air (1987–1995)
 Miami Air Charter (1966–1968)
 Miami Air International (1991–)
 Miami Airlines (1946–1961)
 Miami Key West Airways (1937–1938)
 Miami Valley Aviation (1990–)
 Michigan Air Express (1930–1931)
 Michigan Airways (1982–1989)
 Michigan Trade Winds (1968)
 Mid Atlantic Freight, Inc. (1990–)
 Mid Coast Airways (1960–1968)
 Mid Continent Air Express (1929–1931)
 Mid Continent Air Lines (1938–1952)
 Mid Continent Airlines (1) (1964–1965)
 Mid Continent Airlines (2) (1969–1970)
 Mid Continent Airlines (3) (1972–1974)
 Mid Continent Airlines (4) (1980–1982)
 Mid Continent Airlines (5) (1985–1989)
 Mid Hudson Airlines (1951–1966)
 Mid Ohio Aviation (1991–1996)
 Mid Pacific Air Cargo (1988–1995)
 Mid Pacific Airlines (1979–1988)
 Mid South Aviation Alliance Corporation (1995–)
 Mid South Commuter Airlines (1980–1984)
 Mid West Air Lines (1933–1952)
 Middle States Airlines (1929)
 Midland Air Express (1931–1932)
 Midnight Express (1983–1988)
 Midstate Airlines (1946–1989)
 Midstate Aviation Corporation (1964–1965)
 Midway Airlines (1) (1976–1991)
 Midway Airlines (2) (1993–2001)
 Midway Commuter (1987–1992)
 Midway Connection (1993–1994)
 Midwest Air Charter (1996–)
 Midwest Airways (1) (1928–1929)
 Midwest Airways (2) (1953–1965)
 Midwest Airways (3) (1969–1973)
 Midwest Aviation (1) (1966–1980)
 Midwest Aviation (2) (1971–)
 Midwest Commuter Airlines (1967–1974)
 Midwest Express Airlines (MIDEX) (1984–)
 Millennium Jet (1997–)
 Miller Air Transporters (1977–1983)
 Miller Airlines (1964–1969)
 Miller Aviation (1975–)
 Million Air (1983–1997)
 Million Air Interlink (1984–)
 Mineral County Airlines (1963–1969)
 Mission Airlines (1981–1982)
 Mississippi Valley Airlines (MVA) (1969–1985)
 Modern Air Transport (MAT) (1946–1975)
 Mohawk Airlines (1) (1953–1972)
 Mohawk Airlines (2) (1989–1993)
 Mojave Airlines (1983–1984)
 Molokai Aviation (1969–1971)
 Monarch Air Lines (1946–1950)
 Monarch Air Service (1950–1951)
 Monarch Airlines (1986–1987)
 Monmouth Airways (1968–1979)
 Montana Development and Air Transport Co. (1930)
 Montauk Caribbean Airways (1963–1984)
 Montgomery Aviation Corporation (1969–1970)
 Moraine Airways (1971–1973)
 Morris Air Service (1989–1993)
 Morris Air Transport (1970–1971)
 Mountain Air Cargo (MAC) (1975–)
 Mountain Air Express (1) (1996–1998)
 Mountain Air Express (2) (1998–)
 Mountain Air of New Mexico (1974–1975)
 Mountain Airways (1969–1970)
 Mountain Aviation (1993–)
 Mountain Home Air Service (1978–1980)
 Mountain West Airlines (1) (1977–1978)
 Mountain West Airlines (2) (1978–1982)
 Mountain West Airlines (3) (1985)
 Mountain West Airlines (4) (1994–1997)
 Munz Northern Airlines (1938–1983)
 Murray Air (1985–)
 Murray Aviation (1985–)
 Muse Air (1980–1986)
 Mutual Aviation (1945–1948)
 Mutural Aircraft Corporation (1928–1929)
 Nantucket Airlines (1987–)
 Naples Airlines (1957–1988)
 Nashville Eagle (1987–1991)
 National Air (1) (1982–1994)
 National Air (2) (1983–1984)
 National Air Transport (NAT) (1925–1932)
 National Airlines (1) (1934–1980)
 National Airlines (2) (1983–1987)
 National Airlines (3). *See* Private Jet Expeditions
 National Airlines (4) (1995–)
 National Airways (1933–1937)
 National Commuter Airlines (1982–1983)
 National Executive Airlines (1983–1991)
 National Executive Flight Service (1959–1967)
 National Flight Services (1992–)
 National Florida Airlines (1982–1983)
 National Helicopter Corporation (1968–)
 National Jets (1972–)
 National Parks Airways (1928–1937)
 Nations Air Express (1987–2000)
 Nationwide Air Transport Service (1945–1950)
 Nationwide Airlines Southwest (1967–1968)
 Nelson Airlines (1976–1978)
 Nevada Air Lines (1929–1930)
 Nevada Airlines (1971–1980)
 New England & Western Air Transportation Co. (1930)
 New England Air Express (1950)
 New England Airlines (1970–)
 New England Commuter (1971)
 New Jersey Airways (1979–1980)
 New York Air (1) (1980–1987)
 New York Air (2) (1981–1982)
 New York Air Charter (1993–)
 New York Airways (1) (1930–1931)
 New York Airways (2) (1949–1979)
 New York Helicopter Corporation (1980–)
 New York, Philadelphia and Washington Airway (1930–1933)
 New York, Rio and Buenos Aires Line (NYRBA) (1929–1930)

- New York-Asbury Park Air Line (1929)
 New York-Newport Air Service (1922–1923)
 Newair (1978–1985)
 Newport Air Park (1964–1981)
 Niemeyer Aviation (1979–1980)
 Nitlyn Airways (1979–1980)
 Nomads Air Travel Club (1965–)
 Nor East Commuter Airlines (1977–1981)
 Nor-Cal Aviation (1968–1979)
 North Air (1) (1968–1971)
 North Air (2) (1980–1981)
 North American Air Charter (1993–)
 North American Airlines (1) (1945–1957)
 North American Airlines (2) (1970–1971)
 North American Airlines (3) (1981–1984)
 North American Airlines (4) (1989–)
 North Cay Airways (1964–1976)
 North Central Airlines (1952–1979)
 North Central Airways (1979)
 North Continent Airlines (1983–1991)
 North Pacific Airlines (NPA) (1987–1990)
 North South Airways (2000–)
 North Tahoe Airways (1963)
 Northcoast Executive Airlines (1990–1991)
 Northeast Airlines (1) (1940–1972)
 Northeast Airlines (2) (1997–1998)
 Northeast Airways (1976–)
 Northeast Express Regional Airlines (1989–1995)
 Northeastern Aviation Corporation (1977–)
 Northeastern International Airways (1980–1986)
 Northern Air Cargo (1956–)
 Northern Air Lines (1928)
 Northern Airlines (1) (1968–1970)
 Northern Airlines (2) (1981)
 Northern Airlines (3) (1981–1982)
 Northern Airways (1). *See* Northern Consolidated Airlines
 Northern Airways (2). *See* Munz Northern Airlines
 Northern Airways (3) (1956–1972)
 Northern Airways (4) (1973–)
 Northern Airways (5) (1983–1985)
 Northern Consolidated Airlines (1945–1968)
 Northern Illinois Commuter Airlines (1979–1980)
 Northern Illinois Flight Center (1979–)
 Northern Pacific Airlines (1982–1985)
 Northwest Airlines (1934–)
 Northwest Airways (1926–1934)
 Northwest Commuter (1969)
 Northwest Jet (1987–)
 Northwest Seaplanes (1988–)
 Northwestern Arctic Air (1998–)
 Northwestern Executive Air (1995–)
 Oak Harbor Airlines (1971–1974)
 Ocean Airways (1979–1982)
 Ocean Reef Airways (1977)
 Oceanair (1) (1979–1984)
 Oceanair (2). *See* Air Illinois
 Ohio Air Transport (1930–1931)
 OK Air: Oahu and Kauai Airlines (1975–1980)
 Oklahoma Short Line Airways (1930)
 Oklahoma-Texas Air Line (1931–1932)
 Olson Air Service (1979–)
 Omaha Aviation Commuter (1979–1980)
 Omni Air Express (1993–)
 Omni Airlines (1977–1979)
 Omniflight Airways/Omniflight Helicopters (1987–)
 Oneida County Aviation (1975–1979)
 ONG Airlines (1967–1968)
 Orcas Island Air Service (1947–1950)
 Orion Air (1980–1989)
 Overland Airways (1931)
 Overseas National Airways (1950–1983)
 Ozark Air Lines (1) (1943–1986)
 Ozark Air Lines (2) (1999–2001)
 Ozark Airways (1932–1933)
 PAB Aviation (1986–)
 Pac Air (1989)
 Pace Airlines (1996–)
 Pacific Air (1994–1995)
 Pacific Air Cargo (2000–)
 Pacific Air Aviation (1993–)
 Pacific Air Express (1982–1987)
 Pacific Air Lines (1958–1968)
 Pacific Air Transport (P.A.T.) (1926–1928)
 Pacific Airlines (1975)
 Pacific Airways (1922)
 Pacific-Alaska Airlines (1973–1985)
 Pacific American Airlines (1976–1982)
 Pacific Cal Air (1979–1983)
 Pacific Coast Airlines (1) (1974–1975)
 Pacific Coast Airlines (2) (1981–1986)
 Pacific Coast Airlines (3) (1989–1993)
 Pacific East Air (1982–1984)
 Pacific Express (1981–1984)
 Pacific Flight Services (1965–1967)
 Pacific Flights (1978–)
 Pacific International Airline (1996)
 Pacific International Airways of Alaska (1931–1932)
 Pacific Interstate Airlines (PIA) (1984–1988)
 Pacific Island Airways (1976–1983)
 Pacific Jet Charter (1988–)
 Pacific Marine Airways (1922–1928)
 Pacific Missionary Aviation (1974–1994)
 Pacific National Airways (1980–1981)
 Pacific Northern Airlines (1) (1945–1967)
 Pacific Northern Airlines (2) (1973)
 Pacific Northwest Airways (1974–1975)
 Pacific Overseas Airlines Corporation (1945–1947)
 Pacific Seaboard Air Lines (1933–1935)
 Pacific Skyway (2000–)
 Pacific Southwest Airlines (PSA) (1945–1988)
 Pacific Western Airways (1968–1969)
 Pacific Wings (1996–)
 Palm Air Charter (1997–)
 Palm Springs Airlines (1936–1937)
 Palmas Air Corporation (1975–1977)
 Pan Aero International (1981–1984)
 Pan Am Air Bridge (1996–1999)
 Pan Am Express (1986–1991)
 Pan Am Express of Berlin (1986–1991)
 Pan Am: Pan American Airways (1998–)
 Pan American Airways (PAA) (1927–1950)
 Pan American World Airways (1) (1950–1991)
 Pan American World Airways (2) (1996–1998)
 Pan American-Grace Airways (PANAGRA) (1929–1967)
 Pan Aviation (1987–1994)
 Pan Island Air Tours (1972–1974)
 Panagra Airways (1994–)
 Panama Airways (1990–1991)
 Panda Air, Ltd. (1995–)
 Panhandle Airways (1977–1978)
 Panorama Air Tours (1971–1994)
 Panorama Flight Service (1958–)
 Papillon Airways (1984–)
 Papillon Grand Canyon Helicopters (1994–)
 Papillon Helicopters (1979–1995)
 Paradise Air (1979–1983)
 Paradise Airlines (1962–1964)
 Paradise Airways (1995)

- Paradise Island Airways (1988–2000)
 Paragon Air (1980–)
 Parks Air Transport (1947–1950)
 Patriot Airlines (1992–1994)
 Pavco (1983–)
 PBA. *See* Provincetown-Boston Airline
 Pearson Aircraft (1969–1995)
 Pee Dee Air Express (1980–1982)
 Pegasus Air (1984)
 Pelican Express (1992–)
 Peninsula Airways (1) (1955–)
 Peninsula Airways (2) (1973)
 Penn-Aire (1980)
 Pennsylvania Air Lines and Transport Co. (1930–1936)
 Pennsylvania Airlines (1970–1992)
 Pennsylvania Central Airlines (PCA) (1936–1948)
 PEOPLExpress (1980–1987)
 Perkiomen Airways (1976–1980)
 Permian Airways (1979–1982)
 Personal Jet Charter (1980–)
 Petersen Aviation (1982–)
 Petroleum Helicopters (PHI) (1949–)
 Philadelphia Jet Service (1991–)
 Philadelphia Rapid Transit Air Service (1926)
 Phillips Airlines (1959–1985)
 Phillips Flying Service (1943–1983)
 Phoenix Airlines (1980)
 Piasa Commuter Airlines (1981)
 Pickwick Airways (1929–1930)
 Piedmont Airlines (1) (1940–1990)
 Piedmont Airlines (2) (1993–)
 Pilgrim Airlines (1962–1986)
 Pine State Airlines (1996)
 Pinehurst Airlines (1973–1982)
 Pioneer Air Lines (1946–1955)
 Pioneer Airlines (1) (1966–1968)
 Pioneer Airlines (2) (1976–1986)
 Piper Twinair (1966–1968)
 Pitcairn Aviation (1925–1930)
 Pitt Airlines (1967–1969)
 Pitt Airways (1965–1967)
 Pittsburgh Airways (1929–1931)
 Planemasters, Ltd. (1970–)
 Planet Airways (1997–)
 Pocono Airlines (1965–1990)
 Polar Air Cargo (1993–)
 Polar Airlines (1974–1980)
 Polar International Airlines (1986–1989)
 Polynesian Airways (1966–)
 Pompano Airways (1981–1985)
 Ponderosa Airlines (1974–)
 Poplar Bluff Airways (1964–1967)
 Portland Airways (1932–1933)
 Ports of Call (1966–)
 Potomac Air (2000–)
 Powelson Air Service (1938–1939)
 PRAVCO: Puerto Rico Aviation Company (1987–1994)
 Precision Airlines (1972–1995)
 Precision Helicopters (1983–)
 Premier Aviation (1984–)
 Presidential Air (1995–)
 Presidential Airways (1985–1989)
 Presidential Aviation (1974–)
 Prestige Airways (1995–1997)
 Pride Air (1985–1988)
 Priester Aviation Services (1945–)
 Primac Air (1997–)
 Prime Air (1984–1989)
 Prime Airborne (1994–)
 PRINAIR: Puerto Rico International Airlines (1964–1985)
 Princeton Air Link (1986–1988)
 Princeton Airways (1978–1982)
 Princeville Airways (1980–1989)
 Priority Air Freight Company (PAFCO) (1979)
 Priority Air Transport (1967–1970)
 Private Jet Expeditions (1989–1995)
 Pro Air Services (1981–1988)
 Pro Airlines (1972)
 ProAir (1996–)
 Profit Airlines: Profit Express (1980–1985)
 Promech (1993–)
 Prompt Air (1993–)
 Prophet Aviation (1986–1990)
 Providence Airline Corporation (1971–1983)
 Provincetown-Boston Airline (PBA) (1946–1988)
 Puget Sound Airlines (1967–1970)
 Purdue Aeronautics Corporation (1942–1971)
 Purolator Courier (1923–1987)
 Quest Airlines (1988)
 Quest Cargo Airlines (2000–)
 RAI Commuter Airline (1981–1983)
 Rainbowair (1973–1974)
 Ram Air Freight (1993–)
 Ram Airways (1973–1974)
 Ramp 66 (1991–1994)
 Ransome Airlines (1964–1986)
 Rapid Air (1946–)
 Rapid Air Lines (1928–1929)
 Rapid Air Transport (1930–1933)
 Rasmak Jet Charter (1984–)
 Raven Air (1987–1989)
 Raytheon Aircraft Services (1991–)
 Reading Airlines (1947–1968)
 Realwest Airlines (1979–1980)
 Red Baron Airlines (1) (1969–1970)
 Red Barron Airlines (2) (1981–1982)
 Red Baron Express (1982–)
 Red Carpet Flying Service (1978–1981)
 Red Dodge Aviation (1969–1973)
 Redtail Aviation (1990–)
 Redwing Airways (1980–)
 Reed Airline (1931–1934)
 Reeve Airways (1932–1947)
 Reeve Aleutian Airways (1947–2001)
 Reeves Air (1980–1988)
 Regal Air (1978–)
 Regent Air (1984–)
 Regent Air Corporation (1983–1986)
 Regent Aviation (1985–)
 Regina Cargo Airlines (1946–1960)
 Reliant Airlines (1983–)
 Reno Air (1992–)
 Renown Aviation (1980–)
 Republic Airlines (1979–1986)
 Republic Express Airlines (1985–1986)
 Resort Air (1982–1989)
 Resort Airlines (1) (1945–1961)
 Resort Airlines (2) (1982–1986)
 Resort Airways (1965–1967)
 Resort Commuter Airlines (1) (1975–1980)
 Resort Commuter Airlines (1985–1990)
 Resort Commuter Airlines (3) (1988–1994)
 Resorts International Airlines (1984–1988)
 Rhoades Aviation (1976–)
 Rich International Airways (1970–1997)
 Richards Aviation (1980–1994)
 Richmor Aviation (1991–1995)
 Riddle Airlines (1945–1963)

- Rio Airways (1963–1987)
 Rio Grande Air (2000–)
 Rivair Flying Service (1991–)
 Riverside Air Service (1959–)
 Roadway Global Air (1993–1995)
 Robertson Aircraft Corporation (1921–1929)
 Robertson Airplane Service Company (1930–1934)
 Robin Air Lines (1951–1952)
 Robinson Airlines (1945–1953)
 Rockford Air Charter (1964–1968)
 Rocky Mountain Airways (1966–1991)
 Rogers Heavy Lift Helicopters (1994–)
 Rogers Helicopters (1962–)
 Ronson Aviation (1995–)
 Rose Aviation (1968–1969)
 Rosenbaum Aviation (1978–1990)
 Ross Aviation (1953–)
 Roswell Airlines (1976–1981)
 Royal Air (1978–1980)
 Royal Air Freight (1961–)
 Royal Airways (1928–1929)
 Royal American Airways (1980–1994)
 Royal Caribbean International (1989–1991)
 Royal Hawaiian Air Service (1965–1986)
 Royal Hawaiian Airways (1965–1986)
 Royal West Airlines (1986–1988)
 Royal West Airways (1981–1982)
 Royalair (1996–)
 Royale Airlines (1970–1989)
 Rust's Flying Service (1963–)
 Rutland Airways (1975–1977)
 Ryan Air Service (1979–1996)
 Ryan Airlines. *See* Los Angeles–San Diego Air Line
 Ryan International Airlines (1973–)
 Rynes Airlines (1974–1975)
 Saber Cargo Airlines (1977–)
 Safeway Airlines (1964–1968)
 Saint Petersburg–Tampa Airboat Line (1913–1914)
 Saint Tammany–Gulf Coast Airways (1927–1929)
 Saint Thomas Tax Air (1970–1976)
 Sair Aviation (1979–1980)
 Sakonnet Air Charter (1986–1987)
 Salair Air Cargo Airline (1980–1998)
 Salmon Air (1981–)
 Samoa Air (1996–)
 Samoan Airlines (1959–1960)
 San Francisco–Oakland Helicopter Airlines (1) (1961–1977)
 San Francisco–Oakland Helicopter Airlines (2) (1981–1987)
 San Juan Air (1965–1971)
 San Juan Airlines (1970–1989)
 San Juan Jet Charters (1996–)
 Santa Fe Skyways (1946–1948)
 Saturn Airways (1948–1976)
 Scenic Airlines (1967–1993)
 Scenic Airlines (1967–1995)
 Scenic Airways (1927–1930)
 Scheduled Skyways (1953–1972)
 Schubach Aviation (1995–)
 Scott Air Charter (1983–)
 Scott Aviation (1989–)
 Sea Air Shuttle (1990–1992)
 Sea and Sun Airlines (1984–1985)
 Seaboard & Western Airlines (1946–1961)
 Seaboard World Airlines (1961–1980)
 Seaborne Airlines (1990–)
 Seaco Airlines (1976–1980)
 Seagull Air (1988–1989)
 Seagull Air Lines (1929–1930)
 Seair Alaska Airlines (1939–1986)
 Seajet (1984–1985)
 Seaplane Shuttle Transport (1976–1977)
 Security Aviation (1962–)
 Sedona Sky Treks (1994–)
 Semo Airways (1969–1984)
 Seneca Flight Operations (1956–)
 Servicios Americanos (1966–1968)
 Severson Air Activities (1964–1965)
 Shamrock Airlines (1) (1973–1974)
 Shamrock Airlines (2) (1969–1980)
 Shank-McMullen Aircraft Company (1923)
 Shasta Air (1979–1982)
 Shavano Air (1978–1981)
 Shawano Flying Service (1976–1986)
 Shawnee Air Commuter (1969–1972)
 Shawnee Airlines (1968–1979)
 Shawnee Airways (1958–1966)
 Shenandoah Airlines (1968–1969)
 Shillelagh Air Travel Club: Shillelaghs, the Travel Club (1964–)
 Shoreline Aviation (1980–)
 Shorter Airlines (1972–1974)
 Shuttle America (1998–)
 Sierra Expressway (1995–1996)
 Sierra Flite Service (1979)
 Sierra Mountain Airways (1987–1989)
 Sierra Nevada Airlines (1992–)
 Sierra Pacific Airlines (1) (1965–1966)
 Sierra Pacific Airlines (2) (1972–1978)
 Sierra Pacific Airlines (3) (1978–)
 Sierra Vista Aviation (1982–1988)
 Sierra West Airlines (1) (1987–1991)
 Sierra West Airlines (2) (1996–)
 Silicon Valley Express (1983–)
 Silver Kris Services (1982–1984)
 Silver State Airlines (1972–1982)
 Silver Wings International (1979–1984)
 Silvertip Lodges & Bush Pilots Air Service (1974–1996)
 Simmons Airlines (1974–1998)
 Sizer Airways (1970–1973)
 Skagway Air Service (1963–)
 Sky Harbor Air Services (1970)
 Sky One Express (1991–1993)
 Sky Tours Hawaii (1965–1971)
 Sky View Air Lines (1930)
 Skybus Corporation (1985–1986)
 Skybus Express (1991–1992)
 Skyfreight: Tropics International (1981–1985)
 Skyline (1975–1976)
 Skyline Air Service (1967)
 Skyline Airlines (1979–1981)
 Skyline Motors Aviation Services (1979–1981)
 Skymark Airlines (1968–1969)
 Skymaster (1990–1995)
 Skystar International Airlines (1983–1986)
 Skystream Airlines (1973–1980)
 Skytrain Airlines (1981)
 SkyTrek International Airlines (1997–1999)
 Skyway (1931–1932)
 Skyway Airlines (1) (1960–1980)
 Skyway Airlines (2) (1989–)
 Skyway Commuter (1983–1985)
 Skyways (1972–1985)
 Skyways Aviation (1967)
 Skyways of Ocala (1981–1983)
 Skywest Airlines (1972–)
 Skyworld Airlines (1985–1990)
 Slick Airways (1946–1966)
 Slocum Air (1978–1984)
 SMB Stage Lines (1930–1990)

- Smokey Bear Air (2000–)
 Smyer Aircraft (1968–1972)
 Solar Airlines (1964–1965)
 Sonora Airlines (1967–1969)
 Soonair Lines (1980–1981)
 Sound Air Aviation (1978)
 South Atlantic Airlines (1968–1969)
 South Central Air (1967–)
 South Central Air Transport (1) (1946–1947)
 South Central Air Transport (2) (1971–1978)
 South Central Airlines (1964–1965)
 South Pacific Airlines (1953–1964)
 South Pacific Island Airways (1973–1989)
 Southeast Air (1) (1979)
 Southeast Air (2) (1992–)
 Southeast Airlines (1) (1956–1960)
 Southeast Airlines (2) (1962–1976)
 Southeast Airlines (3) (1974–1984)
 Southeast Airlines (4) (1978–1979)
 Southeast Airlines (5) (1979–1981)
 Southeast Airlines (6) (1999–)
 Southeast Alaska Airlines (1979–1982)
 Southeast Cargo Airlines (1984–)1992
 Southeast Commuter Airline (1971)
 Southeast Skyways (1968–1982)
 Southeastern Airlines (1982–1983)
 Southeastern Commuter Airlines (1979–1983)
 Southern Air (1999–)
 Southern Air Fast Express (SAFE) (1930–1931)
 Southern Air Transport (1946–)
 Southern Air Transport System (1929–1930)
 Southern Airlink (1996–)
 Southern Airways (1) (1936–1979)
 Southern Airways (2) (1986–1987)
 Southern Aviation Airlines (1964–1974)
 Southern Express Airlines (1984–1986)
 Southern Jersey Airways (1977–1990)
 Southern Jersey Airways (1977–1991)
 Southern Maryland Aviation (1977–1978)
 Southern Nevada Airlines (1980–1981)
 Southern Skies (1981)
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- Airbus Industrie A310-300 launch customer
 - Swissair, A.G.
- Airbus Industrie A319-100 launch customer
 - Swissair, A.G.
- Airbus Industrie A320-200 launch customer
 - Air France
- Airbus Industrie A321-200
 - Deutsche Lufthansa, A.G.
- Airbus Industrie A330-300 launch customer
 - Air Inter, S.A.
- Airbus Industrie A330-200 launch customer
 - Austrian Airlines, A.G.
- Airbus Industrie A340-600R launch customer
 - EgyptAir, S.A.E.
- Aircraft Owners Association of Guyana
 - Guyana Airways Corporation
- Airline Deregulation Act (PL 95-504)
 - see* all post-1978 U.S. carriers
- Airline Employees Cooperative
 - Asian Spirit
- Airline Engineering, Ltd.
 - Monarch Airlines, Ltd.
- Airline Management and Investment Co.
 - Air Haiti International, S.A.
- "Airline of the Americas"
 - TACA International Airlines, S.A.
- "Airline of the Stars"
 - National Airlines (1)
- Airlines of Britain Group
 - British Midland Airways, Ltd.
 - British Regional Airlines, Ltd.
 - Business Express, Ltd.
 - Loganair, Ltd.
 - Manx Airlines, Ltd. (2)
 - Manx Airlines (Europe), Ltd.
- Airlines of Europe Group *see*
 - International Leisure Group
- Airlines War Training Institute
 - Northeast Airlines (1)
- Airport Development Program
 - Pan American Airways (PAA)
- Airship Industries, Ltd.
 - Redcoat Air Cargo, Ltd.
- Airspeed Ambassador launch customer
 - British European Airways Corporation (BEA)
- Airspeed Courier launch customer
 - Portsmouth, Southsea and Isle of Wight Aviation, Ltd. Airspeed Envoy launch customer
 - North Eastern Airways, Ltd.
- Airtrade Aviation Consultants, Ltd.
 - Saeaga Airlines, Ltd.
- AirTran Corporation
 - AirTran Airways
 - Conquest Sun Airlines
 - Mesaba Airlines
 - Sun Express Airlines
- Airways Union, Ltd.
 - Western Airways, Ltd.
- AirWorld, Ltd.
 - Air Foyle, Ltd.
- Aissa, Mohammed, CEO
 - Jamahiriya Libyan Arab Airlines
- Ajiku, C. Adoko, GM
 - Uganda Airlines, Ltd.
- Akana, Ron, flight attendant
 - United Airlines
- Akano, Mrs. Funmi, service mgr.
 - Bellview Airlines, Ltd.
- Akayev, Askar, Kyrgystan president
 - Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
- Akbar, Adrian, Saudi couturier
 - Saudia: Saudi Arabian Airlines
- Akbar, M. I., pres./CEO
 - Shaheen Airlines, Ltd.
- Akbar Aviation Group, Ltd.
 - Shaheen Airlines, Ltd.
- Akhigbe, VAdm. Okhai
 - Nigeria Airways, Ltd.
- Akhund, Hamidullah, mullah/pres.
 - Ariana Afghan Airlines
- Aki, showgirl/spokesperson
 - Western Pacific Airlines (Westpac)
- Akimov, Aleksandr, DG
 - Domodedovo Airlines
 - Ust Ilmsk Airlines
- Akinfenwa, Capt. Shina, MD
 - Merchant Express Aviation Services, Ltd.
- Akopian, Emil G., pres.
 - Ilavia
- Aksentijevic, Dragan, MD
 - Aviogenex
- Aktiengesellschaft fur Industrie und Verkehrswesen (AGIV)
 - Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)
- Aktiengesellschaft fur Luftverkehrrabedarf, A.G. (Luftag)
 - Deutsche Lufthansa, A.G.
- Akyus, Ihsan, hijacker
 - THY Turkish Airlines, A.O.
- Al-Attiya, Abdulla Bin Hamad, chairman
 - Gulf Helicopters, Ltd.
- Al-Baker, Akbar, MD
 - Qatar Airways, Ltd.
- Al-Behlany, Self bin Hamood, MD.
 - Oman Aviation Services Company, Ltd.
- Al-Bluey, Faisel Naji, hijacker
 - Saudi Arabian Airlines
- Al-Busaidi, Riadh bin Abdulla, chairman
 - Oman Aviation Services Company, Ltd.
- Al-Dhahry, Ali bin Khalfan, chairman
 - Gulf Air Company, G.S.C.
- Al-Diew, Moftah Saad, DG
 - Libyan Arab Airlines
- Al Faqeeh, Moheideen Abdullah, MD
 - Federal Airlines, Ltd.
- Al-Haimy, Mohammed Ahmed, chairman
 - Yemenia: Yemen Airways Company

- Al-Hussein, Prince Faisal Bin, supporter
Royal Wings Airlines, Ltd.
- Al-Jabi, Adnan, chairman/MD
Syrianair: Syrian Arab Airlines
- Al-Jawari, N.D., terrorist
El Al Israel Airlines, Ltd.
- Al-Khalidi, Ayeish Ali, hijacker
Saudi Arabian Airlines
- Al-Khan Abbasi, Arif, MD
Pakistan International Airlines Corporation
- Al-Mahdi, Mansur, hijacker
Libyan Arab Airlines
- Al-Maktoum, Sheikh Ahmed bin Saeed, chairman
Emirates Airlines, Ltd.
- Al-Malki, Ali, pres./CEO
Gulf Air Company, G.S.C.
- Al-Mazroui, Mohamed Ibrahim, GM
Abu Dhabi Helicopters, Ltd.
- Al-Megrahi, Abdel Baset Ali Mohamed, alleged Lockerbie bomber
Jamahiriya Libyan Arab Airlines
- Al-Mishari, Hamad, chairman/CEO
Kuwait Airways Corporation
- Al-Nahyan, Capt. Shaikh Ahmed bin Sail, pres./CEO
Gulf Air Company, G.S.C.
- Al-Nahayan, Shaikh Zaid bin-Sultan, UAE president
Emirates Airlines
- Al-Nisf, Ghassan, chairman/MD
Kuwait Airways Corporation
- Al-Otaiba, Adel Khalifa, founder
City Link, Ltd.
- Al-Sabah, Sheikh Ali al-Mahmoud al-Jabir, passenger
Royal Air Maroc
- Al-Shamsi, Sheik Ali Bin Saeed, GM
Abu Dhabi Helicopters, Ltd.
- Al-Suweidi, Abdulla bin Nasser, chairman
Gulf Air Company, G.S.C.
- Al-Thani, Sheikh Hamad Ali Jabour, founder/MD
Qatar Airways, Ltd.
Air Gulf Falcon
Gulf Falcon
- Al-Yasin, Mohammed Tahir, DG
Iraqi Airways
- Al-Zabin, Ahmad, DG
Kuwait Airways Corporation
- Al-Zubiadi, Hamza, Iraqi transport minister
Iraqi Airways
- Alabama
Air South (2)
Airbama
Alair
Charter Services
Coastal Air
Dixie Air
Eagle Airline
Medjet International
Montgomery Aviation Corporation
Skybus Express
Southeast Commuter Airline
Southeastern Airlines
Southeastern Commuter Airlines
Trans Air Express
- Alabaster, Capt. R. C., pilot
British Overseas Airways Corporation (BOAC)
- Alalwani, Capt. Ahmed Masood, GM
Alyemda Democratic Yemen Airlines
- Alamuddin, Sheikh Najib, founder
Jordan Airways, Ltd.
- Alaoui, Mehdi, pres.
Regional Air Lines
- Alarpajooh, Alirez Azereza, investor/SVP
Safir Airlines
- Alaska
Air Logistics of Alaska (1)
Air One (2)
AirPac
Akland Helicopters
Alaska Aeronautical Industries
Alaska Air Guides
Alaska Air Transport
Alaska Airlines
Alaska Central Airways
Alaska Coastal Airlines
Alaska Coastal-Ellis Air Lines
Alaska Helicopters
Alaska International Air
Alaska Island Air
Alaska Island Airlines
Alaska North Flying Service
Alaska River Safaris
Alaska Seaplane Service
Alaska Southcoast Airways
Alaska Southern Airways
Alaska Travel Air
Alaska-Washington Airways
Alaskan Airventures
Alaskan Airways
Alyeska Air Service
Anchorage Airways
Arctic Circle Air Service
Arctic Transportation Services
Armstrong Air Service
Audi Air
Baker Aviation
Barrow Air
Bay Air
Bellair
Bering Air
Brooks Fuel
Bush Air
Bush Pilots Air Service
Camai Air
Cape Smythe Air Service
Channel Flying Service
Chisum Flying Service of Alaska
Coast Air (1)
Coast Air (2)
Coastal Aviation (2)
Coastal Helicopters
Cordova Airlines
Delta Air Service
Eagle Air (1)
Egli Air Haul
Ellis Air Lines
Ellis Air Taxi
ERA Aviation
Everts Air Fuel
Executive Charter Services
Fairbanks Air Service
Flirite
Forty Mile Air
Foster Aviation
Friendship Air Alaska
Frontier Flying Service
FS Air Service
Galena Air Service
Gifford Aviation
Glacier Bay Airways
Grant Airways

- Great Northern Airlines
- Gulf Air Taxi
- Gulkana Air Service
- Hageland Air
- Haines Airways
- Harbor Air Service
- Harold's Air Service
- Hermen's Air
- Hub Air Service
- Hudson Air Service
- Iliamna Air Taxi
- Inlet Airlines
- Inter-Valley Airlines
- Interior Airways
- International Air Taxi (1)
- International Air Taxi (2)
- Irving Airways
- Jay Hawk Air
- Jen Air
- Kachemak Air Service
- Katmailand
- Kenai Air Alaska
- Kennedy Air Service
- Ketchikan Air Service
- Ketchum Air Service
- King's Flying Service (2)
- Kodiak Airways
- Kodiak-Western Alaska Airlines
- LAB Flying Service
- Larry's Flying Service
- Leconte Airlines
- Liberty Air
- Loken Aviation
- Marine Airways
- Markair
- Markair Express
- Mavrik Air
- McCarthy Air Alaska
- Munz Northern Airlines
- North Air (1)
- Northern Air Cargo
- Northern Consolidated Airlines
- Northern Pacific Airlines
- Northwestern Arctic Air
- Olson Air Service
- Pacific International Airways of Alaska
- Pacific Northern Airlines
- Pacific-Alaska Airlines
- Peninsula Airways (1)
- Polar Airlines
- Polar International Airlines
- Promech
- Raven Air
- Regal Air
- Rust's Flying Service
- Ryan Air Service
- Safeway Airlines
- Seagull Air
- Seair Alaska Airlines: Sea Airmotive
- Security Aviation
- Silvertip Lodges & Bush Pilots Air Service
- Skagway Air Service
- Smokey Bear Air
- South Central Air
- Southeast Skyways
- Spernak Airways
- Talarik Creek Air Service
- Talkeetna Air Service
- Taquan Air Service
- Tatonduk Air Service
- Temsco Airlines
- Trans Alaska Helicopters
- Tundra Copters
- Tyee Airlines
- Unalakleet Air Taxi
- Valdez Airlines
- Vanderpool Flying Service
- Warbelow's Air Ventures
- Ward Air
- Western Alaska Airlines
- Western Yukon Air
- Westflight Aviation
- Wien Air Alaska
- Wilbur's Flight Operations
- Wings of Alaska
- Woodley Airlines
- Wrangell Airways
- Wren Air
- Wright Air Services
- Yukon Air Service
- Yutana Airlines
- Yute Air Alaska
- Alaska, Fish and Game Department
- Alaska Island Airlines
- Alaska, Industrial Development and Export Authority
- MarkAir
- Alaska Airlift, 1942-1945
- American Airlines
- Northwest Airlines
- Pan American Airways (PAA)
- Transcontinental and Western Air Lines (TWA)
- United Air Lines (2)
- Western Air Lines
- Alaska Continental Development Company
- Alaska Airlines
- Alaska Good Friday Earthquake, 1964
- Alaska Airlines
- Kodiak Airways
- Northern Air Cargo
- Reeve Aleutian Airways
- Alaska salmon run collapse, 2000
- Arctic Circle Air Service
- Belair
- Frontier Flying Service
- Larry's Flying Service
- Servant Air
- Tanana Air Service
- Tatonduk Air Service
- Warbelow's Air Ventures
- Wright's Air Service
- Alaskeyev, Yu., test pilot
- Aeroflot Soviet Airlines
- Albans, Gerry, CEO
- Eastwind Airlines: The Bee Line
- Albarda, Horatius, pres.
- KLM: Royal Dutch Airlines, N.V.
- ALBA tours
- Skyservice, Ltd.
- Albers, Hans, actor/passenger
- Deutsche Luft Reederei, GmbH.
- Albert, Carl, pres./chairman
- Wings West Airlines
- Albert, George, passenger
- Continental Air Charter
- Albert, Harris, vp/GM
- Air Logistics
- Alberta
- Advance Air Charter, Ltd.

- Air Alberta, Ltd.
 Air Mikisew, Inc.
 Alberta Citylink, Ltd.
 Alberta Express, Ltd.
 Brooker-Wheaton Aviation, Ltd.
 Canadian Airlines International, Ltd.
 Canadian Regional Airlines, Ltd.
 Capital City Air, Inc.
 Centennial Flight Centre, Ltd.
 Contact Air, Ltd.
 Corporate Express, Ltd.
 Gateway Aviation, Ltd.
 Great Northern Airways, Ltd.
 Hi-Wood Helicopters, Ltd.
 Holidair, Ltd.
 Home Aviation, Ltd.
 International Jet Air, Ltd.
 Kenn Borek Air, Ltd.
 Lethbridge Air Service, Ltd.
 Mackenzie Air Service, Ltd.
 Morningstar Air Express, Ltd.
 Northward Aviation, Ltd.
 Peace Air, Ltd.
 Points of Call Airlines, Ltd.
 Southern Frontier Airlines, Ltd.
 Sunwest International Aviation Services, Ltd.
 Sunwest Home Aviation, Ltd.
 Time Air, Ltd.
 Albers, Hans, actor/passenger
 Deutsche Luft Reederei, GmbH.
 Alberto, Estevao, Jr., GM
 TTA: Empresa Nacional de Transporte e Trabalho Aereo, S.A.
 Albrecht, Jaan, CEO
 AeroPeru, S.A.
 Albrecht, Fritz, crewman
 Deutsche Luft Hansa, A.G.
 Albrecht, Dr. Max, chairman
 KLM: Royal Dutch Airlines, N.V.
 Albright, Madeleine K., U.S. U.N. ambassador/secretary of state
 Air France
 Continental Airlines
 Delta Air Lines
 El Al Israel Airlines, Ltd.
 Middle East Airlines, S.A.L. (2)
 United Airlines
 USAirways
 Albuja, Patricio Suarez, pres.
 SAN: Servicios Aereos Nacionales, S.A.
 Albuquerque International Balloon Fiesta, 1987
 Virgin Atlantic Airways, Ltd.
 Alcantara, Ruben Ruiz, founder/pres./GM
 Aerolineas Mexicanas, S.A. de C.V.
 GPA: Golfo y Pacifico Aerotransportes, S.A. de C.V.
 Alcazar plan
 SAS: Scandinavian Airlines System
 Alcocer, Oscar, pres.
 Aerosur Boliviano, S.A.
 Alcohol, operations under the influence of
 Northwest Airlines
 Alderfeldt, Bo, chairman
 Falcon Aviation, A.B.
 Alderson, Chief Inspector Michael, Sussex police
 Airtours International, Ltd.
 Alekperov, Fizouli, chairman/pres.
 Imair Airlines
 Aleman, Miguel, Mexican president
 CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Aleong, Conrad, pres./CEO
 British West Indies Airways, Ltd. (2) (BWIA)
- Aler, I. A., pres.
 KLM: Royal Dutch Airlines, N.V.
 Aleshin, Vladimir S., DG
 Tula Air Enterprise
 Alexander, Craig, MD
 Aurigny Air Services, Ltd.
 Alexander, James H., jt. founder
 Gem State Airlines
 Alexander, Thomas, chairman
 Highland Airways, Ltd. (1)
 Alexander, William H. "Bill," pilot
 Coastal Airways (1)
 Alexandra Towing Company, Ltd.
 Euroair Transport, Ltd.
 Alexandre, Jacques, GM
 Air Madagascar, S.A.
 Alexlev, D., hijacker
 Pacific Southwest Airlines
 Alford, Mildred, flight attendants training director
 American Airlines
 Alger, Capt. H. W. C. Alger, pilot
 Imperial Airways, Ltd.
 AliAli Abdulla, Abdulla, chairman/MD
 Alameda Democratic Yemen Airlines
 Ali, Abu, hijacker
 British Overseas Airways Corporation (BOAC)
 Ali, Ahmed M., GM
 Yemenia: Yemen Airways Company
 Ali, Shaaban, hijacker
 Egyptair, S.A.E.
 Ali, Sid El Khatmin Magoub, GM
 Sudan Airways Company, Ltd.
 Ali Abdulla, Abdulla, chairman/MD
 Alyemda Democratic Yemen Airlines
 Ali Bun Nassar Assiyabi, Salim Bin, pres./CEO
 Gulf Air Company, G.S.C.
 Ali Fargani, Abuiasha, hijacker
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Ali Habibian, Mohammad, investor/MD
 Safiran Airlines
 Ali Hasan, Badri, chairman
 Libyan Arab Airlines
 Ali Mohammad Khademi, Lt. Gen., chairman
 Iran Air: Iranian National Airlines Corporation
 Ali Rezaq, Omar Mohammed, hijacker
 Egyptair, S.A.E.; Ghana Airways Corporation
 Ali Rida, Gen. Omar, chairman/MD
 Syrianair: Syrian Arab Airways
 Ali Shah, Syed Zafar, Pakistani parliamentary secretary
 Pakistan International Airlines Corporation
 Alibee, James R., hijacker
 United Airlines
 Alice, Mitchell H., founder/chairman/CEO
 Allegiant Air
 Aligbe, Chris, corporate info. dir.
 Nigeria Airways, Ltd.
 Aliott, John, GM
 Air Kavango (Pty.), Ltd.
 Aliyev, Haydar, pres.
 Azerbaijan Airlines
 Alkavesig, Per, pres.
 Alkair Flight Operations, A.S.
 All-American Engineering Company
 Allegheny Airlines (1)
 All-American Flag Line ("Community Company") concept
 Pan American Airways (PAA)
 All-America Football Conference
 United Air Lines (2)
 All-American Flag Line

- Pan American Airways (PAA)
 All Leisure Travel Holdings, Ltd.
 All Leisure Airlines, Ltd.
 Transaer International, Ltd.
 Translift Airways, Ltd.
 Allan, Capt. William, pilot
 Nationair Canada, Ltd.
 Allaz, Camille, pres./DG
 Air Charter, S.A.
 Allegis Corporation *see*
 United Airlines
 Allen, D., GM
 Genair, Ltd.
 Allen, Eddie, Boeing test pilot
 Transcontinental and Western Air Lines (TWA)
 Allen, Edward H., EVP
 Transwestern Airlines
 Allen, Capt. G.U., pilot
 Qantas Empire Airways (Pty.), Ltd.
 Allen, George, governor of Virginia
 Atlantic Coast Airlines
 Allen, George, passenger
 Continental Air Charter
 Allen, Marie, flight attendant
 American Airways (2)
 Allen, Ronald W., chairman
 Delta Air Lines
 Allen, S. P., GM
 Chalks International Airlines (1)
 Paradise Island Airways
 Allen, Steven, marketing/sales dir.
 Britannia Airways, Ltd.
 Allen, T. F., passenger
 South African Aerial Transport (Pty.), Ltd.
 Allen, Taymond, stowaway
 Southwest Airlines (2)
 Allen, Telford, Jr., founder/pres.
 Telford Aviation
 Allen, Telford, 3rd, owner/pres.
 Allen, V. G., founder/MD
 ATS Vulcan, Ltd.
 Allen, Sir William, Bahamian transport minister
 Bahamasair, Ltd.
 Allen & Company
 British West Indies Airways, Ltd. (2) (BWIA)
 Allende, Salvador, Chilean pres.
 LADECO Chilean Airlines, S.A.
 LanChile Airlines, S.A.
 Allgemeine Elektrizitäts-Gesellschaft (AEG)
 Deutsche Luft Reederei, GmbH.
 Alliance and General Insurance
 Nigeria Airways, Ltd.
 Alliance Capital
 United Airlines
 Allied Aviation, Ltd.
 Rottneast Airbus (Pty.), Ltd.
 Allied Boston Bank
 Modiluft
 Allied Pilots Association
 American Airlines
 Canadian Airlines International, Ltd.
 Allis, Peter, tour host
 Privatair, S.A.
 Allison, Capt. E. M., pilot
 China National Aviation Corporation (CNAC-1)
 Alltours
 Hamburg International Airlines, GmbH.
 Almazov, Nikolai, CEO
 Volga Airlines: Volga Air Company State Enterprise
 Almonacid, Vincente, consultant
 Aeropostale (1): Compagnie Generale Aeropostale, S.A.
 Alonso, Julian Garcia, Cuban refugee
 Aeroflot Soviet Airlines
 Alpasian, Vedat, chairman/pres.
 Kibris Turk Hava Yallari, A.O.
 Alpha Group, French investment house
 Air Liberte, S.A.
 Alpha Risen, tour company
 Galaxy Airways, S.A.
 Alphasines
 Air Exel, S.A.
 Air Exel Belgium, S.A.
 Air Exel France, S.A.
 Air Exel Germany, GmbH.
 Air Exel Netherlands, C.V.
 Air Exel U.K., Ltd.
 Alpitour, SpA.
 Air Europe, SpA.
 Alroy, Hillel, Capt., pilot
 El Al Israel Airlines, Ltd.
 Althen, Wilhelm, cargo division COO
 Deutsche Lufthansa, A.G.
 Althen, Wilhelm, jt.-MD/chairman
 German Cargo Airlines, GmbH.
 Lufthansa Cargo Airlines, A.G.
 Alvarado, Vincente Perez, pres.
 SERCA: Servicio de Carga Aerea, S.A.
 Alvaral, Carlos Manuel Molina, hijacker
 TAP Air Portugal, S.A.
 Alvardo, Capt. Vincente Perez, pres.
 SERCA: Servicio Especializado de Carga Area, S.A.
 Alvarez, Javier, GM
 Aviacion y Comercio, S.A. (AVIACO)
 Alvarez, Jose, founder/pres.
 Centennial Air
 Alvarez, Luis Jamio, GM
 LAI: Linea Aerea Imperial, S.A.
 Alvistur, Victor E., pres.
 Aero Union
 Alvoet, Raymond, vp-opns.
 Sabena Belgian World Airlines, S.A.
 Amadeus CRS
 Aerolineas Argentinas, A.S.
 Air Bosna, S.A.
 Air France
 Air Kazakhstan
 Air Mauritius, Ltd.
 America West Airlines
 British Airways, Ltd. (2)
 Continental Airlines
 Deutsche Lufthansa, A.G.
 Emirates Airlines, Ltd.
 Iberia Spanish Airlines (2): Lignes Aerees de Espana, S.A.
 LTU International Airways, KG
 Midwest Express Airlines
 Pakistan International Airlines Corporation
 Qantas Airways (Pty.), Ltd.
 SAS: Scandinavian Airlines System
 Turkmenistan Airlines: Turkmen Hava Yollari
 Ukraine International Airlines
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Virgin Express, S.A.
 Amalgamated Commercial Enterprises
 Southern Air Transport
 Amalgamated Engineering and Electrical Union
 British Airways, Ltd. (2)
 Aman, Rohullah, pres.
 Ariana Afghan Airlines Company, Ltd.

- Amarillas, Tierras, investor
 LADECO Chilean Airlines, S.A.
- Amaro, Capt. Rolim Adolfo, chairman
 TAM: Transportes Aereos Regionais, S.A.
 TAM-Mercosur: Transportes Aereos Mercosur, S.A.
 TAM-Meridionais: Transportes Aereos Meridionais, S.A.
- Ambassador Travel Club (Amtran)
 American Trans Air
- Amber Vacations
 American Trans Air
- Ambica Steam Navigation Company
 Ambica Airlines, Ltd.
- Ambroise, Gamiel Robert, hijacker
 PEOPLExpress Airlines
- Ambrose, Capt. L. R., pilot
 British Overseas Airways Corporation (BOAC)
- Ambrose Lightship
 Deutsche Luft Hansa, A.G.
- Amerer, Heinz Peter, founder/pres.
 Amerer Air, GmbH.
- America West Vacations
 America West Airlines
- America's most successful skyjacking
see Cooper, Dan B.
- American Aviation LDC
 China Hainan Airlines Company, Ltd.
- American Hawaii Cruises
 Transamerica Airlines
- American Legionnaire*, SS
 Pan American Airways (PAA)
- American Presidential Lines
 Northwest Airlines
- American Samoa
 Inter-Island Airways (3)
 Manu'a Air Transport
 Samoan Airlines
 South Pacific Island Airways
- American Volunteer Group (AVG)
 American Airlines
 Pan American Airways (PAA)
- Ameri-First Financial
 Tahoe Air
- AmeriWest Vacations
 America West Airlines
- Amery, Julian, British aviation minister
 Braniff International Airways
- Ames, Capt. Robert S., pilot
 American Airlines
- Amin, Idi, pres. of Uganda
see Skyjackings—March 20, 1974; June 27, 1976;
- Amin, Mohammed, cameraman/passenger
 Ethiopian Airlines, S.C.
- Amir, Amos, vp-opns.
 El Al Israel Airlines, Ltd.
- Amir-fazli, Mjr. Gen. Assadollah, chairman
 Iran Air: Iranian National Airlines Corporation
- Ammersonis, Ioannis, chairman
 Brasair Transportes Aereos, S.A.
- Amolis, Bradley, MD
 Air Supply (Pty.), Ltd.
- Amon, Chris, jt.-founder
 Brymon Airways, Ltd. (1)
- Amortegui, Carlos, jt.-founder
 Avispa: Aerovias Pilotas Asociados, S.A.
- Amos, Capt. David, pilot
 National Airlines
- Amout, R., jt.-founder
 Cap Airlines, S.A.
- Amponsah, R. R., chairman
 Ghana Airways Corporation
- AMR Corporation
 American Airlines
 American Eagle Airlines (1)
 American Eagle Airlines (2)
- Amron, Arthur H., dir.
 Frontier Airlines (2)
- Amster, Barbara, SVP-marketing/sales
 Canadian Airlines International, Ltd.
- Amtorg, Soviet trading organization
 Aeroflot Soviet Airlines
- Amundsen Group
 Air Stord, A.S.
- ANA Aviation Services, Ltd.
 DAS Air Cargo: Dairo Air Services, Ltd.
- ANA World Tours Company, Ltd.
 All Nippon Airways Company, Ltd. (ANA)
- Anaheim Angels MLB team
 America West Airlines
- Ancher, Jacques, vp-cargo
 KLM: Royal Dutch Airlines, N.V.
- Andenaes, A.S.
 Helikopter Service, A.S.
- Anders, A.K., MD
 Dobrolet
- Andersen, Flemming, pres.
 Walker's International Airline
- Andersen, Tage, chairman
 SAS: Scandinavian Airlines System
- Andersen Consulting
 Royal Jordanian Airlines
- Anderson, B. J., passenger
 United Air Lines (2)
- Anderson, Christopher, MD
 Race Cargo Airlines, Ltd.
- Anderson, Courtney, pres.
 Chicago Express Airlines
- Anderson, David, Canadian transport minister
 Canadian Airlines International, Ltd.
- Anderson, Dick, DG
 Aerolift International (Pty.), Ltd.
- Anderson, Sir Donald, chairman
 Qantas Airways (Pty.), Ltd.
- Anderson, Gary M., founder/pres.
 Air Midwest
- Anderson, Harold and Irene, founders
 South Central Air
- Anderson, J. N., founder/pres.
 North Coast Air Service, Ltd.
- Anderson, Jack, columnist
 Delta Air Lines
- Anderson, John, vice chairman
 Kiwi International Air Lines
- Anderson, Josiah, jt. founder
 Maritime Central Airways, Ltd.
- Anderson, Martin, chairman
 Hawaiian Airlines (HAL)
- Anderson, Capt. Milton H., chief pilot
 Northeast Airlines (1)
- Anderson, Morton, pres.
 Color Air, A.S.
- Anderson, Norman, founder/pres.
 Air Commuter Airlines (2)
- Anderson, Peter, jt.-founder
 Kestrel International Airways, Ltd.
- Anderson, Raymond L., vp
 Marco Island Airways
- Anderson, Richard, EVP/COO/chairman/CEO
 Northwest Airlines

- Anderson, Capt. Robert, jt.-founder/pilot
South Pacific Airlines of New Zealand, Ltd.
- Anderson, Thomas, pres.
Eastern Air Lines
- Anderson, Capt. W. F., pilot
British Airways, Ltd. (1)
- Andersson, Sivert, MD
Highland Air, A.B.
Holmstroem Air Sweden, A.B.
- Andes Holding, S.A.
Aerolineas Argentinas, S.A.
Austral Airlines: Lineas Aereas Austral, S.A.
- Anding, Ashley, passenger
Pan American World Airways (1)
- Andrade, Carlos Morales, pres.
Aero Peru, S.A.
- Andrade, Hubert, CEO
Air Zaire, S.A.
- Andrawes, Souhalla Sami, hijacker
Deutsche Lufthansa, A.G.
- Andres, William J., pres.
Air Wisconsin Airlines Corporation
- Andress, FO Raymond,
Pacific Air Lines
- Andreu, Narciso, chairman/CEO
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
Meridiana, SpA.
- Andrew, Jack, DG
National Airways (Pty.), Ltd.
- Andrews, Capt. Andrew, pilot
Transcontinental and Western Air Lines (TWA)
- Andrews, Capt. Henry G. "Andy," pilot
Transcontinental and Western Air (T&WA)
- Andrews, Capt. J. Floyd, pilot/pres./chairman/CEO
Pacific Southwest Airlines (PSA)
- Andrews, John, jt. founder
Permian Airways
- Andrews, Stuart, chairman/managing director
Orient Air, Ltd.
- Andrews, T. Coleman, 3rd., pres./chairman
Key Airlines (2)
South African Airways (Pty.), Ltd.
World Airways
- Andreyev, Sergi E., DG
Air Troika SP
- Andreyev, Vladimir, head, Russian Federal Service of Air Transport (FSVT)
Aeroflot Russian International Airlines (ARIA)
- Andrezej, Wojczuk, founder/pres.
Tasawi Air Services, S.A.
- Andriantisitohaina, Adrian, chairman
Air Madagascar, S.A.
- Andrimanerasoa, Nirina, chairman
Air Madagascar, S.A.
- Andropov, Viktor S., DG
Arkhangelsk Airlines
AVL Arkhangelskie Vozdushnye Linie
- Anel, Renato S., MD
Pacific Airways Corporation
- Angalak, Joseph C., founder/pres.
Camai Air
- Angevine, Leo, jt. founder
Bradford Air Transport
West Penn Commuter
- Anglo American Corporation
Commercial Air Services (Pty.), Ltd.
- Anglo Irish Bank
CityJet, Ltd.
- Angus, Sir Michael, deputy chairman
British Airways, Ltd. (2)
- Anic, Damir, founder/MD
Anic Airways
- Anodina, Dr. Tatiana
Aeroflot Russian International Airlines (ARIA)
- Anokhin, Boris, CEO
Kostroma Air Enterprise
- Ansett, Sir Reginald M., chairman/MD
Ansett Airlines of Australia (Pty.), Ltd.
- Antal, Dr. Erzsebet, CFO/pres./CEO
MALEV Hungarian Airlines, Rt.
- Antarctica, civil air support of scientific activities
Aeroflot Soviet Airlines
Ken Borek Air, Ltd.
Petroleum Helicopters
- Antarctica, tour flights
Air New Zealand, Ltd.
LanChile Airlines, S.A.
Qantas Airways (Pty.), Ltd.
Transair Sweden, A.B.
- Anthony, Francis, MD
Rottnest Airbus (Pty.), Ltd.
- Anthony, Lori, jt.-founder
Shuswap Air: Shuswap Flight Center, Ltd.
- Anthony, Stanley, operations director
Saber Cargo Airlines
- Antinori, Marcelo, pres.
VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- Antonov, Oleg K., aircraft designer
Aeroflot Soviet Airlines
- Antonov Design Bureau U.K. associate
Air Foyle, Ltd.
- Antonov An-10 launch customer
Aeroflot Soviet Airlines
- Antonov An-12 launch customer
Aeroflot Soviet Airlines
- Antonov An-24 launch customer
Aeroflot Soviet Airlines
- Antonov An-26 launch customer
Aeroflot Soviet Airlines
- Antonov An-30 launch customer
Aeroflot Soviet Airlines
- Antonov An-124 launch customer
Aeroflot Soviet Airlines
- Antonov An-140 launch customer
Ikaros Fly
- Antrobus, D.L., founder/chairman
Northern Executive Aviation, Ltd.
- Antunes, Manuel J., jt.-founder
TAN: Transportes Aereos Nacional, S.A.
- Anufrief, Vladimir, MD
Crimea Air
- Anufrief, Vladimir A., MD
Crym-Avia
- ANZ Investment Bank, Ltd.
Vietnam Airlines
- Anzaj, Masamichi, pres.
All Nippon Airways Company, Ltd. (ANA)
- Aoun, Gen. Michel, Lebanese Christian militia leader
Middle East Airlines, S.A.L. (2)
- Aphichan, ACM Voranat, chairman/pres.
Thai Airways International, Ltd. (THAI)
- Aparacio, Julian, founder/CEO
Air Monarch, S.A. de C.V.
- Apollo astronauts, passengers
Metro Airlines
- Apollo/Galileo CRS system
Air Bosna, S.A.
Alitalia, SpA.

- British Airways, Ltd. (2)
- Canadian Airlines International, Ltd.
- Flexair, B.V.
- Kendell Airlines (Pty.), Ltd.
- KLM: Royal Dutch Airlines, N.V.
- Pakistan International Airlines Corporation
- Qantas Airways (Pty.), Ltd.
- Ryanair, Ltd.
- Southwest Airlines (2)
- Swissair, A.G.
- TAP-Air Portugal, S.A.
- United Air Lines (2)
- United Airlines
- USAir
- Virgin Express, S.A.
- Vnukovo Airlines
- Apollo Resor, A.B.
- Nova Airlines, A.B. (Novair)
- Appenowitz, Jorgen, GM
- Flight Travel Service, GmbH.
- Apple Vacations
- Private Jet Expeditions
- Ryan International Airlines
- United Parcel Service (UPS)
- Appleton, Bryce, pres.
- Midstate Airlines
- Appusamy, K G, MD
- Air India, Ltd.
- Apthorp, Cynthia, flight attendant
- British Overseas Airways Corporation (BOAC)
- Aquino, Benigno S., Jr., murdered Filipino exile leader
- China Airlines, Ltd. (CAL)
- Aquino, Manolo, EVP
- Philippine Air Lines
- Arafat, Yasir, PLO chairman/Palestine president
- Kuwait Airways Corporation
- Palestinian Airlines
- Aragao, Alberto, MD
- LAR Transregional, S.A.
- Arai, Hiroshi, chairman
- Japan Asia Airways, Ltd.
- Arajo, Fernando, marketing manager
- Nordeste: Nordeste Linhas Aereas Regionais, S.A.
- Aramini, Ronald A., vp-ops./pres.
- Air Wisconsin Airlines Corporation
- Allegheny Airlines (2)
- Aranets, Gemma Cruz, Philippine tourism department secretary
- Philippine Air Lines
- Arango, Alvaro, founder/MD
- Aces Colombia, S.A.
- Arce, Hector, MD
- TAN: Transportes Aereos Nacionales de la Selva
- Arce, Juan Ruiz, GM
- Air Sur, S.A.
- Archer, Gary and Michael, jt. founders
- Silvertip Lodges & Bush Pilots Air Service
- Archer, Gary W., pres.
- Bush Pilots Air Service
- Arctic Circle wedding, 1996
- Air Atlanta Icelandic, H.F.
- Ardito, Bruno, pres.
- MAS Air, S.A.
- Arellano, Gen. Oswaldo Lopez, pres.
- SAHSA: Servicio Aereo de Honduras, S.A.
- TAN: Transportes Aereos Nacionales, S.A.
- Arenda, A. R., chairman
- Air Aruba, N.V.
- Aretakis, Gregory D., jt. founder/VPM
- Shuttle America
- Arge, Magni, MD
- Atlantic Airways Faroe Islands, A.S.: Atlantsflog
- Argentina, Supreme Court
- Aerolineas Argentinas, S.A.
- Argyros, George L., jt. owner
- AirCal
- Aria, Alfonso R., founder/pres.
- LIDCA: Lineas Aereas del Caribe, S.A.
- Arias-Salgado, Rafael, Spanish transport minister
- Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Arison, Theodore "Micky," chairman/investor
- Carnival Air Lines
- Pan American World Airways (2)
- Ariyoshi, George, Hawaiian governor
- Hawaiian Airlines (HAL)
- Arizona
- Air Sedona
- Air Transit
- America West Airlines
- America West Express
- Anderson Aviation Sales
- Apache Airlines (1)
- Apache Airlines (2)
- Arizona Air Sidona
- Arizona Airways (2)
- BancOne Services Corporation
- Biegert Aviation
- Caravan Airlines
- Cochise Airways
- Copper State Airlines
- Corporate Jets
- Cutter Aviation
- Desert Airlines (1)
- Desert Pacific Airlines
- Desert Sun Airlines (2)
- Farwest Airlines
- Golden Airways
- Golden Pacific Airlines (2)
- Grand Canyon Airlines (1)
- Grand Canyon Airlines (2)
- Havasut Airlines
- Huachuca Airlines
- Lake Havasu Air Service
- Lorair
- McClain Airlines
- Ponderosa Airlines
- Royal American Airways
- Scenic Airways
- Sedona Sky Treks
- Sierra Pacific Airlines (3)
- Sierra Vista Aviation
- Southwest Jet Aviation, Ltd.
- Sportsflight Airways
- Stateswest Airlines
- Sun Pacific International
- Sun West Airlines
- Sun West International Airlines
- Sunrise Airlines
- U.S. Delivery Systems
- Viscount Air Service
- Vista Airlines
- Arizona, Railroad Commission
- Century Pacific Line
- Arizona Cardinals NFL team
- Trans World Airlines (TWA)
- Arizona Diamondbacks MLB team
- America West Airlines
- Arkansas
- Air Arkansas

- Arkansas Aero
- Arkansas Traveler Airlines
- Astro Airways
- Bass Air Corporation
- Central Flying Service
- Executive Aviation
- Jamaire
- McNeely Charter Service
- Mountain Home Air Service
- Scheduled Skyways
- Skyways
- South Central Air Transport (1)
- Springdale Air Service
- Sunbelt Airlines (2)
- Twin City Airways
- Arland D. Williams Memorial Bridge
- Air Florida
- Armando, Cyro Novais, founder/chairman
- LAN: Linhas Aereas Natal, S.A.
- Armenian earthquake of 1988, relief flights
- Balair Air Charter, A.G.
- El Al Israel Airlines, Ltd.
- The Flying Tiger Line
- Southern Air Transport
- Armenian Secret Army for the Liberation of Armenia
- Air France
- Armington, Donald, chief administrative officer
- AccessAir
- Armstrong, C. Jim, pres./CEO
- Omniflight Airways/Omniflight Helicopters
- Armstrong, James V., founder/pres.
- Sururban Air Freight
- Armstrong, Capt. O. E., pilot
- Aer Lingus Irish Airlines, Ltd.
- Armstrong, Richard K., founder/pres.
- Armstrong Air Service
- Armstrong, Capt. Robert, pilot
- Scenic Airlines
- Armstrong, T. F., EVP/CFO
- Eastern Air Lines
- Armstrong, W. H., jt.-founder
- Autair International Airways, Ltd.
- Armstrong, Capt. William, pilot
- Imperial Airways, Ltd.
- Armstrong-Whitworth Argosy launch customer
- Imperial Airways, Ltd.
- Armstrong-Whitworth Atalanta launch customer
- Imperial Airways, Ltd.
- Armstrong-Whitworth Ensign launch customer
- Imperial Airways, Ltd.
- Arnaud, Pierre, deputy pres.
- Air Afrique, S.A.
- Arnold, Gen. Henry H. "Hap"
- American Airlines
- Pan American Airways (PAA)
- Arnott, Margaret, flight attendant
- Boeing Air Transport
- Aroi, Kenas, pres.
- Air Nauru
- Arora, Sunil, chairman/MD
- Indian Airlines, Ltd.
- Arpe, Per, MD
- Newair Air Service, A.S.
- Arpels, Francois, founder/chairman
- Fairlines, S.A.
- Arpey, Gerard J., CFO
- American Airlines
- Arpey, James W., vp-opns./COO
- Pan American World Airways (2)
- Arque, Jaime, GM
- Helicopteros, S.A. (Helicsa)
- Arrali, Bernard, chairman
- Euroberlin France, S.A.
- Arranz, Capt. Francisco, Spanish nationalist leader
- Deutsche Luft Hansa, A.G.
- Arrate, Jorge, Chilean labor minister
- LanChile Airlines, S.A.
- Arrowsmith Holidays
- Laker Airways, Ltd.
- Arsenault, Jean-Marine & Blandine, founders
- Aviation Boreal, Ltd.
- Art Van Furniture
- Northwest Airlines
- Artas, Raul, GM
- Aeroperlas, S.A.
- Arthur, Owen, prime minister of Barbados
- Carib Express, Ltd.
- Aruba, Parliament
- Air Aruba, N.V.
- Arychuk, Alexander, chairman/pres.
- Air Tindi, Ltd.
- Arychuk, Peter, vp
- Air Tindi, Ltd.
- Arychuk, Sheila, treasurer
- Air Tindi, Ltd.
- Asada, Shizuo, pres.
- Japan Air Lines Company, Ltd. (2)
- Asade, Trude, flight attendant
- Hawaiian Airlines (HAL)
- Asahar, Shoko, religious sect leader
- All Nippon Airways Company, Ltd. (ANA)
- Asato, Masayoshi, pres.
- Ryukyu Air Commuter Company, Ltd.
- Asel, W. E., founder/pres.
- Trans-Missouri Airlines
- Ashby, N. Bruce, DCAir acting pres.
- United Airlines
- USAirways
- Ashe, Victor, Knoxville (TN) mayor
- Express Airlines I
- Ashley, Capt. R. J., jt.-founder/MD
- Skyways, Ltd.
- Ashton, T. R., pres.
- Westair Commuter Airlines
- Asiatic Petroleum Company
- The Flying Tiger Line
- Asire, Jack B., GM
- Ethiopian Airlines, S.C.
- Aslaksen, Michael, GM/EVP
- Omniflight Airways/Omniflight Helicopters
- Helicopter Transport Services
- Aspen Institute for Humanistic Studies
- Aspen Airways
- Aspen Skiing Company
- Aspen Mountain Air
- Aspin, James O., pres.
- Air Vectors Airways
- Asprou, Chris M., co-MD
- Inter-European Airways, Ltd.
- Asprou, George M., co-MD
- Inter-European Airways, Ltd.
- Asprou, M. G., chairman
- Inter-European Airways, Ltd.
- Asprou Holidays
- Inter-European Airways, Ltd.
- Asseline, Capt. Michel, pilot
- Air France
- Association of English and American Students Abroad

- American Flyers Airline Corporation
- Assumpcao, Jose Alfonso, founder/chairman
 - Lider Taxi Aereo, S.A.
- Assumpacao, Paulo, MD
 - Lider Taxi Aereo, S.A.
- Astaire, Fred, actor/passenger
 - Pan American Airways (PAA)
- Astakhov, F. A., DG
 - Aeroflot Soviet Airlines
- Astling, W. S., chairman
 - Air Express (Pty.), Ltd.
- ASTRAL CRS
 - Aer Lingus Irish Airlines, Ltd.
 - Kuwait Airways Corporation
- Astral Aviation
 - Skyway Airlines (2)
- Astrom, Ingmar, MD
 - Transair Sweden, A.B.
- Atabashyan, Dmitry, Armenian National Aviation Union chairman
 - Armenian Airlines
- Atchison, Topeka & Santa Fe Railroad
 - Santa Fe Skyways
 - Transcontinental Air Transport (TAT)
 - Universal Airlines System
- Athakravisunthorn, Atichart, chairman
 - Air Andaman, Ltd.
- Atherton, F. C., pres.
 - Inter-Island Airways (1)
- Atkin, J. Ralph, jt.-founder/owner/pres.
 - Eurosky, GmbH.
 - Skywest Airlines
- Atlanta Arts Association, passengers from
 - Air France
- Atlanta Braves MLB team
 - Delta Air Lines
- Atlanta Falcons NFL team
 - Delta Air Lines
- Atlanta Hawks NBA team
 - Pace Airlines
 - Viscount Air Service
- Atlanta Motor Speedway
 - Florida Airways Corporation
- Atlanta Skylarks air travel club
 - Independent Air
- Atlantic Aero
 - Mid Atlantic Freight, Inc.
- Atlantic Group
 - Air Atlantique, Ltd.
 - Air Corbiere, Ltd.
 - Atlantic Air Transport, Ltd.
 - Atlantic Airways, Ltd.
 - Atlantic Cargo, Ltd.
- Atlantic Refining Company of Africa (Pty.), Ltd.
 - Union Airways (Pty.), Ltd.
- Atlantica Boa Vista insurance company
 - Rio-Sul, S.A.
- Atlantis Investments, Ltd.
 - Air Nova, Inc.
 - Labrador Airways, Ltd.
- ATLAS maintenance pool
 - Air France
 - Alitalia, SpA.
 - Deutsche Lufthansa, A.G.
 - Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 - Sabena Belgian World Airlines, S.A.
- Atlas Corporation
 - Northeast Airlines (1)
 - Pan American Airways (PAA)
 - Transocean Air Lines (TAL)
- Atlas Project Management
 - Siberia Airlines (Sibir)
- Atomic Energy Commission (U.S.)
 - Cutter-Carr Flying Service
- Ator, Capt. Melvin D., pilot
 - American Airlines
- Attala, J. and M., investors
 - Inter Air: Inter Aviation Services (Pty.), Ltd.
- Attali, Bernard, chairman
 - Air France
- Attamimi, Rusdy, MD
 - Indovia: PT Indonesian Aviation Corporation
- Atterbury, William W., Pennsylvania Railroad pres.
 - Transcontinental Air Transport (TAT)
- Attica Enterprises
 - Cronus Airlines, S.A.
- Attwood, Capt. E. H., pilot
 - Imperial Airways, Ltd.
- Atwood, Seth G. and Connie, owners
 - Chalks International Airlines (1)
- Auckland Warriors (Rugby League) team
 - Ansett New Zealand, Ltd.
- Augustin, Smith, founder/pres.
 - Haiti Air Freight, S.A.
- Audi, Walter, founder/pres.
 - Audi Air
- Auld, Tony, co-founder/MD
 - Air Bristol, Ltd.
 - AB Airlines, Ltd.
 - Atlantic Airlines, Ltd.
- Auldrige, Phil, founder/pres.
 - Island Hoppers Hawaii Aerial Tours
- Aurila, Kestutis, chairman
 - Lietuva Air Company, A.B.: Air Lithuania, Ltd.
- Aurinkomatkat, tour company
 - Finnair, O/Y
- Aurora Airline Investments
 - Canadian Airlines International, Ltd.
- Auryla, Kestutis, chairman/DG
 - Lietuva Air Company: Air Lithuania, A.S.
 - Lithuanian Airlines, A.B.: Lietuvos Avialinijos
- Austin, Jack and Charles, founders
 - Austin Airways, Ltd.
- Austin, Capt. John, pilot
 - Airtours International Airlines, Ltd.
- Austin, Reginald, chairman
 - Air Zimbabwe Corporation
- Australia, Australian Protective Services
 - Impulse Airlines (Pty.), Ltd.
- Australia, Civil Aviation Safety Authority
 - Impulse Airlines (Pty.), Ltd.
- Australia, Competition and Consumer's Commission
 - Air New Zealand, Ltd.
 - Ansett Australia (Pty.), Ltd.
 - Ansett New Zealand, Ltd.
 - Impulse Airlines (Pty.), Ltd.
 - Qantas Airways (Pty.), Ltd.
 - Singapore Airlines, Ltd.
- Australia, Customs Service
 - National Jet System (Pty.), Ltd.
 - Skywest Airlines (Pty.), Ltd.
- Australia, Department of Natural Resources
 - Erickson Air Crane
 - Hevi Lift (Pty.), Ltd.
- Australia, Foreign Investment Review Board
 - Air New Zealand, Ltd.
 - Ansett Australia (Pty.), Ltd.
 - Ansett New Zealand, Ltd.
- Australia, International Air Services Commission

- Ansett Australia (Pty.), Ltd.
 Qantas Airways (Pty.), Ltd.
 Australia, National Antarctic Research Expedition
 Helicopter Resources (Pty.), Ltd.
 Australia, Parliament, May Committee inquiry, 1986
 Ansett Airlines of Australia (Pty.), Ltd.
 Qantas Airways (Pty.), Ltd.
 Trans Australia Airlines (Pty.), Ltd.
 Australia, Productivity Commission
 Ansett Australia (Pty.), Ltd.
 Australia, Quarantine Inspection Service
 Royal Brunei Airlines, Ltd.
 Australia, Trade Practices Commission
 British Airways, Ltd. (2)
 Qantas Airways (Pty.), Ltd.
 Australia and New Zealand Banking Group
 Qantas Airways (Pty.), Ltd.
 Australian Flying Doctor Service
see QANTAS: Queensland and Northern Territories Air Service (Pty.), Ltd.
 Autry, Gordon, founder/pres.
 Rocky Mountain Airways
 Avejic, Aleksander, DG
 Air Jugoslavia
 Averill, Karen T., vp-personnel
 Pan American World Airways (2)
 Avgerinidis, Capt. Kiriakos, DG
 Olympic Aviation, S.A.
 Avia BH-25 launch customer
 CLS Czechoslovak Airlines
 Aviation Capital Partners
 Lina Congo, S.A.
 Aviation Consumer Action Project
 Allegheny Airlines (1)
 Braniff International Airways
 Aviation Corporation (AVCO)
 American Airlines
 American Airways
 Canadian Colonial Airways
 Century Air Lines
 Century Pacific Lines
 Colonial Air Transport
 Colonial Airways Corporation
 Colonial Western Airways
 Embry-Riddle Company
 Interstate Air Lines
 Southern Air Transport System
 Universal Aviation Corporation
 Aviation Corporation of Canada
 Canadian Airways, Ltd.
 Canadian Transcontinental Airways, Ltd.
 Aviation Corporation of Seattle
 Westair Transport
 Aviation Corporation of the Americas
 New York, Rio and Buenos Aires Line (NYRBA)
 Pan American Airways (PAA)
 Pan American-Grace Airways (PANAGRA)
 UMCA: Uraba, Medellin and Central Airways, S.A.
 Aviation Developments Operations, Ltd.
 Bali Air: PT Bali International Air Service
 Aviation Group, The
 Orion Air
 Zantop International Airlines
 Aviation Industries Corporation
 Sun Jet International Airlines
 Aviation Manufacturing Company
 Aircraft Transport & Travel, Ltd.
 Aviation Investments Inc.
 Guyana Airways Corporation
 Aviation Traders ATL-98 Carvair launch customer
 British United (Channel Island) Airways, Ltd.
 Aviatours & Partners
 Lithuanian Airlines, A.B.: Lietuvo Avialinijos
 Aviazakas, investor
 MATK Rusavia
 Avidzba, V. S., dir.
 Tajikistan Airlines
 Avila, Alfonso, president
 Aero Republica, S.A.
 Avila, Jorge Hernando, hijacker
 AVIANCA Colombian Airlines, S.A.
 Avila, Miguel, founder/pres.
 Sun Pacific Airlines
 Aviles, Capt. Roberto, founder/pres.
 Servicios Aereos Aviles, S.A. de C.V.
 Avions de Transport Regional ATR 42-100 launch customer
 Air Littoral, S.A.
 Avions de Transport Regional ATR 42-300 launch customer
 Command Airways
 Avions de Transport Regional ATR 42-320 launch customer
 Command Airways
 Avions de Transport Regional ATR 42-400 launch customer
 Command Airways
 Avions de Transport Regional ATR 42-520 launch customer
 Air Dolomiti, SpA.
 Avions de Transport Regional ATR 72-200 launch customer
 Command Airways
 Avions de Transport Regional ATR 72-500 launch customer
 Command Airways
Avocat, USS
 Pan American Airways (PAA)
 Avro 685 York launch customer
 British Overseas Airways Corporation (BOAC)
 Avro 691 Lancastrian launch customer
 British Overseas Airways Corporation (BOAC)
 Avro RJ70 launch customer
 Aegean Aviation, S.A.
 Avro RJ85 launch customer
 Crossair, Ltd.
 Avro Tudor 4 launch customer
 British South American Airways Corporation (BSAA)
 Avrutski, A., GM
 ABV Airways
 Avvakumovs, Sergey, MD
 Transeast Airlines, A.S.
 Awad, Jorge, chairman
 LanChile Airlines, S.A.
 Awan, Tauqir Sultan, chairman/CEO
 Hajvairy Air, Ltd.
 Axberg, Edward, pilot
 National Air Transport
 AXESS CRS
 Japan Air Lines Company, Ltd. (2)
 Axenov, Konstantin, pres.
 Gazpromavia
 Ayah, Wilson, Kenyan transport/communications minister
 Kenya Airways, Ltd.
 Ayalew, Tafesee, GM
 Ethiopian Airlines, S.C.
 Ayas, Prof. Dr. Inanc, DG
 THK: Turk Hava Kurumu, A.O.
 Ayeh-Kumi, Dr. E., chairman
 Ghana Airways Corporation
 Ayer, Fred, aircraft designer
 Federal Express (FedEx)
 Ayer LM200 Loadmaster launch customer
 Federal Express (FedEx)
 Ayer, William S., SVP/pres.

Horizon Air
 Alaska Airlines
 Ayling, Robert, MD/chairman
 British Airways, Ltd. (2)
 Ayob, Fauzi, MD
 Air Maldives, Ltd.
 Ayres, Harold P., pilot
 Canadian Airways, Ltd.
 Ayres, Jack, pilot
 Braniff Airways
 Azad, Chulam Nabi, Indian minister of civil aviation
 Indian Airlines Corporation
 Azeem, Air Marshal Waqar, MD
 Pakistan International Airlines Corporation
 Azerbaijan, National Security Ministry
 Polet Airline
 Azikiwe, Nnamdi, Nigerian president
 Nigerian Airways, Ltd.
 Azim, AM Wigar, MD
 Pakistan International Airlines Corporation
 Azima, Farhad, founder/chairman/investor
 Global International Airways
 Nationair Canada, Ltd.
 Azimi, Marjan, EVP
 Trans Air (2)
 Aziz, Dato Abdul, chairman/CEO
 Pelangi Air Sdn. Bhd.
 Aziz, Tan Sri Abdul, MD
 Malaysia Airlines, Ltd. (MAS)
 Aziz-Ba, Abdoul, DG
 Air Mauritanie (1): Societe Nationale Air Mauritanie, S.A.
 Azmanoff, M. D., hijacker
 Pacific Southwest Airlines
 Azmi, Shabana, actress/protector
 Air India, Ltd.
 Aznar, Naveira, chairman/MD
 Trabajos Aereos y Enlaces, S.A.
 Azpurua, Capt. Jose Auguisto, founder/jt.-founder
 VIASA: Venezolana Internacional de Aviacion, S.A.
 LASER: Lineas Aereas de Servicio Ejecutivo Regional, S.A.
 Azpurua, Capt. Rodolfo, jt.-founder
 LASER: Lineas Aereas de Servicio Ejecutivo Regional, S.A.
 Azraai, Zain, chairman
 Malaysia Airlines, Ltd. (MAS)
 Aztec 2000 CRS
 Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
 Azulai, Shmuel, Israel general labor federation president
 El Al Israel Airlines, Ltd.
 Azuma, Tomoko
 First female accepted for pilot training by Japan Air Lines Company,
 Ltd. (2)

B

Baader-Meinhof Gang terrorists
 Deutsche Lufthansa, A.G.
 Baaicheli, Arnaldo, pres.
 LAI: Linea Aerea Iaaca, C.A.
 Babashkin, Vasilii V., DG
 Kavminvodyavia
 Babb, Charles, founder/pres.
 Amphibian Air Transport Service
 Babbucci, Giacomo, GM/MD
 Air Sicilia, SpA.
 Aliadriatica, SpA.
 Sunshine Aviation, Ltd.
 Babichev, Ivan, CEO
 Stigl Grozni United Air Detachment
 Babushkin, M. S., pilot
 Dobrolet

Baby Aaxico, child born aboard airliner,
 Aaxico Airlines
 Bach 3-CT-6 Air Yacht launch customer
 West Coast Air Transport
 Bachali, N., hijacker
 Deutsche Lufthansa, A.G.
 Bacichi, Riccardo, MD
 Elicotteri Toscani (Elitos) SpA.
 Backe, Jan, pres.
 Points of Call Airlines, Ltd.
 Bacon brothers, founders
 Sivewright Airways, Ltd.
 Bacon, Ellard A., owner/pres.
 Pacific Marine Airways
 Baembitov, R. M., DG
 Sterlitamak Aviakompaniya
 Bager, R., pilot
 Handley Page Transport, Ltd.
 Bagley, George, vp/COO/pres.
 Horizon Air: Horizon Air Industries
 Transwestern Airline
 Bagmut, Capt. Yevgeny, chief pilot
 Vnukovo Airlines
 Bagnoud, M. Bruno, chairman
 Air Glaciers, S.A.
 Bagona, Cankut, jt.-owner/chairman
 Onur Air Tasimaclik, A.S.
 Bagri, Ajaib Singh, alleged bomber
 Air India, Ltd.
 Bahama Development Company
 America Trans-Oceanic Company
 Bahlman, Robert S., SVP/CFO
 Midwest Express Airlines
 Skyway Airlines (2)
 Baidukov, G. G., DG
 Aeroflot Soviet Airlines
 Baiduri Group
 Myanmar International Airways, Ltd.
 Baijal, Anil, MD
 Indian Airlines, Ltd.
 Bailey, Brian, uniform designer
 Canadian Airlines, Ltd.
 Bailey, Sir Derek, founder/chairman
 Aurigny Air Services, Ltd.
 Bailey, Donovan, athlete
 Air Canada, Ltd.
 Bailey, Capt. F. J., pilot
 Imperial Airways, Ltd.
 Bailey, F. Lee, lawyer
 United Airlines
 Bailey, George, founder/pres.
 Hub Airlines
 Bailey, J. W., vp/GM
 Overseas National Airways
 Bailey, Kori, model
 Western Pacific Airlines (Westpac)
 Bailey, Rita, corporate employment mgr.
 Southwest Airlines (2)
 Baillie, Capt. W., pilot
 British European Airways Corporation (BEA)
 Bain, Addison, NASA scientist
 Deutscher Zeppelin-Reederei, A.G.
 Bain, Capt. Arthur W., MD
 Airlines of Carriacou, Ltd.
 Bain, Capt. William S., pilot
 Eastern Air Lines
 Bain Consulting
 Ansett Australia (Pty.), Ltd.
 Bainbridge, Capt. John, pilot

- Trans World Airlines (TWA)
- Bajac, Capt. Robert, pilot
Air France
Air Union, S.A.
- Bajowa, Mjr. Gen. Olu, MD
Nigeria Airways, Ltd.
- Bakar, Capt. Ismail A., CEO
Transmile Air Service, Ltd.
- Bakar, Capt. Ismail A., GM
Pelangi Air, Ltd.
- Baker, Anthony, MD/CEO
Aer Kavango (Pty.), Ltd.
- Baker, Gen. David H., pres.
Capital Airlines
- Baker, George T. "Ted," GM/founder/chairman
Franklin & Baker Airlines
National Airlines (1)
- Baker, Harry, pilot
West Australian Airways (Pty.), Ltd.
- Baker, John and Marjorie, founders
Baker Aviation
- Baker, Marilyn L., founder/pres.
Flirite 3358.
- Baker, Capt. R. L. "Bud," chief pilot
Pennsylvania Air Lines and Transport Company
- Baker, Russell, jt. founder
Central British Columbia Airways, Ltd.
- Baker, T. C., passenger
American Airlines
- Baker, T. S., MD
BCA: British Colonial Airways, Ltd.
- Baker & McKenzie legal firm
Thai Airways International, Ltd. (THAI)
- Bakes, Philip J., Jr., pres.
Continental Airlines
Eastern Air Lines
- Bakhtin, E., DG
Avcom SP
- Bakkula, Scott, actor
Air New Zealand, Ltd.
- Bakr, Ytemeni N. A. A., hijacker
Alyemda Democratic Yemen Airlines
- Baksh, Sen. Sadiq, Trinidad & Tobago transport minister
Air Caribbean, Ltd.
British West Indies Airways, Ltd. (2) (BWIA)
- Balakin, V. A., GM
North West Air Detachment/St. Petersburg
- Balandin, Anatoly T., DG
Mostransgaz Airlines Company
- Balbo, Italo, AM/Italian aviation minister
Deutsche Luft Hansa, A.G.
- Balchen, Bernt, MD/pilot
DNL Norwegian Airlines, A.S.
Western Canada Airways, Ltd.
- Baldanza, B. Ben, MD/COO and dir.
TACA International Airlines, S.A.
Frontier Airlines (2)
- Baldin, B.S., DG
Aviaross Air Company
- Baldwin, Bernie, GM
Rottnest Airbus (Pty.), Ltd.
- Baldwin, John R., pres.
Air Canada, Ltd.
- Baldwin, Peter, founder, Indamer Company
Ariana Afghan Airlines Company, Ltd.
- Balfereau, Alain, MD
Aircalin, S.A.
- Balfour, Capt. Harold H., pilot
Indian National Airways, Ltd.
- Baliles, Gerald, Virginia governor/mediator
USAir
- Balkan Holidays
Air Via Bulgarian Airways
- Ball, Clifford, founder
Clifford Ball
- Ball, Frank, GM
Trans-Australian Airlines (Pty.), Ltd.
- Ball, Newton, Jr., pres.
Alaska Island Air
- Balladares, Dora Perez, first lady of Panama
COPA: Compania Panamenia de Aviacion, S.A.
- Balladur, Edouard, premier of France
Air France
- Ballantine, H. C., hijacker
Eastern Air Lines
- Ballard, Donald, founder
Hawaii Helicopters
- Ballereau, Alain, MD
Air Caledonie International, S.A.
Air Caledonie, S.A.
- Ballerio, Italo, GM
Transavio, SpA.
- Ballmer, Ernst, chairman/MD
Rhine-Air, A.G.
- Bally, Tim R. K., founder/pres.
Tim Air Charters, Ltd.
- Balmain, Pierre, designer
Malaysian-Singapore Airlines, Ltd.
Singapore Airlines, Ltd.
- Balnick, Gary, pres.
Trans Air Link
- Balqez, Mahmoud Jamal, pres./CEO
Royal Jordanian Airlines
- Baltensweiler, Armin, pres./chairman
Swissair, A.G.
- Balter, Laurence, founder/pres.
Sunshine Airlines
- Baltimore Colts NFL team
Capital Airlines
Pennsylvania Central Airlines
United Air Lines (2)
- Baltimore Orioles MLB team
All Star Airlines
Sun Pacific International
Viscount Air Service
- Baluchistan Students Federation
Pakistan International Airlines Corporation
- Bamberg, Harold, founder/chairman/director
British Eagle International Airways, Ltd.
Cunard-Eagle Airways, Ltd.
Eagle Airways, Ltd. (1)
Eagle Aviation, Ltd.
- Bammer, Dr. Herbert, jt.-MD
Austrian Airlines, A.G.
- Banban, Cmdr. Nikolai, CEO
Syktyvkar Air Enterprise
- Banca Popolare di Bergamo
Azzurra Air, SpA.
- Banco ESSI
PGA-Portugalia Airlines, S.A.
- Banco Nacional de Desenvolvimento Economico e Social
Interbrasil Star, S.A.
- Banco Provincial
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
VIASA: Venezolana Internacional de Aviacion, S.A.
- Banconer Bank
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
- Bancroft, Capt. Steve, pilot

- Pan American Airways (PAA)
 Banda, A. K. chairman
 Air Malawi, Ltd.
 Banda, Hastings, president of Malawi
 Air Malawi, Ltd.
 Banderas, Gen. Carlos, pres.
 Ecuatoriana, S.A.
 TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 Banerjee, Durba, pilot
 Indian Airlines Corporation
 Banespa
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Banfa, Bernard, MD
 Nigeria Airways, Ltd.
 Banga-Eboumi, Francois, pres.
 Air Gabon: Compagnie Nationale Air Gabon, S.A.
 Bangladesh flood relief, 1988
 Bristow Helicopters, Ltd.
 Bank, Ocean, financier
 Chalk's Ocean Airways
 Bank Leumi
 Arkia Israel Airlines, Ltd.
 Bank Negara
 Malaysian Airlines, Ltd.
 Bank of Bilbao
 Air Europa, S.A.
 Bank of Biscayne
 Florida Airways Corporation
 Bank of China
 Dragonair (Pty.), Ltd.
 Shenzhen Airlines Company, Ltd.
 Bank of Commerce
 Philippine Air Lines
 Bank of England
 Connectair, Ltd.
 Bank of Hapoalim
 Arkia Israel Airlines, Ltd.
 Bank of New Zealand
 Air New Zealand, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Kiwi Travel International Airlines, Ltd.
 Bank of Saxony
 Sachsische Luftverkehrs, A.G.
 Bank One
 Western Pacific Airlines (Westpac)
 Banke, Ketty and Diane, founders
 KD Air Corporation, Inc.
 Banker's Trust
 Aerolineas Argentinas, S.A.
 Austral Airlines: Austral Lineas Aereas, S.A.
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 LOT Polish Airlines, S.A.
 Trump Air Shuttle
 USAir Shuttle
 USAirways Shuttle
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Bankir, Jacques, president/CEO
 Air Tahiti Nui, S.A.
 Banks, Sir Donald, U.K. air ministry permanent secretary
 Imperial Airways, Ltd.
 Banks, R. L., passenger
 New Zealand Aero Transport Company, Ltd.
 Banque de l'Indochine
 Air Asie, S.A.
 Banque Europeene pour Amerique Latine
 LanChile Airlines, S.A.
 Banque et Caisse d'Epargne de l'Etat
 Luxair, S.A.
 Banque Franco-Chinoise
 Air Asie, S.A.
 Banque International Luxembourg
 Luxair, S.A.
 Banque Nationale de Paris
 Air France
 Banmiller, David A., pres.
 AirCal
 Pan American World Airways (2)
 Sun Jet International Airlines
 Bao Dai, last emperor of Vietnam
 Cathay Pacific Airways (Pty.), Ltd.
 Banque Marmorosh
 Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
 Barak, Ehud, Israeli prime minister
 El Al Israel Airlines, Ltd.
 Baranov, B.I., D.G.
 Dobroflot
 Aeroflot Soviet Airlines
 Baranov, Nikolay Z., MD
 Abakan Avia
 Baranov, V.V., DG
 Vnukovo Civil Aviation Production Association
 Barbachano, Fernando, co-founder/co-GM
 Aero Cozumel, S.A.
 Aeromaya, S.A.
 Barbachano, Fernando, owner/pres.
 Aero Safari, S.A.
 Barbe, Capt. Jean-Christophe, pilot
 Proteux Air System, S.A.
 Barber, Jack, founder/pres.
 Alaska Air Taxi
 Barbosa, Eduardo Mendes, pres.
 TAP Air Portugal, S.A.
 Barclay, Capt. David, pilot
 Northern and Scottish Airways, Ltd.
 Barclay, Thomas, founder/chairman
 International Airways, Ltd.
 Barger, David, VP/pres./COO
 Continental Airlines
 JetBlue Airways
 Barker, W. G., jt. founder
 Bishop-Barker Aeroplanes, Ltd.
 Barkett, John, jt. founder
 Mohawk Airlines (2)
 Barkley, A. G., hijacker
 Trans-World Airlines (TWA)
 Barkley, Alvin, U.S. vice president
 Northwest Airlines
 Barkley, Paul, pres./chairman/CEO
 Pacific Southwest Airlines (PSA)
 Barksdale, James L, EVP/COO
 Federal Express
 Bar-Lev, Capt. Uri, pilot
 El Al Israel Airlines, Ltd.
 Barlow, Capt. A. A., GM
 British Commonwealth Pacific Air Lines
 Barlow, Gary, rock singer/passenger
 Virgin Atlantic Airways, Ltd.
 Barlow Partners
 CCAir
 Mesa Air Group
 Barnard, C. D., pilot
 De Havilland Aircraft Co. Aeroplane Hire Service
 Barnard, Capt. Frank L., pilot
 Imperial Airways, Ltd.
 Instone Air Line, The, Ltd. (1)
 Barnard, Joanne, reservations dir.
 SVG Air, Ltd.
 Vincent and Granada Air, Ltd.

- Barnard, Leslie, dir. of admin.
SVG Air, Ltd.
Vincent and Granada Air, Ltd.
- Barnard, Capt. Martin, founder/DG
SVG Air, Ltd.
Vincent and Granada Air, Ltd.
- Barnby, Capt. Timothy, pilot
Virgin Atlantic Airways, Ltd.
- Barnes, Lesley O., pres.
Allegheny Airlines
- Barnes, Martin, jt.-founder/chief pilot
Centreline Air Charter, Ltd.
- Barnes, Percy, pilot/investor
Hubbard Air Transport
- Barnes, Peter, GM
IAT Cargo Airlines, Ltd.
- Barnes, Rex, CEO
Air Nauru Corporation
- Barnes, Roy, MD
Carib Express, Ltd.
- Barnett, Clayton, jt. founder
Presidential Air
- Barnett Bank
Crescent Airways
- Barnette, W. E. "Skip," vp/pres.
Delta Air Lines
Atlantic Southeast Airlines (ASA)
- Barnhill, Harvey W., pilot, McGee Airways
Alaska Airlines
- Barnwell, Capt. M. P. "Barney," chief pilot
Air Micronesia
Continental Airlines
- Barr, Capt. Julius, pilot
China National Aviation Corporation (CNAC-1)
- Barrack, Gerald, chairman
Air Pacific, Ltd. (2)
- Barreiro, Roberto Dunn, pres.
SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.
- Barrera, Sebastiano, GM
Avianova, SpA.
- Barreto, Manuel, pres.
Binter Canarias, S.A.
- Barrett, A. P., owner/pres./chairman
Southern Air Transport System
Texas Air Transport
- Barrett, B. J., pilot
Zantop International Airlines
- Barrett, Colleen, EVP-customer service/corporate secretary/pres./COO/pres.
Southwest Airlines (2)
- Barrett-Lennard, Lt. Col. J., dir.
Imperial Airways, Ltd.
- Barretto, Renato, founder/pres./sales dir.
Fairways
Philippine Air Lines
- Barrios, Rafael Santana, pres.
LAV Venezuelan Airlines, S.A.
- Barron, Gary, EVP/COO
Southwest Airlines (2)
- Barrows, Capt. W. J., pilot
Pan American Airways (PAA)
- Barry, Gordon, pilot/founder/pres.
CAT: Corporacion de Aeronautica de Transportes, S.A. de C.V.
LAMSA: Lineas Aereas Mexicanas, S.A. de C.V.
LAMSA: Lineas Aereas Mineras, S.A. de C.V.
RAMSA: Red Aerea Mexicana, S.A. de C.V.
- Barry, John, chairman/pres./CEO
Sun Country Air Lines
- Barski, A., GM
Border Air (Pty.), Ltd.
- Barth, Paul, pres.
Biscayne Helicopters
- Barth's Aviation
Air Saint Barthelemy, S.A.
- Bartles, Capt. Joe, pilot
Transcontinental and Western Air Lines (TWA)
- Bartlett, Sen. Bob (D-AK),
Pan American World Airways (1)
- Bartlett, Michael, MD/GM
Seaboard Airlines (Pty.), Ltd.
Australasian Jet Charter (Pty.), Ltd.
- Bartolu, Francisco, founder/CEO
Aero Lloyd, S.A.
- Barton, Richard, pres.
Time Air, Ltd.
- Bartuane, Capt. Bernie, founder/pres.
Bechuanaland Safaris (Pty.), Ltd.
- Basar, Capt. Basil, VP-flight opns.
Onur Air Tasimaclik, A.S.
- Basco, Jim, founder/pres.
Basco Flying Services
- Basescu, Traian, Romanian transport minister
TAROM Romanian Air Transport, S.A.
- Basic Bible Church
Braniff International Airways
- Basile Varvaressos Vermoegensferwaltungs, GmbH.
Lauda Air Luftfahrtgesellschaft, A.G.
- Basinger, Kim, actress
World Airways
- Basler Flight Services
Basler Airlines
- Basler, Warren, founder/pres.
Basler Airlines
- Basmachi uprising in Khorezm
Dobrolet
- Basnet, Birendra, MD
Buddah Air, Ltd.
- Bass, Arthur C., chairman
Midway Airlines (1)
- Bass, Arthur C., pres.
Federal Express
- Bassett, David, pres.
Amerijet International
- Bassler, Warren, founder/pres.
Basler Airlines
- Basson, Mike, owner/MD
Bass Aviation (Pty.), Ltd.
- Bastian, Jack, pres.
Caribbean Air Services (CASAIR) (2)
- Bastian, James H., owner/chairman
Southern Air Transport
- Bastien, J., co-MD
Uni-Air International, S.A.
- Bastien, Joel, founder/chairman
HeliFrance, S.A.
- Bastola, C. P., Nepalese foreign minister
Indian Airlines, Ltd.
- Bastos, Nelson Sampaio, dir.
VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- Batanoui, Capt. Ilie, pilot
TAROM Romanian Air Transport, S.A.
- Batchelor, George E., founder/owner/chairman
Arrow Air
Arrow Airways (2)
Capitol Air
Capitol International Airways
- Batchelor, Jonathan D., pres./chairman
Arrow Air

- Bates, Colin, jt. founder
Air Hanson, Ltd.
- Batista, Sgt. Fulgencio, typist/Cuban pres.
Pan American Airways (PAA)
- Battle of the Bulge commemorative tour
British Airways, Ltd. (2)
- Bauckham, Anthony, EVP
Evergreen International Airlines
- Bauer, Martin, vp-maintenance
Augsburg Airways, GmbH.
- Bauerband, Edward H., SVP-opns.
Air New England
- Baughan, "Pistol Pete," pilot
TAP: Transportes Aereos del Pacifico, S.A.
- Baumann, Markus, opns. mgr.
Avanti Air, GmbH. & Co., K.G.
- Baumeister, David L., pres./CEO
ERA Aviation
- Baumnardt, J., founder/MD
Skylane Air Charter, Ltd.
- Baur, Capt. Hans, pilot
Junkers Luftverkehr, A.G.
Deutsche Luft Hansa, A.G.
- Baura, John, GM
Solair, Ltd.
- Bautista, Jaime, CFO/EVP
Philippine Air Lines
- Bavis, John J., Jr., local ALPA president
Eastern Air Lines
- Baxter, Bill, Tennessee economic development commissioner
Express Airlines I
- Baxter, Tom and Linda, founders
Baxter Air: Baxter Aviation, Ltd.
- Bay of Pigs invasion of 1961
Southern Air Transport
- Bay, Leslie, owner/pres.
Anchorage Airways
- Bay, Roldolfo, jt.-founder/chairman
Spantax, S.A.: Transportes Aereos
- Bayer, Ray, GM
Northwinds Northern, Ltd.
- Bayerische Landesbank
Air Canada, Ltd.
- Bayerische Verinsbank, A.G., investor
Deutsche BA Luftfahrtgesellschaft, GmbH.
- Bayern Druck und Verlag, GmbH.
Delta Air Regionalflygverkkkehr, GmbH.
- Baylee, A. W., founder/MD
Baylee Air Charter, Ltd.
- Bayley, Capt. B. R., chairman
Loganair, Ltd.
- Bayon, Maurice M. "Dooky," jt., founder/chairman
Petroleum Helicopters
- Bayram, Hasim, chairman
Air Alfa Havayollari Ve Tic, A.S.
AlfaAirlines, A.S.
- Bazak, Yaakov, Jerusalem district court judge
El Al Israel Airlines, Ltd.
- Bazhayev, Zia, businessman/passenger
Vologda Aviation Enterprise
- Bazley, Halsey R., pres.
All-American Aviation
- Bazo, Alberto Lluch, DG
Gestair Executive Jet, S.A.
- Bazyan, S. A., CEO
Sochispetsavia Air Company
- Bazzichelli, Arnaldo, pres.
Industria Aero Agricola, C.A.
- BBDO Worldwide
- Delta Air Lines
- Beadle, Capt. Dave, pilot
Allegiant Air
- Beagle, H.M.S., search ship
Imperial Airways, Ltd.
- Beal, Brian, MD/chairman
Air Bristol, Ltd.
AB Airlines, Ltd.
- Beanland, Terry and Dorothy, founders
Genesis Airways, Ltd.
- Beard, Charles E., executive-vp/pres.
Braniff International Airways
- Beard, Capt. Daniel, chief engineering pilot
American Airlines
- Beard, Tom, vp-opns.
Big Island Air
- Bearden, L. and Cody, hijackers
Continental Airlines
- Beardsley, James R., pres.
Alliance Airlines
- Beardsley, Jim, founder/pres.
Kenosha Aero
- The Beatles*, singing group/passengers
American Flyers Airline Corporation
Pan American World Airways (1)
- Beatson, David I., pres./CEO
Emery Worldwide: A CF Company
- Beaty, Clinton, jt. founder
Capital Cargo Airlines
- Beatty, Capt. Don, pilot
Pan American-Grace Airways (PANAGRA)
- Beaudoin, Mr. and Mrs. Laurent, investors
Nationair Canada, Ltd.
- Beaulois Nouveau
Air France
- Beaumont, Capt. Roly, MD
Loganair, Ltd.
- Beauregard, Claude, pilot
Compagnie Franco-Roumaine de Navigation Aerienne, S.A.
- Beauvais, Edward R., founder/chairman
Air One
America West Airlines
Mountain Air Express
Western Pacific Airlines (Westpac)
- Beaver Aviation Service
B.A.S. Airlines
- Beaverbrook, Lord, British minister of aircraft production
British Overseas Airways Corporation (BOAC)
- Beazley, Kim, Australian finance minister/opposition leader
Air New Zealand, Ltd.
Ansett Australia (Pty.), Ltd.
- Beck, Donald L., vp-service/pres.
Air Micronesia
Mid-Pacific Airlines
Western Airlines (1)
World Airways
- Becker, Marcelle, passenger/litigant
American Airlines
- Becker, Millie, pres.
Westchester Air
- Beckett, Margaret, U.K. trade and industry secretary
British Airways, Ltd. (2)
- Beckloff, Theodore, FAA official
Temsco Airlines
- Beckmann, Frank, CEO-marketing and sales
Deutsche Lufthansa, A.G.
- Becvar, Rudolf, hijacker
CSA Czechoslovak Airlines
- Beddoe, Clive, founder/chairman

- Westjet, Ltd.
- Beddowes, T.C., MD
Skyways Cargo Airline, Ltd.
- Beddows, Lincoln, consultant
Flugfelag Islands, H.F. (2)/Icelandair, H.F.
- Bedford, Bryan K., CFO/pres.
Business Express (BEX)
Express Airlines I
Mesaba Airlines
Chautauqua Airlines
- Bee, Greg, GM
Sunstate Airlines (Pty.), Ltd.
- Beebe, W. Thomas, pres./chairman
Delta Air Lines
- Beech 18 launch customer
Wiggins Airways (1)
- Beech 50 Twin Bonanza launch customer
Carco Air Service
- Beech B-80 Queen Air launch customer
Trans Australian Airlines (Pty.), Ltd.
- Beech B-99 Airliner launch customer
Commuter Airlines
- Beech C-99 Commuterliner launch customer
Pilgrim Airlines
- Beech Catpass 200 launch customer
Mesa Airlines
- Beech 1300 launch customer
Mesa Airlines
- Beech 1900C Airliner launch customer
Bar Harbor Airlines
- Beech 1900D launch customer
Mesa Airlines
- Beek, G. Ter, MD
Fairlines, B.V.
- Beetge, H., chairman/MD
United Air Services (Pty.), Ltd.
- Beeve, Dr. Jerrold and Dorothy *see* Beeve Foundation
- Beeve Foundation
Turtle Airways, Ltd.
- Begg, Azam, MD
Sky Air Cargo, Ltd.
- Begg, Curtis, founder/pres.
Skywalker, Ltd.
- Begg, John M. W., jt.-founder/pres./MD
Bon Accord Airways, Ltd.
Lakeside Aviation, Ltd.
- Begin, Menachem, Israeli prime minister
Air France
EgyptAir, S.A.E.
El Al Israel Airlines, Ltd.
- Beharrel, Sir J. George, CFO/chairman
Imperial Airways, Ltd.
- Behncke, Capt. David L., pilot/first ALPA pres.
Century Air Lines
National Airlines (1)
Northwest Airways
- Behrendt, Frank P., GM
Skyward Aviation, Ltd.
- Beickler, Joachim, co-MD
LTU International Airlines, K.G.
LTU Sued International Airways
- Beiga, Albert J., pres.
Crown Airways
- Beijing United Aviation Tourism
China General Aviation Corporation
- Beinecke, Walter F., Jr., owner/chairman
Executive Airlines (1)
- Beiser, John, jt. founder
Atlantic Southeast Airlines (ASA)
- Beit, Sir Alfred, philanthropist
Imperial Airways, Ltd.
Rhodesian Aviation Company, Ltd.
- Beit Railway
Rhodesian and Nyasaland Airways, Ltd. (RANA)
- Beit Trust *see* Sir Alfred Beit
- Bekar, Clement F., pres.
Parmigan Airways, Ltd.
- Beketov, Vladimir E., DG
Ural Air: Ural Too
- Beladine, Andre, pres.
Air Service Nantes, S.A.
- Belanger, Capt. Jean-Marc, pilot/ACPA chairman
Air Canada, Ltd.
- Belcher, David, part-owner
Qantas New Zealand, Ltd.
- Belcher, H. E., vp-opns.
Express Airlines I
- Belding, John, founder/pres.
Continental Air Charter
- Belgian International Travel
Hapag-Lloyd Fluggesellschaft, mbH.
- Belhassine, Lofti, chairman/CEO
Air Liberte: Compagnie Air Liberte, S.A.
- Belibi, Joseph, chairman
Cameroon Airlines, S.A.
- Belinn, Clarence M., founder
Los Angeles Airways
- Beljaars, Fred, TNT Postal Group, N.V. VP
TNT Airways, B.V.
- Bell, Donald, Calgary businessman
WestJet, Ltd.
- Bell, Graham R., chairman
Bell Air, Ltd.
- Bell, Linton, GM
Zambian Express Airways, Ltd.
- Bell, William, pres.
Resort Commuter Airlines (2)
Resort Commuter Airlines (3)
- Bell 214ST launch customer
Petroleum Helicopters
- Bell 222 launch customer
Petroleum Helicopters
- Bell 427 launch customer
Petroleum Helicopters
- Bellanca CH launch customer
New York-Asbury Park Air Lines
- Bellanca P-100 Air Bus launch customer
Martz Air Coach
- Bellande, Capt. Edward A., pilot
Maddux Air Lines
Transcontinental and Western Air (T&WA)
- Bellanger, R., MD
Air Affairs Gabon, S.A.
- Belleili, Chakib, DG
Air Algerie, S.A.
- Bellido, Larrieu, pres.
Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
- Bellin, Graham, pilot
Union Airways (Pty.), Ltd.
- Bello, A.D., founder
Bel Air, Ltd.
- Bello, Capt. T., founder/chairman
United Air Express Airlines, Ltd.
- Bellows, Kenneth, founder/pres.
Bellair
- Bellview Travels, Ltd.
Bellview Airlines, Ltd.
- Belmondo, Craig, vp/pres.

- Atlantic Coast Airlines
 North Pacific Airlines (NPA)
 ProAir
 Westair Airlines
 Belmonte, Feliciano R., Jr., pres./CEO
 Philippine Air Lines (PAL)
 Belnick, Mark, EVP Tyco International/passenger
 Air France
 Beloglazov, D.G., DG
 Pilot, Ltd.: Pilot TOO
 Belon, C., hijacker
 Trans-World Airlines (TWA)
 Belousov, Alexander, pres.
 Elk Airways: Estonian Aviation Company, Ltd.
 Belov, S.A., DG
 Amuraviatrans: Lanier A/O
 Belovsky, Miroslav, U.S. station mgr.
 CSA Czechoslovak Airlines
 Beltran, Pedro, advocate
 Huff-Daland Dusters
 Bemba, Saolena, MD
 Scribe Airlift of Zaire, S.A.
 Bemberg, Charles, pres.
 Air Exel U.K., Ltd.
 Ben, Omar, GM
 Islandsflug, H.F.
 Ben-Ari, Mordechai, pres.
 El Al Israel Airlines, Ltd.
 Ben-Arzi, Efraim, pres./chairman
 El Al Israel Airlines, Ltd.
 Ben-Bakr, Dr. Khaled A., DG
 Saudi Arabian Airlines
 Ben-David, Philip, CEO
 Wings West Airlines
 Bendokas, William and Lois, founders
 New England Airlines
 Benedict, Jim, pilot
 Kohler Aviation Corporation
 Benedict, W. Roy, pilot
 Finger Lakes Air Service
 Bengers, George, musician
 British Airways, Ltd. (2)
 Bengtson, Jan, SVP/MD
 Helikopter Service, A.S.
 Benich, Joseph, jt. founder/pres./chief pilot
 Nomads Air Travel Club
 Benjamin, Stedroy, Antiguan labor minister
 LIAT (1974), Ltd.
 Benjarongkakul, Somchai, pres./CEO
 Angel Airline Company, Ltd.
 Bennett, AVM D.C.T., pilot/MD/founder/chairman
 British Overseas Airways Corporation (BOAC)
 British South American Airways Corporation
 Fairflight, Ltd.
 Flight Refueling, Ltd.
 Imperial Airways, Ltd.
 Bennett, Griffith W., dir. opns./chief pilot
 Katmailand
 Bennett, Henry G., consultant
 Misrair, S.A.E.
 Bennett, J. E., hijacker
 Eastern Air Lines
 Bennett, John, ops. mgr.
 British Commonwealth Pacific Air Lines
 Bennett, Layton A., founder/pres./vp-maintenance
 LAB Flying Service
 Bennett, Mrs. Lou, CFO
 LAB Flying Service
 Bennett, Lynn N., pres.
 LAB Flying Service
 Bennett, Mrs. Marie, pet owner
 Northwest Airlines
 Bennett, Tony, entertainer
 British Airways, Ltd. (2)
 Benniman, P., MD
 Inter-Island Airways
 Benoist, Thomas W., operator
 Saint Petersburg-Tampa Airboat Line
 Benoist Type XIV launch customer
 Saint Petersburg-Tampa Airboat Line
 Benoiton, Conrad, chairman
 Air Seychelles, Ltd.
 Benson, Albert H., MD
 Transmeridian Air Cargo, Ltd.
 Benson, Dr. Curtis, founder/pres.
 Air Michigan
 Benson, Ed, Country Music Association director
 American Airlines
 Benson, Kevin, SVP/chairman
 Canadian Airlines International, Ltd.
 Canadian Airlines, Ltd.
 Benson, Sen. Lloyd, U.S. treasury secretary/dir.
 Continental Airlines
 Bentele, Eugene, Graf Zeppelin crewman
 Deutscher Zeppelin-Reederei, A.G.
 Bentum-Williams, J. chairman
 Ghana Airways Corporation
 Berchtold, Dr. Walter, pres.
 Swissair, A.G.
 Berenstein, Alan, pres.
 Alpha Air
 Beresford, B., passenger
 Eastern Air Lines
 Berezin, N.S., political directorate CEO
 Aeroflot Soviet Airlines
 Berezovsky, Boris, financier
 Aeroflot Russian International Airlines (ARIA)
 Transaero Airlines
 Berger, Donald G., pres./chairman
 CF Airfreight
 Emery Worldwide: A CF Company
 Berger, M., chairman
 Sun d'Or International Airlines, Ltd.
 Bergeson, Rolly, pres./CEO
 Skyway Airlines (2)
 Westair Commuter Airlines, Berggren, Bo, chairman
 SAS: Scandinavian Airlines System
 Bergsland, Per, MD
 Wideroe's Flyveselskap, A.S.
 Bergt, Neil G., pres.
 Alaska International Air
 Western Airlines (1)
 Bergvall, Lars, EVP
 SAS: Scandinavian Airlines System
 Bering Straits Native Corporation
 Pacific Alaska Airlines
 Berisha, Milazim, founder/CEO
 Air Kosova
 Berkett, Neil, GM
 East-West Airlines (Pty.), Ltd.
 Berkman, O., chairman
 Pegasus Airlines: Pegasus Hava Tasimaciligi, A.S.
 Berkobin, Fred, founder/pres.
 Caribbean Airboats
 Wings Airways (2)
 Berkoviche Steamship Company
 World Airways
 Berkovsky, Boris, jt.-DG

- Stela: Stela AO
- Berkowitz, Sal, chairman
Capital Airlines, Ltd.
- Berkshire Hathaway
USAir
- Berlin Airlift of 1948-1949
Air Charter, Ltd./Channel Air Service, Ltd.
Air Contractors, Ltd.
Air Transport Charter, Ltd.
Airwork, Ltd.
Alaska Airlines
American Overseas Air Lines (AOA)
Aquila Airways, Ltd.
Bond Air Services, Ltd.
British European Airways Corporation (BEA)
British Nederland Air Services, Ltd.
British Overseas Airways Corporation (BOAC)
Eagle Aviation, Ltd. (1)
Fairflight, Ltd.
Flight Refueling, Ltd.
Flying Tiger Line, The.
Horton Airways, Ltd.
Kearsley Airways, Ltd.
Lancashire Aircraft Corporation, Ltd.
Pan American Airways (PAA)
Scottish Airlines, Ltd.
Silver City Airways, Ltd.
Sivewright Airways, Ltd.
Skyways, Ltd.
Transocean Air Lines (TAL)
Westminster Airways, Ltd.
World Air Freight, Ltd.
- Berlin Airlift of 1948-1929, largest number of sorties
Lancashire Aircraft Corporation, Ltd.
- Berlin Civil Airlift Division, co-ordinates civil side of Berlin Airlift of 1948-1949 *see* British European Airways Corporation (BEA)
- Berliner Bank, investor
Deutsche BA Luftfahrtgesellschaft, GmbH.
- Berliner Flug Ring
Capitol International Airways
- Bermudez, Armano J., pres.
Dominair: Aerolineas Dominicanas, S.A.
- Bermudez, Casimiro, MD
Iberworld Airlines, S.A.
- Bernard, Casas, GM
Aerolineas del Pacifico, S.A.
- Bernard, Emil, financier
Trans World Airlines (TWA)
- Bernard, Ian G., chairman/MD
British West Indies Airways, Ltd. (2) (BWIA)
- Bernard, Michel, pres.
Air Inter, S.A.
- Bernard, Pierre, MD
Hex'Air, S.A.
- Bernat, Augustin, DG
Air Slovakia BWJ, Ltd.
- Bernateau, Jacques, pres.
Hispanola Airways
- Bernhardsgrutter, Alfons, VP
Swissair, A.G.
- Bernhardt, Billy, jt. founder
Southeast Skyways 4185.
- Bernini, Carlo, chairman
Aero Transporti Italiani, SpA. (ATI)
- Bernstein, D.L., jt.-MD
Monarch Airlines, Ltd.
- Berola, Rail, pres.
Servicios Aereos Patagonias, S.A.
- Berruyer, Pierre, pres.
Air Aquitaine, S.A.
- Berry, Harry M., 3rd., pres.
Berry Aviation
- Berry, Harry S., Tennessee WPA administrator
American Airlines
- Berta, Ruben Martin, pres.
VARIG Brazilian Airlines: Viacao Aerea Rio Grandense, S.A.
- Berthe, Abdermane, DG
Air Mali (2): Societe National Air Mali, S.A.
- Bertomeu, Carlos, GM
Air Nostrum: Lineas Aereas de Mediterraneo, S.A.
- Bertram, Klaus, co-MD
Hapag-Lloyd Fluggesellschaft, mbH.
- Bertrand, David, GM
Air Creebec, Inc.
- Bertrand, Georges, GM
Publi-Air, S.A.
- Bertrand, Lucien, MD
Air Transport Pyrenees, S.A. 1054.
- Bertruc, Guy, DG
Air Djibouti, S.A.: Red Sea Airline
- Bervaldi, Frank V., pres.
Air Sunshine (1)
- Berwick, Capt. Timothy, pilot
Legend Airlines
- Bessarabov, V.I., DG
Partner Air Company
- Besson, Kenneth, founder/MD
Irish Helicopters, Ltd.
- Best Travel, Ltd.
Ambassador Airlines, Ltd.
- Best, William, chairman
Atlantis Airlines
- Betancourt, Alfredo, jt. founder
LAOS: Lineas Aereas Orientales, S.A.
- Bethel, Philip, chairman
Bahamasair, Ltd.
- Betrand, Jules, DG
Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
- Bethune, Gordon, chairman/CEO
Continental Airlines
- Better Grade Investment
Angel Airline Company, Ltd.
- Beugin, Christian, GM
Stellair Transports Aeriens, S.A.
- Bevier, Richard, investor
Pan American Airways (PAA)
- Beyer, Morten S., pres.
Johnson Flying Service
- Bez, Nick, chairman/founder/chairman
Air West (1)
Alaska Southern Airways
- Beznikov, A. A., DG
Avia Express Cruise
- Bezuidenhout, J. P., pres.
Impala Air Cargo (Pty.), Ltd.
- BG Tours
Air Via Bulgarian Airways
- Bhachaiyud, Capt. Chusak, vp-technical affairs
Thai Airways International, Ltd. (THAI)
- Bhagwat, Adm. Vishnu, Indian navy chief of staff
British Airways, Ltd. (2)
Biaman Bangladesh Airlines, Ltd.
- Bhartiya, A.K., MD
Archana Airways, Ltd.
- Bhartiya Vehicles & Engineering, Ltd.
Archana Airways, Ltd.
- Bhasin, Capt. Nivedita, pilot
Indian Airlines Corporation

- Vayudoot, Ltd.
 Bhat, Shivshankar, Indian supreme court justice
 Indian Airlines Corporation
 Bhattarai, Sunil, MD
 Himalayan Helicopters, Ltd.
 Bheir, Chandra, passenger
 British West Indies Airways, Ltd. (2) (BWIA)
 Bhirombhakdi, Piya, founder/chairman/pres.
 PB Air, Ltd.
 Bhutto, Benazir, Pakistani prime minister
 Pakistan International Airlines Corporation
 BIA-COR Holdings
 Branniff, Inc.
 Biafra Airlift, 1967-1970
 Air Trans Africa (Pty.), Ltd.
 Nigeria Airways, Ltd.
 Biard, H. C., pilot
 British Marine Air Navigation Company, Ltd.
 Bicker, Jim, MD
 Aberdeen Airways, Ltd. (2)
 Bicknell, C. J., CEO
 United Libyan Airlines
 Biddlescombe, C.H., passenger
 De Havilland Aircraft Co. Aeroplane Hire Service
 Biederbeck, Wolfgang, MD
 Hamburg Airlines, GmbH. & Co., K.G. (1)
 Biegert, Max and Thelma, founders/owners
 Biegert Aviation
 Farwest Airlines
 Biemens, B., MD
 Schreiner Airways, B.V.
 Bien, Peter, chairman
 China Airlines, Ltd. (CAL)
 Mandarin Airlines, Ltd.
 Bierbach, Wolfgang, GM/MD/dir.
 Delta Air Regionalflugverkehr, GmbH.
 Deutsche BA Luftfahrtgesellschaft, GmbH.
 Bierenbach, Flavio, pres.
 Transbrasil, S.A.: Linhas Aereas Transbrasil
 Biesuz, Eloy, pres.
 Helisul Lineas Aereos, Ltda.
 Big Apple Classic golf tournament sponsor
 Japan Air Lines Company, Ltd. (2)
 Big Ten Conference
 Mesaba Airlines
 Bijedic, Dsemal, Yugoslav premier
 JAT Yugoslav Airlines
Bill Endter (tugboat)
 Northeast Airlines (1)
 Bille, Sergio, CEO
 National Jet Italia, SpA.
 Billimoria, R.P., chairman
 Indian Airlines Corporation
 Bilson, David L., founder/pres.
 Trans Exec Air Service
 Bilson, Steven W., hijacker
 Pacific Southwest Airlines
 Bimini Bay Rod and Gun Club
 America Trans-Oceanic Company
 Bin, Yuan, hijacker
 Air China International Corporation
 Bin Laden, Osama bin Mohammad, Saudi militant
 Ariana Afghan Airlines Company, Ltd.
 Bin Mahfooz, Sheikh Mahfooz Salem
 Mahfooz Aviation, Ltd.
 Bin Pg Haji Ahmad, Pg Ali, executive dir.
 Royal Brunei Airlines, Ltd.
 Bin Raja Badiozaman, Mohar, chairman
 Malaysia Airlines, Ltd. (MAS)
 Binder, Otto, chairman
 Austrian Airlines, A.G.
 Bingman, Philip L., founder/pres.
 Yute Air Alaska
Bingo-lotto, charter flights
 Air Atlantic Icelandic, H.F.
 Binstock, Saul F., passenger/bomber
 Western Airlines (1)
 Bird, Lester, Antiguan prime minister
 LIAT (1974), Ltd.
 Bird strikes see
 Incidents (in-flight, ground and International)
 Engine failures
 Birgen, Cetin, founder/MD
 Birgenair, A.O.
 Birkett, George, founder/MD
 Birkett Air Service, Ltd.
 Birkett, Brig. Gen. William, pres.
 TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 Birmingham Small Arms Co., Ltd.
 Aircraft Transport & Travel, Ltd.
 Birt, Stewart, opns. dir./MD
 British International Helicopters, Ltd.
 Bisbee, Robert, flight engineer
 American Airlines
 Bischoff, Dr. Heinrich, chairman
 Germania Fluggesellschaft, GmbH.
 Bishkek Airenterprise
 Kirgizstan Airlines
 Bishop, Capt. Brian D., pilot
 Eastwind Airlines: The Bee Line
 Bishop, Sir Michael D., chairman/DG
 British Midland Airways, Ltd.
 Bishop, William A. "Billy," jt. founder
 Bishop-Barker Aeroplanes, Ltd.
 Bisignani, Gionnani, MD
 Alitalia, SpA.
 Bittle, Ken, pres.
 Air Manitoba, Ltd.
 Northland Air Manitoba, Ltd.
 Bixby, Harold M., PAA executive
 China National Airways Corporation (CNAC-1)
 Pan American Airways (PAA)
 Bjerregaard, Oje, pres.
 Gronlandsfly, A.S./Greenlandair, A.S.
 Bjoersvik, Gunnar, MD
 Lufttransport, A.S.
 Bjorkman, Nils, jt.-owner
 Avia Airlines, A.B.
 Bjornson, Capt. Rosella, pilot
 Transair, Ltd.
 Black, Avery J., pilot
 Varney Air Transport
 Black, Dr. Thomas C., Jr., passenger
 Delta Air Lines
 Blackburn Aeroplane and Motor Company, Ltd.
 North Sea Aerial and General Transport, Ltd.
 Blackburn Aircraft Company, Ltd.
 North Sea Air Transport, Ltd.
 Blackburn, Capt. Hal, pilot
 Transcontinental and Western Air Lines (TWA)
 Blackman, Capt. Larry, pilot
 Air Niugini (Pty.), Ltd.
 Blackwell, Neil, jt. founder
 Central Mountain Air, Ltd.
 Blackwell Enterprises
 Campling Bros. & Vanderwal, Ltd.
 Caspar Air Charter & Agencies, Ltd.
 Safari Air Service, Ltd.

- Blagonravov, A. R., DG
Aviaenergo ROA
- Blair, Capt. Charles F., pilot/founder/pres.
American Export Airlines (AMEX)
Pan American World Airways (1)
Antilles Air Boats
Aer Arann: Kilroe Air Ireland, Ltd.
- Blair, Kathryn, passenger
British Airways, Ltd. (2)
- Blair, Tony, British prime minister
British Airways, Ltd. (2)
Virgin Atlantic Airways, Ltd.
- Blais, Joel, chairman/MD
Air Limousin, S.A. (2)
- Blais, Joel, MD
Alsavia, S.A.
- Blake, Jan V., MD
Flitestar Airlines, Ltd.
- Blake, Richard F., vp-marketing
Pan American World Airways (2)
- Blakey, Tammy, pilot
Continental Airlines
- Blamey, William, jt.-founder
Air East Airlines
- Blanc, Christian, chairman/pres./dir./consultant
Air France
Middle East Airlines, S.A.L. (2)
TAROM Romanian Airlines, S.A.
- Blanchet, Jean-Didier, pres.
Air France
- Blanchini, Renzo, co-pres.
Mexair, Ltd.
- Bland, Richard C., hijacker
Piedmont Airlines (1)
- Blandford, Walter S., owner/pres.
Trans East Airlines
- Blank, Aristide, banker
Compagnie Franco-Roumaine de Navigation Aérienne, S.A. (CFRNA)
- Blasier, M. W., and Mrs. E., founders
Finger Lakes Air Service
- Blass, Bill, uniform designer
American Airlines
- Bleaden, Capt. John, pilot
Bristow Helicopters, Ltd.
- Bledsoe, Capt. Frank, pilot
American Airlines
- Bledsoe, Capt. James, pilot
Pan American Airways (PAA)
- Bleriot, Louis, advisor
Compagnie des Messageries Aériennes, S.A. (CMA)
- Blignaut, Deon, MD
Namakwaland Air Services (Pty.), Ltd.
National Air Lines (Pty.), Ltd.
- Blizzards *see* Incidents (t)
- Bloch, Mrs. Dora, passenger
see Skyjackings—June 27, 1976
- Bloch, Federico, pres.
TACA International Airlines, S.A.
- Bloch 120 launch customer
Regie Air Afrique, S.A.
- Bloch 220 launch customer
Air France
- Block, Eugene, owner/chairman
Hamburg Airlines, GmbH. & Co., K.G. (1)
- Block, John, chairman/MD
Transavia Holland, N.V.
- Block, John, pres.
Air Holland, N.V.
- Blom, Rolf, GM
Air Hudik, A.B.
- Blohm and Voss Ha-139 launch customer
Deutsche Luft Hansa, A.G.
- Blokhin, Alexandr, Russian ambassador to Kazakhstan
Polyet Airlines
- Blomenus, James, GM
CivAir Charter Services (Pty.), Ltd.
- Blosse, Capt. P. Lynch, pilot
Qantas Empire Airways (Pty.), Ltd.
- Blower, Gian, founder
Elicotteri Toscani (Elitos), SpA.
- Bluck, D. R. Y., chairman
Cathay Pacific Airways (Pty.), Ltd.
- Blue Bell Corporation
Wrangler Aviation
- Blue Star Line, Ltd.
British South American Airways, Ltd.
British United Airways, Ltd.
- Blum, Amram, receiver
El Al Israel Airlines, Ltd.
- Boada, Mario Sarmiento, pres.
Aeropesca, S.A.
- BOADICEA computer system
British Overseas Airways Corporation
- Boaz, David M., MD/vp-flight opns.
Delta Air Lines
Hawaiian Airlines (HAL)
- Bobeck, May, flight attendant
American Airways (2)
- Bobrovskiy, Edward M., GM
Chelyabinsk Chief Aviation Enterprise
- Bodden, Truman, Cayman civil aviation minister
Cayman Airways, Ltd.
- Bodding, Gerald “Bud,” pilot
Ellis Air Lines
- Bode, Diane, founder/CEO
Bode Aviation
- Bodin, Pierre, GM
Seemafer, S.A./Safair: Compagnie de Transports Aériens
- Bododisty, Grigory, pres.
Busol Airline
- Boehlke, Richard “Rick,” owner
Harbor Air
- Boeing, William “Bill,” Sr., founder/chairman/passenger
Boeing Air Transport
Hubbard Air Transport
- Boeing, William “Bill,” Jr., supporter
Vancouver Island Helicopters, Ltd.
- Boeing Airplane and Transport Corporation
Boeing Air Transport
Pacific Air Transport
- Boeing CL-4S launch customer
Hubbard Air Transport
- Boeing 247 launch customer
United Air Lines (1)
- Boeing 307 Stratoliner launch customer
Pan American Airways (PAA)
- Boeing 314 launch customer
Pan American Airways (PAA)
- Boeing 377 Stratocruiser launch customer
Pan American Airways (PAA)
- Boeing 707 Stratoliner launch customer
Pan American World Airways (1) (international)
National Airlines (domestic U.S.)
- Boeing 717-200 launch customer
AirTran Airlines
- Boeing 720 launch customer
United Air Lines (2)
- Boeing 720B launch customer

- American Airlines
- Boeing 727-100 launch customer
 - Eastern Air Lines
- Boeing 727-100C launch customer
 - United Air Lines (2)
- Boeing 727-100QC launch customer
 - World Airways
- Boeing 727-200 launch customer
 - Northeast Airlines
- Boeing 727-200A launch customer
 - All Nippon Airways Company, Ltd.
- Boeing 737-100 launch customer
 - Deutsche Lufthansa, A.G.
- Boeing 737-200 launch customer
 - United Air Lines (2)
- Boeing 737-300 launch customer
 - USAir
- Boeing 737-400 launch customer
 - Piedmont Airlines (1)
- Boeing 737-500 launch customer
 - Braathens SAFE, A.S.; Southwest Airlines (2)
- Boeing 737-600 launch customer
 - SAS: Scandinavian Airlines System
- Boeing 737-700 launch customer
 - Southwest Airlines (2)
- Boeing 737-800 launch customer
 - Hapag-Lloyd Fluggesellschaft, mbH.
- Boeing 737-900 launch customer
 - Alaska Airlines
- Boeing 747-100 Jumbojet launch customer
 - Pan American World Airways (1)
- Boeing 747-200B Jumbojet launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Boeing 747-B (Combi) Jumbojet launch customer
 - Air Canada, Ltd.
- Boeing 747-200C Jumbojet launch customer
 - World Airways
- Boeing 747-200F Jumbojet launch customer
 - Deutsche Lufthansa, A.G.
- Boeing 747-300 launch customer
 - Swissair, A.G.
- Boeing 747-400 Jumbojet launch customer
 - Northwest Airlines
- Boeing 747SP Jumbojet launch customer
 - Pan American World Airways (1)
- Boeing 747SR Jumbojet launch customer
 - Japan Air Lines Company, Ltd. (2)
- Boeing 757-200 launch customer
 - Eastern Air Lines
- Boeing 757-300 launch customer
 - Condor Flugdienst, GmbH.
- Boeing 767-200 launch customer
 - United Airlines
- Boeing 767-300 launch customer
 - Japan Air Lines Company, Ltd. (2)
- Boeing 767-400 launch customer
 - Delta Air Lines
- Boeing 777-200 launch customer
 - United Airlines
- Boeing 777-300 launch customer
 - Cathay Pacific Airways (Pty.), Ltd.
- Boeing Model 40 launch customer
 - Boeing Air Transport
- Boeing Model 80 launch customer
 - Boeing Air Transport
- Boeing Monomail launch customer
 - Boeing Air Transport
- Boeing-Vertol Model 107 launch customer
 - New York Airways (2)
- Boeing-Vertol Model 234 Civil Chinook launch customer
 - British Airways Helicopters, Ltd.
- Boettcher, Charles, chairman
 - Western Air Express Corporation
- Boettler, Ralph, chairman
 - Safair (Pty.), Ltd.
- Bogard, Dirk, actor
 - Derby Airways, Ltd.
- Boggs, Thomas Hale, Jr., lobbyist
 - United Airlines
 - USAirways
- Bogie, John, chairman
 - Air Schefferville, Ltd.
- Bohike, Bill, Sr., founder/pres.
 - Caribbean Air Services (CASAIR) (1)
 - Virgin Island Airways
- Bohlke, Bill, Jr. and Ruth, founders
 - Eastern Caribbean Airways
- Bohlke, Bill, Jr., jt. founder
 - Eastern Caribbean Airways
- Bohlke, Teddy, founder
 - Bohlke International Airways
- Bohme, Uwe, founder/CEO
 - TAL Thuringia Airlines, GmbH.
 - Tempelhof Express Airlines, GmbH. & Co., KG
- Bohnke, Walter, pres.
 - WDL Aviation (Koln), GmbH.
- Bojorquez, Augusto, Mexican Association of Travel Agents pres.
 - Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
 - Mexicana Airlines, S.A. de C.V.
- Bolayirli, Yasuf, pres.
 - THY Turkish Airlines, A.O.
- Bold, Petr, president
 - ABA Air, A.S.
- Boldyrev, Cmdr. Alexi P., DG
 - Akhal Air Company
- Bolivar, Joaquin, founder/pres.
 - Executive Air Charter
- Bollers, Lynden, CFO
 - LIAT (1974), Ltd.
- Bolshakov, A. P., DG
 - Krilataya Rous: Wings of Russia
- Bolshakov, Valeriy, DG
 - Kurgan State Air Enterprise
- Bolton, Edward R., vice chairman/COO
 - USAfrica Airways
- Bolton Steamship Company, Ltd.
 - Transglobe Airways, Ltd.
- Bomb threats *see* Incidents (b)
- Bombardier Aerospace *see also* Canadair; de Havilland Canada
- Bombardier Aerospace DHC-8-Q400 launch customer
 - SAS Commuter
- Bombings *see* Crashes; Incidents (b)
- Bomko, Nikolai, pres.
 - Express Air Company
- Bonanza Bus Lines
 - Sunworld International Airways
- Bona/Gona, Battle of, 1942
 - ANA: Australian National Airlines (Pty.), Ltd.
- Bond, David E., founder/MD
 - Bond Helicopters, Ltd.
 - Management Aviation and North Scottish Helicopters, Ltd.
- Bond, I. J., MD
 - Bop Air (Pty.), Ltd.
- Bond, Stephen, sales mgr./MD/part-owner
 - Bond Helicopters, Ltd.
 - Loganair, Ltd.
 - Management Aviation and North Scottish Helicopters, Ltd.
- Bond, William Langhorne, MD

- China National Aviation Corporation (CNAC-1)
 Bondarev, Aleks, DG
 Turkmenistan Airlines
 Bonderman, David, chairman
 Continental Airlines
 Bondevik, Kjell Magne, Norwegian prime minister
 Braathens, A.S.
 Bondurant, D. S., pilot
 Canadian Colonial Airways (1)
 Bonelli, Col. Atilio, chairman
 Aero Uruguay, S.A.
 Bongers, Hans M., traffic manager/jt.-MD
 Deutsche Lufthansa, A.G.
 Bongo, Martin, chairman
 Air Gabon: Compagnie Nationale Air Gabon, S.A.
 Bonham, Clyde, founder/chairman
 Aspen Airways
 Bonheur, A.S.
 Sterling European, A.S.
 Bonhoeffer, Dr. Klaus, legal director and Nazi resistance lead
 Deutsche Luft Hansa, A.G.
 Bonington, Sir Christian, mountaineer
 Qatar Airways, Ltd.
 Bonitez, Commandante Arturo Merino, founder/pres.
 LASA: Linea Aeropostale Santiago-Arica, S.A.
 Bonmarin, Marie Annick, GM
 ADA Air
 Bonnell, Geoffrey H., jt. founder
 Florida West Indies Airways
 Bonoan, Martin P., EVP/COO
 Philippine Air Lines
 Boonprasom, Pratheep, VP
 Air Andaman, Ltd.
 Booth, Anna, Australian Olympic official
 Ansett Australia (Pty.), Ltd.
 Booth, David L., 14-yr.-old hijacker
 Delta Air Lines
 Booth, J. W., chairman/MD
 British South American Airways Corporation (BSAAC)
 British West Indies Airways, Ltd. (2) (BWIA)
 Booth, John, businessman/stowaway
 Iran Air: The Airline of the Islamic Republic of Iran
 Booth, Peter, GM
 Air Melanesiae, S.A.
 Booth, Robert "Bobby," pres.
 Challenge Air International
 Booth Steamship Company, Ltd.
 British South American Airways, Ltd.
 Boots, Augustinus, MD
 Air Bremen, GmbH.
 Borde, Manuel, jt.-founder.
 LAOS: Lineas Aereas Orientales, S.A.
 Borden Company
 The Flying Tiger Line
 Bordi, Alain, deputy DG
 Cameroon Airlines, S.A.
 Borek, Kenn, owner/pres.
 Kenn Borek Air, Ltd.
 Borgeson, Capt. Frank A., chief pilot
 Johnson Flying Service
 Borie, Jean, MD
 Air Normandie, S.A.
 Borisov, Sergei, VPO
 Siberia Airlines (Sibir)
 Borland, Earl, search for
 Dobrolet
 Borland, Capt. W. R. "Bill," chief pilot
 Reeve Aleutian Airways
 Borman, Frank, vp/pres./chairman/passenger
 Eastern Air Lines
 Metro Airlines
 Born Free Foundation
 Britannia Airways, Ltd.
 Borovich, Israel, pres.
 Arkia Israeli Airlines, Ltd.
 Borovik, Artyom, journalist/passenger
 Vologda Aviation Enterprise
 Borstland, J., MD
 Bop Air (Pty.), Ltd.
 Borstlap, Johan L., MD
 Sun Air (Pty.), Ltd.
 Borzoman, Dominick, founder/pres.
 Travelair
 Borzomati, Dominick, founder/pres.
 Holiday Airlines (5)
 Boschi, Domiziano, jt.-founder
 Gandalf Airlines, SpA.
 Bose, Uttam Kumar, chairman/CEO
 Sahara India Airlines, Ltd.
 Boskovic, Zivota, chief pilot/founder & chairman
 Boskovic Air, Ltd.
 Campling Bros. & Vanderwal, Ltd.
 Caspar Air Charter & Agencies, Ltd.
 ZB Air, Ltd.
 Bosma, Wiebe, CEO
 Rijnmond Air Services, B.V.
 Bosnia-Herzegovina, relief and support flights into, 1992-1999
 Emery Worldwide: A CF Company
 ERA Aviation
 Federal Express (FedEx)
 Southern Air Transport
 THY Turkish Airlines, A.O.
 World Airways
 Bossoutrot, Lt. Lucien, pilot
 Air France
 Lignes Aeriennes Farman, S.A.
 Boston Red Sox MLB team
 All Star Airlines
 Trump Air Shuttle
 Boston Symphony Orchestra
 Trump Air Shuttle
 Bosworth, F., MD
 Gulf Aviation, Ltd.
 Botbol, Paul, DG
 Air Djibouti, S.A.: Red Sea Airline
 Botelho, Davidson, commercial dir.
 Ecuadoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.
 Botero, Fernando, Colombian painter/sculptor
 ACES Colombia: Aerolineas Centrales de Colombia, S.A.
 Botes, Capt. J. M. B., pilot
 South African Airways (Pty.), Ltd.
 Botev, Kostadin, MD
 Balkan Bulgarian Airlines
 Botha, John J., GM
 Millionair Charter (Pty.), Ltd.
 Botha, Pik, South African foreign minister
 Kenya Airways, Ltd.
 South African Airways (Pty.), Ltd.
 Botswana Development Corp.
 Air Botswana (Pty.), Ltd.
 Bottger, Ralph, MD
 Safair (Pty.), Ltd.
 Bottini, F., hijacker
 LAV Venezuelan Airlines, S.A.
 Bottomley, Ian, plumber/passenger
 British Airways, Ltd. (2)
 Boucheron, Gilbert, ops mgr.
 Air Seychelles, Ltd.

- Bouchon, Julio, pres.
Ladeco Chilean Airlines, S.A.
- Boucock, William, Boeing 75 Sterman owner
Sunwest Home Aviation, Ltd.
- Bouda, Mathieu K., MD
Air Burkina, S.A.
- Boughton, George, GM
Ghana Airways Corporation
- Bouhellec, Mme. R. Le, pres.
Aviazur, S.A.
- Bouilloux-Lafont, Marcel, pres.
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
- Bouis, Anne, GM
Leadair Unijet, S.A.
- Boukhreiss, Col. Moulaye O., GM
Air Mauritanie (2): Societe d'Economie Mixte Air Mauritanie, S.A.
- Boulton, Henry Lord, founder/pres.
AVENSA: Aerovias Venezolanas, S.A.
- Boulton Paul P-71A launch customer
Imperial Airways, Ltd.
- Bourgeault, Jean-Jacques, EVP
Air Canada, Ltd.
- Bourlay, Robert, Capt., pilot
Christowitz Air Services, Ltd.
- Bourne, M. W. "Dudley," founder/pres.
Sunbird Air
- Boushouev, V. M., pres.
Elf Air: Elf Air Too
- Boussamba, Augustin, chairman
Air Gabon: Compagnie National Air Gabon, S.A.
- Boustead Air Cargo (Pty.), Ltd.
Heavylift Cargo Airlines, Ltd.
- Bouvier, Nestor Farias, pres.
Austral Airlines, S.A.
- Bouw, Pieter, pres.
KLM: Royal Dutch Airlines, N.V.
- Bouzada, Mohamed, DG
Air Algerie, S.A.
- Bowe, Kevin W. and Sue, founders
Air Whitsunday (Pty.), Ltd.
- Bowen, J. W., MP/Cadman Committee member
Imperial Airways, Ltd.
- Bowen, Dr. Ray, Texas A&M University pres.
Lorair
- Bowen, Temple, founder/pres.
Bowen Air Lines
Texas Air Transport
- Bowers, Paul, Juneau airport mgr.
MarkAir
- Bowhill, ACM Sir Frederick, CO RAF Ferry Command
British Overseas Airways Corporation (BOAC)
- Bowla, Oscar, mgr.
Frigorifico Reyes (Fri-Reyes), Ltda.
- Bowler, Peter M., pres.
American Eagle Airlines (2)
- Bowles, Philip, MD
Airfreight Express, Ltd.
Southern International Air Transport, Ltd.
- Bowling, Judge Francis, passenger/litigant
World Airways
- Bowmaker, Geoffrey W., MD
Royal Tongan Airlines, Ltd.
- Bowman, Charles, pilot
Pacific Air Transport
- Bowman, Capt. Floyd O., chief pilot
Johnson Flying Service
- Bowman, Mickey, vp-marketing
CCAir
- Bowyer, Capt. H.D., pilot
Airlines of Australia (Pty.), Ltd.
American Airlines
- Boy, Herbert, pilot
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
- Boy, Thomas E., pres./CEO
Florida Air Transport: Florida Aircraft Leasing Corporation
National Jets
- Boyd, Alan, CAB chairman
Mohawk Airlines (1)
Northeast Airlines (1)
- Boyd, Capt. George, pilot
United Air Lines (1)
- Boyd-White, C., chairman
Rhodesia United Air Carriers, Ltd.
- Boye, Capt. Jean, pilot
Air France
- BP/D Bohnstedt-Petersen & Dyrberg, A.S.
Metro Airways
- Braathen, Bjorn G., pres.
Braathens S.A.F.E., A.S.
Braathens Helikopter, A.S.
- Braathen, Erik G., pres.
Braathens SAFE, A.S.
- Braathen, Ludvig G., founder/chairman
Braathens SAFE, A.S.
- Braathen, Per G., chairman
Busy Bee of Norway, A.S.
- Brabazon of Tara, Lord, Cadman Committee member/technical committee chairman
Imperial Airways, Ltd.
British Overseas Airways Corporation (BOAC)
- Brace, Ernest C., pilot/former POW/vp-opns.
Continental Air Services
Evergreen International Airlines
- Bracken, Brendan, British information minister
British Overseas Airways Corporation (BOAC)
- Brackley, Air Commodore Herbert G., pilot/air superintendent/MD
Handley Page Transport, Ltd.
British Overseas Airways Corporation (BOAC)
British South American Airways Corporation
Imperial Airways, Ltd.
- Bradfield, James, GM
Solair, Ltd.
- Bradford, Capt. George, pilot
Southern Airways (1)
- Bradford, Daniel, pres.
Flight International Airlines
- Bradford, James, GM
Royal Tongan Airlines, Ltd.
- Bradley, Bill, former US senator/presidential candidate
Allegiant Air
- Bradley, General of the Army Omar, passenger
American Airlines
- Bradley, Robert, founder/pres.
Bradley Air Service, Ltd.
- Bradshaw, Christopher, passenger
Empire Airlines (2)
- Bradshaw, Jean Paul, chairman
Ozark Air Lines
- Brady, Carl F., founder/pres.
ERA Aviation
- Brady, Cathy, vp
Northeast Airways
- Brady, Michael J., vp/founder/pres.
Express Airlines I
Metro Airlines
Republic Express Airlines
- Brady, Nicholas, CEO
Purolator Courier

- Bragaco, Raul, pres.
Air Sao Tome e Principe: Linhas Aereas de Sao Tome e Principe, S.A.
- Braganza, A.S., investor
Braathen's, A.S.
- Brain, Capt. Lester J., pilot/GM
Qantas Empire Airways (Pty.), Ltd.
Trans-Australia Airlines (Pty.), Ltd.
- Brain, Z.A., owner
BBA Cargo (Pty.), Ltd.
- Brainen, Vladimir, CEO
North Eastern Cargo Airlines: SVGAL
- Brancker, Rawle C., chairman
LIAT: Leeward Islands Air Transport, Ltd.
- Brancker, Sir Sefton, MD/passenger/UK civil aviation director
Aircraft Transport and Travel, Ltd.
Handley Page Transport, Ltd.
British Marine Air Navigation Company, Ltd.
Imperial Airways, Ltd.
- Brandenburg, John H., founder/pres.
Pacific Island Airways
- Brando, Marlin, actor/passenger/spokesperson
National Airlines (1)
United Airlines
- Brandt, Herman, founder/pres.
Alii Air Hawaii
Hawaii Pacific Airline
- Braniff, Paul R., pilot/jt. founder
Braniff Airways
CAT: Corporacion de Aeronautica de Transortes, S.A.
Paul R. Braniff, Inc.
- Braniff, Thomas E., jt. founder/pres.
Braniff Airways
Braniff International Airways
Paul R. Braniff, Inc.
- Brannan, James E., founder/pres.
Golden Eagle Air Tours
- Branson, Richard, founder/chairman/passenger or critic
Vintage Air Tours
Virgin Atlantic Airways, Ltd.
American Airlines
British Airways, Ltd. (2)
British Midland Airways, Ltd.
CivAir Charter Services (Pty.), Ltd.
- Branstetter, Capt. Laurence, pilot
Evergreen International Airlines
- Branzikas, Proinas, hijacker
Aeroflot Soviet Airlines
- Brassaire de Tahiti
Air Tahiti Nui, S.A.
- Brassington, Winston, privatization dir./dir.
Guyana Airways Corporation: GAC 2000
- Bratvaag, S.S., rescue operation
Aero O/Y
- Braunstein, Michael B., pres.
Virgin Islands Seaplane Shuttle
- Bravo, Carlos, MD
Spanair, S.A.
- Braynev, U.K., DG
North Eastern Cargo Airlines: SVGAL
- Brayton, Robert, VPO
Virgin Express Airlines, S.A.
- Brazier, Robert, pres./vice chairman
Airborne Express
- Brazil, International Air Navigation Studies Committee
TAM: Transportes Aereos Regionais, S.A.
TAM-Meridionais: Transportes Aereos Meridionais, S.A.
VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- Brazil, National Development Bank
American Eagle Airlines (2)
- TAM: Transportes Aereos Regionais, S.A.
Transbrasil, S.A.: Linhas Aereas
VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- Brazil, National Social Security Institute
VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- Brazil Flood of 1960,
British European Airways Corporation (BEA)
- Braznell, Capt. W. W., pilot
American Airlines
- Breakthrough Aviation
Laker Airways, Inc.
- Brearily, Norman, founder/MD
West Australian Airways (Pty), Ltd.
- Bredereck, Paul, MD
Tamair (Pty.), Ltd.
- Breech, Ernest R., pres.
Eastern Air Lines
Transcontinental and Western Air (T&WA)
- Breed, Paul, owner/CEO
Southeast Alaska Airlines
- Breeding, Donald J., SVP-operations/pres.
Air Micronesia
Continental Airlines
- Breguet, Louis, advisor
Compagnie des Messageries Aeriennes, S.A. (CMA)
- Breguet 14 Salon launch customer
Compagnie des Messageries Aeriennes, S.A. (CMA)
- Breguet 763 Deux Ponts launch customer
Air Algerie, S.A.
- Breguet 763 Provence launch customer
Air France
- Breguet 941 launch customer
Eastern Air Lines
- Brell, Carl D., jt. founder
Seaboard and Western Airlines
- Bremen, S.S.
Deutsche Luft Hansa, A.G.
- Brendan Byrne Arena *see* Continental Arena
- Brener, Alfredo, investor
Continental Airlines
- Brenneman, Gregory D., pres./COO
Continental Airlines
- Brent, W. L., hijacker
Trans-World Airlines (TWA)
- Brenton, Mike, MD
Birmingham European Airways, Ltd.
Brymon Airways, Ltd. (1)
Brymon European Airways, Ltd.
- Brereton, Laurie, Australian transport minister
Air New Zealand, Ltd.
- Breslau, Allen J., passenger/author
Mohawk Airlines (1)
- Brett, Paul, CEO
Britannia Airways, Ltd.
- Bretthauer, Vicki, vp-admin.
Reno Air
- Brewster, Sen. Owen, supporter
Pan American Airways (PAA)
- Brewton, J. W., hijacker
Chalk's International Airlines (1)
- Briand, Albert, founder/pres.
Air Saint-Pierre, S.A.
- Briand, Remy L., pres.
Air Saint-Pierre, S.A.
- Bricheimer family, passengers
Itavia, SpA.
- Bricknell, Vernon, MD
Care Air (Pty.), Ltd.

- Nationwide Air Charter (Pty.), Ltd.
 Bridge, Capt. Michael, chief pilot
 Air Bristol, Ltd.
 AB Airlines, Ltd.
 Bridgeman, John, U.K. competition commission and DG fair trading
 British Airways, Ltd.
 CityFlyer Express, Ltd.
 Bridgestone/Firestone tires, airlift of
 Thai Airways International, Ltd. (THAI)
 Bridoux, Capt. Rios, Bolivian P-38 pilot
 Eastern Air Lines
 Brierly Investments, Ltd.
 Air New Zealand, Ltd.
 Brigaud, Fernand, GM
 Air Senegal: Compagnie Sengalaïse des Transports Aeriens, S.A.
 Briggs, Capt. Benoi, Nigerian aviation minister
 Nigeria Airways, Ltd.
 Brigham, Joe, founder/pres.
 Joe Brigham, Inc.
 Brigham Young University
 Winair
 Brinch, Christian, pres./chairman
 Helikopter Service, A.S.
 Morefly, A.S.
 Brindley, Betty Shotton, pres.
 Southeast Air (2)
 Brinsmead, H. C., Australian controller of civil aviation
 QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 Brintel Helicopters, Ltd.
 British International Helicopters, Ltd.
 CHC: Canadian Helicopter Corporation, Ltd.
 Brintnell, W. Leigh, pilot/GM
 Western Canada Airways, Ltd.
 Bristol Brabazon Mk. 1 launch customer
 British Overseas Airways Corporation (BOAC)
 Bristol 170 Mk. 32 launch customer
 Silver City Airways, Ltd.
 Bristol 175 Britannia launch customer
 British Overseas Airways Corporation (BOAC)
 Bristol 302 Britannia launch customer
 Aeronaves de Mexico, S.A. de C.V.
 Bristol 305 Britannia launch customer
 Air Charter, Ltd.
 Bristol 310 Britannia launch customer
 El Al Israel Airlines, Ltd.
 Bristol 312 Britannia launch customer
 British Overseas Airways Corporation (BOAC)
 Bristol 314 Britannia launch customer
 Canadian Pacific Air Lines, Ltd.
 Bristol 317 Britannia launch customer
 Hunting-Clan Air Transport, Ltd.
 Bristol 318 Britannia launch customer
 Cubana: Compania Nacional de Aviacion, S.A.
 Bristol 319 Britannia launch customer
 Ghana Airways Corporation
 Bristol 324 Britannia launch customer
 Canadian Pacific Air Lines, Ltd.
 Bristow, Alan E., founder/chairman
 Bristow Helicopters, Ltd.
 Bristow, W. A., MD
 Handley Page Transport, Ltd.
 British Aerospace BAe Jetstream 31 launch customer
 Peregrine Air Services, Ltd.
 British Aerospace BAe Jetstream 41 launch customer
 Loganair, Ltd.
 British Aerospace BAe (BAC) 111-200 launch customer
 British United Airways, Ltd.
 British Aerospace BAe (BAC) 111-400 launch customer
 American Airlines
 British Aerospace BAe (BAC) 111-500 launch customer
 British European Airways Corporation (BEA)
 British Aerospace BAe 146-100 launch customer
 Dan-Air/Dan Air Services, Ltd.
 British Aerospace BAe 146-200 launch customer
 Air Wisconsin
 British Aerospace BAe 146-300 launch customer
 Air Wisconsin
 British Aerospace BAe (BAC) VC-10 launch customer
 British Overseas Airways Corporation (BOAC)
 British Aerospace BAe (HS) 748 Srs. 1 launch customer
 Skyways, Ltd.
 British Aerospace BAe (HS) 748 Srs. 2 launch customer
 BKS Air Transport, Ltd.
 British Aerospace BAe (HS) 748 Srs. 2B launch customer
 Air Madagascar, S.A.
 British Aerospace BAe (HS) Trident 1 launch customer
 British European Airways Corporation (BEA)
 British Aerospace Flying College
 Emirates Airlines, Ltd.
 British Air Transport Holdings
 Air Anglia, Ltd.
 British Aircraft Corporation *see* British Aerospace
 British Airways Band
 British Airways, Ltd. (2)
 British Airways Board (BAB)
 British Airways, Ltd. (2)
 British European Airways Corporation (BEA)
 British Overseas Airways Corporation (BOAC)
 British Aviation Services (Britavia)
 Air Kruise, Ltd.
 Lancashire Aircraft Corporation, Ltd.
 Silver City Airways, Ltd.
 British and Foreign Aviation, Ltd.
 Air Commerce, Ltd.
 British Columbia
 Air B.C., Ltd.
 Air Nootka, Ltd.
 Air Rainbow, Ltd.
 Air Southwest, Ltd.
 All Canada Express, Ltd.
 Avwest Charters, Ltd.
 Awood Air, Ltd.
 Baxter Air: Baxter Aviation, Ltd.
 B.C. Airlines, Ltd.
 Burrard Air, Ltd.
 Canadian Pacific Air Lines, Ltd.
 Central British Columbia Airways, Ltd.
 Central Mountain Air, Ltd.
 Coval Air, Ltd.
 Cypress Airlines, Ltd.
 Ginger Coote Airways, Ltd.
 Harbour Air, Ltd.
 Harrison Airways, Ltd.
 Helijet Airways, Inc.
 Helijet International, Inc.
 Inland Air Charters, Ltd.
 KD Air Corporation, Inc.
 Kelowna Flightcraft Air Charter, Ltd.
 Montair Aviation, Inc.
 North Cariboo Flying Services, Ltd.
 North Coast Air Service, Ltd.
 North Vancouver Air, Ltd.
 Northern Mountain Helicopters, Inc.
 Northern Thunderbird Air, Ltd.
 Northwest International Jet, Ltd.
 Okanagan Helicopters, Ltd.
 Pacific Airways, Ltd.

- Pacific Coastal Airlines, Ltd.
- Pacific Spirit Air, Ltd.
- Powell Air, Ltd.
- Queen Charlotte Airlines, Ltd.
- Shuswap Air: Shuswapflight Center, Ltd.
- Silvertip Aviation, Ltd.
- Skylink Airlines, Ltd.
- Summit Air Charters, Ltd.
- Swiftair Cargo, Ltd.
- Timberline Air, Ltd.
- Tradewinds Aviation, Ltd.
- Trans Provincial Airlines, Ltd.
- Tyee Air, Ltd.
- United Air Transport, Ltd. (UAT)
- Vancouver Island Helicopters, Ltd.
- Vic Turner, Ltd.
- Vision Air, Inc.
- Waglisla Air, Ltd.
- Wilderness Air (1975), Ltd.
- British Columbia, Ambulance Service
 - Helijet Airways, Inc.
- British Commonwealth Air Training Plan
 - Canadian Pacific Air Lines, Ltd. (CPAL)
- British Executive Air Services, Ltd. (BEAS)
 - Irish Helicopters, Ltd.
- British Lions professional rugby team
 - Virgin Atlantic Airways, Ltd.
- British Midland Bank
 - British Midland Airways, Ltd.
 - Loganair, Ltd.
 - Manx Airlines, Ltd. (2)
 - LTU International Airways, KG
- British Pacific Trust, Ltd.
 - Airlines of Australia (Pty.), Ltd.
 - New England Airways (Pty.), Ltd. (1)
- Britt, William "Bill," chairman/founder/pres.
 - Britt Airways
 - Vercoa Air Service
- Britten Norman BN-2A Islander launch customer
 - Loganair, Ltd.
- Britten Norman BN-2A Mk. III Trislander launch customer
 - Aurigny Air Services, Ltd.
- Brittin, Lewis I., founder/GM
 - Northwest Airways
- Broach, B. W. "Bill," pilot
 - Canadian Airways, Ltd.
- Broad, Hubert, pilot
 - De Havilland Aircraft Co. Aeroplane Hire Service
- Broatch, B. W., founder/pres.
 - Northern Air Services, Ltd.
- Brock, Capt. Horace, pilot/vp
 - Pan American Airways (PAA)
 - Pan American World Airways (1)
- Brockob, Capt. Albert E., pilot
 - Pan American World Airways
- Broderick, Anthony, FAA associate administrator
 - Valujet Airlines
- Brogersma, Robert L. "Dutch," GM
 - Continental Air Services
- Broker, Capt. Joseph G., pilot
 - Delta Air Lines
- Brook, Mike, co-founder
 - Sunflower Airlines, Ltd.
- Brook, Yefim G., pres.
 - Invesija, A.S.
- Brooke, Gen. Sir Alan, passenger
 - British Overseas Airways Corporation (BOAC)
- Brooker, Gordon, chairman
 - Calm Air International, Ltd.
- Brooklands Museum (Surrey, Eng.)
 - Hunting Cargo Airlines, Ltd.
- Brooklyn Dodgers transfer to Los Angeles
 - United Air Lines (2)
- Brookmeyer, W. C., jt. owner
 - TAG Airlines
- Brooks, Miguel, jt.-founder
 - TAN: Transportes Aereos Nacionales, S.A.
- Brooks, Robert, baggage handler
 - Northwest Airlines
- Brooks, Roger, founder/pres.
 - Brooks Fuel
- Brooks, Sidney, U.S. bankruptcy judge
 - Frontier Airlines (2)
 - Mountain Air Express (1)
 - Western Pacific Airlines (Westpac)
- Brooks, William T., 3rd, founder/pres.
 - Golden Carriage Aire
- Brooks-Hurst, Sheridan, chairman
 - Cayman Airways, Ltd.
- Brothers to the Rescue, Cuban exile group
 - Pan Am Air Bridge
- Brotherston, George, MD
 - Ministic Air, Ltd.
- Brotto, Paul, EVP/COO
 - Air Canada, Ltd.
 - Canadian Airlines, Ltd.
- Brougham, Kym, founder/MD
 - Whyalia Airlines (Pty.), Ltd.
- Broughton, Capt. Don, pilot
 - United Air Lines (2)
- Broughton, W. G., chairman
 - Southern Air, Ltd.
- Brouillet, Jean-Claude, founder/pres.
 - Transgabon: Compagnie Aerienne Gabonaise, S.A.
 - Transgabon: Compagnie Transport Aerien du Gabon, S.A.
- Brousfield, Jonathan, deputy MD/jt-MD
 - Sabre Airways, Ltd.
- Brower, Thomas P., owner/pres.
 - Cape Smythe Air Service
- Brown, A. C., chief pilot
 - Pacific Marine Airways
- Brown, Ada, flight attendant
 - United Air Lines (2)
- Brown, Art, pilot
 - Wedell-Williams Air Service Corporation
- Brown, Capt. Arthur, MD
 - Airlines of Carriacou, Ltd.
- Brown, Capt. Bill, pilot/ALPA executive
 - Delta Air Lines
- Brown, Capt. Craig, pilot
 - Pan American-Grace Airways (PANAGRA)
- Brown, Dave, vp
 - American Eagle Airlines (2)
- Brown, David, chairman
 - British European, Ltd.
- Brown, David, chairman
 - Lancashire Aircraft Corporation, Ltd.
- Brown, Dennis, pres.
 - Akland Helicopters
- Brown, Edward, founder/pres.
 - Air Taxi Associates (Eastern Air Taxi)
- Brown, George, GM
 - Southern Pacific Regional Airlines (Pty.), Ltd.
- Brown, George, hijacker
 - Delta Air Lines
- Brown, Harold, dir.
 - British Overseas Airways Corporation (BOAC)
- Brown, Henry, pilot

- National Air Transport
 Brown, Capt. I. A., ops. manager
 Ansett Airlines of New South Wales (Pty.), Ltd.
 Brown, J. L. "Joe," founder/pres.
 Naples Airlines
 Brown, Jill E., co-pilot
 Texas International Airlines
 Brown, Joe E., comedian/passenger
 Varney Speed Lines Air Service, Ltd.
 Brown, Kenneth, founder
 Collondale Air Service (Pty.), Ltd.
 Brown, D. Malcolm, chairman/MD
 West African Airways Corporation
 Brown, Robert E., founder/pres.
 Decatur Commuter Airlines
 Brown, W. L., owner
 BBA Cargo (Pty.), Ltd.
 Brown, Walter Fogler, U.S. postmaster general/passenger
 Transcontinental and Western Air (T&WA)
 see also United States, Post Office, airline executives meeting, 1930
 ("Spoils Conference")
 Brown Group International, Ltd., Capital Airlines, Ltd.
 Browne, David P., GM
 Aer Arann: Kilroe Air Ireland, Ltd.
 Browne, H.J.C., chairman
 Cathay Pacific Airways (Pty.), Ltd.
 Broyles, Marcia, flight attendant
 Alaska Airlines
 Bruce, Christer, MD
 Swedair, A.B.
 Bruce, Hon. Mrs. Victor, MD
 Air Dispatch, Ltd.
 Bruest, Geoffrey, GM
 Kendell Airlines (Pty.), Ltd.
 Bruggemann, Antje, artist
 Deutsche BA Luftfahrtgesellschaft, GmbH.
 Bruggisser, Philippe, chairman
 Crossair, Ltd.
 Brumbaugh, Ralph, pres.
 MarkAir
 Brumit, Joe, GM
 Ethiopian Airlines, S.C.
 Brun, Stephen, pres.
 Air Open Sky, S.A.
 Bruneau, Angus, chairman
 Air Nova, Ltd.
 Brunso, Sven, skier
 Western Pacific Airlines (Westpac)
 Brunton, Frank L., newsletter editor
 American Airlines
 Brunzema, Jan-Luppen, pres.
 Luftverkehr Friesland Brunzema & Partner, K.G.
 Brusselmans, Fons, MD
 Braathens Malmö Aviation, A.B.
 Bruteyn, Jeffrey, Ameri-First Financial owner
 Tahoe Air
 Bryan, Capt. Otis, pilot/intercontinental division dir.
 Transcontinental and Western Air Lines (TWA)
 Bryan, Charles, IAM local president
 Eastern Air Lines
 Bryce Canyon National Park disaster *see*
 Crashes—Oct. 24, 1947
 United Air Lines (2)
 Bryce, William R. "Bill," jt.-founder/pres.
 Brymon Airways, Ltd. (1)
 Brynner, Yul, actor/passenger
 Pan American-Grace Airways (PANAGRA)
 Bubner, Colin V., founder/chairman
 AirLink (Pty.), Ltd.
 Buch de Parada, Francisco "Pancho," founder/pres.
 CAVSA: Comunicaciones Aereas de Veracruz, S.A.
 Buchanan, John, MD
 Ansett New Zealand, Ltd.
 Buchanan, R. Dennis, MD
 Talair, Ltd.
 Buchanan, Sir Dennis, founder/MD
 Flight West Airlines (Pty.), Ltd.
 Buchi, Heinz, VP
 Swissair, A.G.
 Buchman, Dr. Frank and the *Moral Re-Armament* crusade
 National Airlines (1)
 Buchman, Gueary, pres.
 Big Island Air
 Buchman, Gueary, pres.
 Big Island Air
 Buck, George, pilot
 Varney Air Lines
 Buck, Raymond, gin rummy player
 American Airlines
 Buckley, John, founder/chairman
 Air Kenya Aviation, Ltd.
 Buckley, Robert, GM
 Ansett W.A., Ltd.
 Buckley, William F., Jr, author/passenger
 British Airways, Ltd. (2)
 Pan American World Airways (1)
 Buckner, Harold, pilot
 Varney Air Lines
 Budd RB-1 Conestoga commercial launch customer
 The Flying Tiger Line
 Budrin, V. V., DG
 Pilot Private Enterprise
 Buell, C. E. "Doc," chief meteorologist
 American Airlines
 Buendia, Antonio, GM
 Asian Spirit
 Buffalo Bills NFL team
 Continental Airlines
 Northwest Airlines
 Buffalo Sabres NHL team
 Sun Pacific International
 Buffet, Warren E., financier
 USAir
 Buffum, Robert, COO
 Omniflight Airways/Omniflight Helicopters
 Bugaev, Boris P., DG
 Aeroflot Soviet Airlines
 Buganko, Victor I., CEO
 Elista United Air Detachment
 Buhl CA Airedan launch customer
 Reed Air Line
 Buholzer, D., hijacker
 Swissair, A.G.
 Buitagro, Alvaro Jaramillo, pres.
 Avianca Colombian Airlines, S.A.
 Bujnowski, Capt. Arthur, pilot
 American Airlines
 Bulhan, Capt. Musa H., CEO/MD
 African Airlines International, Ltd.
 Equator Airlines, Ltd.
 Bulianenko, A. G., CEO
 Antonov Design Bureau
 Bulkin, I.S., flight engineer
 Aeroflot Soviet Airlines
 Bulkely, Capt. Herbert, pilot
 Delta Air Lines
 Bullard, Irving, dir.
 Colonial Air Lines (1)

- Bullet train
 - All Nippon Airways Company, Ltd. (2)
 - Japan Air Lines Company, Ltd. (2)
 - JAS: Japan Air Systems Company, Ltd.
- Bullock, Sir Christopher, U.K. air minister permanent secretary
 - Imperial Airways, Ltd.
- Bumyapana, Pandit, chairman
 - Thai Airways International, Ltd. (THAI)
- Bunya-Ananta, Chatrachal, EVP/pres.
 - Thai Airways International, Ltd. (THAI)
- Bunyan, Paul, mascot
 - West Coast Airlines
- Buonicotti, Nick, football player/supporter
 - Pan American World Airways (2)
- Buontempo, Eugene, chairman
 - Aliblu, SpA.
- Bourgeault, Jean-Jacques, vp-marketing/vp-COO
 - Air Canada, Ltd.
- Burchall, Col. H., asst. GM
 - Imperial Airways, Ltd.
- Burda, Frieder, chairman
 - German Wings, GmbH.
- Burdess, Gordon, MD
 - Fairflight (Charters), Ltd.
- Bureiki, Capt. Mohammad, pilot
 - Jamahiriya Libyan Arab Airlines
- Burford, Capt. Dean, pilot
 - Transcontinental and Western Air (T&WA)
- Burger, Josef E., jt.-MD/MD
 - Albanian Airlines MAK S.H.P.K.
 - Tyrolean Airways, GmbH.
- Burger, Sergio Luis, CEO
 - Fly Linhas Aereas, Ltda.
- Burgess, Bradley W., founder/MD
 - Air Europe Express, Ltd.
 - City Flyer Express
 - Euroworld, Ltd.
- Burgess, Capt. J. W., pilot
 - British Overseas Airways Corporation (BOAC)
 - Imperial Airways, Ltd.
- Burgess, Carter L., pres.
 - Trans-World Airlines (TWA)
- Burgess, Colleen, pilot
 - Pan American World Airways (1)
- Burgess, D., jt.-founder
 - Norfolk Airways, Ltd.
- Burgess, Joyce Tillerson, hijacker accompanied by two children
 - Delta Air Lines
- Burgess, Michael, founder/chairman
 - Business Flight Service, A.S.
- Burke, Carl F., jt. founder
 - Maritime Central Airways, Ltd.
- Burke, David A., murderer
 - Pacific Southwest Airlines
- Burke, E. Paul, chairman/pres.
 - Frontier Airlines (1)
- Burke, Michael J., COO
 - Trump Air
- Burke, William, consultant
 - EVA Air, Ltd.
- Burkett, W. W., Cadman Committee member
 - Imperial Airways, Ltd.
- Burkitbaev, Serik, Kazakhstan transportation/communications minister
 - Air Kazakhstan
- Burlando, Claudio, Italian transport minister
 - Alitalia, SpA.
- Burlington Northern Railroad
 - Burlington Northern Air Freight
- Burma, 1942 aerial evacuation of
 - China National Aviation Corporation (CNAC-1)
 - Pan American Airways (PAA)
- Burnaev, V. P., DG
 - Bashkir Airlines
- Burnaman, Philip R., chairman
 - Crown Airways
- Burnell, Roger, MD
 - Britannia Airways, Ltd.
- Burnight, Charles, founder/pres.
 - Texas National Airlines
- Burns, George, comedian/spokesman
 - World Airways
- Burns, John, owner/chairman
 - PRINAIR: Puerto Rico International Airlines
- Burns, Robert, poet
 - Continental Airlines
- Burnside, David, PR director
 - British Airways, Ltd. (2)
- Burnstein, Sanford, pres.
 - Omni Air Express
- Burr, Donald C., jt. founder/chairman
 - PEOPLExpress Airlines
- Burr, Patricia, executive/treasurer
 - Continental Airlines
 - America West Airlines
- Burrough, Mrs. Susan, passenger
 - British European Airways Corporation (BEA)
- Burrows, Neil, flight opns. dir./MD
 - Virgin Express, S.A.
- Bursiel, Robert P., founder/pres.
 - Wright Air Services
- Burton, Edward, Douglas Aircraft Company executive
 - Continental Air Lines (2)
- Burton, Jim, owner/pres.
 - Island Air (2)
 - West Isle Air
- Burton, Jonathan, passenger
 - Southwest Airlines (2)
- Burundi, economic embargo of, 1996-1999
 - Air France
 - Air Tanzania Corporation
 - Ethiopian Airlines, S.C.
 - Kenya Airways, Ltd.
- Burwell, Carter III, EVP/pres.
 - Metro Airlines
 - Metro Express II
- Burwell, John, chairman
 - Buffalo Airways
- Burwell, Lewis Carter, Jr., founder/pres.
 - Pinehurst Airlines
- Buschmann, Capt. Richard, pilot
 - American Airlines
- Busey, James, FAA administrator
 - Glacier Bay Airways
- Bush, George H. W., U.S. president
 - Eastern Air Lines
 - Qantas Airways (Pty.), Ltd.
- Bush, George W., U.S. president
 - AccessAir
 - Allegiant Air
 - Miami Air International
 - North American Airlines (4)
- Bush, Prescott F., board member
 - Pan American World Airways (1)
- Bush, Trevor, part-owner/MD
 - Loganair, Ltd.
- Bushman, Robert C., EVP/pres.
 - Orion Air (1)
- Bustamante, Enrique Borgo, chairman

TACA International Airlines, S.A.
 Butler, Anne, owner
 Alaska Central Express
 Butler, C. Arthur, founder/MD
 Butler Air Transport (Pty.), Ltd.
 Butler, Charles F., pres.
 Air New England
 Butler, Douglas A., pres.
 Arctic Circle Air Service
 Butler, Mark F., founder/pres.
 Gulfstream Airlines
 Butler, Michael, chairman
 Air Ecosse, Ltd.
 Butler, Michael, pres.
 Alaska Central Express
 Butler, Scott, dir.
 Knighthawk Air Express, Ltd.
 Butler Aviation
 Washington Airlines
 Butt, Viktor, GM/pres.
 Air Cess, Ltd.
 Butte, R., skyjacker
 Hughes Airwest
 Butterfield & Swire, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Butterworth, Robert, Florida attorney general
 British Airways, Ltd. (2)
 Laker Airways, Inc.
 Buysse, Willy, DG
 Delta Air Transport, N.V.
 Bwalya, Lawrence, MD
 Zambia Airways Corporation
 Bwazota, Obiora, Nigerian judge
 Nigeria Airways, Ltd.
 Byck, Samuel Joseph, hijacker
 Delta Air Lines
 Byers, Stephen, U.K. trade and industry secretary
 British Airways, Ltd. (2)
 CityFlyer Express, Ltd.
 Virgin Atlantic Airways, Ltd.
 Bykovo Aviation Services Company
 Remex Airlines
 Bykovsky Aircraft Repair Plant
 Tsentr Avia
 Byrne, Patrick, founder/MD
 Cityjet, Ltd.
 Byshouev, V. M., pres.
 Elf Air: Elf Air Too
 Byung-in, Capt. Chung, pilot
 Korean Air Lines/Korean Air (KAL)

C

C-S Aviation Services
 MNG Airlines Cargo, A.O.
 C&N Condor Neckermann Touristik, A.G.
 Condor Flugdienst, GmbH.
 Hamburg International Airlines, GmbH.
 Tunisair, S.A.
 C. Y. Liu, MD
 China National Airways Corporation (CNAC-1)
 Caballero, Don Alfredo, founder/pres.
 La Costena Airlines, S.A.
 Cabeza, Guillermo J. "Willy," pres./COO
 Arrow Air
 Fine Air Services
 Cable, Roger, jt. founder/pres.
 Cable Commuter Airlines
 Cabrales, Orlando J., pres.
 AVIANCA Colombian Airlines, S.A.

Cadbury, Peter, chairman/MD
 Air Westward, Ltd.
 Cadman, Lord, Cadman Committee chairman
 Imperial Airways, Ltd.
 Cadman Committee of Inquiry into Civil Aviation
 Imperial Airways, Ltd.
 Cadon, A. C., hijacker
 Pan American World Airways (1)
 Cagourgue, R., chairman
 Air Austral, S.A.
 Cahill, Bernard, Aer Lingus Group chairman
 Aer Lingus Irish Airlines, Ltd.
 Cahill, Hugh, MD
 Iona National Airways, Ltd.
 Cahill, Peter, chairman
 Iona National Airways, Ltd.
 Caille, Roger, pres./DG
 Air Jet: Compagnie Air Jet, S.A.
 Cain, Gordon, jt. founder
 Ultrair
 Calabi, Andrea, pres. *see* Brazil, National Development Bank
 Calder, Alexander, livery-designer
 Braniff International Airways
 Caldera, Rafael, president of Venezuela
 AVENSA: Aerovias Venezolanas, S.A.
 Caldwell, Cy, pilot
 Pan American Airways (PAA)
 West Indian Aerial Express, C.A. (WIAX)
 Calero, Guillermo Santoni, founder/pres.
 CDA: Compania Dominicana de Aviacion, S.A.
 Caleshu, George, founder/pres.
 Sun Air Lines
 Calgary Flames NHL team
 Canadian Airlines International, Ltd.
 Canadian Airlines, Ltd.
 Calibur Systems
 Federal Express (FedEx)
 California
 A-B-C Airlines
 Ace Aerial Service
 ACM Aviation
 Aero Commuter Airlines
 Aero Union
 Aerosmith Aviation
 AFS Airlines
 Air and Sea Charter
 Air Bahia
 Air California
 Air Castle
 Air Charter Services
 Air Chico
 Air Cortez
 Air Ferries
 Air Hornet
 Air Irvine
 Air Mercury
 Air National
 Air Resorts Airlines
 Air Sierra
 Air Trails
 Air West (1)
 Air West Airlines
 Air-Serv International
 AirCal
 Airline Transport Carriers
 Airmark Corporation
 Airspar Airlines
 Airstar International
 All Seasons Air Pacific (ASAP)

- Allegiant Air
- Alpha Air
- American Air Express
- American International Airways (1)
- Ameriflight
- Apollo Airlines
- ARI Worldwide Aircraft Charters
- Astro Air
- Atkin Air Charter
- Aviation Methods
- AvJet Corporation
- Baja Airlines
- Baja Cortez Airlines
- Bank Air
- Beech Aviation Center
- Burlington Air Express
- Butler Aviation
- C-Air
- C & M Airlines
- Cable Commuter Airlines
- Cal-Aero Airways
- Cal-Nat Airways
- Cal-Neva Air
- Cal-Sierra Airlines
- Cal-State Airlines
- Cal-West Airlines
- Calasia Airlines
- California Air Charter
- California Air Commuter
- California Air Shuttle
- California Amphibian Transport
- California Central Airlines
- California Eastern Air Lines (1)
- California Eastern Air Lines (2)
- California Nevada Airlines
- California Seaboard Airlines
- Cardiff & Peacock Air Lines
- Catalina Air Lines (2)
- Catalina Air Transport
- Catalina Airlines (3)
- Catalina Channel Airlines
- Catalina Flying Boats
- Catalina Seaboard Airlines
- Catalina Seaplanes (1)
- Catalina Seaplanes (2)
- Catalina-Vegas Airline
- Century Airlines (2)
- Chaplin Air Line
- Clay Lacy Aviation
- Coast Airways
- Colorado River Airways
- Condor Air Lines
- Connectair
- Consolidated Air Lines
- Continental Air Express
- Continental Air Services
- Continental Airlines
- Continental West Airlines
- Corporate Helicopters of San Diego
- Corsairways
- Curtiss Flying Service of California
- Curtiss-Wright Flying Service
- D & S Aviation
- Dash Air
- Desert Airlines (2)
- Desert Commuter Airlines
- Desert Pacific Airways
- Desert Sun Airlines
- DHL Airways
- Diablo Aviation
- Eagle Airlines (3)
- Eagle Aviation
- Elite Aviation
- Eureka Aero Services
- Executive Aviation Logistics
- Far West Airlines (2)
- Flying Tiger Line, The
- Gilpin Air Lines
- Gold Coast Air
- Golden Carriage Aire
- Golden Eagle Air Tours
- Golden Eagle Airlines
- Golden Gate Airlines
- Golden Gate Airways
- Golden Pacific Airlines (1)
- Golden State Airlines (1)
- Golden State Airlines (2)
- Golden Valley Aero
- Golden West Airlines (2)
- Great Sierra Airlines
- Hawaii Express
- Helitrans Air Service
- Holiday Airlines (1)
- Holiday Airlines (2)
- Holiday Airlines (3)
- Hughes Air West
- Imperial Airlines
- Indian Wells Airlines
- Inland Empire Airlines
- International Jet Aviation Services
- International Parcel Express (IPX)
- Interstate Airlines (2)
- Island Express Helicopter Service
- Jet America Airlines (1)
- Jet Source
- Kaiserair
- L.A. Helicopter
- Lisle Air Service
- Los Angeles Air Service
- Los Angeles Airways
- Los Angeles-San Diego Air Line: Ryan Airlines
- Maddux Air Lines
- Magnum Airlines
- Mammoth Air Shuttle
- Matson Air Lines
- MC Aviation
- McCulloch International Airlines
- Mercer Airlines
- Mexico Air Service
- MGM Grand Air
- Millennium Jet
- Mineral County Airlines
- Mission Airlines
- Mojave Airlines
- Mountain Air Express (2)
- Mutual Aircraft Corporation
- National Air (1)
- Nor-Cal Aviation
- North American Airlines (1)
- North Continent Airlines
- North Tahoe Airways
- Northwest Jet
- Overland Airways
- Pacific Air Cargo
- Pacific Air Lines
- Pacific Airlines
- Pacific American Airlines
- Pacific Cal Air

- Pacific Coast Airlines (1)
- Pacific Coast Airlines (2)
- Pacific Coast Airlines (3)
- Pacific East Air
- Pacific Express
- Pacific Interstate Airlines
- Pacific Jet Charter
- Pacific Marine Airways
- Pacific National Airways
- Pacific Northwest Airways
- Pacific Overseas Airlines Corporation
- Pacific Seaboard Air Lines
- Pacific Skyway
- Palm Springs Airlines
- Patriot Airlines
- Peninsula Airways (2)
- Petersen Aviation
- Pickwick Airways
- Priority Air Transport
- Quest Airlines
- Raytheon Aircraft Services
- Regent Air
- Renown Aviation
- Resort Commuter Airlines (2)
- Resort Commuter Airlines (3)
- Riverside Air Service
- Rose Aviation
- Royal West Airlines
- San Francisco-Oakland Helicopter Airlines (SFO-1)
- San Francisco-Oakland Helicopter Airlines (SFO-2)
- Schubach Aviation
- Shasta Air
- Sierra Expressway
- Sierra Flite Service
- Sierra Mountain Airways
- Sierra Pacific Airlines (1)
- Sierra Pacific Airlines (2)
- Silicon Valley Express
- Skymark Airlines
- Southwest Airways (2)
- SP Aviation: Superior Performance Aviation
- Spirit Aviation
- Spirit Helicopters
- Standard Air Lines (1)
- STOL Air
- Sun Aire Lines
- Sun Pacific Airlines
- Sun Valley Airlines
- Sun World Airlines
- SunAir Express
- Sunquest Executive Air Charter
- Sunshine Airlines
- Sunwest Aviation
- Swift Air Service
- Swifte Aire Lines
- TGA Aviation
- Total Air
- Trans Aero-Systems
- Trans California Airlines (1)
- Trans California Airlines (2)
- Trans Cal Airlines
- Trans Catalina Airlines
- Trans Exec Air Service
- Trans International Airlines (1)
- Trans International Airlines (2)
- Trans National Airlines
- Trans Sierra Airlines (1)
- Trans Sierra Airlines (2)
- Transamerica Airlines
- Transocean Air Lines (TAL)
- Ultimate Jet
- Union Flights
- Universal Jet
- Valley Airlines (1)
- Valley Catalina Airlines
- Varney Air Transport
- Varney Speed Lines Air Service, Ltd.
- Virgin Island International Airlines
- Westair Commuter Airlines
- Westair Industries
- West Coast Air Charter
- Western Air Express
- Western Air Express Corporation
- Western Air Lines
- Western Airlines (1)
- Western Pacific Aviation Corporation
- Western Pacific Express (WESTPAC)
- Westates Airlines (1)
- Wilmington-Catalina Airline
- Wings West Airlines
- Winwest Shuttle
- Woodland Aviation
- World Airways
- Yosemite Airlines
- California, Public Service Commission
- Pacific Southwest Airlines
- California Angels MLB team
- America West Airlines
- California Institute of Technology
- Pan American-Grace Airways (PANAGRA)
- CALite
- Continental Airlines
- Callaghan, John, chairman
- Aberdeen Airways, Ltd. (2)
- Callaghan, Patrick, pres./COO
- CHC: Canadian Helicopter Corporation, Ltd.
- Callan, James, MD
- Cambrian Airways, Ltd.
- Callaway, Howard "Bo," chairman
- Pioneer Air Lines (2)
- Callens, Dick, founder/pres.
- Roswell Airlines
- Calloway, Auburn, pilot
- Federal Express
- Calmai, Mario, chairman
- Metro Cargo, Ltd.
- Calmes, Jean-Donat, pres.
- Luxair, S.A.
- Calthorpe, Lord Peter, founder/chairman
- Mercury Airlines, Ltd.
- Calthorpe, Lord, founder/chairman
- North-South Airlines, Ltd.
- Calvert, Neil, MD
- British International Helicopters, Ltd.
- Calvert, Raul F., pres.
- LAP Paraguayan Airlines, S.A.
- Cambas, A. E., owner/pres.
- Gulf Coast Air Lines
- Cambodian relief flights, 1977-1978
- Martinair Holland, N.V.
- Cambodian Rice Lift of 1975.
- The Flying Tiger Line
- World Airways
- Cameron, Capt. Donald, pilot
- Air Canada, Ltd.
- Cameron, Capt. J. A. "Jock," pilot/GM
- British European Airways Helicopters, Ltd.
- Camil, F.A., hijacker

- South African Airways (Pty.), Ltd.
 Caminiti, Vince, SVP
 Delta Air Lines
 Campana, Eric, chairman/pres.
 LAN-CHILE Airlines, S.A.
 Campbell, A. B., founder/pres.
 Tyee Air, Ltd.
 Campbell, Sen. Ben Whitehorse (R-CO)
 Mesa Air Group
 Campbell, Bill, Atlanta mayor
 Delta Air Lines
 Campbell, C. Robert, pres./CEO
 BAX Global
 Campbell, Douglas, war hero/vp-opns.
 Pan American-Grace Airways (PANAGRA)
 Campbell, Earl, pilot
 Varney Air Transport
 Campbell, Capt. Harry, pilot
 Transcontinental and Western Air (T&WA)
 Campbell, Malcolm, MD
 Eagle Airways, Ltd.
 Campbell, Maude, first U.S. airline passenger
 Western Air Express
 Campbell, Naomi, model/passenger
 CivAir Charter Services (Pty.), Ltd.
 Campbell, Capt. W. G., pilot
 Qantas Empire Airways (Pty.), Ltd.
 Campbell, Capt. William "Bill," pilot
 Ethiopian Airlines, S.C.
 Campbell-Black, Thomas, owner/pilot/chief pilot
 Kenya Aircraft Company, Ltd.
 Wilson Airways, Ltd.
 Campins, Jose, pres.
 VIASA: Venezolana Internacional de Aviacion, S.A.
 Campling, F. K., jt.-founder
 Campling Bros. & Vanderwal, Ltd.
 Caspar Air Charter & Agencies, Ltd.
 Campling, L. Keith, jt.-founder/pres.
 Campling Bros. & Vanderwal, Ltd.
 Caspar Air Charter & Agencies, Ltd.
 Campuzano, Ricardo H., GM
 SAM Colombia Airlines, S.A.
 Canada, Air Transport Auxiliary
 Canadian Pacific Air Lines, Ltd. (CPAL)
 Trans Canada Airways, Ltd.
 Canada, Air Transport Board
 Canadian Pacific Air Lines, Ltd. (CPAL)
 Trans Canada Airways, Ltd. (TCA)
 Canada, Canadian Competition Tribunal
 Air Canada, Ltd.
 American Airlines
 Canadian Airlines International, Ltd.
 Canada, Canadian Government Trans-Atlantic Air Service for Forces (CGTASF)
 Trans Canada Air Lines, Ltd.
 Canada, Dept. of Fisheries and Oceans
 CHC: Canadian Helicopter Corporation, Ltd.
 Cougar Helicopters, Ltd.
 Canada, Dept. of National Defence
 Cougar Helicopters
 Trans Canada Air Lines, Ltd.
 Canada, Export Development Corporation
 Ethiopian Airlines, S.C.
 Canada, Royal Canadian Mounted Police (RCMP)
 Air Canada, Ltd.
 Air India, Ltd.
 British West Indies Airways, Ltd. (2) (BWIA)
 El Al Israel Airlines, Ltd.
 Royal Airlines, Ltd.
 World Airways
 Canada, Transport Canada. National Transportation Agency.
 Air Canada, Ltd.
 Canadian Airlines, Ltd.
 Canadian 3000, Ltd.
 Canadian Airlines International, Ltd.
 Greyhound Air, Ltd.
 Trans Canada Air Lines, Ltd.
 WestJet, Ltd.
 Canada Trust Company, Ltd.
 Westjet, Ltd.
 Canadian Holidays
 Royal Airlines, Ltd.
 Canadian Investors Corp.
 Inter-Canadian Airlines, Ltd. (2)
 Canadian National Railways
 Air Canada, Ltd.
 Canadian Airways, Ltd.
 Central Vermont Airways
 Trans Canada Air Lines, Ltd.
 Western Canada Airways, Ltd.
 Canadian Pacific Railways
 Canadian Airways, Ltd.
 Canadian Pacific Air Lines, Ltd.
 Laurentide Air Service, Ltd.
 Yukon Southern Air Transport, Ltd.
 Western Canada Airways, Ltd.
 Canadair C-4 launch customer
 British Overseas Airways Corporation (BOAC)
 Canadair DC-4-M launch customer
 Trans Canada Air Lines, Ltd.
 Canadair CL-44 Forty Four launch customer
 The Flying Tiger Line
 Canadair CRJ-100 launch customer
 Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)
 Canadair CRJ-200ER launch customer
 Lufthansa CityLine, A.G.
 Canadair CRJ-200LR launch customer
 Lufthansa CityLine, A.G.
 Canadair CRJ-700 launch customer
 American Eagle Airlines (2)
 Canaday, George, pilot
 Johnson Airways
 Canadian National Railway
 Central Vermont Airways
 Canadian Pacific Railway
 Canadian Airways, Ltd.
 Canadian Pacific Air Lines, Ltd. (CPAL)
 Laurentide Air Services, Ltd.
 Canairelief
 Nigerian Airways, Ltd.
 Nordair, Ltd.
 Canaria Travel Group
 Travel Service Airlines, A.S.
 Canavan, Jerry, founder/pres.
 Regent Air
 Cancela, Gustavo Cola, chairman
 PLUNA: Primera Uruguayas de Navegacion Aerea, S.A.
 Candia, Miguel, pres./MD
 ARPA: Aerolineas Paraguayas, S.A.
 LAPSA Air Paraguay, S.A.
 Canhedo, Wagner, chairman/pres.
 VASP Brazilian Airlines: Viaceo Aerea Sao Paulo, S.A.
 Cannon, Frank, founder/MD
 Malinair, Ltd.
 Cannon, Peter, chairman
 British Midland Airways, Ltd.
 Cano, Raymuldo, DG
 Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.

- Aeronaves de Mexico, S.A. de C.V.
 Canon, Jose Raimundo Tapia, hijacker
 Aeropesca, S.A.
 Cant Z-506 launch customer
 Ala Littoria, SpA.
 Cantalay, George T., chairman
 Cambrian Airways, Ltd.
 Canteras, Eduardo, hijacker
 National Airlines (1)
 Caoro, Edgar Rios, mgr.
 North East Bolivian Airways, Ltda.
 Cape Code Flying Service
 Provincetown-Boston Airline (PBA)
 Cape Town Fire Service
 CivAir Charter Services (Pty.), Ltd.
 Capital Markets and Capital Markets Assurance Corporation
 Delta Air Lines
 Capitol Bay Securities
 Tahoe Air
 Caplan, Myron L., pres.
 Air Nevada (2)
 Pacific Wings
 Capone, Al, gangster/passenger
 Chalk's International Airlines (1)
 Cappellero, M., steward
 Pan American World Airways
 Capriles, Maria Martinez, CEO/president
 Aerolatin: Aerolineas Latinas, S.A.
 Capstick, J. D., MD/chairman
 Air Bridge Carriers, Ltd.
 DHL Air, U.K., Ltd.
 Capstick, Neil, MD
 GAMA Aviation, Ltd.
 Carabajal, Carlos, pres.
 ALFA: Aerolinea Federal Argentina, S.A.
 Carabba, John, jt. owner
 Island Air (2)
 Carandini, Count Nicolo, chairman
 Alitalia, SpA.
 Carbajal, Antonio Paucar, Peruvian transport minister
 Aero Continente, S.A.
 Carberry, John, aircraft supplier
 Kenya Aircraft Company, Ltd.
 Carbonell, Francisco Escarti, MD
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Card, Howard, passenger
 KLM: Royal Dutch Airlines, N.V.
 Cardelus, Arturo, pres.
 VIASA: Venezolana Internacional de Aviacion, S.A.
 Cardenas, Manuel, owner/pres.
 SAM: Servicios Aereos de Michoacan, S.A.
 Cardimone, Mike, jt. founder
 Bradford Air Transport
 West Penn Commuter
 Cardoso, Col. Dulcidio Espirito Santo, pres.
 VASD: Viacao Aerea Santos Dumont, S.A.
 Cardwell, W. J., GM
 Caspair Air Charters, Ltd.
 Carefree David Travel
 Galaxy Airlines (2)
 Carefree Vacations
 Worldwide Airlines
 Carere, Alfred, GM
 Air Tanzania Corporation
 Carey, Guillermo, vp/pres.
 Ladeco Chilean Airlines, S.A.
 LanChile Airlines, S.A.
 Carey, Harry, actor
 Transcontinental and Western Air Lines (TWA)
- Carey, Rep. Hugh (D-NY), opponent
 New York Airways (2)
 Cargo Development Group
 Continental Airlines
 Eastern Air Lines
 Caribbean Airlines Services
 Virgin Islands Seaplane Shuttle
 Caribbean Holidays
 Trans World Airlines (TWA)
 Caribe Spain tour company
 Air Santo Domingo, C. por A.
 Carina CRS
 New Zealand National Airways Corporation, Ltd.
 Carizon, Jan, chairman/pres./dir.
 Continental Airlines
 Britannia Airways, A.B.
 Linjifly, A.B.
 SAS: Scandinavian Airlines System
 Carleton, R. V., pilot
 Braniff Airways
 Carli, Claudio, pres.
 Alitalia Express, SpA.
 Carlin, George, spokesman
 Ozark Air Lines
 Carlos, John, GM
 Norfolk Jet Express (Pty.), Ltd.
 Carlos, Nilson, Confaber dir.
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Carlsen, Capt. Dann, pilot
 Comair
 Carlson, Arne, Minnesota governor
 Northwest Airlines
 Carlson, Clyde, owner/pres.
 Lake Union Air Service
 Carlson, Edward E., pres./chairman
 United Air Lines (2)
 United Airlines
 Carlson, Ken, founder/pres.
 Jet Express
 Carlson, Kurt, passenger
 Trans World Airlines (TWA)
 Carlson, Maurice, jt. founder
 Northern Air Cargo
 Carlson, Capt. Patrick, pilot
 Western Air Lines
 Carlson Leisure Group
 Caledonian Airways, Ltd. (2)
 Peach Air, Ltd.
 Carlyle Group, The, investors
 Gemini Air Cargo
 Pace Airlines
 Piedmont Aviation Services
 Carman, Joseph L., Jr., founder/pres.
 Alaska-Washington Airways
 Carmel, Moshe, chairman
 El Al Israel Airlines, Ltd.
 Carmichael, Capt. James H., chief pilot/pres.
 Capital Airlines
 Central Airlines (2)
 Pennsylvania Central Airlines
 Carnell, Kate, Australian Capital Territory chief minister
 Impulse Airlines (Pty.), Ltd.
 Carney, Robert J., jt. founder/chairman
 Texas International Airlines
 Carnicero, Jorge, founder/pres.
 CINTA: Compania Nacional de Turismo Aereo, S.A.
 Carnival Corporation
 Airtours International, Ltd.
 Carnival Air Lines

- Majestic Airlines (1)
 Carnival Cruise Lines *see* Carnival Corporation
 Carolina Hurricanes NHL team
 AccessAir
 Carolina Panthers NFL team
 Miami Air International
Caronia, R.M.S.
 Titan Airways, Ltd.
 Carpenter, J. R., founder/MD
 Carpenter, W. R. and Company (Pty.), Ltd.
 Carpentier, Yves, MD
 Flanders Airlines, S.A.
 Carr brothers (Henry, Arthur, and Francis), co-founders
 Air Enterprises, Ltd.
 Carr, Clark, founder/pres.
 Carco Air Service
 Cutter-Carr Flying Service
 Carr, Hal N., vp/pres./chairman
 North Central Airlines
 Wisconsin Central Airlines
 Carr, James, vp-opns.
 National Airlines (4)
 Carr, Robert, passenger
 Eastern Airways, Ltd.
 Carreno, Gonzalo, hijacker
 Avianca Colombian Airlines, S.A.
 Carreras, Jose-Maria, pilot
 Lineas Aereas Postales Espanolas, S.A. (LAPE)
 Carrick, James H., opns. dir.
 Pappilon Grand Canyon Helicopters
 Carriles, Luis Posada, anti-Castro leader
 Cubana: Empresa Consolidada Cubana de Aviacion
 Carroll, Earl, showman/passenger
 United Air Lines (2)
 Carroll, Pat, chairman
 Maverick Airways (2)
 Carson, Charles C., 2nd, vp/pres.
 Southern Air Transport
 American International Airways (3)
 Kitty Hawk International
 Carson, Franklin, founder/pres.
 Carson Helicopters
 Carson, Robert, pilot
 Cambrian Airways, Ltd.
 Carter, Buzz, pilot/COO
 Memphis Jet
 Carter, Jessie, flight attendant
 Boeing Air Transport
 Carter, Jimmy, U.S. President/passenger
 Air France
 American Airlines
 Delta Air Lines
 Laker Airways, Ltd.
 Carter, S., passenger
 Pacific Southwest Airlines
 Cartier, T. P., pres.
 Aero Coach Aviation International
 Cartoon Network
 Delta Air Lines
 Cartwright, J. E. C., MD
 Isles of Scilly Sky Bus, Ltd.
 Carty, Donald J., pres./chairman
 American Airlines
 Canadian Pacific Air Lines, Ltd.
 Caruso, Allyn, founder/pres./chairman
 Northeast Express Regional Airlines
 Precision Airlines
 Caruso, Thomas and Joseph, founders
 Bar Harbor Airlines
 Carvalho, Alfredo, GM
 TACV Cabo Verde Airlines, S.A.
 CASA-IPTN CN-235 launch customer
 PT Merpati Nusantara Airlines
 Casablanca Conference, 1943
 Pan American Airways (PAA)
 Transcontinental and Western Air Lines (TWA)
 Casale, Francesco, DG/GM
 Societa Aerea Mediterranean, SpA.
 Zambia Airways Corporation
 Casalini, Patrizio, pres.
 Alpi Eagles, SpA.
 Casanova, Paul, chairman
 Corsair, S.A.
 Corse Air International, S.A.
 Casasempere, Alex, founder
 Aero Cardal Air Services, Ltda.
 Casaus, A. L., hijacker
 American Airlines
 CASBAH CRS
 Air Algerie, S.A.
 Casella, Thomas F., threatening telephoner
 Swissair, A.G.
 Casey, Albert V., pres./chairman
 American Airlines
 Casey, Gerald, hijacker
 National Airlines (1)
 Casey, John J., vp-opns./chairman
 Braniff International Airways
 Casey, Paul J., pres.
 Hawaiian Airlines (HAL)
 Casgrande, Lorenzo, pres.
 TAS Airways, SpA.
 Casino Airlink
 Nations Air Express
 Sunjet Pacific Airlines
 Casino Express
 Spirit of America Airlines
 Casino Magic
 Express One International
 Caspareuthus, Caspar, pilot
 Union Airways (Pty.), Ltd.
 Caspi Aviation, Ltd.
 Aerosweet Airlines
 Cassidy, John, dir.
 Canadian Airlines International, Ltd.
 Cassar, George, chairman
 Med Avia: Mediterranean Aviation Company, Ltd.
 Cassar & Cooper Holdings
 Air Malta Company, Ltd. (2)
 Cassani, Barbara, GO president
 British Airways, Ltd. (2)
 Cassidy, Jack, MD
 Casair: Casair Aviation, Ltd.
 Castiglione, Franco, founder/pres.
 Med Airlines, SpA.
 Castle, Fiona, passenger
 Virgin Atlantic Airways, Ltd.
 Castlemaine, Leslie, commercial/sales mgr.
 Cambrian Airways, Ltd.
 Castro, Fidel, Cuban premier
 Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Eastern Air Lines
 Castro, Jaime, founder/pres.
 AVISPA: Aerovias Pilotas Asociados, S.A.
 Cessnyca, S.A.
 Castro, Danny, opns. dir.
 COPTCO Helicopter Service
 Caswell, Richard, pres.

- Caribbean Express
 Cathay Holdings (Pty.), Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Cathedral Touring Agency
 Starways, Ltd.
 Catholic University of Rio Grande do Sul
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandense, S.A.
 Cathpole, Frederick R., owner/pres.
 TPI International Airways
 Cato, Ken and Cato Partners, design firm
 Qantas Airways (Pty.), Ltd.
 Catt, Malcolm J., founder/MD
 Lincoln Airlines (Pty.), Ltd.
 Caudle, Charles P., pres.
 Airline of the Americas
 Ultrair
 Caudron, Rene, advisor
 Compagnie des Messageries Aeriennes, S.A. (CMA)
 Causey, B. Winfield, Jr., founder/pres.
 Causey Aviation Services
 Cavas, Adi, MD
 Sunways Intersun Havacilik, A.O.
 Cave, Geoffrey, chairman
 Carib Express, Ltd.
 Caven, Graham, mgr./chief pilot
 Bristow Helicopters, Ltd.
 Gulf Helicopters, Ltd.
 Cawley, Michael, CFO
 Ryanair, Ltd.
 Cayzer, Anthony, chairman
 British United Airways, Ltd.
 CCLB Aviation Holdings
 Elbee Airlines, Ltd.
 CCM Voyages
 Corse Mediterranee, S.A.
 Cebellos, Francisco Munoz, founder/pres.
 Servicio Aereo Baja, S.A.
 Ceccaldi, Philippe, chairman/CEO
 Corse Mediterranee: Compagnie Corse Mediterranee, S.A.
 Ceccarelli, Jean-Gabriel, DG
 Cameroon Airlines, S.A.
 Cedar, Terrance, pres.
 Apollo Airlines
 Pacific Coast Airlines (2)
 Cedar, Capt. Terry, pres.
 Renown Aviation
 Cedarbaum, Miriam Goldman, U.S. federal district judge
 British Airways, Ltd. (2)
 Virgin Atlantic Airways, Ltd.
 Cekic, Prof. Dr. Sefkija, pres.
 Air Bosna, S.A.
 Celebi, Atilla, chairman
 Sun Express Air, A.O.
Celerina, S.S.
 The Flying Tiger Line
 Celikadam, Osman, pres./GM
 Sonmez Holding Airlines A.O.
 THT Turkish Air Transport: Turk Hava Tasimaciligi, A.O.
 Cempella, Domenico, MD
 Alitalia, SpA.
 Cen Longyu, Capt., pilot
 CAAC: The General Administration of Civil Aviation of China
 Central Intelligence Agency *see* United States, Central Intelligence Agency
 Cerche, Capt. Vern, pilot
 Ansett Airlines of Australia (Pty.), Ltd.
 Cerdan, Marcel, boxer/passenger
 Air France
 Cereti, Fausto, chairman
 Alitalia, SpA.
 Cerkovnik, Michael F., EVP/pres.
 MarkAir
 Cerro, Sanchez, Peruvian president
 Pan American-Grace Airways (PANAGRA)
 Ceskoslovenska Obchodni Banka
 CSA Czech Airlines, A.S.
 Cessna 180 launch customer
 Island Sky Ferries
 Cessna 208 Caravan I launch customer
 Federal Express
 Cessna 402 launch customer
 Peninsula Airways
 Cessna 404 Titan launch customer
 Air Midwest
 Ceylon Shipping Corp.
 Air Lanka, Ltd.
 Chacko, Sabu V., Delhi regional mgr.
 East West Airlines, Ltd.
 Chaco War of 1932
 LAB: Lloyd Aero Boliviano, S.A.
 Chadha, Kamini, MD
 Indian Airlines Corporation
 Chaichian, Cyrus, chairman
 Iran Air: The Airline of the Islamic Republic of Iran
 Chaiyasut, S., bomber
 Cathay Pacific Airways (Pty.), Ltd.
 Chak, Capt. Rosa, pilot
 Dragonair (Pty.), Ltd.
 Chakrapong, Prince Norodom, founder/chairman/CEO
 Royal Phnom Penh Airways Company, Ltd.
 Chalk, Arthur Burns ("A B" or "Pappy"), founder/chairman
 Chalk's International Airlines (1)
 Chalk, O. Roy, founder/pres.
 Trans-Caribbean Airways
 Chama, Oliver, MD
 Zambia Airways Corporation
 Chambard, E., jt.-founder
 Cap Airlines, S.A.
 Chamberlain, Doug, opns. dir.
 Miller Aviation
 Chamberlain, Neville, British prime minister/passenger
 British Airways, Ltd. (1)
 Imperial Airways, Ltd.
 Chambers, Capt. C. H. "Kit," Scottish GM/ops. mgr./MD/GM
 Bond Helicopters, Ltd.
 British Airways Helicopters, Ltd.
 British International Helicopters, Ltd.
 Hummingbird Airways, Ltd.
 Hummingbird Helicopters, Ltd.
 Chambers, Reed, jt. founder/investor
 Florida Airways Corporation
 Pan American Airways (PAA)
 CHAMP computerized cargo handling system
 Cargolux Airlines International, S.A.
 Champion Spark Plug
 Connectair
 Champlain Enterprises
 Business Express (BEX)
 Champney, Kim, CFO/pres.
 Mohawk Airlines (2)
 Chan, Allan K.S., GM
 Taiwan Airlines, Ltd.
 Chan, Michael, GM
 Silkair, Ltd.
 Chan, Mike Shree, Guyana trade minister
 Guyana Airways Corporation
 Chan, Yin, CEO
 Kampuchea Airlines (2)
 Chance, Lyndon, engineering mgr.

- Guyana Airways Corporation
- Chande, J. K., chairman
 - Air Tanzania Corporation
- Chandis, Henry T., VPM/pres.
 - Texas International Airlines
 - Western Airlines (1)
- Chandler, Harry, supporter
 - Western Air Express
- Chandragu, Srisook, chairman
 - Thai Airways International, Ltd. (THAI)
- Chaney, Allan T., pilot
 - Island Airlines (1)
- Chang, Hong I., pres.
 - Far Eastern Air Transport Corporation
- Channel Islands, 1940 evacuation
 - Guernsey Airways, Ltd.
 - Jersey Airways, Ltd.
- Chantyrangkurn, Mahidol, chairman
 - Thai Airways International, Ltd. (THAI)
- Chao, Ronald, MD
 - Dragonair (Pty.), Ltd.
- Chao Kuang-plu, chairman
 - Dragonair (Pty.), Ltd.
- Chaplin, Charlie, actor/passenger
 - Chaplin Air Lines
 - Qantas Empire Airways (Pty.), Ltd.
- Chaplin, Dorothy Colgan, reservations dir.
 - Colgan Air
- Chaplin, Syd, founder/pres.
 - Chaplin Air Line
- Chapman, H., chairman
 - Rhodesian and Nyasaland Airways, Ltd. (RANA)
- Chapman, Capt. J., MD
 - Australian Transcontinental Airways, Ltd.
- Chapman, Jack, founder/pres.
 - Inter-Island Airways (2)
- Chapman, Keith, maintenance technician
 - Ryanair, Ltd.
- Chappell, Albert, pres.
 - Air Atlantic, Ltd.
- Charaf, Anthony, Delta Cargo CEO
 - Delta Air Lines
- Charalabous, Ioannis, Greek transport minister
 - Olympic Airways, S.A.
- Chargeura Reunis
 - Union Aeromaritime de Transport, S.A.
- Charles, Capt. J. Shelly, pilot
 - Eastern Air Lines
- Charlotte*, Vietnamese potbellied pig
 - USAirways
- Charlotte Hornets NBA team
 - Pace Airlines
 - Viscount Air Service
- Charter, Richard, chairman
 - SA Airlink (Pty.), Ltd.
- Charter Air Center
 - Charter Airlines
- Charter Cruise (Pty.), Ltd.
 - Spirit Air (Pty.), Ltd.
- Charter One
 - Spirit Airlines
- Chartermaster
 - LWA: Liberia World Airlines
- Chase, Lucille, flight attendant
 - United Air Lines (2)
- Chase Manhattan Bank/Corporation
 - Continental Air Lines (2)
 - LOT Polish Airlines, S.A.
 - Mexicana Airlines, S.A. de C.V.
- Philippine Air Lines
- Pioneer Air Lines
- United Airlines
- Chase Capital Partners
 - JetBlue Airways
- Chateau Whistler, B.C.
 - CHC: Canadian Helicopter Corporation, Ltd.
- Chavarria, Dr. A. Pena, chairman
 - LACSA: Lineas Aereas Costarricenses, S.A.
- Chavez, Carlos, jt.-founder/chairman
 - RANSA: Rutas Aereas Nacionales, S.A.
- Chavez, Isaias, founder
 - AVIESA, S.A. de C.V.
- Chavez-Ortiz, Roberto, hijacker
 - Frontier Airlines (1)
- Chcone, Gilbert, founder/pres.
 - Priority Air Freight Company
- Cheapest international airline ticket in airline history
 - Virgin Express Airlines, Ltd.
- Chebak, Peter A., pres.
 - Air Moldova
- Cecchi, Alfred A., chairman
 - Northwest Airlines
- Chechnya Crisis, 1994-1997
 - Aeroflot Russian International Airlines (ARIA)
- Cechwarkin, Viktor, pres.
 - Gazpromavia Air Enterprise
- Cheeld, Capt. Charles "Chuck," pilot
 - Continental Airlines
- Cheema, Tahir S., chairman
 - Grand Aire
- Cheesman, S. A. "Al," pilot
 - Aero, Ltd.
 - Western Canada Airways, Ltd.
- Chegwidden, Sir Thomas, chairman
 - Rhodesia United Air Carriers, Ltd.
- Chekov, A. N., CEO
 - Kharkov United Air Detachment
- Chelnoki* (Russian "suitcase" traders)
 - Atlant Soyuz Airlines
- Chelyuskin Arctic Expedition, Rescue of
 - Aviaarktika
 - Pan American Airways (PAA)
- Chemapol Group
 - Air Ostrava, S.R.O.
- Chen, Philip, MD/COO
 - Dragonair (Pty.), Ltd.
 - Cathay Pacific Airways (Pty.), Ltd.
- Chen Feng, pres.
 - China Hainan Airlines Company, Ltd.
- Chen Guanyi, chairman
 - CAAC: The General Administration of Civil Aviation of China
- Chen Kung-cheng, flight attendant
 - Great China Airlines, Ltd.
- Chen Shui-ban, Taiwan president
 - EVA Air: EVA Airways, Ltd.
- Chen Wen Wu, chairman
 - Makung International Airlines Company, Ltd.
- Chenaille, Lawrence A. and Jean, founders
 - Larry's Flying Service
- Cheney, Dick, U.S. vice president
 - Miami Air International
- Cheney, Dr. L. D., passenger
 - Western Air Express
- Cheng Yaokun, pres.
 - Wuhan Air Lines Company, Ltd.
- Chenhalls, Alfred, passenger/businessman mistaken for Winston Churchill
 - KLM: Royal Dutch Airlines, N.V.
- Chennault, Gen. Claire L., founder/owner

- Civil Air Transport, Ltd.
- Cheong Choong Kong, acting CEO
 - China Airlines, Ltd. (CAL)
 - Royal Air Cambodge, S.A. (2)
- Cheremnykh, Sergei, DG
 - Korsar Airlines
- Cherkasov, Valentine, GM
 - Bykuba
- Cherkasov, Vladimir, CEO
 - Ryazanaviatrans
- Chernavin, Vyacheslav, part-owner
 - Samara Airlines: Samara Avialinii
- Chernobyl (Ukraine) nuclear disaster, 1986
 - Aeroflot Soviet Airlines
- Chernov, Oleg G., MD
 - Komiaviatrans
- Chestnut, Mark M., founder/pres.
 - Cascade Airways
- Cheung, Linus, deputy MD
 - Cathay Pacific Airways (Pty.), Ltd.
- Cheung, Matthew, Hong Kong territorial labor commissioner
 - Cathay Pacific Airways (Pty.), Ltd.
- Cheououa, Andre Bosco, chairman
 - Cameroon Airlines, S.A.
- Chevalier, Maurice, entertainer/passenger
 - Varney Speed Lines Air Service, Ltd.
- Chevanne, Sylvain, MD
 - Aigle Azur Transport Aeriens, S.A.
- Chevenement, Jean-Pierre, French interior minister
 - Air France
- Chi Chung Mun, CEO
 - Silkair (Pty.), Ltd.
- Chia-Wen, Lee, co-GM
 - China Asia Airlines, Ltd.
- Chiang Kai-shek, Chinese pres.
 - China National Airways Corporation (CNAC-1)
 - Deutsche Luft Hansa, A.G.
- Chiang Kai-shek, Madame
 - China National Airways Corporation (CNAC-1)
- Chicago Bulls NBA team
 - Champion Airlines
 - Ryan International Airlines
- Chicago Cardinals NFL team
 - United Air Lines (2)
- Chicago Conference of 1944
 - British Overseas Airways Corporation (BOAC)
 - KLM: Royal Dutch Airlines, N.V.
 - Pan American Airways (PAA)
- Chicago Cubs MLB team
 - Southwest Airlines (2)
 - United Airlines
- Chicago International Exposition of 1933
 - United Air Lines (1)
- Chicago White Sox MLB team
 - United Airlines
 - Champion Airlines
- Chick, Leandro, chairman
 - Americana de Aviacion, S.A.
- Chicot, Jose Manuel, MD
 - Binter Canarias, S.A.
- Chigaev, V.V., DG
 - AOM Air Company
- Chikaonda, Mathews, Malawi finance minister
 - Air Malawi, Ltd.
- Chikwe, Dr. (Mrs.) Kema, Nigerian aviation minister
 - Nigeria Airways, Ltd.
- Child, Brian, founder/pres./chairman
 - Air Toronto, Ltd.
 - Odyssey International, Ltd.
- Owen Sound Air Services, Ltd.
- Soundair Express, Ltd.
- Child, Carlos F., pres.
 - ATC Airlines, S.A.
- Childrens Hospital of Pittsburgh
 - British Airways, Ltd. (2)
- Childs, W. S., co-MD
 - Western Pacific Aviation (Pty.), Ltd.
- Chilean earthquake of 1939
 - Syndicato Condor, S.A.
- Chilean earthquake of 1959
 - Pan American-Grace Airways (PANAGRA)
- Chilean earthquake of 1965
 - Pan American-Grace Airways (PANAGRA)
- China, Ministry of Foreign Trade and Economic Cooperation
 - China Hainan Airlines Company, Ltd.
- China, Ministry of Geological Mineral Resources
 - China Flying Dragon Aviation Company
- China, National Aerotechnology Import & Export Corp.
 - Dragonair (Pty.), Ltd.
- China, National Relief and Rehabilitation Administration
 - Civil Air Transport, Ltd.
- China Aviation Development Foundation
 - China Airlines, Ltd. (CAL)
- China Development Industrial Bank
 - China Airlines, Ltd. (CAL)
- China Guangda International Trust & Investment Corp.
 - China Hainan Airlines Company, Ltd.
 - Dragonair (Pty.), Ltd.
- China International Trust & Investment Corporation (CITIC)
 - Cathay Pacific Airways (Pty.), Ltd.
 - China Ocean Helicopter Corporation
- China National Helicopter Corporation
 - China Ocean Helicopter Corporation
- China Ocean Shipping Company
 - Cargo Airlines, Ltd.
- China Resources
 - Dragonair (Pty.), Ltd.
- China Travel Air Service
 - Lao Aviation Company
- China Travel Services
 - Shenzhen Airlines Company, Ltd.
- China's worst air disaster
 - China Southern Airlines Company, Ltd.
- China-India Crisis, 1962
 - Indian Airlines Corporation
- China-India Crisis, 1967
 - Indian Airlines Corporation
- China-India "Hump" Ferry Service, 1942-1945
 - American Airlines
 - China National Airways Corporation (CNAC-1)
 - Pan American Airways (PAA)
 - Transcontinental and Western Air Lines (TWA)
- Chinchilla, Prof. V. C., GM
 - SAHSA: Servicio Aereo de Honduras, S.A.
- Ching, Hung Wo, chairman/acting pres.
 - Aloha Airlines
- Chirac, Jacques, French president
 - Air France
- Chisanga, Patrick, chairman
 - Zambia Airways Corporation
- Chittenden, Capt. H., pilot
 - Trans-World Airlines (TWA)
- Chiyoda Trading Company, Ltd.
 - East Asia Airways (Pty.), Ltd.
- Chkalov, Valery P., pilot
 - Aviaarktika
- Cho, Harry, chairman
 - Korean Air Lines/Korean Air (KAL)

- Cho Chong-kun, vp
Korean Air Lines/Korean Air (KAL)
- Cho Joong-hoon, chairman
Korean Air Lines/Korean Air (KAL)
- Cho Su-Ho, businessman
Korean Air Lines/Korean Air (KAL)
- Cho Yang-ho, chairman
Korean Air Lines/Korean Air (KAL)
- Chodorow, Jeffrey, founder/chairman
Braniff International Airlines
- Choetsee, Boet, MD
Rodair (Pty.), Ltd.
- Chohra, Ali, hijacker
Air France
- Choi, Ronnie, GM-customer services
Dragonair (Pty.), Ltd.
- Choong, Cheong, MD
Singapore Airlines, Ltd.
- Choonhaven, Chatichai, Thai prime minister
Thai Airways International, Ltd. (THAI)
- Choppin, S.G., MD
Air Botswana (Pty.), Ltd.
- Chhota Rajan gang
East West Airlines, Ltd.
- Chow Tse-Ming, bomber
Air India, Ltd.
- Chow, Ben Y.C., pres.
China Airlines, Ltd.
- Chowdhury, Abdul-Muyeed, pres./CEO
Biman Bangladesh Airlines, Ltd.
- Chowdry, Michael, founder/chairman
Atlas Air
- Chretien, Jean, prime minister of Canada
Air Canada, Ltd.
Canadian Airlines International, Ltd.
- Christian, Bob, pres.
Pacific Island Aviation
- Christian, Spencer, tv weatherman
Flugfelag Islands, H.F. (2)/Icelandair, H.F.
- Christiansen, Capt. Friedrich, pilot
Deutsche Luft Hansa, A.G.
- Christiansen, James, pres.
Wayfarer Aviation
- Christianson, M., pres.
Transwestern Airlines
- Christie, Hon. H.C., jt.-founder
Bahamas Airways, Ltd.
- Christman, Walter L., pres.
Christman Air System
- Christman Trucking Corporation
Christman Air System
- Christodoulatos, Agelos, CFO
Olympic Airways, S.A.
- Christofi, Kyriakos, Cyprus commerce minister
Cyprus Airways, Ltd.
- Christoffersen, Lorna, MD
Air Wakaya, Ltd.
- Christopher, Kenneth N., MD
Isles of Scilly Sky Bus, Ltd.
- Christopher, M. Thomas, founder/pres.
Kitty Hawk Air Cargo
- Christopher, Warren, U.S. secretary of state
Ethiopian Airlines, S.C.
- Christowitz, C. J., founder/owner/passenger
Christowitz Air Services (Nyasaland), Ltd.
Rhodesian Aviation Company, Ltd.
- Chrysler Corporation
Proair
- Chubalashvili, David, chairman
Classic Airways, Ltd.
- Chukhnovsky, B. G., pilot
Dobrolet
- Chung, K., pres.
ALM: Antillean Airlines, N.V.
- Chung Byung-in, Capt., pilot
Korean Air Lines/Korean Air (KAL)
- Chung Chan Kyu, pilot
Korean Air Lines/Korean Air (KAL)
- Church, Ellen, world's first female flight attendant
Boeing Air Transport
- Church, Capt. Floyd, pilot
Transcontinental and Western Air Lines (TWA)
- Church, Sen. Frank, chairman, Senate Select Intelligence Committee
Southern Air Transport
- Church, Michael, pres.
Corporate Express
- Churchill, Winston S., SSA/PM
British Overseas Airways Corporation (BOAC)
Daimler Airway, The, Ltd.
Eastern Air Lines
KLM: Royal Dutch Airlines, N.V.
Pan American Airways (PAA)
- Churkin, Vitaly, special envoy to Belgrade, 1994
Aeroflot Russian International Airlines (ARIA)
- Chuta, Reginald Trance, hijacker
Philippine Air Lines
- Chybin, V. V., DG
Miatchkovskoe Aviation Enterprise
- Chyegirev, M. A., pilot
Dobrolet
- Ciaravella, Jim, pres.
Skybus Express
- Cieano, Juan, hijacker
Philippine Air Lines
- Ciechanover, Yosef, chairman
El Al Israel Airlines, Ltd.
- Cielos del Sur, holding company
Aerolineas Argentinas, S.A.
Austral Airlines: Austral Lineas Aereas, S.A.
- Cillapaco, Giuseppe, chairman
Air Capitol, SpA.
- CIN Venture Management
Translift Airways, Ltd.
- Cincinnati Bengals NFL team
Comair
Delta Air Lines
- Cincinnati Reds MLB team
Continental Airlines
- Cinema *see* Motion pictures
- Cinema Against Aids 2000 benefit
Air France
- Cini, Peter J., hijacker
Air Canada, Ltd.
- CINTRA, S.A. de C.V.
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
Aeroperu: Empresa de Transportes Aereos de Peru, S.A.
Mexicana Airlines, S.A. de C.V.
- Cipriani, Antonio Celso, chairman
Transbrasil, S.A.: Linhas Aereas Transbrasil
- Circumpolar Expeditions
Reeve Aleutian Airways
- Citibank
Kras Air: Krasnoyarsk Avialinii (Krasair)
Trump Air Shuttle
United Airlines
USAir Shuttle
USAirways Shuttle
- Cizmerci, Sarters Yavuz, pres.

- Sultan Air: Sultan Hava Yollari, A.O.
 CJT Holdings
 Air Wisconsin Airlines Corporation
 Claeyss, G., MD
 Sobelair, N.V.
 Clan Steamship Company, Ltd.
 Hunting-Clan Air Transport, Ltd.
 Clark, Capt. C. W. S., pilot
 Railway Air Services, Ltd.
 Clark, Carlton, founder/pres.
 Tri-State Aviation
 Clark, D. Craig, founder/pres.
 Anchorage Airways
 Clark, David and Walter, founders
 Mountain Air Cargo
 Clark, David, pres.
 Air Transport International
 Clark, Dayton P., chairman
 Union Airways (Pty.), Ltd.
 Clark, Donald, CFO
 WestJet, Ltd.
 Clark, Capt. Ernest, pilot
 Pacific Air Transport
 Clark, Helen, New Zealand prime minister
 Air New Zealand, Ltd.
 Qantas New Zealand, Ltd.
 Singapore Airlines, Ltd.
 Clark, Jim, GM
 L'Express
 Clark, L. W. "Roy," founder/pres./chairman
 Harrisburg Commuter
 Pennsylvania Airlines
 Clark, Marcia, newswoman/passenger
 United Air Lines (2)
 Clark, R. H. L., MD
 Flight Refueling, Ltd.
 Clark, Ron, founder/CEO
 Lorair
 Clark, Tom, pres.
 Tulsair Beechcraft
 Clark, Capt. W. S., pilot
 Railway Air Services, Ltd.
 Clark, William C. "Bill," pres./chairman/consultant
 Allegheny Airlines (2)
 Allegheny Commuter Airlines
 Pennsylvania Airlines
 Yute Air Alaska
 Clark (General Aviation) G.A.-43 launch customer
 Western Air Express
 Clarke, David, passenger
 VLM Airlines, N.V.
 Clarke, J. M., pres.
 Central Canada Air Lines, Ltd.
 Clarkson's Holidays, Ltd.
 Autair International Airways, Ltd.
 Court Line Aviation, Ltd.
 Lloyd International Airways, Ltd.
 Monarch Airlines, Ltd.
 Claros, Michael, passenger
 American Airlines
 Clavenger, Lloyd P., pilot
 Aeronaves de Mexico, S.A.
 Claymore, Craig, passenger/hostage
 Pakistan International Airlines Corporation
 Clayton, Benjamin, supporter
 Braniff Airways
 Cleary, Jacques, founder
 Aviation Quebec Labrador, Ltd.
 Cleave, J. M., MD
 Cooper Skybird Aircharters, Ltd.
 Skybird Aircharters, Ltd.
 Cleife, Philip, founder/chairman
 Mayflower Air Services, Ltd.
 Clement, J. B., pres.
 Air Logistics
 Clement, T. B., genl. traffic mgr.
 Transcontinental Air Transport (TAT)
 Clemmer, Andre, VP
 Swissair, A.G.
 Clerc, Henri, pres.
 Uni-Air International, S.A.
 Cleveland Browns NFL team
 Capital Airlines
 Continental Airlines
 Southwest Airlines (2)
 United Air Lines (2)
 Cleveland Indians MLB team
 Continental Airlines
 Clifford Harris Engineering Group
 Air Cape (Pty.), Ltd.
 Clifford, Gary, GM
 Western Pacific Air Services, Ltd.
 Cline, E.G. "Dan," pilot
 Colonial Air Transport
 Clinton, Bill, U.S. president
 American Airlines
 Express One International
 Federal Express (FedEx)
 Miami Air International
 United Airlines
 Clinton Industries
 Holiday Airlines (5)
 Close Brothers, Ltd., investment group
 Aurigny Air Services, Ltd.
 Club America Vacations
 Allegro Air: Lineas Aereas Allegro, S.A. de C.V.
 Kiwi International Air Lines
 Private Jet Expeditions
 Club Aquarius, investor
 Air Liberte: Compagnie Air Liberte, S.A.
 Minerve: Compagnie Francaise de Transportes Aeriens, S.A.
 Club Mediterranee
 AOM French Airlines, S.A.
 Minerve: Compagnie Francaise de Transportes Aeriens, S.A.
 Clunes, Martin, writer/actor
 Britannia Airways, Ltd.
 Cluthe, Capt. W. A., pilot
 Pan American Airways (PAA)
 Cluver, Andrew, chairman
 CivAir Charter Services (Pty.), Ltd.
 Clyde & Co. law firm
 Kuwait Airways Corporation
 CNF Transportation
 Emery Worldwide: A CF Company
 CNN: Cable News Network
 see Kuwait Crisis, 1990-1991
 Coastal Maine Holdings
 Cumberland Airlines
 Coastal Wilderness Tours
 Alaska Coastal Airlines (2)
 Coats, Sam, vp/MD
 Southwest Airlines (2)
 Compass Airlines (Pty.), Ltd. (1)
 Compass Airlines (Pty.), Ltd. (2)
 Southern Cross Airlines (Pty.), Ltd. (1)
 Cobb, Charles, investor/chairman
 Pan Am Air Bridge
 Pan American World Airways (2)

- Cobb, George, pilot
Aero, Ltd.
- Cobb, Stanley, chairman
Pacific Express
- Cobham, Capt. Sir Alan, pilot/chairman/jt. founder/advisor/investor
Cobham Air Routes, Ltd.
Cobham-Blackburn Air Lines, Ltd.
De Havilland Aircraft Co. Aeroplane Hire Service
Flight Refueling, Ltd.
Imperial Airways, Ltd.
Northern Air Line, Ltd.
Rhodesian Aviation Company, Ltd.
Rhodesian Aviation Syndicate, Ltd.
Skyways, Ltd.
- Cobham, Michael, MD/CEO
Flight Refueling, Ltd.
- Cobham Group
FR Aviation, Ltd.
- Coburn, Frederick G., AVCO group pres.
American Airways (2)
- Cochard, Julio, violinist/passenger
American Airlines
- Cochran, Jacqueline, dir.
Northeast Airlines
- Cochrane, Michael, chairman
Inter-Canadian Airlines, Ltd. (2)
- Cockshaw, Sir Alan, chairman
British Regional Airlines, Ltd.
- Coco, Paulo Enrique, pres./CEO
Transbrasil, S.A.: Linhas Aereas Transbrasil
- Cocquyt, Capt. Prosper, chief pilot
Sabena Belgian World Airlines, S.A.
- Coelho, Jorge, Portuguese public works minister
TAP-Air Portugal, S.A.
- Coelho, Roberto, pres.
Nordeste: Nordeste Linhas Aereas Regionais, S.A.
- Coeme, Guy, Belgian transport minister
Sabena Belgian World Airlines, S.A.
- Coffi, Henri, pres.
Air Aruba, N.V.
- Coffin, Howard E., chairman
National Air Transport
- Cogger, D., chairman
Alaska Air Guides
- Coggeshall Holdings, Ltd.
Baltic Airways, Ltd.
- Coggin, Robert, vp-marketing
Delta Air Lines
- Cohan, Gene, opns. dir.
Japan Air Lines Company, Ltd.
Transocean Air Lines (TAL)
- Cohen, Jacques, GM/pres.
Aerochago Airlines, S.A.
- Cohen, Stan, jt. founder
National Airways (Pty.), Ltd.
- Cohen, William, thief
Pan American World Airways (1)
- Cohu, Lamotte T., pres.
American Airways (2)
Transcontinental and Western Air Lines (TWA)
- Cojuangeo, Antonio O. ("Tony Boy"), pres./CEO
Philippine Air Lines (PAL)
- Colani, Luigi, fashion designer
Swissair, A.G.
- Colbert, Bill, Jr., pres.
Colemll Enterprises
- Colby, William E., CIA director
Southern Air Transport
- Cole, D. L., National Mediation Board mediator
American Airlines
- Cole, M., hijacker
Southern Airways (1)
- Cole, Todd, chairman
Arrow Air
- Cole, U.S.S.*
Omni Air Express
- Coleman, D. L., hijacker
American Airlines
- Coleman, John, DOT official
Kiwi International Air Lines
- Coleman, Mark, VPM
Western Pacific Airlines (Westpac)
- Coleman, R. E., MD
Northern Mountain Helicopters, Ltd.
- Coleman, Mrs. Robert, passenger
Southern Airways (1)
- Coleman, William T., Jr., U.S. DOT Secretary/dir.
Air France
British Airways, Ltd. (2)
Pan American World Airways (1)
- Coles, Sir Arthur, chairman
British Commonwealth Pacific Air Lines
- Colgan, Charles J., founder/pres.
Colgan Air
Colgan Airways
- Colgan, Michael J., co-EVP
Colgan Air
- Colgan, Patrick S., purchasing dir.
Colgan Air
- Colgate Palmolive
Air Kenya Aviation, Ltd.
- Colin, Justin, founder/pres.
Golden Gate Airlines
- Colin, R., pres.
Air Fret, S.A.
- Colket, Tristram C., Jr., founder/pres.
Altair Airlines
- Collantes, Capt. Albino, pilot
Philippine Air Lines
- Collenette, David, Canadian transport minister
Air Canada, Ltd.
Canadian Airlines, Ltd.
Virgin Atlantic Airways, Ltd.
- Collett, Michael J. H., founder/MD/chairman
Air Atlantique, Ltd.
Air Corbiere, Ltd.
Atlantic Airways, Ltd.
Atlantic Cargo, Ltd.
- Collier, Barron G., chairman
Aeromarine Airways
- Collier, Capt. Jack, pilot
Maddux Air Lines
- Collier, Lt. William, Atlanta PD
Eastern Air Lines
- Collings, Capt. John, pilot/Eastern div. chief/pres.
Transcontinental Air Transport (TAT)
Transcontinental and Western Air (T&WA)
Trans-World Airlines (TWA)
- Collings, Peter, MD
McKinley Air Charter (Pty.), Ltd. (Macair)
- Collingwood, Donald I., co-founder/chairman
Sunflower Airlines, Ltd.
- Collingwood, Thomas, pres.
Provincial Airlines, Ltd.
- Collins, Barry, chairman
Baylee Air Charter, Ltd.
- Collins, Bryan, MD
Bristow Helicopters, Ltd.

- Collins, Cyrus, pres.
American Inter-Island Airlines
- Collins, Joan, spokeswoman
British Airways, Ltd. (2)
- Collins, Marshall, hijacker
Eastern Air Lines
- Collins, Paul F., genl. superintendent/GM/pres.
National Airways
New York, Philadelphia and Washington Airways (Ludington Line)
Northeast Airlines
Transcontinental Air Transport (TAT)
- Collins, Paul K., GM
Cook Island Air, Ltd.
- Collins, Paul, pilot/jt. founder/pres.
Boston Maine/Central Vermont Airways
National Air Transport
National Airways
- Collins, Reg., jt. founder
Kenmore Air Harbor
- Collins & Leahy (Pty.), Ltd.
Hevi Lift (Pty.), Ltd.
- Colliver, Capt. Harry, pilot
Pan American-Grace Airways (PANAGRA)
- Collor de Mello, Fernando, Brazilian president
VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- Colmenareas, Pedro Vasquez, DG
Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
- Colodny, Edwin I., pres./chairman
Allegheny Airlines (1)
Piedmont Airlines (1)
USAir
- Colorado
Air Colorado
Air Express Corporation
Air Link
Air U.S.
American Central Airlines (1)
Aspen Airways
Aspen Aviation
Atlas Air
Bonanza Airlines
Challenger Airlines
Colorado Airlines
Colorado Airways
Combs Airways
Continental Air Lines (2)
Durango Air Service
First American Airlines
Frontier Airlines (1)
Frontier Airlines (2)
Frontier Commuter
Frontier Horizon
Independent Air
Intermountain Airways
Key Lime Air
Maverick Airways (2)
Mayo Aviation
Metro Commuter Airlines
Mid-Continent Air Express
Mid-Continent Airlines (5)
Monarch Air Lines
Monarch Airlines
Mountain Air Express
Mountain Aviation
Mountain West Airlines (1)
Mountain West Airlines (3)
Pioneer Airlines (2)
Ports of Call
Rocky Mountain Airways
- Shavano Air
Skyworld Airlines
Star Airways
Sterling Air Service
Trans-Central Airlines (1)
Trans-Colorado Airlines
Trans-Mountain Air
Transamerican Airways
Western Air Stages
Western Pacific Airlines (Westpac)
- Colorado Technical College
Western Pacific Airlines (Westpac)
- Colman, Alfred, MD
Deutsche Luftschiffahrts, A.G. (DELAG)
- Coltman, David, COO/MD
British Caledonian Airways, Ltd. (BCAL)
- Colunga, Diego M., GM
Macair Jet, S.A.
- Columbia Sussex Corporation
Sunworld International Airlines
- Columbus Blue Jackets NHL team
America West Airlines
- Colussy, Daniel A., pres.
Pan American World Airways (1)
Canadian Pacific Air Lines, Ltd. (CPAL)
- Colyer, Duard B., vp-opns.
Boeing Air Transport
- Comas-Banos, Pedro Rene, hijacker
American Airlines
- Comet 1948
Pan American-Grace Airways (PANAGRA)
- Commerzbank, investor
Deutsche BA Luftfahrtgesellschaft, GmbH.
- Commey, Aaron Amartei, hijacker
National Airlines (4)
- Committee to Re-Elect the President (CREEP) (U.S.)
Braniff International Airways
- Commonwealth Bank of Australia
Qantas Airways (Pty.), Ltd.
- Commonwealth Shipping Group
Manx Airlines, Ltd. (2)
- Comoros Islands mercenary invasion, 1995
Emirates Airlines, Ltd.
- Compania Argentina de Aeronavegacion Doder, S.A.
Corporacion Sudamericana de Servicios Aereos, S.A.
- Compania Explotadora Cotabamas, S.A.
Pan American-Grace Airways (PANAGRA)
- Compagnie de Navigation de Mixte, S.A.
Air Algerie, S.A.
- Compagnie des Messageries Maritimes
Air Asie, S.A.
Air Djibouti, S.A.: Red Sea Airlines
- Compagnie des Wagons-Lits, S.A.
Air Union, S.A.
- Compagnie du Canal de Suez
Air Asie, S.A.
- Compagnie Francaise de Navigation, S.A.
Heli-Union, S.A.
- Compagnie Generale de Transport Aeriens, S.A.
Air Algerie, S.A.
- Compagnie Maritime Belge, S.A.
Air Contractors (Ireland), Ltd.
Delta Air Transport, N.V.
- Compagnie Maritimes de Chargeurs Reunis
Aeromaritime, S.A.
Union Aeromaritime de Transport, S.A. (UAT)
UAT French Airlines: Union de Transports Aeriens, S.A.
- Compagnie Paquet
Air Maroc: Compagnie Cherifienne de Transport Aeriens, S.A.

- Compion, Andre, MD
 Kalahari Express Airlines (Pty.), Ltd.
 Compton, C. L., hijacker
 Southwest Airlines (2)
 Compton, Capt. William F., pilot/VPO/pres./COO
 Trans World Airlines (TWA)
 Concept advertising agency
 Gujarat Airways, Ltd.
 Conconi, Robert, owner
 Pacific Spirt Air, Ltd.
 Concord Development Corporation
 Tropic Air
 Concorde SST
 Air France
 Braniff International Airways
 British Airways, Ltd. (2)
 Concorde disaster, July 25, 2000
 see Crashes—2000—July 25, Air France
 Concorde Spirit Tours
 Air France
 Condon, James G., jt. founder
 Central Airlines (2)
 Cone, Capt. Howard M., Jr.
 Pan American Airways (PAA)
 Confalone, James, businessman/owner
 Chalk's Ocean Airways
 Congo Crisis, 1961-1964
 Aeroflot Soviet Airlines
 Air Congo, S.A. (2)
 Falcon Airways, Ltd.
 Sabena Belgian World Airlines, S.A.
 Seven Seas Airlines, S.A.
 Sobelair, N.V.
 Starways, Ltd.
 Congo Crisis, 1995-1997
 Zaire Express, S.A.
 Congo Crisis, 1997-1999
 Congo Airlines, S.P.R.L.
 Congress *see* United States, Congress
 Coniston Partners
 United Airlines
 Conkin, Wallace, extortionist
 American Airlines
 Conley, Ralph, GM
 Air Niugini (Pty.), Ltd.
 Conlyn, Graeme, chairman
 National Air Lines (Pty.), Ltd.
 Connecticut
 Action Airlines
 Aircraft Charter Group
 Atlantic Air
 Business Commuter
 Business Express (BEX)
 Colonial Air Lines (1)
 Colonial Air Transport
 Corporate Air (1)
 Danbury Airways
 Flight Services Group
 Globe Freight Airline
 Gulfstream Airlines
 Hartford Airlines
 Newair
 North American Airlines (2)
 Premier Aviation
 Rainbowair
 Shoreline Aviation
 Shuttle America
 Silver Kris Services
 Transtate Airways
 Windham Aviation
 Connell, Mark C., owner/chairman
 Rio Airways
 Connell, Ted C., founder/pres./chairman
 DAL Airlines
 Hood Airlines
 Connellan, Edward J., founder/chairman
 Conair (Pty.), Ltd.
 Connellan Airways (Pty.), Ltd.
 Connelly, L., GM
 Ansett Airlines of South Australia (Pty.), Ltd.
 Connelly, R. F., pres.
 Trans-North Air, Ltd.
 Connor, F.A., founder/pres.
 Conner Air Lines
 Connor, William "Bill," founder/pres.
 Erie Airways
 Connors, James, passenger
 Aer Lingus Irish Airlines, Ltd.
 Conrad, William "Bill," pres. Airline Training
 AREA: Aerovias Ecuatorianas, S.A.
 Conradie, Marais "Lex," chairman
 South African Airways (Pty.), Ltd.
 Consolidated-Vultee Aircraft Corporation
 Corsairways
 Consolidated Freightways
 Emery Worldwide: A CF Company
 Consolidated Model 16 Commodore launch customer
 New York, Rio and Buenos Aires Line
 Consolidated Model 17 Fleetster launch customer
 New York, Rio and Buenos Aires Line
 Consolidated Model 20 Fleetster launch customer
 Western Air Express
 Consolidated Model 39 Liberator-Liner
 American Airlines
 Consolidated PBY-5A Catalina launch customer
 British Overseas Airways Corporation (BOAC)
 Consorzio Della Costa Smeralda
 Alisarda, SpA: Linee Aeree Della Sardegna
 Avianova, SpA.
 Constantinescu, Emil, Romanian president
 TAROM Romanian Air Transport, S.A.
 Continental Arena, East Rutherford, N.J.
 Continental Airlines
 Continental Bank
 Midway Airlines (1)
 Convair CV-240 Convairliner launch customer
 Western Air Lines
 Convair CV-340 launch customer
 United Air Lines (2)
 Convair CV-440 Metropolitan launch customer
 Continental Air Lines (2)
 Convair CV-540 launch customer
 Allegheny Airlines (1)
 Convair CV-580 launch customer
 Frontier Airlines (1)
 Convair CV-600 launch customer
 Central Airlines (1)
 Convair CV-640 launch customer
 Caribbean-Atlantic Airlines (Caribair)
 Convair CV-880 launch customer
 Delta Air Lines
 Convair CV-990A Coronado launch customer
 American Airlines
 Converse, Edmund, jt. founder/pres./chairman
 Bonanza Air Lines
 Conway, Michael J., pres.
 America West Airlines
 National Airlines (4)

- Conway, Paul, MD
British International Helicopters, Ltd.
- Conyngham, Ruthe-Anne, vp-human resources & administration/COO
Air Ontario, Inc.
- Cook, E. T., bomber
American Airlines
- Cook, Jackie, MD
Australian Airlink (Pty.), Ltd.
- Cooke, John, USN cryptographer/meteorologist
Pan American Airways (PAA)
- Cooke, Timmy, founder/pres.
Molokai Aviation
- Coombs, Robert J., jt. founder/vp
Florida Express
- Coon, Timothy, pres./vp
Chautauqua Airlines
USAirways Express (Mesa Air Group)
- Cooney, R., MD
Air Tungaru Corporation
- Coonley, Howard, dir.
Colonial Air Lines (1)
- Cooper, A. E., chairman
Independent Air Transport, Ltd.
- Cooper, Clyde, jt. founder/MD
Blue Dart Aviation, Ltd.
- Cooper, Superior Court Judge Candice,
American Airlines
- Cooper, Dan B., hijacker
Northwest Airlines
- Cooper, J., pilot
Canadian Transcontinental Airways, Ltd.
- Cooper, Leslie, founder/MD
Blue-Line Airways, Ltd.
- Cooper, Merian C., motion picture producer/dir.
Pan American Airways (PAA)
- Cooper, Thomas L., founder/pres./investor/supporter
Gulfstream International Airlines
Pan Am Air Bridge
- Coote, Bevan, GM
Hazelton Airlines (Pty.), Ltd.
- Coote, Ginger, founder/pres.
Ginger Coote Airways, Ltd.
United Air Transport, Ltd. (UAT)
- Cope, W. N. L., pilot
Norman Edgar (Western Airways), Ltd.
- Copeland, Charles H. "Skip," local ALPA president
Eastern Air Lines
- Copp, Peter, receiver
AB Airlines, Ltd.
- Coppee, Gaston, chairman
Sabena Belgian World Airlines, S.A.
- "The Copper Airline" see
Ladeco Chilean Airlines, S.A.
- Coppola, Francis Ford, motion picture director
The Flying Tiger Line
- Corbat, Brig. D. Aly Luis, pres.
LADE: Lineas Aereas del Estado
- Corbeil, Jean, Canadian transport minister
Canadian Airlines International, Ltd.
- Corbet, Capt. Jean-Charles, pilot/SNPL chairman
Air France
- Corcoran, Tommy, former presidential advisor
Civil Air Transport, Ltd.
- Cord, Errett Lobran, founder/pres./director
American Airways (2)
Century Air Lines
Century Pacific Lines
- Corey, David, founder/pres.
Business Air
- Cornelis, Roger and Michael, co-MDs
Heli Europe, S.A.
CHS: Celenroc Helicopter Services, S.A.
- Cornement, M., pilot
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
- Corporacion Alas de Venezuela, S.A.
LAV Venezuelan Airlines, S.A.
- Corporacion Falcon S.A. de C.V.
Mexicana Airlines, S.A. de C.V.
- Corporate Air Services
see Southern Air Transport
- Corporation de Gestion La Verendrye
Quebec Aviation, Ltd.
- Corr, D. Joseph, chairman/pres.
Continental Airlines
Trans-World Airlines (TWA)
Valujet Airlines
AirTran Airlines
- Correia, Michael, dir.
Guyana Airways Corporation: GAC 2000
- Correia e Silva, Anastacia Flinto, pres./GM
TACV Cabo Verde Airlines, S.A.
- Corrias, Corrado, pres.
Air Sardinia, S.A.
- Corrigan, Douglas "Wrong Way," spokesman
American Airlines
- Corso, Juan Manuel, Colombian congressman
AVIANCA Colombian Airlines, S.A.
- Corson, George, jt.-founder
Kestrel International Airways, Ltd.
- Cortez, Carlos, founder/CEO
Aeronaves de Michoacan, S.A.
- Cortissoz, Ernesto, pres.
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
- Corwin, Thomas, founder/pres.
Viking Airways
- Cosgrave, Ronald F., pres.
Alaska Airlines
- Cosham, Colin W., MD
Air Scandic, Ltd.
- Cosmos Tours
Monarch Airlines, Ltd.
- Cossey, Erroll P., MD/CEO/chairman
Air Europe, Ltd.
Air 2000, Ltd.
Flying Colours Airlines, Ltd.
- Costa, Carlos Benjamin Lopez, shareholder
Cielos del Peru, S.A.
- Costello, Mike, vp
American Eagle Airlines (2)
- Costello, Peter, Australian treasurer
Air New Zealand, Ltd.
Ansett Australia (Pty.), Ltd.
Singapore Airlines, Ltd.
- Costilla, Emilio, vp
Crow Executive Air
- Costner, Kevin, actor/passenger
Paragon Air
- Cot, Pierre-Donatien, MD
Air France
- Cothron, Jim, pilot
Chalk's International Airlines (1)
- Cotol, Christopher, passenger
Eastern Air Lines
- Cottingham, Guy, pres.
Trans Air Link
- Cotton, Sidney, photographer/spy
British Airways, Ltd. (1)
- Coulibaly, Abdoulaye, DG

- Air Ivorie: Societe Ivoirienne de Transport Aeriens, S.A.
 Coulibaly, Moussa B., founder
 Malitas: Mali-Timbouctou Air Service, S.A.
 Coulson, Louis H., jt.-founder
 TAMPA: Transportes Aereos Mercantiles Panamericanos Tampa, S.A.
 Coulson, Paul, non-executive chairman
 CityJet, Ltd.
 Coulson, Wayne, founder/pres.
 Coulson Aircrane, Ltd.
 Coulter, William A., investor/pres.
 Pennsylvania-Central Airlines
 Western Air Express Corporation
 Coupe, Robert J., pilot
 Federal Express (FedEx)
 Couralis, A.M., chairman
 South African Airways (Pty.), Ltd.
 Courcol, Jean-Pierre, CEO
 Air Inter, S.A.
 Air Inter Europe, S.A.
 Courtenay, Sir W. H., chairman
 Maya Airways, Ltd.
 Cousino, Diego J., Argentina director then CEO
 American Airlines
 Aerolineas Argentinas, S.A.
 Cousins, P. J., president/CEO
 Aer Turas: Irish Cargo Airlines, Ltd.
 Couvelaire, Alexandre, chairman/pres.
 Euralair International, S.A.
 AOM French Airlines, S.A.
 Cover, Carl, pilot
 Transcontinental and Western Air (T&WA)
 United Air Lines (2)
 Covey, Frank Page, hijacker
 United Airlines
 Covia *see*
 Apollo CRS system
 Coward, Curt, pres.
 Air Virginia
 AV Air
 Cowdin, J. C., passenger
 Transcontinental and Western Air (T&WA)
 Cowles, Frank, jt.-founder
 Shillelagh Air Travel Club
 Cowley, Kenneth E., chairman
 Ansett Australia (Pty.), Ltd.
 Cowpens, U.S.S.
 Qantas Airways (Pty.), Ltd.
 Cox, Alfred T., pres./GM
 Civil Air Transport, Ltd.
 Cox, Floyd, pilot
 New York, Philadelphia and Washington Airways (Ludington Line)
 Cox, Lester L., chairman
 Ozark Air Lines
 Cox, Limon S., chairman
 Air Kentucky Airlines
 Cox, Neil, GM
 Royal Tongan Airlines, Ltd.
 Cox, Mrs. Paula, GM
 Flight West Airlines (Pty.), Ltd.
 Coyer, D. B., technical advisor/vp-opns.
 Trans Canada Air Lines, Ltd.
 Cozan, Jean-Yves, pres.
 Finist-Air, S.A.
 Cozzi, Richard F., vp-opns./pres.
 DHL Airways
 Trump Air Shuttle
 CPS pension fund
 Air Tahiti Nui, S.A.
 Crable, Stephen E., National Mediation Board CEO
 Continental Airlines
 Crabtree, Dennis, pres./chairman
 Continental Express
 Skyservice, Ltd.
 Skyway Airlines (2)
 Cracie, J. Timothy, founder/pres.
 Seagull Air
 Craciunescu, S., GM
 Tarom Romanian Air Transport, S.A.
 Crafoord, Viklund, owner
 City Air Scandinavia, A.B.
 Malmo Aviation Schedule, A.B.
 Craib, Donald F., chairman/CEO
 Trans World Airlines (TWA)
 Craig, David, MD/chairman-MD
 British Overseas Airways Corporation (BOAC)
 Malaysia-Singapore Airlines, Ltd.
 Cramer, Capt. Gustavo, jt.-founder
 SAVAG, S.A.: Viacao Aerea Gaucha
 Cramer, Capt. Dale, pilot
 Cathay Pacific Airways (Pty.), Ltd.
 Cramer, Gene, founder/pres.
 Time Airlines
 Cramer, Capt. Parker, pilot
 Transamerican Airlines Corporation
 Crampton, James G., jt.-founder/chairman/MD
 Air Anglia, Ltd.
 Norfolk Airways, Ltd.
 Crandall, Harry, pilot
 United Air Lines (1)
 Crandall, Robert L., pres./chairman
 American Airlines
 Crandell, Lt. Gen. Leonard, chairman/MD
 Finnish Air Lines O/Y
 Crane, Edward J., EVP/pres.
 Ozark Air Lines
 Crane, Larry, founder/pres.
 Air Sierra
 Crane, Louis F., pres.
 Air Logistics
 Crane, Rod, founder/MD
 Crane Airlines (Pty.), Ltd.
 Cranfield University
 Deutsche Lufthansa, A.G.
 Olympic Airways, S.A.
 Cranston, Joseph, founder/chairman
 Aero Virgin Islands
 Crashes (primarily fatal)
 1910—June 28, Deutsche Luftschiffahrts, A.G. (DELAG)
 1911—May 16, Deutsche Luftschiffahrts, A.G. (DELAG)
 1912—June 28, Deutsche Luftschiffahrts, A.G. (DELAG)
 1919—May 1, Aircraft Transport and Travel, Ltd.
 Oct. 29, Aircraft Transport and Travel, Ltd.
 Dec. 11, Aircraft Transport and Travel, Ltd.
 1920—Aug. 16, Aircraft Transport and Travel, Ltd.
 Sept. 10, Bishop-Barker Aeroplanes, Ltd.
 Oct. 20, SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Dec. 14, Handley Page Transport, Ltd.
 1921—May 15, The Instone Air Line, Ltd. (1)
 Dec. 4, West Australian Airways (Pty.), Ltd.
 1922—March 25, Aero, Ltd.
 April 7, The Daimler Airway, Ltd.
 May 22, The Instone Air Line, Ltd. (1)
 Sept. 9, Deruluft, GmbH.
 1923—Jan. 13, Aeromarine Airways
 July 1, Dobrolet
 July 10, Handley Page Transport, Ltd.
 July 20, New York-Newport Air Service

- Sept. 14, The Daimler Airway, Ltd.
 1924—March 22, Dobrolet
 May 21, Imperial Airways, Ltd.
 June 8, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 July 9, Dobrolet
 Oct. 8, Deruluft, GmbH.
 Dec. 24, Imperial Airways, Ltd.
 1925—May 18, Ford Air Freight Lines
 July 9, Dobrolet
 Oct. 14, Dobrolet
 1926—Jan. 25, LAB: Lloyd Aero Boliviano, S.A.
 April 6, Varney Air Lines
 April 30, KLM: Royal Dutch Airlines, N.V.
 May 19, Ukrvozdukhput
 June 7, Charles Dickenson
 June 21, KLM: Royal Dutch Airlines, N.V.
 July 9, KLM: Royal Dutch Airlines, N.V.
 July 28, Ukrvozdukhput
 Aug. 19, Air Union, S.A.
 Sept. 3, SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Sept. 16, Robertson Aircraft Corporation
 Oct. 1, Air Union, S.A.; Northwest Airways
 Oct. 16, Imperial Airways, Ltd.
 Nov. 3, Robertson Aircraft Corporation
 Nov. 6, LAB: Lloyd Aero Boliviano, S.A.
 Nov. 11, Pacific Air Transport
 Dec. 16, Pacific Air Transport
 1927—Jan. 2, North Sea Aerial and General Transport, Ltd.
 Jan. 10, Imperial Airways, Ltd.
 Feb. 10, Regie Air Afrique, S.A.
 March 24, QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 April 3, Pacific Air Transport
 April 15, Varney Air Lines
 June 4, Deruluft, GmbH.
 June 5, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 June 15, Deruluft, GmbH.
 June 28, Robertson Aircraft Corporation
 July 20, Regie Air Afrique, S.A.
 July 28, Ukrvozdukhput
 Aug. 22, KLM: Royal Dutch Airlines, N.V.
 Sept. 2, Colonial Air Transport
 Sept. 24, Deutsche Luft Hansa, A.G.
 Oct. 3, Colonial Air Transport
 Oct. 26, Pacific Air Transport
 Nov. 29, National Air Transport
 Dec. 4, Compagnie Aerienne Franco-Canadienne, Ltd.
 Dec. 10, Western Air Express
 Dec. 25, Pacific Air Transport
 1928—Jan. 5, Western Canada Airways, Ltd.
 Jan. 8, Colonial Western Airways
 Jan. 22, Pacific Air Transport
 Feb. 1, Imperial Airways, Ltd.
 Feb. 2, Ford Air Freight Lines
 Feb. 7, Varney Air Lines
 Feb. 26, Boeing Air Transport
 March 26, Colonial Air Transport
 March 29, Pacific Air Transport
 April 7, Ukrvozdukhput
 May 7, LAB: Lloyd Aero Boliviano, S.A.; Pitcairn Aviation
 May 12, Ford Air Freight Lines
 May 16, Deruluft, GmbH.
 May 22, Pitcairn Aviation
 May 27, Pitcairn Aviation
 June 4, Deruluft, GmbH.
 June 22, National Air Transport
 June 28, Robertson Aircraft Corporation
 July 4, National Air Transport
 Aug. 15, Pan American Airways (PAA); Pitcairn Aviation
 Sept. 4, National Parks Airways
 Oct. 1, National Air Transport
 Oct. 2, Pacific Air Transport
 Nov. 18, National Air Transport
 Oct. 29, Pan American Airways (PAA)
 Nov. 2, West Coast Air Transport
 Nov. 24, Universal Airlines System
 Nov. 25, Continental Air Lines (1); National Air Transport
 Dec. 3, Sindicato Condor, S.A.
 Dec. 16, Pitcairn Aviation
 Dec. 20, National Air Transport
 Dec. 23, Boeing Air Transport; Interstate Air Lines
 1929—Jan. 1, Pan American Airways (PAA)
 Jan. 5, Colonial Air Transport
 Jan. 6, Boeing Air Transport
 Jan. 16, Stout Air Services
 Jan. 18, Maddux Air Lines
 Jan. 18, Varney Air Lines
 Jan. 20, National Air Transport
 Jan. 31, Clifford Ball
 Feb. 1, Deutsche Luft Hansa, A.G.
 Feb. 13, Boeing Air Transport
 March 17, Colonial Western Airways
 March 22, National Air Transport
 March 29, Standard Air Lines (1)
 April 5, Yukon Airways and Exploration, Ltd.
 April 10, Colonial Western Airways
 April 21, Maddux Air Lines
 May 7, Western Air Express
 May 15, Ukrvozdukhput
 May 16, Southern Air Transport System
 May 29, Coastal Airways (1)
 June 5, Western Air Express
 June 12, Coastal Airways (1)
 June 17, Imperial Airways, Ltd.
 June 24, Northwest Airways
 June 25, Ukrvozdukhput
 June 29, National Air Transport
 June 30, Universal Airlines System
 July 8, Pitcairn Aviation
 Aug. 7, Pickwick Airways
 Aug. 11, Middle States Airlines
 Aug. 12, Middle States Airlines
 Aug. 13, Thompson Aeronautical Corporation
 Aug. 15, Coastal Airways (1)
 Aug. 24, Ukrvozdukhput
 Sept. 1, Southern Air Transport System
 Sept. 3, Transcontinental Air Transport (TAT)
 Sept. 6, Imperial Airways, Ltd.
 Sept. 7, Coastal Airways (1)
 Sept. 12, Texas Air Transport
 Sept. 13, Pitcairn Aviation
 Sept. 16, Pan American Airways (PAA)
 Sept. 17, Pickwick Airways
 Sept. 19, Pan American Airways (PAA)
 Oct. 8, Universal Airlines System
 Oct. 10, Boeing Air Transport
 Oct. 21, Clifford Ball
 Oct. 29, Universal Airlines System
 Oct. 31, Deruluft, GmbH.; Gorst Air Transport
 Nov. 2, Embry-Riddle Company
 Nov. 6, National Air Transport
 Nov. 9, National Air Transport; Varney Air Lines
 Nov. 14, Southern Air Transport System
 Nov. 30, Varney Air Lines
 Dec. 5, National Air Transport

- Dec. 10, Cubana: Compania Nacional Cubana Curtiss, S.A.
 Dec. 18, Boeing Air Transport
 Dec. 19, Deutsche Luft Hansa, A.G.
 Dec. 22, Transcontinental Air Transport (TAT)
 Dec. 30, Southern Air Transport System
 1930—Jan. 6, Western Air Express
 Jan. 10, Boeing Air Transport
 Jan. 18, Ukrvozdukhput
 Jan. 24, Transcontinental Air Transport (TAT)
 Jan. 27, American Airways (2) (1)
 Feb. 1, Imperial Airways, Ltd.
 Feb. 3, American Airways (2) (1)
 Feb. 15, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Feb. 18, Thompson Aeronautical Corporation
 Feb. 20, Transcontinental Air Transport (TAT)
 Feb. 23, Western Air Express
 Feb. 24, Western Air Express
 March 2, New York, Rio and Buenos Aires Line
 March 7, Dobrolet
 March 11, Thompson Aeronautical Corporation
 March 14, Regie Air Afrique, S.A.
 April 1, Canadian Colonial Airways (1)
 April 2, New York, Rio and Buenos Aires Line
 April 18, American Airways (2)
 April 19, Imperial Airways, Ltd.
 April 22, Regie Air Afrique, S.A.
 April 26, National Air Transport
 May 9, Pacific Air Transport
 June 1, Air Ferries; Imperial Airways, Ltd.
 June 2, Western Air Express
 June 5, American Airways (2)
 June 22, Boeing Air Transport
 July 2, National Air Transport
 July 22, Thompson Aeronautical Corporation
 Aug. 3, Western Air Express
 Aug. 4, Alaska-Washington Airways
 Aug. 10, Western Air Express
 Aug. 22, United Air Lines (1)
 Sept. 16, Mason & Dixon Air Lines
 Sept. 17, VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
 Sept. 21, National Air Transport
 Oct. 7, Deutsche Luft Hansa, A.G.
 Oct. 28, Alaska-Washington Airways
 Oct. 29, Imperial Airways, Ltd.
 Oct. 30, Embry-Riddle Company
 Nov. 18, Pacific Air Transport
 Nov. 22, American Airways (2)
 Dec. 9, China National Airways Corporation (CNAC-1)
 Dec. 20, Pittsburgh Airways
 Dec. 22, LASA: Linea Aeropostale Santiago-Arica, S.A.
 1931—Jan. 1, Pacific Air Transport; United Air Lines (1)
 Jan. 7, Wedell-Williams Air Service Corporation
 Jan. 22, United Air Lines (1)
 Jan. 26, Western Air Express
 Feb. 7, Pan American Airways (PAA); Pan American-Grace Airways (PANAGRA) 3925.
 Feb. 8, Dominion Airways, Ltd.
 March 2, Boeing Air Transport; United Air Lines (1)
 March 15, Eastern Air Transport (2)
 March 18, Pacific Aerial Transport (Pty.), Ltd.
 March 21, ANA: Australian National Airways (Pty.), Ltd.
 March 31, Transcontinental and Western Air (T&WA)
 April 1, Pan American-Grace Airways (PANAGRA)
 April 19, Imperial Airways, Ltd.
 April 29, National Air Transport; United Air Lines (1)
 May 4, Pacific Air Transport
 May 22, Guinea Airways (Pty.), Ltd.
 May 24, National Air Transport
 June 1, Imperial Airways, Ltd.
 July 1, National Air Transport
 July 2, Eurasia Aviation Corporation
 July 18, American Airways (2)
 July 21, American Airways (2)
 Aug. 9, American Airways (2)
 Aug. 12, Pan American Airways (PAA)
 Aug. 14, Transcontinental Air Transport (T&WA)
 Aug. 15, KLM: Royal Dutch Airlines, N.V.
 Aug. 27, Boston-Maine Airways; Pan American Airways (PAA)
 Sept. 16, United Air Lines (1)
 Oct. 6, Deutsche Luft Hansa, A.G.
 Nov. 5, New York, Philadelphia, and Washington Airway (Ludington Line)
 Nov. 13, Union Airways (Pty.), Ltd.
 Nov. 20, Rhodesian Aviation Company, Ltd.
 Nov. 23, United Air Lines (1)
 Nov. 26, United Air Lines (1)
 Nov. 28, Pennsylvania Air Lines
 Dec. 5, Braniff Airways
 Dec. 22, Transcontinental and Western Air (T&WA)
 Dec. 24, United Air Lines (1)
 Dec. 31, American Airways (2)
 1932—Jan. 14, Transcontinental and Western Air (T&WA)
 Jan. 21, Northwest Airways
 Jan. 29, Century Pacific Lines; Imperial Airways, Ltd.
 Feb. 2, Transamerican Airlines Corporation; United Air Lines (1)
 Feb. 7, United Air Lines (1)
 Feb. 27, LASA: Linea Aeropostale Santiago-Arica, S.A.
 March 8, Century Air Lines
 March 19, American Airways (2)
 March 21, Transcontinental and Western Air (T&WA)
 March 25, Varney Speed Lines Air Service, Ltd.
 March 28, Imperial Airways, Ltd.
 March 31, United Air Lines (1)
 April 21, Transamerican Airlines Corporation
 May 16, United Air Lines (1)
 May 30, United Air Lines (1)
 June 2, United Air Lines (1)
 June 14, Pan American Airways (PAA)
 July 3, Transcontinental and Western Air (T&WA)
 July 5, Canadian Airways, Ltd.
 July 16, Pan American-Grace Airways (PANAGRA)
 Aug. 26, Eurasia Aviation Corporation
 Aug. 29, Kohler Aviation Corporation
 Sept. 1, Eurasia Aviation Corporation
 Sept. 8, American Airways (2)
 Sept. 27, United Air Lines (1)
 Oct. 2, Pan American Airways (PAA)
 Oct. 21, Pennsylvania Air Lines
 Oct. 26, LAB: Lloyd Aero Boliviano, S.A.
 Nov. 25, Hunter Airways
 Dec. 9, Western Air Express
 Dec. 13, United Air Lines (1)
 Dec. 14, Transcontinental and Western Air (T&WA)
 Dec. 15, Eurasia Aviation Corporation; SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Dec. 17, United Air Lines (1)
 Dec. 26, West Australian Airways (Pty.), Ltd.
 1933—Jan. 10, Transcontinental and Western Air (T&WA)
 Jan. 15, Eastern Air Transport (2)
 Jan. 16, Cubana: Compania Cubana de Aviacion, S.A.
 Jan. 20, American Airways (2)
 Jan. 24, United Air Lines (1)
 Feb. 1, Deutsche Luft Hansa, A.G.; Eurasia Aviation Corporation
 Feb. 18, Eastern Air Transport (2)
 Feb. 25, United Air Lines (1)
 Feb. 26, Transcontinental and Western Air (T&WA)

- March 16, American Airways (2)
 March 22, American Airways (2)
 March 28, Imperial Airways, Ltd.
 April 7, United Air Lines (1)
 April 24, LanChile Airlines, S.A.
 May 12, United Air Lines (1)
 May 22, United States Airways
 May 26, Pan American Airways (PAA)
 June 2, Bowen Air Lines
 June 4, Eastern Air Transport (2)
 June 22, Aerial Transport Company of Siam, Ltd.
 July 11, Cardiff & Peacock Air Lines
 July 28, Transcontinental and Western Air (T&WA)
 Aug. 29, Transcontinental and Western Air (T&WA)
 Sept. 16, United Air Lines (1)
 Sept. 21, Eastern Air Transport (2)
 Oct. 10, United Air Lines (1)
 Oct. 12, Johnson Airways
 Nov. 2, Wilmington-Catalina Airline
 Nov. 9, United Air Lines (1)
 Nov. 12, Transcontinental and Western Air (T&WA)
 Nov. 24, China National Airways Corporation (CNAC-1)
 Nov. 24, United Air Lines (1)
 Nov. 28, National Parks Airways
 Dec. 1, Deutsche Luft Hansa, A.G.
 Dec. 2, Aerolloyd Iguassu, S.A.; Western Air Express
 Dec. 11, Transcontinental and Western Air (T&WA)
 Dec. 14, Union Airways (Pty.), Ltd.
 Dec. 30, Imperial Airways, Ltd.
 1934—Jan. 3, Air France
 Feb. 23, United Air Lines (1)
 March 6, American Airways (2); TACA: Transportes Aereos Centro Americanos, S.A.
 March 10, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 March 20, Air France
 March 21, Pan American-Grace Airways (PANAGRA)
 March 29, Aeroflot Soviet Airlines
 April 1, Deutsche Lufthansa, A.G.
 April 10, China National Airways Corporation (CNAC-1)
 May 31, Air France
 June 1, Central Airlines (2)
 June 7, United Air Lines (1)
 June 9, American Airlines
 June 11, Pan American-Grace Airways (PANAGRA)
 June 12, Hanford (Tri-State) Air Lines
 July 6, ABA Swedish Airlines, A.B.
 July 27, Swissair, A.G.
 Aug. 7, Northwest Airlines
 Aug. 31, Hanford (Tri-State) Air Lines
 Sept. 1, Western Air Express
 Sept. 2, Hanford (Tri-State) Air Lines
 Sept. 12, Central Airlines (2)
 Sept. 27, LAB: Lloyd Aero Boliviano, S.A.
 Oct. 10, Alaska Southern Airways; Holyman's Airways (Pty.), Ltd.
 Oct. 19, Hanford (Tri-State) Air Lines
 Oct. 22, Deruluft, GmbH.
 Oct. 30, Qantas Empire Airways (Pty.), Ltd.
 Nov. 14, Hanford (Tri-State) Air Lines
 Nov. 15, American Airlines; Hanford (Tri State) Air Lines; Qantas Empire Airways (Pty.), Ltd.
 Nov. 19, Hanford (Tri-State) Air Lines
 Dec. 8, Braniff Airways
 Dec. 20, KLM: Royal Dutch Airlines, N.V.
 Dec. 22, American Airlines
 1935—Jan. 10, American Airlines
 Jan. 26, Transcontinental and Western Air Lines (TWA)
 Jan. 31, Deruluft, GmbH.; Eastern Air Lines; Transcontinental and Western Air Lines (TWA)
 Feb. 2, Deutsche Luft Hansa, A.G.
 Feb. 11, Chicago and Southern Air Lines
 Feb. 22, Eurasia Aviation Corporation
 March 7, Deruluft, GmbH.
 March 20, Sabena Belgian World Airlines, S.A.
 March 31, Air France
 April 7, CLS Czechoslovak Airlines
 May 1, Varney Air Transport
 May 6, Transcontinental and Western Air Lines (TWA)
 May 11, Eurasia Aviation Corporation
 May 24, Deutsche Luft Hansa, A.G.
 May 27, Wyoming Air Service
 May 28, Chicago and Southern Air Lines
 June 15, Carolina Air Transport
 June 24, SACO: Servicio Aereo Colombiano, S.A.; SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 July 1, Railway Air Services, Ltd.
 July 3, Cobham Air Routes, Ltd.
 July 4, Eurasia Aviation Corporation
 July 10, Birkett Air Service, Ltd.
 July 11, Servicio Aereo Territorial de Santa Cruz, S.A.
 July 14, KLM: Royal Dutch Airlines, N.V.
 July 20, KLM: Royal Dutch Airlines, N.V.; Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM)
 July 21, Swissair, A.G.
 Aug. 2, Transcontinental and Western Air Lines (TWA)
 Aug. 13, China National Airways Corporation (CNAC-1)
 Aug. 14, Delta Air Lines
 Sept. 1, Western Air Express Corporation
 Sept. 27, Eurasia Aviation Corporation
 Oct. 2, Qantas Empire Airways (Pty.), Ltd.
 Oct. 7, United Air Lines (2)
 Oct. 24, American Airlines
 Oct. 26, Railway Air Services, Ltd.
 Nov. 9, Braniff Airways
 Nov. 12, Air France
 Dec. 20, Pan American Airways (PAA)
 Dec. 23, Braniff Airways
 Dec. 25, Pan American-Grace Airways (PANAGRA)
 Dec. 31, Imperial Airways, Ltd.
 1936—Jan. 3, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Jan. 14, American Airlines
 Jan. 17, LAB: Lloyd Aero Boliviano, S.A.
 Jan. 29, American Airlines
 Feb. 2, American Airlines
 Feb. 10, Air France; Imperial Airways, Ltd.
 Feb. 14, Deutsche Luft Hansa, A.G.; SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 March 5, China National Airways Corporation (CNAC-1)
 March 14, LanChile Airlines, S.A.
 March 20, China National Airways Corporation (CNAC-1)
 March 26, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 April 1, American Airlines; Swissair, A.G.
 April 7, Transcontinental and Western Air Lines (TWA)
 April 8, Boston Maine/Central Vermont Airways; National Airways
 April 11, Pan American Airways (PAA)
 May 16, Deruluft, GmbH.
 June 1, ABA Swedish Airlines, A.B.
 June 17, DDL Danish Airlines, A.S.
 July 29, LanChile Airlines, S.A.
 July 31, Guernsey Airways, Ltd.
 Aug. 3, Air France
 Aug. 5, Chicago and Southern Air Lines
 Aug. 6, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Aug. 22, Imperial Airways, Ltd.
 Aug. 27, Delta Air Lines
 Sept. 7, Aerovias Nacionales, S.A. (Macaya); EDAC: Empresa de Aerotransportes Costarricenses, S.A.

- Sept. 25, Imperial Airways, Ltd.
 Sept. 28, Varney Air Transport
 Oct. 3, TACA: Transportes Aereos Centro Americanos, S.A.
 Oct. 10, Pan American Airways (PAA)
 Oct. 24, Wyoming Air Service
 Nov. 2, Deutsche Luft Hansa, A.G. (DLH)
 Nov. 6, Deruluft, GmbH.
 Dec. 7, Air France
 Dec. 10, KLM: Royal Dutch Airlines, N.V.
 Dec. 15, Western Air Express Corporation
 Dec. 18, Northwest Airlines
 Dec. 19, Eastern Air Lines
 Dec. 23, Braniff Airways
 Dec. 25, China National Airways Corporation (CNAC-1)
 Dec. 27, United Air Lines (2)
 Dec. 31, National Parks Airways
 1937—Jan. 11, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Jan. 12, Western Air Express Corporation
 Jan. 27, Sabena Belgian World Airlines, S.A.
 Feb. 8, Panair do Brazil, S.A.
 Feb. 9, United Air Lines (2)
 Feb. 18, Eastern Air Lines
 March 13, Deutsche Luft Hansa, A.G.; LAB: Lloyd Aero Boliviano, S.A.
 March 24, Imperial Airways, Ltd.
 March 25, Transcontinental and Western Air Lines (TWA)
 March 27, LanChile Airlines, S.A.
 April 6, Lineas Aereas Postales Espanolas, S.A. (LAPE)
 May 6, Deutscher Zeppelin-Reederei, A.G.
 May 15, Varney Air Transport
 June 20, ENTA: Empresa Nacional des Transportes, S.A.
 June 23, LanChile Airlines, S.A.
 July 13, Allied Airways (Gandar Dower), Ltd.
 July 29, KLM: Royal Dutch Airlines, N.V.
 Aug. 2, Pan American-Grace Airways (PANAGRA)
 Aug. 3, Ala Littoria, SpA.
 Aug. 6, Aeroflot Soviet Airlines
 Aug. 10, Eastern Air Lines
 Aug. 12, Aviaarktika
 Aug. 13, Deutsche Luft Hansa, A.G.
 Aug. 23, Pan American-Grace Airways (PANAGRA)
 Aug. 27, Eurasia Aviation Corporation
 Oct. 1, Imperial Airways, Ltd.
 Oct. 3, TACA: Transportes Aereos Centro Americanos, S.A.
 Oct. 13, LanChile Airlines, S.A.
 Oct. 16, South African Airways (Pty.), Ltd.
 Oct. 17, United Air Lines (2)
 Nov. 11, LOT Polish Airlines
 Nov. 12, Deutsche Luft Hansa, A.G.
 Nov. 17, Sabena Belgian World Airlines, S.A.
 Nov. 28, LOT Polish Airlines
 Dec. 4, Imperial Airways, Ltd.
 Dec. 15, LAB: Lloyd Aero Boliviano, S.A.
 Dec. 27, Air France
 1938—Jan. 5, Deutsche Luft Hansa, A.G.
 Jan. 10, Northwest Airlines
 Jan. 11, Pan American Airways (PAA)
 Feb. 9, Air France; CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Feb. 16, Ala Littoria, SpA.
 March 1, Transcontinental and Western Air Lines (TWA)
 March 4, SEDTA: Sociedad Ecuatoriana de Tranportes Aereos, S.A.
 March 17, Boeing Air Transport
 March 25, Air France
 May 1, Ala Littoria, SpA.
 May 10, LanChile Airlines, S.A.; Union Airways of New Zealand, Ltd.
 May 13, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 May 16, Northwest Airlines
 May 24, United Air Lines (2)
 June 19, Pan American-Grace Airways (PANAGRA)
 July 8, Northwest Airlines
 July 11, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 July 15, Pan American Airways (PAA)
 July 16, Eurasia Aviation Corporation
 July 22, LOT Polish Airlines, S.A.
 July 28, Pan American Airways (PAA)
 July 30, KLM: Royal Dutch Airlines, N.V.
 Aug. 13, LOT Polish Airlines, S.A.
 Aug. 14, CLS Czechoslovak Airlines
 Aug. 15, British Airways, Ltd. (1)
 Sept. 3, Johnson Flying Service
 Oct. 1, Deutsche Luft Hansa, A.G.
 Oct. 13, Stout Air Services
 Nov. 18, Trans Canada Air Lines, Ltd.
 Nov. 27, Imperial Airways, Ltd.
 Nov. 29, United Air Lines (2)
 Dec. 9, KLM: Royal Dutch Airlines, N.V.
 Dec. 10, SEDTA: Sociedad Ecuatoriana de Transportes Aereos, S.A.
 1939—Jan. 6, Detusche Luft Hansa, A.G.
 Jan. 7, Swissair, A.G.
 Jan. 10, Northwest Airlines
 Jan. 13, Guinea Airways (Pty.), Ltd.; Northwest Airlines
 March 9, LanChile Airlines, S.A.
 March 12, Eurasia Aviation Corporation
 March 14, Imperial Airways, Ltd.; LanChile Airlines, S.A.
 March 26, Braniff Airways
 April 3, LAB: Lloyd Aero Boliviano, S.A.
 April 13, Eurasia Aviation Corporation; LAB Lloyd Aero Boliviano, S.A.
 May 1, Imperial Airways, Ltd.
 May 8, Panair do Brazil, S.A.
 July 20, Swissair, A.G.
 Aug. 11, British Airways, Ltd. (1)
 Aug. 13, Pan American Airways (PAA)
 Aug. 15, British Airways, Ltd. (1)
 Sept. 2, TACH: Transportes Aereos de Chiapas, S.A.
 Sept. 11, SEDTA: Sociedad Ecuatoriana de Transportes Aereos, S.A.
 Oct. 11, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Nov. 7, Imperial Airways, Ltd.
 Dec. 5, Ala Littoria, SpA.
 Dec. 18, Guinea Airways (Pty.), Ltd.
 Dec. 21, British Airways, Ltd. (1); British Overseas Airways Corporation (BOAC); Linee Aeree Transcontinental Italiane, SpA
 1940—Jan. 15, British Overseas Airways Corporation (BOAC)
 Jan. 20, China National Aviation Corporation (CNAC-1)
 Feb. 14, Scottish Airways, Ltd.
 Feb. 20, TACA: Transportes Aereos Centros Americanos, S.A.
 Feb. 26, Eastern Air Lines
 Feb. 28, SCADTA: La Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 March 1, Imperial Airways, Ltd.
 March 5, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 March 18, Ala Littoria, SpA.; Scottish Airways, Ltd.
 April 3, Transcontinental and Western Air Lines (TWA)
 April 19, Scottish Airways, Ltd.
 April 22, British Overseas Airways Corporation (BOAC); Deutsche Luft Hansa, A.G.
 June 20, Air France
 July 7, Air France
 July 28, Pan American Airways (PAA)
 Aug. 2, Westchester Airways
 Aug. 31, Pennsylvania Central Airlines
 Sept. 21, KLM: Royal Dutch Airlines, N.V.
 Oct. 7, TACA: Transportes Aereos Centro Americanos, S.A.

- Oct. 12, National Airlines (1)
 Oct. 29, China National Airways Corporation (CNAC-1)
 Nov. 4, LAB: Lloyd Aero Boliviano, S.A.; United Air Lines (2)
 Nov. 8, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Nov. 15, Japan Air Lines Company, Ltd. (1)
 Nov. 27, Air France
 Nov. 29, Pan American-Grace Airways (PANAGRA)
 Dec. 1, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Dec. 4, United Air Lines (2)
 Dec. 8, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- 1941—Jan. 19, British Overseas Airways Corporation (BOAC)
 Jan. 23, Transcontinental and Western Air Lines (TWA)
 Feb. 6, Trans Canada Air Lines, Ltd.
 Feb. 15, British Overseas Airways Corporation (BOAC)
 Feb. 23, Deutsche Lufthansa Sucursal en Peru, S.A.
 Feb. 26, Eastern Air Lines
 March 10, Pan American Airways (PAA)
 April 3, Eastern Air Lines
 April 4, TACA: Transportes Aereos Centro Americanos, S.A.
 April 16, Pennsylvania Central Airlines
 May 21, Allied Airways (Gandar Dower), Ltd.
 June 3, Great Western and Southern Air Lines, Ltd.
 June 21, Manchurian Air Transport Company, Ltd.
 June 26, Pan American-Grace Airways (PANAGRA)
 Aug. 4, British Overseas Airways Corporation (BOAC)
 Aug. 10, British Overseas Airways Corporation (BOAC)
 Aug. 14, British Overseas Airways Corporation (BOAC)
 Oct. 3, Pan American Airways (PAA)
 Oct. 30, American Airlines; Northwest Airlines
 Dec. 8, Pan American Airways (PAA); Panair do Brazil, S.A.
 Dec. 17, DDL Danish Airlines, A.S.
 Dec. 30, Trans Canada Air Lines, Ltd.
- 1942—Jan. 16, Transcontinental and Western Air Lines (TWA)
 Jan. 21, Pan American Airways (PAA)
 Jan. 24, Koninklijke Nederlandsch-Indische Luchtvaart
 Maatschappij, N.V. (KNILM)
 Jan. 26, Qantas Empire Airways (Pty.), Ltd.
 Jan. 30, Qantas Empire Airways (Pty.), Ltd.
 Feb. 14, Guinea Airways (Pty.), Ltd.
 Feb. 15, British Overseas Airways Corporation (BOAC)
 Feb. 20, Qantas Empire Airways (Pty.), Ltd.
 Feb. 21, Guinea Airways (Pty.), Ltd.
 March 3, Koninklijke Nederlandsch-Indische Luchtvaart
 Maatschappij, N.V. (KNILM)
 March 14, China National Airways Corporation (CNAC-1)
 March 22, British Overseas Airways Corporation (BOAC)
 March 24, Pan American Airways (PAA)
 April 12, Pan American Airways (PAA)
 May 2, United Air Lines (2) 4372.
 May 7, Union Airways of New Zealand, Ltd.
 May 13, Northwest Airlines
 June 1, Hawaiian Airlines (HAL)
 June 25, Pan American Airways (PAA)
 June 30, QANTAS: Queensland and Northern Territories Aerial
 Service (Pty.), Ltd.
 Aug. 13, Air France (Reseau Aerien Francaise)
 Aug. 22, ALM: Antillaanse Luchvaart Maatschappij N.V.
 Aug. 29, Pan American Airways (PAA)
 Sept. 14, British Overseas Airways Corporation (BOAC)
 Sept. 19, Pan American Airways (PAA)
 Sept. 27, Pan American Airways (PAA)
 Oct. 3, American Export Airlines (AMEX)
 Oct. 6, Pan American Airways (PAA)
 Oct. 14, Pan American Airways (PAA)
 Oct. 15, American Airlines; Transcontinental and Western Air
 Lines (TWA)
 Oct. 24, AVIANCA Colombian Airlines, S.A.
 Oct. 25, American Airlines
 Nov. 6, Chicago and Southern Air Lines
 Nov. 18, United Air Lines (2)
 Dec. 1, Air Travel (N.Z.), Ltd.
 Dec. 20, Canadian Pacific Air Lines, Ltd. (CPAL)
 Dec. 23, Maritime Central Airways, Ltd.
- 1943—Jan. 9, British Overseas Airways Corporation (BOAC)
 Jan. 11, United Air Lines (2)
 Jan. 18, LanChile Airlines, S.A.
 Jan. 19, Woodley Airlines
 Jan. 21, Pan American Airways (PAA)
 Feb. 4, American Airlines
 Feb. 5, British Overseas Airways Corporation (BOAC)
 Feb. 7, United Air Lines (2)
 Feb. 13, Empresa de Transportes Aerovias Brasil, S.A.
 Feb. 22, Pan American Airways (PAA)
 March 10, Chicago and Southern Air Lines
 March 29, LanChile Airlines, S.A.
 April 22, Qantas Empire Airways (Pty.), Ltd.
 May 6, QANTAS: Queensland and Northern Territories Aerial
 Service (Pty.), Ltd.
 July 19, QANTAS: Queensland and Northern Territories Aerial
 Service (Pty.), Ltd.
 July 27, Pan American Airways (PAA)
 July 30, American Airlines
 Aug. 2, United Air Lines (2)
 Sept. 21, Qantas Empire Airways (Pty.), Ltd.
 Oct. 4, QANTAS: Queensland and Northern Territories Aerial
 Service (Pty.), Ltd.
 Oct. 21, QANTAS: Queensland and Northern Territories Aerial
 Service (Pty.), Ltd.
 Nov. 4, Trans Canada Air Lines, Ltd.
 Nov. 19, British Overseas Airways Corporation (BOAC)
 Nov. 26, Qantas Empire Airways (Pty.), Ltd.
 Dec. 1, Panair do Brazil, S.A.
 Dec. 24, Pan American Airways (PAA)
 Dec. 27, British Overseas Airways Corporation (BOAC)
- 1944—Jan. 5, Deutsche Luft Hansa, A.G.
 Jan. 18, Qantas Empire Airways (Pty.), Ltd.
 Feb. 3, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Feb. 11, KLM: Royal Dutch Airlines, N.V.
 Feb. 12, American Airlines
 Feb. 27, AVIANCA Colombian Airlines, S.A.
 April 16, British Overseas Airways Corporation (BOAC)
 April 21, British Overseas Airways Corporation (BOAC)
 May 3, United Air Lines (2)
 May 25, Panair do Brazil, S.A.
 July 3, TACA: Transportes Aereos Centro Americanos, S.A.
 Aug. 28, British Overseas Airways Corporation (BOAC)
 Oct. 11, Qantas Empire Airways (Pty.), Ltd.
 Nov. 5, Transcontinental and Western Air Lines (TWA)
 Nov. 13, Qantas Empire Airways (Pty.), Ltd.
 Dec. 1, Transcontinental and Western Air Lines (TWA)
- 1945—Jan. 8, Pan American Airways (PAA)
 Jan. 11, American Airlines
 April 8, British Overseas Airways Corporation (BOAC)
 April 16, Pennsylvania Central Airlines
 April 24, Western Air Lines
 May 1, British Overseas Airways Corporation (BOAC)
 June 1, Air Travel (N.Z.), Ltd.
 July 1, Trans Canada Air Lines, Ltd.
 Aug. 2, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Aug. 3, Pan American Airways (PAA)
 Aug. 14, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Aug. 24, The Flying Tiger Line
 Sept. 7, Eastern Air Lines 3284.
 Oct. 4, Western Air Lines
 Oct. 6, National Airlines (1)
 Nov. 4, Pan American Airways (PAA)
 Nov. 20, ANA: Australian National Airlines (Pty.), Ltd.
 Dec. 6, ABA Swedish Airlines, A.B.

- Dec. 27, Allied Airways (Gandar Dower), Ltd.
 Dec. 31, Eastern Air Transport
 1946—Jan. 1, The Flying Tiger Line
 Jan. 7, Pennsylvania Central Airlines
 Jan. 19, Eastern Air Lines; Pan American Airways (PAA)
 Jan. 28, QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 Jan. 31, United Air Lines (2)
 Feb. 21, British Overseas Airways Corporation (BOAC)
 March 3, American Airlines
 March 10, ANA: Australian National Airlines (Pty.), Ltd.; Ansett Airlines of Australia (Pty.), Ltd.; Societe Aigle Azur, S.A.
 March 23, British Overseas Airways Corporation (BOAC)
 April 24, Western Air Lines
 May 2, British Overseas Airways Corporation (BOAC)
 May 16, Ansett Airlines of Australia (Pty.), Ltd.
 May 29, United Air Lines (2)
 June 18, Aer Lingus Irish Airlines, Ltd.
 June 28, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 July 10, Societe Aigle Azur, S.A.
 July 11, Transcontinental and Western Air Lines (TWA)
 July 13, Central Air Transport Corporation (CATC)
 July 17, ANDESA: Aerovias Nacionales del Ecuador, S.A.
 Aug. 7, British European Airways Corporation (BEA)
 Aug. 13, Air France
 Aug. 14, British Overseas Airways Corporation (BOAC)
 Aug. 20, British Overseas Airways Corporation (BOAC)
 Sept. 3, Air France
 Sept. 4, Air France
 Sept. 5, Air France
 Sept. 7, British South American Airways Corporation (BSAAC)
 Sept. 9, Air France
 Sept. 17, Olley Air Services, Ltd.
 Sept. 18, Sabena Belgian World Airlines, S.A.
 Sept. 20, China National Aviation Corporation (CNAC-1)
 Sept. 24, Pan American Airways (PAA)
 Sept. 27, Scottish Airways, Ltd.; Panair do Brazil, S.A.
 Oct. 3, American Overseas Air Lines (AOA)
 Oct. 9, United Air Lines (2)
 Oct. 13, Transcontinental and Western Air Lines (TWA)
 Oct. 29, Air Contractors, Ltd.
 Nov. 6, KLM: Royal Dutch Airlines, N.V.
 Nov. 7, Western Air Lines
 Nov. 12, United Air Lines (2)
 Nov. 13, ALASA: Aerovias Latino Americanas, S.A.
 Nov. 14, KLM: Royal Dutch Airlines, N.V.; Western Air Lines
 Nov. 16, KLM: Royal Dutch Airlines, N.V.
 Nov. 27, LACSA: Lineas Aereas Costarricenses, S.A.
 Dec. 3, Airwork, Ltd.
 Dec. 4, Aeroflot Soviet Airlines
 Dec. 14, Far Eastern Air Transport, Inc.
 Dec. 15, TACA: Transportes Aereos Centro Americanos, S.A.
 Dec. 16, China National Aviation Corporation (CNAC-1)
 Dec. 19, Railway Air Services, Ltd.
 Dec. 20, Scottish Airways, Ltd.
 Dec. 24, FAMA: Flota Aerea Mercante Argentina, S.A.; Western Air Lines
 Dec. 25, China National Airways Corporation (CNAC-1)
 Dec. 28, Pan American Airways (PAA); Transcontinental and Western Air Lines (TWA)
 Dec. 29, American Airlines
 1947—Jan. 3, Pan American Airways (PAA)
 Jan. 5, China National Airways Corporation (CNAC-1); Nationwide Air Transport Service; Panair do Brazil, S.A.
 Jan. 11, British Overseas Airways Corporation (BOAC); Far Eastern Air Transport, Inc.
 Jan. 12, Air Contractors, Ltd.; Eastern Air Lines
 Jan. 14, AVIANCA Colombian Airlines, S.A.
 Jan. 16, QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 Jan. 22, Guinea Airways (Pty.), Ltd.; Qantas Empire Airways (Pty.), Ltd.
 Jan. 25, China National Airways Corporation (CNAC-1); Philippine Air Lines
 Jan. 26, Railway Air Services, Ltd.
 Jan. 27, KLM: Royal Dutch Airlines, N.V.
 Jan. 28, China National Airways Corporation (CNAC-1)
 Feb. 1, Air France
 Feb. 13, CSA Czechoslovak Airlines
 Feb. 14, Slick Airways
 Feb. 15, AVIANCA Colombian Airlines, S.A.
 Feb. 17, DDL Danish Airlines, A.S.
 Feb. 26, AVIANCA Colombian Airlines, S.A.
 March 8, VIARCO: Vias Aereascolombianas, S.A.
 March 10, Viacao Aerea Bahiana, S.A.
 March 14, Air France
 March 18, TACA: Transportes Aereos Centro Americanos, S.A.
 March 20, LAV Venezuelan Airlines, S.A.; TACA Transportes Aereos Centro Americanos, S.A.
 April 8, LAV Venezuelan Airlines, S.A.
 April 10, QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 April 13, British South American Airways Corporation (BSAAC)
 April 16, Trans Canada Air Lines, Ltd.
 April 22, Delta Air Lines
 April 25, China National Aviation Corporation (CNAC-1)
 April 30, Trans Canada Air Lines, Ltd.
 May 4, TACA: Transportes Aereos Centro Americanos, S.A.
 May 8, Trans Canada Air Lines, Ltd.
 May 11, Skyways, Ltd.
 May 12, Transcontinental and Western Air Lines (TWA)
 May 14, Bond Air Services, Ltd.
 May 17, Hunting Air Travel, Ltd.
 May 29, Flugfelag Islands, H.F. (2)/Icelandair, H.F.; United Air Lines (2)
 May 30, Bond Air Services, Ltd.; Eastern Air Lines; Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 June 6, Lancashire Aircraft Corporation, Ltd.
 June 13, Pennsylvania Central Airlines
 June 14, North Sea Air Transport, Ltd.
 June 18, Pan American Airways (PAA)
 July 1, MacRobertson-Miller Airlines (Pty.), Ltd.
 July 6, Lancashire Aircraft Corporation, Ltd.
 July 14, Qantas Empire Airways (Pty.), Ltd.
 July 16, British Overseas Airways Corporation (BOAC)
 July 24, Alaska Airlines
 July 25, Skyways, Ltd.
 Aug. 2, British South American Airways Corporation (BSAAC)
 Aug. 9, ABA Swedish Airlines, A.B.; American Airlines; Qantas Empire Airways (Pty.), Ltd.
 Aug. 13, TAROM Romanian Air Transport, S.A. (TARS)
 Aug. 21, Slick Airways
 Aug. 23, British Overseas Airways Corporation (BOAC)
 Sept. 3, Hellenic Airlines, S.A.
 Sept. 5, British South American Airways Corporation
 Sept. 17, FAMA: Flota Aerea Mercante Argentina, S.A.
 Oct. 3, Skyways, Ltd.
 Oct. 14, American International Airways (1)
 Oct. 24, United Air Lines (2)
 Oct. 26, ABA Swedish Airlines, A.B.
 Oct. 27, Pan American Airways (PAA)
 Oct. 28, SAS: Scandinavian Airlines System
 Nov. 13, British South American Airways Corporation; International Airways, Ltd.
 Nov. 18, Transcontinental and Western Air Lines (TWA)
 Nov. 19, Transcontinental and Western Air Lines (TWA)
 Nov. 20, SAS: Scandinavian Airlines System
 Nov. 27, JAT Yugoslav Airlines

- Nov. 25, LAV Venezuelan Airlines, S.A.
 Nov. 30, Alaska Airlines
 Dec. 12, Lancashire Aircraft Corporation, Ltd.
 Dec. 27, Air India, Ltd.
- 1948—Jan. 6, British European Airways Corporation (BEA)
 Jan. 7, Air France; Sivewright Airways, Ltd.
 Jan. 10, Qantas Empire Airways (Pty.), Ltd.
 Jan. 14, Eastern Air Lines
 Jan. 20, China National Aviation Corporation (CNAC-1)
 Jan. 29, British South American Airways Corporation (BSAAC)
 Feb. 12, Aviron: The Palestine Aviation Co.; Qantas Empire Airways (Pty.), Ltd.
 Feb. 13, DDL Danish Airlines, A.S.; DNL Norwegian Airlines, A.S.
 Feb. 16, Alitalia, SpA.
 Feb. 21, Alitalia, SpA.
 Feb. 24, LAV Venezuelan Airlines, S.A.
 March 3, Sabena Belgian World Airlines, S.A.
 March 10, Delta Air Lines
 March 12, Northwest Airlines
 March 16, Cruzeiro Brazilian Airlines, S.A.
 March 27, Dalmia-Jain Airways, Ltd.
 March 28, Aviron: The Palestine Aviation Co.
 April 5, British European Airways Corporation (BEA)
 April 10, Air France
 April 15, Commercial Air Lines, Inc.; Pan American Airways (PAA)
 April 19, New Zealand National Airways Corp., Ltd.
 May 12, Sabena Belgian World Airlines, S.A.
 May 14, Skyways, Ltd.
 May 16, Sabena Belgian World Airlines, S.A.; Slick Airways
 May 20, Air Transport Charter, Ltd.
 May 26, LOT Polish Airlines, S.A.
 June 11, North Sea Air Transport, Ltd.
 June 15, American Airlines
 June 17, United Air Lines (2)
 June 22, Viacao Aerea Bahiana, S.A.
 July 2, Alitalia, SpA.
 July 5, SAS: Scandinavian Airlines System
 July 14, British Overseas Airways Corporation (BOAC)
 July 16, Cathay Pacific Airways (Pty.), Ltd.
 July 26, Rimouski Airlines, Ltd.
 July 29, Civil Air Transport, Ltd.
 Aug. 1, Air France
 Aug. 12, Trans Canada Air Lines, Ltd.
 Aug. 27, British Overseas Airways Corporation (BOAC)
 Aug. 30, Northwest Airlines
 Sept. 1, Amphibian Air Transport Service; Sabena Belgian World Airlines, S.A.
 Sept. 2, ANA: Australian National Airlines (Pty.), Ltd.; Transair International, Ltd.
 Sept. 9, British Overseas Airways Corporation (BOAC)
 Sept. 28, World Air Freight, Ltd.
 Oct. 8, World Air Freight, Ltd.
 Oct. 18, Scottish Airlines, Ltd.
 Oct. 21, KLM: Royal Dutch Airlines, N.V.
 Oct. 24, New Zealand National Airways Corp., Ltd.
 Oct. 27, Northwest Airlines; TAJ: Transportes Aereos de Jalisco, S.A.
 Oct. 28, KLM: Royal Dutch Airlines, N.V.; Northwest Airlines
 Nov. 8, ANA: Australian National Airlines (Pty.), Ltd.
 Nov. 22, Flight Refueling, Ltd.
 Nov. 23, New Zealand National Airways Corp. Ltd.
 Nov. 25, Transcontinental and Western Air Lines (TWA)
 Dec. 5, Central Air Transport Corporation (CATC)
 Dec. 16, LANSAs: Lineas Aereas Nacionales, S.A.
 Dec. 21, China National Airways Corporation (CNAC-1); Civil Air Transport, Ltd.
 Dec. 24, CSA Czechoslovak Airlines; Iberia Spanish Airlines, S.A. (2): Lineas Aereas de Espana, S.A.
- 1949—Jan. 5, British South American Airways Corporation (BSAAC); Eastern Air Lines
 Jan. 2, Skyways, Ltd.
 Jan. 17, British South American Airways Corporation (BSAAC)
 Jan. 21, Alaska Airlines
 Feb. 4, Skyways, Ltd.
 Feb. 8, DDL: Danish Airlines, A.S.; SAS: Scandinavian Airlines System
 Feb. 15, Bond Air Services, Ltd.
 Feb. 19, British European Airways Corporation (BEA)
 Feb. 24, Cathay Pacific Airways (Pty.), Ltd.
 March 15, Skyways, Ltd.
 March 21, Lancashire Aircraft Corporation, Ltd.
 April 1, Westminster Airways, Ltd.
 April 7, Qantas Empire Airways (Pty.), Ltd.
 April 9, Bond Air Services, Ltd.
 April 30, World Air Freight, Ltd.
 May 3, East Anglian Flying Services, Ltd.
 May 6, Starways, Ltd.
 May 7, Philippine Airlines
 May 10, Flight Refueling, Ltd.; Lancashire Aircraft Corporation, Ltd.; Qantas Empire Airways (Pty.), Ltd.
 May 11, Canadian Pacific Air Lines, Ltd. (CPAL)
 June 1, Lancashire Aircraft Corporation, Ltd.
 June 2, Central Air Transport Corporation (CATC)
 June 6, Hellenic Airlines, S.A. (HELLAS); TAE Greek National Airlines, S.A.
 June 7, Stratofreight
 June 19, Skyways, Ltd.
 June 23, KLM: Royal Dutch Airlines, N.V.
 June 26, Skyways, Ltd.
 July 2, MacRobertson-Miller Airlines (Pty.), Ltd.
 July 9, Canadian Pacific Air Lines, Ltd. (CPAL)
 July 12, KLM: Royal Dutch Airlines, N.V.
 July 13, Standard Air Lines (2)
 July 15, Olley Air Services, Ltd.
 July 23, Scottish Airlines, Ltd.
 July 28, Eastern Air Lines
 Aug. 13, AVIANCA Colombian Airlines: Aerovias Nacionales de Colombia, S.A.; SAETA: Sociedad Aerea de Tolima, S.A.
 Aug. 14, Transocean Air Lines (TAL)
 Aug. 16, LAGOSA: Lineas Aereas Guerrero-Oaxaca, S.A.
 Aug. 19, British European Airways Corporation (BEA)
 Sept. 9, Quebec Airways, Ltd.
 Sept. 15, Qantas Empire Airways (Pty.), Ltd.
 Sept. 16, Qantas Empire Airways (Pty.), Ltd.
 Sept. 19, MALEV Hungarian Airlines, Rt. (Maszovlet)
 Sept. 26, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Oct. 9, Slick Airways
 Oct. 20, Air France
 Nov. 1, Eastern Air Lines; International Airways, Ltd.
 Nov. 19, All-American Aviation
 Nov. 27, LANSAs: Lineas Aereas Nacionales, S.A.
 Nov. 28, Air France;
 Nov. 29, American Airlines
 Dec. 1, REAL, S.A.
 Dec. 9, Civil Air Transport, Ltd.
 Dec. 10, Civil Air Transport, Ltd.
 Dec. 12, Capital Airlines
 Dec. 18, Sabena Belgian World Airlines, S.A.
 Dec. 26, REAL, S.A.
 Dec. 28, Lancashire Aircraft Corporation, Ltd.
- 1950—Jan. 20, World Air Freight, Ltd.
 Jan. 24, Philippine Airlines
 Feb. 2, KLM: Royal Dutch Airlines, N.V.
 Feb. 10, Transair International, Ltd.
 Feb. 16, Eastern Air Lines
 Feb. 27, CSA Czechoslovak Airlines
 March 7, Northwest Airlines

- March 12, Fairflight, Ltd.
 March 25, Mandated Airlines (Pty.), Ltd.; THY Turkish Airlines, A.O.
 April 5, Deccan Airways, Ltd.
 April 15, LANSA: Lineas Aereas Nacionales, S.A.
 April 16, World Air Freight, Ltd.
 April 25, Transair International, Ltd.
 May 2, AVIANCA Colombian Airlines, S.A.
 May 23, Trans-World Airlines (TWA)
 May 24, LANSA: Lineas Aereas Nacionales, S.A.
 May 30, Empresa de Transportes Aerovias Brasil, S.A.
 June 12, Aerolineas Argentinas, S.A.; Air France
 June 14, Air France
 June 23, Northwest Airlines
 June 26, ANA: Australian National Airlines (Pty.), Ltd.
 July 10, Societe Aigle Azur, S.A.
 July 17, Dalmia-Jain Airways, Ltd.
 July 18, DTA Angola Airlines, S.A.
 July 24, Air Liban, S.A.L.
 July 27, Regina Cargo Airlines
 July 28, Panair do Brazil, S.A.
 Aug. 1, Brymon Air Services, Ltd.
 Aug. 11, Northeast Airlines (1)
 Aug. 21, Air France
 Aug. 30, Trans-World Airlines (TWA)
 Sept. 4, Robinson Airlines
 Sept. 14, Iranair: Iranian Airways
 Sept. 18, Loftlidir H.F./Icelandic Airlines H.F.
 Sept. 21, JAT Yugoslav Airlines
 Sept. 26, Air India, Ltd.
 Oct. 14, Northwest Airlines
 Oct. 17, British European Airways Corporation (BEA)
 Oct. 31, British European Airways Corporation (BEA)
 Nov. 3, Air India, Ltd.
 Nov. 5, Northwest Airlines
 Nov. 7, Northwest Airlines
 Nov. 15, LOT Polish Airlines, S.A.
 Nov. 19, THY Turkish Airlines, A.O.
 Nov. 25, Eagle Aviation, Ltd. (1); Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 Dec. 1, Iranair: Iranian Airways
 Dec. 3, Aerolineas Argentinas, S.A.
 Dec. 8, Civil Air Transport, Ltd.
 Dec. 9, Union Aeromaritime de Transport, S.A. (UAT)
 Dec. 14, Air India, Ltd.
 Dec. 15, AVENSA: Aerovias Venezolanas, S.A.
 Dec. 22, Canadian Pacific Air Lines, Ltd. (CPAL)
 Dec. 30, Aerolineas Argentinas, S.A.
 1951—Jan. 1, LAB: Lloyd Aero Boliviano, S.A.; VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
 Jan. 3, National Airlines (1)
 Jan. 8, British Overseas Airways Corporation (BOAC)
 Jan. 9, ATSA: Lineas Transcontinentales de Aero-Transportes, S.A. de C.V.
 Jan. 15, Cordova Airlines
 Jan. 16, Northwest Airlines
 Jan. 27, Alitalia, SpA.
 Jan. 31, Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Feb. 1, Loftleidir H.F./Icelandic Airlines H.F. Feb. 3, Air France
 Feb. 14, LANSA: Lineas Aereas Nacionales, S.A.
 March 2, Mid Continent Air Lines
 March 8, Lancashire Aircraft Corporation, Ltd.
 March 11, Pacific Overseas Airlines (Siam), Ltd.
 March 21, LANSA: Lineas Aereas Nacionales, S.A.
 March 22, Cruzeiro Brazilian Airlines, S.A.
 March 26, Aerolineas Argentinas, S.A.
 March 27, Air Transport Charter, Ltd.
 April 2, Mandated Airlines (Pty.), Ltd.
 April 7, Southwest Airways (2)
 April 9, Siamese Airways Company, Ltd.
 April 25, British Overseas Airways Corporation (BOAC); Cubana: Compania Cubana de Aviacion, S.A.
 April 28, United Air Lines (2)
 May 8, Hunting Air Travel, Ltd.
 May 18, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 June 2, Aero Geral, S.A.
 June 6, NAB: Navegacao Aerea Brasileira, S.A.
 June 15, SAM: Sociedad Aeronautica de Medellin, S.A.
 June 22, Pan American World Airways (1)
 June 29, JAT Yugoslav Airlines
 June 30, United Air Lines (2)
 July 3, Trans Australian Airlines (Pty.), Ltd. (TAA)
 July 12, LAP: Lineas Aereas Paulistas, S.A.; Loide Aereo Nacional, S.A.; REAL, S.A.
 July 16, Qantas Empire Airways (Pty.), Ltd.
 July 21, Canadian Pacific Air Lines, Ltd. (CPAL)
 July 24, Sabena Belgian World Airlines, S.A.
 July 29, LAB: Lloyd Aero Boliviano, S.A.; Loide Aereo Nacional, S.A.
 Aug. 4, Queen Charlotte Airlines, Ltd.
 Aug. 11, Air France
 Aug. 17, REAL, S.A.
 Aug. 24, United Air Lines (2)
 Aug. 31, Lancashire Aircraft Corporation, Ltd.
 Sept. 3, Qantas Empire Airways (Pty.), Ltd.
 Sept. 8, REAL, S.A.; VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 9, Northeast Airlines (1)
 Sept. 12, United Air Lines (2)
 Sept. 15, Air India, Ltd.
 Sept. 21, Qantas Empire Airways (Pty.), Ltd.
 Oct. 8, ATSA: Lineas Transcontinentales de Aero Transportes, S.A.
 Oct. 15, South African Airways (Pty.), Ltd.
 Oct. 17, Queen Charlotte Airlines, Ltd.
 Oct. 25, JAT Yugoslav Airlines
 Oct. 26, William Dempster, Ltd.
 Nov. 5, Transocean Air Lines (TAL)
 Nov. 11, Union Aeromaritime de Transport, S.A. (UAT)
 Nov. 16, LOT Polish Airlines
 Nov. 17, California Central Airlines; Overseas National Airways (1); Queen Charlotte Airline, Ltd.
 Nov. 19, THY Turkish Airlines, A.O.
 Nov. 21, Deccan Airways, Ltd.
 Nov. 27, LAUMSA: Lineas Aereas Mexicanas Unidas, S.A. de C.V.
 Dec. 4, United Air Lines (2)
 Dec. 13, Qantas Empire Airways (Pty.), Ltd.
 Dec. 16, Miami Airlines
 Dec. 22, Misrair, S.A.E. (1)
 Dec. 23, Linee Aeree Italiane, SpA. (LAI)
 Dec. 24, Qantas Empire Airways (Pty.), Ltd.
 Dec. 30, Transocean Air Lines (TAL)
 Dec. 31, Kalinga Air Lines, Ltd.
 1952—Jan. 1, Air France; Transocean Air Lines (TAL)
 Jan. 10, Aer Lingus Irish Airlines, Ltd.
 Jan. 14, Northeast Airlines (1)
 Jan. 19, Northwest Airlines
 Jan. 21, Aquilla Airways, Ltd.
 Jan. 22, American Airlines
 Jan. 31, Qantas Empire Airways (Pty.), Ltd.
 Feb. 4, Sabena Belgian World Airlines, S.A.
 Feb. 11, National Airlines (1)
 Feb. 16, Hunting Air Transport, Ltd.
 Feb. 17, Transair International, Ltd.
 Feb. 19, Deccan Airways, Ltd.
 Feb. 28, Panair do Brazil, S.A.
 March 3, Air Charter, Ltd./Channel Air Services, Ltd.; Air France
 March 20, Aeroflot Soviet Airlines; Philippine Airlines (PAL)
 March 22, KLM: Royal Dutch Airlines, N.V.; Maritime Central

- Airways, Ltd.
 March 26, Aeroflot Soviet Airlines
 March 29, TACA International Airlines, S.A.
 April 5, U.S. Airlines
 April 7, Air France
 April 9, Japan Air Lines Company, Ltd. (2)
 April 10, Kalinga Air Lines, Ltd.
 April 11, Pan American World Airways (1)
 April 18, Robin Air Lines
 April 19, Air Enterprises, Ltd.
 April 29, Pan American World Airways (1)
 April 30, Deccan Airways, Ltd.; Pan American World Airways (1)
 May 5, Fred Olsens Flyselskap, A.S.
 May 13, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 May 14, REAL, S.A.
 May 10, LOT Polish Airlines, S.A.
 May 24, Loide Aereo Nacional, S.A.
 May 26, British Overseas Airways Corporation (BOAC)
 May 27, British Overseas Airways Corporation (BOAC)
 June 14, Morton Air Services, Ltd.
 June 25, Cordova Airlines
 June 28, American Airlines
 July 18, LOT Polish Airlines, S.A.
 Aug. 12, TAN: Transportes Aereos Nacional, S.A.
 Aug. 25, Airwork, Ltd.
 Aug. 29, Swissair, A.G.
 Sept. 15, Kalinga Air Lines, Ltd.
 Oct. 2, MALEV Hungarian Airlines, Rt. (Maszovlet)
 Oct. 3, Faucett Peruvian Airlines: Compania de Aviacion
 Faucett, S.A.
 Oct. 14, REAL, S.A.
 Oct. 15, Empresa de Transportes Aerovias Brasil S.A.
 Oct. 18, VARIG Brazilian Airlines: Viacao Aerea Rio
 Grandeuse, S.A.
 Nov. 11, Union Aeromaritime de Transport, S.A. (UAT)
 Nov. 27, Air Charter, Ltd./Channel Air Services, Ltd.
 Nov. 29, Civil Air Transport, Ltd.
 Dec. 6, Balkan Bulgarian Airlines: TABSO; Cubana: Compania
 Cubana de Aviacion, S.A.
 Dec. 12, Skyways, Ltd.
 Dec. 21, RANSA: Rutas Aereas Nacionales, S.A.; Syrian Airways
 Dec. 25, AVENSA: Aerovias Venezolanas, S.A.
 Dec. 25, Iranair: Iranian Airways
 Dec. 29, Continental Air Charter
- 1953—Jan. 2, KLM: Royal Dutch Airlines, N.V.
 Jan. 5, British European Airways Corporation (BEA)
 Jan. 7, The Flying Tiger Line
 Jan. 19, Silver City Airways, Ltd.
 Jan. 26, Alitalia, SpA.
 Feb. 2, Lancashire Aircraft Corporation, Ltd.
 Feb. 3, Skyways, Ltd.
 Feb. 6, Air Enterprises, Ltd.
 Feb. 7, Union Aeromaritime de Transport, S.A. (UAT)
 Feb. 14, National Airlines (1)
 March 3, Canadian Pacific Air Lines, Ltd. (CPAL)
 March 4, Slick Airways
 March 13, LOT Polish Airlines, S.A.
 March 14, Orient Airways, Ltd.
 March 16, Orient Airways, Ltd.
 March 17, Air France; Societe Aigle Azur, S.A.
 March 20, Transocean Air Lines (TAL)
 March 29, Central African Airways Corporation (CAA)
 April 1, Caribbean International Airways, Ltd.
 April 10, Air France; REAL, S.A.
 April 16, Societe Aigle Azur, S.A.
 April 20, REAL, S.A.
 May 1, Aquilla Airways, Ltd.; Canadian Pacific Air Lines, Ltd.
 (CPAL)
 May 2, British Overseas Airways Corporation (BOAC); California
 Eastern Air Lines (2)
 May 9, Air India, Ltd.; Air Services of India, Ltd.
 May 17, Delta Air Lines
 May 22, Resort Airlines (1)
 May 24, Meteor Air Transport
 May 25, Air France
 June 15, LACSA: Lineas Aereas Costarricenses, S.A.; LanChile
 Airlines, S.A.
 June 16, Societe Aigle Azur, S.A.
 June 17, Panair do Brazil, S.A.; Royal Air Laos, S.A.
 June 28, World Wide Airways, Ltd.
 June 29, Western Air Lines
 July 12, Transocean Air Lines (TAL)
 July 14, Johnson Flying Service
 July 23, Cathay Pacific Airways (Pty.), Ltd.
 July 29, Western Air Lines
 Aug. 2, Orient Airways, Ltd.
 Aug. 3, Air France; Orient Airways, Ltd.
 Aug. 18, Aerovias Contreras, S.A. de C.V.; Johnson Flying Service
 Sept. 1, Air France; Regina Cargo Airlines
 Sept. 6, Northwest Airlines
 Sept. 8, TACA International Airlines, S.A.
 Sept. 12, Cruzeiro Brazilian Airlines, S.A.
 Sept. 14, TAMS: Transportes Aereos Mexicanos, S.A. de C.V.
 Sept. 16, American Airlines
 Sept. 25, THY Turkish Airlines, A.O.
 Sept. 28, Resort Airlines (1)
 Oct. 13, Royal Air Maroc
 Oct. 14, Sabena Belgian World Airlines, S.A.
 Oct. 18, Eastern Air Lines
 Oct. 28, British Commonwealth Pacific Air Lines
 Nov. 3, LAB: Lloyd Aero Boliviano, S.A.; Loide Aereo
 Nacionale, S.A.
 Dec. 4, Aviacion y Comercio, S.A. (AVIACO)
 Dec. 8, Qantas Empire Airways (Pty.), Ltd.
 Dec. 11, Indian Airlines Corporation
 Dec. 15, AVIATECA: Aerolineas de Guatemala, S.A.; Misrair
 S.A.E.
 Dec. 19, Sabena Belgian World Airlines, S.A.
- 1954—Jan. 5, THY Turkish Airlines, A.O.
 Jan. 10, British Overseas Airways Corporation (BOAC)
 Jan. 11, AVIANCA Colombian Airlines, S.A.
 Jan. 14, CSA Czechoslovak Airlines; Philippine Air Lines
 Jan. 16, Philippine Airlines
 Jan. 24, Zantop International Airlines
 Feb. 21, Far East Airlines Company, Ltd.
 Feb. 26, Western Air Lines
 Feb. 28, British Overseas Airways Corporation (BOAC)
 March 13, British Overseas Airways Corporation (BOAC); Societe
 Aigle Azur, S.A.
 March 19, LOT Polish Airlines, S.A.
 March 26, Aeronaves de Mexico, S.A. de C.V.
 April 3, THY Turkish Airlines, A.O.
 April 8, British Overseas Airways Corporation (BOAC); South
 African Airways (Pty.), Ltd.; Trans Canada Air Lines, Ltd.
 April 11, Air India, Ltd.
 April 12, Scottish Airlines, Ltd.
 April 23, Aerolineas Argentinas, S.A.
 May 7, Civil Air Transport, Ltd.
 May 22, New Zealand National Airways Corp., Ltd.
 May 29, LanChile Airlines, S.A.
 May 31, TAN: Transportes Aereos Nacional, S.A.
 June 4, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 June 15, Delta Air Lines
 June 19, Swissair, A.G.
 June 26, Skyways, Ltd.
 July 21, Air Vietnam, S.A.
 July 23, Cathay Pacific Airways (Pty.), Ltd.
 Aug. 3, Air France

- Aug. 8, Alaska Airlines
 Aug. 9, AVIANCA Colombian Airlines, S.A.
 Aug. 15, Airwork, Ltd.
 Aug. 16, Air Vietnam, S.A.
 Aug. 22, Braniff International Airways
 Aug. 23, KLM: Royal Dutch Airlines, N.V.
 Sept. 5, KLM: Royal Dutch Airlines, N.V.
 Sept. 12, Cruzeiro Brazilian Airlines, S.A.
 Sept. 15, Misrair, S.A.E. (1)
 Sept. 22, Scottish Airlines, Ltd.
 Oct. 31, Trans Australian Airlines (Pty.), Ltd. (TAA)
 Nov. 22, Johnson Flying Service
 Nov. 30, Northeast Airlines (1)
 Dec. 4, Air Laos, S.A.
 Dec. 17, Trans Canada Air Lines, Ltd.
 Dec. 18, LAV Venezuelan Airlines, S.A.; Linee Aeree Italiane, SpA. (LAI)
 Dec. 22, Johnson Flying Service
 Dec. 25, British Overseas Airways Corporation (BOAC)
 Dec. 29, Aeroflot Soviet Airlines
 Dec. 31, Aeroflot Soviet Airlines
 1955—Jan. 12, Trans-World Airlines (TWA)
 Jan. 21, Indian Airlines Corporation
 Feb. 2, Indian Airlines Corporation
 Feb. 5, West African Airways Corporation
 Feb. 13, Sabena Belgian World Airlines, S.A.
 Feb. 19, Trans-World Airlines (TWA)
 Feb. 21, ALA: Sociedad de Transportes Aereos, S.A.
 March 6, Cruzeiro Brazilian Airlines, S.A.; REAL, S.A.
 March 8, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 March 9, AVIANCA Colombian Airlines, S.A.
 March 20, American Airlines
 March 26, Pan American World Airways (1)
 April 2, AAXICO Airlines
 April 11, Air India, Ltd.
 April 14, LOT Polish Airlines, S.A.
 April 18, Union Aeromaritime de Transport, S.A. (UAT)
 May 18, East African Airways Corporation
 May 20, Aerolineas Argentinas, S.A.
 May 21, LAV Venezuelan Airlines, S.A.
 May 26, Pacific Western Airlines, Ltd.
 June 16, Panair do Brazil, S.A.
 June 22, El Al Israel Airlines, Ltd.
 June 23, Queen Charlotte Airline, Ltd.
 July 3, SACS: Servicios Aereos de Chiapas, S.A.
 July 14, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 July 15, LAUMSA: Lineas Aereas Mexicanas Unidas, S.A. de C.V.
 July 17, Braniff International Airways
 July 20, Cambrian Airways, Ltd.
 Aug. 3, Pacific Western Airlines, Ltd.
 Aug. 4, American Airlines
 Aug. 6, Aeroflot Soviet Airlines; Fairways Aviation (Jersey), Ltd.
 Aug. 7, Aeroflot Soviet Airlines
 Aug. 26, Cruzeiro Brazilian Airlines, S.A.
 Aug. 30, Indian Airlines Corporation
 Sept. 2, Union of Burma Airways, Ltd.
 Sept. 3, Union of Burma Airways, Ltd.
 Sept. 8, CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Sept. 14, Air France
 Sept. 21, British Overseas Airways Corporation (BOAC)
 Sept. 25, The Flying Tiger Line
 Oct. 6, United Air Lines (2)
 Oct. 10, JAT Yugoslav Airlines
 Oct. 22, CAUSA: Compania Aeronautica Uruguay, S.A.
 Nov. 1, United Air Lines (2)
 Nov. 14, The Flying Tiger Line
 Nov. 17, Peninsula Airways (1)
 Nov. 25, Maritime Central Airways, Ltd.
 Dec. 1, Cruzeiro Brazilian Airlines, S.A.
 Dec. 17, Riddle Airlines
 Dec. 16, MALEV Hungarian Airlines, Rt.
 Dec. 17, Riddle Airlines
 Dec. 21, Eastern Air Lines
 Dec. 22, Manx Airlines, Ltd. (1)
 1956—Jan. 12, Ansett Airlines of Australia (Pty.), Ltd.
 Jan. 17, CSA Czechoslovak Airlines; Quebecair, Ltd.
 Feb. 13, Maritime Central Airways, Ltd.
 Feb. 18, Hunting Clan Air Transport, Ltd.; Scottish Airlines, Ltd.
 Feb. 20, Compagnie de Transports Aeriens Interintercontineaux, S.A. (TAI)
 Feb. 24, Syrian Airways
 Feb. 25, Pakistan International Airlines Corporation
 March 21, Indian Airlines Corporation
 March 25, World Wide Airways, Ltd.
 April 1, Trans World Airlines
 April 2, Northwest Airlines
 April 3, Transair, Ltd. (1)
 April 6, The Flying Tiger Line
 April 10, Cordova Airlines
 April 18, Panair do Brazil, S.A.
 April 30, Scottish Airlines, Ltd.
 May 15, Indian Airlines Corporation
 May 24, AVIATECA: Aerolineas de Guatemala, S.A.
 May 30, AVIATECA: Aerolineas de Guatemala, S.A.; Transair, Ltd.
 June 18, Transair, Ltd.
 June 20, LAV Venezuelan Airlines, S.A.
 June 24, British Overseas Airways Corporation (BOAC)
 June 30, Trans World Airlines (TWA)
 July 6, Transair, Ltd. (1)
 July 15, Swissair, A.G.
 July 16, Aerolineas Argentinas, S.A.
 Aug. 8, Pacific Western Airlines, Ltd.; Union of Burma Airways, Ltd.
 Aug. 9, Union of Burma Airways, Ltd.
 Aug. 10, AVIANCA Colombian Airlines, S.A.
 Aug. 25, LAB: Lloyd Aero Boliviano, S.A.
 Aug. 29, Canadian Pacific Air Lines, Ltd. (CPAL)
 Sept. 1, Airwork, Ltd.; Indian Airlines Corporation
 Sept. 11, CAUSA: Compania Aeronautica Uruguay, S.A.
 Sept. 12, Trans Canada Air Lines, Ltd.
 Sept. 14, Lancashire Aircraft Corporation, Ltd.
 Sept. 23, World Wide Airways, Ltd.
 Sept. 26, Maritime Central Airways, Ltd.
 Sept. 29, Aviacion y Comercio, S.A. (AVIACO)
 Oct. 3, Alaska Airlines
 Oct. 7, Don Everall (Aviation), Ltd.
 Oct. 16, Pan American World Airways (1)
 Oct. 19, Indian Airlines Corporation
 Nov. 5, Silver City Airways, Ltd.
 Nov. 7, Braathens SAFE, A.S.
 Nov. 15, Aerovias Guest, S.A. de C.V.
 Nov. 23, Linee Aeree Italiane, SpA. (LAI)
 Nov. 24, CSA Czechoslovak Airlines
 Nov. 27, LAV Venezuelan Airlines, S.A.
 Nov. 30, Air Laos, S.A.
 Dec. 1, Cruzeiro Brazilian Airlines, S.A.
 Dec. 9, Trans Canada Air Lines, Ltd.
 Dec. 12, Air France
 Dec. 22, JAT Yugoslav Airlines; Linee Aeree Italiane, SpA. (LAI)
 1957—Jan. 6, American Airlines
 Jan. 11, Aerolineas Argentinas, S.A.; LADE: Lineas Aereas del Estado
 Jan. 23, LANICA: Lineas Aereas de Nicaragua, S.A.
 Feb. 1, Northeast Airlines (1)
 March 2, Alaska Airlines
 March 9, AVIANCA Colombian Airlines, S.A.
 March 14, British European Airways Corporation (BEA)
 April 7, LAB: Lloyd Aero Boliviano, S.A.; VARIG Brazilian

- Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 April 8, Air France
 April 10, REAL, S.A.
 April 14, TAMSA: Transportes Aereos Mexicanos, S.A. de C.V.
 May 1, Eagle Airways, Ltd.
 May 5, Indian Airlines Corporation
 May 9, Aviacion y Comercio, S.A. (AVIACO)
 May 10, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 May 13, LADE: Lineas Aereas del Estado
 June 9, MALEV Hungarian Airlines, Rt.
 June 14, LOT Polish Airlines, S.A.
 June 18, Swissair, A.G.
 June 19, Johnson Flying Service
 June 21, The Flying Tiger Line
 June 23, Pacific Western Airlines, Ltd.
 June 24, Adastra Airways (Pty.), Ltd.
 July 1, Pakistan International Airlines Corporation
 July 10, Ethiopian Airlines, S.C.; Trans-World Airlines (TWA)
 July 15, KLM: Royal Dutch Airlines, N.V.
 July 25, SAM: Sociedad Aeronautica de Medellin, S.A.; Western Air Lines
 Aug. 9, Central African Airways Corporation (CAA)
 Aug. 11, Maritime Central Airways, Ltd.
 Aug. 12, Aerolineas Argentinas, S.A.
 Aug. 14, Aeroflot Soviet Airlines
 Aug. 16, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Aug. 29, SAHSA: Servicio Aereo de Honduras, S.A.
 Aug. 30, British Honduras Airways, Ltd.
 Sept. 1, Indian Airlines Corporation
 Sept. 3, AVENSA: Aerovias Venezolanas, S.A.
 Sept. 11, Aviacion y Comercio, S.A. (AVIACO)
 Sept. 15, Northeast Airlines (1)
 Sept. 28, British European Airways Corporation (BEA)
 Sept. 30, Japan Air Lines Company, Ltd. (2)
 Oct. 1, Eastern Provincial Airways, Ltd.
 Oct. 2, Pacific Western Airlines, Ltd.
 Oct. 3, Lebanese International Airlines, S.A.L.; Middle East Airlines, S.A.L. (1)
 Oct. 14, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Oct. 22, British European Airways Corporation (BEA)
 Oct. 23, British European Airways Corporation (BEA)
 Oct. 26, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Nov. 2, REAL, S.A.
 Nov. 3, Deutsche Lufthansa, A.G.
 Nov. 4, TAROM Romanian Air Transport, S.A.
 Nov. 8, KLM: Royal Dutch Airlines, N.V.; Pan American World Airways (1)
 Nov. 15, Aquilla Airways, Ltd.
 Nov. 21, Safe Air, Ltd.: Straits Air Ferry Express, Ltd.
 Nov. 27, LAV Venezuelan Airlines, S.A.
 Dec. 8, Aerolineas Argentinas, S.A.
 Dec. 11, Philippine Air Lines (PAL)
 Dec. 23, Scottish Airlines, Ltd.
 Dec. 31, Aerolineas Argentinas, S.A.
 1958—Jan. 8, Southeast Airlines (1)
 Jan. 15, East Anglian Flying Service, Ltd.
 Jan. 28, THY Turkish Airlines, A.O.
 Feb. 2, Loide Aereo Nacional, S.A.
 Feb. 6, British European Airways Corporation (BEA)
 Feb. 12, Hunting Clan Air Transport, Ltd.
 Feb. 13, Western Air Lines
 Feb. 19, Aeroflot Soviet Airlines; Reseau Aerien Interinsulaire, S.A.
 Feb. 27, Silver City Airways, Ltd.
 March 7, United Arab Airlines
 March 10, Eastern Air Lines
 March 24, Indian Airlines Corporation
 March 25, Braniff International Airways
 April 1, Skyways, Ltd.
 April 5, CAAC: The General Administration of Civil Aviation of China
 April 6, Capital Airlines
 April 7, AREA: Aerovias Ecuatorianas, S.A.
 April 14, Aviacion y Comercio, S.A. (AVIACO)
 April 15, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 April 21, United Air Lines (2)
 April 28, British European Airways Corporation (BEA)
 May 15, Pakistan International Airlines Corporation
 May 16, British European Airways Corporation (BEA)
 May 18, Sabena Belgian World Airlines, S.A.
 May 20, Capital Airlines; Dan Air/Dan Air Services, Ltd.
 May 25, Dan Air/Dan Air Services, Ltd.
 May 30, Air France
 May 31, Parensse Transportes Aereos, S.A.
 June 3, Mexicana Airlines, S.A. de C.V.
 June 4, Capital Airlines
 June 16, Cruzeiro Brazilian Airlines, S.A.
 June 25, Indian Airlines Corporation (1)
 June 26, LAC: Lloyd Aero Colombiano, S.A. (1)
 July 9, Indian Airlines Corporation (1)
 July 17, Dominicana: Compania Dominicana de Aviacion, C. por A.
 Aug. 9, Central African Airways Corporation
 Aug. 11, Loide Aero Nacional, S.A.
 Aug. 12, All Nippon Airways Company, Ltd. (ANA); Loide Aereo Nacional, S.A.
 Aug. 14, KLM: Royal Dutch Airlines, N.V.
 Aug. 15, Jersey Airlines, Ltd.; Northeast Airlines (1)
 Aug. 25, Aeroflot Soviet Airlines
 Aug. 27, REAL, S.A.
 Aug. 29, Pacific Western Airlines, Ltd.
 Sept. 2, Independent Air Transport, Ltd.
 Sept. 5, Cruzeiro Brazilian Airlines, S.A.; Loide Aereo Nacional, S.A.
 Sept. 9, The Flying Tiger Line
 Sept. 16, SAM: Sociedad Aeronautica de Medellin, S.A.
 Sept. 29, Middle East Airlines, S.A.L. (1)
 Oct. 14, LAV Venezuelan Airlines, S.A.
 Oct. 17, Aeroflot Soviet Airlines
 Oct. 22, British European Airways Corporation (BEA); Hunting-Clan Air Transport, Ltd.
 Oct. 30, Arctic Pacific
 Nov. 1, Cubana: Compania Cubana de Aviacion, S.A.
 Nov. 3, Yemen Airlines Corporation
 Nov. 10, Seaboard & Western Airlines
 Nov. 10, Trans Canada Air Lines, Ltd.
 Nov. 15, Northeast Airlines (1)
 Nov. 16, Capitol Airways
 Nov. 21, SAFE Air, Ltd.: Straits Air Ferry Express
 Dec. 2, Hunting Clan Air Transport, Ltd.
 Dec. 4, Aviacion y Comercio, S.A. (AVIACO); Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Dec. 19, Pan American World Airways (1)
 Dec. 26, Union Aeromaritime de Transport, S.A. (UAT)
 Dec. 31, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 1959—Jan. 6, SAHSA: Servicios Aereos de Honduras, S.A.
 Jan. 11, Deutsche Lufthansa, A.G.
 Jan. 13, AAXICO Airlines/California Airfreight
 Jan. 16, Austral Airlines: Austral Lineas Aereas, S.A.
 Jan. 18, Transair, Ltd.
 Jan. 21, LEBCA: Linea Expresa Bolivar, S.A.
 Jan. 22, Air Jordan, Ltd.
 Jan. 27, Air Charter, Ltd./Channel Air Services, Ltd.
 Feb. 3, American Airlines
 Feb. 17, THY Turkish Airlines, A.O.
 March 5, TACA International Airlines, S.A.
 March 12, Indian Airlines Corporation
 March 13, Aviacion y Comercio, S.A. (AVIACO); Union Aeromaritime de Transport, S.A. (UAT)

- March 29, Indian Airlines Corporation
 March 30, Riddle Airlines
 April 10, Pan American World Airways (1)
 April 17, Aerovias Guest, S.A. de C.V.; Tigres Voladores, S.A. de C.V.
 April 23, Air Charter Ltd./Channel Air Services, Ltd.
 April 28, LAV Venezuelan Airlines, S.A.
 April 29, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 May 1, Trans Canada Air Lines, Ltd.
 May 12, Capital Airlines
 May 13, TAPSA: Transportes Aereos Peruanos, S.A.
 May 14, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 May 15, Aerolineas Argentinas, S.A.; Austral Airlines: Austral Lineas Aereas, S.A.
 June 1, Aerolineas Nacionales, S.A.; Transair, Ltd.
 June 10, Qantas Empire Airways (Pty.), Ltd.
 June 12, AVIANCA Colombian Airlines, S.A.
 June 21, British Overseas Airways Corporation (BOAC)
 June 23, AVIANCA Colombian Airlines, S.A.
 June 26, Trans World Airlines (TWA)
 July 7, Don Everall (Aviation), Ltd.
 July 10, Aerolineas Nacionales, S.A.
 July 14, Aerolineas Argentinas, S.A.
 July 28, East Anglian Flying Services, Ltd.
 Aug. 3, Indian Airlines Corporation
 Aug. 4, Johnson Flying Service
 Aug. 5, Falcon Airways, Ltd.
 Aug. 14, Pakistan International Airlines Corporation
 Aug. 15, American Airlines; LACSA: Lineas Aereas Costarricenses, S.A.
 Aug. 19, Transair International, Ltd.
 Aug. 26, Aerolineas Argentinas, S.A.
 Sept. 2, Aaxico Airlines
 Sept. 8, Mexicana Airlines, S.A. de C.V.
 Sept. 23, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 24, Compagnie Aerien de Transport Intercontineaux, S.A. (TAI)
 Sept. 25, Reeve Aleutian Airways
 Sept. 29, Braniff International Airways
 Oct. 29, Braniff International Airways; Olympic Airways, S.A.
 Oct. 30, Piedmont Airlines (1)
 Nov. 15, Delta Air Lines
 Nov. 16, Aeroflot Soviet Airlines; National Airlines (1)
 Nov. 21, Ariana Afghan Airlines Company, Ltd.
 Nov. 24, Trans-World Airlines (TWA)
 Dec. 1, Allegheny Airlines (1)
 Dec. 8, SAM: Sociedad Aeronautica de Medellin, S.A.
 Dec. 13, Aeroflot Soviet Airlines
 Dec. 21, Alitalia, SpA.
 Dec. 22, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Dec. 31, LAB: Lloyd Aero Boliviano, S.A.
- 1960—Jan. 3, Eastern Air Lines; Indian Airlines Corporation
 Jan. 4, Eastern Air Lines
 Jan. 5, Chicago Helicopter Airlines
 Jan. 6, National Airlines (1)
 Jan. 12, East African Airways Corporation
 Jan. 13, Delta Air Lines
 Jan. 18, Capital Airlines
 Jan. 19, SAS: Scandinavian Airlines System
 Jan. 21, AVIANCA Colombian Airlines, S.A.
 Jan. 29, Pacific Western Airlines, Ltd.
 Feb. 4, Eastern Air Lines
 Feb. 5, LAB: Lloyd Aero Boliviano, S.A.
 Feb. 6, Delta Air Lines
 Feb. 9, Continental Airlines
 Feb. 13, Eastern Air Lines
 Feb. 14, United States Overseas Airlines (USOA)
 Feb. 20, Aerolineas Argentinas, S.A.
 Feb. 22, Alaska Airlines
 Feb. 25, Allegheny Airlines (1); American Airlines; REAL, S.A.
 Feb. 26, Aeroflot Soviet Airlines; Alitalia, SpA.
 March 8, Eastern Air Lines; Skyways, Ltd.
 March 9, American Airlines; Eastern Air Lines
 March 10, American Airlines
 March 16, All Nippon Airways Company, Ltd. (ANA); Balair Air Charter, A.G.
 March 17, Northwest Airlines
 March 19, SAM: Sociedad Aeronautica de Medellin, S.A.
 March 23, AAXICO Airlines
 April 5, LANICA: Linea Aerea de Nicaragua, S.A.
 April 9, Wien Air Alaska
 April 10, United Arab Airlines
 April 12, Cruzeiro Brazilian Airlines, S.A.; VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 April 19, LAC: Lloyd Aereo Colombiano, S.A.; LACSA: Linas Aereas Costarricenses, S.A.
 April 22, Sobelair, N.V.
 April 27, Aeroflot Soviet Airlines
 April 28, LAV Venezuelan Airlines, S.A.
 May 3, NAB: Navegacao Aerea Brasileira, S.A.
 May 9, Trans World Airlines (TWA)
 May 18, Transamerican Air Transport
 May 19, Air Algerie, S.A.
 May 23, Delta Air Lines
 May 29, Air Safaris, Ltd.
 June 3, Kodiak Airways
 June 10, Trans Australian Airlines (Pty.), Ltd.
 June 14, Los Angeles Airways; Pacific Northern Airlines
 June 24, REAL, S.A.
 June 25, LACSA: Lineas Areas Costarricenses, S.A.
 July 10, Gulf Aviation, Ltd.
 July 13, Philippine Airlines (PAL)
 July 14, Northwest Airlines
 July 15, Ethiopian Airlines, S.C.
 July 22, Trans-Texas Airways
 July 27, Chicago Helicopter Airlines
 July 28, Allegheny Airlines (1)
 July 31, Deutsche Flugdienst, GmbH.
 Aug. 1, TAM: Transportes Aereo Militar
 Aug. 10, Alaska Airlines
 Aug. 13, North Central Airlines
 Aug. 15, Naples Airlines; Pacific Western Airlines, Ltd.
 Aug. 17, Aeroflot Soviet Airlines
 Aug. 21, Aeroflot Soviet Airlines
 Aug. 24, Don Everall (Aviation), Ltd.; Qantas Empire Airways (Pty.), Ltd.
 Aug. 25, LOT Polish Airlines, S.A.
 Aug. 29, Air France
 Sept. 5, Ethiopian Airlines, S.C.
 Sept. 6, Ozark Air Lines
 Sept. 7, Aerolineas Argentinas, S.A.
 Sept. 13, Capital Airlines
 Sept. 14, American Airlines
 Sept. 18, World Airways
 Sept. 26, Austrian Airlines, A.G.
 Sept. 28, Mexicana Airlines, S.A. de C.V.
 Sept. 29, United Arab Airlines
 Oct. 4, Eastern Air Lines
 Oct. 14, Itavia, SpA.
 Oct. 15, Capitol Airways
 Oct. 21, Aeroflot Soviet Airlines
 Oct. 28, Northwest Airlines
 Oct. 31, Morton Air Services, Ltd.
 Nov. 1, Panair do Brazil, S.A.
 Nov. 3, Northwest Airlines
 Nov. 5, Royal Nepal Airlines Corporation
 Nov. 7, AREA: Aerovias Ecuatorianas, S.A.; CEA: Compania Ecuatorianas de Aviacion, S.A.

- Nov. 23, Philippine Air Lines
 Nov. 24, Philippine Airlines (PAL)
 Nov. 28, Northern Consolidated Airlines; Wien Air Alaska
 Dec. 3, Cordova Airlines
 Dec. 5, Trans-World Airlines (TWA)
 Dec. 7, REAL, S.A.
 Dec. 11, Ansett Airlines of New South Wales (Pty.), Ltd.
 Dec. 16, All Nippon Airways Company, Ltd. (ANA); Trans World Airlines (TWA)
 Dec. 18, Wien Air Alaska
 Dec. 19, Kodiak Airways
 Dec. 22, Philippine Air Lines (PAL)
 Dec. 28, Aeroflot Soviet Airlines
 1961—Jan. 2, CSA Czechoslovak Airlines
 Jan. 3, Finnish Air Lines O/Y
 Jan. 6, Los Angeles Airways
 Jan. 13, Ethiopian Airlines, S.C.
 Jan. 18, Aeronaves de Mexico, S.A. de C.V.
 Jan. 20, Sabena Belgian World Airlines, S.A.
 Jan. 22, Capitol Airways
 Jan. 24, Capital Airlines; PT Garuda Indonesian Airways
 Jan. 28, American Airlines
 Feb. 3, PT Garuda Indonesian Airways
 Feb. 15, Sabena Belgian World Airlines, S.A.
 Feb. 18, Pan American World Airways (1)
 March 6, Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.
 March 10, LAV Venezuelan Airlines, S.A.
 March 13, Aeroflot Soviet Airlines
 March 15, REAL, S.A.
 March 20, Riddle Airlines
 March 28, CSA Czechoslovak Airlines
 March 31, Kodiak Airways
 April 3, LanChile Airlines, S.A.
 April 13, Maritime Central Airways, Ltd.
 April 27, Air Cameroon: Societe Anonyme des Avions Meyer et Compagnie, S.A.
 May 10, Air France
 May 30, KLM: Royal Dutch Airlines, N.V.; VIASA: Venezolana Internacional de Aviacion, S.A.
 June 6, Ozark Air Lines
 June 12, CSA Czechoslovak Airlines; KLM: Royal Dutch Airlines, N.V.
 June 13, Air Cameroon: Societe Anonyme des Avions Meyer et Compagnie, S.A.
 June 17, Frontier Airlines (1)
 June 30, Northern Consolidated Airlines; TSA: Transcontinental, S.A.
 July 10, Aeroflot Soviet Airlines
 July 11, United Air Lines (2)
 July 12, CSA Czechoslovak Airlines
 July 16, Metropolitan Air Movements, Ltd.
 July 19, Aerolineas Argentinas, S.A.; Eastern Air Lines
 July 21, Alaska Airlines; Wien Air Alaska
 July 22, Canadian Pacific Air Lines, Ltd. (CPAL)
 Aug. 6, MALEV Hungarian Airlines, Rt.
 Aug. 9, Cunard-Eagle Airways, Ltd.
 Aug. 14, Cordova Airlines; Overseas Aviation (Channel Islands), Ltd.
 Aug. 29, Eastern Provincial Airways, Ltd.
 Sept. 1, Trans World Airlines (TWA)
 Sept. 5, Ethiopian Airways, S.C.
 Sept. 6, LADECO Chilean Airlines, S.A.
 Sept. 12, Air France
 Sept. 17, Northwest Airlines; Transair Sweden, A.B.
 Sept. 19, Starways, Ltd.
 Sept. 23, THY Turkish Airlines, A.O.
 Sept. 24, American Airlines
 Oct. 4, Chicago Helicopter Airlines; Eastern Air Lines
 Oct. 6, Derby Airways, Ltd.
 Oct. 16, Mohawk Airlines (1)
 Oct. 17, BKS Air Transport, Ltd.
 Oct. 20, American Airlines
 Nov. 1, Silver City Airways, Ltd.
 Nov. 11, Air Haiti International, S.A.; Alaska Coastal Airlines
 Nov. 15, National Airlines (1); Northeast Airlines (1)
 Nov. 19, Piedmont Airlines (1)
 Nov. 22, Rhodesia United Air Carriers, Ltd.
 Nov. 30, Ansett Airlines of Australia (Pty.), Ltd.
 Dec. 2, Delta Air Lines
 Dec. 4, Deutsche Lufthansa, A.G.
 Dec. 8, Wien Air Alaska
 Dec. 15, LANICA: Lineas Aereas de Nicaragua, S.A.
 Dec. 19, LOT Polish Airlines
 Dec. 22, British European Airways Corporation (BEA)
 Dec. 24, Kodiak Airways
 1962—Jan. 2, Iran Air: Iranian National Airlines Corporation
 Jan. 11, Aeroflot Soviet Airlines
 Jan. 13, Ethiopian Airways, S.C.
 Jan. 26, Northwest Airlines
 Feb. 3, Air Cameroon: Societe Anonyme des Avions Meyer et Compagnie, S.A.
 Feb. 4, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 Feb. 12, Northwest Airlines
 Feb. 15, Northern Consolidated Airlines
 Feb. 20, Iran Air: Iranian National Airlines Corporation
 Feb. 23, Toa Airways Company, Ltd.
 Feb. 25, AVENSA: Aerovias Venezolanas, S.A.
 March 1, American Airlines
 March 4, Caledonian Airways, Ltd. (1)
 March 5, Wien Air Alaska
 March 7, The Flying Tiger Line
 March 8, SAM: Sociedad Aerea Mediterranea, SpA.; THY Turkish Airlines, A.O.
 March 15, The Flying Tiger Line
 March 27, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 April 18, Purdue Aeronautics Corporation
 April 22, APA: Aerovias Panama, S.A.
 April 26, Trans-Australian Airlines (Pty.), Ltd.
 May 6, East Anglian Flying Services, Ltd.
 May 9, Cruzeiro Brazilian Airlines, S.A.
 May 12, Eastern Provincial Airways, Ltd.
 May 15, United Arab Airlines
 May 22, Continental Airlines
 May 30, KLM: Royal Dutch Airlines, N.V.
 June 3, Air France
 June 4, Aeroflot Soviet Airlines
 June 22, Air France
 June 27, Aeroflot Soviet Airlines
 June 30, Aeroflot Soviet Airlines
 July 5, Alaska Airlines; Zantop International Airlines
 July 6, LEBCA: Linea Expresa Bolivar, S.A.
 July 7, Aeroflot Soviet Airlines; Alitalia, SpA.; Wien Air Alaska
 July 9, Aeroflot Soviet Airlines; Trans Mediterranean Airways, S.A.L.
 July 11, Southern Air Transport
 July 16, Indian Airlines Corporation
 July 19, United Arab Airlines
 July 23, British Overseas Airways Corporation (BOAC); Canadian Pacific Air Lines, Ltd. (CPAL)
 July 29, Aeroflot Soviet Airlines
 July 30, Air France
 Aug. 1, Royal Nepal Airlines Corporation
 Aug. 2, Royal Nepal Airlines Corporation
 Aug. 6, American Airlines
 Aug. 9, Cunard-Eagle Airways, Ltd.
 Aug. 10, Trans-International Airlines (1)
 Aug. 11, Piedmont Airlines (1)
 Aug. 17, Riddle Airlines
 Aug. 20, Panair do Brazil, S.A.
 Aug. 21, LAB: Lloyd Aero Boliviano, S.A.

- Aug. 23, Taxader: Taxi Aereo de Santander, S.A.
 Aug. 24, Faucett Peruvian Airlines: Compania de Aviacion
 Faucett, S.A.
 Sept. 2, Aeroflot Soviet Airlines
 Sept. 10, CSA Czechoslovak Airlines
 Sept. 19, Eastern Air Lines
 Sept. 20, Transair Sweden, A.B.
 Sept. 21, Indian Airlines Corporation
 Sept. 24, Balkan Bulgarian Airlines
 Sept. 28, The Flying Tiger Line
 Oct. 1, Wien Air Alaska
 Oct. 9, PLUNA: Primera Uruguayas de Navegacion Aerea, S.A.
 Oct. 10, CSA Czechoslovak Airlines; Trans Canada Air Lines, Ltd.
 Oct. 12, Iberia Spanish Airlines (2): Lineas Aereas de Espansa,
 S.A.; Philippine Air Lines
 Oct. 22, Northwest Airlines
 Oct. 25, Aeroflot Soviet Airlines
 Oct. 29, Pan American-Grace Airways (PANAGRA)
 Nov. 8, Imperial Airlines (1)
 Nov. 10, Air Vietnam, S.A.
 Nov. 19, All Nippon Airways Company, Ltd. (ANA)
 Nov. 23, MALEV Hungarian Airlines, Rt.; United Air Lines (2)
 Nov. 26, La Urraca: Lineas Aereas la Urraca, S.A. de C.V.; VASP
 Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Nov. 27, VARIG Brazilian Airlines: Viacao Aerea Rio-
 Grandeuse, S.A.
 Nov. 30, Eastern Air Lines
 Dec. 4, Riddle Airlines
 Dec. 6, Taxader: Taxi Aereo de Santander, S.A.
 Dec. 14, Panair do Brazil, S.A.; The Flying Tiger Line
 Dec. 19, LOT Polish Airlines, S.A.
 Dec. 21, Frontier Airlines (1)
 Dec. 28, British United Air Ferries, Ltd.
 Dec. 29, Airmatic Airlines, S.A.
 1963—Jan. 1, West Coast Airlines
 Jan. 14, Wien Air Alaska
 Jan. 15, Cruzeiro Brazilian Airlines, S.A.
 Jan. 17, Bristow Helicopters, Ltd.; Northern Consolidated Airlines
 Jan. 28, Continental Airlines
 Feb. 1, Middle East Airlines, S.A.L. (1)
 Feb. 3, Slick Airways
 Feb. 8, Aeroflot Soviet Airlines
 Feb. 12, Northwest Airlines
 Feb. 16, Zantop International Airlines
 March 3, Philippine Air Lines
 March 12, Eastern Air Lines
 March 15, LAB: Lloyd Aero Boliviano, S.A.
 March 18, Ozark Air Lines
 March 25, Braniff International Airways
 March 30, Itavia, SpA.
 April 2, Aeroflot Soviet Airlines; Wien Air Alaska
 April 4, Aeroflot Soviet Airlines
 April 8, Panair do Brazil, S.A.
 April 9, BKS Air Transport, Ltd.
 April 14, Flugfelag Islands, H.F. (2); Icelandair, H.F.
 May 3, Cruzeiro Brazilian Airlines, S.A.
 May 5, Air Afrique, S.A. (2)
 May 12, United Arab Airlines
 May 15, National Airlines (1)
 May 17, Wien Air Alaska
 May 18, Aeroflot Soviet Airlines
 May 22, Air Algerie, S.A.
 May 28, Standard Airways (1)
 May 31, United States Overseas Airlines (USOA)
 June 3, Indian Airlines Corporation; Northwest Airlines
 June 10, Union of Burma Airways, Ltd.
 June 16, TAROM Romanian Air Transport, S.A.
 June 17, Southern Airways (1)
 June 20, Union of Burma Airways, Ltd.
 July 1, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 July 2, Mohawk Airlines (1); New Zealand National Airways
 Corp., Ltd.
 July 3, Aerolineas Argentinas, S.A.; Indian Airlines Corporation;
 New Zealand National Airways Corporation, Ltd.
 July 13, Aeroflot Soviet Airlines
 July 15, Aeroflot Soviet Airlines; Air Madagascar, S.A.; Los
 Angeles Airways
 July 23, Cordova Airlines
 July 27, United Arab Airlines
 July 30, AAXICO Airlines
 Aug. 12, Air Inter, S.A.
 Aug. 13, Delta Air Lines
 Aug. 14, AAXICO Airlines
 Aug. 15, Braniff International Airways
 Aug. 21, Eastern Air Lines
 Aug. 23, Northern Consolidated Airlines
 Sept. 4, Swissair, A.G.
 Sept. 11, Indian Airlines Corporation
 Sept. 12, Western Alaska Airlines
 Sept. 23, AAXICO Airlines
 Sept. 24, British United Air Ferries, Ltd.
 Sept. 25, Riddle Airlines
 Oct. 14, New York Airways (2)
 Oct. 19, Western Air Lines
 Nov. 1, Delta Air Lines
 Nov. 8, Finnish Air Lines O/Y
 Nov. 29, Purdue Aeronautics Corporation; Trans Canada Air
 Lines, Ltd.
 Dec. 4, Kodiak Airways
 Dec. 7, Aeroflot Soviet Airlines; Zantop International Airlines
 Dec. 8, Pan American World Airways
 Dec. 11, West Coast Airlines
 Dec. 12, Trans Mediterranean Airways, S.A.L.
 Dec. 17, Western Air Lines
 1964—Jan. 1, AAXICO Airlines; Trans World Airlines (TWA)
 Jan. 14, LAB: Lloyd Aero Boliviano, S.A.
 Jan. 9, Aerolineas Argentinas, S.A.; ALA: Aerotransportes Litoral
 Argentina S. A.; Austin Airways, Ltd.
 Jan. 14, LAB: Lloyd Aero Boliviano, S.A.
 Jan. 20, Alaska Coastal-Ellis Air Lines
 Jan. 21, Kodiak Airways
 Feb. 1, Fuji Air Lines Company, Ltd.
 Feb. 3, THY Turkish Airlines, A.O.
 Feb. 4, LAB: Lloyd Aero Boliviano, S.A.
 Feb. 12, Bonanza Air Lines
 Feb. 13, Hawaiian Airlines (HAL)
 Feb. 18, Nitto Aviation Company, Ltd.
 Feb. 21, Philippine Air Lines (PAL); Zantop International Airlines
 Feb. 25, Eastern Air Lines
 Feb. 26, Fiji Airways, Ltd. (2)
 Feb. 29, British Eagle International Airways Ltd.
 March 1, Mohawk Airlines (1); Paradise Airlines
 March 8, TAXADER: Lineas Aereas Taxader, S.A.; VASP Brazilian
 Airlines: Viacao Aerea Sao Paulo, S.A.
 March 10, Slick Airways; World Wide Airways, Ltd.
 March 12, Frontier Airlines (1)
 March 28, Alitalia, SpA.
 April 10, Northeast Airlines (1)
 April 11, Pan American World Airways (1)
 April 17, Middle East Airlines, S.A.L. (2); Wien Air Alaska
 April 24, Northwest Airlines
 May 7, Pacific Air Lines
 May 8, Allegheny Airlines (1); Los Angeles Airways
 May 10, AAXICO Airlines
 May 20, Philippine Air Lines (PAL)
 May 27, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 May 28, Allegheny Airlines (1)
 June 5, Northeast Airlines (1)

- June 13, Saudia: Saudi Arabian Airlines; TAROM Romanian Air Transport, S.A.; Trans Canada Air Lines, Ltd.
 June 21, Civil Air Transport, Ltd.
 June 23, Western Alaska Airlines
 July 1, American Airlines
 July 9, United Air Lines (2)
 July 12, Wien Air Alaska
 July 15, Deutsche Lufthansa, A.G.
 July 17, Cordova Airlines
 July 23, Allegheny Airlines (1)
 Aug. 16, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 4, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 14, Frontier Airlines (1)
 Sept. 22, Caribbean-Atlantic Airlines; Western Air Lines
 Oct. 2, Alaska Coastal-Ellis Air Lines; UTA French Airlines: Union de Transports Aeriens, S.A.
 Oct. 9, TAROM Romanian Air Transport, S.A.
 Oct. 10, TAROM Romanian Air Transport, S.A.
 Oct. 19, Aeroflot Soviet Airlines
 Oct. 31, Chicago Helicopter Airlines
 Nov. 12, American Airlines; Kodiak Airways
 Nov. 13, All Nippon Airways Company, Ltd. (ANA)
 Nov. 15, Bonanza Air Lines
 Nov. 20, Linjiflyg, A.B.; Zantop International Airlines
 Nov. 21, Eastern Provincial Airways, Ltd.
 Nov. 23, Trans-World Airlines (TWA)
 Nov. 24, Delta Air Lines
 Nov. 30, Air Congo, S.A. (2)
 Dec. 8, Aerolineas Abaroa, Ltda.; Fleming Airways Systems Transport
 Dec. 20, Zantop International Airlines
 Dec. 22, Cordova Airlines
 Dec. 24, The Flying Tiger Line
 Dec. 30, Zantop International Airlines
 1965—Feb. 6, LanChile Airlines, S.A.
 Feb. 7, LAB: Lloyd Aero Boliviano, S.A.
 Feb. 8, Eastern Air Lines; LanChile Airlines, S.A.
 March 8, Aeroflot Soviet Airlines; Fairflight
 March 17, Eastern Provincial Airways, Ltd.
 March 20, Aeroflot Soviet Airlines; JAT Yugoslav Airlines
 March 22, AVIANCA Colombian Airlines, S.A.
 March 26, Pakistan International Airlines Corporation
 March 31, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 April 1, Rhodesia United Air Carriers, Ltd.
 April 3, Eastern Provincial Airways, Ltd.
 April 10, Alia Royal Jordanian Airlines
 April 14, British United Airways, Ltd.
 April 19, Cordova Airlines
 April 23, AAXICO Airlines
 May 1, Reeve Aleutian Airways
 May 5, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 May 16, Fleming Airways Systems Transport
 May 20, Pakistan International Airlines Corporation
 May 28, Allegheny Airlines (1)
 June 24, Saudia: Saudi Arabian Airlines
 July 8, Canadian Pacific Air Lines, Ltd.
 July 11, Skyways Coach-Air, Ltd.
 July 16, Virgin Island Airways
 July 20, Cambrian Airways, Ltd.
 July 30, Philippine Air Lines (PAL)
 Aug. 4, RIPS: Rutas Internacionales Peruanas, S.A.
 Aug. 12, Paraense Transportes Aereos, S.A.
 Aug. 16, United Air Lines (2)
 Aug. 23, Wien Air Alaska
 Aug. 20, LOT Polish Airlines, S.A.
 Sept. 4, Cordova Airlines
 Sept. 11, Fairways
 Sept. 13, Trans-World Airlines (TWA)
 Sept. 14, Cordova Airlines
 Sept. 16, Air Vietnam, S.A.
 Sept. 17, CEA: Compania Ecuatorianas de Aviacion, S.A.
 Sept. 19, American Flyers Airline Corporation
 Oct. 8, Pakistan International Airlines Corporation
 Oct. 17, AVIANCA Colombian Airlines, S.A.; Indian Airlines Corporation
 Oct. 19, Philippine Airlines (PAL)
 Oct. 27, British European Airways Corporation (BEA)
 Nov. 8, Aerolineas Tao, S.A.; American Airlines
 Nov. 11, Aeroflot Soviet Airlines; United Air Lines (2)
 Dec. 4, Eastern Air Lines; Trans World Airlines (TWA)
 Dec. 7, Spantax, S.A.
 Dec. 15, The Flying Tiger Line
 Dec. 17, Skyways Coach-Air, Ltd.
 Dec. 18, Aerocondor, S.A.
 1966—Jan. 1, Air India, Ltd.; PT Garuda Indonesian Airways
 Jan. 14, AVIANCA Colombian Airlines, S.A.
 Jan. 22, Haiti Air Transport, S.A.
 Jan. 24, Air India, Ltd.
 Jan. 28, Deutsche Lufthansa, A.G.
 Feb. 4, All Nippon Airways Company, Ltd. (ANA)
 Feb. 7, Indian Airlines Corporation
 Feb. 15, Indian Airlines Corporation
 Feb. 17, Aeroflot Soviet Airlines
 Feb. 20, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 March 4, Canadian Pacific Air Lines, Ltd. (CPAL)
 March 5, British Overseas Airways Corporation (BOAC)
 March 10, Trans Mediterranean Airways, S.A.L.
 March 11, Trans-Mediterranean Airways, S.A.L.
 March 18, United Arab Airlines
 March 19, Misrair, S.A.E. (3)
 March 21, Servicios Americanos
 April 14, Dan Air/Dan Air Services, Ltd.
 April 17, Continental Air Services
 April 22, American Flyers Airline Corporation
 April 27, LANS: Lineas Aereas Nacionales, S.A. (Peru)
 May 11, Polynesian Airlines, Ltd.
 June 16, Saturn Airways; Zantop International Airlines
 June 20, Nordair, Ltd.
 June 29, Philippine Air Lines
 July 2, Philippine Air Lines
 July 4, Air New Zealand, Ltd.
 July 10, Cubana: Empresa Consolidada Cubana de Aviacion
 July 11, Aeropesca, S.A.
 July 27, Frontier Airlines (1)
 Aug. 1, Aigle Azur Extreme Orient, S.A.
 Aug. 3, LAB: Lloyd Aero Boliviano, S.A.
 Aug. 6, Braniff International Airways
 Aug. 11, TAROM Romanian Air Transport, S.A.
 Aug. 13, Aeronaves de Mexico, S.A. de C.V.
 Aug. 16, Tarom Romanian Air Transport, S.A.
 Aug. 21, Alaska Coastal Airlines
 Aug. 26, Japan Air Lines Company, Ltd. (2); Toa Airways Company, Ltd.
 Sept. 1, Britannia Airways, Ltd.; Dan Air/Dan Air Services, Ltd.
 Sept. 4, Indian Airlines Corporation
 Sept. 12, Airlift International
 Sept. 16, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; Spantax, S.A.: Transportes Aereos
 Sept. 22, Ansett Airlines of Australia (Pty.), Ltd.
 Oct. 1, West Coast Airlines
 Nov. 5, Air Mali (1): Societe Nationale Air Mali, S.A.
 Nov. 13, All Nippon Airways Company, Ltd. (ANA)
 Nov. 15, Pan American World Airways (1)
 Nov. 17, Peninsula Airways
 Nov. 20, Piedmont Airlines (1)
 Nov. 22, Aden Airways, Ltd.
 Nov. 24, Balkan Bulgarian Airlines

- Nov. 26, Aden Airways, Ltd.
 Dec. 14, Aeronaves de Mexico, S.A.; The Flying Tiger Line
 Dec. 18, Aerocondor: Aerovias Condor de Colombia, Ltda.
 Dec. 24, AVIANCA Colombian Airlines, S.A.; The Flying Tiger Line
 Dec. 30, Aeroflot Soviet Airlines; Airlift International
 1967—Jan. 1, Eastern Provincial Airways, Ltd.
 Jan. 14, Aeroflot Soviet Airlines
 Jan. 21, Air Ferry, Ltd.
 Jan. 31, Saturn Airways
 Feb. 6, Syrianair: Syrian Arab Airways
 Feb. 9, Cubana: Empresa Consolidada Cubana de Aviacion
 Feb. 10, Swissair, A.G.
 Feb. 17, PT Garuda Indonesian Airways
 Feb. 20, TAN: Transportes Aereos Nacionales, S.A.
 Feb. 21, Sudan Airways Company, Ltd.
 Feb. 28, Philippine Air Lines (PAL)
 March 3, Aeroflot Soviet Airlines
 March 5, Lake Central Airlines; VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 March 9, Trans-World Airlines (TWA)
 March 10, West Coast Airlines
 March 13, South African Airways (Pty.), Ltd.
 March 30, Delta Air Lines
 April 2, Caribbean-Atlantic Airlines (Caribair)
 April 3, Piedmont Airlines (1)
 April 6, Aeroflot Soviet Airlines
 April 11, Air Algerie, S.A.
 April 18, Trans-Provincial Airlines, Ltd.
 April 20, British Eagle International Airways, Ltd. April 27, AVIANCA Colombian Airlines, S.A.; Philippine Air Lines (PAL)
 May 15, Nordair, Ltd.
 May 19, Air Canada, Ltd.
 June 3, Air Ferry, Ltd.
 June 4, Aeroflot Soviet Airlines
 June 6, British Midland Airways, Ltd.
 June 11, Saudia: Saudi Arabian Airlines
 June 12, Aeronaves de Mexico, S.A. de C.V.; Aer Turas, Ltd.
 June 22, Aer Lingus Irish Airlines, Ltd.; Airlift International
 June 23, Mohawk Airlines (1)
 June 24, Saudia: Saudi Arabian Airlines
 June 30 Thai Airways International, Ltd. (THAI)
 July 6, Philippine Air Lines
 July 19, Air Madagascar, S.A.; Piedmont Airlines (1)
 July 25, Taiwan Airlines, Ltd.
 Aug. 13, Continental Air Services
 Aug. 21, China Airlines, Ltd. (CAL)
 Aug. 27, Provincetown-Boston Airline (PBA)
 Sept. 5, CSA Czechoslovak Airlines
 Oct. 12, British European Airways Corporation (BEA)
 Oct. 24, China Airlines, Ltd. (CAL)
 Nov. 3, SADIA, S.A.: Transportes Aereos
 Nov. 4, Cathay Pacific Airways (Pty.), Ltd.; Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; SADIA, S.A.
 Nov. 6, Trans World Airlines (TWA)
 Nov. 16, Aeroflot Soviet Airlines
 Nov. 20, Piedmont Airlines (1)
 Nov. 21, Trans-World Airlines (TWA)
 Nov. 23, Cable Commuter Airlines
 Dec. 8, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 Dec. 21, Frontier Airlines (1)
 Dec. 31, Aeroflot Soviet Airlines
 1968—Jan. 6, Aeroflot Soviet Airlines; Continental Air Services
 Jan. 8, Imperial Airlines (2)
 Jan. 9, Aeroflot Soviet Airlines
 Jan. 15, United Arab Airlines
 Jan. 21, Thai Airways International, Ltd. (THAI)
 Jan. 27, Air Comores, S.A. (1)
 Jan. 29, Aeroflot Soviet Airlines
 Feb. 8, Canadian Pacific Air Lines, Ltd. (CPAL)
 Feb. 16, Southern Air Transport
 Feb. 17, Civil Air Transport, Ltd.
 Feb. 19, Aeroflot Soviet Airlines
 Feb. 24, Aeroflot Soviet Airlines; Royal Air Laos, S.A.
 March 6, Air France
 March 7, Aeroflot Soviet Airlines
 March 8, Air Manila
 March 21, United Air Lines (2)
 March 24, Aer Lingus Irish Airlines, Ltd.
 March 30, RAPSA: Rutas Aereas Panamenas, S.A.
 April 8, British Overseas Airways Corporation (BOAC); LADECO Chilean Airlines, S.A.
 April 20, South African Airways (Pty.), Ltd.
 April 22, Aeroflot Soviet Airlines
 April 28, Capitol International Airways
 May 3, Braniff International Airways
 May 22, Los Angeles Airways
 May 28, PT Garuda Indonesian Airways
 June 12, Aer Turas: Irish Cargo Airlines, Ltd.; Pan American World Airways (1)
 June 26, Aircruise, Ltd.
 July 2, Universal Airline Company
 July 3, Air Inter, S.A.; BKS Air Transport, Ltd.
 July 8, Saudia: Saudi Arabian Airlines
 July 13, Sabena Belgian World Airlines, S.A.
 Aug. 2, Alitalia, SpA.; LAB: Lloyd Aero Boliviano, S.A.
 Aug. 8, Aeroflot Soviet Airlines; Saudia: Saudi Arabian Airlines
 Aug. 9, British Eagle International Airways, Ltd.
 Aug. 10, Piedmont Airlines (1)
 Aug. 18, United Arab Airlines
 Aug. 20, LAV Venezuelan Airlines, S.A.
 Aug. 23, TABSA: Transportes Aereos Benianos, S.A.
 Sept. 3, Balkan Bulgarian Airlines
 Sept. 6, Interior Airways
 Sept. 11, Air France
 Sept. 12, Philippine Air Lines
 Sept. 15, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 20, Nigeria Airways, Ltd.
 Sept. 25, Transair, Ltd.
 Sept. 27, Universal Airline Company
 Sept. 28, Eastern Provincial Airways, Ltd.; Pan African Airlines, Ltd.
 Oct. 11, CSA Czechoslovak Airlines
 Oct. 20, Aeroflot Soviet Airlines
 Oct. 25, Northeast Airlines (1)
 Nov. 2, Aeroflot Soviet Airlines
 Nov. 22, Japan Air Lines Company, Ltd. (2)
 Nov. 23, Cable Commuter Airlines
 Dec. 2, Wien Air Alaska
 Dec. 3, Spantax, S.A.
 Dec. 5, CAAC: The General Administration of Civil Aviation of China
 Dec. 12, Pan American World Airways (1)
 Dec. 24, Allegheny Airlines (1); Interior Airways
 Dec. 27, North Central Airlines; Ozark Air Lines; Pan American World Airways (1)
 Dec. 31, MacRobertson-Miller Airlines (Pty.), Ltd.
 1969—Jan. 1, VIASA: Venezolana Internacional de Aviacion, S.A.
 Jan. 2, China Airlines, Ltd. (CAL)
 Jan. 5, Ariana Afghan Airlines Company, Ltd.; SAESA: Servicios Aereos Especiales, S.A.
 Jan. 6, Allegheny Airlines (1); Continental Air Services
 Jan. 13, SAS: Scandinavian Airlines System
 Jan. 18, United Air Lines (2)
 Feb. 15, Far Eastern Air Transport Corp.
 Feb. 18, Mineral County Airlines
 Feb. 20, British Midland Airways, Ltd.
 Feb. 24, Far Eastern Air Transport Corp.
 March 5, PRINAIR: Puerto Rico International Airlines

- March 16, LAV Venezuelan Airlines, S.A.
 March 19, Yemen Airlines Corporation
 March 20, British Midland Airways, Ltd.; United Arab Airlines
 March 24, Aeroflot Soviet Airlines
 April 2, LOT Polish Airlines
 April 7, Air Canada, Ltd.
 April 10, United Arab Airlines
 April 21, Indian Airlines Corporation
 May 23, Union of Burma Airways, Ltd.
 May 24, Itavia, SpA.
 May 25, Aero Transporti Italiani, SpA. (ATI)
 June 4, Mexicana Airlines, S.A. de C.V.
 June 23, Dominicana: Compania Dominicana de Aviacion, C. por A.
 June 24, Japan Air Lines Company, Ltd. (2)
 July 12, Royal Nepal Airlines Corporation
 July 15, New York Airways (2)
 July 26, Air Algerie, S.A.; Trans World Airlines (TWA)
 Aug. 3, Aeroflot Soviet Airlines; Nordair, Ltd.
 Aug. 6, LAB: Lloyd Aero Boliviano, S.A.
 Aug. 9, Compagnie d'Affretements et de Transports Aeriens, S.A. (Catair)
 Aug. 12, Aeroflot Soviet Airlines
 Aug. 26, Aeroflot Soviet Airlines
 Sept. 8, SAETA Colombia: Sociedad Aerea de Tolima, S.A.
 Sept. 9, Allegheny Airlines (1)
 Sept. 12, Philippine Air Lines (PAL)
 Sept. 13, Aeroflot Soviet Airlines
 Sept. 14, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 17, Pacific Western Airlines, Ltd.
 Sept. 20, Air Vietnam, S.A.
 Sept. 21, Mexicana Airlines, S.A. de C.V.
 Sept. 26, LAB: Lloyd Aero Boliviano, S.A.
 Oct. 3, Metro Airlines
 Oct. 26, Arkia Israeli Airlines, Ltd.
 Nov. 9, Austin Airways, Ltd.
 Nov. 13, Aeroflot Soviet Airlines
 Nov. 19, Austin Airways, Ltd.; Mohawk Airlines (1)
 Nov. 20, Nigeria Airways, Ltd.
 Dec. 4, Air France
 Dec. 6, Aeroflot Soviet Airlines
 Dec. 8, Olympic Airways, S.A.
 Dec. 12, Air Vietnam, S.A.
 Dec. 23, Royal Air Laos, S.A.
 Dec. 30, Pakistan International Airlines Corporation
 1970—Jan. 2, Royal Air Laos, S.A.
 Jan. 5, Spantax, S.A.: Transportes Aereos
 Jan. 13, Faucett Peruvian Airlines, S.A.; Polynesian Airlines, Ltd.; Royal Nepal Airlines Corporation
 Jan. 14, ALM: Antillean Airlines, N.V.; Faucett Peruvian Airlines: Compania de Aviacion, S.A.
 Jan. 20, Aeroflot Soviet Airlines; Far Eastern Air Transport Corp.
 Jan. 21, Aeroflot Soviet Airlines
 Jan. 22, British Midland Airways, Ltd.; Rocky Mountain Airways
 Jan. 28, TAG Airlines
 Feb. 4, Aerolineas Argentinas, S.A.; TAROM Romanian Air Transport, S.A.
 Feb. 6, Aeroflot Soviet Airlines
 Feb. 11, Pilgrim Airlines; Royal Air Laos, S.A.
 Feb. 12, La Urraca: Lineas Aereas La Urraca, S.A.
 Feb. 15, Dominicana: Compania Dominicana de Aviacion, C. por A.
 Feb. 21, Swissair, A.G.
 March 14, Parensse Transportes Aereos, S.A.
 April 1, Aeroflot Soviet Airlines; Royal Air Maroc
 April 14, Ecuatoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.
 April 19, SAS: Scandinavian Airlines System
 April 21, Philippine Air Lines (PAL)
 April 28, Trans Australian Airlines (Pty.), Ltd.
 May 2, ALM: Antillean Airlines, N.V.; Overseas National Airways
 May 6, Somali Airlines
 May 9, Executive Jet Aviation
 May 15, Aeroflot Soviet Airlines
 May 22, AVENSA: Aerovias Venezolanas, S.A.; LAV Venezuelan Airlines, S.A.
 May 23, Aviogenex
 June 1, CSA Czechoslovak Airlines
 June 5, Aeroflot Soviet Airlines
 June 6, Air West (1)
 June 10, LADE: Lineas Aereas del Estado
 June 19, Austin Airways, Ltd.
 July 3, Dan Air/Dan Air Services, Ltd.
 July 5, Air Canada, Ltd.
 July 18, Aeroflot Soviet Airlines
 July 19, United Arab Airlines
 July 26, Air Algerie, S.A.
 July 27, The Flying Tiger Line
 Aug. 6, Pakistan International Airlines Corporation
 Aug. 8, Aeroflot Soviet Airlines; Modern Air Transport
 Aug. 9, LANSAs: Lineas Aereas Nacionales, S.A. (Peru)
 Aug. 12, China Airlines, Ltd. (CAL)
 Aug. 22, Cruzeiro Brazilian Airlines, S.A.
 Aug. 23, Aeroflot Soviet Airlines
 Aug. 29, Indian Airlines Corporation
 Aug. 31, Indian Airlines Corporation
 Sept. 2, Aeroflot Soviet Airlines
 Sept. 14, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Sept. 15, Alitalia, SpA.
 Sept. 26, SAS: Scandinavian Airlines System
 Sept. 27, Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Sept. 30, Air Vietnam, S.A.
 Oct. 1, Aeroflot Soviet Airlines
 Oct. 6, National Airways (Pty.), Ltd.
 Oct. 8, Trans International Airlines (1)
 Oct. 10, Airlift International
 Oct. 11, Saturn Airways
 Oct. 15, Dan Air/Dan Air Services, Ltd.
 Oct. 16, Aeroflot Soviet Airlines
 Nov. 14, CAAC: The General Administration of Civil Aviation of China; Southern Airways (1)
 Nov. 27, Capitol International Airways
 Dec. 2, Cargolux Airlines International, S.A.
 Dec. 5, Jamair Company, Ltd.
 Dec. 7, TAROM Romanian Air Transport, S.A.
 Dec. 19, Aeroflot Soviet Airlines
 Dec. 24, Mount Cook Airlines, Ltd.
 Dec. 28, Trans-Caribbean Airways
 Dec. 31, Aeroflot Soviet Airlines
 1971—Jan. 1, Pakistan International Airlines Corporation
 Jan. 2, United Arab Airlines
 Jan. 8, Aeroflot Soviet Airlines
 Jan. 18, Balkan Bulgarian Airlines
 Jan. 22, Aeroflot Soviet Airlines
 Jan. 25, LAV Venezuelan Airlines, S.A.
 Feb. 12, La Urraca: Lineas Aereas La Urraca, S.A. de C.V.
 Feb. 17, TAM: Transportes Aereos Militar
 March 26, Jamair Company, Ltd.
 March 31, Aeroflot Soviet Airlines; Western Airlines (1)
 April 10, Aeroflot Soviet Airlines
 May 6, Apache Airlines (2)
 May 11, AVIATECA: Aerolineas de Guatemala, S.A.
 May 23, Inex Adria Airways: Inex Adria Aviopromet
 May 25, Aeroflot Soviet Airlines; ALFA: Aerolineas Flecha Austral, Ltda.
 June 1, Aeroflot Soviet Airlines
 June 6, Hughes Airwest
 June 7, Allegheny Airlines (1)
 June 11, American Airlines; Trans-World Airlines (TWA)
 June 17, SAVCO: Servicios Aereos Virgen de Copacabana, S.A.

- July 3, Toa Domestic Airlines Company, Ltd.
 July 15, All Nippon Airways Company, Ltd.
 July 16, Aer Lingus Irish Airlines, Ltd.
 July 22, Iraqi Airways
 July 24, Air Ivoire: Societe Ivoirienne de Transport Aeriens, S.A.; Air Senegal, S.A.
 July 25, Aeroflot Soviet Airlines; Pan American World Airways (1)
 July 28, Aeroflot Soviet Airlines
 July 30, All Nippon Airways Company, Ltd. (ANA)
 Aug. 11, Aeroflot Soviet Airlines
 Aug. 19, Downeast Airlines
 Aug. 20, Allegheny Airlines (1)
 Aug. 28, MALEV Hungarian Airlines, Rt.
 Sept. 4, Alaska Airlines
 Sept. 9, Carib West Airways, Ltd.
 Sept. 12, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 Sept. 16, MALEV Hungarian Airlines, Rt.; Yemen Airlines Corporation
 Sept. 28, Cruzeiro Brazilian Airlines, S.A.
 Oct. 2, British European Airways Corporation (BEA)
 Oct. 10, Aeroflot Soviet Airlines
 Oct. 13, Aeroflot Soviet Airlines
 Oct. 18, Scenic Airlines
 Oct. 19, LADECO Chilean Airlines, S.A.
 Oct. 21, Chicago and Southern Airlines
 Nov. 1, LAV Venezuelan Airlines, S.A.
 Nov. 10, PT Merpati Nusantara Airlines
 Nov. 11, Aeroflot Soviet Airlines
 Nov. 13, Aeroflot Soviet Airlines
 Nov. 15, Aeroflot Soviet Airlines
 Nov. 20, China Airlines, Ltd. (CAL)
 Dec. 1, Aeroflot Soviet Airlines
 Dec. 6, Sudan Airways Company, Ltd.
 Dec. 9, Indian Airlines Corporation
 Dec. 10, Pakistan International Airlines Corporation
 Dec. 12, Pakistan International Airlines Corporation
 Dec. 15, Pakistan International Airlines Corporation
 Dec. 21, Balkan Bulgarian Airlines
 Dec. 24, LANSA: Lineas Aereas Nacionales, S.A. (Peru) Dec. 26, Harbor Air
 1972—Jan. 6, Mexicana Airlines, S.A. de C.V.; SAESA: Servicios Aereos Especiales, S.A. de C.V.
 Jan. 7, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; SAESA: Servicios Aereos Especiales, S.A.
 Jan. 12, La Urraca: Lineas Aereas La Urraca, S.A. de C.V.
 Jan. 21, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.; La Urraca: Linas Aereas La Urraca, S.A.
 Jan. 26, JAT Yugoslav Airlines
 Feb. 1, CSA Czechoslovak Airlines
 Feb. 3, Royal Air Laos, S.A.
 Feb. 5, Aerocesar: Aerovias del Cesar, S.A.
 Feb. 10, Biman Bangladesh Airlines, Ltd.
 Feb. 11, Royal Air Laos, S.A.
 Feb. 20, Sun Valley Airlines
 Feb. 22, Aeroflot Soviet Airlines; Alii Air Hawaii
 Feb. 27, Aeroflot Soviet Airlines
 March 3, Mohawk Airlines (1)
 March 20, EgyptAir, S.A.E.
 March 14, Ecuatoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.; Sterling Airways, A.S.
 March 20, Egyptair, S.A.E.
 April 6, AVENSA: Aerovias Venezolanas, S.A.
 April 14, Viking International Airlines
 April 16, Aero Transporti Italiani, SpA. (ATI); Itavia, SpA.
 Apr. 18, East African Airways Corporation
 April 20, SATCO: Servicio Aereo de Transportes Comerciales, S.A.
 May 1, DTA Angola Airlines, S.A.
 May 4, Aeroflot Soviet Airlines
 May 5, Alitalia, SpA.
 May 18, Aeroflot Soviet Airlines; Eastern Air Lines
 May 19, Ross Aviation
 May 30, Delta Air Lines
 June 3, Smyer Aircraft
 June 13, ALFA: Aerolineas Flecha Austral, Ltda.
 June 14, Japan Air Lines Company, Ltd. (2)
 June 15, Cathay Pacific Airways (Pty.), Ltd.
 June 18, Aeroflot Soviet Airlines; British European Airways Corporation (BEA)
 June 24, Ilford Riverton Airways, Ltd.; PRINAIR: Puerto Rico International Airlines
 June 29, Air Wisconsin Airlines Corporation; AVIANCA Colombian Airlines, S.A.; North Central Airlines
 July 6, Aviacion y Comercio, S.A. (AVIACO)
 July 29, AVIANCA Colombian Airlines, S.A.
 Aug. 12, Indian Airlines Corporation
 Aug. 14, Interflug DDR Airlines, mbH.
 Aug. 16, Union of Burma Airways, Ltd.
 Aug. 18, Burma Airways Corporation, Ltd.
 Aug. 21, Island Airlines
 Aug. 26, Aeroflot Soviet Airlines; China Airlines, Ltd (CAL)
 Aug. 27, LAV Venezuelan Airlines, S.A.
 Aug. 30, Aeroflot Soviet Airlines
 Sept. 1, Ansett Airlines of Papua New Guinea (Pty.), Ltd.
 Sept. 10, Ethiopian Airways, S.C.
 Sept. 13, Royal Nepal Airlines Corporation; Trans-World Airlines (TWA)
 Sept. 24, Air Vietnam, S.A.
 Sept. 26, PT Garuda Indonesian Airways
 Oct. 2, Aeroflot Soviet Airlines; Air Cambodge, S.A.
 Oct. 13, Aeroflot Soviet Airlines
 Oct. 20, Aero Transporti Italiani, SpA. (ATI)
 Oct. 21, Olympic Airways, S.A.
 Oct. 27, Air Inter, S.A.
 Nov. 4, Aeroflot Soviet Airlines; Balkan Bulgarian Airlines
 Nov. 21, Aeroflot Soviet Airlines
 Nov. 25, China Airlines, Ltd. (CAL)
 Nov. 28, Japan Air Lines Company, Ltd. (2)
 Dec. 3, Spantax, S.A.: Transportes Aereos
 Dec. 5, EgyptAir, S.A.E.
 Dec. 8, Pakistan International Airlines Corporation; United Air Lines (2)
 Dec. 12, Trans-World Airlines (TWA)
 Dec. 20, Delta Air Lines; North Central Airlines
 Dec. 23, Braathens SAFE
 Dec. 25, Air France
 Dec. 29, Eastern Air Lines
 1973—Jan. 2, Pacific Western Airlines, Ltd.
 Jan. 19, British European Airways Corporation (BEA)
 Jan. 22, Alia Royal Jordanian Airlines
 Jan. 27, TAN: Transportes Aereos Nacionales, S.A. (2)
 Jan. 29, Egyptair, S.A.E.
 Feb. 1, Aviacion y Comercio, S.A. (AVIACO)
 Feb. 10, PT Merpati Nusantara Airlines
 Feb. 19, Aeroflot Soviet Airlines
 Feb. 21, La Urraca: Lineas Aereas la Urraca, S.A.; Libyan Arab Airlines
 March 5, Balkan Bulgarian Airlines ; Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; Spantax, S.A.: Transportes Aereos
 March 15, Indian Airlines Corporation
 March 19, Air Vietnam, S.A.
 April 12, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 April 18, Bakhtar Afghan Airlines Company, Ltd.
 May 11, Aeroflot Soviet Airlines
 May 18, Aeroflot Soviet Airlines
 May 19, Air Cambodge, S.A.

- May 25, Aeroflot Soviet Airlines
 May 27, General Air, GmbH.
 May 29, Air Gaspee, Ltd.
 May 31, Indian Airlines Corporation
 June 1, Cruzeiro Brazilian Airlines, S.A.; Invicta International Airlines, Ltd.
 June 3, Aeroflot Soviet Airlines
 June 8, British Midland Airways, Ltd.
 June 9, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 June 20, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.; Mexicana Airlines, S.A. de C.V.
 June 21, British Overseas Airways Corporation (BOAC); Transair Sweden, A.B.
 June 30, Aeroflot Soviet Airlines
 July 9, Aeroflot Soviet Airlines
 July 11, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 July 23, Ozark Air Lines; Pan American World Airways (1)
 July 31, Delta Air Lines
 Aug. 8, Aeroflot Soviet Airlines
 Aug. 13, Aviacion y Comercio, S.A. (AVIACO)
 Aug. 22, AVIANCA Colombian Airlines, S.A.
 Aug. 27, Aerocondor: Aerovias Condor de Colombia, Ltda.
 Sept. 8, World Airways
 Sept. 11, JAT Yugoslav Airlines
 Sept. 20, PT Garuda Indonesian Airways
 Sept. 27, Texas International Airlines
 Sept. 30, Aeroflot Soviet Airlines
 Oct. 2, Aeroflot Soviet Airlines
 Oct. 4, Midwest Aviation (1)
 Oct. 13, Aeroflot Soviet Airlines
 Oct. 21, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Oct. 25, CSA Czechoslovak Airlines
 Nov. 2, La Urraca: Lineas Aereas la Urraca, S.A.
 Nov. 3, Pan American World Airways (1)
 Nov. 15, Air Vietnam, S.A.
 Nov. 27, Delta Air Lines; Eastern Air Lines
 Dec. 3, Guyana Airways Corporation
 Dec. 7, Aeroflot Soviet Airlines
 Dec. 8, United Air Lines (2)
 Dec. 9, Aeroflot Soviet Airlines
 Dec. 15, ANDES: Aerolineas Nacionales del Ecuador, S.A.
 Dec. 16, Aeroflot Soviet Airlines
 Dec. 17, Eastern Air Lines; Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; TAS: Transportes Aereos Suravia, S.A.
 Dec. 19, Deutsche Lufthansa, A.G.
 Dec. 21, Aeroflot Soviet Airlines; TAM: Transportes Aereos Militar
 Dec. 22, Royal Air Maroc
 Dec. 23, Sabena Belgian World Airlines, S.A.
 1974—Jan. 1, Itavia, SpA.; Mount Cook Airlines, Ltd.
 Jan. 6, Aeroflot Soviet Airlines; Air East
 Jan. 9, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 Jan. 10, TAM: Transportes Aereos Militar
 Jan. 17, Cessnyca, S.A.
 Jan. 25, Aeroflot Soviet Airlines
 Jan. 26, THY Turkish Airlines, A.O.
 Jan. 31, Pan American World Airways (1)
 Feb. 8, Conair Aviation, Ltd.
 Feb. 23, SAVCO: Servicios Aereos Virgen de Copacabana, S.A.
 March 3, Aer Turas, Ltd.; THY Turkish Airlines, A.O.
 March 5, Pacific Southwest Airlines
 March 13, Sierra Pacific Airlines (2)
 March 15, Sterling Airways, A.S.
 April 9, Aeroflot Soviet Airlines
 April 22, Pan American World Airways (1)
 April 24, Aeroflot Soviet Airlines
 April 27, Aeroflot Soviet Airlines
 April 30, Metro Airlines
 May 1, Aeroflot Soviet Airlines
 May 2, Aeroflot Soviet Airlines
 May 9, Aeroflot Soviet Airlines
 May 23, Aeroflot Soviet Airlines; Saturn Airways
 June 8, Aerolineas TAO, S.A.; TAO: Taxi Aereo Opita, S.A.
 June 24, Air Cambodge, S.A.
 July 10, EgyptAir, S.A.E.
 July 15, Aeroflot Soviet Airlines
 July 24, Air France
 July 31, Far Eastern Air Transport Corp.
 Aug. 12, Air Mali (1): Societe Nationale Air Mali, S.A.; AVIANCA Colombian Airlines, S.A.
 Aug. 14, LAV Venezuelan Airlines, S.A.
 Sept. 7, PT Garuda Indonesian Airways
 Sept. 8, Trans World Airlines (TWA)
 Sept. 11, Eastern Air Lines
 Sept. 15, Air Vietnam, S.A.
 Sept. 27, Aer Airlines, S.A.
 Oct. 15, Royal Air Laos, S.A.
 Oct. 18, Aeroflot Soviet Airlines
 Oct. 27, Alaska International Air
 Nov. 11, TAM: Transportes Aereos Militar
 Nov. 17, Aeroflot Soviet Airlines
 Nov. 20, Deutsche Lufthansa, A.G.; Ethiopian Airlines, S.C.
 Nov. 28, Air Cambodge, S.A.
 Dec. 1, Northwest Airlines; Trans World Airlines (TWA)
 Dec. 4, PT Garuda Indonesian Airways; KLM: Royal Dutch Airlines, N.V.; Martinair Holland, N.V.
 Dec. 9, EgyptAir, S.A.E.
 Dec. 14, Aeroflot Soviet Airlines
 Dec. 22, AVENSA: Aerovias Venezolanas, S.A.; Tradewinds Airways, Ltd.
 Dec. 24, British Island Airways, Ltd. (1)
 Dec. 26, Harbor Airlines
 Dec. 29, TAROM Romanian Air Transport, S.A.
 1975—Jan. 3, Ilford Riverton Airways, Ltd.
 Jan. 4, TAROM Romanian Air Transport, S.A.
 Jan. 8, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 Jan. 9, Golden West Airlines (2)
 Jan. 15, MALEV Hungarian Airlines, Rt.
 Jan. 16, Aeroflot Soviet Airlines
 Jan. 28, Aeroflot Soviet Airlines
 Jan. 30, LanChile Airlines, S.A.
 Jan. 31, THY Turkish Airlines, A.O.
 Feb. 2, Philippine Air Lines (PAL)
 Feb. 3, Air Vietnam, S.A.
 Feb. 22, Aerocondor: Aerovias Condor de Colombia, Ltda.
 Feb. 27, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 March 6, Aeroflot Soviet Airlines
 March 12, Air Vietnam, S.A.
 March 14, Ethiopian Airlines, S.C.
 March 15, Royal Air Laos, S.A.
 March 16, LADE: Lineas Aereas del Estado
 March 18, Sudan Airways Company, Ltd.
 March 26, China Airlines, Ltd. (CAL)
 March 31, Western Airlines (1)
 April 27, American Airlines
 April 28, Aeroflot Soviet Airlines
 June 24, Eastern Air Lines
 July 2, TAT: Touraine Air Transport, S.A.
 July 10, Aerocondor: Aerovias Condor de Colombia, Ltda.; Aerocosta International, S.A.
 July 11, PRINAIR: Puerto Rico International Airlines
 July 15, Aeroflot Soviet Airlines
 July 31, Ethiopian Airlines, S.C.; Far Eastern Air Transport Corp.
 Aug. 1, Far Eastern Air Transport Corp.
 Aug. 3, Alia Royal Jordanian Airlines; Royal Air Maroc
 Aug. 7, Continental Airlines
 Aug. 15, Aeroflot Soviet Airlines

- Aug. 20, CSA Czechoslovak Airlines
 Aug. 30, Aeroflot Soviet Airlines; Wien Air Alaska
 Sept. 1, Interflug DDR Airlines, mbH.
 Sept. 11, Ethiopian Airlines, S.C.
 Sept. 12, Ketchum Air Service
 Sept. 22, MALEV Hungarian Airlines, Rt.
 Sept. 24, PT Garuda Indonesian Airways
 Sept. 27, Aer Airlines: Aerotransportes Entre Rios, S.A.
 Sept. 29, MALEV Hungarian Airlines, Rt.
 Sept. 30, AVIANCA Colombian Airlines, S.A.; MALEV Hungarian Airlines, Rt.; Northern Thunderbird Air, Ltd.
 Oct. 6, Aeroflot Soviet Airlines
 Oct. 19, Aerovias Las Minas, S.A.
 Oct. 22, Aeroflot Soviet Airlines
 Oct. 23, Conair (Pty.), Ltd.
 Oct. 27, TAM: Transportes Aereos Militar
 Oct. 30, Inex Adria Airways: Inex Adria Aviopromet
 Nov. 12, Eastern Air Lines; Overseas National Airways
 Nov. 17, Aeroflot Soviet Airlines
 Nov. 18, AVIATECA: Aerolineas de Guatemala, S.A.
 Nov. 20, Aeroflot Soviet Airlines
 Nov. 22, Balkan Bulgarian Airlines
 Nov. 30, Scenic Airlines
 Dec. 16, Japan Air Lines Company, Ltd. (2)
 Dec. 22, Trans-World Airlines (TWA)
 1976—Jan. 1, Middle East Airlines, S.A.L. (2)
 Jan. 2, Overseas National Airways
 Jan. 3, Aeroflot Soviet Airlines
 Jan. 13, Aeroflot Soviet Airlines
 Jan. 20, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 Jan. 22, Transbrasil, S.A.: Linhas Aereas Transbrasil
 Jan. 31, Aeroflot Soviet Airlines
 Feb. 8, Mercer Airlines
 Feb. 9, Aeroflot Soviet Airlines; Mercer Airlines
 March 5, Aeroflot Soviet Airlines
 March 10, Aeroflot Soviet Airlines
 March 18, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 April 2, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 April 4, American Airlines
 April 5, Alaska Airlines
 April 15, Sun Aire Lines
 May 15, Aeroflot Soviet Airlines
 June 1, Aeroflot Soviet Airlines
 June 4, Air Manila; Philippine Airlines (PAL)
 June 11, Alaska Aeronautical Industries
 June 26, Air Canada, Ltd.
 June 29, Allegheny Airlines (1)
 July 28, CSA Czechoslovak Airlines
 Aug. 13, Aeroflot Soviet Airlines
 Aug. 15, SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.; SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 Aug. 16, Bar Harbor Airlines
 Sept. 6, Aeroflot Soviet Airlines
 Sept. 9, British Airways, Ltd. (2); Inex Adria Airways: Inex Adria Aviopromet
 Sept. 20, THY Turkish Airlines, A.O.
 Sept. 24, Aerosucre Colombia: Aerosucre, S.A.
 Sept. 29, MALEV Hungarian Airlines, Rt.
 Oct. 4, Emirates Air Services, Ltd.
 Oct. 6, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Oct. 12, Indian Airlines Corporation
 Oct. 13, LAB: Lloyd Aero Boliviano, S.A.
 Oct. 28, Nordeste: Nordeste Linhas Aereas Regionals,
 Nov. 16, Texas International Airlines
 Nov. 23, Olympic Airways, S.A.; Pacific Western Airlines, Ltd.
 Nov. 28, Aeroflot Soviet Airlines
 Dec. 7, Aeroflot Soviet Airlines
 Dec. 10, Austin Airways, Ltd.
 Dec. 12, Atlantic City Airways
 Dec. 16, Aeroflot Soviet Airlines
 Dec. 17, Aeroflot Soviet Airlines
 Dec. 21, Ken Borek Air, Ltd.
 Dec. 25, Egyptair, S.A.E.
 Dec. 28, Aeroflot Soviet Airlines
 1977—Jan. 2, CSA Czechoslovak Airlines
 Jan. 13, Aeroflot Soviet Airlines; Japan Air Lines Company, Ltd. (2)
 Jan. 14, Aerolineas Argentinas, A.S.; Northern Thunderbird Air, Ltd.
 Feb. 2, Scenic Airlines
 Feb. 11, CSA Czechoslovak Airlines
 Feb. 15, Aeroflot Soviet Airlines
 March 1, Alyemda Democratic Yemen Airlines
 March 4, Overseas National Airways
 March 27, KLM: Royal Dutch Airlines, N.V.; Pan American World Airways (1)
 March 29, PT Merpati Nusantara Airlines
 March 30, Aeroflot Soviet Airlines
 April 2, Aviogenex
 April 4, Southern Airways (1)
 April 9, Altair Airlines
 April 18, Philippine Airlines (PAL)
 April 27, AVIATECA: Aerolineas de Guatemala, S.A.
 May 13, LOT Polish Airlines, S.A.
 May 17, New York Airways (2)
 May 27, Aeroflot Soviet Airlines
 June 18, Balkan Bulgarian Airlines
 June 20, PLUNA: Primera Uruguayas de Navegacion Aerea, S.A.
 July 1, Island Airlines
 July 6, Fleming International Airways
 July 9, Aeroflot Soviet Airlines
 July 20, Ethiopian Airlines, S.C.
 Aug. 7, LADE: Lineas Aereas del Estado
 Aug. 11, Austral Airlines: Austral Lineas Aereas, S.A.
 Sept. 4, SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.
 Sept. 6, Alaska Aeronautical Industries
 Sept. 8, Burma Airways Corporation, Ltd.
 Sept. 13, Burma Airways Corporation, Ltd.
 Sept. 22, MALEV Hungarian Airlines, Rt.
 Sept. 27, Japan Air Lines Company, Ltd. (2)
 Nov. 19, Ethiopian Airlines, S.C.; TAP Air Portugal, S.A.
 Nov. 21, Austrian Airlines, A.G.
 Dec. 2, Balkan Bulgarian Airlines
 Dec. 3, Aeroflot Soviet Airlines
 Dec. 5, Malaysian Airlines System, Ltd. (MAS)
 Dec. 9, Aeroflot Soviet Airlines
 Dec. 18, United Airlines
 Dec. 19, Vieques Air Link
 Dec. 29, SAN: Servicios Aereos Nacionales, S.A.
 1978—Jan. 1, Air India, Ltd.
 Jan. 6, Air Zaire, S.A.
 Jan. 16, Balkan Bulgarian Airlines
 Jan. 18, Frontier Airlines (1)
 Feb. 10, Columbia Pacific Airways
 Feb. 11, Pacific Western Airlines, Ltd.
 Feb. 28, Talair: Tourist Airlines of Niugini (Pty.), Ltd.
 March 1, Continental Airlines; Nigeria Airways, Ltd.
 March 3, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; LAV Venezuelan Airlines, S.A.
 March 16, Balkan Bulgarian Airlines
 March 23, Balkan Bulgarian Airlines; Dominicana: Compania Dominicana de Aviacion, C. por A.
 March 25, Burma Airways Corporation, Ltd.
 April 8, Aeroflot Soviet Airlines
 April 17, LAV Venezuelan Airlines, S.A.
 April 29, LAC: Lineas Aereas de Caribe, S.A.
 May 8, National Airlines (1)

- May 18, Federal Express (FedEx)
 May 19, Aeroflot Soviet Airlines
 May 23, Aeroflot Soviet Airlines
 June 8, AVIATECA: Aerolineas de Guatemala, S.A.
 June 16, Aeroflot Soviet Airlines
 June 26, Air Canada, Ltd.
 July 9, Allegheny Airlines (1)
 Aug. 14, Aeropesca, S.A.
 Aug. 22, Eastern Air Lines
 Aug. 23, Bradley Air Service, Ltd./First Air, Ltd.
 Aug. 26, Burma Airways Corporation, Ltd.
 Aug. 30, Las Vegas Airlines
 Sept. 1, Antilles Air Boats
 Sept. 3, Air Guinee: Compagnie Nationale Air Guinee, S.A.; Air Rhodesia, Ltd.
 Sept. 9, Lineas Aereas del Centro, S.A. de C.V.
 Sept. 25, Pacific Southwest Airlines
 Oct. 7, Aeroflot Soviet Airlines
 Oct. 23, Aeroflot Soviet Airlines
 Nov. 4, Nordeste: Nordeste Lineas Aereas Regionals, S.A.
 Nov. 5, Nile Delta Air Service, Ltd.
 Nov. 15, PT Garuda Indonesian Airways
 Nov. 18, SATA Air Acores: Servico Acoreano de Transportes Aereos, S.A.
 Nov. 25, Philippine Airlines (PAL)
 Dec. 4, Rocky Mountain Airways
 Dec. 8, LAC: Lineas Aereas de Caribe, S.A.
 Dec. 9, Aeroflot Soviet Airlines
 Dec. 16, Pakistan International Airlines Corporation
 Dec. 17, Indian Airlines Corporation
 Dec. 18, Compagnie de Transport Aerien, S.A. (CTA Geneva)
 Dec. 19, Aeroflot Soviet Airlines
 Dec. 23, Alitalia, SpA.
 Dec. 28, United Airlines
 1979—Jan. 2, Aeroflot Soviet Airlines
 Jan. 15, Aeroflot Soviet Airlines
 Jan. 18, Aeroflot Soviet Airlines
 Jan. 24, Air Algerie, S.A.
 Jan. 30, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Feb. 8, TAM: Transportes Aereos Regionais, S.A.
 Feb. 9, Eastern Air Lines
 Feb. 12, Allegheny Airlines (1)
 Feb. 16, Air Rhodesia, Ltd.
 Feb. 17, Air New Zealand, Ltd.
 Feb. 19, Ethiopian Airlines, S.C.
 Feb. 26, Air Gabon: Compagnie Nationale Air Gabon, S.A.
 March 1, Universal Airways
 March 6, PT Garuda Indonesian Airways
 March 10, Swift Air Lines
 March 14, Alia Royal Jordanian Airlines; CAAC: The General Administration of Civil Aviation of China
 March 17, Aeroflot Soviet Airlines
 March 20, Aeroflot Soviet Airlines
 March 22, Aeroflot Soviet Airlines
 March 25, Aeroflot Soviet Airlines
 March 26, Interflug DDR Airlines, mbH.
 March 29, Quebecair, Ltd.
 April 18, New York Airways (2)
 April 23, SAETA: Sociedad Ecuatoriana de Transportes Aereos, S.A.; SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 April 26, Indian Airlines Corporation
 May 10, Aeroflot Soviet Airlines
 May 25, American Airlines; Seair Alaska Airlines: Sea Airmotive
 June 1, Aero Trades Western, Ltd.
 June 9, Skystream Airlines
 June 17, Air New England
 July 13, PT Garuda Indonesian Airways
 July 17, Austin Airways, Ltd.
 July 23, Trans-Mediterranean Airways, S.A.L.
 July 24, PRINAIR: Puerto Rico International Airlines
 July 26, Deutsche Lufthansa, A.G.
 Aug. 3, Aeroflot Soviet Airlines
 Aug. 4, Indian Airlines Corporation
 Aug. 10, Southern Jersey Airways
 Aug. 11, Aeroflot Soviet Airlines
 Aug. 23, Aeroflot Soviet Airlines
 Aug. 29, First Air, Ltd.
 Aug. 31, Aeroflot Soviet Airlines
 Sept. 5, Dan Air/Dan Air Services, Ltd.
 Sept. 11, China Airlines, Ltd. (CAL)
 Sept. 14, Aero Transporti Italiani, SpA. (ATI); Butler Aviation
 Sept. 21, Argosy Airlines
 Oct. 7, Swissair, A.G.
 Oct. 8, Comair
 Oct. 31, Western Airlines (1)
 Nov. 1, Austin Airways, Ltd.
 Nov. 9, Transamerica Airlines
 Nov. 11, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Nov. 13, Lambair, Ltd.
 Nov. 16, Aeroflot Soviet Airlines
 Nov. 17, Nevada Airlines
 Nov. 18, Transamerica Airlines
 Nov. 25, Pakistan International Airlines Corporation
 Nov. 27, Air New Zealand, Ltd.
 Dec. 18, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 Dec. 23, Douglas Airways (Pty.), Ltd.; THY Turkish Airlines, A.O.
 1980—Jan. 2, Haiti Air Transport, S.A.
 Jan. 21, Iran Air: The Airline of the Islamic Republic of Iran
 Jan. 23, PT Pelita Air Service
 Feb. 8, Air Zaire, S.A.
 Feb. 16, Redcoat Air Cargo, Ltd.
 March 14, LOT Polish Airlines, S.A.
 March 20, CAAC: The General Administration of Civil Aviation of China
 March 21, Eagle Commuter Airlines
 March 31, Air Guinee: Compagnie Generale Air Guinee, S.A.
 April 12, Transbrasil, S.A.: Linhas Aereas Transbrasil
 April 14, Aeroflot Soviet Airlines
 April 18, Aeroflot Soviet Airlines
 April 25, Dan Air/Dan Air Services, Ltd.
 April 27, Thai Airways Company, Ltd.
 May 13, Cubana: Empresa Consolidada Cubana de Aviacion
 June 2, LAB: Lloyd Aero Boliviano, S.A.
 June 6, Aeroflot Soviet Airlines
 June 8, TAAG Angolan Airlines, S.A.
 June 12, Aeroflot Soviet Airlines; Air Wisconsin Airlines Corporation; Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 June 27, Itavia, SpA.
 July 7, Aeroflot Soviet Airlines
 July 12, British Airways Helicopters, Ltd.
 July 17, Aeroflot Soviet Airlines
 July 21, Scenic Airlines
 July 27, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Aug. 1, Aeronaves del Peru, S.A.; China Airlines, Ltd. (CAL)
 Aug. 7, TAROM Romanian Air Transport, S.A.
 Aug. 19, Saudia: Saudi Arabian Airlines
 Aug. 26, PT Garuda Indonesian Airways
 Sept. 2, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 Sept. 12, Aeronaves del Peru, S.A.; Florida Airlines (2) Sept. 14, Air Florida
 Sept. 23, Iraqi Airways
 Sept. 24, Iraqi Airways
 Oct. 28, Aeroflot Soviet Airlines
 Nov. 8, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Nov. 18, Korean Air Lines/Korean Air (KAL)

- Nov. 21, Air Micronesia
 Dec. 21, Aerocesar: Aerovias del Cesar, S.A.
 1981—Jan. 8, SAHSA: Servicios Aereos de Honduras, S.A.
 Jan. 20, Cascade Airways
 Feb. 7, Aeroflot Soviet Airlines
 Feb. 24, VOTEC: Votec Servicios Aereos Regionais, S.A.
 March 8, Aeroflot Soviet Airlines
 March 15, First Air, Ltd.
 April 17, Air U.S.; Skywest Airlines
 April 28, PT Airfast Indonesia: Airfast Services Indonesia
 May 7, Austral Airlines: Austral Lineas Aereas, S.A.; Phoenix Airways, Ltd.
 May 22, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 May 26, TAAG Angolan Airlines, S.A.
 June 12, Trans-Provincial Airlines, Ltd.
 June 21, Thai Airways Company, Ltd.
 June 26, Dan Air/Dan Air Services, Ltd.
 June 28, Aeroflot Soviet Airlines
 July 2, Universal Airways
 July 20, Somali Airlines, Ltd.
 July 24, Air Madagascar, S.A.
 July 27, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Aug. 22, Far Eastern Air Transport Corp.
 Aug. 24, Aeroflot Soviet Airlines
 Aug. 27, Aeropesca, S.A.
 Sept. 15, Korean Air Lines/Korean Air (KAL)
 Sept. 18, Aeroflot Soviet Airlines
 Oct. 6, NLM Cityhopper, B.V.
 Oct. 26, Aerolineas Argentinas, S.A.
 Nov. 4, Frontier Airlines (1)
 Nov. 9, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Dec. 1, Inex Adria Airways: Inex Adria Aviopromet
 Dec. 18, ACES Colombia, S.A.
 Dec. 23, Aeroflot Soviet Airlines
 Dec. 29, Eastern Provincial Airways, Ltd.
 Dec. 31, Sun West Airlines
 1982—Jan. 5, Empire Airlines (2)
 Jan. 7, Aeroflot Soviet Airlines
 Jan. 13, Air Florida
 Jan. 23, World Airways
 Feb. 5, Northern Airlines (3)
 Feb. 8, Japan Air Lines Company, Ltd. (2)
 Feb. 16, AirCal
 Feb. 19, LAC: Lineas Aereas de Caribe, S.A.
 Feb. 21, Pilgrim Airlines
 March 11, Wideroe's Flyveselskap, A.S.
 March 20, PT Garuda Indonesian Airways
 March 22, Aeropesca, S.A.; Iraqi Airways
 April 26, CAAC: The General Administration of Civil Aviation of China
 May 9, Alyemda Democratic Republic Airlines
 June 8, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 June 12, TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A.
 June 22, Air India, Ltd.
 June 28, Aeroflot Soviet Airlines
 July 6, Aeroflot Soviet Airlines
 July 9, Pan American World Airways (1)
 Aug. 12, Burma Airways Corporation, Ltd.
 Aug. 14, Aeroflot Soviet Airlines
 Aug. 29, Aeroflot Soviet Airlines
 Sept. 13, Spantax, S.A.: Transportes Aereos
 Sept. 17, Japan Air Lines Company, Ltd. (2)
 Sept. 29, Aeroflot Soviet Airlines; TAAG Angolan Airlines, S.A.
 Nov. 30, ACES Colombia, S.A.
 Dec. 1, Aerotal Colombia: Aerolineas Territoriales de Colombia, S.A.
 Dec. 7, Pioneer Airlines (2)
 Dec. 9, Aeronor-Chile: Aero Norte-Sur, S.A.
 Dec. 16, Air Resorts Airlines
 Dec. 23, Aeroflot Soviet Airlines
 Dec. 24, CAAC: The General Administration of Civil Aviation of China
 Dec. 27, American Central Airlines (2)
 1983—Jan. 11, United Airlines
 Jan. 16, THY Turkish Airlines, A.O.
 Feb. 15, Sierra Pacific Airlines (3)
 Feb. 22, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 March 10, Bakhtar Afghan Airlines Company, Ltd.
 March 11, AVENSA: Aerovias Venezolanas, S.A. March 12, Kuwait Airways Corporation
 March 14, Libyan Arab Airlines
 March 29, Aeroflot Soviet Airlines
 April 16, Air Liberia: Liberian National Airlines
 April 19, Aeroflot Soviet Airlines
 April 29, SAN: Servicios Aereos Nacionales, S.A.
 May 3, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 June 2, Air Canada, Ltd.
 June 8, Frigorifico Reyes (Fri-Reyes), Ltda.
 June 29, Aeronica, S.A.
 July 1, Air Koryo
 July 11, Ecuatoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.; TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 July 16, British Airways Helicopters, Ltd.
 Aug. 17, Las Vegas Airlines
 Aug. 27, Transamerica Airlines
 Aug. 30, Aeroflot Soviet Airlines
 Sept. 1, Korean Air Lines/Korean Air (KAL)
 Sept. 15, CAAC: The General Administration of Civil Aviation of China
 Sept. 23, Gulf Air Company, G.S.C.
 Oct. 7, TAM: Transportes Aereos Regionais, S.A.
 Oct. 8, Burma Airways Corporation, Ltd.
 Oct. 11, Air Illinois
 Oct. 25, The Flying Tiger Line
 Nov. 8, TAAG Angolan Airlines, S.A.
 Nov. 23, Austin Airways, Ltd.
 Nov. 27, AVIANCA Colombiana Airlines, S.A.
 Nov. 28, Nigeria Airways, Ltd.
 Dec. 5, Connie Kalitta Services
 Dec. 7, Aviacion y Comercio, S.A. (AVIACO); Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.
 Dec. 9, Island Airlines (1)
 Dec. 14, TAMPA: Transportes Aereos Mercantiles Panamericanos Tampa, S.A. Cargo
 Dec. 23, Korean Air Lines/Korean Air (KAL)
 Dec. 24, Aeroflot Soviet Airlines
 1984—Jan. 9, Skycraft Air Transport, Ltd.
 Jan. 10, Balkan Bulgarian Airlines
 Jan. 13, Pilgrim Airlines
 Jan. 24, PT Pelita Air Service
 Jan. 28, Aeroflot Soviet Airlines
 Jan. 30, Britt Airways
 Feb. 29, SAS: Scandinavian Airlines System
 March 5, Cumberland Airlines
 March 12, Petroleum Helicopters
 March 13, Aerosucre Colombia: Aerosucre, S.A.
 March 16, LAB: Lloyd Aero Boliviano, S.A.
 March 24, Frigorifico Reyes (Fri-Reyes), Ltda.
 April 4, Petroleum Helicopters
 April 18, VOTEC: Votec Servicios Aereos Regionais, S.A.
 May 30, Zantop International Airlines
 June 28, TAM: Transportes Aereos Regionais, S.A.
 Aug. 2, Vieques Air Link
 Aug. 5, Aeroflot Soviet Airlines; Biman Bangladesh Airlines, Ltd.
 Aug. 15, PT Airfast Indonesia: Airfast Services Indonesia
 Aug. 24, Wings West Airlines
 Sept. 4, Bakhtar Afghan Airlines Company, Ltd.

- Sept. 7, Provincetown-Boston Airline (PBA)
 Sept. 11, MMM Aero Service, S.A.
 Sept. 18, Ecuatoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.
 Oct. 11, Aeroflot Soviet Airlines; Labrador Airways, Ltd.
 Nov. 19, Euroair Transport, Ltd.
 Nov. 20, Bristow Helicopters, Ltd.; TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 Dec. 4, Aeroflot Soviet Airlines
 Dec. 6, Provincetown-Boston Airline (PBA)
 Dec. 17, Susquehanna Airlines
 Dec. 20, Air Tanzania Corporation
 Dec. 22, Calm Air International, Ltd.; Royal Nepal Airlines Corporation
 Dec. 23, Aeroflot Soviet Airlines
 1985—Jan. 1, Eastern Air Lines
 Jan. 9, TPI International Airways
 Jan. 10, Alaska Helicopters
 Jan. 18, CAAC: The General Administration of Civil Aviation of China
 Jan. 19, Cubana: Empresa Consolidada Cubana de Aviacion
 Jan. 21, Galaxy Airlines (2)
 Jan. 23, ACES Colombia, S.A.; AIRES: Aerovias de Integracion Regional, S.A.
 Jan. 30, Galaxy Airlines (2)
 Feb. 1, Aeroflot Soviet Airlines
 Feb. 4, Northern Pacific Airlines
 Feb. 18, Iran Asseman Airlines
 Feb. 19, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Feb. 22, Air Mali (1): Societe Nationale Air Mali, S.A.
 March 9, Petroleum Helicopters
 March 28, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 April 15, Thai Airways Company, Ltd.
 April 20, Aeronica, S.A.
 May 2, British Airways Helicopters, Ltd.
 May 3, Aeroflot Soviet Airlines
 May 28, AVENSA: Aerovias Venezolanas, S.A.
 May 31, General Aviation (2): Greenville Air
 June 23, Air India, Ltd.; TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A.
 July 10, Aeroflot Soviet Airlines
 Aug. 2, Delta Air Lines
 Aug. 12, Japan Air Lines Company, Ltd. (2)
 Aug. 18, Alaska Air Guides
 Aug. 20, ERA Aviation
 Aug. 22, British Airways, Ltd. (2)
 Aug. 25, Bar Harbor Airlines
 Aug. 28, Sunbird Airlines (2)
 Aug. 30, CAAC: The General Administration of Civil Aviation of China
 Sept. 6, Midwest Express Airlines
 Sept. 7, Bakhtar Afghan Airlines Company, Ltd.
 Sept. 14, Yute Air Alaska
 Sept. 23, Henson Aviation
 Sept. 26, Papillon Helicopters
 Oct. 6, Soundair Express, Ltd.
 Oct. 7, CAAC: The General Administration of Civil Aviation of China
 Oct. 9, Nordeste: Nordeste Linhas Aereas Regionais, S.A.
 Oct. 11, Aeroflot Soviet Airlines; Mountain Air Cargo
 Oct. 12, Burma Airways Corporation, Ltd.
 Oct. 14, Aeroflot Soviet Airlines
 Oct. 23, Okanagan Helicopters, Ltd.
 Nov. 1, Hermen's Air
 Nov. 30, PT Mandala Airlines
 Dec. 2, Air France
 Dec. 12, Arrow Air
 1986—Jan. 18, Aerovias, S.A. (2); AVIATECA: Aerolineas de Guatemala, S.A.
 Jan. 24, Air Logistics
 Jan. 27, Aerolineas Argentinas, S.A.
 Feb. 2, Air Dale, Ltd.
 Feb. 6, Aeroflot Soviet Airlines
 Feb. 11, Ryan Air Service
 Feb. 16, China Airlines, Ltd. (CAL)
 Feb. 18, Iran Air
 Feb. 28, Aeroflot Soviet Airlines
 March 2, Aeroflot Soviet Airlines
 March 13, Simmons Airlines
 March 31, Mexicana Airlines, S.A. de C.V.
 April 18, Aeroflot Soviet Airlines
 April 21, Active Aero Group
 April 24, Sealand Helicopters, Ltd.
 April 27, ACES Colombia, S.A.
 May 7, Austral Airlines: Austral Lineas Aereas, S.A.
 May 15, British Caledonian Helicopters, Ltd.
 May 17, Aeroflot Soviet Airlines
 June 10, Air Sinai, Ltd.
 June 16, Ryan Air Service
 June 18, Grand Canyon Airlines (1)
 June 22, Aeroflot Soviet Airlines
 July 7, Aeroflot Soviet Airlines
 July 22, Borinquen Air/Air Puerto Rico
 Aug. 4, LIAT (1974), Ltd.
 Aug. 16, Sudan Airways Company, Ltd.
 Aug. 31, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Sept. 20, Atlantic Southeast Airlines (ASA)
 Sept. 28, Viking International Airlines
 Oct. 4, Southern Air Transport
 Oct. 16, Petroleum Helicopters
 Oct. 20, Aeroflot Soviet Airlines
 Oct. 23, Pakistan International Airlines Corporation
 Oct. 28, Virgin Islands Seaplane Shuttle
 Nov. 6, British International Helicopters, Ltd.; Lynch Flying Service
 Dec. 7, Aeroflot Soviet Airlines
 Dec. 12, Aeroflot Soviet Airlines
 Dec. 15, CAAC: The General Administration of Civil Aviation of China
 Dec. 27, Sunflower Airlines, Ltd.
 Dec. 31, Aeroflot Soviet Airlines
 1987—Jan. 3, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Jan. 6, Aeroflot Soviet Airlines
 Jan. 8, Omniflight Airways/Omniflight Helicopters
 Jan. 15, Ken Borek Air, Ltd.; Skywest Airlines
 Jan. 16, California Air Charter
 Jan. 19, Trans Colorado Airlines
 Feb. 5, Air Logistics
 Feb. 6, Talair: Tourist Airlines of Niugini, Ltd.
 Feb. 9, Aeroflot Soviet Airlines
 Feb. 10, Fischer Brothers Aviation
 Feb. 18, Active Aero Group
 March 4, Fischer Brothers Aviation
 March 9, Comair
 March 19, Aeroflot Soviet Airlines
 April 1, Wilbur's Flight Operations
 April 4, PT Garuda Indonesian Airways
 April 8, Southern Air Transport
 April 13, Buffalo Airways
 May 7, Yute Air Alaska
 May 8, Executive Air Charter
 May 9, LOT Polish Airlines, S.A.
 May 11, Northland Air Manitoba, Ltd.
 May 23, Aeroflot Soviet Airlines; PT Merpati Nusantara Airlines
 May 26, Air New Orleans
 June 11, Ariana Afghan Airlines Company, Ltd.
 June 19, Aeroflot Soviet Airlines

- June 21, Burma Airways Corporation, Ltd.
 June 24, Bankair Commuter Airlines
 June 26, Philippine Air Lines (PAL)
 July 4, Petroleum Helicopters
 Aug. 8, Hermen's Air
 Aug. 16, Northwest Airlines
 Aug. 31, Thai Airways Company, Ltd.
 Sept. 11, Gronlandsfly, A.S./Greenlandair, A.S.
 Sept. 21, EgyptAir, S.A.E.
 Sept. 24, Aeroflot Soviet Airlines
 Oct. 8, Connie Kalitta Services
 Oct. 11, Burma Airways Corporation, Ltd.
 Oct. 14, Zimex Aviation, Ltd.
 Oct. 15, Aero Transporti Italiani, SpA. (ATI); Alitalia, SpA.
 Nov. 15, Continental Airlines
 Nov. 23, Ryan Air Service
 Nov. 28, South African Airways (Pty.), Ltd.
 Dec. 1, Korean Air Lines/Korean Air (KAL)
 Dec. 7, Pacific Southwest Airlines
 Dec. 10, Bering Air
 Dec. 13, Philippine Air Lines
 Dec. 21, Aeronica, S.A.; Air Littoral, S.A.; Petroleum Helicopters
 Dec. 23, Panorama Air Tours; South Central Air Dec. 28, Eastern Air Lines
 Dec. 30, PT Merpati Nusantara Airlines
 1988—Jan. 2, Condor Flugdienst, GmbH.
 Jan. 18, Aeroflot Soviet Airlines; CAAC: The General Administration of Civil Aviation of China
 Jan. 20, Taiwan Airlines, Ltd.
 Jan. 24, Aeroflot Soviet Airlines
 Feb. 8, NFD: Luftverkehrs, A.G.
 Feb. 9, Jetstream International Airlines
 Feb. 11, Air Niagara Express, Ltd.
 Feb. 19, AV Air
 Feb. 27, Aeroflot Soviet Airlines; Talia Airways, A.O.
 March 1, Comair: Commercial Airways (Pty.), Ltd.
 March 4, TAT: Transport Aerien Transregional, S.A.
 March 17, AVIANCA Colombian Airlines, S.A.
 April 12, United Air Services (Pty.), Ltd.
 April 15, Horizon Air: Horizon Air Industries
 April 19, Aeroflot Soviet Airlines
 April 21, African Air Charter, S.A.
 May 6, Busy Bee of Norway, A.S.; Wideroe's Flyveselskap, A.S.
 May 17, Bankair Commuter Airlines
 May 24, Aeronica, S.A.; Atlantic Southeast Airlines (ASA); ERA Aviation
 June 12, Austral Airlines: Austral Lineas Aereas, S.A.
 June 16, Burma Airways Corporation, Ltd.
 June 18, Ariana Afghan Airlines Company, Ltd.
 June 26, Air France
 July 1, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 July 3, Iran Air
 July 13, British International Helicopters, Ltd. July 14, Ken Borek Air, Ltd.; Petroleum Helicopters
 July 20, Hispanola Airways, S.A.; TACA International Airlines, S.A.
 July 24, Air France
 Aug. 2, Balkan Bulgarian Airlines
 Aug. 15, CAAC: The General Administration of Civil Aviation of China
 Aug. 17, Wilbur's Flight Operations
 Aug. 18, Aeroflot Soviet Airlines; Bellair
 Aug. 20, CAAC: The General Administration of Civil Aviation of China
 Aug. 23, Kinair Cargo, S.A.
 Aug. 27, Conair Aviation, Ltd.
 Aug. 31, Delta Air Lines
 Sept. 9, Hang Khong Viet Nam
 Sept. 15, Ethiopian Airlines, S.C.; First Air, Ltd.
 Sept. 24, Aeroflot Soviet Airlines
 Sept. 26, Aerolineas Argentinas, S.A.
 Oct. 4, Aeroflot Soviet Airlines
 Oct. 7, Shanxi Airlines
 Oct. 12, AeroPeru: Empresa de Transportes Aereos de Peru, S.A.
 Oct. 16, British International Helicopters, Ltd.; Simpson Air, Ltd.
 Oct. 17, Uganda Airlines, Ltd.
 Oct. 18, Air India, Ltd.
 Oct. 19, Indian Airlines Corporation; Vayudoot, Ltd.
 Oct. 25, Aero Peru, S.A.
 Nov. 1, Air Ontario, Inc.
 Nov. 2, LOT Polish Airlines
 Nov. 4, ERA Aviation
 Nov. 8, Ethiopian Airlines, S.C.
 Nov. 14, Wasa Wings O/Y
 Nov. 18, Air Littoral, S.A.
 Dec. 7, Aeroflot Soviet Airlines
 Dec. 10, Ariana Afghan Airlines Company, Ltd.
 Dec. 11, Aeroflot Soviet Airlines
 Dec. 12, JAT Yugoslav Airlines
 Dec. 13, Biman Bangladesh Airlines, Ltd.; GAS Air Cargo, Ltd.
 Dec. 21, Pan American World Airways (1)
 1989—Jan. 8, British Midland Airways, Ltd.
 Jan. 12, First Air, Ltd.
 Jan. 13, Aeroflot Soviet Airlines
 Jan. 15, Temsco Airlines
 Jan. 31, The Flying Tiger Line
 Feb. 3, Burma Airways Corporation, Ltd.
 Feb. 8, Independent Air
 Feb. 9, TAROM Romanian Air Transport, S.A.
 Feb. 19, The Flying Tiger Line
 Feb. 28, Transfair, Ltd.
 March 8, Olympic Aviation, S.A.
 March 9, Active Aero Group
 March 10, Air Ontario, Inc.
 March 15, Mid Pacific Air Cargo
 March 18, Evergreen International Airlines
 March 21, Transbrasil, S.A.: Linhas Aereas Transbrasil
 April 4, Faucett Peruvian Airlines, S.A.
 April 10, Europe Aero Service, S.A.
 April 19, Channel Flying Service
 April 25, Bond Helicopters, Ltd.
 April 26, Aerosucre Colombia: Aerosucre, S.A.
 May 5, Aero Cozumel, S.A. de C.V.; Ashai Air Lines Company, Ltd.
 May 8, Holmstrom Air: Holmstrom Flyg, A.B.
 June 7, SLM: Surinam Airways, N.V.
 June 11, Aerotaca Aerotaxi Casanare: Aerotransportes Casanare, Ltda.
 June 15, ERA Aviation
 June 17, Interflug DDR Airlines, mbH.
 June 26, Air France; Conifair Aviation, Ltd.
 June 28, Cameroon Airlines, S.A.; Somali Airlines, Ltd.
 July 11, Air Logistics; Petroleum Helicopters
 July 19, Aeroflot Soviet Airlines; United Airlines
 July 21, Philippine Airlines (PAL); Talair: Tourist Airlines of Niugini, Ltd.
 July 27, Korean Air Lines/Korean Air (KAL)
 July 30, Skagway Air Service
 Aug. 4, Olympic Aviation, S.A.
 Aug. 7, RRC Air Service, S.C.; Ryan Air Service
 Aug. 15, CAAC: The General Administration of Civil Aviation of China; China Eastern Airlines Company, Ltd.
 Aug. 25, Pakistan International Airlines Corporation
 Sept. 4, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Sept. 8, Braathens SAFE, A.S.
 Sept. 16, PT Merpati Nusantara Airlines
 Sept. 19, UTA French Airlines: Union de Transports Aeriens, S.A.
 Sept. 20, USAir
 Sept. 23, Vayudoot, Ltd.
 Sept. 26, Skylink Airlines, Ltd.

- Sept. 27, Grand Canyon Airlines (1)
 Sept. 38, Tradewinds Aviation, Ltd.
 Oct. 1, Aeroflot Soviet Airlines
 Oct. 4, Aeroflot Soviet Airlines
 Oct. 10, Trump Air
 Oct. 18, Aeroflot Soviet Airlines
 Oct. 20, Aeroflot Soviet Airlines
 Oct. 21, TAN: Transportes Aereos Nacionales, S.A. (2)
 Oct. 26, China Airlines, Ltd. (CAL)
 Oct. 28, Princeville Airways
 Nov. 5, Aerosucre Colombia: Aerosucre, S.A.
 Nov. 21, Aeroflot Soviet Airlines
 Nov. 25, Korean Air Lines/Korean Air (KAL)
 Nov. 27, AVIANCA Colombian Airlines, S.A.
 Nov. 28, New England Airlines
 Dec. 11, Pawan Hans Helicopters, Ltd.
 Dec. 22, South Central Air
 Dec. 26, North Pacific Airlines (NPA)
 Dec. 28, TAROM Romanian Air Transport, S.A.
 1990—Jan. 2, PT Pelita Air Service
 Jan. 13, Aeroflot Soviet Airlines
 Jan. 15, SANSa: Servicios Aereos Nacionales, S.A.; Skywest Airlines
 Jan. 25, PT Airfast Indonesia: Airfast Services Indonesia;
 AVIANCA Colombian Airlines, S.A.
 Feb. 5, Helicol: Helicopteros Nacionales de Colombia,
 Feb. 15, Indian Airlines Corporation
 Feb. 17, Ryan International Airlines
 Feb. 20, LanChile Airlines, S.A.
 March 20, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 March 21, TAN: Transportes Aereos Nacionales, S.A. (2)
 March 27, Aeroflot Soviet Airlines
 April 12, Wideroe's Flyveselskap, A.S.
 April 18, Aeroperlas: Aerolineas Pacifico-Atlantico, S.A.; COPA:
 Compania Panamena de Aviacion, S.A.
 April 22, Lao Aviation Company
 May 4, Aerial Transit Company
 May 10, AVIACSA: Aviacion de Chiapas, S.A. de C.V.
 May 18, Aerolift Philippines
 June 6, Parmigan Airways, Ltd.; TABA: Transportes Aereos
 Regionais da Bacia Amazonica, S.A.
 June 12, Aeroflot Soviet Airlines
 June 16, Alitalia, SpA.
 July 25, British International Helicopters, Ltd. Aug. 1, Aeroflot
 Soviet Airlines
 Aug. 2, Aeroflot Soviet Airlines
 Aug. 4, Columbia Helicopters
 Aug. 20, Ashai Air Lines Company, Ltd.: Ashai Koku Corporation
 Sept. 3, Frontier Flying Service
 Sept. 10, Faucett Peruvian Airlines: Compania de Aviacion
 Faucett, S.A.
 Sept. 14, Aeroflot Soviet Airlines
 Sept. 21, Asahi Air Lines Company: Ashai Koku Corporation
 Oct. 2, China Southern Airlines Company, Ltd.; China Southwest
 Airlines Company, Ltd.; Iraqi Airways; Xiamen Airlines
 Company, Ltd.
 Oct. 4, Helikopter Service, A.S.
 Oct. 10, Aeroflot Soviet Airlines
 Oct. 12, Aeroflot Soviet Airlines
 Oct. 24, Cubana: Empresa Consolidada Cubana de Aviacion
 Nov. 1, Petroleum Helicopters
 Nov. 2, Aeroflot Soviet Airlines
 Nov. 14, Alitalia, SpA.
 Nov. 18, SATENA Colombia: Servicio de Aeronavagacion a
 Territorios Nacionales, S.A.
 Nov. 21, Aeroflot Soviet Airlines; Bangkok Airways, Ltd.
 Dec. 3, Northwest Airlines
 Dec. 21, MarkAir Express
 1991—Jan. 19, Petroleum Helicopters
 Jan. 27, Evergreen International Airlines
 Feb. 1, Skywest Airlines; USAir
 Feb. 17, Emery Worldwide: A CF Company
 Feb. 20, LanChile Airlines, S.A.
 March 3, United Airlines
 March 5, LAV Venezuelan Airlines, S.A.
 March 16, Transafrik
 April 4, Central Mountain Air, Ltd.
 April 5, Atlantic Southeast Airlines (ASA)
 April 18, Air Tahiti, S.A. (3)
 May 10, Four Star Aviation (1); PT Merpati Nusantara Airlines
 May 15, ADES: Aerolineas del Este, S.A.
 May 23, Aeroflot Soviet Airlines
 May 26, Lauda Air Luftfahrtgesellschaft, A.G.
 June 5, PT Sempati Air
 June 20, Aerosucre Colombia: Aerosucre, S.A.
 June 22, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 June 26, Aeroflot Soviet Airlines
 July 4, Helicol: Helicopteros Nacionales de Colombia, S.A.
 July 10, L'Express
 July 11, Nationair Canada, Ltd.
 Aug. 15, LIA: Linhas Aereas da Guinea-Bissau, S.A.
 Aug. 16, Indian Airlines Corporation
 Aug. 21, Aeroflot Soviet Airlines
 Aug. 22, Peninsula Airways (1)
 Aug. 26, Petroleum Helicopters
 Aug. 27, Aeroflot Soviet Airlines
 Sept. 12, Britt Airways; Continental Express
 Sept. 17, Ethiopian Airlines, S.C.
 Sept. 23, Aeroflot Soviet Airlines
 Nov. 11, Nordeste: Nordeste Linhas Aereas Regionais, S.A.;
 Transbrasil, S.A.: Linhas Aereas Transbrasil
 Nov. 16, Aeroflot Soviet Airlines
 Dec. 10, Las Vegas Airlines
 Dec. 22, Classic Air, A.G.; MarkAir Express
 Dec. 23, Business Express (BEX)
 Dec. 27, SAS: Scandinavian Airlines System
 Dec. 28, Business Express (BEX)
 Dec. 29, China Airlines, Ltd. (CAL)
 1992—Jan. 6, Contactair Flugdienst, GmbH. & Co.
 Jan. 20, Air Inter, S.A.
 Jan. 28, Aeroflot Soviet Airlines
 Feb. 15, Air Transport International
 March 2, Frigorificio Santa Rita, Ltda.
 March 3, Aeroflot Russian International Airlines (ARIA); Arctic
 Circle Air Service
 March 12, Lina Congo, S.A.
 March 14, Bristow Helicopters, Ltd.
 March 19, Bearskin Airlines, Ltd.
 March 22, Aeroflot Russian International Airlines (ARIA); USAir
 March 23, Uzbekistan Airlines
 March 30, Aviacion y Comercio, S.A. (AVIACO)
 April 6, Wuhan Air Lines Company, Ltd.
 April 14, Talair: Tourist Airlines of Niugini, Ltd.
 May 16, Aerotaca Aerotaxi Casanare: Aerotransportes Casanare, Ltda.
 June 6, COPA: Compania Panamena de Aviacion, S.A. June 7,
 Executive Airlines (3)
 June 8, GP Express Airlines
 June 22, Krasnoyarsk Avia
 July 3, African Air Charter, S.A.
 July 14, Aeroflot Russian International Airlines (ARIA)
 July 15, PT Mandala Airlines
 July 20, Aeroflot Russian International Airlines (ARIA)
 July 24, Volga-Dnepr Airlines
 July 27, Aero Eslava, S.A. de C.V.
 July 31, China General Aviation Corporation; Thai Airways
 International, Ltd. (THAI)
 Aug. 11, China General Aviation Corporation
 Aug. 14, Air Hanson, Ltd.
 Aug. 15, PT Garuda Indonesia

- Aug. 22, Peninsula Airways (1)
 Aug. 25, Lone Star Airlines
 Aug. 27, Aeroflot Russian International Airlines (ARIA): Central Region Civil Aviation Department
 Sept. 19, AVENSA: Aerovias Venezolanas, S.A.
 Sept. 28, Pakistan International Airlines Corporation
 Oct. 1, Eagle Aviation, Ltd.
 Oct. 2, Aeronautical Services
 Oct. 4, El Al Israel Airlines, Ltd.
 Oct. 13, Aeroflot Russian International Airlines (ARIA)
 Oct. 18, PT Merpati Nusantara Airlines
 Oct. 25, Eagle Aviation, Ltd.
 Oct. 30, Aeroflot Russian International Airlines (ARIA)
 Nov. 5, Antillas Air Cargo, S.A.
 Nov. 11, Aeroflot Russian International Airlines (ARIA)
 Nov. 14, Vietnam Airlines
 Nov. 15, Aero Caribbean of Cuba
 Nov. 20, Aerolineas Argentinas, S.A.
 Nov. 24, China Southern Airlines Company, Ltd.
 Dec. 14, Scibe Airlift, S.A.
 Dec. 21, Martinair Holland, N.V.
 Dec. 22, Jamahiriya Libyan Arab Airlines
 1993—Jan. 6, Contactair Flugdienst, GmbH. & Co.; Lufthansa Cityline, GmbH.
 Jan. 8, Indian Airlines, Ltd.; Uzbekistan Airways
 Jan. 9, PT Bouraq Indonesian Airlines
 Jan. 13, Central Mountain Air, Ltd.; Titan Airways, Ltd.
 Jan. 19, PT Bouraq Indonesian Airlines
 Jan. 25, TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A.
 Jan. 27, Trans Service Airlift, S.A.
 Feb. 8, Iran Air: The Airline of the Islamic Republic of Iran
 Feb. 28, Formosa Airlines Corporation, Ltd.
 March 5, Palair Macedonian Air Lines, A.D.
 April 2, LAV Venezuelan Airlines, S.A.
 April 6, TACA International Airlines, S.A. (I.g)
 April 23, MIAT-Air Mongol
 April 26, Indian Airlines Corporation
 April 28, GP Express Airlines
 May 12, Aeroflot Russian International Airlines (ARIA)
 May 19, SAM Colombia Airlines, S.A.
 June 6, Aerotaca Aerotaxi Casanare: Aerotransportes Casanare, Ltda.
 June 17, Tajikistan Airlines
 July 1, PT Garuda Indonesia; PT Merpati Nusantara Airlines
 July 23, China Northwest Airlines Company, Ltd.
 July 26, Asiana Airlines; Korean Air Lines/Korean Air (KAL)
 Aug. 26, Yakutaviatrans Air Company
 Aug. 28, Tajikistan Airlines
 Sept. 14, Deutsche Lufthansa, A.G.
 Sept. 25, Rosvertol A/O
 Oct. 1, Avioimpex: Macedonian Airways
 Oct. 27, Wideroe's Flyveselskap, A.S.
 Nov. 10, Air Manitoba, Ltd.
 Nov. 13, China Northern Airlines Company, Ltd.
 Nov. 15, Aviastar
 Dec. 1, Express Airlines I; Lao Aviation Company
 Dec. 9, Air Senegal: Societe Nationale de Transports Aeriens du Senegal, S.A.
 Dec. 13, Lao Aviation Company
 Dec. 25, Aeroflot Russian International Airlines (ARIA)
 Dec. 26, Aeroflot Russian International Airlines (ARIA)
 1994—Jan. 2, Baikal Avia: Baikal Aviaobedienenie (Baikal Airlines)
 Jan. 3, Aeroflot Russian International Airlines
 Jan. 7, Atlantic Coast Airlines
 Jan. 8, Hummingbird Helicopters, Ltd.
 Jan. 11, Empire Airways
 Jan. 19, Aeroflot Russian International Airlines (ARIA)
 Feb. 25, British World Airlines, Ltd.
 March 8, Sahara India Airlines, Ltd.
 March 15, Aeroflot Russian International Airlines (ARIA)
 March 18, Salair Air Cargo Airline
 March 23, Aeroflot Russian International Airlines
 April 26, China Airlines, Ltd. (CAL)
 June 1, Kelowna Flightcraft Air Charter, Ltd.
 June 6, China Northwest Airlines Company, Ltd.
 June 13, Aerolineas Cuahonte, S.A. de C.V.
 June 18, PT Merpati Nusantara Airlines
 June 23, Harbour Air, Ltd.
 June 26, Air Ivoire: Societe Ivoirienne de Transport Aeriens, S.A.
 June 30, Alitalia, SpA.
 July 1, Air Mauritanie (2): Societe d'Economie Mixte Air Mauritanie, S.A.
 July 2, USAir
 July 19, ALAS Chiricanas: Compania Alas Chiricana, S.A.
 July 27, Kiev United Air Detachment
 Aug. 10, Korean Air Lines/Korean Air (KAL)
 Aug. 21, Royal Air Maroc
 Sept. 8, USAir
 Sept. 13, Aero Contractors of Nigeria, Ltd.
 Sept. 23, Heavylift Cargo Airlines, Ltd.
 Sept. 26, Aeroflot Russian International Airlines (ARIA); Cheremshanka Airline
 Oct. 12, Iran Assessman Airlines
 Oct. 28, Ansett Australia (Pty.), Ltd.
 Oct. 29, Aeronika Airlines
 Oct. 30, Aeroflot Russian International Airlines (ARIA)
 Oct. 31, Simmons Airlines
 Nov. 4, PT Trigana Air Service
 Nov. 22, Trans World Airlines (TWA)
 Nov. 24, Ken Borek Air, Ltd.
 Dec. 13, Flagship Airlines
 Dec. 17, Servivensa, S.A.
 Dec. 19, Nigeria Airways, Ltd.
 Dec. 21, Air Algerie, S.A.
 Dec. 29, THY Turkish Airlines, A.O.
 1995—Jan. 10, PT Merpati Nusantara Airlines
 Jan. 11, International Colombia: Intercontinental de Aviacion, S.A.
 Jan. 20, Abakan Avia
 Jan. 30, Trans Asia Airways, Ltd.
 Feb. 13, Las Vegas Airlines
 Feb. 14, Air Logistics
 Feb. 17, Air Transport International
 Feb. 21, Bearskin Airlines, Ltd.
 Feb. 25, Yute Air Alaska
 March 31, TAROM Romanian Air Transport, S.A.
 April 1, African Air Charter, S.A.
 April 18, Helitours, Ltd.
 April 19, Helitours, Ltd.
 May 1, Bearskin Airlines, Ltd.
 May 2, Air Logistics
 May 9, ADES: Aerolineas del Este, S.A.
 June 9, Ansett New Zealand, Ltd.
 June 23, Air Orlando Charter
 June 24, Harka Air Services, Ltd.
 June 27, Salair Air Cargo Airline
 July 8, Air Inter Gabon, S.A.
 July 11, LAB Flying Service
 July 12, MBA Airlines of Papua New Guinea (Pty.), Ltd.
 Aug. 9, AVIATECA: Aerolineas de Guatemala, S.A.; PT Bouraq Indonesian Airlines
 Aug. 11, Peninsula Airways (1)
 Aug. 14, AIRES: Aerovias de Integracion Regional, S.A.
 Aug. 21, Atlantic Southeast Airlines (ASA)
 Aug. 26, Forty Mile Air
 Sept. 9, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A.
 Sept. 13, Helisul Lineas Aereas, Ltda.
 Sept. 15, Malaysia Airlines, Ltd. (MAS)

- Sept. 21, MIAT-Air Mongol
 Oct. 2, Servivensa, S.A.
 Oct. 10, Durango Air Service
 Nov. 9, LADE: Lineas Aereas del Estado
 Nov. 18, Helitours, Ltd.
 Nov. 28, TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A.
 Nov. 30, Azerbaijan Airlines
 Dec. 3, Cameroon Airlines, Ltd.
 Dec. 5, Azerbaijan Airlines
 Dec. 7, Aeroflot Russian International Airlines (ARIA); DAK Far Eastern Aviation
 Dec. 8, Air Saint Martin, S.A.
 Dec. 13, TAROM Romanian Air Transport, S.A.
 Dec. 18, Trans Service Airlift, S.A.
 Dec. 20, American Airlines
 Dec. 31, Romavia Romanian Airlines, S.A.
 1996—Jan. 8, African Air Charter, S.A.; Scibe Airlift, S.A.
 Feb. 1, Air Senegal: Societe Nationale de Transports Aeriens du Senegal, S.A.
 Feb. 4, LAC: Lineas Aereas de Caribe, S.A.
 Feb. 6, ALAS de Transporte Internacional, S.A./Birgenair, A.O.
 Feb. 10, ERA Aviation
 Feb. 27, Aero Tropical, S.A.
 Feb. 29, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 April 5, Formosa Airlines Corporation, Ltd.; Krasnoyarsk Avia
 April 24, Tanzanair: Tanzanian Air Services, Ltd.
 May 3, Federal Airlines, Ltd.
 May 11, Valujet Airlines
 June 9, Iran Air: The Airline of the Islamic Republic of Iran
 June 21, Air Logistics
 June 28, Air Ivoire: Societe Ivoirienne de Transport Aeriens, S.A.
 July 9, MBA Airlines of Papua New Guinea (Pty.), Ltd.
 July 11, Archana Airways, Ltd.
 July 17, Trans World Airlines (TWA)
 July 19, Loken Aviation
 July 20, Northern Air Cargo
 Aug. 12, First Air, Ltd.
 Aug. 14, Air North, Ltd.: Air North Charter & Training, Ltd.
 Aug. 29, Vnukovo Airlines
 Sept. 13, ERA Aviation
 Oct. 2, AeroPeru: Empresa Transportes Aereos de Peru, S.A.
 Oct. 4, Columbia Helicopters
 Oct. 6, Bristow Helicopters, Ltd.
 Oct. 8, Aeroflot Russian International Airlines (ARIA); Airpac Airlines
 Oct. 14, Airlift, A.S.
 Oct. 22, Million Air
 Oct. 26, Tyumenaviatrans
 Oct. 31, TAM: Transportes Aereos Regionais, S.A.
 Nov. 1, TAPSA: Transportes Aereos Profissionais, S.A.
 Nov. 7, ADC Airlines, Ltd.; Kabo Air, Ltd.
 Nov. 12, Kazair: Kazakhstan National Airways; Saudia: Saudi Arabian Airlines
 Nov. 15, Prompt Air
 Nov. 19, Great Lakes Aviation
 Nov. 27, Sabah Air: Penerbangan Sabah Sdn. Bhd.
 Nov. 28, Petroleum Helicopters
 Nov. 30, ACES Colombia, S.A.; Hageland Air
 Dec. 6, DAS Dirgantara Air Services
 Dec. 12, Taquan Air Service
 Dec. 22, Airborne Express
 1997—Jan. 7, Polynesian Airlines, Ltd.
 Jan. 9, Comair
 Jan. 31, Skypower Express Airways, Ltd.
 Feb. 1, Air Senegal: Societe Nationale de Transports Aeriens du Senegal, S.A.
 Feb. 8, Air Sunshine (2)
 Feb. 20, Prompt Air
 March 12, Air Nacoia, S.A.
 March 25, Arctic Circle Air Service
 April 4, Custom Air Transport
 April 10, Hageland Air
 May 7, DAK Far Eastern Aviation
 May 8, Shenzhen Airlines
 June 1, Air Logistics; Houston Helicopters
 June 10, MIAT-Air Mongol
 June 27, Olson Air Service
 July 3, Elbee Airlines, Ltd.; Haines Air
 July 11, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 July 17, PT Sempati Air
 July 29, ADC Airlines, Ltd.
 July 30, Air Littoral, S.A.
 Aug. 6, Korean Air Lines/Korean Air (KAL)
 Aug. 7, Aeromar International, C. por A.; Fine Air
 Aug. 10, Formosa Airlines Corporation, Ltd.
 Sept. 4, Vietnam Airlines
 Sept. 6, Royal Brunei Airlines, Ltd.
 Sept. 8, Helikopter Services, A.S.
 Sept. 26, PT Garuda Indonesia
 Oct. 8, Scenic Airlines
 Oct. 10, Austral Airlines: Austral Lineas Aereas, S.A.
 Oct. 23, LAB Flying Service
 Oct. 29, Ariana Afghan Airlines Company, Ltd.
 Oct. 30, Highland Airways, Ltd. (2)
 Nov. 8, Hageland Air
 Dec. 15, Tajikistan Airlines
 Dec. 17, Aerosweet Airlines; Air Ukraine: Avialinii Ukraine; Lvov Airlines; Ukraine International Airlines
 Dec. 19, Silkair (Pty.), Ltd.
 1998—Jan. 13, Ariana Afghan Airlines Company, Ltd.
 Feb. 2, Cebu Pacific Air
 Feb. 4, Air Luxor, S.A.; Air Sofia
 Feb. 6, South Central Air
 Feb. 16, China Airlines, Ltd. (CAL)
 March 5, Bering Air
 March 10, Air Memphis, S.A.E.
 March 18, Formosa Airlines Corporation, Ltd.
 March 19, Ariana Afghan Airlines Company, Ltd.
 April 7, Corporate Air (2)
 April 20, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
 May 14, Baker Aviation
 May 26, MIAT-Air Mongol
 May 28, Sakhalinskiye Avia Trassy (if)
 May 30, ERA Aviation
 June 1, Sakha Avia National Air Company
 June 16, Corporate Air (2)
 June 18, Propair, Inc.
 July 2, Bristow Helicopters, Ltd.
 July 17, Ukrainian Cargo Airways
 July 30, Alliance Air, Ltd.; Proteus Air System, S.A.
 Aug. 5, Taquan Air Service
 Aug. 19, Southern Air, Ltd.
 Aug. 25, Myanmar Airways, Ltd.
 Aug. 29, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Sept. 2, Swissair, A.G.
 Sept. 14, Air Safaris, Ltd.: Air Safaris and Services, Ltd.
 Sept. 18, Taxi Aereo Centroamericano, S.A.
 Sept. 25, Pan Air Lineas Aereas, S.A. (PaukAir)
 Sept. 28, TACV Cabo Verde Airlines: Transportes Aereos Cabo Verde, S.A.
 Sept. 30, Lionair (Pty.), Ltd.
 Oct. 10, Congo Airlines, S.P.R.L.
 Dec. 11, Thai Airways International, Ltd. (THAI)
 Dec. 26, Transafrik International
 1999—Jan. 2, Transafrik International

- Jan. 5, Skypower Express Airways, Ltd.
 Jan. 17, Necon Air, Ltd.
 Jan. 19, Perm State Air Enterprise
 Jan. 26, Hummingbird Island Airways, Ltd.
 Feb. 3, AirLink (Pty.), Ltd.
 Feb. 8, Blue Airlines, S.A.
 Feb. 24, China Southwest Airlines Company, Ltd.
 March 17, Petroleum Helicopters
 March 19, Provincial Airlines, Ltd.
 April 7, THY Turkish Airlines, A.O.
 April 8, Aerotaca Aerotaxi Casanare: Aerotransportes Casanare, Ltda.
 April 15, Korean Air Lines/Korean Air (KAL)
 April 18, BAL Bashkiri Airlines
 June 1, American Airlines
 June 11, Larry's Flying Service
 June 18, AirLink (Pty.), Ltd.
 July 7, Hinduja Cargo Services, Ltd.
 July 24, Air Fiji, Ltd.
 Aug. 7, TACV Cabo Verde Airlines: Transportes Aereos Cabo Verde, S.A.
 Aug. 31, LAPA: Lineas Aereas Prividas Argentinas, S.A.
 Sept. 3, Airtours International, Ltd.
 Sept. 5, Necon Air, Ltd.; New England Airlines
 Sept. 14, Britannia Airways, Ltd.
 Sept. 25, Big Island Air
 Oct. 14, Ameriflight
 Oct. 31, Egyptair, S.A.E.
 Nov. 9, Superior Aviation; TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
 Nov. 12, Si-Fly: Compagnia Aerea, SpA.
 Nov. 17, Omniflight
 Nov. 26, Rossair Executive
 Dec. 6, Maldivian Air Taxi, Ltd.
 Dec. 7, Asian Spirit; Grant Airways
 Dec. 11, SATA Air Acores, S.A.
 Dec. 21, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Dec. 22, Korean Air Lines/Korean Air (KAL)
 Dec. 25, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 2000—Jan. 13, Avisto, Ltd.
 Jan. 15, Taxi Aereo Centroamericano, S.A.
 Jan. 20, Crossair, Ltd.
 Jan. 30, Kenya Airways, Ltd.
 Jan. 31, Alaska Airlines
 Feb. 5, Iliamna Air Taxi
 Feb. 9, Cape Smythe Air Service
 Feb. 1, Iran Air
 Feb. 11, Barken International Airlines
 Feb. 12, Transafrik International
 Feb. 16, Emery Worldwide
 Feb. 21, Cape Smythe Air Service
 March 9, Vologda Aviation Enterprise
 March 10, Temsco Airlines
 March 17, Aeroperlas: Aerolineas Pacifico-Atlantico, S.A.
 April 19, Air Philippines (2)
 May 21, Executive Airlines (4)
 May 25, Air Liberte, S.A.; Streamline Aviation, Ltd.
 May 31, Whyalla Airlines (Pty.), Ltd.
 June 5, Ghana Airways, Ltd.
 June 22, Wuhan Airlines Company, Ltd.
 June 25, Lao Aviation Company
 July 7, Aerovias Caribe, S.A. de C.V.
 July 8, M & M Aviation
 July 17, Airnet Systems; Alliance Air, Ltd.
 July 25, Air France
 July 27, Royal Nepal Airlines Corporation
 Aug. 23, Gulf Air Company, G.S.C.
 Aug. 26, SANSA: Servicios Aereos Nacionales, S.A.
 Sept. 18, Cape Smythe Air Service
 Oct. 8, Summit Air Charters
 Oct. 9, Empire Airways
 Oct. 19, Lao Aviation Company
 Oct. 31, Singapore Airlines, Ltd.
 Dec. 14, Island Express Airlines
 Dec. 21, Everts Air Fuel
 2001—Jan. 14, MIAT-Air Mongol
 Jan. 23, South Central Air
 Jan. 25, RUTACA: Rutas Aereas, C.A.
 Jan. 31, LAU: Lineas Aereas Suramericanas Colombia, S.A.
 Cravenne, D., hijacker
 Air France
 Cravinho, Joao, Portuguese public works minister
 TAP Air Portugal, S.A.
 Crawford, Capt. Bob, pilot
 Pan American Airways (PAA)
 Crawford, Elis, flight attendant
 Boeing Air Transport
 Crawford, Joe, director of flight operations
 Abilene Aero-Lubbock Aero
 Creative Tours (Pty.), Ltd./Creative Vacations
 Qantas Airways (Pty.), Ltd.
 Credit Lyonnais
 Air Liberte, S.A.
 AOM French Airlines, S.A.
 Minerve: Compagnie Francaise de Transportes Aeriens, S.A.
 Royal Nepal Airlines Corporation
 Credit Suisse
 Aerolineas Argentinas, S.A.
 Credito Varesino
 Azzurra Air, SpA.
 Creigh, Richard, acting VP
 Ukraine International Airlines
 Crenna, Richard, actor
 Pan American World Airways (1)
 Cressey, Peter, MD
 Transkei Airways Corporation (Pty.), Ltd.
 Crested Butte Ski Resort
 Western Pacific Airlines (Westpac)
 Criel, Ludvig, chairman
 Air Contractors (Ireland), Ltd.
 Crime *see* Incidents (c)
 Criner, Ed, vp-flight operations
 Flagship Airlines
 American Eagle Airlines (2)
 Crippen, Jeffrey C., pres.
 Ryan International Airlines
 Crisler, Fritz, coach/passenger
 United Air Lines (2)
 Cristol, A. Jay, U.S. bankruptcy judge
 Pan American World Airways (2)
 Critchely, BGen. A.C., jt.-founder
 Skyways, Ltd.
 Critical Care Medflight
 Georgia Jet Executive Charter
 Croatia, Privatization Fund
 Croatia Airlines
 Croatian nationalist hijackers
 Trans-World Airlines (TWA)
 Croft, Capt. Val, pilot
 British Overseas Airways Corporation (BOAC)
 Cromer, Gary, founder/pres.
 Capitol Airlines (1)
 Cronin, Capt. David M., pilot
 United Airlines
 Cronin, James A., III, pres./COO
 The Flying Tiger Line
 Cronkite, Walter, ticket agent/newsman
 Braniff Airways

- Crosbie, Chester, chairman
Eastern Provincial Airways, Ltd.
- Crosby, James, chairman
Chalks International Airlines (1)
Resorts International Airlines
- Cross, B. C. H., GM
West African Airways Corporation
- Crossfield, A. Scott, vp
Eastern Air Lines
- Crossings International
Harbor Air
- Crossland, David, Airtours, Ltd. chairman
Airtours International, Ltd.
- Crosson, Joe, pilot
Alaskan Airways
see also Eielson, Ben, search for
- Crouse, John, chairman
Phoenix Airways (Pty.), Ltd.
- Crovettoat, Jacques and Patrick, founders
Heli-Air Monaco, S.A.
- Crowley, Daniel, CFO
BAX Global
- Crowley, Geoffrey T., CJT Holdings chairman
Air Wisconsin Airlines Corporation
- Crowley, Laurie, founder/CEO
Megapode Airways, Ltd.
- Crowther, Robert, founder/pres.
Bremerton Air Taxi
- Crowther, Capt. W. H., pilot
Qantas Empire Airways (Pty.), Ltd.
QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- Cruddas, Colin, author
Flight Refueling, Ltd.
- Cruickshank, David "Andy," pilot/GM
Canadian Airways, Ltd.
Western Canada Airways, Ltd.
Yukon Airways and Exploration Company, Ltd.
- Crull, Hugh, vp-opns.
Merlin Express
- Cruz, Gloria J., employee
Southwest Airlines (2)
- Cruz, Manuel Mederos, MD
Cargosur: Compania de Exploitation de Aviones Cargueros, S.A.
- Cruz, Roberto, passenger
Eastern Air Lines
- Cruz, Roman A., Jr., chairman/pres.
Philippine Air Lines (PAL)
- Cryderman, C. F., pres.
Century Airlines (4)
- Cryolite Mining Company Oeresund, A.S.
Gronlandsfly, A.S./Greenlandair, A.S.
- Cryptography
Pan American Airways (PAA)
- Crystal Palace Resort and Casino
Carnival Air Lines
Majestic Airlines (1)
- CSA Airtours, A.S.
CSA Czech Airlines, A.S.
- CSA Services, S.R.O.
CSA Czech Airlines, A.S.
- Csumrik, Joe, owner/chirman
Air Atonabee, Ltd.
- CSX Corporation, investor
Air Atlanta
- CTA Holidays, Ltd.
Kibris Turk Hava Yollari, A.O. (KTHY)
- CTAMA Insurance Company
Tunisavia: Societe de Transports, Services et Travaux Aeriens, S.A.
- Cuban-American baseball games, 2000
Sun Country Airlines
- Cuban Missile Crisis of 1962
Chalk's International Airlines (1)
- Cubic-Western Data self-ticketing machines
Southwest Airlines (2)
- Cubitt, C. R., pilot
Norman Edgar (Western Airways), Ltd.
- Cuddeback, Leon D., chief pilot
Varney Air Lines
- Cuddihy, Rita M., pres.
USAirways Shuttle
- Cueto, Enrique, EVP/pres./part-owner
Fast Air Chile, S.A.
LanChile Airlines, S.A.
LanPeru, S.A.
- Cueto Group *see* Cueto, Enrique
- Cullen, Garry, comm. mgr./ops. dir/project mgr./CEO
Aer Lingus Irish Airlines, Ltd.
Aer Lingus Commuter: Aerlinte Eireann Tioranta, Ltd.
LIAT (1974), Ltd.
- Cullen, Jack, founder/pres.
Chatham Aviation
- Culman, Dr. Herbert, jt.-MD/chairman
Deutsche Lufthansa, A.G.
- Culverhouse, Hugh F., Sr., owner
Provincetown-Boston Airline (PBA)
- Cumber, Mervyn, founder/pres.
Island Air, Ltd.
- Cummings, Alistair, COO
British Airways, Ltd. (2)
- Cummings, Capt. Slim, pilot
Southwest Airlines (2)
- Cummins, Gaston, pres.
LADECO Chilean Airlines, S.A.
- Cunard Steamship Line, Ltd.
British Overseas Airways Corporation, Ltd.
British Airways, Ltd. (2)
Cunard-Eagle Airways, Ltd.
Eagle Airways, Ltd. (1)
Heavylift Cargo Airlines, Ltd.
TAC Heavylift, Ltd.
Titan Airways, Ltd.
Transmeridian Air Cargo, Ltd.
- Cunha, Idaiberto Luis, MD
TAVAJ: Transportes Aereos Regulares, S.A.
- Cuniali, Hasan M., GM/chairman
Libyan Arab Airlines
- Cunliffe-Owen, Sir Hugo, investor
Olley Air Service, Ltd.
- Cunningham, Adm. A.B.C., R.N., passenger
American Export Airlines (AMEX)
- Cunningham, Capt. John, pilot
British Overseas Airways Corporation (BOAC)
- Cunningham, Tanya, pilot
Midwest Express Airlines
- CUPID CRS
Cathay Pacific Airways (Pty.), Ltd.
Dragonair (Pty.), Ltd.
- Curley, George D., vp/pres.
Wardair Canada, Ltd.
- Currid, Timmy, Irish fisherman
Bond Helicopters, Ltd.
- Currie, Lauchlin, aide/messenger
China National Aviation Corporation (CNAC-1)
- Curry, Foster, founder/pres.
Pacific Marine Airways
- Curry, Roger W., pres.
Emery Worldwide: A CF Company

Cursach, Bartolome, pres.
 BCM Airlines, S.A.
 Curtis, N. F., MD
 Tradewinds Airways, Ltd.
 Curtis, William R., GM
 Bahamasair, Ltd.
 Curtiss, Glenn, passenger
 Transcontinental Air Transport (TAT)
 Curtiss, Maurice, MD
 Hunting-Clan Air Transport, Ltd.
 Curtiss C-46 Commando civil launch customer
 Eastern Air Lines
 Curtiss CO Model 18 Condor I launch customer
 Transcontinental Air Transport (TAT)
 Curtiss HS-2L launch customer
 Laurentide Air Services, Ltd.
 Curtiss Lark launch customer
 Colonial Air Transport
 Curtiss Model 55 Kingbird launch customer
 Eastern Air Transport
 Curtiss T-32 Condor II launch customer
 American Airways (2)
 Curtiss Wright Corporation
 China National Aviation Corporation (CNAC-1)
 Eastern Air Transport (2)
 LanChile Airlines, S.A.
 National Air Transport
 Cush, C. David, international planning director then COO
 American Airlines
 Aerolineas Argentinas, S.A.
 Cushing, Sir Selwyn, deputy chairman/chairman
 Air New Zealand, Ltd.
 Cuthbertson, Robert G., operations dir.
 USA Jet Airlines
 Cutter, William P., jt. founder
 Cutter-Carr Flying Service
 Cutting, Sen. Bronson, passenger
 Transcontinental and Western Air Lines (TWA)
 Cvijin, Capt. Michael, founder/pres.
 Trade Air
 Cyclones *see* Hurricanes
 Cyprair Tours, Ltd.
 Cyprus Airways, Ltd.
 Cyprien, Kagari, pres.
 Air Burundi: Societe de Transport Aerien du Burundi, S.A.
 Cypriosun Holidays
 Helios Airways, S.A.
 Cyprus Conflict, 1974
 Cyprus Airways, Ltd.
 Kibris Turk Hava Yallari, A.O.
 Cyprus Turkish Community Assembly Consolidated Improvements Fund
 Kibris Turk Hava Yallari, A.O.
 Cyrano, Latif, FO
 Singapore Airlines, Ltd.
 Czech, Peter, M
 D Aero-Dienst, GmbH.
 Czech Republic, Fund for National Property
 CSA Czech Airlines, A.S.
 Czech crisis of 1968
 Aeroflot Soviet Airlines
 Czech refugee flights of 1938
 Imperial Airways, Ltd.
 KLM: Royal Dutch Airlines, N.V.

D

D'Alama, Massimo, prime minister of Italy
 Alitalia, SpA.
 D'Amato, Jimmie, founder/pres.
 Moraine Airways

D'Amato, Michael, pres.
 New York Helicopter Corporation
 D'Erlanger, Sir Gerard, dir./MD/chairman
 Hillman's Airways, Ltd.
 British European Airways Corporation (BEA)
 British Overseas Airways Corporation (BOAC)
 D'Oley, Pelletier, pilot
 Aeropostale (1): Compagnie Generale Aeropostale, S.A.
 D'Olier, H. Mitchell, pres.
 Hawaiian Airlines (HAL)
 D'Plana, Filippo, founder/CEO
 Aerolitoral, S.A.
 D-Day commemorative tour, 1994
 British Airways, Ltd. (2)
 Da C. Diogo, Victor Manuel, MD
 Equatorial International Air
 Da Costa, Jose M., pres.
 Omni Aviacao e Tecnologia, Lda.
 Da Costa Rodrigues, Rui Manuel, hijacker
 TAP Air Portugal, S.A.
 Da Cunha, Lt.Col. Pinho, GM
 DETA Mozambique Airlines, S.A.
 Da Nang, Vietnam, evacuation flights, 1975
 World Airways
 Da Ros, Robert, chairman
 Air Littoral, S.A.
 Da Silva, Antonio Henriques, chairman/CEO
 TAAG Angolan Airlines, S.A.
 Da Silva, Frederico Monteiro, pres.
 TAP Air Portugal, S.A.
 Da Silva Santos, Clodoaldo, jt. founder
 Aero Taxi Jacarepagua, Ltda.
 Dadd, R. J., chairman
 Guernsey Airlines, Ltd.
 Daenick, Gery, COO
 Sabena Belgian World Airlines, S.A.
 Dafe, Chief I. O., chairman
 Nigeria Airways, Ltd.
 Dag, Mehmet, hijacker
 THY Turkish Airlines, A.O.
 Dagnaux, Commandant, pilot/CEO
 Regie Air Afrique, S.A.
 Dahy, Adrian, chairman
 Air Madagascar, S.A.
 Daihatsu
 Toa Airways Company, Ltd.
 Dailydka, Stasys, MD
 Lithuanian Airlines, A.S.
 Daimler Hire, Ltd.
 Daimler Airways, The, Ltd.
 DaimlerChrysler
 ProAir
 Daland, Elliott, jt. founder
 Huff-Daland Dusters
 Dale, Robert, founder/pres.
 Air Dale, Ltd.
 Dale, Tollef, pres.
 Teddy Air, A.S.
 Dalen, Per Erik, GM
 Morefly, A.S.
 Dalfort Aviation
 Legend Airlines
 Northwest Airlines
 Dallas Cowboys NFL team
 American Airlines
 Braniff International Airways
 Dallas Mavericks NBA team
 American Airlines
 Dallas Stars NHL team

- American Airlines
- Dalmor Shipping Line
 - LOT Polish Airlines, S.A.
- Dalrymple, Fitzwilliam W., jt. founder
 - Coastal Airways (1)
- Dalsye, Adrian, jt. founder
 - DHL Airways
- Daly, Edward J., owner/chairman
 - World Airways
- Damania, Parvez, founder/chairman/commercial dir.
 - Damania Airlines, Ltd.
 - Sahara India Airlines, Ltd.
- Damaseb, Petrus, chairman
 - Air Namibia (Pty.), Ltd.
- Damask, Kenneth, GM
 - Great American Airways
- Damm, Alexander, EVP/pres.
 - Continental Airlines
- Damon, Ralph S., vp-opns./pres.
 - American Airlines
 - Transcontinental and Western Air Lines (TWA)
 - Trans-World Airlines (TWA)
- Daneshmand, Bahman, GM
 - Star Airways: Star Hava Yollari, A.O.
- Daniel Guggenheim Fund for the Promotion of Aeronautics
 - Western Air Express
- Daniell, Capt. Rex, jt.-founder/pilot
 - South Pacific Airlines of New Zealand, Ltd.
- Daniels, Robert, pres./CEO
 - Sun Country Air Lines
- Danielsson, Lennart, pres.
 - NYGE Trafikflyg, A.B.
- Danilidis, Kimon, MD
 - Interjet, S.A.
- Danin, R.A., DG
 - Polise Air
- Dans, Maurice, MD
 - Sobelair, N.V.
- Dao Manh Nhuong, deputy DG/DG
 - Vietnam Airlines
- Daouda, Youssoufa, DG
 - Cameroon Airlines, S.A.
- Daragan, Michael, CEO
 - Aer Lingus Irish Airlines, Ltd.
- Darakhvilidze, V. V., DG
 - Kursk Air Enterprise
- Darbyshire, D., chairman
 - Air Tasmania (Pty.), Ltd.
- Darnell, Linda, actress/passenger
 - Transcontinental and Western Air Lines (TWA)
- Dart, Justin, Jr., chairman, President's Committee on the Employment of
 - People with Disabilities
 - Mesaba Airlines
- Dart, William ("Bill"), MD
 - Aus-Air (Pty.), Ltd.
- Dart Group, Aviation Division
 - Channel Express (Air Services), Ltd.
- Dasburg, John, pres.
 - Northwest Airlines
- Dascala, Simion, MD
 - Air Antares, S.A.
- Dashti, Capt. Ali, MD
 - Lotus Air, S.A.E.
- Dassault Mercure launch customer
 - Air Inter, S.A.
- DATAS II CRS system
 - Delta Air Lines
 - Trans World Airlines (TWA)
- Dato Loke Wan, chairman
 - Malaysian Airways, Ltd.
- Dato Loke Wan Tho, passenger
 - Civil Air Transport, Ltd.
- Dato, Domingo, pres.
 - LAER: Linea Aerea Entre Rios, S.A.
- Datta, Saroj, EVP/CEO
 - Jet Airways (Pty.), Ltd.
- Daub, Jack, founder/pres.
 - H & D Aviation
- Daudpota, AM M. A., MD
 - Pakistan International Airlines Corporation
- Davenport, J. G., chairman
 - MK Aircargo, Ltd.
- Davenport, M. B., hijacker
 - Continental Airlines
- Davenport, William F., pilot
 - Union Airways (Pty.), Ltd.
- Davenzali, Aldo, chairman/pres.
 - Aerolinee Itavia, SpA.
- David, Romeo S., EVP
 - Philippine Air Lines (PAL)
- David MacBrayne, Ltd.
 - Scottish Airways, Ltd.
- David Martin Group
 - Regionair, Ltd.
- Davidov, Yuri, GM
 - Saratov Aviation Division
- Davidson, A. D., pilot
 - QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- Davidson, Clinton, founder/pres.
 - Resort Airlines (1)
- Davies & Newman Holding plc
 - Dan Air/Dan Air Services, Ltd.
- Davies, Brian, MD
 - Kenya Airways, Ltd.
- Davies, David, MD
 - Cambrian Airways, Ltd.
- Davies, John H., chairman
 - Cambrian Airways, Ltd.
- Davies, Capt. Nick, pilot
 - British Regional Airlines, Ltd.
- Davies, Omar, Jamaican prime minister
 - American Airlines
 - British Airways, Ltd. (2)
- Davies, Raymond, passenger
 - Virgin Atlantic Airways, Ltd.
- Davies, R. E. G., historian
 - Trans World Airlines (TWA)
- Davies, S. Kenneth, chairman/MD
 - Cambrian Air Services, Ltd.
- Davies, Capt. Vic, pilot/MD
 - Helicopters Seychelles
- Davies & Newman Holdings, plc
 - Dan-Air/Dan-Air Services, Ltd.
 - British Airways, Ltd. (2)
- Davis, Bill, founder/pres.
 - Crown Airlines
- Davis, Brian W., jt.-founder/MD
 - Bon Accord Airways, Ltd.
- Davis, D. Scott, VP-finance/CFO
 - United Parcel Service (UPS)
- Davis, Edward, jt.-founder
 - Air East Airlines
- Davis, Gail, VP
 - Tahoe Air
- Davis, I. G., Jr., pres.
 - Chalks International Airlines (1)
- Davis, James M., pres.
 - JetTrain

- Davis, John C., Jr., passenger
Continental Airlines
- Davis, Marvin, financier
United Airlines
- Davis, Mike, Atlantic Coast Jet COO
Atlantic Coast Airlines
- Davis, Miles, first U.S. domestic flight attendant
Western Air Express
- Davis, Roy, mechanic
Trans World Airlines (TWA)
- Davis, Thomas H., pilot/pres./founder & chairman
Camel Flying Service
Piedmont Airlines (1)
- Davis, William, vp
American International Airways (2)
- Davis, William D., founder/pres.
Trans Asiatic Airlines (SIAM), Ltd.
- Davis Bacon Co., designers
LanChile Airlines, S.A.
- Davison, Derek, MD
Britannia Airways, Ltd.
- Davitdze, David, DG
Orbi Georgian Airlines
Georgian Airlines
- Davlos, Leonardo Sanchez, majority owner
TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
- Davy, James, chief pilot
Columbia Helicopters
- Davydov, A.S., MD
Deruluft, GmbH.
- Dawkins, Sam, Jr., hijacker
Piedmont Airlines (1)
- Dawsey, Melrose, jt. founder
PEOPLExpress Airlines
- Dawson, Capt. Bob, pilot
United Air Lines (2)
- Day, Brian, founder
Community Express, Ltd.
- Day, Doris, actress
Transocean Air Lines (TAL)
- Day, George, jt. founder
Eagle Commuter Airlines
- Day, Patrick, pres.
Liberty Helicopters
- Dayan, Moshe, Israeli defense minister
Libyan Arab Airlines
- De Almeida, Rui, opns. dir.
Omni Aviacao e Tecnologia, Lda.
- De Almedia Baltazar, Joaquim, GM
DTA Angola Airlines, S.A.
- De Almeida Costa, Dr. Humberto J., pres.
Rio-Sul, S.A.
- De Andrews Solana, Santiago, MD
Trabajos Aereos y Enlaces, S.A.
- De Angelis, Enzo, jt. founder
Coastal Airways (1)
- De Athayde, Marcos Antonio Lacerda, pres.
Transbrasil, S.A.: Linhas Aereas Transbrasil
- De Benedictis, John, chief pilot
Primac Air
- De Burgh, Chris, singer
Virgin Atlantic Airways, Ltd.
- De Camillis, Tony, pres.
Planet Airways
- De Carvalho, Erik, pres.
VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
- De Celles, Capt. Larry, pilot
Trans World Airlines (TWA)
- De Cernon, Joel, CEO
Air Zaire, S.A.
- De Corbion, Paul Pirlot, pres.
European Air Transport, S.A.
- De Creeft, Bill and Barbara, owners
Kachemak Air Service
- De Dryver, L., EVP
Skytech Helicopter Service, S.A.
- De Fleurieu, Pierre, DG
Compagnie Franco-Roumaine de Navigation Aerienne, S.A.
- De Gannes, Capt. Ferdinand, chief pilot/CEO
LIAT (1974), Ltd.
- De Gautier, Rincon, major of San Juan, P.R.
Eastern Air Lines
- De Groot, Mrs. A., DG
Trans Travel Airlines, B.V.
- De Havilland Comet I launch customer
British Overseas Airways Corporation (BOAC)
- De Havilland Comet 4 launch customer
British Overseas Airways Corporation (BOAC)
- De Havilland DH 4A launch customer
Aircraft Transport and Travel, Ltd.
- De Havilland DH 9 launch customer
Aircraft Transport and Travel, Ltd.
- De Havilland DH 16 launch customer
Aircraft Transport and Travel, Ltd.
- De Havilland DH 18 launch customer
Aircraft Transport and Travel, Ltd.
- De Havilland DH 34 launch customer
The Daimler Airway, Ltd.
- De Havilland DH 42 launch customer
Imperial Airways, Ltd.
- De Havilland DH 50A launch customer
Australian Aerial Services (Pty.), Ltd.
- De Havilland DH 66 Hercules launch customer
Imperial Airways, Ltd.
- De Havilland DH 84 Dragon launch customer
Hillman's Airways, Ltd.
- De Havilland DH 86 Express launch customer
Railway Air Services, Ltd.
- De Havilland DH 89 Dragon Rapide launch customer
Hillman's Airways, Ltd.
- De Havilland DH 91 Albatross launch customer
Imperial Airways, Ltd.
- De Havilland DH 95 Flamingo launch customer
Jersey Airways, Ltd.
- De Havilland DH 98 Mosquito launch customer
British Overseas Airways Corporation (BOAC)
- De Havilland DH 104 Dove 1 launch customer
Hunting Air Travel, Ltd.
- De Havilland DH 114 Heron 1B launch customer
Jersey Airlines, Ltd.
- De Havilland DH 121 Trident 1C launch customer
British European Airways Corporation (BEA)
- De Havilland DH 121 Trident 1E launch customer
Iraqi Airways
- De Havilland DH 121 Trident 2E launch customer
British European Airways Corporation (BEA)
- De Havilland DH 121 Trident 3B launch customer
British European Airways Corporation (BEA)
- De Havilland DH 121 Super Trident 3B launch customer
CAAC: The General Administration of Civil Aviation of China De
Havilland Australia DHA 3 Drover launch customer
Trans Australian Airlines (Pty.), Ltd.
- De Havilland Canada DHC-2 Beaver launch customer
Central British Columbia Airways, Ltd. (CBCA)
- De Havilland Canada DHC-4 Caribou launch customer
Civil Air Transport, Ltd.
- De Havilland Canada DHC-6-100 Twin Otter launch customer
Pilgrim Airlines

- De Havilland Canada DHC-7 ("DASH-7") launch customer
Rocky Mountain Airways
- De Havilland Canada DHC-8-101 launch customer
Air Dale, Ltd.; NorOntair, Ltd.
- De Havilland Canada DHC-8-300 launch customer
Time Air, Ltd.
- De Haya, Capt. Carlos, Spanish Nationalist pilot
Lineas Aereas Postales Espanolas, S.A. (LAPE)
- De Irala, Xavier, chairman
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- De Izaguirre, Pascal, MD
Air France Europe, S.A.
- De Jesus Prado-Ortega, Manuel, Nicaraguan refugee
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- De Jeune, Edouard, MD
Young Cargo, S.A.
- De Kantzow, S. H., joint founder/original investor
Cathay Pacific Airways (Pty.), Ltd.
- De Klerk, Gert, founder/MD
Avia Air Charter (Pty.), Ltd.
- De la Haye, John, jt.-founder
Caledonian Airways, Ltd. (1)
- De la Quintana, Ismael Warleta, Spanish DG Aeronautics
Lineas Aereas Postales Espanolas, S.A. (LAPE)
- De la Rua, Fernando, Argentine president
Aerolineas Argentinas, S.A.
- De la Vaux, George, passenger
Canadian Colonial Airways (1)
- De Lesseps, Count, GM/chief pilot
Compagnie Aerienne Franco-Canadienne, Ltd.
- De Lion, Richad, commercial director
Cargo Lion, Ltd.
- De Lisle, Frank, founder/pres.
LIAT: Leeward Islands Air Transport, Ltd.
- De Mares, Rose Marie, MD
RUTACA: Rutas Aereas, C.A.
- De Mel, Lakshman, MD
Air Lanka, Ltd.
- De Pau, Luis, founder/pres.
AVIACSA: Aviacion de Chiapas, S.A. de C.V.
- De Plessis, Capt. Jan Andre, pilot
Air Rhodesia, Ltd. (2)
- De Pous, J. W., chairman
KLM: Royal Dutch Airlines, N.V.
- De Predo y Colon de Carvajal, Manuel, DG
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- De Prevoisin Legorereta, Gerardo, chairman/CEO
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
Mexicana Airlines, S.A. de C.V.
- De Rey, Capt. Vera, Spanish Nationalist officer
Lineas Aereas Postales Espanolas, S.A. (LAPE)
- De Ros, Robert, chairman
Compagnie Aerienne du Languedoc, S.A.
- De Roux, Jose I., GM
Parsa, S.A.
- De Saint-Exupery, Antonine, pilot/administrator/author
Aeroposta Argentina, S.A.
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
Air France
- De Smet, Ronald, co-pres./pres.
Mexair, Ltd.
Air Cess, Ltd.
- De Soet, J. F. A., MD/pres.
KLM: Royal Dutch Airlines, N.V.
- De Sousa Lobo, Vlademar Fortse, pres./GM
TACV Cabo Verde Airlines, S.A.
- De Vaz, Gerard, MD
Region Air, Ltd. (1)
Region Air, Ltd. (2)
- De Waal, Johan, Namibian member of parliament
Air Namibia (Pty.), Ltd.
- De Wine, Sen. Michael, committee chairman
American Airlines
British Airways, Ltd. (2)
- De Witt, Ned, pres.
Western Airlines (1)
- Deacon, Bill, winchman
Bristow Helicopters, Ltd.
- Deacon, F. Martha, jt. founder
Knighthawk Air Express, Ltd.
- Deal, Blake, founder/CEO
Sterling Flight Services
- Deaux, Didier, CEO
Aigle Azur Transport Aeriens, S.A.
- DeBoer, Jack, jt. founder
Private Jet Expeditions
- DeC. Ballardie, J., chairman
Northern and Scottish Airways, Ltd.
- Decker, Larry, pres./CEO
Sunworld International Airways
- Deeb, Mahmoud Rizq, hijacker
Royal Jordanian Airlines
- Deeds, E. Andrew, 2nd, founder/pres.
Air North
- DeGarmo, Capt. Alva R., pilot
Pan American Airways (PAA)
Western Air Express
- Deir, Taker, GM
Executive Air Transport, Ltd.
- Dekker, J.J., MD
Armenian Airlines
- Dekker, John, MD
Air Belgium International, S.A.
- Del Chang Import-Export Company
Lao Aviation Company
- Del Ponte, Carla, Swiss federal prosecutor
Aeroflot Russian International Airlines (ARIA)
- Del Rio, Arroyo, Ecuadorian president
Pan American-Grace Airways (PANAGRA)
- Del Rio, Dolores, actress/passenger
Maddux Air Lines
- Del Valle, Jorge, pres.
Oceanair (1)
- Del Valle, Thomas, pres.
Executive Airlines (3)
- Delachi, Ambrogio, pres.
Alpi Eagles, SpA.
- Delaware
Aero Taxi (2)
All-American Aviation
Atlantic Aviation Corporation
Del Air Cargo: Delaware Air Freight
Dovair Air Transport
IC Jet
Purolator Courier
Universal Airlines System
- Delaye, Guatier, designer
Air Afrique, S.A.
Air France
- Delegation Nationale
Air Algerie, S.A.
- Delesalle, Luc, pres.
Flandre Air, S.A.
- Delgado, Capt. Augusto, pilot
Haiti Trans Air, S.A.
- Delgado, Carlos M., GM
SANS: Servicios Aereos Nacionales, S.A.
- Dell, Edmund, U.K. trade secretary

- Laker Airways, Ltd.
 Delle-Femine, O. V., Aircraft Mechanics Fraternal Association national dir.
 Northwest Airlines
 Delman, Paul G., founder/pres.
 Commuter Airlines (2)
 Delorme, Capt. Claude, pilot
 Air France
 Delta Force (U.S.)
see Skyjackings—March 28, 1981; July 29, 1984.
 Deltamatic CRS
 Delta Air Lines
 Scenic Airlines
 Deltona Corporation
 Marco Island Airways
 Deluce, Robert J., pres.
 Canada 3000, Ltd.
 Deluce, Stanley, owner/chairman
 Austin Airways, Ltd.
 DeLuce, William, pres./chairman
 Air Ontario, Inc.
 SA Express (Pty.), Ltd.
 Zambian Express Airways, Ltd.
 Deluce Investments, Ltd.
 Air 3000 Airlines, Ltd.
 Canada 3000, Ltd.
 DeMary, Richard, flight attendant
 USAir
 Demchenko, A.S., pilot
 Aeroflot Soviet Airlines
 Demchenko, Boris, DG
 Pulkovo Airlines: Aviation Enterprise Pulkovo
 Demchenko, Oleg, pres.
 Yak Service Airline
 Demeke, Nebiu, hijacker
 Deutsche Lufthansa, A.G.
 Demidenko, Cmdr. Mikhail, DG
 Boronezh Avia
 Demidenko, Mikhail, pres.
 Dnepravia
 Demissie, Capt. Zeleke, MD
 Ethiopian Airlines, S.C.
 Democratic National Committee
 Miami Air International
 Democratic National Convention
 1932, American Airways
 1964, Allegheny Airlines (1); American Airlines
 1984, AirCal
 1992, Express One International
 1996, United Airlines
 Dempsey, Capt. Henry,
 Eastern Air Lines 3284.
 Dempster, William, founder/MD
 William Dempster, Ltd.
 Denard, Robert, French mercenary
 Emirates Airlines, Ltd.
 DeNardin, Tom, VPM
 Western Pacific Airlines (Westpac)
 Denbow, Hugh, marketing mgr.
 Guyana Airways Corporation
 Denby, Alfred, GM
 Aerovias de Guatemala, S.A.
 Denior, Robert, actor/passenger
 Baxter Air: Baxter Aviation, Ltd.
 Denis, Jean, MD
 Aigle Azur Transport Aeriens, S.A.
 Lucas Aigle Azur, S.A.
 Denisco, R. E., Brinks courier/passenger
 Trans World Airlines (TWA)
 Denislov, Anatoli, DG
 Kraiaero Airlines
 Denizolgun, Arif Ahmet, Turkish transport minister
 THY Turkish Airlines, A.O.
 Denko, M.I., DG
 AIS Air Company
 Denmark, Equal Status Council
 Maersk Air, A.S.
 Denmark, Supreme Court
 Interflug DDR Airlines, mbH.
 Iraqi Airways
 KLM: Royal Dutch Airlines, N.V.
 Sabena Belgian World Airlines, S.A.
 SAS: Scandinavian Airlines Corporation
 Singapore Airlines, Ltd.
 Dennis, Sandy, actress
 Trans International Airlines (1)
 Dennison, Terence O., vp-opns./pres.
 Aspen Airways
 Westates Airlines (2)
 Denny, Capt. O. D., pilot
 Qantas Empire Airways (Pty.), Ltd.
 Denny, Donna, pres.
 Coval Air, Ltd.
 Denny, Michael, chairman
 Euroscot Express, Ltd.
 Dent, James, founder/chairman.
 Trans Air
 Dentas, Dr. Jose Bento Riberto, DG
 Cruzeiro Brazilian Airlines, S.A.
 Denver Broncos NFL team
 United Airlines
 Denver Nuggets NBA team
 Champion Airlines
 Viscount Air Service
 Dequadros, H. V., GM
 Jamair Company, Ltd.
 DeQuay, J. E., chairman
 KLM: Royal Dutch Airlines, N.V.
 Derbyshire, John, CFO
 KLM U.K., Ltd.
 Deri, Thomas, DG
 MALEV Hungarian Airlines, Rt.
 Deriagin, Mikhail U., DG
 Ural Interavia: Uralinteravia AQZT
 Derickson, Uli, purser
 Trans World Airlines (TWA)
 Derieg, Thomas F., vp-opns.
 Aloha Airlines
 Derkunsky, N., pilot
 Aeroflot Soviet Airlines
 Derridinger, Richard, pres.
 Dolphin Airlines
 Derry, Frank, developer of Smokejumping
 Johnson Flying Service
 Derudder, Vincent J., GM
 Air Intergulf, Ltd.
 Derzsi, Andras, pres.
 MALEV Hungarian Airlines, Rt.
 Des Gunarante, AM M J T, CEO
 Helitours, Ltd.
 Des Moines, City of (Iowa)
 AccessAir
 Desbrueres, Henri, MD
 Air France
 Deshmukh, Capt. Saudamini, pilot
 Indian Airlines Corporation
 Vayudoot, Ltd.
 Desimone, Alberto, CEO
 Dinar Lineas Aereas, S.A.

- Desmond, Capt. David G., pilot
Pan American Airways (PAA)
- Desyatnichenko, Igor, economics dept. director
Aeroflot Russian International Airlines (ARIA)
- Detroit Investment Fund
Proair
- Detroit Lions NFL football team
Capital Airlines
Northwest Airlines
United Air Lines (2)
- Detroit Pistons NBA team
Northwest Airlines
- Deutsch, Gustavo Andres, pres.
LAPA: Lineas Aereas Privadas Argentinas, S.A.
- Deutsche Bank
Deutscher Aero Lloyd, A.G.
Deutsche Lufthansa, A.G.
PT Garuda Indonesia
- Deutsche Petroleum, A.G.
Lloyd Luftverkehr Sablatnig, GmbH.
- Deutsche Post World Net
Deutsche Lufthansa, A.G.
DHL Worldwide Express
Lufthansa Cargo, A.G.
- Deutsche Reiseburo
Deutsche Lufthansa, A.G.
- Deutsche-Russische Luftverkehrs-Gesellschaft, GmbH.
Deruluft, GmbH.
- Devane, William, actor
Air Canada, Ltd.
- Devaux, Franklin, jt. founder
Proteus Air System, S.A.
- Deve Gowda, H. D., Indian prime minister
Indian Airlines, Ltd.
Jet Airways (Pty.), Ltd.
Singapore Airlines, Ltd.
- Deveshwar, Yogesh, chairman/MD
Air India, Ltd.
- Devine, Christopher, passenger
Antilles Air Boats
- Devine, Gerry, MD
British Airways (Scotland), Ltd.
- Devine, Lisa, plaintiff
Antilles Air Boats
- Devoe, Jack, founder/pres.
Devoe Airlines
Gulf Central Airlines
- Devon Partners
Southern Air
Southern Air Transport
- Devos, Ela, MD
LWA: Liberia World Airways
LWA (Gibraltar), Ltd.
- Dew, Capt. S. E., pilot
Civil Air Transport, Ltd.
- DEW Line
Boreal Airways, Ltd.
Canadian Pacific Air Lines, Ltd. (CPAL)
Eastern Provincial Airways, Ltd.
The Flying Tiger Line
Maritime Central Airways, Ltd.
Nordair, Ltd.
Northern Air Cargo
Quebecair, Ltd.
Queen Charlotte Airline, Ltd.
Reeve Aleutian Airways
Transair, Ltd. (1)
Wheeler Airlines, Ltd.
Wien Air Alaska
- World Airways
World Wide Airways, Ltd.
- DeWald, W. N., pilot
Finger Lakes Air Service
- Dewandre, Paul, MD
Air Exel Belgium, S.A.
- Dewanto, Toto Iman, MD
PT Sabang Merauke Raya Air Charter
- Dewey, Shaun, MD
Airworld Aviation, Ltd.
- Dewey, Gov. Thomas E., passenger
Standard Air Lines (2)
- Dewitt, A. H., pilot
Thompson Aeronautical Corporation
- DeWitt, Fred, pres.
Air Miami
- Dewoitine 338 launch customer
Air France
- Dewoitine 620 launch customer
Air France
- Dhanabalan, S., chairman
Singapore Airlines, Ltd.
- Dhanutirto, Haryanto, Indonesian transport minister
PT Garuda Indonesia
PT Merpati Nusantara Airlines
- Dhlamini, Capt. President, GM
Swaziland Airlink, Ltd.
- Di Fazio, Luciano, jt.-founder/CEO
Gandalf Airlines, SpA.
- Dial Corporation
Greyhound Air, Ltd.
- Diamond, David, owner/pres.
South Central Air
- Diamond, William ("Chief Billy"), founder/chairman
Air Creebec, Inc.
- Diane, Elhadj Nfa Mousa, MD
Air Guinee
- Diaz, Gerardo, pres.
AeBAL: Aerolineas de Baleares, S.A.
- Dickens, C. H. "Punch," founder/pilot
Commercial Airways, Ltd.
Western Canada Airways, Ltd.
- Dickenson, Charles, founder
Charles Dickenson
- Dickerson, Charles, pres.
Bankair Commuter Airlines
- Dickerson, Nettie D., pres.
Bankair Commuter Airlines
- Dickerson, O. L., EVP
Independent Air
- Dickey, D. A., hijacker
Delta Air Lines
- Dickey, Kenneth, jt.-founder
Air L.A.
- Dickin, John, CEO
Starspeed, Ltd.
- Dickinson, Fairleigh, S., Jr., chairman
Air New England
- Dickson, Enan, pilot
New Zealand Aero Transport Company, Ltd.
- Dickson, F. A., jt.-founder
Air Freight, Ltd. (1)
- Didenko, M. I., DG
Air Transport School
- Didyasarín, ACM Prayad, chairman
Thai Airways International, Ltd. (THAI)
- Diederich, Kurt, DG
Interflug DDR Airlines, mbH.
- Diefenbach, Elkins, Davis and Baron, designers

- LanChile Airlines, S.A.
 Diejroger, C. Cody, pres./CEO
 Maverick Airways (2)
 Dien Bien Phu, Battle of, 1954
 Civil Air Transport, Ltd.
 Societe Aigle Azur, S.A.
 Diener, Nelly, Europe's first stewardess
 Swissair, A.G.
 Dietrich, Josef "Sepp," Nazi party official
 Deutsche Luft Hansa, A.G.
 Dietrich, Marlana, spokeswoman
 British Overseas Airways Corporation (BOAC)
 Dietrich, Noah, asst. to Howard Hughes
 Trans-World Airlines (TWA)
 Transcontinental and Western Air Lines (TWA)
 Dietrick, Ralph, owner/pres.
 Island Airlines
 Diez-Martinez, Jesus, pres.
 Avant Airlines, S.A.
 Diffey, Larry, jt. founder/pres.
 Bemidji Airlines
 Dillenbeck, Juney, MD
 Air Botswana (Pty.), Ltd.
 Dilling, Troels, chairman
 Maersk Air, A.S.
 Dimarco, Jose Antonio, GM
 Aero Chaco: Lineas Aereas Chaquenas, S.A.
 Dimeling, Schreiber & Park
 Business Express (BEX)
 Dimirescu, Mirica, pres.
 Jaro International, S.A.
 Dimitriadis, Andre C., VPF/CFO
 Western Airlines (1)
 Dimitrouski, Mirce, deputy chairman
 Macedonian Airlines
 Dimitrov, Tsankov, hijacker
 Balkan Bulgarian Airlines
 Ding, Erhard, MD
 Arcus Air Logistic, GmbH.
 Ding-yi, Hu, Chinese counsel general to San Francisco
 CAAC: The General Administration of Civil Aviation of China
 Dingle, Rep. John (D-MI)
 Northwest Airlines
 Dinkeloo, Dirk, pres.
 Aero Taxi (2)
 Dinter, Gerhard, MD
 Sun Express Air, A.O.
 Diniz, Abilio, Brazilian businessman
 Canadian Airlines International, Ltd.
 Dion, Celine, singer/passenger
 Royal Airlines, Ltd.
 Diop, Mamadou, pres.
 Air Gabon: Compagnie Nationale Air Gabon, S.A.
 Diplomat Freight Services
 Air Foyle, Ltd.
 Direct TV satellite system
 JetBlue Airlines
 Legend Airlines
 Skymark Airlines Company, Ltd.
 Dirty tricks campaign
 British Airways, Ltd. (2)
 Virgin Atlantic Airways, Ltd.
 Dirube, Emilio, founder/chairman/pres.
 Falcon Air Express
 Disappearances
see Crashes
 Discovery Channel television network
 Highland Airways, Ltd. (2)
 Island Helicopters Kauai
 Discovery Helicopters, Ltd.
 CHC: Canadian Helicopter Corporation, Ltd.
 Disher, Capt. Bob, pilot/vp-opns.
 Pan American-Grace Airways (PANAGRA)
 Distance Early Warning Line *see* DEW Line
 District of Columbia
 Allegheny Airlines
 Capitol Helicopters
 Gemini Air Cargo
 US Jet Aviation
 USAir
 Worldwide Airline Services
see also Maryland and Virginia
 Ditchings at sea
see Crashes; Incidents
 Dithipeng, AM Narong, MD
 Thai Airways Company, Ltd.
 Divivo, John J., hijacker
 Eastern Air Lines
 Dix, Richard, actor
 Transcontinental and Western Air Lines (TWA)
 Dix, William, chairman
 Qantas Airways (Pty.), Ltd.
 Dixon, Capt. Andy, pilot
 Delta Air Lines
 Dixon, Edward F., owner
 Chalk's International Airlines (1)
 Dixon, Geoffrey, deputy chairman/MD
 Qantas Airways (Pty.), Ltd.
 Dixon, Jeremy R., MD
 Air U.K. Leisure, Ltd.
 Leisure International Airways, Ltd.
 Dixon, R. F., hijacker
 Eastern Air Lines
 Dixon, Terry, GM
 Conair Aviation, Ltd.
 Djahanshahi, Izad, founder
 Airways International
 Djanhanbani, A., MD
 Air Taxi Company
 Djehanshahi, Izad N., chairman/pres.
 Airways International
 Djohan, Robby, pres.
 PT Garuda Indonesia
 Djordjovic, D., pres.
 Aviogenex
 Dlugi, Olaf, MD
 Augsburg Airways, GmbH.
 Dmitriev, V. V., CEO
 Kotlas United Air Detachment
 Dmythe, Peter, pres.
 Air Niagara Express, Ltd.
 Do Santos, Hector, pres.
 LAM: Linea Aerea Misioners, S.A.
 Dobbin, Craig, chairman
 Air Atlantic, Ltd.
 British International Helicopters, Ltd.
 CHC: Canadian Helicopter Corporation, Ltd.
 Sealand Helicopters, Ltd.
 Dobbin, Mark, vp
 CHC: Canadian Helicopter Corporation, Ltd.
 Dobrynin, Anatoly, Soviet ambassador to the U.S.
 Aeroflot Soviet Airlines
 Pan American World Airways (1)
 Dobson, Malcolm, MD
 Knight Air, Ltd.
 Dobson, Winston Spencer, terrorist
 Haiti Air Transport, S.A.
 Dockery, Michael W., CEO

- Saber Cargo Airlines
Doctors Without Borders
Foremost Aviation, Ltd.
Turtle Airways, Ltd.
Dodek, Carolyn, opns. dir.
Shillelagh Air Travel Club
Doddrell, Kevin, CEO
Ansett New Zealand, Ltd.
Qantas New Zealand, Ltd.
Doderer, Dr. Jose, founder/chairman
ALFA: Aviacion del Litoral Fluvial Argentina, S.A.
FAMA: Flota Aerea Mercante Argentina, S.A.
Dodge, Wayne, CEO
Freedom Air International, Ltd.
Doe, Thomas A., pres.
Eastern Air Transport (2)
Doerflinger, Joseph, pilot
Kohler Aviation Corporation
Pennsylvania Air Lines and Transport Company
Doganis, Prof. Rigas, chairman
Olympic Airways, S.A.
Doganov, Valeri, MD
Balkan Bulgarian Airlines
Dogo, Koudjolou, DG
Air Afrique, S.A.
Doherty, John P., chairman/pres.
Taino Air, Ltd.
Dolansky, E. F., EVP/pres.
National Airlines (1)
Dolara, Peter, South American division manager
American Airlines
Dole, Bob, Republican presidential candidate
AV Atlantic
Presidential Air
Dole, Elizabeth, DOT secretary/passenger
Eastern Air Lines
Pan American World Airways (1)
United Airlines
Dole, James, founder/pres.
Providence Airline Corporation
Dole, Kenneth, jt.-founder
Seaborne Airlines
Dollar, David, chairman
British Executive Air Service, Ltd.
Dollar Helicopters, Ltd.
Dollar, Robert, founder/pres.
South Pacific Air Lines 4200.
Dollison, Lester R., passenger
Pioneer Air Lines
Dolmatov, Cmdr. Valeri, CEO
Nikolaevsk-Na-Amure Air Enterprise
Dolson, Capt. Charles H., pilot/pres.
Delta Air Lines
Dom Perignon, dog
American Airlines
Domich, E.G.D., founder/pres.
Ede-Aire
Dominion Breweries
Mount Cook Airlines, Ltd.
Domingorena, Dr. Horacio, chairman
Aerolineas Argentinas, S.A.
Dominguez, Carlos ("Sonny"), dir./chairman
Philippine Air Lines (PAL)
Dominguez, Pico, chairman
Aeronor-Chile, S.A.
Dominican Republic, Corporacion Dominicana de Empresas Estados
Dominicana: Compania Dominicana de Aviacion, C. por A.
Dominican Republic crisis, 1995
American Airlines
Domning, Capt. Lloyd, pilot
Pan American-Grace Airways (PANAGRA)
Domoney, Charles, pres.
MGM Grand Air
Donado, Louis, co-founder
Aerocondor, S.A.
Donado, Orlando, pres.
LIDCA: Lineas Aereas del Caribe, S.A.
Donald, Richard, chairman
Highland Airways, Ltd. (1)
Donaldson, Kenneth, founder
Addison Aviation Services
Donavan, O. P., pilot
Pacific Air Transport
Donaway, Carl, pres./CEP
Airborne Express
Donizetti, Lawrence, Pacific Sports Holdings chairman
Tahoe Air
Donohoe, Brendan, executive/GM/CFO
Aer Lingus Irish Airlines, Ltd.
Air Zimbabwe Corporation
Kenya Airways, Ltd.
Air East Africa, Ltd.
Donohue, Donald J., founder/pres.
Las Vegas Airlines
Donoso, Vinicio, GM
ANDES: Aerolineas Nacionales de Ecuador, S.A.
Donovan, William J. "Wild Bill," OSS director/legal representation
Civil Air Transport, Ltd.
Donville, Jean, pres.
Nordair, Ltd.
Doole, George A., pres.
Civil Air Transport, Ltd.
Dooley, Capt. Rick, MD
Helicopters Seychelles, Ltd.
Doolittle, Gen. James H. "Jimmy," supporter/customer
Chicago and Southern Air Lines
China National Airways Corporation (CNAC-1)
Pan American Airways (PAA)
Dorgovtsov, K., DG
Atravega Aviation
Doric, R.M.S., experimental air mail flight to
Canadian Airways, Ltd.
Dorland, Graham, chairman
Airborne Express
Dornier, Iren, jt.-founder
Seair: Palwan's Airline
Dornier DoJ Wal launch customer
Deutsche Luft Hansa, A.G.
Dornier 228-100/200 launch customer
A/S Norving
Dornier 328-100 launch customer
Air Engiadina, Ltd.
Dornier Komet I launch customer
Deutsche Luft Reederei, GmbH.
Dornier Komet II/III launch customer
Ukrvozdukhput
Dornier Merkur launch customer
Deutsche Luft Hansa, A.G.
Dornier Do X flying boat
Deutsche Luft Hansa, A.G.
Dos Reis, Joao E., GM
Equatorial International Airlines of Sao Tome e Principe, S.A.
Air Sao Tome e Principe: Linhas Aereas de Sao Tome e Principe, S.A.
Dos Reis, Zinkle, pres.
SATA Air Acores, S.A.
Dostum, Gen. Abdul Rashid, Afghan warlord
Ariana Afghan Airlines Company, Ltd.
Dotsov, Nikoa, MD

- Balkan Bulgarian Airlines
- Doty, T. L., passenger/saboteur
- Continental Airlines
- Douglas of Kirtleside, Lord, chairman,
see Sholto Douglas, William
- Douglas, D. B., founder/MD
 - Douglas Airways (Pty.), Ltd.
- Douglas, Donald, aircraft designer/passenger
 - American Airlines
 - KLM: Royal Dutch Airlines, N.V.
 - Transcontinental and Western Air (T&WA)
 - United Airlines (1)
 - United Airlines (2)
- Douglas, Gordon, jt. founder
 - Wilderness Air (1975), Ltd.
- Douglas, James, EVP/CFO
 - World Airways
- Douglas, Michael, actor/passenger
 - Northwest Airlines
- Douglas, Richard, passenger
 - Atlantic Coast Airlines
- Douglas DC-1 launch customer
 - Transcontinental and Western Air
- Douglas DC-2 launch customer
 - Transcontinental and Western Air
- Douglas DC-2 1/2
 - China National Aviation Corporation (CNAC-1)
- Douglas DC-3/DST launch customer
 - American Airlines
- Douglas DC-3 Turbo Express launch customer
 - Harold's Air Service
- Douglas DC-4 (C-54 converted to civil standard) launch customer
 - American Export Airlines (AMEX)
- Douglas DC-4 (civil production model) launch customer
 - Western Air Lines
- Douglas DC-4E launch customers
 - American Airlines
 - Eastern Air Lines
 - Pan American Airways (PAA)
 - Transcontinental and Western Air (TWA)
 - United Air Lines (2)
- Douglas DC-5 launch customer
 - ALM: Antillaanse Luchvaart Maatschappij, N.V.
- Douglas DC-6 launch customer
 - United Air Lines (2)
- Douglas DC-6A launch customer
 - Slick Airways
 - American Airlines
- Douglas DC-6B launch customer
 - United Air Lines (2)
- Douglas DC-7 launch customer
 - American Airlines
- Douglas DC-7B launch customer
 - Pan American World Airways (1)
- Douglas DC-7C launch customer
 - Pan American World Airways
- Douglas DC-8-10 launch customer
 - Delta Air Lines
- Douglas DC-8-30 launch customer
 - Pan American World Airways
- Douglas DC-8-50 launch customer
 - United Air Lines (2)
- Douglas DC-8-61 launch customer
 - United Air Lines (2)
- Douglas DC-8-62 launch customer
 - Braniff International Airways
- Douglas DC-8-63 launch customer
 - Delta Air Lines
- Douglas DC-8-71 launch customer
 - Delta Air Lines
- Douglas DC-9-10 launch customer
 - Delta Air Lines
- Douglas DC-9-20 launch customer
 - SAS: Scandinavian Airlines System
- Douglas DC-9-30 launch customer
 - Eastern Air Lines
- Douglas DC-9-40 launch customer
 - SAS: Scandinavian Airlines System
- Douglas DC-9-50 launch customer
 - Swissair, A.G.
- Douglas DC-10-10 launch customer
 - American Airlines
- Douglas DC-10-15 launch customer
 - Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
- Douglas DC-10-30 launch customer
 - Swissair, A.G.
- Douglas DC-10-40 launch customer
 - Northwest Airlines
- Douglas M Mailplane launch customer
 - Western Air Express
- Douglas & Lomason Company
 - Shamrock Airlines (2)
- Dove, Maxwell, GM
 - Caspair Air Charters, Ltd.
- Dovrat, Doron, CEO
 - Israil, Ltd.
- Dowd, John, co-pilot
 - Pioneer Air Lines
- Dowdeswell, Elizabeth, U.N. environmental program dir.
 - British Airways, Ltd. (2)
- Dowding, Michael G., MD
 - Prospair Aircharter, Ltd.
- Downey, Chuck, founder/pres.
 - Commuter Airlines of Chicago
- Downey, Capt. John, pilot
 - Civil Air Transport, Ltd.
- Downing, Donald, MD
 - Kenya Airways, Ltd.
- Doyale, W. W., chairman
 - Air Ceylon, Ltd.
- Doyle, Michael, flight engineer
 - American Export Airlines (AMEX)
- Drahorad, Ian, MD
 - Fischer Air, A.S.
- Drake, James Barrett, hijacker
 - Air Canada, Ltd.
- Drakou, Andreas, Libra Holidays Group MD
 - Sabre Airways, Ltd.
- Dramamine, invention of
 - United Air Lines (2)
- Drango, Maria Fernanda, GM
 - LAP: Lineas Aereas Petroleras, S.A.
- Draper, Mjr. C., pilot
 - British Aerial Transport, Ltd.
- Drasin, Tamara, singer/passenger
 - Pan American Airways (PAA)
- Dreschel, Edwin, historian
 - Deutsche Luft Hansa, A.G.
- Dresdner Bank
 - Deutsche Lufthansa, A.G.
 - Hapag-Lloyd Fluggesellschaft, mbH.
- Dresdner Kleinwort Benson
 - Deutsche Lufthansa, A.G.
- Drew, B., chairman/MD
 - Caprivi Airways (Pty.), Ltd.
- Drewery, W. E., chairman
 - Maitland Drewery Aviation, Ltd.
- Drexel Burnham Lambert

- Mexicana Airlines, S.A. de C.V.
 Trans World Airlines (TWA)
 Driessen, Hans-Joachim, pres./co-MD
 LTE International Airways, S.A.
 LTU International Airlines, K.G.
 LTU Sued International Airways
 Drinkwater, Terrell C, vp/GM/executive vp/pres./chairman
 American Airlines
 Continental Air Lines (2)
 Transcontinental and Western Air (TWA)
 Western Air Lines
 Western Airlines (1)
 DRIR Equities
 MHS Aviation Sdn. Bhd.
 Driscoll, John, Los Angeles World Airports executive dir.
 China Southern Airlines Company, Ltd.
 Drollette, E. James, jt. founder
 Clinton Aero Service
 Dromgoole, Bernard, jt.-founder/MD
 Aviaameer Airlines, S.A.
 LTU International Airlines, K.G.
 Overseas Aviation (Channel Islands), Ltd.
 Dru, Joanne, actress/passenger
 Pan American-Grace Airways (PANAGRA)
 Drummond, Capt. Wylie H., pilot
 American Airlines
 Drusillas Children's Zoo
 British Airways, Ltd. (2)
 Drutikov, V. I., DG
 Tranzit Avia Transport Enterprise
 Drysdale, Andrew, consultant/MD
 Air Pacific, Ltd. (2)
 Dryver, De, EVP
 Skytech Helicopter Service, S.A.
 DSP Partners, investors
 Aeris, S.A.
 Air Toulouse International, S.A.
 Du Dinghuan, pres./DG
 Sichuan Airlines
 Du Plessis, Jean H., GM
 National Airlines (Pty.), Ltd.
 Duan Dayang, pres.
 Shenzhen Airlines
 Dubai National Air Travel Agency
 Emirates Airlines, Ltd.
 Dubash, Khushroo, jt-founder/director
 Blue Dart Aviation, Ltd.
 Duberstein, Kenneth M., lobbyist
 United Airlines
 USAirways
 Dubinsky, Frederick "Rick," ALPA leader
 United Airlines
 Dubreuil, Jean Paul, pres./GM
 Airlec: Air Aquitaine Transporte, S.A.
 Air Vendee, S.A. 1064.
 Regional Airlines, S.A.
 Dubreuil, Michael, MD
 Air Vendee, S.A.
 Ducker, Michael L., SVP
 Federal Express (FedEx)
 Dudik, Aleksan, pres.
 Alrosa Avia
 Duellin, Albert, chief pilot
 Compagnie Franco-Roumaine de Navigation Aerienne, S.A.
 Dufaycolor, Ltd.
 British Airways, Ltd. (1)
 Duff, Donald A., vp/pres.
 Wisconsin Central Airlines
 Duff, William, chairman
 Woods Airways (Pty.), Ltd.
 Duflaycolor, Ltd.
 British Airways, Ltd. (1)
 Dufour, Marc, GM
 Air Littoral, S.A.
 Dufrenne, Eddie, CFO
 Air Nauru Corporation
 Dugain, Marc, MD
 Proteus Air System, S.A.
 Dugas, J. P., GM
 Air Seychelles, Ltd.
 Dugger, Tom, chief pilot
 Jim Hankins Air Service
 Duke of Montrose, chairman
 British Flying Boats, Ltd.
 Duke, Donald, pilot
 LAB: Lloyd Aero Boliviano, S.A.
 Duke, Robin, pilot
 Daimler Airway, The, Ltd.
 Dulaney, Jane, station manager
 American Airlines
 Dulce, William S., chairman/CEO
 SA Express (Pty.), Ltd.
 Dulieu, Capt. John, chief pilot/CEO
 Carib Express, Ltd.
 Helenair (Barbados), Ltd.
 Dull, Eric M., chairman/CEO
 Polar Air Cargo
 Dulles, Allen W., U.S. CIA director
 Southern Air Transport
 Dulles, John Foster, U.S. secretary of state
 Air India, Ltd.
 Dulude, Guy, chairman
 Air Club International, Ltd.
 Dumas, Paul, Luc, and Gilles, jt. founders
 Saint Felicien Air Services, Ltd.
 Dumond, Capt. Eric, pilot
 Saeaga Airlines, Ltd.
 Duncan, Cong. John (R-TN)
 Continental Express
 Duncan, Dr. Frederick, CEO
 Guyana Airways Corporation
 Duncan, Capt. Garth, chief pilot/opns. dir.
 Hummingbird Airways, Ltd.
 Hummingbird Helicopters, Ltd.
 SunExpress Airlines Maldives, Ltd.
 Duncan, Julie, flight attendant
 Northwest Airlines
 Duncan Logan Construction, Ltd.
 Loganair, Lt.
 Dunkirk, Battle of (1940)
 Associated Airways Joint Committee
 Great Western and Southern Air Lines, Ltd.
 Scottish Airways, Ltd.
 Dunkle, Capt. W. E., pilot/dir.
 United Airlines
 Dunlap, Col. Samuel, 3rd, supporter
 Slick Airways
 Dunn, Dick, jt. founder/chairman
 National Airways (Pty.), Ltd.
 Dunn, Sir James, investor
 Olley Air Service, Ltd.
 Dunn, William, GM
 Uganda Airways Corporation
 Dunning, John, founder/pres.
 Danbury Airways
 Dunnion, Thomas, vp/treasurer
 Thompson Aeronautical Corporation
 Transamerican Airlines Corporation

- Dunten, Roscoe, ops. manager/station chief
Pan American Airways (PAA)
West Indian Aerial Express, C.A.
- Duong Cao Thainguyen, MD
Pacific Airlines
- DuPont, Henry B., chairman
Transcontinental and Western Air (T&WA)
Transcontinental and Western Air Lines (TWA)
- DuPont, Raymond, GM
SATA: Societe Antillaise de Transports Aeriens, S.A.
- DuPont, Richard C., pres.
All-American Aviation
- Duprey, Lawrence, chairman
British West Indies Airways, Ltd. (2) (BWIA)
- Duque, Gen. Maco Chavez, pres.
TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
- Durand, Patrice, vp-finance
Air France
- Durango & Silverton Narrow Gauge Railroad
Western Pacific Airlines (Westpac)
- Durant, Isabelle, Belgian transport minister
DHL Worldwide Express
- Durkin, D.V., hijacker
Ozark Air Lines
- Durrani, S. U., MD
Pakistan International Airlines Corporation
- Durrett, R. Lamar, EVP, later vice chairman/CEO
Continental Airlines
Air Canada, Ltd.
- Dutch flood relief operations, 1953
The Flying Tiger Line, The,
KLM: Royal Dutch Airlines, N.V.
- Dutta, Rono J., SVP-planning/pres.
United Airlines
- Dutton, Robert C.
Southern Air Transport
- Duval, Maurice, chairman
Compagnie Franco-Roumaine de Navigation Aerienne, S.A.
- Duznikov, P. D., DG
Donavia: Donskie Avialinii
- Dwyer, Barbara, CEO
Dwyer Air Charter
- Dwyer, William T., founder/chairman
W. T. Dwyer (Pty.), Ltd.
- Dychter, Aaron, Mexican deputy transport minister
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
Mexicana Airlines, S.A. de C.V.
- Dyemchenko, Aleksander S., pilot
Dobrolet
- Dyer, Capt. C. York ("Cal"), pilot
Pan American World Airways (1)
- Dykes, Branch T., pres.
Colonial Air Lines (2)
- Dyment, P. A., pres.
Norontair: Ontario Northland Air Service, Ltd.
- Dymond, Lewis W., pres.
Frontier Airlines (1)
National Airlines
- Dynan, Robert, pres./dir.
Community Express, Ltd.
Liberty Express
United Express (Mesa Air Group)
- Dzendolet, E. R., pres.
Air Illinois
- Dziedziec, Philip, vp-finance
Knighthawk Air Express, Ltd.
- E**
- E. F. Hutton, investor
Air Atlanta
- Eagan, Jack, owner/pres.
Coastal Airways (4)
- Eagle Global Logistics, forwarder/investor
Miami Air International
Quest Cargo International
- Eaker, Capt. Ira C., *Question Mark* crewman
Flight Refueling, Ltd.
- Eardley, D.A., founder
Commercial Air Services (Rhodesia), Ltd.
- Earhart, Amelia, aviatrix/spokesperson
Boston Maine/Central Vermont Airways
National Airways
Thompson Aeronautical Corporation
Transcontinental Air Transport (TAT)
Transcontinental and Western Air (T&WA)
- Earl, Harley, Cadillac designer
Eastern Air Lines
- Earles, Donald and Catherine, founders
Barrie Flight Centre, Ltd.
- Earthquakes *see* location, e.g., Ecuador
- East African Tanning Extract Co., Ltd.
Western Kenya Air Charters, Ltd.
- East Timor, political disturbances, 1999-2000
Air Foyle, Ltd.
CHC Helicopters-Australia (Pty.), Ltd.
Clintondale Aviation
Lloyd Helicopters (Pty.), Ltd.
Safair (Pty.), Ltd.
Tyumenaviatrans (TAT)
- East West Developments (Pty.), Ltd.
East West Airlines (Pty.), Ltd.
- East West Travel & Trade Links, Ltd.
East West Airlines, Ltd.
- Eastlink Lanker, management consultants
Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
- Eastport International
Itavia, SpA.
- Eastwind Capital Partners
Eastwind Airlines: The Bee Line
- Easy Travel
Flugfelag Islands, H.F. (2)/Icelandair, H.F.
Luxair, S.A.
- Eather, Capt. Charles E., pilot
Cathay Pacific Airways (Pty.), Ltd.
- Eba a Moise, Charley, founder
Camavia, S.A.
- Ebanks, Leonard, chairman
Cayman Airways, Ltd.
- Ebeling, M. and R., investors
Inter Air: Inter Aviation Services (Pty.), Ltd.
- Eberl, Mark, chief pilot/jt.-MD
Sunwest International Aviation Services, Ltd.
Sunwest Home Aviation, Ltd.
- Ebert, Friedrich, Wiemar Republic pres./passenger
Deutsche Luft Reederi, GmbH.
- Eblen Group
LanChile Airlines, S.A.
- Eboua, Samuel, chairman
Cameroon Airlines, S.A.
- Ebtehaj, G. H., GM
Iranair: Iranian Airways
- Eccleston, Pat, flight attendant
Trans Canada Air Lines, Ltd.
- Ecclestone, Bernie, race car driver
Qantas Airways (Pty.), Ltd.
- Ecevit, Bulent, Turkish prime minister
THY Turkish Airlines: Turk Hava Yollari, A.O.
- Echols, Emmet D., CIA official
Civil Air Transport, Ltd.
- Eck, W. J., first transatlantic passenger

- Pan American Airways (PAA)
 Eckel, Capt. Paul, pilot
 Continental Airlines
 Eckener, Dr. Hugo, chief pilot/founder/chairman
 Deutsche Luftschiffahrts, A.G. (DELAG)
 Deutscher Zeppelin-Reederei, A.G.
 Eckets, John, founder/pres.
 Arctic Transportation Services
 Eckman, Ansel C., pilot/founder
 Alaska-Washington Airways
 Pacific Airways (1)
 Eckmann, Ansel C., founder/pres.
 Pacific Airways (1)
 ECPAT Association
 Air France
 Ecuador, earthquake of 1949
 Pan American-Grace Airways (PANAGRA)
 Eddington, Rod, MD/chairman/CEO
 Cathay Pacific Airways (Pty.), Ltd.
 Ansett Australia (Pty.), Ltd.
 British Airways, Ltd. (2)
 Edige, Izzet, investor
 Sunways Airlines, A.B.
 Edmondson, Bruce B., pres.
 American International Airways (2)
 Edwards, Agustin, investor
 LADECO Chilean Airlines, S.A.
 Edwards, C. P., Canadian deputy transport minister
 Trans Canada Air Lines, Ltd.
 Edwards, Dr. Charlles, principal shareholder/chairman
 Kiwi International Air Lines
 Edwards, Edward I., governor of New Jersey
 Aeromarine Airways
 Edwards, Sir George, Vickers Viscount designer
 British World Airlines, Ltd.
 Edwards, Ivo, MD
 Handley Page Indo-Burmese Transport Company, Ltd.
 Edwards, Miss Jean, ops-mgr.
 Island Air Services, Ltd.
 Edwards, Wilbur, mgr.
 LIAT (1974), Ltd.
 Edwardson, John A., pres./COO
 United Airlines
 EEA Malaysia, Ltd.
 Saeaga Airlines, Ltd.
 Eelsen, Pierre, chairman/pres.
 Air Inter, S.A.
 Efterkhari, Hosein, hijacker
 Iran Air: The Airline of the Islamic Republic of Iran
 Egan, William, Alaskan governor
 Pan American World Airways (1)
 Egerszegi, Krisztina, swimmer/spokesperson
 Ansett Australia (Pty.), Ltd.
 Eggan, Arne Jan, investor
 Norwegian Air Shuttle, A.S.
 Egrvedt, Clairmont "Claire" L., aircraft designer
 Boeing Air Transport
 Hubbard Air Transport
 Egyptian Force 777
 see Skyjackings—Nov. 23, 1985
 Eheim, Gunter, founder/pres.
 Contactair Flugdienst, GmbH. & Co.
 Ehl, Miroslav, U.S. station mgr.
 CSA Czechoslovak Airlines
 Ehrlich, Zvi, CEO
 Orange Aviation, Ltd.
 Ehnrooth, C. J., MD
 Aero O/Y
 EI Air Exports
 Ireland Airways, Ltd.
 Eich, Christian, BMW Museum president/passenger
 Air France
 Eichmann, Adolph, Nazi war criminal, smuggled to Israel
 El Al Israel Airlines, Ltd.
 Eichner, Ken, founder/pres.
 Temsco Airlines
 Eidmer, Charles, pilot
 Pacific Air Transport
 Eielson, Carl Ben, pilot/pres., search for
 Alaskan Airways
 Dobrolet
 Einarsson, Hordur, MD
 Eagle Air Arnarflug, H.F.
 Einstein's theory of relativity, Flight to test
 Pan American World Airways (1)
 Eisa, Hamid, founder/chairman
 Air Memphis, S.A.E.
 Eisenberg, A. Joel, founder/pres.
 Aeroamerica
 Eisenhower, Dwight D., U.S. president
 Colonial Air Lines (2)
 Pan American World Airways (1)
 Eisenhower, Mamie, U.S. first lady
 Pan American World Airways (1)
 Ejder, Zeki, hijacker
 THY Turkish Airlines, A.O.
 Ekansyaka, Sepala, hijacker
 Alitalia, SpA.
 Ekberg, Anita, actress/passenger
 Pan American-Grace Airways (PANAGRA)
 Ekwe, Joseph Barla, MD
 Air Affaires Afrique, S.A.
 Ekzarkho, A.I., DG
 Interglobus
 el-Alamein, Battle of, 1942
 British Overseas Airways Corporation (BOAC)
 Pan American Airways (PAA)
 el-Aoufir, Mohamed Zouhair, Air Senegal International, S.A. MD
 Royal Air Maroc
 el-Din Agha Bdawi, Esam Fachr, hijacker
 Deutsche Lufthansa, A.G.
 el-Gabbari, Diaa, pres.
 Orca Air, S.A.E.
 el-Hout, Mohamad A., chairman/pres.
 Middle East Airlines, S.A.L. (2)
 el-Khatr, Tarek, hijacker
 Air France
 el-Qaddafi, Muammar, Libyan president
 Jamahiriya Libyan Arab Airlines
 Libyan Arab Airlines
 el-Rufai, Alhaji Mohammed, Nigerian Bureau of Public Enterprises DG
 Nigeria Airways, Ltd.
 Elabe, Mohammed Djama, chairman
 Air Djibouti, S.A.: Red Sea Airline
 Elbee Services
 Elbee Airlines, Ltd.
 Eldem, Bjorn, chairman
 Wideroe's Flyveselskap, A.S.
 Elder, C. F., pilot
 Imperial Airways, Ltd.
 Elder, James, Australian deputy prime minister
 Royal Brunei Airlines, Ltd.
 Elder-Dempster Steamship Lines, Ltd.
 Elders Colonial Airways, Ltd.
 Imperial Airways, Ltd.
 Nigeria Airways, Ltd.
 Electrahilt Corporation
 Pacific Southwest Airlines
 Elektra, A.G.
 Sachsische Luftverkehrs, A.G.

- Eleta, Carlos, pres.
Air Panama International, S.A.
- Elg, Craig, pres.
Regal Air
- Eliasson, Alfred, MD
Loftleidir H.F./Icelandic Airlines H.F.
- Elio, William, vp-passenger services/cargo
Pan American World Airways (2)
- Eliot, Patricia, GM
Aeroregional, S.A.
- Elizalde, Juan, investor
Philippine Air Lines
- Ellerman Wilson Shipping Line, Ltd.
Humber Airways, Ltd.
- Ellhammar, Gosta, MD
Transair Sweden, A.B.
- Elliot, Denholm, actor
Derby Airways, Ltd.
- Elliot, J. V. "Jack," founder/pres.
J. V. Elliot Air Service, Ltd.
- Elliott, A. B., engineer/mechanic
Imperial Airways, Ltd.
- Elliott, A. Byron, vice chairman
Petroleum Helicopters
- Elliott, Capt. Charles I. "Sam," pilot
Hawaiian Airlines (HAL)
Inter-Island Airways (1)
- Elliott, John, chairman
Great Western and Southern Air Lines, Ltd.
- Ellis, Barry, opns. dir.
Hop-a-Jet
- Ellis, Darry L., pres.
Ellis Air Taxi
- Ellis, John, CEO
Ozark Air Lines (2)
- Ellis, Letha, founder/pres.
Mountain West Airlines (2)
- Ellis, Raymond J. "Ray," founder/pres.
Scheduled Skyways
South Central Air Transport (1)
- Ellis, Robert E. "Bob," pilot/pres./GM
Alaska Coastal-Ellis Air Lines
Alaska Southern Airways
Alaska-Washington Airways
Ellis Air Lines
- Elola, Anastasio Blanco, jt-founder
LAGOSA: Lineas Aereas Guerrero-Oaxaca, S.A.
- Eloranta, Jorma, EVP
Finnair O/Y
- Elphinstone, Capt. Allan, pilot
Bristow Helicopters, Ltd.
- Elphinstone, D. H., pilot
QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- Elrod, Capt. James, pilot
Lake Central Airlines
- Elsbree, Kent, World Technology Systems pres.
Midway Airlines (2)
- Else, Derek, MD
Uganda Airlines, Ltd.
- Elsie the Cow*, Borden Company mascot
The Flying Tiger Line
- Elwell, Peter, MD
British Independent Airways, Ltd.
- Elwin, L. B., co-MD
Cambrian Air Services, Ltd.
- Elwin, William, MD
Cambrian Airways, Ltd.
- Ely, Capt. Don L., pilot
American Airlines
- Elzay, Capt. Robert, pilot
Pan American Airways (PAA)
- Embraer EMB-110P Bandeirante launch customer
TABA: Transportes Aereos Bandeirantes, S.A.
- Embraer EMB-120CF Brasilia launch customer
North South Airways
- Embraer EMB-120RT Brasilia launch customer
Atlantic Southeast Airlines (ASA)
- Embraer ERJ-135 launch customer
Continental Express
- Embraer ERJ-145 Amazon launch customer
Continental Express
- Embry, T. Higbeen, jt.-founder
Embry-Riddle Company
- Embry-Riddle Aeronautical University
Embry-Riddle Company
- Emecheta, Elvis, chairman
Merchant Express Aviation Services, Ltd.
- Emergency landings (non-crash)
see Incidents (inflight, ground, and international)
- Emery, Craig, founder/pres.
Air Chathams, Ltd.
- Emery, John C., founder/chairman
Emery Air Freight
- Emery, John C., Jr., chairman
Emery Air Freight
- Emery, W. M., GM
Central Canada Air Lines, Ltd.
- Eminefendic, Mustafa, commercial mgr.
Air Bosnia, S.A.
- Emmanuel, Eduardo, chairman/pres.
Ecuadoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.
- Emmanuel, Norwood, passenger
Continental Airlines
- Emminger, Capt. Sharyn, pilot
Hawaiian Airlines (HAL)
- Emmott, B. W. G., cameraman
Imperial Airways, Ltd.
- Empire Air Mail Program (U.K.)
Imperial Airways, Ltd.
Qantas Empire Airways (Pty.), Ltd.
- Empress of Australia*, R.M.S., experimental air mail flights from
Canadian Airways, Ltd.
- Empress of Britain*, R.M.S.
Imperial Airways, Ltd.
- Endou, Tachihiko, pres.
Asahi Air Lines Company, Ltd.: Asahi Koku Corporation
- Endundo, Jose, pres.
Congo Airlines, S.P.R.L.
- Energoinvest Holding-Energoair
Air Bosna, S.A.
- Engelhardt, Dr. Nicholas, Jr., consultant
American Airlines
- Engels, Willy, pres.
VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- Engine disintegrations, detachments, fires, and miscel. failures and problems *see* Incidents (e)
- England, Trevor, GM
Aeropelican Air Services (Pty.), Ltd.
- Engle, Robert P., founder/pres.
Northwest Territorial Airways, Ltd./NWT Air
- Englebert, C. Carlo, pres.
Flexair, B.V.
- English, Harry, founder/MD/CEO
Amphibious Airways, Ltd.
New Zealand Transport and Travel, Ltd.
- English, Adm. Robert H., passenger
Pan American Airways (PAA)

- English, William F. ("Bill"), vp-opns
Trans Canada Air Lines, Ltd.
- English, William J., MD
Helicopter Resources (Pty.), Ltd.
- Entebbe, Uganda, *see*
Skyjackings—June 27, 1976
- Entsch, R. H., MD
Bush Pilots Airways (Pty.), Ltd.
- Epstein, Elliot, vp-opns.
Eagle Canyon Airlines
- Equitable Life Assurance Co., investor
Air Atlanta
- Ercon, Capt. Wilfred, pilot
British Overseas Airways Corporation (BOAC)
- Eremin, Gennadi, CEO
Penza United Air Detachment
- Erfan, Gamil, chairman
EgyptAir, S.A.E.
- Ergin, Safi, GM/chairman
Istair Istanbul Airlines: Istanbul Hava Yollari, A.O.
- Erickson, Capt. Jack, pilot
Columbia Helicopters
- Erickson, Dale E., founder/pres. Yutana Airlines
Alaska Central Express
Tanana Air Service
- Erickson, Jeffrey H., vp-opns./pres./CEO
Aloha Airlines
Midway Airlines (1)
Reno Air
Trans World Airlines (TWA)
- Ericson, Harvey, pres.
Bearskin Airlines, Ltd.
- Ericsson, Andres, MD
North Cross Airlines, A.B.
- Eriksen, Frede Ahlgreen, chairman
Danair, A.S.
- Eriken, Jorn, SVP/pres.
Maersk Air, A.S.
Estonian Airlines, A.S.
- Eriksson, Bert-Ake, MD
Avia Airlines, A.B.
- Erisik, Yaljn, MD
Kibris Turk Hava Yallari, A.O.
- Eritrea, UN peacekeeping mission, 2000
Tyumenaviatrans (TAT)
Volga-Dnepr Airlines
- Erlandsen, Oscar, GM
Aeronor-Chile, S.A.
- Ernst & Young
Air Toronto, Ltd.
- Ersando, Eladio, pres.
Pacific Airways Corporation
- ErSalcuk, Omar, investor
Seaborne Airlines
- Ershov, A., CEO
Kazair: Kazakhstan National Airways
- Erskine, Gene, chairman/CEO
Crescent Airways
- Ertuzun, Aydin, GM
Tur Avrupa: Tur European Airways, A.O.
- Escobar, Pablo, drug lord
AVIANCA Colombian Airlines, S.A.
- Eser, Guenter, CEO-marketing and sales
Deutsche Lufthansa, A.G.
- Esmaika, Harold, pres./chairman
Alaska Central Airways
Harold's Air Service
Tanana Air Service
- Espana, Hugo Vargas, founder/pres.
Servicio Aereo Vargas Espana, S.A. (SAVE)
- Espece, Capt. Pierre, pilot
Air France
- Espina, Oscar Squella, founder/DG
TAS: Transportes Aereos Suravia, S.A.
- Espino, Leslie, EVP/COO
Philippine Air Lines
- Espinosa, Oscar, Mexican tourism secretary
TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
- Espinosa, Ricardo, ops. dir
Aero Cardal Air Services, Ltda.
- Espinosa de los Monteros, Carlos, GM/MD/chairman
Aviacion y Comercio, S.A. (AVIACO)
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Espinoza, Raul Arechiga, GM/pres.
Aero California, S.A. de C.V.
Aerperlas, S.A. de C.V.
Aerovias Caribe, S.A. de C.V.
- Espiritu, Edgardo, Philippine finance secretary
Philippine Air Lines
- ESPN television network
Island Helicopters Kauai
- Espojol, Francisco, pres.
Aviaca: Aviacion de Chiapas, S.A. de C.V.
- Esquelle Holdings
Air Exel, S.A.
Air Exel Belgium, S.A.
Air Exel France, S.A.
Air Exel Germany, GmbH.
Air Exel Netherlands, C.V.
Air Exel U.K., Ltd.
- Essaied, Raouf, DG
Tuninter, S.A.
- Essenberg, Henry A., CEO/EVP
Air U.K., Ltd.
KLM U.K., Ltd.
KLM: Royal Dutch Airlines, N.V.
- Essex, Josefina M., CFO
Tower Air
- Esso Baytown, S.S., rescue ship
Imperial Airways, Ltd.
- Essono-Owono, Fabian, pres.
Air Gabon: Compagnie Nationale Air Gabon, S.A.
- Estabillo, Rolando, Philippine vp
Philippine Air Lines
- Estades, Marta, VP
Spantax, S.A.: Transportes Aereos
- Estbrook, Hap, founder/pres.
Hap's Air Service
- Estenssoro, Paz, Bolivian president
Pan American-Grace Airways (PANAGRA)
- Estes, Howell M., Jr., vp/pres./CEO
Federal Express (FedEx)
World Airways
- Estes, Murl, pilot
Pennsylvania Air Lines and Transport Company
- Esteve, Manuel, EVP/CEO
Aerolineas Argentinas, S.A.
- Estrada, Carlos J., founder
Ecuavia C., S.A.
- Estrada, Joseph, Philippine president
Air Philippines (2)
Asian Spirit
Cathay Pacific Airways (Pty.), Ltd.
Cebu Pacific Air
Federal Express (FedEx)
Grand Air: Grand International Airways
Philippine Airlines (PAL)
- Estrellada, Rodolfo E., chairman

Air Philippines (2)
 Etheve, Gerard, GM
 Reunion Air Services, S.A.
 Etheve, M., pres.
 Air Austral, S.A.
 Ethier, Albert, founder/pres./chairman
 High-Line Airways, Ltd.
 Norcanair, Ltd. (1)
 Norcanair, Ltd. (2)
 Ethiopian famine relief, 1985
 The Flying Tiger Line
 Etoundi-Atangana, Cyrille, DG
 Cameroon Airlines, S.A.
 Eubanks, Bob, television host
 Tahoe Air
 Eun Sook Kim gives birth to a daughter
 Northwest Airlines
 Euro Disney
 Air France
 Eurocopter AS-332L Super Puma Mk. II launch customer
 Helikopter Service, A.S.
 Eurolatin Aviation, Ltd.
 Heavylift Cargo Airlines, Ltd.
 IAC Cargo Airlines, Ltd.
Europa, S.S.
 Deutsche Luft Hansa, A.G.
 Europa Nord-West Flug pooling arrangement, 1920
 DDL Danish Airlines, A.S.
 Deutsche Luft Reederei, GmbH.
 KLM: Royal Dutch Airlines, N.V.
 European Academy for Aviation Safety
 Air France
 Deutsche Lufthansa, A.G.
 European Bank for Reconstruction and Development
 CSA Czechoslovak Airlines: Ceskoslovenske Statni Aerolinie
 European Court of Justice
 Air France
 Air Liberte: Compagnie Air Liberte, S.A.
 European Export Credit Agencies
 Philippine Air Lines
 European Ferries Group
 Invicta International Airways, Ltd.
 Europolitan, A.B.
 Malmo Aviation Schedule, A.B.
 Evacuations, forced *see* Incidents (in-flight, ground and international)
 names of specific locales
 Evans, A. E., hijacker
 United Air Lines (2)
 Evans, Sir Alfred E., passenger
 Trans Canada Air Lines, Ltd.
 Evans, Bruce L., MD
 Sunbird Airlines (Pty.), Ltd.
 Evans, Capt. John H., MD
 Air Wales, Ltd. (2)
 Evans, Mary Johnson, dir.
 Delta Air Lines
 Evans, Noel B., pilot
 Varney Speed Lines Air Service, Ltd.
 Evans, Sir Alfred E., R. N., passenger
 Trans Canada Air Lines, Ltd.
 Evans, Michael J., GM
 Gulf Helicopters, Ltd.
 Evans, William "Bill," founder/pres.
 Air South (1)
 Evanson, Richard, founder/MD
 Turtle Airways, Ltd.
 Everts, Cliff, CEO
 Eagle Canyon Airlines
 Everest Capital, Ltd.

USAir
 Everglades disasters
 see Crashes Dec. 29, 1972; May 11, 1996
 Evergreen Air Venture Museum
 Evergreen International Airlines
 Everts, Clifford R., founder/pres.
 Everts Air Fuel
 Tatonduk Air Service
 Everts, Robert W., owner/pres.
 Tatonduk Air Service
 Evstropov, Mikhail F., MD
 Samara Airlines: Samara Avialinii
 Ewalt, Robert, pilot/executive
 TACA: Transportes Aereos Centro Americanos, S.A.
 Ewell, Timothy, founder/pres.
 Polar Airlines
 Excalibur Travel, Ltd.
 Excalibur Airways, Ltd.
 Excel Travel, Ltd.
 Air Atlanta Icelandic, H.F.
 Sabre Airways, Ltd.
 Experimental Aircraft Association
 South African Airways (Pty.), Ltd.
 Export-Import Bank (Exim) *see* United States, Export-Import Bank
 Express Cargo of Kinshasa
 Zaire Express, S.A.
Exxon Valdez, S.S., cleanup in Alaska, 1989
 ERA Aviation
 Cargolux Airlines International, S.A.
 Peninsula Airways (1)
 Eyett, Mervyn E., GM
 Air Rhodesia, Ltd. (2)
 Eyre, P. C., pres.
 Air Jamaica, Ltd. (2)
 Eytan, Rafael, Israeli commando leader
 Middle East Airlines, S.A.L. (2)
 Eyton, Rhys T., chairman/CEO
 Canadian Airlines International, Ltd.
 Pacific Western Airlines, Ltd.
 Wardair Canada, Ltd.
 Eze, Prince Arthur, founder/chairman
 Triax Air, Ltd.
 Ezzell, Carolyn, Delta Shuttle CEO
 Delta Air Lines

F

Faberman, Edward, Air Carrier Association of America exec. dir.
 AccessAir
 Fabre, Cesar, founder/pres.
 Aero Andes, S.A.
 Fabre, Francis ("Tom"), pres./MD
 Aeromaritime, S.A.
 Olympic Airways, S.A.
 Union Aeromaritime de Transport, S.A. (UAT)
 UTA French Airlines: Union de Transports Aeriens, S.A.
 Facun, Capt. Teodoro, pilot
 Philippine Air Lines
 Facundo, Jose, pres.
 Executive Air Charter
 Fadahunsi, Chief J. O., chairman
 Nigeria Airways, Ltd.
 Faddayev, Piotr, pilot
 Dobrolet
 Fahinaes, Ola, MD
 AMA Air Express: AMA-Flyg i Goteborg, A.B.
 AMA Flyg Norwing, A.B.
 Fahlen, Jan, founder/pres./MD
 Air Nordic Sweden Aviation, A.B.
 SAE SWE Aviation Europe, A.B.

- Fahmy, Tameem, MD
 Petroleum Air Services, Ltd.
 Fahr, Karl A., pres.
 Scenic Airlines
 Fair, John, pilot
 Midwest Aviation (1)
 Fairbairn, D. F., chairman
 Central African Airways Corporation (CAA)
 Fairbanks, Douglas, actor/passenger
 Transcontinental Air Transport (TAT)
 Varney Speed Lines Air Service, Ltd.
 Fairchild, Bill, founder/pres.
 Angeles Flying Service
 Fairchild, Sherman, chairman/board member/president/investor
 CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Colonial Air Transport
 Pan American World Airways (1)
 West Indian Aerial Express, C.A.
 Fairchild C-82 Flying Boxcar
 Northern Air Cargo
 Fairchild FC-2 launch customer
 Pan American Airways (PAA)
 Fairchild FC-2W launch customer
 Pan American-Grace Airways (PANAGRA)
 Fairchild F-24W launch customer
 Robinson Airlines
 Fairchild Metroliner launch customer
 Commuter Airlines
 Fairchild Metro II launch customer
 Pioneer Airlines
 Fairchild Metro III launch customer
 Horizon Air
 Fairchild Model 71 launch customer
 Pan American-Grace Airways (PANAGRA)
 Fairchild Model 100 Pilgrim launch customer
 American Airways
 Fairchild-Dornier 328JET launch customer
 Proteus Air Lines, S.A.
 Fairchild-Dornier 428JET launch customer
 Atlantic Coast Airlines
 Fairchild-Dornier 728JET launch customer
 Deutsche Lufthansa, A.G./ Lufthansa CityLine, A.G.
 Fairchild-Hiller FH-227 launch customer
 Mohawk Airlines (1)/West Coast Airways
 Fairflight Leasing/M. B. Holdings
 Gill Air: Gill Aviation, Ltd.
 Faisson, Ronar, MD
 Flugfelag Austurlands, H.F.
 Faizi, Capt. Aijaz Ali, MD
 Bhoja Airlines (Pty.), Ltd.
 Faker, Robert, founder/pres.
 Kuilima Air Service
 Fal, Cheikh, chairman/pres.
 Air Afrique, S.A.
 Falana, Femi, lawyer
 Nigeria Airways, Ltd.
 Falck, Thomas S., Jr., dir.
 DNL Norwegian Airlines, A.S.
 Falcon, Jore, pres.
 Aero Caribbean of Cuba
 Falcon Holidays
 Helios Airways, S.A.
 Falcon Travel
 Falcon Air Express
 Falcon Travel, Ltd.
 Flightline, Ltd.
 Falconer, Merv R., dir. flight opns.
 Air National, Ltd.
 Falk, Peter, pilot
 South West African Airways, A.G.
 South West Air Transport (Pty.), Ltd.
 Falklands/Malvinas Islands War, 1982
 Aerolineas Argentinas, S.A.
 British Airways, Ltd. (2)
 British Caledonian Airways, Ltd. (BCAL)
 Heavylift Cargo Airlines, Ltd.
 LADE: Lineas Aereas del Estado
 LanChile Airlines, S.A.
 Falkner, Lee, CEO
 King Island Airlines (Pty.), Ltd.
 Falls, Mike, MD
 Shortstop Jet Charter (Pty.), Ltd.
 Fallscheer, Gerry, MD
 TNT Express Worldwide, Ltd.
 Fam, Michael, chairman
 Singapore Airlines, Ltd.
 Family Fare Plan
 American Airlines
 Famin, Dannys, MD
 Air Caledonie International, S.A.
 Air Caledonie, S.A.
 Fan Yuemin, pres.
 Shuangyang General Aviation Company
 FANS (Future Air Navigation) navigation suite
 United Airlines
 Fansler, Paul E., founder/pres.
 Saint Petersburg-Tampa Airboat Line
 Fansler, Percival, supporter
 Saint Petersburg-Tampa Airboat Line
 Far East Aviation Company, Ltd.
 Lloyd International Airways, Ltd.
 Farley, James A., U.S. postmaster general
 Eastern Air Transport
 Pan American Airways (PAA)
 Transcontinental and Western Air (T&WA)
 Farmakidis, Nicholas, pres.
 Olympic Airways, S.A.
 Farman brothers
 Compagnie des Messageries Aeriennes, S.A. (CMA)
 Lignes Aeriennes Farman, S.A.
 Farman Goliath launch customer
 Compagnie des Grands Express Aeriens, S.A. (CGEA)
 Farman 3X launch customer
 Societe Generale de Transport Aerien, S.A. (SGTA)
 Farman 121 Jabiru launch customer
 DDL Danish Airlines
 Farman 170 launch customer
 Societe Generale de Transport Aerien, S.A. (SGTA)
 Farman 180 launch customer
 Societe Generale de Transport Aerien, S.A. (SGTA)
 Farman 190 launch customer
 Societe Generale de Transport Aerien, S.A. (SGTA)
 Farman 224 launch customer
 Air France
 Farman 301 launch customer
 Societe Generale de Transport Aerien, S.A. (SGTA)
 Farnsworth, Mrs. Dexter, flight attendant
 Pan American-Grace Airways (PANAGRA)
 Farouk, M., chairman
 Bhoja Airlines (Pty.), Ltd.
 Farquhar, Mrs. D., MD
 Magnum Airlines (Pty.), Ltd.
 Farquhar, Peter, MD
 Metavia Airlines (Pty.), Ltd.
 Farrell, C. M. G., pilot
 Western Canada Airways, Ltd.
 Farrell, Joseph, chairman/CEO
 Burlington Air Express

- BAX Global
 Farrell, Capt. Louie, chief pilot
 North Central Airlines
 Farrell, Roy Clinton, jt. founder/original investor
 Cathay Pacific Airways (Pty.), Ltd.
 Faryniak, Walter, founder/pres.
 Faryniak, Walter
 Fasolino, John A., pres.
 Royale Airlines
 Fast, Serguei, founder/MD
 Jet 2000
 Fatarudin, Ridwan, pres.
 PT Merpati Nusantara Airlines
 Fath, Egon, contract pilot
 Ukrvozdukhput
 Fatt, Capt. Robert A., pilot
 Pan American Airways (PAA)
 Faucett, Elmer J., founder/pres.
 Faucett Peruvian Airlines, S.A.
 Faulk, Clarence E., pres./chairman
 Delta Air Lines
 Faulkenberry, Erika, passenger
 North Central Airlines
 Faulkner, C. J., pilot
 Pitcairn Aviation
 Favre, Edmond, jt.-founder
 Societe Auxiliare de Transport Aerien, S.A. (SATA)
 Fawcett, Walter L., Jr., pres.
 Precision Airlines
 Business Air
 FDX Corporation
 Federal Express (FedEx)
 Fech, Robin, flight attendant
 Atlantic Southeast Airlines
 Fecteau, Capt. Richard, pilot
 Civil Air Transport, Ltd.
 Fedawai, F. M., acting pres.
 Ariana Afghan Airlines Company, Ltd.
 Federchenko, V. V., DG
 Gorizont Airline Close Stock Company
 FedEx *see* references to Federal Express (FedEx)
 Fedorchenkov, V. V., GM
 Horizon: Gorizont
 Fedorov, K. K., DG
 Petrolada
 Fehri, Abdelhamid, chairman/DG
 Tuninter, S.A.
 Tunis Air, S.A.
 Feinsinger, Prof. Nathan, U.S. labor commission chair *see* Strikes—1961.
 Feinstein, Diane, San Francisco mayor
 CAAC: The General Administration of Civil Aviation of China
 Feitian, Chinese legend
 China Northwest Airlines Company
 Feldman, A. L. "Al," pres.
 Continental Airlines
 Frontier Airlines (1)
 Feldschuh, Gen. Joel, president
 El Al Israel Airlines, Ltd.
 Feliciano, A., passenger
 Eastern Air Lines
 Felicio, Jose Luiz, MD
 Passaredo Transportes Aereos, S.A.
 Felix, Jean-Francois, investor
 Aeris, S.A.
 Air Toulouse International, S.A.
 Fels, Allan, Australian Competition and Consumer Commission chairman
 Impulse Airlines (Pty.), Ltd.
 Felti, Fritz A., MD
 Tyrolean Airways, GmbH.
- Feng Yu Liang, Chinese army minister
 Deutsche Luft Hansa, A.G.
 Fenn, Michael T., pres.
 Crown Air
 Fennell, Michael, pres.
 Air Jamaica, Ltd. (2)
 Ferdinand, Capt. George, pilot
 Air Ceylon, Ltd.
 Ferguson, Les, VPO
 Sunworld International Airways
 Ferguson, Robert R., III, vice chairman/CEO/pres.
 Continental Airlines
 Midway Airlines (2)
 Ferguson, Roger, pres.
 AccessAir
 Ferguson, Thomas, pres.
 Lake Central Airlines
 Ferguson, Judge Wilkie
 American Airlines
 Ferien-Service, tour operator
 Rich International Airways
 Ferjani, Capt. Saleh, MD
 Jamahiriya Libyan Arab Airlines
 Fernandez, Fernando, GM
 Avant Airlines, S.A.
 Fernandez, Heli Saul, chairman/pres.
 Santa Barbara Airlines, S.A.
 Fernandez, Capt. Jorge, pilot.
 Aerolineas Argentinas, S.A.
 Fernandez, Jose Antonio, DG
 TAAG Angolan Airlines, S.A.
 Fernando, Capt. Peter, pilot
 Ceylon Airways
 Feron, L., president
 Delta Air Transport, S.A. (DAT)
 Ferrara, Orestes, Cuban ex-secretary of state/hijacker
 Pan American Airways (PAA)
 Ferreira, Marcos Sampaio, owner/pres.
 Pantanal Taxi Aereo, S.A.
 Ferrer, Jose Figueres, Costa Rican president
 LANICA: Lineas Aereas de Nicaragua, S.A.
 Ferrer, Pedro, pres.
 Lloyd Aviation, C.A.
 Ferris, Harold and Virginia, owners
 Island Sky Ferries
 Ferris, Richard J., pres./chairman
 United Airlines
 Ferry flights
 Air Charter, Ltd./Channel Air Services, Ltd.
 Ferryflight airport
 Silver City Airways, Ltd.
 Fesilov, Fedor, artist
 TEPavia Trans, S.A.
 FGH Financial Corporation
 McCulloch International Airlines
 Fhimah, Al-Amin Khalifa, alleged Lockerbie bomber
 Jamahiriya Libyan Arab Airlines
 Fiat Group
 Air Europe, SpA.
 Alitalia, SpA.
 Avio Linee Italiane-Flotte Reunite, SpA.
 Societa Anonima Avio-Linee Italiane, SpA.
 Fiat APR-2 launch customer
 Societa Anonima Avio-Linee Italiane, SpA.
 Fiat G-2 launch customer
 Societa Anonima Avio-Linee Italiane, SpA.
 Fiat G-12 launch customer
 Ala Littoria, SpA.
 Fiat G-18 launch customer

- Societa Anonima Avio-Linee Italiane, SpA.
 Fiat G-212 launch customer
 Avio Linee Italiane-Flotte Reunite, SpA.
 Fidelity and Insurance Brokers
 Nigeria Airways, Ltd.
 Field Aircraft Services
 Air Bridge Carriers, Ltd.
 Field Investments, Ltd.
 Virgin Atlantic Airways, Ltd.
 Fields, Randolph, chairman
 Highland Express Airways, Ltd.
 Virgin Atlantic Airways, Ltd.
 Fierro, Capt. Roberto, founder/pres.
 Aero Safari, S.A.
 Fierro, Capt. Roberto and Raul, founders
 TAJ: Transportes Aereos de Jalisco, S.A.
 Fiesta Bowl football game 1999—Delta Air Lines; Miami Air
 International; Northwest Airlines
 Fiesta Holidays, Ltd.
 Points of Call Airlines, Ltd.
 Figueroa, Capt. Roberto, GM
 SAHSA: Servicio Aereo de Honduras, S.A.
 Figueroa, Carlos Jesus, hijacker
 Eastern Air Lines
 Figueroa, Rolando, pres.
 ANHSA: Aerovias Nacionales de Honduras, S.A.
 Figuigu, Sofia, pilot
 Royal Air Maroc
 Fiji political disturbances, 2000
 Air Fiji, Ltd.
 Air New Zealand, Ltd.
 Air Pacific, Ltd. (2)
 Fiker, Jan, pres.
 CSA Czechoslovak Airlines
 Filatov, V., Sakha region parliament deputy chairman
 Polyarny Airlines
 Sakha Avia National Air Company
 Fileccia, Antonio, MD
 Aliblu, SpA.
 Filho, Armando L., MD
 TAM-Meridionis: Transportes Aereos Meridionais, S.A.
 Filiatreault, Giles, MD/pres.
 Air Anguilla, Ltd.
 LIAT: Leeward Islands Air Transport, Ltd.
 British West Indies Airways, Ltd. (2) (BWIA)
 Caribbean Star Airlines, Ltd.
 Filipe, Capt. Joaquim, pilot/labor leader
 TAP Air Portugal, S.A.
 Filipovitch, Leonid N., DG
 Sterkh Air Company
 Film Board of Canada
 Alpen Helicopter, Ltd.
 Filmont Tours International, Ltd.
 Transair, Ltd. (1)
 Filov, Nayalya, DDG
 Siberia Airlines (Sibir)
 Filov, Vladislav, DG
 Siberia Airlines (Sibir)
 Vnukovo Airlines
 Finan, B. J., MD
 Pan African Airlines, Ltd.
 Finazzo, Nick, pres.
 Southern Express Airlines
 Finazzo, Paul J., chairman/pres.
 Airlift International
 Hawaiian Airlines (HAL)
 Finch, Sharon, pilot
 Midway Airlines (1)
 Fine, Frederick, chairman
 Island Helicopter Corporation
 Fine, J. Frank and Barry H., founders
 Agro Air International (Agro Marketing)
 Agro Air International Dominicana
 Fine Air
 Fink, David, investor/pres.
 Pan American World Airways (2)
 Pan Am: Pan American Airways
see also Guilford Transportation
 Finnbogadottir, Vigdis, pres.
 Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Finnigan, Mary Colgan, co-EVP
 Colgan Air
 FINNRES CRS
 Finnair O/Y
 Firestone, Harvey, passenger
 Transcontinental Air Transport (TAT)
 First Choice Holidays, Ltd.
 Air 2000, Ltd.
 Airtours International, Ltd.
 Edelweiss Air, Ltd.
 Iberworld, S.A.
 Leisure International Airways, Ltd.
 First National Bank of Chicago
 Southern Air Transport
 First National Bank of Dallas
 Pioneer Air Lines
 First Union Bank of Florida
 Crescent Airways
 Firsts (Firsts are only those identified in the text)
 First aerial crop-dusting company
 Huff-Daland Dusters
 First aerial traffic reporting service in Canada
 Okanagan Helicopters, Ltd.
 First African carrier to fly indigenous all-cargo services
 Central African Airways Corporation (CAA)
 First African carrier to serve the People's Republic of China
 Ethiopian Airlines, S.C.
 First air coach or "economy" service by an American trunkline
 United Air Lines (2)
 First air combat between airliners
 Lineas Aereas Postales Espanolas, S.A. (LAPE)
 First air express delivery of poultry in the U.S.
 American Airlines
 First air express flight made in the U.S.
 National Air Transport
 First air mail flight from Miami to the Canal Zone
 Pan American Airways (PAA)
 First air mail flight in Hawaii
 Inter-Island Airways (1)
 First air rail co-operative operation of passenger aircraft
 Laurentide Air Services, Ltd.
 First air taxi operator in Moldova
 TEPavia Trans, S.A.
 First air taxi operator to fly from RAF Northolt
 Platinum Air Charter Executive Jet, Ltd.
 First airborne Roman Catholic communion service
 Transcontinental and Western Air Lines (TWA)
 First aircraft-to-ground radio message service for passengers
 American Overseas Air Lines (AOA)
 First airline (lighter-than-air)
 Deutsche Luftschiffahrts, A.G. (DELAG)
 First airline (heavier-than-air)
 Saint Petersburg-Tampa Air Boat Line
 First airline a stewardess of which completes a commercial trans-Pacific
 crossing
 Transocean Air Lines (TAL)
 First airline authorized to fly Alaska-Siberia charters
 Bering Air

- First airline collective bargaining agreement
 - United Air Lines (1)
- First airline consortium in commercial aviation history
 - SAS: Scandinavian Airline System
- First airline employee credit union
 - United Air Lines (1)
- First airline flight from London
 - Aircraft Transport and Travel, Ltd.
- First airline food service
 - Handley Page Transport, Ltd.
- First airline formed in French colony of Indochina
 - Air Vietnam, S.A.
- First airline from the southern hemisphere to offer turboprop service
 - Trans-Australian Airlines (Pty.), Ltd.
- First airline from the west coast South American to serve Miami.
 - AVIANCA Colombian Airlines, S.A.
- First airline in Australia to offer one-way discount fares
 - East-West Airlines (Pty.), Ltd.
- First airline in Europe to fly Douglas transports
 - KLM: Royal Dutch Airlines, N. V.
- First airline in Europe to offer an air shuttle
 - Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- First airline in Latin America to carry 5 million passengers
 - Mexicana Airlines, S.A. de C.V.
- First airline in Mexico
 - CMTA: Compania Mexicana de Transportacion Aerea, S.A. de C.V.
- First airline in Mexico to fly all-cargo service
 - RAMSA: Red Aerea Mexicana, S.A. de C.V.
- First airline in Mexico to fly jetliners
 - Mexicana Airlines, S.A. de C.V.
- First airline in North America to fly regular service to Moscow
 - Air Canada, Ltd.
- First airline in the continental U.S. to fly mail under contract following passage of the Kelly Air Mail Act in 1925
 - Ford Air Freight Lines
- First airline involved in a "hit-and-run" accident
 - Coastal Airways (1)
- First airline largely owned by Afro-Americans
 - Air Atlanta
- First airline loan provided by the U.S. Reconstruction Finance Corporation
 - American Airlines
- First airline night flights between the Continent and the U.K.
 - Compagnie des Grands Express Aeriens, S.A. (CGEA)
- First airline pension program
 - United Air Lines (2)
- First airline pooling arrangement
 - DDL Danish Airlines, A.S.
 - Deutsche Luft Reederei, A.G.
 - KLM: Royal Dutch Airlines, N.V.
- First airline service between the U.S. and U.S.S.R.
 - Aeroflot Soviet Airlines
 - Pan American World Airways (1)
- First airline to achieve 180 min. ETOPs certification of the Next Generation B-737-800
 - Air Pacific, Ltd. (2)
- First airline to adopt automated ticket vending machines
 - Pacific Southwest Airlines
- First airline to adorn its aircraft with scenic views rather than corporate livery
 - Trans Australian Airlines (Pty.), Ltd.
- First airline to air TV commercials featuring sign language
 - Western Airlines (1)
- First airline to arrive at New York Idlewild Airport
 - PIA: Peruvian International Airways, S.A.
- First airline to be fined for violations of its Internet ads
 - Virgin Atlantic Airways, Ltd.
- First airline to be granted a mail certificate by the U.S. Civil Aeronautics Board (CAB)
 - All American Aviation
- First airline to book group tours from California to Honolulu
 - Transocean Air Lines (TAL)
- First airline to bring films of the D-Day invasion to the U.S.
 - Transcontinental and Western Air Lines (TWA)
- First airline to build a private terminal before launching service
 - Legend Airlines
- First airline to build aircraft in Australia
 - QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- First airline to carry air-travel designed infant safety seats
 - Virgin Atlantic Airways, Ltd.
- First airline to circumnavigate the globe entirely by GPS
 - Evergreen International Airlines
- First airline to circumnavigate the globe with a commercial heavier-than-air aircraft
 - Pan American Airways (PAA)
- First airline to circumnavigate the globe with a commercial lighter-than-air aircraft
 - Deutscher Zeppelin-Reederei, A.G.
- First airline to complete a Boeing 737 D check in West or Central Africa
 - Cameroon Airlines, S.A.
- First airline to complete an automatic approach and landing with passengers
 - Pan American World Airways (1)
- First airline to connect North and South America with express, mail, and passenger services
 - New York, Rio, and Buenos Aires Line
- First airline to construct a flight simulator
 - Transocean Air Lines (TAL)
- First airline to create a two-tier wage scale
 - American Airlines
- First airline to develop and use instrument flying techniques
 - Pan American Airways (PAA)
- First airline to deliver flight and frequent flyer account information on the Spring PCS Wireless Web
 - Northwest Airlines
- First airline to employ a Westland SR.N5 Jet Skimmer
 - San Francisco-Oakland Helicopter Airlines (SFO-1)
- First airline to employ a wind shear detection/alerting system
 - Piedmont Airlines (1)
- First airline to employ automated teleticketing
 - United Airlines
- First airline to employ 3-D color films to promote ticket sales
 - KLM: Royal Dutch Airlines, N.V.
- First airline to enter a plane into the British Civil Aircraft Register
 - Aircraft Transport and Travel, Ltd.
- First airline to establish a polar research station
 - Aviaarktika
- First airline to establish an eighty-hour per month flying limit for its pilots
 - New York, Rio and Buenos Aires Line
- First airline to establish its own meteorological department
 - Transcontinental Air Transport (TAT)
- First airline to fit its aircraft with syringe disposal bins
 - Ansett Australia (Pty.), Ltd.
- First airline to fly a Boeing ER jetliner
 - Air Mauritius, Ltd.
- First airline to fly a cattle lift to China
 - Northwest Airlines
- First airline to fly a commercial service from Brussels to the U.S.
 - Sabena Belgian World Airlines, S.A.
- First airline to fly a commercial transarctic service
 - SAS: Scandinavian Airlines System
- First airline to fly a cumulative 100 million miles
 - United Air Lines (2)
- First airline to fly a dawn-to-dusk flight from New York to Honolulu
 - United Air Lines (2)
- First airline to fly a Douglas DC-10 transatlantic service
 - Swissair, A.G.
- First airline to fly a European flag on its aircraft

- KLM: Royal Dutch Airlines, N.V.
- First airline to fly a Ford Trimotor in passenger service under a bridge
Maddux Air Lines
- First airline to fly a heavier-than-air air mail flight across the Pacific from
San Francisco
Pan American Airways (PAA)
- First airline to fly a new route ("Polar 3") through Russian airspace
Northwest Airlines
- First airline to fly a non-Russian manufactured wide-body jetliner
(A300B4) into the Soviet Union
Air France
- First airline to fly a postwar Orient-U.S. air freight shipment
Pacific Overseas Airlines Corporation
- First airline to fly a production-model Lockheed L-100 Hercules
Continental Air Services
- First airline to fly a reigning British monarch—East African Airways
Corporation
- First airline to fly a sitting U.S. president
Pan American Airways (PAA)
- First airline to fly a sitting U.S. president aboard a regularly scheduled
commercial airliner
United Air Lines (2)
- First airline to fly a transatlantic flight with more than 300
Pan American World Airways (1)
- First airline to fly a transcontinental air route in South America
New York, Rio and Buenos Aires Line
- First airline to fly a tri-motored monoplane
ABA Swedish Airlines, A.B.
- First airline to fly a turboprop airliner from London-New York—British
Overseas Airways Corporation (BOAC)
- First airline to fly a turboprop proving flight
Cyprus Airways, Ltd.
- First airline to fly a twin-engined ETOPs jetliner across the North Atlantic
in commercial service
El Al Israel Airlines, Ltd.
- First airline to fly unsurcharged first class mail (at ground rates)
Trans Canada Air Lines, Ltd.
- First airline to fly a U.S. Post Office Department FAM route
Hubbard Air Transport
- First airline to fly a U.S. president outside the U.S.
Pan American Airways (PAA)
- First airline to fly a U.S. president over an ocean
Pan American Airways (PAA)
- First airline to fly a westbound nonstop transatlantic flight with passengers
American Export Airlines (AMEX)
- First airline to fly a women on a scheduled service from England to France
Handley Page Transport, Ltd.
- First airline to fly across Antarctica
LanChile Airlines, S.A.
- First airline to fly across the Alps
Deutsche Luft Hansa, A.G.
- First airline to fly an Aerospatiale Concorde SST revenue service between
two planned destination
British Airways, Ltd. (2)
- First airline to fly an around-the-world jet cargo route
Trans Mediterranean Airways, S.A.L.
- First airline to fly an around-the-world service following an equatorial
route
Pan American Airways (PAA)
- First airline to fly from London Gatwick Airport
British European Airways Corporation (BEA)
- First airline to fly from North America to Namibia
Zambia Airways Corporation
- First airline to fly from Paris to Moscow
Compagnie Franco-Roumaine de Navigation Aerienne, S.A.
- First airline to fly from Washington State to Alaska
Wien Air Alaska
- First airline to fly jet aircraft to Afghanistan
Iran Air
- First airline to fly livestock across the Atlantic Ocean
American Overseas Air Lines (AOA)
- First airline to fly low-fare night service in Africa
Central African Airways Corporation
- First airline to fly mail service along the north shore of the St. Lawrence
River
Canadian Transcontinental Airways, Ltd.
- First airline to fly nonstop between Johannesburg and London
South African Airways (Pty.), Ltd.
- First airline to fly nonstop between London and Bombay
Air India, Ltd.
- First airline to fly nonstop between London and Hong Kong
Cathay Pacific Airways (Pty.), Ltd.
- First airline to fly nonstop between London and Vancouver
British Overseas Airways Corporation (BOAC)
- First airline to fly nonstop between Miami and Paris
National Airlines (1)
- First airline to fly nonstop between New York and Barcelona
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- First airline to fly nonstop between New York and Paris
Pan American World Airways (1)
- First airline to fly nonstop between the U.S. and Japan
World Airways
- First airline to fly nonstop between Paris and New York
Air France
- First airline to fly official air mail in the Canadian Arctic
Commercial Airways, Ltd.
- First airline to fly only Boeing 747 Jumbojets
Qantas Airways (Pty.), Ltd.
- First airline to fly over the China West Route employing FANS-1/A
equipment
Qantas Airways (Pty.), Ltd.
- First airline to fly passenger service in the Arctic part of Alaska
Wien Air Alaska
- First airline to fly passenger service from New York Idlewild Airport
Air France
- First airline to fly regularly scheduled air mail service from Treasure Island
(California) to Auckland, New Zealand
Pan American Airways (PAA)
- First airline to fly regularly scheduled commercial propeller-turbine
(turboprop) passenger service
British European Airways Corporation (BEA)
- First airline to fly regularly scheduled commercial round-trip transatlantic
service
Pan American Airways (PAA)
- First airline to fly regularly scheduled daily international commercial
passenger service
Aircraft Transport and Travel, Ltd.
- First airline to fly regularly scheduled jet services from London (CTN)
Monarch Airlines, Ltd.
- First airline to fly regularly scheduled jet services within the Arctic circle
Nordair, Ltd.
- First airline to fly regularly scheduled passenger air service between
Juneau and Fairbanks, Alaska
Pan American Airways (PAA)
- First airline to fly regularly scheduled rotary-wing passenger service
Eastern Air Lines
- First airline to fly regularly scheduled service between London and Berlin
The Daimler Airway, Ltd.
- First airline to fly regularly scheduled service from Idlewild Airport, New
York City
Air France
- First airline to fly regularly scheduled service with a turbojet aircraft
British Overseas Airways Corporation (BOAC)
- First airline to fly regularly scheduled transatlantic passenger service
Pan American Airways (PAA)
- First airline to fly regularly scheduled transatlantic service with
commercial landplanes
American Overseas Air Lines (AOA)

- First airline to fly regularly scheduled transocean mail flights
Deutsche Lufthansa, A.G.
- First airline to fly regularly scheduled turbojet service from South America to the U.K.
Aerolineas Argentinas, S.A.
- First airline to fly regularly scheduled vehicle ferry service
Silver City Airways, Ltd.
- First airline to fly sustained daily passenger service
Deutsche Luft Reederei, GmbH.
- First airline to fly sustained (short-haul) jetliner service
Aeroflot Soviet Airlines
- First airline to fly sustained turboprop passenger service
Cyprus Airways, Ltd.
- First airline to fly thoroughbred horses between U.S. race tracks
The Flying Tiger Line
- First airline to fly to Tashkent, Uzbekistan
Pakistan International Airways Corporation
- First airline to fly thoroughbred horses between U.S. race tracks
The Flying Tiger Line
- First airline to fly 200 of a single aircraft type
Aeroflot Soviet Airlines
- First airline to fly twinjet service from Rio de Janeiro to Madrid
LanChile Airlines, S.A.
- First airline to have a Boeing 747 Jumbojet destroyed by a mid-air bomb
Air India, Ltd.
- First airline to have an airliner downed by fighter planes
China National Airways Corporation (CNAC-1)
- First airline to install fleetwide Ground Proximity Warning Systems (GPWS)
Pan American World Airways (1)
- First airline to install MedAire's Emergency Service Kits
Sun Country Airlines
- First airline to install radar equipment for every flight
Continental Air Lines (2)
- First airline to introduce a high speed international computer reservations system
Trans World Airlines (TWA)
- First airline to introduce an INS (inertial navigation system)
Finnair O/Y
- First airline to introduce food service
Handley Page Transport, Ltd.
- First airline to introduce regularly worn uniforms
The Instone Air Line, Ltd. (1)
- First airline to land a passenger jet using a head-up flight guidance system in Category III weather
Alaska Airlines
- First airline to land aircraft in Antarctica
Aeroflot Soviet Airlines
- First airline to land at Kathmandu, Nepal
Deutsche Lufthansa, A.G.
- First airline to land at LaGuardia Airport in New York City
Transcontinental and Western Air Lines (TWA)
- First airline to land on the Tasman Glacier, New Zealand
Mount Cook Air Services, Ltd.
- First airline to lose a scheduled flight over the Atlantic Ocean (accident)
Imperial Airways, Ltd.
- First airline to lose a scheduled flight over the Pacific Ocean (accident)
Pan American Airways (PAA)
- First airline to lose a transoceanic passenger flight (accident)
Pan American Airways (PAA)
- First airline to make a deal with organized crime
Pan American World Airways (1)
- First airline to make a landplane mail flight over the South Atlantic
Deutsche Lufthansa, A.G.
- First airline to make a proving flight on a central Asian route
Eurasia Aviation Corporation
- First airline to make a (recorded) glacier landing in Alaska
Alaskan Airways
- First airline to make a staged east-west flying boat crossing of the Atlantic Ocean
Deutsche Luft Hansa, A.G.
- First airline to make an around-the-world flying boat flight
Deutsche Luft Hansa, A.G. 1356.
- First airline to make an automatic landing in scheduled service
British European Airways Corporation (BEA)
- First airline to make an intercontinental long-haul charter flight
KLM: Royal Dutch Airlines, N.V.
- First airline to offer a no-smoking area aboard every aircraft
Trans World Airlines (TWA)
- First airline to offer air travel wireless booking
United Airlines
- First airline to offer charter flights from Mexico to Japan
TAESA: Transportes Aereos Ejecutives, S.A. de C.V.
- First airline to offer direct capital-to-capital service from Brazilia-District of Columbia
Transbrasil, S.A.: Linhas Aereas Transbrasil
- First airline to offer a drive-through check in
Aloha Airlines
- First airline to offer a drive through ticket counter
Southwest Airlines (2)
- First airline to offer all-jet international passenger service
Trans World Airlines (TWA)
- First airline to offer an inclusive service air tour
Imperial Airways, Ltd.
- First airline to offer electronic ticketing on around-the-world flights
United Airlines
- First airline to offer inflight money-changing services
El Al Israel Airlines, Ltd.
- First airline to offer inflight television news, via satellite
Singapore Airlines, Ltd.
- First airline to offer intercontinental Douglas DC-7 service
Delta Air Lines
- First airline to offer interior service in Brazil
Syndicato Condor, S.A.
- First airline to offer international in-flight telephone service to passengers
British Airways, Ltd. (2)
- First airline to offer live, inflight Olympic television coverage
JetBlue Airways
- First airline to offer next business day package delivery between Asia and the U.S.
Federal Express (FedEx)
- First airline to offer night, pure all-cargo turboprop service
British European Airways Corporation (BEA)
- First airline to offer North Atlantic tourist fares
British Overseas Airways Corporation (BOAC)
- First airline to offer online check-in via the Internet
Alaska Airlines
- First airline to offer postwar commercial America-Europe landplane service
Transcontinental and Western Air Lines (TWA)
- First airline to offer postwar flights to Moscow from a non-Scandinavian Europe nation
Sabena Belgian World Airlines, S.A.
- First airline to offer private in-flight telegram service
Deutsche Luft Hansa, A.G.
- First airline to offer regular, unsubsidized commercial service in Australia
ANA: Australian National Airways (Pty.), Ltd.
- First airline to offer scheduled around-the-world service
Pan American Airways (PAA)
- First airline to offer scheduled jet service from London City Airport
Conti-Flug International Airlines, GmbH.
- First airline to offer simultaneous east-west/west-east transatlantic turbojet service
British Overseas Airways Corporation (BOAC)
- First airline to offer SST all-cargo service
Aeroflot Soviet Airlines
- First airline to offer standby service
British European Airways Corporation (BEA)
- First airline to offer stand-up piano bar service

- American Airlines
- First airline to offer through passenger service to Argentina down the east coast of South America
 - Pan American Airways (PAA)
- First airline to operate a Douglas DC-10 all-cargo flight
 - Trans International Airlines (1)
- First airline to operate across the Atlantic without a professional navigator
 - Trans World Airlines (TWA)
- First airline to operate advanced Boeing 767 and Airbus A300B4 widebodies simultaneously
 - China Airlines, Ltd.
- First airline to operate aircraft equipped with a predictive windshear detection system
 - Continental Airlines
- First airline to operate every Airbus Industry airliner type
 - Sabena Belgian World Airlines, S.A.
- First airline to operate from London City Airport
 - Brymon Airways, Ltd. (1)
- First airline to pay a cash dividend to its stockholders
 - Western Air Express
- First airline to prohibit its flight crews from drinking alcohol a day before duty
 - New York, Rio and Buenos Aires Line
- First airline to premier a film in-flight aboard an airliner
 - Pan American Airways (PAA)
- First airline to provide major support to a presidential campaign
 - Deutsche Luft Hansa, A.G.
- First airline to receive a Brazilian route concession
 - Condor Syndikat, GmbH.
- First airline to receive an air mail contract awarded by the British post office
 - Aircraft Transport and Travel, Ltd.
- First airline to receive Canadian government loan insurance guarantees
 - City Express, Ltd.
- First airline to receive in-flight television reception
 - Western Air Express
- First airline to recruit air hostesses from Tibet
 - China Southwest Airlines Company, Ltd.
- First airline to regularly fly mail and passengers across the Andes
 - New York, Rio and Buenos Aires Line
- First airline to relay in-flight messages via Satellite Syncom III
 - Pan American World Airways (1)
- First airline to sell its first tickets over the World Wide Web
 - Color Air, A.S.
- First airline to sell its tickets over the World Wide Web
 - British Midland Airways, Ltd.
- First airline to sell tickets through a bank ATM
 - Hawaiian Airlines (HAL)
- First airline to show moving pictures (silent) on its passenger planes
 - Transcontinental Air Transport (TAT)
- First airline to sign a lease for space at Idlewild Airport (later JFK International Airport), New York City
 - National Airlines (1)
- First airline to sign a sale-leaseback aircraft agreement
 - North American Airlines (1)
- First airline to sign a two-tier wage contract
 - Southwest Airlines (2)
- First airline to simultaneously fly an A340 and A330
 - Cathay Pacific Airways (Pty.), Ltd.
- First airline to sponsor an inflight flying boat refueling test
 - Imperial Airways, Ltd.
- First airline to successfully transmit live human data from a commercial flight over the ocean to land
 - British Airways, Ltd. (2)
- First airline to suffer a fatal SST disaster
 - Aeroflot Soviet Airlines
- First airline to test tubeless tires
 - United Air Lines (2)
- First airline to transport an automobile (Ford Model-T)
 - Aeromarine Airways
- First airline to transport 100 million passengers in a year
 - Delta Air Lines
- First airline to use electronic surveillance and screening devices for security in boarding passengers
 - Pan American World Airways (1)
- First airline with a female B-747-400 flight crewmember (Imme Visscher)
 - KLM: Royal Dutch Airlines, N.V.
- First airline with a medical department
 - Eastern Air Lines
- First airline with a "no smoking" policy (domestic)
 - Muse Air
- First airline with a "no smoking" policy (international)
 - Air Canada, Ltd.
- First airline with a flight kitchen designed to prepare food for dining aloft
 - United Air Lines (2)
- First airline with a for-profit, round-trip airline schedule
 - Saint Petersburg-Tampa Airboat Line
- First airline with fare-paying passengers
 - Deutsche Luftschiffahrts, A.G.
- First airline with female flight attendants
 - Boeing Air Transport
- First airline with flight attendants
 - The Daimler Airway, Ltd.
- First airline with moving pictures (silent)
 - Transcontinental Air Transport (TAT)
- First airline with regularly scheduled inflight (talking) motion pictures
 - Trans World Airlines (TWA)
- First airline with the 40 hour workweek
 - United Air Lines (2)
- First airlines from two different countries to offer a joint international service product and identical inflight amenities
 - KLM: Royal Dutch Airlines, N.V.; Northwest Airlines
- First airlines to implement technology that allows the the issuance of electronic interline tickets on each others flights
 - American Airlines; Canadian Airlines, Ltd.
- First airlines tried and convicted of criminal charges stemming from a fatal air crash
 - Aeromar International, C. por A.; Fine Air Services
- First all-female crew to operate a jetliner in revenue service
 - Piedmont Airlines (1)
- First all turbine-powered airline in the Western Hemisphere
 - Bonanza Air Lines
- First Allegheny Commuter associate agreement
 - Henson Aviation
- First and only air-to-air combat between airliners
 - Lineas Aereas Postales Espanolas, S.A. (LAPE)
- First and only commercial freight glider service
 - Winged Cargo Airlines
- First Armenian cargo airline equipped with its own aircraft
 - Yerevan Avia
- First Asian airline to fly a Boeing 717-200
 - Bangkok Airways, Ltd.
- First Asian airline to fly an Airbus Industrie A340-300
 - Air Lanka, Ltd.
- First Asian airline to fly across the Pacific to the U.S.
 - Philippine Airlines
- First Asian airline to fly to Spain
 - Thai Airways International, Ltd. (THAI)
- First Asian airline to service the U.S. East Coast
 - Air India, Ltd.
- First Asian Convairliner operator
 - Orient Airways, Ltd.
- First Australian airline to "go public,"
 - Hazelton Airlines (Pty.), Ltd.
- First Australian airline of offer scheduled night service
 - Airlines of Australia (Pty.), Ltd.
- First Australian airline to transport five million passengers in one year
 - Trans Australian Airlines (Pty.), Ltd.

- First Australian all-weather air safari operator
Moloney Aviation (Pty.), Ltd.
- First Australian daily service
QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- First Australian low-cost airline
Impulse Airlines (Pty.), Ltd.
- First Australian unsubsidized commercial carrier
ANA: Australian National Airways (Pty.), Ltd.
- First automated air tour narration system
Scenic Airlines
- First automatic landing in scheduled airline service
British European Airways Corporation (BEA)
- First baby born aboard a Boeing 377 Stratocruiser
American Overseas Air Lines (AOA)
- First Brazilian charter flight to the U.S.
Transbrasil, S.A.: Linhas Aereas Transbrasil
- First Brazilian service to the U.K.
Panair do Brazil, S.A.
- First British airline
Aircraft Transport & Travel
- First British airline to fly into Paris (CDG)
British Caledonian Airways, Ltd. (BCAL)
- First British airline to fly into Paris (LBG)
Aircraft Transport and Travel, Ltd.
- First British Airline to fly into Germany
Daimler Airways, Ltd.
- First British independent airline to fly a BAC 1-11-400
Channel Airways, Ltd.
- First British independent airline to operate scheduled flights to New York
British Caledonian Airways, Ltd. (BCAL)
- First British Commonwealth airline to fly a turboprop powered airliner
Trans Canada Air Lines, Ltd.
- First Canadian air mail service
Laurentide Air Service, Ltd.
- First Canadian airline to employ a female pilot
Transair, Ltd. (1)
- First Canadian airline to fly an official domestic direct air mail route
United Air Transport, Ltd. (UAT)
- First Canadian airline to fly a Beech 1900D in scheduled service
Air Creebec, Ltd.
- First Canadian airline to fly a regular air mail service
Laurentide Air Services, Ltd.
- First Canadian airline to fly scheduled commercial air operations
Western Canada Airways, Ltd.
- First Canadian airline to fly scheduled night services
Canadian Airways, Ltd.
- First Canadian airline to fly significant air freight loads
Western Canada Airways, Ltd.
- First Canadian airline to fly a turboprop powered airliner
Trans Canada Air Lines, Ltd.
- First Canadian airline to fly to Central America
Canadian Airlines International, Ltd.
- First Canadian airmail dropped by parachute
Canadian Transcontinental Airways, Ltd.
- First Canadian charter airline to offer direct service to Australia
Canada 3000, Ltd.
- First Canadian regional airline to offer jet transatlantic flights
Nordair, Ltd.
- First Canadian scheduled helicopter service
Okanagan Helicopters, Ltd.
- First capital-to-capital nonstop scheduled service between Japan and the U.S.
All Nippon Airways Company, Ltd. (ANA)
- First Caribbean airline to operate a turboprop transport
British West Indies Airways, Ltd. (2) (BWIA)
- First Caribbean airline to receive regulatory authority for ETOPS operations
BWIA West Indies Airways, Ltd.
- First Central American airline to operate a jet transport
LANICA: Lineas Aereas de Nicaragua, S.A.
- First Central American airline to fly a Boeing 767
TACA International Airlines, S.A.
- First Central American airline to fly a BAC-111
TACA International Airlines, S.A.
- First central European carrier to operate a fleet of all-Western aircraft
LOT Polish Airlines, S.A.
- First charter airline to fly an owned B-747 Jumbojet
Condor Flugdienst, GmbH.
- First charter airline to fly nonstop service from Scandinavia to the Canary Islands
SPANTAX, S.A.: Transportes Aereos
- First Chinese airline to administer an airport (Haikou)
China Hainan Airlines Company
- First Chinese airline to code-share with a U.S. carrier
China Eastern Airlines Company, Ltd.
- First Chinese airline to fly a modern airliner
China National Airways Corporation (CNAC-1)
- First Chinese airline to fly a new technology turboprop
China Southern Airlines Company, Ltd.
- First Chinese airline (PRC) to hire Caucasian flightdeck crewmembers
China Hainan Airlines Company
- First Chinese airline to offer sustained passenger/mail service
Shanghai-Chengtu Air Mail Line
- First Chinese airline to project an in-flight motion picture
CAAC: The General Administration of Civil Aviation of China
- First Chinese airline (PRC) to take control of another airline under 2000
CAAC consolidation mandate
China Southern Airlines Company, Ltd.
- First Chinese airline (PRC) with American investment
China Hainan Airlines Company, Ltd.
- First Chinese domestic code-sharing agreement
China Southern Airlines Company, Ltd.
Yunnan Airlines of China, Ltd.
- First Citizens Bank of Trinidad
Air Caribbean, Ltd.
- First civil aquatic aircraft to be air-conditioned
Virgin Islands Seaplane Shuttle
- First civil flight from an officially appointed U.K. airport
Aircraft Transport and Travel, Ltd.
- First civil jetliner flight in Chinese aviation history
CAAC: The General Administration of Civil Aviation of China
- First code-sharing agreement between two Russian airlines
Kras Air: Krasnoyarsk Avialinii (Krasair)
Transaero Airlines
- First collision between airliners on scheduled flights
Compagnie des Grands Express Aeriens, S.A. (CGEA)
The Daimler Airway, Ltd.
- First Colombian airline to fly Airbus equipment
ACES Colombia, S.A.
- First commercial air transport company
Deutsche Luftschiffahrts, A.G. (DELAG)
- First commercial airmail carrier in New Zealand
Canterbury Aviation Company, Ltd.
- First commercial Atlantic all-cargo service
Seaboard & Western Airlines
- First commercial aviation animal transport
KLM: Royal Dutch Airlines, N.V.
- First commercial flight from Alaska to Washington, D.C.
Alaska Airlines
- First commercial flight over the North Pole
Alaska Airlines
- First commercial four-engine service between Miami and New York City
National Airlines (1)
- First commercial land plane service South Africa to Europe
South African Airways (Pty.), Ltd.
- First commercial landing by a jetliner on Antarctica
Modern Air Transport
- First commercial pilot to log 1,000 jetliner flight hours
Rodley, Capt. E.E., British Overseas Airways Corporation (BOAC)

- First commercial service (nonstop) across the South Atlantic by a South African airline
Trek Airways (Pty.), Ltd.
- First commercial service, via a polar shortcut, between Europe and California
SAS: Scandinavian Airlines System
- First commercial ship service by helicopter, Sept. 6, 1968
Court Helicopters (Pty.), Ltd.
- First commercial transpacific flight by a Boeing 747
Pan American World Airways (1)
- First commuter airline in the U.S. to employ a jetliner
Sun Air Lines
- First completely successful (no casualties) commercial helicopter ditching
British Airways Helicopters, Ltd.
- First computerized seat-assignment/boarding pass system
Eastern Air Lines
- First customs check in the history of air transport
Lignes Aeriennes Farman, S.A.
- First Danish airline to fly a Focke Wulf Fw-200 Condor
DDL Danish Airlines, A.S.
- First Danish airline to fly to the U.K.
DDL Danish Airlines, A.S.
- First dedicated air ambulance helicopter program in Scotland
Bond Helicopters, Ltd.
- First East Asian turboprop operator
Cathay Pacific Airways (Pty.), Ltd.
- First East European airline to fly a Boeing 767
LOT Polish Airlines, S.A.
- First East European airline reestablished after World War II LOT Polish Airlines, S.A.
- First East European airline to operate a worldwide network
CSA Czechoslovak Airlines
- First East-West route across Africa opened after that of Imperial Airways, Ltd.
Ethiopian Airlines, S.C.
- First Europe-wide electronic reservation/ticketing system
SAS: Scandinavian Airlines System
- First Europe "express service"
Ad Astro Aero, A.G.
Deutsche Luft Hansa, A.G.
- First European airline to begin regular postwar transatlantic service to New York City
KLM: Royal Dutch Airlines, N.V.
- First European airline to employ an American-made airliner
Concessionaria Lineas Aereas Subvencionadas, S.A. (CLASSA)
- First European airline to employ a female flight attendant
Swissair, A.G.
- First European airline to fly a Boeing 717
Olympic Aviation, S.A.
- First European airline to fly a Boeing 737
Deutsche Lufthansa, A.G.
- First European airline (charter) to fly a Boeing 737
Britannia Airways, Ltd.
- First European airline to fly a Boeing 747-400
KLM: Royal Dutch Airlines, N.V.
- First European airline to fly a Boeing 767
Britannia Airways, Ltd.
- First European airline to fly a Canadair RJ-100ER Regional Jet
Lufthansa CityLine, GmbH.
- First European airline to fly a Douglas DC-2
KLM: Royal Dutch Airlines, N.V.
- First European airline to fly a Douglas DC-3
KLM: Royal Dutch Airlines, N.V.
- First European airline to fly a Douglas DC-4 in regularly scheduled service
KLM: Royal Dutch Airlines, N.V.
- First European airline to fly a Douglas DC-6
Sabena Belgian World Airlines, S.A.
- First European airline to fly a Douglas DC-7C
Swissair, A.G.
- First European airline to fly a Fokker F.27-100
Aer Lingus Irish Airlines, Ltd.
- First European airline to fly a Fokker F.27-500
Air France
- First European airline to fly a large-scale shuttle service
Deutsche Lufthansa, A.G.
- First European airline to fly a Lockheed L-188
KLM: Royal Dutch Airlines, N.V.
- First European airline to fly a Lockheed Model 14H Super Electra
KLM: Royal Dutch Airlines, N.V.
- First European airline to fly a McDonnell-Douglas MD-88
Aviacion y Comercio, S.A. (AVIACO)
- First European airline to fly American-made equipment
Swissair, A.G.
- First European airline to fly an Avions de Transport Regional (ATR)42-520
Air Dolomiti, SpA.
- First European airline to fly an Avro RJ100
THY Turkish Airlines, A.O.
- First European airline to fly an Embraer EMB-120 Brasilia
Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)
- First European airline to fly an experimental night airmail service
ABA Swedish Airlines, A.B.
- First European airline to fly regularly scheduled service to the Far East
British Overseas Airways Corporation (BOAC)
- First European airline to go completely "smokeless"
Flugfélag Islands, H.F. (2)/Icelandair, H.F.
- First European airline to introduce vividly-colored aircraft liveries
Court Line Aviation, Ltd.
- First European airline to offer an Internet ticket auction
AB Airlines, Ltd.
- First European airline to paint the EU flag on its aircraft
KLM: Royal Dutch Airlines, N.V.
- First European all-cargo carrier to operate a dedicated B-747F
Cargolux Airlines International, S.A.
- First European wide-body service
Court Line Aviation, Ltd.
- First exclusive passenger-charter operator in Latin America
LATUR: Lineas Aereas Latur, S.A.
- First family excursion fare anywhere outside of the U.S.
Central African Airways Corporation
- First fatal accident for a privately operated U.S. airline
Ford Air Freight Lines
- First fatal airline crash in Chinese history
China National Airways Corporation (CNAC-1)
- First fatal airline crash in New Guinea
Guinea Airways (Pty.), Ltd.
- First fatal airline crash of a Boeing B-747 Jumbojet
Deutsche Lufthansa, A.G.
- First fatal airline crash of a Douglas DC-3
United Air Lines (2)
- First fatal airline crash of a turbojet airliner in scheduled commercial service
British Overseas Airways Corporation (BOAC)
- First fatal airline crash of a widebodied jetliner
Eastern Air Lines
- First fatal civil Sikorsky S-61 accident in the U.K.
British International Helicopters, Ltd.
- First fatal U.K. domestic airline accident
The Daimler Airway, Ltd.
- First female airline corporate officer (VP)
American Airlines
- First female B-747-400 flight crewmember
KLM: Royal Dutch Airlines, N.V.
- First female airline pres. in the Western Hemisphere
LAMSA: Lineas Aereas Mineras, S.A.
- First female airline pres. of a major U.S. airline
Southwest Airlines (2)
- First foreign airline to land at London (LHR)
Panair do Brazil, S.A.
- First foreign airline to land at Shenzhen Airport, China
Cargolux Airlines International, S.A.

- First foreign airline to operate to and beyond Moscow
 - Pakistan International Airlines Corporation
- First French airline to fly polar service
 - Air France
- First French airline to fly postwar transatlantic service
 - Air France
- First French regional airline to fly a BAe Jetstream 31
 - Hex'Air, S.A.
- First French regional airline to fly a Beech 1900C-1
 - Proteus Air System, S.A.
- First frequent flyer program for animals
 - Carnival Air Lines
- First German airline to ban smoking on all flights
 - Interot Airways, GmbH.
- First German airline to fly a landplane over the South Atlantic
 - Syndicato Condor, S.A.
- First German airline to fly to the U.K.
 - Deutsche Luft Reederei, A.G.
- First German airline to open service to Italy
 - Deutscher Aero Lloyd, A.G. (DAL)
- First helicopter airline granted a 500-ft. above-ground-level altitude deviation by the Federal Aviation Administration (FAA) (U.S.)
 - Island Helicopters Kauai
- First helicopter airline to be granted full IFR certification by the Federal Aviation Administration (FAA) (U.S.)
 - New York Airways (2)
- First helicopter airline to fly multi-engine, turbine-powered transport service
 - Los Angeles Airways
- First helicopter airline to fly 100,000 passengers
 - Chicago Helicopter Airlines
- First helicopter airline to fly powerline construction
 - Okanagan Helicopters, Ltd.
- First helicopter airline to hire an Afro-American pilot
 - New York Airways (2)
- First helicopter airline to make an unescorted flight across the North Atlantic
 - Okanagan Helicopters, Ltd.
- First helicopter airline to make scheduled rotary wing passenger transport successful
 - British European Airways Helicopters, Ltd.
- First helicopter airline to successfully fly helilogging operations in the American west
 - Columbia Helicopters
- First helicopter airline with a six-axis commercial helicopter simulator
 - British Airways Helicopters, Ltd.
- First helicopter mail service
 - Sabena Belgian World Airlines, S.A.
- First helicopter mail service in the U.K.
 - British European Airways Corporation (BEA)
- First hijacking
 - Panair do Brazil, S.A.
- First hijacking of a U.S. airliner to a destination outside of the Western hemisphere
 - Trans World Airlines (TWA)
- First independent airline in Portugal
 - Air Columbus: Transporte Aereo Nao Regular, S.A.
- First independent airline to join the International Air Transport Association
 - Hunting Air Transport, Ltd.
- First independent Cypriot charter airline
 - Helios Airways, Ltd.
- First independent Greek airline to be licensed by the Transport Ministry
 - Aegean Aviation, S.A.
- First Indian airline to fly a Next Generation B-737
 - Jet Airways, Ltd.
- First Indian airline to fly an Airbus A320
 - Indian Airlines, Ltd.
- First Indian airline to fly an ATR42 turboprop
 - Jet Airways, Ltd.
- First Indian service to be flown directly from East Africa
 - East African Airways Corporation
- First indigenous Brazilian airline
 - VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- First indigenous West Virginia airline
 - Clarksburg Airways
- First inflight audio entertainment
 - Transcontinental and Western Air (TWA)
- First inflight lunch in South American airline history
 - Pan American-Grace Airways (PANAGRA)
- First instance where Cuba turns back hijackers promptly
 - Delta Air Lines
- First intercontinental long-haul charter flight
 - KLM: Royal Dutch Airlines, N.V.
- First international affinity charter
 - All Nippon Airways Company, Ltd. (ANA)
- First international airline to offer telephone rental service
 - Swissair, A.G.
- First international helicopter flight from the Continent to the U.K.
 - Sabena Belgian World Airlines, S.A.
- First international passenger inflight telephone service
 - British Airways, Ltd. (2)
- First Italian airline to fly international service
 - Societa Anonima Aero Espresso Italiana, SpA. (AEI)
- First Italian airline to fly overnight small package express
 - MiniLiner, SpA.
- First large cargo airlift in northern Canada
 - Western Canada Airways, Ltd.
- First Mexican airline
 - CMTA: Compania Mexicana de Transportation Aerea, S.A. de C.V.
- First Mideast airline to ban smoking
 - Royal Jordanian Airlines
- First Mideast airline to directly serve Washington, D.C.
 - Saudia: Saudi Arabian Airlines, Ltd.
- First Mideast airline to land in Baghdad after the Gulf War
 - Emirates Airlines
- First Mideast airline to participate in the Paris Air Show
 - Alia Royal Jordanian Airline
- First Mideast airline to offer jetliner service
 - Middle East Airlines, S.A.L. (1)
- First Mideast airline to offer Boeing B-747 Jumbojet service
 - Middle East Airlines, S.A.L. (2)
- First Mideast airline to serve the U.S. West Coast
 - Alia Royal Jordanian Airline
- First Mideast pure-jet airline
 - El Al Israel Airlines, Ltd.
- First non-Aeroflot airline approved for scheduled passenger services in post-Soviet Russia
 - Transaero Airlines
- First non-British/Irish operator to order the Vickers Viscount 700
 - Air France
- First non-Communist airline to serve Moscow
 - Finnish Air Lines O/Y
- First non-European or North American airline to fly the North Atlantic
 - El Al Israel Airline, Ltd.
- First non-Russian airline to introduce the Tupolev Tu-204
 - Air Cairo, S.A.E.
- First non-Soviet airline to fly 200 of a single aircraft type
 - American Airlines
- First non-U.K. airline to operate jetliners commercially
 - South African Airways (Pty.), Ltd.
- First non-U.S. airline to operate a Douglas DC-7B
 - South African Airways (Pty.), Ltd.
- First non-U.S. airline to order a Boeing 707
 - Qantas Empire Airways (Pty.), Ltd.
- First nonscheduled U.S. airline to receive an operating permit
 - U.S. Airlines
- First nonstop flight over the South Pole by a commercial airline
 - LanChile Airlines, S.A.
- First nonstop scheduled service between London and Bombay
 - Air India, Ltd.

- First nonstop scheduled service between Paris and New York
 - Air France
- First North American airline to fly a commercial jetliner on a scheduled service with a woman pilot
 - Transair, Ltd.
- First North American airline to fly the Airbus Industrie A320.
 - Northwest Airlines
- First North American airline to fly the BAe ATP
 - Air Wisconsin Airlines Corporation
- First North American airline to fly the Vickers Viscount
 - Trans Canada Air Lines, Ltd.
- First North American helicopter carrier to fly the Boeing 235 Civil Chinook
 - Alaska Helicopters
- First North American major airline to completely meet aircraft noise reduction standards
 - United Parcel Service (UPS)
- First off-shore energy industry support flight in the North Sea area
 - Bristow Helicopters, Ltd.
- First pilot licenses issued in the U.S.
 - Saint Petersburg-Tampa Airboat Line
- First "pool" arrangement between international airlines
 - Deutsche Luft Hansa, A.G.
 - Lignes Aeriennes Farman, S.A.
- First "pool" arrangement between South America airlines
 - Linea Aerea TACA de Venezuela, S.A.
 - Lineas Aereas TACA de Colombia, S.A.
- First post-Soviet era Latvian international air charter carrier
 - LatCharter, A.S.
- First postwar Chinese airline established by civilians
 - Foshing Airlines, Ltd.
- First postwar U.K. airline to land at Budapest
 - Lancashire Aircraft Corporation, Ltd.
- First postwar U.K. air taxi flight
 - Hunting Air Travel, Ltd.
- First president (Manuel Prado of Ecuador) to address his people by radio from an aircraft
 - Pan American-Grace Airways (PANAGRA)
- First privately owned aircraft manufacturing company in India
 - Taneja Aerospace and Aviation, Ltd.
- First privately owned airline in Jordan
 - Jordan Aviation, Ltd.
- First privately owned airline in Hungary
 - NAWA Air Transport, Kft./Farnair Hungary, Kft.
- First privately owned airline in Kazakhstan
 - Sayakhat Air Company
- First privately owned airline in Moldova
 - Moldavian Airlines
- First privately owned airline in Russia
 - Transaero Airlines
- First privately owned charter airline in Poland
 - White Eagle Aviation, S.A.
- First proven case of sabotage in commercial airline history
 - United Air Lines (1)
- First purely commercial airline in Palestine
 - Palestine Air Transport, Ltd.
- First regular, sustained, scheduled passenger helicopter service
 - British European Airways Corporation (BEA)
- First regularly scheduled airline in the Americas to operate non-seasonal sustained services
 - TAG: Societe des Transports Aeriens Guyanais, S.A.
- First regularly scheduled helicopter mail operation
 - Los Angeles Airways
- First regularly scheduled night passenger services
 - Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
- First regularly scheduled post World War I North American air service
 - Aero, Ltd.
- First Russian airline ever certified by the U.S. FAA
 - Transaero Airlines
- First Russian cargo airline grounded by FSB security police
 - East Line Airlines
- First Russian passenger airline grounded by tax agents
 - Domodedovo Airlines
- First Russian airline to fly a passenger-configured DC-10-30
 - Kras Air: Krasnoyarsk Avialinii (KrasAir)
- First Russian airline to fly Boeing airliners
 - Transaero Airlines
- First Russian airline to fly the Tupolev Tu-204-100
 - Trans European Airlines
- First Russian airline to have an airliner "arrested"
 - Kras Air: Krasnoyarsk Avialinii (KrasAir)
- First Russian airline to introduce Internet online ticket booking
 - East Line Airlines
- First Russian airline to introduce the "hub-and-spoke" system
 - Orenburg Airlines: Orenburg Avia
- First Russian airline to offer through ticketing
 - Orenburg Airlines: Orenburg Avia
- First Russian airline to purchase aircraft with bank loans rather than wait for a government distribution of Soviet equipment
 - Murmansk Airlines: Murmansk Aviation Company
- First Russian airline with a U.S. citizen (David Herne) on its board of directors
 - Aeroflot Russian International Airlines (ARIA)
- First Russian code-sharing agreement
 - Krasnoyarsk Avia; Transaero Airlines
- First Russian frequent-flier program
 - Transaero Airlines
- First scheduled Concorde flight from Paris to Rio de Janeiro,
 - Air France
- First scheduled intercity helicopter service in Europe
 - Sabena Belgian World Airlines, S.A.
- First scheduled roundtrip flight from St. Croix to St. Thomas, U.S. Virgin Islands
 - Antilles Air Boats
- First scheduled trans-Alps passenger service
 - Deutsche Luft Hansa, A.G.
- First scheduled transatlantic flight by a commercial landplane
 - American Overseas Air Lines (AOA)
- First short-haul jet service
 - British United Airways, Ltd.
- First South American airline to fly an Airbus Industrie A320
 - LATUR: Lineas Aereas Latur, S.A.
- First South American airline to fly an Airbus Industrie A330.
 - TAM-Meridonais, S.A.
- First South American airline to fly a Boeing 727.
 - AVIANCA Colombian Airlines, S.A.
- First South American airline to fly a Boeing 737-300
 - VASP Brazilian Airlines: Viacao Aerea de Sao Paulo, S.A.
- First South American airline to fly a Boeing 777-200
 - VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
- First South American airline to fly commercial jetliner service
 - Aerolineas Argentinas, S.A.
- First Soviet female airline president
 - Nana Shavgulidze of Shans Avia
- First South American widebody operator (DC-10-30)
 - VIASA: Venezolana Internacional de Aviacion, S.A.
- First Spanish international commercial air service
 - Concessionaria Lineas Aereas Subvencionades, S.A. (CLASSA)
- First standby service
 - British European Airways Corporation (BEA)
- First state airline of the Soviet Union
 - Dobrolet
- First stowaways to cross the Atlantic aboard a commercial airliner
 - SAS: Scandinavian Airlines System
- First successful ground-to-air missile attack on a civilian airliner in scheduled service
 - Air Rhodesia, Ltd. (2)
- First successful sabotage of a commercial jet airliner
 - Continental Airlines

- First successful series of night London-Paris flights
 - De Havilland Aircraft Co. Aeroplane Hire Service
- First sustained, regular airline in New Zealand
 - Air Travel (N.Z.), Ltd.
- First television reception aloft
 - Western Air Express
- First third world airline to fly scheduled transatlantic service
 - Air India, Ltd.
- First totally "ticketless" airline (i.e. to use only electronic tickets)
 - Southwest Airlines (2)
- First transatlantic delivery flight of an airliner from a manufacturer to a customer
 - LOT Polish Airlines, S.A.
- First transpolar Airbus service
 - Cathay Pacific Airways (Pty.), Ltd.
- First transpolar flight from Canada
 - Cathay Pacific Airways (Pty.), Ltd.
- First Turkish airline granted permission to cross Greek airspace
 - MNG Airlines Cargo, A.O.
- First twinjet revenue service across the South Atlantic
 - LanChile Airlines, S.A.
- First U.K. airline authorized to transport mail on inclusive tour flights
 - Air Europe, Ltd.
- First U.K. airline to fly a Boeing 314
 - British Overseas Airways Corporation (BOAC)
- First U.K. airline to fly a Boeing 377 Stratocruiser
 - British Overseas Airways Corporation (BOAC)
- First U.K. airline to fly a commercial service
 - Aircraft Transport and Travel, Ltd.
- First U.K. airline to fly a contract overseas airmail service Aircraft Transport and Travel, Ltd.
- First U.K. airline to fly a De Havilland Canada DHC-6 Twin Otter
 - Brymon Airways, Ltd. (1)
- First U.K. airline to fly a Lockheed L-049 Constellation
 - British Overseas Airways Corporation (BOAC)
- First U.K. airline to fly a Lockheed L-1011-500
 - British Airways, Ltd. (2)
- First U.K. airline to fly a revenue passenger
 - Aircraft Transport and Travel, Ltd.
- First U.K. airline to fly a Saab-Fairchild SF-340
 - Birmingham Executive Airways, Ltd.
- First U.K. airline to fly an Airbus Industrie A340.
 - Virgin Atlantic Airways, Ltd.
- First U.K. airline to fly an ATR42-320
 - CityFlyer Express, Ltd.
- First U.K. airline to fly an Embraer EMB-120 Brasilia
 - Euroair Transport, Ltd.
- First U.K. airline to fly an experimental passenger service to Russia
 - British Overseas Airways Corporation (BOAC)
- First U.K. airline to fly an inclusive tour flight to Moscow
 - Britannia Airways, Ltd.
- First U.K. airline to fly regularly scheduled domestic night service
 - Norman Edgar (Western Airways), Ltd.
- First U.K. airline to fly regularly scheduled North Atlantic landplane passenger service
 - British Overseas Airways Corporation (BOAC)
- First U.K. airline to fly regularly scheduled South American service
 - British South American Airways Corporation (BSAAC)
- First U.K. airline to fly subsidy mail on scheduled service
 - British South American Airways Corporation (BSAAC)
- First U.K. airline to introduce jet equipment on nightly Royal Mail flights
 - Titan Airways, Ltd.
- First U.K. airline to resume postwar charter flights
 - Cambrian Air Service, Ltd.
- First U.K. airline to suffer a fatal accident during scheduled service
 - Handley Page Transport, Ltd.
- First U.K. airline to visit the island of Guernsey
 - British Marine Air Navigation Company, Ltd.
- First U.K. civil aircraft accident
 - Aircraft Transport and Travel, Ltd.
- First U.K. civil flight under regulations
 - Aircraft Transport and Travel, Ltd.
- First U.K. civil helicopter operator
 - Autair International Airways, Ltd.
- First U.K. independent airline to employ Gatwick Airport
 - British Airways, Ltd. (1)
- First U.K. independent airline to fly into an Iron Curtain nation
 - Derby Airways, Ltd.
- First U.K. independent airline to fly scheduled flights to New York
 - British Caledonian Airways, Ltd.
- First U.K. jet operator to use London City Airport
 - Business Air, Ltd.
- First U.K. low-fare airline to fail
 - AB Airlines, Ltd.
- First U.S. airline aboard which a passenger is killed by his fellow passengers
 - Southwest Airlines (2)
- First U.S. airline advertisement in the Soviet Union
 - American Overseas Air Lines (AOA)
- First U.S. airline certified to link Hawaii with the Pacific Northwest
 - Northwest Airlines
- First U.S. airline certified under the Air Transport Oversight Systems (ATOS)
 - National Airlines (4)
- First U.S. airline criminally indicted for maintenance record falsification
 - Eastern Air Lines
- First U.S. airline domestic flight attendant
 - Miles Davis, Western Air Express
- First U.S. airline formed after the signing of the Airline Deregulation Act in 1978
 - Atlantis Airlines
- First U.S. airline passenger
 - Maude Campbell, Western Air Express
- First U.S. airline reclassified from supplemental status to scheduled
 - Trans Caribbean Airways
- First U.S. airline to adopt an operating manual
 - Pan American Airways (PAA)
- First U.S. airline to appoint a woman VP
 - American Airlines
- First U.S. airline to board one million passengers
 - American Airlines
- First U.S. airline to carry emergency lifesaving equipment
 - Pan American Airways (PAA)
- First U.S. airline to develop a complete aviation weather service
 - Pan American Airways (PAA)
- First U.S. airline to develop an airport and airways traffic control system
 - Pan American Airways (PAA) 3924.
- First U.S. airline to develop and operate a four-engined flying boat
 - Pan American Airways (PAA)
- First U.S. airline to employ a dietician
 - American Airlines
- First U.S. airline to employ an Afro-American female flight attendant
 - Mohawk Airlines (1)
- First U.S. airline (domestic) to employ cabin attendants and serve meals aloft
 - Western Air Express
- First U.S. airline (international) to employ cabin attendants and serve meals aloft
 - Pan American Airways (PAA)
- First U.S. airline to employ Japanese nationals
 - Northwest Airlines
- First U.S. airline to employ multiple flight crews
 - Pan American Airways (PAA)
- First U.S. airline to employ radio communications
 - Pan American Airways (PAA)
- First U.S. airline to fly a BAe 146-200/300
 - Air Wisconsin
- First U.S. airline to fly a BAe (BAC) 111
 - Braniff International Airways
- First U.S. airline to fly a BAe (HS) 748

- Air Illinois
- First U.S. airline to fly a BAe Jetstream 31
 - Apollo Airways
- First U.S. airline to fly a BAe Jetstream 41
 - Atlantic Coast Airlines
- First U.S. airline to fly a Boeing Vertol 234 Civil Chinook
 - Trump Air
- First U.S. airline to fly a Boeing Vertol 234 Civil Chinook in heli-logging operations
 - Columbia Helicopters
- First U.S. airline to fly a Bombardier Aerospace DHC—8-Q400
 - Horizon Air: Horizon Air Industries
- First U.S. airline to fly a Britten-Norman BN-2 Islander
 - La Posada Airways
- First U.S. airline to fly a Canadair CRJ-100 Regional Jet
 - Comair
- First U.S. airline to fly a coast-to-coast turboprop charter service for an entertainment group (“The Beatles”)
 - American Flyers Airline Corporation
- First U.S. airline to fly a CASA C-212 Aviocar
 - Fischer Bros. Aviation
- First U.S. airline to fly a De Havilland DH-104 Dove
 - Trans-National Airlines
- First U.S. airline to fly a De Havilland Canada DHC-2 Beaver
 - TAG Airlines
- First U.S. airline to fly a De Havilland Canada DHC-3 Otter
 - TAG Airlines
- First U.S. airline to fly a De Havilland Canada DHC-8-100
 - Henson Aviation
- First U.S. airline to fly a De Havilland Canada DHC-8-300
 - Metro Airlines
- First U.S. airline to fly a Dornier Do-228-200
 - Precision Airlines
- First U.S. airline to fly a Dornier Do-328-100
 - Horizon Air
- First U.S. airline to fly a female passenger
 - Western Air Express
- First U.S. airline to fly a Fokker F.28 Fellowship
 - Horizon Air
- First U.S. airline to fly a Fokker 100
 - USAir
- First U.S. airline to fly a foreign jetliner
 - United Air Lines (2)
- First U.S. airline to fly a GAF Nomad N2
 - Princeton Airways
- First U.S. airline to fly a modern four-engined landplane
 - United Air Lines (2)
- First U.S. airline to fly a NAMC YS-11
 - Hawaiian Airlines
- First U.S. airline to fly a Nord 262
 - Lake Central Airlines
- First U.S. airline to fly a package tour
 - Resort Airlines (1)
- First U.S. airline to fly a permanent international air service
 - Pan American Airways (PAA)
- First U.S. airline to fly a postwar twin-engined airliner
 - Northwest Airlines
- First U.S. airline to fly a SAAB 340
 - Comair
- First U.S. airline to fly a Shorts S-25 Sandringham
 - Antilles Air Boats
- First U.S. airline to fly a Shorts 330
 - Golden West Airlines
- First U.S. airline to fly a Shorts 360
 - Suburban Airlines
- First U.S. airline to fly a Sikorsky S-64 Skycrane
 - Erickson Air Cranes
- First U.S. airline to fly a transcontinental service in under six hours
 - American Airlines
- First U.S. airline to fly a true short-haul jetliner service
 - Braniff International Airways
- First U.S. airline to fly a turbine-powered airliner
 - West Coast Airlines
- First U.S. airline to fly a twin-engined aircraft across the Atlantic in scheduled passenger service
 - Trans World Airlines (TWA)
- First U.S. airline to fly a Vickers Viscount 700
 - Capital Airlines
- First U.S. airline to fly all-cargo Douglas DC-3 service
 - United Air Lines (2)
- U.S. First U.S. airline to fly all-jet domestic service
 - Trans World Airlines (TWA)
- First U.S. airline to fly an Aerospatiale (Sud Est) SE-210 Caravelle (VI-R)
 - United Air Lines (2)
- First U.S. airline to fly an Airbus Industrie A300B4
 - Eastern Air Lines
- First U.S. airline to fly an Airbus Industrie A310-200
 - Pan American World Airways (1)
- First U.S. airline to fly an Airbus Industrie A320-200
 - Northwest Airlines
- First U.S. airline to fly an Airbus Industrie A321-200
 - USAirways
- First U.S. airline to fly an Airbus Industrie A330-300
 - USAirways
- First U.S. airline to fly an air-rail service
 - Universal Airlines System
- First U.S. airline to fly an Armstrong-Whitworth AW-650 Argosy 100
 - Riddle Airlines
- First U.S. airline to fly an Avions de Transport Regional ATR-42
 - Command Airways
- First U.S. airline to fly an Avions de Transport Regional ATR-72
 - Executive Air Charter
- First U.S. airline to fly an Avro RJ-70 Avroliner
 - Business Express
- First U.S. airline to fly an Embraer EMB-110P1 Bandeirante
 - Aeromech Airlines
- First U.S. airline to fly an international all-cargo frequency
 - Transcontinental and Western Air Lines (TWA)
- First U.S. airline to fly an international scheduled passenger service
 - Florida West Indies Airways
- First U.S. airline to fly domestic Boeing B-747 Jumbojet service
 - Trans World Airlines (TWA)
- First U.S. airline to fly fully pressurized transcontinental service
 - Transcontinental and Western Air Lines (TWA)
- First U.S. airline to fly Hawaiian airmail service
 - Inter Island Airways (1)
- First U.S. airline to fly inter-city helicopter service
 - National Airlines (1)
- First U.S. airline to fly land planes over water on regularly scheduled service
 - Pan American Airways (PAA)
- First U.S. airline to fly large air drop relief missions
 - Southern Air Transport
- First U.S. airline to fly multi-engine aircraft permanently in scheduled transportation
 - Pan American Airways (PAA)
- First U.S. airline to inaugurate regularly scheduled flights from the U.S. to a non-London U.K. airport
 - American Airlines
- First U.S. airline to offer direct bookings and payments with credit cards on the World Wide Web
 - Alaska Airlines
- First U.S. airline to offer domestic partner benefits
 - United Airlines
- First U.S. airline to offer First Class passengers a seat that converts into a flat bed
 - United Airlines
- First U.S. airline to offer the option of ticketless travel on all flights to Europe

- American Airlines
- First U.S. airline to purchase a commercial aircraft from Donald Douglas following the unsuccessful "Cloudster" effort
 - Western Air Express
- First U.S. airline to receive a Civil Aeronautics Board (CAB) "grandfathered" operating certificate
 - Delta Air Lines
- First U.S. airline to fly regularly scheduled night service
 - Boeing Air Transport
- First U.S. airline to fly regularly scheduled night passenger service
 - Eastern Air Transport (2)
- First U.S. airline to fly regularly scheduled service to Puerto Rico
 - Aeromarine Airways
- First U.S. airline to fly regularly scheduled service to the Peoples Republic of China
 - Pan American World Airways (1)
- First U.S. airline to fly regularly scheduled service to the Soviet Union
 - Pan American World Airways (1)
- First U.S. airline to fly sustained coach-class, low-fare service
 - Capital Airlines
- First U.S. airline to fly transatlantic jetliner service
 - Pan American World Airways (1)
- First U.S. airline to fly transcontinental air-rail service
 - Transcontinental Air Transport (TAT)
- First U.S. airline to fly transcontinental all-coach service
 - Northwest Airlines
- First U.S. airline to fly to Vietnam after 1975
 - Northwest Airlines
- First U.S. airline to hire a female flightcrew member
 - Central Airlines (2)
- First U.S. airline to land in post-1949 mainland China
 - Trans World Airlines (TWA)
- First U.S. airline to offer a California-U.K. frequency
 - Trans World Airlines (TWA)
- First U.S. airline to offer a deep discount fare
 - Texas International Airlines
- First U.S. airline to offer a scheduled, certified service with an all-female crew
 - Hawaiian Airlines (HAL)
- First U.S. airline to offer an all fan-jet fleet
 - Northwest Airlines
- First U.S. airline to offer "no frills" service
 - North American Airlines (1)
- First U.S. airline to operate a factory-delivered Fokker F.27
 - Swire Air Lines
- First U.S. airline to operate at a profit without Federal subsidy
 - Eastern Air Lines
- First U.S. airline to operate its own airport
 - Northwest Airlines
- First U.S. airline to operate through Russian airspace
 - Northwest Airlines
- First U.S. airline to order a British transport
 - Pan American World Airways (1)
- First U.S. airline to order a Canadair CRJ-100
 - Skywest Airlines
- First U.S. airline to order and purchase aircraft built to its own specification
 - Pan American Airways (PAA)
- First U.S. airline to qualify an Afro-American woman as pilot
 - Texas International Airlines
- First U.S. airline to receive a flow-through Federal subsidy
 - Air Midwest
- First U.S. airline to receive a foreign air mail contract
 - Florida West Indies Airways
- First U.S. airline to show a profit without Federal subsidy
 - Eastern Air Lines
- First U.S. airline to suffer two fatal accidents on the same day
 - Capital Airlines
- First U.S. airlines to offer interline e-ticketing on each other's flights
 - America West Airlines; Continental Airlines
- First U.S. company specifically formed to operate as an airline
 - Western Air Express
- First U.S. domestic airline to commence regularly scheduled overseas contract service for Air Transport Command
 - Northeast Airlines
- First U.S. domestic airline to request jetliners
 - United Air Lines (2)
- First U.S. exclusively jet powered airline
 - National Airlines (1)
- First U.S. "feeder airline"
 - Essair Lines
- First U.S. feeder airline with a systemwide CRS
 - Mohawk Airlines (1)
- First U.S. helicopter airline to fly scheduled passenger service
 - New York Airways (2)
- First U.S. local service carrier listed on the New York Stock Exchange
 - North Central Airlines
- First U.S. local service airline to fly Douglas DC-9 service
 - Bonanza Air Lines
- First U.S. local service airline to fly jetliners
 - Mohawk Airlines (1)
- First U.S. local service airline to fly only pressurized airliners
 - Piedmont Airlines (1)
- First U.S. local service airline to fly pressurized airliners
 - Mohawk Airlines (1)
- First U.S. local service carrier to fly scheduled helicopter service
 - Mohawk Airlines (1)
- First U.S. local service airline to fly 10 million passengers
 - North Central Airlines
- First U.S. local service airline to hire a female pilot
 - Frontier Airlines (1)
- First U.S. local service airline to offer a weekend discount fare
 - Piedmont Airlines (1)
- First U.S. local service airline with a flight simulator
 - Mohawk Airlines (1)
- First U.S. local service airline with all cities served above the CAB's minimum traffic requirements
 - Piedmont Airlines (1)
- First U.S. major airline with a female president
 - Southwest Airlines (2)
- First U.S. "no frills" airline
 - North American Airlines (1)
- First U.S. package tour (1946)
 - Resort Airlines (1)
- First U.S. regional/commuter airline certified to use TCAS in scheduled airline service
 - Henson Aviation
- First U.S. regional/commuter airline to receive FAA Extended Overwater Certification
 - American Eagle Airlines (2)
- First U.S. regional/commuter airline to "go public"
 - Wright Airlines
- First U.S. supplemental carrier to offer jetliner service
 - Trans International Airlines (1)
- First U.S. supplemental to order a Douglas DC-10
 - Trans International Airlines (1)
- First U.S. travel club to own its own aircraft
 - Shillelagh Air Travel Club
- First U.S. unsubsidized freight line to be profitable
 - The Flying Tiger Line
- First unified global airline system
 - KLM: Royal Dutch Airlines, N.V.; Northwest Airlines
- First use of the term "airliner"
 - Saint Petersburg-Tampa Airboat Line
- First West German airline to fly into East Germany
 - Condor Flugdienst, GmbH.
- First West African airline to complete a transafrican flight
 - Ghana Airways Corporation

- First Western airline to fly an Antonov An-124 Ruslan
Heavylift Cargo Airlines, Ltd.
- First Western airline to offer regularly scheduled cargo services from Moscow
Federal Express (FedEx)
- First Western airline to offer regularly scheduled services in and through
Budapest, Hungary
KLM: Royal Dutch Airlines, N.V.
- First Western European airline to land in Baghdad after the Gulf War
Euralair International, S.A.
- First woman to co-pilot a commercial supersonic transport
British Airways, Ltd. (2)
- First woman to head a Caribbean airline
Cayman Airways, Ltd.
- First woman to head a U.S. major airline
Southwest Airlines (2)
- First world-wide flight-insurance dispensing machine
Air France
- Firth, Barry, GM
Eyre Commuter (Pty.), Ltd.
- Fiscalini, Giacomo, color scheme contest winner
Crossair, Ltd.
- Fischer, D. R., shareholder
Miami Air International
- Fischer, Duncan, GM/pres.
Canadian Frontier, Ltd.
Canadian Regional Airlines, Ltd.
- Fischer, Montford R. and William R., founders
Fischer Brothers Aviation
- Fischer, Ross, pres.
Miami Air International
- Fischer, William, founder/pres.
Fischer Brothers Aviation
GCS Air Service
- Fisher, John, founder/MD
Jersey Ferry Airlines, Ltd.
- Fisher, M. M., hijacker
American Airlines
- Fisher, W. Edward, pres.
Northern Air Cargo
- Fisher, Sir Warren, MP
Imperial Airways, Ltd.
- Fisher & Simmons (Pty.), Ltd.
National Airways (Pty.), Ltd.
- Fisher-Galati, M., steward
Eastern Air Lines
- Fitzgerald, Barry, opns. mgr.
Caledonian Airways, Ltd. (2)
- Fitzgerald, Catherine, secretary/treasurer
Delta Air Lines
- Fitzgerald, Joseph H., EVP/GM/pres.
Ozark Air Lines
- Fitzgerald, N. M., MD
Air Charter Botswana (Pty.), Ltd.
- Fitzgerald, Terry, hijacker
National Airlines (1)
- Fitzmaurice, James, co-pilot
Deutsche Luft Hansa, A.G.
- Fjeldstad, Einar, pres./MD
Busy Bee of Norway, A.S.
Norwegian Air Shuttle, A.S.
- Flanagan, Maurice, MD
Emirates Airlines, Ltd.
- Flandin, Pierre-Etienne, French asst. secretary of state for aeronautics
Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
- Flatter, Morris "Rhett," founder/pres.
Hub Express
- Fleet, Reuben, supporter
New York, Rio and Buenos Aires Line
- Fleet, Capt. Syd, Aberdeen (Scot.) station manager
Brymon Airways, Ltd. (2)
- Fleming, James, founder/pres.
Fleming Airways Systems Transport
- Fleming, John, MD
Air Lanka, Ltd.
- Fleming, Capt. Quentin, chief pilot
Impulse Airlines (Pty.), Ltd.
- Fleming, Robert, CEO/founder
Sun Pacific International
Viscount Air Service
- Fleming, Thomas L., founder/pres.
Arkansas Traveler Airlines
Mountain Home Air Service
- Flescher, Doug, chief pilot/opns. dir.
Flight Express
- Flever, Joseph, founder/pres.
Jen Air
- Flight 847, TWA hijacking of 1985 *see* Skyjackings—June 14, 1985.
- Flight 4590, Air France Concorde disaster
see Crashes—July 25, 2000
- Flight International Group
Flight International Airlines
- Flightline Holdings
Flightline, Ltd.
- FlightLink system
Continental Airlines
- Flightways Corporation
Flightways Air System
- Flisinski, Daniel, pres.
Polonia Airlines, S.A.
- Floeloe, Trygve, MD
Norsk Air, A.S.
- Flood, James J., pres./chairman
Wien Air Alaska
Wien Airlines
- Flores, Fernando, jt. SVP/chairman/CEO
AeroPeru: Empresa Transportes de Aereos de Peru, S.A.
Mexicana Airlines, S.A. de C.V.
- Flores, Joaquin, Jr., GM
Freedom Air
- Flores, Patricia Castro, hijacker
LanChile Airlines, S.A.
- Florida
AAXICO Airlines
Able American Jets
Aerial Transit Company
Aero Coach Aviation International
Aero International Airlines
Aero Trans Colombia de Cargo
Aerosun International Airlines
Agro Air International Dominicana
Argonaut Airways Corporation
Argosy Airlines
Air Ambulance Care
Air Charter One
Air Express International Airlines
Air Florida
Air Frater
Air Indies
Air Miami
Air Orlando Charter
Air Response/Orlando Jets
Air South (3)
Air Sunshine (1)
Air Sunshine (2)
Air Transport International
Airlift International
Airmark Aviation
AirTran Airlines

- AirTran Airways
- Airways International
- Alamo Jet
- American Airways Charters
- Amerijet International
- Argosy Airlines
- Arrow Air
- Associated Air Transport
- Atlantic Flight Group
- Atlantic Gulf Airlines
- Atlantic Gulf Airways
- AV Atlantic
- Bahamas International Airlines
- Bimini Island Air
- Biscayne Helicopters
- Bizjet Charter Group
- Boca Aviation
- Cam Air International
- Capital Cargo Airlines
- Caribbean Airlines
- Caribbean Express
- Carnival Air Lines
- Central Airways
- Chalk's International Airlines (1)
- Chalk's International Airlines (2)
- Chalk's Ocean Airways
- Challenge Air Cargo
- Challenge Air International
- Challenge Air Transport
- Charter Airlines
- Chipola Aviation
- Coastal Airways (2)
- Commutaire International Airways
- Concierge Air
- Conner Air Lines
- Continental Air Charter
- Crescent Airways
- Custom Air Transport
- Devoe Airlines
- Dodge Air Charter
- Dolphin Airlines
- Dolphin Aviation-Gold Aviation Services
- Dolphin Express Airlines
- East Coast Flying Service
- Embry-Riddle Company
- Falcon Air Express
- Finair Express
- Fine Air
- F.I.T. Aviation
- Flamingo Air Service
- Fleming International Airways
- Flight Express
- Florida Air
- Florida Air Cargo
- Florida Air Transport
- Florida Airlines (1)
- Florida Airlines (2)
- Florida Airways
- Florida Airways Corporation
- Florida Atlantic Airways
- Florida Caribbean Airways
- Florida Express
- Florida Gulf Airlines
- Florida Jet Service
- Florida West Airlines
- Florida West Indies Airways
- Florida West International Airways
- Florida Wings
- Franklin & Baker Airlines
- Funair
- Galaxy Airlines (2)
- Global Executive Charter
- Gold Coast Airlines
- Golden South Airlines
- Grand Aviation
- Gulf Coast Airlines
- Gulfstream International Airlines
- Hispanola Airways
- Hop-a-Jet
- IBC Airways
- Island Express Airlines
- Jet America Airlines (2)
- Jet Charter International
- Jet Charter Service
- Key West Airlines
- Knight Airlines
- Lloyd Airlines
- Lynx Air International
- Mackey Airlines
- Mackey International Airlines
- Majestic Airlines
- Marco Island Airways
- Miami Air Charter (1)
- Miami Air International
- Miami-Key West Airways
- Million Air
- National Airlines (1)
- National Commuter Airlines
- National Florida Airlines
- National Jets
- Nations Air
- Nationwide Air Transport Service
- North American Airlines (3)
- Northeastern International Airways
- Ocean Reef Airways
- Pan Aero International
- Pan American Airways (PAA)
- Pan American World Airways (1)
- Pan American World Airways (2)
- Pan Aviation
- Panama Airways
- Pelican Express
- Personal Jet Charter
- Planet Airways
- Pompano Airways
- Presidential Aviation
- Pro Air Services
- Quest Cargo International
- Red Baron Airlines (2)
- Red Baron Express
- Red Carpet Flying Service
- Royalair
- Saint Petersburg-Tampa Airboat Line
- Saturn Airways
- Shawnee Airlines
- Skyfreight: Tropics International
- Skyway Commuter
- Skyways Aviation
- Skyways of Ocala
- Slocum Air
- South Central Airlines
- Southeast Airlines (2)
- Southeast Airlines (3)
- Southeast Airlines (6)
- Southeast Cargo Airlines
- Southern Air Transport
- Southern Express Airlines
- Specialized Transport International

- STAF Cargo Airlines
- State Airlines
- Sterling Flight Services
- Sun Air (1)
- Sun Air (2)
- Sun Coast Airlines
- Sun Jet International Airlines
- Sunbird Airways
- Sunjet Aviation
- Tempelhoff Airways, USA
- TPI International Airways
- Trans Air
- Trans Air Link
- Trans Caribbean Airways
- Trans Florida Airlines
- TransAmerican Charter
- Transtar Airlines
- Twin Air
- U.S. Airlines
- United West Airlines
- Universal Jet Aviation
- Vintage Air Tours
- Volusia Air Service
- Walker's International Airlines
- World Jet Airlines
- World Wide Airlines
- Florida wildfires, 1998
 - Columbia Helicopters
 - Erickson Air Crane Company
- Florida Marlins MLB team
 - Miami Air International
- Florida Missile Test Range, administration of
 - Pan American World Airways (1)
- Florida Railroad and Steamship Company
 - Aeromarine Airways
- Florida State University
 - Delta Air Lines
 - Miami Air International
- Florman, Adrian, jt.-founder
 - ABA Swedish Airlines, A.B.
- Florman, Carl, jt. founder/chairman
 - ABA Swedish Airlines, A.B.
- Flosse, Gaston, Tahiti territorial president
 - Hawaiian Airlines
- Flournoy, Carl, pilot
 - Transcontinental and Western Air (T&WA)
- Flowerday, Capt. V. E., pilot
 - British Airways, Ltd. (1)
- Flowers, Capt. Scott, pilot
 - Pan American World Airways (1)
- Fluxa, Miguel, chairman
 - Airworld Aviation, Ltd.
- Flyaway Tours, Ltd.
 - Air Malta Company, Ltd. (2)
- "Flying Colors" jetliners
 - Braniff International Airlines
- Flying Colours Leisure Group
 - Flying Colours Airlines, Ltd.
- Flying Tiger Corporation
 - The Flying Tiger Line
- Flying Vacations
 - Ryan International Airlines
- Flynn, Errol, actor/passenger
 - Chalk's International Airlines (1)
- Flynn, Hugh, CEO
 - Air Contractors (Ireland), Ltd.
- Flynn, John E., pres.
 - The Flying Tiger Line
- Flynn, Timothy, founder/chairman
 - North Pacific Airlines
 - Westair Commuter Airlines
 - Westair Industries
- FMR Corporation
 - USAir
- Focke-Wulf A 17 launch customer
 - Deutsche Luft Hansa, A.G.
- Focke-Wulf A-29/A-38 Mowe launch customer
 - Deutsche Luft Hansa, A.G.
- Focke-Wulf Fw-200 Condor launch customer
 - Deutsche Luft Hansa, A.G.
- Foden, James, MD
 - Air Atlantique, Ltd.
 - Air Corbiere, Ltd.
 - Atlantic Airlines, Ltd.
- Fogerson, William, GM
 - Capitol Air Lines
- Foire Commerciale de Wavre
 - Sky Project Helicopters, S.A.
- Fokanov, S., pilot
 - Aeroflot Soviet Airlines
- Fokker, Anthony, aircraft designer/builder/investor
 - KLM: Royal Dutch Airlines, N.V.
 - Pan American Airways (PAA)
- Fokker F-II launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-III launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-VII launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-VIIa launch customer
 - Standard Air Lines (1)
- Fokker F-VII/3m launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-VIII launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-IX launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-XI launch customer
 - Alpar Bern, A.G.
- Fokker F-XII launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-XVIII launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-XXXVI launch customer
 - KLM: Royal Dutch Airlines, N.V.
- Fokker F-10/F-10A launch customer
 - Western Air Express
- Fokker F-14 launch customer
 - Western Air Express
- Fokker F.27-100 Friendship launch customer
 - Aer Lingus Irish Airlines, Ltd.
- Fokker F.27-500 launch customer
 - Air France
- Fokker F.28-1000 Fellowship launch customer
 - LTU International Airways, GmbH. & Co.
- Fokker F.28-2000 Fellowship launch customer
 - Nigeria Airways, Ltd.
- Fokker F.28-3000 Fellowship launch customer
 - PT Garuda Indonesia Airways
- Fokker F.28-4000 Fellowship launch customer
 - Lingeflyg, A.B.
- Fokker 50 launch customer
 - Deutsche Luftverkehrsgesellschaft, GmbH. (DLH)
- Fokker 100 launch customer
 - Swissair, A.G.
- Fogarty, Robert J., Jr., vp
 - American Airlines
- Foley, Michael, CEO

- Aer Lingus Irish Airlines, Ltd. Foley, Patrick, pres./CEO
 Braniff, Inc.
 DHL Airways
 Foley, Paul F., pres./CEO
 Mesaba Airlines
 Follis, Capt. John, opns. dir.
 Bristow Helicopters, Ltd.
 Fondo de Asistencia Social LADECO
 LADECO Chilean Airlines, S.A.
 Fonseca, Dr. Joao Ribeiro, chairman/pres.
 Portugalia Airlines, S.A.
 PGA-Portugalia Airlines, S.A.
 Fontana, Omar, founder/pres.
 SADIA, S.A.: Transports Aereos
 Transbrasil, S.A.: Linhas Aereas
 Foong Chee Kong, Capt., pilot
 Singapore Airlines, Ltd.
 Foote, Louis, pilot
 Colonial Western Airways
 Foran, Harrell, founder
 Chipola Aviation
 Ford, Bernard, founder/pres.
 Susquehanna Airlines
 Ford, Edsel, passenger
 Transcontinental Air Transport (TAT)
 Ford, Capt. G. A., pilot
 British European Airways Corporation (BEA)
 Ford, Gerald R., U.S. president
 Delta Air Lines
 Pan American World Airways (1)
 Ford, Harrison, actor
 American International Airways (3)
 Ford, Henry, founder/passenger
 Ford Air Freight Lines
 Transcontinental Air Transport (TAT)
 Ford, John, motion picture director
 East African Airways Corporation
 Ford, Capt. Robert, pilot
 Pan American Airways (PAA)
 Ford 2-AT launch customer
 Ford Air Freight Lines
see also Stout 2-AT
 Ford 4-AT Trimotor launch customer
 Ford Air Freight Lines
 Ford 5-AT launch customer
 Northwest Airlines
 Fordyce, Capt. R. W., pilot
 Pan American Airways (PAA)
 Forest, Sabine, dir. customer services
 Deutsche BA Luftfahrtgesellschaft, GmbH.
 Foret, Mickey, pres./vp-CFO
 Atlas Air
 Continental Airlines
 Northwest Airlines
 Fornaro, Robert L., pres.
 AirTran Airlines
 Fornassari, Angelo, chairman/MD
 Eurofly, SpA.
 Forrester, E.J.B., GM
 Ansett Airlines of Australia (Pty.), Ltd.
 Forsblade, R. C., jt.-founder
 TAN: Transportes Aereos Nacionales, S.A.
 Forsyth, Mike, MD
 BAC Express Airlines, Ltd.
 Forte, S., CEO
 Jet Airways, Ltd.
 Forte, Capt. Stephen A., pilot/VPO
 United Airlines
 Fortier, Albert, pres.
 Airgava, Ltd.
 Forward, David, pres.
 Pioneer Airlines (2)
 Forward Air *see* LandAir Transport
 Foster, Ian, founder
 Jetcraft Aviation (Pty.), Ltd.
 Foster, James, GM
 Dragonair (Pty.), Ltd.
 Foster, Michael, pres.
 Coastal Air Transport
 Foster, Neal, founder/pres.
 Foster Aviation
 Foster, Neil, chairman
 Air U.K., Ltd.
 Foster, Peter, GM Taiwan and Philippines/chief advisor
 Cathay Pacific Airways (Pty.), Ltd.
 Philippine Air Lines (PAL)
 Foster, Ray, dispatcher
 Transocean Air Lines (TAL)
 Foster, Roger A., founder/pres./jt.-MD
 Airlink Airline (Pty.), Ltd.
 SA Airlink (Pty.), Ltd.
 Foster's Brewing Group (Pty.), Ltd.
 KLM: Royal Dutch Airlines, N.V.
 Northwest Airlines
 Foucart, Barth, MD
 Sky Service, S.A.
 Foundation Transavia Luchtvaart
 Transavia Holland, N.V.
 Fountain, Jere W., founder/pres.
 Tar Heel Aviation
 Fouquet, Harro, dir.
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Four Seas Holidays
 Maof Airlines, Ltd.
 Four Wheel Drive Auto Company
 Wisconsin Central Airlines
 Fournier, Edith, chairman/pres.
 Air Satellite, Ltd.
 Fournier, Jean, jt. founder/chairman/pres.
 Air Satellite, Ltd.
 Fowler, Howard, pres.
 Kodiak-Western Alaska Airlines
 Fowler, Louise, MD
 Brymon Airways, Ltd. (2)
 Fowler, William E., Jr., NTSB administrative law judge
 ProAir
 Fox, Ian, MD
 Channel Express (Air Services), Ltd.
 Fox, Peter, jt. founder
 Capital Cargo Airlines
 Fox, W. Laurie, vp-finance
 Knighthawk Air Express, Ltd.
 Foy, Alice, singer/hostess
 Shillelagh Air Travel Club
 Foyle, W. R. C. "Chris," founder/MD and chairman
 Air Foyle, Ltd.
 CityJet, Ltd.
 Fraker, Robert, pres.
 OK Air: Oahu and Kauai Airlines
 Frampton, Jeremy, Texas A&M University student
 Lorair
 France, Deuxieme Bureau
 British Airways, Ltd. (1)
 France, Parliament
 Air France
 France, Blizzard of 1999,
 Air France
 Helifrance, S.A.

- France, Evacuation of (1940)
 Associated Airways Joint Committee
 Great Western and Southern Air Lines, Ltd.
 Railway Air Services, Ltd.
 Scottish Airways, Ltd.
- Francis, Mjr. A., MD
 South African Aerial Transport (Pty.), Ltd.
- Francis Robert, NTSB vice chairman
 Trans World Airlines (TWA)
- Franco, Gen. Francisco, Spanish pres.
 Lineas Aereas Postales Espanolas, S.A. (LAPE)
- Franco del Monaco, Capt. Alfredo V., founder/pres.
 Aeroservicios Ecuatorianos, S.A.
 ANDES: Aerolineas Nacionales del Ecuador, S.A.
- Francois, Annabelle, passenger
 Ryanair, Ltd.
- Francolini, Geno F., chairman
 Air Canada, Ltd.
- Franscombe, A. N., Dar es Salaam mgr.
 Wilson Airways, Ltd.
- Frank, Alfred, founder/pres.
 National Parks Airways
- Frank, Howard, Carnival Corp. CFO/dir.
 Pan American World Airways (2)
- Frank, Julian A., bomber
 National Airlines (1)
- Frank, Sergei, Russian transport minister/chairman
 Aeroflot Russian International Airlines (ARIA)
- Frank, Zvi, CEO
 Balkan Bulgarian Airlines
- Franke, William A., chairman/CEO
 America West Airlines
- Franker, Robert V., pres.
 Air Hawaii (2)
- Franklin, Capt. Dean, pilot/owner
 Chalk's International Airlines (1)
- Franklin, James B., vp-ops.
 Capital Airlines
- Franklin, Restormel, pres.
 Air Anguilla, Ltd.
- Franklin, Robert, pres.
 Air Anguilla, Ltd.
- Franklin, Roy, pilot/founder/pres.
 Island Sky Ferries
 Orcas Island Air Service
 San Juan Airlines
- Franklin, Steve, founder/pres.
 Catalina Flying Boats
- Franklin, W. W., pres./CEO
 Transtar
- Franks, H. L., murdered passenger
 Trans World Airlines (TWA)
- Frantz, Rodolphe, chairman/pres.
 Air Charter, S.A.
 Air France
- Fraser, John
 Air Canada, Ltd.
- Frazier, Herbert H., chairman
 Air Virginia
- FRB-Par holding company
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- Fred Olsen & Bergenske, A.S.
 DNL Norwegian Airlines: Det Norske Luftfartsselskap, A.S.
 Fred Olsens Flyselskap, A.S.
- Fredericks, Jim B., founder/pres.
 Calgary Flight Services, Ltd.
- Fredheim, Kjell, EVP/pres./MD
 SAS: Scandinavian Airlines System
 Air Baltic Corporation, S.A.
- Blue Scandinavia, A.B.
 Britannia Airways, A.B.
 Air Botnia, O/Y
- Freeburg, J., father and son pilots
 Northwest Airlines
- Freeburg, Capt. Mal B., pilot
 Northwest Airways
- Freel, Rev. William, passenger
 Dan Air/Dan Air Services, Ltd.
- Freeman, K. Don, first officer
 Air Ceylon, Ltd.
- Freeman, Gerald H., founder/MD
 Transair International, Ltd.
- Freeman, Morgan, actor
 Helijet Airways, Inc.
- Freeman, Talbot O., pilot
 Colonial Air Transport
- Frei, Eduardo, Chilean president
 Canadian Airlines International, Ltd.
 LanChile Airlines, Ltd.
- Freiberg, John, L., pres.
 BCA: British Colonial Airways, Ltd.
- Freiberg, Keven and Jackie, authors
 easyJet Airlines, Ltd.
 Southwest Airlines (2)
- Freightways Group, Ltd.
 Air Freight New Zealand, Ltd.
- French, Capt. Dwight, Jr., pilot
 Downeast Airlines
- French, H. Wayne, founder/pres.
 Young Air
- The French Line
 United Air Lines (2)
- Frendt, Richard, jt. founder/pres.
 Morris Air Service
- Frenzel, Dr. Michael, MD
 Hapag-Lloyd Fluggesellschaft, mbH.
- Frequent flyer incentive plans
 A-Plus Rewards—Airtran Airlines
 AAdvantage—American Airlines
 AAdvantage Executive Platinum—American Airlines
 Aeroplan—Air Canada, Ltd.
 Air China Club—Air China International Corporation
 Air Miles—British Airways, Ltd. (2)
 Air Points—Air New Zealand, Ltd.
 Alfursan—Saudi Arabian Airlines
 AlohaPass—Aloha Airlines
 Amber Miles—Lithuanian Airlines, A.B.: Lietuvos Avialinijos
 ANA Mileage Club—All Nippon Airways Company, Ltd. (ANA)
 Asia Miles—Cathay Pacific Airways (Pty.), Ltd.; Dragonair (Pty.), Ltd.
 Aviators—Trans World Airlines (TWA)
 Bonus—Aeroflot Russian International Airlines (ARIA)
 Bonus Club—Asiana Airlines, Ltd.
 BRACard—Braathens SAFE, A.S.
 Canadian Plus—Canadian Airlines, Ltd.; Canadian Airlines International, Ltd.
 Capricornne—Air Austral, S.A.
 Carte Fidelys—Tunisair, S.A.
 Club Crown—Sahara India Airlines, Ltd.
 Club MilleMiglia—Alitalia, SpA.
 Company Club—Southwest Airlines (2)
 Diamond Club—British Midland Airways, Ltd.
 Dividend Miles—USAirways
 Duna Club—MALEV Hungarian Airlines, Rt.
 Dynasty Flyer—China Airlines, Ltd. (CAL)
 Encore—Braniff, Inc.
 EuroBonus—SAS: Scandinavian Airlines System
 Evergreen Club—EVA Airways, Ltd.
 Executive Club—British Airways, Ltd. (2)

- Executive Flyer—Pacific Southwest Airlines (PSA)
 Falcon—Gulf Air Company, G.S.C.
 Fidelite—Air Afrique, S.A. (2)
 Fidelys—Tunis Air, S.A.
 Finnair Plus—Finnair O/Y
 Flightfund—America West Airlines
 Flyers First—Midway Airlines (1); Midway Airlines (2)
 Flying Dutchman—KLM Royal Dutch Airlines, N.V.
 Flying Returns—Air India, Ltd.
 Frecuenta—Mexicana Airlines, S.A. de C.V.
 Freeway—Virgin Atlantic Airways, Ltd.
 Frequent Flyer—BWIA International Airways, Ltd. (2); El Al Israel Airlines, Ltd.; Midwest Express; Qantas Airways (Pty.), Ltd.; Sahara Airlines, Ltd.; Xiamen Airlines
 Frequent Flyer 2000—Moldavian Airlines
 Frequent Traveler—USAir
 FunPass—Carnival Air Lines
 Global Rewards—Ansett Australia (Pty.), Ltd.
 Gold Pass—All Nippon Airways Company, Ltd. (ANA)
 Gold Plus—Hawaiian Airlines (HAL)
 Golden Deer Club—GMG Airways, Ltd.
 Golden Lotus Plus—Vietnam Airlines
 Golden Wing—Ansett Airlines of Australia (Pty.), Ltd.
 HawaiianMiles—Hawaiian Airlines
 Iberia Plus—Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.
 Impulse Freebies—Impulse Airlines (Pty.), Ltd.
 International Gold Elite—Northwest Airlines
 Jet Privilege—Jet Airways (Pty.), Ltd.
 KrisFlyer—Singapore Airlines, Ltd.
 LanPass—LanChile Airlines, S.A.
 LatinPass—ACES Colombia: Aerolineas Centrales de Colombia, S.A.; AVIANCA Colombian Airlines, S.A.; LanChile Airlines, S.A.; LAV: Lineas Aeropostal Venezolana, S.A.; Mexicana Airlines, S.A. de C.V.; TACA International Airlines, S.A.; USAir; USAirways
 MarcoPolo Club—Cathay Pacific Airways (Pty.), Ltd.
 Matmid—El Al Israel Airlines, Ltd.
 Mileage Bank—Japan Air Lines Company, Ltd. (2)
 Mileage Club—All Nippon Airways Company, Ltd. (ANA)
 Mileage Plan—Alaska Airlines
 Mileage Plus—United Airlines
 MileageCheques—Austrian Airlines, A.G.
 Miles and More—Deutsche Lufthansa, A.G.
 MK Plus—Air Mauritius, Ltd.
 Necon Premier—Necon Air, Ltd.
 OnePass—Continental Airlines
 OnePass Elite—Continental Airlines
 PALSmiles—Philippine Airlines
 Passages—Cathay Pacific Airways (Pty.), Ltd.; Malaysia Airlines, Ltd. (MAS); Silkair (Pty.), Ltd.; Singapore Airlines, Ltd.
 Privilege—Transaero Airlines
 QQuick Miles—Reno Air
 Qualiflyer—Austrian Airlines, A.G.; Swissair, A.G.
 Platinum Frequent Flight—Trans World Airlines (TWA)
 Rapid Rewards—Southwest Airlines (2)
 Royal Orchid Plus—Thai Airways International, Ltd. (THAI)
 Safar Flyer—Royal Air Maroc
 Serendib Club—Air Lanka, Ltd.
 Sibir Plus—Siberia Airlines (Sibir)
 SimplyCity—CityJet, Ltd.
 Sky Pearl Club—China Southern Airlines Company, Ltd.
 Skymiles—Delta Air Lines
 Skypass—Korean Airlines/Korean Air (KAL)
 Skywards—Emirates Airlines
 Smiles—VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 TAB—Aer Lingus Irish Airlines, Ltd.
 Transaero Club—Transaero Airlines
 TravelBank—Continental Airlines
 VARIG Smiles—VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
 Venture Club—British Airways, Ltd. (2)
 Voyager—LOT Polish Airlines, S.A.; South African Airways (Pty.), Ltd.
 WorldPass—Pan American World Airways (1 & 2)
 Worldperks—Northwest Airlines
 Fresneda, Juan Atega, hijacker
 Delta Air Lines
 Fresson, Capt. Edmund E., founder/MD/pilot
 Highland Airways, Ltd.
 Scottish Airways, Ltd.
 Frey, V. Neal, founder/pres.
 Jetstream International Airlines
 Fridrinsson, Agnar, MD
 Eagle Air Arnarflug H.F.
 Friedkin, Kenneth G., jt.-founder/chairman/pres.
 Pacific Southwest Airlines (PSA)
 Friedkin Aeronautics
 Pacific Southwest Airlines
 Friedman, Robert, jt.-founder
 Air Colorado
 Friedmann, Jacques, chairman
 Air France
 Friendship Foundation
 United Airlines
 Friesenland, S.S.
 Deutsche Luft Hansa, A.G.
 Frignani, E., chairman
 Avio Ligure, SpA.
 Fritdsresor, A.B.
 Blue Scandinavia, A.B.
 Britannia A.B.
 Fritsche, Carl B., jt. founder/dir.
 National Air Transport (NAT)
 Fritz, Lawrence, vp-opns.
 American Airlines
 Fritz, Lawrence G., pilot/commodore/advisor
 Maddux Air Lines
 Southwest Air Fast Express (SAFEWAY)
 Frizzell, Dick, artist
 Ansett New Zealand, Ltd.
 Frohboese-Nelson, Edith, flight attendant
 Transocean Air Lines (TAL)
 Frolov, Andrei A., DG
 Altai Airlines
 Barnaul State Aviation Enterprise
 Front Page Tours
 Champion Airlines
 Express One International
 MGM Grand Air
 Frontier Holdings, Inc.
 Frontier Airlines (1)
 Frosch Touristik, GmbH. (FTi)
 Airtours International Airways, Ltd.
 Britannia Airways Germany, GmbH.
 FTi Fluggesellschaft, GmbH.
 Frost, Capt. Edwin, pilot/defendant
 American Airlines
 Frost, Philip, investor
 Pan American World Airways (2)
 Frost, Robert, jt. founder
 The The Maui Commuter
 Frost, Robert, MD
 Air U.K., Ltd.
 Frost, Robert, poet/passenger
 American Airlines
 Frost, Terry, artist
 Brymon Airways, Ltd. (2)
 Frovlov, Alexander I., CEO
 Avia: Tambov Airline
 Fruchter, Arie, acting president

El Al Israel Airlines, Ltd.
 Fruchter, Marc, founder/pres.
 Marc Fruchter Aviation
 Fry, Capt. Bob, pilot
 Transcontinental and Western Air (T&WA)
 Fry, F. C. J., chief pilot
 South West African Airways, A.G.
 Fry, G. Russell, MD
 Bristow Helicopters, Ltd.
 Fry, Harriet, flight attendant
 Boeing Air Transport
 Frye, Capt. Timothy, chief pilot
 Viscount Air Service
 Frye, William John "Jack," vp/pres.
 Standard Air Lines (1)
 Transcontinental and Western Air (T&WA)
 Fu Chun-fan, chief auditor/pres.
 China Airlines, Ltd. (CAL)
 Fuangvudhiran, AM Kiat, MD
 Thai Airways Company, Ltd.
 Fucigna, Warren A., vp/GM/pres.
 New York Airways (2)
 Fucoy, Flaviano, branch mgr.
 Philippine Air Lines
 Fuentes, Angel, Executive Freight Consolidators pres.
 American Airlines
 Fuentes, Daisy, actress
 Helijet Airways, Inc.
 Fugazzi, Charles, jt. founder
 Wings Airways (1)
 Fugere, Joseph M., founder/pres.
 Pilgrim Airlines
 Fujii, Takao, Japanese transport minister
 All Nippon Airways Company, Ltd. (ANA)
 Continental Airlines
 Delta Air Lines
 Federal Express (FedEx)
 Hawaiian Airlines (HAL)
 Japan Air Lines Company, Ltd. (2)
 Northwest Airlines
 Trans World Airlines (TWA)
 United Parcel Service (UPS)
 World Airways
 Fujimoro, Alberto, Peruvian president
 TAN: Transportes Aereos Nacionales de la Selva
 Fujimoto, Tadashi, founder/pres.
 Nitto Aviation Company, Ltd.
 Fujisankei, Ltd.
 Virgin Atlantic Airways, Ltd.
 Fukatsu, Seiji, pres.
 All Nippon Airways Company, Ltd. (ANA)
 Fukumoto, Ryuichi, SVP
 Japan Helicopter and Aeroplane Transport Company, Ltd.
 Fulga, Shtefan, DG
 Air Moldova
 Fulk, Stephen, MD
 Air Marshall Islands
 Fulmer, Robert T., founder/pres.
 Pee Dee Air Express
 Fun Sun Tours
 MGM Grand Air
 Funabiki, Hiromi, pres.
 Japan Air System, Ltd.
 Funami, Noboru, MD
 Ashai Air Lines Company, Ltd.: Ashai Koku Corporation
 Funatsu, Ioshiyuki, EVP
 All Nippon Airways Company, Ltd.
 Fundacao Ruben Berta
 Cruzeiro Brazilian Airlines, S.A.

Rio-Sul, S.A.
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandense, S.A.
 Fundikira, A.S., chairman
 East African Airways Corporation
 Funerals, aerial
 Nationwide Air Transport Service
 Funjak, A., hijacker
 Delta Air Lines
 Funjet Vacations
 American Trans Air (ATA)
 Sun Country Air Lines
 Funk, Richard, wounded passenger
 United Airlines
 Funventure Tours
 British West Indies Airways, Ltd. (2)
 Furgala, Capt. Michael, pilot
 Air Canada, Ltd.
 Furrer, Peter, founder/pres.
 Air-Sea Service, A.G.
Fusion in the Field of Air Traffic, by Dr. Kurt Weigelt
 Deutsche Luft Hansa, A.G.
 Fyfe, A. J. S., MD.
 Henbery Aviation (Pty.), Ltd.
 Fysh, Sir W. Hudson, founder/chairman
 Qantas Empire Airways (Pty.), Ltd.
 QANTAS: Queensland and Northern Territories Aerial Service
 (Pty.), Ltd.

G

G-Air Holdings Corp.
 Chalk's International Airlines (2)
 Gulfstream International Airlines
 Paradise Island Airways
 GA Roe & Sons
 Maya Airways, Ltd.
 Gable, Clark, actor
 East African Airways Corporation
 Gabor, Zsa Zsa, passenger/plantiff
 Delta Air Lines
 Gabotto, Giampiero, pres.
 Eurofly, SpA.
 Gabyshev, A., deputy DG
 Polyarny Airlines
 Gado, Thomas B., pres.
 Kabo Air, Ltd.
 Gaebel, Capt. Martin, chief pilot/dir.
 Deutsche Lufthansa, A.G.
 Gafuerro, Isaac, MD
 Air Burundi, S.A.
 Gaggero, Joseph J., chairman/MD
 GB Airways, Ltd.
 Gibraltar Airways, Ltd. (2)
 Gaggero, Sir George, founder/chairman
 Gibraltar Airways, Ltd. (1)
 Gibraltar Airways, Ltd. (2)
 Gaggero, Joseph J., MD
 GB Airways, Ltd.
 Gagliano, Alfonso, Canadian labour minister
 Canadian Airlines International, Ltd.
 Gaidar, Yegor, prime minister of Russia
 Aeroflot Russian International Airlines (ARIA)
 Gain, Richard, founder/chairman
 Phoenix Airways (Pty.), Ltd.
 Gainullin, Rinat A., CEO
 Samarkand United Air Detachment
 Galai, K. B., DG
 Neya A/K
 Galatariotis, Stavros, chairman
 Cyprus Airways, Ltd.

- Galbraith, Brad, pres.
Casino Airlines
- Gale, Charles W., pres.
Temco Airlines
- Galeforolwe, J. B., MD
Air Botswana (Pty.), Ltd.
- Galenon, Marcel, pres./MD
Air Archipela, S.A.
Air Moorea, S.A.
Air Tahiti, S.A. (3)
- Galia, Gaetano, MD
Aero Transporti Italiani, SpA. (ATI)
- Galichon, Georges, chairman
Air France
- Galileo International *see* Apollo/Galileo
CRS system
- Galindo, Dr. Fernando Boyd, pres.
Pacific International Airlines, S.A.
- Galipeau, FO Linda, pilot
Canada 3000, Ltd.
- Gallagher, John E., pres./vp
McCulloch International Airlines
American International Airways (2)
- Gallagher, Liam, singer/passenger
Cathay Pacific Airways (Pty.), Ltd.
- Gallagher, Maurice J., pres.
Westair Commuter Airlines
- Gallarza, Lt. Gen. Gonzales, chairman
Iberia Spanish Airlines, S.A. (2)
- Galloway, Robert, EVP/COO
New York Air (1)
- Gallegher, John "Jack," founder/pres.
New York Airways
Airsport Airlines
- Gallegher, Tim, EVP
Airsport Airlines
- Gallet, Eric, co-founder
Buloro Goldfields Aeroplane Service, Ltd.
- Galli, Heinz, VP
Swissair, A.G.
- Gallo, Nicolas, Argentine infrastructure minister
Aerolineas Argentinas, S.A.
- Galrabga, Ticharwa, MD
Air Zimbabwe Corporation
- Galstyan, Hambartsum, Yerevan mayor
Yerevan Avia
- Galunov, Anatoly, DG
ASN Aerostan: Airstan
Kazair: Kazakhstan National Airways
- Galyshev, V. L., pilot
Dobrolet
- Gambardella, Rosemary, U.S. bankruptcy judge
Kiwi International Air Lines
- Gamber, Athley, MD
Twin Air
- Gamber, Red, jt.-founder
Twin Air
- Gamborg, Emil, GM/pres.
Helikopter Service, A.S.
- Gana, Air Commodore Peter N., MD
Nigeria Airways, Ltd.
- Ganchuk, V. A., DG
Neriyungri State Air Enterprise
- Gandar-Dower, Eric L., founder/MD
Aberdeen Airways, Ltd. (1)
- Ganden Investments
Israir, Ltd.
- Gander (Newfoundland) disaster, 1985 *see* Crashes—Dec. 12, 1985,
Arrow Air
- Gangwal, Rakesh, vp-marketing/pres./chairman
Air France
USAir
USAirways
- Gandhi, Indira, Indian prime minister
Air India, Ltd.
Indian Airlines Corporation
- Gandhi, Capt. Rajiv, pilot/Indian prime minister
Indian Airlines Corporation
- Gangari, M. H., owner
Trans Arabian Air Transport, Ltd.
- Ganemtoire, Paul Antonine, MD
Air Burkina, S.A.
- Ganger Rolf, A.S.
Sterling European, A.S.
- Gani, Abdul, pres.
PT Garuda Indonesia
- Ganiy, Rafikov, pres.
Uzbekistan Airways
- Gann, Ernest K., pilot/author
American Airlines
- Gann, Kenneth W., jt. founder/pres.
Florida Airways
- Gann, Kenneth W., pres.
CCAir
- Ganzenhuber, O., GM
Air Salzburg, GmbH.
- Gao Jun, hijacker
China Northern Airlines Company, Ltd.
- Gao Jun Uue, pres.
China Northwest Airlines Company, Ltd.
- Garabga, Tich, MD
Air Zimbabwe Corporation
- Garcia, Alberto Velazco, founder/pres.
TANSA: Transportes Aereos de Nayarit, S.A. de C.V.
- Garcia, Guillermo Martinez, CEO
Mexicana Airlines, S.A. de C.V.
- Garcia, Jesus Romero, chairman
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Garcia, Jose Antonio, pres.
Philippine Air Lines
- Garcia, Simeon, pres.
Air Aruba, N.V.
ASERCA: Aerolineas Regional de Centro, C.A.
- Gardel, Carlos, passenger
SACO: Servicio Aereos Colombianos, S.A.
- Gardener, G. F., passenger
National Airlines (1)
- Gardiner, J. W., founder
Air Central, Ltd.
- Gardner, Anita, GM
Pacifica Air, Ltd.
- Gardner, David, pres.
Air Kentucky Airlines
- Gardner, George, pres.
Northeast Airlines
- Gardner, Roy, MD
Virgin Atlantic Airways, Ltd.
- Gardo, Goran, MD
Britannia Airways, A.B.
- Garin, V. O., DG
Vitiav Aviatransport
- Garlow, Melvin, pilot
Pennsylvania Air Lines and Transport Company
- Garneau, Ben, pres.
Express Aire
- Garner, Daniel R., dir.
Kitty Hawk Air Cargo
- Garner, Lucile, flight attendant

- Trans Canada Air Lines, Ltd.
 Garrambone, Peter, jt.-founder/chairman
 Planet Airways
 Garrambone, Peter and George, founders
 Cosmopolitan Airlines
 Garrett, David, pres./chairman
 Delta Air Lines
 Garrett, G., MD
 Air Cruising Australia (Pty.), Ltd.
 Garrihy, Joe, pres.
 Holidair, Ltd.
 Garrison, Lawrence H., pilot
 National Air Transport (NAT)
 Garrod, ACM Sir Guy, founder/chairman
 Metropolitan Air Movements, Ltd.
 Garten, Daniel P., CFO/vp/pres. Continental Airlines
 American Airlines
 American Eagle Airlines (2)
 Garton, John, MD
 British Airways Helicopters, Ltd.
 Garuda Group
 PT Garuda Indonesia
 PT Merpati Nusantara Airlines
 Gase, Pedro, vp-opns.
 LAN-CHILE Airlines, S.A.
 Gatchalian, William, founder
 Air Philippines (2)
 Gates, Bill/Melinda, investors/passengers
 Alaska Airlines
 CivAir Charter Services (Pty.), Ltd.
 Paragon Air
 Gates, Richard, CEO
 Polynesian Airlines, Ltd.
 Gati Cargo Management Services
 Indian Airlines, Ltd.
 Gatt, Joseph, GM
 Air Zaire, S.A.
 Gatty, Harold, founder
 Fiji Airways, Ltd. (2)
 Gaudart, Daniel, MD
 Corse Mediterranee: Compagnie Corse Mediterranee, S.A.
 Gaudreault, Yvan, founder/pres.
 Les Ailes de Charlevoix, Ltd.
 Gault, Donald J., pres.
 Island Helicopter Corporation
 Gaunt, Max, jt.-MD
 Chieftain Airways, Ltd.
 Gabiria, Cesar, Colombian president
 SAM Colombia Airlines, S.A.
 Gawne Aviation
 Gawne Airlines (Pty.), Ltd.
 Gay, A. E., pres.
 Seair Alaska Airlines: Sea Airmotive
 Gay, George, pilot
 Aero, Ltd.
 Gayette, Capt. Cyril, pilot
 Pan American Airways (PAA)
 Gaylord, Edward L., investor
 Western Pacific Airlines (Westpac)
 Gayssot, Jean-Claude, French transport minister
 Air France
 Continental Airlines
 Gayton, W., founder/pres.
 Peace Air, Ltd.
 Gaziyeu, Vilmir K., CEO
 Cargoservice of Berkshire Airlines
 Gazprom Group
 Mostransgaz Airlines Company
 Gazzera, Cesar Jose, pres.
 TAN: Transportes Aereos Neuquen, S.A.
 Transportes Aereos Neuquen del Estado, S.A.
 GCS
 Fischer Brothers Aviation
 Geary, Norman M. T., chairman/MD
 Air New Zealand, Ltd.
 Mount Cook Airlines, Ltd.
 Geddes, Sir Eric Campbell,
 Imperial Airways, Ltd.
 Geddes, I. C., dir
 British Overseas Airways Corporation (BOAC)
 Imperial Airways, Ltd.
 Geddes-Brown, Bill, original investor
 Cathay Pacific Airways (Pty.), Ltd.
 Gedman, Mike, jt. founder
 American Central Airlines (2)
 Geffin, Max, partner
 Commercial Air Services (Pty.), Ltd.
 Geitlinger, Erich, chairman/pres.
 Balair Air Charter, A.G.
 Balair-CTA
 Compagnie de Transport Aerien, S.A. (CTA Geneva)
 Gelabert, Marcos A., founder/pres.
 Compania de Transportes Aereos Gelabert, S.A.
 Geldenhuis, Kenneth, owner/MD
 Exclusive Air Charter (Pty.), Ltd.
 Millionair Charter (Pty.), Ltd.
 Gelwix, Lawrence, chairman
 Winair
 Gemini CRS
 Air Canada, Ltd.
 Canadian Airlines International, Ltd.
 Gemini Tours
 Tropical Airlines, Ltd.
 Gemmell, Ian, flt. opns. mgr.
 Polynesian Airlines, Ltd.
 Genain, Colonel, founder/MD
 Compagnie de Transports Aeriens Intercontinentaux, S.A.
 Genain, Colonel, MD
 Regie Air Afrique, S.A.
 Gendron, Dr. Selwyn, backer
 Helicopter Seychelles, Ltd.
 General Aircraft ST-4 Mono-Spar launch customer
 Portsmouth, Southsea and Isle of Wight Aviation, Ltd.
 General Arab Transport Organization
 Misrair, S.A.E. (1)
 United Arab Airlines
 General Aviation Corporation
 Western Air Express
 General Aviation Services
 Atlantic Air Transport, Ltd.
 General Motors Corporation
 Kitty Hawk Air Cargo
 ProAir
 General Relays, Ltd.
 Genair, Ltd.
 General Tire and Rubber Company
 Frontier Airlines (1)
 Generalexport
 Aviogenex
 Generoso, Capt. Emmanuel, pilot
 Philippine Air Lines
 Genoese, William, Teamster leader
 Northwest Airlines
 Genusscheine, dividend-right certificate
 Swissair, A.G.
 George, David, founder/chairman
 Sloane Helicopters, Ltd.
 George, Gen. Harold Lee

- American Airlines
- George, Keith, travel agent/passenger
- Delta Air Lines
- George, Thomas, vice chairman
- Air Asiatic, Ltd.
- Georgia
 - Academy Airlines
 - Air Atlanta
 - Air South (1)
 - Atlanta Express Airline Corporation
 - Atlantic & Gulf Coast Airline
 - Atlantic Southeast Airlines (ASA)
 - Aviance International
 - Avtech Executive Flight Center
 - Cherokee Airways
 - Colvin Aviation
 - Crest Airlines
 - Davis Air Lines
 - Del Airways
 - ExecJet Charter & Management Corporation
 - Flight International Airlines
 - Georgia Air
 - Georgia Jet Executive Charter
 - Independent Air
 - Midnight Express
 - Nations Air Express
 - Nationwide Airlines Southeast
 - North South Airways
 - Phoenix Airlines
 - Private Jet Expeditions
 - Skybus Corporation
 - Southern Air Fast Express (SAFE)
 - Sun Jet International Sales
 - Southern Airways (1)
 - Sunbelt Airlines (1)
 - Time Machine
 - TPI International Airways
 - Valdosta-Phoenix Airlines
 - Valujet Airlines
- Georgia Forestry Association
 - Air France
 - Delta Air Lines
- Gerasimov, Y. I., DG
 - SAAK-Gem Air Company
- Gerber, Dennis Dale, passenger
 - American Airlines
- Gerden, Victor, crash investigator
 - Swissair, A.G.
- Gereca, Luis, GM
 - LAB: Lloyd Aero Boliviano, S.A.
- Germain, Henri, founder/pres.
 - Compagnie Germain, S.A.
- Germany, Reichsluftamt (Air Ministry)
 - Deutsche Luft Reederei, GmbH.
 - Deutscher Aero Lloyd, A.G.
 - Deutsche Luft Hansa, A.G.
- Germany, Reichsluftfahrtministerium (Air Ministry)
 - Deutsche Luft Hansa, A.G.
 - Deutscher Zeppelin-Reederei, A.G.
- Germany, Transportation department
 - Deutsche Lufthansa, A.G.
 - Wiking Helikopter Service, GmbH.
- Germek, James, pres.
 - Air Cargo Carriers
- Gernot Langes-Swarovski GmbH.
 - Tyrolean Airways, GmbH.
- Gerrand, Capt. A. G., pilot
 - Union Airways of New Zealand, Ltd.
- Gerend, Michael J., pres.
 - Champion Airlines
- Gestres-Gestao Estrategica Espirito Santo
 - PGA-Portugalia Airlines, S.A.
- Getty, J. Paul family, passengers
 - Paragon Air
- Gevaert, N.V.
 - Hapag-Lloyd Fluggesellschaft, mbH.
- Geysendorffer, Capt. G. J., pilot
 - KLM: Royal Dutch Airlines, N.V.
- Ghandour, Ali, pres./chairman
 - Alia Royal Jordanian Airlines
 - Royal Jordanian Airlines
- GHI-CA Corp.
 - Champion Airlines
- Ghorbanifar, Manucher, Iranian arms dealer
 - Southern Air Transport
- Ghosh, N. C., CFO
 - Indian Airlines, Ltd.
- Ghosts, sightings of
 - Eastern Air Lines
- Giaber, Sayyed Mohammed Senussi, founder
 - Libyan Airways
- Giani, Giorgio, MD
 - Sunshine Aviation, Ltd.
- Giannelli, Flippo, pres.
 - Free Airlines, SpA.
- Giannelli, Rag Antonio, MD
 - Free Airlines, SpA.
- "Gibair" *see* Gibraltar Airways, Ltd. (2)
- Gibbes, Capt. Peter, pilot/ops. mgr.
 - ANA: Australian National Airways (Pty.), Ltd.
 - Air Ceylon, Ltd.
- GIBCA Group
 - Air Intergulf, Ltd.
- Giblin, Paul, GM for Germany/acting MD
 - British Airways, Ltd. (2)
 - Deutsche BA Luftfahrtgesellschaft, GmbH.
- Gibson, Audley, stowaway
 - American Airlines
- Gibson, Capt. A., pilot
 - British Overseas Airways Corporation (BOAC)
- Gibson, Charles, tv newsman
 - Flugfelag Islands, H.F. (2)/Icelandair, H.F.
- Gibson, Capt. Harvey, pilot
 - Trans World Airlines (TWA)
- Gibson, Joseph J., founder/pres.
 - Gibson Aviation
- Gie, Kwik Kian, Indonesian economics minister
 - PT Garuda Indonesia
- Gifford, Jack, founder/pres.
 - Gifford Aviation
- Gifford, John D., chairman
 - Kodiak-Western Alaska Airlines
- Gilbertson, Don, pres.
 - Pacific Alaska Airlines
- Gildersleeve, Robert, founder/pres.
 - Glacier Bay Airways
- Giles & Ransome Company
 - Ransome Airlines
- Gilkopoulos, Capt. G., DG
 - Olympic Aviation, S.A.
- Gill, Michael, founder/chairman
 - Gill Air: Gill Aviation, Ltd.
- Gillam, Harold, pilot *see* Eielson, Ben, search for
- Gillespie, Gene, pres.
 - Kiwi International Air Lines
- Gillette, S. J., pres.
 - Mid-Continent Airlines (5)
- Gilley, Dr. J. Wade, University of Tennessee president

- Express Airlines I
- Gillis, Capt. Herman F., 3rd, pres.
Eastwind Airlines: The Bee Line
- Gillis, Judge Joseph, jt.-founder
Nomads Air Travel Club
- Gillis, Thomas, pres.
Southern Air
- Gillman, Claus, co-MD
Condor Flugdienst, GmbH.
- Gilmer, John C., pres.
Canadian Pacific Air Lines, Ltd.
- Gilroy, Magaret R., flight attendant
American Airlines
- Gilson, George, jt.-MD
Chieftain Airways, Ltd.
- Gimblett, John, MD
Cambrian Airways, Ltd.
- Gimenez, Osvaldo, GM
Aerolineas Argentinas, S.A.
- Gimeno, Manuel Rodriguez, pres.
Viva Air: Vuelos Internacionales de Vacaciones, S.A.
- Gin Rummy, game of
American Airlines
- Ginebra de Bonnelly, Marina, pres./CEO
Dominicana: Compania Dominicana de Aviacion, C. por A.
- Ginlov, N., student/hijacker
Aeroflot Soviet Airlines
- Giovannetti, G., pres.
Aero Leasing Italiana, SpA.
- Giral, Jose, vice chairman
Mexicana Airlines, S.A. de C.V.
- Girard, Guy, MD
Farner Air Transport, Ltd.
- Giraudet, Pierre, chairman
Air France 989.
- Giscard-d'Estaing, Valey, pres. of France
Air France
- Gitner, Gerald L., jt. founder/vp/pres.
PEOPLExpress Airlines
Trans World Airlines (TWA)
- Gitsis, Nikos, jt.-founder
Seair: Palwan's Airline
- Giudice, Franco, GM
Air One, SpA.
- Giuliani, Rudolph, New York City mayor
Continental Airlines
- Gladesdahl, Kurt, pres.
Northern Thunderbird Air, Ltd.
- Gladstone, T. A., pilot
North Sea Aerial and General Transport, Ltd.
- Glass, Floyd, pres.
Athabasca Airways, Ltd.
- Glass, Jim, GM
Athabasca Airways, Ltd.
Transwest Air, Ltd.
- Glassburn, Hugh, founder/pres.
Methow Aviation
- Glasser, Scott, vp
Eastwind Airlines
- Gledhill, D. A., chairman
Cathay Pacific Airways (Pty.), Ltd.
- Gledhill, Franklin, vp
Pan American Airways (PAA)
- Glen L., EVP/pres./chairman
Frontier Airlines (1)
- Glenister, Peter, MD
Jersey European Airways, Ltd.
- Glenn, Patrick I, vp-COO
Alaska Airlines
- Glennister, P., MD
Spacegrand Aviation, Ltd.
- Gloag, Ann, Stagecoach plc jt.-founder/investor
Scotairways, Ltd.
Suckling Airways, Ltd.
- Global Airlines Corp.
Trans World Airlines (TWA)
- Global Challenger*, balloon
Air Foyle, Ltd.
- Global Discount Travel Service
Trans World Airlines (TWA)
- Global Excellence Alliance
Delta Air Lines
Singapore Airlines, Ltd.
Swissair, A.G.
- Globespan, tour operator
Excalibur Airways, Ltd.
- Glover, David, jt. founder
Permian Airways
- Glover, Warren I., U.S. asst. postmaster general
Transcontinental Air Transport (TAT)
Transcontinental and Western Air (T&WA)
Western Air Express
- Glushkov, Nikolai, deputy MD/CFO
Aeroflot Russian International Airlines (ARIA)
- GMF: Gene Morgan Financial, Inc.
Air Kentucky Airlines
Air Liberte: Compagnie Air Liberte, S.A.
- GMG Group
GMG Airlines, Ltd.
- GO
British Airways, Ltd. (2)
- Go Flying
Copper State Airlines
- Go Voyage, investor
Air Liberte: Compagnie Air Liberte, S.A.
Euralair International, S.A.
- Gocket, Thomas, LTP pres./CEO
Philippine Air Lines
- Goddard, Paulette, actress/passenger
Qantas Empire Airways (Pty.), Ltd.
Transcontinental and Western Air Lines (TWA)
- Godfrey, Arthur, entertainer/spokesman
Eastern Air Lines
Ozark Air Lines (1)
- Godfrey, Brett, CEO
Virgin Blue (Pty.), Ltd.
- Godfroid, Pierre, chairman
Sabena Belgian World Airlines, S.A.
- Godwin, Don S., pres./GM
Atlantic Aero
- Godwin, John E., Jr., pres./GM
Atlantic Aero
- Goering, Hermann, lobbyist/Reich Air Minister
Deutsche Luft Hansa, A.G.
Deutscher Zeppelin-Reederei, A.G.
KLM: Royal Dutch Airlines, N.V.
- Goetz, Hannes, SAirGroup chairman
Swissair, A.G.
- Goetz en Zonen, Alain, pres.
City Connexion Airlines, S.A.
- Goetz en Zonen, Tony, founder
City Connexion Airlines, S.A.
- Goffredsen, Jan, MD/DG
Air Business, A.S.
Maersk Commuter, I.S.
- Goge, Abdou M., pres.
Transniger Aviation, S.A.
- Goglia, John, NTSB board member

- Valujet Airlines
- Goh Chok Tong, prime minister of Singapore
 - Ansett Australia (Pty.), Ltd.
 - Singapore Airlines, Ltd.
- Gokengwei, John, founder/chairman
 - Cebu Pacific Air
- Gokengwei, Lance, pres./CEO
 - Cebu Pacific Air
- Gokkel, Paul, hijacker
 - KLM: Royal Dutch Airlines, N.V.
- Goldberg Leo, Ltd., automobile dealer
 - CAL Cargo Airlines, Ltd.
- Goldberg, Leonard, founder/pres.
 - Dolphin Aviation-Gold Aviation Services
- Goldberg, Mario, CEO
 - Santa Barbara Airlines, S.A.
- Goldbloom, Victor, Canadian office of official languages commissioner
 - Air Canada, Ltd.
 - Air Ontario, Inc.
- Goldbold, Lori P., GM/pres.
 - Trans Air
- Goldcrest Aviation/Goldcrest Holidays
 - Caledonian Airways, Ltd. (2)
 - Peach Air, Ltd.
- Golden, Gary, vp-opns.
 - Petroleum Helicopters
- Golden Eagle Enterprises
 - Golden Eagle Air Tours
- Golden Star Resources, Ltd.
 - Roraima Airways, Ltd.
- Golden State Warriors NBA team
 - Northwest Airlines
- Golden Sun, tour operator
 - Galaxy Airways, S.A.
 - Helios Airways, S.A.
- Goldfield Corporation
 - Frontier Airlines (1)
- Golding, Bernard F. "Bernie," founder/pres.
 - Burlington Airways
- Goldman Sachs
 - Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Goldsmith, Sir James, financier
 - Mexicana Airlines, S.A. de C.V.
- Goldsmith, Louis, pilot
 - West Coast Air Transport
- Goldsun Corporation
 - Foshing Airlines, Ltd.
- Goldsworthy, Warwick, founder/CEO
 - Opal Air: Opal Air Services (Pty.), Ltd.
- Goldwater, Sen. Barry, presidential candidate
 - American Airlines
- Golenu, Adrian, DG
 - Romavia Romanian Airlines, S.A.
- Golien, Waldon Gene "Swede," GM
 - Ethiopian Airlines, S.C.
- Goliger, Daniel, pres./SVP-cargo
 - Canair Cargo, Ltd.
 - Royal Airlines, Ltd.
- Goll, Dennis, founder
 - West Wind Aviation, Inc.
- Golliber, Gary, dispatcher
 - Pacific Southwest Airlines (PSA)
- Golnikov, A. V., DG
 - Taimyrtur Too
- Golovanov, A.E., Central Asia director
 - Aeroflot Soviet Airlines
- Golrounia, A., pres.
 - Kish Air
- Goltsman, A. Z., chairman
 - Dobroflot
- Gombe, William P., vp-opns.
 - Henson Aviation
- Gomes, Linneu, pres.
 - SADIA, S.A.: Transport Aereos
- Gomez, Capt. Ben Hur D, MD
 - A Soriano Aviation
- Gomez, Cecilia Sosa, Venezuelan chief justice
 - AVENSA: Aerovias Venezolanas, S.A.
- Gomez, Hernan, pres.
 - Acori: Aero Costa Rica, S.A.
- Gomez, Julio Obols, pres.
 - AVIATECA: Aerolineas de Guatemala, S.A.
- Gomez, Linneu, pilot/founder/pres.
 - REAL, S.A.: Transportes Aereos Redes Estaduales Aereas, S.A.
 - TACA: Transportes Aereos Centros Americanos, S.A.
- Gomez, Olga, flight attendant
 - Aerolineas Argentinas, S.A.
- Gomez-Gomez, Dr. Herman, founder/pres.
 - Taxader: Taxi Aereo de Santander, S.A.
- Gomez Mendez, Manuel, co-GM/pres.
 - Aeromaya, S.A. de C.V. de C.V.
 - Servicio Aereo Gomez Mendez, S.A. de C.V.
- Gonsalves, Capt. Dominic, No. 2 pilot
 - SVG Air, Ltd.
- Gonzales, Javier Alvarez, pres.
 - Binter Canarias, S.A.
- Gonzales, Juan A., pres.
 - Aerolitoral, S.A. de C.V.
- Gonzalez, Alberto, hijacker
 - American Airlines
- Gonzalez, Francisco, passener/murderer
 - Pacific Air Lines
- Gonzalez, Jose Antonio, chairman
 - Philippine Air Lines (PAL)
- Gonzalez, Manuel, GM
 - ANSA: Aerolineas Nacionales, S.A.
- Gonzalez, Noemi, pres.
 - Flamenco Airways
- Gonzalez, Oswaldo, founder
 - Vieques Air Link
- Gonzalez, Ramon and Manuel, founders
 - Aeronaves de Mexico, S.A. de C.V.
- Gonzalez-Gonzales, Jose Manuel, hijacker
 - America West Airlines
- Gonzalez-Medina, J. L., hijacker
 - Eastern Air Lines
- Gonzalez-Weise, Carlos, pres.
 - Aerosur Boliviano, S.A.
- Gonzalez del Solar, Eduardo, pres.
 - Aerolineas Argentinas, S.A.
- Good, D., MD
 - Eagle Airways, Ltd.
- Goodell, F., hijacker
 - Pacific Southwest Airlines
- Goodlin, Chalmers H., MD
 - Seychelles-Kilimanjaro Air Transport, Ltd.
- Goodman, Donald, owner/pres.
 - Alaska Airlines
- Goodman, Edward, pilot
 - MarkAir Express
- Goodman, George, aka Adam Smith, dir.
 - USAir
- Goodman, Harry, founder/chairman
 - Air Europe, Ltd.
- Goodman, Henry R., founder/chairman
 - SLO: Surinaamse Luchtvaart Onderneming, N.V.
- Goodmanson, Richard R., pres./COO
 - America West Airlines

- Goodnight, James, investor
 Midway Airlines (2)
 Goodrich, Richard, pres.
 Downeast Airlines (2)
 Goodwin, Don S., pres.
 Mid-Atlantic Freight
 Goodwin, Doris Kearns, historian/dir.
 Northwest Airlines
 Goodwin, James E., chairman
 United Airlines
 Goolsbee, Charles, EVP
 Continental Airlines
 Goonetilleke, AVM Harry, CEO
 Helitours, Ltd.
 Goossens, Marcel, MD
 Sabena Belgian World Airlines, S.A.
 Gorbachev, Mikhail, Soviet pres.
 Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Gorbatenko, Valery, deputy DG
 Pulkovo Airlines: Aviation Enterprise Pulkovo
 Gorbunov, E. I., DG
 Kilo Maloe Aviatsionno Small Aviation Transport Enterprise
 Gordienko, V. P., DG
 Krai Aero Russian Austrian JV
 Kraiaero Airlines
 Gordievsky, Stanislav, GM
 Aeroflot Soviet Airlines
 Gordon, John
 Gordon Air Management Corporation
 Gordon, Louis, GM
 Air Ocean Indian, S.A.
 Gordon, Mark T., pres.
 Air Inuit, Ltd.
 Gordon, Roy, jt. owner
 Empresa Dean, S.A. 2315.
 Gore, Albert, U.S. vice president/presidential candidate
 Spirit Airlines
 Gorge, Abdou M., CEO
 Nigeravia, S.A.
 Goriatchev, V. A., DG
 Krylo
 Poliot Chernobyl
 Goribar, Joaquin Cortina, jt.-founder
 TAP: Transportes Aereos del Pacifico, S.A.
 Gorlesky, Tom, pres.
 Trans Continental Airlines
 Gorman, Thomas R., pres.
 Air Hyannis
 Gorog, William F., chairman
 World Airways
 Gorospe, Constantino, founder/chairman
 Antillas Air Cargo, S.A.
 Gorrell, Col. Edgar S., passenger/Air Transport Association pres.
 American Airlines
 Transcontinental Air Transport (TAT)
 Gorski, Capt. Gail, pilot
 United Airlines 4373.
 Gorst, Vernon C., "Vern," MD/pres.
 Air Ferries
 Gorst Air Transport
 Hubbard Air Transport
 Pacific Air Transport
 Goslet, R. G., supporter
 New York Airways (2)
 Gosney, Graham, MD
 The Helicopter Line, Ltd.
 Gosselin, J. Pierre, chairman/CEO
 Air Niagara Express, Ltd.
 Gostishev, Viktor M., CEO
 Constanta State Airline
 Gothe, Alfred, pilot
 Dobrolet
 Junkers Luftverkehr, A.G.
 Gotlandsbolaget, A.B.
 Golden Air Flyg, A.B.
 Goto, Tadamasu, alleged gangster/alleged second-largest investor
 Japan Air Lines Company, Ltd. (2)
 Gottlieb, Frederick, chairman
 Bahamasair, Ltd.
 Gould, Robert, pres.
 Eastern Air Lines
 MGM Grand Air
 Gould, Shane, swimmer/spokesperson
 Ansett Australia (Pty.), Ltd.
 Gouze, Michael, GM
 Air Martinique, S.A.
 Govan Brothers, Ltd.
 Indian National Airways, Ltd.
 Indian Trans-Continental Airways, Ltd.
 Gouveia, Cpts. Gerald and Debra, founders
 Roraima Airways, Ltd.
 Gover, John, pres.
 Altus Airlines
 Government Aircraft Factory GAF Nomad N.22. launch customer
 Aeropelican Air Services (Pty.), Ltd.
 Governorship program
 Austrian Airlines, A.G.
 Swissair, A.G.
 Goyal, A.K., marketing dir./cargo dir.
 Indian Airlines, Ltd.
 Goyal, Naresh, chairman
 Jet Airways (Pty.), Ltd.
 Gozo Channel Company, Ltd.
 Malta Air Charter, Ltd.
 Gozzini, Luigi, jt.-founder
 Gandalf Airlines, SpA.
 Graagengaard, Jorgen, MD
 SAS Commuter
 Graas, Gust, pres.
 Luxair, S.A.
 Grabowsky, Ian, pilot.
 Guinea Airways (Pty.), Ltd.
 Grace, David R., chairman
 Pacific Air Lines
 Grace, J. Peter, board member
 Pan American-Grace Airways (PANAGRA)
 Grace, Thomas L., pres./chairman
 Ozark Air Lines
 Grachev, Igor D., MD
 Perm State Air Enterprise
 Graham, Al, pres.
 AirBC., Ltd.
 Graham, Heather, actress
 Allegiant Air
 Graham, John G., murderer/bomber
 United Air Lines (2)
 Graham, Maurice F., pilot
 Western Air Express
 Graham-Coete, Michael, MD
 British Airways Helicopters, Ltd.
 Graham-Douglas, Tony, Nigerian aviation minister
 Nigeria Airways, Ltd.
 Gran, Capt. Inam Al-Haq, chief pilot
 Ariana Afghan Airlines Company, Ltd.
 Grand Canyon disaster of 1956 *see* Crashes—June 30, 1956;
 Trans-World Airlines (TWA)
 United Air Lines (2)
 Grand, Keith, chairman

- Oiley Air Services, Ltd.
- Grand Holdings
 - American International Airways (3)
 - MGM Grand Air
- Grand Ol' Opry/Opryland
 - American Airlines
 - Capitol Airways
- Granda, Herman, pres.
 - Cielos del Peru, S.A.
- Granduc Mine slide disaster of 1964, rescue flights
 - Okanagan Helicopters, Ltd.
- Graner, Wallace H., pres.
 - Emerald Air
- Grange League Federation, investors
 - Robinson Airlines
- Granquist, Jim, pres.
 - Sundance Helicopters
- Grant, Cary, actor/passenger
 - Transcontinental and Western Air Lines (TWA)
- Grant, Donovan and Suzanne, founders/owners
 - Tropical Airlines, Ltd.
- Grant, J. H., bomber
 - United Air Lines (2)
- Granville, Sir Keith, deputy chairman/chairman/CEO
 - British Airways, Ltd. (2)
 - British Overseas Airways Corporation (BOAC)
- Grasek, Peter, pres.
 - Adria Airways: Adria Aviopromet (2)
- Gratz, P. C. E., GM
 - Trek Airways (Pty.), Ltd.
- Gravel, Paul, opns. dir.
 - SVG Air, Ltd.
- Gray, Andrew, MD
 - Air U.K., Ltd.
- Gray, Byron, GM
 - Air Niugini (Pty.), Ltd.
- Gray, Capt. Harold, pilot/pres.
 - Pan American Airways (PAA)
 - Pan American World Airways (1)
- Gray, Ian, regional GM
 - British Airways, Ltd. (2)
 - Qantas Airways (Pty.), Ltd.
- Gray, Ian A., pres./MD
 - Canadian Pacific Air Lines, Ltd. (CPAL)
 - Air National, Ltd.
- Gray, John Everett, hijacker
 - Pacific Southwest Airlines (PSA)
- Gray, Larry, founder/chief pilot
 - Air Mango, S.A.
- Gray, Robert, pilot
 - Southern Air Transport System
- Gray, Stephen, opns. mgr.
 - Cook Strait Skyferry, Ltd.
- Gray, William, vp/GM
 - American International Airlines
- Grayeb, Geopoldo Lopez, pres.
 - Servicio Aereo Leo Lopez, S.A.
- Grear, Bev, SVP-opns.
 - Reno Air
- Great Britain *see* United Kingdom "Great Silver Fleet"
 - Eastern Air Lines
- Great Western and Southern Railway
 - Channel Air Ferries, Ltd.
 - Guernsey Airways, Ltd.
 - Jersey Airways, Ltd.
 - Railway Air Services, Ltd.
- Greatamerica Corporation
 - Braniff International Airways
- Grech, Louis, MD
 - Air Malta Company, Ltd. (2)
- Greece, Civil Service Pension Fund
 - Hellenic Airlines, S.A. (HELLAS)
- Greek earthquake of 1999
 - easyJet Airlines, Ltd.
- Greek elections of 1996
 - Olympic Airways, S.A.
- Green, Charles, hijacker
 - Eastern Air Lines
- Green, Gary and Nancy, founders
 - McCarthy Air Alaska
- Green, Harry, jt.-founder
 - Redcoat Air Cargo, Ltd.
- Green, M. S., hijacker
 - National Airlines (1)
- Green, Wiley E., pres.
 - Copper State Airlines
- Green Bay Packers NFL team
 - Comair
 - Northwest Airlines
 - United Air Lines (2)
- Greenberg, David, VP-opns./VP/COO
 - Delta Air Lines
 - Korean Air Lines/Korean Air (KAL)
- Greenberg, Howard S., attorney
 - Kiwi International Air Lines
- Greene, Graham, author
 - Imperial Airways, Ltd.
- Greene, Kevin, GM
 - Vintage Air Tours
- Greene, Ronald, investor
 - Westjet, Ltd.
- Greene, W. H., 3rd, hijacker
 - Eastern Air Lines
- Greenland, Provincial Council
 - Gronlandsfly, A.S./Greenlandair, A.S.
- Greenland, Tourism
 - Atlantic Airways Faroe Islands, A.S.: Atlantsflog
- Greenland expeditions of Arctic scientist Dr. Vilhjalmur Stefansson, support for
 - Pan American Airways (PAA)
- Greenwald, Gerald, chairman
 - United Airlines
- Greenwald, J. I., GM
 - Ethiopian Airlines, S.C.
- Greer, S. T. L., GM
 - The Instone Air Line, Ltd.
- Gregg, C. Bill, chairman
 - Provincetown-Boston Airline (PBA)
- Greif, John E., 3rd, MD/COO
 - Tropic Air: Tropical Air Services, Ltd.
- Grenadine Tours, Ltd.
 - Mustique Airways, Ltd.
- Grendel, Josef, Communications/PR dir.
 - Deutsche Lufthansa, A.G.
- Grey, Bryan, founder/GM
 - Compass Airlines (Pty.), Ltd. (1)
 - Territory Airlines (Pty.), Ltd.
- Grey, C. B., MD
 - East-West Airlines (Pty.), Ltd.
- Grey, Robert H., pilot
 - Texas Air Transport
- Greyhound Transport Canada Corporation, Ltd.
 - Greyhound Air, Ltd.
- Grier, Scott, part-owner/MD
 - Loganair, Ltd.
- Griffin, Carlos, pres.
 - TAXPA: Linea Aerea Taxpa, S.A.
- Griffin, Merv, entertainer/owner

- Chalks International Airlines (1)
Paradise Island Airways
- Griffin, Timothy, EVP
Northwest Airlines
- Griffith, Frederick, founder/pres.
Shavano Air 4111.
- Griffith, P. W., founder
Air Couriers, Ltd.
- Griffiths, Capt. Lionel, pilot
Ansett Australia (Pty.), Ltd.
- Grimaldi, J. V., extortionist
Trans World Airlines (TWA)
- Grimas, M., MD
Air Rouergue, S.A.
- Grimthorpe, Lord, chairman
North Eastern Airways, Ltd.
- “Grinningbirds”
Pacific Southwest Airlines (PSA)
- Grinstein, Gerald, pres./dir
Delta Air Lines
Western Airlines (1)
- Grisbaum, C. H., pres.
Aero Service
- Grob, Niklaus, investor/CEO
Edelweiss Air, Ltd.
- Grojean, Thomas, pres.
The Flying Tiger Line
- Gromov, Mikhail, pilot
Dobroflot
Dobrolet
- Gromyko, Andrei A., Soviet foreign minister
Aeroflot Soviet Airlines
- Gronlund, Ut, MD
Reguljair i Skelleftea, A.B.
- Gronowski, Tadeusz, competition winner
LOT Polish Airlines, S.A.
- Gross, George M., EVP/GM
Southern Airways (1)
- Gross, Robert, Lockheed Aircraft pres.
Transcontinental and Western Air Lines (TWA)
- Grossmann, Michael, founder/pres.
Castle Aviation
- Grosul, Andre, DG
Renan Airways, S.A.
- Grotenfelt, Sten, pres.
Cargolux Airlines International, S.A.
- Grotterad, Hans A., MD
Air Executive Norway—Busy Bee, A.S.
Busy Bee Air Services, A.S.
Busy Bee of Norway, A.S.
- Groufors, Dave, founder/pres.
Air Muskoka, Ltd.
- Ground collisions of airliners *see* Incidents (in-flight, ground and international)
- Group Benjelloun
Regional Air Lines
- Group Holmarcom
Regional Air Lines
- Group Systems of Hawaii
Discovery Airways
- Groupe MSC
Mustique Airways, Ltd.
- Groupe Paris Organisation
Air Mandalay (Pty.), Ltd.
- Groupe Royal Aviation
Royal Airlines, Ltd.
- Grove, Ben, founder/pres.
Polo Aviation, Ltd.
- Grove, John G., chairman
South African Airways (Pty.), Ltd.
- Grudic, M., pres.
Aviogenex
- Gruening, Ernest, Alaskan governor/senator
Alaska Airlines
Pan American World Airways (1)
- Grueuski, Dusko, chairman/pres.
Macedonian Airlines
- Grulich, Karl, Dipl.-Ing., chief designer
Deutscher Aero Lloyd, A.G.
Deruluft, GmbH.
- Grulich V-1 launch customer
Deruluft, GmbH.
- Grumman G-73 Mallard launch customer
Air Commuting
- Grumman G-111 Albatross launch customer
Chalk’s International Airlines (1)
- Grumman-Gulfstream G-159 launch customer
Air North
- Group Moana Nui
Air Tahiti Nui, S.A.
- Grupo Espirito Santo
Portugalia Airlines, S.A.
PGA: Portugalia Airlines, S.A.
- Grupo Melio
Portugalia Airlines, S.A.
- Grupo Sulista
TLA: Total Linhas Aereas, Ltda.
- Grupo Viajes Iberia
Iberworld Airlines, S.A.
- Grupo Xabre
Mexicana Airlines, S.A. de C.V.
- Gruppo Condor, owner
Italy First, SpA.
- Gruppo Turistico Magno
Magnicharters, S.A. de C.V.
- GSC-9 German Commando Unit *see*
Skyjacking—Oct. 13, 1977;
Skyjackings—August 15, 1993;
Deutsche Lufthansa, A.G.
- Guadalcanal, Battle of (1942-1943)
Japan Air Lines Company, Ltd. (1)
- Guadart, Daniel, GM
SATA: Societe Antillaise de Transports Aeriens, S.A.
- Guam
Air Mike Express
Freedom Air
Guam Marianas Air
Island Air (3)
Pacific Island Airways
- Guanyi, Chen, DG
CAAC: The General Administration of Civil Aviation of China
- Guaranteed Security Life Insurance Company
Chautauqua Airlines
- Guaranty Reassurance Corp.
Chautauqua Airlines
- Guasco, Cesar Murelio, pres.
Aerolineas Argentinas, S.A.
- Guay, J. Albert, murderer
Quebec Airways, Ltd.
- Guchek, Gennady P., GM
Baikal Air Company
- Guckian, Leo, MD
Futura International Airways, S.A.
- Gudjonsson, Arni, chairman
Iscargo, H.F.
- Gudlaugsson, Kristjan, chairman
Loftleidir H.F./Icelandic Airlines H.F.
- Gudmundsson, Gustaf, GM

- Flugfelag Austurlands, H.F.
 Gudmundsson, Hordur, founder/MD
 Ernir Airlines Isaferdi, H.F.
 Guenn, Lionel, founder/pres.
 Airlinair, S.A.
 Guerin, Robert, CEO
 Aviacion Nacional Venezolana, S.A.
 Guerra, Eduardo, hijacker
 Delta Air Lines
 Guerra, J. M. B., hijacker
 Eastern Air Lines
 Guerrero, Carlos F. Martinez, founder/pres./chairman
 Aer Airlines, S.A.
 TAR Airlines: Transportes Aereo Rioplatense, S.A.
 Guerrieri, Enzo, pres.
 TAS Airways, SpA.
 Guertin, Capt. Jean, chief pilot
 Air Transat, Ltd.
 Guest, Winston, investor and namesake
 Aerovias Guest, S.A. de C.V.
 Guevara, Angel Celorio, union leader
 TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
 Gugelmann, Fritz, chairman
 Swissair, A.G.
 Guggenheim Fund "model airway"
 Western Air Express
 Guglielmetti, Capt. Marino J., pilot
 Maddux Air Lines
 Gui Wee Kee, Capt., pilot
 Singapore Airlines, Ltd.
 China Airlines, Ltd. (CAL)
 Guibeb, Andreas, MD/deputy MD
 Air Namibia (Pty.), Ltd.
 Guidon, Louis, pilot
 Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
 Gulf War
 see Kuwait Crisis, 1990–1991
 Guilford Transportation
 Kiwi International Air Lines
 Nations Air Express
 Pan Am Air Bridge
 Pan American World Airways (2)
 Pan Am: Pan American Airways
 Guillaumet, Capt. Henri, pilot
 Air France
 Guillemot, Annick, flight attendant
 Air Inter, S.A.
 Guillani, Rudy, New York City major
 JetBlue Airways
 Guinasso, Victor, pres./COO/chairman/CEO
 DHL Airways/DHL Worldwide Express
 Guinness Peat Group, Ltd.
 Air Ukraine International: Mizhnarodni Aviolinii Ukraine
 Guisinger, John, owner
 Phillips Flying Service
 Guixang, Wong, chairman
 Air Macau Company, Ltd.
 Gujarat State Fertiliser Company
 Gujarat Airways, Ltd.
 Gulaid, Col. Mahamud, chairman/CEO
 Somali Airlines, Ltd.
 Gulf American Land Corporation
 Modern Air Transport
 Gulf Central holding company
 Pacific Coast Airlines (2)
 Gulmez, Engin, MD
 Sunways Airlines, A.B.
 Gumbs, Lincoln, GM
 Trans Anguilla, Inc.
 Gumbs, Marcel, Curacao state secretary
 WIA: Windward Islands Airways International, N.V. ("Winair")
 Gummiwerke Oberspree, GmbH.
 Deutsche Luft Reederei, GmbH.
 Gunn, Jim, EVP
 Simmons Airlines
 Gunn, Paul L. "Pappy," pilot
 Philippine Aerial Taxi Company
 Philippine Air Lines
 Philippine Aviation Development
 Gunnarsson, Magnus, MD
 Eagle Air Arnarflug, H.F.
 Gunnarsson, Sten, MD
 Helikopter Service Euro Air, A.B.
 Gunther's Transport
 United Airlines
 Gunz, Dietmar, Frosch Turistik CEO
 Britannia Airways Germany, GmbH.
 FTi Fluggesellschaft, GmbH.
 Gupta, D. V., MD
 Alliance Air, Ltd.
 Gupta, J. P., chairman
 Jagson Airlines, Ltd.
 Gupta, Pardeep, MD
 Jagson Airlines, Ltd.
 Gupte, Subhash, MD
 Air India, Ltd.
 Gurassa, Charles, Thomson Travel Group CEO
 Britannia Airways, Ltd.
 Gurbuz, Nedim, chairman
 Sunways Intersun Havacilik, A.O.
 Guritchev, Vitali, DG
 Gosnii GA
 Gurley, Thomas, pilot
 Pitcairn Aviation
 Gurney, Harlan E. "Bud," pilot
 Robertson Aircraft Corporation
 Gurtovoy, Grigory, EVP
 Transaero Airlines
 Gusinsky, Vladimir, Russian financier
 Aeroflot Russian International Airlines (ARIA)
 Gustafson, E. "Tug," supporter
 Petroleum Helicopters
 Gustavsson, Lennart, jt.-owner
 Avia Airlines, A.B.
 Gutelman, Georges P., MD
 Trans European Airways, S.A.
 Guthrie, Sir Giles, chairman
 British Overseas Airways Corporation (BOAC)
 Gutierrez de Lara, Felipe, founder/chairman
 LAUMSA: Lineas Aereas Mexicanas Unidas, S.A. de C.V.
 Gutierrez de Lara, Felipe, founder/pres.
 TAT: Transportes Aereos de Tampico, S.A.
 Gutowski, Lloyd, jt. founder
 North Air (2)
 Guyton, Thom, founder
 Jetflight, Ltd.
 Guzman, Francisco, chairman
 Aeropesca: Servicios Aereos Aeropesca, S.A.
 Gvozдовski, L. P., DG
 Vak-Rosat Airline
 GWV Travel
 Five Star Air: Five Star Aircraft
- ## H
- Haake, Edward C., passenger
 National Airlines (1)
 Haan, Philip C., EVP
 Northwest Airlines

- Haapajhoki, Ilmari, investor
 Sunways Airlines, A.B.
 Haapavaara, Heikki, author
 Finnair O/Y
 Haas, Jerry, pilot
 Lake Central Airlines
 Haberly, Richard L., pres.
 Arrow Air
 Florida West Airlines
 Habib Bank, Ltd.
 Pakistan International Airlines Corporation
 Habin, J. D., chairman
 Jersey European Airways, Ltd.
 Hache, Philippe, pres.
 Air Charter, S.A.
 Hack, Art, jt. founder
 Coast Air (1)
 Hack, Franz, crewman
 Deutsche Luft Hansa, A.G.
 Hacker, Douglas, EVP/CFO
 United Airlines
 Hacker, M. B., MD
 Transmeridian Air Cargo, Ltd.
 Hackett, David F., jt. founder/pres.
 Shuttle America
 Hackett, Capt. John, pilot
 Emerald Airways, Ltd. (2)
 Hadari, Yossef, MD
 Shacaf Aviation Services, Ltd.
 Haddadi, Allen, founder/pres.
 Nevis Express, Ltd.
 Hadden, Jim, founder/pres.
 Central Texas Airlines (1)
 Haddigan, Bernard, chairman
 Streamline Aviation, Ltd.
 Haddock, Jeffrey D., jt. founder
 Valdez Airlines
 Haddon, Capt. M. W., pilot
 British Overseas Airways Corporation (BOAC)
 Hadeed, Sen. Aziz, chairman
 LIAT (1974), Ltd.
 Hadj Muslim pilgrimage to Mecca, airlift for
 Air Afrique (2): Societe Aeriennne Africaine Multinationale, S.A.
 Air Algerie: Societe Nationale de Transport et de Travail Aerien, S.A.
 Air Asia Sdn. Bhd.
 Air Atlanta Icelandic, H.F.
 Air Gulf Falcon
 Air India, Ltd.
 Air Sinai, Ltd.
 Airwork, Ltd.
 American Eagle Airlines (1)
 Ariana Afghan Airlines Company, Ltd.
 Atlanta Icelandic Airlines, H.F.
 Biman Bangladesh Airlines/Bangladesh Biman, Ltd.
 Birnair, A.O.
 Britannia Airways, Ltd.
 Caledonian Airways, Ltd. (1)
 Cargolux Airlines International, Ltd.
 Ethiopian Airlines, S.C.
 PT Garuda Indonesia
 PT Garuda Indonesian Airways
 Ghana Airways, Ltd.
 Iran Air: The Airline of the Islamic Republic of Iran
 Iranair: Iran Airways
 Jamahiriya Libyan Arab Airlines
 Kabo Air, Ltd.
 Malaysia Airlines, Ltd. (MAS)
 Martinair Holland, N.V.
 PT Merpati Nusantara Airlines
 Nationair Canada, Ltd.
 Nigeria Airways, Ltd.
 Ontario Worldair, Ltd.
 Pakistan International Airlines Corporation
 Palestinian Airlines
 Royal Air Maroc
 Royal Brunei Airlines, Ltd.
 Saudi Arabian Airlines
 Saudia: Saudi Arabian Airlines
 Sudan Airways, Ltd.
 Tower Air
 Transmile Air Service Sdn. Bhd.
 Transocean Air Lines (TAL)
 Tunis Air, S.A.
 World Airways
 ZAS Airline of Egypt, Ltd.
 Hadjis, Georgion, pres.
 Apollo Airlines, S.A.
 Hadlumagid, Mustafa, hijacker
 Libyan Arab Airlines
 Hagan, W., pres.
 Aklak Air, Ltd.
 Hagan, Walter, Dallas special services director
 American Airlines
 Hagerty, Roy H., founder/pres.
 CCAair
 Coastal Air
 Southeastern Commuter Airlines
 Sunbird Airlines (2)
 Haggland, James P., pres.
 Alaska Central Airways
 Tanana Air Service
 Hagrup, Knut, pres.
 SAS: Scandinavian Airlines System
 Hagsueen, Gunner, pres.
 Valdresfly, A.S.
 Hahn, Gene, vp-opns.
 Wings West Airlines
 Hahn, Harold, South Asian GM
 Deutsche Lufthansa, A.G.
 Hahn-Peterson, Vilhelm, COO
 easyJet Airlines, Ltd.
 Hahneman, F. W., hijacker
 Eastern Air Lines
 Haidara, Abderhamane Cherif, chairman
 Air Mali (2): Societe National Air Mali, S.A.
 Hailand, Arthur G., Jr., chairman
 Air Wisconsin Airlines Corporation
 Mississippi Valley Airlines
 Hailey, Arthur, author
 Continental Airlines
 Hinds, Samuel, Guyana prime minister
 Guyana Airways Corporation
 Haiphong airlift, 1949
 Civil Air Transport, Ltd.
 Haiti crisis, 1994
 American Trans Air
 Hajdu, Viktor, co-MD
 Pannon Air Service, Kft.
 Hajdukovich, John, founder/pres.
 Frontier Flying Service
 Haji-Ioannou, Clelia, investor
 easyJet Airlines, Ltd.
 Haji-Ioannou, Stelios, founder/investor/chairman
 easyJet Airlines, Ltd.
 Haji-Ioannou, Polys, investor
 easyJet Airlines, Ltd.
 Hajvir Association
 Hajvir Air, Ltd.

- Hakeem, Rida, consultant/MD
Yemenia: Yemen Airways Company
- Halaby, Najeeb E., vp/pres.
Pan American World Airways (1)
- Hale, Capt. Siegfried, pilot
Swissair, A.G.
- Haley, Charles, NFL football player
American Airlines
- Haley, Clifford, CEO
Air South (4)
- Halfon, Jacques, co-MD
EuroBelgian Airlines, S.A.
- Haliburton, Richard, passenger
New York, Rio and Buenos Aires Line
- Halkou Station,
China Hainan Airlines Company, Ltd.
- Hall, Capt. Floyd D., pilot/pres./chairman
Eastern Air Lines
Transcontinental and Western Air Lines (TWA)
- Hall, George, founder/pres.
Skyline Airlines
- Hall, Gloria, jt. founder
Chautauqua Airlines
- Hall, Graydon, pres.
Southern Airways (1)
- Hall, Ian, founder/chairman
Knight Air, Ltd.
- Hall, James, NTSB chairman
Trans World Airlines (TWA)
USAir
Valujet Airlines
- Hall, Capt. Richard, VP/pres.
Bonanza Air Lines
- Hall, Robert L., rescued Army pilot
Pan American Airways (PAA)
- Hall, Roger, ALPA leader
United Airlines
- Hall, Russell, pilot
Pickwick Airways
- Hall, Scott A., opns. dir.
Grand Aire Express
- Hall, Capt. Seely, pilot/airlift dir.
United Air Lines (2)
- Hall, Terry, CFO
USAirways
- Hall, Thomas, pres.
Chautauqua Airlines
- Hallcom, Terry V., chief pilot/VPO/pres./CEO
Eastwind Airlines
Tower Air
Trump Air Shuttle
USAir
USAirways Shuttle
- Haller, Richard R., jt.-founder/vp-marketing
Eastwind Airlines: The Bee Line
- Halley, Walter F., founder/pres.
Rapid Air Transport
- Halliburton, Earle P., founder/pres.
Southwest Air Fast Express (SAFEWAY)
- Halper, Michael, pres.
Transaer International, Ltd.
Translift Airways, Ltd.
- Halsey, Capt. Bill, pilot
Kiwi International Air Lines
- Hamada, Hiroshi, pres.
Japan Air Commuter Company, Ltd.
- Hamada, Teruo, pres.
Hokkaido International Airlines Company, Ltd. "AirDo"
- Hamann, F. Edward, pilot/manager
American Airways (2)
- Hambleton, Capt. John, pilot/co-founder/director
Colonial Air Transport
Pan American Airways (PAA)
- Hambling, Sir George, banker/dir.
Imperial Airways, Ltd.
- Hambling, Sir Herbert, MP/dir.
The Daimler Airways, Ltd.
Handley Page Transport, Ltd.
Imperial Airways, Ltd.
Instone Air Line, Ltd.
see also United Kingdom, Parliament, Civil Air Subsidies Committee
- Hambrecht & Quist
Air South (4)
PEOPLExpress
- Hamburg-Amerikanische Packetfahrt, A.G. (HAPAG)
Deutsche Luft Reederei, GmbH. (DLR)
Deutsche Luftschiffahrts, A.G. (DELAG)
Deutscher Aero Lloyd, A.G.
- Hamburg-Sudamerikanische Linie, A.G.
Deutscher Zeppelin-Reederei, A.G.
- Hamel, G., pres.
Golfe Air Quebec, Ltd.
- Hamel, Wilfrid, pres.
Heli-Max, Ltd.
- Hamilton, Eddie, passenger
Scenic Airways
- Hamilton, Homer Dale "Laddie," founder
Ozark Air Lines
- Hamilton, J. S., jt. owner
Anglo-Normandy Airways, Ltd.
- Hamilton, Jock, co-founder
Trek Airways (Pty.), Ltd.
- Hamilton, Capt. John, pilot
Pan American Airways (PAA)
- Hamilton, Keith R., GM/MD/CEO
Qantas Airways (Pty.), Ltd.
- Hamilton, Lord Malcolm Douglas, GM
British Flying Boats, Ltd.
- Hamilton, Robert, vp
American Eagle Airlines (2)
- Hamilton, Thomas, jt.-founder
Cargo Lion, S.A.
- Hamilton, Walter, pilot
Standard Air Lines (1)
- Hamilton Metalplane launch customer
Northwest Airlines
- Hammar skjold, D., U.N. secretary general
Transair Sweden, A.B.
- Hammer, Fritz W., contract technician/DG/MD
Condor Syndikat, GmbH.
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
SEDTA: Sociedad Ecuatoriana de Transportes Aereos, S.A.
Syndicato Condor, S.A.
- Hammonds, Charles L. and Carol H., founders
Hammonds Commuter Airlines
- Hamoude, Larbi, pres.
Tunisavia, S.A.
- Hampshire, Carlos, pres.
Aerovias Oaxzaquenas, S.A. de C.V.
- Hampstead Group, The, investors
Legend Airlines
- Hamura, Zakari, CEO
Hold Trade Air Services, Ltd.
- Han Jin-sheng, pres.
China Flying Dragon Aviation Company
- Han Shuxue, Dr./hijacker
China Northern Airlines Company, Ltd.

- Hancke, Morton H., founder/pres.
Helikopter Service, A.S.
- Hand, Jehu, pres.
Virgin Islands International Airlines
- Handan Helicopter Company
China General Aviation Corporation
- Handl Papier, shareholder
Interot Airways, GmbH.
- Handley Page, Sir Frederick, aircraft designer/airline operator
Handley Page Transport, Ltd.
Imperial Airways, Ltd.
- Handley Page Halton launch customer
British Overseas Airways Corporation (BOAC)
- Handley Page Herald 100 launch customer
British European Airways Corporation (BEA)
- Handley Page Herald 200 launch customer
Jersey Airlines, Ltd.
- Handley Page Hermes launch customer
British Overseas Airways Corporation (BOAC)
- Handley Page W.8 launch customer
Handley Page Transport, Ltd.
- Handley Page W.9 launch customer
Imperial Airways, Ltd.
- Handley Page W.10 launch customer
Imperial Airways, Ltd.
- Handy, Monte R., founder/pres.
Bay Air
- Handy, Steven, unruly passenger
Airtours International, Ltd.
- Hanford, A. S., founder/pres.
Hanford (Tri-States) Air Lines
- Hang Seng Bank of Hong Kong
Air New Zealand, Ltd.
Cathay Pacific Airways (Pty.), Ltd.
- Hangar fires *see* Incidents (g)
- Hanjin Transort Group
Korean Air Lines/Korean Air (KAL)
- Hankins, James A., Marian B., and Mike, founders/executives
Jim Hankins Air Service
- Hankow (China) evacuation, 1938
China National Aviation Corporation (CNAC-1)
- Hanks, Eric S., jt.-founder
Tradair, Ltd.
- Hanks, Tom, actor
Federal Express (FedEx)
Turtle Airways, Ltd.
- Hanley, D. J., attempts to thwart skyjacking
American Airlines
- Hann, George R., chairman/pres.
Capital Airlines
Pennsylvania Air Lines and Transport Company
Pennsylvania Central Airlines
- Hanna, Kamal B., pres.
Air Inuit, Ltd.
First Air, Ltd.
- Hanna, Mark, investor
Pan American World Airways (2)
- Hannach, Tomas, CEO
Inter Austral, S.A.
- Hannan, Thomas M., hijacker
Frontier Airlines (1)
- Hanne, Dr. Maria Angelika, VP
PT Garuda Indonesia
- Hannegan, Robert, U.S. postmaster general
Transcontinental and Western Air Lines (TWA)
- Hannover Expo 2000
Deutsche Lufthansa, A.G.
- Hanrath, P. D. O., MD
Transavia Holland, N.V.
- Hanscombe, Stephen, MD/chairman
Air U.K., Ltd.
- Hansen, Bjame, pres.
Star Air, A.S.
- Hansen, Harald, pilot
DDL Danish Airlines, A.S.
- Hansen, Michael Lynn, hijacker
Western Airlines (1)
- Hansen, Robert, pres.
Gail Force Express
- Hansford, Neil, MD/chairman
British Air Ferries, Ltd.
British World Airlines, Ltd.
Euro Direct Airlines, Ltd.
- Hanshue, Harris M. "Pop," pres.
Transcontinental and Western Air (T&WA)
Western Air Express
- Hanson, Dean, founder/pres.
Diablo Aviation
- Hanson, Richard, tech. dir.
Florida West International Airways
- Hanson Trust, Ltd.
Air Hanson, Ltd.
- Haoussine, El Hadj, DG
Air Algerie, S.A.
- Hapag-Lloyd A.G.
Hapag-Lloyd Fluggesellschaft, mbH.
- Hapag-Touristik Union (HTU)
Hapag-Lloyd Fluggesellschaft, mbH.
- Harben, N. Roy, jt.-founder/chairman
Derby Airways, Ltd.
- Harbin Aircraft Manufacturing Co.
China Flying Dragon Aviation Company
- Hardie, Charles, CFO
British Overseas Airways Corporation (BOAC)
- Hardin, G. M., hijacker
Air Vietnam, S.A.
- Harding, Bruce, dir.
Wangani Aero Work, Ltd.
- Harding, Geoffrey, MD
Executive Airlines (Pty.), Ltd.
- Harding, Heather, dir.
Wangani Aero Work, Ltd.
- Harding, John, long distance flier/jt. founder
Florida Airways Corporation
- Harding, Richard, MD
Wangani Aero Work, Ltd.
- Harding, Richmond, founder/MD
Astra Air Services, Ltd.
- Hardy, John L., MD
Air North (Pty.), Ltd.
Air North International (Pty.), Ltd.
- Hardy, Capt. William, pilot/VP-opns. dir.
Korean Air Lines/Korean Air (KAL)
- Harewood, Martin, EVP
Air Seychelles, Ltd.
- Harford, N. R., MD
London European Airways, Ltd.
Ryan European Airways, Ltd.
- Hargan, Katharine Louis "Kathy," stowaway
Delta Air Lines
- Hargrove, Basil "Buzz," Canadian Automobile Workers pres.
Canadian Airlines International, Ltd.
- Hariri, Hussein Ali Mohammed, hijacker
Air Afrique, S.A.
- Harkin, Sen. Tom (D-IA), supporter
AccessAir
Midwest Express Airlines
- Harlem, Lars, GM/MD

- Helikopter Service, A.S.
- Harlev, Raphale "Rafi," pres.
 - El Al Israel Airlines, Ltd.
 - Aeroel, Ltd.
- Harmer, Barbara, Concorde First Officer
 - British Airways, Ltd. (2)
- Harmon, Jim, pres.
 - Imperial Airlines
- Harmon, John M., CEO
 - Golden West Airlines (1)
 - Golden West Airlines (2)
- Harmon, Tom, football player/passenger
 - United Air Lines (2)
- Harmsworth, Hon. E., dir.
 - Imperial Airways, Ltd.
- Harnett, J. J., chairman
 - Aer Turas, Ltd.
- Harney, Corina, logojet model
 - Western Pacific Airlines (Westpac)
- Harney, Mrs. Mary, Irish enterprise and employment minister
 - Ryanair, Ltd.
- Harper, Alfred, jt.-founder
 - Twin Air
- Harper, H. L., investor
 - West Indian Aerial Express, C.A.
- Harper, John W., vp/CFO
 - USAir
- Harpoeht, Steffen, pres.
 - SAS: Scandinavian Airlines System
- Harrah's Entertainment
 - National Airlines (4)
- Harrell, Vic, GM
 - Ethiopian Airlines, S.C.
- Harrigan, J. J., pilot
 - Los Angeles-San Diego Air Line: Ryan Airlines
- Harrigan, Wilbur, chairman
 - LIAT (1974), Ltd.
- Harriman, W. Averill, Wall street financier/investor
 - American Airways (2)
 - Pan American Airways (PAA)
- Harris, Charles, founder/pres.
 - Nantucket Airlines
- Harris, Edward G., founder/pres.
 - Skyfreight: Tropics International
- Harris, Harold R., jt.-founder/manager/vp/MD/pres.
 - American Overseas Air Lines (AOA)
 - Huff-Daland Dusters
 - Northwest Airlines
 - Pan American-Grace Airways (PANAGRA)
 - Peruvian Airways Corporation, S.A.
- Harris, Hollis L., pres./chairman
 - Air Canada, Ltd.
 - Continental Airlines
 - Delta Air Lines
 - World Airways
- Harris, Iain, pres.
 - Air B.C., Ltd.
- Harris, J., steward
 - Pan American World Airways (1)
- Harris, Jim, chairman
 - Brymon European Airways, Ltd.
- Harris, Capt. N. J., MD
 - MAS: Monserrat Aviation Services, Ltd.
- Harris, Nigel, founder/chairman
 - London City Airways, Ltd.
 - Love Air, Ltd.
- Harris, Peter, pres.
 - Maersk Air U.K., Ltd.
- Harris, Rolf, artist
 - Ansett Airlines of Australia (Pty.), Ltd.
- Harris, Ted, chairman
 - Australian Airlines (Pty.), Ltd.
- Harris Outdoor Ad Company litigation and aircraft seizures
 - Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
- Harrison, Capt. D. C., pilot
 - Railway Air Services, Ltd.
- Harrison, George, chairman
 - East-West Airlines (Pty.), Ltd.
- Harristhal, Timothy, vp-opns.
 - Simmons Airlines
- Hart, Brian H. and Jeremy, founders
 - Air Scotland Express, Ltd.
- Hart, Gary, Democratic presidential candidate
 - Ports of Call
- Hart, George H., navigator
 - Transcontinental and Western Air Lines (TWA)
- Hart, Jeremy, founder/MD
 - Air Scotland Express, Ltd.
- Hart, Jess E., pilot
 - Varney Air Transport
- Hart, Malcolm, MD
 - Gill Air: Gill Aviation, Ltd.
 - Aurigny Air Services, Ltd.
- Hart, Ross, jt. founder
 - Viking Air Lines
- Hartford, Thomas, founder/pres.
 - Piper Twinair
- Hartford Whalers NHL team
 - Sun Pacific International
- Hartigan, James J., VPC/pres.
 - United Airlines
- Hartle, R. D. "Digby," MD
 - Air Malawi, Ltd.
- Hartley, Sir Harold, chairman
 - Railway Air Services, Ltd.
- Hartley, James E., Jr., murdered co-pilot
 - Eastern Air Lines
- Hartley, Max E., founder/pres.
 - Ace Aerial Service
- Hartley, Mike, founder/pres.
 - Island Pacific Air
- Hartley, Sir Harold, chairman
 - British European Airways Corporation (BEA)
 - British Overseas Airways Corporation (BOAC)
 - Railway Air Services, Ltd.
- Hartley, R. P., chairman/MD
 - Central African Airways Corporation (CAA)
 - Zambia Airways, Ltd.
- Hartman, Arthur, passenger
 - Pan American World Airways (1)
- Hartman, Lloyd, vp/pres.
 - Lake Central Airlines
- Hartsfield, William B., Atlanta assistant city attorney
 - Florida Airways Corporation
- Hartsman, Susan, pilot
 - National Airlines (1)
 - Pan American World Airways (1)
- Hartung, Steve, CFO
 - MarkAir
- Haruna, Zakari, engineer
 - Nigeria Airways, Ltd.
- Harvey, A. V., Air Commodore, chairman/MD
 - Westminster Airways, Ltd.
- Harvey, Capt. I. R., pilot
 - British European Airways Corporation (BEA)
- Harvey, Jacques, founder/pres.
 - South Nahanni Airways, Ltd.
- Harvey Girls

- Transcontinental Air Transport (TAT)
- Harwood, M., MD
Euroflite, Ltd.
- Hasan Soedjono, pres.
PT Sempati Air
- Hasancebi, Mahmet, founder/chairman
Air Anatolia, S.A.
- Hasbie, Lt. Col. Sharkawi, GM
Hornbill Skyways Sdn Bhd
- Hasenfus, Eugene, pilot
Southern Air Transport
- Hashad, Gen. Mohammad Nabih, chairman
Egyptair, S.A.E.
Misrair, S.A.E. (2)
- Haslebacher, Peter, MD
LTU International Airways, KG
- Hasleby, Keith, GM
Tropicair: Tropic Air Services (Pty.), Ltd.
- Hassad, Mohammed, chairman/CEO
Royal Air Maroc
- Hassan, Baharudeen, MD
Air Maldives, Ltd.
- Hassani, Capt. Mohammad, pres.
Mahan Air
- Hasse, tour operator
Atlanta Icelandic Airlines, H.F.
Blue Scandinavia, A.B.
- Hassell, Bert "Fish," pilot
Aeromarine Airways
- Hasson, Victor, MD
EuroBelgian Airlines, S.A.
City Bird, S.A.
- Hate, Hans, MD
Norving, A.S.
- Hatfield, Stephen, GM
Interline, Ltd.
- Hatton, Claire, Indonesian station chief
British Airways, Ltd. (2)
- Hatton, Kevin, cargo dir.
British Airways, Ltd. (2)
- Haueter, Oscar R. "Ted," vp-opns.
Continental Air Lines (2)
- Hauksom, Gudmundun, MD
Eagle Air Arnarflug, H.F.
- Hauptvogel, Peter, GM
European Air Express, GmbH.
- Havas, Tamas, MD of HTC, Kft.
Pannon Air Service, Kft.
- Havelick, Capt. Frank, pilot
Pan American-Grace Airways (PANAGRA)
- Haven, S.S.
easyJet Airlines, Ltd.
- Havermahl, Gregory, CEO
Roan Air, Ltd.
Zambia Airways, Ltd.
- Hawaii
Air Hawaii (1)
Air Hawaii (2)
Air Molokai
Air Tour Acquisition Corporation
Alii Air Hawaii
Aloha Airlines
Aloha Island Air
Andrew Flying Service
Big Island Air
Channel Air Lift
Circle Rainbow Air
Discovery Airways
Hawaii Helicopters
- Hawaii Pacific Air Cargo
Hawaii Pacific Airline
Hawaiian Airlines (HAL)
Inter-Island Airways (1)
Island Air (1)
Island Airlines Hawaii
Island Helicopters Kauai
Island Hoppers Hawaii Aerial Tours
Island Pacific Air
Kenai Air of Hawaii
Kenai Helicopters
Kuilima Air Service
Mahalo Air
Maui Airlines
Maui Commuter, The
Mid-Pacific Airlines
Molokai Aviation
OK Air: Oahu and Kauai Airlines
Pacific Air Express
Pacific Flight Services
Pacific Wings
Panorama Air Tours
Papillon Airways
Papillon Helicopters
Paradise Air
Paragon Air
Polynesian Airways
Princeville Airways
Reeves Air
Resort Airways
Royal Hawaiian Air Service
Royal Hawaiian Airways
Sky Tours Hawaii
South Pacific Air Lines
Sunshine Helicopters
Trans Air (2)
Trans Air Hawaii
Trans National Airlines of Hawaii
Trans Pacific Airlines (TPA)
Tropic Air
Valley Isle Aviation
- Hawaiian Vacations
Hawaiian Airlines (HAL)
Rich International Airlines
- Hawes, J., pres.
Custom Helicopters, Ltd.
- Hawker Siddeley *see* British Aerospace
- Hawkings-Pearce, Michael, MD
Rhodesian Aviation Company, Ltd.
- Hawkins, Paul, executive/investor
Trans Provincial Airlines, Ltd.
Hawkair Aviation Systems, Ltd.
- Hawkins, Whitney "Whit," pres.
Delta Air Lines
- Haws, Robert, CEO
Royal Hawaiian Air Service
- Hawthorne, Graham, MD
Solair, Ltd.
- Hawthorne Christian College
Fiesta Air
- Hay, A. G., MD
Rhodesian Aviation Syndicate, Ltd.
- Hay, Dallas, MD
Airlines of Tasmania (Pty.), Ltd.
- Hayakawa, Kiyoshi, pres.
Naka Nihon Airline Service Company, Ltd.
- Hayden, Brian, MD
Air Tara, Ltd.
- Hayden Stone, financiers

- Huff Daland Dusters
 Hayes, A. B. "Cot," pilot/GM
 Alaska Southern Airways
 Alaska-Washington Airways
 Hayes, Arthur D., owner/pres.
 Glacier Bay Airways
 Hayes, John, pres.
 Flagship Airlines
 Hayes, Capt. R. E., pilot
 Nigeria Airways, Ltd.
 Hayles, Michael, MD
 Heavylift Cargo Airlines, Ltd.
 Hayne, Arthur G., jt. founder
 Ozark Air Lines
 Haynes, Capt. Alfred C., pilot
 United Airlines
 Haynes, Houton D., pres.
 Alaska Aeronautical Industries
 Hayot, Simon, GM
 Air Calypso, S.A.
 Hayward, Sir Jack, Grand Bahama Port Authority owner/investor
 Laker Airways (Bahamas), Ltd.
 LB, Ltd.
 Hayward, Rob, executive/investor
 Trans Provincial Airlines, Ltd.
 Hawkair Aviation Systems, Ltd.
 Hayward, Susan, actress/passenger
 American Airlines
 Haywood, Charles J., founder/CEO
 Nationwide Aviation (Pty.), Ltd.
 Hazard, D.L., chairman
 Fiji Air, Ltd.
 Hazard, Wayne, founder
 Downeast Airlines (3)
 Northeast Airlines (2)
 Hazelton, C. Max, founder/CEO
 Hazelton Airlines (Pty.), Ltd.
 Hazelton, Charles, deputy chairman
 Hazelton Airlines (Pty.), Ltd.
 Hazy, George, pres./vp
 Executive Airlines (3)
 American Eagle Airlines (2)
 HCL Aviation
 AV Atlantic
 Heady, R. D., hijacker
 United Air Lines (2)
 Heal, Prof. Geoffrey, expert witness
 American Airlines
 Heale, Simon, COO
 Dragonair (Pty.), Ltd.
 Healey, Max, GM
 Mexicana Airlines, S.A. de C.V.
 Healy, J., founder/pres.
 Inland Empire Airlines
 Healy, Joseph J., vp-opns./pres.
 The Flying Tiger Line
 Healy, Lawrence, founder/pres.
 Rutland Airways
 Hearst, William Randolph, investor
 LAMSA: Lineas Aereas Mineras, S.A. de C.V.
 Heath, Edward, ex-British P.M./passenger
 Pan American World Airways (1)
 Heath, S. Burton, journalist/passenger
 KLM: Royal Dutch Airlines, N.V.
 Heberlein, Rudolf, chairman
 Swissair, A.G.
 Hebert, Carole, dir.
 Guyana Airways Corporation: GAC 2000
 Heckacher, Elly, founder/pres.
 CEA: Compania Ecuatorianas de Aviacion, S.A.
 Heckerson, Dennis, founder/pres.
 Air Chico
 Heckman, James, pres.
 Nomads Air Travel Club
 Hector, H. J., trustee/chairman
 Northeast Airlines (1)
 Hedberg, Olle, pres.
 Linjiflyg, A.B.
 Hedge, Ramakrishna, Indian commerce minister
 Indian Airlines, Ltd.
 Hedges, Denise C., APFA pres.
 American Airlines
 Hedman, Duke, vp
 The Flying Tiger Line
 Hedman, Paul, MD
 Airborne, A.B.
 Heffner, Hugh
 Purdue Aeronautical Corporation
 Heflin, Van, actor/passenger
 Pan American-Grace Airways (PANAGRA)
 Hegman, William, IV, pres.
 Flight Line
 Heibel Province (China) earthquake, 1998
 All Nippon Airways Company, Ltd. (ANA)
 Heideker, Richard, MD/pres.
 Delta Air Regionalflugverkehr, GmbH.
 Deutsche B.A. Luftfahrtgesellschaft, GmbH.
 Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)
 Heidemann, Helmut, founder/pres.
 Nordavia Fluggesellschaft, mbH.
 Heinkel He-70 launch customer
 Deutsche Luft Hansa, A.G.
 Heinonen, Laura, MD
 Lentotoimi O/Y
 Heinzman, Christian H., EVP/DG/MD
 Constellation International Airlines, S.A.
 Luxair, S.A.
 VLM Airlines, N.V.
 Hekmatyar, Gulbuddin, Mujahedeen leader
 Ariana Afghan Airlines Company, Ltd.
 Helgason, Einar, chairman
 Flugfelag Nordurlands, H.F.
 Helgason, Sigurdur, Jr., president/CEO
 Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Helgason, Tryggvi, founder/chairman
 Nordflug, H.F.
 Helgasson, Sigurdur, CEO
 Air Bahama, Ltd.
 Helgstrand, Anders, pres.
 Sterling Airways, A.S.
 Helipart
 Uni-Air International, S.A.
 Helisul Taxi Aereo, Ltda.
 Helisul Lineas Aereo, Ltda.
 Hellinger, C. R.G., pres.
 Transafrik
 Hellinger, K. R.G., chairman
 Equatorial International Airlines of Sao Tome e Principe, S.A.
 Air Sao Tome e Principe: Linhas Aereas de Sao Tome e Principe, S.A.
 Helms, Sen. Jesse (R-NC)
 USAirways
 Helmy, R. McR., hijacker
 United Air Lines (2)
 Helwig, Mrs. Adelaide, passenger
 Transcontinental and Western Air (T&WA)
 Hemet Aviation
 Uni-Air International, S.A.
 Hemingway, Ernest, writer/passenger

- Chalk's International Airlines (1)
 Hemphill Harris Travel Corp.
 American Trans Air (ATA)
 Hemstead, M., chairman
 Sunbird Aviation, Ltd.
 Henao, Alvaro, jt.-founder
 La Urraca: Lineas Aereas La Urraca, S.A. de C.V.
 Henbery, Kevin T. and Irene M., founders
 Henbery Aviation (Pty.), Ltd.
 Henderson, Edmond A., owner/chairman
 Metro Airlines
 Henderson, Edmond, jt. founder/owner
 Metro Express II
 Sun Aire Express
 Henderson, Col. Paul, jt. founder/GM
 National Air Transport (NAT)
 Transcontinental Air Transport (TAT)
 Hendriks, Peter, founder/CEO
 Air Zanzibar, Ltd.
 Hendrix, Michael, passenger
 Atlantic Southeast Airlines (ASA)
 Henke, Capt. Alfred, pilot
 Deutsche Lufthansa, A.G.
 Henkes, Dr. Klaus, DG
 Interflug DDR Airlines, mbH.
 Henn, Capt. Peter, pilot
 East African Airways Corporation
 Hennigar, David, chairman
 Cougar Helicopters, Ltd.
 Henriques da Silva, Antonio, chairman/MD
 TAAG Angolan Airlines
 Henry, G. Robert, pres.
 Pacific Air Lines
 Henry Ford Museum
 North Central Airlines
 Hensely, Walter, founder/pres.
 Hensley Flying Service
 Hensleigh-Mullins, Diane, FO
 Legend Airlines
 Henson, Richard A. "Dick," founder/pres.
 Henson Aviation
 Henson, Theodore "Ted," founder/pres.
 Vancouver Island Helicopters, Ltd.
 Heping, Jiang, pres.
 Nanjing Airlines
 Heppener, Jan, MD
 Dutchbird, S.A.
 Heptner, Barbara, pres.
 Barken International Airlines
 Herbst, Nick, founder/pres.
 Branson Airlines
 Herbst, Maurice, contract airship pilot
 Aero Association Lucerne
 Herde, Victor, bank official
 Air Caribbean, Ltd.
 Herdbuoys advertising firm
 South African Airways (Pty.), Ltd.
 Hereth, Jack R., chairman
 Crescent Airways
 Heri/Swiss Helicopter Management
 Heliswiss: Swiss Helicopters, Ltd.
 Herlihy, Jack, VPO
 United Air Lines (2)
 Herlitska, Mauro, jt.-founder
 Corporacion Sudamericana de Servicios Aereos, S.A.
 Herman, Fred, pilot
 Transcontinental and Western Air (T&WA)
 Herman, Ian, chairman/MD
 British Air Ferries, Ltd.
 Hermen, Stan, founder/pres.
 Hermen's Air
 MarkAir Express
 Hermino, Gil, investor
 Air Europa, S.A.
 Hernadi, Zsolt, pres./CEO
 MALEV Hungarian Airlines, Rt.
 Hernandez, Gillian MacIntosh, passenger
 British Airways, Ltd. (2)
 Herne, David, Unifund mgr./dir.
 Aeroflot Russian International Airlines (ARIA)
 Herrero, Gerardo, chairman
 Air Truck, S.A.
 Air Track Lineas Aereas, S.A.
 Herring, Cyril A., chairman
 Cambrian Airways, Ltd.
 Herring, J. L., vp-opns.
 Trans-Texas Airways
 Herring, Tom, Sr., founder/pres.
 La Posada Airways
 Hersberger, Milton "Red," founder/pres.
 Island Airlines
 Hersche, Capt. Gene, pilot
 Continental Airlines
 Hertz, John D., Sr., minority owner/board member/potential investor
 Eastern Air Lines
 Transcontinental and Western Air (T&WA)
 Transcontinental and Western Air Lines (TWA)
 Herwald, Kurt, Stevens Aviation chairman
 Southwest Airlines (2)
 Stevens Aviation
 Herzhauser, Fritz, co-founder
 ARCO: Aerovias Ramales Colombianas, S.A.
 Herzner, Capt. Adolf, chief pilot/mgr.-flight systems
 Augsburg Airways, GmbH.
 Heschgi, Dr. Anton, jt. MD
 Austrian Airlines, A.G.
 Heseltine, Michael, British trade secretary
 Bond Helicopters, Ltd.
 British International Helicopters, Ltd.
 Hesketh, Lord Alexander, chairman
 British Mediterranean Airways, Ltd.
 Hesperia, tour company
 Binter Canarias, S.A.
 Hess, George, Canadian transport minister
 Canadian Pacific Air Lines, Ltd. (CPAL)
 Hesselbjerg, Erik, chairman
 Gronlandsfly, A.S./Greenlandair, A.S.
 Heston, Charleton, actor
 United Airlines
 Hetherington, Brian, MD
 Air Kilroe, Ltd.
 Hetherington, Des, MD
 British Mediterranean Airways, Ltd.
 Hetzel, David G. M., jt. founder
 Aero Taxi Jacarepagua, Ltda.
 Hevelke, York C., MD
 Holiday Express H. X.: Deutsche Luftverkehrs GmbH. & Co.
 Hewitt, Sir Lenox, chairman
 Qantas Airways (Pty.), Ltd.
 Hewitt, Stan, jt. founder
 Coast Air (1)
 Hewko, Barry, GM
 Vancouver Island Helicopters, Ltd.
 Hibbard, Hale, aircraft designer
 Transcontinental and Western Air Lines (TWA)
 Hickel, Walter J., Alaskan governor
 Reeve Aleutian Airways
 Hichen, Albert S., passenger

- Transcontinental Air Transport (TAT)
- Hickey, James, Sr., supporter
Irving Airways
- Hickman, Gary B., COO
Aspen Airways
- Hickman, Gerald, pres.
Aspen Airways
- Hicks, Gwin, chairman
Lake Central Airlines
- Hicks, H. H., pilot
Civil Air Transport, Ltd.
- Hidalgo, Juan Jose, chairman
Air Europa, S.A.
- Hidalgo, Mario, DG
Canarias Regional Air, S.A.
- Hidayat, Wahyu, pres.
PT Merpati Nusantara Airlines
- Hideo, Sawada, founder/chairman
Skymark Airlines Company, Ltd.
- Hielscher, Sir Leo, chairman
Compass Airlines (Pty.), Ltd. (1)
Compass Airlines (Pty.), Ltd. (2)
Southern Cross Airlines (Pty.), Ltd. (1)
- Higginbottom, Samuel, EVP/pres.
Eastern Air Lines
- Higgins, Francis M., pres.
Wisconsin Central Airlines
- Higgins, John J., EVP/chairman
Hawaiian Airlines (HAL)
Mid-Pacific Airlines
- Higgins, Ollie, jt.-founder
Abiline Aero-Lubbock Aero
Chaparral Airlines
- Hightower, Prof. Dennis F., dir.
Northwest Airlines
- Hijackings *see*
Skyjackings
- Hildebrand, William D., GM
Harbor Airlines
- Hilgsoe, Peter, jt.-founder/MD
City Air Scandinavia, A.B.
- Hill, A., hijacker
United Air Lines (2)
- Hill, George, pilot
Transamerican Airlines Corporation
- Hill, Gerald James, hijacker
American Airlines
- Hill, Henry T., pres.
Altair Airlines
- Hill, Mark, Calgary businessman
WestJet, Ltd.
- Hill, Neville, MD
Air Marshall Islands
- Hill, Peter, CEO
Sri Lanka Airlines, Ltd.
- Hill, T. Michie, pres.
Richards Aviation
- Hillblom, Larry, jt. founder
DHL Airways
- Hiller Aviation Museum
British Airways, Ltd. (2)
Emery Worldwide: A CF Company
- Hillman, Edward, founder/MD
Hillman's Airways, Ltd.
- Hills, Mjr. J. W., dir.
Imperial Airways, Ltd.
- Hills-Grove-Hills, Daughley, founder/MD
Island Air Services, Ltd.
- Hilton, Kenneth, founder/chairman
British Independent Airways, Ltd.
- Himalayan General Insurance Company, investor
Yeti Airlines, Ltd.
- Himalayan "Hump" ferry service
see China-India "Hump" Ferry Service, 1942-1945
- Himmelsbach, Ralph, FBI agent
Northwest Airlines
- Hinchcliffe, G. Ray, pilot
Daimler Airway, The, Ltd.
Imperial Airways, Ltd.
KLM: Royal Dutch Airlines, N.V.
- Hindawi, Nezar, bomber
El Al Israel Airlines, Ltd.
- Hindenburg* tragedy *see*
Crashes—May 6, 1937;
Deutscher Zeppelin-Reederei, A.G.
- Hinduja Group
Hinduja Cargo Services, Ltd.
- Hinga, James, pres.
Nomads Air Travel Club
- Hinnant, Palmer J., hijacker
United Airlines
- Hinson, David R., chairman/pres. and FAA administrator
Fine Air
Flagship Airlines
Japan Air Lines Company, Ltd. (2)
Midway Airlines (1)
Valujet Airlines
- Hirmas, Boris, investor/dir.
LanChile Airlines, S.A.
LanPeru, S.A.
- Hirmas Group *see* Hirmas, Boris
- Hirsch, Frederick, GM
Fred Olsens Flyselskap, A.S.
- Hirschman, Carl W., owner/chairman
Jet Aviation Group
- Hirschman, Thomas M., chairman
Jet Aviation Group
- Hirsh, William, interim pres.
Conquest Airlines
- HIS Company, Ltd.
Skymark Airlines Company, Ltd.
- Histadrut Federation of Labor
Arkia Israel Airlines, Ltd.
Aviron: The Palestine Aviation Co., Ltd.
El Al Israel Airlines, Ltd.
- Hitchcock, Alfred, motion picture director
American Airlines
- Hitgen, Michael, GM
Senator Aviation Charter, GmbH.
- Hitler, Adolf, German fuhrer
Deutsche Luft Hansa, A.G.
- Hjelt, Richard W., chairman
Sunways Airlines, A.B.
- Hlavacek, Jim, EVP/COO
American Trans Air
- Hmelevskij, Juris, pres.
RAF-Avia Airlines, A.S.
- Ho, Jackson T. S., chairman
Taiwan Airlines, Ltd.
- Ho, Stanley, chairman
Air Hong Kong (Pty.), Ltd.
East Asia Airways (Pty.), Ltd.
- Hoan, Daniel W., Milwaukee mayor/passenger
Kohler Aviation Corporation
- Hoar, William, EVP/COO
Trans-World Airlines (TWA)
- Hoare, David, executive chairman
Virgin Express, S.A.

- Hoare, Col. Mike, mercenary
Air India, Ltd.
- Hoare, Lady Maude, passenger
Imperial Airways, Ltd.
- Hoare, Sir Samuel, British SSA
The Daimler Airway, Ltd.
Handley Page Transport, Ltd.
Imperial Airways, Ltd.
Instone Air Line, Ltd.
- Hobby Shuttle
Britt Airways
- Hotchkiss, Richard, pres./jt.-MD
Home Aviation, Ltd.
Sunwest Home Aviation, Ltd.
- Hod, Mordechai "Motti," pres.
El Al Israel Airlines, Ltd.
- Hodgson, Capt. John McCullough, pilot
United Air Lines (1)
- Hodgson, James, chairman
British Midland Airways, Ltd.
- Hodgson, William H. "Bill," MD
Monarch Airlines, Ltd.
- Hodkinson, W., pres.
CNA: Compania Nacional de Aviacion, S.A.
- Hodzic, Dr. Jusuf, founder/chairman
OKI Airways
- Hoeksema, Timothy, pres.
Midwest Express Airlines
- Hoelck, Claudio, GM/shareholder
TAN: Transportes Aereos Nacional, S.A.
VOTEC: Votec Servicios Aereos Regionais, S.A.
- Hoeltje, Gerhard, dir.
Deutsche Lufthansa, A.G.
- Hoepfner, F., CEO/co-MD
South West African Airways, A.G.
Union Airways (Pty.), Ltd.
- Hofdi House Summit (Reykjavik), 1986
Flugfelag Islands, H.F. (2)/Icelandair, H.F.
- Hofer, Daniel, MD
Berner Oberlaender Helicopter, A.G.
- Hofer, Frederick, MD
African Safari Airways, Ltd.
Air Starline, Ltd.
- Hoffer, Frederick, MD
Air Starline, Ltd.
- Hoffman, Marilyn, Los Angeles superior court judge
Southwest Airlines (2)
- Hoffman, Hans, co-founder
ARCO: Aerovias Ramales Colombianas, S.A.
- Hoffman, Howard, chief weatherman
United Air Lines (2)
- Hoffman, John, founder/pres.
Air Lift Associates
- Hoffman, John, promoter
American Airlines
- Hoffman, Walter, founder/pres.
Pocono Airlines
- Hoffman, Wayne M., chairman
The Flying Tiger Line
- Hoffman, William, hijacker
Trans World Airlines (TWA)
- Hofmann, Bernardo G. Lwowski, CEO
European Air Cargo, S.A.
- Hogan, Terry, founder/pres.
Hogan Air
- Hogan, James, CEO
British Midland Airways, Ltd.
- Hogan, William J., vp/CFO
American Airlines
- Hoganson, V., pilot
Varney Speed Lines Air Service, Ltd.
- Hogg, Capt. James, pilot
Hawaiian Airlines (HAL)
- Hogue, Byron, chairman
Kiwi International Air Lines
- Hoholik, Milan, MD
Air Transport Europe, A.S.
- Hohti, Karl, MD
Air Botnia, O/Y
- Holden, Alex, founder/pres.
Marine Airways
- Holden, Alexander, vp/GM
Alaska Coastal Airlines
Alaska Coastal-Ellis Air Lines
- Holden, L. H., founder/CEO
Holden Air Transport (Pty.), Ltd.
- Holden, Paul R., chief pilot
Civil Air Transport, Ltd.
- Holder, William, hijacker
Western Airlines (1)
- Holiday Hunters air travel club
Trans Florida Airlines
- Holland *see* The Netherlands
- Holland-America Lines
Martinair Holland, N.V.
- Hollande, Francois, French Socialist party spokesman
Air France
- Holliday, Kenneth, founder/pres.
Private Jet Expeditions
- Hollingdrake, Capt. Henry, pilot
Christowitz Air Services, Ltd.
- Hollingsworth, Clare, MD
Caledonian Airways, Ltd. (2)
- Hollingsworth, Lee, founder/pres.
Star Airways
- Hollis, Michael R., founder/chairman
Air Atlanta
- Holloway, H. H. "Dutch," GM
Ethiopian Airlines, S.C.
- Holm, Jerry, owner/pres.
Golden Pacific Airlines (2)
- Holman, Charles W. "Speed," pilot
Northwest Airways
- Holman, Jack, jt. founder
Maui Commuter, The
- Holman, Wolf, founder/pres.
Larado Air
- Holmes, Chris, jt.-owner
Pacific Spirit Air, Ltd.
- Holmes, David, corporate resources dir./chairman
British Airways, Ltd. (2)
British Regional Airlines, Ltd.
- Holmes, John, jt. founder
Shepparton Airlines (Pty.), Ltd.
- Holmquist, Barbro, MD
Air Express i Norrkoping, A.S.
- Holmstrom, John Olof, founder/MD
Holmstrom Air: Holmstrom Flyg, A.B.
- Holohan, Edward, executive/contract dir.
The Flying Tiger Line
Maritime Central Airways, Ltd.
- Holt, E. L., hijacker
Northwest Airlines
- Holt, Mrs. and Mrs. Harry, airlift sponsors
The Flying Tiger Line
- Holte, Capt. Otto A., pilot
Wideroe's Flyveselskap, A.S.
- Holthouse, John, GM

- South African Airways (Pty.), Ltd.
 Holyman, Sir Ivan, founder/chairman
 ANA: Australian National Airlines (Pty.), Ltd.
 Holyman's Airways, Ltd.
 Tasmanian Aerial Services (Pty.), Ltd.
 Holzgar, D., MD
 Avior (Pty.), Ltd.
 Homak, Josef, MD
 Air Ostrava, S.R.O.
 Homberger, Konrad, jt.-founder
 Cargo Lion, S.A.
 Homes-Blunt Company, Ltd.
 Great Lakes Airlines, Ltd.
 Homfeld, Edward, founder/CEO
 Spirit Air
 Homolov, Jozef, hijacker
 Air India, Ltd.
 Honegger, Eric, SAirGroup chairman
 Swissair, A.G.
 Honeycutt, Clifford D., founder/pres.
 Key Lime Air
 Hong Kong, Japanese attacks on/evacuation of, Dec. 1941,
 China National Aviation Corporation (CNAC-1)
 Hong Kong, Civil Aviation Department
 Cathay Pacific Airways (Pty.), Ltd.
 Dragonair (Pty.), Ltd.
 Qantas Airways (Pty.), Ltd.
 Hong Kong, Economic Service Branch
 Qantas Airways (Pty.), Ltd.
 Hong Kong, Supreme Court
 Civil Air Transport, Ltd.
 Hong Kong Aircraft Engineering Company (Pty.), Ltd. (HAECO)
 Cathay Pacific Airways (Pty.), Ltd.
 Hong Kong and Shanghai Banking Corporation
 Cathay Pacific Airways (Pty.), Ltd.
 Hong Kong Science Museum
 Cathay Pacific Airways (Pty.), Ltd.
 Hong Kong-Macau International Investment
 Dragonair (Pty.), Ltd.
 Hood, Denise Page, U.S. district judge
 Northwest Airlines
 Hood, James, pilot
 Evergreen International Airlines
 Hood, Capt. John, pilot
 Air Rhodesia, Ltd. (2)
 Hoover, Herbert, engineer/U.S. commerce secretary and president
 Huff-Daland Dusters
 Hoover, Herbert, Jr., engineer
 Western Air Express
 Hope, Bob, comedian/passenger
 National Airlines (1)
 PEOPLExpress Airlines
 Hopkins, David, MD/chairman
 Britannia Airways, Ltd.
 Hoppe, Marilyn M., VPM
 Trans World Airlines (TWA)
 Hopper, Dennis, actor/passenger
 Paragon Air
 Hopper, Max, vp
 American Airlines
 Hopson, William C., pilot
 National Air Transport
 Hopwood, Reggie, pres.
 McNeely Charter Service
 Horchow, Alain, employee
 Canadian Regional Airlines, Ltd.
 Hori, Capt. Fusao, pilot
 All Nippon Airways Company, Ltd.
 Hori, Takeo, chairman
 Nippon Cargo Airlines Company, Ltd.
 Horizon Air, Inc.
 Catskill Airways
 Manhattan Air
 Mohawk Airlines (2)
 Horizon Holidays, Ltd.
 Court Line Aviation, Ltd.
 Northeast Airlines, Ltd.
 Horizon Travel, Ltd.
 Northeast Airlines, Ltd.
 Orion Airways, Ltd. (2)
 Horn, Adolph, receiver
 Air Bremen, GmbH.
 Horn, Helmut, co-MD
 Lufthansa CityLine, GmbH.
 Horn, John F., pres.
 AirTran Airways/Airlines
 Northwest Airlines
 Hornblower, Mike, MD
 Peregrine Air Services, Ltd.
 Horner, Leonard ("Jack"), dir.
 Petroleum Helicopters
 Hornsby, Denver and Yvonne, founders
 Expedition Airways (Pty.), Ltd.
 Hornsby, Leigh, chief pilot
 Helicopter Resources (Pty.), Ltd.
 Horowicz, Philippe, founder/CEO
 Air Alpes, Ltd.
 Horsey, Herbert, pilot
 Imperial Airways, Ltd.
 Horsley, David, founder/MD
 Goldfields Air Services (Pty.), Ltd.
 Horst, Arthur M., pres.
 Suburban Airlines
 Horta, Capt. Parreiras, founder/pres.
 TAS: Transportes Aereos Salvador, S.A.
 Horton, Romeo A., pres.
 Liberia National Airlines
 Horvath, Dr. Pat, pres.
 Air Service Hungary, Ltd.
 Horvath, Sandor, MD
 Aviaexpress Airlines and Services, Ltd.
 Hosein, Fyard, Trinidad & Tobago justice
 Air Caribbean, Ltd.
 British West Indies Airways, Ltd. (2) (BWIA)
 Hoskins, Donald, chief mechanic
 Shillelagh Air Travel Club
 Hossain, Mosharraf, Bangladesh minister of civil aviation/tourism
 Biman Bangladesh Airlines, Ltd.
 Hotarek, E., jt.-MD
 Austrian Air Transport, GmbH.
 Hotellisimo (Gonesse, France)
 Air France
 Hotelplan, tour company
 Balair-CTA, Ltd.
 Hotta, Shozo, chairman
 Japan Air Lines Company, Ltd. (2)
 Hou Zhen Shan, pres.
 Fujian Airlines Company, Ltd.
 Houdin, J. Pierre, co-founder
 Mid Airways, S.A.
 Hougard, Jasper, MD
 Business Flight of Scandinavia, A.S.
 Business Flight Service, A.S.
 Maldivian Air Taxi (Pty.), Ltd.
 Houk, Keith, pres.
 Jetstream International Airlines
 Allegheny Airlines (2)
 Housley, M. F., flight attendant

National Airlines (1)
 Houston Air consortium acquisition vehicle
 Continental Airlines
 Houston Oilers NFL team
 Continental Airlines
 Houston Rockets NBA team
 Northwest Airlines
 Houtart, Michel, MD
 Air Meuse: Belgian Regional Airline, S.A.
 Hovannissian, H.R., DG
 Armenian Airlines
 Hovengen, Oyvind, investor
 Norwegian Air Shuttle, A.S.
 Howard, Howard K., pres./CEO
 Transamerica Airlines
 Howard, John, Australian prime minister
 Air New Zealand, Ltd.
 Ansett Australia (Pty.), Ltd.
 Qantas Airways (Pty.), Ltd.
 Singapore Airlines, Ltd.
 Virgin Atlantic Airways, Ltd.
 Howard, Leslie, actor/spy/passenger
 KLM: Royal Dutch Airlines, N.V.
 Howard, Philip, chairman
 Air Malawi, Ltd.
 Howard, Verne, owner
 Harbor Air
 Howard, William B., vp/pres./chairman
 Piedmont Airlines (1)
 Trans-World Airlines (TWA)
 Howarth, Dr. Wallace, owner
 Island Sky Ferries
 Howe, Clarence D., Canadian transport minister
 Trans Canada Air Lines, Ltd.
 Howe, F. E. "Pete," pres.
 Air South (1)
 Hood Airlines
 Rio Airways
 Howe, H. P., photo contest winner
 easyJet Airlines, Ltd.
 Howe, Capt. Johnny, pilot
 Delta Air Lines
 Howell, Charles "Chuck," 4th, founder/pres.
 Corporate Airlines
 Corporate Flight Management
 Howell, Capt. Elizabeth, pilot
 Frontier Airlines (1)
 Howells, Mike, founder/MD
 Northern Airlines, Ltd.
 Howes, William, U.S. assistant postmaster general
 Central Airlines (2)
 Hoy, Jorgen, pres.
 Gronlandsfly A.S./Greenlandair, A.S.
 Hoyas, Mauricio, GM
 Aerotaca Aerotaxi Casanare, S.A.
 Hoyt, John S., founder/pres.
 Princeton Air Link
 Hoyt, Richard, chairman/director
 Pan American Airways (PAA)
 Hozman, Yaacov, MD
 Arkia Israel Airlines, Ltd.
 Hradec, Pavel, MD
 Air Ostrava, S.R.O.
 Hsu, Frank, pres./chairman
 EVA Air, Ltd.
 Uni Airways Corporation, Ltd.
 Hsuchow (China) evacuation, 1948
 Civil Air Transport, Ltd.
 HTC, Kft., tour company

Pannon Air Service, Kft.
 Hu Chang, MD
 Lao Aviation Company
 Hu Ding Zhou, vp
 China Eastern Airlines Company, Ltd.
 Hu Yizhou, chairman/DG
 CAAC: The General Administration of Civil Aviation of China
 Huang, K. C., chairman
 China National Airways Corporation (CNAC-1)
 Huang Dongbi, Chinese consul general
 Northwest Airlines
 Huang Ming-shun, pres.
 China Great Wall Corporation
 Huang Shu-gang, hijacker
 China Southern Airlines Company, Ltd.
 Hubada, Andrej, MD
 Slovair (1)
 Hubbard, Edward "Eddie," founder/pres./vp
 Boeing Air Transport
 Hubbard Air Transport
 Hubbell, Charlotte, passenger/hostage
 Pakistan International Airlines Corporation
 Huber, J., hijacker
 Pan American World Airways (1)
 Hucal, John, GM/pres.
 Aklak Air, Ltd.
 Huddard Parker, Ltd.
 ANA: Australian National Airlines (Pty.), Ltd.
 Holyman's Airways, Ltd.
 Hudik, Terry, jt. founder
 American Central Airlines (2)
 Hudson, Clifford, owner/pres.
 Hudson Air Service
 Hudson, Glen, founder/pres.
 Hudson Air Service
 Hudson, Thomas, co-founder
 Air Enterprises, Ltd.
 Hudson General Corporation
 Deutsche Lufthansa, A.G.
 Hudson Motor Car Company
 National Air Transport (NAT)
 Huff, Henry P., pres./CEO
 Trans-International Airlines (1)
 Huff, Henry, chairman/pres.
 International Parcel Express (IPX)
 Huff, James, Jr., pres.
 Trans-Colorado Airlines
 Huff, Thomas H., jt. founder
 Huff-Daland Dusters
 Hughes, A. E., owner
 Kenya Aircraft Company, Ltd.
 Hughes, Dr. Conrado H., pres.
 ARCO: Aerolineas Colonia, S.A.
 Hughes, H. R., jt.-founder
 Air Freight, Ltd. (1)
 Hughes, Howard, a.k.a. Charles Howard, co-pilot
 American Airways (2)
 Hughes, Howard, owner/investor/opponent
 Air West (1)
 Chalk's International Airlines (1)
 Hughes Airwest
 LANICA: Lineas Aereas de Nicaragua, S.A.
 Northeast Airlines (1)
 Pan American Airways (PAA)
 Philippine Air Lines
 Transcontinental and Western Air Lines (TWA)
 Trans World Airlines (TWA)
 Hughes, Jack R., vp/GM/pres.
 Johnson Flying Service

- Hughes, Lawrence, EVP/COO
DHL Airways/DHL Worldwide Express
- Hughes, Ralph A., hijacker
Delta Air Lines
- Hughes, Roy, union leader
Guyana Airways Corporation
- Hughes, T. Harrison, Cadman Committee member
Imperial Airways, Ltd.
- Hughes, W. H., pilot
Canadian Colonial Airways (1)
- Hughes Tool Company (Summa) *see* Hughes, Howard, owner
- Hughesden, Charles F., chairman
Tradewinds Airways, Ltd.
- Hui, Stanley, COO
Dragonair (Pty.), Ltd.
- Huilgol, Capt. R. P., pilot
Indian Airlines Corporation
- Huisman, Dick, Greyhound Transport Canada Corporation, Ltd. pres/CEO
Greyhound Air, Ltd.
- Huking, Capt. Harry W., pilot
United Air Lines (2)
- Hull, Mrs. Cordell, passenger
Pan American-Grace Airways (PANAGRA)
- Hull, Harland, pilot
Transcontinental and Western Air (T&WA)
- Hull, Theodore, founder/pres.
CAT: Corporacion de Aeronautica de Transportes, S.A.
- Hulse, Frank W., jt. founder/pres./chairman
Southern Airways
- Humaiti, Fakhri Ahmad Mahoud, pilot
Royal Jordanian Airlines
- Hummel, Capt. Ernest, pilot
Pan American-Grace Airways (PANAGRA)
- Hump Airlift *see* China-India "Hump" Ferry Service, 1942-1945
- Humphrey, Hubert H., U.S. Vice Pres./presidential candidate
American Airlines
Pan American World Airways (1)
- Humphreys, Calvin, founder/pres.
Northcoast Executive Airlines
- Humpuss Group
PT Sempati Air
- Hun Sen, Kampuchean prime minister
Kampuchean Airlines (2)
- Hung-I Chiang, chairman
China Airlines, Ltd. (CAL)
- Hungary, Agriculture Ministry
MALEV Hungarian Airlines, Rt. (Maszovlet)
- Hungary, APV privatisation agency
MALEV Hungarian Airlines, Rt.
- Hungary, Ministry of Economics
Pannon Air Service, Kft.
- Hungary, Ministry of Transport and Postal Services
MALEV Hungarian Airlines, Rt. (Maszovlet)
- Hungary, Post Office
MALEV Hungarian Airlines, Rt.
- Hungarian Revolution/airlift, 1956
BKS Air Transport, Ltd.
Cambrian Airways, Ltd.
Dan Air/Dan Air Services, Ltd.
Eagle Airways, Ltd.
The Flying Tiger Line
Lancashire Aircraft Corporation, Ltd.
MALEV Hungarian Airlines, Rt.
Maritime Central Airways, Ltd.
Silver City Airways, Ltd.
Swissair, A.G.
Transair International, Ltd.
Transocean Air Lines (TAL)
World Airways
- Hungerford, C. N., pres.
Trans Canada Air Lines, Ltd.
- Hungria de Silva Machado, Argemiro, Dr., pres.
Panair do Brazil, S.A.
- Hunnicut, Charles, U.S. asst. transportation secretary
Continental Airlines
Express Airlines I
Mesaba Airlines
- Hunt, Adrian, commercial dir.
Deutsche BA Luftfahrtgesellschaft, GmbH.
- Hunt, Mrs. E. Howard, passenger
United Air Lines (2)
- Hunt, Helen, actress
Federal Express (FedEx)
- Hunt, Jim, GM
Rossair (Pty.), Ltd.
- Hunt, Capt. Toby, pilot
American Airlines
- Hunt Petroleum
Western Pacific Airlines (Westpac)
- Hunter, Croil, vp/GM/pres
Northwest Airlines
- Hunter, Gen. Frank "Monk," passenger
Eastern Air Lines
- Hunter, Capt. J. D., pilot
Trans Canada Air Lines, Ltd.
- Hunter, Perry, pilot
Air Cruises
- Hunting, Charles, Percy, and Gerald, founders
Hunting Air Transport, Ltd.
Hunting Air Travel, Ltd.
- Hunting Aviation Group/Hunting Associated Industries
Air Bridge Carriers, Ltd.
Hunting Air Transport, Ltd.
Hunting Air Travel, Ltd.
Hunting Cargo Airlines, Ltd.
Hunting Clan Air Transport, Ltd.
- Hunts of the Pacific, Ltd., tour company
Solair: Solomon Island Airways, Ltd.
- Hupe, Capt. D. C., pilot
Trans World Airlines (TWA)
- Hurley, David C., pres.
Flight Services Group
- Hurricanes/Cyclones, unnamed (or name unknown) by year
1926—Florida
Florida Airways Corporation
1928—Dominican Republic
West Indian Aerial Express, C.A. (WIAE)
1930—Dominican Republic
Pan American Airways (PAA)
1931—British Honduras
Pan American Airways (PAA)
1935—Florida Keys
Pan American Airways (PAA)
1937—U.S. East Coast
American Airlines
Eastern Air Lines
Transcontinental and Western Air Lines (TWA)
United Air Lines
1938—New England
American Airlines
Eastern Air Lines
Transcontinental and Western Air Lines (TWA)
United Air Lines
1974—Darwin Australia
Ansett Airlines of Australia (Pty.), Ltd.
- Hurricanes/Cyclones, named
Hurricane Cleo, 1964
Airlift International

- Shillelagh Air Travel Club
Hurricane David, 1979
 ALAS del Caribe, S.A.
 Hurricane Hugo, 1989
 Coastal Air Transport
 Columbia Helicopters
 USAir
 Vieques Air Link
 Virgin Islands Seaplane Shuttle
Hurricane Andrew, 1992
 Biscayne Helicopters
 Crescent Airways
 Islena Airlines, S.A.
 Petroleum Helicopters
Hurricane Allison, 1995
 Continental Airlines
 Hurricane Bonnie, 1998
 Midway Airlines (2)
 Sun Pacific International Airlines
 TransMeridian Airlines
Hurricane Georges, 1998
 Aeromar International, C. por A.
 Air Caribbean, Ltd.
 Air Foyle, Ltd.
 American Airlines
 Comair
 Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Executive Airlines (3)
 Gulfstream International Airlines
 LIAT (1974), Ltd.
 Northwest Airlines
 Paradise Island Airways
 Southwest Airlines (2)
 United Airlines
 Virgin Atlantic Airways, Ltd.
Hurricane Mitch, 1998
 American Airlines
 Atlas Air
 Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Northwest Airlines
 TACA International Airlines, S.A.
Hurricane Lenny, 1999
 WIA: Windward Islands Airways International, N.V.
 (WINAIR)
Hurricane Debby, 2000
 USAirways
Hurricane Keith, 2000
 American Eagle Airlines
 TACA International Airlines, S.A.
see also Typhoons
Hurst, B. E., hijacker
 Branniff International Airways
Hurst, Daniel, pilot
 ERA Aviation
Hurt, Henry, passenger
 Continental Airlines
Hurt, Capt. Robert M., pilot/opns. dir.
 Shillelagh Air Travel Club
Hurtado, Rene Artez, mgr.
 Servicios Aereos Petroleros, S.A. (SAPSA)
Hurtig, Anders, pres.
 Contract Air Cargo
Hurwitz, Charles, investor
 Continental Airlines
Hussain, Saeed, hijacker
 Pakistan International Airlines Corporation
Hussein, Sadam, Iraqi president
 Iraqi Airways
see also Kuwait Crisis, 1990-1991
Hussein, Capt. Syed Sarwat, pilot
 Pakistan International Airlines Corporation
Husseinli, Mehdi, hijacker
 Azerbaijan Airlines
Hussey, Capt. H. B., pilot
 Qantas Empire Airways (Pty.), Ltd.
Hutchinson, Jon, GM
 Ansett Express (Pty.), Ltd.
Hutchinson International, Ltd.
 Hong Kong International (Pty.), Ltd.
Huth, Horst, pres.
 Berliner Spezial Fluggesellschaft, A.G.
Hutton, Arthur, pres./CEO
 World Airways
Hutton, Capt. Bob, flight training dir.
 Continental Airlines
Huxford, Bryan A., MD/chairman
 Eastern Airways, Ltd.
Huyghebaert, Jan, board chairman
 Sabena Belgian World Airlines, S.A.
Hvid, Barry, GM
 Soundsair, Ltd.
Hydeman, Lee, chairman
 Reno Air
Hyghsonic Enterprise
 Myanmar International Airways, Ltd.
Hymans, Max, pres.
 Air France
Hynes, Stephen, pres.
 Cypress Airlines, Ltd.
- I**
Iangalio, Masket, GM
 Air Niugini (Pty.), Ltd.
Ibanez, Jose Luis, pres.
 Ladeco Chilean Airlines, S.A.
Ibarra, Nassin Joaquin, co-founder/MD
 Aero Cozumel, S.A. de C.V.
Ibent, Soren, MD
 North Flying, A.S.
Iberiojet, tour company
 Air Europa, S.A.
 Hamburg International Airlines, GmbH.
IBIS I CRS
 British West Indies Airways, Ltd. (2) (BWIA)
IBIS II CRS
 British West Indies Airways, Ltd. (2) (BWIA)
IBM Corporation
 Command Airways
Ibrahim, Alhaji Jani, opns. dir./MD
 Nigeria Airways, Ltd.
Ibrahim, C. M., Indian civil aviation minister
 Indian Airlines, Ltd.
 Jet Airways (Pty.), Ltd.
 Singapore Airlines, Ltd.
Ibrahim, Wan Malek, MD
 Malaysia Airlines, Ltd. (MAS)
Ibrahim Itissar, Saad'o Mohamed, hijacker
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
Ibraimov, Jumabek, chairman
 Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
Ibssim, Mohammed al-Mukhtar, MD
 Jamahiriya Libyan Arab Airlines
Icahn, Carl C., chairman/possible investor
 Pan American World Airways (2)
 Trans World Airlines (TWA)
Icaro Transportes Group
 Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
Icarosan, S.A.

- LanChile Airlines, S.A.
 Iangalio, Masket, GM
 Air Niugini (Pty.), Ltd.
 Ibanez, Jose Luis, pres.
 Ladeco Chilean Airlines, S.A.
 Ibarra, Nassin Joaquin, co-founder/MD
 Aero Cozumel, S.A. de C.V.
 Ibent, Soren, MD
 North Flying, A.S.
 Iberiojet, tour company
 Air Europa, S.A.
 Hamburg International Airlines, GmbH.
 IBIS I CRS
 British West Indies Airways, Ltd. (2) (BWIA)
 IBIS II CRS
 British West Indies Airways, Ltd. (2) (BWIA)
 IBM Corporation
 Command Airways
 Ibrahim, Alhaji Jani, opns. dir./MD
 Nigeria Airways, Ltd.
 Ibrahim, C. M., Indian civil aviation minister
 Indian Airlines, Ltd.
 Jet Airways (Pty.), Ltd.
 Singapore Airlines, Ltd.
 Ibrahim, Wan Malek, MD
 Malaysia Airlines, Ltd. (MAS)
 Ibrahim Itissar, Saad'o Mohamed, hijacker
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Ibraimov, Jumabek, chairman
 Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
 Ibssim, Mohammed al-Mukhtar, MD
 Jamahiriya Libyan Arab Airlines
 Icahn, Carl C., chairman/possible investor
 Pan Amrican World Airways (2)
 Trans World Airlines (TWA)
 Icaro Transportes Group
 Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
 Icarosan, S.A.
 LanChile Airlines, S.A.
 Icaza, Dr. Carlos, pres.
 COPA: Compania Panamena de Aviacion, S.A.
 ICCRI Brussels Lambert, SpA.
 Avianova, SpA.
 Ice, Clyde W., pilot
 Rapid Air Lines
 Ickonga, Auxence, chairman/pres.
 Air Afrique, S.A.
 Icli, Hayri, jt.-owner
 Onur Air Tasimacllik, A.S.
 Idaho
 Air Idaho
 Boise Air Service
 Business Aviation
 Capitol Airlines (2)
 Empire Airlines (1)
 Empire Airways
 Gem State Airlines
 Janss Airways (2)
 Mountain West Airlines (2)
 Salmon Air
 Trans Magic Airlines
 Western Aircraft
 Idiatulin, R. K., GM
 Aeroneftekhim A.K.
 Ieske, N. M., pilot
 Dobrolet
 IFCB Bank
 Air Parabat, Ltd.
 Ifford, Capt. Lloyd C. "Digger," pilot
 Imperial Airways, Ltd.
 Igbiniedion, Chief Peter, founder/MD
 Okada Air, Ltd.
 IGN Bank of Holland/IGN Aviation Lease, N.V.
 Pan American World Airways (2)
 Igoa, Ralph, pres.
 Philippine Air Lines
 Ihara, M., pres.
 Southwest Air Lines Company, Ltd.
 Iheuwa, Alex, chief engineer
 Bellview Airlines, Ltd.
 Ihmels, Tjado, MD/chairman
 Frisia Luftverkehr Norddeich, GmbH.
 Iinuma, Masaaki, pilot
 Asahi Teiki Koku Kai (ATKK): Asahi Periodical Air Navigation Society
 Ikeda, Hideki, pres.
 Ashai Air Lines Company, Ltd.: Ashai Koku Corporation
 Ilegbodu, Capt. Roy, opns. dir.
 Bellview Airlines, Ltd.
 Ilhamy, H. E., chairman/MD
 SAIDE: Services Aeriens Internationaux d'Egypte, S.A.E.
 Illarionov, Vladimir A., GM
 Tyumenaviatrans (TAT)
 Illingworth, R. L., hijacker
 United Air Lines (2)
 Illinois
 A & M Aviation
 AccessAir
 Aero Taxi (1)
 Air Great Lakes
 Air Illinois
 Air Lincoln
 Air Mid-America
 Alpine Aviation Corporation
 American Carrier Corporation
 Apollo Airways
 Britt Airways
 Chicago Air
 Chicago and Southern Airlines
 Chicago Express Airlines
 Chicago Helicopter Airlines
 Chicago Jet Charter Group
 Chicago-Detroit Airways
 Coleman Air Transport Corporation
 Columbia Airlines
 Commuter Airlines of Chicago
 Continental Airways
 Curtiss Flying Service of the Middle West
 DB Aviation
 Decatur Commuter Airlines
 Executive Flight Management
 Helicopter Air Services (HAS)
 Illini Airlines
 Interstate Air Lines
 Manufacturers Air Transport
 Mid-Continent Airlines (1)
 Midstate Aviation Corporation
 Midway Airlines (1)
 Midway Airlines (2)
 Northern Illinois Commuter Airlines
 Northern Illinois Flight Center
 Parks Air Transport
 Planemasters, Ltd.
 Priester Aviation Services
 Prompt Air
 Propheter Aviation
 Rockford Air Charter
 Royal Airways
 Rynes Airlines

- Scott Aviation
 Skytrain Airlines
 Thompson Aeronautical Corporation
 Trans American Charter
 UFS: United Feeder Service
 United Air Lines (1)
 United Air Lines (2)
 United Airlines (3)
 Vercoa Air Service
 Village Airways
 Worldwide Airlines
 WSG Executive Air Service
 Illinois Central Railroad
 Robertson Aircraft Corporation
 Ilyukhin, Alexander N., DG
 Kosmos and Transport Avia
 Ilyushin Finance Company
 Aeroflot Russian International Airlines (ARIA)
 Transaero Airlines
 Ilyushin Il-12 launch customer
 Aeroflot Soviet Airlines
 Ilyushin Il-14 launch customer
 Aeroflot Soviet Airlines
 Ilyushin Il-18 launch customer
 Aeroflot Soviet Airlines
 Ilyushin Il-62 launch customer
 Aeroflot Soviet Airlines
 Ilyushin Il-76 launch customer
 Aeroflot Soviet Airlines
 Ilyushin Il-86 launch customer
 Aeroflot Soviet Airlines
 Ilyushin Il-96 launch customer
 Aeroflot Russian International Airlines (ARIA)
 Ilyushin Il-96-300 launch customer
 Domodedovo Civil Aviation United Enterprise
 Imediogwu, Capt. C., chief pilot
 Bellview Airlines, Ltd.
 IMI Bank of Luxembourg, S.A.
 Avianova, SpA.
 IMK Travel
 Holiday Airlines, A.O.
 IMP Group International, Ltd.
 Air Atlantic, Ltd.
 Air 500, Ltd.
 Impellitteri, Vincent P., New York City mayor/passenger
 Eastern Air Lines
 Imperatori, Gianfranco, pres.
 Azzurra Air, SpA.
 Imperial Smelting Corporation
 Silver City Airways, Ltd.
 Impulse Transportation Group
 Impulse Airlines (Pty.), Ltd.
 Oxley Airlines (Pty.), Ltd.
 IMS International
 Azzurra Air, SpA.
 Imsik, Ibrahim Fuat, founder/pres.
 Bodrum Imsik Hava Yollari, A.O.
 Inamine, Keiichi, chairman
 Japan Transocean Airways Company, Ltd.
 Southwest Airlines Company, Ltd.
- Incidents (abbr.: b=bombing or bomb hoax; c=real and alleged crime
 (including passenger disruption or rage)/insurrection/land-based
 terrorist attack; e=powerplant/fuel problems; g=ground problems,
 including collisions; i=international incidents, incl. war and
 interception; if=inflight or structural problems; ft=failed takeoff without
 casualties; l=bad or emergency landing without casualties; m=near
 midair collision; sar=search & rescue; t=turbulence/bad weather). *See*
also names of specific wars or crises
- 1919—May 1, Aircraft Transport & Travel, Ltd. (l)
 May 5, Handley Page Transport, Ltd. (if)
 Oct. 29, Aircraft Transport & Travel, Ltd. (l)
 Nov. 3, Deutsche Luftschiffahrts, A.G.
 (DELAG) (l)
 Dec. 11, Aircraft Transport & Travel, Ltd. (l)
 1920—Aug. 16, Aircraft Transport & Travel, Ltd. (l)
 Sept. 20, Bishop-Barker Aeroplanes, Ltd. (l)
 1921—Sept. 28, Syndicat National Pour l'Etude des Transports
 Aeriens, S.A. (g)
 1923—July 18, CSA Czechoslovak Airlines (l)
 Oct. 18, KLM: Royal Dutch Airlines, N.V. (l)
 1924—Sept. 9, Deruluft, GmbH. (l)
 Oct. 3, KLM: Royal Dutch Airlines, N.V. (l)
 1926—April 6, Varney Air Lines (l)
 June 21, KLM: Royal Dutch Airlines, N.V. (l)
 Aug. 18, Imperial Airways, Ltd. (e)
 Oct. 16, Imperial Airways, Ltd. (l)
 1927—Jan. 10, Imperial Airways, Ltd. (g)
 March 28, Colonial Air Transport (g)
 June 4, Deruluft, GmbH. (l)
 June 18, Colonial Air Transport (l)
 July 14, West Indian Aerial Express, C.A. (e,l)
 Sept. 27, Rhodesian Aviation Syndicate, Ltd. (l)
 1928—Feb. 28, Sindicato Condor, S.A. (g)
 March 4, Rhodesian Aviation Syndicate, Ltd. (l)
 June 4, Deruluft, GmbH. (l)
 June 20, Paul R. Braniff, Inc. (c)
 Nov. 2, West Coast Air Transport (l)
 Dec. 23, Boeing Air Transport (l)
 1929—Jan. 6, Boeing Air Transport (l)
 Jan. 18, Varney Air Lines (l)
 Feb. 13, Boeing Air Transport (l)
 Feb. 24, Stout Air Services (l)
 March 1, Pitcairn Aviation (l)
 March 11, Boeing Air Transport (l)
 May 22, Boeing Air Transport (l)
 May 29, Coastal Airways (l) (l)
 June 2, Western Air Express (g)
 June 12, Coastal Airways (l) (l)
 June 22, Coastal Airways (l) (g)
 July 7, Transcontinental Air Transport (TAT) (ft)
 Aug. 15, Coastal Airways (l) (ft)
 Aug. 17, Coastal Airways (l) (c)
 Aug. 26, Union Airways (Pty.), Ltd. (l)
 Sept. 7, Coastal Airways (l) (l)
 Sept. 8, Coastal Airways (l) (if)
 Sept. 19, Pan American Airways (PAA) (ft)
 Oct. 8, Universal Airlines System (ft)
 Oct. 18, Boeing Air Transport (l)
 Nov. 1, Imperial Airways, Ltd. (l)
 Nov. 2, Air Cruises (l)
 Nov. 30, Varney Air Lines (l)
 Dec. 18, Boeing Air Transport (if)
 Dec. 26, Western Air Express (l)
 1930—Jan. 1, Pan American-Grace Airways (PANAGRA) (l)
 Jan. 6, Pan American-Grace Airways (PANAGRA) (l)
 Feb. 9, Western Air Express
 Feb. 20, Transcontinental Air Transport (TAT) (g)
 March 15, Eastern Air Transport (2) (g); National Air Transport
 (NAT) (l)
 March 22, Sindicato Condor, S.A. (l)
 May 22, Transcontinental Air Transport (TAT) (l)
 June 5, American Airways (2) (l)
 June 22, Boeing Air Transport (l)
 June 23, Western Air Express
 June 25, American Airways (2) (g); Northwest Airways (l);
 Thompson Aeronautical Corporation (l)
 Aug. 22, United Air Lines (VAL) (l) (l)

- Sept. 3, Pan American Airways (PAA) (g)
 Sept. 21, United Air Lines (NAT) (1) (e,l)
 Sept. 27, Northwest Airways (l)
 Nov. 24, Transcontinental and Western Air (T&WA) (l)
 Dec. 22, Western Air Express (l)
- 1931—Jan. 1, United Air Lines (VAL) (1) (l)
 Jan. 26, Transcontinental and Western Air (T&WA) (l)
 Feb. 7, Pan American Airways (PAA) (l)
 Feb. 16, Pan American-Grace Airways (PANAGRA) (i)
 March 2, United Air Lines (BAT) (1) (if,l)
 March 18, Pacific Aerial Transport (Pty.), Ltd. (ft)
 April 1, Pan American-Grace Airways (PANAGRA) (l)
 April 19, Imperial Airways, Ltd. (l)
 April 29, United Air Lines (NAT) (1) (e,l)
 May 9, Imperial Airways, Ltd. (t)
 July 4, Imperial Airways, Ltd. (l)
 July 2, Eurasia Aviation Corporation (i,l)
 July 18, American Airways (2) (g)
 Aug. 12, Pan American Airways (PAA) (l)
 Aug. 14, Transcontinental and Western Air (T&WA) (l)
 Aug. 19, Transcontinental and Western Air (T&WA) (l)
 Oct. 10, Pan American-Grace Airways (PANAGRA) (l)
 Dec. 5, Braniff Airways (l)
 Dec. 31, Union Airways (Pty.), Ltd. (l)
- 1932—Feb. 5, Continental Airways (g)
 March 15, Skyway (l)
 April 3, Pan American-Grace Airways (PANAGRA) (l)
 April 12, Northwest Airways (l)
 May 8, Transcontinental and Western Air (T&WA) (g)
 May 19, Pan American-Grace Airways (PANAGRA) (l)
 June 2, United Air Lines (PAT) (1) (if,l)
 June 5, Transcontinental and Western Air (T&WA) (t)
 June 16, Northwest Airways (l)
 July 3, Transcontinental and Western Air (T&WA) (e)
 July 11, United Air Lines (BAT) (1) (e,l)
 Sept. 27, Japan Air Transport Co., Ltd.
 Oct. 2, Pan American Airways (PAA) (l)
 Oct. 12, Transcontinental and Western Air (T&WA) (e,g)
 Oct. 16, Wilson Airways, Ltd. (l)
 Dec. 13, United Air Lines (BAT) (1) (l)
 Dec. 26, West Australian Airways (Pty.), Ltd. (l)
- 1933—Jan. 10, Transcontinental and Western Air (T&WA) (ft)
 Feb. 10, Transcontinental and Western Air (T&WA) (e,l)
 Feb. 18, Eastern Air Transport (2) (if)
 Feb. 25, United Air Lines (NAT) (1) (ft)
 March 11, Pan American-Grace Airways (PANAGRA) (l)
 March 16, American Airways (2) (l)
 March 22, American Airways (2) (if)
 April 7, United Air Lines (NAT) (1) (l)
 May 22, United States Airways (l)
 June 28, United States Airways (l)
 July 2, United Air Lines (NAT) (1) (g)
 Aug. 30, Northwest Airways (l)
 Sept. 20, Northwest Airways (e)
 Oct. 24, Transcontinental and Western Air (T&WA) (l)
 Dec. 8, Wilson Airways, Ltd. (l)
 Dec. 31, Western Air Express
- 1934—Jan. 31, Transcontinental and Western Air (T&WA) (l)
 March 6, TACA: Transportes Aereos Centro Americanos, S.A. (ft)
 March 21, Pan American-Grace Airways (PANAGRA) (ft)
 April 21, Central Airlines (2) (l)
 Sept. 22, Flight Refueling, Ltd. (l); Transcontinental and Western Air (T&WA) (l)
 Oct. 19, Hanford (Tri-State) Air Lines (l)
 Nov. 15, Transcontinental and Western Air (T&WA) (l)
 Dec. 18, Transcontinental and Western Air (T&WA) (e,l)
 Dec. 19, American Airlines (g)
 Dec. 28, American Airlines (l); Transcontinental and Western Air (T&WA)
- 1935—Jan. 21, Transcontinental and Western Air Lines (TWA) (l)
 Jan. 31, Eastern Air Lines (l)
 May 24, Deutsche Luft Hansa, A.G. (g)
 June 11, Transcontinental and Western Air Lines (TWA) (l)
 July 14, KLM: Royal Dutch Airlines, N.V. (l)
 July 27, American Airlines (l)
 Aug. 2, Transcontinental and Western Air Lines (TWA) (e,l)
 Aug. 14, Delta Air Lines (e)
 Nov. 2, Imperial Airways, Ltd. (l)
 Nov. 3, Imperial Airways, Ltd. (ft)
 Nov. 9, Imperial Airways, Ltd. (g)
 Nov. 10, TACA: Transportes Aereos Centro Americanos, S.A. (l)
 Dec. 20, Pan American Airways (PAA) (l)
 Dec. 31, Imperial Airways, Ltd. (if,l)
- 1936—April 8, National Airways (ft)
 May 25, American Airlines (g)
 May 31, Transcontinental and Western Air Lines (TWA) (l)
 July 18, Lineas Aereas Postales Espanolas, S.A. (LAPE) (i)
 July 25, Lineas Aereas Postales Espanolas, S.A. (LAPE) (i)
 Aug. 4, Lineas Aereas Postales Espanolas, S.A. (LAPE) (i)
 Aug. 13, American Airlines (g)
 Aug. 22, Imperial Airways, Ltd. (l)
 Sept. 1, Ala Littoria, SpA. (l)
 Sept. 13, American Airlines (g)
 Oct. 24, Wyoming Air Service (l)
 Nov. 23, United Air Lines (2) (l)
 Dec. 13, Eastern Air Lines (l)
- 1937—Jan. 20, Hanford (Tri-States) Air Lines (g)
 Feb. 8, Pan American Airways (PAA) (e,l)
 Feb. 18, Eastern Air Lines (l)
 April 9, Lineas Aereas Postales Espanolas, S.A. (LAPE) (i,g)
 April 27, Varney Air Transport (l)
 May 15, Varney Air Transport (l)
 May 31, Imperial Airways, Ltd. (g)
 July 7, China National Airways Corporation (CNAC-1) (l)
 Oct. 1, Imperial Airways, Ltd. (l)
 Oct. 28, Pan American-Grace Airways (PANAGRA) (l)
 Dec. 5, Imperial Airways, Ltd. (ft)
- 1938—Feb. 9, CMA: Compania Mexicana de Aviacion, S.A. de C.V. (l)
 April 25, Pan American Airways (PAA) (l)
 June 1, Alaska Air Transport (g)
 Aug. 19, Aeroflot Soviet Airlines (l)
 Aug. 24, China National Airways Corporation (CNAC-1) (i,l)
 Sept. 3, Johnson Flying Service (l); Mayflower Airlines (l)
 Oct. 18, Eastern Air Lines (e,l)
 Dec. 2, CMA: Compania Mexicana de Aviacion, S.A. de C.V. (l)
 Dec. 20, Transcontinental and Western Air Lines (TWA) (e,l)
- 1939—Jan. 21, Imperial Airways, Ltd. (l)
 Jan. 25, Wilson Airways, Ltd. (l)
 Feb. 28, Ansett Airlines of Australia (Pty.), Ltd. (g)
 March 14, Imperial Airways, Ltd. (l)
 April 13, Eurasia Aviation Corporation (i,l)
 May 1, Imperial Airways, Ltd. (l)
 Sept. 1, LOT Polish Airlines, S.A. (i)
 Sept. 5, LOT Polish Airlines, S.A. (i)
 Sept. 10, LOT Polish Airlines, S.A. (i)
 Sept. 12, LOT Polish Airlines, S.A. (g,i)
 Sept. 17, LOT Polish Airlines, S.A. (g,i)
 Sept. 26, KLM: Royal Dutch Airlines, N.V.
 Nov. 7, Imperial Airways, Ltd. (l)
 Dec. 1, Northwest Airlines
- 1940—TACA: Transportes Aereos Centro Americanos, S.A. (l)
 Feb. 26, Eastern Air Lines (l)
 March 5, CMA: Compania Mexicana de Aviacion, S.A. de C.V. (l)
 March 19, Imperial Airways, Ltd. (t,g)
 March 21, Pan American Airways (PAA) (l)
 April 9, British Overseas Airways Corporation (BOAC) (i)
 May 5, British Overseas Airways Corporation (BOAC) (i)
 May 6, British Overseas Airways Corporation (BOAC) (i)

- May 10, KLM: Royal Dutch Airlines, N.V. (i)
 May 11, Sabena Belgian World Airlines, S.A. (i)
 May 15, KLM: Royal Dutch Airlines, N.V. (i)
 May 23, British Overseas Airways Corporation (BOAC) (i)
 June 1, British Overseas Airways Corporation (BOAC) (i)
 June 18, Associated Airways Joint Committee (g,i)
 June 20, Aero O/Y (i); Air France (i)
 July 7, Air France (i)
 July 19, Pan American-Grace Airways (PANAGRA) (l)
 July 28, Pan American Airways (PAA) (l)
 Aug. 2, Westchester Airways (l)
 Aug. 19, British Overseas Airways Corporation (BOAC) (i)
 Aug. 27, Sabena Belgian World Airlines, S.A. (i)
 Sept. 9, National Airlines (1) (l)
 Sept. 21, KLM: Royal Dutch Airlines, N.V. (l)
 Oct. 29, China National Airways Corporation (CNAC-1) (i)
 Nov. 24, KLM: Royal Dutch Airlines, N.V. (i)
 Nov. 27, Air France (i)
 Nov. 29, Pan American-Grace Airways (PANAGRA) (l)
 Dec. 1, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (e,l)
 Dec. 2, Transcontinental and Western Air Lines (TWA) (l)
 1941—Jan. 12, United Air Lines (2) (g); Western Air Express Corporation (g)
 Feb. 23, Deutsche Lufthansa Sucursal en Peru, S.A. (l)
 March 10, Pan American Airways (PAA) (l)
 April 3, Eastern Air Lines (t,l)
 April 19, Aer Lingus Irish Airlines, Ltd. (i)
 April 22, American Airlines (b)
 June 3, Great Western and Southern Air Lines, Ltd.(i)
 June 19, QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd. (e)
 July 27, Aeroflot Soviet Airlines (i)
 Oct. 18, West Coast Air Services, Ltd. (i)
 Oct. 29, China National Aviation Corporation (CNAC-1) (i,l)
 Dec. 7, Hawaiian Airlines (HAL) (i); Pan American Airways (PAA) (i)
 Dec. 8, China National Airways Corporation (CNAC-1) (i); Pan American Airways (PAA) (i)
 Dec. 25, Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM) (i,g)
 1942—Jan. 16, Pan American Airways (PAA) (g)
 Jan. 21, Guinea Airways (Pty.), Ltd. (l); Pan American Airways (PAA) (l)
 Jan. 26, British Overseas Airways Corporation (BOAC) (i)
 Feb. 4, Qantas Empire Airways (Pty.), Ltd. (i)
 Feb. 9, Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM) (i,g)
 Feb. 19, Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM) (i,g)
 Feb. 28, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 March 1, Qantas Empire Airways (Pty.), Ltd. (i)
 March 3, British Overseas Airways Corporation (BOAC)
 March 22, Qantas Empire Airways (Pty.), Ltd. (l)
 June 21, ABA Swedish Airlines, A.B. (i)
 June 25, Pan American Airways (PAA) (l)
 July 24, Pan American Airways (PAA) (l)
 Aug. 13, Air France (Reseau Aerien Francaise) (i)
 Sept. 19, Pan American Airways (PAA) (l)
 Sept. 27, Pan American Airways (PAA) (if)
 Oct. 6, Pan American Airways (PAA) (g)
 Oct. 14, Pan American Airways (PAA) (ft)
 Dec. 1, Air Travel (N.Z.), Ltd. (e)
 Dec. 15, Western Air Lines (l)
 Dec. 23, Maritime Central Airways, Ltd. (l)
 1943—Jan. 19, Woodley Airlines (l)
 Feb. 4, American Airlines (l)
 Feb. 10, Northeast Airlines (l)
 June 23, Qantas Empire Airways (Pty.), Ltd. (e)
 Aug. 26, British West Indies Airways, Ltd. (1) (BWIA) (g)
 Aug. 27, ABA Swedish Airlines, A.B. (i)
 Sept. 21, Qantas Empire Airways (Pty.), Ltd. (ft)
 Oct. 1, Air Travel (N.Z.), Ltd. (l)
 Oct. 13, Qantas Empire Airways (Pty.), Ltd. (l)
 Oct. 22, ABA Swedish Airlines, A.B. (i)
 Nov. 4, Trans Canada Air Lines, Ltd. (ft)
 Nov. 19, British Overseas Airways Corporation (BOAC) (l)
 1944—Jan. 10, Qantas Empire Airways (Pty.), Ltd. (if)
 Jan. 18, Qantas Empire Airways (Pty.), Ltd. (l)
 April 14, British Overseas Airways Corporation (BOAC) (l)
 April 21, British Overseas Airways Corporation (BOAC) (l)
 July 9, Qantas Empire Airways (Pty.), Ltd. (ft)
 Aug. 7, Pan American Airways (PAA) (l)
 Aug. 9, Swissair, A.G. (l)
 Oct. 9, Qantas Empire Airways (Pty.), Ltd. (l)
 Nov. 13, Qantas Empire Airways (Pty.), Ltd. (l)
 1945—Jan. 18, Qantas Empire Airways (Pty.), Ltd. (l)
 Feb. 27, Qantas Empire Airways (Pty.), Ltd. (g)
 May 1, British Overseas Airways Corporation (BOAC) (l)
 July 1, Trans Canada Air Lines, Ltd. (l)
 Sept. 13, National Airlines (1) (l)
 Oct. 6, National Airlines (1) (l)
 Oct. 12, National Airlines (1) (l)
 Nov. 4, Pan American Airways (PAA) (l)
 Dec. 31, Eastern Air Lines (l)
 1946—Jan. 1, The Flying Tiger Line (l)
 Jan. 4, VASD: Viacao Aerea Santos Dumont, S.A. (l)
 Jan. 14, Pan American Airways (PAA) (e,l)
 Feb. 21, British Overseas Airways Corporation (BOAC) (l)
 March 29, Transcontinental and Western Air Lines (TWA) (l)
 April 17, British Overseas Airways Corporation (BOAC) (l)
 May 2, British Overseas Airways Corporation (BOAC) (l)
 May 17, British Overseas Airways Corporation (BOAC) (l)
 June 4, ANA: Australian National Airlines (Pty.), Ltd.(l)
 June 18, Pan American Airways (PAA) (e,l)
 June 25, CMA: Compania Mexicana de Aviacion, S.A. de C.V. (ft)
 July 26, Transcontinental and Western Air Lines (TWA) (l)
 Aug. 5, British Overseas Airways Corporation (BOAC) (ft)
 Aug. 23, Air France (l)
 Aug. 30, British South American Airways Corporation (BSAAC) (ft)
 Sept. 12, Pennsylvania Central Air Lines (l)
 Sept. 17, Sabena Belgian World Airlines, S.A. (ft)
 Sept. 24, Pan American Airways (PAA) (l)
 Oct. 1, Philippine Air Lines (g)
 Oct. 9, United Air Lines (2) (l)
 Oct. 11, Eastern Air Lines (l)
 Oct. 13, Transcontinental and Western Air Lines (TWA) (l)
 Oct. 28, British Overseas Airways Corporation (BOAC) (if,l)
 Nov. 6, KLM: Royal Dutch Airlines, N.V. (l)
 Nov. 10, Delta Air Lines (l)
 Nov. 14, British Overseas Airways Corporation (BOAC) (if,l)
 Nov. 18, British European Airways Corporation (BEA) (l)
 Dec. 8, Skyways, Ltd. (g)
 Dec. 10, Slick Airways (l)
 Dec. 17, Transcontinental and Western Air Lines (TWA) (l)
 Dec. 19, Railway Air Services, Ltd. (l)
 Dec. 20, Eastern Air Lines (m); Universal Airlines (m)
 Dec. 24, United Air Lines (2) (l)
 1947—Jan. 5, American Airlines (l); Cathay Pacific Airways (Pty.), Ltd. (l)
 Jan. 17, ANDESA: Aerovias Nacionales del Ecuador, S.A. (l)
 Jan. 22, LACSA: Lineas Aereas Costarricenses, S.A. (l)
 Jan. 26, Railway Air Services, Ltd. (l)
 Jan. 31, British Overseas Airways Corporation (BOAC) (l)
 Feb. 9, Cathay Pacific Airways (Pty.), Ltd. (l)
 March 11, Transcontinental and Western Air Lines (TWA) (if)
 May 16, SAS: Scandinavian Airlines System (i)

- June 1, Northwest Airlines (l)
 June 3, Butler Air Transport (Pty.), Ltd. (ft)
 June 6, Lancashire Aircraft Corporation, Ltd. (l)
 June 10, Transcontinental and Western Air Lines (TWA) (e)
 June 19, Pan American Airways (PAA) (e,l); Pan American-Grace Airways (PANAGRA) (l)
 July 14, Qantas Empire Airways (Pty.), Ltd. (l)
 Aug. 4, LanChile Airlines, S.A. (l)
 Aug. 9, Qantas Empire Airways (Pty.), Ltd. (l)
 Aug. 10, American Airlines (l)
 Aug. 12, FAMA: Flota Aerea Mercante Argentina, S.A. (l)
 Sept. 5, British South American Airways Corporation (BOAC) (l)
 Sept. 20, Pan American Airways (PAA) (l)
 Oct. 3, Skyways, Ltd. (ft)
 Oct. 12, Pan American Airways (PAA) (t)
 Oct. 14, American International Airways (l) (l)
 Oct. 23, British South American Airways Corporation (BSAAC) (l)
 Nov. 11, American Airlines (e,l)
 Nov. 13, Air India, Ltd. (l); British South American Airways Corporation (BSAAC) (l)
 Dec. 27, KLM: Royal Dutch Airlines, N.V. (l)
 Dec. 29, DDL: Danish Airlines, A.S. (l)
- 1948—Jan. 7, Sivewright Airways, Ltd. (l)
 Jan. 9, Qantas Empire Airways (Pty.), Ltd. (ft)
 Jan. 31, Transcontinental and Western Air Lines (TWA) (g)
 Feb. 6, Air India, Ltd. (l)
 Feb. 8, Eastern Air Lines (l)
 Feb. 12, Qantas Empire Airways (Pty.), Ltd. (l)
 March 23, Pan American Airways (PAA) (l)
 April 5, British European Airways Corporation (BEA) (i)
 April 13, Aviron: The Palestine Aviation Co., Ltd. (l)
 May 1, KLM: Royal Dutch Airlines, N.V. (l)
 May 14, FAMA: Flota Aerea Mercante Argentina, S.A. (l)
 May 15, Aviron: The Palestine Aviation Co., Ltd. (l)
 June 16, KLM: Royal Dutch Airlines, N.V. (l)
 July 12, Air France (l)
 July 22, Ethiopian Airlines, S.C. (l)
 July 29, United Air Lines (2) (l)
 Aug. 4, National Airlines (l) (if,c)
 Aug. 12, Trans Canada Air Lines, Ltd. (l)
 Aug. 27, British Overseas Airways Corporation (BOAC) (e,l)
 Sept. 9, British Overseas Airways Corporation (BOAC) (ft)
 Sept. 17, Slick Airways (l)
 Oct. 8, Dalmia-Jain Airways, Ltd. (l); World Air Freight, Ltd. (l)
 Oct. 23, Transandina Ecuatoriana, S.A. (l)
 Nov. 15, Philippine Air Lines (l)
 Nov. 21, Qantas Empire Airways (Pty.), Ltd. (g)
 Nov. 24, Qantas Empire Airways (Pty.), Ltd. (g)
 Nov. 25, Transcontinental and Western Air Lines (TWA) (l)
 Dec. 24, ALFA: Aviacion del Litoral Fluvial Argentina, S.A. (g)
- 1949—Jan. 5, Eastern Air Lines (l)
 Jan. 13, Pan American Airways (PAA) (e,l)
 Jan. 25, Transandina Ecuatoriana, S.A. (l)
 Jan. 26, Alaska Airlines (l); VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 Jan. 30, Pan American Airways (PAA) (l)
 Feb. 1, British Overseas Airways Corporation (BOAC) (ft)
 April 7, Air India, Ltd. (l); Qantas Empire Airways (Pty.), Ltd. (l)
 May 7, Philippine Airlines (PAL)
 May 10, Qantas Empire Airways (Pty.), Ltd. (ft)
 May 13, Transandina Ecuatoriana, S.A. (l)
 June 3, RANSA: Rutas Aereas Nacionales, S.A. (l)
 June 13, Iraqi Airways (l)
 June 19, Skyways, Ltd. (l)
 June 22, American Airlines (l)
 June 23, Qantas Empire Airways (Pty.), Ltd. (g)
 June 26, Skyways, Ltd.
 July 7, Pan American Airways (PAA) (e,l)
 July 8, Pan American Airways (PAA) (e,l)
- July 18, Pan American Airways (PAA) (e,l)
 July 26, Pan American-Grace Airways (PANAGRA) (e,l)
 July 28, Eastern Air Lines (l)
 Aug. 7, Capital Airlines (m,l)
 Aug. 11, Northeast Airlines (l) (l)
 Aug. 14, Transocean Air Lines (TAL) (l)
 Aug. 16, LAGOSA: Lineas Aereas Guerrero-Oaxaca, S.A. de C.V. (ft)
 Aug. 27, Qantas Empire Airways (Pty.), Ltd. (b)
 Sept. 5, American Airlines (if,l)
 Sept. 15, Qantas Empire Airways (Pty.), Ltd. (l)
 Sept. 16, Qantas Empire Airways (Pty.), Ltd. (g)
 Oct. 3, Qantas Empire Airways (Pty.), Ltd. (l)
 Oct. 27, TAJ: Transportes Aereos de Jalisco, S.A. de C.V. (l)
 Oct. 28, Philippine Air Lines (l)
 Nov. 24, Aviacion y Comercio, S.A. (AVIACO) (g)
 Dec. 18, Transcontinental and Western Air Lines (TWA) (l)
 Dec. 19, Scottish Airlines, Ltd. (ft)
 Dec. 23, Capital Airlines (m)
- 1950—Jan. 18, Trans Asiatic Airlines (SIAM), Ltd. (ft)
 Jan. 20, World Air Freight, Ltd. (l)
 Jan. 24, Philippine Air Lines (l)
 Feb. 5, El Al Israel Airlines, Ltd. (ft)
 Feb. 9, Canadian Pacific Air Lines, Ltd. (CPAL) (l)
 Feb. 10, Pan American World Airways (l) (if)
 Feb. 11, Eastern Air Lines (if,l)
 Feb. 16, Air France (l); Eastern Air Lines (l)
 March 1, SAM: Sociedad Aeronautica de Medellin, S.A. (l)
 March 11, AVIANCA Colombian Airlines, S.A. (l)
 April 13, British European Airways Corporation (BEA) (b)
 April 17, United Air Lines (2) (b)
 April 23, British Overseas Airways Corporation (BOAC) (e,l)
 April 24, LAB: Lloyd Aereo Boliviano, S.A. (l)
 May 23, Trans World Airlines (TWA) (l)
 May 26, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 June 3, Transocean Air Lines (TAL) (if)
 June 12, Aerolineas Argentinas, S.A. (l)
 June 13, Arab Airways, Ltd. (l)
 June 15, Pan American World Airways (l) (l)
 June 21, Trans World Airlines (TWA) (e,g)
 June 30, RANSA: Rutas Aereas Nacionales, S.A. (l)
 July 7, British Overseas Airways Corporation (BOAC) (i)
 July 25, Air Liban: Lignes Aeriennes Libanaises, S.A.L. (i)
 July 30, The Flying Tiger Line (l)
 Aug. 1, Cambrian Air Services, Ltd. (l)
 Aug. 13, British European Airways Corporation (BEA) (b)
 Aug. 21, Air France (l)
 Aug. 22, American Airlines (e,l)
 Aug. 29, AVIANCA Colombian Airlines, S.A. (l)
 Sept. 8, TABA: Transportes Aereos Bandeirantes, S.A. (l)
 Sept. 18, Loftleidir, H.F./Icelandic Airlines H.F. (l)
 Oct. 14, Pan American World Airways (l) (e,l)
 Nov. 17, PT Garuda Indonesian Airways (l)
 Nov. 25, Cubana: Compania Cubana de Aviacion, S.A. (l)
 Dec. 1, Swissair, A.G. (l)
 Dec. 17, Loide Aero Nacional, S.A. (l)
- 1951—Jan. 2, Pan American World Airways (l)
 Jan. 4, Monarch Air Service (ft)
 Jan. 5, Trans World Airlines (TWA) (l)
 Jan. 8, British Overseas Airways Corporation (BOAC) (l)
 Jan. 15, Cordova Airlines (l)
 Jan. 19, American Airlines (b)
 Jan. 31, LANSA: Lineas Aereas Nacionales, S.A. (e,l)
 Feb. 21, ITAU: Companhia ITAU de Transportes Aereos, S.A. (l)
 Feb. 23, Slick Airways (l)
 Feb. 27, Mid Continent Air Lines (e,l)
 March 2, Pioneer Air Lines (if)
 March 30, Seaboard & Western Airlines (l)
 April 1, SAS: Scandinavian Airlines System (l)
 April 2, AVIANCA Colombian Airlines, S.A. (l)

- April 4, Qantas Empire Airways (Pty.), Ltd. (l)
 April 15, Loide Aereo Nacional, S.A. (l)
 April 25, British Overseas Airways Corporation (BOAC) (l)
 June 3, Aerolineas Argentinas, S.A. (l)
 June 8, JAT Yugoslav Airlines (l)
 June 10, Qantas Empire Airways (Pty.), Ltd. (g)
 July 15, Siamese Airways Company, Ltd. (l)
 Aug. 20, Siamese Airways Company, Ltd. (l)
 Sept. 1, CMA: Compania Mexicana de Aviacion, S.A. de C.V. (l)
 Sept. 2, Pan American World Airways (l) (l)
 Sept. 3, Qantas Empire Airways (Pty.), Ltd. (l)
 Sept. 8, American Airlines (l)
 Sept. 9, Northeast Airlines (l) (l)
 Sept. 21, Qantas Empire Airways (Pty.), Ltd. (l)
 Oct. 26, William Dempster, Ltd. (l)
 Nov. 8, Qantas Empire Airways (Pty.), Ltd. (l)
 Nov. 17, California Central Airlines (l)
 Nov. 18, United Air Lines (2) (e,l)
 Nov. 27, Eastern Air Lines (m,l)
 Dec. 14, Swissair, A.G. (l)
 Dec. 20, Robin Air Lines (l)
 Dec. 23, Linee Aeree Italiane, SpA. (LAI) (l)
 Dec. 24, Qantas Empire Airways (Pty.), Ltd. (l)
 Dec. 26, British Overseas Airways Corporation (BOAC) (i,g)
 Dec. 30, Continental Air Charter (if,g)
 1952—Jan. 7, Northwest Airlines (l)
 Jan. 14, Northeast Airlines (l) (l)
 Jan. 27, Seaboard & Western Airlines (l)
 Jan. 28, Capital Airlines (if)
 Jan. 31, Qantas Empire Airways (Pty.), Ltd. (ft)
 Feb. 8, Dalmia-Jain Airways, Ltd. (ft)
 Feb. 11, National Airlines (e)
 Feb. 24, Trans World Airlines (TWA) (if,l)
 Feb. 25, United Air Lines (2) (if,l)
 Feb. 27, American Airlines (e,l)
 March 10, Philippine Air Lines (l)
 March 11, Air Charter, Ltd./Channel Air Service, Ltd. (if)
 March 23, KLM: Royal Dutch Airlines, N.V. (l)
 March 26, Braniff International Airways (l)
 March 30, Philippine Air Lines (l)
 April 2, Fred Olsens Flyselskap, A.S. (e,l)
 April 19, Air Enterprises, Ltd. (l)
 April 21, Trans World Airlines (TWA) (g)
 April 29, Air France (i)
 April 30, Pan American World Airways (l) (l)
 May 9, PT Garuda Indonesian Airways (ft)
 May 26, British Overseas Airways Corporation (BOAC) (l)
 June 25, Cordova Airlines (l)
 July 23, Airwork, Ltd. (l)
 July 27, Pan American World Airways (l) (if)
 Aug. 3, National Airlines (l) (l)
 Aug. 26, American Airlines (if); United Air Lines (if)
 Aug. 31, Eastern Air Lines (g); United Export Company (e,l)
 Sept. 2, Qantas Empire Airways (Pty.), Ltd. (e,g)
 Sept. 11, Qantas Empire Airways (Pty.), Ltd. (ft)
 Sept. 25, CMA: Compania Mexicana de Aviacion, S.A. de C.V. (b,l)
 Oct. 10, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 Oct. 22, Orient Airways, Ltd. (l)
 Oct. 26, British Overseas Airways Corporation (BOAC) (e,l)
 Nov. 18, West African Airways Corporation (l)
 Dec. 22, Trans Canada Air Lines, Ltd.
 1953—Jan. 1, Aer Lingus Irish Airlines, Ltd. (e,l)
 Jan. 2, KLM: Royal Dutch Airlines, N.V. (l)
 Jan. 10, Union of Burma Airways, Ltd. (l)
 Jan. 19, Silver City Airways, Ltd. (l)
 Jan. 24, Trans Canada Air Lines, Ltd. (t,l)
 Feb. 6, Air Enterprises, Ltd. (l); Northeast Airlines (l) (e)
 March 3, Eastern Air Lines (l)
 March 13, British European Airways Corporation (BEA) (i)
 March 27, AREA: Aerovias Ecuatorianas, S.A. (l); California Eastern Air Lines (2) (l)
 May 2, California Eastern Air Lines (2) (l); Trans World Airlines (TWA) (g)
 May 25, Air France (l); KLM: Royal Dutch Airlines, N.V. (l)
 June 12, Pan American World Airways (l) (e,l)
 June 17, Aerolineas Argentinas, S.A. (l)
 June 23, West African Airways Corporation (l)
 June 30, Iranair: Iranian Airways (e,l)
 July 16, British Overseas Airways Corporation (BOAC) (l)
 July 19, Southern Air Transport (l)
 July 23, Cathay Pacific Airways (Pty.), Ltd. (l)
 July 27, Aeroflot Soviet Airlines (i)
 July 28, Pan American World Airways (l) (if,l)
 Aug. 2, Orient Airways, Ltd. (ft)
 Aug. 12, British European Airways Corporation (BEA) (g)
 Aug. 18, Johnson Flying Service (ft)
 Aug. 26, American Airlines (l); United Air Lines (2)
 Oct. 15, Philippine Air Lines (l)
 Oct. 21, Cruzeiro Brazilian Airlines, S.A. (l)
 Dec. 8, Qantas Empire Airways (Pty.), Ltd. (ft)
 Dec. 20, Eagle Airways, Ltd. (l) (l)
 Dec. 21, American Airlines (e,g)
 Dec. 30, Sabena Belgian World Airlines, S.A. (if)
 1954—Jan. 20, American Airlines (e,l)
 Jan. 22, Resort Airlines (l) (l)
 Jan. 27, American Airlines (l)
 Jan. 31, Societe Aigle Azur, S.A. (l)
 Feb. 8, West African Airways Corporation (l)
 Feb. 15, Pan American World Airways (l) (l)
 Feb. 21, Far East Airlines Company, Ltd. (Kyokuto Koku) (if,l)
 Feb. 23, Central African Airways Corporation (CAA) (l)
 March 4, Societe Aigle Azur, S.A. (g)
 March 16, Continental Air Lines (2) (ft)
 March 17, Central African Airways Corporation (CAA) (g)
 March 24, Eastern Air Lines (g)
 April 13, Scottish Airlines, Ltd. (l)
 April 21, Trans World Airlines (TWA) (g)
 May 17, Cubana: Compania Cubana de Aviacion, S.A. (l)
 May 29, LanChile Airlines, S.A. (l)
 June 3, Sabena Belgian World Airlines, S.A. (i)
 June 15, Delta Air Lines (ft); United Air Lines (2) (l)
 June 22, American Airlines (l)
 July 1, National Airlines (l) (g)
 July 23, Cathay Pacific Airways (Pty.), Ltd. (i)
 July 31, Island Airlines (l) (ft)
 Aug. 7, Eastern Air Lines (if)
 Aug. 11, Air France (m); British European Airways Corporation (BEA) (m)
 Aug. 15, Airwork, Ltd. (l)
 Aug. 20, Allegheny Airlines (l) (l)
 Sept. 8, KLM: Royal Dutch Airlines, N.V. (e,l)
 Sept. 18, Aer Lingus Irish Airlines, Ltd. (e)
 Oct. 3, United Air Lines (2) (if)
 Oct. 8, AVIATECA: Aerolineas de Guatemala, S.A. (l)
 Oct. 13, Orient Airways, Ltd. (l)
 Oct. 16, Aerolineas Argentinas, S.A. (l); Hazelton Airlines (Pty.), Ltd. (l)
 Oct. 21, United Air Lines (2) (g)
 Nov. 5, American Airlines (l)
 Nov. 7, U.S. Airlines (e,l)
 Nov. 9, American Airlines (l)
 Nov. 24, LIDCA: Lineas Aereas del Caribe, S.A. (l)
 Nov. 25, PT Garuda Indonesian Airways (l)
 Nov. 29, British Overseas Airways Corporation (BOAC) (if)
 Dec. 10, LAV Venezuelan Airlines, S.A. (g)
 Dec. 17, Trans Canada Air Lines, Ltd. (ft)

- Dec. 22, Northwest Airlines (i)
- 1955—Feb. 21, ALA: Sociedad de Transportes Aereos, Ltda. (l)
- March 14, Air Laos, S.A. (ft)
- March 26, Pan American World Airways (1) (e,l)
- March 20, American Airlines (l)
- April 8, British European Airways Corporation (BEA) (ft)
- April 11, Air India, Ltd. (b); Pacific Western Airlines, Ltd. (ft)
- May 20, Aerolineas Argentinas, S.A. (e,l)
- May 21, LAV Venezuelan Airlines, S.A. (l)
- June 3, Union Aeromaritime de Transport, S.A. (UAT) (l)
- June 22, El Al Israel Airlines, Ltd. (l)
- July 14, Eastern Air Lines (l)
- Aug. 3, Pacific Western Airlines, Ltd. (l)
- Aug. 6, Fairways Aviation (Jersey), Ltd. (l)
- Aug. 7, Trans World Airlines (TWA) (l)
- Sept. 14, Persian Air Services, Ltd. (l)
- Sept. 17, Pacific Western Airlines, Ltd. (l)
- Sept. 21, Air France (l)
- Sept. 24, The Flying Tiger Line (l)
- Sept. 29, Pacific Western Airlines, Ltd. (l)
- Nov. 14, The Flying Tiger Line (l)
- Oct. 10, Iraqi Airways (ft)
- Nov. 25, Maritime Central Airways, Ltd.
- Dec. 9, Quebecair, Ltd. (l)
- Dec. 15, Butler Air Transport (Pty.), Ltd. (e,l)
- Dec. 18, Eastern Air Lines (g)
- Dec. 28, Pan American World Airways (1) (e)
- 1956—Jan. 17, Northeast Airlines (l)
- Jan. 21, British European Airways Corporation (BEA) (ft)
- Jan. 24, Maritime Central Airways, Ltd. (l)
- Feb. 16, Saudia: Saudi Arabian Airlines (l)
- Feb. 17, Eastern Air Lines (l)
- Feb. 20, Capital Airlines (l)
- March 4, Skyways, Ltd. (b)
- March 11, Trans World Airlines (TWA) (e,g)
- March 18, The Flying Tiger Line (l)
- March 25, World Wide Airways, Ltd. (l)
- March 27, British European Airways Corporation (BEA) (m)
- April 2, Northwest Airlines (l)
- April 6, The Flying Tiger Line (l)
- April 22, British Overseas Airways Corporation (BOAC) (g)
- April 30, Scottish Airlines, Ltd. (ft,l)
- May 18, Indian Airlines Corporation (l)
- May 25, Capital Airlines (g)
- May 30, Transair, Ltd. (1) (l)
- June 13, Piedmont Airlines (1) (l,if)
- June 18, Transair, Ltd. (1) (l)
- July 9, Trans-Canada Air Lines, Ltd. (e)
- Aug. 5, Silver City Airways, Ltd. (l)
- Aug. 8, Pacific Western Airlines, Ltd. (l)
- Sept. 13, Pacific Western Airlines, Ltd. (l); Transair, Ltd. (1) (l); United Air Lines (2)
- Sept. 17, Persian Air Services, Ltd. (g)
- Sept. 23, World Wide Airways, Ltd. (l)
- Oct. 5, Central African Airways Corporation (CAA) (ft)
- Oct. 16, Pan American World Airways (1) (e,l)
- Oct. 18, Pan American World Airways (1) (e,l)
- Nov. 7, Braathens SAFE (ft)
- Nov. 15, Trans World Airlines (TWA) (l)
- Dec. 16, Zantop International Airlines (l)
- 1957—Jan. 2, Alitalia, SpA. (l)
- Jan. 8, Transair, Ltd. (1) (l)
- Jan. 17, Northeast Airlines (1) (l)
- March 10, Eastern Air Lines (l)
- March 17, Air France (i)
- March 19, Union of Burma Airways, Ltd. (l)
- April 18, Capital Airlines (g)
- April 21, Air France (if)
- April 27, Pan American World Airways (1) (b)
- May 5, World Wide Airways, Ltd.
- June 21, The Flying Tiger Line (l)
- July 10, Ethiopian Airlines, S.C. (l)
- July 25, Western Airlines (1) (b,l)
- July 28, Eastern Air Lines (g)
- Sept. 1, Airwork, Ltd. (l)
- Sept. 18, REAL, S.A. (l)
- Sept. 30, Japan Air Lines Company, Ltd. (2) (l)
- Oct. 1, Eastern Provincial Airways, Ltd. (e,l)
- Oct. 8, Saudia: Saudi Arabian Airlines (l)
- Oct. 20, Transair, Ltd. (l)
- Oct. 26, Aviacion y Comercio, S.A. (AVIACO) (l)
- Nov. 14, Eastern Air Lines (l)
- Nov. 28, SAS: Scandinavian Airlines System (l)
- Dec. 3, Aeroflot Soviet Airlines (l)
- Dec. 6, Air France (g)
- Dec. 19, Air France (b); Trans World Airlines (TWA) (g)
- Dec. 25, British Overseas Airways Corporation (BOAC) (e,if,l)
- Dec. 31, Independent Air Transport, Ltd. (i)
- 1958—Jan. 3, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
- Jan. 20, THY Turkish Airlines, A.O. (l)
- Feb. 13, Western Airlines (1) (if,l)
- Feb. 26, Eagle Airways, Ltd. (1) (g)
- March 1, American Airlines (ft)
- March 17, Eastern Air Lines (l)
- March 20, National Airlines (1) (m)
- March 22, Fleming Airways Systems Transport (ft,l)
- March 25, Saudia: Saudi Arabian Airlines (l)
- March 30, Aerolineas Nacionales, S.A. (c)
- April 2, El Al Israel Airlines, Ltd. (g)
- April 4, Cubana: Compania Cubana de Aviacion, S.A. (l)
- April 11, LOT Polish Airlines, S.A. (e,l)
- April 28, British European Airways Corporation (BEA) (l)
- May 20, Dan Air/Dan Air Services, Ltd. (l)
- May 31, Reeve Aleutian Airways (l)
- June 2, Pan American World Airways (1) (l)
- June 10, Aerolineas Argentinas, S.A. (l)
- June 20, United Air Lines (2) (m)
- July 13, Quebecair, Ltd. (g)
- July 28, Transair, Ltd. (1) (g)
- Aug. 13, Trans World Airlines (TWA) (g)
- Aug. 28, Northwest Airlines (l)
- Sept. 8, Indian Airlines Corporation (l)
- Oct. 28, Pan American-Grace Airways (PANAGRA) (m)
- Nov. 10, Seaboard & Western Airlines (l,g); Trans Canada Air Lines, Ltd. (g)
- Nov. 14, Qantas Empire Airways (Pty.), Ltd. (l)
- Nov. 18, United Air Lines (2) (m)
- Dec. 17, Air Algerie, S.A. (ft)
- Dec. 25, Talkeetna Air Taxi (sar)
- Dec. 26, Union Aeromaritime de Transport, S.A. (UAT) (ft)
- Dec. 31, VARIG Brazilian Airlines: Viacao Aerea Rio- Grandeuse, S.A. (l)
- 1959—Jan. 4, TAPSA: Transportes Aereos Peruanos, S.A. (l)
- Jan. 6, Parensse Transportes Aereos, S.A. (l)
- Jan. 8, Air France (l)
- Jan. 18, British Overseas Airways Corporation (BOAC) (e,l)
- Feb. 3, Pan American World Airways (1) (if)
- Feb. 14, British Overseas Airways Corporation (BOAC) (i,m)
- Feb. 18, Capital Airlines (if)
- Feb. 19, Capital Airlines (m)
- Feb. 20, Pan American World Airways (1) (l)
- March 15, American Airlines (l); Pan American World Airways (1) (l)
- April 28, Piedmont Airlines (1) (l)
- May 1, Trans Canada Air Lines, Ltd. (l)
- May 8, TAPSA: Transportes Aereos Peruanos, S.A. (l)
- May 12, Capital Airlines (l)
- June 1, Aerolineas Nacionales, S.A. (i)

- June 21, British Overseas Airways Corporation (BOAC) (l)
 June 22, Pan American World Airways (1) (ft)
 June 24, Trans World Airlines (TWA) (g)
 July 9, Pan American World Airways (1) (l)
 July 12, Pan American World Airways (1) (l)
 July 15, Parensse Transportes Aereos, S.A. (l); Persian Air Services, Ltd. (g)
 July 18, American Airlines (l)
 July 19, Air India, Ltd. (l)
 July 22, Eastern Air Lines (l); Eastern Air Transport
 July 24, Aerolineas Argentinas, S.A. (l)
 July 28, East Anglian Flying Service, Ltd. (l)
 July 29, British Overseas Airways Corporation (BOAC) (e)
 Aug. 2, Capital Airlines (g); Northwest Airlines (g)
 Aug. 9, British Overseas Airways Corporation (BOAC) (if)
 Aug. 11, American Airlines (l)
 Aug. 14, Northwest Airlines (l)
 Aug. 17, Pan American World Airways (1) (l)
 Aug. 21, Overseas National Airways (g)
 Sept. 8, Mexicana Airlines, S.A. de C.V. (b,l)
 Sept. 25, Saudia: Saudi Arabian Airlines (ft)
 Oct. 15, Qantas Empire Airways (Pty.), Ltd. (e,l)
 Nov. 24, Resort Airlines (1) (l)
 Dec. 22, Eagle Airways, Ltd. (1) (l)
 Dec. 24, PT Garuda Indonesian Airways (e,l)
 Dec. 12, Aerolineas Argentinas, S.A. (l)
 1960—Jan. 5, British European Airways Corporation (BEA) (l); Chicago Helicopter Airlines (l)
 Jan. 12, Philippine Air Lines (l)
 Jan. 13, Delta Air Lines (l)
 Jan. 25, United Air Lines (2) (t)
 Jan. 29, Pacific Western Airlines, Ltd. (l)
 Feb. 4, Eastern Air Lines (l)
 Feb. 5, American Airlines (m); United Air Lines (2) (m)
 Feb. 6, Delta Air Lines (l)
 Feb. 7, Pan American World Airways (1) (l)
 Feb. 5, American Airlines (l)
 Feb. 13, Associated Air Transport (l); Eastern Air Lines (ft)
 Feb. 14, United States Overseas Airlines (l)
 Feb. 19, Mohawk Airlines (1) (l)
 Feb. 20, Aerolineas Argentinas, S.A. (l)
 Feb. 22, Alaska Airlines (l)
 Feb. 25, Allegheny Airlines (1) (ft); Delta Air Lines (l)
 Feb. 26, Eastern Air Lines (t)
 Feb. 28, Trans Canada Air Lines, Ltd. (e,l); Trans World Airlines (TWA) (l)
 Feb. 29, Trans World Airlines (TWA) (l)
 March 3, Capital Airlines (l)
 March 5, Don Everall (Aviation), Ltd. (ft)
 March 8, Eastern Air Lines (l); Skyways, Ltd. (l)
 March 9, American Airlines (l); Eastern Air Lines (l)
 March 10, American Airlines (g); Scottish Airlines, Ltd. (l)
 March 16, American Airlines (l)
 March 20, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A. (l); Trans World Airlines (TWA) (if)
 March 24, American Airlines (l)
 March 25, Wheeler Airlines, Ltd. (l)
 March 29, Ellis Air Lines (l)
 April 5, LANICA: Lineas Aereas de Nicaragua, S.A. (ft)
 April 9, Wien Air Alaska (l)
 April 20, Piedmont Airlines (1) (if,l)
 May 9, Trans World Airlines (TWA) (l)
 May 12, Delta Air Lines (l)
 May 19, Air Algerie, S.A. (m); LEBCA: Linea Expresa Bolivar, S.A. (l)
 May 20, El Al Israel Airlines, S.A. (i)
 May 21, Delta Air Lines (l)
 May 24, United Air Lines (2) (t)
 May 27, Air Liban: Lignes Aeriennes Libanaises, S.A.L. (ft)
 May 29, Air Safaris, Ltd. (l); Trans-Texas Airways (t)
 June 1, Capital Airlines (l)
 June 3, Kodiak Airways (l)
 June 8, Continental Airlines (g)
 June 14, Los Angeles Airways (ft)
 June 19, American Airlines (l)
 June 25, LADECO Chilean Airlines, S.A. (ft)
 July 3, United Air Lines (2) (t)
 July 13, Philippine Air Lines (l)
 July 14, Northwest Airlines (l)
 July 17, Los Angeles Airways (g)
 July 22, Trans Texas Airways (g)
 July 28, Allegheny Airlines (1) (l)
 July 31, Deutsche Flugdienst, GmbH. (l)
 Aug. 11, British European Airways Corporation (BEA) (m); Pan American World Airways (1) (m)
 Aug. 13, North Central Airlines (l)
 Aug. 15, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 Aug. 18, Alaska Airlines (l)
 Aug. 24, Qantas Empire Airways (Pty.), Ltd. (ft)
 Sept. 1, United Arab Airlines (l)
 Sept. 3, Trek Airways (Pty.), Ltd. (l)
 Sept. 4, Northeast Airlines (l)
 Sept. 6, Ozark Air Lines (l)
 Sept. 7, Pan American World Airways (1) (g)
 Sept. 10, Southern Airways (1) (g)
 Sept. 11, American Airlines (l)
 Sept. 13, Capital Airlines (l)
 Sept. 14, American Airlines (l)
 Sept. 22, Parensse Transportes Aereos, S.A. (l)
 Sept. 28, Mexicana Airlines, S.A. de C.V. (l)
 Oct. 1, Eastern Air Lines (m)
 Oct. 4, Capitol Airways (g,l)
 Oct. 7, American Airlines (l)
 Oct. 9, Falcon Airways, Ltd. (l)
 Oct. 25, American Airlines (l)
 Oct. 29, British European Airways Corporation (BEA) (g)
 Nov. 3, Eastern Air Lines (ft); Northwest Airlines (g)
 Nov. 8, LADECO Chilean Airlines, S.A. (l); Trans World Airlines (TWA) (l)
 Nov. 11, British Overseas Airways Corporation (BOAC) (l)
 Nov. 17, Eastern Air Lines (ft); United Air Lines (2) (if)
 Nov. 19, Philippine Air Lines (g)
 Nov. 28, Northern Consolidated Airlines (l)
 Dec. 3, Cordova Airlines, (l)
 Dec. 4, United Air Lines (2) (t)
 Dec. 5, Trans World Airlines (TWA) (l)
 Dec. 18, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandense, S.A. (l); Wien Air Alaska (ft)
 Dec. 19, Kodiak Airways (l)
 1961—Jan. 6, Los Angeles Airways (l)
 Jan. 9, Continental Airlines (e,l)
 Jan. 14, United Air Lines (2) (l)
 Jan. 24, Capital Airlines (l)
 Jan. 27, Capital Airlines (l)
 Feb. 1, Aeroflot Soviet Airlines (l)
 Feb. 6, Delta Air Lines (l)
 Feb. 14, Delta Air Lines (l)
 Feb. 15, Pan American World Airways (1) (t)
 Feb. 17, Piedmont Airlines (1) (l)
 Feb. 25, Braniff International Airways (l)
 March 6, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (l)
 March 9, Chicago Helicopter Airlines (l); United Air Lines (2) (if)
 March 13, United Air Lines (2) (e,ft)
 March 26, Cunard-Eagle Airways, Ltd. (l); Trans World Airlines (TWA) (l)
 March 30, Trans World Airlines (TWA) (l)
 March 31, Kodiak Airways (l)

- April 4, Eastern Provincial Airways, Ltd. (ft)
 April 6, Wien Air Alaska (l)
 April 9, Eastern Air Lines (t)
 April 11, National Airlines (1) (l)
 April 12, Delta Air Lines (l)
 April 16, Delta Air Lines (l)
 April 17, Chicago Helicopter Airlines (l); North Central Airlines (g)
 April 21, Chicago Helicopter Airlines (l)
 April 25, United Air Lines (2) (l)
 May 6, United Arab Airlines (l)
 May 9, Capital Airlines (t)
 May 17, Delta Air Lines (l)
 May 22, Aigle Azur Extreme Orient Airlines, S.A. (ft)
 May 24, Trans Mediterranean Airways, S.A.L. (ft)
 June 11, KLM: Royal Dutch Airlines, N.V. (e,l)
 June 12, All Nippon Airways Company, Ltd. (ANA) (l)
 June 16, Delta Air Lines (l)
 June 17, Frontier Airlines (1) (l)
 June 20, Overseas National Airways (g)
 June 21, Kodiak Airways (g); REAL, S.A. (l)
 June 22, Metropolitan Air Movements, Ltd. (l)
 June 25, United States Overseas Airlines (l)
 June 26, Ozark Air Lines (l); Pan American World Airways (1) (l)
 July 5, Frontier Airlines (1) (g)
 July 13, Riddle Airlines (l)
 July 19, Eastern Air Lines (l)
 July 21, Western Alaska Airlines (g)
 July 22, Canadian Pacific Air Lines, Ltd. (CPAL) (l)
 July 24, United Air Lines (2) (g)
 July 29, American Airlines (l)
 July 31, Pacific Air Lines (g,c)
 Aug. 2, Lloyd Airlines (if,i)
 Aug. 3, Eastern Air Lines (l)
 Aug. 4, Iranair: Iranian Airways (l); Northwest Airlines (t)
 Aug. 9, Nordair, Ltd. (l)
 Aug. 14, Cordova Airlines (l); Overseas Aviation (Channel Islands), Ltd. (l); Trans Australian Airlines (Pty.), Ltd. (l)
 Sept. 4, Eastern Air Lines (l); Northeast Airlines (l)
 Sept. 16, Pan American World Airways (1) (l)
 Sept. 17, Aeroflot Soviet Airlines (l); Starways, Ltd. (i,g)
 Sept. 19, Starways, Ltd. (l)
 Sept. 23, Delta Air Lines (l)
 Sept. 24, American Airlines (l)
 Sept. 26, Overseas National Airways (l)
 Sept. 27, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandense, S.A. (l)
 Oct. 1, AVIANCA Colombian Airlines, S.A. (l)
 Oct. 10, Braniff International Airways (l)
 Oct. 11, Western Airlines (1) (e,g)
 Oct. 14, Panair do Brazil, S.A. (l)
 Oct. 15, Braniff International Airways (l)
 Oct. 16, Mohawk Airlines (1) (l)
 Oct. 24, Ellis Air Lines (l)
 Oct. 30, British United Airways, Ltd. (l)
 Nov. 1, Southern Airways (1) (g)
 Nov. 2, Aeroflot Soviet Airlines (l)
 Nov. 5, Trans World Airlines (TWA) (e,l)
 Nov. 11, Alaska Coastal Airlines (1) (l)
 Nov. 14, Wien Air Alaska (e,l); Zantop International Airlines (l)
 Nov. 15, Indian Airlines Corporation (l); National Airlines (1) (g); Northeast Airlines (1) (g); Pacific Air Lines (l)
 Nov. 19, Braniff International Airways (g)
 Nov. 21, Air France (i)
 Nov. 23, Lake Central Airlines (l)
 Dec. 1, The Flying Tiger Line (g)
 Dec. 2, Delta Air Lines (l)
 Dec. 12, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandense, S.A. (l)
 Dec. 16, Delta Air Lines (l)
 Dec. 24, Kodiak Airways (ft)
 1962—Jan. 1, Piedmont Airlines (1) (l)
 Jan. 8, Sabena Belgian World Airlines, S.A. (i)
 Jan. 13, United Air Lines (2) (t)
 Jan. 14, Eastern Air Lines (l)
 Jan. 16, Riddle Airlines (l)
 Jan. 20, American Airlines (g); United Air Lines (2) (g)
 Jan. 26, American Airlines (g); Northwest Airlines (l)
 Feb. 1, United Air Lines (2) (e)
 Feb. 3, United Air Lines (2) (l)
 Feb. 25, Ozark Air Lines (l)
 Feb. 27, The Flying Tiger Line (e,g); PT Garuda Indonesian Airways (g)
 March 3, Panair do Brazil, S.A. (l)
 March 6, South African Airways (Pty.), Ltd. (l)
 March 7, American Airlines (l); The Flying Tiger Line (l)
 March 15, The Flying Tiger Line (l)
 March 16, United Arab Airlines (l)
 April 6, Kuwait Airways Corporation (l)
 April 7, Pan American World Airways (1) (l)
 April 10, Japan Air Lines Company, Ltd. (2) (l)
 April 11, East African Airways Corporation (l)
 April 14, Slick Airways (l)
 April 17, Pacific Air Lines (g)
 April 19, AVIANCA Colombian Airlines, S.A. (l)
 April 26, Air Algerie, S.A. (b); Trans Australian Airlines (Pty.), Ltd. (TAA) (l)
 April 27, Northeast Airlines (1) (l); Pan American World Airways (1) (l)
 May 7, Indian Airlines Corporation (l)
 May 9, Slick Airways (e,l)
 May 24, Riddle Airlines (l)
 May 28, Eastern Air Lines (l)
 June 5, Riddle Airlines (l)
 June 7, SAHSA: Servicios Aereos de Honduras, S.A.
 June 8, Eastern Air Lines (g)
 June 14, Pan American World Airways (1) (t)
 June 15, Pan American World Airways (1) (m)
 June 27, Parensse Transportes Aereos, S.A. (ft)
 June 30, Northern Consolidated Airlines (ft)
 July 2, Capitol Airways (l)
 July 5, Alaska Airlines (g); Zantop International Airlines (ft)
 July 7, Wien Air Alaska (l)
 July 8, Continental Airlines (ft)
 July 16, New York Airways (2) (e,l)
 July 17, Avalon Air Transport (e)
 July 23, Capitol Airways (l)
 July 26, Pan American World Airways (1) (m)
 July 31, Air France (c)
 Aug. 6, Piedmont Airlines (1) (l)
 Aug. 10, Trans International Airlines (1) (l)
 Aug. 17, PT Garuda Indonesian Airways (l); Riddle Airlines (l)
 Aug. 22, Piedmont Airlines (1) (l)
 Aug. 27, New York Airways (2) (l)
 Aug. 30, Aerolineas Argentinas, S.A. (if); Eastern Air Lines (l)
 Sept. 4, Aerolineas Argentinas, S.A. (if)
 Sept. 11, United Air Lines (2) (l)
 Sept. 19, Eastern Air Lines (l)
 Sept. 21, Eastern Air Lines (l)
 Oct. 1, Wien Air Alaska (l)
 Oct. 3, Piedmont Airlines (1) (g)
 Oct. 14, United Air Lines (2) (if)
 Oct. 19, Allegheny Airlines (1) (if)
 Oct. 22, Northwest Airlines (l)
 Oct. 23, Philippine Air Lines (l)
 Oct. 24, North Central Airlines (if,l)
 Oct. 29, Pan American-Grace Airways (PANAGRA) (l)
 Nov. 2, LEBCA: Linea Expresa Bolivar, S.A. (l)
 Nov. 30, Eastern Air Lines (l)

- Dec. 4, Kodiak Airways (ft); Riddle Airlines (l)
 Dec. 10, United Air Lines (2) (l)
 Dec. 21, Frontier Airlines (1) (l)
 Dec. 22, Ozark Air Lines (l); VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 1963—Jan. 11, Maritime Central Airways, Ltd. (g)
 Jan. 13, Delta Air Lines (g)
 Jan. 14, Delta Air Lines (l)
 Jan. 17, Northern Consolidated Airlines (l)
 Jan. 21, Kodiak Airways (l)
 Jan. 22, Cruzeiro Brazilian Airlines, S.A. (l)
 Jan. 24, Hawaiian Airlines (g)
 Feb. 7, Western Airlines (1) (m)
 Feb. 16, Zantop International Airlines (l)
 March 9, Ariana Afghan Airlines Company, Ltd. (l)
 March 12, Eastern Air Lines (l)
 March 16, American Airlines (l); CSA Czechoslovak Airlines (g)
 March 18, Ozark Air Lines (l)
 April 2, Wien Air Alaska (e,l)
 April 4, Bristow Helicopters, Ltd. (l)
 April 5, Derby Airways, Ltd. (l)
 April 9, American Airlines (m)
 April 13, Sterling Airways, A.S. (l)
 April 18, Trans World Airlines (TWA) (t)
 May 6, Trans Canada Air Lines, Ltd. (t)
 May 15, National Airlines (1) (l)
 May 17, Wien Air Alaska (ft)
 May 23, Aer Lingus Irish Airlines, Ltd. (e)
 May 28, Standard Airways (1) (e,l)
 May 30, American Airlines (g)
 May 31, United States Overseas Airlines (l)
 June 8, American Airlines (t)
 June 9, Capitol Airways (l)
 June 17, Southern Airways (1) (l)
 June 23, Eastern Air Lines (t)
 June 28, American Airlines (t)
 July 2, American Airlines (t)
 July 7, Pacific Air Lines (g)
 July 8, Pan American World Airways (1) (t)
 July 20, Mayflower Air Service, Ltd. (l)
 July 23, Cordova Airlines (l)
 July 28, United Air Lines (2) (t)
 Aug. 13, Delta Air Lines (l); Pan American World Airways (1) (t)
 Aug. 15, Braniff International Airways (l)
 Aug. 20, Eastern Air Lines (b)
 Aug. 21, Aeroflot Soviet Airlines (e,l); Eastern Air Lines (l)
 Aug. 23, Northern Consolidated Airlines (l)
 Aug. 24, West Coast Airlines (l)
 Aug. 29, East African Airways Corporation (g)
 Sept. 4, Eastern Air Lines (b)
 Sept. 5, Cordova Airlines (l)
 Sept. 12, United Arab Airlines (l); Western Alaska Airlines (ft)
 Sept. 21, Trans World Airlines (TWA) (t)
 Sept. 23, American Airlines (m); American Flyers Airline Corporation (l)
 Sept. 25, Riddle Airlines (ft)
 Sept. 28, Eastern Air Lines (l); Trans World Airlines (TWA) (g)
 Oct. 14, Trans World Airlines (TWA) (g)
 Oct. 19, Western Airlines (1) (l)
 Oct. 29, Pan American World Airways (1) (l)
 Nov. 1, Delta Air Lines (l); Eastern Air Lines (t,l); Lake Central Airlines (g)
 Nov. 6, Eastern Air Lines (e,l)
 Nov. 9, Eastern Air Lines (if,l)
 Nov. 12, Kodiak Airways (ft)
 Nov. 21, Capitol Airways (g)
 Dec. 2, San Francisco-Oakland Helicopter Airlines (SFO-1) (l)
 Dec. 3, Eastern Air Lines (t)
 Dec. 11, West Coast Airlines (l)
 Dec. 13, Eastern Air Lines (e,g)
 Dec. 16, LOT Polish Airlines, S.A. (l)
 Dec. 17, Western Airlines (1) (ft)
 1964—Jan. 1, Trans World Airlines (TWA) (l)
 Jan. 8, Central Airlines (3)
 Jan. 9, Austin Airways, Ltd. (l)
 Jan. 11, Ozark Air Lines (l)
 Jan. 13, United Air Lines (2) (t)
 Jan. 20, Alaska Coastal-Ellis Air Lines (l)
 Jan. 21, Allegheny Airlines (1) (l)
 Feb. 4, British Overseas Airways Corporation (BOAC) (l)
 Feb. 12, Bonanza Air Lines (l); Southern Airways (1) (t)
 Feb. 21, Zantop International Airlines (l)
 Feb. 23, United Arab Airlines (l)
 Feb. 24, Northwest Airlines (g)
 March 1, Mohawk Airlines (1) (l)
 March 4, Southern Airways (1)
 March 5, Wideroe's Flyveselskap, A.S. (ft)
 March 9, Trans World Airlines (TWA) (l)
 March 10, World Wide Airways, Ltd. (l)
 March 15, Pan American World Airways (1) (ft)
 March 20, Northwest Airlines (t)
 March 22, Malaysia Airways, Ltd. (l)
 March 26, Delta Air Lines (t)
 April 4, Parese Transportes Aereos, S.A. (ft)
 April 7, Indian Airlines Corporaiton (l); Pan American World Airways (1) (l)
 April 10, Northeast Airlines (1) (ft)
 April 11, Pan American World Airways (1) (l)
 April 24, Northwest Airlines (l)
 May 8, Allegheny Airlines (1) (l); Los Angeles Airways (l)
 May 9, United Air Lines (2) (l)
 May 20, Fleming Airways Systems Transport (g)
 May 28, Allegheny Airlines (1) (l)
 May 29, Trans World Airlines (TWA) (l)
 June 5, Northeast Airlines (1) (l)
 June 9, Aeroflot Soviet Airlines (l)
 June 13, Air Canada, Ltd. (l)
 June 23, Western Alaska Airlines (l)
 June 25, Pakistan International Airlines Corporation (l)
 June 30, American Airlines (l); National Airlines (1) (g)
 July 1, Trans World Airlines (TWA) (t)
 July 8, United Air Lines (2)
 July 12, Wien Air Alaska (ft)
 July 15, Eastern Air Lines (g)
 July 16, Eastern Air Lines (l)
 July 17, Cordova Airlines (l)
 July 20, Central Airlines (3) (l); Eastern Air Lines (l)
 July 24, Eastern Air Lines (t)
 Aug. 3, Aeroflot Soviet Airlines (l)
 Aug. 26, Trans World Airlines (TWA) (l); Zantop International Airlines (l)
 Aug. 27, Airlift International (g)
 Sept. 6, New York Airways (2) (l)
 Sept. 7, Northwest Airlines (t)
 Sept. 13, Balair Air Charter, A.G. (l)
 Sept. 14, Frontier Airlines (1) (l)
 Sept. 22, Western Airlines (1) (l)
 Sept. 23, Eastern Air Lines (g)
 Sept. 26, Air France (l)
 Sept. 28, Caledonian Airways, Ltd. (1) (l)
 Oct. 2, Alaska Coastal-Ellis Air Lines (l); Syrianair; Syrian Arab Airways (l)
 Oct. 10, Capitol Airways (e)
 Oct. 25, Frontier Airlines (1) (l)
 Oct. 30, Zantop International Airlines (l)
 Oct. 31, Chicago Helicopter Airways (l)
 Nov. 5, United Air Lines (2) (l)
 Nov. 9, Trans-World Airlines (TWA) (m)

- Nov. 11, British Overseas Airways Corporation (BOAC) (l)
 Nov. 12, American Airlines (l); Pan American World Airways (1) (if); The Flying Tiger Line (l)
 Nov. 19, Slick Airways (l); Zantop International Airlines (if,l)
 Nov. 21, Eastern Provincial Airways, Ltd. (l)
 Nov. 23, Trans World Airlines (TWA) (t)
 Nov. 24, Delta Air Lines (l)
 Nov. 26, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 Nov. 28, Wien Air Alaska (l)
 Dec. 22, Cordova Airlines (l)
 Dec. 30, United Air Lines (2) (g)
 1965—Jan. 5, Zantop International Airlines (l)
 Jan. 8, Eastern Air Lines (g)
 Jan. 15, Aeroflot Soviet Airlines (e)
 Jan. 18, Mohawk Airlines (1) (m)
 Jan. 21, Fairways (l); Piedmont Airlines (1) (l)
 Jan. 23, Northwest Airlines (t)
 Jan. 24, United Air Lines (2) (t)
 Jan. 31, Pan American World Airways (1) (t)
 Feb. 8, SAS: Scandinavian Airlines System (ft); Zantop International Airlines (l)
 Feb. 15, Iran Air: Iranian National Airlines Corporation (l)
 Feb. 17, Trans World Airlines (TWA) (g)
 Feb. 22, Mohawk Airlines (1) (m)
 Feb. 27, Japan Air Lines Company, Ltd. (2) (l)
 March 3, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 March 4, United Air Lines (2) (l)
 March 5, Eastern Air Lines (l)
 March 14, United Air Lines (2) (e,l)
 March 17, Ansett Airlines of Australia (Pty.), Ltd. (l); Trans World Airlines (TWA) (l)
 March 19, Braniff International Airways (l); Iraqi Airways (l)
 March 22, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 March 24, Parenses Transportes Aereos, S.A. (l)
 March 25, Mohawk Airlines (1) (g)
 March 26, Pan American World Airways (1) (l)
 March 27, Tasman Empire Airways, Ltd. (TEAL) (l)
 March 28, Bonanza Air Lines (t)
 April 1, Ansett Airlines of New South Wales (Pty.), Ltd. (l); Bonanza Air Lines (t)
 April 3, Eastern Provincial Airways, Ltd. (l)
 April 15, San Francisco-Oakland Helicopter Airlines (SFO-1) (e,l)
 April 16, Bonanza Air Lines (l); San Francisco-Oakland Helicopter Airlines (SFO-1) (e,l)
 April 19, Cordova Airlines (l); Eastern Air Lines (t)
 April 23, Pan American World Airways (1) (l)
 April 26, Aircruise, Ltd. (l)
 April 27, Caribbean-Atlantic Airlines (Caribair) (l)
 May 5, San Francisco-Oakland Helicopter Airlines (SFO-1) (g); Trans World Airlines (TWA) (t)
 May 9, American Airlines (t,l)
 May 12, American Airlines (ft)
 May 29, Toa Airways Company, Ltd. (g)
 June 6, Fairways (ft); United Arab Airlines (l)
 June 9, National Airlines (1) (e,l)
 June 11, Air Algerie, S.A. (l)
 June 20, British Overseas Airways Corporation (BOAC) (l)
 June 28, Pan American World Airways (1) (e,l)
 July 1, Continental Airlines (l)
 July 4, British European Airways Corporation (BEA) (l)
 July 6, Trans World Airlines (TWA) (t)
 July 7, American Airlines (t)
 July 9, Aeronaves de Mexico, S.A. de C.V. (l)
 July 11, Skyways Coach-Air, Ltd. (l)
 July 17, Zantop International Airlines (e,l)
 July 23, Allegheny Airlines (1) (e,l)
 Aug. 2, Invicta International Airlines, Ltd. (ft)
 Aug. 6, Trans World Airlines (TWA) (m)
 Aug. 12, Western Airlines (1) (t)
 Aug. 15, United Air Lines (2) (l)
 Aug. 17, Continental Airlines (m)
 Aug. 20, Cruzeiro Brazilian Airlines, S.A. (l)
 Aug. 27, Trans Canada Air Lines, Ltd. (l)
 Aug. 28, Cruzeiro Brazilian Airlines, S.A. (l)
 Aug. 31, Zantop International Airlines (l)
 Sept. 1, Mohawk Airlines (1) (l)
 Sept. 4, Cordova Airlines (l)
 Sept. 11, Braniff International Airways (g)
 Sept. 13, Airlift International (l); Zantop International Airlines (e,ft)
 Sept. 14, Cordova Airlines (l); Ethiopian Airlines, S.C. (l); North Central Airlines (l)
 Sept. 15, Air India, Ltd. (l)
 Sept. 19, American Flyers Airline Corporation (l); Pacific Air Lines (g)
 Oct. 10, Wien Air Alaska (l)
 Oct. 14, Zantop International Airlines (e,l)
 Oct. 15, United Air Lines (2) (g)
 Oct. 16, Eastern Air Lines (l)
 Oct. 17, Continental Airlines (t); United Air Lines (2) (ft)
 Oct. 19, Philippine Air Lines (ft)
 Oct. 23, Parenses Transportes Aereos, S.A. (l)
 Nov. 8, Trans Texas Airways (l)
 Nov. 15, Wien Air Alaska (l)
 Nov. 24, Pacific Air Lines (t)
 Dec. 4, Eastern Air Lines (l); Trans World Airlines (TWA) (l)
 Dec. 7, National Airlines (1) (e,l)
 Dec. 8, Bonanza Air Lines (l)
 Dec. 11, Fiji Airways, Ltd. (2) (l)
 Dec. 17, Skyways Coach-Air, Ltd. (l)
 Dec. 20, Northern Consolidated Airlines (ft)
 1966—Feb. 2, Misrair, S.A.E. (2) (l)
 Feb. 15, Indian Airlines Corporation (l)
 Feb. 16, American Airlines (m)
 March 6, Transair Sweden, A.B. (l)
 March 8, Ace Freighters: Aviation Charter Enterprises, Ltd. (l)
 March 15, AREA: Aerovias Ecuatorianas, S.A. (g)
 March 21, The Flying Tiger Line (l)
 April 14, Dan Air/Dan Air Services, Ltd. (l)
 May 5, British Overseas Airways Corporation (BOAC) (t)
 May 18, United Air Lines (2) (l)
 June 6, Pacific Northern Airlines (1) (l)
 June 25, Union of Burma Airways, Ltd. (l)
 June 30, Kuwait Airways Corporation (l)
 July 7, Piedmont Airlines (1) (l)
 July 27, Frontier Airlines (1) (ft)
 July 28, Zantop International Airlines (e,l)
 Aug. 1, Aigle Azur Extreme Orient Airlines, S.A. (l)
 Aug. 12, Lake Central Airlines (e,l)
 Aug. 17, Gulf Aviation, Ltd. (ft)
 Aug. 27, Aeroflot Soviet Airlines (ft)
 Sept. 12, Airlift International (l)
 Sept. 13, Seychelles-Kilimanjaro Air Transport, Ltd. (g)
 Sept. 16, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (l); Spantax, S.A. (l)
 Sept. 30, United Arab Airlines (l)
 Oct. 31, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 Nov. 9, Fiji Airways, Ltd. (2) (l)
 Nov. 13, American Airlines (b)
 Nov. 22, Aeroflot Soviet Airlines (ft); Aden Airways, Ltd. (b)
 Nov. 29, Allegheny Airlines (1) (ft)
 Dec. 13, Pan American World Airways (1) (l)
 Dec. 14, Aeronaves de Mexico, S.A. de C.V. (l)
 Dec. 30, Airlift International (l)
 1967—Jan. 4, United Arab Airlines (l)
 Jan. 14, Aeroflot Soviet Airlines (ft)
 Jan. 16, Interflug DDR Airlines, mbH. (g)
 Jan. 19, United Air Lines (2) (g)

- Jan. 23, Caribbean-Atlantic Airlines (Caribair) (l)
 Jan. 24, Saturn Airways (l)
 Jan. 30, Mexicana Airlines, S.A. de C.V. (l)
 Feb. 6, Syrianair: Syrian Arab Airways (l)
 Feb. 16, PT Garuda Indonesian Airways (t)
 Feb. 20, SAHSA: Servicios Aereos de Honduras, S.A. (l)
 Feb. 24, Northeast Airlines (1) (if,l)
 March 1, AREA: Aerovias Ecuatorianas, S.A. (g)
 March 3, Aeroflot Soviet Airlines (ft)
 March 4, Aerocondor: Aerovias Condor de Colombia, Ltda. (ft)
 March 17, Iran Air: Iranian National Airlines Corporation (l)
 March 28, United Air Lines (2) (t)
 March 29, Pan American World Airways (1) (if)
 April 17, Alaska Airlines (l)
 April 20, British Eagle International Airways, Ltd. (l)
 May 3, Channel Airways, Ltd. (if)
 May 17, Malaysian Airways, Ltd. (ft)
 May 26, LAP Paraguayan Airlines, S.A. (l)
 May 29, Aerocondor: Aerovias Condor de Colombia, Ltda. (b)
 June 3, Rutas Aereas Uncia, S.A. (l)
 June 5, Alia Royal Jordanian Airlines (i,g)
 June 22, United Arab Airlines (l)
 June 24, Delta Air Lines (l)
 July 5, Trans World Airlines (TWA) (l)
 July 7, Pan American World Airways (1) (l)
 July 9, Air Guinee: Compagnie Nationale Air Guinee, S.A. (l)
 Aug. 9, British Overseas Airways Corporation (BOAC) (l)
 Aug. 15, Channel Airways, Ltd. (l)
 Aug. 19, Trans World Airlines (TWA) (l)
 Aug. 27, Provincetown-Boston Airline (PBA) (l)
 Sept. 14, Autair International Airways, Ltd. (l)
 Sept. 21, Aer Lingus Irish Airlines, Ltd. (e)
 Oct. 9, LACSA: Lineas Aereas Costarricenses, S.A. (l)
 Oct. 24, British European Airways Corporation (BEA) (e)
 Nov. 5, Cathay Pacific Airways (Pty.), Ltd. (ft)
 Nov. 6, Trans World Airlines (TWA) (ft)
 Nov. 18, Trans World Airlines (TWA) (g)
 Nov. 28, United Air Lines (2) (l)
 Dec. 4, British European Airways Corporation (BEA) (ft)
 Dec. 11, United Air Lines (2) (l)
 Dec. 23, Sterling Airways, A.S. (l)
- 1968—Jan. 1, Southern Airways (1) (l)
 Jan. 9, Ethiopian Airlines, S.C. (l); Middle East Airlines, S.A.L. (2) (t,l)
 Jan. 20, THY Turkish Airlines, A.O. (l)
 Feb. 15, Delta Air Lines (g)
 March 20, Delta Air Lines (l)
 March 21, United Air Lines (2) (ft)
 March 27, Ozark Air Lines (l)
 April 11, Zambian Air Cargo, Ltd. (g)
 April 19, LAB: Lloyd Aero Boliviano, S.A. (ft)
 April 28, Capitol International Airways (l)
 May 4, Channel Airways, Ltd. (l)
 May 7, Trans World Airlines (TWA) (m)
 May 9, Air Manila (l)
 May 16, AREA: Aerovias Ecuatorianas, S.A. (l)
 June 12, Great Northern Airways, Ltd. (l)
 June 24, North Central Airlines (if,l)
 June 28, Purdue Aeronautics Corporation (if)
 June 29, VIASA: Venezolana Internacional de Aviacion, S.A. (g)
 July 2, Universal Airline Company (l)
 July 3, BKS Air Transport, Ltd. (l, g); British European Airways Corporation (BEA) (g)
 Aug. 4, North Central Airlines (if,l)
 Aug. 21, Transair Sweden, A.B. (i,if)
 Sept. 7, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (g)
 Sept. 25, Pakistan International Airlines Corporation (g)
 Sept. 28, Eastern Provincial Airways, Ltd. (l)
- Sept. 30, Dan Air/Dan Air Services, Ltd. (l)
 Nov. 19, Continental Airlines (b)
 Nov. 22, Japan Air Lines Company, Ltd. (2) (l)
 Dec. 19, Olympic Airways, S.A. (b)
 Dec. 26, El Al Israel Airlines, Ltd. (i,g)
 Dec. 27, Ozark Air Lines (ft)
 Dec. 28, Ghana Airways Cororation (i,g); Middle East Airlines, S.A.L. (2) (i,g); Trans Mediterranean Airways, S.A.L. (i,g)
 Dec. 30, Middle East Airlines, S.A.L. (2)
- 1969—Jan. 3, Antilles Air Boats
 Jan. 14, British European Airways Corporation (BEA) (e)
 Jan. 15, Ariana Afghan Airlines Company, Ltd. (g)
 Jan. 24, LOT Polish Airlines, S.A. (l)
 Feb. 2, THY Turkish Airlines, A.O. (l)
 Feb. 4, JAT Yugoslav Airlines (l)
 Feb. 13, Aeropesca, S.A. (ft)
 Feb. 18, El Al Israel Airlines, Ltd. (g); Indian Airlines Corporation (ft)
 March 11, Ethiopian Airlines, S.C. (b)
 March 24, Aeroflot Soviet Airlines (ft); Far Eastern Air Transport Corp. (l)
 April 2, Air Vietnam, S.A. (g,i)
 April 7, Air Canada, Ltd. (l)
 April 10, Ethiopian Airlines, S.C. (i)
 April 14, Air Manila (l)
 April 23, Filipinas Orient Airways (l)
 April 24, Ghana Airways Corporation (e,l)
 April 27, LanChile Airlines, S.A. (l)
 April 28, Aeroflot Soviet Airlines (ft)
 May 1, Air Vietnam, S.A. (i,g)
 May 24, Pan African Airlines, Ltd. (i,g)
 May 28, Air France (ft)
 June 10, Delta Air Lines
 June 18, Ethiopian Airlines, S.C. (b)
 June 24, Japan Air Lines Company, Ltd. (2) (l)
 June 25, Aeroflot Soviet Airlines (l)
 June 27, Aloha Airlines (g)
 June 29, Canadian Pacific Air Lines, Ltd. (CPAL) (if,e)
 July 9, Thai Airways International, Ltd. (l)
 July 15, Aerolineas Argentinas, S.A. (l)
 July 16, Pacific Western Airlines, Ltd. (l)
 July 23, Air Djibouti, S.A.: Red Sea Airlines (l)
 July 26, BKS Air Transport, Ltd. (l)
 July 29, British European Airways Corporation (BEA) (g)
 Aug. 2, Alitalia, SpA. (l)
 Aug. 3, Aeroflot Soviet Airlines (ft); Nordair, Ltd. (l)
 Aug. 12, Aeroflot Soviet Airlines (ft); Caribbean-Atlantic Airlines (Caribair) (l); Western Air Lines
 Aug. 20, Mexicana Airlines, S.A. de C.V. (l)
 Sept. 6, Philippine Air Lines (b,l)
 Sept. 8, El Al Israel Airlines, Ltd. (l)
 Sept. 10, Aeroflot Soviet Airlines (l)
 Oct. 17, Seaboard World Airlines (l)
 Oct. 20, All Nippon Airways Company, Ltd. (ANA) (l)
 Oct. 26, Arkia Israel Airlines, Ltd. (l)
 Nov. 10, Pan African Airlines, Ltd. (i,g)
 Nov. 17, Austral Airlines: Austral Lineas Aereas, S.A. (ft)
 Nov. 19, MALEV Hungarian Airlines, Rt. (l)
 Nov. 22, Qantas Airways (Pty.), Ltd. (b)
 Nov. 25, SAHSA: Servicios Aereos de Honduras, S.A. (l)
 Nov. 27, Aerolineas Argentinas, S.A. (l)
 Dec. 5, LanChile Airlines, S.A. (l)
 Dec. 14, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 Dec. 17, Nordair, Ltd. (i,g)
 Dec. 20, Great Northern Airways, Ltd. (l)
 Dec. 22, Air Vietnam, S.A. (b,l); Swissair, A.G. (l)
 Dec. 27, Maersk Air, A.S. (ft)
 Dec. 28, American Airlines (e)
- 1970—Jan. 5, Iberia Spanish Airlines (2): Lineas Aereas de Espana,

S.A. (l); Spantax, S.A. (ft)
 Jan. 11, Texas International Airlines (g)
 Jan. 13, Great Northern Airways, Ltd. (g)
 Jan. 14, United Arab Airlines (l)
 Jan. 15, Air Alpes, S.A. (l)
 Jan. 19, Cambrian Airways, Ltd. (l)
 Jan. 22, British Midland Airways, Ltd. (e,l)
 Jan. 25, Royal Nepal Airlines Corporation (l)
 Jan. 30, United Arab Airlines (l)
 Feb. 1, Air Vietnam, S.A. (b)
 Feb. 5, Pan American World Airways (1) (t); VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 Feb. 9, Pan American World Airways (1) (e,l); United Arab Airlines (ft)
 Feb. 10, El Al Israel Airlines, Ltd. (l)
 Feb. 12, TAM: Transportes Aereos Militar (l)
 Feb. 14, Great Northern Airways, Ltd. (l)
 Feb. 17, THY Turkish Airlines, A.O. (l)
 Feb. 21, Austrian Airlines, A.G. (l); Swissair, A.G. (b)
 Feb. 26, Aeroflot Soviet Airlines (l)
 March 12, Ethiopian Airlines, S.C. (l); United Air Lines (2) (if,c)
 March 14, United Arab Airlines (b)
 March 27, DETA Mozambique Airlines, S.A.
 March 30, Delta Air Lines (l)
 April 1, Southern Airways (1) (g)
 April 13, Air Taxi Company (ft)
 April 18, Air France (e,l)
 April 19, SAS: Scandinavian Airlines System (ft)
 April 29, Eastern Air Lines (c)
 May 3, Wardair Canada, Ltd. (g)
 May 4, Pan American World Airways (1) (e,l)
 May 6, Somali Airlines, Ltd. (l)
 May 8, Sabena Belgian World Airlines, S.A. (l)
 May 9, Philippine Air Lines (ft)
 May 11, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (b)
 May 22, Eastern Provincial Airways, Ltd. (l)
 June 2, Philippine Air Lines (b,l)
 June 3, SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A. (l)
 June 5, Aeroflot Soviet Airlines (ft)
 June 7, Indian Airlines Corporation (l)
 June 19, Austin Airways, Ltd. (l)
 June 26, Alitalia, SpA. (if,i); Trans World Airlines (TWA)
 July 1, Philippine Air Lines (l)
 July 2, Air France (e)
 July 19, United Air Lines (2) (e,l)
 July 20, Condor Flugdienst, GmbH. (l)
 Aug. 12, Western Airlines (1) (b)
 Aug. 14, Continental Airlines (l)
 Aug. 18, CSA Czechoslovak Airlines (l)
 Aug. 23, Aeroflot Soviet Airlines (l)
 Aug. 24, Universal Airline Company (ft)
 Aug. 25, British Overseas Airways Corporation (BOAC) (m)
 Sept. 3, Aeroflot Soviet Airlines (l)
 Sept. 5, Philippine Air Lines (b,l)
 Sept. 8, Delta Air Lines (l); El Al Israel Airlines, Ltd. (c)
 Sept. 15, Alitalia, SpA. (l)
 Sept. 17, Pan American World Airways (1) (b)
 Sept. 18, American Airlines (l)
 Oct. 7, Dan Air/Dan Air Services, Ltd. (l)
 Oct. 16, Aeroflot Soviet Airlines (l)
 Oct. 25, El Al Israel Airlines, Ltd. (l)
 Oct. 27, Pan American World Airways (1) (e,l)
 Oct. 28, Caribbean Island Airways (l); Trans World Airlines (TWA) (if,l)
 Nov. 1, Air Vietnam, S.A. (l)
 Nov. 3, United Air Lines (2) (ft)
 Nov. 4, Pan American World Airways (1) (t)

Nov. 5, Olympic Airways, S.A. (l)
 Nov. 9, Mississippi Valley Airlines (l)
 Nov. 30, Air Manila (g); Trans World Airlines (TWA) (g)
 Dec. 19, Aerolineas Argentinas, S.A. (l)
 Dec. 20, Sobelair, N.V. (l)
 1971—Jan. 4, Air Inter, S.A. (g)
 Jan. 12, Rio Airways (l)
 Jan. 21, AVIANCA Colombian Airlines, S.A. (l)
 Jan. 22, Ghana Airways Corporation (e,l)
 Jan. 23, Air India, Ltd. (ft)
 Feb. 7, British European Airways Corporation (BEA) (b)
 Feb. 10, Reeve Aleutian Airways (l)
 Feb. 28, Air Afrique, S.A. (2) (l)
 March 25, Ansett Airlines of Australia (Pty.), Ltd. (g)
 March 31, Aeroflot Soviet Airlines (l)
 April 1, PT Merpati Nusantara Airlines (l)
 April 4, Nigeria Airways, Ltd. (ft); United Air Lines (2) (if)
 April 10, Aeroflot Soviet Airlines (l)
 April 11, Air France (c)
 April 20, British Air Ferries, Ltd. (BAF) (l)
 May 4, TAM: Transportes Aereos Militar (ft)
 May 13, Northwest Airlines (g)
 May 25, Aeroflot Soviet Airlines (l)
 May 26, Qantas Airways (Pty.), Ltd. (b)
 May 31, Air France (c)
 June 5, Nordair, Ltd. (l)
 June 13, Air Taxi Company (g)
 June 20, Northwest Airlines (g)
 June 22, Northeast Airlines (l)
 July 15, British Overseas Airways Corporation (BOAC) (b)
 July 16, Aer Lingus Irish Airlines, Ltd. (b,e)
 July 28, Aeroflot Soviet Airlines (l)
 July 29, Aeroflot Soviet Airlines (l)
 July 30, Pan American World Airways (1) (ft)
 Aug. 3, British Overseas Airways Corporation (BOAC) (l)
 Aug. 4, Continental Airlines (g)
 Aug. 9, Indian Airlines Corporation (l)
 Aug. 18, Aloha Airlines (g)
 Aug. 20, Allegheny Airlines (1) (l)
 Aug. 24, Alia Royal Jordanian Airlines (b)
 Oct. 12, Aeroflot Soviet Airlines (l)
 Nov. 15, Aeroflot Soviet Airlines (l)
 Dec. 4, Eastern Air Lines (m,l)
 Dec. 5, Pakistan International Airlines Corporation (i,g)
 Dec. 17, Eastern Air Lines (l)
 Dec. 21, Eastern Air Lines (l)
 Dec. 28, Air Inter, S.A. (l)
 1972—Jan. 1, United Air Lines (2) (if,c)
 Jan. 4, National Airlines (l)
 Jan. 7, Saudia: Saudi Arabian Airlines (e,l)
 Jan. 9, Air Manila (l)
 Jan. 21, THY Turkish Airlines, A.O. (l)
 Jan. 24, TAP-Air Portugal, S.A. (b)
 Jan. 25, Bakhtar Afgan Airlines Company, Ltd. (l)
 Jan. 26, JAT Yugoslav Airlines (l)
 Jan. 31, Trans World Airlines (TWA) (l)
 Feb. 4, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (ft)
 Feb. 16, Aeroflot Soviet Airlines (l)
 Feb. 22, Aeroflot Soviet Airlines (l)
 Feb. 27, Aeroflot Soviet Airlines (l)
 March 7, Trans World Airlines (TWA) (b)
 March 8, Trans World Airlines (TWA) (b)
 March 19, Aeroflot Soviet Airlines (l); Universal Airline Company (l)
 April 11, Trans Australian Airlines (Pty.), Ltd. (l)
 April 26, Northwest Airlines (m)
 May 2, Continental Airlines (g); Northwest Airlines (c)
 May 3, Northwest Airlines (l)
 May 7, La Urraca: Lineas Aereas La Urraca, S.A. (l)

- May 10, Sundan Airways Company, Ltd. (l)
 May 18, Eastern Air Lines (l)
 May 25, LanChile Airlines, S.A. (b,l); Pan American World Airways (l)
 May 28, TABSA: Transportes Aereos Benianos, S.A. (l)
 June 3, Trans-World Airlines (TWA) (b)
 June 10, American Airlines (g)
 June 12, American Airlines (if)
 June 13, Eastern Air Lines (c)
 July 16, EgyptAir, S.A.E. (l); Northeast Airlines (l) (g)
 July 17, Ansett Airlines of Papua New Guinea (Pty.), Ltd. (g)
 July 19, TAO: Taxi Aereo Opita, S.A. (c)
 July 28, Continental Airlines (e)
 Aug. 4, Mercer Airlines (l)
 Aug. 12, JAT Yugoslav Airlines (ft)
 Aug. 16, El Al Israel Airlines, Ltd. (b)
 Aug. 18, North Central Airlines (if,c)
 Aug. 19, American Airlines (l)
 Aug. 22, Air Vietnam, S.A. (l)
 Aug. 24, Air New England (l); Union of Burma Airways, Ltd. (l)
 Aug. 26, Aeroflot Soviet Airlines (l)
 Aug. 28, Eastern Air Lines (g)
 Aug. 29, LANICA: Lineas Aereas de Nicaragua, S.A. (l)
 Aug. 30, United Air Lines (2) (e,l)
 Sept. 1, Trans World Airlines (TWA) (l)
 Sept. 14, Trans World Airlines (TWA) (ft)
 Sept. 15, Air Manila (b); El Al Israel Airlines, Ltd. (e,l)
 Sept. 16, East African Airways Corporation (c)
 Sept. 28, El Al Israel Airlines, Ltd. (b)
 Nov. 27, Continental Airlines (l)
 Sept. 14, Pacific Western Airlines, Ltd. (l)
 Sept. 19, Nigeria Airways, Ltd. (l)
 Sept. 24, Japan Air Lines Company, Ltd. (2) (l)
 Sept. 29, American Airlines (l)
 Oct. 2, Air Cambodge, S.A. (i)
 Oct. 7, Allegheny Airlines (l) (l)
 Oct. 10, Air France (c)
 Oct. 18, Cruzeiro Brazilian Airlines, S.A. (l)
 Nov. 27, Continental Airlines (l)
 Nov. 28, Philippine Air Lines (l)
 Dec. 12, Trans World Airlines (TWA) (l)
 Dec. 15, Northwest Airlines (if,l)
 Dec. 20, Delta Air Lines (g); North Central Airlines (g)
 Nov. 21, United Air Lines (2) (if)
 Dec. 28, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (l)
 1973—Jan. 4, Trans World Airlines (TWA) (b)
 Jan. 11, Trans World Airlines (TWA) (e,l)
 Jan. 20, Trans World Airlines (TWA) (c)
 Jan. 29, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 Jan. 30, SAS: Scandinavian Airlines System (ft)
 Feb. 3, United Air Lines (2) (b,l)
 Feb. 6, Nordair, Ltd. (g)
 Feb. 15, JAT Yugoslav Airlines (l)
 Feb. 19, United Air Lines (2) (if)
 Feb. 21, Libyan Arab Airlines (l)
 March 5, American Airlines (l)
 March 7, El Al Israel Airlines, Ltd. (b)
 March 12, Sabena Belgian World Airlines, S.A. (m)
 March 25, Northwest Airlines (l)
 April 1, El Al Israel Airlines, Ltd. (i)
 April 5, Trans World Airlines (TWA) (if)
 April 9, Arkia Israel Airlines, Ltd. (c)
 April 10, Eastern Air Lines (l)
 April 13, Continental Airlines (l)
 April 17, Iraqi Airways (l)
 April 24, United Air Lines (2) (if)
 April 25, Aeromar International, C. por A. (l)
 May 5, EgyptAir, S.A.E. (t)
 May 7, Aeroflot Soviet Airlines (ft)
 May 10, Thai Airways International, Ltd. (THAI) (l); THY Turkish Airlines, A.O. (l)
 May 15, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 May 28, Pakistan International Airlines Corporation (l)
 June 7, Aerolineas TAO, S.A. (l)
 June 8, British Midland Airways, Ltd. (l)
 June 10, Air Cambodge, S.A. (i)
 June 11, United Air Lines (2) (l)
 June 20, Overseas National Airways (l)
 June 21, British Overseas Airways Corporation (BOAC) (l); Air Canada, Ltd. (g)
 July 3, Indian Airlines Corporation (l)
 July 5, AVIANCA Colombian Airlines, S.A. (l)
 July 14, Sterling Airways, A.S. (l)
 July 18, El Al Israel Airlines, Ltd. (c)
 July 25, British Airways, Ltd. (2)
 July 28, SAESA: Servicios Aereos Especiales, S.A. de C.V. (l)
 July 31, Delta Air Lines (l)
 Aug. 11, Air France (l); Air Inter, S.A. (l); Iraqi Airways (i); Middle East Airlines, S.A.L. (2)
 Aug. 22, AVENSA: Aerovias Venezolanas, S.A. (l)
 Aug. 28, Trans World Airlines (TWA) (t)
 Sept. 5, El Al Israel Airlines, Ltd. (i)
 Sept. 6, Air Manila (ft)
 Sept. 10, PT Garuda Indonesian Airways (l)
 Sept. 23, Air Algerie, S.A. (l)
 Sept. 29, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (g)
 Oct. 20, Mexicana Airlines, S.A. de C.V. (l)
 Oct. 21, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 Oct. 28, Piedmont Airlines (l) (g)
 Nov. 3, National Airlines (l) (if)
 Nov. 20, Aeroflot Soviet Airlines (l)
 Nov. 27, Delta Air Lines (l); Eastern Air Lines (l)
 Dec. 4, Austral Airlines: Austral Lineas Aereas, S.A. (g)
 Dec. 7, Transaeros Illimani, S.A. (e,l)
 Dec. 17, Eastern Air Lines (l); Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (l); Pan American World Airways (l) (i)
 Dec. 21, Aeroflot Soviet Airlines (l)
 Dec. 23, Cruzeiro Brazilian Airlines, S.A. (l)
 Dec. 27, AVIANCA Colombian Airlines, S.A. (g)
 1974—Jan. 1, Mount Cook Airlines, Ltd. (l)
 Jan. 16, Trans World Airlines (TWA) (l)
 Jan. 25, SAS: Scandinavian Airlines System (g)
 Jan. 30, Pan American World Airways (l) (l)
 Feb. 1, Transbrasil, S.A.: Linhas Aereas Transbrasil (l)
 Feb. 4, Pan American World Airways (l) (if)
 March 1, Trans World Airlines (TWA) (l)
 March 4, Pacific Southwest Airlines (l)
 March 10, Pan American World Airways (l) (if)
 March 15, Sterling Airways, A.S. (g)
 March 22, Air Inter, S.A. (g); National Airlines (l) (l)
 March 23, Airlift International (g)
 April 7, Air Zaire, S.A. (l)
 April 19, Trans World Airlines (TWA) (g)
 April 25, British Airways, Ltd. (2) (c)
 April 28, Korean Air Lines/Korean Air (KAL) (i,l)
 April 30, Burma Airways Corporation, Ltd. (l)
 May 12, Air France (t)
 May 22, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (b)
 May 31, East West Airlines (Pty.), Ltd. (l)
 June 6, Philippine Air Lines (b,l)
 June 10, Korean Air Lines/Korean Air (KAL) (g)
 June 22, Transavia Holland, N.V. (g); La Urraca: Lineas Aereas La Urraca, S.A. (l)
 July 1, Cyprus Airways, Ltd.; National Airlines (l) (if,l)
 July 17, Korean Air Lines/Korean Air (KAL) (i)
 July 19, Pan American World Airways (l) (l)

- July 22, Cyprus Airways, Ltd. (i)
 July 25, British Airways, Ltd. (2) (b)
 July 31, Bahamasair, Ltd. (ft)
 Aug. 26, Trans World Airlines (TWA) (b.g)
 Sept. 17, United Airlines (b)
 Sept. 22, Korean Air Lines/Korean Air (KAL) (c)
 Oct. 25, Allegheny Airlines (1) (l)
 Nov. 3, British Airways, Ltd. (2) (i)
 Nov. 5, Aeroflot Soviet Airlines (l)
 Nov. 6, Reeve Aleutian Airways (g)
 Nov. 23, JAT Yugoslav Airlines (l)
 Dec. 3, Frontier Airlines (1) (l); Qantas Airways (Pty.), Ltd. (i)
 Dec. 11, Fairbanks Air Service (l)
 Dec. 20, Deutsche Lufthansa, A.G. (l)
 Dec. 22, Tradewinds Airways, Ltd. (l)
 Dec. 25, Trans Australian Airlines (Pty.), Ltd. (sar)
 1975—Jan. 1, Air Cambodge, S.A. (i)
 Jan. 9, Air Zaire, S.A. (l)
 Jan. 13, El Al Israel Airlines, Ltd. (i)
 Jan. 15, Air Cambodge, S.A. (i); Maersk Air, A.S. (l)
 Jan. 28, Aeroflot Soviet Airlines (l); United Airlines (if)
 Feb. 1, Pan American World Airways (1) (g)
 Feb. 9, General Air, GmbH. (l)
 Feb. 17, AVIATECA: Aerolineas de Guatemala, S.A. (g)
 March 12, Braniff International Airways (c)
 March 24, Royal Air Laos, S.A. (g)
 March 25, Pan American World Airways (1) (i,c)
 March 28, Fairbanks Air Services (l)
 March 31, Western Airlines (1) (l)
 April 6, Iraqi Airways (b)
 April 8, South African Airways (Pty.), Ltd. (i,l)
 April 9, Itavia, SpA. (ft)
 April 10, Royal Air Laos, S.A. (g)
 April 19, Air Liberia: Liberian National Airlines (ft)
 April 30, Zantop International Airlines (l)
 May 7, Pan American World Airways (1) (if)
 May 10, Philippine Air Lines (ft)
 May 11, PLUNA: Primera Uruguayas de Navegacion Aerea, S.A. (l)
 June 5, Philippine Air Lines (b,l)
 June 12, Air France (ft)
 June 17, Indian Airlines Corporation (l); VARIG Brazilian Airlines:
 Viacao Aerea Rio-Grandeuse, S.A (l)
 July 6, Pakistan International Airlines Corporation (b.g)
 July 15, National Airlines (1) (if,l)
 July 16, United Airlines (i)
 July 17, Eastern Air Lines (l)
 Aug. 3, Delta Air Lines (t)
 Aug. 5, Air Inter, S.A. (l)
 Aug. 7, Continental Airlines (t,ft)
 Aug. 8, Rich International Airways (l)
 Aug. 16, Somali Airlines, Ltd. (e,l)
 Aug. 25, American Airlines (ft)
 Aug. 30, Aeroflot Soviet Airlines (l)
 Sept. 3, Dominicana: Compania Dominicana de Aviacion, C.
 por A. (c)
 Sept. 12, United Airlines (l)
 Sept. 14, Alidair, Ltd. (l)
 Sept. 15, British Airways, Ltd. (2) (ft)
 Oct. 6, Aeroflot Soviet Airlines (e,l)
 Nov. 12, Eastern Air Lines (l); Overseas National Airways (e,ft)
 Nov. 15, Aerolineas Argentinas, S.A. (l)
 Nov. 27, American Airlines (m); Trans World Airlines (TWA) (m)
 Nov. 28, Bahamasair, Ltd. (b)
 Dec. 3, Trans Mediterranean Airways, S.A.L. (l)
 Dec. 9, Trans World Airlines (TWA) (m)
 Dec. 16, Japan Air Lines Company, Ltd. (2) (g)
 Dec. 22, Trans World Airlines (TWA) (l)
 Dec. 28, British Airways, Ltd. (2) (g)
 1976—Jan. 2, Overseas National Airways (l); Saudia:
 Saudi Arabian Airlines (l)
 Jan. 18, El Al Israel Airlines, Ltd. (i)
 Jan. 23, PT Bouraq Indonesian Airlines (l)
 Feb. 24, Gateway Aviation, Ltd. (l)
 Feb. 25, LANICA: Lineas Aereas de Nicaragua, S.A. (l)
 March 3, Air Zaire, S.A. (c,g)
 March 10, Aeroflot Soviet Airlines (l)
 March 12, Great Northern Airlines (l)
 March 17, LANICA: Lineas Aereas de Nicaragua, S.A. (l)
 March 19, Syrianair: Syrian Arab Airways (l)
 April 1, Hughes Airwest (m); Northwest Airlines (m)
 April 4, Alaska Airlines (ft); American Airlines (if)
 April 20, Allegheny Airlines (1) (m)
 April 22, Condor Flugdienst, GmbH. (l)
 April 23, Ethiopian Airlines, S.C. (g)
 May 2, Air Algerie, S.A. (l); TACA International Airlines, S.A. (l)
 May 13, ERA Aviation (g)
 May 20, Air Haiti, S.A. (e,l)
 May 25, Mackey International Airlines (l)
 May 31, Ethiopian Airlines, S.C. (g)
 June 18, South African Airways (Pty.), Ltd. (g,c)
 June 20, British Airways, Ltd. (2) (e)
 June 23, Allegheny Airlines (1) (ft)
 June 27, Middle East Airlines, S.A.L. (2) (i,g)
 July 2, Eastern Air Lines (b)
 July 17, Aeroflot Soviet Airlines (ft); Eastern Air Lines (c)
 July 24, Indian Airlines Corporation (l)
 Aug. 11, El Al Israel Airlines, Ltd. (l)
 Aug. 13, Air Canada, Ltd. (l)
 Aug. 16, AVIANCA Colombian Airlines, S.A. (l)
 Sept. 2, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V. (l)
 Sept. 7, Kelowna Flightcraft Air Charter, Ltd. (if,l)
 Oct. 13, Ethiopian Airlines, S.C. (ft)
 Oct. 25, Trans Mediterranean Airways, S.A.L. (g)
 Nov. 6, Cubana: Empresa Consolidada Cubana de Aviacion (b)
 Nov. 16, Texas International Airlines (ft)
 Nov. 22, Gulf Helicopters, Ltd. (e,l)
 Nov. 30, Trans World Airlines (TWA) (t)
 Dec. 10, Austin Airways, Ltd. (l)
 Dec. 14, Ethiopian Airlines, S.C. (l)
 1977—Jan. 2, CSA Czechoslovak Airlines (g)
 Jan. 4, AVIANCA Colombian Airlines, S.A. (b); Transbrasil, S.A.:
 Linhas Aereas Transbrasil (l)
 Jan. 14, Aerolineas Argentinas, S.A. (e)
 Jan. 15, Air Sunshine (1) (ft)
 Jan. 16, Capitol International Airways (g)
 Jan. 26, Frigorifico Reys (Fri-Reyes), Ltda. (e,ft)
 Feb. 9, PT Bouraq International Airlines (l)
 Feb. 10, National Airlines (1) (if,c)
 Feb. 11, Scenic Airlines (ft)
 March 4, Overseas National Airways (l)
 March 17, British Airways, Ltd. (2) (ft)
 March 31, Nordair, Ltd. (g)
 April 13, Air France (e,l)
 April 16, Far Eastern Air Transport Corp. (l)
 April 18, Philippine Air Lines (ft)
 April 25, Nigeria Airways, Ltd. (l)
 April 29, Cruzeiro Brazilian Airlines, S.A. (l)
 May 6, British Airways, Ltd. (2) (e)
 May 12, Eastern Air Lines (l)
 May 14, Zambia Airways Corporation (l)
 May 26, Eastern Air Lines (e,ft)
 June 3, Continental Airlines (g)
 June 6, Sudan Airways Company, Ltd. (ft)
 June 10, Air Niger, S.A. (e,l)
 June 12, Ethiopian Airlines, S.C. (l)
 July 1, Island Airlines (1) (ft)
 July 10, National Airlines (1) (l)
 July 17, Philippine Air Lines (l)

- July 28, American Airlines (ft)
 Aug. 1, British Airways, Ltd. (2) (l)
 Aug. 6, American Airlines (e)
 Aug. 20, Philippine Air Lines (ft)
 Sept. 29, North Coast Air Service, Ltd. (e,l)
 Sept. 30, American Airlines (e); AVIATECA: Aerolineas de Guatemala, S.A. (l)
 Oct. 2, Capitol International Airways (g)
 Oct. 6, Aerovias Las Minas, A.S. (g)
 Oct. 17, Air Djibouti, S.A.: Red Sea Airline (c)
 Nov. 15, Ethiopian Airlines, S.C. (ft)
 Nov. 22, Interflug DDR Airlines, mbH. (l)
 Nov. 23, MALEV Hungarian Airlines, Rt. (g)
 Dec. 1, Air France (e,l); British Airways, Ltd. (2) (ft,e)
 Dec. 3, Aeroflot Soviet Airlines (l)
 Dec. 11, Air France (e,l)
 Dec. 25, Braniff International Airways (t)
 Dec. 30, Norontair: Ontario Northland AS, Ltd. (g)
- 1978—Jan. 9, Air France (e,l)
 Jan. 24, TAM: Transportes Aereos Militar (l)
 Jan. 27, Austral Airlines: Austral Lineas Aereas, S.A. (g); National Airlines (1) (e,l)
 Jan. 31, TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A. (ft)
 Feb. 1, Continental Airlines (ft)
 Feb. 7, United Airlines (t)
 Feb. 17, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A. (ft)
 Feb. 21, EgyptAir, S.A.E. (if,l)
 March 3, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (l)
 March 17, American Airlines (if)
 April 2, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 April 26, Air Canada, Ltd. (l)
 May 5, SLM: Surinam Airways, N.V. (l)
 May 8, National Airlines (1) (l)
 May 12, Argosy Airlines (l)
 May 23, American Airlines (l)
 June 6, Transavia Holland, N.V. (b)
 June 16, Aeroflot Soviet Airlines (l)
 June 23, North Central Airlines (m)
 June 30, American Airlines (if)
 July 2, Trans International Airlines (1) (ft)
 July 4, American Airlines (if)
 July 6, Tradewinds Airways, Ltd. (l)
 July 9, Allegheny Airlines (1) (l)
 July 17, Rosenbaum Aviation (g)
 July 25, North Central Airlines (if); United Airlines (b)
 July 26, AVIATECA: Aerolineas de Guatemala, S.A. (ft)
 July 27, Iran Air: Iranian National Airlines Corporation (l)
 Aug. 3, LanChile Airlines, S.A. (l)
 Aug. 13, Air Canada, Ltd. (ft); Tejas Airlines (l)
 Aug. 18, Philippine Air Lines (b,l)
 Aug. 19, Cyprus Airways, Ltd. (l)
 Aug. 22, El Al Israel Airlines, Ltd. (i)
 Aug. 25, Trans World Airlines (TWA)
 Sept. 3, Air Rhodesia, Ltd. (l)
 Sept. 18, Ken Borek Air, Ltd. (l)
 Oct. 2, Aeroflot Soviet Airlines (l)
 Oct. 3, Burma Airways Corporation, Ltd. (e,l)
 Oct. 15, Ethiopian Airlines, S.C. (l)
 Oct. 25, Ethiopian Airlines, S.C. (l)
 Nov. 12, Antilles Air Boats (g)
 Nov. 24, Yemenia: Yemen Airways Company (l)
 Dec. 1, Eastern Air Lines (l)
 Dec. 2, SMB Stage Lines (l)
 Dec. 5, Eastern Air Lines (l)
 Dec. 17, Indian Airlines Corporation (ft)
 Dec. 28, United Airlines (l)
- 1979—Jan. 5, Great Northern Airlines (l)
 Jan. 27, British Airways, Ltd. (2) (l)
 Feb. 3, Fleming International Airways (if)
 Feb. 9, Eastern Air Lines (ft)
 Feb. 16, Air Rhodesia, Ltd. (2); Delta Air Lines (g); The Flying Tiger Line (g)
 Feb. 19, Quebecair, Ltd. (l)
 Feb. 28, Rocky Mountain Airways (l)
 March 1, Universal Airways (l)
 March 12, Air France (l)
 March 15, British Airways, Ltd. (2) (m)
 March 26, Pan American World Airways (1) (i)
 April 1, Uganda Airways Corporation (g)
 April 4, Trans World Airlines (TWA) (if)
 April 5, Air France (l)
 April 8, American Airlines (m)
 April 13, Air Mauritanie (2): Societe d'Economie Mixte Air Mauritanie, S.A. (l)
 April 16, El Al Israel Airlines, Ltd. (i)
 April 20, Aeronor-Chile: Aero Norte-Sur, S.A. (ft)
 April 26, Indian Airlines Corporation (b,l)
 May 3, Trans International Airlines (1) (l)
 May 15, TAAG Angolan Airlines, S.A. (l)
 May 19, Aeroflot Soviet Airlines (l)
 May 31, Aeroflot Soviet Airlines (l); National Airlines (1) (e,l)
 June 14, Air France (if); Trans World Airlines (TWA) (b)
 June 15, Austin Airways, Ltd. (g)
 June 26, Air New England (l)
 July 5, TAT: Touraine Air Transport, S.A. (g)
 July 16, Delta Air Lines (b)
 July 20, Aerotal Colombia: Aerolineas Territoriales de Colombia, S.A. (if,l)
 July 25, United Airlines (e,l)
 July 27, Flugfelag Nordurlands, H.F. (g)
 Aug. 1, Western Airlines (1) (l)
 Aug. 3, American Airlines (g)
 Aug. 22, Eastern Air Lines (l)
 Aug. 26, Japan Air Lines Company, Ltd. (2) (e,l)
 Aug. 31, ALAS del Caribe, S.A. (t)
 Sept. 2, British Airways, Ltd. (2) (l)
 Sept. 12, Rich International Airways (l)
 Oct. 1, Pan American World Airways (1) (if)
 Oct. 25, Guernsey Airlines, Ltd. (l); Pan American World Airways (1) (l)
 Oct. 30, Air France (m)
 Nov. 1, Delta Air Lines (l)
 Nov. 5, South Pacific Island Airways (l)
 Nov. 13, Lambair, Ltd. (l)
 Nov. 15, American Airlines (l); Western Airlines (1) (m)
 Nov. 16, Nevada Airlines (e,l)
 Nov. 18, All Nippon Airways Company, Ltd. (ANA) (if); Biman Bangladesh Airlines, Ltd. (e,l); Japan Air Lines Company, Ltd. (2) (t)
 Nov. 30, Saudia: Saudi Arabian Airlines (l); Trans World Airlines (TWA) (l)
 Dec. 1, Eastern Air Lines (l); Republic Airlines (l)
 Dec. 5, Eastern Air Lines (if,l)
 Dec. 24, Air France (b); Ariana Afghan Airlines Company, Ltd. (i)
- 1980—Jan. 2, Hughes Airwest (e,l)
 Jan. 7, Alitalia, SpA. (g)
 Jan. 10, American Airlines (m)
 Jan. 13, PT Garuda Indonesian Airways (l)
 Jan. 18, Aeroflot Soviet Airlines (i); Zantop International Airlines (if)
 Jan. 21, United Airlines (b,l)
 Jan. 23, LAB: Lloyd Aero Boliviano, S.A. (l); LOT Polish Airlines, S.A. (l)
 Jan. 27, AVIANCA Colombian Airlines, S.A. (l)
 Feb. 2, TACA International Airlines, S.A. (g)
 Feb. 3, Aeroflot Soviet Airlines (i); Cubana: Empresa Consolidata

- Cubana de Aviacion (l)
 Feb. 10, Aeroflot Soviet Airlines (i)
 Feb. 27, China Airlines, Ltd. (CAL) (l)
 March 1, Aeroflot Soviet Airlines (l)
 March 3, Everts Air Fuel (l)
 March 9, Air Malta Company, Ltd. (2) (c)
 March 17, Texas International Airlines (l)
 March 18, Ethiopian Airlines, S.C.(l)
 April 4, Biman Bangladesh Airlines, Ltd. (ft)
 May 4, Air Malta Company, Ltd. (2) (g)
 May 13, Skywest Airlines (Pty.), Ltd. (e,l)
 May 16, LANICA: Lineas Aereas de Nicaragua, S.A. (l)
 May 23, Middle East Airlines, S.A.L. (2) (b)
 June 2, Aeroflot Soviet Airlines (l)
 June 3, Suburban Airlines (t,g)
 June 8, Air Canada, Ltd. (e,l)
 June 12, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (g)
 June 22, Delta Air Lines (l)
 July 1, Eastern Air Lines (m)
 July 4, National Airlines (1) (t)
 July 10, British Airways, Ltd. (2)
 July 14, Capitol International Airways (e,g)
 July 16, Trans World Airlines (TWA) (m)
 July 17, Alidair, Ltd. (l)
 July 18, Aeroflot Soviet Airlines (l)
 Aug. 7, TAROM Romanian Air Transport, S.A. (l)
 Aug. 10, Scenic Airlines (g)
 Aug. 19, Burma Airways Corporation, Ltd. (l); Saudia: Saudi Arabian Airlines (if,l,g)
 Aug. 29, Piedmont Airlines (1) (m)
 Aug. 30, Eastern Air Lines (if)
 Sept. 3, Pan American World Airways (1) (l)
 Sept. 9, United Airlines (b)
 Sept. 17, Air France (m)
 Sept. 18, Northwest Airlines (if,l)
 Sept. 20, British Airways, Ltd. (2) (g); SAS: Scandinavian Airlines System (g)
 Oct. 13, PT Pelita Air Service (l)
 Oct. 16, China Airlines, Ltd. (g)
 Nov. 4, Cyprus Airways, Ltd. (l); TAAG Angolan Airlines, S.A. (l)
 Nov. 11, Braniff International Airways (g)
 Nov. 12, Aeroflot Soviet Airlines (b)
 Nov. 15, Southwest Airlines (2) (m)
 Nov. 18, Korean Air Lines/Korean Air (KAL) (l)
 Nov. 21, Air Micronesia (l)
 Dec. 1, British Airways, Ltd. (2) (m); Ransome irlines (m)
 Dec. 8, United Airlines (l)
 Dec. 10, Delta Air Lines (m); Eastern Air Lines; Piedmont Airlines (1) (m)
 Dec. 20, Aerotal Colombia: Aerolineas Territoriales de Colombia, S.A. (l)
 Dec. 23, Eastern Air Lines (b,l)
 Dec. 26, Aeroflot Soviet Airlines (i)
- 1981—Jan. 6, Aeroflot Soviet Airlines (l)
 Jan. 8, Pakistan International Airlines Corporation (l)
 Jan. 11, Ethiopian Airlines, S.C. (l)
 Jan. 14, SAFE Air, Ltd.: Straits Air Ferry Express, Ltd. (l)
 Jan. 15, Saudia: Saudi Arabian Airlines (g)
 Jan. 31, Northwest Airlines (l)
 Feb. 1, United Airlines (l)
 Feb. 2, Pakistan International Airlines Corporation (g)
 Feb. 19, Air France (if)
 Feb. 25, Aerolineas Argentinas, S.A. (l)
 March 11, Ghana Airways Corporation (l)
 March 17, Air Florida (b)
 March 26, LOT Polish Airlines, S.A. (e,l)
 March 28, Caribbean Air Cargo, Ltd. (CAICARGO) (e,l)
 March 29, Sobelair, N.V. (e,l)
- April 2, Bush Pilots Airways (Pty.), Ltd. (ft)
 April 3, United Airlines (t)
 April 8, Eastern Air Lines (l)
 May 1, Air India, Ltd. (c); PT Mandala Airlines (l)
 May 18, El Al Israel Airlines, Ltd. (b)
 June 1, AirCal (m)
 June 5, Pakistan International Airlines Corporation (l)
 June 11, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 June 12, THY Turkish Airlines, A.O. (g)
 June 13, Aeroflot Soviet Airlines (l)
 June 16, Indian Airlines Corporation (ft)
 June 17, TAROM Romanian Air Transport, S.A. (b)
 June 21, Braniff International Airways (m); Thai Airways Company, Ltd. (l)
 June 24, British Airways, Ltd. (2) (if,e)
 June 28, Aeroflot Soviet Airlines (l)
 July 2, Eastern Air Lines (b)
 July 5, Trans Mediterranean Airways, S.A.L. (g)
 Aug. 3, Air Canada, Ltd. (m); New York Air (1) (m)
 Aug. 9, British Airways, Ltd. (2) (ft)
 Aug. 17, PEOPLExpress Airlines (m)
 Aug. 18, Indian Airlines Cororation (l)
 Aug. 31, Middle East Airlines, S.A.L. (2) (b)
 Sept. 5, Braniff International Airways (c)
 Sept. 9, Republic Airlines (m)
 Sept. 15, Korean Air Lines/Korean Air (KAL) (ft)
 Sept. 20, World Airways (if)
 Sept. 22, Eastern Air Lines (e,l)
 Oct. 5, New York Air (1) (if)
 Oct. 13, Air Malta Company, Ltd. (2) (b)
 Oct. 21, MALEV Hungarian Airlines, Rt. (l)
 Oct. 23, Trans Mediterranean Airways, S.A.L. (l)
 Oct. 31, Cameroon Airlines, S.A. (ft)
 Nov. 8, Aeroflot Soviet Airlines (i)
 Nov. 15, Air France (b)
 Dec. 12, Aeronica, S.A. (b)
 Dec. 16, Hispanola Airways, S.A. (l)
 Dec. 29, Eastern Provincial Airways, Ltd. (g)
- 1982—Jan. 12, Capitol Air (if)
 Jan. 15, Pocono Airlines (ft)
 Jan. 16, Aeroflot Soviet Airlines (e,l)
 Jan. 23, World Airways (l)
 Feb. 1, American Airlines (c); Braniff International Airways (c); Pilgrim Airlines (l)
 Feb. 13, SAHSA: Servicios Aereos de Honduras, S.A. (b)
 Feb. 16, AirCal (l); Reeve Aleutian Airways (g)
 Feb. 21, Pilgrim Airlines (l)
 March 4, Northwest Airlines (m); Trans World Airlines (TWA) (m)
 March 10, Jet America Airlines (1) (e,g)
 March 17, Air France (ft)
 March 19, Calm Air International, Ltd. (l)
 April 11, Northwest Territorial Airways, Ltd./NWT Air (g)
 April 17, Air Bridge Carriers, Ltd. (l)
 April 24, Aeroflot Soviet Airlines (l)
 May 7, Ken Borek Air, Ltd. (ft)
 May 15, Frontier Airlines (1) (e,l)
 May 16, Wien Air Alaska (l)
 May 22, Rio-Sul, S.A. (l)
 May 25, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (l)
 May 31, Aeroflot Soviet Airlines (l)
 June 2, Air Canada, Ltd. (g)
 June 6, Air Zimbabwe Corporation (b)
 June 9, Trans Australia Airways (Pty.), Ltd. (l)
 June 16, Trans Mediterranean Airways, S.A.L. (i,g)
 June 25, British Airways, Ltd. (2) (l)
 July 11, Philippine Air Lines (ft) (l)
 July 14, Singapore Airliens, Ltd. (if)
 Aug. 11, Pan American World Airways (1) (b,l)

- Aug. 16, China Airlines, Ltd. (CAL) (t)
 Aug. 21, American Airlines (b)
 Aug. 24, Ethiopian Airlines, S.C. (ft)
 Aug. 26, Southwest Air Lines Company, Ltd. (l)
 Aug. 27, Pan American World Airways (1) (b)
 Aug. 28, USAir (ft)
 Sept. 8, World Airways (b)
 Sept. 10, Sudan Airways Company, Ltd. (l)
 Sept. 12, United Airlines (if,l)
 Sept. 17, Japan Air Lines Company, Ltd. (2) (l)
 Sept. 25, American Airlines (b)
 Oct. 5, Sudan Airways Company, Ltd. (l)
 Oct. 12, Comair: Commercial Airways (Pty.), Ltd. (l)
 Oct. 17, EgyptAir, S.A.E. (l)
 Nov. 3, Northwest Airlines (if)
 Dec. 10, PT Bouraq Indonesian Airlines (l)
 1983—Jan. 7, Iran Air: The Airline of the Islamic Republic of Iran (g);
 Western Airlines (1) (t)
 Jan. 9, Republic Airlines (g)
 Jan. 22, THY Turkish Airlines, A.O. (g,c)
 Feb. 1, British Airways Helicopters, Ltd. (l)
 Feb. 15, Ontario Central Airlines, Ltd. (l); Sierra Pacific
 Airlines (3) (l)
 Feb. 27, CAAC: The General Administration of Civil Aviation
 of China (l)
 March 1, Petroleum Helicopters (l)
 March 5, Air France (b)
 March 11, Nihon Kinyori Airways Company, Ltd. (l)
 March 12, Kuwait Airways Corporation (g); Pan American World
 Airways (1) (g)
 March 21, Northwest Airlines (l)
 March 23, Frontier Airlines (1) (l)
 March 27, LAM Mozambique Airlines, S.A. (l)
 March 30, South Central Air (m)
 April 1, Metro Airlines (t,g)
 April 2, Global International Airways (t)
 April 3, Republic Airlines (if)
 April 14, Aeroflot Soviet Airlines (l)
 April 20, Air Ecosse, Ltd. (l)
 May 1, Piedmont Airlines (1) (e,l)
 May 5, Eastern Air Lines (if,l)
 May 7, Pan American World Airways (1) (c)
 May 8, Yute Air Alaska (ft)
 May 12, Air Canada, Ltd. (l)
 May 20, ERA Aviation (l); Metro Airlines (t,g)
 May 27, Eastern Air Lines (i)
 May 28, Republic Airlines (if,l)
 June 2, Air Canada, Ltd. (l); PT Garuda Indonesian Airways (ft)
 June 8, Reeve Aleutian Airways (e,l)
 June 10, Dominicana: Compania Dominicana de Aviacion, C.
 por A. (b); Western Airlines (1) (m)
 June 11, United Airlines (ft)
 June 12, Air Canada, Ltd. (if,l)
 June 21, Air Mali (1): Societe Nationale Air Mali, S.A. (l)
 June 29, Aeronica, S.A. (l); Pacific Air Express (l)
 July 2, Altair Linee Aeree, SpA. (e,ft); United Airlines (if,c)
 July 4, Zambia Airways Corporation (ft)
 July 11, ERA Aviation (e,l)
 July 16, Orion Air (l)
 July 23, Air Canada, Ltd. (if,l)
 July 29, Republic Airlines (e,l)
 Aug. 4, Airlines of Tasmania (Pty.), Ltd. (l); Pan American World
 Airways (1) (l)
 Aug. 7, Republic Airlines (ft); SATENA Colombia: Servicio de
 Aeronavagacion a Territorios Nacionales, S.A. (l)
 Aug. 8, Philippine Air Lines (l)
 Aug. 14, Island Helicopter Corporation (l)
 Aug. 18, United Airlines (m)
 Aug. 19, Syrianair: Syrian Arab Airways (b)
 Aug. 20, United Airlines (e,if)
 Aug. 23, China Airlines, Ltd. (CAL) (c)
 Aug. 25, Aeroflot Soviet Airlines (ft)
 Aug. 27, Skyways (g)
 Sept. 1, Aeroflot Soviet Airlines (i); Cape Smythe Air Service (l);
 Korean Air Lines/Korean Air (KAL) (i);
 Sept. 6, Aeroflot Soviet Airlines (i)
 Sept. 9, Air Canada, Ltd. (i)
 Sept. 15, Aeroflot Soviet Airlines (i)
 Oct. 7, Western Airlines (1) (if,l)
 Oct. 19, Aeroflot Soviet Airlines (l)
 Oct. 22, Northwest Airlines (if)
 Oct. 29, Pennsylvania Airlines
 Nov. 6, Republic Airlines (if,l)
 Nov. 7, Airspur Airlines (if,l)
 Nov. 8, Mountain Air Cargo (l)
 Nov. 10, Continental Airlines (l)
 Nov. 11, Eastern Air Lines (if,l)
 Nov. 24, Air Canada, Ltd. (t)
 Nov. 25, Air Florida (e)
 Dec. 18, Malaysian Airlines System (MAS), Ltd. (l); Northwest
 Airlines (e,g)
 Dec. 20, Ozark Air Lines (g)
 Dec. 23, Hawaiian Airlines (t); Japan Air Lines Company, Ltd. (2) (l);
 Korean Air Lines/Korean Air (KAL) (g); South Central Air (g)
 Dec. 29, Piedmont Airlines (1) (t)
 1984—Jan. 1, Pan American World Airways (1) (m)
 Jan. 10, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V. (t);
 Deutsche Lufthansa, A.G. (g)
 Jan. 13, Pilgrim Airlines (e,l)
 Jan. 15, Aeroflot Soviet Airlines (i)
 Jan. 16, Air Zaire, S.A. (l)
 Jan. 18, Air France (b)
 Jan. 24, Petroleum Helicopters (l)
 Feb. 9, TAAG Angolan Airlines, S.A. (l)
 Feb. 10, Alaska Airlines (l)
 Feb. 11, Aeroflot Soviet Airlines (i)
 Feb. 17, American Airlines (e,l)
 Feb. 18, World Airways (m)
 Feb. 22, Valdez Airlines (l)
 Feb. 28, SAS: Scandinavian Airlines System (l)
 March 4, Gulkana Air Service (l)
 March 5, Indian Airlines Corporation (ft)
 March 8, Piedmont Airlines (1) (l)
 March 10, UTA French Airlines: Union de Transports Aeriens,
 S.A. (b)
 March 12, British Airways, Ltd. (2) (if)
 March 22, Pacific Western Airlines, Ltd. (e,ft)
 March 24, Continental Airlines (if)
 March 27, United Airlines (g)
 April 1, Air Resorts Airlines (e,l)
 April 13, Aeroflot Soviet Airlines (i)
 April 20, Eastern Air Lines (e,l)
 April 23, Regent Air Corporation (if)
 May 19, Republic Airlines (if)
 May 31, United Airlines (l)
 June 8, Aerolineas Argentinas, S.A. (b); Petroleum Helicopters (l)
 June 11, Air U.K., Ltd. (g); PT Garuda Indonesian Airways (l)
 June 13, USAir (l)
 June 14, Air Logistics (e,l)
 June 16, Balkan Bulgarian Airlines (l)
 June 26, Yute Air Alaska (ft)
 June 27, Omniflight Airways/Omniflight Helicopters (g)
 June 28, United Airlines (l)
 July 4, Aeroflot Soviet Airlines (l)
 July 21, South Pacific Island Airways (l)
 July 23, Delta Air Lines (c)
 July 24, Aeroflot Soviet Airlines (l); Aeromexico (1): Aeronaves de
 Mexico, S.A. de C.V. (t); Delta Air Lines (m)

- Aug. 4, Philippine Air Lines (l)
 Aug. 6, Rio-Sul, S.A. (l)
 Aug. 9, Scanair, A.B. (i)
 Aug. 24, Balkan Bulgarian Airlines (l)
 Aug. 25, Labrador Airways, Ltd. (l)
 Aug. 30, Cameroon Airlines, S.A. (g)
 Sept. 3, New York Air (1) (g); United Airlines (g) Piedmont Airlines (1) (t.g)
 Sept. 7, Provincetown-Boston Airline (PBA) (e,l)
 Sept. 18, LAC: Lineas Aereas de Caribe, S.A. (l)
 Sept. 29, Northwest Airlines (if,l)
 Sept. 30, South Pacific Island Airways (i)
 Oct. 15, Aeroflot Soviet Airlines (l)
 Oct. 22, TAM: Transportes Aereos Militar (l)
 Nov. 2, Japan Air Lines Company, Ltd. (2) (i)
 Nov. 12, ERA Aviation (l)
 Nov. 20, Yute Air Alaska (l)
 Dec. 17, Baker Aviation (ft)
 Dec. 20, Deutsche Lufthansa, A.G. (m)
 Dec. 27, Provincetown-Boston Airline (PBA) (l)
 Dec. 29, Aeroflot Soviet Airlines (l); Transamerica Airlines (g)
 Dec.30, PT Garuda Indonesian Airways (l)
 1985—Jan. 8, Bakhtar Afghan Airlines Company, Ltd. (l)
 Jan. 11, PT Merpati Nusantara Airlines (l)
 Jan. 29, Galaxy Airlines (2) (l)
 Feb. 5, Airborne Express (ft)
 Feb. 7, Ryan Air Service (l)
 Feb. 19, China Airlines, Ltd. (CAL) (e,if)
 Feb. 27, ACES Colombia, S.A. (c)
 March 12, Seair Alaska Airlines: Sea Airmotive (ft)
 March 16, UTA French Airlines: Union de Transports Aeriens, S.A. (g)
 March 18, Okanagan Helicopters, Ltd.
 March 31, Northwest Airlines (l)
 April 1, Jet America Airlines (1) (l)
 April 4, Alia Royal Jordanian Airlines (i)
 April 16, American Airlines (if,e)
 May 8, British Airways, Ltd. (2) (e,l)
 May 28, Eastern Air Lines (t)
 June 11, Trans-World Airlines (TWA) (l)
 June 16, Piedmont Airlines (1) (t)
 June 20, Pan American World Airways (1) (e,l)
 June 22, Canadian Pacific Air Lines, Ltd. (CPAL) (b)
 June 23, American Airlines (m)
 June 24, Austrian Airlines, A.G. (b)
 June 26, Middle East Airlines, S.A.L. (2) (i)
 June 27, American Airlines (ft)
 July 1, Alia Royal Jordanian Airlines (c); British Airways, Ltd. (2) (b)
 July 2, Sudan Airways Company, Ltd. (l)
 July 3, AIRES: Aerovias de Integracion Regional, S.A. (e,l)
 July 5, British Airways, Ltd. (2) (l)
 July 7, Northern Pacific Airlines (ft)
 July 12, Eastern Air Lines (l)
 July 13, Air Lesotho: Lesotho Airways Corporation (l)
 July 14, Alaska Helicopters (m)
 July 18, Flamenco Airways (g); PEOPLExpress Airlines (m); World Airways (m)
 July 22, New York Air (1) (l)
 Aug. 2, Air Jamaica, Ld. (2) (c)
 Aug. 12, PT Merpati Nusantara Airlines (l)
 Aug. 14, British Caledonian Helicopters, Ltd. (l)
 Aug. 20, ERA Aviation (l)
 Aug. 21, Middle East Airlines, S.A.L. (2) (g)
 Aug. 25, British Airways, Ltd. (2) (l)
 Aug. 26, United Airlines (e,g)
 Sept. 3, American Airlines (l)
 Sept. 20, Delta Air Lines (m)
 Sept. 26, Haiti Air Transport, S.A. (b)
 Oct. 1, PEOPLExpress Airlines (b)
 Oct. 10, Egyptair, S.A.E.
 Oct. 12, British Airways, Ltd. (2)
 Oct. 21, Eastern Air Lines (if)
 Oct. 22, CAAC: The General Administration of Civil Aviation of China (l)
 Oct. 27, ACES Colombia, S.A. (c)
 Oct. 30, American Airlines (l)
 Nov. 3, Piedmont Airlines (1) (t); United Airlines (g)
 Nov. 5, Bristow Helicopters, Ltd. (sar); British Caledonian Helicopters, Ltd. (sar)
 Nov. 6, Midway Airlines (1) (if,l)
 Nov. 15, British Airways, Ltd. (2) (ft)
 Nov. 23, British Airways Helicopters, Ltd.
 Nov. 30, PT Mandala Airlines (l)
 Dec. 2, Air France (e,l)
 Dec. 7, Eastern Air Lines (e,l)
 Dec. 8, American Airlines (b)
 Dec. 15, British Airways, Ltd. (2) (if); Ryan Air Service (l)
 1986—Jan. 3, Southwest Airlines (2) (e,l)
 Jan. 5, Air Logistics (g); Olympic Airways, S.A. (b)
 Jan. 9, Delta Air Lines (l)
 Jan. 28, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (ft)
 Jan. 31, Aer Lingus Irish Airlines, Ltd. (l)
 Feb. 5, Delta Air Lines (l)
 Feb. 8, SAEP: Servicios Aereos Petroleros, S.A. (l)
 Feb. 12, Eastern Air Lines (c)
 Feb. 18, Iran Air (l)
 Feb. 21, USAir (l)
 March 10, Comair (t)
 March 20, PT Merpati Nusantara Airlines (l)
 April 2, Trans World Airlines (TWA)
 April 8, Sabena Belgian World Airlines, S.A. (t)
 April 14, Jamahiriya Air Transport; Libyan Arab Airlines (i)
 April 17, El Al Israel Airlines, Ltd. (b)
 April 20, Trans World Airlines (TWA)
 April 24, Sealand Helicopters, Ltd. (l)
 May 3, Air Lanka, Ltd. (b); Royal Nepal Airlines Corporation (l)
 May 5, Air Lanka, Ltd. (b)
 May 15, British Caledonian Helicopters, Ltd. (l)
 May 21, Aeroflot Soviet Airlines (l)
 May 23, Swissair, A.G. (c)
 May 27, Pan American World Airways (1) (b); Saudia: Saudi Arabian Airlines (b)
 June 4, Eastern Air Lines (if)
 June 6, AirCal (m); Libyan Arab Airlines (l)
 June 8, TAAG Angolan Airlines, S.A. (l)
 June 12, Loganair, Ltd. (l)
 June 22, Ethiopian Airlines, S.C. (l)
 June 26, El Al Israel Airlines, Ltd. (b)
 July 11, Bristow Helicopters, Ltd. (m)
 July 13, Eastern Air Lines (t)
 July 18, American Airlines (g); Mexicana Airlines, S.A. de C.V. (g)
 July 24, Eastern Air Lines (g)
 July 25, Air Ivoire: Societe Ivoirienne de Transport Aeriens, S.A. (ft)
 Aug. 5, Continental Airlines (t)
 Aug. 6, Kabo Air, Ltd. (l)
 Aug. 10, American Trans Air (g)
 Aug. 17, Air Djibouti, S.A.: Red Sea Airline (i); Sudan Airways Company, Ltd. (l)
 Aug. 29, United Airlines (m)
 Sept. 1, Tower Air (l)
 Sept. 11, Fiji Air, Ltd. (ft)
 Sept. 24, Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A. (l)
 Sept. 25, Japan Air Lines Company, Ltd. (2) (b)
 Sept. 29, Indian Airlines Corporation (ft)
 Oct. 10, American Airlines (m)
 Oct. 15, Iran Air: The Airline of the Islamic Republic of Iran (i); Nordair, Ltd. (b)
 Oct. 25, Canadian Pacific Air Lines, Ltd. (CPAL) (b);

- Piedmont Airlines (1) (l)
 Oct. 26, Thai Airways International, Ltd. (THAI) (if,l)
 Oct. 28, Deutsche Lufthansa, A.G. (b); Virgin Islands Seaplane Shuttle (l)
 Nov. 6, Eastern Air Lines (g); Pan American World Airways (1) (g)
 Nov. 22, American Airlines (if)
 Nov. 27, Aerosucre Colombia: Aerosucre, S.A. (ft)
 Nov. 30, Jetstream International Airlines (g)
 Dec. 1, Trans Colorado Airlines (l)
 Dec. 9, Toa Domestic Airlines Company, Ltd. (t)
 Dec. 15, Skywest Airlines (l)
 Dec. 30, Piedmont Airlines (1) (g)
 1987—Jan. 1, United Airlines (c)
 Jan. 6, Transwede Airways, A.B. (ft)
 Jan. 8, Ethiopian Airlines, S.C. (if,l); Middle East Airlines, S.A.L. (2) (g)
 Jan. 10, Continental Airlines (l); Eastern Air Lines (b); Nigeria Airways, Ltd. (l); Toa Domestic Airlines Company, Ltd. (ft)
 Jan. 11, United Airlines (b)
 Jan. 13, Mid Pacific Airlines (l)
 Jan. 18, British Midland Airways, Ltd. (if)
 Jan. 23, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V. (if)
 Jan. 25, Aeroflot Soviet Airlines (ft)
 Feb. 7, Western Airlines (1) (m)
 Feb. 25, Continental Airlines (g); SAS: Scandinavian Airlines SyStem (l)
 March 7, Air Jamaica, Ltd. (2) (if)
 March 9, Comair (g); Delta Air Lines (g)
 March 11, Eastern Air Lines (g)
 March 19, Aeroflot Soviet Airlines (l)
 April 1, Alaska Airlines (if)
 April 2, Trans World Airlines (TWA) (b)
 April 8, Transafrik (l)
 April 10, Mid Pacific Airlines (e,l); Pan Am Express (m)
 April 11, Transbrasil, S.A.: Linhas Aereas Transbrasil (l)
 April 28, Thai Airways Company, Ltd. (l)
 May 1, Helikopter Service, A.S. (e,l)
 May 2, Ethiopian Airlines, S.C. (g)
 May 8, Executive Air Charter (l); Frigorifico Reyes (Fri-Reyes), Ltda. (l)
 May 12, LOT Polish Airlines, S.A. (l)
 May 26, Air New Orleans (ft)
 June 7, Delta Air Lines (l)
 June 9, Alaska Airlines (g)
 June 11, Ariana Afghan Airlines Company, Ltd. (l)
 June 13, Athabaska Airways, Ltd. (l)
 June 16, Calm Air International, Ltd. (l)
 June 23, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A. (l)
 July 1, Delta Air Lines (if)
 July 8, Continental Airlines (m); Delta Air Lines (m)
 July 9, Pan American World Airways (1) (m); VIASA: Venezolana Internacional de Aviacion, S.A. (m)
 July 13, Delta Air Lines (l)
 July 20, Air Safaris, Ltd.: Air Safaris and Services, Ltd. (ft)
 July 21, Delta Air Lines (m)
 Aug. 4, LanChile Airlines, S.A. (l)
 Aug. 5, Pan American World Airways (1) (m); Trans World Airlines (TWA) (m)
 Aug. 11, All Nippon Airways Company, Ltd. (ANA) (g); British Airways, Ltd. (2) (l)
 Aug. 12, Ketchikan Air Service (ft)
 Aug. 13, Northwest Airlines (m)
 Aug. 15, Sunbird Aviation, Ltd. (l)
 Aug. 22, Trans World Airlines (TWA) (l)
 Aug. 26, Northwest Airlines (m)
 Aug. 5, Pan American World Airways (1); Trans World Airlines (TWA)
 Sept. 1, Tower Air (l)
 Sept. 3, Eastern Air Lines (if,l)
 Sept. 27, Eastern Air Lines (g,c); Horizon Air: Horizon Air Industries (if)
 Sept. 28, Eastern Air Lines (t)
 Oct. 10, American Airlines
 Oct. 18, Aeroflot Soviet Airlines (l)
 Oct. 23, American Airlines (l)
 Oct. 27, Pan American World Airways (1) (m)
 Oct. 28, SMB Stage Lines (e,l)
 Nov. 11, Pan American World Airways (1) (t)
 Nov. 27, American Airlines (l)
 Nov. 29, United Airlines (m)
 Dec. 4, Eastern Air Lines (g); Pacific Southwest Airlines (PSA) (g)
 Dec. 5, USAir (e,l)
 Dec. 7, Korean Air Lines/Korean Air (KAL) (l)
 Dec. 14, Express Airlines I (l)
 Dec. 18, AVAir (e,l)
 Dec. 20, Skywest Airlines (l)
 Dec. 21, Aeronica, S.A. (e,l)
 Dec. 28, Eastern Air Lines (l)
 Dec. 30, Trans World Airlines (TWA) (c)
 1988—Jan. 1, Trans World Airlines (TWA) (if)
 Jan. 5, Petroleum Helicopters (l)
 Jan. 6, Bristow Helicopters, Ltd. (sar)
 Jan. 8, Ethiopian Airlines, S.C. (l); TAAG Angolan Airlines, S.A. (l)
 Jan. 11, British Air Ferries, Ltd. (BAF) (g); Fairflight, Ltd. (g)
 Jan. 12, Canadian Airlines International, Ltd. (l)
 Jan. 19, Mountain Air Cargo (l)
 Jan. 29, British Airways, Ltd. (2) (if)
 Jan. 31, Air Tanzania Corporation (l)
 Feb. 2, Aspen Airways (g)
 Feb. 8, TAAG Angolan Airlines, S.A. (l)
 Feb. 22, Bristow Helicopters, Ltd. (m)
 Feb. 24, Delta Air Lines (e,l)
 Feb. 28, Midway Airlines (1) (if,l)
 March 1, Helikopter Service, A.S. (e,l)
 March 25, Chaparral Airlines (l)
 April 10, Saudia: Saudi Arabian Airlines (b)
 April 13, Korean Air Lines/Korean Air (KAL) (l)
 April 14, Piedmont Airlines (1) (e,l)
 April 15, Continental Airlines (if)
 April 16, Horizon Air: Horizon Air Industries (e,l)
 April 28, Aloha Airlines (if)
 May 2, United Airlines (e,l)
 May 10, American Airlines (if)
 May 21, American Airlines (ft)
 May 23, LACSA: Lineas Aereas Costarricenses, S.A. (ft)
 May 24, Atlantic Southeast Airlines (ASA) (ft); Bristow Helicopters, Ltd. (sar); TACA International Airlines, S.A. (l)
 May 30, Continental Airlines (m)
 June 4, AVIANCA Colombian Airlines, S.A. (c)
 June 11, Royal Nepal Airlines Corporation (c)
 June 21, Trans Provincial Airlines, Ltd. (l)
 July 3, Iran Air: The Airline of the Islamic Republic of Iran (i)
 July 10, Kenya Airways, Ltd. (l)
 July 13, Bristow Helicopters, Ltd. (sar); British International Helicopters, Ltd. (e,l)
 July 14, Petroleum Helicopters (l)
 July 15, Helikopter Service, A.S. (e,l)
 July 21, TAAG Angolan Airlines, S.A. (l)
 July 24, Air France (l)
 Aug. 27, Trans World Airlines (TWA) (l)
 Aug. 31, CAAC: The General Administration of Civil Aviation of China (l)
 Sept. 3, British Airways, Ltd. (2) (g)
 Sept. 9, Frigorificio Reyes (Fri-Reyes), Ltda. (e,l)
 Sept. 21, Pan American World Airways (1) (t)
 Sept. 22, Bond Helicopters, Ltd. (sar); Helikopter Service, A.S. (sar)
 Sept. 23, Vayudoot, Ltd. (l)
 Sept. 26, Aerolineas Argentinas, S.A. (l)

- Sept. 28, TACA International Airlines, S.A. (g)
 Sept. 29, Eastern Air Lines (ft)
 Oct. 10, American Airlines (e,l); TAAG Angolan Airlines, S.A. (g)
 Oct. 15, Nigeria Airways, Ltd. (l)
 Oct. 16, British International Helicopters, Ltd. (l)
 Nov. 2, LOT Polish Airlines, S.A. (e,l)
 Nov. 15, Air Zimbabwe Corporation (g)
 Nov. 18, Australian Airlines (Pty.), Ltd. (ft); Magnum Airlines (Pty.), Ltd. (l)
 Nov. 23, GB Airways, Ltd. (l)
 Dec. 3, Air Creebec, Ltd. (l)
 Dec. 14, Ketchikan Air Service (l)
 Dec. 16, Eastern Air Lines (if,l)
 Dec. 31, Filair, S.A. (g)
- 1989—Jan. 3, United Airlines (b)
 Jan. 4, PT Bouraq Indonesian Airlines (l)
 Jan. 20, Aspen Airways (ft); Piedmont Airlines (1) (e,l)
 Jan. 21, Muk Air, A.S. (l)
 Jan. 27, Eastern Air Lines (c)
 Feb. 9, Evergreen International Airlines (if,l); LAM Mozambique Airlines, S.A. (l)
 Feb. 24, United Airlines (if,l)
 March 1, Continental Airlines (m); Trans World Airlines (TWA) (m)
 March 5, KLM: Royal Dutch Airlines, N.V. (l)
 March 8, Air New Zealand, Ltd. (m)
 April 3, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A. (l)
 April 12, British Airways, Ltd. (2) (l)
 April 25, Bond Helicopters, Ltd. (e,l)
 May 4, Philippine Air Lines (if)
 May 6, ERA Aviation (l)
 May 16, Pan American World Airways (1) (m)
 May 17, Somali Airlines, Ltd. (l)
 June 6, Libyan Arab Airlines (l)
 June 16, Delta Air Lines (t)
 June 17, Interflug DDR Airlines, mbH. (ft)
 June 20, Aeroflot Soviet Airlines (sar); Helikopter Service, A.S. (sar)
 June 28, Cameroon Airlines, S.A. (l); Somali Airlines (l)
 July 1, United Airlines (g)
 July 11, Kenya Airways, Ltd. (if,l)
 July 12, American Airlines (g)
 July 21, Philippine Air Lines (l)
 July 23, American Airlines (t)
 Aug. 1, Air Algerie, S.A. (l)
 Aug. 3, Piedmont Airlines (1) (l)
 Aug. 10, Northwest Airlines (e)
 Aug. 13, Continental Airlines (ft)
 Aug. 16, LADE: Lineas Aereas del Estado (ft)
 Aug. 28, Aeroflot Soviet Airlines (l)
 Sept. 2, Aeroflot Soviet Airlines (l)
 Sept. 3, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 Sept. 4, TAME: Transportes Aereos Nacionales Ecuatorianos, S.A. (l)
 Sept. 7, Okada Air, Ltd. (l)
 Sept. 8, USAir (l)
 Sept. 12, American Airlines (l)
 Sept. 19, UTA French Airlines, S.A. (l)
 Sept. 20, USAir (ft)
 Oct. 4, Aeroflot Soviet Airlines (l)
 Oct. 7, USAir (t,g)
 Oct. 14, Delta Air Lines (g)
 Oct. 22, North Pacific Airlines (g)
 Nov. 8, Bristow Helicopters, Ltd. (sar)
 Nov. 21, British Airways, Ltd. (2) (l)
 Nov. 23, Saudia: Saudi Arabian Airlines (b,l)
 Nov. 25, Korean Air Lines/Korean Air (KAL) (ft)
 Dec. 4, Northwest Airlines (e,l)
 Dec. 14, Thai Airways International, Ltd. (THAI) (if,l)
 Dec. 15, KLM: Royal Dutch Airlines, N.V. (if,e)
- Dec. 28, Eastern Air Lines (if)
 Dec. 30, Air Ivoire: Societe Ivoirienne de Transport Aeriens, S.A. (l); America West Airlines (l,g); Northwest Airlines (b)
- 1990—Jan. 1, Air France (e,l)
 Jan. 3, Vanair, Ltd. (g)
 Jan. 4, Chautauqua Airlines (g); Delta Air Lines (i); Northwest Airlines (e,l)
 Jan. 5, Aerolineas Argentinas, S.A. (l); TAAG Angolan Airlines, S.A. (l)
 Jan. 6, British Airways, Ltd. (2) (b,l)
 Jan. 9, Bristow Helicopters, Ltd. (sar); British International Helicopters, Ltd. (sar)
 Jan. 14, British Airways, Ltd. (2) (g)
 Jan. 15, Skywest Airlines (l)
 Jan. 18, Eastern Air Lines (m); USAir (if,l)
 Feb. 4, Finnair O/Y (l)
 Feb. 12, TAM: Transportes Aereos Regionais, S.A. (l)
 Feb. 20, LanChile Airlines, S.A. (l)
 Feb. 21, Crossair, Ltd. (g)
 March 1, Katala Air Transport, S.A. (l)
 March 4, American Airlines (if)
 March 8, Northwest Airlines (c)
 March 15, Eastern Air (c)
 March 18, SAHSA: Servicios Aereos de Honduras, S.A. (l)
 March 22, Air China International Corporation (l)
 March 24, Cathay Pacific Airways (Pty.), Ltd. (l)
 March 29, ERA Aviation (l); Ken Borek Air, Ltd. (l)
 April 3, PT Merpati Nusantara Airlines (ft)
 April 7, Delta Air Lines (t)
 April 21, Northwest Airlines (g)
 April 26, AVIANCA Colombian Airlines, S.A. (c)
 May 2, Helicol: Helicopteros Nacionales de Colombia, S.A. (l)
 May 7, Air India, Ltd. (l)
 May 11, Philippine Air Lines (g)
 May 14, Continental Airlines (if)
 May 15, United Airlines (if,c)
 May 24, Horizon Air: Horizon Air Industries (if)
 June 2, Aeroflot Soviet Airlines (l); MarkAir (l)
 June 10, British Airways, Ltd. (2) (if)
 June 13, Aerochago Airlines, S.A. (l)
 June 15, Alitalia, SpA. (m); USAir (m)
 June 30, Aeroflot Soviet Airlines (l)
 July 14, TPI International Airways (e,l); Trans Arabian Air Transport, Ltd. (l)
 July 19, Air U.K., Ltd. (if,l)
 July 22, USAir (ft)
 July 24, Ethiopian Airlines, S.C. (ft)
 Aug. 2, British Airways, Ltd. (2) (i); Egyptair, S.A.E. (l); Kuwait Airways Corporation (l)
 Aug. 4, Columbia Helicopters (if,l)
 Aug. 12, Southern Air Transport (e,l)
 Aug. 20, CCAir (g); United Airlines (l)
 Aug. 27, United Airlines (l)
 Sept. 9, Aeroflot Soviet Airlines (l)
 Oct. 4, Iran Asseman Airlines (l)
 Oct. 19, Alaska Airlines (e,l)
 Nov. 8, Britt Airways (l)
 Nov. 16, Air Jamaica, Ltd. (2) (l)
 Nov. 17, Aeroflot Soviet Airlines (l)
 Nov. 20, Aeroflot Soviet Airlines (l)
 Nov. 21, Aeroflot Soviet Airlines (l)
 Nov. 24, United Airlines (g)
 Dec. 3, Aeroflot Soviet Airlines (l)
 Dec. 5, Northwest Airlines (g)
 Dec. 11, Air Canada, Ltd. (l)
 Dec. 14, Aeroflot Soviet Airlines (l)
 Dec. 15, AIRES: Aerovias de Integracion Regional, S.A. (c)
- 1991—Jan. 4, British Airways, Ltd. (2) (if,l)
 Jan. 12, Vietnam Airlines (l)

- Jan. 20, Pan American World Airways (1) (i)
 Jan. 30, PT Merpati Nusantara Airlines (l)
 Feb. 18, ACES Colombia, S.A. (c)
 March 12, Air Transport International (ft)
 March 29, Ethiopian Airlines, S.C. (i,g)
 March 31, Japan Air Lines Company, Ltd. (2) (e)
 April 5, China Eastern Airlines Company, Ltd. (t)
 April 22, Alitalia, SpA. (l); Midway Airlines (1) (if,l)
 April 22, Midway Airlines (1)
 May 3, Ryan International Airlines (ft)
 May 5, Delta Air Lines (g)
 June 9, Royal Nepal Airlines Corporation (l)
 June 13, Koean Air Lines/Korean Air (KAL) (l)
 June 26, Okada Air, Ltd. (l)
 July 1, Adria Airways (2) (i)
 July 5, Royal Nepal Airlines Corporation (ft)
 July 25, Air Algerie, S.A. (l)
 Aug. 9, Aerosucre Colombia: Aerosucre, S.A. (ft)
 Aug. 14, Formosa Airlines Corporation, Ltd. (l)
 Aug. 16, Bristow Helicopters, Ltd. (sar)
 Aug. 26, Petroleum Helicopters (l)
 Aug. 29, British Airways, Ltd. (2) (m); Midway Airlines (1) (m)
 Aug. 31, LAB: Lloyd Aero Boliviano, S.A. (g)
 Sept. 2, Southern Air Transport (ft)
 Sept. 10, Scibe Airlift, S.A. (l)
 Sept. 14, Cubana: Empresa Consolidada Cubana de Aviacion, S.A. (l)
 Sept. 15, Trans World Airlines (TWA) (e)
 Sept. 16, Kabo Air, Ltd. (l)
 Sept. 27, Southwest Airlines (2) (m)
 Oct. 2, Japan Air Lines Company, Ltd. (2) (if,l)
 Oct. 4, Midway Airlines (1) (m); Southwest Airlines (2) (m)
 Oct. 16, American Airlines (g); Continental Airlines (g)
 Oct. 26, MarkAir Express (ft)
 Nov. 10, Aeronica, S.A. (g)
 Nov. 21, Comair (l)
 Nov. 26, Yemenia: Yemen Airways Company (l)
 Nov. 29, Air Creebec, Ltd. (e,l)
 Dec. 1, Air India, Ltd. (b)
 Dec. 5, British Airways, Ltd. (2) (l)
 Dec. 7, Jamahiriya Libyan Arab Airlines (ft)
 Dec. 11, Air Canada, Ltd. (if)
 Dec. 27, SAS: Scandinavian Airlines System (e,l)
 Dec. 31, United Airlines (l)
- 1992—Jan. 9, Alaska Airlines (m)
 Jan. 18, USAir (l)
 Jan. 22, Romavia Romanian Airlines, S.A. (l)
 Feb. 3, AMSA: Aerolineas Mundo, S.A. (g); West Indies Air Transport (g)
 Feb. 20, Aerolineas Argentinas, S.A. (if); TAAG Angolan Airlines, S.A. (l)
 Feb. 29, Frigorificio Santa Rita, Ltda. (e,g)
 March 3, Aeroflot Russian International Airlines (ARIA) (c)
 March 6, Airborne Express (l)
 March 10, Four Star Aviation (1) (l)
 March 12, CCAir (l)
 March 21, British Airways, Ltd. (2) (e,l)
 March 25, Aeroflot Russian International Airlines (ARIA) (c,l)
 March 26, Intercontinental Colombia: Intercontinental de Aviacion, S.A. (l)
 March 30, Aviacion y Comercio, S.A. (AVIACO) (l)
 March 31, Kabo Air, Ltd. (e,l)
 April 25, MarkAir Express (l)
 April 29, GAS Air Cargo, Ltd. (l)
 May 13, Turkmenistan Airlines (l)
 May 19, United Airlines (m); USAir (m)
 May 29, Ariana Afghan Airlines Company, Ltd. (l)
 June 5, Balkan Bulgarian Airlines (l)
 July 14, Magadan Air Concern: Magadan Aviakoncern MAK (l)
 July 19, First Air, Ltd. (ft)
- July 28, Balkan Bulgarian Airlines (g); Trans World Airlines (TWA) (l)
 July 30, Trans-World Airlines (TWA) (ft)
 Aug. 23, Kabo Air, Ltd. (l)
 Aug. 24, Islena Airlines, S.A. (g)
 Aug. 28, PT Bouraq Indonesian Airlines (ft)
 Aug. 29, Hold Trade Air Services, Ltd. (g)
 Aug. 30, Private Jet Expeditions (ft)
 Sept. 1, USAir (m)
 Sept. 2, Aeroflot Russian International Airlines (ARIA) (ft)
 Sept. 5, Air Ukraine: Avialinii Ukrani (l)
 Oct. 1, Eagle Aviation, Ltd. (2) (g)
 Oct. 10, United Airlines (l)
 Oct. 15, LAC: Lineas Aereas de Caribe, S.A. (l)
 Oct. 25, Eagle Aviation, Ltd. (2) (l)
 Oct. 29, Talair: Tourist Airlines of Niugini, Ltd. (l)
 Nov. 6, Aerochago Airlines, S.A. (e,l)
 Nov. 20, Aerolineas Argentinas, S.A. (ft)
 Nov. 25, DAS Air Cargo: Dairo Air Services, Ltd. (l)
 Dec. 5, Armenian Airlines (l)
 Dec. 8, PT Trigana Air Service (ft)
 Dec. 16, PT Merpati Nusantara Airlines (ft)
- 1993—Jan. 2, Express Airlines I (l)
 Jan. 5, Uzbekistan Airlines (l)
 Jan. 8, Uzbekistan Airlines (l)
 Jan. 15, Air Afrique, S.A. (2) (l)
 Jan. 16, Kazair: Kazakhstan National Airways (e,l)
 Jan. 21, American Airlines (c)
 Jan. 31, LADE: Lineas Aereas del Estado (l)
 Feb. 3, Yakutaviatrans Air Company (ft)
 Feb. 27, Air India, Ltd. (b)
 March 6, Ken Borek Air, Ltd. (ft)
 March 12, Delta Air Lines (t); United Airlines (t); USAir (t)
 March 13, Delta Air Lines (t); United Airlines (t); USAir (t)
 March 14, Delta Air Lines (t); United Airlines (t); USAir (t)
 March 15, Air India, Ltd. (l)
 March 24, Air West Express, Ltd. (l)
 March 31, Evergreen International Airlines (t); Express One International
- April 6, China Eastern Airlines Company, Ltd. (if); Latvian Airlines, A.S. (l)
 April 14, American Airlines (l); Zantop International Airlines (g)
 April 18, Japan Air System, Ltd. (JAS) (l)
 April 24, Air Inter, S.A. (g)
 April 26, Continental Airlines (l); Komiaviatrans (if,l)
 April 27, Continental Airlines (l)
 April 29, Continental Express (if,l)
 May 1, USAir (e,l)
 May 6, SERCA: Servicio Especializado de Carga Area, S.A. (l)
 May 12, Rio-Sul, S.A. (l)
 June 14, Formosa Airlines Corporation, Ltd. (l)
 June 15, Bristow Helicopters, Ltd. (SAR)
 June 16, PT Merpati Nusantara Airlines (ft)
 June 18, American Airlines (e,l)
 June 20, Frigorificio Reyes (Fri-Reyes), Ltd. (e,l)
 June 21, PT Garuda Indonesia (l)
 June 25, Indian Airlines Corporation (l)
 June 26, British Airways, Ltd. (2) (b); THY Turkish Airlines, A.O. (g,c)
 July 15, British Airways, Ltd. (2) (l)
 July 18, SAHSA: Servicios Aereos de Honduras, S.A. (l)
 July 19, Servivensa, S.A. (l)
 July 26, Trans Mediterranean Airways, S.A.L. (g)
 Aug. 4, SAM Colombia Airlines, S.A. (g)
 Aug. 20, Komiaviatrans (if,l)
 Aug. 28, Tajikistan Airlines (l)
 Sept. 5, Dominicana: Compania Dominicana de Aviacion, C. por A. (g)
 Sept. 13, Frigorificio Santa Rita, Ltda. (e,ft)

- Sept. 14, Deutsche Lufthansa, A.G. (l)
 Sept. 19, Regional Airlines, S.A. (ft)
 Oct. 1, British Airways, Ltd. (2) (g)
 Oct. 5, United Airlines (l)
 Oct. 6, Myanmar International Airways, Ltd. (l)
 Oct. 25, Far Eastern Air Transport Corp. (e,l)
 Oct. 26, China Eastern Airlines Company, Ltd. (l)
 Oct. 27, Air Ukraine: Avialinii Ukrani (g)
 Oct. 30, British West Indies Airways, Ltd. (2) (BWIA) (if)
 Nov. 4, China Airlines, Ltd. (CAL) (l)
 Nov. 9, Bristow Helicopters, Ltd. (sar)
 Nov. 15, Indian Airlines Corporation (l)
 Nov. 17, Continental Airlines (l)
 Nov. 19, COPA: Compania Panamenia de Aviacion, S.A. (l)
 Dec. 24, Alaska Airlines (l)
 Dec. 26, Alaska Airlines (if)
 1994—Jan. 1, United Airlines (l)
 Jan. 9, Virgin Atlantic Airways, Ltd. (l)
 Jan. 20, Air France (g)
 Jan. 28, Valujet Airlines (l)
 Feb. 1, Kolyma Avia Enterprise (ft)
 March 1, Northwest Airlines (e,g)
 March 2, Continental Airlines (ft)
 March 8, Aeroflot Russian International Airlines (ARIA) (g); Sahara India Airlines, Ltd. (g)
 March 9, American Airlines (l)
 March 15, Malaysia Airlines, Ltd. (MAS) (g)
 March 19, SATENA Colombia: Servicio de Aeronavagacion a Territorios Nacionales, S.A. (e,l)
 March 21, Aviacion y Comercio, S.A. (AVIACO) (l)
 March 31, Evergreen International Airlines (l)
 April 1, USAir (g)
 April 4, KLM Cityhopper, B.V. (e,l)
 April 7, Federal Express (c); TAAG Angolan Airlines, S.A. (l)
 April 14, Provincial Airlines, Ltd. (l)
 April 22, Indian Airlines, Ltd. (l)
 April 23, Air Manitoba, Ltd. (ft)
 April 27, Transafrik International (l)
 May 1, USAir (l)
 May 28, AVIANCA Colombian Airlines, S.A. (g)
 June 3, Air New Zealand, Ltd. (e)
 June 26, Buffalo Airways, Ltd. (l)
 June 27, Provincial Airlines, Ltd. (l)
 June 28, Air Provence International: Compagnie Air Provence International, S.A. (l)
 July 6, Pakistan International Airlines Corporation (l)
 July 17, Central Region Civil Aviation Department (ft)
 July 20, Yunnan Airlines of China, Ltd. (l)
 July 27, Alaska Coastal Airlines (2) (c)
 Aug. 7, Delta Air Lines (l)
 Aug. 10, Korean Air Lines/Korean Air (KAL) (l)
 Aug. 18, ADC Airlines, Ltd. (l)
 Sept. 6, Aeroflot Russian International Airlines (ARIA) (b)
 Sept. 18, Oriental Airlines, Ltd. (l)
 Sept. 19, Virgin Atlantic Airways, Ltd. (if,l)
 Sept. 22, China Eastern Airlines Company, Ltd. (l)
 Sept. 24, TAROM Romanian Air Transport, S.A. (if)
 Sept. 26, Air India, Ltd. (i)
 Oct. 9, TAMPA: Transportes Aereos Mercantiles Panamericanos Tampa, S.A. Cargo (e,l)
 Oct. 14, American Airlines (c,if)
 Oct. 22, Thai Airways International, Ltd. (THAI) (e,g)
 Oct. 31, Tower Air (l)
 Nov. 1, Austrian Airlines, A.G. (b)
 Nov. 2, Bearskin Airlines, Ltd. (m); Canadian Regional Airlines, Ltd. (m)
 Nov. 3, Air Liberte: Compagnie Air Liberte, S.A. (l)
 Nov. 4, Bearskin Airlines, Ltd. (m); Canadian Regional Airlines, Ltd. (m); Federal Express (l)
 Nov. 11, Bond Helicopters, Ltd. (m)
 Nov. 22, Trans World Airlines (TWA) (ft)
 Nov. 26, USAir (e,l)
 Nov. 27, PT Bouraq Indonesian Airlines (l); Delta Air Lines (b)
 Nov. 28, American Airlines (t); Delta Air Lines (if)
 Nov. 30, PT Merpati Nusantara Airlines (l)
 Dec. 3, Belair: Air Belarus (l)
 Dec. 8, Air Gabon: Compagnie Nationale Air Gabon, S.A.
 Dec. 11, Philippine Air Lines (b,l)
 Dec. 13, Flagship Airlines (e,l)
 Dec. 18, Trans World Airlines (TWA) (l)
 Dec. 22, LAB: Lloyd Aero Boliviano, S.A. (e,ft)
 Dec. 26, USAir (if,l)
 1995—Jan. 2, Air Zaire, S.A. (l); Taquan Air Service (l)
 Jan. 6, Delta Air Lines (t)
 Jan. 9, Continental Airlines (g); USAir (g)
 Jan. 16, PT Semptai Air (l)
 Jan. 17, Royal Nepal Airlines Corporation (ft)
 Jan. 19, Air South (4) (l); Bristow Helicopters, Ltd. (if,l)
 Jan. 26, Kazair: Kazakhstan National Airways (ft)
 Jan. 27, Southwest Airlines (2) (g)
 Jan. 28, Crescent Airways (l)
 Jan. 29, American Airlines (if); Arrow Air (l)
 Jan. 30, Delta Air Lines (g,e)
 Jan. 31, TAAG Angolan Airlines, S.A. (l)
 Feb. 1, Air Ukraine: Avialinii Ukrani (l)
 Feb. 5, Trans World Airlines (TWA) (l)
 Feb. 7, Delta Air Lines (e,g)
 Feb. 9, Delta Air Lines (b)
 Feb. 25, British Airways, Ltd. (2) (m); United Airlines (m)
 March 1, American Airlines (m); TAROM Romanian Air Transport, S.A. (if)
 March 2, Martinaire (l)
 March 8, American Airlines (e,l); British Airways, Ltd. (2) (m); Delta Air Lines (m)
 March 10, Ketchikan Air Service (ft)
 March 15, Malaysia Airlines, Ltd. (MAS) (if)
 March 16, Delta Air Lines (t)
 March 20, Olympic Airways, S.A. (b); Yute Air Alaska (if,l)
 March 27, Amuraviatrans: Lanier A/O (e,l)
 March 29, Arctic Circle Air Service (l)
 April 2, American Airlines (g); Flagship Airlines (l)
 April 3, Aeroexo: Transportes Aereos Ejecutivos, S.A. de C.V. (e,l)
 April 4, TAROM Romanian Air Transport, S.A. (b)
 April 5, TAROM Romanian Air Transport, S.A. (b)
 April 11, American Airlines (g)
 April 16, THY Turkish Airlines, A.O. (g,c)
 April 19, Continental Airlines (t)
 April 23, Bristow Helicopters, Ltd. (l); USAir (g)
 April 26, United Airlines (if,l)
 April 28, Airtours International, Ltd. (l); Million Air (l)
 April 29, American Airlines (t); Delta Air Lines (t); Simmons Airlines (t)
 May 8, Peninsula Airways (l) (l)
 May 11, Royal Airlines, Ltd. (l)
 May 13, United Parcel Service (UPS) (l)
 May 19, Continental Airlines (g,if); SAS: Scandinavian Airlines System (g)
 May 25, Arctic Circle Air Service (e,l)
 May 30, American Airlines (l)
 May 31, Air Niugini (Pty.), Ltd. (l)
 June 3, Air France (e,l); American International Airways (3) (l)
 June 7, Reeve Aleutian Airways (l)
 June 8, Valujet Airlines (e,l)
 June 15, Formosa Airlines Corporation, Ltd. (l)
 June 16, LADE: Lineas Aereas del Estado (l)
 June 17, United Airlines (e)
 June 18, Formosa Airlines Corporation, Ltd. (ft)
 June 21, Deutsche Lufthansa, A.G. (if)

- June 24, Harco Air Services, Ltd. (l)
 June 26, American Airlines (t)
 June 30, Talkeetna Air Taxi (t,l)
 July 3, Great Barrier Airlines, Ltd. (l)
 July 5, Aeroflot Russian International Airlines (ARIA) (b)
 July 10, Simmons Airlines (if)
 July 13, Taquan Air Service (ft)
 July 17, PT Merpati Nusantara Airlines (ft)
 July 22, United Airlines (e)
 July 24, United Airlines (g)
 July 26, ADC Airlines, Ltd. (l)
 July 30, MarkAir (b)
 July 31, Peninsula Airways (l) (ft)
 Aug. 3, MarkAir Express (g); USAir (m)
 Aug. 4, Northwest Airlines (t)
 Aug. 11, British Airways, Ltd. (2) (e)
 Aug. 17, Air Afrique, S.A. (2) (l)
 Aug. 18, American Airlines (b); British Airways, Ltd. (2) (e); Southwest Airlines (2) (if)
 Aug. 23, Delta Air Lines (if,l)
 Aug. 26, Skagway Air Service (e,l)
 Sept. 1, American Airlines (c)
 Sept. 7, Delta Air Lines (g)
 Sept. 11, Ariana Afghan Airlines Company, Ltd. (l)
 Sept. 12, British West Indies Airways, Ltd. (2) (BWIA) (if); Simmons Airlines (m)
 Sept. 16, American Airlines (m); Canada 3000, Ltd. (m)
 Sept. 18, Deutsche Lufthansa, A.G. (t)
 Sept. 28, Wilderness Air (1975), Ltd. (l)
 Oct. 3, United Airlines (if)
 Oct. 16, Binter Canarias, S.A. (g)
 Oct. 17, United Airlines (t)
 Oct. 18, Air Maldives, Ltd. (l)
 Oct. 19, Canadian Airlines International, Ltd. (ft)
 Oct. 20, Ansett Australia (Pty.), Ltd. (l)
 Oct. 22, American Airlines (g); Continental Airlines (e,l); Ethiopian Airlines, S.C. (if,l); Mesa Air Group (g); United Airlines (g)
 Oct. 24, United Airlines (g)
 Oct. 31, Aeroflot Russian International Airlines (ARIA) (l)
 Nov. 1, Kazair: Kazakhstan National Airways (l); United Airlines (t)
 Nov. 3, MarkAir Express (ft)
 Nov. 7, Continental Airlines (g); Delta Air Lines (t)
 Nov. 12, American Airlines (l)
 Nov. 13, East West Airlines, Ltd. (c); Nigeria Airways, Ltd. (l)
 Nov. 25, United Airlines (t)
 Dec. 1, Continental Airlines (e,ft)
 Dec. 2, Indian Airlines, Ltd. (l)
 Dec. 6, Korean Air Lines/Korean Air (KAL) (c)
 Dec. 7, Pakistan International Airlines Corporation (e,l)
 Dec. 9, Aeroflot Russian International Airlines (ARIA) (e)
 Dec. 10, Baker Aviation (ft); South Central Air (l)
 Dec. 12, Valujet Airlines (e,l)
 Dec. 16, Bristow Helicopters, Ltd. (sar)
 Dec. 18, Bering Air (ft)
 Dec. 19, Northwest Airlines (c); Trans World Airlines (TWA) (l)
 Dec. 20, Canadian Airlines International, Ltd. (g); Prompt Air (e,l); Tower Air (ft)
 Dec. 23, British International Helicopters, Ltd. (sar); Trans World Airlines (TWA) (e,l)
 Dec. 29, Air Canada, Ltd. (i)
 Dec. 30, Mahalo Air (t)
 1996—Jan. 4, Bristow Helicopters, Ltd. (t,g)
 Jan. 5, Northwest Airlines (e,l); Salair Air Cargo Airline (e,l)
 Jan. 7, Continental Airlines (t); Delta Air Lines (t); Deutsche Lufthansa, A.G. (t); Federal Express (t); Northwest Airlines (t); SAS: Scandinavian Airlines System (t); Southwest Airlines (2) (t); Trans World Airlines (TWA) (t); United Airlines (t); United Parcel Service (UPS) (t); USAir (t); Valujet Airlines (l)
 Jan. 12, Valujet Airlines (l)
 Jan. 17, Trans World Airlines (TWA) (if)
 Jan. 18, Helikopter Service, A.S. (e,l)
 Jan. 20, Air Nelson, Ltd. (l)
 Jan. 23, Alitalia, SpA. (m); VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (m)
 Jan. 26, Valujet Airlines (ft)
 Jan. 28, Affretair (Pty.), Ltd. (2) (l)
 Jan. 29, Tower Air (g)
 Jan. 30, Delta Air Lines (e,l)
 Feb. 1, ACES Colombia, S.A. (m); Aero Contractors of Nigeria, Ltd. (l); Valujet Airlines (l)
 Feb. 4, Delta Air Lines (l)
 Feb. 7, Liberty Express (l)
 Feb. 10, SA Airlink (Pty.), Ltd. (l)
 Feb. 19, Continental Airlines (l)
 Feb. 20, American Airlines (g); Continental Airlines (l); Delta Air Lines (g); United Airlines (g); USAir (l)
 Feb. 22, Million Air (l)
 Feb. 24, Sakha Avia National Air Company (if,l)
 Feb. 28, Las Vegas Airlines (l); Valujet Airlines (l)
 March 2, Pan Am Air Bridge (i)
 March 4, Talkeetna Air Taxi (l)
 March 8, Canadian Airlines International, Ltd. (l)
 March 12, Nigeria Airways, Ltd. (e,l)
 March 13, Hageland Air (l)
 March 14, Kelowna Flightcraft Air Charter, Ltd. (l)
 March 18, Airlift, A.S. (l)
 March 22, American Airlines (c)
 March 24, British World Airlines, Ltd. (l)
 April 2, Pacific Airways Corporation (g); Philippine Air Lines (PAL) (g)
 April 3, Simmons Airlines (l)
 April 6, Air Zaire, S.A. (i)
 April 7, American Airlines (t); Dolphin Express Airlines (ft)
 April 17, Yute Air Alaska (ft)
 April 20, Southwest Airlines (2) (l)
 April 23, Delta Air Lines (e,l)
 April 24, Reeve Aleutian Airways (if,l)
 April 25, easyJet Airlines, Ltd. (b); Royal Nepal Airlines Corporation (l)
 April 29, Aeroflot Russian International Airlines (ARIA) (b)
 May 2, Mesa Air Group (l)
 May 3, Peninsula Airways (l) (l)
 May 5, Air Nelson, Ltd. (g)
 May 11, Archana Airways, Ltd. (l)
 May 12, American Trans Air (if,l)
 May 14, Air France (b); Allegro Air: Lineas Aereas Allegro, S.A. de C.V. (l); PT Sempati Air (g); PT Trigana Air Service (g)
 May 16, Federal Express (l)
 May 21, Cape Smythe Air Service (if)
 May 23, Cape Smythe Air Service (l)
 May 24, American Airlines (g)
 May 25, Korean Air Lines/Korean Air (KAL) (l)
 May 28, Airborne Express (g); Martinair Holland, N.V. (l)
 May 31, Virgin Atlantic Airways, Ltd. (if,l)
 June 3, American Airlines (t)
 June 4, Larry's Flying Service (ft)
 June 5, American Airlines (l)
 June 8, Excalibur Airways, Ltd. (g)
 June 9, Eastwind Airlines: The Bee Line (if)
 June 11, Lone Star Airlines (e,l)
 June 13, PT Garuda Indonesia (ft)
 June 19, Cathay Pacific Airways (Pty.), Ltd. (ft)
 June 21, China Flying Dragon Aviation Company (l)
 June 22, Frontier Airlines (2) (t)
 June 23, Comair (l); Excalibur Airways, Ltd. (g)
 June 24, Air Philippines (2) (g); Excalibur Airways, Ltd. (g); Helikopter Service, A.S. (l); Khors Air Company (l); Kiwi International Air Lines (m); USAir (m); USAir Shuttle (t)

- June 25, Trans World Airlines (TWA) (m); Virgin Atlantic Airways, Ltd. (m)
 June 29, DAS Air Cargo; Dairo Air Services, Ltd. (l)
 July 1, Wings West Airlines (e,ft)
 July 6, Bristow Helicopters, Ltd. (sar); USAir (c)
 July 7, Delta Air Lines (e,g)
 July 8, Southwest Airlines (2) (e,ft)
 July 11, PT Bouraq Indonesian Airlines (ft)
 July 13, American Airlines (t)
 July 16, Aeroflot Russian International Airlines (ARIA) (b)
 July 20, United Airlines (g)
 July 24, Myanmar Airways, Ltd. (l)
 July 26, USAir (c)
 July 28, Talkeetna Air Taxi (ft)
 Aug. 2, Air Algerie, S.A. (ft); Cape Smythe Air Service (l)
 Aug. 4, Talkeetna Air Taxi (l)
 Aug. 5, Air Saint Thomas (ft)
 Aug. 7, American Airlines (b); Flamenco Airways (m); Trans Caribbean Airways (m); Western Pacific Airlines (Westpac) (b)
 Aug. 12, Air Inter Europe, S.A. (c); American Airlines (if,l)
 Aug. 14, Air France (c); Delta Air Lines (e,l)
 Aug. 15, Trans World Airlines (TWA) (if)
 Aug. 17, Carnival Air Lines (b)
 Aug. 21, EgyptAir, S.A.E. (l)
 Aug. 29, American Airlines (if); USAir (t)
 Aug. 30, Air Philippines (2) (g)
 Sept. 2, USAir (c)
 Sept. 5, Air France (t); Continental Airlines (e,g); Federal Express (l)
 Sept. 10, Alpi Eagles, SpA. (if)
 Sept. 18, Deutsche Lufthansa, A.G. (t)
 Sept. 20, Wings West Airlines (g)
 Sept. 28, Air-Hi-O (l)
 Sept. 29, PT Garuda Indonesia (c)
 Sept. 30, Sunways Intersun Havacilik, A.O. (e,l); PT Trigana Air Service (l)
 Oct. 16, Petroleum Helicopters (l)
 Oct. 19, Delta Air Lines (l)
 Oct. 21, USAir (if,l)
 Oct. 23, Propair, Inc. (l)
 Oct. 25, Westjet, Ltd. (e,l)
 Oct. 28, American Airlines (l)
 Oct. 30, Air Macau Company, Ltd. (g)
 Oct. 31, Flamenco Airways (e,l); World Airways (l)
 Nov. 2, Korean Air Lines/Korean Air (KAL) (g)
 Nov. 6, World Airways (l)
 Nov. 11, Delta Air Lines (l)
 Nov. 19, United Airlines (t)
 Nov. 23, American Airlines (e,ft)
 Nov. 27, Indian Airlines, Ltd. (e,l)
 Nov. 29, Skywest Airlines (if,l)
 Dec. 4, Delta Air Lines (g); Philippine Air Lines (g)
 Dec. 5, Yute Air Alaska (l)
 Dec. 6, Singapore Airlines, Ltd. (t)
 Dec. 15, Aloha Island Air (l)
 Dec. 17, MK Airlines, Ltd. (l)
 Dec. 20, Air Wisconsin Airlines Corporation (t)
 Dec. 22, Alaska Airlines (t)
 Dec. 24, Nordeste Linhas Aereas Regionais, S.A. (l)
 Dec. 25, Airlift, A.S. (sar); American Airlines (t); Mexicana Airlines, S.A. de C.V. (b)
 Dec. 29, Petroleum Helicopters (ft)
 Dec. 31, Air India, Ltd. (m); Indian Airlines, Ltd. (m)
 1997—Jan. 2, United Airlines (g)
 Jan. 3, Titan Airways, Ltd. (l)
 Jan. 7, American Airlines (t)
 Jan. 9, American Airlines (g); TAM: Transportes Aereos Regionais, S.A. (l)
 Jan. 10, USAir Express (Mesa Air Group) (ft)
 Jan. 11, Air Lanka, Ltd. (m); Kuwait Airways Corporation (m)
 Jan. 17, TAM: Transportes Aereos Regionais, S.A. (l)
 Jan. 18, Ryan International Airlines (ft)
 Jan. 24, Delta Air Lines (c); Swissair, A.G. (c)
 Jan. 25, Kolyma Avia Enterprise (l); Singapore Airlines, Ltd. (m); Swissair, A.G. (m)
 Jan. 26, Northwest Airlines (ft)
 Jan. 28, Trans World Airlines (TWA) (t)
 Jan. 29, Air China International Corporation (l); South Central Air
 Feb. 6, Nations Air Express (m)
 Feb. 7, American Airlines (m); Flagship Airlines (m)
 Feb. 10, Northwest Airlines (m)
 Feb. 14, Baron Aviation Services (l); VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (l)
 Feb. 15, Malaysian Airlines, Ltd. (MAS) (l)
 Feb. 17, Continental Airlines (l)
 Feb. 21, Piedmont Airlines (2) (if,l)
 Feb. 22, Polynesian Airways (l)
 Feb. 27, United Airlines (t)
 Feb. 28, American Airlines (t)
 March 1, Bond Helicopters, Ltd. (sar)
 March 2, Mexicana Airlines, S.A. de C.V. (t)
 March 3, Islena Airlines, S.A. (ft); Pantar Taxi Aereo, S.A. (l)
 March 5, American Airlines (g)
 March 6, Philippine Air Lines (if,l)
 March 7, Continental Airlines (g)
 March 9, Royal Airlines, Ltd. (c); SAS: Scandinavian Airlines System (l)
 March 10, Aeromexpress, S.A. de C.V. (ft); Gulf Air Company, G.S.C. (ft)
 March 14, Reno Air (e,l)
 March 16, British Airways, Ltd. (2) (g)
 March 21, Delta Air Lines (if,l)
 March 22, American International Airways (3) (l)
 March 26, American Airlines (l); Horizon Air: Horizon Air Industries (g)
 March 27, Delta Air Lines (l,g)
 March 28, Florida Gulf Airlines (e,l)
 April 1, Eagle Canyon Airlines (g); Delta Air Lines (c)
 April 3, Olson Air Service (l)
 April 4, Reno Air (m)
 April 5, Delta Air Lines (c)
 April 7, Cape Smythe Air Service (l); United Airlines (t)
 April 10, Sunways Intersun Havacilik, A.O. (l)
 April 12, Corporate Air (2) (l); Ghana Airways Corporation (l)
 April 14, TAAG Angolan Airlines, S.A. (ft)
 April 16, KLM: Royal Dutch Airlines, N.V. (m); United Airlines (if); VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (m)
 April 18, America West Airlines (m)
 April 19, PT Merpati Nusantara Airlines (l)
 April 20, Air France (g); KLM: Royal Dutch Airlines, N.V. (g)
 April 25, Swissair, A.G. (g)
 April 26, American Airlines (if)
 April 27, Yute Air Alaska (l)
 April 28, American Airlines (l); Continental Airlines (t); United Airlines (e,g)
 May 1, Cathay Pacific Airways (Pty.), Ltd. (e)
 May 2, Olympic Aviation, S.A. (l)
 May 6, Channel Express (Air Services), Ltd. (l)
 May 9, Delta Air Lines (e,l)
 May 10, Air Sao Tome e Principe: Linhas Aereas de Sao Tome e Principe, S.A. (g)
 May 11, Continental Airlines (l); Flying Colours Airlines, Ltd. (g)
 May 12, American Airlines (t)
 May 13, Delta Air Lines (g)
 May 14, Air Canada, Ltd. (g); United Airlines (g)
 May 15, Azerbaijan Airlines (if,l); Nigeria Airways, Ltd. (g); Trans World Airlines (TWA) (if)
 May 22, Air Transat, Ltd. (if); Alitalia, Spa. (l)
 May 23, Dragonair (Pty.), Ltd. (e)

- May 27, Pacific Island Aviation (ft); Skywest Airlines (e,l)
 May 28, Executive Airlines (3) (if,l)
 June 2, Saudi Arabian Airlines (l)
 June 3, United Airlines (t)
 June 4, Scenic Airlines (e,l)
 June 7, Continental Airlines (g)
 June 8, Japan Air Lines Company, Ltd. (2) (t); United Airlines (m)
 June 9, Federal Express (g); Japan Air Lines Company, Ltd. (2) (g)
 June 10, Pan American World Airways (2) (c)
 June 11, United Airlines (t)
 June 16, Philippine Air Lines (g); Sun Jet International Airlines (ft)
 June 17, Reno Air (e,l); Sun Country Air Lines (if,l)
 June 19, USAirways Express (Mesa Air Group) (l)
 June 20, Warbelow's Air Ventures (if)
 June 21, PT Garuda Indonesia (l)
 June 25, American Airlines (c)
 June 26, Delta Air Lines (g)
 June 30, Alitalia, SpA. (e,l)
 July 3, Japan Air Lines Company, Ltd. (2) (m)
 July 5, Northwest Airlines (if,l)
 July 6, Air New Zealand, Ltd. (l); Delta Air Lines (l)
 July 7, Yute Air Alaska (l)
 July 9, Air Aruba, N.V. (c); PT Merpati Nusantara Airlines (l);
 TAM: Transportes Aereos Regionais, S.A. (l)
 July 10, American Airlines (t)
 July 14, United Airlines (if)
 July 16, British Airways, Ltd. (2) (m)
 July 17, African Airlines International, Ltd. (i)
 July 20, China Northern Airlines Company, Ltd. (ft)
 July 21, Peninsula Airways (1) (ft)
 July 25, Laker Airways, Inc. (t)
 July 30, Delta Air Lines (c)
 July 31, American Airlines (c); Federal Express (l)
 Aug. 2, Continental Airlines (g); Indian Airlines, Ltd. (l)
 Aug. 3, Air Afrique, S.A. (2) (l)
 Aug. 5, Qantas Airways (Pty.), Ltd. (l)
 Aug. 8, Futura International Airways, S.A. (if)
 Aug. 9, Finnair O/Y (t); Talkeetna Air Taxi (l)
 Aug. 11, Sabre Airways, Ltd. (g)
 Aug. 12, Olympic Airways, S.A. (l)
 Aug. 13, Ameriflight (l); Reliant Airlines (l)
 Aug. 19, Superior Aviation (l)
 Aug. 20, Evergreen International Airlines (l)
 Aug. 22, SAETA: Sociedad Aerea Ecuatoriana de Transportes
 Aereos, S.A. (l)
 Aug. 22, Yute Air Alaska (g)
 Aug. 23, United Airlines (g); Wright Air Services (ft)
 Aug. 24, Bristow Helicopters, Ltd. (sar,l); Northwest Airlines (if);
 Pan American World Airways (2) (e)
 Aug. 27, British Airways, Ltd. (2) (m); Virgin Express
 Airlines, S.A. (m)
 Sept. 1, Alaska Airlines (l)
 Sept. 4, Continental Airlines (if,l)
 Sept. 6, Canadian Airlines International, Ltd. (ft); UFS: United
 Feeder Service (t)
 Sept. 7, Saudi Arabian Airlines (ft)
 Sept. 8, Bering Air (g); Hageland Air (g)
 Sept. 9, Ariana Afghan Airlines Company, Ltd. (g)
 Sept. 10, Aeroflot Russian International Airlines (ARIA) (l)
 Sept. 14, Hageland Air (l)
 Sept. 18, Petroleum Helicopters (l)
 Sept. 20, CityFlyer Express, Ltd. (if,l); Qantas Airways (Pty.), Ltd. (l)
 Sept. 25, American Airlines (m); Federal Express (m); Southwest
 Airlines (2) (m); Trans World Airways (TWA) (l)
 Sept. 26, United Airlines (t)
 Sept. 27, British Airways, Ltd. (2) (m); Tower Air (m)
 Sept. 20, Air U.K., Ltd. (m); Ryanair, Ltd. (m)
 Oct. 1, American Airlines (t,g); Ryan International Airlines (g)
 Oct. 3, American Airlines (c)
 Oct. 4, Uganda Airlines, Ltd. (e,l)
 Oct. 7, Continental Airlines (g)
 Oct. 15, Aerolineas Argentinas, S.A. (m); Air Vegas Airlines (if,l)
 Oct. 21, American Airlines (l)
 Oct. 24, United Airlines (t)
 Oct. 25, Finnair O/Y (m)
 Oct. 28, Aerolineas Galapagos, S.A. (l)
 Oct. 29, Ariana Afghan Airlines Company, Ltd. (l)
 Oct. 30, Indian Airlines, Ltd. (g)
 Oct. 31, Cape Smythe Air Service (ft)
 Nov. 5, Virgin Atlantic Airways, Ltd. (l)
 Nov. 6, Necon Air, Ltd. (g); Nepal Airways, Ltd. (g)
 Nov. 7, McNeely Charter Service (l); USAirways (l)
 Nov. 11, South Central Air (ft)
 Nov. 19, Bristow Helicopters, Ltd. (sar)
 Nov. 20, Blue Scandinavia, A.B. (if,e); Fine Air (e,l)
 Nov. 21, Kitty Hawk Air Cargo (ft)
 Nov. 25, Corporate Air (2) (l)
 Dec. 2, American Airlines (if,c)
 Dec. 3, Biman Bangladesh Airlines, Ltd. (l)
 Dec. 7, Northwest Airlines (g)
 Dec. 10, American Airlines (t); United Airlines (t)
 Dec. 11, Wings West Airlines (t)
 Dec. 12, South African Airways (Pty.), Ltd. (g)
 Dec. 16, Air Canada, Ltd. (l)
 Dec. 17, Air Europa, S.A. (m); SAS: Scandinavian Airlines
 System (m)
 Dec. 21, British Regional Airlines, Ltd. (e)
 Dec. 23, Northwest Airlines (g); USAirways Express (Mesa Air
 Group) (g)
 Dec. 25, Corsair, S.A. (l); United Airlines (g)
 Dec. 28, United Airlines (t)
 Dec. 29, Delta Air Lines (t,l)
 Dec. 30, PT Garuda Indonesia (e,l)
 Dec. 31, Air India, Ltd. (m); Indian Airlines, Ltd. (m)
 1998—Jan. 1, Airtours International, Ltd. (l)
 Jan. 2, Saudi Arabian Airlines (if,l)
 Jan. 3, American Airlines (if); British Airways, Ltd. (2) (if)
 Jan. 4, Austral Airlines: Austral Lineas Aereas, S.A. (l); CCAir (if);
 Maersk Air U.K., Ltd. (l)
 Jan. 5, Iran Air: The Airline of the Islamic Republic of Iran (l)
 Jan. 6, Caledonian Airways, Ltd. (2) (l); Delta Air Lines (t);
 Virgin Atlantic Airways, Ltd. (if,l)
 Jan. 8, Canadian Airlines International, Ltd. (t); Canadian Regional
 Airlines, Ltd. (t)
 Jan. 9, American Airlines (g); British Regional Airlines, Ltd. (g);
 Canadian Airlines International, Ltd. (t); Canadian Regional
 Airlines, Ltd. (t); United Airlines (if,l)
 Jan. 10, American Airlines (m); Canadian Airlines International,
 Ltd. (t); Canadian Regional Airlines, Ltd. (t); Delta Air Lines (m);
 Southern Air Transport (l)
 Jan. 11, THY Turkish Airlines, A.O. (l)
 Jan. 20, Baron Aviation Services (l)
 Jan. 21, Continental Express (l,g)
 Jan. 25, British Airways, Ltd. (2) (m)
 Jan. 28, American Airlines (ft); Delta Air Lines (m); USAirways (m)
 Feb. 3, British Airways, Ltd. (2) (m); Manx Airlines, Ltd. (2) (m)
 Feb. 6, American International Airways (3) (l); Larry's Flying
 Service (l)
 Feb. 9, American Airlines (l)
 Feb. 10, British Regional Airlines, Ltd. (l)
 Feb. 11, Continental Express (ft); Northwest Airlines (e,l);
 SAHA Airlines (l)
 Feb. 13, Transbrasil, S.A.: Linhas Aereas Transbrasil (g)
 Feb. 21, British Regional Airlines, Ltd. (g)
 Feb. 22, Simmons Airlines (l)
 Feb. 23, Far Eastern Air Transport Corp. (l); Gail Force Express (l)
 Feb. 24, Peninsula Airways (1) (l)
 Feb. 25, British Regional Airlines, Ltd. (g)

- Feb. 26, USAirways (l)
 March 5, British Regional Airlines, Ltd. (g)
 March 1, KLM U.K., Ltd. (b)
 March 3, Mexicana Airlines, S.A. de C.V. (l)
 March 6, Federal Express (g)
 March 8, American Airlines (if); Continental Airlines (e,g)
 March 10, Aeroflot Russian International Airlines (ARIA) (g);
 Flagship Airlines (if,l)
 March 11, Air Wisconsin Airlines Corporation (l)
 March 14, Delta Air Lines (l)
 March 18, British Regional Airlines, Ltd. (l)
 March 20, Delta Air Lines (l); Hawaiian Airlines (m)
 March 22, Philippine Air Lines (l); SAS: Scandinavian Airlines
 System (if,l)
 March 24, Scenic Airlines (e,l)
 March 27, Air Canada, Ltd. (g)
 March 30, Royal Airlines, Ltd. (e,l)
 March 31, Emerald Airways, Ltd. (2) (e,l)
 April 3, Air Canada, Ltd. (m); USAirways (m)
 April 7, Air 2000, Ltd. (if,c)
 April 12, City Bird, S.A. (g); Thai Airways International, Ltd.
 (THAI) (l)
 April 13, Canadian Airlines International, Ltd. (i)
 April 15, Peninsula Airways (1) (l)
 April 17, United Airlines (t,l)
 April 18, Tower Air (t)
 April 23, Continental Airlines (g,c)
 April 29, Fine Air (g)
 May 1, Northwest Airlines (g)
 May 7, AirTran Airlines (t); Continental Airlines (g)
 May 11, Alaska Airlines (e,l)
 May 12, EgyptAir, S.A.E. (g); Ethiopian Airlines, S.C. (g,l); Grand
 Aire (l); Murmansk Chief Aviation Enterprise: Murmanskoe
 GAP (l); United Airlines (e,g)
 May 13, American Airlines (t); Wings West Airlines (t)
 May 15, PT Merpati Nusantara Airlines (ft)
 May 17, Scenic Airlines (l)
 May 18, Northwest Airlines (m)
 May 20, Continental Airlines (t); Leisure International Airways,
 Ltd. (l)
 May 21, Continental Airlines (t); Yute Air Alaska (if)
 May 24, USAirways (t)
 May 25, Alaska Airlines (if); British Airways, Ltd. (2) (if,l);
 Malaysia Airlines, Ltd. (MAS) (t)
 May 27, Ansett Australia (Pty.), Ltd. (t)
 June 4, Express Airlines I (if,l)
 June 5, Aero Zambia, Ltd. (i)
 June 6, AOM French Airlines, S.A. (ft)
 June 11, Delta Air Lines (m)
 June 12, Omni Air Express (m); USAirways Express (Mesa
 Air Group) (g)
 June 14, Japan Air Lines Company, Ltd. (2) (l)
 June 15, Singapore Airlines, Ltd. (if,c)
 June 16, Air New Zealand, Ltd. (e,l)
 June 17, Deutsche Lufthansa, A.G. (g); United Airlines (g)
 June 21, Air New Zealand, Ltd. (ft,l)
 June 22, Air New Zealand, Ltd. (if,l); Air 2000, Ltd. (if)
 June 23, United Airlines (e)
 June 24, Kuwait Airways Corporation (b)
 June 26, Lynden Air Cargo (l)
 June 25, EgyptAir, S.A.E. (b)
 June 27, Continental Express (ft,e); Spanair, S.A. (e,l)
 June 28, Air Parbat, Ltd. (l)
 July 7, Skyway Airlines (2) (l); Southwest Airlines (2) (e,l)
 July 9, American Airlines (e,l); THY Turkish Airlines, A.O. (t)
 July 12, Northwest Airlines (if); Nova Airlines, A.B. (Novair) (e,l)
 July 14, British Regional Airlines, Ltd. (c)
 July 16, American Airlines (if); Northwest Airlines (g)
 July 17, THY Turkish Airlines, A.O. (e,l)
 July 19, Air New Zealand, Ltd. (m); Spirit Airlines (g)
 July 20, Bond Helicopters, Ltd. (e)
 July 21, Flying Colours Airlines, Ltd. (if,c)
 July 26, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A. (e,l)
 July 29, United Airlines (e,l)
 Aug. 1, Delta Air Lines (m)
 Aug. 5, Bristow Helicopters, Ltd. (l); Formosa Airlines
 Corporation, Ltd. (l); Korean Air Lines/Korean Air (KAL) (l)
 Aug. 7, USAirways (t)
 Aug. 9, American Airlines (t); Uni Airways Corporation, Ltd. (l)
 Aug. 13, Caledonian Airways, Ltd. (2) (l); Peach Air, Ltd. (if,l)
 Aug. 19, EgyptAir, S.A.E. (if,l); Great Lakes Aviation (e,l); Japan
 Air Lines Company, Ltd. (2) (m); Qatar Airways, Ltd. (ft)
 Aug. 20, British West Indies Airways, Ltd. (2) (BWIA) (c)
 Aug. 22, Continental Micronesia (t)
 Aug. 24, Bond Helicopters, Ltd. (if)
 Aug. 25, Air Transat, Ltd. (l)
 Aug. 26, British International Helicopters, Ltd. (l)
 Aug. 27, American Airlines (e,l)
 Aug. 29, Sabena Belgian World Airlines, S.A. (l)
 Aug. 30, Alaska Airlines (m); Delta Air Lines (m)
 Aug. 31, DHL Airways (l)
 Sept. 2, Aero Lloyd Flugreisen GmbH. & Co: Luftverkehrs,
 K.G. (ft)
 Sept. 3, Sabena Belgian World Airlines, S.A. (g); Sobelair: Socite
 Belge de Transports par Air, S.A. (g)
 Sept. 4, British West Indies Airways, Ltd. (2) (BWIA) (c);
 Qantas Airways (Pty.), Ltd. (if); Royal Airlines, Ltd. (e,l)
 Sept. 5, Swissair, A.G. (if)
 Sept. 6, Aeroflot Russian International Airlines (ARIA) (m);
 Cathay Pacific Airways (Pty.), Ltd. (m)
 Sept. 8, British West Indies Airways, Ltd. (2) (BWIA) (c);
 Korean Air Lines/Korean Air (KAL) (l)
 Sept. 11, British Airways, Ltd. (2) (m); China Eastern Airlines
 Company, Ltd. (l); KLM: Royal Dutch Airlines, N.V. (m);
 Swissair, A.G. (m); United Parcel Service (UPS) (l)
 Sept. 12, Vietnam Airlines
 Sept. 13, SAS: Scandinavian Airlines System (if,l)
 Sept. 14, Martinair Holland, N.V. (e,l)
 Sept. 16, Continental Airlines (l); Iberia Spanish Airlines (2):
 Lineas Aereas de Espana, S.A. (if)
 Sept. 17, American Eagle Airlines (2) (t)
 Sept. 20, Thai Airways International, Ltd. (THAI) (l)
 Sept. 21, Southern Air Transport (l)
 Sept. 22, Air France (if)
 Sept. 24, KLM U.K., Ltd. (if,l); Trans Florida Airlines (l)
 Sept. 27, Allegheny Airlines (2) (t); Japan Air Lines
 Company, Ltd. (2) (t)
 Sept. 30, Indian Airlines, Ltd. (c); Korean Air Lines/Koean
 Air (KAL) (l)
 Oct. 1, Japan Air Lines Company, Ltd. (2) (e,l)
 Oct. 3, British West Indies Airways, Ltd. (2) (BWIA) (c)
 Oct. 4, British Airways, Ltd. (2) (if,l); Delta Air Lines (t)
 Oct. 5, LAM Mozambique Airlines, S.A. (e,l)
 Oct. 7, Continental Airlines (e,ft)
 Oct. 8, Delta Air Lines (if,l)
 Oct. 12, Northwest Airlines (if,l)
 Oct. 14, American Airlines (if,l); Northwest Airlines (if)
 Oct. 15, American Airlines (e,l); Delta Air Lines (e,l)
 Oct. 16, British Regional Airlines, Ltd. (l)
 Oct. 20, American Airlines (if,l)
 Oct. 21, British Airways, Ltd. (2) (if,l)
 Oct. 30, Airtours International, Ltd. (if,c)
 Nov. 1, AirTran Airlines (if,l); Nova Airlines, A.B. (Novair) (g)
 Nov. 2, China Eastern Airlines Company, Ltd. (l)
 Nov. 3, Delta Air Lines (g); Express Airlines I (g)
 Nov. 4, Guyana Airways Corporation (g); Indian Airlines, Ltd. (if)
 Nov. 5, Flandre Air, S.A. (l)
 Nov. 6, Northwest Airlines (g)

- Nov. 8, Northwest Airlines (e,l)
 Nov. 11, Aeroflot Russian International Airlines (ARIA) (g); Asiana Airlines (g); Kendall Airlines (Pty.), Ltd. (t,if); United Airlines (t)
 Nov. 12, Indian Airlines, Ltd. (g)
 Nov. 16, Continental Airlines (c); CSA Czech Airlines, A.S. (if); Eastern Australia Airlines (Pty.), Ltd. (m)
 Nov. 17, British West Indies Airways, Ltd. (2) (BWIA) (e,l)
 Nov. 20, Indian Airlines, Ltd. (e,l)
 Nov. 21, Cathay Pacific Airways (Pty.), Ltd. (if)
 Nov. 22, USAirways (m)
 Nov. 23, Gomair, S.A. (ft)
 Nov. 24, Northwest Airlines (if,l)
 Nov. 25, Airtours International, Ltd. (if); LIAT (1974), Ltd. (g)
 Nov. 26, Swissair, A.G. (if,l)
 Nov. 30, United Airlines (if,l)
 Dec. 1, Air Ontario, Inc. (m); America West Airlines (t); American Eagle Airlines (2) (m); Northwest Airlines (m); Tower Air (g)
 Dec. 3, Cape Smythe Air Service (l)
 Dec. 5, MALEV Hungarian Airlines, Rt. (if,c)
 Dec. 6, American Airlines (if,l); Caledonian Airways, Ltd. (2) (m); Delta Air Lines (m)
 Dec. 7, Saudi Arabian Airlines (l)
 Dec. 8, Canadian Airlines International, Ltd. (m)
 Dec. 9, Merlin Express (l)
 Dec. 16, Indian Airlines, Ltd. (t)
 Dec. 17, Air India, Ltd. (g); Clay Lacy Aviation (l); Indian Airlines, Ltd. (t)
 Dec. 18, Air India, Ltd. (g); TAESA: Transportes Aereos Ejecutives, S.A. de C.V. (c)
 Dec. 19, Alaska Airlines (g)
 Dec. 21, British West Indies Airways, Ltd. (2) (BWIA) (g)
 Dec. 20, Polynesian Airlines, Ltd. (g)
 Dec. 23, Indian Airlines, Ltd. (g)
 Dec. 24, AOM French Airlines, S.A. (e,l); Canadian Regional Airlines, Ltd. (t)
 Dec. 26, Delta Air Lines (e)
 Dec. 27, Continental Airlines (m)
 Dec. 30, Air France (l); Northwest Airlines (l) Trans World Airlines (TWA) (t); United Airlines (l)
 1999-Jan. 3, Canadian Airlines International, Ltd. (t); Canadian Regional Airlines, Ltd. (t); Northwest Airlines (t); TransMeridian Airlines (if,l); United Airlines (t)
 Jan. 4, British Regional Airlines, Ltd. (t); Kenya Airways, Ltd. (c); Miami Air International (l); Northwest Airlines (t)
 Jan. 5, American Airlines (g); British Airways, Ltd. (2) (if)
 Jan. 8, Continental Airlines (e,ft); EgyptAir, S.A.E. (t); Malaysia Airlines, Ltd. (MAS) (if); Sahara India Airlines, Ltd. (if,l)
 Jan. 10, LACSA: Lineas Aereas Costarricenses, S.A. (ft); United Airlines (t)
 Jan. 13, Alitalia, SpA. (l)
 Jan. 14, British Airways, Ltd. (2) (if,c); Canadian Airlines, Ltd. (t); Canadian Regional Airlines, Ltd. (t)
 Jan. 15, American Airlines (l); British Airways, Ltd. (2) (if,c); Canadian Airlines, Ltd. (t); Canadian Regional Airlines, Ltd. (t); Midwest Express Airlines (t); USAirways (if,l)
 Jan. 16, Canadian Airlines, Ltd. (t); Canadian Regional Airlines, Ltd. (t)
 Jan. 17, SAS: Scandinavian Airlines System (g)
 Jan. 20, Air India, Ltd. (l); Continental Airlines (t); Southwest Airlines (2) (m)
 Jan. 21, Bond Helicopters, Ltd. (if,l)
 Jan. 22, Bond Helicopters, Ltd. (if,l); Ryanair, Ltd. (g)
 Jan. 24, American Airlines (g)
 Jan. 26, Atlantic Southeast Airlines (ASA) (if,l)
 Jan. 27, Mexicana Airlines, S.A. de C.V. (m); UFS: United Feeder Service (m)
 Jan. 28, Airnet Systems: Airnet Express (l); Alitalia, SpA. (l)
 Jan. 31, Airtours International, Ltd. (if,c)
 Feb. 1, Air Algerie, S.A. (l)
 Feb. 2, America West Airlines (t)
 Feb. 4, British World Airlines, Ltd. (t)
 Feb. 5, South African Airways (Pty.), Ltd. (e,g)
 Feb. 6, Air Canada, Ltd. (m); Federal Express (FedEx) (m)
 Feb. 7, United Airlines (t)
 Feb. 8, American Airlines (t); Skyway Airlines (2) (e,l)
 Feb. 9, El Al Israel Airlines, Ltd. (l); Skywest Airlines (e,l)
 Feb. 10, Aeroflot Russian International Airlines (ARIA) (g); Alitalia, SpA. (g); KLM U.K., Ltd. (m); Kuwait Airways Corporation (l)
 Feb. 11, Continental Airlines (b); Northwest Airlines (g)
 Feb. 12, Air France (m)
 Feb. 16, America West Airlines (l)
 Feb. 18, Trans Exec Air Service (l)
 Feb. 20, United Airlines (e,l)
 Feb. 21, PT Merpati Nusantara Airlines (b)
 Feb. 23, American Airlines (if,c); USAirways (if,l)
 Feb. 25, Atlantic Coast Airlines (m); Bristow Helicopters, Ltd. (sar); Cape Air (t); Minerva Airlines, SpA. (l)
 Feb. 27, Cape Air (t)
 Feb. 27, Air Canada, Ltd. (m); Cape Air (t)
 Feb. 28, Brymon Airways, Ltd. (2) (l)
 March 2, Erickson Air Crane Company (if); Federal Express (m); Kitty Hawk International (m); United Airlines (t)
 March 3, Air New Zealand, Ltd. (m); Business Express (BEX) (t); Continental Airlines (g); Eastern Australia Airlines (Pty.), Ltd. (m); Malaysia Airlines, Ltd. (MAS) (l); Uzbekistan Airlines (l)
 March 4, Alaska Airlines (t); USA Jet Airlines (e,if)
 March 5, Air France (l); Superior Aviation (g)
 March 6, Continental Express (if); Delta Air Lines (if,l)
 March 9, Emery Worldwide: A CF Company (if,l)
 March 10, Continental Airlines (l)
 March 11, Ryanair, Ltd. (g)
 March 15, Korean Air Lines/Korean Air (KAL) (l)
 March 16, Continental Airlines (e,l)
 March 17, Continental Airlines (g)
 March 18, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (l); Korean Air Lines/Korean Air (KAL) (l); Polyet Airlines (i)
 March 19, El Al Israel Airlines, Ltd. (i)
 March 20, Pace Airlines (l)
 March 25, British Airways, Ltd. (2) (g); Delta Air Lines (l); Istair Istanbul Airlines: Istanbul Hava Yollari, A.O. (l)
 March 27, Indian Airlines, Ltd. (e,l); Peninsula Airways (1) (l)
 March 30, Aer Lingus Irish Airlines, Ltd. (c); Pace Airlines (l)
 March 31, Delta Air Lines (if,l); Gulf Air Company, G.S.C. (if); Horizon Air: Horizon Air Industries (if)
 April 2, Air China International Corporation (m); Korean Airlines/Korean Air (KAL) (m); Ryanair, Ltd. (g)
 April 5, Domodedovo Airlines (if0; Taquan Air Service (l)
 April 7, Delta Air Lines (if)
 April 8, Indian Airlines, Ltd. (e,l)
 April 10, Eastwind Airlines: The Bee Line (g)
 April 12, British Airways, Ltd. (2) (g); KLM: Royal Dutch Airlines, N.V. (g)
 April 13, British Airways, Ltd. (2) (ft/t); SAS: Scandinavian Airlines System (l); Ukraine International Airlines (g)
 April 14, British Airways, Ltd. (2) (m); United Airlines (m)
 April 16, Eastwind Airlines: The Bee Line (g); Federal Express (if); TransMeridian Airlines (b)
 April 19, USAirways (e,ft)
 April 20, Qantas Airways (Pty.), Ltd. (l)
 April 22, Tower Air (if); United Airlines (t)
 April 23, Air France (g); American Airlines (e,l); British Airways, Ltd. (2) (g); Deutsche Lufthansa, A.G. (g); Indian Airlines, Ltd. (g); Japan Air Lines Company, Ltd. (2) (g); Samoa Air
 April 24, British Airways, Ltd. (2) (if); Servivensa, S.A. (if)
 April 27, Flying Colours Airlines, Ltd. (if); Ward Air (l)
 May 2, Virgin Atlantic Airways, Ltd. (g)
 May 5, LACSA: Lineas Aereas Costarricenses, S.A. (l)

- May 6, American Airlines (e,l); Vnukovo Airlines (g)
 May 8, American Eagle Airlines (2) (l); Spanair, S.A. (if)
 May 10, Airtours International Airlines, Ltd. (c)
 May 11, Qantas Airways (Pty.), Ltd. (e,l)
 May 14, Delta Air Lines (if,l)
 May 16, Japan Air Lines Company, Ltd. (2) (c)
 May 19, Corporate Air (2) (l); Onur Air, A.O. (g)
 May 20, Japan Air Lines Company, Ltd. (2) (if)
 May 24, American Airlines (m); British Airways, Ltd. (2) (m)
 May 25, Continental Airlines (t); ERA Aviation (l)
 May 28, Sun Country Air Lines (g)
 June 2, Delta Air Lines (l)
 June 3, British Airways, Ltd. (2) (if,l)
 June 6, Corsair, S.A. (g); Philippine Air Lines (PAL) (g)
 June 7, British Airways, Ltd. (2) (if)
 June 8, Air Sunshine (ft)
 June 9, ERA Aviation (ft); United Airlines (if)
 June 11, United Airlines (t)
 June 12, Swissair, A.G. (l)
 June 13, KLM: Royal Dutch Airlines, N.V. (if)
 June 16, Indian Airlines, Ltd. (e,l); Northwest Airlines (b)
 June 21, British Airways, Ltd. (2) (e,l)
 June 23, United Airlines (if,l)
 June 25, American Airlines (e,l)
 June 28, Federal Express (FedEx) (l); United Airlines (g)
 June 29, Air Philippines (2) (g); American Airlines (g)
 June 30, Federal Express (FedEx) (l)
 July 1, United Airlines (g)
 July 2, Midwest Express Airlines (g)
 July 8, Sabena Belgian World Airlines, S.A. (if)
 July 13, Virgin Express Airlines, S.A. (l)
 July 22, Continental Airlines (g,c)
 July 24, United Airlines (if,l)
 July 28, All Nippon Airways Company, Ltd. (t)
 July 26, Elf Air (ft)
 Aug. 2, Inter-Canadian Airlines, Ltd. (2) (l)
 Aug. 8, China Eastern Airlines Company, Ltd. (l)
 Aug. 10, Air Logistics (g)
 Aug. 16, Air Malta, Ltd. (if,l)
 Aug. 22, China Airlines, Ltd. (CAL) (l)
 Aug. 24, British Airways, Ltd. (2) (m); Uni Airways Corporation, Ltd. (l)
 Aug. 26, United Airlines (g); Uzbekistan Airways (l)
 Aug. 30, Arrow Air (c)
 Sept. 2, United Airlines (t)
 Sept. 10, Temsco Airlines (l)
 Sept. 14, Olympic Airways, S.A. (l)
 Oct. 7, Gulf Air Taxi (l)
 Oct. 11, Air Botswana Corporation, Ltd. (c)
 Oct. 31, Deutsche Lufthansa, A.G. (c)
 Nov. 23, Northwest Airlines (g)
 Nov. 28, Cyprus Airways, Ltd. (if)
 Dec. 5, Evergreen International Airlines (l)
 Dec. 8, American Airlines (b)
 Dec. 14, SAS: Scandinavian Airlines System (if)
 Dec. 24, Grant Airways (ft)
 2000—Jan. 1, Domodedovo Airlines (g); THY Turkish Airlines: Turk Hava Yollari, A.O. (ft)
 Jan. 3, THY Turkish Airlines: Turk Hava Yollari, A.O. (if); United Airlines (b)
 Jan. 4, Jet Airways, Ltd. (b)
 Jan. 6, British Airways, Ltd. (2) (m); KLM: Royal Dutch Airlines, N.V. (m)
 Jan. 8, Safair (Pty.), Ltd. (l)
 Jan. 9, Braathen's, A.S. (if); Korean Air Lines/Korean Air (KAL) (l)
 Jan. 10, United Airlines (t)
 Jan. 18, Qantas Airways (Pty.), Ltd. (g)
 Jan. 19, Planemasters (ft)
 Jan. 22, Dragonair (Pty.), Ltd. (m); Silk Air (Pty.), Ltd. (m)
 Jan. 23, Northwest Airlines (g)
 Jan. 25, United Airlines (t)
 Jan. 27, Swissair, A.G.
 Jan. 29, British Airways, Ltd. (2) (if,l)
 Jan. 30, British Airways, Ltd. (2) (if,l)
 Feb. 2, Florida Air Cargo (l)
 Feb. 3, Trans Arabian Air Transport, Ltd. (l); Trans Maldivian Airways, Ltd. (l)
 Feb. 4, Egyptair, S.A.E. (l)
 Feb. 7, Hageland Air: Hageland Air Services (ft)
 Feb. 14, Horizon Air: Horizon Air Industries (t)
 Feb. 16, Martinaire, Inc. (m)
 Feb. 17, GB Airways, Ltd. (g)
 Feb. 19, Kitty Hawk International Airways (ft)
 Feb. 22, Zhejiang Airlines Company, Ltd. (e,l)
 Feb. 25, Spirit Airlines (if,c)
 Feb. 27, Transbrasil, S.A.: Linhas Aereas (l)
 Feb. 29, South African Airways (Pty.), Ltd. (l)
 March 5, Southwest Airlines (2) (l)
 March 8, SAS: Scandinavian Airlines System (m)
 March 9, Japan Air Systems, Ltd. (JAS) (l)
 March 10, Deutsche Lufthansa, A.G. (g); 40 Mile Air (l)
 March 14, Delta Air Lines (if)
 March 16, Air Sunshine (ft); Iran Air (if)
 March 17, Alaska Airlines (c); Skypower Express Airways, Ltd. (l)
 March 18, Gulfstream International Airlines (g)
 March 22, America West Airlines (c)
 March 27, Delta Air Lines (if)
 March 28, Federal Express (FedEx) (if); Xiamen Airlines Company, Ltd. (if)
 March 31, Northwest Airlines (g)
 April 12, Congo Airlines, S.P.R.L. (g)
 April 13, American Airlines (if)
 April 14, American Airlines (g); Mexicana Airlines, S.A. de C.V. (g); Philippine Air Lines (b)
 April 15, Sierra Pacific Airlines (g); Superior Aviation (e,l)
 April 17, UNI (l)
 April 18, Kenai Air Alaska (l)
 April 19, Gale Force Express (l)
 April 22, Qantas Airways (Pty.), Ltd. (ft); THY Turkish Airlines: Turk Hava Yollari, A.O. (l)
 April 24, Alaska Airlines (g)
 April 26, Air Europe, SpA. (if)
 April 30, DAS Air Cargo, Ltd. (l)
 May 2, KLM Exel, B.V. (b)
 May 3, Egyptair, S.A.E. (i)
 May 5, Scenic Airlines (ft)
 May 6, China Airlines, Ltd. (CAL) (if)
 May 11, SAS: Scandinavian Airlines System (l)
 May 13, United Airlines (t)
 May 15, First Air, Ltd. (g); United Airlines (t)
 May 16, British Regional Airlines, Ltd. (if,l)
 May 19, Alaska Airlines (g); Southwest Airlines (2) (g); United Airlines (t)
 May 21, Syrianair: Syrian Arab Airways (b)
 May 27, SAS Commuter (l)
 May 30, Ural Airlines (b)
 June 1, United Airlines (t)
 June 2, United Airlines (if); Ural Air: Ural Too (b)
 June 3, United Airlines (if)
 June 4, Premiair, A.S. (g)
 June 7, LIAT (1974), Ltd. (g); VARIG Brazilian Airlines: Viacao Aerea Rio Grandense, S.A. (g)
 June 9, Ansett Australia (Pty.), Ltd. (m); Qantas Airways (Pty.), Ltd. (m,l)
 June 12, USAirways Shuttle (g,m)
 June 13, Grand Aire (l)
 June 26, Yemenia: Yemen Airways Company (l)
 June 27, Southwest Airlines (2) (if)

- June 28, Alaska Airlines (g)
 July 6, Air France (t,if)
 July 8, Sabre Cargo Airlines (l)
 July 9, Saudi Arabian Airlines (b)
 July 10, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A. (b)
 July 11, Vnukovo Airlines (if)
 July 12, Hapag Lloyd Fluggesellschaft, mbH. (l)
 July 17, United Airlines (t)
 July 18, El Al Israel Airlines, Ltd. (if,c); United Airlines (t); World Airways (if,c)
 July 27, Air Fiji, Ltd. (i); Iran Air (l)
 July 28, Pan Am: Pan American Airways (t)
 July 29, British Airways, Ltd. (2) (l)
 July 30, British Airways, Ltd. (2) (g,if)
 Aug. 2, USAirways (m)
 Aug. 3, Air France (g)
 Aug. 4, United Airlines (g)
 Aug. 7, Trans World Airlines (TWA) (e,l)
 Aug. 8, Airtran Airlines (if); China Southern Airlines Company, Ltd. (m); Dragonair (Pty.), Ltd. (m)
 Aug. 9, Japan Air System, Ltd. (JAS) (if)
 Aug. 11, Southwest Airlines (2) (if)
 Aug. 12, America West Airlines (b); Swissair, A.G. (if,e)
 Aug. 16, Air India, Ltd. (b)
 Aug. 19, Albarka Airlines, Ltd. (l); British Airways, Ltd. (2) (c)
 Aug. 20, United Airlines (m); Virgin Atlantic Airways, Ltd. (m)
 Aug. 23, Istair Istanbul Airlines: Istanbul Hava Yollari, A.O. (if)
 Aug. 26, Voronezh Airlines: Voronezhskoe AP (e,l)
 Aug. 27, KLM: Royal Dutch Airlines, N.V. (if)
 Aug. 29, AMC Aviation, Ltd. (ft); Caspian Airlines (if)
 Aug. 24, Indian Airlines, Ltd. (b)
 Aug. 31, Everts Air Fuel (g); Virgin Blue (Pty.), Ltd. (g)
 Sept. 1, Corsair, S.A.
 Sept. 2, KLM: Royal Dutch Airlines, N.V. (g)
 Sept. 5, Japan Air Lines Company, Ltd. (2) (if); Pegasus Airlines: Pegasus Hava Tasimaciligi, A.S. (l)
 Sept. 6, Aeroperlas: Aerolineas Pacifico-Atlantico, S.A. (l); China Airlines, Ltd. (CAL) (if,l)
 Sept. 7, United Airlines (m)
 Sept. 8, Egyptair, S.A.E. (if); Sunworld International Airlines (e)
 Sept. 10, Sun Country Airlines (g)
 Sept. 11, All Nippon Airways Company, Ltd. (if); Trans World Airlines (TWA) (ft)
 Sept. 13, Pakistan International Airlines Corporation (b)
 Sept. 14, Grant Airways (l)
 Sept. 15, Midwest Express Airlines (g); ProAir (g)
 Sept. 18, Papillon Grand Canyon Helicopters (l)
 Sept. 19, East Line Airlines (g); Sabena Belgian World Airlines, S.A. (l)
 Sept. 22, United Airlines (t); USAirways (g,e)
 Sept. 25, Transavia Airlines, N.V. (e,l)
 Sept. 26, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A. (if); Indian Airlines, Ltd. (t); Sabre Cargo Airlines (l)
 Sept. 28, LanChile Airlines, S.A. (if)
 Sept. 29, Indian Airlines, Ltd. (l)
 Oct. 1, PT AWAIR: Air Wagon Airlines (l); Indian Airlines, Ltd. (m); Jet Airways, Ltd. (m)
 Oct. 6, Aeromexico (2): Aerovias de Mexico, S.A. de C.V. (l)
 Oct. 8, Pakistan International Airlines Corporation (l)
 Oct. 11, MALEV Hungarian Airlines, Rt. (if)
 Oct. 14, MALEV Hungarian Airlines, Rt. (if)
 Oct. 15, Eurowings Luftverkehrs, GmbH. (if)
 Oct. 17, Sudan Airways Company, Ltd. (if); USAirways (if)
 Oct. 18, United Airlines (l)
 Oct. 20, Dragonair (Pty.), Ltd. (m)
 Oct. 21, THY Turkish Airlines: Turk Hava Yollari, A.O. (m)
 Oct. 22, Frontier Flying Service (l); SAS Commuter (l)
 Oct. 24, THY Turkish Airlines: Turk Hava Yollari, A.O. (m)
 Oct. 26, Crossair, Ltd. (g)
 Oct. 28, Rossiya Air Company (if)
 Nov. 1, Cathay Pacific Airways (Pty.), Ltd. (if); Flugfelag Islands, H.F. (2)/Icelandair, H.F. (if); West Coast Air Charter, Ltd. (ft)
 Nov. 4, Servivensa, S.A. (c)
 Nov. 6, Royal Jordanian Airlines (b)
 Nov. 8, SAS: Scandinavian Airlines System (b)
 Nov. 10, Deutsche BA Luftfahrtgesellschaft, GmbH. (if)
 Nov. 13, Ghana Airways, Ltd. (l); Kuwait Airways Corporation (ft)
 Nov. 15, Gronlandsfly, A.S./Greenlandair, A.S. (if)
 Nov. 18, Spirit Airlines (b)
 Nov. 24, Spirit Airlines (l)
 Nov. 30, Futura International Airways, S.A. (l)
 Dec. 2, Indian Airlines, Ltd. (m); Jet Airways, Ltd. (m)
 Dec. 5, Sabena Belgian World Airlines, S.A. (l,c)
 Dec. 8, Delta Air Lines (c,l)
 Dec. 9, LTU International Airways: Lufttransport Unternehmen, KG (if)
 Dec. 11, United Airlines (t)
 Dec. 12, United Airlines (t)
 Dec. 13, Northwest Airlines (t); United Airlines (t)
 Dec. 15, Aeroflot Russian International Airlines (ARIA) (m); Finnair O/Y (m)
 Dec. 19, PT Pelita Air Service (if,c)
 Dec. 21, Northwest Airlines (g)
 Dec. 23, Hawaiian Airlines (l)
 Dec. 30, Spirit Airlines (g)
- Indamer
 Gujarat Airways, Ltd.
 Independent Air Travel, Ltd.
 Independent Air Transport, Ltd.
 Independent Scheduled Air Transport Operators' Association.
 Braniff Airways
 India, Central Bureau of Investigation
 Indian Airlines Corporation
 India, Parliament
 Air India, Ltd.
 Indian Airlines, Ltd.
 Indian Airlines Corporation
 India, Post Office
 Indian Airways Corporation
 Indian Overseas Airlines, Ltd.
 India, Securities and Exchange Commission
 Damania Airways, Ltd.
 NEPC Airlines, Ltd.
 Skyline NEPC, Ltd.
 India, Supreme Court
 Indian Airlines Corporation
 India/Pakistan Airlift of 1947-1948
 British Overseas Airways Corporation (BOAC)
 Kearsley Airways, Ltd.
 Orient Airways, Ltd.
 Scottish Airlines, Ltd.
 Silver City Airways, Ltd.
 Sivewright Airways, Ltd.
 Westminster Airways, Ltd.
 India/Pakistan conflict, 1965
 Pakistan International Airlines Corporation
 India/Pakistan War, 1971
 Pakistan International Airlines Corporation
 Indiana
 Air Cargo Express (l)
 Air Indiana
 Alpha Airlines
 American Trans Air
 ASI Charter
 Atlas Airlines
 Bowman Aviation
 Britt Airways

- CF Airfreight
- Direct Air
- EFS Airlines
- Emery Worldwide: A CF Company
- Fort Wayne Air Service
- Gary Jet Service
- H & D Aviation
- Hub Airlines
- Hulman Airlines
- Indiana Airways (2)
- Jetstream International Airlines
- Mid Pacific Air Cargo
- Midway Connection
- Midwest Air Charter
- Midwest Commuter Airlines
- Niemeyer Aviation
- Phillips Airlines
- Purdue Aeronautics Corporation
- Rhoades Aviation
- Roadway Global Air
- Skystream Airlines
- Spirit of America Airlines
- Swift Air
- Terre Haute Air Commuter
- Turner Airlines
- Vercoa Air Service
- Indiana Pacers NBA team
 - Champion Airlines
 - Midwest Express Airlines
 - Northwest Airlines
- Indianapolis Colts NFL team
 - Continental Airlines
- Indonesia, Ministry of Religious Affairs
 - Britannia Airways, Ltd.
 - PT Garuda Indonesia
 - World Airways
- Indonesia *see also* East Timor
- Industrial Equity (Pacific), Ltd.
 - Petroleum Helicopters
- Industrias Leal Santos
 - Savag, S.A.: Viacao Aerea Gaucha
- Infiesta, Julian Alvarez, pres.
 - Aero Caribbean of Cuba
- Infint, S.A., investor
 - Alisarda, SpA.: Linee Aeree Della Sardegna
- Inflight B-747-128 fashion show
 - Air France
- Inflight refueling tests
 - Flight Refueling, Ltd.
 - Imperial Airways, Ltd.
 - British Overseas Airways Corporation (BOAC)
 - British South American Airways Corporation (BSAAC)
- INFINI CRS
 - All Nippon Airways Company, Ltd. (ANA)
- ING Aviation Lease—Amsterdam, investor
 - Air Operations of Europe, A.B.
- Inglis, Robert, founder/chairman
 - Air Nelson, Ltd.
 - Origin Pacific Airways, Ltd.
- Inglis Aircraft Company, Ltd.
 - Origin Pacific Airways, Ltd.
- Ingram, Brian, finds D.B. Cooper ransom
 - Northwest Airlines
- Ingram, Hubert, Bahamian prime minister
 - Bahamasair, Ltd.
- Ingram, Samuel Aldon, Jr., hijacker
 - Delta Air Lines
- Inouye, Choichi, founder/vp
 - Far East Airlines Company, Ltd. (Kyokuto Koku)
 - Nippon Koku Yuso Kenkyujo (NKYK)
- Insausti, Jose Sanz, DG
 - Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Inspirations, plc
 - Caledonian Airways, Ltd. (2)
- Instituto Nacional de Industria (INI)
 - Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Instone, Giles, MD
 - Instone Air Line, Ltd. (2)
- Instone, Jeremy, chairman
 - Instone Air Line, Ltd. (2)
- Instone, Sir Samuel, jt. founder/chairman
 - Instone Air Line, Ltd. (1)
- Instone, Theodore, jt. founder
 - Instone Air Lines, Ltd. (1)
- Insulza, Jose Miguel, Chilean foreign minister
 - LanChile Airlines, S.A.
- Intasun Leisure Group, Ltd.
 - Air Europe, Ltd.
 - Air Florida
- Intavia, Ltd.
 - African International Airways, Ltd.
- Inter-American all-cargo flying boat service
 - Pan American Airways (PAA)
- Inter-Island Steam Navigation Company
 - Inter-Island Airways (1)
- International Airline Support Group (IASG)
 - North South Airways
- International Children's Conference on the Environment, 1995
 - British Airways, Ltd. (2)
- International Civil Aviation Organization (ICAO)
 - see* United Nations
- International Home Furnishing Center
 - Eastwind Airlines: The Bee Line
- International Leisure Group, Ltd.
 - Air Europa, S.A.
 - Air Europe, Ltd.
 - Air Europe Express, Ltd.
 - Air Europe Scandinavia, A.S.
 - Air Europe, SpA.
 - Connectair, Ltd.
 - Guernsey Airlines, Ltd.
 - NFD: Luftverkehrs, A.G.
 - Norway Airlines, A.S.
- International Monetary Fund
 - Deutsche Lufthansa, A.G.
 - Nigeria Airways, Ltd.
 - THY Turkish Airlines: Turk Hava Yollari, A.O.
- International Technology Resources
 - Frontier Commuter
- International Total Services
 - Continental Airlines
- InterPost Systems USA
 - KLM: Royal Dutch Airlines, N.V.
- Interrepublic Aviation Committee
 - Aeroflot Soviet Airlines
- Intersem Mumessillik ve Dis Ticaret, A.S.
 - Sunways Intersun Havacilik, A.O.
- Interstate Parcel Express Company
 - IPEC Aviation (Pty.), Ltd.
- Intourist
 - Aeroflot Soviet Airlines
 - Vnukovo Airlines
- Intra Bank/Investment Company
 - Middle East Airlines, S.A.L. (1)
 - Middle East Airlines, S.A.L. (2)
- Inturcenter
 - Tatneftaero
- Inuvialuit Development Corporation

- Canadian North, Ltd.
 Inversions Aereas, S.A., investor
 LanPeru, S.A.
 Inversiones SAS Chile, investor
 LanChile Airlines, S.A.
 Investment Capital Corporation
 IC Jet
 IO: The Investment Fund for Central and Eastern Europe
 Air Baltic Corporation, S.A.
 Ioannides, C., chairman
 Galaxy Airways, S.A.
 Ioannidis, Capt. Pavlos, pilot
 Olympic Airways, S.A.
 Ioannidou, Vassiliki, MD
 Galaxy Airways, S.A.
 Iowa
 AccessAir
 Air Iowa
 American Central Airlines (2)
 Brower Airways
 Carver Aero
 Central Iowa Airlines
 Commuter Airlines (2)
 Des Moines Flying Service
 Dwyer Air Charter
 Great Lakes Aviation
 Hanford (Tri-State) Air Lines
 Hap's Air Service
 Hawkeye Airlines
 Iowa Air Lines
 Iowa Airways
 Mid-Continent Airlines (4)
 Mid-West Air Lines
 Midwest Airways (1)
 SMB Stage Lines
 IPEC Holdings (Pty.), Ltd.
 IPEC Aviation (Pty.), Ltd.
 Ipswich Ladies Hockey Team
 Suckling Airways, Ltd.
 Iran hostage crisis of 1979-1980
 British Airways, Ltd. (2)
 Cargolux Airlines International, S.A.
 Iran-Iraq War, 1980-1988
 Iran Air: The Airline of the Islamic Republic of Iran
 Iran Asseman Airlines
 Iraqi Airways
 KLM: Royal Dutch Airlines, N.V.
 Iridium
 Federal Express (FedEx)
 Irish Air Line Pilots Association
 Aer Lingus Irish Airlines, Ltd.
 Irish Republican Army (IRA), Provisional Wing
 British European Airways Corporation (BEA)
 British Airways, Ltd. (2)
 Irvin, Michael, NFL football player
 American Airlines
 Irving, Wilbur "Wing Ding," founder/pres.
 Irving Airways
 Irwin, D. B., hijacker
 Trans World Airlines (TWA)
 Isabella, Antonello, MD
 Air Europe, SpA.
 Isaev, A., GM
 Nebo Air Company
 Isakov, Sergei V., GM/MD
 Orel Avia
 Oriol Avia Soviet Austrian JV
 Isalkin, A. I., pres.
 Volga-Dnepr Airline
 Isaza, Nicanor, pres.
 Helicol: Helicopteros Nacionales de Colombia, S.A.
 Iscen, Suphi, GM
 BHY Bursa Air Lines: Bursa Hava Yollari, A.O.
 Ishikawa, Capt. Toshio, pilot
 All Nippon Airways Company, Ltd. (ANA)
 Ishiko, Michimasu, pres.
 Hokkaido International Airlines Company, Ltd. ("Air Do")
 Ishmal, Mohib, pres.
 Birgenair, A.O.
 Isidore, Ndoumbe, East African regional mgr.
 Cameroon Airlines, S.A.
 Isil, Capt. Anil, pilot
 THY Turkish Airlines, A.O.
 Isitt, Sir Leonard, chairman
 New Zealand National Airways Corporation, Ltd.
 Iskhakov, R., chairman
 ASN Aerostan: Airstan
 Iskra, Kathleen H., vp-finance/pres.
 Alaska Airlines
 Horizon Air: Horizon Air Industries
 Islam, Mohammad Rafiqul, MD
 Biman Bangladesh Airlines, Ltd.
 Islands Hotels
 King Solomon Airways (Pty.), Ltd.
 Isle of Man Steam Packet Co., Ltd.
 Isle of Man Air Service, Ltd.
 Railway Air Services, Ltd.
 Isles of Scilly Steamship Company, Ltd.
 Isles of Scilly Skybus, Ltd.
 ISO Aero Service
 ISO Commuter
 Isometric fitness program
 Deutsche Lufthansa, A.G.
 Ispahani, Merza Abol Hassan, founder
 Orient Airways, Ltd.
 Ispahani, Rafi, MD
 Orient Airways, Ltd.
 Israel, Haganah
 Aviron: The Palestine Aviation Company, Ltd.
 Israel, Institute for Biological Research
 El Al Israel Airlines, Ltd.
 Israel, Mossad
 El Al Israel Airlines, Ltd.
 Israel, Parliament (Knesset), Finance Committee
 El Al Israel Airlines, Ltd.
 Israel, Police Department
 Shacaf Aviation Services, Ltd.
 Israel, Supreme Court
 Delta Air Lines
 El Al Israel Airlines, Ltd.
 Israel, Tourism Ministry
 El Al Israel Airlines, Ltd.
 Israel, Transport Ministry
 El Al Israel Airlines, Ltd.
 Israeli Agricultural Board (Agrexco)
 CAL Cargo Airlines, Ltd.
 Israeli Discount Bank
 El Al Israel Airlines, Ltd.
 Israeli Joint Distribution Committee
 Near East Air Transport, Ltd.
 Italia, Italian airship
 Aero O/Y
 Italtour, SpA.
 Alitalia, SpA.
 Itapermirim Transportes Group
 ITA: Itapemirim Transportes Aereos, S.A.
 ITAS Austria
 Lauda Air Luftfahrtgesellschaft, A.G.

Ith, Vichit, chairman/CEO
 Royal Air Cambodge, S.A. (2)
 Itoh Flying School
 Nippon Koku Yuso Kenkyujo (NKYK)
 Itoyama, Eitaro, Shin Nihon Kanko Kogyo Co., Ltd. chairman/investor
 Japan Air Lines Company, Ltd. (2)
 Ituarte, Julio, GM
 Taxi Aereo de Mexico, S.A. de C.V.
 Ivancevic, Dragan, owner/CEO
 Pelikan Blue Line
 Ivano, Igor, foreign minister of Russia
 Aeroflot Russian International Airlines (ARIA)
 Ivanov, Georgy, MD
 Air Sofia
 Ivanov, Nikolai, sales mgr.
 Aeroflot Russian International Airlines (ARIA)
 Ivanov, V. B., DG
 Sokha
 Soyuz: Soyuz MPO
 Ivascu, Dorin, DG
 LAR Romanian Airlines
 Ivax Corporation
 Pan American World Airways (2)
 Ivers, Marie, pres.
 Gulf Air Taxi
 Iverson, Robert, jt. founder/chairman
 Kiwi International Air Lines
 Skytrek International Airlines
 Discovery Airlines
 Iwamoto, Robert N., Jr., supporter/founder
 Hawaii Pacific Air Cargo
 Mahalo Air
 Iwuanyawu, Dr. Emmanuel, chairman
 Orient Airlines, Ltd.
 Iyanough Management Corporation
 Gull Air
 Iyer, G. K. Rama, chairman
 Malaysian Airlines System (MAS), Ltd.
 Izvozhikov, V.A., DG
 Smolensk Aviation Enterprise

J

J. W. Kearsley and Company, Ltd.
 Kearsley Airways, Ltd.
 Jackie's Travel
 Hawaiian Airlines (HAL)
 Jackman, Neal J., pres.
 Air Atlantic, Ltd.
 Jackson, Capt. Archie, pilot
 Aquilla Airways, Ltd.
 Jackson, Carl, jt. founder
 Ketchikan Air Service
 Jackson, Eliza, pres.
 Prestige Airways
 Jackson, Georgia Ingram, flight attendant
 Trans Canada Airways, Ltd.
 Air Canada, Ltd.
 Jackson, Glenda, British transport minister
 Malaysia Airlines, Ltd. (MAS)
 Jackson, H. D., hijacker
 Southern Airways (1)
 Jackson, John, pres.
 Capitol Air
 Capitol Airlines (1)
 Jackson, M. A., MD
 African Cargo Airways, Ltd.
 Jackson, Margaret Anne, chairperson
 Qantas Airways (Pty.), Ltd.
 Jackson, Michael, entertainer/passenger

Federal Express (FedEx)
 TAESA: Transportes Aereos Ejecutives, S.A. de C.V.
 Jackson, R. L., hijacker
 Braniff International Airways
 Jackson, Reid, chairman
 The Helicopter Line, Ltd.
 Jackson, Richard M., pres.
 Seaboard & Western Airlines
 Seaboard World Airlines
 Jackson, Robert, vp-commuter services
 Allegheny Airlines (1)
 Jackson, Stephen, dir.
 Community Express, Ltd.
 Jacobs, Bernard, GM
 Twente Airlines, B.V.
 Jacobs, G. F., founder/pres.
 Air Southwest, Ltd.
 Jacobs, Jerry, chairman
 Midway Airlines (2)
 Jacobs, Momi Grace, flight attendant
 Hawaiian Airlines (HAL)
 Jacobs, Capt. Steve J., chief pilot
 Heathrow Jet Charter, Ltd.
 Jacobsen, Eigil, founder/pres.
 Flying Enterprise, A.B.
 Skyways Enterprise, A.B.
 Jacobsen, Eydfinnur, chairman
 Atlantic Airways Faroe Islands, A.S.: Atlantsflog
 Jacobsen, Frederik, pres./CEO
 TAMPA: Transportes Aereos Mercantiles Panamericanos Tampa S.A.
 Cargo
 Jacobsen, Maggie, dir.
 Northwest Airlines
 Jacobson, Chester, pilot
 Northwest Airways
 Jacobson, Douglas, founder/pres.
 Jet Source
 Jacobson, Mark T., chairman
 Gail Force Express
 Jacobson, Robert N., pres.
 Wings of Alaska
 Jacquat, Charles, jt.-founder
 Societe Auxiliare de Transport Aerien, S.A.
 Jacques, Bruno Gibson, pres.
 TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A.
 Jacques, Col. Marcellio Gibson, founder/pres.
 TABA: Transportes Aereos Regionais da Bacia Amazonica, S.A.
 Jacques, Marcilio Gibson, jt.-founder
 TCA: Transportes Carga Aerea, S.A.
 Jadepoint, Ltd.
 British Air Ferries, Ltd.
 Guernsey Airlines, Ltd.
 Jaeger, Rodney H., founder/pres.
 Air Virginia
 Cardinal Airlines
 Jagan, Janet, Guyana president
 Guyana Airways Corporation: GAC 2000
 Jagdeo, Bharrat, Guyana finance minister
 Guyana Airways Corporation: GAC 2000
 Jagson International, Ltd.
 Jagson Airlines, Ltd.
 Jahoda, Lajos, DG
 MALEV Hungarian Airlines, Rt.
 Jain, R C, chairman
 Air India, Ltd.
 Jaitley, Arun, Indian minister of state for disinvestment
 Indian Airlines, Ltd.
 Jakobsen, Eigil, founder/pres.
 Flying Enterprise, A.B.

- Skyways Enterprise, A.B.
 Jakubse, Antonin, pres.
 CSA Czechoslovak Airlines
 JAL Air Academy
 J-Air Company, Ltd.
 JALCOM CRS
 Japan Air Lines Company, Ltd. (2)
 Jallow, S. M., MD
 Gambia Airways, Ltd.
 Jamall, Enver, chairman
 Pakistan International Airlines Corporation
 Jambazisvil, Vasili S., MD
 Georgian Airline-Orbi
 Orbi Georgian Airlines
 James, A. E., founder/pres.
 A & M Aviation
 James, Charles, chairman
 Air Alpes, S.A.
 James, Charles N. "Jimmy," pilot
 Western Air Express
 James, David N., chairman/MD
 Dan Air/Dan Air Services, Ltd.
 James, Gerald, jt. founder
 Eagle Commuter Airlines
 James, Capt. L. G., pilot
 British European Airways Corporation (BEA)
 James, Sharpe, Newark mayor
 Continental Airlines
 James, Capt. William A., chief pilot
 American Airlines
 James Aviation, Ltd.
 Avcorp Commuter, Ltd.
 Jameson, J. B., founder/pres.
 Jamaire
 Jamibasi, V., MD
 Orbi Georgian Airlines
 Jamieson, John G., pilot/owner/pres.
 Bradley Air Service, Ltd.
 First Air, Ltd.
 Jamieson, W. L., pilot
 Eastern Air Transport (2)
 Jamieson, Warwick, jt.-founder
 Emerald Airways, Ltd.
 Jan, Ashfaq A., CEO
 Aero Asia International, Ltd.
 Janas, Sigmund, owner/chairman
 Colonial Air Lines (2)
 Jancsi, Zoltan, chairman
 Air Service Hungary, Ltd.
 Janes, Andrew S., MD
 Janes Aviation, Ltd.
 Janes, Hilary J., dir.
 Janes Aviation, Ltd.
 Jani, Tushar, jt.founder/chairman
 Blue Dart Aviation, Ltd.
 Jankowski, Zbigniew, pres.
 Blue Sky Carrier Company, Ltd.
 Jannus, Roger, pilot
 Saint Petersburg-Tampa Airboat Line
 Jannus, Tony, chief pilot
 Saint Petersburg-Tampa Airboat Line
 Jansen, Jean-Peter, chairman
 Lufthansa Cargo, A.G.
 Jansson, Goran, MD
 Golden Air Flyg, A.B.
 Jansson, Leen P., founder/MD
 Netherlines, B.V.
 Janzon, Bosco, chairman
 City Air Scandinavia, A.B.
 Malmo Aviation Schedule, A.B.
 Japan, Bank for International Cooperation
 Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
 Philippine Airlines
 Japan, Parliament
 Japan Air Lines Company, Ltd. (2)
 Japan Domestic Air Corporation
 Japan Air Lines Company, Ltd. (2)
 Japanese Red Army (Sekigun)
 Air France
 Japan Air Lines Company, Ltd. (2)
 Japy, N., MD
 Air Vendee, S.A.
 Jaquith, E. K., jt. founder
 Gulf Coast Air Line
 Jaramillo, Fernando, jt.-founder
 La Urraca: Lineas Aereas La Urraca, S.A. de C.V.
 Jardaneth, Basel, chairman
 Royal Wings
 Jardine, David, chairman
 LIAT (1974), Ltd.
 Jardine, Capt. Tommy, pilot
 Pan American-Grace Airways (PANAGRA)
 Jardine Aircraft Maintenance Company (Pty.), Ltd.
 Hong Kong Airways (Pty.), Ltd.
 Jarmalavicius, Capt. Stasys, DG
 Lithuanian Airlines, A.B.: Lietuvos Avialinijos
 Jarvis, Fred, CEO
 LIAT (1974), Ltd.
 JATO (Jet Assisted Take Off)
 Braniff International Airways
 Pan American-Grace Airways (PANAGRA)
 Jaunatre, Marc, MD
 Air Djibouti, S.A.
 Jauncey, William "Bill," CEO
 Skywest Airlines (Pty.), Ltd.
 Jaura, Wolf, GM
 European Air Express, GmbH.
 Jauregui, Guillermo, pres.
 Oasis International Airlines, S.A.
 Javits, Marian B., consultant
 Iran Air
 Javor, Jozsef, DG
 MALEV Hungarian Airlines, Rt.
 Jayakrishna, P. V., chairman/MD
 Air India, Ltd.
 Jayawaidene, J.R., Sri Lankan president
 Air Ceylon, Ltd.
 Air Lanka, Ltd.
 Jayawardena, Dunstan, chairman/MD
 Air Lanka, Ltd.
 JBQ Enterprises
 Renown Aviation
 Jeannoit, Pierre J., pres.
 Air Canada, Ltd.
 Jeevunjee, Ali Akber Seafudeen, founder/chairman
 Sky Cabs (Pty.), Ltd.
 Jefferies, James C., pres./CEO
 Biegert Aviation
 Farwest Airlines
 Jeloni, Zaini, flight steward/convicted murderer
 Singapore Airlines, Ltd.
 Jen-hui, Ma, DG
 CAAC: The General Administration of Civil Aviation of China
 Jen-nun, Gen. Kuang, DG
 CAAC: The General Administration of Civil Aviation of China
 Jenkins, Kevin J., pres./chairman
 Canadian Airlines International, Ltd.
 Jenkins, R. S., founder/MD

- Associated Airlines, Ltd.
- Jenner, Joanne, MD
 - Peninsula Air (Pty.), Ltd.
- Jensen, James, SVP-maintenance
 - Trans World Airlines (TWA)
 - Valujet Airlines
- Jensen, Richard A., investor
 - Seaborne Airlines
- Jensen, Robert P., pres.
 - The Flying Tiger Line
- Jensen, Warren, CFO
 - Delta Air Lines
- Jernigan, Kristi and Cecil, founders
 - Memphis Jet
- Jervis, J. S., founder/pres.
 - Clipper Air International
 - Coral Air
- Jervis, M., GM
 - Queensland Pacific Airlines (Pty.), Ltd.
- Jeset (Pty.), Ltd.
 - Qantas Airways (Pty.), Ltd.
- Jessop, Jack, chairman
 - British Airways Helicopters, Ltd.
- Jet, Michele, flight engineer
 - Deutsche Lufthansa, A.G.
- Jet Li, actor
 - Helijet Airways, Inc.
- Jet Air Cargo
 - Gemini Air Cargo
- Jet Capital Corporation
 - Texas International Airlines
- Jet Systems
 - National Jet Systems (Pty.), Ltd.
- Jet Tours
 - Air France
- Jetley, Rajan, MD
 - Air India, Ltd.
- Jetsave, tour company
 - World Airways
- Jetstar, tour company
 - Hapag-Lloyd Fluggesellschaft, mbH.
- Jeuland, Joseph, GM
 - Air Bretagne Service, S.A.
- Jewish Agency for Israel, The
 - El Al Israel Airlines, Ltd.
- Jiang Gue Dong, pres.
 - Tianjin Airline Company, Ltd.
- Jiang Xiaofeng, hijacker
 - Xiamen Airlines Company, Ltd.
- Jiang Zhuping, DG
 - CAAC: The General Administration of Civil Aviation of China
- Jigme Singye Wangchuck, King/founder
 - Druk Air: Royal Bhutan Airlines
- Jilke, Willi, founder/pres.
 - Century Airlines (2)
- Jilling, SS
 - Pan American Airways (PAA)
- Jim Harris Holdings, Ltd.
 - Brymon European Airways, Ltd.
- Jimeno, Saul Pertuz, pres.
 - Aerocondor, S.A.
- Jin Xiao-ping, hijackert
 - China Hainan Airlines Company, Ltd.
- JJF Investments
 - Wien Airlines
- JK Chemicals, Ltd.
 - Safari Airways, Ltd.
- Joanis, John W., chairman
 - Midstate Airlines
- Jobe, Tony, pres.
 - Air New Orleans
- Jobling-Purser, James, owner/MD
 - Gill Air: Gill Aviation, Ltd.
- Jodie, Siberian tiger
 - American Airlines
- Joe Flannery's Constellation Lounge and Restaurant
 - Capitol International Airways
- Joel, Billy, entertainer
 - Miami Air International
- Joel, Edward, jt. founder
 - Chautauqua Airlines
- Joel, George Mumbo, jt.-founder
 - Global Star Airlines, Ltd.
- Johannes, Paul, MD
 - VLM Airlines, N.V.
- Johannpeter, Capt. John, pilot
 - American Airlines
- Johanns, L. C., pres.
 - SLM: Surinam Airways, N.V.
- Johannsson, Capt. Arngrimur, owner/MD
 - Air Atlanta Icelandic, H.F.
- Johannsson, Thora, chairman
 - Air Atlanta Icelandic, H.F.
- Johansen, John, engineer
 - Pan American Airways (PAA)
- Johansson, Bo, chairman
 - Transwede Airways, A.B.
- Johansson, Capt. Thomas, founder/MD
 - Air Operations of Europe, A.B.
- Johansson, I., MD
 - Air One Sweden, A.B.
- Johansson, Lennart, MD
 - Golden Air Flyg, A.B.
- Johansson, Rolf, MD
 - Falcon Aviation, A.B.
- John, Dr. Otto, company lawyer and Nazi resistance leader
 - Deutsche Luft Hansa, A.G.
- John F. Kennedy Center for the Performing Arts
 - Delta Air Lines
- John Roderick & Co. (Pty.), Ltd.
 - Rodair (Pty.), Ltd.
- John Swire & Sons (Pty.), Ltd.
 - Cathay Pacific Airways (Pty.), Ltd.
- Johnsen, Ave, chairman
 - Braathens SAFE, A.S.
- Johnson, Capt. A. S., pilot
 - British European Airways Corporation (BEA)
- Johnson, Allison, flight attendant/manager
 - Delta Air Lines
- Johnson, Alva, flight attendant
 - Boeing Air Transport
- Johnson, Bob, founder/pres.
 - Johnson Flying Service
- Johnson, Charles W. "Chuck," EVP/pres.
 - ERA Aviation
- Johnson, Chester C., founder/pres.
 - Commute Air
- Johnson, Don, pres.
 - Air Molokai
- Johnson, George, founder/pres.
 - Hulman Airlines
- Johnson, Geiri and Anne, founders
 - Northway Aviation, Ltd.
- Johnson, James O., pilot
 - United Air Lines (1)
- Johnson, Jim and Veronica, founders
 - Northway Aviation, Ltd.
- Johnson, Jim, owner

- Central Highlands Air Taxi (Pty.), Ltd.
 Johnson, Kelly, aircraft designer
 Transcontinental and Western Air Lines (TWA)
 Johnson, Lawrence McK., co-founder
 Tasmanian Aerial Services (Pty.), Ltd.
 Johnson, Lyndon B., U.S. president
 American Airlines
 Eastern Air Lines
 National Airlines (1)
 Pan American World Airways (1)
 Trans World Airlines (TWA)
 United Air Lines (2)
 Johnson, Capt. Paul, pilot
 Air New England
 Johnson, Pete, jt.-founder
 Alaska Southcoast Airways
 Johnson, Philip G., executive/pres./vp-opns.
 Boeing Air Transport
 Hubbard Air Transport
 Trans Canada Air Lines, Ltd.
 United Air Lines (1)
 Johnson, Ray, founder/pres.
 Midwest Aviation (2)
 Johnson, Capt. Ray, MD
 World Airlines, Ltd.
 Johnson, Robert, Black Entertainment Television owner/dir.
 Potomac Air
 United Airlines
 USAirways
 Johnson, Stanely, vp-opns.
 Transwestern Airlines
 Johnson, Judge Sterling,
 Deutsche Lufthansa, A.G.
 Johnson, Capt. Tilden "Pete," pilot
 Continental Air Lines (1)
 Johnson, V. G., chairman
 Cayman Airways, Ltd.
 Johnson, Van, actor
 American Airlines
 Johnsson, Thomas, founder/chairman
 Transwede Airways, A.B.
 Johnston, James C., EVP
 Air One
 Johnston, James, pres.
 Cougar Helicopters, Ltd.
 Johnstone, Capt. A.C.P., pilot
 British Overseas Airways Corporation (BOAC)
 Joji, Capt. Mohammed, MD/chairman/founder
 Nigeria Airways, Ltd.
 Skypower Express Airways, Ltd.
 Jokischke, Bernhard, MD
 Aero-Dienst, GmbH.
 Jolula, Heikki, chairman
 Air Botnia, O/Y
 Jones, Alan and Janet, founders
 Sunwest Aviation
 Jones, B. H., GM
 Cook Island Air: Cook Island Airways, Ltd.
 Jones, Bill, vp-opns.
 Chalks International Airlines
 Jones, Blaine, CFO/pres.
 Mesa Air Group
 Mesa Airlines
 Jones, Cathy, pilot
 Southwest Airlines (2)
 Jones, Colin F., MD
 FR Aviation, Ltd.
 Jones, Danny, founder/pres.
 International Charter Express
 Jones, Edmund Abayomi, MD
 Nigeria Airways, Ltd.
 Jones, Everett, jt.-founder
 RANSA: Rutas Aereas Nacionales, S.A.
 Jones, Floyd D., jt. founder/chairman
 Ozark Air Lines
 Jones, Fred, chairman
 Braniff International Airways
 Jones, Fred, murdered co-pilot
 Delta Air Lines
 Jones, George, hijacker
 Eastern Air Lines
 Jones, Capt. Gordon, pilot
 Air Canada, Ltd.
 Jones, Graham, CFO
 Qantas Airways (Pty.), Ltd.
 Jones, H. R., MD
 Airwork NZ, Ltd.
 Jones, Hugh, MD
 Air Post New Zealand, Ltd.
 Jones, Ike, jt. founder
 Southern Airways
 Jones, Irving, jt. founder
 Southeast Airlines (2)
 Jones, J. C., pres.
 Canadian Helicopter Corporation, Ltd.
 Jones, James Earl, actor
 Pan American World Airways (1)
 Jones, John, MD
 Air Foyle, Ltd.
 Jones, Mike, MD
 Brymon Airways, Ltd. (2)
 Jones, Capt. O. P., pilot
 The Daimler Airways, Ltd.
 Imperial Airways, Ltd.
 British Overseas Airways Corporation (BOAC)
 Qantas Empire Airways (Pty.), Ltd.
 Jones, Paul, founder/pres.
 Stateswest Airlines
 Jones, R. J. "Jack," founder/chairman
 East Anglian Flying Services, Ltd.
 Jones, Robert L., pres.
 Alliance Airlines
 Jones, Tommy Lee, actor
 Helijet Airways, Inc.
 Jones, Tony, pilot/dir./flight opns. mgr.
 Bristow Helicopters, Ltd.
 British International Helicopters, Ltd.
 Jones, Trevor G., founder/MD
 Birmingham Executive Airways, Ltd.
 Guernsey Airlines, Ltd.
 Jones, Vivien M., pilot
 Pitcairn Aviation
 Jones-Evans, G. S., pilot
 Crilly Airways, Ltd.
 Jonker, Henk S., pres.
 NLM CityHopper, B.V.
 Jonnart, Pierre, MD
 Sobelair, N.V.
 Jonsson, Hallgrimur, MD
 Iscargo, H.F.
 Jonsson, Helgi, pres.
 Odin Air H.F.
 Jonsson, Viljalmur, pres.
 Eagle Air Arnarflug, H.F.
 Jorasek, Jana, DG
 Tatra Air, A.G.
 Jordan, Lewis, jt. founder/pres./consultant
 AirTran Airlines

The Flying Tiger Line
 ValuJet Airlines
 Jordan, Louis, actor
 Transocean Air Lines (TAL)
 Jordan, Mary, vp/pres.
 American Airlines
 Wings West Airlines
 Jordan, Steve, founder/pres.
 Koro Aviation
 Jordheim, Cam, GM
 Ptarmigan Airways, Ltd.
 Jorgensen, Holger, MD
 North Flying, A.S.
 Jorgos Travel, Kft.
 Pannon Air Service, Kft.
 Jorritsma, Annemarie, Dutch deputy prime minister
 El Al Israel Airlines, Ltd.
 Joseph, Anthony F., founder/pres.
 Colorado Airways
 Joseph, Sir Francis, dir.
 Imperial Airways, Ltd.
 Josey, Lawson L., GM
 Grand Aire
 Jospin, Lionel, prime minister of France
 Air France
 Jottrand, Pierre, pres.
 Challengair, S.A.
 Joubert, A. C., joint founder
 Commercial Air Services (Pty.), Ltd.
 Jowell, Joseph, founder/chairman
 Namakwaland Air Services (Pty.), Ltd.
 Jowell, Neil, chairman
 Namakwaland Air Services (Pty.), Ltd.
 Joy, Joseph C. and Daisy, founders
 DAS Air Cargo: Dairo Air Services, Ltd.
 Joyce, Ronald, financier
 Knighthawk Air Express, Inc.
 JSC AviaStar
 Volga-Dnepr Airlines
 Juda (Wisconsin) high school students
 Delta Air Lines
 Judd, Ashley, actress
 Helijet Airways, Inc.
 Judd, Lawrence M., Hawaiian territorial governor
 Inter-Island Airways (I)
 Judkins, A. L., pilot
 Civil Air Transport, Ltd.
 Judson, D. S. "Pat," MD
 Rhodesian Aviation Company, Ltd.
 Julifs, Capt. Vernon H., pilot
 Pan American World Airways
 Jung, Dean H., founder/pres.
 Yosemite Airlines
 Junk, Capt. Werner, pilot
 Deutsche Luft Hansa, A.G.
 Junkers, Dr. Hugo, aircraft designer/airline founder
 Junkers Luftverkehr, A.G.
 Junkers Luftverkehr Persien, GmbH.
 Junkers Luftverkehr Russland, GmbH.
 Deutsche Luft Hansa, A.G.
 Junkers Flugzeugwerke, A.G.
 ABA Swedish Airlines: Aktiebolaget Aerotransport, A.B.
 Junkers Luftverkehr, A.G.
 Sächsische Luftverkehrs, A.G.
 Union Airways (Pty.), Ltd.
 Union Area Espanola, S.A.
 Junkers F-13 launch customer
 Junkers Luftverkehr, GmbH.
 Junkers F-24 launch customer

Deutsche Luft Hansa, A.G.
 Junkers G-23 launch customer
 ABA Swedish Airlines, A.B.
 Junkers G-24 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers G-31 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers G-38 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers Ju-52/3m launch customer
 Deutsche Luft Hansa, A.G.
 Junkers Ju-86 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers Ju-90 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers Ju-160 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers W-33 launch customer
 Deutsche Luft Hansa, A.G.
 Junkers W-34 launch customer
 Deutsche Luft Hansa, A.G.
 Junqueira, Dr. Aguinaldo, pres.
 Cruzeiro Brazilian Airlines, S.A.
 Jupiter Electronic Systems
 Jes Air
 Juppe, Alain, prime minister of France
 Air France
 Jurek, Provincetown (R.I.) artist
 Cape Air
 Jurgensen, Povi Arnold, pres.
 Star Air, A.S.
 Just, Erich, pilot
 Deruluft, GmbH.
 Juterbock, Georg, pilot
 Dobrolet
 Junkers Luftverkehr, A.G.
 Juvonen, William, founder/chairman
 Flight Services Group
 JVK Holdings
 Angel Airline Company, Ltd.

K

Kabila, Desire, president Democratic Republic of the Congo
 Congo Airlines, S.P.R.L.
 Gomair, S.A.
 Lignes Aeriennes Congolaises, S.A.
 Kabo Travels, Ltd.
 Kabo Air, Ltd.
 Kabra, Capt. Sangeeta, pilot
 Indian Airlines, Ltd.
 Kabus, Amata, chairman
 Air Marshall Islands
 Kachnov, Vladimir, Rossiya division CEO
 Aeroflot Russian International Airlines (ARIA)
 Kadaga, Rebecca, Ugandan foreign affairs minister
 Uganda Airlines, Ltd.
 Kaffi, Acoussou, chairman/pres.
 Air Afrique, S.A.
 Kah, Buoh Jijohn, founder
 Guinea Air Service, S.A.
 Kahl, David, jt. founder
 Wilderness Air (1975), Ltd.
 Kahlenburg, Capt., chief commander
 Deutsche Luftschiffahrts, A.G. (DELAG)
 Kahn, Alfred, CAB chairman/director
 Laker Airways, Ltd.
 New York Air (1)
 Kaiser, Capt. Kim, pilot
 Alaska Airlines

- Kakish, Tareq, passenger
Spirit Airlines
- Kal'vitsa, O. A., pilot
Dobrolet
- Kalahan, John, flt. opns./marketing mgr.
Uganda Airlines, Ltd.
- Kalau, Edmund, pres.
Pacific Missionary Aviation
- Kaldahl, Wesley, chairman
USAfrica Airways
- Kalenzaga, A., MD
Air Volta, S.A.
- Kalinin K launch customer
Dobrolet
- Kalinochkin, Valeri V., CEO
Trans Air Valeologia
- Kalintsev, Boris I., DG
Aero Kuznetsk Novokuznetsk Airline
- Kalitta, Conrad A. "Connie," founder/chairman/pres.
American International Airways (3)
Connie Kalitta Services
- Kalkan, Mahmout, hijacker
THY Turkish Airlines, A.O.
- Kallenius, Hans, MD
Malmo Aviation Schedule, A.B.
- Kallsson, Anders, MD
Golden Air Flyg, A.B.
- Kallstrom, James, FBI assistant dir.
Trans World Airlines (TWA)
- Kamara, A. B., chairman
Sierra Leone Airways, Ltd.
- Kambale, Ngezayo, CEO
Virunga Air Charter, S.A.
- Kamei, Ibrahim, founder/CEO
Air Cairo, S.A.E.
- Kamela-Sowinska, Aldona, Polish deputy treasury secretary
LOT Polish Airlines, S.A.
- Kamentseev, B.I., DG
Aero Kuznetsk
- Kamhaug, Christian H., supporter
Kato Air, A.S.
- Kammeraad, Kenneth, passenger
Ozark Air Lines
- Kamov helicopter launch customer
Aeroflot Soviet Airlines
- Kanatov, Kommunar A., co-commander
Atyrau United Aviation Detachment
- Kandi, Takeshi, pres.
Hokkaido Air System Company, Ltd.
- Kanehl, Franz, chairman
Kanair Luftverkehrs, A.G.
- Kaneko, Isao, senior MD/pres.
Japan Air Lines Company, Ltd. (2)
- Kanfey-Ha-Emek Aviation
Emek Wings, Ltd.
Israir, Ltd.
- Kang, Anthony M. I., CEO
Foshing Airlines, Ltd.
- Kang, Eric, MD
Air Mandalay (Pty.), Ltd.
- Kang Long Lin, Capt., pilot
China Airlines, Ltd. (CAL)
- Kaniut, Paul, pilot
National Air Transport
- Kannien, Pekka, MD
Helikopteripalvelu O/Y
- Kanodia, Hulas, pres.
Resort Air
Trans-States Airlines
- UFS: United Feeder Service
- Kansas
Air Midwest
Air Plains
Allen Air Commuter
Aviation Services, Inc.
Beeson Aviation
Brower's Air Service Corporation, The
Capitol Airlines (1)
Century Airlines (1)
Four Sons Flying Service
Henry's Charter Service
Kansas City Aviation Center
King's Skyline
Lawrence Aviation
Ryan International Airlines
Santa Fe Skyways
Shawnee Air Commuter
Skyway
Smyer Aircraft
Stateline Commuter Service
- Kansas City Chiefs NFL team
America West Airlines
- Kansas City Royals MLB team
United Airlines
- Kansler, Robert, investor/pres.
Air New England
- Kantarar, ACM Penieng, chairman
Thai Airways Company, Ltd.
Thai Airways International, Ltd. (THAI)
- Kanwanishi, Seibei, aircraft designer/founder
Japan Air Transport Company, Ltd.
- Kanygin, I. I., DG
Cosmos and Transport Avia
- Kanzler, Robert, pres.
Air New England
- Kaoma, Peter, MD
Zambia Airways Corporation
- Kapell, William, pianist/passenger
British Commonwealth Pacific Air Lines
- Kapferer, Henri, contract airship pilot
Aero Association Lucerne
- Kapitanenko, S.K., DG
Akta Air Company
- Karabatis Group
Venus Airlines, S.A.
- Karalus, Paul, GM
Friendly Islands Airways, Ltd.
- Karam, Gregory, air traffic controller
Air Canada, Ltd.
- Karamanian, John H., founder/pres./CEO
Merlin Express
Texas National Airlines
- Karas, Tony, founder/MD
Hevi Lift (Pty.), Ltd.
- Karasek, Theodore, MD
Ansett W.A., Ltd.
- Karasoy, Capt. Bulent, GM
Rota Air, A.O.
- Karatzas, Jordan N., chairman
Olympic Airways, S.A.
- Kardassis, Nikos K., CEO
Jet Airways (Pty.), Ltd.
- Karelian Isthmus, Battle of the
Aeroflot Soviet Airlines
- Kargil conflict, 1999
Indian Airlines, Ltd.
Pakistan International Airways Corporation
- Karhumaki, Tuomas, MD

- Karair O/Y
- Kariembaks, P. Armand, pres.
ALA: Antillean Airlines, N.V.
- Karimov, Islam, Uzbekistan president
Uzbekistan Airlines
- Kariuki, Capt. Chris, pilot/opns. dir.
Kenya Airways, Ltd.
Air East Africa, Ltd.
- Karjian, Vicken L., pres.
Falcon Express Airlines
- Karkaria, Freddy A., GM
Air Seychelles, Ltd.
- Karlsen, Karl Johan and Torlaug, founders
Kato Air, A.S.
- Karlovich, Tim, pres.
Jay Hawk Air
- Karlow, Gene, jt.-founder
Air Vermont
- Karmanlis, Constantine, Greek prime minister
Olympic Airways, S.A.
- Karpov, Anatoly S., DG
Polyet Airline
- Karuse, Roger, founder/pres.
Lake State Airways
- Kashyap, Veenu, MD
Alliance Air, Ltd.
- Kastalli, Shiheddine, GM
Air Liberte Tunisie, S.A.
Novelair Tunisie, S.A.
- Kastanides, Haris, Greek transport minister
Olympic Airways, S.A.
- Kastrin, V., DG
Moscow Airlines: Aeroflot-Moscow Airlines
- Kasuga, Isao, pres.
World Air Network Charter, Ltd.
- Kasyanov, Mikhail, Russian prime minister
MTKA Rusavia
Rossiya Air Company
- Katagiri, Capt. Seiji, pilot
Japan Air Lines Company, Ltd. (2)
- Katijik, Matija, pres.
Croatia Airlines
- Katilungu, Simon C., chairman
Zambia Airways Corporation
- Katrincak, Josef and Anna, hijackers
CSA Czechoslovak Airlines
- Katyshev, Mikhail, Russian deputy prosecutor general
Aeroflot Russian International Airlines (ARIA)
- Katz, Jeffrey G., COO
Swissair, A.G.
- Kauffman, Sanford B., vp-engineering
Pan American World Airways (1)
- Kaul, Kapil, chief GM
Sahara India Airlines, Ltd.
- Kaunda, Panji T., dir.
Lupenga Air Transport, S.A.
- Kaura, Katuutire, vice president of Namibia
Air Namibia (Pty.), Ltd.
Kalahari Express Airlines (Pty.), Ltd.
- Kavaja, Nikola, hijacker
American Airlines
- Kavala
Tur Avrupa: Tur European Airways, A.O.
- Kawano, Mitsunari, chairman
Japan Asia Airways, Ltd.
- Kawanu, Capt. Patrick, Zambian civil aviation director
Zambia Airways Corporation
- Kawasaki Kisen Kaisha (K Lines), investor
Nippon Cargo Airlines Company, Ltd.
- Kay, J., hijacker
Pakistan International Airways Corporation
- Kay, Robert G. Cathcart "Chip," founder
Leopard Air, Ltd.
- Kaye, Leo, businessman
British Airways, Ltd. (2)
- Kazemi, Ahmad Reza, chairman
Iran Air: The Airline of the Islamic Republic of Iran
- Keady, Jack, VP
Tahoe Air
- Kearney, Seamus, CEO
Aer Lingus Commuter: Aerlinte Eireann Tioranta, Ltd.
- Kearsley, Mr. and Mrs. J. W., founders/directors
Kearsley Airways, Ltd.
- Keating, Rep. Kenneth, passenger
Eastern Air Lines
- Keating, Paul, Australian prime minister
Air New Zealand, Ltd.
- Keck, George E., pres.
United Air Lines (2)
- Keegan, Thomas D., owner/chairman/advisor
British Air Ferries, Ltd.
Tyne Tees Airways, Ltd.
- Keel, Howard, actor
American Airlines
- Keene, Charles, jt. founder
Bonanza Air Lines
- Keene, Ralph, motion picture producer
Imperial Airways, Ltd.
- Keena, James, founder/pres.
Mac-Aire Aviation Corporation
- Keenan, Burt H., chairman/pres.
Air Logistics
- Keenan, Ross B., MD
Ansett New Zealand, Ltd.
- Kehl, Werner G., murdered passenger
British Airways, Ltd. (2)
- Keightly, George M., jt. founder
Carolina Air Transport
- Keim, Leroy, GM
Western Pacific Air Services, Ltd.
- Keinz, Claude, DG
Cameroon Airlines, S.A.
- Keith, Ken, pres.
Lynstar Aviation
- Kelkar, Vijay, Indian planning commission chairman
Indian Airlines, Ltd.
- Kelleher, Herbert D. "Herb," director/chairman/pres.
Southwest Airlines (1)
Southwest Airlines (2)
- Keller, Inez, flight attendant
Boeing Air Transport
- Kellett KD-1B autogyro launch customer
Eastern Air Lines
- Kelley, Frederic, Cousine Island owner
Helicopter Seychelles, Ltd.
- Kellner, Lawrence "Larry," CFO
Continental Airlines
- Kellow, Ahmed, GM
Ethiopian Airlines, S.C.
- Kelly, Arthur F., pres./chairman
Western Airlines
- Kelly, Douglas, maintenance director
Pacific Southwest Airlines (PSA)
- Kelly, Fred W., pilot
Western Air Express
- Kelly, Gary, CFO
Southwest Airlines (2)
- Kelly, Gene, dancer/passenger

- Pan American World Airways (1)
 Kelly, George "Machine Gun," prisoner/passenger
 American Airways (2)
 Kelly, Grace, actress
 East African Airways Corporation
 Kelly, John, former U.S. ambassador to Lebanon
 Middle East Airlines, S.A.L. (2)
 Kelly, John D., founder/pres.
 Shoreline Aviation
 Kelly, John F., vp/pres.
 Alaska Airlines
 Horizon Air: Horizon Air Industries
 Kelly, Larry, pres.
 Air Vantage Airlines
 Kelly, Terrance P., U.S. pres./COO
 Jet Aviation Group
 Kelner, Frank W., founder/pres.
 Wasaya Airways, Ltd.
 Kelsey, Jim, founder/pres.
 Redwing Airways
 Kelton Investment
 Air Fiji, Ltd.
 Kemp, Alexander, pres.
 American Airlines
 Kendall, Joseph, U.S. district judge
 American Airlines
 Kendall, Capt. Robert L., pilot
 United Airlines
 Kendall, Rod, founder/chairman
 Western NSW, Ltd.
 Kendell, Donald, founder/MD
 Kendell Airlines (Pty.), Ltd.
 Kendell, Eilish Burke, jt.-founder
 Kendell Airlines (Pty.), Ltd.
 Kennan, George, State Department official
 Civil Air Transport, Ltd.
 Kennard, Hugh, founder/MD
 Air Ferry, Ltd.
 Air Kruise, Ltd.
 Invicta International Airlines, Ltd.
 Kennedy, Bruce, pres./chairman/CEO
 Alaska Airlines
 Kennedy, David DCK, SVP-field services
 American Eagle Airlines (2)
 Kennedy, David M., CEO/EVP
 Aer Lingus Irish Airlines, Ltd.
 Trans World Airlines (TWA)
 Kennedy, John F., U.S. pres.
 Provincetown-Boston Airline (PBA)
 Kennedy, Joseph P, 3rd., passenger
 Deutsche Lufthansa, A.G.
 Kennedy, Stanely C., GM/pres.
 Hawaiian Airlines (HAL)
 Inter-Island Airways (1)
 Kennedy Space Center
 Trans World Airlines (TWA)
 Kenney, Gen. George
 Philippine Air Lines
 Kenney, James, pres.
 Laker Airways, Inc.
 Kenny, Pat, radio talk show host
 Ryanair, Ltd.
 Kenny, Ray, MD
 Irish Helicopters, Ltd.
 Kent, Paul, supervisory mechanic/museum founder
 American Airlines
 Kent, Capt. Walter, pilot
 China National Aviation Corporation (CNAC-1)
 Kentucky
 Air Kentucky Airlines
 Best Airlines
 Central American International
 Grand Aire Express
 Sunbird Air
 Sunworld International Airlines
 United Parcel Service (UPS)
 Kenworthy, R. W., pilot
 North Sea Aerial and General Transport, Ltd.
 Kenya Wildlife Services
 Air Kenya Aviation, Ltd.
 Kenyon, C. G., MD
 Lesotho Airways Corporation, Ltd.
 Kerbous, Hamid, founder/chairman
 Denim Air, B.V.
 Kere, H., MD
 Air Burkina, S.A.
 Kerkorian, Kerkor "Kirk," founder/chairman
 Los Angeles Air Service
 MGM Grand Air
 Trans-International Airlines (1)
 Western Airlines (1)
 Kerkow, Katherine Mary, hijacker
 Western Airlines (1)
 Kernan, Capt. Matthew, pilot
 Allegheny Airlines (2)
 Kerr, Les, founder/chairman
 Conair Aviation, Ltd.
 Swiftair Cargo, Ltd.
 Keskin, Erdogan, GM
 Sonmez Holding Airlines
 Kessar, Yisrael, Israeli transport minister
 El Al Israel Airlines, Ltd.
 Kesten, Daniel, vp-customer services
 El Al Israel Airline, Ltd.
 Ketchum, Craig, pilot/pres.
 Ketchikan Air Service
 Ketchum, Ketch, founder/pres.
 Ketchikan Air Service
 Ketchum, Lindley H., founder/pres.
 Ketchum Air Service
 Key Holding Group
 Key Airlines (1)
 Key Airlines (2)
 Keys, Clement M., newspaper editor/jt-founder/investor/pres.
 Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 China Airways Federal
 China National Aviation Corporation (CNAC-1)
 National Air Transport
 PIA: Peruvian International Airways, S.A.
 Transcontinental Air Transport (TAT)
 Keystone Aircraft Corporation
 Huff-Daland Dusters
 Keystone Pathfinder launch customer
 West Indian Aerial Express, C.A.
 KF Invest
 Blue Scandinavia, A.B.
 KGB-Komitet Gosudarstvennoy Bezopasnosti *see* Union of Soviet
 Socialist Republics, KGB-Komitet Gosudarstvennoy
 Bezopasnosti
 Khademi, Ali M., chairman
 Iran Air
 Khaiaf, Gamal, hijacker
 Deutsche Lufthansa, A.G.
 Khaindrava, Zaur K., CEO
 Taifun (Adjal Avia): Sukhumi United Air Detachment
 Khaleqyar, F. A., chairman
 Ariana Afghan Airlines Company, Ltd.
 Khalifa, Rafik, founder/chairman

- Khalifa Airways, S.A.
 Khalimov, R., DG
 Radiopribor-Tatarskoe
 Khamidov, T. Kh., dir.
 Tajikistan Airlines
 Khan, AVM A. Masood, MD
 Shaheen Airlines, Ltd.
 Khan, Anwar Hossain, corporate affairs mgr.
 Biman Bangladesh Airlines, Ltd.
 Khan, Arif Mohammed, Indian civil aviation minister
 Indian Airlines Corporation
 Khan, AM Ashgar, chairman
 Pakistan International Airlines Corporation
 Khan, Ayub, Pakistani president
 Pakistan International Airlines Corporation
 Khan, AM Farooq F., chairman/MD
 Pakistan International Airlines Corporation
 Khan, Fazel, MD
 Guyana Airways Corporation
 Khan, M. Rahim, Pakistani defense minister/chairman
 Pakistan International Airlines Corporation
 Khan, AVM Nur, chairman
 Pakistan International Airlines Corporation
 Khan, Capt. S. U., GM-flight ops
 Air Malta Company, Ltd. (2)
 Khanamerian, Souren, Lebanese cabinet minister
 Air Canada, Ltd.
 Khandker, Abdul Karim, chairman
 Air Parabat, Ltd.
 Kharkov Trade Company, owner
 Ikaros Fly
 Khatamov, Kadyr, DG
 Chardzhou Airline
 Khatib, Ahmad M., COO
 World Airways
 Khatomkin, Mikhail, CEO
 Izhevsk Air Enterprise: Izhavia
 Khayati, Capt. Younee, pilot
 Royal Air Maroc
 Kheir, A.M., GM
 Sudan Airways Company, Ltd.
 Khenka, Ravi Kumar, chairman
 Skyline NEPC, Ltd.
 Khenka, Triputi Kutman, MD
 Skyline NEPC, Ltd.
 Khlya, Hussein Shey, hijacker
 Rio Airways
 Khmelevski, Kouri, founder
 RAF-Avia Airlines, A.S.
 Khmelevskikh, V. I., DG
 Balt Aero: Balt Aero Air Company
 Khoang Igok Zieu, chairman
 Vietnam Airlines
 Khoang Igok Zieu, DG
 Hang Khong Viet Nam
 Khomeini, Ayatollah Ruhollah, Iranian religious leader
 Air France
 Middle East Airlines, S.A.L. (2)
 Khorev, V. M., DG
 Balakovo United Air Detachment
 Khrushchev, Nikita S., premier of Russia
 Aeroflot Soviet Airlines
 Khvoslovsky, Anatoly A., chairman/pres.
 Aerotaxi Stock Leasing Company
 Alak Air Taxi
 Kibe, Capt. Gilbert, jt.-founder/chairman
 Eagle Aviation, Ltd. (2)
 Kier, Ivan, chief pilot
 Air Supply (Pty.), Ltd.
 Kiester, Michael, founder
 Atlantic Flight Group
 Kikas, Anton, Canadian businessman/passenger
 Uganda Airlines, Ltd.
 Kilachand Group
 Trans Bharat Aviation, Ltd.
 Kilgour, J. R., GM
 Norontair: Ontario Northland Air Service, Ltd.
 Kilmer, Val, actor/passenger
 CivAir Charter Services (Pty.), Ltd.
 World Airways
 Kilroe, Timothy, pres./chairman
 Aer Arann: Kilroe Air Ireland, Ltd.
 Air Kilroe, Ltd.
 Kilroe Group
 Aer Arann: Kilroe Air Ireland, Ltd.
 Air Kilroe, Ltd.
 Kilroy, Ashley, GM
 Sunstate Airlines (Pty.), Ltd.
 Kim, Rep. Jay (D-CA)
 Korean Air Lines/Korean Air (KAL)
 Kim Chang Kyu, Capt., pilot
 Korean Air Lines/Korean Air (KAL)
 Kim Dae Jung, South Korean president
 Korean Air Lines/Korean Air (KAL)
 Kim Hyon-hui ("Mayumi"), bomber
 Korean Air Lines/Korean Air (KAL)
 Kim Jong II, North Korean pres.
 Korean Air Lines/Korean Air (KAL)
 Kim Sungil, bomber
 Korean Air Lines/Korean Air (KAL)
 Kimbriel, Harry A., Jr., pres.
 Air Atlanta
 Kimmel, Peter and Christian, co-MDs
 German Wings, GmbH.
 Kincheloe, Gordon, jt.-founder
 Shillelagh Air Travel Club
 King, A. D., passenger
 Eastern Air Lines
 King, Andrew, partner
 DAS Air Cargo: Dairo Air Services, Ltd.
 King, Arthur, jt.-founder
 Air Commuter Airlines (1)
 King, Mrs. D., murdered passenger
 United Air Lines (2)
 King, David V., chairman
 Air Wales, Ltd.
 King, David W., founder/pres.
 Gulkana Air Service
 King, Don, pres./CFO
 Camai Air
 MarkAir
 King, E. Ward, founder/pres.
 Southeast Airlines (1)
 King, Sir John, chairman
 British Airways, Ltd. (2)
 King, Richard H. "Dick," vp-marketing
 Aloha Airlines
 King, Robert O., chairman
 Montauk Caribbean Airways
 King, Robert O., owner/chairman
 Long Island Airlines
 King, Rollin W., jt. founder/pres.
 PAI: Panama Air International, S.A.
 Southwest Airlines (2)
 King, Tony, MD
 Australian Jet Charter (Pty.), Ltd.
 King, Wayne, "the Waltz King," sponsor
 Pacific Seaboard Air Lines

- King Alfonso XIII (Spain)
Iberia Spanish Airlines (1): Sociedad Iberica de Aviacion, S.A.
- King Boris (Bulgaria)
Junkers Luftverkehr, A.G.
- King Ferdinand (Romania)
Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
- King George VI (U.K.)
Eastern Air Lines
- King Hussein (Jordan)
Alia: Royal Jordanian Airlines
Royal Jordanian Airlines
- King Ibn Saud (Saudi Arabia)
Saudia: Saudi Arabian Airlines
- King Idris (Libya)
Libyan Arab Airlines
- King's Cup Air Race
Imperial Airways, Ltd.
Instone Air Line, Ltd. (1)
- Kingham, Ian A. and Christine, founders/operators
Augusta Airways (Pty.), Ltd.
- Kingsford-Smith, Sir Charles, founder
ANA: Australian National Airways (Pty.), Ltd.
- Kingsley, Shirley H., founder
CRPA: Compania Rio Platense de Aviacion, S.A.
- Kingson, William "Bill," founder/pres.
Silver Kris Services
- Kinki Nippon Tourist Co., Ltd.
Japan Air System, Ltd. (JAS)
- Kinlan, Geoffrey, receiver
AB Airlines, Ltd.
- Kinnell, Capt. David, pilot
Bond Helicopters, Ltd.
- Kinner, Angus, MD
Canada 3000, Ltd.
- Kinnock, Neil, European Union transport commissioner
Alitalia, SpA.
- Kinsey, Capt. Larry, pilot
Eastern Air Lines
- Kinsey, Robert, acting CEO
Western Airlines (1)
- Kipke, Reinhard, GM/co-MD
Aero Lloyd Flugreisen, GmbH.
Suedflug: Suddeutsche Flugsellschaft, GmbH.
- Kippen, Richard M., passenger
New York Air (1)
- Kirana, Rusdi, part-owner/pres.
PT Lion Mentari Airlines
- Kircheiner, Kristian, SVP/pres./CEO
Air Baltic Corporation
- Kircher, Stephen, Capitol Bay Securities CEO
Tahoe Air
- Kirchner, Dr. Dietmar, MD
Condor Flugdienst, GmbH.
- Kirchoff, Karl, crewman
Deutsche Luft Hansa, A.G.
- Kirk, John, GM
Aerogulf Services, Ltd.
- Kirkland, Lane, AFL-CIO pres.
El Al Israel Airlines, Ltd.
- Kirkland, Thomas J., Peruvian opns. mgr.
Pan American-Grace Airways (PANAGRA)
- Kirpatrick, Ross, pilot
Ford Air Freight Lines
- Kise, Bjorn Halvor, investor
Norwegian Air Shuttle, A.S.
- Kisgergely, Andras, amateur photographer
Air France
- Kish Free Zone Organization
Kish Air
- Kislov, V.I., DG
Aeroservice
- Kiszcak, Zbigniew P., EVP
LOT Polish Airlines, S.A.
- Kitamikado, Hiroshi, pres.
Air Hokkaido Company, Ltd.
- Kitchathorn, AM Werra, chairman
Thai Airways International, Ltd. (THAI)
- Kitt, Tom, Irish minister of state for labour affairs
Ryanair, Ltd.
- Kittel, Wolfgang, jt.-MD
Deutsche Lufthansa, A.G.
- Kittikachorn, ACM Yuthapong, vp-opns.
Angel Airline Company, Ltd.
- Kitty Hawk Group
American International Airways (3)
Connie Kalitta Services
Kitty Hawk Air Cargo
Kitty Hawk International
- Kiumov, A.V., DG
Tesis Air Enterprise
- Kivlen, John Carleton, hijacker
Continental Airlines
- Kjaran, Birgir, chairman
Flugfelag Islands, H.F. (2)/Icelandair, H.F.
- Kjos, Bjorn, investor
Norwegian Air Shuttle, A.S.
- Klein, Chris, actor
Allegiant Air
- Klein, Hemo, sales mgr.
Deutsche Lufthansa, A.G.
- Klein, Joel, U.S. assistant attorney general
American Airlines
British Airways, Ltd. (2)
- Klein, Willy, TransNamib Holdings, Ltd. chairman
Air Namibia (Pty.), Ltd.
- Kleissaf, Constantine, co-pilot
USAir
- Kletchka, Eugene F., founder/pres.
Lawrence Aviation
- Klev, Svein, investor
Norwegian Air Shuttle, A.S.
- Klimaceswki, Bronislaw, DG
LOT Polish Airlines, S.A.
- Klimenkov, Victor, MD
Kamchat-Avia
- Klimov, Alexander, deputy DG/DG
Vnukovo Airlines
- Klinger, Umberto, CEO
Ala Littoria, SpA.
- Kloster, Orvis, jt. founder
Northern Airways (4)
- Klouri, Roberto, pres.
Beta Cargo, S.A.
- Klucynski, Thomas and Melanie, "bumped" passengers
Delta Air Lines
- Klumov, Aleksei V., DG
Tesis Air Enterprise: Tesis Avia Predpriyatie
- Knauf, Dr. Albrecht, jt. founder/chairman
Eurowings NFD + RFG, GmbH.
RFG: Regional Flug, GmbH.
- Knauss, Dr. Robert, route prover
Deutsche Luft Hansa, A.G.
- Kneale, Richard, opns. mgr.
Magec Aviation, Ltd.
- Kniaguintchev, Eduard, MD
Meridian Air Company
- Knickerbocker, Hobart Renfro, journalist/reporter
KLM: Royal Dutch Airlines, N.V.

- Knight, James H., pilot
 U.S. Air Mail Service
 Boeing Air Transport
 Knight, Sir Michael, chairman
 Flight Refueling, Ltd.
 Knight, R. D., MD
 Sunbird Aviation, Ltd.
 Knight, William, founder/pres.
 TAG Airlines
 Knipe, Richard X., founder/pres.
 Mall Airways
 Knollys, Lord, chairman
 British Overseas Airways Corporation (BOAC)
 Knowles, Beverly Ann, flight attendant
 Pacific Southwest Airlines (PSA)
 Knowles, Tony, Alaska governor
 Atlas Air
 MarkAir
 Reeve Aleutian Airways
 Knowles, W. C. G., chairman
 Cathay Pacific Airways (Pty.), Ltd.
 Knox, Frank, USN secretary
 Pan American Airways (PAA)
 Knox, John, commercial dir./chairman
 Skyways Coach-Air, Ltd.
 Skyways International, Ltd.
 Knox, Seymour H., investor
 Pan American Airways (PAA)
 KNSM: Koninklijke Nederlandse Stoomboot Maatschappij, N.V.
 Transavia Holland, N.V.
 Knudsen, Flemming, MD
 Maersk Air U.K., A.S.
 Knudson, Nancy, MD
 Charter Cruise Air (Pty.), Ltd.
 Knut-Oskar Gustavsson
 Transair Sweden, A.B.
 Knyaznichev, S. Z., DG
 Meridian
 Kobe (Japan) earthquake, 1995
 All Nippon Airways Company, Ltd. (ANA)
 Japan Air Lines Company, Ltd. (2)
 Northwest Airlines
 Kobrin, Bernie, founder/pres.
 Kobrin Airways
 Kobzev, V.S., DG
 Beta Air
 Koch, Capt. A. A., pilot
 Qantas Empire Airways (Pty.), Ltd.
 Koch, Erich, MD
 Transafrik International
 Koch, Ernst August, co-MD
 Condor Flugdienst, GmbH.
 Kochetov, B. M., DG
 Khakasias Airlines
 Kocijancic, Janez, pres.
 Adria Airways (1)/Adria Airways (2)
 Kockenbeir, Rens, MD
 European Airlines, S.A.
 Koehler, Sigfried, jt.-MD
 German Cargo Airlines, GmbH.
 Koehler, Tom, founder/pres.
 Trans-Midwest Airlines
 Kogen, Barney, jt. founder/chairman
 Ultrair
 Kohl, Helmut, German chancellor
 Deutsche Lufthansa, A.G.
 Kohl, Hermann, night flight director/pilot
 Deutsche Luft Hansa, A.G.
 Kohler, John B. and Frank, founders
 Kohler Aviation Corporation
 Kohli, Capt. Anupama, pilot
 Indian Airlines, Ltd.
 Kohli, Heinz, European pres./COO
 Jet Aviation Group
 Kokalin, A.S., DG
 Vega Air Company
 Kokkinski, V. K., test pilot
 Aeroflot Soviet Airlines
 Kokmotos, Theodore, founder/GM
 Galaxy Airways, S.A.
 Kolfenbach, P. Thomas, pres./founder
 Key Airlines (2)
 Sun Jet International Airlines
 Kolmogorov, Vladimir, Russian deputy prosecutor general
 Aeroflot Russian International Airlines (ARIA)
 Kolot, Abdulkadir, MD
 Air Anatolia, S.A.
 GTI Havayollari, A.S. Airlines
 Kolski, Stephen J., pres.
 Continental Express
 Komei, Shizuka, Japanese transport minister
 Federal Express (FedEx)
 Northwest Airlines
 United Airlines
 Komonov, Boris, DG
 Aero Volga Concern
 Kondo, Akira, pres.
 Japan Air Lines Company, Ltd. (2)
 Kondo, Tomoo, pres.
 Far East Airlines Company, Ltd. (Kyokuto Koku)
 Kong, Cheong Choong, deputy chairman/CEO
 Singapore Airlines, Ltd.
 Kong, Daniel, pres.
 Maui Airlines
 Konialidis, Costa, MD
 Olympic Airways, Ltd.
 Konig, Adriaan, Dutch waterworks minister
 KLM: Royal Dutch Airlines, N.V.
 Konnecke, Otto, pilot
 Deutsche Luft Reederei, GmbH.
 Kononov, Yuri, DG
 Clintondale Aviation
 Konsolidiscri Bank
 CSA Czech Airlines, A.S.
 Kooka, S K "Bobby," traffic manager
 Air India, Ltd.
 Koolhoven, Frederick, aircraft designer/consultant
 British Aerial Transport, Ltd.
 Koor Industries, Ltd.
 Arkia Israel Airlines, Ltd.
 Empire Aviation, Ltd.
 Koorts, A.J., MD
 Suidwes Lugdiens
 Kopay, Michael, vp
 Eastwind Airlines
 Koppen, Capt. G. A., pilot
 KLM: Royal Dutch Airlines, N.V.
 Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM)
 Kopra, Capt. W. J., pres.
 ALM: Antillean Airlines, N.V.
 Kopriva, Jindrich, DG
 CSA Czechoslovak Airlines
 Kopytov, Wacheslav, DG
 Igarka Airline: Igarska Air Enterprise
 Kordofani, Capt. Mustafa H. Y., MD
 United Arabian Airlines, Ltd.
 Trans Arabian Air Transport, Ltd.

- Korea, People's Democratic Republic of (North), famine relief flights
Aeroflot Russian International Airlines (ARIA)
- Korea, Republic of (South), Ministry of Construction and Transport
Korean Air Lines/Korean Air (KAL)
- Korea, Republic of (South), National Tax Administration
Korean Air Lines/Korean Air (KAL)
- Korean "baby airlift," 1956-1963
The Flying Tiger Line
- Korean evacuation, 1948
Northwest Airlines
- Korean War Airlift, 1950-1953
Canadian Pacific Air Lines, Ltd.
The Flying Tiger Line
Los Angeles Air Service
Northwest Airlines
Pan American-Grace Airways (PANAGRA)
Pan American World Airways (1)
Seaboard & Western Airlines
Slick Airways
Transocean Air Lines (TAL)
United Air Lines (2)
- Korev, Vlacheslav M., DG
Balakovo United Air Detachment
Balakovo Air Enterprise
- Korff, Dr. Serge A., scientist/passenger
Pan American-Grace Airways (PANAGRA)
- Korhoven, Gunnar, chairman/MD
Finnair O/Y
Finnish Air Lines O/Y
- Karair O/Y
- Korning, Peter, VP
Skyways Express, A.B.
- Kornukov, Col. Gen. Anatoly, Russian Air Force C-in-C
Korean Air Lines/Korean Air (KAL)
- Korth, Howard, founder/chairman
AAXICO Airlines
Saturn Airways
- Koryakin, Andrey, DG
Ilim Airlines
- Kloskimics, Olli, founder/pres.
Jetflite O/Y
- Koshoni, RAdm. Patrick, Nigerian aviation minister
Nigeria Airways, Ltd.
- Koslovskii, Vladimir B., DG
Pankh: Pankh NPO
- Kosovo (Yugoslav province) Crisis, 1998-1999 (companies involved/affected)
Adria Airways: Adria Aviopromet (2)
Aeroflot Russian International Airlines (ARIA)
Air Bosnia, S.A.
Air France
Air Greece: Aerodromisis, S.A.
Air Jugoslavia
Air Montenegro
Air Srpska
Albanian Airlines MAK S.H.P.K.
Alitalia, SpA.
Austrian Airlines, A.G.
Aviogenex
Avioimpex: Macedonian Airways
Balkan Bulgarian Airlines
Braathens, A.S.
Bristow Helicopters, Ltd.
British Airways, Ltd. (2)
Croatia Airlines
Crossair, Ltd.
CSA Czech Airlines
Deutsche Lufthansa, A.G.
El Al Israel Airlines, Ltd.
Heavylift Cargo Airlines, Ltd.
Hemus Air, Ltd.
JAT Yugoslav Airlines
Lauda Air Luftfahrtgesellschaft, A.G.
Macedonian Airlines
MALEV Hungarian Airlines, Rt.
MNG Airlines Cargo, A.O.
Montenegro Airlines
Northwest Airlines
OKI Airways
Palair Macedonian Air Lines, A.D.
Polar Air Cargo
Qantas Airways (Pty.), Ltd.
Royal Airlines, Ltd.
Sabena Belgian World Airlines, S.A.
Swissair, A.G.
THY Turkish Airlines: Turk Hava Yollari, A.O.
Top Air, A.O.
Tower Air
Transaer International Airlines, Ltd.
Tyrolean Airways, GmbH.
Ukraine International Airlines
Veteran Air Company
Virgin Atlantic Airways, Ltd.
Volga-Dnepr Airlines
- Kostich, Walter, founder/pres.
Rivair Flying Service
- Kostich, William, pres.
Royal Air Freight
- Kostov, Dimitar, Bulgarian finance minister
Balkan Bulgarian Airlines
- Kostylev, V.M., GM
Aerolit Air Company
- Kotak, Ismet, founder/chairman
Star Airways: Star Hava Yollari, A.O.
- Kotrba, Dr. Franz, MD
Austrian Air Transport, GmbH.
- Kotsalos, Gen. George, military governor/passenger
TAE Greek National Airlines, S.A.
- Koukoulis, Angelo C., founder/pres.
Aeromech Airlines
KCI Aviation
- Koukoulis, Charles A. "Chuck," pres.
KCI Aviation
- Koumane, Hachim, MD
Air Mali (2)
- Kouropatenko, Vladimir V., part-owner/pres.
Saykhat Air Company
- Kourpias, George, dir.
Northwest Airlines
- Kouyate, Ibrahima, pres.
Guinee Air Service, S.A.
- Kovacevic, Milan, chairman/CEO
Air Srpska
- Kovacik, Lubomir, MD
Slovair (1)
- Kovacs, Ferenc, pres./CEO
MALEV Hungarian Airlines, Rt.
- Kovacs, Tamas, MD
Linair Hungarian Regional Airlines, Ltd.
- Kovalenko, Victor, DG
Turpoley-Aerotrans Air
- Kovalev, Rodion, CFO/DG
Samara Airlines: Samara Avialinii
- Kovfovdakis, Nick, MD
Aegean Aviation, S.A.
- Kowalski, Jozef, DG
LOT Polish Airlines, S.A.
- Kozlov, Alekxandr, DG/chairman

- Aero Volga Concern
 Air Volga
 Kozlov, Capt. Mikhail, pilot
 Aeroflot Soviet Airlines
 Kozlovsky, Vladimir B., chairman
 Pankh: Pankh NPO
 Kozlu, Dr. Cem, chairman
 THY Turkish Airlines, A.O.
 Kozma, Laszlo, DG
 Air Service Hungary, Ltd.
 Kozubaki, Marian, founder/MD
 Independent Air Transport, Ltd.
 Kozubski, Marian, founder/MD
 Falcon Airways, Ltd.
 KPMB Corporate Finance
 Euroscot Express, Ltd.
 Lauda Air Luftfahrtgesellschaft, A.G.
 Kraehenbuehl, Rolf, chairman
 Compagnie de Transport Aerien, S.A. (CTA Geneva)
 Kraft, Christopher, NASA official/passenger
 National Airlines (1)
 Kraigher, George, PAAF operations manager
 Pan American Airways (PAA)
 Krajevic, Kristo, DG
 Air Montenegro
 Krama, Capt. Joseph R. B., founder
 Starwelt Airways (Pty.), Ltd.
 Kramer, Frans, GM/COO
 Santa Barbara Airlines, S.A.
 Kramer, Knut, pres.
 Tempelhoff Airways, USA
 Krasnenker, Alexander, comm. dir./DG
 Aeroflot Russian International Airlines (ARIA)
 Vnukovo Airlines
 Krasnoff, Mrs. S., passenger
 KLM: Royal Dutch Airlines, N.V.
 Krasnostrchekoff, A. M., founder/chairman
 Dobrolet
 Krassim, tour operator
 Air Via Bulgarian Airways
 Kravit, Jack, founder/pres.
 Check Air
 Kreditanstalt fur Wiederaufbau
 Deutsche Lufthansa, A.G.
 Kreitlow, Rudi, a.k.a. Charles Metel, extortionist
 Trans World Airlines (TWA)
 Kressig, Rolf, pres.
 Compagnie de Transport Aerien, S.A. (CTA Geneva)
 Kreveid, Gerrit, pres.
 Sobelair, N.V.
 Kreye, Dr. Kenneth, CEO
 Air Ambulance Care
 Kriete, Richard, chairman
 TACA International Airlines, S.A.
 Krinitchansky, Alexandre, pres.
 Air Kazakhstan
 Krishnan, W. C., U. N. advisor
 PT Merpati Nusantara Airlines
 Krishtal, R. R., DG
 Aviatrans Cargo Airlines (ATRAN)
 Krishnampok, Capt. Udom, EVP
 Thai Airways International, Ltd. (THAI)
 Kristensen, Gert, SVP-finance/MD
 Maersk Air, A.S.
 Maersk Air U.K., Ltd.
 Kristiansen, Karl A., pres.
 LanChile Airlines, S.A.
 Krochmalny, Andrew, founder/pres.
 SunAir Express
 Kroese, Capt. Joe, pilot
 Deutsche Lufthansa, A.G.
 Krogager, Eilif, founder/chairman
 Sterling Airways, A.S.
 Kruger, Capt. Michael C., MD/CEO
 Air Cargo, Ltd.
 MK Aircargo, Ltd.
 Kruglikov, G.A., DG
 Southern Air Lines
 Kruglov, V.E., DG
 Transaero Samara
 Kruse, Capt. Gene, pilot
 American Airlines
 Kruusval, Urmas, MD
 Salair, A.B.
 Krykov, V. N., DG
 Volares Air Transport
 Krys, Leonard, travel agent
 Deutsche Lufthansa, A.G.
 Kryuk, Vasily, DG
 Yamal Airlines
 Ksandrov, V. N., chairman
 Dobrolet
 Ukrvozdrukput
 Kuang-plu, Chao, chairman
 Dragonair (Pty.), Ltd.
 Kubeck, Capt. Candalyn, pilot
 Valujet Airlines
 Kubis, Oberkellner Heinrich, world's first flight attendant
 Deutsche Luftschiffahrts, A.G. (DELAG)
 Kubota, Toshihiko, pres.
 Toa Domestic Airlines Company, Ltd.
 Kucherena, Anatoly, lawyer
 Aeroflot Russian International Airlines (ARIA)
 Kudrinski, Capt. Yaroslav, pilot
 Aeroflot Russian International Airlines (ARIA)
 Kuhn, Leob & Co.
 Eastern Air Lines
 Kuhrts, George J., pres.
 Sun Aire Lines
 Kuiper, Bill, jt. founder
 Air Service Limburg, B.V.
 Kujala, Robert, GM for Germany
 British Airways, Ltd. (2)
 Kula, Miroslav, VP-technology/pres.
 CSA Czech Air
 Kulakovsky, Valeriy N., MD
 Gomelavia
 Kulchikin, V. G., DG
 Tyumen Production Association
 Kule, Geyoro Te, chairman/CEO
 Air Zaire, S.A.
 Kulev, M. G., DG
 Madina Airline
 Kulic, Omer, MD
 Air Bosna, S.A.
 Kulichev, Gennady V., pres.
 Sibir Airlines
 Kulik, A. M., DG
 Antares Air Company
 Kumar, Ananth, Indian civil aviation minister
 Air India, Ltd.
 Alliance Air, Ltd.
 Indian Airlines, Ltd.
 Kumar, Brijesh, MD
 Air India, Ltd.
 Kumar, P. N., MD
 Trans Bharat Aviation, Ltd.
 Kumar, Sanil Shetty, passenger

- Singapore Airlines, Ltd.
 Kumar, Satish, chairman
 Modiluft
 Kumar, T. D., GM
 Nigeria Airways, Ltd.
 Kumar, Tirupathi, executive dir.
 NEPC Airlines, Ltd.
 Kun, Choong, vp
 Korean Air Lines/Korean Air (KAL)
 Kunes, Terry, owner/pres.
 Central States Airline
 Green Bay Airlines
 Kuno Holdings Switzerland, A.G.
 Air 2000, Ltd.
 Edelweiss Air, Ltd.
 LTU International Airways: Luftransport Unternehmman, KG
 Kunzli, Markus, chairman
 TEA-Basel, Ltd.
 Kuo-Hsiung Kao, chairman
 Formosa Airlines Corporation, Ltd.
 Kuolt, Milton G. "Milt" II, chairman
 Horizon Air: Horizon Air Industries
 Kupers, Philip, founder/pres.
 Magnum Airlines
 Kupka, Vaclav, MD
 Air Vitkovice, Ltd.
 Kuprianov, Nikolay I., DG
 Yaroslavi Air Company
 Kurg, Capt. Maurice, pres./CEO
 Seaborne Airlines
 Kurosawa, Akira, motion picture dir.
 Japan Air System, Ltd.
 Kurchenko, N., flight attendant
 Aeroflot Soviet Airlines
 Kursak, Steve A., pilot
 Civil Air Transport, Ltd.
 Kursat, Nihat, chairman
 THY Turkish Airlines, A.O.
 Kurtanidze, Amiran G., DG
 Orient Avia
 East Line Aviation
 East Line Airlines
 Kurtos, Laszio, MD
 Danube Air, Ltd.
 Kurusu, Saburo, envoy/passenger
 Transcontinental and Western Air Lines (TWA)
 Kusak, Steve A., pilot
 Civil Air Transport, Ltd.
 Kusama, Makki Perdana, pres.
 PT Dirgantara Air Services
 Kushke, Dr. G. S., Safmarine chairman
 Safair Freighters (Pty.), Ltd.
 Kuslasayanoud, Bhisit, EVP/pres.
 Thai Airways International, Ltd. (THAI)
 Kutakov, V. P., DG
 Ruslan Aviation
 Kutanidze, Amiran G., DG
 East Line Aviation
 Kutesa, Sam, Uganda state planning minister
 Uganda Airlines, Ltd.
 Kutorov, A., DG
 Mals Air Company: Mals Aviakompanniya
 Kutsumi, Fumio, skyjacker
 All Nippon Airways Company, Ltd. (ANA)
 Kutubaev, Oroskul B., pres.
 Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
 Kutuzov, Mikhail, DG
 Komiinteravia
 Kunn, Zoltan and Anthony, jt. founders
 North Vancouver Air, Ltd.
 Kuwait Crisis, 1990-1991 (companies involved/affected)
 Aeroflot Soviet Airlines
 Air Foyle, Ltd.
 Air India, Ltd.
 America West Airlines
 American Trans Air
 Anglo Cargo: Anglo Airlines, Ltd.
 EgyptAir, S.A.E.
 El Al Israel Airlines, Ltd.
 Evergreen International Airlines
 Federal Express (FedEx)
 Florida West Airlines
 Golden Horn Aviation, A.O.
 Gulf Air Company, G.S.C.
 Hawaiian Airlines (HAL)
 Heavylift Cargo Airlines, Ltd.
 Indian Airlines Corporation
 Industrie Air Charter, S.A.
 Iran Air: The Airline of the Islamic Republic of Iran
 Iraqi Airways
 KLM: Royal Dutch Airlines, N.V.
 Kuwait Airways Corporation
 Northwest Airlines
 Pan American World Airways (1)
 Reeve Aleutian Airways
 Royal Jordanian Airlines
 Ryan International Airlines
 Saudia: Saudi Arabian Airlines
 Tower Air
 United Airlines
 World Airways
 ZAS Airline of Egypt, Ltd.
 Kuzmin, Karmil, CEO
 Kolpashevo State Airline
 Kuzminski, Ryszard, stowaway
 LOT Polish Airlines, S.A.
 Kuznechik, M. U., DG
 Magadan Air Cargo: Magadan Aero Gruz
 Kuznetsov, Andrei, DG
 Aviacon Zitotrans
 Tsitotrans Air Concern
 Kuznetsova, I. N., DG
 Key Avia: Kluich Avia
 Kyllmann, Wilhelm, founder/pres.
 LAB: Lloyd Aero Boliviano, S.A.
 Kyobe, Wilson, GM
 East African Airways Corporation
 Kyriakides, Takis, chairman
 Cyprus Airways, Ltd.
 Kytte, John, pilot
 Pitcairn Aviation
- L**
 La Macchia, William, Jr., pres./CEO
 Sun Country Air Lines
 La Navette shuttle service
 Air France
 La Starza, Giulio, GM
 Noman, SpA.
 Labadje, Pierre, pres.
 Air Charter, S.A.
 Labee, Capt. Manuel "Buzz," jt.-founder
 Panagra Airways
 LaBeet, Ismael, hijacker
 American Airlines
 Laboratorios Industriales Farmaceuticos, S.A.
 Pan American-Grace Airways (PANAGRA)
 Labouchere, Rene, pilot

- Compagnie des Grands Express Aeriens, S.A. (CGEA)
- Labrador
Labrador Airways, Ltd.
- Labuschagne, Jeremy, MD
Court Air (Pty.), Ltd.
Court Helicopters (Pty.), Ltd.
- Lacerda de Athayde, Marcos Antonio, pres.
Interbrasil Star, S.A.
- Lackey, A. Wayne, founder/pres.
Sun Air (2)
- Lacy, Capt. Clay, pilot/founder/pres. and photographer.
Clay Lacy Aviation
Federal Express (FedEx)
United Airlines
- Lacy, Capt. R. M., MD
Luxembourg Airlines, S.A.
- Ladd, David, pres./CEO
Wiggins Airways (2)
Wiggins Airways (3)
- Ladd, Fred, GM/MD
Mount Cook Airlines, Ltd.
New Zealand Transport and Travel, Ltd.
- Ladouceur, Andrew, opns. mgr.
National Helicopter Corporation
- Lafko, Theodore "Ted," founder/pres.
Mid Hudson Airlines
- LAFICO: Libyan Arab Foreign Investment Company
Med Avia: Mediterranean Aviation Company, Ltd.
- Lagarde, Francis, chairman/MD
Europe Aero Service, A.S.
- Lagarde, Francis, owner
Air Toulouse International, S.A.
- Lage, Carlos, Cuban vp
British Airways, Ltd. (2)
- Lagman, Col. Filemon, passenger
Philippine Air Lines
- Lagow, W. Thomas, SVP/vice chairman
USAir
- LaGuardia, Fiorella H., New York City major/rep. and passenger
American Airlines
Century Air Lines
Eastern Air Lines
National Airlines (1)
Transcontinental and Western Air (T&WA)
- Laguesma, Bienvenido, Philippine labor secretary
Philippine Air Lines
- Lahat, Shlomo, pres.
El Al Israel Airlines, Ltd.
- Lahav, Shimon, MD
Metro Cargo, Ltd.
- Lahmeyer, Earl, jt. founder
Ketchikan Air Service
- Laidlaw, Inc.
Greyhound Air, Ltd.
- Laine, Pertti, EVP
Finnair O/Y
- Laird, Bob, GM
Aer Arann: Kilroe Air Ireland, Ltd.
- Laird, Matty, aircraft designer
Charles Dickenson
- Lakah Group
Midwest Airlines, S.A.E.
- Lake Constance Chamber of Commerce
Delta Air Regionalflugverkehr, GmbH.
- Lake, Homer R., pres.
Santa Fe Skyways
- Lake, Capt. Osmond, acting CEO
LIAT (1974), Ltd.
- Lake, Richard J., MD
Eastern Airways, Ltd.
- Lake, Veronica, actress/passenger
Transcontinental and Western Air Lines (TWA)
- Laker, Sir Freddie, founder/MD/chairman
Air Charter, Ltd./Channel Air Service, Ltd.
British United Airways, Ltd.
Laker Airways, Inc.
Laker Airways, Ltd.
Laker Airways (Bahamas), Ltd.
LB, Ltd.
Laker Airways (International), Ltd.
Laker Airways, Ltd.
Laker Airways (Leasing), Ltd.
Laker Airways, Ltd.
- Lakrisson, Benny, chairman/MD
Swedair, A.B.
- A Lal, ACM P. C., chairman
Air India, Ltd.
Indian Airlines Corporation
- Lamanov, Cmdr. Valery V., DG
Kustanai United Air Detachment
- Lamatta, Edward and Wesley, founders
Columbia Helicopters
- Lamb, Alistair, chairman/MD
Australasian Jet Charter (Pty.), Ltd.
Independent Air Freighters (Pty.), Ltd.
- Lamb, Andrew, GM
Australasian Jet Charter (Pty.), Ltd.
Independent Air Freighters (Pty.), Ltd.
- Lamb, Jack, pres.
Lambair, Ltd.
- Lamb, Thomas, founder/pres.
Lambair, Ltd.
- Lambeau, Earl "Curly," NFL coach/passenger
United Air Lines (2)
- Lambert, Raymond, jt.-founder
Societe Auxiliare de Transport Aerien, S.A. (SATA)
- Lambros, Manolis, baggage handler
Crossair, Ltd.
- Lambson Group
Knight Air, Ltd.
- Lamdan, Jacob, founder/CEO
TIE Aviation: Trans International Express
- Lamm, Gustave, passenger
KLM: Royal Dutch Airlines, N.V.
- Lammerts, Robert P., pres.
Trans-Central Airlines (2)
- Lamminporras, Aarno, hijacker
Finnair O/Y
- Lamont, Christine, kidnapper
Canadian Airlines International, Ltd.
- Lamoureux, Robert, pres./GM
Centennial Flight Centre, Ltd.
- Lamport and Holt Line, Ltd.
British South American Airways, Ltd.
- Landair Transport
Evergreen International Airlines
General Aviation (2)/Greeneville Air
Kitty Hawk Air Cargo
- Lancaster, Capt. Timothy, pilot
British Airways, Ltd. (2)
- Landa, A. B., pres.
Colonial Air Lines (2)
- Landa Industries
SMB Stage Lines
- Landes, Heinz, MD
Contactair Flugdienst, GmbH. & Co.
- Landor Associates, designers
Air 2000, Ltd.

- British Midland Airways, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Delta Air Lines
 Federal Express (FedEx)
 PT Garuda Indonesian Airways
 Hawaiian Airlines (HAL)
 JetBlue Airways
 SAS: Scandinavian Airlines System
 Thai Airways International, Ltd. (THAI)
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Landry, Bernard, Quebec finance minister
 Air Alma, Ltd.
 Air Nova, Ltd.
 Air Satellite, Inc.
 PropAir, Inc.
 Lane, James, pres.
 Stateswest Airlines
 Lane, Ronald, vice chairman/CMO
 Evergreen International Airlines
 Polar Air Cargo
 Lane, W. Lloyd, pres.
 Texas International Airlines
 Lang, D. Andrew, pres.
 Petroleum Helicopters
 Lang, Otto, Canadian transport minister
 Air Canada, Ltd.
 Lang Enterprises
 Lang Aire
 Lange, Alex, MD
 Fred Olsens Flyselskap, A.S.
 Langemann, Ralph E., opns. mgr.
 Northern Air (Pty.), Ltd.
 Langendijk, P P F, MD
 Air Holland Charter, N.V.
 Langer, Capt. Hart, pilot
 Pan American World Airways (1)
 United Airlines
 Langkjaer, P., chairman
 Premiair, A.S.
 Langley, William R., founder/pres.
 Prime Air
 Langton, Ted, founder/chairman
 Euravia, Ltd.
 Langton, William G., pres.
 Southern Air Transport
 Lanham, John, GM
 Rex Aviation (NZ), Ltd.
 Lanier, Paula, flight attendant
 Piedmont Airlines (1)
 Laor, Raviv, passenger
 Air France
 Lanovsky, Lev, OAO Tupolev chief designer
 Kavminvodyavia
 Lanoy, Capt. German, pilot
 Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
 Lapautre, Rene, DG/chairman
 Air Inter, S.A.
 UTA French Airlines, S.A.
 Lapensky, M. Joseph, pres./chairman
 Northwest Airlines
 LaPoint, R. C., hijacker
 Hughes Air West
 Lapointe, Barry, pres.
 Kelowna Flightcraft Air Charter, Ltd.
 LaPorte, Capt. Arthur E., pilot
 Pan American Airways (PAA)
 LaPorte, Timothy J., founder/pres.
 Ilianna Air Taxi
 Lara, Mario Quiros, chairman/pres.
 LACSA: Lineas Aereas Costarricenses, S.A.
 Lardel Holdings
 SA Express Airways (Pty.), Ltd.
 Largest aircraft leasing/charter firm in Africa
 Safair (Pty.), Ltd.
 Largest airline formed in French Indo-China
 Air Vietnam, S.A.
 Largest civilian evacuation (1990)
 Air India, Ltd.
 Indian Airlines Corporation
 Largest current Vickers Viscount operator
 British World Airlines, Ltd.
 Largest deviation from a Pacific flight path by a scheduled jetliner
 Thai Airways International, Ltd. (THAI)
 Largest enterprise in Iceland
 Flugfelag Airlines, H.F. (2)/Icelandair, H.F.
 Largest European low-fare airline
 Ryanair, Ltd.
 Largest European shipment ever of saved Asian monkeys
 British Airways, Ltd. (2)
 Largest financial transaction (aircraft order) ever made by an Irish company
 Ryanair, Ltd.
 Largest fine ever received by the CAB for airline misconduct
 Trans World Airlines (TWA)
 Largest fraud finding by an American jury in favor of a Chinese company
 against an American concern
 Wuhan Air Lines Company, Ltd.
 Largest helicopter airline
 CHC: Canadian Helicopter Corporation, Ltd.
 Largest helicopter airline in Scandinavia
 Helikopter Service, A.S. (CHC)
 Largest initial public offering (IPO) in U.S. history
 United Parcel Service (UPS)
 Largest low-fare airline
 Southwest Airlines (2)
 Largest number of Berlin Airlift sorties
 Lancashire Aircraft Corporation, Ltd.
 Largest number of transcontinental flights from Los Angeles
 United Airlines
 Largest one-day startup in commercial aviation history
 Braniff, Inc.
 Largest payment to passengers denied confirmed seats
 Delta Air Lines
 Largest privately owned airline in the U.S.
 Spirit Airlines
 Largest privately owned flight school in Europe
 Heli-Union, S.A.
 Largest regional jet order in airline history
 Delta Air Lines
 Largest Russian dedicated all-cargo carrier
 East Line Airlines
 Largest single office building sale in Australian history
 Qantas Airways (Pty.), Ltd.
 Largest stock offering ever made by a Chinese firm overseas
 China Southern Airlines Company, Ltd.
 Larif, Abdel Malek, pres./DG
 Tunisair, S.A.
 Larin, Alexander A., DG/CEO
 Aeroflot Soviet Airlines
 Rossiya Air Company
 Larkin Aircraft Company, Ltd.
 Australian Aerial Services (Pty.), Ltd.
 Larman, Trevor, ops. dir./MD
 Bond Helicopters, Ltd.
 Larrabe, German, MD
 Eurowings Flugdienst, GmbH.
 Larsen, Bent, MD
 Midfly International Airways, A.S.

- Larsen, Kenneth Arly, MD
Copenhagen Air Taxi, A.S.
- Larsen, O. T., technical advisor/vp-opns.
Trans Canada Air Lines, Ltd.
- LaSage, Murray, founder/pres.
Air Rainbow, Ltd.
- Lascombes, Francis, GM
Air Service Gabon, S.A.
- Lasench, Paul, pres.
Adlair Aviation (1983), Ltd.
- Lashbrook, Jeffrey, FAA inspector
Air Transport International
- Last airline to fly a scheduled service from Denver Stapleton International Airport
Continental Airlines
- Last airline whose passengers are able to purchase duty free goods while flying from Ireland to another EU country
Ryanair, Ltd.
- Last British charter operator to fly the civil Halifax
Lancashire Aircraft Corporation, Ltd.
- Last carrier to fly a new DC-10-30.
Nigeria Airways, Ltd.
- Last carrier to fly the Fiat G-2 trimotor
Aerovias, S.A. (Brazil)
- Last large U.S. combination carrier to fly dedicated freighters
Northwest Airlines
- Last major commercial operator of the Lockheed L-188
Reeve Aleutian Airways
- Last major U.K. operator of the De Havilland DH 89A Dragon Rapide
Scillonia Airways, Ltd.
- Last open cockpit biplane mail flight made in America
Eastern Air Lines
- Last passenger Vickers Viscount flight in the U.K.
British World Airlines, Ltd.
- Last piston-engined scheduled service from London (LHR)
British European Airways Corporation (BEA)
- Last revenue operator of both the early and late model Lockheed Constellation
Aerochago, S.A.
- Last U.S. airline certified by the Civil Aeronautics Board before deregulation
Midway Airlines (1)
- Last U.S. airline to fly a Boeing 747-100 in passenger service
Northwest Airlines
- LASV Enterprises
North American Airlines (4)
- Latecoere, Pierre-George, founder/pres.
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
- Latecoere 28 launch customer
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
- Latham, Alan, chairman
Bond Helicopters, Ltd.
Lloyd Helicopters (Pty.), Ltd.
- Latham, David D., founder/pres.
Shawnee Airlines
- Latsis, John, owner
Privatair, S.A.
- Latta, Capt. Tom, chief pilot
Shillelagh Air Travel Club
- Latumahina, Dolf, chairman/pres.
PT Sempati Air
- Lauber, John K., vp-safety and compliance
Delta Air Lines
- Lauda, Andreas Nikolaus "Niki," founder/chairman/pilot
Lauda Air Luftfahrtgesellschaft, A.G.
Lauda Air, SpA.
- Laurent, Louis, mechanic
Transgabon: Compagnie Transport Aerien du Gabon, S.A.
- Laurenzana, Nicholas, pilot
United Air Lines (1)
- Laureys, Violetta, flight attendant
Pan American-Grace Airways (PANAGRA)
- Laurinaitis, Tomas, DG
Lietuva Air Company, A.B.: Air Lithuania, Ltd.
- Laverick-Steeple, Hilary, chief hostess
Derby Airways, Ltd.
- Lavigna, Frank, founder/pres.
East Hampton Aire
- Laville, Andre, aircraft designer
Aeroflot Soviet Airlines
- Lavinski, V., bomber
LAV Venezuelan Airlines, S.A.
- Lavoix, Charles, chairman
Air Caledonie International, S.A.
Aircalin, S.A.
- LaVoy, Capt. Rich, pilot/APA pres.
American Airlines
- Law, Bernard, MD
CAT: Corporacion de Aeronautica de Transportes, S.A.
- Law, George, newspaper editor/investor
Highland Airways, Ltd. (1)
- Lawan, Alhaji Usman, founder/chairman
Maina Air, Ltd.
- Lawrence, Guy, GM
Chartair, Ltd.
- Lawrence, Harding, vp/pres./chairman
Braniff International Airways
Continental Air Lines (2)
Continental Airlines
Pioneer Air Lines
- Lawrence, James A., vp/CFO
Northwest Airlines
- Lawson, Charles A., founder/pres.
Aerial Transit Company
- Lawson, E. H "Bill," pilot
Aircraft Transport and Travel, Ltd.
- Lawson, Harry J., co-founder
CMTA: Compania Mexicana de Transportacion Aerea, S.A. de C.V.
- Lawton, P.C.F., chairman
British European Airways Corporation (BEA)
- Lawson, Richard, actor/passenger
USAir
- Lay, Steven, founder/pres.
California Air Shuttle
- Laycock, Capt. Frank, MD
Irish Helicopters, Ltd.
- Layden, Jack, pres.
Air Schefferville, Ltd.
- Lazarenko, P. M., pres.
Ilford Riverton Airways, Ltd.
- Lazic, Neda, mgr.
Air Jugoslavia
- Lazard Freres
Sabena Belgian World Airlines, S.A.
- Lazzeri, A., hijacker
Alitalia, SpA.
- Le Collen, Michel, MD
Airlec: Air Aquitaine Transporte, S.A.
- Le Duc Tan, hijacker
Air Vietnam, S.A.
- Le Duc Tu, DG
Vietnam Airlines
- Le Lion, Richard R., MD/commercial dir.
Air Cavrel, Ltd.
Cargo Lion, S.A.
- Le Thous, Robert, GM
Finist-Air, S.A.
- Leach, Christopher D., chairman

- Air Cavrel, Ltd.
 Leach, Nicholas, founder/pres.
 Pacific Transair (Pty.), Ltd.
 Leach, Roger, MD
 Airnorth (Pty.), Ltd.
 Leadbetter, Bruce, Dalforth Aviation chairman
 Legend Airlines
 Leali, Alcide, pres.
 Air Dolomiti, SpA.
 Leanhart, Robert E., founder/pres.
 Air Serv International
 Lear, Bill, aircraft manufacturer
 Clay Lacy Aviation
 Lease Air, Ltd.
 Eastern Airways, Ltd.
 Lebaga, W. P., chairman
 Cameroon Air Transport, S.A.
 Lebanon, Central Bank
 Middle East Airlines, S.A.L. (2)
 Lebedev, I. M., DG
 Special Cargo Air Lines
 LeBlanc, Michel, pres.
 Intair, Ltd.
 Inter-Canadian Airlines, Ltd. (1)
 Inter-Canadian Airlines, Ltd. (2)
 Quebecair, Ltd.
 LeBlanc, Roger, founder/pres.
 Twin Cities Air Service
 Lecky, John, chairman
 Canada 3000, Ltd.
 Lecky, John M. S., pres.
 Okanagan Helicopters, Ltd.
 Leclercq, Xavier, chairman
 Britt Air: Brittany Air International, S.A.
 Lee, Annie, artist
 Cathay Pacific Airways (Pty.), Ltd.
 Lee, Capt. E. Hamilton, pilot
 Boeing Air Transport
 U.S. Air Mail Service
 United Air Lines (1)
 United Air Lines (2)
 Lee, Frank, pres./vice chairman
 Petroleum Helicopters
 Lee, Jack, jt. founder
 Petroleum Helicopters
 Lee, Lawrence H., vp/pres./chairman
 Western Airlines (1)
 Lee, Mike, MD
 Airtours International, Ltd.
 Lee, Capt. Nasir Ma, MD
 Asia Tenggara Aviation Services Sdn Bhd
 Lee, Mjr. Orde, pilot
 Handley Page Transport, Ltd.
 Lee Min Chung, EVP
 U-Land Airlines, Ltd.
 Leeds United soccer team
 Emerald Airways, Ltd. (2)
 Leedy, W. Edgar, Jr., CEO
 Ohio Air Transport
 Leferink, Joseph, chief pilot
 Wyoming Air Service
 Leferink, Richard, owner/pres.
 Inland Air Lines
 Wyoming Air Service
 LeFleur, Ronald, EVP
 Crescent Airways
 Lefrancois, Roland G., pres.
 Nordair, Ltd.
 Leger, Jacques, pres.
 Quebecair, Ltd.
 Legopreta, Eduardo, chairman/pres.
 Aerotron, S.A. de C.V.
 Legro, Peter J., chairman
 Transavia Airlines, N.V.
 Transavia Holland, N.V.
 Lehman, Capt. Ernst, chief pilot
 Deutscher Zeppelin-Reederei, A.G.
 Lehman, Jeffrey A., GM
 Mid-Pacific Air
 Lehman, Robert, Wall Street financier
 American Airways (2)
 Lehman Global Air Cargo
 Gemini Air Cargo
 Lehoud, Yousef, MD
 Middle East Airlines, S.A.L. (2)
 Lehrman, Michael L., pres.
 Altair Airlines
 Lei Ming, businessman
 China Southwest Airlines Company, Ltd.
 Leifheit, Christian, MD
 LTE International Airways, S.A.
 Leighford Holdings Group
 Eastern Airways, Ltd.
 Leikovsko, Yuri A., DG
 Kaluzhski Engines: Kaluga Engines
 Leininger, Mark P., CEO
 Mid-Pacific Air
 Leipnik Lundenburger Industrie, A.G.
 Tyrolean Airways, GmbH.
 Leishman, Peter, pres./DG
 Swiss World Airways, Ltd.
 Leitchenko, S.D., jt.-founder
 Atlant Soyuz
 Leitgeb, Dietmar, MD
 Air Engiadina, Ltd.
 Leither, Jim, vp/GM
 Viking International Airlines
 Leitner, Willi, MD
 Amadeus Air, A.G.
 Lejeune, Jean F., pres.
 Air Tahiti, S.A. (3)
 Lejotte, Andre F., pres.
 Nordair, Ltd.
 Leladze, Demuri, DG
 Air Georgia
 Lem Wei-Shing, Colonel/MD
 China National Airways Corporation (CNAC-1)
 Lemberg, Sven, MD
 Skaergardsflyg, A.B.
 Lemitre, M., pilot
 Aeropostale (1): Compagnie Generale Aeropostale, S.A.
 Lemmon, Jack, actor
 Trans International Airlines (1)
 Lemonade employed to replace hydraulic fluid
 Arkhangelsk Air Concern: Arkhangelski Aviakomern
 Lemonnier, Francis, pres.
 Seemafer, S.A./Safir: Compagnie de Transports Aeriens
 Leney, Capt. David, Concorde pilot
 British Airways, Ltd. (2)
 Lenghi, Z. Y., pres.
 Libyan National Airways
 Leningrad, Battle of
 Aeroflot Soviet Airlines
 Lennefer, Franz J., MD
 Roland Air, GmbH.
 Lennox-Boyd, A. T., British minister of civil aviation
 British Overseas Airways Corporation (BOAC)
 Lentz, Robert Lyle, hijacker

- Ports of Call
- Lenz, Olmar, MD
 - Lauda Air Luftfahrtgesellschaft, A.G.
- Leonard, Capt. D. J., founder/pres.
 - Simba Air Cargo, Ltd.
- Leonard, G. H., jt. founder
 - Finger Lakes Air Service
- Leonard, John F., pres.
 - Pan Am Express
 - Pan Am Express of Berlin
- Leonard, Joseph B., vp/COO later pres.
 - Eastern Air Lines
 - AirTran Airlines
- Leonard, Leo, pilot
 - Pacific Southwest Airlines (PSA)
- Leonard, Valinda, passenger
 - EgyptAir, S.A.E.
- Leonardi, Col. Francisco, pres.
 - Aviacion Nacional Venezolana, S.A.
 - LAV Venezuelan Airlines, S.A.
- Leonardon, Dominique, GM
 - Air Littoral, S.A.
- Leonev, A. A., DG
 - Aerolik
- Leong, Jack Y. H., chairman
 - Mid-Pacific Airlines
- Leroy, Lewis, chairman
 - Air Ferry, Ltd.
- LeRoy, Capt. R. S., pilot
 - Transcontinental and Western Air (T&WA)
- Leroy Tours
 - Air Ferry, Ltd.
- Lesesne, Capt. Haynesworth, pilot
 - Pan American-Grace Airways (PANAGRA)
- Lesikar, Woody, chairman/CEO
 - Air West (2)
- Leslie, James, chairman
 - Qantas Airways (Pty.), Ltd.
- Leslie, John., engineer/vp
 - Pan American Airways (PAA)
- Leslie, Capt. R. B., pilot
 - Canadian Pacific Air Lines, Ltd. (CPAL)
- Lesne, Joseph, DG
 - Air Polynesie, S.A.
- Let L-410 Turbolet launch customer
 - Slov Air (1)
- Lethbridge, Maurice "Lefty," vp/pres.
 - Eastern Air Lines
- Letson, N. A., founder/pres.
 - United States Airways
- Lett, Capt. J. W. H., founder/pilot
 - Gisborne Air Transport, Ltd.
- Letterhos, Ben, opns. dir.
 - Mayo Aviation
- Lettich, Capt. Gerardo, pilot
 - China Airlines, Ltd. (CAL)
- Leuenberger, Moritz, Swiss transport minister
 - easyJet Airlines, Ltd.
 - Swissair, A.G.
- Levandovski, I. A., MD
 - Krasnoyarsk Avia: Krasnoyarskavia Aviakompaniya
- Levanevsky, S.A., pilot
 - Aeroflot Soviet Airlines
- Leven, Bruce, owner/pres.
 - Lake Union Air Service
- Lever, Sir Hardman, dir.
 - Imperial Airways, Ltd.
- Levesque, Claude, pres.
 - Air Club International, Ltd.
- Leveto, Michael, founder/pres.
 - Levetz Group
- Levin, Cecil J., founder
 - Guinea Airways (Pty.), Ltd.
- Levine, Michael E., vp/pres.
 - New York Air (1)
 - Northwest Airlines
- Levinston, Gen. Roberto M., hijacker
 - Aerolineas Argentinas, S.A.
- Levrentev, A. F., MD
 - Kazan Helicopters
- Levtiski, Y.B., DG
 - Komandor Aero Air Company
- Levy, David, Israeli foreign minister
 - El Al Israel Airlines, Ltd.
- Levy, Nelson, chairman
 - Air Tahiti Nui, S.A.
- Levy, Yitzhak, Israeli transport minister
 - El Al Israel Airlines, Ltd.
- Lewald, James T., founder/pres.
 - Princeton Airways
- Lewin, Jack, jt. founder
 - Viking Air Lines
- Lewinsky, Monica, author/passenger
 - British Airways, Ltd. (2)
- Lewis, Arthur D., pres./chairman
 - Eastern Air Lines
 - Hawaiian Airlines (HAL)
 - Mid-Pacific Airlines
- Lewis, Arthur S., chairman
 - USAfrica Airways
- Lewis, Daniel H., jt.-founder/vp/GM/founder/pres.
 - Virgin Islands Seaplane Shuttle
 - SeaJet
- Lewis, E. H., shareholder
 - Union Airways (Pty.), Ltd.
- Lewis, Fulton, reporter
 - New York, Philadelphia and Washington Airways (Ludington Line)
- Lewis, George A., MD
 - Zambia Airways Corporation
- Lewis, Gregory S., chairman/CEO
 - USAfrica Airways
- Lewis, J. H. D., pilot
 - Imperial Airways, Ltd.
- Lewis, John, EVP/COO
 - Air Jamaica, Ltd. (2)
- Lewis, L., founder/MD
 - Pel-Air Aviation (Pty.), Ltd.
- Lewis, Michael, pres.
 - Mountain West Airlines
 - America West Express (Mesa Air Group)
- Lewis, R. I., unlicensed pilot
 - The Flying Tiger Line
- Lewis, Ralph, navigator
 - United Airlines
- Lewis, Rick, opns. dir.
 - Spokane Airways
- Lewis, Capt. Sam, pilot
 - El Al Israel Airlines, Ltd.
- Lewis University
 - United Airlines
- Leyer, A. J., MD
 - Netherlines, B.V.
 - NLM CityHopper, B.V.
- Lezard, Rex, GM/CEO
 - Air Malawi, Ltd.
 - Modiluft
- Li Ching Tung, Chinese foreign ministry official
 - Deutsche Luft Hansa, A.G.

- Li Mi, Gen.
Civil Air Transport, Ltd.
- Li Xiangyu, hijacker
China Northern Airlines Company, Ltd.
- Li Zhong-minh, GM
China Eastern Airlines Company, Ltd.
- Liakounakos, Thomas, pres.
Axon Airlines, S.A.
- Lian, Wang, pres.
China Eastern Airlines Company, Ltd.
Air China International Corporation
- Lianos, Theodore, pres.
Olympic Airways, S.A.
- Liao, James, chairman
Formosa Airlines Corporation, Ltd.
- Liao Min Ling, chairman
Taiwan Airlines, Ltd.
- Liaudel, Christian, MD
Air Caledonie, S.A.
- Liberadzki, Boguslaw, chairman
LOT Polish Airlines, S.A.
- Liberian civil war, 1990-1996
ADC Liberia: Aviation Development Company-Liberia, Inc.
- Libra Holidays Group
Sabre Airways, Ltd.
- Libya, U.S. attack on (1986)
Libyan Arab Airlines
- Libyan Arab Maltese Holding Company, Ltd.
Med Avia: Mediterranean Aviation Company, Ltd.
- Lichtenstein, Klaus, opns. dir./CEO
Balair-CTA, Ltd.
- Liddiard, Terry, GM
British Regional Airlines, Ltd.
Manx Airlines, Ltd. (2)
- Lie, Per, MD
Norving, A.S.
- Lieberman, Sen. Joseph (D-CT), VP candidate
Spirit Airlines
- Liebman, Maurice, founder/pres.
Golden Pacific Airlines (2)
- Liessemann, Konrad, chairman
Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)
- Lifavitzky, S., passenger
El Al Israel Airlines, Ltd.
- Lifland, Burton R., U.S. bankruptcy judge
Eastern Air Lines
- Light in the Dark, charity
Lauda Air Luftfahrtgesellschaft, A.G.
- Lihagva, Lhagvasurenglyn, MD
MIAT-Air Mongolia
- Lihr, Gunnar, pilot
Aero O/Y
- Lijedahl, Roland, MD
Nova Airlines, A.B. (Novair)
- Likarenko, Andrey, DG
Volare Air Company
- Likhachev, B. A. DG
Alak: the Joint Stock Leasing Company
- Likhachev, Boris, DG
MATK Rusavia
- Lila Design
VLM Airlines, N.V.
- Liljelberg, Bernard, pilot
ABA Swedish Airlines, A.B.
- Lillepuu, Rita, chairman
Elk Airways: Estonian Aviation Company, Ltd.
- Lilley, Monty, founder
Congressional Air Charters
- Lillpuu, Rita, chairman/CEO
Elk Airways: Estonian Aviation Company, Ltd.
- Lim Kong Bu, chairman
Kris Air, Ltd.
- Lim, Raymond, MD
Tradewinds (Pty.), Ltd.
- Lim, Roberto, opns. dir.
Philippine Air Lines
- Lim, W., chairman
Seagreen Air Transport, Ltd.
- Lima, Guillermo, hijacker
Eastern Air Lines
- Lima, Manuel Ferreira, chairman
TAP Air Portugal, S.A.
- Lin, Charles C., pres.
Foshing Airlines, Ltd.
Transasia Airways, Ltd.
- Lin, Joseph, pres.
Uni Airways Corporation, Ltd.
- Lin Chin-wen, hijacker
Great China Airlines, Ltd.
- Lin Piao, PRC defense minister
CAAC: The General Administration of Civil Aviation of China
- Lin Wen-qiang, hijacker
China Southwest Airlines Company, Ltd.
- Lina, Alberto, founder/chairman
Airfreight 2000
Mindanao Express
- Linares, Isidoro, jt.-founder
LAGOSA: Lineas Aereas Guerrero-Oaxaca, S.A.
- Linck, Capt. Robert, pilot
Continental Airlines
- Lind, Capt. Carol, pilot/opns. dir.
Catskill Airways
- Lindau, Knut, founder/pres.
Muk Air Taxi, A.S.
- Lindbergh, Anne Morrow, passenger
Pan American World Airways (1)
Transcontinental Air Transport (TAT)
- Lindbergh, Charles A., technical advisor/pilot/passenger
CMA: Compania Mexicana de Aviacion, S.A. de C.V.
Maddux Air Lines
Pan American Airways (PAA)
Robertson Aircraft Corporation
Transcontinental Air Transport (TAT)
Transcontinental and Western Air (T&WA)
West Indian Aerial Express, C.A.
Western Air Express
Transcontinental Air Transport (TAT)
Transcontinental and Western Air (T&WA)
- Lindbergh, Lars
Pan American World Airways (2)
- Lindgaard, Joergen, CEO
SAS: Scandinavian Airlines System
- Linden, Goran, pres.
Gotia Shuttle Express, A.B.
- Lindgren, Bonnie, founder/pres.
Redtail Aviation
- Lindman, Anders, MD
Salair, A.B.
- Lindner, Carl, investor
Air Florida
- Lindner, Capt. K.G., pilot
ABA Swedish Airlines, A.B.
- Lindqvist, Alf, chairman
Flying Enterprise, A.B.
Skyways Enterprise, A.B.
- Lindsay, John, New York City mayor/passenger
Eastern Air Lines
New York Airways (2)

- Lindsey, Jim, jt. owner
Wings of Alaska
- Lindsey, Martha, former pres. Nashville Junior League
Interstate Air Lines
- Lindstrand, Per, aeronaut
Virgin Atlantic Airways, Ltd.
- Lindstroem, Erik, chairman
Swedeways, A.B.
- “The Line”
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
- Lines, Capt. Eric, pilot
British Midland Airways, Ltd.
- Ling Liong Sik, Malaysian transport minister
Qantas Airways (Pty.), Ltd.
- Ling-Temco-Vought (LTV)
Braniff International Airways
- Lingle, Ben, founder/pres.
Skagway Air Service
- Linhart, Markus, Bregenz burgermeister
Rheintalflug-Rolf Seewald Gesellschaft, GmbH.
- Link, Edwin A., board member/investor
Robinson Airlines
- Linkon, Gordon, jt. founder/pres./chairman
Florida Express
Midway Airlines (1)
USAir Shuttle
- Linsley, H. E., CEO
Zambian Air Cargoes, Ltd.
- Lion Aviation Holdings, Ltd.
Cargo Lion, S.A.
- Lionjanga, A.V., chairman
Air Botswana (Pty.), Ltd.
- Lionvert, Inc.
Lionair (Pty.), Ltd.
- Liore et Olivier Leo 21 launch customer
Air Union, S.A.
- Liore et Olivier Leo 242 launch customer
Air France
- Lipkin-Shahak, Ammon, Israeli transport minister
El Al Israel Airlines, Ltd.
- Lisunov, Boris, aircraft designer
Aeroflot Soviet Airlines
- Lisunov Li-2 (Soviet DC-3) launch customer
Aeroflot Soviet Airlines
- Litovar, Vladimir, DG
BEL: Baltic Express Line, A.S.
- Little, J. Michael, founder/pres.
First Air International
- Little, Leslie, founder/pres.
Alberta Citylink, Ltd.
- “Little Maharajah” logo
Air India
- Littlefield, Misses M. E. and Roberta, protesters
American Airlines
- Littlewood, William “Bill,” vp
American Airlines
- Litynski, Jan, pres.
LOT Polish Airlines, S.A.
- Liu Teh Ming, chairman
Mandarin Airlines, Ltd.
- China Airlines, Ltd. (CAL)
- Liu, Harold C. “Chuck,” pres./chairman
Taiwan Airlines, Ltd.
- Liu, Sandy, acting pres.
China Airlines, Ltd. (CAL)
- Liu Baocai, hijacker
China Southern Airlines Company, Ltd.
- Livingstone, Darlene, mother of 12-year-old stowaway
American Airlines
- Lizotte, Andre, pres.
Quebecair, Ltd.
- Llope, Capt. Dick, jt.-founder
Panagra Airways
- Lloren, Capt. Sotico, pilot/union leader
Philippine Air Lines
- Lloyd, Brian, jt.-founder/MD
Lloyd International Airways, Ltd.
- Lloyd, Clayton, founder/pres.
Valley Air Service, Ltd.
- Lloyd, Guy, founder/chairman
Lloyd Helicopters (Pty.), Ltd.
- Lloyd, Patrick, MD
Aerolift International (Pty.), Ltd.
- Lloyd-Jones, Donald J., vp-opns./pres.
Air Florida
American Airlines
Western Airlines (1)
- Loeza Tovar, Enrique M., DG
Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
- Lobo, Humberto, pres.
Aeroexo: Transportes Aereos Ejecutivos, S.A. de C.V.
- Lobwein, Capt. Lindsay J., pilot
Qantas Airways (Pty.), Ltd.
- Lockhart, Sir Charles, chairman
East African Airways Corporation
- Lockerbie tragedy *see* Crashes—Dec. 21, 1988
Jamahiriya Libyan Arab Airlines
Pan American World Airways (1)
- Lockheed bribery scandal
All Nippon Airways Company, Ltd. (ANA)
- Lockheed L-10A Electra launch customer
Northwest Airlines
- Lockheed L-049 Constellation launch customer
Pan American Airways (PAA)
- Lockheed L-100 Civil Hercules launch customer
Alaska Airlines
- Lockheed L-188 Electra launch customer
Eastern Air Lines
- Lockheed L-382B Civil Hercules launch customer
Pacific Western Airlines, Ltd.
- Lockheed L-649 Constellation launch customer
Eastern Air Lines
- Lockheed L-749 Constellation launch customer
Pan American Airways (PAA)
- Lockheed L-1049A Super Constellation launch customer
Eastern Air Lines
- Lockheed L-1049C Super Constellation launch customer
KLM: Royal Dutch Airlines, N.V.
- Lockheed L-1049D Super Constellation launch customer
Seaboard & Western Airlines
- Lockheed L-1049E Super Constellation launch customer
Eastern Air Lines
- Lockheed L-1049G Super Constellation launch customer
Northwest Airlines
- Lockheed L-1049H Super Constellation launch customer
The Flying Tiger Line; Qantas Empire Airways (Pty.), Ltd.
- Lockheed L-1649A Starliner launch customer
Trans World Airlines (TWA)
- Lockheed L-1011 TriStar 1 launch customer
Eastern Air Lines
- Lockheed L-1011-100 launch customer
Cathay Pacific Airways (Pty.), Ltd.
- Lockheed L-1011-500 launch customer
Pan American World Airways (1)
- Lockheed Model 9 Orion launch customer
Bowen Air Lines
- Lockheed Model 10A Electra launch customer
Northwest Airlines

- Lockheed Model 12A Electra Junior launch customer
Varney Air Transport
- Lockheed Model 14 Super Electra launch customer
Northwest Airlines
- Lockheed Model 18 Lodestar launch customer
Mid Continent Air Lines
- Lode Airport (Israel) massacre, May 31, 1972
Air France
- Lodeeson, Capt. Marius ("Lodi"), pilot
Pan American World Airways (1)
- Loeb, Kuhn, supporter
Pan American Airways (PAA)
- Loening, Grover, investor
Pan American Airways (PAA)
- Loepfe, Otto, pres.
Swissair, A.G.
- Loewey, Raymond, industrial designer
Northeast Airlines (1)
- Lofstedt, Vernon, Jr., pres.
South Central Air
- Lofton, Capt. Reese Douglas, pilot
Delta Air Lines
- Loftsteadt, Craig R., owner/pres.
Kenai Air Alaska
- Loftsteadt, Vernon L., founder/pres.
Kenai Air Alaska
- Loftstedt, Curt and Bonnie, owners/operators
Island Helicopters Kauai
- Logan, William, chairman
Loganair, Ltd.
- Loggia, Robert, actor
Air New Zealand, Ltd.
- Loginov, Ye. F., DG
Aeroflot Soviet Airlines
- LogoVaz
Transaero Airlines
- Loken, Craig J., founder/pres.
Alaska Seaplane Service
Channel Flying Service
Loken Aviation
- Loken, Ken, jt.-founder
Channel Flying Service
- Lolaev, K. G., dir.
Tajikistan Airlines
- Lombard, Anton, founder/chairman
Namib Air (Pty.), Ltd.
Suidwes Lugdiens
- Lombard, Carole, actress/passenger
Transcontinental and Western Air Lines (TWA)
- Lombardo, Antonio Diaz, owner/CEO
Aeronaves de Mexico, S.A. de C.V.
- Lome, Lawrence Gordon, passenger/hostage/escaped convict
Pakistan International Airlines Corporation
- Lomen, Ralph, passenger
Wien Air Alaska
- London, I. Edward, pres.
Chautauqua Airlines
- London and North Eastern Railway
Railway Air Services, Ltd.
- London, Midland and Scottish Railway
Isle of Man Air Service, Ltd.
Railway Air Services, Ltd.
- London-Edinburgh air-rail race
Imperial Airways, Ltd.
- Long, Gordon, GM
National Air (1)
- Long, Sen. Huey P. "Kingfish," (D-LA), passenger
Eastern Air Lines
- Long, Marceau, chairman
Air Inter, S.A.
- Air France
- Long, Patricia, Air Alaska pres./chairperson
Pan Am Air Bridge
Chalk's Ocean Airways
- Long, William "Bill," jt. founder/chairman/pres.
Essair Lines;
Pioneer Air Lines
- Long, Yin-Wen, pres.
Air China International Corporation
- Longest air transport of cattle
Martinair Holland, N.V.
- Longest aircraft names
Flight West Airlines (Pty.), Ltd.
- Longest commuter airline run on Earth—17 hrs., 20 min.
Ansett W.A., Ltd.
- Longest continuous airline lineage
KLM: Royal Dutch Airlines, N.V.
- Longest day-trip by a passenger in airline history
Air Transat, Ltd.
- Longest delivery flight by a twin-engined commercial airliners
Royal Brunei Airlines, Ltd.
- Longest flight ever made with the Olympic flame
Qantas Empire Airways (Pty.), Ltd.
- Longest meridional route operated in Inter-War Europe
LOT Polish Airlines, S.A.
- Longest nonstop scheduled frequency
United Airlines
- Longest nonstop scheduled frequency in North America
First Air, Ltd.
- Longest nonstop scheduled frequency, Buenos Aires-Madrid
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Longest subsonic commercial transport flight
Qantas Airways (Pty.), Ltd.
- Longest surviving Bahamian charter airline
Abaco Air, Ltd.
- Longmore, T. M., GM/MD
African International Airways, Ltd.
Air Swazi Cargo, Ltd.
CargOman, Ltd.
- Longyu, Capt. Cen, pilot
Xiamen Airlines
- Lonrho Group
National Airlines (Pty.), Ltd.
Tradewinds Airways, Ltd.
- Look Voyages
EuroBelgian Airlines, S.A.
Star Airlines, S.A.
Star Europe: Societe de Transports Aerien Regional, S.A.
- Look-Hong, Peter, chairman
Caribbean Air Cargo, Ltd. (CARICARGO)
- Loots, Braam, MD
Safair (Pty.), Ltd.
- Loperana, Jose Luciano, founder/pres.
SAM: Servicios Aereos de Michoacan, S.A. de C.V.
- Lopes de Brito, Victor, pres.
ATA: Aerocondor Transporte Aereos, S.A.
- Lopez, Augusto, chairman
AVIANCA Colombian Airlines, S.A.
- Lopez, Dr. Alfonso Sanchez, founder/MD
Aerocesar: Aerovias del Cesar, S.A. de C.V.
- Lopez, Capt. Eduardo Pinto, GM
LIA: Linhas Aereas da Guine-Bissau, S.A.
- Lopez, Eugenio, founder/pres.
Far Eastern Air Transport, Inc.
- Lopez, Jaime Huberto, pres.
SAM Colombia Airlines, S.A.
- Lopez, Jose Perez, DG
Air Europa, S.A.

- Lopez, Leonel, GM/MD
 SAHSA: Servicio Aereo de Honduras, S.A.
 TAN: Transportes Aereos Nacionales, S.A.
 Lopez, Oswaldo, Honduran president
 LANICA: Lineas Aereas de Nicaragua, S.A.
 Lopez, Rolando Canedo, pres.
 Lineas Aereas Canedo, Ltda.
 Lord, Capt. Frederick, pilot
 Northeast Airlines
 Lord Brothers travel agency
 Laker Airways, Ltd.
 Lorenz, Hermann, pres.
 Hi-Wood Helicopters, Ltd.
 Lorenzo, Frank A., jt. owner/dir./pres./chairman
 Continental Airlines
 Eastern Air Lines
 New York Air (1)
 Texas International Airlines
 Lorenzo, Joseph, founder/chairman
 Reno Air
 Los Alamos Scientific Laboratory
 Ross Aviation
 Los Angeles Clippers NBA team
 Northwest Airlines
 Los Angeles Dodgers MLB team
 Delta Air Lines
 United Air Lines (2)
 Western Airlines (1)
 Los Angeles Kings NHL team
 Champion Airlines
 Los Angeles Lakers NBA team
 Northwest Airlines
 Los Angeles Raiders NFL team
 Continental Airlines
 Los Angeles Rams NFL team
 American Airlines
 Continental Airlines
 Losano, Hernan Ricardo, bomber
 Cubana: Empresa Consolidada Cubana de Aviacion
 LOTAR CRS
 LOT Polish Airlines, S.A.
 Lothian, Capt. George, pilot
 Trans Canada Airways, Ltd.
 Air Canada, Ltd.
 Lott, Sen. Trent, (R-MS), service sponsor
 American Eagle Airlines (2)
 Lotz, Michael, pres.
 Mesa Air Group (MAG)
 Louganis, Greg, swimmer/spokesperson
 Ansett Australia (Pty.), Ltd.
 Lougee, Gary Lee, passenger
 USAir
 Loughheed, Peter, Alberta premier/dir.
 Canadian Airlines International, Ltd.
 Pacific Western Airlines, Ltd.
 Louie, Gen. Cliff Yen-Chun, pres./chairman
 China Airlines, Ltd.
 Louis, John J., Jr., chairman
 Mississippi Valley Airlines
 Louis Organization, tour company
 Helios Airways, S.A.
 Louisiana
 Aerostar
 Air Logistics
 Air New Orleans
 Casino Airlines
 ERA Aviation
 Executive Air Charter of New Orleans
 Gulf Air
 Gulf Air Lines
 Gulf Air Transport
 Gulf Coast Airways
 Hammonds Commuter Airlines
 Heli-Air
 Huff-Daland Dusters
 Johnson Airways
 L'Express
 Longhorn Airlines
 Louisiana Aircraft
 Magnolia Airways
 Petroleum Helicopters
 Pride Air
 Royale Airlines
 Saint Tammany-Gulf Coast Airways
 Southern Skies
 Sun International Airlines
 Transocean Airlines
 Tropical Airways
 Universal Airways
 Vanguard Airlines (1)
 Wedell-Williams Air Service Corporation
 Louisville flood relief, 1937
 American Airlines
 Eastern Air Lines
 Loukas, Stergios, investor
 Makedoniki Aerodiamistiki, S.A.
 Loustau-Lalanne, Maurice, chairman
 Air Seychelles, Ltd.
 Lout, Prit, chairman/CEO
 Elk Airways: Estonian Aviation Company, Ltd.
 Love, Philip R., pilot
 Robertson Aircraft Corporation
 Love, Robert M., pres.
 All-American Aviation
 Lovelace, Capt. William, pilot
 Northwest Airlines
 Lovisolo, Sergio, GM
 Miniliner, SpA.
 Lovro, Dr. Istvan, DG
 Air Service Hungary, Ltd.
 Low, Stephen, founder/pres.
 Catskill Airways
 Lowa, Jerome, MD
 EGA: Ecuato Guinea de Aviacion, S.A.
 Lowe, Capt. Jock, pilot/advisor
 British Airways, Ltd. (2)
 Olympic Airways, S.A.
 Lowe, John, pres.
 Westates Airlines (1)
 Lowe, Steven, passenger
 American Airlines
 Loewey, Raymond, industrial designer
 Northeast Airlines (1)
 Lowry, Michael, GM
 Advantage Airlines
 Loy, Myrna, actress/passenger
 Transcontinental and Western Air Lines (TWA)
 Lozovsky, P. pilot
 Dobrolet
 LTU Touristick, GmbH.
 LTU International Airways: Lufttransport Unternehmen, K.G.
 Lucander, Bruno Otto, GM
 Aero O/Y
 Lucas, Alva, pilot
 Wyoming Air Service
 Lucas, Capt. Bill, pilot/BALPA official
 British Airways, Ltd. (2)
 Luchenza Flying Club

- Leopard Air, Ltd.
 Luckey, L. H., GM
 Essair Lines
 Pioneer Air Lines
 Ludington, C. Townsend, jt.-founder, later supporter/chairman
 Cape Cod Airways
 New York, Philadelphia and Washington Airway (Ludington Line)
 Ludington, Nicholas, jt.-founder
 Cape Cod Airways
 Luetticke, Bernd R., MD
 Cimber Air, GmbH.
 Luftschiffbau Zeppelin, GmbH.
 Deutscher Zeppelin-Reederei, A.G.
 Lugo, J. L., hijacker
 PRINAIR: Puerto Rico International Airlines
 Luizaga, Abraham Prada, GM
 Aerovias Las Minas, S.A.
 Luke, Thomas C., chairman
 Sierra Leone Airways, Ltd.
 Lukian, Brian, pilot/MD
 Hevi Lift (Pty.), Ltd.
 Lukins, Sheila, chef
 United Airlines
 Lumenta, R. A. J., corporate sec./pres.
 PT Garuda Indonesian Airways
 Merpati Nusantara Airlines
 Lumowa, Capt. Alexander, MD
 PT Jatayu Air: Jatayu Gelang Sejahtera
 Lumumba, Patrice, Congo pres.
 Aeroflot Soviet Airlines
 Air Congo, S.A. (2)
 Sabena Belgian World Airlines, S.A.
Lun-Lun, panda
 United Parcel Service (UPS)
 Lund, M. C. "Hank," chairman/pres.
 Frontier Horizon
 Frontier Airlines (1)
 Frontier Airlines (2)
 Lund, Reidar, vice chairman/chairman
 Helikopter Service, A.S.
 Lunden, Eric, pres./MD
 Air Nordic Sweden Aviation, A.B.
 Lunden, Joan, tv host
 Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Lundgren, Kim, pres./GM
 Air Berlin, GmbH.
 Lundgren, Leonard, chairman
 Air Berlin, GmbH.
 Lundin, Leif, pres.
 Transwede Airways, A.B.
 Lundy, Victor, part-owner
 Pacific Southwest Airlines (PSA)
 Lung, Spicer, Sr., foils skyjacking
 Pan American World Airways (1)
 Lunken, Edward "Eddie," founder/pres.
 Midwest Airways (2)
 Lunn, Tony, designer
 Qantas Airways (Pty.), Ltd.
 Luo Changhua, hijacker
 Fujian Airlines Company, Ltd.
 Luo Qiang, pres.
 Zhejiang Airlines
 Luo Zhenxi, pres.
 Jiangnan General Aviation Company
 Lupien, Wes, pres.
 Harbor Airlines
 Puget Sound Airlines
 Whidbey Flying Service
 Lupori, Luis & Florencia, founders
 Air Plus Argentina, S.A.
 Lupton, George W., Jr., vp/GM
 Santa Fe Skyways
 Lusambia, Yuma Morisho, MD
 Air Zaire, S.A.
 Luth, John E., CFO/dir.
 Continental Airlines
 Frontier Airlines (2)
 Luther, Cynthia, passenger
 Southwest Airlines (2)
 Luther, Hans, German chancellor
 Condor Syndikat, GmbH.
 Luthi, Donald, founder/pres.
 Air Freight Express
 Luthi, Capt. Gabriela, pilot
 Swissair, A.G.
 Lutin, Barry S., founder/pres.
 Corporate Air (1)
 Summit Airlines
 Luxembourg Steel Industries
 Luxair, S.A.
 Luzhkov, Yuri, Moscow mayor
 Polyet Airlines
 Lyalin, S.V., pilot
 Dobrolet
 Lychagin, Svyatoslav, Russian state property ministry official
 Samara Airlines: Samara Avialinii
 Siberia Airlines (Sibir)
 Lye, Saw Huat, MD
 Malaysian Airlines System (MAS), Ltd.
 Malaysian Helicopter Services, Sdn. Bhd.
 Lyle, Lewis, pres.
 Northeast Airlines (1)
 Lynch, Charles, CEO
 DHL Airways
 Lynch, Rod, advisor
 Olympic Airways, S.A.
 Lyneborg, Jan, jt.-founder
 Sterling European Airways, A.S.
 Lynn, Michael, hijacker
 Western Airlines (1)
 Lynn, Robert, jt. founder
 DHL Airways
 Lynn, Vera, entertainer
 British Airways, Ltd. (2)
 Lynott, Frank B., owner
 Standard Airways (1)
 Lynton Group
 Air Hanson, Ltd.
 Dollar Helicopters, Ltd.
 PDG Helicopters, Ltd.
 Lynx Express Delivery Network
 Emerald Airways, Ltd. (2)
 Janes Aviation, Ltd.
 Lyon, William, owner/chairman/pres.
 AirCal
 Lyons, Ray, vp-network management
 Swissair, A.G.
 Lyons Tours
 Channel Airways, Ltd.
- M**
 M. H. Bland & Co., Ltd.
 Gibraltar Airways, Ltd. (1)
 Gibraltar Airways, Ltd. (2)
 Ma de Celis, Jose, DG
 Viva Air: Vuelos Internacionales de Vacaciones, S.A.
 Ma Jen-Hui, DG
 CAAC: The General Administration of Civil Aviation of China

- Ma Pu-fang, Gen./passenger
Civil Air Transport, Ltd.
- Ma Xian Shi, pres./GM
China Ocean Helicopter Corporation
- Ma Yongxing, pres.
Guizhou Airways
- Maars, L., pres.
Trans Travel Airlines, B.V.
- Maasood, Abdullah, pres.
Emirates Airlines, Ltd.
- Mabansat, Rommel C., pres.
LBC Airways of Manila
- Mac, Jan, MD
Slovair (1)
- Macaraig, Catalino, Jr., chairman
Philippine Air Lines (PAL)
- Macarron, Jesus, chairman/pres.
Gestair Executive Jet, S.A.
RLA: Regional Lineas Aereas, S.A.
- MacArthur, Gen. Douglas
Eastern Air Lines
Philippine Air Lines
- Macatee, Capt. Charles, pilot
American Airlines
- Macaya, Roman, founder/pres.
Aerovias Nacionales, S.A. (Macaya)
- MacDonald, Kenneth, CEO
Newman's Air, Ltd.
- MacDonough, Michael, MD
Air Lesotho
- MacDougall, J. A., clerk
Western Canada Airways, Ltd.
- Mace, C. W., chairman
Air New Zealand, Ltd.
- Macfarlane, Norman, joint MD
Air New Zealand, Ltd.
- MacGregor, John, U.K. Transport Secretary
British Airways, Ltd. (2)
- MacGregor, Capt. John C., vp/pilot
Pan American-Grace Airways (PANAGRA)
- Machado, Gen. Gerardo, pres. of Cuba
Chalk's International Airlines (1)
Cubana: Compania Nacional Cubana de Aviacion, S.A.
Pan American Airways (PAA)
- Machado, Guillermo G. "Biggie," pres.
Air Jamaica, Ltd. (2)
- Machado, Hilton, jt.-founder
TAN: Transportes Aereos Nacional, S.A.
- Machado, Luis Ignacio Mendoza, chairman/pres.
VIASA: Venezolana Internacional de Aviacion, S.A.
- Machado, Oscar, pres.
VIASA: Venezolana Internacional de Aviacion, S.A.
- Machat, Mike, illustrator
Trans World Airlines (TWA)
- MacIntyre, Donald, pilot
Cardiff & Peacock Air Lines, Ltd.
- MacIntyre, Malcolm A., pres.
Eastern Air Lines
- Mackasey, Bryce, chairman
Air Canada, Ltd.
- Mackenthun, Walter, founder
Deutsche Luft Reederei, GmbH.
- MacKenzie, Donald, MD
Capital Airlines, Ltd.
- Mackey, Col. Joseph, pilot/founder/pres.
Mackey Airlines
Pan American Airways (PAA)
- Mackey, Capt. Keith, pilot
Pan American World Airways (2)
- MacKinnon, Sir Percy/Graham, owners
British Continental Airways, Ltd.
- MacKnight, John, founder/CEO
MacKnight Airlines (Pty.), Ltd.
- MacLaren, Donald R., vp/founder/pres.
Pacific Airways, Ltd.
Trans Canada Air Lines, Ltd.
- MacLay, J.S., British minister of civil aviation
British Overseas Airways Corporation (BOAC)
- MacLennan, Alistair, chairman
Helijet Airways, Inc.
- MacLeod, A.L., MD
Transmeridian Air Cargo, Ltd.
- MacLeod, Kirsty, born aboard helicopter
Bristow Helicopters, Ltd.
- Macloed, Alastair, jt.-founder/MD
Lloyd International Airways, Ltd.
- MacMickle, Capt. Harold, pilot
Pan American-Grace Airways (PANAGRA)
- MacMillan, G. A., chairman
Flitestar Airlines, Ltd.
- Macmillan, Harold, British prime minister
British Overseas Airways Corporation (BOAC)
- MacMillan, Hugh J., jt.-founder/chairman
Knighthawk Air Express, Ltd.
- MacMurray, Fred, actor
United Air Lines (2)
- Maconzoma, Saki, South African Transnet MD
South African Airways (Pty.), Ltd.
- Macrae and Dick, Ltd.
Highland Airways, Ltd. (1)
- MacRobertson England-Australia race of 1934
KLM: Royal Dutch Airlines, N.V.
United Air Lines (2)
- Madden, Paul R., chairman
Mesa Air Group
- Maddox, Mrs. Mary K., passenger
Ozark Air Lines
- Maddux, John L. "Jack," pres.
Maddux Air Lines
Transcontinental Air Transport (TAT)
- Madeiros, Michael and Nikki, founders
Edgartown Air
- Madjirebaye, Djibangar, pres.
Air Tchad: Compagnie Nationale Tchadienne, S.A.
- Madsen, Ronald, founder/pres.
Halisa Air: Haitian Aviation Line, S.A.
- Madzhirov, Djura A., CEO
Bukhara United Air Squadron
- Mae Fah Luang Foundation
Thai Airways International, Ltd.
- Maeda, Hirofumi, pres.
Sagawa Helicopter Express, Ltd.
- Maffry, Richard, pres.
Altus Airlines
- Magary, Alan B. "Sky," Shuttle by United division pres.
United Airlines
- Magellan 725, remotely operated underwater vehicle
Itavia, SpA.
- Maggio, Juan, founder/pres.
Southern Winds, S.A.
- Magic Life, inclusive tour operator
Austrian Airlines: Osterreichische Luftverkehrs, A.G.
- Magill, Bob, pres.
World Jet Aircraft International
- Maglibay, N.V., investor
National Jet Italia, SpA.
- Magnetronic Reservisor
American Airlines

- Magnicharters
 Aero Tonalá, S.A. de C.V.
 Magnus, Jeffrey J., founder/pres.
 Magnus Aviation
 Magnusson, Christer, pres.
 Linjiflyg, A.B.
 Magoffin, James S., chairman
 Alaska International Air
 Magoon, John H., Jr. owner/pres.
 Hawaiian Airlines (HAL)
 Magtibay, N.V.
 National Jet Italia, SpA.
 Maguire, Peter, MD
 Air Charter (Christchurch), Ltd.
 Mahaber, Reema, passenger
 South African Airways (Pty.), Ltd.
 Mahadi, Ma'som, COO
 MHS Aviation Sdn. Bhd.
 Mahle, Ernesto, pres.
 TACA Peru, S.A.
 Mahmood, AVM A.G., chairman
 Biman Bangladesh Airlines, Ltd.
 Mahoney, Jeff, founder/pres.
 Air Baffin, Ltd.
 Air Nunavut, Ltd.
 Maigi, A.G., GM
 Air Mali (1): Societe National Air Mali, S.A.
 Mail, Capt. J. Douglas "Duggie," jt. founder
 Rhodesian Aviation Syndicate, Ltd.
 Maillya, Vijay, founder/MD
 UBAir, Ltd.
 Maimone, M. V., hijacker
 Swissair, A.G.
 Maina, R. N., chairman
 Coast Air, Ltd.
 Maine
 Aroostock Airways
 Atlantic Central Airline
 Bangor International Airline
 Centurian Air Service
 Downeast Airlines (1)
 Downeast Airlines (2)
 Downeast Charter Flights
 Maine Air
 Maine Air Transport
 Maine Aviation Corporation
 Mid-Coast Airways
 Northeast Express Regional Airlines
 Northern Airways (4)
 Pine State Airlines
 Telford Aviation
 Twin Cities Air Service
 Valley Airlines (2)
 Maingard, A. H., chairman
 Air Mauritius, Ltd.
 Mainland Market Deliveries
 Jersey Ferry Airlines, Ltd.
 Mainland Travel
 Northwest Airlines
 Maitland, J. R., founder/chairman/MD
 Maitland Drewery Aviation, Ltd.
 Majendie, Capt. A. M., pilot
 British Overseas Airways Corporation (BOAC)
 Majerie, Edward, jt. founder
 North Air (2)
 Majkowski, Andrzej, chairman
 LOT Polish Airlines, S.A.
 Major, John, British prime minister
 British Airways, Ltd. (2)
- Major, Paul D., MD
 Bahamasair, Ltd.
 Makarov, I.S., DG
 Central Region Civil Aviation Department
 Makatsyubo, Victor, pres.
 Avial Air Company
 Make Swee Wah, CEO/SVP
 Silkair (Pty.), Ltd.
 Makedonska Banka
 Macedonian Airlines
 Makhado, Sheika, exec. board dir.
 Sun Air (Pty.), Ltd.
 Makharev, Edward I., pres./GM
 Latvian Airlines, A.S.
 Makhayev, E. M., hijacker
 Aeroflot Soviet Airlines
 Makhnev, Nikolai, DG
 Sverdlovsk Air Enterprise
 Makinen, Tapani, MD
 Copterline O/Y
 Makivik Corporation
 Air Inuit, Ltd.
 First Air, Ltd.
 Makowski, Waclaw, GM
 LOT Polish Airlines, S.A.
 Maksimovski, Viktor, CEO
 Dobrolet Airline
 Makuna, Tshimbombo, MD
 Air Charter Service, S.A.
 Malassauskas, Victor, hijacker
 Continental Airlines
 Malaysia, Pilgrims Management Board
 Malaysia Airlines, Ltd.
 Malaysian Airlines System (MAS), Ltd.
 Maldonado, Carlos Llorente, GM
 Multitransporte Aereo, C.A.
 Malek, Capt. Enrique, pilot
 TACA: Transportes Aereos Centro Americanos, S.A.
 Malek, Frederick V., pres.
 Northwest Airlines
 Malidor, G., MD
 GAT: Guyane Air Transport, S.A.
 Malik, Hussain, MD
 Pak-Air, Ltd.
 Malik, Ripudaman Singh, alleged bomber
 Air India, Ltd.
 Malik, Sher Afgan, MD
 Pakistan International Airlines Corporation
 Malin, Randall, vice chairman/EVP-marketing
 USAir
 Malinda, Moses, secretary/GM
 Air Niugini (Pty.), Ltd.
 Malishev, B. S., GM
 Kumertau Production Enterprise
 Malki, Ali Al, pres./CEO
 Gulf Air: Gulf Aviation, Ltd.
 Mallam-Hasham, Nashirudeen, chairman/MD
 Air Mauritius, Ltd.
 Air Seychelles, Ltd.
 Mallberg, Dick, founder/pres.
 Bellingham-Seattle Airways
 Mallette, Eugene, founder/pres.
 Alpine Air
 Malloch, Jack M., MD
 Air Trans Africa (Pty.), Ltd.
 Mallory, William "Slim," jt.-founder
 CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Malmberg, Bengt, MD
 Skyline Sweden, A.B.

- Maloney, John J., pres./vp-opns.
Florida West Airlines
Florida West International Airways
- Malski, James, pres.
Business Express (BEX)
- Mamakeesic, Ross, pres.
Sabourin Lake Airways, Ltd.
- Mambetalieva, Raisa, DG
Asian Star
- Mambo, Bishop John, passenger
British Airways, Ltd. (2)
- Mamer, Nicholas "Nick," founder/pilot
Mamer Air Transport
- Mancassola, Franco, pres./chairman/vp
Debonair Airways, Ltd.
Discovery Airways
Mid Pacific Airlines
- Manchester United Football Team
British European Airways Corporation (BEA)
- Manclark, Capt. Renny, pilot
British Airways, Ltd. (2)
- Mandela, Nelson, African National Congress/South African president
Jamahiriya Libyan Arab Airlines
Kenya Airways, Ltd.
South African Airways (Pty.), Ltd.
- Mandelin, Erkki, vp
Air Lanka, Ltd.
- Mandelis, Tassos, Greek transport minister
Olympic Airways, S.A.
- Mandimby, Guy Ramahay, DG
Air Madagascar, S.A.
- Manfredi, Franz, founder/pres.
Trans Canal Airways, S.A.
- Manftas, J., founder
Cronus Airlines, S.A.
- Mangoaola, P., chairman
Lesotho Airways Corporation, Ltd.
- Manhambara, Godfrey T., GM
Affretair, Ltd. (2)
- Manila Bay*, U.S.S.
Pan American Airways (PAA)
- Manitoba
Aero Trades Western, Ltd.
Air Manitoba, Ltd.
Calm Air International, Ltd.
Custom Helicopters, Ltd.
Greyhound Air, Ltd.
Ilford Riverton Airways, Ltd.
Keewatin Air, Ltd.
Keystone Air Service, Ltd.
Lambair, Ltd.
Ministic Air, Ltd.
Northland Air Manitoba, Ltd.
Northway Aviation, Ltd.
Northwinds Northern, Ltd.
Ontario Central Airlines, Ltd.
Perimeter Airlines, Ltd.
Provincial Helicopters, Ltd.
Skyward Aviation, Ltd.
Sowind Air, Inc.
Transair, Ltd.
Winnport Logistics, Ltd.
- Manitoba flood of 1997, relief of the
Air Canada, Ltd.
Skyward Aviation, Ltd.
- Mankhaev, Sergey, pres.
Transavia Export
- Manley, John, Canadian labor minister
Air Canada, Ltd.
Canadian Airlines, Ltd.
- Manley, Robert, co-pilot
Caribbean Island Airways
- Mann, Charles Manson, passenger
Handley Page Indo-Burmese Transport Company, Ltd.
- Mann, Frank and Jack, founders
British Westpoint Airlines, Ltd.
- Mann, Gary and Margaret, owners
Barrie Flight Centre, Ltd.
- Mann, Robert, expert witness
American Airlines
- Mannan, M. A., MD
Bismillah Airlines, Ltd.
- Manoylenko, V. I., DG
Ikar: Arsenevskaya A/K
- Mansfield & Co.
Malayan Airways, Ltd.
- Mansor, Tengku Adrian Tengku, founder/MD
Berjaya Air, Ltd.
- Mansour, John, owner/chairman
Sun Jet International Airlines
Southeast Airlines (6)
- Mantana, Luis Fonzalez, MD
Binter Canarias, S.A.
- Mantelis, Tasos, Greek transport minister
Olympic Airways, S.A.
- Manufacturer's Hanover Trust Bank
USAir
Virgin Islands Seaplane Shuttle
- Manzi, Mauricio Gutierrez, GM
Heli-Alfa: Alfa Helicopters-Inversiones Cirrus, S.A.
- Mao Chih-kuo, Taiwan Civil Aeronautics Administration DG
China Airlines, Ltd. (CAL)
- Maof Tours Israel
Maof Airlines, Ltd.
- Mapfre Guanarteme, investor
Binter Canarias, S.A.
- Mara, Antonio, pres./GM
Oasis International Airlines, S.A.
- Mara, Capt. Erich, pres./jt.-MD
Austrian Airlines, A.G.
- Mara, Ratu Sir Kamisese, Fiji prime minister
Fiji Air, Ltd.
- Maranon, Javier, pres.
Aerocancun: Aeronautica de Cancun, S.A. de C.V.
- March, Clifford W., pilot
Thompson Aeronautical Corporation
- Marchais, Michel, founder/pres./chairman
TAT European Airlines, S.A.
TAT: Touraine Air Transport, S.A.
TAT: Transport Aerien Transregional, S.A.
- Marchais, Rodolphe, pres./GM
TAT European Airlines, S.A.
TAT: Transport Aerien Transregional, S.A.
- Marchand, Jean, Canadian transport minister
Air Canada, Ltd.
Canadian Pacific Air Lines, Ltd. (CPAL)
- Marchetti, Alexandro, aircraft designer
Societa Aerea Mediterranean, SpA.
- Marcontell, David, International Airline Support Group VP
North South Airways
- Marcos, Imelda, Philippine first lady
Philippine Air Lines
- Marcos, Ferdinand, Philippine president
Philippine Air Lines
- Marcot, John, co-pilot
Air France
- Marcoux, Guy, founder/pres.
Regionnair, Ltd.

- Marcus, Stanley, U.S. district court judge
American Airlines
- Marghani, Amin B., chairman
Libyan Arab Airlines
- Marin-Domenech, Jose Maria, pres.
Binter Mediterranea, S.A.
- Marine Jumbo* (B-747-481)
All Nippon Airways Company, Ltd.
- Marine Jumbo, Jr.* (B-767-381)
All Nippon Airways Company, Ltd.
- Marine Wendel, French investment house
Air Liberte, S.A.
- Marienfeld, Hanns, SVP
PT Garuda Indonesia
- Marinitchemko, Valen, DG
Ukraine Air Alliance
- Maritime Provinces
Maritime Central Airways, Ltd.
Prince Edward Air, Ltd.
- Mark Travel Corporation
Sun Country Air Lines
- Marketing Corporation of America
Business Express (BEX)
Pilgrim Airlines
- Markham, Beryl, aviatrix
ABA Swedish Airlines, A.B.
- Markley, Ben, founder
Midwest Air Charter
- Markowski, Stanislaw, MD
Blue Sky Carrier Company, Ltd.
- Marks, Bob, founder/pres.
Charter Services
- Marlo Reisch, tour operator
American Trans Air
- Marquez, Alberto Jorge, founder/chairman
PLUNA: Primera Uruguayas de Navegacion Aerea, S.A.
- Marquez, Carlos, GM
Aerotuy, S.A.
- Marquez, Manuel, vice-chairman
Philippine Air Lines
- Marquez-Amez, Alfonso, pres.
VIASA: Venezolana Internacional de Aviacion, S.A.
- Marsden, Capt. J. T. A., pilot
British Overseas Airways Corporation (BOAC)
- Marsden, Chris and Jamie, founders
Chartair
- Marsden, J. E., chairman
Genair, Ltd.
- Marsh, Capt. Al, pilot
Northeast Airlines (1)
- Marsh, Everette, founder/pres.
World Jet Airlines
- Marsh, Capt. Al, pilot
Northeast Airlines (1)
- Marsh, Gary, vp-opns.
Air Wisconsin Airlines Corporation
- Marshall, Alfred, founder/pres.
Marshall's Air
- Marshall, Sir Colin, chairman/CEO
British Airways, Ltd. (2)
- Marshall, Gen. George C., board member/passenger
British Overseas Airways Corporation (BOAC)
Pan American World Airways (1)
- Marshall, Newton, passenger
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
- Marshall, Raymond W., chairman
Alaska Airlines
- Marshall, S. J., GM
Conair (Pty.), Ltd.
- Marshall, Samuel, jt. founder
Essair Lines
- Marshall, Terry D., pres.
Big Sky Airlines
- Marshall, Tex, pres.
Thompson Aeronautical Corporation
Transamerican Airlines Corporation
- Marshall Islands, U.S. Trust Territory of the
Air Marshall Islands
Airline of the Marshall Islands
- Marshall University football team
Southern Airways (1)
- Marshfield Aviation
Midstate Airlines
- Marston, T. K., hijacker
National Airlines (1)
- Martens, Ernesto, CINTRA, S.A. de C.V. pres.
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
Mexicana Airlines, S.A. de C.V.
- Martens, Robert, AMR Eagle pres./chairman/COO
American Airlines
Business Express (BEX)
Polar Air Cargo
- Marti, Julio, Venezuelan transport minister
AVENSA: Aerovias Venezolanas, S.A.
- Martin, Bruce A., founder/pres.
Martinaire
- Martin, Capt. Charles, pilot
American International Airways (1)
- Martin, Daryl, pres.
Biscayne Helicopters
- Martin, David, pilot
Island Airlines (1)
- Martin, Denis, DG
Tyne Tees Airways, Ltd.
- Martin, Donald, pres.
Rocky Mountain Airways
TriStar Airlines
- Martin, Capt. George "Sarge," pilot
Northwest Airlines
- Martin, Hans, deputy MD
KLM: Royal Dutch Airlines, N.V.
- Martin, J. M. S., joint founder
Commercial Air Services (Pty.), Ltd.
- Martin, Larry, pres.
Frontier Airlines (1)
- Martin, Capt. Michael, pilot
USAir
- Martin M-130 launch customer
Pan American Airways (PAA)
- Martin 2-0-2 launch customer
Northwest Airlines
- Martin 2-0-2A launch customer
Trans World Airlines (TWA)
- Martin 4-0-4 launch customer
Eastern Air Lines
- Martinez, Alfredo, founder/CEO
Orion Airways: Orion Servicios Aereos, S.A.
- Martinez, Eduardo, hijacker
Avianca Colombian Airlines, S.A.
- Martinez-Vilanova, Joaquin, pres.
Binter Canarias, S.A.
- Martins, Fernando Santos, pres.
TAP Air Portugal, S.A.
- Martins-Ferreira do Amaral, Joaquim, Portuguese transport minister
TAP Air Portugal, S.A.
- Martins, H., hijacker
VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
- Martirosov, Andrei, DG

- Tyumenaviatrans (TAT)
 Martonyi, Janos, Hungarian foreign minister
 MALEV Hungarian Airlines, Rt.
 Marty, Capt. Christian, pilot
 Air France
 Martyn, M. P., pres.
 Transair, Ltd.
 Martyniuk, Vitali, DG
 Magnitogorsk State Air Enterprise
 Martz, Frank, founder/pres.
 Frank Martz Coach Company
 Marui, Kanichi, pres.
 Air Nippon, Ltd.
 Marwa, Buba, founder/chairman
 Albarka Airlines, Ltd.
 Marx, Jurg, VP
 Swissair, A.G.
 Mary Kay Cosmetics
 Valujet Airlines
 Maryland
 Air Exec
 American Eagle Airlines
 Congressional Air Charters
 Cumberland Airlines
 East Coast Commuter
 East Coast Flight Services
 Gibson Aviation
 Helicopter Transport Services
 International Charter Express
 Majestic Air Service
 Maryland Airways
 Omniflight Airways/Omniflight Helicopters
 Piedmont Airlines (2)
 Resort Airlines (2)
 Shamrock Airlines
 Sky One Express
 Southern Maryland Aviation
 Masango, Farai, Zimbabwe minister of transport
 Air Zimbabwe Corporation
 Mascarenhas, Michaelk, MD
 Air India, Ltd.
 Masefield, Sir Peter, MD/deputy chairman/passenger
 British European Airways Corporation (BEA)
 British Caledonian Airways, Ltd. (BCAL)
 British World Airlines, Ltd.
 Mashima, Takeshi, pres.
 Japan Air System, Ltd.
 Masland, Capt. Bill, pilot
 Pan American Airways (PAA)
 Masling Aviation and Engineering, Ltd.
 Aeropelican Air Services (Pty.), Ltd.
 Masling Commuter Services (Pty.), Ltd.
 Mason, Bob, chief pilot
 Harold's Air Service
 Mason, Robert, SVP
 Southern Air Transport
 Mason, Robert E. "Bob," GM
 Skywest Airlines (Pty.), Ltd.
 Mason & Dixon Truck Lines
 Southeast Airlines (1)
 Maspes, Maurizio, jt.-MD
 Alitalia, SpA.
 Massachusetts
 Aerotransit
 Air Atlantic
 Air East Airlines
 Air Hyannis
 Air New England
 Air Speed
 Airline Feeder System
 All Star Airlines
 Atlantic Airways
 Cape & Islands Flight Service
 Cape Air
 Commuters Air Service
 Curtiss Flying Service of Boston (New England)
 Eastern Air Charter
 Elan Air
 Executive Airlines (2)
 Express Aire
 Five Star Air: Five Star Aircraft
 Four Star Aviation (2)
 Gull Air
 Hub Express
 Hyannis Aviation
 Inter-City Air Lines
 Island Airlines (2)
 King Aircharters
 Massachusetts Air Industries
 Mayflower Airlines
 Merrimack Air System
 Merrimack Airways
 Nantucket Airlines
 National Executive Flight Service
 New England & Western Air Transportation Company
 Nor East Commuter Airlines
 Northeast Airlines
 Northern Airlines (2)
 Pac Air
 Provincetown-Boston Airline (PBA)
 Southeast Air (1)
 Spectrum Airlines
 Time Air
 Tri Air
 Westover Air
 Wiggins Airways (1)
 Wiggins Airways (2)
 Wiggins Airways (3)
 Will's Air
 Masimov, Karim, Kazakhstan minister of transportation
 Air Kazakhstan
 Masling Aviation and Engineering, Ltd.
 Aeropelican Air Services (Pty.), Ltd.
 Massie, Bert, U.K. disabled rights commission chairman
 Scotairways, Ltd.
 Massood, Abdulla, pres.
 Emirates Air Services
 Mastenko, Valeri A., commander
 Burundai Aviation Company
 Burundaiaivia
 Masurel, Georges, pres.
 Europe Aero Service, S.A.
 Mathews, Jeffrey, MD
 K2000, Ltd.
 Mathews, William, investor
 Westjet, Ltd.
 Mathias, H. Jesse, co-pilot
 Transcontinental and Western Air (T&WA)
 Mathis, George Curtis, Jr., passenger
 Air Canada, Ltd.
 Mathur, D.S., MD
 Air India, Ltd.
 Matias, Ribeiro, restauranter
 Air Malta Company, Ltd. (2)
 Matos, Armindo, dir.
 LAM Mozambique Airlines, S.A.
 Matson Navigation Company
 Matson Air Lines

- Matsuo, Shizuma, pres./chairman
Japan Air Lines Company, Ltd. (2)
Matsushita Conglomerate
Comair
- Mattar, Sheik Capt. Almed, DG
Saudia: Saudi Arabian Airlines
- Mattatiah, S., pres.
Sun d'Or International Airlines, Ltd.
- Matthew, Tony, GM
Southern Australia Airlines (Pty.), Ltd.
- Matthews, Charles E., investor
Empresa de Transportes Aerovias Brasil, S.A.
- Matthews, Robert H., chairman
Air New Zealand, Ltd.
- Matthews, Tony, MD
Sunstate Airlines (Mildura) (Pty.), Ltd.
- Matthews, Woodrow, founder/pres.
U.S. Delivery Systems
- Mattingly, Barak T., jt. founder
Ozark Air Lines
- Matz, George E., founder/pres.
Polar International Airlines
- Matzliach, Haviv, MD
Jerusalem Wings (Kanfei Jerusalem), Ltd.
- Maule, Velma, flight attendant
American Airways (2)
- Maung Nyunt, U. Maung, MD
Burma Airways Corporation, Ltd.
- Mauracher, Robert, GM
Canadian Frontier, Ltd.
- Mauries, Rene, MD
Compagnie Aérienne du Languedoc, S.A.
- Maury, Michel, Vietnamese station manager
Air France
- Mavrinac, Paul, chief pilot/opns. mgr.
Canadian Air-Crane, Ltd.
- Maxim Gorky*, S.S., rescue mission
Aeroflot Soviet Airlines
Helikopter Service, A.S.
- Maxwell, Capt. P. H., founder/MD
Air Contractors, Ltd.
- Maxwell, Robert, purchaser
British Airways Helicopters, Ltd.
- Maxwell, William Roy, MD/pilot
Laurentide Air Services, Ltd.
- Maxwell Holdings Corp.
Philippine Air Lines
- May, Alberto, GM
International Corporate and Cargo Service, S.A.
- May, Daniel F., chairman
Republic Airlines
- May, Jimmy, employee/hero
USAir Shuttle
- May, Robert, founder/pres.
Keewatin Air, Ltd.
- May, Thomas W., founder
May Air X-press
- May, W. R. "Wop," pilot
Commercial Airways, Ltd.
- May, Capt. W. S., pilot
British Overseas Airways Corporation (BOAC)
- Maya Corporation, Ltd.
Maya Airways, Ltd.
- Mayak, Nikolas M., pres.
Ukrainian Cargo Airways
- Mayani, Dr. T., founder
Blue Airlines, S.A.
- Mayger, Brooke, pres.
Southeast Airlines (6)
- Mayhew, Capt. Brian, pilot/APA vp
American Airlines
- Mayila, Matre Louis Gaston, chairman
Air Inter Gabon, S.A.
- Maynard, Roger, investments dir.
British Airways, Ltd. (2)
- Mayo, Bill and Gwen, founders
Mayo Aviation
- Mayo, William B., Ford Motor Company chief engineer
Maddux Air Lines
New York, Rio and Buenos Aires Line
Scenic Airways
Stout Air Services
Transcontinental Air Transport (TAT)
- Mayor, M. R., GM
Air Nootka, Ltd.
- Mayrhuber, Wolfgang, chairman/COO
Deutsche Lufthansa, A.G.
- Mays, Oranette, hijacker
Pan American World Airways (1)
- Maytag, Lewis B. "Bud," Jr., owner/chairman/pres.
National Airlines (1)
- Mazor, B.J., hijacker
Aerolinas Argentinas, S.A.
- M'ba, Chief Leon, pres.
Transgabon: Compagnie Aérienne Gabonaise, S.A.
Transgabon: Compagnie Transport Aérien du Gabon, S.A.
- Mbeki, Thebo, South African president
South African Airways (Pty.), Ltd.
- Mbewe, Luke, MD
Zambia Airways Corporation
- Mbilizi, Lewis, Capt., deputy GM/MD
Air Malawi, Ltd.
- Mbojana, C., MD
African Safari Airways, Ltd.
- Mbojana, Christopher S. K., chairman/MD
Uganda Airlines, Ltd.
- Mbewe, Luke, MD
Zambia Airways Corporation
- McAdoo, Robert, chairman/CEO
Vanguard Airlines (2)
- McAllister, Eileen, flight attendant
Mohawk Airlines (1)
- McAllister, Gary S., educator/passenger
Aeromech Airlines
- McAlpine Aviation, Ltd.
Euroflite, Ltd.
- McAngus, D. D., jt.-MD
Monarch Airlines, Ltd.
- McArthur, Capt. Donald, pilot
Pan American-Grace Airways (PANAGRA)
- McArtor, T. Allan, vp-opns./FAA administrator/chairman/CEO
Federal Express
Legend Airlines
- McAward, John, passenger/antismoking protestor
American Airlines
- McBean Tours
North South Airlines, Ltd.
- McBryan, Joseph, founder/pres.
Buffalo Airways, Ltd.
- McCain, Sen. John (R-AZ)
Pan Am: Pan American Airways
United Airlines
USAirways
- McCamus, David, chairman
Air Ontario, Inc.
- McCarl, John, U.S. comptroller general
Eastern Air Transport (2)
Southern Air Fast Express

- McCarran, Sen. Patrick A. (D-NV), supporter
Pan American Airways (PAA)
- McCarron, Pat, passenger
Airtours International Airlines, Ltd.
- McCarthy, Conor, CEO
Aer Lingus Commuter: Aerlinthe Eireann Tioranta, Ltd.
- McCarthy, Denis M., pres.
Emery Air Freight
- McCarthy, F. J., Jr., pres.
Four Star Aviation (1)
- McCarthy, Sen. Joseph (D-WI), passenger
National Airlines (1)
- McCartney, Paul, entertainer/passenger
TAESA: Transportes Aereos Ejecutives, S.A. de C.V.
- McCarty, Joseph, SVP
Federal Express (FedEx)
- McCauley, Michael, founder/pres.
Universal Jet Aviation
- McCauley, T. R., pres.
Emerald Air
- McClain, Thomas, pres.
Mountain Air Express
- McClain, Thomas J. A., founder/pres.
McClain Airlines
- McCleskey, Capt. J. R., pilot
Pan American-Grace Airways (PANAGRA)
- McClure, Jessica, rescued toddler
Federal Express (FedEx)
- McComish, Steven, chief engineer
Dollar Helicopters, Ltd.
Gulf Helicopters, Ltd.
- McConachie, Grant, jt. founder/pres./MD
Canadian Pacific Air Lines, Ltd. (CPAL)
United Air Transport, Ltd. (UAT)
Yukon Southern Air Transport, Ltd.
- McCook, Bryan, founder/CEO
Macair, Ltd.
- McCorkle, Celi, chairman/pres.
Tropic Air: Tropical Air Services, Ltd.
- McCord, Richard, founder/pres.
Guam Marianas Air
- McCormick, Capt. Bryce, pilot
American Airlines
- McCormick, Mike, opns. dir.
T. D. Aviation
- McCoy, Capt. Deborah, SVP-flt. opns.
Continental Airlines
- McCoy, Richard F., Jr., hijacker
United Air Lines (2)
- McCracken, William P., chairman
New York, Rio and Buenos Aires Line
- McCrea, Douglas, jt. founder
Central Mountain Air, Ltd.
- McCrea, James, MD
Air New Zealand, Ltd.
- McCrindle, J. R., MD
West African Airways Corporation
- McCrindle, Mjr. Ronald, chairman
Hillman's Airways, Ltd.
- McCroskey, Ralph, pres.
Panorama Air Tours
- McCroskey, Thomas R., pres.
Air Tour Acquisition Corporation
Panorama Air Tours
- McCulloch, David, pilot/GM
America Trans-Oceanic Company
- McCullough, David, MD
Jersey European Airways, Ltd.
- McCullough Properties
McCullough International Airlines
- McCumber, Kenneth, vp-corporate marketing
Airborne Express
- McCune, Brenda, ops.-mgr.
Air Hanson, Ltd.
- McCusker, Capt. Donald, pilot
Olympic Airways, S.A.
- McCutcheon, Lisa, model
Western Pacific Airlines (Westpac)
- McDevitt, Donald T., chairman
Lionair (Pty.), Ltd.
- McDevitt, Jim, pilot
Air New England
- McDole, Richard, pres.
Sabourin Lake Airways, Ltd.
- McDonald, Brendan, investor
CityJet, Ltd.
- McDonald, John, founder/pres.
Vermont International Airways
- McDonald, Larry, U.S. Congressman/passenger
Korean Air Lines/Korean Air (KAL)
- McDonald, Mark, CEO
Nations Air Express
- McDonald, Mick, MD
Hevi Lift (Pty.), Ltd.
- McDonald, Robert C., pres.
Arnhem Air Charter (Pty.), Ltd.
- McDonald, T. H., founder/CEO
North Queensland Airways (Pty.), Ltd.
- McDonald, Vance, vp-opns.
Simmons Airlines
- McDonald, W. A. pilot
Southern Air Transport System
- McDonald's Restaurants
Crossair, Ltd.
United Airlines
- McDonnell, Edward O., investor
Pan American Airways (PAA)
- McDonnell Douglas MD-10 launch customer
Federal Express (FedEx)
- McDonnell Douglas MD-11 launch customer
Delta Air Lines
- McDonnell Douglas MD-80 launch customer
Pacific Southwest Airlines (PSA)
- McDonnell Douglas MD-81 launch customer
Swissair, A.G.
- McDonnell Douglas MD-82 launch customer
Republic Airlines
- McDonnell Douglas MD-83 launch customer
Alaska Airlines
- McDonnell Douglas MD-87 launch customer
Finnair O/Y
- McDonnell Douglas MD-88 launch customer
Delta Air Lines
- McDonnell Douglas MD-90-30 launch customer
Delta Air Lines
- McDougall, Greg, pres./MD
Harbour Air, Ltd.
- McDouglass, D., vp
Custom Helicopters, Ltd.
- McDougall, Capt. Roy, pilot
Britannia Airways, Ltd.
Euravia, Ltd.
- McEvaddy, Desmond and Ulick
Air Gambia, Ltd.
- McEwan, Nelson, GM
Great Barrier Airlines, Ltd.
- McFadzean, Sir Frank, chairman
British Airways, Ltd. (2)

- McFarland, M., GM
Commercial Air Services (Pty.), Ltd.
- McFarlane, Randal, MD
McKinley Air Charter (Pty.), Ltd. (Macair)
Transtate Airlines (Pty.), Ltd.
- McGann, Capt. Frank, pilot
Pan American-Grace Airways (PANAGRA)
- McGann, Gary, Aer Lingus Group CEO
Aer Lingus Irish Airlines, Ltd.
- McGee, Linious "Mac," founder McGee Airways/GM Star Air Service
Alaska Airlines
- McGee, William G., EVP/pres./chairman
Branniff, Inc.
Piedmont Airlines (1)
- McGibbon, A.R.G., chairman
British Midland Airways, Ltd.
- McGinn, Leo J., pilot
National Air Transport
- McGinness, Allen, vp-flt. opns./acting CEO
Lone Star Airlines
- McGinnis, L. S., founder/pres.
Camel Flying Service
- McGlohn, Robin, pilot
New York, Rio and Buenos Aires Line
- McGoldrick, Patrick "P. J.," MD/CEO/chairman
Heavylift Cargo Airlines, Ltd.
Ryanair, Ltd.
Transaer International, Ltd.
Translift Airways, Ltd.
- McGovern, James B. "Earthquake McGoon," pilot
Civil Air Transport, Ltd.
- McGowan, Gerry, founder/MD
Impulse Airlines (Pty.), Ltd.
- McGrath, William E., Jr., pres.
Gull Air
- McGregor, Capt. Donald, pilot
Olympic Airways, S.A.
- McGregor, Capt. F. M., pilot
Trans Canada Air Lines, Ltd.
- McGregor, Gordon R., pres.
Air Canada, Ltd.
Trans Canada Air Lines, Ltd.
- McGregor, John D., vp/GM
Pan American-Grace Airways (PANAGRA)
- McGregor, Mjr. Kevin, explorer
Northwest Airlines
- McGregor, M.C., MD
Air Travel, Ltd.
- McGuinness, Paul J., co-founder
QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- McGuire, Joe and Linda, founders
MC Aviation
- McGuire, Robert, U.S. bankruptcy judge
Legend Airlines
- McHaffey, Patrick J. R., jt. founder
Air Hanson, Ltd.
- McHugh, John, pres.
Planemasters, Ltd.
- Mchungula, Capt. Wisdom, pilot/GM
Air Malawi, Ltd.
- McInnes, Charles/Althea, passengers
British Regional Airlines, Ltd.
- McInnis, Norman K., pres.
Britt Airways
L'Express
Royale Airlines
- McIntosh, C. H., navigator
American Airlines
- McIntosh, Duncan, chairman
Malinair, Ltd.
- McIntosh, R. H., pilot
Handley Page Transport, Ltd.
Northern Air Lines, Ltd.
- McKaig, Alvin W., jt. founder
Florida West Indies Airways
- McKaughan, R. Earl, founder/pres.
Trans-Texas Airways
- McKay, John G., partner
Embry-Riddle Company
- McKean, Capt. Roger, chief pilot
Classic Helicopter Corporation
- McKee, Ruthie, vp
Federal Express
Northwest Airlines
- McKenna, Charles J., Jr.
Mac Dan Aviation Corporation
- McKenney, Irene, hijacker
United Airlines
- McKenzie, Bruce, founder/pres.
Air Hawaii (2)
- McKenzie, Keith, founder/DG
Mountain Air, Ltd.
- McKenzie, Terence, MD
Country Connection Airlines (Pty.), Ltd.
- McKeon, Frank, GM
Wings Airways (2)
- McKinney, B. F., founder/pres.
Air East
- McKinnon, Daniel, founder/pres.
North American Airlines (4)
- McKinnon, Michael, pres.
Ryan Air Service
- McKinsey & Co., consultants
Aeroflot Russian International Airlines (ARIA)
- McLachlan, James, consultant
Biman Bangladesh Airlines, Ltd.
- McLaren, F.A., chairman
Aero Geral, S.A.
- McLaren, Marjorie, CFO/pres.
Northern Air Cargo
- McLaren, Norman, animator
Imperial Airways, Ltd.
- McLaughlin, Guy, pilot
Coastal Airways (1)
- McLaughlin, Mary J., pres.
Primac Air
- McLean, James A., chairman/pres.
Conquest Airlines
- McLean, Jim, founder/chairman
Ontario Worldair, Ltd.
- McMahon, Brian, pres.
McMahon Helicopter Services
- McMahon, Graeme J., MD/GM
Ansett Airlines of Australia (Pty.), Ltd.
Ansett Australia (Pty.), Ltd.
- McMakin, Richard A., vp, Consolidated-Vultee Aircraft Corporation/dir.
Corsairways
- McManus, Eithne, CEO
Aer Lingus Commuter: Aerlinter Eireann Tioranta, Ltd.
- McManus, James, founder/chairman
Business Express (BEX)
- McMaster, Sir Fergus, underwriter/chairman
Qantas Empire Airways (Pty.), Ltd.
QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
- McMillan, Capt. Roscow, pilot
Delta Air Lines
- McMillin, Clifford, pilot
Coastal Airways (1)

- McMinis, Jon, founder/pres.
Panama Airways
- McMullin, J., pilot
Aircraft Transport and Travel, Ltd.
- McMurray, Sean B., MD
Air Excellence (Pty.), Ltd.
- McNair, Melvin and Jean, hijackers
Delta Air Lines
- McNally, Jim, jt. founder/pres.
Eastwind Airlines: The Bee Line
- McNally, M. J., hijacker
American Airlines
- McNamara, Robert S., dir.
Trans World Airlines (TWA)
- McNaughton, J. T., Navy Secretary-designate/passenger
Piedmont Airlines (1)
- McPeck, K. E., hijacker
Delta Air Lines
- McPherson, David, pres./CEO
Capital City Air, Inc.
- McPherson, Lewis, CFO
Casino Airlines
- McPhillips, Kevin, jt.-founder
Redcoat Air Cargo, Ltd.
- McQuaide, W. C., founder/pres.
Penn-Aire
- McQuay, Michael J., EVP-COO/MD
Hawaiian Airlines (HAL)
Air Pacific, Ltd. (2)
- McQueen, Capt. Robert, MD
British International Helicopters, Ltd.
- McRae, R. F., pilot
Bishop-Barker Aeroplanes, Ltd.
- McStay, John *see* McStay Luby
- McStay Luby, liquidators
Transaer International Airlines, Ltd.
- McSullivan, Donald M., vp-sales
Pan American World Airways (2)
- McSwiggan, Robert, founder
Academy Airlines
- McVicar, Donald M., founder/pres.
World Wide Airways, Ltd.
- Mdledle, Sipo, MD
Transkei Airways Corporation (Pty.), Ltd.
- Meacham, Malcolm, Key West businessman
Pan American Airways (PAA)
- Mead, G. T., chief engineer
United Air Lines (2)
- Meade, J. R., hijacker a.k.a. Dan B. Cooper
Northwest Airlines
- Meadows, Audrey, actress/designer & wife of CEO Bob Six
Continental Airlines
- Meagher, Capt. A., pilot
British Overseas Airways Corporation (BOAC)
- Meagher, Pierre, pres.
Newfoundland-Labrador Air Transport, Ltd.
- Meany, William, EVP
South African Airways (Pty.), Ltd.
- Medallion Holidays, Ltd.
Air Malta Company, Ltd. (2)
- Medhane, Semret, GM
Ethiopian Airlines, S.C.
- Mediocredito Centrale, investors
Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
- Mediterranean Holidays, Ltd.
Channel Airways, Ltd.
- Medlicott, Michael G., vp-Europe
Delta Air Lines
- Medvedev, V. A., DG
Amur Avia
- Medvediev, V. I., DG
Kras Air: Krasnoyarsk Avialinii (Krasair)
- Meehan, Neal F., SVP/pres.
Midway Airlines (1)
New York Air (1)
Continental Airlines
- Meeker, Capt. Thomas, pilot
American Airlines
- Meenan, William, pres.
Rich International Airways
- Meeson, Philip, pres.
Channel Express (Air Services), Ltd.
- Mega, Alejandro Morales, chairman
AVIACSA: Aviacion de Chiapas, S.A. de C.V.
Consortio Aviaxsa, S.A. de C.V.
- Mega, Eduardo Morales, pres.
AVIACSA: Aviacion de Chiapas, S.A. de C.V.
Consortio Aviaxsa, S.A. de C.V.
- Megwa, Ray, GM
Orient Airlines, Ltd.
- Mehte, A. H., chairman
Indian Airlines Corporation
- Mehungula, A., Capt., deputy MD
Air Malawi, Ltd.
- Meir, Golda, Israeli prime minister
El Al Israel Airlines, Ltd.
- Meisel, Edward, CEO
Comtel Messeflug, GmbH. & Co.
- Mejia, Gonzalo, founder/pres.
UMCA: Uraba, Medellin and Central Airways, S.A. de C.V.
- Mejia, Capt. Manuel, founder/pres.
Sudpacifico, S.A. de C.V.
- Mek, Chris, GM
Air Niugini (Pty.), Ltd.
- Mekdeci, Anthony, pres.
Guyana Airways Corporation: GAC 2000
- Mekhnnev, Nikolai, GM
Sverdlovsk 2nd Air Enterprise: Sverdlovsk Aviapredpriat
- Mekouar, Mohamed, president/CEO
Royal Air Maroc
- Meldahl, Henrik, MD
Scanair, A.B.
- Meldrum, R. S., GM
Oman Aviation Services Company, Ltd.
- Melgarejo, L. Posadas, hijacker
Austral Airlines, S.A.
- Melgosa, Capt. Luis, founder/pres.
TAO: Taxi Aereo de Oaxaca, S.A. de C.V.
- Mellado, Joaquin, MD
Lineas Aereas Postales Espanolas, S.A. (LAPE)
- Mellaerts, Luc, chairman
Challengair, S.A.
- Mellon, Timothy, investor
Pan American World Airways (2)
see also Guilford Transportation
- Melnikov, V., pilot
Deruluft, GmbH.
- Melvin, R. Deane, pres.
Trans Continental Airlines
- Menadne, John L., MD/CEO
Qantas Airways (Pty.), Ltd.
- Mencel, Robert, GM
Pan American World Airways (2)
- Mendelevich, Iosif, hijacker
Aeroflot Soviet Airlines
- Mendez, Manuel Gomez, pilot
LAGOSA: Lineas Aereas Guerrero-Oaxaca, S.A. de C.V.
- Mendez, Tony, CIA disguise-specialist

- Swissair, A.G.
- Mendez, Victor Manuel, GM
ALAS Chiricanas: Compania Alas Chiricana, S.A. de C.V.
- Mendis, Padwan "Paddy," chairman
Air Ceylon, Ltd.
- Mendizabal, Dr. Julio A., pres.
ASTRO: Servicios Aereos Astro, S.A.
- Mendoza, Ernesto Samper, founder/pres.
SACO: Servicio Aereo Colombiano, S.A.
- Mendoza, Ernesto, pres.
AVIANCA Colombian Airlines, S.A.
- Meneerlert, Nikorn, EVP
Thai Airways International, Ltd. (THAI)
- Mengistu, Youndewossen, MD
Aero Zambia, Ltd.
- Mennesson, Guy, chairman
Air Caledonie, S.A.
- Mercado, Mario Rivas, jt.-founder
TAP: Transportes Aereos del Pacifico, S.A.
- Mercer, Capt. J. C. "Bert," founder/MD
Air Travel (NZ), Ltd.
- Mercer, James, chairman
Ghana Airways Corporation
- Mercer, Jerry, founder/pres.
Ainet Systems: Ainet Express
- Merchant Express Aviation Services UK, Ltd.
Merchant Express Aviation Services, Ltd.
- Mercury Air Holidays
Lloyd International Airways, Ltd.
- Meridiana Finance, SpA.
Avianova, SpA.
- Merdiola, Jose A., Mexicarga pres.
Mexicana Airlines, S.A. de C.V.
- Meredith, Thomas, founder/jt.-founder
Meredith Air Transport, Ltd.
Trek Airways (Pty.), Ltd.
Tropic Airways (Pty.), Ltd.
- Merkulov, Victor, DG
Komsomolsk Na Armure APO
- Mermoz, Capt. Jean, chief pilot
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
- Merriam, Frank, California governor
Pan American Airways (PAA)
- Merrilees, Robert, founder/pres.
Ramsey Airways, Ltd.
- Merrill, Capt. Henry "Dick," pilot
Eastern Air Lines
- Merrill, Lynch & Co.
Aerolineas Argentinas, S.A.
Austral Airlines: Lineas Aereas Austral, S.A.
- Merrin, Richard, MD
Eagle European Airways, Ltd.
- Merryman, Capt. James, chief pilot
Downeast Airlines (1)
- Merseyside Air Park Co.
Utility Airways, Ltd.
- Meserve, W., unruly passenger
Northwest Airlines
- Meserole, C. V., 3rd, VPF
Tower Air
- Merseyside Air Park Co.
Utility Airways, Ltd.
- Messageries Maritimes
Reseau Aerien Interinsulaire, S.A.
- Messeh, Abdul, pres./CEO
Jet Link Holland, B.V.
- Messenger, Lionel "Buddy," GM
Nigeria Airways, Ltd.
- Messerschmitt Flugzeugwerke, A.G.
Deutsche Verkehrsflug, A.G.
- Messerschmitt M-20 launch customer
Deutsche Luft Hansa, A.G.
- Messner, Johann, jt.-MD
Albanian Airlines
- Mesta, Santiago, pres./CEO
Aerolatin: Aerolineas Latinas, S.A.
- Metassim, Pengiran Tengah, MD
Royal Brunei Airlines
- Metcalf, Terry, football player/passenger
Delta Air Lines
- Metello, Tonaz, founder/pres.
Air Madeira, S.A.
Air Zarco, S.A.
Euro Atlantic Airways, S.A.
- Metro Deutsche Bank
Hapag-Lloyd Fluggesellschaft, mbH.
- Metzelthin, Mme. P. V., dietician
American Airlines
- Mexico, Bancomext
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
- Mexican earthquake, 1985
Mexicana Airlines, S.A. de C.V.
- Mexican forest fires, 1998
Erickson Air Crane Company
Rogers Heavy Lift Helicopters
Rogers Helicopters
- Meyer, Carl E., Jr., pres.
Trans-World Airlines (TWA)
- Meyer, Otto Ernest, founder/MD
Condor Syndikat, GmbH.
VARIG Brazilian Airlines: Viacao Aerea Rio Grandeuse, S.A.
- Meyer, P., opns. mgr.
Rennies Express Air Services (Pty.), Ltd.
- Meyer, Rene Fernand, founder/pres.
Minerve: Compagnie Francaise de Transports Aeriens, S.A.
- Meyer, Roberto, pres.
Aerolineas Uruguayas, S.A.
- Meyers, Warren C., pres.
Wings Airways (2)
- Meyring, Gene, pilot
Alaska Southern Airways
Alaska-Washington Airways
- Mezheraup, P. K., pilot
Dobrolet
- Mezhor, A. S., DG
Ikar
- Mezran, Hag Mustafa, pres.
Libavia
- Miami Dolphins NFL team
Delta Air Lines
- Miami Heat NBA team
Carnival Air Lines
Pan American World Airways (2)
TransAmerican Charter
- Micallef, E., MD
Air Malta Company, Ltd. (2)
- Micaud, Rene, founder/chairman
Air Outre Mer, S.A.
- Michael, N. M., founder/pres.
Wise Airlines
- Michel, Carl, MD
Deutsche BA Luftfahrtgesellschaft, GmbH.
- Michigan
Aerodynamics
Aerogenesis Aviation
Active Aero Group
Air America (1)
Air Cruises

- Air Metro Airlines
 Air Michigan
 American International Airlines
 Avastar Jet Charter & Management Services
 Capitol Air Lines
 Century Airlines (4)
 Chippewa Air Commuter
 Chrysler Pentastar Aviation
 Commutair of Michigan
 Contract Air Cargo
 Corporate Air Management
 Corporate Express
 Corporate Flight
 CSA Air
 Detroit Northern Airlines
 Drummon Island Air
 Eagle Aviation (3)
 Emmet County Aviation
 Express.Net Airlines
 Flagship Express: Flagship Express Services
 Fontana Aviation
 Great Lakes Commuter
 Interstate Airlines (2)
 Isle Royale Airways
 Isle Royale Seaplane Service
 Jet U.S.
 Kohler Aviation Corporation
 Lake Central Aviation
 Maxon & Dixon Air Lines
 McMahon Helicopter Services
 Michigan Air Express
 Michigan Airways
 Michigan Trade Wings
 Miller Airlines
 Murray Air
 Phillips Flying Service
 ProAir
 Rapid Air
 Reliant Airlines
 Rosenbaum Aviation
 Royal Air Freight
 Seaco Airlines
 Shawano Flying Service
 Shorter Airlines
 Spirit Air
 Standard Airways (2)
 Superior Aviation
 TAG Airlines
 Time Airlines
 Trans Continental Airlines
 Trans Aire
 Trans Michigan Airlines
 Tulip City Air Service
 USA Jet Airlines
 Universal Airline Company
 Welch Aviation
 Zantop International Airlines
 Micikowska, Halina, Polish film industry official/passenger
 Balkan Bulgarian Airlines
 Miclod, Dr. F. Hope, Australian physician
 QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 Mid-air collisions *see* Crashes
 Mid-air collisions (near) *see* Incidents (m)
 Mid East Integrated Steel Company, Ltd.
 Mesea Airlines, Ltd.
 Middleton Travel Agency
 Laker Airways, Ltd.
 Midland and Scottish Railroad
 Northern and Scottish Airways, Ltd.
 Midoro, Masuichi, managing editor
 Asahi Teiki Koku Kai (ATKK): Asahi Periodical Air Navigation Society
 Midoro, Masuichi, pres.
 All Nippon Airways Company, Ltd. (ANA)
 Japan Helicopter and Aeroplane Transport Company, Ltd.
 Middleton, Admiral Laurence, MD
 British International Helicopters, Ltd.
 Midland Air Tour Operators
 Derby Airways, Ltd.
 Midland Bank
 Laker Airways, Ltd.
 Midnight, Capt. Stanley, pilot
 Pan American World Airways (2)
 Midway Connection Group
 Midway Connection
 Midway Island
 Pan American Airways (PAA)
 Mikad, Aziz, chairman
 Air Liberte Tunisie, S.A.
 Novelair Tunisie, S.A.
 Mikael, Fitawrari Tafasse Habre, chairman
 Ethiopian Airlines, S.C.
 Mikati, Najib, Lebanese transport minister
 Middle East Airlines, S.A.L. (2)
 Miled, Aziz, CEO
 Nouvelair Tunisie, S.A.
 Mikelson, Clyde, founder/pres.
 Air Midway
 Mikelsons, J. George, founder/chairman
 American Trans Air
 Mikesch, Robert, Smithsonian Air & Space Museum curator
 Antilles Air Boats
 Mikhailov, Anatol, CEO
 Cheboksary Air Enterprise: Cheboxsrskoe A/P
 Mikhailov, V. V., DG
 Aviastar
 Mikhailov, Vladimir, CEO
 Strezhevoye Airline
 Mikhayev, Victor, DG
 Karat Joint Stock Company
 Mikkelsen, Bard, pres.
 Wideroe's Flyveselskap, A.S.
 Mil helicopter airline launch customer
 Aeroflot Soviet Airlines
 Mil-Homens, Brig. Gen. Jose, chairman/pres.
 Transbrasil, S.A.: Linha Aereas
 Milad, Aziz, chairman
 Air Liberte Tunisie, S.A.
 Milburn, Irene, flight attendant
 British Overseas Airways Corporation (BOAC)
 Milch, Erich, CEO/director/German Secretary of State for Air/Danziger
 Luftpost founder
 Deutsche Luft Hansa, A.G.
 Deruluft, GmbH.
 Lloyd Ostflug, GmbH.
 Milden, Stephen, founder/pres.
 Sun Aire
 Miles Marathon launch customer
 West African Airways Corporation
 Milev, Ilja, pres.
 Avioimpex: Macedonian Airways
 Milgrom, Asher, pres.
 Air West Airlines
 Milk airlift (U.K.) of 1948
 Lancashire Aircraft Corporation, Ltd.
 World Air Freight, Ltd.
 Millard, Carl, founder/pres.
 Millardair, Ltd.
 Millard, Wayne, pres.

- Millardair, Ltd.
 Millennium Dome
 British Airways, Ltd. (2)
 Millennium Eye/Millennium Wheel
 British Airways, Ltd. (2)
 Miller, Mjr. Allister M., founder/MD
 South African Aerial Transport (Pty.), Ltd.
 Union Airways (Pty.), Ltd.
 Miller, Allister M., MD
 Union Airways (Pty.), Ltd.
 Miller, Andrew, MD
 Ansett Australia (Pty.), Ltd.
 Miller, Ann, dancer/passenger
 Pan American-Grace Airways (PANAGRA)
 Miller, C.O., MD
 Emirates Air Services
 Miller, Charles, Jr., MD
 Commuter Air Philippines
 Miller, Dennis M., founder/pres.
 Flight Line
 Miller Air Transporters
 Miller, E. J., pres.
 Northward Aviation, Ltd.
 Miller, E. Ross, jt. owner/pres.
 TAG Airlines
 Miller, Gordon, chairman
 Gill Air: Gill Aviation, Ltd.
 Miller, Capt. H. C., founder/MD
 Commercial Aviation Company (Pty.), Ltd.
 Miller, Capt. Jack H., pilot
 Pan American-Grace Airways (PANAGRA)
 Miller, Jay N., director, C.R. Smith Museum
 American Airlines
 Miller, John M., pilot
 America Trans-Oceanic Company
 Miller, Keith, pres.
 Air Atlantic, Ltd.
 Eastern Provincial Airways, Ltd.
 Miller, Melvin "Doc," vp
 American Airlines
 Miller, Peter, founder
 Milair (Pty.), Ltd.
 Miller, Rudy, chairman/pres.
 Stateswest Airlines
 Miller, Capt. S. H., advisor
 THY Turkish Airlines, A.O.
 Miller, Stephen, pres.
 Dragonair (Pty.), Ltd.
 Miller, Thomas R., jt. owner.
 Anglo-Normandy Airways, Ltd.
 Miller, Walter S., founder/pres.
 Air Texas
 Miller Airmotive
 Miller Airlines
 Miller Oil Company
 TAG Airlines
 Millican, Mjr. Marc, explorer
 Northwest Airlines
 Millichap, Capt. R. E., pilot
 British Overseas Airways Corporation (BOAC)
 Milligan, S. Wylie, jt. founder
 General Aviation (2): Greeneville Air
 Millinor, J. Patrick, Jr., chairman/CEO
 Ultrair
 Million, Juan B., founder/chairman
 Aerocondor, S.A.
 Million Air
 Milne, R. J., MD
 Malaysia Air Charter Company, Ltd.
- Milosevic, Marko
 JAT Yugoslav Airlines
 Milosevic, Slobodan, Yugoslav president
 JAT Yugoslav Airlines
 Milton, Robert A., EVP/pres./COO
 Air Canada, Ltd.
 Milward, Sir Anthony, chairman
 British European Airways Corporation (BEA)
 Mimms, Graham S., founder/MD
 Air Camelot, Ltd.
 Aviation West, Ltd.
 Celtic Airways, Ltd.
 Mims, Lew and Shay, founders
 Big Island Air
 Minchin, F., pilot
 Imperial Airways, Ltd.
 Mines, Jack, jt. founder
 Kenmore Air Harbor
 Ming, Stanley, dir.
 Guyana Airways Corporation: GAC 2000
 Mingey, W. J., hijacker
 Eastern Air Lines
 Mingshun, Huan, president
 Air Great Wall
 Minichiello, Robert, hijacker
 Trans World Airlines (TWA)
 Minish, Rep. Joseph G. (D-NY)
 Eastern Air Lines
 Minko, Samuel, pres./MD
 Air Gabon, S.A.
 Cameroon Airlines, S.A.
 Minnesota
 Air Central (1)
 Air Freight Express
 Air Vantage Airlines
 Aviation Charter
 Bemidji Airlines
 Canadian-American Airlines
 Champion Airlines
 Charles Dickenson
 Command Air
 CSA Air
 Eagle Air (2)
 Ede-Aire
 Fleet Airlines
 Flight Development, Inc.
 Gopher Airlines
 Jefferson Air Service
 Jetways
 Lake State Airways
 Mesaba Airlines
 Midwest Aviation (2)
 North Air (2)
 North Central Airlines
 Northern Air Lines
 Northwest Airlines
 Pro Airlines
 Red Baron Airlines (1)
 Regent Aviation
 Republic Airlines
 Sizer Airways
 Sun Country Air Lines
 Viking International Airlines
 Watertown Airways
 West Central Airlines (2)
 Minnesota, Supreme Court
 Northwest Airlines
 Minnesota Enterprises
 Texas International Airlines

- Minnesota Orchestra
 - Northwest Airlines
- Minnesota Twins MLB team
 - Trump Air Shuttle
 - Champion Airlines
- Minnesota Timberwolves NBA team
 - Express One International
 - Front Line Tours
 - Champion Airlines
- Minnesota Vikings NFL team
 - Northwest Airlines
- Minster Assets, Ltd.
 - Invicata Airways, Ltd.
 - British Midland Airways, Ltd.
- Mintoff, Dom, prime minister of Malta
 - Libyan Arab Airlines
- Miranda, Dr. Leonel, pres.
 - Air Macau Company, Ltd.
- Mireles, Lic Gustavo Espinosa, pres.
 - CMA: Compania Mexicana de Aviacion, S.A. de C.V.
- Mirnyy, Soviet Antarctic research station
 - Aeroflot Soviet Airlines
- Mirpuri, Paulo, MD
 - Air Luxor, S.A.
- Misharfa, Capt. Hassan, opns. dir.
 - Egyptair, S.A.E.
- Misir Bank
 - SAIDE: Societe Aeriens Internationaux d'Egypte, S.A.
- Misir Insurance
 - EgyptAir, S.A.E.
- Miss America Pageant
 - AAXICO Airlines
- Miss Universe Pageant
 - British West Indies Airways, Ltd. (2) (BWIA)
- Mississippi
 - Coastal Airways (3)
 - Flight Line
 - Gulf Coast Airlines
 - Hawkins Airways
 - Jim Hankins Air Service
 - Miller Air Transporters
 - South Central Air Transport (2)
 - Southern Airlink
 - Southern Airways (2)
- Missouri
 - Aero Charter
 - Air Associates, Inc.
 - Air Executive Airlines
 - Air Missouri
 - Baron Aviation Services
 - Branson Airlines
 - Cardinal Airways
 - Central Airlines (1)
 - Central Airlines (5)
 - Century Airlines (3)
 - Chicago and Southern Air Lines
 - Corporate Aircraft Management
 - Eagle Airlines (1)
 - Global International Airways
 - Green Hill Aviation
 - Gromer Aviation
 - Horizon Airways
 - Interstate Airlines (1)
 - Jetcorp
 - Marquette Airlines
 - Midland Air Express
 - Ong Airlines
 - Ozark Airways
 - Piasa Commuter Airlines
 - Pioneer Airlines (1)
 - Poplar Bluff Airways
 - Priority Air Freight Company
 - Redwing Airways
 - Resort Air
 - Robertson Aircraft Corporation
 - Robertson Airplane Service Company
 - Royal Air
 - Semo Airways
 - Skyway Airlines (1)
 - Sun Air Lines
 - Trans-Missouri Airlines
 - Trans-States Airlines
 - Trans-World Airlines (TWA)
 - Tuxhorn Airlines
 - United States Airways
 - Vanguard Airlines (2)
- Missouri flood of 1951
 - Trans World Airlines (TWA)
- Missurati, T., opns. mgr.
 - Jamahiriya Libyan Arab Airlines
- Mr. Cheaps Travel
 - Trans World Airlines (TWA)
- Mistral Voyages
 - Air Sao Tome e Principe: Linhas Aereas de Sao Tome e Principe, S.A.
- Miszkurka, Waldemar, founder/CEO
 - 4-Air Airlines, S.A.
- Mitchell, James, Irish minister for transport and tourism
 - Aer Lingus Irish Airlines, Ltd.
- Mitchell, Dr. Keith, Grenada prime minister
 - LIAT (1974), Ltd.
- Mitchell, Robert S., GM
 - Corsairways
- Mitsubishi G3M2 launch customer
 - Japan Air Lines Company, Ltd. (1)
- Mitsubishi MC-20 launch customer
 - Japan Air Lines Company, Ltd. (1)
- Mitsui & Co., Ltd.
 - City Airlink, Ltd.
 - Japan Air Lines Company, Ltd. (1)
 - Japan Air Transport, Ltd.
 - Manchurian Air Transport Company, Ltd.
- Mitsui OSK Lines, investor
 - Nippon Cargo Airlines Company, Ltd.
- Mittelholzer, Walter, MD
 - Ad Astro Aero, A.G.
 - Swissair, A.G.
- Mitten, Thomas E., founder
 - Philadelphia Rapid Transit Air Service
- Mitterand, Francois, French president
 - Vietnam Airlines
- Miyagawa, Kenichi, chief pilot
 - East Asia Airways (Pty.), Ltd.
- Miyazawa, Kiichi, Japanese foreign minister
 - Philippine Air Lines
- Mizzi, Albert, chairman
 - Air Malta Company, Ltd. (2)
- Mkhwanazi, Mafika, chairman
 - South African Airways (Pty.), Ltd.
- MLT Vacations
 - Champion Airlines
 - Northwest Airlines
 - Sun Country Air Lines
- Mobil Libya, S.S.
 - Court Helicopters (Pty.), Ltd.
- Mobutu Sese Sek, president of Zaire
 - Air Zaire, Ltd.
- Modi, Capt. R. K. S., pilot
 - Indian Airlines, Ltd.

- Modi, Russi, chairman
Air India, Ltd.
Indian Airlines, Ltd.
- Modi, S. K., Modi Group chairman/founder
Modiluft
- Modise, Mmapula, chairperson
Air Botswana Corporation, Ltd.
- Moello, J. Pierre, co-founder
Mid Airways, S.A.
- Moeschel, Manfred, co-MD/pres.
Hamburg Airlines, GmbH. & Co. K.G. (1)
NFD: Luftverkehrs, A.G.
- Moffett, Adm. William A., supporter
New York, Rio and Buenos Aires Line
- Mogadishu, Somalia, *see*
Skyjackings—Oct. 13, 1977;
Deutsche Lufthansa, A.G.
- Mogilner, Arthur J., extortionist
United Airlines
- Mohale, Bonang, EVP
South African Airways (Pty.), Ltd.
- Mohamed, Ghulam, founder
Tyne Tees Airways, Ltd.
- Mohammad, Azhar Wali, MD
Panjad Aviation, Ltd.
- Mohammed Bin Masaoood and Sons, owners
Emirates Air Services
- Moharram, Chafi, chairman
Trans-Mediterranean Airways, S.A.L.
- Mohawk 298 launch customer
Allegheny Airlines (1)
- Mohd, Dr. Gibril, MD
Azza Transport Company, Ltd.
Ibis Aviation Aruba, A.V.V.
- Mohede, Henry, MD
PT Transindo
- Moi, Daniai, Kenyan president
Kenya Airways, Ltd.
South African Airways (Pty.), Ltd.
- Molapo, Q., MD
Air Lesotho
- Molin, Roland, founder/pres.
Scanjet Aviation, A.B.
- Molina, Capt. Eugenio, VP
RUTACA: Rutas Aereas, C.A.
- Molinario, Felice, pres.
Avianova, SpA.
- Molinar, A., GM
Lauda Air, SpA.
- Moll, Capt. Jan-Johannes, pilot
KLM: Royal Dutch Airlines, N.V.
- Moller, Maersk McKinney, founder/chairman
Maersk Air, A.S.
- Moller, Verner, MD
Conair of Scandinavia, A.S.
- Mollison, Capt. J. A., founder/MD
Eyre Peninsula Airways (Pty.), Ltd.
- Molloy, Syd, pilot
Pitcairn Aviation
- Molnar, Janos, CFO
Pannon Air Service, Kft.
- Molodezhnaya, Soviet Antarctic research station
Aeroflot Soviet Airlines
- Molokov, Vasily S., pilot/DG
Aviaarktika
Aeroflot Soviet Airlines
- Moloney, Maurice G., founder/CEO
Moloney Aviation (Pty.), Ltd.
- Momoh, Prince Tony, chairman
Nigeria Airways, Ltd.
- Mondale, Walter F., U.S. vice president/dir.
Northwest Airlines
- Monday, William “Bill,” the “Flying Cowboy” of Cody, Wyoming
Johnson Flying Service
- Moniba, Maate P., GM
Air Tungaru Corporation
- Monkey World
British Airways, Ltd. (2)
- Monnickendam, Laurence N., jt.-founder
Tradair, Ltd.
- Monro, C. Bedell, pres./chairman
Capital Airlines
Pennsylvania Central Airlines
- Montana
Big Sky Airlines
Combs Freightair
Corporate Air (2)
Hensley Flying Service
Johnson Flying Service
Lynch Flying Service
Montana Development and Air Transport Company
Severson Air Activities
- Monteath, Donald, VPO/COO
Virgin Express Airlines, S.A.
- Montero, Ernesto, passenger
American Airlines
- Montes de Oca, Justino, Mexican bankruptcy judge
TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
- Montesinos, Mjr. Jose Maria, CEO
TAME: Transportes Aereos Militares Ecuatorianos
- Montgomery, Austin, swindler
Coastal Airways (1)
- Montgomery, Field Marshal Bernard
Derby Airways, Ltd.
- Montgomery, John K., supporter/investor
New York, Rio and Buenos Aires Line
Pan American Airways (PAA)
- Monti, Mario, EU antitrust commissioner
Air 2000, Ltd.
Airtours International Airlines, Ltd.
British Airways, Ltd. (2)
KLM: Royal Dutch Airlines, N.V.
- Montijo, John, pilot
Varney Air Transport
- Montoya, J.G. Caro, hijacker
AVIANCA Colombian Airlines, S.A.
- Moody, Capt. Eric, pilot
British Airways, Ltd. (2)
- Moody, P. H., founder/MD
Air Taxis (Pty.), Ltd.
- Mook, Gilbert D., EVP/COO
America West Airlines
- Moon Chin, Capt., pilot
China National Airways Corporation (CNAC-1)
- Mooney, Michael A., pres.
Grand Canyon Airlines (1)
- Mooney, Michael W., vp-planning
Midwest Express Airlines
- Mooney, Tony, MD
Air South West, Ltd.
- Moor, Frederick C. “Doc,” jt. founder
Southern Air Transport
- Moore, Capt. Andrew, jt.-founder/chief pilot
Eastland Air (Pty.), Ltd.
- Moore, Col. Benjamin, founder/pres.
Apollo Aviation
- Moore, Capt. Byron, pilot
American Airlines

- Moore, Cynthia, jt.-founder/GM
Eastland Air (Pty.), Ltd.
- Moore, Donna, passenger
PIA: Peruvian International Airways, S.A.
- Moore, Jonathan and Clydelle, founders
Air U.S.
- Moore, John, British secretary of state for transport
British Airways, Ltd. (2)
- Moore, Capt. John, pilot/owner/pres.
Island Express Helicopter Service
- Moore, L. D., hijacker
Southern Airways (1)
- Moore, Patti, VP
Island Express Helicopter Service
- Moore, Peter, MD
Australian Airlink (Pty.), Ltd.
- Moore, Capt. Peter, pilot/fleet mgr.
Hunting Cargo Airlines, Ltd.
- Moore, Roy T., founder/pres.
Worldway Airlines, Ltd./Worldways Canada, Ltd.
- Moore, Thomas, pres.
Atlantic Coast Airlines
- Moorhouse, Earl, passenger
Deutsche Lufthansa, A.G.
- Moos, Petr, Czech transport/communications minister
CSA Czech Airlines, A.S.
- Moosmeyer, Paul, DG
Syndicato Condor, S.A.
- Moraguez, Miguel, pres.
Aerolineas Argentinas, S.A.
- Morales, Carlos, GM
Americana de Aviacion, S.A.
- Moran, Manuel, pres.
Aerolineas Argentinas, S.A.
- Moran, Michael, Webmaster
Eastern Air Lines
- Morane, Robert, advisor
Compagnie des Messageries Aeriennes, S.A. (CMA)
- Morauta, Sir Mekere, Niugini prime minister
Air Niugini, Ltd.
- Morberg, C. Arnold, pres./GM
Calm Air International, Ltd.
- Moreau, Jean-Baptiste, founder/pres.
OYA Helicopters, S.A.
- Moreau, Jeanne, actress/spokesperson
Air France
- Moreira, Armando, pres.
LAR Transregional, S.A.
- Moreira, Paul, pres./CEO
Eastern Caribbean Express, Ltd. (EC Xpress)
- Morel, Guy, chairman
Air Seychelles, Ltd.
- Moreno, Raul Zarate, pres.
Aeropesca: Servicios Aereos Aeropesca, S.A.
- Moreno Reyes, Hector, pres.
AIRES: Aerovias de Integracion Regional, S.A.
- Morey, Howard, pres./GM
North Central Airlines
Wisconsin Central Airlines
- Morgan, Andrew Gilbert "Gil," Jr., pres./COO
World Airways
- Morgan, H. Carey, passenger
New York-Newport Air Service
- Morgan, Capt. J. S., pilot
Skyways, Ltd.
- Morgan, John, chairman
Cambrian Airways, Ltd.
- Morgan, Michael, chief pilot
Warbelow's Air Ventures
- Morgan, Morien B., chairman, British SST Aircraft Committee
British European Airways Corporation (BEA)
- Morgan, William T. Churchill, pres.
ALASA: Aerovias Latino Americanas, S.A.
CAVSA: Comunicaciones Aereas de Veracruz, S.A. de C.V.
- Morgan Guaranty Trust
LanChile Airlines, S.A.
- Moriarty, Michael, actor
Korean Air Lines/Korean Air (KAL)
- Morley, David, MD
Sloane Helicopters, Ltd.
- Morley, Robert, spokesman
British Airways, Ltd. (2)
- Moroosi, Capt. Duke, MD
Air Lesotho
- Morozov, Marat, opns. dir.
Aviaengergo Roa
- Morris, Christopher, liquidator
Laker Airways, Ltd.
- Morris, Enrique Valladaree, pres.
AVIATECA: Aerolineas de Guatemala, S.A.
- Morris, June, founder/chairman
Morris Air Service
- Morris, Mark G., founder/chairman
Air One
- Morris, Pamela, flight attendant
Cambrian Air Services, Ltd.
- Morris, Phillip, vp
MedJet International
- Morrison, Glen, passenger
Airtours International Airlines, Ltd.
- Morrison, Herb, journalist
Deutscher Zeppelin-Reederei, A.G.
- Morrison, J., MD.
Link Airways (Pty.), Ltd.
- Morrison, J. T., chairman/MD
Protea Airways (Pty.), Ltd.
Royal Swazi National Airways, Ltd.
- Morrison, James A., GM
Air Creebec, Ltd.
- Morrison, Stub, jt. founder
Talkeetna Air Service
- Morrison, Wilbur, vp
Pan American Airways (PAA)
- Morrissey, Ed, pilot
Pitcairn Aviation
- Morro, Mark, vice chairman/pres.
Resort Commuter Airlines (2)
Wings West Airlines
Air 21
- Morrow, Anne
Pan American Airways (PAA)
- Morrow, Ambassador and Mrs. Dwight
Pan American Airways (PAA)
- Morse, Kingsley G., owner/chairman
Command Airways
- Morsi, Rifaat, pres.
Air Columbus: Transporte Aereo Nao Regular, S.A.
- Mort Beyer & Agnew consultants
Eastwind Airlines
Trans World Airlines (TWA)
- Mortensen, Henri, MD
Atlantic Airways Faroe Islands, A.S.: Atlantsflog
- Morton, Frederick, GM
Aurigny Air Services, Ltd.
- Morton, T. W., pilot/founder/MD
British Air Navigation Company, Ltd. (BANCO)
Morton Air Services, Ltd.
- Mortzfeldt, Jonathon, chairman

- Gronlandsfly, A.S./Greenlandair, A.S.
 Moschitta, John, actor/spokesman
 Federal Express (FedEx)
 Moscow, Battle of
 Aeroflot Soviet Airlines
 Moscrop, David, MD
 Cambrian Airways, Ltd.
 Moseenkoiv, Vladimir, chairman
 Remax Airlines
 ATC Russ
 Moser, Renate, VP
 Rheintalflug-Rolf Seewald Gesellschaft, GmbH.
 Mosely, C. C., vp-opns.
 Western Air Express
 Moses, Kenneth, liquidator
 Sun Air (Pty.), Ltd.
 Mosher, Samuel B., chairman
 The Flying Tiger Line
 Moshkov, Cmdr. Nikolai, CEO
 Nizhegorad Airlines: Nizhegorodskii Avialinii
 Mosier, Orval M. "Red," GM/vp
 American Airlines
 Branniff Airways
 Moss, Hershey, chairman
 Air L.A.
 Mossad, (Israel)
 El Al Israel Airlines, Ltd.
 Mosse, Jacques, founder/MD
 Air Atlantique, S.A.
 Mosselman, Hans, founder/chairman
 Dutchbird, S.A.
 Mossman, Capt. Alan, chairman/MD
 Highland Airways, Ltd. (2)
 Mostert, Capt. M. C. P., pilot/chairman/GM/MD
 West African Airways Corporation
 Wilson Airways, Ltd.
 Mostjet, Ltd.
 British World Airlines, Ltd.
 Motaze, Louis-Paul, CFO
 Cameroon Airlines, S.A.
 Motion pictures
 About Mrs. Leslie
 Southwest Airways (2)
 African Airways
 Imperial Airways, Ltd.
 Air Force One
 American International Airways (3); Tower Air
 Air Outpost
 Imperial Airways, Ltd.
 Air Port
 Imperial Airways, Ltd.
 Air Post
 Imperial Airways, Ltd.
 Airport
 Continental Airlines; The Flying Tiger Line; Trans World Airlines (TWA)
 Airport 1975
 American Airlines
 Air Ways to Cape Town
 Imperial Airways, Ltd.
 Along Came a Spider
 Helijet Airways, Inc.
 Apocalypse Now
 The Flying Tiger Line
 Around the World via Graf Zeppelin
 Deutscher Zeppelin-Reederei, A.G.
 Austin Powers: The Spy Who Shagged Me
 Virgin Atlantic Airways, Ltd.
 Batman
 Airborne Express
 Benjamin
 Air France
 Black Rain
 Northwest Airlines
 Blue Lagoon, The (1 & 2)
 Turtle Airways, Ltd.
 Bright Eyes
 American Airlines
 By Love Possessed
 Trans World Airlines (TWA)
 Cast Away
 Federal Express (FedEx)
 Turtle Airways, Ltd.
 China Clipper
 Pan American Airways (PAA)
 Christmas in Connecticut
 American Airlines
 Cinerama South Seas Adventure
 Mount Cook Air Service, Ltd.
 Commando
 Western Airlines (1)
 Crash Landing: The Rescue of Flight 232
 United Airlines
 Crash of Flight 401
 Eastern Air lines
 Die Hard II
 Hawaiian Airlines (HAL)
 Double Jeopardy
 Helijet Airways, Inc.
 Drop Zone
 American International Airways (3)
 Executive Decision
 American International Airways (3)
 Falling From the Sky: Flight 174
 Air Canada, Ltd.
 A Fire Called Jeremiah
 Johnson Flying Service
 First of the Few, The
 KLM: Royal Dutch Airlines, N.V.
 Flying Down to Rio
 Pan American Airways (PAA)
 Free Willie
 Southern Air Transport; United Parcel Service (UPS)
 From Russia With Love
 Pan American World Airways (1)
 Future's in the Air, The
 Imperial Airways, Ltd.
 George of the Jungle
 Island Helicopters Kauai
 Gold Braid
 Maddux Air Lines
 Hellbound
 Tower Air
 Hidden Assassin
 CSA Czech Airlines, A.S.
 High and the Mighty, The
 Transocean Air Lines (TAL)
 High Bright Sun, The
 Derby Airways, Ltd.
 Hindenburg, The
 Deutscher Zeppelin-Reederei, A.G.
 Howdy Chicago!
 Aeromarine Airways
 Island, The
 Tropic Air: Tropical Air Services (Barbados), Ltd.
 Island in the Sky
 American Airlines
 Transocean Air Lines (TAL)

It's a Wonderful Life
 American Airlines; Trump Air Shuttle
Jackie Chan's First Strike
 Aeroflot Russian International Airlines (ARIA)
Jacqueline Bouvier Kennedy
 Aeroamerica
Julie
 Transocean Air Lines (TAL)
King Kong
 Island Helicopters Kauai
Last Flight Out
 Pan American World Airways (1)
Liar, Liar
 Tower Air
Love on the Wing
 Imperial Airways, Ltd.
Mercy Mission: The Rescue of Flight 771
 Air New Zealand, Ltd.
Midnight in the Garden of Good and Evil
 Delta Air Lines
Miracle on 34th Street
 American Airlines; Trump Air Shuttle
Mogambo
 East African Airways Corporation
Night of the Generals
 Pan American World Airways (1)
North
 Island Helicopters Kauai
North Face
 Helijet Airways, Inc.
On a Clear Day You Can See Forever
 Pan American World Airways (1)
Oswald the Cat
 Transcontinental Air Transport (TAT)
Out of Towners, The
 Trans International Airlines (1)
Presumed Innocent
 United Airlines
Pursuit of D. B. Cooper, The
 Northwest Airlines
Raid on Entebbe
 Air France
Raiders of the Lost Ark
 Island Helicopters Kauai
Red Dance, The
 Maddux Air Lines
Real McCoy, The
 World Airways
Red Skies of Montana
 Johnson Flying Service
Romeo Must Die
 Helijet Airways, Inc.
The Rubber Wall
 Itavia, SpA.
Say It Ain't So
 Allegiant Air
Shutterspeed
 Helijet Airways, Inc.
Six Days/Seven Nights
 Island Helicopters Kauai
The Sixth Day
 Helijet Airways, Inc.
Sky Giant
 Transcontinental and Western Air Lines (TWA)
Snowriders
 Western Pacific Airlines (Westpac)
Tailspin: Behind the Korean Airline Tragedy
 Korean Air Lines/Korean Air (KAL)
Taking of Flight 847, The: The Uli Derickson Story

Trans World Airlines (TWA)
13 Hours by Air
 United Air Lines (2)
A Thousand Heroes
 United Airlines
Three Guys Named Mike
 American Airlines
Titanic
 United Airlines
Tomorrow Never Dies
 Titan Airways, Ltd.
Tragedy of Flight 103, The: The Inside Story
 Pan American World Airways (1)
Tucker: A Man and His Dreams
 The Flying Tiger Line
2001: A Space Odyssey
 Pan American World Airways (1)
Victory at Entebbe
 Air France
Watch and Ward in the Air
 Imperial Airways, Ltd.
Wings Over Africa
 Imperial Airways, Ltd.
Workdays
 Aeroflot Soviet Airlines
World is Not Enough, The
 Kitty Hawk International Airways
 Motta, Alberto, chairman/pres.
 COPA: Compania Panamenia de Aviacion, S.A.
 Motyaba, Benedict, chairman/MD
 Uganda Airlines, Ltd.
 Mount Galunggung, Indonesia, 1982 eruption
 British Airways, Ltd. (2)
 Singapore Airlines, Ltd.
 Mount Redoubt, Alaska, 1989-1990 eruptions
 Alaska Airlines
 Alaska Helicopters
 British Airways, Ltd. (2)
 Delta Air Lines
 Federal Express (FedEx)
 KLM: Royal Dutch Airlines, N.V.
 South Central Air
 United Airlines
 Mount Pinatubo 1991 eruptions
 Philippine Air Lines
 Mount St. Helens, Washington, 1980 eruption
 Columbia Helicopters
 Mountain Air Tours
 Mountain Air Express (2)
 Mountainwest Aviation
 Sierra Pacific Airlines (3)
 Mountbatten of Burma, Earl, passenger
 British Caledonian Airways, Ltd. (BCAL)
 Pan American World Airways (1)
 Moure, Jose Luis, chairman
 LanChile Airlines, S.A.
 Moussa Diane, Elhadj Nfa, MD
 Air Guinee: Compagnie Generale Air Guinee, S.A.
 Mowser, Capt. Erik, MD
 Air Caribbean, Ltd.
 Mozambique, UN relief effort, 2000
 Air Foyle, Ltd.
 Court Helicopters (Pty.), Ltd.
 Martinair Cargo, N.V.
 MK Airlines, Ltd.
 Mozambique Railway Administration
 DETA Mozambique Airlines, S.A.
 Mozart, Wolfgang Amadeus, composer
 Austrian Airlines, A.G.

- MP Travel
Hamburg Airlines, GmbH. & Co. K.G. (1)
Saarland Airlines, GmbH.
- Mramba, Basil, chairman
Precisionair Services, Ltd.
- MRIK Investment Company
Tsentr Avia
- MSC Corporation
Air Littoral, S.A.
- Mtine, T. M. D., chairman
Zambia Airways, Ltd.
Zambia Airways Corporation
- Muaket, Waleed, passenger
PEOPLExpress Airlines
- Muckleston, Robert, chairman
Orion Airways, Ltd. (2)
- Mudge, Robert, pres./CEO
Northeast Airlines (1)
- Mudiyo, Stafford C., GM
National Air Charters, S.A.
- Mueller, Arthur E. A., chairman
North Central Airlines
Wisconsin Central Airlines
- Mueller, Christopher, pres./CEO
Sabena Belgian World Airlines, S.A.
- Mueller, Hans, founder/pres.
Hawaiian Air Tour Service (HATS)
- Mueller, Louis, jt. founder/pres.
Continental Air Lines (2)
Varney Air Lines
Varney Air Transport
- Mueller, Raymond A. and David R., founders
Comair
- Mueller, William, pres./CEO
Trans-Colorado Airlines
- Mugabe, Robert, prime minister of Zimbabwe
Air Zimbabwe Corporation
- Mugabo, G., MD
Air Burundi, S.A.
- Mugizi, Davis Joash, murdered former commercial services dir.
Uganda Airlines, Ltd.
- Muhamad, S. Ibrahim, MD
Jambo Airlines, Ltd.
- Muhetdin, Maamoon, pres.
Iraqi Airways
- Muir, Rachel, opns. dir.
Rossair Executive Air Charter (Pty.), Ltd.
- Mukandila, Capt. Paul, pilot/pres.
Lignes Aeriennes Congolaises, S.A.
- Mukasa, Gerald, swindler
British Airways, Ltd. (2)
- Mukden (China) evacuation, 1948
Civil Air Transport, Ltd.
- Mukendi, Aubert, Congolaise transport minister
Lignes Aeriennes Congolaises, S.A.
- Mukhin, A.A., DG
Airlines of the Central Regions
- Mukuna, Tshimbombo, chairman
Air Charter Service, S.A.
New ACS, S.A.
- Mukyeli, Capt. Stephen, pilot
Uganda Airlines, Ltd.
- Mulcahy, Capt. F. P., USMC
Pan American Airways (PAA)
- Mulders, Jaap, founder/chairman
XP Express Parcel Systems, B.V.
- Mulford, Michael W., pres.
Green Hills Aviation
- Mullan, Cathal, chairman/CEO
Aer Lingus Irish Airlines, Ltd.
- Muller, Jeremy, MD
Flying Colours Airlines, Ltd.
- Muller, Paul Maximillian, EVP
Swissair, A.G.
- Muller, S. I., South African transport minister
South African Airways (Pty.), Ltd.
- Mulligan, Reginald, chairman
Gill Air: Gill Aviation, Ltd.
- Mullikin, Capt. Walter H., pilot
Pan American World Airways
- Mullin, Leo F., pres./CEO
Delta Air Lines
- Mullins, A. W. D. "Mull," mechanic
Guinea Airways (Pty.), Ltd.
- Mullor, Angel, MD
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Mulroney, Brian, prime minister of Canada
Air Canada, Ltd.
CHC: Canadian Helicopter Corporation, Ltd.
- Mulroney, Paul, pres.
Air Georgian, Ltd.
- Mulundika, Capt. Godfrey M., MD
Zambia Airways Corporation
- Mulyono, Wage, pres.
PT Garuda Indonesia
- Munger, Charles T., financier
USAir
- Munich crisis, September 1938
British Airways, Ltd. (1)
Imperial Airways, Ltd.
- Municipal Bank of Sao Paulo
Aerovias Brazil, S.A.
VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
- Munkburg, Carl-Olov, pres.
SAS: Scandinavian Airlines System
- Munoz, Hugo Rodriguez, pres.
Ades: Aerolineas del Este, S.A.
- Munro, Bob, jt. founder
Kenmore Air Harbor
- Munro, John, CEO
Greyhound Air, Ltd.
- Munson, F. C., supporter
New York, Rio and Buenos Aires Line
- Munoz, Hugo Rodriguez, pres.
ADES: Aerolineas del Este, S.A.
- Munoz-Mosquera, Dandeny, bomber
AVIANCA Colombian Airlines, S.A.
- Munz, Alan, founder/pres.
Airwork, Ltd.
- Munz, Bill, founder/pres.
Munz Northern Airlines
- Muraliyev, Amangeldy, Kyrgystan prime minister
Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
- Murata, Yoshihiko, senior MD
Japan Air Lines Company, Ltd. (2)
- Muratov, Timur, chairman/pres.
Kyrgystan Airlines: Kyrgystan Aba Yoldoru National Airline
- Murdoch, Peter, livery designer
Court Line Aviation, Ltd.
- Murdoch, Rupert, owner *see* News Corp., Ltd.
- Murdock, Mark, jt.-founder
Alaska Southcoast Airways
- Murdough, Lachlan, News Corp. EVP
Air New Zealand, Ltd.
Ansett Australia (Pty.), Ltd.
Singapore Airlines, Ltd.
- Mureev, A., pilot
Aeroflot Soviet Airlines

- Murillo, Arnaldo, chairman
 Aerolineas Republica, S.A.
 Muringi, Hittush, MD
 Air Zimbabwe Corporation
 Murkoski, James, vp-opns.
 Chautauqua Airlines
 Murphy, Anne-Marie, suspected bomber
 El Al Israel Airlines, Ltd.
 Murphy, Dan, pres./GM
 Northwest Territorial Airways, Ltd./NWT Air
 Murphy, E. C., CEO
 Aer Lingus Commuter, Ltd.
 Murphy, Florence, first Nevada-certified female pilot/VP
 Bonanza Air Lines
 Murphy, Jerry, chairman.
 Kiwi International Air Lines
 Murphy, Leigh, GM
 Matson Air Lines
 Murphy, Maurice, pilot
 Maddux Air Lines
 Murphy Insurance Group
 CityJet, Ltd.
 Murracioli, Jean-Pierre, pres./DG
 Air Toulouse International, S.A.
 Murray, Eric, co-owner/pres.
 Aerovias Nacionales, S.A. (Macaya)
 ENTA: Empresa Nacional des Transportes Aereos, S.A.
 Murray, Grant, pres.
 Eagle Canyon Airlines
 Murray, James P., pilot
 U.S. Air Mail Service
 Boeing Air Transport
 Murray, Joel, chairman
 Simmons Airlines
 Murray, Mark, chairman/pres.
 Murray Air
 Murray, Marvin, pres.
 Simmons Airlines
 Murray, Robert, pres.
 Air Caribe International
 Murray, Stephen, vp/GM
 Kitty Hawk Air Cargo
 Murray, Steve, vp
 American International Airways (3)
 Murray, Ty, bucking bull rider
 Western Pacific Airlines (Westpac)
 Murray and Roberts
 Court Helicopters (Pty.), Ltd.
 Murray Consultants
 Ryanair, Ltd.
 Murtaugh, Eugene, investor
 CityJet, Ltd.
 Murtinho, Arnaldo Raposo, founder/pres.
 VIABRAS: Viacao Aerea Brasil, S.A.
 Musal, Rich, pres.
 AccessAir
 Musara, Fungai, GM
 Air Zimbabwe Corporation
 Muse, Marion LaMar, vp/jt. founder/chairman/pres.
 Central Airlines (3)
 Muse Air
 Southern Airways (1)
 Southwest Airlines (2)
 Universal Airline Company
 Muse, Michael, pres.
 Muse Air
 Musee de l'Air
 Air France
 Museveni, Yoweri, Ugandan president
 South African Airways (Pty.), Ltd.
 Uganda Airlines, Ltd.
 Musharafa, Hassan, VP
 Egyptair, S.A.E.
 Musharraf, Gen. Pervez, Pakistani Army C of S
 Pakistan International Airlines Corporation
 Mushimba, Aaron, businessman
 Air Namibia (Pty.), Ltd.
 Musick, Capt. Edwin C., pilot
 Aeromarine Airways
 Pan American Airways (PAA)
 Philadelphia Rapid Transit Air Service
 Musiet, Carlos, vp-commercial
 National Airlines, S.A.
 Musiet Holdings
 National Airlines, S.A.
 Muskin, Odette, shareholder
 America West Airlines
 Mustakov, Philip, MD
 Balkan Bulgarian Airlines
 Mustangolov, Mirzo A., dir/DG
 Tajikistan Airlines
 Musleh, Joseph, jt. founder
 Carolina Air Transport
 Mussolini, Benito, Italian dictator
 Deutsche Luft Hansa, A.G.
 KLM: Royal Dutch Airlines, N.V.
 Mussolini, Bruno, pilot
 Linee Aeree Transcontinentale Italiane, SpA. (LATI)
 Mustangolov, Mirzo A., DG
 Tajikistan Airlines
 Mustar, Andrew E. "Pard," pilot
 Guinea Airways (Pty.), Ltd.
 Muste, Narciso Andreu, GM
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Musumeci, Carlo, GM
 International Flying Service, SpA.
 Eureca: European Regional Carrier, SpA.
 Musy-Luthi, Capt. Gaby, pilot
 Swissair, A.G.
 Muthama, Capt. Charles, jt. founder/MD
 Eagle Aviation, Ltd. (2)
 Mutjanko, J., MD
 Transeast Airlines, A.S.
 Mutryn, Thomas, CFO
 USAirways
 Mutuc, Amelito, ambassador/founder
 Air Manila
 Mutyambizi, A.T., GM
 Air Zimbabwe Corporation
 Muzyamba, Weston, Zambian supreme court judge
 Aero Zambia, Ltd.
 South African Airways (Pty.), Ltd.
 Myburgh, Michael, MD
 South African Airways (Pty.), Ltd.
 Myers, A. Maurice, pres.
 Aloha Airlines
 America West Airlines
 Myers, Bill, jt. founder/chairman
 Air California
 Cable Commuter Airlines
 Myers, Maurice, pres.
 Aloha Airlines
 Myers, Mike, actor
 Virgin Atlantic Airways, Ltd.
 Myhill, Ronald, founder/chairman
 Autair International Airways, Ltd.
 Aviameer Airlines, S.A.
 LTU International Airlines, KG

Overseas Aviation (Channel Islands), Ltd.
 Myhiyev, Mered, DG
 Khazar Airline

N

9 Network
 Qantas Airways (Pty.), Ltd.
 900 Entertainment Network
 Air L.A.
 Nabiulin, Rafkat R., DG
 Cheremshanka Airline
 Nachtomi, Guy A., VPO
 Tower Air
 Nachtomi, Morris K., chairman/CEO
 Tower Air
 Nader, Ralph, passenger/consumer advocate
 Allegheny Airlines (1)
 Braniff International Airways
 Nadir, Asil, pres.
 Noble Air, A.S.
 Nagabuchi, Saburo, executive
 Manchurian Air Transport Company, Ltd.
 Nagano, Aya, pilot
 J-Air, Ltd.
 Nagashima, Capt. Naoyuki, pilot
 All Nippon Airways Company, Ltd. (ANA)
 Nagibin, H. V., DG
 Rosvertol A/O
 Nagin, Lawrence M., EVP
 United Airlines
 USAir
 Nagomy, Leonid V., DG
 Far East Cargo Lines
 Nagorny, I. V., DG
 Far East Aviation
 Nagoya Railroad
 All Nippon Airways Company, Ltd. (ANA)
 Naka Nihon Airline Service Company, Ltd.
 Nahimana, Libere, MD
 Air Burundi, S.A.
 Nahvi, Mohammad B., investor/chairman
 Safir Airlines
 Naidenov, N.I., pilot
 Dobrolet
 Naidoo, Derusha, flight attendant
 South African Airways (Pty.), Ltd.
 Nain, Ashis, CEO
 Elbee Airlines, Ltd.
 Nainggolan, Santun, pres.
 PT Sempati Air
 Najera, Carlos, jt.-founder
 SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.
 Nakagawa, Kenzo, pres.
 Japan Air Lines Company, Ltd. (1)
 Nakajima AT-2 launch customer
 Japan Air Lines Company, Ltd. (1)
 Nakamura, Taizo, pres.
 All Nippon Airways Company, Ltd. (ANA)
 Nakano, Katsuyoshi, SVP
 Japan Helicopter and Aeropolane Transport Company, Ltd.
 Nakano, Raymond T., SVP/CFO
 National Airlines (4)
 Nakaoka, T, hijacker
 Japan Air Lines Company, Ltd. (2)
 Nakitende, Hadija, PR dir.
 Uganda Airlines, Ltd.
 NAMC YS-11A launch customer
 TOA Domestic Airways Company, Ltd. (ANA)
 Namgyel, Ugyen, MD

Druk Air: Royal Bhutan Airlines
 Namu, David, GM
 Kenya Airways, Ltd.
 Namus, Abdi Mohammed, chairman
 Somali Airlines, Ltd.
 Nanalig, Felipe, pres.
 Pacific Airways Corporation
 Nance, Fred, 1-millionth passenger
 Comair
 Nance, Capt. John J., pilot/writer
 American Airlines
 Braniff International Airways
Nanuk, schooner, rescue mission
 Alaska Airways
 Dobrolet
 Northern Aerial Minerals Exploration, Ltd.
 Naples (Italy) earthquake, 1980
 MALEV Hungarian Airlines, Rt.
 Napoli, Guiseppi, MD
 Mistral Air, SpA.
 Nappe, Jurgen, co-MD
 Hamburg Airlines, GmbH. & Co. K.G.
 Naripo, Willie, MD
 Vanair, Ltd.
 NASA Merritt Island Launch Area support contract
 Trans World Airlines (TWA)
 Nasasira, John, Ugandan works, housing, and communications minister
 Uganda Airlines, Ltd.
 Nash, J. R., passenger
 Air France
 Nasholds, Millard, original investor
 Cathay Pacific Airways (Pty.), Ltd.
 Nasr, Asad, GM
 Middle East Airlines, S.A.L. (2)
 Nasr, S. S., hijacker
 United Arab Airlines
 Nasser, Sharif Ghazi R., MD
 Arab Wings, Ltd.
 Nasseti, Alberto, pilot
 Alitalia, SpA.
 Nathaneil, Stavros, MD
 Cyprus Airways, Ltd.
 Nathanson, Mrs. J., MD
 Magnum Airlines (Pty.), Ltd.
 Natarajan, Jayanthi, Indian civil aviation minister
 Air India, Ltd.
 Indian Airlines Corporation
 Nathan, Lord, British minister of aviation
 British Overseas Airways Corporation (BOAC)
 National Air & Space Museum *see* Smithsonian Institution
 National Bank of Egypt
 EgyptAir, S.A.E.
 National Bank of Greece
 TAE Greek National Airlines, S.A.
 National Bank of Pakistan
 Pakistan International Airlines Corporation
 National Commercial Bank
 Loganair, Ltd.
 National Empowerment Fund
 Sun Air (Pty.), Ltd.
 National Football League
 Southwest Airlines (2)
 United Air Lines (2)
 National Freight Corporation
 Emerald Airways, Ltd. (2)
 Janes Aviation, Ltd.
 National Geographic Society
 Canadian Airways, Ltd.
 National Hockey League

- Southwest Airlines (2)
- National Liberation Army (ELN)
- AVIANCA Colombian Airlines, S.A.
- National Organization for Women (NOW)
 - Continental Airlines
 - National Airlines (1)
- National Symphony Orchestra
 - Delta Air Lines
 - Pan American-Grace Airways (PANAGRA)
- NationsBank Corp.
 - Delta Air Lines
 - Fine Air
 - Pan American World Airways (2)
- NATO *see* North Atlantic Treaty Organization
- Navarro, Jose A. Martinez, pres.
 - AVIACSA: Aviacion de Chiapas, S.A.
- Navarro, Manuel Eduardo Francesqi, shareholder
 - Cielos del Peru, S.A.
- NavCom Aviation
 - Ultrair
 - Paradise Airways
 - Prestige Airways
- Naviera Santa shipping line
 - AeroPeru: Empresa de Transportes Aereos de Peru, S.A.
- Navigations, plc
 - National Commuter, Ltd.
- Naylor, Malcolm, MD
 - Brymon Airways, Ltd. (1)
 - Gill Air: Gill Aviation, Ltd.
- Nazarian, V.V., DG
 - Armenian Airlines
- Nazerenko, Valery, pres.
 - Air Ukraine International: Mizharodni Aviolinii Ukraine
- Ncube, Donald, non-executive chairman
 - South African Airways (Pty.), Ltd.
- Ndebele, Evans, founder/MD
 - Zimbabwe Express Airlines
- Ndegwa, Philip, chairman
 - Kenya Airways, Ltd.
- Ndiaye, Abdoulaye, GM
 - Air Senegal: Societe Nationale de Transports Aeriens du Senegal, S.A.
- Ndyoye, Alioune, chairman
 - Air Senegal: Societe Nationale de Transports Aeriens du Senegal, S.A.
- Neal & Massy Group
- Nealco Air Services, Ltd.
- Near-miss incidents *see* Incidents
- Nebraska
 - AAA Air Enterprises
 - Air Commuter Airlines (2)
 - Air Midway
 - Air Nebraska
 - Central Airlines (4)
 - Duncan Aviation
 - GP Express Airlines
 - Omaha Aviation Commuter
 - Rapid Air Transport
 - Sky Harbor Air Services
 - Suburban Air Freight
 - Trans-Nebraska Airlines
 - West Central Airlines (1)
- Nebraska Department of Aeronautics
 - GP Express Airlines
- Neckermann Reisen, GmbH.
 - Condor Flugdienst, GmbH.
- Necktie, bucking bronco
 - Western Pacific Airlines (Westpac)
- Nedog, Janez, GM
 - Inex Adria Airways
- Neece, Kenneth, pilot
 - Varney Air Lines
- Needlands, Thomas D., Jr., pres.
 - Capital Airlines
- Needleman, David, pres./investor/chairman/CEO
 - Morris Air Service
 - Westjet, Ltd.
 - JetBlue Airways
- Neese, Capt. Kenneth, pilot
 - Pan American Airways (PAA)
- Neff, Harold L., pilot
 - United Air Lines (1)
- Nehet, Edward, pilot
 - Pacific Air Transport
- Nehru, Jawaharlal, prime minister of India
 - Air India, Ltd.
- Neira, Roberto, vp-opns.
 - LADESA: Lineas Aereas del Este, S.A.
- Neith Kai-I, Gen., vp-opns.
 - China National Aviation Corporation (CNAC-1)
- Neitzel, Hans, hijacker
 - CSA Czechoslovak Airlines
- Nekoba, Michael, pres.
 - Mahalo Air
- Nel, J. T., jt. founder
 - Noord Weste Lugdiens (Pty.), Ltd.
- Nelis, Cmdr. Georges, DG
 - Syndicat National Pour L'Etude des Transports Aeriens, S. A.
- Nelkin, S., pres.
 - CAL Cargo Airlines, Ltd.
- Nelson, Craig, MD
 - Aurigny Air Services, Ltd.
- Nelson, Edith, flight attendant
 - Transocean Air Lines (TAL)
- Nelson, Capt. Floyd, pilot
 - Pan American-Grace Airways (PANAGRA)
- Nelson, G. Wayne, founder/pres.
 - Airways of New Mexico
- Nelson, Kent C. ("Oz"), chairman
 - United Parcel Service (UPS)
- Nelson, Nathan, CFO
 - Tower Air
 - Trump Shuttle
- Nelson, Capt. Orvis M., pilot/founder/pres.
 - Transocean Air Lines (TAL)
 - United Air Lines (2)
- Nelson, Richard J., pres.
 - Skyservice, Ltd.
- Nelson, Thomas P., pilot
 - National Air Transport
 - Robertson Aircraft Corporation
- Nepal Indo-Suez Bank, Ltd., investor
 - Yeti Airlines, Ltd.
- Nerau, P., MD
 - Bougair (Pty.), Ltd.
- Nesmith, George, founder
 - Crescent Airways
- Ness, Ruth, passenger
 - United Airlines
- Nesterov, Vasily M., DG
 - Tartarstan Airlines: Tartarstan Hava Yollari TL
- Netanyahu, Benjamin, Israeli prime minister
 - El Al Israel Airlines, Ltd.
- Netanyahu, Col. Jonathan, antiterrorist leader *see* Skyjackings—
 - June 27, 1976.
- Netck, Werner, MD
 - Ratioflug, GmbH.
- Neth, Wallace P., jt. founder
 - Seaboard & Western Airlines
- Nederlandsche Handel Maatschappij

- Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V.
(KNILM)
- Neiman Marcus
United Airlines
- NEPC India, Ltd.
NEPC Airlines, Ltd.
Skyline NEPC, Ltd.
- NEPC Micon, Ltd.
NEPC Airlines, Ltd.
- Neradkov, Aleksandr, head, Russian State Service of Civil Aviation
(GSGA)
Aeroflot Russian International Airlines (ARIA)
MTKA Rusavia
- Nesterov, Vasili M., DG
Tartarstan Airlines
- Netherlands, The, Floods of 1953
British European Airways Corporation (BEA)
The Flying Tiger Line
- Netherlands, The, Het Interinsulair Bedrijf (IIB)
KLM: Royal Dutch Airlines, N.V.
- Netherlands, The, Military Air Transport Service
KLM: Royal Dutch Airlines, N.V.
Koninklijke Nederlandsch Indische Luchtvaart Maatschappij, N.V.
(KNILM)
- Netherlands, The, Ministry of Finance
KLM: Royal Dutch Airlines, N.V.
- Netherlands, The, Ministry of Transport and Public Works
KLM: Royal Dutch Airlines, N.V.
- Netherlands, The, Ministry of Waterworks
KLM: Royal Dutch Airlines, N.V.
- Netherlands, The, Nederlands Nieuw Guinea Luchtvaart Maatschappij,
N.V. (NNGLM)
KLM: Royal Dutch Airlines, N.V.
- Netherlands, The, Parliament
El Al Israel Airlines, Ltd.
KLM: Royal Dutch Airlines, N.V.
- Netherlands Indies Government Air Transport Group (VTG: Vliegtuig
Transport Group)
KLM: Royal Dutch Airlines, N.V.
Koninklijke Nederlandsche Indische Luchtvaart Maatschappij, N.V.
(KNILM)
- Neto, Felisberto, chairman
Air Sao Tome e Principe: Linhas Aereas de Sao Tome e Principe, S.A.
- Neto, Fred, GM
Kenya Airways, Ltd.
- Neuenhoffen, Willy, chief pilot
LAB: Lloyd Aero Boliviano, S.A.
- Neufeld, Helmut, GM
Suedavia, GmbH.
- Neuhaus, Daniel, disruptive passenger
El Al Israel Airlines, Ltd.
World Airways
- Neujimal, Gustav, chairman
Amadeus Air, A.G.
- Neun, Walter, contract pilot
Ukrvozdukhput
- Nevada
Air Chaparral
Air Nevada (1)
Air Nevada (2)
Air Vegas
Alamo Airways
Ambassador Airlines
Arizona Pacific Airlines
Aviation Services
Bonanza Air Lines
California-Nevada Airlines
Casino Express
CFI, Inc.
- Eagle Canyon Airlines
General Transport Services
Grand Airways
Great American Airways
Lang Aire
Las Vegas Airlines
Livermore Air Service
National Executive Airlines
Nevada Air Lines
Nevada Airlines
Omni Airlines
Pacific Air Aviation
Paradise Airlines
Ram Airways
Royal West Airways
Sierra Nevada Airlines
Sierra West Airlines (2)
Silver State Airlines
Silver Wings International
Sonora Airlines
Southern Nevada Airlines
Sundance Helicopters
Sunworld International Airlines
Trans Nevada Air Services
Vegas Jet
White Mountain Aire
- Neves, Carlos Costa, pres.
SATA Air Acores: Servico Acoreano de Transportes Aereos, S.A.
- Neves e Sousa, Albano, designer
TAAG Angolan Airlines, S.A.
- Neville, Wayne, pilot
National Air Transport (NAT)
- Nevin, Stephen C., CFO
AirTran Airlines
Atlas Air
- New, Henry, U.S. postmaster general
Pan American Airways (PAA)
- New Brunswick
Atlantair, Ltd.
Atlantic Airways, Ltd.
Canadian Transcontinental Airways, Ltd.
- New England Air Museum
Antilles Air Boats
- New England Motor Company
New England Airways (Pty.), Ltd. (1)
- New England Patriots NFL team
Continental Airlines
Northwest Airlines
- New Guinea Centenary Flight Syndiate
Pacific Aerial Transport (Pty.), Ltd.
- New Hampshire
Air Direct Airways
Air Nashua Corporation
Balsam's Air Service
Bird Air Fleet
Business Express (BEX)
Flying Dutchman Corporation
Joe Brigham, Inc.
Lebanon Airport Development Corporation
New England Commuter
Pan Am: Pan American Airways
Pan American World Airways (2)
Skymaster
Trans East Airlines
Winnepesaukee Airlines
- New Jersey
Aeroflex Corporation
Aeromarine Airways
Air Cargo Transport Corporation

- Air Charters
- Air Taxi Company (Red Bank)
- Airmarc Airlines
- American International Airways (2)
- Atlantic City Airways
- Bader Express
- Chatham Aviation
- Coastal Cargo Company
- EAF Charter: Executive Air Fleet
- Eastwind Airlines
- Frank Martz Coach Company
- GSC Aviation
- Holiday Airlines (5)
- Jet Express
- Kobrin Airways
- Liberty Helicopters
- Lynstar Aviation
- Mac Dan Aviation Corporation
- Million Air Interlink
- Monmouth Airways
- Morris Air Transport
- New Jersey Airways
- Northeast Airways
- Ocean Airways
- People Express Airlines
- Piper Twinair
- Primac Air
- Princeton Air Link
- Princeton Airways
- Raritan Valley Air
- Ronson Aviation
- Skystar International Airlines
- Skytrek Internaitonal Airlines
- Southern Jersey Airways
- Trans-Global Airlines
- Travelair
- United States Overseas Airlines (USOA)
- Williams Air
- World Airways
- New Jersey Devils NHL team
- Continental Airlines
- New Jersey Nets NBA team
- Viscount Air Service
- New Mexico
- Air New Mexico
- Air Ruidoso
- Air West Aviation
- Airways of New Mexico
- Bison Air Lines
- Bode Aviation
- Capital Aviation of Santa Fe
- Carco Air Service
- Crown Airlines
- Cutter-Carr Flying Service
- Greater Southwest Aviation
- Jet Aire
- Mansell Aviation
- Mesa Airlines
- Mountain Air of New Mexico
- Rio Grande Air
- Ross Aviation
- Roswell Airlines
- Sierra West Airlines
- Territorial Airlines
- Turner Aire
- Zia Airways
- New Orleans Saints NFL team
- Delta Air Lines
- New Orleans Symphony Orchestra
- Pan American-Grace Airways (PANAGRA)
- New York
- Adirondack Airlines
- Aero, Ltd.
- Aeron International Airways
- Air Commuting
- Air Margarita
- Air Niagra
- Air Train
- Air Vectors Airways
- Aircraft Services Group
- Airlift International
- Airvia Transportation Company
- Albany Air Service
- Albany Air Service and Athens Aviation
- Alector Airways
- American Airlines
- American Airways (1)
- American Export Airlines (AMEX)
- American Overseas Air Lines (AOA)
- Arista International Airlines
- Arrow Air
- Arrow Airways (2)
- Astec Air East
- Atlantic Coast Airways Corporation
- Atlantic Express Airlines
- Bard Airlines
- Canadian Colonial Airways (1)
- Canadian Colonial Airways (2)
- Catskill Airways
- Champlain Air Transport
- Chautauqua Airlines
- Cherokee Airlines
- Clinton Aero Service
- Coastal Airways (1)
- Colonial Air Lines (2)
- Colonial Western Airways
- Commutair
- Commuter Airlines (1)
- Continental Express
- Cosmopolitan Airlines
- Courtesy Air Service
- Curtiss Flying Service of New York
- Downtown Airlines
- East Hampton Aire
- East Hampton Airlines
- Eastway Aviation
- Empire Airlines (2)
- Empire State Airlines
- Excelaire Services
- Federal Carriers
- Finger Lakes Air Service
- Gateway Airlines
- General Aviation (1)
- Guy America Airways
- Helicopter Flight Services
- Heussler Air Service
- Holiday Airlines (4)
- Hudson Valley Airways
- Huff-Daland Dusters
- Island Air (4)
- Island Air (5)
- Island Helicopter Corporation
- JetBlue Airways
- Mac-Aire Aviation Corporation
- Mall Airways
- Metro International Airways
- Metropolitan Air Ferry Service
- Mid Hudson Airlines

- Miller Aviation
 Modern Air Transport
 Mohawk Airlines (1)
 Mohawk Airlines (2)
 Montauk Caribbean Airways
 Mountain Airways
 Mutual Aviation
 National Airways
 National Helicopter Corporation
 New York Air (1)
 New York Air (2)
 New York Air Charter
 New York Airways (1)
 New York Airways (2)
 New York Helicopter Corporation
 New York, Philadelphia and Washington Airway (Ludington Line)
 New York-Asbury Park Air Line
 New York-Newport Air Service
 Nitlyn Airways
 North American Air Charter
 North American Airlines (4)
 Northeastern Aviation Corporation
 Oneida County Aviation
 Overseas National Airways
 Pan Am Express
 Pan Am Express of Berlin
 Panda Air, Ltd.
 Panorama Flight Service
 Prime Airborne
 Resort Airlines (1)
 Resorts International Airlines
 Richmor Aviation
 Robinson Airlines
 Sair Aviation
 Seaboard & Western Airlines
 Seaplane Shuttle Transport
 Seneca Flight Operations
 Sound Air Aviation
 Span East Airlines
 Sportsflight Airways
 Starlite Express
 Summit Jet Charter
 Susquehanna Airlines
 T. D. Aviation
 TIE Aviation: Trans-International Express
 Tower Air
 Trans New York Airlines
 Trans East International Airlines
 Trans World Airlines (TWA)
 Trans World Express
 Transcontinental Air Transport (TAT)
 Transcontinental and Western Air (T&WA)
 Transcontinental and Western Air Lines (TWA)
 Tri-State Airlines
 Trump Air
 Trump Air Shuttle
 Universal Airlines (1)
 USAir Shuttle
 Ventura Air Service
 Wayfarer Aviation
 Westchester Air
 Westchester Airways
 Westates Airlines (2)
 New York disaster of 1960 *see* Crashes—Dec. 16, 1960;
 Trans World Airlines (TWA)
 United Air Lines (2)
 New York (City), Public Library
 Air France
 New York (State), Human Relations Commission
 American Airlines
 Trans World Airlines (TWA)
 New York Central Railroad
 The Flying Tiger Line
 Southwest Air Fast Express (SAFEWAY)
 Standard Air Lines (1)
 Universal Airlines System: Universal Aviation Corporation
 New York Giants NFL team
 United Air Lines (2)
 United Airlins
 New York Jets NFL team
 Continental Airlines
 New York Knicks NBA team
 Pace Airlines
 New York Rangers NHL team
 Pace Airlines
 New York Yankees MLB team
 Sun Pacific International
 Viscount Air Service
 New Zealand, Commerce Commission
 Air New Zealand, Ltd.
 Ansett Australia (Pty.), Ltd.
 Ansett New Zealand, Ltd.
 New Zealand Railways
 SAFE Air, Ltd.
 Newall, David, opns. dir.
 Caledonian Airways, Ltd. (2)
 Newcomb, Raymond G., pres.
 Joe Brigham, Inc.
 Newcomen Society of North America
 American Airlines
 Braniff International Airways
 Delta Air Lines
 Eastern Air Lines
 Mohawk Airlines (1)
 National Airlines (1)
 Pan American-Grace Airways (PANAGRA)
 Piedmont Airlines (1)
 Trans World Airlines (TWA)
 United Air Lines (2)
 Newell & Sorrell, designers
 British Airways, Ltd. (2)
 Newfoundland
 Air Atlantic, Ltd.
 Canadian Helicopter Corporation, Ltd.
 Eastern Provincial Airways, Ltd.
 Newfoundland-Labrador Air Transport, Ltd.
 Provincial Airlines, Ltd.
 Sealand Helicopters, Ltd.
 Newman, F. E. F., chairman
 Dan Air/Dan Air Services, Ltd.
 Newman, Tom and Tina, founders/operators
 Sedona Sky Treks
 Newmans Group
 Newman's Air, Ltd.
 Newnham, Keith, MD
 Sabre Airways, Ltd.
 News Corp, Ltd.
 Air New Zealand, Ltd.
 Ansett Airlines of Australia (Pty.), Ltd.
 Ansett Australia (Pty.), Ltd.
 Newspaper Publishing Association
 Emerald Airways, Ltd. (2)
 Newstrom, Gordon K. "Gordy," founder/pres.
 Mesaba Airlines
 Newton, Dale, pres.
 Aero Union
 Ng Kheng Leng, FO
 Singapore Airlines, Ltd.

- Nguyen Hong Nhi, DG
 Vietnam Airlines
 Nguyen Sy Hung, chairman
 Vietnam Airlines
 Ngwane, Tibiye Taka, investor
 Royal Swazi Airways Corporation, Ltd.
 Niacadie, Victor, pres.
 Air Ivorie, S.A.
 Nibbs, Arthur, Barbuda Council chairman
 Nevis Express, Ltd.
 Nicaise, Pierre, founder/chairman
 Air Gabon: Compagnie Aerienne Gabonaise, S.A.
 Nicaraguan Contrás
 Southern Air Transport
 Nicaraguan earthquake of 1931
 Pan American Airways (PAA)
 Nicaraguan earthquake of 1972
 LANICA: Lineas Aereas de Nicaragua, S.A.
 Nichimen Aviation, Ltd.
 TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
 Nicholas, Dimitri P., owner/chairman
 Air Virginia
 Nicholas, H. J., pres./CEO
 Nicholas Skyways (Pty.), Ltd.
 Nicholas, L. G., founder/chairman
 Nicholas Skyways (Pty.), Ltd.
 Nichols, Diana, mechanic
 The Flying Tiger Line
 Federal Express (FedEx)
 Nichols, Jerry, EVP/COO
 Trans-World Airlines (TWA)
 Nichols, Novara, founder/pres.
 Colonial Airlines
 Nichols, Ruth, aviatrix/passenger
 Transocean Air Lines (TAL)
 Nicholson, Alfred, founder/pres.
 Cumberland Airlines
 Nicholson, George, founder/MD
 Northern Airways, Ltd.
 Northern and Scottish Airways, Ltd.
 Nicholson, Sir David, chairman
 British Airways, Ltd. (2)
 Nicholson, Sir Walter, dir.
 Imperial Airways, Ltd.
 Nickell, Frederic, employee/hero
 USAir Shuttle
 Nicklaus, Jack, spokesman
 Eastern Air Lines
 Nicol, E. G., jt.-founder
 Air Freight, Ltd. (1)
 Nicolas, Dimitri P., owner/chairman
 AV Air
 Nicholls, Garth, MD
 Floatair, Ltd.
 Nicolau, George, arbitrator
 American Airlines
 Niedeck, Lester, chief pilot
 Sunshine Coast Air Charter (Pty.), Ltd.
 Niederhauser, O., pres.
 Balair Air Charter, A.G.
 Nielsen, Hans, pres.
 Cimber Air, A.S.
 Nielsen, Capt. Ingolf L., founder/chairman
 Cimber Air, A.S.
 Niemeyer, A. D., Bureau of Air Commerce inspector/passenger
 Northwest Airlines
 Niemeyer, Donald, founder/pres.
 Niemeyer Aviation
 Nieuwenhuis, Hendrik, wartime executive/MD
 KLM: Royal Dutch Airlines, N.V.
 Koninklijke Nederlandsch Indische Luchtvaart Maatschappij, N.V. (KNILM)
 Nigatu, Bisrat, GM
 Ethiopian Airlines, S.C.
 Nigeria, Judicial Commission of Inquiry
 Nigeria Airways, Ltd.
 Nigerian Civil War, 1965-1971
 Nigeria Airways, Ltd.
 Nikolaev, V.A., DG
 Petrozavodskoe Aviapredpr
 Nikoulou, Capt. Ondo, jt.-founder
 Gabon Express, S.A.
 Nilsch, Lothar, MD
 Flight Travel Service, GmbH.
 Nilsson, Christer, pres.
 Linjiflyg, A.B.
 Nilsson, Oskar, pres.
 West Air Sweden, A.B.
 Nimenin, M.A., pilot
 CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Nimfuehr, Manfred, founder/MD
 Skyteam Luftfahrtunternehmen, GmbH.
 Nip, Jan G., ops.-dir.
 KLM/ERA Helicopters, B.V.
 Nippon Yusen Kabushiki Kaisha (NYK Line), investor
 Nippon Cargo Air Lines Company, Ltd.
 Nishizawa, Yuji, hijacker
 All Nippon Airways Company, Ltd. (ANA)
 Nissen, Peter L., MD
 Wideroe's Flyveselskap, A.S.
 Niswonger, Scott M., jt.-founder
 General Aviation (2): Greenville Air
 Nitschke, Capt. Gerhard, pilot
 Deutsche Luft Hansa, A.G.
 Nittal, Capt. Avantika, Pilot
 Indian Airlines, Ltd.
 Nixon, Patricia, U.S. first lady
 Pan American World Airways (1)
 Nixon, Richard M., U.S. vp/President, passenger
 American Airlines
 Delta Air Lines
 Laker Airways, Ltd.
 Texas International Airlines
 Trans World Airlines (TWA)
 United Air Lines (2)
 Nixon 1972 reelection campaign
 American Airlines
 Nixon trip to China in 1972, support for
 Trans-World Airlines (TWA)
 Niyazov, Saparmurat, Turkmen president
 Turkmenistan Airlines
 Njanga, Theodore Koule, pres.
 Cameroon Airlines, S.A.
 Nkera, Mrs. F., GM
 Alliance Express, S.A.
 Nkomo, Joshua, ZAPU guerrilla leader
 Air Rhodesia, Ltd. (2)
 Nkrumah, Kwame, president of Ghana
 Ghana Airways Corporation
 NMB Bank of Holland
 LanChile Airlines, S.A.
 Noble, Richard, rocketcar driver
 Heavylift Cargo Airlines, Ltd.
 Noble, Ltd., tour operator
 Noble Air, A.S.
 Nobles, Bruce R., pres.
 Hawaiian Airlines (HAL)
 L'Express

- Pan American World Airways (1)
 Trump Air Shuttle
 Nogues, Capt. Maurice, chief pilot/pilot
 Compagnie Franco-Roumaine de Navigation Aerienne, S.A. (CFRNA)
 Air France
 Nohava, Agnes, flight attendant
 American Airways (2)
 Nolisair International
 Nationair Canada, Ltd.
 Nomura, Kichisaburo, MD/pres.
 All Nippon Airways Company, Ltd. (ANA)
 Nomvete, Zukile, South African Transnet executive dir.
 South African Airways (Pty.), Ltd.
 Noon, A. M. T., jt. founder
 Noon & Pearce Air Charters, Ltd.
 Noonan, Fred, navigator
 Pan American Airways (PAA)
 Noor, Zahari Mohammed, GM
 Pelangi Air, Ltd.
 Noorlander, Hans, founder/MD
 Base Business Airlines, B.V.
 Base Regional Airlines, B.V.
 Norby, Dale, pres.
 Big Sky Airlines
 Nord 262 launch customer
 Air Inter, S.A.
 Nord 2501 Nordatlas launch customer
 Union Aeromaritime de Transport, S.A. (UAT)
 Nordbye, Petter, FO
 Wideroe's Flyveselskap, A.S.
 Norddeutscher Lloyd (NDL)
 Danziger Lloyd Luftdienst, GmbH.
 Deutsche Luft Lloyd, GmbH.
 Deutscher Aero Lloyd, A.G. (DAL)
 Lloyd Luftdienst, GmbH.
 Lloyd Luftverkehr Sablatnig GmbH.
 Lloyd Ostflug, GmbH.
 Norden, Arthur and Raymond, jt. founders
 Seaboard & Western Airlines
 Nordic Capital
 Blue Scandinavia, A.B.
 Nordio, Umberto, MD
 Alitalia, SpA.
 Nordstrom, Lennart, pres.
 Skyline Sweden, A.B.
 Norfolk & Western Railway Company
 Piedmont Airlines (1)
 Norie, Frank, chairman
 Vancouver Island Helicopters, Ltd.
 Norie, Kenneth, pres.
 Vancouver Island Helicopters, Ltd.
 Norlin, Per A., pres.
 SAS: Scandinavian Airlines System
 Norlin, Per-Gunnar, chairman
 Skyline Sweden, A.B.
Normandie, S.S.
 United Air Lines (2)
 Norris, W. M., GM
 Southern Air, Ltd.
 NorTerra, Inc.
 Canadian North, Ltd.
 North, Lt. Col. Oliver, USMC
 Southern Air Transport
 North American Aviation Corporation
 Compagnie Nacional Cubana de Aviacion Curtiss, S.A.
 Eastern Air Transport
 Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 Florida Airways Corporation
 Pitcairn Aviation
 Transcontinental Air Transport (TAT)
 North American Aviation, Ltd.
 Air Kentucky Airlines
 North American Leisure Group
 Airtours International, Ltd.
 Canada 3000, Ltd.
 North Atlantic Treaty Organization *see* Bosnia; Kosovo Crisis
 North Carolina
 Air Lift Associates
 Asheville Flying Service
 Atlantic Aero
 Camel Flying Service
 Cannon Aviation (2)
 Catawba Air Transport
 Causey Aviation Service
 CCAir
 Charter Flight
 Dawn Air
 Eastern Carolina Aviation
 Eastwind Airlines: The Bee Line
 ISO Commuter
 Mid-Atlantic Freight
 Mid-South Commuter Airlines
 Mountain Air Cargo
 Orion Air (1)
 Pace Airlines
 Ram Air Freight
 Resort Commuter Airlines (1)
 Saber Cargo Airlines
 Southeast Air (2)
 Sunbird Airlines (2)
 Tar Heel Aviation
 Tradewinds International Airlines
 Wheeler Airlines
 Wangler Aviation
 North Carolina A & T University
 Sunworld International Airlines
 North Carolina Mutual Life Insurance Company, investor
 Air Atlanta
 North Dakota
 Air Activities
 Northern Airways (4)
 Realwest Airlines
 North Dakota Floods, 1997
 Northwest Airlines
North Haven, SS, supply ship for Pacific base construction
 Pan American Airways (PAA)
 North of Scotland Orkney & Shetland Steamship Company, Ltd., investor
 Highland Airways, Ltd. (1)
 North Queensland Rugby League Club
 Flight West Airlines (Pty.), Ltd.
 Northeastern Travel
 Northeastern International Airways
 Northern Eagle Airways
 Mesaba Airlines
 Northern Investors Company
 Euroscot Express, Ltd.
 Northern Kentucky University
 Delta Air Lines
 Northern Pacific Railroad
 Northwest Airlines
 Northern Star Companies
 Midway Connection
 Northern Venture Trust
 Euroscot Express, Ltd.
 Northrop Alpha launch customer
 Transcontinental and Western Air (T&WA)
 Northrop IB launch customer
 Aerovias Centrales, S.A. de C.V.

- Northrop Delta launch customer
Transcontinental and Western Air (T&WA)
- Northrop Gamma launch customer
Transcontinental and Western Air (T&WA)
- Northwest Territories
Adlair Aviation (1983), Ltd.
Air Baffin, Ltd.
Air Nunavut, Ltd.
Air Tindi, Ltd.
Aklak Air, Ltd.
Big River Air, Ltd.
Buffalo Airways, Ltd.
North Wright Air, Ltd.
Northern Aerial Minerals Exploration, Ltd.
Northwest Territorial Airways, Ltd./NWT Air
Northwestern Air Leasing
Ptarmigan Airways, Ltd.
Ram Air, Ltd.
Simpson Air, Ltd.
South Nahanni Airways, Ltd.
Wardair Canada, Ltd.
- Nortie, G.A., GM
Safair Lines (Pty.), Ltd.
- Nortje, G.A., GM
Flitestar Airlines, Ltd.
- Norton, Manuel, pres.
Air Atlantis, S.A.
- Norway, Ministry of Social Affairs
Helikopter Service, A.S.
- Norway, 1940 invasion of
Deutsche Luft Hansa, A.G.
Norway, S.S.
Proteus Air System, S.A.
- Norwich Union Insurance Group
Air Anglia, Ltd.
- Noskwith, Adrian, dir.
Knighthawk Air Express, Ltd.
- Nouailee, Michel, DG
Air Polynesie, S.A.
- Nouri, Mahamat, GM
Air Tchad: Compagnie Nationale Tchadienne, S.A.
- Nova Scotia
Air Bras d'Or, Ltd.
Air Nova, Inc.
CanJet Airlines, Ltd.
Cougar Helicopters, Ltd.
Skyjet Aviation, Inc.
- Nouvelles Frontieres
Air Liberte: Compagnie Air Liberte, S.A.
Corse Air International, S.A.
Corsair, S.A.
Royal Airlines, S.A.
- Novelli, Ida, flight attendant
United Air Lines (2)
- Novelli, Raymond G., jt. founder
Presidential Air
- Novels
Airport, by Arthur Hailey
Continental Airlines
Trans World Airlines (TWA)
A Band of Brothers, by Ernest K. Gann
Civil Air Transport, Ltd.
The High and the Mighty, by Ernest K. Gann
Matson Air Lines; Transocean Air Lines (TAL)
Island in the Sky, by Ernest K. Gann
American Airlines; Transocean Air Lines (TAL)
Lord of the Rings, The, by J. R. R. Tolkien
Gandalf Airlines, SpA.
Night Flight, by Antoine de Saint-Exupery
Aeropostale (1): Compagnie Generale Aeropostale, S.A.
Night Over Water, by Ken Follett
Pan American Airways (PAA)
Shogun, by James Clavell
Japan Air Lines Company, Ltd. (2)
Novey, George F., GM/chairman/pres.
Inair: Internacional de Aviacion, S.A.
Aeroperlas: Aerolineas Pacifico-Atlantico, S.A.
Novick, D., chairman
Comair: Commercial Airways (Pty.), Ltd.
Novozhilov, Genrikh, Ilyushin chief designer
Domodedovo Civil Aviation United Enterprise
Nowell, Capt. John, opns. dir.
City Link, Ltd.
Noyes, Dewey, pilot
Clifford Ball
Nts'aba, H. M., chairman
Lesotho Airways Corporation, Ltd.
Nugues, Jean Lac, MD
Air Exel France, S.A.
Nunasi Corporation
Canadian North, Ltd.
Nuney, Armando, MD
TAME: Transportes Aereos Nacionales Ecuatorianos, S.A.
Nunez, Fernando, pres.
Aerosierra de Durango, S.A.
Nunez, Rafael, GM
LANSA: Lineas Aereas Nacionales, S.A. (Honduras)
Nunez, Rodolfo, MD
Binter Canarias, S.A.
Nungesser, Charles and Francois Coli, search for
Canadian Airways, Ltd.
Nuoc mam, Vietnamese fish sauce
Vietnam Airlines
Nuzhni, Petr I., commander
Belgorod State Air Enterprise
Nwobodo, Jim, Nigerian senator
Nigeria Airways, Ltd.
Nyagah, Joseph, MD
Kenya Airways, Ltd.
Air East Africa, Ltd.
Nyagah, Richard, MD
Kenya Airways, Ltd.
Nyanda, Ernest, Tanzanian minister of transport and communications
Air Tanzania Corporation
Nyandovi-Kerr, Mary, chairman
Air Malawi, Ltd.
Nyasa, Louis-Claude, GM
Cameroon Airlines, S.A.
Nydegger, Peter, VP
Swissair, A.G.
Nyman & Schultz
Transair Sweden, A.B.
Nyrop, Donald W., pres./chairman
Northwest Airlines
Nzang, Pablo Mba, MD
Ecuato Guinea de Aviacion, S.A.
- O**
O, Marcus, passenger
Balkan Bulgarian Airlines
O'Beirne, Capt. Barney, pilot
Aer Lingus Irish Airlines, Ltd.
O'Brien, Delbert A., pres.
Pem Air, Ltd.
O'Brien, Capt. Jack, pilot/airlift dir.
United Air Lines (2)
O'Brien, Jason, GM
Pem Air, Ltd.

- O'Brien, Mike, founder/pres.
Bimini Island Air
- O'Brien, Mike, opns. dir.
Emerald Airways, Ltd. (2)
- O'Brien, Wilbur, pres./COO
ERA Aviation
- O'Byrne, Willie, CEO
Transaer International Airlines, Ltd.
- O'Connor, Leigh, founder/CEO
O'Connor - Mt. Gambier's Airline (Pty.), Ltd.
- O'Connor, Capt. Owen "Chuck," pilot
American Airlines
- O'Dell, Jack, vp-maintenance
Sunworld International Airways
- O'Donnell, Bob, MD
Excalibur Airways, Ltd.
- O'Donnell, Columbus, manager
Resorts International Airlines
- O'Gorman, Joseph R., Jr., vp/pres./chairman
Aloha Airlines
Evergreen International Airlines
Frontier Airlines (1)
Reno Air
United Airlines
- O'Hara, Capt. Byron G., pilot
China National Airways Corporation (CNAC-1)
- O'Hara, Maureen, actress/pres.
Aer Arann: Kilroe Air Ireland, Ltd.
Antilles Air Boats
- O'Hare, Donald, vp-field services/pres.
American Airlines
Reno Air
- O'Leary, Hazel, dir.
United Airlines
- O'Malley, Walter, Brooklyn Dodgers owner
United Air Lines (2)
- O'Neal, Norbert E., MD
Virgin Island Airways, Ltd.
- O'Neill, Andrea, flight attendant
British Airways, Ltd. (2)
- O'Neill, Eugene, CEO
Ryanair, Ltd.
- O'Neill, Gerry A., MD
Northern Executive Aviation, Ltd.
- O'Neill, Ralph A., founder/pres.
New York, Rio and Buenos Aires Line
- O'Rourke, John, MD
Air Gambia, Ltd.
- O'Rourke, Mary, Irish enterprise minister
Aer Lingus Irish Airlines, Ltd.
- O'Ryan, Gen. John F., pres.
Colonial Air Transport
- O'Sullivan, Luzveminda, Rose of Tralee
Virgin Express (Ireland), Ltd.
- O'Svath, Malev Laszlo Gyorgy, chairman
MALEV Hungarian Airlines, Rt.
- O'Toole, Peter, actor/spokesman
British Airways, Ltd. (2)
Pan American World Airways (1)
- Oak Tree Capital Management
Gemini Air Cargo
- Oake, Capt. Harold G., pilot/opns. mgr.
Air Labrador, Ltd.
- Oakes, Sir Harry, jt. founder
Bahamas Airways, Ltd.
- Oakland Raiders NFL team
Northwest Airlines
- Oaks, Capt. Harold A. "Doc," pilot/founder/pres.
Northern Aerial Minerals Exploration, Ltd.
Patricia Airways and Exploration, Ltd.
Western Canada Airways, Ltd.
- Oaks, Gen. Robert C., USAF (ret.), vp-corporate safety
USAir
- Oasis, British rock band
Cathay Pacific Airways (Pty.), Ltd.
- Obadia, Robert, pres.
Nationair Canada, Ltd.
- Obasanjo, Gen. Olusegun, Nigerian president
Nigeria Airways, Ltd.
Virgin Atlantic Airways, Ltd.
- Oberg, Seth M., VPO
Western Airlines (1)
- Obergfell, Robert, hijacker
Trans World Airlines (TWA)
- Obermiller, Henry Bruce "Obie," secretary/treasurer
Ethiopian Airlines, S.C.
- Oblan, Yuri A., CEO
Sakha Avia National Air Company
- Obregon, Gabriel Echavarria, founder/pres.
TAVINA: Trans-Colombiana de Aviacion, S.A.
- Obuse, Masashi, pres.
J-Air Company, Ltd.
- Occidental Life Insurance Company
National Airlines (1)
- Ocean Steamship Company, Ltd.
Malayan Airways, Ltd.
Transglobe Airways, Ltd.
- Ochieng-Obbo, Frederick, corporate secretary
Alliance Airlines: African Joint Air Service
- Odagirl, Capt. Haruo, pilot
Japan Air Lines Company, Ltd. (1)
- Odeggaard, Per, CEO
Transwede Leisure, A.B.
- Odei, B. C. L., GM
Ghana Airways Corporation
- Odell, L. L., dir.
Colonial Air Transport
- Odero, Leo, MD/chairman
Kenya Airways, Ltd.
- Odessa, Battle of
Aeroflot Soviet Airlines
- Oditt, Vic, dir.
Guyana Airways Corporation: GAC 2000
- Odlum, Floyd, Atlas Corporation owner/investor
Northeast Airlines (1)
Pan American Airways (PAA)
- Odsnostorontsev, V. D., DG
Bratsk Air Enterprise
- Odukoya, Kayode, MD
Bellview Airlines, Ltd.
- Odyssey Group
Transoceanic Airways (Pty.), Ltd.
- Odyssey Partners
Trans World Airlines (TWA)
- Oeger Tours
Alas de Transporte Internacional, S.A.
Birgenair, A.O.
- Oehlmann, Friedwald, MD
Interflug DDR Airlines, mbH.
- Oehme, Richard, COO
United Parcel Service (UPS)
- Ogata, Sadako, U.N. refugee chairman
Deutsche Lufthansa, A.G.
- Oger, tour company
Hamburg International Airlines, GmbH.
- Ogil, Andrew, GM
Air Niugini (Pty.), Ltd.
- Ogilby, John J., Jr., general counsel/CFO

- Pan American World Airways (2)
- Ogunbanjo, Chief Chris, chairman
- Pan African Airlines, Ltd.
- Ohio
 - Air Commuter Airlines (1)
 - Air-Hi-O
 - Airborne Express
 - Airnet Systems: Airnet Express
 - Akron Airways
 - Apollo Aviation
 - AvBase Aviation, Ltd.
 - BAS Airlines
 - Britt Airways
 - Buckeye Air Service
 - Burlington Air Express
 - Business Aircraft Group
 - Casement Aviation
 - Castle Aviation
 - Central States Airlines
 - Cincinnati Airlines
 - Colonial Airlines
 - Comair
 - Continental Air Lines (1)
 - Crow Executive Air
 - Embry-Riddle Company
 - Enterprise Airlines
 - Executive Jet Aviation
 - Fischer Brothers Aviation
 - Freedom Airlines (1)
 - Freedom Airlines (2)
 - GCS Air Service
 - Galaxy Airlines (1)
 - Gordon Air Management Corporation
 - Grand Aire
 - Great Lakes Airways Company
 - Hogan Air
 - Intercontinental Airlines
 - Island Airlines
 - Levetz Group
 - Liberty Airlines
 - Main Flying Service
 - Miami Valley Aviation
 - Mid Ohio Aviation
 - Middle State Airlines
 - Midway Commuter
 - Midwest Airways (2)
 - National Flight Services
 - Northcoast Executive Airlines
 - Northern Airlines (1)
 - Ohio Air Transport
 - PSA Airlines
 - Shawnee Airways
 - Southern Air
 - Southern Air Transport
 - Sundorph Aeronautical Corporation
 - TAG Airlines
 - Trans-Midwest Airlines
 - United Parcel Service (UPS)
 - Wright Airlines
- Ohio, Department of Development
 - Southern Air Transport
- Ohio, Job Creation Tax Authority
 - Southern Air Transport
- Ohlsson, Gunnar, MD
 - Nordic East Airways, A.B.
- Ohtani, Yukio, pres./CEO
 - JALways Company, Ltd.
- Oidsalu, Anti, GM
 - Estonian Air, A.S.
- Oil & Natural Gas Corporation, Ltd.
 - Pawan Hans Helicopters, Ltd.
- Oilerhead, Gus, pres.
 - Provincial Airlines, Ltd.
- Okamura, Noboru, pres.
 - Japan Asia Airways, Ltd.
- Okan, Gaffar, Diyarbakir (Turkey) police chief
 - THY Turkish Airlines, A.O.
- Okazaki, Kaheita, pres.
 - All Nippon Airways Company, Ltd. (ANA)
- Okero, Isaac Omolo, chairman
 - Kenya Airways, Ltd.
- Okinawa Marine National Park
 - Japan Air Lines Company, Ltd. (2)
- Oklahoma
 - Aero Southwest
 - Air Central (2)
 - Altair
 - Altus Airlines
 - American Flyers Airline Corporation
 - Cannon Aviation (1)
 - Ed's Aircraft Service
 - Exec Express I
 - Falcon Express Airlines
 - Flight Management
 - Hunter Airways
 - Jerdon Air Commuter Service
 - Jetstream Commuter
 - Mid-Continent Air Lines
 - Mid-Continent Airlines (3)
 - Oklahoma Short Line Airways
 - Oklahoma-Texas Air Line
 - Omni Air Express
 - Paul R. Braniff, Inc.
 - Reed Airline
 - Soonair Lines
 - Southern Aviation Airlines
 - Southwest Air Fast Express (SAFEWAY)
 - Southwest Airways (1)
 - Tramp Airways
 - Trans Central Airlines (2)
 - Tulsair Beechcraft
 - United States Aviation Company
- Okon, Augustine, CEO
 - ADC Airlines, Ltd.
- Okpere, Anthony Ehije, MD
 - Nigeria Airways, Ltd.
- Okulov, Valery, navigator/MD
 - Aeroflot Russian International Airlines (ARIA)
- Okumo, Michio, pres.
 - Japan Transocean Airways Company, Ltd.
 - Southwest Airlines Company, Ltd.
- Olafson, Gordon, MD
 - European Air Transport, S.A.
- Olarte, Gilberto Villa, founder/pres.
 - Aerolineas Medellin, S.A.
- Olaya, Jose Luis, opns. mgr.
 - Artac Aviation, S.A.
- Old South Air Service
 - Air Caribbean
- Oldest airline in Mexico
 - Mexicana Airlines, S.A. de C.V.
- Oldest continuously operated airline
 - KLM: Royal Dutch Airlines, N.V.
- Oldest continuously operated commercial helicopter operator
 - ERA Aviation
- Oldest rotary-wing operator in Portugal
 - Heliportugal, Ltda.
- Oldest U.S. airline with a continuous name identification

- Northwest Airlines
 Oldham, Maggie, MD
 Anglo Cargo: Anglo Airlines, Ltd.
 Oldham, Terry, joint MD/chairman
 British Island Airways, Ltd.
 Anglo Cargo: Anglo Airlines, Ltd.
 Oldmeadow, Ian, opns. dir.
 Qantas Airways (Pty.), Ltd.
 Ole Ntimama, William, Kenya transport/communication minister
 Kenya Airways, Ltd.
 Olekambaine, E. N., GM
 Air Tanzania Corporation
 Olen, Walter A., founder/chairman
 Wisconsin Central Airlines
 Oliver, Al M., GM
 Airlift International
 Oliver, Thomas R., EVP/COO
 Federal Express
 Olley, Capt. Gordon P., pilot/founder/MD
 Associated Airways Joint Committee
 Handley Page Transport, Ltd.
 Imperial Airways, Ltd.
 Isle of Man Air Service, Ltd.
 KLM: Royal Dutch Airlines, N.V.
 Olley Air Service, Ltd.
 Railway Air Services, Ltd.
 Ollivier, Louis, MD
 Air Jet: Compagnie Air Jet, S.A.
 Olsen, Fred, chairman
 DNL Norwegian Airlines, A.S.
 Fred Olsens Flyselskap, A.S.
 Wideroe's Flyveselskap, A.S.
 Olsen, Geir, EVP
 Braathens SAFE, A.S.
 Malmo Aviation Schedule, A.B.
 Olsen, John, GM/MD
 Dan Air/Dan Air Services, Ltd.
 Olsen, Richard, owner
 Southern Jersey Airways
 Olsen, Thomas, dir.
 DNL Norwegian Airlines, A.S.
 Olsen, W. D., MD
 Air Freight New Zealand, Ltd.
 Olson, David K., founder/pres.
 Olson Air Service
 Olson, Donald, vp
 Olson Air Service
 Olson, Frank, chairman
 United Airlines
 Olson, Gordon, jt.-founder
 Centreline Air Charter, Ltd.
 Olson, Karol, secretary
 Olson Air Service
 Olson, Margaret C., treasurer
 Olson Air Service
 Olson, Margaret M., pres.
 Olson Air Service
 Olson, Capt. Tim, pilot
 Northwest Airlines
 Olson-Travelworld
 Deutsche Lufthansa, A.G.
 Olsson, Alf, MD
 Falcon Aviation, A. B.
 Olsson, George, MD
 Scanair, A.B.
 Olsson, Lennart, MD
 Kungsair Norrköping, A.B.
 Olubadewo, S. K. S., pres.
 GAS Air Cargo, Ltd.
 Oluwe, Mrs. Abosede Olutayo, CFO
 Nigeria Airways, Ltd.
 Olympic Games
 1948 (London)—MALEV Hungarian Airlines, Rt. (Maszovlet)
 1952 (Helsinki)—Aquila Airways, Ltd.; Eagle Aviation, Ltd. (1); KLM:
 Royal Dutch Airlines, N.V.; MALEV Hungarian Airlines, Rt.
 (Maszovlet)
 1956 (Melbourne)—Qantas Empire Airways (Pty.), Ltd.
 1960 (Rome)—Alitalia, SpA.; MALEV Hungarian Airlines, Rt.
 1964 (Tokyo)—All Nippon Airways Company, Ltd. (ANA); Japan Air
 Lines Company, Ltd. (2)
 1972 (Munich)—Deutsche Lufthansa, A.G.
 1976 (Montreal)—Air Canada, Ltd.; LOT Polish Airlines, S.A.
 1980 (Moscow)—MALEV Hungarian Airlines, Rt.
 1988 (Seoul)—Korean Air Lines/Korean Air (KAL)
 1992 (Barcelona)—Iberia Spanish Airlines (2): Lineas Aereas de
 Espana, S.A.; World Airways
 1996 (Atlanta)—Delta Air Lines; Eastwind Airlines: The Bee Line; El
 Al Israel Airlines, Ltd.; Petroleum Helicopters; South African Airways
 (Pty.), Ltd.
 1998 (Nagano)—Japan Air Lines Company, Ltd. (2); United Parcel
 Service (UPS)
 2000 (Sydney)—Ansett Australia (Pty.), Ltd.; Deutsche Lufthansa,
 A.G.; Impulse Airlines (Pty.), Ltd.; Kendell Airlines (Pty.), Ltd.;
 Lithuanian Airlines, A.B.: Lietuvos Avialinijos; Lufthansa Cargo, A.G.;
 Malaysia Airlines, Ltd. (MAS); MALEV Hungarian Airlines, Rt.; Pelair
 Aviation (Pty.), Ltd.; Qantas Airways (Pty.), Ltd.; South African
 Airways (Pty.), Ltd.; Thai Airways International, Ltd. (THAI); United
 Airlines
 2002 (Salt Lake City)—Delta Air Lines
 Olympic Holidays, tour operator
 Helios Airways, S.A.
 Omai Gold Mines, Ltd.
 Roraima Airways, Ltd.
 Omar A. Falmy & Co.
 Pyramid Airlines, Ltd.
 Ombale, Gen. Kikunda, MD
 Air Zaire, S.A.
 Omdurmon National Bank
 Azza Transport
 Omer, Capt. Saif M.S., founder/pres.
 Air West Express, Ltd.
 Omni Holdings
 Air Europe, Ltd.
 ONAmatic CRS
 Overseas National Airways
 Onassis, Alexander, pilot
 Olympic Airways, S.A.
 Onassis, Aristotle, owner/chairman
 Olympic Airways, S.A.
 Onassis, Jacqueline Kennedy, passenger
 Olympic Airways, S.A.
 ONDA: Organizacion Nacional de Autobuses, S.A.
 ARCO: Aerolineas Colonia, S.A.
 Ondekane, Gen. Jean-Pierre, Congo insurgent
 Gomair, S.A.
 OneTwoSold, internet auction house
 Lauda Air Luftfahrtgesellschaft, A.G.
 Onex Corporation
 Air Canada, Ltd.; Canadian Airlines, Ltd.
 Ong Eee-lim, passenger
 Imperial Airways, Ltd.
 Onis, Sergey A., DG
 DM International Airlines
 Onizuka, Toshio, MD
 Nagasaki Airways Company, Ltd.
 Only airline to fly a jetliner which survives two inflight bombings
 Philippine Air Lines
 Only airline to operate every type of pre-McDonnell merger

- Douglas transport
- KLM: Royal Dutch Airlines, N.V.
- Only airline to own and operate both the CV-880 and CV-990A
 - Alaska Airlines
- Only airline to service all fifty of the United States
 - United Air Lines (2)
- Only European low-cost airline offering food service both on the ground and in the air
 - BUZZ
- Only U.K. airline to rescue children from Saigon in April 1975
 - British Midland Airways, Ltd.
- Only U.S. airline to become established as an all-cargo airline exclusively on a transoceanic route
 - Seaboard & Western Airlines
- Only U.S. airline to fly a supersonic transport
 - Braniff International Airways
- Only U.S. airline to fly the Short S-25 Sandringham
 - Antilles Air Boats
- Only U.S. major airline to support enactment of deregulation
 - United Airlines
- Ono, Yoshitomi, pres.
 - Japan Air Commuter Company, Ltd.
- Onopriyenko, Gennadi P., DG
 - Aviaobschemash Shareholders Air Company
- Ontario
 - Air 500, Ltd.
 - Air 3000, Ltd.
 - Air Atonabee, Ltd.
 - Air Dale, Ltd.
 - Air Georgian, Ltd.
 - Air Muskoka, Ltd.
 - Air Niagra Express, Ltd.
 - Air Ontario, Ltd.
 - Air Toronto, Ltd.
 - Air Transit, Ltd.
 - Air Windsor, Ltd.
 - Austin Airways, Ltd.
 - Barrie Flight Centre, Ltd.
 - Bearskin Airlines, Ltd.
 - Bradley Air Service, Ltd.
 - Canada 3000, Ltd.
 - Canadian Flying Service, Ltd.
 - Canadian Frontier, Ltd.
 - Central Canada Air Lines, Ltd.
 - City Express, Ltd.
 - Commuter Express, Ltd.
 - Crownair, Ltd.
 - Day Airways, Ltd.
 - Destinair Airlines, Ltd.
 - Elliot, J.V., Air Service, Ltd.
 - First Air, Ltd.
 - Gateway Airlines, Ltd.
 - Georgian Bay Airlines, Ltd.
 - Great Lakes Airlines, Ltd.
 - Huisson Aviation (1989), Ltd.
 - International Cargo Charters Canada, Ltd./ICC Canada, Ltd.
 - Jetall, Ltd.
 - Kenting Earth Sciences, Ltd.
 - Knighthawk Air Express, Ltd.
 - Leavens Bros. Air Services, Ltd.
 - Maritime Global Airlines, Inc.
 - Millardair, Ltd.
 - National Air Transport, Ltd.
 - Norontair: Ontario Northland Air Services, Ltd.
 - Northern Aerial Minerals Exploration, Ltd.
 - Northern Air Services, Ltd.
 - Odyssey International, Ltd.
 - Ontario Express, Ltd.
 - Ontario Worldair, Ltd.
 - Owen Sound Air Services, Ltd.
 - Patricia Airways and Exploration, Ltd.
 - Patricia Airways, Ltd.
 - Pem Air, Ltd.
 - Ramsey Airways, Ltd.
 - Sabourin Lake Airways, Ltd.
 - Simo Air, Ltd.
 - Skycraft Air Transport, Ltd.
 - Skylink Aviation, Inc.
 - Skytech Aviation, Ltd.
 - Skywalker, Ltd.
 - Soundair Express, Ltd.
 - Southwest Airways, Ltd.
 - Tempus Air, Ltd.
 - Thunder Airlines, Ltd.
 - Torontair, Ltd.
 - Trans Capital Airways, Ltd.
 - Trans-Canada Air Lines, Ltd.
 - Trillium Air, Ltd.
 - Vacationair, Ltd.
 - Vision Airways, Ltd.
 - Vistajet, Ltd.
 - Voyageur Airways, Ltd.
 - Wasaya Airways, Ltd.
 - Worldway Airlines, Ltd./Woldways Canada, Ltd.
- Ontario, Ontario Northland Transportation Commission
 - Norontair: Ontario Northland Air Services, Ltd.
- Pem Air, Ltd.
- Ontario, Teachers' Pension Plan Board
 - Westjet, Ltd.
- Ontario ice storm of 1998
 - Air Canada, Ltd.
 - Air Nova, Inc.
- Ontsa, Jean Jacques, DG
 - Lina Congo, S.A.
- Onu, Capt. Theo, MD
 - City Link Airlines, Ltd.
- Operation ALLIED FORCE
 - see* Kosovo Crisis, 1998-1999
- Operation BABY LIFT, 1975
 - Pan American World Airways (1)
- Operation Baseline
 - KLM: Royal Dutch Airlines, N.V.
- Operation BETTER SHAPE
 - Cathay Pacific Airways (Pty.), Ltd.
- Operation BOLERO support, 1942
 - American Airlines
 - Braniff Airways
 - Chicago & Southern Air Lines
 - Northeast Airlines
 - Pennsylvania Central Air Lines
 - Transcontinental and Western Air Lines
 - United Air Lines (2)
 - Western Air Lines
- Operation BOO PEEP
 - Civil Air Transport, Ltd.
- Operation BOOKLIFT
 - Civil Air Transport, Ltd.
- Operation BOOTSTRAP
 - Eastern Air Lines
- Operation COGNAC
 - Civil Air Transport, Ltd.
- Operation DESERT SHIELD/Operation DESERT STORM
 - see* Kuwait Crisis, 1990-1991
- Operation EXODUS
 - El Al Israel Airlines, Ltd.
- Operation FLAX, 1943
 - Deutsche Luft Hansa, A.G.
- Operation FREQUENT WIND

- see* Saigon, evacuation of, 1975
 Operation GARIBALDI
 El Al Israel Airlines, Ltd.
 Operation GRANBY
 Kuwait Airways Corporation;
 see also Kuwait Crisis, 1990–1991
 Operation INDIA
 see India/Pakistan Airlift of 1947;
 Operation LIFELIFT
 see Ethiopian famine relief, 1985
 Operation MAGIC CARPET
 Near East Air Transport, Ltd.
 Operation MOO
 The Flying Tiger Line
 Operation NOAH'S ARK
 Transocean Air Lines (TAL)
 Operation PACIFIC
 United Air Lines (2)
 Operation PAKISTAN
 see India/Pakistan Airlift of 1947
 Operation PAPER
 Civil Air Transport, Ltd.
 Operation QUICK/TRANS
 Transocean Air Lines (TAL)
 Operation RAMP RATS
 American Airlines
 Operation REPAT
 Civil Air Transport, Ltd.
 Operation RESCUE
 see Somalia intervention of 1991–1994
 Operation RESTORE HOPE
 see Somalia, U.N. intervention of 1992–1994
 Operation SAMARITAN
 see Chilean earthquake of 1959
 Operation SHINING HOPE
 see Kosovo Crisis, 1998–1999
 Operation SNOWBIRD 1997 FBI raid
 American Airlines
 Operation SOLOMON
 El Al Israel Airlines, Ltd.
 Ethiopian Airlines, S.C.
 Operation SOURDOUGH
 see Alaskan Airlift, 1942–1945
 Operation SQUAW
 Civil Air Transport, Ltd.
 Operation STBARNUM
 Civil Air Transport, Ltd.
 Operation THUNDERBALL *see*
 Skyjackings—June 27, 1976;
 Air France
 Operation VITTLES
 see Berlin Airlift of 1948–1949
 Oral, Akcicek, MD
 Doruk Tourism Trade & Industry, Inc.
 Oral, Yilmaz, pres.
 THY Turkish Airlines, A.O.
 Orban, Viktor, Hungarian prime minister
 MALEV Hungarian Airlines, Rt.
 Ord, S., MD
 Citi Air (Pty.), Ltd.
 Orde, Allan Campbell, opns. mgr.
 British Airways, Ltd. (1)
 British Overseas Airways Corporation (BOAC)
 Oregon
 Advantage Airlines
 Aero Air
 Air Oregon
 Columbia Helicopters
 Eugene Aviation Service
 Evergreen International Airlines
 Executive Flight Services
 Far West Airlines (1)
 Flightcraft
 Pacific Air
 Pacific Air Transport
 Pacific Flights
 Pacific Northern Airlines (2)
 Portland Airways
 Precision Helicopters
 Sports Air Travel
 Valley Commuter
 West Coast Air Transport
 Oriani, Carlos, owner/pres.
 Aerovias Reforma, S.A. de C.V.
 GPA: Golfo y Pacifico Aerotransportes, S.A. de C.V.
 Orient Plus tour company
 Air Via Bulgraian Airways
 Orient Steam Navigation Company
 ANA: Australian National Airlines (Pty.), Ltd.
 Adelaide Airways (Pty.), Ltd.
 Oriente-Barone, Antonio, DG
 DETA Mozambique Airlines, S.A.
 Orimoloye, R., pilot
 Nigeria Airways, Ltd.
 Orissa (India) cyclone disaster, 1999
 Blue Dart Aviation, Ltd.
 Orjagaeter, Hans, MD
 Air Stord, A.S.
 Orlandi, Sergio, pres.
 KLM: Royal Dutch Airlines, N.V.
 Orlovius, Peter C., pres.
 Deutsche Luftverkehrsgesellschaft, GmbH. (DLT)
 Ornstein, Jonathan G., EVP/pres./chairman
 Continental Express
 Mesa Air Group
 Mesa Airlines
 Virgin Express Airlines, S.A.
 Westair Commuter Airlines
 Orozco, Gen. Moises, Venezuelan transport minister
 AVENSA: Aerovias Venezolanas, S.A.
 Orphaned baby airlift from Asia
 Canadian Pacific Air Lines, Ltd.
 Pan American World Airways (1)
 World Airways
 Orr, Robert, Indiana Lt. Gov./passenger
 VASP Brazilian Airlines: Viaceo Aerea Sao Paulo, S.A.
 Orshi, J. A., chairman
 Nigeria Airways, Ltd.
 Ortega, Col. Alfredo, GM
 SATENA Colombia, S.A.
 Ortega, Juna Pablo, pres.
 AVIANCA Colombian Airlines, S.A.
 Orth, Capt. Hank, pilot
 Reeve Aleutian Airways
 Ory, E. B., chairman
 Overseas National Airways
 Osakwe, P.E., pres.
 Flash Airlines, Ltd.
 Osatananda, Apilas, Mae Fah Luang Foundation chairman
 Thai Airways International, Ltd. (THAI)
 Osborne, John, MD/group. opns. dir.
 GB Airways, Ltd.
 Virgin Express, S.A.
 Ryanair, Ltd.
 Oshiro, K., chairman/pres.
 Southwest Air Lines Company, Ltd.
 Osias, Victor, founder/pres.
 Insular Airways Company

Osintsev, Gennadiy P., GM
 Chelyabinsk Chief Aviation Enterprise
 Osipovich, Lt. Col. Gennadi, Soviet Air Force fighter pilot
 Korean Air Lines/Korean Air (KAL)
 Osman, Mukhtar, GM
 Sudan Airways Company, Ltd.
 Ospina, Juan C., GM
 Aerolineas Cargueras, S.A.
 Osprey Aviation Holdings
 SA Airline (Pty.), Ltd.
 Ossman, Jorgen, pres.
 Rheinland Air Service, GmbH.
 Osterholm, Borge, chairman
 Falcon Aviation, A.B.
 Oswald, Robin, hijacker
 Trans World Airlines (TWA)
 Otani, Noboru, chairman
 Japan Air Lines Company, Ltd. (1)
 Oteri Holdings
 Aero Contractors of Nigeria, Ltd.
 Otero, Dr. Augusto L., jt.-founder
 SAVAG, S.A.: Viacao Aerea Gaucha
 Otsuka, M., pres.
 Circle Rainbow Air
 Otsuka Pharmaceutual Company, Ltd.
 Japan Air System, Ltd.
 Ottaway Newspapers
 Massachusetts Air Industries
 Otto, Andreas, deputy chairman
 Lufthansa Cargo, A.G.
 Otto, Wilfried, MD
 Berliner Spezial Fluggesellschaft, A.G.
 Ouelette, Capt. Robert, pilot
 Northwest Airlines
 Ous, Viorei, DG
 Air Moldova International, S.A.
 Ovechkin, A., pilot
 Aeroflot Soviet Airlines
 Overing, Reginald, founder/chairman
 Air Montreal, Inc.
 Overseas Food Corporation
 Hunting Air Travel, Ltd.
 Overstreet, Michael, founder/pres.
 Corporate Air (2)
 Ovsyannikov, I. N., pilot
 Aeroflot Soviet Airlines
 Owen, Michael S., jt.-founder
 Redcoat Air Cargo, Ltd.
 Owen, Oliver, pres.
 Sowind Air, Inc.
 Owen, Peter, opns. dir./CEO
 British Airways, Ltd. (2)
 Aer Lingus Irish Airlines, Ltd.
 Owens, Robert, founder/pres.
 Alpen Helicopter, Ltd.
 Owitchyaa Zhee Native Corporation
 Arctic Circle Air Service
 Owners Abroad Group
 Airtours International Airways, Ltd.
 Air 2000, Ltd.
 Air 3000 Airlines, Ltd.
 Owor, Capt. Chris, pilot
 Uganda Airlines, Ltd.
 Oxford Air Training School foreign contract
 Air Algerie, S.A.
 Ozaki, Yoshimi, flt. engineer
 Japan Air Lines Company, Ltd. (2)
 Ozolins, Peter, pres.
 Baltic International Airlines, A.S.

P

Pacanins, Dr. William, MD
 CAVE: Compania Aerea Viajes Expresos, S.A.
 Pace, Stanley L., pres./CEO
 American Trans Air
 Pacelli, Cardinal Eugenio, Papal nuncio *see* Pope Pius XII
 Pacific Corporation (CIA cover company)
 Civil Air Transport, Ltd.
 Southern Air Transport
 Pacific Express Holding Company
 Westair Commuter Airlines
 Pacific Maintenance and Supply Company (Pty.), Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Pacific Sports Holidays
 Tahoe Air
 Pacific Steam Navigation Company
 British South American Airways, Ltd.
 Paderov, Anatoli, DG
 Aviaprad Air Company
 Padgett, Steve J., CEO
 Sunshine Express Airlines (Pty.), Ltd.
 Padilla, Luis Guereca, GM
 Transportes Aereos Bolivianos, S.A.
 Padmanabhalah, K., chairman/Indian civil aviation ministry secretary/home secretary
 Air India, Ltd.
 Indian Airlines, Ltd.
 Paes, Manet, commercial dir.
 Indian Airlines, Ltd.
 Paetz, Archbishop Juliusz
 LOT Polish Airlines, S.A.
 Pagan, Joseph, owner/CEO
 Riverside Air Service
 Page, George A., Jr., pilot/mechanic.
 America Trans-Oceanic Company
 Page, Gordon F., MD
 Flight Refueling, Ltd.
 Page, Richard, pres.
 Front Line Tours
 Champion Airlines
 Page, Ruthanne, pilot
 Sealand Helicopters, Ltd.
 Pain, Capt. A.P.W., pilot
 British Overseas Airways Corporation (BOAC)
 Paine, R. R., MD
 British Midland Airways, Ltd.
 Pais, Gerry, MD/chairman
 Indian Airlines Corporation
 Vayudoot, Ltd.
 Paiso, Augustus, pres.
 Air Philippines (2)
 Pakari, Heikki, MD
 Air Botnia O/Y
 Pakay, Andras, pres.
 MALEV Hungarian Airlines, Rt.
 Pakbonyan, Gen. H., CEO
 SAHA Airlines
 Pakenham, Lord, British civil aviation minister
 British European Airways Corporation (BEA)
 Pakhoury, Abdul Hamid, chairman/pres.
 Middle East Airlines, S.A.L. (2)
 Pakistan, military coup, 1999
 British Airways, Ltd. (2)
 Pakistan International Airlines Corporation
 Palacin, Carlos, pres.
 Aero Condor, S.A.
 Palframan, Stephen, CFO
 Bristow Helicopters, Ltd.
 Palin, Gary J., GM

- Turks and Caicos Airways, Ltd.
Palladina, Rudy, pres./CEO
CHC: Canadian Helicopter Corporation, Ltd.
Palli Diaz, Juan M., GM/pres.
Cubana: Compania Cubana de Aviacion, S.A.
Palmenter, George, founder/pres.
Cape & Islands Flight Service
Palmer, C. R. "Bob," chairman
ERA Aviation
Palmer, Capt. and Mrs. Peter, founders
Orion Airways, Ltd. (1)
Palmer, Jan, pres./CEO
Skyways Avia, A.B.
Palmer, Johathan, chairman/MD
Mustique Airways, Ltd.
Palmer, Stanley, pres.
Sierra Leone National Airways, Ltd.
Palmersheim, Bob, GM
Lynch Flying Service
Palzon, Vincent, MD
Air Malta Company, Ltd. (2)
Pameole, Francois, GM
SATA: Societe Antillaise de Transportes Aeriens, S.A. (Air Guadeloupe)
Pamies, Jose, MD
Air Truck, S.A.
Pamon-Montri, Jothin, pres.
PB Air, Ltd.
Pan Am Air Bridge Partnership Group
Pan Am Air Bridge
Pan Am Building helicopter service
New York Airways (2)
New York Helicopter Corporation
Pan Am Games
1995, American Falcon, S.A.
Pan American Corporation
Pan American Airways (PAA)
Pan American World Airways (1)
Panama invasion, 1989
COPA: Compania Panamena de Aviacion, S.A.
Panda transport
Federal Express (FedEx)
United Parcel Service (UPS)
Pande, Satish, hijacker
Indian Airlines Corporation
Pandey, Pradeep Raj, founder/MD
Everest Air, Ltd.
Royal Nepal Airlines Corporation
Paneuropa, GmbH., tour operator
Paninternational Airways, GmbH.
Pangborn, Clyde, co-pilot
United Air Lines (2)
Pani, Ricardo "Rico," founder/pres.
Aerovias Reforma, S.A.
Panik, Jaroslav, MD
Skoda Engineering + Air Transport, Ltd.
Panini, Carlos, founder/pres.
Servicio Aereos Panini, S.A.
Paniokov, Boris Ye., first deputy minister of Soviet civil aviation/DG
Aeroflot Soviet Airlines
Panitchpakdi, Supachai, Thai deputy prime minister
Thai Airways International, Ltd. (THAI)
Pankin, Viktor, CEO
Bodaibo Air Enterprise
Pankrat'ev, A. V., pilot
Dobrolet
Panov, I. M., DG
Konveyor Air Company
Pantazis, Demetris, GM
Eurocypria Airlines, Ltd.
Papadakis, Panikos, MD
Cyprus Airways, Ltd.
Papadopoulos, Stefanos, investor
Makedoniki Aerodiafimistiki, S.A.
Papaioannou, Stavros, chairman
Congo Airlines, S.P.R.L.
Shabair, S.A.
Papandoniou, Yannis, economics minister
Olympic Airways, S.A.
Paparo, Dr. Cosimo, MD
Alinord, SpA.
Papier, Haindl, major shareholder
Interior Airways, GmbH.
Augsburg Airways, GmbH.
Papillault, J., GM
Uni-Air International, S.A.
Papousek, Dr. Hubert, jt.-MD
Austrian Airlines, A.G.
Papousek, Hubert, chairman
Austrian Airlines, A.G.
Pappalardo, Victor, pres.
City Express, Ltd.
Paquette, Edward, vp-operations/vice chairman
Trans World Airlines (TWA)
Paquette, Oliver, pilot
Transamerican Airlines Corporation
Parashar, Pran N., pres.
Air Hong Kong (Pty.), Ltd.
Paravolidakis, F., hijacker
Olympic Airways, S.A.
Parcel Express, Ltd.
Air Freight New Zealand, Ltd.
Parer, Raymond "Battlin," pilot/founder/CEO
Buloro Goldfields Aeroplane Service, Ltd.
Morlae Airlines (Pty.), Ltd.
Pacific Aerial Transport (Pty.), Ltd.
Pareti, Harold J. "Hap," founder/pres./chairman
Leisure International Airways
PEOPLEExpress Airlines
Presidential Airways
Paris, Anthony J., MD
Air Malta Company, Ltd. (2)
Paris, G. J., GM
Royal Swazi National Airways, Ltd.
Park, Rudy, services div. GM/deputy MD
ERA Aviation
KLM/ERA Helicopters, B.V.
Parker, C. J., chairman
Air U.K. Group, Ltd.
Leisure International Airways, Ltd.
Parker, Daniel, founder/chairman
Omniflight Airways/Omniflight Helicopters
Parker, James F., VP-special counsel/CEO
Southwest Airlines (2)
Parker, JoAnn Slack, chairman/CEO
Omniflight Airways/Omniflight Helicopters
Parker, Capt. John Lankester, pilot
Imperial Airways, Ltd.
Parker, Christopher, chairman
Paramount Airways, Ltd.
Parker, Daniel, founder/chairman
Omniflight Airways/Omniflight Helicopters
Parker, Fess, actor/director
World Airways
Parker, George, pres.
Resort Commuter Airlines (1)
Parker, James F., VP/CEO
Southwest Airlines (2)

- Parker, JoAnn Slack, chairman
Omniflight Airways/Omniflight Helicopters
- Parker, Jonathan, vp
Aircraft Services Group
- Parker, King, founder/pres.
Cayman Islands Airways, Ltd.
- Parker, W. Douglas, EVP/CFO/pres.
America West Airlines
- Parkhotko, Grigori A., commander
Anadyr United Air Detachment
- Parks, Ned, founder/pres.
Mid Ohio Aviation
- Parks, Oliver L., founder/owner
Parks Air Transport
- Parks, Roger, GM
Australia-Asia Airlines (Pty.), Ltd.
- Parks Air College
Ozark Air Lines
Parks Air Transport
- Parmenter, Brian, MD
Air Swazi Cargo, Ltd.
- Parmenter, George, founder/pres.
Air New England
Cape & Islands Flight Service
- Parmentier, Capt. Kolne Dirk, senior pilot
KLM: Royal Dutch Airlines, N.V.
- Parries, Jose, MD
Air Truck Lineas Aereas, S.A.
Air Truck Lineas Aereas, S.A.
- Parris, William B., 3rd., founder/pres.
Sky One Express
- Parruque, Jeronimo Albino, GM
TTA: Transporte E Trabalho Aereo
- Parry, Hugh, MD
British Mediterranean Airways, Ltd.
- PARS CRS reservation system
Newair
Northwest Airlines
Trans World Airlines (TWA)
- Parson, Reggie, founder/pres.
Cirrus Air
- Partridge, Elmer, pilot
Charles Dickenson
- Pascual, Gonzalo, chairman
Spanair, S.A.
- Pascucci, Mario, VP Cargo
Alitalia, SpA.
- Pasha, Hasan Raza, chairman
Pakistan International Airlines Corporation
- Passage Tours
Northwest Airlines, Ltd.
- Passos, Francisco Silva, MD
Heliportugal, Ltda.
- Pastega, Dr. Mario, founder/pres.
Corporacion Sudamericana de Servicios Aereos, S.A.
SANA: Sociedad Argentina de Navegacion Aerea, S.A.
- Pastour, Cedric, chairman/CEO
Star Europe: Societe de Transports Aerien Regional, S.A.
- Pastrana, Andres, president of Colombia
AVIANCA Colombian Airlines, S.A.
- Pataki, Gov. George (R-NY)
JetBlue Airways
- Patrasuwan, Banchar, VP
Air Andaman, Ltd.
- Patchey, Amanda, opns. dir.
London Executive Aviation, Ltd.
- Patchin, Robert H., PANAGRA dir. on Pan Am board
Pan American-Grace Airways (PANAGRA)
- Patel, G. N., chairman
Gujarat Airways, Ltd.
- Patel, Capt. Kiran, jt.-founder/chairman
Eagle Aviation, Ltd. (2)
- Patel, Solly, MD
Zambia Skyways, Ltd.
- Patey, G. E., pres.
Labrador Airways, Ltd.
- Patient, J., GM
Cameroon Air Transport, S.A.
- Patmore, Ronald L., pres.
Ontario Express, Ltd.
- Patrick, David L., dir.
United Airlines
- Patrick, Mjr. Gen. Mason M., U.S. Army Air Service chief
Huff-Daland Dusters
- Patroni, Joe, character in movie *Airport* *see*
Davis, Roy, TWA mechanic
- Patterson, C. S., hijacker
Western Airlines (1)
- Patterson, Cyril, pilot
Aircraft Transport and Travel, Ltd.
- Patterson, John, MD
GB Airways, Ltd.
- Patterson, M. L., passenger
Eastern Air Lines
- Patterson, Patti, flight attendant
American Airlines
- Patterson, R. B. "Pat," pilot
Pacific Air Transport
- Patterson, Robert Porter, U.S. war secretary/passenger
American Airlines
- Patterson, William A. "Pat," bank official/vp/pres.
Pacific Air Transport
United Air Lines (1)
United Air Lines (2)
- Patterson, William, founder/GM
King Island Airways (Pty.), Ltd.
- Patterson, S.S., rescue
Alaska Air Transport
- Pattison, James "Jimmy," founder/chairman
Air B.C., Ltd.
- Pattist, Capt. M. P., pilot
KLM: Royal Dutch Airlines, N.V.
- Patzold, Georg, founder/pres.
Taunus Air, GmbH. & Co., K.G.
- Paukner, Gerd Peter, pres.
Melila Jet, S.A.
- Paul, Capt. Rodwell A., pilot
Guyana Airways Corporation
- Paulin, Max, opns. mgr.
Oman Air, Ltd.
- Paunescu, George C., founder/MD
DAC Air, S.A.
- Pavlov, A. V., CEO
Flight Detachment 223: 223 Letny Othyad
- Pavlov, Alexandre, Kazakhstan 1st deputy prime minister
Air Kazakhstan
- Pavlov, M., pilot
Ukrvozdukhput
- Paya, Ali, MD
Guvon Air, A.S.
- Paynter, C. Jayne, founder
Union Flights
- Payson, Russel, chairman/CEO
Skyservice Airlines, Ltd.
- Peabody, Capt. James, jt.-founder
Panagra Airways
- Peach, Robert E., pilot/EVP/pres./chairman
Mohawk Airlines (1)

- Robinson Airlines
- Peach, Robert, Jr., jt. founder/pres./chairman
- Catskill Airways
- Mohawk Airlines (2)
- Peacock, Donald, chairman
- Monarch Airlines, Ltd.
- Peacock, Johnny, jt. founder
- Royal Hawaiian Air Service
- Peagram, Edward C. C., pres./chairman
- Air Charter Systems, Ltd.
- Peak International
- Aspen Mountain Air
- Lone Star Airlines
- Peak Management & Consulting Service
- Angel Airline Company, Ltd.
- Peanuts*, mascot
- All Nippon Airways Company, Ltd. (ANA)
- "Peanuts Fares"
- Continental Airlines
- Pearce, Donald, jt.-founder
- Air Colorado
- Pearce, Patricia, flight attendant
- British Airways, Ltd. (2)
- Pearce, S. N., jt. founder
- Noon & Pearce Air Charters, Ltd.
- Peariso, Gord, founder/pres.
- Corporate Express, Ltd.
- Pearlman, Louis J., jt.-founder
- Planet Airways
- Pearson, Arthur, founder/pres.
- Pac Air
- Pearson, Clive, chairman/dir.
- British Airways, Ltd. (1)
- British Overseas Airways Corporation (BOAC)
- Pearson, Earl, founder/pres.
- Pearson Aircraft
- Pearson, Phil M., pres.
- Pearson Aircraft
- Pearson, Richard D., vp/prs.
- Trans World Airlines (TWA)
- Peck, Rand K., pilot
- Air New England
- Peculs, Rose, jt. founder
- Los Angeles Air Service
- Pederman, Cornelia, flight attendant
- Boeing Air Transport
- Pedersen, Keld Ditlev, jt.-founder/MD
- Sterling European Airlines, A.S.
- Pedersen, Ole, pres.
- SAS Commuter
- Pedersoli, Carlo, chairman/pres.
- Mistral Air, SpA.
- Pederson, Jim, founder/pres.
- Barrow Air
- Pedrosa, Juan, hijacker
- Eastern Air Lines
- Pedrosa, P. P. V., pres.
- Aparte Taxi Aero, Ltda.
- Peirce, Capt. I.C., pilot
- British Overseas Airways Corporation (BOAC)
- Peiser, Robert A., EVP/CFO/pres.
- Trans World Airlines (TWA)
- Western Pacific Airlines (Westpac)
- Peker, Mursel, hijacker
- THY Turkish Airlines, A.O.
- Pelican Express
- Vintage Air Tours
- Pelimuhandiram, A. S., MD
- Upali Aviation, Ltd.
- Pellecer, Arturo, pres.
- Aerovias, S.A. (Guatemala)
- Pellegrini, Juan Carlos, DG
- Aerolineas Argentinas, S.A.
- Pellegrino, Louis P., chairman
- Newair
- Pellerano-Albantosa, Rafael Fredesvindo, hijacker
- Eastern Air Lines
- Pellerin, Jacques, GM
- Brit Air: Brittany Air International, S.A.
- Pemberton, Christopher D., MD
- Aeromega, Ltd.
- Pemberton, Gary, chairman
- Qantas Airways (Pty.), Ltd.
- Pena, Federico, DOT secretary
- Atlantic Coast Airlines
- Federal Express (FedEx)
- Flagship Airlines
- Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Northwest Airlines
- United Airlines
- Pendleton, Linda, founder/pres.
- Air Lincoln
- Peng, Li, premier of China (PRC)
- Air China International Corporation
- Peninsular & Oriental Steam Navigatin Co., Ltd.
- Aquila Airways, Ltd.
- Cathay Pacific Airways (Pty.), Ltd.
- Pennington, Syd, co-MD
- Virgin Atlantic Airways, Ltd.
- Pennsylvania
- Air Atlantic Airlines
- Air East
- Air Pennsylvania
- Allegheny Commuter
- Allegheny Commuter Airlines
- Altair Airlines
- American Flyers Airline Corporation
- Anjill Airlines
- Avitat
- BAS Airlines
- Basco Flying Services
- Bradford Air Transport
- Cape Cod Airways
- Capital Airlines
- Capitol Air Express
- Carson Helicopters
- Central Airlines (2)
- Chester County Air
- Christman Air Service
- Crown Airways
- Davis Air
- Erie Airways
- Faryniak, Walter
- Flightways Air System
- General Airlines
- General Aviation Services
- Harrisburg Commuter
- Harrisburg Jet Charter
- Indiana Airways (1)
- Indiana Airways (3)
- Jetstream International Airlines
- Keystone Airline
- Keystone Airlines
- Keystone Helicopter Corporation
- Koro Aviation
- Liberty Express
- LJ Associates
- Marc Fruchter Aviation

- PAB Aviation
- Penn-Aire
- Pennsylvania Airlines
- Perkiomen Airways
- Philadelphia Jet Service
- Philadelphia Rapid Transit Air Service
- Pitcairn Aviation
- Pitt Airlines
- Pitt Airways
- Pittsburgh Airways
- Pocono Airlines
- Reading Airlines
- Sky View Air Lines
- Skyline Airlines
- Skyline Motors Aviation Services
- Suburban Airlines
- Summit Airlines
- Trans Penn Airlines: Trans-Pennsylvania Airlines
- USAir
- Vee Neal Airlines
- Venture Jets
- West Penn Commuter
- Winged Cargo Airlines
- Wings Airways (2)
- Wings Charter Services
- Pennsylvania Railroad
 - American Airlines
 - New York, Philadelphia and Washington Airway
 - TACA: Transportes Aereos Centros Americanos, S.A.
 - Transcontinental Air Transport (TAT)
- Penson, Angelo Dwight, pres.
 - Pacific East Asia Cargo Airlines
- Penwarden, Jerry, COO
 - Dragonair (Pty.), Ltd.
- People's Omnibus Company
 - Jersey Airways, Ltd.
- Peparo, M. A., hijacker
 - National Airlines (1)
- Pepper, Benjamin, pres./founder
 - TACA: Transportes Aereos Centro Americanos, S.A.
 - World Airways
- Peralda, Sergio, pres.
 - Meridiana, SpA.
- Percival, Edgar, pilot
 - Gibraltar Airways, Ltd. (1)
- Percival, Papalii Grant, GM
 - Polynesian Airlines, Ltd.
- Percy, Capt. J. R., pilot
 - British Overseas Airways Corporation (BOAC)
- Percy, Capt. J. T., pilot
 - Imperial Airways, Ltd.
- Pereault, Yannick, chief pilot
 - Air Satellite, Ltd.
- Peregrine Capital, Ltd.
 - Dragonair (Pty.), Ltd.
- Pereira, Derek, flight attendant
 - British Airways, Ltd. (2)
- Pereira, Richard, owner/chairman
 - Express Aire
- Pereira, William L., jt. founder
 - Air California
- Peres, Shimon, Israeli prime minister
 - El Al Israel Airlines, Ltd.
- Perez, Abel R., jt.-founder
 - Compania de Transportes Aereos Mexico-Cuba, S.A.
- Perez, Carlos Andres, pres. of Venezuela
 - AVENSA: Aerovias Venezolanas, S.A.
- Perez, Capt. Carlos Cervantes, founder/chairman
 - ACSA: Aerocargo, S.A.
- Perez, Dilvo, chairman/owner
 - NAB: Navegacao Brasileira, S.A.
- Perez, L. Medina, hijacker
 - National Airlines (1)
- Perez-Perez, Crecencio, hijacker
 - Delta Air Lines
- Perez y Bouras, Jorge, DG
 - Aeronaves de Mexico, S.A. de C.V.
- Perier, Gilbert, pres.
 - Sabena Belgian World Airlines, S.A.
- Pereira, Carlos, MD
 - Air Santo Domingo, C. por A.
- Pereira, Jeffrey R., pres.
 - Yute Air Alaska
- Perillo Tours, SpA.
 - Alitalia, SpA.
- Perka, Andrzej, hijacker
 - LOT Polish Airlines, S.A.
- Perkins, Bobby, Member of Parliament
 - Imperial Airways, Ltd.
- Perkins, W. D., Member of Parliament
 - British Overseas Airways Corporation (BOAC)
- Pearlman, Clifford and Stuart, founders
 - Regent Air Corporation
- Perol, Gilbert, pres.
 - Air France
- Peron, Isabel ("Evita"), passenger
 - Aerolineas Argentinas, S.A.
- Peron, Juan, president of Argentina
 - Aerolineas Argentinas, S.A.
- Perot, H. Ross, entrepreneur
 - Braniff International Airways
- Perrault, Robert, pres.
 - Air Alliance, Inc.
- Perrem, Guy, MD
 - Irish Helicopters, Ltd.
- Perrin, Capt. Ernie, pilot
 - Bristow Helicopters, Ltd.
- Perrin de Nelle, Philip, DG
 - Crossair Europe, S.A.
- Perron, Bertrand, president
 - Abitibi Helicopters, Ltd.
- Perrott, Barry, MD
 - Jersey European Airways, Ltd.
 - British European, Ltd.
- Perrott, Capt. Geoff, chief pilot/flight opns. mgr.
 - Cambrian Air Services, Ltd.
 - Cambrian Airways, Ltd.
- Perry, Cindy, flight attendant
 - Piedmont Airlines (1)
- Perry, Geoffrey, motorcycle racer/passenger
 - Pan American World Airways (1)
- Perry, Jay Leon, founder/pres.
 - Ponderosa Airlines
- Perry, Jim, founder/pres.
 - Bonanza Airlines
 - Mountain West Airlines (1)
- Perry, Lester, hijacker
 - Trans-World Airlines (TWA)
- Persaud, Nowrang, acting GM
 - Guyana Airways 2000
- Persaud, Yesu, chairman
 - Guyana Airways 2000
- Persson, Karl-Johan, jt.-MD
 - Syd Aero Be-Ge, A.B.
- Persson, Per Erik, co-MD
 - Syd Aero Be-Ge, A.B.
- Persson, Sverneric, GM/COO/pres.
 - LanChile Airlines, S.A.

- Air Botnia O/Y
 Peruval, S.A., jt. owner
 LanPeru, S.A.
 Peruvian earthquake of 1939
 Pan American-Grace Airways (PANAGRA)
 Peruvian earthquake of 1947
 Pan American-Grace Airways (PANAGRA)
 Peruvian earthquake of 1950
 Pan American-Grace Airways (PANAGRA)
 Peshkov, Mikhail R., DG
 Teslinograd United Air Detachment
 Pesko, Marian, hijacker
 CSA Czechoslovak Airlines
 Pesskin, Robin, chairman
 British Air Ferries, Ltd.
 Pessoa de Arajo, Capt. Ariston, founder/pres.
 TAF: Linhas Aereas, S.A.
 Pestana Hotels
 Air Madeira, S.A.
 Petch, D. Keith, GM
 Air Botswana (Pty.), Ltd.
 Air Namibia (Pty.), Ltd.
 Namib Air (Pty.), Ltd.
 Petchart, Apichart, passenger
 Thai Airways International, Ltd. (THAI)
 Peter Deilmann Tours
 Air France
 Peters, Capt. Cheryl Faye, pilot
 Piedmont Airlines (1)
 Peters, Hans-Joachim, founder/chairman
 LTU Lufttransport, GmbH.
 Peters, Tom, author/consultant
 Delta Air Lines
 Petersen, Capt. Leroy, pilot
 Pan American World Airways (1)
 Petersen, Per Volstrup, jt.-founder
 Sterling European Airlines, A.S.
 Petersen, Raymond F., founder/pres.
 Katmailand
 Peterson, Andre, pilot
 Federal Express
 Peterson, "Banjo," composer of *Waltzing Matilda*
 Ansett Australia (Pty.), Ltd.
 Peterson, Esther, White House consumer advisor/passenger
 Commuter Airlines (1)
 Peterson, Gene, vp-flight opns.
 Northwest Airlines
 Peterson, Mikaeinar, air rage perpetrator
 MALEV Hungarian Airlines, Rt.
 Peterson, Raymond I., founder/pres./chairman
 Northern Consolidated Airlines
 Wien Air Alaska
 Peterson-Coplin, Felix Rolando, hijacker
 Eastern Air Lines
 Petiteau, Charles, chairman
 Compagnie Aeronautique Europeenne, S.A.
 Petolta, Ronald, founder/pres.
 Bush Air
 Petren, Christer, pres.
 Transwede Airways, A.B.
 Petroleum No. 4 Project
 Transocean Air Lines (TAL)
 Petrov, A. I., pilot
 Aeroflot Soviet Airlines
 Petrov, Igor, CFO
 Tyumenaviatrans (TAT)
 Petrov, Nikolai, founder/pres./CEO
 Moldavian Airlines
 Petrov, Yuri, founder/pres.
 Avia Air Company
 Petrovic, Zivorad, DG
 JAT Yugoslav Airlines
 Petrovski, Zlatko, chairman/pres.
 Macedonian Airlines
 Petron, Bo, MD
 Avia Airlines, A.B.
 Pettitt, John, chairman/MD
 Turtle Airways, Ltd.
 Petty, James pres.
 Air Vegas
 Pevcevic, Andres, Domingo Andres, and Alexander, founders
 Aerovias DAP, S.A.
 Pfefer, Valeri, DG
 Mostransgaz Airlines Company
 Pfefer, Linda K., founder/pres.
 Harbor Air Service
 Pfennig, Richard, pres.
 Jetstream International Airlines
 Midway Commuter
 PSA Airlines
 Pflug, Jackie Nink, hijacked passenger
 Egyptair, S.A.E.
 Pfrimmer, Ernest-Jean, CFO
 Cameroon Airlines, S.A.
 Pham Ngoc Minh, deputy DG
 Vietnam Airlines
 Phan Van Tiem, chairman
 Vietnam Airlines
 Phatswe, Capt. Chris, pilot suicide
 Air Botswana Corporation, Ltd.
 Pheil, A. C., passenger
 Saint Petersburg-Tampa Airboat Line
 Philadelphia Eagles NFL team
 Continental Airlines
 The Flying Tiger Line
 Northwest Airlines
 Transcontinental and Western Air Lines (TWA)
 United Air Lines (2)
 Philadelphia Flyers NHL team
 Sun Pacific International
 Philadelphia Phillies MLB team
 Transcontinental and Western Air Lines (TWA)
 Philbin, Philip H., founder/pres.
 Air Express Corporation
 Philbrick, John C., founder/pres.
 Aroostock Airways
 Philemotte, Dany, pres.
 Filair, S.A.
 Philipenko, Cmdr. Vladislav S., DG
 Kalingradavia
 Philippine Aerospace Development Corporation
 Pacific East Asia Cargo Airlines
 Philippine Revolution, 1986
 Philippine Air Lines
 Philippines, Department of Labor
 Philippine Air Lines
 Philippines, Government Service Insurance System
 Philippine Air Lines
 Philippines, Securities and Exchange Commission
 Philippine Air Lines
 Philippines National Bank Holdings
 Dragonair (Pty.), Ltd.
 Philippine Air Lines
 Phillips, Alfred, founder/pres.
 Phillips Flying Service
 Phillips, E. W., jt.-founder
 Derby Airways, Ltd.
 Phillips, Joseph H., founder/pres.

- Phillips Airlines
 Phillips, Capt. M. H., pilot
 Rhodesian and Nyasaland Airways, Ltd. (RANA)
 Phillips, "Pop," flight attendant
 Ethiopian Airlines, S.C.
 Phisitvanich, Supachai, vice chairman
 Thai Airways International, Ltd. (THAI)
 Phoenix Airline Services
 Chicago Express Airlines
 Northwest Airlines
 Republic Express Airlines
 Phoenix Cardinals NFL team
 America West Airlines
 Phoenix Suns NBA team
 America West Airlines
 Phs. Van Oumeren, N.V.
 Schreiner Airways, B.V.
 Piardi, Felix, founder/pres.
 DHL Aero Express, S.A.
 Piazza, Roger, CEO
 Emery Worldwide
 Picher, Stefan, EVP-sales/CEP
 Deutsche Lufthansa, A.G.
 Condor Flugdienst, GmbH.
 Pickering, G., founder/MD
 Waratah Air Services (Pty.), Ltd.
 Pickett, George F., Jr., jt. founder/pres.
 Atlantic Southeast Airlines (ASA)
 Pickett, Mike, charter mgr.
 Pavco
 Pickford, Mary, actress/passenger
 Transcontinental Air Transport (TAT)
 Varney Speed Lines Air Service, Ltd.
 Pidduck, David, chairman
 Islands Aviation (Islands Nationair) (Pty.), Ltd.
 Pidgeon, Walter, actor/passenger
 Transcontinental and Western Air Lines (TWA)
 Pieck, Artur, DG
 Interflug DDR Airlines, mbH.
 Pieck, Wilhelm, DDR president
 Interflug DDR Airlines, mbH.
 Piedade, J. P., MD
 African West Air, S.A.
 Pienaar, Capt. S., pilot
 South African Airways (Pty.), Ltd.
 Pierce, Hugh, investor
 Panagra Airways
 Pierce, O. M., founder/pres.
 Air Enterprises
 Tyme Airlines
 Pierson, Jean, Airbus Industry MD
 Virgin Atlantic Airways, Ltd.
 Pierson, Lewis, principal banker
 New York, Rio and Buenos Aires Line
 Pierson, Warren Lee, chairman
 Transcontinental and Western Air Lines (TWA)
 Pieterse, Eugene, GM
 Eastern Caribbean Express, Ltd. (EC XPress)
 Pigeat, A.A., MD
 Air Comores, S.A.
 Pigman, Reed W., founder/pres.
 American Flyers Airline Corporation
 Pihl, Lennart, GM
 Osterman Helicopter, A.B.
 Pike, Maurice S., MD
 Transkei Airways Corporation (Pty.), Ltd.
 Pike, Roger, chairman
 Air Nova, Ltd.
 Piladakis, Kostas, MD
 South East European Airways, S.A.
 Pilgreen, Randy, founder/pres.
 Apex Airlines
 Pilkington, Colonel, passenger
 Aircraft Transport & Travel, Ltd.
 Pillay, Joseph Y. M., chairman/pres.
 Singapore Airlines, Ltd.
 Pilon, Luc, pres.
 Huisson Aviation (1989), Ltd.
 Pima Air Museum
 Trans World Airlines (TWA)
 Pimarnthip, ACM Gun, chairman
 Thai Airways International, Ltd. (THAI)
 Pimoshenko, Viktor, CEO
 Neftyugansk United Air Detachment
 Neftyugansk Air Enterprise
 Pimtubula, shareholder
 Air Tiwi (Pty.), Ltd.
 Pinacv, V. T., DG
 Yakutaviatrans Air Company
 Pinckney, J.S., hijacker
 British West Indies Airways, Ltd. (2) (BWIA)
 Pincus, Aryeh, pres.
 El Al Israel Airlines, Ltd.
 Pinera, Sebastian, chairman
 LanChile Airlines, S.A.
 Pinochet, Gen. Augusto, Chilean pres.
 LADECO Chilean Airlines, S.A.
 LanChile Airlines, S.A.
 Pinsonnault, Maurice, developer/investor
 Nationair Canada, Ltd.
 Pinto, Fernando, pres./CEO
 Cruzertio do Sul, S.A.
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 TAP-Air Portugal, S.A.
 Pinto, Oswaldo Pampiona, EVP
 TAM: Transportes Aereos Regionais, S.A.
 Piper, Capt. Harold, pilot
 Imperial Airways, Ltd.
 Piper, Claes, pres.
 Gronlandsfly, A.S./Greenlandair, A.S.
 Piper, Randal G., investor
 CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Piper, William "Bill," pilot
 Transcontinental and Western Air Lines (TWA)
 Piper PA-31-310 Navajo launch customer
 West Coast Airlines
 Piper PA-31-350 Navajo Chieftain launch customer
 Harbor Airlines
 Pineau, Michael, GM
 Air Reunion, S.A.
 Piquard, Claude, GM
 City Connexion Airlines, S.A.
 Pique, Josep, Spanish industry minister
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Pirotte, John, chairman/pres.
 Orion Air (1)
 Pirow, Oswald, South African defense minister
 Union Airways (Pty.), Ltd.
 Pisenok, Cmdr. V. G., DG
 Nizhivartovsk United Air Detachment
 Pitcairn, Harold F., founder/pres.
 Pitcairn Aviation
 Pitcairn PA-5 Mailwing launch customer
 Texas Air Transport
 Pitofsky, Robert, U.S. FTC chairman
 American Airlines
 British Airways, Ltd. (2)
 Pitre, Mrs. A. Marie, murderer

- Quebec Airways, Ltd.
Pittard, Michael, founder/pres.
Direct Air
Pittman, A. L., pres.
Independent Air
Pitts, J. W., chairman/pres.
Okanagan Helicopters, Ltd.
Pittsburgh Coke and Chemical Company, owners
American Flyers Airline Corporation
Pittsburgh flood of 1936, relief flights
Transcontinental and Western Air Lines (TWA)
Pittsburgh flood of 1937, relief flights
Pennsylvania Central Airlines
Pittsburgh Steelers NFL team
Capital Airlines
United Air Lines (2)
USAir
USAirways
Pittston Company, The
Burlington Northern Air Freight
Burlington Air Express
BAX Global
Pivcevic, Domingo Andres, pres.
Aerovias DAP, S.A.
Plaine des Jarres (Laos) airlift, 1953
Civil Air Transport, Ltd.
Plane Adventure Tours
Baxter Air: Baxter Aviation, Ltd.
Planned Parenthood
United Airlines
Plaskett, Thomas G., pres./chairman/vice-chairman
Continental Airlines
Pan American World Airways
Legend Airlines
Plata, Capt. Luis, pilot
LAV Venezuelan Airlines, S.A.
Playboy Enterprises
Purdue Aeronautical Corporation
Player, James, pres.
Kiwi International Air Lines
Plaza, Galo, Ecuadorian president
Pan American-Grace Airways (PANAGRA)
Pleasant Hawaiian Holidays
American Trans Air (ATA)
Pleshakov, Alexander, pres.
Transaero Airlines
Plesman, Albert, founder/MD-pres./chairman
KLM: Royal Dutch Airlines, N.V.
Plesman, Hans, founder's son/passenger
KLM: Royal Dutch Airlines, N.V.
Plesman, Jan, founder's son
KLM: Royal Dutch Airlines, N.V.
Plett, Barbara, BBC reporter
Royal Jordanian Airlines
Pleuger Flugdienst GmbH.
Delta Air Regional Flugverkehr, GmbH.
Plevris, Vasilis, MD
Cretan Airlines, S.A.
Plichta, Hampie, Namibian transport/communications minister
Air Namibia (Pty.), Ltd.
Kalahari Express Airlines (Pty.), Ltd.
Plimpton, J. O., Jr., vp
Eastern Air Lines
Plimsoll Line, The
Brymon Airways, Ltd. (1)
Brymon European Airways, Ltd.
Maersk Air, A.S.
Pliskow, B., hijacker
American Airlines
Plosser, Joseph, Jr., jt.-founder
Pacific Southwest Airlines (PSA)
Plum, Eugene, founder/pres.
Air Pennsylvania
Perkiomen Airways
Plummer, Stephen, pres. IMP Group International, Ltd.
Air 500, Ltd.
Plunkett, St. Oliver, canonization tour
Aer Lingus Irish Airlines, Ltd.
Plynin, Viktor V., co-commander
Atyrau United Aviation Detachment
PNG Banking Corporation
Air Niugini (Pty.), Ltd.
Pocci, Franco, pres.
Blue Panorama Airlines, SpA.
Pocock, B. L. R., founder
Libyan Aviation, Ltd.
Pocock, Brian, GM
Air Botswana (Pty.), Ltd.
Pocock, Steven, vp-opns.
Apollo Airlines
Pogrebnjak, Leonid V., DG
Air Ukraine
Pogue, Grayson, jt. founder
Shepparton Airlines (Pty.), Ltd.
Pohl, Bertram, jt. founder/pres.
Cargo Lion, S.A.
Pohlad, Carl, owner/chairman/dir.
Mesaba Airlines
Continental Airlines
Pointe Group, The
Air South (4)
Pokemon, mascot
All Nippon Airways Company, Ltd. (ANA)
Polanco, Jaime, pres.
Aeromar International, C. por A.
Poland, Committee of National Liberation
LOT Polish Airlines, S.A.
Poland, Martial law, 1981
Aeroflot Soviet Airlines
LOT Polish Airlines, S.A.
Poland, Ministry of Transport and Maritime Economy
LOT Polish Airlines, S.A.
Poland, Ministry of Treasury
LOT Polish Airlines, S.A.
Poland, John, CEO
PDG Helicopters, Ltd.
Poland, Sejm
LOT Polish Airlines, S.A.
Polin, Max S., pres.
China Airways Federal, Ltd.
Polish Committee of National Liberation
LOT Polish Airlines
Politours, S.A.
Air Europa, S.A.
Polk County, Iowa
AccessAir
Pollard, Charles, pres.
World Airways
Pollard, Colin, MD
Gill Air: Gill Aviation, Ltd.
Pollock, Charles, MD
Air Botswana (Pty.), Ltd.
Polte, Willi, pilot
Deutsche Luft Hansa, A.G.
Polyakov, I. K., pilot
Dobrolet
Pompa, German, pilot
Cubana: Empresa Consolidada Cubana de Aviacion

- Pompei, A., MD
Avio Ligure, SpA.
- Ponce, Rodolfo R., pres.
Noroeste: Aviacion del Noroeste, S.A. de C.V.
- Pond, Cecil, founder/pres.
Skystream Airlines
- Pongracz, Antal, GM
MALEV Hungarian Airlines, Rt.
- Pons, Bernard, French transport minister
Air France
- Poole, Charles, MD
Aurigny Air Services, Ltd.
- Poole, Capt. David, pilot
American Airlines
- Poole, Jenny, vp-inflight services
Delta Air Lines
- Pope John Paul II, passenger
Aer Lingus Irish Airlines, Ltd.
Air Canada, Ltd.
Air Niugini (Pty.), Ltd.
Alitalia, SpA.
Deutsche Lufthansa, A.G.
El Al Israel Airlines, Ltd.
LanChile Airlines, S.A.
LOT Polish Airlines, S.A.
Mexicana Airlines, S.A. de C.V.
Philippine Air Lines (PAL)
TAESA: Transportes Aereos Ejecutives, S.A. de C.V.
Trans World Airlines (TWA)
- Pope Paul VI, passenger
Alitalia, SpA.
Deutsche Lufthansa, A.G.
Swissair, A.G.
Trans World Airlines (TWA)
- Pope Pius XII, passenger
Junkers Luftverkehr, A.G.
- Pope, Capt. Allen, pilot
Civil Air Transport, Ltd.
- Pope, John "Jack," vp/pres.
American Airlines
United Airlines
- Pope, Keith F., VP/GM
Canadian Airlines, Ltd.
Eastern Caribbean Express, Ltd. (EC Xpress)
- Pope, Murray, MD
Great Barrier Airlines, Ltd.
- Popert, D., GM
Air Inuit, Ltd.
- Popocatepetl Volcano (Mexico) eruption, December 2000
Delta Air Lines
Mexicana Airlines, S.A. de C.V.
TACA International Airlines, S.A.
United Airlines
- Popov, S. A., DG
Impuls Aero
- Popovic, Vladislav, chairman
Air Montenegro
- Popp, Rene, founder/pres./chief pilot
Bannert Air, GmbH.
- Porcari, Luciano, hijacker
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Porcel, Carlos Cancio, pilot/hijacker
Cubana: Empresa Consolidada Cubana de Aviacion
- Porodisa Industrial Group, Ltd.
Bali Air: PT Bali International Air Service
- Port Moresby (New Guinea) airlift, May 1942
ANA: Australian National Airlines (Pty.), Ltd.
- Portella, Aime, DG
Lina Congo, S.A.
- Porter, John, jt.-founder
Air Vermont
- Portilla, Jose Luis Lamosas, chairman/CEO
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
Mexicana Airlines, S.A. de C.V.
- Portland Trailblazers NBA team
Evergreen International Airlines
- Portnikov, Boris A., DG
Orenburg Airlines: Orenburg Avia
- Posada, Oscar, GM
SAM Colombia Airlines, S.A.
TAMPA: Transportes Aereos Mercantiles Panamericanos Tampa, S.A.
- Posadas Melgarejo, L., hijacker
Austral Airlines: Austral Lineas Aereas, S.A.
- Poskitt, Luis Davids, advisor
LanChile Airlines, S.A.
- Possnicker, J. H., MD
Aurigny Air Services, Ltd.
- Post, Troy V., pres./chairman
Air Spirit
Braniff International Airways
- Post, Wiley, pilot/photographs
CAT: Corporacion de Aeronautica de Transportes, S.A.
Pan American Airways (PAA)
Wien Air Alaska
- Postnikov, Anatoli V., CEO
Aero Kuznetsk Novokuznetsk Airline
- Potapov, Vladimir V., chairman
Aeroflot Russian International Airlines (ARIA)
- Potez 62 launch customer
Air France
- Potila, Antti, chairman
Finnair O/Y
Karair O/Y
- Potomac Financial Group
Gemini Air Cargo
- Potter, Jeff S., pres./CEO
Vanguard Airlines (2)
- Potter, M. L., founder
Ciskei International Airways (Pty.), Ltd.
- Potts, Ramsey D., consultant
Federal Express (FedEx)
- Potyomkin, Vladimir, MD advisor
Aeroflot Russian International Airlines (ARIA)
- Potyomski, V., DG
Ukraine International Airlines
- Poulin, Real, jt. founder/pres.
Air Satellite, Ltd.
- Poullios, George, founder/pres.
GP Express Airlines
- Poulsen, J., chairman
Ikaros Fly A.S.
- Pounds, Dr. T. C., founder
CAA: Central American Air Lines, S.A.
TAH: Transportes Aereos Hondurenos, S.A.
- Pow Tuk Kwan, Capt., pilot/advisor
China Airlines, Ltd. (CAL)
Singapore Airlines, Ltd.
- Powell, F. D., pres.
Georgian Bay Airlines, Ltd.
- Powell, AC Griffith J., pilot/MD
Imperial Airways, Ltd.
Silver City Airways, Ltd.
- Powell, Capt. Lewis R., pilot
Robin Air Lines
- Powell, William, actor/passenger
Transcontinental and Western Air Lines (TWA)
- Powelson, Dennis C., jt.-founder
SAM: Sociedad Aeronautica de Medellin, S.A.

- Power, Tyrone, actor/passenger
Transcontinental and Western Air Lines (TWA)
- Pozdeyev, V., student/hijacker
Aeroflot Soviet Airlines
- Poznakhinev, Igor, DG
Antei Aoot
- PR Holdings
Philippine Air Lines
- Prabonneau, J., MD
Compagnie d'Affretements et de Transports Aeriens, S.A.
- Prachuabmoh, Nukui, Thai transport/communications minister
Thai Airways International, Ltd. (THAI)
- Prado, Manuel, Peruvian president
Pan American-Grace Airways (PANAGRA)
- Pradhan, B. B., MD
Royal Nepal Airlines Corporation
- Praeger, Otto, former U.S. Assistant Postmaster General/founder
Aerial Transport Company of Siam, Ltd.
- Prasad, Raghunandan, MD
Indian Airlines Corporation
- Prasarttong-Osoth, Dr. Prasert, pres./CEO
Bangkok Airways, Ltd.
- Pratt, Charlie, pilot
Morlae Airlines (Pty.), Ltd.
- Pratt, Christopher, Australian transport minister
Cathay Pacific Airways (Pty.), Ltd.
- Pratte, Yves, chairman/CEO
Air Canada, Ltd.
- Prellezo, Capt. George, pilot
Southeast Airlines (2)
- Prendergast, Capt. J. V., pilot
Imperial Airways, Ltd.
- Prendergast, John, pres.
Britt Airways
- Prenzler, Walter, EVP
PT Garuda Indonesia
- Presburg, John W., vp/COO
Paradise Island Airways
- Prescott, John, British deputy prime minister/environment, transport, and regions minister
British Midland Airways, Ltd.
Virgin Atlantic Airways, Ltd.
- Prescott, Robert W., founder/pres.
The Flying Tiger Line 3372.
- President's Committee on the Employment of People with Disabilities
Atlantic Coast Airlines
- Presley, Elvis, singer/passenger
Delta Air Lines
McCulloch International Airlines
- Preteit, Sabas, pres.
AVIANCA Colombian Airlines, S.A.
- Prettyjohn, James, passenger
Sabena Belgian World Airlines, S.A.
- Preussag, A.G.
Hapag-Lloyd Fluggesellschaft, mbH.
Flying Colours Airlines, Ltd.
- Prevot, Jean Pierre, MD
GAT: Guyane Air Transport, S.A.
- Price, Capt. Dick, pilot
Qantas Airways (Pty.), Ltd.
- Price, Ernest R., pres.
China Airways Federal, Ltd.
- Price, Sir James, dir.
Imperial Airways, Ltd.
- Price Waterhouse
VASP Brazilian Airlines: Viacao Aerea de Sao Paulo, S.A.
- Price Waterhouse Coopers
Aeroflot Russian International Airlines (ARIA)
Olympic Airways
- Pricher, Lawrence S., pres.
Princeville Airways
- Priddy, Robert, jt. founder/pres./chairman
Air Midwest
Atlantic Southeast Airlines (ASA)
Florida Gulf Airlines
Valujet Airlines
- Priego, Heriberto, DG
Cubana: Empresa Consolidada Cubana de Aviacion
- Priester, Andre, ops. mgr./chief engineer
Pan American Airways (PAA)
Philadelphia Rapid Transit Air Service
- Prieto, Luis Enrique, founder/pres.
LAU: Lineas Aereas Sudamericanas Colombia, S.A.
- Prikhodko, V. I., DG
Transsuper: Transsuper Glavnoe Transportnoe Upravlenie
- Primakov, Yevgeny, prime minister of Russia
Aeroflot Russian International Airlines (ARIA)
Polyet Airlines
- Primark Corporation
Orion Air
- Prince, Ronald, passenger
Delta Air Lines
- Prince Albert (Monaco)
CivAir Charter Services (Pty.), Ltd.
- Prince Bin Abdul Azis, Saudi sultan/chairman
Saudi Arabian Airlines
Saudia: Saudi Arabian Airlines
- Prince Charles (U.K.)
British Airways, Ltd.
- Prince Ghabeni Diamini (Swaziland), chairman
Royal Swazi Airways Corporation, Ltd.
- Prince Gustav Adolf (Sweden)
KLM: Royal Dutch Airlines, N.V.
- Prince Matatazela (Swaziland), CEO
Royal Swazi Airways Corporation, Ltd.
- Prince Michael of York (U.K.)
Virgin Atlantic Airways, Ltd.
- Prince Philip (U.K.)
British Airways, Ltd. (2)
see also Queen Elizabeth II
- Princess Alia (Jordan), namesake
Alia Royal Jordanian Airlines
- Princess Alexandra (U.K.)
British Overseas Airways Corporation (BOAC)
- Princess Cruises
Qantas Airways (Pty.), Ltd.
- Princess Diana (U.K.)
British Airways, Ltd. (2)
Virgin Atlantic Airways, Ltd.
- Princess Hotels International/Princess Casino
Laker Airways (Bahamas), Ltd.
- Principe, Michel, chairman
Alitalia, SpA.
- Priority Holidays
Flying Colours Airlines, Ltd.
- Pritzker, Jay, founder/chairman
Branniff, Inc.
- Private Exort Funding Corp.
Gulf Air Company, G.S.C.
- Probert, Wilton R. "Dick," founder/pres.
Avalon Air Transport
- Product *see* Services (named)
- Proektive Technologi, investor
Urals Air: Urals Too
- Professional Rodeo Hall of Fame
Western Pacific Airlines (Westpac)
- Profilo Mediterraneo, tour company
Helios Airways, S.A.

- Profit Express
Central American International
- Prohibition law (U.S.), flights to avoid
Aero, Ltd.
Aeromarine Airways
- Project 7-A
American Airlines
- Project SAHARA
British Airways, Ltd. (2)
KLM: Royal Dutch Airlines, N.V.
- Prokopiev, Cmdr. Yuri, DG
Tomsk Air Enterprise
- Prom, Arturo, pilot
Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
- Promotora Aerea Latinamericana, S.A. de C.V.
MAS Air: Aerotransportes MAS de Carga, S.A. de C.V.
- Promotora de Inversiones Superior, S.A.
Aero Republica, S.A.
- Promotora Mexicana de Hoteles
LATUR: Lineas Aereas Latur, S.A. de C.V.
- Pronovost, Jean, pres./GM
Propair, Inc.
- Pronto Tours
City Express, Ltd.
- Propeller separations *see* Incidents (e)
- Propheter, Robert, founder/pres.
Propheter Aviation
- ProTrav
Thai Airways International, Ltd. (THAI)
- Prouix, Robert Raymond, sniper
United Airlines
- Proxmire, Sen. William (D-WA), opponent
New York Airways (2)
- Prozeralik, John, founder/chairman
Air Niagara
- Pruss, Capt. Max,
Deutscher Zeppelin-Reederei, A.G.
- Pryor, Richard, comedian/passenger
Paragon Air
- Pryor, Samuel, lobbyist/CIA contact
Pan American World Airways (1)
- Psaila, Anthony and Roy, "air rage" defendants
Air 2000, Ltd.
- Public Broadcasting System presentation
Airport
—British Airways, Ltd. (2)
Full Circle With Michael Palin
—Alaska Airlines
- The Mystery of Flight 201*
—COPA, S.A.
The Plane That Changed the World
—Provincetown-Boston Airline (PBA)
- Pucci-designed "easter egg" livery
Braniff International Airways
- Pucillo, Roberto, pres.
Alidaunia, SpA.
- Puerto Rico
Aeronaves de Puerto Rico
Air Best de Puerto Rico
Air Caribbean
Air Caribe International
Air Mont
Air Puerto Rico
Borinquen Air
Cariba Air
Caribbean Air Services (CASAIR) (1)
Caribbean Air Services (CASAIR) (2)
Caribbean Airboats
Caribbean Executive Airlines
Caribbean Helicorp
Caribbean International Airlines
Caribbean-Atlantic Airlines (Caribair)
Coptco Helicopter Service
Crown Air
Dorado Wings
Executive Air Charter
Executive Airlines (3)
Flamenco Airways
Icarus Caribbean Corporation
Inter Island Express
International Sky Cab
M & N Aviation
North Cay Airways
Oceanair (1)
Palmas Air Corporation
Pan Island Air Tours
Powelson Air Service
PRAVCO: Puerto Rico Aviation Company
PRINAIR: Puerto Rico International Airlines
Saint Thomas Tax Air
San Juan Air
San Juan Jet Charters
Sun Aire Express
Sun International Airways
Tolair Services
Trade Winds & Western Airways
Trans-Commuter Airlines
Vieques Air Link
Western Air Services
- Pueyrredon, Dr. Ernesto, pres.
Aeroposta Argentina, S.A.
- Pugh, Alastair, MD/EVP
British Caledonian Airways, Ltd. (BCAL)
- Pugh, Clifton, artist
Ansett Airlines of Australia (Pty.), Ltd.
- Pugliese, Roque, pres.
CATA Linea Aerea Sacifi, S.A.
LASA: Linea Aerea Sacifi, S.A.
- Pulido, Juan Manuel, vp-opns.
Aero Republica, S.A.
- Pulidori, E., MD
Aero Leasing Italiana, SpA.
- Purcell, Michael, passenger
Northwest Airlines
- Purcell, Sergio, CEO
LanPeru, S.A.
- Purdue University Aeronautical Foundation
Lake Central Airlines
North Central Airlines
Purdue Aeronautics Corporation
- Purrier, Miguel, Curacao prime minister
WIA: Windward Islands Airways International, N.V. ("Winair")
- Purl, Sandy, flight attendant
Southern Airways (1)
- Pursley, Capt. C. H., pilot
Pan American-Grace Airways (PANAGRA)
- Purton, Capt. W. B., pilot
British Overseas Airways Corporation (BOAC)
- Purvis, Arthur, British Supply Council No. Amer. chairman/passenger
British Overseas Airways Corporation (BOAC)
- Purvis, Melvin, FBI special agent
American Airways (2)
- Putin, Vladimir V., Russian pres.
Aeroflot Russian International Airlines (ARIA)
Domodedovo Airlines
East Line Airlines
Transaero Airlines
- Putnam, Carleton, founder/pres.

Chicago and Southern Air Lines
 Pacific Seaboard Air Lines
 Putnam, Howard D., pres.
 Braniff International Airways
 Southwest Airlines (2)
 Putra, Hutomo Manal, lessor/son of Indonesian pres. Suharto
 PT Merpati Nustantara Airlines
 PWA Corporation
 Canadian Pacific Air Lines, Ltd.
 Pacific Western Airlines, Ltd.
 Canadian Airlines International, Ltd.
 Canadian Airlines, Ltd.
 PWS 24 launch customer
 LOT Polish Airlines, S.A.
 Pyle, Capt. Mark, pilot
 Pan American World Airways (1)
 Pysenok, Vladimir G., DG
 Nizhivartovsk United Air Detachment

Q

Qaddafi, Col. Muammar, Libyan pres.
 Jamahiriya Libyan Arab Airlines
 Libyan Arab Airlines
 Pan American World Airways (1)
 UTA French Airlines: Union de Transports Aeriens, S.A.
 Qatar General Petroleum Corporation
 Gulf Helicopters, Ltd.
 Qi Dachuan, hijacker
 Xiamen Airlines Company, Ltd.
 Quackenbush, Paul, chairman/pres.
 Empire Airlines (2)
 Quadrant Development Capital Fund
 Connectair, Ltd.
 Quant, Mary, designer
 Court Line Aviation, Ltd.
 Quarta, Nicola, chairman
 Aero Transporti Italiani, SpA. (ATI)
 Quartey, E. L., GM
 Ghana Airways Corporation

Quebec

Abitibi Helicopters, Ltd.
 Air Alliance, Inc.
 Air Alma, Ltd.
 Air Canada, Ltd.
 Air Charter Systems, Ltd.
 Air Club International, Ltd.
 Air Creebec, Ltd.
 Air Gaspee, Ltd.
 Air Inuit, Ltd.
 Air Montreal, Inc.
 Air Satellite, Ltd.
 Air Schefferville, Ltd.
 Air Transat, Ltd.
 Airgava, Ltd.
 Aviation Boreal, Ltd.
 Brooks Airways, Ltd.
 Canadian Airways, Ltd.
 Compagnie Aérienne Franco-Canadienne, Ltd.
 Conifair Aviation, Ltd.
 Dominion Aerial Exploration Company, Ltd.
 Exeaire, Inc.
 Fairchild Aviation Company, Ltd.
 Fortunair Canada, Ltd.
 General Airways, Ltd.
 Golfe Air Quebec, Ltd.
 Innotech Aviation, Ltd.
 Intair, Ltd.
 Inter-Canadian Airlines, Ltd. (1)
 Inter-Canadian Airlines, Ltd. (2)

Inter-Provincial Airways, Ltd.
 Laurentide Air Services, Ltd.
 Les Ailes de Charlevoix, Ltd.
 Minerve Canada, Ltd.
 Nationair Canada, Ltd.
 Nolinor Aviation, Inc.
 Nordair, Ltd.
 Propair, Ltd.
 Quebec Airways, Ltd.
 Quebec Aviation, Ltd.
 Quebecair, Ltd.
 Regionnair, Ltd.
 Rimouski Airlines, Ltd.
 Saint Felicien Air Services, Ltd.
 Skyservice, Ltd.
 Wheeler Airlines, Ltd.
 World Wide Airways, Ltd.

Quebec, Societe Quebecois des Transports

Nordair, Ltd.
 Quebecair, Ltd.
 Quebec ice storm of 1998
 Air Canada, Ltd.
 Air Nova, Inc.
 Queen Elizabeth II
 Bristow Helicopters, Ltd.
 British Airways, Ltd. (2)
 British European Airways Corporation (BEA)
 East African Airways Corporation
 easyJet Airlines, Ltd.
 Laker Airways, Ltd.

Queen Elizabeth II, RMS

British Airways, Ltd. (2)
 Queen Mary, RMS
 Island Express Helicopter Service
 Pacific Southwest Airlines (PSA)

Queen Wilhelmina

KLM: Royal Dutch Airlines, N.V.
 Queensland Flying Surgeon and Flying Gynecologist Service
 Flight West Airlines (Pty.), Ltd.

Quento, Stephen, founder/MD

Sagittair, Ltd.
 Quesada, Lt. Elwood R., *Question Mark* crewman, later FAA administrator
 Flight Refueling, Ltd.

Quetnick, Lita-Nadine, pres.

Sterling One

Quigg, S. H., MD

Air Pacific, Ltd. (2)
 Quigley, Aidan A., pilot
 Aer Lingus Irish Airlines, Ltd.

Quigley, Harold S., founder/MD/pres.

Dominion Aerial Exploration Company, Ltd.
 Canadian Airways, Ltd.

Quinlan, Ralph, founder/pres.

Sunbird Airlines (2)

Quinlan, Stanley, chairman

Hazelton Airlines (Pty.), Ltd.
 Skippers Aviation (Pty.), Ltd.

Quintero, Ximeno Gonzales, MD
 Transamazonica Colombia, S.A.

Quinto, Stephen L., founder/pres.

Northeastern International Airways

Quntar, Ahed, pres./GM

Royal Wings Airlines, Ltd.

R

R. E. Bath Travel Service, Ltd.

Flightline, Ltd.

R. K. General

Frontier Airlines (1)

- Raade, Uolevi, MD
Aero O/Y
- Rabassi, Dale, owner/pres.
BAS Airlines
- Rabbani, Burhanuddin, president of Afghanistan
Ariana Afghan Airlines Company, Ltd.
- Rabbits, C. G., GM
Jersey European Airways, Ltd.
- Rabiu, Alhaji Rabiu Isyaku, founder/MD
Harco Air Services, Ltd.
Harka Air Services, Ltd.
- Racaru, George, DG
TAROM Romanian Air Transport, S.A.
- Racchetti, Paolo, pilot
Alitalia, SpA.
- Race, Capt. Jack, deputy chief pilot
Ariana Afghan Airlines Company, Ltd.
- Racicot, Marc, chairman
Intair, Ltd.
Inter-Canadian Airlines, Ltd. (1)
- Racini, Pedro, GM
Aries del Sur, S.A.
- Rad, U., MD
Fiji Air, Ltd.
- Radcliff, Reginald, founder/pres.
Haines Airways
- Radcliffe, James, owner/pres.
Walker's International Airlines
- Radebe, Jeffrey, South African public enterprises minister
South African Airways (Pty.), Ltd.
Sun Air (Pty.), Ltd.
- Rademacher, Randy D., pres.
Comair
- Radev, Muravel, Bulgarian finance minister
Balkan Bulgarian Airlines
- Radio Good Hope Traffic Patrol
CivAir Charter Services (Pty.), Ltd.
- Radio One, RTE
Ryanair, Ltd.
- Radisavljevic, Dragaslav, DG
JAT Yugoslav Airlines
- Radkevich, Vasili K., CEO
Minskavia-Minsk Flight Detachment No. 2
- Radoll, Robert, pilot
Northwest Airways
- Radonjic, Dr. Dejan, DG
Montenegro Airlines
- Radut, C., MD
LAR Romanian Airlines
- Rafat, Dr. Mansour, MD
Pars Air Company
- Raffel, Stephen W., jt.-founder/pres.
Shuswap Air: Shuswap Flight Center, Ltd.
- Raggiana Bird of Paradise
Air Niugini (Pty.), Ltd.
- Ragheb, Ali Abu, Jordanian prime minister
Royal Jordanian Airlines
- Raghu Raj, chairman
Air India, Ltd.
- Raghubir, Gita, dir.
Guyana Airways Corporation: GAC 2000
- Rahgohzar, Moshsem, hijacker
Iran Air
- Rahim, Tariq, murdered diplomat
Pakistan International Airlines Corporation
- Ragin, Stephen, pilot
Petroleum Helicopters
- Rahman, Dato Abdul Aziz Abdul, MD
Malaysian Airlines System (MAS), Ltd.
- Rahmstrom, Bjorn, pres.
Air Hudik, A.B.
- Rahr, John, MD
British West Indies Airways, Ltd. (2) (BWIA)
- Raid Gauloises Race (1994)
Malaysia Airlines, Ltd. (MAS)
- Railroads
Air Canada, Ltd.
Air France
All Nippon Airways Company, Ltd.
Boston-Maine Airways
Boston-Maine/Central Vermont Airways
Burlington Northern Air Freight
CAH: Compania Aero Honduras, S.A.
Canadian Airways, Ltd.
Canadian Pacific Air Lines, Ltd.
Central Vermont Airways
Channel Air Ferries, Ltd.
DETA Mozambique Airlines, S.A.
Deutsche Lufthansa, A.G.
Dobrolet
Empresa Dean, S.A.
Farwest Airlines
Great Western and Southern Air Lines, Ltd.
Guernsey Airways, Ltd.
Japan Air Lines Company, Ltd.
JAS: Japan Air Systems Company, Ltd.
Jersey Airways, Ltd.
Laurentide Air Services, Ltd.
Maddux Air Lines
Manchurian Air Transport Co., Ltd.
New York, Philadelphia and Washington Airway
Northern and Scottish Airways, Ltd.
Northeast Airlines (1)
Northwest Airways
Piedmont Airlines (1)
Railway Air Service, Ltd.
Robertson Aircraft Corporation
Santa Fe Skyways
South African Airways (Pty.), Ltd.
Southwest Air Fast Express (SAFE)
Spartan Air Lines, Ltd.
Standard Air Lines
Sudan Airways Company, Ltd.
TACA: Transportes Aereos Centros Americanos, S.A.
TOA Domestic Airlines Company, Ltd.
Transcontinental Air Transport (TAT)
United Air Lines (1)
Universal Airlines System: Universal Aviation Corporation
Western Canada Airways, Ltd.
Yukon Southern Air Transport, Ltd.
See also Bullet train
- "The Rainbow Airline"
Aeronica: Aerolineas Nicaraguenses, S.A.
- Rainieri, Fernando, chairman
Air Santo Domingo, C. por A.
- Rainiketamanga, Rene Rasata, DG
Air Madagascar, S.A.
- Raj, Raghu, chairman/MD
Air India, Ltd.
- Raja, T., jt.-founder
Eagle Aviation, Ltd. (2)
- Rajabian, M., pres.
Caspian Airlines
- Rajaofetra, Maurice, DG
Air Madagascar, S.A.
- Rajaonarivelo, Jean-Louis, pres.
TAM: Transportes et Travaux Aeriens de Madagascar, S.A.
- Raje, C K S, MD

- Archana Airways, Ltd.
 Rakotomalala, Solonaivo, GM
 TAM: Transportes et Travaux Aeriens de Madagascar, S.A.
 Rakotovahiny, Emmanuel, DG
 Air Madagascar, S.A.
 Ralph, Capt. Fred, pilot
 Pan American Airways (PAA)
 Ralph, Capt. John, pilot
 British European Airways Corporation (BEA)
 Ramdas, AM S. S., chairman/MD
 Indian Airlines Corporation
 Ramhee, Dave, jt. founder
 Northern Airways (4)
 Ramirez, Socarras, stowaway
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Ramiz, Nelson, pres.
 LAV Venezuelan Airlines, S.A.
 Ramkaran, Ralph, chairman
 Guyana Airways Corporation
 Ramli, Dato Tajudin, chairman
 Malaysia Airlines, Ltd. (MAS)
 Malaysian Helicopter Services, Ltd.
 Naluri Bhd.
 Ramon, Miguel L., MD
 Naysa: Navegacion y Servicios Aereos Canarios, S.A.
 Ramon, San, founder/pres.
 SASA: Servicios Aereos, S.A.
 Ramos, Alfred, pres.
 Caribbean Airboats
 Ramos, Antonio Alvs, Jr., founder/MD
 Parensse Transports Aereos, S.A.
 Ramos, Carlos, GM
 Aeronaves de Mexico, S.A. de C.V.
 Ramos, Fidel, Philippine president
 Mindanao Express
 Philippine Air Lines
 Ramos, Capt. Oscar, pilot
 Philippine Air Lines
 Ramsburg, George N., murdered security guard
 Delta Air Lines
 Ramsdell, Henry, pilot
 Coastal Airways (1)
 Ramsey, Bill, pres.
 Viking International Airlines
 Rana, Anoop S.J.B., chairman/CEO
 Necon Air, Ltd.
 Ranarddh, Prince Norodom, Kampuchean prime minister
 Kampuchea Airlines (2)
 Royal Air Cambodge, S.A. (2)
 Rand, James, supporter
 New York, Rio and Buenos Aires Line
 Randall, Joseph, CEO
 Air Nova, Ltd.
 Air Canada Regional (see Air Canada)
 Randall, Cpts. Ted and Robert, Jr., twin-brother pilots
 Canadian Pacific Air Lines, Ltd.
 Canadian Airlines International, Ltd. (CPAL)
 Randall, Capt. Robert, Sr., pilot
 Canadian Airways, Ltd.
 Canadian Pacific Air Lines, Ltd. (CPAL)
 Randalls Food Markets
 Continental Airlines
 Randell, Joseph D, pres.
 Air Nova, Inc.
 Air Ontario, Inc.
 Randle, Capt. Christopher, opns. dir.
 Privatair, S.A.
 Rank Travel
 British Caledonian Airways, Ltd. (BCAL)
 Cal-Air International Airways, Ltd.
 Laker Airways, Ltd.
 Novair International Airways, Ltd.
 Rankin, David, artist
 Ansett Airlines of Australia (Pty.), Ltd.
 Rankin, William H., passenger/author
 Imperial Airways, Ltd.
 Ransome, Mr. and Mrs. J. Dawson, founders
 Ransome Airlines
 RAO Noriisk Nickel
 Murmansk Airlines
 Rapanen, Hannu, MD
 Air Botnia O/Y
 Rapier, William, chairman
 LIAT: Leeward Islands Air Transport, Ltd.
 Raps, Capt. Juergen, chief pilot
 Deutsche Lufthansa, A.G.
 Rashid, Mohammed, bomber
 Pan American World Airways (1)
 Rasin, Capt. Steven, pilot
 Valujet Airlines
 Rasmussen, Jan, pres.
 Gronlandsfly, A.S./Greenlandair, A.S.
 Ratanarat, Chira, chairman/pres.
 Si-Chang Flying Service Company, Ltd.
 Rathenau, Walter, AEG CEO
 Deutsche Luft Reederei, GmbH.
 Ratliff, Donald, founder/pres.
 Jerdon Air Commuter Service
 Ratnathicam, Chutta, CEO
 Emery Worldwide
 Rats
 Air India, Ltd.
 Rattazzi, Lupo, chairman
 Air Europe, SpA.
 Ratti, Daniel, pres./chairman
 Carnival Air Lines
 TACA Peru, S.A.
 Rauch, Neal, founder
 Concierge Air
 Rausch, Karl Friedrich, MD
 Lufthansa CityLine, GmbH.
 Ravai, S., MD
 Pan African Airlines, Ltd.
 Ravetti, Brig. Gen. Luis A. Gonzales, pres.
 LAP Paraguayan Airlines, S.A.
 Ravey, Jean-Jacques, chairman
 Air Charter, S.A.
 Ray, David, SVP-operations
 Transmeridian Airlines
 Ray, Russell L., Jr., pres./chairman
 Pacific Southwest Airlines (PSA)
 World Airways
 Raye, John, MD
 Air Kangaroo Island (Pty.), Ltd.
 Raymond, Arthur, aircraft designer
 American Airlines
 Raymond, Dr. Russell E., passenger/humanitarian
 American Airlines
 Rayward, Richard C., MD
 Air Safaris, Ltd.: Air Safaris and Services, Ltd.
 Razak, Tun Abdul, Malaysian prime minister
 Malaysian-Singapore Airlines, Ltd.
 Razlviski, Cdr. Vasili, GM
 Arkhangelsk Air Concern: Arkhangelski Aviakomern
 Razumov, Yevgeni, GM
 Chelal-Chelyabinsk Airline: Chelyabinsk Chief Aviation Enterprise
 Razzaque, Faizur, MD
 Biman Bangladesh Airlines, Ltd.

- Reagan, Maureen, PR assistant
Pacific Southwest Airlines (PSA)
- Reagan, Ronald, U.S. president
Flugfölag Islands, H.F. (2)/Icelandair, H.F.
PT Garuda Indonesian Airways
Middle East Airlines, S.A.L. (2)
Pacific Southwest Airlines (PSA)
- Real Madrid, Spanish football (soccer) team
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Ream, James, vp-finance/pres.
Continental Airlines
Continental Micronesia
Continental Express
- Rebello de Meira Vasconcelos, Jose, pres.
Brazil Central, S.A.
- Reber, Ronald B., EVP/COO
Skywest Airlines
- Recaman, Ernesto, founder/chairman
LANSA: Lineas Aereas Nacionales, S.A.
- Recio, Jorge Juan Carlos Solano, founder/pres.
Aerosucre, S.A.
- Record number rescued in a single civil SAR helicopter winning operation
Bristow Helicopters, Ltd.
- Red Army (Sekigun) *see* Japanese Red Army (Sekigun)
- Red Bull Aviation
Namibia Commercial Aviation (Pty.), Ltd.
- Red Lion Inn and Casino
Spirit of America Airlines
Casino Express
- Reda, Omar, chairman/MD
Syrianair: Syrian Arab Airlines
- Redden, Charles F., pres.
Aeromarine Airways
- Redfield, Capt. Holland L., pilot
Pan American World Airways (1)
- Reding, Robert W., vp-opns./pres./COO
Midway Airlines (1)
- Reno Air
Canadian Regional Airlines, Ltd.
American Eagle Airlines (2)
- Redlin, Jeffrey, maintenance dir.
Great Lakes Aviation
- Redojcic, Milan, DG
JAT Yugoslav Airlines
- Redoubt volcano, Alaska
KLM: Royal Dutch Airlines, N.V.
- Redwing Holidays
Air 2000, Ltd.
- Reed, Joe, founder/pres.
Reed Airline
- Reed, Philip, Northwest AirlinK VP
Express Airlines I
- Reed, Ralph, pilot
Stout Air Services
United Air Lines (1)
- Reed, Stephen, founder/chairman
L'Express
- Reeder, Paul, pilot
Canadian Colonial Airways (1)
United Air Lines (1)
- Rees, Paul, MD
Yanda Airlines (Pty.), Ltd.
- Reeve, David C., dir. flight operations/pres.
DHL Worldwide Express
Skyway Airlines (2)
- Reeve, Capt. F. A., pilot
Qantas Empire Airways (Pty.), Ltd.
- Reeve, Janice, chairman
Reeve Aleutian Airways
- Reeve, Richard D., pres.
Reeve Aleutian Airways
- Reeve, Robert C. "Bob," pilot/founder/pres.
Pan American-Grace Airways (PANAGRA)
Reeve Airways
Reeve Aleutian Airways
- Reeves, Douglas and William "Bill," founders
Reeves Air
- Reeves, Tilmon "Jim," pres./COO/CEO
Kitty Hawk Air Cargo
- Refghi, Masoud, pres.
Iran Air: The Airline of the Islamic Republic of Iran
- Regent Holidays
Worldway Airlines, Ltd.: Worldways Canada, Ltd.
Regent Star Services (Pty.), Ltd., advisors
Philippine Air Lines
- Regman, Roman, passengers
USAir
- Rehm, Frederick H., founder/pres.
Cariba Air
- Rehulka, Mario, jt.-MD
Austrian Airlines, A.G.
- Reich, Patricio, EVP
LADECO Chilean Airlines, S.A.
- Reichel, J. D., GM
Nigeria Airways, Ltd.
- Reichhelm, Kim, skier
Western Pacific Airlines (Westpac)
- Reid, Austin, CFO/MD
British Midland Airways, Ltd.
- Reid, Charles R., founder/pres.
Indiana Airways (2)
- Reid, Daniel P., vp/GM
Trans World Airlines (TWA)
- Reid, Douglas, dir.
Compass Airlines (Pty.), Ltd. (1)
- Reid, Frederick W., pres./EVP/chairman
Deutsche Lufthansa, A.G.
Delta Air Lines
Atlantic Southeast Airlines
- Reid, George, founder/pres.
Southwest Airways, Ltd.
- Reid, Sen. Harry (D-NV)
Sunrise Airlines
- Reid, Ian, MD
British Airways (Scotland), Ltd.
British Airways Regional, Ltd.
- Reid, James R., pilot
Pitcairn Aviation
- Reid, Maxine, DG
Ord Air Charter (Pty.), Ltd.
- Reid, T. M. "Pat," pilot
Northern Aerial Minerals Exploration, Ltd.
- Reinas, Jan, acting pres.
SAS: Scandinavian Airlines System
- Reisman, Harvey, passenger
LOT Polish Airlines, S.A.
- Reitan, Gunnar, chairman
Wideroe's Flyveselskap, A.S.
- Reith, Sir John, chairman
British Overseas Airways Corporation (BOAC)
Imperial Airways, Ltd.
- Relaince Group Holdings
United Airlines
- Remick, Capt. Ray, pilot
Northeast Airlines (1)
- Remelin, Eldred R., pilot
Western Air Express
- Remirez, Thomas, pres.

- Crescent Airways
 Remondino, Aldo, pres.
 Societa Aerea Mediterranean, SpA.
 Renaissance Energy, Ltd.
 Westjet, Ltd.
 Renaldo, Duncan, actor/passenger/spokesman
 Piedmont Airlines (1)
 Renard, Max, founder/pres.
 Maxair, A.B.
 Renault, Louis, advisor
 Compagnie des Messageries Aeriennes, S.A. (CMA)
 Renda, Dominic P., EVP/pres.
 Air Micronesia
 Western Airlines (1)
 Rendall, Ray, pilot
 Island Air Services, Ltd.
 Renahan, Robin, pilot
 Alaska-Washington Airways
 Rennies Group (Pty.), Ltd.
 Rennies Express Air Services (Pty.), Ltd.
 Renninger, Warren H., jt. founder
 Seaboard & Western Airlines
 Reno, Douglas, vp
 Air-Hi-O
 Reno, Janet, U.S. attorney general
 American Airlines
 British Airways, Ltd. (2)
 Express Airlines I
 Mesaba Airlines
 Northwest Airlines
 Renshaw, Ray, pilot
 Ellis Air Lines
 Rentell, John, founder/MD
 East-West Airlines (Pty.), Ltd.
 Rentmeester Beleggings (Pty.), Ltd.
 Trek Airways (Pty.), Ltd.
 Rentschler, Frederick B., pres./investor
 Northwest Airlines
 Pan American Airways (PAA)
 Republic of Black Africa hijackers
 Trans World Airlines (TWA)
 Republic CV-37 Rainbow launch customer
 Pan American Airways (PAA)
 Republican National Convention,
 1928, Western Air Express
 1988, Delta Air Lines
 1996, AV Atlantic
 2000, USAirways
 Res-A-Vision CRS
 National Airlines (1)
 RESERVEEC II CRS
 Air Canada, Ltd.
 Reshef, Barak, FO
 El Al Israel Airlines, Ltd.
 Resiber III CRS
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Resling, Robert, owner
 Ports of Call
 ResourceTrustbank
 Tsentr Avia
 Rethabile and Coordinated Network Investments
 Sun Air (Pty.), Ltd.
 Restrepo, Jorge, pres.
 ACES Colombia, S.A.
 Rettray, Dr. Kenneth G., pres.
 Air Jamaica, Ltd. (2)
 Return Ferry Service
 British Overseas Airways Corporation (BOAC)
 Reuneker, Frank D., pres.
 PT Airfast Indonesia
 Reuter, Thomas, terrorist
 El Al Israel Airlines, Ltd.
 Reutlinger, Paul, chairman/pres./vice-chairman
 Delta Air Transport, N.V.
 Sabena Belgian World Airlines, S.A.
 Rewe Touristik, GmbH.
 LTU International Airways: Lufttransport Unternehmen, K.G.
 RAS Fluggesellschaft, mBH.
 Rey, Alfonso Conrado, chairman
 Cielos del Peru, S.A.
 Reyes, Hector Moreno, pres.
 AIRES: Aerovias de Integracion Regional, S.A.
 Reyes, Rafael A. Castando, hijacker
 Continental Airlines
 Reynolds, Myron, EVP
 Sunworld International Airways
 Reynolds, Ronald, TWA vp
 Scenic Airlines
 Rezhels, Vladimir L., DG
 Flait Air Company
 Rheinstrom, Charles, traffic manager
 Thompson Aeronautical Corporation
 Transamerican Airlines Corporation
 Rhode Island
 National Air (2)
 New England Airlines
 Newport Air Park
 North Central Airways
 Providence Airline Corporation
 Sakonnet Air Charter
 Viking Airways
 Rhodes, L. M., hijacker
 Delta Air Lines
 Rhon, Carlos Hank, founder/chairman
 TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
 Rhoume, Ernest, chairman
 Air France
 Rhymer, Elihu, CEO
 Air BVI: Air British Virgin Islands, Ltd.
 Riad, Amin, chairman/MD
 Petroleum Air Services, Ltd.
 Riahi, Teimour, founder/pres.
 Trans Air (2)
 Riccardi, Paolo, pres.
 Alisarda, SpA.
 Ricci, Nina, designer
 Cathay Pacific Airways (Pty.), Ltd.
 Rice, Capt. George, pilot
 Transcontinental and Western Air (T&WA)
 Rich, Bradford R., EVP
 Skywest Airlines
 Rich, Jean, founder/chairman
 Rich International Airways
 Richard Rogers Group
 Kitty Hawk Air Cargo
 Richards, Gary, founder/pres.
 Ameriflight
 Richards, O. D., hijacker
 Delta Air Lines
 Richards, Dr. Vincent, CEO
 LIAT (1974), Ltd.
 Richardson, Donald V., pres.
 Air Jamaica, Ltd. (2)
 Richardson, Durston G., pilot
 Aeromarine Airways
 Richardson, James A., pilot
 Central Canada Air Lines, Ltd.
 Richey, Helen, pilot

- Central Airlines (2)
- Richfield Oil Company
 - Transcontinental Air Transport (TAT)
- Richmark Holdings Corp.
 - Philippine Air Lines
- Richter, Paul, vp/chairman
 - TACA: Transportes Aereos Centro Americanos, S.A.
 - Transcontinental and Western Air (T&WA)
 - Transcontinental and Western Air Lines (TWA)
- Richter, Paul, Jr., pilot
 - Standard Air Lines (1)
- Rickards, Capt. Byron "By," pilot
 - Pan American-Grace Airways (PANAGRA)
- Rickenbacker, Edward V. "Eddie," investor/vp/pres./chairman
 - American Airways (2)
 - Florida Airways Corporation
 - Eastern Air Lines
 - Eastern Air Transport
- Rickets, John, CFO
 - Air Canada, Ltd.
- Ricketts, Norman, founder/MD
 - Air Bahama, Ltd.
 - Caribbean Airways, Ltd.
- Ricoy, Luis Dans, pres.
 - Binter Canarias, S.A.
- Riddick, Merrill K., jt. founder
 - Gulf Coast Air Lines
- Riddle, John Paul, founder/pres.
 - Embry-Riddle Company
 - Riddle Airlines
- Ridgway, David, U.K. ambassador to Cuba
 - British Airways, Ltd. (2)
- Ridgeway, Ronald, pres.
 - Braniff, Inc.
 - Ultrair
- Riedi, Jurgen, pres.
 - HeliSwiss: Swiss Helicopters, Ltd.
- Rigby, J. W., MD
 - Ulster Air Transport, Ltd.
- Riggs, G. E., hijacker
 - United Air Lines (2)
- Riggs, Capt. Russell, pilot
 - American Airlines
- Rigos, A., DG
 - Olympic Aviation, S.A.
- Rihevski, V. M., DG
 - Ulyanovsk Civil Aviation Flight Training School
- Rihl, George, jt.-founder/vp
 - CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 - Pan American Airways (PAA)
- Rikers Island prisoners assist in crash rescue
 - Northeast Airlines
- Riley, Diane, passenger
 - Koninkijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM)
- Riley, John G., MD
 - East-West Airlines (Pty.), Ltd.
- Riley, Pat, Miami Heat coach
 - Carnival Air Lines
- Rimai, Rabindra, MD
 - Himalayan Helicopters, Ltd.
- Rimerman, Ronald Allan, hijacker
 - United Airlines
- Rincon, Dr. Rodolfo, chairman
 - Dominicana: Compania Dominicana de Aviacion, C. por A.
- Rincon-Gomez, Herman, pres.
 - AVIANCA Colombian Airlines, S.A.
- Rinehart, Terry London, pilot
 - Western Airlines (1)
- Ringler, Jakob, MD
 - Tyrolean Airways, GmbH.
 - Welcome Air Luftfahrt, GmbH.
- Rio, Dolores Del, actress/passenger
 - Maddux Air Lines
- Rio Hotel & Casino
 - National Airlines (4)
- Rio Conference, 1942
 - Pan American Airways (PAA)
- Ripamonti, Roberto, founder/pres.
 - TARSA: Transportes Aereos Ranqueles, S.A.
- Risley, Larry, pres./chairman
 - Air Midwest
 - Mesa Air Group
 - Mesa Airlines
 - Skyway Airlines (2)
 - Westair Commuter Airlines
- Risser, Jean, pres.
 - Air Alsace, S.A.
- Ritchie, Capt. R. J., GM
 - Qantas Airways (Pty.), Ltd.
- Riva, Amadeo, chairman
 - Austral Airlines, S.A.
- Rivas, Amadeo, pres.
 - Aerolineas Argentinas, S.A.
- Rivas, Raphael, co-founder/pres.
 - Conquest Airlines
- Rivas, Victor M., co-founder/chairman
 - Conquest Airlines
 - Conifair Aviation, Ltd.
- Rivera-Rios, R., hijacker
 - Pan American World Airways (1)
- Riverman, Hank, founder/pres.
 - Lake Union Air Service
- Riverso, Renato, MD/chairman
 - Alitalia, SpA.
- Riviera Hotel
 - Pacific Interstate Airlines
- Riyad Bank
 - Saudi Arabian Airlines
- Rizk, L. Michael, GM
 - Air Logistics
- Rizzi, Paolo, MD
 - TAS Airways, SpA.
- Roadway Services
 - Roadway Global Air
- Roan Selection Trust
 - Zambian Air Cargoes, Ltd.
- Robbins, Craig, investor
 - Pan Am Air Bridge
- Robbins, Sir Reginald, chairman
 - East African Airways Corporation
- Robbins, Richard W., pres.
 - Kohler Aviation Corporation
 - Transcontinental and Western Air (T&WA)
- Robbuns, S. E. "Robbie," GM
 - Alaskan Airways
- Robert, Jacques, hijacker
 - Air Inter, S.A.
- Roberts, Alfredo, NFL football player
 - American Airlines
- Roberts, Capt. Frank, pilot
 - Australian Aerial Services (Pty.), Ltd.
- Roberts, Sir Geoffrey, chairman
 - Air New Zealand, Ltd.
- Roberts, I. Glyn, pilot
 - Commercial Airways, Ltd.
- Roberts, Owen, MD
 - Caribbean International Airways, Ltd.

- Roberts, Peter, CEO
Air Nauru Corporation
Jet Airways (Pty.), Ltd.
- Roberts, Sen. Pat (R-KA)
Air Midwest
United Express (Mesa Air Group)
- Roberts, Peter, CEO
Jet Airways, Ltd.
- Roberts, Sir Geoffrey, chairman
Air New Zealand, Ltd.
- Roberts, Vance, founder/pres.
Vance International Airways
- Roberts Hawaii
Hawaii Pacific Air Cargo
Mahalo Air
- Roberts-Lawrence, Carlene, vp
American Airlines
- Robertson, Ben, Jr., reporter/OSS agent/passenger
Pan American Airways (PAA)
- Robertson, Capt. H. S., pilot
Imperial Airways, Ltd.
- Robertson, Charles, owner
Monmouth Airways
- Robertson, Christine, pres.
Alberta Express, Ltd.
- Robertson, Frank and William, founders
Robertson Aircraft Corporation
Robertson Airplane Service Company
- Robertson, Sir MacPherson, supporter/founder/chairman
Commercial Aviation Company (Pty.), Ltd.
MacRobertson-Miller Airlines (Pty.), Ltd.
- Robertson, Neil D., CEO/COO
Transoceanic Airways (Pty.), Ltd.
City Connexion Airlines, S.A.
- Robertson, Rev. Pat, tv evangelist
El Al Israel Airlines, Ltd.
- Robertson, Straun, co-founder/GM
Mount Cook Air Services, Ltd.
- Robertson, Terry N., founder/pres.
Florida Jet Service
- Robertson, Mjr. William R., consultant/MD
China Airways Federal, Ltd.
China National Aviation Corporation (CNAC-1)
- Robertson England-Australia air race of October 1934
KLM: Royal Dutch Airlines, N.V.
- Robichaud, Michel, uniform designer
Air Canada, Ltd.
- Robins, T. Ellis, dir./chairman
Rhodesian and Nyasaland Airways, Ltd. (RANA)
Central African Airways Corporation (CAA)
- Robinson, Capt. A. L. "Scruffy," pilot
Imperial Airways, Ltd.
- Robinson, Capt. C. J., pilot
Pan American-Grace Airways (PANAGRA)
- Robinson, C. S., founder/pres.
Robinson Airlines
- Robinson, David, MD
BAC Aircraft, Ltd.
BAC Express Airlines, Ltd.
- Robinson, Deborah, pres.
Sierra West Airlines (2)
- Robinson, Dennis, L.A. sheriff's trainee/hero
Trans World Airlines (TWA)
- Robinson, Edward G., actor/passenger
Transcontinental and Western Air Lines (TWA)
- Robinson, F. V. "Turk," pilot
Canadian Airways, Ltd.
- Robinson, Frank, helicopter manufacturer
Classic Helicopter Corporation
- Robinson, Capt. H. G. "Robby," pilot
American Airlines
- Robinson, I. P., hijacker
Pacific Southwest Airlines
- Robinson, Jack E., founder/pres.
Florida Air
- Robinson, L. G., pilot
Daimler Airway, The, Ltd.
- Robinson, Michael G., pres.
Trans-World Express
- Robinson, Ted, hijacker
National Airlines (1)
- Robuck, Robert G., CFO
Mayo Aviation
- Rochat, Philippe, chairman
Swiss World Airways, Ltd.
- Rochet, Marc, chairman/CEO
AOM French Airlines, S.A.
TAT European Airlines, S.A.
Air Liberte: Compagnie Air Liberte, S.A.
- Rockefeller, Nelson, New York governor
Pan American World Airways (1)
- Rockefeller, William A., dir./investor
Colonial Air Transport
Pan American Airways (PAA)
- Rockne, Knute, Notre Dame football coach/passenger
Transcontinental and Western Air (T&WA)
- Rockwood, Earl, pilot
National Air Transport
- Roda, Capt. Helmut Wasa, pilot
Deutsche Lufthansa, A.G.
- Rodberg, Lawrence, chairman
Burlington Northern Air Freight
- Rodek, Jeffrey, interim pres.
The Flying Tiger Line
- Rodenberg, Capt. Charles, pilot
Airborne Express
- Rodgers, John, MD
Contact Air, Ltd.
- Rodley, Capt. E. E., pilot
British Overseas Airways Corporation (BOAC)
- Rodrigues, Rogelio, chairman
LAR Transregional, S.A.
- Rodriguez, Alex, baseball player/passenger
Aeromar International, C. por A.
- Rodriguez, Fernando, founder/pres.
Tikal Jets, S.A.
- Rodriguez, Julio, GM
Cubana: Empresa Consolidada Cubana de Aviacion
- Rodriguez, M. Ventura, hijacker
Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Rodriguez, Pedro, GM
Aerochago Airlines, S.A.
- Rodriguez, Pedro Julio, hijacker
Avianca Colombian Airlines, S.A.
- Roe, Gordon, founder/chairman
Maya Airways, Ltd.
- Roe, Brian, chairman
Maya Airways, Ltd.
Maya Island Airways, Ltd.
- Roe, Trevor, GM/executive dir.
Maya Airways, Ltd.
Maya Island Airways, Ltd.
- Roeck, Thomas, CFO
Delta Air Lines
- Roederer, Herbert D., founder/pres.
RAI Commuter Airlines
- Rofeta, John, chairman
Solair, Ltd.

- Rog-Air, Ltd.
Canadian Frontier, Ltd.
- Rogalev, Oleg, DG
Sakha Avia National Air Company
- Rogers, Harry, founder/pres.
Rogers Helicopters
- Rogers, Harry, pilot
Aero, Ltd.
- Rogers, John W. ("Jack"), pres.
United Parcel Service (UPS)
- Rogers, Capt. Kelly, pilot/ in-flight test evaluator
Imperial Airways, Ltd.
Flight Refueling, Ltd.
British Overseas Airways Corporation (BOAC)
- Rogers, Kings, founder/pres.
Appalachian Airlines
- Rogers, Patrick, pres.
Air Kentucky Airlines
- Rogers, Robin M., founder/pres.
Rogers Heavy Lift Helicopters
- Rogers, Tom, opns. mgr.
Mansell Aviation
- Rogers, W., pilot
Imperial Airways
- Rogers, Wanda L., pres.
Rogers Helicopters
- Rogers, Will, humorist/passenger/air transport promoter
National Air Transport
Pan American Airways (PAA)
Western Air Express
Wien Air Alaska
- Rogers, Capt. Will, U.S.S. *Vincennes*
Iran Air: The Airline of the Islamic Republic of Iran
- Rogers & Co., investors
Air Mauritius, Ltd.
- Rohde, Rodolfo, pres.
Noroeste: Aviacion del Noroeste, S.A.
- Rohrbach Roland launch customer
Deutsche Luft Hansa, A.G.
- Rohrbach Romar launch customer
Deutsche Luft Hansa, A.G.
- Roig, Harold J., pres.
Pan American-Grace Airways (PANAGRA)
- Roinik, Boris, pres.
Asian Star
- Rojananil, ACM Kaset, chairman
Thai Airways International, Ltd. (THAI)
- Rojas, Brig. Gen. Alfredo Garcia, GM
SATENA Colombia
- Roland Berger & Partner, GmbH., The, consultancy
Thai Airways International, Ltd. (THAI)
- Roland-Billecort, Yves, chairman
Air Afrique, S.A.
- Rolle, Darrell, chairman
Bahamasair, Ltd.
- Rolling Stones, The, entertainers
Miami Air International
- Rollins, Barry, wounded passenger
United Airlines
- Rologis, Vassilis, chairman
Cyprus Airways, Ltd.
- Roman, Dr. Miguel Figueroa, founder/pres.
STA: Sociedad de Transportes Aereos, S.A.
- Roman, Duda, passenger
LOT Polish Airlines, S.A.
- Romananuik, Yuri S., DG
Omskavia
- Romanello, Werner, MD
Mistral Air, SpA.
- Romanenko, V. V., DG
Lensibavia
- Romanov, V. A., pilot
Dobrolet
- Romer, I., pres.
WIA: Windward Islands Airways International, N.V.
- Romero, Jack, founder/CEO
Euroscot Express, Ltd.
- Romias, Jay, CFO
Pacific Air Cargo
- Romite, Cesare, MD
Alitalia, SpA.
- Romualdez, Eduardo Z., chairman
Philippine Air Lines (PAL)
- Ronell, Thomas, pres.
TIE Aviation: Trans-International Express
- Roodt, Christo, MD
Alliance Airlines: African Joint Air Service
- Roojman, K. C. E., MD
KLM CityHopper, B.V.
- Roopali Industries
SGA Airlines, Ltd.
UP Air, Ltd.
- Roos, Henk, MD
Netherlines, B.V.
- Roosevelt, Eleanor
American Airlines
Pan American Airways (PAA)
- Roosevelt, Franklin D., New York governor/U.S. president/passenger No. 1
- Roosevelt inaugurates first transcontinental air service
Transcontinental Air Transport (TAT)
- Roosevelt trip to Democratic convention of 1932
American Airways (2)
- Roosevelt trip to Carthage and Cairo, 1943, support for
Pan American Airways (PAA)
Transcontinental and Western Air Lines (TWA)
- Roosevelt trip to Casablanca, 1943, support for
Pan American Airways (PAA)
Transcontinental and Western Air Lines (TWA)
- Roosevelt trip to Liberia, 1943, support for
Transcontinental and Western Air Lines (TWA)
- Roosevelt trip to Teheran, 1943, support for
Pan American Airways (PAA)
Transcontinental and Western Air Lines (TWA)
- Roosevelt, Rep. James, passenger
American Airlines
- Roosevelt, Kermit, DG
Shannon Air, Ltd.
- Roosevelt, Quentin, vp/passenger
China National Aviation Corporation (CNAC-1)
- Roovers, Patricia, charter mgr.
Maxair
- Rosack, Ted, FBI agent
Ports of Call
- Rose, Franklin, pilot/jt. founder
Varney Air Lines
Varney Speed Lines Air Service, Ltd.
- Rose, Howard, MD
Topflight Aviation Company, Ltd.
- Rose, Lindsay, GM
Jayrow Helicopters (Pty.), Ltd.
- Rose, Murray, swimmer/spokesperson
Ansett Australia (Pty.), Ltd.
- Rose, Pete, baseball manager/passenger
Continental Airlines
- Rose Bowl college football game
1951-American Airlines
- Rose Parade
1999—Thai Airways International, Ltd. (THAI)

- Rosen, Gote, owner/pres.
Torair, A.B.
- Rosenbloom, Geoff, founder/MD
Air Charter (Scotland), Ltd.
Assistair, Ltd.
- Rosenstein, Mikhail, DG
Tartarstan Airlines: Tartarstan Hava Yollari TL
- Rosenqvist, Thomas, MD
Premiair, A.S.
Scanair, A.B.
- Roser, Lionel, charter mgr.
Execujet Australia (Pty.), Ltd.
- Roseveare, Keith, chairman/pres.
Executive Aerospace (Pty.), Ltd.
- Rosjorde, Terje, MD
Norsk Air, A.S.
- Ross, Mjr. C. G., jt. founder
Ross-Thompson Aircraft Company (Pty.), Ltd.
- Ross, Don, jt. founder
Ketchikan Air Service
- Ross, Red, pilot
Western Canada Airways, Ltd.
- Ross, Walter R. "Stubbs," founder/pres.
Lethbridge Air Service, Ltd.
Time Air, Ltd.
- Ross, Wayne, founder/pres.
CSA Air
- Rossello, Lisa L., jt. founder/EVP
Tolair Services
- Rossi, Angelo, San Francisco mayor
Pan American Airways (PAA)
- Rossignol, Charles-Henri, owner/MD
Aeris, S.A.
Air Toulouse International, S.A.
- Rossiter, Donald, mechanic
Pacific Air Transport
- Rothgeb, Dennis, founder/pres.
Inlet Airlines
- Rothmeier, Steven G., pres./chairman
Northwest Airlines
- Rothschild Australia (Pty.), Ltd.
Hazelton Airlines (Pty.), Ltd.
- Rothschild Recovery Fund
World Airways
- Roubtsov, Vladimir, DG
Vnukovo Airlines
- Round, Andrew, MD
Aurigny Air Services, Ltd.
- Roundtree, Lloyd, owner/pres.
Alaska Island Airlines
- Rousch, Charles, pilot
Northwest Airways
- Rouse, Ronald D. and Sharon Y., founders
Colorado Airlines
- Roussel, Jean-Claude, founder/chairman
Heli-Union, S.A.
- Roustamov, R. Kh., dir.
Tajikistan Airlines
- Roux, Gen. Geraldo Johansen, chairman
LAP Paraguayan Airlines, S.A.
- Rovinescu, Calin, EVP
Air Canada, Ltd.
- Rowan Drilling/Rowan Companies, Ltd.
ERA Aviation
KLM/ERA Helicopters, Ltd.
- Rowe, Capt. Basil, pilot/founder/MD
Pan American Airways (PAA)
West Indian Aerial Express, C.A.
- Rowe, James D. and Christine, founders
Bering Air
- Rowe, Kenneth C., chairman/CEO
Air Atlantic, Ltd.
CanJet Airlines, Ltd.
- Roworth, John C., MD
East Coast Commuter Airlines (Pty.), Ltd.
Eastern Australia Airlines (Pty.), Ltd.
- Roxburgh-Smith, Sir Alfred, chief pilot
Rhodesian Aviation Company, Ltd.
- Roxy Electric Industries
Malaysian Helicopter Services, Sdn. Bhd.
- Roy, M. N., Indian supreme court justice/mediator
Air India, Ltd.
- Roy, S, founder/pres.
Sahara India Airlines, Ltd.
- Roy Farrell Export-Import Company, Ltd.
Cathay Pacific Airways (Pty.), Ltd.
- Royal Aeronautical Society
British Airways, Ltd. (2)
- Royal Ballet/Royal Opera House
Japan Air Lines Company, Ltd. (2)
- Royal Bank of Scotland
Loganair, Ltd.
- Royal Canadian Mounted Police (RCMP) *see* Canada
- Royal Greenland Trading Company, A.S.
Gronlandsfly, A.S./Greenlandair, A.S.
- Royal Holdings Services, investor
Modiluft
- Royal Mail Line
British South American Airways, Ltd.
- Royal Nedlloyd, N.V.
KLM: Royal Dutch Airlines, N.V.
Martinair Holland, N.V.
Transavia Holland, N.V.
- Royal Scottish Museum
Loganair, Ltd.
- Royal Society for the Prevention of Cruelty to Animals
Qantas Airways (Pty.), Ltd.
- Royal Tours
Blue Scandinavia, A.B.
- Royal Vacations
Royal Airlines, Ltd.
- Rozan, Jean-Pierre, founder/pres.
Air Provence International, S.A.
Virgin Express France, S.A.
- Rozenstein, M. I., DG
Iron Dragon Fly
- Rozhkov, N. M., DG
Nadym State Air Enterprise
- Rozin, Lev B., commander
Batagai Aviation Enterprise
- Ruan, John, 3rd., chairman
AccessAir
- Ruan, Inc.
AccessAir
- Rubama, Yahya, MD
Air Tanzania Corporation
- Ruben Berta Foundation
see Fundacao Ruben Berta
- Rubenchik, Yuri, MD
LatCharter, A.S.
- Rubenstein, Amnon, MP
El Al Israel Airlines, Ltd.
- Rubenstein, Elyakim, Israeli attorney general
El Al Israel Airlines, Ltd.
- Rubets, Mikhail, pres.
Air Urga: International Joint Stock Air Company
- Rubicon, Inc.
Philippine Air Lines

- Ruby, Capt. Charles H., chief pilot
National Airlines (1)
- Rudaz, Capt. J. Claude, MD
Transvalair, Ltd.
- Ruddell, Capt. George, pilot
Antilles Air Boats
- Rudder, Capt. Joe, pilot
Tower Air
- Rudin, K. J., MD
African Safari Airways, Ltd.
- Ruedin, Roland, CEO
Skytrail: Air Safari, Ltd.
- Ruer, Henri, DG
Air Polynesie, S.A.
- Ruest, Genereux, murderer
Quebec Airways, Ltd.
- Ruhnau, Heinz, chairman
Deutsche Lufthansa, A.G.
- Ruijter, Rob A., MD/CFO
KLM: Royal Dutch Airlines, N.V.
- Ruiz, Tomas Perez, MD
Trans Europa: Compania de Aviacion, S.A.
- Rukikaire, Matthew, Ugandan prime minister
Uganda Airlines, Ltd.
- Rumrunning *see* Prohibition law (U.S.)
- Runciman, Leslie, dir.
British Overseas Airways Corporation (BOAC)
- Rungholm, Capt. Jesper, founder
Danish Air Transport, A.S.
- Rungkat, V. P., GM
PT Bouraq Indonesian Airlines
- Ruser-Larsen, Capt. Hjalmar, founder
DNL Norwegian Airlines, A.S.
- Rushdie, Salman, author/passenger
British Airways, Ltd. (2)
- Rusk, Dean, U.S. secretary of state
Eastern Air Lines
- Russ, A. A., DG
Magadan Airlines (Mavail): Magadanskije Avialinii
- Russel, Bob, original investor
Cathay Pacific Airways (Pty.), Ltd.
- Russell, Kurt, actor
American International Airways (3)
- Russell, R. A., GM
Gateway Aviation, Ltd.
- Russia, Agriculture Department
Joint Stock Aircraft Company
- Russia, Parliament (Duma/Federation Council)
Aeroflot Russian International Airlines (ARIA)
- Russian Aviation Consortium
Murmansk Airlines
Vnukovo Airlines
- Russian Mercantile Trading Bank (Prombank)
Dobrolet
- Russkikh, Gennadi, DG
SAAK-GEM Air Company
SAAK: Stavropol Joint Stock Airline
- Russo-Finnish War *see* Winter War, 1939-1940
- Russo-German nonaggression pact, 1939
Aeroflot Soviet Airlines
Deutsche Luft Hansa, A.G.
Hamiata: Sino-Soviet Aviation Corporation, Ltd.
LOT Polish Airlines, S.A.
- Rust, Francis, pilot
Transamerican Airlines Corporation
- Rust, Todd, opns. dir.
Rust's Flying Service
- Rustad, Jan, Advanced Mountain Flight Training School dir.
CHC: Canadian Helicopter Corporation, Ltd.
- Rutledge, James, pilot
Pacific Air Transport
- Rutledge, John A., founder/pres.
Action Airlines
- Rutnam, Chandran, co-chairman
Lionair (Pty.), Ltd.
- Ruttenberg, Pinchas, founder
Palestine Air Transport, Ltd.
- Ruznetzov, N., part-owner
Sayakhat Air Company
- Rwanda Crisis, 1994-1995
Aeroflot Russian International Airlines (ARIA)
Air East Africa, Ltd.
Sky Project Helicopters, S.A.
Skytrump Aviation Services, Ltd.
- Rwebangira, Silva, pres./CEO
Air Tanzania Corporation
- Ryan, Dr. Anthony, Guinness Peat Aviation chairman
Ryanair, Ltd.
- Ryan, Cathal, chairman
Ryanair, Ltd.
- Ryan, Christopher, GM
Aer Arann: Kilroe Air Ireland, Ltd.
- Ryan, Claude T., supporter/founder/pres.
Los Angeles-San Diego Air Line: Ryan Airlines
Pacific Air Transport
- Ryan, Cornelius, author
Pan American World Airways (1)
- Ryan, Declan, MD/COO
Ryanair, Ltd.
- Ryan, George, pres.
Burlington Northern Air Freight
- Ryan, Gordon, passenger
Eastern Air Lines
- Ryan, John L., vp-maintenance
Hawaiian Airlines (HAL)
- Ryan, Nolan, baseball player/honoree/passenger
Southwest Airlines (2)
- Ryan, Peter R., chairman/GM
Australian Regional Airlines Queensland (Pty.), Ltd.
Eastern Australia Airlines (Pty.), Ltd.
- Ryan, Ronald, founder/pres.
Ryan International Airlines
- Ryan, Shane, jt.-founder
Ryanair, Ltd.
- Ryan, Thomas, MD
Air Marshall Islands
- Ryan, Tony, founder
European Expeditie, S.A.
- Ryan, Wilfred, founder/pres.
Ryan Air Service
Unalakleet Air Taxi
- Ryan M-1 Mailplane launch customer
Pacific Air Transport
- Rybiakov, Victor N., DG
Russ Air Transport Company
- Ryder Cub golf tournament
1997—BAC Express Airlines, Ltd.
- Rykunov, Vladimir F., DG
Sakhavia Trans Air Company
- Ryland, Glen L., EVP/pres.
Frontier Airlines (1)
- Rylands, J. Eric, chairman
Lancashire Aircraft Corporation, Ltd.
Skyways Cargo Airline, Ltd.
Skyways, Ltd.
- Rymer, Capt. R., pilot
British European Airways Corporation (BEA)
- Rymkiewicz, Marek, pres.

Eurolot, S.A.
 Ryzhikov, Oleg V., DG
 Belavia: Belorussian Airlines
 Rzhevski, Vitaly, director of training/DG
 Aeroflot Russian International Airlines (ARIA)
 Simbirsk Aero Air Company
 Rzzouk, William J., EVP/COO
 Federal Express

S

S. Instone & Co., Ltd.
 The Instone Air Line, Ltd. (1)
 S.A. Marine Corporation
 Air Cape (Pty.), Ltd.
 Sa Yin, pres.
 Changan Airlines
 Saab, Fadi, pres.
 Transmed Airlines, Ltd.
 SAAB 90A-2 Scandia launch customer
 SAS: Scandinavian Airlines System
 SAAB 2000 launch customer
 Crossair, Ltd.
 SAAB 340 launch customer
 Crossair, Ltd.
 SAAB-Fairchild SF-340 launch customer
 Comair
 Saarlandischer Rundfunk (Frankfurt)
 Scenic Airlines
 Saatchi & Saatchi Advertising Worldwide
 Delta Air Lines
 Saavedra, Augustin, pres.
 LAB: Lloyd Aero Boliviano, S.A.
 Sabato, Antonio, Jr., actor
 Helijet Airways, Inc.
 Sabel, Robert, chairman
 PRINAIR: Puerto Rico International Airlines
 Sabitov, Marat, part-owner
 Neftuyugansk Air Enterprise
 Sablatnig Flugzeugbau
 Lloyd Luftverkehr Sablatnig GmbH.
 SABRE (Semi-Automated Business Reservations Environment)
 Air Illinois
 Air India, Ltd.
 Air Tahiti Nui, S.A.
 America West Airlines
 American Airlines
 American Eagle Airlines (2)
 British West Indies Airways, Ltd. (2) (BWIA)
 Canadian Airlines, Ltd.
 Canadian Airlines International, Ltd.
 Continental Airlines
 Eastwind Airlines: The Bee Line
 Gulf Air Company, G.S.C.
 Hawaiian Airlines (HAL)
 Indian Airlines, Ltd.
 Japan Air Lines Company, Ltd. (2)
 Jet Airways (Pty.), Ltd.
 Legend Airlines
 Mexicana Airlines, S.A. de C.V.
 Pakistan International Airlines Corporation
 Pan American World Airways (1)
 Reno Air
 Ryanair, Ltd.
 Scenic Airlines
 Southwest Airlines (2)
 Tennessee Airways
 TriStar Airlines
 USAirways
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.

Western Pacific Airlines (Westpac)
 SabreTech, Inc.
 Valujet Airlines
 Sachsenberg, Gotthard, chairman
 Lloyd Ostflug, GmbH.
 Sacramento Gold Miners NBA team
 Viscount Air Service
 Sacristan, Carlos Ruiz, Mexican communication/transportation secretary
 TAESA: Transportes Aereos Ejecutivos, S.A. de C.V.
 Sadat, Anwar, Egyptian president
 EgyptAir, S.A.E.
 El Al Israel Airlines, Ltd.
 Saddigi, Shahid, founder/pres.
 Grand Airways
 Sadler, George Marion, pres.
 American Airlines
 Sadochnikov, N. F., DG
 Russian Independent Airlines
 Sadr, Imam Moussa, Shiite Muslim leader
 Kuwait Airways Corporation
 Middle East Airlines, S.A.L. (2)
 Sadykhly, Vagif, DG
 Azerbaijan Airlines
 Saeed, Shaif M., pres.
 Yemenia: Yemen Airways Company
 Saenz, Jose, MD
 Aviacion y Comercio, S.A. (AVIACO)
 Saez, Juan, vice chairman/MD
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 "The Safari Airline"
 Comair: Commercial Airways (Pty.), Ltd.
 Safari South (Pty.), Ltd.
 Northern Air (Pty.), Ltd.
 Saffi, Nuraldin A., chairman/CEO
 Iraqi Airways
 Safmarine *see* South African Marine Corporation (Pty.), Ltd.
 Sagara, Jiro, chairman
 Japan Air Charter Company, Ltd.
 JALways Company, Ltd.
 Sager, Mark, jt.-owner
 Pacific Spirit Air, Ltd.
 Saibel, Vladimir, DG
 Vladivostok Air
 Said, Abu, hijacker
 British Overseas Airways Corporation (BOAC)
 Saigol, Rafique, MD
 Pakistan International Airlines Corporation
 Saigon (South Vietnam) evacuation, 1975
 The Flying Tiger Line
 Overseas National Airways
 Pan American World Airways (1)
 World Airways
 Saigon Tourism
 Pacific Airlines, S.A.
 Saint, H. J., pilot
 Aircraft Transport and Travel, Ltd.
 St. Aubins Finance Company Holdings, Ltd.
 Jersey European Airlines, Ltd.
 St. Charles, Kendra, passenger
 USAir
 St. Fiacre, investor
 Air Toulouse International, S.A.
 St. Louis Rams NFL team
 Trans World Airlines (TWA)
 Sainz, Ricardo Garcia, CEO
 Mexicana Airlines, S.A. de C.V.
 Saipan
 Continental Micronesia
 Saipan, Battle of (1944)

- Japan Air Lines Company, Ltd. (1)
- SAirGroup
- Air Europe, SpA.
 - Air Liberte, S.A.
 - Air Littoral, S.A.
 - AOM French Airlines, S.A.
 - Balair/CTA, S.A.
 - Crossair, Ltd.
 - LOT Polish Airlines, S.A.
 - PGA-Portugalia Airlines, S.A.
 - Sabena Belgian World Airlines, S.A.
 - Sobleair, S.A.
 - South African Airways (Pty.), Ltd.
 - Swissair, A.G.
 - TAP-Air Portugal, S.A.
 - THY Turkish Airlines: Turk Haval Yollari, A.O.
 - Volare Airlines, SpA.
- Saito, Takeo, pres.
- Japan Air Lines Company, Ltd. (1)
- Sakuda, Morris, founder/pres.
- Paradise Air
- Salaam, Khaled, chairman/pres.
- Middle East Airlines, S.A.L. (2)
- Salama Tours
- Alliance Airlines: African Joint Air Service
- Salandanan, Capt. Rolando, vp-opns./pilot
- Cebu Pacific Air
 - Asian Spirit
- Salamanca, Alejandro, GM
- Aerotaca Aerotaxi Casanare, S.A.
- Salas, Javier, chairman/CEO
- Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Salazar, Mike, jt. founder
- Ketchikan Air Service
- Saldana, Julian Terminel, CEO
- Mexicana Airlines, S.A. de C.V.
- Saldana, Sixto Diaz, founder/pres.
- Borinquen Air
- Saleghee, Capt. M., pilot
- Pakistan International Airlines Corporation
- Salem College/Salem-Teikyo University/Salem International University
- Aeromech Airlines
 - KCI Aviation
- Salenia, A.B.
- Cargolux Airlines International, S.A.
- Salerno, Joseph and Bruce, founders
- Salair Air Cargo Airline
- Salerno, Paul, supporter
- Salair Air Cargo Airline
- Salgueiro, J. Manuel, MD
- Oasis International Airlines, S.A.
- Salim, M. M., Pakistani advisor/GM/MD
- Air Malta Company, Ltd. (2)
 - Pakistan International Airlines Corporation
- Salinger, Pierre, dir./advocate
- Continental Airlines
 - Trans World Airlines (TWA)
- Salizzoni, Frank, pres.
- USAir
- Salk, Dr. Jonas, developer of polio vaccine
- Transocean Air Lines (TAL)
- Salmon run failure, 2000 *see* Alaska
- Salmond, ACM Sir John, dir.
- Imperial Airways, Ltd.
- Salnikov, Vladimir, swimmer/spokesperson
- Ansett Australia (Pty.), Ltd.
- Salomon, Fred, hijacker
- Continental Airlines
- Salomon Bros.
- Emery Air Freight
 - Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Saltz, Floyd, Jr., CEO
- FS Air Service
- Saltz, Sandra, pres.
- FS Air Service
- Salyers, Otha, co-pilot
- Ethiopian Airlines, S.C.
- Salzi, Robert, MD
- Bavaria Fluggesellschaft, mbH. & Co.
- Salzman, David and Suzanne, founders
- D & S Aviation
- Sam, Capt. A.G., MD
- Ghana Airways Corporation
- Samadi, Abdullah, pres.
- Ariana Afghan Airlines Company, Ltd.
- Samaniego, Celso L., chairman
- Pacific Airways Corporation
- Samaras, D. J., MD
- Tanzanair: Tanzanian Air Services, Ltd.
- Samaroo, Leslie "Lucky," executive chairman/CFO
- Air Caribbean, Ltd.
- Sami, Sobhi, GM
- Air Sinai, Ltd.
- Samoilov, Edward, CEO
- Khors Air Company
- Samoilovov, S.A., DG
- Far East Cargo Lines
- Sampaio, Dr. Paulo, pres.
- Panair do Brazil, S.A.
- Samper, Ernesto, Colombian president
- ACES Colombia, S.A.
 - AVIANCA Colombian Airlines, S.A.
 - SAM Colombian Airlines, S.A.
- Sampson, S. J., pilot
- National Air Transport
- Samson, Samuel J., pilot
- National Air Transport
- Samuel, John, director of interactive marketing
- American Airlines
- Samvinn Travel Iceland
- Air Atlanta Icelandic, H.F.
- San Valero, Luis Minano, MD
- Helicopteros del Sureste, S.A.
- San Antonio Spurs NBA team
- Northwest Airlines
 - Viscount Air Service
- San Diego Chargers NFL team
- Continental Airlines
- San Diego Padres, MLB team
- Air California
- San Francisco 49ers NFL team
- United Air Lines (2)
 - United Airlines
- San Francisco Giants MLB team
- United Airlines
- San Jose Sharks NHL team
- Champion Airlines
- San Pablo, U.S.S.
- Pan American Airways (PAA)
- Sanborn, William, pilot
- Varney Air Lines
- Sanches, Felix, hijacker
- Trans World Airlines (TWA)
- Sanchez, Capt. Hernando Guterrez, founder/pres.
- ARCA Colombia: Aerovias Colombianas, S.A.
- Sanchez, Manuel Ortiz, chairman/pres.
- Aviacion y Comercio, S.A. (AVIACO)
- Sanchez, Roberto Gonzalez, hijacker

- Eastern Air Lines
 Sanchez Archilla, L., hijacker
 Braniff International Airways
 Sanchez Ugarte, Fernando, Mexican federal competition commission chairman
 Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
 Mexicana Airlines, S.A. de C.V.
 Sanchez y Sanchez, Dr. Eudoro, chairman
 Dominicana, S.A.
 Sandahl, Christer, chairman
 Scanair, A.B.
 Sandberg, Sten, pres.
 Linjiflyg, A.B.
 Sandbloom, James V., pilot
 Century Pacific Lines
 Sandeman, Peter, hijacker
 Ansett Airlines of Australia (Pty.), Ltd.
 Sanden, Peter, MD
 Express Airways, GmbH.
 Sanderlin, D. C. "Pete," VP/GM
 Kitty Hawk International Airways
 Sanders, Capt. David, pilot
 Federal Express
 Sanderson, Jack, flight attendant
 The Daimler Airway, Ltd.
 Sandhu, S P S, opns. dir.
 Sahara India Airlines, Ltd.
 Sandiford, Capt. Owen, chief pilot
 Roraima Airways, Ltd.
 Sando, Mark, jt. founder/EVP
 Tahoe Air
 Sandoval, Eduardo, jt.-founder
 SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.
 Sandriver Safaris (Pty.), Ltd.
 United Air Services (Pty.), Ltd.
 Sani, Shehnaz (Mudbhatkal), secretary
 Saudi Arabian Airlines
 Sankara, Thomas, prime minister of Upper Volta/Burkina Faso
 Air Volta, S.A.
 Sanogoh, Bintou, MD
 Air Burkina, S.A.
 Sanoh, Mamadou Aliou, MD
 Air Guinee: Compagnie Nationale Air Guinee, S.A.
 Santa Claus
 Pacific Southwest Airlines (PSA)
Santa Paul, S.S.
 Pan American Airways (PAA)
 Santacroce, Donald and Frank, founders
 Newair
 Santer, Jacques, European Commission president
 Deutsche Lufthansa, A.G.
 Santilan, Juan C., MD
 Gestair Executive Jet, S.A.
 Santner, Reinhard, jt. founder/pres.
 Eurowings NFD + RFG, GmbH.
 RFG: Regional Flug, GmbH.
 Santo Cardoso, Col. Dulcidio Espirito, pres.
 LATB: Linha Aerea Transcontinental Brasileira, S.A.
 Santos, Dante, pres./CEO
 Philippine Air Lines (PAL)
 Santoso, Gen. V. A. M., chairman
 PT Mandala Airlines
 Sanya Company
 China Hainan Airlines Company, Ltd.
 Sanyer, John, MD
 Yana Air Cargo, Ltd.
 SAPHIRE CRS
 Sabena Belgian World Airlines, S.A.
 Sapkin, Alexei, deputy chairman
 Vnukovo Airlines
 SARA Group
 Transwede Airways, A.B.
 Sarabia, Francisco "Pancho" Sarabia and Jesus, founders
 TACH: Transportes Aereos de Chiapas, S.A. de C.V.
 Sarabiam, Herculano, founder
 GPA: Golfo y Pacifico Aerotransportes, S.A. de C.V.
 Sarantsev, Vladimir N., GM
 Bashkir Airlines
 Saravia, Edgar Rottes, pres.
 LAB: Lloyd Aero Boliviano, S.A.
 Sartain, Elizabeth Pedrick, vp
 Southwest Airlines (2)
 Sartoretti, Luciano, jt.-MD
 Alitalia, SpA.
 Saskatchewan
 Athabasca Airways, Ltd.
 Cherry Red Air Line, Ltd.
 High-Line Airways, Ltd.
 Norcanair, Ltd. (2)
 Norcanair, Ltd.
 Osprey Wings, Ltd.
 Saskair: Saskatchewan Government Airways, Ltd.
 Transwest Air, Ltd.
 West Wind Aviation, Inc.
 Saskatchewan, Natural Resources Department
 Saskair: Saskatchewan Government Airways, Ltd.
 Sattar, Abdus, chairman/MD
 GMG Airlines, Ltd.
 Sattar, Anbaree Abdul, MD
 Air Maldives, Ltd.
 Satterville, Henry, chairman
 Allegheny Airlines
 Saudi Arabia, evacuation of, 1990
 Northwest Airlines
 Saulnier, Louis, advisor
 Compagnie des Messageries Aeriennes, S.A. (CMA)
 Saulnier, Shawn, pres.
 Gateway Airlines, Ltd.
 Saulnov, M.I., DG
 ALFA-92 Air Company
 Sauval, J. P., MD
 Uni-Air International, S.A.
 Sauvan, Henri, pres.
 Air France
 Sauvat, Capt. Dominique, consultant
 Vietnam Airlines
 Sauve, Capt. Nicole, pilot
 Canada 3000, Ltd.
 Savinis, Kazimieras, Lithuanian deputy transport minister/chairman
 Lithuanian Airlines, A.B.: Lietuvos Avialinijos
 Savoia-Marchetti SM-71 launch customer
 Societa Aerea Mediterranea, SpA. (1) (SAM)
 Savoia-Marchetti SM-73 launch customer
 Ala Littoria, SpA.
 Savoia-Marchetti SM-75 launch customer
 Ala Littoria, SpA.
 Savoia-Marchetti SM-83 launch customer
 Ala Littoria, SpA.
 Savoia-Marchetti SM-84/SM-85 launch customer
 Ala Littoria, SpA.
 Savoia-Marchetti SM-95 launch customer
 Alitalia, SpA.
 Savopulos, George, principal shareholder
 Makedoniki Aerodiafimistiki, S.A.
 Savorani, Stevano, hijacker
 Air France
 Savos, Lajos, supervisory board chairman
 MALEV Hungarian Airlines, Rt.

- Sawers, J., pres.
SAFE Air, Ltd.
- Saxer, Ernest, MD
Aero Leasing Geneve, S.A.
- Saxon, Anita S. and Nolan, passengers
Delta Air Lines
- Saybel, Vladimir, pres.
National Charter Network
- Sayed, Abu, hijacker
Kuwait Airways Corporation
- Sayer, Ray, MD/CEO
GB Airways, Ltd.
LIAT (1974), Ltd.
- Scadilion Group
Color Air, A.S.
- Scandinavia & Viajes Marsono, S.A.
Spanair, S.A.
- Scandinavian Leisure Group
Blue Scandinavia, A.B.
- Scarlett, Thomas, CEO
Guyana Airways 2000
- Scarpari, Paul, IAM labor leader
Northwest Airlines
- Scepanovic, A., DG
Air Jugoslavia
- Schaab, Glen, pres.
Transmeridian Airlines
- Schaap, John, consultant/MD
Air Pacific, Ltd. (2)
- Schaberg, Ronald J., founder/pres.
Trans North Aviation
- Schacher, Markus, MD
Conti-Flug International Airlines, GmbH.
- Schaefer, Michael, shareholder
Southwest Airlines (2)
- Schaeffer, Alfred, company inspector
Pacific Air Transport
- Schaer, Beat, opns. dir./CEO
Swissair, A.G.
- Schaeter, Gerd, CEO
Han Air Businessline/Hahnair Sudwestflug, GmbH.
- Schafer, Edward, North Dakota governor
Northwest Airlines
- Schafer, Robert, pres.
Friendship Air Alaska
- Schaffer, Charles, COO
United Parcel Service (UPS)
- Schap, Jack, founder/pres.
Iowa Airways
- Schaub, Russell, VPO
Wings of Alaska
- Schautuss, Bernard and Margreth, founders
Phoenix Air, GmbH.
- Scheerer, Rudolph P., owner/pres.
Red Baron Airlines (2)
- Scheeringa, S. Michael, *Metrojet* pres.
USAirways
- Scheidel, Capt. Jack, pilot
Pan American-Grace Airways (PANAGRA)
- Scheidt, Michael J., pilot/vp/COO
Air Midwest
- Schell, Ronnie, comedian/spokesman
Pacific Southwest Airlines (PSA)
- Schick, Thomas, vp-maintenance/pres./COO
Piedmont Airlines (1)
- Schickedanz-Holding Stiftung & Co., KG
Hapag-Lloyd Fluggesellschaft, mbH.
- Schildhauer, Capt. Dutch, pilot
Pan American Airways (PAA)
- Schildknecht, Alfredo, VP/COO
TACA International Airlines, S.A.
- Schiller, C. A. "Duke," pilot
Aero, Ltd.
- Schiller, Karl, German senator
Deutsche Lufthansa, A.G.
- Schilling, Donald, pres.
Kalitta Flying Services
- Schilly, Otto, German interior minister
Deutsche Lufthansa, A.G.
- Schisano, Robert, chairman/CEO
Alitalia, SpA.
- Schlaet, Carl V., investor
CMA: Compania Mexicana de Aviacion, S.A. de C.V.
- Schlede, Klaus G., deputy chairman/MD
Deutsche Lufthansa, A.G.
- Schleiden, Russell E., founder/chairman
Air Atlantic Airlines
- Schleimer, John, passenger
Southwest Airlines (2)
- Schlepper Gang
Aeroflot Russian International Airlines (ARIA)
- Schlick, William, founder/pres.
Air Cortez
- Schloegl, Karl, Austrian interior minister
Balkan Bulgarian Airlines
- Schlopp, Klaus J., chairman
Delta Air Regionalflygverkket, GmbH.
- Schmidheiny, Ernst, chairman
Swissair, A.G.
- Schmidt, C. E., founder/pres.
Baron Aviation Services
- Schmidt, Ferdinand, CEO
Lauda Air Luftfahrtgesellschaft, A.G.
- Schmidt, G. H. Eberhard, MD
Interot Airways, GmbH.
- Schmidt, Gerhard, co-MD
Lufthansa CityLine, GmbH.
- Schmidt, Helio, pres.
VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- Schmidt, Larry, pilot
ERA Aviation
- Schmidt, T. A., operations manager
Matson Air Lines
- Schmidt, Wilhelm, executive
Deutsche Luft Hansa, A.G.
- Schmutz, Capt. Fritz, pilot
Swissair, A.G.
- Schnall, Elliott, dir.
Trans World Airlines (TWA)
- Schneider, Arthur C., pres.
Island Helicopter Corporation
- Schneider, Hans, GM
Suedavia, GmbH.
Augusta-Air Luftfahrtunternehmen, GmbH.
- Schneider, Hans, deputy pres.
Swissair, A.G.
- Schneider, Karheinz, co-MD
Hapag-Lloyd Fluggesellschaft, mbH.
- Schneider, Karl, hostage
PT Garuda Indonesian Airways
- Schnurbusch, Wilhelm, contract aircraft engineer
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
- Schodl, Dr. Alexander, jt.-founder
Eurosky, GmbH.
- Schoen, Robert F., and Margaret Ann, founders
Orcas Island Air Service
- Schoenfeld, Wayne, jt.-founder
Air L.A.

- Schoenfeldt, William "Bill," founder/pres.
 ENTA: Empresa Nacional des Transportes Aereos, S.A.
- Schoevers, Harry, MD
 KLM/ERA Helicopters, B.V.
- Schofield, Seth, chairman/pres.
 USAir
- Schoiber, Franz, co-MD/CFO
 Condor Flugdienst, GmbH.
- Scholes, Norman, jt.-owner
 Empresa Dean, S.A.
- Scholes, Theo, MD
 Holland Aero Lines, B.V.
- Scholte, Henrik, author
 KLM: Royal Dutch Airlines, N.V.
- Scholtz, James T., mgr.
 Pan American-Grace Airways (PANAGRA)
- Schonburg, Jan, MD
 Jayline, Ltd.
- Schorderet, Georges P., CFO
 Swissair, A.G.
- Schorghuber, Josef, chairman
 Bavaria-Germanair Fluggesellschaft, mbH.
- Schornsteimer, Capt. Robert
 Aloha Airlines
- Schranner, Andreas & Maria, passengers
 Air France
- Schreiner, Robert, founder/chairman
 Schreiner Airways, B.V.
- Schrick, Benjamin, vp/GM/COO
 Petroleum Helicopters
- Schroeder, Martin, founder/chairman
 Martinair Holland, N.V.
- Schroeder, Rebecca Rose, FO
 Piedmont Airlines (1)
- Schroeder, Sidney, pilot
 Aero, Ltd.
- Schroeter, Richard, SVP/CFO
 AirTran Airlines
- Schrontz, Frank, Boeing chairman
 Japan Air Lines Company, Ltd. (2)
- Schroth, Hermann, DG
 LAB: Lloyd Aero Boliviano, S.A.
- Schuelz, Franz, hijacker
 Deutsche Lufthansa, A.G.
- Schuller, Rev. Robert, passenger
 United Airlines
- Schultz, Brigitte, terrorist
 El Al Israel Airlines, Ltd.
- Schultz, Marlin, CEO
 Wright Airlines
- Schumann, Capt. Jurgen, pilot
 Deutsche Lufthansa, A.G.
- Schumer, Sen. Charles "Chuck," (D-NY)
 JetBlue Airways
- Schummer, Lucien, vp
 Cargolux Airlines International, S.A.
- Schutte, Christopher, owner/chairman
 Namibia Commercial Aviation (Pty.), Ltd.
- Schwab, Michael, EVP-operations
 USAir
- Schwab, Rudi, pres.
 LanChile Airlines, S.A.
- Schwabenland*, S.S.
 Deutsche Luft Hansa, A.G.
- Schwartz, Gerald, CEO Onex Corporation
 Air Canada, Ltd.; Canadian Airlines, Ltd.
- Schwartz, N., investor
 Inter Air: Inter Aviation Services (Pty.), Ltd.
- Schwartznegger, Arnold, actor
 Helijet Airways, Inc.
 Western Airlines (1)
- Schweibold, Jack, pilot
 Petroleum Helicopters
- Schweikert, Gregory M., MD
 Air Whitsunday (Pty.), Ltd.
 Helijet Air Services (Pty.), Ltd.
- Schwimmer, Al, businessman
 El Al Israel Airlines, Ltd.
- Schwimmer Aviation Corporation
 El Al Israel Airlines, Ltd.
- Schwingeler, Jorg, vp-finance and controlling
 Augsburg Airways, GmbH.
- Schwimmer, Al and Schwimmer Aviation Corporation
 El Al Israel Airlines, Ltd.
- Scindia, Madhavarao, Indian civil aviation minister
 Air India, Ltd.
 Indian Airlines Corporation
- Scindia Steam Navigation Co., Ltd.
 Air Services of India, Ltd.
- Scoon, John E. N., chairman
 British West Indies Airways, Ltd. (2) (BWIA)
- Scott, George C., actor
 Deutscher Zeppelin-Reederei, A.G.
- Scott, Kent T., vp/COO
 Emery Worldwide: A CF Company
- Scott, Michael, founder/chairman
 Eastern Air Transport, Ltd.
- Scott, R. James, chairman
 Air New Zealand, Ltd.
- Scott, Col. Robert L., pilot
 Antilles Air Boats
- Scott, Ross, founder/pres.
 Sunshine Helicopters
- Scott, Stuart, racecar driver
 Scotairways, Ltd.
- Scott, Walter M., jt.-founder
 Emerald Airways, Ltd.
- Scott-Paine, Hubert, founder
 British Marine Air Navigation Company, Ltd.
- Scott Company
 Air France
 Delta Air Lines
- Scottish Air Ambulance Service
 Loganair, Ltd.
- Scoutt, Jerrold, Jr., chairman
 World Airways
- Screaming Jets, The, entertainers
 Impulse Airlines (Pty.), Ltd.
- Scriabine, M., MD
 Air Jet: Compagnie Air Jet, S.A.
- Scribner, Alice, flight attendant
 United Air Lines (1)
- Scribner, Capt. Kimball J., pilot
 Pan American World Airways (1)
- Scruse, Joseph, founder/MD
 Scruse Air (Pty.), Ltd.
- Scudder, Lawrence, supporter
 Scenic Airways
- Scudero, Jerry A., founder/pres.
 Taquan Air Service
 Air One (2)
- Sea World of Texas
 Southwest Airlines (2)
- Seaborn, Hugh, chairman
 Rio Airways
- Seaborn, Jay L., founder/pres.
 Metro Airlines
 Sun Aire Express

- Seagrim, H. W. ("Herb"), vp-opns.
Trans Canada Air Lines, Ltd.
- SEAP Servicos, Administracao e Participacoes, Ltda.
Air Macao Company, Ltda.
- Seares-Seixas, Fernando A., DG
DETA Mozambique Airlines, S.A.
- Searle, Frank, founder/MD
The Daimler Airway, Ltd.
Imperial Airways, Ltd.
- Seattle Mariners MLB team
Air Cal
HeliJet Airways, Inc.
- Seattle Seahawks NFL team
Alaska Airlines
- Seattle Slew (horse), passenger
The Flying Tiger Line
- Seawell, William, pres./chairman
Pan American World Airways (1)
- Seay, Jed R., passenger
USAirways
- Sebasti, Guiseppe, GM
Avianova, SpA.
- Sebastiani, Giovanni, chairman
Air One, SpA.
- Second airline to fly over a polar route
Air France
- Second airline to place a jetliner into regular service
Aeroflot Soviet Airlines
- Second Harvest Food Bank (New Orleans)
Vanguard Airlines (2)
- Second oldest airline in the world
Aero Association Lucerne
- Second U.S. carrier to employ female flight attendants
Eastern Air Transport (2)
- Second U.S. carrier to place a jetliner into service
Pan American World Airways (1)
- Secord, Mjr. Gen. Richard Secord, USAF (Ret.)
Southern Air Transport
- Security Pacific Business Credit/Security Pacific National Bank
Emery Air Freight
Hawaiian Airlines (HAL)
- Seedorf, Chad, pres.
Northern Illinois Flight Center
- Seefeld, Peter Dieter, GM
Air Niugini (Pty.), Ltd.
- Seekatz, F. W., Fokker salesman
KLM: Royal Dutch Airlines, N.V.
- Seeley, Jack, founder/pres.
Air Sedona
Arizona Air Sedona
- Seeselg, Peter Deter, GM
Air Niugini (Pty.), Ltd.
- Sega Banking Group
AOM French Airlines, S.A.
- Segal, Steven, actor
American International Airways (3)
- Seibold, John R., pres./chairman
Grand Canyon Airlines (1)
Scenic Airlines
- Seibu Saison Group
Asahi Air Lines Company, Ltd.: Asahi Koku Corporation
- Seidle, William D., bankruptcy trustee
Airlift International
- Seiler, Markus, MD
TEA-Basel, Ltd.
Trans-European Airways-Basel, Ltd.
Helios Airways, Ltd.
- Sekajja, Godfrey, swindler
British Airways, Ltd. (2)
- Sekigahara, Battle of (1600), anniversary
Japan Air Lines Company, Ltd. (2)
- Sekigun *see* Japanese Red Army (Sekigun)
- Sekimoto, Kyosuke, MD
Asahi Air Lines Company, Ltd.: Asahi Koku Corporation
- Sekuzhko, Gennadi, hijacker
Aeroflot Soviet Airlines
- Selch, Peter, GM
Maldivian Air Taxi (Pty.), Ltd.
- Selleck, Tom, actor/passenger
Baxter Air: Baxter Aviation, Ltd.
- Sellee, Jack, founder/pres.
Coastal Airways (4)
- Selvaggio, John N., pres./SVP
Midway Airlines (2)
Wings West Airlines
Delta Air Lines
Atlantic Southeast Airlines
- Selznick, David O., producer/passenger
Transcontinental and Western Air Lines (TWA)
- Semdyanov, A. V., DG
Aeronika
- Semenov, Nikolai, DG
Chiatavia Airlines Company
- Semiz, Haluk, investor
Sunways Airlines, A.B.
Sunways Intersun Havacilik, A.O.
- Semiz, Mujde, investor
Sunways Intersun Havacilik, A.O.
- Semonov, Yu N., DG
Avia Most
- Semushev, Yuriy, DG
BSL Airlines
- Semyonov, Dimitri, hijacker
Aeroflot Soviet Airlines
- Sen, Ali, pres.
Greenair, A.O.
- Sen, P. C., MD/joint chairman
Indian Airlines Corporation
Air India, Ltd.
- Senay, M. Truhan, CEO
Golden Horn Aviation, A.O.
- Sendaula, Gerald, Ugandan finance minister
Uganda Airlines, Ltd.
- Sene, Alex, Jr., pres.
Inter-Island Airways (3)
- Sene, Barney, vp
Inter-Island Airways (3)
- Senior, J. O., Jr., pres.
New York Airways (2)
- Senoussi, Abdallah, bomber
UTA French Airlines, S.A.
Air France
- Sentry Insurance Corporation
Midstate Airlines
- SEPI *see* Sociedad Estatal de Participaciones Industriales
- SEPLA Spanish pilots union
Aviacion y Comercio, S.A. (AVIACO)
- Serapio, Capt. Vincent, pilot
Ariana Afghan Airlines Company, Ltd.
- Serbanescu, Marian, DG
TAROM Romanian Air Transport, S.A.
- Sergeev, Valeri, CEO
Odessa Airline
- Sergeyev, I. S., GM
Domodedovo Civil Aviation United Enterprise
- Sergievsky, Capt. Boris, Sikorsky chief test pilot
Pan American Airways (PAA)
- Serimozu, E., chairman

- Constellation International Airlines, S.A.
 Serling, Robert J., author
 Eastern Air Lines
 Serrano, Carlos, GM
 Aerolineas Galapagos, S.A.
 Serratos, Emilio, pres.
 Air Nostrum: Lineas Aereas de Mediterraneo, S.A.
 Sertillanger, Jean-Marie, CEO/GM
 AeroPeru: Empresa de Transportes Aereos de Peru, S.A.
 Services/products (named)
 Aboitiz Express—Aboitiz Air
 The Advance Mercury—American Airlines
 Aerobus—Aero Transporti Italiani, SpA.; Deutsche Luft Hansa, A.G. (DLH)
 Africargo—British United Airways, Ltd.; Hunting-Clan Air Transport, Ltd.
 Air Beef—ANA: Australian National Airlines; Ansett Airlines of Australia (Pty.), Ltd.
 Air Bridge—Air Caribbean, Ltd.; LAB: Lloyd Aero Boliviano, S.A.; LIAT (1974), Ltd.; Pan American World Airways (1). *See also* Ponte Aerea
 Air Bus—Eastern Air Lines
 Air Coach—United Air Lines (2)
 Air Cruise—Air France
 Air France Vacances—Air France
 Air Plus Service—Quebecair, Ltd.
 Air Safari—Pakistan International Airlines Corporation
 Air Shuttle Plus—Eastern Air Lines
 Air Shuttle—Eastern Air Lines
 Air Transit—Air Canada, Ltd.
 Airst—Airways of India, Ltd.
 Airlink—British Caledonian Helicopters, Ltd.
 Aircan—Canadian Pacific Air Lines, Ltd.
 Airvelope—Air Canada, Ltd.
 Aliexpress—Alitalia, SpA.
 Aloha Express—Japan Air Lines Company, Ltd. (2)
 Aloha Pacific—Aloha Airlines
 Ambassador Express—Trans World Airlines (TWA)
 Ambassador—Trans-World Airlines (TWA)
 American Flagship—American Airlines
 American Mercury—American Airlines
 Apsara Service—Royal Air Cambodge, S.A. (1)
 Arctic Air Express—Aero O/Y
 Aristocrat—Southern Airways (1)
 Arrow Service—Continental Air Lines (2)
 Asiaone—Federal Express (FedEx)
 Atlantic City Express—City Express, Ltd.
 Attache Service—Canadian Pacific Air Lines, Ltd. (CPAL)
 Baltic Air Express—Sabena Belgian World Airlines, S.A.
 Bandage 4—Austin Airways, Ltd.
 Bank Shuttle—Business Air, Ltd.
 Barcelona Express—Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Baronet Class—Jersey Airlines, Ltd.
 Beaver—British Overseas Airways Corporation (BOAC)
 Beer Service—North Central Airlines
 Big Apple Express—Japan Air Lines Company, Ltd. (2)
 Big Ben Express—Japan Air Lines Company, Ltd. (2)
 Bird of Paradise—America West Airlines; Qantas Empire Airways (Pty.), Ltd.
 BizFlex—Northwest Airlines
 Blitz (Lightning)—Deutsche Lufthansa, A.G. (DLH)
 Blue Danube Air Express—CLS Czechoslovak Airlines
 Blue Nile—Airwork, Ltd.; British Midland Airways, Ltd.; Sudan Airways Company, Ltd.
 Bright Light Flights—Pacific Southwest Airlines (PSA)
 Blue Velvet—Estonian Air, A.S.
 Buccaneer—National Airlines (1)
 Bullet—Pan American-Grace Airways (PANAGRA)
 Bululit—Philippine Air Lines
 Busenvogel (Bosombird)—Modern Air Transport
 Business Class, Economy Price—Nationwide Air Charter (Pty.), Ltd.
 Business Express—Alliance Airlines; Mississippi Valley Airlines
 Business First—Continental Airlines
 Business One—United Airlines
 Business Select—USAir
 CALite—Continental Airlines
 Canadian Business Class—Canadian Airlines International, Ltd.
 Canadian Empress—Canadian Pacific Air Lines, Ltd. (CPAL)
 Canadian Shuttle—Canadian Airlines International, Ltd.
 Cannonball—Trans-Australian Airlines (Pty.), Ltd.
 Capital Shuttle—Kendell Airlines (Pty.), Ltd.
 Captain's Deck—Metro International Airways
 Caraibenne des Transports Aeriens—Air France; Air Martinique: Compagnie Antillaise d'Affretements Aeriens, S.A.; Air Saint Martin, S.A.; SATA: Societe Antillaise de Transports Aeriens, S.A.
 Cargoliner—United Air Lines (2)
 Caribbean Connection—Key Airlines (2)
 Caribexpress—Air Martinique: Compagnie Antillaise d'Affretements Aeriens, S.A.
 Cathay Pacific First—Cathay Pacific Airways (Pty.), Ltd.
 Cayman Caper—Cayman Airways, Ltd.
 CGTASF—Trans Canada Air Lines, Ltd.
 Champagne Flights—Cambrian Airways, Ltd.
 Chicago Classe—Air Canada, Ltd.
 Chieftain Airbus—Pacific Western Airlines, Ltd.
 City Airliner—Ashai Air Lines Company, Ltd.
 City Class—Lufthansa CityLine, A.G.
 City Express—City Express, Ltd.
 City Saver—Air New Zealand, Ltd.
 City Shuttle—Air New Zealand, Ltd.
 CityLine Europe—Lufthansa CityLine, GmbH.
 Clansman—British European Airways Corporation (BEA)
 Clase Ejecutiva—Mexicana Airlines, S.A. de C.V.
 Class Elite—Dan Air/Dan Air Services, Ltd.
 Classe Executive—Khalifa Airways, S.A.
 Club ANA—All Nippon Airways Company, Ltd. (ANA)
 Club Class—British Airways, Ltd. (2)
 Club Europe—British Airways, Ltd. (2); National Jet Italia, SpA.
 Club World—British Airways, Ltd. (2)
 Coach Cargo—NAB: Navegacao Brasileira, S.A.
 Coach Club—National Airlines (1)
 Coach Lounge—American Airlines
 Coach Master—Western Air Lines
 Coach Service—NAB: Navegacao Brasileira, S.A.
 Coach-Air—Horton Airways, Ltd.; Lancashire Aircraft Corporation, Ltd.
 Coastal Viking—Central African Airways Corporation (CAA)
 Coastflite—Air Kenya Aviation, Ltd.
 Colonial Coach—Air Charter, Ltd./Channel Air Services, Ltd.; Airwork, Ltd.; East African Airways Corporation; Hunting Air Transport, Ltd.; Hunting-Clan Air Transport, Ltd.; Skyways, Ltd.
 The Comet—Delta Air Lines
 Comfort Class—MALEV Hungarian Airlines, Rt.; Trans World Airlines (TWA)
 Commutair—Pacific Air Lines
 Commuter—Western Air Lines
 The Company Jet—Canadian Pacific Air Lines, Ltd. (CPAL)
 Connector Service—Pacific Western Airlines, Ltd.
 Connoisseur Class—Air Canada, Ltd.; United Airlines
 The Continental—United Air Lines (2)
 Continental's Houston Proud Express—Britt Airways
 Copper Trader—Central African Airways Corporation (CAA)
 Copper Viking—Central African Airways Corporation (CAA)
 Coral Route—Tasman Empire Airways, Ltd.
 Coup de Coeur—Air France
 Courier Jet—Canadian Pacific Air Lines, Ltd. (CPAL)
 Courier Pak Service—Federal Express

- Courier Service—Air Canada, Ltd.
 Crown Coach—Southeast Airlines (1)
 Crusader—Euravia, Ltd.; Skyways, Ltd.
 Cuban Air Limited—Cubana: Compania Nacional Cubana de Aviacion
 Custom Coach—United Air Lines (2)
 Dart Surfaceline—Blue Dart Aviation, Ltd.
 Datapost—Air Ecosse, Ltd.
 The Dawn Breaker—KLM: Royal Dutch Airlines, N.V.
 Daybreaker—The Flying Tiger Line
 Daycoach—Delta Air Lines
 Dayliner—Canadian Airlines International, Ltd.
 De Luxe—Philippine Air Lines
 Delta Express—Delta Air Lines
 Delta Shuttle—Delta Air Lines
 Deluxe Coach Service—Eastern Air Lines
 Despatch Service—Canadian Pacific Air Lines, Ltd. (CPAL)
 DHL Jumbo Box—DHL Airways
 Diagonal—Pan American-Grace Airways (PANAGRA)
 Diamond—British Midland Airways, Ltd.
 Diplomat—Capital Airlines
 Discover America—Continental Airlines
 Discover Ireland—Aer Lingus Irish Airlines, Ltd.
 Double Sunrise—Qantas Empire Airways (Pty.), Ltd.
 Dream Express—Japan Air Lines Company, Ltd. (2)
 Dreamflight—British Airways, Ltd. (2)
 Dynasty Class—China Airlines, Ltd. (CAL)
 The Eagle—American Airlines
 Eastern Epicurean—Air France
 Eastern Shuttle—Canadian Airlines International, Ltd.
 Econofare—SAS: Scandinavian Airlines System
 Economy Plus—United Airlines
 El Cafetero—Taxader: Lineas Aereas Taxader, S.A.
 El Conquistador—Braniff International Airways; Pan American-Grace Airways (PANAGRA)
 El Dorado/El Dorado Super Jet—Braniff International Airways
 El Economico—Philippine Air Lines
 El Inter Americano—Pan American-Grace Airways (PANAGRA)
 El Pacifico—Pan American-Grace Airways (PANAGRA)
 El Suriano—Aerolineas Vegas, S.A.
 El Transamericano—RAS: Rutas Aereas de Colombia, S.A.
 Electra Jet—Pacific Southwest Airlines (PSA)
 Emerald Service—Martinair Holland, N.V.
 Emery Expedite—Emery Worldwide: A CF Company
 Emirates Express—Emirates Air Services
 Empire—British Overseas Airways Corporation (BOAC); Qantas Empire Airways (Pty.), Ltd.
 Empire/Pan Am Express—Empire Airlines (2)
 Envoy Class—USAirways
 Epicurean—Air France
 Escape—Air Inter, S.A.
 Euro Traveler—British Airways, Ltd. (2); National Jet Italia, SpA.
 Eurochallenge—Air France
 EuroClass—SAS: Scandinavian Airlines System
 Euroconcept—Air France; Air Inter Europe, S.A.
 Eurolink—SAS Commuter
 European Interline—The Flying Tiger Line
 Executive Class—Air Canada, Ltd.; Ansett Airlines of Australia (Pty.), Ltd.; Ansett New Zealand, Ltd.; Finnair O/Y
 Executive Coach—American Airline
 Executive Express—British European Airways Corporation (BEA); Japan Air Lines Company, Ltd. (2); Ozark Air Lines 3887.
 Executive—LAN-CHILE Airlines, S.A.
 Explore Canada—Air Canada, Ltd.
 Expreso El Cordobes—Zonda, S.A.
 Expreso El Tucumano—Zonda, S.A.
 EXPRESSfreight—Federal Express (FedEx)
 Express One—Emery Worldwide: A CF Company
 Express Service—Canadian Pacific Air Lines, Ltd. (CPAL)
 Famille a Deux—Air Inter, S.A.
 Fanjet Commuter—United Air Lines (2)
 Fast Track—British Airways, Ltd. (2)
 FedEx Russia—Federal Express (FedEx)
 Fiesta Flights—Aeronaves de Mexico, S.A. de C.V.
 Fiesta Route—Qantas Empire Airways (Pty.), Ltd.; Qantas Airways (Pty.), Ltd.
 Firecracker—Manx Airlines, Ltd. (2)
 First Freight—United Airlines
 Florida Flyer—Eastern Air Lines
 Fly-Drive-Sleep—Pacific Southwest Airlines (PSA)
 Flying Boxcar Line—Northwest Airlines
 Flying Magic—Asiana Airlines
 Flying Rancee—Air India, Ltd.
 France Pass—Air Inter, S.A.
 Freedom Pass—Air New Zealand, Ltd.
 Friendship Express—PEOPLExpress Airlines; United Airlines;
 Friendship Flights—TAP Air Portugal, S.A.; VARIG Brazilian Airlines: Viacao Aerea Rio-Grandense, S.A.
 Gallery Above the Atlantic—JAT Yugoslav Airlines
 Gas Light Service—Mohawk Airlines (1)
 Genghis Khan—Transmeridian Air Cargo, Ltd.
 Georgian—Delta Air Lines
 Global Express Guaranteed—DHL Airways/DHL Worldwide Express
 Globetrain—Laker Airways, Ltd.
 GO—British Airways, Ltd. (2)
 Gold Carpet—Continental Air Lines (2)
 Gold Priority—Emery Worldwide: A CF Company
 Golden Clipper—Air France
 Golden Crown—Delta Air Lines
 Golden Falcon Service—Eastern Air Lines
 The Golden Gate—American Airlines
 Golden Holiday—Malaysian Airlines System (MAS), Ltd.
 Golden Ibis—British West Indies Airways, Ltd. (2)
 Golden Jet—Continental Airlines
 Golden Nugget—Alaska Airlines
 Golden Orchid—Ansett Airlines of Australia (Pty.), Ltd.
 Golden Parisian—Air France
 Golden Priority Express Plus—Emery Worldwide
 Golden Priority Plus—Emery Worldwide
 Golden Ray—Air France; Air Union, S.A.
 Golden Samovar—Alaska Airlines
 Golden Shamrock—Aer Lingus Irish Airlines, Ltd.
 The Golden State—American Airlines
 Goldplate—South African Airways (Pty.), Ltd.
 Goldstreak—Alaska Airlines
 The Gotham—American Airlines
 Grand Class Coach—MGM Grand Air
 Guaranteed Airport-to-Airport—BAX Global
 Guaranteed First Arrival—BAX Global
 Guaranteed Overnight—BAX Global
 Guaranteed Second Day—BAX Global
 Guaranteed Service Program—Emery Worldwide: A CF Company
 Guest Class—Saudia: Saudi Arabian Airlines
 Gull-on-Demand—Gull Air
 Haute cuisine—Air France
 Hibiscus Class—Aircalin, S.A.
 High-Ball Express—Aeromarine Airways
 Himalayan Trek—Vayudoot, Ltd.
 Hobby Shuttle—Britt Airways
 Horizon Air Holiday—Horizon Air: Horizon Air Industries
 Horizon Class—Saudia: Saudi Arabian Airlines
 Horseshoe Route—Qantas Empire Airways (Pty.), Ltd.
 Hot Air—Baltic Airways, Ltd.
 Hotel Pak—Federal Express
 I-5 Express—Horizon Air: Horizon Air Industries
 I-5 Super Shuttle—Horizon Air: Horizon Air Industries
 Impala—Transmeridian Air Cargo, Ltd.
 Imperial Club Coach—National Airlines (1)
 Imperial Line—TAP Air Portugal, S.A.

- Imperial Service—Northwest Airlines
Independence—Capital Airlines
Inter-Americano—CINTA: Compania Nacional de Turismo, S.A.
Interjet—British United Airways, Ltd.
Interlink—Eagle Aviation, Ltd.; Kenya Airways, Ltd.
International EXPRESSfreight—Federal Express
International Flagship Service—American Airlines
International Priority Freight Service—Federal Express
International Skyroad—The Flying Tiger Line
Irish Mercury—American Overseas Air Lines (AOA)
Island Hopper Chopper Service—Rottneast Airbus (Pty)
Jamaican—British Overseas Airways Corporation (BOAC)
Jet Cadet—Britannia Airways, Ltd.
Jet Commuter—United Air Lines (2)
Jet Express—American Airlines
Jet Power Viscount II—Continental Air Lines (2)
Jet Prop Electra—National Airlines (1)
Jet Star Service—National Airlines (1)
Jetbus—West Coast Airlines
Jetbus Service—West Coast Airlines
The Jetstream—Trans World Airlines (TWA)
Kangaroo Route—British Overseas Airways Corporation (BOAC);
Qantas Airways (Pty.), Ltd.; Qantas Empire Airways (Pty.), Ltd.
KSUN Islander—Air New Zealand, Ltd.
La Navette—Air France; Air France Europe, S.A.; Air Inter, S.A.; Air
Inter Europe, S.A.
LaGuardia Express—Newair
Lagos Express—Bellview Airlines, Ltd.
Lake Michigan—Transcontinental and Western Air Lines (TWA)
Lan-Jet Royal Blue Caravelle Service—LanChile Airlines, S.A.
Lapland Express—Aero O/Y
Le Club Class—Air France
L' Aeronavette—Eastern Air Lines
L'Espace—Air France
L'Espace Europe—Air France
Linha da Loga—Condor Syndikat, GmbH.
Link City—Dan Air/Dan Air Services, Ltd.
The London Ambassador—Trans World Airlines (TWA)
Lovebird—Southwest Airlines (2)
Luxury—Air France
Mabuhay—Philippine Air Lines
Mackenzie Service—Canadian Pacific Air Lines, Ltd. (CPAL); Pacific
Western Airlines, Ltd.
The Mandarin Flight—Civil Air Transport, Ltd.
Marco Polo—Cathay Pacific Airways (Pty.), Ltd.
Margarita Service—Aeromexico (1): Aeronaves de Mexico, S.A.
de C.V.
MarkAir Direct—MarkAir
Mate's Rates—Air Pacific, Ltd. (2)
Maya Service—Philippine Air Lines
Mayflower—British Overseas Airways Corporation (BOAC)
The Mercury Eagle—American Airlines
Merry-Go-Round—Eastern Air Lines
Metro Express—Allegheny Airlines (1)
Metro Shuttle—Indian Airlines, Ltd.
Metrojet—USAirways
Metropolitan Class—Metro International Airways
The Midnight Express—KLM: Royal Dutch Airlines, N.V.
Midnight Moonlight Freighter—Amerijet International
Midway Express—Midway Airlines (1)
Midway Metrolink—Midway Airlines (1)
Mohawk Air Express—Mohawk Airlines (2)
Monarch—British Overseas Airways Corporation (BOAC)
Monarch Premium Cabin—Monarch Airlines, Ltd.
Moonlight Specials—Eastern Air Lines
New Zealand Airpass—Ansett New Zealand, Ltd.
Next Flight Guaranteed—Southwest Airlines (2)
Night Coach Excursions—Air Canada, Ltd.
Night Flight—Southwest Airlines (2)
Night Hop Service—Ozark Air Lines
Night Jet—Philippine Air Lines
Night Mercury—Philippine Air Lines
Night Owl—Allegheny Airlines (1); Eastern Air Lines
Nighthawk—Capital Airlines; Frontier Airlines (1)
Ninety Minute Line—Aeromarine Airways
Nite Flite—America West Airlines
No Frills Service—National Airlines (1)
Non-Stop Ambassador—Trans World Airlines (TWA)
Nonstop Mercury—American Airlines
Nordair Arctic—First Air, Ltd.
Norlink—SAS Commuter
Nutricuisine—Air Canada, Ltd.
OK Class—CSA Czechoslovak Airlines
Olympic Club—Olympic Airways, S.A.
Open Deal—BUZZ
Orchid—Fairways
Orient—Filipinas Orient Airways
Oriente Flyer—Cubana: Compania Nacional Cubana de Aviacion
Overnight Air Service—Federal Express
The Overnight Continental—United Air Lines (2)
The Overnight Hollywood—United Air Lines (2)
Owl Comet—Delta Air Lines
Pacific Mercury—American Airlines
Paris Sky Chief—Transcontinental and Western Air Lines (TWA)
The Parisian—Air France
Passages—British Airways, Ltd. (2)
Penn Commuter—Allegheny Airlines (1)
Peter Pan Flight—Japan Air System, Ltd.
Piedmont Shuttle Link—Piedmont Airlines (1)
The Plainsman—Transair, Ltd.
Plane Adventure Tours—Baxter Air: Baxter Aviation, Ltd.
Polar Imperial Service—Northwest Airlines
Ponte Aerea—Cruzeiro Brazilian Airlines, S.A.; TAM: Transportes
Aereos Regionais, S.A.; Transbrasil, S.A.: Linhas Aereas; VARIG
Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.; VASP
Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
Postale de Nuit—Air France
PostLot—LOT Polish Airlines
Prairie Air Mail—Canadian Airways, Ltd.
Prairie Service—Canadian Pacific Air Lines, Ltd.
Premier Class—Aer Lingus Irish Airlines, Ltd.; Ansett Airlines of
Australia (Pty.), Ltd.; Australian Airlines (Pty.), Ltd.
Premium Business Class—Air Canada, Ltd.; China Southern Airlines
Company, Ltd.
Premium Economy Class—China Southern Airlines Company, Ltd.
President—Capital Airlines
Priority Mail—Emery Worldwide: A CF Company
Priority Mail Global Guaranteed—DHL Airways/DHL Worldwide
Express
Priority Plus—British Caledonian Airways, Ltd. (BCAL)
Private Club-First Business—PGA: Portugalia Airlines, S.A.
Project America—Air Pacific, Ltd. (2)
PSA Expressway—Pacific Southwest Airlines
Purolator Sky Courier—Purolator Courier
Raffles Class—Singapore Airlines, Ltd.
Rainbow Connection—Hawaiian Airlines (HAL)
Rajputana Indiaman—Indian National Airways, Ltd.
Rapidair—Air Canada, Ltd.
Rapidair Metro—Air Ontario, Inc.
Rapidair Service—Nordair, Ltd.
Le Rayon d'Or (Golden Ray)—Air Union, S.A.; Air France
Red Carpet—United Air Lines (2)
Red Ruana—AVIANCA Colombian Airlines, S.A.
Rede Postal Norturna—Transbrasil, S.A.: Linhas Aereas Transbrasil
Regency Premier—Laker Airways, Inc.
Regency Service—Laker Airways, Ltd.
Renaissance—Air France
Return Ferry—British Overseas Airways Corporation (BOAC)

- Riviera Express—Air France
 Roadair—Silver City Airways, Ltd.
 Roadrunner—Frontier Airlines (1)
 The Rocket—Delta Air Lines
 Rocket—Trans-Australian Airlines (Pty.), Ltd.
 Route of the Sun—Aerovias Guest, S.A.
 Royal Bengal—Biman Bangalesh Airlines, Ltd.
 Royal Biscayne—Delta Air Lines
 Royal Cargo—Royal Aviation, Ltd.
 Royal Caribe—Delta Air Lines
 Royal Coachman—American Airlines
 Royal Executive—Thai Airways International, Ltd. (THAI)
 Royal Flight—British European Airways Corporation (BEA)
 Royal Hibiscus—British West Indies Airways, Ltd. (2) (BWIA)
 Royal Mail Skynet—Air U.K., Ltd.
 Royal Orchid Holiday—Thai Airways International, Ltd. (THAI)
 Royal Poinciana—Delta Air Lines
 Royal Plus—Royal Airlines, Ltd.
 Royal Rose—Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Rush Plus—Southwest Airlines (2)
 Safari Flights—Airwork, Ltd.; Hunting Air Transport, Ltd.;
 Hunting-Clan Air Transport, Ltd.
 Safeway Charter—The Flying Tiger Line
 Saga Class—Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Saloon Services—Interflug DDR Airlines, mbH.
 The San Francisco—United Air Lines (2)
 Sapphire—Air Ceylon, Ltd.
 SAS Express—SAS: Scandinavian Airlines System
 Scandinavian Air Express—ABA Swedish Airlines, A.B.; Aero O/Y
 Scottish Flyer—Channel Airways, Ltd.
 Scottish Mercury—American Overseas Air Lines (AOA)
 Seaway Service—Nordair, Ltd.
 Select Delivery Service—Airborne Express
 Select 100/300/700 Service—KLM Royal Dutch Airlines, N.V.;
 Northwest Airlines
 Senator—Deutsche Lufthansa, A.G.
 Service Package—Lufthansa Cargo Airlines, A.G.
 Shuttle by United—United Airlines
 Silk Road/Route—Japan Air Lines Company, Ltd. (2)
 Silver Arrow—Silver City Airways, Ltd.
 Silver Falcon—Eastern Air Lines
 Silver Ibis—British West Indies Airways, Ltd. (2)
 Silver Kiris—Malaysian Airways, Ltd.
 Silver Shamrock—Aer Lingus Irish Airlines, Ltd.
 Silver Wing—British European Airways Corporation (BEA); Imperial
 Airways, Ltd.
 Sky Century—Transcontinental and Western Air Lines (TWA)
 Sky Coach—Trans World Airlines (TWA); Transcontinental and
 Western Air Lines (TWA); United Air Lines (2)
 Sky King—Transcontinental and Western Air Lines (TWA)
 Sky Lift—Horizon Air: Horizon Air Industries
 Sky Meteor—Transcontinental and Western Air Lines (TWA) Sky
 Queen—Transcontinental and Western Air Lines (TWA)
 Skysaver Jet Shuttle—Southeast Airlines (6)
 Sky Tiger—The Flying Tiger Line
 Sky Tourist—Trans World Airlines (TWA)
 Skybeach—Central African Airways Corporation (CAA)
 Skybus Service—Canadian Pacific Air Lines, Ltd. (CPAL);
 Central African Airways Corporation (CAA); Time Air, Ltd.
 Skycoach—British Overseas Airways Corporation (BOAC); Capital
 Airlines; Cunard-Eagle Airways, Ltd.; Martinair Holland, N.V.;
 South African Airways (Pty.), Ltd.
 Skycoast—Central African Airways Corporation (CAA); East African
 Airways Corporation (EAAC)
 Skycruise—Central African Airways Corporation (CAA)
 Skynet—Business Air, Ltd.
 kyroad—The Flying Tiger Line
 Skytrain—Laker Airways, Ltd.
 Skywest Western Express—Skywest Airlines
 Smart Box—Blue Dart Aviation, Ltd.
 Sohni—Pakistan International Airlines Corporation
 Southern Cross—Qantas Empire Airways (Pty.), Ltd.
 The Southerner—American Airlines
 Spaceship Service—Western Airlines (1)
 Speed Air—Golden West Airlines (2)
 Springbok—British Overseas Airways Corporation (BOAC);
 South African Airways (Pty.), Ltd.
 Stampeder Service—Pacific Western Airlines, Ltd.
 Standard Air Service—Federal Express
 Star Class—Martinair Holland, N.V.
 Starflight—Aer Lingus Irish Airlines, Ltd.
 Starflights—Central African Airways Corporation (CAA)
 Starliner—Canadian Airlines International, Ltd.
 The Statesman—American Airlines
 Students Unlimited—Air California
 Sun Beam—Transcontinental and Western Air Lines (TWA)
 Sun Country Special—American Airlines
 Sun Racer—Transcontinental and Western Air Lines (TWA)
 Sun West Shuttle—Sunwest Aviation
 Sunbird—Trans-Australian Airlines (Pty.), Ltd.
 Sunjet Service—Horizon Air: Horizon Air Industries
 SunStreak—Horizon Air: Horizon Air Industries
 Super Class—LADECO Chilean Airlines, S.A.
 Super Club—British Airways, Ltd. (2)
 Super Saver—American Airlines
 Super Shuttle—British Airways, Ltd. (2)
 Super Sky Chief—Transcontinental and Western Air Lines (TWA)
 SuperJet—Northeast Airlines (1)
 Surespeed—British Airways, Ltd. (2)
 Swelink—SAS Commuter
 Tea Flights—Imperial Airways, Ltd.
 td.Flash—Lufthansa Cargo Airlines, A.G.
 td.Pro—Lufthansa Cargo Airlines, A.G.
 td.X—Lufthansa Cargo Airlines, A.G.
 Tempo—Air France
 Tempo Challenge—Air France
 Texan—Delta Air Lines
 Thriftair—Western Airlines (1)
 Tobago Air Shuttle—British West Indies Airways, Ltd. (2) (BWIA)
 Transcontinental—Pan American-Grace Airways (PANAGRA)
 The Tropicana Express—Cubana: Compania Nacional de Aviacion, S.A.
 Trans One World—Trans World Airways (TWA)
 Transair, Ltd.
 Truck-Air—Slick Airways
 Trump Shuttle Connection—Trump Air
 U.K. Air Pass—British Airways, Ltd. (2)
 U.P. Indiaman—Indian National Airways, Ltd.
 Ulster Flyer—British European Airways Corporation (BEA)
 United Economy—United Airlines
 United First Suite—United Airlines
 United Suite—United Airlines
 Universal Air Express—Universal Airlines System
 Upper Class—Virgin Atlantic Airways, Ltd.
 USA Express—Carnival Air Lines
 USAir Florida Shuttle—USAir
 Valley Service—American Airways (2)
 Viking Royal Mail Express—British Airways, Ltd. (1)
 Village Service—ERA Aviation
 VIP Air—Sultan Air: Sultan Hava Yollari, A.S.
 Voa Brasil—VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse,
 S.A.
 La Voile d'Or (The Golden Clipper)—Air France
 Wallaby Service—Qantas Empire Airways (Pty.), Ltd.; South African
 Airways (Pty.), Ltd.
 Weekends Unlimited—Mohawk Airlines (1)
 West County Air Service—Provincial Airways, Ltd.
 Western Shuttle—Canadian Airlines International, Ltd.
 White Glove—United Air Lines (2)

- WineCellar—British Airways, Ltd. (2)
 World Adventure—Lauda Air Luftfahrtgesellschaft, A.G.
 World Business Class—KLM: Royal Dutch Airlines, N.V.;
 Northwest Airlines
 World Express—Air Puerto Rico; World Airways
 World Traveler—British Airways, Ltd. (2)
 Yuttari Service—All Nippon Airways Company, Ltd. (ANA)
 Zambezi—Central African Airways Corporation (CAA)
 SEUR Service Urgent
 Swiftair, S.A.
 Sevastyanov, S., DG
 Elip Flight Test & Research Centre
 Sexton, Ralph, founder/pres.
 Isthmian Airways, S.A.
 Sevastopol, Siege of
 Aeroflot Soviet Airlines
 Sevastyanov, Sergi, DG
 Eliip Flight Test & Research Center
 Sevastyanov, Pavel, MD/DG
 DAK Far Eastern Aviation
 Dalavia
 Seven, Mesut, jt. founder
 Air Rose, A.S.
 Sevigny, Capt. Norman, pilot
 TriStar Airlines
 Sewell, Capt. David, founder/MD
 Helicopters Victoria (Pty.), Ltd.
 Seybert, Jennie, secretary/chairperson
 Peninsula Airways (1)
 Seybert, Orin D., founder/pres.
 Peninsula Airways (1)
 Seychelles, 1981 attempted coup
 Air India, Ltd.
 Seydoux, Michel, founder/MD
 Mustique Airways, Ltd.
 Seymour, Lester D “Bing,” pres.
 American Airways (2)
 Seymour, Warren, MD
 National Jet Systems (Pty.), Ltd.
 SEYR Service Urgent
 Swiftair, S.A.
 Shabunin, Evgeni, CEO
 Joint Stock Aircraft Company
 Shafranik, Yuri, Central Fuel Company chairman/passenger
 Vnukovo Airlines
 Shafti, S. H., chairman/MD
 Iran Air: The Airline of the Islamic Republic of Iran
 Shagam, L. E., founder
 Commercial Air Services (Natal) (Pty.), Ltd.
 Shah, Mohammed Yusuf, hijacker
 Indian Airlines Corporation
 Shaikan Insurance, investor
 Azza Transport
 Shaikh, Faruk, driver
 East West Airlines, Ltd.
 Shakespeare, W., pilot
 Handley Page Transport, Ltd.
 Shakibnia, Ghasem, chairman
 Iran Air: The Airline of the Islamic Republic of Iran
 Shakir, Rasul Alie, hijacker
 Republic Airlines
 Shallcross, Michael, CEO
 Haines Airways
 Sham, Oleg V., DG
 Kosar Airlines
 Shama, R. C., MD
 Gujarat Airways, Ltd.
 Shams, Capt. Hilmy, pilot
 EgyptAir, S.A.E.
 Shand, Alec, chairman
 East-West Airlines (Pty.), Ltd.
 Shander, Itzhak, pres.
 El Al Israel Airlines, Ltd.
 Shangaan Tsonga Development Corporation
 Letaba Airways (Pty.), Ltd.
 Shanghai (China), Japanese attack on, 1937
 China National Aviation Corporation (CNAC-1)
 Shanghai Banking Corporation, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Shanks, Jim, jt. owner
 Wings of Alaska
 Shannon, John T., vp
 Pan American-Grace Airways (PANAGRA)
 Shapiro, David I., court-appointed examiner
 Eastern Air Lines
 Shapiro, Jacob, Cuban hosiery mill owner
 Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Trans European Airways (TEA), Ltd.
 Shapiro, Max, founder/pres.
 Voyageur Airways, Ltd.
 Shaposhnikov, Yevgeny, Marshal/MD
 Aeroflot Russian International Airlines (ARIA)
 Sharan, Capt. Devi, pilot
 Indian Airlines, Ltd.
 Sharbaro, Judge John A., passenger
 Northwest Airlines
 Sharif, Nawaz, Pakistani prime minister
 Pakistan International Airlines Corporation
 Saudi Arabian Airlines
 Sharif, Omar, actor/spokesman
 British Airways, Ltd. (2)
 Pan American World Airways (1)
 Sharipov, V. S., dir.
 Tajikistan Airlines
 Shark soup, removal from menu
 Thai Airways International, Ltd. (THAI)
 Sharp, Capt. Charles L., pilot
 China National Airways Corporation (CNAC-1)
 Sharp, Janet, passenger
 Simmons Airlines
 Shasta Flight Service
 Nor Cal Aviation
 Shatner, William, actor
 Eastern Air Lines
 Shatto, Stanley, chief engineer
 Continental Air Lines (2)
 Shave, Lee, vp-sales/customer services
 Swissair, A.G.
 Shavgulidze, Nana, founder/pres.
 Shans Avia
 Shavit, Avraham “Buma,” chairman
 El Al Israel Airlines, Ltd.
 Shaw, Bartlett M., vp-Administration
 Piedmont Airlines (1)
 Shaw, George Bernard, ad writer
 Pan American Airways (PAA)
 Shaw, H. Jerry, pilot
 Aircraft Transport and Travel, Ltd.
 KLM: Royal Dutch Airlines, N.V.
 Shaw, Peter, World Alliances director
 British Airways, Ltd. (2)
 Shawmut Bank
 Eastwind Airlines: The Bee Line
 She Yining, pres.
 Changan Airlines
 Shea, Andrew, pres.
 Pan American-Grace Airways (PANAGRA)
 Shea, Neil, GM

- Eastern Australian Airlines (Pty.), Ltd.
 Sheaffer, D. M., executive committee chairman
 Transcontinental Air Transport (TAT)
 Shealy, Dean, jt. owner
 Crescent Airways
 Sheehan, Lawrence Cardinal, Archbishop of Baltimore
 Piedmont Airlines (1)
 Sheehan, Patty, golfer
 Reno Air
 Sheets, Capt. Donald, pilot
 Pan American-Grace Airways (PANAGRA)
 Sheildings, Ltd.
 Air Nova, Inc.
 Shelby, Sen. Richard (R-AL)
 Legend Airlines
 Shelby Sky Haven
 Fischer Brothers Aviation
 Sheldon, Don, jt. founder/pres.
 Talkeetna Air Service
 Shelton, C. N., pilot/founder/pres.
 APSA: Aerolineas Peruanas, S.A.
 Empresa Dean, S.A.
 TAN: Transportes Aereos Nacionales, S.A.
 Shelton, Robert G. "Bob," founder/pres.
 Northern Air Cargo
 Trans Air Link
 Shen Tu, DG
 CAAC: The General Administration of Civil Aviation of China
 Sheparson, Ken, GM
 Sierra Leone Airways, Ltd.
 Sherer, Robert, VPF
 Sunworld International Airways
 Sheridan, Philip, pres.
 Galaxy Airlines (2)
 Sherif, Hamud, chairman
 Somali Airlines, Ltd.
 Sherif, Ismail, MD/chairman
 EgyptAir, S.A.E.
 Shorouk Airlines, Ltd.
 Sherlock, Mark, stowaway
 Pakistan International Airlines Corporation
 Sherman, Capt. Dallas, pilot
 Pan American Airways (PAA)
 Sherman, Col. Charles, founder/pres.
 California Central Airlines
 Standard Air Lines (2)
 Sherpa, Sonam, chairman
 Yeti Airlines, Ltd.
 Sherpa, Tshiring, MD
 Yeti Airlines, Ltd.
 Sherrard, Rob, co-founder/COO
 National Jet System (Pty.), Ltd.
 Virgin Blue (Pty.), Ltd.
 Sherrell, James, owner/chairman
 San Juan Airlines
 Sherwani, Saleem, athlete/Shannon station manager
 Pakistan International Airlines Corporation
 Sherwin-Williams Company
 New York Air (1)
 Sherwood, Lord, British under secretary of state for air
 British Overseas Airways Corporation (BOAC)
 Sheth, Lalit, founder/chairman
 Raj Airways, Ltd.
 Sheth, Suresh G., CFO
 Blue Dart Aviation, Ltd.
 Shevelev, Mark, DG
 Aviaarktika
 Shields, W. Daniel, vp-marketing
 Conquest Airlines
 Shier, Ivor, founder/pres.
 Corporate Helicopters of San Diego
 Shigarev, P. F., DG
 Aeroflot Soviet Airlines
 Shigeru, Shizuo, MD
 Japan Air Commuter Company, Ltd.
 Shijiazhuang Aircraft Plant
 Jihua Airlines
 Shilton, Capt. R., pilot
 British European Airways Corporation (BEA)
 Shim Yi-taek, pres.
 Korean Air Lines/Korean Air (KAL)
 Shimp, William R., pilot/pres./chairman/CEO
 Pacific Southwest Airlines (PSA)
 Shin, Dr. Tun, chairman
 Air Mandalay (Pty.), Ltd.
Shin Kansen ("Bullet Train")
 Japan Air Lines Company, Ltd. (2)
 Shin Su-jin, pilot
 Korean Air Lines/Korean Air (KAL)
 Shinneman, Bruce A., founder
 Jet Charter International
 Shinrikyo, Aum, hijacker
 All Nippon Airways Company, Ltd. (ANA)
 Shiomi, Takaya, Japanese Red Army (Sekigun) faction chairman
 Japan Air Lines Company, Ltd. (2)
 Shipil, Nickolai, DG
 Rossiya Air Company
 Shipkaliev, Ventislav, steward
 Balkan Bulgarian Airlines
 Shipoh, Dr. Peingondjabi, TransNamib Holdings (Pty.), Ltd. MD
 Air Namibia (Pty.), Ltd.
 Shipping & Coal Co.
 Martinair Holland, N.V.
 Shirima, Michael, MD
 Precisionair Services, Ltd.
 Shively, Capt. H., pilot
 Trans World Airlines (TWA)
 Shkuro, Igor, hijacker
 Alitalia, SpA.
 Shmayavich, Leonid, DG
 Air Urga: International Joint Stock Air Company
 Sholto Douglas, Air Marshal Sir William, pilot/chairman
 Handley Page Transport, Ltd.
 British European Airways Corporation (BEA)
 Sholton, Rita, owner/CEO
 Northern Air Cargo
 Sholton, Robert G. "Bobby," jt. founder/CEO
 Northern Air Cargo
 Shomicka, Carol, SVP-corporate development
 Midwest Express Airlines
 Shoob, Judge Marvin H.
 American Airlines
 Continental Airlines
 Delta Air Lines
 Shore, Peter, U.K. trade secretary
 Laker Airways, Ltd.
 Shorn, Henry, hijacker
 Pan American World Airways (1)
 Short Calcutta launch customer
 Imperial Airways, Ltd.
 Short C-Class Empire Flying Boat launch customer
 Imperial Airways, Ltd.
 Short G-Class Flying Boat launch customer
 Imperial Airways, Ltd.
 Short Hythe launch customer
 British Overseas Airways Corporation (BOAC)
 Short Kent launch customer
 Imperial Airways, Ltd.

- Short Sandringham launch customer
 British Overseas Airways Corporation (BOAC)
 Short Scion launch customer
 Aberdeen Airways, Ltd. (1)
 Short Scylla launch customer
 Imperial Airways, Ltd.
 Short Solent launch customer
 British Overseas Airways Corporation (BOAC)
 Shorts 330 launch customer
 Time Air, Ltd.
 Shorts 360 launch customer
 Suburban Airlines
 Shorts 360A launch customer
 Thai Airways, Ltd.
 Shortest airline name
 B Airways
 Shortest presidency at any U.S. major airline
 see Lethbridge, Maurice "Lefty"
 Shortest scheduled service by a piston-engined aircraft
 Loganair, Ltd.
 "The Shotgun Marriage" (1930) of
 Pittsburgh Aviation Industries Corporation
 Transcontinental Air Transport (TAT)
 Western Air Express
 Shough, Mark, jt. founder
 Bemidji Airlines
 Shourie, Arun, Indian disinvestment minister
 Air India, Ltd.
 Show, Harry T., Jr., founder/pres.
 Air Cargo Enterprises
 Shpilkin, V.A., jt.-founder
 Atlant Soyuz
 Shrestha, Hari Bhakta, chairman
 Royal Nepal Airlines Corporation
 Shrestha, Prajwaal, chairman
 Gorkha Airlines, Ltd.
 Shriram, Joe, vp
 Omni Air Express
 Shrively, Frank, pres.
 Air Kentucky Airlines
 Shugrue, Martin R., Jr., vice chairman/pres./advisor/trustee
 Continental Airlines
 Cumberland Airlines
 Eastern Air Lines
 Pan American World Airways (1)
 Pan American World Airways (2)
 Shukry, Egyptian Brig. Gen. Nabil, commando *see*
 Skyjackings—Feb. 18, 1978.
 Shults, Robert L., chairman
 Skyways
 Shun Tak Enterprises
 East Asia Airways (Pty.), Ltd.
 Shuratov, Sergey N., DG
 Sverdlovsk 2nd Air Enterprise: Sverdlovsk Aviapredpriat
 Ural Airlines
 Shuratov, Yuri, Russian prosecutor general
 Aeroflot Russian International Airlines (ARIA)
 Shuyler, Richard, CFO
 Atlas Air
 Trans World Airlines (TWA)
 Shwery, Roy and Lois, founders
 Midstate Airlines
 Siao, K. T., chairman
 Far Eastern Air Transportation Corp.
 Sibiya, Andre, non-executive chairman
 South African Airways (Pty.), Ltd.
 Sibley, F. M., Jr., hijacker
 United Air Lines (2)
 Sibo, Adrian, chairman
 Alliance Airlines: African Joint Air Service
 Sicard, R. L., EVP
 Texas International Airlines
 Sidley, Robert W., founder/pres.
 Casement Aviation
 Sidorenko, A.E., MD
 Ekspark Airline
 Sidorov, S.P., DG
 Centre South: Tsentr-Yug Too
 Siemens, A.G.
 Air Foyle, Ltd.
 Sierra, Juan C., chairman/pres.
 Fast Air Chile, S.A.
 Sierra Leone civil war, 1999-2000
 Air Foyle, Ltd.
 Bellview Airlines, Ltd.
 Tyumenaviatrans (TAT)
 Sietzen, Roger, MD/pres.
 Cargolux International Airlines, S.A.
 Luxair, S.A.
 Sievers, Harry, pilot
 Clifford Ball
 Siew, Vincent, Premier of Taiwan
 China Airlines, Ltd. (CAL)
 Sigcau, Stella, South African minister of public enterprises
 South African Airways (Pty.), Ltd.
 Siggelkow, Larry J., founder/pres.
 Lang Aire
 Eagle Canyon Airlines
 Sigler, Murray, pres./COO
 Canadian Airlines International, Ltd.
 Pacific Western Airlines, Ltd.
 Signal Oil Company
 The Flying Tiger Line
 Signature Vacations
 Canada 3000, Ltd.
 Royal Airlines, Ltd.
 Signoret, Jean, MD
 Euroberlin France, S.A.
 Sik, Ling Liong, Malaysian transport minister
 Malaysian Airlines, Ltd. (MAS)
 Sikka, Capt. O P.,
 Air India, Ltd.
 Sikorsky S-36 launch customer
 Pan American Airways (PAA)
 Sikorsky S-38 launch customer
 Pan American Airways (PAA)
 Sikorsky S-40 launch customer
 Pan American Airways (PAA)
 Sikorsky S-41 launch customer
 Pan American Airways (PAA)
 Sikorsky S-42 launch customer
 Pan American Airways (PAA)
 Sikorsky S-43 launch customer
 Pan American Airways (PAA)
 Sikorsky S-61 launch customer
 Los Angeles Airways
 Sikorsky S-64 launch customer
 ERA Aviation
 Sikorsky S-76 Spirit launch customer
 Air Logistics
 Sikorsky S-76+ launch customer
 Heli-Union, S.A.
 Sikorsky S-92 Helibus launch customers
 Cougar Helicopters, Ltd.
 Helijet International, Inc.
 Sikos, Csaba, board chairman
 MALEV Hungarian Airlines, Rt.
 Silliman, Elton, GM

- Mexicana Airlines, S.A. de C.V.
 Silva, Prof. Antonio Angarita, dir./chairman
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Silva, Ernesto, GM/pres.
 LADECO Chilean Airlines, S.A.
 Silva, Ozires, dir.
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Silva, Salvador, pres.
 Air Nacoia, S.A.
 Silva, Sam H., chairman
 Air Ceylon, Ltd.
 Silva-de-Balboa, Luis E., pres.
 Evergreen Chile, Ltda.
 Silver, Al, pilot/project mgr.
 British Airways, Ltd. (2)
 Silver Wings Holidays
 Empire Airlines (1)
 Simard, Jacques, GM
 Air Alma, Ltd.
 Simba Finance, Ltd.
 Kenya Airways, Ltd.
 Simitis, Costas, Greek prime minister
 Olympic Airways, S.A.
 Simon, George, vp-opns.
 Ptarmigan Airways, Ltd.
 Simon, June, jt.-founder
 Bonanza Air Lines
 Simon Spies Holdings
 Airtours International Airways, Ltd.
 Blue Scandinavia, A.B.
 Conair of Scandinavia, A.S.
 PremiAir, A.S.
 Simonelli, Charles F., pres.
 Ocean Airways
 Simonsen, Th Wegner, GM
 Nordsjofly, A.S.
 Simmonds, Geoffrey, chairman
 Birmingham Executive Airways, Ltd.
 Simmons, Harold, chairman, Valhi, Inc.
 Pacific Southwest Airlines (PSA)
 Simmons, Jeff, CFO
 Atlantic Southeast Airlines
 Simmons, Lawrence J., founder/chairman
 Simmons Airlines
 Simmons, Roy M., pres.
 Columbia Helicopters
 Simmons, Sheldon B. "Shell," founder/pres.
 Alaska Air Transport
 Alaska Coastal Airlines
 Alaska Coastal-Ellis Air Lines
 Simms, Ron, MD
 Virgin Sun Air, Ltd.
 Simpson, C. H., vp-ops.
 Air Canada, Ltd.
 Simpson, Kevin, passenger
 United Airlines
 Simpson, S. A. "Steve," manager
 Boeing Air Transport
 Simpson, William H., pres.
 Mountain Air Cargo
 Sims, A. G., hijacker
 Pacific Southwest Airlines
 Sinan, Saeed Nagi, chairman/MD
 Alameda Democratic Yemen Airlines
 Sinatra, Frank, Jr., passenger/entertainer
 American Airlines
 Sinclair, John, founder/pres.
 Floatair, Ltd.
 Sindi, Sheik Kamil, DG
 Saudia: Saudi Arabian Airlines
 Sindicato Minero Parcoy
 Pan American-Grace Airways (PANAGRA)
 Sindu, Capt. V. P. S., CEO
 SGA Airlines, Ltd.
 UP Airways, Ltd.
 Singerman, Gilbert, CEO
 Wright Airlines
 Singh, B. R., MD
 Royal Nepal Airlines Corporation
 Singh, Capt. Indrani, pilot
 Indian Airlines, Ltd.
 Singh, Larry, opns. dir.
 Guyana Airways 2000
 Singh, Manjit, bomber
 Air India, Ltd.
 Singh, Ramji, security supervisor
 Sahara India Airlines, Ltd.
 Singh, V. P., Indian prime minister
 Indian Airlines Corporation
 Singh, Tejinder Paul, hijacker
 Indian Airlines Corporation
 Singhagajen, Capt. Anusorn, chief pilot
 PB Air, Ltd.
 Singla, Air Cmdr. C. M., MD
 Pawan Hans Helicopters, Ltd.
 Sintes, Capt. Yvonne, pilot
 Dan Air/Dan Air Services, Ltd.
 Morton Air Services, Ltd.
 Sioux City disaster of 1989 *see* Crashes—July 19, 1989;
 United Airlines
 Siquiera, Joel, Jr., hijacker
 VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Siquiera, Sergio R. C., pres.
 Brasair Transportes Aereos, S.A.
 Siregar, Muchtarudin, chairman
 PT Merpati Nusantara Airlines
 Sisto, Capt. C. R., pilot
 American Airlines
 Sitnam, Daniel, pres.
 Helijet Airways, Inc.
 Helijet International, Inc.
 Sittman, Donald, jt. founder
 Southeast Airlines (2)
 Sivertsev, E. V., DG
 Savia Air Company
 Sivewright Bacon and Company, Ltd.
 Sivewright Airways, Ltd.
 Six, Robert, vp/pres./chairman
 Continental Air Lines (2)
 Varney Air Transport
 Six-Day War, 1967
 East African Airways Corporation
 EgyptAir, S.A.E.
 El Al Israel Airlines, Ltd.
 Ethiopian Airlines, S.C.
 Sizer, Orin, founder/pres.
 Sizer Airways
 Sjoestedt, Karl-Gustav, MD
 Baltic Airways, A.B.
 Skaaning, Birger, MD
 Flyn Air Taxi, A.S.
 Skaar, Roby, vp/GM
 Kitty Hawk Air Cargo
 Skate, Bill, prime minister of Papua New Guinea
 Air Niugini (Pty.), Ltd.
 Skeen, Kerry, pres./chairman
 Atlantic Coast Airlines

- Skelion, Paul, pres.
 Virgin Express France, S.A.
- Skelton, Brenda, SVP-marketing
 Skyway Airlines (2)
- Skemp, Capt. E. R., pilot
 Skyways, Ltd.
- Skiba, John, pres./CEO
 Sun Country Air Lines
- Skillman, Rodney, pres./chairman
 Air Vantage Airlines
 Great Western Aviation
- Skinner, G. T., owner/pilot
 Kenya Aircraft Company, Ltd.
- Skinner, Samuel K., U.S. transportation secretary
 Eastern Air Lines
 Northwest Airlines
- Skippers Aviation (Pty.), Ltd.
 Hazelton Airlines (Pty.), Ltd.
- Skoda
 CLS Czechoslovak Airlines
- Skuratov, Sergey N., DG
- Sverdlovsk Air Enterprise
- Sky marshals *see* Skyjackings of specific U.S. airlines
- Skyjackings/Skyjacking attempts
 1932—Sept. 25, Panair do Brazil, S.A.
 1933—Aug. 13, Pan American Airways (PAA)
 1947—June 30, Balkan Bulgarian Airlines
 1948—April 6, CSA Czechoslovak Airlines
 May 4, CSA Czechoslovak Airlines
 June 4, JAT Yugoslav Airlines
 June 17, TAROM Romanian Air Transport, S.A. (TARS)
 July 16, Cathay Pacific Airways (Pty.), Ltd.
 Sept. 12, TAE Greek National Airlines, S.A.
 Sept. 14, Hellenic Airlines, S.A. (HELLAS)
 1949—Jan. 5, MALEV Hungarian Airlines, Rt. (Maszovlet)
 Jan. 30, China National Aviation Corporation (CNAC-1)
 April 29, LOT Polish Airlines, S.A.; TAROM Romanian Air
 Transport, S.A. (TARS)
 Dec. 9, TAROM Romanian Air Transport, S.A. (TARS)
 Dec. 16, LOT Polish Airlines, S.A.
 1951—Oct. 17, JAT Yugoslav Airlines
 1952—June 26, JAT Yugoslav Airlines
 Dec. 30, Philippine Air Lines (PAL)
 1953—March 24, CSA Czechoslovak Airlines
 1954—July 6, American Airlines
 1956—July 13, MALEV Hungarian Airlines, Rt.
 1958—Feb. 16, Korean National Airlines
 April 4, Cubana: Compania Cubana de Aviacion, S.A.
 April 13, Cubana: Compania Cubana de Aviacion, S.A.
 Oct. 22, Cubana: Compania Cubana de Aviacion, S.A.
 Nov. 1, Cubana: Compania Cubana de Aviacion, S.A.
 Nov. 6, Cubana: Compania Cubana de Aviacion, S.A.
 1959—April 9, Haiti Air Transport, S.A.
 April 16, Aerovias Q, S.A.; Cubana: Compania Cubana de
 Aviacion, S.A.
 April 26, Cubana: Compania Cubana de Aviacion, S.A.
 July 8, JAT Yugoslav Airlines
 Oct. 2, Cubana: Empresa Consolidada Cubana de Aviacion
 Dec. 4, Panair do Brazil, S.A.
 1960—April 12, Cubana: Empresa Consolidada Cubana de Aviacion
 July 5, Cubana: Empresa Consolidada Cubana de Aviacion
 July 17, Cubana: Empresa Consolidada Cubana de Aviacion
 July 19, Thai Airways International, Ltd. (THAI); Trans Australian
 Airways (Pty.), Ltd.
 July 28, Cubana: Empresa Consolidada Cubana de Aviacion
 Oct. 29, Aerovias Q, S.A.; Cubana: Empresa Consolidada Cubana
 de Aviacion
 1961—May 1, National Airlines (1)
 Aug. 3, Continental Airlines
 Aug. 9, Aerovias Q, S.A.; Pan American World Airways (1)
 July 3, Cubana: Empresa Consolidada Cubana de Aviacion
 July 24, Eastern Air Lines
 Oct. 15, Aeroflot Soviet Airlines
 Nov. 11, TAP-Air Portugal, S.A.
 Nov. 27, AVENSA: Aerovias Venezolanas, S.A.; VIASA:
 Venezolana Internacional de Aviacion, S.A.
 1962—April 16, KLM: Royal Dutch Airlines, N.V.
 1963—Nov. 28, AVENSA: Aerovias Venezolanas, S.A.
 1965—Aug. 31, Hawaiian Airlines (HAL)
 Oct. 11, Aloha Airlines
 Oct. 26, National Airlines (1)
 Nov. 18, National Airlines (1)
 1966—March 27, Cubana: Empresa Consolidada Cubana de Aviacion
 July 8, Cubana: Empresa Consolidada Cubana de Aviacion
 Aug. 15, Aeroflot Soviet Airlines
 Sept. 28, Aerolineas Argentinas, S.A.
 1967—April 24, Nigeria Airways, Ltd.
 Aug. 6, Aerocondor: Aerovias Condor de Colombia, Ltda.
 Sept. 9, AVIANCA Colombian Airlines, S.A.
 1968—Feb. 21, Delta Air Lines
 March 5, AVIANCA Colombian Airlines, S.A.
 March 12, National Airlines (1)
 March 21, AVENSA: Aerovias Venezolanas, S.A.
 June 19, VIASA: Venezolana Internacional de Aviacion, S.A.
 June 29, Southeast Airlines (2)
 July 1, Northwest Airlines
 July 4, Trans World Airlines (TWA)
 July 12, Delta Air Lines
 July 17, National Airlines (1)
 July 23, El Al Israel Airlines, Ltd.
 Sept. 11, Air Canada, Ltd.
 Sept. 20, Eastern Air Lines
 Sept. 22, AVIANCA Colombian Airlines, S.A.
 Oct. 6, Aeromaya, S.A. de C.V.
 Oct. 30, SAESA: Servicios Aereos Especiales, S.A. de C.V.
 Nov. 2, Eastern Air Lines
 Nov. 4, National Airlines (1)
 Nov. 5, Philippine Air Lines
 Nov. 8, Olympic Airways, S.A.
 Nov. 18, Mexicana Airlines, S.A. de C.V.
 Nov. 23, Eastern Air Lines
 Nov. 24, Pan American World Airways (1)
 Nov. 30, Eastern Air Lines
 Dec. 3, National Airlines (1)
 Dec. 11, Trans World Airlines (TWA)
 Dec. 19, Eastern Air Lines
 Dec. 26, El Al Israel Airlines, Ltd.
 1969—Jan. 2, Eastern Air Lines; Olympic Airways, S.A.
 Jan. 7, AVIANCA Colombian Airlines, S.A.
 Jan. 9, Eastern Air Lines
 Jan. 11, APSA: Aerolineas Peruanas, S.A.; United Air Lines (2)
 Jan. 13, Delta Air Lines
 Jan. 19, CEA: Compania Ecuatorianas de Aviacion, S.A.; Eastern
 Air Lines
 Jan. 24, National Airlines (1)
 Jan. 28, National Airlines (1)
 Jan. 31, National Airlines (1)
 Feb. 3, Eastern Air Lines; National Airlines (1)
 Feb. 4, United Air Lines (2)
 Feb. 5, National Airlines (1)
 Feb. 8, Mexicana Airlines, S.A. de C.V.
 Feb. 10, Eastern Air Lines (1)
 Feb. 11, British West Indies Airways, Ltd. (2) (BWIA); LAV
 Venezuelan Airlines, S.A.
 Feb. 16, Eastern Air Lines
 Feb. 23, United Air Lines (2)
 Feb. 24, Eastern Air Lines
 March 11, AVIANCA Colombian Airlines, S.A.; SAM Colombia

- Airlines, S.A.
 March 17, Delta Air Lines; Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 March 19, Delta Air Lines
 March 25, Delta Air Lines
 April 5, AVIANCA Colombian Airlines, S.A.
 April 11, CEA: Compania Ecuatorianas de Aviacion, S.A.
 April 13, Pan American World Airways (1)
 April 14, SAM Colombia Airlines, S.A.
 April 15, AVIANCA Colombian Airlines, S.A.
 May 5, National Airlines (1)
 May 15, Aerocondor: Aerovias Condor de Colombia, Ltda.
 May 20, AVIANCA Colombian Airlines, S.A.
 May 26, Northeast Airlines (1)
 May 30, Texas International Airlines
 June 3, Aeroflot Soviet Airlines
 June 4, DTA Angola Airlines, S.A.
 June 17, Trans World Airlines (TWA)
 June 20, AVIANCA Colombian Airlines, S.A.
 June 22, Eastern Air Lines
 June 25, United Air Lines (2)
 June 28, Eastern Air Lines
 June 30, Trans World Airlines (TWA)
 July 10, AVIANCA Colombian Airlines, S.A.; SAM Colombia Airlines, S.A.
 July 26, Continental Airlines; Mexicana Airlines, S.A. de C.V.
 July 31, Trans World Airlines (TWA)
 Aug. 4, AVIANCA Colombian Airlines, S.A.
 Aug. 5, Eastern Air Lines
 Aug. 1, Ethiopian Airlines, S.C.
 Aug. 15, Northeast Airlines (1)
 Aug. 16, Olympic Airways, S.A.
 Aug. 18, United Arab Airlines
 Aug. 23, AVIANCA Colombian Airlines, S.A.
 Aug. 29, Trans World Airlines (TWA)
 Aug. 30, National Airlines (1)
 Sept. 6, TAME: Transportes Aereos Militares Ecuatorianos
 Sept. 7, Eastern Air Lines
 Sept. 10, Eastern Air Lines
 Sept. 13, Ethiopian Airlines, S.C.; SAHSA: Servicio Aereo de Honduras, S.A.
 Sept. 16, THY Turkish Airlines, A.O.
 Sept. 24, National Airlines (1)
 Oct. 8, Aerolinas Argentinas, S.A.; Cruzeiro Brazilian Airlines, S.A.
 Oct. 9, National Airlines (1)
 Oct. 19, LOT Polish Airlines, S.A.
 Oct. 21, Pan American World Airways (1)
 Oct. 31, Trans World Airlines (TWA)
 Nov. 4, LANICA: Lineas Aereas de Nicaragua, S.A.; VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Nov. 8, Austral Airlines: Austral Lineas Aereas, S.A.
 Nov. 10, Delta Air Lines
 Nov. 12, Cruzeiro Brazilian Airlines, S.A.; LanChile Airlines, S.A.
 Nov. 13, AVIANCA Colombian Airlines, S.A.
 Nov. 20, LOT Polish Airlines, S.A.
 Nov. 29, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Dec. 1, Korean Air Lines/Korean Air (KAL)
 Dec. 2, Trans World Airlines (TWA)
 Dec. 6, TAME: Transportes Aereos Militares Ecuador
 Dec. 11, Korean Air Lines/Korean Air (KAL)
 Dec. 14, Ethiopian Airlines, S.C.
 Dec. 19, LanChile Airlines, S.A.
 Dec. 21, Trans World Airlines (TWA)
 Dec. 23, LACSA: Lineas Aereas Costarricenses, S.A.
 Dec. 26, United Air Lines (2)
 1970—Jan. 1, Cruzeiro Brazilian Airlines, S.A.
 Jan. 6, Delta Air Lines
 Jan. 7, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Jan. 8, Trans World Airlines (TWA)
 Jan. 9, RAPSA: Rutas Aereas Panamenas, S.A.
 Jan. 24, ALM: Antillean Airlines, N.V.
 Feb. 5, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Feb. 6, LanChile Airlines, S.A.
 Feb. 16, Eastern Air Lines
 Feb. 18, JAT Yugoslav Airlines
 March 10, Interflug DDR Airlines, mbH.
 March 11, AVIANCA Colombian Airlines, S.A.; United Air Lines (2)
 March 12, United Air Lines (2); VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 March 15, Thai Airways International, Ltd. (THAI)
 March 17, Eastern Air Lines
 March 24, Aerolineas Argentinas, S.A.
 March 31, Japan Air Lines Company, Ltd. (2)
 April 23, North Central Airlines
 April 25, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 May 1, British West Indies Airways, Ltd. (2) (BWIA)
 May 14, Ansett Airlines of Australia (Pty.), Ltd.; VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 May 21, AVIANCA Colombian Airlines, S.A.
 May 24, Mexicana Airlines, S.A. de C.V.
 May 25, American Airlines; Delta Air Lines
 May 30, Alitalia, SpA.
 May 31, AVIANCA Colombian Airlines, S.A.
 June 4, Trans World Airlines (TWA)
 June 5, LOT Polish Airlines, S.A.
 June 8, CSA Czechoslovak Airlines
 June 10, LOT Polish Airlines, S.A.
 June 21, Iran Air: Iranian National Airlines Corporation
 June 22, Pan American World Airways (1)
 June 26, AVIANCA Colombian Airlines, S.A.
 July 1, Cruzeiro Brazilian Airlines, S.A.; National Airlines (1)
 July 4, Cruzeiro Brazilian Airlines, S.A.
 July 12, Saudia: Saudi Arabian Airlines
 July 15, Aeronaves de Mexico, S.A. de C.V.; Cruzeiro Brazilian Airlines, S.A.
 July 22, Air Vietnam, S.A.
 July 25, Aeronaves de Mexico, S.A. de C.V.
 July 28, Aerolineas Argentinas, S.A.
 July 30, Olympic Airways, S.A.
 Aug. 2, Pan American World Airways (1)
 Aug. 3, Pan American World Airways (1)
 Aug. 7, LOT Polish Airlines, S.A.
 Aug. 8, CSA Czechoslovak Airlines
 Aug. 19, All Nippon Airways Company, Ltd. (ANA); LOT Polish Airlines; Trans-Caribbean Airways
 Aug. 19, LOT Polish Airlines, S.A.
 Aug. 20, Delta Air Lines
 Aug. 24, Trans World Airlines (TWA)
 Aug. 26, LOT Polish Airlines, S.A.
 Aug. 30, Air Algerie, S.A.
 Sept. 5, Swissair, A.G.
 Sept. 6, British Overseas Airways Corporation (BOAC); El Al Israel Airlines, Ltd.; Pan American World Airways (1); Trans World Airlines (TWA)
 Sept. 10, United Arab Airlines
 Sept. 12, United Arab Airlines
 Sept. 14, TAROM Romanian Air Transport, S.A.
 Sept. 15, Trans World Airlines (TWA)
 Sept. 16, United Arab Airlines
 Sept. 19, Allegheny Airlines (1)
 Sept. 22, Eastern Air Lines
 Oct. 10, Iran Air: Iranian National Airlines Corporation
 Oct. 15, Aeroflot Soviet Airlines
 Oct. 21, LACSA: Lineas Aereas Costarricenses, S.A.
 Oct. 27, Aeroflot Soviet Airlines
 Oct. 30, National Airlines (1)
 Nov. 1, United Air Lines (2)

- Nov. 9, Iran Air: Iranian National Airlines Corporation
 Nov. 10, Saudia: Saudi Arabian Airlines
 Nov. 13, Aeroflot Soviet Airlines; Eastern Air Lines
 Dec. 19, Continental Airlines
 Dec. 21, Puerto Rico International Airlines (PRINAIR)
 1971—Jan. 3, National Airlines (1)
 Jan. 22, Ethiopian Airlines, S.C.; Northwest Airlines
 Jan. 23, Korean Air Lines/Korean Air (KAL)
 Jan. 26, Aerovias Quisqueyana, C. por A.
 Jan. 30, Indian Airlines Corporation
 Feb. 4, Delta Air Lines
 Feb. 25, Western Air Lines
 March 8, National Airlines (1)
 March 28, Eastern Air Lines
 March 30, Philippine Air Lines (PAL)
 March 31, Delta Air Lines
 April 1, Eastern Air Lines
 April 21, Eastern Air Lines
 April 25, AVIANCA Colombian Airlines, S.A.
 April 29, AVIANCA Colombian Airlines, S.A.
 May 8, AVIANCA Colombian Airlines, S.A.
 May 13, All Nippon Airways Company, Ltd. (ANA)
 May 17, SAS: Scandinavian Airlines System
 May 27, TAROM Romanian Air Transport, S.A.
 May 28, Eastern Air Lines
 May 29, Pan American World Airways (1)
 June 4, United Air Lines (2)
 June 11, Trans World Airlines (TWA)
 June 18, Piedmont Airlines (1)
 June 21, AVIANCA Colombian Airlines, S.A.
 June 29, Finnair O/Y
 July 2, Braniff International Airways
 July 12, Cubana: Empresa Consolidada Cubana de Aviacion
 July 23, Trans World Airlines (TWA)
 July 24, National Airlines (1)
 Aug. 22, United Arab Airlines
 Sept. 3, Eastern Air Lines
 Sept. 8, Alia Royal Jordanian Airlines
 Sept. 24, American Airlines
 Oct. 4, Alia Royal Jordanian Airlines
 Oct. 9, Eastern Air Lines
 Oct. 10, Aerolineas Argentinas, S.A.
 Oct. 12, AVENSA: Aerovias Venezolanas, S.A.
 Oct. 16, Olympic Airways, S.A.
 Oct. 18, Wien Air Alaska
 Oct. 20, SAETA: Sociedad Aerea Ecuatoriana de Transportes Aereos, S.A.
 Oct. 25, American Airlines
 Nov. 10, Saudia: Saudi Arabian Airlines
 Nov. 12, Air Canada, Ltd.
 Nov. 17, Arawak Airlines, Ltd.
 Nov. 24, Air Canada, Ltd.; Northwest Airlines
 Nov. 27, Eastern Air Lines; Trans World Airlines (TWA)
 Dec. 3, Pakistan International Airlines Corporation
 Dec. 12, Braniff International Airways; LANICA: Lineas Aereas de Nicaragua, S.A.
 Dec. 16, Air Canada, Ltd.; LAB: Lloyd Aero Boliviano, S.A.
 Dec. 22, ALAS del Caribe, S.A.
 Dec. 24, Northwest Airlines
 Dec. 26, American Airlines
 1972—Jan. 1, United Air Lines (2)
 Jan. 4, National Airlines (1)
 Jan. 12, Braniff International Airways; Pacific Southwest Airlines
 Jan. 20, Hughes Airwest
 Jan. 26, Mohawk Airlines (1)
 Jan. 29, Trans World Airlines (TWA)
 Feb. 19, Alia Royal Jordanian Airlines
 Feb. 22, Deutsche Lufthansa, A.G.
 March 7, Chalk's International Airlines; National Airlines (1)
 March 11, Alitalia, SpA.
 April 5, PT Garuda Indonesian Airways; PT Merpati Nusantara Airlines
 April 7, United Air Lines (2)
 April 8, Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.; Puerto Rico International Airlines (PRINAIR)
 April 9, Pacific Southwest Airlines
 April 11, Continental Airlines
 April 13, Frontier Airlines (1)
 April 16, Puerto Rico International Airlines (PRINAIR)
 April 17, Alaska Airlines; Delta Air Lines; Eastern Air Lines; Swissair, A.G.
 April 18, CSA Czechoslovak Airlines; Slovair (1)
 May 3, THY Turkish Airlines, A.O.
 May 5, Eastern Air Lines
 May 6, Western Airlines (1)
 May 8, Sabena Belgian World Airlines, S.A.
 May 19, LAV Venezuelan Airlines, S.A.
 May 23, Ecuatoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.
 May 26, South African Airways (Pty.), Ltd.
 May 28, Olympic Airways, S.A.
 May 30, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 June 2, United Air Lines (2); Western Airlines (1)
 June 8, CSA Czechoslovak Airlines; Slovair (1)
 June 24, American Airlines
 July 1, Hughes Airwest
 July 2, Pan American World Airways (1)
 July 5, American Airlines; Pacific Southwest Airlines
 July 6, Pacific Southwest Airlines
 July 10, Deutsche Lufthansa, A.G.
 July 12, American Airlines; National Airlines (1); UTA French Airlines: Union de Transports Aeriens, S.A.
 July 18, Aerolineas TAO, S.A.
 July 31, Delta Air Lines
 Aug. 16, Austral Airlines: Austral Lineas Aereas, S.A.
 Aug. 18, United Air Lines (2)
 Aug. 22, Alymeda Democratic Yemen Airlines
 Aug. 25, Aerolineas TAO, S.A.
 Sept. 15, SAS: Scandinavian Airlines System
 Sept. 16, East African Airways Corporation
 Oct. 6, Aero Transporti Italiani, SpA. (ATI)
 Oct. 7, Alitalia, SpA.
 Oct. 11, Deutsche Lufthansa, A.G.; THY Turkish Airlines, A.O.
 Oct. 22, THY Turkish Airlines, A.O.
 Oct. 29, Deutsche Lufthansa, A.G.
 Oct. 30, Eastern Air Lines
 Oct. 31, National Airlines (1)
 Nov. 6, Japan Air Lines Company, Ltd. (2)
 Nov. 8, Mexicana Airlines, S.A. de C.V.
 Nov. 11, Southern Airways (1)
 Nov. 15, Ansett Airlines of Australia (Pty.), Ltd.
 Nov. 21, United Air Lines (2)
 Nov. 24, Air Canada, Ltd.
 Dec. 8, Ethiopian Airlines, S.C.
 Dec. 14, Quebecair, Ltd.
 Dec. 26, American Airlines
 1973—Jan. 2, Piedmont Airlines (1)
 Jan. 4, Canadian Pacific Air Lines, Ltd. (CPAL)
 Jan. 8, Eastern Air Lines
 Jan. 19, Ozark Air Lines
 Jan. 31, Eastern Air Lines
 April 23, Aeroflot Soviet Airlines
 May 18, Aeroflot Soviet Airlines; AVENSA: Aerovias Venezolanas, S.A.
 May 19, LAV Venezuelan Airlines, S.A.
 May 30, AVIANCA Colombian Airlines, S.A.; SAM Colombia Airlines, S.A.
 June 10, Royal Nepal Airlines Corporation

- July 4, Aerolineas Argentinas, S.A.
 July 8, Aeroflot Soviet Airlines
 July 20, Japan Air Lines Company, Ltd. (2)
 July 26, Aeroflot Soviet Airlines
 Aug. 17, Middle East Airlines, S.A.L. (2)
 Aug. 25, Yemenia: Yemen Airways Company
 Oct. 2, KLM: Royal Dutch Airlines, N.V.
 Oct. 10, Austral Airlines: Austral Lineas Aereas, S.A.; Mexicana Airlines, S.A. de C.V.
 Oct. 11, Philippine Air Lines (PAL)
 Oct. 18, Air France
 Oct. 20, Aerolineas Argentinas, S.A.
 Oct. 31, AVENSA: Aerovias Venezolanas, S.A.
 Nov. 2, Aeroflot Soviet Airlines
 Nov. 25, KLM: Royal Dutch Airlines, N.V.
 Dec. 1, Swissair, A.G.
 Dec. 17, Deutsche Lufthansa, A.G.
- 1974—Jan. 3, Air Jamaica, Ltd. (2)
 Jan. 21, Aeropesca, S.A.
 Feb. 20, Air Vietnam, S.A.
 Feb. 22, Delta Air Lines
 March 3, British Overseas Airways Corporation (BOAC)
 March 12, Japan Air Lines Company, Ltd. (2)
 March 20, East African Airways Corporation
 March 30, National Airlines (1)
 May 10, AVIANCA Colombian Airlines, S.A.
 July 15, Japan Air Lines Company, Ltd. (2)
 July 24, AVIANCA Colombian Airlines, S.A.
 Sept. 4, Eastern Air Lines
 Sept. 15, Air Vietnam, S.A.
 Oct. 7, Far Eastern Air Transport Corp.
 Nov. 6, Alia Royal Jordanian Airlines
 Nov. 23, British Airways, Ltd. (2); Japan Air Lines Company, Ltd. (2)
 Nov. 29, Canadian Pacific Air Lines, Ltd. (CPAL)
 Dec. 2, Swissair, A.G.
 Dec. 25, Air India, Ltd.
- 1975—Jan. 3, National Airlines (1)
 Jan. 7, British Airways, Ltd. (2)
 Jan. 14, Eastern Air Lines
 Jan. 15, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Feb. 23, Yemenia: Yeman Airways Company
 Feb. 25, Philippine Air Lines
 March 1, Iraqi Airways
 March 2, Air New England
 April 10, Japan Air Lines Company, Ltd. (2)
 April 25, United Airlines
 May 15, United Airlines
 June 28, Balkan Bulgarian Airlines
 July 28, All Nippon Airways Company, Ltd. (ANA)
 Sept. 9, Haiti Air Transport, S.A.
 Sept. 15, Continental Airlines
 Sept. 27, Olympic Airways, S.A.
 Oct. 5, Aerolineas Argentinas, S.A.
 Dec. 22, SAM Colombia Airlines, S.A.
- 1976—Jan. 5, Japan Air Lines Company, Ltd. (2)
 Jan. 26, Aeroflot Soviet Airlines
 Feb. 29, ACES Colombia, S.A.
 April 4, TAP Air Portugal, S.A.
 April 6, Philippine Air Lines (PAL)
 April 20, Ports of Call
 April 23, Egyptair, S.A.E.
 April 24, AVIANCA Colombian Airlines, S.A.
 May 1, THY Turkish Airlines, A.O.
 May 21, Philippine Air Lines (PAL)
 June 27, Air France
 July 6, Libyan Arab Airlines
 Aug. 11, El Al Israel Airlines, Ltd.
 Aug. 23, Egyptair, S.A.E.
 Aug. 28, Air France
- Sept. 4, KLM: Royal Dutch Airlines, N.V.
 Sept. 7, Air France
 Sept. 10, Indian Airlines Corporation; Trans World Airlines (TWA)
 Oct. 28, CSA Czechoslovak Airlines
 Nov. 4, LOT Polish Airlines, S.A.
 Dec. 21, United Airlines
- 1977—Jan. 11, Trans World Airlines (TWA)
 Feb. 13, THY Turkish Airlines, A.O.
 March 14, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 March 17, All Nippon Airways Company, Ltd. (ANA)
 March 20, THY Turkish Airlines, A.O.
 April 24, LOT Polish Airlines, S.A.
 April 25, Ethiopian Airlines, S.C.
 May 2, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 May 8, Northwest Airlines
 May 26, Aeroflot Soviet Airlines
 June 5, Middle East Airlines, S.A.L. (2)
 June 17, Aeroflot Soviet Airlines
 June 18, Balkan Bulgarian Airlines
 June 21, LanChile Airlines, S.A.
 June 29, Gulf Air Company, G.S.C.
 July 10, Aeroflot Soviet Airlines
 June 21, LanChile Airlines, S.A.
 June 29, Gulf Air: Gulf Aviation, Ltd.
 July 5, LADECO Chilean Airlines, S.A.
 July 8, Kuwait Airways Corporation
 July 9, British Midland Airways, Ltd.
 July 10, Aeroflot Soviet Airlines; LanChile Airlines, S.A.
 Aug. 12, Air France
 Aug. 20, Western Airlines (1)
 Sept. 5, PT Garuda Indonesian Airways
 Sept. 28, Japan Air Lines Company, Ltd. (2)
 Sept. 30, Air Inter, S.A.
 Oct. 11, CSA Czechoslovak Airlines
 Oct. 13, Deutsche Lufthansa, A.G.
 Oct. 18, LOT Polish Airlines, S.A.
 Oct. 20, Frontier Airlines (1)
 Oct. 29, Hang Khong Viet Nam
 Dec. 4, Malaysian Airlines System, Ltd. (MAS)
 Dec. 25, Eastern Air Lines
- 1978—Jan. 20, Pakistan International Airlines Corporation
 Jan. 29, Piedmont Airlines (1)
 Feb. 6, CSA Czechoslovak Airlines
 Feb. 18, Cyprus Airways, Ltd.
 March 2, Pakistan International Airlines Corporation
 March 9, China Airlines, Ltd. (CAL)
 March 13, United Airlines
 April 1, Piedmont Airlines (1)
 April 9, Aeroflot Soviet Airlines
 May 1, Aeroflot Soviet Airlines
 May 10, CSA Czechoslovak Airlines
 May 11, AVIANCA Colombian Airlines, S.A.
 May 16, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 May 17, CSA Czechoslovak Airlines
 May 24, Finnair O/Y
 May 27, Royal Air Maroc
 May 29, CSA Czechoslovak Airlines
 Aug. 6, KLM: Royal Dutch Airlines, N.V.
 Aug. 25, Trans World Airlines (TWA)
 Aug. 27, United Airlines
 Aug. 30, LOT Polish Airlines, S.A.
 Sept. 30, Finnair O/Y
 Oct. 1, Finnair O/Y
 Oct. 22, TAP-Air Portugal, S.A.
 Oct. 31, Aeroflot Soviet Airlines
 Nov. 9, Aeroflot Soviet Airlines
 Nov. 10, Aeroflot Soviet Airlines; CSA Czechoslovak Airlines
 Nov. 15, Aeroflot Soviet Airlines
 Nov. 23, North Central Airlines

- Dec. 14, National Airlines (1)
 Dec. 20, Indian Airlines Corporation
 Dec. 21, Trans World Airlines (TWA)
 1979—Jan. 12, Tunis Air, S.A.
 Jan. 16, Middle East Airlines, S.A.L. (2)
 Jan. 27, United Airlines
 Feb. 27, Aeroflot Soviet Airlines
 March 16, Continental Airlines
 April 1, Aeroflot Soviet Airlines
 April 4, Pan American World Airways (1)
 June 8, Trans Australian Airlines (Pty.), Ltd.
 June 11, Delta Air Lines
 June 20, American Airlines
 June 30, Eastern Air Lines
 July 20, United Airlines
 July 24, Biman Bangladesh Airlines, Ltd.
 Aug. 5, Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Aug. 16, Eastern Air Lines
 Aug. 22, United Airlines
 Aug. 24, Libyan Arab Airlines; United Airlines
 Sept. 7, Alitalia, SpA.
 Sept. 12, Deutsche Lufthansa, A.G.
 Oct. 16, Libyan Arab Airlines
 Oct. 30, Pacific Southwest Airlines
 Nov. 1, Pacific Southwest Airlines
 Nov. 17, Trans World Airlines (TWA)
 Nov. 22, Japan Air Lines Company, Ltd. (2)
 Nov. 24, American Airlines
 1980—Jan. 14, Alitalia, SpA.
 Jan. 18, Middle East Airlines, S.A.L. (2)
 Jan. 25, Delta Air Lines
 Jan. 28, Middle East Airlines, S.A.L. (2)
 Jan. 30, Interflug DDR Airlines, mbH.
 Feb. 1, Air France
 Feb. 29, Ecuatoriana Airlines: Empresa Ecuatoriana de Aviacion, S.A.
 March 20, Aeroflot Soviet Airlines
 April 9, American Airlines
 April 14, Continental Airlines
 May 1, Pacific Southwest Airlines
 May 6, TAP-Air Portugal, S.A.
 May 15, Chalks International Airlines
 June 30, Aerolineas Argentinas, S.A.
 July 11, Northwest Airlines
 July 12, Philippine Air Lines (PAL)
 July 22, Delta Air Lines
 July 24, Kuwait Airways Corporation
 Aug. 10, Air Florida
 Aug. 13, Air Florida
 Aug. 14, National Airlines (1)
 Aug. 16, Delta Air Lines; Eastern Air Lines; Republic Airlines
 Aug. 17, Air Florida
 Aug. 18, Eastern Air Lines
 Aug. 26, Eastern Air Lines
 Aug. 29, Braniff International Airways
 Sept. 8, Eastern Air Lines
 Sept. 12, Eastern Air Lines
 Sept. 13, Delta Air Lines
 Sept. 14, Eastern Air Lines
 Sept. 17, Delta Air Lines
 Oct. 13, THY Turkish Airlines, A.O.
 Oct. 25, Continental Airlines
 Nov. 6, AVENSA: Aerovias Venezolanas, S.A.
 Dec. 4, LOT Polish Airlines
 Dec. 5, LAV Venezuelan Airlines, S.A.
 Dec. 10, Eastern Air Lines
 Dec. 15, AVIANCA Colombian Airlines, S.A.
 1981—Jan. 10, LOT Polish Airlines, S.A.
 Feb. 5, Eastern Air Lines
 Feb. 6, AVIANCA Colombian Airlines, S.A.
 March 2, Pakistan International Airways Corp.
 March 5, Continental Airlines
 March 27, SAHSA: Servicios Aereos de Honduras, S.A.
 March 28, PT Garuda Indonesian Airways
 April 10, Eastern Air Lines
 May 2, Aer Lingus Irish Airlines, Ltd.
 May 24, THY Turkish Airlines, A.O.
 July 10, Eastern Air Lines
 July 21, LOT Polish Airlines, S.A.
 Aug. 5, LOT Polish Airlines, S.A.
 Aug. 11, LOT Polish Airlines, S.A.
 Aug. 22, LOT Polish Airlines, S.A.
 Sept. 18, LOT Polish Airlines, S.A.
 Sept. 22, LOT Polish Airlines, S.A.
 Sept. 26, JAT Yugoslav Airlines
 Sept. 29, Indian Airlines Corporation; LOT Polish Airlines, S.A.
 Oct. 5, USAir
 Oct. 21, Aeropesca, S.A.
 Oct. 23, American Airlines
 Oct. 30, LACSA: Lineas Aereas Costarricenses, S.A.
 Nov. 27, Air India, Ltd.
 Dec. 5, Trans World Airlines (TWA)
 Dec. 7, AVENSA: Aerovias Venezolanas, S.A.; LAV Venezuelan Airlines, S.A.; Libyan Arab Airlines
 1982—Jan. 2, Gulf Air Company, G.S.C.
 Jan. 7, Aerotal Colombia: Aerolineas Territoriales de Colombia, S.A.
 Jan. 27, Aerotal Colombia: Aerolineas Territoriales de Colombia, S.A.
 Feb. 2, Air Florida
 Feb. 13, LOT Polish Airlines
 Feb. 13, Braniff International Airways
 Feb. 16, Air Florida
 Feb. 18, CSA Czechoslovak Airlines
 Feb. 22, Kuwait Airways Corporation
 Feb. 26, Air Tanzania Corporation
 March 1, United Airlines
 April 5, Delta Air Lines
 April 28, SAHSA: Servicios Aereos de Honduras, S.A.
 April 30, LOT Polish Airlines, S.A.
 May 10, Aeronica, S.A.
 May 21, Philippine Air Lines (PAL)
 May 27, Royal Air Maroc
 June 9, LOT Polish Airlines, S.A.
 June 23, Henson Aviation
 July 1, Alitalia, SpA.
 July 3, Aeroflot Soviet Airlines
 July 22, Air Florida; Marco Island Airways
 July 25, CAAC: The General Administration of Civil Aviation of China
 Aug. 1, Kuwait Airways Corporation
 Aug. 4, Indian Airlines Corporation
 Aug. 20, Indian Airlines Corporation
 Aug. 25, LOT Polish Airlines, S.A.
 Sept. 25, Alitalia, SpA.
 Oct. 14, Balkan Bulgarian Airlines
 Oct. 15, PEOPLExpress Airlines
 Oct. 27, Trans World Airlines (TWA)
 Nov. 7, Aeroflot Soviet Airlines
 Nov. 22, LOT Polish Airlines, S.A.
 Nov. 27, MALEV Hungarian Airlines, Rt.
 1983—Jan. 7, Delta Air Lines; Korean Air Lines/Korean Air (KAL)
 Jan. 18, Thai Airways Company, Ltd.
 Jan. 20, Alyemda Democratic Yemen Airlines; Northwest Airlines
 Feb. 10, CSA Czechoslovak Airlines
 Feb. 13, Trans Australia Airlines (Pty.), Ltd.
 Feb. 15, Rio Airways
 Feb. 20, Libyan Arab Airlines
 March 7, Balkan Bulgarian Airlines
 April 15, THY Turkish Airlines, A.O.
 May 1, Capitol Air

- May 5, CAAC: The General Administration of Civil Aviation of China
 May 12, Capitol Air
 May 20, Eastern Air Lines
 June 14, Eastern Air Lines
 June 22, Libyan Arab Airlines
 June 24, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 July 2, Pan American World Airways (1)
 July 6, Iran Air: The Airline of the Islamic Republic of Iran
 July 7, Air Florida
 July 12, Aeroflot Soviet Airlines
 July 17, Delta Air Lines
 July 19, Eastern Air Lines
 July 21, Northwest Airlines
 Aug. 3, Pan American World Airways (1)
 Aug. 4, Capitol Air
 Aug. 18, Delta Air Lines
 Aug. 27, Air France
 Sept. 1, Mexicana Airlines, S.A. de C.V.
 Sept. 22, American Airlines
 Nov. 18, Aeroflot Soviet Airlines
 Nov. 21, Republic Airlines
 Nov. 22, Aeroflot Soviet Airlines
 1984—Feb. 3, VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Feb. 11, American Airlines
 March 7, Air France
 March 22, British Airways, Ltd. (2)
 March 27, Piedmont Airlines (1)
 March 28, Delta Air Lines
 April 5, Saudia: Saudi Arabian Airlines
 June 15, CAAC: The General Administration of Civil Aviation of China
 June 26, Iran Air: The Airline of the Islamic Republic of Iran
 July 5, Indian Airlines Corporation
 July 21, Middle East Airlines, S.A.L. (2)
 July 29, LAV Venezuelan Airlines, S.A.
 July 31, Air France
 Aug. 1, VIASA: Venezolana Internacional de Aviacion, S.A.
 Aug. 7, Iran Air: The Airline of the Islamic Republic of Iran
 Aug. 10, Indian Airlines Corporation
 Aug. 24, Indian Airlines Corporation
 Sept. 8, Iran Air: The Airline of the Islamic Republic of Iran
 Sept. 12, Iran Air: The Airline of the Islamic Republic of Iran; Iraqi Airways
 Oct. 2, LIDCA: Lineas Aereas del Caribe, S.A.
 Oct. 5, Iran Air: The Airline of the Islamic Republic of Iran
 Nov. 5, Saudia: Saudi Arabian Airlines
 Nov. 24, Somali Airlines, Ltd.
 Nov. 29, Metro Airlines
 Dec. 4, Kuwait Airways Corporation
 Dec. 31, American Airlines
 1985—Jan. 4, Pan American World Airways (1)
 Jan. 5, Iran Asseman Airlines
 Jan. 18, Eastern Air Lines
 Jan. 23, LAB: Lloyd Aero Boliviano, S.A.
 Feb. 7, Cyprus Airways, Ltd.
 Feb. 22, Middle East Airlines, S.A.L. (2)
 Feb. 27, Deutsche Lufthansa, A.G.
 March 17, Saudia: Saudi Arabian Airlines
 March 27, Deutsche Lufthansa, A.G.
 March 29, Deutsche Lufthansa, A.G.
 April 1, Middle East Airlines, S.A.L. (2)
 April 26, China Airlines, Ltd. (CAL)
 May 18, Korean Air Lines/Korean Air (KAL)
 June 11, Alia Royal Jordanian Airlines
 June 12, Middle East Airlines, S.A.L. (2)
 June 14, Trans World Airlines (TWA)
 June 21, Braathens SAFE, A.S.
 June 28, THY Turkish Airlines, A.O.
 July 6, PEOPLExpress Airlines
 Aug. 5, Iran Air: The Airline of the Islamic Republic of Iran
 Oct. 27, ACES Colombia, S.A.
 Nov. 2, Iran Air: The Airline of the Islamic Republic of Iran
 Nov. 11, Uganda Airways Corporation
 Nov. 19, America West Airlines
 Nov. 23, Egyptair, S.A.E.; Iran Air: The Airline of the Islamic Republic of Iran
 Dec. 19, Aeroflot Soviet Airlines
 Dec. 27, Saudia: Saudi Arabian Airlines
 1986—Feb. 5, Delta Air Lines
 Feb. 22, Philippine Air Lines
 March 4, Olympic Airways, Ltd.
 March 10, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 March 16, Delta Air Lines
 May 1, Horizon Air: Horizon Air Industries
 May 3, China Airlines, Ltd. (CAL)
 June 6, Aeronica, S.A.
 Aug. 28, LOT Polish Airlines, S.A.
 Sept. 2, Pan American World Airways (1)
 Sept. 20, Aeroflot Soviet Airlines
 Dec. 25, Iraqi Airways
 1987—Jan. 10, New York Air (1)
 March 7, Alaska Airlines
 May 19, Air New Zealand, Ltd.
 June 5, Virgin Islands Seaplane Shuttle
 July 24, Air Afrique, S.A.
 Sept. 6, LOT Polish Airlines, S.A.
 Sept. 13, Aeroflot Soviet Airlines
 Nov. 7, Air Canada, Ltd.
 Dec. 23, KLM: Royal Dutch Airlines, N.V.
 1988—Jan. 4, Aeromexico (1): Aeronaves de Mexico, S.A. de C.V.
 Jan. 31, ACES Colombia, S.A.
 Feb. 13, Air Tanzania Corporation
 Feb. 22, China Airlines, Ltd. (CAL)
 March 8, Aeroflot Soviet Airlines
 March 12, Pakistan International Airlines Corporation
 March 29, Pakistan International Airlines Corporation
 March 30, Aeroflot Soviet Airlines
 April 5, Kuwait Airways Corporation
 May 15, CAAC: The General Administration of Civil Aviation of China
 May 23, AVIANCA Colombian Airlines, S.A.
 June 18, Ariana Afghan Airlines Company, Ltd.
 Sept. 29, VASP Brazilian Airlines: Viacao Aerea Sao Paulo, S.A.
 Oct. 1, American Airlines
 Dec. 2, Aeroflot Soviet Airlines
 Dec. 11, Trans World Airlines (TWA)
 1989—Jan. 20, Aeroflot Soviet Airlines
 Jan. 21, Aeroflot Soviet Airlines
 Jan. 26, Iran Air
 Jan. 31, Aces Colombia, S.A.
 March 29, MALEV Hungarian Airlines, Rt.
 March 30, Aeroflot Soviet Airlines
 April 24, Shanghai Airlines
 May 27, American Airlines
 May 31, ALM: Antillean Airlines, N.V.
 June 18, Ariana Afghan Airlines Company, Ltd.
 Aug. 23, Air France
 Sept. 19, Royal Air Maroc
 Oct. 6, Myanmar Airways, Ltd.
 Dec. 16, Air China International Corporation
 1990—Jan. 16, America West Airlines
 Jan. 25, Iran Air: The Airline of the Islamic Republic of Iran
 June 6, Aeroflot Soviet Airlines
 June 19, Aeroflot Soviet Airlines
 Aug. 30, Aeroflot Soviet Airlines
 July 5, Aeroflot Soviet Airlines

- July 28, Aeroflot Soviet Airlines
 Sept. 13, Indian Airlines Corporation
 Oct. 2, Xiamen Airlines Company, Ltd.
 Nov. 10, Thai Airways International, Ltd. (THAI)
 Nov. 23, LanChile Airlines, S.A.
 Dec. 28, Air Algerie, S.A.
- 1991—Jan. 7, Faucett Peruvian Airlines: Compania de Aviacion
 Faucett, S.A.
 Jan. 21, Aeroflot Soviet Airlines
 Feb. 11, Southwest Airlines (2)
 March 3, Aeroflot Soviet Airlines
 March 26, Singapore Airlines, Ltd.
 March 28, Aeroflot Soviet Airlines
 March 31, Air Algerie, S.A.
 April 29, Aeroflot Soviet Airlines
 Sept. 19, Alitalia, SpA.
 Oct. 16, Ethiopian Airlines, S.C.
 Nov. 9, Aeroflot Soviet Airlines
 Nov. 25, Ethiopian Airlines, S.C.
- 1992—Jan. 3, Cubana: Empresa Consolidada Cubana de Aviacion
 Feb. 5, Ethiopian Airlines, S.C.
 April 1, Ethiopian Airlines, S.C.
 April 12, Ethiopian Airlines, S.C.
 May 16, Aerotaca Aerotaxi Casanare: Aerotransportes Casanare, Ltda.
 June 8, Aeroflot Russian International Airlines (ARIA)
 June 15, RUTACA: Rutas Aereas, C.A.
 July 22, Ethiopian Airlines, S.C.
 Aug. 28, Ethiopian Airlines, S.C.
 Sept. 4, Ethiopian Airlines, S.C.
 Dec. 29, Aero Caribbean of Cuba
- 1993—Jan. 1, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Jan. 22, Indian Airlines Corporation
 Feb. 11, Deutsche Lufthansa, A.G.
 Feb. 20, Aeroflot Russian International Airlines (ARIA)
 Feb. 28, Air Algerie, S.A.
 March 7, Sabena Belgian World Airlines, S.A.
 March 12, Ethiopian Airlines, S.C.
 March 24, Indian Airlines Corporation
 April 6, China Southern Airlines Company, Ltd.
 April 10, Indian Airlines Corporation
 June 24, Xiamen Airlines Company, Ltd.
 July 4, Royal Swazi Airways Corporation, Ltd.
 Aug. 10, Air China International Corporation
 Aug. 15, KLM: Royal Dutch Airlines, N.V.
 Sept. 30, Sichuan Airlines
 Oct. 25, Nigeria Airways, Ltd.
 Nov. 5, Xiamen Airlines Company, Ltd.
 Nov. 8, Air China International Corporation; Zhejiang Airlie
 Company, Ltd.
 Nov. 12, China Northern Airlines Company, Ltd.
 Nov. 13, Air Algerie, S.A.
 Nov. 29, Iran Air: The Airline of the Islamic Republic of Iran
 Dec. 10, Air France; Air Inter, S.A.
 Dec. 12, Xiamen Airlines Company, Ltd.
 Dec. 17, China Northern Airlines Company, Ltd.
 Dec. 18, China Northern Airlines Company, Ltd.
 Dec. 28, Fujian Airlines Company, Ltd.
- 1994—Jan. 24, Ethiopian Airlines, S.C.
 Feb. 18, China Southwest Airlines Company, Ltd.
 Feb. 28, Air Algerie, S.A.
 March 8, Saudia: Saudi Arabian Airlines
 March 21, Alitalia, SpA.
 June 6, China Southern Airlines Company, Ltd.
 June 7, China Northern Airlines Company, Ltd.
 Aug. 7, COPA: Compania Panamenia de Aviacion, S.A.
 Sept. 15, Aeroflot Russian International Airlines (ARIA)
 Oct. 22, TABA: Transportes Aereos Regionais da Bacia
 Amazonica, S.A.
 Oct. 25, Aeroflot Russian International Airlines (ARIA); Donavia:
- Donskie Avialinii
 Oct. 28, Aeroflot Russian International Airlines (ARIA)
 Nov. 3, SAS: Scandinavian Airlines System
 Nov. 8, Olympic Airways, S.A.
 Nov. 24, Aeroflot Russian International Airlines (ARIA)
 Dec. 15, TABA: Transportes Aereos Regionais da Bacia
 Amazonica, S.A.
 Dec. 24, Air France
- 1995—March 10, China Hainan Airlines Company, Ltd.
 June 20, All Nippon Airways Company, Ltd. (ANA)
 Aug. 3, Kazair: Kazakhstan National Airways
 Sept. 3, Air Inter, S.A.
 Sept. 19, Iran Air: The Airline of the Islamic Republic of Iran;
 Kish Air
 Sept. 21, Ariana Afghan Airlines Company, Ltd.
 Nov. 9, Olympic Airways, S.A.
- 1996—March 8, Kibris Turk Hava Yallari, A.O.
 March 10, China Hainan Airlines Company, Ltd.
 March 24, Sudan Airways Company, Ltd.
 March 27, EgyptAir, S.A.E.
 April 5, Xiamen Airlines Company, Ltd.
 July 7, Cubana: Empresa Consolidada Cubana de Aviacion
 July 16, Aeroflot Russian International Airlines (ARIA)
 July 26, Iberia Spanish Airlines (2): Lineas Aereas de
 Espana, S.A.
 Aug. 16, Cubana: Empresa Consolidada Cubana de Aviacion, S.A.
 Aug. 25, Sudan Airways Company, Ltd.
 Nov. 23, Ethiopian Airlines, S.C.
- 1997—Jan. 7, Austrian Airlines, A.G.
 Feb. 10, China Northwest Airlines Company, Ltd.
 March 18, Far Eastern Air Transport Corp.
 June 8, Air Malta Company, Ltd. (2)
- 1998—Feb. 1, Great China Airlines, Ltd.
 Feb. 25, THY Turkish Airlines, A.O.
 May 25, Pakistan International Airlines Corporation
 Sept. 14, THY Turkish Airlines, A.O.
 Oct. 28, Air China International Corporation
 Oct. 30, THY Turkish Airlines, A.O.
- 1999—Jan. 12, Southwest Airlines (2)
 Feb. 3, Air France
 March 2, Air France
 April 12, AVIANCA Colombian Airlines, S.A.
 April 21, Tajikistan Airlines
 July 23, All Nippon Airways Company, Ltd. (ANA)
 Dec. 24, Indian Airlines, Ltd.
 Feb. 29, China Southwest Airlines Company, Ltd.
 May 11, Egyptair, S.A.E.
 May 25, Philippine Air Lines
 July 5, Royal Jordanian Airlines
 July 27, National Airlines (4)
 Aug. 18, Azerbaijan Airlines; VASP Brazilian Airlines: Viacao
 Aerea Sao Paulo, S.A.
 Sept. 8, Aires: Aerovias de Integracion Regional, S.A.
 Sept. 14, Qatar Airways
 Sept. 16, Solair: Solomon Island Airways, Ltd.
 Sept. 26, Xinhua Airlines Company, Ltd.
 Oct. 14, Saudi Arabian Airlines
 Nov. 11, Vnukovo Airlines
 Nov. 12, Dagestan Airlines
 Nov. 13, Iran Air
- Skyservice USA
 Ryan International Airlines
 Slack, Reginald P. chairman
 Jersey Ferry Airlines, Ltd.
 Slagle, Chuck, investor/jt-founder/pres.
 Pan Am Air Bridge
 Seaborne Airlines
 Slama, C., pres.
 Compagnie d'Affretements et de Transports Aeriens, S.A.

- Slater, John E., pres./chairman
 American Export Airlines (AMEX)
 American Overseas Air Lines (AOA)
- Slater, Rodney E., U.S. DOT secretary
 Air France
 All Nippon Airways Company, Ltd. (ANA)
 Continental Airlines
 Delta Air Lines
 Express Airlines I
 Federal Express (FedEx)
 Hawaiian Airlines (HAL)
 Japan Air Lines Company, Ltd. (2)
 Kiwi International Air Lines
 Mesaba Airlines
 Northwest Airlines
 Polar Air Cargo
 Trans World Airlines (TWA)
 United Airlines
 United Parcel Service (UPS)
 USAirways
 World Airways
- Slater, W. B., chairman
 Transmeridian Air Cargo, Ltd.
- Slattery, Sir Matthew, chairman
 British Overseas Airways Corporation (BOAC)
- Slattery, William, pres.
 Braniff, Inc.
- Slavin, M. I., DG
 Si Air Aozt
- Slemens, Jim, chairman
 Resort Commuter Airlines (2)
 Resort Commuter Airlines (3)
- Slepnev, M. T., pilot
 Dobrolet
 Aeroflot Soviet Airlines
- Slick, Earl F., founder/pres.
 Slick Airways
- Sloan, Alfred P., Jr., General Motors CEO
 Eastern Air Lines
- Sloniger, Capt. E. L., pilot/chief pilot
 Matson Air Lines
 Robertson Aircraft Corporation
- Slovak, Capt. Miroslav, pilot
 CSA Czechoslovak Airlines
- Small, Thomas, founder/pres.
 Central States Airlines
- Smallest home market of any international scheduled air carrier
 Air Seychelles, Ltd.
- Smallest international airline in the world
 Solair, Ltd.
- Smallpiece, Basil, MD
 British European Airways Corporation (BEA)
- Smaoui, Ahmed, chairman
 Tunis Air, S.A.
- Smart, Capt. David, pilot
 Hunting Cargo Airlines, Ltd.
- Smart, L. Edwin, board vice chairman
 Trans World Airlines (TWA)
- Smarti, William, CFO/EVP
 DHL Airways/DHL Worldwide Express
- Smathers, Sen. George (D-FL)
 Pan American-Grace Airways (PANAGRA)
- Smilev, Ilija, GM
 Avioimpex: Macedonian Airways
- Smirnov, O.G., DG
 Alis
- Smit, J. A. B., MD
 Air Lesotho
- Smith, Adam, pseudonym
- Goodman, George
- Smith, Capt. Archie J., pilot/GM
 East West Airlines (Pty.), Ltd.
- Smith, Capt. Bernard, flt. opns. dir.
 Cathay Pacific Airways (Pty.), Ltd.
- Smith, Brian, opns. dir.
 Flight Express
- Smith, Charles, hijacker
 American Airlines
- Smith, Cyrus R. "C.R.," vp/pres.
 American Airlines
 American Airways (2)
 Southern Air Transport System
 Texas Air Transport
- Smith, D. Y., Jr., founder/pres./chairman
 Delta Air Lines
 Royale Airlines
- Smith, Daryl, pres.
 Pacific Coastal Airlines, Ltd.
- Smith, David O., vp/GM
 Air Logistics
- Smith, Delford M., chairman
 Evergreen International Airlines
- Smith, Dick, businessman
 Qantas Airways (Pty.), Ltd.
- Smith, Donald Curtis, pres.
 Henson Aviation
 Rocky Mountain Airways
- Smith, Capt. Ernest, pilot
 Transcontinental and Western Air Lines (TWA)
- Smith, Evan P., MD
 Air Rarotonga
- Smith, Capt. Felix, pilot
 China National Aviation Corporation (CNAC-1)
 Civil Air Transport
- Smith, Frederick W., founder/pres./chairman
 Federal Express
- Smith, Gregory, vice chairman
 Sun Country Air Lines
- Smith, Capt. Hamilton, pilot
 American Airlines
- Smith, Harry, pilot
 Middle States Airlines
- Smith, Harry G., mgr.
 China Airways Federal
 China National Aviation Corporation (CNAC-1)
- Smith, J., jt.-founder
 Anglo-Normandy Airways, Ltd.
- Smith, Jack, vp-cargo services
 Northwest Airlines
- Smith, Leslie, pilot
 Robertson Aircraft Corporation
- Smith, Lester R., pilot
 Air Illinois
- Smith, Luke A., founder/pres.
 Skymaster
- Smith, Lynn, "Li'l Moh" mascot
 Mohawk Airlines (1)
- Smith, "Mudhole," founder
 Cordova Airlines
- Smith, Myron J., Jr., author/passenger
 Aeromech Airlines
- Smith, Neil, chairman
 Australian Airlines (Pty.), Ltd.
- Smith, Nicki, secretary
 Air Nelson, Ltd.
- Smith, R. Blair, IBM official/passenger
 American Airlines
- Smith, Robert J., pres.

- Essair Lines
 Smith, Robert James, jt. owner
 Michigan Airways
 Smith, Robert T., jt. owner/pres.
 Pioneer Air Lines
 Smith, Samantha, peace advocate/passenger
 Bar Harbor Airlines
 Smith, Stephen C., pres.
 Air Ontario, Ltd.
 Air Toronto, Ltd.
 WestJet, Ltd.
 Smith, Capt. Victor, MD
 Novair International Airways, Ltd.
 Smith, Capt. W. D., pilot
 Pan American-Grace Airways (PANAGRA)
 Smith, Walter "Red," sportswriter/passenger
 United Air Lines (2)
 Smith, Capt. Warren D., pilot
 Pan American-World Airways (PANAGRA)
 Smith, William E., founder/pres.
 Air Carolina
 Smith, William Warren, MD
 LIAT: Leeward Islands Air Transport, Ltd.
 Smith, Barney & Co.
 Eastern Air Lines
 Smith Management Co.
 Hawaiian Airlines (HAL)
 Western Pacific Airlines (Westpac)
 Smithsonian Institution
 Air France
 Antilles Air Boats
 Eastern Air Lines
 Federal Express
 Northwest Airlines
 "Smoke-jumping," firefighting concept
 Johnson Flying Service
 Smoot, Capt. William "Bill," chief pilot
 Omniflight Airways/Omniflight Helicopters
 Smulian, Philip, founder/pres.
 Southern Aviation (Pty.), Ltd.
 Smushkievich, Gen. Jacob, Spanish Republican Russian advisor
 Lineas Aereas Postales Espanolas, S.A. (LAPE)
 SNCASO SO-30P Bretagne launch customer
 Air France
 SNCASO SO-90 Cassiopee launch customer
 Air France
 Snedeker, Robert, EVP
 Continental Airlines
 Snipes, Wesley, actor/passenger
 American International Airways (3)
 CivAir Charter Services (Pty.), Ltd.
 Snir, Amatzia, CEO
 Skyline, Ltd.
 Snook, Capt. C.W., founder
 Airlines (West Australia) (Pty.), Ltd.
Snoopy, mascot
 All Nippon Airways Company, Ltd. (ANA)
 Snow storms *see* Incidents (t)
 Snowden Gamble, C. F., PR dir.
 Imperial Airways, Ltd.
 Snudden, Alan J., MD/chairman/MD
 Dan Air/Dan Air Services, Ltd.
 Monarch Airlines, Ltd.
 Snyder, George, VP-safety
 USAirways
 Korean Air Lines/Korean Air (KAL)
 Soares, Capt. Silva, pilot
 TAP-Air Portugal, S.A.
 Sociedad Estatal de Paricipaniones Industriales (SEPI)
 Aerolineas Argentinas, S.A.
 Austral Airlines: Lineas Aereas Austral, S.A.
 Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
 Societe Aero-Sahara
 Europe Aero Service, S.A.
 Societe Aeronautique Astra (SAA)
 Compagnie Generale Transaerienne, S.A. (CGT)
 Societe Auxiliare de Services et de Materiel Aeronautiques
 TAT: Touraine Air Transport, S.A.
 Societe d'Aviation Louis Breguet
 Air Asie, S.A.
 Societe d'Etudes et d'Enterprises Aeriennes en Indochine et en Extreme Orient
 Air Asie, S.A.
 Societe Francaise de Transports Aeriens, S.A.
 Lineas Aereas Postales Espanolas, S.A. (LAPE)
 Societe Indochinoise d'Etudes d'Aviation Commerciale et Postale (SIEACP)
 Air Asie, S.A.
 Societe Pour le Developpement du Transport Aerien en Afrique (Sodetraf)
 Air Afrique (2): Societe Aerienne Africaine Multinationale, S.A.
 Air France
 Air Ivoire: Societe Ivoirienne de Transport Aeriens, S.A.
 Air Niger, S.A.
 Air Tchad: Compagnie Nationale Tchadienne, S.A.
 UTA French Airlines: Union de Transporte Aerienne, S.A.
 Socrasto, Juan, pres.
 Canarias Regional Air, S.A.
 Socredo Bank
 Air Tahiti Nui, S.A.
 Soden, Jim, GM
 Trans-Provincial Airlines, Ltd.
 Soe, Capt. Khin, MD
 Myanmar Airways, Ltd.
 Soebakir, Rachmat, pres.
 PT Await: Air Wagon Airlines
 Soeparno, Mohammad, pres.
 PT Garuda Indonesia
 PT Garuda Indonesian Airways
 Soetens, Robert J., founder/MD
 Twente Airlines, B.V.
 Sofipost, S.A.
 Aeropostale (2): l'Aeropostale/Societe de Exploitation Aeropostale, S.A.
 Europe Air Post, S.A.
 Sohmen, Helmut, Dr., MD
 Dragonair (Pty.), Ltd.
 Soikhanov, V. P., GM
 Aviaprima AOZT
Sokaiya Japanese gangsters
 Japan Air Lines Company, Ltd. (2)
 Sokolnikov, V. F., GM
 Baikal Avia: Baikal Aviaobedienenie (Baikal Airlines)
 Soldatenko, Boris, pres.
 Antonov Airtrack International Cargo Airlines
 Solis, Capt. Benjamin, founder/MD
 Aerolift Philippines
 Solodilov, Yui I., DG
 Murmansk Chief Aviation Enterprise
 Solomon, Frank H. and Shirley, founders
 Aviation (Pty.), Ltd.
 Solomon, Samuel J., supporter/pres.
 Boston Maine/Central Vermont Airways
 National Airways
 Northeast Airlines
 Solomon Islands, political disturbances, 2000
 Air Niugini, Ltd.
 King Solomon Airways (Pty.), Ltd.
 Pacific Air Express, Ltd.
 Solair: Solomon Islands Airways, Ltd.

- Solostei, Alexandr, DG
Kirov Airlines
- Solzhenitsyn, Alexander, author/dissident
Aeroflot Soviet Airlines
- Somalia, U.N. intervention of 1992-1994
Northwest Airlines
Tower Air
Transavia Export Cargo Airline
World Airways
- Somare, Michael, prime minister of Papua New Guinea
Air Niugini, Ltd.
- Somer, Saif M., Capt., chairman
Air West, Ltd.
- Somerville, Dr. Hugh, environmental mgr.
British Airways, Ltd. (2)
- Somoano, Francisco, pres.
Compania Tabasquena de Aviacion, S.A.
- Somodi, Jozsef, MD
Pannon Air Service, Kft.
- Somoza, Anastasio, Nicaraguan president/investor
LANICA: Lineas Aereas de Nicaragua, S.A.
- Sonatrach
Tassili Airlines, S.A.
- Songkran Festival 2000
Thai Airways International, Ltd. (THAI)
- SONIC 360 CRS
Continental Airlines
- Sonmez, Ali Osman, chairman
BHY Bursa Air Lines: Bursa Hava Yollari, A.O.
- Sonmez, Celal, pres.
Sonmez Holding Airlines, A.S.
- Sorensen, Frederick, EU aviation negotiator
LOT Polish Airlines, S.A.
- Sorenson, Janice and Dale, farmers
United Airlines
- Soriano, Andreas, founder/pres.
Philippine Aerial Taxi Company
- Philippine Air Lines (PAL)
Transocean Air Lines (TAL)
- Soros, George, financier
China Hainan Airlines Company, Ltd.
JetBlue Airways
- Sorsbie, Malin, GM
East African Airways Corporation
- Sortland, Bjarne, MD
Braathens Helikopter, A.S.
Norsk Helikopter, A.S.
- Sosa de la Vega, Manuel, president/CEO
Mexicana Airlines, S.A. de C.V.
- Sosnovsky, Vasily, hijacker
Aeroflot Soviet Airlines
- Sotramat, S.A.
Delta Air Transport, S.A. (DAT)
- Sottile, Angelo, agent
Continental Airlines
- Souders, William F., chairman
Emery Air Freight
- Soufriere Hills Volcano, Montserrat
Executive Airlines (3)
- Souka, Mohamed, founder/chairman
Scorpio Aviation, S.A.E.
- Soule, Edward, EVP/CFO
Trans World Airlines (TWA)
- Soult, Terry, MD
JMC Airlines, Ltd.
- Soumas, Tom, Jr., jt. founder
Gem State Airlines
- Soundair, Ltd.
Air Toronto, Ltd.
- Commuter Express, Ltd.
Odyssey International, Ltd.
- Sousa, Antonio, MD
SATA Internacional, S.A.
- Sousa, Lorenzo, part-owner
LanPeru, S.A.
- Souter, Brian, Stagecoach plc jt.-founder/investor
Scotairways, Ltd.
Suckling Airways, Ltd.
- South Africa, Competition Board (SACB)
Comair (Pty.), Ltd.
Nationwide Air Charter (Pty.), Ltd.
South African Airways (Pty.), Ltd.
Sun Air (Pty.), Ltd.
- South Africa, Margo Commission of Inquiry into Civil Aviation
South African Airways (Pty.), Ltd.
- South Africa, Railways and Harbours Administration
South African Airways (Pty.), Ltd.
- South Africa, Transnet
Alliance Airlines: African Joint Air Services
South African Airways (Pty.), Ltd.
- South Africa, Transport Services
South African Airways (Pty.), Ltd.
- South Africa, Truth and Reconciliation Commission
South African Airways (Pty.), Ltd.
- South African Marine Corporation (Pty.), Ltd. (Safmarine)
Flightstar Airlines (Pty.), Ltd.
Namib Air (Pty.), Ltd.
Safair (Pty.), Ltd.
Safair Freighters (Pty.), Ltd.
Safair Lines (Pty.), Ltd.
Suidwes Lugdiens (Pty.), Ltd.
Trek Airways (Pty.), Ltd.
- South African Railways
South African Airways (Pty.), Ltd.
- South Carolina
Air Carolina
Air South (4)
Atlantis Airlines
Bankair Commuter Airlines
Carolina Air Transport
Coastal Plains Commuter
Eagle Aviation (1)
Florence Airlines
Pee De Air Express
Ramp 66
South Atlantic Airlines
Stevens Aviation
Trans-Southern Airways
- South Dakota
Dakota West Airlines
Great Western Aviation
Northern Airlines (3)
Rapid Air Lines
- South Dakota Intrastate Airline Project
GP Express Airlines
- South Sea Island Cruises, Ltd., part-owner
Turtle Airways, Ltd.
- South West Aviation (Pty.), Ltd.
Country Connection Airlines (Pty.), Ltd.
- Southern Cross Airline Holdings
Compass Airlines (Pty.), Ltd. (1)
Compass Airlines (Pty.), Ltd. (2)
- Southern Illinois University
United Airlines
- Southern Pacific Railroad
United Air Lines (1)
- Southern Railway
Guernsey Airways, Ltd.

- Jersey Airways, Ltd.
- Railway Air Services, Ltd.
- Spartan Air Lines, Ltd.
- Southern Tongfu Industrial Company
- Shenzhen Airlines
- Southwest Conference
- Southwest Airlines (2)
- "The Southwest Effect," DOT study
- Southwest Airlines (2)
- Southworth, Richard, founder/pres.
- Basutair, Ltd.
- Sovek, Capt. Robert, jt-founder
- Gabon Express, S.A.
- Sovich, Capt. Jim, pilot/APA chairman
- American Airlines
- Sowden, Don, aircrewman
- Bristow Helicopters, Ltd.
- Sowers, Patrick, founder/pres.
- Enterprise Airlines
- Wings Airways (1)
- Spaatz, Mjr. (later Gen.) Carl A., Question Mark pilot
- Flight Refueling, Ltd.
- Pan American Airways (PAA)
- Space Shuttle transport
- American Airlines
- Spacey, Kevin, actor
- Delta Air Lines
- SPAD 27 launch customer
- Compagnie des Messageries Aeriennes, S.A. (CMA)
- SPAD 33 launch customer
- Compagnie des Messageries Aeriennes, S.A. (CMA)
- Spain, Instituto Nacional de Industria
- Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Spain, Ministry of Finance
- Spanair, S.A.
- Spain, Superior Aviation Council (CETA)
- Iberia Spanish Airlines (1): Sociedad Iberica de Aviacion, S.A.
- Spain, Trafico Aereo Espanol
- Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
- Spain, Tribunal de Defensa de la Competencia
- Air Europa, S.A.; Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.; Spanair, S.A.
- Spane, Adm. Robert J. "Rocky," chairman/pres.
- Vanguard Airlines (2)
- Spanish Civil War, 1936-1939
- Deutsche Luft Hansa, A.G.
- Lineas Aereas Postales Espanolas, S.A. (LAPE)
- Sparkman, Sen. John
- Southern Airways (1)
- Sparling, Joseph T., jt.-founder/pres.
- Air North, Ltd.: Air North Charter & Training, Ltd.
- Air North (Yukon Air Services)
- Spassov, Georgi, MD
- Hely Air Services, Ltd.
- Spater, George A., pres./chairman
- American Airlines
- Spears, Dr. Robert Vernon, passenger
- National Airlines (1)
- Special Mission No. 70
- Pan American Airways (PAA)
- Speck, Sh. H., hijacker
- Pacific Southwest Airlines
- Spence, Capt. Dennis, pilot
- South African Airways (Pty.), Ltd.
- Spence, Guy N., GM
- Guyana Airways Corporation
- Speedbird House
- British Overseas Airways Corporation (BOAC)
- British Airways, Ltd. (2)
- Spernak, Mike, founder/pres.
- Spernak Airways
- Sperry Corporation
- Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
- Speers, Charles, manager
- Thompson Aeronautical Corporation
- Transamerican Airlines Corporation
- Spelde, Melvin E., founder/pres.
- Empire Airlines (1)
- Empire Airways
- Spellman, Cardinal Francis J., passenger
- New York Airways (2)
- Spellman, Stephen M., CFO
- Champion Airlines
- Spencer, David, kidnapper
- Canadian Airlines International, Ltd.
- Spencer, John, aircrewman
- Bristow Helicopters, Ltd.
- Spencer, Lorillard, dir.
- Colonial Air Transport
- Sperduto, S., hijacker
- Eastern Air Lines
- Spice Girls, entertainers
- British Airways, Ltd. (2)
- Spicer, Michael, British aviation minister
- British Midland Airways, Ltd.
- Spichenko, Igor N., GM
- Khabarovsk United Air Detachment
- Spiers, Robert, stowaway
- Air India, Ltd.
- Spies, Simon, chairman/pres.
- Conair of Scandinavia, A.S.
- Spiewok, G. J., bomber
- Western Airlines (1)
- Spillsbury, James, founder/pres.
- Queen Charlotte Airlines, Ltd.
- Spinetta, Jean-Cyril, pres.
- Air Inter, S.A.
- Air France
- Spiridonov, Yaroslav V., DG
- Lipetsk State Air Company
- Spisak, Michael, pres.
- Alaska Island Air
- Spitz, Mark, swimmer/spokesperson
- Ansett Australia (Pty.), Ltd.
- Spivak, Lawrence, broadcaster
- Pan American-Grace Airways (PANAGRA)
- Spletstoesser, Capt. Herbert, pilot
- North Central Airlines
- Spohrer, William F., chairman/CEO
- Challenge Air Cargo
- Challenge Air Transport
- "Spoils Conference" of 1930 *see* United States, Post Office, Airline executives meeting, 1930
- Spoletini, Teresa, pres.
- Airumbria, SpA.
- Spong, Capt. Ivan, pilot
- Trans World Airlines (TWA)
- Springer, Earl, jt. founder
- Central British Columbia Airways, Ltd.
- Springs, Ron, NFL football player
- American Airlines
- Spurnov, V. V., DG
- Spair Airlines
- Sputnik 2 Soviet satellite
- MALEV Hungarian Airlines, Rt.
- Spyker, Capt. James, pilot
- Airlift, A.S.
- British International Helicopters, Ltd.

- Squire, Capt. Jack, pilot
Pan American-Grace Airways (PANAGRA)
- Staats, Capt. F. Lloyd, pilot
American Airlines
- Stachau, C. Kaltenborg V., GM
Royal Tongan Airlines, Ltd.
- Stader, James A., pres.
Airvia Transportation Company
- Stadvec, Ernest, founder/pres.
Shawnee Airways
- Staehle, Peter, MD
Interot Airways, GmbH.
- Stagecoach, plc., bus/airport operator
Ryanair, Ltd.
Scotairways, Ltd.
Suckling Airways, Ltd.
- Stagg, Eduardo, GM/COO
Aeroperlas: Aerolineas Pacifico-Atlantico, S.A.
- Stahl, Carl-Johan, pres.
Nordic European Airlines International, A.B.
- Skyways Avia, A.B.
Swedeways, A.B.
- Stahl, John, MD
Avia Airlines, A.B.
- Stahle, Carl-Johan, pres.
Nordic European Airlines International, A.B.
- Stainback, Capt. A. W., pilot
United Air Lines (1)
- Stainton, Sir Ross, chairman
British Airways, Ltd. (2)
- Stalder, Rolf W., MD
Helog, A.G.
- Stalin, Joseph, Soviet leader
Aeroflot Soviet Airlines
- Stalingrad, Battle of
Aeroflot Soviet Airlines
Deutsche Lufthansa, A.G.
- Stalker, Catherine, CEO
Balair-CTA, Ltd.
- Staller, M. P. "Rosie," executive
American Airlines
- Stallings, Jesse, founder/pres.
Capitol Airways
- Stamper, Kevin, founder/chairman
Proair
- Stanford, L. M., hijacker
Quebecair, Ltd.
- Stanford, R. Allen, founder/chairman
Caribbean Star Airlines, Ltd.
- Stanely, Lawrence, interim COO
Aer Lingus Irish Airlines, Ltd.
- Stanley, Nathan T., passenger
Delta Air Lines
- Stanley, W. W., co-MD
Cambrian Air Services, Ltd.
- Stanton, Capt. S. T., pilot
Transcontinental and Western Air Lines (TWA)
- Stapleton, Daniel Y., Jr., pres.
American Flight Services
- Star Tours
Blue Scandinavia, A.B.
Ryan International Airlines
Sun Pacific International
- Starbuck, Arthur, pilot
Pacific Air Transport
- Starikov, Capt. A.K., pilot
Aeroflot Soviet Airlines
- Stark, Capt. F. Hugh B., MD
Eastern Air Executive, Ltd.
- Stark, Capt. Horace, pilot
Central Airlines (2)
Pennsylvania Central Airlines
- Starkov, Ye Yu, DG
Ukhta Enterprise
- Starling, Capt. Eric, pilot
Aberdeen Airways, Ltd. (1)
Allied Airways (Gandar Dower), Ltd.
- Stathia, Roula, uniform designer
Olympic Airways, S.A.
- Staubil, Robert, EVP/deputy pres./pres.
Swissair, A.G.
- Stauffer, Lynn, VP
Polar Air Cargo
- Stavropol, S.S. rescue mission
Dobrolet
- Stearman C-3 airline launch customer
Varney Air Lines
- Steele, Harry, owner/chairman
Eastern Provincial Airways, Ltd.
- Steele, Lee, pres./VP-flight opns.
Carnival Air Lines
America West Airlines
Polar Air Cargo
- Steen, Vernon, GM
FIGAS: Falkland Islands Government Air Services, Ltd.
- Steenland, Douglas M., EVP/pres.
Northwest Airlines
- Stefanou, Dr. Petros, DG
Olympic Aviation, S.A.
- Steger, Capt. Otto, pilot
Deruluft, GmbH.
- Stegmann, Dr. Carl-Uffert, pres.
Frisa Luftverkehr Norddeich, GmbH.
- Stein, H. J., crewman
Deutsche Luft Hansa, A.G.
- Steinberg, Saul, financier
United Airlines
- Steiner, Peter, MD
Britannia Airways, GmbH.
- Steinsburg, Wilhelm, one-millionth pre-war Lufthansa passenger
Deutsche Luft Hansa, A.G.
- Steinwinder, Eric, vp-marketing
Proair
- Stemp, Ralph, chairman
Ryan Air Service
- Stempler, David, pres.
Florida Airlines (2)
- Stensson, JanPeder, MD
Euroflight Sweden, A.B.
- Stepanovich, V.M., DG
Astrakhan Airlines: Astrakhan Avialinski
- Stephanov, A. A., jt.-DG
Stela: Stela AO
- Stephen, Alan R., pres.
Scenic Airlines
- Stephens, E. J., founder/MD
Stephens Aviation (Pty.), Ltd.
- Stephens, Greg, pres.
Air Midwest
- Stephens, Orville, pilot
Middle States Airlines
- Stephens, R. C., chairman
Air Botswana (Pty.), Ltd.
- Stephens, Inc.
Purdue Aeronautical Corporation
- Stephenson, Russell V., pres.
American International Airways (2)
Hughes Airwest

- Mowhawk Airlines (1)
 Stepin, P. P., GM
 Aeol
 Aeromost
 Steptoe, Roy, MD
 Paramount Airways, Ltd.
 Steras Tours & Travel (M) Sdn. Bhd.
 Transmile Air Service, Sdn. Bhd.
 Sterling, Capt. Fritz, searcher/pilot
 LanChile Airlines, S.A.
 Pan American-Grace Airways (PANAGRA)
 Sterling Securities
 Skyways International, Ltd.
 Sternberg, Jan, pres.
 SAS: Scandinavian Airlines System
 Sterne, John, EVP
 Pilgrim Airlines
 Steta, Juan Ignacio., pres.
 Aeromar Airlines: Transportes Aeromar, S.A. de C.V.
 Stethem, Robert, USN diver/murdered passenger
 Trans World Airlines (TWA)
 Stetzen, Robert, chairman
 Cargolux Airlines International, S.A.
 Stevens, C. J., chairman/MD
 BKS Air Transport, Ltd.
 Tradewinds Airways, Ltd.
 Stevens, Clark, pres./COO/vp-technical services
 Florida Gulf Airlines
 Metro Express II
 Mesa Air Group
 American International Airways (3)
 Kitty Hawk Air Cargo
 Stevens, Craig, actor/passenger
 Pan American-Grace Airways (PANAGRA)
 Stevens, Cyril, founder/MD
 BKS Air Transport, Ltd.
 Stevens, Derek, CFO
 British Airways, Ltd. (2)
 Stevens, F., founder/MD
 Rijnmond Air Services, B.V.
 Stevens, John, pres.
 Chaparral Airlines
 Stevens, Larry D., jt. owner
 Crescent Airways
 Stevens, N., jt. founder
 Anglo-Normandy Airways, Ltd.
 Stevens, Siaka, Sierra Leone president
 Sierra Leone Airlines, Ltd.
 Stevens, Sen. Ted (R-AK)
 Alaska Airlines
 Glacier Bay Airways
 Stevenson, Frederick "Steve," pilot
 Western Canada Airways, Ltd.
 Stevenson, McLean, actor/spokesman
 Piedmont Airlines (1)
 Stevenson, William "Bill," founder/chairman
 Chieftain Airways, Ltd.
 Stevenson-Reese, George, passenger
 Aircraft Transport & Travel, Ltd.
 Stewart, Alan, MD
 Pacific Midland Airlines, Ltd.
 Stewart, Barbara, entertainer
 Virgin Atlantic Airways, Ltd.
 Stewart, Bonnie, pres.
 American Jet, S.A.
 Stewart, Flora, investor
 Pacific Aerial Transport (Pty.), Ltd.
 Stewart, Gordon "Butch," chairman
 Air Jamaica, Ltd. (2)
 Eastern Caribbean Express, Ltd. (EC Express)
 Stewart, Ian, chairman
 Flightline, Ltd.
 Stewart, Dr. Robert B., chairman/pres.
 Lake Central Airlines
 Stewart, Capt. William Glen, pilot
 British Airways, Ltd. (2)
 Steyn, V. L., jt. founder
 Noord Weste Lugdiens (Pty.), Ltd.
 STH Sales, Ltd.
 Baltic Airways, Ltd.
 Stihle, Gunnar, GM
 Aero O/Y
 Stillman, Elton "Tubby," GM
 CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 Stillman, Wilmer W., suicide
 Pennsylvania Airlines
 Stillwell, Derek, stowaway
 American Airlines
 Stimson, Henry, U.S. War Secretary
 Eastern Air Lines
 Stinga, Roberto, MD/chairman
 Air Exel Commuter, C.V.
 Air Exel Netherlands, C.V.
 KLM Exel, C.V.
 Stinson Model A Trimotor launch customer
 Delta Air Lines
 Stinson Model U Trimotor launch customer
 American Airways
 Stinson SB-1 Detroit launch customer
 Florida Airways Corporation
 Stinson SM-1 Detroit launch customer
 Northwest Airlines
 Stinson SM-6000B Trimotor launch customer
 New York, Philadelphia and Washington Airway (Ludington Line)
 Stinson SR Reliant launch customer
 Alaska Airlines (McGee Airways)
 Stix, Angelika, jt.-MD
 Austrian Air Transport, GmbH.
 Stober, Paul, chief pilot
 Augsburg Airways, GmbH.
 Stockbridge, William, investor/vp/COO
 Gemini Air Cargo
 Presidential Airways
 Stockl, Capt. Jorg, founder/MD
 Montana Austria: Montana Flugbetrieb, GmbH.
 Stoddart, Paul G., chairman
 European Aviation Air Charter, Ltd.
 Stokes, Capt. Reginald, MD
 Transmeridian Air Cargo, Ltd.
 Stolberg, Nick, founder
 World Airlines, Ltd.
 Stollbrock, Joachim, pilot
 Deruluft, GmbH.
 Stolyarova, Nadezdha, part-owner
 Sayakhat Air Company
 Stone, Furman A., pilot
 Pitcairn Aviation
 Stone, Ronald P., jt. founder/chairman/CEO
 Aspen Mountain Air
 Stonehouse, Kenneth, passenger
 KLM: Royal Dutch Airlines, N.V.
 Stoney, Capt. T. B., pilot
 British Overseas Airways Corporation (BOAC)
 Storer, George B., chairman
 Northeast Airlines (1)
 Storer Broadcasting Company *see* Storer, George B.
 Story, Gene, pres.
 Pacific Coastal Airlines, Ltd.

- Trans Provincial Airlines, Ltd.
 Stotz, Ron, pres.
 Merlin Express
 Stouff, Bernard, jt. founder/GM
 Proteus Air System, S.A.
 Stout, William "Bill," airplane manufacturer/founder/pres.
 Ford Air Freight Lines
 Stout Air Services
 Stout 2-AT launch customer
 Ford Air Freight Lines
 Strachan, H., jt. founder
 United Air Services (Pty.), Ltd.
 Straight Corporation, The
 Norman Edgar (Western Airways), Ltd.
 Western Airways, Ltd.
 Straits Steamship Co., Ltd.
 Malayan Airways, Ltd.
 Strand, Duane, founder/pres.
 Air Activities
 Strand, Karl-Erik, pres.
 Swedair, A.B.
 Strand Films
 Imperial Airways, Ltd.
 Pan American Airways, Ltd.
 Strauss, Johann, composer
 Austrian Airlines, A.G.
 Strauss-Kahn, Dominique, French finance minister
 Air France
 Straw, Jack, British home secretary
 Balkan Bulgarian Airlines
 Street, Roger, pres.
 Air Illinois
 Stricker, Dr. Wesley, founder/chairman
 Ozark Air Lines (2)
 Strikes and miscellaneous job actions
 1924—Imperial Airways, Ltd.
 1932—Century Air Lines
 1937—Eastern Air Lines
 1944—AVIANCA Colombian Airlines, S.A.
 1945—CMA: Compania Mexicana de Aviacion, S.A. de C.V.
 1946—Northwest Airlines; Transcontinental and Western Air Lines (TWA)
 1947—American Overseas Air Lines (AOA); CSA Czechoslovak Airlines
 1948—British European Airways Corporation (BEA); National Airlines (1)
 1951—Air France; British European Airways Corporation (BEA); Pan American World Airways (1); United Air Lines (2)
 1952—Eastern Air Lines; Northeast Airlines (1)
 1953—Alitalia, SpA.; Braniff International Airways; The Flying Tiger Line; Linee Aeree Italiane, SpA. (LAI); Slick Airways
 1954—Alitalia, SpA.; American Airlines; The Flying Tiger Line; KLM: Royal Dutch Airlines, N.V.; Linee Aeree Italiane, SpA. (LAI); Slick Airways
 1955—Air France; The Flying Tiger Line; United Air Lines (2)
 1956—Air France; Alitalia, SpA.; Linee Aeree Italiane, SpA. (LAI); National Airlines (1); Western Air Lines
 1957—Air France; National Airlines (1); Qantas Empire Airways (Pty.), Ltd.
 1958—Alitalia, SpA.; American Airlines; British Overseas Airways Corporation (BOAC); Capital Airlines; Eastern Air Lines; KLM: Royal Dutch Airlines, N.V.; Mexicana Airlines, S.A. de C.V.; Trans World Airlines (TWA); Western Airlines (1)
 1959—Aeronaves de Mexico, S.A. de C.V.; American Airlines;
 1960—Aer Lingus Irish Airlines, Ltd.; Aerolineas Argentinas, S.A.; Air France; Air India, Ltd.; Continental Airlines; Eastern Air Lines; The Flying Tiger Line; Mohawk Airlines (1); Southern Airways (1)
 1961—Aerolineas Argentinas, S.A.; Alitalia, SpA.; American Airlines; British Overseas Airways Corporation (BOAC); Eastern Air Lines; The Flying Tiger Line; National Airlines (1); Trans World Airlines (TWA)
 1962—Eastern Air Lines; Mexicana Airlines, S.A. de C.V.
 1963—AVIANCA Colombian Airlines, S.A.; El Al Israel Airlines, Ltd.; Philippine Airlines (PAL)
 1964—Alitalia, SpA.; Ethiopian Airlines, S.C.; Mexicana Airlines, S.A. de C.V.
 1965—Aeronaves de Mexico, S.A. de C.V.; Air France; Pan American World Airways (1) SAS: Scandinavian Airlines System
 1966—Air Canada, Ltd.; Air India, Ltd.; Alitalia, SpA.; American Airlines; Eastern Air Lines; Mohawk Airlines (1); National Airlines (1); Northwest Airlines; Olympic Airways, S.A.; Qantas Empire Airways (Pty.), Ltd.; Sabena Belgian World Airlines, S.A.; Trans World Airlines (TWA); United Air Lines (2)
 1967—Aeromaya, S.A.; Mohawk Airlines (1); Pan American World Airways (1)
 1968—Air France; Air Manila; British Overseas Airways Corporation (BOAC); Mohawk Airlines (1); Pakistan International Airlines Corporation
 1969—Air Canada, Ltd.; All Nippon Airways Company Ltd. (ANA); British Overseas Airways Corporation (BOAC); Los Angeles Airways; National Airlines (1); Pan American World Airways (1); Piedmont Airlines (1); Western Airlines (1); World Airways
 1970—Alitalia, SpA.; British European Airways Corporation (BEA); El Al Israel Airlines, Ltd.; Hughes Airwest; Los Angeles Airways; Mohawk Airlines (1); National Airlines (1); Northwest Airlines; Ozark Air Lines; Philippine Airlines (PAL); Puerto Rico International Airlines (PRINAIR); Seaboard World Airlines; Trans-World Airlines (TWA); World Airways
 1971—British European Airways Corporation (BEA); Hughes Airwest; Mohawk Airlines (1)
 1972—Alitalia, SpA.; American Airlines; El Al Israel Airlines, Ltd.; Hughes Airwest; Northwest Airlines; Saturn Airways
 1973—Air Canada, Ltd.; American Airlines; British Airways, Ltd. (2); Canadian Pacific Air Lines, Ltd. (CPAL); El Al Israel Airlines, Ltd.; Flugfelag Islands, H.F. (2)/Icelandair, H.F.; KLM: Royal Dutch Airlines, N.V.; Mackey International Airlines; Ozark Air Lines; Pacific Southwest Airlines (PSA); Trans World Airlines (TWA)
 1974—Air France; Air India, Ltd.; Braniff International Airways; British Airways, Ltd. (2); El Al Israel Airlines, Ltd.; Indian Airlines Corporation; National Airlines (1); Saturn Airways; TAP Air Portugal, S.A.; Texas International Airlines; Trans International Airlines; Trans World Airlines (TWA)
 1975—Aerolineas Argentinas, S.A.; Air Jamaica, Ltd. (2); Airlift International; Alitalia, SpA.; Eastern Air Lines; El Al Israel Airlines, Ltd.; Linjeflyg, A.B.; National Airlines (1); Nigeria Airways, Ltd.; Texas International Airlines; United Airlines
 1976—Air Canada, Ltd.; Airlift International; Alitalia, SpA.; Continental Airlines; El Al Israel Airlines, Ltd.; Olympic Airways, S.A.; San Francisco-Oakland Helicopter Airlines (SFO-1); Trans Mediterranean Airlines, S.A.L.; Zambia Airways Corporation
 1977—Aeromexico (1); Aeronaves de Mexico, S.A. de C.V.; Air France; Air Inter, S.A.; Puerto Rico International Airlines (PRINAIR); SAS: Scandinavian Airlines System; TAP Air Portugal, S.A.; Trans International Airlines; Wien Air Alaska
 1978—Aer Lingus Irish Airlines, Ltd.; Air Canada, Ltd.; British West Indies Airways, Ltd. (2); Japan Air Lines Company, Ltd. (2); Northwest Airlines; Olympic Airways, S.A.; Trans International Airlines
 1979—Aerolineas Argentinas, S.A.; Alitalia, SpA.; Capitol International Airways; The Flying Tiger Line; Hughes Airwest; Olympic Airways, S.A.; Ozark Air Lines; Seaboard World Airlines; United Airlines; World Airways
 1980—Altair Airlines; Commuter Airlines (1); Continental Airlines; El Al Israel Airlines, Ltd.; Ozark Air Lines; Pacific Southwest Airlines; Pan American World Airways; Southwest Airlines (2)
 1981—Alitalia, SpA.; British Airways, Ltd. (2); Qantas Airways (Pty.), Ltd.;

- 1982—Air France; Air Inter, S.A.; British Airways, Ltd. (2); El Al Israel Airlines, Ltd.; Nordair, Ltd.; Northwest Airlines; Olympic Airways, S.A.
- 1983—Continental Airlines
- 1984—El Al Israel Airlines, Ltd.; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.
- 1985—Air Canada, Ltd.; Alaska Airlines; El Al Israel Airlines, Ltd.; Emery Air Freight; Japan Air Lines Company, Ltd. (2); Pacific Western Airlines, Ltd.; Pan American World Airways (1); United Airlines
- 1986—Aerolineas Argentinas, S.A.; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A. LAB: Lloyd Aero Boliviano, S.A.; Pacific Western Airlines, Ltd.; Sudan Airways Company, Ltd.; Trans-World Airlines (TWA)
- 1987—Aerolineas Argentinas, S.A.; Air Canada, Ltd.; Air Nippon Company, Ltd.; All Nippon Airways Company, Ltd. (ANA); Havasu Airlines; Japan Air Lines Company, Ltd. (2); Sabena Belgian World Airlines, S.A.
- 1988—Aeromexico (1); Aeronaves de Mexico, S.A. de C.V.; Air Ontario, Ltd.; Alitalia, SpA.; Ansett Airlines of Australia (Pty.), Ltd.; Australian Airlines (Pty.), Ltd.; Qantas Airways (Pty.), Ltd.
- 1989—Ansett Airlines of Australia (Pty.), Ltd.; Ansett W.A., Ltd.; Australian Airlines (Pty.), Ltd.; Binter Canarias, S.A.; Eastern Air Lines; Helikopter Service, A.S.; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.; Indian Airlines Corporation; Qantas Airways (Pty.), Ltd.; Sabena Belgian World Airlines, S.A.
- 1990—American Airlines; Eastern Air Lines; Indian Airlines Corporation; Nationair Canada, Ltd.
- 1991—Air India, Ltd.; American Airlines; Delta Air Transport, N.V.; Eastern Air Lines; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.; Indian Airlines Corporation; Nationair Canada, Ltd.
- 1992—Air France; Alaska Airlines; Cathay Pacific Airways (Pty.), Ltd.; Indian Airlines Corporation; Nationair Canada, Ltd.; SAS: Scandinavian Airlines System; USAir
- 1993—Air France; Air India, Ltd.; Alitalia, SpA.; American Airlines; Austrian Airlines, A.G.; Cathay Pacific Airways (Pty.), Ltd.; LAN-Chile Airlines, S.A.; Nationair Canada, Ltd.; TAP Air Portugal, S.A.
- 1994—Air France; Air Inter, S.A.; Alitalia, SpA.; Canadian Regional Airlines, Ltd.; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.; Royal Air Maroc; SAS: Scandinavian Airlines System
- 1995—Air France; Air India, Ltd.; Air Inter, S.A.; Alitalia, SpA.; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.; LanChile Airlines, S.A.; Sabena Belgian World Airlines, S.A.; SAS: Scandinavian Airlines System
- 1996—Air France; Air India, Ltd.; Air Inter Europe, S.A.; All Nippon Airways Company, Ltd. (ANA); Deutsche Lufthansa, A.G.; Philippine Air Lines (PAL); Sabena Belgian World Airlines, S.A.; SAS: Scandinavian Airlines System
- 1997—Air Alliance, Inc.; Air B.C., Ltd.; Air France; Air France Europe, S.A.; Air Liberte: Compagnie Air Liberte, S.A.; Air Nova, Inc.; Air Ontario, Inc.; Aviacion y Comercio, S.A. (AVIACO); British Airways, Ltd. (2); Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.; Middle East Airlines, S.A.L. (2); TAP-Air Portugal, S.A.; Indian Airlines, Ltd.; TAT European Airlines, S.A.; TAROM Romanian Air Transport, S.A.; Trans World Airlines (TWA); United Parcel Service (UPS)
- 1998—Aeromexico (2); Aerovias de Mexico, S.A. de C.V.; Air Algerie, S.A.; Air Canada, Ltd.; Air France; Air Liberte, S.A.; Alitalia, SpA.; All Nippon Airways Company, Ltd. (ANA); Cameroon Airlines, S.A.; Cyprus Airways, Ltd.; Japan Air Lines Company, Ltd. (2); Japan Transocean Airways Company, Ltd.; Northwest Airlines; Olympic Airways, S.A.; Philippine Air Lines (PAL); Ryanair, Ltd.; SAS: Scandinavian Airlines System; South African Airways (Pty.), Ltd.; Trans World Airlines (TWA); Wideroe's Flyveselskap, A.S.
- 1999—Air Algerie, S.A.; Air France; Air Liberte, S.A.; Alaska Airlines; Air New Zealand, Ltd.; American Airlines; American Eagle Airlines (2); Ansett New Zealand, Ltd.; AOM French Airlines, S.A.; Aviacion y Comercio, S.A. (AVIACO); Cameroon Airlines, S.A.; Cyprus Airways, Ltd.; Iberia Spanish Airlines (2); Lineas Aereas de Espana, S.A.; Royal Nepal Airlines Corporation; TAP Air Portugal, S.A.
- 2000—Aer Lingus Irish Airlines, Ltd.; Aeromexico (2); Aerovias de Mexico, S.A. de C.V.; Aerosur Boliviano, S.A.; Air Canada; Air France; Air Liberte, S.A.; Alitalia, SpA.; Bahamasair, Ltd.; Balkan Bulgarian Airlines; Coast Air, A.S.; Comair; Finnair O/Y; Japan Air Lines Company, Ltd. (2); Korean Air Lines/Korean Air (KAL); LAB: Lloyd Aero Boliviano, S.A.; LIAT (1974), Ltd.; Pakistan International Airlines Corporation; SAS: Scandinavian Airlines System; TAP-Air Portugal, S.A.; THY Turkish Airlines; Turk Hava Yollari, A.O.; United Airlines; Vnukovo Airlines
- Stringer, Alfred, jt. founder/pres.
Okanagan Helicopters, Ltd.
Vancouver Island Helicopters, Ltd.
- Strinsky, Vassil, pres.
Air Via Bulgarian Airlines
- Stripp, Joyce, pilot
USAir
- Strodel, Robert, MD
Hinduja Cargo Services, Ltd.
- Stroh, James, pres.
Hensley Flying Service
- Strombitski, Carl, founder/pres.
Pacific Coast Airlines (3)
- Strong, James GM
Australian Airlines (Pty.), Ltd.
Trans-Australian Airlines (Pty.), Ltd.
- Strong, James, MD/CEO
Qantas Airways (Pty.), Ltd.
- Strong, Liam, dir.
British Airways, Ltd. (2)
- Stuardo, Gen. German, pres.
LanChile Airlines, S.A.
- Stuart, Charles, executive/MD
British Airways, Ltd. (2)
Brymon Airways, Ltd. (1)
- Stuart-Shaw, Max, chairman
Gambia Airways, Ltd.
- Studdert, Andrew P., SVP/EVP/COO
United Airlines
- Stuffs, C., hijacker
United Air Lines (2)
- Stuhr, Hans Erik, chairman
SAS Commuter
- Stumm, Clemens Markus, passenger
British Airways, Ltd. (2)
- Sturdevant, Dennis, pres.
Precision Helicopters
- Sturman, Robert, chairman/MD
British Air Ferries, Ltd.
British World Airlines, Ltd.
- Sturmeir, Capt. Franz, GM-flight ops
Air Malta Company, Ltd. (2)
- Suarez, B., passenger/stockholder
TAO: Taxi Aereo Opita, S.A.
- Subroto, Budiarto, commercial dir./pres.
PT Merpati Nusantara Airlines
- Succhi, Julius, GM
Pan Am Express of Berlin
- Suchocka, Hanna, Polish prime minister
LOT Polish Airlines, S.A.
- Suckling, Merlyn and Roy, founders
Suckling Airways, Ltd.
- Sud Est SE-161 Languedoc launch customer
Air France
- Sud Est SE-210 Caravelle I launch customer

- Air France
- Sud Est SE-210 Caravelle III launch customer
 - Alitalia, SpA.
- Sud Est SE-210 Caravelle VI launch customer
 - Sabena Belgian World Airlines, S.A.
- Sud Est SE-210 Caravelle VIR launch customer
 - United Air Lines (2)
- Sud Est SE-210 Caravelle XB Super Caravelle launch customer
 - Finnair O/Y
- Sud Est SE-210 Caravelle XR launch customer
 - Air Afrique, S.A.
- Sud Est SE-210 Caravelle XII launch customer
 - Sterling Airways, A.S.
- Sud Tours
 - Dutchbird, S.A.
- Sudan airlift, 1985-1986
 - Columbia Helicopters
 - Heavylift Cargo Airlines, Ltd.
 - Helikopter Service, A.S.
- Sudan People's Liberation Army
 - Sudan Airways Company, Ltd.
- Sudan Railway System
 - Sudan Airways Company, Ltd.
- Sudo, Shinzo, chairman/pres.
 - Japan Air Charter Company, Ltd.
- Sueway Holdings, Ltd.
 - Air Manchester, Ltd.
- Suez Crisis (1956), airlines impacted
 - Aden Airways, Ltd.
 - Air India, Ltd.
 - Derby Airways, Ltd.
 - Deutsche Lufthansa, A.G.
 - El Al Israel Airlines, Ltd.
 - The Malta Airlines, Ltd.
 - Misrair, S.A.E. (1)
 - Pan American World Airways (1)
 - Swissair, A.G.
- Suggs, Carroll W., chairman
 - Petroleum Helicopters
- Suggs, Robert, jt. founder/chairman
 - Petroleum Helicopters
- Sugiura, Takaya, chairman
 - All Nippon Airways Company, Ltd. (ANA)
- Suharto, Indonesian president
 - PT Garuda Indonesia
 - PT Garuda Indonesian Airways
 - PT Merpati Nusantara Airlines
 - PT National Air Charter
- Sukhorebrik, Konstantin P., DG
 - Diamond Sakha Airlines
 - Sakhalinskiye Avia Trassy
- Suila, Keijo, pres./CEO
 - Finnair O/Y
- Suinen, Philippe, vice chairman
 - Sabena Belgian World Airlines, S.A.
- Suisse Atlantique
 - Farner Air Transport, A.G.
- Sujah, AVM Sulaiman, deputy chairman
 - Malaysian Airlines System (MAS), Ltd.
- Sukarno, Achmed, Indonesian president
 - PT Garuda Indonesian Airways
 - Indonesian Airways
 - Pan American World Airways (1)
- Sukhoi Civil Aviation Company
 - Traverse Cargo Airlines, Ltd.
- Sukontasp, ACM Janya, chairman
 - Thai Airways International, Ltd. (THAI)
- Sul America Terrestres Maritimos e Accidentes insurance company
 - Rio-Sul, S.A.
- Sulimov, Anatoily, DG
 - Pskov Avia
- Sulis, Marco, crash hero
 - Minerva Airlines, SpA.
- Sullivan, Capt. Robert O. D. "Rod," pilot
 - Pan American Airways (PAA)
- Sullivan, David, founder/pres.
 - Americair
- Sullivan, John A., Jr., vp/pres./chairman
 - Air North
 - Brockway Air
 - Clinton Aero Service
 - Commatair
- Sullivan, L. C., pilot
 - New York, Rio and Buenos Aires Line
- Sullivan, Larry, founder/pres.
 - Renown Aviation
- Sullivan, Robert, Massachusetts superior court judge
 - Northeast Airlines (1)
- Sullivan, T. E., hijacker
 - Eastern Air Lines
- Sumadi, Ms. Siti Rahayu, pres.
 - PT Deraya Air Taxi
- Sultan, Oksana, commercial services mgr.
 - Air Moldova International, S.A.
- Sumendap, J. A., pres.
 - Bali Air: PT Bali International Air Service
 - PT Bouraq Indonesian Airlines
- Sumitomo Railroad
 - Manchurian Air Transport Co., Ltd.
- Sumolang, Capt. Frans H., pres.
 - PT Merpati Nusantara Airlines
- Sun, H. H., pres.
 - Formosa Airlines Corporation, Ltd.
- Sun Chao-liang, Taiwan Civil Aeronautics Administration DG
 - China Airlines, Ltd. (CAL)
- Sun Dehan, pres.
 - Shandong Airlines
- Sun Fo, pres.
 - China Airways Federal
- Sun International, S.A.
 - Air Belgium International, S.A.
 - Airtours International Airways, Ltd.
 - Chalk's Ocean Airways
- Sun Tours (Pty.), Ltd.
 - Qantas Airways (Pty.), Ltd.
- Sun Trips International
 - Rich International Airways
 - Ryan International Airlines
- Sun Yat-sen, Madame
 - China National Airways Corporation (CNAC-1)
- Sun Zhong Li, pres./GM
 - Shanghai Airlines
- Sunday International
 - Jordan Aviation, Ltd.
- Sundberg, Niels Christian, founder/MD
 - Sun-Air of Scandinavia, A.S.
- Sunde, Olav Nils, Scadilion Group chairman
 - Color Air, A.S.
- Sundorph, Eiler, founder/pres.
 - Sundorph Aeronautical Corporation
- Sung Hwang, chairman
 - Asiana Airlines, Ltd.
- Sunflight Tours
 - Canada 3000 Airlines, Ltd.
 - Ontario Worldair, Ltd.
- Sunquest Vacations
 - Canada 3000 Airlines, Ltd.
 - Skyservice, Ltd.

- Sunrise Vacations
 Sunrise Airlines
 Sunseeker Leisure, Ltd.
 Air Foyle, Ltd.
 Sunset Holidays
 Flying Colours Airlines, Ltd.
 Sunspots International
 Air New Zealand, Ltd.
 SunTrips of California
 Allegro Air: Lineas Aereas Allegro, S.A. de C.V.
 American Trans Air
 Hawaiian Airlines (HAL)
 Leisure International Airways
 Skyservice, Ltd.
 Sunway Holidays
 Northeast Airlines, Ltd.
 Sunworld, Ltd.
 Airworld Aviation, Ltd.
 Flying Colours Airlines, Ltd.
 Super Bowl XXXI
 Trans World Airlines (TWA)
 Super Bowl XXXIII
 Southwest Airlines (2)
 Supermarine Sea Eagle airline launch customer
 British Marine Air Navigation Company, Ltd.
 Supervielle, Luis J., founder/pres.
 CAUSA: Compania Aeronautica Uruguay, S.A.
 Supono, Wiwoko, chairman/CEO
 PT Garuda Indonesian Airways
 Indonesian Airways
 Supulveda, Patricio, pres.
 LADECO Chilean Airlines, S.A.
 LanChile Airlines, S.A.
 Surenhorloo, Darjaglyn, MD
 MIAT-Air Mongol
 Sureway Holidays, Ltd.
 Air Manchester, Ltd.
 Surinov, Tateros, DG/chairman
 Vnukovo Airlines
 Sutch, Peter D. A., MD/chairman
 Cathay Pacific Airways (Pty.), Ltd.
 Suter, Moritz, founder/chairman/CEO
 Business Flyers Basel, Ltd.
 Crossair, Ltd.
 Swissair, A.G.
 Sutton, Gail, VP
 Tahoe Air
 Sutton, Lou M., pres.
 Atlantis Airlines
 Suvent, Joseph, investor
 Philippine Aerial Taxi Company
 Suwanakul, Kasem, chairman
 Thai Airways International, Ltd. (THAI)
 Svanstrom, Lars, MD
 Swedair, A.B.
 Sveden, Ake, MD
 Golden Air Flyg, A.B.
 Svenheim, Lars, jt.-founder/pres.
 Sterling European Airlines, A.S.
 Transwede Airways, A.B.
 Svensson, L. O. G., MD
 Safari Air Services, Ltd.
 Svetin, G. N., DG
 Aviakor Air Transport
 Svetloyaravia, investor
 MATK Rusavia
 Svoboda, Milan, MD
 Skoda Air, Ltd.
 Swan Management
 Trans World Airlines (TWA)
 USAir
 Swanson, Gloria, actress
 Transcontinental Air Transport (TAT)
 Swanson, Grahame, founder/MD
 Clubair (Pty.), Ltd.
 Swartz, Jim, pres.
 Arizona Airways (2)
 Swartz, Theodore, jt. founder
 Private Jet Expeditions
 Swayze, Francis J., DG
 Air Zaire, S.A.
 Swayze, Roy, jt.-founder
 Shillelagh Air Travel Club
 Sweden, Postbolagen
 Falcon Aviation, A.B.
 Swedfund
 Air Baltic Corporation
 Sweet, Bernard "Bud," pres.
 North Central Airlines
 Sweet, Capt. Hal, pilot
 China National Airways Corporation (CNAC-1)
 Pan American Airways (PAA)
 Swell, Capt. Herman E., pilot
 New York, Rio and Buenos Aires Line
 Swenson, Lowell, Robert E., and Philip, owners
 Mesaba Airlines
 Swenson, Robert D., chairman
 AirTran Airways
 Mesaba Airlines
 Swiedziol, Daniel, MD
 Air Jet: Compagnie Air Jet, S.A.
 Swigart, James, vice chairman/CFO/pres.
 Mesa Air Group
 Virgin Express Airlines, S.A.
 Swim, Dudley, dir.
 National Airlines (1)
 Swinton, Viscount, U.K. secretary of state for air
 Imperial Airways, Ltd.
 Swire, John K., chairman
 Cathay Pacific Airways (Pty.), Ltd.
 Swire Air Caterers, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Swire Pacific, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Dragonair (Pty.), Ltd.
 Swirnow, Richard, chairman/pres.
 Tradewinds International Airlines
 Swisher, Bruce, founder
 Aero Taxi (1)
 Switzerland, Federal Transport Department
 Swissair, A.G.
 Swofford, Edward E., pres.
 Aloha Airlines
 Swokin, Kala, PNG civil aviation minister
 Air Niugini (Pty.), Ltd.
 Sword, John, founder/MD
 Midland and Scottish Air Ferries, Ltd.
 SyCip, Alfonso, investor
 Commerical Air Lines, Inc.
 Sydney to Hobart Yacht Race, 1999
 Helicopters Victoria (Pty.), Ltd.
 Symington, H. J., pres.
 Trans Canada Air Lines, Ltd.
 Syn Chung Wah, chairman
 Silkair, Ltd.
 Toa Domestic Airlines Company, Ltd.
 Syracuse University
 Pan American World Airways (1)

Syromolotov, Oleg, deputy head of FSK (KGB successor organization)/director
 Aeroflot Russian International Airlines (ARIA)
 System One CRS
 Continental Airlines
 Eastern Air Lines
 LADECO Chilean Airlines, S.A.
 LanChile Airlines, S.A.
 Systems Analysis Research Corporation
 LAB: Lloyd Aero Boliviano, S.A.
 Sytnik, Cmdr. Gennady I., GM
 Bykovo Aviation Enterprise
 Sytnik, Yuri, flt. opns. dir.
 Vnukovo Airlines
 Szabo, Attila, co-MD
 Pannon Air Service, Kft.110
 Szdemir, Alaeddin, jt.-founder
 Air Rose, A.S.
 Szu, Peter, pres.
 Great China Airlines, Ltd.
 Szyborska, Wislawa, Nobel Prize winner/passenger
 LOT Polish Airlines, S.A.

T

3i Corporation
 CityFlyer Express, Ltd.
 Excalibur Airways, Ltd.
 Management Aviation and North Scottish Helicopters, Ltd.
 Translift Airways, Ltd.
 Tabani Corporation
 Aero Asia International, Ltd.
 Tabares, Carlos Arturo, hijacker
 AVIANCA Colombian Airlines, S.A.
 Tabokai, Capt. Beuitera, opns. mgr.
 Air Kirbati
 Tabone, Joseph N., chairman
 Air Malta Company, Ltd. (2)
 Malta Air Charter, Ltd.
 Tabor, Jerzy, Polish film industry official/passenger
 Balkan Bulgarian Airlines
 TAG-International
 Air Alpes, S.A.
 Tague, Irving T., founder/pres.
 Hughes Air West
 Midway Airlines (1)
 Tague, John P., pres./consultant, later chairman
 American Trans Air
 Air South (4)
 Vanguard Airlines
 Taha, Capt. Hamdi Hanafi, pilot
 Egyptair, S.A.E.
 Tahiti Tourisme
 Air Tahiti Nui, S.A.
 Tailwinds, Ltd.
 Jet Airways (Pty.), Ltd.
 Tait, P., MD
 Helicopters (NZ), Ltd.
 Taitbout Antibes, B.V.
 Air Liberte, S.A.
 Air Littoral, S.A.
 AOM French Airlines, S.A.
 Taiwan, earthquake of 1999
 EVA Air: EVA Airways, Ltd.
 Taiyuan (China) airlift, 1949
 Central Air Transport Corporation (CATC)
 Tajadod, Houshang, MD
 Iran Air: The Airline of the Islamic Republic of Iran
 Iranair: Iranian Airways
 Takahashi, Makoto, driver
 Qantas Airways (Pty.), Ltd.
 Take, Yumi, pilot
 Asahi Air Lines Company, Ltd.: Asahi Koku Corporation
 Takeo, Hiranuma, Japanese transport minister
 Federal Express (FedEx)
 Takekawa, Neil, pres.
 Aloha Island Air
 Talamantes, Leo Lopez, founder/pres.
 Servicio Aereo Leo Lopez, S.A.
 Talbot, J. Thomas, chairman/investor
 Hawaiian Airlines (HAL)
 Eastern Air Lines
 Talbot, James A., supporter
 Western Air Express
 Talbott, Strobe, U.S. undersecretary of state
 Iran Air
 Tall, Arie, founder/pres.
 Air Niagara Express, Ltd.
 Jetall, Ltd.
 Taloa Academy of Aeronautics
 Transocean Air Lines (TAL)
 TAM Group
 Brasil Central: Linha Aerea Regional, S.A.
 TAM: Transportes Aereos Regionais, S.A.
 TAM-Mercosur: Transportes Aereos Mercosur, S.A.
 TAM-Meridionais: Transportes Aereos Meridionais, S.A.
 Tamanaha, Tetsuji, MD
 Ryukyu Air Commuter Company, Ltd.
 Tamariz, Jaime Valenzuela, GM
 Aerovias Caribe, S.A.
 Tamas, Andras, Hungarian POW/passenger
 MALEV Hungarian Airlines, Rt.
 Tamayo, Benito, pres.
 Trans Europa: Compania de Aviacion, S.A.
 Tamayo, Carlos, hijacker
 LanChile Airlines, S.A.
 Tamil Elam, Liberation Tigers of, Sri Lankan separatist movement
 Air Lanka, Ltd.
 Helitours, Ltd.
 Lionair, Ltd.
 Tamiya, T., hijacker
 Japan Air Lines Company, Ltd. (2)
 Tampa Bay Buccaneers NFL team
 Continental Airlines
 Northwest Airlines
 Trans World Airlines (TWA)
 Tan, Le Duc, hijacker
 Air Vietnam, S.A.
 Tan, Lucio ("El Kapitan"), chairman
 Philippine Air Lines
 Tanaka, Isamu, pres./chairman
 Japan Air System, Ltd.
 Toa Domestic Airlines Company, Ltd.
 Tanaka, Kakuei, prime minister of Japan
 All Nippon Airways Company, Ltd. (ANA)
 Tanaka, Yoshimi, hijacker
 Japan Air Lines Company, Ltd.
 Taney, Theodore, jt. founder/pilot
 Central Airlines (2)
 Tanguy-Desmarais, M. J. F. E. "Dem," GM
 Swazi Air, Ltd. (2)
 Tangvik, Capt. Tord, chief pilot
 Color Air, A.S.
 Taniai, Toshiaki, GM-marketing and sales
 Dragonair (Pty.), Ltd.
 Tannocks, W. R., GM
 SAFE Air, Ltd.
 Tantiprasonchai, Udom, CEO/MD/dir
 Cambodian International Airlines, Ltd.

- Kampuchea Airlines (2)
 Orient Airlines, Ltd.
 Orient Express Air, Ltd.
 TAPMATIC CRS
 TAP-Air Portugal, S.A.
 Tapp, R. B., pilot
 QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
 Tarantino, Roberto, GM
 Zambia Airways Corporation
 Taraskiewicz, Susan, murdered ground crew supervisor
 Northwest Airlines
 Tardiel, Yves, GM
 Transvalair, S.A.
 Tariz, Ferda, GM
 Sky Line, A.S.
 Taschereau, Pierre, chairman
 Air Canada, Ltd.
 Tasse, Michel, passenger
 Air Transat, Ltd.
 Tasum, V. N., DG
 Siberia Airlines (Sibir)
 Tata Sons, Ltd.
 Deccan Airways, Ltd.
 Tata, Johangir R. D., founder/MD/chairman
 Air India, Ltd.
 Tata Air Lines
 Tata, Ratan, chairman
 Air India, Ltd.
 Tate, Paul, CFO
 Kitty Hawk Air Cargo
 TatInTrade
 ASN Aerostan: Airstan
 Tauvasa, Joseph, GM
 Air Niugini (Pty.), Ltd.
 Taves, Roberto, jt.-founder
 TCA: Transportes Carga Aerea, S.A.
 Taxi Aereo Marilia, S.A.
 TAM: Transportes Aereos Regionais, S.A.
 Taylor, Arthur, jt.-founder
 SAM: Sociedad Aeronautica de Medellin, S.A.
 Taylor, Ben, pres.
 Air West (2)
 Taylor, Bruce, hijacker
 Northwest Airlines
 Taylor, Claude I., pres./chairman
 Air Canada, Ltd.
 Taylor, David, pres.
 Air Jamaica, Ltd. (2)
 Taylor, Donald, motion picture director
 Imperial Airways, Ltd.
 Taylor, Eric, pres.
 ASI Charter
 Taylor, Capt. Gordon, pilot
 Qantas Empire Airways (Pty.), Ltd.
 Taylor, Harry, swindler
 Coastal Airways (1)
 Taylor, Ian, MD
 Jersey European Airways, Ltd.
 Taylor, J. Judson, pres.
 Western Airlines (1)
 Taylor, John Faulkner, founder/CEO
 Air Mahe, Ltd.
 Taylor, Capt. Patrick G., pilot
 ANA: Australian National Airways (Pty.), Ltd.
 Taylor, Roger, CEO
 Custom Air Transport
 Taylor, Ruth Carol, flight attendant
 Mohawk Airlines (1)
 Tchamo, Dr. Jeremias, CFO
 LAM Mozambique Airlines, S.A.
 Tchamov, Victor G., DG
 Aero Volga Concern
 Samara Airlines: Samara Avialinii
 Team Aer Lingus
 Aer Lingus Irish Airlines, Ltd.
 Teat, Teri, vp-treasurer
 American Airlines
 Techmat Holdings
 Air Mandalay (Pty.), Ltd.
 Technical University of Delft
 KLM: Royal Dutch Airlines, N.V.
 Technology Resources Industry Berhad
 Malaysia Airlines, Ltd. (MAS)
 Malaysian Helicopter Services, Ltd.
 Tedeschi, Michele, IRI chairman/CEO
 Alitalia, SpA.
 Teegen, Herman, pilot
 Condor Syndikat, GmbH.
 Tegel
 Air Europe, SpA.
 Teh Ming Liu, chairman
 China Airlines, Ltd. (CAL)
 Mandarin Airlines, Ltd.
 Tejero, Nemsio, pres.
 Pacific Airways Corporation
 Tela Railroad
 CAH: Compania Aero Honduras, S.A.
 Empresa Dean, S.A.
 Television programs/series
 Airline—Britannia Airways, Ltd.; easyJet Airlines, Ltd.
 Breakfast News—Virgin Atlantic Airways, Ltd.
 The Cisco Kid—Piedmont Airlines (1)
 CSI: Crime Scene Investigation—Southwest Airlines (2)
 Der Clown—Heliportugal, Ltda.
 The Ed Sullivan Show—Pan American World Airways (1)
 Fantasy Island (1 & 2)—Island Helicopters Kauai
 Friends—Virgin Atlantic Airways, Ltd.
 Good Morning America—Flugfelag Islands, H.F. (2)/Icelandair, H.F.
 Hawaii 5.0—Island Helicopters Kauai
 Horatio Hornblower—Heliportugal, Ltda.
 Magnum P.I.—Island Helicopters Kauai
 *M*A*S*H*—Piedmont Airlines (1)
 Meet the Press—Pan American-Grace Airways (PANAGRA)
 Miami Vice—Chalks International Airlines (1)
 Overkill—Heliportugal, Ltda.
 Secret Agent Man—Helijet Airways, Inc.
 Seinfeld—Southwest Airlines (2)
 Seven Days—Helijet Airways, Inc.
 The 700 Club—El Al Israel Airlines, Ltd.
 Shogun—Japan Air Lines Company, Ltd. (2)
 The Simpsons—Western Pacific Airlines (Westpac)
 60 Minutes—Southwest Airlines (2)
 This Week With David Brinkley—Southwest Airlines (2)
 Traffic—easyJet Airlines, Ltd.
 Wings—Island Airlines (2); Southwest Airlines (2)
 You Asked For It—Johnson Flying Service
 see also Public Television
 Tema Resor, tour operator
 Blue Scandinavia, A.B.
 Temasek Holdings, Ltd.
 Singapore Airlines, Ltd.
 Tembo, J. Z. U., chairman
 Air Malawi, Ltd.
 Temochenke, Viktor, part-owner
 Neftyugansk Air Enterprise
 Temple, Shirley, actress
 American Airlines
 Templeton, Galbraith & Hansberger, investors

- Air Midwest
- Tenerife disaster see Crashes—March 27, 1977
- KLM: Royal Dutch Airlines, N.V.
- Pan American World Airways
- Tennant, J. C., vp-human resources
- Air Canada, Ltd.
- Tennessee
 - Aerie Airlines
 - Airline of the Americas
 - Appalachian Airlines
 - Arrow Airways (1)
 - Capitol Air
 - Capitol Airways
 - Capitol International Airways
 - Central Air Transport
 - Chicago and Southern Air Lines
 - Clarksville Flying Service
 - Colemill Enterprises
 - Corporate Airlines
 - Corporate Flight Management
 - Express Airlines I
 - Federal Express (FedEx)
 - Flagship Airlines
 - General Aviation (2): Greeneville Air
 - Mar-El Aviation
 - Memphis Jet
 - Mid Continent Airlines (2)
 - Mid South Aviation Alliance Corporation
 - Nashville Eagle
 - Nelson Airlines
 - Palm Air Charter
 - Prime Air
 - Republic Express Airlines
 - Richards Aviation
 - Southeast Airlines (1)
 - Southeast Airlines (4)
 - Sunbird Airlines (1)
 - Tennessee Airmotive
 - Tennessee Airways
 - Vale International Airlines
 - Volunteer Airlines (1)
 - Volunteer Airlines (2)
 - XPress Air
- Tennessee, Bureau of Aeronautics
 - Southeast Airlines (1)
- Tennessee Oilers/Titans NFL team
 - Northwest Airlines
- Tep Hen, MD
 - Kampuchea Airlines (1)
- Tepas, Capt., pilot
 - KLM: Royal Dutch Airlines, N.V.
- Terada, Sadayuki, pres.
 - Ashai Air Lines Company, Ltd.
- Terai, Hisayoshi, EVP
 - Nippon Cargo Airlines Company, Ltd.
- Terem, Mensale, EVP
 - El Al Israel Airlines, Ltd.
- Tereschenko, Nikolai N., DG
 - Diamond Russia Sakha-Mirny Aviation Enterprise
 - Minry Air Enterprise
- Terkhov, Semen, DG
 - Polyarny Airlines
- Terletsky, Capt. Leo, pilot
 - Pan American Airways (PAA)
- Terrasmaa, Capt. Antti, pilot
 - Finnair O/Y
- Terry, Greg, Brierley Investments CEO
 - Air New Zealand, Ltd.
- Terry, Irvin K., pres.
 - Arctic Circle Air Service
- Tesfa, L., hijacker
 - National Airlines (1)
- Tesselhoff, Arnaldo, chairman/pres.
 - Aerolineas Argentinas, S.A.
- Testrake, Capt. John, pilot
 - Trans World Airlines (TWA)
- Teutelo, Rolando, DG
 - Cubana: Empresa Consolidada Cubana de Aviacion
- Texas
 - Abilene Aero-Lubbock Aero
 - Addison Aviation Services
 - Aero Freight
 - Air America Jet Charter
 - Air Cargo Enterprises
 - Air Central (3)
 - Air Spirit
 - Air Texana
 - Air Texas
 - Air Texas Airways
 - Air Transport
 - Air West (2)
 - Air-Pak Airlines
 - Airnews
 - Alamo Commuter Airlines
 - Alpha Aviation
 - Amarillo Airport Corporation
 - American Airlines
 - Amistad Airline
 - Aspen Mountain Air
 - Austin Express
 - Avsat Aviation
 - Aztec Airlines
 - Berry Aviation
 - Big Bend Airways
 - Black Swan Jet Charter
 - Braniff, Inc.
 - Buffalo Airways
 - Business Jetshares, Ltd.
 - Central Airlines (3)
 - Central Texas Airlines (1)
 - Central Texas Airlines (2)
 - Chaparral Airlines
 - Chaparral, Inc.
 - Cirrus Air
 - Continental Airlines
 - Cromwell Air Lines
 - DAL Airlines
 - Dallas Express Airlines
 - Davis Airlines
 - Eagle Commuter Airlines
 - Emerald Air
 - ERA Aviation
 - Essair Lines
 - Exec Express II
 - First Air International
 - Fleetway Airlines
 - Fort Worth Airlines
 - Hood Airlines
 - Jet East International
 - Jet Fleet International Airlines
 - Jet Link
 - King Airlines
 - Kitty Hawk Air Cargo
 - La Posada Airways
 - Larado Air
 - Long and Harmon Airlines
 - Martinaire East
 - Maverick Airways (1)

- May Air X-press
- Merlin Express
- Metro Airlines
- Metro Express II
- Metrolplex Airlines
- Permian Airways
- Pioneer Air Lines
- Rasmak Jet Charter
- Rio Airways
- Rivair Flying Service
- Slick Airways
- Solar Airlines
- Southern Air Transport System
- Southwest Airlines (1)
- Southwest Airlines (2)
- T-Bird Air Travel
- Tejas Airlines
- Texas Airlines
- Texas International Airlines
- Texas National Airlines
- Texas Star Airlines
- Trans-Texas Airways
- Transtar
- Tricon International Airlines
- Ultrair
- West Coast Air Charter
- Wild Goose Airlines
- Wise Airlines
- Young Air
- Texas, Aeronautical Commission (TAC)
 - Southwest Airlines (2)
- Texas, Alcoholic Beverage Commission
 - Southwest Airlines (2)
- Texas Air Corporation (TAC)
 - Continental Airlines
 - Eastern Air Lines
 - Frontier Airlines (1)
 - New York Air (1)
 - PEOPLExpress Airlines
 - Provincetown-Boston Airline (PBA)
 - Rocky Mountain Airways
- Texas A & M University
 - Lorair
- "Texas Airline Fare War"
 - Braniff International Airways
 - Southwest Airlines (2)
 - Texas International Airlines
- Texas and Pacific Railway
 - Southwest Air Fast Express (SAFEWAY)
- Texas Scottish Rit Hospital for Children
 - British Airways, Ltd. (2)
- Thach, Robert, dir.
 - Colonial Air Transport
- Thackeray, David, MD
 - Air Furness, Ltd.
- Thaden, Louise, passenger
 - Transcontinental and Western Air (T&WA)
- Thainguyen, Duong Cao, MD
 - Pacific Airlines, S.A.
- Thalang, Broma, pres.
 - Thai Airways International, Ltd. (THAI)
- Thatcher, Margaret, British prime minister
 - British Airways, Ltd. (2)
- British Island Airways, Ltd. (2)
 - Laker Airways, Ltd.
- Thaugsuban, Suthep, Thai transport/communications minister
 - Singapore Airlines, Ltd.
- Thawompradit, Capt. Prija, VPO
 - Thai Airways International, Ltd. (THAI)
- Thayer, Russell, pres./jt. founder
 - Braniff International Airways
 - Kiwi International Air Lines
- Thebe Investment Group
 - SA Express Airways (Pty.), Ltd.
- Theilmann, Capt. J., pilot
 - British European Airways Corporation (BEA)
- Theofanos, George, chairman/CEO
 - Olympic Airways, S.A.
- Therma King Company, sales representatives/passengers
 - British Overseas Airways Corporation (BOAC)
- Theron, Pierre, MD
 - Theron Airways (Pty.), Ltd.
 - Theron's Cartage, Ltd.
 - Theron Airways (Pty.), Ltd.
- Thief River Falls (Minn.) Technical College
 - Northwest Airlines
- Thieffry, Capt. Edmond, pilot
 - Sabena Belgian World Airlines, S.A.
- Thielman, Albert Lee, bomber
 - American Airlines
- Thion, Michel, pres.
 - Tahiti Conquest Airlines, S.A.
- Thomas, Bert D., vp-marketing
 - Aloha Airlines
- Thomas, Charles S. "Two-Pants Charlie," pres.
 - Trans World Airlines (TWA)
- Thomas, Christopher, chairman
 - Lakeside Aviation, Ltd.
- Thomas, Clayton, hijacker
 - United Airlines
- Thomas, D. L., hijacker
 - Wien Air Alaska
- Thomas, George Holt, founder
 - Aircraft Transport and Travel, Ltd.
- Thomas, Hans, pilot
 - SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
- Thomas, Helen L., prognosticator
 - Trans World Airlines (TWA)
- Thomas, J., co-MD
 - Uni-Air International, S.A.
- Thomas, Karl, chief pilot
 - Trans Anguilla, Inc.
- Thomas, Kirk, owner/pres.
 - Tyee Airlines
- Thomas, L. C., MD
 - Intra Airways, Ltd.
- Thomas, Maldwyn, founder/MD
 - Jersey Airlines, Ltd.
- Thomas, Sir Miles, chairman
 - British Overseas Airways Corporation (BOAC)
- Thomas, Capt. O. F. Y., pilot
 - British Overseas Airways Corporation (BOAC)
- Thomas, Richard, actor
 - United Airlines
- Thomas, Rubel, pres./chairman/CEO
 - TAM-Mercosur: Transportes Aereos Mercosur, S.A.
 - VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- Thomas, Richard A., vp
 - Scenic Airlines
- Thomas, Ruben, EVP/pres.
 - VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- Thomas, Warren, co-MD
 - Western Pacific Aviation (Pty.), Ltd.
- Thomas Cook Group/Holdings
 - Airworld Aviation, Ltd.
 - Caledonian Airways, Ltd. (2)
 - Flying Colours Airlines, Ltd.
 - Hapag-Lloyd Fluggesellschaft, mbH.

- LTU International Airways, KG
 Peach Air, Ltd.
 Thomas More College
 Comair
 Thomas of Remenham, Lord, chairman
 Britannia Airways, Ltd.
 Thomas Nationwide Transport, Ltd. *see* TNT, Ltd.
 Thompson, Adrian, MD
 Capital Airlines, Ltd.
 Thompson, Capt. A. R., pilot
 United Air Lines (2)
 Thompson, C. R., jt. founder
 Ross-Thompson Aircraft Company (Pty.), Ltd.
 Thompson, Capt. David "Dusty," chief pilot/vp-opns.
 Canada 3000, Ltd.
 Thompson, Capt. Garth, pilot/ALPA executive
 Express Airlines I
 Thompson, Garry, founder/pres.
 Osprey Wings, Ltd.
 Thompson, George B., MD
 Gulf Aviation, Ltd.
 Thompson, George L., FAA counsel
 ProAir
 Thompson, Mrs. Gillian, Grenada manager
 American Airlines
 Thompson, Gregory S., pres.
 Airpac Airlines
 Thompson, Keith, founder/MD
 Countryair (Pty.), Ltd.
 Thompson, LeRoy, pilot
 Colonial Air Transport
 Thompson, Lloyd, founder/MD
 Sunstate Airlines (Mildura) (Pty.), Ltd.
 Thompson, Malcolm, chairman
 Air Zimbabwe Corporation
 Thompson, R. W., Quaker volunteer
 Air Vietnam, S.A.
 Thompson, Robin, founder/pres.
 Skycraft Air Transport, Ltd.
 Thompson, Rod, GM
 Pacific-Alaska Airlines
 Thomson, Sir Adam, chairman
 Caledonian Airways, Ltd. (1)
 Caledonian/BUA, Ltd.
 Laker Airways, Ltd.
 Thomson, Raymond, passenger
 Pacific Southwest Airlines
 Thomson of Cardington, Lord, U.K. secretary of state for air
 Imperial Airways, Ltd.
 Thomson Holidays/Thomson Travel Group, Ltd.
 Blue Scandinavia, A.B.
 Britannia Airways, Ltd.
 Britannia Airways, A.B.
 Brotamoa Airways, GmbH.
 Odyssey International, Ltd.
 Orion Airways, Ltd. (2)
 Thongyai, ACM Siripong, chairman
 Thai Airways International, Ltd. (THAI)
 Thor, Gunnar, pres.
 Islandsflug, H.F.
 Thorburn, H. H., pilot
 New York-Newport Air Service
 Thornbeck, Borge, pres.
 Estonian Air, A.S.
 Thorpe, D. W., chairman
 Air Cape (Pty.), Ltd.
 Thorsrud, Gar, pres.
 Sierra Pacific Airlines (3)
 Thouemen, J. P., pres.
 Krynnair, S.A.
 Thrash, Wallace, founder/pres.
 Chaparral, Inc.
 Threlfall, Gerald, MD
 Autair International Airways, Ltd.
 Thresher, Lee, electrician/passenger
 British Airways, Ltd. (2)
 Thun, Eric, founder/chairman
 Golden Air Flyg, A.B.
 Thuo, Capt. R. F., jt.-founder
 Global Star Airlines, Ltd.
 Thurburn, Richard R., MD
 Heathrow Jet Charter, Ltd.
 Thurgood, W. L., founder/chairman
 Channel Island Airways, Ltd.
 Guernsey Airways, Ltd.
 Jersey Airways, Ltd.
 Thyring, Birgit, aviatrix/founder
 Avia Airlines, A.B.
 Tiananmen Square (China) demonstrations, 1989
 CAAC: The General Administration of Civil Aviation of China
 Canadian Airlines International, Ltd.
 China Southern Airlines Company, Ltd.
 Tibbets, George R., vp
 Peninsula Airways (1)
 Tibbs, Casey, cowboy
 Western Pacific Airlines (Westpac)
 Tibet airlift, 1958-1961
 Civil Air Transport, Ltd.
 Martinair Holland, N.V.
 Tiburzi, Bonnie, pilot
 American Airlines
 Tidler, Robert, chief pilot
 Block Island Airlines
 TIE Aviation: Trans-International Express
 Tidwell, Judge G. Ernest
 Delta Air Lines
 Tiede, Detlef Alexander, hijacker
 LOT Polish Airlines, S.A.
 Tietjen, Alberto, chairman
 SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
 Tietz, Gunnar, MD
 Danair, A.S.
 Tiger International, Inc.
 The Flying Tiger Line
 Tiger Management
 CHC: Canadian Helicopter Corporation, Ltd.
 Helikopter Services, A.S.
 USAirways
 Tighe, Lawrence J., EVP
 Front Line Tours
 Champion Airlines
 Tikhonov, T., chairman
 Diamond Sakha Airlines: Avialinii Almazi Sakha
 Tikhonov, Vladimir M., CFO/MD
 Aeroflot Russian International Airlines (ARIA)
 Tillinghast, Charles C., Jr., pres.
 Trans-World Airlines (TWA)
 Tilt, Albert, jt. founder/pres.
 Aeromarine Airways
 Florida West Indies Airways
 Timoner, Eli, founder/chairman/pres.
 Air Florida
 Challenge Air International
 Timoshukov, Mikhail, hijacker
 Finnair O/Y
 Timpson, M. P., MD
 Air Bridge Carriers, Ltd.
 Hunting Cargo Airlines, Ltd.

- Tineo, Capt. Eddy A., opns. dir.
Dominicana: Compania Dominicana de Aviacion, C. por A.
- Tinker, Capt. Gordon, pilot
Pacific Southwest Airlines (PSA)
- Tipp and Kran Transport
Flying Enterprise, A.B.
- Tirosh, Capt. Avraham, pilot
El Al Israel Airlines, Ltd.
- Tirvengadam, Sir Harry K., chairman/MD
Air Mauritius, Ltd.
Air Afrique, S.A. (2)
- Tishechkin, Yuri, hijacker
Aeroflot Russian International Airlines (ARIA)
- Tito, Marshal, Yugoslav president
JAT Yugoslav Airlines
- Tiukin, Valeri, DG
Rzhevka Air Enterprise
- Tiwana, M. Nawaz, MD
Pakistan International Airlines Corporation
- Tjaereborg Rejser A.S.
Sterling Airways, A.S.
- Tjontveit, Thor K., Air Alaska pres.
Wuhan Air Lines Company, Ltd.
- TK Air Travel
Onur Air Tasimcllik, A.S.
- Tkachev, I. F., DG
Aeroflot Soviet Airlines
- TNT, Ltd.
Ansett Airlines of Australia (Pty.), Ltd.
TNT Australia & News Corporation, Ltd.
Aeropelican Air Services (Pty.), Ltd.
- TNT Vacations
Pan Am: Pan American Airways
- Tobago Air Bridge
British West Indies Airways, Ltd. (2) (BWIA)
- Tobgyel, HE Lyonpo T., chairman
Druk Air: Royal Bhutan Airlines
- Tobias, Gerald J., passenger
British Airways, Ltd. (2)
- Toda, Benigno P. ("Benny"), Jr., chairman/pres.
Philippine Airlines
- Todd, Capt. Norman, Concorde pilot
British Airways, Ltd. (2)
- Todd, Jeffrey, winchman
Bristow Helicopters, Ltd.
- Todd, L. H., pilot
Finger Lakes Air Service
- Todo, Carlo, Toto Group founder/chairman
Air One, SpA.
- Toko, G. W., GM
Uganda Airways Corporation
- Tokoph, David, MD/pres./chairman
Seagreen Air Transport, Ltd.
Aero Zambia, Ltd.
- Tokyo Electric Express Railroad
TOA Domestic Airlines Company, Ltd.
- Tolbushkin, V., DG
Mi Avia
- Toledo, Jore A., founder/pres.
Tolair Services
- Tolmachov, Viktor Ilyich, chairman
Volga-Dnepr Airlines
- Toltschin, Rex, GM
Reno Air
- Tomashevsky, A. I., pilot
Dobrolet
- Tomita, Choji, pres.
City Airlink, Ltd.
- Tominaga, Goro, pres.
Toa Domestic Airlines Company, Ltd.
- Tomis, Michel, MD
Fischer Air, A.S.
- Tomlinson, Capt. Daniel W. "Tommy," opns. mgr./pilot
Maddux Air Lines
Transcontinental and Western Air (T&WA)
Transcontinental and Western Air Lines (TWA)
- Tomlinson, Steven, jt.-MD
Sabre Airways, Ltd.
- Tompkins, George, founder/pres.
Overseas National Airways
- Tompkins, Mimi, pilot
Aloha Airlines
- Tone, F. Jerome, jt-founder
Air Commuter Airlines (1)
- Tong, Goh Chok, prime minister of Singapore
Air New Zealand, Ltd.
Ansett Australia (Pty.), Ltd.
Singapore Airlines, Ltd.
- Toohey, Pepper, flight attendant
Delta Air Lines
- Tooley, James F., chairman
Nordair, Ltd.
- Toom, Per, MD
Salair, A.B.
- Toomey, Gary, deputy CEO/CEO
Qantas Airways, Ltd.
Air New Zealand, Ltd.
- Top Wealth Enterprises (Pty.), Ltd.
Philippine Air Lines
- Topayev, Kasymzhomart, Kazakhstan prime minister
Air Kazakhstan
- Topping, Allan H., South Vietnam/Cambodia opns. dir.
Pan American World Airways (1)
- Torii, Seiji, vp
Japan Helicopter and Aeroplane Transport Company, Ltd.
- Tormo, Brenda, pres.
Papillon Grand Canyon Helicopters
- Toro, Capt. Gabriel, opns. dir.
LAP: Lineas Aereas Petroleras, S.A.
- Toronto Blue Jays MLB team
All Star Airlines
Skyservice, Ltd.
- Toronto Maple Leafs NHL team
Skyservice, Ltd.
- Toronto Raptors NBA team
Air Canada, Ltd.
Skyservice, Ltd.
- Torosian, Peter E., founder/pres.
Bird Air Fleet
- Torrent Group
Gujarat Airways, Ltd.
- Torres, Capt. Alberto Martins, founder/pres.
TABA: Transportes Aereos Bandeirantes, S.A.
- Torres, Manuel Morales, hijacker
Eastern Air Lines
- Torrez, Ruben, founder/pres.
Flamenco Airways
- Toshimitsu, Matsuo, pres./counselor
Japan Air Lines Company, Ltd. (2)
- Tostitos Fiesta Bowl *see* Fiesta Bowl
- Touche Ross
Regionair, Ltd.
- Toupalik, Vlastimil, hijacker
CSA Czechoslovak Airlines
- Tour Africa Safaris
East African Safari Air, Ltd.
- Tourisme France International
Air France

- Air Inter: Lignes Aeriennes Interieures, S.A.
 Touristik Union International (TUI)
 Germania Fluggesellschaft, GmbH.
 Hapag-Lloyd Fluggesellschaft, mbH.
 Hamburg International Airlines, GmbH.
 LTU International Airways, KG
 Tourlite International travel company, owners
 Arista International Airlines
 Touropa
 Austrian Airlines: Osterreichische Luftverkehrs, A.G.
 Tourral, Harve, VPO
 Virgin Express France, S.A.
 Tovar, Enrique M. Loaeza, chairman
 Mexicana Airlines, S.A. de C.V.
 Tower, John G., ex-U.S. senator/passenger
 Atlantic Southeast Airlines (ASA)
 Towers Financial Corporation
 Emery Air Freight
 TPG Partners L.P.
 America West Airlines
 Continental Airlines
 TPL Group *see* Plimsoll Line, The
 Trace, Garth, dir.
 Rhodesian and Nyasaland Airways, Ltd. (RANA)
 Tracey, George, passenger
 Wien Air Alaska
 Trafalgar House, Ltd.
 Heavylift Cargo Airlines, Ltd.
 Transmeridian Air Cargo, Ltd.
 Traffic Europa, A.B.
 MK Airlines, Ltd.
 Traffic Voyages, Ltd.
 Air Transat, Ltd.
 Trans Espana travel agency
 Laker Airways, Ltd.
 Trans German Air Rally, 1926
 Deutsche Luft Hansa, A.G.
 Trans Global Tours/Vacations
 Aer Lingus Irish Airlines, Ltd.
 Omni Air Express
 Ryan International Airlines
 Sun Country Air Lines
 Trans Siberian Railroad
 Aeroflot Soviet Airlines
 Dobrolet
 Trans World Leasing
 British Air Ferries, Ltd.
 Transmeridian Air Cargo, Ltd.
 Transvalair, Ltd.
 Tyne Tees Airways, Ltd.
 Transamerica Corporation
 Trans International Airlines (1)
 Trans International Airlines (2)
 Transamerica Airlines
 Transat Group
 Air Transat, Ltd.
 Star Europe: Societe de Transports Aerien Regional, S.A.
 Transatlantic Air Service Safety Organization (TASSO)
 Imperial Airways, Ltd.
 Pan American Airways (PAA)
 Transleisure Corporation
 Island Helicopter Corporation
 New York Helicopter Corporation
 TransNamib Holdings (Pty.), Ltd.
 Air Namibia (Pty.), Ltd.
 Kalahari Express Airlines (Pty.), Ltd.
 Namib Air (Pty.), Ltd.
 Transport and General Workers Union
 British European Airways Corporation
 British Overseas Airways Corporation
 British Airways, Ltd. (2)
 Transport Workers Union, Air Transport Division, first contract
 Pan American Airways (PAA)
 Transsiberian Expedition, 1993
 Aeroflot Russian International Airlines (ARIA)
 Trapnell, Garrett Brock, hijacker
 Trans World Airlines (TWA)
 Travel Air 5000 launch customer
 National Air Transport (NAT)
 Travel Air 6000 launch customer
 National Air Transport (NAT)
 Travel Channel cable tv network
 Trans World Airlines (TWA)
 Travel Enterprises
 Trans International Airlines (1)
 Travel 'n' Save
 Holidair, Ltd.
 Travellers International, Ltd.
 British Airways, Ltd. (2)
 Travelplan, S.A.
 Air Europa, S.A.
 Travers, Patrick A., GM
 Air Rhodesia, Ltd. (2)
 East African Airways Corporation
 Travis, Capt. Clifford, pilot
 Pan American-Grace Airways (PANAGRA)
 Travolta, John, actor/passenger
 Baxter Air: Baxter Aviation, Ltd.
 Traynor, Desmond, dir.
 Aer Lingus Irish Airlines, Ltd.
 Irish Helicopters, Ltd.
 Treasure Petroleum Company-Bolivia
 Servicio Aereo Vargas Espana, S.A. (SAVE)
 Treasure Tours
 Air Transat, Ltd.
 Treat, Verne E., pilot
 Eastern Air Transport (2)
 Treen, Christopher, MD
 Humber Airways, Ltd.
 Trehan, Capt. Vijay, chairman/MD
 Vayudoot, Ltd.
 Trek Airways Holdings
 Flightstar Airlines (Pty.), Ltd.
 Tremblay, Lisa, employee
 Athabaska Airways, Ltd.
 Transwest Air, Ltd.
 Tremblay, Marc-Auerele, jt. founder
 Saint Felicien Air Services, Ltd.
 Trenary, Philip H., pres./chairman/CEO
 Exec Express I
 Exec Express II
 Lone Star Airlines
 Tres Estrellas del Oro
 Estrellas del Aire, S.A. de C.V.
 Tretyak, Nikolay P., GM
 Kazan Avia
 Trevino, Carlos, pres.
 Airlitoral: Servicios Aereos Litoral, S.A. de C.V.
 Trezhbov, Victor G., DG
 Magadan Air Concern: Magadan Aviakoncern MAK
 Tri-9 Corporation (Singapore)
 Air Maldives, Ltd.
 Trigo, Dionisio, founder/pres.
 Caribbean-Atlantic Airlines (Caribair)
 Trimarchi, Carmelo, founder/pres.
 Rent-a-Charter, S.A.
 Trinidad, Anselmo, investor
 Philippine Air Lines

- Triplett, Kenneth, founder/pres.
 Alyeska Air Service
 Trippe, Glenn Kurt, hijacker
 Northwest Airlines
 Trippe, Betty S., wife of Pan Am founder
 Pan American Airways (PAA)
 Trippe, Juan Terry, founder/pres./CEO/chairman
 Eastern Air Transport (1)
 Colonial Air Transport
 Pan American Airways (PAA)
 Pan American World Airways (1)
 Trippe, Kristina
 Pan American World Airways (2)
 Trist, Les, pilot
 Guinea Airways (Pty.), Ltd.
 Tristar Travel
 Kestrel International Airways, Ltd.
 Trivi, Franco, GM/MD
 Alisarda, SpA.
 Meridiana, SpA.
 Miniliner, SpA.
 Trois, Nery A., MD
 PLUNA: Primera Uruguayas de Navegacion Aerea, S.A.
 Tron, Enrique, founder/pres.
 Aerotron, S.A.
 Trotter, Alan, MD
 Flightline, Ltd.
 Troup, Dennis, MD
 Helicopters Australia (Pty.), Ltd.
 Truba Group (PT Tri Usaha Bhakti)
 PT Sempati Air
 Trubaev, P. V., DG
 Bugulma Air Enterprise
 Trubshaw, Capt. Brian, Concorde pilot
 British Airways, Ltd. (2)
 Trucco, Manuel, Chilean ambassador/passenger
 Pan American-Grace Airways (PANAGRA)
 Trudeau, Pierre E., prime minister of Canada
 Air Canada, Ltd.
 Truegrip, Peter, Truegrip Aviation (Pty.), Ltd. chairman
 Hazelton Airlines (Pty.), Ltd.
 Trujillo, Cesar Gaviria, pres.
 AVIANCA Colombian Airlines, S.A.
 Trujillo, Rafael, pres.
 APA Internacional Airlines, S.A.
 Truman, Harry S., U.S. president
 Pan American Airways (PAA)
 Pan American-Grace Airways (PANAGRA)
 Philippine Air Lines
 United Air Lines (2)
 Trumbull, John, Connecticut governor
 Colonial Air Lines (1)
 Trump, Donald, chairman
 Trump Air
 Trump Air Shuttle
 Trust Territory of the Pacific/Micronesia
 Air Micronesia
 Air Mike Express
 Trygg, Erik, founder/pres.
 Trygg-Flyg, A.B.
 Tsai, Patrick, MD/deputy chairman
 Cathay Pacific Airways (Pty.), Ltd.
 Tsakiridis, Theodoros, chairman/MD
 Olympic Airways, S.A.
 Tsay Jaw-yuang, Taiwan transport minister
 China Airlines, Ltd. (CAL)
 Tschuchnigg, Capt. H. O., GM
 Talair: Tourist Airlines of Niugini, Ltd.
 Tschundi, Christian P., founder/MD
 Alpine Luft-Transport, A.G.
 Tse-Ming, Chow, bomber
 Air India, Ltd.
 Tsenkides, Kostas, hijacker
 Olympic Airways, S.A.
 Tshering, Dasho Sonam, MD
 Druk Air: Royal Bhutan Airlines
 Tshombe, Moise, Katangan pres.
 Sabena Belgian World Airlines, S.A.
 Tsibin, Yuri V., DG
 Myachkovo Avia Enterprise
 Tsog, B., chairman
 MIAT-Air Mongol
 Tsomaya, A., DG
 AJT Air International
 Tsu Way Ming, Capt., pilot
 Silkair (Pty.), Ltd.
 Tsui Yuan Tseng, passenger
 El Al Israel Airlines, Ltd.
 Tsukagasaki, Kenji, pilot
 Asahi Teiki Koku Kai (ATKK): Asahi Periodical Air Navigation Society
 Tsukuba Expo '85
 Asahi Air Lines Company, Ltd: Asahi Koku Corporation
 Tsung, Christine Tsai-yi, consultant/pres.
 China Airlines, Ltd. (CAL)
 Tsykov, Capt. Alexander A., pilot
 East Line Airlines
 Tubentci, Ursai, jt.-owner
 Onur Air Tasimacllik, A.S.
 Tucci, J. A., consultant
 Ethiopian Airlines, S.C.
 Tucker, Brian and Michael, owners
 Promair Australia (Pty.), Ltd.
 Tucker, James, pilot
 Federal Express
 Tucker, Preston, auto designer
 The Flying Tiger Line
 Tucker, Robert, vp/COO
 Presidential Airways
 Tudhope, Capt. J. N., pilot
 Trans Canada Air Lines, Ltd.
 Tudjman, Franjo, pres. of Croatia
 Croatia Airlines
 TUI Deutschland tour company
 Air Via Bulgarian Airways
 Tuller, C. A., Jr., hijacker
 Eastern Air Lines
 Tumcuest, Lester, chairman
 Bahamasair, Ltd.
 Tumubweine, Manzi, Ugandan state privatization minister
 South African Airways (Pty.), Ltd.
 Uganda Airlines, Ltd.
 Tunisian Travel Service
 Novelair Tunisie, S.A.
 Tung Ching Hu, pres.
 Far Eastern Air Transport Corporation
 Tupulov, Andrei, aircraft designer
 Aeroflot Soviet Airlines
 Tupolev ANT-9 launch customer
 Dobrolet
 Tupolev ANT-35 launch customer
 Aeroflot Soviet Airlines
 Tupolev Tu-104 launch customer
 Aeroflot Soviet Airlines
 Tupolev Tu-114 launch customer
 Aeroflot Soviet Airlines
 Tupolev Tu-124 launch customer
 Aeroflot Soviet Airlines
 Tupolev Tu-134 launch customer

- Aeroflot Soviet Airlines
 Tupolev Tu-144 launch customer
 Aeroflot Soviet Airlines
 Tupolev Tu-154 launch customer
 Aeroflot Soviet Airlines
 Tupolev Tu-204 launch customer
 Perm State Air Enterprise
 Tupolev Tu-234 launch customer
 Kavminvodyavia
 Tur, A.G., DG
 RDS Avia
 Tur Bus Transportation Co.
 Avant Airlines, S.A.
 Turbo Power Incorporated
 TPI International Airways
 Turbulence *see* Incidents (t)
 Turcat, Capt. Andre, Concorde pilot
 Air France
 British Overseas Airways Corporation (BOAC)
 Turfey, Alain, steward
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Turinawe, Dickinson, GM
 Uganda Airlines, Ltd.
 Turkey, 1999 earthquakes
 Erickson Air Crane
 THY Turkish Airlines: Turk Hava Yollari, A.O.
 Turkhan, Omar F., pres.
 Tur Avropa: Tur European Airways, A.O.
 Turnbull, David, MD/deputy chairman
 Cathay Pacific Airways (Pty.), Ltd.
 Turner, Capt. H. Lanier, pilot
 Pan American Airways (PAA)
 Turner, Cyril, pilot
 British Aerial Transport, Ltd.
 Turner, Eli Karen, passenger
 Taxi Aereo Centroamericano, S.A.
 Turner, James, passenger
 Air France
 Turner, Lana, actress
 Trans World Airlines (TWA)
 Turner, Richard "Dicky," chairman/CEO
 PT National Air Charter
 Turner, Roscoe, pilot/founder/pres.
 Lake Central Airlines
 Nevada Air Lines
 Turner Airlines
 United Air Lines (1)
 United Air Lines (2)
 Turner, Adm. Stansfield, former CIA director/passenger
 Taxi Aereo Centroamericano, S.A.
 Turner, Vic, founder/pres.
 Vic Turner, Ltd.
 Turner, Wayne, founder/pres.
 Realwest Airlines
 Tursem Turistik Hizmetier Mumessillik ve Ticaret, A.S.
 Sunways Intersun Havacilik, A.O.
 Turtiainen, Paavo, MD
 Finnaviation O/Y
 Turzer, Johannes, MD
 RAS Fluggesellschaft, mbH.
 Tutter, Mikoslav, DG
 Topair, Ltd.
 Tweddle, Frank, pres.
 Aero Peru, S.A.
 Tweed, W. T., pres.
 Simpson Air, Ltd.
 Tweedie, Alex, passenger
 Virgin Atlantic Airways, Ltd.
 Twill, Lawrence, pres.
 New York Air (1)
 Two boys from Dublin, stowaways
 Air India, Ltd.
 Twomey, Capt. Richard, founder/MD
 Berlin European U.K., Ltd.
 Tyler, Martin, C. D., MD
 Fiji Air, Ltd.
 Tyler, Tony, deputy MD
 Cathay Pacific Airways (Pty.), Ltd.
 Tynan, Joseph J., Jr., founder
 Air Ferries
 Tyndall, Monica E., flight attendant
 British Overseas Airways Corporaiton (BOAC)
 Typhoons, unnamed (or name unknown), by year:
 1925—Japan
 Nippon Koku Yuso Kenkyujo (NKYK)
 1974—Australia
 Trans Australian Airlines (Pty.), Ltd.
 1985—Fiji
 Sunflower Airlines, Ltd.
 Typhoons, named, by year:
 Typhoon Dading, 1964
 Philippine Air Lines
 Typhoon Yoling, 1970
 Philippine Air Lines
 Typhoon Gloring, 1972
 Philippine Air Lines
 Typhoon Greg, 1997
 Malaysia Airlines, Ltd. (MAS)
 Typhoon Paka, 1997
 Continental Micronesia
 Typhoon Sam, 1999
 Cathay Pacific Airways (Pty.), Ltd.
 China Airlines, Ltd. (CAL)
 see also Hurricanes
 Tzakarakis, Manolis, MD
 Air Greece: Aerodromisis, S.A.
- U**
 U-2, rock group
 Volga-Dnepr Airlines
 U K Win, MD
 Yangon Airlines
 U Khin Maung Myint, chairman
 Yangon Airlines
 U-Land Enterprise Group
 U-Land Airlines, Ltd.
 U.S. West Financial Services
 Crescent Airways
 Uauy, Fernando, pres.
 National Airlines, S.A.
 Uauy Holdings
 National Airlines, S.A.
 UB Group
 SunExpress Airlines Maldives, Ltd.
 Uberroth, John A., pres.
 Hawaiian Airlines (HAL)
 UBS Warburg Australia
 Qantas Airways (Pty.), Ltd.
 Uchtdorf, Capt. Dieter, chief pilot
 Deutsche Lufthansa, A.G.
 Ueberroth, Peter V., investor
 Eastern Air Lines
 Hawaiian Airlines (HAL)
 Uganda, Parliament
 Air Uganda, Ltd.
 Uhl, Ernst, MD
 Bavaria-Germanair Fluggesellschaft, mbH.

- UK Airline Management Support
 - African International Airways, Ltd.
- Ukraine Liberation Front
 - Aeroflot Soviet Airlines
- Ulane, Kenneth/Karen F., pilot/plantiff
 - Eastern Air Lines
- Uliss Insurance Company
 - Asian Star
- Ulm, Charles, co-founder
 - ANA: Australian National Airways (Pty.), Ltd.
- Ultra Gain Worldwide
 - Angel Airline Company, Ltd.
- UM Holdings, Ltd.
 - Eastwind Airlines: The Bee Line
- Umar, AVM Farooq, MD
 - Pakistan International Airlines Corporation
- Underwood, Capt. Mark, GM
 - Autair Helicopters (EA), Ltd.
- Underwood, Richard, MD
 - Interline, Ltd.
- Underwood, Tony, rugby player/pilot
 - easyJet Airlines, Ltd.
- Undurraga, Carlos Antonio Panagra, baby born aloft
 - Pan American-Grace Airways (PANAGRA)
- Undurraga, Mr. and Mrs. Rafael, passengers
 - Pan American-Grace Airways (PANAGRA)
- Ung, Kim Yo, DG
 - Air Koryo
- Unidentified Flying Object (UFO) sighting
 - 1986—Nov. 17, Japan Air Lines Company, Ltd. (2)
- Unijet Group
 - Leisure International Airways, Ltd.
 - Air 2000, Ltd.
- Union-Castle Mail Steamship Line
 - Union Airways (Pty.), Ltd.
- Union Bank
 - Florida West Airlines
- Union Commerce Bank
 - Wright Airlines
- Union of Soviet Socialist Republics, Amtorg trading organization
 - Aeroflot Soviet Airlines
- Union of Soviet Socialist Republics, Aviaexport
 - Air Zimbabwe Corporation
- Union of Soviet Socialist Republics, Chief Directorate of the Civil Air Fleet
 - Dobroflot
 - Aeroflot Soviet Airlines
- Union of Soviet Socialist Republics, Council for Labor and Defense
 - Dobroflot
- Union of Soviet Socialist Republics, KGB-Komitet Gosudarstvennoy Bezopasnosti
 - Aeroflot Soviet Airlines
- Union Planters Bank of Columbia (MO)
 - Ozark Air Lines (2)
- Union Steam Ship Company of New Zealand
 - ANA: Australian National Airlines (Pty.), Ltd.
 - Holyman's Airways, Ltd.
- UNITA nationalist forces
 - TAAG Angolan Airlines, S.A.
- Unitair Holdings, Ltd.
 - United Air Services (Pty.), Ltd.
- United Aircraft and Transport Corporation
 - Boeing Airplane and Transport Corporation
 - National Air Transport
 - Pan American Airways (PAA)
 - Stout Air Services
 - Varney Air Lines
- United Arab Emirates, 1996 evacuation of undocumented workers
 - Air India, Ltd.
 - Indian Airlines, Ltd.
- United Auto Workers
 - ProAir
- United Fruit Company *see* Tela Railroad
- United Helicopter, Ltd.
 - Bristow Helicopters, Ltd.
 - CHC: Canadian Helicopter Corporation, Ltd.
- United Helicopter Maintenance
 - Air Logistics
 - Bristow Helicopters, Ltd.
- United Kingdom, Advertising Standards Authority
 - British Airways, Ltd. (2)
 - easyJet, Ltd.
 - Ryanair, Ltd.
 - Virgin Atlantic Airways, Ltd.
- United Kingdom, Air Transport Priorities Board
 - British Overseas Airways Corporation (BOAC)
- United Kingdom, British Expeditionary Force
 - British Airways, Ltd. (1)
 - Imperial Airways, Ltd.
- United Kingdom, Commissioners for the Reduction of the U.K. National Debt
 - Imperial Airways, Ltd.
- United Kingdom, Dept. of Trade and Industry
 - Connectair, Ltd.
- United Kingdom, Disabled Rights Commission
 - Scotairways, Ltd.
- United Kingdom, Export Credit Guarantee Dept.
 - Air Wisconsin Airlines Corporation
- United Kingdom, MI6
 - British Airways, Ltd. (1)
- United Kingdom, Monopolies and Mergers Commission
 - Airtours International Airways, Ltd.
 - Air 2000, Ltd.
- United Kingdom, National Air Communications
 - British Airways, Ltd. (1)
 - Imperial Airways, Ltd.
- United Kingdom, Parliament, Cadman Committee
 - Imperial Airways, Ltd.
- United Kingdom, Parliament, Civil Air Subsidies Committee
 - The Daimler Airway, Ltd.
 - Handley Page Transport, Ltd.
 - Imperial Airways, Ltd.
 - Instone Air Line, Ltd.
- United Kingdom, Parliament, Environment, Transport & Regional Affairs Committee
 - British Regional Airlines, Ltd.
- United Kingdom, Post Office
 - Imperial Airways, Ltd.
- United Kingdom, Women's Auxiliary Air Force
 - British Overseas Airways Corporation (BOAC)
- United Kingdom, Trades Union Strike of 1926
 - Imperial Airways, Ltd.
- United Micronesia Development Association
 - Air Micronesia
- United Nations (companies providing support to or sanctioned by)
 - Aeroflot Russian International Airlines (ARIA)
 - Aeroflot Soviet Airlines
 - Affretair (Pty.), Ltd. (1)
 - Air Atlanta Icelandic, H.F.
 - Air East Africa, Ltd.
 - Air Foyle, Ltd.
 - Air Gabon Cargo: Compagnie Gabonaise d'Affretements Aeriens, S.A.
 - Air Gulf Falcon
 - Air Yugoslavia
 - Air Kavango (Pty.), Ltd.
 - Air Kenya Aviation, Ltd.
 - Air Montenegro
 - Air Sofia

- Ariana Afghan Airlines Company, Ltd.
 Avioimpex: Macedonian Airways
 Balair Air Charter, A.G.
 Bangkok Airways, Ltd.
 Bellview Airlines, Ltd.
 Bristow Helicopters, Ltd.
 British International Helicopters, Ltd. (BIH)
 Chartair, Ltd.
 CHC Helicopters Australia (Pty.), Ltd.
 Civil Air Transport, Ltd.
 Clintondale Aviation
 Court Helicopters (Pty.), Ltd.
 Crescent Airways
 Croatia Airlines
 Daallo Airlines
 Dollar Helicopters, Ltd.
 Eagle Aviation, Ltd. (2)
 East Line Airlines
 EgyptAir, S.A.E.
 Enimex, A.S.
 ERA Aviation
 Ethiopian Airlines, S.C.
 Evergreen International Airlines
 Executive Aerospace Operations (Pty.), Ltd.
 Flamingo Air Service
 Gulf Falcon
 Haiti Air Freight, S.A.
 Haiti Trans Air, S.A.
 Heavylift argo Airlines, Ltd.
 Helikopter Service, A.S.
 International Airways, Ltd.
 Iraqi Airways
 Jamahiriya Libyan Arab Airlines
 JAT Yugoslav Airlines
 Kampuchea Airlines (1)
 Kenya Airways, Ltd.
 Lloyd Helicopters (Pty.), Ltd.
 Macedonian Airlines
 Med Avia: Mediterranean Aviation Company, Ltd.
 Merchant Express Aviation Services, Ltd.
 PT Merpati Nusantara Airlines
 MIAT-Air Mongol
 MNG Airlines Cargo, A.O.
 Montenegro Airlines
 Morton Air Services, Ltd.
 Northwest Airlines
 Pan American Airways (PAA)
 Pelair Aviation (Pty.), Ltd.
 Pulkovo Airlines: Aviation Enterprise Pulkovo
 Renan Airways, S.A.
 Resorts International Airlines
 Rhoades Aviation
 Royal Nepal Airlines Corporation
 Sabena Belgian World Airlines, S.A.
 Safair (Pty.), Ltd.
 Si-Fly: Compagnia Aerea, SpA.
 Sky Project Helicopters, S.A.
 Skytrump Aviation Services, Ltd.
 South African Airways (Pty.), Ltd.
 Swissair, A.G.
 TAAG Angolan Airlines, S.A.
 THY Turkish Airlines, A.O.
 Tower Air
 Transair Sweden, A.B.
 Transavia Export Cargo Airline
 Tyumenaviatrans (TAT)
 Vitair
 World Airways
see also East Timor, political disturbances; Korean War Airlift, 1950–1953; Somalia Intervention;
- United Negro College Fund
 United Airlines
 United Resources
 Air Illinois
 Atlantic Gulf Airlines
 United Service Organization (USO)
 World Airways
 United States, Agency for International Development (AID)
 Air Guinee: Compagnie Nationale Air Guinee, S.A.
 Alaska Airlines
 Ariana Afghan Airlines Company, Ltd.
 Columbia Helicopters
 Continental Air Services
 North Central Airlines
 United States, Air Force, Far East Air Material Command
 Civil Air Transport, Ltd.
 United States, Bureau of Land Management
 Kenmore Air Harbor
 United States, Central Intelligence Agency (CIA)
 Ariana Afghan Airlines Company, Ltd.
 Civil Air Transport, Ltd.
 Continental Air Services
 Olympic Airways, S.A.
 Pan American World Airways (1)
 St. Lucia Airways, Ltd.
 Scheduled Air Services, Ryukyus (SASR)
 Southern Air Transport
 United States, Congress
 Aloha Airlines
 American Airlines
 American Airways
 Arrow Air
 Boeing Air Transport
 British Airways, Ltd. (2)
 Chicago Helicopter Airways
 Continental Airlines
 Delta Air Lines
 Eastern Air Lines
 Los Angeles Airways
 National Airlines (1)
 National Park Airways
 New York Airways (2)
 New York, Philadelphia and Washington Airways (The Ludington Line)
 Northwest Airways
 Pan American Airways (PAA)
 Pan American-Grace Airways (PANAGRA)
 Pan American World Airways (1)
 San Francisco-Oakland Helicopter Airlines (SFO-1)
 Southern Air Transport
 Southwest Airlines (2)
 United Airlines
 USAir
 Valujet Airlines
 Virgin Atlantic Airways, Ltd.
 United States, Customs Service
 American Airlines
 Arrow Air
 El Al Israel Airlines, Ltd.
 United States, Department of Justice
 American Airlines
 Frontier Airlines (2)
 Northwest Airlines
 Vanguard Airlines
 United Airlines
 United States, Drug Enforcement Administration
 American Airlines
 AVIANCA Colombian Airlines, S.A.
 Eastern Air Lines

- Fine Air
- United States, Emergency Management Administration
 - Columbia Helicopters
 - Erickson Air Crane Company
- United States, Environmental Protection Agency (EPA)
 - Deutsche Lufthansa, A.G.
- United States, Equal Employment Opportunity Commission
 - Pan American World Airways (1)
 - United Airlines
- United States, Export-Import Bank (Exim)
 - Aeroflot Russian International Airlines (ARIA)
 - Aerolineas Argentinas, S.A.
 - Air Afrique (2): Societe Aeriennne Africaine Multinationale, S.A.
 - Air China International Corporation
 - Air Gabon: Compagnie Nationale Air Gabon, S.A.
 - Air Zimbabwe Corporation
 - Ariana Afghan Airlines Company, Ltd.
 - Azerbaijan Airlines
 - CSA Czechoslovak Airlines
 - PT Garuda Indonesia
 - Gulf Air Company, G.S.C.
 - Kenya Airways, Ltd.
 - Korean Airlines/Korean Air (KAL)
 - LOT Polish Airlines, S.A.
 - Philippine Air Lines (PAL)
 - Thai Airways International, Ltd. (THAI)
 - VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 - WestJet, Ltd.
 - WIA: Windward Islands Airways International, N.V. ("Winair")
- United States, Federal Bureau of Investigation *see* Crashes; Incidents (c); Skyjackings
- United States, Federal Center for Prevention Services
 - Continental Airlines
- United States, Federal Deposit Insurance Corporation (FDIC)
 - MarkAir
- United States, Federal Emergency Management Administration
 - Air Foyle, Ltd.
- United States, Forest Service
 - Alaska Island Airlines
 - Columbia Helicopters
 - ERA Aviation
 - Erickson Air Crane
 - Island Sky Ferries
 - Johnson Flying Service
 - Mamer Air Transport
 - Scenic Airways
 - Sierra Pacific Airlines
- United States, General Services Administration
 - DHL Airways
 - Federal Express (FedEx)
- United States, Geological Survey
 - ERA Aviation
- United States, Immigration & Naturalization Service
 - Aerocarga, S.A. de C.V.
 - The Flying Tiger Line
 - LanChile Airlines, S.A.
 - Northwest Airlines
 - TACSA: Transportes Aereos de Carga, S.A. de C.V.
 - Tigres Voladores, S.A. de C.V.
 - Virgin Atlantic Airways, Ltd.
 - World Airways
- United States, Interior Department
 - Pan American Airways (PAA)
 - Transocean Air Lines (TAL)
- United States, International Cooperation Administration
 - Ariana Afghan Airlines Company, Ltd.
 - Pakistan International Airlines Corporation
 - Pan American World Airways (1)
 - Thai Airways Company, Ltd.
- United States, National Mediation Board
 - see* Strikes
- United States, National Security Agency
 - Southern Air Transport
- United States, National Transportation Safety Board
 - see* Crashes; Incidents
- United States, Naval Air Transport Service
 - Pan American Airways (PAA)
- United States, Nuclear Regulatory Commission
 - Federal Express (FedEx)
- United States, Post Office, airline executives meeting, 1930 ("Spoils Conference")
 - American Airways
 - Boeing Air Transport
 - Eastern Air Transport (2)
 - Kohler Aviation Corporation
 - Pacific Air Transport
 - Transcontinental Air Transport (TAT)
 - United Air Lines (1)
 - Western Air Express
- United States, Post Office/Postal Service
 - DHL Airways
 - Emery Worldwide
 - Federal Express (FedEx)
 - Kitty Hawk Air Cargo
 - LAB Flying Service
 - Lynden Air Cargo
 - Mid Pacific Airlines
 - Northern Air Cargo
 - Pan American Airways (PAA)
 - Pan American World Airways (1)
 - Reeve Aleutian Airways
 - Ryan International Airlines
 - SMB Stage Lines
 - Trans World Airlines (TWA)
 - United Air Lines (2)
 - United Airlines
 - United Parcel Service (UPS)
 - Wilbur's Flight Operations
- United States, Securities & Exchange Commission
 - Florida West Airlines
 - Frontier Airlines (2)
 - Metro Airlines
 - Trans World Airlines (TWA)
 - USAir
 - Valujet Airlines
 - Vanguard Airlines
- United States, State Department
 - Civil Air Transport, Ltd.
 - see also* names of secretaries, e.g., Albright, Madeleine
- United States, Supreme Court
 - Korean Air Lines: Korean Air (KAL)
 - Legend Airlines
 - North American Airlines (1)
 - Northwest Airlines
 - Southwest Airlines (2)
 - Trans World Airlines (TWA)
 - United Airlines
- United States, Transportation Department *see* names of secretaries, e.g., Skinner, Samuel K.
- United States figure skating team
 - Sabena Belgian World Airlines, S.A.
- United Touring Company
 - Ethiopian Airlines, S.C.
- Unitours
 - Trans International Airlines (1)
- Universal Air Transport Sales, Ltd.
 - Invicta International Airways, Ltd.
- Universal Air Travel Credit Plan

American Airlines
 Transamerican Airlines Corporation
 Universal Consolidated Industries
 Universal Airline Company
 Universal Sky Tours, Ltd.
 Britannia Airways, Ltd.
 Euravia, Ltd.
 Falcon Airways, Ltd.
 Universidad de Aerovias
 Aeromexico (2): Aerovias de Mexico, S.A. de C.V.
 University of Alaska
 MarkAir
 University of Arkansas
 Scheduled Skyways
 University of Bremen
 Deutsche Lufthansa, A.G.
 University of Miami
 Pan American World Airways (2)
 Valujet Airlines
 University of Michigan
 United Air Lines (2)
 University of Minnesota
 Northwest Airlines
 University of Missouri
 Ozark Air Lines (2)
 University of Nebraska
 GP Express Airlines
 Miami Air International
 University of New Mexico
 Miami Air International
 Transcontinental Air Transport (TAT)
 University of North Dakota
 China Airlines, Ltd. (CAL)
 Great Lakes Aviation
 Northwest Airlines
 University of Pittsburgh
 Transcontinental and Western Air Lines (TWA)
 University of St. Thomas
 Sun County Airlines
 University of Southern California
 America West Airlines
 New York Air (1)
 University of Tennessee
 Delta Air Lines
 Express Airlines I
 Miami Air International
 Northwest Airlines
 University of Washington
 Transcontinental and Western Air Lines (TWA)
 Unshlikht, I.S., DG
 Aeroflot Soviet Airlines
 Unterecker, John M., vp/CFO
 Petroleum Helicopters
 Uozumi, Hiroki, pres.
 Amakusa Airlines Company, Ltd.
 Upali Trading, Ltd.
 Upali Aviation, Ltd.
 Updike, Capt. Stuart, Jr., pilot
 Aeromech Airlines
 Atlantic Southeast Airlines (ASA)
 Upham, Daniel, GM
 Gemini Air Cargo
 Uplift International
 Federal Express (FedEx)
 Uppercue, Inglis M., founder/chairman
 Aeromarine Airways
 Urbani, Gen. Aldo, pres.
 Linee Aeree Italiane, SpA. (LAI)
 Ureta, Cristian, DG

MAS Air: Aerotransportes MAS de Carga, S.A. de C.V.
 Urschel, Charles F., kidnap victim
 American Airways (2)
 Useni, Lt. Gen. Jeremiah, Nigerian minister of transport and aviation
 Nigeria Airways, Ltd.
 Ustasji Croatian extremist group
 JAT Yugoslav Airlines
 Utah
 Alpine Air
 Barken International Airlines
 D & D Aviation
 Dixie Aviation Corporation
 Janss Airways (1)
 Key Airlines (1)
 Key Airlines (2)
 Majestic Airlines (2)
 Morris Air Service
 National Parks Airways
 Pacific Western Airways
 Redtail Aviation
 Seagull Air Lines
 Skywest Airlines
 Thunderbird Airlines
 Transwestern Airlines
 Utah Jazz NBA team
 Champion Airlines
 Utku, Umit, CEO
 Kibris Turk Hava Yollari, A.O.
 Utne, Asbjorn, MD
 Coast Air, A.S.
 Utrecht University, School of Veterinary Medicine
 KLM: Royal Dutch Airlines, N.V.
 Utter, Capt. Werner, chief pilot/CEO-operations/dir.
 Deutsche Lufthansa, A.G.
 Uwilingiyimana, Juvenal, chairman
 Air Rwanda: Societe Nationale des Transports Aeriens du Rwanda, S.A.
 Rwandair Cargo: Societe Nationale des Transports Aeriens du
 Rwanda, S.A.

V

Vacant, Rui, jt.-founder
 Loide Aereo Nacional, S.A.
 TCA: Transportes Carga Aerea, S.A.
 Vacations Express
 Air Aruba, N.V.
 United Parcel Service (UPS)
 Vacations Hawaii
 Hawaiian Airlines (HAL)
 Vacations West
 Overseas National Airways
 Vaccari, Carlo, jt. founder
 Air National, Ltd.
 Vach, James A., vp-opns.
 Provincetown-Boston Airline (PBA)
 Vachet, Paul, DG/chief pilot
 Aeroposta Argentina, S.A.
 Aeropostale (1): Compagnie Generale Aeropostale, S.A.
 Vachon, Romeo, pilot
 Canadian Transcontinental Airways, Ltd.
 Vahidjou, Gholamreza, hijacker
 Iran Air: The Airline of the Islamic Republic of Iran
 Vajpayee, Atal Behari, Indian prime minister
 Air India, Ltd.
 Indian Airlines Corporation
 Vakmromov, V. V., DG
 Urals Civil Aviation Department: Uralskoe UGA
 Valansi, Patrick M. M., jt. founder
 Aero Taxi Jacarepagua, Ltda.
 Valassis, George, shareholder

- Business Express (BEX)
 Valderrama, Antonio, GM
 Chitreana: Compania de Aviacion, S.A.
 Valdez, Rodolfo F., pres.
 Mexicana Airlines, S.A. de C.V.
 Valdez, Seroio, CEO
 Alcon Servicios Aereos, S.A. de C.V.
 Valee, Joseph, owner/pres.
 Skytain Airlines
 Valentei, I. A., executive
 Junkers Luftverkehr, A.G.
 Valenti, Jack, dir.
 Trans World Airlines (TWA)
 Valenzuel, Jaime, MD
 Aeromonterrey, S.A. (1)
 Valero, Louis, chairman/pres.
 Polar Air Cargo
 Valero, Nicholas, DG/pres.
 Pan Air Lineas Aereas, S.A.
 Valimaki, Pekka, MD
 Finnaviation O/Y
 Karair O/Y
 Valin, Yalken, pres.
 Jana-Arka Air
 Valki, Inc., investor
 Pacific Southwest Airlines (PSA)
 Vallarino, J. J., 3rd, chairman
 PAI: Panama Air International, S.A.
 Vallee, Joseph, founder/pres.
 Air Great Lakes
 Valls, Oscar, founder
 Kaiken Linea Aerea, S.A.
 Value Pricing Plan
 American Airlines
 Value Vacations
 Arrow Air
 Van Aalst, Cornelis, dir./financier
 KLM: Royal Dutch Airlines, N.V.
 Koninkitjke Nederlandsch-Indische Luchtvaart Maatschappij, N.V.
 (KNILM)
 Van Ameyden, L. J., MD
 KLM: Royal Dutch Airlines, N.V.
 Van Arsdale, John, Sr., founder/pres.
 Provincetown-Boston Airline (PBA)
 Van Arsdale, Peter H., pres.
 Provincetown-Boston Airline (PBA)
 Van Arwegen, Piet J., MD
 Safair (Pty.), Ltd.
 Van Beck, Steven C., founder/pres.
 Lakeland Commuter Airlines
 Superior Aviation
 Van Bochove, Aart, chairman
 Martinair Holland, N.V.
 Van Caelenberg, Iwein, founder/chairman
 European Air Transport, S.A.
 Van Cotthem, Capt. Albert, pilot
 Sabena Belgian World Airlines, S.A.
 Van de Breevaart, E., MD
 KLM: Royal Dutch Airlines, N.V.
 Van de Busch, Mme. MD
 Jet Business Airlines, N.V.
 Van den Hout, H. J., MD
 Dynamic Airlines, B.V.
 Van der Beugel, Ernst Hans, pres.
 KLM: Royal Dutch Airlines, N.V.
 Van der Elst, Capt. Karel, pilot
 KLM: Royal Dutch Airlines, N.V.
 Van der Hoop, Capt. A. N. G. Thomassen a Thuessink, pilot
 KLM: Royal Dutch Airlines, N.V.
 Van der Meersch, Andre Ganshof, chairman/pres.
 Abelag Aviation, S.A.
 Van der Merwe, Gary, owner/CEO
 Millionair Charter (Pty.), Ltd.
 Van der Ploeg, Nico, GM
 PT Indonesian Air Transport
 Van der Veer, Gert, chairman/CEO
 South African Airways (Pty.), Ltd.
 Van der Wal, Gerrit, pres.
 KLM: Royal Dutch Airlines, N.V.
 Van der Wal, H., jt. founder/dir.
 Campling Bros. & Vanderwal, Ltd.
 Van Dyke, David E., pres.
 Princeton Airways
 Van Gaever, Freddy, MD
 European Air Transport, S.A.
 VLM: Vlaamse Luchttransportmaatschappij, N.V.
 Van Horn, Trevor, SVP/COO
 Western Pacific Airlines (Westpac)
 Van Houwelingen, J., mayor of Haarlemmermeer, Holland
 KLM: Royal Dutch Airlines, N.V.
 Van Hoven, Piet, MD
 Comair: Commercial Airways (Pty.), Ltd.
 Van Latem, Jean Claude, pres.
 Heli-Transport, S.A.
 Van Lear Black, William, *Baltimore Sun* publisher/passenger
 KLM: Royal Dutch Airlines, N.V.
 Van Messel, Capt. Gerson, pilot
 Koninkitjke Nederlandsch-Indische Luchtvaart Maatschappij, N.V.
 (KNILM)
 Van Miert, Karel, EU competition commissioner
 American Airlines
 British Airlines, Ltd. (2)
 Deutsche Lufthansa, A.G.
 Finnair O/Y
 Van Oorschot, Christian, MD
 Trans Service Airlift, S.A.
 Van Pallandt, Floris J., CEO
 KLM U.K., Ltd./BUZZ
 Van Rafelghem, Carlos, chairman
 Sabena Belgian World Airlines, S.A.
 Van Rooyen, G. T. "Porkey," MD
 Air Malawi, Ltd.
 South West Air Transport (Pty.), Ltd.
 Van Ryswyk, Capt. Leen, pilot/consultant/MD
 Air Niugini (Pty.), Ltd.
 Van Sandt, J. Parker, Ford Motor Company chief pilot
 Maddux Air Lines
 Scenic Airways
 Stout Air Services
 Van Schalk, Evert, pres.
 Schreiner Airways, B.V.
 Van Sickle, James, jt. owner
 Michigan Airways
 Van Wijk, Leo, pres./CEO
 KLM: Royal Dutch Airlines, N.V.
 Van Wijk, T. J., MD
 KLM/ERA Helicopters, B.V.
 Van Zyl, J. J. M., chairman
 Court Helicopters (Pty.), Ltd.
 Vanasse, Leo, pres.
 Quebec Aviation, Ltd.
 Vance, Claire K., pilot
 United Air Lines (1)
 Vance, Jimmy, pilot
 Northern Aerial Minerals Exploration, Ltd.
 Vander Molen, Thomas G., pres.
 Mercer Airlines
 Vanderbeek, Capt. Ian, MD

- Australian Jet Charter (Pty.), Ltd.
 Vanderbilt, William H., investor
 Pan American Airways (PAA)
 Vange, Peter, pres.
 Sterling Airways, A.S.
 Vangrieken, Anthony "Tony," MD
 Delta Air Transport, S.A. (DAT)
 Vanguard/Windsor Funds
 United Airlines
 Vanja, Bitoljana, pres.
 Palair Macedonian Air Lines, A.D.
 Vanmoerkerke, R., chairman
 Air Belgium International, S.A.
 Vannukul, Virachai, MD
 Air Siam, Ltd.
 Bangkok Airways, Ltd.
 Vantine-Norton, Loretta, pres.
 Rapid Air
 Varanand, Prince/Capt. "Nicky," founder/chairman
 Air Siam Air Company, Ltd.
 Vardhan, Harsh, MD
 Vayudoot, Ltd.
 Vargas, Capt. Francisco Espejel, pres.
 AVIACSA: Aviacion de Chiapas, S.A. de C.V.
 Vargas, Senora Getulio, wife of Brazilian president
 Pan American Airways (PAA)
 Vargas, Jose R., founder/pres.
 PRAVCO: Puerto Rico Aviation Company
 Varger, Getulio, president of Brazil
 Cruzeiro Brazilian Airlines, S.A.
 Variable Earnings Plan
 Eastern Air Lines
 Varis, Prof. Kyosti, symbol creator
 Finnair O/Y
 Varkentin, Yevgeni, DG
 San Air Company
 Varnell, Gary, jt. founder
 Exec Express I
 Varney, Walter T., founder/pres.
 Air Ferries
 LAO: Lineas Aereas Occidentales, S.A.
 Varney Air Lines
 Varney Air Transport
 Varney Speed Lines Air Service, Ltd.
 Vartanov, Konstantin G., DG
 Remex Airlines
 Skytrump Aviation Services, Ltd.
 Vasilchenko, K. K., DG
 Gromov Flight Test Institute/Gromov Air
 Vassilakis, Theodoros, chairman, TH. Vassilakis Group
 Aegean Aviation, S.A.
 Vasilyev, Mikhail, Aviation Staff Trade Union of Sakha dir.
 Polyarny Airlines
 Sakha Avia National Air Company
 Vasudev, Lakshminarayanan, chairman/MD
 Indian Airlines Corporation
 VAU GA, Higher College of Training for Civil Aviation
 Aeroflot Soviet Airlines
 Aeroflot Russian International Airlines (ARIA)
 Vaughan, Jeffrey, opns. mgr.
 Pacific Air Cargo
 Vaughan, Lisa, passenger
 Delta Air Lines
 Vaughan, Ralph T., pres.
 Air Canada, Ltd.
 Vaughan-Fowler, Raymond, pilot
 Handley Page Transport, Ltd.
 Vazin, V. P., test pilot
 Aeroflot Soviet Airlines
 VEB-152 II launch customer
 Interflug DDR Airlines, mbH.
 Veba
 Hapag-Lloyd Fluggesellschaft, MbH.
 Vecchi, Raymond J., chairman/pres./EVP
 Alaska Airlines
 Carnival Air Lines
 Northwest Airlines
 Tower Air
 Vedrine, Hubert, French foreign minister
 Air France
 Continental Airlines
 Delta Air Lines
 United Airlines
 USAirways
 Veenendaal, Henk, official
 KLM: Royal Dutch Airlines, N.V.
 Vega, Gustavo Rodriguez, founder/CEO
 Aerolineas Vegas, S.A.
 Vehicle ferry service
 Air Charter, Ltd./Channel Air Services, Ltd.; Air Ferry, Ltd.; British United
 Air Ferries, Ltd.
 Veiga, Carlos, Cabo Verde prime minister
 TACV Cabo Verde Airlines: Transportes Aereos de Cabo Verde, S.A.
 Veil, Antonine, pres./MD
 Aeromarine International, S.A.
 UTA French Airlines, S.A.
 Veitenheimer, Tod, opns. dir.
 Regent Aviation
 Vejdovsky, George, MD
 CSA Czechoslovak Airlines
 Veland, Alfonso Avia, CEO
 Aerorepublica Colombia, S.A.
 Velandia, Avila, pres.
 SAM Colombia Airlines, S.A.
 Velani, Bruno, chairman
 Alitalia, SpA.
 Velazquez-Fonseca, M., hijacker
 Northwest Airlines
 Velichkov, Zdravko, MD
 Hemus Air, Ltd.
 Velilla, Capt. Luis Carlos Donado, founder/pres.
 LAC: Lineas Aereas de Caribe, S.A.
 Vella, Karmenu, Maltese minister of tourism
 Air Malta Company, Ltd. (2)
 Velte, Gabriele, Communications/PR dir.
 Deutsche Lufthansa, A.G.
 Venegas, Carlos Ruiz, founder/pres.
 Aeromodelos, S.A. de C.V.
 Venezuela, Venezuelan Investment Fund
 LAV Venezuelan Airlines, S.A.
 VIASA: Venezolana Internacional de Aviacion, S.A.
 Venezuela earthslides/flood, 1999-2000
 Aserca: Aerolineas Regional de Centro, S.A.
 Atlas Air
 AVENSA: Aerovias Venezolanas, S.A.
 Federal Express (FedEx)
 LAV Venezuelan Airlines, S.A. (Aeropostal)
 Servivensa, S.A.
 Ver-Tur
 TATneftaero
 Verdun, Pastor, founder/pres.
 LADESA: Lineas Aereas del Este, S.A.
 Verelis, Christ, Greek economic and transport minister
 Olympic Airways, S.A.
 Vergnaud, Robert, pres.
 Air Inter, S.A.
 Verhellen, Etienne, flt. mgr.
 Centre d'Aviation Generale, S.A.

- Verhese, K. C. G., chairman
Air Asiatic, Ltd.
- Verhofstadt, Guy, Belgian prime minister
DHL Worldwide Express
- Veritas Vermögensverwaltungsgesellschaft, GmbH.
Hapag-Lloyd Fluggesellschaft, mbH.
- Verma, Sam, MD
Continental Aviation, Ltd.
- Vermilyea, Charles, pilot
Embry-Riddle Company
- Vermont
Air North
Air Vermont
Airnow
Brockway Air
Buker Airways
Burlington Air Express
Burlington Northern Air Freight
Business Air
Green Mountain Airlines
Northern Airways (3)
Precision Airlines
Rutland Airways
Valley Air
Vermont International Airways
- Vernaudon, Christian, MD/pres.
Air Tahiti, S.A. (3)
- Vernikov, Ya. I., test pilot
Aeroflot Soviet Airlines
- Vernon, Marc, vp-opns.
Air France
- Verri, Carlo, chairman
Alitalia, SpA.
- Vershigora, Victor, DG
Independent Carrier
- Verus Group
Modiluft
- Vestiby, Viggo, chairman
Teddy Air, A.S.
- Vette, Capt. Gordon, pilot
Air New Zealand, Ltd.
- Veydovsky, George, DG
CSA: Czechoslovak Airlines
- Viacheslav, Ilyin, pres.
Air Ukraine: Avialinii Ukrani
- Viad Corporation *see* Dial Corporation
- Viajas Marsans, S.A.
Spanair, S.A.
- Viajas Trans Espana travel agency
Laker Airways, Ltd.
- Vickers Vanguard (1) launch customer
Instone Air Line, Ltd. (1)
- Vickers Vanguard (2) launch customer
British European Airways Corporation (BEA)
- Vickers Viking launch customer
British European Airways Corporation (BEA)
- Vickers Vimy Commercial launch customer
Instone Air Line, Ltd. (1)
- Vickers Viscount launch customer
British European Airways Corporation (BEA)
- Vickova, Buzena, hijacker
CSA Czechoslovak Airlines
- Victor Associates
Spirit Airlines
- Victoria's Secret
Air France
- Vidal, Eugene L., asst. GM/jt. founder/vp/passenger/dir/DOC official
Boston Maine/Central Vermont Airways
National Airways
New York, Philadelphia and Washington Airways (Ludington Line)
Northeast Airlines
Pan American Airways (PAA)
Transcontinental Air Transport (TAT)
- Vidal, Gore, novelist
New York, Philadelphia and Washington Airways (Ludington Line)
- Viegas, Jose Ricardo ZuZarte, chairman/DG
LAM Mozambique Airlines, S.A.
- Viennair
Danuabe Air, Ltd.
- Vienneau, Donald, executive/investor
Trans Provincial Airlines, Ltd.
Hawkair Aviation Systems, Ltd.
- Viens, Capt. Gaetan, pilot
Saeaga Airlines, Ltd.
- Viera, Joe, chairman
Guyana Airways Corporation
- Vietnam airlift, 1964–1972
Airlift International
Braniff International Airways
Continental Airlines
The Flying Tiger Line
Pan American World Airways (1)
Qantas Empire Airways (Pty.), Ltd.
Saturn Airways
Seaboard World Airlines
Southern Air Transport
Trans International Airlines (1)
Trans World Airlines (TWA)
United Air Lines (2)
World Airways
- Vietnam baby/orphan airlift of 1975
British Midland Airways, Ltd.
Overseas National Airways
Pan American World Airways (1)
- Vietnamese refugee airlift
Ontario Worldair, Ltd.
- Viking International Air Chartering, Ltd.
Air U.K. Leisure, Ltd.
- Viklund, Stefan, chairman/MD
Malmo Aviation Schedule, A.B.
- Viklund Inter Trade
Malmo Aviation Schedule, A.B.
- Vilanova, Lt. Gen. Rute. *See* Skyjackings, 1970—Feb. 5, Iberia Spanish Airlines, S.A. (2)
- Viljoen, Andre, CFO/EVP/pres./CEO
South African Airways (Pty.), Ltd.
- Villa, Peter, chairman/MD
British Island Airways, Ltd. (2)
- Villami, Roberto, founder/pres.
Caribbean Helicorp
- Villamizar, Hernando, GM
TAGUA Colombia: Taxi Aereo del Guaviare, S.A.
- Villeneuve, Lise, jt. founder
North Vancouver Air, Ltd.
- Villiard, Gary, pres.
Heli-Air
- Vinagre, Joao Francisco, MD
Capital Air (Pty.), Ltd.
- Vinal, Capt. Richard, pilot
Pan American Airways (PAA)
- Vincennes, U.S.S.
Iran Air: The Airline of the Islamic Republic of Iran
- Vincent, Sir Alfred, chairman
East African Airways Corporation
- Vincenzo, James B., GM/pres.
Wings Airways (2)
Wings Charter Services

- Vincent, Sir Alfred, chairman
East African Airways Corporation
- Vincent, Neville, co-founder
Tata Air Lines
- Vingresor, A.B.
Spanair, S.A.
- Virata, Luis Juan, dir./chairman/pres.
Philippine Air Lines
- Virelala, Jean-Paul, MD
Air Vanuatu (Operations), Ltd.
- Virgin Group, Ltd.
Virgin Atlantic Airways, Ltd.
Virgin Blue, S.A.
Virgin Express, S.A.
Virgin Express France, S.A.
Virgin Express (Ireland), S.A.
Virgin Sun Air, Ltd.
Virgin Holidays, Ltd.
Sabre Airways, Ltd.
Virgin Sun Air, Ltd.
- Virgin Island Flight School
Eastern Caribbean Airways
- Virgin Islands (U.S.)
Aero Virgin Islands
Air Anguilla
Air Center Helicopters
Air St. Thomas
All Island Air
American Inter-Island Airlines
Bohlke International Airways
Caribbean Airboats
Caribbean Island Airways
Clipper Air International
Coastal Air Transport
Coral Air
Eastern Caribbean Airways
Four Star Aviation
Inter-Island Airways (2)
Marshall's Air
Royal Caribbean International
Sea Air Shuttle
Seaborne Airlines
SeaJet
Sun Aire
Valley Air Service
Virgin Air
Virgin Island Airways
Virgin Islands Seaplane Shuttle
- Virginia
Air Shannon
Air Virginia (1)
Air Virginia (2)
Americair
Atlantic Coast Airlines
Arlington Jet Charter
AV Air
Cardinal Airlines
Colgan Air
Colgan Airways
Crown International Airlines
Dixie Flying Service
Geneva International, Ltd./Executive Air Charter
Helo Air
Horizon Airlines
International Jet Charter
KMK Airlines
Pegasus Air
Potomac Air
Presidential Airways
Prestige Airways
Shillelagh Air Travel Club
Shenandoah Airlines
Skyline
Tri Star Aviation
USAfrica Airways
Waring Air
Washington Airlines
Washington-Baltimore Airways
Virginia Scottish Games
Flugfelag Islands, H.F. (2)/Icelandair, H.F.
Virtue, Capt. Keith, pilot
New England Airways (Pty.), Ltd. (1)
Visack, Tom, Iowa governor
AccessAir
Viscount Preservation Trust
Cambrian Airways, Ltd.
Vision Travel Agency
British Overseas Airways Corporation
Visscher, Imme, first officer/female B-747-400 flight crewmember
KLM: Royal Dutch Airlines, N.V.
Vissotchanski, Anatol, DG
Khors Air Company
Vital Link Aviation Consultants, Ltd.
Overnight Cargo, Ltd.
Vitokvice Iron & Steel Company
Air Ostrava, S.R.O.
Vittoria, Joseph, dir.
United Airlines
Vizzanova, Jean-Pierre, deputy pres.
Air Afrique, S.A.
VMAL Corporation
Harbor Air
Vnukovo Aviation Enterprise
Korsar Airlines
Vodopyanov, Mikhail V., pilot
Aviaarktika
Dobrolet
Voedillo, I. F., pilot
Deruluft, GmbH.
Voight, Charles H., founder/pres.
Haiti Trans Air, S.A.
Voigt, Lennart, GM
Gambia Air Shuttle, Ltd.
Voiz, Thomas, pres.
Sunworld International Airways
Volk, Arthur E., founder/pres.
Astec Air East
Volkov, An. N., DG
Aeroflot Soviet Airlines
Volkov, Nikolai, investigator for the Russian prosecutor general
Aeroflot Russian International Airlines (ARIA)
Vollbrecht, Jack A., chairman
Frontier Airlines (1)
Von Bauer, Dr. Peter Paul, investor/chairman
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.
Von Blankenberg, Capt. Joachim, pilot
Deutsche Luft Hansa, A.G.
Von Buddenbrock, Baron Friedrich, passenger
Deutsche Luft Hansa, A.G.
Von Dornberg, Ernst-Adrian, MD/CEO-marketing and sales/dir
Conti-Flug International Airlines, GmbH.
Deutsche Lufthansa, A.G.
Von Elbe, Anthony, founder/vp/chairman
Brockway Air
Clinton Aero Service
Commutair
Von Engel, Capt. Hans Werner, pilot
Deutsche Luft Hansa, A.G.

Von Gabienz, Baron Karl August, passenger
Deutsche Luft Hansa, A.G.

Von George, H., hijacker
Mohawk Airlines (1)

Von Gronau, Wolfgang, pilot
Deutsche Luft Hansa, A.G. (DLH)

Von Haff, Mario Rogerto, DG
TAAG Angolan Airlines, S.A.

Von Ketteler, Baron, founder/chairman
Conti-Flug International Airlines, GmbH.

Von Krohn, Hellmuth, contract pilot
SCADTA: Sociedad Colombo-Alemana de Transportes Aereos, S.A.

Von Maltzan, Baron A., passenger
Deutsche Luft Hansa, A.G.

Von Oertzen, Rudolf, co-MD
Condor Flugdienst, GmbH.
Suedflug: Suddeutsche Flugsellschaft, GmbH.

Von Oorschot, Christian, MD
Trans Service Airlinck, S.A.

Von Parseval, Major August, contract airship pilot
Aero Association Lucerne

Von Ribbentrop, Joachim, German foreign minister
Deutsche Luft Hansa, A.G.

Von Rosen, Capt. Carl, pilot
Transair Sweden, A.B.

Von Rosen, Count Carl-Gustav, Finnish Red Cross benefactor
ABA Swedish Airlines, A.B.

Von Schiller, Capt. Hans, Graf Zeppelin pilot
Deutscher Zeppelin-Reederei, A.G.

Von Stachau, C. Kaltenborg, GM
Royal Tongan Airlines, Ltd.

Von Studnitz, Capt. Jobst, pilot
Deutsche Luft Hansa, A.G. (DLH)

Von Zeppelin, Count Ferdinand, founder/chairman
Deutsche Luftschiffahrts, A.G. (DELAG)

Von Zernichow, Einar, founder/chairman
Stellar Air Freighter, A.S.

Vonhoff, Graham, GM
Flight West Airlines (Pty.), Ltd.

Vonwiller, Capt. Hugo, pilot
Air 2000, Ltd.

Voorhees, A. M., jt. founder/chairman
Atlantic Southeast Airlines (ASA)

Vorobiov, Boris, DG
Ivanovo United Air Detachment

Vorobiov, Vladimir, DG
Ryzanaviatrans

Voss, Albert, passenger/suspected bomber
Imperial Airways, Ltd.

Voss, Douglas G., owner/pres.
Great Lakes Aviation

Vought-Sikorsky VS-44A launch customer
American Export Airlines (AMEX)

Voyage Travel Holdings, Ltd.
Virgin Atlantic Airways, Ltd.

Voyages FRAM
Euralair International, S.A.

Vrablica, Milos, DG
Tatra Air, A.G.

Vu Ngoc Dinh, DG
Vietnam Air Services Company (VASCO)

Vuelta '96 Spanish national bicycle race
Aviacion y Comercio, S.A. (AVIACO)

Vujinovic, Mihajlo, DG
JAT Yugoslav Airlines

Vulovic, Vesna, stewardess
JAT Yugoslav Airlines

Vultee V-1A launch customer
American Airlines

Vysotski, Vasily, CEO
Transaero Express

Vyvyan, AVM Sir V., dir.
Imperial Airways, Ltd.

W

W. R. Grace Corporation
Braniff International Airways
National Airlines (1)
Pan American Airways (PAA)
Pan American-Grace Airways (PANAGRA)
Pan American World Airways (1)

W. R. Hambrecht & Co.
Frontier Airlines (2)
Vanguard Airlines

W. W. Williams Company
General Aviation (2): Greeneville Air

WAA Leasing
Pacific Northern Airways
Wien Air Alaska
Wilbur's Flight Operations

Waberi, Moses R., DG
Puntavia Airline de Djibouti, S.A.
Djibouti Airlines, S.A.

WACO 9 airline launch customer
Clifford Ball

WACO CG-4A glider launch customer
Winged Cargo Airlines

Wada, Capt. Idns, CEO
Executive Airline Services

Waddell, Kent, jt.-founder
Abiline Aero-Lubbock Aero
Chaparral Airlines

Wade, Bill, jt. founder
West Indian Aerial Express, C.A.

Wadsworth, E. B., U.S. asst. postmaster general
Transcontinental and Western Air (T&WA)

Wadsworth, Richard R., dir.
Kitty Hawk Air Cargo

WAE, Inc.
Western Air Express

Wager, R. D., pres.
Gateway Aviation, Ltd.

Waghorn, B. L., founder/MD
Coast Air Charter, Ltd.

Wagner, G. A., chairman
KLM: Royal Dutch Airlines, N.V.

Wagner, Lindsay, actress
Trans World Airlines (TWA)

Wagner, Robert, New York City mayor
Pan American World Airways (1)

Wah, Ng Kian, COO
Air Macau Company, Ltd.

Wahid, Nastrudeen Abdul, chairman/MD
East West Airlines, Ltd.

Wahid, Thakiyudeen Abdul, MD
East West Airlines, Ltd.

Wahidi, Abdoul, DG
Air Niger, S.A.

Wahlberg, Timothy, chairman
Evergreen International Airlines

Wahlstrom, Haken, GM
Air Nordic, A.B.

Wahome, Martin, 1-millionth passenger
Kenya Airways, Ltd.

Waite, Nancy, dir. of club opns.
Ports of Call

Wakabayashi, Haruo, pres.
New Central Aviation Company, Ltd.

- Wakasa, Tokuji, chairman
All Nippon Airways Company, Ltd.
- Wake Forest University
Piedmont Airlines (1)
- Wake Island
Pan American Airways (PAA)
- Wakelin, Capt. W. J., pilot
British European Airways Corporation (BEA)
- Wakeford, Paul, CEO
East Asia Airways (Pty.), Ltd.
- Walberg, Waldon, pres.
Air B.C., Ltd.
- Waldhausen, Willy, jt. founder
Air Service Limburg, B.V.
- Waliggo, Abraham, chairman/MD
Uganda Airlines, Ltd.
- Walker, Brian, pres.
Odyssey International, Ltd.
- Walker, Connie, flight attendant
Northwest Airlines
- Walker, David M., astronaut
Pan American World Airways (1)
- Walker, Henry, Group
Aor North International (Pty.), Ltd.
- Walker, Sir Hubert, chairman
West African Airways Corporation
- Walker, Ian, GM
Air Malawi, Ltd.
- Walker, James W., Jr., mgr.
Pan American-Grace Airways (PANAGRA)
- Walker, Jack, chairman
Jersey European Airways, Ltd.
- Walker, Capt. John R., pilot
Pan American World Airways (1)
- Walker, Joy, first company female pilot
Delta Air Lines
- Walker, Kenneth, secretary/legal director
British Airways, Ltd. (2)
- Walker, Ronald, Guinness Peat chairman
Qantas Airways (Pty.), Ltd.
- Walker Aviation Group
Jersey European Airways, Ltd.
Spacegrand Aviation, Ltd.
- Wall Street crash of 1929
Transcontinental Air Transport (TAT)
- Wallace, Beryl, actress/passenger
United Air Lines (2)
- Wallace, Capt. Bill, founder/CEO
Aer Arann: Kilroe Air Ireland, Ltd.
- Wallace, Craig, interim MD
Ansett New Zealand, Ltd.
- Wallace, D. M., MD
Nortontair: Ontario Northland Air Service, Ltd.
- Wallace, Edwin H. "Ned," jt. founder/chairman
Polar Air Cargo
- Wallace, Mrs. Henry O., wife of U.S. VP Henry Wallace
American Export Airlines (AMEX)
- Wallace, O. C., pilot
Canadian Colonial Airways (1)
- Wallace, Sandra, GM
Catskill Airways
- Wallace, Walter C., National Mediation Board negotiator
Eastern Air Lines
- Wallenburg, Marcus, founder/chairman
Svensk Interkontinental Lufttrafik, A.B. (SILA)
- Walling, Karen, founder/pres.
Classic Helicopter Corporation
- Walls, Everson, NFL football player
American Airlines
- Walsh, Peter, U.S. bankruptcy judge
Trans World Airlines (TWA)
- Walt Disney World
Delta Air Lines
Eastern Air Lines
Shawnee Airlines
- Walter, Bernard, founder/MD/chairman
Hamburg Airlines, GmbH. & Co., K.G. (2)
Luftfahrtgesellschaft Walter, GmbH.
- Walter, Richard, MD
Flugfelag Islands, H.F. (1)
- Walter Dorwin Teague Associates, designers
Cathay Pacific Airways (Pty.), Ltd.
- Walters, Daniel, passenger
USAir
- Walters, John R., founder/pres.
Conifair Aviation, Ltd.
Sun West Airlines
- Walther, Kluas, Communications/PR dir.
Deutsche Lufthansa, A.G.
- Walton, Victor, founder/MD
Aquatic Airways (Pty.), Ltd.
- Waltrip, Bill, EVP/pres.
Pan American World Airways
- Waltrip, William H., pres.
Purolator Courier
- Wan, Robert, founder/pres.
Wanair, S.A.
- Wan Holding Company
Air Tahiti Nui, S.A.
- Wanamaker, Rodman, founder/pres.
America Trans-Oceanic Company
- Wang, Daniel, MD
Makung International Airlines Company, Ltd.
- Wang Chin-hail, chairman
China Airlines, Ltd. (CAL)
- Wang Dan, Chinese dissident
Northwest Airlines
- Wang Hsi-chuen, hijacker
China Airlines, Ltd. (CAL)
- Wang Jiwu, EVP
Air China International Corporation
Northwest Airlines
- Wang Kai-yuan, pres.
China Northern Airlines Company, Ltd.
- Wang Lian, pres.
China Eastern Airlines Company, Ltd.
- Wang Po-chun, Chinese minister of war and communications/pres.
China Airways Federal, Ltd.
China National Aviation Corporation (CNAC-1)
Shanghai-Chengtu Air Mail Line
- Wang Wen-san, Dr., Chinese businessman
Civil Air Transport, Ltd.
- Wang Yuying, hijacker
Fujian Airlines Company, Ltd.
- Wang Xizhe, Chinese dissident
Asiana Airlines
- Wang Zhihua, hijacker
Zhejiang Airliens Company, Ltd.
- Wang Zhuihua, hijacker
Air China International Corporation
- Wangi, H. Nasiran, pres.
PT Jatayu Air: Jatayu Gelang Sejahtera
- Wanglee, Thamnoon, SVP-finance/pres.
Thai Airways International, Ltd. (THAI)
- Warbelow, Arthur, founder/pres.
Warbelow's Air Ventures
- Warbelows, Charles, founder/pres.
Forty Mile Air

- Ward, Betty, vp/CEO
 American International Airways (3)
 Pacific Air Cargo
 Ward, Capt. Earl, pilot
 American Airlines
 Ward, John F., chairman/MD
 Australia-Asia Airlines (Pty.), Ltd.
 Qantas Airways (Pty.), Ltd.
 Ward, Kenneth R., founder/pres.
 Ward Air
 Ward, Kim, jt. owner
 Morningstar Air Express, Ltd.
 Ward, Maxwell W., founder/chairman
 Wardair Canada, Ltd.
 Warde, George, EVP/GM
 American Airlines
 Warde, George, pres.
 American Airlines
 Continental Airlines
 Tahoe Air
 Waring, Samuel, founder/MD
 British Aerial Transport, Ltd.
 Warner, Emily H., pilot
 Frontier Airlines (1)
 PeoplExpress Airlines
 Continental Airlines
 United Parcel Service (UPS)
 Warren, Mrs. Earl, passenger
 United Air Lines (2)
 Warren, Ronald L., vp/GM
 Grand Canyon Airlines (1)
 Warsaw, Paul, dir. opns.
 Florida Wings
 Warwick, M. A., MD
 LIAT: Leeward Islands Air Transport, Ltd.
 Wasacz, Emil, Polish treasury minister
 LOT Polish Airlines, S.A.
 Wasatch International Group
 Kiwi International Air Lines
 Washburn, Donald, EVP
 Northwest Airlines
 Washington
 Aero-Dyne Airlines
 Aeroamerica
 Aeronautical Services
 Air Gemini
 Air Olympia
 Air Washington
 Airpac Airlines
 Alaska Airlines
 Astor Air
 Bellingham-Seattle Airways
 Bremerton Air Taxi
 Burlington Aeroplane Company
 Cascade Airways
 Chartair
 Chinook Air
 Classic Helicopter Corporation
 Coastal Airways (4)
 Columbia-Pacific Airways
 Commercial Air Transport
 Commute Air
 Cross Sound Commuter
 Crowther Flight Center: Bremerton Air Taxi
 Eagle Airlines (2)
 Eagle Helicopters
 Execuair
 Executive Flight
 Fort Vancouver Airlines
 Gross Aviation
 Harbor Airlines
 Horizon Air: Horizon Air Industries
 Hubbard Air Transport
 Hughes Airwest
 Island Air (2)
 Island Mail
 Island Sky Ferries
 Kenmore Air Harbor
 Mamer Air Transport
 Methow Aviation
 North Pacific Airlines
 Northwest Commuter
 Northwest Seaplanes
 Northwestern Executive Air
 Oak Harbor Airlines
 Orcas Island Air Service
 Pacific Airways (1)
 Pavco
 Pearson Aircraft
 Polar Air Cargo
 ProAir
 Puget Sound Airlines
 Salair Air Cargo Airline
 San Juan Airlines
 Skyline Air Service
 Spokane Airways
 Standard Airways (1)
 Sun Basin Airlines
 Vance International Airways
 Varney Air Lines
 West Coast Airlines
 West Isle Air
 West Pacific Airlines
 Westair Transport
 Whidbey Flying Service
 Washington, Bradford, explorer
 Canadian Airways, Ltd.
 Washington, T. G., hijacker
 Eastern Air Lines
 Washington Capitals NHL team
 Pace Airlines
 Washington Redskins NFL team
 American Airlines
 Capital Airlines
 Washington Wizards NBA team
 Pace Airlines
 Wassermann, Leif, Danish commercial attache
 Delta Air Lines
 Waterbury, Clair M., chairman
 Mediterranean Express, Ltd.
 Watergate Affair
 American Airlines
 United Air Lines (2)
 Waterman, Sherry, flight attendant
 American Airlines
 Transocean Air Lines (TAL)
 Waterman Steamship Co.
 TACA: Transportes Aereos Centro Americanos, S.A.
 Watermeyer, T. H., South African railways/harbours admin. dir.
 South African Airways (Pty.), Ltd.
 Waters, Sandy, vp
 Kaiserair
 Wathey, N. C., chairman
 WIA: Windward Islands Airways, N.V.
 Watkins, Archie W., pilot
 Wilson Airways, Ltd.
 Watkins, Don, founder/pres.
 Durango Air Service

- Watkins, Jimmy, GM
 Sunjet Aviation
 Watkinson, Charles, passenger
 South African Airways (Pty.), Ltd.
 Watkinson, E. T., MD
 Commercial Air Services (Natal) (Pty.), Ltd.
 Watle, Per Arne, pres.
 Wideroe's Flyveselskap, A.S.
 Watson, Ronald A., jt. founder
 Valdez Airlines
 Watt, R. D., hijacker
 Allegheny Airlines (1)
 Watts, John H., chairman
 Brymon Air Services, Ltd.
 Cambrian Air Services, Ltd.
 Cambrian Airways, Ltd.
 Watts, Sir Roy, MD/deputy chairman
 British Airways, Ltd. (2)
 British European Airways Corporation (BEA)
 Watts, T. A. D., MD
 Boskovic Air, Ltd.
 ZB Air, Ltd.
 Waung, William, judge
 Air New Zealand, Ltd.
 Cathay Pacific Airways (Pty.), Ltd.
 Wauters, Robert, labor relations mediator
 Sabena Belgian World Airlines, S.A.
 Waverly Shipping Company, Ltd.
 Donaldson International Airways, Ltd.
 Wayne, John, actor
 American Airlines
 Transocean Air Lines (TAL)
 Wayne, William D., EVP
 Frontier Airlines (1)
 Wearne Brothers, Ltd.
 Wearne's Air Service, Ltd.
 Wear, Joseph W., pres.
 Summit Airlines
 Webb, Barrie J., joint MD
 Airlink Airline (Pty.), Ltd.
 SA Airlink (Pty.), Ltd.
 Webb, Robert, barrister
 British Airways, Ltd. (2)
 easyJet, Ltd.
 Virgin Atlantic Airways, Ltd.
 Webb, Wellington, Denver (CO) mayor
 Deutsche Lufthansa, A.G.
 Weber, Andre, MD
 Alsavia, S.A.
 Weber, Daniel, founder/pres.
 Aeronautical Services
 Weber, Jason, flight attendant
 Tower Air
 Weber, Juergen, chairman
 Deutsche Lufthansa, A.G.
 Weber, Norman, chairman
 Air Seychelles, Ltd.
 Weber, Capt. Tjakko, pilot
 Martinair Holland, N.V.
 Websper, Capt. S. G., pilot
 British United Airways, Ltd.
 Webster, Grove, Purdue University executive
 Lake Central Airlines
 Webster, Holt W., founder
 Airborne Express
 Webster, Jack, pilot
 National Air Transport
 Webster, Raymond, MD
 easyJet Airlines, Ltd.
- Wedell, Jimmy, founder
 Wedell-Williams Air Service Corporation
 Wedemeyer, Gen. Albert C., passenger
 Pan American Airways (PAA)
 Weed, Arturo Alvarado, GM
 Islena Airlines, S.A.
 Weeden, Richard John, passenger
 Singapore Airlines, Ltd.
 Weekly, David, founder/pres.
 Jet America Airlines (2)
 Weeks, Capt. Robert, pilot
 Pan American World Airways
 Weesner, Paul and John, owners/partners
 Lake Central Airlines
 Turner Airlines
 Wegel, Edward, pres.
 Chautauqua Airlines
 Wehrle, William J., founder/pres.
 Perimeter Airlines, Ltd.
 Wei, U. T., founder
 Formosa Airlines Corporation, Ltd.
 Wei Jingsheng, Chinese dissident
 Northwest Airlines
 Weidemeyer, Thomas, pres./COO
 United Parcel Service (UPS)
 Weifels, Dr. Frank I., murdered passenger
 Continental Airlines
 Weigelt, Dr. Kurt, director/author/chairman
 Deutsche Luft Hansa, A.G. (DLH)
 Deutsche Lufthansa, A.G.
 Deutscher Aero Lloyd, A.G. (DAL)
 Weigt, Tom, pres.
 Basler Airlines
 Weil, Kurt, Junkers official
 Junkers Luftverkehr Persien
 Weiland, Robert, pres.
 National Airlines (1)
 Weiner, Alan, MD
 British Air Ferries, Ltd.
 Weinstein, Michael, pres./CEO
 Aeroel, Ltd.
 Weir, Fiona, flight attendant
 Airtours International, Ltd.
 Weir, Capt. Fred, pilot
 Scenic Airlines
 Weise, Theodore L., pres.
 Federal Express (FedEx)
 Weisner, Deborah, passenger/hostage
 Pakistan International Airlines Corporation
 Weiss, Guenter, GM/vp-operations
 Interot Airways, GmbH.
 Augsburg Airways, GmbH.
 Weiss, Stanley D., jt. founder/chairman/CEO
 North American Airlines (1)
 Standard Air Lines (2)
 Weissgerber, Capt. Christian, opns. dir.
 European Air Express, GmbH.
 Weitholtz, Friedrich Wilhelm, pres./CEO
 Eurowings Luftverkehrs, GmbH.
 Welch, Robert C., founder/pres.
 Detroit Northern Airlines
 Gull Air
 Welch Aviation
 Welch, William R., founder/pres.
 Will's Air
 Weller, Gerald, founder/pres.
 Wright Airlines
 Welles, Sumner, U.S. under secretary of state
 Pan American Airways (PAA)

- Wells, Capt. Billy, pilot
Trans Canada Air Lines, Ltd.
- Wells, Hugh, founder/chairman
Linea de Aviacion Condor Tampa, S.A.
- Wells, Capt. Hugh, pilot
Pan American Airways (PAA)
- Wells, Capt. Isaac, pilot
Delta Air Lines
- Wells, Hustis I., pilot
Colonial Air Transport
- Wells, Lavar, pilot
Redtail Aviation
- Wells, Robert H., pres.
Pace Airlines
Piedmont Aviation Services
- Welsh, John, chairman
Air Scandic, Ltd.
- Welsh, Capt. Thomas, pilot
Lauda Air Luftfahrtgesellschaft, A.G.
- Welsh, William, pres.
Brooker-Wheaton Aviation, Ltd.
- Welsh Bernell Finance
Intra Airways, Ltd.
- Wenat, Dolly, flight attendant
Piedmont Airlines (1)
- Wendlik, Herbert, co-MD
Condor Flugdienst, GmbH.
- Wenige, C. A., hijacker
Piedmont Airlines (1)
- Went, Harold A., chairman
Carib West Airways, Ltd.
- Werner, Capt. A. H., pilot
British European Airways Corporation (BEA)
- Werres, Karl, pres.
Kanair Luftverkehrs, A.G.
- Wertheim, Reuven, chairman
Carnival Air Lines
- Wertjes, George, founder/pres.
Atlas Airlines
- West, B. F., founder/pres.
Resort Air
- West, Clarence C., EVP
Continental Air Lines (2)
- West, Edward H., CFO
Delta Air Lines
- West, Mark, jt. founder/pres.
Polar Air Cargo
- West Cameroon Development Agency
Cameroon Air Transport, S.A.
- West Virginia
Aeromech Airlines
Air Enterprises
Clarksburg Airways
KCI Aviation
Shank-McMullen Aircraft Company
Superior Air
Tri-State Aviation
Tyme Airlines
- WestAir Holdings
North Pacific Airlines (NPA)
WestAir Commuter Airlines
- WestCom Holdings *see* WestAir Holdings
- Westdeutsche Landesbank (WestLB)
Flying Colours Airlines, Ltd.
Hapag-Lloyd Fluggesellschaft, mbH.
LTU International Airways, KG
- Westdeutsche Luftwerbung Theodor Wullenkemper GmbH. & Co.
WDL Flugdienst, GmbH.
- Western Australian Tourism Commission
Australian Airlines (Pty.), Ltd.
- Western Michigan University
Emirates Airlines, Ltd.
Mesaba Airlines
- Western Presidio Capital
JetBlue Airways
- Western States Investment Corporation
Alaska Central Express
- Westervelt, George C., Curtiss-Wright Corporation executive
China National Airways Corporation (CNAC-1)
- Westfalen, S.S.
Deutsche Luft Hansa, A.G.
- Westgate-California Corporation
Air California
- Westin, Kjell-Ake, pres./CEO
Skyways Express, A.B.
- Westinghouse Credit Corporation
Emery Air Freight
- Westland Limousine launch customer
Air Post of Banks, Ltd.
- Westland SR.N5 Jet Skimmer launch customer
San Francisco-Oakland Helicopter Airline (SFO-1)
- Westland 30-100 launch customer
British Airways Helicopters, Ltd.
- Westoby, Denis, founder/MD
Westair Flying Services, Ltd.
- Westpac Banking Corporation
Qantas Airways (Pty.), Ltd.
- Wetzel, Bruce, jt.-founder/CEO
Tahoe Air
- Wexford Management LLC
Chautauqua Airlines
Frontier Airlines
National Airlines (4)
Western Pacific Airlines (Westpac)
- Wharton, Capt. Hank, mercenary leader
Air Trans Africa (Pty.), Ltd.
Nigeria Airways, Ltd.
- Wharton, G., charter superintendent
British European Airways Corporation (BEA)
- Wheatley, B., chairman
Aer Turas, Ltd.
- Wheatley, Reuben B., pres.
Aero Virgin Islands
- Wheaton, Donald, Sr., founder/pres.
Morningstar Air Express, Ltd.
- Wheaton, Donald, Jr., owner/pres.
Morningstar Air Express, Ltd.
- Wheeler, Capt. Warren H., founder/pres.
Wheeler Airlines
WRA, Inc.,
- Whetter, T., MD
European Aviation Air Charter, Ltd.
- Whitaker, Bevan, founder/MD
Noosa Airlines (Pty.), Ltd.
Sunstate Airlines (Pty.), Ltd.
- Whitaker, Capt. Roger, pilot
National Airlines (1)
Pan American World Airways (1)
- Whitbeck, J.E., representative at Key West
Pan American Airways (PAA)
- White, B. R., hijacker
Piedmont Airlines (1)
- White, Christopher D., vp-safety
Midwest Express Airlines
- White, D., chairman
Citi Air (Pty.), Ltd.
- White, Capt. J. Charles, pilot
Eastern Air Lines

- White, Capt. John H., pilot
British Overseas Airways Corporation (BOAC)
- White, Capt. L. J., pilot
British Overseas Airways Corporation (BOAC)
- White, George, hijacker
Trans-World Airlines (TWA)
- White, Juan, jt.-founder
Avispa: Aerovias Pilotas Asociados, S.A.
- White Star Continental Tours, Ltd.
Horton Airways, Ltd.
- Whitehall Securities, Ltd.
British Airways, Ltd. (1)
British Continental Airways, Ltd.
Channel Island Airways, Ltd.
Guernsey Airways, Ltd.
Highland Airways, Ltd. (1)
Hillman Airways, Ltd.
Jersey Airways, Ltd.
Northern and Scottish Airways, Ltd.
Spartan Air Lines, Ltd.
United Airways, Ltd. (1)
- Whitfield, E. P., Berlin Airlift civil airline manager
British European Airways Corporation (BEA)
- Whitlock, Arthur, pilot
BKS Air Transport, Ltd.
- Whitman, Thomas J., founder/pres.
Brower Airways
- Whitney, Cornelius Vanderbilt "C.V."/"Sonny," dir./chairman
Colonial Air Transport
Pan American Airways (PAA)
- Whitney, John H., supporter/investor
New York Airways (2)
Pan American Airways (PAA)
- Whitney, Joseph C., founder/pres.
Air New England
Executive Airlines (1)
National Executive Flight Service
Nor East Commuter Airlines
- Whittaker, Bevan, joint-owner
Sunstate Airlines (Mildura) (Pty.), Ltd.
- Whittemore, Harris, Jr., dir.
Colonial Air Lines (1)
- Whittemore, Laurence, founder/chairman
Boston-Maine Airways
National Airways
- Whitten, Ralph U., pres.
Royale Airlines
- Whittle, Sir Frank, engine designer/adviser
British Overseas Airways Corporation (BOAC)
- Wibault-Penhoet 28 launch customer
Compagnie Internationale de Navigation Aerienne, S.A. (CIDNA)
- Wibault-Penhoet 283 launch customer
Air France
- Wick, Paul, chairman
Ohio Air Transport
- Wickberg, Arne, pres.
Linjiflyg, A.B.
- Wideroe, Capt. Turi, pilot
SAS: Scandinavian Airline System
Wideroe's Flyveselskap, A.S.
- Wideroe, Viggo, founder/chairman
Wideroe's Flyveselskap, A.S.
- Widers, V., hijacker
Air Canada, Ltd.
- Wieczorek, Raymond, Manchester (N.H.) mayor
Southwest Airlines (2)
- Wiederkehr, A. J., chairman
Crossair, Ltd.
- Wien, Noel, Sigurd, Fridjof, Ralph, and Harold, jt. founders
Wien Air Alaska
- Wieprich, Otto, pilot
Dobrolet
- Wigger, James, founder/pres.
Capital Aviation of Santa Fe
- Wiggins, E. W., founder
Wiggins Airways (1)
- Wigley, Henry, MD
Mount Cook Airlines, Ltd.
- Wigley, Rudolph, founder/chairman
Mount Cook Air Services, Ltd.
New Zealand Aero Transport Company, Ltd.
Queensland-Mount Cook Airways, Ltd.
- Wigley, Sir Henry, MD
Mount Cook Airlines, Ltd.
- Wijesuriya, Palitha, MD/CEO
Lionair (Pty.), Ltd.
- Wijewardena, Upali, chairman
Upali Aviation, Ltd.
- Wiklund, Stefan, chairman/MD
Malmo Aviation Schedule, A.B.
- Wikramanayake, Capt. S.R., chairman/MD
Air Lanka, Ltd.
- Wilanowski, W., DG
LOT Polish Airlines, S.A.
- Wilbourne, Preston, chairman/pres.
Air Wisconsin Airlines Corporation
- Wilbur, Capt. R., Jr., wounded pilot
Eastern Air Lines
- Wilbur, Joe, founder/pres.
Wilbur's Flight Operations
- Wilcock, Capt. C.A.B., chairman
Derby Airways, Ltd.
- Wilcockson, Capt. A. S., pilot
Handley Page Transport, Ltd.
Imperial Airways, Ltd.
- Wilcox, F. W. "Freddie," GM/chairman
Autair Helicopters (EA), Ltd.
- Wild, John R., chairman
MBA (Pty.), Ltd.
Milne Bay Air (Pty.), Ltd.
- Wild, Martin G., GM
Eagle European Airways, Ltd.
- Wild, Simon D., MD
MBA (Pty.), Ltd.
Milne Bay Air (Pty.), Ltd.
- Wiles, Thomas, founder/pres.
Liberty Airlines
- Wilhelmi, A., GM
Swazi Air, Ltd. (2)
- Wilhelmi, Janusz, Polish deputy culture minister/passenger
Balkan Bulgarian Airlines
- Wilholt, A. W., vp/hostage
KLM: Royal Dutch Airlines, N.V.
- Wilkander, Paul and Margaret, jt. founders
Virgin Air
- Wilkens, Heiner, pres./CEO
Cargolux Airlines International, S.A.
- Wilkert, Alinda H., chairman
Express One International
- Wilkert, James R., pres.
Express One International
- Wilkie, Wendell, Republican presidential candidate/passenger
Pan American Airways (PAA)
- Wilkins, Sir George Hubert, Arctic explorer
Wien Air Alaska
- Willauer, Whitney, founder/owner
Civil Air Transport, Ltd.
- Willetts, Chris, founder/MD

- Waterwings Airways, Ltd.
 William Bird & Son
 Continental Air Services
 Williams, A. J., founder/pres.
 BGA: British Guiana Airways, Ltd.
 Williams, Arland D., *see* Crashes—Jan. 13, 1982;
 Air Florida
 Williams, Capt. B. N., pilot
 Trans World Airlines (TWA)
 Williams, Capt. C. J., pilot
 Delta Air Lines
 Williams, Craig K., chairman
 Florida West Airlines
 Williams, Dean, jt. founder
 Southeast Skyways
 Williams, Donald E., Jr., founder/pres.
 Williams Air
 Williams, G. H., chairman
 Air Bridge Carriers, Ltd.
 Hunting Cargo Airlines, Ltd.
 Williams, George H., opponent
 Pan American World Airways (2)
 Williams, J. H., mechanic
 Handley Page Transport, Ltd.
 Williams, H. P., jt. founder
 Wedell-Williams Air Service Corporation
 Williams, H. S., chairman
 Bush Pilots Airways (Pty.), Ltd.
 Williams, J. E. D., MD
 Euravia, Ltd.
 Williams, J. H., mechanic
 Handley Page Transport, Ltd.
 Williams, Karen, flight attendant
 World Airways
 Williams, Mark, charter co-ordinator
 ACM Aviation
 Williams, Norman, passenger
 Pan American World Airways (1)
 Williams, Capt. R. A., opns. dir.
 Elbee Airlines, Ltd.
 Williams, Capt. Raymond, pilot
 Pan American-Grace Airways (PANAGRA)
 Williams, Robert D., pres.
 Trans-Florida Airlines
 Williams, Roger Q., pres.
 Airvia Transportation Company
 Williams, Stanley G., jt. founder/pres.
 Southern Air Transport
 Williams, W. A., pilot
 Alaska-Washington Airways
 Williams, Warren D., pilot
 National Air Transport
 United Air Lines (1)
 Williamson, Colin, Capt., GM
 Air Seychelles, Ltd.
 Williamson, James, pres.
 Aloha Island Air
 Willie, Capt. Joaquin, founder/MD
 Helenair Castries Corporation, Ltd.
 Willing, Capt. Martin, pilot
 Cathay Pacific Airways (Pty.), Ltd.
 Willis, Bruce, actor
 Hawaiian Airlines (HAL)
 Willis, Charles F., Jr., chairman/pres.
 Alaska Airlines
 Willis, Ralph, Australian finance minister
 Qantas Airways (Pty.), Ltd.
 Willman, Robert D., founder/pres.
 Trans Florida Airlines
 Willmott, Peter S., SVP-finance/pres.
 Federal Express
 Willoch, Kare, Norwegian prime minister
 Braathens SAFE
 Wills, David, chairman
 British International Helicopters, Ltd.
 Wills, Terry, jt. founder
 Coast Air (1)
 Wilmot, Chester, author/passenger
 British Overseas Airways Corporation (BOAC)
 Wilmot, Capt. David, chief pilot
 Emerald Airways, Ltd. (2)
 Wilson, Brian, British trade minister
 British Airways, Ltd. (2)
 Wilson, Donald E., dir. opns.
 Pacific Flights
 Wilson, Douglas, co-pilot
 Sabena Belgian World Airlines, S.A.
 Wilson, Ewan, founder/CEO
 Airlines of New Zealand, Ltd.
 Kiwi Travel International Airlines, Ltd.
 K2000, Ltd.
 Wilson, F. W., chairman
 Starways, Ltd.
 Wilson, Mrs. Florence Kerr, founder/chairman
 Wilson Airways, Ltd.
 Wilson, Gary L., co-chairman
 Northwest Airlines
 Wilson, Gene H., MD
 Titan Airways, Ltd.
 Wilson, Sir Horace, PM assistant
 Imperial Airways, Ltd.
 Wilson, Michael F., pres.
 F.I.T. Aviation
 Wilson, Gen. T. B., chairman/consultant
 Transcontinental and Western Air Transport (TWA)
 Ethiopian Airlines, S.C.
 Wilson, Gene H., MD
 Titan Airways, Ltd.
 Wilson, Lynn C., jt.-founder
 Redcoat Air Cargo, Ltd.
 Wilson, Marigine, jt. owner
 Island Air (2)
 Wilson, Capt. Ned., pilot
 Pan American World Airways (1)
 Wilson, Ray, MD
 Aer Lingus Commuter: Aerlinte Eireann Tioranta, Ltd.
 Cayman Airways, Ltd.
 Wilson, Robert, EVP/GM
 Gull Air
 Wilson, Robin H. W. H., pres./co-vice chairman/CEO
 Burlington Air Express
 Trans World Airlines (TWA)
 Western Airlines (1)
 Wilson, "Snark," chief pilot
 TACA: Transportes Aereos Centro Americanos, S.A.
 British West Indies Airways, Ltd. (1) (BWIA)
 Wilson, Steve, COO
 AccessAir
 Wilson, Tom, founder/pres.
 Skyline Air Service
 Wilson, Vivian, pres.
 Waglisla Air, Ltd.
 Wiltshire, David, GM
 Australian Airlines (Pty.), Ltd.
 Wiltshire, William, pilot
 Guinea Airways (Pty.), Ltd.
 Wimberly, James C., COO
 Southwest Airlines (2)

- Wimbush, P. J. S., GM
Central African Airways Corporation (CAA)
- Win Myint, Capt. Thura U., MD
Myanmar Airways, Ltd.
Myanmar International Airways, Ltd.
- Winch, Capt. D.A., pilot
Trans-Australian Airlines (Pty.), Ltd.
- Winders, Mark, pres./CEO/COO
Cayman Airways, Ltd.
CanJet Airlines, Ltd.
- Windsor, Jean Phillippe, hijacker
American Airlines
- Wingett, Jerry, GM
Air Transport
- Wings Factor
RAS Fluggesellschaft, mbH.
- Wings Holdings
Northwest Airlines
- Winiger, Rolf, VP
Swissair, A.G.
- Winkler, Michael, dir. business development
TIE Aviation: Trans-International Express
- Winnipeg Blue Bomber CFL All-Stars
Canadian Pacific Air Lines, Ltd. (CPAL)
- Winnipeg Flood, 1995
Canadian Regional Airlines, Ltd.
- Winship, L. A., co-founder
CMTA: Compania Mexicana de Transportacion Aerea, S.A. de C.V.
- Winster, Lord, British civil aviation minister
British Overseas Airways Corporation (BOAC)
- Winston, Jerry, founder/pres.
Commuter Airlines (1)
Freedom Airlines (2)
- Winter War, 1939-1940
Aero O/Y
Aeroflot Soviet Airlines
- Winwood, Richard, founder/chairman
Winair
- Wischnewsky, Nikolai, hijacker
Eastern Air Lines
- Wisconsin
Air Cargo Carriers
Air Wisconsin
Alliance Airlines
Apex Airlines
Basler Airlines
Blackhawk Airways
Blue Line Air Express
Burlington Airways
Central States Airline
Check Air
Freight Runners Express
Gail Force Express
Gateway Aviation
Green Bay Airlines
Green Bay Airways
Heartland Aviation
Kenosha Aero
Lake Geneva Airways
Lakeland Commuter Airlines
Magnus Aviation
Maxair
Midstate Airlines
Midwest Airways (3)
Midwest Aviation (1)
Midwest Express Airlines
Mississippi Valley Airlines
Moraine Airways
Scott Air Charter
- Shawano Flying Service
Skyway Airlines (2)
Tran North Aviation
Trans North Aviation
Wisair
- Wiser, Forwood C. "Bud," Jr., pres.
Northeast Airlines (1)
- Wissman, Matthias, German transport minister
Deutsche Lufthansa, A.G.
- Wisuhutomo, Capt. Budhi, GM
PT Deraya Air Taxi
- Wiswell, Charlie, founder/pres.
Swifte Aire Lines
- Witholt, A.W., vp
KLM: Royal Dutch Airlines, N.V.
- Witte, Mary Sholton, pres.
Northern Air Cargo
- Witwatersrand Native Labour Association
Wenela Air Service (Pty.), Ltd.
- Wixon, Richard, pres.
Blackhawk Airways
Gail Force Express
- Wizark, Laura, flight attendant
Delta Air Lines
- Wohri, Hans Rudolf, founder/MD/chairman
NFD: Luftverkehrs, A.G.
Saarland Airlines, GmbH.
- Wolde-Yohannes, Yoseph, sales mgr.
Ethiopian Airlines, S.C.
- Wolf, Daniel, founder/pres.
Cape Air
- Wolf, Henry G., founder/pres.
Dorado Wings
- Wolf, Howard, chairman
Air Logistics
- Wolf, Capt. John, pilot
United Air Lines (1)
- Wolf, Stephen M., chairman/CEO/or pres.
Continental Airlines
The Flying Tiger Line
Republic Airlines
United Airlines
Air France
USAir
USAirways
- Wolf, William, vp
Air L.A.
- Wolfe, Rosemary, opponent
Pan American World Airways (2)
- Wolin, Gilbert, pres./COO
Mayo Aviation
- Wolper Productions
Sierra Pacific Airlines (2)
- Women's Department
Eastern Air Lines
- Wood, Alex, founder/CEO
Awood, Ltd.
- Wood, Arturo Alvarado, GM
Islena Airlines, S.A.
- Wood, C. W. F., GM
Wilson Airways, Ltd.
- Wood, David, MD
British International Helicopters, Ltd.
- Wood, Capt. Everett, pilot/chief pilot
Pan American World Airways (1)
Ariana Afghan Airlines Company, Ltd.
- Wood, Hugh, pilot
Pacific Southwest Airlines (PSA)
- Wood, Sir Kingsley, British secretary of state for air

- Imperial Airways, Ltd.
British Overseas Airways Corporation (BOAC)
British Airways, Ltd. (1)
- Wood, Peter, charter director
AvBase Aviation, Ltd.
- Wood, J. V., MD
British European Airways Corporation (BEA)
- Wood, Percy A., pres.
United Airlines
- Wood, Tom, jt.-founder
Air North (Yukon Air Services)
- Woodcock, Leonard, U.S. ambassador to China
Pan American World Airways (1)
- Woodley, Arthur G., owner/pres.
Pacific Northern Airlines
- Woodley, Ian G., founder/chairman
Business Air, Ltd.
- Woods, Capt. Barry, pilot
Korean Air Lines/Korean Air (KAL)
- Woods, C. A., pilot
Imperial Airways, Ltd.
- Woods, Capt. Hugh, pilot
China National Airways Corporation (CNAC-1)
- Woods, Capt. James "Jimmy," founder/MD
Woods Airways (Pty.), Ltd.
- Woods, Woodson, jt. founder
Royal Hawaiian Air Service
- Woods-Humphrey, Mjr. George E., GM/air ferry director
The Daimler Airway, Ltd.
Handley Page Transport, Ltd.
Imperial Airways, Ltd.
British Overseas Airways Corporation (BOAC)
Canadian Pacific Air Lines, Ltd. (CPAL)
- Woodside, Garrett "Peck," founder
Compania Aeronautica del Sur, S.A. de C.V.
- Wooley Dod, Capt. C.F., pilot
Imperial Airways, Ltd.
- Woolman, Collett Everman (C.E.), chief
entomologist/manager/founder/pres./chairman
Delta Air Lines
Huff-Daland Dusters
Peruvian Airways Corporation, S.A.
- Woolsey, Joseph, GM
Wings Airways (2)
- Wooten, James A., pres.
Alaska Airlines
Near East Air Transport, Ltd.
- World Bank
Air Botswana Corporation, Ltd.
Biman Bangladesh Airlines, Ltd.
Midway Airlines (2)
Nigeria Airways, Ltd.
- World Congress of Flight
American Airlines
- World Cup (soccer) championship, 1994
Transavia Airlines, N.V.
- World Cup (soccer) championship, 1998
Air France
All Nippon Airways Company, Ltd. (ANA)
Braathens, A.S.
British Airways, Ltd. (2)
Rio-Sul, S.A.
VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
- World Health Organization
Turtle Airways, Ltd.
- World Swimming championship, 1997
Ansett Australia (Pty.), Ltd.
- World Technology Systems
Great American Airways
- Sun Jet International Sales
Trans World Airlines (TWA)
- World Vision, airlift sponsor
The Flying Tiger Line
- World War II, airline participants
ABA Swedish Airlines, A.B.
Aerial Transport Company of Siam, Ltd.
Air France
ANA: Australian National Airlines (Pty.), Ltd.
Ansett Airlines of Australia (Pty.), Ltd.
Associated Airways Joint Committee (U.K.)
Braniff Airways
British Airways, Ltd. (1)
British Overseas Airways Corporation (BOAC)
Chicago and Southern Air Lines
China Airways Corporation
China National Aviation Corporation (CNAC-1)
Compagnie de Chargeurs Reunis, S.A.
Continental Air Lines (2)
Corsairways
DDL Danish Airlines, A.S.
Delta Air Lines
Deutsche Lufthansa, A.G. (DLH)
Eastern Air Lines
Great Western and Southern Air Lines
Guernsey Airways, Ltd.
Hawaiian Airlines (HAL)
Imperial Airways, Ltd.
Japan Air Lines Company, Ltd. (1)
Jersey Airways, Ltd.
KLM: Royal Dutch Airlines, N.V.
Koninklijke Nederlandsch-Indische Luchtvaart Maatschappij, N.V. (KNILM)
LOT Polish Airlines, S.A.
Manchurian Air Transport Company, Ltd.
Mid Continent Air Lines
Northeast Airlines
Northwest Airlines
Pan American Airways (PAA)
Pan American-Grace Airways (PANAGRA)
Philippine Air Lines
Qantas Empire Airways (Pty.), Ltd.
QANTAS: Queensland and Northern Territories Aerial Service (Pty.), Ltd.
Railway Air Services, Ltd.
Scottish Airways, Ltd.
Tasman Empire Airways, Ltd. (TEAL)
Trans Canada Air Lines, Ltd.
Transcontinental and Western Air Lines (TWA)
United Air Lines (2)
Wearne's Air Service, Ltd.
West Coast Air Services, Ltd.
Western Air Lines
Wien Air Alaska
- World Wildlife Fund
AOM French Airlines, S.A.
- Pan American World Airways (1)
- World's Fair
1933 (Chicago)—Deutscher Zeppelin-Reederei, A.G.
1939 (San Francisco)—Pan American Airways (PAA)
1964 (New York)—New York Airways (2)
1992 (Seville)—Iberia Spanish Airlines (2): Lineas Aereas de Espana, S.A.
1998 (Lisbon)—TAP Air Portugal, S.A.
2000 (Hanover)—Deutsche Lufthansa, A.G.; Tatneftaero; Thai Airways International, Ltd. (THAI)
- World's largest all-cargo airline
Federal Express (FedEx)
- WorldCorp
Key Airlines (2)

World Airways
 Worldspan CRS company
 Delta Air Lines
 Northwest Airlines
 Trans World Airlines (TWA)
 Vanguard Airlines
 Worldwide Airline Services
 Leisure International Airways
 Worldwide Church of God
 United Airlines
 Worldwide Trading and Supplier
 Angel Airline Company, Ltd.
 Worms Financial Group
 Heli-Union S.A.
 Worth, Maurice W., EVP-customer services/COO
 Delta Air Lines
 Wren, Charles F., founder/pres.
 Pickwick Airways
 Wren, Stan C. and Patricia Sue, founders
 Wren Air
 Wright, Colin, MD
 Atlantic Cargo, Ltd.
 Wright, Daniel, pres.
 Kiwi International Air Lines
 Wright, Danny S., pres.
 Pacific International Airline
 Sportsflight Airways
 Wright, James Thomas, hijacker
 Chalks International Airlines (1)
 Wright, L. G. "Orville," co-founder
 Air Anglia, Ltd.
 Wright, Laughlin, hijacker
 Eastern Air Lines
 Wright, P. D. A., chairman
 East-West Airlines (Pty.), Ltd.
 Wright, Capt. Philip A., pilot
 Continental Airlines
 Wright, Robert, chairman
 City Flyer Express, Ltd.
 Euroworld, Ltd.
 Wright, Capt. Russell, pilot
 Pennsylvania Central Airlines
 Wright, Warren, founder/owner
 North Wright Air, Ltd.
 North Wright Airways, Ltd.
 Wright, Wilbur, passenger
 Chalk's International Airlines (1)
 Wright Amendment
 American Airlines
 Continental Airlines
 Legend Airlines
 Southwest Airlines (2)
 Wrigley, Philip K., owner
 Wilmington-Catalina Airlines
 Wronsley, R. P., chairman
 Transkei Airways Corporation (Pty.), Ltd.
 WTC International
 Burlington Air Express
 Wu Cabao, pres.
 China Flying Dragon Aviation Company
 Wu Fengxia, pres.
 Jihua Airlines
 Wu Rongnan, pres.
 Xiamen Airlines
 Wu Yueh, chairman
 China Airlines, Ltd. (CAL)
 Wu Zhong-hua, Chinese deputy consul-general, Los Angeles
 China Southern Airlines Company, Ltd.
 Wulfers, Claus, MD

 Hapag-Lloyd Fluggesellschaft, mbH.
 Wullenkemper, Theodor, MD
 WDL Flugdienst, GmbH.
 Wuthrich, Dan, pres.
 North Cariboo Flying Services, Ltd.
 Wyatt, Miles D. M., chairman
 Airwork, Ltd.
 Commercial Air Services (Pty.), Ltd.
 British United Airways, Ltd.
 Wyatt, Oscar, La Sara Grain Corp. CEO/jt. founder
 Laker Airways, Inc.
 Laker Airways (Bahamas), Ltd.
 LB, Ltd.
 Wygle, Capt. Brian, Boeing test pilot
 Pan American World Airways (1)
 Wyld, Peter, founder/MD
 Tigerfly, Ltd.
 Wyman, Jane, actress
 American Airlines
 Wynn, Capt. "Breezy," pilot
 American Airlines
 Wynn, Buddy Lee, investor
 Essair Lines
 Wyoming
 Big Horn Airways
 Budyer Air
 Centennial Airlines
 Excellair
 U.S. Aviation

X

Xaferi, H., hijacker
 Pan American World Airways (1)
 Xian MA-60 launch customer
 Sichuan Airlines
 Xianlin, Zhang, CNAC-2 vp
 Cathay Pacific Airways (Pty.), Ltd.
 Xiaofeng, Jiang, hijacker
 Xiamen Airlines
 Xie Yong Liang, pres.
 Zhong Yuan Airlines
 Xizhe, Wang, Chinese dissident
 Asiana Airlines
 Xu Bai Ling, pilot/pres.
 CAAC: The General Administration of Civil Aviation of China
 Xu Bai Ling, pres./CEO
 Air China International Corporation
 Xuereb, Capt. L, MD/chief pilot
 Eurojet, Ltd.

Y

Yaacv, Yitzhak Ben, founder
 Aviron: The Palestine Aviation Company, Ltd.
 Yacobi, Gad, Israel transport minister
 El Al Israel Airlines, Ltd.
 Yacobite, David, MD
 Helyjet, S.A.
 Yadav, Sharad, Indian civil aviation minister
 Air India, Ltd.
 Yager, Frank R., pilot
 U.S. Air Mail Service
 Boeing Air Transport
 Yaghi, A., hijacker
 South African Airways (Pty.), Ltd.
 Yahalom, Shaul, Israel transport minister
 El Al Israel Airlines, Ltd.
 Yakovlev Yak-40 launch customer
 Aeroflot Soviet Airlines
 Yakovlev Yak-42 launch customer

- Aeroflot Soviet Airlines
 Yalova, Yuksel, Turkish privatization minister
 THY Turkish Airlines: Turk Hava Yollari, A.O.
 Yamagata, Gene H., chairman
 Eagle Air (2)
 Eagle Canyon Airlines
Yamaguchi-gumi crime syndicate
 Japan Air Lines Company, Ltd. (2)
 Yamani, Sheik Hani, founder/chairman
 Kalahari Express Airline (Pty.), Ltd.
 Yamaji, Susumu, pres./chairman
 Japan Air Lines Company, Ltd. (2)
 Yamamoto, Mrs., passenger
 British Airways, Ltd. (2)
 Yamani, Sheik Hani
 Air Namibia (Pty.), Ltd.
 Kalahari Express Airline (Pty.), Ltd.
 Yamashita-Shinnihon Steamship Company (YS Lines), investor
 Nippon Cargo Airlines Company, Ltd.
 Yamato Transport
 Japan Universal Transport System, Ltd.
 Yan En Yu, chairman
 China Southern Airlines Company, Ltd.
 Yanagito, Seijiro, pres.
 Japan Air Lines Company, Ltd. (2)
 Yancey, Lewis A., vp
 Airvia Transportation Company
 Yanez, Ricardo, jt. founder
 Aero-Mitla, S.A. de C.V.
 Yanez Torres, Jorge Arturo, jt. founder
 Aero-Mitla, S.A. de C.V.
 Yang, Y. L., owner
 Formosa Airlines Corporation, Ltd.
 Yang Ho Cho, pres.
 Korean Air Lines/Korean Air (KAL)
 Yangtze River flood of 1998
 Northwest Airlines
Yang-Yang, panda
 United Parcel Service (UPS)
 Yantz, Stephen W., pilot
 Basler Airlines
 Yapi Kredi Bank
 Pegasus Airlines: Pegasus Hava Tasimaciligi, A.S.
 Yaramanci, Tezcan M., pres.
 THY Turkish Airlines, A.O.
 Yasay, Perfecto, Jr., Philippine SEC chairman
 Philippine Airlines
 Yassin, Mohamed, MD
 Daallo Airlines, S.A.
 Yates, Ronald J., MD/CEO
 Qantas Airways (Pty.), Ltd.
 Yau, Algernon, GM-planning and international affairs
 Dragonair (Pty.), Ltd.
 Yeager, Norman, founder/pres.
 Galena Air Service
 Yeager, Terry, founder/pres.
 Coastal Aviation (2)
 Yearwood, Robin, Antigua aviation minister
 LIAT (1974), Ltd.
 Yefanov, V. V., DG
 Flight Detachment 224
 Yefest, V. R., DG
 Kolyma Avia Enterprise
 Yegorov, Yuri P., DG
 Veteran Airlines
 Yelferov, L. P., DG
 Vologda Aviation Enterprise
 Yelisyayev, Capt. Georg, pilot who employs lemonade to replace missing hydraulic fluid
 Aeroflot Russian International Airlines (ARIA)
 Yeltsin, Boris, president of Russia
 Aeroflot Russian International Airlines (ARIA)
 Rossiya Air Company
 Transaero Airlines
 Yeltsov, Gennady, deputy MD
 Volga-Dnepr Airlines
 "Yellowbirds"
 Northeast Airlines
 Yemen to Israel Jewish refugee flights, 1949
 The Flying Tiger Line
 Yeoman International
 CityJet, Ltd.
 Yerdelen, Erman, chairman
 THY Turkish Airlines, A.O.
 Yerex, Lowell, pilot/founder/pres./chairman
 British West Indies Airways, Ltd. (1) (BWIA)
 CAT: Corporacion de Aeronautica de Transportes, S.A.
 Empresa de Transportes Aerovias Brasil, S.A.
 TACA: Transportes Aereos Centro Americanos, S.A.
 Yermishin, V. A., DG
 Saratov Aviation Factory
 Yetekbay, Yerbol, pres.
 Air Kazakhstan
 Yew, Nelson Tom, vp/GM
 Air Caribbean, Ltd.
 British West Indies Airways, Ltd. (2) (BWIA)
 Yilmaz, Mesut, Turkish prime minister
 THY Turkish Airlines, A.O.
 Yin Heng-Yuan, Lt. Gen., co-GM/VPO
 China Asia Airlines, Ltd.
 U-Land Airlines, Ltd.
 Yin Wenlong, pres.
 Air China International Corporation
 Yoda, Alain, chairman
 Naganaganai Cargo
 Yoder, Kenneth, pilot
 Hunter Airways
 Yom Kippur War, 1973
 Aeroflot Soviet Airlines
 EgyptAir, S.A.E.
 El Al Israel Airlines, Ltd.
 Yoshikawa, Kenzo, rejected pres.
 All Nippon Airways Company, Ltd. (ANA)
 Yong Pung How, chairman
 Malaysian Airways, Ltd.
 Yong Tae Park, EVP
 Asiana Airlines
 Yong Wook Shinn, Capt./pilot/founder
 Korean National Airlines
 Yong-chul, Capt. Park, pilot
 Korean Air Lines/Korean Air (KAL)
 Yongchaiyudh, Chavalit, Thai prime minister
 Thai Airways International, Ltd. (THAI)
 Yoti, Capt. Ernest, pilot
 Uganda Airlines, Ltd.
 Young, Clarence M., U.S. asst. commerce secretary/passenger/vp
 Pan American Airways (PAA)
 Pan American World Airways (1)
 Transcontinental and Western Air (T&WA)
 Young, David, CEO
 Air Macau Company, Ltd.
 Vanair, Ltd.
 Young, Donald C., chairman/pres. then vp-operations
 Atlantic City Airways
 Southern Jersey Airways
 Atlantic Coast Airlines
 Young, Lady, wife of Trinidad & Tobago colonial governor
 British West Indies Airways, Ltd. (1) (BWIA)

Young, Capt. Perry, pilot
 New York Airways (2)
 Young, Raymond A., 3rd, pres.
 Skyways
 Young & Rubicam Advertising
 Air Canada, Ltd.
 Deutsche Lufthansa, A.G.
 SAS: Scandinavian Airlines System
 Thai Airways International, Ltd. (THAI)
 United Airlines
 VARIG Brazilian Airlines: Viacao Aerea Rio-Grandeuse, S.A.
 Younge, Hank, founder/pres.
 Tropic Air
 Yousef, Ramzi Ahmed, terrorist
 Philippine Air Lines
 Yousufuddin, Capt. Khaja, pilot/MD
 Alia Royal Jordanian Airlines
 Sierre Leone Airlines, Ltd.
 Youth Argosy
 The Flying Tiger Line
 Seaboard & Western Airlines
 Transocean Air Lines (TAL)
 Youth for the Liberation of Palestine organization
 Trans World Airlines (TWA)
 Yrauequin, Ciro, pres.
 ALM: Antillean Airlines, N.V.
 Yrausquin, C. O., pres.
 Air Aruba, N.V.
 Yu Yanen, Capt., pres.
 China Southern Airlines Company, Ltd.
 Yu, Chang, murdered flight attendant
 Singapore Airlines
 Yu, Dr. P. P., suicide
 Trans World Airlines (TWA)
 Yuan Feng Po, chairman
 China Hainan Airlines Company, Ltd.
 Yuan Hsing-yuan, pres.
 China Airlines, Ltd. (CAL)
 Yuasa, Yasushi, MD-flt. opns.
 Japan Air Lines Company, Ltd. (2)
 Yue Kong Pao, Sir, chairman
 Dragonair (Pty.), Ltd.
 Yugoslav civil war, 1991-1992
 JAT Yugoslav Airlines
 Yugotours
 Aviogenex, Ltd.
 Yukan Trade International
 Macedonian Airlines
 Yukon Territories
 Action Aviation, Ltd.
 Air North (Yukon Air Services)
 Air North, Ltd.
 Coyote Air, Inc.
 Trans-North Air, Ltd.
 Yukon Airways and Exploration, Ltd.
 Yukon Southern Air Transport, Ltd.
 Yun-ling, Lee, VP/chairman
 Far Eastern Air Transport Corporation
 China Airlines, Ltd. (CAL)
 Yung, William, founder/chairman
 Sunworld International Airlines
 Yung-fa, Chang, chairman
 EVA Air, Ltd.
 Yurdakul, Barbaros, GM
 THT Turkish Air Transport: Turk Hava Tasimaciligi, A. O.
 Yushenko, Vasili S., CEO
 Bryansk Air Enterprise
 Yushko, G.A., DG
 Alkor Production Company

Yusishen, Lawrence, founder/pres.
 Northwinds Northern, Ltd.
 Yusof, Mohamad Nor Mohamad, MD
 Malaysian Airlines, Ltd. (MAS)
 Yusuf, Kenadit Ahmed, chairman
 Somali Airlines, Ltd.
 Yusuf, Tunde, chairman
 Bellview Airlines, Ltd.
 Yusufi, Yusuf, hijack suspect
 Gulf Air Company, G.S.C.
Z
 Zacca, Christopher, pres./CEO
 Air Jamaica, Ltd. (2)
 Zadorin, Boris I., GM
 Arkhangelsk Air Concern
 Zagirnyak, Aleksandr, hijacker
 Aeroflot Soviet Airlines
 Zagreva, Leonti, CEO
 Lvov Airline
 Zahid, Anwar, chairman
 Pakistan International Airlines Corporation
 Zaiddan, Faye, chairman
 Palestinian Airlines
 Zaidi, Capt. Saleem, MD
 Mahfooz Aviation, Ltd.
 Zainuddin, Daim, Malaysian finance minister
 Malaysian Airlines, Ltd. (MAS)
 Zainuddin, Capt. Ridwan, ops dir.
 Ashai Airways: PT Mantrust Ashai Airways
 Zaire civil war *see* Congo Crisis, 1995-1999
 Zaitsev, Gennady, chairman/Russian federal avn. service DG
 Aeroflot Russian International Airlines (ARIA)
 Transaero Airlines
 Zakharov, Anatoly, DG
 Saransk State Aviation Enterprise
 Zakharyan, Ervand, Armenian transport minister
 Armenian Airlines
 Zakharov, Y. E., DG
 RT Aviation
 Zakhorzhaev, Magomed, DG
 Tartarstan Airlines: Tartarstan Hava Yollari TL
 Zambia, Zambian Industrial and Mining Corporation
 Zambia Airways Corporation
 Zambia Consolidated Copper Mines, Ltd.
 Roan Air, Ltd.
 Zamora, Graciela Quesada, hijacker
 Delta Air Lines
 Zander, Glenn R., co-vice chairman/CEO/pres.
 Trans World Airlines (TWA)
 Aloha Airlines
 Zanetti, Alfredo, and family, owners/pres.
 Aeronaves del Peru, S.A.
 Faucett Peruvian Airlines: Compania de Aviacion Faucett, S.A.
 Zantop, Duane A., founder/pres./chairman
 Zantop International Airlines
 Zantop, Reese C., founder/pres.
 Reliant Airlines
 Zapanta, Avelino I., vp-sales/pres./COO
 Philippine Air Lines
 Zarate, Enrique, founder/pres.
 Servicios Aereos Zarate, S.A.
 Zarkani, Sherif, chairman/pres.
 ZAS Airline of Egypt, Ltd.
 Zate, John E., GM/vp
 Naples Airlines
 Provincetown-Boston Airline (PBA)
 Zawada, Andrzej, Polish explorer
 LOT Polish Airlines, S.A.

- Zawawi, Omar, owner
CargOman, Ltd.
- Zea, Capt. Luis Hernandez, MD
International Colombia: Internacional de Aviacion, S.A.
- Zeev Horn and Moshe Leibovitz Holdings
Israir, Ltd.
- Zedillo, Ernesto, Mexican president
TAESA: Transportes Aereos Ejecutives, S.A. de C.V.
- Zein, Sidi Ould, DG
Air Mauritanie (2): Societe d'Economie Mixte Air Mauritanie, S.A.
- Zeka, Ilir, DG
Ada Air: Adalbanair
- Zelbin, S. B., DG
Viktorviei Aviakompaniya via Viktorie
- Zenaidi, Abdel Aziz, pres.
Tunis Air, S.A.
- Zenkevich, Nikolay N., DG
Khortitsa Air
- Zens, Chip, founder/pres.
Freight Runners Express
- Zevallos, Fernando, owner
Aero Continente, S.A.
- Zhang Chang-jing, pres.
China General Aviation Corporation
- Zhang Hanqin, vice-chairman, Guangdong Provincial Peoples's Congress
standing committee
China Southern Airlines Company, Ltd.
- Zhang Hai, hijacker
Xiamen Airlines Company, Ltd.
- Zhang Rui Ai, pres.
China United Airlines
- Zhang Ruifu, pres.
Xinjiang Airlines Company, Ltd.
- Zhang Ti Yuan, pres.
Shanxi Airlines Company, Ltd.
- Zhang Wenlong, hijacker
Xiamen Airlines Company, Ltd.
- Zhavaronkov, S. F., DG
Aeroflot Soviet Airlines
- Zhenxiao, Jia, pres.
Belya Airlines Company, Ltd.
- Zhizheng Tu, chairman
China Hainan VIP Flight Service
- Zhou Chi, chairman/GM
Shanghai Airlines Company, Ltd.
- Zhou Zheng-quan, pres.
China Southwest Airlines Company, Ltd.
- Zia, Caleb K., pres.
Maui Airlines
- Zicheep, S. P., DG
Pilot Air Company
- Zichy-Thyssen, Count Claudio, pres.
LAPA: Lineas Aereas Privadas Argentinas, S.A.
- Ziebarth, Capt. Rick, pilot/APA local pres.
Airborne Express
- Ziegler, Hannes, founder/pres.
Zimex Aviation, Ltd.
- Ziegler, Gen. Henri, deputy GM/GM/chairman
Air France
- Ziegler, Michael, CEO
Air Martinique, S.A.
- Ziemer, David E., investor
Seaborne Airlines
- Zienko, Nikolay N., MD
Tyumen Airlines
- Zilfrony, Matthew, passenger/plantiff
American Airlines
- Zimbabwe, Parliament
Air Zimbabwe Corporation
- Zimbabwe, political disturbances, 2000
Air Zimbabwe Corporation
- British Airways, Ltd. (2)
Cargolux Airlines International, S.A.
- Zimmer, Eduard, crewman
Deutsche Luft Hansa, A.G.
- Zimmerly, Burton "Burt," founder/pres.
Empire Air Lines
- Zimmerman, Balz, GM/co-MD
Basler Luftverkehrs, A.G. (Balair)
Swissair, A.G.
- Zimmermann, B. Christian, passenger
Trans World Airlines (TWA)
- Zimmerman, Capt. Harry pilot
Transcontinental and Western Air (T&WA)
- Zindel, Ernst, Junkers designer
Deutsche Luft Hansa, A.G.
- Zinny, Guillermo, chairman/pres.
Aerolineas Argentinas, S.A.
- Zinsli, Dr. W. J., pres.
Air Engiadina, Ltd.
- Zinzer, Julio, pilot
TAP: Transportes Aereos del Pacifico, S.A.
- Zionist Occupation Victims Organization
Deutsche Lufthansa, A.G.
- Zmirli, I. A., MD
Med Avia: Mediterranean Aviation Company, Ltd.
- Zoccai, Gino, pres.
Volare Airlines, SpA.
- Zogjani, Gentiana, passenger
Balkan Bulgarian Airlines
- Zolda, Daniela, chief cabin attendant
Augsburg Airways, GmbH.
- Zolevele, Gideon, Jr., GM
Solair, Ltd.
- Zoli, Theodore, founder/pres.
Courtesy Air Service
- Zoller, Bob, vp-opns.
Wings West Airlines
- Zolnikov, Nikolai N., DG
Kogalymavia: Kogalimavia Too (Kolavia)
- Zolotarev, F.D., DG
Dakono Air
- Zoloveke, Gideon, GM
Solair, Ltd.
- Zou Weiqiang, hijacker
China Southern Airlines Company, Ltd.
- Zrelec, Mijenko, DG
JAT Yugoslav Airlines
- Zuccaro, Matthew, GM
Resorts International Airlines
- Zuchowski, Capt. Damian, pilot
LOT Polish Airlines, S.A.
- Zumadzhyan, V.E., DG
Black Sea Airlines: Chernomorskie Avialinii
- Zumla, Yoosuf, MD
Eastern Air, Ltd.
Zambia Skyways, Ltd.
- Zunda, Yoosuf, MD
Eastern Air, Ltd.
Zambia Skyways, Ltd.
- Zurabov, Alexander, deputy DG (finance)
Aeroflot Russian International Airlines (ARIA)
- Zurel, Jo Mark, CFO
CHC: Canadian Helicopter Corporation, Ltd.
- ZuZarte-Viegas, Jose Ricardo, chairman/DG
LAM Mozambique Airlines, S.A.

About the Author

A professional librarian and historian since 1966, Myron J. “Jack” Smith, Jr., has been Professor of Library Science and History and Library Director at Tusculum College in Greeneville, Tennessee, since 1990. Prior to Tusculum, he held a fifteen-year tenure as Library Director, Professor of Library Science and History, and Associate Director, sometimes Director, of Aviation at Salem College (now Salem-International University) in West Virginia.

Prof. Smith is also a producer of histories and information resources on subjects ranging in topic from airlines to Watergate and from baseball to World War II. The author of seventy volumes of bibliography and history, he has been the recipient of a variety of honors and awards for his work. In 1993, he received the Nelson Ross Award from the Professional Football Writers Association and twenty-one years later, Smith remains the only American to have received the Richard Franck Preis for historical bibliography from the German government.

The author and his wife Dennie reside north of Greeneville on a small farm with a dog and six cats.



Delivered on March 18, 1971, the St. Colmcille was the second Boeing 747-148 of Aer Lingus Irish Airlines, Ltd. Aer Lingus photo 12349. *Courtesy Aer Lingus Irish Airlines, Ltd.*



The Ilyushin Il-86 is a mainstay of the Aeroflot Russian International Airlines (ARIA) fleet. *Courtesy ARIA.*



Air Canada placed its first Airbus Industrie A319-114 into service on January 1, 1997, over its routes from Toronto to New York (LGA) and Boston. A319ACA. *Courtesy Airbus Industrie, via British Aerospace.*



Air Canada operated a fleet of Vickers Vanguard 952s between 1961 and 1972. *Courtesy Air Canada.*



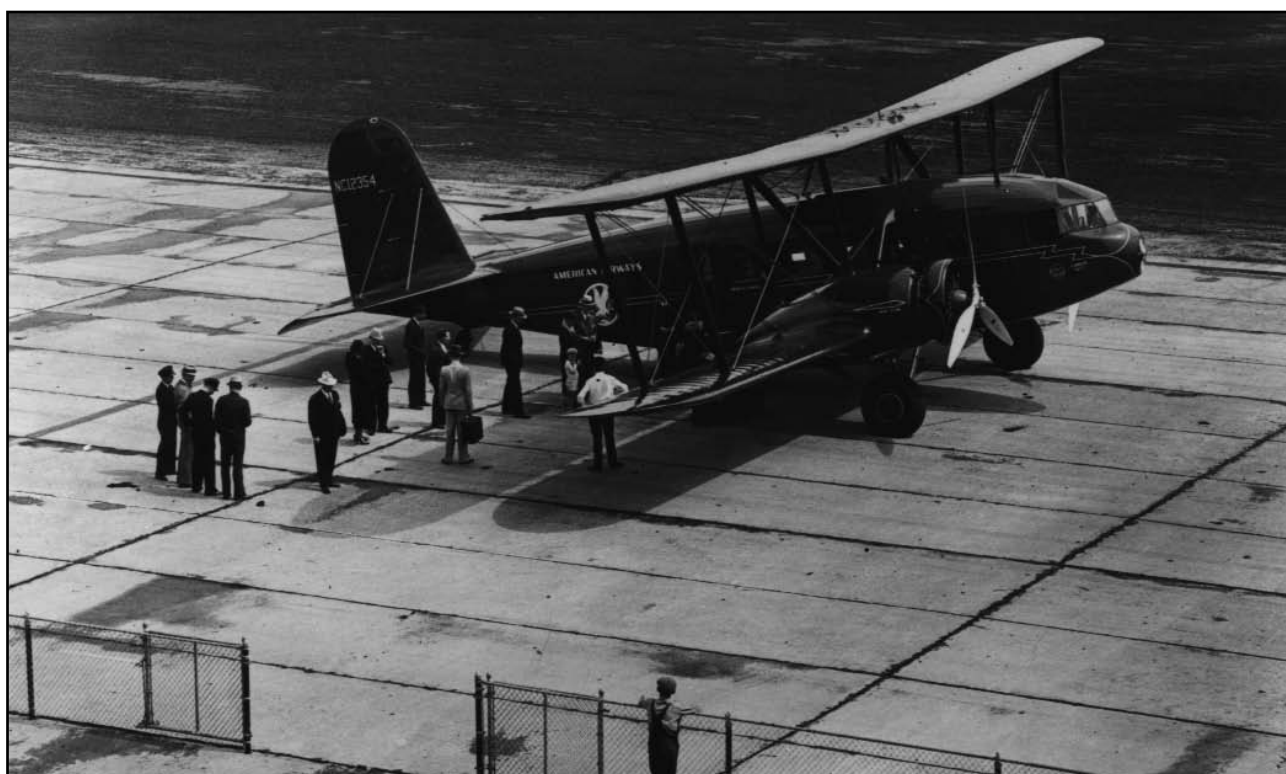
This 185-seat Airbus Industrie A321-111 has served both Air France and its former subsidiary, Air Inter. A32 IAFR. *Courtesy Airbus Industrie, via British Aerospace.*



Christened *Aotearoa*, Air New Zealand's first B-767-28QER was employed on the trans-Tasman Sea route from Christchurch to Hobart, beginning in October 1985. *Courtesy Air New Zealand, Ltd.*



The famous Harry Gann photo of an American Airlines DC-3. McDonnell Douglas HG84056C.
Courtesy McDonnell Douglas Corporation.



One of American's first sleeper T-32s, NC 12354, was destroyed in a fatal crash near Liberty, New York, in 1934.



C. R. Smith (at far right of group of men to left of plane) and other dignitaries, as well as the flight crew, prepare to send off the *Flagship Illinois*, the first dayplane DC-3. Introduced as the Douglas Sleeper Transport (DST), the fast, roomy airliner became known as "the plane that changed the world." *Courtesy American Airlines.*



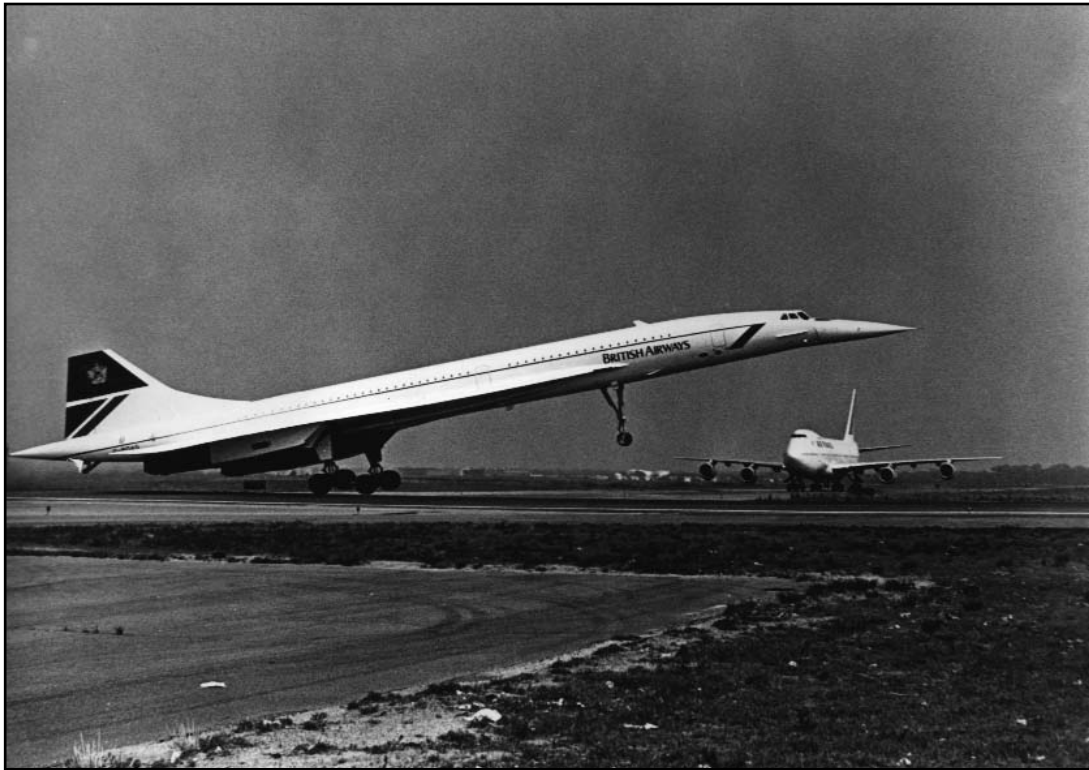
Two American Overseas Airlines Boeing 377s at West Germany's Rhein-Main Airport ca. 1949. The Stratocruiser, employing the wings, engines, landing gear, and tail unit of the B-29 bomber, was the ultimate in airliner luxury in its day, but is now remembered primarily for its lower deck cocktail bar. *Courtesy American Overseas Airlines.*



Commuter birds of Atlantic Southeast Airlines nestled on the company's Atlanta ramp in July 1986. *Courtesy Walter C. White.*



Some twenty-one months after the bankruptcy of Braniff International Airways, a revitalized Braniff, Inc., was launched on March 1, 1984, operating a fleet of Boeing 727-227As, one of which is shown here. The second Braniff was liquidated on April 28, 1990. *Courtesy Braniff, Inc.*



A British Airways Concorde takes off as an Air France Boeing 747 Jumbojet taxis. The French major is the only other operator of this SST. *Courtesy British Aerospace.*



A British Overseas Airways Corporation (BOAC) Bristol Britannia. *Courtesy British Aerospace.*



China Southern took delivery of its first Airbus A320-200 at Baiyun International Airport in Guangzhou, on June 24, 1997. The premier aircraft was placed on routes from Guangzhou to Chengdu, the capital of southwest China's Sichuan Province, and to Xi'an, the capital of northwest China's Shaanxi Province. A320CSN. *Courtesy Airbus Industrie, via British Aerospace.*



One of the first carriers to order the type, Continental Airlines began Douglas DC-9-10 service in 1966. *Courtesy Continental Airlines.*



Columbia Helicopters operates all of the world's Boeing 234 Civil Chinooks. *Courtesy Columbia Helicopters.*



Fokker and Stinson Trimotors in Ohio. A Fokker F-10A of Trans-America Airlines Corp. at Columbus Airport, ca. early 1931, with a Stinson SM-6000B of Pennsylvania Air Lines in the background. The crash of a wooden-winged TWA F-10 in 1931, resulting in the death of coach Knute Rockne, resulted in the first airliner grounding ordered by the U.S. government and the demise of Fokker manufacturing in America until the 1960s. Only 55 of the little-remembered Stinson SM-6000s were built, with the first entering service with the Ludington Line on September 1, 1930. *Courtesy of American Airlines.*



Delta Air Lines placed its first Douglas DC-7 into service between Miami and Chicago on April 1, 1954. 570706/8557. *Courtesy Delta Air Lines.*



Acquired in the U.S. for the re-enactment of historical flights in Germany, this Junkers Ju-52/3m, wearing the livery of the original Deutsche Lufthansa, is seen passing over a modern Boeing 737-230 in 1986. CH310-6-21. *Courtesy Deutsche Lufthansa, A.G.*



The joint airline Deruluft, founded in 1921, was the most visible sign of Inter-War Russo-German co-operation. On April 30, 1922, the Fokker FIII RR-1 was the first company aircraft to land at Moscow's Chodynka airport. The RR-3 arrived the next day. DLH 6011-1-13. *Courtesy Deutsche Lufthansa, A.G.*



As launch customer, Eastern Air Lines started Lockheed L-1011 TriStar 1 service on April 26, 1972. *Courtesy Eastern Airlines, via James P. Woolsey.*



During the third week of November 1997, EgyptAir became one of four launch customers for the new A340-622R, placing an order for two. *Courtesy Airbus Industrie, via British Aerospace.*



Florida Airways launched passenger service with these three Stout 2-ATs (the closest named *Miss Miami*, the one in the center *Miss St. Petersburg*, and the farthest unknown) on June 1, 1926; the pioneer airline was, however, soon thereafter forced to discontinue service when two of the three aircraft were lost. SI A46893]. *Courtesy Smithsonian Institution.*



A Federal Express Boeing 727F is readied for a shipment. *Courtesy Federal Express.*



On June 1, 1964, Frontier Airlines became the first U.S. operator to place a Convair 580 into service. *Courtesy General Dynamics Corporation, Convair Division.*



Easily recognizable by its high wing and “T” tail, the de Havilland Canada DHC-7 (Dash 7) was first introduced in 1975. Pictured here is a model in operation with Hawaiian Airlines. Photo 50015. *Courtesy Ron Nunney, De Havilland Aircraft photographic dept.*



Horizon Air's premier Dornier 328-110 was handed over on November 12, 1993, in ceremonies at the builder's Oberpfaffenhofen facility. *Courtesy Fairchild-Dornier.*



Iberia placed its first Airbus Industrie A340-313s into service on the Madrid-New York route during the fall of 1996. A340IBEE23/30/38/46. *Courtesy Airbus Industrie, via British Aerospace.*



Japan Air Lines Company, Ltd. (JAL) employed three Beech 18 trainers during the 1960s. *Courtesy Beechcraft division, Raytheon Corporation.*



Founded at Long Beach in 1980, Jet America began service with a pair of McDonnell Douglas MD-82s on November 16, 1981 over a single route to Chicago (ORD). Photo 21-13132. *Courtesy Jet America.*



Founded by V. Neal Frey as Vee Neal Airlines at Latrobe, Pennsylvania in 1980, this small regional, in celebration of its dream and its acquisition of British Aerospace BAe Jetstream 31 turboprops, changed its name on December 1, 1983 to Jetstream International Airlines. To keep alive the name of another USAir acquisition, Jetstream was renamed *PSA* (for Pacific Southwest Airlines) Airlines in November 1995. Photo M228. *Courtesy British Aerospace.*



Lloyd Aero Boliviano, S.A. (LAB) is one of the oldest names in South American commercial aviation and was originally outfitted with a fleet of German aircraft. *Courtesy Deutsche Lufthansa, A.G.*



LOT Polish Airlines, S.A. withdrew its last Tupulov Tu-134As during 1995. *Courtesy LOT Polish Airlines, S.A.*



For years, Mexicana Airlines, S.A. de C.V. operated the largest fleet of Boeing 727-200s outside of the U.S. *Courtesy Mexicana Airlines, S.A. de C.V.*



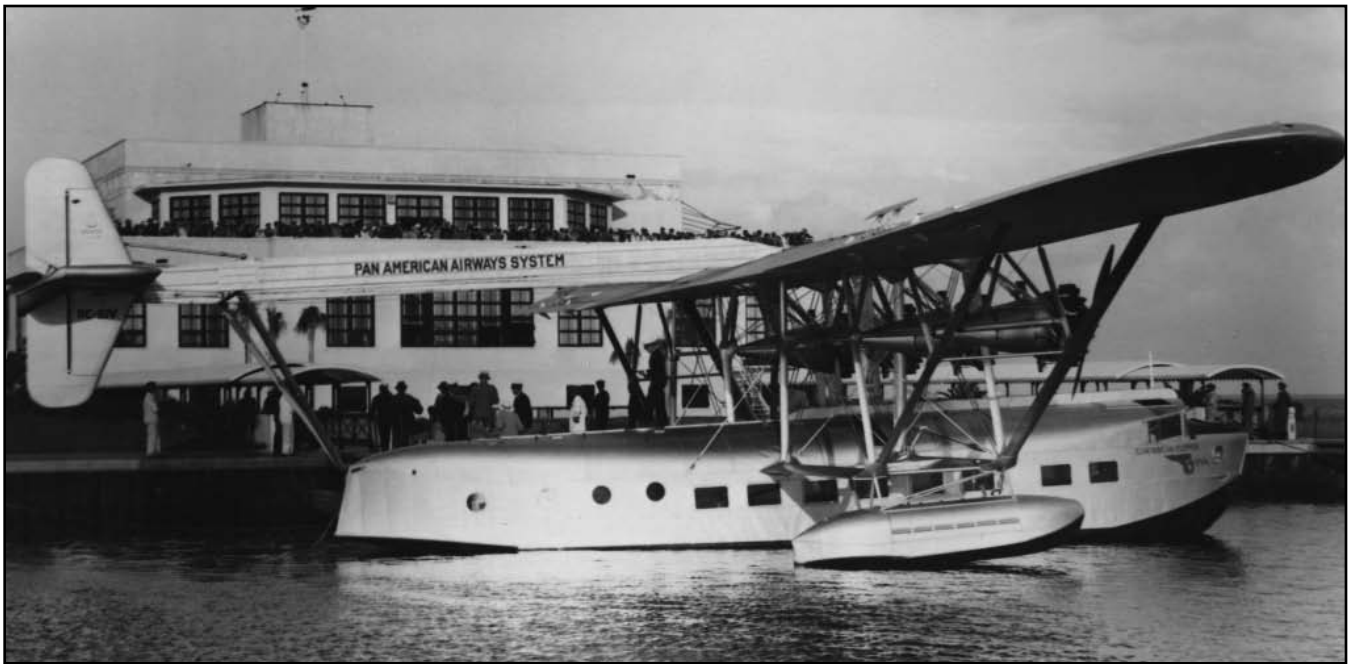
Northwest Airlines introduced Lockheed 14 service in September 1937. The aircraft were marketed as Sky Zephyrs. SI 86-12049. *Courtesy Smithsonian Institution.*



Shown with a company DC-9 is one of Ozark's Fairchild-Hiller FH-227s, a stretched Fokker Friendship. *Courtesy Ozark Air Lines.*



The boarding of the inaugural Pacific Southwest Airlines (PSA) flight from Oakland to Burbank, California, on June 20, 1984. *Courtesy British Aerospace.*



Passengers at Miami depart the Pan Am Sikorsky S-40 Caribbean Clipper. A giant of the day, the Sikorsky could seat 40 passengers. *Courtesy Pan American World Airways.*



This unidentifiable Pan American Airways (PAA) Sikorsky S-40 was photographed in the water shortly after a launching, with the gentlemen on the ramp giving an idea of the aircraft's size. Notice the open windows on the starboard side of the fuselage. AS-43. *Courtesy United Technologies Corporation.*



The Sikorsky S-42 began scheduled Miami-to-Rio service on August 16, 1934. *Courtesy Pan American World Airways.*



The Pan American World Airways (1) Boeing 747-121 *Clipper Young America* inaugurated New York to London service on January 22, 1970, a fact celebrated by the aircraft's pilots and flight attendants in this photograph. *Courtesy Pan American World Airways.*



Philippine Airlines retired its last Nihon YS-11A on November 20, 1984. *Courtesy Philippine Airlines.*



The second aircraft owned by Qantas was this war-surplus Bristol BE-2E. *Courtesy Qantas Airways (Pty.), Ltd.*



This remarkable photograph of diverse American Airlines fleet elements gathered in the snow in the winter of 1934–1935. Aircraft pictured are Stinson Model U (top left); Fort 5-AT (bottom left); Stinson Model U (top center); Stinson Model 1 (middle center); Curtiss CO-32 Condor II (bottom center); Douglas DC-2 (center right). *Courtesy of American Airlines.*



This Reeve Aleutian Airways Grumman G-21 Goose was photographed at Cold Bay in 1972. *Courtesy Reeve Aleutian Airways.*



The fleet of PT Sempati Airlines was increased in August 1993 through the addition of three leased Airbus Industrie A300B4s, formerly operated by Pan American World Airways (1). *Courtesy Airbus Industrie, via British Aerospace.*



The type's launch customer, Swissair, A.G. received the first two A319-112s on April 25, 1996. A319SWRE2/E9. *Courtesy Airbus Industrie, via British Aerospace.*



The first B-707-382Bs were delivered to TAP-Air Portugal, S.A., via the Portuguese government, in early 1965 and employed to inaugurate new frequencies to Johannesburg. *Courtesy TAP-Air Portugal, S.A.*



In co-operation with several railroads and other airlines, Standard Airlines was able to introduce transcontinental air-rail service in August 1929. A00257. *Courtesy American Airlines.*



At the end of 1953, three Bristol 170 Mk. 31 Freighters entered service with Trans Canada on all-cargo flights from Montreal and Toronto to New York.



The first of five Lockheed L-1049C Super Constellations were delivered to Trans Canada from March to April of 1954.



The crew of a TWA Martin 4-0-4 proudly departs after another successful flight. TWA began service with the pressurized Martin in October 1951 and at one time owned some 50 of the type. *Courtesy Trans World Airlines (TWA).*



Servicing a TWA DC-4. The carrier's boss, Howard Hughes, preferred to sponsor the Lockheed L-049 Constellation, but allowed purchase of several of these Douglas transports. *Courtesy Trans World Airlines (TWA).*



Equipped with wing tanks, the first Trans World Airlines (TWA) Lockheed L-1049G was received on March 14, 1955, and entered revenue service on April 1. *Courtesy Trans World Airlines (TWA).*



The first Ford TriMotor completed for Transcontinental Air Transport, 5-AT-4, was delivered to TAT Eastern division chief John Collings at Detroit in November 1928 and christened *City of Columbus*. Flying from its Ohio namesake city, the aircraft will inaugurate the westbound leg of the carrier's transcontinental service on July 8, 1929. *Courtesy Trans World Airlines (TWA).*



The first of three DC-10-30s delivered to UTA French Airlines, S.A. in 1973 arrives on February 18; all are placed on the company's long-haul routes to the Far East, Australia, the U.S. West Coast, and Africa. *Courtesy UTA French Airlines, S.A.*



The United Airlines Douglas DC-6 *Mainliner Omaha*. United began transcontinental DC-6 service in April 1947. *Courtesy United Airlines.*



When Allegheny Airlines was reformed into USAir on October 28, 1979, its fleet included 20 BAC 1-11-200s. *Courtesy British Aerospace.*



Varney Speed Lines System employed Lockheed Model 9 Orions on a 1 hr., 55 min. scheduled service between San Francisco and Los Angeles in 1931–1932 and reportedly offered to refund passengers \$1 for every minute the aircraft was behind schedule. *Courtesy Continental Airlines.*



Launch customer for the Fokker F-10 was Western Air Express, which placed its premier unit into service between Los Angeles and San Francisco on May 26, 1928. Note the early service vehicle to the left of the plane's tail. *Courtesy Western Airlines.*



A Western Airlines Lockheed Model 18 Lodestar. After Pearl Harbor, the pioneer carrier was left with only one Lodestar and three DC-3s to service its entire civilian route network, the remainder of its fleet being committed to war work. *Courtesy Western Airlines.*



Wien Air Alaska founder Noel Wien next to his Hamilton Metalplane in a February 1929 photograph autographed to fellow Alaskan airline pioneer Bob Reeve, founder of Reeve Aleutian Airways. *Courtesy Reeve Aleutian Airways.*